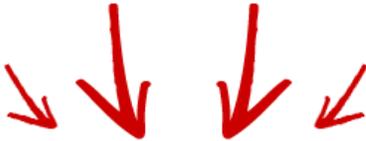


The Double Whammy On Home Affordability



Barbara Corcoran's
Advice in Tallahassee



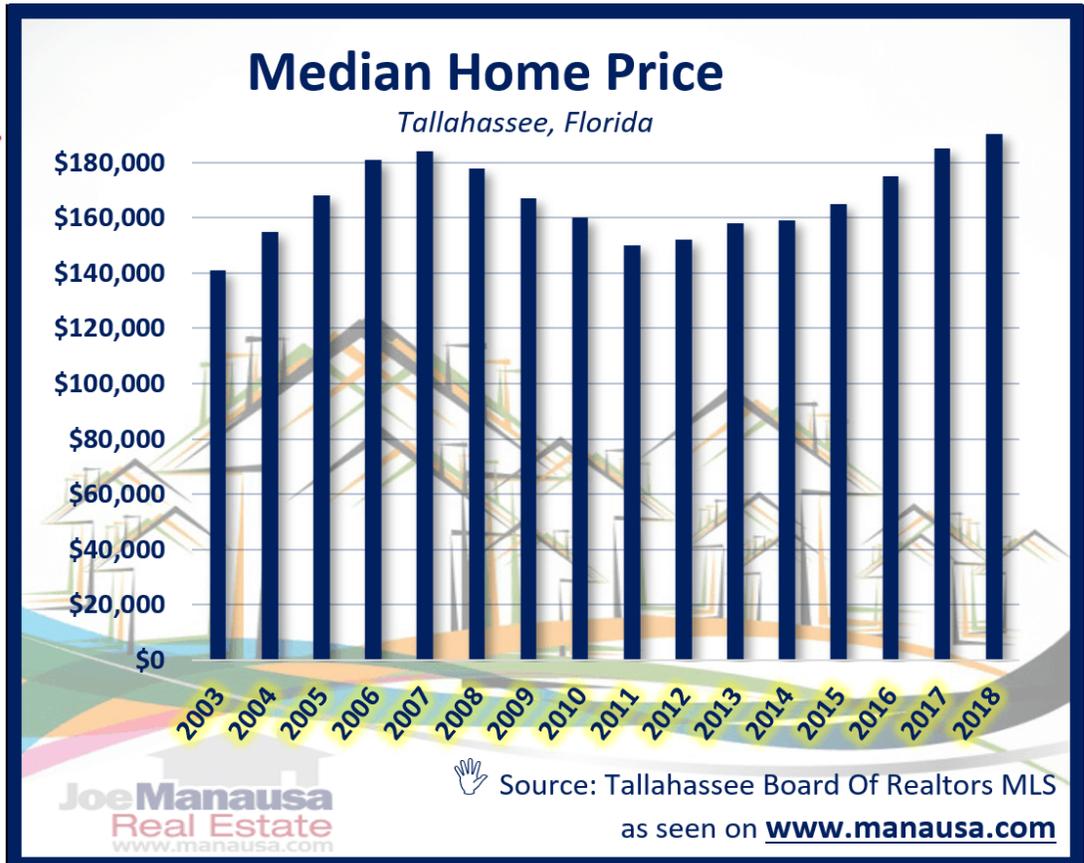
RESOURCES

- [Selling A Home](#)
- [Home Valuation Tool](#)
- [Property Search](#)
- [The Word Is Out!](#)
- [Archives](#)
- [Testimonials](#)



CONTACT INFO

Joe Manausa, MBA
Joe Manausa Real Estate
2066 Thomasville Road
Tallahassee, FL 32308
(850) 424-1120
info@manausa.com
www.manausa.com



Buyers are facing a double whammy in the housing market that is working to decrease home affordability, and it is not going to go away anytime soon. In fact, this is very likely the start of a 30+ year trend!

First of all is the rising cost of construction which has driven the median home price to an all-time high. The graph above shows that the median home price of \$190,100 is nearly 3% higher than the median price from last year which had also set a new high.

The second hit to home affordability is the rise in mortgage interest rates, up nearly a full percent since this same time last year. This means that the change in the interest rates charged to

homebuyers has moved a whopping 24% in just twelve months!

Buyers Have Sticker Shock

Buyers must get accustomed to higher prices and a higher cost of borrowing money, as neither is going away. We continue monitoring the supply of homes for sale in order to warn of another housing bubble, but no bubble is in sight.

The inventory of homes remains just below 4.0 months of supply, a level that suggests most homeowners will enjoy a seller's market when it comes time to move. Sticker shock will slow the market, but not so much that it will impede rising home prices for buyers.