

What an Impending Recession in 2020 has in Store for the Newport News Real Estate Sector

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Economists have predicted a recession in the first quarter of 2020. More than one hundred economists and experts in real estate were surveyed for a quarterly report sponsored by Zillow. Almost fifty experts interviewed predicted a recession. Others also estimated a slowdown but were slightly more positive with their forecast. The real estate sector in Newport News has witnessed modest growth in the last two quarters. That might change in the next six months as the economy slows down. The impending recession is about to hit the real estate sector next year and in all likelihood it will be the first quarter.

Dependable Homebuyers has been warning homeowners and buyers of this possibility for a while now. Evan Roberts, the owner of the We Buy Houses company based in Newport News, has said that a slowdown is almost inevitable. The housing market is stable. There is no indication of a housing market collapse. There is no indication of an impending financial crisis either. However, the Federal Reserve has been increasing the rates on short term loans. The interest rates applicable on mortgages have also been increased in the recent past. The Federal Reserve has increased rates on short term loans four times since the first quarter of 2018.

There is strong anticipation that the rates will be raised again in the next quarter. Many experts have said that the rates will be increased at least twice in the next six months. If this actually pans out then the prediction of economists pertaining to a recession in the first quarter of 2020 will turn out to be accurate.

Roberts says that homeowners who want liquidate their residential properties should consider selling now. Those who plan to buy should do so before the increased rates kick in. Many buyers have already decided to postpone their plans of investing in houses as the rates are already high. Further increases will compel many more buyers to stand and wait. If the demand goes down, then the growing inventory of houses available for sale in Newport News will only make matters worse for sellers. Homeowners will not get the prices they want. Buyers will be more cautious and shall inevitably ask for reduced prices. Many economists have criticized the steps taken by the Federal Reserve. The monetary policy is not poised to get any better and this will have a direct impact on the real estate market of Newport News. Economists are squarely holding the monetary policy responsible for the anticipated recession. Here's a recent press release they published.

The economy of the United States has not been growing at its fastest in the last few years but the going has not been tough. Unemployment rates are at historic lows. Most industries are faring well. There has been steady growth following the financial crisis a decade back. The monetary policy needs to be changed to provide a boost to the economy and not slow it down. Evan Roberts of Dependable Homebuyers shares the same sentiment as the real estate experts and encourages sellers to move fast if they have to capitalize on the available opportunities before the negative growth rate hits the sector. For more information about the company and the services they provide visit https://drive.google.com/file/d/1z1aDU-eY2B-V0FiSSgh_RAlzCqGddDOd/preview.

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For more information about Dependable Homebuyers Newport News, contact the company here:Dependable Homebuyers Newport NewsDependable Homebuyers Newport News(757) 296-8067info@dependablehomebuyers.com75 Huxley Pl, Newport News, VA 23606

Dependable Homebuyers Newport News

Dependable Homebuyers is a local home buying company in Newport News, VA. We buy houses in any condition and any situation. If you want to sell your house fast, give us a call at (757) 296-8067 and we?ll provide you a cash offer within 24 hours.

Website: https://newportnews.dependablehomebuyers.com/

Email: info@dependablehomebuyers.com

Phone: (757) 296-8067

