

FANNIE MAE MORTGAGE LENDER SENTIMENT SURVEY QUESTIONNAIRE
2015 QUARTERLY TRACKER – Q3

/* DISPLAY */ Welcome to the *Mortgage Lender Sentiment Survey*TM, a quarterly survey conducted by Fannie Mae among senior mortgage executives like you. We need your help to gather your views and experience with the mortgage market. Your participation is critical to ensure that results portray a representative view of key mortgage industry indicators. We hope this research will provide intelligence to help you manage your business practices.

The information you provide in this survey will be kept confidential. All results will be reported in the aggregate, and responses will not be linked to any individual person or company.

Thank you for taking part in this survey, your participation is greatly appreciated.

NHS QUESTIONS

/* DISPLAY */ This first series of questions asks about the overall economy and mortgage lending industry, nationwide. We're specifically interested in your opinion as a senior mortgage executive.

/* Q1 */ In general, do you, as a senior mortgage executive, think the U.S. economy overall is on the right track or the wrong track?

- 1) Right track
- 2) Wrong track
- 3) Don't know

/* Q1A */ Do you think it is very difficult, somewhat difficult, somewhat easy, or very easy for consumers to get a home mortgage today?

- 1) Very difficult
- 2) Somewhat difficult
- 3) Somewhat easy
- 4) Very easy
- 5) Don't know

/* Q2 */ Nationally, during the next 12 months, do you, as a senior mortgage executive, think home prices in general will go up, go down, or stay the same as where they are now?

- 1) Go up
- 2) Go down
- 3) Stay the same
- 4) Don't know

/* Q4a */ ## IF Q2=C1 ## By about what percent do you, as a senior mortgage executive, think home prices nationally will go up on average over the next 12 months? **/* OPEN END NUMERIC (0 TO 100) */**

/* Q5a */ ## IF Q2=C2 ## By about what percent do you, as a senior mortgage executive, think home prices nationally will go down on average over the next 12 months? **/* OPEN END NUMERIC (0 TO 100) */**

CONSUMER DEMAND

/* DISPLAY */ This section is about consumer demand for single-family mortgages. We will be asking you these questions across three market categories, GSE-Eligible, Non-GSE-Eligible, and Government. We will also be asking these questions separately by purchase market and refinance market.

/* DISPLAY */ Now, let's focus on the consumer demand for single-family purchase mortgages your firm has experienced over the past three months.

/* METRIC A */ Over the past three months, apart from normal seasonal variation, did your firm's consumer demand for single-family purchase mortgages go up, go down, or stay the same?

Hover over the terms "GSE Eligible," "Non-GSE Eligible," and "Government" in the table below to see the definitions.

Consumer Demand for Purchase Mortgages for the Past 3 Months

- 1) Went up significantly
- 2) Went up somewhat
- 3) Stayed the same
- 4) Went down somewhat
- 5) Went down significantly
- 6) Not applicable

/* REPEAT CODES */

/* Q6a */ Purchase - **/* GSE Eligible */** [- GSE Eligible Mortgages are defined as mortgages meeting the underwriting guidelines, including loan limit amounts, of the Government-Sponsored Enterprises (GSEs) (Fannie Mae and Freddie Mac). Exclude Government loans from this category. -]

/* Q6b */ Purchase - **/* Non-GSE Eligible */** [- Non-GSE Eligible Mortgages are defined as mortgages that do not meet the GSE guidelines for purchase. These loans typically require larger down payments and typically carry higher interest rates than GSE loans. Exclude Government loans from this category. -]

/* Q6c */ Purchase - **/* Government */** [- Government Mortgages primarily include Federal Housing Administration (FHA) and the Department of Veterans Affairs (VA) insured loans but also includes other programs such as Rural Housing Guaranteed and Direct loans. -]

/* END SERIES */

/* Q7 */ **## IF (Q6a=c1, c2, c4, c5) OR (Q6b= c1, c2, c4, c5) OR (Q6c= c1, c2, c4, c5) ##** What do you think drove the change in your firm's consumer demand for single family purchase mortgages over the past three months? Please be as specific as possible. (Optional) **/* OPEN END 1 BOXES 0 REQ */**

/* END SERIES */

/* METRIC A */ Now, let's focus on the purchase mortgages over the next three months.

Over the next three months, apart from normal seasonal variation, do you expect your firm's consumer demand for single-family purchase mortgages to go up, go down, or stay the same?

