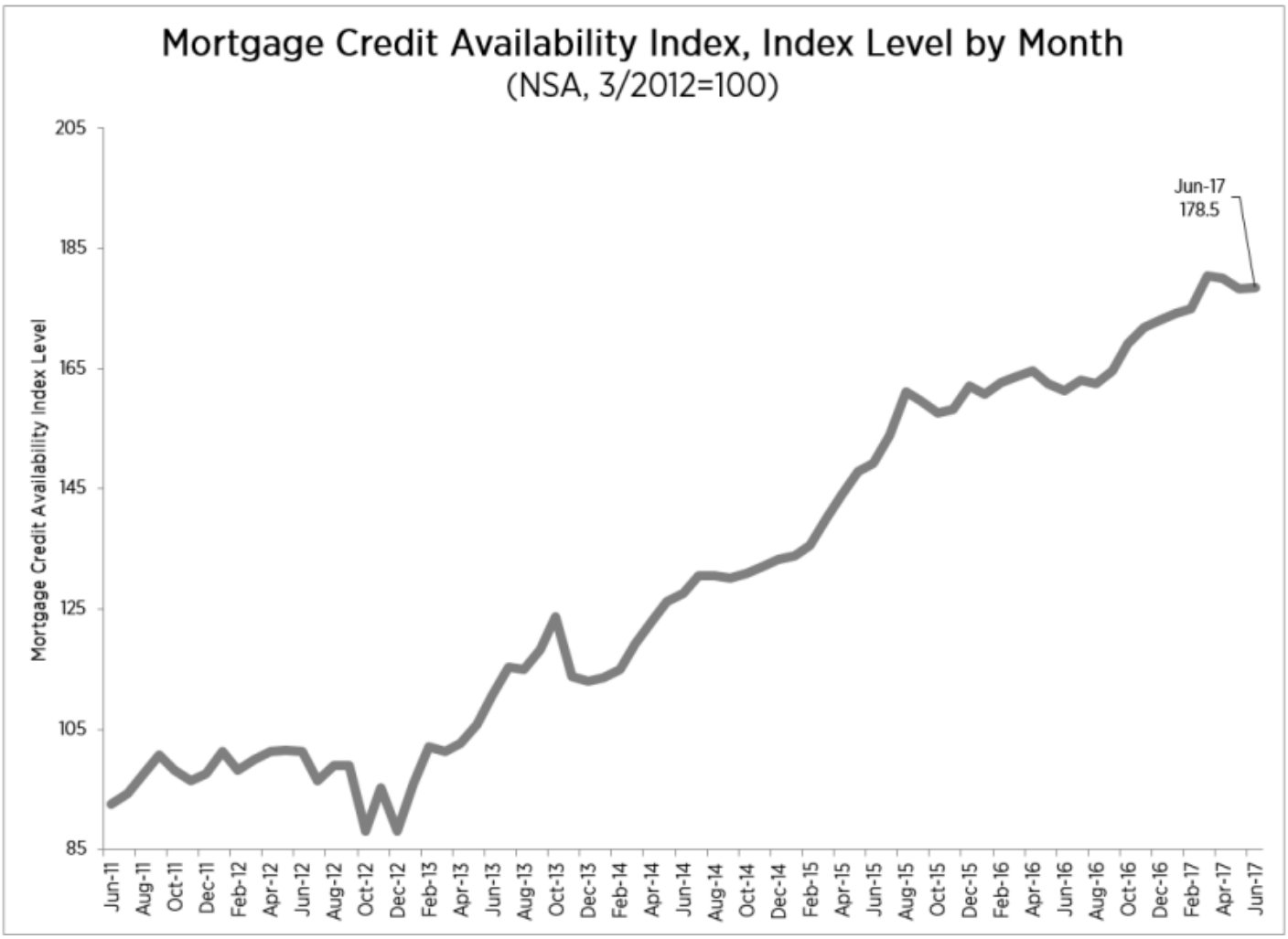
# Real estate market recap, July 10-14, 2017

