



Winter Haven Market Insights

Single-Family Homes As of June 30, 2024

**A comprehensive analysis of statistics and trends
for Single-Family Homes in Winter Haven, FL**



Presented by

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Introduction and Methodology

The intent of this Market Insights Report is to provide a general snapshot of the real estate market in Winter Haven, Florida. Our statistics are derived from the U.S. Census Bureau, Freddie Mac, and the local Multiple Listing Service (MLS) utilized by Realtors. This report focuses on single-family homes to identify and track trends. Multifamily properties such as condos, villas, and townhomes are excluded from the analysis to maintain consistency and clarity in the data.

Please note that this information should not be the sole basis for making buying or selling decisions. While the data encompasses all of Winter Haven, specific local influences can affect factors such as price, days on market, and months' supply. For instance, a new elementary school may impact an adjacent neighborhood, while an established neighborhood three miles away may not be affected. Whether you are a buyer or seller, consider the unique market conditions in your immediate area to best position yourself.

Additional considerations and comments:

- The MLS data does not include "for sale by owner" transactions or all builder transactions. While some builders utilize the MLS, not all builder transactions are captured.
- The statistics in this report are derived from thousands of transaction records and are presented as averages. An average encompasses higher and lower values and may not best represent your specific situation.
- The data in this report is believed to be accurate. However, Haven Realty Services, Inc. makes no warranty or representation as to its accuracy.

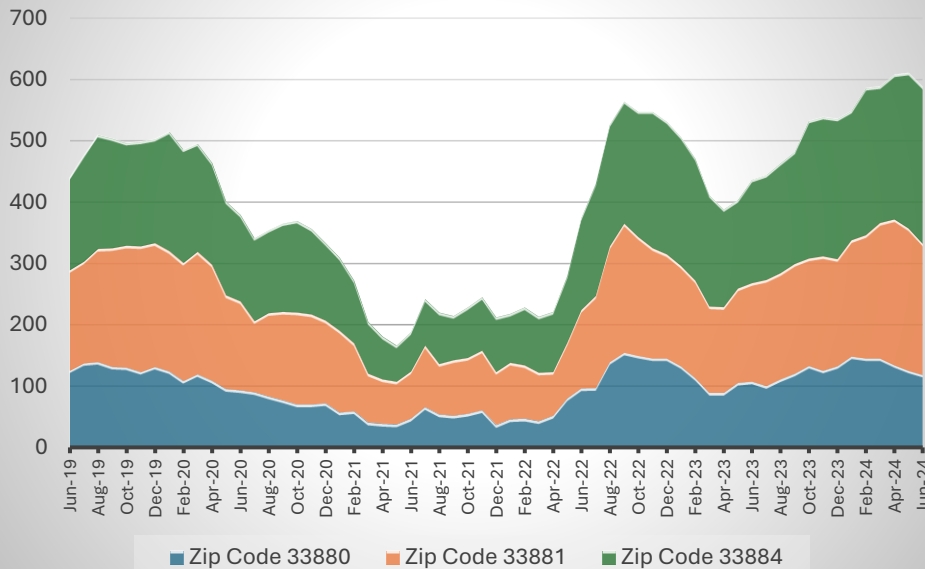
This report is updated and generated at least quarterly to help our clients gain a general understanding of the real estate market. We recognize that real estate is a local business and each property is unique. The agents of Haven Realty Services, Inc. are knowledgeable and experienced to assess your specific situation, whether you are a buyer or seller. We have served our clients in the Winter Haven market and surrounding areas for over 20 years. Please contact us if we can assist you in any way.

In the meantime, let's dive into the data.

