

ICE Mortgage Technology™

September 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							
	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May
Purpose ALL Loans																	
REFI %	**53%**	52	49	48	52	56	63	68	67	60	61	60	58	56	54	58	65
PUR %	**46%**	47	50	51	47	43	36	32	32	39	39	40	42	44	46	42	35
Purpose FHA Loans																	
REFI %	**23%**	23	22	20	21	21	22	24	24	19	18	17	15	15	14	15	19
PUR %	**77%**	77	78	79	79	79	78	76	76	81	82	83	85	85	86	85	81
Purpose CONV Loans																	
REFI %	**58%**	57	54	53	58	62	70	75	74	68	69	68	66	61	63	68	74
PUR %	**41%**	41	45	46	41	37	30	25	25	31	31	32	34	39	37	32	26
Purpose VA Loans																	
REFI %	**37%**	36	32	29	28	31	35	35	36	30	30	25	20	19	21	21	25
PUR %	**63%**	64	67	70	72	69	65	65	64	70	70	75	80	81	79	79	75
Type																	
FHA %	**12%**	12	12	11	11	10	9	8	9	10	10	10	10	11	11	10	9
CONV %	**80%**	80	79	78	79	81	83	84	84	81	82	82	80	79	79	80	82
VA %	**5%**	5	5	7	7	6	3	5	5	6	6	5	6	6	6	7	6
Other %	**4%**	4	4	3	3	3	3	3	3	3	2	3	3	3	3	3	3

Monthly Origination Overview for Closed Loans

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

Time to close all loans increased in September

The average time to close all loans increased to 47 days in September, up from 46 days in August. The average time to close a purchase was 50 days, from 49 the month prior. Meanwhile, the average time to close a refinance held steady at 43 days month-over-month.

Monthly Origination Overview for Closed Loans

	2021									2020							
	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May
ALL Loans																	
ARM %	**4.1%**	4.2	4.5	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
30-Year Note Rate	**3.15**	3.17	3.25	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
FHA Loans																	
ARM %	**0.3%**	0.3	0.2	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
30-Year Note Rate	**3.20**	3.23	3.27	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
CONV Loans																	
ARM %	**2.6%**	2.7	3.1	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
30-Year Note Rate	**3.17**	3.19	3.27	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
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	**2.85**	2.88	2.94	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

Average 30-year rate changes in September

The average 30-year rate decreased to 3.15 in September, down from 3.17 in August.
The 30-year rate on Conventional loans was 3.17 in September, down from 3.19 the month prior.
The 30-year rate on FHA loans decreased from 3.23 in August to 3.20 in September.
The 30-year rate on VA loans decreased from 2.88 in August to 2.85 in September.

Monthly Origination Overview for Closed Loans

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

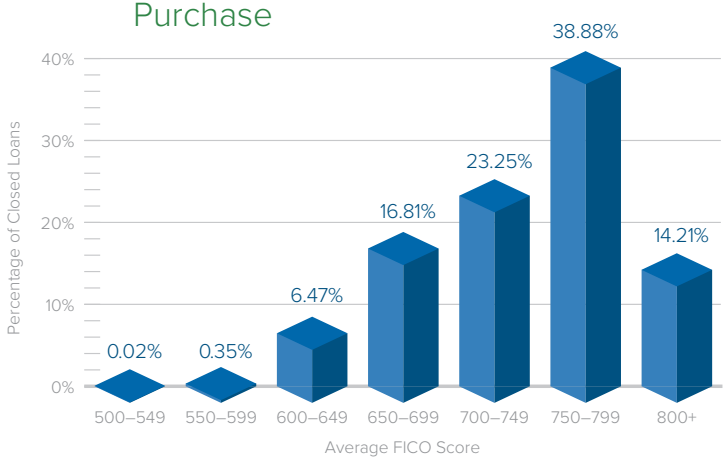
	2021									2020							
	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May
ALL Loans																	
Closing Rate %	**78.7%**	78.4	77.2	75.3	76.9	78.0	77.9	76.4	76.2	76.5	75.6	76.7	77.1	77.2	77.1	73.4	76.0
REFI	**77.2%**	77.0	76.1	74.6	77.0	78.8	78.0	76.3	74.4	74.8	73.8	75.0	74.9	75.4	76.1	73.2	75.9
PUR	**80.6%**	80.1	78.7	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
FHA Loans																	
Closing Rate %	**75.2%**	74.4	73.7	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
REFI	**63.8%**	64.1	63.2	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
PUR	**78.8%**	77.5	76.6	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
CONV Loans																	
Closing Rate %	**79.6%**	79.4	78.2	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
REFI	**78.4%**	78.2	77.2	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
PUR	**81.1%**	80.8	79.4	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
VA Loans																	
Closing Rate %	**77.9%**	77.5	75.5	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
REFI	**73.2%**	71.5	70.4	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
PUR	**80.6%**	80.6	77.7	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

