

Have Rising Rates Derailed High End Home Sales?



**Tip From Preston
Scott of 100.7 FM**



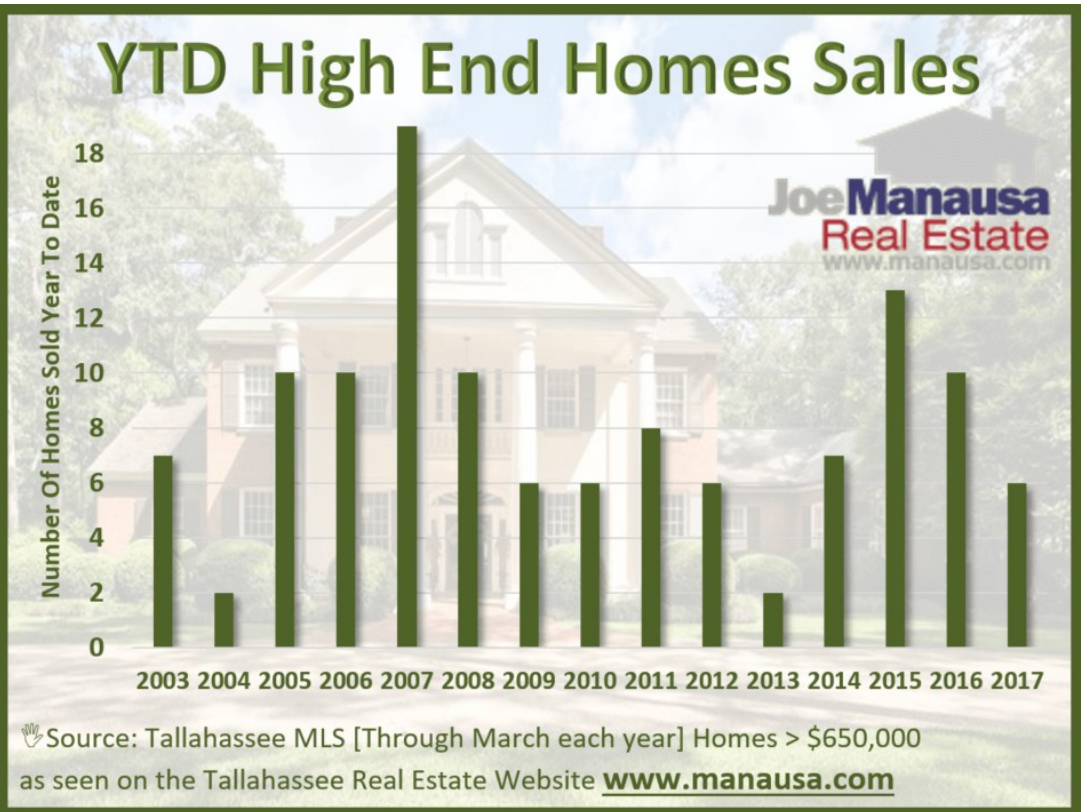
RESOURCES

- [Selling A Home](#)
- [Home Valuation Tool](#)
- [Property Search](#)
- [Tallahassee Life!](#)
- [Archives](#)
- [Testimonials](#)



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Home sales for the top 1% of the Tallahassee real estate market were down significantly in the first quarter this year, the lowest in the past four years.

One culprit very well could be the increase in mortgage interest rates that has occurred.

The payment table on the right shows that recent rate hikes have increased the monthly mortgage payment (P&I) for high end home buyers by 10% since the recent market bottom.

We know that more than 70% of high end home buyers borrow money when buying their homes, and those that were stretching to buy their dream home will no longer be able to qualify for a home in this price range.

\$2,865 Rate	P&I Payment Home Price	Results Vs. Today
3.35%	\$650,000	-
4.17%	\$587,898	-10%
4.67%	\$554,264	-15%
5.17%	\$523,452	-19%
5.67%	\$495,183	-24%
6.17%	\$469,210	-28%
6.67%	\$445,311	-31%
7.17%	\$423,288	-35%
7.67%	\$402,964	-38%
8.17%	\$384,180	-41%

As rates rise, the more we will see a reduction in high end home buyers.

Thinking about selling a high end home?
Don't let indecision or weak marketing end up costing you tens or even hundreds of thousands of dollars!