April, 2011 Release

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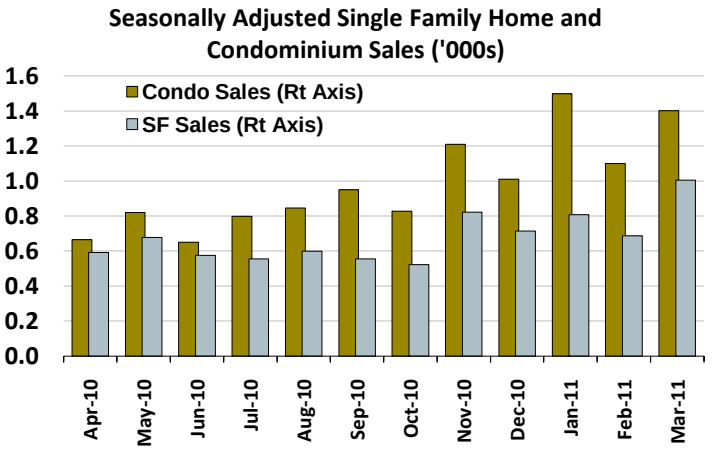
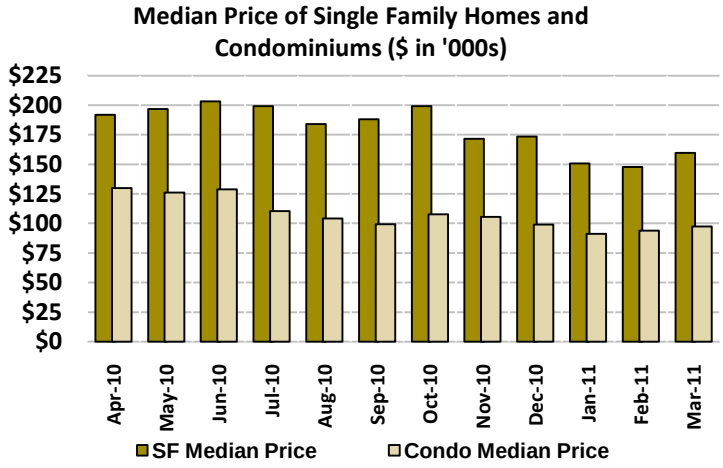
Housing Market Report – Miami-Dade County

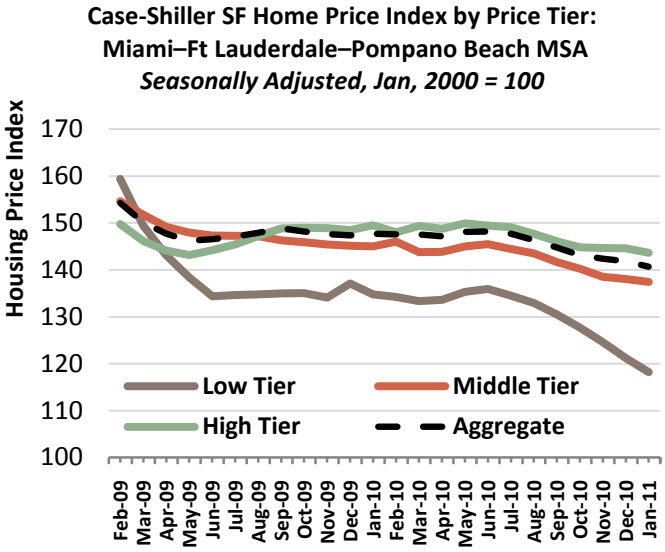
Home Sales and Prices: Miami-Dade single family and condominium home sales in March grew significantly from February and remained substantially higher than sales one year ago according to data released by Florida Realtors. There were 1,005 existing single-family homes sold in March, after seasonal adjustment, representing a 47% increase from February and 59% higher than March 2010. Sales of existing condos jumped to 1,402, 28% higher than February's count, and up 85% compared to last March. Despite the March increase in median sales price, the large presence of REO's and short sales in the market should continue exerting downward pressure on median sales prices for some time. The median price of a single family home sold in March increased to $159,800, up 8% from February but over 19% below last year's price. The median sale price of condominiums sold in March increased by 3.6% from February to $97,400 yet remains nearly 30% below the price in March 2010. Short-term variations in median transaction prices, however, are very sensitive to changes in the specific characteristics and location of the units sold during any given month. Housing price indicators like the S&P's Case/Shiller index are less sensitive to these influences because they compare the recent sale price of a housing unit with the price from the last sale of that same unit.