Consumer Demand for Purchase Mortgages for the Next 3 Months

- 1) Go up significantly
- 2) Go up somewhat
- 3) Stay the same
- 4) Go down somewhat
- 5) Go down significantly
- 6) Not applicable

/* REPEAT CODES */

/* Q14a */ Purchase - **/* GSE Eligible */** [- GSE Eligible Mortgages are defined as mortgages meeting the underwriting guidelines, including loan limit amounts, of the Government-Sponsored Enterprises (GSEs) (Fannie Mae and Freddie Mac). Exclude Government loans from this category. -]

/* Q14b */ Purchase - **/* Non-GSE Eligible */** [- Non-GSE Eligible Mortgages are defined as mortgages that do not meet the GSE guidelines for purchase. These loans typically require larger down payments and typically carry higher interest rates than GSE loans. Exclude Government loans from this category. -]

/* Q14c */ Purchase - **/* Government */** [- Government Mortgages primarily include Federal Housing Administration (FHA) and the Department of Veterans Affairs (VA) insured loans but also includes other programs such as Rural Housing Guaranteed and Direct loans. -]

/* END SERIES */

/* METRIC A */ ## IF Q14a=C1, C2 ## You mentioned that you expect your firm's consumer demand for **GSE** eligible loans will go up over the next three months. Which of the following housing marketplace factors do you think will drive the demand to go up? Please select up to two of the most important reasons and rank them in order of importance. **/* RANDOM ROTATE CHOICES */**

- 1) Home prices are low
- 2) Mortgage rates are favorable
- 3) There are many homes available on the market
- 4) It is easy to qualify for a mortgage
- 5) Economic conditions (e.g., employment) overall are favorable
- 6) Other **/* SPECIFY */** **/* DO NOT ROTATE */**

/* REPEAT CODES */

/* Q46a */ 1 - Most important

/* Q46b */ 2 - Second most important

/* END SERIES */

/* METRIC A */ ## IF Q14a=C4, C5 ## You mentioned that you expect your firm's consumer demand for **GSE** eligible loans will go down over the next three months. Which of the following housing marketplace factors do you think will drive the demand down? Please select up to two of the most important reasons and rank them in order of importance. **/* RANDOM ROTATE CHOICES */**

- 1) Home prices are high
- 2) Mortgage rates are not favorable
- 3) There are not many homes available on the market
- 4) It is difficult to qualify for a mortgage
- 5) Economic conditions (e.g., employment) overall are not favorable

6) Other **/* SPECIFY */ /* DO NOT ROTATE */**

/* REPEAT CODES */

/* Q47a */ 1 - Most important

/* Q47b */ 2 - Second most important

/* END SERIES */

/* METRIC A */ ## IF Q14b=C1, C2 ## You mentioned that you expect your firm's consumer demand for **Non-GSE** eligible loans will go up over the next three months. Which of the following housing marketplace factors do you think will drive the demand to go up? Please select up to two of the most important reasons and rank them in order of importance. **/* RANDOM ROTATE CHOICES */**

- 1) Home prices are low
- 2) Mortgage rates are favorable
- 3) There are many homes available on the market
- 4) It is easy to qualify for a mortgage
- 5) Economic conditions (e.g., employment) overall are favorable
- 6) Other **/* SPECIFY */ /* DO NOT ROTATE */**

/* REPEAT CODES */

/* Q49a */ 1 - Most important

/* Q49b */ 2 - Second most important

/* END SERIES */

/* METRIC A */ ## IF Q14b=C4, C5 ## You mentioned that you expect your firm's consumer demand for **Non-GSE** eligible loans will go down over the next three months. Which of the following housing marketplace factors do you think will drive the demand down? Please select up to two of the most important reasons and rank them in order of importance. **/* RANDOM ROTATE CHOICES */**

- 1) Home prices are high
- 2) Mortgage rates are not favorable
- 3) There are not many homes available on the market
- 4) It is difficult to qualify for a mortgage
- 5) Economic conditions (e.g., employment) overall are not favorable
- 6) Other **/* SPECIFY */ /* DO NOT ROTATE */**

/* REPEAT CODES */

/* Q50a */ 1 - Most important

/* Q50b */ 2 - Second most important

/* END SERIES */

/* METRIC A */ ## IF Q14c=C1, C2 ## You mentioned that you expect your firm's consumer demand for **government** loans will go up over the next three months. Which of the following housing marketplace factors do you think

will drive the demand to go up? Please select up to two of the most important reasons and rank them in order of importance. **/* RANDOM ROTATE CHOICES */**

- 1) Home prices are low
- 2) Mortgage rates are favorable
- 3) There are many homes available on the market
- 4) It is easy to qualify for a mortgage
- 5) Economic conditions (e.g., employment) overall are favorable
- 6) Other **/* SPECIFY */ /* DO NOT ROTATE */**

/* REPEAT CODES */

/* Q51a */ 1 - Most important

/* Q51b */ 2 - Second most important

/* END SERIES */

/* METRIC A */ ## IF Q14c=C4, C5 ## You mentioned that you expect your firm's consumer demand for government loans will go down over the next three months. Which of the following housing marketplace factors do you think will drive the demand down? Please select up to two of the most important reasons and rank them in order of importance.

