



Mortgage Rates Drop

January 4, 2018

MCLEAN, VA--(Marketwired - Jan 4, 2018) - Freddie Mac (OTCQB: FMCC) today released the results of its Primary Mortgage Market Survey® (PMMS®), showing average mortgage rates dropping to start the year.

News Facts

- [30-year fixed-rate mortgage](#) (FRM) averaged 3.95 percent with an average 0.5 point for the week ending January 4, 2018, down from last week when it averaged 3.99 percent. A year ago at this time, the 30-year FRM averaged 4.20 percent.
- [15-year FRM](#) this week averaged 3.38 percent with an average 0.5 point, down from last week when it averaged 3.44 percent. A year ago at this time, the 15-year FRM averaged 3.44 percent.
- [5-year Treasury-indexed hybrid adjustable-rate mortgage](#) (ARM) averaged 3.45 percent this week with an average 0.4 point, down from last week when it averaged 3.47 percent. A year ago at this time, the 5-year ARM averaged 3.33 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.

Quote

Attributed to Len Kiefer, Deputy Chief Economist.

"Treasury yields fell from a week ago, helping to drive mortgage rates down to start the year. The 30-year fixed-rate mortgage fell 4 basis points from a week ago to 3.95 percent in the year's first survey. Despite increases in short-term interest rates, long-term interest rates remain subdued. The 30-year mortgage rate is down a quarter of a percentage point from where it was a year ago and the spread between the 30-year fixed and 5/1 adjustable rate mortgage is the lowest since 2009. With the FOMC minutes showing continued support for gradual increases in policy rates from many participants and inflation rates remaining low, there isn't much upward pressure on long-term rates at the moment. Whether that changes due to a tighter labor market and the economic impact of tax reform remains to be seen."

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](#).

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