Mortgage Rates Step Back

August 16, 2018

MCLEAN, Va., Aug. 16, 2018 (GLOBE NEWSWIRE) -- Freddie Mac (OTCQB: FMCC) today released the results of its Primary Mortgage Market Survey® (PMMS®), showing that mortgage rates decreased slightly for the second consecutive week.

Sam Khater, Freddie Mac's chief economist, says mortgage rates remained mostly flat over the past week, which has been the dominant theme since late spring. "This stability in borrowing costs comes despite the highest core inflation rates since 2008 and turbulence in the currency markets," he said. "Unfortunately, this pause in rates is not leading to increasing home sales."

Added Khater, "Purchase mortgage applications trailed year ago levels again last week, and it's clear that in some markets the combination of ascending home prices, limited affordable inventory and this year's higher rates are curtailing homebuyer demand."

News Facts

- 30-year fixed-rate mortgage (FRM) averaged 4.53 percent with an average 0.5 point for the week ending August 16, 2018, down from last week when it averaged 4.59 percent. A year ago at this time, the 30-year FRM averaged 3.89 percent.
- 15-year FRM this week averaged 4.01 percent with an average 0.5 point, down from last week when it averaged 4.05 percent. A year ago at this time, the 15-year FRM averaged 3.16 percent.
- 5-year Treasury-indexed hybrid adjustable-rate mortgage (ARM) averaged 3.87 percent with an average 0.4 point, down from last week when it with an average 3.90 percent. A year ago at this time, the 5-year ARM averaged 3.16 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.

Freddie Mac makes home possible for millions of families and individuals by providing mortgage capital to lenders. Since our creation by Congress in 1970, we've made housing more accessible and affordable for homebuyers and renters in communities nationwide. We are building a better housing finance system for homebuyers, renters, lenders and taxpayers. Learn more at FreddieMac.com, Twitter @FreddieMac and Freddie Mac's blog FreddieMac.com/blog.

MEDIA CONTACT: Adam DeSanctis
703-903-2786
Adam_DeSanctis@freddiemac.com

A photo accompanying this announcement is available at http://www.globenewswire.com/NewsRoom/AttachmentNg/a2c3f6ac-d860-4e7e-b7a4-c0a69d21df47