



NEWS RELEASE

ICE Mortgage Monitor: Mortgage Refinance Retention Hits Multi-Year High as Falling Rates Spur Activity Among Recently Originated Loans

2025-12-08

ATLANTA & NEW YORK--(BUSINESS WIRE)-- ICE Mortgage Technology, neutral provider of a robust end-to-end mortgage platform and part of Intercontinental Exchange, Inc. (NYSE: ICE), today released its December 2025 ICE Mortgage Monitor Report. The latest analysis reveals servicer refinance retention rose to a 3.5-year high in Q3 2025 as falling interest rates expose homeowner eagerness to reduce monthly payments for lower returns than in past cycles.

"Modest rate relief this fall has driven mortgage application volumes to multi-year highs, showing the outsized impact that incremental affordability improvements have on borrower behavior and servicer retention opportunities," said Andy Walden, Head of Mortgage and Housing Market Research at ICE. "We're now seeing the highest concentration of rate-and-term refinances in nearly five years, almost entirely driven by borrowers holding 2023-2025 vintage loans. Notably, the market has become more rate sensitive as hundreds of thousands of borrowers move in and out of refinance incentive with small daily rate shifts. This behavior shows how quickly demand can return when affordability improves, and it highlights just how closely households are watching rates as they try to manage monthly costs and access equity."

Key findings from the December Mortgage Monitor include:

- Refinance retention hit a 3.5-year high, led by non-bank servicers

Refinance retention reached a 3.5-year high (28%) in Q3 2025, with servicers retaining more than half of borrowers refinancing out of 2024 vintage loans. Rate-and-term retention rose to 37%, one of the highest

points in the past decade, while cash-out refinance retention rose to a more modest 23%, reflecting the challenge of identifying and retaining equity-seeking borrowers.

Non-banks retained refinancing borrowers at roughly three times the rate of banks (35% versus 13%). Retention was highest among FHA and VA mortgages (36%), trailed by GSE (25%) and portfolio-held loans (23%) and privately securitized loans (6%).

- Rate-and-term refinances dominated activity as more borrowers move back “in the money”

Rate-and-term refinances accounted for 62% of all refinance activity in October, the highest share in nearly five years. An estimated 95% of rate-and-term refinances in September and October involved 2023–2025-era loans, with the average refinancer carrying a loan balance of \$505,000 and a credit score around 762. On average, they reduced their mortgage rate by 0.92 percentage points, translating to an average monthly savings of about \$200.

- Second-lien home equity withdrawals surged to 18-year high

Second-lien home equity loan (HEL) withdrawals climbed to their strongest level since 2007 in Q3 2025 as falling short-term rates made tapping equity more affordable. With millions of homeowners still locked into historically low first-lien rates, many are opting to access equity through HELs or HELOCs rather than refinancing their first mortgage.

- Home affordability is at its best levels in nearly 3 years, but remains stretched

In mid-November, mortgage rates averaged 6.25%, bringing the monthly principal and interest payment for a median-priced home to \$2,126. That payment equals 29.7% of the median household income, the lowest since early 2023.

“ICE’s 2025 Borrower Insights Survey found that 78% of borrowers only shop one or two options before choosing a lender,” said Tim Bowler, President of ICE Mortgage Technology. “In a sensitive rate environment, this limited shopping behavior amplifies the importance of being first to reach motivated borrowers. ICE Mortgage Technology’s integrated mortgage platform and deep data and analytics enable mortgage professionals to efficiently identify financing opportunities that benefit borrowers and act quickly to retain their business.”

The full December Mortgage Monitor report contains a deeper analysis of mortgage origination trends, payment performance trends, and housing market trends featuring ICE Home Price Index (HPI) data.

Further detail, including charts, can be found in **this month’s Mortgage Monitor report**.

About the ICE Mortgage Monitor

ICE manages the nation's leading repository of loan-level residential mortgage data and performance information covering the majority of the overall market, including tens of millions of loans across the spectrum of credit products and more than 160 million historical records. The ICE Home Price Index provides one of the most complete, accurate and timely measures of home prices available, covering 95% of U.S. residential properties down to the ZIP code level. In addition, the company maintains one of the most robust public property records databases available, covering 99.9% of the U.S. population and households from more than 3,100 counties.

ICE's research experts carefully analyze this data to produce a summary supplemented by dozens of charts and graphs that reflect trend and point-in-time observations for the monthly Mortgage Monitor report. To review the full report, visit:

<https://mortgagetechnology.ice.com/resources/data-reports>.

About Intercontinental Exchange

Intercontinental Exchange, Inc. (NYSE: ICE) is a Fortune 500 company that designs, builds, and operates digital networks that connect people to opportunity. We provide financial technology and data services across major asset classes helping our customers access mission-critical workflow tools that increase transparency and efficiency. ICE's futures, equity, and options **exchanges** -- including the **New York Stock Exchange** -- and **clearing houses** help people invest, raise capital and manage risk. We offer some of the world's largest markets to trade and clear energy and environmental products. Our fixed income, **data services** and execution capabilities provide information, analytics and platforms that help our customers streamline processes and capitalize on opportunities. At **ICE Mortgage Technology**, we are transforming U.S. housing finance, from initial consumer engagement through loan production, closing, registration and the long-term servicing relationship. Together, ICE transforms, streamlines, and automates industries to connect our customers to opportunity.

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uncertainties. For a discussion of additional risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see ICE's Securities and Exchange Commission (SEC) filings, including, but not limited to, the risk factors in ICE's Annual Report on Form 10-K for the year ended December 31, 2024, as filed with the SEC on February 6, 2025.

Source: Intercontinental Exchange

Category: Mortgage Technology

ICE Media Contact:

Johnna Szegda

johnna.szegda@ice.com

+1 (404) 798-1155

ICE Investor Contact:

Katia Gonzalez

katia.gonzalez@ice.com

+1 (678) 981-3882

Source: Intercontinental Exchange