

Tom Payne
Senior Loan Officer, Planet Home Lending
NMLS# 1017004 #17022 (Licensed in all 50 states)
2580 St Rose Parkway, Suite 230 Henderson, NV 89074

Mobile: 702-303-0243
tompaynemortgage@gmail.com
View My Website

Mortgage Rates Didn't Fall as Much as The Market Suggested

The good news: mortgage rates ended the week at the lowest levels in more than a month.

The puzzling news: rates fell only modestly on Friday even though the bond market said they could have fallen more.

Mortgage lenders consider several factors when deciding where to set mortgage rates. By far and away, the bond market is the most important of those factors. But sometimes rates don't do exactly what the bond market suggests. Friday was a classic example.

First off, let's validate our correlation claims by looking at the following chart. It shows MND's daily mortgage rate index on the left axis and the bond market on the right axis. Since "the bond market" is a fairly broad term, this chart uses the mortgage backed security (MBS) that lenders use to determine rates.

(Note: MBS trade in "price" and interest rates move in "yield." Since price varies inversely to yield, the right axis in the chart is inverted in order to highlight the correlation. Otherwise it would just look like a Rorschach test).

National Average Mortgage Rates



Mortgage News Daily	Rate	Change	Points
30YR Fixed	7.33%	-0.12	0.00
15YR Fixed	6.89%	-0.10	0.00
30YR FHA	6.95%	-0.10	0.00
30YR Jumbo	7.44%	-0.06	0.00
7/6 SOFR	6.81%	-0.19	0.00
30YR VA	6.97%	-0.10	0.00

Rates as of: 11/20

MBS and Treasury

	Price / Yield	Change
MBS UMBS 6.0	99.51	+0.41
10 YR Treasury	4.9403	-0.1033
30 YR Treasury	5.3324	-0.0738

Pricing as of: 11/20 5:59PM EST

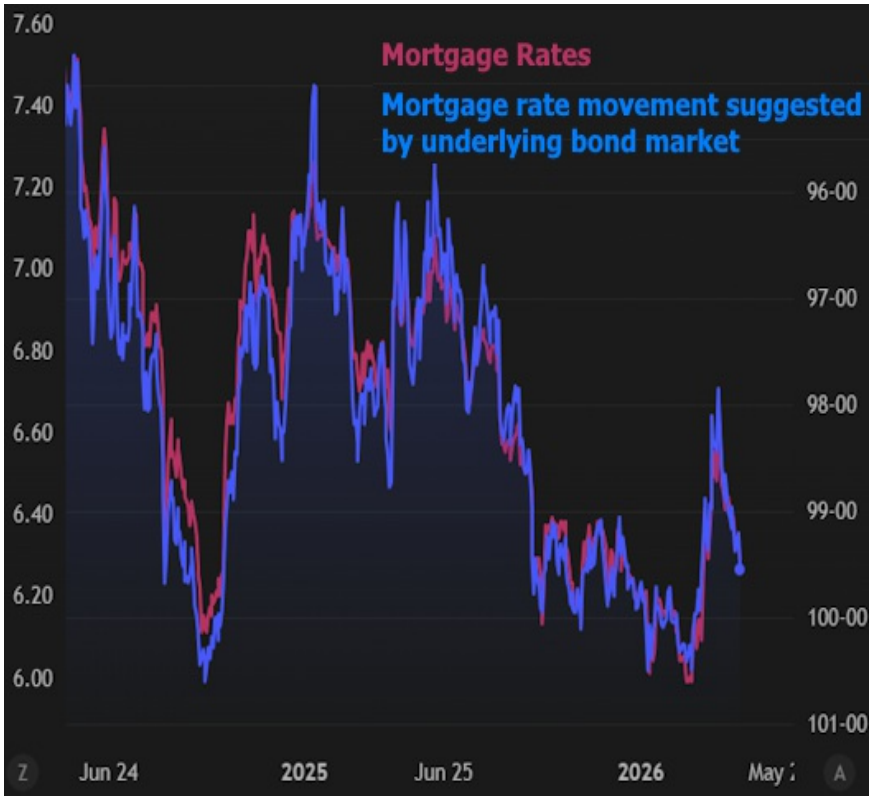
Recent Housing Data

		Value	Change
Mortgage Apps	Nov 11	199.8	-2.35%
Building Permits	Oct	1.3M	-7.5%
Housing Starts	Oct	1.31M	+7.21%
New Home Sales	Sep	676K	-1.17%
Pending Home Sales	Oct	63	-4.69%
Existing Home Sales	Oct	3.99M	+0.25%
Builder Confidence	Nov	25	-13.79%

