

Home sales drop for the first time in a year, but it's too early to rejoice

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A for sale sign of a single family home (LightFieldStudios / Getty Images)

The number of homes sold in South Florida dropped last month for the first time in a year, and prices remained steady without shooting up.

That's good news for homebuyers, right?

Not as good as you might expect.

Low interest rates and a shortage of homes on the market mean it could still be tough for buyers to land a house, said **Bonnie Heatzig**, executive director of luxury sales at Douglas Elliman in Boca Raton. A smaller number of homes for sale leads to fewer closed sales.

Closings in Palm Beach County plummeted 10.5% in August compared with last year, new data from the Broward, Palm Beaches & St. Lucie Realtors shows. They were down 2.8% in Broward County and 3.5% in Miami-Dade. The median sales price in South Florida remained relatively flat or down slightly for the second month in a row: \$480,000 in Palm Beach County, (up 20% from last year); \$495,000 in Broward (up 19%); and \$500,500 in Miami-Dade (up 20%).

“It’s an indication that prices could be coming down in the future, but there are other signs that we are not there yet,” said Ken H. Johnson, real estate economist at Florida Atlantic University.

Rather than a cool-down, the drop in sales is more likely a reflection of families heading back to school and [waiting for the spring](#) to buy a home, Johnson said.

Johnson noted that other metrics, like home appreciation, continue to rise in South Florida.

Home values increased 2.1% from July to August, a steady growth from the month before, indicating that the local housing market [may not slow down](#) for a bit, according to data from Zillow, an online marketplace that studies real estate trends.

Since the market remains so hot, it’s likely that South Florida will reach its peak in home appreciation later than the national market, said Zillow Economic Data Analyst Anushna Prakash.
