Speaker 1 (00:00):

The academic mortgage and Realty show is sponsored by academic mortgage and equal housing lender and MLS ID two five five, three six, eight, and academic Realty advisors, which is a separate company from, but still affiliated with accurate mortgage.

Speaker 2 (00:14):

Welcome to the [inaudible] mortgage and real to show getting you inside information on buying, selling, and financing your home with expert advice, but accurate mortgage and Realty. And now here's Brian and David Wickers.

Speaker 1 (00:30):

Well on the top of the morning, tap in the middle of the morning to you. Welcome to the acronym mortgage Realty show. I'm Brian Wichert, the owner of academic mortgage, and also Achan at Realty advisors along with my son, David, who is our chief client experience officer at Akron, a mortgage, and also one of the owners. If you've got a question or comment, you can call her Texas on the acronym, mortgage talk and Textline, which is toll free (855) 616-1620. All right. So, uh, in the lead up to, uh, the news there, we were telling Tony, we kind of dodged one here. I was really kind of bracing for a very strong job, hot jars report HotJobs report. And the reason we care about the jobs report, which comes out once a month and tells us how many new jobs the economy created, and also how many on a percentage basis that people are looking for work, but can't find it, uh, is because that is an indication of the economic health of the country.

Speaker 1 (01:26):

And then the other thing that we believe to be true is that as the unemployment rate goes down and there are fewer people are looking for work that can put upward pressure on wages. And that is an input into inflation because if it costs more to provide a service or make a widget because of your labor costs, that's going to drive up the cost and inflation folks. This is the punchline is the enemy of interest rates. So that's what we're, that's why we care about the jobs report. So David, what I think the market was expecting about 750,000 new jobs to be created. Other people I heard as watching CNBC, uh, as the news came out, some were calling for 900,000 new jobs, which is colossal, right? And

Speaker 3 (02:10):

Instead we got what would be an excellent 559,000 people who got jobs, but when you're anchored to expect, you know, darn near a million, yeah. That five 59 sounds so poultry, but that's strong. And the unemployment rate fell to 5.8%, which historically, when you get close to that 5% economists have many, uh, denominations would tell you that's close to full employment. Yeah.

Speaker 1 (02:38):

That number keeps moving me. And by the way, just to compare the number of people who are officially unemployed in America, according to the bureau of labor statistics was 9.3 million. And that is down from a Whopper in may of 2020 during the height of the lockdown. It was darn near 21 million. So we've cut that in, but

Speaker 3 (02:59):

It's not just the 9 million because here at the acronym, mortgage and Realty show, we're not just taking the headline. It's not just the ninths, a million who are unemployed. There's when you get down to like the eighth paragraph in the, uh, release from the bureau of labor and statistics, they say, oh, by the way, what we're not counting in this is 6.6 million people who have not looked for a job in the last four weeks or could not have taken that job for personal reasons. So another 6.6 million people,

Speaker 1 (03:33):

That's a lot of. So that's really, we calculated like that, that makes the real unemployment rate like nine and a half percent, but, you know, but here's the other truism I've been talking to small business owners and other, especially in the service industry, restaurants, you know, uh, uh, assisted living places. They can't find people. They cannot find people to fill jobs. Um, and you know, it's, it's a problem. And so that it does cause employers to pay more, to attract people, right. Either to get back in the labor force or to take the job at XYZ, you know, company a by the way, one other interesting thing that I think we should be watching, there are 151.6 million Americans who are working and that are in what is called the non-institutional civilian population. There are a hundred million 0.2, let's just call it a hundred million people in that adult population who are not working, you know, they're either retired or choosing not to work. So we only got at that on a percentage basis. That means it's just under 62% of the people are working. And, uh, that's pretty good from where it has been in the recent past. But yeah.

Speaker 3 (04:48):

So what happened on Friday was as the market was expecting, as you had said, this extra white hot jobs report, and it only came in at this paltry five 59. And so, um, as Nassim to lab, the author of the black Swan says, nobody knows what's going on. And then we explain what happened after the fact because it's improved, even though we added and a half million jobs on Friday in may, right.

