Obvious Signs of Life in Mortgage Apps Thanks to Rate Rally

Mortgage applications jumped 9.2% last week, according to the Mortgage Bankers Association's survey for the week ending September 5, 2025. The results included an adjustment for the Labor Day holiday.

"Mortgage rates declined for the second consecutive week as Treasury yields moved lower on data indicating that the labor market is weakening. The 30-year fixed rate decreased to 6.49 percent, down 20 basis points over the past two weeks to the lowest since October 2024," said Joel Kan, MBA's Vice President and Deputy Chief Economist.

"The downward rate movement spurred the strongest week of borrower demand since 2022, with both purchase and refinance applications moving higher. Purchase applications increased to the highest level since July and continued to run more than 20 percent ahead of last year's pace. There was also a pickup in ARM applications, both in terms of level and share, as ARM rates were considerably lower than fixed rate loans, which typically benefits homebuyers."

The Refinance Index rose 12% from the previous week and is 34% higher than the same week a year ago.

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The Purchase Index increased 7% on a seasonally adjusted basis and is now 23% higher than last year's level.

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The refinance share of total mortgage applications increased to 48.8%. ARM share rose to 9.2%. FHA share decreased to 18.5%, while VA share climbed to 15.3%.

Mortgage Rate Summary:

- **30yr Fixed:** 6.49% (from 6.64%) | **Points:** 0.56 (from 0.59)
- **15yr Fixed:** 5.70% (from 5.84%) | **Points:** 0.55 (from 0.84)
- **Jumbo 30yr:** 6.44% (from 6.58%) | **Points:** 0.48 (from 0.39)
- **FHA:** 6.27% (from 6.31%) | **Points:** 0.68 (from 0.74)
- **5/1 ARM:** 5.77% (from 5.90%) | **Points:** 0.63 (from 0.34)

Mortgage rates have actually already moved quite a bit lower than those captured via weekly survey methodologies. The large drop after last Friday's jobs report has been maintained so far this week. Additionally, there's more and more buzz in social media regarding refi opportunities. All of the above should result in another strong showing in next week's app survey.

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