



2018 MIAMI HERALD REAL ESTATE STUDY

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BENDIXEN & AMANDI INTERNATIONAL – ANNUAL MIAMI-DADE RESIDENTIAL REAL ESTATE STUDY 2018

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The header features a bright pink background. In the center is a large, stylized sun with horizontal yellow and orange stripes. On either side of the sun are two palm trees with green fronds and brown trunks.

PROJECT DESCRIPTION

A survey of the Miami-Dade County Real Estate market from the perspective of the top industry experts and professionals.



PROJECT OVERVIEW

- Miami-Dade's real estate market has historically been a significant driver of the local economy whose impact cannot be understated. This project was conceived as a deep dive into the 'State of Real Estate' from the perspective of real estate professionals throughout Miami-Dade County.
- Our approach was to capture the perspective of 100 of the Top Brokers/Agents and industry experts in Miami-Dade County to gain their insights into the county-wide market. The interviews were anonymous, providing a forum through which industry professionals could speak freely and candidly about what they were seeing both positive and negative.
- The Miami Herald is the traditional community conversation starter and as such we believed was the natural partner for this type of project. The results of the survey research will be the focus of a feature story in the Business Monday section of the Miami Herald.
- First begun in 2015, this is the fourth annual iteration of the Miami-Dade residential real estate study.

METHODOLOGY

SAMPLE	100 in-depth, executive interviews with 'industry leaders' in the Miami-Dade County Residential Real Estate Market
DATES OF INTERVIEWS	May 1 st , 2018 – June 1 st , 2018
LANGUAGE OF INTERVIEWS	English and Spanish

REAL ESTATE INDUSTRY INSIDERS



Sarkis Anac



Mauricio Barba



Eric Broad



Daniel Castillo



Jason Concepcion



Lourdes Alatrisme



Nelida Barrios



Irene Cadet



Jill Casuso



Raul Cossio



Anthony Askowitz



Robbie Bell



Aldo Carcedo



Alicia Cervera



Ana Cuan



Tere Bernace



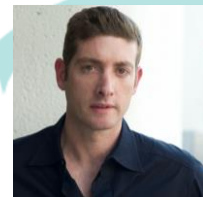
Sonia Blair



Eloy Carmenate



Jack Coden



Asi Cymbal

REAL ESTATE INDUSTRY INSIDERS



Maite Diaz



Lydia Eskenazi



Jose Fernandez



Robert Fournier



Liliana Gomez



Richard Deeb



Raul Estrada



Maria Ferrer



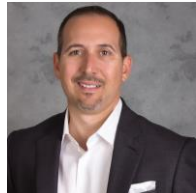
Andrew Frey



Ines
Gomez-Acebo



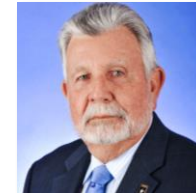
Sergio Duran



Juan Carlo
Fernandez



Ines Flax



Pedro Garcia



Maria Gonzalez



Jill Eber



Luis Fernandez



Marco Fonseca



Daniel Gomez



Nelson Gonzalez

REAL ESTATE INDUSTRY INSIDERS



Claudia Gonzalez



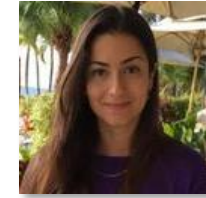
David Delgado



Jill Hertzberg



Shahab Karmely



Carolina Lara



Alianny Gonzalez



Daniel Guerra



Shari-Lynn
Hurtado



Kobi Karp



Eric Lastra



Anthony Graziano



Jorge Guerra



Daniel Ickowicz



Teresa Kinney



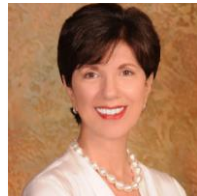
Ariel Lopez



Claudia Gonzalez



Vanessa Herrera



Nancy Iliffe



Yasmina La Paz



Margarita Lozano

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Lourdes Maestres



Patricia Mellerson



Patrick O'Connell



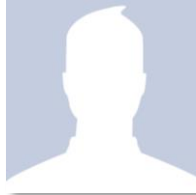
Esther Percal



Alyce Robertson



June Makis



Pablo Mercade



Nirka Burns
Padilla



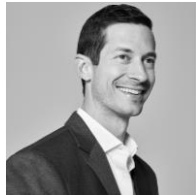
Michelle Redlich



Jaime Rodriguez



Joel Matus



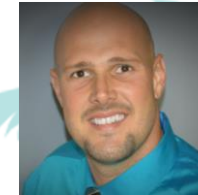
Benjamin Moss



Jay Parker



Jorge Rico



Eugenio Rodriguez



Jack McCabe



Nancy O'Brian



Roman Pavlik



Matt Rieger



Madeleine Romanello

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Alexander Saieh



Ron Shuffield



Mark Tenzer



Jorge Uribe



Bill Worrall



Michael Salguero



Jonathan Solomon



Gabriela Toledo



Cristina Valencia



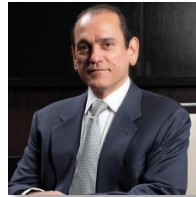
Peter Zalewski



Bryan Schaefer



Marcio Sousa



Henry Torres



Rafael Velasquez



Zoila Zamora



Estela Serrano



Maria Tangarife



Evelina Tsigelnitskaya

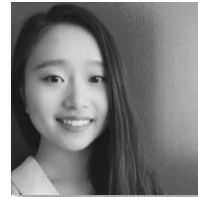
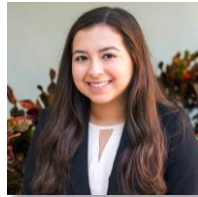


Jack Winston



Christopher Zoller

RESEARCH TEAM



Clay Allen-McGoran, Hannah Artman, Samantha Branca, Amy Kaplan, Sabrina Galarraga, Kyle Holsten, Debora Perez, Andrea Trespalacios, Mila Sicorsky, Jiaying Li, Paola Sardi, Carolina Menache



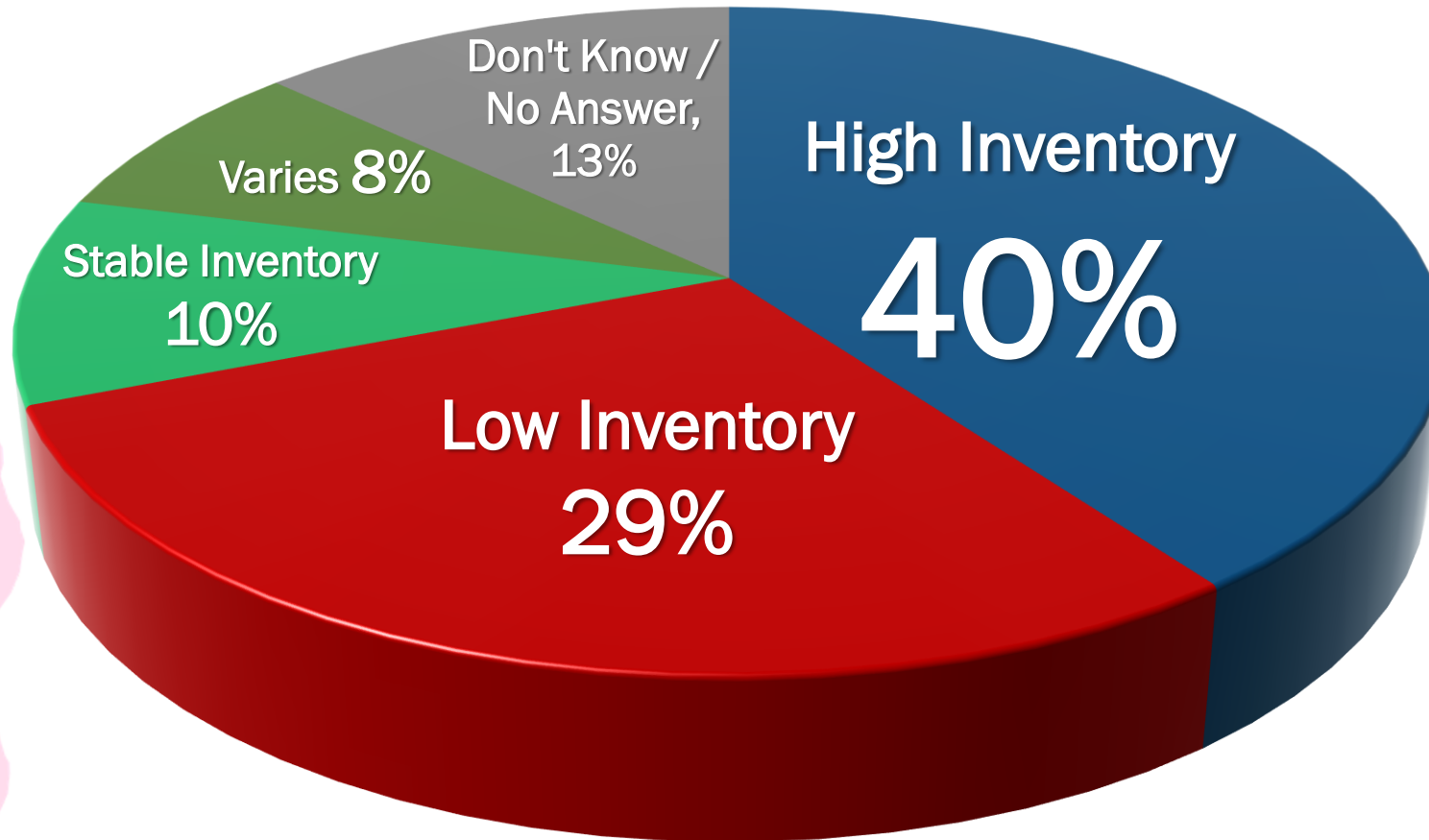
Anthony Williams
Project Coordinator



CURRENT STATE OF THE REAL ESTATE MARKET

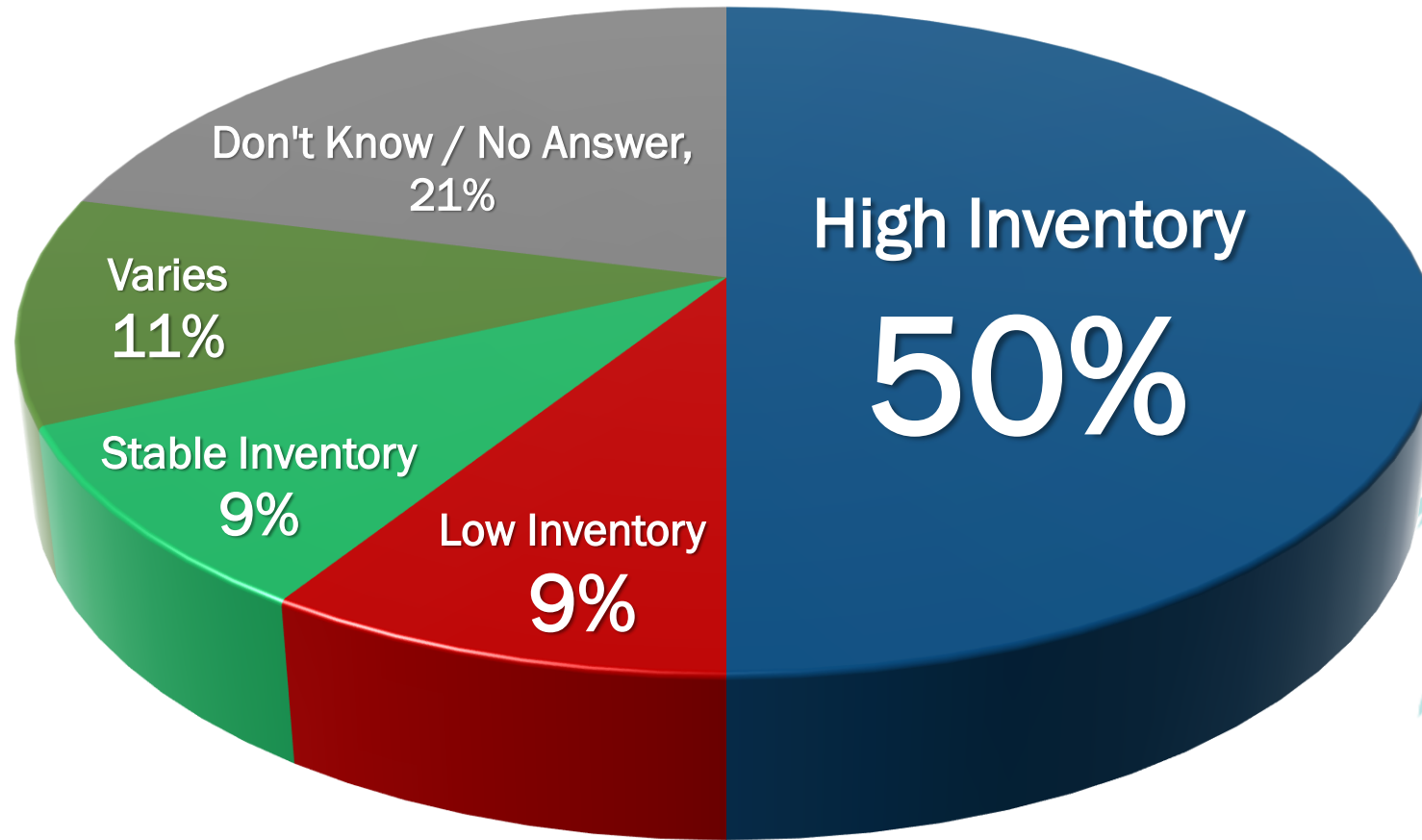
Thinking about your area of specialization, what is your opinion of the current market inventory in terms of quantity?

Under \$1 million



Thinking about your area of specialization, what is your opinion of the current market inventory in terms of quantity?

Over \$1 million





Thinking about your area of specialization, what is your opinion of the current market inventory in terms of quantity?

Representative Quotes

“Buyers market right now.” – Industry Expert (City of Miami)

“Saturated. Tons of inventory, on the market much longer.” – Agent (Hialeah, NW Miami)

“More market availability in the high end of all properties.” – Agent (All of Miami)

“The industry is stagnant.” – Broker (Oceanfront)

“There is a general 5 year inventory. Varies from building to building and area to area.” – Agent (North Miami)

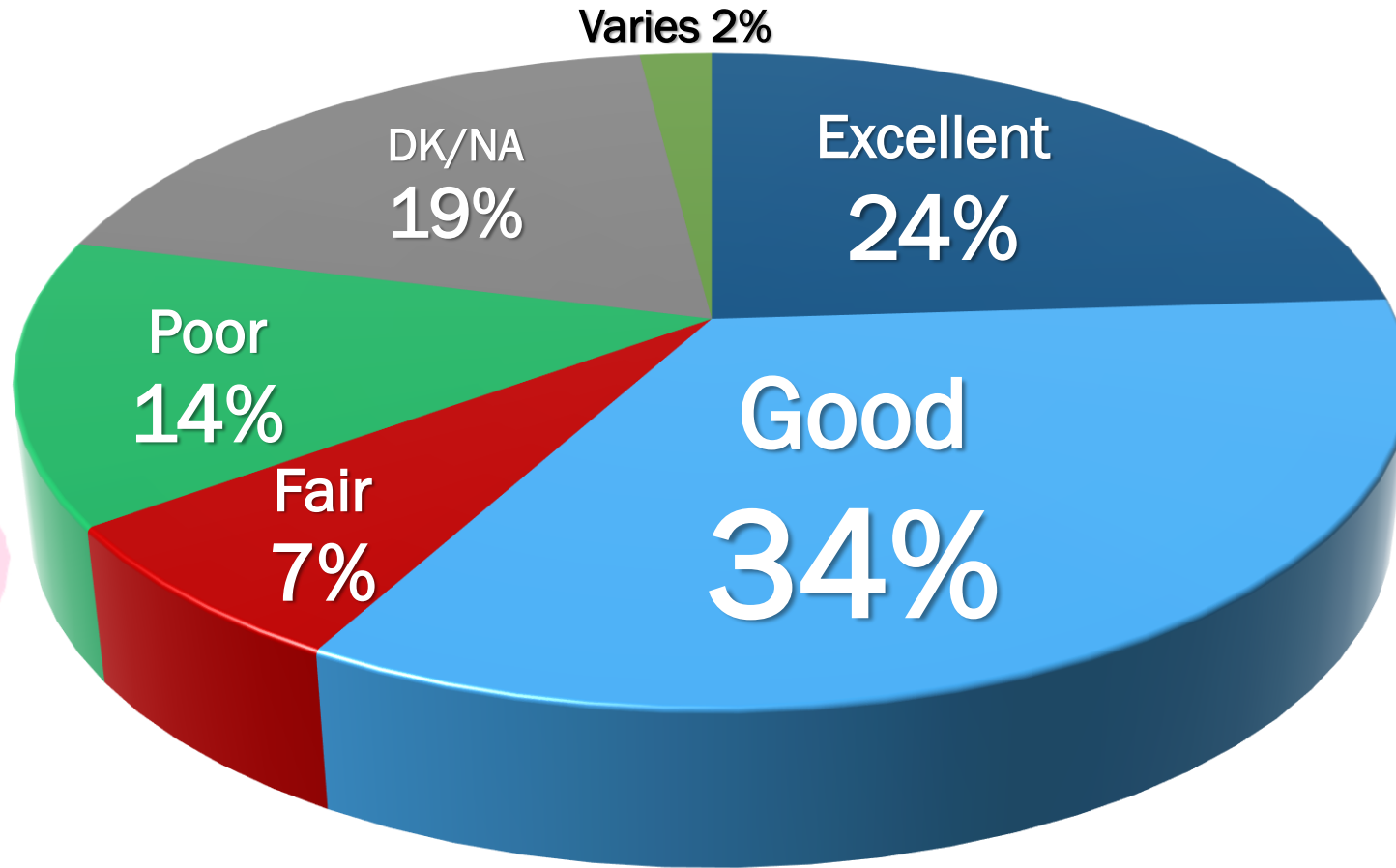
Thinking about your area of specialization, what is your opinion of the current market inventory in terms of quantity?

