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Homeowner's insurance premiums vary widely from state to state, but they are all going up

Source: CNBC

Six months after wind-whipped wildfires killed 30 people and destroyed thousands of homes and businesses in and around Los Angeles, the scenes in Altadena and Pacific Palisades are still horrific, with block after block of burned out homes and businesses. But every so often, there are small signs of rebirth, from a property owner cleaning up their lot, or workers repairing a home that was merely damaged.

"The situation in insurance has actually been remarkably stable, considering everything that happened," said Scott Wilk, an independent insurance agent and owner of the Santa Clarita, California, branch of TWFG Insurance. That is not to say that premiums are not surging after the wildfires. The online marketplace Insurify projects California premiums will rise 21% this year, even in areas that are far from Los Angeles, in what experts had predicted would be a year of only modest increases in the state. In fact, Insurify is projecting premium increases in all 50 states this year, averaging around 8%. California's increase is not even the largest. That distinction belongs to Louisiana, where premiums are projected to rise 28%. Nor is the phenomenon limited to coastal states. Iowa and Minnesota are also looking at double-digit increases.

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Delistings Surge Nearly 50% as Sellers Who Can't Get Their Price Quit the Market in Frustration

Source: Realtor.com

After failing to find a buyer at the price they think they deserve, more home sellers are pulling their listings off the market altogether. Delistings jumped 47% nationally in May from a year earlier, in a sign that sellers would increasingly rather wait than negotiate, according to the Realtor.com economic research team's latest monthly housing trends report. Year to date, delistings are up 35% from the same period in 2024.

The increase is partly due to the overall expansion in active inventory, which was up 29% in June from a year earlier. Newly listed homes increased 6.2% from a year ago, but remained flat over the past two months. Still, delistings are outpacing new listings, with 13 homes delisted in May for every 100 homes hitting the market—up from 10 in the spring of 2024 and 2023, and just six in 2022. The increase in delistings follows a surge in price reductions, as some sellers with unrealistic price expectations faced a softer market with limited buyers. Now, it seems that some sellers would rather wait out the market than accept a lower price for their home.

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Priced out of LA homeownership? City Council proposal could allow sale of cheaper ADUs

Source: LAIST.com
Los Angeles City Council members introduced a batch of proposals this week aimed at speeding up the creation of more housing, including new options for achieving what for most Angelenos is an increasingly impossible dream: buying a home. Among the five proposals put forward Tuesday, two focus on accessory dwelling units — or ADUs. Many homeowners have been building these structures in their backyards to create homes for relatives or to rent out for extra income.

One proposal seeks to allow homeowners to put ADUs up for sale, separately from their main home, potentially creating a cheaper pathway to homeownership for the vast majority of Angelenos who cannot afford to buy larger single-family homes. In an interview with LAist, Councilmember Nithya Raman, who is chair of the Housing and Homelessness Committee, said these smaller homes could be ideal for L.A.'s shrinking average household size.

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Paying Rent on Time Could Now Help You Get a Mortgage After Key Change at Fannie and Freddie

Source: Yahoo Life
A new policy change at mortgage giants Fannie Mae and Freddie Mac

could help first-time homebuyers qualify for a mortgage if they have a track record of paying their rent on time. Effective immediately, Fannie and Freddie will allow mortgage lenders to use VantageScore credit ratings to assess borrower creditworthiness, in addition to or instead of traditional FICO scores, Federal Housing Finance Agency Director Bill Pulte said on Tuesday. Unlike FICO, VantageScore takes rent payment history into account, if those payments are reported to either Equifax, Experian, or TransUnion, the three major credit bureaus.

“We are expanding credit access to millions of forgotten Americans—people who live in rural areas, renters who pay their rent on time every month—and bringing down closing costs,” said Pulte, who is also the chairman of Fannie and Freddie, in a social media post. FICO and VantageScore both issue a credit score between 300 and 850 to potential borrowers, with the goal of projecting the likelihood that a person will fall behind on debt payments.

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More luxury homebuyers paying with cash this year, report says

Source: Fox Business

More luxury homebuyers are paying with cash to acquire properties this year, a report from Coldwell Banker Real Estate revealed. The company said in its "2025 Mid-Year Report" that more than half of over 200 surveyed Coldwell Banker luxury property specialists reported an uptick in wealthy buyers purchasing homes with cash. Roughly 34.1% said there has been a "slight increase" while 16.6% said there has been a "significant" rise in

that method.

Mortgage rates have played into the increase in buyers paying cash to acquire homes, according to National Association of Realtors Chief Economist and Senior Vice President of Research Lawrence Yun. "High mortgage rates are not appealing for borrowing, and, therefore, that induces the wealthy to pay all cash for real estate (after selling off a few of their assets)," he told FOX Business. Many have been turning to personal savings, stocks or funds they netted from selling another property as the "primary" means to make their luxury home purchases, according to the Coldwell Banker Real Estate report.

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Homebuyers finally responded, after mortgage rates hit lowest level in three months

Source: CNBC
A brief drop in interest rates caused a strong bump in otherwise tepid mortgage demand. Total mortgage application volume jumped 9.4% last week compared with the previous week, according to the Mortgage Bankers Association's seasonally adjusted index. Last week's results included an adjustment for the July Fourth holiday.

The average contract interest rate for 30-year fixed-rate mortgages with conforming loan balances, $806,500 or less, decreased to 6.77% from 6.79%, with points holding steady at 0.62, including the origination fee, for loans with a 20% down payment. That was the lowest level in three

months. Applications to refinance a home loan rose 9% for the week and were 56% higher than the same week one year ago. Refinance demand has been particularly weak because mortgage rates were stuck at high levels for so long. Applications for a mortgage to purchase a home also rose 9% for the week and were 25% higher than the same week one year ago.

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