



March

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

## Monthly Origination Overview for Closed Loans

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

### Time to close all loans decreased in March

The average time to close all loans fell to 52 days in March, down from 53 days in February.

The average time to close a refinance held steady at 52 days month over month.

The average time to close a purchase fell to 51 days, down from 53 the month prior.

## Monthly Origination Overview for Closed Loans

	2021			2020												2019	
	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov
<b>ALL Loans</b>																	
ARM %	<b>2.4%</b>	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
30-Year Note Rate	<b>2.99</b>	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
<b>FHA Loans</b>																	
ARM %	<b>0.3%</b>	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
30-Year Note Rate	<b>2.99</b>	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
<b>CONV Loans</b>																	
ARM %	<b>1.5%</b>	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
30-Year Note Rate	<b>3.02</b>	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
<b>VA Loans</b>																	
ARM %	<b>0.0%</b>	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	<b>2.72</b>	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

The average 30-year rate rose slightly to 2.99 in March, up from 2.89 in February.  
 The 30-year rate on Conventional loans was 3.02 in March, up from 2.92 the month prior.  
 The 30-year rate on FHA loans rose from 2.86 in February to 2.99 in March.  
 The 30-year rate on VA loans also saw an increase, jumping from 2.60 in February to 2.72 in March.

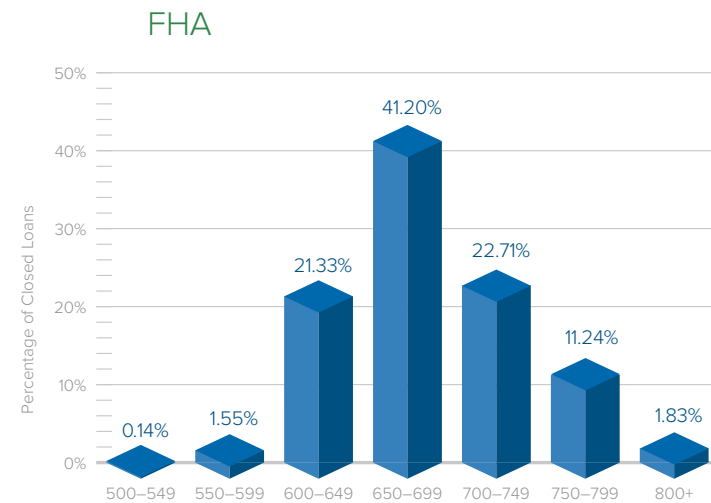
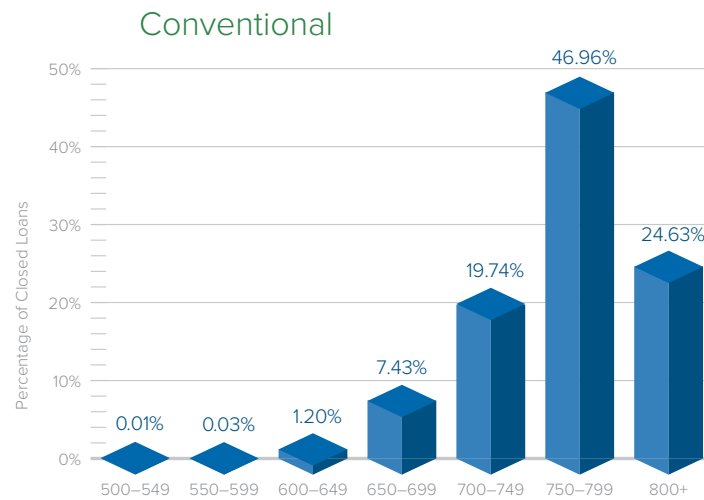
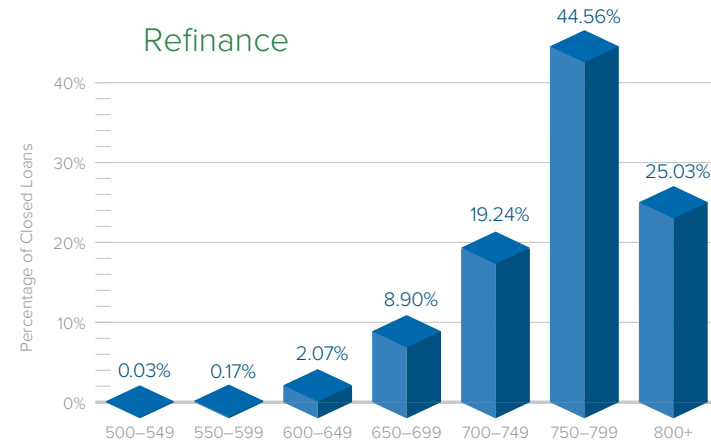
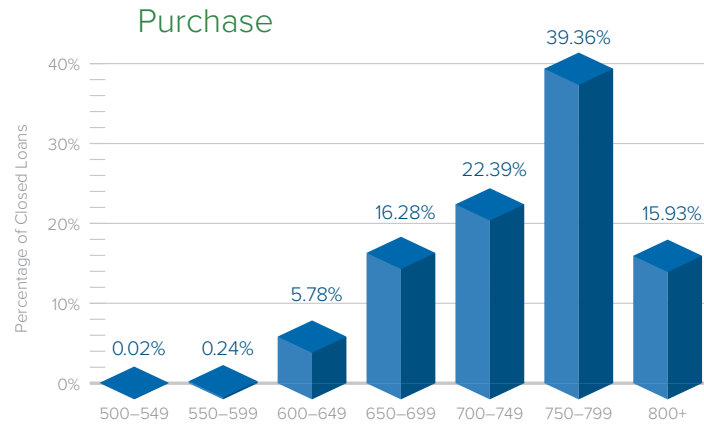
## Monthly Origination Overview for Closed Loans

