

David Siddons' Rules for Miami Real Estate Investment

HOMES

- Do buy for appreciation first, rental income second. Appreciation builds wealth. Rental income is the bonus, not the strategy.
- Do buy on a quiet, tree-lined residential street. Street character directly impacts your resale pool and your price ceiling. Quiet streets command 8-30% premiums and attract the family buyers who pay the most.
- Do verify the flood zone designation before anything else. Target X-zone or high-elevation properties. A flood zone property can collapse to land-only pricing if insurance becomes unavailable or unaffordable.
- Do commission a full independent structural inspection every single time. Behind cosmetic renovations in Miami there are frequently plumbing, electrical, and structural problems the seller is not disclosing.
- Do check whether the property is on sewer or septic. Septic systems take up lot space you cannot build on, limit your ability to add a pool or extension, and create long-term hidden costs.
- Do buy near top-rated schools. Family demand in Pinecrest, Coral Gables, Ponce Davis, and Coconut Grove is the most stable, cycle-resistant demand base in the Miami market.
- Do prioritize lot size. A large lot gives you room to expand and grow the home's value. Know your zoning allowances before you buy – in Coral Gables only 45% of the lot can be built on.
- Do scrutinize spec homes carefully. Get independent comparative analysis and look beyond the finishes. Developers building to sell invest far less care than owners who built for themselves.
- Do look for high ceilings, open layouts, large living spaces, and genuine natural light. These are the features family buyers consistently pay premiums for.
- Do buy in neighborhoods where higher-income residents are concentrating. Wealth migration drives appreciation more reliably than any other single factor in Miami.
- Do think about the exit before you enter. Know who your buyer is when you sell, what they will pay, and what the appreciation mechanism is. If you cannot answer that clearly, reconsider the purchase.

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CONDOS

- Do prioritize floor plan above everything else. Flow-through units, corner units, east-facing water views, high ceilings, and large terraces consistently outperform standard units in the same building.
- Do buy distinctive, scarce product. Unique layouts, rare views, and limited unit counts are what drive appreciation. Luxury means scarcity, not just price.
- Do check the owner-to-renter ratio before buying. A building dominated by owner-occupiers is more stable, better maintained, and more resilient in a down market.
- Do review HOA reserve funds independently. Developer-set fees are artificially low and rise once the condo association takes over. Understand the real long-term number before you commit.
- Do read the structural and engineering reports on any building you are considering, especially pre-1990 construction. Know what special assessments may be coming.
- Do choose buildings with a manageable, well-maintained amenity package. Excessive amenity loads drive HOA fees up year after year.
- Do verify the flood zone designation. Waterfront appeal means nothing if insurance costs make the property unviable.
- Do work with a developer who has a documented track record of delivering residential projects in Miami specifically. Experience elsewhere does not transfer cleanly to this market.
- Do read your pre-construction contract line by line with an experienced real estate attorney. Check deposit usage terms, maintenance cost projections, club membership durations, and the developer's right to modify the building.
- Do buy early in the pre-construction cycle in the right projects. Early buyers in well-located, well-executed buildings capture meaningful appreciation during the construction period itself.
- Do buy in buildings where hospitality brands are genuinely operationally involved. David's research shows true hospitality-branded residences outperformed regular condos by 136%.