Supply Inventory & Transaction Volume

Source: MLS

Winter Haven Single-Family Home Inventory by Zip Code

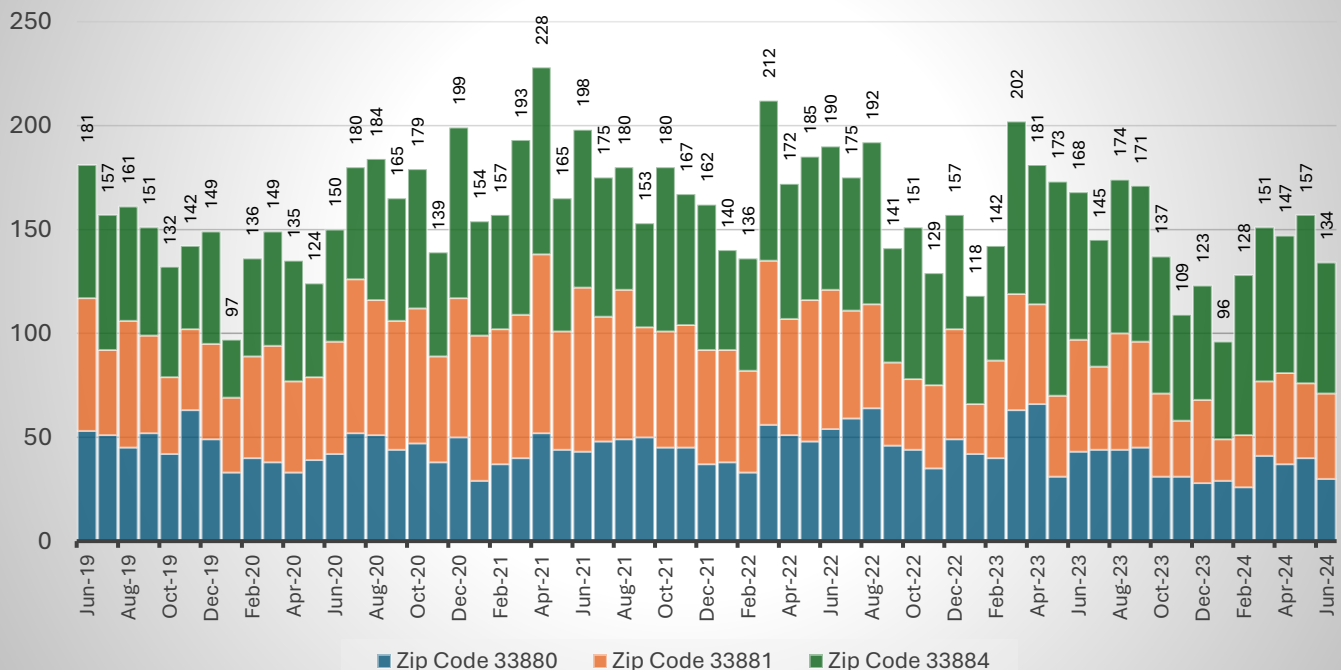


Total inventory for single-family homes in Winter Haven was 587 in the month of June 2024. This represents a 35% increase in inventory year over year.

As of June 2024, the available inventory is split between the three zip codes as follows:

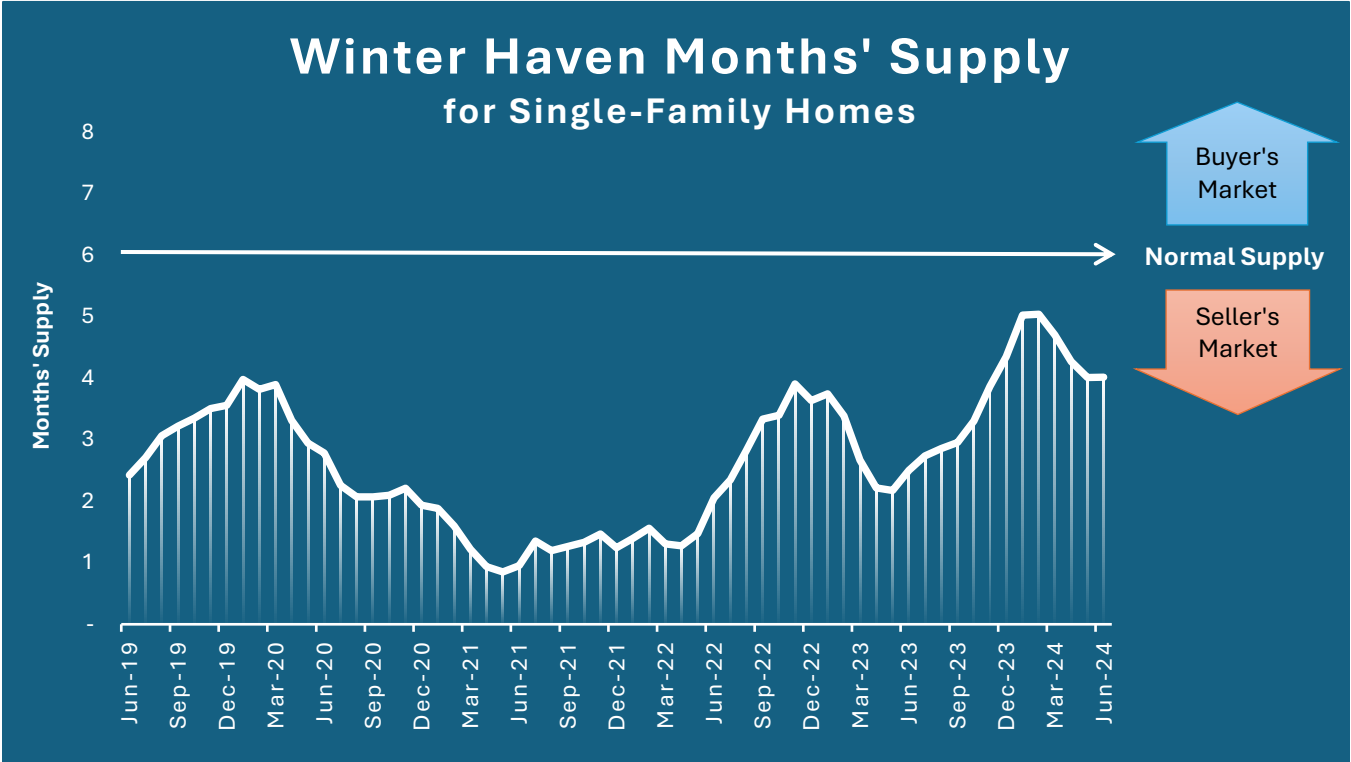
Zip Code	No. of Homes	Percent
33880	118	20%
33881	214	37%
33884	255	43%
Total	587	100%

