

# MORTGAGE RATE WATCH

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## Mortgage Rates Slightly Higher to Start The Week

Mortgage rates surged well into the 6% range last week before quickly cooling down after Wednesday's Fed announcement. The average top tier rate was nearly back below 6% by Friday.

Today's market movement means that we'll need to keep waiting for that floor to be broken. Mortgage rates are based primarily on the bond market and bonds began the day in weaker territory as domestic markets mirrored the movement seen in European markets during yesterday's holiday closure. With little by way of new, actionable news today, bonds stayed mostly sideways at those slightly weaker levels. In turn, mortgage lenders made modest adjustments to Friday's rates (on average).

Conventional conforming 30yr fixed rates continue operating in the low 6% range, but as has been and may continue to be the case, there is a much smaller gap than normal between certain mortgage rates in terms of cost. In plainer terms, in some cases, it may only cost half of what it normally costs to "buy down the rate." Borrowers need to decide for themselves whether it makes sense for them. My only goal in mentioning it is to account for some vastly different ideas of where the "going rate" is over the past 2 weeks.



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