Speaker 1 (05:17):

Rates came down and didn't you say, stocks went up too on Friday. I was golfing. So I didn't pay attention, Goldilocks, Goldilocks, further mortgage banker. And where are we right now on a 30 year fixed rate, David had low over his activity

Speaker 3 (05:29):

On a refinance 2.9, 9% on a 30 year fixed with just 25% equity and all the other rights stuff. The APR is 3.02. And the cost for that would be 888 bucks.

Speaker 1 (05:42):

Wait, David, no points with that.

Speaker 3 (05:44):

No points, no points and I, which is fantastic. Uh, and there's a lot of people who can still take advantage of refinancing. I, uh, so I went to the baseball game yesterday and where are we economists, like to say, where are we in a recovery? What inning are we in? And so let's apply this to the refi Trinity, and

Speaker 1 (06:07):

Let's not call this the recovery, let's call this. Where are we in the interest rate cycle? Right. Because we have been enjoying this miraculous 2.9, nine 30 year fixed rate for a long time, like right. The better part of a year. And all right. So where are we in that cycle? What do you mean? Do you see it as David?

Speaker 3 (06:24):

I, I, I might be in the top of the 10th inning. Some people might think we're in the top of the seventh. Uh, regardless the opportunity is now to take advantage of where rates are so that you can, uh, what's the tortured metaphor. Let's win the ball game here in the bottom of whatever ending we're actually in,

Speaker 1 (06:42):

Right? Let's not go to any, even more extra innings, right. And coming up right after this break, I've also got fresh numbers on home price appreciation, which should be another door opener. Eye-opener motivation to take a look at that refinance. You're listening to the academic mortgage and re refund initial action, a mortgage in Realty shell on am six 20 WTMJ

Speaker 2 (07:06):

Home buying advice from the guys who know it best. This is the accurate mortgage and Realty show with Brian Wichert on WTMJ

Speaker 1 (07:17):

All right. A little Phil Collins or possibly Genesis. I don't remember which, but I can dance unlike this song. All right. So the whole price index from Fannie Mae and Freddie Mac's regulator, the federal finance, the federal housing finance agency came out, uh, here this last week. And it showed that the home prices in America, and this is more precise than the median sales numbers we get from the realtors, because this actually takes into account the size of the home, the bedrooms, the baths, all that kind of stuff. Home prices are up 12.6% in the United States. And by the way, compared to the pre housing crash peak value in April of 2007, we're now up 44%, which by the way, if you bought a $200,000 home at that prior pre-crash peak in April, 2007 year, $200,000 home dip down to one 56 in value in 2011 and 2012 kind of bottomed out there, big foreclosure crisis.

Speaker 1 (08:17):

And now as of March of 2021, it'd be worth two 88. So the only problem, you know, with any asset that you own is if you are forced to sell it at a time, not of your choosing, like when you lose your job or when a loan comes due and you say, well, I've got to liquidate this. That's what the crisis was all about. All right. Um, those who are able to hang on are just fine. So what about the reporting? A 12.6% home price appreciation numbers like saying the average temperature in the United States yesterday

Speaker 4 (08:48):

Was so,

Speaker 1 (08:51):

Yeah, Wisconsin, by the way, as a state prices were up 10.9, according to the FHA home price index slightly below that national average ranking is 38th in overall state ranking. And so what that means is if you bought a $250,000 house, let's say in February of 2020 on average, you'd be up to two 77 and Wisconsin, if you could apply that. But you know what, that's again, too broad measures. So I've got the numbers for the metropolitan statistical areas and micropolitan statistical areas. You got a question, David,

Speaker 3 ([09:25](#)):

I was going to tell you, cause I pulled this number for you back in that Q1 of 2020, you were paying for your mortgage, basically three and a half percent on a 30 year fixed another point.