*Check Inman every day for the daily version of this market roundup.*

## Day-by-day market activity:

### Friday, July 14

**Mortgage Credit Availability Slightly Increases in June**



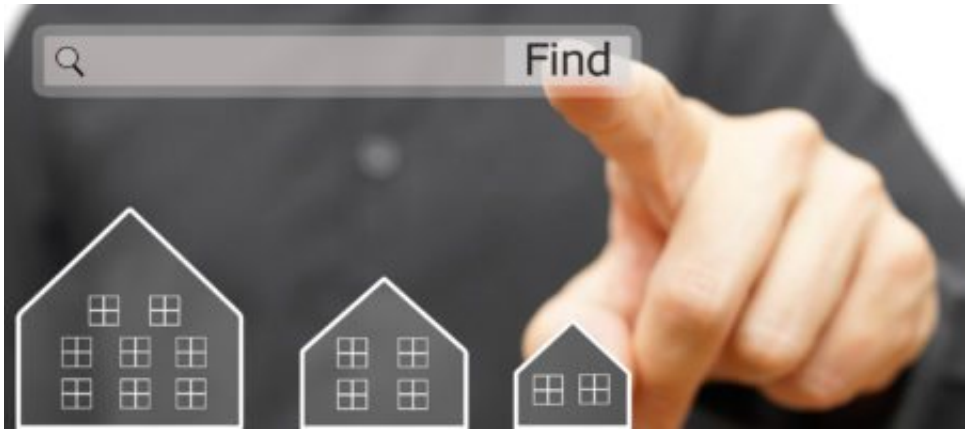

Source: Mortgage Bankers Association; Powered by Ellie Mae's AllRegs Market Clarity

- Mortgage credit availability increased slightly in June according to the Mortgage Credit

Availability Index (MCAI). Historical MCAI values were revised this month due to the availability of additional data on certain types of conventional loan programs.
- The MCAI increased 0.1 percent to 178.5 in June. A decline in the MCAI indicates that lending standards are tightening, while increases in the index are indicative of loosening credit.
- Of the four component indices, the Conforming and Conventional MCAI saw the greatest increases in availability over the month (both up 0.9 percent), followed by the Jumbo MCAI (up 0.8 percent). The Government MCAI (down 0.4 percent) decreased from last month.

**Thursday, July 13**

**30-Year Fixed Mortgage Rates Remain Flat; Current Rate is 3.83 Percent, According to Zillow Mortgage Rate Ticker**

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- The 30-year fixed mortgage rate on Zillow Mortgages is currently 3.83 percent, unchanged from this time last week.
- The 30-year fixed mortgage rate hovered between 3.81 percent and 3.89 percent throughout the week before settling at the current rate on Tuesday.
- The rate for a 15-year fixed home loan is currently 3.06 percent, while the rate for a 5-1 adjustable-rate mortgage (ARM) is 3.05 percent.

| State | Current 30-Year Fixed Rate (7/11/17) | Last Week's 30-Year Fixed Rate (7/5/17) | Change in Basis Points |
|---|---|---|---|
| California Mortgage Rates | 3.82% | 3.81% | +1 |
| Colorado Mortgage Rates | 3.76% | 3.73% | +3 |
| Florida Mortgage Rates | 3.81% | 3.81% | 0 |
| Illinois Mortgage Rates | 3.82% | 3.84% | -2 |
| Massachusetts Mortgage Rates | 3.83% | 3.82% | +1 |
| New Jersey Mortgage Rates | 3.81% | 3.80% | +1 |
| New York Mortgage Rates | 3.86% | 3.91% | -5 |
| Pennsylvania Mortgage Rates | 3.82% | 3.82% | 0 |
| Texas Mortgage Rates | 3.81% | 3.81% | 0 |
| Washington Mortgage Rates | 3.85% | 3.86% | -1 |

Above are current rates for 30-year fixed mortgages by state.

“Despite some ups and downs, mortgage rates were essentially flat last week, holding near their highest levels since mid-May and roughly 15 basis points above their recent low in late June,” said Erin Lantz, vice president of mortgages at Zillow. “Rates should be relatively flat again this week, with low expectations for inflation data on Friday, and Fed officials likely to remain cautious in their comments.”

