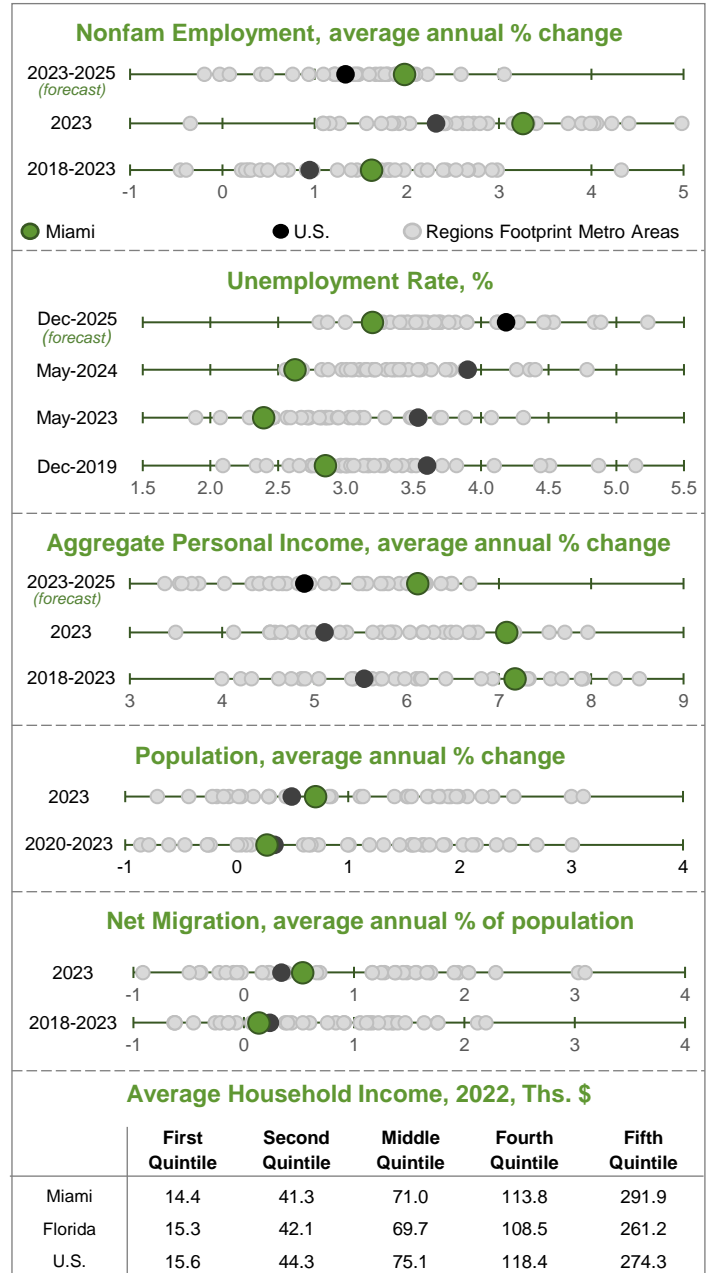


**Overview:** After enduring steep declines in employment and international migration at the start of the pandemic, Miami mounted an impressive comeback that gained momentum as international borders reopened. While we expect job growth to lead the national average, we look for stronger gains among other Sunbelt markets as domestic out-migration, spurred by the highest median rents in the South region, weighs on growth.

**Labor Market:** Serving as a primary hub for international travel and trade, many Miami-based employers were challenged by sharp declines in revenue as pandemic-era lockdowns began, triggering widespread layoffs that impacted 16.3 percent of the local workforce. Despite these outsized losses, however, payrolls in the metro area returned to pre-pandemic levels by February 2022, four months ahead of the U.S. average. That Miami reached this milestone before international borders fully reopened reflects the metro area's growing economic diversity, with hiring among business and financial services lending early support to the recovery. Since 2019, job growth within these industry groups has more than doubled the national average, thanks in part to the relocation of several high-profile securities brokerage firms from New York, a resilient real estate market, and the city's push to strengthen its presence within the fintech community. Robust job gains among high-earning occupations such as legal, accounting, consulting, and computer design services powered solid growth in personal income, which in turn boosted demand for other local services. Hiring among leisure and hospitality, retail, and transportation services accelerated as international travel restrictions eased and has continued at a strong pace, supported by pent-up demand for leisure travel.

