Real estate daily market update: February 23, 2018

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

Most recent market news

Friday, February 23

Black Knight's First Look at January 2018 Mortgage Data

- Calendar-driven effects and fewer hurricane-related delinquencies resulted in a 210,000-loan decline in the number of past-due mortgages.
- Despite an 8.6 percent monthly decline, delinquencies remain 1.3 percent above last year's levels 146,000 loans remain delinquent as a result of Hurricanes Harvey and Irma, 132,000 of which are seriously delinquent (90 or more days past due).
- An early look at January data on the mortgage market in Puerto Rico shows an additional 57,000 loans still delinquent as a result of Hurricane Maria, with 49,000 seriously delinquent.
- Active foreclosures predating the hurricanes, but put on hold after the storms, have begun to revert back to that status as post-hurricane foreclosure moratoria become set to expire.
- As a result, foreclosure starts rose sharply in January, hitting a 12-month high at 62,300 for the month.
- The population of loans in active foreclosure rose 6,000 month-over-month, marking only the second monthly rise in more than five years?.

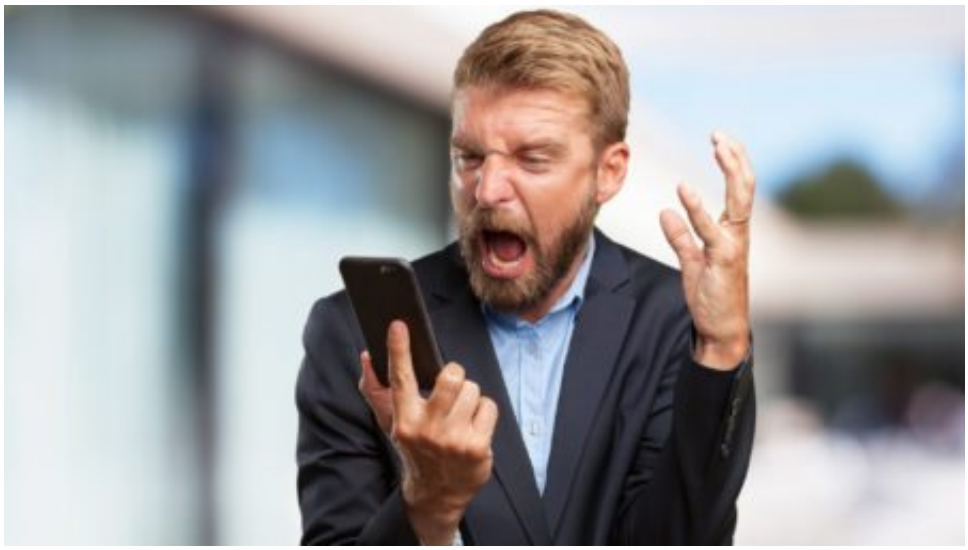
BLACK KNIGHT

	Jan-18	Month-over-month change	Year-over-year change	12 Month Trend
Total U.S. loan delinquency rate (loans 30 or more days past due, but not in foreclosure):	4.31%	-8.57%	1.31%	
Total U.S. foreclosure pre-sale inventory rate:	0.66%	1.84%	-30.35%	
Total U.S. foreclosure starts:	62,300	40.00%	-11.51%	
Monthly Prepayment Rate (SMM):	0.79%	-14.73%	-16.80%	
Foreclosure Sales as % of 90+:	1.74%	42.25%	-21.75%	
Number of properties that are 30 or more days past due, but not in foreclosure:	2,202,000	-210,000	40,000	
Number of properties that are 90 or more days past due, but not in foreclosure:	707,000	-19,000	43,000	
Number of properties in foreclosure pre-sale inventory:	337,000	6,000	-144,000	
Number of properties that are 30 or more days past due or in foreclosure:	2,539,000	-204,000	-104,000	

