

**Brandon Ross**
Loan Officer, X2 Mortgage, LLC
NMLS #AZ-858655 | License X2 Mortgage, LLC NMLS
145 E Chilton Dr Chandler, Arizona 85225

Office: 515-577-2249
Mobile: 515-577-2249
bross@x2mortgage.com
View My Website

# Housing Market Weakness Depends on Perspective

This week's **biggest housing-related headline** was the drop to a 3-year low in Existing Home Sales. This is just the latest in a series of reports that suggests housing has turned some sort of scary corner. But drawing the line between fear and reality can be a matter of perspective.

Has housing data actually weakened in the past year? Undoubtedly! There's really **no denying or debating** that fact. But home sales dropped in a similar way in 2013 after the last comparable spike in interest rates only to go on to new long-term highs by the middle of 2015.

We **can't really know** if housing will recover in a similar way this time, and that's exactly the point! Nothing we've seen so far is much of a surprise in the context of the interest rate spike. In fact, if anything, the surprise is how **well** housing continued to do after the first phase of the rate spike in late 2016. It wasn't until the 2nd phase in 2018 that sales finally capitulated.

## National Average Mortgage Rates




| Mortgage News Daily | Rate | Change | Points |
|---|---|---|---|
| 30YR Fixed | 7.27% | **0.00** | 0.00 |
| 15YR Fixed | 6.92% | **0.00** | 0.00 |
| 30YR FHA | 6.91% | **+0.01** | 0.00 |
| 30YR Jumbo | 7.52% | **-0.03** | 0.00 |
| 7/6 SOFR | 6.70% | **-0.08** | 0.00 |
| 30YR VA | 6.92% | **+0.01** | 0.00 |

Rates as of: 11/2

## MBS and Treasury

| | Price / Yield | Change |
|---|---|---|
| MBS UMBS 6.0 | 99.77 | **-0.10** |
| 10 YR Treasury | 4.9538 | **+0.0490** |
| 30 YR Treasury | 5.3222 | **+0.0327** |

Pricing as of: 11/3 11:51AM EST

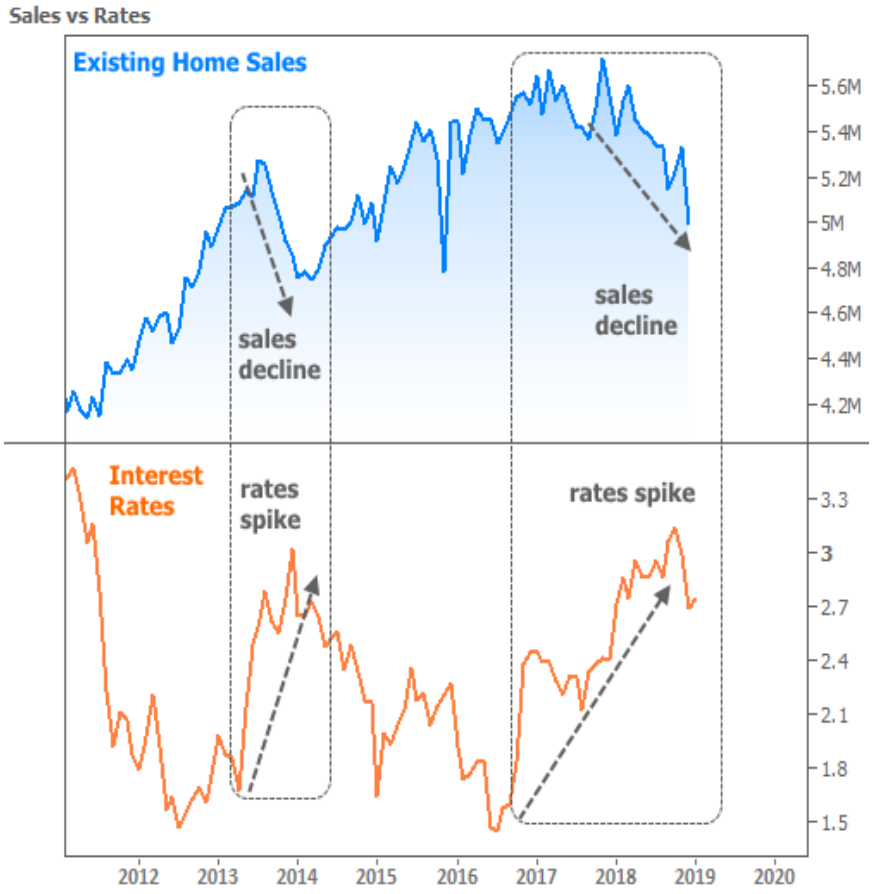
## Recent Housing Data

| | | Value | Change |
|---|---|---|---|
| Mortgage Apps | Oct 21 | 195 | +3.39% |
| 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% |

