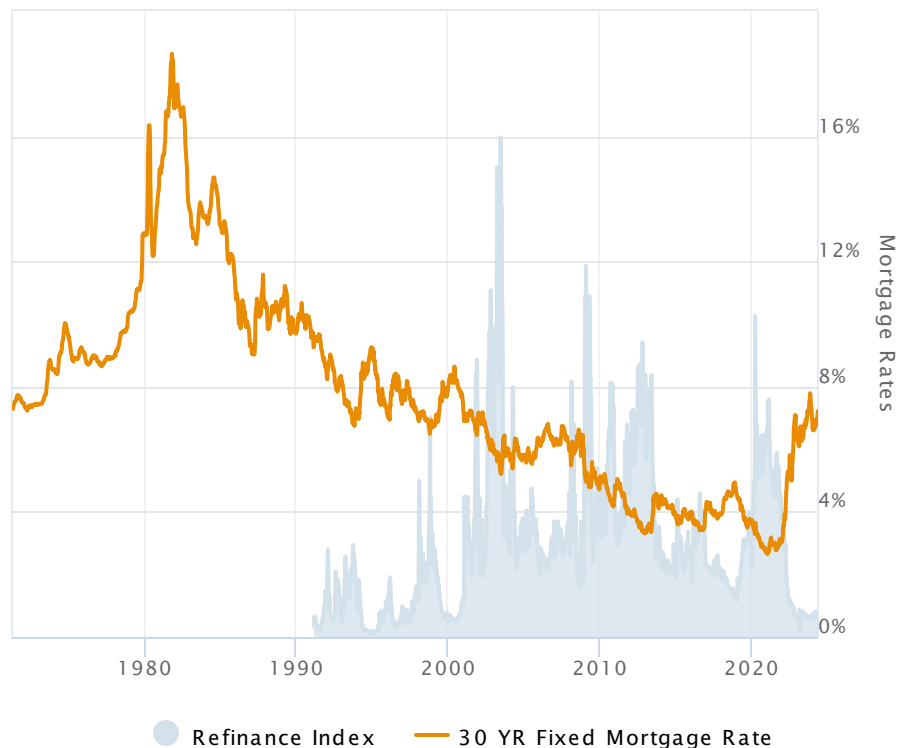




Application Volume Rises Slightly Despite Big Rate Increases

Mortgage application activity increased for the first time in six weeks during the period ended September 16 although the prior week had been shortened by a major holiday weekend. The Mortgage Bankers Association said its Market Composite Index, a measure of mortgage loan application volume, increased 3.8 percent on a seasonally adjusted basis from one week earlier. On an unadjusted basis, the Index increased 14 percent compared with the previous week.

The Refinance Index jumped 10 percent, its largest single week gain since late January, but was still 83 percent lower than the same week one year ago. Refinance applications represented 32.5 percent of total activity, up from 30.2 percent the previous week.



Dan Clifton

NMLS #284174 Managing Member, Mortgage Loan Originator and Mortgage Guru, Clifton Mortgage Services, LLC

CliftonMortgageServices.com

P: (888) 681-0777 x1001

M: (407) 252-3039

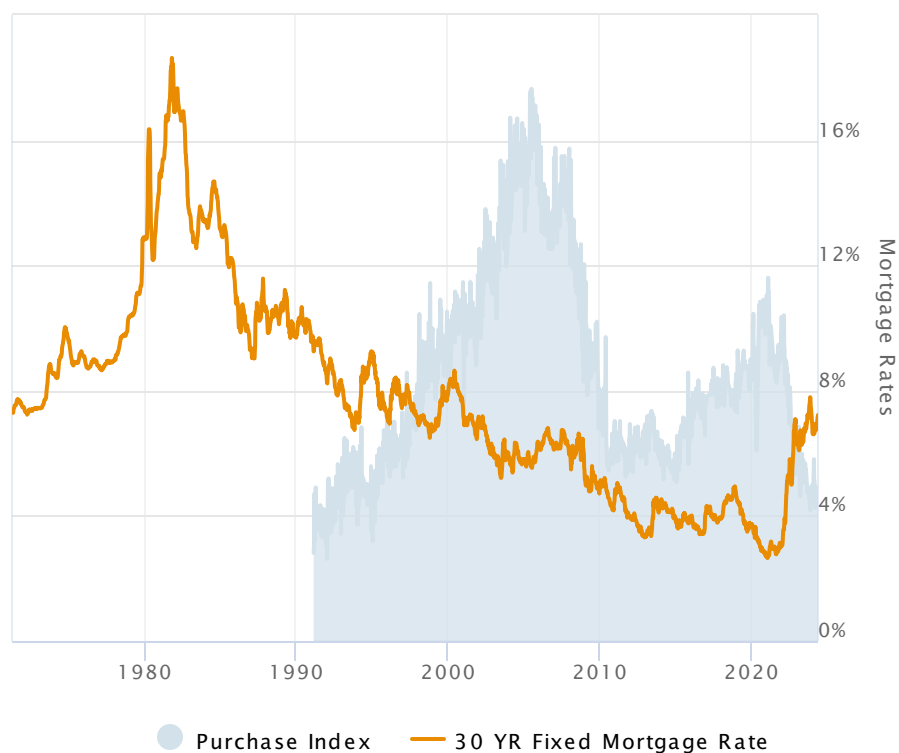
dan@cliftonmortgageservices.com

1177 Louisiana Ave
Winter Park FL 32789

NMLS #852745



The seasonally adjusted Purchase Index was up slightly for the second week, rising 1 percent. The unadjusted version was 11 percent higher on a weekly basis but was down 30 percent on an annual basis.



Joel Kan, MBA's Associate Vice President of Economic and Industry Forecasting commented, "Treasury yields continued to climb higher last week in anticipation of the Federal Reserve's September meeting, where it is expected that they will announce – in their efforts to slow inflation – another sizable short-term rate hike.

"Mortgage rates followed suit last week, increasing across the board, with the 30-year fixed rate jumping 24 basis points to 6.25 percent – the highest since October 2008. As with the swings in rates and other uncertainties around the housing market and broader economy, mortgage applications increased for the first time in six weeks but remained well below last year's levels, with purchase applications 30 percent lower and refinance activity down 83 percent. The weekly gain in applications, despite higher rates, underscores the overall volatility right now as well as Labor Day-adjusted results the prior week."

MBA reported other highlights from its Weekly Mortgage Applications Survey.

- The average size of loans bumped up \$100 to \$365,800 but purchase loans had a more substantial increase, from \$405,000 to \$413,200.
- The FHA share of total applications dipped to 13.3 percent from 13.4 percent the week prior and the VA share decreased to 10.9 percent from 11.3 percent. USDA applications had an 0.6 percent share, down from 0.7 percent the week prior.
- The 24-basis point increase in the conforming 30-year fixed-rate mortgage (FRM) rate, was accompanied by a slight decline in points, from 0.76 to 0.71.
- The average contract interest rate for 30-year FRM with jumbo loan balances increased to 5.79 percent from 5.56 percent, with points rising to 0.46 from 0.39.
- The rate for 30-year FRM with FHA backing was 5.85 percent with 1.15 point. The previous week it was 5.71 percent with 1.12 point.
- The rate for 15-year FRM rose 10 basis points to 5.40 percent. Points moved to 1.06 from 0.89.
- The adjustable-rate mortgage (ARM) share of activity was unchanged from the prior week at 9.1 percent as the 5/1 product rose 31 basis points to 5.13 percent. Points jumped from 0.52 to 0.99.