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Ellie Mae Points to Microscopic Sign of Credit Easing

It was only one point but the average FICO score on closed loans did decrease slightly in August to 724, the **lowest average score** since February 2014. That score was, in fact, lower by two points than the average for all of last year and was down from an average of 731 at the beginning of this year.

Ellie Mae's *Origination Insight Report* also showed that refinancing took only a **37 percent market share** in August compared to 59 percent six months earlier. Refinancing had a 48 percent share of conventional loans, three points more than in July, but a mere 18 percent of those originated for FHA. VA loans fell between the two at 26 percent.

"As we usher in fall, credit scores dropped to their lowest level since February 2014 and we saw a small rise in refinances as a percentage of closed loans," said Jonathan Corr, president and CEO of Ellie Mae. "We also continue to see modest improvements in credit availability."

The pull-through or **closing rate** for all loans was 66 percent for the second month in a row, tied for the highest since Ellie Mae began tracking that data in August 2011. Purchase loans closed at a 70.8 percent rate and refinances at 59.2 percent. FHA refis had a much lower rate - 45.4 percent.

It took an average of **47 days to close** a loan in August, 50 days for a refinance and 45 days for a purchase mortgage. Closing days were fairly consistent across loan types.

The *Origination Insight Report* mines its application data from a sampling of approximately 66 percent of all mortgage applications that were initiated on Ellie Mae's mortgage management system. The company calculates the closing rate by reviewing a sample of applications initiated 90 days earlier, i.e. the May applications.

National Average Mortgage Rates



| | Rate | Change | Points |
|--|------|--------|--------|
|--|------|--------|--------|

Mortgage News Daily

| | | | |
|--------------|-------|-------|------|
| 30 Yr. Fixed | 6.86% | -0.05 | 0.00 |
| 15 Yr. Fixed | 6.31% | -0.02 | 0.00 |
| 30 Yr. FHA | 6.32% | -0.06 | 0.00 |
| 30 Yr. Jumbo | 7.04% | -0.03 | 0.00 |
| 5/1 ARM | 6.53% | -0.02 | 0.00 |

Freddie Mac

| | | | |
|--------------|-------|-------|------|
| 30 Yr. Fixed | 6.78% | -0.08 | 0.00 |
| 15 Yr. Fixed | 6.07% | -0.09 | 0.00 |

Mortgage Bankers Assoc.

| | | | |
|--------------|-------|-------|------|
| 30 Yr. Fixed | 7.00% | -0.03 | 0.60 |
| 15 Yr. Fixed | 6.63% | +0.07 | 0.61 |
| 30 Yr. FHA | 6.87% | -0.03 | 0.92 |
| 30 Yr. Jumbo | 7.13% | +0.02 | 0.38 |
| 5/1 ARM | 6.22% | -0.16 | 0.60 |

Rates as of: 7/26

Recent Housing Data

| | | Value | Change |
|---------------------|--------|-------|---------|
| Mortgage Apps | Jul 10 | 206.1 | -0.19% |
| 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% |

Lending on Tap in Every State

| | Value | Change |
|--------------------|--------|--------|
| Builder Confidence | Mar 51 | +6.25% |

Buyers in all 50 states trust my team to close their loans simply and on time.

Our team works hard to make your loan process appear simple. Even when you're already pre-approved with a lender, you'll benefit from talking with us.

Where are you in your process? Where are you trying to go? I'll share with you how we'll be a part of that journey.

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