



February

2021

Origination Insight Report



Introduction

The *Origination Insight Report* by ICE Mortgage Technology™ provides monthly data and insights from a robust sampling of closed loan applications that flow through ICE Mortgage Technology's Encompass® mortgage management software and ICE Mortgage Technology Network™. The characteristics of closed and denied loans presented in this report are averages.

The *Origination Insight Report* mines its application data from a robust sampling of approximately 80 percent of all mortgage applications that were initiated on the ICE Mortgage Technology Platform. ICE Mortgage Technology believes the *Origination Insight Report* is a strong proxy of the underwriting standards employed by lenders across the country.

Monthly Origination Overview for Closed Loans

	2021		2020											2019			
	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct
Purpose																	
ALL Loans																	
REFI %	68%	67	60	61	60	58	56	54	58	65	65	55	51	50	46	49	51
PUR %	32%	32	39	39	40	42	44	46	42	35	35	45	49	50	54	51	49
Purpose																	
FHA Loans																	
REFI %	24%	24	19	18	17	15	15	14	15	19	21	22	20	22	25	27	27
PUR %	76%	76	81	82	83	85	85	86	85	81	79	78	80	78	75	73	73
Purpose																	
CONV Loans																	
REFI %	75%	74	68	69	68	66	61	63	68	74	73	63	55	55	53	55	58
PUR %	25%	25	31	31	32	34	39	37	32	26	27	37	45	45	47	45	42
Purpose																	
VA Loans																	
REFI %	35%	36	30	30	25	20	19	21	21	25	31	30	23	26	30	33	33
PUR %	65%	64	70	70	75	80	81	79	79	75	69	70	77	74	70	67	67
Type																	
FHA %	8%	9	10	10	10	10	11	11	10	9	10	13	14	16	17	16	16
CONV %	84%	84	81	82	82	80	79	79	80	82	81	76	74	71	70	71	73
VA %	5%	5	6	6	5	6	6	6	7	6	6	7	8	8	9	9	8
Other %	3%	3	3	2	3	3	3	3	3	3	3	3	4	5	4	4	3

Monthly Origination Overview for Closed Loans

	2021		2020											2019			
	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct
Time to Close																	
ALL (Days)																	
ALL	53	58	58	55	54	51	49	47	47	45	42	40	43	48	48	45	44
REFI	52	59	59	59	57	54	50	50	48	44	39	35	40	48	45	43	42
PUR	53	57	56	49	48	47	45	44	46	47	46	45	45	48	51	47	47
Time to Close																	
FHA (Days)																	
ALL	57	62	62	54	52	51	48	46	48	47	45	44	46	50	50	47	46
REFI	61	65	64	61	61	58	55	54	57	50	46	42	51	57	46	44	44
PUR	56	61	61	52	50	49	47	45	46	46	45	44	45	49	54	48	47
Time to Close																	
CONV (Days)																	
ALL	52	57	57	55	54	51	49	47	47	45	41	38	42	48	47	45	43
REFI	52	58	59	59	57	54	51	50	47	44	39	34	39	47	44	43	41
PUR	49	54	53	47	47	46	44	43	45	47	46	44	45	48	50	47	46
Time to Close																	
VA (Days)																	
ALL	58	66	61	55	54	52	50	49	50	49	48	47	48	51	52	48	48
REFI	63	76	64	62	63	60	56	54	60	54	48	46	50	56	47	46	47
PUR	55	61	60	51	51	50	49	48	47	48	47	47	47	50	54	49	49

Time to close all loans decreased in February

The average time to close all loans fell to 53 days in February, down from 58 days in January.

The average time to close a refinance decreased from 59 days in January to 52 in February.

The average time to close a purchase fell to 53 days, down from 57 the month prior.

Monthly Origination Overview for Closed Loans

	2021		2020											2019			
	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct
ALL Loans																	
ARM %	2.3%	2.3	2.4	2.4	2.4	2.5	2.8	3.0	3.5	3.8	3.9	3.2	5.3	6.3	5.5	5.3	5.0
30-Year Note Rate	2.89	2.88	2.93	2.97	2.99	3.00	3.09	3.24	3.40	3.43	3.48	3.65	3.86	3.96	3.99	3.97	3.94
FHA Loans																	
ARM %	0.2%	0.2	0.2	0.3	0.3	0.2	0.2	0.2	0.2	0.3	0.4	0.3	0.2	0.3	0.4	0.4	0.5
30-Year Note Rate	2.86	2.86	2.94	2.99	3.01	3.01	3.10	3.26	3.41	3.45	3.56	3.76	3.87	3.91	3.93	3.93	3.94
CONV Loans																	
ARM %	1.3%	1.4	1.6	1.6	1.6	1.7	1.9	2.2	2.5	2.8	2.9	3.2	4.2	5.2	5.0	4.8	4.5
30-Year Note Rate	2.92	2.91	2.96	2.99	3.01	3.02	3.12	3.26	3.42	3.44	3.48	3.65	3.89	4.03	4.07	4.04	3.98
VA Loans																	
ARM %	0.0%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
30-Year Note Rate	2.60	2.60	2.66	2.72	2.75	2.78	2.86	3.02	3.20	3.24	3.31	3.45	3.62	3.64	3.66	3.67	3.68

