

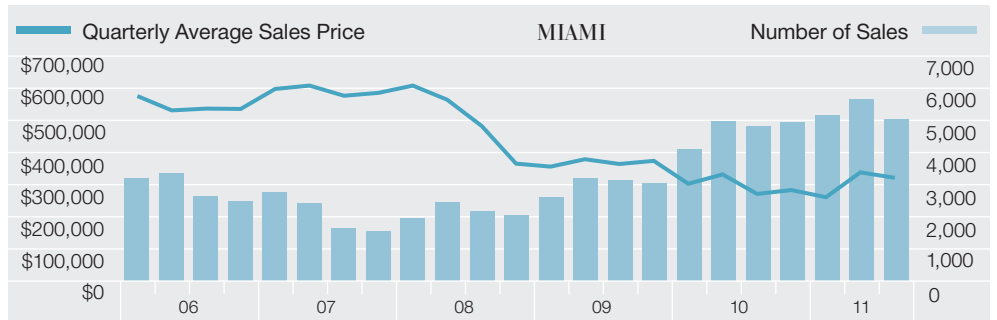


# ELLIMANREPORT

## MIAMI

- Housing prices continued to show stability** The market share of distressed sales, which are roughly one third the size of non-distressed sales, fell from 62.9% in the prior year quarter to 53.3%. The shift toward higher priced sales caused the price indicators to post double digit gains, when in fact, both markets are relatively stable.
- Third highest number of sales since at least 2006** The number of sales increased 4.6% to 4,979 sales in the third quarter from 4,762 sales in the same period a year ago. Non-distressed sales jumped 31.1%, while distressed sales fell 11.3% over the same period.
- Days on market was unchanged over the past year** It took an average of 72 days to sell a property in the third quarter, unchanged from the third quarter last year, consistent with the five-year, 71-day average.

Miami Market Matrix	3Q-2011	% Chg (QRT)	2Q-2011	% Chg (YR)	3Q-2010
Average Sales Price	\$322,072	-5.1%	\$339,261	18.7%	\$271,277
Average Price per Sq Ft	\$209	-7.1%	\$225	14.2%	\$183
Median Sales Price	\$165,000	1.5%	\$162,500	10.0%	\$150,000
Number of Sales (Closed)	4,979	-10.7%	5,577	4.6%	4,762
Days on Market (From Last List Date)	72	5.9%	68	0.0%	72
Listing Discount (From Last List Price)	10.1%		9.4%		9.0%
Listing Inventory (active)	15,239	-6.4%	16,281		N/A
Absorption Rate (mos)	9.2		8.8		N/A



quarter. The average price per square foot and average sales price followed the same year-over-year pattern. The third quarter average price per square foot jumped 14.2% to \$209 and the average sales price jumped 18.7% to \$322,072 compared to the prior year quarter.

One of the flaws in reporting the state of the Miami housing market has been the continued lack of differentiation between the distressed and non-distressed markets, yet distressed sales accounted for 53% of the market and non-distressed accounted for nearly 47% of the market. Median sales price for non-distressed condos and 1-family homes showed single-digit year-over-year gains as the distressed sales

prices remained stable.

There were 4,979 condo and 1-family sales in the third quarter, 4.6% more than 4,762 sales in the prior year quarter and the third highest total since at least 2006—when the MLS market archive began. In the third quarter, 62% of the sales were condos and 38% were 1-family houses, largely unchanged from the prior year quarter.

The tightness in mortgage underwriting continued to challenge buyers, as cash purchases accounted for 62.6% of all sales in the third quarter, up from 59.3% in the prior year quarter. Conventional financing fell to 22.3% of all sales while FHA financing fell to 11.6% over the same period.

All three housing price indicators posted year-over-year double-digit gains as last year's "robo-signing" scandal continued to keep banks from releasing their foreclosure inventory to the market until they become more comfortable that their process is not flawed for fear of legal exposure.

The median sales price of a Miami property was \$165,000, 10% above \$150,000 in the prior year quarter and 1.5% above \$162,500 in the second

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## CONDOS

### • Sales edged above last year's activity level

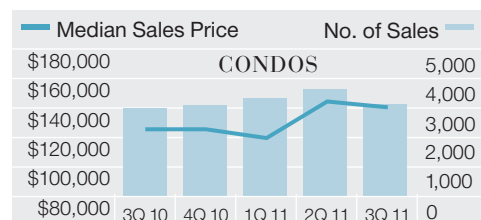
There were 3,089 sales in the third quarter, 3.6% above 2,982 sales in the prior year quarter and the fourth consecutive quarter above the 3,000 sales threshold.