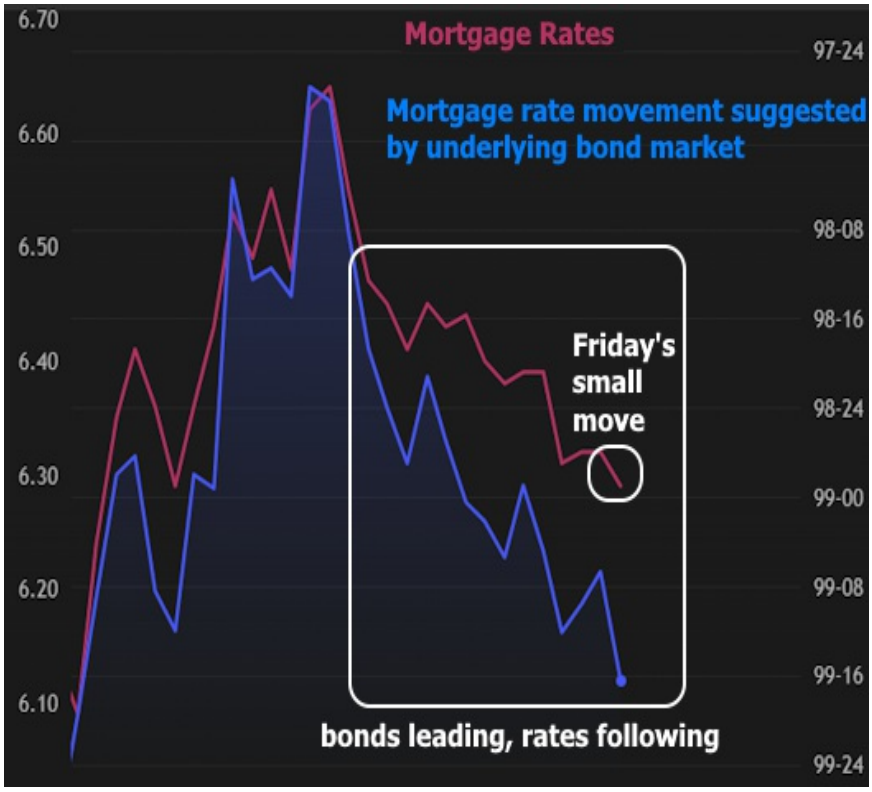
© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

Read or subscribe to my newsletter online at: http://housingnewsletters.com/thomaspayne



In other words, it's clear we're looking at the right part of the bond market. Now let's zoom in to a more granular view to see how we might account for Friday's fairly small drop in mortgage rates despite a larger movement in the bond market.



Simply put, the mortgage market almost never moves as quickly as the bond market suggests--especially on the way toward lower rates.

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

Read or subscribe to my newsletter online at: http://housingnewsletters.com/thomaspayne

Based on that chart, you may be wondering if rates will fall next week in order to catch up to that blue line. Unfortunately, mortgage rates almost never move lower if bonds say they should move higher. For example, if the blue line bounces next week, the red line would almost certainly bounce too, but maybe not as much.

Bottom line: next week's rate direction will still be determined by the direction of movement in the bond market. In turn, that will likely be determined by the disposition of the Iran war--which has been the dominant driver for the entire financial market in recent weeks. The more "over" the war is (and the more the Strait of Hormuz is "open"), the better the odds of lower rates. Conversely, if there are hiccups in the peace process, rates could still bounce higher.