News from earlier this week

Thursday, February 22

Freddie Mac Primary Mortgage Market Survey



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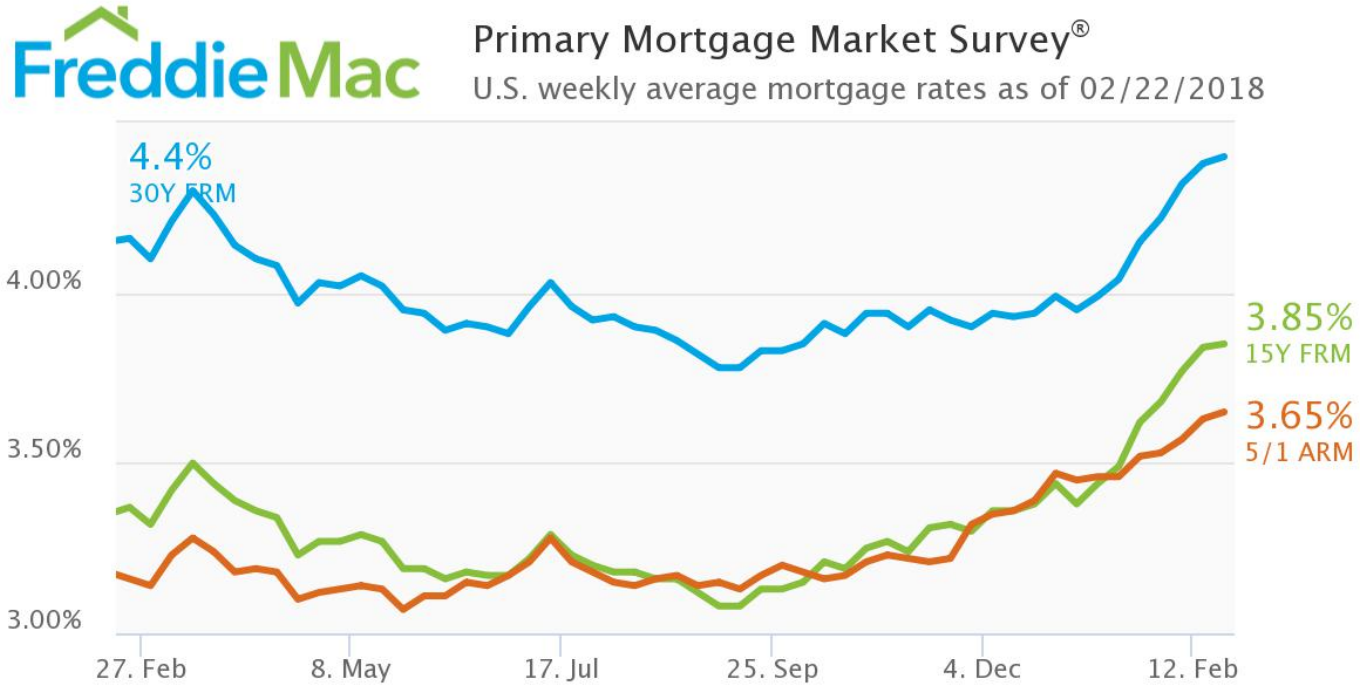
- 30-year fixed-rate mortgage (FRM) averaged 4.40 percent with an average 0.5 point for the week ending February 22, 2018, up from last week when it averaged 4.38 percent. A year ago at this time, the 30-year FRM averaged 4.16 percent.
- 15-year FRM this week averaged 3.85 percent with an average 0.5 point, up from last week

when it averaged 3.84 percent. A year ago at this time, the 15-year FRM averaged 3.37 percent.
- 5-year Treasury-indexed hybrid adjustable-rate mortgage (ARM) averaged 3.65 percent this week with an average 0.4 point, up from last week when it averaged 3.63. A year ago at this time, the 5-year ARM averaged 3.16 percent.



Quote attributed to Len Kiefer, deputy chief economist: “Fixed mortgage rates increased for the seventh consecutive week, with the 30-year fixed mortgage rate reaching 4.40 percent in this week’s survey; the highest since April of 2014.

“Mortgage rates have followed U.S. Treasurys higher in anticipation of higher rates of inflation and further monetary tightening by the Federal Reserve. Following the close of our survey, the release of the FOMC minutes for February 21, 2018 sent the 10-year Treasury above 2.9 percent. If those increases stick, we will likely see mortgage rates continue to trend higher.”

