



Real Estate Market Strengthens as Mortgage Rates Continue to Drop

August 22, 2019

MCLEAN, Va., Aug. 22, 2019 (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 (FRM) rate averaged 3.55 percent, the lowest it has been since November 2016.

Sam Khater, Freddie Mac's chief economist, says, "The drop in mortgage rates continues to stimulate the real estate market and the economy. Home purchase demand is up five percent from a year ago and has noticeably strengthened since the early summer months, while refinances surged to their highest share in three and a half years. Households that refinanced in the second quarter of 2019 will save an average of \$1,700 a year, which is equivalent to about \$140 each month."

"The benefit of lower mortgage rates is not only shoring up home sales, but also providing support to homeowner balance sheets via higher monthly cash flow and steadily rising home equity," he continued.

News Facts

- [30-year fixed-rate mortgage](#) averaged 3.55 percent with an average 0.5 point for the week ending Aug 22, 2019, down from last week when it averaged 3.60 percent. A year ago at this time, the 30-year FRM averaged 4.51 percent.
- [15-year FRM](#) averaged 3.03 percent with an average 0.5 point, down from last week when it averaged 3.07 percent. A year ago at this time, the 15-year FRM averaged 3.98 percent.
- [5-year Treasury-indexed hybrid adjustable-rate mortgage](#) (ARM) averaged 3.32 percent with an average 0.3 point, down from last week when it averaged 3.35 percent. A year ago at this time, the 5-year ARM averaged 3.82 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](#).

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