

# Mortgage Credit Potential Index

November 2022

The Mortgage Credit Potential Index (MCPI) is a monthly reporting of mid-score mortgage credit pulls analyzed by CreditXpert's predictive analytics platform. The MCPI highlights the volume of mid-score mortgage credit pulls by 20-point credit bands between 360 and 850. When compared to prior months and years, the MCPI serves as an indicator of changes in query volume.







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Over the past year  
CreditXpert  
analyzed **17M** mid-  
score credit pulls.

12-months ending November 30, 2022



**75%** of all mid-score credit  
pulls below 760 may be able to  
increase their score by at least  
one 20-point band within 30  
days.\*

\*Applicants that follow a custom CreditXpert action plan  
will be more likely to increase their credit score.





Total credit pulls  
between 640 and 759  
in the last 12 months.

**6.59M**

12-months ending November 30, 2022

**4.65M**

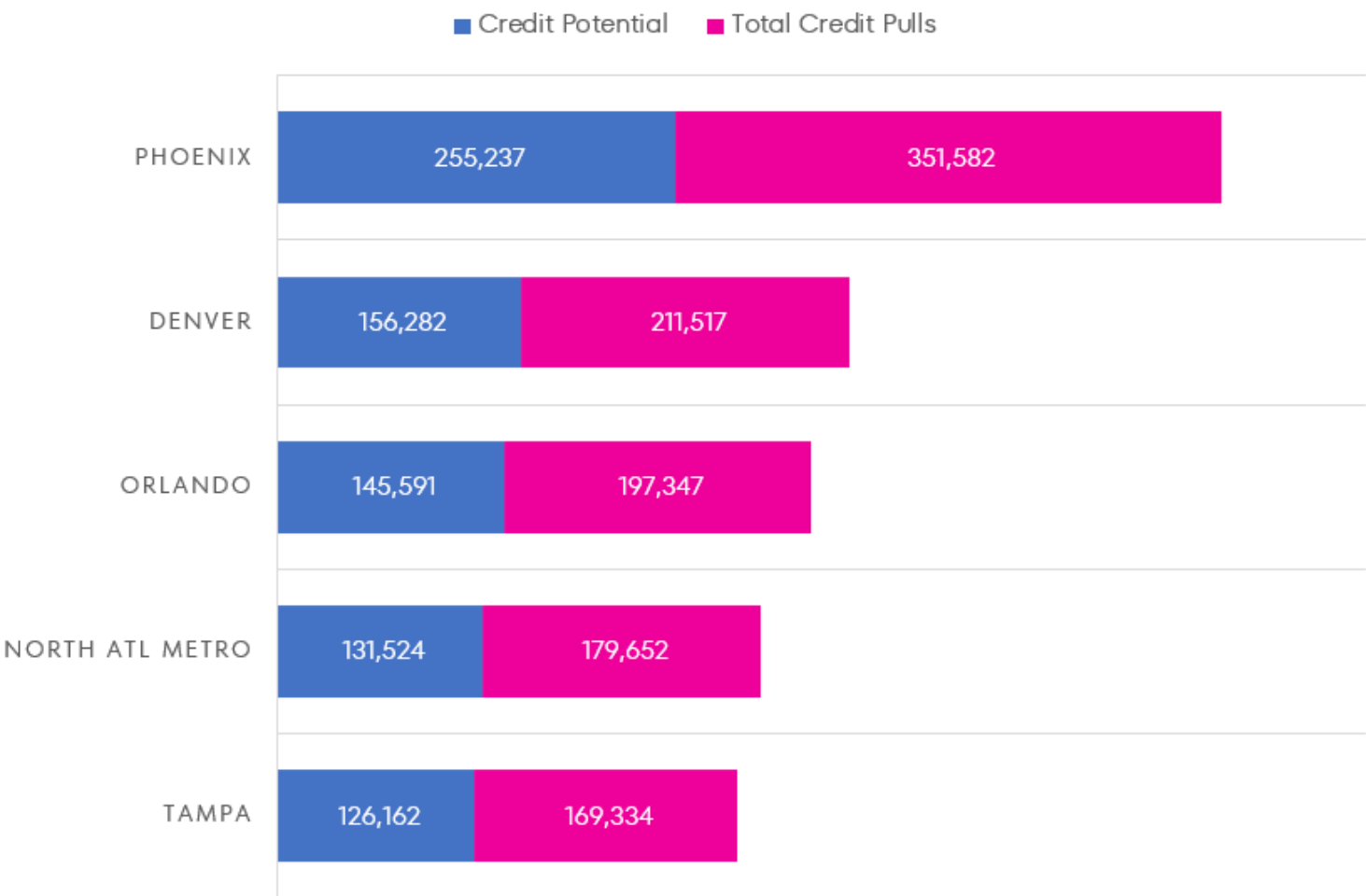
Applicants that could  
increase their mid-score  
by 20-points or more  
within 30 days\*