Winter Haven Single-Family Home Transactions by Zip Code



Months' Supply Trend

Source: Data Extracted from MLS



Months' Supply is calculated by the current inventory of single-family homes divided by a 3-month moving average of monthly transactions. This is an important statistical measure of market activity and the determination of **Buyer's Market** or **Seller's Market** conditions.

Buyer's Market: Higher inventory, longer times on the market, falling prices, lower interest rates, increasing foreclosures or short sales. In these market conditions, buyers generally have more leverage to negotiate better deals, while sellers may need to be more flexible with their terms and pricing to make a sale.

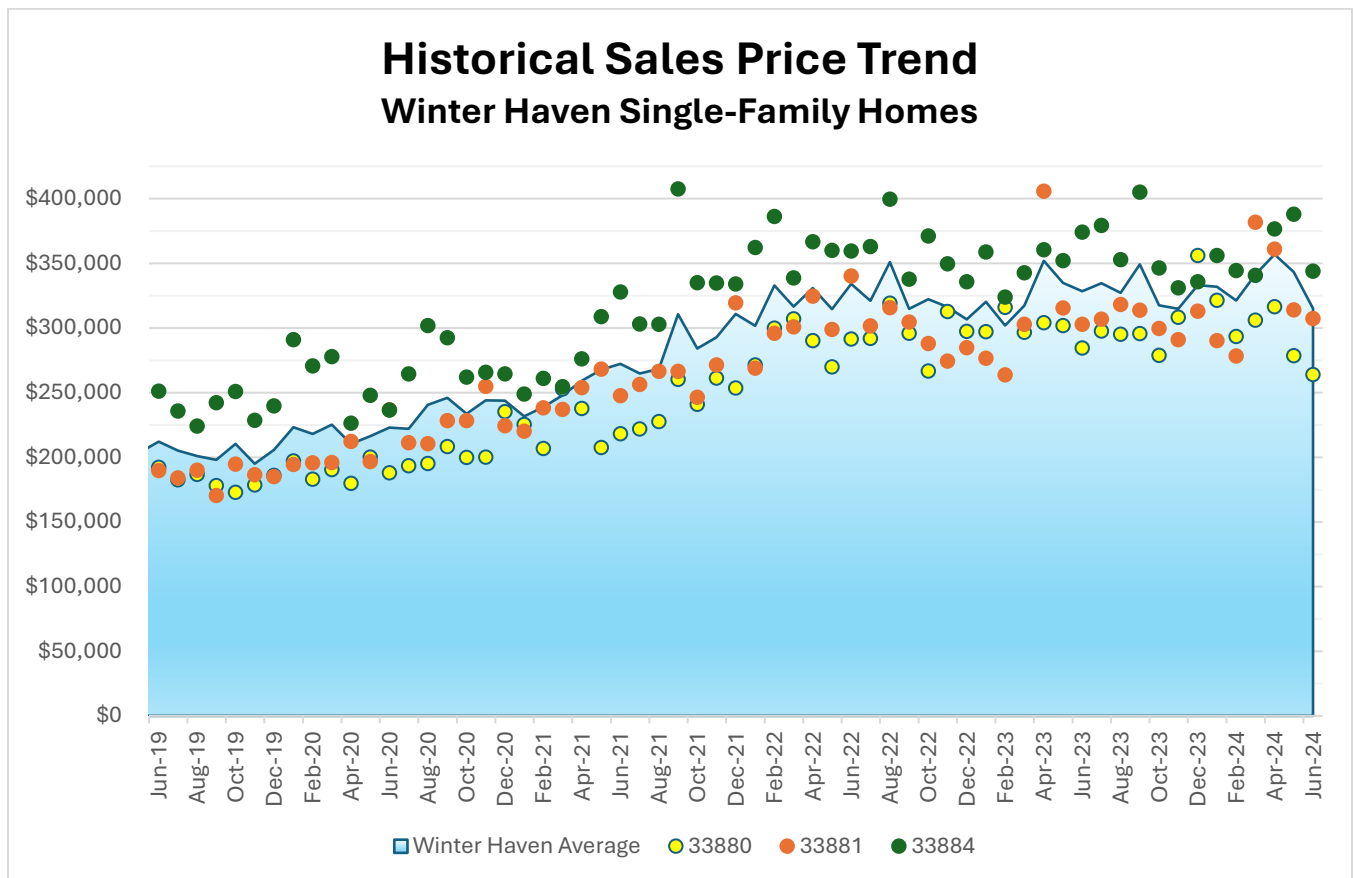
Seller's Market: Lower inventory, shorter times on the market, rising home prices, lower interest rates, multiple offers, and minimal seller incentives. Sellers generally have more leverage to negotiate favorable terms and achieve higher sale prices, may need to act quickly and make competitive secure a property.

