



30yr FRM <small>Source: Freddie Mac</small>	6.99% <small>Friday 6/14</small>	-0.16% <small>From Last Week</small>
30yr UMBS 6.0 <small>Source: Mortgage News Daily</small>	100.23 <small>Close Friday 6/14</small>	-0.04bps <small>From Last Week</small>
US 10yr Treasury	4.244% <small>Today</small>	-0.209% <small>From Last Week</small>

What are these numbers and why do they matter? [Check out this article.](#)

Market Moves: Your Weekly Mortgage Digest

This week's roundup details Amazon's \$1.4 billion boost to its Housing Equity Fund aimed at affordable housing development, a cautious Federal Reserve maintaining high interest rates amidst economic uncertainty, and a notable rise in applications for new home mortgages, especially from FHA borrowers and new construction markets—here's what you need to know!

TL;DR

- The housing market in the second half of 2024 is expected to offer more options for buyers, though affordability remains a concern due to high mortgage rates and home prices.
- Amazon invests an additional \$1.4 billion into its Housing Equity Fund to accelerate affordable housing development in key U.S. regions, surpassing its initial goals.
- The Federal Reserve maintains high interest rates amidst mixed economic signals, taking a cautious approach to managing inflation and economic growth.
- Federal Reserve Holds Steady on High Interest Rates Amidst Economic Uncertainty
- Applications for new home mortgages rose significantly in May, driven largely by FHA borrowers and a strong market for new construction.

Mixed Outlook for Housing Market in Late 2024: More Listings but High Costs Persist

The [housing market](#) in the latter half of 2024 is predicted to show signs of easing in some aspects, with an increase in housing inventory and a potential dip in mortgage rates as forecasted by experts. However, despite these positive changes, the overall affordability is likely to remain a challenge for many potential buyers. Prices are expected to stay elevated, and while some regional markets might see a cooling trend, national declines in home prices are unlikely. Buyers may find more options available, but should remain cautious and well-informed about the local market dynamics and mortgage trends.

Amazon Bolsters Housing Equity Fund with \$1.4 Billion to Tackle Affordable Housing Crisis

[Amazon has committed](#) an additional \$1.4 billion to its Housing Equity Fund, increasing the total investment to over \$3.6 billion aimed at creating and preserving more than 35,000 affordable homes across its major U.S. operational hubs, including the Puget Sound region, Arlington, Virginia, and Nashville, Tennessee. This funding boost is designed to help moderate- to low-income residents access quality housing and includes initiatives to support diverse-led developers and pilot programs to help residents transition from renters to homeowners. The fund has already contributed to a significant increase in affordable housing stocks in these areas, supporting over 46,000 residents with more accessible housing options near essential services like transit, jobs, and schools.

U.S. Housing Market Shows Signs of Cooling with Slower Sales and Price Increases

The U.S. housing market is [showing signs of cooling](#) with slower home price growth, increased inventory, and homes spending more time on the market. These trends reflect a significant shift from the previous rapid pace, offering buyers more opportunities and less pressure to make quick decisions. The market's transition is marked by both an adjustment in seller expectations and a decrease in buyer urgency, leading to more negotiated sales and potentially better deals for buyers.

Federal Reserve Holds Steady on High Interest Rates Amidst Economic Uncertainty

The [Federal Reserve](#) is maintaining its high interest rate policy, influenced by mixed economic signals and a need for cautious economic management. Despite some signs of economic cooling, such as a slight rise in unemployment and varied consumer spending, the Fed is adopting a "go-slow" approach, prioritizing the stabilization of inflation and close monitoring of economic data. This cautious stance is intended to navigate conflicting indicators like slow economic growth paired with robust hiring, and the complex impacts on different sectors of the economy. The Fed's patience reflects a strategic effort to balance fostering job growth while controlling inflation without destabilizing the economy.

New Home Mortgage Applications Surge, Boosted by FHA Borrower Interest

In May, the [Mortgage Bankers Association](#) reported a 13.8% year-over-year increase in new home purchase applications, indicating robust growth in the new home market. This surge is primarily fueled by an uptick in borrowers opting for FHA loans due to limited existing-home inventory. The average loan size for new homes slightly decreased, showcasing a dynamic shift towards more accessible financing options for homebuyers.

Thank you for joining us for another edition of Market Moves. As we navigate the complexities of the mortgage market together, staying updated is crucial for making informed decisions. We look forward to bringing you more insights and analyses next week. Keep exploring your options and stay proactive in your financial journey. Until then, happy planning and successful investing!

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