



beyond the headlines



HUD offers disaster relief to fire victims

Source: *Housing Wire*

The U.S. Department of Housing and Urban Development announced it will offer relief to disaster victims of the recent California wildfires, including foreclosure suspensions and other assistance to certain homeowners in the affected counties.

The fires are being called the deadliest and most destructive in the state's history. About 3,000 homes – 5 percent of its housing stock – were destroyed in Santa Rosa alone, and a disaster declaration was made for Butte, Lake, Mendocino, Napa, Nevada, Orange, Sonoma and Yuba counties.

HUD also announced it would be sharing information with FEMA and the state on housing providers that could have available units in the impacted counties including public housing agencies and multifamily owners.

Here are the programs HUD announced are available for homeowners in the declared disaster area:

- **Immediate foreclosure relief:** HUD announced it will grant a 90-day moratorium on foreclosures for Federal Housing Administration-insured home mortgages. HUD explained there are tens of thousands of FHA-insured homeowners in the impacted areas.
- **Forbearance and loan modification options:** HUD is offering forbearance and loan modifications for FHA borrowers in the disaster areas.
- **Making mortgage insurance available:** HUD will provide FHA insurance to disaster victims who have lost their homes and must rebuild or buy another home. Borrowers are eligible for 100% financing, including closing costs from FHA-approved lenders.
- **Making insurance available for both mortgages and home rehabilitation:** HUD's Section 203 loan program enables homeowners who lost their home to finance the purchase or refinance of a house along with its repair through a single mortgage. It also allows homeowners who have damaged homes to finance its rehabilitation.

Full story

<https://www.housingwire.com/articles/41613-hud-offers-disaster-relief-to-california-wildfire-victims>

In other news...

Watch out where you get help with buying a house

Source: CNBC

Since the beginning of the housing recovery in 2012, home prices have raced ahead at a pace far stronger than income gains.

That imbalance is causing more homebuyers to look for a helping hand.

Attom Data Solutions reports that on average, nearly 1 in 4 mortgages in the second quarter involved co-borrowers who were not spouses, compared with less than 1 in 5 as recently as 2015.

In many major markets, co-borrowing was even more popular. More than 50 percent of mortgages in San Jose, California, which includes Silicon Valley, involved co-borrowers in the second quarter. In Miami, 45 percent of mortgages had co-borrowers, Seattle had 39 percent, in Portland, Oregon, nearly 30 percent of mortgages had co-borrowers and in Tampa, Florida, 26 percent.

Full story

<https://www.cnbc.com/2017/10/20/watch-out-where-you-get-help-with-buying-a-house.html>

Americans and money: Looking to the future despite past regrets

Source: NerdWallet

When it comes to money, Americans not only want more; they want to manage it better. A new NerdWallet survey conducted by Harris Poll reveals that most folks aren't happy with the state of their finances and they're taking steps to change the situation.

To see how Americans are dealing with this financial balancing act, NerdWallet commissioned a survey by Harris Poll of over 2,000 U.S. adults conducted online Sept. 12-14, 2017. The results show that most Americans have financial regrets and stressors, but they also have goals and are working to accomplish them.

Americans wish they had done some things differently, with 71 percent expressing regrets when it comes to money management. Millennials (those ages 18-34 in this survey) are more likely than the two other age groups to have such regrets (83 percent), according to the survey.

But they are looking ahead: 89 percent of Americans say they have financial goals that they hope to achieve within the next 10 years, and 88 percent are taking steps right now to manage their money.

Full story

<https://www.nerdwallet.com/blog/finance/financial-health-study/>

Survey: Buyers leery of online mortgage info

Source: Fannie Mae

Consumers trust real estate professionals and lenders more than online sources or family and friends when it comes to obtaining information about mortgages, according to a new Fannie Mae survey based on 1,000 responses. Recent home buyers surveyed, including younger age groups, say they consulted multiple sources of information about the mortgage process but found lenders and real estate agents to be more credible than mobile apps, websites, and social media.

Though survey respondents say online sources are more convenient, they indicated a higher level of confidence in getting information through person-to-person interaction. However, home buyers do report using online sources to shop for a home much more often than to shop for a mortgage, according to the survey.

Full story

<http://www.fanniemae.com/resources/file/research/housingsurvey/pdf/oct2017-topicanalysis-presentation-mortgage-shopping-influencers.pdf>

Empty nesters are lured to apartment life

Source: RENTCafe Blog

Renters may finally be getting some relief. Apartment rents are not increasing as much as they have in the last few years.

One of the biggest segments of new renters is empty nesters ages 55 and up, as multifamily developers reconsider their original focus on millennials. Between 2009 and 2015, the number of renters older than 55 increased 28 percent, or 2.5 million—the largest uptick of any age group, according to data from rental listing site RENTCafé. Meanwhile, the number of renters ages 34 and younger rose just 3 percent during the same time period.

But that doesn't necessarily mean seniors are headed for urban high-rises when seeking apartment life. Nearly 40 percent of renters older than 55 chose a suburban lifestyle, according to RENTCafé. Of the 20 largest metros in the country, the city of Riverside, Calif., has the largest percentage of seniors making up renter households (63 percent). Los Angeles, however, has posted the largest gain in senior renters—about 134,000 between 2009 and 2015.

Full story

<https://www.rentcafe.com/blog/rental-market/real-estate-news/todayrenterprofile-older-highly-educated-suburban/>

New home sales surge

Source: Housing Wire

After hitting a new low in August, new home sales surged in September to their fastest pace in the past decade, according to the latest report released jointly by the U.S. Census Bureau and the Department of Housing and Urban Development.

Sales of new single-family houses in September surged to a seasonally adjusted annual rate of 667,000 sales, the report showed. This is up a full 18.9 percent from 561,000 new home sales in August and up 17 percent from 570,000 sales in September 2016. The increase marked the fastest pace of home sales in 10 years.

Full story

<https://www.housingwire.com/articles/41661-new-home-sales-10-year-high-baffles-economists>

What you should know

- Interest rates rose last week, and consequently total mortgage application volume fell 4.6 percent from the previous week. The Mortgage Bankers Association's seasonally adjusted weekly index now stands down 19 percent from the same week one year ago.
- The drop affected all types of applications, but those to purchase a home fell the hardest — 6 percent for the week. This may have less to do with the rise in rates and more to do with the lack of homes for sale. The drought in supply continues to push prices higher and clearly sidelined more buyers. Purchase applications remained 10 percent higher from the same week one year ago.
- Higher home prices are now showing up in mortgage applications. The average loan amount on purchase applications last week increased to \$317,000, the highest since May.
- Mortgage applications to refinance a home loan fell 3 percent for the week and are down 36 percent from a year ago, when interest rates were higher. The MBA is now forecasting a 28 percent drop in refinance originations next year because interest rates are expected to rise further.
- The average contract interest rate for 30-year fixed-rate mortgages with conforming loan balances of \$424,100 or less increased to 4.18 percent last week from 4.14 percent the previous week, with points decreasing to 0.42 from 0.44, including the origination fee, for 80 percent loan-to-value ratio loans.