

April 24, 2020



Real Estate Trend Report

Some of you will be interested to know that, even in the midst of a health crisis, people still need to buy and sell homes and condos.

The number of single family homes and condos listed for sale 1st April through 15th April 2020 is certainly down on the previous year. 198 units in the Anchorage Municipality compared to 320 last year for the first half of April. Matsu listings for the same period are 113 units compared to 132 last year. However, this shows that many families still have plans to sell homes, either to upgrade or to relocate, during the pandemic.

On the corresponding Home-buyer side of things, inventory in the first quarter was inadequate to provide for the demand of homebuyers. Interest rates had ignited homebuyer demand even before the enormous FED stimulus now in play. Buyers wanted a piece of the 30 year financing available under 4% interest and, now, these rates

are at 3% and likely to dip below 3% into the summer.

Actually, the only reason that rates have not yet gone lower is, with all its good intentions, the Federal C.A.R.E. Act which enables current borrowers to obtain an undefined "Forbearance" on their current loan. This is making the home lending industry nervous as the organizations that service loans are not sure what it will cost them.

This near free money that you can borrow for 30 years also demands that current homeowners consider re-financing. Not only can you liquidate some of your existing equity for a cash supplement for your current needs (this is known as a 'Cash-Out Refi') but you can lower your monthly payment too.

It is easy to join the mass consciousness of fear over the health scare right now but I can tell you, when facing a crisis, it pays to stay calm and think about the opportunities that may be on the horizon.

Real Estate is an essential business because it concerns your housing needs and Realtors have in place protocols that will enable you to buy or sell with safety.

The immediate trend in real estate is a slowdown but that curve, like the pandemic, is flattening and the salmon will still be running by June. Make sure all your tools, for fish or real estate, are ready for the action.

Dave

Windsor

A stylized, handwritten flourish or signature element consisting of a single, sweeping, curved line.

