



Bankrate: Mortgage Rates Dip Below 4 Percent

NEW YORK – October 8, 2015 – Mortgage rates moved back below the 4 percent threshold for the first time since May, with the benchmark 30-year fixed mortgage settling at 3.95 percent, according to Bankrate.com’s weekly national survey. The 30-year fixed mortgage has an average of 0.19 discount and origination points.

The larger jumbo 30-year fixed rate nosed higher to 3.9 percent, but remains below the smaller conforming 30-year fixed mortgage. The average 15-year fixed mortgage slid to 3.15 percent. Adjustable mortgage rates were on the downswing also, with the 5-year ARM retreating to 3.17 percent and the 7-year ARM sinking to 3.34 percent.

The disappointing September employment report stoked concerns about broader economic fallout from the slowdown in China and elsewhere in the global economy. It also all but guarantees the Federal Reserve will not be raising interest rates at their meeting later this month. Put together, the conditions were ripe for bond yields and mortgage rates to retreat. The yield on the 10-year Treasury note dipped below the 2 percent mark and the benchmark 30-year fixed mortgage rate pulled back below the 4 percent mark. Mortgage rates are closely related to yields on long-term government bonds. Until the uneasiness and uncertainty about the U.S. economy is put to rest, don’t expect any sharp upward moves in mortgage rates.

At the current average 30-year fixed mortgage rate of 3.95 percent, the monthly payment on a \$200,000 loan is \$949.07.

SURVEY RESULTS

30-year fixed: 3.95% -- down from 4.01% last week (avg. points: 0.19)

15-year fixed: 3.15% -- down from 3.18% last week (avg. points: 0.14)

5/1 ARM: 3.17% -- down from 3.19% last week (avg. points: 0.20)

Bankrate's national weekly mortgage survey is conducted each Wednesday from data provided by the top 10 banks and thrifts in 10 top markets.

For a full analysis of this week's move in mortgage rates, go to

<http://www.bankrate.com/finance/mortgages/mortgage-analysis-100815.aspx>

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, half of the panelists expect mortgage rates to remain more or less unchanged, while 41 percent forecast an increase in the coming week. Just 9 percent of respondents predict that mortgage rates will decline in the next seven days.

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