



REAL ESTATE

Market

July 2022

UPDATE

SANTA ROSA COUNTY

We are currently in a market shift in the Real Estate world. Interest rates are rising (today's average conventional 30 year mortgage rate is at 5.7%, it was 2.98% this time last year) and inventory is starting to increase. However, we are still in a seller's market. As of today, there are 526 single family (residential detached) homes active on the market in Santa Rosa County (per ParMLS). There were 345 homes sold in June, which means there is still a substantial shortage of homes on the market -

We have gone from 1 month to 1.5 months of supply of homes currently on the market. Remember, 4-5 months of supply (which would be roughly 1,200-1,500 homes on the market at the current market conditions) is a stable housing market and it takes roughly 6 months of supply to return to a buyers market.



WHAT DOES THIS MEAN?

We are still nowhere near a buyers market which is when prices start to decrease. If you are on the fence about buying in the next 90 days, in my opinion, you should get in now.

Prices will continue to rise throughout the summer and with interest rates expecting to continue to rise as well, many buyers will get priced out of the market. 250 of the 526 homes on the market in SRC are new construction homes and with the cost of construction at all-time highs, those new home prices won't be coming down anytime soon.



Homeownership continues to be "The American Dream", and our Florida panhandle seems to be catching the eye of out-of-state buyers.



Santa Rosa County will always have a lot of turnover with our strong military presence, but we are seeing and going to continue to see, a large amount of interest from out-of-state buyers. Our county is still extremely 'cheap' to live in compared to many of the areas across the country, and if you compare our Real Estate prices to the areas where people are moving from it makes sense as to why we are seeing more cash deals and large down payments than ever before. In my opinion, Real Estate prices will continue to rise in Santa Rosa County for the foreseeable future.

- Kyle McGee, Owner



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