

December 2011 Release

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MIAMI-DADE COUNTY HOUSING MARKET REPORT

Home Sales: There were 770 single-family homes sold through realtors in Miami-Dade County in October, after seasonal adjustment. This is 8% below September but 41% above October of last year. The median sales price of a single-family home declined for the fourth month in a row to \$174,600, down 1% from last month and off more than 12% from last October. Condominiums fared only slightly better with October sales after seasonally adjustment down nearly 12% from September but up nearly 62% compared to October of last year. The median condo sales price inched up 2% from September to \$117,900, 8% above the median from one year ago.

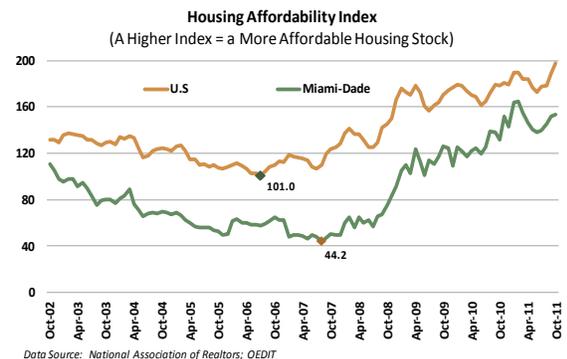
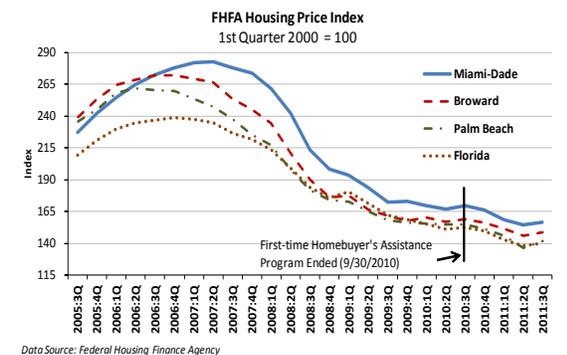
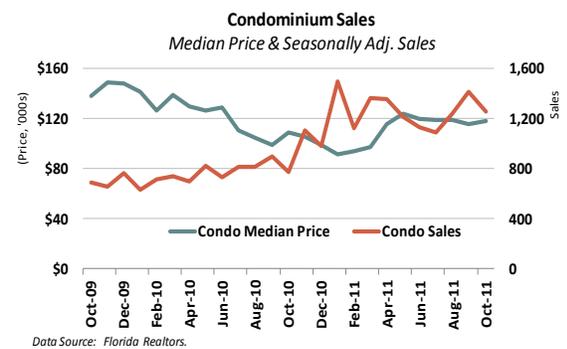
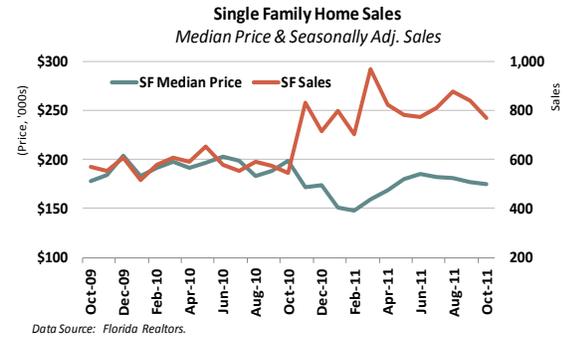
Home Price Indices: The housing price indices further illustrate the softness in the Miami-Dade housing market. The seasonally adjusted Case-Shiller home price index for the Miami-Dade/Broward/Palm Beach tri-county area dropped to 138.6 in August, its lowest level since the peak of the housing bubble. The index now stands 51% below the level set in May of 2006. This index is divided into three market tiers. The lowest tier (value below \$140,000) remained unchanged from August and down 10% from last year. The middle tier (value greater than \$140,000 and less than \$248,000) also remained unchanged from August and is off 6% from last September. The index for the highest tier (value greater than \$248,000) declined by 0.5% from last month and is down 2% from one year ago. The Federal Housing Finance Agency (FHFA) All-Transactions home price index is available on a quarterly basis and is not seasonally adjusted. It differs from the Case-Shiller index in two key ways. The FHFA index considers refinance activity in calculating the index of home value and is reported at the county level. The Miami-Dade index for the 3rd quarter stood at 156.2, an increase of 1.3% from the 2nd quarter, but nearly 8% below the 3rd quarter of 2010. The Broward index stood at 148.7 in the 3rd quarter, 2% higher than last quarter but 6% below last year. The statewide Florida FHFA index rose by 1.5% from the 2nd quarter to 139.8, but is also down 8% from last year's 3rd quarter level.

Foreclosures: After declining from peak levels in early 2009, REO foreclosures and filings continued on their recent upward trend. Statistics from the Miami-Dade Clerk of the Courts show foreclosure filings increasing in five of the last six months. There were 1,893 filings in October, up 10% year-over-year – the first year-over-year increase since July of 2009. RealtyTrac reports that REO foreclosures in Miami-Dade increased for the fourth time in the last five months to 1,102 in October, which were 76% higher than in September. Despite the recent trend, foreclosures are 37% below October 2010 levels.

Housing Affordability: Housing affordability continues to improve in the County and nationally as median home values and interest rates decline. The Miami-Dade affordability index climbed 1% in October from September, reaching 153.5 and 16% above October 2010. An index value equal to 100 indicates that the typical family in the county could just afford the mortgage on the typical home. A higher index value suggests that some households with incomes below the median could afford a home selling at the median price. The U.S. index stood at 197.8 in October, 4.7% higher than last month and 11% higher than last October. While homes are more affordable, obtaining financing without considerable down payments remains difficult and constraining sales activity.

