

FOR IMMEDIATE RELEASE

AUGUST 19, 2010

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30-YEAR, 15-YEAR FIXED-RATE MORTGAGES CONTINUE TO INCH DOWNWARD *ARMs Unchanged This Week From Last*

McLEAN, VA -- [Freddie Mac](#) (OTC: FMCC) today released the results of its [Primary Mortgage Market Survey](#)® (PMMS®), and for yet another week, the fixed-rate mortgages reached another low, while the 5-year adjustable rate remained tied at its low for this survey. (The 30-year fixed-rate survey began in 1971, the 15-year began in 1991, and the 5-year adjustable in 2005.)

News Facts

- [30-year fixed-rate mortgage](#) (FRM) averaged 4.42 percent with an average 0.7 point for the week ending August 19, 2010, down from last week when it averaged 4.44 percent. Last year at this time, the 30-year FRM averaged 5.12 percent.
- [15-year FRM](#) this week averaged a record low of 3.90 percent with an average 0.6 point, down from last week when it averaged 3.92 percent. A year ago at this time, the 15-year FRM averaged 4.56 percent.
- [5-year Treasury-indexed hybrid adjustable-rate mortgage](#) (ARM) averaged 3.56 percent this week, with an average 0.6 point, unchanged from last week when it also averaged 3.56 percent. A year ago, the 5-year ARM averaged 4.57 percent.
- [1-year Treasury-indexed ARM](#) averaged 3.53 percent this week with an average 0.7 point, unchanged from last week when it also averaged 3.53 percent. At this time last year, the 1-year ARM averaged 4.69 percent.

Quotes

Attributed to Amy Crews Cutts, deputy chief economist, Freddie Mac.

- “Investors in long-term bonds appear very confident that inflation will remain in check, and as a result long-term fixed mortgage rates have continued to fall. This week marks the ninth straight week in the [Primary Mortgage Market Survey](#)® that 30-year-fixed mortgage rates have met or set a new record low.
- “This week’s release of the [Consumer Price Index](#) indicates that current inflation is very low. The 12-month growth in the core consumer price index has held at only 0.9 percent for four straight months ending in July. The last time price growth was this low was the year ending January 1966.



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News Release

- “The housing market appears to be in a lull following the expiration of the homebuyer tax credits. [Single-family starts](#) fell for the third straight month in July to an annual pace of 432,000 homes, the fewest since May 2009. In addition, homebuilder confidence fell for the third consecutive month in August to the lowest since March 2009, according to the [NAHB/Wells Fargo Housing Opportunity Index](#). Even confidence among realtors was at a 16-month low in June, according to the [National Association of Realtors®](#).”

Freddie Mac was established by Congress in 1970 to provide liquidity, stability and affordability to the nation's residential mortgage markets. Freddie Mac supports communities across the nation by providing mortgage capital to lenders. Over the years, Freddie Mac has made home possible for one in six homebuyers and more than five million renters.

PMMS Information

(Average commitment rates should be reported along with average fees and points to reflect the total cost of obtaining the mortgage.)

Freddie Mac defines its regions as follows:

Northeast: NY, NJ, PA, DE, MD, DC, VA, WV, ME, NH, VT, MA, RI, CT

Southeast: NC, SC, TN, KY, GA, AL, FL, MS, PR, VI

North Central: OH, IN, IL, MI, WI, MN, IA, ND, SD

Southwest: TX, LA, NM, OK, AR, MO, KS, CO, NE, WY

West: CA, AZ, NV, OR, WA, UT, ID, MT, HI, AK, GU

Freddie Mac's Primary Mortgage Market Survey (PMMS) is for informational purposes only and Freddie Mac is not responsible for business decisions made based on the reported results of the PMMS. In general, the data presented were calculated from information collected Monday through Wednesday of the same week that the PMMS is released and may not reflect mortgage rates, fees or points currently available from any lender. Freddie Mac may change the methodology used to conduct the PMMS at any time and without notice.

DEFINITIONS

Commitment Rate is the interest rate a lender would charge to lend mortgage money to a qualified borrower exclusive of the fees and points required by the lender. This commitment rate applies only to conventional financing on conforming mortgages with loan-to-value rates of 80 percent or less.

ARM Index –is the One-year Treasury

Loan to Value Ratio (LTV) is the ratio of the loan amount of a mortgage loan to the lower of the appraisal value or purchase price of the property securing the loan.

Origination Fees and Discount Points are the total charged by the lender at settlement. One point equals one percent of the loan amount.

Margin is a fixed amount added to the underlying index to establish the fully indexed rate for an ARM.

Weighted Averages for the Primary Mortgage Market Survey have been adjusted as of December 17, 2009. The new weights use the dollar volume of conventional first-lien mortgage originations within the 1-unit Freddie Mac loan limit as reported under the Home Mortgage Disclosure Act (HMDA) for 2008. The weights are listed in the table below.

Freddie Mac Region	PMMS Weights
Northeast	26.0
Southeast	16.7
North Central	15.9
Southwest	13.2
West	28.2

Related Links

<http://www.freddiemac.com/pmms/>

http://www.freddiemac.com/pmms/pmms_archives.html

<http://www.bls.gov/data/>

<http://www.census.gov/const/www/newresconstindex.html>

http://www.nahb.org/reference_list.aspx?sectionID=135

<http://www.realtor.org/research/research/reps>

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PRIMARY MORTGAGE MARKET SURVEY RESULTS

PMMS Week: 33
 Week Ending: August 19, 2010

	Weighted	-- Unweighted Regional Averages --				
	U.S.	NE	SE	NC	SW	W
30 YR FRM Rate	4.42	4.44	4.44	4.42	4.46	4.35
Fees & Points	0.7	0.6	0.8	0.4	0.5	0.8
15 YR FRM Rate	3.90	3.92	3.92	3.92	3.91	3.86
Fees & Points	0.6	0.6	0.7	0.5	0.6	0.7
5 YR ARM Rate	3.56	3.73	3.41	3.45	3.67	3.49
Fees & Points	0.6	0.4	0.6	0.5	0.8	0.9
Margin	2.74	2.75	2.75	2.70	2.80	2.73
1 YR ARM Rate	3.53	3.59	3.46	3.45	3.69	3.48
Fees & Points	0.7	0.5	0.8	0.5	0.7	1.0
Margin	2.77	2.80	2.75	2.73	2.80	2.77

THE NATIONAL MORTGAGE RATE SNAPSHOT

One Year Ago

30-YR FRM	15-YR FRM	5/1 ARM	1-YR ARM
5.12	4.56	4.57	4.69
0.7	0.7	0.6	0.5

One Week Ago

30-YR FRM	15-YR FRM	5/1 ARM	1-YR ARM
4.44	3.92	3.56	3.53
0.7	0.6	0.7	0.7

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Find more information about Freddie Mac at its web site located at

<http://www.freddiemac.com>