RALPH:
You're always better off running in when people are running out, almost always. But that's hard to time sometimes too because that can be scary especially if you're inexperienced. So I think I'm always looking to buy. I'm always a buyer and it's always house dependent. So if I'm buying this house as an investment and everything is an investment, even the house I live in is an investment, where do I think the value is today? What do I think my worst case scenario is and what is a reasonable amount of growth of this property over the next three to five years?

CORWYN:
Good morning.

Good morning. Great morning, guys. Welcome to another fabulous episode of [Exit Strategies Radio Show](). Hey, I am your host, Corwyn J. Mellette, broker and owner of [Exit Realty Low Country Group]() in beautiful North Charleston, South Carolina.

Hey, if this is your first time listening to this show, hey, strap in, buckle up, hold on tight because you are in for a treat because our mission here is very simple, that is to empower our community to financial literacy and real estate education and legacy building. That is what we do. Always got to give a shout out to those who listen so faithfully. Got to shout out the Troy family that listens to us up in Marion and Mullins. Got to shout out my folks that listen in Hollywood, which you know no good.

My mom out there in Moncks Corner, y'all know what I'm talking about. And look here, always got to shout out this guy because I love him so much. I don't tell him he'll get the big head on you, but I love him so much. Pastor Vanderbilt Evans Sr. If I don't put that senior on that guy, man, he will get me.

And his wonderful bride, Miss Sandra, The LeCues, the McKellers, and everybody else who tunes in faithfully. Listen, guys, if I didn't call you, please make sure and I'll make sure I shout you out next time. I love y'all and I thank y'all for tuning in. So I'm super stoked and excited about today's show, all right? I really am. I really am.

And if my excitement kind of goes over the edge, I want y'all to do me a favor. I don't want y'all to pull me back. I want y'all to come on with me. So for years, we've been told that buying a home is all about one number, which is the interest rate. So when rates go down, everyone rushes to buy.

When rates go up, many people put their dreams on hold. That sucks. But what if waiting for the perfect rate is actually costing you more than buying in whatever the market is today? Truth is, successful homeowners don't build wealth by perfectly timing the market. They build wealth by making informed decisions, preparing financially and thinking long term. Today we'll explore how buyers can navigate today's housing market with confidence, overcome affordability challenges, and make smart real estate decisions that lead to hashtag legacy building.

So our guest today is none other than Mr. **Ralph Di Bugnara**. He is a nationally recognized, look here. He get around y'all, real estate expert, mortgage executive, entrepreneur, and trusted voice within the housing industry.

He serves as the vice president for New American Funding, where he's helped thousands upon thousands of people achieve homeownership through strategic mortgage solutions. He's also the founder, and this is where we're going to dig in today, and president. So those two things mean I started this thing and I run this thing of home qualified, a consumer focused platform dedicated to educating buyers, sellers, and real estate professionals with practical market insights and homeownership resources. But y'all, I'm lending Ralph Host, The Disruptors Network, a docu-series featuring entrepreneurs and real estate innovators. And as the author, yeah, he wrote something to y'all of The Growth Trap, which explores sustainable business growth and leadership, and as a member of Forbes Real Estate Council and a frequent media contributor, you tell him something y'all too.

He regularly provides expert analysis on mortgage trends, Federal Reserve policy, housing affordability, and the future of the market. So he's here today to help us separate the myths from reality, that phantom from the real, and share practical strategies to help families build wealth through smart homeownership decisions. Not by chasing the perfect market, but by making informed decisions and choices that support long-term financial success. And here we go with the hashtag again, legacy building. Ralph, welcome to the show.

RALPH:
Thanks for having me. That was awesome. That was a good intro. You have great energy. So thank you for the intro.

I'm going to use this on something else. You did very, very good with that. So thank you.

CORWYN:
So look, I want to start with this. I want to plant the seed because we got to answer this question as we kind of go through all of this today.