The current market conditions for single-family homes in Winter Haven clearly demonstrate that we are in a Seller's Market with 4.02 Months' of Supply as of June 2024.



Historical Sales Price Trend

Source: MLS



From the graph above, we can see that average prices began a steady climb in early 2020 through the 2nd quarter of 2022. From the previous slides, Inventory and Months' Supply depicted declines during this same period which were contributing factors to positive pressure on the overall pricing trend.

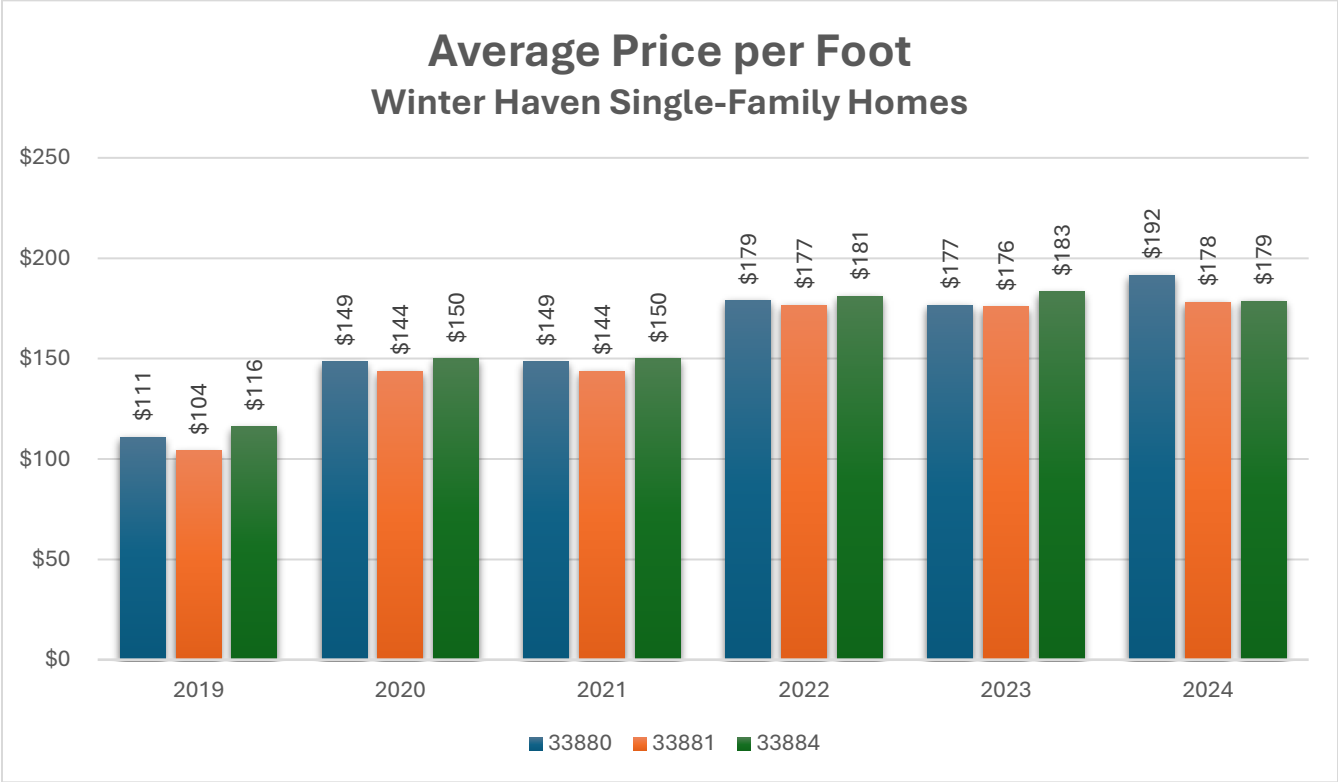
However, starting in the 3rd quarter of 2022, we can see that the overall pricing trend has leveled in the \$330,000 average price range. Looking back again at the Inventory and Months' Supply, we see the inverse where increases in these trends have contributed to a cooling of current pricing levels.

