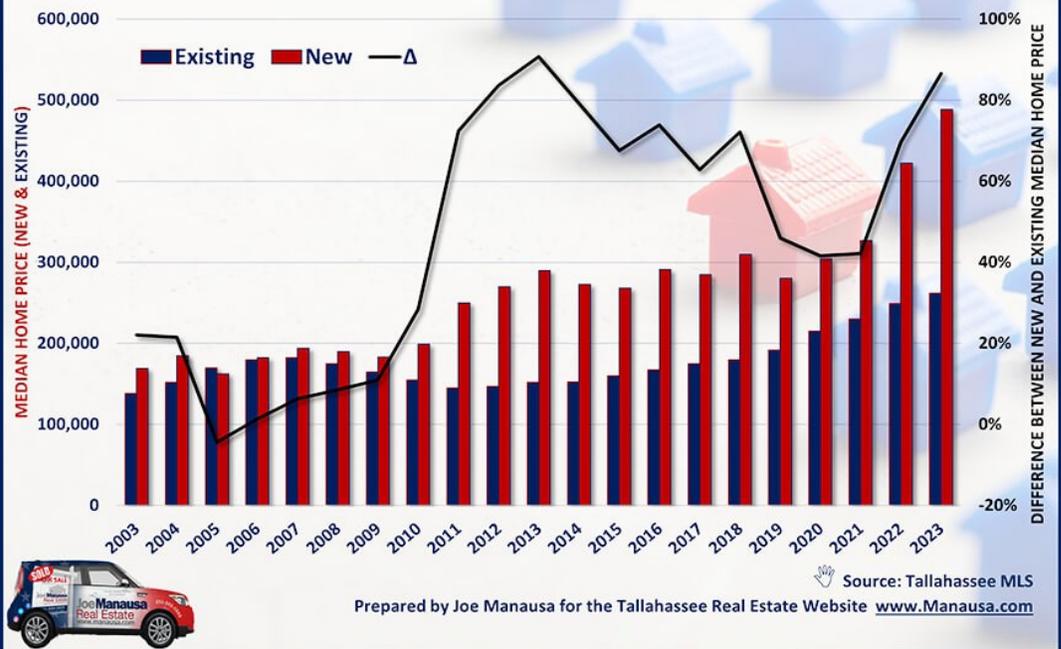




## A Picture That Explains The Housing Paradox

# MEDIAN HOME PRICE

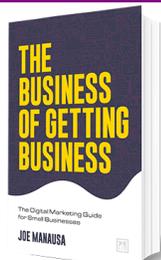


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Have you seen our [newest video](#) just released last week? It identifies a troubling paradox in the US housing market that is very real in Tallahassee.

The supply of homes is too low to house our growing population, yet builders are not producing a sufficient amount of homes. So what is going on?

The graph above plots the median existing home price in blue each year, and the median new home price in red. The difference between the two, plotted in black as a percentage reveals that the median new home price today is 87% higher than the median existing home.

The overall median home price in Tallahassee in 2023 is \$286,500, meaning 1/2 of all buyers are spending more than \$286,500 and 1/2 are spending less than \$286,500.

The median builder home is \$489K, so they can no longer produce homes for more than 3/4ths of our local homebuyers.

### When Home Prices Will Fall

They won't.

Why would you expect home prices to come down when the supply is low and the demand is normal or high?

Tallahassee is adding jobs that will bring more people which will raise the demand for homes and send prices even higher.

Additionally, inflation is real. 30 States plus Washington DC voted to increase the minimum wage well above the Federal minimum wage, so expect inflation to continue, sending the cost to produce new homes even higher.