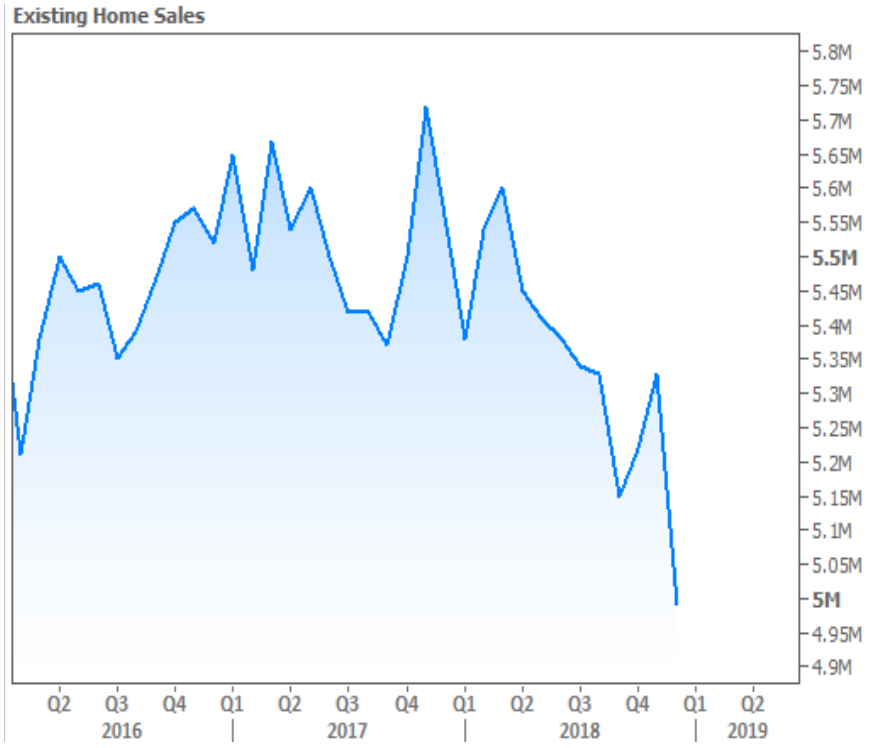
© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

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://housingnewsletters.com/bhome




Now forget the interest rate considerations above and simply focus on perspective and context. Just by changing the time period on the chart, we can paint **vastly different pictures**. The most downbeat pictures are those that compare current levels to the long-term highs seen in 2017.




© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

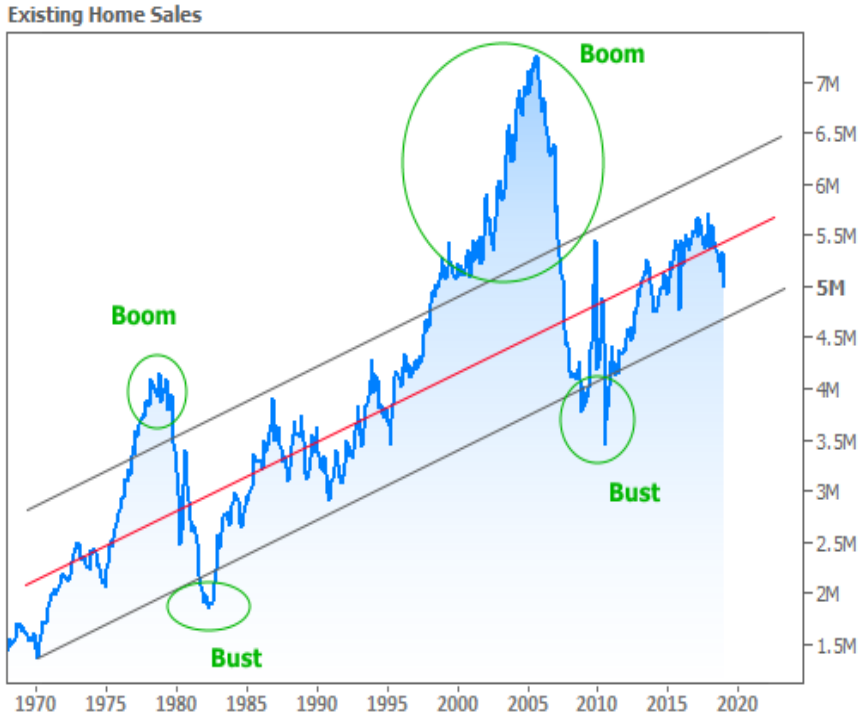
The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

