



Rich E. Blanchard

Managing Director, RICH Home Loans LLC
 NMLS: 492461
 1550 Wewatta St., 2nd Floor Denver, CO 80202

Office: 720.619.9900
 Mobile: 303.328.7047
 Fax: 214.975.2874
richblanchard@richhomeloans.com
[View My Website](#)

Mortgage Rates Fairly Steady Despite Underlying Weakness

Mortgage rates didn't move much today, on average, even though underlying bond markets suggested a move higher. We talked about the stock/bond relationship being fairly well intact yesterday, and the same was true today. In other words, bonds ("rates") were ready to move lower in the event that stock losses accelerated.

In today's case, stocks moved somewhat higher, and bond markets didn't like that. Fortunately for rates, the stock gains were minimal today. If that changes in the coming days, rates could come under additional pressure. Given that rates are in line with their best levels in nearly 2 months, and the risk that stocks are finding a floor here, this looks like a **good tactical opportunity to lock** as opposed to float in the short-term. Longer-term, things are a bit less clear as a case could still be made for rates carving out a broader ceiling based on February's highs.

Today's Most Prevalent Rates

- 30YR FIXED - 4.5%
- FHA/VA - 4.375%
- 15 YEAR FIXED - 3.875%
- 5 YEAR ARMS - 3.5-3.75% depending on the lender

Ongoing Lock/Float Considerations

- 2017 had proven to be a relatively good year for mortgage rates despite widespread expectations for a stronger push higher after the presidential election in late 2016.
- While rates remain low in absolute terms, they moved higher in a more threatening way heading into the beginning of 2018
- The scariest part of the move higher looks like it ended as of early February, and rates have been generally sideways since then
- Even so, the potential remains for more weakness (i.e. higher rates). It makes more sense to remain defensive (i.e. more inclined to lock) until we've seen a more convincing shift lower.
- *Rates discussed refer to the most frequently-quoted, conforming, conventional*

National Average Mortgage Rates



	Rate	Change	Points
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

MBS and 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

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.

Subscribe to my newsletter online at: <http://housingnewsletters.com/richhomeloans>

Expert Advice | Exceptional Service | Flawless Execution

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.

Rich E. Blanchard

