HOUSING CONNECTION
Mortgage and Real Estate News That Matters

Mortgage Applications Give Back Some of Last Week's Gains

Mortgage applications pulled back last week as rates moved around in response to fresh inflation data and shifting geopolitical headlines. The Mortgage Bankers Association (MBA) reported a **3.8% decline** in total application volume on a seasonally adjusted basis for the week ending June 12.

Refinance activity accounted for much of the slowdown. The Refinance Index fell **5%** from the previous week, though it remained **17%** above the same period one year ago.

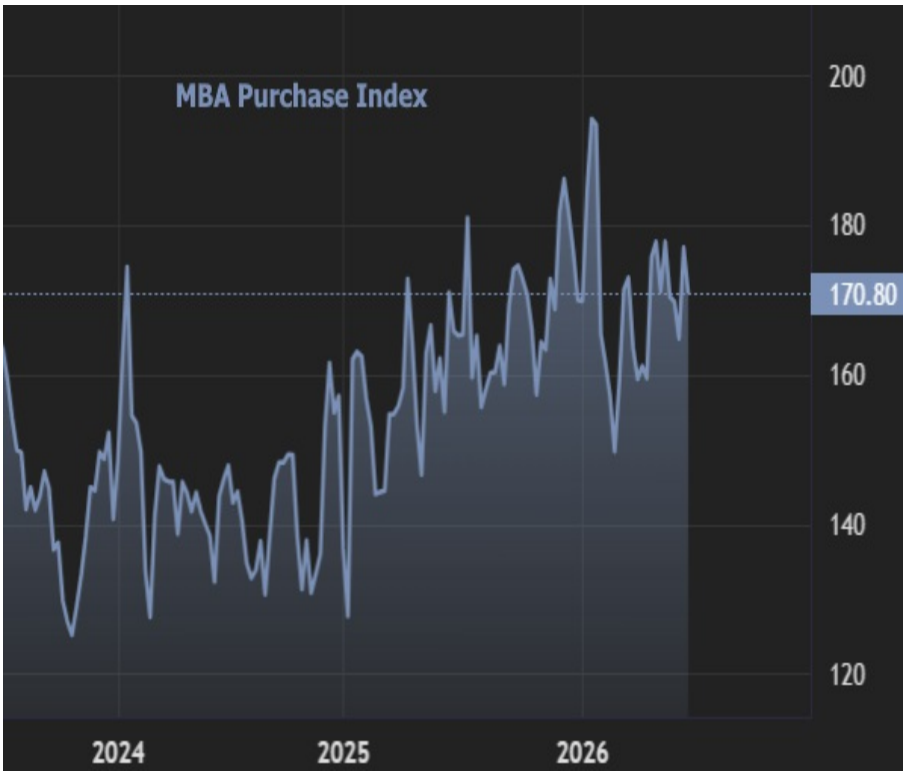


Purchase demand also softened, but has generally done a better job of holding near multi-year highs. The seasonally adjusted Purchase Index decreased **3%** week over week and was **3%** higher than a year ago.

Nevada County Mortgage

NCM Team: Wendy, Paul & Shelley
Mortgage Advisors, Nevada County Mortgage
nevadacountymortgage.com
P: (530) 274-0916
140 Litton Dr
Grass Valley CA 95945
NMLS: 254913, 254875 & 270488

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“Last week’s CPI data showed that inflation continued to move higher, putting upward pressure on rates early in the week, but growing optimism regarding the opening of the Strait of Hormuz brought rates down again by the end of the week,” said Mike Fratantoni, MBA’s SVP and chief economist. He said the net effect was a drop in both purchase and refinance activity, with purchase applications still modestly ahead of last year’s pace and conventional purchase volume showing stronger growth than government lending.

Refinance share of mortgage activity edged up to **40.3%** from 40.2%, while the ARM share slipped to **8.5%** from 8.6%.

Government-backed application shares were mixed. FHA share increased to **17.5%** from 17.4%, while VA share declined to **12.9%** from 13.4%. USDA share was unchanged at **0.4%**.

Mortgage Rate Summary:

- **30yr Fixed:** 6.60% (unchanged) | **Points:** 0.63 (unchanged)
- **15yr Fixed:** 6.02% (from 5.99%) | **Points:** 0.65 (from 0.68)
- **Jumbo 30yr:** 6.62% (from 6.66%) | **Points:** 0.57 (from 0.54)
- **FHA:** 6.25% (from 6.27%) | **Points:** 0.73 (from 0.78)
- **5/1 ARM:** 5.86% (from 5.96%) | **Points:** 0.81 (from 0.75)

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