

Black Luxury Realty Broker Nathaniel Crawford Explains How Air BNB Investors Are Affecting the Current Housing Shortage

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Nathaniel Crawford, a luxury real estate broker with Black Luxury Realty, has explained in a YouTube video how AirBNB investors are affecting the current housing shortage in South Florida and the whole country. It is important to note that growth in housing inventory in the US has slowed down substantially since the turn of the century, especially during the past decade. According to a National Association of Realtors report, there has been an ?underbuilding gap? of 5.5 to 6.8 million housing units since 2001. There are many factors that have contributed to this, and Nathaniel Crawford points out that AirBNB investors have been using more than 5 million homes that are classified as ?semi-vacant single-family homes? exclusively for short-term rentals or vacation homes.

Nathaniel Crawford says, ?As more and more investors and part-time residents continue to buy properties in South Florida with the goal of renting them to short term tenants, prices will continue to rise, and first-time home buyers will struggle to compete.?

However, he hastens to add, ?The luxury and pre-construction markets are still strong. The biggest challenges we're seeing are being faced by first-time homebuyers who have to compete with cash offers.?

In luxury real estate news, Nathaniel Crawford notes that the real estate market in South Florida is actually thriving for the investment, luxury, and new/preconstruction buyers as a result of the shortage in homes and the focus of developers on luxury and rental properties. It is the first-time homebuyers who are feeling the shortage. With regards to the middle and upper-middle-class homebuyers, they are still able to find homes, but it could take up to 10 years for the market to catch up with the demand.

He notes that while a recent report has estimated that 55 million people are in need of housing, the actual number may be closer to 68 million. Of these, five million people are actively searching for homes to buy but have been unable to find them because of the strong competition from investors, second home buyers, and institutional funds. This shortage of available homes to purchase is related to the increase in short-term rental investments, with more than five million single-family homes being utilized primarily for short-term rentals.

Short-term rentals have been making a significant impact on the real estate market as they gain in popularity and push up prices for annual rentals. Regulations may cause a reduction in the short-term rental inventory. A US Federal Reserve report has shown that short-term rentals have been cutting a significant chunk from the available inventory and causing home prices to increase in major metropolitan areas. This is contrary to the common belief that the shortage problem is primarily caused by the lack of new construction.

Nathaniel Crawford suggests that there should be more legislation to incentivize developers to build or convert more offices to residential spaces, such as condos to help reduce the shortage in housing inventory and offer more choices for homebuyers. Technology innovations in construction may help in building single-family homes more quickly, but this may not immediately help solve the current housing inventory shortage. Nathaniel also discussed the negative impact of short-term rentals on communities.

Founded in 2005, Black Luxury Realty seeks to consistently assist clients in attaining their real estate goals. From first time home buying to ocean front residences to investment properties Nathaniel Crawford strives to make the real estate buying or selling process smooth and clear by applying his patience, professionalism, knowledge, and candor. With the understanding that the buying or selling process can be an emotional and personal one for the client, he works hard to help them find the joy in the process and the new and thrilling changes it may bring into their lives. Nathaniel Crawford is focused on the South Florida real estate market and services high-end clientele in Broward, Palm Beach, and Miami-Dade counties.

Those who are interested in the real estate services for South Florida can check out the Black Luxury Realty website at https://www.blackluxurymiami.com or contact them on the phone or through email.

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