### • Price indicators posted double-digit gains

The median sales price of a Miami condo was \$140,000 in the third quarter, 12% higher than \$125,000 in the same period last year. Average price per square foot jumped 12.4% to \$226 and average sales price jumped 15.4% to \$271,329 over the same period.

Condo Market Matrix	3Q-2011	% Chg (QRT)	2Q-2011	% Chg (YR)	3Q-2010
Average Sales Price	\$271,329	-8.8%	\$297,600	15.4%	\$235,020
Average Price per Sq Ft	\$226	-8.9%	\$248	12.4%	\$201
Median Sales Price	\$140,000	-2.8%	\$144,000	12.0%	\$125,000
Number of Sales (Closed)	3,089	-14.6%	3,618	3.6%	2,982
Days on Market (From Last List Date)	74	8.8%	68	2.8%	72
Listing Discount (From Last List Price)	10.3%		8.7%		7.6%
Listing Inventory (active)	9,290	-6.9%	9,981		N/A
Absorption Rate (mos)	9.0		8.3		N/A

Quintiles	Med. Sales Price	% Chg (YR)
Studio	\$90,000	12.5%
1-bedroom	\$118,000	21.6%
2-bedroom	\$147,000	9.7%
3-bedroom	\$185,000	12.1%
4-bedroom	\$234,950	17.5%
5-bedroom	\$4,337,500	77.0%



## 1 FAMILY

### • Price indicators increased with significant uptick in the high end market

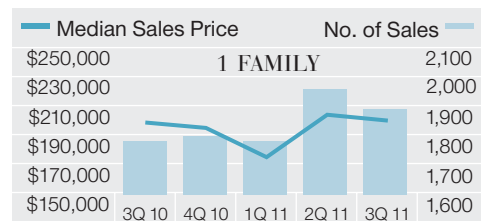
While the median sales price showed a nominal 0.7% increase to \$200,000 from \$198,700 in the prior year quarter, the average sales price, price per square foot and the highest two price quintiles posted significant double-digit gains over the same period, as active inventory edged lower in recent quarters.

### • More sales in third quarter than same period a year ago

The third quarter saw a 6.2% increase in activity to 1,890 sales from 1,780 in the prior year quarter.

1-Family Market Matrix	3Q-2011	% Chg (QRT)	2Q-2011	% Chg (YR)	3Q-2010
Average Sales Price	\$405,006	-2.7%	\$416,203	22.0%	\$332,017
Average Price per Sq Ft	\$181	-1.1%	\$183	17.5%	\$154
Median Sales Price	\$200,000	-2.0%	\$204,000	0.7%	\$198,700
Number of Sales (Closed)	1,890	-3.5%	1,959	6.2%	1,780
Days on Market (From Last List Date)	69	0.0%	69	-4.2%	72
Listing Discount (From Last List Price)	9.9%		10.7%		11.4%
Listing Inventory (active)	5,949	-5.6%	6,300		N/A
Absorption Rate (mos)	9.4		9.6		N/A

Quintiles	Med. Sales Price	% Chg (YR)
1-bedroom	\$60,000	46.0%
2-bedroom	\$109,625	27.5%
3-bedroom	\$165,000	0.0%
4-bedroom	\$245,000	2.5%
5-bedroom	\$710,000	22.4%



## LUXURY

### • Condo prices increased as average size remained stable

The median sales price of a condo increased 10.7% to \$830,000. Price per square foot and average sales showed larger gains, even though average square footage increased a modest 1.1% to 2,301 over the same period.

### • 1-family houses showed jump in price despite modest increase in size

Median sales price surged 24.5% to \$1,370,000, while the average square footage of a sale increased 6.1% to 4,640 square feet over the same period.

Luxury Market Matrix - Condos	3Q-2011	% Chg (QRT)	2Q-2011	% Chg (YR)	3Q-2010
Average Sales Price	\$1,281,754	-12.6%	\$1,466,605	16.1%	\$1,103,665
Average Price per Sq Ft	\$557	-8.1%	\$606	14.8%	\$485
Median Sales Price	\$830,000	-21.0%	\$1,050,000	10.7%	\$750,000
Number of Sales (Closed)	309	-14.4%	361	3.7%	298
Days on Market (From Last List Date)	64	20.8%	53	-1.5%	65
Listing Discount (From Last List Price)	15.5%		11.2%		9.3%

Luxury Market Matrix - 1-Family	3Q-2011	% Chg (QRT)	2Q-2011	% Chg (YR)	3Q-2010
Average Sales Price	\$2,018,221	-3.5%	\$2,091,313	38.6%	\$1,455,875
Average Price per Sq Ft	\$435	-0.5%	\$437	30.6%	\$333
Median Sales Price	\$1,370,000	1.1%	\$1,355,000	24.5%	\$1,100,000
Number of Sales (Closed)	189	-3.6%	196	6.2%	178
Days on Market (From Last List Date)	55	-5.2%	58	1.9%	54
Listing Discount (From Last List Price)	13.3%		14.8%		16.9%

Note: This sub-category is the analysis of the top ten percent of all sales. The data is also contained within the other markets presented.