**Read or subscribe** to my newsletter online at: http://housingnewsletters.com/bhome

Things change as we zoom out to wider points of view. This could still look a bit gloomy depending on your perspective, but much less so than the previous chart:




If we continue to zoom out, the longer-term trend emerges. In this chart, it's actually easier to make a case for housing market **strength**. The red line is a simple linear regression from before the 2000's housing boom. When sales are under that line, it signifies opportunity to improve. Additionally, it's reassuring to see that sales are **not** currently falling from one of their boom cycles (those have been the worst times for the housing market).

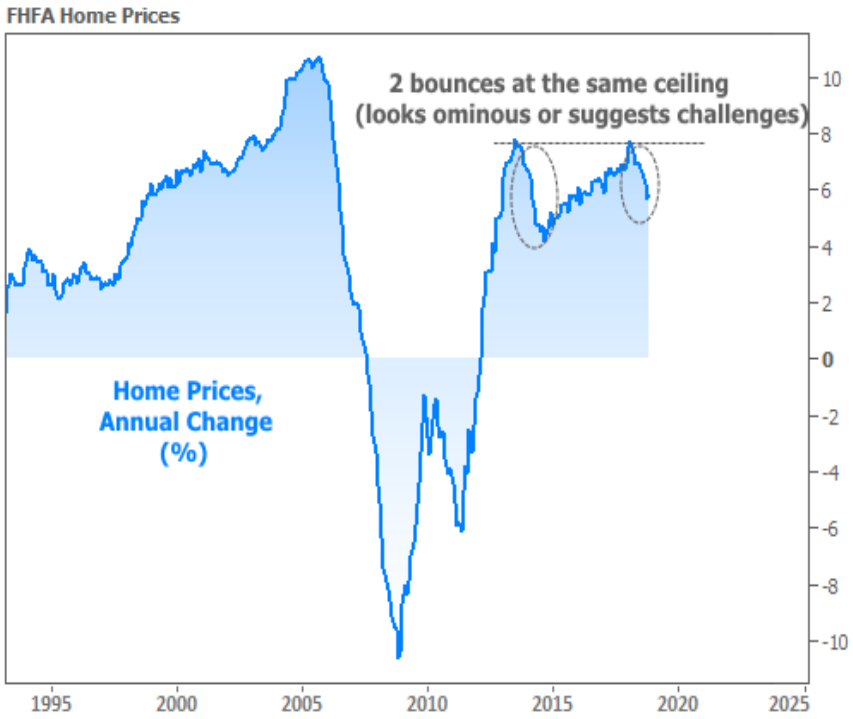



© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

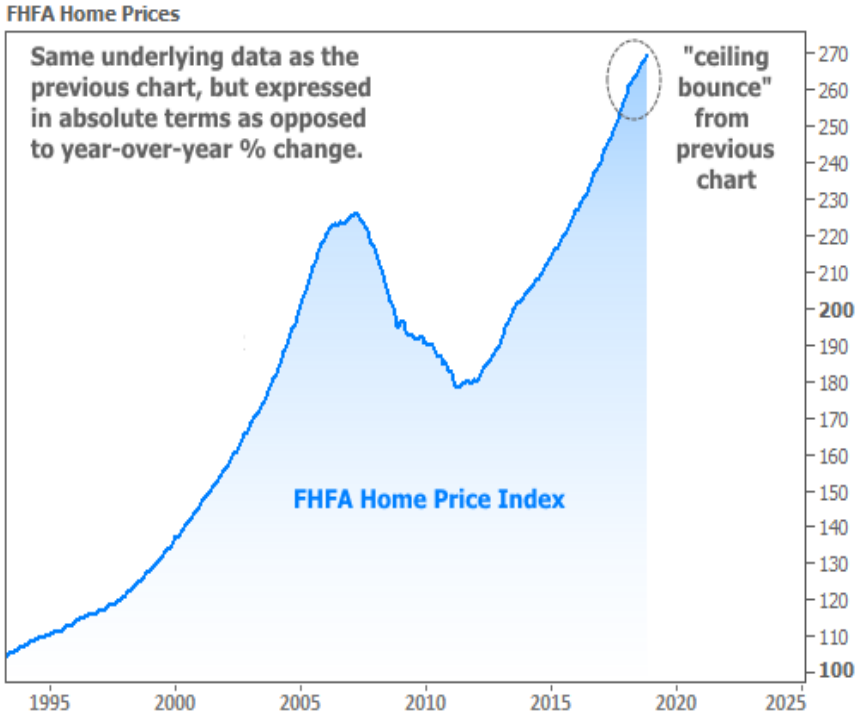
The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

