

# Star-Telegram

## Mortgage rates sink to lowest level on record

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**WASHINGTON** — -- Mortgage rates fell this week to the lowest level on record, giving consumers added incentive to lock in low payments on home purchases and refinancings.

Mortgage company Freddie Mac said Thursday that the average rate for 30-year fixed loans sank to 4.69 percent, from 4.75 percent last week.

That's the lowest since Freddie Mac began tracking rates in 1971. The previous record of 4.71 percent was set in December. Rates for 15-year and five-year mortgages also hit lows.

Mortgage rates have fallen over the past two months. Investors wary of the European debt crisis and the turbulent stock market have shifted money into the safety of Treasury bonds, driving down yields. Mortgage rates tend to track the yields on long-term Treasury debt.

Freddie Mac collects mortgage rates on Monday through Wednesday of each week from lenders around the country. Rates often fluctuate significantly, even within a given day.

Rates on 15-year, fixed-rate mortgages fell to an average of 4.13 percent, the lowest on records dating to September 1991 and down from 4.2 percent a week earlier.

Rates on five-year, adjustable-rate mortgages averaged 3.84 percent, down from 3.89 percent a week earlier. That was also the lowest on Freddie Mac's records, which only date back to January 2005.

Average rates on one-year, adjustable-rate mortgages fell to 3.77 percent from 3.82 percent. That was the lowest average since May 2004.

The rates do not include add-on fees known as points. One point is equal to 1 percent of the total loan amount.

The nationwide fee for loans in Freddie Mac's survey averaged 0.7 a point for 30-year, 5-year and 1-year loans. The average fee for 15-year loans was 0.6 of a point.

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