

Housing News Update

THE FEDERAL SAVINGS BANK



Co. NMLS# 411500



Ted Rood

Mortgage Banker, Homesite Mortgage LLC

NMLS #543290

2299 Technology Drive, Suite 2A5 O Fallon, Missouri

Office: 3147400004

Mobile: 314-740-0004

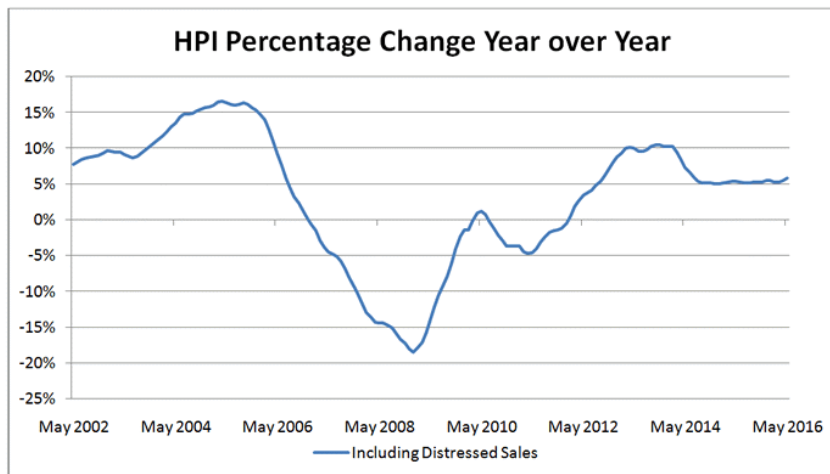
ted_rood@yahoo.com

Home Price Appreciation Continues Cooling

CoreLogic is reporting that the rate of home price increases, as measured by its Home Price Index (HPI) **slowed considerably** in May from its rate in each of the previous two months and continued to ratchet down from year-over-year increases at the beginning of the year.

Home prices nationwide, including distressed sales, increased month-over-month in May by 1.3 percent. The rates of increase in March and April were 2.1 percent and 1.8 percent respectively. The national HPI was up **5.9 percent** from its level in April 2015. Year-over-year increases have **diminished each month** of this year from a January rate of 6.9 percent. The April gain was 6.2 percent.

National Home Price Change



Source: CoreLogic May 2016

The CoreLogic HPI Forecast projects a month-over-month increase of 0.8 percent from May to June of this year and **5.3 percent** appreciation for the 12 months ended in May 2017. The CoreLogic HPI Forecast is a projection of home prices using the CoreLogic HPI and other economic variables. Values are derived from state-level forecasts by weighting indices according to the number of owner-occupied households for each state.

National Average Mortgage Rates



Rate Change Points

Mortgage News Daily

Product	Rate	Change	Points
30 Yr. Fixed	6.43%	+0.02	0.00
15 Yr. Fixed	5.95%	0.00	0.00
30 Yr. FHA	5.82%	+0.02	0.00
30 Yr. Jumbo	6.62%	0.00	0.00
5/1 ARM	6.28%	-0.01	0.00

Freddie Mac

30 Yr. Fixed	6.35%	-0.51	0.00
15 Yr. Fixed	5.51%	-0.65	0.00

Mortgage Bankers Assoc.

30 Yr. Fixed	6.44%	-0.06	0.54
15 Yr. Fixed	5.88%	-0.16	0.68
30 Yr. FHA	6.36%	-0.06	0.85
30 Yr. Jumbo	6.75%	+0.07	0.39
5/1 ARM	5.98%	-0.27	0.65

Rates as of: 8/30

Recent Housing Data

		Value	Change
Mortgage Apps	Aug 28	226.9	+0.49%
Building Permits	Mar	1.46M	-3.95%
Housing Starts	Mar	1.32M	-13.15%
New Home Sales	Mar	693K	+4.68%
Pending Home Sales	Feb	75.6	+1.75%
Existing Home Sales	Feb	3.97M	-0.75%

The West continues to post larger price gains than the remainder of the country. Annual appreciation was highest in Oregon at 11.0 percent, followed by **Washington** (10.1 percent) and **Colorado** (9.4 percent). Three other states, Utah, Texas, and Florida, had gains in excess of 7 percent.

Prices **declined in three states**, Connecticut (-0.9 percent), New Jersey (-0.2 percent) and Pennsylvania (-0.1 percent). Delaware had a 0.2 percent annual increase and Maryland's HPI was up 1.0 percent.

"Housing remained an oasis of stability in May with home prices rising year over year between 5 percent and 6 percent for 22 consecutive months," said Dr. Frank Nothaft, chief economist for CoreLogic. "The consistently solid growth in home prices has been driven by the highest resale activity in nine years and a still-tight housing inventory."

"Price appreciation continues to be fairly broad-based across the U.S. From a regional perspective, the Pacific Northwest continues to be the hottest area for home-price growth, with Oregon and Washington leading the way," said Anand Nallathambi, president and CEO of CoreLogic. "The recent turbulence in financial markets should lead to modestly lower mortgage rates, which will provide even more support to the steadily improving real estate recovery."

Responsive service, experienced expertise

I've dedicated my 22 year mortgage career to client education, superior service, and honest answers. The lending landscape has changed dramatically the past few years, and continues to do so. My job is to ensure client partners' loans close quickly, without surprises, and I take that responsibility very seriously. Referrals are a responsibility I appreciate; they're a measure of trust, and that trust must be earned every day, on every referral.

Ted Roood

