

Bankrate: New Year, New Records for Mortgage Rates

January 5, 2012 7:30 AM ET

NEW YORK, Jan. 5, 2012 /PRNewswire/ -- Mortgage rates drifted slightly lower this week, but it was enough to establish a new record low of 4.18 percent on the 30-year fixed rate mortgage, according to Bankrate.com's weekly national survey. The average 30-year fixed mortgage has an average of 0.34 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 and jumbo 30-year fixed mortgage also reached new lows of 3.40 percent and 4.62 percent, respectively. Adjustable rate mortgages were mixed, with the average 3-year ARM sinking to 3.45 percent while the 10-year rate inched higher to 3.77 percent.

The movement in mortgage rates continues to be very slight. In the past two months, the average 30-year fixed mortgage rate has remained in a range of less than one-tenth of a percentage point. This type of calm on the mortgage rate front hasn't been seen in nearly two years. But with the European debt crisis still fluid, and an upcoming report on U.S. job growth, two potential catalysts for a more significant move are on the horizon.

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 4.18 percent, the monthly payment for the same size loan would be \$975.70, a difference of \$266 per month for anyone refinancing now.

SURVEY RESULTS

30-year fixed: 4.18% --down from 4.21% last week (avg. points: 0.34)

15-year fixed: 3.40% -- down from 3.44% last week (avg. points: 0.36)

5/1 ARM: 3.19% -- down from 3.20% 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 panel is split, with 42 percent of the respondents expecting mortgage rates to remain more or less unchanged over the next week, while 33 percent forecast a rebound from record lows. Just one-in-four predicts mortgage rates will fall further in the next week.

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

About Bankrate, Inc. (NYSE: RATE)

Bankrate is a leading publisher, aggregator and distributor of personal finance content on the Internet. Bankrate provides consumers with proprietary, fully researched, comprehensive, independent and objective personal finance editorial content across multiple vertical categories including mortgages, deposits, insurance, credit cards, and other categories, such as retirement, automobile loans, and taxes. The Bankrate network includes Bankrate.com, our flagship website, and other owned and operated personal finance websites, including CreditCards.com, Interest.com, Bankaholic.com, Mortgage-calc.com, CreditCardGuide.com, Nationwide Card Services, InsuranceQuotes.com, CarInsuranceQuotes.com, InsureMe, Bankrate.com.cn, CreditCards.ca, NetQuote, and CD.com. Bankrate aggregates rate information from over 4,800 institutions on more than 300 financial products. With coverage of nearly 600 local markets in all 50 U.S. states, Bankrate generates over 172,000 distinct rate tables capturing on average over three million pieces of information daily. Bankrate develops and provides web services to over 75 co-branded websites with online partners, including some of the most trusted and frequently visited personal finance sites on the Internet such as Yahoo!, AOL, CNBC and Bloomberg. In addition, Bankrate licenses editorial

content to over 100 newspapers on a daily basis including The Wall Street Journal, USA Today, The New York Times, The Los Angeles Times and The Boston Globe.

For more information contact:

Kayleen Yates

Senior Director, Corporate Communications

kyates@bankrate.com

(917) 368-8677

SOURCE Bankrate, Inc.