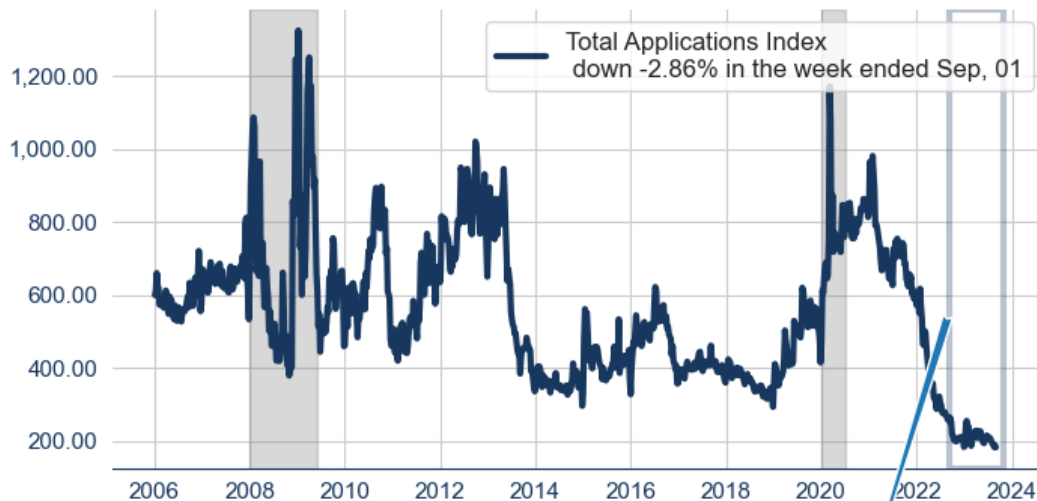


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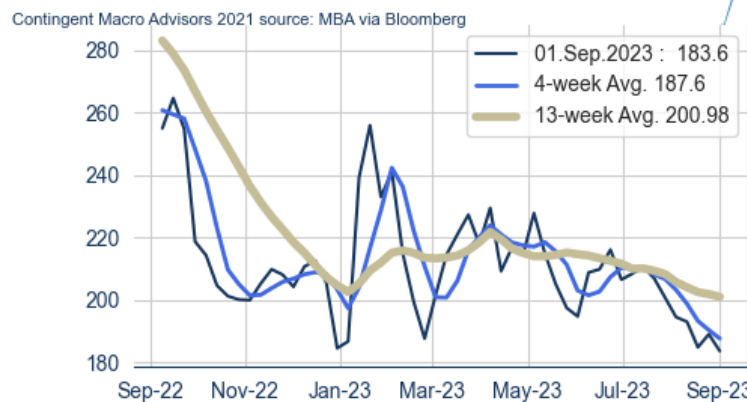
Mortgage Apps: Further Drop Even As Mortgages Retreat Slightly

Bottom Line: Mortgage applications hit another new low last week, despite a retreat in mortgage rates back below 7.50%. Averaging 7.41%, adjusted for points-paid, the 30-year fixed-rate mortgage was still 54 basis points above its one-year average, hampering affordability. The purchase index hit a new low, while refinancing remained off the lows but still depressed. **Overall, application volumes continue to suggest that mortgage rates are jeopardizing the recovery in housing activity.**

Total Applications Index



Recent Trends



The MBA Mortgage Application Index FELL -4.2% to 185.0, BELOW the 13-week average of 202.0 and -31.6% BELOW the year-ago level. Non-seasonally adjusted the index FELL -5.6%.

The Purchase Index FELL -5.0% to 142.0, BELOW the 13-week average of 158.0 and -30.0% BELOW the year-ago level.

The Refinancing Index FELL -2.8% to 397.0, BELOW the 13-week average of 423.0 and -34.9% BELOW the year-ago level.

The effective (adjusted for points paid) 30-year mortgage rate ROSE 18bps to 7.54%, ABOVE the 13-week average of 7.13% and 29bps ABOVE the year-ago level.

Current coupon yields in the secondary market were up 16.0 bps last week , closing at 6.14%, and were up 9.0 bps this week through Tuesday.

