

Timothy Baron

VP ? Senior Loan Officer ? Loan Baron, V.I.P. Mortgage, Inc.

Timothy Baron NMLS #184671 | V.I.P. Mortgage, Inc. does

6390 E Tanque Verde Rd. Suite #200 Tucson, AZ 85715

Office: 520-275-5956

Mobile: 520-275-5956

timothybaron@vipmtginc.com

View My Website

Lower FICO Buyers Head For The Hills

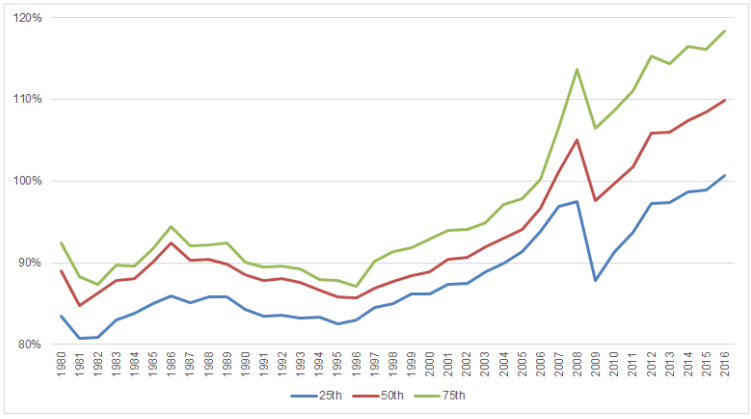
The return of Americans to urban living, while well documented, may be a **"head-fake"** as far as the mortgage industry is concerned. Sam Khater, CoreLogic's Deputy Chief Economist says that inbound migration is happening, but not precisely in the way many think. This return to the cities has been driven by educated and affluent households, he says, which is leading to a **concentration of wealth** in cities and inner suburbs and that is driving home prices higher.

CoreLogic looked at the 20 largest MSA's, dividing the suburban areas in each into three **equally weighted rings** based on the percent of residential properties. This allowed an analysis where rings could be "fluid and expansive" in sprawling areas like Houston but small and compact in smaller, denser markets.

During the last two decades of the 20th Century middle ring suburban home prices were between **10 and 20 percent lower** than those in the city itself and in its inner suburb ring. However, since the early 2000s, when the urban rebound first started, prices in the inner suburb have soared compared to what was happening in the middle ones.

Figure 1: Rising Inner Suburban Prices

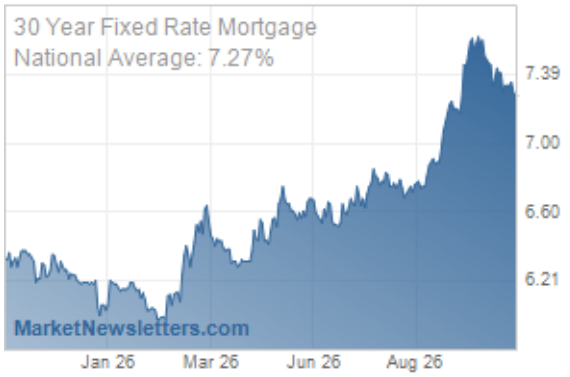
Inner Suburb to Middle Suburb Price Ratios by Price Tier



Source: CoreLogic Public Records

© 2016 CoreLogic, Inc. All rights reserved

National Average Mortgage Rates



Mortgage News Daily

	Rate	Change	Points
30YR Fixed	7.27%	0.00	0.00
15YR Fixed	6.92%	0.00	0.00
30YR FHA	6.91%	+0.01	0.00
30YR Jumbo	7.52%	-0.03	0.00
7/6 SOFR	6.70%	-0.08	0.00
30YR VA	6.92%	+0.01	0.00

Rates as of: 11/2

MBS and Treasury

	Price / Yield	Change
MBS UMBS 6.0	99.92	+0.11
10 YR Treasury	4.8883	-0.0416
30 YR Treasury	5.2581	-0.0501

Pricing as of: 11/2 1:50PM EST

Recent Housing Data

		Value	Change
Mortgage Apps	Oct 21	195	+3.39%
Building Permits	Sep	1.4M	+0.43%
Housing Starts	Sep	1.22M	-4.24%
New Home Sales	Sep	676K	-1.17%
Pending Home Sales	Aug	71.2	0%
Existing Home Sales	Oct	3.99M	+0.25%
Builder Confidence	Oct	29	-9.38%

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

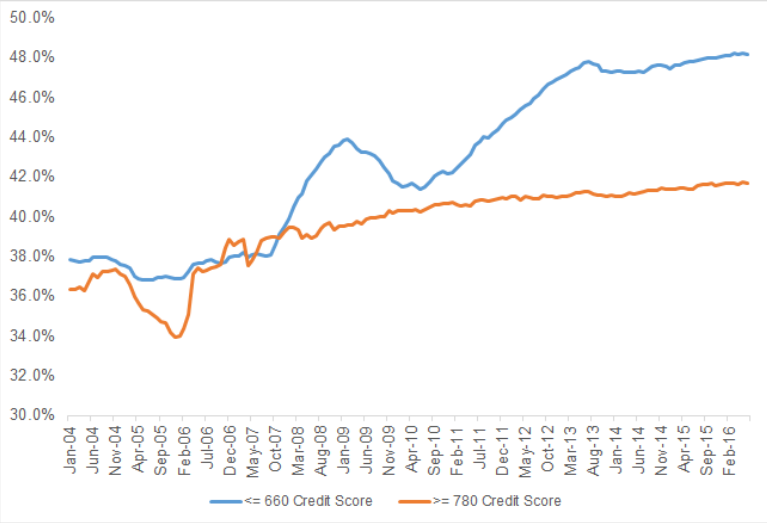
Read or subscribe to my newsletter online at: http://mortgagenewsletter.net/timothybaron

Consequently, there has been a countervailing trend for purchase mortgage applicants, especially lower credit borrowers, to **seek affordability further out into the suburbs**. During the housing boom in the mid-2000s, 38 percent of low credit purchase mortgage borrowers applied for loans in the outer suburbs. This shift continued even into the recession and by the fall of 2008 the percentage of lower credit borrowers in the outer suburbs reached 44 percent.

In mid-2010 that percentage declined and Khater attributes that to the temporary first-time homebuyer tax credit which allowed some borrowers to move closer in than they otherwise could. **After that tax credit expired**, the shift to the outer suburbs resumed.

By the middle of this year the percentage of lower credit purchase applicants applying in the outer suburbs was up to 48 percent, the **highest** since CoreLogic started tracking the phenomenon. Higher credit borrowers are also increasingly applying in those outlying areas, but the gain in that cohort is less than half that of lower credit borrowers and "there is a clear sorting of lower credit and income borrowers to the outer suburbs."

Figure 2: Mortgage Applicants Moving to the City? No, They are Heading for the Hills
Percent of Purchase Applicants Applying for homes in Outer Suburbs



Source: CoreLogic Loan Applications Data

© 2016 CoreLogic, Inc. All rights reserved

Khater, who was writing in the company's *Insights* blog, says this "increased sorting has **economic and policy implications** for spatial risk and increased concentration of lower credit borrowers in America's outer suburbs."

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

Read or subscribe to my newsletter online at: http://mortgagenewsletter.net/timothybaron

Experienced. Trusted. Local.

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 to be your mortgage lending partner.

Timothy Baron 

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

Read or subscribe to my newsletter online at: http://mortgagenewsletter.net/timothybaron