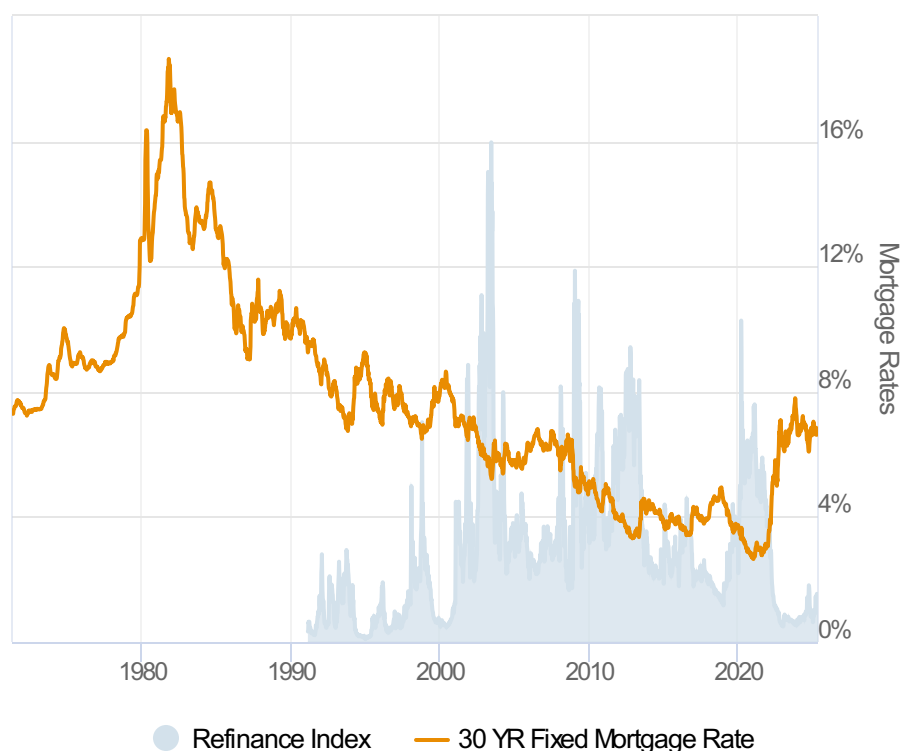


Mortgage Applications Rise After Five Week Retreat

After falling for five straight weeks, **mortgage applications finally gained a little ground last week**. The Mortgage Bankers Association (MBA) said its seasonally adjusted Market Composite Index, a measure of mortgage loan application volume, increased 2.3 percent during the week ended August 25 and was 1 percent higher before adjustment.

The Refinance Index was up 3 percent week-over-week although it still lags August 2022 levels by 28 percent. The refinance share of mortgage activity increased to 30.1 percent of total applications from 29.5 percent the previous week. It was the largest share for refinancing since mid-February.



Rich E Blanchard

Managing Director, RICH Home Loans LLC

<https://www.richhomeloans.com>

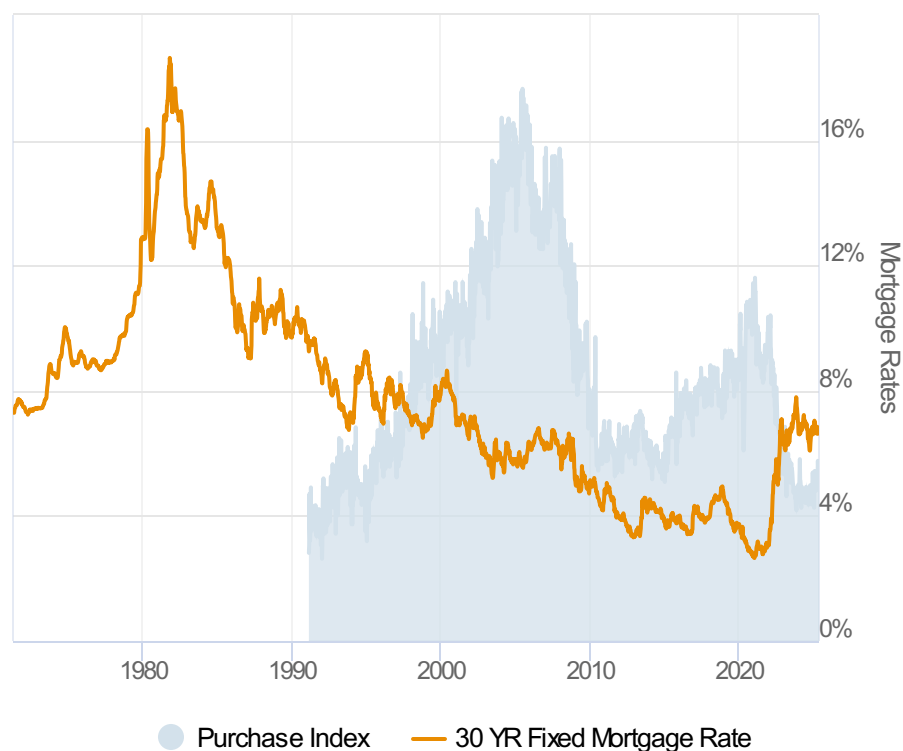
P: (303) 328-7047

1550 Wewatta St
Denver CO 80202

NLMS: 492461

RICH
HOME LOANS LLC

The seasonally adjusted Purchase Index rose 2 percent and eked out a 0.3 percent gain before adjustment. Purchasing was 27 percent lower than a year earlier.



“Mortgage rates were mostly unchanged last week, with the 30-year fixed rate remaining at 7.31 percent – the highest since December 2000. Treasury yields peaked early in the week and did move lower by the end, which may have spurred some activity,” said Joel Kan, MBA’s Vice President and Deputy Chief Economist. “Mortgage applications for home purchases and refinances increased for the first time in five weeks but remained at low levels. Purchase applications increased but were **still 27 percent lower than a year ago, as elevated mortgage rates and tight housing inventory continue to weigh on home buying activity.**”

Added Kan, “The refinance market continues to be slow despite last week’s gain, which was driven by a 7.9 percent spike in conventional refinances. Government refinance applications dropped more than 10 percent last week.”

Highlights from MBA’s Weekly Mortgage Applications Survey

- Loan sizes increased by about \$5,000 to an average of \$367,200 while purchase loan sizes grew from \$407,700 to \$413,100.
- The FHA share of total applications decreased to 13.2 percent from 14.3 percent and the VA share was unchanged at 11.6 percent. USDA applications accounted for 0.4 percent of the total, down from 0.5 percent the prior week.
- The rate for conforming 30-year fixed-rate mortgages (FRM) remained at an average of 7.31 percent and points eased back to 0.73 from 0.78.
- The jumbo 30-year FRM had a rate of 7.28 percent, 1 basis point higher than the prior week. Points fell to 0.66 from 0.84.
- FHA-backed 30-year FRM had an average rate of 7.10 percent with 1.09 point. The prior week the rate was 7.09 percent with 1.20 points.
- Fifteen-year FRM rates averaged 6.72 percent, unchanged from the prior week. Points increased to 1.11 from 1.06.
- The average rate for 5/1 adjustable-rate mortgages (ARMs) dipped 2 basis points to 6.48 percent, but points jumped to 1.20 from 1.03.
- The ARM share of activity was 7.5 percent compared to 7.6 percent the previous week.