

MEC for residential home price across the united states

Factors to be looked upon are

1. Supply
2. Demand
3. Geographical region
4. Others

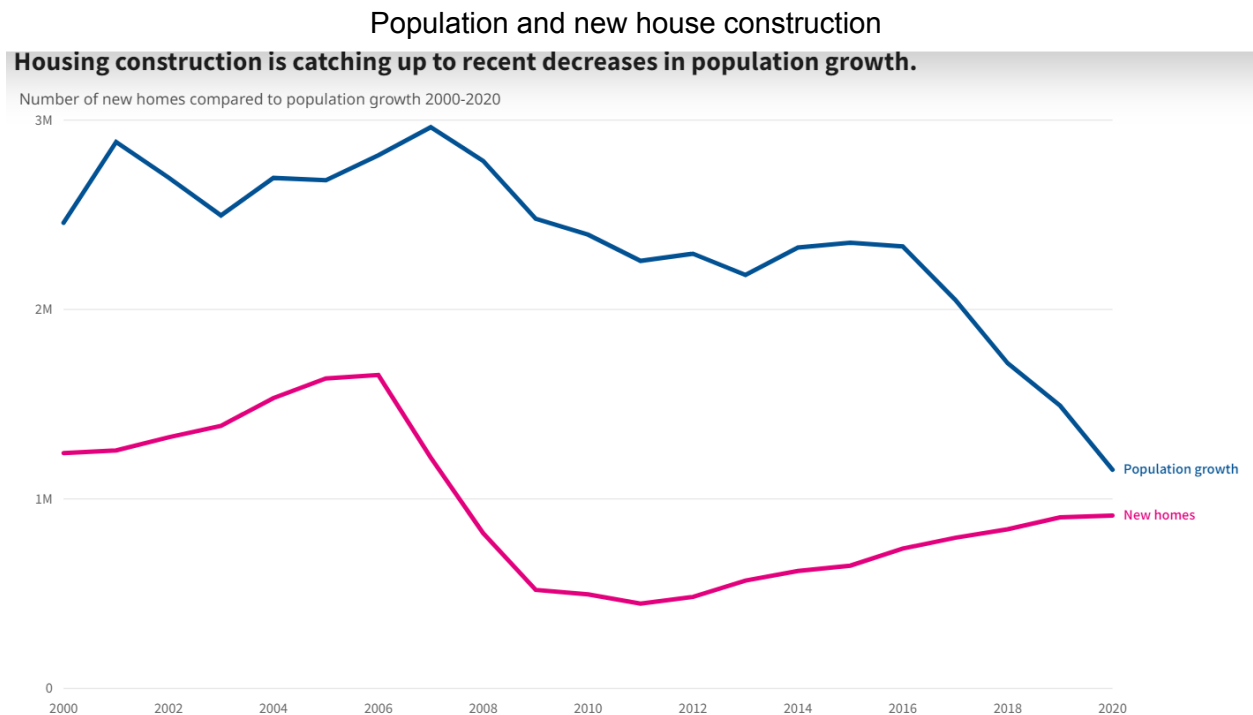
Supply :-

- What is the rate of new home construction? (How many new homes are constructed per year and for now it is about 250 to 270 house for 100000 people are constructed)
- How much are building materials costs expected to change? (For now it is about 15 to 20 percent increase per year increase)

Demand:- (As overall population rise vs new home available)

How much is demand increasing, at what rate, and how do we expect that to change?

- US Population increases as increase in population means need of more houses so demand increases price increase (decreasing somewhat).
- Investment in housing is increasing hence price increase (increasing substantially).
- Foreign population is also increasing. They are also investing and require a house for living, hence demand increases more and hence price (Somewhat constant for now).



Geographical region of the house:-

- Environment near the house.

- Distance from schools and school rank available for those area kids.
- Facilities available in nearby areas like grocery shops, job location, connectivity from town, etc.

Others:-

- Size of house (currently multi storage buildings are made more as more facilities can be available and more population can be settled on smaller land).
- Condition of house or age of house (Decrease with age of house or poor condition of house but increase price if age is above a certain value and maintain it).
- Taxes on house and land increase or decrease.(If tax increases then investment people may not invest in houses and hence price increase speed reduce).
- Current and project Federal Reserve interest rate (0% now but likely 1-2% in a few years).

More multi class building will be made in future as population + foregin people may increasing in united states so price will still increase until a sudden unexpected change occur in world or united states for example covid

US average sales price of new house per year

