Real estate daily market update: February 1, 2018

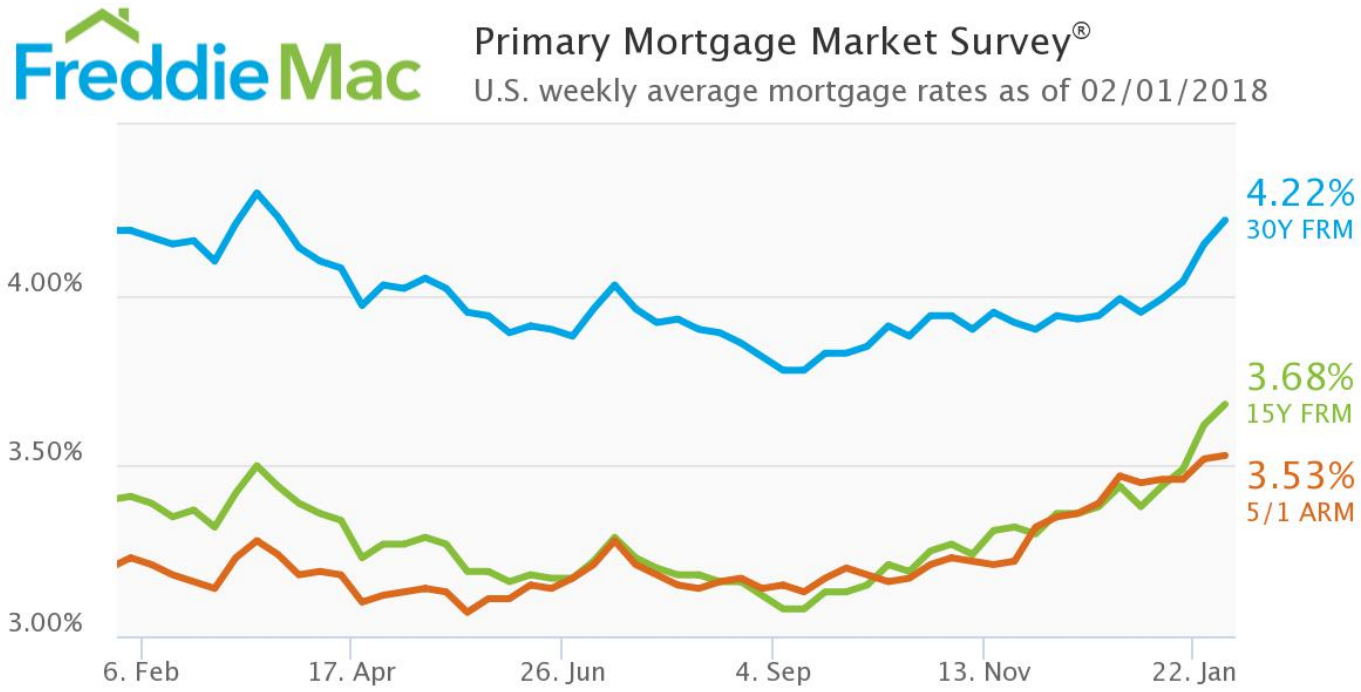
We'll add more market news briefs throughout the day. Check back to read the latest.

Most recent market news

Thursday, February 1

Freddie Mac Primary Mortgage Market Survey

- 30-year fixed-rate mortgage (FRM) averaged 4.22 percent with an average 0.5 point for the week ending February 1, 2018, up from last week when it averaged 4.15 percent. A year ago at this time, the 30-year FRM averaged 4.19 percent.
- 15-year FRM this week averaged 3.68 percent with an average 0.5 point, up from last week when it averaged 3.62 percent. A year ago at this time, the 15-year FRM averaged 3.41 percent.
- 5-year Treasury-indexed hybrid adjustable-rate mortgage (ARM) averaged 3.53 percent this week with an average 0.4 point, up from last week when it averaged 3.52. A year ago at this time, the 5-year ARM averaged 3.23 percent.



Said Len Kiefer, deputy chief economist at Freddie Mac:

“The Federal Reserve did not hike rates this week, but the market views future hikes as a near certainty. The expectation of future Fed rate hikes and increased borrowing by the U.S. Treasury is putting upward pressure on interest rates.

