

Douglas Elliman's Jay Parker breaks down Miami's 2017 luxury market

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Miami Agent (MA): Does Miami have a healthy luxury market? Why or why not?

Jay Parker (JP): The Miami luxury market suffered during 2016 for reasons that we believe relate much more to external influences than a slowdown in demand or interest – issues like the election, currency, Zika and the overall extraordinary growth Miami has experienced since the recession contributed to the pause. Additionally, price escalations created hesitancy. Today we are seeing significant movement in the luxury space, and in fact, Douglas Elliman since the start of 2017 has closed on numerous record-



Jay Parker is the CEO of Douglas Elliman Florida

breaking single-family home sales, condo sales and new development sales. With that, many ultra-luxury developments have recently hit the market and stirred up buyer interest. Eleven on Lenox, Shoma Group's first luxury residential development in Miami Beach, is one of those projects. It offers buyers the ultimate coastal retreat with easy, walkable access to shopping, dining, work places and entertainment venues. The project's footprint is at the center of one of South Beach's most desirable and emerging neighborhoods, with recently announced dining and shopping offerings, including a Trader Joe's. Ultimately, I believe that the demand for Miami's luxury real estate is real and growing, and a big part of that is we remain a discounted market compared to other major metropolitan markets around the country and world.

MA: What will be the driving forces behind Miami's luxury market?

JP: Many are drawn to Miami for our lifestyle, culture, taxes, weather and overall benefits of investing in U.S. real estate. As prices continue to adjust, I suspect many more high-net-worth buyers will move to capitalize on the change. Further, the international climate is vulnerable, from the U.K., Turkey, Greece and Italy to Russia, more and more foreigners are seeking out Miami real estate. We also expect that Canada, notwithstanding the currency issue, will also be a driver in the market, based on the number of empty nesters and Baby Boomers.

MA: Does the Trump administration help or hurt Miami's international appeal? Why?

JP: There is no doubt that both the completion of the election and the result of the Trump administration have enhanced South Florida's real estate market. While there may be some countries that perceive the Trump administration to be a threat; overall, as evidenced by the strength of the stock market and the enhanced velocity since the election, there is no doubt that the election has had a positive impact. I expect that the results will be better and better.

MA: Which markets in Miami-Dade County should agents trying to get into the luxury market focus on this year?

JP: Miami-Dade is a very broad market with many luxury real estate pockets. There is a lot of competition to get into the luxury space. Agents trying to get into the market should simply focus on any market that they feel they know. I also encourage agents to be innovative in how they approach clients in the luxury sector. The same ol' same ol' will not be effective in a competitive market like ours.