

Scott Kepler
Principal Broker, Mortgage Approval Group, LLC
NMLS 833792 Company NMLS# 1742769
2918 Busch Lake Blvd, Suite A Tampa, FL 33614

Office: 813.444.8537
Mobile: 813.565.0884
scott@scottkepler.com
View My Website

Is The Housing Market Booming Again?

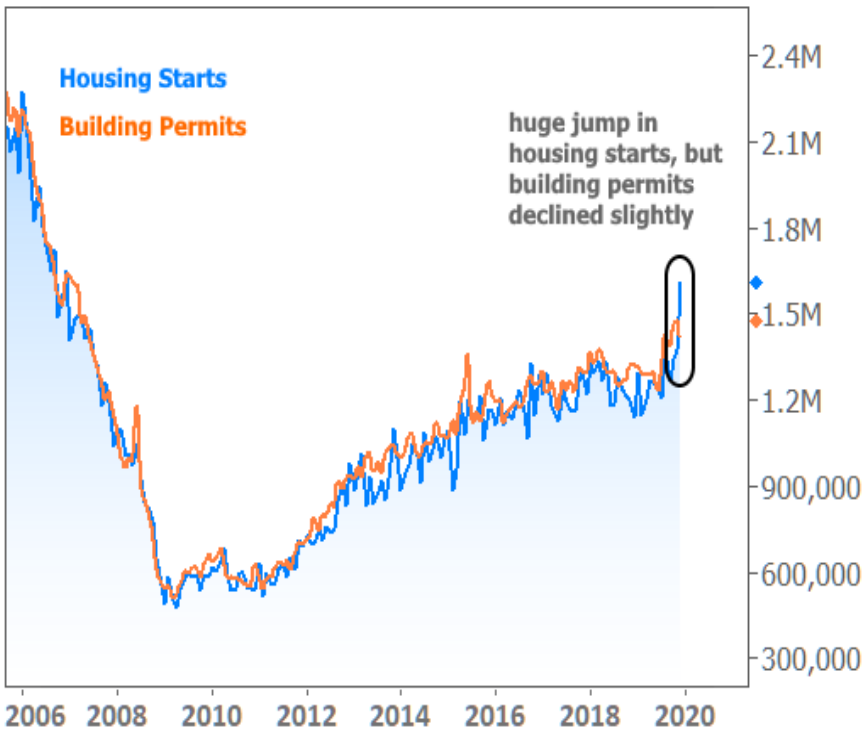
The last housing boom didn't end so well for many Americans. That "B" word is being thrown around again at the start of 2020, but things are very different this time around.

Why are people saying housing is booming?

Due to a combination of rising rates and economic uncertainty, housing entered a bit of a lull in 2018 and didn't really begin to pull out of it until rates began to drop in 2019. In the second half of the year, that recovery transitioned to something more aggressive and many housing metrics surpassed their previous highs for this cycle.

Now at the beginning of 2020, a few pieces of data have shot up at a surprisingly fast pace. This week's examples include housing starts (a term that refers to the ground-breaking phase of new construction, after a builder has obtained permits) and mortgage applications.

The following chart shows housing starts and building permits. Notice the surge in starts even as permits declined slightly.



National Average Mortgage Rates



	Rate	Change	Points
Mortgage News Daily			
30YR Fixed	7.48%	-0.03	0.00
15YR Fixed	7.02%	-0.02	0.00
30YR FHA	7.05%	-0.03	0.00
30YR Jumbo	7.52%	0.00	0.00
7/6 SOFR	7.10%	-0.02	0.00
30YR VA	7.07%	-0.03	0.00

Rates as of: 11/17

MBS and Treasury

	Price / Yield	Change
MBS UMBS 6.0	98.88	+0.18
10 YR Treasury	5.0896	-0.0446
30 YR Treasury	5.4510	-0.0248

