



Scott Munds

Mortgage Broker, Promise Home Loans

NMLS #OR 272506

5 Centerpointe Dr #400 Lake Oswego, OR 97035

Office: (971) 708-0281

Mobile: (503) 969-9929

Fax: (971) 260-2540

smunds@promiseloans.com

[View My Website](#)

Realtors See Home Prices Moderating Soon

All but one of the 183 metropolitan housing markets tracked by the National Realtors Association® (NAR) posted annual price increases in the second quarter of 2021. Twelve of those areas had appreciation that exceeded 30 percent.

The median price of a single family home rose 22.9 percent to \$357,900. This translates to an increase of \$66,800. All four major regions had double-digit gains and **for once the highest growth was not in the West**. In the Northeast, where Pittsfield, Mass led with a 46.5 percent increase, the highest in the nation, prices were up 21.8 percent. It was followed by the South, up 21.0 percent; the West at 20.9 percent, and the Midwest with 17.1 percent appreciation.

Home price gains and the accompanying housing wealth accumulation have been spectacular over the past year, but are unlikely to be repeated in 2022," said Lawrence Yun, NAR chief economist. But he added, "There are signs of more supply reaching the market and some tapering of demand. The housing market looks to move from 'super-hot' to 'warm' with markedly slower price gains."

Besides Pittsfield other price leaders were Austin, Texas (45.1 percent); Naples-Marco Island, Florida (41.9 percent); Boise City-Nampa, Idaho (41 percent); and Barnstable, Massachusetts. (37.8%).

With home prices rising, the monthly mortgage payment on an existing single-family home financed with a 30-year fixed-rate loan and 20 percent down payment rose to \$1,215, an increase of \$196 from a year earlier. Among all homebuyers, the **monthly mortgage payment as a share of the median family income rose to 16.5 percent** in the second quarter of 2021 **up from 14.0 percent in the second quarter of 2020**.

"Housing affordability for first-time buyers is weakening," Yun explained. "Unfortunately, **the benefits of historically-low interest rates are overwhelmed by home prices rising too fast**, thereby requiring a higher income in order to become a homeowner."

In 17 metro areas, a family needed more than \$100,000 to affordably pay a 90 percent mortgage against 14 percent in the first quarter of this year. The number of metro areas in which a family needed less than \$50,000 to afford a home fell to 84 markets in Q2 compared to 104 markets in Q1.

"Housing supply will be critical in moderating the growing housing costs and

National Average Mortgage Rates



	Rate	Change	Points
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Mortgage News Daily

30 Yr. Fixed	6.43%	+0.02	0.00
15 Yr. Fixed	5.95%	0.00	0.00
30 Yr. FHA	5.82%	+0.02	0.00
30 Yr. Jumbo	6.62%	0.00	0.00
5/1 ARM	6.28%	-0.01	0.00

Freddie Mac

30 Yr. Fixed	6.35%	-0.51	0.00
15 Yr. Fixed	5.51%	-0.65	0.00

Mortgage Bankers Assoc.

30 Yr. Fixed	6.44%	-0.06	0.54
15 Yr. Fixed	5.88%	-0.16	0.68
30 Yr. FHA	6.36%	-0.06	0.85
30 Yr. Jumbo	6.75%	+0.07	0.39
5/1 ARM	5.98%	-0.27	0.65

Rates as of: 8/30

Recent Housing Data

		Value	Change
Mortgage Apps	Aug 28	226.9	+0.49%
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%

rising rents," Yun said. "Any disincentive to produce more housing inventory, such as extending the eviction moratorium, will only worsen the current shortage," he said.

	Value	Change
Builder Confidence	Mar	51 +6.25%

"We exist to make a difference in people's lives by providing the right mortgage products."

Scott is the Portland Mortgage Coach, an Ideas Machine, a Revolutionist and a Rock N' Roller!

Ask me about my ** Hero-Homebuyer ** program that helps Veterans, First Responders, Healthcare Workers (HCW), Volunteers and Teachers!!

With over 20 years in the Mortgage Industry. Scott Munds is #1 a family man. Married over 25 years to his lovely wife Susie with four amazing children all living in the Portland Metro area. He enjoys spending time in the community serving with the Community Action group and the Blanchet House. Scott has a serving heart! In business, Scott is known as a straight shooter full of integrity. He is a Master in the Mortgage Loan Process with a legendary reputation in the mortgage and real estate industry. Scott has earned an extensive following of real estate agents, clients who love him, and an avant-garde mind that attracts respect inside and outside of his business.

If you are a Local Hero-Homebuyer (Classified as - A First Responder, Teacher, Veteran, Government Employee, Healthcare Worker, or Local Volunteer), then please message me to find out what loan discounts, down payment assistance, and other incentives you may have and have earned). It's time for us to serve you. Thank you for your Service! - Scott Munds

Scott Munds