\*Higher score achievable if applicant completes custom action plan

As interest rate is one of the top criteria that applicants use to select a lender, it will be important for lenders to deliver the most competitive offer. In the 12 months ending November 30, 2022, CreditXpert analyzed 6.87M mid-score credit pulls between 640 and 759 where a 20-point band increase could lead to a lower interest rate. Of these pulls, 4.83M may be able to increase their score by at least one 20-point band within 30-days if they complete a custom action plan.

According to the Loan Level Price Adjustment tables published by Fannie Mae and Freddie Mac, those with credit scores between 640 and 759 could potentially qualify for a better rate if they increase their score by at least one 20-point band. The Loan Level Price Adjustments are guidelines that are subject to individual lender pricing policies. CreditXpert has no involvement with any lender pricing policies and does not generate loan underwriting recommendations or decisions through its platform or otherwise.

Top 5 metro areas with the most mortgage applicants that could increase their credit mid-score by at least 20 points in 30 days.

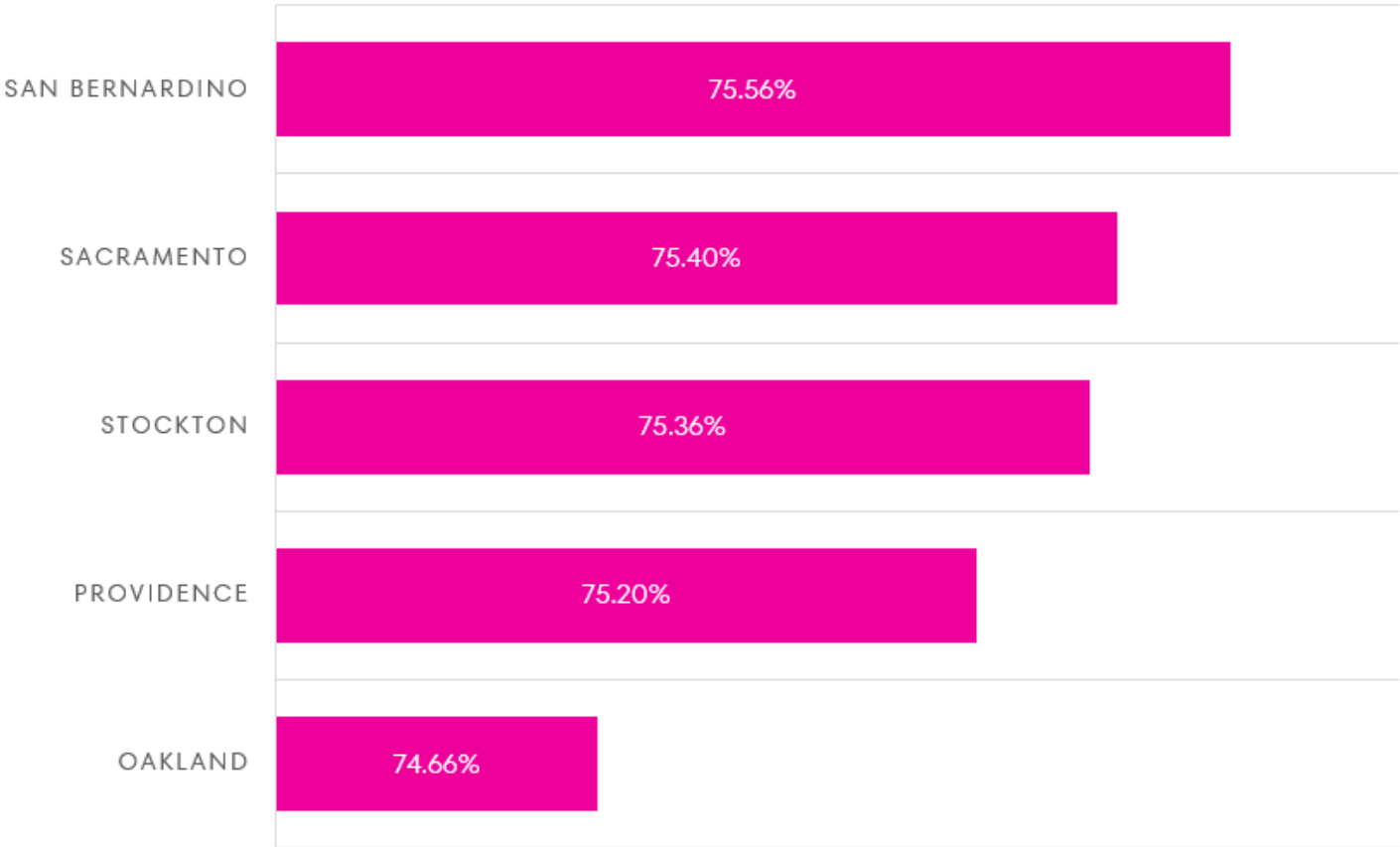


12-months ending November 30, 2022



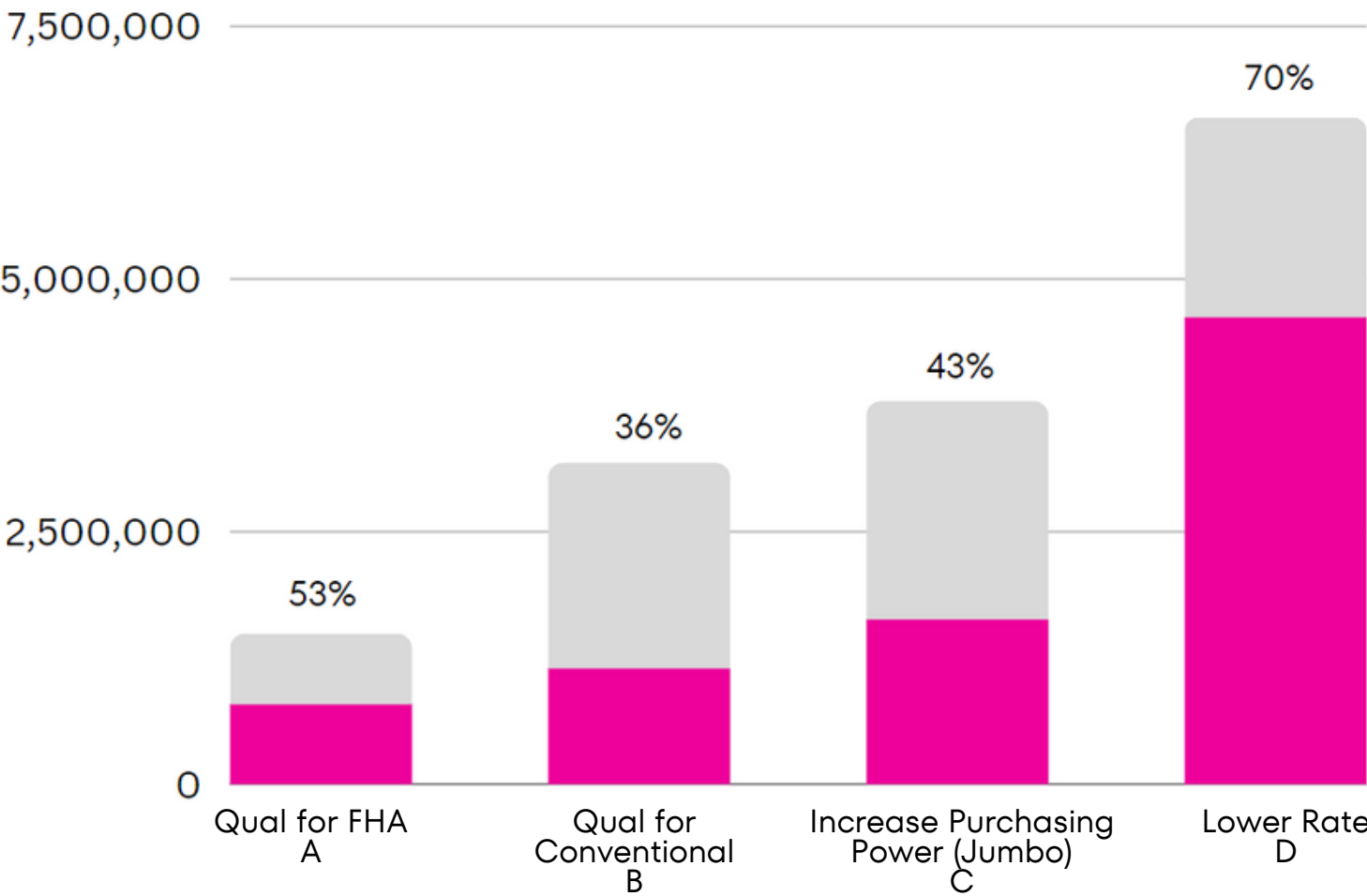
Top 5 metro areas that have the highest *percentage* likelihood of increasing their credit score by 20 points in 30 days or less.