PANEL DISCUSSION



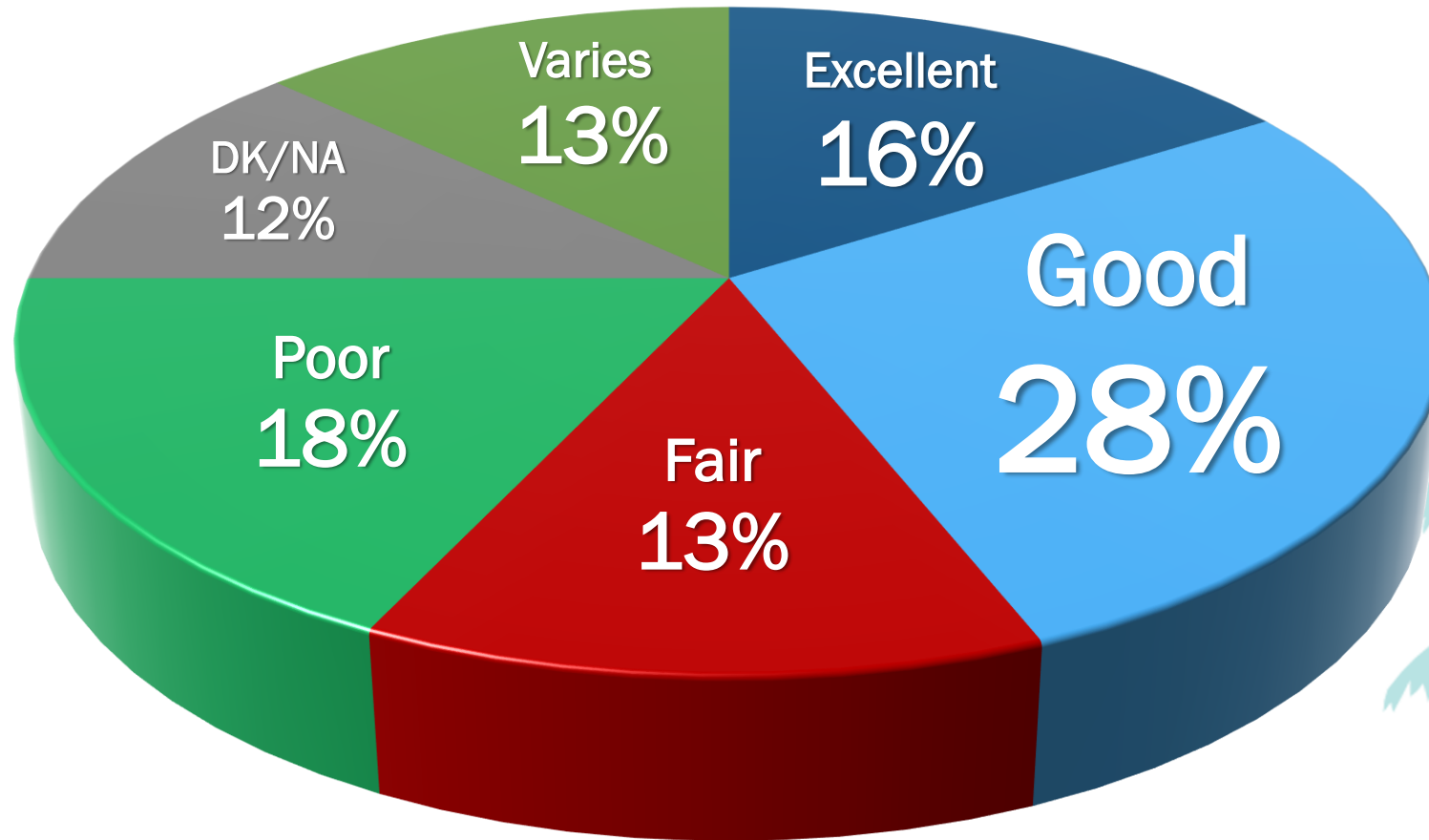
Thinking about your area of specialization, what is your opinion of the current market inventory in terms of quality?

Under \$1 million



Thinking about your area of specialization, what is your opinion of the current market inventory in terms of quality?

Over \$1 million





Thinking about your area of specialization, what is your opinion of the current market inventory in terms of quality?

Representative Quotes

“They are going up in choices for the end buyer.” – Broker (Hialeah, Miami Lakes, North Miami)

“There's good inventory, at the right price point.” – Broker (Coral Gables)

“Prices are very high, but quality can be found. Some homes are good as they have been remodeled.” – Agent (Homestead, Downtown, Miami Gardens)

“Average. Most properties are not in terrible shape.” – Broker (Coconut Grove)

“Very well placed buildings with inexpensive finishes, but not great.” – Industry Expert (Miami)

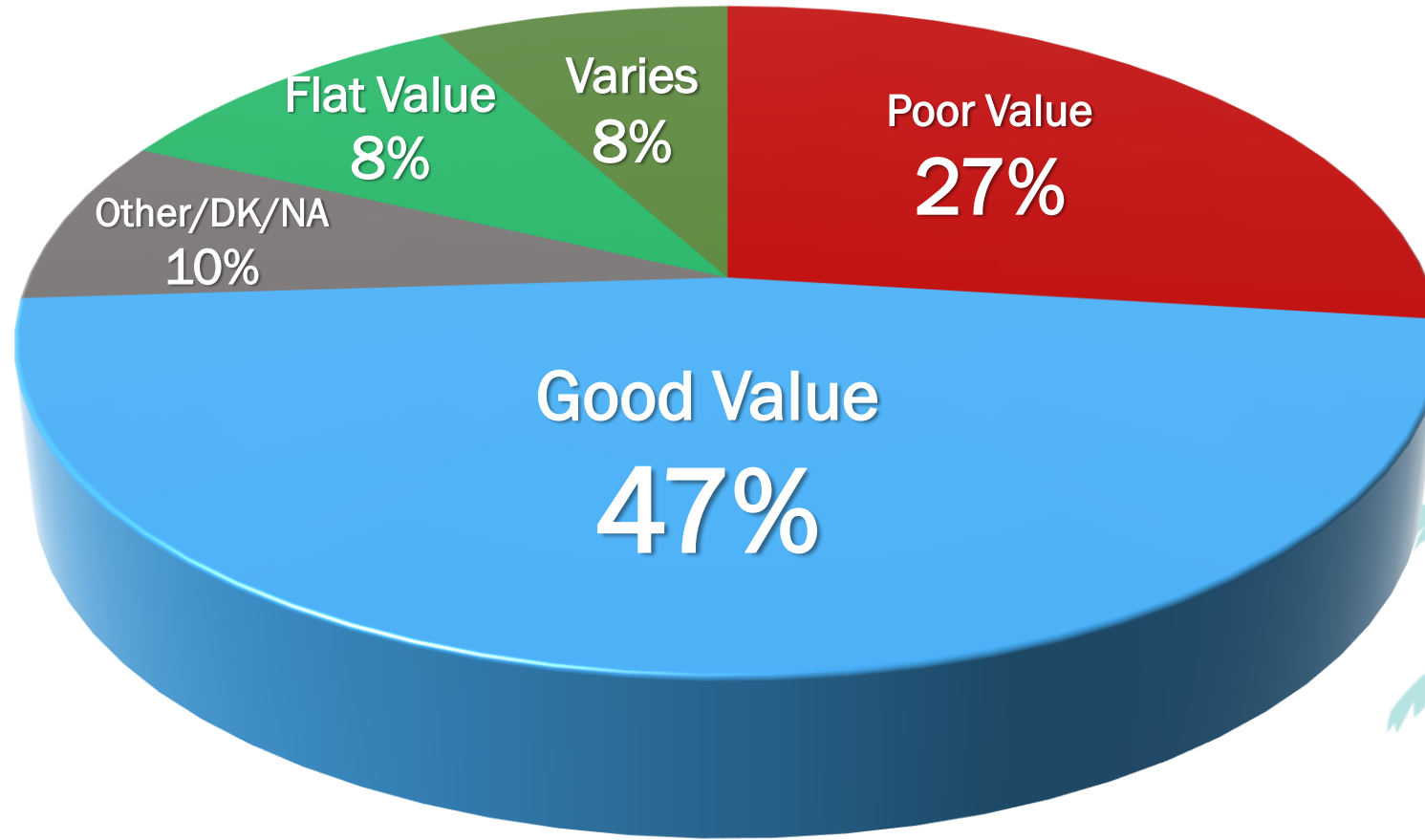
Thinking about your area of specialization, what is your opinion of the current market inventory in terms of quality?

PANEL DISCUSSION



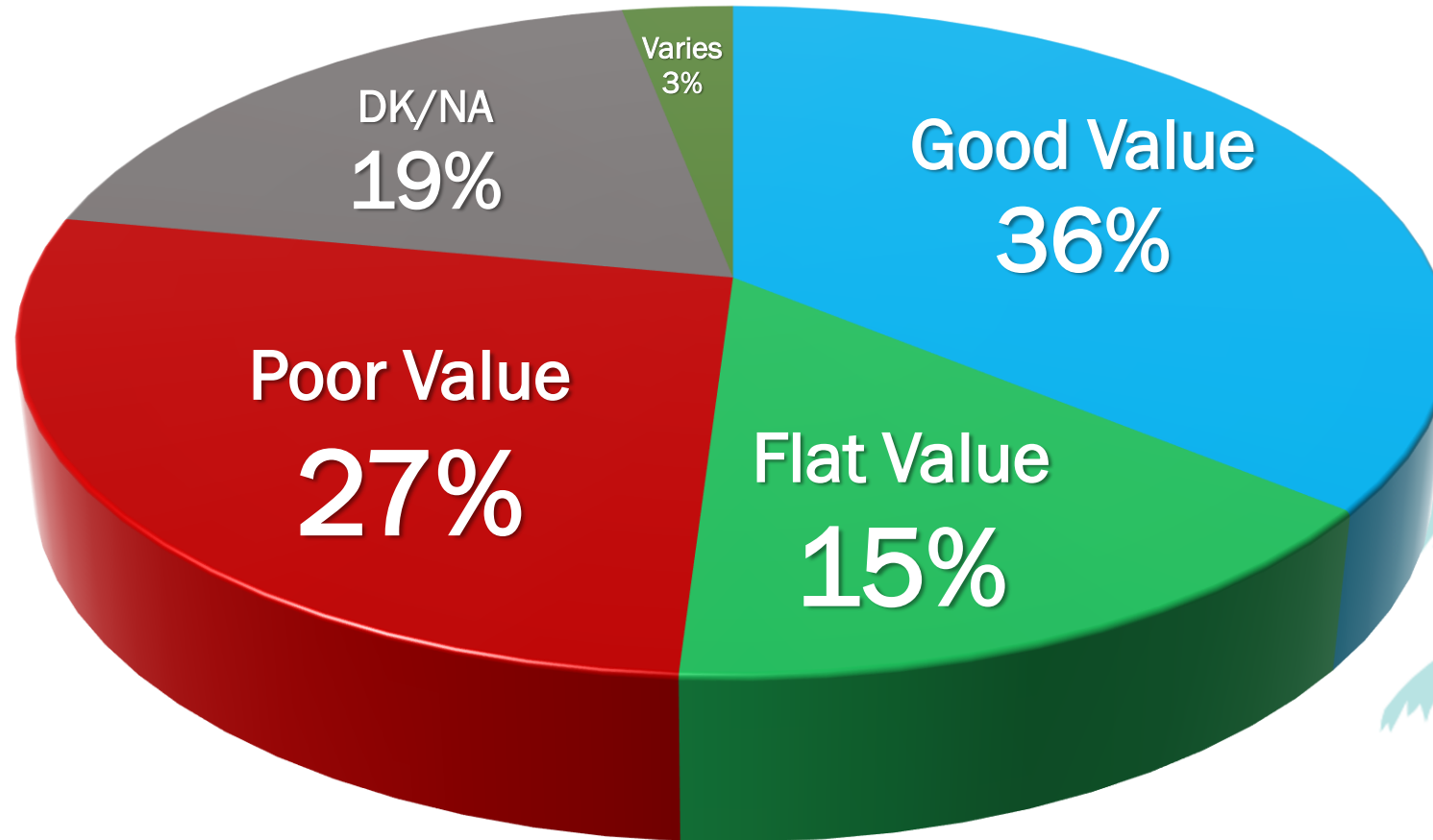
Thinking about your area of specialization, what is your opinion of the current market inventory in terms of value?


Under \$1 million



Thinking about your area of specialization, what is your opinion of the current market inventory in terms of value?

Over \$1 million





Thinking about your area of specialization, what is your opinion of the current market inventory in terms of value?

Representative Quotes

“The value is increasing. There is more value for your money.” – Broker (Miami Beach and Brickell)

“Great value.” – Broker (Downtown Brickell)

“Very good value. Good opportunity for buyers.” – Broker (Residential Areas)

“People are not enthused because there is not a lot of value. It’s pushing people to other areas, such as Broward.” – Agent (Pinecrest, Coral Gables, Coconut Grove)

“Not good because of higher mortgages.” – Agent (North Miami)

Thinking about your area of specialization, what is your opinion of the current market inventory in terms of value?

PANEL DISCUSSION



How would you rate Miami-Dade's affordability on a scale of 1 to 10?
1 being not affordable whatsoever and 10 being very affordable.