/* RANDOM ROTATE CHOICES */

- 1) Home prices are high
- 2) Mortgage rates are not favorable
- 3) There are not many homes available on the market
- 4) It is difficult to qualify for a mortgage
- 5) Economic conditions (e.g., employment) overall are not favorable
- 6) Other **/* SPECIFY */ /* DO NOT ROTATE */**

/* REPEAT CODES */

/* Q52a */ 1 - Most important

/* Q52b */ 2 - Second most important

/* END SERIES */

/* DISPLAY */ The next section is about consumer demand for refinance mortgages. Similarly, we will be asking these questions across three market categories, GSE-Eligible, Non-GSE-Eligible, and Government.

/* DISPLAY */ Now, let's focus on the consumer demand for single-family refinance mortgages your firm has experienced over the past three months.

/* METRIC A */ Over the past three months, apart from normal seasonal variation, did your firm's consumer demand for single-family refinance mortgages go up, go down, or stay the same?

Consumer Demand for Refinance Mortgages for the Past 3 Months

- 1) Went up significantly
- 2) Went up somewhat
- 3) Stayed the same
- 4) Went down somewhat

- 5) Went down significantly
- 6) Not applicable

/* REPEAT CODES */

/* Q10a */ Refinance - [*** GSE Eligible ***] [- GSE Eligible Mortgages are defined as mortgages meeting the underwriting guidelines, including loan limit amounts, of the Government-Sponsored Enterprises (GSEs) (Fannie Mae and Freddie Mac). Exclude Government loans from this category. -]

/* Q10b */ Refinance - [*** Non-GSE Eligible ***] [- Non-GSE Eligible Mortgages are defined as mortgages that do not meet the GSE guidelines for purchase. These loans typically require larger down payments typically and carry higher interest rates than GSE loans. Exclude Government loans from this category. -]

/* Q10c */ Refinance - [*** Government ***] [- Government Mortgages primarily include Federal Housing Administration (FHA) and the Department of Veterans Affairs (VA) insured loans but also includes other programs such as Rural Housing Guaranteed and Direct loans. -]

/* END SERIES */

/* DISPLAY */ Now, let's focus on the refinance mortgages over the next three months.

/* METRIC A */ Over the next three months, apart from normal seasonal variation, do you expect your firm's consumer demand for single-family refinance mortgages to go up, go down, or stay the same?

Consumer Demand for Refinance Mortgages for the Next 3 Months

- 1) Go up significantly
- 2) Go up somewhat
- 3) Stay the same
- 4) Go down somewhat
- 5) Go down significantly
- 6) Not applicable

/* REPEAT CODES */

/* Q18a */ Refinance - [*** GSE Eligible ***] [- GSE Eligible Mortgages are defined as mortgages meeting the underwriting guidelines, including loan limit amounts, of the Government-Sponsored Enterprises (GSEs) (Fannie Mae and Freddie Mac). Exclude Government loans from this category. -]

/* Q18a */ Refinance - [*** Non-GSE Eligible ***] [- Non-GSE Eligible Mortgages are defined as mortgages that do not meet the GSE guidelines for purchase. These loans typically require larger down payments and typically carry higher interest rates than GSE loans. Exclude Government loans from this category. -]

/* Q18c */ Refinance - [*** Government ***] [- Government Mortgages primarily include Federal Housing Administration (FHA) and the Department of Veterans Affairs (VA) insured loans but also includes other programs such as Rural Housing Guaranteed and Direct loans. -]

/* END SERIES */

PROFIT MARGIN

/* DISPLAY */ Now you will see some questions regarding your firm's profit margin outlook.

/* Q22 */ Over the next three months, how much do you expect your firm's profit margin to change for its single-family mortgage production?

