



Mortgage Minute June 28 2023

EASY-TO-UNDERSTAND SUMMARY OF HOUSING MORTGAGE DATA

Hello everyone, let's talk about the world of housing mortgages. Don't worry if you're not familiar with the topic, I'll break it down for you in simple terms.

Current Mortgage Rates

Mortgage rates, which determine how much you'll pay in interest when you borrow money to buy a house, have been pretty much the same for over a month now. They haven't gone up or down significantly, and it's likely they'll stay that way until we get some new information about jobs on July 7th.

What's the Fed?

The Fed, or the Federal Reserve, is like the country's bank. It can change interest rates to help control the economy. Right now, people think the Fed will increase rates next month and keep them at that level for the rest of the year. But if we start seeing signs that the job market is weakening, or if inflation (the rate at which the cost of goods and services is rising) improves, the Fed might stop increasing rates and even cut them before the end of the year.

What Does President Biden Say?

President Biden recently said he thinks the U.S. might avoid a recession, which is a period of economic decline. He's been saying this for 11 months, and it seems like he might be right. The economy is doing well, and the job market is strong.





What Should You Do?

If you're planning to close on a home loan in less than 15 days, it's a good idea to lock in your rate now. This means you agree to a set interest rate for your loan, which won't change even if rates go up or down in the future. This is because rates haven't improved much recently, and there's not much chance they'll get better before July 7th.

If you're closing in 15-30 days, you might also want to consider locking in your rate. There's not much chance that rates will improve significantly, so it might not be worth the risk to wait.

For loans closing in more than 30 days, you could choose to float, which means you decide not to lock in your rate yet in the hope that rates will go down. But be careful, as there's not much indication that rates will fall, and you might end up disappointed.

Remember, this is just advice and everyone's situation is different. It's always a good idea to talk to a financial advisor or mortgage professional before making any big decisions.