Mortgage Rates: Interest rates on 30-year fixed rate mortgages remained essentially unchanged from September at 4.5%. This rate is more than 3% below the housing bubble high rate of 7.6% in August of 2008. The national mortgage rate stood at 4.4% in October nearly 3% below the previous peak rate of 7%.

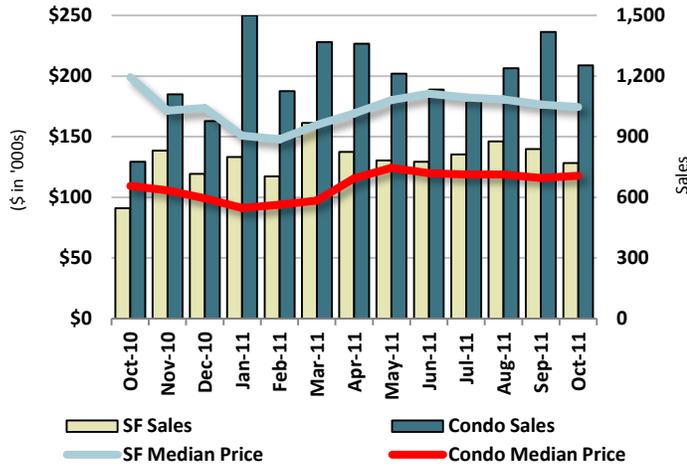
Residential Building Permits: Building permit activity remains at historically low levels and showing more weakness in the past few months. The 3-month moving average of residential permits declined 4% year-over-year to 201 units, marking the first year-over-year decrease since February of 2010. In comparison, on a year-over-year basis, national residential permit activity declined 10%. While the number of units authorized by permits fluctuates widely from quarter to quarter, it is apparent that the pace of residential construction has been essentially flat for two years.



Miami-Dade County Housing Market

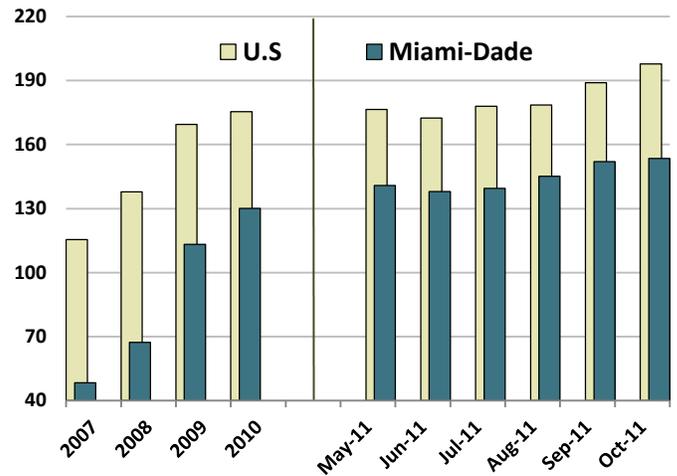


Existing Homes Sales: Seasonally Adjusted Sales and Median Price



Data Source: Florida Realtors.

Housing Affordability Index*



Data Source: National Association of Realtors, OEDIT.

Miami-Dade Existing Home Sales

	Oct-11	% Chg from Sep-11	% Chg from Oct-10
Single Family Sales	770	-8.3%	41.0%
Med. Sales Price	\$174,600	-1.1%	-12.3%
Condo Sales	1,253	-11.6%	61.6%
Med. Sales Price	\$117,900	1.6%	7.9%

Data Source: Florida Realtors

Housing Affordability* (based on Single Family Home Sales)

	Oct-11 (p)	% Chg from Sep-11 (r)	% Chg from Oct-10
Miami-Dade County			
Affordability Index	153.5	1.0%	16.3%
US			
Affordability Index	197.8	4.7%	10.8%

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*	Sep-11	% Chg from Aug-11	% Chg from Sep-10
Miami MSA			
Low Tier (< \$139,850)	116.5	0.0%	-10.1%
Middle Tier	132.1	0.0%	-6.4%
High Tier (> \$247,542)	143.6	-0.5%	-1.6%
Aggregate Index	138.6	-0.5%	-4.0%
US 20 City Composite Index	139.5	-0.6%	-3.6%
Federal Housing Finance Agency**	2011:3Q	% Chg from 2011:2Q	% Chg from 2010:3Q
Miami HPI	156.2	1.3%	-7.7%
Broward HPI	148.7	2.0%	-6.4%
Florida HPI	139.8	1.5%	-8.4%

* Existing homes paired sales, seasonally adjusted.

** All transactions quarterly index, not seasonally adjusted.

Data Source: Standard & Poors; Federal Housing Finance Agency

30-Year Fixed Mortgage Rates

	Oct-11	Sep-11	Chg from Oct-10
Miami-Dade	4.46	4.45	-0.22
US	4.36	4.43	-0.30

Data Source: HSH Associates, Inc.

Building Permits (Units)

	Oct-11	% Chg from Sep-11	% Chg from Oct-10
Miami-Dade County			
3 Mo. Trailing Avg	201	-17.3%	-4.0%
US			
Units (000s)	50.5	-2.5%	14.7%

Data Source: US Census Bureau.

Note: All numbers are seasonally adjusted unless otherwise indicated.

Miami-Dade Foreclosures & Filings (Not seasonally adjusted)

	Oct-11	% Chg from Sep-11	% Chg from Oct-10
REO Foreclosures	1,102	76.3%	-36.7%
Lis Pendens	1,893	7.4%	10.1%

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

For additional information visit our website at:

<http://www.miamidade.gov/oedit/economic.asp>

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Released Dec 2011