YOUR MORTGAGE & BANKING MARKET LETTER

THE HOMEOWNER BRIEF

From Lisa Smith, Senior Loan Officer · Example Bank

NOVEMBER 2026
NMLS #000000

30-YEAR MORTGAGE AVG.	15-YEAR MORTGAGE AVG.	10-YEAR TREASURY	U.S. HOME PRICES	CONFORMING LOAN LIMIT
7.11%	6.45%	5.10%	+2.6%	$832,750
▲ Up 0.87 pts from a year earlier	▲ Up 0.96 pts from a year earlier	▲ Up 1.08 pts from a year earlier	▲ Change from a year earlier	One-unit home, most of the U.S.
November 12, 2026	November 12, 2026	November 12, 2026	July 2026	2026

Market snapshot. Sources: Freddie Mac Primary Mortgage Market Survey (weekly national averages, not an offer of credit); U.S. Treasury yield curve (U.S. Department of the Treasury; Federal Reserve H.15); FHFA House Price Index, purchase-only, not seasonally adjusted; FHFA conforming loan limit.

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01 YOUR MORTGAGE PAYMENT IS MOVING: WHAT A SERVICING TRANSFER MEANS

A letter says your mortgage payments are moving to a new company. Before you change anything, we want you to know what it means.

Who your servicer is. Your mortgage servicer is whichever company collects your payment, and that company can change. After a set date, your payments and questions go to the new company.

Your loan terms stay the same. Federal rules require the notice to say the change doesn't affect any term of your mortgage other than those tied directly to servicing it.

Watch for two notices. The old servicer generally should notify you at least 15 days before the transfer, and the new one within 15 days after, unless they send one combined notice at least 15 days ahead. Look for the dates payments switch and the new company's contact details.

Move your payments. If your bank's bill pay sends the payment, our tip: tell the bank to pay the new servicer. For the first 60 days, a payment that reaches the old servicer by the due date or within your grace period can't be counted late or charged a late fee.

If something looks off. If no notice arrived, or a payment isn't credited correctly, you can send both servicers an information request or a notice of error.

Got a transfer letter and not sure what it says? Send it our way, and we'll read through it with you.

02 WHEN THE APPRAISAL COMES IN LOW: YOUR THREE OPTIONS

You agreed on a price, and then the appraisal came back lower. It happens, and it isn't the end of the deal.

What the number is. The appraisal is a professional opinion of the home's value. Appraisers follow rules in arriving at it, and lenders may not interfere with their judgment. The CFPB puts it plainly: it is very risky to purchase a home for more than the appraised value.

Get your copy. On a first-lien mortgage you have the right to a free copy, sent promptly after the report is completed and no later than three days before closing. Read it before you decide anything.

Option one: renegotiate. You can often use the lower value to negotiate a reduction in the price. The appraisal is strong evidence that the price was above market value.

Option two: ask for a second look. If you see factual errors, omissions or poor comparable sales, you can ask the lender to reconsider the value. Processes vary; ask us how the lender handles it.

Option three: walk away. If the seller won't budge, you may want to cancel. Your contract may carry costs, and the CFPB suggests consulting an attorney, but those costs are likely small compared to overpaying for a home.

A low appraisal is a negotiation, not a verdict. Call us the day it lands and we'll walk through the numbers together.

03 POINTS OR CREDITS? PAY NOW OR PAY LATER

Every mortgage comes with a quiet choice: pay more at closing for a lower rate, or less at closing for a higher one. Points and lender credits are how you make it.

Points lower your interest rate in exchange for paying more at closing. One point equals one percent of the loan amount. You pay more up front and less over time, which is why points can make sense if you plan to keep the loan for a long time.

Lender credits run the same play in reverse: you accept a higher rate, and the lender gives you money to offset closing costs.

Where to find them. Points appear on page 2, Section A of your Loan Estimate and Closing Disclosure, and by law they must be connected to a discounted rate. Lender credits show as a negative number in Section J.

How we'd decide. Ask us to show two options, with and without points or credits, and to total the cost over the shortest, longest and most likely time you'll keep the loan.

Shopping around? Ask each lender for the same amount of points or credits so the offers compare cleanly.

