

The Federal Reserve Slashes Rates!

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In an emergency effort to boost the US economy, the Federal Reserve has cut two key interest rates by 3/4 of a point. This marks the biggest rate cut since October of 1984! The discount rate was cut to 4%. This is the rate at which banks borrow from the central bank. In addition, the feds cut the federal funds rate to 3.50%, down from 4.25%. This is the rate at which private banks lend money and affects credit card, auto loans and home equity rates. Many experts feel that the Feds will make even more cuts this coming week at the Federal Open Market Committee meeting. What does all this mean for buyers and sellers in the Taos real estate market? The chief economist of the National Association of Realtors stated, "Today's 75 basis-point cut in the Feds funds rate to 3.50% is a very good step in the right direction to boost the economy and sends a clear message to both the market and to consumers. This strong rate cut will help lower mortgage rates and lessen the burden of adjustable-rate loans that are resetting in the current environment. It can also help stimulate business investment." So, it seems that this is the perfect time to buy investment property in Taos, perhaps a Taos Ski Valley condo, or that home in Taos you always dreamed of owning. Take advantage of the lower interest rates now! New Mexico Mountain Properties has access to all the great real estate deals in Taos and surrounding areas. Give us a call today or check out the Taos Multiple Listing Service which can be accessed from this website www.HighMountainProperty.com