



January

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			
	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept
Purpose																	
ALL Loans																	
REFI %	67%	60	61	60	58	56	54	58	65	65	55	51	50	46	49	51	49
PUR %	32%	39	39	40	42	44	46	42	35	35	45	49	50	54	51	49	51
Purpose																	
FHA Loans																	
REFI %	24%	19	18	17	15	15	14	15	19	21	22	20	22	25	27	27	28
PUR %	76%	81	82	83	85	85	86	85	81	79	78	80	78	75	73	73	72
Purpose																	
CONV Loans																	
REFI %	74%	68	69	68	66	61	63	68	74	73	63	55	55	53	55	58	55
PUR %	25%	31	31	32	34	39	37	32	26	27	37	45	45	47	45	42	45
Purpose																	
VA Loans																	
REFI %	36%	30	30	25	20	19	21	21	25	31	30	23	26	30	33	33	37
PUR %	64%	70	70	75	80	81	79	79	75	69	70	77	74	70	67	67	63
Type																	
FHA %	9%	10	10	10	10	11	11	10	9	10	13	14	16	17	16	16	16
CONV %	84%	81	82	82	80	79	79	80	82	81	76	74	71	70	71	73	71
VA %	5%	6	6	5	6	6	6	7	6	6	7	8	8	9	9	8	9
Other %	3%	3	2	3	3	3	3	3	3	3	3	4	5	4	4	3	4

Monthly Origination Overview for Closed Loans

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

Time to close all loans holds steady in January

The average time to close all loans held steady at 58 days in both December and January. The average time to close a refinance also held at 59 days month over month. The average time to close a purchase increased from 56 days in December to 57 days in January.

Monthly Origination Overview for Closed Loans

	2021		2020										2019				
	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept
ALL Loans																	
ARM %	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	4.7
30-Year Note Rate	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	3.93
FHA Loans																	
ARM %	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	0.4
30-Year Note Rate	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	3.96
CONV Loans																	
ARM %	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	4.3
30-Year Note Rate	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	3.96
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	2.66	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	3.69

The average 30-year rate continued to decrease to 2.88 percent in January, down from 2.93 in December.
 The 30-year rate on Conventional loans was 2.91 in January, down from 2.96 the month prior.
 The 30-year rate on FHA loans was 2.86 in January, down from 2.94 in December.
 The 30-year rate on VA loans was 2.60 percent in January, down from 2.66 percent in December.

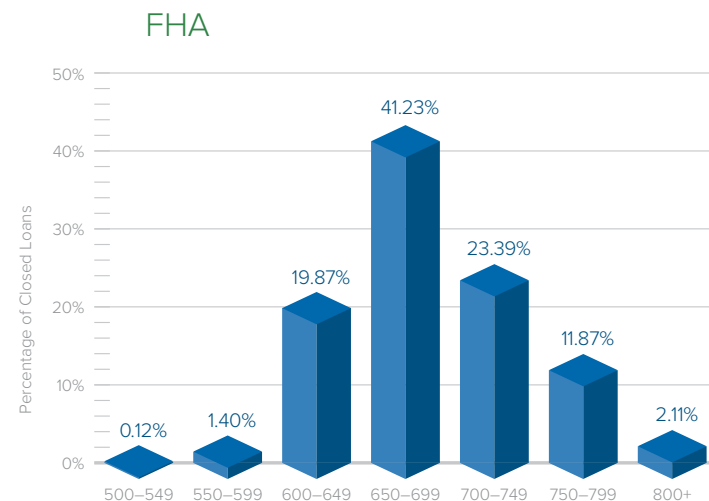
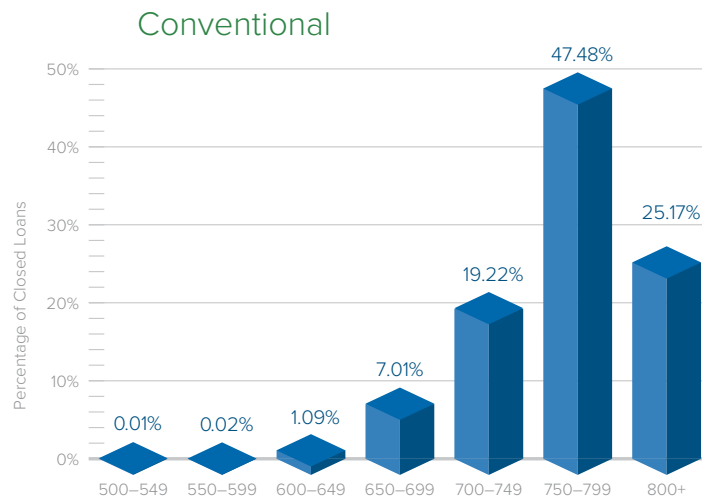
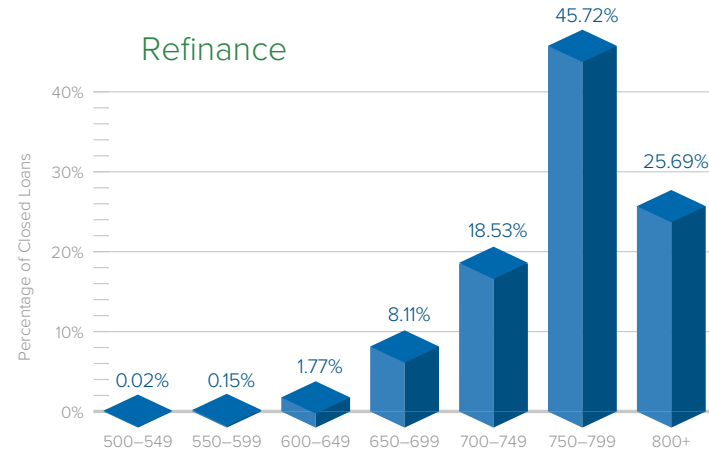
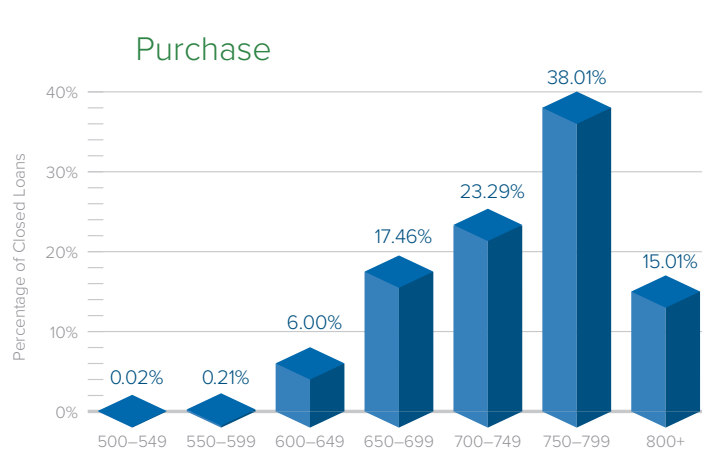
Monthly Origination Overview for Closed Loans

