Mortgage Lender Sentiment Survey®

Providing Insights Into Current Lending Activities and Market Expectations

Q4 2019 Full Report – published December 12, 2019

Fannie Mae®

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Table of Contents

Summary of Key Findings **4**

Research Objectives **5**

Q4 2019 Respondent Sample and Groups **6**

Key Findings

Consumer Demand (Purchase and Refinance Mortgages) 8

Credit Standards 11

Profit Margin Outlook 13

Appendix **17**

Survey Methodology Details 18

Economic and Housing Sentiment 26

Consumer Demand (Purchase Mortgages) 30

Consumer Demand (Refinance Mortgages) 43

Credit Standards 50

Profit Margin Outlook 58

Survey Question Text 63

Key Findings – Q4 2019

Lenders reported having a profitable previous quarter but expect a slower pace of growth moving into 2020.

Profit Margin Outlook

- Lenders' net profit margin outlook fell significantly from last quarter's survey high, turning slightly negative but remaining better than the levels seen one year ago.
- "Competition from other lenders" continues to be cited by lenders as the top reason for their decreased profit margin outlook, though "market trend changes" is now the second top reason, reaching its highest point since Q1 2017.

Mortgage Demand

- For purchase mortgages, the net share of lenders reporting demand growth over the prior three months, as well as the net share reporting growth expectations for the next three months, reached the highest readings for any fourth quarter in the survey's history (since 2014) across all loan types (GSE-eligible, non-GSE-eligible, and government).
- For refinance mortgages, across all loan types, the net share of lenders reporting demand growth over the prior three months continued the upward trend that began in Q1 2019 and reached new survey highs (since Q1 2014). Demand growth expectations on net for the next three months fell significantly from the survey highs of last quarter, returning to the levels seen in Q1 2019.

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Research Objectives

The Mortgage Lender Sentiment Survey® (MLSS), which debuted in March 2014, is a quarterly online survey among senior executives in the mortgage industry. The survey is unique because it is used not only to track lenders' current impressions of the mortgage industry, but also their insights into the future.

Tracks insights and provides benchmarks into current and future mortgage lending activities and practices.

Quarterly Regular Questions

- **Consumer Mortgage Demand**
- **Credit Standards**
- **Profit Margin Outlook**

Featured Specific Topic Analyses

- **Digital Transformation Efforts**
- **Lenders' Business Priorities to Remain Competitive**
- **APIs and Mortgage Lending**
- **Housing Affordability**
- **Artificial Intelligence for Mortgage Lending**
- **Mortgage Data Initiatives**

The MLSS is a quarterly 10-15 minute online survey of senior executives, such as CEOs and CFOs, of Fannie Mae's lending institution customers. The results are reported at the lending institution parent-company level. If more than one individual from the same institution completes the survey, their responses are averaged to represent their parent company.

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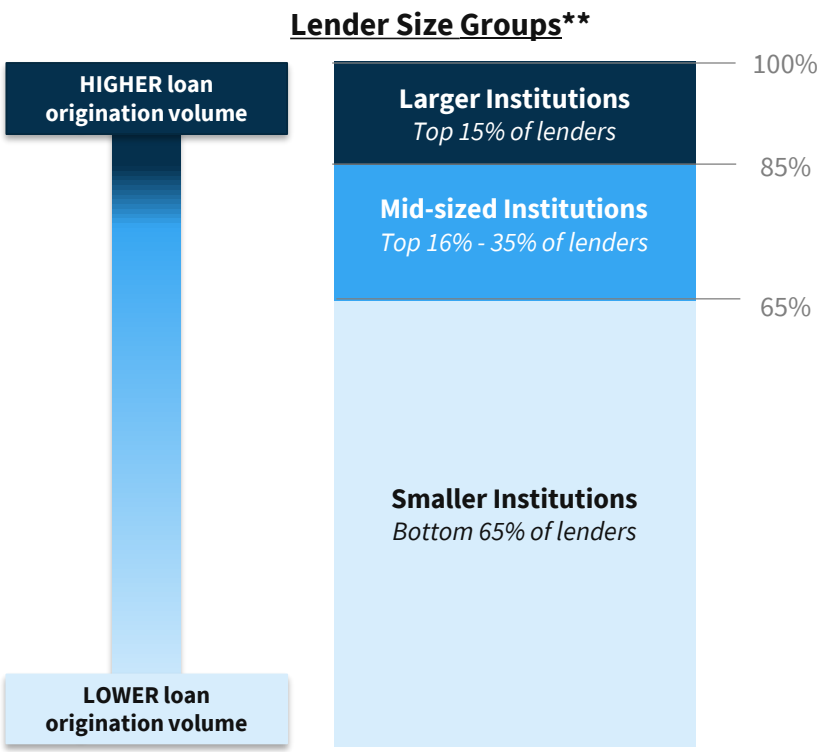
Q4 2019 Respondent Sample and Groups

For Q4 2019, a total of 188 senior executives completed the survey between October 30 and November 10, representing 168 lending institutions.*



Sample Q4 2019		Sample Size
Total Lending Institutions The "Total" data throughout this report is an average of the means of the three lender-size groups listed below.		168
Lender Size Groups	**Larger Institutions** Lenders in the Fannie Mae database who were in the top 15% of lending institutions based on their total 2018 loan origination volume (above $980 million)	60
	Mid-sized Institutions Lenders in the Fannie Mae database who were in the next 20% (16%-35%) of lending institutions based on their total 2018 loan origination volume (between $317.5 million and $980 million)	38
	Smaller Institutions Lenders in the Fannie Mae database who were in the bottom 65% of lending institutions based on their total 2018 loan origination volume (less than $317.5 million)	70
Institution Type* **	**Mortgage Banks** (non-depository)	76
	Depository Institutions	60
	Credit Unions	30

* The results of the Mortgage Lender Sentiment Survey are reported at the lending institutional parent-company level. If more than one individual from the same institution completes the survey, their responses are weighted to represent their parent institution.
** The 2018 total loan volume per lender used here includes the best available annual origination information from Fannie Mae, Freddie Mac, and Marketrac. Lenders in the Fannie Mae database are sorted by their firm's total 2018 loan origination volume and then assigned into the size groups, with the top 15% of lenders being the "larger" group, the next 20% of lenders being the "mid-sized" group and the rest being the "small" group.
*** Lenders that are not classified into mortgage banks or depository institutions or credit unions are mostly housing finance agencies or investment banks.

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Loan Type Definition

Questions about consumer mortgage demand and credit standards are asked across three loan types: GSE-eligible, non-GSE-eligible, and government loans.

Loan Type Definition Used in the Survey	
Loan Type	**Definition**
GSE-eligible Loans	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. Government loans are excluded from this category.
Non-GSE-eligible Loans	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 may carry higher interest rates than GSE loans. Government loans are excluded from this category.
Government Loans	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.

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Consumer Demand

(Purchase and Refinance Mortgages)

- For purchase mortgages, the net share of lenders reporting demand growth over the prior three months, as well as the net share reporting growth expectations for the next three months, reached the highest readings for any fourth quarter in the survey's history (since 2014) across all loan types (GSE-eligible, non-GSE-eligible, and government).
- For refinance mortgages, across all loan types, the net share of lenders reporting demand growth over the prior three months continued the upward trend that began in Q1 2019 and reached new survey highs (since Q1 2014). Demand growth expectations on net for the next three months fell significantly from the survey highs of last quarter, returning to the levels seen in Q1 2019.

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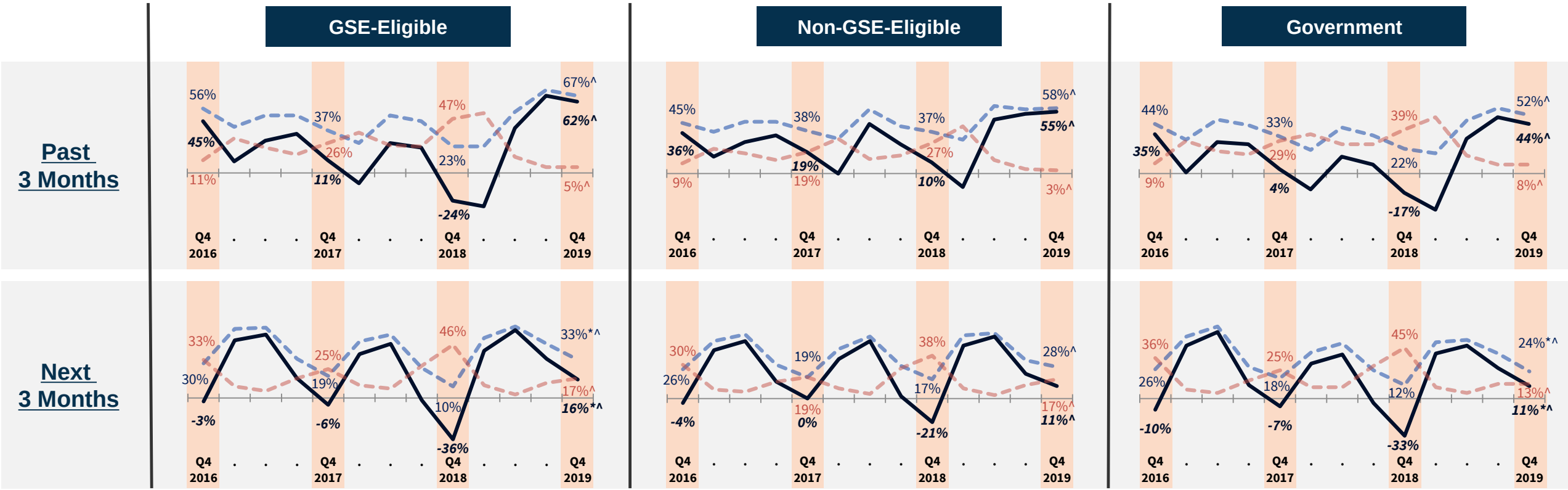
Purchase Mortgage Demand

The net share of lenders reporting demand growth over the prior three months, as well as the net share reporting growth expectations for the next three months, reached the highest readings for any fourth quarter in the survey's history (since 2014) across all loan types (GSE-eligible, non-GSE-eligible, and government).



Net Up + = % of lenders saying up minus % of lenders saying down
The % saying "stay the same" is not shown

** Denotes a statistically significant change compared with Q3 2019 (previous quarter)*
^ Denotes a statistically significant change compared with Q4 2018 (same quarter of last year)

Q: 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? *"Up" = Went up significantly + Went up somewhat, "Down" = Went down significantly + Went down somewhat*
Q: 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? *"Up" = Go up significantly + Go up somewhat, "Down" = Go down significantly + Go down somewhat*

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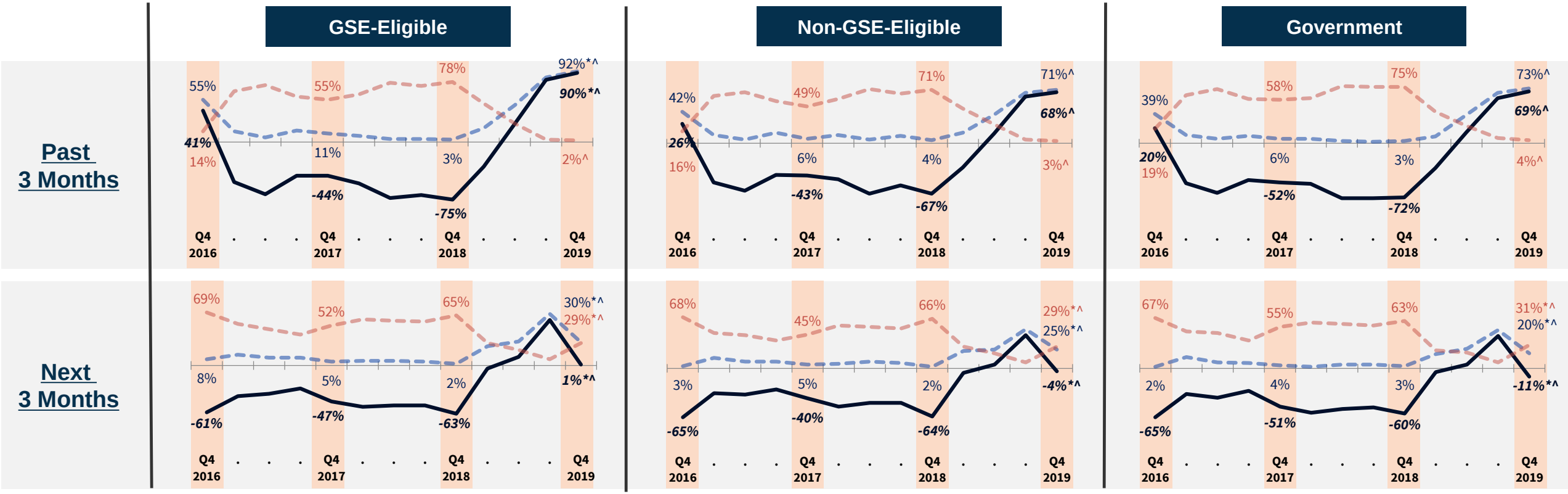
Refinance Mortgage Demand

Across all loan types, the net share of lenders reporting demand growth over the prior three months continued the upward trend that began in Q1 2019 and reached new survey highs (since Q1 2014). Demand growth expectations on net for the next three months fell significantly from the survey highs of last quarter, returning to the levels seen in Q1 2019.



Net Up + = % of lenders saying up minus % of lenders saying down
The % saying "stay the same" is not shown

** Denotes a statistically significant change compared with Q3 2019 (previous quarter)*
^ Denotes a statistically significant change compared with Q4 2018 (same quarter of last year)

Q: 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? *"Up" = Went up significantly + Went up somewhat, "Down" = Went down significantly + Went down somewhat*
Q: 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? *"Up" = Go up significantly + Go up somewhat, "Down" = Go down significantly + Go down somewhat*

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Credit Standards

The pace of credit easing remained similar to last quarter. Overall, most lenders reported no major changes in their underwriting credit standards for the prior three months and expected no major changes for the next three months.

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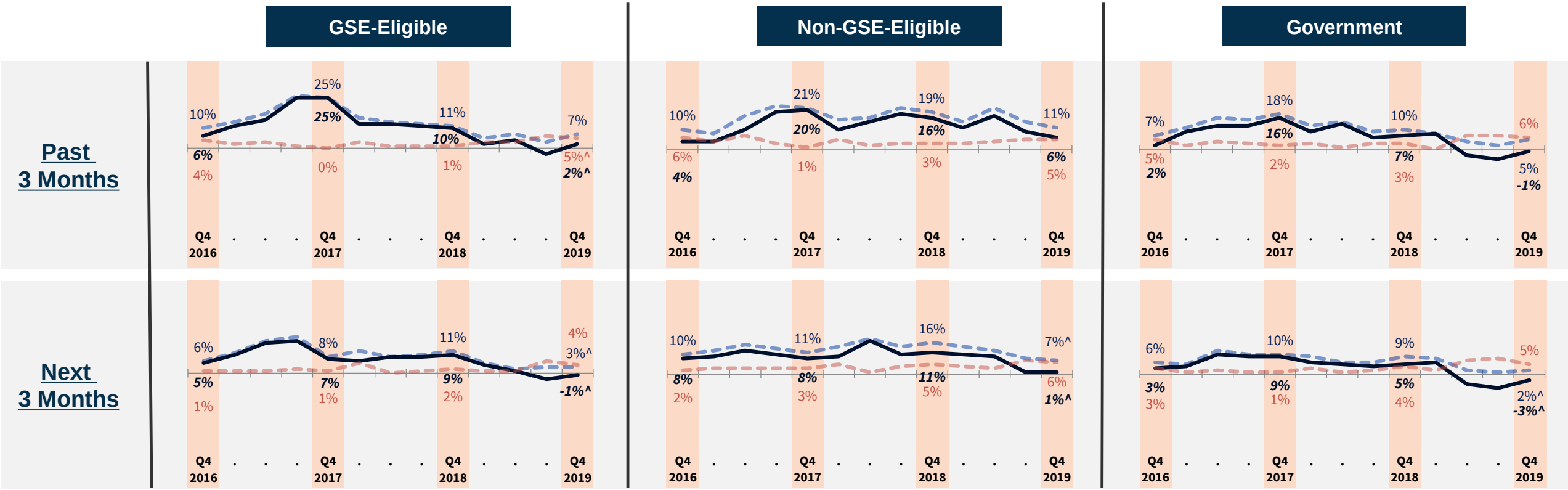

Net Ease + = % of lenders saying ease minus % of lenders saying tighten
The % saying "remain unchanged" is not shown

** Denotes a statistically significant change compared with Q3 2019 (previous quarter)*
^ Denotes a statistically significant change compared with Q4 2018 (same quarter of last year)

Q: 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)? *"Ease" = Eased considerably + Eased somewhat, "Tighten" = Tightened somewhat + Tightened considerably*
Q: 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)? *"Ease" = Ease considerably + Ease somewhat, "Tighten" = Tighten somewhat + Tighten considerably*

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Profit Margin Outlook

Lenders' net profit margin outlook fell significantly from last quarter's survey high, turning slightly negative but remaining better than the levels seen one year ago. "Competition from other lenders" continues to be cited by lenders as the top reason for their decreased profit margin outlook, though "market trend changes" is now the second top reason, reaching its highest point since Q1 2017.