## NORTH

- **Condo price indicators rose along with sales** Condo sales jumped 10% to 650 sales as median sales price rose 15% to \$207,000, both from the prior year quarter.
- **1-family sales showed volatility due to small market share** Median sales price declined 9.1% to \$456,856 from the prior year quarter.

Note: This region includes Aventura, Bal Harbour, Bay Harbor Islands, Golden Beach, Indian Creek, North Bay Village, Sunny Isles and Surfside. The data is also contained within the other markets presented.

## MIAMI BEACH

- **Condo sales edged higher as prices jumped** There were 295 sales, 6.5% more than last year, as median sales price surged 14.3% to \$280,000 over the same period.
- **1-family sales at one year high, prices skewed by high end** Median sales price increased 4.9% to \$905,000, as number of sales jumped 31.5% from the prior year quarter.

North Market Matrix - Condos					
Average Sales Price	3Q-2011	% Chg (QRT)	2Q-2011	% Chg (YR)	3Q-2010
Average Sales Price	\$323,503	-9.6%	\$357,886	4.9%	\$308,409
Average Price per Sq Ft	\$234	-7.5%	\$253	2.2%	\$229
Median Sales Price	\$207,000	0.2%	\$206,550	15.0%	\$180,000
Number of Sales (Closed)	650	-20.5%	818	10.0%	591
North Market Matrix- 1 Family					
Average Sales Price	3Q-2011	% Chg (QRT)	2Q-2011	% Chg (YR)	3Q-2010
Average Sales Price	\$880,730	2.1%	\$862,246	44.7%	\$608,600
Average Price per Sq Ft	\$327	3.2%	\$317	36.8%	\$239
Median Sales Price	\$456,856	7.5%	\$425,000	-9.1%	\$502,500
Number of Sales (Closed)	39	-4.9%	41	95.0%	20

Miami Beach Market Matrix - Condos					
Average Sales Price	3Q-2011	% Chg (QRT)	2Q-2011	% Chg (YR)	3Q-2010
Average Sales Price	\$546,280	23.6%	\$441,807	28.1%	\$426,379
Average Price per Sq Ft	\$403	9.2%	\$369	19.6%	\$337
Median Sales Price	\$280,000	12.4%	\$249,000	14.3%	\$245,000
Number of Sales (Closed)	295	-25.5%	396	6.5%	277
Miami Beach Market Matrix- 1 Family					
Average Sales Price	3Q-2011	% Chg (QRT)	2Q-2011	% Chg (YR)	3Q-2010
Average Sales Price	\$1,876,470	18.2%	\$1,587,620	51.1%	\$1,241,842
Average Price per Sq Ft	\$560	5.1%	\$533	34.9%	\$415
Median Sales Price	\$905,000	-2.2%	\$925,000	4.9%	\$862,500
Number of Sales (Closed)	71	9.2%	65	31.5%	54

Note: This region includes Miami Beach, Fisher Island and Key Biscayne. The data is also contained within the other markets presented.

## SOUTH BEACH

- **Condo prices jumped with shift towards high end** Sales increased 6.7% to 288 sales as median sales price surged 28.1% to \$238,250 as compared to the prior year quarter.
- **High end sales skewed price indicators** Median sales price more than doubled over the past year to \$1,900,000 in the small 13 sale submarket.

South Beach Market Matrix - Condos					
Average Sales Price	3Q-2011	% Chg (QRT)	2Q-2011	% Chg (YR)	3Q-2010
Average Sales Price	\$504,863	-16.8%	\$606,761	22.6%	\$411,745
Average Price per Sq Ft	\$515	-7.9%	\$559	22.3%	\$421
Median Sales Price	\$238,250	-4.7%	\$250,000	28.1%	\$186,000
Number of Sales (Closed)	288	-33.0%	430	6.7%	270
South Beach Market Matrix- 1 Family					
Average Sales Price	3Q-2011	% Chg (QRT)	2Q-2011	% Chg (YR)	3Q-2010
Average Sales Price	\$2,826,154	-35.6%	\$4,386,334	155.6%	\$1,105,833
Average Price per Sq Ft	\$639	-20.2%	\$801	61.4%	\$396
Median Sales Price	\$1,900,000	-37.2%	\$3,025,000	216.7%	\$600,000
Number of Sales (Closed)	13	-31.6%	19	8.3%	12

Note: This region includes area within the 33139 zip code and the 33140 zip code with northern boundary of 30th Street. The data is also contained within the other markets presented.