A summary of historical prices by zip code and by year is as follows:

	Winter Haven Average	Zip Code 33880	Zip Code 33881	Zip Code 33884
2019	\$201,767	\$181,375	\$185,671	\$232,092
2020	\$228,826	\$197,643	\$215,846	\$266,814
2021	\$270,704	\$234,567	\$257,700	\$307,939
2022	\$321,813	\$292,858	\$299,906	\$360,922
2023	\$327,516	\$302,707	\$309,161	\$355,204
2024 (through June)	\$334,878	\$296,734	\$322,177	\$358,336

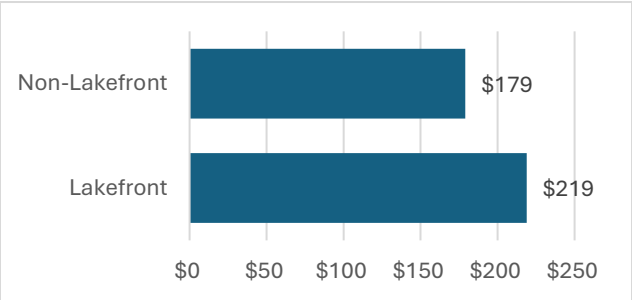
Average Sales Price per Foot

Source: MLS



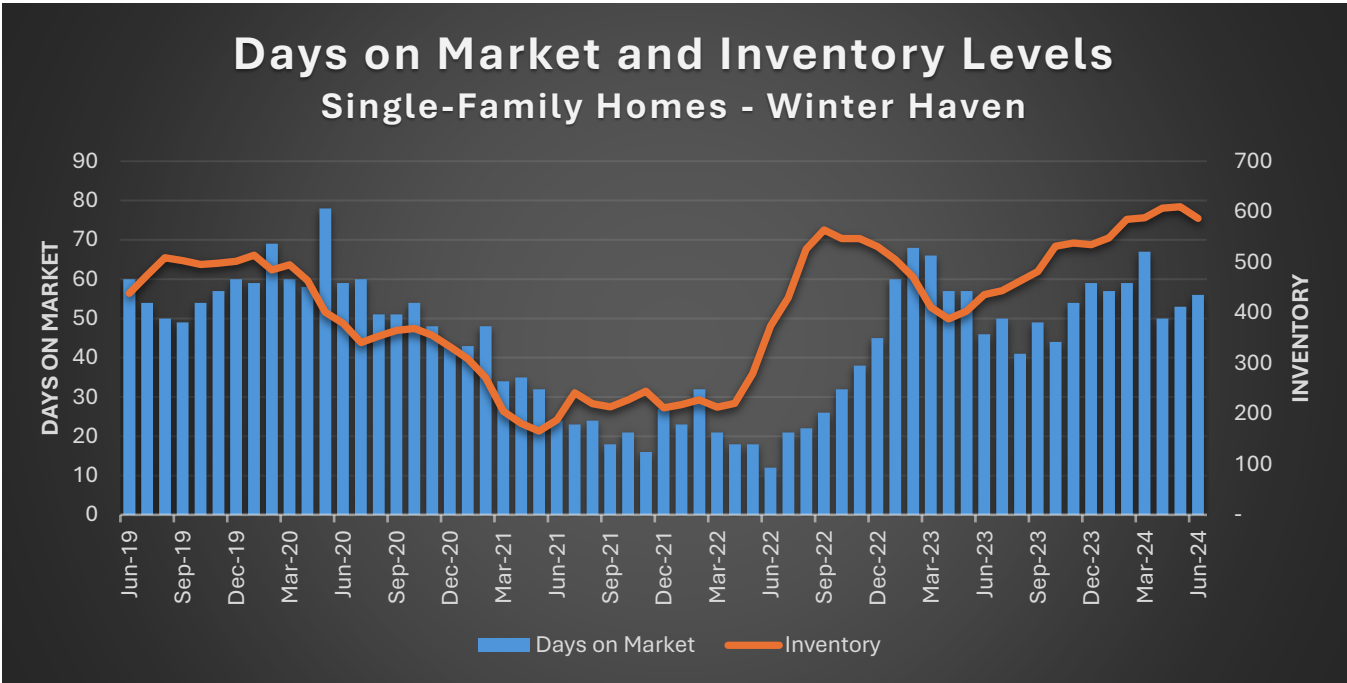
Comments:

