Rising Rates Pull Applications Lower, but Year-Over-Year Gains Hold Firm

Mortgage applications moved lower last week as rates continued drifting higher for a third straight week. MBA's Weekly Applications Survey for the week ending November 14 showed a 5.2% drop in total volume on a seasonally adjusted basis and a 7% decline unadjusted.

The Refinance Index fell 7% from the previous week but is still running 125% above last year's levels. Even with the pullback, refi activity remains firmly in recovery territory compared to the past two years. That said, the recent rate bump pushed the average refinance loan size to its lowest reading since August, underscoring just how sensitive the category remains to even small rate moves.

Purchase activity was more stable, slipping 2% seasonally adjusted and 7% unadjusted. Despite the weekly decline, purchase volume is still 26% higher than the same week one year ago—another sign that buyer demand is meaningfully stronger than it was in late 2023 and early 2024.

Tan & Samantha Tunador

VP | Sr Loan Officer Team, Atlantic Coast Mortgage,. LLC

www.TheTunadorGroup.com
P: (703) 919-5875
M: (703) 328-0628
tan@acmllc.com

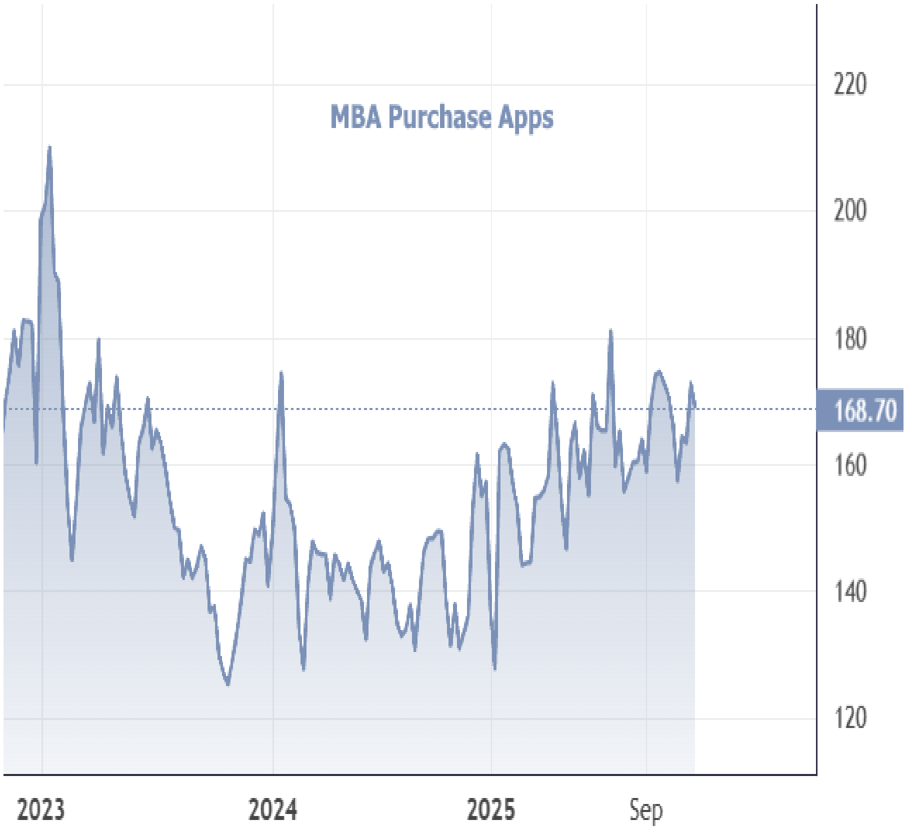
20365 Exchange Street
Ashburn Virginia 20147
NMLS ID 1166669
NMLS ID 2408374

Peter Leonard-Morgan

Associate Broker, Hunt Country Sotheby's International Realty

www.peterleonardmorgan.com
P: (540) 687-8500
M: (443) 254-5530
peterleonard-morgan@huntcountrysir.com

Middleburg VA



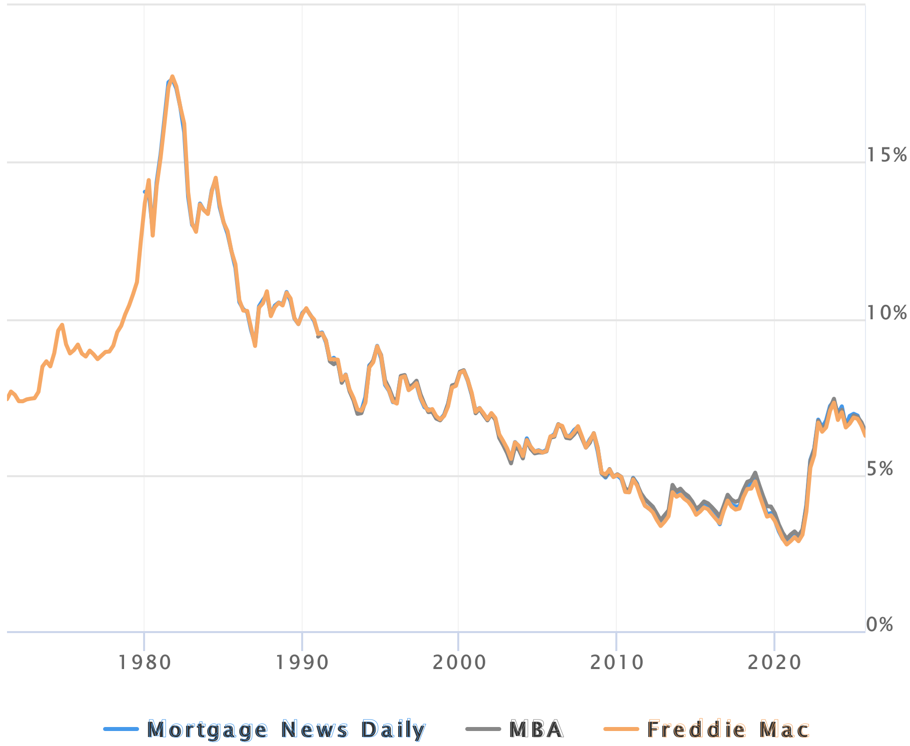
“Mortgage rates increased for the third consecutive week, with the 30-year fixed rate inching higher to its highest level in four weeks at 6.37 percent,” said Joel Kan, MBA’s Vice President and Deputy Chief Economist. “Application activity over the week was lower, with potential homebuyers moving to the sidelines again, although there was a small increase in FHA purchase applications. Refinance applications decreased as borrowers remain sensitive to even small increases in rates at this level.”

The refinance share of applications dipped to 55.4%. ARM share fell to 7.5%, while FHA, VA, and USDA shares all moved slightly higher.

Mortgage Rate Summary:

- **30yr Fixed:** 6.37% (from 6.34%) | **Points:** 0.62 (unchanged)
- **15yr Fixed:** 5.83% (from 5.70%) | **Points:** 0.69 (from 0.64)
- **Jumbo 30yr:** 6.39% (from 6.46%) | **Points:** 0.42 (from 0.38)
- **FHA:** 6.14% (unchanged) | **Points:** 0.84 (from 0.76)
- **5/1 ARM:** 5.65% (from 5.50%) | **Points:** 0.81 (from 0.85)

After hovering near one-year lows in late October and early November, mortgage rates have pushed modestly higher as Treasury yields recalibrated. Even so, rates remain well below their 2023 highs, helping preserve the substantial year-over-year lift in both purchase and refinance activity.


15%
10%
5%
0%
1980
1990
2000
2010
2020
Mortgage News Daily
MBA
Freddie Mac