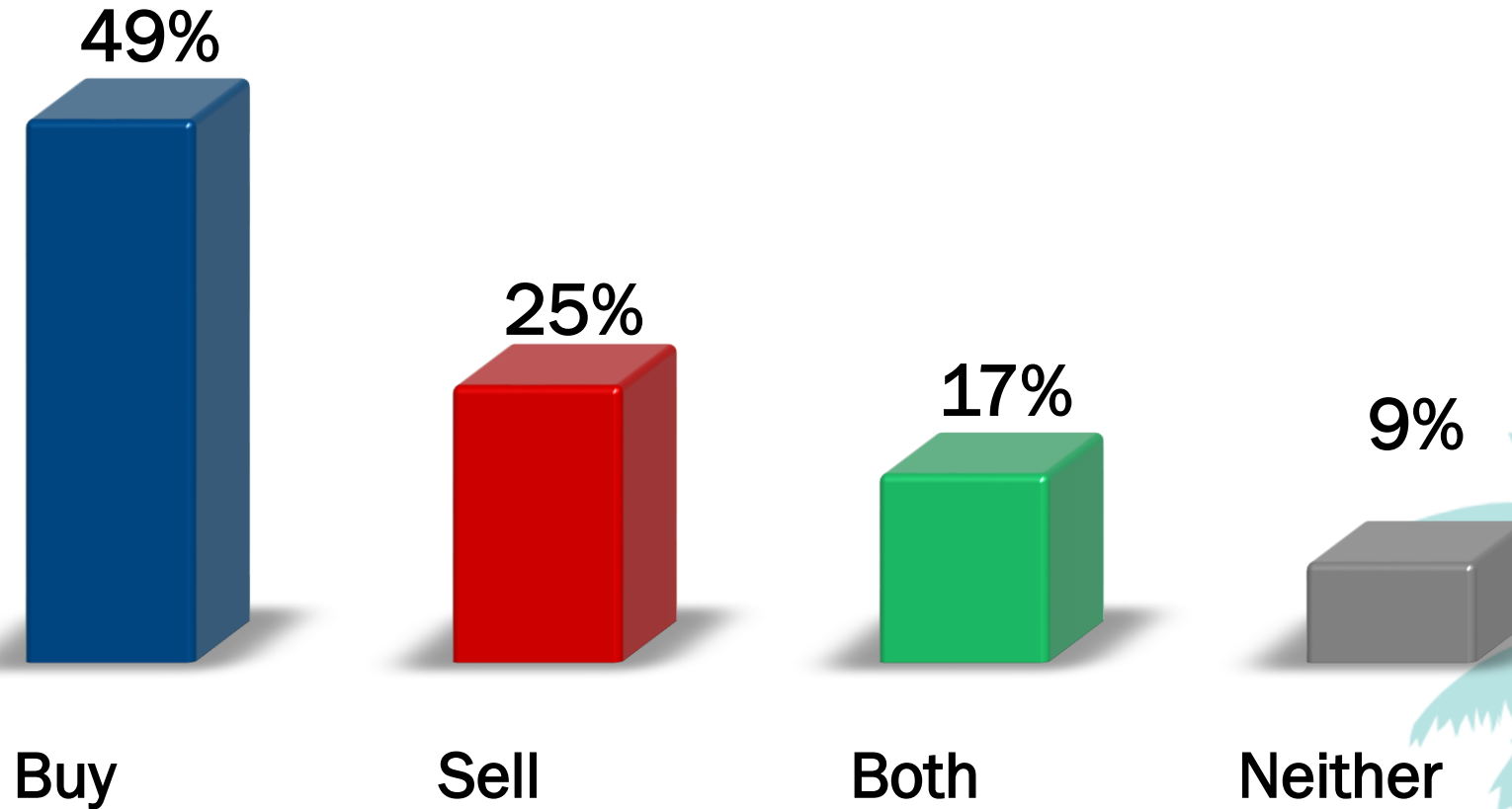
Aggregate Average

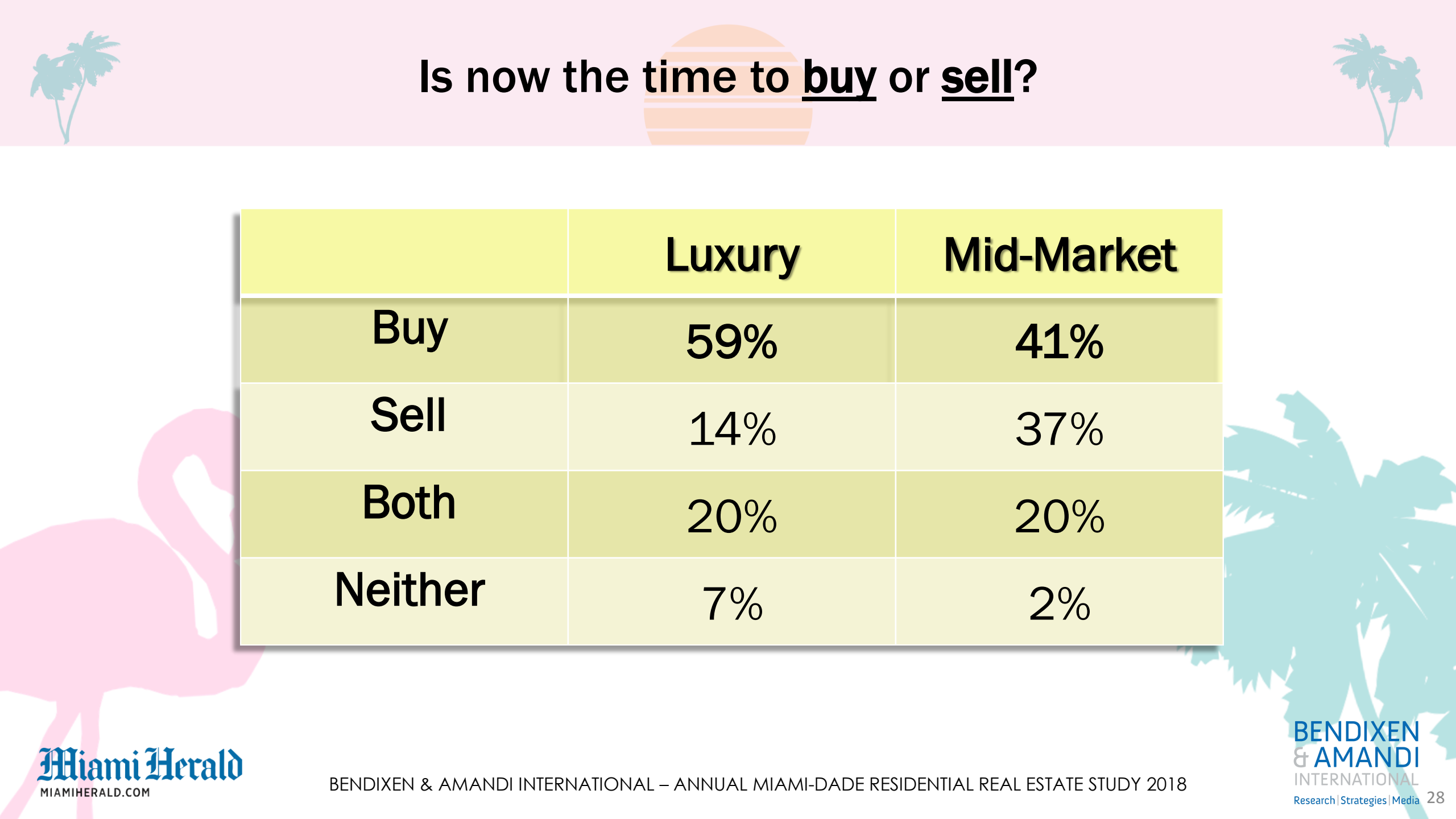
How would you rate Miami-Dade's affordability on a scale of 1 to 10?
1 being not affordable whatsoever and 10 being very affordable.

PANEL DISCUSSION






Is now the time to buy or sell?





Is now the time to buy or sell?

	Luxury	Mid-Market
Buy	59%	41%
Sell	14%	37%
Both	20%	20%
Neither	7%	2%



Is now the time to buy or sell?

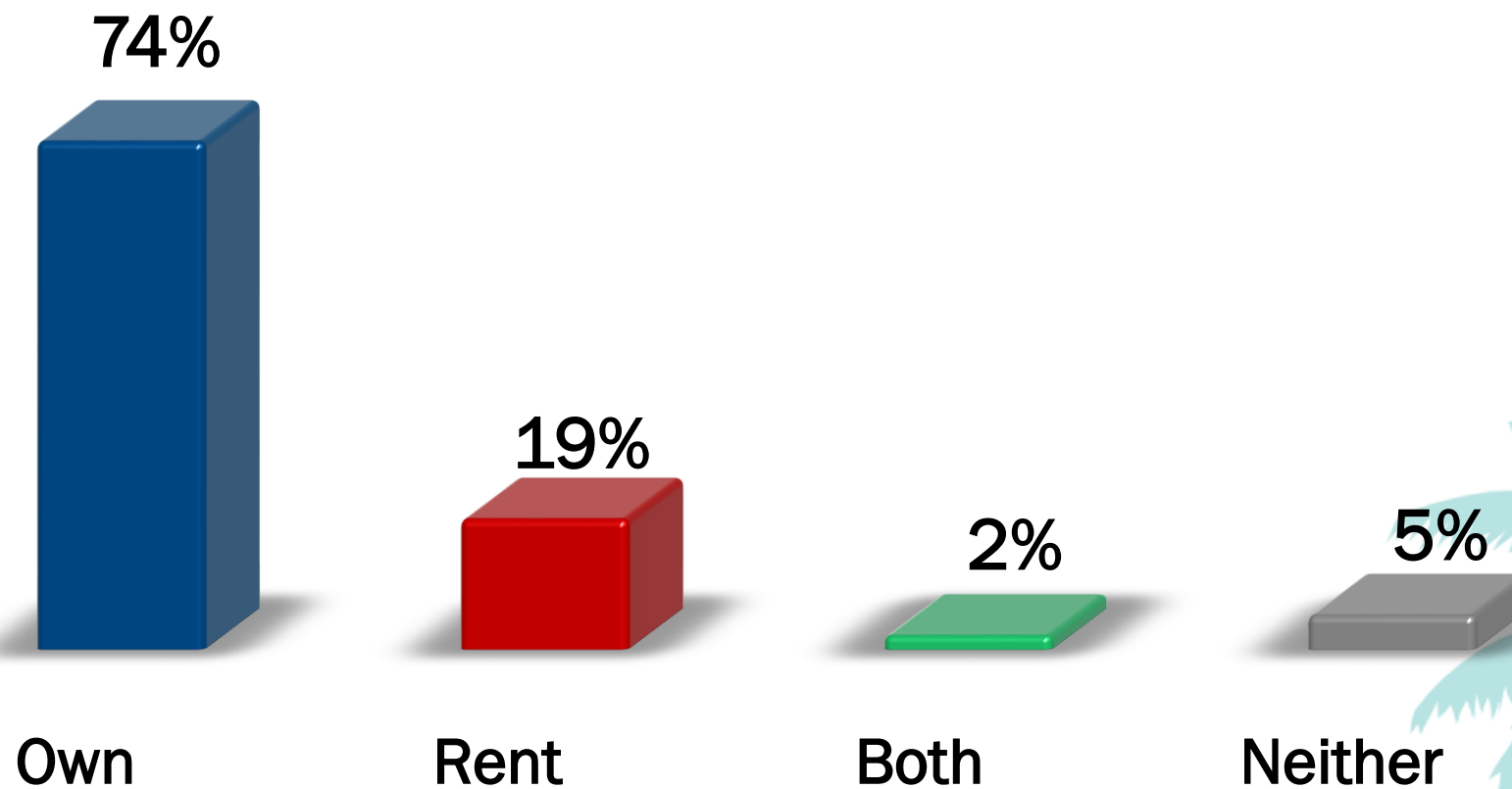
Representative Quotes


“Buy. There is an abundance of inventory.” – Broker (Miami Beach)

“Both. It was a sellers market up to about 2 or 3 months ago, but now it's transitioning to a buyers market.” – Broker (Downtown, Brickell)

“Buy, if you have the cash do it!” – Agent (Coral Gables, Coconut Grove, South Miami)

Is now the time to rent or own?





Is now the time to rent or own?

Representative Quotes

“If you are in a position to do so, now is the time to own.” – Broker (Coral Gables)

“Own. It is always better.” – Agent (Brickell, Upper East Side, Downtown Miami)

“Rent, specifically for condos. They have spectacular amenities for low rental prices.” – Broker (South Miami)

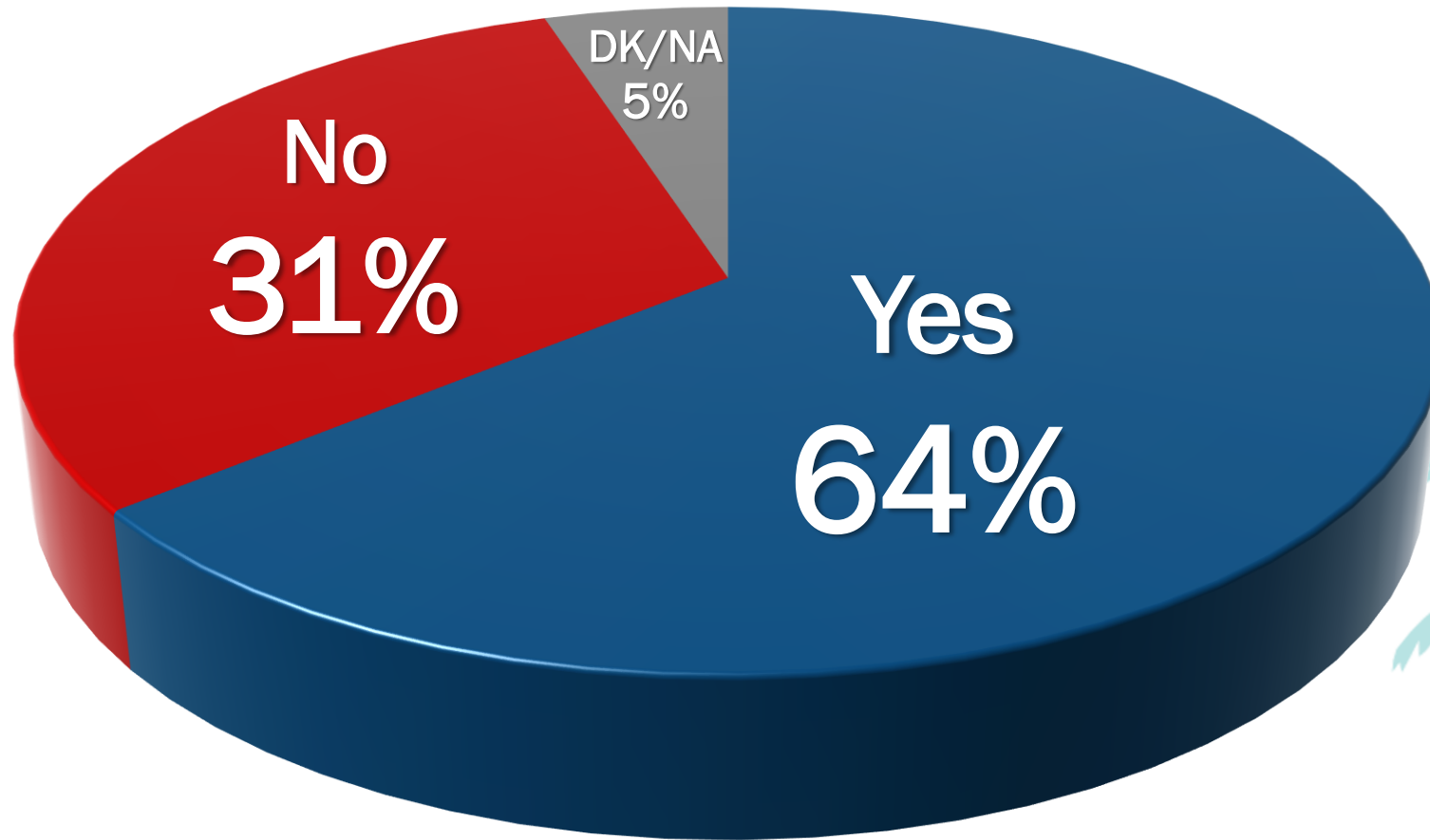
“Both, but if I had to choose one I would say own.” – Broker (Edgewater, Brickell)

Is now the time to rent or own?

