



Are we headed for another housing bubble and crash?

wonder if **right now** is the right time to buy a home. As an experienced mortgage professional, I understand the challenges homebuyers are facing, and would be happy to talk through the options that make sense for you.

Given talks of a new "housing bubble" it makes sense to

Book an appointment

Real estate bubbles can form when offers from a high number of buyers

What is a housing bubble?

drive up prices on the limited number of available homes. The bubble is said to "pop" when prices drop suddenly because supply either increases, or demand decreases. A sudden drop in home values could result in a new homeowner finding

investors to get stuck with a home they wanted to sell.

themselves owing more than their home is worth. It can also cause

The infamous housing bubble crash of 2008 was caused by multiple factors that we are better safeguarded from today.

Why was 2008 different?

In the years prior to "the housing crash", certain lenders approved buyers for loans they simply couldn't afford. Today, the <u>Dodd-Frank</u>

Wall Street Reform and Consumer Protection Act, passed into law in 2010, protects homebuyers from "predatory mortgage lending while making it easier for homebuyers to understand the terms of a mortgage before agreeing to them."

agree that the market will "stay hot" for some time.

Housing experts and economists as interviewed by <u>Forbes</u>, seem to

Supply and demand

Millennials are still in the market for housing, and Gen Z is close behind. Gen Z is also a bit more financially stable than the previous generation,

years to come. Additionally, the slowed construction of new homes caused byinflation seen over the last decade, coupled with the decreased housing supply over the same time period means supply isn't likely to catch up any

time soon.

meaning the number of qualified homebuyers will likely remain high for

Consumer confidence

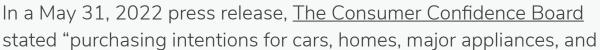
With rising inflation, the continued threat of new Covid variants, and

the war in Ukraine, it's no surprise that people are hesitant about

spending money in the current economy.

The honest answer is: it depends.

more all cooled—likely a reflection of rising interest rates and consumers pivoting from big-ticket items to spending on services."





fluctuate regionally, as differences in local markets play a big role in determining a home's value.

Homebuyers need to consider how long they plan on staying in their

historically they eventually do, given enough time. Home values also

home. Interest rates can be refinanced when they drop, which

Should you buy a home right now?

with what their current finances can handle. I'm available to sit down and discuss the options that make the most sense for you.

Book an appointment

Homebuyers must balance their long and short-term financial goals

Senior Mortgage Consultant

413-256-5541 gary.talbot@memberadvantagemortgage.com

Sincerely,

Gary Talbot

NMLS# 47462

This is not an offer for extension of credit nor a commitment to lend. Programs, rates, terms and conditions are subject to change without notice. Certain restrictions may apply. All approvals subject to underwriting guidelines. Not all applicants will qualify. Member Advantage Mortgage, LLC is an Equal Housing Lender. We do business in accordance with the Federal Fair Housing Law and the Equal Credit Opportunity Act.

Member Advantage Mortgage LLC (MAM) is a subsidiary of CUSO Development Company (CDC), which is owned and operated by credit unions for the benefit of credit unions and their members. UMassFive College Federal Credit Union works with MAM to assist its members in evaluating and selecting appropriate mortgage solutions and issuing loans to qualified

Visit memberadvantagemortgage.com/mam-umassfive-disclaimer to view licensing information.

Member Advantage Mortgage - NMLS# 1557

Toll Free: 1-866-482-1414 info@memberadvantagemortgage.com

