

FANNIE MAE LENDER SENTIMENT SURVEY QUESTIONNAIRE

2014 QUARTERLY TRACKER – Q1

/* DISPLAY */ Welcome to the Mortgage Lender Sentiment Survey, conducted by Fannie Mae – we would like to understand your firm’s recent experience in the mortgage market and expectations for its future. Your participation is critical to ensure that the survey data provide a credible peer-driven view of leading mortgage industry indicators.

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.

1. 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
2. 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 */**

/* 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 */**

CONSUMER DEMAND

/* DISPLAY */ Now you'll see some questions about consumer demand for single-family purchase and refinance mortgages that your firm has experienced over the past three months. We will be asking you these questions across three market categories, GSE-Eligible, GSE-Non-Eligible, and Government. We will also be asking these questions separately by purchase market and refinance market.

/* 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? Please answer for GSE eligible mortgages, non-GSE eligible mortgages, and Government mortgages.

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

Consumer Demand for the Past 3 Months

- 1) Went up
- 2) Stayed the same
- 3) Went down
- 4) 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 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 */

7. **## IF (Q6a=c1, c3) OR (Q6b=c1, c3) OR (Q6c=c1, c3) ##** 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 */**

IF Q6a=3, Q6b=3 OR Q6c=3 ## /* METRIC A */ You said that your firm has seen the demand **go down** for the following types of mortgages. By about what percent has your firm's consumer demand for single-family purchase mortgages gone down over the past three months?

- 1) Less than 5%
- 2) 5% to 9.9%
- 3) 10% to 24.9%
- 4) 25% to 49.9%
- 5) 50% or more

/* REPEAT CODES */

/* Q8a */ ## IF Q6a=3 ## 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. -]

/* Q8b */ ## IF Q6b=3 ## 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 carry higher interest rates than GSE loans. Exclude Government loans from this category. -]

/* Q8c */ ## IF Q6c=3 ## 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 */

IF Q6a=1, Q6b=1 OR Q6c=1 ## /* METRIC A */ You said that your firm has seen the demand **go up** for the following types of mortgages. By about what percent has your firm's consumer demand for single-family purchase mortgages gone up over the past three months?

- 1) Less than 5%
- 2) 5% to 9.9%
- 3) 10% to 24.9%
- 4) 25% to 49.9%
- 5) 50% or more

/* REPEAT CODES */

/* Q9a */ ## IF Q6a=1 ## 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. -]

/* Q9b */ ## IF Q6b=1 ## 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 carry higher interest rates than GSE loans. Exclude Government loans from this category. -]

/* Q9c */ ## IF Q6c=1 ## 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 */ 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? Please answer for GSE eligible mortgages, non-GSE eligible mortgages, and Government mortgages.

Consumer Demand for the Past 3 Months

- 1) Went up
- 2) Stayed the same
- 3) Went down
- 4) 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 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 */

11. **## IF (Q10a=c1, c3) OR (Q10b=c1, c3) OR (Q10c=c1, c3) ##** What do you think drove the change in your firm's consumer demand for single family refinance mortgages over the past three months? Please be as specific as possible. (Optional) **/* OPEN END 1 BOXES 0 REQ */**

IF Q10a=3, Q10b=3, Q10c=3 ## /* METRIC A */ You said that your firm has seen the demand **go down** for the following types of mortgages. By about what percent has your firm's consumer demand for single-family refinance mortgages gone down over the past three months?

- 1) Less than 5%
- 2) 5% to 9.9%
- 3) 10% to 24.9%
- 4) 25% to 49.9%
- 5) 50% or more

/* REPEAT CODES */

/* Q12a */ **## IF Q10a=3 ##** 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. -]

/* Q12b */ **## IF Q10b=3 ##** 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 carry higher interest rates than GSE loans. Exclude Government loans from this category. -]

/* Q12c */ **## IF Q10c=3 ##** 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 */

IF Q10a=1, Q10b=1, Q10c=1 ## /* METRIC A */ You said that your firm has seen the demand **go up** for the following types of mortgages. By about what percent has your firm's consumer demand for single-family refinance mortgages gone up over the past three months?