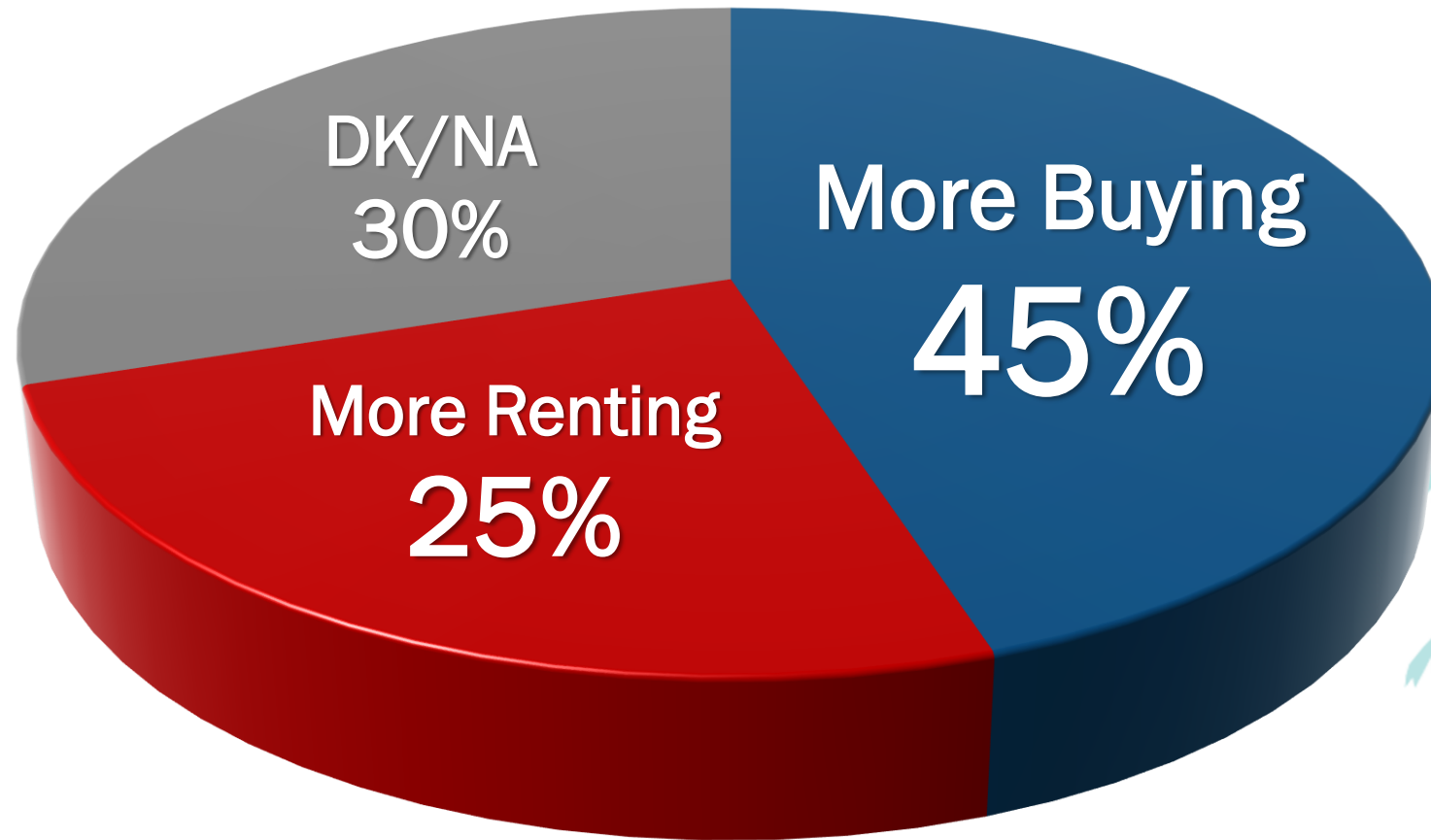
PANEL DISCUSSION



Are you seeing a shift in interest in buying vs. renting?



If so, in which direction?



What is the hottest area in Miami-Dade right now for *renters*?

2018 Results

1. Brickell
2. Downtown
3. Midtown




What is the hottest area in Miami-Dade right now for *buyers*?

2018 Results

1. Coral Gables
2. Miami Beach
3. Coconut Grove





What is the hottest area in Miami-Dade right now?

Representative Quotes

“Downtown and Doral are good for long-term, and Brickell has a lot of bargain.” – Agent (East Miami-Dade)

“Edgewater. It's more affordable compared to other places.” – Agent (Doral, Downtown)

“In the uber luxury areas like Coconut Grove.” – Agent (Miami)

“Depends on what you're trying to buy. There are great options in the Gables, Doral, Downtown, and the Arts and Entertainment District.” – Broker (Doral, Miramar, Pembroke Pines)



What is the most overvalued neighborhood in Miami-Dade?



What is the most overvalued neighborhood in Miami-Dade?


2017 Results

1. Miami Beach
2. Brickell
3. Wynwood

2018 Results

1. Miami Beach
2. Brickell
3. Sunny Isles Beach
/Key Biscayne





What is the most overvalued neighborhood in Miami-Dade?

Representative Quotes

“In Brickell price per square footage is very high and quality is lower.” – Agent (Miami Lakes)

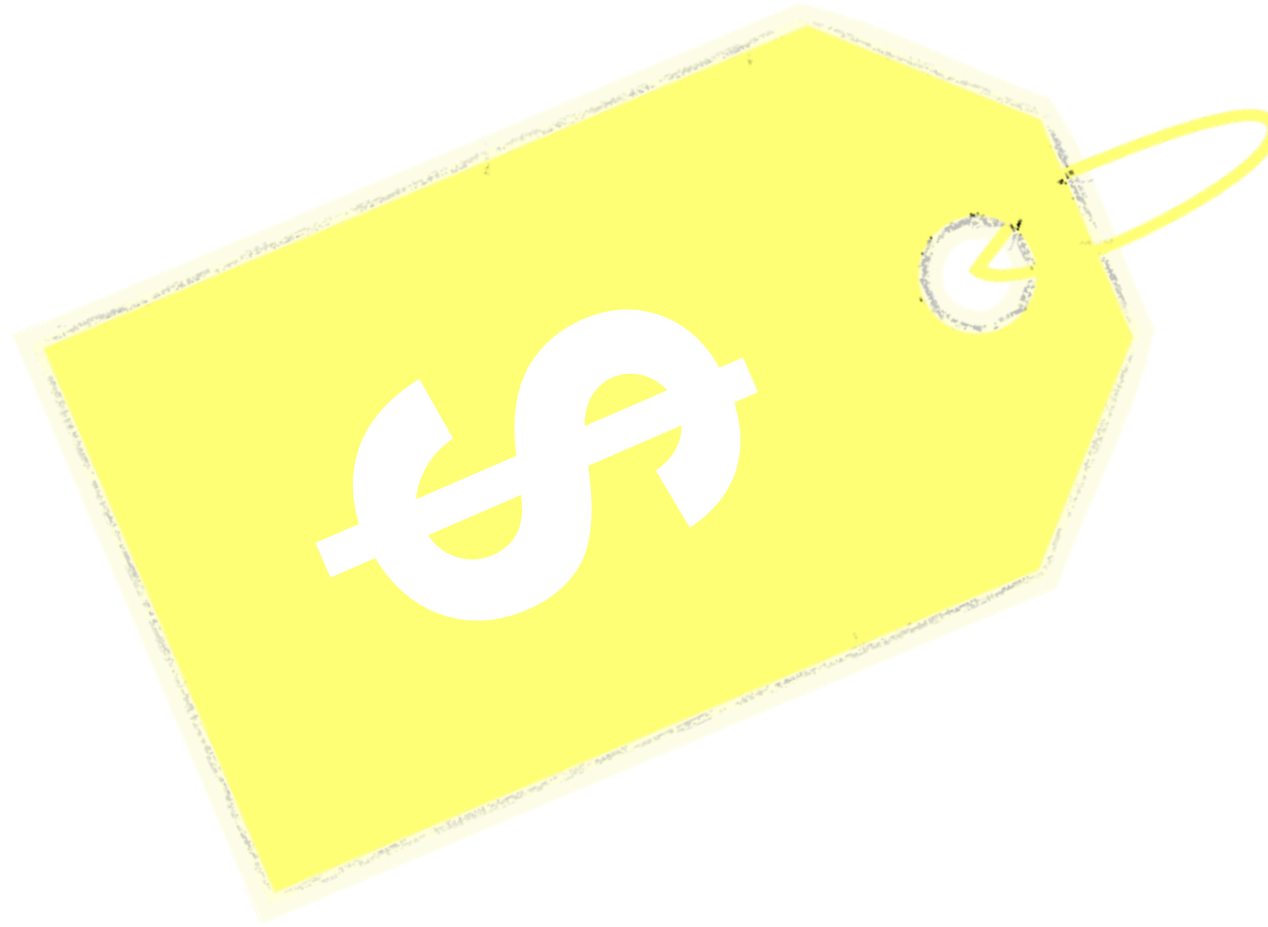
“Brickell has a majority of the properties that are condos. They are always overvalued, because they are catering to offshore buyers.” – Broker (Miami Beach)

“Miami Beach attracts people from all over the world and they are willing to pay whatever to get what they want. It is very desirable for a lot of reasons.” – Industry Expert (Coconut Grove)

“Everybody wants to live in Miami Beach, which is driving up prices.” – Industry Expert (Miami and Caribbean Area)

“There's not a lot of land in Key Biscayne but there's a high demand from foreign buyers, so prices have increased.” – Agent (Brickell)

What is the most undervalued neighborhood in Miami-Dade?



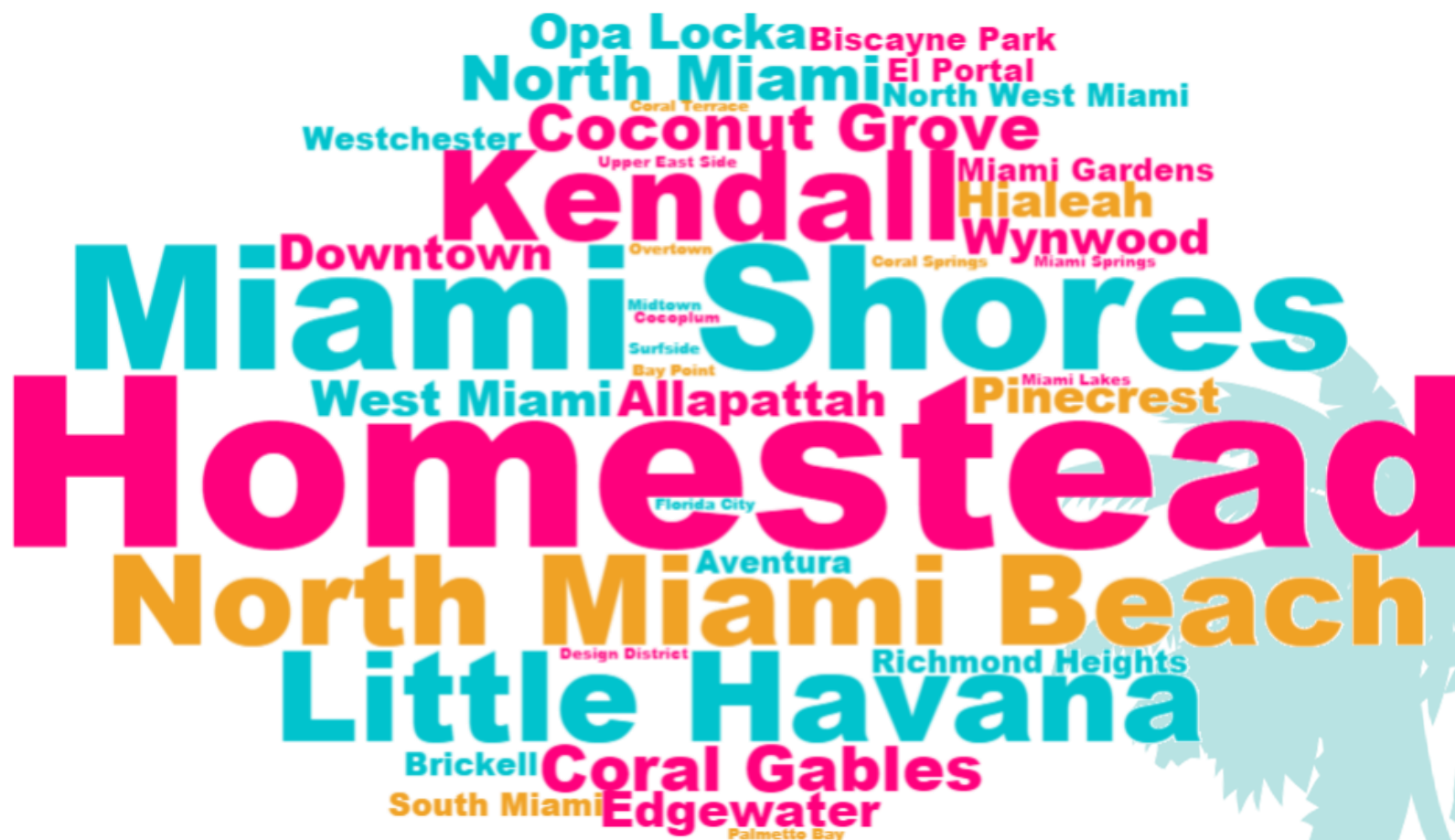
What is the most undervalued neighborhood in Miami-Dade?

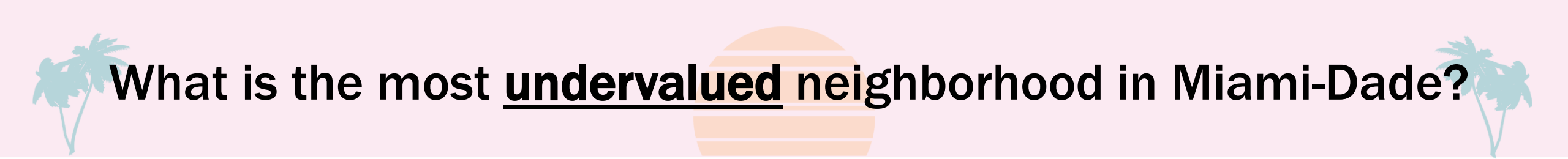
2017 Results

1. Homestead
2. Coral Gables/Midtown/
Little Havana
3. Miami Gardens/Opa
Locka

2018 Results

1. Homestead
2. Miami Shores
3. North Miami
Beach/Little
Havana/Kendall





What is the most undervalued neighborhood in Miami-Dade?

Representative Quotes


“People who live in Miami want to live as close to downtown as possible, Homestead makes it challenging to get to work.” – Broker (Aventura)

“North Beach is still affordable since there are not great restaurants and entertainment yet.” – Broker (Miami Beach)

“Homestead does not have enough public amenities and job industries yet.” – Agent (Miami Beach)

“In Surfside homes are really well-priced and really going somewhere. There will be major changes in next decade.” – Agent (Miami Beach)

“There are great properties in Homestead that are high quality and affordable.” – Broker (Kendall)



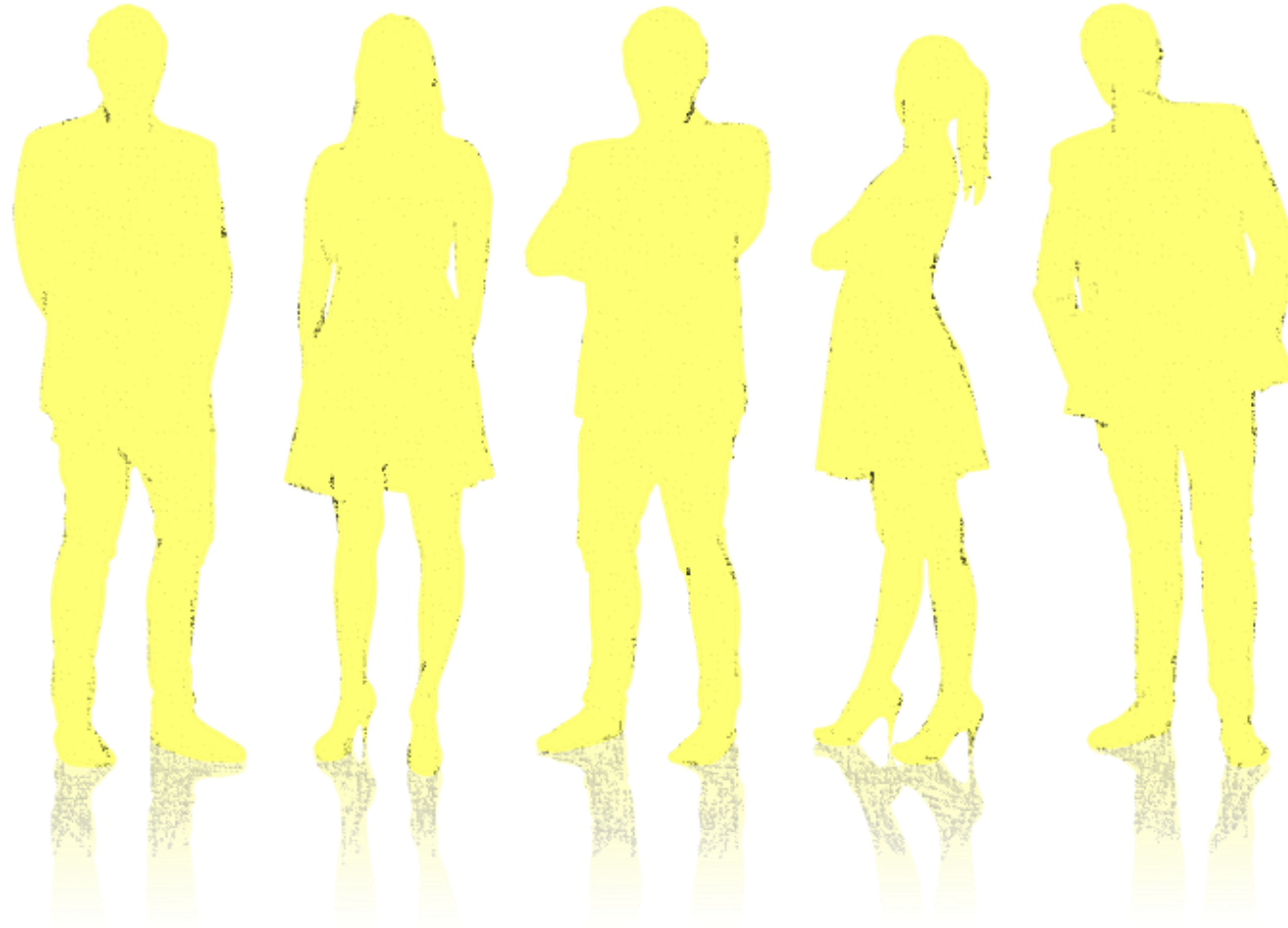
What is the most undervalued neighborhood in Miami-Dade?

