



## Guy McAtee

Sr Loan Officer, American Financial Lending, Inc  
 NMLS #154570  
 20860 N Tatum Blvd #160 BK#0910057 Phoenix, AZ 85050

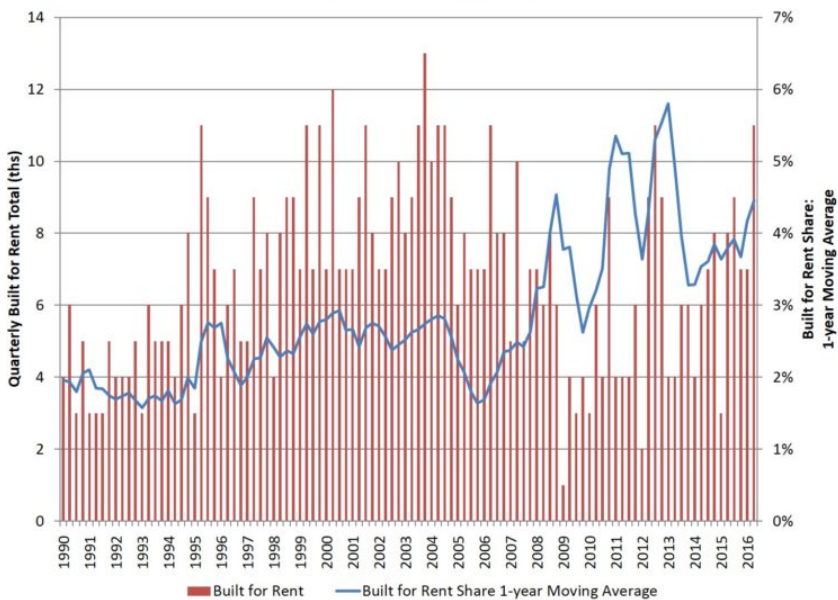
Office: 602-277-3800  
 Mobile: 602-448-3464  
 Fax: 602-631-9788  
[guy@aflending.com](mailto:guy@aflending.com)

## More and More Homes Being Built to Rent

While the numbers remain small, the National Association of Home Builders (NAHB) notes there is a slowly increasing trend of single-family homes being built specifically as rentals. Robert Dietz, chief economist and senior vice president for NAHB says that, while the small numbers mean care must be taken when identifying trends, there were solid gains in the **built-for-rent market** over the last year.

The Census Bureau's *Quarterly Starts and Completions by Purpose and Design* as analyzed by NAHB puts the one-year moving average market share of this construction at **4.5 percent of total housing starts** as of the second quarter of 2016. This is higher than the historic share of 2.8 percent but down from 5.8 percent at the beginning of 2013.

Single-Family Starts Built-for-Rent



The percentages translate to 34,000 housing starts in this category for the four quarters ending with the first quarter of 2016 compared to 26,000 for the four prior quarters. This class of construction **does not include** homes that are sold to another party to be rented, only those home specifically built and held for that purpose.

## National Average Mortgage Rates



	Rate	Change	Points
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### 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
As an example of this trend, one major homebuilder, Lennar, has completed a single-family rental community in Sparks, Nevada and says it may build one or two more.	51	+6.25%

At the same time, there has also been a trend toward purchasing newly constructed homes on the part of **institutional investors**. Starwood-Waypoint purchased 16,000 single-family properties in the rush that followed the housing crash but only 200 were new construction. Recently the REIT's CEO Doug Brien told CNBC that builders are "the next frontier for institutional builders." He says builders are even starting to offer institutional buyers bulk discounts. Lennar says it is also moving in this directions, buying up the first or the last 10 percent of single family developments and turning them into rentals.

## Experience, Responsive, Expertise

Whether you're buying, selling, refinancing, or building your dream home, you have a lot riding on your loan specialist. Since market conditions and mortgage programs change frequently, you need to make sure you're dealing with a top professional who is able to give you quick and accurate financial advice. I have the expertise and knowledge you need to explore the many financing options available.

Ensuring that you make the right choice for you and your family is my ultimate goal. And I am committed to providing my customers with mortgage services that exceed their expectations.

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