Speaker 1 ([09:37](#)):

Okay. So let's, let's preview the punchline here is when you combine the appreciation in home values that I'm about to describe along with the fact that, Hey, if you bought or refinanced a home in the first quarter of 2020, that's a double, a Wendell was the wrong word, a double win, right? Because your property values going up as you're paying down your mortgage. So you have the opportunity. If you bought that home in the first quarter of 2020, and you needed to use a very valuable tool called private mortgage insurance or government mortgage insurance FHA. Yeah. What's the opportunity David

Speaker 3 ([10:16](#)):

You to either remove or reduce that monthly P M I, because you've got more equity in that home, probably keep paying down that mortgage. You took out home values, keep going up. Oh. And we might be able to keep or lower your current interest rate. That is that the triple win I just described. That's

Speaker 1 ([10:35](#)):

The triple win. And the folks, what you don't know probably is that every 5% in equity changes the cost of the private mortgage insurance. Okay. All right. So here's a quick rundown, um, and we'll save the best for last. So with five and a half percent appreciation year over year, according to the FHF we're lacrosse green bay and to my surprise, Madison only 5.5% appreciation, but that's still enough to move you one notch of private mortgage insurance cost in the 6% range. We've got the Duluth superior area, Sheboygan and Ash, gosh, 6% price appreciation. So that's 15 grand on a $250,000 house. All right. David's telling me it's time for a break. When we come back, we'll tell you the rest of the metropolitan areas quickly and what this could mean for you. If you're paying PMI, you're listening to the acronym, mortgage and Realty show on Wisconsin's radio station am six 20. WTMJ

Speaker 2 ([11:38](#)):

Getting you into the home of your dreams. Here's more of the accurate ed mortgage and Realty show with Brian record on WTMJ.

Speaker 1 ([11:48](#)):

All right, we're back. And we were talking about how much of home's gone up in value in the last year, and we're telling you what the numbers are according to the federal housing finance agency, which takes meticulous care in calculating these numbers. So we're comparing what's the value of a home in various metropolitan areas in Wisconsin, uh, this last quarter, first quarter of 2021 versus just a year earlier and, uh, in the six and a half percent appreciation category, our fund Duloc Wausau and Appleton Wisconsin. So a $250,000 house that you bought early in 2020 is now worth two 66, two 50 in the 7% club we've got old Claire Janesville, seven and a half percent for Racine. Um, in the top three. Now, here we go. The top, oh, well the top two for Wisconsin, uh, the Kenosha county lake county and metropolitan area.

Speaker 1 (12:41):

So that's the Chicago border up 10%. Your $250,000 home is now worth about two 75, just one year later. And then the biggest, fastest, best appreciation appreciating market in Wisconsin is your Southeastern Wisconsin market. Milwaukee Waukesha was Dallas. We are up a whopping 13%, which means you gained $32,500 in value. Uh, your $250,000 home. If you bought it in the first quarter of 2020 is now worth two 82, five. Uh, that's nice. So what, what could you do with that? Well, um, I just ran the numbers here, uh, for somebody and I said, what if, what if you have that $282,500 home, and now you wanted to refinance from, take your, take your rate from three and a half percent, uh, where you were paying, um, about $81 in private mortgage insurance per month, because you put 5% down in my little example. Now with that price appreciation, if we turn around and make you a 2.9, nine a 30 year fixed rate, and you'd have at least 10% equity now, for sure you would clip, you would say buy a thousand dollars a year in monthly mortgage payments every year, uh, for the rest of the time you have that loan.

Speaker 1 (14:07):

And you would only, as you pointed out, David have to pay about $800 in loan costs. That's if we need an appraisal, because folks about 48% of the time, when we put a regular refinance through the Fannie Mae or Freddie Mac automated underwriting system, it comes back and says being no new appraisal is needed, that's called an appraisal waiver. And it's the thing we love the most. Are your thoughts on that, David? Any comments, questions?