■ Increase by at Least 20 Points



12-months ending November 30, 2022

# What percentage of applicants could achieve a better outcome by following a CreditXpert action plan?



- A. Total initial pulls below 579 that may be able to achieve 580 or higher within 30 days if they complete a custom
- B. Total initial pulls below 619 that may be able to get to 620 or higher within 30 days if they complete a custom action plan
- C. Total initial pulls below 679 that may be able to achieve 680 or higher within 30 days if they complete a custom action plan
- D. Total initial pulls between 640 and 759 that may be able to increase their score by at least one 20-point band within 30 days if they complete a custom action plan

1 A Federal Housing Administration (FHA) Mortgage is a home mortgage that is insured by the government and issued by a bank or other lender that is approved by the agency. FHA loans require a lower minimum down payment than many conventional loans, and applicants may have lower credit scores, typically 580, than is usually required. The FHA loan is designed to help low- to moderate-income families attain homeownership. They are particularly popular with first-time homebuyers. The Rural Housing Service (RHS) provides loans directly to low-income borrowers in rural areas and guarantees loans provided by approved lenders. An RHS loan can help a borrower who otherwise might not qualify for a traditional mortgage because of low income or bad credit to buy a home in an approved rural area.

2 A Conventional Mortgage is any type of home buyer's loan that is not offered or secured by a government entity. Instead, conventional mortgages are available through private lenders, such as banks, credit unions, and mortgage companies. However, some conventional mortgages can be guaranteed by two government-sponsored enterprises; the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac). Conventional loans typically require a minimum credit score of 620. Loan size must be equal to or less than \$647,200 or \$970,800 in high-cost areas for a single-family home.

3 A Jumbo Mortgage is a non-conforming mortgage loan that exceeds the limits set by the Federal Housing Finance Agency (FHFA). Jumbo loans are non-conforming loans as they cannot be purchased, guaranteed, or securitized by Fannie Mae or Freddie Mac. The main advantage of a jumbo loan is that it lets you borrow more than the limits imposed by Fannie and Freddie. Jumbo loans typically require a minimum credit score of between 680 and 700 depending on individual lender guidelines.

4 According to the Loan Level Price Adjustment tables published by Fannie Mae and Freddie Mac, those with credit scores between 640 and 759 could potentially qualify for a better rate if they increase their score by at least one 20-point band. The Loan Level Price Adjustments are guidelines that are subject to individual lender pricing policies. CreditXpert has no involvement with any lender pricing policies and does not generate loan underwriting recommendations or decisions through its platform or otherwise.



# Credit Pulls by Mid-Score

The Credit pulls view shows the number of mortgage credit pulls by each 20-point band analyzed by CreditXpert in the months of November 2021, October 2022 and November 2022. As most mortgage credit inquiries are three bureau pulls, the score band represents the mid-score.\*

