

[The Housing Bubble is About To Burst](#)

The latest numbers are now in and, guess what? The housing market continues to slow. Housing prices are once again down and housing starts have come to a halt. Is this the start of the housing market bubble burst we've all heard so much about? My answer: You bet!

Now, that Democrats have something to do with it, you bet the recent Bush tax cuts will be repealed. You bet the investors will come under assault. You bet this will cause interest rates to rise and you bet the housing bubble is about to burst!

I hear you say, "What about the Clinton years? Clinton's a Democrat and interest rates were low, when he was President. The economy was great, then. The stock and housing markets were going full speed ahead, then."

You are s-o-o-o right, but remember, the Republican congress along with Clinton/Gore got many international trade laws passed. This made the price of goods lower in the States and that acted to stimulate the economy. Also, remember that the Republicans sent up a bill to Bill that would lower Capital Gains taxes. Clinton, knowing that the economy needed a shot in the arm at the time, signed it. This, too, stimulated the economy and that one-two punch led to the rip roaring economy of the 90's. The point is; almost every Democrat voted against these things.

Now, it is the era of Nancy Pelosi. So, look out capitalism! We have a real socialist on our hands here. If it was up to her, the only money you'd have is the money she'd let you have out of the goodness of her heart. Pelosi and her comrades won't even admit that Bill Clinton was a big reason why we have free international trade today. Go figure, one of the only things Clinton / Gore did that was really very good for the economy and the Democrats want to hide it from you. Why? Because it's easier to gain support of middle class voters by telling them the lie that free trade costs Americans jobs!

In short, with the new congress you should look for higher mortgage rates. That really means higher housing costs with lower equity accumulation. Now, that's a real boon to the middle class! Look for less free trade. That means higher prices on imported goods. Imagine what your computer would cost if it were made in total, in America. One scholarly economist told me that a computer made of American parts would cost \$14,000 to \$20,000! Now, we're giving the middle class a break! Also, don't forget those "tax breaks for the rich" being repealed. A family of four with a household income of, a very opulent, \$60,000 a year, on average, because of the Bush tax cuts, pay less than \$4,000 in federal income tax. So, in an attempt to get these rich people to pay their fair share, they will be paying over \$9,000 after Nancy and the gang reverse the evil tax cut.

Let's not get started discussing our likelihood of surrendering to the terrorists. This article is about Mortgage rates, housing bubbles, interest rates and the economy in general. That's depressing enough. We'll save the part about weak-kneed foreign policy for another time.

About the Author

Ed Lathrop is a successful Real Estate investor. He has developed EzCalculator, a Mortgage Calculator that calculates anything to do with mortgages, shows you how to pay off credit card debt and much more. EzCalculator includes the famous "How to Make \$100,000 on Your Mortgage" calculator. There are no popups or spyware at this site. Come visit this free site at [Free Mortgage Calculator!](#)

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