

**Rich E. Blanchard**
Managing Director, RICH Home Loans LLC
NMLS: 492461
1550 Wewatta St., 2nd Floor Denver, CO 80202

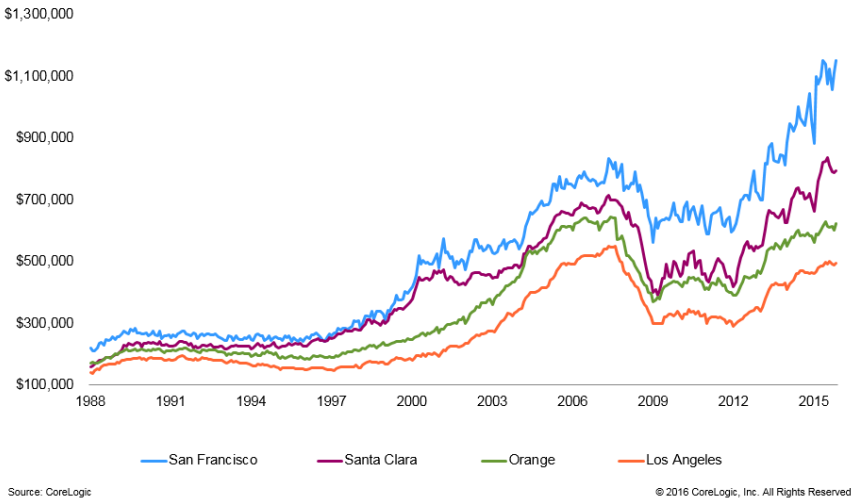
Office: 720.619.9900
Mobile: 303.328.7047
richblanchard@richhomeloans.com
View My Website

# Despite Price Gains Affordability Depends on Geography

Rising prices, especially in major cities like San Francisco, Seattle, and Boston which hit new price highs in 2015 have created **renewed concerns about affordability.** However CoreLogic research analyst Andrew LePage, writing for the company's *Insights* blog says that looking at housing from the prospective of mortgage payments over the last quarter century one sees that affordability doesn't look so bad, especially at more local levels.

LePage says the monthly mortgage payment is a **key measure** of affordability since that is the number used to qualify a borrower. He looked at the ups and downs of payments calculated from a local area's median sale price and adjusted for inflation to derive what he calls a typical mortgage payment over time. The calculation assumes a 20 percent downpayment and a 30-year fixed rate mortgage at the prevailing Freddie Mac interest rate.

**Figure 1: Median Price Paid for All Homes Combined In Selected California Counties**




He calculated payments in four California counties, San Francisco, Orange, Santa Clara, and Los Angeles. Median home prices in San Francisco topped previous records, hitting $1.15 million in both May and November, but because of low mortgage rates the typical mortgage payment there in November was $4,360, 13 percent below the inflation adjusted peak of $4,997 in June 2007 when the median price was $825,000 but mortgage rates

## National Average Mortgage Rates




| Mortgage News Daily | Rate | Change | Points |
|---|---|---|---|
| 30YR Fixed | 7.30% | +0.12 | 0.00 |
| 15YR Fixed | 6.92% | +0.09 | 0.00 |
| 30YR FHA | 6.89% | +0.07 | 0.00 |
| 30YR Jumbo | 7.40% | +0.03 | 0.00 |
| 7/6 SOFR | 6.80% | +0.31 | 0.00 |
| 30YR VA | 6.90% | +0.07 | 0.00 |

Rates as of: 11/10

## MBS and Treasury

| | Price / Yield | Change |
|---|---|---|
| MBS UMBS 6.0 | 99.43 | -0.62 |
| 10 YR Treasury | 4.9860 | +0.0952 |
| 30 YR Treasury | 5.3557 | +0.0737 |

Pricing as of: 11/10 5:59PM EST

## Recent Housing Data

| | | Value | Change |
|---|---|---|---|
| Mortgage Apps | Oct 28 | 192.6 | -1.23% |
| Building Permits | Sep | 1.4M | +0.43% |
| Housing Starts | Sep | 1.22M | -4.24% |
| New Home Sales | Sep | 676K | -1.17% |
| Pending Home Sales | Aug | 71.2 | 0% |
| Existing Home Sales | Oct | 3.99M | +0.25% |
| Builder Confidence | Oct | 29 | -9.38% |

