

Mortgage Applications Jump to Highest Level Since September 2024 as Interest Rates Fall
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12:31 PM EDT, 04/09/2025 (MT Newswires) -- Mortgage applications soared to their highest level since September 2024 last week as heightened economic uncertainty pushed interest rates lower, the Mortgage Bankers Association said Wednesday.

The market composite index, which measures loan application volume, advanced 20% on a seasonally adjusted basis for the week ended Friday. It was also up 20% without adjustments.

"Mortgage applications increased by 20% to its highest level since September 2024, driven by purchase and refinance applications picking up in a volatile week where economic uncertainty caused rates to drop across the board," said Joel Kan, the association's deputy chief economist.

China on Wednesday increased tariffs on imports from the US to 84% from 34%, effective Thursday, after Trump boosted duties on the Asian country to above 100% in total. The White House announced a sweeping new tariff policy last week.

The 30-year rate on mortgages with conforming loan balances of \$806,500 or less fell to 6.61% -- the lowest since October 2024 -- from the week prior's 6.70%, Kan said. For loan balances higher than that amount, the rate dropped to 6.65% from 6.76%.

The refinance index jumped 35% from the week before to the highest level in six months "as borrowers with larger loan sizes tend to be more sensitive to rate changes," Kan said.

The seasonally-adjusted purchase index increased 9% on a weekly basis. Without adjustments, it rose 10% week-on-week and climbed 24% annually.

"Both homebuyers and refinance borrowers were quick to take advantage of this dip in rates, driving the purchase index 24% higher than a year ago to the strongest pace since January 2024," Kan said. "The average refinance loan size jumped to its second highest in the survey at \$399,600."

The share of loans backed by the Federal Housing Administration, which are often used by first-time home buyers and can involve smaller down payments, increased to 16.3% from 15.8% the week prior.

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