



2018


Members
MortgageOCTOBER
NEWSLETTER

OCTOBER

M	Tu	W	Th	F	Sat	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31 🎃				

NOVEMBER

M	Tu	W	Th	F	Sat	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

 = Federal holiday

FUN "HOLIDAYS"

10/4 - World Animal Day
 10/17 - National Pasta Day
 10/21 - Count Your Buttons Day
 10/31 - Halloween!
 11/13 - World Kindness Day
 11/26 - Cake Day

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**INFOCUS: TILTING THE BUY-
 RENT SCALES BACK AGAIN**
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INDUSTRY NEWS

[The trouble with mortgage
lending](#)

Hint: too much assembly
 required; how can it be
 streamlined?
HousingWire

[Adopting Digital Mortgage Tech](#)

What do consumers expect
 from their mortgage
 providers? How is that
 changing with the times?
Fannie Mae: Perspectives

[ARMs: Good or Bad?](#)

Maybe ARMs aren't the
 boogymen after all. See who
 an ARM can benefit-- and
 who can take a pass.
NerdWallet



STAFF PROFILE

Colin Barden
 VP / Sales
 NMLS #9971

Now that summer's
 finally over, what was
 your favorite part?

"Enjoying time with
 my family at the lake
 house in Maine. And,
 playing as much golf as
 possible!"

MMC NEWS & UPDATES

Holiday closings will be
 announced via the rate emails!



MEMBER feedback

58 NPS (Net Promoter Score)

What does this actually tell us?

In general, any positive number constitutes a good Net Promoter Score. Any number above 50 is excellent, and any number above 70 is world-class, going by the official metric. [Learn more about NPS.](#)

How is it calculated?

The Net Promoter calculation calls for us to subtract the percentage of detractors (people who rated 0-6) from the percentage of promoters (people who rated 9-10) and leave out the percentage of neutrals (people who rated 7-8).

Member feedback is obtained monthly, using a standard customer service survey where members are asked to rank various services provided by Members Mortgage, and given the option to leave a comment. Each member may only rate services/comment once per loan transaction. Members are identified only by first name to ensure their privacy, and all comments shared are from members who opted to allow the use of their feedback. The comments are preserved in their entirety-- typos and all!

"The loan officer was extremely, helpful, professional, yet very personable as if dealing with a hometown office. The mortgage experience was the easiest part of the home buying experience." -- Rickey W., 360 FCU member

"All went smoothly. The whole process was well explained and as much as possible, stress free. I really appreciated working with an actual person. My mortgage officer was very knowledgeable, easy to contact and he answered all my questions. Thank you!" -- Maja K., MIT FCU member

"The loan officers were very easy to work with, did a excellent job explaining the overall process and answered all of our questions clearly and timely. Our mortgage was successfully completed within a relatively tight window. We would not hesitate to reach out again for future home financing needs." -- Matt N., MassBay CU member

"The overall handling of our refinance was outstanding! Thank you all very much for your patience and kindness with us during this process." -- Deb M., MassBay CU member



MEMBER *feedback*

"All of our communications was done electronically, from the quote to the closing. My online account was always up to date. The loan officer would request documents I would upload the documents to my online account. My loan was approved in less than 3 weeks. We had 2 phone conversations (1. for the quote and 2. filling out the loan application). I am very pleased with the customer service I received."

-- Cynthia T., Connex FCU member

"This is the second time that we got a mortgage thru the Credit Union. Although the previous experience was thru another mortgage company, both experiences were smooth and stress free. Fortunately we did not have any significant challenges, but in both cases the case worker provided constant updates, timely answers, and expertly guided us thru the process. In the case of this summer's mortgage process, we really appreciate having timely feedback when our associate was on a well deserved vacation. The covering associates answered questions and provided documents as though they were handling our application all the time."

-- Chris A., Dutch Point FCU member

"The process was made very simple, especially considering we were first time home buyers, and our loan officers communication and help along the way was outstanding."

-- Andrew G., MIT FCU member

"We cannot say enough good things about our experience. Our loan officer was professional, understanding and compassionate in a typically stressful process. I made many phone calls when I needed direction or clarity, and he always welcomed the call and never made me feel that I was bothersome to him."

-- Julius G., Connex FCU member

"Prior to this- my other loan application was a negative experience. I was recently divorced and dealing with many different issues. I felt intimidated and clueless. I regretted it the day I signed. This time was 100% different. My loan officer was patient and not patronizing. The appraiser and attorneys staff was respectful and helpful. I feel as though a burden was lifted from my shoulders"

-- Dawn P., Connex FCU member

"The whole process was easy and non stressful. Everyone we worked with was pleasant and professional. It was a pleasant experience"

-- Daniel C., West Springfield FCU member

"When I told my realtor that we were using Members Mortgage, she said that was great news because they're the best. We had refinanced a couple of times and the process was very smooth, but this gave us additional peace of mind when buying our new house."