## DOWNTOWN

- **Condo sales slipped as prices edged higher** There were 1,726 sales, 1.6% less than in the prior year quarter, as median sales price rose 2.2% to \$91,000.
- **1-family sales flat as prices declined** Median sales price slipped 3.5% to \$167,000 and sales remained unchanged at 1,471 compared to the prior year quarter.

Downtown Beach Market Matrix - Condos					
Average Sales Price	3Q-2011	% Chg (QRT)	2Q-2011	% Chg (YR)	3Q-2010
Average Sales Price	\$165,325	0.1%	\$165,150	14.8%	\$143,987
Average Price per Sq Ft	\$145	-1.4%	\$147	11.5%	\$130
Median Sales Price	\$91,000	-1.8%	\$92,700	2.2%	\$89,000
Number of Sales (Closed)	1,726	-6.2%	1,840	-1.6%	1,754
Downtown Beach Market Matrix- 1 Family					
Average Sales Price	3Q-2011	% Chg (QRT)	2Q-2011	% Chg (YR)	3Q-2010
Average Sales Price	\$202,209	-7.3%	\$218,200	-2.5%	\$207,431
Average Price per Sq Ft	\$104	-4.6%	\$109	-3.7%	\$108
Median Sales Price	\$167,000	2.5%	\$163,000	-3.5%	\$173,000
Number of Sales (Closed)	1,471	-3.4%	1,522	0.0%	1,471

Note: This region includes area defined by Miami MLS as "Miami". The data is also contained within the other markets presented.

## SOUTH

- **Condo price indicators mixed as sales surged** There were 130 sales in the third quarter, 44.4% more than the same period last year.
- **Sales of 1-family homes jumped, price indicators mixed** The median sales price slipped 1.8% to \$555,000, as the number of sales surged 32.7% to 296 from the same quarter last year.

South Market Matrix - Condos					
Average Sales Price	3Q-2011	% Chg (QRT)	2Q-2011	% Chg (YR)	3Q-2010
Average Sales Price	\$276,565	-16.2%	\$330,064	-32.2%	\$408,090
Average Price per Sq Ft	\$220	-8.3%	\$240	-23.3%	\$287
Median Sales Price	\$223,750	11.9%	\$200,000	34.4%	\$166,500
Number of Sales (Closed)	130	-3.0%	134	44.4%	90
South Market Matrix- 1 Family					
Average Sales Price	3Q-2011	% Chg (QRT)	2Q-2011	% Chg (YR)	3Q-2010
Average Sales Price	\$890,859	6.3%	\$837,671	2.7%	\$867,074
Average Price per Sq Ft	\$274	6.2%	\$258	4.2%	\$263
Median Sales Price	\$555,000	0.5%	\$552,500	-1.8%	\$565,000
Number of Sales (Closed)	296	-5.1%	312	32.7%	223

Note: This region includes Coconut Grove, Coral Gables, Palmetto Bay, Pinecrest and South Miami. The data is also contained within the other markets presented.

## NON-DISTRESSED

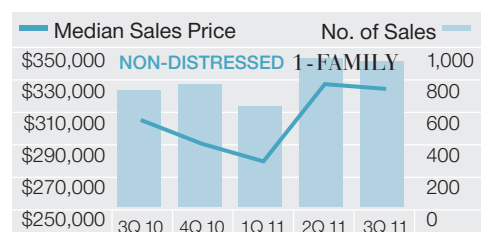
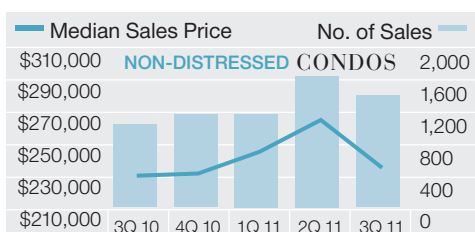
### • All condo price indicators posted single-digit gains as sales surged

Median sales price edged 2.2% higher to \$235,000 from the prior year quarter. All price indicators showed gains, despite a 3.4% decline in average square footage to 1,359 as compared to the prior year quarter. The quarter saw 1,404 sales, 35.1% more than the same period last year.

