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A Message from Jeffrey Chalmers:

"Happy 4th of July to you and yours!"

Worst Week For Mortgage Rates Since March

Mortgage rates moved higher for a 4th straight day to end the month of June. In terms of upward movement, this has been the worst week for mortgage rates since early March, 2017. Most borrowers are now seeing rates that are a full eighth of a point higher than Monday morning's levels. While that's not even remotely close to the damage done during election week last year, an eighth of a point in 4 days is definitely on the abrupt side of historical averages.

Whereas 3.875% had been widely available on Monday morning, the most prevalently-quoted conventional 30yr fixed rate is now up to **4.0%** for top tier scenarios, and **4.125%** is rapidly gaining market share.

Whereas the **lock/float outlook** had been calm and steady heading into this week, it quickly turned defensive as losses mounted. There are multiple justifications for the weakness ranging from European Central Bank "taper talk" to an overabundance of trading positions in favor of lower rates earlier in the week (which makes rates susceptible to the sort of correction we're seeing now). **Assume rates can continue higher** until we see a definitive ceiling take shape. The earliest that could happen would be the end of next week. The last corrective uptrend in rates lasted 3.5 weeks.

Today's Most Prevalent Rates

- 30YR FIXED - 4.00-4.125%
- FHA/VA - 3.75%
- 15 YEAR FIXED - 3.25-3.375%
- 5 YEAR ARMS - 2.75 - 3.25% depending on the lender

Ongoing Lock/Float Considerations

- Investors were relatively convinced that the decades-long trend toward lower rates had been permanently reversed after Trump became president, but such a conclusion would require YEARS to truly confirm

National Average Mortgage Rates



	Rate	Change	Points
Mortgage News Daily			
30 Yr. Fixed	6.86%	-0.05	0.00
15 Yr. Fixed	6.31%	-0.02	0.00
30 Yr. FHA	6.32%	-0.06	0.00
30 Yr. Jumbo	7.04%	-0.03	0.00
5/1 ARM	6.53%	-0.02	0.00
Freddie Mac			
30 Yr. Fixed	6.78%	-0.08	0.00
15 Yr. Fixed	6.07%	-0.09	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: 7/26

MBS and Treasury Market Data

	Price / Yield	Change
MBS UMBS 5.5	99.68	+0.27
MBS GNMA 5.5	99.98	+0.13
10 YR Treasury	4.1958	-0.0474
30 YR Treasury	4.4523	-0.0305

Pricing as of: 7/26 5:59PM EST

- Instead of continuing higher in 2017, rates instead formed a narrow, sideways range, and held inside until April. Investor perceptions are shifting such that fiscal reforms and other policy developments will need to live up to expectations in order to push rates higher. Geopolitical risks would also need to avoid flaring up (more than they already have)
- For the first time since the election, we're in a rate environment where you wouldn't be crazy not to lock at every little opportunity/improvement. Until/unless it's broken, the highest rates of early-2017 mark the ceiling, and we're now waiting to see how much lower we can go from here.
- *Rates discussed refer to the most frequently-quoted, conforming, conventional 30yr fixed rate for top tier borrowers among average to well-priced lenders. The rates generally assume little-to-no origination or discount except as noted when applicable. Rates appearing on [this page](#) are "effective rates" that take day-to-day changes in upfront costs into consideration.*

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Because Integrity Matters™

Jeffrey has spent the last three decades perfecting an Honest, Open and Transparent (HOT™) loan and closing process that is laser-focused on enhancing the consumer mortgage experience. By combining old-school, trustworthy customer service with real-time, mobile-friendly technology, he has successfully built thousands of loyal, raving fans.

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