**Mortgage Applications Decrease in Latest MBA Weekly Survey**

- Mortgage applications decreased 7.4 percent from one week earlier, according to data from the Mortgage Bankers Association’s (MBA) Weekly Mortgage Applications Survey for the week ending July 7, 2017.
- This week’s results include an adjustment for the Fourth of July holiday.
- The refinance share of mortgage activity decreased to 42.1 percent of total applications from 44.9 percent the previous week. The adjustable-rate mortgage (ARM) share of activity decreased to 6.7 percent of total applications.
- The FHA share of total applications increased to 10.4 percent from 10.2 percent the week prior.
- The average contract interest rate for 30-year fixed-rate mortgages with conforming loan balances ($424,100 or less) increased to 4.22 percent from 4.20 percent, with points increasing to 0.40 from 0.31 (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 $424,100) increased to 4.19 percent from 4.10 percent, with points increasing to 0.3 from 0.23 (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 4.12 percent from 4.04 percent, with points increasing to 0.40 from 0.33 (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 3.50 percent from 3.43 percent, with points increasing to 0.45 from 0.32 (including the origination fee) for 80 percent LTV loans. The effective rate increased from last week.

**Tuesday, July 11**

**CoreLogic Loan Performance Insights through April 2017**

“Most major indicators of mortgage performance improved in April, showing that the market continues to benefit from improved economic growth and home prices increases,” said Frank Nothaft, chief economist at CoreLogic. “Regionally, with the exception of several energy industry intensive states — Alaska and North Dakota — the rest of the U.S. continues to see improvements in mortgage performance. While overall performance is improving, it reflects the older legacy pipeline

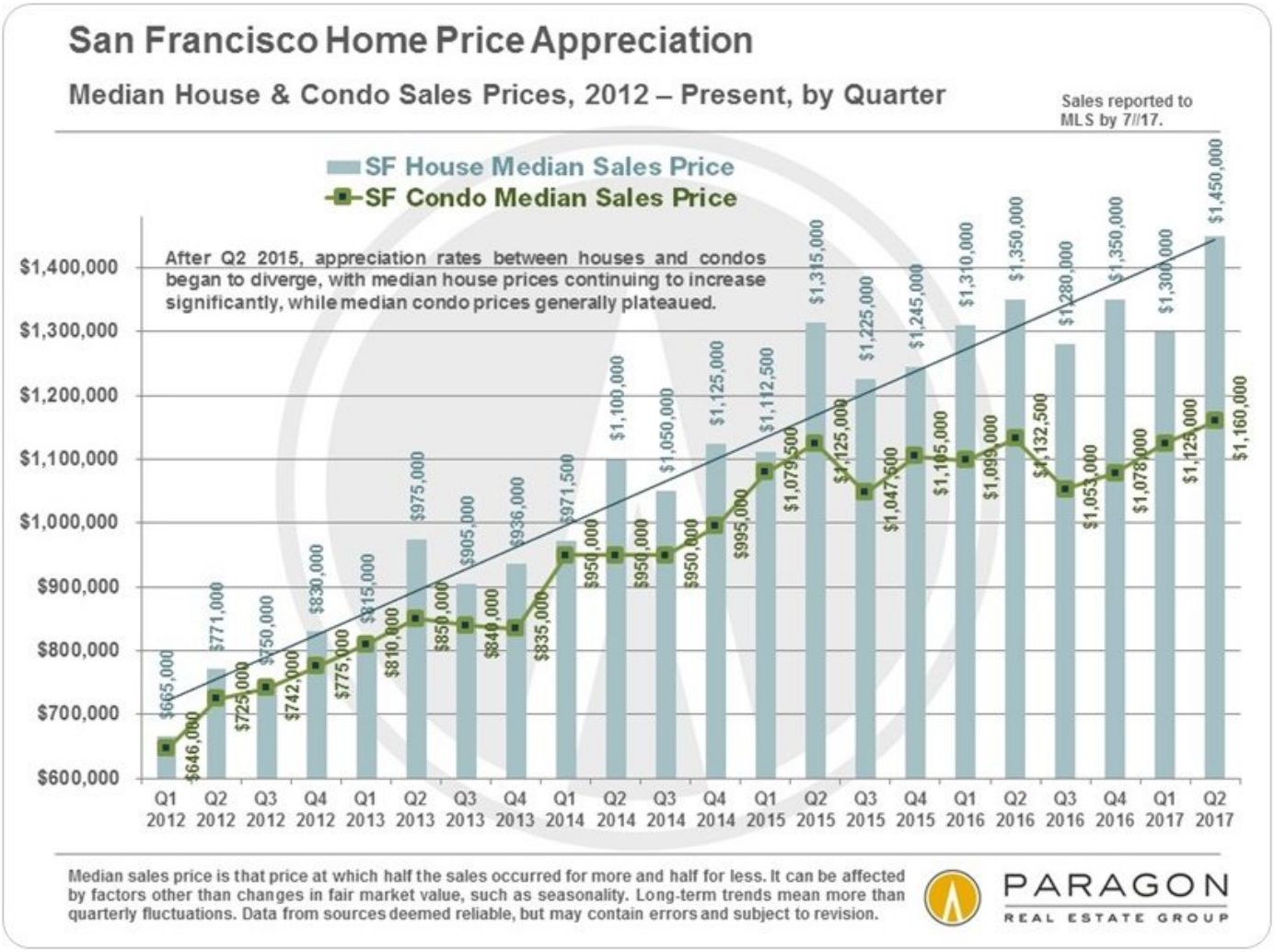
of loans that continue to heal, especially in judicial states which typically take longer to clear out.”

