

Bankrate: Mortgage Rates Decline

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NEW YORK, April 12, 2012 /PRNewswire via COMTEX/ --Mortgage rates drop this week, with the average rate on the benchmark 30-year fixed mortgage rate sliding to 4.11 percent, according to Bankrate.com's weekly national survey. The average 30-year fixed mortgage has an average of 0.40 discount and origination points.

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

The average 15-year fixed mortgage rate fell to 3.32 percent, and the jumbo 30-year fixed mortgage fell to 4.63 percent. Adjustable mortgage rates were also down, with the average 5-year ARM slipping to 3.03 percent and the 10-year rate moving to 3.55 percent.

Mortgage rates dropped sharply, spurred by a disappointing report on job growth for the month of March. News that the U.S. economy added just 120,000 jobs renewed fears of whether the economic recovery will be sustained. Add to that the ongoing European debt issues and forecasts for slower growth in corporate earnings, and you have the recipe for lower mortgage rates. Mortgage rates are closely related to yields on long-term government bonds.

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 4.11 percent, the monthly payment for the same size loan would be \$967.56, a difference of \$247 per month for anyone refinancing now.

SURVEY RESULTS

30-year fixed: 4.11% -- down from 4.25% last week (avg. points: 0.40)

15-year fixed: 3.32% -- down from 3.42% last week (avg. points: 0.38)

5/1 ARM: 3.03% -- down from 3.15% 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 the panelists, 46 percent, expect mortgage rates to remain more or less unchanged in the coming week. Just 17 percent forecast a decline in mortgage rates, and 36 percent predict mortgage rates will move higher in the next seven days.

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

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