

# LOAN CENTRAL

Market Update  
August 27, 2010

## Average Rates as of August 27th

(Owner-occupied transactions)	Rate	APR	Points
30 Year Fixed Conforming	4.000%	4.239%	1
30 Year Fixed FHA	4.000%	4.613%	1
15 Year Fixed Conforming	3.500%	4.198%	1
30 Year Fixed "Conf. Jumbo" Max loan amount \$567,500	4.250%	4.479%	1
30 Year Fixed Jumbo Max loan amount \$1,000,000	5.000%	5.227%	1
5/1 ARM Max loan amount \$417,000	2.875%	3.360%	1
5/1 ARM Jumbo Max loan amount \$1,500,000	3.250%	3.659%	1

Note: Rates based on purchase transactions, credit scores over 740, 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.



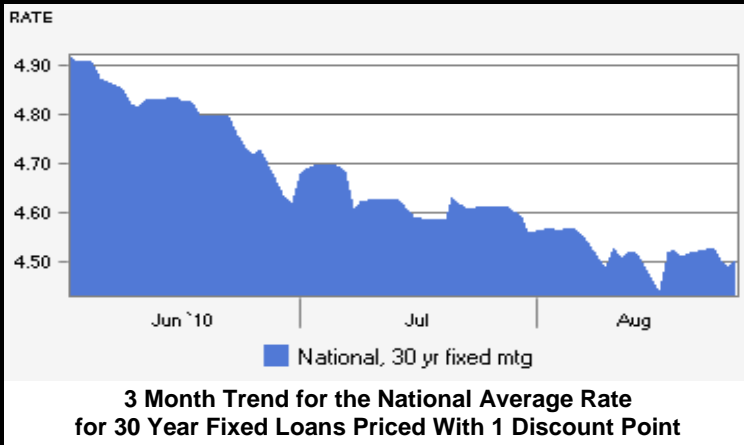
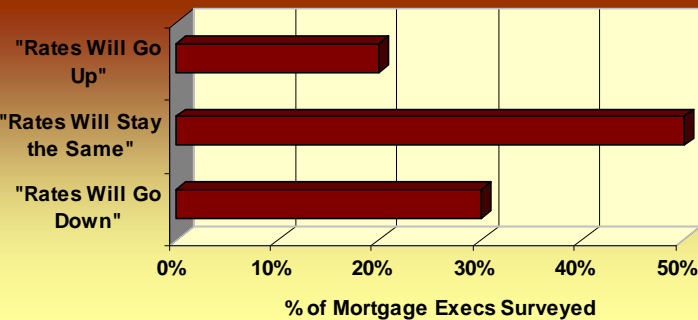
## The Fed's Annual Symposium

Markets have been eagerly awaiting information from the Fed's Annual Symposium taking place in Jackson Hole Wyoming this week. There has been much concern over the lack of confidence the public has in the Fed lately, and many were waiting to hear some news that would help improve their confidence in the Fed.

Although members of the Fed certainly have differing opinions regarding current policy decisions, there seemed to be some consensus amongst Fed members this week. Both Bernanke & the St Louis Fed President stated they believe there to be little risk of a double dip recession. There also seems to be consensus that the Fed has done as much as they will do in the mortgage-backed security market.

Bernanke said it is reasonable to expect some pickup in growth in 2011, but economic recovery will be a slow process. Should further Fed action prove necessary, Bernanke said policy options are available to provide further stimulus. The bond markets reacted rather negatively to the Fed news and rates increased today from earlier week lows.

## Weekly Rate Change Index



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