

# Housing News Update

THE FEDERAL SAVINGS BANK



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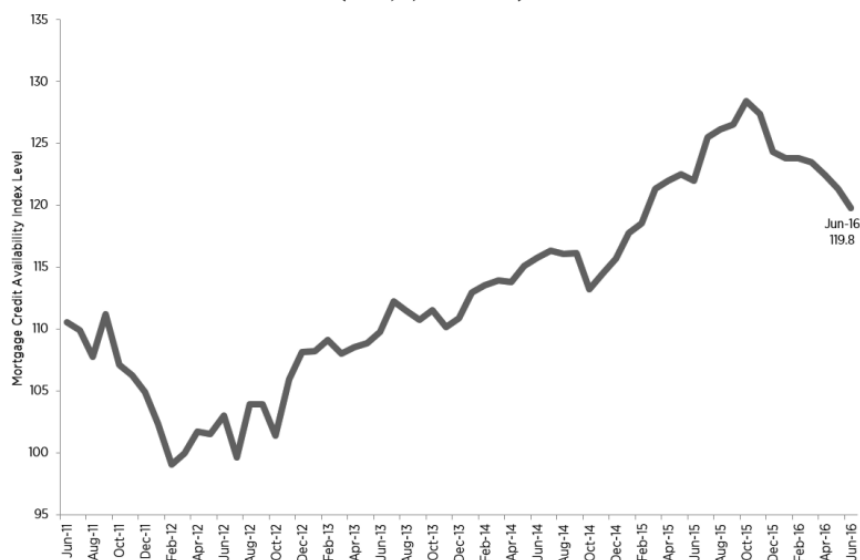
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## MBA says Credit Tightened Again in June

Mortgage credit availability appeared to decrease again in June. It was the fourth consecutive month the Mortgage Bankers Association's (MBA's) Mortgage Credit Availability Index (MCAI) has declined. **All four** of the index's components pointed down, indicating that lending standards have tightened across the board.

The MCAI decreased from 121.4 in May to 119.8, a dip of 1.3 percent. The index hit a recent peak of 128.4 in October 2015 and has declined **almost steadily** since then. The Conventional MCAI saw the greatest tightening (down 2.4 percent) over the month followed by the Conforming MCAI (down 1.8 percent), the Jumbo MCAI (down 0.9 percent), and the Government MCAI (down 0.3 percent).

Mortgage Credit Availability Index, Index Level by Month  
(NSA, 3/2012=100)



"Credit availability decreased over the month driven primarily by a decrease in availability of conventional conforming loan offerings," said Lynn Fisher, MBA's Vice President of Research and Economics. "In particular, a number of investors **discontinued their conventional high balance 7-year adjustable rate loan programs** (agency jumbo ARM) while leaving their 5-year and 10-year ARM programs unchanged."

## National Average Mortgage Rates



Rate Change Points

### Mortgage News Daily

Product	Rate	Change	Points
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

## 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%

MBA constructs its index using several factors related to borrower eligibility including credit scores, loan type, and loan-to-value ratios. These metrics and underwriting criteria for over 95 lenders and investors are combined with data from AllRegs® using a proprietary formula derived by MBA. The composite MCAI, and the Conforming, and Jumbo components were benchmarked to 100 in March 2012. The Conventional and Government indices were benchmarked on that date to 69 and 222 respectively.

Builder Confidence	Mar	51	+6.25%
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## Responsive service, experienced expertise

I've dedicated my 22 year mortgage career to client education, superior service, and honest answers. The lending landscape has changed dramatically the past few years, and continues to do so. My job is to ensure client partners' loans close quickly, without surprises, and I take that responsibility very seriously. Referrals are a responsibility I appreciate; they're a measure of trust, and that trust must be earned every day, on every referral.

**Ted Roode** 