



Amit Gandhi, MBA, CAPP™, CWPP™
 VP | Financial Advisor | Mortgage Broker, 108 Capital Management | HBL
 2500 NE Green Oaks Blvd. Ste 202A Arlington, Texas 76006

Office: 972-213-5368
 Mobile: 972-213-5368
 Fax: 855-940-1899
amit@108capitalmgmt.com
[View My Website](#)

Purchase Mortgage Gain Fails to Fill Refi Gap

Mortgage application volume **decreased** for the second consecutive week as the growing pool of purchase mortgage applications just missed covering the gap from declining refinance activity. The Mortgage Bankers Association said its Market Composite Index, a measure of application activity, dipped 0.1 percent on a seasonally adjusted basis during the week ended April 28, and declined 1.0 percent unadjusted.

Refinancing **did not maintain** last week's flurry of activity. The Refinance Index lost 5 percent when compared to the week ended April 21 and refinancing applications fell back to a 41.6 percent share from 44 percent the previous week.

The seasonally adjusted **Purchase** Index increased 4 percent from a week earlier and grew by 5 percent unadjusted. It was also 5 percent **higher** than during the same week in 2016.

Refi Index vs 30yr Fixed

Purchase Index vs 30yr Fixed

The **FHA share** of total applications increased to 10.4 percent from 10.0 percent and the VA's share was 10.8 percent, down from 10.9 percent. USDA applications were unchanged at an 0.8 percent share.

Contract interest **rates** all rose when compared to the previous week although not all effective rates followed suit. The average contract interest rate for 30-year fixed-rate mortgages (FRM) with conforming loan balances (\$424,100 or less) increased to 4.23 percent from 4.20 percent. Points dropped to 0.32 from 0.37 and the effective rate was higher than the prior week.

The contract interest rate for **jumbo** 30-year FRM, those with balances greater than \$424,100, increased to 4.18 percent from 4.15 percent. Points dipped to 0.23 from 0.27 and the effective rate increased.

FHA-backed 30-year FRM had an average increase of 3 basis points in its contract rate, to 4.06 percent. Points fell to 0.24 from 0.34. The effective

National Average Mortgage Rates



| | Rate | Change | Points |
|--------------------------------|-------|--------|--------|
| Mortgage News Daily | | | |
| 30 Yr. Fixed | 6.87% | -0.02 | 0.00 |
| 15 Yr. Fixed | 6.32% | -0.01 | 0.00 |
| 30 Yr. FHA | 6.33% | 0.00 | 0.00 |
| 30 Yr. Jumbo | 7.05% | 0.00 | 0.00 |
| 5/1 ARM | 6.59% | +0.01 | 0.00 |
| Freddie Mac | | | |
| 30 Yr. Fixed | 6.77% | -0.09 | 0.00 |
| 15 Yr. Fixed | 6.05% | -0.11 | 0.00 |
| Mortgage Bankers Assoc. | | | |
| 30 Yr. Fixed | 7.00% | -0.03 | 0.60 |
| 15 Yr. Fixed | 6.63% | +0.07 | 0.61 |
| 30 Yr. FHA | 6.87% | -0.03 | 0.92 |
| 30 Yr. Jumbo | 7.13% | +0.02 | 0.38 |
| 5/1 ARM | 6.22% | -0.16 | 0.60 |

Rates as of: 7/23

Recent Housing Data

| | | Value | Change |
|---------------------|--------|-------|---------|
| Mortgage Apps | Jul 10 | 206.1 | -0.19% |
| Building Permits | Mar | 1.46M | -3.95% |
| Housing Starts | Mar | 1.32M | -13.15% |
| New Home Sales | Mar | 693K | +4.68% |
| Pending Home Sales | Feb | 75.6 | +1.75% |
| Existing Home Sales | Feb | 3.97M | -0.75% |

Housing News Update

rate was unchanged from a week earlier.

| | Value | Change |
|--------------------|--------|--------|
| Builder Confidence | Mar 51 | +6.25% |

The average rate for **15-year** FRM was 3.51 percent with 0.32 point. The previous week the rate averaged 3.46 percent, with 0.50 point. The effective rate was unchanged.

The 5/1 adjustable rate mortgage (**ARM**) had an average contract interest rate that increased to 3.29 percent from 3.22 percent, with points decreasing to 0.14 from 0.18. The effective was also higher. The ARM share of activity decreased to 8.4 percent of total applications.

MBA's Weekly Mortgage Applications Survey has been conducted since 1990 and covers over 75 percent of all U.S. retail residential mortgage applications. Respondents include mortgage bankers, commercial banks and thrifts. Base period and value for all indexes is March 16, 1990=100 and interest rate information is based on loans with an 80 percent loan-to-value ratio and points that include the origination fee.

Mortgage Market Newsletter

This is one of the most insightful resources when following the mortgage market news. If you have any questions, please feel free to contact me directly,

if you feel you have received this email in error, please let me know, and I will PERSONALLY ensure you are removed from any future communication.

This email is for educational purposes only and to establish relationships with like-minded individuals like yourself!

I hope to chat with you soon,

Amit Gandhi
Mortgage Broker | Financial Advisor
Direct: (972) 213-5368 (Text friendly)

Amit Gandhi, MBA, CAPP™, CWPP™

