



“Mortgage rates dropped lower last week following the announcement of increased MBS purchases by the GSEs. Lower rates, including the 30-year fixed rate declining to 6.18 percent, sparked an increase in refinance applications,” said Joel Kan, MBA’s Vice President and Deputy Chief Economist. “Compared to a holiday-adjusted week, refinance applications surged 40 percent to the strongest weekly pace since October 2025. The average loan size for refinance applications was also higher, as borrowers with larger loan sizes are typically more sensitive to changes in rates.”

Kan added, “Purchase applications also jumped last week and were 13 percent ahead of last year’s pace, as lower rates and higher inventory kept potential homebuyers active in the market.”

The refinance share of applications increased to **60.2%** from 56.6% the previous week. ARM share rose to **7.0%**. FHA share edged lower to 19.2%, while VA share declined to 16.1%. USDA share was unchanged at 0.4%.

Mortgage Rate Summary:

- **30yr Fixed:** 6.18% (from 6.25%) | **Points:** 0.56 (from 0.57)
- **15yr Fixed:** 5.60% (from 5.64%) | **Points:** 0.61 (from 0.64)
- **Jumbo 30yr:** 6.42% (from 6.32%) | **Points:** 0.43 (from 0.42)
- **FHA:** 6.08% (from 6.09%) | **Points:** 0.68 (from 0.77)
- **5/1 ARM:** 5.42% (from 5.90%) | **Points:** 0.49 (from 0.19)

Rates continue to operate in lower territory this week. Given that last week’s rate rally was a one day affair, this should add substantially to refi numbers in next week’s data.

