



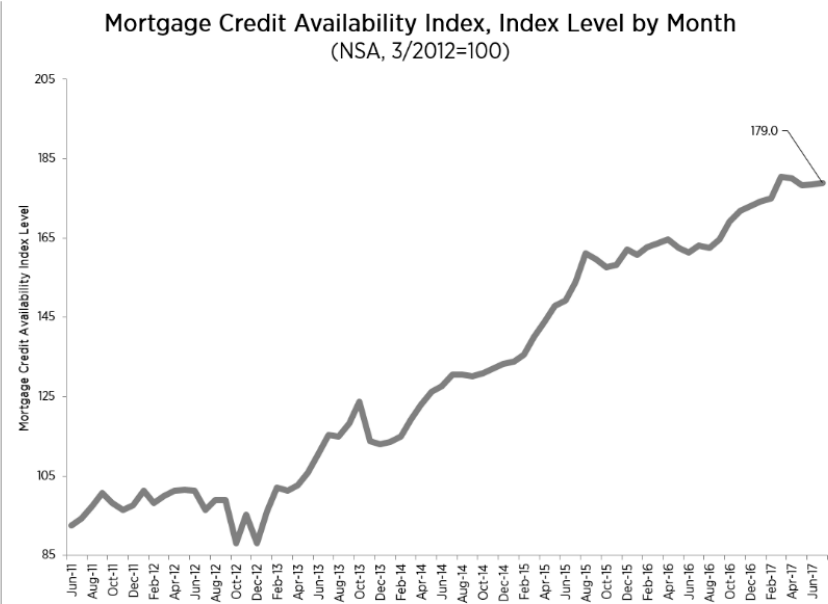
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Jumbo Loan Availability Declined in October

Access to mortgage credit changed very little over the first nine months of 2017, and when there were increases, it seemed always to be the **availability of jumbo mortgages** driving them. The Mortgage Bankers Association said that the change in its Mortgage Credit Availability Index (MCAI) in for the 10th month was also the result of its Jumbo Index. This time it pushed the composite index down.

The MCAI decreased 0.2 percent in October. To emphasize how small the changes have been, the Index, which was benchmarked at 100 in March 2012, started 2017 at 177.1. In October the level was 181.0. A decline in the MCAI indicates that **lending standards are tightening**, while increases in the index are indicative of loosening credit.



Higher Index=More Credit Available
Lower Index=Less Credit Available

"Credit availability **decreased only slightly in October** and has been relatively flat for the year to date," according to Lynn Fisher, MBA's Vice President of Research and Economics. "While government and conforming credit programs saw slight increases in availability in October, a moderate decrease in the number of investor jumbo offerings resulted in a decrease in the total index," he said.

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

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%

	Value	Change
Of the four component indices, the Jumbo MCAI saw the greatest decrease in credit availability over the month with a 2.0 decline. It was followed by the Conventional MCAI which fell 1.0 percent. The Government MCAI and the Conforming MCAI both increased from last month, by 0.3 percent and 0.2 percent respectively.	2.0	-2.0%
Builder Confidence	51	+6.25%

The MCAI is calculated using data from Ellie Mae's business information software system. The Conventional, Government, Conforming, and Jumbo MCAs are constructed using the same methodology as the Total MCAI and are designed to show relative credit risk/availability for their respective index. The Conforming and Jumbo indices have the same "base levels" as the Total MCAI (March 2012=100), while the Conventional and Government indices have adjusted "base levels" in March 2012.

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Rich E. Blanchard

