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TODAY'S NEWS

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Residential market surges in unprecedented buying frenzy

By KYLEA HENSELER

In January local experts predicted a record year for residential realty, and three months in they say the action hasn't slowed.

Mike Pappas, president and CEO of The Keyes Co., told Miami Today then that realtors may close 3%-5% more sales this year than last.

"I've been practicing real estate law for 43 years and I've never seen the market like this," said Thomas Ringel, founding partner at Markowitz Ringel Trusty and Hartog. The market right now is a surging sellers' market, he said, and there's no end in sight.

"Anything priced halfway decently is having multiple offers," said Judy Zeder, a sales associate with the Coldwell Banker-affiliated Jills Zeder Group. Home prices across the market, she said, have risen 10%-30%.

According to Miami Realtors, sales closed in Miami-Dade for 968 single-family homes and 1,243 condos and townhomes in January – up 9.1% and 28.1% from last year, respectively. The median sale price for single-family homes was \$469,500, a 25.2% year over year increase, while the median price for townhomes and condos was \$280,000, a 14.3% increase.

"The condo market that was depressed pre-covid has stabilized," said Ms. Zeder, noting that these properties too are starting to see price increases and multiple bids.

Mortgage rates have started creeping up by fractions of a percentage point, Mr. Ringel said, but they are still historically low. According to Freddie Mac, the average interest rate for a 30-year fixed rate mortgage was 3.02% as of March 4 – up from a low of 2.65% on Jan. 7. Even buyers who would typically pay cash, Ms. Zeder said, are borrowing because of the low rates.

Inventory, she said, is low across the county, with many buyers abandoning their

preferences for neighborhood or style in order to move to Miami. Buyers, she said, might look for homes in areas ranging from Coconut Grove to Miami Beach to Pinecrest, where in the past they may have focused on just one neighborhood. Preferences in home style such as modern versus traditional, she said, are also taking a back seat.

Pinecrest, Coral Gables and Miami Beach, Mr. Ringel said, are especially hot with buyers coming from the Northeast. But, he said, any neighborhood could be considered hot in this market.

"Buyers have to be prepared," he said, "if they see a house they like, to sign a contract."