



Monthly Residential and Commercial Report

June 1, 2024

Joe Brown

Real Estate Salesperson
3451679 FL
(813) 503-8549
joebrown@c21be.com

June 2024 Report

CENTURY 21.
LIST with BEGGINS



Joe Brown

3628 Henderson Blvd.
Tampa, FL 33609

JoeBrown-Commercial.C21.com
email: JoeBrown@c21be.com
8113-503-8549



Scan to
code to
access my
website.



Two Key Questions Remain

As I was preparing this newsletter I realized that what I wrote last month still applies today. There are two key questions facing buyers of real estate today. The first question is, "What is normal?" We started December 2023 with mortgage rates at 7.03%. As of today, May 30, the mortgage rate is at 7.03% however in the months in between, mortgages fell then rose, staying in the range from 6.6% to 7.2. If we define normal as the past ten years, then 7.03% is high. However, the 30 year average mortgage rate is 6.3%, the 40 year average is 7.4% and the 50 year average is 7.74%. How we look at and judge rates will depend on how we define normal.

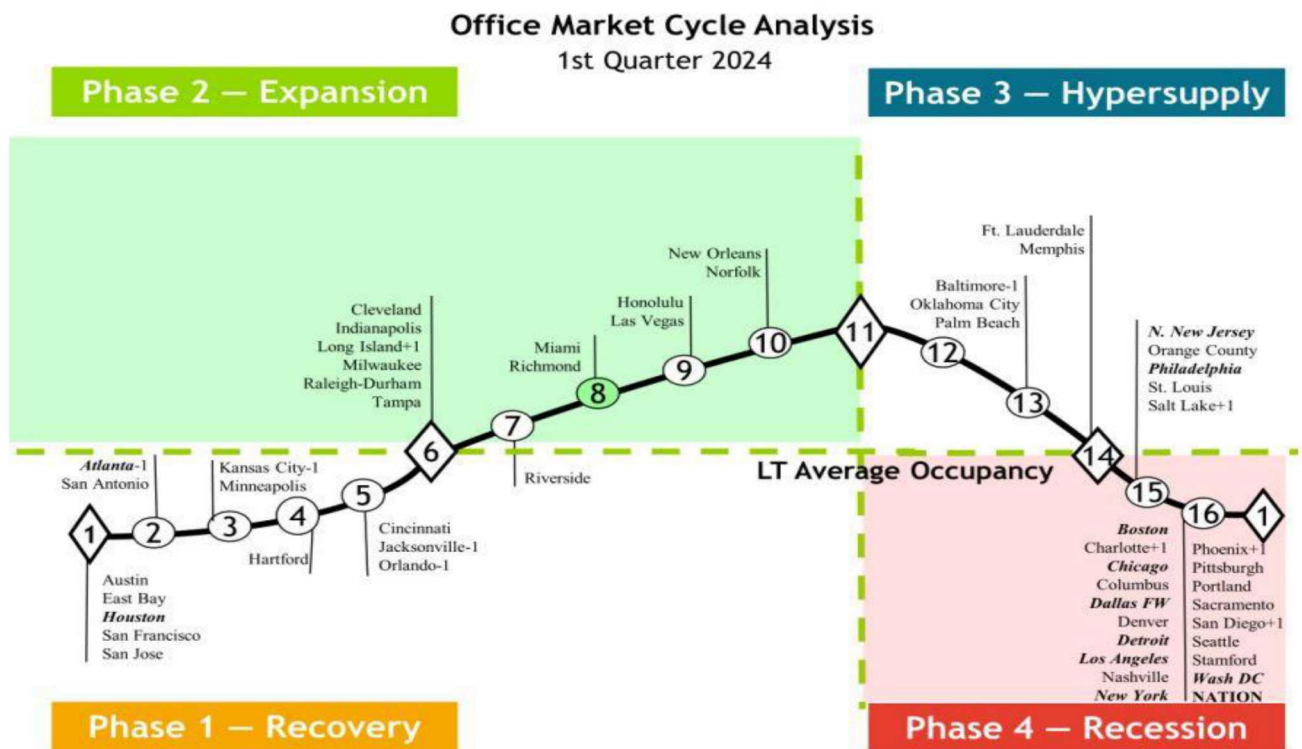
However, the second question is the most important. The second question is, "What is affordable?" You could take a loan of \$600,000 at a 5% mortgage rate and pay more per month than a \$400,000 loan at 7%. Buyers are trying to balance finding a home they like with a home they can afford. In the meantime, buyers continue to pay rent and not build equity.

