

THE REAL DEAL

Is Now the Time to Buy a Home?

December 09, 2010 3:00PM



In the long run, there is no better investment in the United States today than buying a home, real estate attorney **Adam Leitman Bailey** told CNBC in the video above. "It's the best investment because interest rates aren't getting any higher," he said. "It's terrific." However, he pointed out, banks are only lending to people that can afford a mortgage, which means that there are less people on the market who can afford to buy. That, **Bailey** said, combined with a flood of foreclosures, means there is more inventory and fewer buyers, which guarantees lower prices. **Bailey** believes that the real estate market will be in a state of crisis as long as the foreclosure mess continues. "Until we have full inventory and people start to believe in the economy... it will be at least four or five years until we'll be back to normal," he added.