Score Band	November 2021 Credit Pulls	Percent of November 2021 Credit Pulls	October 2022 Credit Pulls	Percent of October 2022 Credit Pulls	November 2022 Credit Pulls	Percent of November 2022 Credit Pulls	MoM Change	YoY Change
340-359	0	0.00%	0	0.00%	0	0.00%		
360-379	1	0.00%	2	0.00%	1	0.00%	-50.00%	0.00%
380-399	15	0.00%	24	0.00%	21	0.00%	-12.50%	40.00%
400-419	87	0.01%	200	0.02%	209	0.02%	4.50%	140.23%
420-439	496	0.03%	938	0.09%	956	0.10%	1.92%	92.74%
440-459	1,526	0.09%	2,695	0.26%	2,672	0.29%	-0.85%	75.10%
460-479	3,572	0.22%	5,973	0.57%	5,776	0.62%	-3.30%	61.70%
480-499	7,039	0.43%	10,605	1.01%	10,324	1.12%	-2.65%	46.67%
500-519	11,017	0.68%	15,226	1.45%	14,938	1.61%	-1.89%	35.59%
520-539	16,979	1.04%	20,434	1.95%	19,596	2.12%	-4.10%	15.41%
540-559	25,048	1.54%	26,483	2.53%	24,851	2.69%	-6.16%	-0.79%
560-579	37,332	2.29%	35,915	3.42%	33,082	3.58%	-7.89%	-11.38%
580-599	57,094	3.51%	50,890	4.85%	46,469	5.02%	-8.69%	-18.61%
600-619	82,394	5.06%	66,887	6.38%	61,044	6.60%	-8.74%	-25.91%
620-639	105,877	6.51%	75,663	7.21%	67,922	7.34%	-10.23%	-35.85%
640-659	117,745	7.23%	82,589	7.88%	72,113	7.79%	-12.68%	-38.75%
660-679	123,758	7.60%	82,803	7.90%	72,090	7.79%	-12.94%	-41.75%
680-699	127,961	7.86%	82,197	7.84%	71,330	7.71%	-13.22%	-44.26%
700-719	128,003	7.86%	78,432	7.48%	68,614	7.42%	-12.52%	-46.40%
720-739	129,900	7.98%	78,923	7.53%	68,158	7.37%	-13.64%	-47.53%
740-759	142,707	8.77%	82,130	7.83%	71,596	7.74%	-12.83%	-49.83%
760-779	168,197	10.33%	88,155	8.41%	76,153	8.23%	-13.61%	-54.72%
780-799	195,952	12.04%	95,513	9.11%	81,876	8.85%	-14.28%	-58.22%
800-819	138,058	8.48%	63,287	6.03%	53,031	5.73%	-16.21%	-61.59%
820-839	6,696	0.41%	2,715	0.26%	2,381	0.26%	-12.30%	-64.44%
840-850	102	0.01%	59	0.01%	0	0.00%	-28.81%	-58.82%
	<b>1,627,556</b>		<b>1,048,738</b>		<b>925,245</b>		<b>-11.78%</b>	<b>-43.15%</b>

## Key Takeaways

**-11.78%** MoM Change

**-43.15%** YoY Change

\* MoM Change compares October 2022 to November 2022 volume.

^ YoY Change compares November 2021 to November 2022 volume.

6 The mid-scores analyzed are the FICO® scores requested by a lender and reported by one of the credit bureaus or credit reporting agencies. FICO® is a registered trademark of Fair Isaac Corporation (FICO). CreditXpert is not affiliated with or endorsed by FICO or any of the credit bureaus or credit reporting agencies. CreditXpert trademarks used herein are trademarks or registered trademarks of CreditXpert, Inc. The use of any other trade name, copyright, or trademark is for identification and reference purposes only and does not imply any association with the copyright or trademark holder or their product or brand. Other product and company names mentioned herein are the property of their respective owners.



# 2021 v 2022 Credit Pulls Comparison by Mid-Score

The Credit Potential rolling 12-month view shows the number of mid-score credit pulls by 20-point band along with the number (and percentage) of pulls that may increase by at least one 20-point credit band within a 30-day timeframe. CreditXpert's proprietary predictive credit score platform is used to highlight the potential increase each applicant could achieve within 30 days if they complete a custom action plan. CreditXpert has analyzed over 750M credit pulls since its founding in 2001.

Score Band	12 Months Ending November 2021	12 Months Ending November 2021 % of Total Credit Pulls	12 Months Ending November 2022	12 Months Ending November 2022 % of Total Credit Pulls	November 2021 - 2022 YoY Change
340-359	0	0.00%	2	0.00%	
360-379	16	0.00%	20	0.00%	25.00%
380-399	156	0.00%	246	0.00%	57.69%
400-419	1,117	0.00%	2,026	0.01%	81.38%
420-439	5,377	0.02%	9,629	0.06%	79.08%
440-459	17,011	0.07%	28,660	0.17%	68.48%
460-479	42,292	0.17%	64,791	0.38%	53.20%
480-499	85,490	0.35%	117,518	0.69%	37.46%
500-519	143,817	0.58%	176,644	1.04%	22.83%
520-539	228,541	0.93%	250,203	1.47%	9.48%
540-559	340,726	1.38%	343,554	2.02%	0.83%
560-579	502,109	2.04%	486,743	2.86%	-3.06%
580-599	757,995	3.07%	716,653	4.22%	-5.45%
600-619	1,088,331	4.41%	972,396	5.72%	-10.65%
620-639	1,496,082	6.07%	1,156,725	6.81%	-22.68%
640-659	1,746,325	7.08%	1,288,814	7.58%	-26.20%
660-679	1,818,035	7.37%	1,332,257	7.84%	-26.72%
680-699	1,888,104	7.66%	1,343,520	7.91%	-28.84%
700-719	1,900,745	7.71%	1,307,077	7.69%	-31.23%
720-739	1,942,966	7.88%	1,322,495	7.78%	-31.93%
740-759	2,168,493	8.79%	1,419,663	8.35%	-34.53%
760-779	2,638,744	10.70%	1,598,159	9.41%	-39.43%
780-799	3,243,805	13.15%	1,793,305	10.55%	-44.72%
800-819	2,477,666	10.05%	1,208,716	7.11%	-51.22%
820-839	127,858	0.52%	51,077	0.30%	-60.05%
840-850	1,700	0.01%	947	0.01%	-44.29%
	<b>24,663,501</b>		<b>16,991,840</b>		<b>-31.11%</b>

