

## Mortgage Rates Struggling to Set New Records

**Mortgage rates improved** almost imperceptibly this morning compared to yesterday afternoon. With that, the average lender was just a hair below the previous all-time lows, but by an amount that's so small as to not really matter to the average mortgage borrower.

Perhaps **more importantly**, after a string of convincingly lower all-time lows, mortgage rates have been struggling to make additional improvements. This mirrors recent improvements in the Treasury market--the benchmark for fixed interest rates in the US. 10yr yields have moved progressively lower since mid-June, but have also struggled to break certain levels. In 10yr Treasuries, for example, 0.58% has been a key point of resistance. That was challenged today, but not convincingly broken (.579% currently).

All this is in line with the gentle reminders I've handed out periodically in the recent weeks about there being a limit to current low rate trend. I'm **not** saying we've seen the absolute limit to how low rates can go, but we **are** seeing the first instance where that trend has clearly leveled off.

This makes sense from the **mortgage industry's standpoint** as well. If rates move much lower from here, lenders would see refinances among those who just got new loans a few months ago, and that's a costly turn of events for mortgage investors (who rely on borrowers keeping their loans for a certain number of months in order for those loans to be profitable).

### Loan Originator Perspective

Rate sheets are looking pretty decent today. Most of my clients are deciding to lock in the recent gains. I would say if within 30 days or closing, go ahead and lock. -**Victor Burek**

Stability in mortgage rates builds the case for getting comfortable with the current mortgage rates available....DO NOT BE FOOLED! We have seen rates changes course aggressively overnight. I strongly recommend locking in as soon as possible. - **Gus Floropoulos**



**Matt Graham**  
Founder and CEO, MBS Live

