

Out-of-state buyers set South Florida's real estate market on fire. Now, they may be backing off



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Pandemic homebuyers from out of state sent the South Florida real estate market soaring out of reach for many local buyers. But there are early signs that the high-spending competition is starting to retreat back to the northeast.

That may give an opening to local buyers who have had to sit out the market for months.

Sales of single-family houses and condos dropped sharply in the third quarter of 2021, in part due to fewer [out-of-state buyers](#), according to a report from Related ISG Realty, a real estate group based in South Florida.

“The COVID buyer has retreated,” said Craig Studnicky, CEO of Related. “They are almost having a rebound. There is a strong interest in purchasing real estate up there.”

Between July and September, 14,868 single-family homes and condos sold in Palm Beach, Broward and Miami-Dade counties. That’s just half of the 29,992 that closed in the second quarter, the data shows.

Real estate agents say they have indeed seen fewer COVID buyers, the out-of-state house hunters who besieged the South Florida market to escape pandemic restrictions in their state.

Many COVID buyers purchased their homes when they began working remotely, said Patty Da Silva, a broker with Green Realty Properties in Cooper City.

Realtor Jeff Grant with ReMAX Realty in Palm Beach Gardens said he is mainly seeing clients who are looking to buy vacation homes or their first homes — rather than to relocate from their homes in other states.

The homebuyers from afar have not fully retreated, though. **Bonnie Heatzig, executive director of luxury sales with Douglas Elliman in Boca Raton** said she recently got two calls from New York families looking to relocate to Boca Raton.

But if the trend holds, local homebuyers could have better odds in a housing market that remains fiercely competitive, said Studnicky.

The Related ISG data shows that the drop in sales is also due to fewer homes on the market. As of Oct. 21, there were 18,000 active real estate listings, 6,000 of which were houses, according to the data.

“There is simply less to sell and the closed sales numbers mirror the inventory availability,” **Heatzig** said.

New pending sales in September fell 20% over the previous September in Palm Beach County. In Broward County, they fell 15% and in Miami-Dade County, 10%, according to a report from the Broward, Palm Beaches & St.

Lucie Realtors® group.

The market is still competitive as prices continue to rise.

The report shows that in Broward County, the median sale price of a home rose 17.5% over the past year to \$499,450, while Palm Beach County rose 17.5% to \$469,900 and Miami-Dade County rose 11.5% to \$485,000.

As the market enters the fourth quarter of the year, demand could pick up even more as South Florida enters its busy season, **Heatzig** added.