

Mortgage Credit Potential Index

October 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.





Table of Contents

- 02 12 Month Credit Pulls Overview
- 03 Making Homeownership More Affordable
- 04 Credit Potential by Market
- 05 Credit Potential by Market
- 06 Turning Potential Into Real Outcomes
- 07 Credit Pulls - Monthly Comparison
- 08 October Comparison - All Scores
- 09 Rolling 12 Month Comparison - All Scores
- 10 Meet the Team

Over the past year
CreditXpert
analyzed **17.7M** mid-
score credit pulls.

12-months ending October 31, 2022



74% 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.

6.87M
12-months ending October 31, 2022

4.83M

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 October 31, 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.

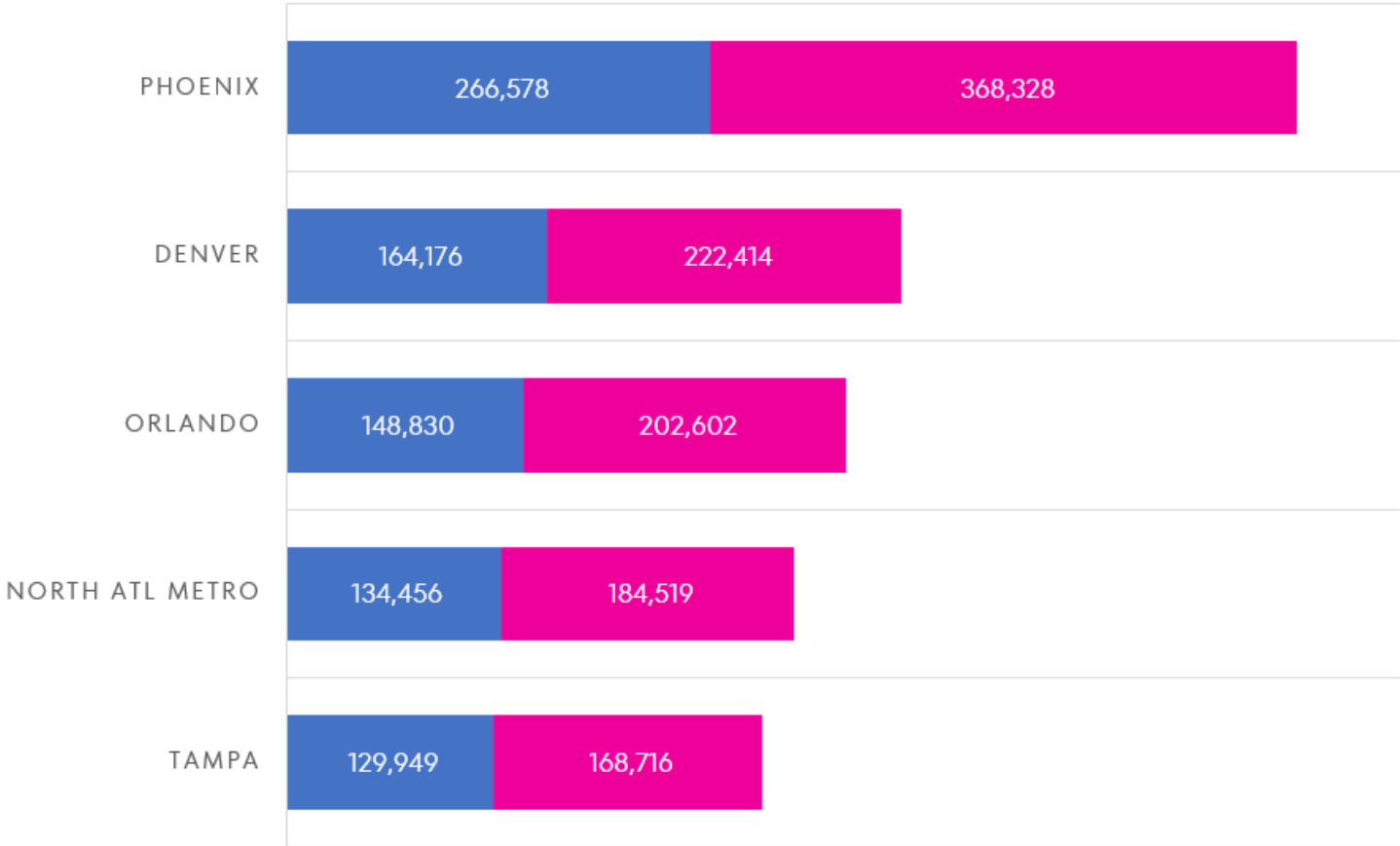
According to the Loan Level Price Adjustment tables published by Fannie Mae and Freddie Mac, those with credit scores between 640 and 759 could potentially qualify for a better rate if they increase their score by at least one 20-point band. The Loan Level Price Adjustments are guidelines that are subject 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 individual mortgage applicants that could increase their credit score by at least 20 points in 30 days.



