Mortgage Rates Largely Hold Steady

October 4, 2018

MCLEAN, Va., Oct. 04, 2018 (GLOBE NEWSWIRE) -- Freddie Mac (OTCQB: FMCC) today released the results of its Primary Mortgage Market Survey® (PMMS®), showing that the 30-year fixed-rate mortgage dropped slightly for the first time after five weeks of increases.

Sam Khater, Freddie Mac's chief economist, says, "Mortgage rates inched back a little in this week's survey, easing 1 basis point to 4.71 percent after hitting a seven year high last week. There is upside risk to mortgage rates as the economy remains very robust and this is reflected in the very recent strength in the fixed income and equities markets."

Added Khater, "However, the strength in the economy has failed to translate to gains in the housing market as higher mortgage rates have contributed to the decrease in home purchase applications, which are down from a year ago. With mortgage rates expected to track higher, it's going to be a challenge for the housing market to regain momentum."

News Facts

- 30-year fixed-rate mortgage (FRM) averaged 4.71 percent with an average 0.4 point for the week ending October 4, 2018, down from last week when it averaged 4.72 percent. A year ago at this time, the 30-year FRM averaged 3.85 percent.
- 15-year FRM this week averaged 4.15 percent with an average 0.4 point, down from last week when it averaged 4.16 percent. A year ago at this time, the 15-year FRM averaged 3.15 percent.
- 5-year Treasury-indexed hybrid adjustable-rate mortgage (ARM) averaged 4.01 percent with an average 0.3 point, up from last week when it averaged 3.97 percent. A year ago at this time, the 5-year ARM averaged 3.18 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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