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SUMMER 25

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Is It Better To Rent or Buy a Home?

Ever catch yourself thinking… *"Is now even a smart time to buy a home?"*

Totally fair question. With home prices holding strong and mortgage rates not exactly playing nice, renting feels like the safer bet. Heck, maybe it feels like the **only** option.

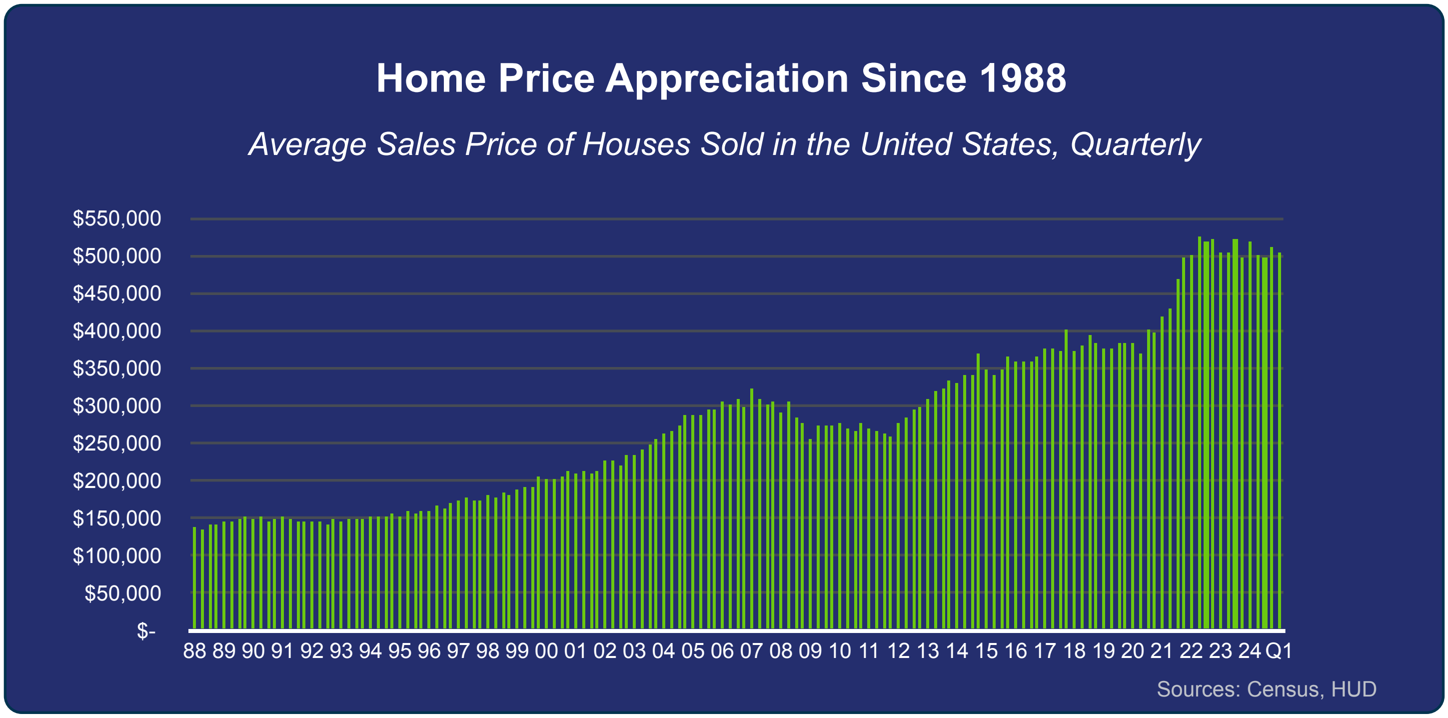
And let's be honest—you don't just want a house. You want stability. You want to feel confident that you're making the right move at the right time. That's smart. That's responsible. That's you.

But here's what no one tells you about renting:
It feels like a short-term solution…
until it quietly becomes your long-term reality.

While it may feel like a safer bet today and in some areas might even be less expensive month-to-month than owning, it can really cost you more over time. In fact, a recent *Bank of America* survey found **70% of aspiring homeowners worry about what long-term renting means for their future.** And they're not wrong. Owning a home may seem way out of reach, but if you make a plan now and steadily work toward it, **homeownership comes with serious long-term financial benefits.**