The average 30-year rate rose slightly to 2.89 in February, up from 2.88 in January. The 30-year rate on Conventional loans was 2.92 in February, up from 2.91 the month prior. The 30-year rate on FHA loans remained the same at 2.86 in February. The 30-year rate on VA loans also stayed flat from January to February at 2.60.

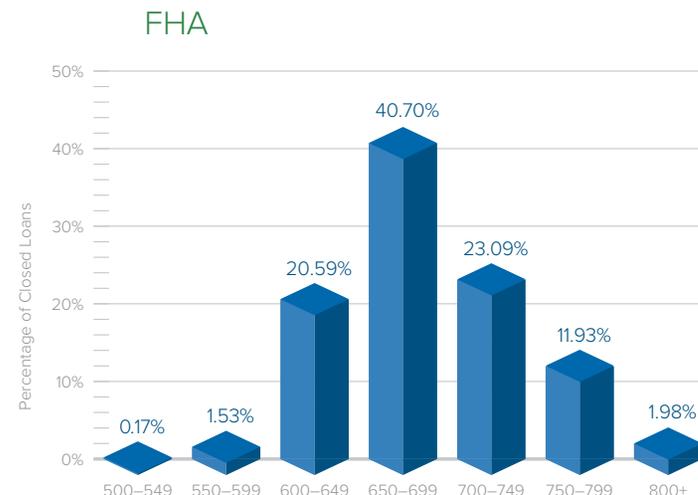
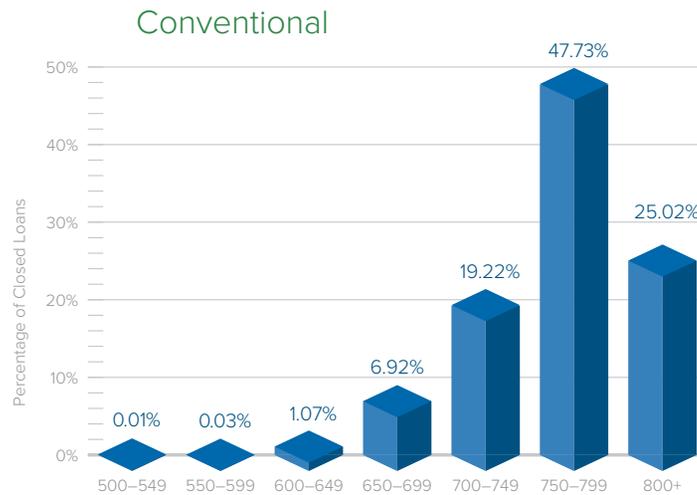
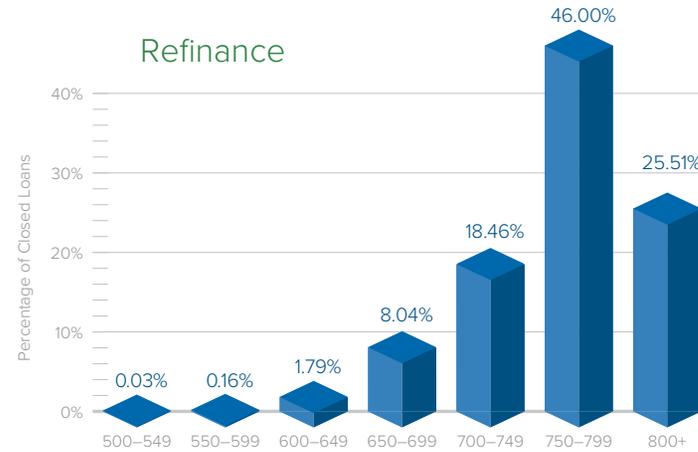
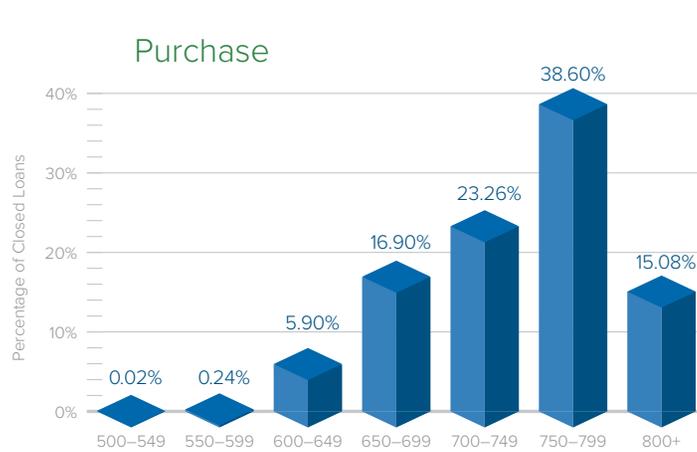
Monthly Origination Overview for Closed Loans

