



Mortgage Applications Technically Improve

First thing's first, mortgage applications increased last week, both for purchases and refinances! It was the first improvement for refi demand since mid September, when rates were well into their lowest levels in more than 2 years. Top tier conventional 30yr fixed rates were being quoted at around 6% at the time, but moved rapidly up to 7%+ in the first 3 weeks of October.

The resulting drop in refi demand was as logical as it was unfortunate, and it didn't really let up until 2 weeks ago. Since then, last week saw only a microscopic decrease which, in turn, paved the way for this week's microscopic increase. In the bigger picture, the refinance index remains in the lowest territory in decades.



The Purchase Index is actually in a similar boat. In fact, we'd need to go even deeper into the past to see demand at current levels. The key difference is that there wasn't any interesting rate-driven bump in the past few months. Purchases apps simply ground to a halt by late 2023 and haven't done much since then.



Todd Gorman
Sales Manager, Adaptive
Mortgage Solutions

toddgormanloans.com

P: (866) 754-6376

M: (951) 265-5302

todd@mksbroker.com

4883-B Ronson CT

San Diego CA 92111

NMLS #379724

CADRE #01701211



Other highlights from MBA's weekly application update:

- Refi share of total activity: 41%, up from 39.9 previously
- FHA share: 16.6% vs 16.0 previously
- VA share: 13.6% vs 13.3 previously
- Average contract rate (30yr fixed) 6.90 vs 6.86
 - Orig/Points up to 0.7 from 0.6
- Jumbo rates were 0.13% higher than conventional and FHA rates .22% lower