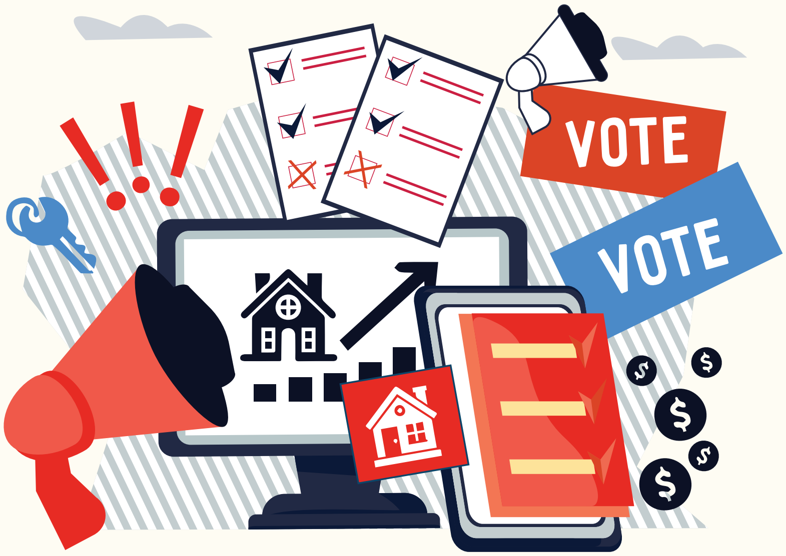
ELECTION YEARS & THE HOUSING MARKET: MYTHS VS. FACTS



Every election season brings a wave of headlines, predictions, and opinions about what might happen to the housing market. It's natural to wonder whether you should buy, sell, or wait until after Election Day, to see how the results impact the market.

The good news is that history shows housing markets are influenced far more by factors like mortgage rates, inventory, affordability, job growth, and personal circumstances than by election results alone.

This guide explores some of the most common myths about elections and real estate, helping you separate fact from fiction so you can make informed decisions alongside your REALTOR®.

MYTH #1:

ELECTIONS FREEZE THE HOUSING MARKET.

FACT:

Election years can create a brief "wait-and-see" mindset among some buyers and sellers, but the housing market rarely comes to a halt. Historical data from the U.S. Department of Housing and Urban Development (HUD) and the National Association of REALTORS® (NAR) shows that after **nine of the last 11 presidential elections, existing-home sales increased the following year**, suggesting any election-related slowdown is typically temporary.

Sources:
NAR, Bright MLS and HUD

MYTH #2:

MORTGAGE RATES RISE OR FALL BECAUSE OF WHO WINS.

FACT:

Mortgage rates are influenced more by inflation, bond markets, Federal Reserve policy, and the broader economy than by election results. Historical analyses show **no consistent pattern** between presidential election outcomes and mortgage-rate movements, and even the Federal Reserve's actions are based on economic conditions rather than electoral politics.

Sources:
Freddie Mac Primary Mortgage Market Survey and Federal Reserve Historical Data

MYTH #3:

BUYERS SHOULD ALWAYS WAIT UNTIL AFTER THE ELECTION.

FACT:

Waiting may make sense for some households, but history suggests there is no guarantee that anything will change after Election Day. Mortgage rates, inventory, and home prices can move in either direction, so a buyer's financial readiness, housing needs, and local market conditions are often more important than election timing.

Sources:
Freddie Mac and NAR

MYTH #4:

NATIONAL POLITICS AFFECT EVERY HOUSING MARKET THE SAME WAY.

FACT:

Real estate is local. Two markets can experience very different conditions during the same election year due to differences in inventory, job growth, migration patterns, affordability, insurance costs, and housing supply. National headlines may shape sentiment, but local market fundamentals typically have a larger impact on buyers and sellers. Your REALTOR® can provide the local expertise and neighborhood insights you need to make informed decisions.

Sources:
S&P Cotality Case-Shiller Home Price Index and Bankrate

MYTH #5:

THE POLITICAL PARTY IN POWER DETERMINES HOME VALUES.

FACT:

Home values tend to be driven by local market conditions, population growth, employment, inventory levels, and affordability. Housing economists generally find that broader economic conditions matter far more than which party controls the White House.

Sources:
Bookings and Lincoln Institute of Land Policy

MYTH #6:

HOUSING POLICY CHANGES HAPPEN IMMEDIATELY AFTER AN ELECTION.

FACT:

Even when housing-related policies are proposed during campaigns, implementing them typically requires legislative action, regulatory changes, or budget approvals. Any effects on the housing market often take months or years to materialize.

Sources:
NAR, Brookings and Fannie Mae

BOTTOM LINE:

Elections can influence confidence and create short-term uncertainty, but history shows that housing markets are driven more by economic fundamentals, local conditions, and personal circumstances than by Election Day itself.

To find out what's driving supply and demand in your area, contact your REALTOR® today.

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