



WHAT'S TRENDING

A LOOK AT AUGUST 2018

Sluggish Prices

Each month we put together a *What's Trending* infographic for a quick look at what is happening in our local real estate market.

Home sales are about the same as last year. The pending sales are down for the 3rd month in a row. Slowing sales, rising interest rates, and low inventory are causing the prices to stall a bit. Buyer affordability is driven by household income and interest rates in our area. Wages have not been increasing at the same pace as home prices, so it makes it harder for average income earners to afford homes in Orlando. Rising interest rates also reduce the buying power for home buyers.

All of these factors have caused the home prices to remain pretty stagnant over the last year. With sluggish prices we may find ourselves in a shifting market in the new year.



3,383

Number of Homes Sold in July 2018

4,742

Number of Homes Pending Sale at the end of July 2018

7,525

Number of Homes For Sale at the end of July 2018

**Year over Year ORRA Stats*

SHOULD I WAIT TO MOVE?

The True Cost of Waiting

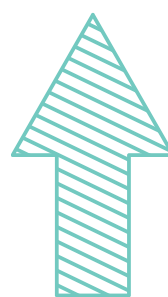


If rising prices slow to a "normal" market appreciation rate, that means that home values will still be 3-5% higher next year. Good news is that if you are selling too, your home will be worth 3-5% higher too! But interest rates have risen and if they continue to rise, the home you love today will no longer be affordable.

Example:

Current Market home you like - \$450,000
 Next year those houses are worth - \$468,000
 Interest Rates today average 4.65% and in the last 2 years they have risen about 1 point
 Interest Rates next year potentially 5.15%
 Your principal and interest payment today on a house that is \$450,000 (assuming you put 20% down) \$ 1,856.29

To keep the same payment instead of buying a home valued at \$468,000 you would be shopping for a home valued at \$427,500. You lose approximately 5% buying power by waiting!



6.82%

The market prices have increased since 2017