Speaker 3 (14:30):

Well, and I think, um, it's not necessarily just for, I think, um, you know, we've talked about, Hey, you bought a home, you know, Q1 of 2020, or maybe even in 2019 or 2018 recently, there's no waiting period as a home buyer before you might be able to improve the pile money. You've borrowed called a mortgage perhaps by refinancing. And, and so there's no waiting period for that. I mean, I guess when you buy a house, maybe you're focusing on, you know, making it nice and making it yours before you think like, oh, by the way, you know, how might we be able to lower our monthly payment? But w well, the, and the second piece that I was going to say was because it is so competitive in the home shopping, uh, category home, you know, purchase that kind of appreciation also affords homeowners the opportunity to remain in place, to improve the home that you're already in. That if you have a ton of equity and now you have even more equity, whether it's,

Speaker 1 (15:40):

You can tap that equity, you can tap that equity to him

Speaker 3 (15:44):

Yeah. To improve your home. Cause it's kinda, you know, uh, it's not dance with the one you brung, but you know, the devil, you know, the house that you're in at least, you know, you know, all the bits about your house and you spent a lot of time there in the last year. So maybe you think, well, honey, you know, if we just put that full bath in the basement, then you know, we do have enough space and you can improve the house you're already in. I think that's the other opportunity. Sure. Rather than competing for homes that are for sale.

Speaker 1 (16:14):

I remember talking on the show of several weeks ago now about a couple that bought new construction, never put their deck on, right? So it's like, Hey, we bought the house is brand new, but we didn't have enough money at that time or whatever. Maybe it was the weather and we never put on our deck. And so now we'd like to spend, you know, 20 grand. And I remember that example, we were able to help them extract the 20 grand from their home on a cash out refinance. And essentially the, you know, their payment went up about 20 bucks a month because we were able to lower the rate at the same time. So there's all kinds of opportunities when you mix great rates with strong home price appreciation. That's the punchline. Anything else before I say what we're going to do after the news? You all, you all right. So, uh, after the news break coming up here, I've got an interesting story about a first-time home buying couple that got their offer accepted on the first try on amazingly rare story. We'll tell you how it happened. And some of the fun stuff about that when we come back now, it's time to hand it over to Tony bedrock and the 24 hour newsroom [inaudible]

Speaker 2 (17:25):

Don't break. The bank did get into a house back to the accurate mortgage and Realty show with Ryan Wicker on. And Jay, all right.

Speaker 1 (17:34):

We got a question in on the acronym mortgage talk in Textline about time when it's related to when the monthly PMI can be dropped. And the answer that question is twofold. If you do a refinance and are doing a completely new loan to pay off the old loan that has PMI on it, there is no time limit or a waiting period because we're going to get a new appraisal or a new home value out of the computer system. And that kind of just resets all the facts. So no waiting period there, if you are, uh, yeah. In a mortgage that has PMI on it, and you're not going to refinance, there is a federal law that applies to primary residences where the PMI must be removed after you reach 78% after your loan balance gets down to 78% of the original property value. That's called what the home equity preservation act.

Speaker 1 (18:31):

I believe David, if I've got my regulations. Correct. And, uh, and so th you know, and then the other thing that's true though, is you can petition without refinancing, uh, to have your mortgage insurance removed. Anytime you think you've reached 20% equity. So several different little ways to, uh, either eliminate or reduce the cost of your PMI. Alright, now this, that actually story is going to, or that fact is going to apply to this next story we have of, uh, uh, new home buyers out there shopping. And luckily their dad, one of their dads said, you know, you really got to get your financing in order, uh, before you go out there and start writing offers. So, uh, we were able to get them rock solid pre-approved last week, and in a matter of a couple of days, and wouldn't, you know, they find a home that appears to be sort of like, not quite on the market yet.