- 1) Increase significantly (25+ basis points)
- 2) Increase somewhat (5 - 25 basis points)
- 3) Remain about the same (0 - 5 basis points)
- 4) Decrease somewhat (5 - 25 basis points)
- 5) Decrease significantly (25+ basis points)
- 6) Not sure/Prefer not to answer/Not applicable

/* METRIC A */ ## IF Q22=4,5 ## What primary strategies, if any, is your firm planning to use to address your decreased profit margin? Please select the two most important strategies and rank them in order of importance. **/* RANDOM ROTATE CHOICES */**

- 1) Loan officer staffing adjustments
- 2) Back-office staffing adjustments
- 3) Operational efficiency (i.e. technology) investments
- 4) New or re-allocation of origination channels (i.e. retail or online or third-party channels)
- 5) New or re-allocation of mortgage product offerings
- 6) Underwriting standard changes
- 7) New borrower segments
- 8) Business acquisition/merger/divestment
- 9) Marketing outreach expansion/contraction
- 10) Price adjustments
- 11) MSR (Mortgage Servicing Rights) sales
- 12) Investor outlet expansion/contraction
- 13) Other **/* DO NOT ROTATE */**

/* REPEAT CODES */

/* Q23a */ 1 - Most important

/* Q23b */ 2 - Second most important

/* END SERIES */

/* METRIC A */ ## IF Q22=4,5 ## What do you think will drive the decrease in your firm's profit margin over the next three months? Please select the two most important reasons and rank them in order of importance. **/* RANDOM ROTATE CHOICES */**

- 1) Consumer demand
- 2) Competition from other lenders
- 3) Government monetary or fiscal policy
- 4) Government regulatory compliance
- 5) GSE pricing and policies
- 6) Non-GSE (other investors) pricing and policies
- 7) Operational efficiency (i.e. technology)
- 8) Staffing (personnel costs)
- 9) Marketing expenses
- 10) Servicing costs

- 11) Market trend changes (i.e. shift from refinance to purchase)
- 12) Other **/* DO NOT ROTATE */**

/* REPEAT CODES */

/* Q24a */ 1 - Most important

/* Q24b */ 2 - Second most important

/* END SERIES */

/* METRIC A */ ## IF Q22=1,2 ## What primary strategies, if any, is your firm planning to use to achieve your increased profit margin? Please select the two most important strategies and rank them in order of importance. **/* RANDOM ROTATE CHOICES */**

- 1) Loan officer staffing adjustments
- 2) Back-office staffing adjustments
- 3) Operational efficiency (i.e. technology) investments
- 4) New or reallocation of origination channels (i.e. retail or online or third-party channels)
- 5) New or reallocation of mortgage product offerings
- 6) Underwriting standard changes
- 7) New borrower segments
- 8) Business acquisition/merger/divestment
- 9) Marketing outreach expansion/contraction
- 10) Price adjustments
- 11) MSR (Mortgage Servicing Rights) sales
- 12) Investor outlet expansion/contraction
- 13) Other **/* DO NOT ROTATE */**

/* REPEAT CODES */

/* Q25a */ 1 - Most important

/* Q25b */ 2 - Second most important

/* END SERIES */

/* METRIC A */ ## IF Q22=1,2 ## What do you think will drive the increase in your firm's profit margin over the next three months? Please select the two most important reasons and rank them in order of importance. **/* RANDOM ROTATE CHOICES */**

- 1) Consumer demand
- 2) Less competition from other lenders
- 3) Government monetary or fiscal policy
- 4) Government regulatory compliance
- 5) GSE pricing and policies
- 6) Non-GSE (other investors) pricing and policies
- 7) Operational efficiency (i.e. technology)
- 8) Staffing (personnel costs) reduction
- 9) Marketing expense reduction
- 10) Servicing cost reduction

- 11) Market trend changes (i.e. shift from refinance to purchase)
- 12) Other **/* DO NOT ROTATE */**

/* REPEAT CODES */

/* Q26a */ 1 - Most important

/* Q26b */ 2 - Second most important

/* END SERIES */

CREDIT STANDARDS

/* DISPLAY */ This section is about your firm's credit standards for approving applications from individuals for mortgage loans.

/* METRIC B */ Now, let's focus on the past three months.

Over the past three months, how did your firm's credit standards for approving consumer applications for mortgage loans change (across both purchase mortgages and refinance mortgages)? Please answer for GSE eligible mortgages, non-GSE eligible mortgages, and Government mortgages.

Credit Standards over the Past 3 Months

- 1) Eased considerably
- 2) Eased somewhat
- 3) Remained basically unchanged
- 4) Tightened somewhat
- 5) Tightened considerably
- 6) Not applicable

/* REPEAT CODES */

/* Q27a */ **/* GSE Eligible */** [- GSE Eligible Mortgages are defined as mortgages meeting the underwriting guidelines, including loan limit amounts, of the Government-Sponsored Enterprises (GSEs) (Fannie Mae and Freddie Mac). Exclude Government loans from this category. -]

/* Q27b */ **/* Non-GSE Eligible */** [- Non-GSE Eligible Mortgages are defined as mortgages that do not meet the GSE guidelines for purchase. These loans typically require larger down payments and typically carry higher interest rates than GSE loans. Exclude Government loans from this category. -]

/* Q27c */ **/* Government */** [- Government Mortgages primarily include Federal Housing Administration (FHA) and the Department of Veterans Affairs (VA) insured loans but also includes other programs such as Rural Housing Guaranteed and Direct loans. -]

/* END SERIES */

/* Q28 */ **## IF ANY (Q27a, Q27b, Q27c) = c1,c2,c4,c5 ##** What do you think drove the change in your firm's credit standards for approving consumer applications for purchase and refinance mortgage loans over the last three months? Please be as specific as possible. (Optional) **/* OPEN END 1 BOXES 0 REQ */**

/* DISPLAY */ Now let's focus on the next three months.

