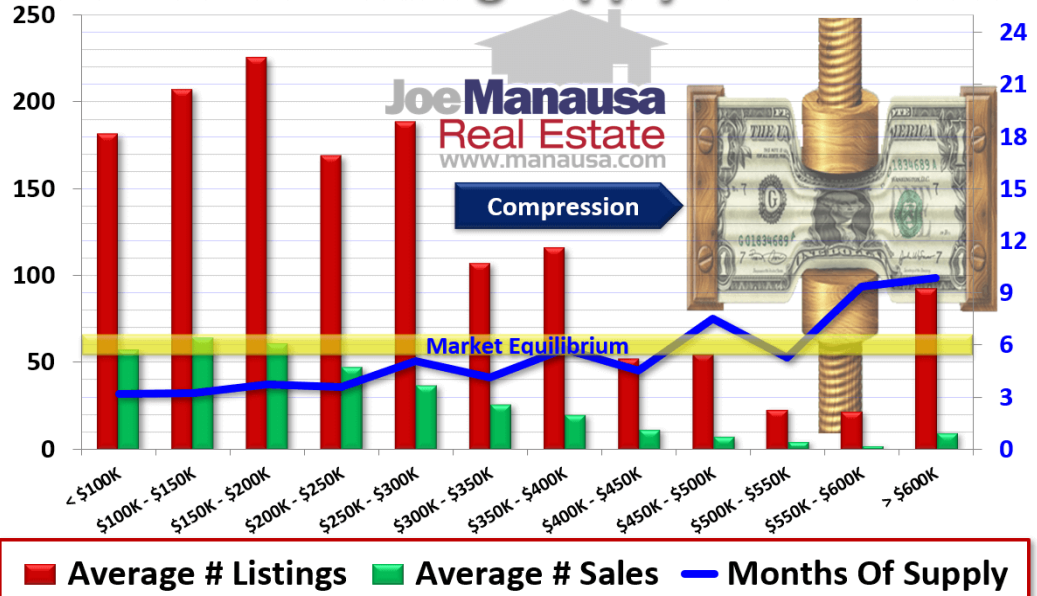


## Luxury Homeowners Face Compression Effect

### Tallahassee Housing Supply And Demand



12 Month Trend - Listings & Sales In The Tallahassee MLS

As Seen On The Tallahassee Real Estate Website [www.Manausa.com](http://www.Manausa.com)



Source: Tallahassee MLS

Barbara Corcoran  
Said THIS On Shark  
Tank



#### RESOURCES

- [Selling A Home](#)
- [Home Valuation Tool](#)
- [Property Search](#)
- [The Word Is Out!](#)
- [Archives](#)
- [Testimonials](#)



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If you own a home or plan on buying a home in Tallahassee, it would be prudent to understand how the developing compression effect trend might impact the value of your home when it comes time to sell.

The graph above is tracking the "relative" supply of homes ... meaning the total inventory of homes for sale measured at the current rate of consumption. In other words, relative supply is the current supply of homes for sale relative to the current rate of demand from buyers, measured in "months of supply."

Homes priced below \$450K are in a sellers' market, while those above are in a buyers' market. We will continue to see this separation line

move higher over time so long as the market remains healthy.

There are homes at the high-end dropping in value due to over-supply, while homes at the low-end are rising in value due to under-supply.

Where they meet (the compression zone), homes are selling at the same price each year as there is no appreciation/depreciation occurring.

It is likely that if you have a home in the compression zone (or if you buy one), you will not see any value change for the foreseeable future. Expect this compression zone to exist until something shakes up the local economy to create more jobs and bring more high-end buyers.