Subscribe to my newsletter online at: http://housingnewsletters.com/thomaspayne

Recent Economic Data

Date	Event	Actual	Forecast	Prior
Monday, Apr 13				
10:00AM	Mar Existing home sales (ml)	3.98M	4.06M	4.09M
Tuesday, Apr 14				
8:30AM	Mar PPI y/y	4%	4.6%	3.4%
8:30AM	Mar Core PPI y/y (%)	3.8%	4.1%	3.9%
Wednesday, Apr 15				
7:00AM	Apr/10 MBA Purchase Index	159.5		161.1
7:00AM	Apr/10 MBA Refi Index	966.8		919.9
8:30AM	Apr NY Fed Manufacturing	11.00	-0.5	-0.20
8:30AM	Mar Import prices mm (%)	0.8%	2%	1.3%
10:00AM	Apr NAHB housing market indx	34	37	38
Thursday, Apr 16				
8:30AM	Apr/11 Jobless Claims (k)	207K	215K	218K
8:30AM	Apr Philly Fed Business Index	26.7	10	18.1
9:15AM	Mar Industrial Production (%)	-0.5%	0.1%	0.2%
Tuesday, Apr 21				
8:30AM	Mar Retail Sales (%)	1.7%	1.4%	0.6%
10:00AM	Mar Pending Home Sales (%)	1.5%	0.1%	1.8%
Thursday, Apr 23				
8:30AM	Apr/18 Jobless Claims (k)	214K	212K	207K
9:45AM	Apr S&P Global Services PMI	51.3	50	49.8
9:45AM	Apr S&P Global Manuf. PMI	54.0	52.5	52.3
Friday, Apr 24				
10:00AM	Apr Consumer Sentiment (ip)	49.8	47.6	53.3

Event Importance:

No Stars = Insignificant
☆ Low
★ Moderate
★★ Important
★★ Very Important

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

Read or subscribe to my newsletter online at: http://housingnewsletters.com/thomaspayne

The Appraisal Came In Low. Now What? 11-19-2026

What Every Agent Should Know…..

The Appraisal Came in Low. Now What?...

A low appraisal doesn't necessarily mean a dead transaction!...

The buyer and seller have agreed on a price, the contract is signed, and financing is underway. Then the appraisal comes back below the purchase price....

Before anyone gives up on the transaction, consider these five options:...

1. The Seller Reduces the Price. The seller may agree to lower the purchase price to match the appraised value, eliminating the appraisal gap....

2. Buyer and Seller Negotiate. Both parties may agree on a price somewhere in the middle, sharing the difference rather than losing the transaction....

3. The Buyer Pays the Difference. For most mortgage programs, the loan-to-value ratio is calculated using the lower of the purchase price or appraised value. For example, if a home sells for $400,000 but appraises for $380,000, the buyer may still purchase it for $400,000 but could need additional cash to close. The amount depends on the mortgage program and the buyer's qualifications....

4. Request a Reconsideration of Value. If the appraisal contains factual errors or overlooks relevant comparable sales, the lender may be able to request a review. A higher value is not guaranteed....

5. The Buyer Walks Away. Depending on the purchase agreement, contingencies, and deadlines, the buyer may have the option to cancel. Earnest money rights depend on the contract....

Before You Lose the Transaction, Call Me!...

The appraisal helps determine how much the lender can finance—not necessarily what the buyer can pay....

If you're involved in a transaction with a low appraisal, the parties are at an impasse, and no one seems to have a solution, contact me—even if I'm not the original lender....

With more than 40 years in mortgage lending, I've encountered plenty of difficult situations. I can't promise every problem can be solved, but I'm happy to review the circumstances and explore the available financing options....

Before you lose the deal, let's see if there's another way to get it closed....

EQUAL HOUSING LENDER...

https://apply.planethomelending.com/#/loan-officers/tpayne%40planethomelending

Tom Payne 

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

Read or subscribe to my newsletter online at: http://housingnewsletters.com/thomaspayne

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

Read or subscribe to my newsletter online at: http://housingnewsletters.com/thomaspayne