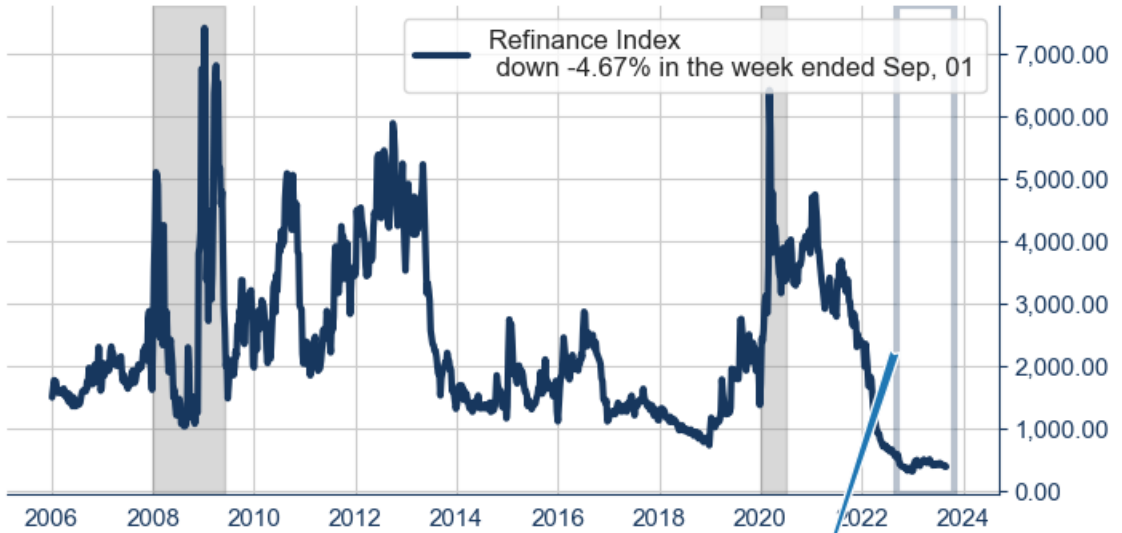
Purchase Index



Recent Trends



Refinance Index

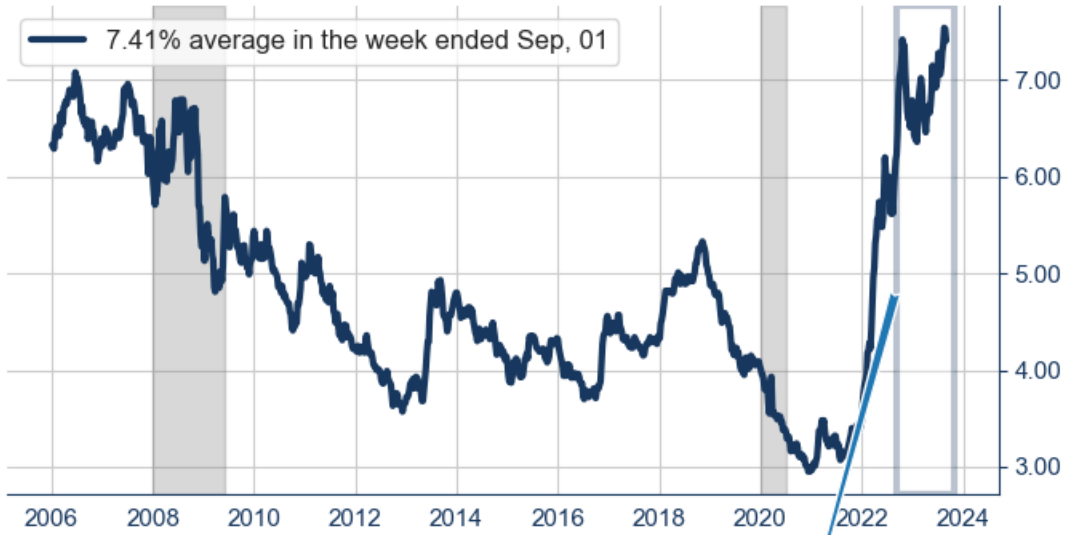


Recent Trends

Contingent Macro Advisors 2021 source: MBA via Bloomberg

