



June

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										
	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb
Purpose																	
ALL Loans																	
REFI %	48%	52	56	63	68	67	60	61	60	58	56	54	58	65	65	55	51
PUR %	51%	47	43	36	32	32	39	39	40	42	44	46	42	35	35	45	49
Purpose																	
FHA Loans																	
REFI %	20%	21	21	22	24	24	19	18	17	15	15	14	15	19	21	22	20
PUR %	79%	79	79	78	76	76	81	82	83	85	85	86	85	81	79	78	80
Purpose																	
CONV Loans																	
REFI %	53%	58	62	70	75	74	68	69	68	66	61	63	68	74	73	63	55
PUR %	46%	41	37	30	25	25	31	31	32	34	39	37	32	26	27	37	45
Purpose																	
VA Loans																	
REFI %	29%	30	31	35	35	36	30	30	25	20	19	21	21	25	31	30	23
PUR %	70%	69	69	65	65	64	70	70	75	80	81	79	79	75	69	70	77
Type																	
FHA %	11%	11	10	9	8	9	10	10	10	10	11	11	10	9	10	13	14
CONV %	78%	79	81	83	84	84	81	82	82	80	79	79	80	82	81	76	74
VA %	7%	7	6	3	5	5	6	6	5	6	6	6	7	6	6	7	8
Other %	3%	3	3	3	3	3	3	2	3	3	3	3	3	3	3	3	4

Monthly Origination Overview for Closed Loans

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

Time to close all loans decreased in June

The average time to close all loans decreased to 49 days in June, down from 53 days in May.
 The average time to close a refinance decreased to 48 days, down from 55 days the month prior.
 The average time to close a purchase was 51 days, up from 50 the month prior.

Monthly Origination Overview for Closed Loans

	2021						2020										
	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb
ALL Loans																	
ARM %	4.0%	3.6	3.1	2.4	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
30-Year Note Rate	3.22	3.27	3.22	2.99	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
FHA Loans																	
ARM %	0.2%	0.2	0.3	0.3	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
30-Year Note Rate	3.23	3.25	3.23	2.99	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
CONV Loans																	
ARM %	2.9%	2.6	2.1	1.5	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
30-Year Note Rate	3.25	3.30	3.25	3.02	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
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	2.92	2.98	2.95	2.72	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

The average 30-year rate decreased to 3.22 in June, down from 3.27 in May.
 The 30-year rate on Conventional loans was 3.25 in June, down from 3.30 the month prior.
 The 30-year rate on FHA loans decreased from 3.25 in May to 3.23 in June.
 The 30-year rate on VA loans decreased slightly, dropping from 2.98 in May to 2.92 in June.

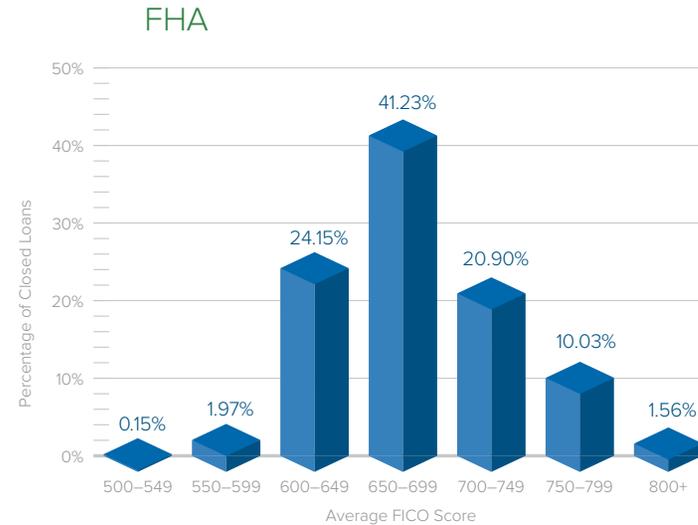
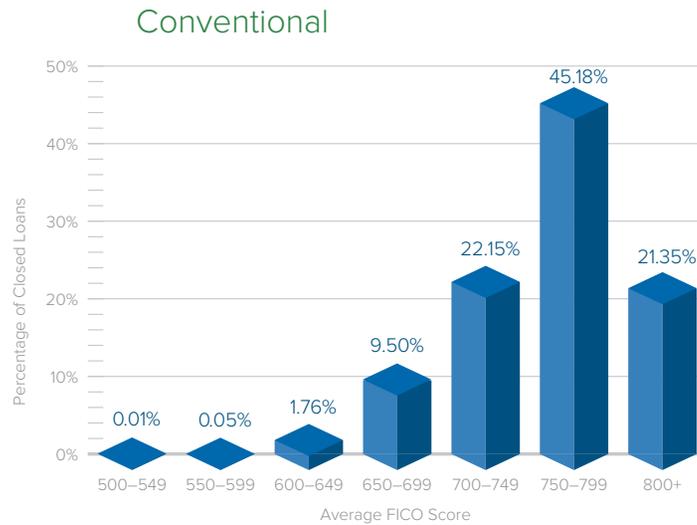
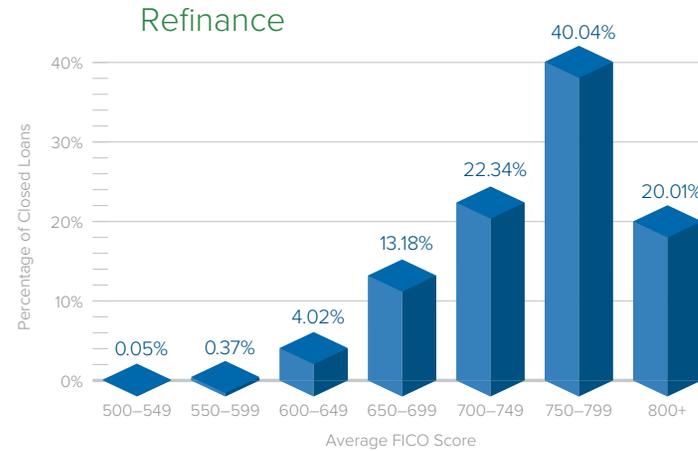
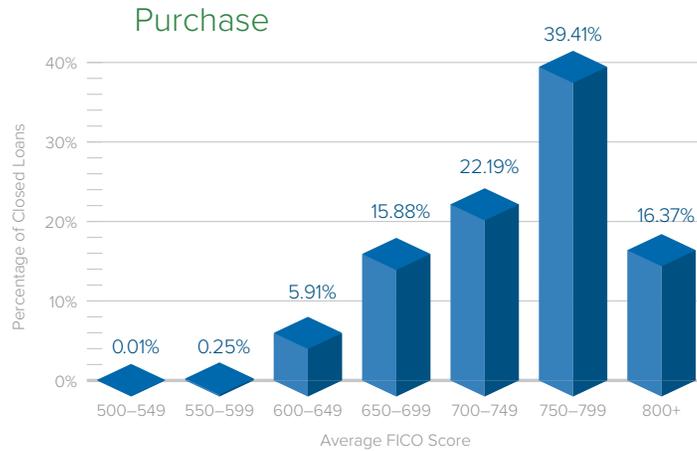
Monthly Origination Overview for Closed Loans

