



Mike Baker

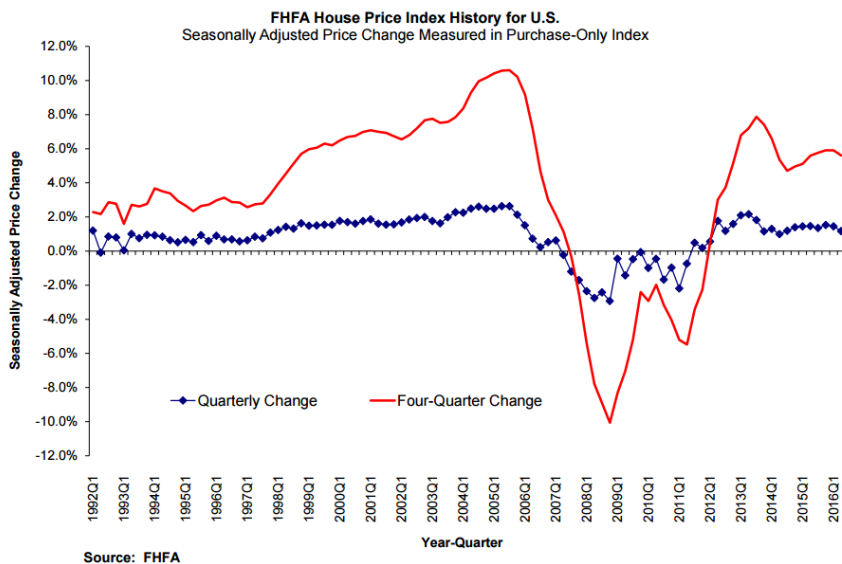
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Potentially Significant Shift in Home Price Trends -FHFA

Prices of homes financed by Fannie Mae or Freddie Mac **increased by 0.2 percent** from May to June the Federal Housing Finance Agency (FHFA) said today. The year over year change was a positive **5.6 percent**. Both June numbers were unchanged from the monthly and yearly increases posted in May but the pace of appreciation has slowed from the year-to-date high of 0.7 percent and 6.1 percent reported for March.

Home prices at the end of the second quarter, were 1.2 percent higher than at the end of the first quarter. FHFA said the 5.6 percent increase from the end of Q2 in 2015 was slightly higher, 5.7 percent, when adjusted for inflation as prices for other goods and services were virtually unchanged over that 12-month period.



"Although the appreciation rate for the second quarter was of similar magnitude to what we've been seeing for several years now, a close look at the month-over-month price changes during the quarter reveals a **potentially significant market shift**," said FHFA Supervisory Economist Andrew Leventis. "Our monthly price index indicates that in each of the three months of the quarter, the increase was only 0.2 percent. This is a much more modest pace

National Average Mortgage Rates



	Rate	Change	Points
Mortgage News Daily			
30 Yr. Fixed	7.14%	+0.07	0.00
15 Yr. Fixed	6.49%	+0.04	0.00
30 Yr. FHA	6.62%	+0.11	0.00
30 Yr. Jumbo	7.30%	+0.04	0.00
5/1 ARM	7.10%	+0.08	0.00
Freddie Mac			
30 Yr. Fixed	6.86%	-0.01	0.00
15 Yr. Fixed	6.16%	+0.03	0.00
Mortgage Bankers Assoc.			
30 Yr. Fixed	7.02%	-0.05	0.65
15 Yr. Fixed	6.60%	-0.15	0.55
30 Yr. FHA	6.87%	0.00	0.92
30 Yr. Jumbo	7.18%	-0.03	0.54
5/1 ARM	6.45%	+0.08	0.81

Rates as of: 7/1

Recent Housing Data

		Value	Change
Mortgage Apps	Jun 12	208.5	+15.58%
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%