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“The 30-year fixed rate mortgage is up over a quarter of a percentage point (27 basis points) from the first week of the year. 30-year fixed mortgage rates have increased for four consecutive weeks and are now slightly above where they were last year at this time.”

Zillow Mortgage Rate Ticker

- The 30-year fixed mortgage rate on Zillow Mortgages is currently 4.05 percent, up seven

basis points from this time last week.
- The 30-year fixed mortgage rate rose steadily throughout the week before dipping to the current rate today.
- The rate for a 15-year fixed home loan is currently 3.47 percent, and the rate for a 5-1 adjustable-rate mortgage (ARM) is 3.52 percent.
- The rate for a jumbo 30-year fixed loan is 4.21 percent.

State	Current 30-Year Fixed Rate (1/31/18)	Last Week's 30-Year Fixed Rate (1/24/18)	Change in Basis Points
California Mortgage Rates	4.03%	3.98%	+5
Colorado Mortgage Rates	4.05%	3.98%	+7
Florida Mortgage Rates	4.05%	3.95%	+10
Illinois Mortgage Rates	4.07%	4.02%	+5
Massachusetts Mortgage Rates	4.04%	3.99%	+5
New Jersey Mortgage Rates	4.03%	3.98%	+5
New York Mortgage Rates	4.14%	4.06%	+8
Pennsylvania Mortgage Rates	4.04%	3.99%	+5
Texas Mortgage Rates	4.03%	3.97%	+6
Washington Mortgage Rates	4.08%	4.00%	+8

Source: Zillow

"Mortgage rates continued their upward momentum of the past three weeks, touching their highest

levels since March," said Aaron Terrazas, senior economist at Zillow. "Each new wave of economic data points to a tight labor market and steady GDP growth. These rosy fundamentals, combined with the larger federal borrowing as a result of tax reform, are putting upward pressure on mortgage rates.

"This week markets will watch Friday's January Jobs Report for continued employment gains and signs of wage growth. San Francisco Fed President John William, a voting member on the FOMC this year, is expected to speak on Friday and his comments will be closely parsed for implications for the path of interest rates ahead."

Wednesday, January 31

Mortgage Bankers Association's (MBA) Weekly Mortgage Applications Survey

Mortgage applications decreased 2.6 percent from one week earlier, according to data from the Mortgage Bankers Association's (MBA) Weekly Mortgage Applications Survey for the week ending January 26, 2018.

- The Market Composite Index, a measure of mortgage loan application volume, decreased 2.6 percent on a seasonally adjusted basis from one week earlier. On an unadjusted basis, the Index increased 12 percent compared with the previous week.
- The Refinance Index decreased 3 percent from the previous week.
- The seasonally adjusted Purchase Index decreased 3 percent from one week earlier.
- The unadjusted Purchase Index increased 15 percent compared with the previous week and was 10 percent higher than the same week one year ago.
- The refinance share of mortgage activity decreased to 47.8 percent of total applications, its lowest level since August 2017, from 49.4 percent the previous week. The adjustable-rate mortgage (ARM) share of activity increased to 5.7 percent of total applications.
- The FHA share of total applications decreased to 10.7 percent from 11.4 percent the week prior. The VA share of total applications decreased to 10.1 percent from 10.9 percent the week prior. The USDA share of total applications remained unchanged at 0.8 percent.
- The average contract interest rate for 30-year fixed-rate mortgages with conforming loan balances ($453,100 or less) increased to its highest level since March 2017, 4.41 percent, from 4.36 percent, with points increasing to 0.56 from 0.54 (including the origination fee) for 80 percent loan-to-value ratio (LTV) loans. The effective rate increased from last week.
- The average contract interest rate for 30-year fixed-rate mortgages with jumbo loan balances (greater than $453,100) increased to its highest level since March 2017, 4.34 percent, from 4.31 percent, with points increasing to 0.40 from 0.38 (including the origination fee) for 80 percent LTV loans. The effective rate increased from last week.
- The average contract interest rate for 30-year fixed-rate mortgages backed by the FHA increased to its highest level since September 2013, 4.40 percent, from 4.37 percent, with points increasing to 0.68 from 0.65 (including the origination fee) for 80 percent LTV loans.

