



Linda's Mortgage Update

The fastest, simplest, most convenient way home!

**Week of
Feb. 21,
2010**

**Mortgage
Market
Commentary**

Last week, the Federal Reserve took center stage by raising its discount rate; the rate at which banks can borrow money directly from the Federal Reserve. While this move has very little immediate impact, the increase was widely viewed as a symbolic first step in beginning to remove the emergency measures put into place during this deep recession. The Fed's meeting minutes also provided some more insight into future Fed moves. In addition to letting certain programs expire as planned, the Fed will create some new tools that will enable it to "mop up" excess cash in the market. These new tools, in conjunction with its primary method of adjusting the Fed Funds rate, will be targeted at keeping inflationary pressure under control.

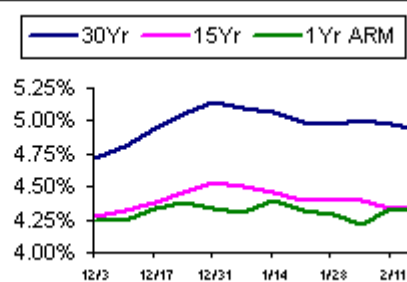
This week, and coming weeks, could begin to see mortgage rates become more volatile as the market digests everything coming out of the Fed. We'll also get new and existing home sales data this week. With housing and employment as the weakest link, any positive news could push rates upward.

Mortgage Rates

Freddie Mac's Primary Mortgage Market Survey

	February 18		2/11/10
30 Year Fixed	4.93%	▼	4.97%
15 Year Fixed	4.33%	▼	4.34%
One Year ARM	4.32%	▼	4.33%

For more information visit www.FreddieMac.com



Rates & Indexes

1 Yr T-Bill	0.350%
12 Mn Libor	0.878%
6 Mo Libor	0.395%
11 th D. COFI	1.828%
Prime	3.250%
Fed Fund	0.250%

Economic Snapshot

Gross Domestic Product

29-Jan ▲ %pt Chg
5.7 3.5
Economy Growing

Consumer Confidence

26-Jan ▲ pt Chg
55.9 2.3
Confidence Tentative

Housing Starts

20-Jan ▼ % Chg
577K 4.0%
Slowing Stabilizing

Dow Jones 10,402.35 NASDAQ 2,243.87

NYSE 7,083.25 S&P 500 1,109.17

Dow Jones



Unemployment Rate

5-Feb ▼ %pt Chg
9.7% 0.3
Unemployment Stabilizing

US Retail Sales

12-Feb ▲ % Chg
355.8b 0.5%
Sales Stabilizing

Existing Home Sales

25-Jan ▼ % Chg
5.45m 16.7%
Sales Stabilizing

Leading Indicators (LEI)

18-Feb ▲ % Chg
107.4 0.3
Economy Stabilizing

Manufacturing Activity

1-Feb ▲ pt Chg
58.4 2.5
Manufacturing Expanding

New Home Sales

27-Jan ▼ % Chg
342K 7.6%
Sales Stabilizing

Worth Remembering



Every problem has in it the seeds of its own solution. If you don't have any problems, you don't get any seeds.

Norman Vincent Peale

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