



## 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](mailto:richblanchard@richhomeloans.com)

[View My Website](#)

## Both Refi and Purchase Apps Rose Last Week

Both purchase and refinance applications increased during the week ended May 5. The Mortgage Bankers Association said its Market Composite Index, a measure of application volume, was **2.4 percent higher** than the previous week on a seasonally adjusted basis and was up 3 percent unadjusted.

The **Refinance Index** rose 3 percent from the week ended April 28 and the refinancing share of applications ticked up to 41.9 percent from 4.6 percent. The **Purchase Index** was up week-over-week by 2 percent on both a seasonally adjusted and an unadjusted basis and was 6 percent higher than during the same week in 2016. The seasonally adjusted Conventional Purchase Index reached its highest level since April 2009 after gaining 2 percent from the previous week.

### Refi Index vs 30yr Fixed

### Purchase Index vs 30yr Fixed

Applications for **FHA** mortgages increased to 10.5 percent of total activity from 10.4 percent the previous week. Both the VA and the USDA share of total activity were unchanged from a week earlier at 10.8 percent and 0.8 percent respectively.

Nearly all mortgage types saw an increase in both the average contract rate and the effective rate compared to the previous week. One exception was the **30-year fixed-rate mortgage (FRM)** with conforming loan balances (\$424,100 or less). On average those rates were unchanged at 4.23 percent, with points decreasing to 0.31 from 0.32. The effective rate was lower than a week earlier.

The average contract interest rate for 30-year FRM with **jumbo** loan balances (greater than \$424,100) increased to 4.22 percent from 4.18 percent. Points increased to 0.28 from 0.23.

Contract rates for **FHA-backed** mortgages rose to 4.09 percent from 4.06 percent. Points averaged 0.28, up from 0.24.

## National 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

## Recent Housing Data

		Value	Change
Mortgage Apps	Jun 12	208.5	+15.58%
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%

The second exception was the **15-year FRM**. The contract interest rate declined by 1 basis point to 3.50 percent, but the effective rate still decreased as points increased 0.40 from 0.32.

	Value	Change
Builder Confidence	51	+6.25%

The average contract interest rate for 5/1 adjustable rate mortgages (**ARMs**) increased to 3.36 percent from 3.29 percent, with points increasing to 0.15 from 0.14. The adjustable-rate mortgage (ARM) share of activity decreased to 8.2 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.

## 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**