PANEL DISCUSSION





What is the best neighborhood for young professionals?



What is the best neighborhood for young professionals?


2017 Results

1. Brickell
2. Downtown
3. Midtown

2018 Results

1. Brickell
2. Downtown
3. Midtown





What is the best neighborhood for young professionals?

Representative Quotes

“The Arts and Entertainment District. It's around downtown, it's close to the Metrorail, the banking district, Wynwood, and places in Brickell. There's transportation available, and there are many factors that appeal to young professionals.” – Agent (Miami Beach)

“Urban district of Coral Gables. You can walk to town, there are restaurants, and it's near Miracle Mile. It's a peaceful neighborhood with a stable lifestyle.” – Agent (Beach Waterfront)

“Sunset Harbor is fun, vibrant, and cool area.” – Broker (Coral Gables, South Miami)



What is the best neighborhood for families with children?





What is the best neighborhood for families with children?



2017 Results

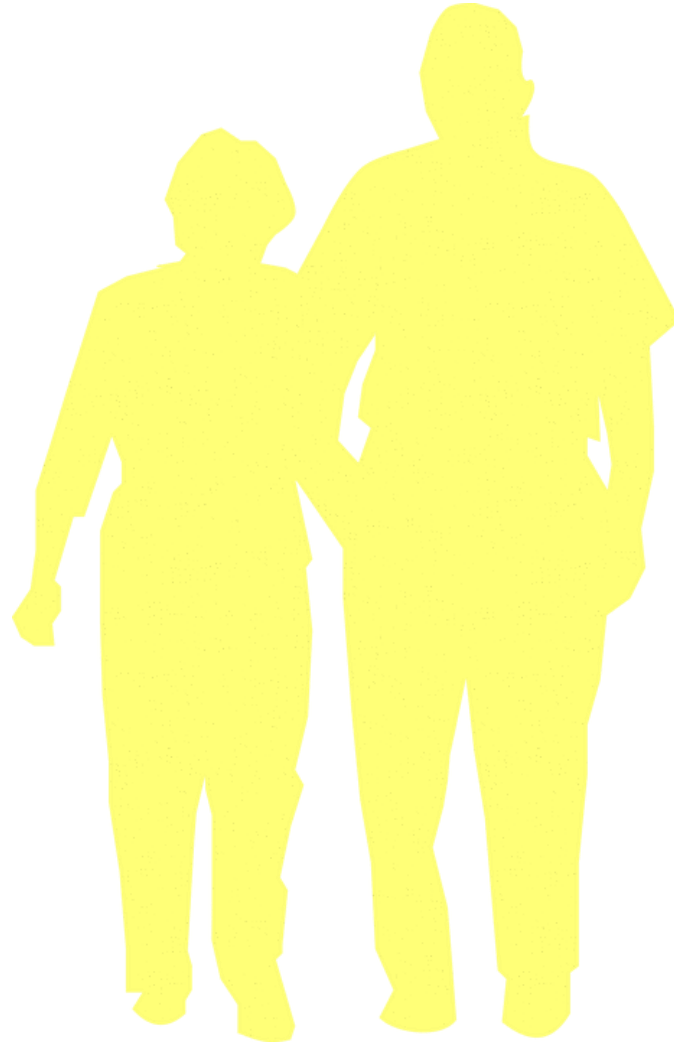
1. Coral Gables
2. Pinecrest
3. Kendall

2018 Results

1. Coral Gables
2. Pinecrest
3. Doral



What is the best neighborhood for retirees?



What is the best neighborhood for retirees?

2017 Results

1. Miami Beach
2. Not Miami Dade County
3. Aventura

2018 Results

1. Miami Beach
2. Coral Gables
3. Aventura





What is the best neighborhood for retirees?

Representative Quotes

“The area West of US1 around Biltmore and Downtown. The urban area around South Miami has potential. Seniors are attracted to urban centers because of the convenience of transportation, such as the trolley. It is quiet, and there are rules.” – Agent (Doral)

“Brickell because it has public transit, entertainment, entertainment, walkability.” – Agent (Hialeah, NW Miami)

“No such thing anymore. Miami Beach is for people that have money.” – Agent (Eastern Miami-Dade)

“Miami Beach because of the good hospitals nearby and a good healthcare system.” – Broker (South Miami)

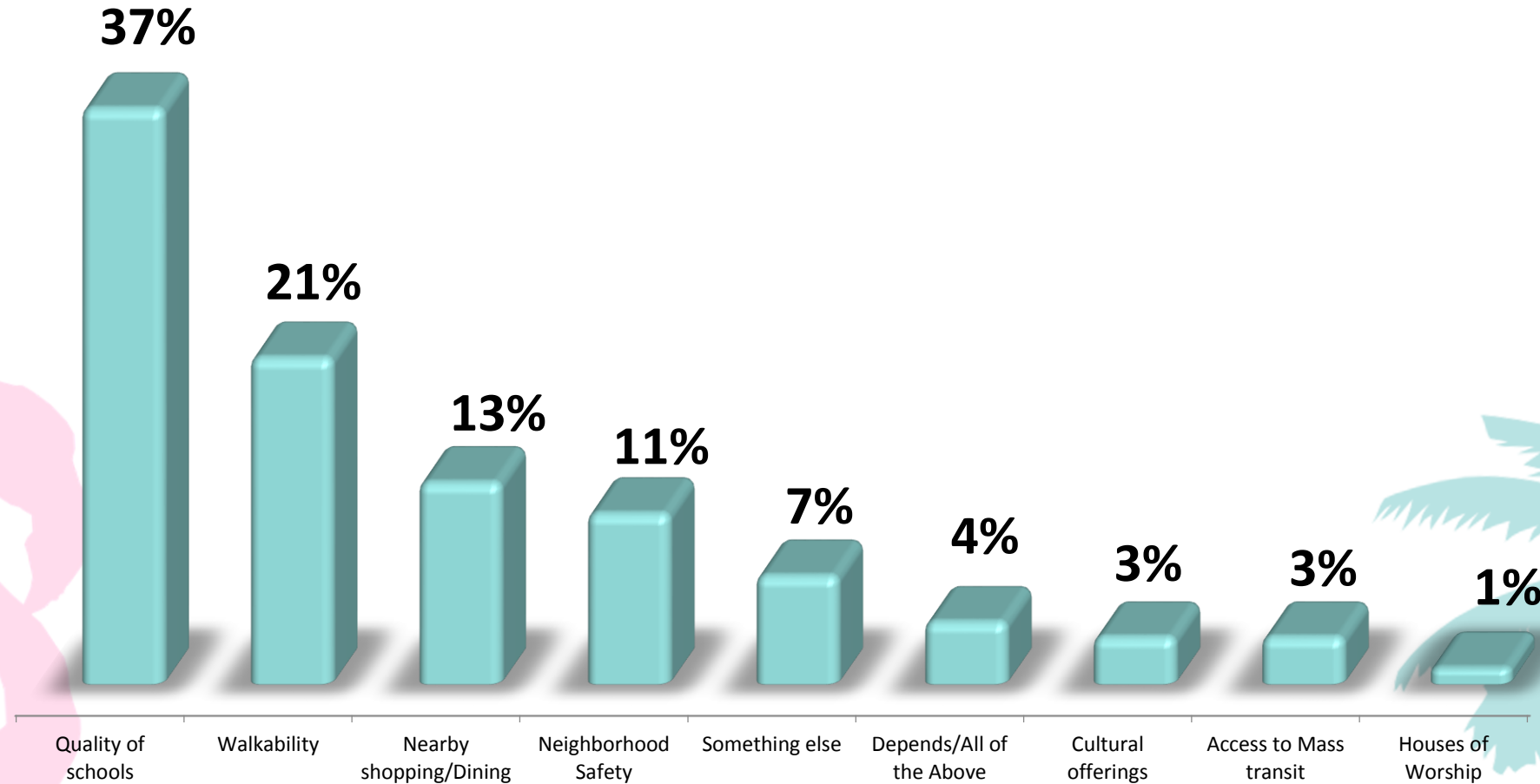
“Most retirees have to go north because it is not affordable.” – Broker (Coral Gables, South Miami)

What is the best neighborhood for retirees?

PANEL DISCUSSION



What is the neighborhood amenity that buyers are most interested in and willing to pay to get?



What is the neighborhood amenity that buyers are most interested in and willing to pay to get?

	Luxury	Mid-Market
Quality of Schools	33%	38%
Neighborhood Safety	10%	14%
Nearby Shopping/Dinning	15%	11%
Cultural Offerings	3%	4%
Walkability	23%	18%
Houses of Worship	-	3%
Access to Mass Transit	1%	5%
Something Else	9%	6%
Depends/All of the above	6%	1%

If you were in the market for a single family home where would you buy right now?



If you were in the market for a single family home where would you buy right now?

2017 Results

1. Coral Gables
2. Coconut Grove
3. Miami Beach

2018 Results

1. Coral Gables
2. Coconut Grove
3. Miami Beach





If you were in the market for a condo or apartment where would you buy right now?





If you were in the market for a condo or apartment where would you buy right now?

2017 Results

1. Miami Beach
2. Brickell
3. Downtown

2018 Results

1. Brickell
2. Miami Beach
3. Coral Gables





If you were in the market for a condo or apartment where would you buy right now?

Representative Quotes

“Coral Gables because of the lifestyle. It's close to the University of Miami, and there's a sense of community.” – Agent (North Beach)

“Downtown Miami is where I see the best value in the next 5 years.” – Industry Expert (Coconut Grove)

“The Kendall area. It's good for condos and apartments, since they're affordable.” – Developer (All of Miami-Dade County)

“Anywhere with walking accessibility and ‘vertical living,’ like Miami Beach, Coconut Grove, and Surfside.” – Agent (Doral)



If you were in the market for a condo or apartment where would you buy right now?



PANEL DISCUSSION



What areas would you avoid buying in altogether?



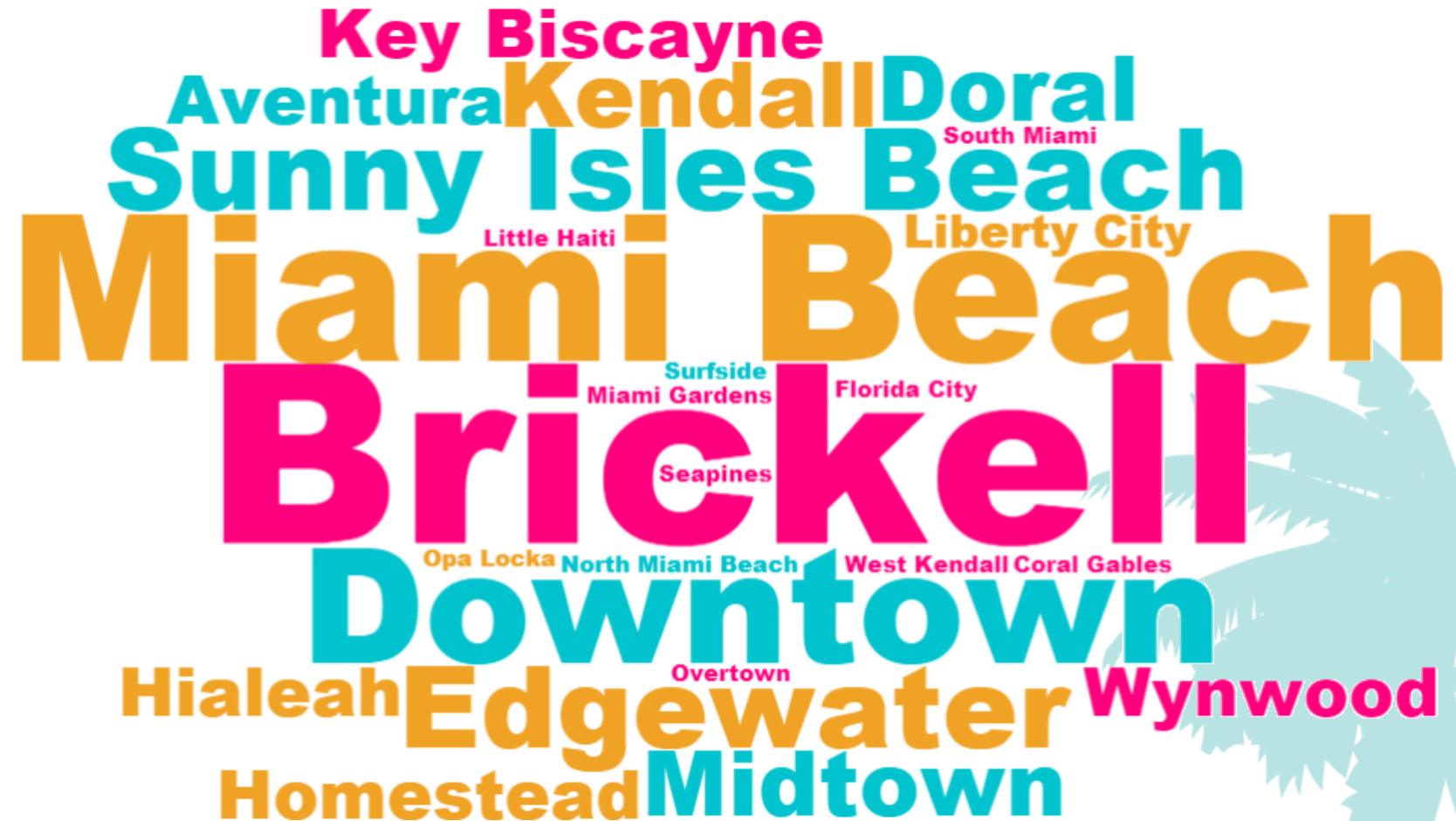
What areas would you avoid buying in altogether?

2017 Results

1. Brickell
2. Miami Beach
3. Downtown

2018 Results

1. Brickell
2. Miami Beach
3. Downtown





What areas would you avoid buying in altogether?