/* METRIC A */ Over the next three months, how do you expect your firm's credit standards for approving applications from individuals for mortgage loans to change (across purchase mortgages and refinance mortgages)?

Credit Standards over the Next 3 Months

- 1) Ease considerably
- 2) Ease somewhat
- 3) Remain basically unchanged
- 4) Tighten somewhat
- 5) Tighten considerably
- 6) Not applicable

/* REPEAT CODES */

/* Q31a */ **/* GSE Eligible */** [- GSE Eligible Mortgages are defined as mortgages meeting the underwriting guidelines, including loan limit amounts, of the Government-Sponsored Enterprises (GSEs) (Fannie Mae and Freddie Mac). Exclude Government loans from this category. -]

/* Q31b */ **/* Non-GSE Eligible */** [- Non-GSE Eligible Mortgages are defined as mortgages that do not meet the GSE guidelines for purchase. These loans typically require larger down payments and typically carry higher interest rates than GSE loans. Exclude Government loans from this category. -]

/* Q31c */ **/* Government */** [- Government Mortgages primarily include Federal Housing Administration (FHA) and the Department of Veterans Affairs (VA) insured loans but also includes other programs such as Rural Housing Guaranteed and Direct loans. -]

/* END SERIES */

/* Q32 */ **## IF ANY (Q31a, Q31b, Q31c) = c1,c2,c4,c5 ##** What do you think will drive the change in your firm's credit standards for approving consumer applications for purchase and refinance mortgage loans over the next three months? Please be as specific as possible. (Optional) **/* OPEN END 1 BOXES 0 REQ */**

MORTGAGE EXECUTION SHARE

/* DISPLAY */ The next series of questions is about your firm's mortgage-origination execution strategy.

/* METRIC A */ Approximately, what percent of your firm's total mortgage originations goes to each of the following categories? Please enter a percent in each box below. If a category is not applicable to your firm, please enter 0. The percentages below must add up to 100%. **/* OPEN END NUMERIC (0 TO 100) */**

/* REPEAT CODES */

- /* Q35a */** Portfolio Retention
/* Q35b */ GSE (Fannie Mae and Freddie Mac)
/* Q35c */ Ginnie Mae (FHA/VA)
/* Q35d */ Private Label Securities / Non-Agency Securities
/* Q35e */ Whole Loan Sales to NON-GSE (Correspondent)
/* Q35f */ Other

/* END SERIES */

/* q35fother */ **## IF Q35f > 0 ##** On the previous page you indicated "other." Please specify your firm's other post mortgage-origination execution category. **/* OPEN END 1 BOXES 1 REQ */** **## QUESTION IS REQUIRED ##**

/* METRIC A */ Looking forward, what percent of your firm’s total mortgage originations over the next year will go to each of the following categories? Please enter a percent for each category. If a category is not applicable to your firm, please enter 0. The percentages below must add up to 100%. **/* OPEN END NUMERIC (0 TO 100) */**

/* REPEAT CODES */

/* Q44a */ ## IF Q35a > 0 ## Portfolio Retention
/* Q44b */ ## IF Q35b > 0 ## GSE (Fannie Mae and Freddie Mac)
/* Q44c */ ## IF Q35c > 0 ## Ginnie Mae (FHA/VA)
/* Q44d */ ## IF Q35d > 0 ## Private Label Securities / Non-Agency Securities
/* Q44e */ ## IF Q35e > 0 ## Whole Loan Sales to NON-GSE (Correspondent)
/* Q44f */ ## IF Q35f > 0 ## ## INSERT RESPONSE FROM q35fother ##

/* END SERIES */

MORTGAGE SERVICING RIGHTS

/* DISPLAY */ Now, we will be asking you about your firm’s mortgage servicing rights (MSR) strategy.