- The current Average Price per Foot is an important factor when estimating property values. The living area of comparable properties should be used with the Average Price per Foot to arrive at an estimated value of any subject property.
- As shown above, consider the difference in Price per Foot for Zip Code 33884 from 2019 to 2024. The difference is \$63/foot. For an average sized home of 2,000 square feet of living area, that's \$126,000 difference in value in 5 years of ownership.
- As previously mentioned, the "law of averages" plays a big part in this statistic. Variables such as year built, size of lot, location, waterfront or a pool will influence the price per foot.
- To demonstrate this, consider Lakefront versus Non-Lakefront single-family homes that have sold over the past 12 months in zip code 33884. There's a \$37 difference per foot for the Lakefront homes. Take the average size homes that sold of 2,937 square feet, that's \$106,745 in value associated with the waterfront feature of the home.



Days on Market

Source: MLS



Days on Market measures how long, on average, properties are on the market before going to contract and ultimately closing. It is an important metric for both buyers and sellers as it can indicate the health of the real estate market. Factors influencing Days on Market can include:

- Pricing – overpriced homes typically stay on the market longer
- Condition – homes in poor condition or needing repairs may take longer to sell
- Location – homes in desirable locations tend to sell faster

A summary of Days on Market in the past 5 years is as follows:

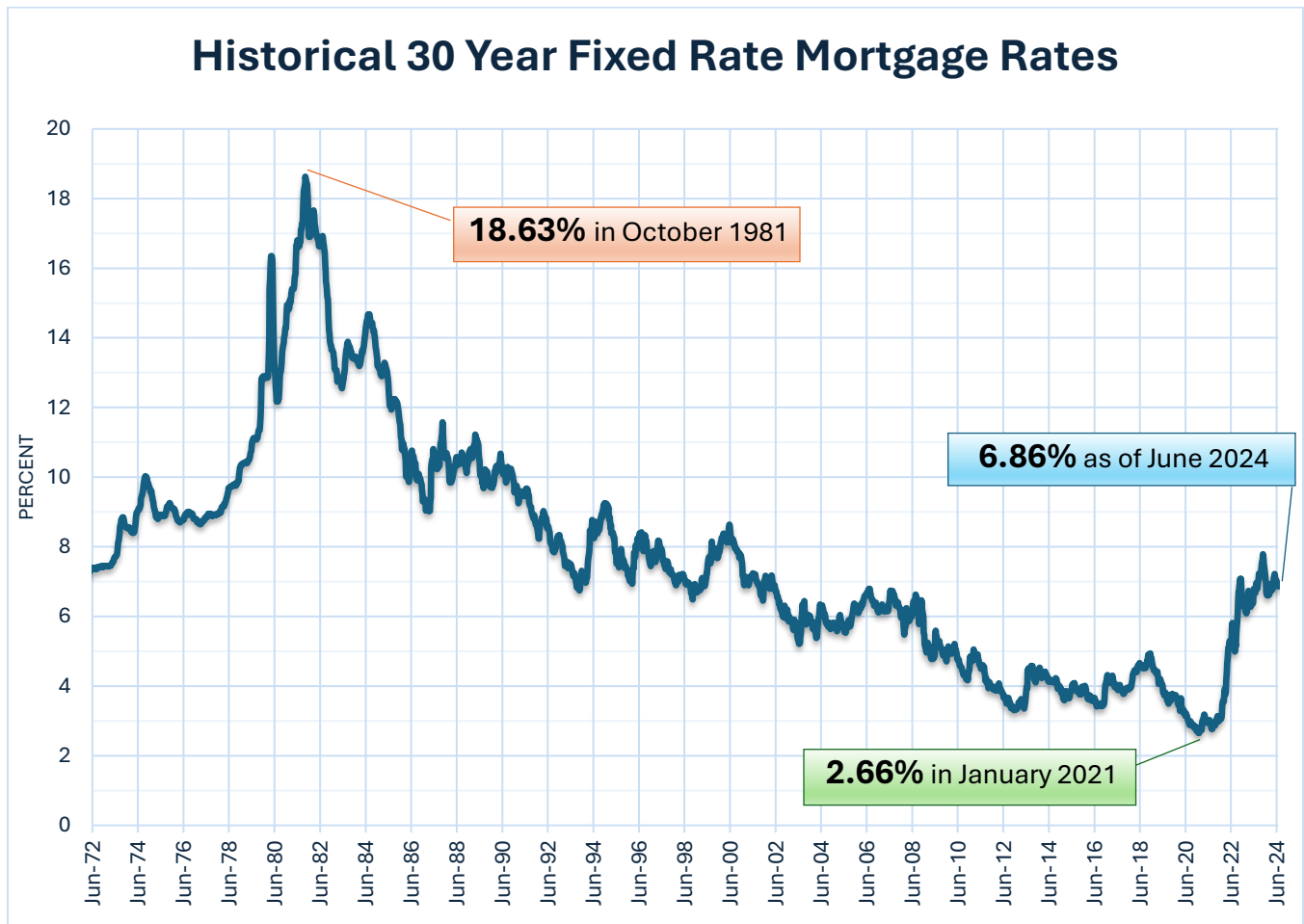
Year	Winter Haven Average Days on Market
2019	63
2020	61
2021	37
2022	29
2023	52
2024 (through June)	57

It’s apparent that the Days on Market statistic closely follows Inventory levels. When plotted on the same graph, it’s clear to see that the two statistics are directly related. In other words, when Inventory goes up, we can expect that Days on Market will also increase.

Interest Rates

Source: FreddieMac

In general, when interest rates are higher or increasing, the housing market slows down. As rates increase, the cost of owning a home becomes more expensive due to the higher interest rate, which can reduce demand. Conversely, as interest rates fall, demand for housing will likely increase as well as push home prices upward.



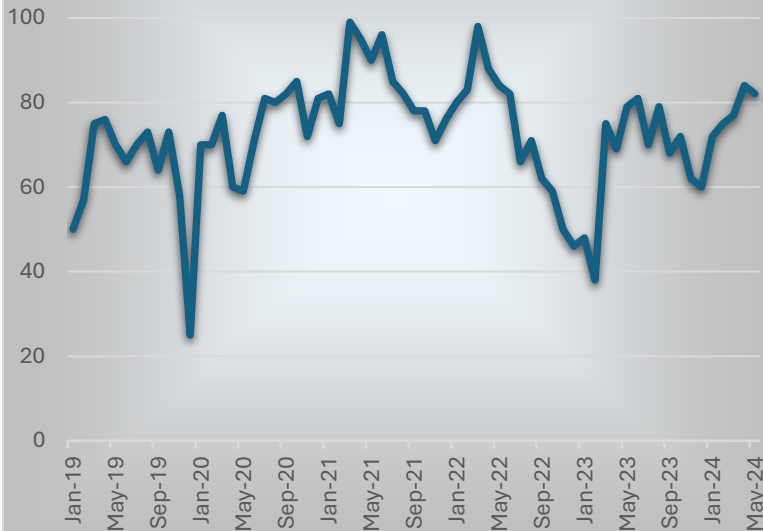
Other current interest rate observations:

- **Seller Sentiment:** Real estate economists suggest that if the Federal Reserve begins to cut rates, even modestly, it could help improve affordability and increase buyer activity, potentially benefiting sellers.
- **Buyer Sentiment:** Many potential buyers are hopeful that mortgage rates will decline in 2024, potentially making home purchases more affordable. Despite this mindset, the current high interest rates—hovering around a 23-year high—continue to deter many buyers, potentially leading to decreased market activity and slower buyer traffic.
- Overall, declining interest rates will benefit both buyers and sellers. The lower the rate, the more affordable the cost of ownership, thus creating more buyer activity for sellers.

