

Bankrate: Mortgage Rates Relax

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NEW YORK, Feb. 7, 2013 /PRNewswire/ -- Following the largest weekly increase in 10 months, the average 30-year fixed mortgage rate edged down by one basis point over the past week to 3.76 percent, according to Bankrate.com's (NYSE: RATE) weekly national survey. This week, the average 30-year fixed mortgage has an average of 0.32 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 also fell slightly, from 3.03 percent to 3.00 percent. The average jumbo 30-year fixed mortgage rate was unchanged (4.17 percent), as was the 3-year ARM (3.04 percent). The 5-year ARM fell slightly (from 2.78 percent to 2.76 percent), while the 7-year ARM rose slightly (from 2.96 percent to 2.98 percent).

Mortgage rates ticked lower after the Federal Reserve indicated plans to maintain the pace of bond-buying efforts and another report of steady job growth. With the fiscal cliff averted, the debt ceiling debate delayed, and even overtures of postponing the significant federal spending cuts known as the sequester, any immediate risk of the wheels coming off the economy seems remote. As a result, bond yields and mortgage rates are more or less holding steady, awaiting a catalyst for the next big move. Mortgage rates are closely related to yields on long-term government bonds.

The last time mortgage rates were above 5 percent was in April 2011. At the time, the average 30-year fixed rate was 5.07 percent, meaning a \$200,000 loan would have carried a monthly payment of \$1,082.22. With the average rate now 3.76 percent, the monthly payment for the same size loan would be \$927.37, a difference of \$154.85 per month for anyone refinancing now.

SURVEY RESULTS

30-year fixed: 3.76% -- down from 3.77% last week (avg. points: 0.32)

15-year fixed: 3.00% -- down from 3.03% last week (avg. points: 0.29)

5/1 ARM: 2.76% -- down from 2.78% last week (avg. points: 0.29)

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 week. The majority of the panelists, 54 percent, believe rates will remain relatively unchanged (plus or minus two basis points). Thirty-one percent expect an increase larger than two basis points and 15 percent forecast a decrease larger than two basis points.

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

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