

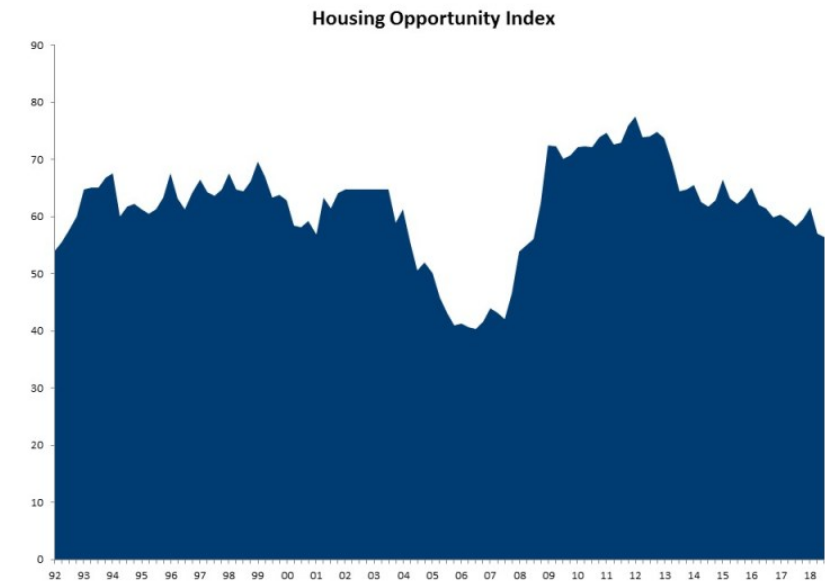


Dan Clifton
Principal Broker and Mortgage Guru, Clifton Mortgage Services, LLC
NMLS # 284174
670 N Orlando Ave Suite 101 Maitland, FL 32751

Office: 888-681-0777 x1001
Mobile: 407-252-3039
Fax: 866-512-0169
dan@cliftonmortgageservices.com
[View My Website](#)

Share of "Affordable" Homes Falls to 10-Year Low

Housing affordability crept down again in the third quarter of 2018 reaching, according to the National Association of Home Builders (NAHB), a ten-year low. The NAHB/Wells Fargo Housing Opportunity Index (HOI) indicates that 56.4 percent of new and existing homes that were sold nationwide during the quarter were affordable to families earning the U.S. **median income of \$71,000**. In the second quarter **57.1 percent** of homes were affordable by this measure. Affordability, according to the 2nd quarter reading, is the lowest since mid-2008.



The HOI reacted to the combination of a 5 basis point increase in the mortgage interest rate to **4.72 percent** over the course of the reporting period, coupled ongoing appreciation in home values. The median price of a home sold during the quarter was **\$268,000**, \$3,000 more than the median in the second quarter.

National Average Mortgage Rates



	Rate	Change	Points
Mortgage News Daily			
30 Yr. Fixed	7.45%	-0.07	0.00
15 Yr. Fixed	6.86%	-0.05	0.00
30 Yr. FHA	6.95%	-0.05	0.00
30 Yr. Jumbo	7.64%	-0.04	0.00
5/1 ARM	7.50%	-0.05	0.00

Freddie Mac			
30 Yr. Fixed	7.17%	-0.27	0.00
15 Yr. Fixed	6.44%	-0.32	0.00

Mortgage Bankers Assoc.			
30 Yr. Fixed	7.24%	+0.11	0.66
15 Yr. Fixed	6.75%	+0.11	0.64
30 Yr. FHA	7.01%	+0.11	0.94
30 Yr. Jumbo	7.45%	+0.05	0.56
5/1 ARM	6.64%	+0.12	0.87

Rates as of: 4/26

Recent Housing Data

		Value	Change
Mortgage Apps	Apr 24	196.7	-2.67%
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 **most affordable major housing market** in the country was Syracuse with 88.2 percent of all homes sold available to families earning the area's median income of \$74,100. It was the second quarter in a row that Syracuse topped the affordability chart. The most affordable small market was Kokomo, Indiana where 93.2 percent of houses were affordable to families earning \$64,100.

ValueChange

Builder Confidence51+6.25%

San Francisco extended its reign as the least affordable major market to a fourth quarter. Only 6.4 percent of homes sold were affordable to a median income family, even though that median income was \$116,400. All five least affordable small housing markets were also in the Golden State led by Santa Cruz-Watsonville where 6.5 percent of homes were affordable to those earning the area's median of \$81,400.

Rose Quint, summarizing the HOI results in NAHB's *Eye on Housing* blog said, "Overall, housing demand continues to be supported by strong job and economic growth, but affordability is being challenged by price and interest rate increases as well as labor shortages and trade war concerns."