

THE BEST TIME IN HISTORY TO BUY A HOUSE

By Dr. Steve Sjoggerud

Right now, is the best time in history to buy a house in America.

Today, I'll show you why... based on a few cold, hard facts.

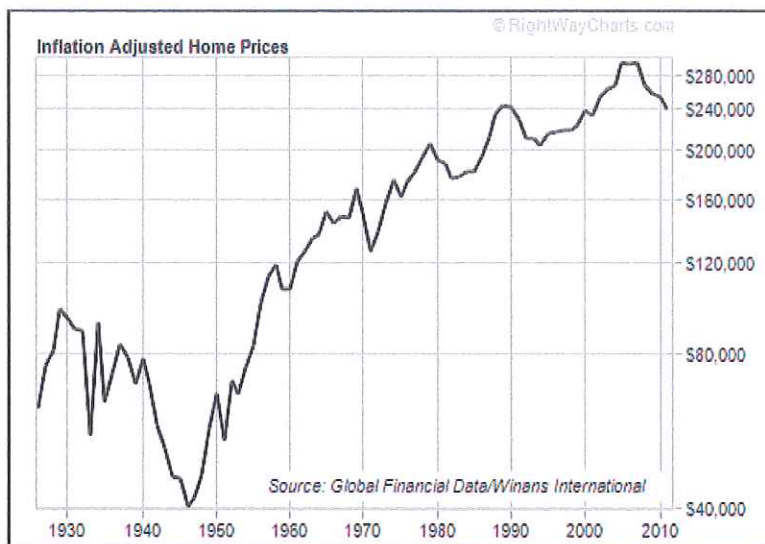
First off, **mortgage rates are lower than they've ever been in American history...**

Most investors have only seen a couple decades of mortgage rates on a chart. But my friends at Global Financial Data have databases – including real estate data – that literally go back centuries.

I had dinner with the Global Financial Data team over the weekend. And they told me about their “Winans International” real estate indexes, with housing prices back to the 1800s and mortgage rates going back over a century. I had to share it with you...

Take a look at this chart (below) of mortgage interest rates since 1900:

As you can see, current mortgage rates are the lowest in U.S. history.



When were mortgage rates even close to this low in the past? Just after World War II...

And what happened, just after World War II, when mortgage rates were this low? **The greatest postwar boom in housing prices – by far.**

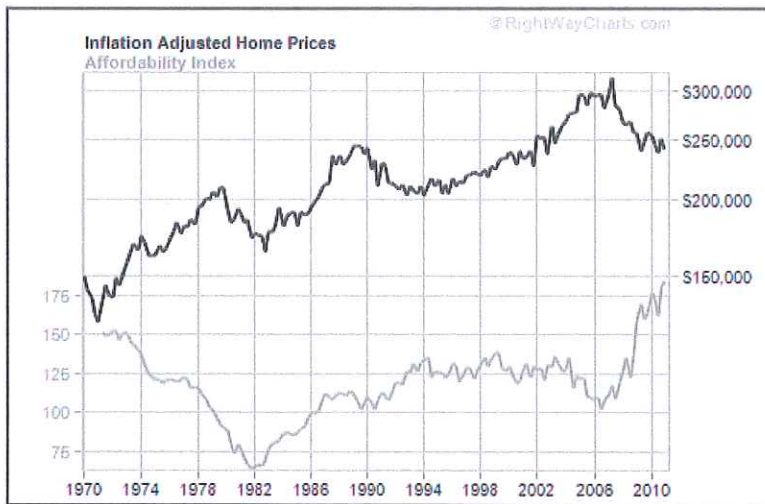
Take a look. (chart above) Mortgage rates bottomed in the mid-1950s, and house prices bottomed about the same time. Then the greatest boom in home prices in our lifetimes started.

Today we have record-low mortgage rates. And we have another thing in our favor...

Homes are more affordable than ever.

Based on the 40-year history of the Housing Affordability Index... houses are more affordable than they've ever been. Take a look... (chart on next page)

“Affordability” takes three factors into account: home prices, your income, and mortgage rates.



Meanwhile, we have some darn compelling facts out there...

Home prices have fallen by a third... and mortgage rates are the lowest in history. Therefore, U.S. homes are more affordable than they've ever been.

You can listen to "most people." Or you can choose to ignore them and stick to these facts.

Based on these facts alone, **now may be one of the best times in American history – even the very best time – to buy a house.** ■

Home prices have crashed. And mortgage rates are at record lows. But incomes (nationwide) haven't fallen nearly as much... So homes are now more affordable than ever.

"Most people" out there will only tell you the bad news about housing... That's the way it goes in a bear market. People drive looking in the rearview mirror.



Dr. Steve Sjurgerud left the life of a professional money manager in 2001 to start his own private advisory, called True Wealth, for people who want to take charge of their own finances. In that short time, it has become one of the top five investment advisory services in America, with readers in more than 125 other countries. You can find out more about it [here](#).