The tri-county Case-Shiller Housing Price Index shows a more modest but similar negative trend in the sales price of existing single-family homes. The seasonally adjusted January value of the Case/Shiller index fell by 1.3% from December and was down by nearly 5% from January 2010. This index also shows that home prices in the lowest price tier continue to experience the sharpest declines. The price of the average home



Data Source: Florida Realtors

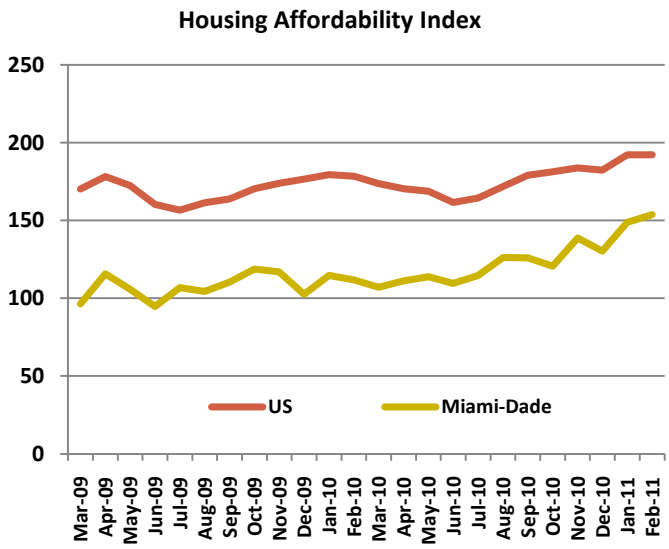




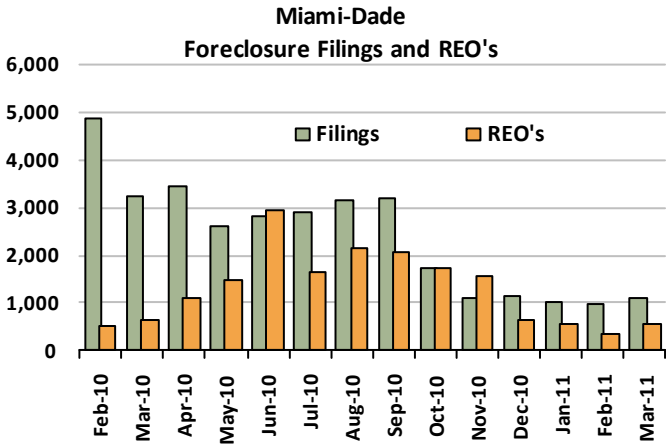
Data Source: Standard & Poors

in the lowest tier sold for over 12% less than its value one year earlier. The decline in the value of the typical home in the middle tier lost 5% of its value and prices in the top tier dropped 4% from a year earlier.

The declines in the median transaction price of single-family homes and low mortgage interest rates are having a favorable impact on housing affordability in Miami-Dade. The housing affordability index (HAI) continued to rise in February. The HAI compares the monthly principal and interest payment for the typical home sold to the county's median family income. (The HAI assumes conventional financing terms.) An index value of 100 indicates that the annual principal and interest payment on the typical Miami-Dade single-family home sold equals 25% of the typical family's income. A higher index means principal and interest payments are less than 25% of income and therefore indicate greater affordability. Miami-Dade County's average index for 2010 was 118.7 and in February it stood at 153.8. In comparison, the average HAI for the US as a whole was 175.4 in 2010 and 192.3 in February.



Data Sources: National Association of Realtors; OEDIT.



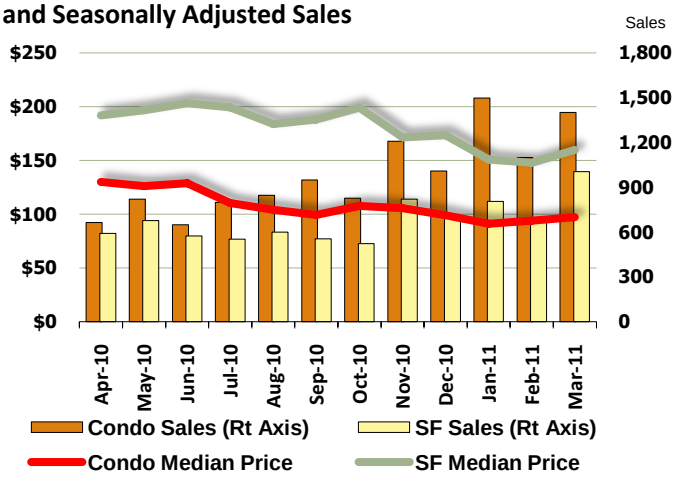
Data Sources: Miami-Dade Clerk of Courts, RealtyTrac.

Foreclosure Activity: According to the Miami-Dade Clerk of Courts, the number of Lis Pendens filed in March (the first step in the foreclosure process) increased by 15%. The 1,108 filings recorded for the month are, however, 66% below their levels of one year ago. RealtyTrac reported that the number of REO foreclosures (the final step in the process) increased to 547, 51% more than February, but 17% less than one year ago. It is still too early to know if these numbers represent a sustainable trend in REOs, since continuing legal issues with foreclosure documents are slowing the judicial process. The declining trend in initial filings, however, can be traced to early 2010, before the current legal problems, and the trend in foreclosures began to appear in mid-year 2010.

