



Tom Payne

Senior Loan Consultant, loanDepot
 NMLS# 1017004 #174457 Licensed in all 50 States
 2835 St. Rose Parkway, Suite 120 Henderson, NV 89052

Office: 702-303-0243
 Mobile: 702-303-0243
tompaynemortgage@gmail.com
[View My Website](#)

US housing starts, building permits fall in January

U.S. housing starts **unexpectedly fell** in January likely as bad weather disrupted building projects in some parts of the country, in what could be a temporary setback for the housing market.

Groundbreaking fell 3.8 percent to a seasonally adjusted annual pace of **1.099 million units**, the Commerce Department said on Wednesday. Part of the decline in starts could be attributed to the snowstorms, which blanketed the Northeast last month.

December's starts were **revised down** to a 1.143 million-unit rate from the previously reported 1.15 million-unit pace. Economists polled by Reuters had forecast housing starts rising to a 1.17 million-unit pace last month.

The report comes on the heels of a survey on Tuesday showing confidence among homebuilders fell in February amid concerns over "the high cost and lack of availability of lots and labor." Builders were less optimistic about current sales.

Still, the housing market **fundamentals remain strong**, with a tightening labor market starting to push up wage growth.

Though residential construction accounts for a small fraction of gross domestic product, the decline in starts at the beginning of the year suggests that an anticipated rebound in economic growth will be modest.

The economy grew at a 0.7 percent annual pace in the fourth quarter after consumer spending moderated and a strong dollar hurt exports. Gross domestic product growth was also restrained by efforts by businesses to sell inventory and cuts in capital goods spending by energy firms.

GDP growth estimates for the first quarter are currently around a 2 percent rate.

In January, single-family housing starts, the **largest segment** of the market, fell 3.9 percent to a 731,000-unit pace. Single-family starts tumbled 14.1 percent in Northeast and fell 3.8 percent in Midwest. Groundbreaking on single-family projects was unchanged in the South, where most home building takes place. Single-family starts in the West slipped 0.4 percent.

Housing starts for the volatile **multi-family** segment dropped 3.7 percent to a 368,000-unit pace.

National Average Mortgage Rates



	Rate	Change	Points
Mortgage News Daily			
30 Yr. Fixed	6.89%	0.00	0.00
15 Yr. Fixed	6.33%	+0.01	0.00
30 Yr. FHA	6.33%	+0.01	0.00
30 Yr. Jumbo	7.05%	0.00	0.00
5/1 ARM	6.58%	0.00	0.00
Freddie Mac			
30 Yr. Fixed	6.77%	-0.09	0.00
15 Yr. Fixed	6.05%	-0.11	0.00
Mortgage Bankers Assoc.			
30 Yr. Fixed	7.00%	-0.03	0.60
15 Yr. Fixed	6.63%	+0.07	0.61
30 Yr. FHA	6.87%	-0.03	0.92
30 Yr. Jumbo	7.13%	+0.02	0.38
5/1 ARM	6.22%	-0.16	0.60

Rates as of: 7/22

Recent Housing Data

		Value	Change
Mortgage Apps	Jul 10	206.1	-0.19%
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%

	Value	Change
Building permits dipped 0.2 percent to a 1.202 million-unit rate last month. Permits for the construction of single-family homes fell 1.6 percent last month. Multi-family building permits increased 2.1 percent.	51	+6.25%

Update: Buyer Broker Agreement

After requests from real estate companies, a nonprofit consumer watchdog group the Consumer Federation of America has developed a list of factors to consider when creating a buyer contract in preparation for upcoming practice changes in the industry.

CFA released its "Proposed Criteria for Evaluating Home Buyer Contract Forms" on Tuesday. The 15 criteria focus on the contracts' form – whether the documents are readable and understandable – and content – whether they are fair to homebuyers.

- the document's expiration date (CFA recommends buyers asks for a three-month contract and never sign one longer than six months)
- the right to terminate the contract
- the disclosure that compensation is negotiable
- the broker's compensation clearly stated and that the buyer broker can't receive additional compensation for facilitating a sale
- that any additional fees, such as for showing a home, will be deducted from the broker's commission if there is a successful sale
- that the commission is due only if there is a successful closing
- that buyers have an obligation – for no longer than 60 days, CFA recommends – to pay a broker who earlier showed them a home they purchased after the contract ended
- seller concessions paid directly to buyers
- dual agency not pre-approved by the contract
- an explanation of how a broker treats different buyer clients interested in the same property
- that buyers should not be required to first go through mediation or arbitration if they have a complaint

Contact me for more information. 702-303-0243 or TPayne@loandepot.com

We are a direct nationwide lender.
EQUAL HOUSING LENDER

Tom Payne

