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LendingTree Releases Monthly Mortgage Offer Report for March

LendingTree's Chief Economist analyzes March's mortgage offers

CHARLOTTE, N.C., April 4, 2018 /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.

- | March's best offers for borrowers with the best profiles had an average APR of 4.25% for conforming 30-year fixed purchase loans, up from 4.22% in February. Refinance loan offers were up 11 bps to 4.24%. 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 up 5 bps to 4.85%. The loan note rate hit the highest since March 2016 at 4.75% and was also up 5 bps from February. We prefer to emphasize 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 4.72% in March, vs 4.99% for consumers with scores of 680-719. The APR spread of 27 bps between these score ranges was unchanged from February and still near the widest since this data series began in April 2016. The spread represents over \$14,000 in additional costs for borrowers with lower credit scores over 30 years for the average purchase loan amount of \$238,593. 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 up 6 bps to 4.83%. The credit score bracket spread remained at 24 bps, amounting to nearly \$13,000 in extra costs over the life of the loan for lower credit score borrowers given an average refinance loan of \$239,668.
- | Average proposed purchase down payments were little changed at \$62,758.

Purchase APR by Credit Score Range



Purchase Mortgage Offers by Credit Score

Purchase					
FICO Range	Average APR	Average Down Payment	Average Loan Amount	Average LTV	Lifetime Interest Paid*
All Loans	4.85%	\$62,758	\$238,593	82%	\$214,607
760+	4.72%	\$80,860	\$260,658	79%	\$207,812
720-759	4.76%	\$60,054	\$240,686	83%	\$209,830
680-719	4.99%	\$41,144	\$218,171	86%	\$221,872
640-679	5.32%	\$62,130	\$198,828	76%	\$239,391
620-639	5.43%	\$54,772	\$189,647	76%	\$245,281

Refinance Mortgage Offers by Credit Score

Refi					
FICO Range	Average APR	Average Down Payment	Average Loan Amount	Average LTV	Lifetime Interest Paid*
All Loans	4.83%	\$758	\$239,668	62%	\$214,686
760+	4.71%	\$1,375	\$247,882	60%	\$208,126

720-759	4.75%	\$1,017	\$242,575	64%	\$210,567
680-719	4.95%	\$0	\$234,084	65%	\$220,661
640-679	5.12%	\$0	\$223,945	60%	\$229,799
620-639	5.25%	\$0	\$213,499	59%	\$236,615

LendingTree also recently announced the release of its Mortgage Savings Tracker and Mortgage Rate Competition Index. The LendingTree Mortgage Rate Competition Index is a new measure of the dispersion in mortgage pricing and is released weekly. Built on top of the Mortgage Rate Competition Index, the Mortgage Savings Tracker brings transparency to mortgage shopping by highlighting the significant savings that are available to potential borrowers for both purchase mortgages and refinancing.

[This week's report](#) found that homebuyers could have seen median savings of \$25,880 by comparison shopping for the best mortgage rates last week, up 26% from a year ago. This week's Mortgage Rate Competition Index was 0.56 for purchase mortgages, up 0.11 from a year ago, and unchanged from last week.

"Mortgage rates stabilized in March after increasing rapidly in January and February," said Tendayi Kapfidze, Chief Economist at LendingTree. "Among the drivers for the increase in rates were expectations for higher inflation. These expectations were tempered when the release of February's jobs data on March 9 showed a slowdown in wage increases to 2.6% Y/Y after a jump in January to 2.8% Y/Y."

Kapfidze added, "We are getting into the core of the spring selling season for homes. Data for mortgage applications released last week showed a significant jump in purchase applications, up 3% over the prior week and 8% higher than a year ago. Low inventory is the defining characteristic of the current housing market and buyers should do all they can to position themselves competitively. Getting financing in place ahead of the house hunt is crucial and we strongly advise buyers to shop for a loan first."

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/mortgage-offers-report-march-2018/>.

If you're interested in receiving this monthly report and other relevant mortgage reports, please email: press@lendingtree.com.

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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