Representative Quotes

“I would avoid Miami in general.” – Agent (Miami Beach)

“Downtown because getting into and out of town would be complicated.” – Government Official (Miami-Dade County)

“Downtown and Doral both because of traffic!” – Agent (Doral)

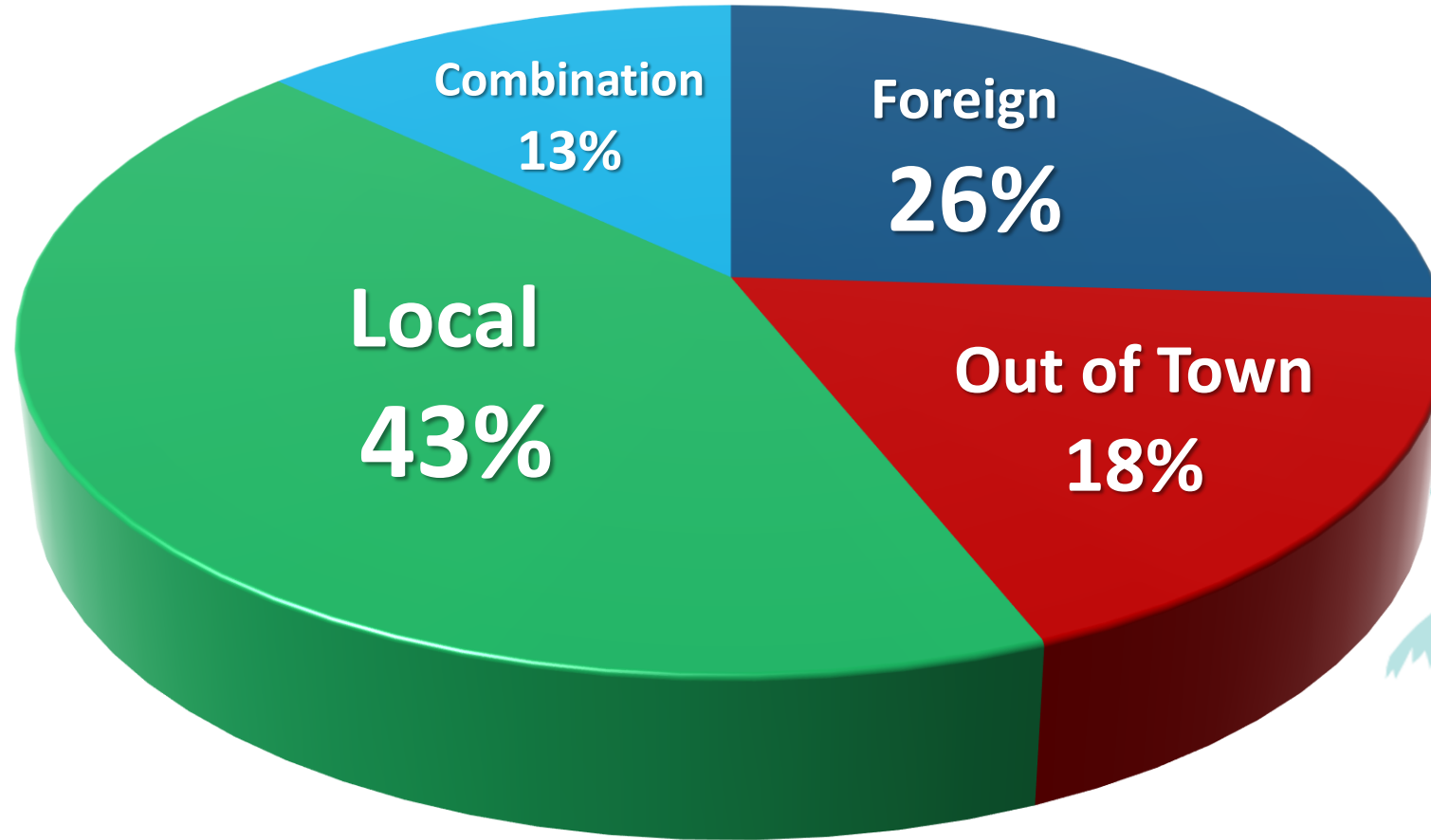
“Brickell because the prices will eventually come down.” – Agent (Palmetto Bay)

What areas would you avoid buying in altogether?

PANEL DISCUSSION



Are there more out-of-town buyers, foreign buyers, or local buyers in the residential market?



Are there more out-of-town buyers, foreign buyers, or local buyers in the residential market?

	2015	2016	2017	2018
Foreign	56%	33%	29%	26%
Local	11%	23%	27%	43%
Combination	17%	21%	34%	13%
Out-of-town	16%	20%	9%	18%
DK/NA	-	3%	1%	-

Where are the out-of-town buyers coming from?

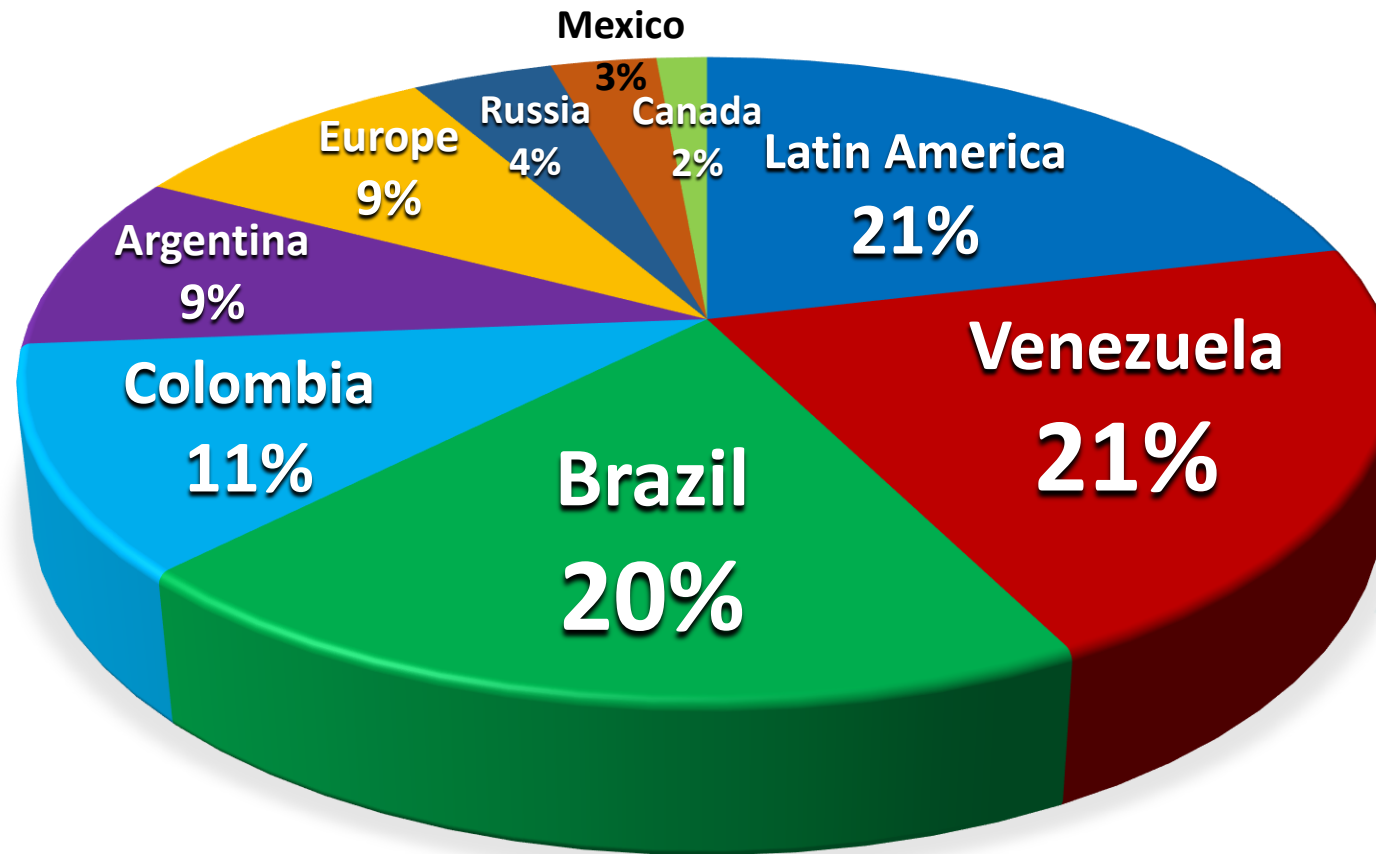
2016 – New York

2017 – New York

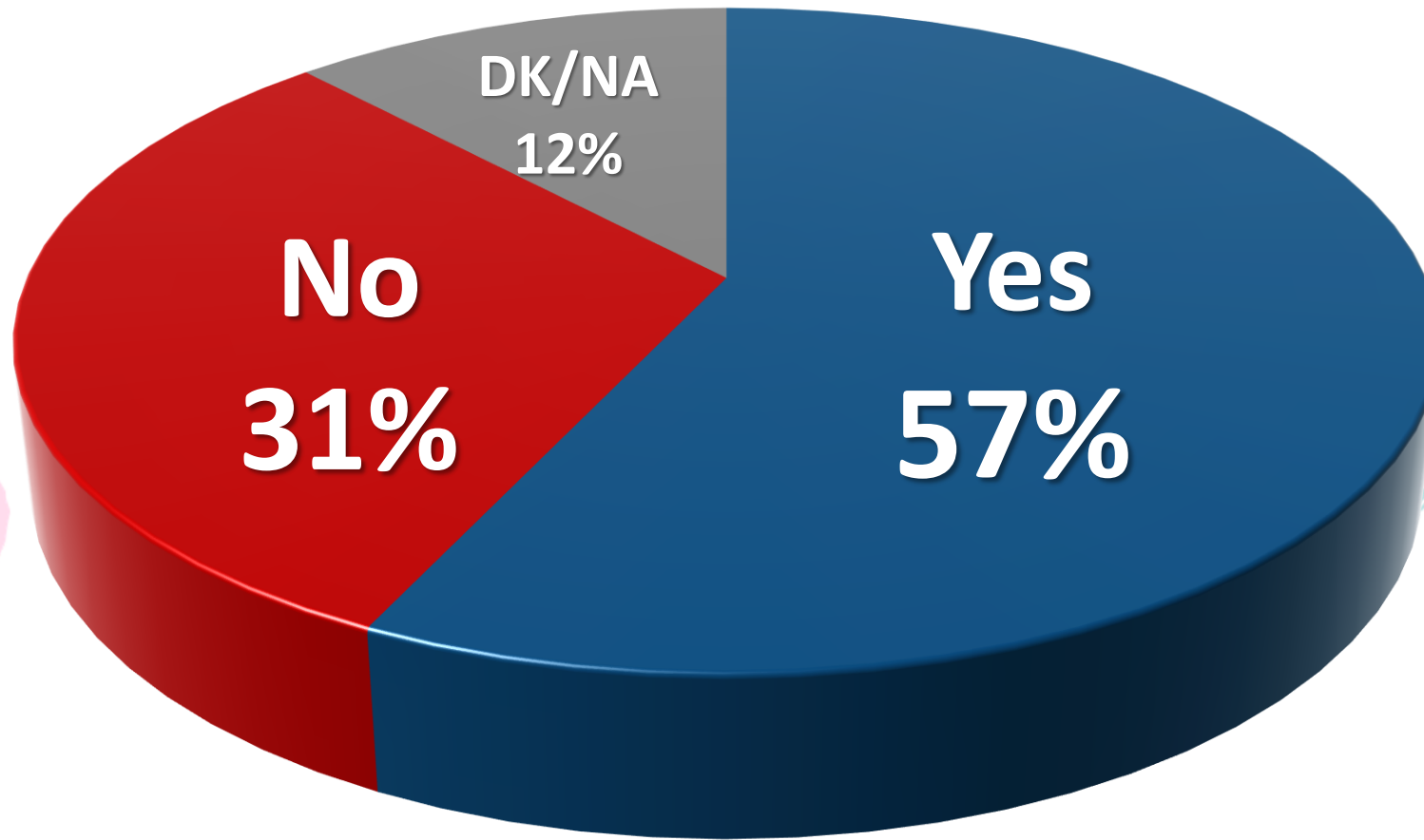
2018 – New York



Where are the foreign buyers coming from?



Do you think the Trump administration's tax reform is influencing the Miami-Dade residential market?





Do you think the Trump administration's tax reform is influencing the Miami-Dade residential market?



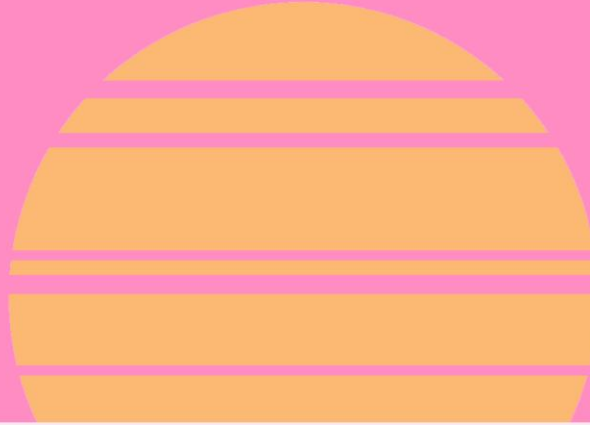
Representative Quotes

"Getting a lot of northeastern people relocating from where they have state income tax they can no longer deduct." – Agent (Miami Lakes)

"Incentive for people nearing retirement to convince them to save on taxes; not affecting wealthy people." – Broker (Coral Gables)

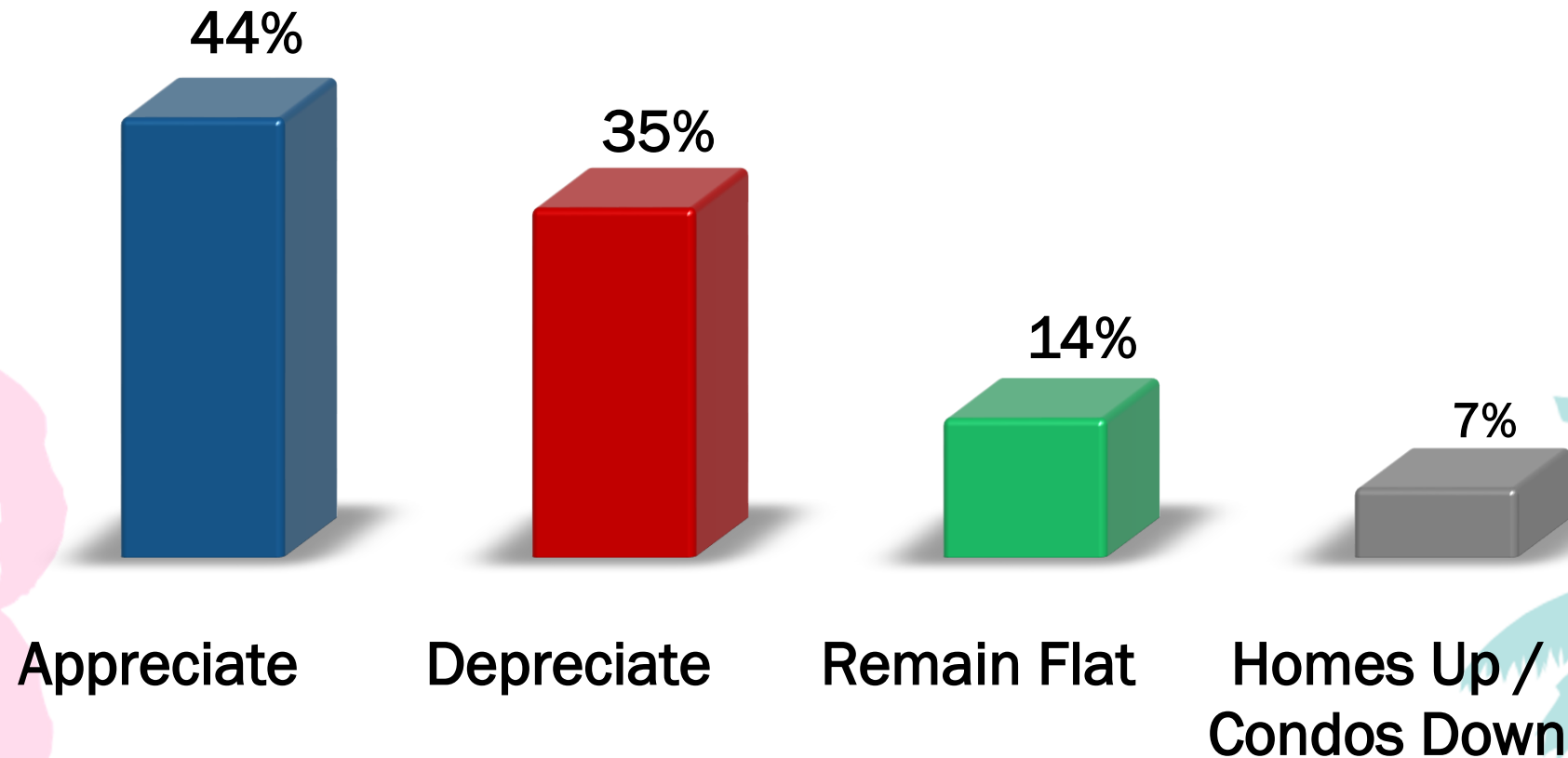
"It made Miami one of the most attractive markets in the country in addition to the amenities that we already had to offer." – Agent (Coral Gables)

"Foreign buyers are scared to invest here. Before they could without having to worry about problems with the administration." – Industry Expert (City of Miami)



FUTURE OF THE REAL ESTATE MARKET

Generally speaking, over the next 12 months do you expect residential home values in Miami-Dade County to appreciate, depreciate or remain flat?

