



Linda's Mortgage Update

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**Week of
May 17,
2009**

**Mortgage
Market
Commentary**

Mortgage rates continued to move within a relatively tight range last week, as economic news continued to bolster hopes that we are nearing the end of this difficult recession. More evidence mounted that the economy is applying the brakes and slowing its downward descent. Industrial Production numbers dropped by 0.5% in April, which was much improved from March's drop of 1.7%. Retail sales also fell, but only by 0.4% in April, as opposed to the 1.1% decline in the previous month. Inflationary data also helped hold mortgage rates low, with both the Consumer and Producer Price Indexes showing well-contained inflationary pressures in the market.

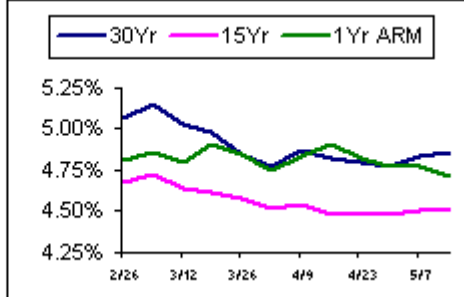
This week is not a huge week for economic data, but with the release of the meeting minutes from the last Federal Open Market Committee (FOMC) meeting, we could see some rate movement. The biggest risk to rates will be how likely the Fed members believe a near-term economic recovery could begin. The brighter the outlook, the great the potential for rates to start moving upward.

Mortgage Rates

**Freddie Mac's
Primary Mortgage Market Survey**

	May 14		5/7/09
30 Year Fixed	4.86%	▲	4.84%
15 Year Fixed	4.52%	▲	4.51%
One Year ARM	4.71%	▼	4.78%

For more information visit www.FreddieMac.com



Rates & Indexes

1 Yr T-Bill	0.530%
12 Mn Libor	1.656%
6 Mo Libor	1.356%
11 th D. COFI	1.627%
Prime	3.250%
Fed Fund	0.250%

Economic Snapshot

Gross Domestic Product

29-Apr ▲ %pt Chg
-6.1% 0.2
Economy Shrinking

Consumer Confidence

28-Apr ▲ pt Chg
39.2 12.3
Confidence Improving

Housing Starts

16-Apr ▼ % Chg
510K 10.8%
Slowing Growth

Dow Jones

8,268.64

NASDAQ

1,680.14

NYSE

5,662.89

S&P 500

882.88

Dow Jones



Unemployment Rate

8-May ▲ %pt Chg
8.9% 0.4
Unemployment Growing

US Retail Sales

14-Apr ▼ % Chg
337.7b 0.4%
Slowing Growth

Existing Home Sales

23-Apr ▼ % Chg
4.57m 3.0%
Slowing Growth

Leading Indicators (LEI)

20-Apr ▼ % Chg
98.1 0.3
Slowing Growth

Manufacturing Activity

1-May ▲ pt Chg
40.1 3.8
Manufacturing Contracting

New Home Sales

24-Apr ▼ % Chg
356K 0.6%
Slowing Growth

Worth Remembering



Even the fear of death is nothing compared to the fear of not having lived authentically and fully.

Frances Moore Lappe

Linda Hancock

850-747-1620 Cell

850-747-1650 Fax

Linda.Hancock@mortgagefamily.com