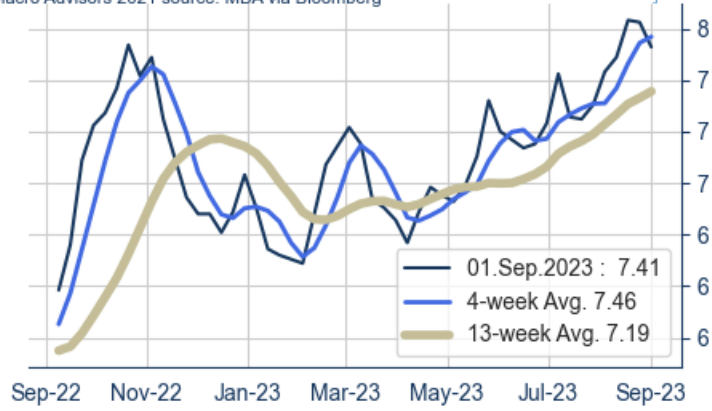


MBA 30-yr Fixed Mortgage Effective Rate

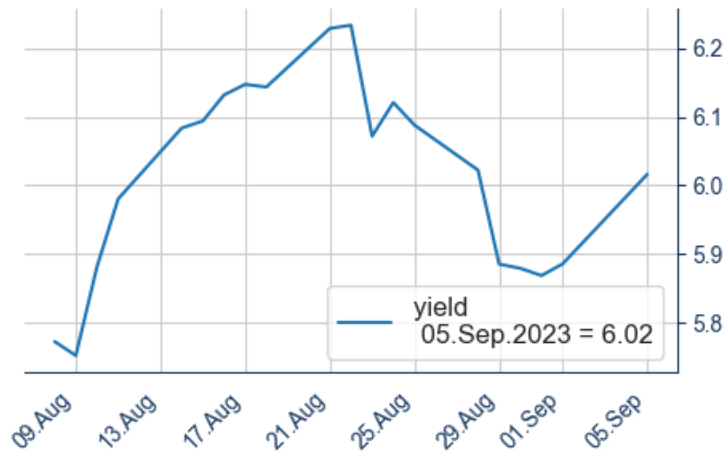


Recent Trends

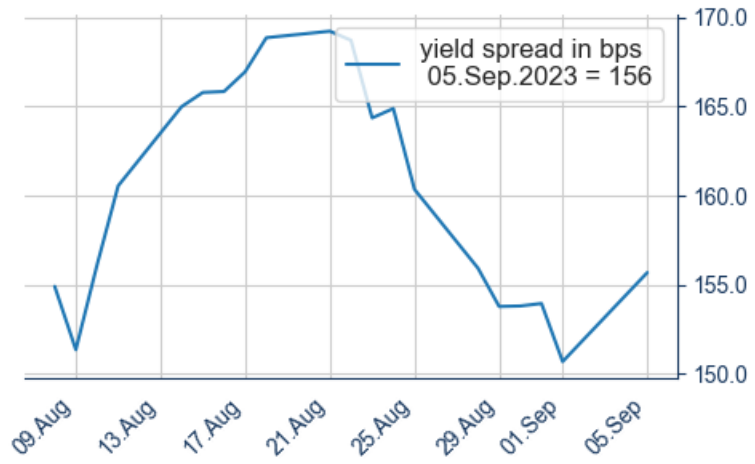
Contingent Macro Advisors 2021 source: MBA via Bloomberg