Speaker 1 (19:27):

I'm not sure exactly how they came across this listing, but, uh, they wrote an offer. I think it was on Thursday. There was some conversation about, well, how fast can you close? And, but wait a minute, but wait a minute, the sellers are relocating. So, and they haven't found a place in the new city where they're moving to. And so the nugget in this story is one of the reasons that our buyers prevailed and got an accepted offer, a they're paying them, I think about $26,000 more than they were going to ask that always helps. And B they were very flexible on when they would close. And so that took a little custom conversation, and I happened to feel that call and working on this transaction with your brother-in-law, my son-in-law Tim Holdman, but I happened to be available on Friday morning to feel that call, which was how fast could you produce a financing commitment letter? Well, because they're already rock solid. Pre-approved we've already got all their income and down payment documentation. Yeah. The only mystery is the appraised value, and we're getting those within a week or 10 days. So the deal was, as long as you don't make us wait to order the appraisal until after the home inspection is done. Yeah. We can do this 21 days. That was the desired response. Could we have a commitment letter, uh, by a, within 21 days of the accepted offer? And I said, yeah, because of the fact that you're accessible. Well, we

Speaker 3 (20:58):

Were ahead of schedule before they even started putting pen to paper. That's the key note there,

Speaker 1 (21:06):

Correct. They weren't walking through the open house and then trying to get started on their smartphone as their cheek. We really afford this house. So there, thanks to their, you know, dad, in this case, they did the right stuff, which then makes us all possible. But here's the kicker. The seller might want to close as late as August 5th, 10th, which is like 71 or 72 days in the future. And so in our conversation, we said, all right, what we can do is we can lock in your rate for a closing as late as August 15th. It's not that much more expensive than locking it in for what I would call the standard 45 days. And, and then they crafted the offer in such a way that the seller gets to call with seven days advanced notice, when are we actually going to call it? So they have to close by the 15th of August. Uh, they can close as soon as let's say, 25 days for the accepted offer and anywhere in between, they just have to give seven days notice. So that's an example of the intangible of flexibility. Um, being a key component in getting your offer accepted. I have, I have follow-up. I have follow

Speaker 3 (22:19):

Questions after, after the break. So we'll all do our little outro here. You're listening to the acronym, mortgage and Realty show on am six 20. WTMJ

Speaker 2 (22:30):

Find a place to call home without the headache. This is the accurate mortgage and Realty show with Brian Wichert on WTMJ.

Speaker 1 (22:41):

All right. We're back. We're talking about the successful first time home buyer who got their offer accepted in part B. You know, they, they offered more than people were asking by quite a bit. And, uh, but also gave them a lot of flexibility on when to close. So that can be an X factor. David, you said you had more than one question about this fascinating tale.

Speaker 3 (23:00):

Okay. So I went to this thing on my computer called Google, because you said, yeah, we're going to try, we're going to get you your long commitment in 21 calendar days. Okay. 21 calendar days from today is June 27th.

Speaker 1 (23:15):

Actually it's the 25th because the offer, yeah, go ahead.

Speaker 3 ([23:18](#)):

Okay. And, and then though, we, because we're the buyers and we're flexible and we really want you to say yes, seller we'll wait, or we're willing to wait until as late as August 15th, which is, I can't get Google to cooperate right now, but it's like almost 45. It's many more days. It's a month and a half, which gives palpitations because

Speaker 1 ([23:47](#)):

Wow, we talked about this, go on. Okay. What's your palpitation, David.

Speaker 3 ([23:51](#)):

The palpitations are once you've delivered blown commitment, you are naked. You are, there is next to nothing that will give you a contractual opportunity to get out of buying that home. The best example of this is what if you lose your job between liver or not just lose your job? What if you get disabled? Like what if you, you know, fall and, oh, you're a nurse, but you have a broken femur. Well, it's hard to walk around the hospital with a broken femur, so you're on disability, but, and so you've

Speaker 1 ([24:30](#)):

Got this window.

