

Bankrate: Mortgage Rates Up Slightly

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NEW YORK, Aug. 16, 2012 /PRNewswire/ -- Mortgage rates continued to climb this week, with the average rate on the benchmark 30-year fixed mortgage rising for the third consecutive week, to 3.86 percent according to Bankrate.com's weekly national survey. The average 30-year fixed mortgage has an average of 0.42 discount and origination points.

(Logo: <http://photos.prnewswire.com/prnh/20040122/FLTHLOGO>)

To see mortgage rates in your area, go to <http://www.bankrate.com/funnel/mortgages/>.

The average 15-year fixed mortgage rate inched higher to 3.05 percent as did the larger jumbo 30-year mortgage, moving to 4.41 percent. Adjustable mortgage rates increased as well, with the 3-year ARM jumping to 3.06 percent, and the 5-year adjustable moving up to 2.93 percent.

Mortgage rates increased for a third straight week as all remains quiet on the European front and the tone of U.S. economic data has improved. Nervous investors have unwound some of the safe-haven trades that helped bring bond yields and mortgage rates lower. Whether the upward trend can be sustained depends on what happens on both sides of the Atlantic, with the European debt crisis and the path of the U.S. economy.

The last time mortgage rates were above 6 percent was Nov. 2008. At the time, the average 30-year fixed rate was 6.33 percent, meaning a \$200,000 loan would have carried a monthly payment of \$1,241.86. With the average rate now 3.86 percent, the monthly payment for the same size loan would be \$938.76, a difference of \$303 per month for anyone refinancing now.

SURVEY RESULTS

30-year fixed: 3.86% -- up from 3.81% last week (avg. points: 0.42)

15-year fixed: 3.05% -- up from 3.00% last week (avg. points: 0.38)

5/1 ARM: 2.93% -- up from 2.91% last week (avg. points: 0.32)

Bankrate's national weekly mortgage survey is conducted each Wednesday from data provided by the top 10 banks and thrifts in the top 10 markets.

For a full analysis of this week's move in mortgage rates, go to <http://www.bankrate.com/>.

The survey is complemented by Bankrate's weekly Rate Trend Index, in which a panel of mortgage experts predicts which way the rates are headed over the next seven days. The majority of panelists, 64 percent, expect mortgage rates to increase, while 27 percent say mortgage rates will remain more or less unchanged over the next seven days. Just 9 percent forecast a decline over the coming week.

For the full mortgage Rate Trend Index, go to <http://www.bankrate.com/RTI>.

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For more information contact:

Kayleen Yates

Senior Director, Corporate Communications

kyates@bankrate.com

(917) 368-8677

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