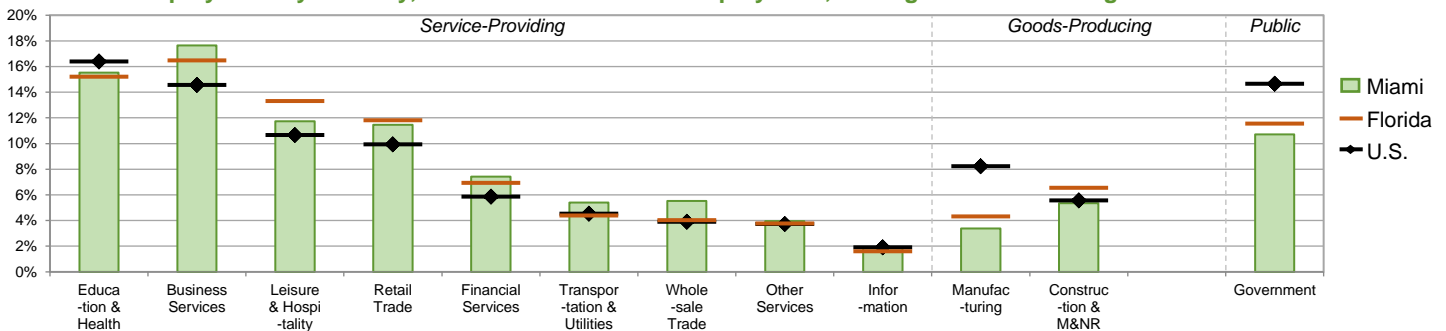
With outperformance across most industry groups, cumulative job growth since early-2020, at 7.7 percent through May, has easily outpaced the national average of 4.1 percent. While these broad-based gains have held the unemployment rate below 3.0 percent for more than two years, Miami remains vulnerable to fluctuations in tourism spending and housing market activity, which have become increasingly challenged by elevated inflation and mortgage interest rates. Though these pressures, should they continue, present considerable risks to the local economy, we look for robust gains among other industry groups to help Miami maintain its edge.

**Demographics:** Though Miami attracts thousands of new residents from the Northeast and Midwest annually, these gains have been vastly overpowered by outflows to other U.S. metro areas. Net domestic migration has been a consistent drag on population growth, subtracting an average of 0.7 percentage points annually since 2017,



3-month moving average for Unemployment Rate; Annual totals for all others  
continued . . .

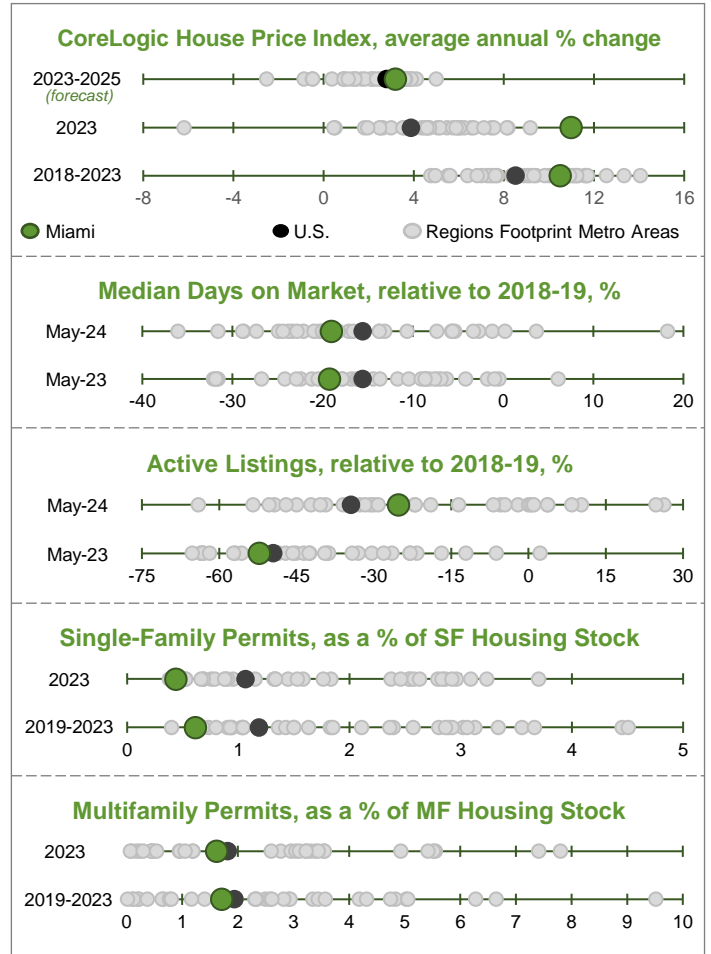
### Employment by industry, share of total nonfarm employment, trailing 12-month average



