

Latest mortgage news: Rates pushing toward 7%



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Written by **Jeff Ostrowski**



✓ Edited by **Suzanne De Vita**

Sept. 28, 2022 / 3 min read

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The average [rate on 30-year mortgages](#) rose to 6.73 percent this week from 6.35 percent the previous week, according to Bankrate's national survey of large lenders.

Mortgage interest rates

The rate on a 30-year mortgage averaged 6.73% as of Sept. 28.

30-year fixed 15-year fixed 30-year jumbo

Source: Bankrate national survey; figure includes points

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It was the highest reading for mortgage rates since 2008, and further evidence of the end of the decade-long period of low rates that followed the Great Recession. The Federal Reserve has been moving aggressively to control inflation, and its [third consecutive rate hike](#) of three-quarters of a percentage point last week would seem to create upward longer-term pressure on mortgage rates.

Current Mortgage Rates for October 3, 2022

Zip Code: **33431** Boca Raton, FL

Property Value: **\$ 406,250**

Loan Amount: **\$ 325,000**

Cash-out:

Loan Term: **30 year fi...**

Credit Score: **740+**

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15 Year Fixed NMLS: #240415 ★★★★★ ⓘ (5) 📞 (877) 390-5114	5.19% Oct 3, 2022	4.75% Points: 1.954	\$2,528 Fees: \$9,350	Next →
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15 Year Fixed NMLS: #2289 ★★★★★ ⓘ (4.9) 📞 (855) 846-7672	6.03% Oct 3, 2022	5.99% Points: 0	\$2,741 Fees: \$785	Next →
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“Only when inflation calms down will we see mortgage rates begin to steady,” said Lawrence Yun, chief economist for the National Association of Realtors.

The Fed doesn't directly control [fixed mortgage rates](#); the most pertinent number is the 10-year Treasury yield, which has bounced around in recent weeks.

A year ago, the benchmark 30-year fixed-rate mortgage was 3.17 percent. Four weeks ago, the rate was 5.78 percent. The 30-year fixed-rate average for this week is 3.6 percentage points higher than the 52-week low of 3.17 percent.

The 30-year fixed mortgages in this week's survey had an average total of 0.32 discount and origination points.

Over the past 52 weeks, the 30-year fixed has averaged 4.62 percent.

- The [15-year fixed-rate mortgage](#) was 5.8 percent, up from 5.43 percent last week.
- The [5/6 adjustable-rate mortgage \(ARM\)](#) ticked up to 5.51 percent from 5.27 percent a week ago.
- The [30-year fixed-rate jumbo mortgage](#) was 6.03 percent, up from 5.77 percent last week.

Where mortgage rates are headed

Housing economists see rates rising as the Fed makes its stand, but the question is how much.

“Inflation fears are driving the yield on 10-year Treasuries straight up,” says Ken H. Johnson, a real estate economist at Florida Atlantic University.

Not everyone predicts rates will stay at these lofty levels, however. “After running up a full percentage point in the past 30 days, mortgage rates will take a little breather,” says

Greg McBride, Bankrate's chief financial analyst.

Economists had expected rates to rise by the end of 2022, but not as quickly as has been the case since the Fed started battling inflation in earnest. As mortgage rates sailed past the 6 percent barrier, competition among homebuyers could ease further, though the jump in rates is also squeezing affordability. The national median family income for 2022 is \$90,000, according to the U.S. Department of Housing and Urban Development, and the median price of an existing home sold in August was \$389,500, according to the National Association of Realtors. Based on a 20 percent down payment and a mortgage rate of 6.73 percent, the monthly payment of \$2,017 amounts to 27 percent of the typical family's monthly income.

A year ago, median family income was \$79,900, the median home price was \$364,600 and the average mortgage rate was just 3.03 percent. Buying the typical home then required just 19 percent of a family's monthly income.

Methodology

The Bankrate.com national survey of large lenders is conducted weekly. To conduct the National Average survey, Bankrate obtains rate information from the 10 largest banks and thrifts in 10 large U.S. markets. In the Bankrate.com national survey, our Market Analysis team gathers rates and/or yields on banking deposits, loans and mortgages. We've conducted this survey in the same manner for more than 30 years, and because it's consistently done the way it is, it gives an accurate national apples-to-apples comparison. Our rates differ from other national surveys, in particular Freddie Mac's weekly published rates. Each week Freddie Mac surveys lenders on the rates and points based on first-lien prime conventional conforming home purchase mortgages with a loan-to-value of 80 percent. "Lenders surveyed each week are a mix of lender types — thrifts, credit unions, commercial banks and mortgage lending companies — is roughly proportional to the level of mortgage business that each type commands nationwide," according to Freddie Mac.

Written by

Jeff Ostrowski

Senior mortgage reporter



[Read more From Jeff](#)

Jeff Ostrowski covers mortgages and the housing market. Before joining Bankrate in 2020, he wrote about real estate and the economy for the Palm Beach Post and the South Florida Business Journal.

Edited by

Suzanne De Vita →

Mortgage editor



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