

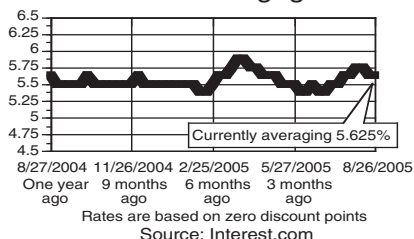


WEEKLY MORTGAGE RATE REPORT (Fax Weekly Report)

FOR THE WEEK OF 8-28-05

Annual subscription \$250 (1-800-844-4648)

30-Year Fixed Mortgage Rate



KEY INTEREST RATES

U.S. Treasury Yields	8/19/05	8/26/05
2 year T-note	4.02%	4.04%
5 year T-note	4.08%	4.06%
10 year T-note	4.21%	4.17%
30 year T-Bond	4.42%	4.36%
Discount Rate (wk. end 8/19)		4.50%
Fed Funds Rate (wk. end 8/19)		3.54%
Prime rate (wk. end 8/19)		6.50%

ARM INDEXES

Natl. Avg. Contract Mtg. Rate (Jun.)		5.65%
12 mo. mvg. avg. (1-yr. TCM) (Jul.)		2.74%
3 mo. LIBOR (FNMA for Jul.)		3.69%
6 mo. LIBOR (FNMA for Jul.)		3.92%
National COFI (Jun.)		2.48%
11th District COFI (Jun.)		2.68%
6 month CD (wk. end 8/19)		4.00%
1 Year TCM (wk. end 8/19)		3.89%
2 Year TCM (wk. end 8/19)		4.04%
3 Year TCM (wk. end 8/19)		4.07%
5 Year TCM (wk. end 8/19)		4.11%
7 Year TCM (wk. end 8/19)		4.16%
10 Year TCM (wk. end 8/19)		4.24%
20 Year TCM (wk. end 8/19)		4.50%

Required Yields for Delivery

Freddie Mac (8/26/05)			
	10 day	30 day	90 day
30 year	5.48%	5.52%	5.55%
15 year	5.07%	5.09%	5.12%

Fannie Mae no longer offers information on required net yields.

HOUSING SNAPSHOT

	Month	Total	Change
Construction Spending	June	\$1.093 tril.	+0.3%
Housing Starts	July	2.04 mil.	-0.2%
Building Permits	July	2.17 mil.	+1.6%
Existing Home Sales	July	7.16 mil.	-2.6%
New Home Sales	July	1.41 mil.	+6.5%

MORTGAGE APPLICATION INDEXES (MBA)

	Wk. ended Aug. 19, 2005	
Number of purchase applications	Down	-2.2%
Number of refinance applications	Up	+1.2%



Mortgage Rates Leaning Toward the Downside Week in review 8/22/05 - 8/26/05

Bond-supportive economic news kept buying in U.S. Treasury securities active, and as a result their yields, which move in the opposite direction of prices, edged down. Since mortgage lenders use yields as a guide to set rates, they were able to bump rates down on certain mortgage products. High oil prices also have come to be regarded as friendly to bonds, as traders believe high energy prices could substitute for Fed rate hikes with regard to controlling economic growth/inflation. There are signs that high gas prices are eating into consumers' discretionary purchases, which will show up in future reports, as consumer spending accounts for about two-thirds of economic activity.

Home sales in July were as diverse as two reports could be. Existing Home Sales fell 2.6 percent to an annual rate of 7.16 million units. The decline in sales boosted Treasuries on Tuesday, but a big increase in New Home Sales (NHS) erased those gains. NHS jumped 6.5 percent, outpacing expectations. Sales hit an annual rate of 1.41 million units. Although NHS eased concerns about the housing market, they represent only about 15 percent of single-family home sales.

Durable Goods Orders fell by a steep 4.9 percent in July, rallying Treasuries. Even though orders for durables, items meant to last more than three years, are volatile, they were weak across the board, indicating businesses may be easing capital investments as higher oil prices threaten corporate profits. First-time unemployment claims for the week ended Aug. 20 were not a factor. Claims fell by 4,000 to 315,000, while the more closely watched four-week average edged up to 315,000. Continued claims, people collecting benefits for more than one week, were down 9,000 to 2.58 million.

