

REAL ESTATE IN ORLANDO, FL.



January 2024 Housing Market Report

Orlando, FL Area Residential Real Estate Overview for March 2024

New data from the Orlando Regional REALTOR® Association shows an increase in new listings and home sales as the spring buying season begins.

Market State

- Total sales rose 31.1% from February to March. There were 2,936 sales in March, 696 more than the 2,240 sales recorded in February.

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- Total sales in March 2023 were 28.4% lower than those in March 2022 when there were 4,100 sales.
- Inventory fell 9.1% – from 5,555 homes in February to 5,052 homes in March.
- Inventory in March 2023 (5,052) was 103.9% higher compared to March 2022, when it was recorded in only 2,478 homes.
- New homes increased 22.1% from February to March, with 3,442 new homes on the market in March, up from 2,820 in February.
- The median home price in March was recorded at \$365,000, up from \$358,000 in February. This is the second consecutive month with the increase in average house prices.
- The March interest rate was recorded at 6.7%, compared to 6.4% in February. This is the fourth consecutive month with rising rates.
- Homes spent an average of 57 days on market (DOM) in March, up from 62 days in February. This is 111.1% higher than in March 2022, when homes spent an average of 27 days on the market.
- “Spring has arrived in the Central Florida real estate market. March data shows increases in new listings, home prices and overall sales, and a reduction in inventory as buyer activity recovered significantly,” according to Lisa Hill, president of Orlando Regional REALTOR® Association. “The good news for buyers is that they have many more options to choose from. There were twice as many homes on the market in March compared to this time last year, and the median home price was only slightly higher than a year ago.”

Market Snapshot

- Interest rates increased from 6.4% in February 2023 to 6.7% in March 2023. This is 59.4% more than in March 2022, when interest rates were 4.2%.

- Pending sales remained stable, with 4,184 in February 2023 and 4,220 in March 2023.
- 28 distressed homes (bank owned and short sales) represented 1.0% of all home sales in March 2023. That represents an increase of 27.3% since February 2023, when 22 distressed homes were sold.

Inventory

- Orlando area inventory decreased 9.1% from February to March 2023: from 5,555 homes to 5,052 homes. Inventory in March 2023 was 103.9% higher than March 2022.
- Housing supply decreased to 1.72 months in March 2023, below 2.48 months in February 2023. A balanced market is six months of supply.
- The number of new homes increased 22.1% from February to March 2023, from 2,820 homes to 3,442 homes.

ORRA's full market status report for February 2023 can be found [here](#).

This representation is based in whole or in part on data provided by the Orlando Regional REALTOR® Association and the Stellar Multiple Listing Service. Neither the association nor Stellar MLS guarantees or is in any way responsible for its accuracy. Data maintained by the association or Stellar MLS may not reflect all real estate activity in the market. Due to late closings, an adjustment is necessary to record closings posted after our reporting date.

Sales by ORRA REALTORS® represent sales involving members of the Orlando Regional REALTOR® Association, located primarily, but not exclusively, in Orange and Seminole counties. Please note that statistics published each month may be revised in the future as new data is received.

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Orlando MSA numbers reflect sales of homes located in Orange, Seminole, Osceola, and Lake counties by members of any REALTOR® association, not just ORRA members. Currently the median home price in Florida is around \$382,000.

This means that the median home price in Florida's real estate market is slightly lower than the national median home price of \$385,000. While this makes Florida property a great investment, the cost of living is also incredibly attractive.

What is the average cost of living in Florida?

The average cost of living in the state of Florida is very close to the national average: just over 2% higher. But while that 2% represents the state average, there is a wide range in the cost of living between individual Florida cities, ranging from 8% less to 21% more in cost compared to the average US city.