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

	2021			2020												2019	
	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov
<b>ALL Loans</b>																	
Closing Rate %	<b>77.9%</b>	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
REFI	<b>78.0%</b>	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
PUR	<b>78.1%</b>	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
<b>FHA Loans</b>																	
Closing Rate %	<b>73.3%</b>	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
REFI	<b>60.8%</b>	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
PUR	<b>77.2%</b>	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
<b>CONV Loans</b>																	
Closing Rate %	<b>78.8%</b>	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
REFI	<b>78.9%</b>	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
PUR	<b>78.6%</b>	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
<b>VA Loans</b>																	
Closing Rate %	<b>74.9%</b>	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
REFI	<b>72.0%</b>	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
PUR	<b>76.5%</b>	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

Closing rates for all loans slightly increased to 77.9 percent in March, up from 76.4 percent in February. Closing rates on refinances increased to 78.0 percent in March, up from 76.3 percent in February. Closing rates on purchase loans increased to 78.1 percent in February, up one percentage point from the month prior (77.1).

## March 2021 Average FICO Score Distribution



## Profiles of All Closed Loans

### Closed Loans

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

The average FICO score on all closed loans dropped to 751 in March, down two points from the month prior. LTV increased by one point to 71, and DTI decreased slightly to 23/35 compared to 23/34 in February.



## Profiles of Closed FHA Loans

### Closed Loans

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

### FHA-REFI

FICO	673	675	677	677	678	679	679	678	679	677	673	667	661	660	667	663	663
LTV	77	77	77	78	78	78	79	80	80	80	80	80	79	78	79	78	78
DTI	25/42	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

### FHA-PUR

FICO	681	682	683	682	683	683	684	684	684	684	682	678	677	678	679	679	679
LTV	95	95	95	95	95	95	96	96	96	96	96	95	95	95	95	95	95
DTI	29/43	29/43	29/43	29/44	29/44	29/43	29/43	28/43	28/43	29/43	28/43	28/43	28/43	28/44	28/43	28/44	28/43

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

	2021			2020												2019	
	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov
%	23.8%	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

FHA refinance FICO scores shifted slightly, decreasing to 673 in March, down from 675 in February and 677 in January. Conventional refinance FICO scores also dropped in March to 762, down from 764 the month prior. VA refinance FICO scores also fell slightly to 737, down from 738 in February.

## Profiles of Closed Conventional Loans

### Closed Loans

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

### CON-REFI

FICO	<b>762</b>	764	764	763	764	766	767	766	764	763	762	763	758	752	752	749	751
LTV	<b>63</b>	63	63	63	64	64	64	64	65	66	66	67	67	67	66	66	66
DTI	<b>22/33</b>	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

### CON-PUR

FICO	<b>759</b>	758	757	757	758	759	759	759	758	756	755	756	756	755	755	755	755
LTV	<b>81</b>	81	81	81	81	81	81	81	82	82	82	81	81	81	80	80	80
DTI	<b>23/35</b>	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

## Profiles of Closed VA Loans

### Closed Loans

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

### VA-REFI

FICO	<b>737</b>	738	738	737	736	736	738	736	737	733	729	726	717	712	719	712	714
LTV	<b>76</b>	76	77	78	78	79	80	80	81	81	82	81	82	83	83	83	84
DTI	<b>22/36</b>	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

### VA-PUR

FICO	<b>723</b>	723	723	724	724	725	725	725	725	721	716	713	712	711	712	713	712
LTV	<b>98</b>	98	98	98	98	98	98	98	98	98	98	98	98	98	98	98	98
DTI	<b>25/41</b>	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

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

	2021			2020												2019	
	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov
%	<b>27.8%</b>	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

## 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.

News organizations have the right to reuse this data, provided that ICE Mortgage Technology is credited as the source.





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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