Percentage of loan applications in previous 90-day cycle that have closed

	2021		2020											2019			
	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct
ALL Loans																	
Closing Rate %	76.4%	76.2	76.5	75.6	76.7	77.1	77.2	77.1	73.4	76.0	76.5	78.0	78.3	78.2	77.8	78.6	78.1
REFI	76.3%	74.4	74.8	73.8	75.0	74.9	75.4	76.1	73.2	75.9	75.8	75.7	76.0	75.8	75.5	77.1	75.2
PUR	77.1%	78.9	79.2	78.6	79.4	80.0	80.1	79.4	74.2	76.4	77.5	80.2	80.7	80.7	80.3	80.6	80.6
FHA Loans																	
Closing Rate %	72.3%	72.8	73.5	72.7	73.8	74.9	74.5	73.1	66.9	71.1	72.7	74.4	74.8	74.4	74.2	74.0	74.9
REFI	59.9%	57.3	56.9	56.5	57.2	58.5	56.7	56.3	52.9	57.6	61.7	64.3	64.1	63.2	61.9	64.5	64.1
PUR	76.3%	76.6	77.2	76.3	77.1	78.0	78.1	77.6	72.0	75.7	76.9	78.4	78.9	78.8	78.8	78.3	77.4
CONV Loans																	
Closing Rate %	77.2%	76.9	77.2	76.2	77.3	77.6	77.8	77.9	74.4	77.2	77.8	78.1	78.3	77.9	78.0	78.9	78.3
REFI	77.0%	75.4	75.7	74.6	75.9	75.8	76.4	77.1	74.3	77.5	77.8	76.9	77.1	76.3	76.6	78.1	76.2
PUR	77.6%	79.9	80.0	79.6	80.3	80.9	80.9	80.4	74.9	76.7	77.8	79.5	79.7	79.9	79.9	80.1	80.3
VA Loans																	
Closing Rate %	75.0%	75.1	75.1	74.2	75.1	76.0	76.6	74.8	72.8	74.7	73.8	73.3	74.6	74.8	73.1	74.1	75.4
REFI	73.0%	69.0	67.1	65.4	65.3	66.1	65.8	63.7	67.7	70.6	67.1	63.0	65.3	66.3	63.1	67.0	68.3
PUR	76.1%	77.8	78.1	77.4	78.5	79.1	80.1	78.6	75.4	76.8	77.3	78.9	80.0	79.7	79.1	79.1	79.5

Closing rates for all loans increased slightly to 76.4 percent in February, up from 76.2 percent in January. Closing rates on refinances increased to 76.3 percent in February, up from 74.4 percent in January. Closing rates on purchase loans decreased to 77.1 percent in February, down from 78.9 percent the month prior.

February 2021 Average FICO Score Distribution



Profiles of All Closed Loans

Closed Loans

	2021		2020											2019			
	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct
ALL																	
FICO	753	752	751	752	753	753	752	750	751	750	749	742	738	738	735	736	737
LTV	70	71	72	72	73	73	74	75	73	74	74	76	76	76	77	77	77
DTI	23/34	23/34	23/35	23/35	23/35	23/34	23/35	23/35	23/35	23/35	23/35	24/36	24/37	24/37	24/37	24/37	24/37

The average FICO score on all closed loans rose to 753 in February, up one point from the month prior. LTV decreased to 70 and DTI remained at 23/34.

