



Bankrate: Mortgage Rates at 2nd-Lowest Level on Record

NEW YORK – July 7, 2016 – Mortgage rates keep dropping as post-Brexit uncertainty weighs on financial markets, with the benchmark 30-year fixed mortgage rate now at 3.52 percent, according to Bankrate.com’s weekly national survey. The 30-year fixed mortgage has an average of 0.27 discount and origination points.

The larger jumbo 30-year fixed was down more modestly, to 3.64 percent, but established a new record low. However this rate is higher than the average conforming rate for just the fifth time in the past year. The average 15-year fixed mortgage rate slid to a fresh 3-year low of 2.85 percent. Adjustable mortgage rates moved to new 3-year lows as well, with the 5-year ARM retreating to 2.95 percent and the 10-year ARM settling at 3.33 percent.

The recent market upheaval over the surprise Brexit vote continues to benefit mortgage shoppers nicely. While the U.S. stock market has largely recovered its losses, look no further than the yield on benchmark 10-year Treasury notes for evidence of how skittish investors remain. With the 10-year Treasury yield establishing a new record low this week, mortgage rates have been pulled along for the ride. Mortgage rates are closely related to the yields on long-term Treasuries. The current average 30-year fixed mortgage rate of 3.52 percent ties the second-lowest level on record and a point not seen since May 2013.

This time last year the average 30-year fixed mortgage rate was 4.14 percent, which carried a monthly payment of \$971.04 on a \$200,000 loan. At the current average rate of 3.52 percent, the monthly payment for the same size loan is \$900.32, resulting in savings of more than \$70 per month for a homeowner refinancing now.

SURVEY RESULTS

30-year fixed: 3.52% -- down from 3.61% last week (avg. points: 0.27)

15-year fixed: 2.85% -- down from 2.89% last week (avg. points: 0.21)

5/1 ARM: 2.95% -- down from 3.01% last week (avg. points: 0.28)

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-070716.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. More than half of this week's panelists – 56 percent – expect mortgage rates to keep falling while just 11 percent forecast a rebound. One-third predict that mortgage rates will remain more or less unchanged in the coming week.

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