- "Consumer demand" and "operational efficiency" continued to be cited by lenders who expect improved profit margins as the two most important reasons.
- For the twelfth consecutive quarter, "competition from other lenders" was cited by lenders who expect lower profit margins as the top reason. "Market trend changes" is now the second most important reason, reaching its highest point since Q1 2017.

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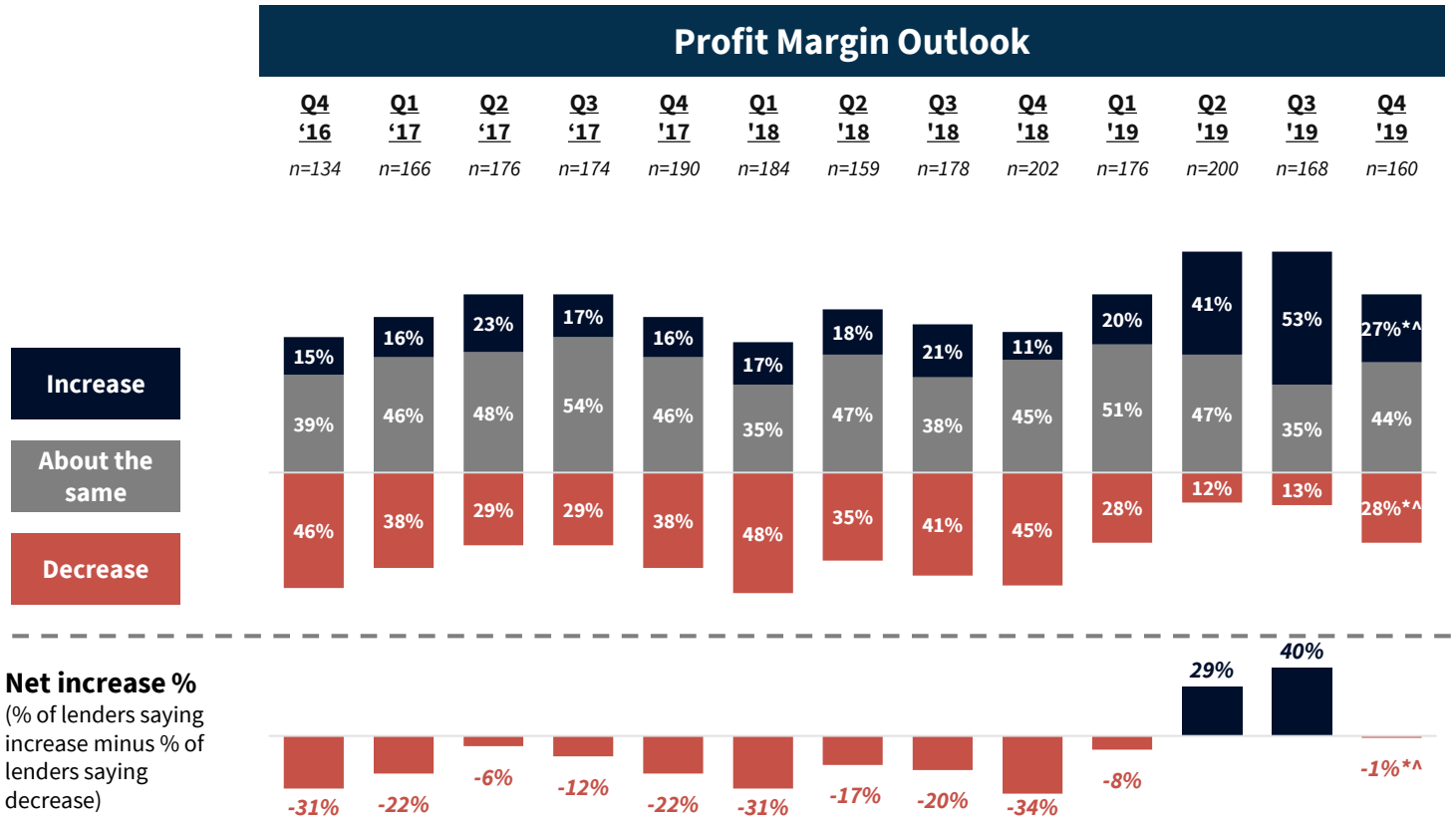
Lenders' Profit Margin Outlook – Next 3 Months

Lenders' net profit margin outlook fell significantly from last quarter's survey high, turning slightly negative but remaining better than the levels seen one year ago. "Competition from other lenders" continues to be cited by lenders as the top reason for their decreased profit margin outlook, though "market trend changes" is now the second top reason, reaching its highest point since Q1 2017.

Profit Margin Outlook



Key Reasons for Expected Increase – Q4 2019

Consumer demand	**55%**
Operational efficiency (e.g., technology)	**49%**
Market trend changes (i.e. shift from refinance to purchase)	27%
GSE pricing and policies	16%
Less competition from other lenders	13%

Showing data for selected answer choices only. n=42

Key Reasons for Expected Decrease – Q4 2019

Competition from other lenders	**63%**
Market trend changes (e.g., shift from refinance to purchase)	**39%**
Consumer demand	36%
GSE pricing and policies	14%
Staffing (personnel costs)	12%

Showing data for selected answer choices only. n=47

Q: Over the next three months, how much do you expect your firm's profit margin to change for its single-family mortgage production? [Showing: (Substantially Increase (25+ basis points) + Moderately Increase (5 - 25 basis points)), About the same (0 - 5 basis points), (Moderately Decrease (5 - 25 basis points) + Substantially Decrease (25+ basis points)]
Q: What do you think will drive the increase (decrease) in your firm's profit margin over the next three months? Please select up to two of the most important reasons.

** Denotes a statistically significant change compared with Q3 2019 (previous quarter)*
^ Denotes a statistically significant change compared with Q4 2018 (same quarter of last year)

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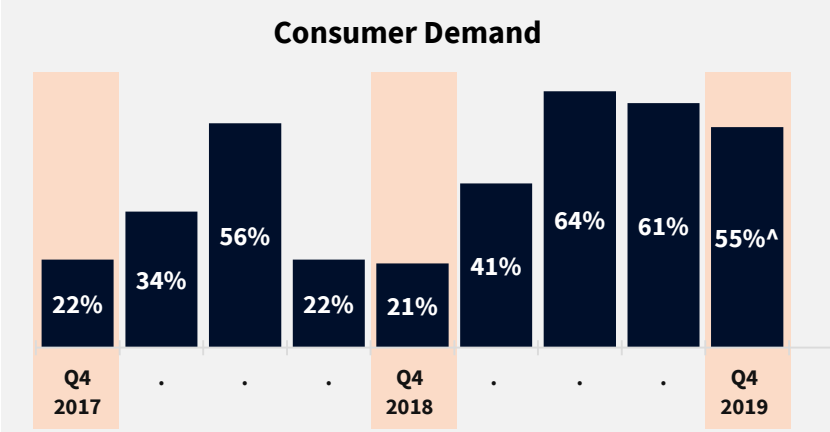
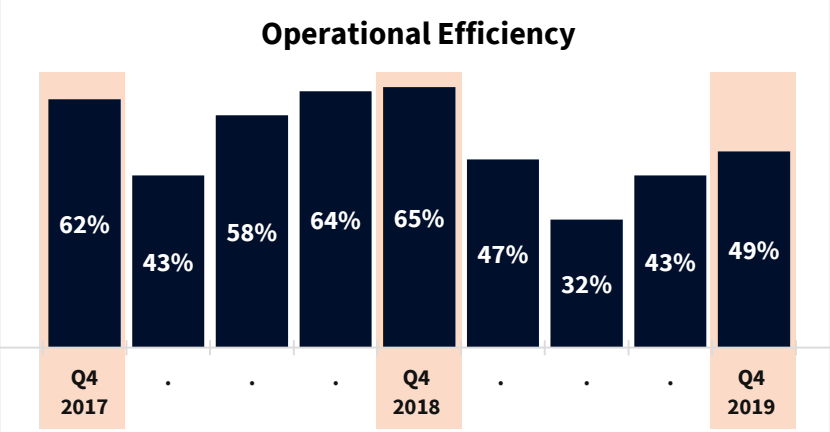
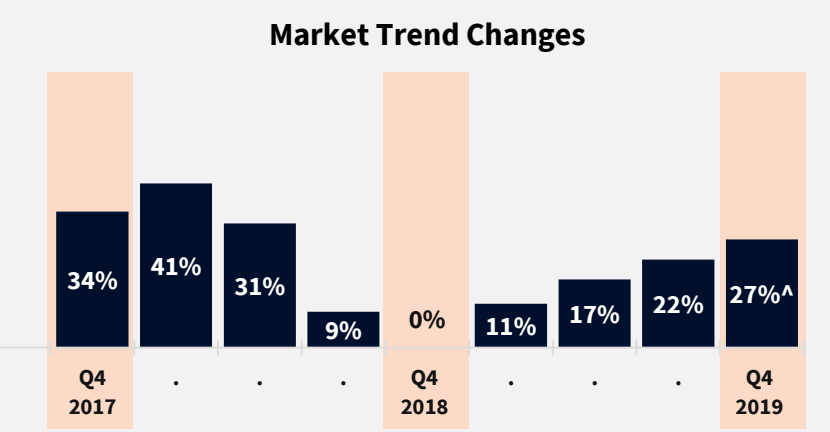
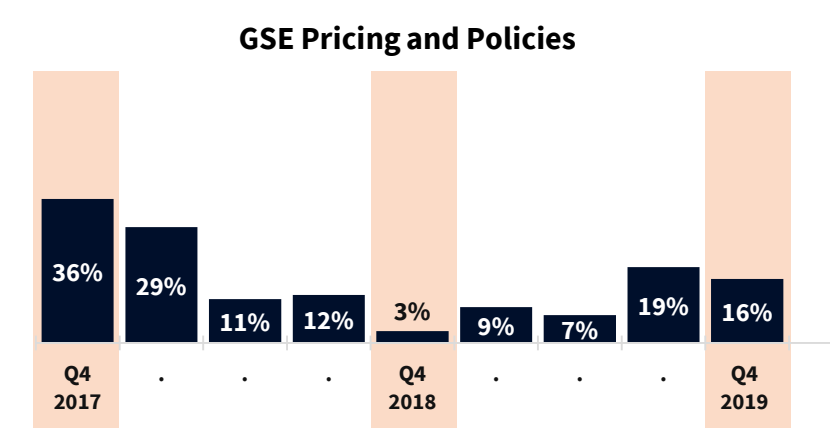
Increased Profit Margin Outlook – Top Drivers

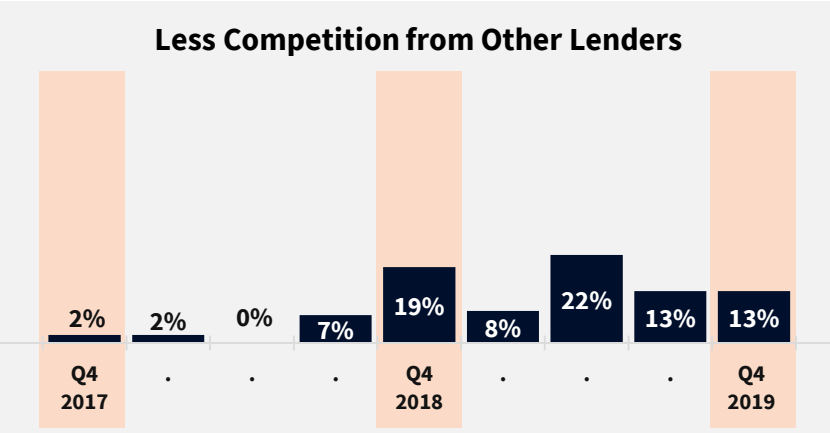
"Consumer demand" and "operational efficiency" continued to be cited by lenders who expect improved profit margins as the two most important reasons.

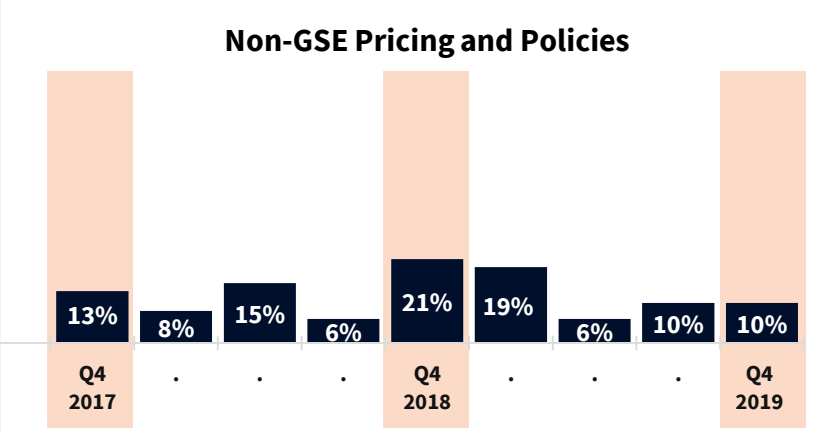












Q: What do you think will drive the increase in your firm's profit margin over the next three months? Please select the two most important reasons and rank them in order of importance. (Showing % rank 1 + 2)

Total: Q2 2017: N=40 ; Q3 2017: N=30 ; Q4 2017: N=29 ; Q1 2018: N=34 ; Q2 2018: N=30 ; Q3 2018: N=38 ; Q4 2018: N=22 ; Q1 2019: N=36; Q2 2019: N=81; Q3 2019: N=86; Q4 2019: N=42

** Denotes a statistically significant change compared with Q2 2019 (previous quarter)*
^ Denotes a statistically significant change compared with Q3 2018 (same quarter of last year)

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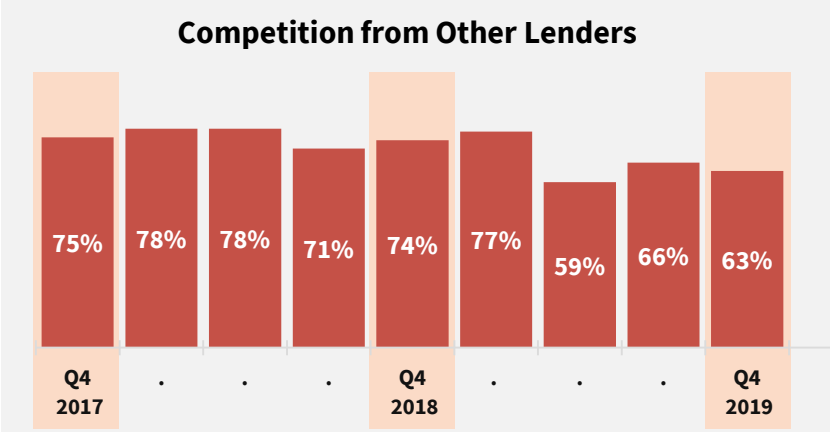
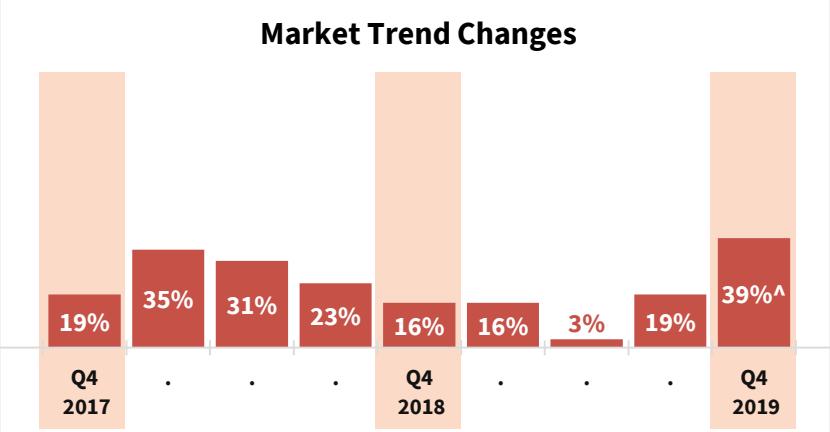
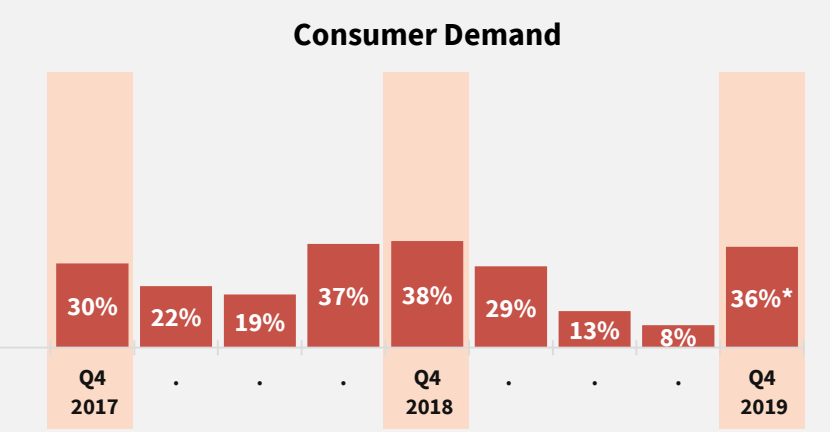
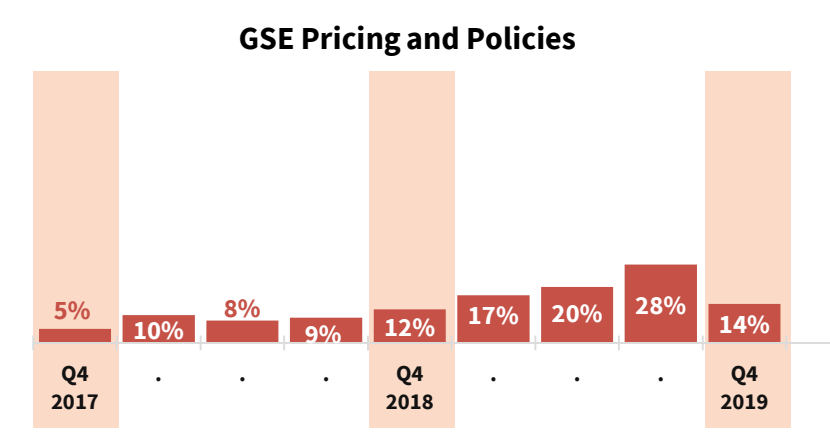
Decreased Profit Margin Outlook – Top Drivers