- 1) Less than 5%
- 2) 5% to 9.9%
- 3) 10% to 24.9%
- 4) 25% to 49.9%
- 5) 50% or more

/* REPEAT CODES */

/* Q13a */ ## IF Q10a=1 ## 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. -]

/* Q13b */ ## IF Q10b=1 ## 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 carry higher interest rates than GSE loans. Exclude Government loans from this category. -]

/* Q13c */ ## IF Q10c=1 ## 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 you'll see some questions about your firm's consumer demand for single-family purchase and refinance mortgages over the next three months. We will be asking you these questions across three market categories, GSE-Eligible, GSE-Non-Eligible, and Government.

/* METRIC A */ 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? Please answer for GSE eligible mortgages, non-GSE eligible mortgages, and Government mortgages.

Consumer Demand for the Next 3 Months

- 1) Go up
- 2) Stay the same
- 3) Go down
- 4) 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 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 */

15. ## IF (Q14a = 1, 3) OR (Q14b = 1, 3) OR (Q14c = 1, 3) ## What do you think will drive the change in your firm's consumer demand for single-family purchase mortgages over the next three months? Please be as specific as possible. (Optional) **/* OPEN END 1 BOXES 0 REQ */**

/* METRIC A */ You indicated that you expect your firm's demand to **go down** for the following types of mortgages. By about what percent do you expect your firm's consumer demand for single-family purchase mortgages to go down over the next three months?

- 1) Less than 5%
- 2) 5% to 9.9%
- 3) 10% to 24.9%
- 4) 25% to 49.9%
- 5) 50% or more

/* REPEAT CODES */

/* Q16a */ ## IF Q14a= 3 ## 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. -]

/* Q16b */ ## IF Q14b = 3 ## 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 carry higher interest rates than GSE loans. Exclude Government loans from this category. -]

/* Q16c */ ## IF Q14c = 3 ## 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 */ You said that you expect your firm's demand to **go up** for the following types of mortgages. By about what percent do you expect your firm's consumer demand for single-family purchase mortgages to go up over the next three months?

- 1) less than 5%
- 2) 5% to 9.9%
- 3) 10% to 24.9%
- 4) 25% to 49.9%
- 5) 50% or more

/* REPEAT CODES */

/* Q17a */ ## IF Q14a = 1 ## 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. -]

/* Q17b */ ## IF Q14b = 1 ## 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 carry higher interest rates than GSE loans. Exclude Government loans from this category. -]

/* Q17c */ ## IF Q14c = 1 ## 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 */ 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? Please answer for GSE eligible mortgages, non-GSE eligible mortgages, and Government mortgages.

Consumer Demand for the Next 3 Months

- 1) Go up
- 2) Stay the same
- 3) Go down
- 4) 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 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 */

19. **## IF (Q18a =1, 3) OR (Q18b = 1, 3) OR (Q18c = 1, 3) ##** What do you think will drive the change in your firm's consumer demand for single-family refinance mortgages over the next three months? Please be as specific as possible. (Optional) **/* OPEN END 1 BOXES 0 REQ */**

/* METRIC A */ You indicated that you expect your firm's demand to **go down** for the following types of mortgages. By about what percent do you expect your firm's consumer demand for single-family refinance mortgages to go down over the next three months?

- 1) Less than 5%
- 2) 5% to 9.9%
- 3) 10% to 24.9%
- 4) 25% to 49.9%
- 5) 50% or more

/* REPEAT CODES */

/* Q20a */ **## IF Q18a=3 ##** 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. -]

/* Q20b */ **## IF Q18b=3 ##** 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 carry higher interest rates than GSE loans. Exclude Government loans from this category. -]

/* Q20c */ **## IF Q18c=3 ##** 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 */

/* METRIC A */ You said that you expect your firm's demand to **go up** for the following types of mortgages. By about what percent do you expect your firm's consumer demand for single-family refinance mortgages to go up over the next three months?