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

	2021						2020										
	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb
ALL Loans																	
Closing Rate %	75.3%	76.9	78.0	77.9	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
REFI	74.6%	77.0	78.8	78.0	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
PUR	76.3%	77.0	76.7	78.1	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
FHA Loans																	
Closing Rate %	71.7%	72.0	72.2	73.3	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
REFI	58.6%	60.1	61.4	60.8	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
PUR	75.1%	75.7	75.8	77.2	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
CONV Loans																	
Closing Rate %	76.2%	77.8	79.1	78.8	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
REFI	75.7%	77.9	79.7	78.9	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
PUR	76.9%	77.5	77.2	78.6	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
VA Loans																	
Closing Rate %	73.8%	75.1	74.7	74.9	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
REFI	70.9%	72.9	72.9	72.0	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
PUR	75.0%	76.1	75.7	76.5	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

Closing rates for all loans decreased to 75.3 percent in June, down from 76.9 percent in May. Closing rates on refinances decreased to 74.6 percent in June, down from 77.0 percent in May. Closing rates on purchase loans dropped to 76.3 percent in June, a slight decrease from the month prior 77.0%.

June 2021 Average FICO Score Distribution



Profiles of All Closed Loans

Closed Loans

	2021						2020										
	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb
ALL																	
FICO	743	744	747	751	753	752	751	752	753	753	752	750	751	750	749	742	738
LTV	74	73	72	71	70	71	72	72	73	73	74	75	73	74	74	76	76
DTI	24/36	24/36	23/35	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

The average FICO score on all closed loans dropped to 743 in June, down one point from the month prior 744. LTV increased to 74 and DTI held steady from the month prior at 24/36.

Profiles of Closed FHA Loans

Closed Loans

	2021						2020										
	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb
FHA-REFI																	
FICO	662	666	670	673	675	677	677	678	679	679	678	679	677	673	667	661	660
LTV	74	76	76	77	77	77	78	78	78	79	80	80	80	80	80	79	78
DTI	26/42	26/42	26/42	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

FHA-PUR

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

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

	2021						2020										
	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb
%	18.1%	18.3	19.8	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

FHA refinance FICO scores continued to decrease to 662 in June, down from 666 in May and 670 in April. Conventional refinance FICO scores also dropped to 752 in June, down from 754 the month prior. VA refinance FICO scores also fell to 722, down from 726 in May and 731 in April.

Profiles of Closed Conventional Loans

Closed Loans

	2021						2020											
	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	
CON-REFI																		
FICO	752	754	757	762	764	764	763	764	766	767	766	764	763	762	763	758	752	
LTV	62	62	62	63	63	63	63	64	64	64	64	65	66	66	67	67	67	
DTI	23/34	23/34	22/34	22/33	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	

CON-PUR

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

Profiles of Closed VA Loans

Closed Loans

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

VA-REFI

FICO	722	726	731	737	738	738	737	736	736	738	736	737	733	729	726	717	712
LTV	78	77	76	76	76	77	78	78	79	80	80	81	81	82	81	82	83
DTI	23/38	23/38	23/37	22/36	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

VA-PUR

FICO	722	723	723	723	723	723	724	724	725	725	725	725	721	716	713	712	711
LTV	98	98	98	98	98	98	98	98	98	98	98	98	98	98	98	98	98
DTI	26/41	26/41	26/41	25/41	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

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

	2021						2020											
	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	
%	24.7%	26.3	27.1	27.8	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	

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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