04 CLOSING BEFORE DECEMBER 31? HOW POINTS CAN BE DEDUCTED

If you're closing on a home before year-end, the timing can matter on your tax return. The points you pay to lower your rate are a good example.

Deductible in the year paid. The IRS lets you fully deduct points in the year paid if you meet all of its tests. Among them: the loan is secured by your main home, you use the loan to buy or build that home, and paying points is an established business practice where the loan was made.

The money has to be yours. The funds you provided at or before closing, plus any points the seller paid, must be at least as much as the points charged. Those funds can include your down payment, escrow deposit or earnest money, but you can't have borrowed them from your lender or mortgage broker.

It has to show on paper. The points must be figured as a percentage of the loan amount and clearly shown on your settlement statement as points charged for the mortgage.

You get a choice. If you meet every test, the IRS says you can either fully deduct the points in the year paid or deduct them over the life of the loan. Your tax advisor can tell you which is better for you. Like other mortgage interest, points only help if you itemize deductions on your tax return.

Planning to close before December 31? Call us early so the paperwork is in order, and give your settlement statement to your tax preparer.

05 TITLE INSURANCE: THE LENDER'S POLICY, AND THE ONE FOR YOU

Your closing papers may list title insurance twice. That's not a mistake: they're two different policies, protecting two different parties.

The lender's policy. Lender's title insurance is usually required to get a mortgage loan. It protects your lender against problems with the title to your property, such as someone who sues claiming a right to the home.

What it doesn't cover. The lender's policy only covers claims that affect the lender's loan. It does not protect your equity, and if someone sues with a claim against your home, you are the first person responsible.

The owner's policy. Owner's title insurance can protect you if someone sues and says they have a claim against the home from before you bought it. The CFPB says those claims could come from a previous owner's unpaid taxes, or from contractors who say they weren't paid for earlier work.

You can shop. You can usually shop for title insurance separately from your mortgage, and shopping could save you money. If you buy both policies, the total is usually lower when one provider writes both.

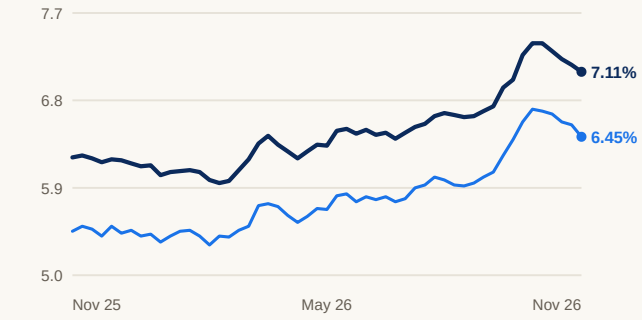
The seller can't pick for you. When you're buying with a mortgage, federal law says a seller may not require you to buy title insurance from a particular company as a condition of the sale.

Want to see what both policies will cost? Call us, and we'll walk through the title charges with you before you sign.

06 BY THE NUMBERS

Mortgage rates over the past year

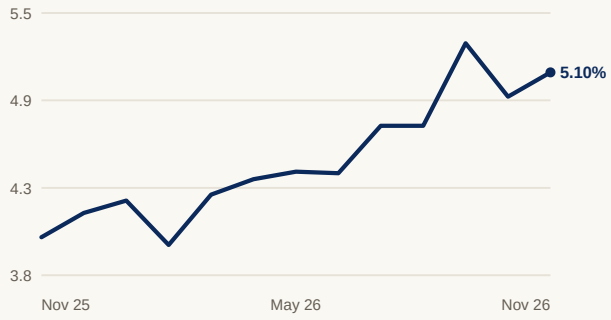
30-year fixed · 15-year fixed · Weekly national averages (%)



Freddie Mac Primary Mortgage Market Survey, weeks of Nov. 13, 2025 to Nov. 12, 2026. National survey averages, not an offer of credit.

The 10-year Treasury over the past year

10-year Treasury yield, month-end values and the latest day (%)



Federal Reserve Board, H.15 Selected Interest Rates, Treasury constant maturities (U.S. Treasury yield curve): month-end values, Nov. 28, 2025 to Oct. 30, 2026, plus the latest day, Nov. 12, 2026.

Questions about anything in this issue? We'd love to hear from you.

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