



# **SOUTH FLORIDA REAL ESTATE DYNAMICS TODAY WITH A VIEW INTO 2021/2022**

**Alicia Gold**

**Compass Florida**

Dual licensed Florida and New York  
Specializing in Boca Raton & Delray Beach

7 Year Investment Banking Career (Goldman Sachs)

**Cell:** 914-844-2760

**Email:** [alicia.gold@compass.com](mailto:alicia.gold@compass.com)

# South Florida Real Estate

1

- Current Market Overview

2

- South Florida Market Dynamics in 2021/2022

3

- Alicia Gold's Background/Performance

# Current market overview

- **Historically low inventory levels**
  - 2.3 months of single family homes in Palm Beach County
- **Low interest rate environment**
  - Current commitment from the federal reserve to maintain low rates until 2023
- **Limited near term pipeline of new development**
  - COVID-19 led to most new development inventory selling 18-24 months ahead of builders' assumptions
- **Limited homes for sale on the secondary market**
  - Sellers are hesitant to sell into a low inventory market
- **Increased building product costs**
  - Lumber pricing is up over 2x on a year over year basis
- **Proposed Increased state taxes in the New York metro area**
  - New York State is planning to pass its new fiscal budget on April 1st

# Market Dynamics: 2021 & 2022

- **Clients have asked questions with regard to the pricing trends in the South Florida market**
  - As with any market is it not possible to answer those questions with 100% certainty....but we can look at the drivers in the South Florida market
- **Intermediate to Longer Term Market Drivers:**
  - Many recent buyers moved to Florida with their families. Family oriented buyers tend to remain in a home for a higher than average time period
  - Banks have maintained high underwriting standards throughout COVID-19
  - Remote working will decrease going into 2022 but many companies are allowing for remote working on a permanent basis
  - Likely increased state taxes in the New York metro area
  - Extended period prior to developers' ability to replenish new home inventory
- **2021/2022 Pricing Outlook:**
  - The increase in pricing associated with COVID-19 is likely priced into the market
  - Likely increased state taxes in the New York metro area has not passed to date and is unlikely fully reflected in the market
  - The supply/demand imbalance will likely exist for a minimum of 18-24 months
  - Buyers will look to take advantage of lower mortgage rates in the near term
  - The current market drivers should lead to Increased pricing during 2021 with market stabilization in 2022, albeit at a higher price level

# Alicia Gold - Compass Florida

## **Personal Background:**

- Alicia grew up in Scarsdale, New York, went to College at the University of Michigan and is a full time resident of Seven Bridges in Delray Beach, Florida
- Dual licensed in Florida & New York
- Specializing in Boca Raton, Delray Beach, Boynton Beach and Palm Beach Gardens
- The Real Deal Top 100 Agent in Westchester County, New York 2019
- 7 Year Investment Banking Career (Goldman Sachs)
- New York upbringing provides for an expansive buyer universe in the New York metro area
- A true understanding of moving a family of four and a dog from New York to South Florida
- Founder of The Gold Team in South Florida with agents in Boca Raton, Delray Beach and Parkland

## **Alicia's performance over the last 12 Months:**

- Close to \$100,000,000 in personal sales volume over the last 12 months
- 62 properties personally sold/under contract
- Dominant market share in both Boca Bridges and Seven Bridges
  - 21 properties sold/under contract in Boca Bridges
  - 14 properties sold/under contract in Seven Bridges
  - 4 properties sold/under contract in The Bridges