Florida City

Cost of Living Vs the Average in the US

Ocala	8% lower
Jacksonville	6% lower
Pensacola	5% lower
Tallahassee	5% more najo
Daytona	3% lower
Tampa	1% lower
Gainesville	2% higher
Orlando	4% higher
Fort Myers	8% higher
Miami	20% higher

This makes Orlando, Florida the perfect place to invest and live!

While property prices have increased in recent years, Florida's real estate market shows no signs of slowing down anytime soon. Whether you are looking to invest in a rental property, a vacation home, or move to Florida entirely.

Orlando, Florida, is known for being one of the main tourist destinations in the world, for its large number of theme parks and tourist attractions. In 2022 Orlando, FL received around 80 million tourists.

Furthermore, the real estate market in Florida, particularly in the Orlando area, has experienced strong growth in recent years due to the great interest of the Latin American community and the overwhelming appetite for buyers from the north of this country.

In this sense, the real estate market, especially in the Orlando area, is a great attraction for investing.

Today is the best time to invest!

Interested in the real estate market in Florida? They are in the right place. Here's everything you need to know about the Florida real estate market in 2023.

Why Invest in Real Estate?

Real estate is one of the safest investments you can make. While stocks and bonds are relatively safe investments, stocks and bonds have the potential to decline in value overnight.

In this way, investing in real estate is considered a safe physical asset that provides utility even if the price fluctuates over time.

Although stocks, depending on the state of the market, give dividends, in real estate, you can also obtain a stable passive income. This allows you to create an additional source of secure income while keeping your primary investment relatively safe.

There are also many tax exemptions and deductions that can help make investing in a rental property more affordable for the real estate investor.

Real Estate Market Predictions for 2024 in the State of Florida

Economists across the country agree that the United States is currently in a recession. Economic activity has slowed across the country and property prices are expected to decline slightly over the next year. However, economists also agree that Florida is completely exempt from this.

This is because Florida property prices have continued to grow even though the overall economy has contracted. Many attribute this growth to the fact that many people still flock to Florida to benefit from tax breaks and the lower cost of living. In this way, the demand for real estate in Florida has not slowed down at all.

Since moving to Florida comes with real financial benefits, many expect the housing market to continue growing in 2024. The average cost of a home in the United States is expected to decline next year, meaning the average price of a property in Florida it becomes higher. This makes the state of Florida the perfect place and time to invest in local real estate.

The Florida Real Estate Market

The Florida real estate market has experienced a massive surge of growth in recent years. This is because people are moving to Florida at a record pace for a better quality of life. While different cities in Florida can differ greatly in price, the average home in the state is still below the national average at just \$382,000.

For comparison, the average cost of a home in Miami costs around \$442,258 while a similar home in Orlando is only listed at \$305,622. Therefore, it is important to visit some cities in Florida to see which area you would like to invest in.

Cities like Miami and Orlando can be great for vacation real estate, while Tampa and Jacksonville are better cities to live and raise a family.

Investment Properties in 2023

If you are thinking about investing in a rental property, it may be beneficial to look at the rate of return you can get on your investment before making any major decisions. This rate can be easily calculated by looking at the average rental price in your chosen area. The average rent for an apartment in Miami is around \$2,227; with a monthly recovery of investment of 0.503%, while a similar apartment in Orlando can only be rented for \$1,181, which represents a monthly recovery of 0.386%

This makes Miami a better city to invest in rental properties compared to other cities in Florida. However, these prices have been increasing in recent years. People have been steadily moving to Florida, and the pandemic in 2020 also accelerated the move.

Affordability in Florida

As mentioned, Florida's real estate market is slightly below the national average. However, the biggest savings people can expect when moving to Florida is the fact that the state does not collect personal income taxes.

This means you can save thousands of dollars each year simply by moving to Florida.

Florida is one of the few states in the country that generates enough income from the commercial sector, so they do not need to collect personal income taxes. While the state does not collect personal income taxes, the cost of living in Florida is also relatively low. This means that many other expenses in Florida are lower than the national average, allowing the Floridian resident to have a better lifestyle in Florida than in other parts of the country.

