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Real estate, once again, can be found at the head of South Florida's economic pack.

New output numbers released Tuesday show real estate as the No. 1 contributor to economic growth last year, accounting for 31 cents of every new dollar added to the tri-county area's \$274 billion economy. Overall, the economy grew by 3.5 percent, the sharpest increase since 2006 and well ahead of the national metropolitan average of 2.5 percent.

"Overall, I think it's a pretty good number," said Robert Cruz, official economist for Miami-Dade County. He noted that of Florida's largest economies, South Florida had the sharpest growth in 2012.

Real estate's return as a major economic engine comes amid rising property values and a return of cranes in downtown Miami as developers again see profits in one of the most ravaged housing markets in the country.

"Real estate is really the foundation for this area. It's crucial for the recovery," said Tony Villamil, a private economist and dean of the business school at St. Thomas University.

In 2012, the real estate sector — which is driven by rents, property values and commercial transactions — contributed about \$52 billion to the combined economies of Broward, Miami-Dade and Palm Beach. That was 8.4 percent better than in 2011, and the best showing since 2006.

The real estate numbers were one data point in the annual metropolitan report card

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Government dollars were basically flat in 2012. Though down by \$19 million, that still represented less than a 1 percent decline. The data does not cover the start of the automatic federal spending cuts called "the sequester," which began in March. But the numbers do reflect cutbacks in spending at the end of Washington's \$800 billion stimulus program and as Miami-Dade governments grapple with ongoing budget squeezes. The decline shows a bottoming out of spending cuts, with 2010 and 2011 seeing government output down by between \$100 million and \$200 million.

In South Florida, the education sector was the No. 1 drag on output, with a 7 percent decline. The figures are preliminary, so the sharp decline may moderate as BEA revises its numbers.

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