Low Mortgage Rates Lead to Rise in Purchase Demand

May 23, 2019

MCLEAN, Va. , May 23, 2019 (GLOBE NEWSWIRE) -- Freddie Mac (OTCQB: FMCC) today released the results of its Primary Mortgage Market Survey® (PMMS®), showing that fixed-rate mortgages held steady.

Sam Khater, Freddie Mac's chief economist, says, "Mortgage rates fell for the fourth consecutive week and continued the medium-term trend of lower rates since late 2018. The drop in mortgage rates is causing purchase demand to rise and the mix of demand is skewing to the higher end as more affluent consumers are typically more responsive to declines in rates."

News Facts

- 30-year fixed-rate mortgage (FRM) averaged 4.06 percent with an average 0.5 point for the week ending May 23, 2019, down from last week when it averaged 4.07 percent. A year ago at this time, the 30-year FRM averaged 4.66 percent.
- 15-year FRM this week averaged 3.51 percent with an average 0.4 point, down from last week when it averaged 3.53 percent. A year ago at this time, the 15-year FRM averaged 4.15 percent.
- 5-year Treasury-indexed hybrid adjustable-rate mortgage (ARM) averaged 3.68 percent with an average 0.4 point, up from last week when it averaged 3.66 percent. A year ago at this time, the 5-year ARM averaged 3.87 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, investors and taxpayers. Learn more at FreddieMac.com, Twitter @FreddieMac and Freddie Mac's blog FreddieMac.com/blog.

MEDIA CONTACT:
Nicole Flores
703-903-4068
Nicole_Flores@FreddieMac.com

A photo accompanying this announcement is available at https://www.globenewswire.com/NewsRoom/AttachmentNg/877e2c67-2d65-4a58-a12c-1c37b80b169f