

# Weekly Update



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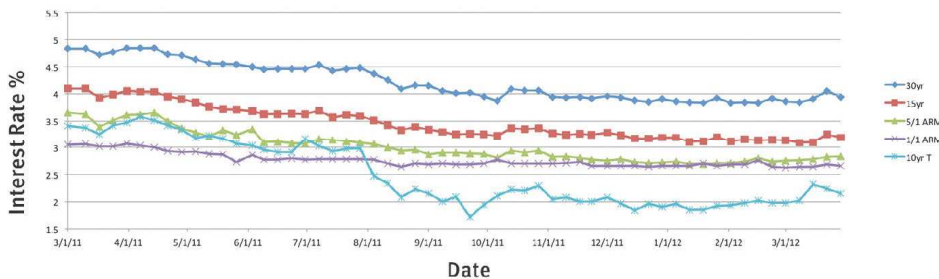
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## The Week in Review | March 26 - March 30, 2012

### Mortgage Rate Activity

Mortgage buyer Freddie Mac says the rate on the 30-year loan dropped to 3.94 percent, down from 4.05 percent the previous week. A month ago, it touched 3.83 percent, the lowest since long-term mortgages began in the 1950s. The average on the 15-year fixed mortgage also dropped to 3.19 percent, down from 3.25 percent last week.

Primary Mortgage Market Survey Rates (West Region)



### Application Activity

- There was a 18.26% increase in mortgage applications week over week, from the period 3/23 – 3/28 versus 3/16 – 3/21.
- Purchase applications saw an increase of 17.60%.
- Refinance applications saw an increase of 18.97%.
- Our 4-week refinance average is currently at 32-applications / day.

## Spotlight On | Builders Ready For Home Construction Rebound

NEW YORK (CNNMoney) -- Home builders are getting ready for a stronger construction season, filing for the most building permits in more than three years, in another sign of recovery in the long-battered housing market.

The government reported builders filed for permits at an seasonally adjusted annual rate of 717,000 in February, the strongest reading since October 2008, which was the month after the meltdown in financial markets. It marked a 5.1% rise from January and a 34.3% increase from year-earlier levels.

Actual starts of new homes slipped slightly from a very strong start to the building season in January, down 1.1% to 698,000. Still, that was 35% ahead of starts in February 2011.

The starts are more affected by weather factors. But the permits are generally seen as an indication of builders' confidence in the market and the demand they are seeing. Mortgage rates near record lows and an improving jobs market both are feeding stronger demand.

The construction and permitting of apartments and condos continue to be particularly strong. Permits for buildings with more than one housing unit



(Continued on reverse)

## Spotlight On | Builders Ready For Home Construction Rebound (Continued)

rose 61% from prior-year levels, and starts of buildings with five or more units jumped 29% from January and were more than double year-earlier levels.

New home construction is still only a fraction of levels during the building boom in the middle of the last decade. But years of low building since the housing bubble burst have left inventories of new homes for sales at a record low, helping to spur more activity by builders.

Stocks of major home builders such as PulteGroup (PHM, Fortune 500), D.R. Horton (DHI, Fortune 500) and Toll Brothers (TOL) have all posted double-digit gains in the last three months. Home supply retailers such as Home Depot (HD, Fortune 500) and Lowe's (LOW, Fortune 500) have also reported strong sales and profits, and their stocks have rallied as a result.

The home construction industry is an important driver of the overall economy, creating demand not only for construction workers but also manufacturers of various goods used in new homes, from major appliances to furniture to general housewares.

That's one of the reasons that housing and home construction have historically helped to lead the U.S. economy out of downturns. So the strong hopes for the building season ahead are seen as good news for the broader economy as well.

Written by CHRIS ISIDORE for @CNNMoney on March 20, 2012.  
View the article online:

[http://money.cnn.com/2012/03/20/real\\_estate/housing-construction/index.htm](http://money.cnn.com/2012/03/20/real_estate/housing-construction/index.htm)

## Rates for the Weekend | Rates as of March 30, 2012

	Conforming ( $< \$417,000$ )	Trend	High Balance ( $\geq \$417,000 - \$506,000^{**}$ )	Trend	Jumbo ( $> \$506,000$ )	Trend
Conv. 30 Year Fixed	4.000% / 4.145% APR	↓	4.125% / 4.246% APR	↓	4.750% / 4.866% APR	↓
Conv. 15 Year Fixed	3.250% / 3.503% APR	=	3.375% / 3.603% APR	=	3.875% / 4.073% APR	↓
Conv. 5 Year ARM	2.750% / 3.214% APR	↓	3.125% / 3.351% APR	=	3.250% / 3.027% APR	=
FHA 30 Year Fixed	3.750% / 4.867% APR	=	3.750% / 4.813% APR	↓	N/A*	↗
VA 30 Year Fixed	3.750% / 4.185% APR	↓	N/A*	↗	N/A*	↗
USDA 30 Year Fixed	3.750% / 4.398% APR	↓	N/A*	↗	N/A*	↗

Region 1

### All rates assume the following:

30 Day Lock with 1% Loan Origination Fee and 0% Discount Points, Purchase Transaction, Single Family Residence, Primary Residence, Full Doc Income. Not including any add-ons to rate or fees, such as Cash Out Refinance, Second Home, Investment Property, Second Mortgages, etc. County loan limits apply.

### Specific assumptions include:

Conv. 30 and 15 Year Fixed, and Conv. 5 Year ARM: \$300,000 Loan Amount (Conforming), \$506,000 Loan Amount (High Balance), \$740,000 Loan Amount (Jumbo), 80% Loan to Value, 80% Combined Loan to Value, 740+ credit score. FHA 30 Year Fixed, and FHA 5 Year ARM: \$250,000 Loan Amount (Conforming), \$506,000 Loan Amount (High Balance), 96.5% Loan to Value, 96.5% Combined Loan to Value, 680+ credit score. VA 30 Year Fixed: \$250,000 Loan Amount (Conforming), 100% Loan to Value, 100% Combined Loan to Value, 640+ credit score. USDA 30 Year Fixed: \$150,000 Loan Amount (Conforming), 100% Loan to Value, 103% Combined Loan to Value, 640+ credit score.

Rates effective as of 3/30/2012. \*Contact your local lender for details. This is not a commitment to lend. Interest rate and program terms will vary based on borrower profile and program selected. All programs and rates are subject to credit approval. © 2012, Cobalt Mortgage, Inc., 11255 Kirkland Way, Suite 100, Kirkland, WA 98033. Toll Free: (877) 220-4663; Fax: (425) 605-3199. NMLS Unique Identifier: 35653. Arizona Mortgage Banker License #0909801. Licensed by the Department of Corporations under the California Residential Mortgage Lending Act #413045. Licensed by the Colorado Department of Regulatory Agencies in Colorado state. Idaho Mortgage Broker/Lender License #MBL-520. Kentucky Mortgage Company License #MC82026. Montana Mortgage Lender License #35653. Nevada Mortgage Banker #3723, Nevada Mortgage Broker #3725. New Mexico Mortgage Loan Company License #03587. Ohio Mortgage Broker Act Mortgage Banker Exemption MBMB.850154.000. Oregon Mortgage Lender License #ML-2991. Texas SML Mortgage Banker Registration. Utah-DRE #8220471. Washington Consumer Loan License #520-CL-48866.

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