### • 1-family sales jumped as price

**indicators rose** There were 916 sales in the third quarter, 25.5% more than the same period last year. Median sales price increased 6.4% to \$324,500 from the prior year quarter. The other price indicators posted double-digit gains, skewed by an increase in high-end sales.

Non-Distressed - Condos	3Q-2011	% Chg (QRT)	2Q-2011	% Chg (YR)	3Q-2010
Average Sales Price	\$434,995	-12.5%	\$496,996	2.1%	\$426,206
Average Price Per Sq Ft	\$320	-10.1%	\$356	5.6%	\$303
Median Sales Price	\$235,000	-11.3%	\$265,000	2.2%	\$230,000
Number of Sales	1,404	-14.8%	1,647	35.1%	1,039
Days on Market (From Last List Date)	49	0.0%	49	-12.5%	56
Listing Discount (From Last List Price)	13.1%		10.5%		12.0%
Non-Distressed - 1 Family	3Q-2011	% Chg (QRT)	2Q-2011	% Chg (YR)	3Q-2010
Average Sales Price	\$641,788	-2.8%	\$660,118	17.5%	\$546,145
Average Price Per Sq Ft	\$246	-1.6%	\$250	15.0%	\$214
Median Sales Price	\$324,500	-0.9%	\$327,500	6.4%	\$305,000
Number of Sales	916	-1.6%	931	25.5%	730
Days on Market (From Last List Date)	53	0.0%	53	-5.4%	56
Listing Discount (From Last List Price)	11.4%		12.5%		13.7%



Note: This category excludes all foreclosure and short sales. The data is also contained within the other markets presented

## DISTRESSED

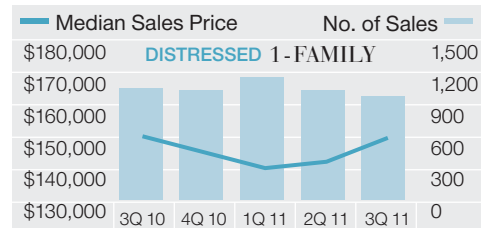
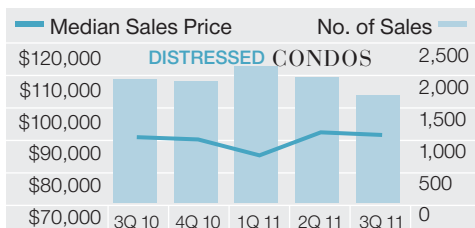
### • Condo price indicators were flat as sales fell sharply

Median sales price saw a nominal gain of 0.8% to \$91,402 from the prior year quarter, while the other indicators were mixed. The number of sales fell 13.5% to 1,681 over the same period as lenders continued to hold back their release of foreclosures.

### • 1-family price indicators slipped as sales dropped

There were 974 sales in the third quarter, 7.2% below the prior year quarter total. All three price indicators posted nominal year-over-year declines. Median sales price slipped 0.3% to \$149,500 over the same period.

Distressed - Condos	3Q-2011	% Chg (QRT)	2Q-2011	% Chg (YR)	3Q-2010
Average Sales Price	\$135,135	3.2%	\$130,883	-31.2%	\$196,416
Average Price Per Sq Ft	\$126	0.0%	\$126	22.3%	\$103
Median Sales Price	\$91,402	-0.9%	\$92,230	-44.5%	\$164,650
Number of Sales	1,681	-15.0%	1,977	63.5%	1,028
Days on Market (From Last List Date)	92	10.8%	83	5.7%	87
Listing Discount (From Last List Price)	2.6%		2.9%		5.2%
Distressed - 1 Family	3Q-2011	% Chg (QRT)	2Q-2011	% Chg (YR)	3Q-2010
Average Sales Price	\$182,324	-6.6%	\$195,304	-0.4%	\$183,147
Average Price Per Sq Ft	\$97	-4.0%	\$101	-1.0%	\$98
Median Sales Price	\$149,500	5.3%	\$142,000	-0.3%	\$150,000
Number of Sales	974	-5.3%	1,028	-7.2%	1,050
Days on Market (From Last List Date)	84	1.2%	83	1.2%	83
Listing Discount (From Last List Price)	5.1%		4.7%		6.7%



Note: This category is comprised of foreclosure and short sales. The data is also contained within the other markets presented.

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## THE COASTAL COMMUNITIES OF MIAMI, FLORIDA

**MIAMI-DADE** Aventura, Bal Harbour, Bay Harbor Islands, Coconut Grove, Coral Gables, Downtown, Fisher Island, Golden Beach, Indian Creek, Key Biscayne, Miami Beach, North Bay Village, Palmetto Bay, Pinecrest, South Beach, South Miami, Sunny Isles and Surfside.