- 1) Less than 5%
- 2) 5% to 9.9%
- 3) 10% to 24.9%
- 4) 25% to 49.9%
- 5) 50% or more

/* REPEAT CODES */

/* Q21a */ **## IF Q18a=1 ##** 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. -]

/* Q21b */ **## IF Q18b=1 ##** 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 carry higher interest rates than GSE loans. Exclude Government loans from this category. -]

/* Q21c */ **## IF Q18c=1 ##** 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

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

- 1) Substantially Increase (25+ basis points)
- 2) Moderately Increase (5 - 25 basis points)
- 3) About the same (0 - 5 basis points)
- 4) Moderately Decrease (5 - 25 basis points)
- 5) Substantially Decrease (25+ basis points)
- 6) Not Applicable

23. **## IF Q22=4,5 ##** What primary strategies, if any, is your firm planning to use to address your decreased profit margin? Please select all that apply. **/* MULTIPLE RESPONSES PERMITTED */ /* 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 /* SPECIFY */ /* DO NOT ROTATE */
- 14) Operate as normal (no major strategy shifts) /* EXCLUSIVE */ /* DO NOT ROTATE */

24. **## 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 all that apply. /* MULTIPLE RESPONSES PERMITTED */ /* 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 /* SPECIFY */ /* DO NOT ROTATE */
- 13) None of the above /* EXCLUSIVE */ /* DO NOT ROTATE */

25. **## IF Q22=1,2 ##** What primary strategies, if any, is your firm planning to use to achieve your increased profit margin? Please select all that apply. /* MULTIPLE RESPONSES PERMITTED */ /* 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 /* SPECIFY */ /* DO NOT ROTATE */
- 14) Operate as normal (no major strategy shifts) /* EXCLUSIVE */ /* DO NOT ROTATE */

26. **## 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 all that apply. /* MULTIPLE RESPONSES PERMITTED */ /* 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 **/* SPECIFY */ /* DO NOT ROTATE */**
- 13) None of the above **/* EXCLUSIVE */ /* DO NOT ROTATE */**

CREDIT STANDARDS

/* DISPLAY */ Now you will see a series of questions about your firm's credit standards for approving applications from individuals for mortgage loans over the past three months.

/* METRIC A */ Over the past three months, how did your firm's credit standards for approving consumer applications for purchase mortgage loans change? 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 */ 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. -]

/* Q27b */ 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 carry higher interest rates than GSE loans. Exclude Government loans from this category. -]

/* Q27c */ 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 */

28. **## 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 mortgage loans over the last three months? Please be as specific as possible. (Optional) **/* OPEN END 1 BOXES 0 REQ */**

/* METRIC A */ Over the past three months, how did your firm's credit standards for approving applications from individuals for refinance mortgage loans change? 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 */

/* Q29a */ 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. -]

/* Q29b */ 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 carry higher interest rates than GSE loans. Exclude Government loans from this category. -]

/* Q29c */ 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 */

30. **## IF ANY (Q29a, Q29b, Q29c) = c1,c2,c4,c5 ##** What do you think drove the change in your firm's credit standards for approving consumer applications for refinance mortgage loans over the last three months? Please be as specific as possible. (Optional) **/* OPEN END 1 BOXES 0 REQ */**

/* DISPLAY */ Now you will see a series of questions are about your firm's credit standards for approving applications from individuals for mortgage loans over 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 purchase mortgage loans to change? Please answer for GSE eligible mortgages, non-GSE eligible mortgages, and government 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 */ 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. -]

/* Q31b */ 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 carry higher interest rates than GSE loans. Exclude Government loans from this category. -]

/* Q31c */ 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 */

32. **## 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 mortgage loans over the next three months? Please be as specific as possible. (Optional) **/* OPEN END 1 BOXES 0 REQ */**

/* METRIC A */ Over the next three months, how do you expect your firm's credit standards for approving consumer applications for refinance mortgage loans to change? Please answer for GSE eligible mortgages, non-GSE eligible mortgages, and government 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 */

/* Q33a */ 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. -]

/* Q33b */ 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 carry higher interest rates than GSE loans. Exclude Government loans from this category. -]

/* Q33c */ 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 */

34. **## IF ANY (Q33a, Q33b, Q33c) = c1,c2,c4,c5 ##** What do you think will drive the change in your firm's credit standards for approving consumer applications for 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 execution shares.