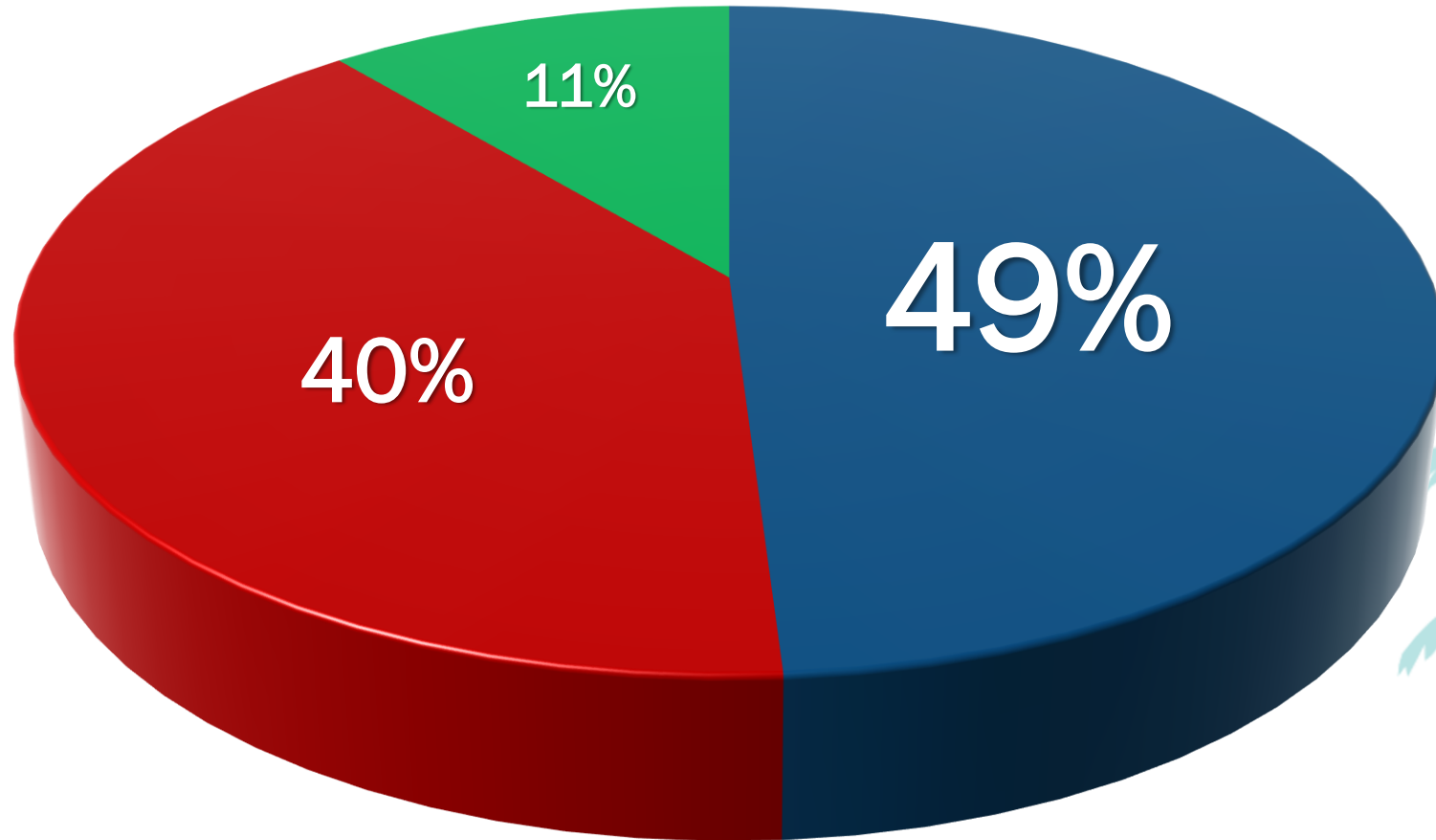


Generally speaking, over the next **12 months** do you expect residential home values in Miami-Dade County to appreciate, depreciate or remain flat?

	Luxury	Mid-Market
Appreciate	37%	51%
Depreciate	12%	14%
Remain Flat	41%	31%
Homes Up / Condos Down	10%	4%

If appreciate, by how much?

ASKED ONLY OF
THOSE THAT SAID
RESIDENTIAL HOME
VALUES WOULD
APPRECIATE



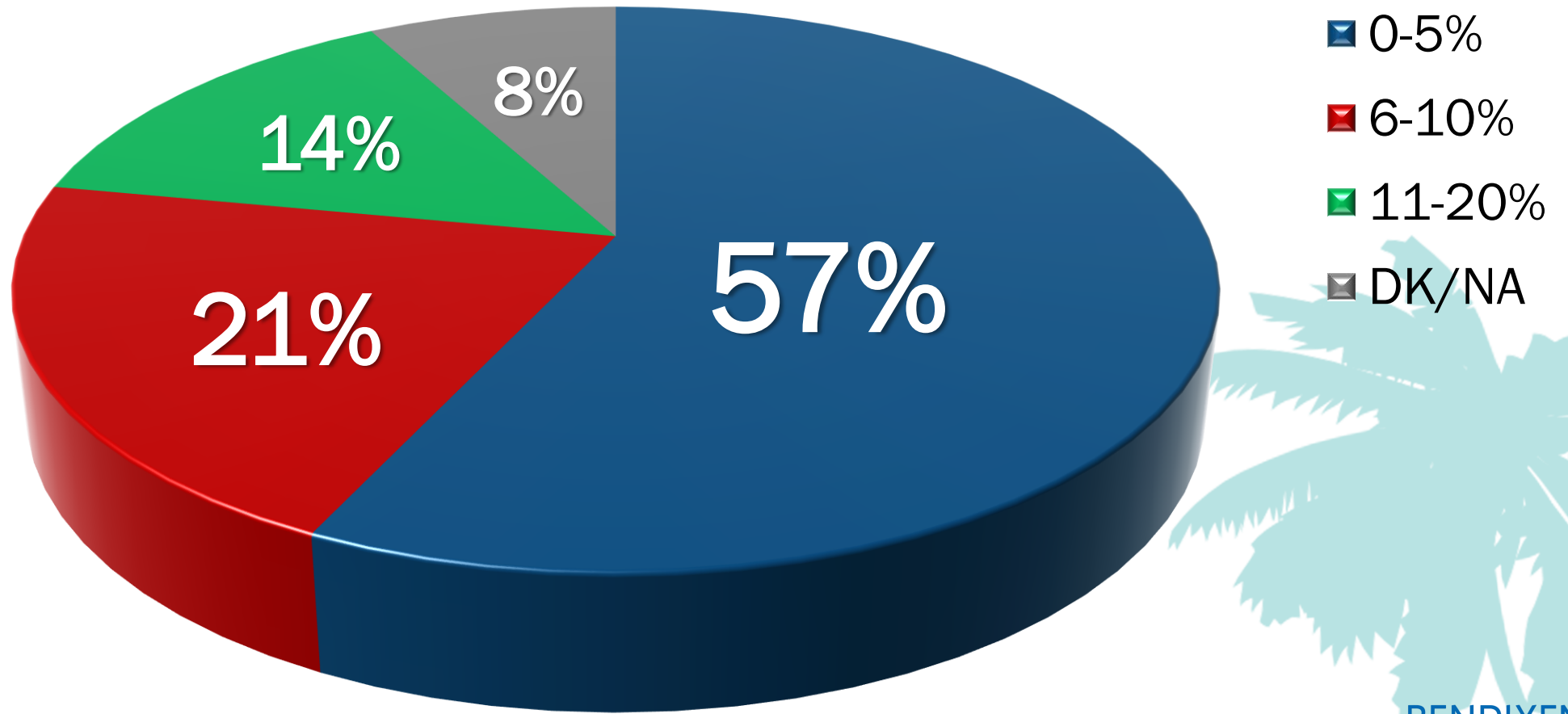
0-5%

6-10%

11-20%

If depreciate, by how much?

ASKED ONLY OF
THOSE THAT SAID
RESIDENTIAL HOME
VALUES WOULD
DEPRECIATE



If you were advising an investor or homeowner looking to make a good return on investment 5 years down the road, where is the next emerging market, area or neighborhood where you would advise them to buy today?



If you were advising an investor or homeowner looking to make a good return on investment 5 years down the road, where is the next emerging market, area or neighborhood where you would advise them to buy today?

2017 Results

1. Little Havana
2. Downtown
3. Brickell / Miami Beach

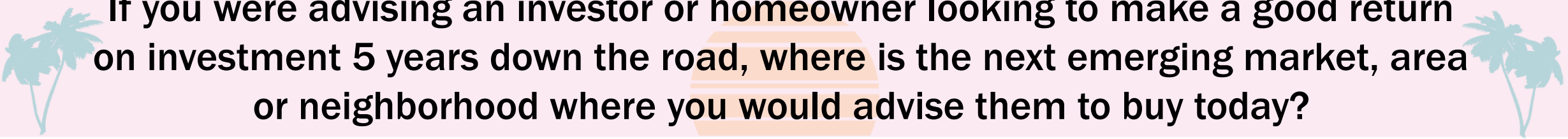
2018 Results

1. Design District / Midtown
2. Upper East Side
3. Little Havana



If you were advising an investor or homeowner looking to make a good return on investment 5 years down the road, where is the next emerging market, area or neighborhood where you would advise them to buy today?

	2015	2016	2017	2018
#1	Miami Beach	Downtown	Little Havana	Design District/Midtown
#2	Downtown	Coconut Grove	Downtown	Upper East Side
#3	North Miami	Brickell/Miami Beach	Brickell/Miami Beach	Little Havana



If you were advising an investor or homeowner looking to make a good return on investment 5 years down the road, where is the next emerging market, area or neighborhood where you would advise them to buy today?

Representative Quotes

“Close to the ocean, which are prime areas with oversupply and inventory.” – Agent (North Beach)

“Would not advise them to invest in an emerging market, but instead to buy in an established neighborhood.” – Broker (South Miami, Coral Gables)

“Opa Locka is an excellent location with larger lots, minutes away from the beach – this area will blossom.” – Government Official (Northern Miami-Dade)

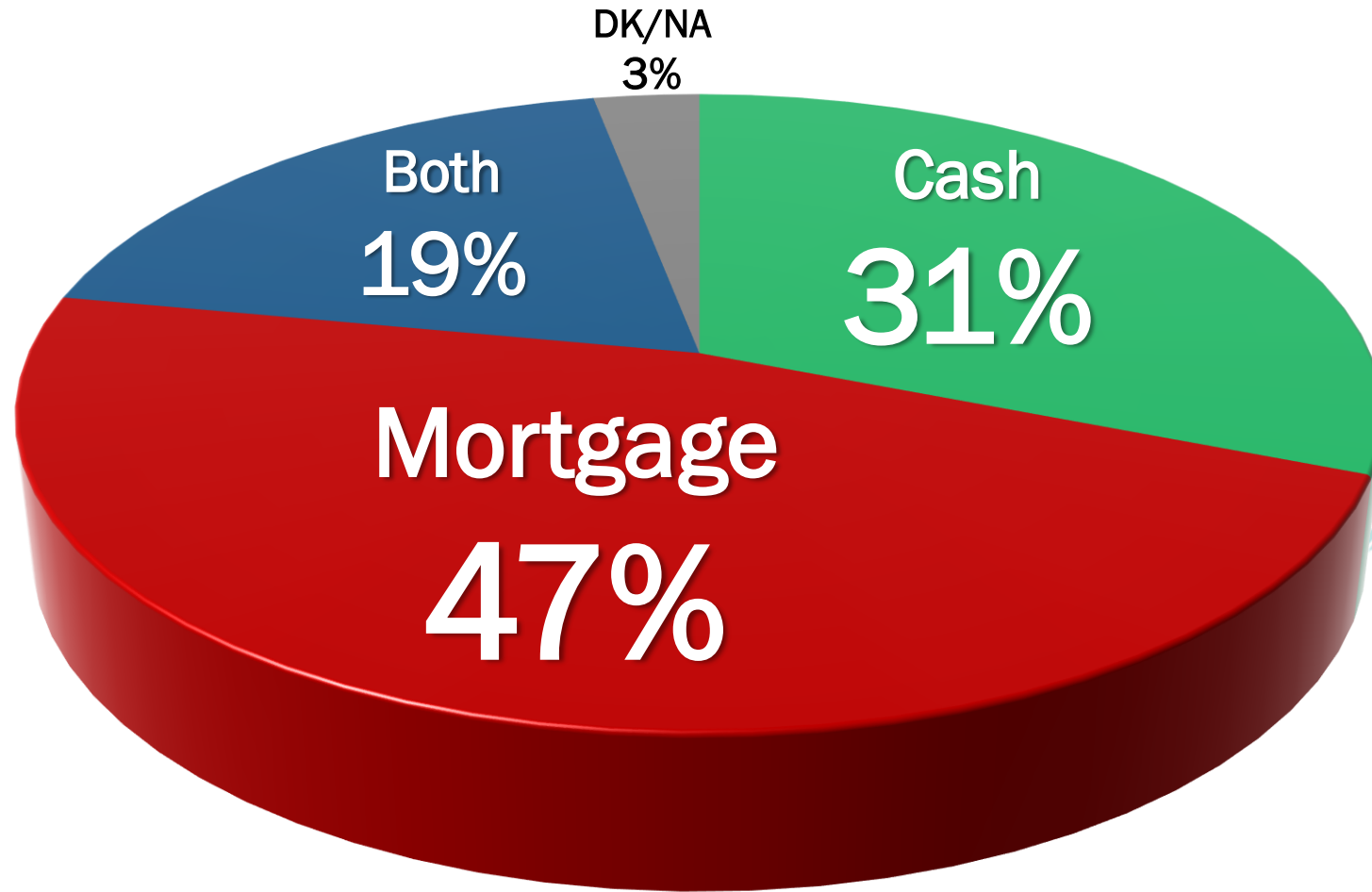
“The areas before the design district – the ‘next Midtown’.” – Agent (Miami Beach, Coral Gables)

“Edgewater, Midtown, or Bal Harbor for single family homes because even with another recession, these would be good properties to have invested in.” – Industry Expert (Miami-Dade)



GENERAL QUESTIONS

How are most people financing their purchases?