MBS Current Coupon Yield



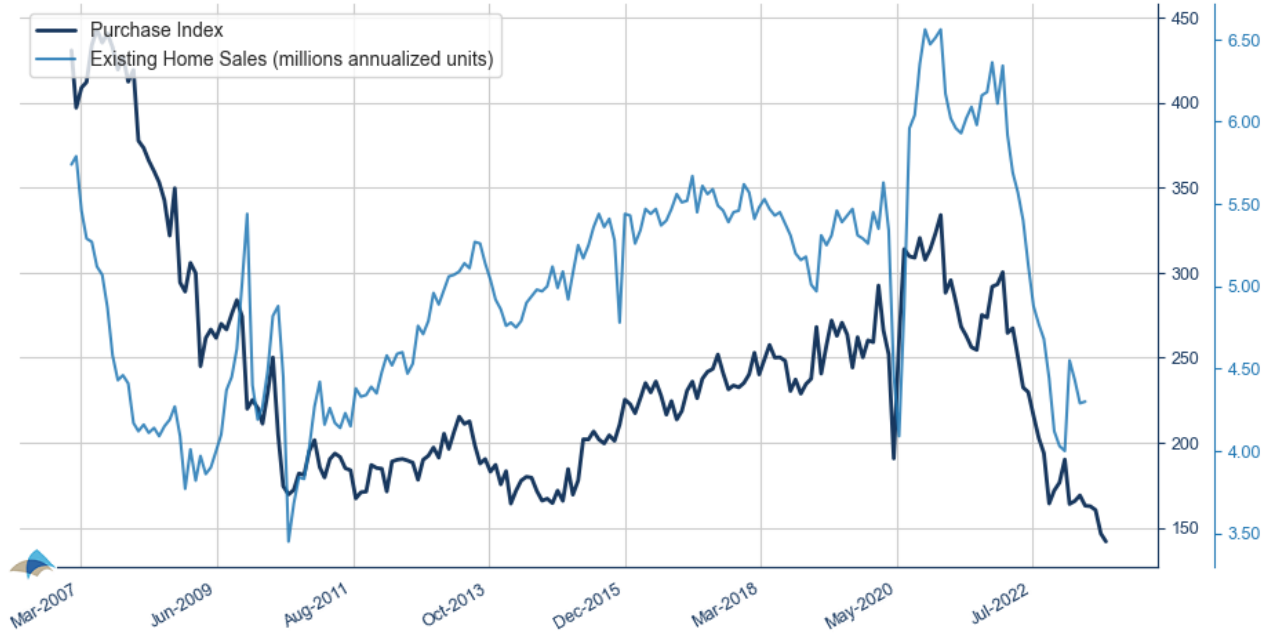
MBS Current Coupon spread to Blend of Treasury Yields



Mortgage Rates



Purchase Index vs. Existing Home Sales



Refi Index vs. Mortgage Rate



Weekly MBA Mortgage Application Survey	01.Sep	25.Aug	18.Aug	11.Aug	MTD Avg	Prior Mo. Avg.	13wk. Avg.	52wk. Avg.
Total Applications Index	183.60	189.00	184.80	193.00	183.60	190.32	200.98	211.86
Week % Chg	-2.90	2.30	-4.20	-0.80				
Total Apps NSA % Chg.	-4.58	0.52	-5.61	-1.63				
Purchase Index	141.90	144.90	142.00	149.50	141.90	146.57	156.27	168.37
Purch. Idx - % Chg.	-2.07	2.04	-5.02	-0.27				
Refinance Index	388.10	407.10	397.10	408.40	388.10	407.17	421.31	426.04
Refi. Idx - % Chg.	-4.67	2.52	-2.77	-1.85				
Ref % Tot	30.00	30.10	29.50	28.60	30.00	29.23	28.35	28.66
MBA 30-yr Fixed Mortgage Effective Rate	7.41	7.53	7.54	7.36	7.41	7.43	7.19	6.87
MBA 30-yr Fixed Points	0.69	0.73	0.78	0.68	0.69	0.72	0.68	0.71
MBA 15-yr Fixed Mortgage Contract Rate	6.66	6.72	6.72	6.57	6.66	6.63	6.44	6.08
MBA 15-yr Fixed Mortgage Effective Rate	6.66	6.72	6.72	6.57	6.66	6.63	6.44	6.08
MBA 15-yr Fixed Points	0.86	1.11	1.06	0.94	0.86	1.01	0.90	0.81
MBA 5-yr ARM Effective Rate	6.33	6.48	6.50	6.20	6.33	6.39	6.22	5.72
% of ARMs	6.70	7.50	7.60	7.00	6.70	7.25	6.62	7.90
% of \$ARMs	15.50	16.50	16.20	16.10	15.50	16.07	14.15	15.91

source: Mortgage Banker Association via Bloomberg Professional