



# HOME DELIVERY

## Residential Real Estate Trends, Issues and News for Consumers

The National Association of REALTORS® distributes *Home Delivery* every month to real estate, personal finance and consumer journalists as a resource for background or story ideas.

### Your Tax Dollars at Work

There's been a lot in the news recently about the government takeover of government-sponsored enterprises Fannie Mae and Freddie Mac. But what does that mean for the real estate market?

These GSEs guarantee more than 40 percent of the nation's mortgages and own or guarantee more than \$5 trillion worth of mortgages, so assuring their continued operation is crucial in the current economic environment.

The government's actions aimed to restore confidence and bring stability and continued liquidity to the nation's mortgage market. Interest rates came down immediately after the takeover, and it's likely that this will keep them low for some time to come.

Buyers benefit from lower rates, and sellers benefit from the increased demand created by buyers entering the market.

#### Story Springboard

- Food for thought  
NAR's economists post commentary online almost daily to explain how developments and issues in the real estate industry affect consumers and to share their perspectives on the real estate market. For insights specific to the GSE takeover, visit [www.realtor.org/research/commentary\\_govt\\_takes\\_over](http://www.realtor.org/research/commentary_govt_takes_over)

### When Buying Makes Sense

The housing market has never been better for many potential buyers. In fact, in many U.S. metro areas it's more affordable to buy than rent.

The National Low Income Housing Coalition reports that in 57 out of the 100 most populated metro areas, renting a three-bedroom home is more expensive than monthly costs on a six percent mortgage for a typical low-priced house in the same area.

Of course, buyers with strong credit are best positioned to take advantage of today's opportunities. A high credit score will yield a lower interest rate and increase the likelihood that a loan application will be approved.

For example, a buyer with a 6 percent mortgage will pay a third less per month than a buyer who has a loan at 8 percent. This difference can be hundreds of dollars per month.

#### Story Springboard

- One person's  
Talk to a Realtor® in your community about the advantages of both buying and renting, and why local residents might choose one over the other. Interview former renters who recently became homeowners to learn what factors influenced their decision to buy instead of continuing to rent.

### Real Estate Cycles

As more consumers demand green building practices and increased energy efficiency in their homes, many Realtors® have found a new way to go green – by replacing their cars with bicycles.

According to recent Census Bureau data, the number of people who ride their bike to work grew 28 percent from 2000 to 2006. But some Realtors® take this one step further, using their bikes during work to show homes to buyers.

Cycling with clients can be good for business. The attention Realtors® attract while showing homes by bike can help buyers who care about environmental issues identify agents who are sensitive to their needs and desires.

Peddling through neighborhoods looking for homes is especially popular in urban areas, where traveling by bike can be quicker than taking a car.

#### Story Springboard

- Tour de Homes...  
Talk to Realtors® in your area about their green business practices, cycling or otherwise. How "green" are home buyers in your community?

Please contact Michelle Wardlaw, 202/383-1042, or [mwardlaw@realtors.org](mailto:mwardlaw@realtors.org) for additional ideas, sources, data, and resources.