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

	2021	2020												2019			
	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept
ALL Loans																	
Closing Rate %	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	78.1
REFI	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	74.8
PUR	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	80.7
FHA Loans																	
Closing Rate %	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	74.0
REFI	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	64.1
PUR	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	77.9
CONV Loans																	
Closing Rate %	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	78.4
REFI	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	76.1
PUR	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	80.5
VA Loans																	
Closing Rate %	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	74.6
REFI	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	66.1
PUR	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	79.5

Closing rates for all loans decreased slightly to 76.2 percent in January, down from 76.5 percent in December. Closing rates on refinances decreased to 74.4 percent in January, down from 74.8 percent in December. Closing rates on purchase loans decreased to 78.9 percent in January, down from 79.2 percent the month prior.

January 2021 Average FICO Score Distribution



Profiles of All Closed Loans

Closed Loans

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

The average FICO score on all closed loans rose to 752 in January, up one point from the month prior. LTV decreased to 71 and DTI increased to 23/34.

Profiles of Closed FHA Loans

Closed Loans

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

FHA-REFI

FICO	677	677	678	679	679	678	679	677	673	667	661	660	667	663	663	664	667
LTV	77	78	78	78	79	80	80	80	80	80	79	78	79	78	78	79	80
DTI	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	26/42

FHA-PUR

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

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

	2021	2020												2019			
	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept
%	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	25.9

FHA refinance FICO scores held steady at 677 in both December and January. Conventional refinance FICO scores increased one point to 764 in January. VA refinance FICO scores increased to 738 in January, up from 737 the month prior.

Profiles of Closed Conventional Loans

Closed Loans

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

CON-REFI

FICO	764	763	764	766	767	766	764	763	762	763	758	752	752	749	751	753	754
LTV	63	63	64	64	64	64	65	66	66	67	67	67	66	66	66	67	67
DTI	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	23/34

CON-PUR

FICO	757	757	758	759	759	759	758	756	755	756	756	755	755	755	755	755	754
LTV	81	81	81	81	81	81	82	82	82	81	81	81	80	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	23/36	23/36	23/36	23/36	24/36	23/36	23/35

Profiles of Closed VA Loans

Closed Loans

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

VA-REFI

FICO	738	737	736	736	738	736	737	733	729	726	717	712	719	712	714	713	711
LTV	77	78	78	79	80	80	81	81	82	81	82	83	83	83	84	85	89
DTI	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	25/40

VA-PUR

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

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

	2021	2020												2019			
	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept
%	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	50.9

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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