Pricing as of: 11/17 3:04PM EST

Recent Housing Data

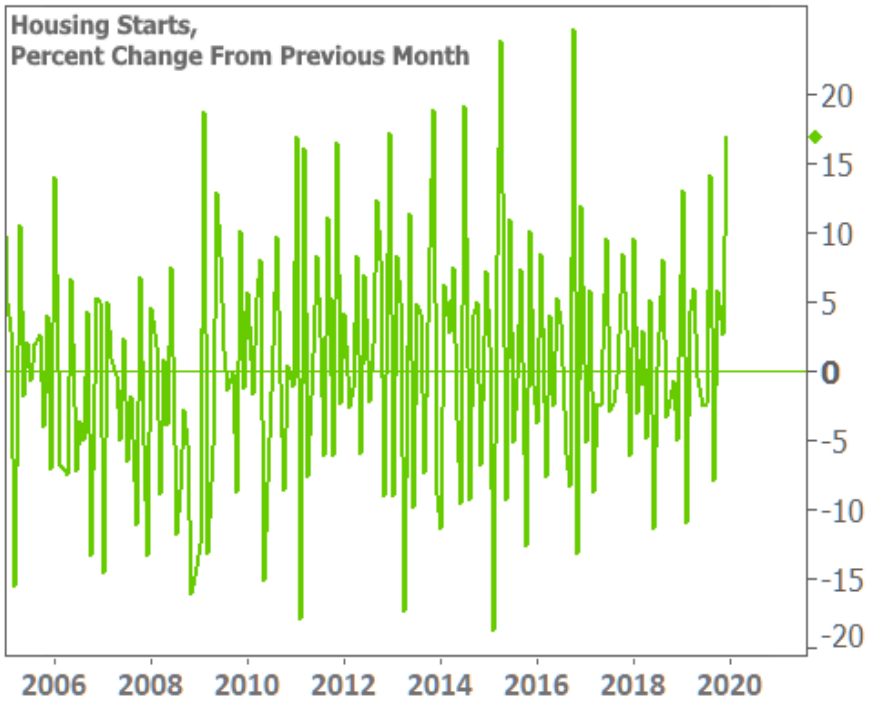
		Value	Change
Mortgage Apps	Nov 4	204.6	+6.23%
Building Permits	Sep	1.4M	+0.43%
Housing Starts	Sep	1.22M	-4.24%
New Home Sales	Sep	676K	-1.17%
Pending Home Sales	Aug	71.2	0%
Existing Home Sales	Oct	3.99M	+0.25%
Builder Confidence	Oct	29	-9.38%

© 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://mortgageratesweekly.com/scottkepler

To be sure, this is a blowout result for housing starts, but the chart makes it look **more dramatic** than it is for a variety of reasons. First off, the improvement over the previous month was totally in line with other super strong months over the past decade. In fact, 5 months were clearly stronger and another 4 months were right in line.



But even this is no reason to discount a move up to the **best level in more than 13 years**--not the best reason anyway. The very best reason has to do with the composition of the report and seasonal adjustments. Builders were able to get a lot more done this December compared to Decembers past. Because December is typically one of the slowest construction months, the seasonal adjustment provides a major amplification of actual numbers. If the actual numbers find a way to be much better or worse than normal, the large seasonal adjustment will only exaggerate the move. And this December was much better than normal!

If housing starts were strong in December, isn't that still a good thing? Indeed it is, but it's not the whole story. Multifamily starts accounted for much of the improvement (also not a bad thing, but single-family construction is much more important). Beyond that, we need to look at WHY December was so good. In this case, it could be as simple as the weather being much more agreeable than normal in many parts of the country.

So to recap: better than normal weather combined with the typically large seasonal adjustment factor to boost decent single-family homebuilding and excellent multi-family construction to exceptionally strong levels. If all this leaves you a bit skeptical, consider the fact that non-adjusted single-family construction actually **DECREASED** slightly month-over-month.