- The 30 days or more delinquency rate for April 2016 was 5.3 percent. In April 2017, 4.8 percent of mortgages were delinquent by at least 30 days or more including those in foreclosure. This represents a 0.5 percentage point decline in the overall delinquency rate

compared with April 2016.

- The share of mortgages that transitioned from current to 30 days past due was 1.2 percent in April 2017 compared with 1 percent in April 2016.
- Serious delinquency is defined as 90 days or more past due including loans in foreclosure. In Alaska, North Dakota the Serious Delinquency Rate increased and Louisiana and Wyoming were flat. All the remaining states saw Serious Delinquency Rates decrease.

**Paragon Real Estate Mid-Year Reports: San Francisco Residential and Investment Real Estate**



San Francisco Luxury Home Sales
Unit Sales Volume by Month since 2014
Includes sales of condos, co-ops & TICs. Data reported to MLS by 7/7/17 per Infosparks.
Luxury House Sales, $3m+
Luxury Condo Sales, $1.85m+
Monthly sales of luxury condos, co-ops and TICs hit a new high in June 2017, exceeding the previous peak in spring 2015. The monthly high for luxury house sales remains October 2016.
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"Condos" includes sales of condos, co-ops and TICs reported to MLS. New-project luxury condo sales not input into MLS are not included. Data from sources deemed reliable, but may contain errors and subject to revision. Some sales may be reported late. All numbers to be considered approximate.