Zillow Mortgage Rate Ticker

- The 30-year fixed mortgage rate on Zillow Mortgages is currently 4.25 percent, unchanged from this time last week.
- The 30-year fixed mortgage rate briefly rose to 4.30 percent last week before returning to 4.25 percent, and hovered there for the remainder of the week.
- The rate for a 15-year fixed home loan is currently 3.66 percent, and the rate for a 5-1

adjustable-rate mortgage (ARM) is 3.62 percent. The rate for a jumbo 30-year fixed loan is 4.38 percent.

State	Current 30-Year Fixed Rate (2/21/18)	Last Week's 30-Year Fixed Rate (2/14/18)	Change in Basis Points
California Mortgage Rates	4.22%	4.22%	0
Colorado Mortgage Rates	4.25%	4.23%	+2
Florida Mortgage Rates	4.22%	4.22%	0
Illinois Mortgage Rates	4.28%	4.26%	+2
Massachusetts Mortgage Rates	4.21%	4.22%	-1
New Jersey Mortgage Rates	4.22%	4.23%	-1
New York Mortgage Rates	4.27%	4.29%	-2
Pennsylvania Mortgage Rates	4.25%	4.25%	0
Texas Mortgage Rates	4.24%	4.24%	0
Washington Mortgage Rates	4.25%	4.28%	-3

Source: Zillow

"After surging last Wednesday on the heels of strong inflation data, mortgage rates held steady near four-year highs last week," said Aaron Terrazas, senior economist at Zillow.

"The main event markets will be watching is the first speech from newly installed Fed Chair Jerome Powell. Additionally, markets are likely to keep an eye on several speeches by key FOMC

voters this week, and an important leadership change at the European Central Bank which could shift European monetary policy toward a more hawkish stance."

Wednesday, February 21

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

- The Market Composite Index, a measure of mortgage loan application volume, decreased 6.6 percent on a seasonally adjusted basis from one week earlier. On an unadjusted basis, the Index decreased 3 percent compared with the previous week.
- The Refinance Index decreased 7 percent from the previous week. The seasonally adjusted Purchase Index decreased 6 percent from one week earlier. The unadjusted Purchase Index increased 1 percent compared with the previous week and was 3 percent higher than the same week one year ago.
- The refinance share of mortgage activity decreased to its lowest level since July 2017, 44.4 percent of total applications, from 46.5 percent the previous week. The adjustable-rate mortgage (ARM) share of activity increased to 6.4 percent of total applications.
- The FHA share of total applications decreased to 9.9 percent from 10.1 percent the week prior. The VA share of total applications decreased to 10.0 percent from 10.1 percent the week prior. The USDA share of total applications remained unchanged at 0.8 percent from the week prior.
- 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 January 2014, 4.64 percent, from 4.57 percent, with points increasing to 0.61 from 0.59 (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 January 2014, 4.62 percent, from 4.55 percent, with points increasing to 0.50 from 0.47 (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 April 2011, 4.58 percent, from 4.54 percent, with points decreasing to 0.71 from 0.73 (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, 4.02 percent, from 4.00 percent, with points increasing to 0.66 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 5/1 ARMs decreased to 3.72 percent from 3.74 percent, with points increasing to 0.39 from 0.37 (including the origination fee) for 80 percent LTV loans. The effective rate decreased from last week.

Monday, February 19

Bankrate mortgage rates

- The 30-year fixed mortgage rate on Bankrate.com is currently 4.30 percent.
- The 15-year fixed mortgage rate is currently 3.69 percent.

Today's Current Mortgage Rates

Loan Term	Rate	Change	Last Week
30-year fixed mortgage rate	4.300	-0.01	4.310
15-year fixed mortgage rate	3.690	0.05	3.640
5/1 ARM mortgage rate	4.150	0.13	4.020
7/1 ARM mortgage rate	4.180	0.01	4.170
30-year fixed jumbo mortgage rate	4.550	0.08	4.470
30 Year FHA mortgage rate	4.080	0.03	4.050

Source: Bankrate

Source: click here