

Rising Interest Rates Will Put Pressure on Buyers to Purchase Real Estate, predicts NRIA

But those higher rates will usher in lower prices long-term, NJ-based real estate developer says.

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/EINPresswire.com/ -- [National Realty Investment Advisors \(NRIA\)](#), a leading developer of luxury real estate on the East Coast, predicts that rising interest rates will have a two-fold effect on the nation's housing market.



Rising interest rates may bring the housing market back to healthier levels, NRIA says

Initially, the increased lending rates will pressure some buyers into purchasing before rates go up further, the Secaucus, New Jersey-based NRIA predicts. But as time moves on and the market adjusts to the higher rates, housing prices will lower, NRIA forecasts, for the first time since before the pandemic.

“

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Glenn La Mattina, COO, NRIA

“Rising interest rates will usually have a negative effect on the housing market over the long term,” says Glenn La Mattina, COO of NRIA. “But in the short term, the buyers will likely be jumping to purchase real estate fearing that interest rates will continue to increase.”

That rush to buy could even provide another quick boost to the housing market, according to NRIA. But as buyers consider the reality that higher interest rates mean

monthly mortgage payments rise, buyers will likely hold back on purchasing, and sellers will be forced to lower their prices.

However, as baby boomers continue to choose to [age in place](#) and millennials continue to need homes to live in, the [inventory crisis](#) is unlikely to improve. With not enough homes to match demand, even with higher interest rates, the housing market will stay robust, NRIA predicts. And because the new rates may usher in lower prices, this could be good for a market whose growth

many see as unsustainable and overvalued.

Because housing prices have been growing at a much faster rate than incomes in recent years, many feared the U.S. was on the brink of a housing bubble akin to that of 2008. But as today's rising interest rates meet up with the continued housing demand, America's real estate market is positioned for a healthy return to a more sustainable level, NRIA says.

About NRIA

With a history of over a decade of delivering the highest quality in construction, NRIA, headquartered in Secaucus, New Jersey, has earned its reputation as one of the leading real estate developers in the nation.

For more information about NRIA, visit www.nria.net.

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