**THE FLORIDA REAL ESTATE MARKET IS GOING BONKERS – AGAIN!**

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“The Florida Real Estate Market In 2021”

While Florida home-and-condominium-sale prices have increased for 112 consecutive months, the trend has exploded in the past year due to several factors including lower mortgage interest rates and the Covid-19 Pandemic. In a new report from the Florida Realtors Research Department, the statewide median sales price in February for single-family existing homes was $314,900, an increase of 16.6% from 2020. The median price for Florida condos and townhomes was $233,240, also up 16.6% over 2020.

Real estate agents throughout Florida, especially for South Florida ocean-area condos and single-family homes and Orlando homes and Disney-area condos are reporting brisk business and sales of almost any home that is in good condition and reasonably priced. Closed sales of Florida condos and town homes in February, 2021 totaled 11,379 – up almost 29% over February, 2020. Single-family homes totaled 23,947 in February, 2021 – an increase of 15.7% since February, 2020.

It doesn’t appear that playing a waiting game for home buyers hoping for prices to retreat is going to work. The inventory of single-family homes for sale is down 56.3% since 2020. In addition to the high number of homes that are selling, many Florida home owners seem reluctant to put their current home on the market, only to face the prospect of limited selection and higher prices for their next home. Active listings in Florida have fallen to a bit over one-months’ supply for single-family homes and just 3.4-months for condos and town homes. A healthy market should have closer to a 6-months’ supply of available homes for sale.

The Florida housing surge is happening across all price ranges. In the Fort Lauderdale area, the more affordable condos priced under $600,000 and near the ocean have been especially strong sellers. Older buildings where units are priced in the $400s to $500s have seen dramatic decreases in inventory. Big developments that usually have a dozen or so listings are often down to just a couple of condos on the market – or sometimes nothing currently available. Fort Lauderdale-area, single-family home sales priced between $400,000 to $600,000 were up over 45% since January 2020. And existing Fort Lauderdale condo sales that were priced between $400,000 and $600,000 increased over 75%.

Sales and price appreciation have been just as strong for the more expensive homes. Fort Lauderdale-area luxury home sales (over $999,999) were up almost 51%, and Fort Lauderdale luxury condo sales up almost 67% since 2020. Next door to Fort Lauderdale, condos in Pompano Beach have seen huge price growth in the last few years. A town home development with six oceanfront units each priced over $4 million (an unheard of price for the formerly sleepy beach town) recently began construction, and all six sold out before the first foundation was even poured. Pompano Beach has become the new hotspot for Florida pre-construction condos near the ocean.

While much of the Florida surge is likely due to people who left congested cities in the Northeast during the height of the pandemic, Florida has seen a steady influx of new people for years for the state’s low taxes, mostly good weather, thriving economy and wide selection of homes at good prices – at least for now.