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# REAL ESTATE EXPERT RICARDO WOLF DESCRIBES WHAT WILL HAPPEN TO HOUSING PRICES POST-BOOM

Many are flocking to SFL but what will happen to the housing market?



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In business, we look to the past to try and prepare for the future, but today's circumstances call for vision and a keen understanding of one's market. Seasoned real estate professionals have long understood the value Florida real estate represented to both builders and buyers.

It is a great market with strong international demand in a state that is well run and low cost. Toss in an attractive geographical location, low taxes, year-round tropical weather, endless miles of white sand beaches and a diverse cultural population and you will undeniably have a very marketable product.

For years, real estate developers and brokers have sold South Florida, luxury real estate in particular, based on the fact that it was intrinsically valuable property, offered a wonderful lifestyle, while being significantly underpriced, especially compared to other less appealing markets— New York and California being prime candidates for comparison.

But nothing in our past could have prepared us for the pandemic. An unimaginable event that would almost instantaneously change the face of industry, society, politics, economies, medicine, technology, virtually all aspects of our daily lives. We witnessed how government, individual states in particular, have managed their response to the crisis, while paying close attention to their successes and their failures. Sadly, many states have suffered irrefutable harm to their residents, their economies and their local businesses, but Florida has fared relatively well throughout the pandemic, impacting people's decision-making process and bolstered the state's national appeal.

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Given all the tragedies experienced during the pandemic, lockdowns have been the single most impactful event fueling people's desire for a change of venue, while technology made it a feasible possibility. Lockdowns required companies and individuals to adapt in order to continue to run their companies, avoid bankruptcy and pay their bills.

This created a need to implement aggressive remote work and management protocols across all industries. Not only did companies realize that these new policies improved employee morale and retention, but it also made them more efficient, reduced operational costs and requirements and allowed them to establish a new work culture that can go virtually uninterrupted during most unforeseen events.

It is well known that markets like New York and California have been big benefactors of the extreme wealth generated through the financial and technology industries. However, today we find ourselves in an age where one's professional career is no longer bound by geographical boundaries. One can now live in one state and work in another without missing a beat.

So, it seems like the pandemic has accomplished a high cost of living, terrible winter weather, and high state taxes to motivate the wealthy to move out of the Northeast and enjoy a better lifestyle environment in sunny South Florida.

While we should all be thrilled about the changes taking place and be extremely optimistic about Florida's future growth and prosperity, not everyone will be thrilled with the results. South Florida's coastal properties have already seen pricing

increases reflective of these events and beyond most people's financial reach. This trend is already obvious to many buyers looking for coastal properties throughout Miami-Dade, Broward and Palm Beach counties.

While this migration of affluent residents and large industry to South Florida is expected to drive coastal pricing far higher, all Floridian's will benefit from the positive impact this will have for jobs and tourism. So, regardless of one's feelings on the matter, it is expected that this era will propel Florida into a preeminent wealth and lifestyle destination.

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