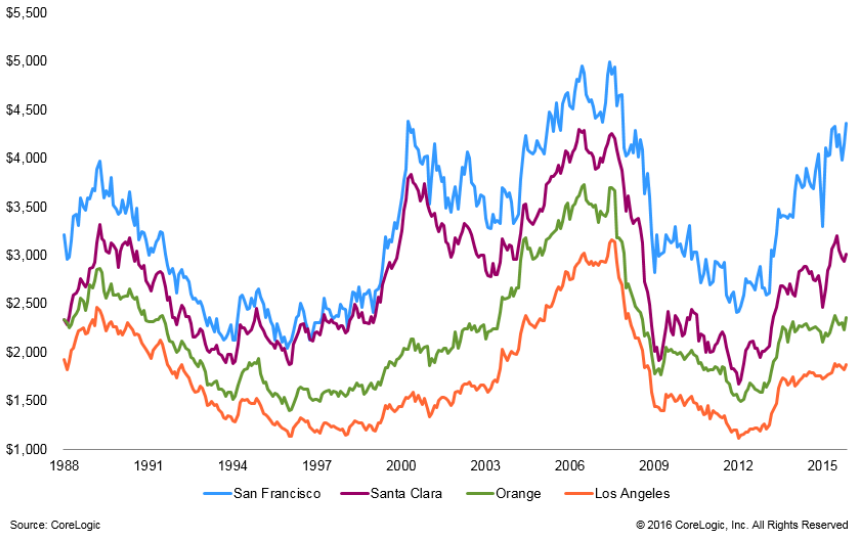
© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

**Read or subscribe** to my newsletter online at: http://housingnewsletters.com/richhomeloans

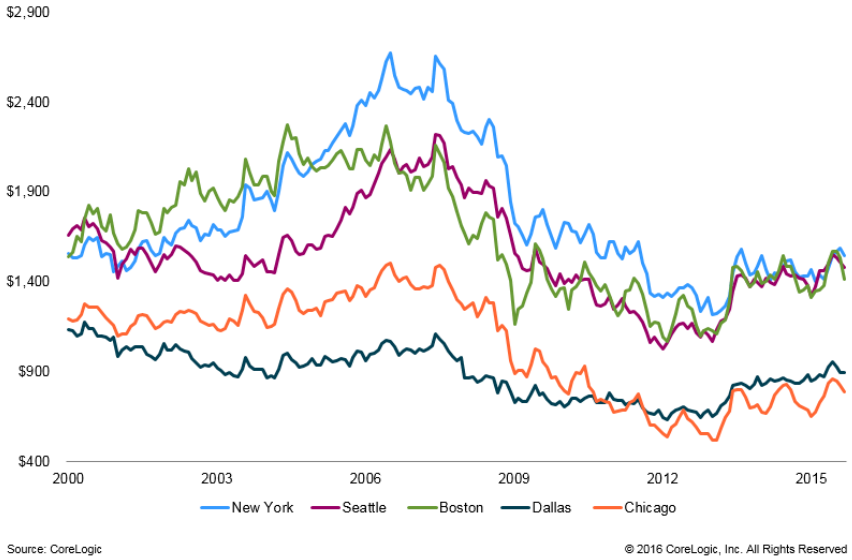
were around 6.7 percent.

**Figure 3: Inflation-Adjusted "Typical" Mortgage Payment for Selected California Counties**




LePage also looked at **11 metro areas** and found typical mortgage payments to be 20 to 50 percent below peak levels in prior cycles. In metro Dallas the median sales price hit a new peak of $252,000 but the mortgage payment in September was 24 percent below the peak reached in the spring of 2015. In New York the median home price was still 11 percent off of the area's peak but the typical mortgage payment was 42 percent lower.

**Figure 4: Inflation-Adjusted "Typical" Mortgage Payment for Selected U.S. Metro Areas**




© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

**Read or subscribe** to my newsletter online at: http://housingnewsletters.com/richhomeloans

LePage says mortgage payments are more likely to be near or at a peak today in **smaller** housing markets where economic and income growth are strong and the housing supply is constrained. He points to Palo Alto where the typical monthly payment peaked at (gulp) $10,751 last fall as the median home price also peaked at nearly $2.9 million.

He concludes that the typical mortgage payment **doesn't tell the whole affordability story** either. One needs to take into account other factors such as monthly rent levels and local income growth or lack of the same.


## Expert Advice | Exceptional Service | Flawless Execution

With 27+ years of expertise in mortgage banking you can be confident in my knowledge and abilities to deliver a seamless loan transaction while providing personalized service.

**Rich E. Blanchard** 


© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

**Read or subscribe** to my newsletter online at: http://housingnewsletters.com/richhomeloans