# Miami-Dade County
## Housing Market Report

*August 2012 Release*

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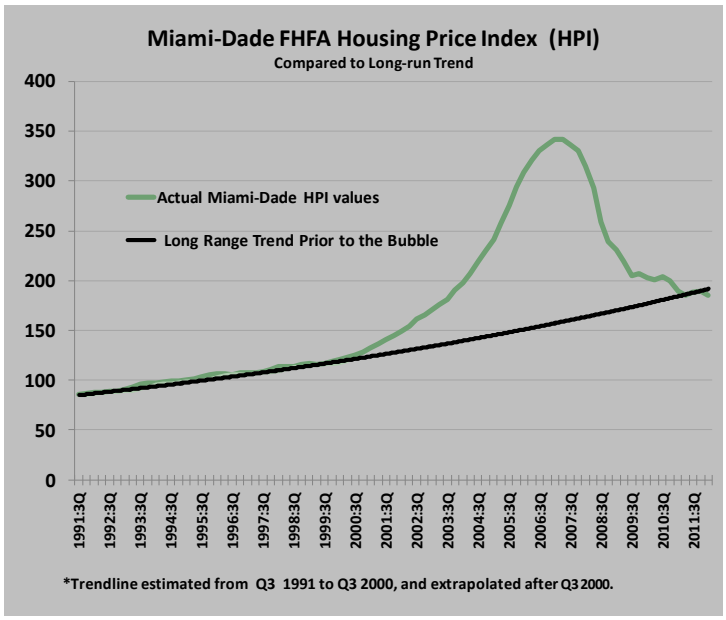
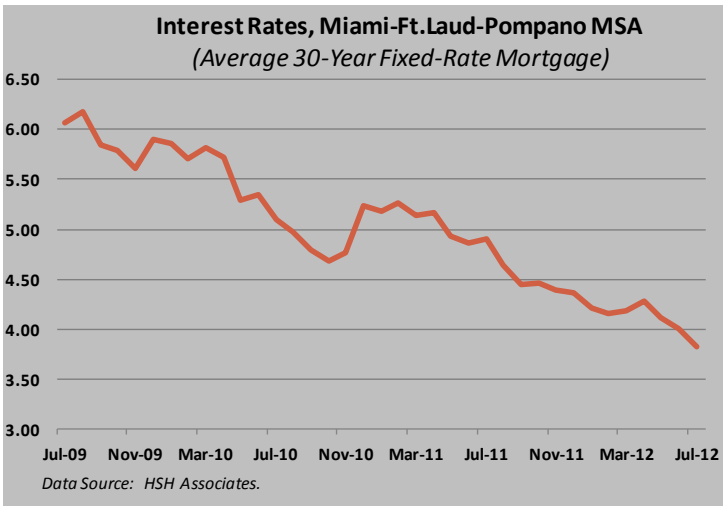
The August release of local housing market data provided some positive signs of improving conditions, but it remains too early to declare the start of a sustained housing recovery. The housing market has experienced similar positive news in the past only to be followed by disappointing performance in subsequent months.




The Case-Shiller housing price index for June registered broad-based increases in existing home values in the Miami-Fort Lauderdale metro area – up 4.4% over June of last year. Middle valued homes (between $149,000 and $260,000) appreciated the most, up 4.9%, followed closely by lower valued homes, up 4.8% and higher valued homes up 4.1%. A similar home price index that covers Miami-Dade County from the Federal Housing Finance Agency (FHFA), however, shows no price appreciation between the first and second quarter of this year. Unlike the Case-Shiller index, the FHFA index covers condominiums as well as single-family units and includes homes whose mortgages were recently refinanced. Both price indices suggest that local home prices have returned to their long-run trends observed prior to the start of the housing bubble. Home prices should continuing rising at a moderate pace.




July sales transactions through realtors show growth in the number of sales for single-family homes (+4.4% above July 2011) and condominiums (+14.8% over July 2011). The median transaction prices in July have also shown significant growth over last July, +4% for single-family units and +16.3% for condos. Median prices, however, took a sharp decline from June to July (-4.2% for single-family units and -15.6% for condos), but this decline is more likely a statistical anomaly rather than a reversal of the recent trend.

The affordability of home ownership (based recent sales of single-family units) has increased over the past year, primarily due to falling mortgage interest rates that are at record low levels.

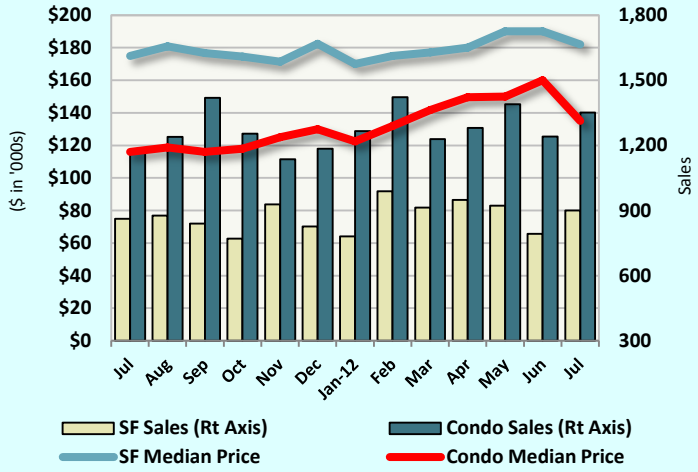
Initial foreclosure filings are nearly double from last year. Completed foreclosure actions (REOs), however, are down over 40% year-over-year. The number of new filings over the last few months, however, suggests that foreclosures are likely to go up over the next 12 months.