Closing rates increased in September

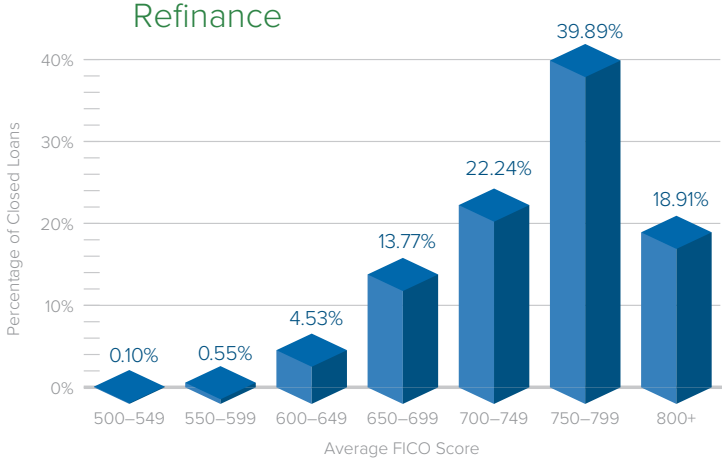
Closing rates for all loans increased to 78.7 percent in September, up from 78.4 percent in August. Closing rates on refinances increased to 77.2 percent in September, up from 77.0 percent in August. Closing rates on purchase loans rose half a percentage point to 80.6 percent in September, up from August's 80.1 percent.

