



## Mortgage Rates Back on the Rise

June 14, 2018

MCLEAN, Va., June 14, 2018 (GLOBE NEWSWIRE) -- [Freddie Mac](#) (OTCQB:FMCC) today released the results of its [Primary Mortgage Market Survey](#)® (PMMS®), showing that after declining for two straight weeks, mortgage rates reversed direction this week and rose to their second highest level this year.



U.S. weekly average mortgage rates as of June 14, 2018.

Sam Khater, Freddie Mac's chief economist, says the rising interest rate environment of today's economy continued over the past week. "The 30-year fixed-rate mortgage climbed eight basis points to 4.62 percent, and the Federal Reserve Board on Wednesday raised the federal funds rate by 25 basis points," he said. "The good news is that the impact on consumer budgets will be smaller than past rate hike cycles. That is because a much smaller segment of mortgage loans in today's market are pegged to short-term rate movements. The adjustable rate mortgage (ARM) share of outstanding loans is a lot smaller now – 8 percent versus 31 percent – than during the Fed's last round of tightening between 2004 and 2006."

Added Khater, "Still, inflation continues to firm and borrowing costs are inching higher. Although wages are slowly growing, stronger gains would certainly go a long way in helping consumers offset these increases in prices and rates."

### News Facts

- [30-year fixed-rate mortgage](#) (FRM) averaged 4.62 percent with an average 0.4 point for the week ending June 14, 2018, up from last week when it averaged 4.54 percent. A year ago at this time, the 30-year FRM averaged 3.91 percent.
- [15-year FRM](#) this week averaged 4.07 percent with an average 0.4 point, up from last week when it averaged 4.01 percent. A year ago at this time, the 15-year FRM averaged 3.18 percent.
- [5-year Treasury-indexed hybrid adjustable-rate mortgage](#) (ARM) averaged 3.83 percent this week with an average 0.3 point, up from last week when it averaged 3.74 percent. A year ago at this time, the 5-year ARM averaged 3.15 percent.

Average commitment rates should be reported along with average fees and points to reflect the total upfront cost of obtaining the mortgage. Visit the following link for the [Definitions](#). Borrowers may still pay closing costs which are not included in the survey.

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