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A Message from Philip Bennett:

"It's a great time to refinance before the rates go up!"

30yr Fixed Rates Heading Toward 5% at Fastest Pace in Decades

Rates added to the record-breaking move higher today. The carnage has now earned early 2022 the dubious distinction of being the biggest 3-month rate spike since 1994.

Adults who are old enough to remember 1994 have always had an ace in the hole when it comes to today's young whipper snappers complaining about abrupt spikes in [mortgage rates](#). Sure, even older adults have the first few months of 1980, but 1994 was a more compelling example because it wasn't part of the once-in-a-lifetime inflationary spike. As such, it is a more worthy comparison to any modern example of rate volatility.

As of today, the race between the first few months of 1994 and 2022 are neck and neck in terms of damage done to [mortgage rates](#) in a short amount of time.

That said, it really depends on where you draw the line on time frames and movement amounts. To be sure, the 3 months between late Dec 2021 and late March 2022 have seen the same if not **slightly more** movement than Feb/Mar/April 1994.

The drawback of the comparison is that our daily rate data only goes back to the middle of 2009. If we use it to update Freddie Mac's weekly survey data (which does go back to 1994), the reigning champ is still in the lead for the year-over-year time frames highlighted by the rectangular boxes.

National Average Mortgage Rates



	Rate	Change	Points
Mortgage News Daily			
30 Yr. Fixed	6.27%	-0.08	0.00
15 Yr. Fixed	5.65%	-0.20	0.00
30 Yr. FHA	5.67%	-0.05	0.00
30 Yr. Jumbo	6.49%	-0.06	0.00
5/1 ARM	6.05%	-0.16	0.00

Freddie Mac

30 Yr. Fixed	6.35%	-0.51	0.00
15 Yr. Fixed	5.47%	-0.69	0.00

Mortgage Bankers Assoc.

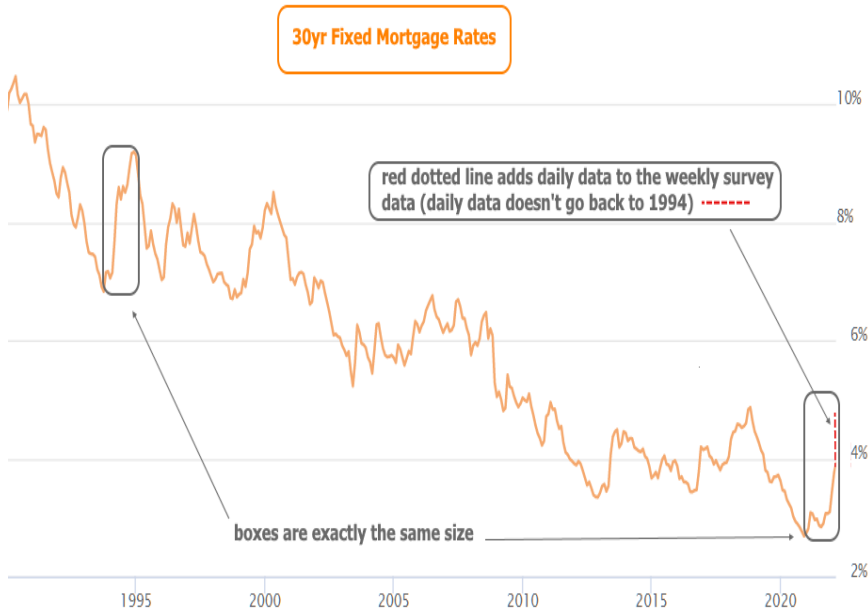
30 Yr. Fixed	6.44%	-0.06	0.54
15 Yr. Fixed	5.88%	-0.16	0.68
30 Yr. FHA	6.36%	-0.06	0.85
30 Yr. Jumbo	6.75%	+0.07	0.39
5/1 ARM	5.98%	-0.27	0.65

Rates as of: 9/6

Recent Housing Data

		Value	Change
Mortgage Apps	Aug 28	226.9	+0.49%
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
Builder Confidence	Mar	51	+6.25%



Versus more recent competition, 2022 is looking tough to beat:

30yr Fixed Mortgage Rates



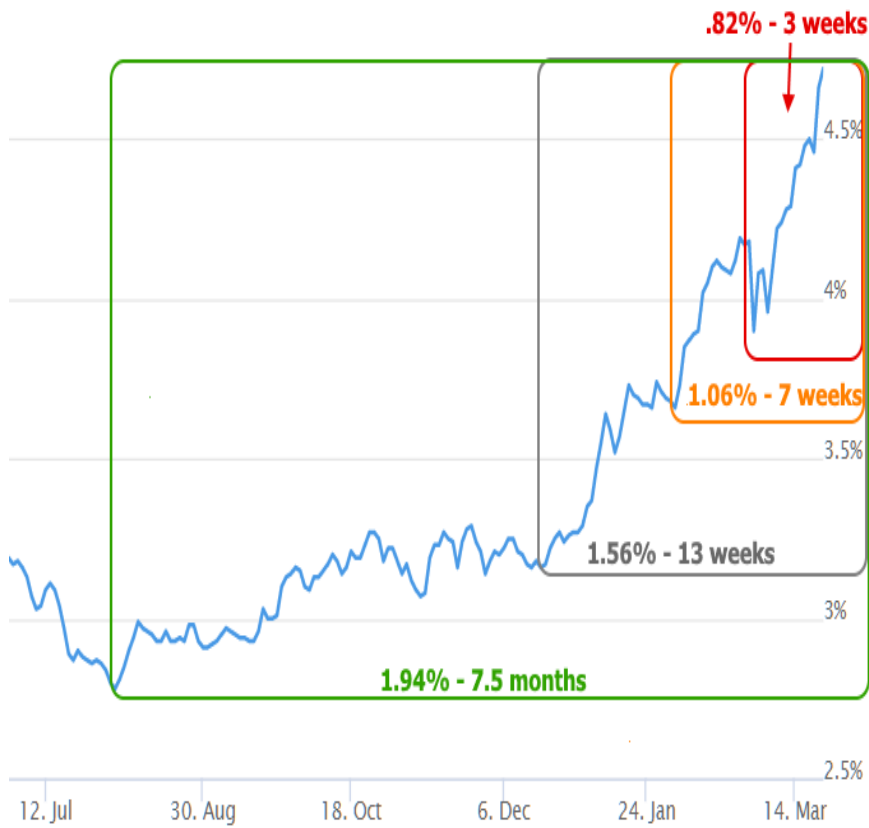
To be very fair to 2013, if we look at a shorter time horizon, there is a time frame where 2013's taper tantrum was still slightly worse. 2013 was also worse over 8 weeks than 2022 has been over 7 weeks (1.22% vs 1.06%).

The following chart is 2013:



2013's record of 0.57% in one week hasn't been duplicated since. Things would have to get precipitously worse this week for 2022 to compete, but at the risk of tempting fate, it's technically possible if we lose another .31% over the next 3 days.

The following chart is 2022:



Shorter time frames aside, the 1.56% over 3 months is a bigger move than any 3 month window in 2013, and 1.94% over 7.5 months (.258% per month) is a significantly more abrupt pace than the 2.14% seen over 11 months in 1994 (.194% per month), even though 2.14% has yet to be matched inside the space of a year. Sadly, if recent trends continue at even a shadow of their current pace, 1994's record will be broken with several months left on the clock.

Bennett Capital Partners

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