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Average 30-year mortgage rate at a record 3.91%

The Associated Press

WASHINGTON — The average rate on the 30-year fixed mortgage fell to a record 3.91 percent this week, the third time this year that rates have hit new lows. Freddie Mac said Thursday that the average on the 30-year home loan fell from 3.94 percent the previous week. The 3.91 percent rate is the lowest average for long-term fixed mortgages on records dating to the 1950s

The average on the 15-year fixed mortgage was unchanged this week at 3.21 percent, also a record. Low rates offer a historic chance for those who can afford to buy a home or refinance. But many either can't take advantage of the rates or have already done so. Rates have been below 5 percent for all most of 2011. Still, it's shaping up to be one of the worst years ever for home sales.

Rates may fall further. Many economists think the yield on the 10-year Treasury note may creep lower in 2012. Long-term mortgage rates tend to track the 10-year Treasury yield. Should the Federal Reserve launch a new program of bond purchases to try to aid the economy, it may drive mortgage rates down further.