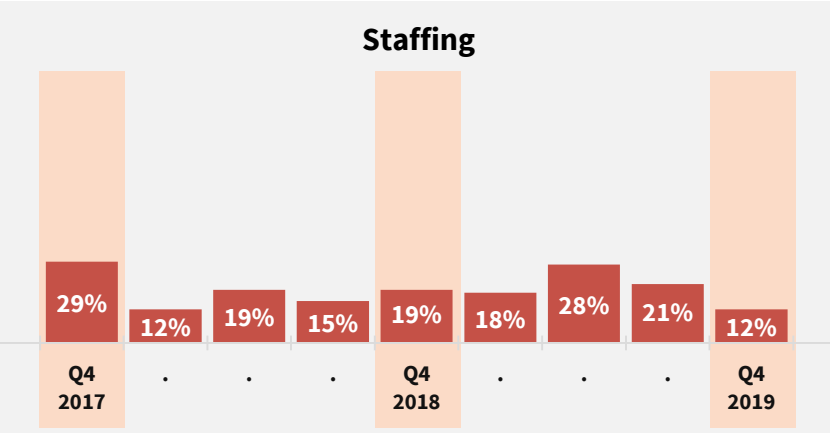
For the twelfth consecutive quarter, “competition from other lenders” was cited by lenders who expect lower profit margins as the top reason. “Market trend changes” is now the second most important reason, reaching its highest point since Q1 2017.

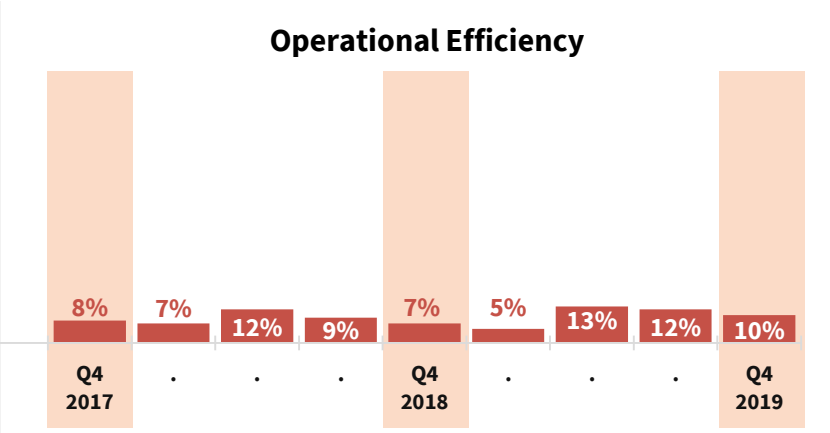












Q: What do you think will drive the decrease in your firm’s profit margin over the next three months? Please select the two most important reasons and rank them in order of importance. (Showing % rank 1 + 2)

Total: Q2 2017: N=49 ; Q3 2017: N=49 ; Q4 2017: N=75 ; Q1 2018: N=85 ; Q2 2018: N=52 ; Q3 2018: N=69 ; Q4 2018: N=87 ; Q1 2019: N=52 ; Q2 2019: N=24; Q3 2019=23; Q4 2019: N=47

** Denotes a statistically significant change compared with Q2 2019 (previous quarter)*
^ Denotes a statistically significant change compared with Q3 2018 (same quarter of last year)

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Appendix

Appendix

Survey Methodology Details..... 18

Economic and Housing Sentiment..... 26

Consumer Demand (Purchase Mortgages)..... 30

Consumer Demand (Refinance Mortgages)..... 43

Credit Standards..... 50

Profit Margin Outlook..... 58

Survey Question Text..... 63

Mortgage Lender Sentiment Survey®

Survey Methodology

- A quarterly, 10- to 15-minute online survey among senior executives, such as CEOs and CFOs, of Fannie Mae's lending institution partners.
- To ensure that the survey results represent the behavior and output of organizations rather than individuals, the Fannie Mae Mortgage Lender Sentiment Survey is structured and conducted as an establishment survey.
- Each respondent is asked 40-75 questions.

Sample Design

- Each quarter, a random selection of approximately 3,000 senior executives among Fannie Mae's approved lenders are invited to participate in the study.

Data Weighting

- The results of the Mortgage Lender Sentiment Survey are reported at the institutional parent-company level. If more than one individual from the same parent institution completes the survey, their responses are averaged to represent their parent institution.

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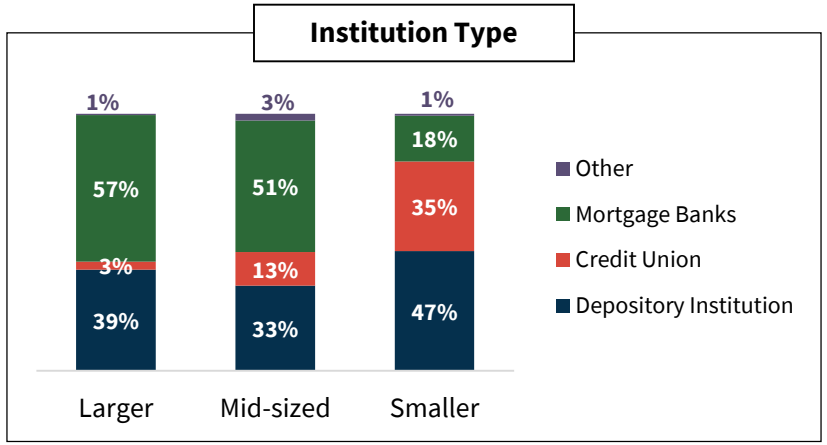
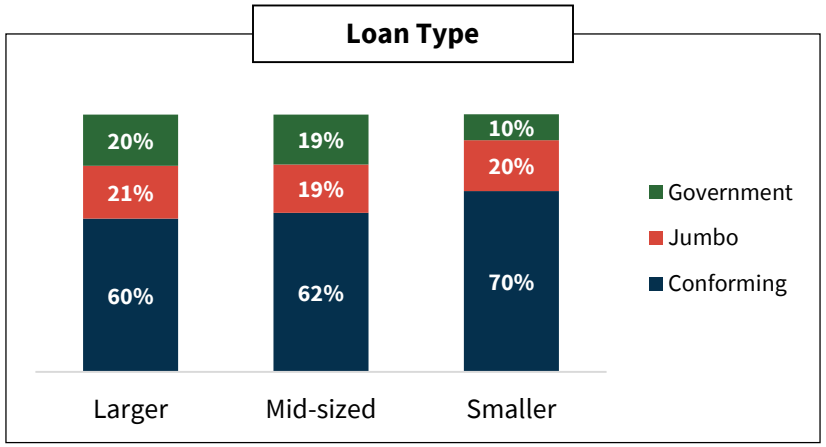
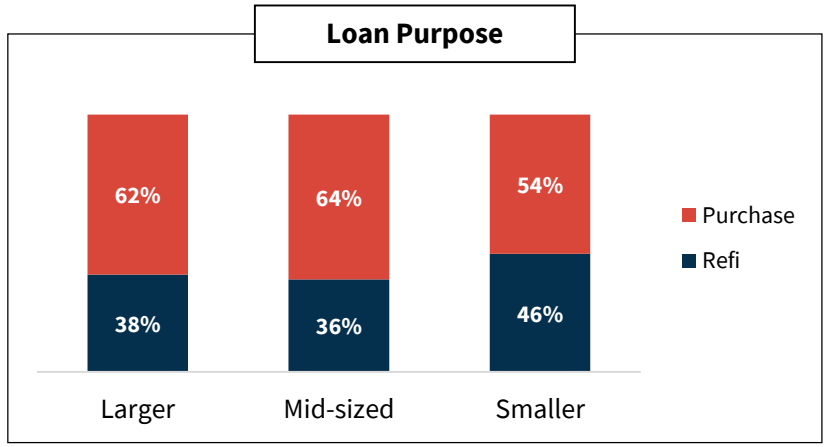
Lending Institution Characteristics

Fannie Mae's customers invited to participate in the Mortgage Lender Sentiment Survey represent a broad base of different lending institutions that conducted business with Fannie Mae in 2018. Institutions were divided into three groups based on their 2018 total industry loan volume – Larger (top 15%), Mid-sized (top 16%-35%), and Smaller (bottom 65%). The data below further describe the composition and loan characteristics of the three groups of institutions.







Note: Government loans include FHA loans, VA loans and other non-conventional loans from Marketrac.

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Sample Sizes

		Q4 2017		Q1 2018		Q2 2018		Q3 2018		Q4 2018		Q1 2019		Q2 2019		Q3 2019		Q4 2019	
		Sample Size	Margin of Error	Sample Size	Margin of Error	Sample Size	Margin of Error	Sample Size	Margin of Error	Sample Size	Margin of Error	Sample Size	Margin of Error	Sample Size	Margin of Error	Sample Size	Margin of Error	Sample Size	Margin of Error
Total Lending Institutions		**196**	**±6.42%**	**196**	**±6.43%**	**170**	**±7.04%**	**184**	**±6.78%**	**212**	**±6.52%**	**184**	**±7.03%**	**211**	±6.19%	**179**	**±6.82%**	**168**	**±7.08%**
Loan Origination Volume Groups	Larger Institutions	72	±9.47%	64	±10.32%	40	±13.79%	45	±12.83%	59	±12.36%	49	±13.62%	61	±10.50%	60	±10.64%	60	±10.63%
	Mid-sized Institutions	55	±11.78%	51	±12.36%	36	±15.07%	42	±13.73%	58	±12.47%	43	±14.59%	57	±11.43%	45	±13.25%	38	±14.67%
	Smaller Institutions	69	±11.25%	81	±10.30%	94	±9.60%	97	±9.51%	95	±9.74%	92	±9.92%	93	±9.62%	74	±10.92%	70	±11.26%
Institution Type	Mortgage Banks	74	±9.88%	69	±10.36%	56	±11.87%	66	±10.89%	76	±10.80%	53	±13.05%	91	±8.92%	72	±10.37%	76	±10.05%
	Depository Institutions	77	±10.37%	63	±11.63%	67	±11.29%	68	±11.31%	88	±10.15%	79	±10.72%	85	±9.80%	70	±10.98%	60	±11.98%
	Credit Unions	37	±15.27%	56	±12.04%	34	±16.05%	39	±14.96%	38	±15.48%	33	±16.69%	34	±16.05%	33	±16.32%	30	±17.19%

2017
Q1 was fielded between February 1, 2017 and February 13, 2017
Q2 was fielded between May 3, 2017 and May 14, 2017
Q3 was fielded between August 2, 2017 and August 13, 2017
Q4 was fielded between November 1, 2017 and November 14, 2017

2018
Q1 was fielded between February 7, 2018 and February 19, 2018
Q2 was fielded between May 2, 2018 and May 14, 2018
Q3 was fielded between August 1, 2018 and August 13, 2018
Q4 was fielded between October 31, 2018 and November 12, 2018

2019
Q1 was fielded between February 6, 2019 and February 17, 2019
Q2 was fielded between May 1, 2019 and May 12, 2019
Q3 was fielded between July 31, 2019 and August 11, 2019
Q4 was fielded between October 30, 2019 and November 10, 2019

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2019 Q4 Cross-Subgroup Sample Sizes

	Total	Larger Lenders	Mid-Sized Lenders	Smaller Lenders
Total	**168**	**60**	**38**	**70**
Mortgage Banks (non-depository)	76	34	23	19
Depository Institutions	60	22	10	28
Credit Unions	30	4	5	21

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2019 Q4 Sample Sizes: Consumer Demand

Purchase Mortgages:

	Past 3 Months			Next 3 Months		
	GSE-Eligible	Non-GSE-Eligible	Government	GSE-Eligible	Non-GSE-Eligible	Government
Total Lending Institutions	**167**	**151**	**141**	**167**	**151**	**142**
Larger Institutions	59	58	55	59	58	55
Mid-sized Institutions	38	34	34	38	34	35
Smaller Institutions	70	59	52	70	59	52

Refinance Mortgages:

	Past 3 Months			Next 3 Months		
	GSE-Eligible	Non-GSE-Eligible	Government	GSE-Eligible	Non-GSE-Eligible	Government
Total Lending Institutions	**159**	**144**	**132**	**159**	**144**	**132**
Larger Institutions	55	54	51	55	54	51
Mid-sized Institutions	35	32	31	35	32	31
Smaller Institutions	69	58	50	69	58	50

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2019 Q4 Sample Sizes: Credit Standards

	Past 3 Months			Next 3 Months		
	GSE-Eligible	Non-GSE-Eligible	Government	GSE-Eligible	Non-GSE-Eligible	Government
Total Lending Institutions	**167**	**152**	**142**	**167**	**153**	**142**
Larger Institutions	59	58	55	59	59	55
Mid-sized Institutions	38	35	35	38	35	35
Smaller Institutions	70	58	52	70	58	52

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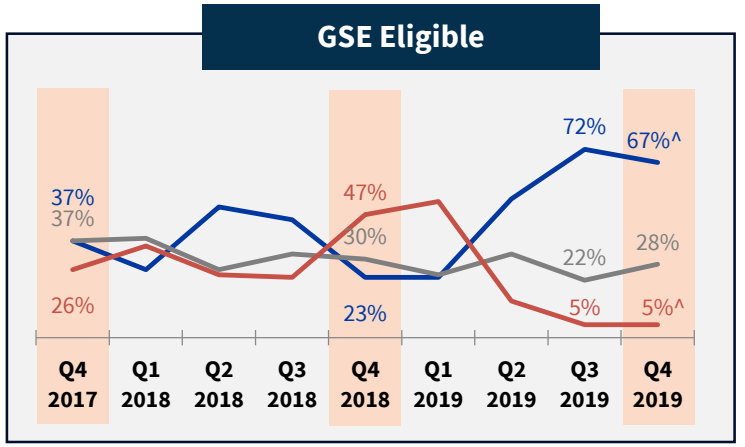
Calculation of the “Total”

The “Total” data presented in this report is an average of the means of the three loan origination volume groups (see an illustrated example below). Please note that percentages are based on the number of financial institutions that gave responses other than “Not Applicable.” Percentages may add to under or over 100% due to rounding.

