

Rate on 30-year mortgage rises to 3.95 percent

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WASHINGTON — The average rate on the 30-year fixed mortgage jumped after standing flat for three straight weeks at record lows. But the rate stayed below 4 percent for the 12th straight week, keeping home-buying and refinancing attractive for those who can qualify.

Mortgage buyer Freddie Mac said Thursday the rate on the 30-year loan rose to 3.95 percent. That's up from last week's rate of 3.87 percent, the lowest since long-term mortgages began in the 1950s.

The average on the 15-year fixed mortgage rose to 3.19 percent from 3.16 percent. It hit a record low of 3.14 percent three weeks ago.

So far, low rates have

done little to help the housing market, which is slowly improving. Few people can qualify for the rates and many who can have already done so.

The four-week average of home purchase applications dropped in late January and February while refinancing is mostly flat, according to the Mortgage Bankers Association. Refinancing now makes more than 81 percent of mortgage activity.

But the housing market is flashing signs of health ahead of the spring-buying season. Sales of previously occupied homes are at their highest level since May 2010. More first-time buyers are making purchases. And the supply of homes fell last month to its lowest point in nearly seven years, which could push home prices higher.