You spent your career helping people finance what is oftentimes the biggest investment they'll ever make. So when you think about legacy building, what do you believe is the biggest financial mindset that families need to know today? Not just to buy a home, but to create opportunities that can benefit future generations. So that is our legacy hook and what we're going to focus on today. So Ralph, again, thank you so much. So let's jump right in.

Why people are waiting to buy? Why so many people are sitting on the sidelines right now? And what is that psychological impact of rising interest rates?

RALPH:
I think people are always trying to time something, right? You're trying to time it to buy the lowest and sell it the highest, but it doesn't really exist. And I think with real estate specifically, like you

have to be a long-term thinker. And I think if you're a long-term thinker, it's always going to be a positive investment. I'm looking at something for three, five, seven, ten years, right? When you do that with real estate, it always pays dividends. And I think interest rates are scaring people off at this point right now.

But the truth of the matter is, is that where interest rates are today, which is somewhere in the sixes, is where really we were for probably 15 years after the mortgage crisis, right? Between like 12 and 15 years, that's where we were. There was an extended, probably two-year period where we were much lower than that. But outside of that, this has been the average rate. The difference now is that home prices are way up. So I think the combination is making people hesitant.

But it's always a good time to buy real estate if you buy the right property.

CORWYN:
So some time ago, and every now and again, they'll repeat it, but I remember a lender saying to me, because we talk about rates being where they are, and again, they're in the sixes. When I got into the business, they're in the sixes. I mean, I remember closing people at nine. I think I might have even seen a few people double-digit interest rates just over 10 back when I got started a little over 20 years ago.

But the lender used to tell me, he said, look, he said, when I got into the business, which was about 30 years ago, he said, look, you were lucky to get the 1299 special. So what is that psychological, like, people get stuck, like literally stuck on the rates that came out of 9-11, the rates that came after the recession, and even the rates during COVID when they were low. Where's that stigma? Where's that hang-up coming from, you believe?

RALPH:
And everybody wants, like, you know, they always say water coolers, right? You want to say you have the lowest interest rate, right? When I first got into the business, which was 2001, which is right after 9-11, it was the lowest rates ever. And they were in the low sixes. They were the lowest rates ever.

Right around where we are right now. Okay. And everybody was running into the market. And then, you know, you got rates in the three and fours, and I think, one, you have a lot of people who was like golden handcuffs, right? They're stuck because they have all this equity in their home, so they don't want to sell. And they don't want to move to another place because everything's costing more and they're going to pay a higher interest rate.

So that's one portion of it. And then for the new home buyers, it just seems like everything is so expensive. But this is the one thing I can always go back to. So I went through the mortgage crisis and the financial crisis, and I had a lot of homes during that period. And the one thing I could say about my properties is that the properties that I rent, that I'm an investor on, rent never went down.

In the worst mortgage crisis ever, rent never came down, right? Rent always goes up every single year. So the only thing you can guarantee is that your rent's going to go up. If you can fix your housing payment, whatever that's going to be, whatever you're comfortable with, I think that's what you need to focus on because it's controllable, whereas rent really is not.

CORWYN:
So that's good stuff, man. So that kind of brings me to the other side of this as far as the approach, which is, you know, when you start looking at the monthly payment and the long-term wealth creation, but also determining what can people use or should they use to help them determine affordability that's outside of the interest rate. Yes.

RALPH:
So I think what the people don't focus on enough is everything else. What is your budget, right? Like what is your Wi-Fi costing you every single month? What is your Uber Eats bill every single month? What is your subscription services? What is your car payment? Or, you know, that gets included, but like it's all the other little ancillary things that add up to be more. And I think before you buy a house, you should have a budget. And this is the housing payment that I'm comfortable with, where that's 2,000, 3,000, 8,000, right? This is what I'm comfortable paying.

And then you can back into a home price. Like, okay, in today's market, if I'm willing to spend $3,000 a month in this area, I can afford a $400,000 house or a $500,000 house. And I think that's where they should really be focused, but they should be focused on trimming their budget and the other places, because I think we all have to sacrifice to buy a home. So what are you willing to sacrifice to have a home? And I think that's the question we all need to ask ourselves.