12-months ending October 31, 2022

■ Credit Potential ■ Total Credit Pulls

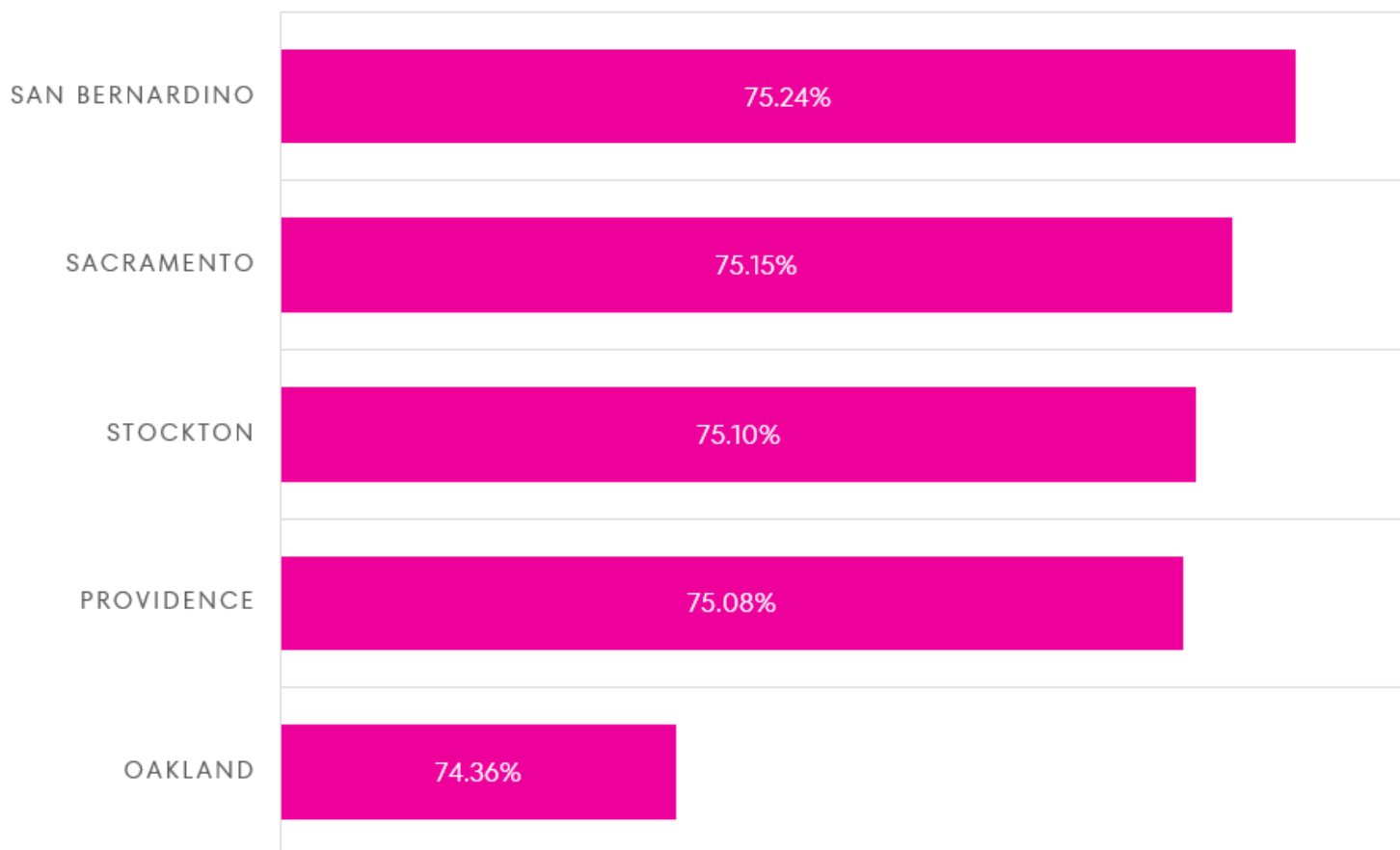




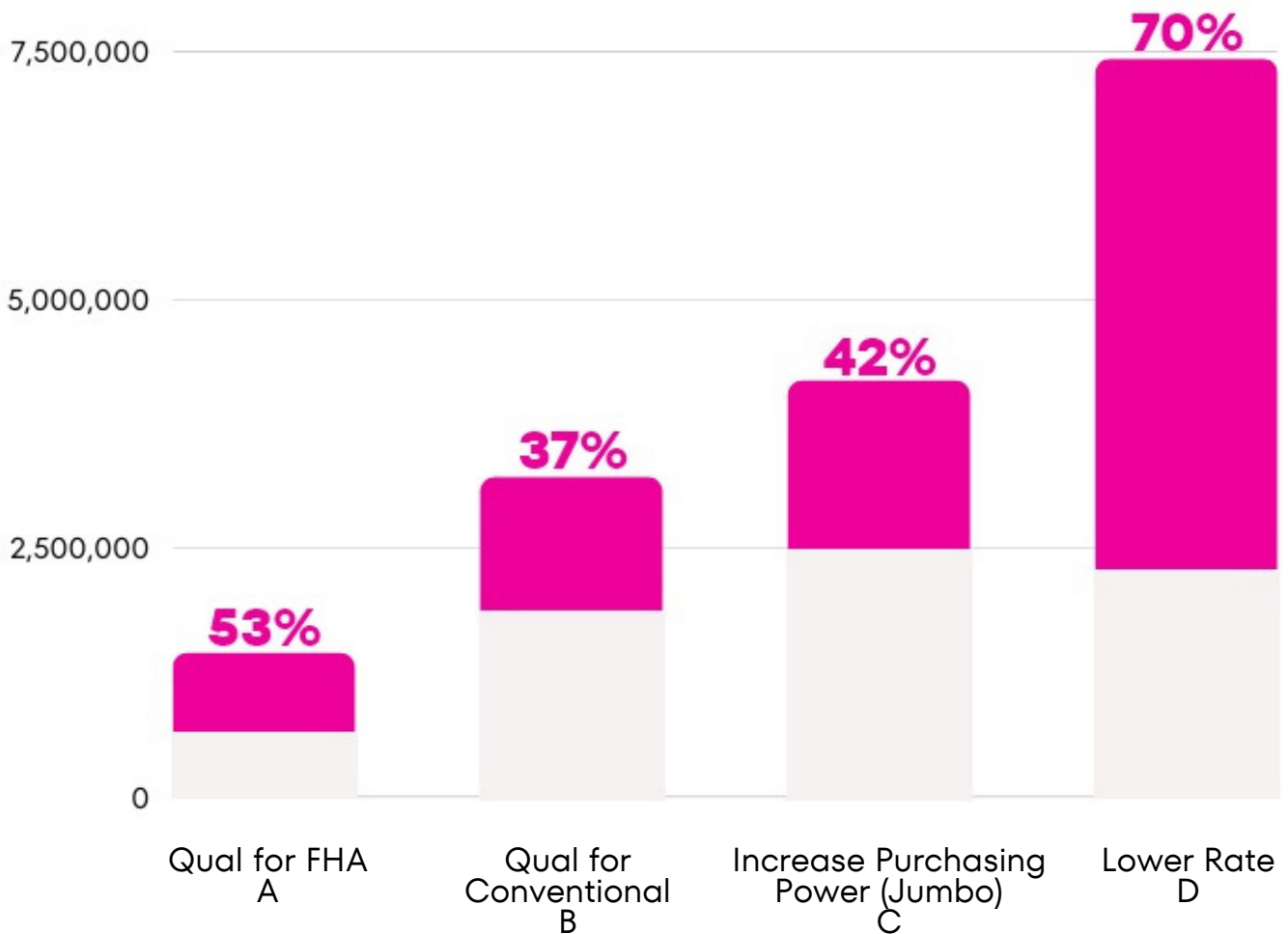
Top 5 metro areas that have the highest *percentage* likelihood of increasing their credit score by 20 points in 30 days or less.