Profiles of Closed FHA Loans

Closed Loans

	2021		2020											2019			
	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct

FHA-REFI

FICO	675	677	677	678	679	679	678	679	677	673	667	661	660	667	663	663	664
LTV	77	77	78	78	78	79	80	80	80	80	80	79	78	79	78	78	79
DTI	25/41	25/41	25/42	25/42	25/42	25/42	25/42	25/41	25/42	25/42	26/42	26/43	27/43	26/43	27/43	27/43	27/43

FHA-PUR

FICO	682	683	682	683	683	684	684	684	684	682	678	677	678	679	679	679	677
LTV	95	95	95	95	95	96	96	96	96	96	95	95	95	95	95	95	95
DTI	29/43	29/43	29/44	29/44	29/43	29/43	28/43	28/43	29/43	28/43	28/43	28/43	28/43	28/44	28/43	28/44	28/43

FHA-REFI (% OF REFIS @ 95 LTV+)

	2021		2020											2019			
	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct
%	26.1%	25.8	25.5	26.0	26.5	27.4	29.3	29.1	31.7	29.5	30.8	32.1	31.0	34.3	29.6	29.0	27.5

FHA refinance FICO scores shifted slightly, decreasing to 675 in February, down from 677 in January. Conventional refinance FICO scores remained at 764 in both January and February. VA refinance FICO scores for February also stayed at 738 month-over-month.

Profiles of Closed Conventional Loans

Closed Loans

	2021		2020											2019			
	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct
CON-REFI																	
FICO	764	764	763	764	766	767	766	764	763	762	763	758	752	752	749	751	753
LTV	63	63	63	64	64	64	64	65	66	66	67	67	67	66	66	66	67
DTI	22/33	22/33	22/33	22/33	22/32	22/32	22/32	22/33	22/33	22/33	22/33	23/33	23/35	23/35	23/35	23/35	23/34

CON-PUR

FICO	758	757	757	758	759	759	759	758	756	755	756	756	755	755	755	755	755
LTV	81	81	81	81	81	81	81	82	82	82	81	81	81	80	80	80	80
DTI	23/35	23/35	23/35	23/35	23/35	23/35	23/35	23/35	23/35	23/35	23/35	23/36	23/36	23/36	23/36	24/36	23/36

Profiles of Closed VA Loans

Closed Loans

	2021		2020											2019			
	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct

VA-REFI

FICO	738	738	737	736	736	738	736	737	733	729	726	717	712	719	712	714	713
LTV	76	77	78	78	79	80	80	81	81	82	81	82	83	83	83	84	85
DTI	22/37	22/36	23/37	22/36	22/36	22/36	22/37	23/37	24/38	23/37	23/38	24/39	25/40	24/40	25/40	25/40	25/40

VA-PUR

FICO	723	723	724	724	725	725	725	725	721	716	713	712	711	712	713	712	711
LTV	98	98	98	98	98	98	98	98	98	98	98	98	98	98	98	98	98
DTI	25/41	25/41	25/41	25/41	25/41	25/41	25/40	25/41	25/41	25/41	25/41	25/41	25/42	25/42	25/42	25/41	25/42

VA-REFI (% OF REFIS @ 95 LTV+)

	2021		2020											2019			
	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct
%	29.1%	30.7	31.7	32.1	32.5	36.3	35.7	36.5	40.8	39.5	37.5	40.0	42.7	46.6	43.7	42.7	44.5

Terminology

Closing Rate

Percentage of loan applications begun in the previous 90-day cycle that have closed.

Debt-to-Income Ratio (DTI)

A personal finance measure that compares an individual's debt payments to the income he or she generates. Includes front-end ratio/back-end ratio.

FICO

A type of credit score that makes up a substantial portion of the credit report that lenders use to assess an applicant's credit risk and determine whether to extend a loan. FICO is an acronym for the Fair Isaac Corporation, the creators of the FICO score.

The *Origination Insight Report* by ICE Mortgage Technology looks at the average middle score from a tri-merge credit report.

Loan-to-Value Ratio (LTV)

A lending risk-assessment ratio that financial institutions and other lenders examine before approving a mortgage. It is calculated by dividing the mortgage amount by the appraised value of the property.

Refinance

Includes both no-cash-out and cash-out refinances.

Time-to-Close

Time from loan application to funding.

Methodology

The *Origination Insight Report* mines its application data from a robust sampling of approximately 80 percent of all mortgage applications that are initiated through ICE Mortgage Technology's Encompass digital mortgage solution.

The *Origination Insight Report* focuses on loans that closed in a specific month. The closing rate is calculated on a 90-day cycle rather than on a monthly basis because

most loan applications typically take one-and-a-half to two months from application to closing. Loans that do not close could still be active applications or applications withdrawn by consumers for incompleteness or nonqualification.

The *Origination Insight Report* details aggregated, de-identified data pulled from ICE Mortgage Technology's Encompass origination platform.

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Joe Tyrrell, President, ICE Mortgage Technology

About ICE Mortgage Technology

ICE Mortgage Technology, part of Intercontinental Exchange, Inc. (NYSE: ICE), is the leading cloud-based platform provider for the mortgage finance industry. ICE Mortgage Technology's solutions enable lenders to originate more loans, lower origination costs, and reduce the time to close, all while ensuring the highest levels of compliance, quality and efficiency.

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