



## LendingTree Releases Monthly Mortgage Offers Report for July

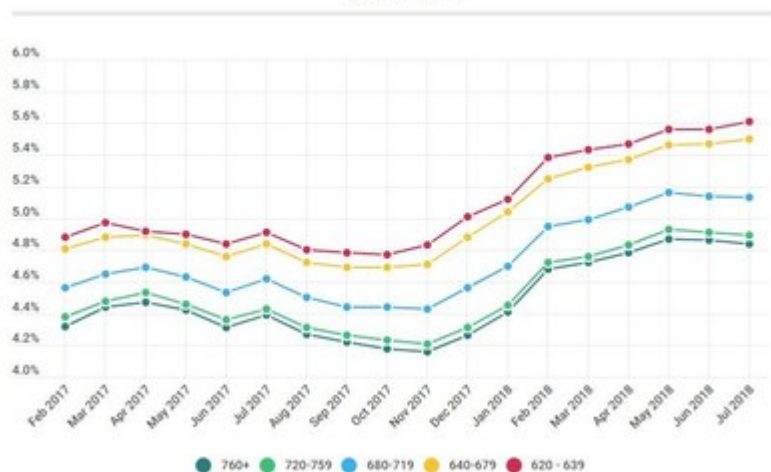
August 8, 2018

### LendingTree's Chief Economist analyzes July's mortgage offers

CHARLOTTE, N.C., Aug. 8, 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.

- July's best offers for borrowers with the best profiles (the 95th percentile of borrowers) had an average APR of 4.31% for conforming 30-year fixed purchase loans, down from 4.34% in June. Refinance loan offers were down 2 bps, to 4.35%. We consider people with the best credit profiles those who received the best mortgage offers through the LendingTree marketplace, which allows users to compare offers from multiple mortgage lenders.
- Mortgage rates vary depending upon parameters including credit score, loan-to-value, income and property type.
- For the average borrower, purchase APRs for conforming 30-year fixed loans offered on LendingTree's platform were down 1 bp, to 4.99%. The loan note rate of 4.88% is the lowest since April. 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+, representing the 65th percentile of borrowers) were offered APRs of 4.84%, versus 5.13% for consumers with scores of 680-719. The APR spread of 29 bps between these score ranges was up 2 bps from June. The spread represents almost \$15,000 in additional costs for borrowers with lower credit scores over 30 years for the average purchase loan amount of \$232,054. The additional costs are due to higher interest rates, larger fees or a combination of the two.
- Refinance APRs for conforming 30-year fixed loans were down 2 bps, to 4.98% for the average borrower. The credit score bracket spread widened 2 bps, to 22 bps, amounting to just over \$11,500 in extra costs over the life of the loan for lower credit score borrowers given an average refinance loan of \$238,018.
- Average proposed purchase down payments were down about \$1,000, to \$58,191.

Purchase APR



### Purchase Mortgage Offers by Credit Score

Purchase					
FICO Range	Average APR	Average Down Payment	Average Loan Amount	Average LTV	Lifetime Interest Paid*
All Loans	4.99%	\$58,191	\$232,054	82%	\$215,808
760+	4.84%	\$75,117	\$252,185	78%	\$208,154
720-759	4.89%	\$54,409	\$232,766	83%	\$210,727
680-719	5.13%	\$39,239	\$215,726	86%	\$222,882
640-679	5.50%	\$61,165	\$198,748	75%	\$242,301

620-639	5.61%	\$58,170	\$194,733	76%	\$248,135
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\*Lifetime interest paid is calculated based on the overall average loan amount to enable comparison.

## Refinance Mortgage Offers by Credit Score

Refinance					
FICO Range	Average APR	Average Down Payment	Average Loan Amount	Average LTV	Lifetime Interest Paid*
All Loans	4.98%	\$0	\$238,018	62%	\$221,064
760+	4.85%	\$0	\$244,953	59%	\$214,389
720-759	4.91%	\$0	\$242,762	64%	\$217,147
680-719	5.07%	\$0	\$234,092	64%	\$225,901
640-679	5.25%	\$0	\$219,823	59%	\$235,005
620-639	5.39%	\$0	\$211,655	59%	\$242,742

\*Lifetime interest paid is calculated based on the overall average loan amount to enable comparison.

"Our report demonstrates how a credit score can impact a borrower in very tangible terms," said Tendayi Kapfudz, LendingTree's Chief Economist and report author. "As much as people obsess over credit scores, many think of its importance in the binary "approve/decline" paradigm. Few borrowers actually know how their credit score impacts the cost of financial products, and we hope this report increases consumer education."

To view the original report, visit <https://www.lendingtree.com/home/mortgage-offers-report-july-2018/>.

### 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.

### About LendingTree

LendingTree (NASDAQ: [TREE](#)) is the nation's leading online marketplace that connects consumers with the choices they need to be confident in their financial decisions. LendingTree empowers consumers to shop for financial services the same way they would shop for airline tickets or hotel stays, comparing multiple offers from a nationwide network of over 500 partners in one simple search, and can choose the option that best fits their financial needs. Services include mortgage loans, mortgage refinances, auto loans, personal loans, business loans, student refinances, credit cards and more. Through the [My LendingTree](#) platform, consumers receive free credit scores, credit monitoring and recommendations to improve credit health. My LendingTree proactively compares consumers' credit accounts against offers on our network, and notifies consumers when there is an opportunity to save money. In short, LendingTree's purpose is to help simplify financial decisions for life's meaningful moments through choice, education and support. LendingTree, LLC is a subsidiary of LendingTree, Inc. For more information, go to [www.lendingtree.com](http://www.lendingtree.com), dial 800-555-TREE, like our Facebook page and/or follow us on Twitter @LendingTree.

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