



# House Call Real Estate Newsletter

## September 2022



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We appreciate your referrals - if you know of someone thinking of buying or selling, please consider passing on our info.

Football Season is here!!

Let the snacking begin.



### Chili Cheese Dip



Quick? - yes!  
Easy? - yes!

- 1- 15 oz can of chili
- 8 oz of cream cheese
- 1 cup shredded cheddar cheese

Fritos Scoops (or any chip you'd like for dipping)

Preheat your oven to 350

Use the back of a large spoon to spread the cream cheese evenly on the bottom of a glass pie dish.

Next, spread the chili over the cream cheese.

Sprinkle shredded cheddar cheese over the top.

Bake for 25 minutes.

Enjoy!!



### Mortgage Rates - A Look Back...

In 1981, inflation took its toll and rates rose to 9.5%. Continued hikes in the fed funds rate pushed mortgage rates to an all-time high of 18.45%. Although the Fed's strategy helped push inflation back to normal levels by the end of 1982, mortgage rates remained mostly in the double-digits for the rest of the decade.



In the 1990s, homeowners who had purchased a home in the 80s, were able to cut their rates in half as rates dropped. A borrower with a \$120,000 mortgage could reduce their mortgage from \$1,809 to \$966 by refinancing to a 9% rate.

By 2000, rates were above 8% and gradually made their way below 6% by 2003. They remained in the high 5%-6% range for the rest of the decade, before briefly dropping to 4.81% in 2009.

In 2012, mortgage rates dropped to a record low of 3.35%. The monthly payment for a \$100,000 loan at the historical peak rate of 18.45% in 1981 was \$1,544, compared to \$441 in 2012. For the remainder of the decade, rates stayed 3.45%- 4.87%.

The 2020s were a roller coaster ride, with rates dropping to new historical lows; followed by one of the highest spikes in inflation since the 1980s just over a year later. After the pandemic hit, the Federal Reserve cut the federal funds rate almost to 0% to stabilize the economy, as businesses closed to stop the spread of the virus. By December 2020, the 30-year mortgage rate plummeted to a new historical low of 2.68%. Rates spent most of 2021 between 2.70% and 3.10%

### A Look Back (cont)...

In March 2022, rates were at 3.45% in January, steadily rising each month in 2022, to 5.30%.

What's the outlook? Our lender expert tells us he expects the rates to bounce between five and 6% for quite some time. While he anticipates the Feds will raise rates, the economy will slow forcing rates back down. Unless something changes in the economy, he expects these rates to be around for the next year.

Source: Lending Tree

### The Market - What We're Seeing Firsthand

Frankly, the market is quite fickle, and it's a different story depending on the area and pricing.

Some properties are getting multiple offers above asking price while others are having few (or no) showings. While it feels less frantic, agents/buyers are hesitant to breathe easy. Many buyers are sitting on the fence, or have been temporarily priced out of the market.

We are also seeing more price reductions, especially on outdated homes. It could be a result of buyer fatigue or pricing has finally topped out. We tend to think it's just a lull.

Home inspections are also creeping back. For the past 12 months, many "winning" offers did not include a home inspection. We are starting to see them written in offers again, along with a repair (remedy) request.