Steady-to-lower mortgage rates had little impact on mortgage applications for the week ended August 19, according to the Mortgage Bankers Association. Applications to purchase fell 2.2 percent, while refis rose 1.2 percent. The rate on the 30-year-fixed mortgage (based on zero discount points) is well below 5.625 percent, while the 15-year fixed-rate is under 5.25 percent. The introductory rate on the one-year ARM, although volatile, has been at 4 percent or higher most of the week.

Mortgage Rates Could Keep Edging Down Week in preview 8/29/05 - 9/2/05

A flood of economic news could make for an interesting week. Among the reports carrying the most weight are Consumer Confidence for August, revised second-quarter Gross Domestic Product, the ISM index on August manufacturing conditions, and Personal Incomes/Outlays for July. None is more important, however, than the Employment Report for August, which will be released Friday. Reports showing that oil prices are negatively impacting the economy should support Treasuries and enable lenders to keep moving rates down.

There are important data due out every day this week except Monday, which features only the Treasury auction of 3- and 6-month T-bills.

Consumer Confidence for August will be released Tuesday morning and could influence the markets, as investors believe that a confident consumer will spend, while one

with doubts will keep the wallet closed. Factory Orders for July are also due, along with two weekly retail surveys.

The last day of August features the first revision of second-quarter Gross Domestic Product. Also due is the Chicago PMI index of August business conditions. This report often impacts the markets.

Thursday is busy, with four reports due. The most influential will likely be the ISM index on nationwide manufacturing conditions for August. Also on the radar is Personal Incomes/Outlays for July, New Construction for July and weekly unemployment claims for the week ended August 26.

The Employment Report for August comes out Friday, and wields the most clout. The impact of this report will likely influence trading the following week.

EVENTS THAT COULD IMPACT MORTGAGE RATES THIS WEEK

Date	Time	Event	Forecast
Aug. 29	1:00 pm	Treasury conducts weekly auction of 3 & 6 month T-bill	
Aug. 30	8:00 am	ICSC/UBS report on chain store sales (Wk. end 8/26)	
	8:00 am	Redbook report on retail sales (Wk. end 8/26)	
	10:00 am	Factory Orders (July)	-1.0%
	10:00 am	Consumer Confidence Report (August)	102.0
	2:00 pm	Minutes from the Aug. 9 meeting of the FOMC will be released	
Aug. 31	8:30 am	Gross Domestic Product (2nd Qtr. prelim.)	+3.4%
	8:30 am	GDP Chain Deflator (2nd Qtr. prelim.)	+2.4%
	8:30 am	Corporate Profits	
	10:00 am	Chicago PMI releases index of August Business Conditions	63.0
Sept. 1	8:30 am	Weekly Unemployment Claims (Wk. end 8/26)	310,000
	8:30 am	Personal Incomes and Outlays (July)	+0.5%/ +1.0%
	10:00 am	New Construction (July)	+0.6%
	10:00 am	ISM releases index of August Mfg. Conditions	57.5
Sept. 2	8:30 am	The Employment Report (August)	+208,000 @ 5%
	8:30 am	Hourly wage earnings (August)	+0.3%

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Formerly the Fax Weekly Report

Keeping you abreast of the ever-changing mortgage market

FOR THE WEEK OF 8-28-05 Page 2

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TRACKING THE ECONOMY -- SEPTEMBER 2005

