



FED Hikes Rates Again - Mortgage Rates Stable

The Federal Reserve wrapped their second meeting of 2018 on March 21. As was expected, the benchmark Fed Funds rate was increased .25% which takes it to 1.75%. The last time it was at this level or higher was prior to May 1, 2008 when the Fed was cutting rates in the wake of the financial crisis. The mortgage market had little to no reaction to today's news. The recent rise in mortgage rates was in anticipation of this move by the Fed so it was effectively already priced in.



Another reason that mortgage rates are flat today is because the Fed had no new surprises in their statement. They are still on track for an additional 2-3 rate hikes this year and inflation, the arch-enemy of interest rates, remains below their target of 2%.

Between now and May 2, when the Fed meets again, any movement to mortgage rates will be due to routine economic indicators.

Home Flipping At 11 Year High

An estimated 207,088 homes were flipped in 2017, an 11-year high for homes bought and resold within one year, according to Attom Data Solutions in a report from this month.

The percentage of financed flips also has increased. The acquisition and rehab costs were financed on nearly 35 percent of all homes flipped in 2017, up from just under 32 percent in 2016.



Our preferred lender has a proprietary Fix & Flip line of credit for seasoned, as well as novice, investors. The amount of the credit line is determined by the assets of the applicant so there is no traditional income qualifying with W2s or tax returns.

This same program can also be used for new construction if the applicant wants to build a property to sell.

Whether flipping or building, it can be used for properties up to 20 dwelling units.

Contact us with questions or for more details.

4 Things NOT to Do When Putting Your Home on the Market



Don't over-improve

Updating the appliances or replacing that cracked cabinet in the bathroom are all great ideas. However, it's important not to over-improve or make improvements that are specific to your tastes.

Don't over-decorate

Over-decorating is just as bad as over-improving. When prepping for sale, neutralize your decorating scheme so it's more universally palatable.

Don't hang around

When your agent calls to tell you about a showing, get out of the house. Buyers want to imagine themselves in your space, not be confronted by you in your space. If you can't leave for whatever reason at least go for a walk or sit in the backyard.

Don't take things personal

Buying and selling a home can be emotional. If a buyer lowballs you or says they will need to replace your prized hand-built bookcase, try not to raise your hackles.

New Mexico Real Estate Update

February 2018's 1,959 reported sales make this the best February since the Realtors Association of NM started keeping statistics in 2008. Median prices also continue to climb. February's \$193,500 median was nearly 2% higher than January's \$190,000 median.

The best news may be that there were nearly twice as many properties on the market in February than in January. Mortgage rates, which continue to be at historic lows, are on the rise, making it harder for some would-be home buyers to qualify for a mortgage, however, those that do qualify are finding more choices in the market.

Free Credit Repair Class

Credit Rescue Now, a New Mexico non-profit, is offering a free class on credit repair and other credit related topics like building credit and improving credit scores. This is great info from someone who is a credit specialist.

Classes are held on the first Saturday of the month at La Mesa Presbyterian Church, 7401 Copper NE in Albuquerque. Call 505-899-1448 to reserve your seat(s).

"Homeowner" contains the word "meow". Good luck pronouncing it correctly ever again. You're welcome.
 ~ Anonymous

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