CORWYN:
So that's huge because most times people don't want to give up to get, they want to have and still get.

So again, what is it that you're willing to kind of make the adjustment on a sacrifice, if you will, because you won't get everything. So you kind of talked about budget. So what is one of the things or how do you advise or recommend people to prepare, if you will, financially before they seek to buy a home?

RALPH:
So I think the most important thing is to have, again, back to, I'm going to have a payment, I'm going to spend $2,500 a month. I want to try to have at least two months of reserves of that payment in the bank after I close on a loan. So I have this much money to spend on a home.

This is my payment. I have reserves. Every home you buy is going to have repairs, right? I think on average, an older home will cost you between $700 and a thousand dollars a month if you look at it over time, right? And a newer home will probably cost you between five to $600 a month in repairs or fixes or whatever. Right? So you have to be prepared for things to happen. I think that's the first thing because I think first people have payment shock.

I have this payment and then there's repairs. And I think what I see a lot of people do is they're heavily focused on down payment, getting into the house and they leave themselves cash poor. And I think that's never smart because you're going to buy furniture, you're going to buy you appliances, you're going to buy stuff for the house. You don't want to put everything on 25% interest rate credit cards to do everything for the house because you left yourself cash poor because you put down a down payment. So I think it's understanding where you want to be financially on a monthly basis, getting to that payment and sticking to that payment and then trying to have some kind of reserve for what if.

CORWYN:
That's huge. That's huge. So I'm going to bring you around here in a moment because we've got to interject the resource that you have created for people in home qualified. But one of the things that we talk about on this show all the time, Ralph is, I mean, legacy building. Well, our show is premise is rooted in the word and exodus.

And we talk about the people coming out and all that stuff kind of going through to come out. So we want people to go through whatever they're going through, but come out better on the other side, wealth building, creating wealth for their family and leaving a legacy of a generations yet to come. That's what we're rooting in right here on this show. So let's talk about that, but let's also start to wrap in home qualified in this conversation because homeownership remains, if not one of maybe probably the top most powerful wealth building tools that exist in this country. How can people leverage that?

SPEAKER 3:
Real estate isn't just about buying a property. It's about understanding the opportunity, protecting your financial position, building equity, and thinking about what that asset can mean years from now. And that's exactly why conversations around financial strategy matter, because when you're thinking beyond today's transaction and looking at wealth that can grow and create opportunities for the future, you're thinking legacy. Let's take a quick break.

RALPH:

Yeah. And again, this goes back, like, you know, if you look at the last couple of years from investing purposes, whatever you're doing, right, you could look at Bitcoin, you could look at the stock market, which has been up crazy, but if you look over time, right, real estate is the safest investment over time, right? So if you're trying to build a legacy or what's next or for your children or for your family in the future, I think there's nothing more safe than real estate, right? It's a tangible asset that you can hold onto. It's something that can be passed down. It can excuse expenses. It's a tax write-off, which people don't talk about enough, how much your tax saving is when you own a home, because you write off all that mortgage interest.

It's going to be your largest tax savings in all the stuff I've ever done. My mortgage is still my largest tax savings, right? You know, on my home. So I think, you know, if you're building a legacy and you're trying to build wealth over time and try to be financially responsible, real estate really plays so many intricate parts of that, right? It plays a role of, I'm tax planning, I'm building savings that every single month that I don't even know that I don't feel because I'm just making my housing payment, I have a tangible asset to sell and I have something to hand down to somebody if I want to in the future. So I think real estate, if you look at some of the richest people in the world, outside of the tech people, you're going to see people who are real estate owners.

CORWYN:
So, you know, I talk about that sometimes and granted, look here, you can disagree with me on this, Ralph, all day long, but I would argue it for a little bit.

I may give up because I think you probably could win an argument with me. You know, you, you, you look at you in here, like you own it. Let's go. But I see this all the time that people hit the lottery and one of the first things they do is go buy a house. That always tells me, and this is just my thinking, but always tells me how valuable real estate is as a whole.

