



Rob Clark's Monday Mortgage Update



**Week of
March 22,
2009**

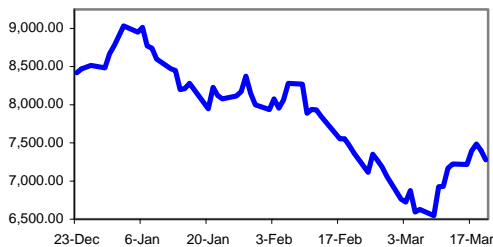
**Mortgage
Market
Commentary**

Last week was another huge week for the mortgage industry with the Federal Reserve announcing a massive extension to its ongoing program of purchasing mortgage-backed debt and securities. The original \$600 billion program was announced in November, and the Fed has been spending approximately \$4 billion per day buying mortgage-backed securities. Assuming the Fed continues to buy at this rate, the additional \$750 billion will enable the Fed to purchase nearly every conforming mortgage originated this year. Along with the other programs announced, the Fed has made it clear to the market that it intends to keep interest rates contained in an effort to help bolster the economy.

While all of the recent government intervention has served to keep mortgage rates low, the weak economy and subdued inflationary pressures have also put downward pressure on rates. This week may hold more of the same, with expectations of more weak data from the housing market and a small adjustment downward in GDP. However, after last week, rates will likely not fall much at all.

Stock Market Trend

Dow Jones



Tax Credits May Motivate Some to Buy This Year

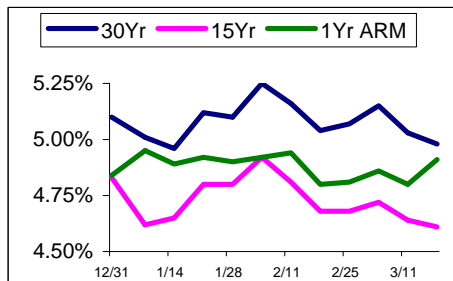
According to a recent survey from ZipRealty, 62% of would-be first-time homebuyers believe that the \$8,000 first-time homebuyer tax credit will give them an incentive to buy a home in 2009. Of those not motivated by the credit, 29% believe it is not enough money to make a difference, 28% didn't think they will qualify, and 24% think home prices will decline further. If you know any first-time buyers ready to explore financing options, please give me a call today.

Mortgage Rate Watcher

15 Day Rate Trend →

30 Day Rate Trend →

Market Volatility **High**



Worth Remembering

When I hear someone sigh that "life is hard," I am always tempted to ask, "Compared to what?"

Sydney Harris

Weekly Trivia Challenge



Which of these men was the first to lead a complete nautical circumnavigation of our planet?
A) Ferdinand Magellan
B) Francis Drake C) James Cook D) Herman Melville

If you know the answer to this week's Trivia Challenge, give me a call or drop me an email!

Rob Clark

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