



## 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](mailto:dan@cliftonmortgageservices.com)

[View My Website](#)

## 12 States Hit Price Peaks, 1 in 3 Metros are "Over-Valued"

Black Knight Financial Services put a coda on home price reports for June while CoreLogic opened the next round for July. Both report **another round of strong price gains** during their respective periods.

Black Knight says its national-level **Home Price Index (HPI) set another new record in June**, rising 0.9 percent from May and 6.2 percent year-over-year. The Index is now at \$281,000. Home prices increased by 5.5 percent for the year-to-date through June.

While the 6.2 percent annual increase marks an acceleration from May's year-over-year gain of 6.1 percent, the rate of monthly appreciation is down 0.2 percentage point from May. It is the **first time that measure has been lower** than 1.0 percent since February.

May to June gains were posted in all 50 states with **Michigan and Wisconsin leading** at 1.9 and 1.8 percent respectively. Twelve of the 20 largest states established new price peaks during the month.

**Carson City Nevada** led among metropolitan areas for the second straight month with a 2.2 percent change, but **Detroit** was close on its heels at 2.1 percent. Among the nation's 40 largest metros, Las Vegas, Nashville, and Seattle have all seen year-over-year gains of 10 percent or higher

Moving into July, CoreLogic reports that prices measured by its HPI were up by 6.7 percent on an annual basis and **increased by 0.9 percent from June**. The year-over-year appreciation was identical to the increase in June, but the monthly gain decelerated from 1.1 percent. So far this year the annual increases in the CoreLogic HPI have averaged 6.8 percent.

## National Average Mortgage Rates



	Rate	Change	Points
<b>Mortgage News Daily</b>			
30 Yr. Fixed	6.43%	<b>+0.02</b>	0.00
15 Yr. Fixed	5.95%	<b>0.00</b>	0.00
30 Yr. FHA	5.82%	<b>+0.02</b>	0.00
30 Yr. Jumbo	6.62%	<b>0.00</b>	0.00
5/1 ARM	6.28%	<b>-0.01</b>	0.00

### Freddie Mac

30 Yr. Fixed	6.35%	<b>-0.51</b>	0.00
15 Yr. Fixed	5.51%	<b>-0.65</b>	0.00

### Mortgage Bankers Assoc.

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

Rates as of: 8/30

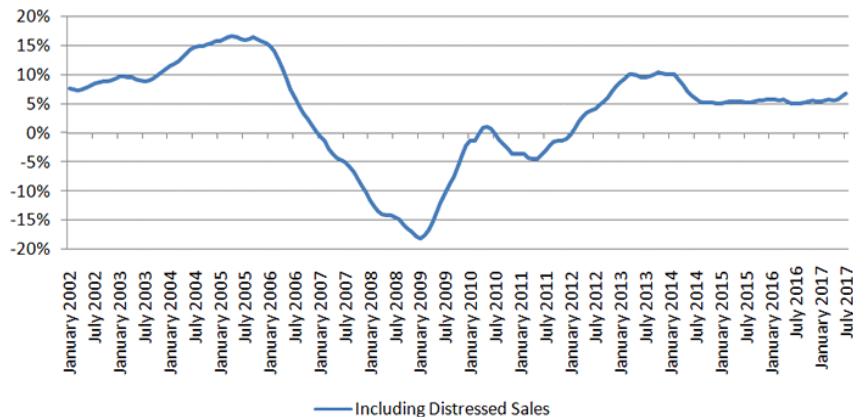
## Recent Housing Data

		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%

## National Home Price Change

	Value	Change
Builder Confidence	Mar	51 +6.25%

### HPI Percentage Change Year Over Year



Source: CoreLogic July 2017

"In July, home price growth in the **Pacific Northwest and mountain states led the nation** with the highest appreciation rates," said Dr. Frank Nothaft, chief economist for CoreLogic. "The sharp increase in prices in Washington and Utah has been especially striking, with home price growth in both states accelerating by 3 percentage points since the beginning of this year."

CoreLogic said its analysis of the largest 100 metro areas in the country found the housing stock in **34 percent of them to be overvalued** while 28 percent were undervalued. Of the top 50 markets, 46 percent were deemed overvalued, 16 percent were undervalued and 8 percent were at value. The company's Market Conditions Indicators (MCI) categorizes home prices in individual markets by comparing home prices to their long-run, sustainable levels, which are supported by local market fundamentals, such as disposable income. An overvalued housing market as one in which home prices are at least 10 percent higher than the long-term, sustainable level, while an undervalued housing market is one in which home prices are at least 10 percent below the sustainable level.

Looking ahead, the CoreLogic HPI Forecast indicates that home prices will **increase by 5 percent** on a year-over-year basis from July 2017 to July 2018, and on a month-over-month basis by 0.4 percent from July 2017 to August 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.

"Home prices in July continued to rise at a solid pace with no signs of slowing down," said Frank Martell, president and CEO of CoreLogic. "The combination of steadily rising purchase demand along with very tight inventory of unsold homes should keep upward pressure on home prices for the remainder of this year. While mortgage interest rates remain low, affordability cracks are emerging as over a third of U.S. top cities are now overvalued."