12-months ending October 31, 2022

■ Increase by at Least 20 Points



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 October 2021, September 2022 and October 2022. As most mortgage credit inquires are three bureau pulls, the score band represents the mid-score.*

Score Band	October 2021 Credit Pulls	Percent of October 2021 Credit Pulls	September 2022 Credit Pulls	Percent of September 2022 Credit Pulls	October 2022 Credit Pulls	Percent of October 2022 Credit Pulls	MoM Change	YoY Change
340-359	0	0.00%	0	0.00%	0	0.00%		
360-379	2	0.00%	2	0.00%	2	0.00%	0.00%	0.00%
380-399	19	0.00%	27	0.00%	24	0.00%	-11.11%	26.32%
400-419	106	0.01%	198	0.02%	200	0.02%	1.01%	88.68%
420-439	464	0.03%	1000	0.08%	938	0.09%	-6.20%	102.16%
440-459	1,437	0.08%	2,937	0.25%	2,695	0.26%	-8.24%	87.54%
460-479	3,464	0.19%	6,331	0.53%	5,973	0.57%	-5.65%	72.43%
480-499	6,816	0.38%	11,307	0.95%	10,605	1.01%	-6.21%	55.59%
500-519	11,164	0.62%	16,262	1.37%	15,226	1.45%	-6.37%	36.38%
520-539	17,546	0.98%	21,749	1.83%	20,434	1.95%	-6.05%	16.46%
540-559	25,923	1.45%	28,674	2.42%	26,483	2.53%	-7.64%	2.16%
560-579	38,601	2.15%	38,216	3.22%	35,915	3.42%	-6.02%	-6.96%
580-599	59,243	3.31%	54,609	4.61%	50,890	4.85%	-6.81%	-14.10%
600-619	85,284	4.76%	73,201	6.18%	66,887	6.38%	-8.63%	-21.57%
620-639	115,028	6.42%	83,081	7.01%	75,663	7.21%	-8.93%	-34.22%
640-659	130,265	7.27%	90,757	7.66%	82,589	7.88%	-9.00%	-36.60%
660-679	137,172	7.66%	92,060	7.77%	82,803	7.90%	-10.06%	-39.64%
680-699	141,335	7.89%	92,508	7.80%	82,197	7.84%	-11.15%	-41.84%
700-719	140,933	7.87%	89,741	7.57%	78,432	7.48%	-12.60%	-44.35%
720-739	143,772	8.02%	90,841	7.66%	78,923	7.53%	-13.12%	-45.11%
740-759	157,757	8.80%	95,394	8.05%	82,130	7.83%	-13.90%	-47.94%
760-779	188,397	10.51%	104,187	8.79%	88,155	8.41%	-15.39%	-53.21%
780-799	220,409	12.30%	113,872	9.61%	95,513	9.11%	-16.12%	-56.67%
800-819	158,761	8.86%	75,043	6.33%	63,287	6.03%	-15.67%	-60.14%
820-839	7,823	0.44%	3,283	0.28%	2,715	0.26%	-17.30%	-65.29%
840-850	123	0.01%	73	0.01%	59	0.01%	-19.18%	-52.03%
	1,791,844		1,185,353		1,048,738		-11.53%	-41.47%

Key Takeaways

-11.53% MoM Change

-41.47% YoY Change

* MoM Change compares September 2022 to October 2022 volume.

