

Bankrate: Lowest Mortgage Rates Since Memorial Day

NEW YORK, Aug 20, 2009 /PRNewswire via COMTEX News Network/ -- The average 30-year fixed mortgage rate fell to 5.52 percent this week, according to Bankrate.com's weekly national survey. The average 30-year fixed mortgage has an average of 0.36 discount and origination points.

(Logo: <http://www.newscom.com/cgi-bin/prnh/20040122/FLTHLOGO>)

The average 15-year fixed rate mortgage fell to 4.84 percent, while the average jumbo 30-year fixed rate inched lower to 6.44 percent. Adjustable rate mortgages were lower, with the average 1-year ARM dipping to 5.19 percent and the 5-year ARM dropping to 4.86 percent.

A renewed bout of economic uncertainty brought mortgage rates to the lowest level since late May. Skepticism about the sustainability of an economic rebound with the American consumer ailing led investors to pull money out of stocks and park it in the safety of government bonds. Mortgage rates are closely related to yields on long-term government bonds. The recent downturn in mortgage rates has also brought rates for larger jumbo loans to a three-month low.

Mortgage rates are more than one full percentage point lower than one year ago. This time last year, the average 30-year fixed mortgage rate was 6.66 percent, meaning a \$200,000 loan would have carried a monthly payment of \$1,285.25. With the average rate now 5.52 percent, the monthly payment for the same size loan would be \$1,138.09, a savings of \$147 per month for a homeowner refinancing now.

SURVEY RESULTS

30-year fixed: 5.52% -- down from 5.67% last week (avg. points: 0.36)

15-year fixed: 4.84% -- down from 4.93% last week (avg. points: 0.32)

5/1 ARM: 4.86% -- down from 4.93% last week (avg. points: 0.35)

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 forward-looking Rate Trend Index, in which a panel of mortgage experts predicts which way the rates are headed over the next 30 to 45 days. Rates probably aren't headed higher or lower, with 46 percent of panelists expecting mortgage rates to remain more or less unchanged over the next 30 to 45 days. The remaining respondents are evenly split, with 27 percent predicting an increase in rates and 27 percent forecasting a decline in mortgage rates in the next 30 to 45 days.

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

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