

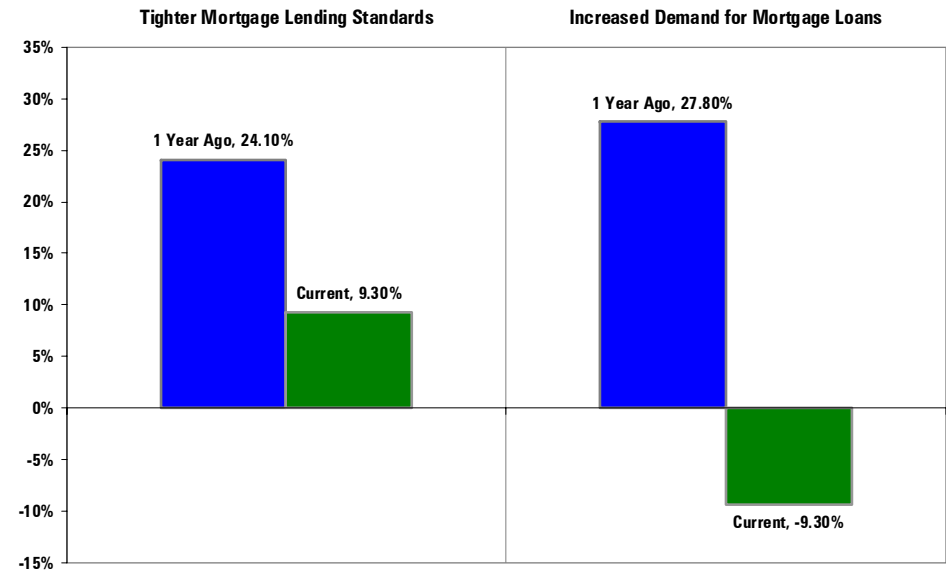
Will Lower Rates and Loosening Standards Boost the Housing Market?

30-Year Mortgage Rate % Spread Over 30-U.S. Treasury Bond Yield Through October, 2010



Current 30-year mortgage rate of 4.23% represents a 0.36% premium, compared to 1.50% average premium since 1977, to the U.S. government's cost of borrowing money for 30 years.

Senior Loan Officer Survey: Net Response Current Vs. 1 Year Ago



Fed Senior Loan Officer Survey indicates that while lenders have begun to scale back on tightening lending standards, demand for loans has declined.

Data from <http://research.stlouisfed.org>