That's the thing that ain't being replenished. You ain't can't make no more dirt in theory. You're right. I mean, in theory, I mean, granted, oceans dry up, which they keep telling. I guess, but ain't nobody making it.

Making this just happened to be in reveal. That's the difference. Yeah. How does that mindset and that reality, as far as playing to a mindset to get people to think beyond just the first home and consider what the future can be? Because our listeners are gambit. They are from the person that, okay, I want to own a home one day to the person that manages or owns a portfolio that's fairly expansive, those people that are taking those first steps in.

And just like the people at the end, the people that are on the further end of the gambit, those folks started just like everybody else, sometimes we make this, have this misnomer that they started with means or with a bunch of assets or something, but at some point in time, somebody in this chain started with nothing. So how does that mindset in your theory play out to get people to look at it from the long-term?

RALPH:
It's a great point. It's a great question. I really, truly believe that, you know, buying real estate, it's something that we can understand, right? It's something I always go back to this. I grew up in Brooklyn, New York, right? And I grew up in a multifamily home.

So it was a three family home. I lived on one floor. We rented the other two. So I was getting a training the whole time I was growing up of how to live in a multifamily home and manage it and produce income in the property I lived in. Whether you're renting or owning through adolescence and how you grow up, you're getting a training.

Hey, I'm renting a house right now. I'm going to call the landlord for everything. This breaks, that breaks, and I'll fix anything. I'll do proper repair. So we've been training for this a whole life.

You can't say that you've trained for anything your whole life as an investor, except real estate in some way, shape or form. Right? So I think if you're looking at it that way, look, even if you feel too really unprepared, because you've never financed anything, you've never bought anything this big, you're more prepared to buy a house than you ought to do anything else from a longterm investment standpoint, in my opinion, and I think we have to look at it that way, this is something I can handle, this is something once I'm in the house, I know the house better than everybody else. And by the way, I can't screw in a light bulb and I own a lot of properties, but I figured it out, right? Like I learned how to do certain things, right? I learned how to hire people to do the other things, but like I learned how to manage it. So I think it's an active thing, but I think it's something that we really trained for our whole life and that we can really be an expert at, at the highest level, even if we don't own a home.

CORWYN:
Look, you know, you just said something, man.

So you, you know, I'm over here rubbing my head and stuff because you just said something extremely profound in that we've been training for this our whole life, you know, as you look at it, approach home ownership, so there's things that have happened in our past and there's a psychology of home ownership that exists, but we've been trained a certain way, whether there was belief that we should have, we can't have or whatever, or whether we saw it and it was just a continuation of it, but we've been trained our whole life in this. So I'm actually going to use that personally, man. I appreciate that point. Let me kind of shift you just a little bit. So every time the fans go in and you know, it's so interesting and entertaining to watch now, forget how you, where you may be, but just the fact of matter, the entertainment, if you will, of what happens at the federal reserve now, and when they come out and say, okay, we're lowering rates or whatever, there is always each and every time there is this complete spell of just, I mean, it's just an air, if you will, that is, this is fog of misinformation about, you know where I'm going, they lower the rate and then everybody says, oh, interest rates are coming down.

Let's talk about that.

RALPH:
Let's go. It has a lot to do with it, but it almost has nothing to do with it, right? Because the Senate fed had a meeting today and they came out and said, hey, we're cutting rates. What really happens is they make a statement and then they come out and have a press conference. In that press conference, the head of the fed is going to say 50 things in that press conference about how we see why he did what he did and how he sees the future, then the market is going to go bet based off what he said one way or the other, right? So wall street is really manipulating a lot of what this is on a daily basis.

