

Housing News Update

THE FEDERAL SAVINGS BANK



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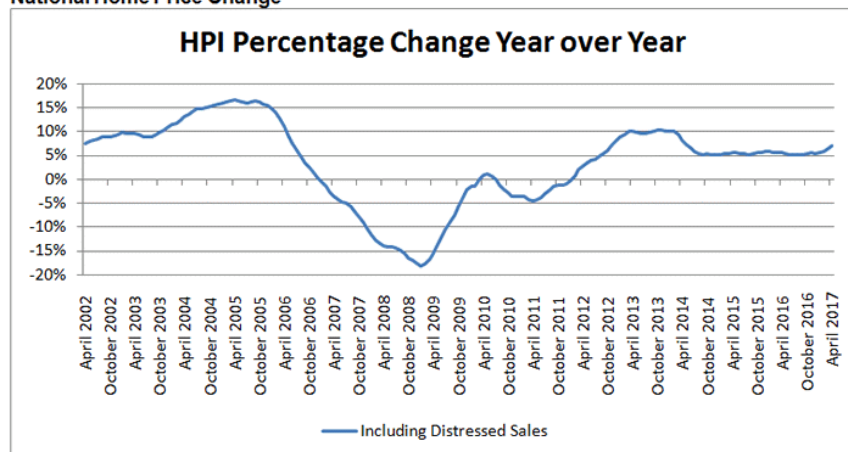
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"Bidding Frenzy" Drives Prices Higher

Home price increases moderated slightly in April, at least as measured by the CoreLogic Home Price Index (HPI). The company announced an increase of **6.9 percent** compared prices in April 2016, **falling** off a bit from the year-over-year appreciation rate of 7.1 percent in March. Over the first four months of the year CoreLogic's HPI has averaged annual increases of 6.98 percent.

National Home Price Change



Source: CoreLogic April 2017

Prices continued to soar in **Washington State**, up 12 percent on an annual basis. **Utah** replaced **Oregon** in second position with a gain of 10.1 percent and Oregon prices rose 9.1 percent. Only two states experienced price declines, Wyoming and Delaware at 3.9 percent and 0.2 percent respectively.

Home prices nationwide, including distressed sales, were **up 1.6 percent** from the March level, tying an identical increase from February to March for the largest gain since April 2016.

CoreLogic is **forecasting** that prices will increase by **5.1 percent** from April 2017 to April 2018. The company's forward-looking HPI uses state-level forecasts based on its current HPI and other economic variables. The company also forecasts that prices will rise by 0.7 percent between April and May.

National Average Mortgage Rates



	Rate	Change	Points
Mortgage News Daily			
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%

"Mortgage rates in April dipped back to their lowest level since November of last year, spurring home-buying activity," said Dr. Frank Nothaft, chief economist for CoreLogic. "In some metro areas, there has been a **bidding frenzy** as multiple contracts are placed on a single home. This has led home-price growth to outpace rent gains. Nationally, home prices were up 6.9 percent over the last year, while rent growth for single-family rental homes recorded a 3 percent rise through April, according to the CoreLogic Single-Family Rental Index."

"Interest rates on fixed-rate mortgages are down by one-fourth of a percentage point since mid-March, just in time to support the spring home-buying season," said Frank Martell, president and CEO of CoreLogic. "Some metro areas have low for-sale inventory, short time-on-market trends and homes that sell above the list price. Geographically, **gains were strongest in the West** with Washington and Utah posting double-digit gains."

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.

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