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FICO Score Dip to Four-Year Low -Ellie Mae

It was only a small change, but a 1 percent decline in the average FICO scores for loans originated in September took that metric to its lowest level in at least four years. Ellie Mae's *Origination Insight Report* for the month said the 723 score was the lowest since the company began tracking it in August 2011. The company also noted that the **credit availability on refinances** appears to have increased in Q3 of 2015 as the overall average FICO and debt-to-income (DTI) ratio have loosened materially from Q2 of 2015.

The share of originations that were for refinancing jumped from 37 percent in August to 42 percent, likely the company said driven by the recent **lower interest rates**. Conventional loans accounted for 64 percent of closed loans and FHA loans for 23 percent. Nine percent of loans were backed by the VA. All were within one point plus or minus of their previous month's share.

Both refinance and purchase loans took an average of **46 days to close**. The closing or pull-through rate was 66.8 percent, the third consecutive month it had been above 66 percent. The closing rate on purchase loans increased to 71 percent. Ellie Mae bases the closing rate on a sampling of loans initiated 90 days earlier, in this case the June applications.

"Average credit scores declined to the **lowest levels we've seen since 2011**," said Jonathan Corr, president and CEO of Ellie Mae. "We are also seeing rates fall while the time to close is also decreasing. It will be interesting to see if these trends continue as we begin to see impacts from TRID."

The *Origination Insight Report* mines its application data from a sampling of approximately 66 percent of all mortgage applications that were initiated on the Ellie Mae's mortgage management system.

National Average Mortgage Rates



	Rate	Change	Points
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Mortgage News Daily

30 Yr. Fixed	6.43%	+0.02	0.00
15 Yr. Fixed	5.95%	0.00	0.00
30 Yr. FHA	5.82%	+0.02	0.00
30 Yr. Jumbo	6.62%	0.00	0.00
5/1 ARM	6.28%	-0.01	0.00

Freddie Mac

30 Yr. Fixed	6.35%	-0.51	0.00
15 Yr. Fixed	5.51%	-0.65	0.00

Mortgage Bankers Assoc.

30 Yr. Fixed	6.44%	-0.06	0.54
15 Yr. Fixed	5.88%	-0.16	0.68
30 Yr. FHA	6.36%	-0.06	0.85
30 Yr. Jumbo	6.75%	+0.07	0.39
5/1 ARM	5.98%	-0.27	0.65

Rates as of: 8/30

Recent Housing Data

		Value	Change
Mortgage Apps	Aug 28	226.9	+0.49%
Building Permits	Mar	1.46M	-3.95%
Housing Starts	Mar	1.32M	-13.15%
New Home Sales	Mar	693K	+4.68%
Pending Home Sales	Feb	75.6	+1.75%
Existing Home Sales	Feb	3.97M	-0.75%

		Value	Change
Builder Confidence	Mar	51	+6.25%