Housing News Update

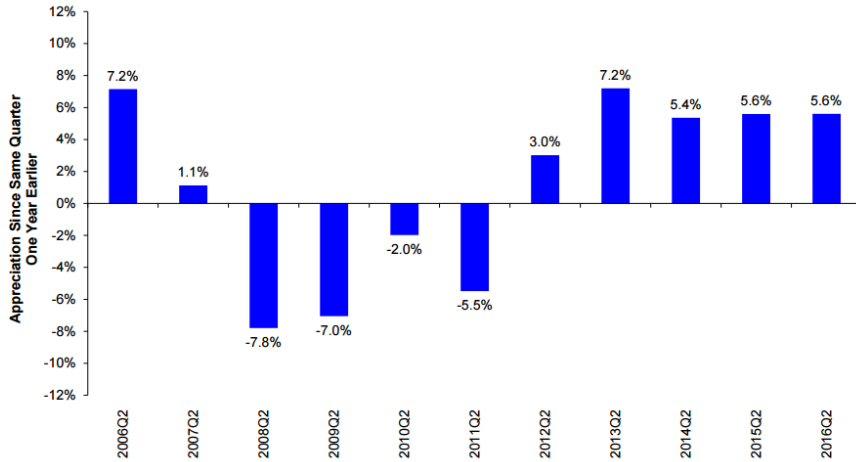
of appreciation than we've seen in some time and most likely reflects

accumulated pressures from significantly reduced home affordability," Leventis said.

		Value	Change
Builder Confidence	Mar	51	+6.25%

Four of the nine census regions posted month-over-month price drops, the highest a 0.4 percent loss in the Pacific region. New England and the East South Central regions each declined by 0.2 percent and the Middle Atlantic by 0.1 percent. The largest gains were in the Mountain region, up 0.6 percent for the month and 8.6 percent from a year earlier. All nine divisions were positive for year-over-year price changes.

House Price Appreciation Over Previous Four Quarters for U.S.
Seasonally Adjusted, Purchase-Only Index



Source: FHFA

The only state where prices did not increase between the second quarter of 2015 and the same quarter this year was Vermont. The **top five states** in annual appreciation were: 1) Oregon 11.7 percent; 2) Washington 10.3 percent; 3) Colorado 10.2 percent; 4) Florida 10.0 percent; and 5) Nevada 9.6 percent.

Among the 100 most populated **metropolitan areas** in the U.S., annual price increases were greatest in North Port-Sarasota-Bradenton, Florida, up by 15.7 percent. Prices were weakest in Bridgeport-Stamford-Norwalk, Connecticut, where they fell 3.3 percent.

FHFA's purchase only Home Price Index (HPI) uses sales price information from Fannie Mae- and Freddie Mac-purchased and Enterprise-guaranteed mortgages originated over the past 41 years. The purchase-only HPI is estimated with over seven million repeat-transactions.

Real Talk

At The Rate Shop, we're not your average mortgage banker. We specialize in bringing you ridiculously low interest rates that will make you wonder what the other guys are doing. In fact the ONLY objection we ever hear is "your rates sound too good to be true". Well they're not, and here is why...

After 15 years in the retail banking world I was frustrated with the high interest rates that came from that business model. As I looked around at all the bloated layers of management and their expensive salaries and the overhead of running a larger company (think rent costs, employee health and benefit costs, payroll taxes, and on and on) it dawned on me that I was a part of the problem, and the solution, for me at least, was so easy to see.

Start my own mortgage brokerage shop. No expensive executive salaries, no expensive building to pay rent at, no unnecessary employees and all the costs that are associated with that. What happens when you cut out all the fat? You can provide lower rates and lower closing costs. It's simple. Now here is the best part, you still get great service from a local Kansas City Lender. My mission is to let everyone know that low rates and great customer service are NOT mutually exclusive.

Thanks for coming along on this journey where Low Rates meet Great Service. The two do NOT have to be mutually exclusive. It's just a lie that the big box mortgage companies have been telling you for years. Don't believe me? Give me a call or shoot me a text on my personal cell phone today and compare my rates and costs up against any other lender in the country, and be prepared to be blown away.

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