

46% of Homes in South Florida “Under Water”

By Paul Owers August 10, 2011

The underwater mortgage remains a blight in the South Florida housing market.

Roughly 46% of homes with mortgages in Palm Beach, Broward and Miami-Dade counties are worth less than what's owed, according to second quarter data released Tuesday by real estate website Zillow.com. That's up from 43% a year ago.

Nationally, about 27% of homes with mortgages are under water. South Florida ranks 20th of 116 metro areas nationwide in the amount of underwater mortgages.

Many borrowers who owe more than the homes are worth put little or no money down and paid near-record prices in 2004, 2005 and 2006. Some refinanced their homes during that period.

It will take a decade or more for home values to rise enough for many under water borrowers to break even in a sale. That will continue to weigh on any housing recovery experts say.