No Major Changes in Mortgage Demand

Mortgage application activity was little changed last week as higher mortgage rates continued to weigh on purchase demand. The Mortgage Bankers Association (MBA) reported a **0.4% decrease** in total application volume on a seasonally adjusted basis for the week ending August 14.

Purchase applications decreased **2%** from the previous week on a seasonally adjusted basis and were **3% below** the same week one year ago. MBA Deputy Chief Economist Joel Kan said affordability difficulties have reemerged as a reason for some homebuyers to delay purchase decisions, citing the impact of higher mortgage rates on monthly payments.

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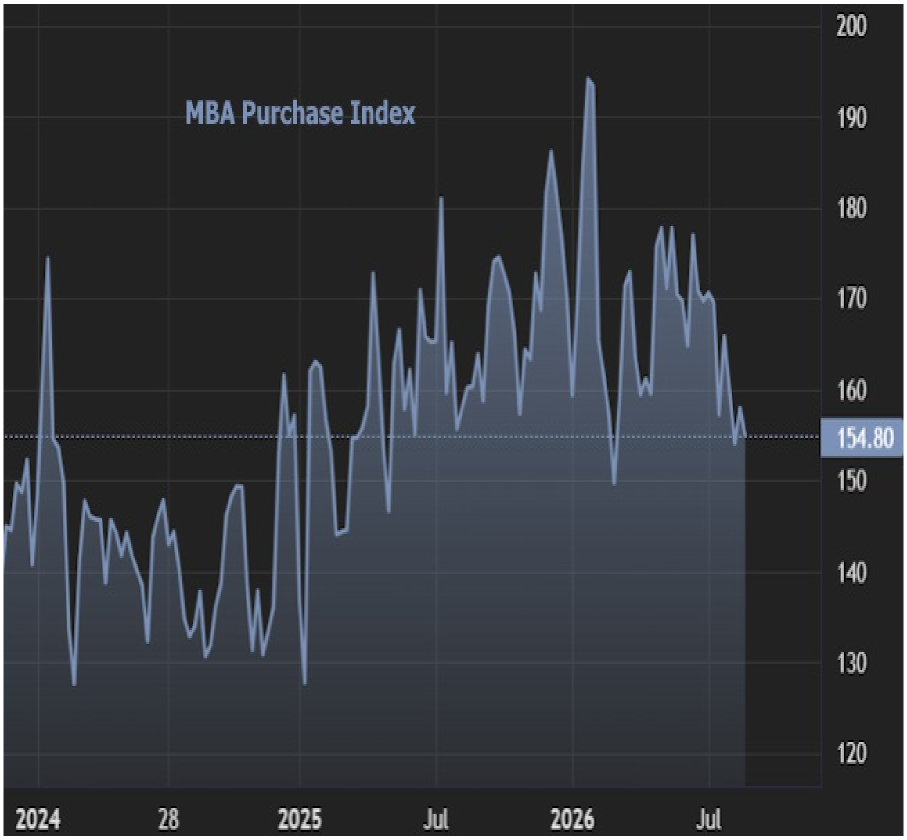

Refinance activity provided a modest counterpoint, with the Refinance Index increasing **2%** from the previous week. Despite the weekly gain, refinance applications remained **18%** below year-ago levels. The average refinance loan size fell to **$282,200**, the lowest level since June 2025, as borrowers with larger loan balances remain less likely to refinance at current rates.

"Mortgage rates and applications changed little last week, with just a slight increase in refinances for conventional and VA loans, while FHA refinances were lower," said Joel Kan, MBA's Vice President and Deputy Chief Economist.

The refinance share of total mortgage activity increased to **41.9%** from 40.7% the previous week, while the adjustable-rate mortgage (ARM) share decreased to **7.7%** from 7.9%.

The average contract rate for a 30-year fixed mortgage remained unchanged at **6.77%**, while the rate for jumbo 30-year loans increased to **6.71%** from 6.68%. The 15-year fixed rate declined to **6.08%** from 6.10%, while the 5/1 ARM rate fell to **5.94%** from 5.99%.

Mortgage Rate Summary:

- **30yr Fixed:** 6.77% (unchanged) | **Points:** 0.65 (from 0.67)
- **15yr Fixed:** 6.08% (from 6.10%) | **Points:** 0.82 (from 0.94)
- **Jumbo 30yr:** 6.71% (from 6.68%) | **Points:** 0.48 (from 0.51)
- **FHA:** 6.45% (from 6.43%) | **Points:** 0.82 (from 0.77)
- **5/1 ARM:** 5.94% (from 5.99%) | **Points:** 0.87 (from 0.83)