

Forecasting 2009 and 2010 Home Prices

By RateTake.com

Dated: Nov 09, 2008

Credit crises is plummeting real estate values all across U.S. and it is not allowing home prices to move up any time soon. So when is it a good time to sell a home or buy a home?

Credit crises is plummeting real estate values all across U.S. and it is not allowing home prices to move up any time soon. So when is it a good time to sell a home or buy a home?

Today, more and more banks made it more difficult for borrowers to qualify for a home loan. With 20% down payment and good credit score, your interest rate might be around 6.5%. These rates might not be heading down any time soon, so even though you will try to get 6% you may have to end up buying points.

<http://www.RateTake.com> provide mortgage rates information. Get help with your debt <http://www.1DebtMoney.com>

More than 18.6 million homes are sitting vacant, more than any other time from 1960s. If recession will remain for three quarters of the year the number of foreclosures could rise and homes will be sitting on the market longer, bringing value of homes even lower.

Home prices are down 20 percent nationwide and economists predict another 20 percent decline through 2009. Market should start slowly turning back in late 2009.

If you are selling:

Wait it out until late 2009 and early 2010. Home prices should improve as fewer foreclosed homes will be on the market. It is expected that early 2009 we should see investors snapping up foreclosed homes and holding them for a longer term. This will help unclog the real estate prices.

If you have to sell right now, one of the best options is to rent it out and cover your mortgage payment. Other options are lease-purchase agreements as many people are looking for homes but cannot afford it due to bad credit or no down payments. Lease agreement can offer a solution to your new tenant-buyer to purchase a home at certain time. Best of all, all repairs are covered by tenant-buyer.

Price it below the market. If a quick sale is necessary visit online websites and determine your value. Once you find your price, deduct additional 5% of the value to give you more accurate estimate.

If you are buying:

Best bet is to see which homes have been sitting on the market for at least 60-120 days. At this point sellers have to sell their home for any reason. This can prove an advantage to new buyers as they can ask 5 percent to 15 percent below market value. When first purchasing a home make your offer 10 below market value.

Improve your credit score. It is time to get your credit back and you have a year of hard work ahead of you. If you are planning to buy a home in 2010 your chances are higher that your credit score can be better. You need 780-820 credit score to get a good interest rate. Boosting your credit score 660 to just 740 can lower your mortgage rate by a quarter of a point.

If you have a bad credit

To get you back on track you need to downsize. If you continue with your current situation and your situation is not allowing you to save money and pay off your debt, downsize. In some cases it may be difficult, but remember, to get a home in the future you need to take action.

Contact debt relief agencies that can help you deal with your problem. One of them is 1DebtMoney.com and you can request a free consultation and try to find out how long it will take you before your credit score can improve.

Reduce your credit cards at least 50 percent below your credit limit. Reduction will help you to get higher score. In most cases if you have a multiple credit cards, first try to reduce balances at least 50 percent, rather than paying off one by one. If you keep paying one by one, it will take you longer and your credit score will not improve that much. Once a credit reporting agency sees that you are making payments on all your credit cards on time and you are reducing your debt on all cards at the same time, your credit score will improve.

Today, the time to get your new home might be a one time chance to get it right for a great low priced home. If property values increase starting 2010 and you are able to fix your credit by the end of 2009, you have a pretty good chance that if you buy early 2010 your house will appreciate in value within few weeks.

RateTake.com an Internet consumer banking marketplace is a destination site of personal finance, investing, taxes and mortgage rates. RateTake.com provides mortgage guides and financial rates and information. RateTake.com also operates:

<http://www.1AmericanMortgage.com>
<http://www.debtmanagementempire.com>
<http://www.billdebthelp.com>
<http://www.1DebtMoney.com>
<http://www.CreditCardDebtCare.com>
<http://www.1HomeImprovementServices.com>
<http://www.lendingsandiego.com>
<http://www.1HomeGym.com>
<http://www.1BusinessWebHost.com>
<http://www.1AmericanInsurance.com>
<http://www.GolfMahalo.com>
<http://www.breitlingmahalo.com>
<http://www.lawnmahalo.com>

Category	Banking, Business, Real Estate
Tags	Home, home prices, Real Estate, wall street, forecast
Email	Click to email author
Country	United States