



Real Estate Economists Recommend a Sustained Increase in New Home Construction in Baltimore

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Economists and real estate experts have expressed concern over the slowing pace of growth in the industry, especially the residential sector of Baltimore. Participants at the Realtors Legislative Meetings & Trade Expo, 2018, signaled the alarming state of the real estate sector with low inventory and rising prices. The economy at the macro and micro levels is heavily influenced by the real estate market. The housing market, in particular, shows clear signs of growth or recession. At a time when the national economic growth is slowing down, the housing sector needs a boost to stem the potential adverse effects. Interested homeowners can read a recent press release they published at <https://drive.google.com/a/dependablehomebuyers.com/file/d/1VI4UtXM62oHC80xKYjrr4R4-LOZj1ms-/preview>.

The speakers discussed the Outlook for Home Prices and Residential Construction. Almost all speakers agreed that it is necessary to boost the construction of new homes. Most major markets including tier two and three cities and towns have witnessed a slowdown. The low inventory has spiked the prices. This is making

buying a new house almost unaffordable for first-time buyers. The situation can worsen and lead to an affordability crisis. While all speakers agreed that there is no bubble at this stage and there is no reason to worry about the possibility of a financial crisis like the one a decade ago, there are telltale signs that the economic slowdown is here to stay and unless something is done about it, one cannot hope for the housing market to simply recover on its own.

Young professionals and those who are just starting a family are looking for affordable housing. Low inventory of new houses is making that difficult. Many young adults are thus settling for rental properties. Some people are not convinced about the high prices and it makes more sense for them to simply rent and save up to spend money on other things that matter. The ratio of home prices to incomes is also concerning. As many as three-quarters of all housing markets in the country have an unusually high ratio of home prices to income. This cannot sustain or there could be a real estate bubble in the near future. If the ratio hits anywhere close to what it was ten years ago when a crisis might be looming large and another major financial meltdown could be in foresight.

Evan Roberts, the owner of Dependable Homebuyers and one of the panelists at the event, said that there is clearly no bubble right now. The economy is yet to head into a recession. There is no sign that banks are over-leveraging their books. But he did raise the need of reducing the household debt to income ratio. The risk of all mortgages combined in the country right now is moderate to low. Dangerous loans are not a problem anymore. The ones that prevailed for much of the decade have now been settled, written off or repaid.

Mr. Roberts agrees with all the panelists and advocates growing the inventory of houses for sale in Baltimore. This can only happen when new construction kick starts in a major way. Old houses for sale can only help sustain the status quo. It cannot boost the economy like new constructions and developments can. To learn more about Dependable Homebuyers and what they have to offer, contact them for more details.

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For more information about Dependable Homebuyers Baltimore, contact the company here: Dependable Homebuyers Baltimore Dependable Homebuyers (443) 266-6247 info@dependablehomebuyers.com 1402 Belt St, Baltimore, MD 21230

Dependable Homebuyers Baltimore

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Website: <https://baltimore.dependablehomebuyers.com>

Email: info@dependablehomebuyers.com

Phone: (443) 266-6247



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