Speaker 3 ([24:33](#)):

And so there's this like 45 day window where the home buyers that you're talking about are, um, risk hero and they're, they're imperil. Yeah. That, that their financial life will remain, you know, boring, nothing stable between right. When they deliver that commitment and arriving at the closing table. I know that makes me sound paranoid, but it's

Speaker 1 ([24:57](#)):

All right. So, you know, and we did not rehearse this ladies and gentlemen, that is exactly the conversation that I had with the, uh, one half of the home buyer team and their buyer's agent. I said, you know, you're at risk during this period, if you lose your job. Well, this is another interesting twist in this story. Uh, one of the borrowers works for a family business. So the chances of him losing his job are none. Okay. Yeah. And then we talked about that with the other, uh, half of the home buying team. And she said, well, actually I'm about to get promoted. So the chances of me getting, let go are small. And she is unusual in, in, in, uh, she's got some inherited money so that if she did lose her job and became disabled, they would simply put down more money. So that the other borrower who works for a family business could finance that we didn't, we had the conversation, but I'm glad you thought of that. That's makes me feel good that I can take off. And you would think of the same things I would think of.

Speaker 3 ([26:04](#)):

Yeah. Well, okay. And so, uh, just to come back on the, the sentence that you ran, that you talked through, oh, one of the home buyers in this, oh, I happen to work for a family business. Okay. Dear six, 20 WTMJ listeners who hear this right now, you cannot put together a home purchase game plan standing in the living room. If your financial life is at all interesting. Like I work for a family business because they think you, uh, you told me this story and you asked about a specific self-employed document. And I think the response was what was what's that document called in such a way. Yeah. And so it's not like you have a salary working at Johnson controls downtown, and you get a 3% raise every year. It would have been, there would have been a lot of heartburn if they had not gotten rock solid. Exactly.

Speaker 1 (27:04):

So when you work for a family business, and this brings to mind another situation where our, um, home buyer who works for a family business, uh, they just got accepted offer. We like pre-approved them. I, it seemed like a month or two ago. And in that particular case, so the question that has to come up when you find out, or you notice that the person's last name is, you know, uh, Sharma wits and they work for slimish Schlemmer what's the industries, is that, was that a family owned business. So the first question is skilled origination, uh, professional would ask is, do you own any portion of that business? And in this case, uh, of the first time home buyers, the answer was, yeah, I started buying into the company will do you own more than 25%? That's the magic percentage at which owning part of the family business becomes complicated because you're considered self-employed and then you have to be self-employed for at least two years before you're eligible for any mortgage financing, which surprises the heck out of people. And, uh, so a couple more tidbits on this it's time for another break, a little bit more on this first time home buying, and anytime you're buying and you are about to own or do own part of the family business. When we come back, you're listening to the acronym, mortgage and Realty show on the biggest stick in not a state am six 20 WTMJ. This

Speaker 2 (28:27):

Is news radio WTMJ expert advice on buying a home. Here's more of the accurate mortgage and Realty show with Brian Wichert on WTMJ.

Speaker 1 (28:42):

So just talking about, Hey, you're not financially boring, you're just not Joe W2. You're involved in a family business. And my second example of this, the home shopper, uh, shared with me. Yeah, I'm set to take over the family business on January 1st, 2022, which makes him ineligible for financing, uh, at that point, because he will be, even though it's the same business, he will have gone from being a non-owner or a minority shareholder to owning more than 25%. And in the mortgage lending world is like, Hey, now that you're the owner of this business, you might screw it up. Don't take that to heart. David, you know, dad has been running the business successfully for 25 years, and then, you know, the son takes it over. Is it still gonna remain successful? This is the concern of the mortgage lending community. So luckily, uh, we're getting him, uh, finance to purchase his home before that event takes place.

Speaker 1 (29:41):

Um, back to the story though, of the first time home buyer, couple who is succeeding on their first, at-bat very rare, I would say in this market, um, I had emailed after having a chance to look at the offer and the appraisal contingency was stricken. Uh, so normally you say, Hey, my offer is, and there's this written to say, I'll buy this house and I'm going to put 20% down. So as long as I can get approved for let's just make up a number of $450,000 mortgage. Um, uh, that, that that's my reason for backing out is if I, if I can't, if I only, if I cannot get approved for that $450,000 mortgage, there is nothing that about the appraisal in this particular offer to purchase. And I don't know if we're all on the same page, because as a first-time home buyer, we can approve their loan.

