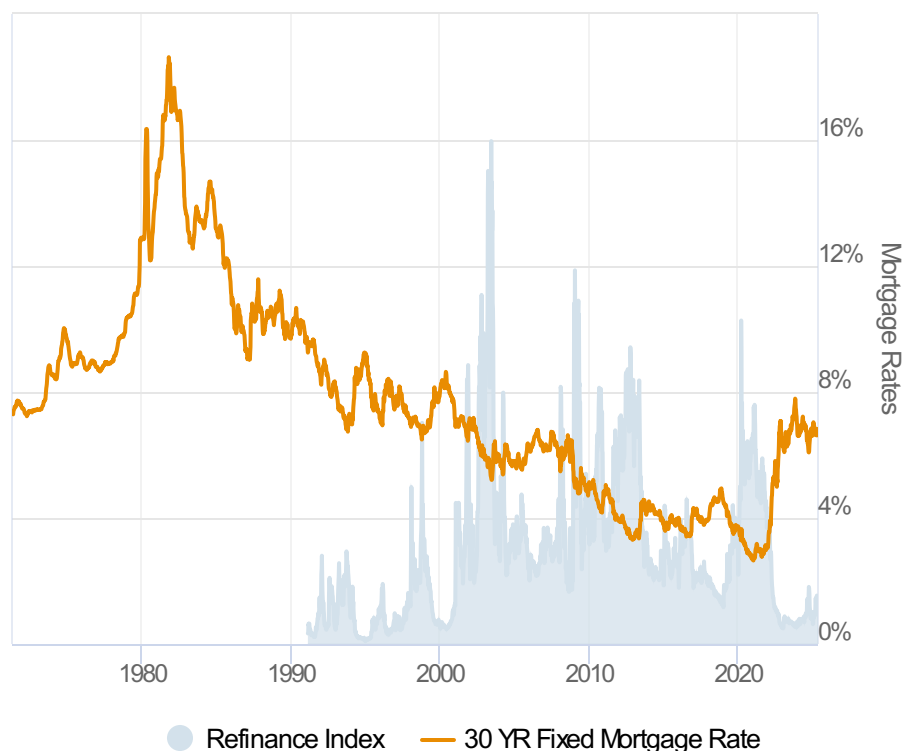




Refinance Applications Rise on Falling Rates

Applications for refinancing rebounded last week from the previous week's holiday-related slowdown but purchase applications slid lower. The Mortgage Bankers Association (MBA) said its Market Composite Index, a measure of application volume, increased 1.1 percent on a seasonally adjusted basis from one week earlier. On an unadjusted basis, the Index increased 27.0 percent compared with the previous week which was adjusted to account for Independence Day.

The **Refinance Index** was up **7.0 percent** from the previous week and was 32.0 percent lower than the same week in 2022. Applications for refinancing accounted for 28.4 percent of total activity compared to 26.8 percent the previous week.



Rich E Blanchard

Managing Director, RICH Home Loans LLC

<https://www.richhomeloans.com>

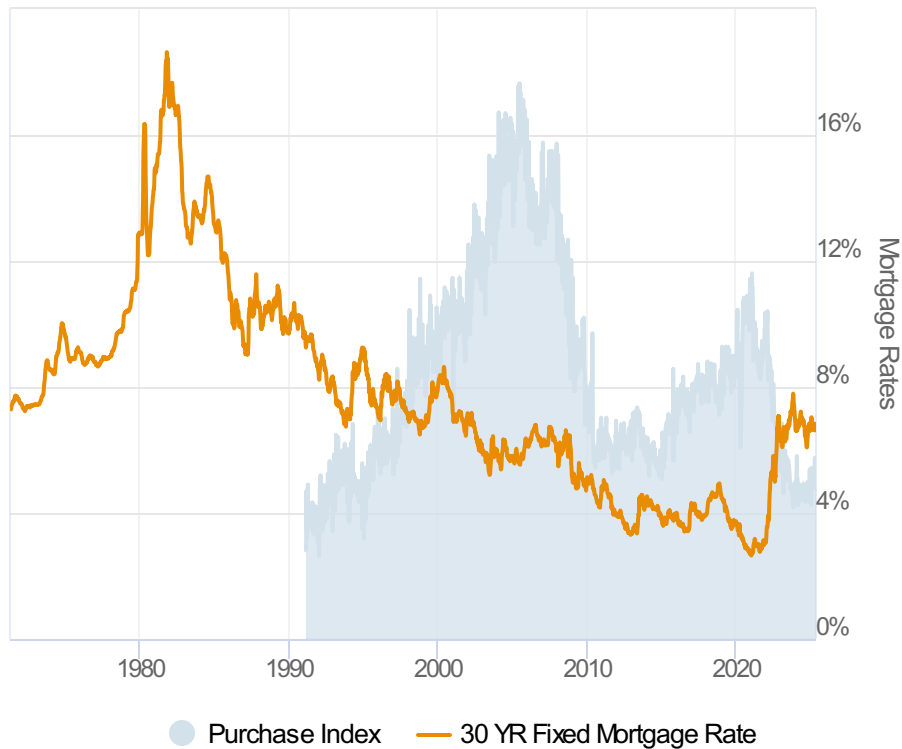
P: (303) 328-7047

1550 Wewatta St
Denver CO 80202

NLMS: 492461

RICH
HOME LOANS LLC

The seasonally adjusted **Purchase Index** dipped **1.0 percent week-over-week** and was 2 percent higher on an unadjusted basis. The Index was 21 percent lower than the same week one year ago.



“Mortgage rates declined last week, as markets responded positively to incoming data showing that U.S. inflation continues to cool. Most rates in our survey declined, with the 30-year fixed rate falling to 6.87 percent,” said Joel Kan, MBA’s Vice President and Deputy Chief Economist. “Refinance applications increased more than 7 percent, but that activity accounted for only 28 percent of applications and was more than 30 percent behind last year’s pace. Despite last week’s lower rates, purchase applications decreased, as home **purchase activity is still being held back by low housing supply and rates** that are still much higher than a year ago.”

Other Highlights from MBA’s Weekly Mortgage Applications Survey

- Loan sizes had increased last week for the first time since mid-May but the decline resumed last week. Overall loan sizes dropped from \$380,200 to \$372,900 and purchase loan sizes fell more than \$7,000 to \$418,600.
- The FHA share of total applications increased to 13.6 percent from 13.3 percent while the VA share decreased to 12.1 percent from 12.6 percent. USDA’s share of applications increased to 0.5 percent from 0.4 percent the previous week.
- The average contract interest rate for conforming 30-year fixed-rate mortgages (FRM) decreased to 6.87 percent from 7.07 percent, with points decreasing to 0.66 from 0.74.
- The average rate for jumbo 30-year FRM decreased to 6.89 percent from 7.04 percent, with points increasing to 0.64 from 0.59.
- FHA-backed 30-year FRM had an average rate of 6.77 percent with 1.12 points, down from 6.86 percent with 1.23 points the prior week.
- Fifteen-year FRM rates decreased to 6.36 percent from 6.42 percent, with points decreasing to 0.72 from 1.22.
- The average contract interest rate for 5/1 adjustable-rate mortgages (ARMs) increased to 6.27 percent from 6.24 percent, Points dropped to 0.91 from 1.42.
- ARM applications accounted for 6.3 percent of the total applications, down from 6.6 percent a week earlier.