Residential building permits continue to increase modestly, but not at levels sufficient to stanch the loss of construction jobs that the County continues to experience.

# Miami-Dade County Housing Market

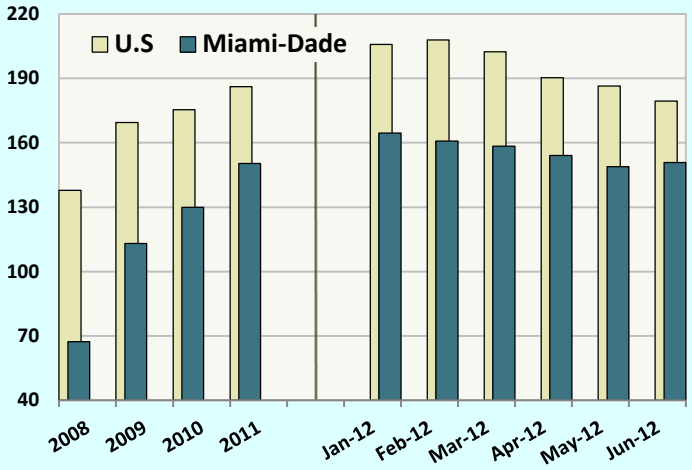
MIAMI-DADE COUNTY

**Existing Homes Sales: Seasonally Adjusted Sales and Median Price**




*Data Source: Miami Association of Realtors.*

**Housing Affordability Index***




*Data Source: RER Economic Analysis & Policy Section.*

## Miami-Dade Existing Home Sales

| | Jul-12 | % Chg from Jun-12 | % Chg from Jul-11 |
|---|---|---|---|
| Single Family Sales | 900 | 13.4% | 4.4% |
| Med. Sales Price | $182,000 | -4.2% | 4.0% |
| Condo Sales | 1,351 | 9.0% | 15.3% |
| Med. Sales Price | $135,000 | -15.6% | 16.3% |

*Data Source: FloridaRealtors.org*

## Housing Affordability* (based on Single Family Home Sales)

| | Jun-12 (p) | % Chg from May-12 (r) | % Chg from Jun-11 |
|---|---|---|---|
| **Miami-Dade County** | | | |
| Affordability Index | 150.8 | 1.3% | 9.3% |
| **US** | | | |
| Affordability Index | 179.4 | -3.8% | 4.1% |

*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*** | Jun-12 | % Chg from May-12 | % Chg from Jun-11 |
|---|---|---|---|
| **Miami MSA** | | | |
| Low Tier (< $148,582) | 124.1 | 1.8% | 4.8% |
| Middle Tier | 140.4 | 0.7% | 4.9% |
| High Tier (> $260,434) | 150.8 | 0.3% | 4.1% |
| **Aggregate Index** | **146.3** | **0.7%** | **4.4%** |
| **US 20 City Composite Index** | 141.3 | 0.9% | 0.5% |

| **Federal Housing Finance Agency**** | 2012:2Q | % Chg from 2012:1Q | % Chg from 2011:2Q |
|---|---|---|---|
| Miami HPI | 152.8 | 0.1% | 0.0% |
| Broward HPI | 145.0 | -0.9% | 0.0% |
| Florida HPI | 134.2 | -1.1% | -1.8% |

** 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

| | Jul-12 | Jun-12 | Chg from Jul-11 |
|---|---|---|---|
| Miami-Dade | 3.82 | 4.01 | -1.09 |
| US | 3.91 | 4.00 | -0.87 |

*Data Source: HSH Associates, Inc.*

## Building Permits (Units)

| | Jul-12 | % Chg from Jun-12 | % Chg from Jul-11 |
|---|---|---|---|
| **Miami-Dade County** | | | |
| 3 Mo. Trailing Avg | 432 | -4.3% | 83.8% |
| **US** | | | |
| Units (000s) | 73.8 | 4.5% | 30.3% |

*Data Source: US Census Bureau.*

***Note: All numbers are seasonally adjusted unless otherwise indicated.***

## Miami-Dade Foreclosures & Filings (Not seasonally adjusted)

| | Jul-12 | % Chg from Jun-12 | % Chg from Jul-11 |
|---|---|---|---|
| REO Foreclosures | 470 | -20.9% | -40.1% |
| Lis Pendens | 2,478 | 12.1% | 107.5% |

*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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