

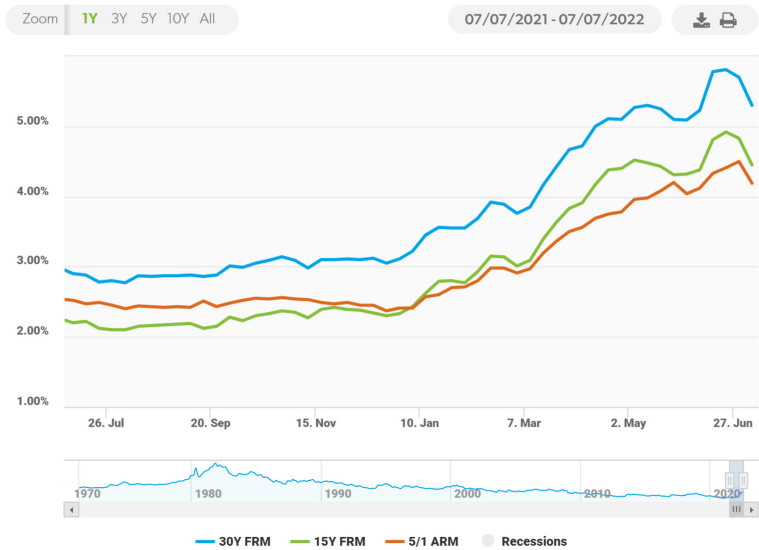
**MORTGAGE RATES SEE LARGEST SINGLE WEEK DROP SINCE 2008**

- Mortgage rates dropped from 5.7% to 5.3% for the week of July 7
- The gap between list price and sales price is narrowing
- Historically low inventory has been a factor in single-family home sales being down
- Sales are typically slow in July so we should not be comparing to early 2022 sales
- Sellers: Still a fantastic time to sell your home
- Buyers: Better time to buy as the market slowly starts to normalize

Mortgage rates have dropped by half a percent over the past two weeks (from 5.8% to 5.3%). While this is a good sign for buyers, we shouldn't overreact as we expect mortgage rates to fluctuate heavily in the coming months. In the big picture, after more than two years in a truly unprecedented seller's market, the Houston housing market has finally started balancing. Because of our historically low housing inventory, it will take some time (think beyond 2023) before our housing stock is able to catch up to the point that we find ourselves in a legitimately balanced market. So while the market has begun to cool slightly, it is still exceptionally strong.

**PRIMARY MORTGAGE MARKET SURVEY®**  
U.S. WEEKLY AVERAGES AS OF 07/07/2022

<p><b>30-Yr FRM</b></p> <p><b>5.3%</b> ▼ 0.40 1-Wk ▲ 2.40 1-Yr</p> <p>0.8 Fees/Points</p>	<p><b>15-Yr FRM</b></p> <p><b>4.45%</b> ▼ 0.38 1-Wk ▲ 2.25 1-Yr</p> <p>0.8 Fees/Points</p>	<p><b>5/1-Yr ARM</b></p> <p><b>4.19%</b> ▼ 0.31 1-Wk ▲ 1.67 1-Yr</p> <p>0.4 Fees/Points</p>
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Source  
Freddie Mac  
freddiemac.com/pmms