**Read or subscribe** to my newsletter online at: http://housingnewsletters.com/bhome

Perspective can have an impact on our assessment when it comes to home **prices** as well. The latest home price report from the FHFA (Fannie and Freddie's regulator) was also released this week. Home prices are commonly reported in terms of year-over-year change. This is a useful practice as it allows us to see changes in trends more easily. Here too, we see the ill effects of the 2013 and 2018 rate spikes as well as a potentially ominous ceiling blocking further progress.




But **let's ask ourselves** if we'd really want home prices to accelerate faster and faster when they've already spent several years in the 5-7% range. That doesn't sound sustainable in an economy where wage growth only recently made it back to 3%. Perhaps **more importantly**, let's ask ourselves why a drop in the pace of appreciation is a bad thing if prices are still moving up. For instance, here's what the same data looks like when we chart the outright level of FHFA's home price index.



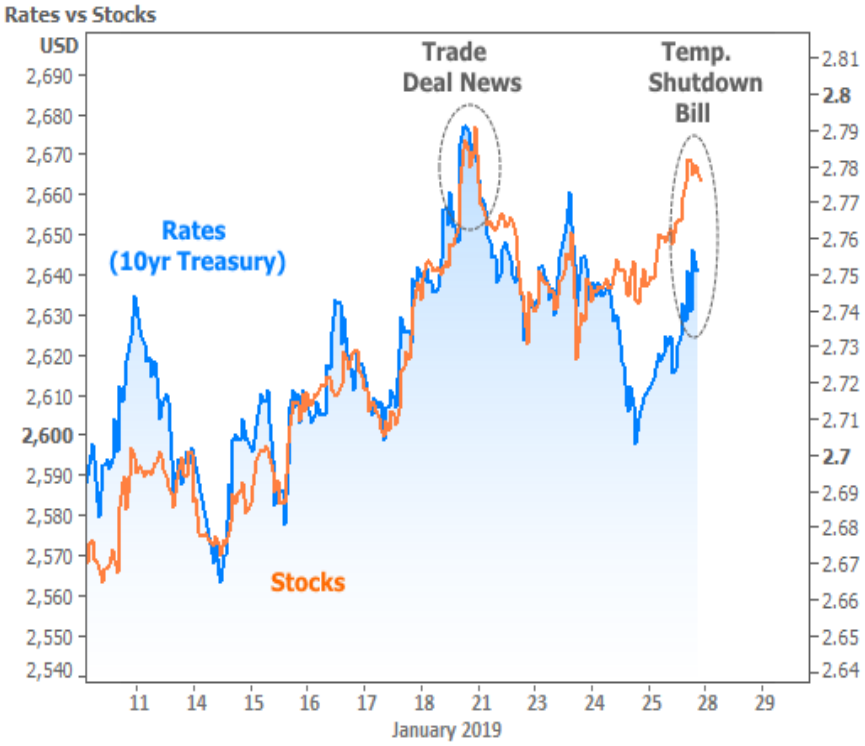

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

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://housingnewsletters.com/bhome

The point of all this is to reiterate that different cases can be made simply by using different techniques to present the **exact same** data.

**In financial markets**, stocks and bonds/rates spent the first part of the week moving lower before bouncing on Friday as odds improved for a temporary re-opening of the government. The temporary nature of the solution likely accounts for the absence of a bigger market reaction. Neither stocks nor bonds were willing to move back to the levels seen after last week's trade-related news.