Employment data for the Construction, Mining, and Natural Resources industries are published only as a combined total for the Miami metro area. Sources: Bureau of Economic Analysis; Bureau of Labor Statistics; U.S. Census Bureau; Regions Financial Economics Division. Forecast as of July, 2024.

with the largest shares moving to other metro areas in the Southeast, particularly within Florida. Prior to the pandemic, net international migration more than offset these outflows, contributing an average of 1.1 percentage points to population growth between 2017 and 2019, before travel restrictions severely hindered these flows. Without this support, Miami's population declined in 2020 and 2021. While net international migration rebounded sharply as borders reopened, setting a record high for Miami in 2023, domestic out-migration again weighed on the metro area, holding total population growth, at 0.7 percent, near the national average of 0.5 percent. Absent any relief from these persistent outflows, Miami's growth will likely continue to lag its Southeastern neighbors.

**Housing:** International buyers also play a prominent role in Miami's housing market, accounting for approximately 40 percent of pre-pandemic sales volumes according to data from the Miami Association of Realtors. By 2021, this share had dropped to 14 percent as pandemic restrictions blunted foreign demand, which held the pace of house price appreciation below the national average that year. In 2022, while rising mortgage interest rates softened demand for housing more broadly, house prices accelerated in Miami, which features one of the highest shares of all-cash buyers in the U.S. While foreign buyers have yet to return to the market in a meaningful way, domestic out-of-state buyers have shown continued interest in South Florida real estate, whether as a primary residence, vacation home, or investment property. Cumulative price gains since the onset of the pandemic have since overtaken the U.S. average but also left housing affordability particularly stretched. Early signs of weakness have recently emerged, with a larger increase in inventories over the year and a greater incidence of price drops compared to the national measures, as potential homebuyers factor in outsized increases in homeowners insurance premiums along the Florida coast. After starting 2024 with significant momentum, we look for the pace of house price appreciation in Miami to fall back below the national average later this year.



3-month moving average for Median Days and Active Listings; Annual totals for all others

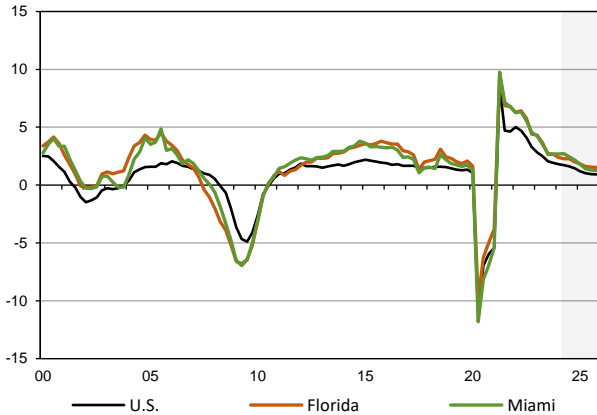
| Residential Sales and Construction | 2017  | 2018  | 2019  | 2020  | 2021  | 2022  | 2023  | 2023 ytd* | 2024 ytd* |
|------------------------------------|-------|-------|-------|-------|-------|-------|-------|-----------|-----------|
| Existing Home Sales, ths. units    | 129.9 | 133.4 | 126.9 | 119.9 | 155.0 | 126.6 | 100.0 | 32.8      | 29.9      |
| New Home Sales, ths. units         | 7.0   | 6.0   | 6.9   | 7.4   | 8.7   | 8.2   | 5.3   | 2.0       | 1.2       |
| Single-Family Permits, ths. units  | 6.7   | 7.0   | 7.2   | 7.8   | 8.3   | 7.0   | 5.5   | 2.0       | 2.3       |
| Multifamily Permits, ths. units    | 13.1  | 12.5  | 13.4  | 14.0  | 17.0  | 13.1  | 15.8  | 7.1       | 5.7       |

