



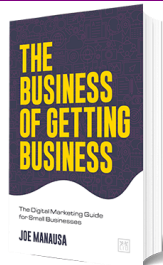
New Construction Share Remains Too Low

Zillow Releases New Market Report

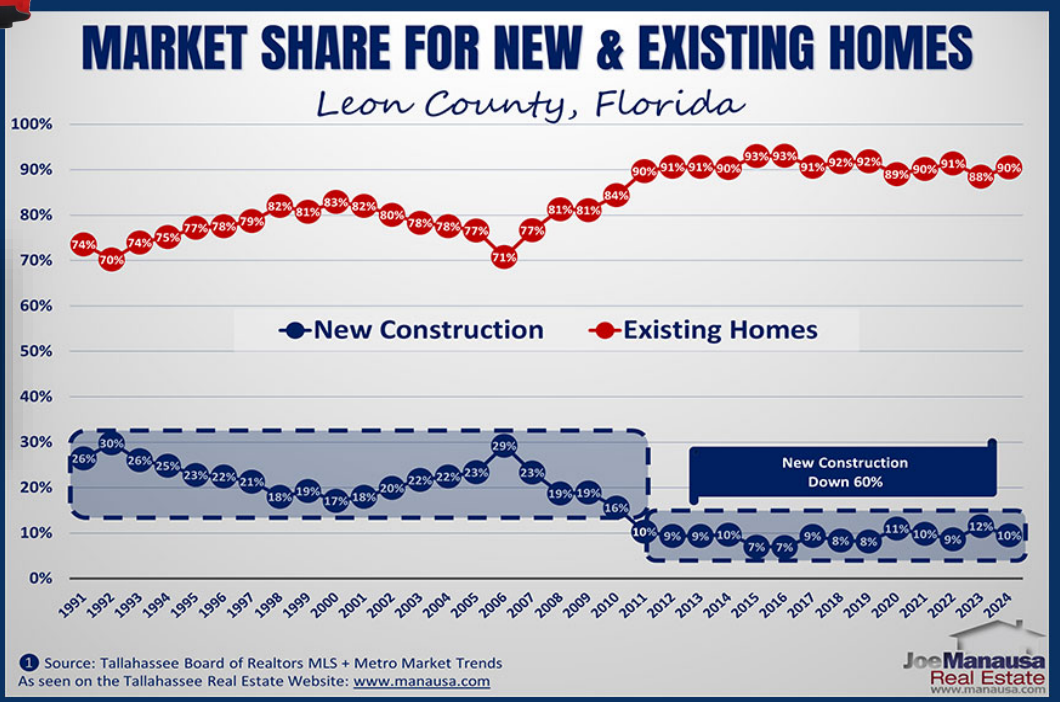


- [Selling A Home](#)
- [Home Valuation Tool](#)
- [Property Search](#)
- [The FSBO Book](#)
- [Archives](#)
- [Testimonials](#)
- [Please Review Our Newsletter](#)

Read Joe's Book!



Joe Manausa, MBA
info@manausa.com
 (850) 888-0888



The inventory shortage in the Tallahassee housing market continues to slow home sales, and when coupled with the interest-rate lock-in effect, the pace of home sales has slowed to a crawl.

lower credit score buyers out of the market. These buyers often bought smaller, less expensive homes, so a large portion of the homebuilders' customer base went away with the stroke of a pen.

The graph above plots the percentage of all existing home sales in red and the percentage of new home sales in blue, showing that new construction has dropped by about 60% from the historical norm since 2011.

So why are builders not building? Actually, they are. They are building for the top half of the market, and there is no inventory for the bottom half of the market. It really is that simple.

I've had numerous people ask me why the builders aren't producing more homes, and unfortunately, the answer is simple, but the solution is not.

If you did not catch it, I released an optimistic video showing how the housing market can be repaired and returned to healthy prices, you can [click this link](#) to see it. The video is a summary of the National Housing Crisis Task Force's policy recommendations to address home affordability and the current housing meltdown.

It all started with the revamping of government loans back in 2008 when the qualification standards for borrowers changed dramatically. Loan programs that had been successful for more than 50 years were cut overnight, leaving most

Until we start pushing our elected officials to prioritize home affordability, we can only expect to see home prices and rents push higher.

