

REAL ESTATE

How Hurricane Irma will impact Miami beyond property damage

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Rendering of the Porsche Design Tower penthouse

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As Hurricane Irma batters the U.S. and British Virgin Islands, the historic storm becomes a growing threat for Florida and its luxury real estate market in cities such as Miami.

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The category-five hurricane is causing catastrophic damage in the Virgin Islands and surrounding Caribbean countries, less than a week after Hurricane Harvey destroyed Houston, TX. The hurricane is likely to greatly impact the luxury real estate industry in Miami, but more importantly Florida's governor urges citizens to heed evacuation orders.

Hurricane impact

A number of luxury brands will be impacted this upcoming week as Irma heads straight for Florida and its million-dollar homes.

Brands such as Porsche and Missoni are a few of the non-real estate brands that saw the potential in the area and decided to invest in the real estate market. Porsche, the automaker, created a 60-story tower in Miami, which opened in September of last year.

Early reports from the developer in 2016 claimed the tower already had 20 billionaires signed in to own homes within the tower, with units starting at starting at \$6.2 million ([see more](#))

Missoni built a residential tower in Miami as well, comprised of 146 multimillion-dollar units with waterfront views, featuring its iconic colorful aesthetic throughout ([see more](#)).



Missoni's tower in Miami. Image credit: Missoni

However, recent reports are showing that the city's hold on real estate is slipping. For a city whose main bread and butter is real estate, this can be a real issue, which could be dramatically impacted by the impending hurricane.

A report in August from WalletHub ranked Miami at 286 out of 300 cities based on its real estate. Miami Beach saw even worse, ranked at 297. Many experts believe that it is the luxury real estate that is causing the drop, as the number of high-priced properties outnumbers wealthy residents.

Life over luxury

Hurricane Irma could be disastrous for the city's luxury real estate as it is already struggling. The governor is warning residents that it is "bigger, stronger and faster than Hurricane Andrew," which currently holds the status as the worst hurricane in the state's history.

Andrew caused \$26 billion in damage in the state of Florida. Winds of Hurricane Irma have already reached up to 185 miles per hour.



Images of Hurricane Irma while over the Virgin Islands. Image credit: NASA

Experts and Governor Rick Scott are hoping homeowners keep in mind that real estate is not greater than human life. "Remember: We can rebuild your home, but we cannot rebuild your life," said Gov. Scott during a press conference.

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