

# Inflation Is The Biggest Factor Influencing Real Estate This Year

Posted On Feb 17, Posted by [blogger1](#) Category [BestTransactionFunding](#)

Inflation only seems to be warming up this year. Expect it to be the main factor driving all trends in the real estate space throughout 2024.

Real Inflation Could Be About To Soar

In contrast to official numbers in the headlines, real inflation is what consumers experience on a daily basis.

This inflation certainly doesn't appear to have reversed course yet. In fact, the last couple of years may have just been setting the launchpad for what's to come this year.

There are many things that have happened and are influx, which could be used as reasons to raise consumer prices this year. Everything from new regulations and taxes, to foreign wars, and supply chain issues.

Grocery and household goods prices are still extremely high compared to a couple of years ago. Consider the controversial new \$18 Big Mac meal deal at McDonalds. With some of their meals now over \$21. That's for 'cheap' unhealthy fast food. That's almost \$100 to feed a family of four, just one meal a day.

Other basic living costs are going up too. Especially for property owners. Several Florida insurance companies just applied to be able to raise their rates by 50% this year. That's going to make the last few years of 30% inflation look cheap.

It's so bad, one major new story in the New York Post focused on how you can recycle and use your own poop to heat your home, cook, and grow your own food.

### Distressed Real Estate Deals

Inflation is to the point where many households are now having to stop paying their bills in order to feed their families.

Food insecurity is at new highs. Just as are defaults on car loans and credit card bills. These nonperforming debt sectors have ballooned over the past couple of years. Hitting new records in 2023, even before those end of year holiday shopping bills showed up in inboxes.

We've even begun to see major home builders sell off entire projects to cash out, and mitigate the risk of a changing new home sales market.

Billions more in mortgage debt became delinquent in the final quarter of 2023. Meaning more motivated sellers who need to sell their homes and go rent before they have to go through foreclosure.

This is a great time to pick up discounted real estate deals, and flip them to landlords who are going to see a big rise in the demand for rentals, and the wealthy that have enjoyed windfall profits from AI investments. Just as the crypto crowd did before them.

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