Example:

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? GSE Eligible (Q4 2019)	Larger Institutions	Mid-sized Institutions	Smaller Institutions	**Q4 “Total”**
Go up	67%	67%	68%	**67% [(67% + 67% + 68%)/3]**
Stayed the same	30%	30%	24%	**28%**
Go down	3%	3%	9%	**5%**



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Appendix

Survey Methodology Details..... 18

Economic and Housing Sentiment..... 26

Consumer Demand (Purchase Mortgages)..... 30

Consumer Demand (Refinance Mortgages)..... 43

Credit Standards..... 50

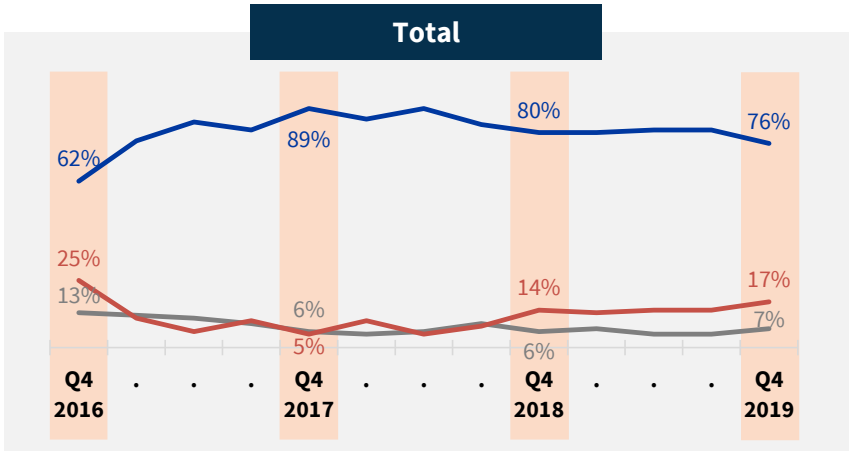
Profit Margin Outlook..... 58

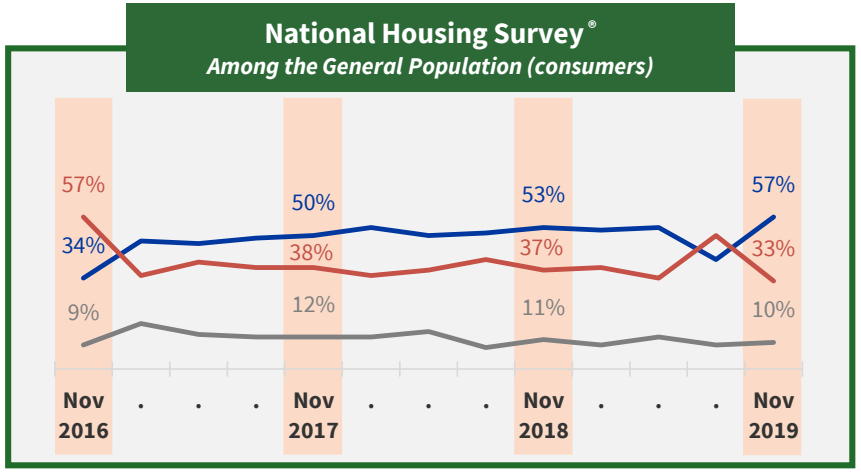
Survey Question Text..... 63

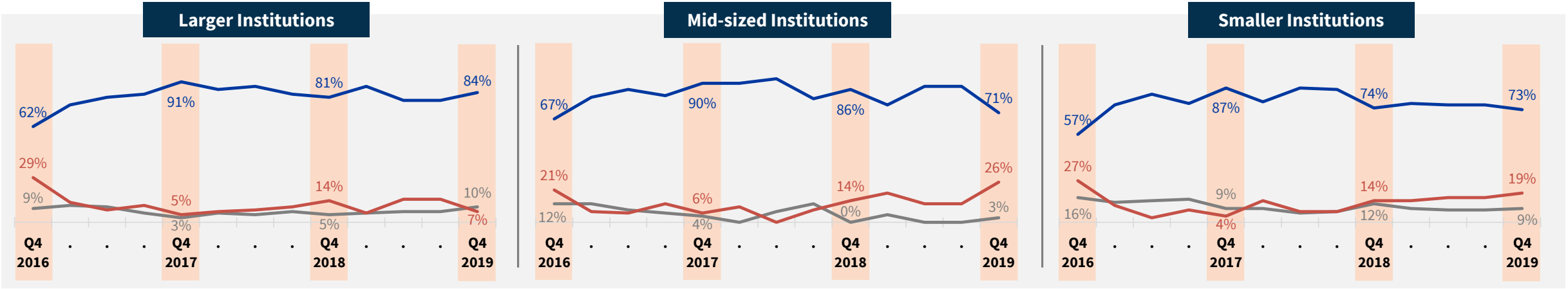
U.S. Economy Overall

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

- Right Track
- Don't know
- Wrong Track







** Denotes a statistically significant change compared with Q3 2019 (previous quarter)*
^ Denotes a statistically significant change compared with Q4 2018 (same quarter of last year)

National Housing Survey: http://www.fanniemae.com/portal/research-and-analysis/housing-survey.html

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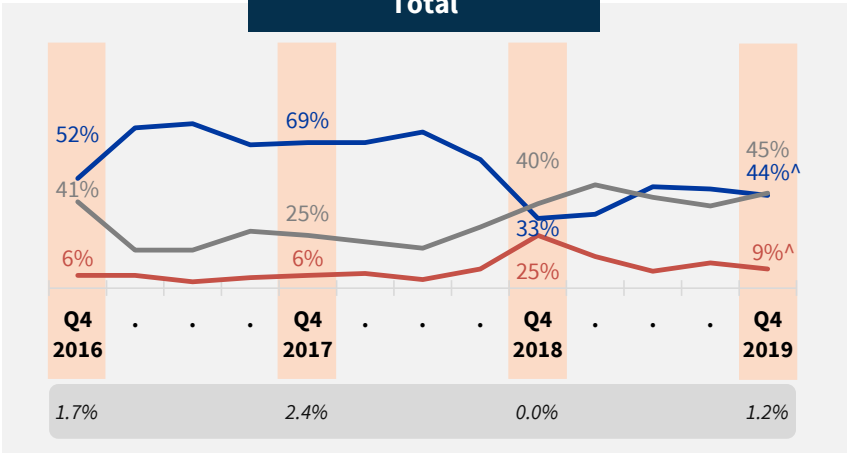
Home Prices – Next 12 Months

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?

- Go Up
- Stay the Same
- Go Down

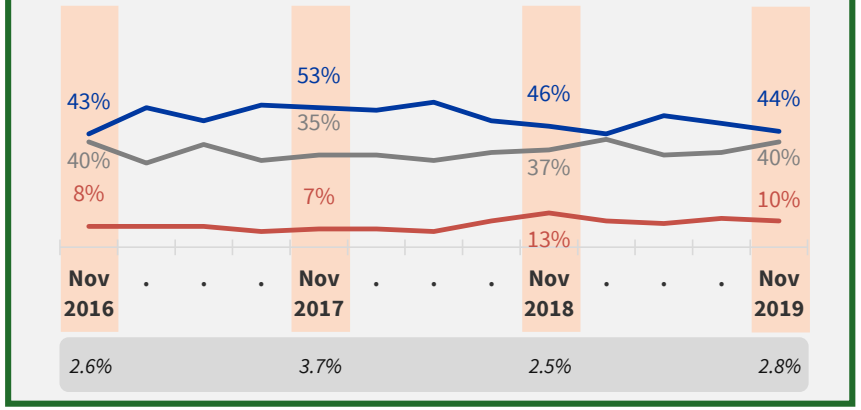
By about what percent do you, as a senior mortgage executive, think home prices nationally will go up/down on average over the next 12 months?

Total

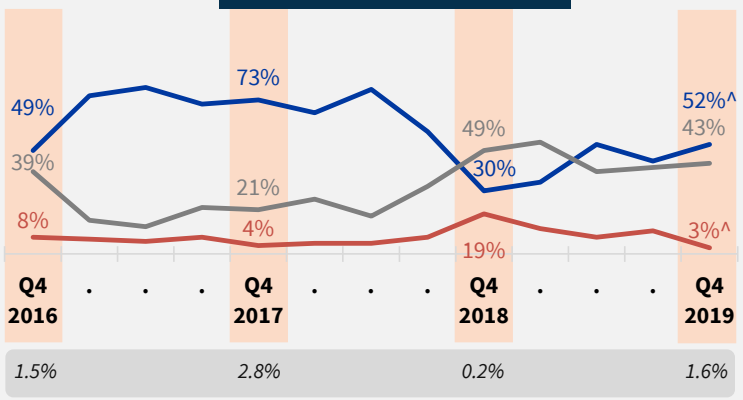


National Housing Survey®

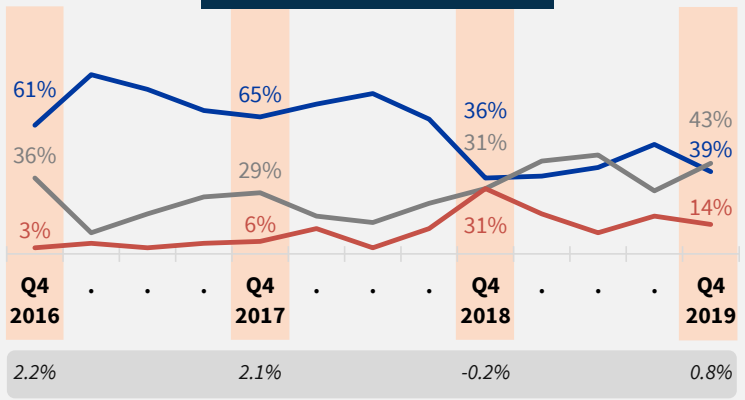
Among the General Population (consumers)



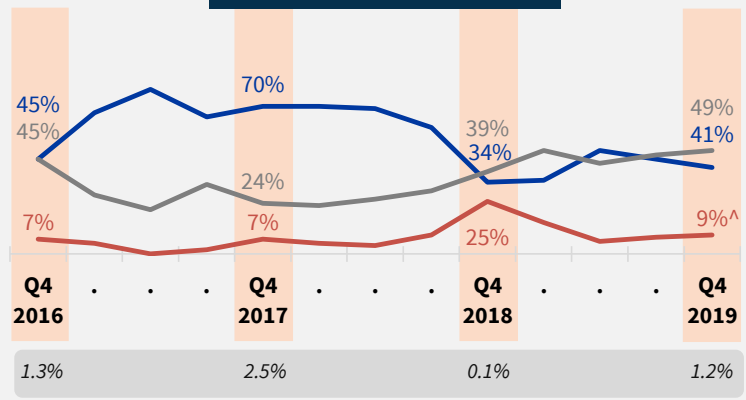
Larger Institutions



Mid-sized Institutions



Smaller Institutions



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National Housing Survey: http://www.fanniemae.com/portal/research-and-analysis/housing-survey.html

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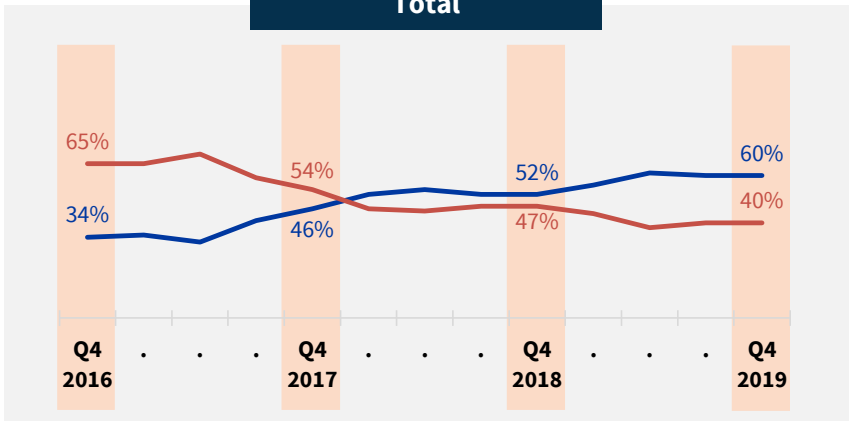
Difficulty of Getting a Mortgage

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

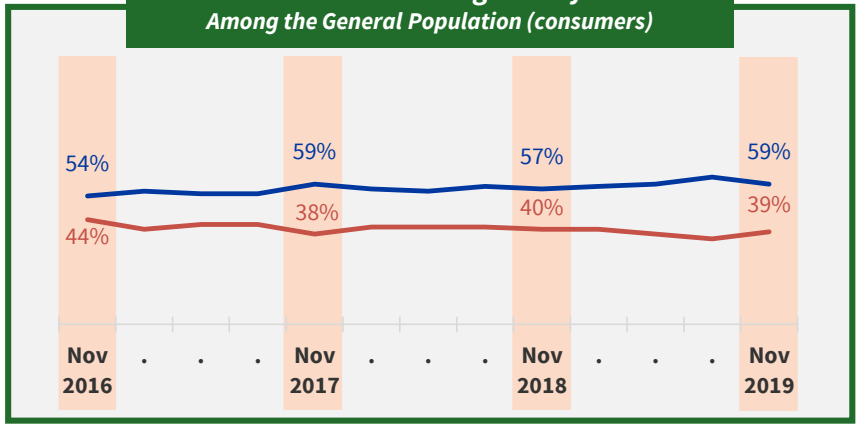
Easy
(Very easy + Somewhat easy)

Difficult
(Very difficult + Somewhat difficult)

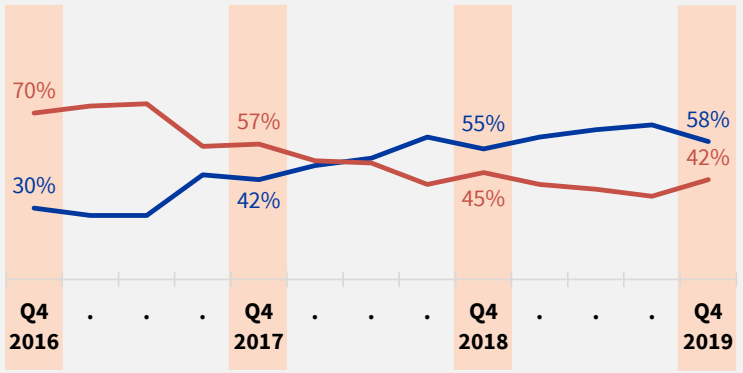
Total



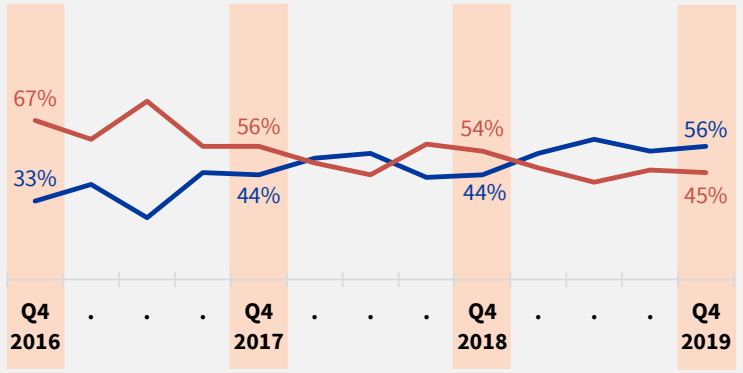
National Housing Survey®
Among the General Population (consumers)



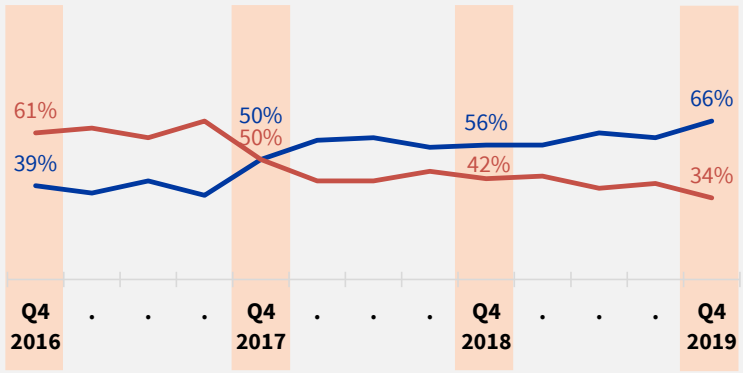
Larger Institutions



Mid-sized Institutions



Smaller Institutions



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National Housing Survey: http://www.fanniemae.com/portal/research-and-analysis/housing-survey.html

