



BRETON MACDONALD

Mortgage Banker/Broker/Branch Manager, Geneva Financial LLC

174698

3155 S. Price Road, Suite 105 Chandler, Arizona 85248

Office: 949-887-7289

Mobile: 949-887-7289

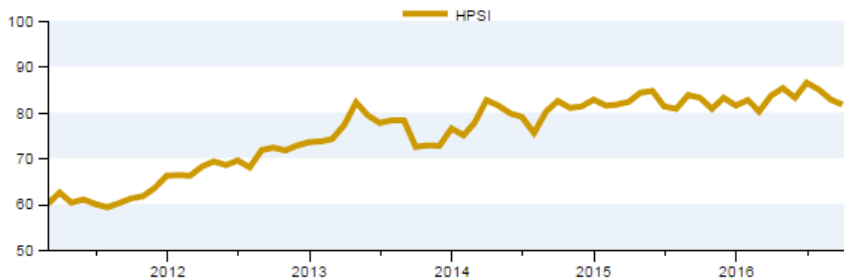
bmacdonald@genevafi.com

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Income Concerns Hurting Housing Sentiment -Fannie Mae

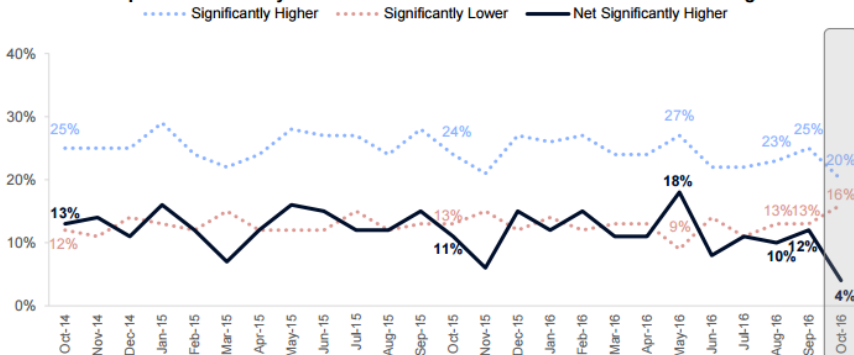
Fannie Mae's Home Purchase Sentiment Index® (HPSI) suffered its third decline in as many months in October. The Index, based on responses to six key questions in the company's monthly National Housing Survey, **dipped 1.1 points** from September to 81.7. Decreases were posted for four of the six components. Overall, the HPSI is down 1.5 points since this time last year.

Home Purchase Sentiment Index®



The share of consumers reporting significantly higher income over the past year experienced the **largest drop**, decreasing eight percentage points on net. The share of consumers who reported having a higher income fell from 25 percent in September to 20 percent while those reporting lower income climbed 3 points to 16 percent. The net figure for this component peaked at 18 percent in May and is now at 4 percent.

Respondents who say their household income is... than it was 12 months ago



National Average Mortgage Rates



	Rate	Change	Points
Mortgage News Daily			
30 Yr. Fixed	6.87%	-0.02	0.00
15 Yr. Fixed	6.32%	-0.01	0.00
30 Yr. FHA	6.33%	0.00	0.00
30 Yr. Jumbo	7.05%	0.00	0.00
5/1 ARM	6.59%	+0.01	0.00
Freddie Mac			
30 Yr. Fixed	6.77%	-0.09	0.00
15 Yr. Fixed	6.05%	-0.11	0.00
Mortgage Bankers Assoc.			
30 Yr. Fixed	7.00%	-0.03	0.60
15 Yr. Fixed	6.63%	+0.07	0.61
30 Yr. FHA	6.87%	-0.03	0.92
30 Yr. Jumbo	7.13%	+0.02	0.38
5/1 ARM	6.22%	-0.16	0.60