The average cost of living in Florida is around \$43,615 per year. This breaks down to about \$9,255 for housing, \$6,675 for healthcare, \$3,693 for food, \$580 for gas and power, and about \$23,413 for other personal expenses. This means the average person spends about \$3,635 per month living in Florida.

While these are averages, many things are incredibly affordable in Florida. This includes housing, healthcare, and general day-to-day expenses. However, expenses such as utilities, groceries and transportation are only 2% to 5% more expensive than in the rest of the country.

The cost of living has increased across the country, prompting more people to move to more affordable cities. This has been one of the biggest factors driving demand for local real estate in Florida.

Factors Driving Demand for Real Estate in Florida

When it comes to the national real estate market, no state seems to be doing as well as Florida. The state of Florida has been one of the most successful states for a long time, but the current economic climate is driving more people to invest in [the local real estate market](#).

Here are some reasons why the demand for real estate in Florida has been and is projected to continue growing in 2023.

1. Incredible Weather

It's no surprise that Florida has one of the best climates in the country. With more than 200 days of sunshine a year, Florida is the perfect place to stay throughout the calendar year. While this makes it a great vacation destination, it also makes it a great place to live and raise a family.

Summers in Florida are quite humid, but only a simple sweater is needed during the winter. This makes it ideal for those who do not like rain and snow, climates that normally make winter unbearable. Average temperatures across the state range from 70 to 80 degrees during the winter, and summers reach the high 90s.

2. Cultural Diversity

Florida is an incredibly diverse state. The state is full of people from different parts of the world, and many people also move from various parts of the country to Florida. This means hearing many languages and tasting foods from all over the world.

This diversity also shows the acceptance of different cultures in the state. This makes people feel at home when they move to Florida. Whether you're coming to visit or staying in the state permanently, Floridians are the friendliest and most welcoming people in the entire country.

3. The Vacation Lifestyle

Florida is known for being one of the most comfortable and relaxing states in the country. While the state continues to be incredibly successful in business and commerce, travel is its biggest draw. Florida is home to some major theme parks, the most popular being Walt Disney World.

However, the holiday atmosphere can be felt throughout the state. Whether you're sipping coffee or taking a stroll down the street, the Florida lifestyle is significantly different from the rest of the country. This makes it the perfect place to relax, unwind and raise a family in peace.

Different Types of Properties in Florida

Florida has some major metropolitan cities and also some smaller cities. This means that the real estate market in Florida is one of the most diverse in the entire country.

Whether you are looking to invest in an apartment, condo, secure estate or a home, Florida has it all. This diversification of real estate helps the local real estate market continue to grow.

Move to Florida

If you are now thinking about moving to Florida permanently, there are many options for you. Florida is home to gated communities and secure properties for those who want a little more comfort and privacy.

There are also many retirements villa options for valuable people who want to sit back and enjoy retirement under the Florida sun.

Cities like Tampa offer a wide range of real estate. This city is smaller than Miami and is the perfect place to raise a family. Home to many small businesses, parks and schools, Tampa has everything a family needs to thrive.

Florida Vacation Homes

While Florida is home to more people than ever, the state also welcomes visitors from around the world. This makes it the perfect place to invest in rental properties, especially if you plan to rent short-term.

This means you can buy a property and list it on sites like Airbnb to generate an additional source of income.

Florida is also home to thousands of apartments and condominiums. These apartments, especially in Miami and Orlando, can generate thousands of dollars in rent each month.

The average cost of renting an apartment in Miami is more than \$2,227 and in Orlando it is \$1,181 on average.

The Best Places in Florida to Invest

There are many different cities in the state of Florida in which you can very well invest.

While the most popular options are the cities of Miami and Tampa, there are other places that generate even better returns on your investment. Here are three of many other important options.