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Survey Methodology Details..... 18
Economic and Housing Sentiment..... 26
Consumer Demand (Purchase Mortgages)..... 30
Consumer Demand (Refinance Mortgages)..... 43
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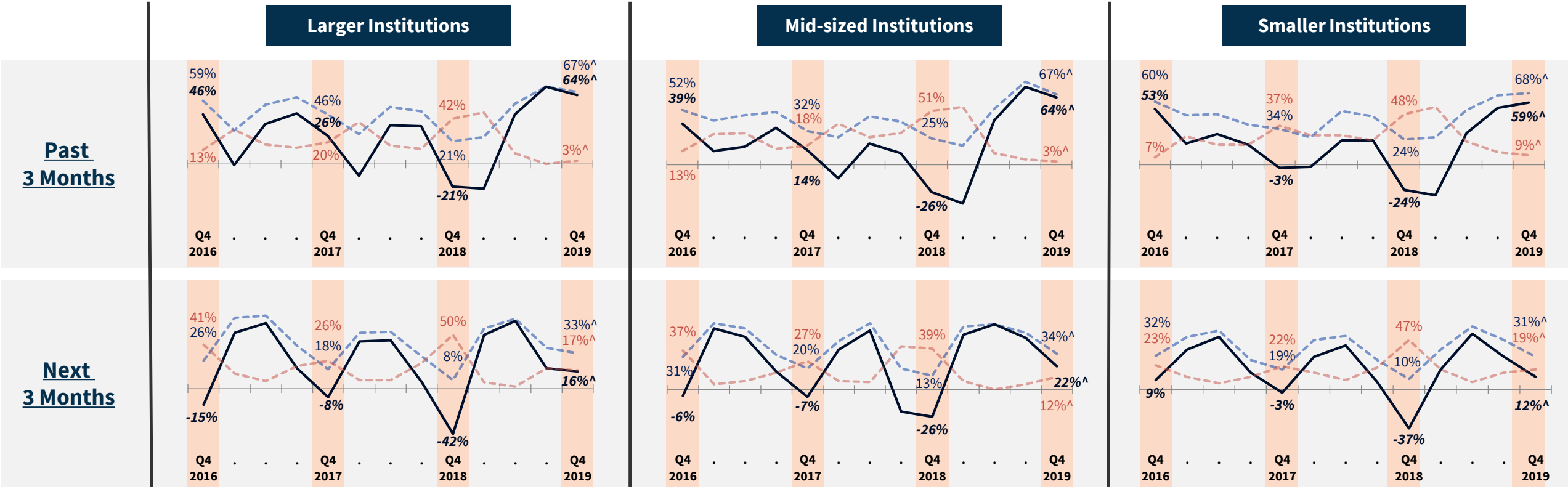
Profit Margin Outlook..... 58
Survey Question Text..... 63

Purchase Mortgage Demand: GSE-Eligible (by institution size)



Up
Down
Net Up +

Q: 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? *"Up" = Went up significantly + Went up somewhat, "Down" = Went down significantly + Went down somewhat*
Q: 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? *"Up" = Go up significantly + Go up somewhat, "Down" = Go down significantly + Go down somewhat*

** Denotes a statistically significant change compared with Q3 2019 (previous quarter)*
^ Denotes a statistically significant change compared with Q4 2018 (same quarter of last year)

L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level

Net Up + = % of lenders saying up minus % of lenders saying down
The % saying "stay the same" is not shown

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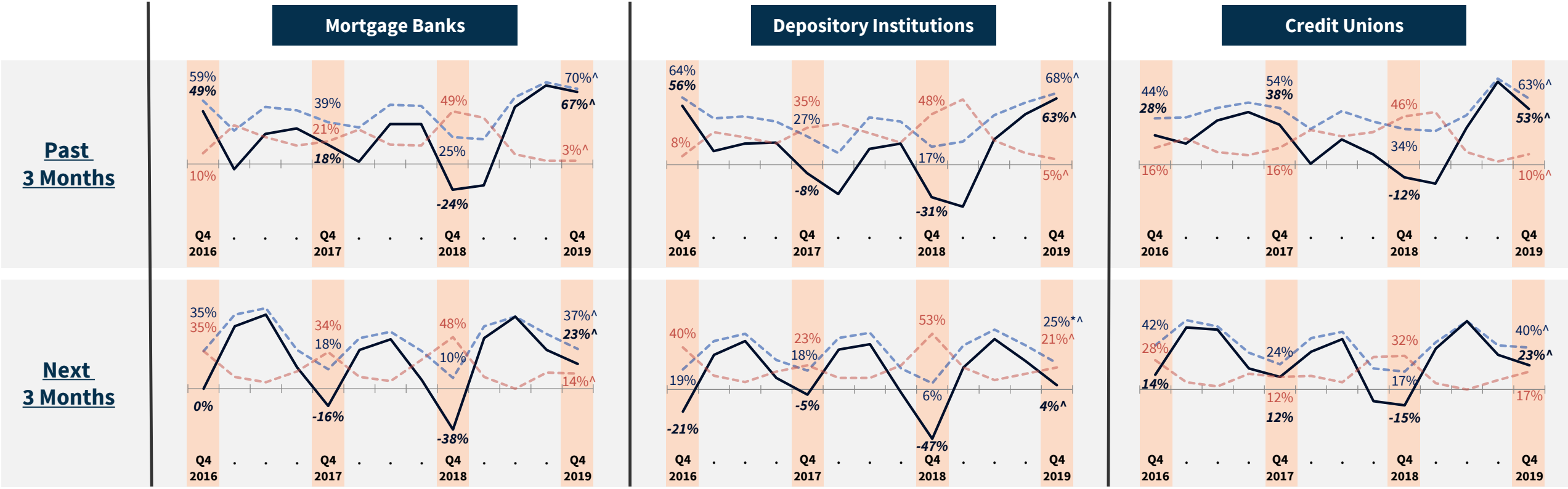
Purchase Mortgage Demand: GSE-Eligible (by institution type)



Up
Down
Net Up +

Q: 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? *"Up" = Went up significantly + Went up somewhat, "Down" = Went down significantly + Went down somewhat*
Q: 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? *"Up" = Go up significantly + Go up somewhat, "Down" = Go down significantly + Go down somewhat*

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M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level

Net Up + = % of lenders saying up minus % of lenders saying down
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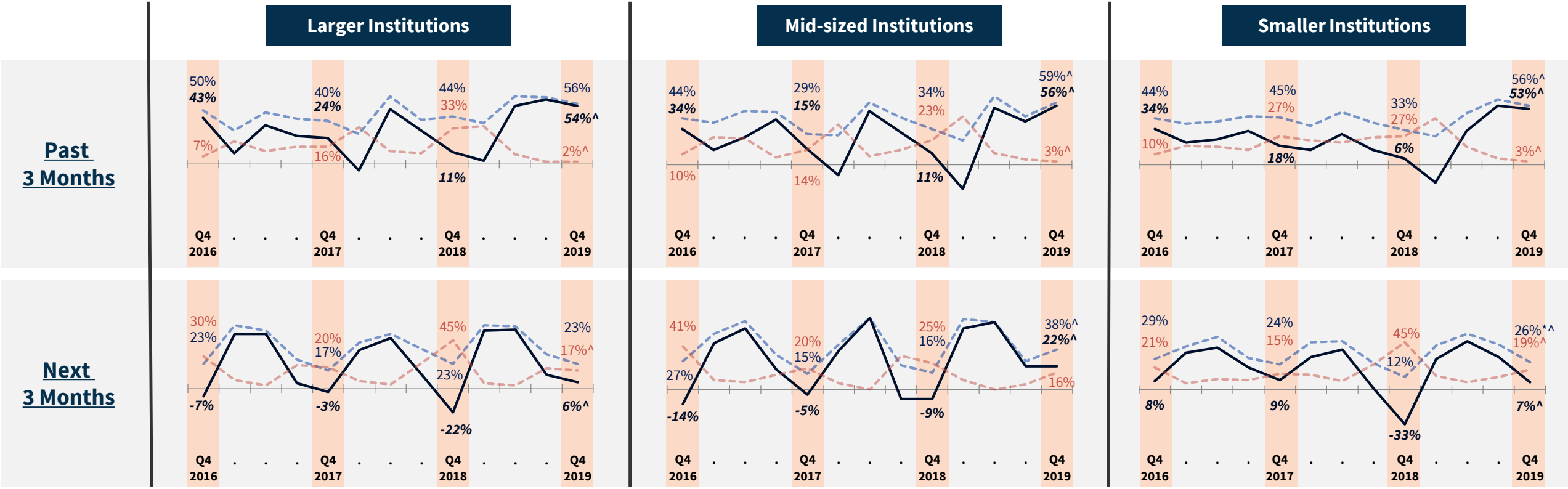
Purchase Mortgage Demand: Non-GSE-Eligible (by institution size)



Up
Down
Net Up +

Q: 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? *"Up" = Went up significantly + Went up somewhat, "Down" = Went down significantly + Went down somewhat*
Q: 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? *"Up" = Go up significantly + Go up somewhat, "Down" = Go down significantly + Go down somewhat*

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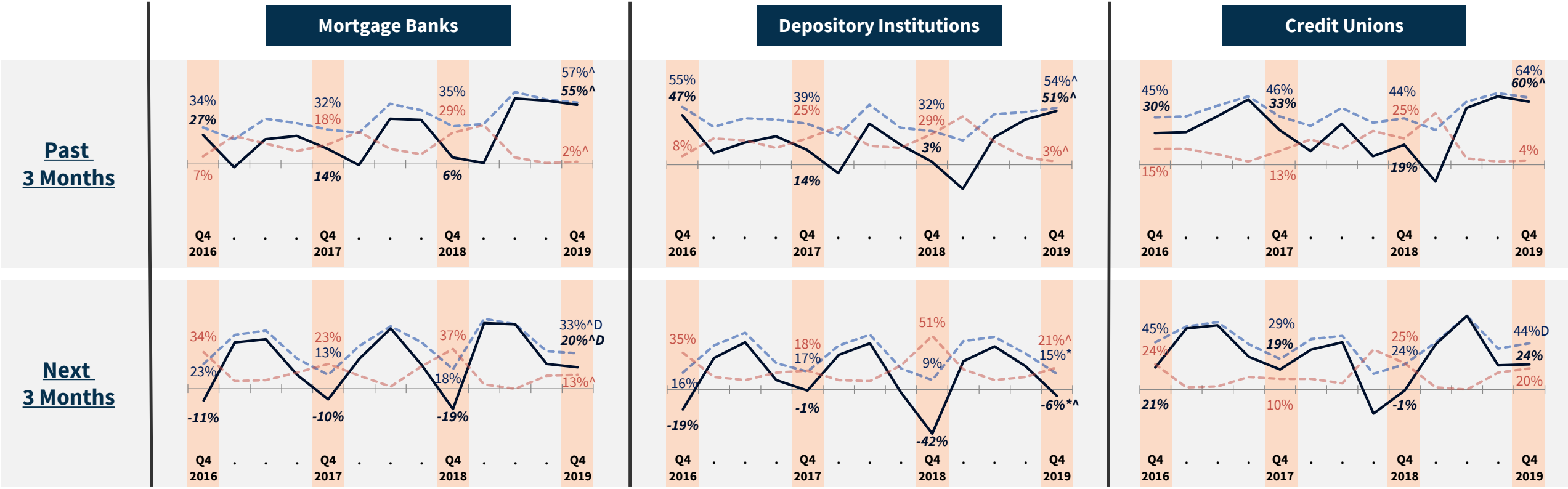
Purchase Mortgage Demand: Non-GSE-Eligible (by institution type)



Up
Down
Net Up +

Q: 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? *"Up" = Went up significantly + Went up somewhat, "Down" = Went down significantly + Went down somewhat*
Q: 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? *"Up" = Go up significantly + Go up somewhat, "Down" = Go down significantly + Go down somewhat*

** Denotes a statistically significant change compared with Q3 2019 (previous quarter)*
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M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level

Net Up + = % of lenders saying up minus % of lenders saying down
The % saying "stay the same" is not shown

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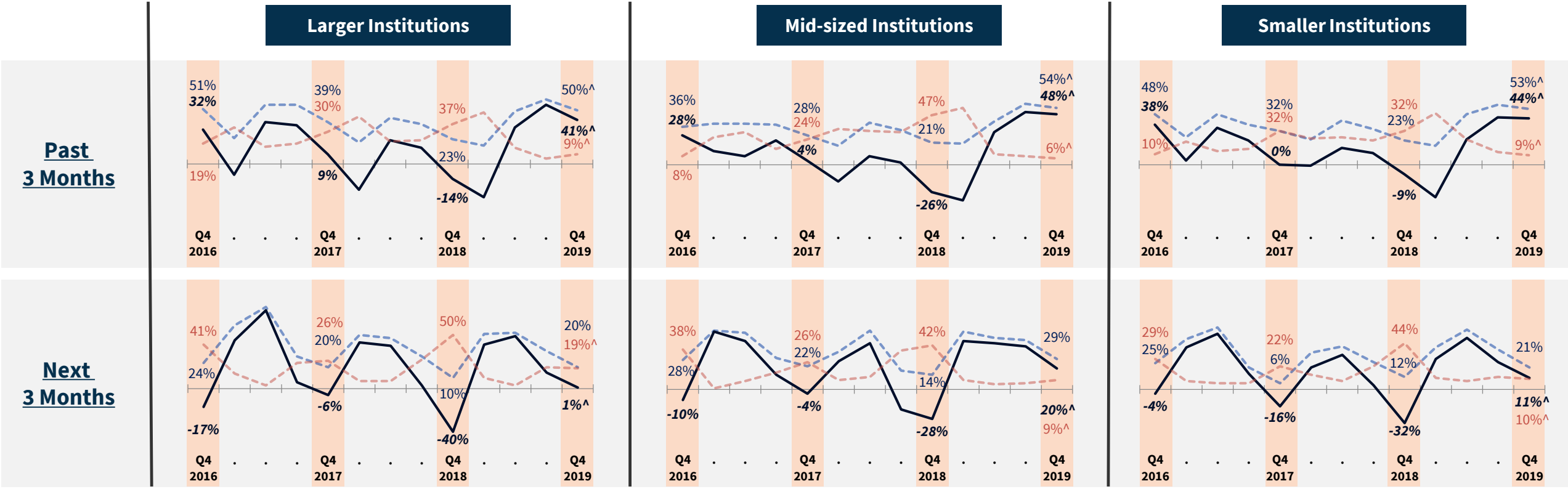
Purchase Mortgage Demand: Government (by institution size)



Up
Down
Net Up +

Q: 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? *"Up" = Went up significantly + Went up somewhat, "Down" = Went down significantly + Went down somewhat*
Q: 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? *"Up" = Go up significantly + Go up somewhat, "Down" = Go down significantly + Go down somewhat*

** Denotes a statistically significant change compared with Q3 2019 (previous quarter)*
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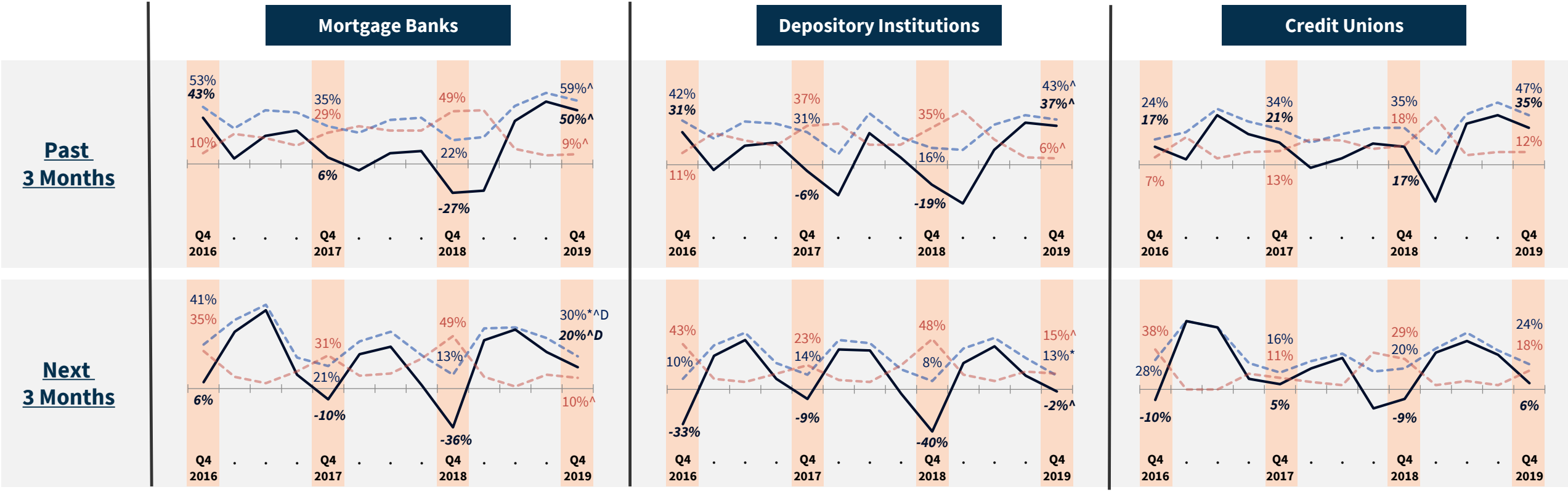
Purchase Mortgage Demand: Government (by institution type)



Up
Down
Net Up +

Q: 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? *"Up" = Went up significantly + Went up somewhat, "Down" = Went down significantly + Went down somewhat*
Q: 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? *"Up" = Go up significantly + Go up somewhat, "Down" = Go down significantly + Go down somewhat*

** Denotes a statistically significant change compared with Q3 2019 (previous quarter)*
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Purchase Mortgage Demand: Drivers of Change (selected verbatim)

Past 3 Months

N=124

- **Rate changes/Economic conditions**
- **Refinancing**
- **Inventory/Market expansion**

Drivers of Demand Up

Drivers of Demand Down

Q: 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)

"Rates dropping, which sparked refinancing." – *Smaller Institution*

"Low interest rates drove refinance activity more significantly." – *Larger Institution*

"As a HFA, overall our homebuyers can not find affordable inventory, which decreases our production about 15%. Specifically, our GSE production is off and our government production is up, because of Fannie Mae policy to only accept under 80 AMI." – *Smaller Institution*

"Interest rate movement primarily. Would have been more if more inventory." – *Mid-sized Institution*

"Mortgage rates and property valuations based on organic business growth in the DC metro area; i.e. Amazon etc." – *Larger Institution*

"Market share increase due to process efficiencies." – *Larger Institution*

"Both interest rate and general economic conditions." – *Smaller Institution*

"Improving rates and continued strong employment and a few more houses on the market." – *Mid-sized Institution*

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Purchase Mortgage Demand: Drivers of Change (GSE-Eligible)

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. (*Showing % rank 1*)	**Total**	**Larger Institutions (L)**	**Mid-sized Institutions (M)**	**Smaller Institutions (S)**	**National Housing Survey** *Among the General Population (consumers)**
N=	*54*	*19*	*13*	*22*	
Mortgage rates are favorable	63%	66%	42%	82%	35%
Economic conditions (e.g., employment) overall are favorable	21%	14%	35%	14%	21%
There are many homes available on the market	11%	13%	15%	5%	15%
It is easy to qualify for a mortgage	0%	0%	0%	0%	4%
Home prices are low	0%	0%	0%	0%	13%

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. (*Showing % rank 1*)	**Total**	**Larger Institutions (L)**	**Mid-sized Institutions (M)**	**Smaller Institutions (S)**	**National Housing Survey** *Among the General Population (consumers)***
N=	*28*	*10*	*4*	*13*	
There are not many homes available on the market	26%	20%	0%	48%	3%
Home prices are high	19%	5%	22%	30%	50%
Mortgage rates are not favorable	12%	10%	33%	0%	7%
It is difficult to qualify for a mortgage	3%	0%	0%	7%	6%
Economic conditions (e.g., employment) overall are not favorable	0%	0%	0%	0%	24%

*Q: Please tell me the primary reason why you think this is a good time to buy a house.
**Q: Please tell me the primary reason why you think this is a bad time to buy a house.

