

*"No man's life, liberty, or property are safe while the legislature is in session."
Mark Twain*



WHAT WE'RE HEARING



Dropping rates?: As 2024 is a presidential election year there is historically a reduction in interest rates and that has nothing to do with the election – it just happens to coincide for the past 40+ years(!). If rates are reduced and there may be 2 or 3 ¼ point reductions, it would not be surprising to see housing demand increase with rates dropping to the high 5s for some buyers. Additionally, there has been some encouraging signs that a 5% mortgage range would also catalyze more movement from leases to ownership. If there is supply.

Don't regulate me, get that guy behind the tree: With the election season heating up, expect equity housing groups to come under further fire with legislative and regulatory scrutiny as big investors are painted as the bad guys gobbling up the housing supply and single-handily driving the cost of housing across the country. With international instability and unstable monetary policies around the world, the US market is faring better and with less interest thereby offering a stable venue for investment, hence the international supply pushing the equity groups will be strong. A key change, could be the shift into commercial properties as those funds could absorb the discounted properties hitting the markets, and they could slide back into anonymity with the lower maintenance costs and a lack of municipally-oriented single-family calls for service.



WHAT WE'RE TOUCHING



Appear smarter, even if you're not: AI's usefulness to help you stay ahead of the competition falls deaf on many small business owners' ears; take time to explore it! While there are numerous sites that can help with everything from a logo design to summary statements for an ad, get your fingers typing through...even if it means asking Chat or Bard to rewrite something you've had around that's needs a quick refresh. Being aware of what's available doesn't mean becoming an expert, but it may help grow that next idea into action much faster!



WHAT WE'RE SEEING



Interest-ing: It seems there is a growing consensus that interest rates have plateaued resulting in recalibration on homebuying. With shrinking spreads, many [residential interest rates for a 30-year mortgage](#) are running less than 7%, depending on the credit score. The overall cost of the house itself is becoming the singular concern, as interest rate "prison" is holding many people to sit tight on their current mortgage while Boomers are riding out their 33 million homes with no mortgage at all. As they age and choose to downsize, those housing units will start to come on line more frequently.



WHAT WE'RE SAYING



Back up and be prepared: Business resilience is critical at this time. The FBI has noted that there are concerns similar to the time leading up to the 9/11 incidents so that making sure businesses (and individuals) are prepared is a priority. Please consider the backups and storage you may need in the event of an event related to power to logistics. A back-up generator or extra supplies may be a good investment. As those in the northern states know, when a cold snap hits, you better have a few extra shark-bites on hand to repair broken pipes because the stores will run out, consider the key critical materials you may need in the event of a short-term interruption.



THE SMELL TEST



We're from the government and we're here to help: The IRS has provided a new plethora of web-site amenities for those seeking to DIY their taxes - [click here](#). They have even provided a very nice gentleman to speak to local and national associations and groups regarding their new processes and services. Be sure to check out the last [REIA Now call by clicking here](#). However, call me a skeptic, but until I can call and get either the same answer from multiple people, or an IRS badge number to verify that what I was told will hold up in court, I'll lean very heavily on my licensed and trained tax preparers: who are all getting ready for another busy tax season!

TASSELL NOTES



Take that to the bank: Build relationships with local and regional bankers now. As regulators begin the process of reassessing their portfolio there may be properties they will need to dispose of rapidly, and that duress could create an ideal opportunity: make your money on the purchase, not hoping further down the road.

Stay up to date with current industry news and updates by visiting RealEstateInvestingToday.com. Likewise, visit NationalREIA.org/advocacy to stay up today with current legislation and governmental actions.

