

## Bankrate: Mortgage Rates Set 3rd New Record in a Row

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NEW YORK, May 10, 2012 /PRNewswire/ -- Mortgage rates fell for a fifth consecutive week, with the average rate on the benchmark 30-year fixed mortgage rate dropping to 4.02 percent, according to Bankrate.com's weekly national survey. The average 30-year fixed mortgage has an average of 0.43 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 retreated to 3.2 percent while the jumbo 30-year fixed mortgage pulled back to 4.54 percent – both record lows. Adjustable mortgage rates were lower too, with the average 3-year adjustable inching tying a record low of 3.06 percent, while the 5-year ARM fell below the 3 percent mark for the first time ever, down to 2.99 percent.

An uninspiring jobs report, combined with heightened anxiety about Europe's debt woes is fueling demand for high-quality U.S. government debt. Mortgage rates have been direct beneficiaries of this as they are closely related to yields on long-term government bonds. As long as nervousness persists, you can expect mortgage rates to remain in this now familiar record low territory.

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 4.02 percent, the monthly payment for the same size loan would be \$957.14, a difference of \$284 per month for anyone refinancing now.

### SURVEY RESULTS

30-year fixed: 4.02% -- down from 4.05% last week (avg. points: 0.43)

15-year fixed: 3.20% -- down from 3.25% last week (avg. points: 0.40)

5/1 ARM: 2.99% -- down from 3.02% last week (avg. points: 0.33)

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. Half of this week's panelists foresee still lower mortgage rates, while 43 percent expect they'll remain more or less unchanged over the next seven days. Just 7 percent of respondents predict an increase in the coming week.

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

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