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## ALERT: Negative Reprices Increasingly Possible, but Risks Vary Considerably by Lender

While we still haven't seen enough weakness to force the hands of "most" lenders, reprice risk is increasing in general. Fannie 3.5 MBS are now down 6/32nds from some lenders' positive reprice times and Fannie 3.0s are down a quarter point from the same baseline. 10yr yields are at their highest levels since this morning, up roughly 4bps from the lows and 3bps since the Fed Announcement.

Reprice risk is extremely stratified at the moment. Some lenders that could justify it are likely not even considering it. Some that are arguably already priced conservatively enough may reprice just the same.

In general, we're still doing a pretty good job of holding our ground without this turning into a full-on reversal of this morning's positivity. The biggest lines in the sand for 10yr yields are just overhead with the 2.15-2.17 "gap" that had been our floor until today. The bigger reprice risk threshold for Fannie 3.5s is around 103-08 (with risks increasing if prices fall to 103-07 or below).



### MBS & Treasury Market Data

	Price / Yield	Change
MBS UMBS 6.0	100.61	+0.22
MBS GNMA 6.0	100.74	+0.21
10 YR Treasury	4.2818	-0.0784
30 YR Treasury	4.4857	-0.0440

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

### Average Mortgage Rates

	Rate	Change	Points
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#### Mortgage News Daily

30 Yr. Fixed	7.03%	-0.05	0.00
15 Yr. Fixed	6.44%	-0.01	0.00
30 Yr. FHA	6.50%	-0.05	0.00
30 Yr. Jumbo	7.24%	-0.01	0.00
5/1 ARM	7.05%	-0.02	0.00

#### Freddie Mac

30 Yr. Fixed	6.95%	+0.09	0.00
15 Yr. Fixed	6.25%	+0.09	0.00

#### Mortgage Bankers Assoc.

30 Yr. Fixed	7.03%	+0.09	0.62
15 Yr. Fixed	6.56%	+0.09	0.54
30 Yr. FHA	6.90%	+0.11	0.95
30 Yr. Jumbo	7.11%	-0.01	0.50
5/1 ARM	6.38%	+0.11	0.54

Rates as of: 7/5

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With 27+ years of expertise in mortgage banking you can be confident in my knowledge and abilities to deliver a seamless loan transaction while providing personalized service.

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