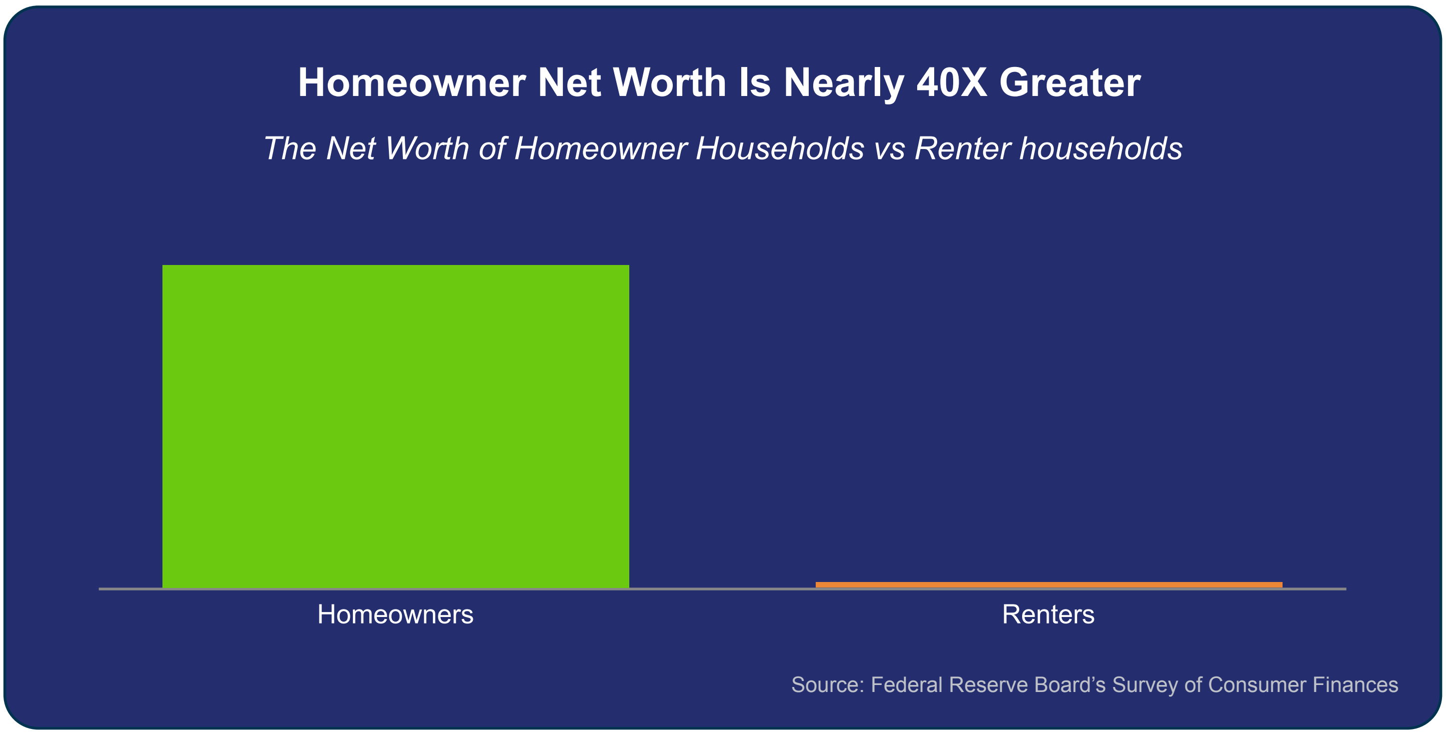
Homeownership Builds Wealth Over Time

Buying a home isn't just about having a place to live – it's a step toward building your future wealth. Why? Home prices typically rise over time, which means the longer you wait, the more expensive it is to buy. And even in some markets where home prices are softening today, the overall long-term trend speaks for itself (*see graph below*):



And as home values rise, so does your equity when you're a homeowner. That's the difference between what your home is worth and what you owe. So, with every mortgage payment, that equity grows. Over time, that becomes part of your net worth.

Today, the **average homeowner's net worth is nearly 40X greater than that of a renter**. That's a shocking difference, and the dollars in the visual below don't lie (*see graph below*):



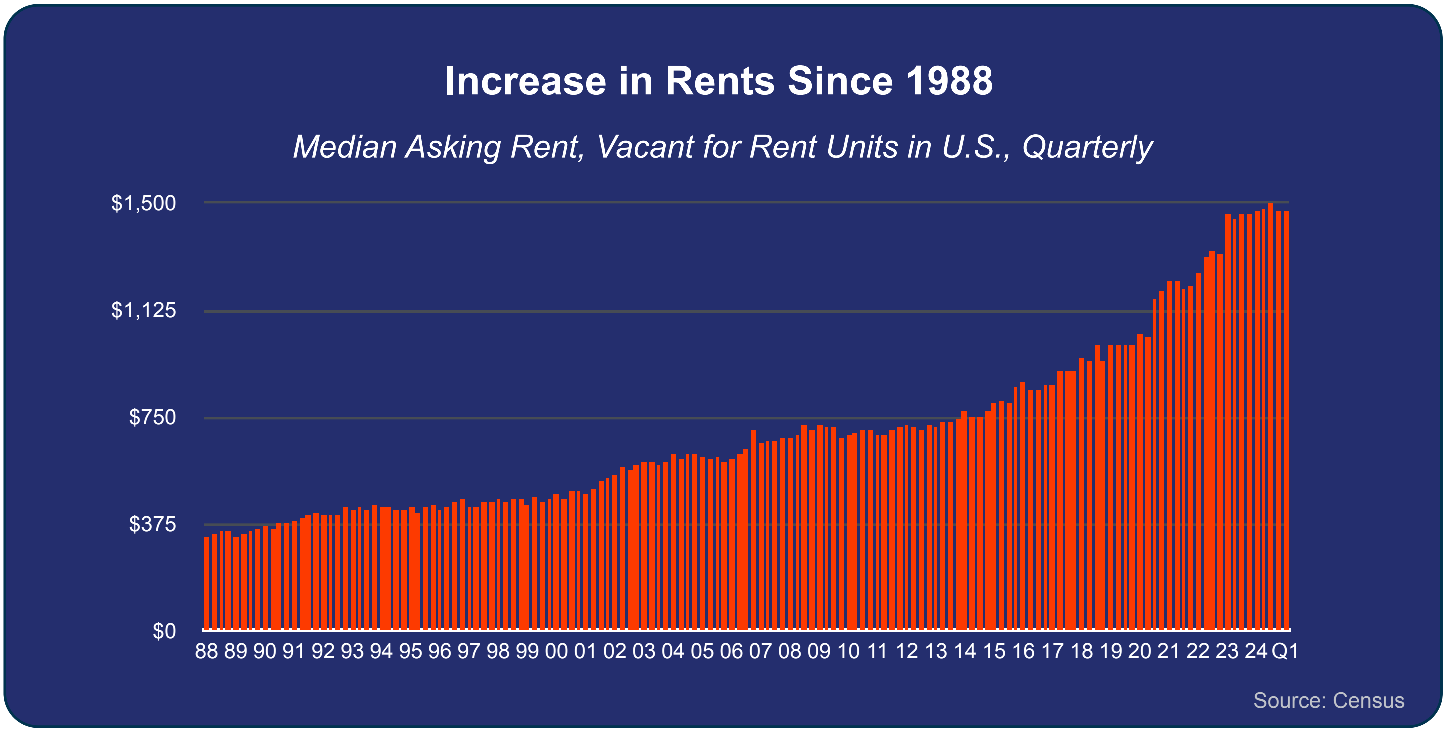
And it's one of the big reasons why *Forbes* says:

"While renting might seem like [the] less stressful option . . . owning a home is still a cornerstone of the American dream and a proven strategy for building long-term wealth."

The Biggest Downside of Renting

So, short-term, why does renting feel like a simpler choice? Lower monthly payments, less responsibility, no strings attached. But long-term? **It can sting.**

For decades, while home prices have been rising, **rent has gone up too.** And while rent has held rather steady more recently, history shows the overall trend is up and to the right. That makes saving for a home more complicated than ever *(see graph below):*



That kind of financial uncertainty has a real impact. In the same *Bank of America* survey, 72% of potential buyers said they worry rising rent could affect their current and long-term finances.

Because rent doesn't build wealth. It doesn't come back to you later. It pays your landlord's mortgage – not yours. So, whether you rent or own, you're paying a mortgage. **The question is: whose mortgage do you want to pay?**

Renting vs. Buying: What Really Matters

Think of it this way. Renting means your money is gone once you pay it. Owning means your payment builds equity , **like a savings account you can live in.** Sure, buying comes with responsibility. But it also comes with the kind of reward that grows over time. And that's why you need a solid plan to get there.

The Martini Mortgage Group Bottom Line

Renting may feel more do-able today. But over time, it could cost you more – without helping you build anything for your future.

If homeownership feels out of reach today, you're not alone. And the first step toward getting out of the rental trap is to set a plan. Let's connect, set your specific goals, and explore your options – so you're ready when the time is right.

QUOTE

QUOTE

QUOTE

"Renting feels cheaper until you realize you're building your landlord's wealth, not your own. Buy smart.

Kevin Martini

Why Your Home Search Just Got Easier

Let's be real: the past few years haven't exactly rolled out the red carpet for homebuyers. It's felt like a marathon… with no water stations.

But here's the good news no one's shouting loud enough:

You've got more options now—way more.

Inventory has grown, and that means you're not stuck chasing the *one* decent listing in your price range anymore. You're starting to have *choices.* (Imagine that.)

Let's look at two areas where the selection is finally opening up—so you can stop feeling boxed in and start dreaming a little bigger.

1. There Are More Existing Homes for Sale

Data from *Realtor.com* shows the number of existing homes for sale (ones that have already had an owner) has **gone up by 30.6%** compared to the same time last year. And experts say your pool of options is expected to get even better throughout the year. Forecasts show inventory is projected to grow 11-15% by the end of the year (*see graph below*):

That means you'll have a better chance of finding a home that meets your needs and budget now that inventory has grown. As Ralph McLaughlin, then the Senior Economist at *Realtor.com,* says:

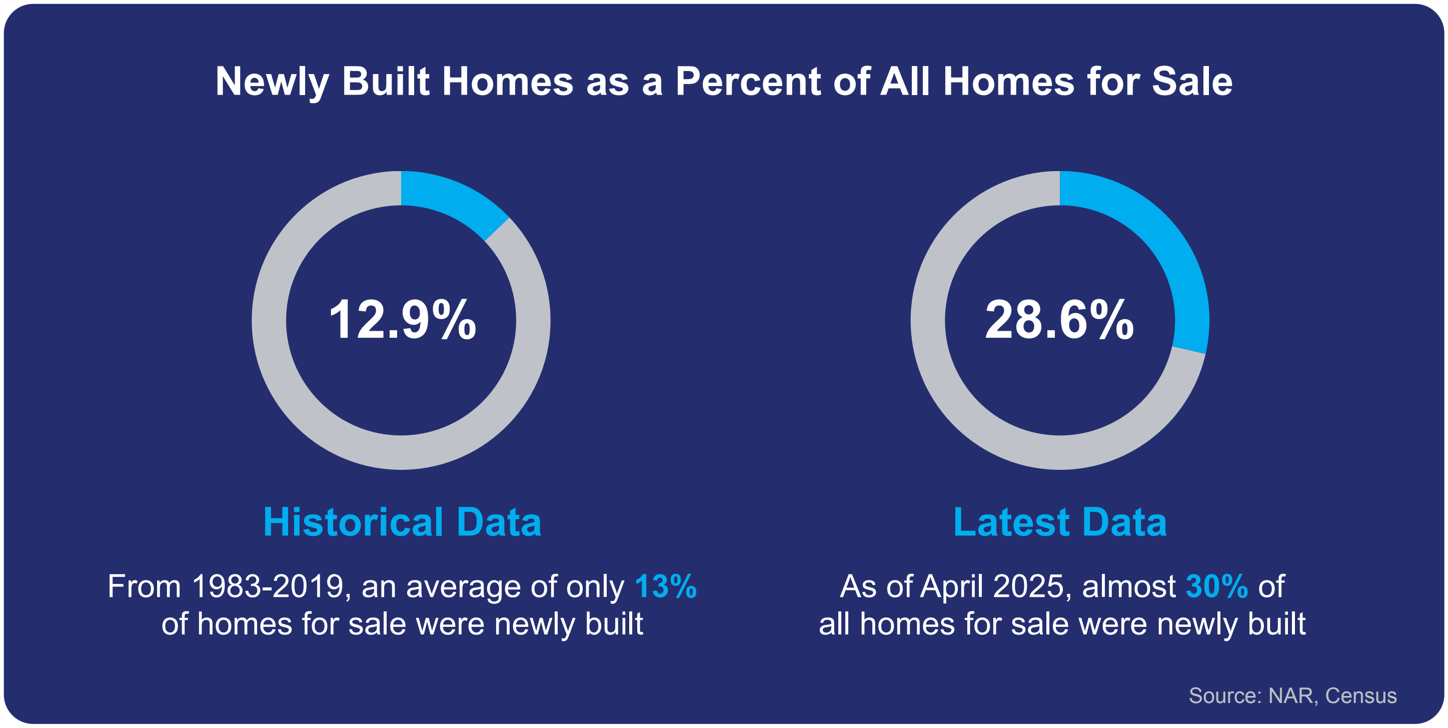
*"**It could be a particularly good time to get out into the market . . . you're going to have more choice.** And that's not something that buyers have really had much over the past several years."*

Daryl Fairweather, Chief Economist at *Redfin,* seems to agree, saying:

*"**Now is the best time to buy in the last two years** . . .there is significantly more inventory . . ."*

2. There Are More Newly Built Homes on the Market

According to data from the *Census* and the *National Association of Realtors* (NAR), 28.6% of homes on the market right now are newly built homes. That's more than the norm (*see charts below*). But don't worry, that's not because builders are overdoing it – it's just that they're trying to catch up after years of underbuilding.



And the best part is, since builders have been focusing on smaller homes with lower price points, you may actually find out new builds are less expensive than you'd expect. So, while a lot of people write off new construction because it's easy to assume the costs are way higher, lately, that price gap isn't what you'd expect. As *CNET* says:

"If you live in an area where there's a lot of new construction happening . . . ***you might be able to purchase a new house for a price similar to or even less than a pre-owned one****."*

If you haven't been able to find a home that's in your budget, it's time to ask your agent about new builds. If you don't, you may be cutting your pool of options by about a third.

The Martini Mortgage Group Bottom Line

More choices means more opportunities for you. Reach out if you want to see what's available in and around our area.

What an Economic Slowdown Could Mean for the Housing Market

The word "recession" is everywhere right now. The news. Your feed. That one friend who suddenly thinks they're an economist.

And if you're thinking about buying a home (or already own one), it's only natural to ask: **What happens to home values if a recession hits?** Will prices drop? Will my buying power take a nosedive?

Fair questions. But here's where things get interesting: History tells a *very* different story than the headlines.

Recession ≠ 2008. (Let's clear that up right now.)