What they're willing to pay for mortgage backed securities on the secondary market really plays a lot into this. The fed rate, the borrowing rate from the fed has something to do with it, but the fed could cut rate one day and then you can say, hey, we're cutting rates today, but if X, Y, and Z doesn't improve in the future, I could see us raising rates a couple of times. So even though they cut rates, rates could go up the next day. So I think that it's important to understand that you can't time that, like, because even as it's something in the business all this time, I still don't know what he's going to say. And I also don't know how the markets can react to it.

I can make a pretty educated guess, but there's so much misinformation about people here that the rate got cut and they think immediately I'm going to call and get a lower rate. And most of the time it's not accurate. When catastrophic things happen, unfortunately, when there's war, when there's crisis, when there's something like that, yes, when there was COVID, we saw huge drops in the interest rates. But right now I really, truly believe that high inflation, which is really being caused by oil prices in a lot of ways is what's driving rates high. So the quicker we can get out some of these wars, the lower oil comes down, which still controls a lot of our economy.

I think inflation will come down and I think you'll see interest rates come down.

CORWYN:
So let's spin that into how to get people to look, to evaluate the opportunities. You know, millionaires are made in these times, like, well, you know, these spurts or these runs of just people just making a lot of money is usually built on the back foundation or whatever, however you look at it, of these types of crises, when other people are pulling back, there's people that look and say, Oh no, this is the time to lean in. And they pull back when everybody else is in. How to recognize opportunities in these times.

Ralph, give us your play on that.

RALPH:
You're always better off running in when people are running out almost always, but that's all at the time sometimes too, because that can be scary, especially if you're inexperienced, right? So I think I'm always looking to buy, right? Like I'm always a buyer and it's always a house dependent, right? Like, so if I'm buying this house as an investment and everything is an investment, even the house I live in as an investment, where do I think the value is today, what do I think my worst case scenario is and what is a reasonable amount of growth of this property

over the next three to five years? And I think I look at every property that way, because the truth of the matter is, even as an investor, most of these houses that we're buying are equity plays. And what I mean by that is I'm buying the houses for the future equity in the house. I'm not buying these houses for monthly income. And I think that's where some misinformation is out there.

Like people, Oh, I just want to have basically income that I don't have to work for, right? I want to have passive income. I don't think passive income exists in the way people think it does with real estate, right? Because it's never going to be as much as you think it is, because even if you made $10,000 on that property that year, $15,000, your air condition system can go, your appliances can go, these repairs that have to be made. So a lot of that money is not real money, which you're usually buying the houses for the longterm equity play. So that's how I think things. I buy things in a market where it's like, all right, I can break even on this property.

It can make a little bit of money a month or it can make whatever on it. But from an equity standpoint, this makes a lot of sense because in five years, I think that my worst case scenario is X at a 3% or 5% growth rate. And I have the ability to sell it in that period of time and make profit.

CORWYN:
So Ralph, let's get into, so I'm going to make this as a statement, leave it a little open-ended on the end, and let's bring in what it is that you do both with new American funding as well as with household qualified. So as a matter of opinion, for some, somebody might say it's a fact, but we believe here that homeownership is a foundation for building a legacy.

That building wealth is more than just this generation, it extends well beyond us to future generations. So for you, how has the work that you have done and you're doing in new American funding, along with home qualified, helping people to make that a reality?

RALPH:
Yeah. So I'm very vocal about whatever I'm doing at that moment and whatever I'm in, like, I meet you, call when I'm like, Hey, I need somebody who's going to buy real estate in Charleston. This is the guy you got to speak to. I spoke to this guy.

He's credible. That's the guy you buy with, but whatever I'm doing, I'm in it. So I'm active myself as a home buyer. Home qualified is really a place where I educate a lot. New American funding is really where I lend more.

Home qualified, we lend some too, but it's more commercial and investor. New American funding is all residential and you're first on home buyer type of buyer, right? So I think I'm either lending the money or trying to educate in the money, but on both sides, I'm a living example of all of it, right? I didn't come from money. I earned everything. I've bought everything on my own. I've built everything on my own.