DATE	TIME	EVENT	PERIOD	SOURCE	OUTCOME	PREVIOUS
Aug. 22	1:00 pm	Treasury conducts weekly auction of 3 & 6 month	T-bill			
Aug. 23	8:00 am	ICSC-UBS report on chain store sales	Wk. end Aug. 19		-0.2%	-0.3%
	8:00 am	Redbook report on retail sales	Wk. end Aug. 19		NA	NA
	10:00 am	Existing Home Sales	July	Natl. Assn. of Realtors®	-2.6% @ 7.16 mil.	+2.75% @ 7.33 mil.
Aug. 24	8:30 am	Durable Goods Orders (adv.)/ ex. trans.	July	Commerce Dept.	-4.9%/ -3.2%	+1.9%/
	10:00 am	New Home Sales	July	Commerce Dept.	+6.5%/ 1.41 mil.	+0.2%/ 1.32 mil. (rev.)
Aug. 25	8:30 am	Weekly Unemployment Claims	Wk. end Aug. 19	Dept. of Labor	315,000	319,000 (rev.)
Aug. 26	9:45 am	Univ. of Mich. Sentiment Survey (final)	August	Univ. of Michigan	89.1	92.8
Aug. 29	1:00 pm	Treasury conducts weekly auction of 3 & 6 month	T-bill			
Aug. 30	8:00 am	ICSC-UBS report on chain store sales	Wk. end Aug. 26			
	8:00 am	Redbook report on retail sales	Wk. end Aug. 26			
	10:00 am	Factory Orders	June	Commerce Dept.		+2.9%
	10:00 am	Consumer Confidence Report	August	Conference Board		105.8
	2:00 pm	Minutes from the Aug. 9 meeting of the FOMC will be released				
Aug. 31	8:30 am	Gross Domestic Product (prelim.)	2nd Qtr.	Commerce Dept.		+3.1%
	8:30 am	GDP Chain Deflator (prelim.)	2nd Qtr.	Commerce Dept.		+3.2%
	8:30 am	Corporate Profits				
	10:00 am	Chicago Purchasing Managers Institute releases	index of August Business Conditions			63.5
Sept. 1	8:30 am	Weekly Unemployment Claims	Wk. end Aug. 26	Dept. of Labor		
	8:30 am	Personal Incomes and Outlays	July			
	10:00 am	New Construction	July	Commerce Dept.		-0.9%
	10:00 am	ISM releases index of August Mfg. Conditions				53.8
Sept. 2	8:30 am	The Employment Report	Aug.	Dept. of Labor		
	8:30 am	Hourly wage earnings	Aug.	Dept. of Labor		
Sept. 5	The offices of the federal government and the financial markets will be closed in observance of Labor Day					
Sept. 6	10:00 am	Institute of Supply Management releases index of July Non-Mfg. Conditions				60.5
	1:00 pm	Treasury conducts weekly auction of 3 & 6 month	T-bills			
Sept. 7	8:00 am	ICSC-UBS report on chain store sales	Wk. end Sept. 2			
	8:00 am	Redbook report on retail sales	Wk. end Sept. 2			
	8:30 am	Productivity & Costs (rev.)	2nd Qtr.	Commerce Dept.		+2.2%/ +1.3%
	noon	Federal Open Market Committee releases Beige Book				
Sept. 8	8:30 am	Weekly Unemployment Claims	Wk. end Sept. 2	Dept. of Labor		
	10:00 am	Wholesale trade/Inventories and Sales	July	Commerce Dept.		+0.7%/ +0.6%
	3:00 pm	Consumer Credit	July	Federal Reserve		+\$14.5 bil.
Sept. 9	8:30 am	U.S. Import (ex. oil)/ Export (ex. ag.) Price Indexes	Aug.	Commerce Dept.		-0.1%/ +0.2%
Sept. 12	1:00 pm	Treasury conducts weekly auction of 3 & 6 month	T-bills			
Sept. 13	8:00 am	ICSC-UBS report on chain store sales	Wk. end Sept. 9			
	8:00 am	Redbook report on retail sales	Wk. end Sept. 9			
	8:30 am	U.S. Internatl. Trade in Goods & Services (deficit)	July	Commerce Dept.		\$58.8 bil.
	8:30 am	Producer Price Index/core rate	Aug.	Dept. of Labor		+1.0%/ +0.4%
	2:00 pm	Treasury Statement (monthly budget)	Aug.	Treasury Dept.		-\$52.79
Sept. 14	8:30 am	Advance Retail Sales/ ex-auto	Aug.	Commerce Dept.		+1.8%/ +0.3%
	9:15 am	Industrial Production & Capacity Utilization	Aug.	Federal Reserve		+0.1%/ 79.7
Sept. 15	8:30 am	Weekly Unemployment Claims	Wk. end Sept. 9	Dept. of Labor		
	8:30 am	Business Inventories/ Sales	July	Commerce Dept.		unch/ +0.7%
	8:30 am	Consumer Price Index/core rate	Aug.	Dept. of Labor		+0.5%/ +0.1%
Sept. 16	9:45 am	Univ. of Mich. Sentiment Survey (prelim.)	Sept.	Univ. of Michigan		89.1
Sept. 19	8:30 am	NY Empire State Index of Sept. Manufacturing Conditions				23
	1:00 pm	Treasury conducts weekly auction of 3 & 6 month	T-bill			
Sept. 20	8:00 am	ICSC-UBS report on chain store sales	Wk. end Sept. 16			
	8:00 am	Redbook report on retail sales	Wk. end Sept. 16			
	8:30 am	Housing Starts	Aug.	Commerce Dept.		-0.2% @ 2.042 mil.
	8:30 am	Building Permits	Aug.	Commerce Dept.		+1.6% @ 2.17 mil.
	2:15 pm	The Federal Open Markets Committee announces its decision on rate increases				+25 basis points
Sept. 21	No economic indicators are scheduled for release					
Sept. 22	8:30 am	Weekly Unemployment Claims	Wk. end Sept. 16	Dept. of Labor		
	10:00 am	Index of Leading Indicators	Aug.	Conference Board		+0.1%
	noon	Philadelphia Fed Report on Sept. manufacturing conditions		Federal Reserve		17.5
Sept. 23	No economic indicators are scheduled for release					
Sept. 26	10:00 am	Existing Home Sales	Aug.	Natl. Assn. of Realtors®		-2.6% @ 7.16 mi
	1:00 pm	Treasury conducts weekly auction of 3 & 6 month	T-bill			
Sept. 27	8:00 am	ICSC-UBS report on chain store sales	Wk. end Sept. 23			
	8:00 am	Redbook report on retail sales	Wk. end Sept. 23			
	10:00 am	New Home Sales	Aug.	Commerce Dept.		+6.5%/ 1.41 mil.
Sept. 28	8:30 am	Durable Goods Orders (adv.)/ ex. trans.	Aug.	Commerce Dept.		-4.9%/ -3.2%
Sept. 29	8:30 am	Weekly Unemployment Claims	Wk. end Sept. 23	Dept. of Labor		
	8:30 am	Gross Domestic Product (final)	2nd Qtr.	Commerce Dept.		
	8:30 am	GDP Chain Deflator (final)	2nd Qtr.	Commerce Dept.		
	8:30 am	Corporate Profits (rev.)	2nd Qtr.	Commerce Dept.		
Sept. 30	8:30 am	Personal Incomes and Outlays	Aug.			
	9:45 am	Univ. of Mich. Sentiment Survey (final)	Sept.	Univ. of Michigan		
	10:00 am	Chicago Purchasing Managers Institute releases	index of Sept Business Conditions			

