


## 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

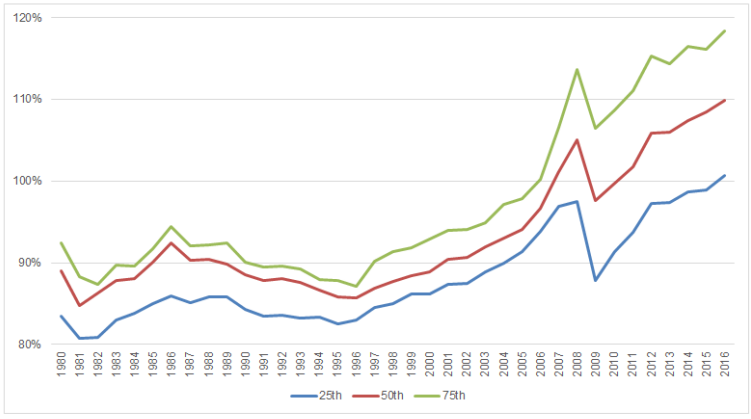

# Lower FICO Buyers Head For The Hills

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 | 7.48% | -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.

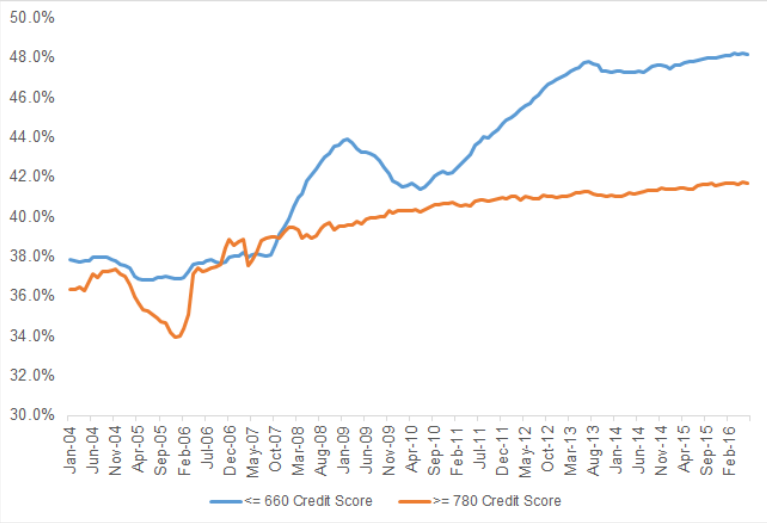
**Read or subscribe** to my newsletter online at: http://mortgageratesweekly.com/scottkepler

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://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