Next week brings **two key events** that were on the schedule regardless of the shutdown. The Federal Reserve will release an updated policy statement on Wednesday afternoon. They **won't** be raising rates at this meeting. In fact, many investors think we'll see the Fed strike a softer tone compared to December's announcement. Such things are usually good for rates, but if investors were in broad agreement about that likelihood, rates would have already benefited from those expectations.

Then on Friday, we'll get the next installment of the government's official jobs report--always one of the biggest potential sources of volatility for interest rates. As of Friday afternoon, the government hasn't announced a tentative schedule for releasing any of the data that had been on hold during the shutdown.

Subscribe to my newsletter online at: http://housingnewsletters.com/bhome

## Recent Economic Data

| Date | Event | Actual | Forecast | Prior |
|---|---|---|---|---|
| **Tuesday, Jan 22** | | | | |
| 10:00AM | Dec Existing home sales (ml) | 4.99 | 5.25 | 5.32 |
| 10:00AM | Dec Exist. home sales % chg (%) | -6.4 | -1.0 | 1.9 |
| **Wednesday, Jan 23** | | | | |
| 7:00AM | w/e MBA Purchase Index | 272.5 | | 278.5 |

## Event Importance:

No Stars = Insignificant
☆ Low
★ Moderate
★★ Important
★★ Very Important

© 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://housingnewsletters.com/bhome

| Date | Event | Actual | Forecast | Prior |
|---|---|---|---|---|
| 7:00AM | w/e Mortgage Refinance Index | 1110.5 | | 1172.4 |
| **Thursday, Jan 24** | | | | |
| 8:30AM | w/e Jobless Claims (k) | 199 | 211 | 213 |
| 10:00AM | Dec Leading index chg mm (%) | -0.1 | -0.1 | 0.2 |
| **Monday, Jan 28** | | | | |
| 11:30AM | 2-Yr Note Auction (bl) | 40 | | |
| 1:00PM | 5-Yr Note Auction (bl) | 41 | | |
| **Tuesday, Jan 29** | | | | |
| 9:00AM | Nov CaseShiller 20 yy (%) | +4.7 | 4.9 | 5.0 |
| 1:00PM | 7-Yr Note Auction (bl) | 32 | | |
| **Wednesday, Jan 30** | | | | |
| 7:00AM | w/e MBA Purchase Index | 266.2 | | 272.5 |
| 7:00AM | w/e Mortgage Refinance Index | 1049.9 | | 1110.5 |
| 10:00AM | Dec Pending Home Sales (%) | -2.2 | 0.5 | -0.9 |
| 10:00AM | Dec Pending Sales Index | 99.0 | | 101.2 |
| 2:00PM | N/A FOMC rate decision (%) | 2.250 - 2.500 | 2.375 | 2.375 |
| **Thursday, Jan 31** | | | | |
| 8:30AM | w/e Jobless Claims (k) | 253 | 227 | 199 |
| 9:45AM | Jan Chicago PMI | 56.7 | 61.5 | 65.4 |
| **Friday, Feb 01** | | | | |
| 8:30AM | Jan Non-farm payrolls (k) | +304 | 165 | 312 |
| 8:30AM | Jan Unemployment rate mm (%) | 4.0 | 3.9 | 3.9 |
| 8:30AM | Jan Average earnings mm (%) | +0.1 | 0.3 | 0.4 |
| 10:00AM | Jan ISM Manufacturing PMI | 56.6 | 54.2 | 54.1 |
| 10:00AM | Jan ISM Mfg Prices Paid | 49.6 | 54.5 | 54.9 |
| 10:00AM | Jan Consumer Sentiment (ip) | 91.2 | 90.8 | 90.7 |
| 10:00AM | Jan Consumer Inflation Expectations (1yr) (%) | 2.7 | | 2.7 |
| 10:00AM | Jan Consumer Inflation Expectations (5yr) (%) | 2.6 | | 2.6 |

© 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://housingnewsletters.com/bhome

## Personalized service, educational approach

My name is Brandon Ross, and I'm a Loan Officer with X2 Mortgage, LLC in Arizona. I'm here to help you achieve your real estate goals. As a mortgage broker, I can access numerous programs from the nation's top residential lenders. My promise is to remain valuable by delivering competitive rates at low costs, being available for you on your schedule, and most importantly, spending the time you need to make an informed and sound financial decision.

**Brandon Ross** 

© 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://housingnewsletters.com/bhome