



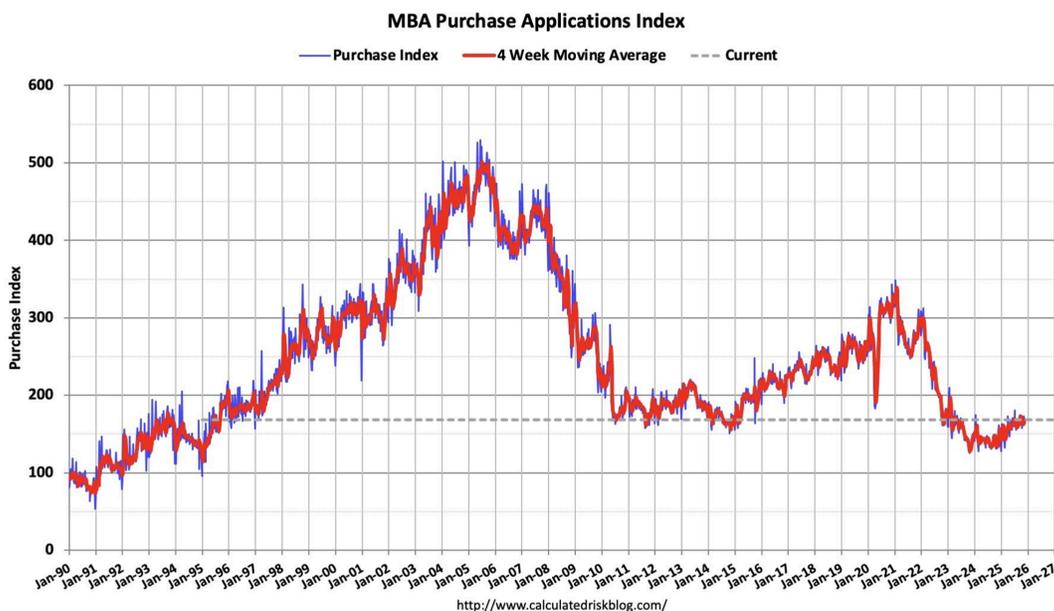
# *Harry's Take*

February 24, 2026

## **Mortgage Purchase Applications Running Out of Steam**

In the Harry's Take on February 3, I looked at how mortgage refinancing applications have been falling especially after COVID. Then on February 10th I showed the 4-year Presidential Cycle that hits very consistently into the mid-term elections, and 2026 is the year for that, especially between March and October just ahead. Then I showed on February 17th how car payments are starting to fall behind, just as they did into early 2009 in the Great Recession. They are almost as high as at the worst of the deepest recessions since 1938 and we're not even in a recession yet. Now, I look at mortgage purchase applications, the most important transaction in our economy. Guess what? They peaked in 2005 just ahead of the peak of housing prices back then in early 2006. They then fell dramatically into mid-2010, a year after the recession bottomed. They, like these other indicators, then bounced more feebly into COVID in early 2020. They then crashed further to levels not seen since late 1994 to follow into late 2023 to late 2024. Now they're barely bouncing.

## Mortgage Purchase Applications Down Since 2005, & Again Post 2021



Source: [https://www.calculatedriskblog.com/2025/11/mba-mortgage-applications-decrease-in\\_0408217174.html](https://www.calculatedriskblog.com/2025/11/mba-mortgage-applications-decrease-in_0408217174.html)

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**If this most-central indicator for the largest consumer sector of spending continues to move sideways or further downward, then the next Great Recession or Depression is likely coming sooner than most economists now expect... And funny: Just when the recession expectations of a year ago have finally all but disappeared.**

This could be the proverbial “straw that breaks the camel’s back!”

Harry

Got a question or comment? You can reach us at [info@hsdent.com](mailto:info@hsdent.com).

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