

30-year mortgage rates lowest since May *Jeannine Aversa (The Associated Press)*

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Rates on 30-year mortgages sank last week to their lowest point since late May, providing a little ray of sunlight for would-be home buyers.

Mortgage Company Freddie Mac reported Thursday that 30-year, fixed-rate mortgages averaged 6.52 percent. That was down from 6.62 percent last week and was the lowest rate since the week ending May 31, when rates stood at 6.42 percent.

The moderation provides a dose of welcome news for prospective homebuyers, some of whom also might be facing a situation of harder-to-get credit. In mid-June, rates on 30-year mortgages climbed to 6.74 percent, the high for this year.

Other mortgage rates also went down.

Rates on 15-year fixed-rate mortgages, a popular choice for refinancing, averaged 6.18 percent, down from 6.30 percent last week.

For five-year adjustable-rate mortgages, rates dipped to 6.34 percent, from 6.35 percent last week. Rates on one-year adjustable-rate mortgages fell to 5.60 percent, compared with 5.67 percent last week.

Mortgage rates eased following last week's decision by the Federal Reserve to slice its lending rate to banks, a move designed to calm recent turmoil on Wall Street about a spreading credit crunch.

The mortgage rates do not include add-on fees known as points. Thirty year mortgages carried a nationwide average fee of 0.4 point. Fifteen-year mortgages had a fee of 0.5 point. Five-year and One-year ARMs each carried an average fee of 0.6 point.

A year ago, rates on 30-year mortgages stood at 6.48 percent, 15-year mortgages were at 6.18 percent, five year ARMs averaged 6.14 percent and one-year ARMs were at 5.60 percent.