The effective rate increased from last week.
- The average contract interest rate for 15-year fixed-rate mortgages increased to its highest level since April 2011, 3.85 percent, from 3.81 percent, with points increasing to 0.60 from 0.52 (including the origination fee) for 80 percent LTV loans. The effective rate increased from last week.
- The average contract interest rate for 5/1 ARMs increased to its highest level since March 2011, 3.79 percent, from 3.70 percent, with points increasing to 0.41 from 0.39 (including the origination fee) for 80 percent LTV loans. The effective rate increased from last week.

Tuesday, January 30

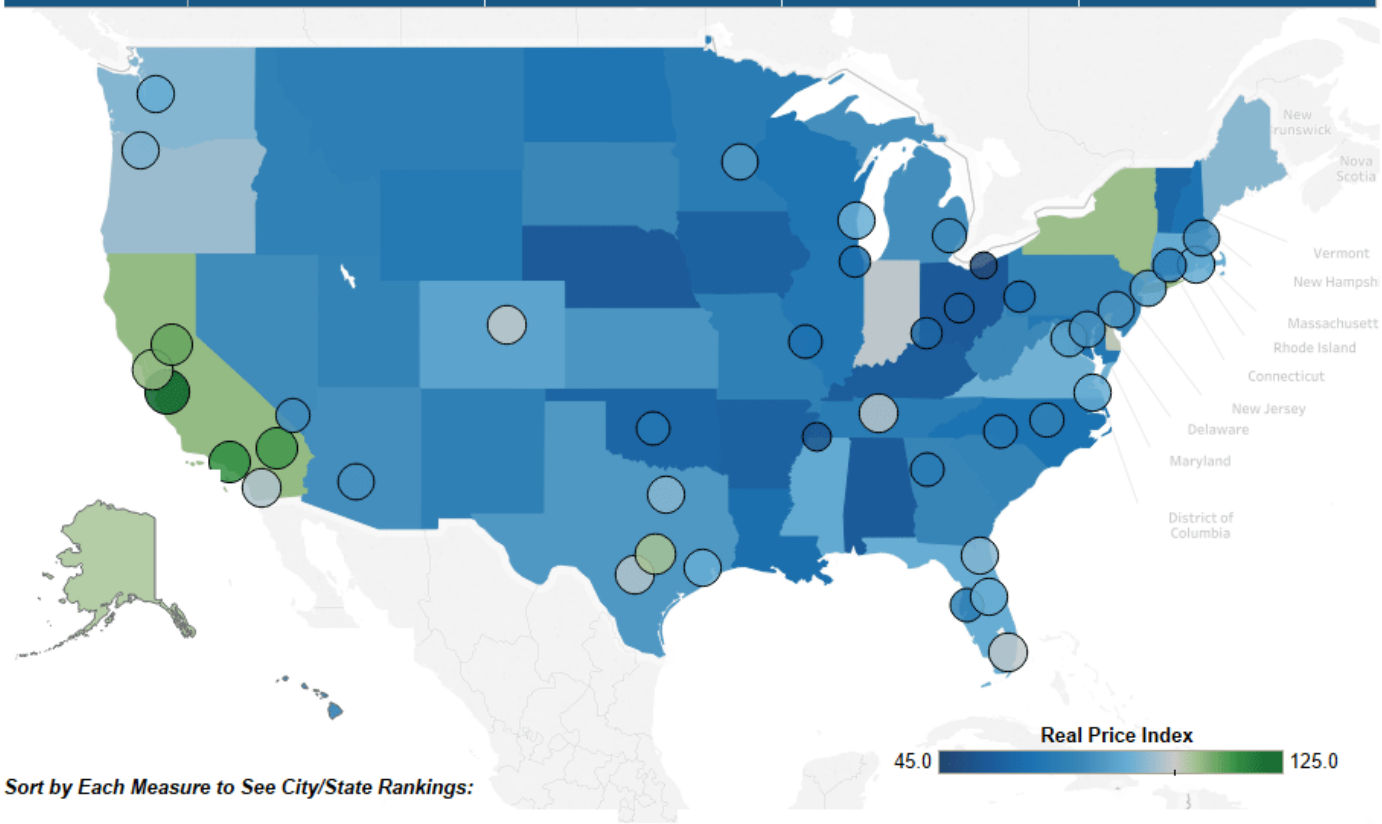
First American Real House Price Index

- Real house prices increased 0.5 percent between October and November 2017.
- Real house prices increased 5.0 percent year over year.
- Consumer house-buying power, how much one can buy based on changes in income and interest rates, was unchanged between October and November 2017, and grew 0.9 percent year over year.
- Real house prices are 37.7 percent below their housing boom peak in July 2006 and 16.2 percent below the level of prices in January 2000.
- Unadjusted house prices increased by 6.0 percent in November on a year-over-year basis and are 6.3 percent above the housing boom peak in 2007.

