



Jeff Statz

Sr. Loan Officer, Statz Team

NMLS #36442

6226 Jeffers Drive Madison, WI 53719

Office: 608-572-7811

Mobile: 608-301-5112

Fax: 888-466-4068

jeff@statz.us

[View My Website](#)

Applications Continue Stabilizing as Rates Recover

Mortgage applications **continue to decompress** from the two-week holiday moratorium as well as from the usual holiday business interruptions, so it is hard to know where volumes really stand. The Mortgage Bankers Association's (MBA's) current Market Composite Index, covering the week ended January 6, 2017, includes an adjustment to account for the New Year's Day holiday, while the previous week's results were adjusted for the Christmas holiday.

The composite shows applications **increasing 5.8 percent** from the week ended December 30 on a seasonally adjusted basis and by 42 percent unadjusted. The Refinance Index was **up 4 percent** from the previous week and the refinancing share of applications ticked down to 51.2 percent from 52.2 percent.

The seasonally adjusted Purchase Index **increased 6 percent** while unadjusted it was up 45 percent. Compared to the same week in 2016 there was a loss of 18 percent.

Refi Index vs 30yr Fixed

Purchase Index vs 30yr Fixed

The **FHA share** of total applications ticked up from 11.6 percent to 11.7 percent and the **VA share** rose to 12.8 percent from 12.3 percent. The **USDA share** of total applications retreated to 0.9 percent from 1.1 percent the week prior.

Interest rates for fixed-rate mortgages (FRM) were down on both a contract and an effective basis. Conforming **30-year FRM** (those with loan balances under \$417,000) had an average contract rate of 4.32 percent with 0.41 point, decreasing from 4.39 percent with 0.43 point a week earlier. The jumbo version, loans with balances greater than \$417,000, posted a rate that was 10 basis point below that of a week earlier, 4.27 percent. Points decreased from 0.44 to 0.31.

The contract rate for 30-year FRM backed by the **FHA** fell from 4.22 percent to 4.08 percent. Points increased to 0.35 from 0.34.

National Average Mortgage Rates



| | Rate | Change | Points |
|--------------------------------|-------|--------|--------|
| Mortgage News Daily | | | |
| 30 Yr. Fixed | 6.86% | -0.05 | 0.00 |
| 15 Yr. Fixed | 6.31% | -0.02 | 0.00 |
| 30 Yr. FHA | 6.32% | -0.06 | 0.00 |
| 30 Yr. Jumbo | 7.04% | -0.03 | 0.00 |
| 5/1 ARM | 6.53% | -0.02 | 0.00 |
| Freddie Mac | | | |
| 30 Yr. Fixed | 6.78% | -0.08 | 0.00 |
| 15 Yr. Fixed | 6.07% | -0.09 | 0.00 |
| Mortgage Bankers Assoc. | | | |
| 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: 7/26

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% |

Housing News Update

There was an 8 basis point decline in the average rate for **15-year** fixed-rate mortgages, resulting in a contract rate of 3.56 percent. Points rose to 0.42 from 0.38.

| | Value | Change |
|--------------------|--------|--------|
| Builder Confidence | Mar 51 | +6.25% |

The adjustable-rate mortgage (**ARM**) share of activity increased to 5.5 percent of total applications, up from 5.4 percent a week earlier. Interest rates increased for ARMs, with the average for 5/1 ARMs rising to 3.32 percent from 3.28 percent and points increasing to 0.46 from 0.42. The effective rate was also up.

MBA's Mortgage Applications Survey covers over 75 percent of all U.S. retail residential mortgage applications, and has been conducted since 1990. Respondents include mortgage bankers, commercial banks and thrifts. Base period and value for all indexes is March 16, 1990=100 and interest rate data is based on loans with an 80 percent loan-to-value ratio and points that include the origination fee.

Lending on Tap in Every State

Buyers in all 50 states trust my team to close their loans simply and on time.

Our team works hard to make your loan process appear simple. Even when you're already pre-approved with a lender, you'll benefit from talking with us.

Where are you in your process? Where are you trying to go? I'll share with you how we'll be a part of that journey.

Jeff Statz