-- James J., Woburn Municipal FCU member

MARKETING SAMPLES

Quarter 3

Next up will be our autumn quarterly marketing campaign, so here's a preview of what you can look forward to!

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for a **new home?**

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FL #MLD1511 / CA #41DBO-72710

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Today!

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All designs can be customized to suit your CU colors, programs, logo, and even the pictures can be varied to suit the theme you want for the season!



The buy vs. rent debate, which has pointed definitively toward buying for the past decade or so, appears to be tilting toward renting. Reversing the forces that had made home ownership the better economic choice (home prices depressed by the fallout from the recession and record low mortgage rates), prices have been rising faster than incomes, shrinking inventories have been accelerating the price gains, and mortgage rates, also now on an upward curve, are exacerbating the affordability pressures.

Home ownership costs have increased by 14 percent over the past year, while rents have increased an average of 4 percent nationally, according to data compiled by Realtor.com. Only 41 percent of U.S. residents live in a county in which the median-income is large enough to purchase the median-priced home, this analysis shows.

"Even setting aside big upfront expenses like a down payment, rising month-by-month costs are likely keeping many people from purchasing," Danielle Hale, Realtor.com's chief economist, told CNBC.

Buying a home was less expensive than renting one in 44 percent of U.S. counties a year ago, according to the Realtor.com analysis. Last

month, costs favored buying over renting in only 35 percent, as the buy vs. rent equation has shifted from buy to rent in 289 counties.

A separate study by Florida Atlantic University and Florida International University has concluded that renting a home is now a better investment than buying one in many major metropolitan areas, the first time that has been true in more than eight years.

A "Problematic" Trend

Because home ownership has traditionally been a major source of household wealth creation for Americans, Hale noted, this trend "could become problematic" if it continues for too long.

The housing market is cyclical, and like all cycles, this one will shift again at some point. But there was no sign of an imminent shift in the July housing data, as a strong economy, growing at its fastest rate in four years, couldn't keep the housing market on track. Sales of both new and existing homes declined in July, disappointing analysts who had expected rebounds in both segments.

Existing home sales shrank for the fourth consecutive month, falling 1.5 percent below the year-ago level. The annualized sales rate of 5.34 million units was the lowest it's been in more than two years. Condominiums and co-ops, which have been outperforming detached homes, followed the same downward trend, ending up 3.3 percent off the July 2017 pace.

Priced Out

Pending sales, an indicator of future trends, weren't encouraging. This National Association of Realtors (NAR) index fell almost 1 percent below the June reading, posting its seventh consecutive year-over-year decline.

"Too many would-be buyers are either being priced out or are deciding to postpone their search until more homes in their price range come onto the market," Lawrence Yun, the NAR's chief economist, said in a statement.

New home sales beat the year-ago rate by almost 13 percent, but that's damning with faint praise, as the year-ago sales total was anemic, and the trend for this year has been heading steadily downward. The July sales rate was the lowest it has been in almost a year.

"For the second month in a row, both new and existing home sales have come in below expectations, adding yet another data point to the

mounting body of evidence pointing to a struggling housing market," Aaron Terrazas, senior economist at Zillow, told reporters.

Inventory Problems Persist

Scant inventories are the major problem, as they have been for the past year, the NAR's Yun insists. He blames the paucity of new construction for the shortage of listings that is driving prices higher and sapping affordability even as incomes are beginning to grow. "Existing supply is still not at a healthy level, and new home construction is not keeping up to meet demand," Yun complains.

New construction is clearly what the housing doctors are ordering as an antidote for inventory woes, but that prescription hasn't been filled. Construction starts, which sank in June, increased by less than 1 percent in July, as builders continue to struggle with rising materials costs and a shortage of skilled labor. Permits increased by 1.5 percent, continuing a positive trend, but at a rate that analysts agree is too slow to make a dent in the inventory shortage.

"We expected a much bigger rebound in starts after June's surprise plunge – which was revised down – so this is disappointing," Ian Shepherdson, chief economist

for Pantheon Macro, told MarketWatch. Although permits for single-family homes increased sharply (offsetting a steep decline in multifamily), "the bigger picture is less encouraging," Shepherdson noted. The trend in permits is flat, at best," he added, "and the downward trend in the NAHB index of homebuilder sentiment and activity suggests that no near-term recovery is likely."

His prediction – more of the same. "Housing is the sole weak spot in the economy right now, and that's probably not going to change."

Changing Tack

With rates rising, interest in refinancing has waned dramatically; with the depleted inventory, particularly near major cities, and home prices as high as they are, members looking to purchase new homes are finding themselves out of luck. What can be done against headwinds like these? Push harder.

There's no way to fight the outgoing tide; the wax and wane of the housing market is part of the natural movement of the economy. There's also no telling when home prices (and rates) will return to previous lows, so in the interim, it's more important than ever to make sure members know where to ask for a mortgage when they need one—and for them to be able to get one fast, if they're purchasing.