

Refinancing not recommended for Obamas

by UPI

CHICAGO -- President Barack Obama shouldn't refinance the 5.62 percent jumbo mortgage he took out to purchase a mansion in Chicago, a mortgage broker says.

Jim Brady of PrivateBank Mortgage Co. in Chicago says the long-term rate Obama has represents "very cheap money," The Chicago Tribune reported Friday.

During a White House event on Thursday, Obama showcased several families who have lowered monthly bills by refinancing their mortgages.

The president touted efforts by the Federal Reserve and the Treasury Department to bring mortgage rates to historic lows with the national average currently at about 4.87 for a standard home loan.

The Obamas' loan is what bankers call a "super jumbo" which is larger and often harder to finance in today's market conditions, experts say.

The \$1.32 million loan was used to purchase a \$1.65 million restored Georgian mansion in Chicago's Kenwood neighborhood in 2005.

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