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Purchase Mortgage Demand: Drivers of Change (Non-GSE-Eligible)

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. (*Showing % rank 1)*	**Total**	**Larger Institutions (L)**	**Mid-sized Institutions (M)**	**Smaller Institutions (S)**	**National Housing Survey** *Among the General Population (consumers)**
N=	*41*	*13*	*13*	*15*	
Mortgage rates are favorable	48%	62%	23%	73%	35%
Economic conditions (e.g., employment) overall are favorable	28%	15%	46%	13%	21%
It is easy to qualify for a mortgage	11%	8%	15%	7%	4%
There are many homes available on the market	6%	4%	8%	7%	15%
Home prices are low	0%	0%	0%	0%	13%

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. (*Showing % rank 1)*	**Total**	**Larger Institutions (L)**	**Mid-sized Institutions (M)**	**Smaller Institutions (S)**	**National Housing Survey** *Among the General Population (consumers)***
N=	*26*	*9*	*5*	*11*	
There are not many homes available on the market	21%	0%	18%	45%	3%
Home prices are high	16%	0%	0%	45%	50%
It is difficult to qualify for a mortgage	12%	11%	27%	0%	6%
Mortgage rates are not favorable	6%	0%	18%	0%	7%
Economic conditions (e.g., employment) overall are not favorable	0%	0%	0%	0%	24%

*Q: Please tell me the primary reason why you think this is a good time to buy a house.
**Q: Please tell me the primary reason why you think this is a bad time to buy a house.

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Purchase Mortgage Demand: Drivers of Change (Government)

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. (*Showing % rank 1*)	Total	Larger Institutions (L)	Mid-sized Institutions (M)	Smaller Institutions (S)	National Housing Survey *Among the General Population (consumers)**
N=	*32*	*11*	*10*	*11*	
Mortgage rates are favorable	55%	61%	45%	64%	35%
Economic conditions (e.g., employment) overall are favorable	30%	17%	35%	36%	21%
It is easy to qualify for a mortgage	6%	5%	10%	0%	4%
There are many homes available on the market	4%	14%	0%	0%	15%
Home prices are low	0%	0%	0%	0%	13%

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. (*Showing % rank 1*)	Total	Larger Institutions (L)	Mid-sized Institutions (M)	Smaller Institutions (S)	National Housing Survey *Among the General Population (consumers)***
N=	*18*	*10*	*3*	*5*	
There are not many homes available on the market	24%	20%	0%	60%	3%
Home prices are high	11%	20%	0%	0%	50%
Mortgage rates are not favorable	8%	0%	33%	0%	7%
It is difficult to qualify for a mortgage	7%	5%	0%	20%	6%
Economic conditions (e.g., employment) overall are not favorable	0%	0%	0%	0%	24%

*Q: Please tell me the primary reason why you think this is a good time to buy a house.
**Q: Please tell me the primary reason why you think this is a bad time to buy a house.

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Upward Purchase Demand Outlook Drivers

Lenders continue to say favorable mortgage rates are the top reason driving increased expected future demand among all loan types, just falling slightly from the survey highs seen last quarter.

GSE-Eligible	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
N=	*41*	*103*	*111*	*63*	*37*	*96*	*91*	*48*	*21*	*88*	*128*	*80*	*54*
Mortgage rates are favorable	87%	70%	82%	80%	83%	57%	54%	57%	16%	79%	89%	98%	90%*^
Economic conditions (e.g., employment) overall are favorable	75%	85%	80%	76%	90%	90%	84%	81%	88%	76%	73%	82%	76%
There are many homes available on the market	18%	17%	15%	16%	9%	9%	13%	21%	24%	22%	20%	9%	18%
It is easy to qualify for a mortgage	2%	5%	8%	2%	5%	17%	15%	9%	28%	6%	8%	7%	6%^
Home prices are low	6%	9%	5%	7%	3%	3%	6%	7%	6%	2%	5%	1%	3%

Non-GSE-Eligible	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
N=	*31*	*80*	*91*	*51*	*33*	*77*	*76*	*48*	*31*	*88*	*110*	*59*	*41*
Mortgage rates are favorable	72%	58%	64%	74%	59%	53%	58%	49%	24%	72%	73%	85%	80%^
Economic conditions (e.g., employment) overall are favorable	72%	79%	75%	76%	73%	88%	79%	74%	63%	64%	70%	68%	69%
It is easy to qualify for a mortgage	13%	15%	17%	12%	23%	22%	23%	34%	40%	19%	20%	22%	16%^
There are many homes available on the market	17%	17%	15%	10%	16%	4%	9%	12%	17%	18%	16%	10%	16%
Home prices are low	10%	9%	8%	8%	3%	3%	3%	4%	4%	2%	6%	4%	2%

Government	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
N=	*29*	*76*	*99*	*44*	*27*	*67*	*65*	*41*	*21*	*74*	*98*	*61*	*32*
Mortgage rates are favorable	76%	66%	76%	79%	69%	46%	50%	57%	28%	70%	80%	90%	82%^
Economic conditions (e.g., employment) overall are favorable	66%	81%	75%	72%	77%	79%	79%	69%	65%	73%	71%	82%	76%
It is easy to qualify for a mortgage	23%	20%	19%	13%	23%	28%	32%	27%	55%	22%	18%	8%	21%^
There are many homes available on the market	21%	9%	12%	16%	12%	13%	10%	19%	20%	14%	19%	8%	14%
Home prices are low	4%	6%	8%	6%	2%	3%	4%	8%	0%	5%	7%	7%	0%

*Q: You mentioned that you expect your firm's consumer demand for GSE Eligible/Non-GSE Eligible/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. (**Showing Total, % rank 1+2**)

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Downward Purchase Demand Outlook Drivers

This quarter, lenders are citing a lack of homes on the market as the top reason driving down expected future demand among all loan types.

GSE-Eligible	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
N=	*48*	*19*	*12*	*31*	*48*	*22*	*13*	*47*	*95*	*24*	*8*	*25*	*28*
There are not many homes available on the market	37%	34%	73%	82%	74%	64%	83%	69%	45%	57%	75%	71%	72%^
Home prices are high	33%	39%	48%	47%	41%	47%	74%	66%	62%	65%	75%	66%	51%
Mortgage rates are not favorable	67%	74%	25%	20%	23%	67%	26%	44%	64%	22%	12%	3%	28%*^
Economic conditions (e.g., employment) overall are not favorable	26%	12%	7%	12%	15%	13%	5%	8%	11%	30%	24%	17%	3%
It is difficult to qualify for a mortgage	19%	24%	30%	16%	12%	4%	0%	1%	3%	6%	0%	7%	3%

Non-GSE-Eligible	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
N=	*38*	*13*	*11*	*25*	*32*	*17*	*7*	*44*	*76*	*17*	*8*	*21*	*26*
There are not many homes available on the market	30%	18%	41%	84%	65%	61%	79%	61%	41%	38%	62%	52%	72%^
Home prices are high	35%	38%	44%	53%	37%	27%	54%	65%	60%	70%	80%	75%	45%*
Mortgage rates are not favorable	66%	77%	43%	19%	21%	64%	21%	47%	70%	26%	13%	8%	19%^
It is difficult to qualify for a mortgage	17%	52%	28%	12%	23%	16%	25%	8%	6%	17%	0%	6%	19%
Economic conditions (e.g., employment) overall are not favorable	30%	10%	26%	15%	11%	18%	10%	9%	9%	36%	26%	18%	0%

Government	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
N=	*42*	*12*	*8*	*25*	*38*	*16*	*12*	*43*	*81*	*16*	*10*	*20*	*18*
There are not many homes available on the market	35%	37%	65%	81%	72%	66%	73%	54%	46%	37%	44%	69%	72%^
Home prices are high	29%	24%	53%	47%	40%	36%	45%	65%	51%	51%	72%	60%	48%
Mortgage rates are not favorable	56%	75%	22%	18%	22%	56%	31%	44%	64%	37%	22%	0%	13%^
It is difficult to qualify for a mortgage	20%	33%	37%	13%	8%	13%	0%	10%	8%	20%	30%	11%	7%
Economic conditions (e.g., employment) overall are not favorable	40%	22%	12%	27%	15%	19%	4%	9%	15%	17%	17%	21%	5%

*Q: You mentioned that you expect your firm's consumer demand for GSE Eligible/Non-GSE Eligible/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. (**Showing Total, % rank 1+2**)

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Appendix

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Economic and Housing Sentiment..... 26
Consumer Demand (Purchase Mortgages)..... 30
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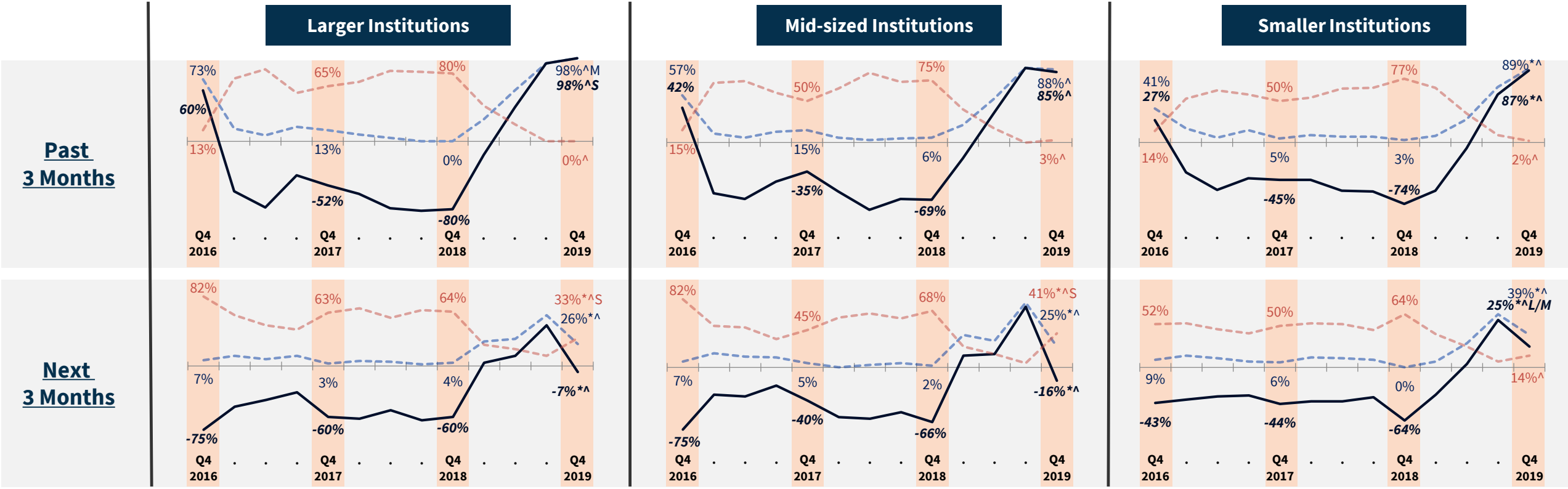
Credit Standards..... 50
Profit Margin Outlook..... 58
Survey Question Text..... 63

Refinance Mortgage Demand: GSE-Eligible (by institution size)



Up
Down
Net Up +

Q: 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? *"Up" = Went up significantly + Went up somewhat, "Down" = Went down significantly + Went down somewhat*
Q: 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? *"Up" = Go up significantly + Go up somewhat, "Down" = Go down significantly + Go down somewhat*

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L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level

Net Up + = % of lenders saying up minus % of lenders saying down
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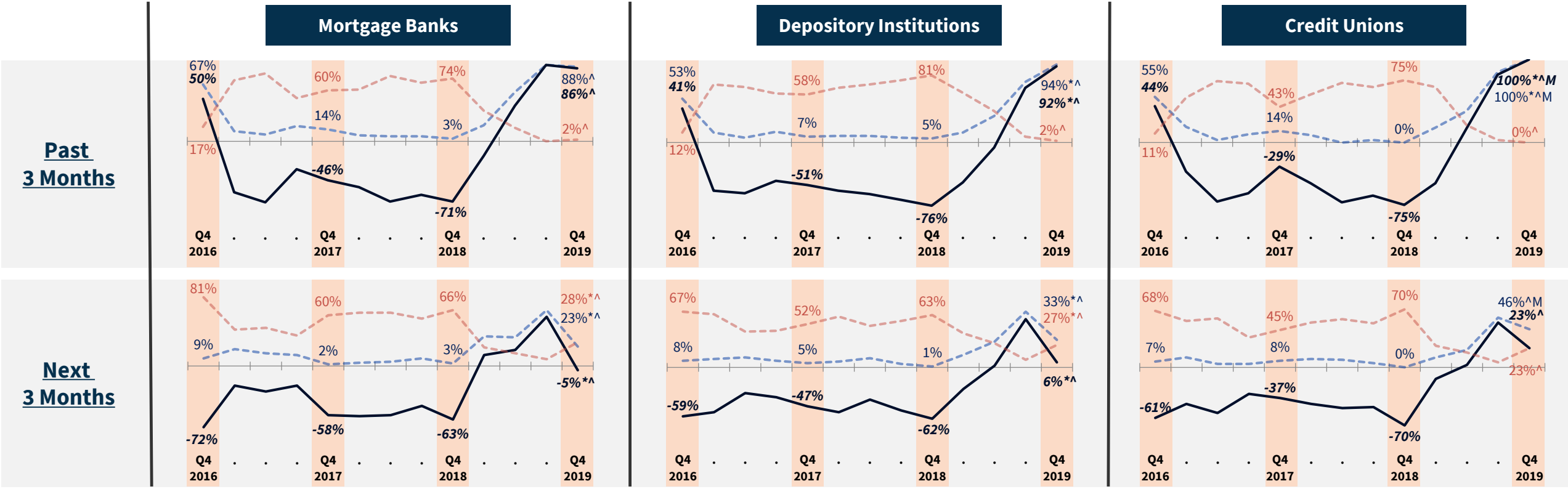
Refinance Mortgage Demand: GSE-Eligible (by institution type)