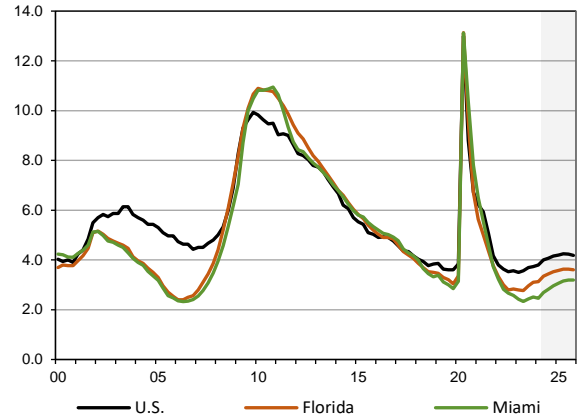
|   | Miami        |              |              | Florida       |               |               | U.S.           |                |                |
|---|--------------|--------------|--------------|---------------|---------------|---------------|----------------|----------------|----------------|
| Housing Characteristics                   | 2009         | 2016         | 2022         | 2009          | 2016          | 2022          | 2009           | 2016           | 2022           |
| <b>Occupied Housing Units, mil.</b>       | <b>2.007</b> | <b>2.065</b> | <b>2.284</b> | <b>7.077</b>  | <b>7.393</b>  | <b>8.353</b>  | <b>112.611</b> | <b>117.716</b> | <b>125.736</b> |
| Homeownership rate, %                     | 66.2         | 60.1         | 60.0         | 69.7          | 64.8          | 66.9          | 66.9           | 63.6           | 64.8           |
| <b>Occupied Single-Family Units, mil.</b> | <b>1.136</b> | <b>1.167</b> | <b>1.259</b> | <b>4.553</b>  | <b>4.781</b>  | <b>5.427</b>  | <b>77.643</b>  | <b>80.973</b>  | <b>86.522</b>  |
| % renter-occupied                         | 15.9         | 20.7         | 18.9         | 15.6          | 20.2          | 17.0          | 15.2           | 18.4           | 16.6           |
| <b>Occupied Multifamily Units, mil.</b>   | <b>0.823</b> | <b>0.854</b> | <b>0.978</b> | <b>1.869</b>  | <b>2.007</b>  | <b>2.297</b>  | <b>27.884</b>  | <b>29.929</b>  | <b>32.528</b>  |
| % of total occupied units                 | 41.0         | 41.3         | 42.8         | 26.4          | 27.1          | 27.5          | 24.8           | 25.4           | 25.9           |
| Demographics                              | 2003         | 2013         | 2023         | 2003          | 2013          | 2023          | 2003           | 2013           | 2023           |
| <b>Population, mil.</b>                   | <b>5.262</b> | <b>5.823</b> | <b>6.183</b> | <b>17.004</b> | <b>19.552</b> | <b>22.611</b> | <b>290.108</b> | <b>316.060</b> | <b>334.915</b> |
| 10-year cumulative growth, %              | 23.4         | 10.7         | 6.2          | 24.6          | 15.0          | 15.6          | 13.1           | 8.9            | 6.0            |
| 15-24 age cohort share, %                 | 12.4         | 12.6         | 11.3         | 12.8          | 12.8          | 11.6          | 14.3           | 13.9           | 13.1           |
| 25-44 age cohort share, %                 | 29.2         | 26.7         | 26.0         | 27.3          | 24.9          | 25.2          | 28.7           | 26.4           | 26.8           |
| 45-64 age cohort share, %                 | 23.3         | 26.7         | 26.8         | 24.4          | 26.8          | 25.6          | 23.7           | 26.3           | 24.5           |
| 65+ age cohort share, %                   | 15.8         | 16.7         | 19.7         | 17.0          | 18.6          | 21.7          | 12.4           | 14.1           | 17.7           |

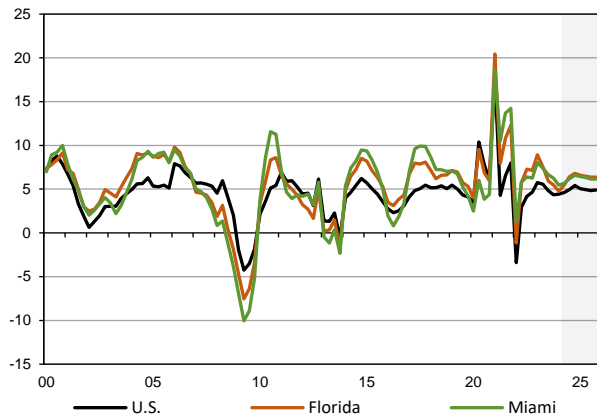
Shading relative to U.S.