Real House Price Index

National Perspective | National Timeseries | CBSA Real Price Index - Growth Rates | State Real Price Index - Growth Rates | Income Distribution Across CBSAs | Movie - The Changing Dynamics of Unadjusted & Re..

	Real Price Index	Monthly Change	Quarterly Change	Yearly Change
November 2017	84	0.5%	1.3%	5.0%



Sort by Each Measure to See City/State Rankings:

State	State Index	Monthly Change	Quarterly Change	Yearly Change
DE	101.6	0.6%	1.4%	12.4%
NV	79.1	0.5%	1.8%	10.7%
MO	74.1	0.9%	3.2%	10.6%
NY	105.5	2.1%	4.9%	8.6%
WA	92.3	0.6%	1.3%	8.3%

City Name	City Index	Monthly Change	Quarterly Change	Yearly Change
Pittsburgh, PA	63.7	-0.7%	-2.3%	-2.5%
Austin, TX	104.4	-0.9%	-1.5%	1.3%
Riverside, CA	113.4	-0.5%	-0.3%	1.5%
Memphis, TN	53.8	0.0%	1.2%	2.6%
Cincinnati, OH	61.1	0.5%	1.5%	2.8%

States with the **greatest** year-over-year **increase** in RHPI

1. **Delaware** (+12.4%)
2. **Nevada** (+10.7%)
3. **Missouri** (+10.6%)
4. **New York** (+8.6%)
5. **Washington** (+8.3%)

November 2017
Real House Price

State Highlights

States with the **smallest** year-over-year **increase** in RHPI

1. **Arkansas** (-2.9%)
2. **Maryland** (-1.5%)
3. **Washington, DC** (-0.5%)
4. **Alabama** (+0.5%)
5. **Oklahoma** (+1.3%)

Markets among the largest 50 Core Based Statistical Areas (CBSAs) with the **greatest** year-over-year **increase** in RHPI

1. **San Jose, CA** (+14.0%)
2. **Las Vegas** (+13.6%)
3. **Seattle** (+10.7%)
4. **Columbus, OH** (+10.2%)
5. **Jacksonville, FL** (+10.1%)