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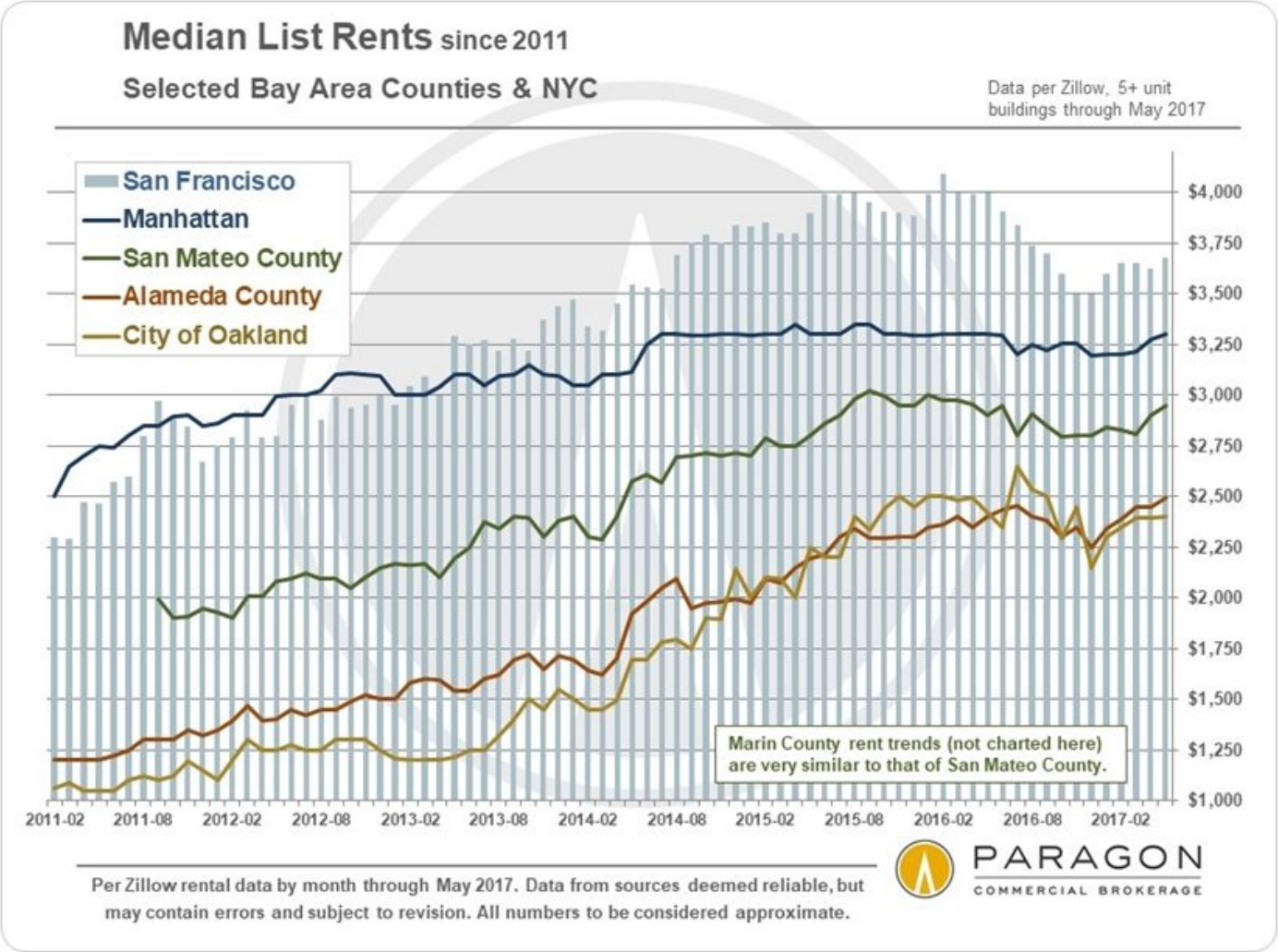


Paragon Real Estate

- New peaks were reached in San Francisco median house and condo sales prices, and in luxury home sales.
- San Francisco rents have fallen year-over-year, though they remain the highest in the country.
- San Francisco hit new highs in quarterly median sales prices for both houses and condos in Q2 2017. The house market has been appreciating much more quickly than condos over recent years. The Q2 median house sales price, at $1,450,000, was $100,000 above the previous quarterly peak.
- Luxury condo sales hit a new monthly high in June 2017. Both luxury houses and luxury condos hit new quarterly peaks in number of sales, condos by a substantial margin, houses by a couple of sales.

- San Francisco rents have fallen 8 percent on a year-over-year basis, but remain the highest in the nation. Declining rents is one factor in the cooling of the apartment building market in the city, which is explored in great detail in the full report.
- View the full residential report online here, and view the apartment building market report online here.

*Email market news to* press@inman.com*.*

Source: click here