

LOAN CENTRAL

Market Update
September 12, 2008

Average Rates as of September 12th

(Owner-occupied transactions)	Rate	APR	Points
30 Year Fixed Conforming	5.750%	5.892%	1
30 Year Fixed FHA	5.500%	6.351%	1
15 Year Fixed Conforming	5.250%	5.485%	1
30 Year Fixed "Conf. Jumbo" Max Loan amount \$567,500	5.750%	5.882%	1
30 Year Fixed Jumbo	8.625%	8.667%	1
5/1 ARM Conforming	5.500%	5.712%	1
5/1 ARM Jumbo Max Loan amount \$650,000	5.500%	5.717%	1

Note: Rates based on purchase transactions, credit scores over 720, vary by lender, loan size, loan-to-value ratio, loan type, loan purpose, buyer's method of income/asset documentation, credit history, length of lock term and other factors. The rates above should therefore be considered as estimates and are subject to change without notice.



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MORTGAGE RATES DROP!

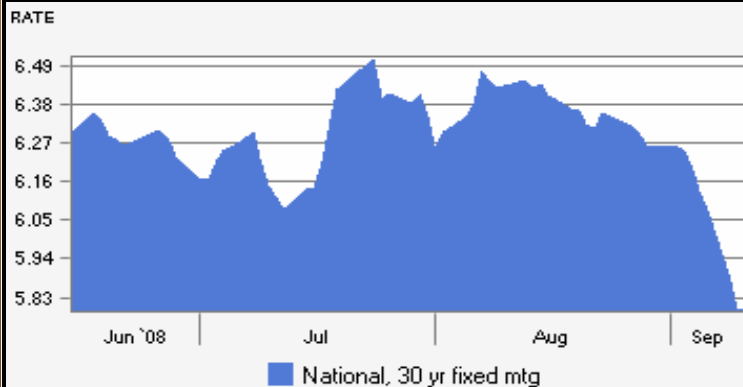
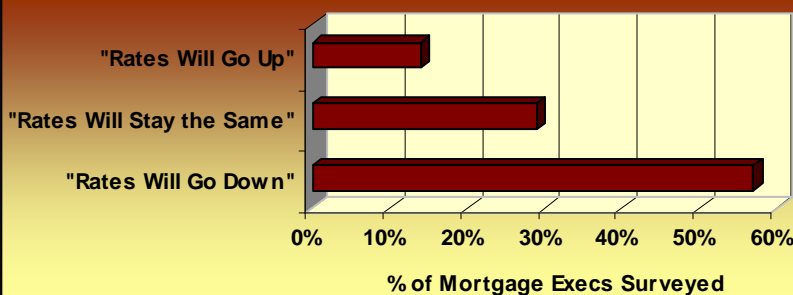
The big news this week was the government takeover of Fannie Mae and Freddie Mac.

This move instilled much needed confidence in the stock market, bond market and the world markets. With mortgage backed securities now having the full backing and guarantee of the United States Government, investors around the world are once again purchasing these securities which creates much needed liquidity in the markets. As a result mortgage rates have dropped this week. Conforming fixed rates are currently at the 2nd lowest point of 2008...conforming jumbo rates are now at the lowest point of the year.

Lower interest rates create an opportunity for home buyers, home sellers and homeowner's who can benefit from refinancing. The savings realized by 1/2% lower interest rate equates to approximately \$20,000 more in buying power on a \$400,000 loan. These lower rates coupled with a housing market where homes are currently "on sale" creates an amazing opportunity for today's home buyers!

Many analysts are stating that the Fannie / Freddie takeover marks the beginning of the end of the credit crisis. They are also predicting that credit guidelines should loosen up a bit as a result.

Weekly Rate Change Index



3 Month Trend for the National Average Rate for 30 Year Fixed Loans Priced With 1 Discount Point

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