



## Tom Payne

Senior Loan Consultant, loanDepot  
 NMLS# 1017004 #174457 Licensed in all 50 States  
 2835 St. Rose Parkway, Suite 120 Henderson, NV 89052

Office: 702-303-0243  
 Mobile: 702-303-0243  
[tompaynemortgage@gmail.com](mailto:tompaynemortgage@gmail.com)  
[View My Website](#)

## Falling Rates Stoke Refinancing

Mortgage application volume rose during the week ended April 21, solely from a significant increase in refinancing. The Mortgage Bankers Association (MBA) said its Market Composite Index, a measure of application volume, was **up 2.7 percent** on a seasonally adjusted basis from the week ended April 14, and rose 3.0 percent on an unadjusted basis.

The Refinance Index increased 7 percent from a week earlier while the seasonally adjusted **Purchase Index fell by 1 percent**. The unadjusted Purchase Index ticked up 0.1 percent compared with the previous week and was 0.4 percent higher than the same week in 2016.

### Refi Index vs 30yr Fixed

### Purchase Index vs 30yr Fixed

The **refinance share** of mortgage activity increased to 44.0 percent of total applications from 42.4 percent the previous week. The average loan size for refinance applications increased to \$266,900, the highest since last September.

The **FHA share** of total applications dropped a percentage point to 10.0 percent and the VA share decreased to 10.9 percent from 11.1 percent. USDA loans received an 0.8 percent share, down from 1.0 percent the week before.

Mortgage interest **rates** were lower on both a contract and an effective basis except for the jumbo 30 year fixed-rate mortgage (FRM). The average rate for these loans, with balances in excess of \$424,100, were unchanged from the previous week at 4.15 percent. Points increased to 0.27 from 0.23 and the effective rate increased.

The average contract interest rate for **30-year (FRM)** with conforming loan balances (\$424,100 or less) decreased to its lowest level since November 2016, 4.20 percent, from 4.22 percent, with points increasing to 0.37 from 0.35

**FHA-backed 30-year FRM** had an average rate of 4.03 percent with 0.34 points. The previous week the rate was 4.09 percent with 0.36 point.

## National Average Mortgage Rates



	Rate	Change	Points
<b>Mortgage News Daily</b>			
30 Yr. Fixed	6.89%	0.00	0.00
15 Yr. Fixed	6.33%	+0.01	0.00
30 Yr. FHA	6.33%	+0.01	0.00
30 Yr. Jumbo	7.05%	0.00	0.00
5/1 ARM	6.58%	0.00	0.00
<b>Freddie Mac</b>			
30 Yr. Fixed	6.77%	-0.09	0.00
15 Yr. Fixed	6.05%	-0.11	0.00
<b>Mortgage Bankers Assoc.</b>			
30 Yr. Fixed	7.00%	-0.03	0.60
15 Yr. Fixed	6.63%	+0.07	0.61
30 Yr. FHA	6.87%	-0.03	0.92
30 Yr. Jumbo	7.13%	+0.02	0.38
5/1 ARM	6.22%	-0.16	0.60

Rates as of: 7/22

## Recent Housing Data

		Value	Change
Mortgage Apps	Jul 10	206.1	-0.19%
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%

**Fifteen-year FRM** had their lowest rates since last November at 3.46 percent with 0.50 point. A week earlier the contract rate was 3.50 percent with 0.41 point.

	Value	Change
Builder Confidence	51	+6.25%

**Adjustable** rate mortgages had an 8.7 percent share of mortgage applications during the week, up from 8.4 percent the week before. The average contract interest rate for 5/1 ARMs decreased to its lowest level since November 2016, 3.22 percent, from 3.27 percent, with points decreasing to 0.18 from 0.26.

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.

## Update: Buyer Broker Agreement

After requests from real estate companies, a nonprofit consumer watchdog group the Consumer Federation of America has developed a list of factors to consider when creating a buyer contract in preparation for upcoming practice changes in the industry.

CFA released its "Proposed Criteria for Evaluating Home Buyer Contract Forms" on Tuesday. The 15 criteria focus on the contracts' form – whether the documents are readable and understandable – and content – whether they are fair to homebuyers.

- the document's expiration date (CFA recommends buyers asks for a three-month contract and never sign one longer than six months)
- the right to terminate the contract
- the disclosure that compensation is negotiable
- the broker's compensation clearly stated and that the buyer broker can't receive additional compensation for facilitating a sale
- that any additional fees, such as for showing a home, will be deducted from the broker's commission if there is a successful sale
- that the commission is due only if there is a successful closing
- that buyers have an obligation – for no longer than 60 days, CFA recommends – to pay a broker who earlier showed them a home they purchased after the contract ended
- seller concessions paid directly to buyers
- dual agency not pre-approved by the contract
- an explanation of how a broker treats different buyer clients interested in the same property
- that buyers should not be required to first go through mediation or arbitration if they have a complaint

Contact me for more information. 702-303-0243 or [TPayne@loandepot.com](mailto:TPayne@loandepot.com)

We are a direct nationwide lender.  
EQUAL HOUSING LENDER

Tom Payne 