



April

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
	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec
Purpose																	
<b>ALL Loans</b>																	
REFI %	<b>56%</b>	63	68	67	60	61	60	58	56	54	58	65	65	55	51	50	46
PUR %	<b>43%</b>	36	32	32	39	39	40	42	44	46	42	35	35	45	49	50	54
Purpose																	
<b>FHA Loans</b>																	
REFI %	<b>21%</b>	22	24	24	19	18	17	15	15	14	15	19	21	22	20	22	25
PUR %	<b>79%</b>	78	76	76	81	82	83	85	85	86	85	81	79	78	80	78	75
Purpose																	
<b>CONV Loans</b>																	
REFI %	<b>62%</b>	70	75	74	68	69	68	66	61	63	68	74	73	63	55	55	53
PUR %	<b>37%</b>	30	25	25	31	31	32	34	39	37	32	26	27	37	45	45	47
Purpose																	
<b>VA Loans</b>																	
REFI %	<b>31%</b>	35	35	36	30	30	25	20	19	21	21	25	31	30	23	26	30
PUR %	<b>69%</b>	65	65	64	70	70	75	80	81	79	79	75	69	70	77	74	70
Type																	
FHA %	<b>10%</b>	9	8	9	10	10	10	10	11	11	10	9	10	13	14	16	17
CONV %	<b>81%</b>	83	84	84	81	82	82	80	79	79	80	82	81	76	74	71	70
VA %	<b>6%</b>	3	5	5	6	6	5	6	6	6	7	6	6	7	8	8	9
Other %	<b>3%</b>	3	3	3	3	2	3	3	3	3	3	3	3	3	4	5	4

## Monthly Origination Overview for Closed Loans

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

### Time to close all loans decreased in April

The average time to close all loans fell to 51 days in April, down from 52 days in March.

The average time to close a refinance increased by one day to 53 days in April.

The average time to close a purchase fell to 49 days, down from 51 the month prior.

## Monthly Origination Overview for Closed Loans

	2021				2020												2019
	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec
<b>ALL Loans</b>																	
ARM %	<b>3.1%</b>	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	6.3	5.5
30-Year Note Rate	<b>3.22</b>	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	3.96	3.99
<b>FHA Loans</b>																	
ARM %	<b>0.3%</b>	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	0.3	0.4
30-Year Note Rate	<b>3.23</b>	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	3.91	3.93
<b>CONV Loans</b>																	
ARM %	<b>2.1%</b>	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	5.2	5.0
30-Year Note Rate	<b>3.25</b>	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	4.03	4.07
<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>2.95</b>	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	3.64	3.66

The average 30-year rate rose to 3.22 in April, up from 2.99 in March.  
 The 30-year rate on Conventional loans was 3.25 in April, up from 3.02 the month prior.  
 The 30-year rate on FHA loans rose from 2.99 in March to 3.23 in April.  
 The 30-year rate on VA loans continued to increase, jumping from 2.72 in March to 2.95 in April.

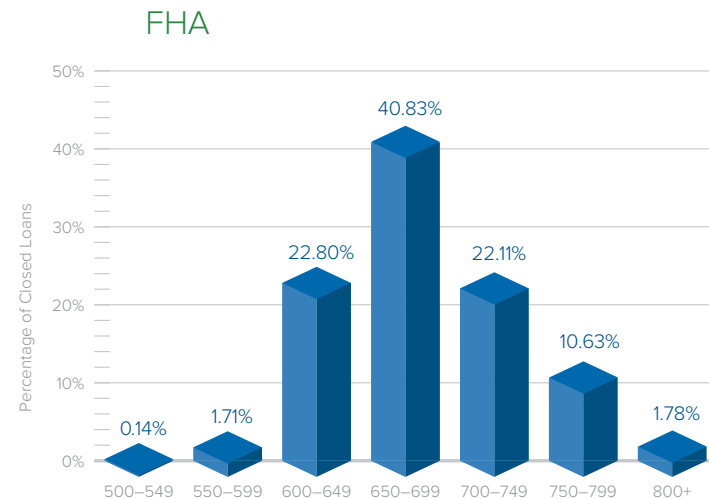
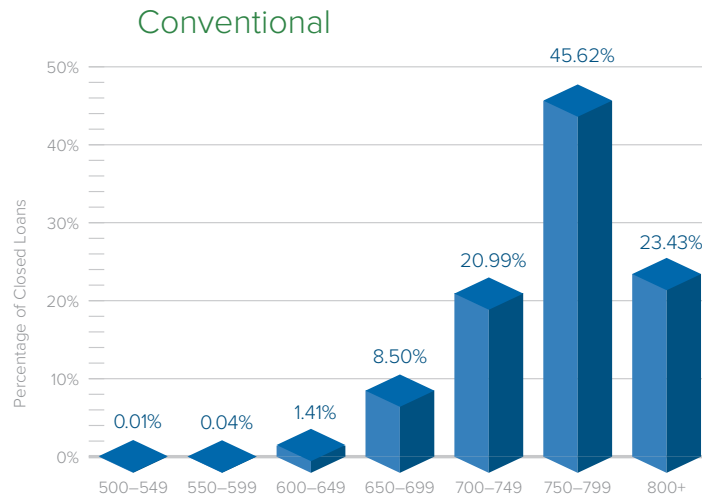
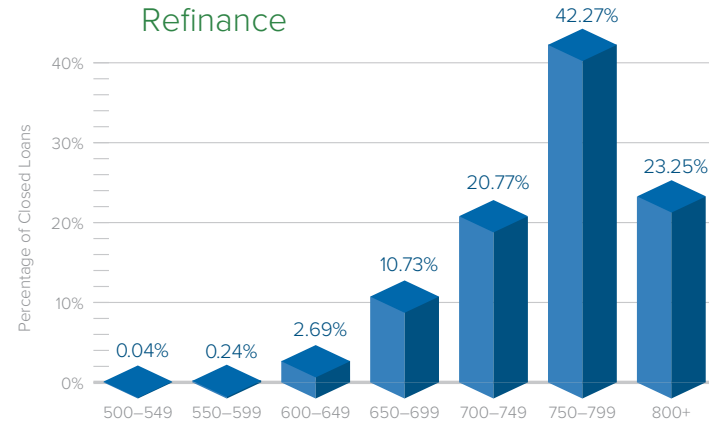
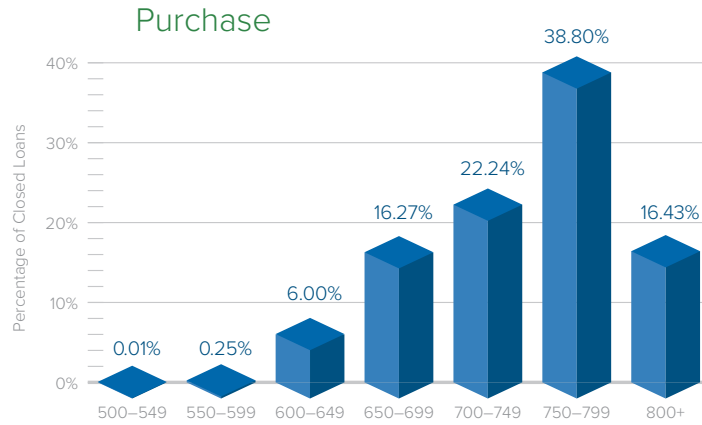
## Monthly Origination Overview for Closed Loans