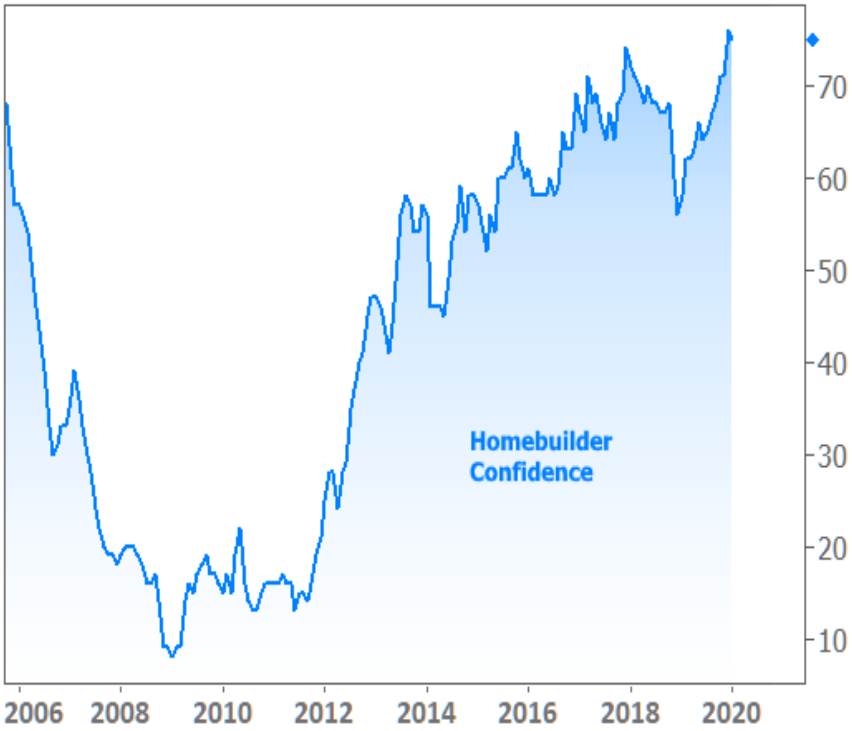
Why are you trying to rain on the housing market parade?

This is merely an attempt to put sensational headlines in context. **Housing is definitely doing great**, but it's **BEEN** doing great (which is why I called attention to it back then)! The jump in building permits was clearly established by September, and they've remained elevated since then, waiting for housing starts to catch up. Reports like Homebuilder Confidence (updated again this week) have done a better job of capturing the steady improvement throughout 2019 and into the new year.

© 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://mortgageratesweekly.com/scottkepler



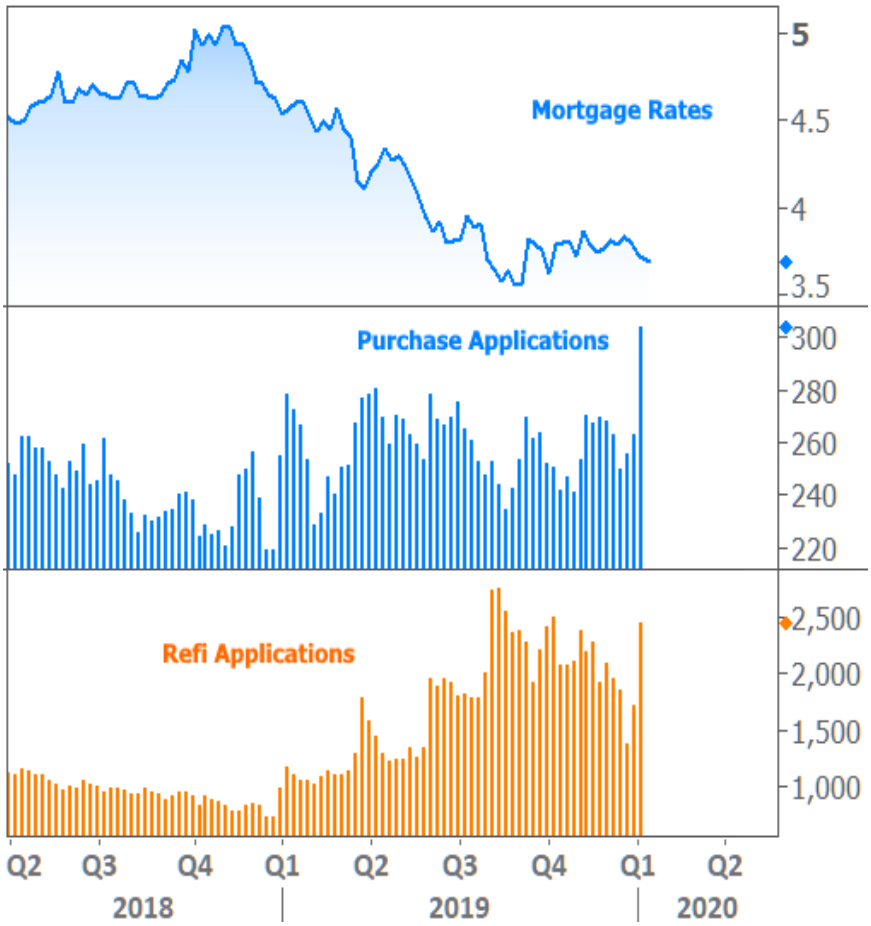
But what about mortgage applications?

