

Macro Roundup Article

Headline: [Have Rising Mortgage Rates Frozen the Housing Market?](#)

Article Link: <https://www.apricitas.io/p/have-rising-mortgage-rates-frozen>

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Tweet: [@JosephPolitano](#) argues that the uptick in mortgage rates from 2.7% in 2021 to 7% two years later won't "lock in" homeowners as fully as many expect, given that 42% of Americans own their homes outright.

Summary: What if higher mortgage rates have turned the low-rate mortgages of 2021 into golden handcuffs, locking owners into their existing homes? 42% of American homeowners own their homes with no mortgage. Most existing homeowners with mortgages have large equity cushions by virtue of purchasing before the massive pandemic-era home price appreciation. Excluding people who owned their homes free and clear, the median level of housing debt is only 52% of the value of the home, and those homeowners with large equity cushions should also be less affected by lock-in. Related: The "New Normal" Mortgage Rate Range and The Great Pandemic Mortgage Refinance Boom

Primary Topic: Housing

Topics: GDP, Housing, Op-Ed/Blog Post

Permalink: <https://www.edwardconard.com/macro-roundup/josephpolitano-argues-that-the-uptick-in-mortgage-rates-from-2-7-in-2021-to-7-two-years-later-wont-lock-in-homeowners-as-fully-as-many-expect-given-that-42-of-americans-own-their-homes-outright?view=detail>

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