

Bankrate: Jumbo Mortgage Rates Jump

NEW YORK, Sept 17, 2009 /PRNewswire-FirstCall via COMTEX News Network/ -- The average conforming 30-year fixed mortgage rate fell to 5.38 percent, according to Bankrate.com's weekly national survey. The average 30-year fixed mortgage has an average of 0.32 discount and origination points.

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

The average 15-year fixed also retreated, dropping to 4.72 percent, but the larger jumbo 30-year fixed mortgage rate climbed to 6.6 percent. Adjustable rate mortgages were mostly lower, with the average 1-year ARM inching downward to 5.26 percent and the 3-year ARM plunging to 4.87 percent.

Rates on large jumbo mortgages jumped back to levels last seen in early August, as lenders command still higher rates on loans that lack government backing. Fortunately, rates on the smaller conforming mortgages that most borrowers seek continued their slow retreat, with rates near lows last seen in May. Tame inflation data reassured investors in government and mortgage-backed bonds, keeping mortgage rates low.

Mortgage rates are much lower than one year ago. This time last year, the average 30-year fixed mortgage rate was 6.16 percent, meaning a \$200,000 loan would have carried a monthly payment of \$1,219.75. With the average rate now 5.38 percent, the monthly payment for the same size loan would be \$1,120.57, a savings of nearly \$100 per month for a homeowner refinancing now.

SURVEY RESULTS

30-year fixed: 5.38% -- down from 5.40% last week (avg. points: 0.32)

15-year fixed: 4.72% -- down from 4.75% last week (avg. points: 0.28)

5/1 ARM: 4.89% -- unchanged from 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 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. A majority of panelists, 59 percent, don't think mortgage rates are going much of anywhere anytime soon, expecting mortgage rates to remain more or less unchanged over the next 30 to 45 days. One in four respondents - 25 percent - forecast a decline and just 16 percent predict mortgage rates will rise in that timeframe.

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

To see mortgage rates in your area, go to <http://www.bankrate.com/funnel/mortgages/>

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