Indeed, mortgage demand surged last week (in numbers reported this week), and in this case there are fewer caveats. The chart really speaks for itself (and it's NOT seasonally adjusted).

© 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://mortgageratesweekly.com/scottkepler



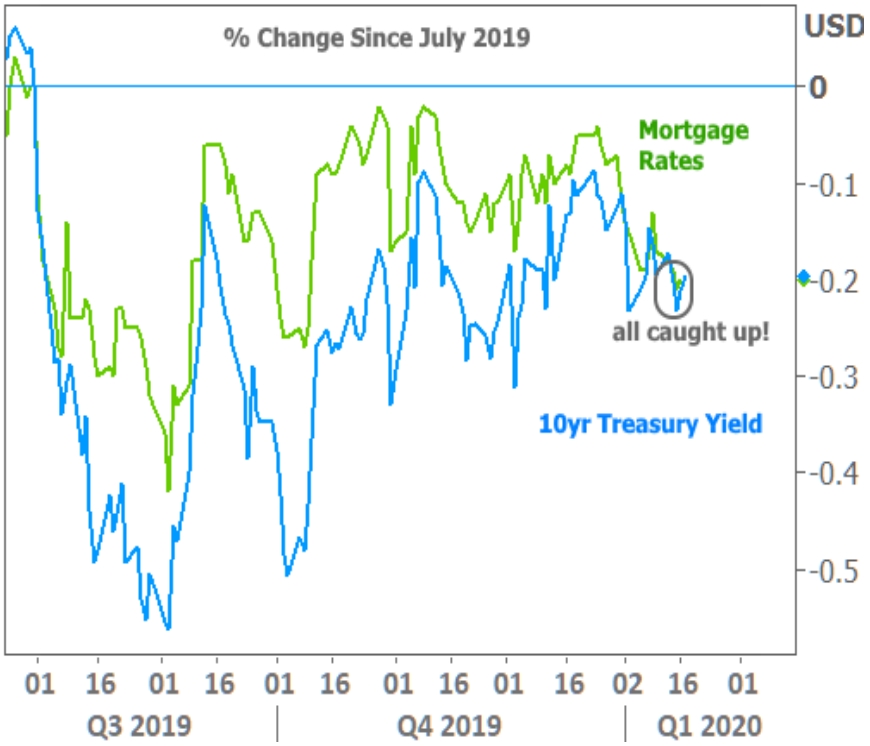
Part of the surge can be chalked up to the holiday calendar in late 2019. With Christmas and New Year's Day both falling on Wednesdays this year, last week was the first uninterrupted business week we've had since Dec 13-17. Other factors include the stock market surging to new all-time highs heading into 2020 creating a "wealth effect" that can stimulate homebuying activity, and persistently low interest rates.

