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LENDING

Mortgage rates rise for fifth straight week

CHICAGO>> The average long-term U.S. mortgage rate rose for a fifth consecutive week to its highest level in just over a year, marking the latest strain for prospective homebuyers who are facing steep borrowing costs.

The benchmark 30-year fixed rate mortgage rate rose to 6.69%, mortgage buyer Freddie Mac said Thursday, up slightly from 6.66% reported last week. By comparison, the average rate was 6.63% at this time last year — and hadn't been higher than its current level since late July in 2025.

Higher mortgage rates can add hundreds of dollars a month in costs for borrowers, limiting homebuyers' purchasing power. As rates rise, that can lead prospective home shoppers to delay buying a home, one reason U.S. home sales have been sluggish this year.

Meanwhile, borrowing costs on 15-year fixed-rate mortgages — which are often sought by borrowers looking to refinance a home loan — fell slightly this week. That rate averaged at 6.01%, down from 6.04% last week. A year ago, it was at 5.75%, Freddie Mac said.

Mortgage rates are influenced by several factors, including inflation, broader policy rate decisions from the Federal Reserve and expectations from bond market investors for the economy. They generally follow the trajectory of the 10-year Treasury yield, which lenders use as a guide to pricing home loans.

Rates have been mostly rising this year as the U.S. war with Iran, which has fueled expectations for hotter inflation as crude oil prices soared.

Despite easing oil prices recently, long-term bond yields remain steeper than they were before the conflict began in late February, pushing mortgage rates to tread higher.

The 10-year Treasury yield was 4.65% as of midday Thursday on the bond market. Before the war, it was just 3.97% in late February.