Up
Down
Net Up +

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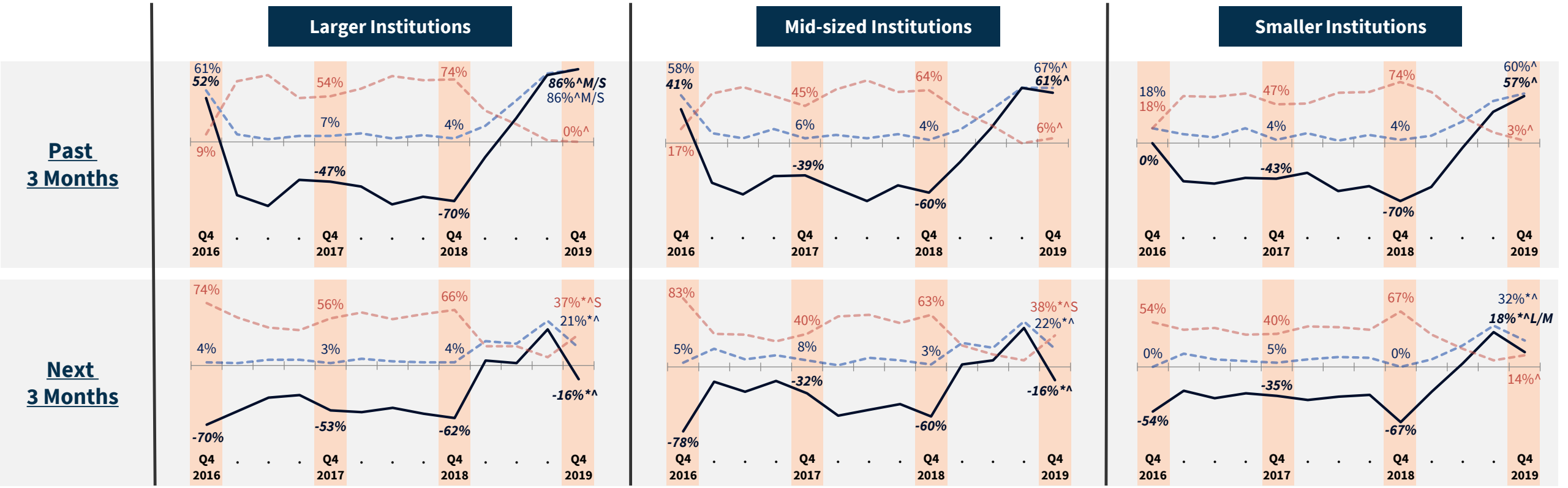
Refinance Mortgage Demand: Non-GSE-Eligible (by institution size)



Up
Down
Net Up +

Q: 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? *"Up" = Went up significantly + Went up somewhat, "Down" = Went down significantly + Went down somewhat*
Q: 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? *"Up" = Go up significantly + Go up somewhat, "Down" = Go down significantly + Go down somewhat*

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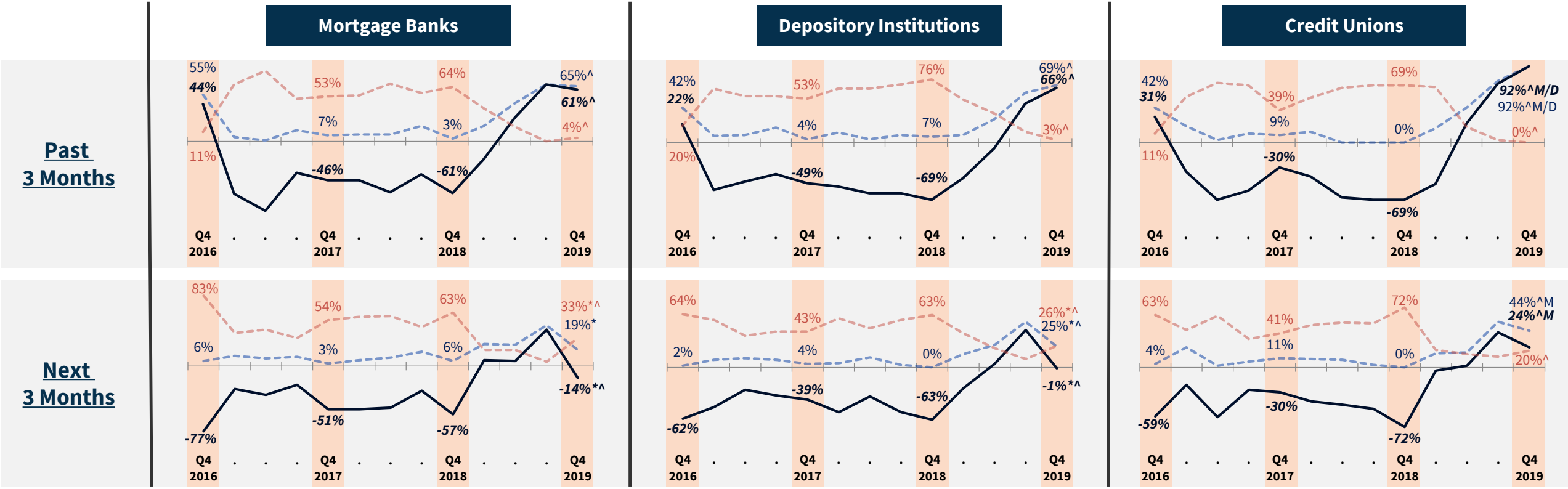

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Net Up +

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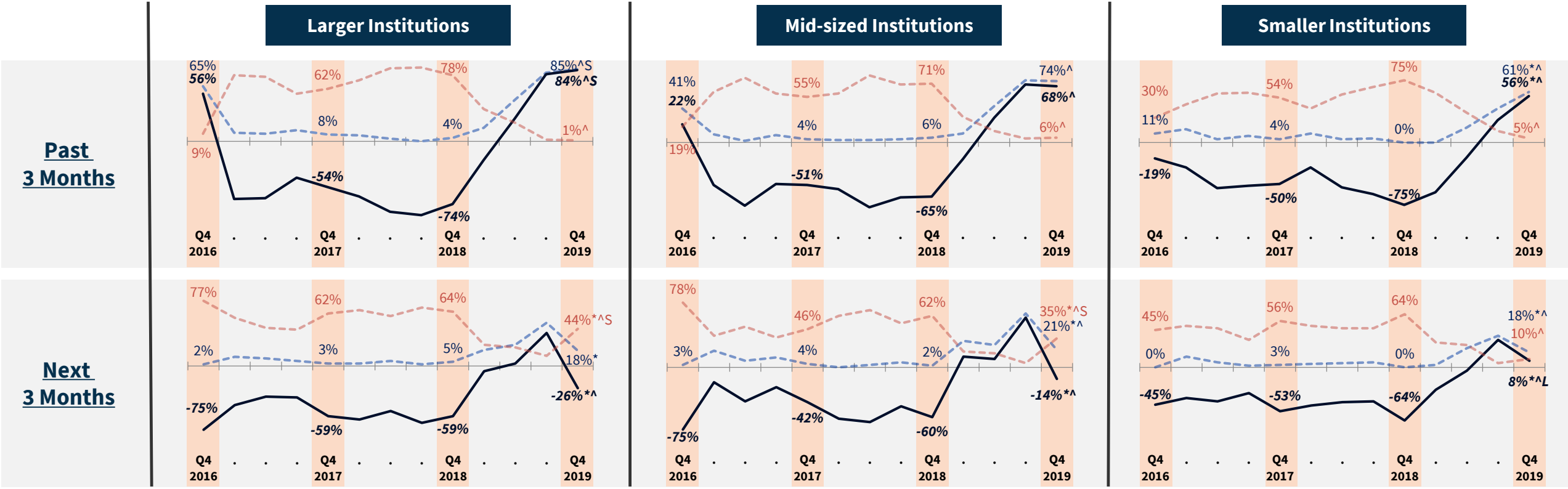
Refinance Mortgage Demand: Government (by institution size)



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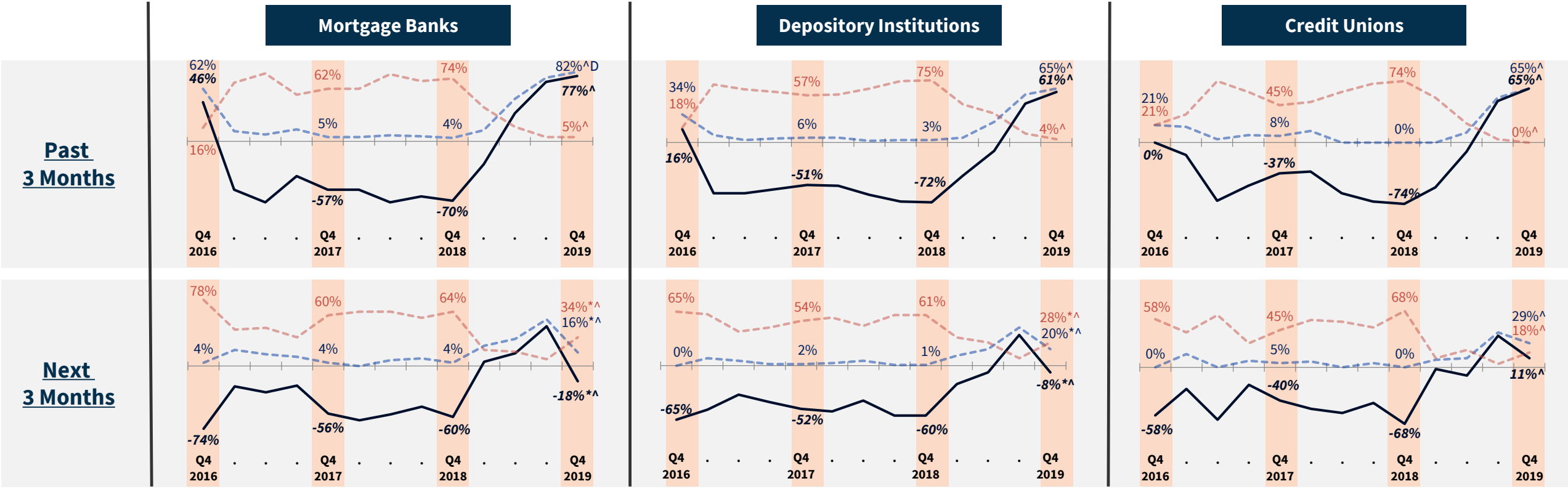

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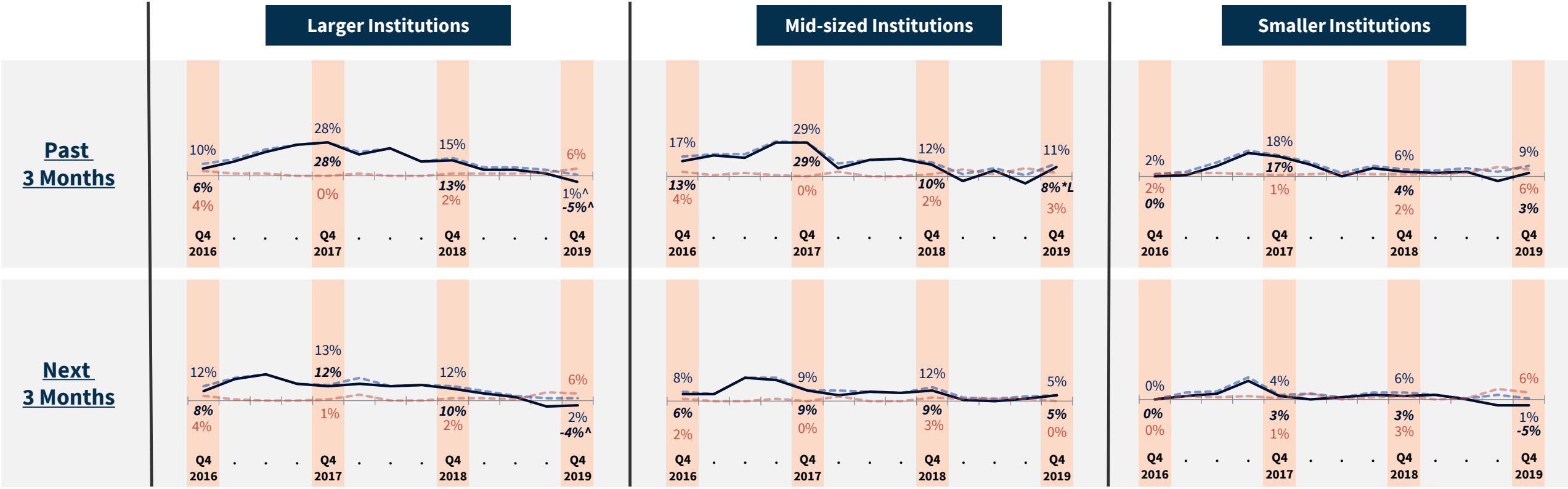

Ease
Tighten
Net Ease +

Q: 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)? *"Ease" = Eased considerably + Eased somewhat, "Tighten" = Tightened somewhat + Tightened considerably*
Q: 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)? *"Ease" = Ease considerably + Ease somewhat, "Tighten" = Tighten somewhat + Tighten considerably*

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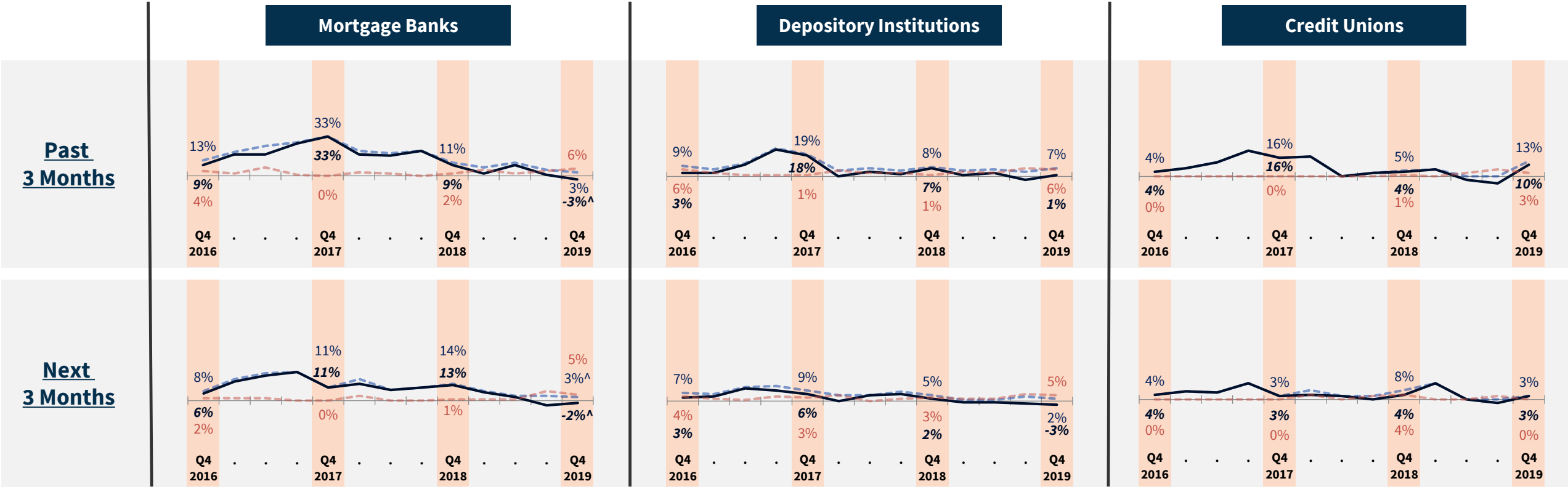

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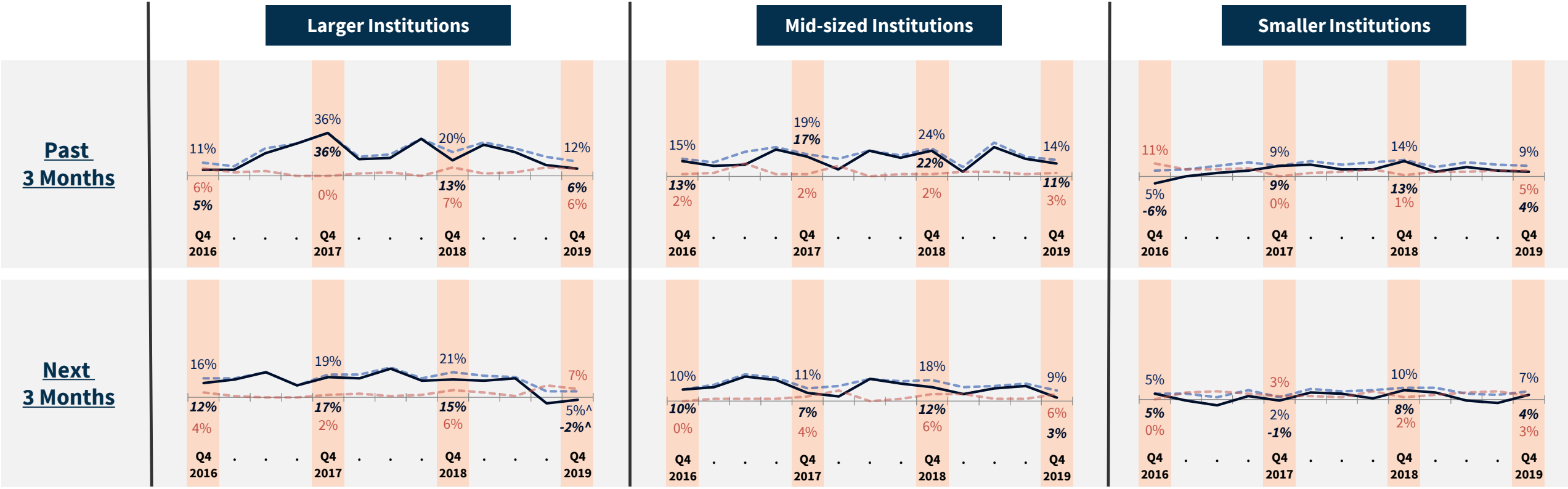

