Mortgage Apps Ebb Despite Strongest Purchase Demand in Years

Seasonally adjusted mortgage application activity edged 1.4% lower last week according to MBA's Weekly Mortgage Applications Survey for the week ending November 28. Unadjusted applications were down sharply (33%) due to the holiday.

The Refinance Index slipped 4% from the previous week but remains 109% higher than the same week one year ago—still a significant year-over-year improvement, even as borrowers appear to be waiting for lower rate levels before jumping in more aggressively.

Purchase applications were more resilient, rising 3% seasonally adjusted. On an unadjusted basis, purchases fell 32% from the prior week (again largely driven by the holiday), but remain 17% above last year's levels—a continued sign of underlying buyer demand supported by easing prices and gradually improving inventory conditions. The index is currently at the highest level since early 2023.

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“Mortgage rates moved lower in line with Treasury yields, which declined on data showing a weaker labor market and declining consumer confidence. The 30-year fixed mortgage rate declined to 6.32 percent after steadily increasing over the past month,” said Joel Kan, MBA’s Vice President and Deputy Chief Economist. “After adjusting for the impact of the Thanksgiving holiday, refinance activity decreased across both conventional and government loans, as borrowers held out for lower rates. Purchase applications were up slightly, but we continue to see mixed results each week as the broader economic outlook remains cloudy, even as cooling home-price growth and increasing for-sale inventory bring some buyers back into the market.”

The refinance share of applications eased to 53.0% from 53.4% the previous week. ARM share increased to 8.0%, while FHA, VA, and USDA shares all ticked lower.

Mortgage Rate Summary:

- **30yr Fixed:** 6.32% (from 6.40%) | **Points:** 0.58 (from 0.60)
- **15yr Fixed:** 5.73% (from 5.80%) | **Points:** 0.64 (from 0.72)
- **Jumbo 30yr:** 6.40% (from 6.49%) | **Points:** 0.40 (from 0.55)
- **FHA:** 6.12% (from 6.15%) | **Points:** 0.73 (from 0.79)
- **5/1 ARM:** 5.40% (from 5.44%) | **Points:** 0.23 (from 0.54)

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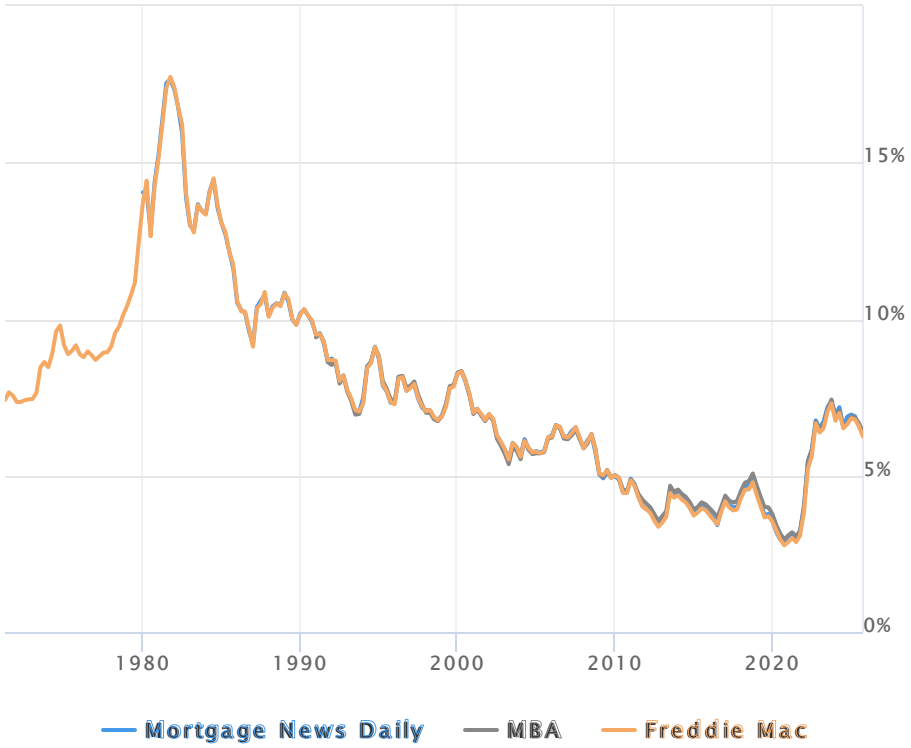

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