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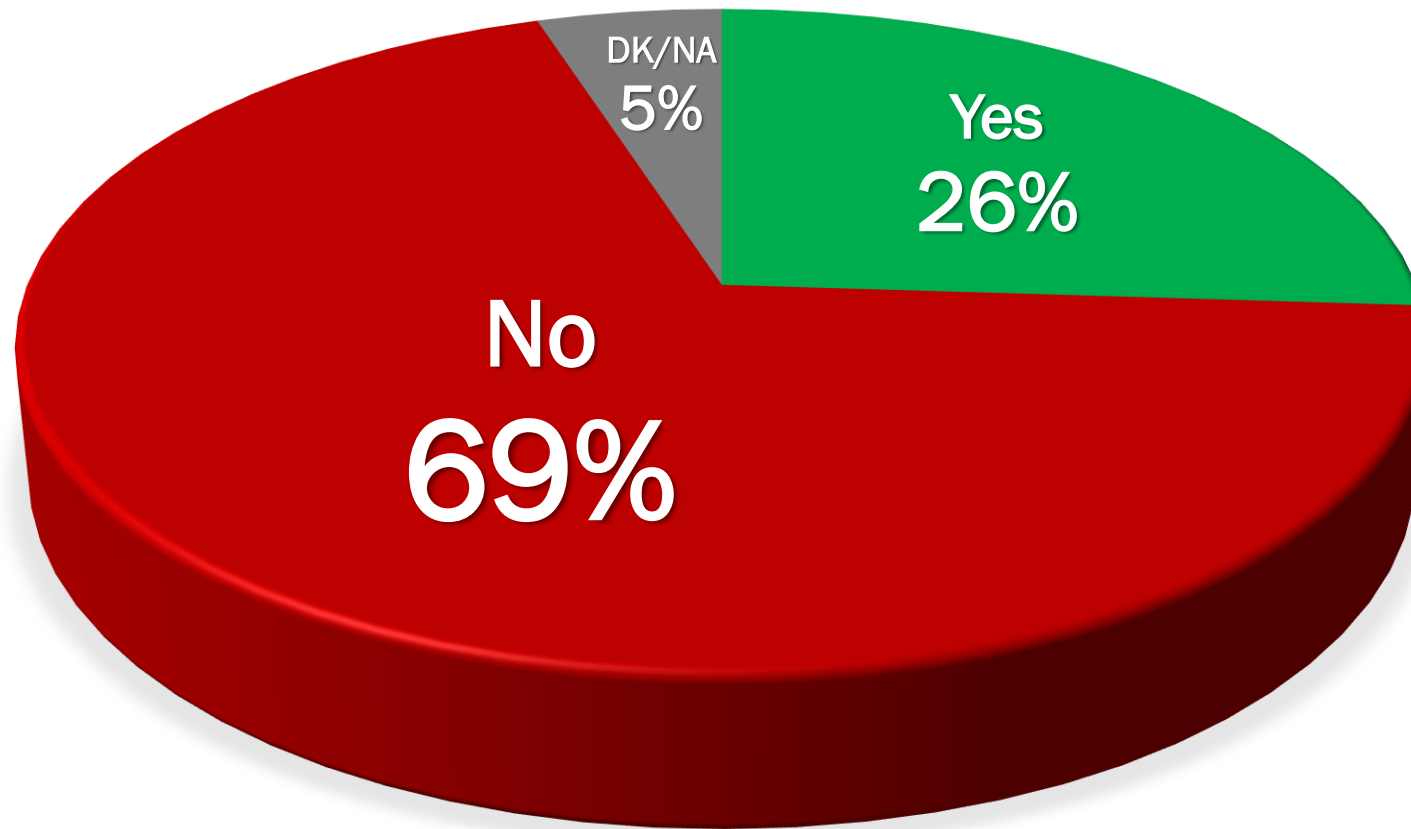
	2015	2016	2017	2018
Cash	68%	58%	30%	31%
Mortgage	14%	27%	50%	47%
Both	18%	13%	19%	19%
DK/NA	-	2%	1%	3%

How are most people financing their purchases?

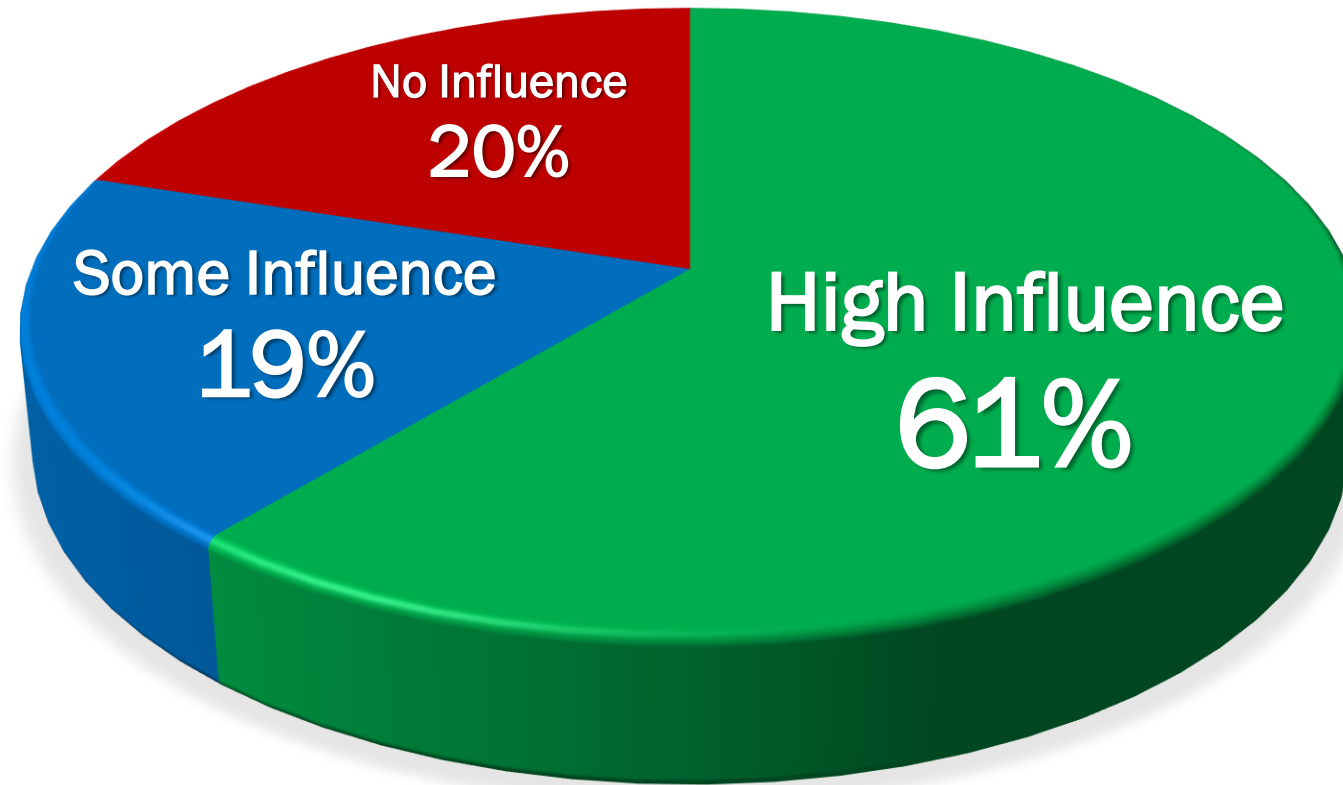
PANEL DISCUSSION



Did Hurricane Irma impact the level of importance your clients place on climate change and sea level rise in local real estate decisions?



How do factors such as property taxes and windstorm insurance influence buyer decisions in Miami-Dade County?





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Representative Quotes

“People have been used to property taxes for years – so people understand, but windstorm insurance is affecting in ways not seen before.” – Broker (Miami-Dade)

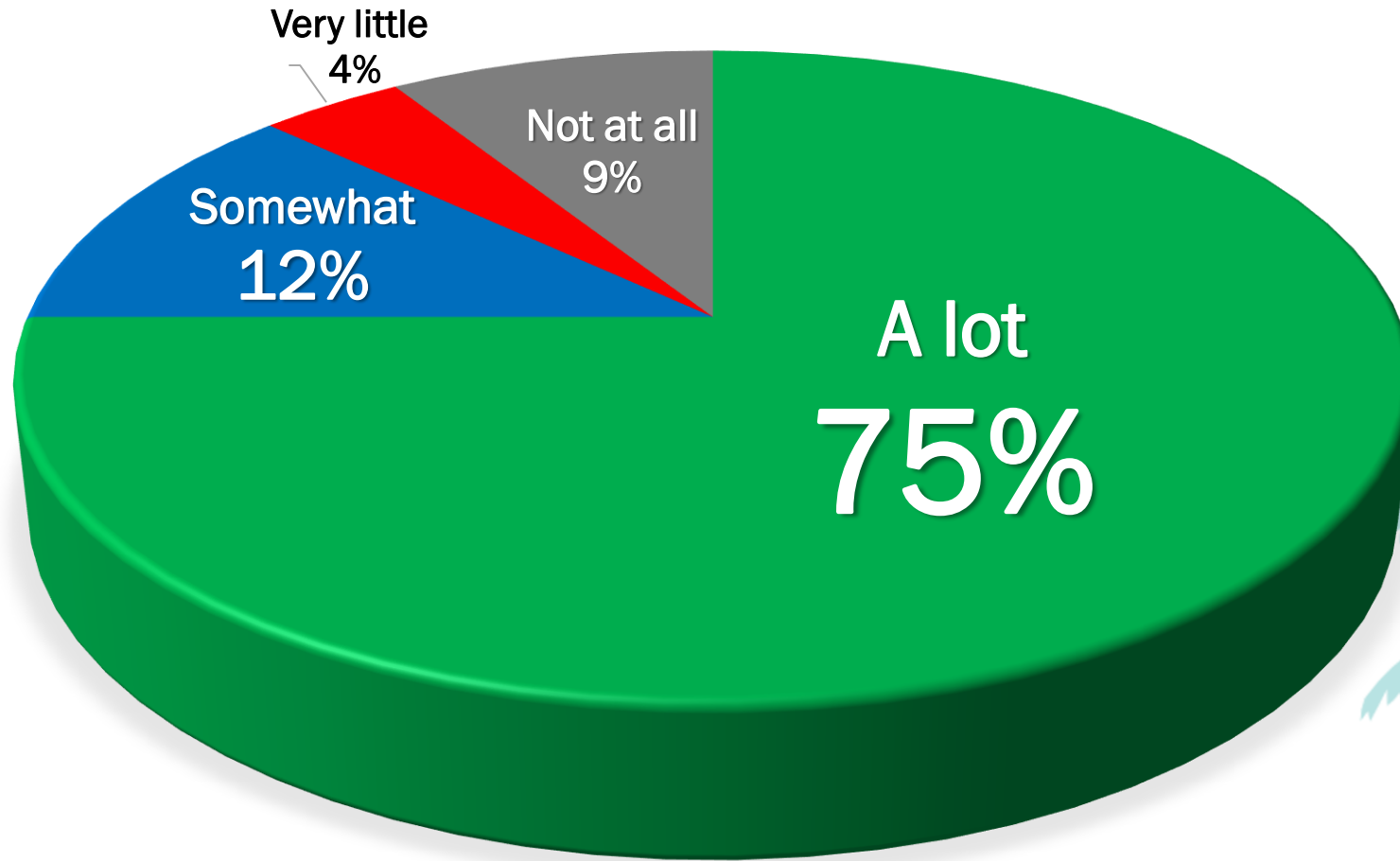
“A lot since most people don't realize that homeowner's insurance doesn't include flood insurance.” – Broker (South Dade)

“Property taxes have no influence, but windstorm insurance matters more than anything else.” – Industry Expert (Miami-Dade)

“Property taxes are considered, but not greatly, as there are other areas in the U.S. like Chicago that have higher taxes.” – Broker (Brickell/Coral Gables)

“The higher property taxes of Miami are pushing buyers towards Broward and Palm Beach.” – Industry Expert (the Beaches)

In your opinion, how does traffic congestion influence decisions regarding real estate in Miami-Dade County?





In your opinion, how does traffic congestion influence decisions regarding real estate in Miami-Dade County?



Representative Quotes

“It is a major problem, I hear a lot of people saying, “what happened to the money allocated in the 2010 election?”” – Broker (South-Dade)

“It’s why I personally avoid Miami, but with new transportation like the Brightline train it gives a little bit of hope that something will work out.” – Industry Expert (Miami-Dade)

“Everyone is coming to the Homestead area to avoid the Kendall congestion, but soon it could be the same as Kendall. We need to look into the new development and make sure there are good solutions coming.” – Agent (Brickell/Downtown)



In your opinion, how does traffic congestion influence decisions regarding real estate in Miami-Dade County?



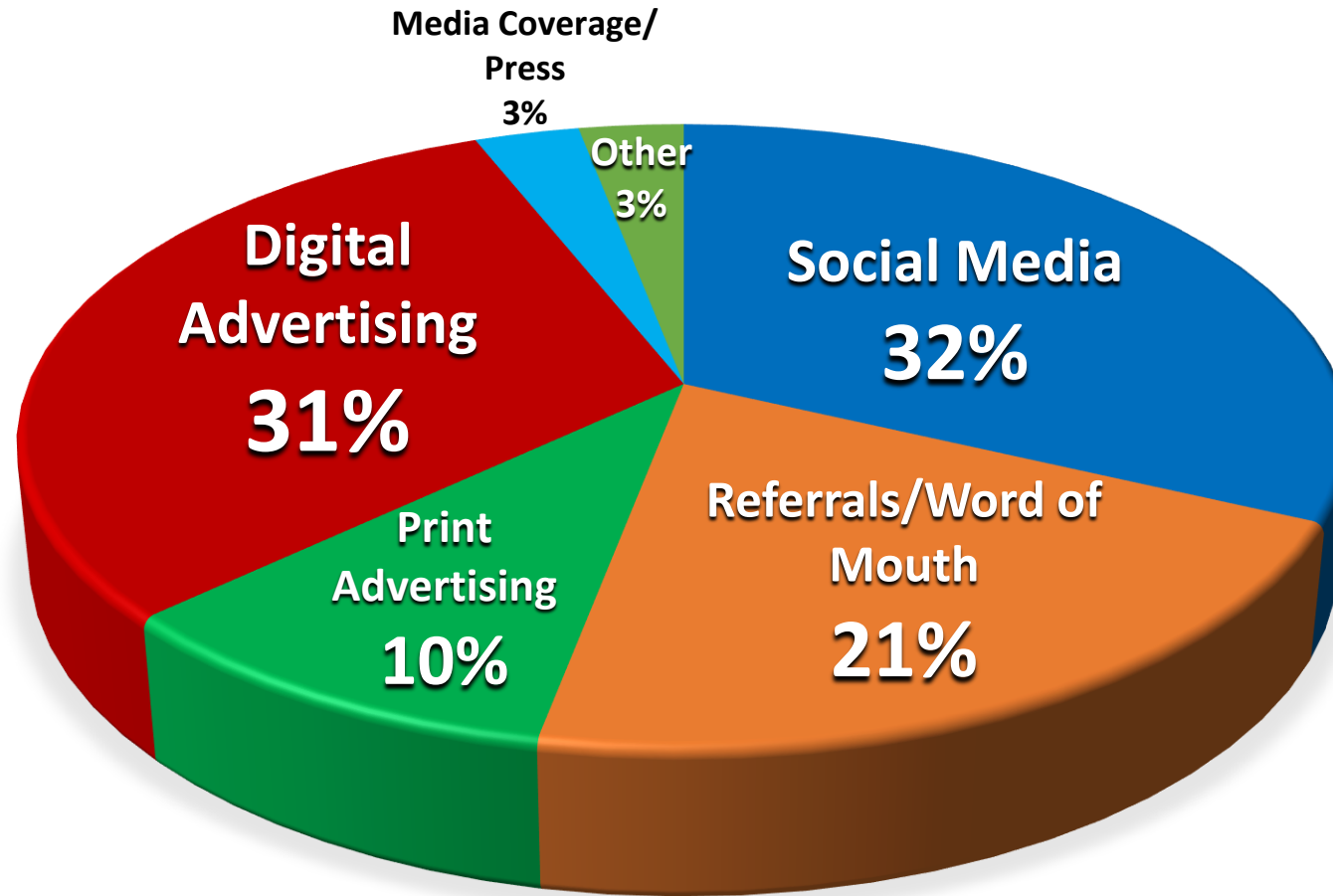
Representative Quotes

“Locals complain the most and are moving because of it, and people coming into the state want walkability since they are used to walking and are oblivious to traffic.” – Agent (Miami Beach)

“People are trying to move closer to where they work and are willing to sacrifice the size of their homes for the convenience of living closer.” – Broker (Miami-Dade)

“People are waking up to this more and more in Miami. When it comes to choosing a location, you consider how you will get to work, school, etc.” – Developer (Downtown)

What do you consider to be the most effective means of marketing yourself to the public?





MIAMI RESIDENTIAL “BEST OF THE BEST”

If you were selling your own home, and you couldn't use your own company, who is the **ONE BROKERAGE** that you would hire?



BENDIXEN & AMANDI INTERNATIONAL

Research | Strategies | Media



Anthony Williams, Project Coordinator
3250 Mary Street
Miami, FL 33133
305.529.9916
anthony@bendixenonline.com

Miami Herald

MIAMIHERALD.COM

BUSINESS MONDAY

Jane Wooldridge, Editor
Miami Herald Media Company
305.376.3629
jwooldridge@miamiherald.com