^ YoY Change compares October 2021 to October 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 October 2021	12 Months Ending October 2021 % of Total Credit Pulls	12 Months Ending October 2022	12 Months Ending October 2022 % of Total Credit Pulls	October 2021 - 2022 YoY Change
340-359	0	0.00%	2	0.00%	0.00%
360-379	15	0.00%	20	0.00%	33.33%
380-399	145	0.00%	240	0.00%	65.52%
400-419	1,099	0.00%	1,904	0.01%	73.25%
420-439	5,170	0.02%	9,169	0.05%	77.35%
440-459	16,480	0.07%	27,514	0.16%	66.90%
460-479	41,405	0.17%	62,587	0.35%	51.14%
480-499	84,229	0.34%	114,233	0.65%	35.60%
500-519	142,423	0.57%	172,723	0.98%	21.25%
520-539	227,203	0.91%	247,586	1.40%	8.95%
540-559	338,231	1.36%	343,751	1.94%	1.62%
560-579	497,210	2.00%	490,993	2.77%	-1.26%
580-599	748,419	3.01%	727,278	4.11%	-2.83%
600-619	1,073,563	4.32%	993,746	5.62%	-7.44%
620-639	1,484,984	5.97%	1,194,680	6.75%	-19.56%
640-659	1,746,712	7.02%	1,334,446	7.54%	-23.61%
660-679	1,818,162	7.31%	1,383,925	7.82%	-23.89%
680-699	1,893,646	7.61%	1,400,151	7.91%	-26.07%
700-719	1,912,733	7.69%	1,366,466	7.72%	-28.57%
720-739	1,958,298	7.87%	1,384,237	7.82%	-29.32%
740-759	2,191,781	8.81%	1,490,774	8.43%	-31.99%
760-779	2,680,356	10.77%	1,690,203	9.55%	-36.94%
780-799	3,318,811	13.34%	1,907,381	10.78%	-42.53%
800-819	2,562,310	10.30%	1,293,743	7.31%	-49.51%
820-839	133,540	0.54%	55,392	0.31%	-58.52%
840-850	1,738	0.01%	1,007	0.01%	-42.06%
	24,878,663		17,694,151		-28.88%

Rolling 12 Month Comparison of Credit Potential

Rolling 12 Month Comparison – All Credit Scores

12 Months Ending October 2021

Score Band	Total Credit Pulls	# Increase by at least 20 points	% Increase by at least 20 Points
340-359	0	0	
360-379	15	15	100.00%
380-399	145	143	98.62%
400-419	1,099	1,048	95.36%
420-439	5,170	4,910	94.97%
440-459	16,480	15,445	93.72%
460-479	41,405	37,930	91.61%
480-499	84,229	74,824	88.83%
500-519	142,423	121,777	85.50%
520-539	227,203	187,062	82.33%
540-559	338,231	266,933	78.92%
560-579	497,210	383,683	77.17%
580-599	748,419	569,346	76.07%
600-619	1,073,563	808,138	75.28%
620-639	1,484,984	1,082,938	72.93%
640-659	1,746,712	1,226,049	70.19%
660-679	1,818,162	1,221,683	67.19%
680-699	1,893,646	1,237,220	65.34%
700-719	1,912,733	1,257,284	65.73%
720-739	1,958,298	1,398,673	71.42%
740-759	2,191,781	1,608,882	73.41%
760-779	2,680,356	1,843,668	68.78%
780-799	3,318,811	1,964,540	59.19%
800-819	2,562,310	248,033	9.68%
820-839	133,540	1,919	1.44%
840-850	1,738	0	0.00%
Total	24,878,663	15,562,143	62.55%
759 or Below	16,181,908	11,503,983	71.09%

12 Months Ending October 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%	33.33%
240	235	97.92%	64.34%
1,904	1,858	97.58%	77.29%
9,169	8,907	97.14%	81.41%
27,514	26,344	95.75%	70.57%
62,587	58,784	93.92%	54.98%
114,233	105,085	91.99%	40.44%
172,723	154,795	89.62%	27.11%
247,586	214,836	86.77%	14.85%
343,751	287,376	83.60%	7.66%
490,993	399,088	81.28%	4.02%
727,278	577,600	79.42%	1.45%
993,746	778,908	78.38%	-3.62%
1,194,680	914,526	76.55%	-15.55%
1,334,446	987,683	74.01%	-19.44%
1,383,925	965,628	69.77%	-20.96%
1,400,151	937,422	66.95%	-24.23%
1,366,466	926,299	67.79%	-26.33%
1,384,237	1,008,910	72.89%	-27.87%
1,490,774	1,089,479	73.08%	-32.28%
1,690,203	1,151,795	68.15%	-37.53%
1,907,381	1,080,959	56.67%	-44.98%
1,293,743	108,817	8.41%	-56.13%
55,392	1,249	2.25%	-34.91%
1,007	0	0.00%	
17,694,151	11,786,605	66.61%	-24.26%
12,746,425	9,443,785	74.09%	-17.91%

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

2.12%

All credit scores

2.31%

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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