



PRIVATE MORTGAGE ADVISORS

An Affiliate of WELLS FARGO BANK, N.A.



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July 2, 2010

U.S. Economic Slowdown in Place: Still No Double Dip

- With the release of the fourth quarter GDP numbers in January, Wells Fargo updated their outlook for 2010. Two themes were clear. First, growth was expected to slow post-stimulus in the second half. Second, unemployment rates were expected to remain high and job gains modest. This recovery pleases no one.
- Two themes were reinforced this week. First, the outlook differs from what many expected. Second, the economy is driven by both cyclical and structural forces. Growth continues but at a disappointing pace in ISM manufacturing, consumer spending and employment.

Economic Indicators

- Private sector jobs rose 83,000 with gains in manufacturing and service sectors.
- The Fed indicates that we should “expect exceptionally low interest rates for an extended period of time”
- Consumer confidence plunged 9.8% in June as consumers lost faith in both the pace and sustainability of the recovery.
- Construction spending fell 0.2% in May. Private residential construction fell by 0.4% but single family construction remained in positive territory.

Banker's Bullets!

For More Information
Paste into Browser:

**Federal IRS FTHB
Tax Credit Proposed
Extension**

http://money.cnn.com/2010/06/30/news/economy/homebuyer_tax_credit/index.htm

**California FTHB
Tax Credit**

http://www.ftb.ca.gov/individuals/New_Home_Credit.shtml

* This is for informational purposes only and is not meant as tax advice; please consult your Tax Professional

Market Rates: 7.2.10

1 Year CMT	.290%
1 Year Treasury	.306%
1 Year LIBOR	1.172%
10 Year Treasury	2.96%
PRIME rate	3.25%



PMA Rate Update as of:

July 2, 2010

Conforming Loans (up to \$417,000)		
	1 Point	0 Points
30 year fixed	4.625%	4.750%
5 year fixed rate	3.125%	3.500%
7 year fixed rate	3.500%	3.750%
High Balance Conforming (Over \$417,000 up to \$729,750)		
	1 Point	0 Points
30 year fixed	4.625%	4.875%
5 year fixed rate	3.375%	3.875%
7 year fixed rate	3.750%	4.125%
Jumbo Loans (over \$729,750 up to \$1.5 million)		
	1 Point	0 Points
30 year fixed-Nationwide	4.875%	5.000%
5 year fixed rate	3.875%	4.375%
7 year fixed rate	5.000%	5.375%
10 year fixed	5.375%	5.625%
FHA loans		
Conforming loan amounts (up to \$417,000)		
	1 Point	0 Points
30 year fixed	4.625%	4.875%
5 year fixed rate	3.250%	3.625%
High balance loan amounts (over \$417,000 up to \$729,750)		
	1 Point	0 Points
30 year fixed	4.750%	4.875%
5 year fixed rate	3.250%	3.500%

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Interest Rates are effective 7/2/2010 paying points as shown. Subject to change without notice. This flyer is presented for illustrative purposes only. Qualification for all loans is subject to credit approval. Please call for specific quotes