/* METRIC A */ What is your firm's approximate total mortgage business share for each of the following post mortgage-origination execution 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 */**

/* METRIC A */ How much do you expect your firm's post mortgage-origination execution share for each of the categories to change over the next three months?

- 1) Substantially Increase
- 2) Moderately Increase
- 3) About the same
- 4) Moderately Decrease
- 5) Substantially Decrease
- 6) Not Applicable

/* REPEAT CODES */

/* Q36a */ ## IF Q35a > 0 ## Portfolio Retention
/* Q36b */ ## IF Q35b > 0 ## GSE (Fannie Mae and Freddie Mac)
/* Q36c */ ## IF Q35c > 0 ## Ginnie Mae (FHA/VA)
/* Q36d */ ## IF Q35d > 0 ## Private Label Securities / Non-Agency Securities
/* Q36e */ ## IF Q35e > 0 ## Whole Loan Sales to NON-GSE (Correspondent)
/* Q36f */ ## IF Q35f > 0 ## Other (Please specify **/* SPECIFY */**)

/* END SERIES */

37. **## IF ANY (Q36a, Q36b, Q36c, Q36d, Q36e, Q36f) = c1,c2,c4,c5 ##** What do you think will drive the change in your firm's post mortgage-origination execution shares over the next three months? Please be as specific as possible. (Optional) **/* OPEN END 1 BOXES 1 REQ */**

MORTGAGE SERVICING RIGHTS

/* DISPLAY */ You will now be asked a series of questions about your firm's mortgage servicing rights (MSR) execution shares.

/* METRIC A */ 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 */ How much did your firm's mortgage servicing rights (MSR) disposition shares for each of the applicable categories change over the past three months?

- 1) Substantially Increase
- 2) Moderately Increase
- 3) About the same
- 4) Moderately Decrease
- 5) Substantially Decrease
- 6) Not Applicable

/* REPEAT CODES */

/* Q39a */ **## IF Q38a > 0 ##** MSR retained, serviced in-house

/* Q39b */ **## IF Q38b > 0 ##** MSR retained, serviced by a subservicer

/* Q39c */ **## IF Q38c > 0 ##** MSR sold

/* END SERIES */

/* METRIC A */ How much do you expect your firm's mortgage servicing rights (MSR) disposition shares for each of the applicable categories to change over the next three months?

- 1) Substantially Increase
- 2) Moderately Increase
- 3) About the same
- 4) Moderately Decrease
- 5) Substantially Decrease
- 6) Not Applicable

/* REPEAT CODES */

/* Q40a */ **## IF Q38a > 0 ##** MSR retained, serviced in-house

/* Q40b */ **## IF Q38b > 0 ##** MSR retained, serviced by a subservicer

/* Q40c */ **## IF Q38c > 0 ##** MSR sold

/* END SERIES */

41. **## IF ANY (Q40a, Q40b, Q40c) = c1,c2,c4,c5 ##** What do you think will drive the change in your firm's mortgage servicing rights execution shares over the next three months? Please be as specific as possible. (Optional) **/* OPEN END 1 BOXES 0 REQ */**

30-YEAR FIXED-RATE MORTGAGE INTEREST RATE OUTLOOK

/* DISPLAY */ The remaining questions are about the 30-year fixed-rate mortgage interest rate outlook.

/* DISPLAY */ What are your forecasts for the 30-year fixed-rate, conforming, conventional mortgage interest rate that retail consumers will get, assuming zero points and fees? Please enter a percent in each box below.

/* METRIC A */ 3-months ahead **/* OPEN END NUMERIC (0 TO 100) */**

/* METRIC B */ 1-year ahead **/* OPEN END NUMERIC (0 TO 100) */**

/* REPEAT CODES */

/* Q42a */ 30-Year Fixed-Rate Mortgage Interest Rate

/* END SERIES */

43. Are there other topics that you think would be interesting or useful to ask mortgage lending professionals like yourself about? (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.

Fannie Mae will start publishing the results in July, which is after the first two quarters of data have been collected to allow for deeper analyses and more meaningful trends to appear. 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.

You may now close the browser window.