What happens to the real estate market if mortgage rates go up?

The mortgage rates in Europe and the U.S. have been declining in recent years and finally fell to a record low in 2017, while property prices have been quickly increasing. In 2015, the Federal Reserve System (Fed) began gradually increasing the refinancing rate. Many assume that the mortgage burden will also increase, putting pressure on property prices as investors anticipate higher return on investment. Is the price adjustment really a matter to worry about? How mortgage rates have affected property prices Europe and the U.S. have been pursuing the easy money policy in order to activate their economies since 2009. As a result, an unprecedented event -- the cost of money falling to zero and negative values in some countries -- has been taking place in the global economy over the last five years. Mortgage loans have become almost free: According to Statista.com, the mortgage rates in Germany decreased from 5.2 percent to 1.5 percent between 2007 and 2016. In 2017, Germ...

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