November 2017
Real House Price

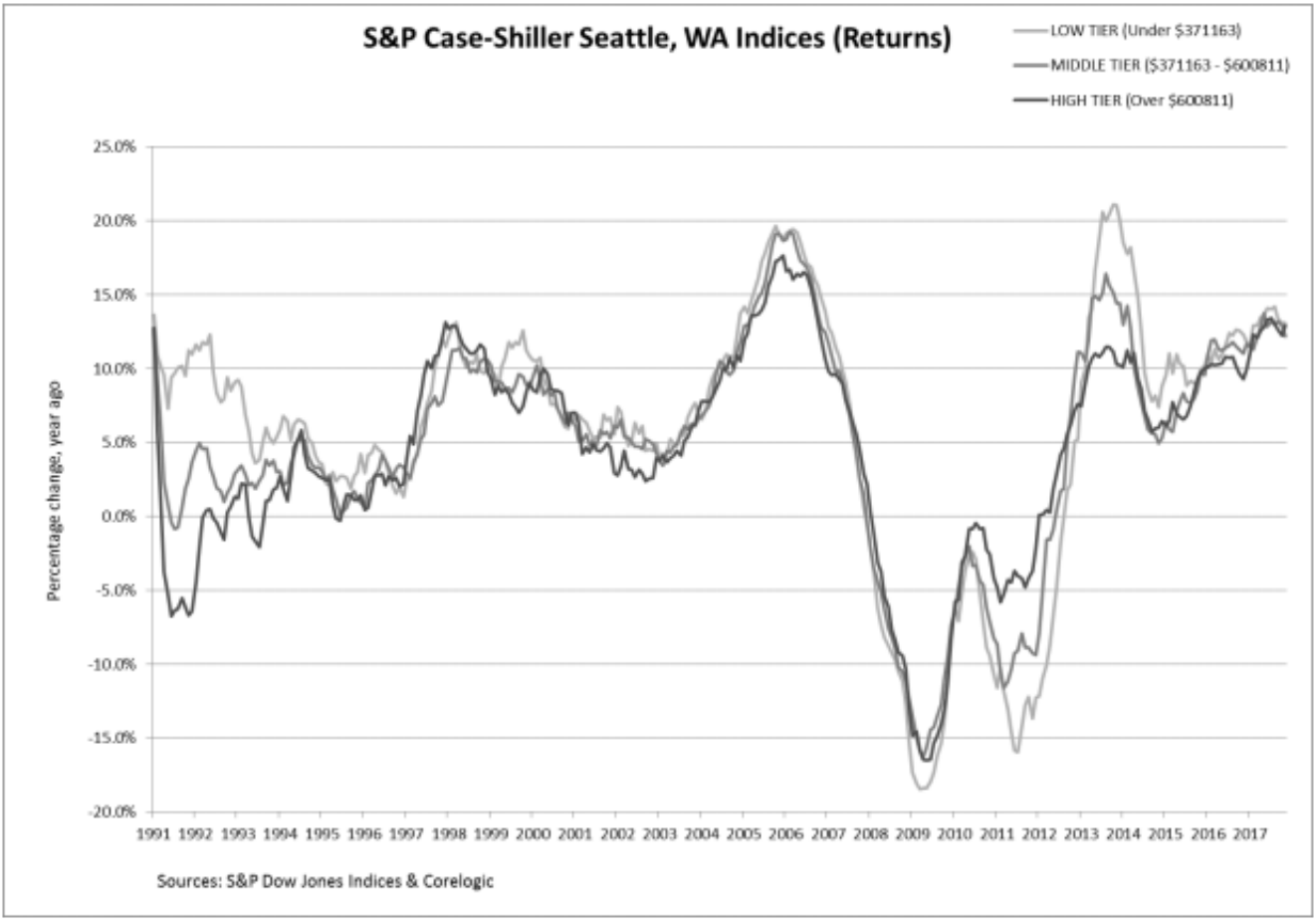
Local Market Highlights

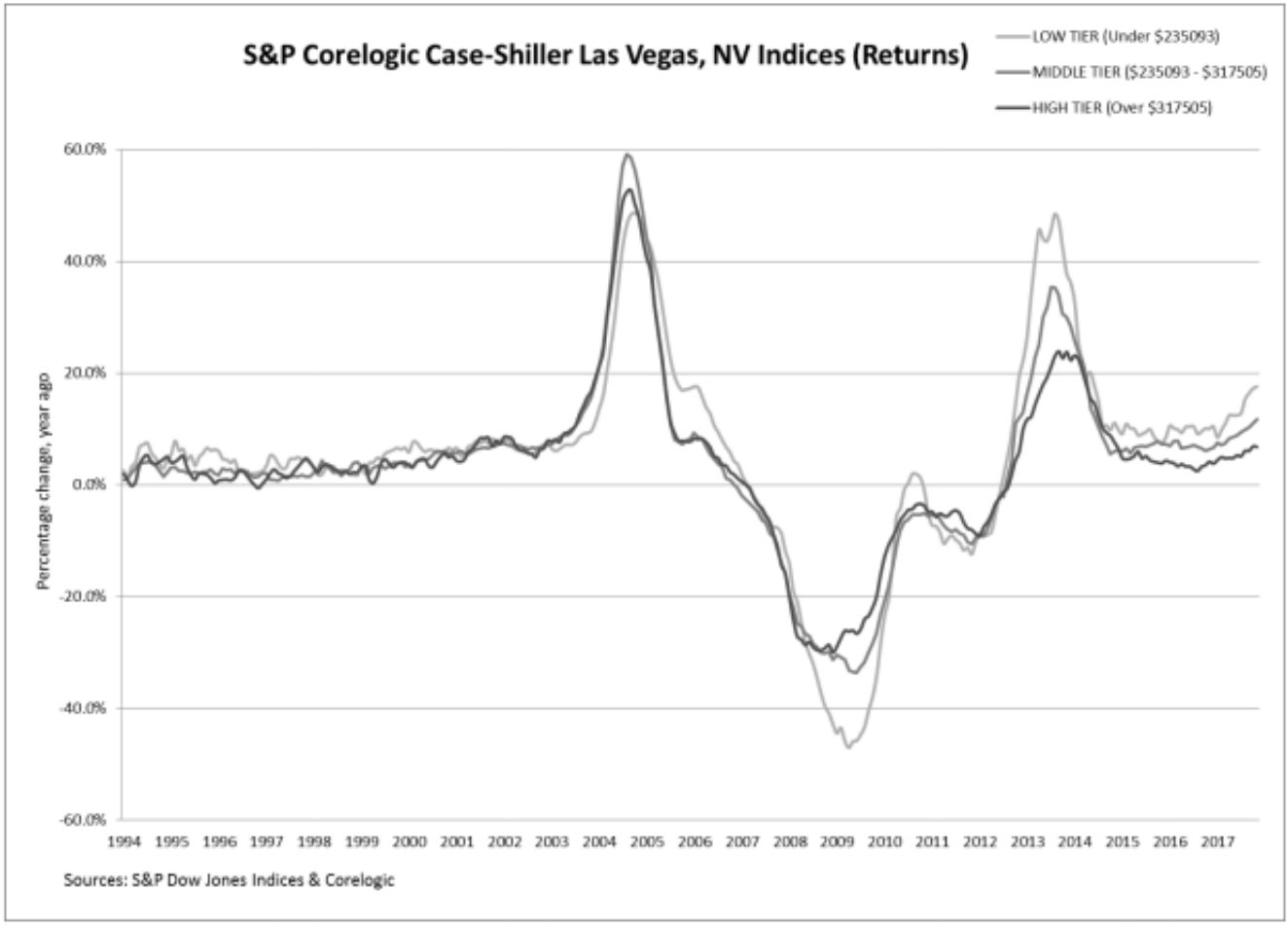
Markets among the largest 50 Core Based Statistical Areas (CBSAs) with the **smallest** year-over-year **increase** in RHPI

1. **Pittsburgh** (-2.5%)
2. **Austin, TX** (+1.3%)
3. **Riverside, CA** (+1.5%)
4. **Memphis, TN** (+2.6%)
5. **Cincinatti** (+2.8%)

S&P CoreLogic Case-Shiller Indices

- The S&P CoreLogic Case-Shiller U.S. National Home Price NSA Index, covering all nine U.S. census divisions, reported a 6.2% annual gain in November, up from 6.1% in the previous month.
- The 10-City Composite annual increase came in at 6.1%, up from 5.9% the previous month.
- The 20-City Composite posted a 6.4% year-over-year gain, up from 6.3% the previous month.
  Seattle, Las Vegas, and San Francisco reported the highest year-over-year gains among the 20 cities.
