



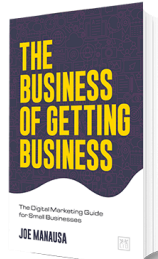
Numbers Expose Home Affordability Crisis

NYT: Biased Housing Calculator



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

\$1,619 P&I Payment Results			\$400,000 Borrowed @ 30 Years		
Rate	Home Price	Vs. Today	Rate	P&I	Vs. Low
2.68%	\$400,000	-	2.68%	\$1,619	-
7.02%	\$242,860	-39%	7.02%	\$2,667	65%
7.52%	\$231,095	-42%	7.52%	\$2,802	73%
8.02%	\$220,226	-45%	8.02%	\$2,941	82%
8.52%	\$210,171	-47%	8.52%	\$3,081	90%
9.02%	\$200,855	-50%	9.02%	\$3,224	99%
9.52%	\$192,210	-52%	9.52%	\$3,369	108%
10.02%	\$184,178	-54%	10.02%	\$3,516	117%
10.52%	\$176,703	-56%	10.52%	\$3,665	126%
11.02%	\$169,737	-58%	11.02%	\$3,815	136%

Most people who keep an eye on the housing market understand that the US is in the middle of a historic affordability crisis, as rents and home prices have surged over the past few years.

Today's quick report reveals the numbers that median-priced-home buyers are facing today.

Somebody borrowing \$400K to purchase a home near the median is going to have a monthly principal and interest payment of \$2,667 which is 65% more than what they would have paid for the same loan in December 2020.

Another way to look at it is somebody who could have borrowed \$400K in December 2020 would now have their budget reduced 39% for a \$243K loan.

As severe as those changes are, they do

not tell the whole story.

Consider somebody who "decided to wait" to buy a home in December 2020, what is their scenario today? Not only have rates changed, but so too have home prices.

The \$400K from the past that only buys \$243K today is shown below. The home at the top is what they could have purchased, the one below is the one they waited for.

- ◆ **Betton Hill (32308):** 2,510 sqft, 2/5 acre, brick siding
- ◆ **Settlers Creek (32303):** 1,353 sqft, 1/5 acre, painted siding

The buyer who waited is in 1/2 the home on less than 1/2 the lot, and living much further from the heart of town. What will this comparison look like four years from now?