It seems as though more buyers are accepting the fact that mortgage rates are going to remain high (in the mid-6 range) and are now moving forward to buy a home. We have seen an increase in home sales across the County. This has also led to an increase in the median price of homes.



The above infographic shows a summary for Single-Family homes in zip code 33629. You can see in each box a comparison to data from a year ago. It is interesting to note that even though closed sales and median sale price is down, the total dollar volume is up.

Data pulled 5/29/2024 from Florida Realtors SunStats



The Future of South Tampa

As a commercial specialist, I have access to various market data platforms. One of those platforms is the Business Analyst through ESRI. Here are some insights for what the next five years will hold for South Tampa. To clarify, South Tampa is defined as the land south of I-275 to the bay.

The current population of South Tampa is 117,798. [By the year 2028, the population is expected to be 120,325. That is an increase in population of 2,527 people.](#) There is an average of 2.21 people per household, meaning that the increase of 2,527 people is equivalent to 1,143 households.

Based on current metrics, 40% of households rent and 52% are owner occupied, meaning that [South Tampa will need 457 rental units and 594 homes for purchase.](#)

Taking the data one step further, currently 51% of the population are employees. Applying the same percentage to the new population, the increase of 2,527 people will add 1289 employees. Of those employees, 156 will be in the professional services areas requiring office space.

The increase in the population to add to the need for retail, restaurants, schools, etc..

This is an exciting time for South Tampa. We need to look ahead and start planning for the increase population that will happen over the next five years. The change will not happen all at once.

Tampa's Office Market

On the previous page, there is a chart showing the Office Market Cycle for the largest 52 metropolitan areas. It will help to understand the chart.

Across the middle there is a black line labels "Long Term Occupancy." This line indicates the historical occupancy rate for a given market. For example, if Tampa has an office vacancy rate of 11%, that means that 89% is occupied. If that is the historical average, then the black line represents 89%.

On the chart on the previous page, you can see that Tampa is at point 6, which means that Tampa's current occupancy rate is the same as the historical, or long-term, occupancy rate.


This graph illustrates the law of supply and demand. As demand for space increases the occupancy rate will increase and move Tampa from point 6 to 7 and further up. If supply is greater than demand then a metropolitan area can move into hyper-supply and/or recession. In Tampa's case, it is possible to move from point 6 to point 5.

This data can help inform decisions when buying, leasing or investing in space. There are market cycle reports for different market segments, retail, multi-family, industrial, etc.

[*Reach out to me if you are interested in the market cycle for different segments*](#)


**Joe Brown**


Real Estate Salesperson
3451679 FL
CS

 (813) 503-8549
DIRECT PHONE

 (813) 658-2121
OFFICE PHONE

 joebrown@c21be.com
EMAIL

 <http://joebrownc21.com>
WEBSITE

 3628 Henderson Blvd.
Tampa, FL 33609
ADDRESS

Helping businesses move forward

I am a residential and commercial real estate agent with over 35 years of experience in education and real estate. I am passionate about helping families and businesses find the perfect space for their needs. My strengths include my knowledge of the real estate market, my ability to build relationships, and my commitment to providing excellent customer service. I am a valuable asset to any team and am always willing to go the extra mile.

I began my career in education and for 19 years, was a middle school principal, where I led my schools to achieve academic excellence.

I transitioned to a career in real estate in 2019 when I retired from the field of education. I quickly became a top-performing agent. I am known for my attention to detail, my ability to negotiate on behalf of my clients, and my commitment to finding the best possible deal.

A member of the National Association of Realtors and am also a candidate pursuing the CCIM Designation. I am recognized by Century 21 as a Commercial Specialist.

I am passionate about helping businesses succeed. Believing that the right commercial space can be a powerful tool for growth and productivity I am committed to helping businesses find the perfect space to meet their needs. I stay informed of the latest news and trends to better serve my clients.

If you are a business owner looking for a commercial real estate agent, I would be honored to help you. I have the experience, the knowledge, and the commitment to help you find the perfect space for your business.

Languages:

English