/* METRIC B */ Approximately, what percent of your mortgage servicing rights (MSR) goes to each of the following categories? Please enter a percent in each box below. If a category is not applicable to your firm, please enter 0. The percentages below must add up to 100%. **/* OPEN END NUMERIC (0 TO 100) */**

/* REPEAT CODES */

/* Q38a */ MSR retained, serviced in-house
/* Q38b */ MSR retained, serviced by a subservicer
/* Q38c */ MSR sold

/* END SERIES */

/* METRIC A */ Looking forward, what percent of your firm’s mortgage servicing rights (MSR) over the next year will go to each of the following categories? Please enter a percent for each category. If a category is not applicable to your firm, please enter 0. The percentages below must add up to 100%. **/* OPEN END NUMERIC (0 TO 100) */**

/* REPEAT CODES */

/* Q45a */ ## IF Q38a > 0 ## MSR retained, serviced in-house
/* Q45b */ ## IF Q38b > 0 ## MSR retained, serviced by a subservicer
/* Q45c */ ## IF Q38c > 0 ## MSR sold

/* END SERIES */

ROTATING QUESTIONS – MARKETING/SALES CHANNELS

/* DISPLAY */ In the following section we will be asking you about your firm’s channel strategy.

/* QR92 */ Does your firm originate purchase or refinance mortgages directly with consumers or directly interact with consumers in originating purchase or refinance mortgages?

- 1) Yes
- 2) No
- 3) Not sure/don't know

/* QR93 */ ## IF QR92=1 ## Please indicate if your firm currently uses any of these channels to market your mortgage products to consumers. **/* RANDOM ROTATE CHOICES */ /* MULTIPLE RESPONSES PERMITTED */**

- 1) Traditional mass media (e.g., TV, radio, and magazines)
- 2) Your firm's website
- 3) Social media (i.e., blog, Facebook, Twitter, YouTube)
- 4) Web/online banner ads
- 5) Email
- 6) Direct mail
- 7) Retail branches/offices
- 8) Advertising on third-party websites (e.g., bankrate.com, realtors.com, Zillow, LendingTree, etc.)
- 9) Partnership with third-parties such as home builders, aggregators, or realtors
- 10) Partnerships with government housing agencies or non-profit organizations
- 11) Loan officers' networking and contacts
- 12) Mobile Applications (apps)
- 13) Other **/* SPECIFY */ /* DO NOT ROTATE */**
- 14) None of the above **/* DO NOT ROTATE */ /* EXCLUSIVE */**
- 15) Not sure/don't know **/* DO NOT ROTATE */ /* EXCLUSIVE */**

/* METRIC A */ ## IF QR92=1 ## Among the channels your firm currently uses, which are your firm's Top TWO channels to market your mortgage products to consumers? **/* RANDOM ROTATE CHOICES */ ## SHOW CHOICES ON Y AXIS AND QUESTIONS ON X AXIS ##**

- 1) **## IF QR93=1 ##** Traditional mass media (e.g., TV, radio, and magazines)
- 2) **## IF QR93=2 ##** Your firm's website
- 3) **## IF QR93=3 ##** Social media (i.e., blog, Facebook, Twitter, YouTube)
- 4) **## IF QR93=4 ##** Web/online banner ads
- 5) **## IF QR93=5 ##** Email
- 6) **## IF QR93=6 ##** Direct mail
- 7) **## IF QR93=7 ##** Retail branches/offices
- 8) **## IF QR93=8 ##** Advertising on third-party websites (e.g., bankrate.com, realtors.com, Zillow, LendingTree, etc.)
- 9) **## IF QR93=9 ##** Partnership with third-parties such as home builders, aggregators, or realtors
- 10) **## IF QR93=10 ##** Partnerships with government housing agencies or non-profit organizations
- 11) **## IF QR93=11 ##** Loan officers' networking and contacts
- 12) **## IF QR93=12 ##** Mobile Applications (apps)
- 13) **## IF QR93=13 ## ## INSERT RESPONSE FROM QR93=13 ## /* DO NOT ROTATE */**

/* REPEAT CODES */

/* QR94a */ 1 – Top Focus
/* QR94b */ 2 – Second Focus

/* END SERIES */

/* METRIC A */ ## IF QR92=1 ## Now, thinking about your firm’s future channel strategy, which TWO channels will be your firm’s investment priorities over the next 12 months? **/* RANDOM ROTATE CHOICES */ ## SHOW CHOICES ON Y AXIS AND QUESTIONS ON X AXIS ##**

- 1) Traditional mass media (e.g., TV, radio, and magazines)
- 2) Your firm’s website
- 3) Social media (i.e., blog, Facebook, Twitter, YouTube)
- 4) Web/online banner ads
- 5) Email
- 6) Direct mail
- 7) Retail branches/offices
- 8) Advertising on third-party websites (e.g., bankrate.com, realtors.com, Zillow, LendingTree, etc.)
- 9) Partnership with third-parties such as home builders, aggregators, or realtors
- 10) Partnerships with government housing agencies or non-profit organizations
- 11) Loan officers’ networking and contacts
- 12) Mobile Applications (apps)
- 13) Other **/* SPECIFY */ /* DO NOT ROTATE */**

/* REPEAT CODES */

/* QR95a */ 1 – Top Priority
/* QR95b */ 2 – 2nd Priority

/* END SERIES */

ROTATING QUESTIONS – CONSUMER-FACING MOBILE TECHNOLOGIES

/* DISPLAY */ In the following section, we will be asking you about technologies for mobile devices such as tablets or smart phones.