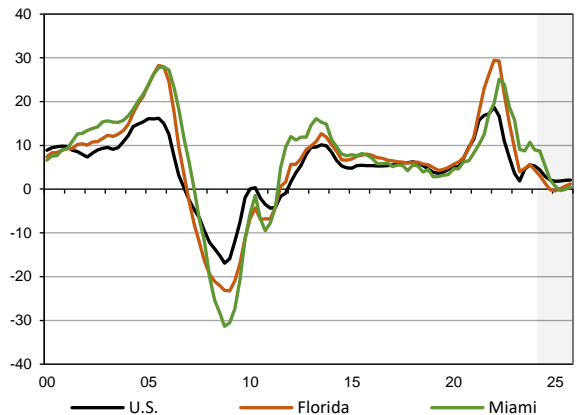
\* Year-to-date through April for home sales; year-to-date through May for building permits.

Sources: CoreLogic; Realtor.com® Economic Research; U.S. Census Bureau; Regions Financial Economics Division.


**REGIONS**
**Total Nonfarm Employment, % change year ago**


**REGIONS**
**Unemployment Rate, %**


**REGIONS**
**Total Personal Income, % change year ago**


**REGIONS**
**CoreLogic House Price Index, % change year ago**


| Key Economic Indicators               | 2017           | 2018           | 2019           | 2020           | 2021           | 2022           | 2023           | 2024 (F)       | 2025 (F)       |
|---------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Total Employment, ths.</b>         | <b>2,629.3</b> | <b>2,680.4</b> | <b>2,727.1</b> | <b>2,552.2</b> | <b>2,661.8</b> | <b>2,812.7</b> | <b>2,905.0</b> | <b>2,977.6</b> | <b>3,020.6</b> |
| Annual % change                       | 1.8            | 1.9            | 1.7            | -6.4           | 4.3            | 5.7            | 3.3            | 2.5            | 1.4            |
| Florida, annual % change              | 2.2            | 2.5            | 2.1            | -4.9           | 4.6            | 5.7            | 3.3            | 2.2            | 1.6            |
| U.S., annual % change                 | 1.6            | 1.6            | 1.3            | -5.8           | 2.9            | 4.3            | 2.3            | 1.6            | 1.0            |
| <b>Unemployment Rate, %</b>           | <b>4.4</b>     | <b>3.6</b>     | <b>3.1</b>     | <b>8.6</b>     | <b>5.1</b>     | <b>2.8</b>     | <b>2.4</b>     | <b>2.7</b>     | <b>3.2</b>     |
| Florida, %                            | 4.3            | 3.7            | 3.3            | 8.2            | 4.7            | 3.0            | 2.9            | 3.4            | 3.6            |
| U.S., %                               | 4.4            | 3.9            | 3.7            | 8.1            | 5.4            | 3.6            | 3.6            | 4.0            | 4.2            |
| <b>Personal Income, \$ bil.</b>       | <b>336.1</b>   | <b>361.4</b>   | <b>382.3</b>   | <b>398.3</b>   | <b>454.9</b>   | <b>477.2</b>   | <b>511.0</b>   | <b>541.6</b>   | <b>575.5</b>   |
| Annual % change                       | 9.1            | 7.5            | 5.8            | 4.2            | 14.2           | 4.9            | 7.1            | 6.0            | 6.3            |
| Florida, annual % change              | 7.7            | 6.6            | 6.3            | 6.6            | 12.8           | 4.7            | 6.9            | 5.9            | 6.4            |
| U.S., annual % change                 | 4.9            | 5.2            | 4.7            | 6.9            | 9.1            | 2.0            | 5.1            | 4.9            | 4.9            |
| <b>CoreLogic HPI, annual % change</b> | <b>5.1</b>     | <b>4.8</b>     | <b>3.0</b>     | <b>5.5</b>     | <b>12.1</b>    | <b>21.8</b>    | <b>11.0</b>    | <b>6.2</b>     | <b>0.2</b>     |
| Florida, annual % change              | 6.2            | 5.9            | 4.7            | 7.1            | 19.8           | 23.4           | 5.9            | 2.2            | 0.4            |
| U.S., annual % change                 | 5.8            | 5.5            | 3.9            | 6.7            | 15.4           | 13.2           | 3.9            | 3.7            | 1.9            |

Sources: Bureau of Economic Analysis; Bureau of Labor Statistics; CoreLogic; Regions Financial Economics Division. Forecast as of July, 2024.

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Regions Financial Corporation, 1900 5th Avenue North, 17th Floor, Birmingham, Alabama 35203

Greg McAtee, Senior Economist • 205.264.5122 • gregory.mcatee@regions.com