



Mike Baker

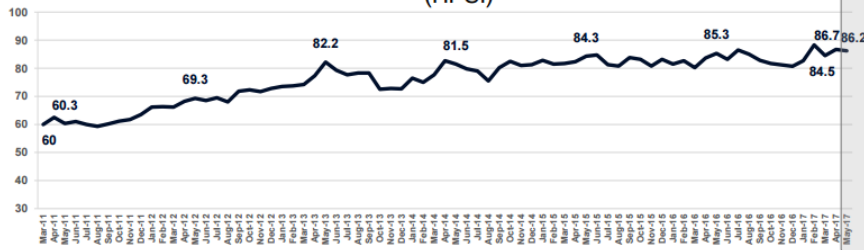
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Fannie Mae Declares it a Sellers' Market

The Fannie Mae Home Purchase Sentiment Index® (HPSI) **decreased fractionally** in May, however the change in each of its internal components was decidedly more pronounced. The HPSI, based on six of the questions from Fannie Mae's monthly National Housing Survey (NHS), was 86.2, down 0.5 percent compared to April. Three of its components moved higher and three lost ground. The index is 0.9 percent higher than its May 2016 version.

Home Purchase Sentiment Index (HPSI)



The **most striking changes** come from answers to the questions regarding whether respondents thought it was a good time to buy and/or a good time to sell. The net share of Americans who said that now is a good time to buy a home reached a record low (27 percent) after falling 8 percentage points, while the net share who stated that it is a good time to sell a home reached a record high of 32 percent, a gain of 6 percentage points. Fannie Mae said it was only the second time in the survey's history that the net share of those saying it's a good time to sell surpassed the net share of those saying it's a good time to buy. The "sell" component is 19 points higher than at the same time in 2016.

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

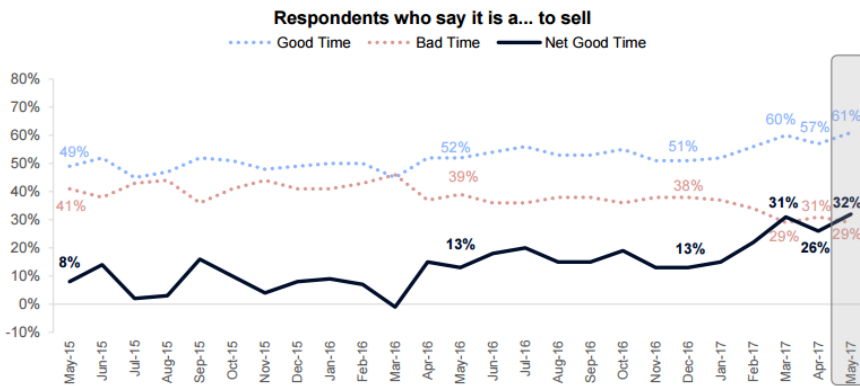
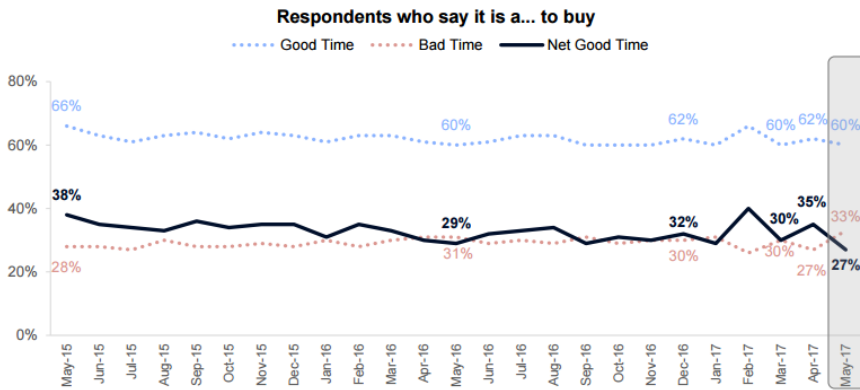
Rates as of: 6/28

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%

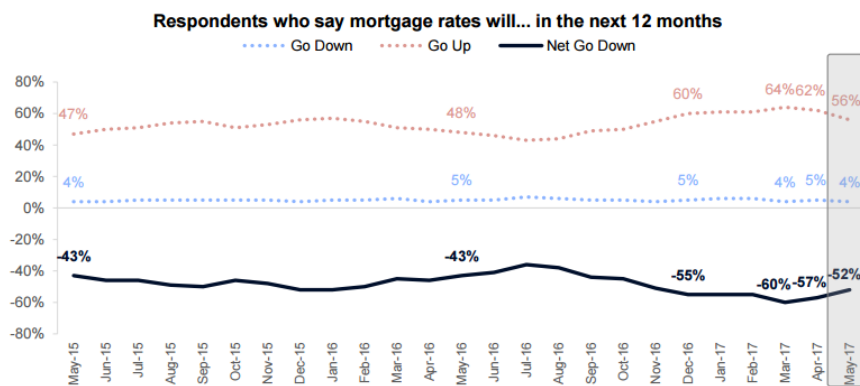
Housing News Update

		Value	Change
Builder Confidence	Mar	51	+6.25%



"High home prices have led many consumers to give us the **first clear indication we've seen in the National Housing Survey's seven-year history** that they think it's now a seller's market," said Doug Duncan, senior vice president and chief economist at Fannie Mae. "However, we continue to see a lack of housing supply as many potential sellers are unwilling or unable to put their homes on the market, perhaps due in part to concerns over finding an affordable replacement home. Prospective homebuyers are likely to face continued home price increases as long as housing supply remains tight."

There was **also a turn-around** in opinions about the direction of mortgage rates, with respondents expressing greater belief that mortgage rates will go down over the next 12 months. That component increased 5 percentage points on net, but still remains deep in negative territory, -52 percent.



Results among the other survey components were **mixed**. The net percentage of consumers who expect home prices to continue to rise was down 5 points to 40 percent. Fewer said they were not concerned about losing their jobs, down 6 points to 71%, reversing last month's gain. The net of those saying their household income had increased over the previous year was up 5 points to 18 percent.

The HPSI distills information about consumers' home purchase sentiment from the NHS into a single number that reflects current views and forward-looking expectations of housing market conditions. The NHS is conducted monthly by telephone among 1,000 consumers, both homeowners and renters. Respondents are asked more than 100 questions used to track attitudinal shifts, six of which are used to construct the HPSI. The April survey was conducted between May 1 and May 23, 2017 with most respondents contacted during the first two weeks of that period.

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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