



Have New Home Sales Bottomed?



A Google Housing Market Forecast

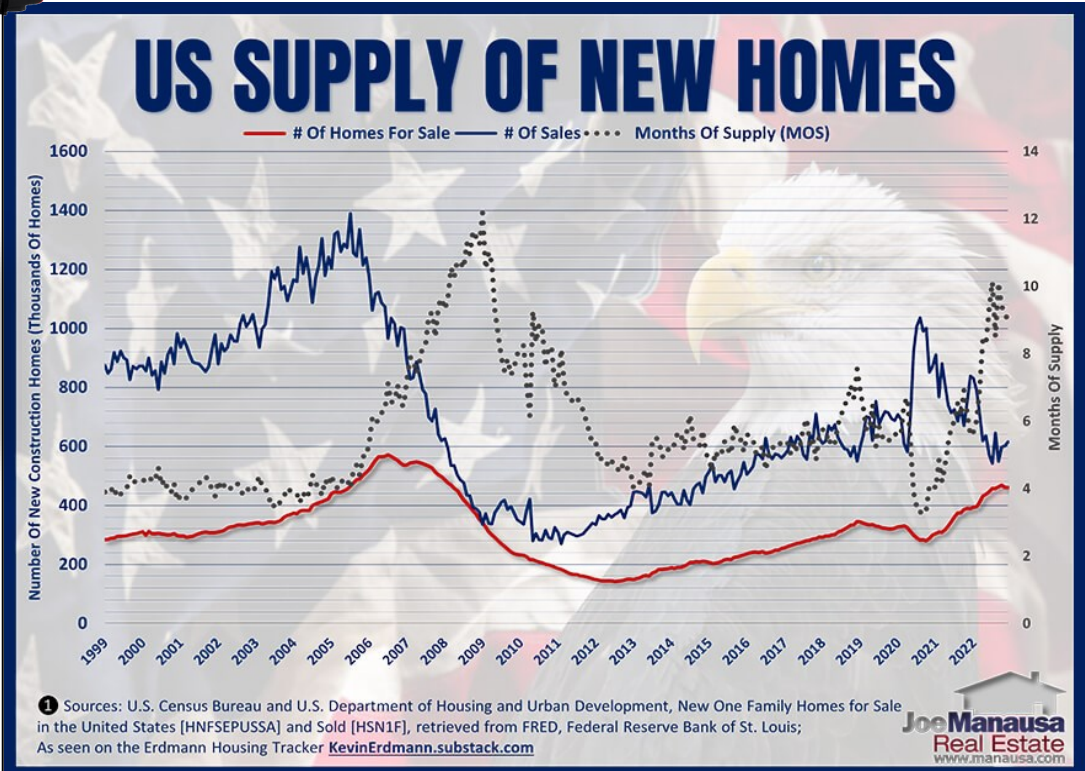


- [Selling A Home](#)
- [Home Valuation Tool](#)
- [Property Search](#)
- [The Word Is Out!](#)
- [Archives](#)
- [Testimonials](#)
- [Please Review Our Newsletter](#)

Read Joe's Book!



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



Today's graph provides an analysis of the new home construction pipeline derived from Census Bureau Data. I've gathered this data after reading an Erdmann Housing Tracker report which is one of my favorite sources for fact-based opinions on the US housing market.

When most people report on new construction, they fail to understand a fundamental change that the COVID era has delivered.

Erdmann does a good job of explaining this:

"Months supply and homes for sale continue to be misleading because construction times remain elevated. Most of these homes are under construction, and if it takes 2-3 months longer to build a home, there will need

to be 2-3 months of additional "months supply of homes for sale" just to have the same amount available each month."

Additionally, Erdmann shares that "new home sales seems to be forming a bottom near the pre-Covid level, which will be interesting to watch going forward, because if that holds, it will require completions to speed up to finish all the excess sales from the Covid sales boom. That in-process supply meeting already expressed demand could help with the "soft landing" if capacity can ever loosen up enough to allow it to. "

Ultimately, the soft landing that we're hoping for relies on new contracts, and I suspect mortgage interest rates will be the primary variable that controls the direction of this year's new home sales.

