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New Home Sales Remain Near Post Crash Highs

Sales of newly constructed home **jumped to a 13-year high of 764,000 annualized units in January**, a number that was revised even higher today to 800,000. Given that increase, it was **expected that there would be a bit of a pullback in February**.

Sales in February did decline by 4.4 percent according to Tuesday morning's report from the U.S. Census Bureau and the Department of Housing and Urban Development. **Even so, they came in higher than the most optimistic forecast.**

Homes sold at a seasonally adjusted annual rate of 765,000 units during the month, **an increase of 14.3 percent year-over-year**. The range of forecasts from analysts polled by Econoday was 690,000 to 764,000 units with a consensus of 743,000.

On a non-adjusted basis there were 68,000 new homes sold during the month compared to 61,000 in January and 57,000 in February 2019. For the year-to-date, sales total 128,000 units, a 21.1 percent increase over the 106,000 new homes sold during the first two months of last year.

The median price of a home sold during the month was \$345,900, up from \$320,800 a year earlier. The average prices were \$403,800 and \$383,600 respectively.

At the end of February were an estimated 319,000 new homes for sale. This is estimated at a 5.4-month supply at the current rate of sales. The inventory was equivalent to a 5.5-month supply in January and at 6.1 months a year earlier.

Sales were strongest in the **Northeast** with a monthly increase of 38.9 percent and a 47.1 percent gain on an annual basis. Sales in the **Midwest** fell 7.3 percent but were still 15.6 percent higher than in February 2019.

The **South** eked out a 1.0 percent increase in sales compare to January and were 6.3 percent higher year-over-year. Sales dropped 17.2 percent in the **West** while remaining 24.7 percent above sales the previous February.

Of the 68,000 homes sold during the month, nearly identical numbers were sold pre-construction and during construction (22,000 each). Only 23,000 were ready for occupancy.

National Average Mortgage Rates



	Rate	Change	Points
Mortgage News Daily			
30 Yr. Fixed	7.08%	-0.05	0.00
15 Yr. Fixed	6.45%	-0.02	0.00
30 Yr. FHA	6.55%	-0.05	0.00
30 Yr. Jumbo	7.25%	-0.04	0.00
5/1 ARM	7.07%	-0.03	0.00

Freddie Mac

30 Yr. Fixed	6.95%	+0.09	0.00
15 Yr. Fixed	6.25%	+0.09	0.00

Mortgage Bankers Assoc.

30 Yr. Fixed	7.03%	+0.09	0.62
15 Yr. Fixed	6.56%	+0.09	0.54
30 Yr. FHA	6.90%	+0.11	0.95
30 Yr. Jumbo	7.11%	-0.01	0.50
5/1 ARM	6.38%	+0.11	0.54

Rates as of: 7/3

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%

Expert Advice | Exceptional Service | Flawless Execution

	Value	Change
30 Year Fixed Rate	Mar 51	+6.25%

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.

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