/* QR96 */ ## IF QR92=1 ## Does your firm currently offer a mobile application (app) (developed internally or externally) to help consumers shop or obtain a mortgage?

- 1) Yes
- 2) No
- 3) Not sure/don’t know

/* QR97 */ ## IF QR96=1 ## How did your firm develop the mobile app?

- 1) Had internal staff build it
- 2) Hired a third-party company to develop it, proprietary for my company

- 3) Licensed a third-party mobile app
- 4) Other **/* SPECIFY */**
- 5) Not sure/don't know

/* QR98 */ ## IF QR96=1 ## Please select what activities listed below consumers can perform on your firm's mobile app. Please check all that apply. **/* MULTIPLE RESPONSES PERMITTED */**

- 1) Use a financial calculator such as mortgage calculator, affordability calculator, or refinance calculator
- 2) Search for homes (linked with MLS listings)
- 3) Obtain step-by-step guide to get a mortgage
- 4) Compare mortgage products (e.g., 30-year vs. 15-year; fixed vs. ARM)
- 5) Get pre-qualification or pre-approval
- 6) Obtain a mortgage quote (e.g., interest rate and terms)
- 7) Connect with mortgage bankers or loan officers at your firm
- 8) Fill out a mortgage loan application form
- 9) Track loan application process
- 10) Get real-time notifications/alerts
- 11) Review/download documents such as credit reports, appraisal reports, good-faith estimates or closing documents
- 12) Sign documents electronically
- 13) Other **/* SPECIFY */**
- 14) Not sure/don't know **/* EXCLUSIVE */**

/* METRIC A */ ## IF QR96=1 ## For the same list of mobile functionalities, regardless of whether your firm currently offers them or not, what are the three most important features to support your firm's mobile strategies? **## SHOW CHOICES as the same order as QR98 ##**

- 1) Use a financial calculator such as mortgage calculator, affordability calculator, or refinance calculator
- 2) Search for homes (linked with MLS listings)
- 3) Obtain step-by-step guide to get a mortgage
- 4) Compare mortgage products (e.g., 30-year vs. 15-year; fixed vs. ARM)
- 5) Get pre-qualification or pre-approval
- 6) Obtain a mortgage quote (e.g., interest rate and terms)
- 7) Connect with mortgage bankers or loan officers at your firm
- 8) Fill out a mortgage loan application form
- 9) Track loan application process
- 10) Get real-time notifications/alerts
- 11) Review/download documents such as credit reports, appraisal reports, good-faith estimates or closing documents
- 12) Sign documents electronically
- 13) Other **/* SPECIFY */**
- 14) Not sure/don't know **/* DO NOT ROTATE */**

/* REPEAT CODES */

/* QR99a */ Most Important
/* QR99b */ 2nd Most Important
/* QR99c */ 3rd Most Important

/* END SERIES */

/* QR100 */ **## IF QR96=2 ##** Does your firm plan to deploy a mobile app (developed internally or externally) over the next 12 months to help consumers shop for homes or obtain a mortgage?

- 1) Yes
- 2) No
- 3) Not sure/don't know

/* METRIC A */ **## IF QR100=1 ##** Listed below are some consumer-facing features that mobile apps could provide. Please select the three most important features to support your firm's mobile strategies and rank them in order of importance. **## SHOW CHOICES ON Y AXIS AND QUESTIONS ON X AXIS ##**

- 1) Use a financial calculator such as mortgage calculator, affordability calculator, or refinance calculator
- 2) Search for homes (linked with MLS listings)
- 3) Obtain step-by-step guide to get a mortgage
- 4) Compare mortgage products (e.g., 30-year vs. 15-year; fixed vs. ARM)
- 5) Get pre-qualification or pre-approval
- 6) Obtain a mortgage quote (e.g., interest rate and terms)
- 7) Connect with mortgage bankers or loan officers at your firm
- 8) Fill out a mortgage loan application form
- 9) Track loan application process
- 10) Get real-time notifications/alerts
- 11) Review/download documents such as credit reports, appraisal reports, good-faith estimates or closing documents
- 12) Sign documents electronically
- 13) Other **/* SPECIFY */**