- In November, Seattle led the way with a 12.7% year-over-year price increase, followed by Las Vegas with a 10.6% increase, and San Francisco with a 9.1% increase. Six cities reported greater price increases in the year ending November 2017 versus the year ending October 2017.


S&P Case-Shiller Seattle, WA Indices (Returns)
LOW TIER (Under $371163)
MIDDLE TIER ($371163 - $600811)
HIGH TIER (Over $600811)
Percentage change, year ago
25.0%
20.0%
15.0%
10.0%
5.0%
0.0%
-5.0%
-10.0%
-15.0%
-20.0%
1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017
Sources: S&P Dow Jones Indices & Corelogic



Read the full report here*.*

Monday, January 29

Bankrate Mortgage Rates

- The average 30-year fixed-rate mortgage increased 7 basis points to 4.27 percent.

Today's Current Mortgage Rates

Loan Term	Rate	Change	Last Week
30-year fixed mortgage rate	4.100	0.04	4.060
15-year fixed mortgage rate	3.460	0.03	3.430
5/1 ARM mortgage rate	3.920	-0.06	3.980
7/1 ARM mortgage rate	4.000	N/A	4.000
30-year fixed jumbo mortgage rate	4.290	N/A	4.290
30 Year FHA mortgage rate	3.780	0.02	3.760

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Source: click here