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

	2021				2020												2019
	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec
<b>ALL Loans</b>																	
Closing Rate %	<b>78.0%</b>	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	78.2	77.8
REFI	<b>78.8%</b>	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	75.8	75.5
PUR	<b>76.7%</b>	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	80.7	80.3
<b>FHA Loans</b>																	
Closing Rate %	<b>72.2%</b>	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	74.4	74.2
REFI	<b>61.4%</b>	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	63.2	61.9
PUR	<b>75.8%</b>	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	78.8	78.8
<b>CONV Loans</b>																	
Closing Rate %	<b>79.1%</b>	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	77.9	78.0
REFI	<b>79.7%</b>	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	76.3	76.6
PUR	<b>77.2%</b>	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	79.9	79.9
<b>VA Loans</b>																	
Closing Rate %	<b>74.7%</b>	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	74.8	73.1
REFI	<b>72.9%</b>	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	66.3	63.1
PUR	<b>75.7%</b>	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	79.7	79.1

Closing rates for all loans increased slightly to 78.0 percent in April, up from 77.9 percent in March. Closing rates on refinances increased to 78.8 percent in April, up from 78.0 percent in March. Closing rates on purchase loans dropped to 76.7 percent in April, a decrease from the month prior (78.1).

## April 2021 Average FICO Score Distribution



## Profiles of All Closed Loans

Closed Loans

	2021				2020												2019
	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec
<b>ALL</b>																	
FICO	<b>747</b>	751	753	752	751	752	753	753	752	750	751	750	749	742	738	738	735
LTV	<b>72</b>	71	70	71	72	72	73	73	74	75	73	74	74	76	76	76	77
DTI	<b>23/35</b>	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

The average FICO score on all closed loans dropped to 747 in April, down four points from the month prior. LTV increased to 72 and DTI remained constant at 23/35.



## Profiles of Closed FHA Loans

### Closed Loans

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

### FHA-REFI

FICO	<b>670</b>	673	675	677	677	678	679	679	678	679	677	673	667	661	660	667	663
LTV	<b>76</b>	77	77	77	78	78	78	79	80	80	80	80	80	79	78	79	78
DTI	<b>26/42</b>	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

### FHA-PUR

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

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

	2021				2020												2019
	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec
%	<b>19.8%</b>	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

FHA refinance FICO scores continued to decrease to 670 in April, down from 673 in March and 675 in February. Conventional refinance FICO scores also dropped to 757 in April, down from 762 the month prior. VA refinance FICO scores also fell to 731, down from 737 in March and 738 in February and January.

## Profiles of Closed Conventional Loans

Closed Loans

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

### CON-REFI

FICO	<b>757</b>	762	764	764	763	764	766	767	766	764	763	762	763	758	752	752	749
LTV	<b>62</b>	63	63	63	63	64	64	64	64	65	66	66	67	67	67	66	66
DTI	<b>22/34</b>	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	23/35	23/35

### CON-PUR

FICO	<b>759</b>	759	758	757	757	758	759	759	759	758	756	755	756	756	755	755	755
LTV	<b>81</b>	81	81	81	81	81	81	81	81	82	82	82	81	81	81	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	23/35	23/35	23/36	23/36	23/36

## Profiles of Closed VA Loans

### Closed Loans

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

### VA-REFI

FICO	<b>731</b>	737	738	738	737	736	736	738	736	737	733	729	726	717	712	719	712
LTV	<b>76</b>	76	76	77	78	78	79	80	80	81	81	82	81	82	83	83	83
DTI	<b>23/37</b>	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	24/40	25/40

### VA-PUR

FICO	<b>723</b>	723	723	723	724	724	725	725	725	725	721	716	713	712	711	712	713
LTV	<b>98</b>	98	98	98	98	98	98	98	98	98	98	98	98	98	98	98	98
DTI	<b>26/41</b>	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	25/42	25/42

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

	2021				2020												2019
	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec
%	<b>27.1%</b>	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	46.6	43.7

## 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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