/* REPEAT CODES */

/* QR101a */ Most Important
/* QR101b */ 2nd Most Important
/* QR101c */ 3rd Most Important

/* END SERIES */

/* METRIC A */ **## IF QR100=2 ##** Why does your firm NOT want to invest in developing or licensing third-party mobile app to help consumers shop or obtain a mortgage? Please select the two most important reasons and rank them in order of importance. **/* RANDOM ROTATE CHOICES */** **## SHOW CHOICES ON Y AXIS AND QUESTIONS ON X AXIS ##**

- 1) Network bandwidth issues (e.g., Bandwidth is not large enough to allow consumers to have a smooth user experience)
- 2) Information security risk
- 3) IT Investment (development and deployment) too costly

- 4) Consumers' adoption of using mobile apps for mortgage loan activities is still slow
- 5) Mobile platform limitations (Certain things just cannot be done well on mobile devices)
- 6) There's no differentiation between lenders' mobile apps. It's becoming a "commodity" which will not add value to my firm's offerings.
- 7) Legal/compliance issues
- 8) Difficulty of identifying an app vendor that meets my firm's needs
- 9) Other **/* SPECIFY */ /* DO NOT ROTATE */**

/* REPEAT CODES */

/* QR102a */ Most Important

/* QR102b */ 2nd Most Important

/* END SERIES */

/* METRIC A */ ## IF QR100=2 ## If your firm were to deploy a mobile app for consumers in the future to support your firm's mobile strategies, what would be the three most important features? Please rank these features in order of importance. **## SHOW CHOICES ON Y AXIS AND QUESTIONS ON X AXIS ##**

- 1) Use a financial calculator such as mortgage calculator, affordability calculator, or refinance calculator
- 2) Search for homes (linked with MLS listings)
- 3) Obtain step-by-step guide to get a mortgage
- 4) Compare mortgage products (e.g., 30-year vs. 15-year; fixed vs. ARM)
- 5) Get pre-qualification or pre-approval
- 6) Obtain a mortgage quote (e.g., interest rate and terms)
- 7) Connect with mortgage bankers or loan officers at your firm
- 8) Fill out a mortgage loan application form
- 9) Track loan application process
- 10) Get real-time notifications/alerts
- 11) Review/download documents such as credit reports, appraisal reports, good-faith estimates or closing documents
- 12) Sign documents electronically
- 13) Other **/* SPECIFY */**

/* REPEAT CODES */

/* QR103a */ Most Important

/* QR103b */ 2nd Most Important

/* QR103c */ 3rd Most Important

/* END SERIES */

/* METRIC A */ Listed below are some key players in the technology or financial services industry. For the future, who do you think will be the top two competitors offering mortgages via mobile channels such as tablets or smart phones?

/* RANDOM ROTATE CHOICES */ ## SHOW CHOICES ON Y AXIS AND QUESTIONS ON X AXIS ##

- 1) Technology companies such as Apple, Google, and Microsoft

- 2) Retailers such as Walmart, Target, and Costco
- 3) Online Business-to-Consumers (B2C) lenders such as Quicken Loans, loanDepot, and Ditech
- 4) Traditional financial services companies such as banks
- 5) Personal finance software companies, such as Intuit and Mint.com
- 6) Online retailers such as Amazon
- 7) Online real estate services such as Zillow and Realtor.com
- 8) Online lending aggregators, such as LendingTree.com and Bankrate.com
- 9) Peer-to-Peer (P2P) online lenders such as SoFi, Lending Club, and Prosper
- 10) Other **/* SPECIFY */ /* DO NOT ROTATE */**

/* REPEAT CODES */

/* QR104a */ 1 – Top Competitor

/* QR104b */ 2 – Top 2nd Competitor

/* END SERIES */

43. This is the last question. Are there other topics that you think would be interesting or useful to be included in the future quarterly survey among senior mortgage executives like yourself? (Optional) **/* OPEN END 1 BOXES 0 REQ */**

/* DISPLAY */ This now completes the survey. We really appreciate you taking the time to contribute to this important industry research.

You can find the previous quarters' results as well as special topic analyses on the [Mortgage Lender Sentiment Survey](#) page on FannieMae.com.

Please note that responses to the survey questions will be aggregated and analyzed solely to identify important topics, trends, and issues surrounding the mortgage industry. Fannie Mae will not publish respondent names or affiliated institutions.

At this point, you may close your browser window or **click below** to enter your email address if you would like to receive a copy of the Q3 2015 Mortgage Lender Sentiment Survey report when it's released. To ensure that your survey responses remain anonymous, after clicking on the link you will be directed to a separate website to enter your email address.

[Insert Button that reads "Click to Receive a Copy" that takes respondents to a separate link to enter their email address]