



Inflation Sends Mortgage Rates Soaring

Inflation has sent mortgage rates soaring, leaving many home buyers and sellers hesitant to make a move. With rates peaking at [over 7%](#), it's no surprise that the market is a bit uncertain at the moment.

However, mortgage rates are complicated and are tied to other aspects of the economy, making them a bit difficult to understand. In this article, we're going to break down why rates are soaring, what that means for buyers, and what it could mean for the future.

First, let's look at why inflation has impacted mortgage rates so heavily. Though mortgage rates are not directly tied to inflation, there is a correlation there. Inflation decreases the purchasing power of a dollar, so prices increase to adjust for inflation. Just like day to day products increase, so do mortgage rates.

That said, it's not all doom and gloom. There are trusted realtors like [San Benito Realty](#) who will try to help you get the best deal possible on a home, even in a market like this. It's still possible to find a good deal in the current market if you are patient and willing to look at homes outside of your ideal dream home.

Mortgage Rates Today and What They Mean

Now, let's take a look at mortgage rates today and see what they mean for potential buyers. Currently, rates are down a bit from where they were at their peak. Mortgage rates have managed to hold below 7%. The average rate for 30-year fixed-rate mortgages is 6.63%, with 15-year fixed-rate mortgages coming in at 6.01%.

Looking at past data, these rates are on the high side. Though they may not reach the peaks of earlier this year or past years, they are still relatively high rates that may cause buyers to hesitate. As expected, these high rates means that purchasing a home is more expensive than it was in prior years. Despite that, there are still many [properties for sale](#) and the market is still trudging on, albeit at a slower rate.

It's also worth noting that interest rates for first-time home buyers are no different than for previous buyers. First time buyers do not get a discount on mortgage rates just because they are new to the market. But again, there are still many [homes for sale](#), and first-time buyers can find deals if they are patient and flexible.

The Future for Market Mortgage Rates

Now, let's look at the future for market mortgage rates. Sadly, the future of the mortgage market is incredibly difficult to predict. Many experts believe that the rate hikes are over for now and that rates will slowly drop throughout next year. On the other hand, many experts believe that rates will continue to rise through next year as the Fed tries to slow inflation.

Ultimately, the future for market mortgage rates depends on a multitude of factors, all of which are difficult to predict. Inflation is likely the biggest factor on the future of mortgage rates, and economists are still unsure whether or not inflation will keep rising or begin to fall.

With the hopes that rates will fall next year, now is a great time to start looking if you are interested in buying a home. Getting in touch with a realty company like San Benito Realty that has a lot of [great reviews](#) isn't a bad idea. Jumping in now can help you get ahead of the curve and ready to buy when rates begin to drop. Companies like theirs have a great network of buyers and sellers, making it easy to find the right home for you. [Get in touch](#) with them now to get started!

If you need help looking for real estate in California, please [contact us](#) here for more information.

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