

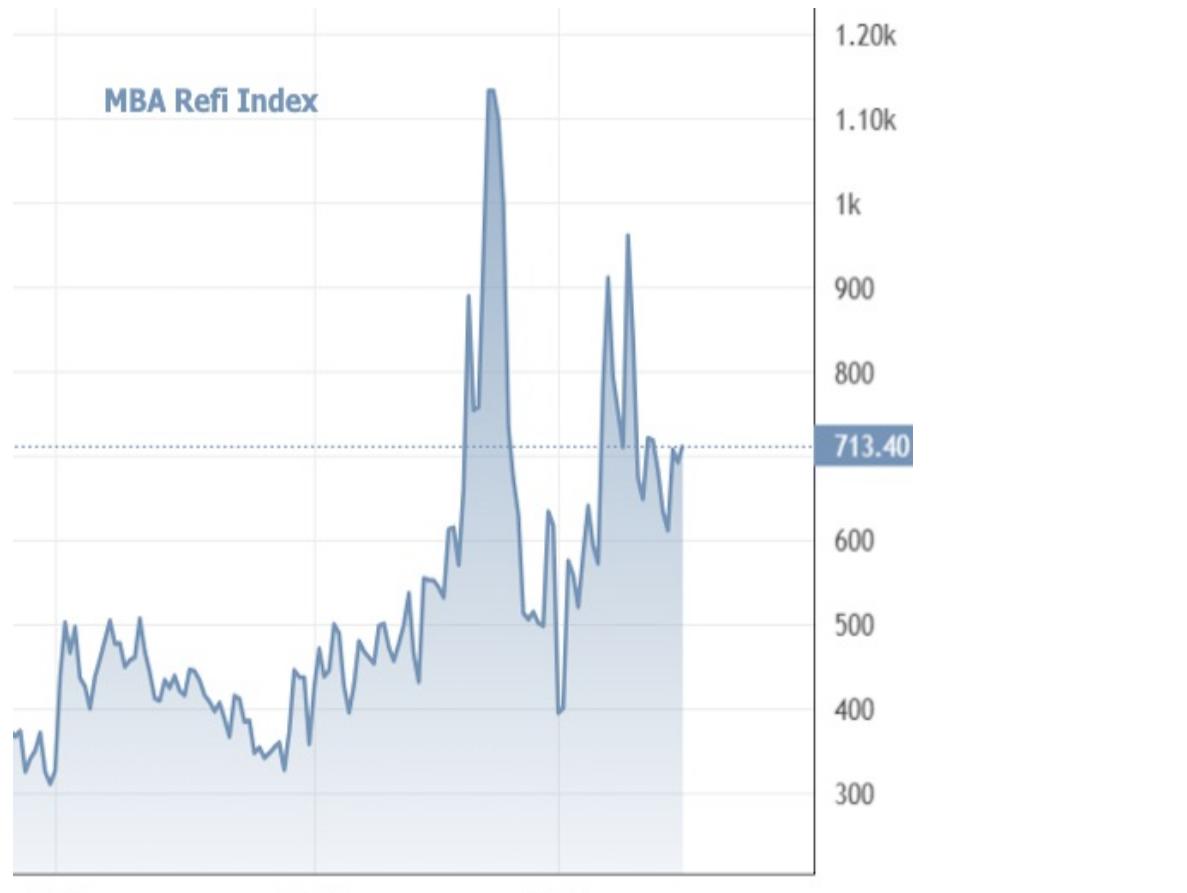


Mortgage Applications Buoyed by FHA Refis

Mortgage application activity moved slightly higher last week despite a modest uptick in rates, according to the Mortgage Bankers Association's (MBA) latest survey. The Composite Index rose 1.1% on a seasonally adjusted basis for the week ending June 20, with a small gain in refis offsetting a minor decline in purchase activity. Results included an adjustment for the Juneteenth holiday.

"Applications increased slightly overall driven by FHA refinances, but conventional applications saw declines over the week," said Joel Kan, MBA's Vice President and Deputy Chief Economist. "The average loan size for purchase applications declined to the lowest level since January, driven by decreasing conventional purchase loan sizes."

Refinance applications were up 3% from the prior week and are now 29% higher than the same week last year.



Purchase applications slipped 0.4% on a seasonally adjusted basis but remain 12% above 2024 levels. The drop followed the previous week's minor rebound, offering little evidence of sustained momentum in purchase demand.



Alan Lacey

RVP- Consumer Direct Lending, Northpointe Bank

www.northpointe.com

3333 Deposit Dr NE

Grand Rapids MI 49546

NMLS 783169





The average 30-year fixed rate rose slightly to 6.88% while points declined slightly across most loan types.

Mortgage Rate Summary:

- **30yr Fixed:** 6.88% (+0.04) | **Points:** 0.63 (-0.03)
- **15yr Fixed:** 6.11% (-0.03) | **Points:** 0.74 (+0.04)
- **Jumbo 30yr:** 6.88% (+0.07) | **Points:** 0.60 (-0.03)
- **FHA:** 6.59% (+0.02) | **Points:** 0.85 (-0.05)
- **5/1 ARM:** 6.16% (+0.06) | **Points:** 0.54 (-0.03)

Despite slightly higher rates, mortgage applications eked out a gain. In the bigger picture, mortgage rates remain well-contained within the narrow range established since mid-April, contributing to relatively steady weekly demand.

More timely daily rate tracking from MND shows a bit of a friendly breakout toward lower rates. This could certainly impact refi demand in a good way in next week's survey.

Refinance share rose to 38.4% of total applications, while ARM share edged down to 6.9%. FHA refis led the gains, while conventional applications declined. The average purchase loan size dropped