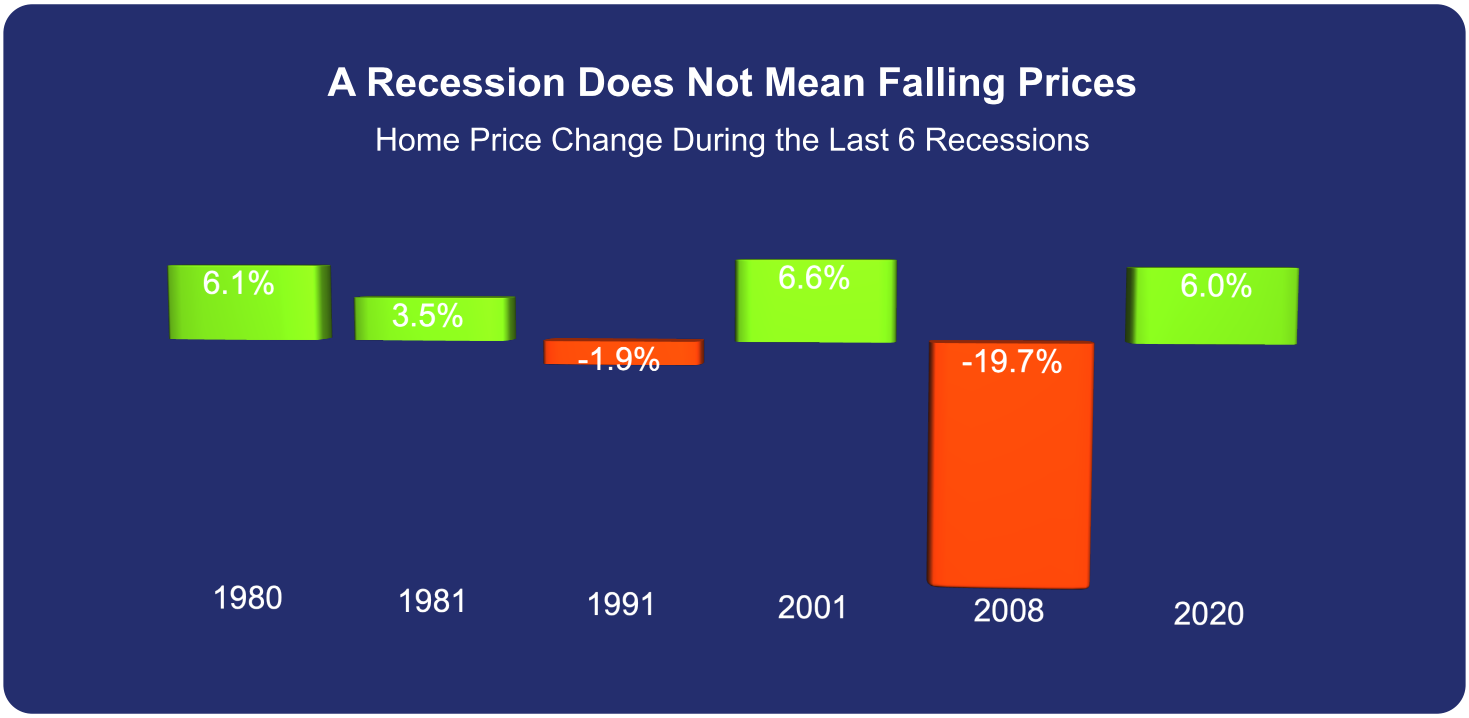
A lot of people hear "recession" and instantly picture 2008—plunging prices, foreclosures, chaos. But here's the truth: **That crash was the outlier, not the norm.**

It was a perfect storm: toxic loans, overbuilding, and way too many homes on the market. Today? It's a completely different landscape.

Even in areas where listings have ticked up, inventory is still *way* below what we saw before the crash. We're nowhere near the oversupply that tanked prices back then.

And here's the kicker: In **4 of the last 6 recessions**, home prices actually went **up**. (Yes, up. Not down.)

So before you assume a recession means a housing freefall, check the data. **Home values usually follow their existing path, and right now, that path is still rising… just a bit more slowly.**



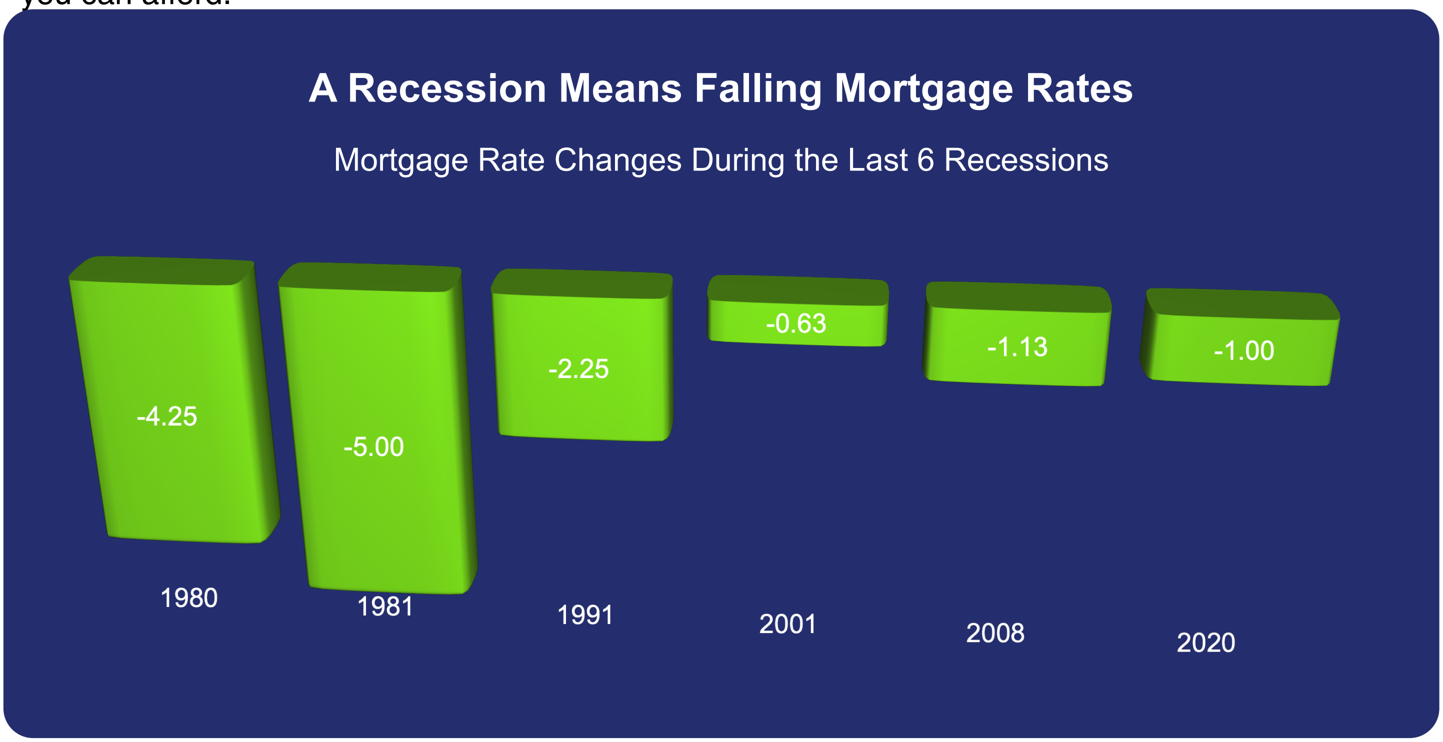
Recession? That Could Actually Help Mortgage Rates

