

Flat Day For Mortgage Rates, And That's a Victory These Days

When it seems that we've only known pain in the mortgage rate world recently, the absence of pain is a welcome relief. Such was the case today with the average mortgage lender offering terms that were almost perfectly in line with yesterday's.

This "flat victory" looked like too much to hope for earlier this morning. The bond market was weaker to begin the US trading day (weaker bonds = higher rates, all other things being equal) and the average lender was indeed in higher territory to start.

Bonds bounced back in the late morning hours, thus allowing most lenders to make favorable mid-day adjustments to their rate offerings. It was only after those adjustments that the average moved back in line with yesterday's.

Top tier conventional 30yr fixed rates remain near 7.5%. Paying discount points or having a less-than-perfect scenario can change that number for better or worse.

Many market participants are expecting "volatility" after Friday's speech from Fed Chair Powell in Jackson Hole. That's just a fancy way of saying the odds are higher for movement without specifying whether that movement will be higher or lower. Other market participants see today's ground-holding in the bond market as evidence that the recent rate spike is getting tired.



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