



# TALKING REAL ESTATE



**BERKSHIRE  
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Whether you own a home or are looking to buy or sell one, here are some useful tips, ideas and advice. When you're ready to make your move, give me a call!

## HOMEBUYERS' ADVICE



### DON'T GIVE UP HOPE, MILLENNIALS!

Millennials have been hit hard in 2020 with the triple whammies of high student loans, COVID-19 and job losses. It would be easy to give up your dream of owning a home, but we say where there's a will, there's a way.

How you manage your expectations, resources and opportunities will make all the difference in achieving what you want out of life, including owning a home.

**First, don't give up.** Your timeline may be busted for buying a home this summer, but you can still make it happen sooner than you think.

**Look for ways to save money.** Don't buy stuff online you don't need. Take a packed lunch to work. Move to a less expensive apartment, get a roommate to share expenses or move back home temporarily. Use the savings to pay off debt. Open a high-yield savings account that pays compound interest.

**Look for ways to make money.** Do you have a hobby or skill that you could turn into a side hustle, like carpentry, baking or small business accounting?

Don't worry about what others think. Instead, encourage each other. It will be worth it when you move into your own home.

## FINANCIAL ADVICE



### HOW TO UNPACK MORTGAGE NEWS

In June 2020, a stock market sell-off sent investors scurrying to the relative safety of the bond market, causing average mortgage interest rates to fall below three percent for the 30-year-fixed-rate mortgage – the lowest level in modern recorded history, according to *Mortgage News Daily*. What caused such a dip?

Mortgage rates loosely follow the yields on 10-year U.S. Treasury bonds. As more bonds were purchased, yields went down, and mortgage rates followed.

But that's not all that happened. The Mortgage Bankers Association's *Mortgage Credit Availability Index* also hit a six-year low. Lenders don't like uncertainty, so to secure those lower interest rates, borrowers were subjected to higher credit score qualifications (700 or higher), unavailability of some loan programs (no new jumbo loans) and higher down payments (at least 20 percent), among other stricter criteria.

Yet, June mortgage applications were up a whopping 13 percent over the previous year. *Freddie Mac* forecasts that interest rates will remain at or near record lows and that housing prices will moderate throughout 2021.

What does this mean to you, the homebuyer or homeowner? If you have good credit, steady employment, and a sizable down-payment, you should be able to get or refinance an existing mortgage loan.



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