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LendingTree Releases Monthly Mortgage Offer Report for November

LendingTree's Chief Economist analyzes November's mortgage offers

CHARLOTTE, N.C., Dec. 5, 2017 /PRNewswire/ -- [LendingTree®](#), the nation's leading online loan marketplace, today released its monthly [Mortgage Offers Report](#) which analyzes data from actual loan terms offered to borrowers on [LendingTree.com](#) by lenders on LendingTree's network. The purpose of the report is to empower consumers by providing additional information on how their credit profile affects their loan prospects.

- November's best offers for borrowers with the best profiles had an average APR of 3.75% for conforming 30-year fixed purchase loans, unchanged from October. Refinance loan offers were down 1 bps to 3.69%. Mortgage rates vary dependent upon parameters including credit score, loan-to-value, income and property type.
- For the average borrower, purchase APRs for conforming 30-yr fixed loans offered on LendingTree's platform were down 1 bps to 4.30%, the lowest since November 2016. In contrast, the loan note rate of 4.18% was unchanged from October when it reached the highest since July. We prefer to use the APR as lenders often make changes to other fees in response to changing interest rates.
- Consumers with the highest credit scores (760+) saw offered APRs of 4.16% in November, vs 4.43% for consumers with scores of 680-719. The APR spread of 27 bps between these score ranges was 5 bps wider than in October and the widest since July 2016. The spread represents nearly \$13,400 in additional costs for borrowers with lower credit scores over 30-years for the average purchase loan amount of \$233,127. The additional costs are due to higher interest rates, larger fees or a combination of the two.
- Refinance APRs for conforming 30-yr fixed loans were down 2 bps to 4.24%. The credit score bracket spread widened to 19 from 16 bps, amounting to \$9,500 in extra costs over the life of the loan for lower credit score borrowers given an average refinance loan of \$235,973.
- Average proposed purchase down payments have been rising for 8 months and reached \$62,409.



Purchase

FICO Range	Average APR	Average Down Payment	Average Loan Amount	Average LTV	Lifetime Interest Paid*
All Loans	4.30%	\$62,409	\$233,127	82%	\$182,197
760+	4.16%	\$78,877	\$252,508	79%	\$175,418
720-759	4.21%	\$58,741	\$234,778	83%	\$177,816
680-719	4.43%	\$42,636	\$216,307	86%	\$188,794
640-679	4.71%	\$65,239	\$201,829	75%	\$202,722
620-639	4.83%	\$56,581	\$189,326	77%	\$208,935

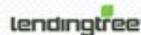
*To enable comparison, lifetime interest is calculated for the average loan amount for all loans using the rates for each credit score bucket.



Refi

FICO Range	Average APR	Average Down Payment	Average Loan Amount	Average LTV	Lifetime Interest Paid*
All Loans	4.24%	\$6,151	\$235,973	63%	\$181,434
760+	4.13%	\$10,137	\$239,017	60%	\$176,212
720-759	4.17%	\$7,300	\$241,919	65%	\$177,853
680-719	4.33%	\$1,590	\$232,044	65%	\$185,713
640-679	4.52%	\$1,147	\$219,486	60%	\$195,478
620-639	4.67%	—	\$212,876	59%	\$203,277

*To enable comparison, lifetime interest is calculated for the average loan amount for all loans using the rates for each credit score bucket.



"Our report shows that the benefits of improving your credit score go beyond lower interest rates and include access to higher loans amounts and higher LTVs," said Tendayi Kapfudz, LendingTree's Chief Economist and report author. "This allows a home buyer to be more competitive in a marketplace with limited inventory and heightened competition among buyers."

Kapfudz added, "We expect rate volatility to increase throughout the month of December. The passage of the Senate version of Republican tax plan has only minimally affected rates, but a larger catalyst for mortgage rates this month may be the expected increase in the benchmark interest rate by the FOMC on December 13. Another factor to consider is the potential for a government shutdown, which is contingent upon Congress coming to a spending plan agreement before December 8. If there are no compromises made from either party and government workers are forced into unpaid furlough, lenders may experience some difficulty in verifying tax records and borrowers could see delays in FHA and VA loan processing until a spending plan is put in place. The last shutdown in 2013 saw near-term declines of 7% in FHA/ VA mortgage applications and 4% in conventional applications, according to the Mortgage Bankers Association. Regardless of what happens with the Fed or the spending plan, consumers have a small window of opportunity to take advantage of today's rates."

About the Report

The [LendingTree Mortgage Offers Report](#) contains data from actual loan terms offered to borrowers on [LendingTree.com](#) by lenders. We believe it is an important addition to standard industry surveys and reports on mortgage rates. Most quoted industry rates are for a hypothetical borrower with prime credit who makes a 20% down payment. Most borrowers do not fit this profile. Our report includes the average quoted APR by credit score, together with the average down payment and other metrics described below. We stratify by credit score, so borrowers have added information on how their credit profile affects their loan prospects. The report covers conforming 30-yr fixed loans for both purchase and refinance.

- | APR: Actual APR offers to borrowers on our platform
- | Down Payment: Though analogous to the LTV, we find that borrowers identify more closely with the down payment. Academic studies have also found that the down payment is the primary concern for homebuyers and one of the main impediments to entering the homebuying market.
- | Loan Amount: The average loan amount borrowers are offered
- | LTV: Actual LTV offered to borrowers on our platform
- | Lifetime Interest Paid: This is the total cost a borrower incurs for the loan, inclusive of fees.

To view the original report, visit: <https://www.lendingtree.com/home/lendingtree-mortgage-offers-report-november-2017/>.

About LendingTree

LendingTree (NASDAQ: TREE) is the nation's leading online loan marketplace, empowering consumers as they comparison-shop across a full suite of loan and credit-based offerings. LendingTree provides an online marketplace which connects consumers with multiple lenders that compete for their business, as well as an array of online tools and information to help consumers find the best loan. Since inception, LendingTree has facilitated more than 65 million loan requests. LendingTree provides free monthly credit scores through My LendingTree and access to its network of over 500 lenders offering home loans, personal loans, credit cards, student loans, business loans, home equity loans/lines of credit, auto loans and more. LendingTree, LLC is a subsidiary of LendingTree, Inc. For more information go to www.lendingtree.com, dial 800-555-TREE, like our Facebook page and/or follow us on Twitter @LendingTree.

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