

THE FED CUTS RATES

for the **third time** in 2019

Last October, the Federal Reserve made the decision to lower interest rates for the third time this year. The outcome of the meeting was a quarter-percentage-point interest rate cut to a target range of 1.5% to 1.75%. According to the Fed leaders, this move will allow the economy more breathing room and act as a bit of insurance against risks posed by slowing global growth and trade tensions. The Fed has now nearly completely reversed the four rate hikes it made last year in response to a strengthening economy.

WHAT DOES THIS MEAN FOR BORROWERS?

While homebuyers may not see a huge drop in mortgage rates right away, today's rates are already at levels lowest since fall of 2016. The 30-year fixed mortgage rate averaged 3.78% for the week ending October 31. By contrast, mortgage rates stood at 4.83% a year ago.

These low mortgage rates are giving a major boost to a number of borrowers who can now benefit from a refinance. For new homebuyers willing to stay patient with a somewhat limited amount of affordable inventory, the low rates will also provide a great saving over the term of their loans.

CONTACT ME TODAY TO HELP YOUR BORROWERS TAKE ADVANTAGE OF TODAY'S LOW RATES!

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