Mortgage rates, specifically, have been doing very well relative to the broader interest rate market. The following chart shows the change in mortgage rates versus 10yr Treasury yields since July 2019. At the time, Treasury rates dropped much quicker than mortgage rates, but as of this week, the gap has finally been closed.

© 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://mortgageratesweekly.com/scottkepler



Subscribe to my newsletter online at: http://mortgageratesweekly.com/scottkepler

Recent Economic Data

Date	Event	Actual	Forecast	Prior
Tuesday, Jan 14				
8:30AM	Dec Core CPI (Annual) (%)	+2.3	2.3	2.3
Wednesday, Jan 15				
7:00AM	w/e Mortgage Refinance Index	2444.7		1713.7
7:00AM	w/e MBA Purchase Index	303.9		263.2
8:30AM	Dec Core Producer Prices YY (%)	1.1	1.3	1.3
8:30AM	Jan NY Fed Manufacturing	4.80	3.55	3.50
Thursday, Jan 16				
8:30AM	Dec Retail Sales (%)	+0.3	0.3	0.2
8:30AM	Jan Philly Fed Business Index	17.0	3.8	0.3
8:30AM	Dec Import prices mm (%)	+0.3	0.3	0.2
8:30AM	w/e Jobless Claims (k)	204	212	214
10:00AM	Jan NAHB housing market indx	75	75	76
10:00AM	Nov Business Inventories (%)	-0.2	-0.1	0.2
Friday, Jan 17				
8:30AM	Dec Build permits: change mm (%)	-3.9		0.9
8:30AM	Dec Housing starts number mm (ml)	1.608	1.375	1.365

Event Importance:

No Stars = Insignificant
☆ Low
★ Moderate
★★ Important
★★ Very Important

© 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://mortgageratesweekly.com/scottkepler

Date	Event	Actual	Forecast	Prior
8:30AM	Dec Building permits: number (ml)	1.416	1.468	1.474
8:30AM	Dec House starts mm: change (%)	16.9		3.2
9:15AM	Dec Industrial Production (%)	-0.3	-0.2	1.1
10:00AM	Jan Consumer Sentiment	99.1	99.3	99.3
Wednesday, Jan 22				
7:00AM	w/e MBA Purchase Index	297.8		303.9
7:00AM	w/e Mortgage Refinance Index	2401.5		2444.7
9:00AM	Nov Monthly Home Price yy (%)	4.9		5.0
10:00AM	Dec Existing home sales (ml)	5.54	5.43	5.35
10:00AM	Dec Exist. home sales % chg (%)	3.6	1.3	-1.7
Thursday, Jan 23				
8:30AM	w/e Jobless Claims (k)	211	211	204
Friday, Jan 24				
9:45AM	Jan PMI-Services (Markit)	53.2	52.9	52.8
9:45AM	Jan PMI-Composite (source:Markit)	53.1		52.7
9:45AM	Jan PMI-Manufacturing (Markit)	51.7	52.5	52.4

© 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://mortgageratesweekly.com/scottkepler

We're here to help with all home mortgage needs.

With over 20 years of mortgage industry experience, Scott Kepler has helped thousands of families to purchase or refinance their homes. As a Mortgage Lender, Scott and his team are able to give families access to a variety of home loan options; after all, no two situations are the same.

Give Scott and his team a call today for a Free Mortgage Check-Up or Purchase Home Loan Pre-Qualification.

Offering financing for:
First Time Home Buyer
Conventional (Fannie Mae/Freddie Mac)
FHA
VA
USDA
Jumbo
Reverse
Renovation
Self Employed
Home Equity Loans/Lines of Credit
Credit Challenged / Alt-A
Investor or Second Home
Hard Money
Small Commercial

Scott Kepler 

© 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://mortgageratesweekly.com/scottkepler