Here's something most people don't realize:
While home prices tend to hold steady or keep rising during a recession, **mortgage rates usually dip**.

In fact, looking back at the last six recessions, rates dropped *every single time*.
(Yes—every time. See the trend?)

So if a recession does happen, there's a good chance it could bring some relief to your monthly payment potential.

Just don't bank on those unicorn 3% rates coming back.
That ship has likely sailed—but even a small drop in today's rates can make a *big* difference in what you can afford.



The Martini Mortgage Group Bottom Line

Recession talk is heating up—but here's what you need to know.

No one has a crystal ball, and we don't know *for sure* if a recession is coming.
But yes—the odds have gone up.

Still, that doesn't mean you need to panic about the housing market… or your future as a homeowner.

Because here's the thing: **History leaves clues.**
And when we look at what's actually happened during past recessions, a clear pattern emerges—and it's not nearly as scary as the headlines make it sound

Look, I totally get it—making a big financial move when the market feels uncertain can be nerve-wracking. That hesitation? Super normal.

But here's what I tell every buyer I work with:
The key is being prepared, not pressured.
That means shopping below your max budget, so you're looking at homes that feel comfortable, not stressful.

And if the right home shows up at the right price? You can move forward with confidence because you've already done the work to be ready.

Logan Martini

Senior Mortgage Strategist, MartiniMortgageGroup.com

Expert Forecasts for the Second Half of the Year

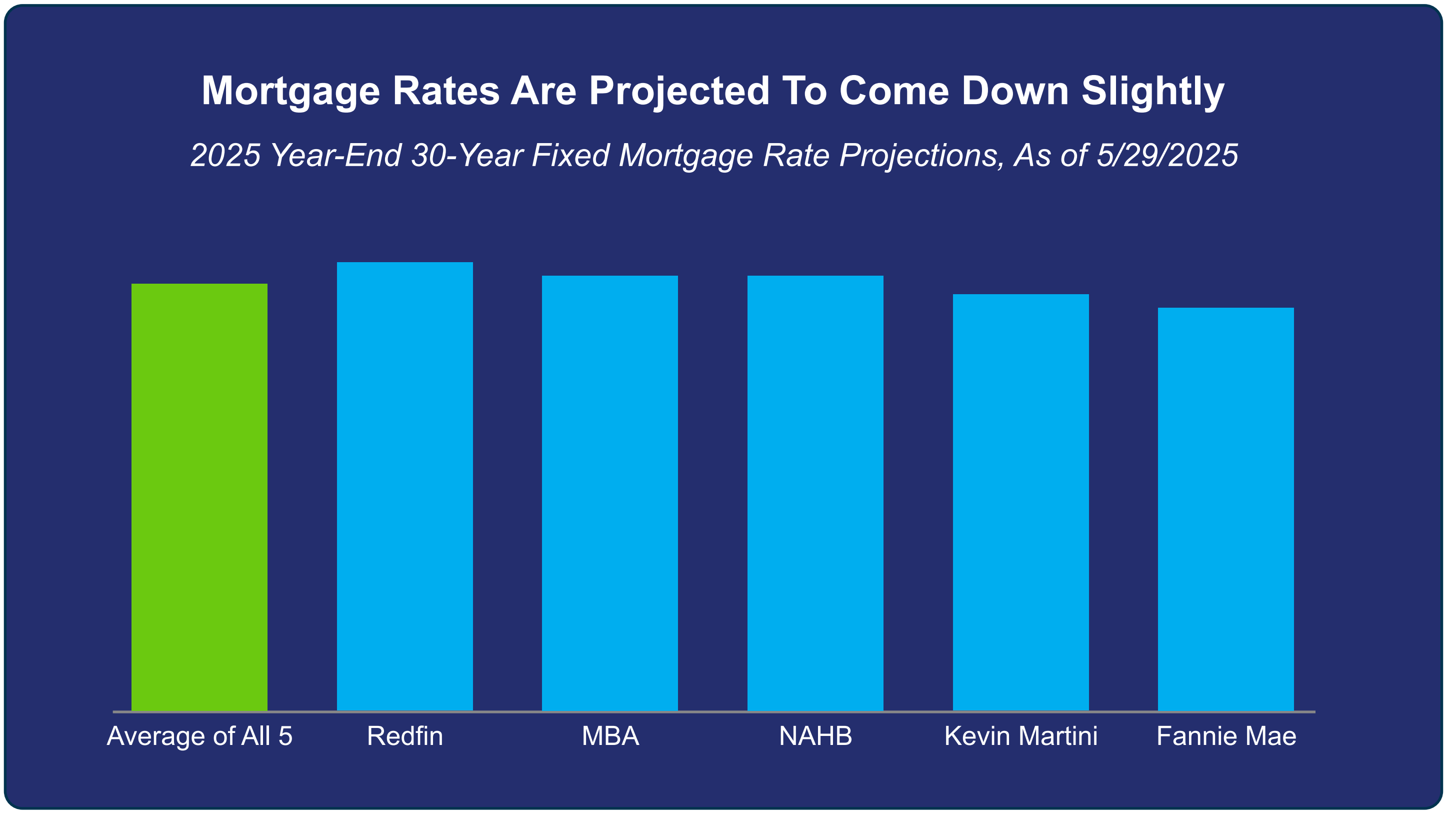
With high prices and mortgage rate fluctuations, it's easy to feel uncertain about whether now is the right time to buy or sell. But instead of guessing, look to the experts.