Monitoring New Construction

Source: US Census Bureau (data through May 2024)

Winter Haven Housing Starts Single-Family Homes

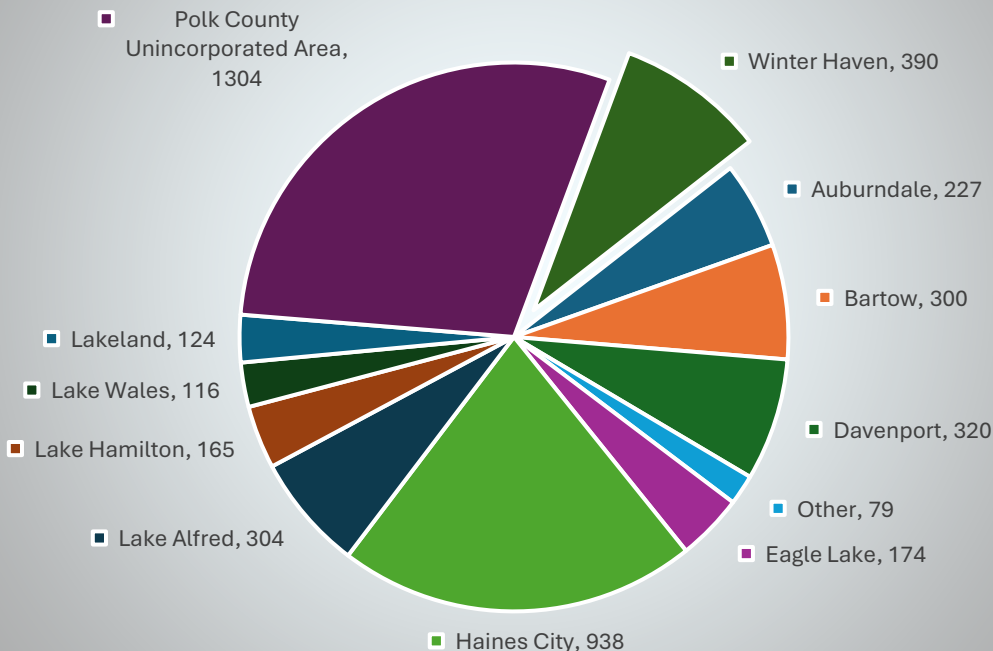


New construction, or housing starts, can be an important indicator for the direction of the overall housing market. High growth in local housing starts reflects a healthy local housing economy, while low growth in housing starts may reflect some weakening.

Single-Family Housing Permits in **Winter Haven** by Year:

Year	Permits
2019	757
2020	888
2021	1,017
2022	869
2023	826
2024 (through May)	390

2024 Single Family Housing Starts for Polk County through May 2024



Concluding Remarks



Where is the housing market headed? Will home prices continue to remain level, or will increases in inventory drive prices down? Can we expect the "seller's market" conditions to persist, and for how long? What impact would a potential Federal Reserve interest rate cut in September have? How is the new construction affecting current homeowners' ability to sell? Are buyers waiting for a significant drop in prices or interest rates before making a move? No one has a crystal ball, but these are critical questions facing the housing market today.

The following is a summary of changes in key metrics detailed in this report for Winter Haven single-family homes as of June 30, 2024:

Metric	Month over Month	Year over Year
Inventory	4% from 610 to 587	35% from 436 to 587
Transactions	15% from 157 to 134	20% from 168 to 134
Months' Supply	No Change from 4.01 to 4.02	60% from 2.51 to 4.02
Average Sales Price	8% from \$343.3K to \$314.9K	4% from \$328.3K to \$314.9K
Days on Market	6% from 53 to 56	22% from 46 to 56

Ultimately, staying informed and flexible is key to navigating uncertainty in any market conditions. Haven Realty Services has been actively assisting buyers, sellers, investors, and tenants for over 20 years in Winter Haven and the surrounding areas. Let our knowledge of current market conditions and our extensive experience help you navigate your next real estate transaction.

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