September 2021 Average FICO Score Distribution

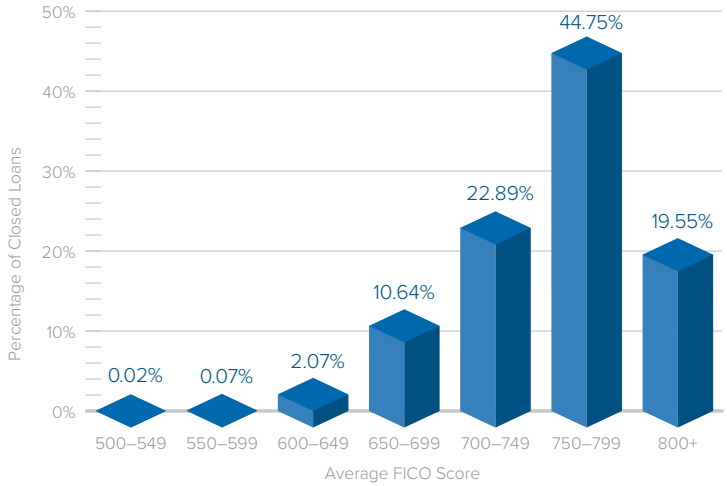
Purchase



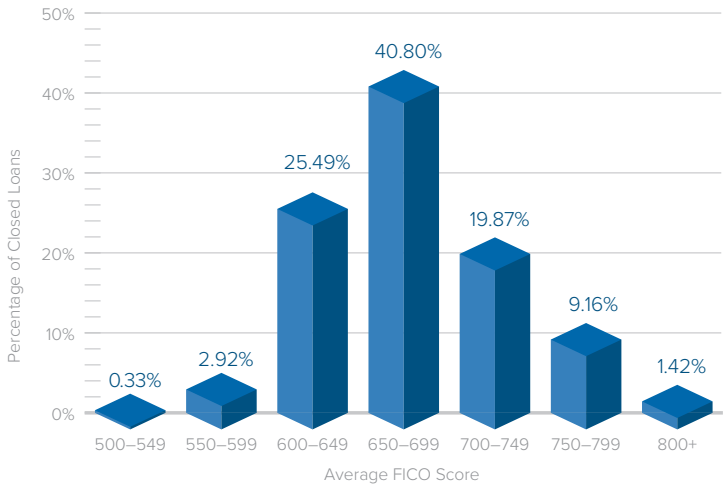
Refinance



Conventional



FHA



ICE Mortgage Technology™

Profiles of All Closed Loans

Closed Loans

	2021									2020							
	Sept	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May
ALL																	
FICO	**740**	741	740	743	744	747	751	753	752	751	752	753	753	752	750	751	750
LTV	**72**	72	73	74	73	72	71	70	71	72	72	73	73	74	75	73	74
DTI	**24/36**	24/36	24/36	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

FICO scores remained largely unchanged in September

While the average FICO score on all closed loans decreased to 740 in September, down one point from the month prior (741), average FICO scores remained flat month-to-month for both Conventional refinance and Conventional purchase loans as well as for FHA purchase loans. For all loans, LTV held steady month-over-month at 72, while DTI also remained at 24/36.

Profiles of Closed FHA Loans

Closed Loans

	2021									2020							
	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May
FHA-REFI																	
FICO	**652**	655	658	662	666	670	673	675	677	677	678	679	679	678	679	677	673
LTV	**73**	73	74	74	76	76	77	77	77	78	78	78	79	80	80	80	80
DTI	**27/43**	27/42	26/42	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
FHA-PUR																	
FICO	**676**	676	676	677	678	679	681	682	683	682	683	683	684	684	684	684	682
LTV	**95**	95	95	95	95	95	95	95	95	95	95	95	96	96	96	96	96
DTI	**30/43**	30/43	30/43	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

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

	2021									2020							
	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May
%	**13.8%**	14.8%	16.1	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

Changes to refinance FICO scores varied across loan types in September

FHA refinance FICO scores continued to decrease, landing at 652 in September, down from 655 in August. Conventional refinance FICO scores held steady at 750 month-over-month. VA refinance FICO scores decreased to 711, down from 713 in August.

Profiles of Closed Conventional Loans

Closed Loans

	2021									2020							
	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May
CON-REFI																	
FICO	**750**	750	749	752	754	757	762	764	764	763	764	766	767	766	764	763	762
LTV	**61**	61	63	62	62	62	63	63	63	63	64	64	64	64	65	66	66
DTI	**23/34**	23/34	22/33	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
CON-PUR																	
FICO	**755**	755	756	758	759	759	759	758	757	757	758	759	759	759	758	756	755
LTV	**81**	81	81	81	81	81	81	81	81	81	81	81	81	81	82	82	82
DTI	**24/35**	24/35	24/35	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

Profiles of Closed VA Loans

Closed Loans

	2021									2020							
	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May
VA-REFI																	
FICO	**711**	713	715	722	726	731	737	738	738	737	736	736	738	736	737	733	729
LTV	**80**	80	79	78	77	76	76	76	77	78	78	79	80	80	81	81	82
DTI	**24/40**	24/39	24/39	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
VA-PUR																	
FICO	**720**	721	720	722	723	723	723	723	723	724	724	725	725	725	725	721	716
LTV	**97**	97	97	98	98	98	98	98	98	98	98	98	98	98	98	98	98
DTI	**27/41**	26/41	26/41	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

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

	2021									2020							
	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sept	Aug	Jul	Jun	May
%	**21.8%**	23.0%	21.6	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

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.

Visit icemortgagetechnology.com
or call (877) 355-4362 to learn more.

ICE Mortgage Technology™

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