Speaker 1 ([30:33]()):

If the home appraises as low as $465,000. Now that loan would require private mortgage insurance, but there's nothing in the Wisconsin offered a purchase that says, yeah, but if I have to pay private mortgage insurance on this $450,000 hundred, then I get to escape from the contract. No, no, no, no. It just says as long as I can get approved for a $450,000 loan, I'm staying in the batter's box. Yeah. So I'm not sure we're on the same page now, chances of it, that would be like $98,000 below the accepted offer price. So that ain't going to happen. Right. People it's not that crazy. But if it did, let's say appraise for $26,000 less, I had sent them this number of weeks ago. And so I doubt if they remember it, their choice would be, Hey, I either bring another $21,000 to the closing to make up for that short appraisal.

Speaker 1 ([31:29]()):

Yep. Or I keep the loan amount the same and I pay private mortgage insurance insert. Chet's clutching music here. Oh, I don't want to pay for PMI. Well, it would be $48 a month for exactly 39 months, which if you get out your calculator totals $1,890. So it's like, Ooh, I can either agree to pay this little bit more for 39 months. At which point to that earlier question about when does PMI can be dropped, it'll automatically fall off in 39 payments, or you can write a check for 21 grand. I know what I would tell you to do David. If this was me advising my child was like, yeah, just keep the money in the bank. No sense in waiting your herder and money on fire and plunk it down the extra 21 grand. So that is a very, very common misconception. People think realtors and home buyers, if the appraisal comes in low by 10 grand, I must bring an extra $10,000 to closing.

Speaker 1 ([32:36]()):

And that's what we're showing people every day in the classroom called go-to meeting, uh, at acronym mortgage. So we'll keep you up to date on that one other, a quick appraisal related story. This one was a one we mentioned on a lake property in Manitowoc county. And the story here was we were having a hard time finding an appraiser who would take the job. You remember that David, we had six appraisers in Manitowoc county say, no, thank you. I cannot get this appraisal done in three weeks. Well, we just got the appraisal report back and it came in at a value that supports the transaction, but it got a five rating on a collateral underwriter. So that's a computerized system that by Fannie Mae that says we, a computer looked at this whole thing and gave it a rating and five is extra risky. And then it tells you the reasons why it's risky.

Speaker 1 ([33:30]()):

Oh, I didn't like the adjustments you made to comp one, blah, blah, blah. Uh, and so interestingly, uh, when I looked at the appraisal report and I've never seen this before, the appraiser actually addressed each of the five concerns on the automated underwriting review of the appraisal report, which I got to find out from operations, how that happened or our appraisal management company, because that was awesome. They were basically rebutting right away. So that when this thing hits the underwriter's desk, they're saying, yeah, well, here's why this here's why that, and the, the point of this for the listeners is that just because the appraiser says it's worth a certain dollar amount is still subject to debate in the mind of the lender as we evaluate that appraisal report. All right. So what do we know from today's show home prices are up a lot in Southeastern Wisconsin.

Speaker 1 ([34:19]()):

13% rates are still low 2.99 on a 30 year fixed refi with an APR of 3.05 with 25% down and all the other rights stuff. Go ahead and click on that blue button today. Whether you need help getting rock solid pre-approved, or you want to find out how much you can save living in the same house, we're here to help you. You've been listening to the academic mortgage and Realty show on Wisconsin's radio station, a M six 20 WTMJ. The proceeding was a paid program. Advice and opinions expressed during the accurate mortgage and Realty show are solely that of the hosts or guests of academic mortgage and accurate Realty advisors and not WTMJ radio or good karma brands, Milwaukee LLC.