# Rolling 12 Month Comparison of Credit Potential

## Rolling 12 Month Comparison – All Credit Scores

### 12 Months Ending November 2021

Score Band	Total Credit Pulls	# Increase by at least 20 points	% Increase by at least 20 Points
340-359	0	0	
360-379	16	16	100.00%
380-399	156	154	98.72%
400-419	1,117	1,065	95.34%
420-439	5,377	5,123	95.28%
440-459	17,011	15,987	93.98%
460-479	42,292	38,854	91.87%
480-499	85,490	76,199	89.13%
500-519	143,817	123,485	85.86%
520-539	228,541	188,967	82.68%
540-559	340,726	269,688	79.15%
560-579	502,109	388,671	77.41%
580-599	757,995	578,345	76.30%
600-619	1,088,331	821,504	75.48%
620-639	1,496,082	1,093,702	73.10%
640-659	1,746,325	1,228,466	70.35%
660-679	1,818,035	1,222,143	67.22%
680-699	1,888,104	1,232,933	65.30%
700-719	1,900,745	1,250,311	65.78%
720-739	1,942,966	1,388,953	71.49%
740-759	2,168,493	1,590,271	73.34%
760-779	2,638,744	1,812,850	68.70%
780-799	3,243,805	1,912,521	58.96%
800-819	2,477,666	238,774	9.64%
820-839	127,858	1,890	1.48%
840-850	1,700	0	0.00%
Total	24,878,663	15,562,143	62.55%
759 or Below	16,173,728	11,514,837	71.19%

### 12 Months Ending November 2022

Total Credit Pulls	# Increase by at Least 20 Points	% Increase by at least 20 Points	YoY % Change of Credit Pull Volume
2	2	100.00%	
20	20	100.00%	25.00%
246	240	97.56%	55.84%
2,026	1,977	97.58%	85.63%
9,629	9,353	97.13%	82.57%
28,660	27,452	95.79%	71.71%
64,791	60,863	93.94%	56.65%
117,518	108,238	92.10%	42.05%
176,644	158,590	89.78%	28.43%
250,203	217,506	86.93%	15.10%
343,554	288,025	83.84%	6.80%
486,743	396,554	81.47%	2.03%
716,653	570,036	79.54%	-1.44%
972,396	763,303	78.50%	-7.08%
1,156,725	888,265	76.79%	-18.78%
1,288,814	957,528	74.30%	-22.05%
1,332,257	933,396	70.06%	-23.63%
1,343,520	903,093	67.22%	-26.75%
1,307,077	889,605	68.06%	-28.85%
1,322,495	964,926	72.96%	-30.53%
1,419,663	1,036,577	73.02%	-34.82%
1,598,159	1,087,263	68.03%	-40.02%
1,793,305	1,012,877	56.48%	-47.04%
1,208,716	100,302	8.30%	-57.99%
51,077	1,196	2.34%	-36.72%
947	0	0.00%	
17,692,721	11,377,187	66.61%	-26.51%
12,339,636	9,175,549	74.36%	-20.32%

YoY % of those who could improve their credit score by 20 points

2.00%

All credit scores

3.66%

759 or below

## Meet the Team



William Coates  
CreditXpert - Business Intelligence Lead



Dan Green  
Blackfin Group - Principal



Chase Arvanitis  
CreditXpert - Director of Performance Marketing



Mike Darne  
CreditXpert - VP of Marketing





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