



Your Mortgage PLANNER

with Jamie H. Harrington, President

A ROBUST YEAR FOR HOUSING

The Mortgage Bankers Association is predicting strong economic growth in 2006, as reported in their recent three-year economic forecast update. MBA is projecting continued strong growth of 3.5 percent this year, with moderate, below-trend growth of 3.3 percent next year. Total residential mortgage production this year is projected at about \$2.24 trillion. That would be the fifth-largest year on record, but reflects a 19.5 percent decline from last year.

“We expect economic growth to remain solid this year, but we will begin to see below-trend growth next year,” said Doug Duncan, MBA chief economist. “Housing will decline modestly this year from the fifth consecutive record year in 2005, but will remain robust historically. Home price appreciation rates will moderate compared to recent years. Long-term mortgage interest rates, albeit rising, will remain relatively low, supporting residential and commercial real estate finance activity,” Duncan said.

Conditions this year should be excellent for homebuyers and sellers – one of the best historically. However, the dramatic rate of increases in home values and super-strong sellers-market activities we have seen over the past few years will not be in evidence.

If you would like to discuss what type of mortgage loan will work best for you, call Jamie Harrington at 828-632-0650 for an appointment. United Carolina Group, Inc., is located at 340 NC Highway 16 S. in Taylorsville.

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