1. Palmas Springs, Florida

The average property price in Palmas Springs is just \$205,262. This is significantly below the state average and makes it the perfect place to invest in Florida. Additionally, one can expect to generate around \$1,414.

per month with a rental property that would generate a return on investment of 0.688% per month.

This results in a return on investment of around 8.25% per year.

2. Margate, Florida

The average property price in Margate is around \$225,000. While this is more than a property in Palms Springs, it is still below the state and national averages. A typical rental property in the city can bring in around \$1,582 per month.

This means you can expect a return of around 8.5% per year on your investment.

3. Jensen Beach, Florida

Jensen Beach is a beautiful city in Florida that has a much higher price tag. The average home in this city costs around \$671,681. However, you can expect to charge around \$2,763 each month in rent.

This rental income works out to be about 5% annually of your initial investment.

Florida Real Estate Market Predictions for 2023

Although the economy is slowing down the real estate market throughout the country, Florida, from everything analyzed, seems to be the exception. With countless benefits for all state residents, Florida real estate market predictions for 2023 are leaning toward continued growth.

Join the Community of Successful Entrepreneurs.

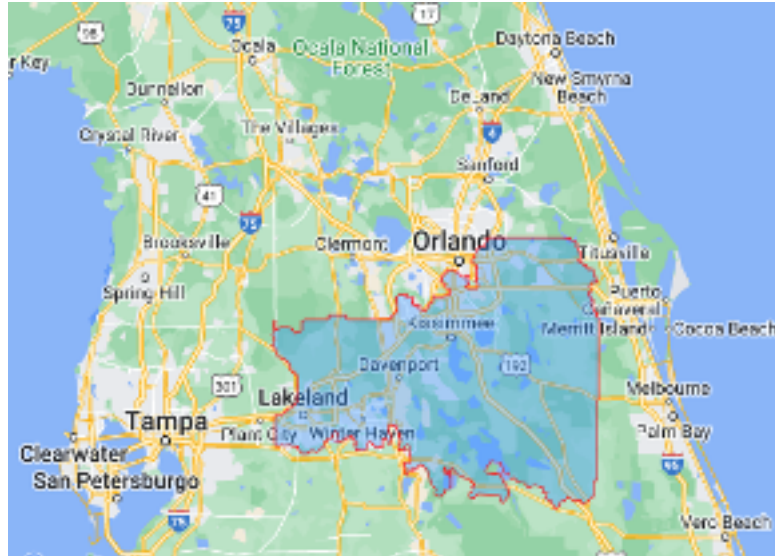
To invest in real estate, it is necessary that you correctly develop your business strategy before taking the first steps, thus ensuring that you do not risk your money.

It is appropriate that you have experience in the real estate market or seek advice from experts before allocating funds to the Real Estate market; especially if the objective is to invest with safe returns.

In this sense, we offer you all the professional support of our team of Real Estate professionals for the success of your objects.



KISSIMMEE, LAKELAND, and SOUTH ORLANDO



Auburndale, Bartow, Buena Ventura Lakes, Champions Gate, Cypress Gardens, Davenport, Dundee, Eagle Lake, Eaton Park, Eloise, Haines City, Highland City, Intercession City, Jpv, Kenansville, Kissimmee, Lake Alfred, Lake Hamilton, Lake Wales, Lakeland, Loughman, Magnolia Square, Mulberry, Okeechobee, Orlando, Poinciana, Polk City, Saint Cloud, Wahneta, Waverly, Winter Haven



Lic. Mirtha Burgoa

MBR Realtor® Team

mirtha@realtymbr.com

mirtha.realestate@us-burgoa.com

chichina3155@gmail.com

<https://mirthaburgoa.myrealtyrealestate.com/>

<https://www.realtymbr.com/>

<https://gbsnetllc.wixsite.com/mbrsite>

<https://mirthaburgoarealto.wixsite.com/mbr1>

Ph: (239) 438-6024

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