Mortgage Rates Rise for Third Straight Week

September 13, 2018

MCLEAN, Va., Sept. 13, 2018 (GLOBE NEWSWIRE) -- Freddie Mac (OTCQB: FMCC) today released the results of its Primary Mortgage Market Survey® (PMMS®), showing that mortgage rates jumped over the past week to a level not seen in over a month.

Sam Khater, Freddie Mac's chief economist, says the one-two punch of strong job and consumer credit growth drove mortgage rates up to their highest mark since August 2. "Mortgage rates are currently 0.82 percent higher than a year ago, which is the biggest year-over-year increase since May 2014," he said. "Looking ahead, annualized comparisons for mortgage applications may look weaker than they appear, but that's primarily because of the large spread between mortgage rates now and last September, which was when they reached their low for the year."

Added Khater, "Overall, this spectacular stretch of solid job gains and low unemployment should help keep homebuyer interest elevated. However, mortgage rates will likely also move up, as the Federal Reserve considers short-term rate hikes this month and at future meetings."

News Facts

- 30-year fixed-rate mortgage (FRM) averaged 4.60 percent with an average 0.5 point for the week ending September 13, 2018, up from last week when it averaged 4.54 percent. A year ago at this time, the 30-year FRM averaged 3.78 percent.
- 15-year FRM this week averaged 4.06 percent with an average 0.5 point, up from last week when it averaged 3.99 percent. A year ago at this time, the 15-year FRM averaged 3.08 percent.
- 5-year Treasury-indexed hybrid adjustable-rate mortgage (ARM) averaged 3.93 percent with an average 0.3 point (unchanged from last week). A year ago at this time, the 5-year ARM averaged 3.13 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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