



NEWS RELEASE

# ICE Mortgage Technology's Latest Origination Insight Report Shows Significant Reduction in Time to Close

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PLEASANTON, Calif.--(BUSINESS WIRE)-- **ICE Mortgage Technology** TM, a leading global provider of data, technology and market infrastructure, today shared that the time to close all loans decreased over the first quarter of 2021, from 58 days in January to 52 days in March, according to the March **Origination Insight Report**. Time to close all purchase loans decreased over the quarter, from 57 days in January, to 53 days in February, and down to 51 days in March. Refinances saw similar decreases in days-to-close, falling from 59 days in January, to 52 in both February and March.

"We're seeing a compelling reduction in the time to close a mortgage as we continue into 2021," said Joe Tyrrell, president of ICE Mortgage Technology. "Part of the reason is lenders are continuing to adopt digital mortgage tools to improve their loan origination process and serve homebuyers more efficiently, for example eClose, which makes for a more streamlined process that saves time, and that shift is showing up in the data."

Closing rates increased slightly for the month on all loans increasing from 76.4 percent in February to 77.9 percent in March and closing rates on refinances increased from 76.3 percent to 78.0 percent month-over-month. Closing rates on purchases increased from 77.1 to 78.1 percent, respectively.

The percentage of refinances dropped from 68 percent of all closed loans in February to 63 percent of all closed loans in March. The percentage of purchases increased to 36 percent of total closed loans for the month of March, up from 32 percent the month prior.

"After months of near record numbers of refinances, it is clear that the pandemic has shifted how people view their homes and in doing so, prompted homeowners to refinance, often in order to access the equity," said Tyrrell. "As



we enter the summer home buying months, if we continue to see higher than normal refinance volumes, as some homeowners commit to staying in their current homes, it will mean new buyers face an even more competitive purchase market driven by tight supply.”

The Origination Insight Report leverages data from a robust sampling of approximately 80 percent of all mortgage applications that were initiated on the **Encompass®** Lending Platform. ICE Mortgage Technology believes the Origination Insight Report is a strong proxy of the underwriting standards employed by lenders across the country.

In addition to the Origination Insight Report, ICE Mortgage Technology also distributes data from its monthly **Millennial Tracker** on the first Wednesday of each month. The Millennial Tracker focuses on mortgage applications submitted by borrowers born between the years 1980 and 1999.

#### MONTHLY ORIGINATION OVERVIEW FOR MARCH 2021

	March 2021*	February 2021*	6 Months Ago (September 2020*)	1 Year Ago (March 2020*)
<b>Closed Loans</b>				
<b>Purpose</b>				
Refinance	63%	68%	58%	55%
Purchase	36%	32%	42%	45%
<b>Type</b>				
FHA	9%	8%	10%	13%
Conventional	83%	84%	80%	76%
VA	3%	5%	6%	7%
<b>Days to Close</b>				
All	52	53	51	40
Refinance	52	52	54	35
Purchase	51	53	47	45
<b>Percentage of ARM and Fixed Loan Volume</b>				
ARM %	2.4%	2.3%	2.5%	3.2%
<b>30-Year Rate</b>				
Average	2.99%	2.89%	3.00%	3.65%

\*All references to months should be read as month ended.

#### PROFILES OF CLOSED LOANS FOR MARCH 2021

	Closed First-Lien Loans (All Types)
FICO Score (FICO)	751
Loan-to-Value (LTV)	71
Debt-to-Income (DTI)	23/35

More information and analysis of closed and denied loans by loan purpose and investor are available in the full report at <https://www.icemortgagetechnology.com/mortgage-data/origination-insight-reports>

To get a meaningful view of lender pull-through, the company reviewed a sampling of loan applications initiated 90 days prior—or the December 2020 applications—to calculate an overall closing rate of 77.9 percent in March 2021 (see full report).

## About the Origination Insight Report by ICE Mortgage Technology

The Origination Insight Report focuses on loans that closed in a specific month and compares their characteristics to similar loans. 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 or denied for incompleteness or non-qualification.

The Origination Insight Report details aggregated, de-identified data pulled from the Encompass origination platform.

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ICE Mortgage Technology combines technology, data and expertise to automate the entire mortgage process from consumer engagement through loan registration and every step and task in between. ICE Mortgage Technology is the leading cloud-based loan origination platform provider for the mortgage industry with solutions that 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](https://icemortgagetechnology.com) or call (877) 355-4362 to learn more.

## About Intercontinental Exchange

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we transform, streamline and automate industries to connect our customers to opportunity.

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Source: Intercontinental Exchange

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