



## Mike Baker

Head Interest Rate Shopper, The Rate Shop  
 Individual NMLS: 259076 Company NMLS: 2554765 State  
 23211 W 45th St Shawnee, KS 66226

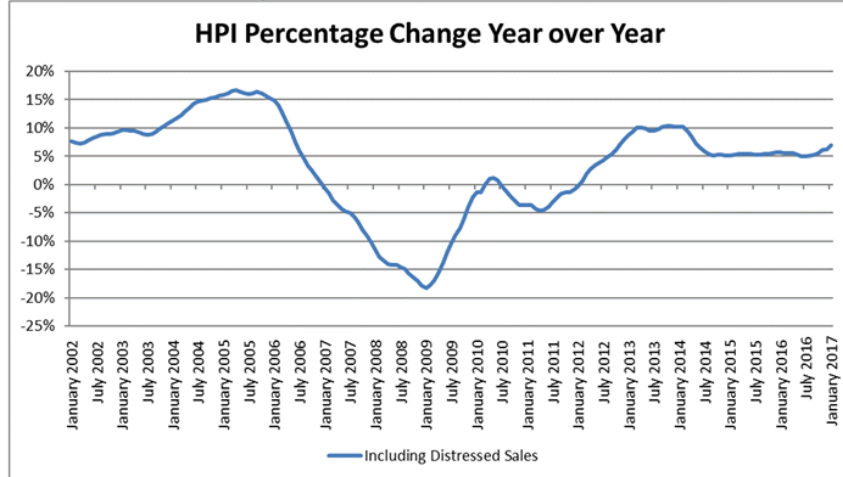
Office: 913-213-3335  
 Mobile: 913-213-3335  
[mike@rateshopkc.com](mailto:mike@rateshopkc.com)  
[View My Website](#)

## Annual Home Prices Gains Back Below 7%; More Contraction Ahead?

Home prices measured by CoreLogic's Home Price Index (HPI) for January ended a six-month long pattern of **accelerating** annual gains. The increases also slowed on a month-over-month basis.

The company said that nationally prices were up 6.9 percent from January 2016 to January 2017. The HPI had risen by a minimum of 0.1 percent more every month than it had in the preceding month since May, increasing from 5.7 percent that month and posting a **7.2 percent** annual gain in December.

National Home Price Change



Source: CoreLogic January 2017

Home prices increased from December to January by 0.7 percent. Month-over-month appreciation had been at 1.1 percent for each of the previous six months before slipping to an 0.8 percent gain from November to December.

"With **lean for-sale inventories** and **low rental vacancy** rates, many markets have seen housing prices outpace inflation," said Dr. Frank Nothaft, chief economist for CoreLogic. "Over the 12 months through January of this year, the CoreLogic Home Price Index recorded a 6.9 percent rise in home prices nationally and the CoreLogic Single-Family Rental Index was up 2.7 percent—both rising faster than inflation."

## National Average Mortgage Rates



|  | Rate | Change | Points |
|--|------|--------|--------|
|--|------|--------|--------|

### Mortgage News Daily

|              |       |              |      |
|--------------|-------|--------------|------|
| 30 Yr. Fixed | 7.07% | <b>+0.02</b> | 0.00 |
| 15 Yr. Fixed | 6.45% | <b>0.00</b>  | 0.00 |
| 30 Yr. FHA   | 6.51% | <b>+0.02</b> | 0.00 |
| 30 Yr. Jumbo | 7.26% | <b>0.00</b>  | 0.00 |
| 5/1 ARM      | 7.02% | <b>-0.01</b> | 0.00 |

### Freddie Mac

|              |       |              |      |
|--------------|-------|--------------|------|
| 30 Yr. Fixed | 6.86% | <b>-0.01</b> | 0.00 |
| 15 Yr. Fixed | 6.16% | <b>+0.03</b> | 0.00 |

### Mortgage Bankers Assoc.

|              |       |              |      |
|--------------|-------|--------------|------|
| 30 Yr. Fixed | 7.02% | <b>-0.05</b> | 0.65 |
| 15 Yr. Fixed | 6.60% | <b>-0.15</b> | 0.55 |
| 30 Yr. FHA   | 6.87% | <b>0.00</b>  | 0.92 |
| 30 Yr. Jumbo | 7.18% | <b>-0.03</b> | 0.54 |
| 5/1 ARM      | 6.45% | <b>+0.08</b> | 0.81 |

Rates as of: 6/28

## 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%  |

**Washington and Oregon** again led the states in the magnitude of their annual home price increases, at 10.8 and 10.3 percent respectively. Colorado however had to share its near perpetual hold on third place with South Dakota; both states saw annual gains of 9.1 percent. Maine was the only state to see a negative price change, down 1.8 percent. North Dakota had the smallest increase, 1.0 percent, followed by Wyoming where prices were up 1.1 percent.

CoreLogic is **projecting a 4.8 percent** rise in its HPI from January 2017 to January 2018 and expects an 01 percent gain from January to February of this year. It's 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. Last January CoreLogic's forecast was for an annual appreciation of 5.5 percent in January 2017. It had predicted there would be a 0.1 percent change from December to January.

"Home prices **continue to climb** across the nation, and the spring home buying season is shaping up to be one of the strongest in recent memory," said Frank Martell, president and CEO of CoreLogic. "A potent mix of progressive economic recovery, demographics, tight housing stocks and continued low mortgage rates are expected to support this robust market outlook for the foreseeable future. We expect the CoreLogic Home Price Index to rise 4.8 percent nationally over the next 12 months, buoyed by lack of supply and continued high demand."

## 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.

**Mike Baker**