Rates as of: 7/23

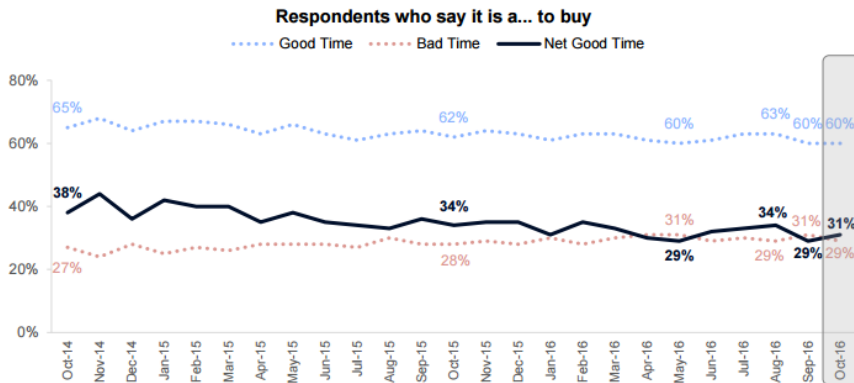
Recent Housing Data

		Value	Change
Mortgage Apps	Jul 10	206.1	-0.19%
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%

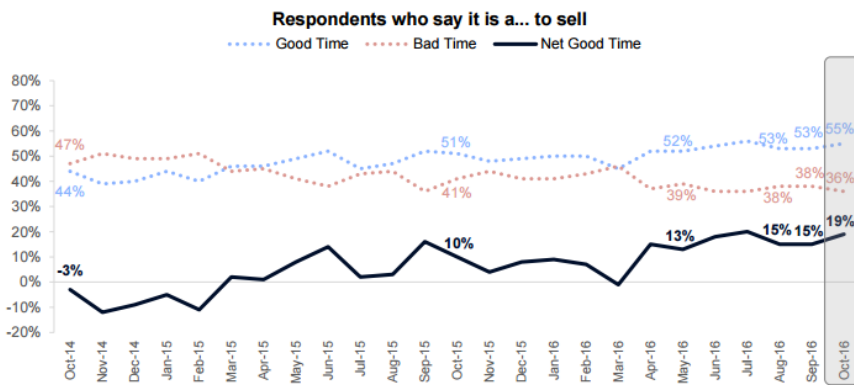
	Value	Change
Builder Confidence	Mar 51	+6.25%

Fewer consumers **expect continuing price rises** over the next year and there was a slight gain in those awaiting a decline resulting in a 3-point decrease in the net share still predicting appreciating values. Those who expect mortgage rates to drop and those who are confident about not losing their job each dropped by one percentage point in October.

The measures of those consumers thinking it is either a **good time to buy** a home or a **good time to sell** one each increased. Partially reversing the decrease from last month, the net share of Americans who say it is a good time to buy a house rose by 2 percentage points to 31 percent. The share who think it is a good time to buy remained at an all-time survey low of 30 percent.



The **net** percentage of those who say it is a good time to sell rose 4 percentage points to 19 percent, 1 percentage point away from the all-time survey high seen in July. The share who think it is a bad time to sell tied an all-time survey low of 36 percent last reached in July.



Doug Duncan, Fannie Mae's senior vice president and chief economist said, "The HPSI fell in October for the third straight month from its record high in July, reaching the **lowest level since March**. Recent erosion in sentiment likely reflects, in part, enhanced uncertainty facing consumers today. Since July, more consumers, on net, have steadily expected mortgage rates to rise and home price appreciation to moderate. Furthermore, consumers' perception of their income over the past year deteriorated sharply in October to the worst showing since early 2013, weighing on the index. However, this component of the HPSI is volatile from month to month, and the firming trend in wage gains from the October jobs report, if sustained, may foreshadow an improving view in the near future."

The Home Purchase Sentiment Index (HPSI) distills information about consumers' home purchase sentiment from Fannie Mae's National Housing Survey® (NHS) into a single number. NHS is conducted monthly by phone among a panel of about 1,000 consumers, both homeowners and renters. They are asked about 100 questions to assess their attitudes toward owning and renting a home, home and rental price changes, homeownership distress, the economy, household finances, and overall consumer confidence.

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Breton is a Branch Manager & Sr Loan Officer at the top of his field for over 15 years. Transparency & treating people like family is how he has built a solid network of referral & repeat business over the years. Candor and expertise is how he communicates & consistently closes on time getting the best loan possible. With Geneva Financials' wide array of products & its seamless, straightforward process he will be able to find you the best mortgage structured the right way. With a positive attitude, Breton is consummate pro who is honest, upfront & shoots it to you straight. 949-887-7289

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