Building Permits: According to the Census Bureau, 227 housing units were authorized by building permits in Miami-Dade County in February (after seasonal adjustment). The number of authorized units varies considerably from month to month, but the number of units for the 3-month period ending in February was about 40% higher than the number issued over the same period one year ago. However, the 3-month total was just 9% of the permitted units in the same 3-month total during the peak of the housing boom (2005).

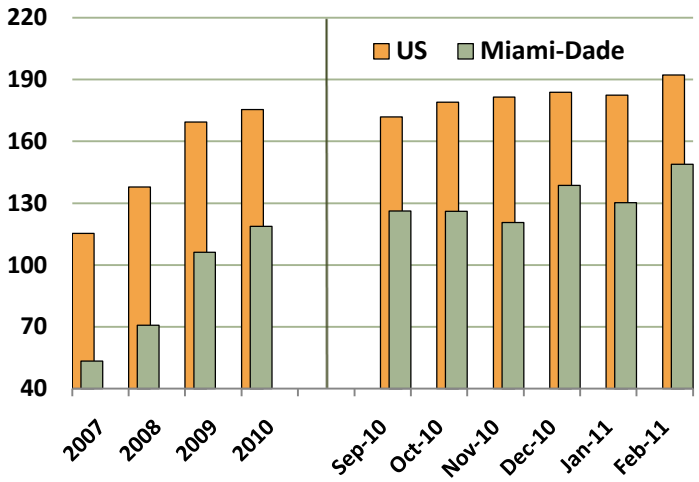
Miami-Dade County Housing Market

Existing Home Sales: Median Price ($ in '000s) and Seasonally Adjusted Sales



Data Source: Florida Realtors

Housing Affordability Index*



Data Source: National Association of Realtors; OEDIT.

Miami-Dade Existing Home Sales

	Mar-11	% Chg from Feb-11	% Chg from Mar-10
Single Family Sales	1,005	46.5%	58.9%
Med. Sales Price	$159,800	8.0%	-19.1%
Condo Sales	1,402	27.5%	84.7%
Med. Sales Price	$97,400	3.6%	-29.8%

Data Source: Florida Realtors

Housing Affordability* (based on Single Family Home Sales)

	Feb-11 (p)	% Chg from Jan-11 (r)	% Chg from Feb-10
Miami-Dade County			
Affordability Index	153.8	3.3%	37.5%
US			
Affordability Index	192.3	0.1%	7.7%

Data Source: National Association of Realtors; OEDIT.

* The index is a ratio of monthly median income over the P & I payment on a 30 yr fixed rate mortgage. A higher index means more affordable.

Housing Price Indices & Comparisons (2000=100)

Case-Shiller*	Jan-11	% Chg from Dec-10	% Chg from Jan-10
Miami MSA			
Low Tier	118.2	-2.5%	-12.3%
Middle Tier	137.4	-0.5%	-5.2%
High Tier	143.7	-0.6%	-3.9%
Aggregate Index	**140.7**	**-0.8%**	**-4.7%**
US 20 City Composite Index	141.9	-0.2%	-3.0%
Federal Housing Finance Agency**	**2010:4Q**	**% Chg from 2010:3Q**	**% Chg from 2009:4Q**
Miami HPI	167.7	-1.5%	-4.0%
Broward HPI	157.2	-1.8%	-0.8%
Florida HPI	150.5	-2.0%	-5.7%

Data Source: Standard & Poors; Federal Housing Finance Agency

** Existing homes paired sales, seasonally adjusted.*

*** All transactions quarterly index, not seasonally adjusted.*

30-Year Fixed Mortgage Rates

	Mar-11	Feb-11	Chg from Mar-10
Miami-Dade	5.15	5.27	-0.66
US	5.17	5.21	-0.15

Data Source: HSH Associates, Inc.

Building Permits (Units)

	Feb-11	% Chg from Jan-11	% Chg from Feb-10
Miami-Dade County			
3 Mo. Trailing Avg	151	-28.5%	39.0%
US			
Units (000s)	44.8	0.7%	-15.4%

Data Source: US Census Bureau.

Note: All numbers are seasonally adjusted unless otherwise indicated.

Miami-Dade Foreclosures & Filings (Not seasonally adjusted)

	Mar-11	% Chg from Feb-11	% Chg from Mar-10
REO Foreclosures*	547	51.1%	-17.0%
Lis Pendens*	1,108	15.2%	-65.9%

Data Sources: Miami-Dade Clerk of Courts, RealtyTrac.

For additional information visit our website at:
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