

Bankrate: Mortgage Rates Move Lower

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NEW YORK, Sept. 6, 2012 /PRNewswire/ -- Mortgage rates were mostly lower for a second straight week, with the benchmark 30-year fixed mortgage inching down to 3.79 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 bucked the trend and nosed higher to 3.04 percent, while the larger jumbo 30-year mortgage reset a record low of 4.33 percent. Adjustable mortgage rates also reset record lows, with the 5-year and 7-year ARMs falling to 2.76 percent and 2.9 percent, respectively.

Federal Reserve Chairman Ben Bernanke's speech left the door wide open for possible additional stimulus. Bond yields and mortgage rates moved lower in response. The looming employment report will be critical in determining whether the Fed acts at their meeting this month or defers until later in the year. While markets are expecting the Fed to act next week, it would take a weak jobs report to truly seal the deal.

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 3.79 percent, the monthly payment for the same size loan would be \$930.78, a difference of \$311 per month for anyone refinancing now.

SURVEY RESULTS

30-year fixed: 3.79% -- down from 3.80% last week (avg. points: 0.4)
15-year fixed: 3.04% -- up from 3.03% last week (avg. points: 0.36)
5/1 ARM: 2.76% -- down from 2.80% last week (avg. points: 0.4)

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. This week, the panelists are divided fairly evenly, with 36 percent predicting mortgage rates will decline further and an equal 36 percent expecting mortgage rates to hold steady. The remaining 28 percent forecast an increase in mortgage rates over the coming week.

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

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