Mortgage Rates Fall Back Under 7.25%

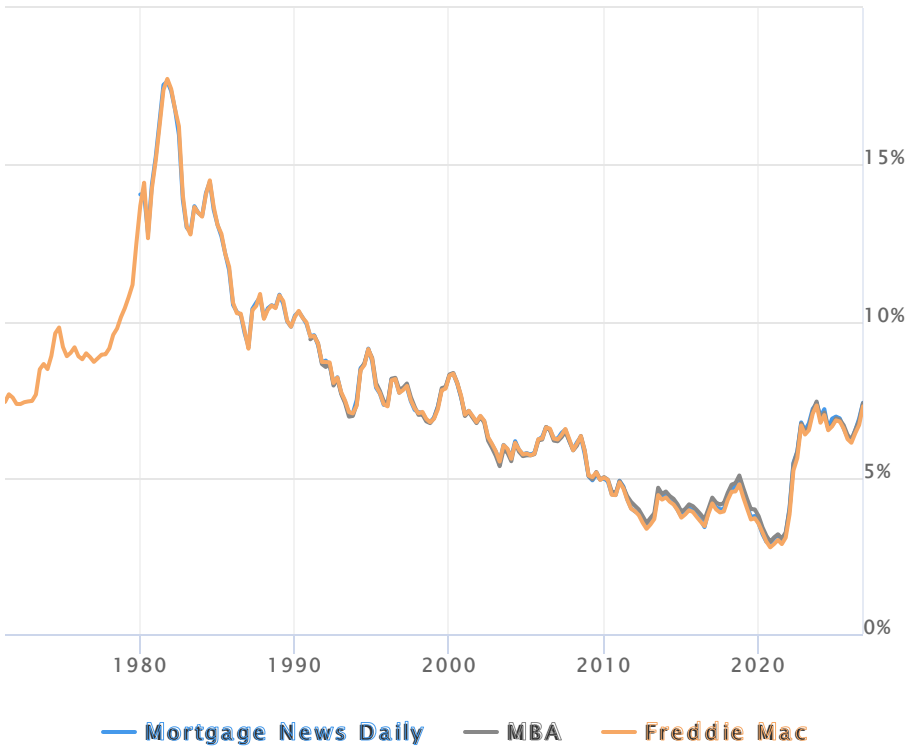
30yr fixed rates moved over 7.25% on September 23rd, 2026 and continued to long-term highs of 7.61% by early October. But starting in mid October, rates began declining as the market grew increasingly concerned about the tech sector. Until today 7.27% marked the floor of the present rally. Now the floor is lower.

Rates began the day moderately lower with an average top-tier 30yr fixed rate of 7.25%. Reasons can be debated, but may include:

- Investors coming off the sidelines after mid-term election uncertainty was cleared up
- Ongoing trouble for the neocloud portion of the tech sector (i.e. Coreweave, Nebius, etc)
- Another sharp drop in fuel prices

Earlier in the day, it wasn't a given that rates would end up lower. Just after 10am, it looked like the stock market might get so much love that bonds/rates would be left wanting. But tech stocks ended up hitting their ceiling for the day at that time and bonds were subsequently able to improve to their best levels in the afternoon.

When bonds improve enough intraday, mortgage lenders occasionally adjust rates lower. Not every lender did so today, but it would enough to bring the average down to 7.22%--the first time we've been below 7.25% since September 22nd.



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