

Mortgage Rate Update



Brad Belcher

Owner/Independent Mortgage Broker, Elite Mortgage LLC
572862
3943 Hwy 54 Owensboro, Kentucky 42303

Office: 270-570-2237
Mobile: 270-570-2237
Fax: 800-278-4062
bbelcher@elitemortgagerates.com
[View My Website](#)

Mortgage Rates Are Actually HIGHER This Week

It's Thursday and, thus, time once again to check in with the slew of [mortgage rate](#) headlines that typically follow the release of Freddie Mac's weekly mortgage rate survey. **Here are a few** choice selections:

- "U.S. Mortgage Rates Fall for Second Week"
- "Mortgage Rates Continue to Decline"
- "30-year mortgage rates fall to 3-month low"

And so on and so on... The only issue here is that **they're all wrong**. Rates aren't lower today, nor are they lower this week, nor are they at the lowest levels in 3 months. They're actually at their highest levels in several weeks!

You may be wondering **who's lying** to you at this point, but rest-assured, there is no intentional deception. Quite simply, my claims above take TODAY'S rates into consideration whereas the more upbeat headlines generally pertain to rates that existed on Monday and Tuesday. Why is that?

The headlines are citing Freddie's weekly rate survey, which is a fine tool for tracking broad trends, but **not so great** if you're following along day to day. Freddie's methodology allows for survey responses Monday through Wednesday, but a vast majority of the input is received by Monday. That means the Freddie survey is effectively a "Monday vs Monday" number. As such, if rates make a big move on Tue-Thu, reality might be quite different from the survey results.

So **what's the bottom line here?** Freddie says rates are down 0.02% week over week, but the average lender is up nearly an eighth of a percentage point (.125%) since Thu/Fri, or at least they were as of mid-day today. Intraday improvement in the bond market will soften the damage a bit as several lenders have already offered pricing improvements. If bonds were to remain at current levels tomorrow by, say, 10am Eastern Time, mortgage lenders would likely be able to bring rates down just a bit more. Would it be enough for this week's rates to be lower than last week's? No. That would take a substantial shock in overnight markets or tomorrow morning's Retail Sales report at 8:30am.

National Average Mortgage Rates



	Rate	Change	Points
Mortgage News Daily			
30 Yr. Fixed	6.43%	+0.02	0.00
15 Yr. Fixed	5.95%	0.00	0.00
30 Yr. FHA	5.82%	+0.02	0.00
30 Yr. Jumbo	6.62%	0.00	0.00
5/1 ARM	6.28%	-0.01	0.00

Freddie Mac

30 Yr. Fixed	6.35%	-0.51	0.00
15 Yr. Fixed	5.51%	-0.65	0.00

Mortgage Bankers Assoc.

30 Yr. Fixed	6.44%	-0.06	0.54
15 Yr. Fixed	5.88%	-0.16	0.68
30 Yr. FHA	6.36%	-0.06	0.85
30 Yr. Jumbo	6.75%	+0.07	0.39
5/1 ARM	5.98%	-0.27	0.65

Rates as of: 8/30

MBS and Treasury Market Data

	Price / Yield	Change
MBS UMBS 5.0	99.35	-0.16
MBS GNMA 5.0	99.91	-0.04
10 YR Treasury	3.9039	+0.0424
30 YR Treasury	4.1932	+0.0468

Pricing as of: 8/30 5:59PM EST

Subscribe to my newsletter online at: <http://mortgageratesupdate.com/elitemortgage>

Welcome to Elite Mortgage!

Welcome to Elite Mortgage!

Our Unique Boutique Mortgage Experience combines elite licensed mortgage professionals, incomparable service, a full array of mortgage products with the most competitive rates in the industry. At Elite Mortgage you're a client, not a number!

We know that each customer has specific needs, so we strive to meet those specific needs with a wide array of products, investment tools, mortgages and best of all quality service and individual attention.

Today's technology is providing a more productive environment to work in. For example, through our website, you can submit a complete on-line, secure loan application or pre-qualify for a home loan. You may also evaluate your different financing options by using our interactive calculators and going over various mortgage scenarios.

Brad Belcher

