

[Florida Real Estate Hits This Week: Fed Shutdown Fears, Blockbuster Site Leasing, and More](#)

April 07, 2011 by [Rosa Schechter](#)

Today, lots of things are happening in the news that will have a big impact on Florida real estate. Big things, with consequences both short term and long term. Consider the following:

1. Possible Shutdown of the Federal Government on Friday, April 8, 2011

[FloridaRealtors.org](#) has published a list of how the potential shutdown of the federal government tomorrow may impact the Florida real estate market. From their information, for example:

- ***Federal Housing Administration (FHA)*** -- FHA will not make new loans, but it will continue basic operations regarding paying claims and collecting premiums, as well as running its REO portfolio.
- ***Internal Revenue Service (IRS)*** -- The IRS will stop all refunds as well as working on income tax returns.

Secretary of the Department of Housing and Urban Development, Shaun Donovan, told Congress today that the shutdown [would essentially force lenders to stop making home loans](#) if the FHA is put on hold tomorrow.

This is bad news for Florida, where we need every home loan made as soon as possible. Florida banks do not need another hit right now, they are in enough of a crisis-mode already.

2. Commercial Leasing - Blockbuster Sold on Auction Block to DISH Network

Blockbuster video stores were very popular across the country at one time; now, they are empty spaces with "for rent" signs replacing the movie posters on their front windows. [On the auction block, Blockbuster, Inc. was purchased today by DISH Network](#), which reports it will fill some of those empty spaces with its own product, selling DISH systems from storefronts. Meanwhile, commercial leasing looks to [rumors like those coming out of Memphis](#), where companies like Chipotle Mexican Grill and Five Guys Burgers are considering leasing out the old Blockbuster sites.

That's good news for Florida commercial leasing, if it's true and it pans out. Commercial leasing in Florida today already has a lot of prime locations to show prospective lessees -- the idea that national chains are interested in filling those Blockbuster spots is good for us.

3. Trulia Report Reveals Millions Lost to Miami Economy as Home Prices Plummet

In a report released today by [Trulia](#), it seems that Miami homeowners are growing so desperate to sell their homes that they have [dropped their sales price by 11% in the past year, which totals to a tremendous amount of money taken out of the real estate market](#) in just the Miami-Dade area. The 11%

price cut was the second-highest slash in the country, according to the Truvia statistics: only Detroit sellers cut more, coming in at 19%. Bad news for us.

It goes without saying that this money is now lost to the Florida economy - permanently. No one expects these home prices to rebound before they sell, and it's only the shortsighted that don't consider that the money leaving the buyer's pocket enters the seller's, where it will be invested and spent - which helps Florida's economy.