Note: In some instances, these dates are merely approximations. Release times are Eastern Daylight Time



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Page 3

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INDUSTRY NEWS

Mortgage Portfolio Theory Helps Combat Tag Team Mortgage Planning Schemes

ATLANTA, July 26 /PRNewswire/ -- Mortgage originators and real estate agents qualifying for the "Residential Mortgage Planner" designation conferred by the Mortgage Institute For Financial Services Professionals are taught a scientific process that results in the determination of the "Mortgage Equivalent Yield," part of the MortgagePortfolio Theory™. The process is used to assist homeowners in making mortgage-planning decisions without taking undue risk with home equity.

"Mortgage originators and real estate agents want the knowledge and skills necessary to provide sound ethical mortgage planning advice rather than relying on a tag team mortgage planning scheme for a quick commission. These professionals may be the first ones consumers look to for mortgage advice - and many recognize that a consumer's mortgage decisions shouldn't be made in a vacuum and see the benefits of blending sound mortgage advice with ethical financial planning strategies," says Leon Morris, RFC, CLU, ACS, ChFC, CME, RMP, FFSI, Executive Director of MIFSP.

MIFSP teaches financial services professionals to recognize the consumer's need for guidance in making home-buying and mortgage management decisions in line with their financial goals. However, Mr. Morris says he's concerned about the proliferation of marketing schemes he called "tag team mortgage planning."

He described a two-pronged marketing approach where the mortgage originator persuades the homeowner to pull equity from their home, then refers them to a product-oriented financial planner who convinces the homeowner to put the equity into investments.

"The home is an exempt security. Therefore, financial advice on the home escapes the scrutiny of the SEC, NASD, and Federal Reserve Board. There are many financial planners and mortgage advisors who may inappropriately recommend that homeowners pull equity from their homes, and use it to make riskier investments elsewhere without any determination of suitability. This leads to a growing opportunity for fraud and misrepresentation, even if it's committed inadvertently. Consumers may not realize risk differentials or potential pitfalls in investing 'other people's money,' which is what a mortgage, including home equity lines, represents," says Mr. Morris.

MIFSP recently asked the SEC to explore the need to further define "suitability" in light of these types of equity-to-investment business models.

