

Apples vs. mangoes: Are New Yorkers really having second thoughts about Miami?

BY ROB WILE | MARCH 10, 2021

In a city accustomed to hype cycles, skepticism about the latest Miami migration wave abounds.

But careful observers say many transplants who in years past may have tossed aside their Florida oranges — or Miami mangoes — to return to the Big Apple at the first sign of trouble are letting the tropical taste permanently linger this time around.

Wednesday, [Bloomberg News joined the Miami-as-mirage misanthropy with an article](#) entitled “Wall Street A-Listers Fled to Florida. Many Now Eye a Return.”

Wrote Bloomberg, “As vaccinations stir fresh hope that the pandemic’s end is near, ebullient talk of South Florida drawing Wall Streeters en masse is already beginning to fizzle.”

Almost any way you slice it, whatever sizzle may be fizzling is miniscule.

Bloomberg itself cites USPS data showing 2,246 people filed a permanent address change from Manhattan to Miami-Dade — and another 1,741 to Palm Beach County — accounting for 9% of the out-of-state moves from the borough. That’s up from 6% in 2019, Bloomberg says.

That New York-to-Miami migration ranked as the fifth-most-popular moving “pair” between metro areas in 2020, according to StreetLight Data, a transportation solutions group that used cellphone data to track migration.

New York is without question seeing [a new bump in activity amid plummeting prices and bargain hunters](#). Miami-to-New York was seventh-most-popular moving pair in the StreetLight study.

But Jonathan Miller, president and CEO of Miller Samuel real estate appraisers and consultants, said the fact that the luxury-price range of South Florida real estate sales indicates that new-to-market activity is not slowing. Last month, Miller Samuel tracked 301 single-family home purchases and 291 condo purchases above \$1 million in Miami-Dade, compared with 197 and 185 in January, respectively.

“That’s the smoking gun,” he said. “You’re seeing far more year-on-year growth as you skew higher in price, and that suggests demand is still coming from higher-cost markets. It’s showing that there really is in-bound migration.”

At least one local banker says talk of slowing migration is misplaced. Eddy Arriola, chairman and CEO of Apollo Bank, estimates that over the past six months or so, 20% of his bank’s new clients or prospects have come from the New York area.

“Which is a huge number, because Miami is booming on its own, and there are a bunch of other cities, like San Francisco, Los Angeles, and Rome that are showing interest,” he said. “If they’re talking to us, that means they want a relationship where they can bounce off ideas off someone and meet other people. If they’re just banking with Chase, they can just stay with them down here.”

To be sure, not all will find what they are looking for in the Magic City. But they are likely to constitute a smaller group than they might have in years past, said Mitch Ackles, global president of the New York-based Hedge Fund Association, an International, non-profit, industry trade group.

“Florida is not a fit for everyone,” he said. “But I do expect that many firms that relocated here will decide to stay post-pandemic. Florida will continue grow and thrive, but I want to see New York and other financial centers do the same.”

There is a social element, too, that makes this time different. New Yorkers who have cemented themselves in new digs in the region include Carl Icahn; Jared Kushner and Ivanka Trump; Melvin Capital’s Gabriel Plotkin, who recently made headlines as a player in the Gamestop trading controversy; Third Point Capital’s Dan Loeb, and Ariella and Ryan Tolkin of Schonfeld Strategic Advisors.

For Jacob Shoihet, founder of Marco Capital, an alternative financing group, the idea that one can compare Miami to New York institutions like Broadway, as some quoted by Bloomberg did is “ridiculous.”

“Broadway is Broadway, but outside of that, MIami has everything you could possibly want in a metro city,” he said. “I know people, especially young people, who are planning to build families and set down roots here. I know a half-dozen people who also coincidentally moved down here when we did, and they all plan to stay.”

Indeed, much of the Bloomberg story contains groans from newly arrived Palm Beach County residents who appear to be chafing against the historically staid locale. Yet even there, evidence suggests a more limited push-back: A recent Wall Street Journal story quoted the Palm Beach Hedge Fund Association, a networking organization for South Florida finance professionals, as seeing its membership triple in the past year. A January in-person networking event at the West Palm home an association member got 300 RSVPs.

Miller, the real estate consultant, said COVID and the rise of remote working are what truly make this time different.

“After the pandemic is brought under control, after the dust settles, there’s still going to be Zoom and remote work,” he said.

Other markets, like the Hamptons or Aspen, also are picking up traction, he said.

Miller continued: “The feedback on the ground has a lot more to do with the flexibility of remote work than it does with mortgage rates being at record lows. It may not be at the intensity level we’re seeing right now, but it’s still far and above what region has traditionally experienced. This is not a bubble, or financial engineering. This is something else.”

Steven Hayworth, a 40-year Miami wealth management executive now with City National Bank, said that while there has always been some transition to the Magic City from higher-tax jurisdictions, what he is seeing now is unprecedented.

“I can tell you in talking to all of these individuals over the past four or five months, I have not seen anyone say ‘We’re only going to try this,’” he said. “They’ve made the decision that this is going to be home.”