Their latest forecasts offer real clarity and perhaps even more optimism than you might expect.

Mortgage Rates Should Come Down (Slightly)

If you've been holding out hope that mortgage rates might come down, you're not alone. And the good news? Experts are expecting a modest decline as the economy finds more stable ground. No, we're probably not going back to those ultra-low 3% rates, but even a small drop can make a meaningful difference in your monthly payment and give you more room to breathe in your budget.

For a first-time buyer, that extra wiggle room matters. It can mean the difference between settling for something less and finally getting the home that fits your life. Just remember that rates will still fluctuate with inflation, job reports, and economic shifts. So don't try to play the timing game. Instead, get yourself ready now so that when the right home (and the right rate) appear, you can move with confidence.

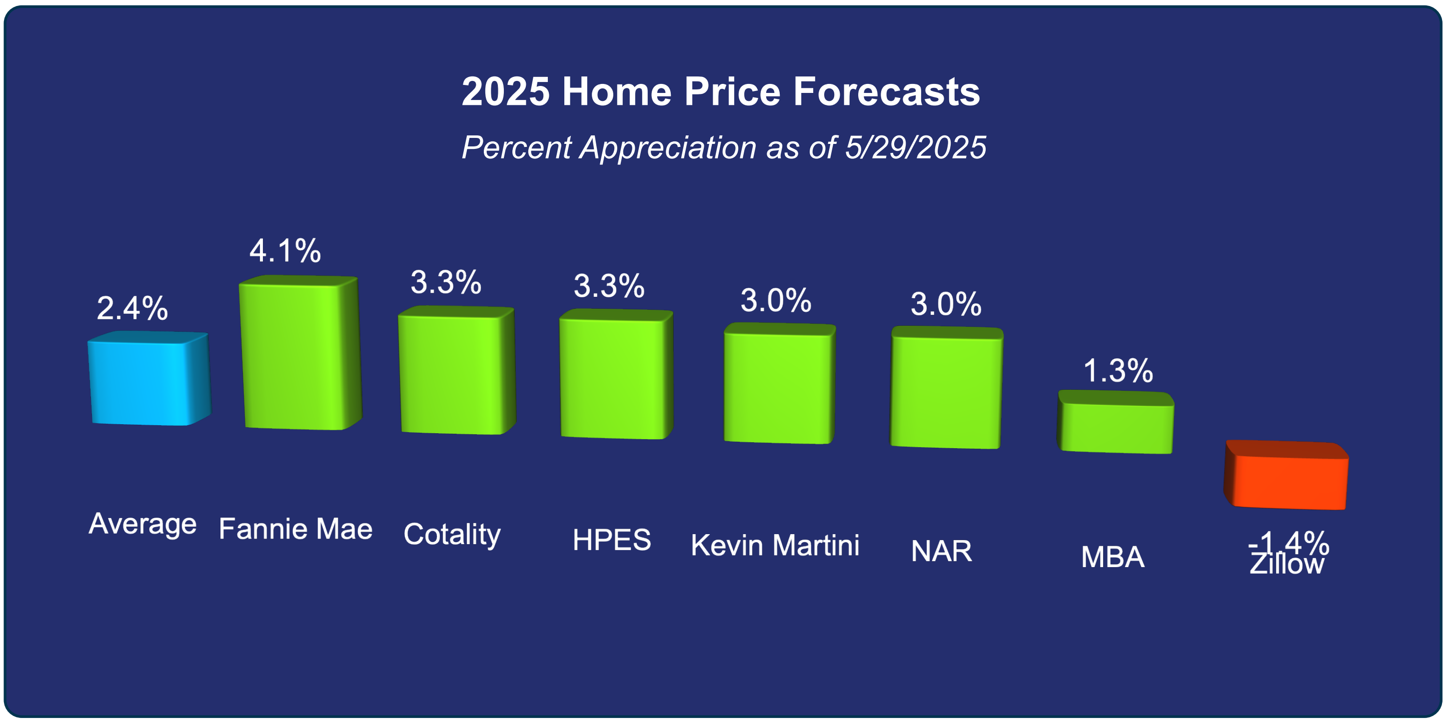


Good news: More homes are finally hitting the market.

Inventory has already picked up this year, and much of that is thanks to homeowners who are tired of waiting and ready to make a move. And if mortgage rate forecasts hold steady—or even dip a little—we could see even more sellers step off the sidelines. That means more listings. More variety. More real options for buyers like you.