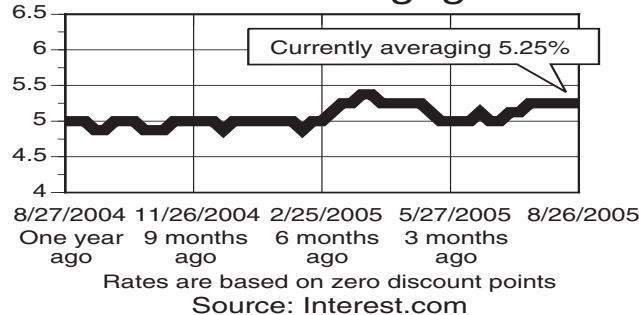
"What should concern regulators is that there are no requirements for determining suitability when advising a homeowner to access home equity for purposes of making investments, which is analogous to trading on margin," says Mr. Morris.

"In seminars, I recommend that homeowners ask marketers three questions when they're approached with such schemes: (1) Is it necessary to achieve my financial goals?; (2) Can you document that it will be as successful as you say?; and (3) Will you sign your name to that? If the people approaching you with these schemes aren't willing to sign their names to it, you shouldn't either," says Mr. Morris. MIFSP offers the only educational program in Mortgage Based Financial Planning™.

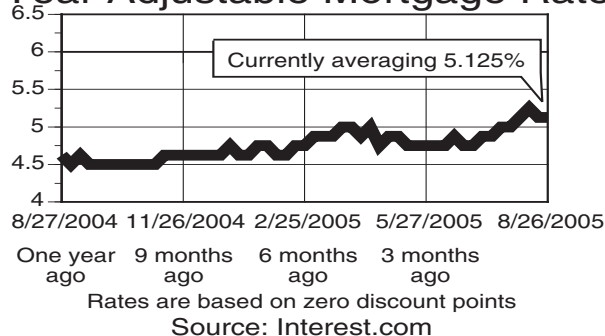
Contact: Leon Morris, <<http://www.mifsp.org>>, or phone: (770) 852-7489.

MORTGAGE MARKET MONITOR

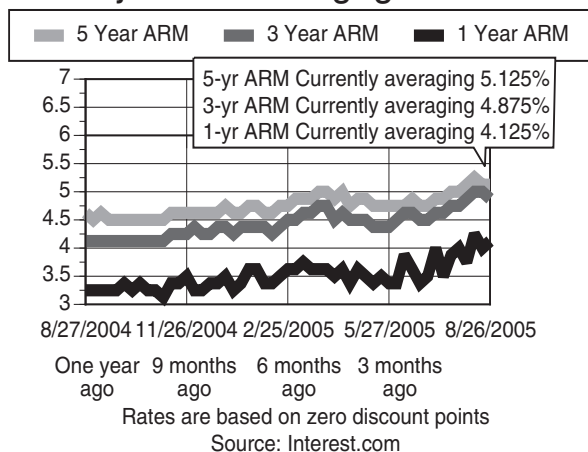
15-Year Fixed Mortgage Rate



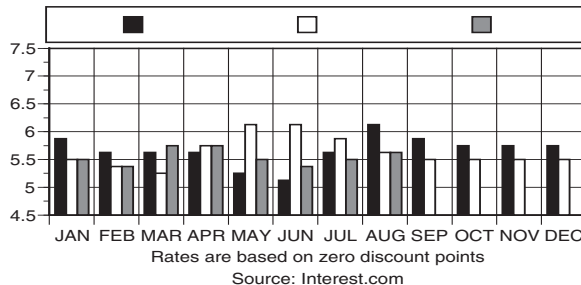
5-Year Adjustable Mortgage Rate



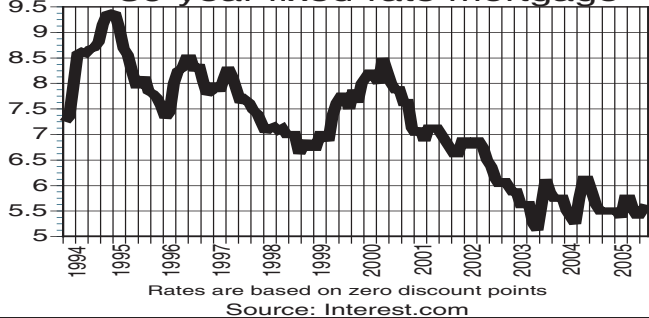
Adjustable Mortgage Rates



30 YEAR FIXED MORTGAGE RATE



30-year fixed-rate mortgage



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