

## **Will The Presidential Election Affect Real Estate? - August 30, 2012**

The next president of the United States -- whether Democratic incumbent Barack Obama or Republican challenger Mitt Romney -- could have a big influence over the recovery taking shape in the real estate market, according to political pundits.

“The next president, whoever it turns out to be, is going to have a couple of big housing issues to address,” Barry Zigas, director of housing policy at the Consumer Federation of America, told *The Washington Post*. For example, “What is the government’s role in housing finance, and will consumers have access to mortgages at affordable rates?”

Neither candidate so far has outlined a specific proposal for the housing market or mortgage lending. However, if re-elected, President Obama is expected to continue adding to his existing programs, such as in foreclosure relief, loan modifications, and by expanding refinancing options for home owners. He is also expected to continue to push for new housing finance rules under the Dodd-Frank Act, *The Washington Post* reports. If elected, Romney is expected to repeal Dodd-Frank. He also would likely replace it with regulations that would make it easier for the private sector to be a stronger player in the mortgage market, *The Washington Post* reports.

Housing analysts say that the next president will likely have a big influence over the mortgage market, such as determining how much of the real estate market could continue to be subsidized by the federal government.

“The decision will have a huge influence on the housing market and the price of real estate, both for the lower end of the market that competes with affordable rental housing and the higher end that has lagged, partly because of lower limits for the size of mortgages that can be purchased and resold by Fannie and Freddie,” *The Washington Post* reports.

Also, the next president will also have to decide whether to ease up lending standards to make it easier for more people to qualify for a loan and the amount of down payment needed to buy a home.

Source: “[How the Presidential Election Affects the Real Estate Market](#),” *The Washington Post* (Aug. 30, 2012)