And with more inventory comes another welcome shift: price relief.

Experts still expect home prices to rise in 2025, but the pace is slowing. The average forecast? Around 2% growth—not the sky-high surges we've seen in years past. That slower climb, paired with the potential for slightly lower mortgage rates, could boost your buying power and make that monthly payment feel a lot more doable.



Just remember, real estate is local. Some neighborhoods will cool off faster than others, while a few hot spots might still climb. That's why having a trusted agent by your side matters—it's not just about what the headlines say, it's about what's happening on the ground where you want to buy.

The Martini Mortgage Group Bottom Line

You don't need to navigate this market alone—or guess your way through it. Let's have a real conversation about what's happening locally, what it means for you, and how to move forward with confidence.

When you connect with a Mortgage Strategist at the Martini Mortgage Group, you'll get more than rates—you'll get a custom game plan tailored to your budget, your timing, and your long-term goals.

Call us at (919) 238-4934—no pressure, no fluff. Just clarity, strategy, and expert guidance to help you make your smartest move yet.

How Changing Mortgage Rates Affect Your Monthly Payment

Experts say rates will come down slightly by the end of the year– but some volatility is expected.

Average mortgage rates will decline modestly but remain above 6 percent, with likely bouts of volatility.

Fannie Mae

So, you shouldn't try to time the market. Instead, it's better to focus on how even a small change impacts your future mortgage payment.

Home Loan Amount	Fixed Mortgage Interest Rate	Monthly Mortgage P&I*	Monthly Savings Compared to 7.5%
$250,000	7.5%	$1,748	-
	7.0%	$1,663	**$85**
	6.5%	$1,580	**$168**
	6.0%	$1,499	**$249**
$450,000	7.5%	$3,146	-
	7.0%	$2,994	**$152**
	6.5%	$2,844	**$302**
	6.0%	$2,698	**$448**
$650,000	7.5%	$4,545	-
	7.0%	$4,324	**$221**
	6.5%	$4,108	**$437**
	6.0%	$3,897	**$648**

**Principal and Interest Payment. Total monthly payment may vary based on loan specifications such as property taxes, insurance, HOA dues, and other fees. Interest rates used here are for marketing purposes only. Consult your licensed Mortgage Advisor for current rates.*

The Top 2 Buyer Mistakes Right Now

Let's be real—buying your first home in today's market isn't exactly a walk in the park. With so much noise out there, it's easy to second-guess your every move. That's why having the right pros in your corner isn't just helpful—it's essential.

Without trusted guidance, first-time buyers are making some *costly* mistakes right now. But you don't have to be one of them.

Here are the top 2 missteps to avoid—and how teaming up with the right real estate agent and a Mortgage Strategist from the Martini Mortgage Group can help you dodge them with confidence and clarity.

1. Buying More House Than Feels Comfortable

When you're finally ready to buy, it's tempting to aim high—especially if a lender says you qualify for more. But here's the truth: just because you can borrow a certain amount doesn't mean you should.

With rising costs like property taxes, insurance, and maintenance, stretching your budget too far can leave you house-rich and cash-stressed.

That's why one of the smartest first steps is getting pre-approved by a trusted lender—not just to know your max, but to find your comfort zone.

As Bankrate puts it:

"Focus on what monthly payment you can afford rather than fixating on the maximum loan amount you qualify for."

When you work with the Martini Mortgage Group, we don't just crunch numbers—we build a mortgage strategy that fits your life, not just your loan limit.

2. Overlooking Help That's Already Out There

Let's be honest—saving for a home isn't just about the down payment. You also have closing costs, inspections, and a few unexpected expenses that tend to pop up. It adds up fast.

But here's what most first-time buyers *don't know*:
There are programs designed to help with those upfront costs… and a lot of buyers are leaving that money on the table.

According to Realtor.com, nearly **80% of first-time buyers qualify** for some kind of down payment assistance—yet only **13% ever use it**.

That's a big missed opportunity.

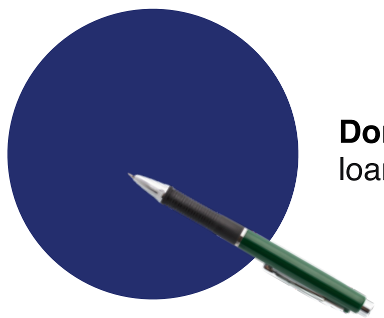
When you work with a Mortgage Strategist at the Martini Mortgage Group, we'll walk you through all the options you *actually* qualify for—so you don't miss out on financial support that could make your first home feel a lot more within reach.

Things To Avoid After Applying for Your Mortgage

Don't change bank accounts.

Don't apply for new credit or close any credit accounts.

Don't deposit cash into your accounts before speaking with the Martini Mortgage Group



Don't co-sign other loans for anyone.

Don't make any large purchases.

The best advice? Once you've done your mortgage application, always talk to your mortgage strategist at the Martini Mortgage Group before doing anything financial in nature.

Let's Chat...

I'm sure you have questions and thoughts about securing the proper mortgage with the lowest cost of borrowing and the real estate process.

We'd love to discuss what you've read in the Summer 2025 Edition of the Martini Buyer Guide (a.k.a. The Ultimate Homebuyer Guide) and help you buy your new home. ***Our number is (919) 238-4934,*** *and we look forward to working with you.*

MARTINI MORTGAGE GROUP

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