



Mike Baker

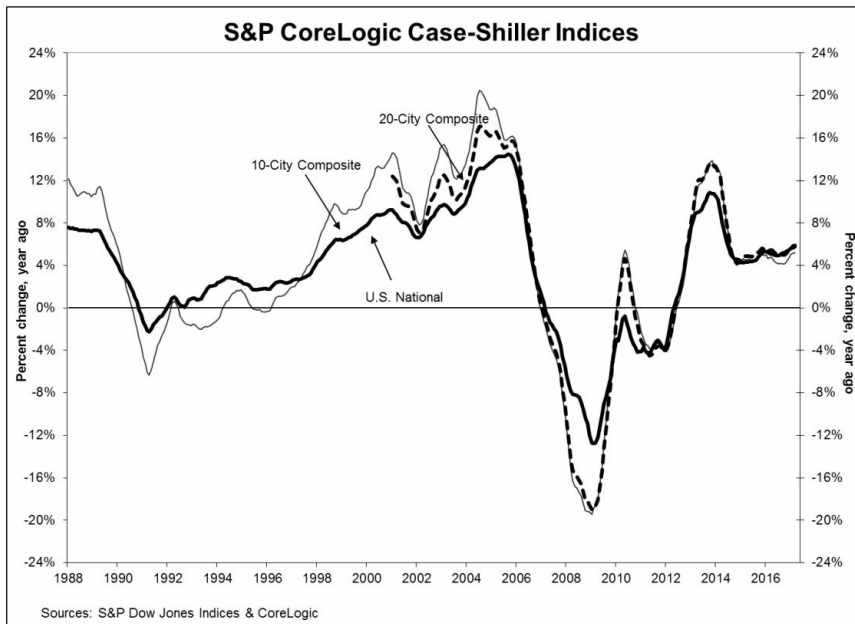
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Case-Shiller: No Telling When Prices, Rates Will Force Housing Slowdown

Home prices across the nine U.S. census divisions hit a **33-month high in March**. The S&P CoreLogic Case-Shiller U.S. National Home Price Index rose 5.8 percent from its level in March 2016, a 0.1 percentage point more than the annual increase it posted in February. On a month-over-month basis the Index gained 0.8 percent on a non-seasonally adjusted basis, and was up 0.3 percent after adjustment. The revised estimate for the monthly gains from January to February are 0.2 percent on a non-adjusted basis and 0.4 percent after adjustment.

The 10-City Composite index gained 5.2 percent from the previous March and posted an 0.9 percent increase from February both with and without adjustment. The 20-City Composite was up 5.9 percent on an annual basis but only rose 0.1 percent from February on a non-adjusted basis. Seasonally adjusted the 20-City Composite also was up 0.9 percent.



The annual results had been at the **high end of the range** of analysts' estimates for the 20-City Composite posted by Econoday, 0.4 to 0.9 percent with a consensus of 5.8 percent. The projections had been less on target with estimates of 0.4 percent and 0.8 percent for the respective non-adjusted and adjusted monthly changes.

National Average Mortgage Rates



	Rate	Change	Points
Mortgage News Daily			
30 Yr. Fixed	7.07%	+0.02	0.00
15 Yr. Fixed	6.45%	0.00	0.00
30 Yr. FHA	6.51%	+0.02	0.00
30 Yr. Jumbo	7.26%	0.00	0.00
5/1 ARM	7.02%	-0.01	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: 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%

Housing News Update

		Value	Change
Seattle, Portland, and Dallas reported the highest year-over-year gains among the 20 cities. In March, Builder Confidence,	Mar	51	+6.25%

Seattle led the way with a 12.3% year-over-year price increase, followed by Portland with 9.2%, and Dallas with an 8.6% increase. Ten cities reported higher price increases in the year ending March 2017 than in the year ending February 2017.

"Home prices continue rising with the S&P CoreLogic Case-Shiller National Index up 5.8 percent in the year ended March, the fastest pace in almost three years," David M. Blitzer, Managing Director and Chairman of the Index Committee at S&P Dow Jones Indices said. "While there is some regional variation, prices are rising across the U.S. Half of the 20 cities tracked by the S&P CoreLogic Case-Shiller indices rose more than 6 percent from March 2016 to March 2017. The smallest gain of 4.1 percent, in New York, was roughly double the rate of inflation.

"Sales of both new and existing homes, housing starts and the National Association of Home Builders' sentiment index are all trending higher. Over the last year, analysts suggested that one factor pushing prices higher was the unusually low inventory of homes for sale. People are staying in their homes longer rather than selling and trading up. If mortgage rates, currently near 4 percent, rise further, this could deter more people from selling and keep pressure on inventories and prices. While prices cannot rise indefinitely, there is no way to tell when rising prices and mortgage rates will force a slowdown in housing."

As of March, the National Index is **1.3 percent higher than the pre-crash peak** it reached in July 2006, having bounced back by 39.5 percent from its low point in February 2012. The two composites have returned to their winter 2007 levels, but the 10-City is still down 7.6 percent from its July 2006 peak and the 20-City remains 5.4 percent lower.

The S&P CoreLogic Case-Shiller Home Price Indices are constructed to accurately track the price path of typical single-family home pairs for thousands of individual houses from the available universe of arms-length sales data. The National U.S. Home Price Index tracks the value of single-family housing within the United States. The indices have a base value of 100 in January 2000; thus, for example, a current index value of 150 translates to a 50 percent appreciation rate since January 2000 for a typical home located within the subject market.

The National Index in March was at 186.95 and the 10- and 20-City Composites had readings of 209.11 and 195.39 respectively. Los Angeles has the highest index reading at 257.44 and Detroit the lowest at 111.01.

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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