



# Mortgage Applications Post Declines Across the Board

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As reflected by a weekly survey released Wednesday by the [Mortgage Bankers Association](#) (MBA), the number of mortgage applications filed by homebuyers declined 5.0 percent from the previous week.

Titled the Weekly Mortgage Applications Survey, the survey encompasses over half of all retail residential mortgage applications in the U.S., drawing data from thrifts, commercial banks, and mortgage bankers, according to the MBA's Web site.

The survey showed a dip by 5.0 percent in mortgage loan application volume, as measured by the Market Composite Index, with a corresponding 4.9 percent decline on an unadjusted basis from the week ending July 22.

Less people filed refinance applications, with the numbers totaling 5.5 percent less, while the MBA indexed a fall in home purchases by 3.8 percent. Meanwhile, unadjusted purchases emerged at 2.2 percent above the same week from a year before, albeit still 3.4 percent below rates from the week before.

The MBA could not immediately be reached for comment.

The Market Index posted a seasonally adjusted four-week moving average that flat-lined at 0.3 percent, with the same down by 0.5 percent for the seasonally adjusted Purchase Index and 0.3 for the Refinance Index. On the refinance side of mortgage loan origination, data reflected a drop in applications from 70.1 percent over the previous week to 69.6 percent this week.

Among fixed-rate mortgages, the MBA reported a climb to 4.57 percent by interest rates for 30-year fixed-rate mortgages, up from 4.54 percent. Eighty percent loan-to-value ratios went up from 0.98 to 1.14. For 15-year fixed-rate mortgages, interest rates increased only modestly, going up from 3.66 percent to 3.67 percent. Meanwhile, points saw an increase from 1.08 to 0.97. Effective rates jumped for both fixed-rate mortgage classes.

Asked whether he felt the impact in declines, Scott Sheldon, a loan officer with Santa Rosa-based [Sonoma County Mortgages](#), describes his situation to the contrary.

"I am more busy than ever," he says. "I'm taking applications right and left. I'm very, very busy. I'm not seeing any drop in applications; I'm seeing more volume in applications."

Sheldon adds that he continues to see more applicants with low creditworthiness, and says he can agree with the low refinance volume.

"My refinance business is for the most part evaporated," he says. "I think that has a lot to do with equity in people's homes."

The MBA is a trade association that represents mortgage bankers across the country.

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