

Corey Shader Explains Why The Florida Housing Market Is Shifting

With mortgage rates increasing, sales have dipped in many Florida markets, real estate developer Corey Shader says.

FORT LAUDERDALE, FLORIDA, USA, January 30, 2023 /EINPresswire.com/ -- The real estate market across the country is beginning to shift, but in Florida, that shift is already well under way, according to [real estate developer Corey Shader](#).

A year ago, the Florida real estate market was red hot. Competition for homes was high, as demand for housing was through the roof while inventory trailed significantly.

The fact that mortgage companies were offering record-low interest rates at the same time sent home prices soaring, and reduced time on market to mere days.

Much has changed in the last year, though, as [Corey Shader](#) says, as the Florida housing market is definitely shifting.

In Tampa, for instance, third quarter data from Florida Realtors shows that year-over-year sales declined 26%, yet the average cost of single-family houses increased almost 19%. The median sale price of this type of home was around \$405,000 for the third quarter of this year.

With the [Federal Reserve Bank](#) continuing to increase its benchmark interest rate at a record pace to stamp out inflation, home buyers are facing a big conundrum and a huge challenge.

While the average 30-year fixed-rate mortgage had a 3.07% interest rate in October of 2021, it increased all the way to 6.90% in October of this year, according to Freddie Mac data. One year before that, it sat at 2.83%.

That huge increase in interest rate alone has priced out many would-be home buyers.

To wit, a \$300,000 mortgage with a 3.07% interest rate would result in a monthly principal and interest payment of around \$1,276. That same mortgage with a 6.90% interest rate would carry a monthly principal and interest payment of \$1,976 -- a whopping \$700 more.

The only way for home buyers to compensate for that increase in interest rate is to buy a less

expensive home. But, as Corey Shader says, if home prices aren't dropping -- and they aren't in some Florida markets just yet -- the result is these prospective homeowners are staying out of the market entirely.

Many real estate experts believe that the increase in mortgage rates will only continue to negatively impact sales. Yet, there will come a point, Corey Shader points out, where there are opportunities in the market.

As interest rates rise, some buyers will exit the market. That will reduce demand, which will slow sales and eventually force prices to come down.

Savvy buyers who are still in the market could take advantage of these dropping prices and less competition to get a good deal price-wise, according to Corey Shader. Then, when the interest market settles down over time, they could benefit from a mortgage refinance that sets them up nicely from a financial standpoint.

About Corey Shader

Corey Shader is a self-made entrepreneur, consultant, investor, real estate developer, and founder of several companies, notably Insurance Pipeline. Operating primarily out of Ft. Lauderdale, Corey's endeavors span across the nation, consulting for start-ups, and sitting on the board of digital media and senior healthcare agencies. As a consultant, Corey helps young businesses develop sales funnels and maximize profitability. Shader takes pride in challenging others to push themselves to be their very best — he believes in constant self-improvement, inspiring others through sharing his own life experiences.

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