

Bankrate: A Tame Week for Mortgage Rates

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NEW YORK, Nov. 8, 2012 /PRNewswire/ -- Fixed mortgage rates were mostly lower, although the benchmark 30-year fixed mortgage rate held at 3.57 percent, according to Bankrate.com's weekly national survey. The average 30-year fixed mortgage has an average of 0.4 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 inched lower to 2.88 percent and the larger jumbo 30-year mortgage set a new record low of 4.09 percent. Adjustable mortgage rates were mixed. The 3-year ARM moved higher to 2.82 percent, the popular 5-year ARM remained at 2.72 percent, and the 10-year ARM slipped to 3.18 percent.

Now that the presidential election is out of the way, attention turns to the looming fiscal cliff. Financial markets will become increasingly nervous with each passing day if substantive progress toward a resolution isn't made. These concerns could bring bond yields and mortgage rates still lower in the weeks ahead. 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 3.57 percent, the monthly payment for the same size loan would be \$905.92, a difference of \$336 per month for anyone refinancing now.

SURVEY RESULTS

30-year fixed: 3.57% -- unchanged from last week (avg. points: 0.40)
15-year fixed: 2.88% -- down from 2.89% last week (avg. points: 0.32)
5/1 ARM: 2.72% -- unchanged from last week (avg. points: 0.38)

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/mortgagerates>

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. There is no clear consensus this week, with 47 percent predicting mortgage rates will fall and 40 percent expecting mortgage rates to hold steady in the next seven days. Just 13 percent forecast an increase in mortgage rates in the coming week.

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

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