It could be done by anybody and I didn't have a special degree. I didn't have any experience in this business when I started. I just was, it was the easiest sales job for me to get. And I started in this business and I started buying real estate pretty early on, but I believe that I'm a living example of anybody can do it, right? So, and I think that I try to educate on how I did it every single day and how I would do it today and how I continue to do it. So I think both companies are a microcosm of that.

But the truth of the matter is, is that I'm a really good example of somebody who just started doing it and then figured it out. And then I bought a little bit more and then when I made some more money, I bought and I flipped it and bought a little bit more, but I, I really built it from just learning as I went. Wow. Wow. Wow.

So Home Qualified, what is that? So Home Qualified is a real estate news website, but it's also, it's a commercial mortgage company, but that's really built around investors. So we try to educate on first time home buyers as well as first time investors. So it's really built around that, but I do a lot of educating between seminars and podcasts and webinars. So I usually, Home Qualified is really my conduit for that, right? To educate you more on what the home buying process is. And I'm a very transparent process.

So I want to give it to people how it really is and not how you, you wish it to be, or you think it is on social media. I'm going to give you what's really happening on a daily basis.

CORWYN:
So let's take this moment right now. We're quickly getting to the end of the day. So Ralph, to how can people get connected to you, learn more about Home Qualified, what you're doing, because you're helping people.

I mean, I hear it, you know, you're passionate, you're informative and resourceful because you know what's going on and you know how to tell people what's going on, you're enough to let them know, and sometimes you don't get all of that, man. So you definitely are the total package. So I appreciate you for that for sure. But how can people get in contact with you?

RALPH:
So HomeQualified.com is a really good resource.

And then for me personally, my Instagram, I post a ton of content about real estate related content, and that's D-I, which is a shortening of my name. It's a nickname. It's at D-Bug and I post a ton there about real estate and you can contact me there and I will respond. My TikTok is the same. My LinkedIn is RalphDiBugnara, RalphDiBugnara.com. Any of those mediums, I personally respond to all my messages. It may take me a minute, but I get to all of them, but I post a lot of content especially about what's actively going on. I had a flood in my basement. I had a tenant with this.

I had a problem with this. So I post a lot about that stuff.

CORWYN:
That's awesome, man. Look here. I love the whole D-Bug thing, man.

That's cute and relevant. That's relevant. We definitely want to work the bugs in the King style, right? Yeah, man. I love it. I love that concept.

So Ralph, I'm going to thank you so much, man, for taking time out of your business schedule to be on the show with us today. I really appreciate it from the bottom of my heart, man. Thank you.

RALPH:
Thank you for having me. I really appreciate it.

Great show. I really appreciate you having me.

CORWYN:
So our listeners, guys, look here. This is when you get it. If you ain't got it, I need you to come back and get it again.

All right. Until you got it. Interest rates will rise and fall. Markets will change and headlines will come and they will go. But the families, the people who build lasting wealth, aren't the ones who perfectly time the market.

We got to get that out of their heads, y'all. They're the ones who prepare, stay informed, make wise decisions and think beyond today. Remember that every smart financial decision you make now becomes another step towards hashtag legacy building. My takeaway from Ralph's points today is don't let fear or uncertainty keep you from pursuing your long-term goals. You got to focus on what you can control, which is your financial preparation, your education, and your strategy, the right home purchase for the right reasons supported by the sound plan can become one of the strongest foundations for your family's future.

And my closing thought for you all, because guys, y'all know y'all got to get this from me as well. The best homeowners aren't the ones who buy at the perfect moment. They're the ones who make informed decision with a long-term perspective, not the short and narrow, if you will. Markets will always change guys, but wisdom, preparation, financial discipline, never go out of style. When you approach homeownership with a clear plan and a commitment to learning, you will do more than purchase profit.

You'll be creating stability, opportunity, and a foundation for your hashtag legacy building that can benefit generations to come. So for our listeners in my final play, y'all know what I'd say. Y'all know how I feel, you know, always put the two of them things together. And I give it to you very real and tell you that I love you. I love you.

I love you. And we're going to see you guys out there in those streets.