

Miami ranks as world's 7th top luxury property market: report

London ranked first in Christie's luxury index, followed by Hong Kong, New York and Los Angeles, Singapore and Sydney

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The downtown Miami skyline (Credit: Lonny Paul)

Miami rose two notches to place seventh among the world's top luxury property markets in 2015, according to a new report by Christie's.

Yet the study foreshadows a downward trend for Miami in 2016, as sales slow and luxury inventory swells.

London ranked first in 2015, followed by Hong Kong, New York, Los Angeles, Singapore and Sydney, in the annual Christie's International Real Estate Luxury Index. Miami beat out San Francisco, Paris and Toronto, rounding out the top 10.

Miami jumped from [ninth place in 2014](#) and 2013, and eighth place in 2012.

"Miami achieved a local record sale" — the \$55 million sale for a Faena penthouse in Miami Beach — "which offset declines in overseas and cash buyers, ensuring a solid performance in the Luxury Index," the report said. "New luxury stock and slowing buyer demand evidenced in late 2015 and early 2016, however, is likely to move it down in next year's rankings."

Worldwide, luxury is an elusive term, according to the report, which outlines various definitions of luxury. Such homes in Miami are categorized as starting at \$2 million, with Monaco at \$10 million, London at \$7 million and Los Angeles, New York, and Hong Kong at \$5 million.

Ron Shuffield, president of [EWM Realty International](#), which is the exclusive affiliate of Christie's International Real Estate for Miami and Fort Lauderdale, told *The Real Deal* he had already begun to see increasing inventory and sales falling off as early as August 2015. In the over \$1 million category for single-family homes in Miami-Dade County, inventory rose 46 percent at the end of April 2016, compared to the April 2015. For [condos](#) priced over \$1 million, inventory was up 55 percent during the same timeframe, he said.

And sales of single family homes and condos over \$1 million in February, March and April of this year were down 11 percent, and 24 percent, respectively, compared to the same period of last year, Shuffield said.

Yet he said buyers are just waiting for the market to stabilize. "There are spikes in units of inventory and sales are softer than last year, but we have so much pent-up demand growing of people watching this market carefully to strike at the moment they believe is the best value," Shuffield said.

"So long term, South Florida has everything to look forward to, but in the short term we are probably going to see a little bit of rebalancing of our values in the high end."

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