



The Arizona Loan Baron

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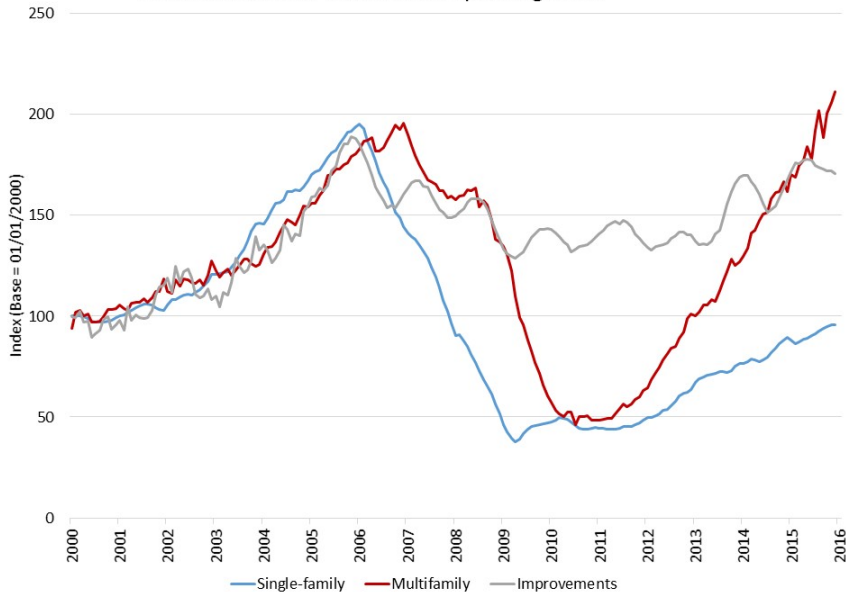
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Multi-Family Expenditures Hit Record Levels

The National Association of Home Builders (NAHB) took an in-depth look at one aspect of the Census Bureau's report on January construction expenditures which was released on Tuesday, multi-family construction. As we reported here, total private residential construction spending stood at a seasonally adjusted annual rate of \$433.2 billion in January, virtually unchanged from December's upwardly revised rate of \$433.1 billion. It was up 7.7% from one year earlier and the **highest since November 2007**.

Within that figure, expenditures on single-family housing **declined by 0.2 percent** from December to a seasonally adjusted rate of \$230,000 billion but NAHB notes that, in relative terms, multifamily construction fared better. As of January total multi-family spending was at a seasonally adjusted annual rate of \$59.8 billion which Na Zhao, writing for the Association, says exceeds the peak readings registered during the housing boom years. It was also a 30 percent increase from a year earlier.

Private Residential Construction Spending Index



National Average Mortgage Rates



	Rate	Change	Points
Mortgage News Daily			
30 Yr. Fixed	7.08%	-0.05	0.00
15 Yr. Fixed	6.45%	-0.02	0.00
30 Yr. FHA	6.55%	-0.05	0.00
30 Yr. Jumbo	7.25%	-0.04	0.00
5/1 ARM	7.07%	-0.03	0.00

Freddie Mac

30 Yr. Fixed	6.95%	+0.09	0.00
15 Yr. Fixed	6.25%	+0.09	0.00

Mortgage Bankers Assoc.

30 Yr. Fixed	7.03%	+0.09	0.62
15 Yr. Fixed	6.56%	+0.09	0.54
30 Yr. FHA	6.90%	+0.11	0.95
30 Yr. Jumbo	7.11%	-0.01	0.50
5/1 ARM	6.38%	+0.11	0.54

Rates as of: 7/3

Recent Housing Data

		Value	Change
Mortgage Apps	Jun 12	208.5	+15.58%
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%

Private sector spending on home improvements was also down slightly in January. At a seasonally adjusted annual rate of \$143,000 billion it has increased 2 percent year-over-year. As the chart above shows, both multi-family construction and home improvement spending are far out-performing single family construction. Zhao said, however, that **NAHB anticipates accelerating growth** in single-family spending this year.

	Value	Change
Builder Confidence	51	+6.25%

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The Arizona Loan Baron is at your service!

I would appreciate the opportunity to share with you my extensive mortgage lending experience. My client focused approach has allowed me to build long lasting relationships and partnerships throughout Arizona. I know this market. I live here and work here. Please allow me the opportunity to be your mortgage lending partner.

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