

# LOAN CENTRAL

Market Update  
March 4, 2008

## Average Rates as of March 4th:

(Owner-occupied transactions)	Rate	APR	Points
Conforming 30 Year Fixed	6.250%	6.290%	0
Conforming 15 Year Fixed	5.625%	5.690%	0
Jumbo 30 Year Fixed	7.125%	7.160%	0
Jumbo 15 Year Fixed	6.500%	6.555%	0
5/1 ARM Conforming	5.375%	5.218%	0
5/1 ARM Jumbo	6.250%	5.514%	0

Note: Rates based on purchase transactions, 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.



## Volatile Rates Continue!

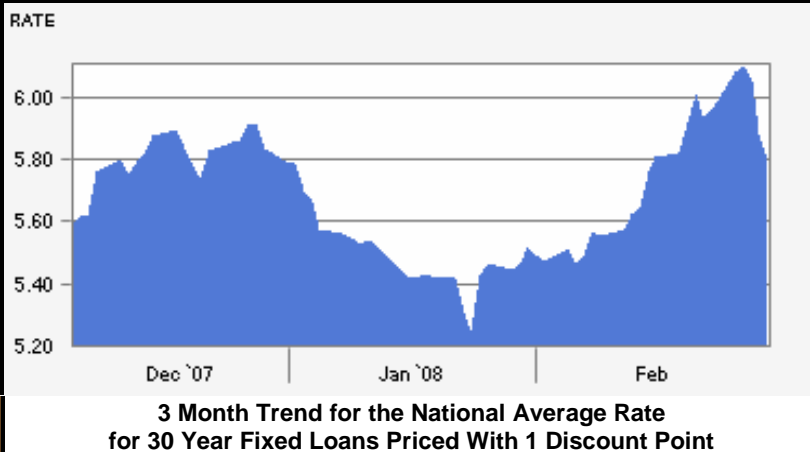
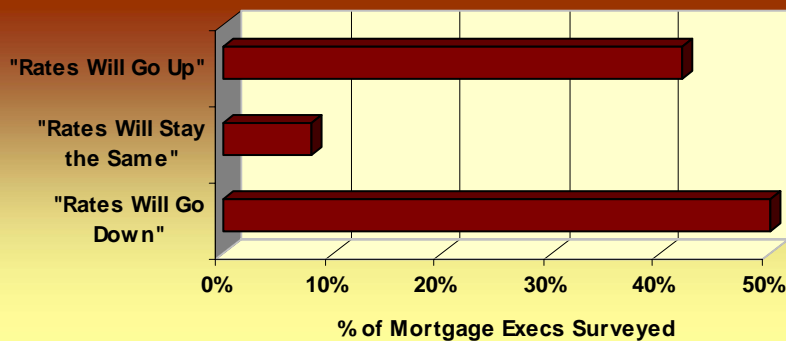
Interest rates continue to be extremely volatile as the battle between inflation and recession continues.

After a few days of relief last week rates increased again today on the comments of Philadelphia Fed President Charlie Plosser. Those comments suggested the Fed is losing its credibility as an inflation fighter and that monetary policy "should be reversed quickly once the threat from financial markets abates." Interpretation...he believes the Fed should take back some of the interest rate cuts. This coupled with a better than anticipated report on the ISM Manufacturing Index are driving mortgage rates higher.

The market was also impacted by another speech from Fed Governor Kroszner who voiced his displeasure with the Fed's desire to fight recession at the expense of inflation.

With such volatility in the market, we are protecting our clients by locking their interest rates on programs that offer float down options. This gives borrowers the best of both worlds, protection from rising interest rates with the option to float down to a lower rate should the rates drop during their lock period.

## Weekly Rate Change Index



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