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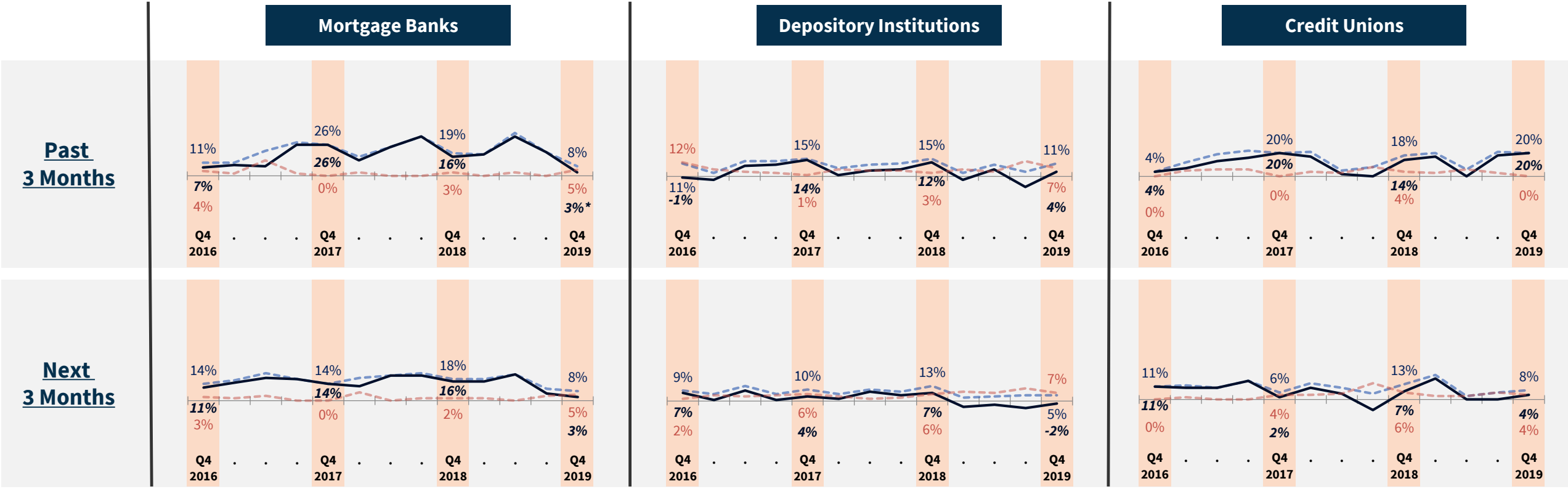

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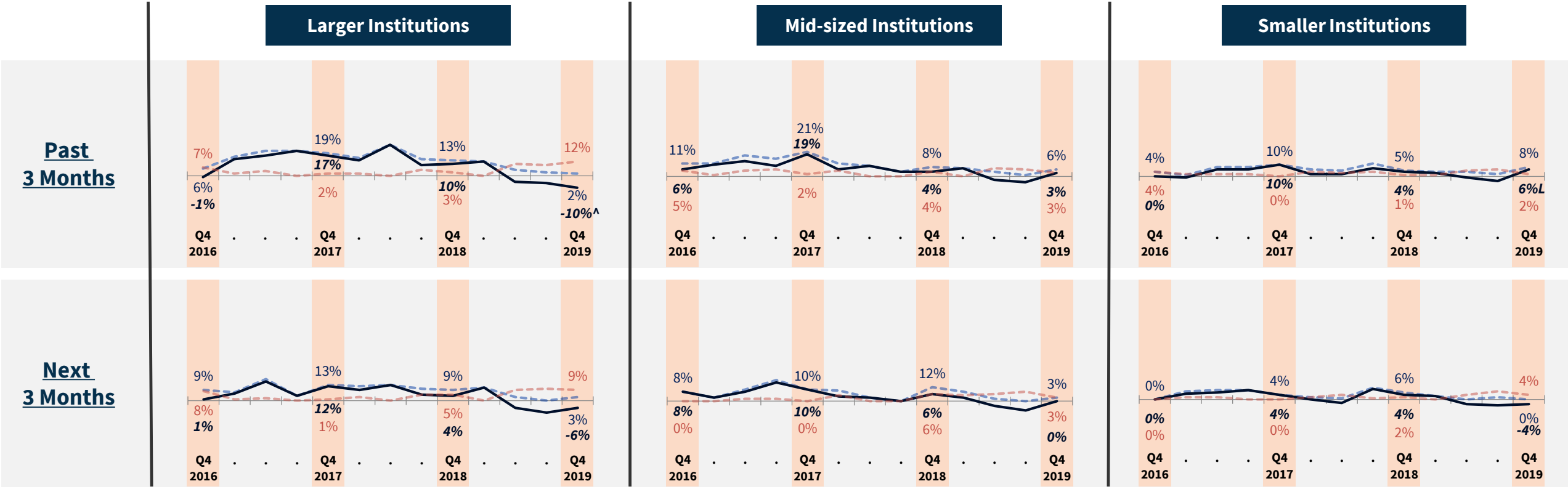

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Tighten
Net Ease +

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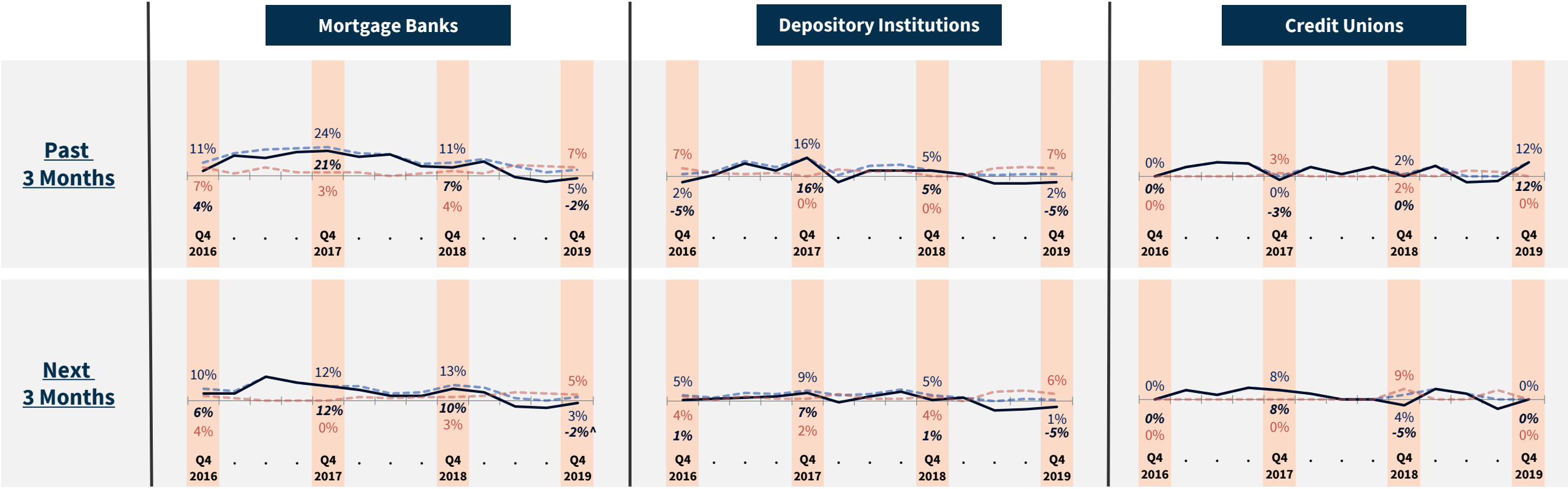

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Credit Standards: Drivers of Change (selected verbatim)

Drivers of Loosening Change

Drivers of Tightening Change

Past 3 Months

N=27

- **Changes to guidelines**
- **Portfolio/Strategic changes**
- **Market/Economic conditions**

Q: 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)

"Competition, strong real estate prices." – *Smaller Institution*

"Removed GSE overlays, expanded portfolio guidelines on non-agency programs." – *Mid-sized Institution*

"We have minimal risk in our portfolio and felt we could take on more risk." – *Smaller Institution*

"Capital allocation to other businesses." – *Larger Institution*

"Regulatory guidance." – *Larger Institution*

"New leadership reviewing current standards and implementing minor changes." – *Smaller Institution*

Next 3 Months

N=20

- **Changes to guidelines**
- **Portfolio/Strategic changes**
- **Market/Economic conditions**

Q: 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)

"Ability to take on more risk where we can." – *Smaller Institution*

"FHA contractual certainty and clarity changes under review now." – *Larger Institution*

"Confidence in secondary execution options away from GSE products." – *Mid-sized Institution*

"Delinquency rates are starting to tick up, specifically in the sub 660 credit buckets. Gov loan servicing performance is trending in the wrong direction." – *Larger Institution*

"Deteriorating employment; excessive property value runup." – *Mid-sized Institution*

"GSE and Gov't lending guides are showing signs of tightening. Non-GSE loans will remain the same since we enhanced and will hold steady through 2020." – *Larger Institution*

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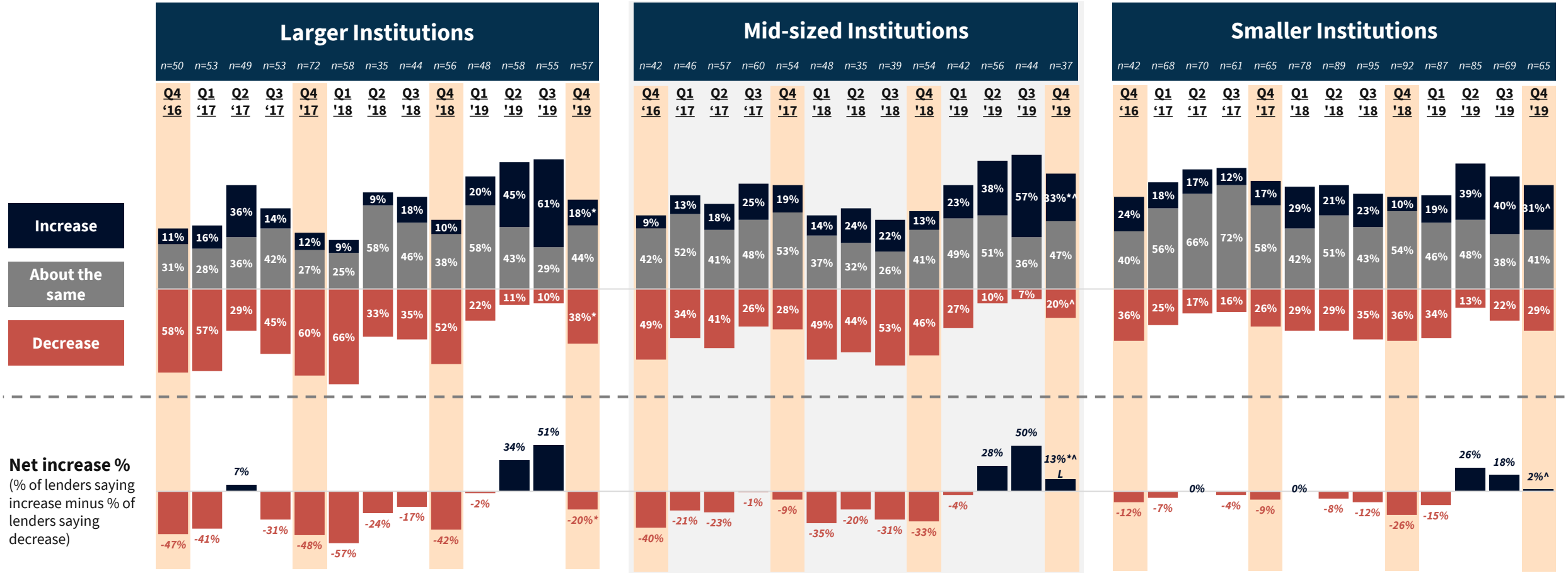
Appendix

Survey Methodology Details..... 18
Economic and Housing Sentiment..... 26
Consumer Demand (Purchase Mortgages)..... 30
Consumer Demand (Refinance Mortgages)..... 43
Credit Standards..... 50
Profit Margin Outlook..... 58
Survey Question Text..... 63

Profit Margin Outlook – Next 3 Months (by institution size)



Q: Over the next three months, how much do you expect your firm's profit margin to change for its single-family mortgage production? [Showing: (Substantially Increase (25+ basis points) + Moderately Increase (5 - 25 basis points)), About the same (0 - 5 basis points), (Moderately Decrease (5 - 25 basis points) + Substantially Decrease (25+ basis points)]

L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level

** Denotes a statistically significant change compared with Q3 2019 (previous quarter)*
^ Denotes a statistically significant change compared with Q4 2018 (same quarter of last year)

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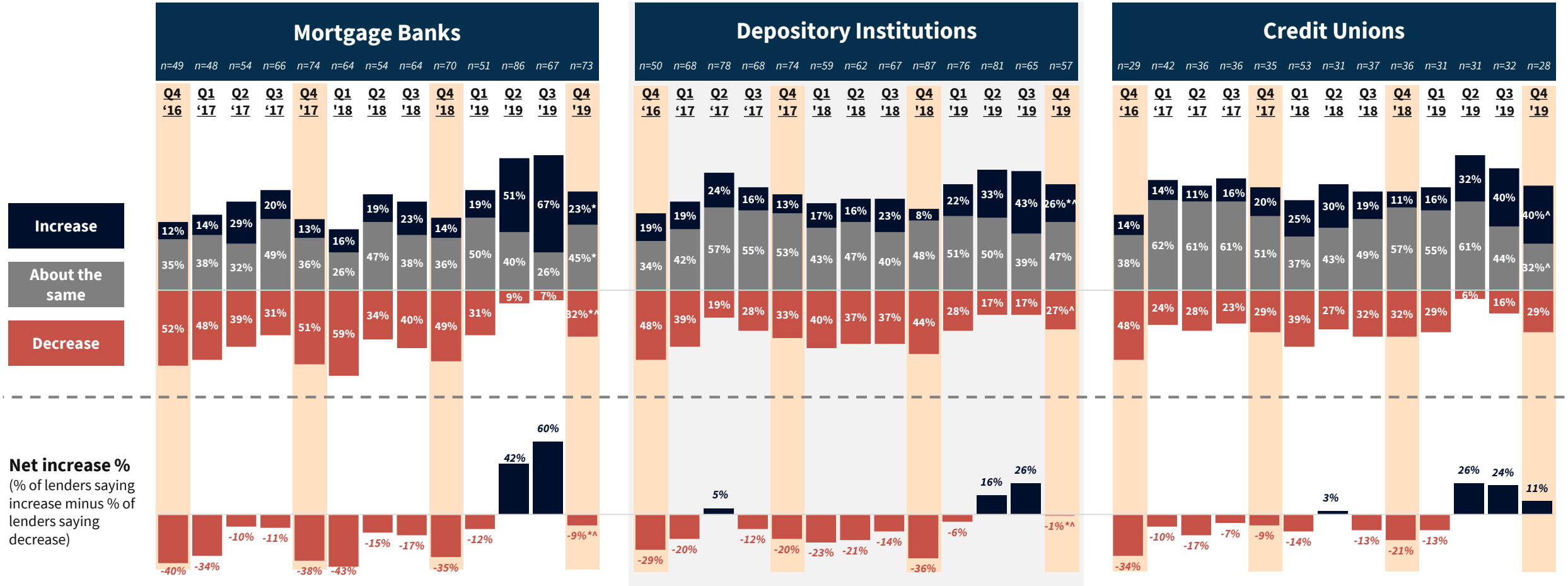
Profit Margin Outlook – Next 3 Months (by institution type)



Q: Over the next three months, how much do you expect your firm's profit margin to change for its single-family mortgage production? [Showing: (Substantially Increase (25+ basis points) + Moderately Increase (5 - 25 basis points)), About the same (0 - 5 basis points), (Moderately Decrease (5 - 25 basis points) + Substantially Decrease (25+ basis points)]

M/D/C - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level

** Denotes a statistically significant change compared with Q3 2019 (previous quarter)*
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Increased Profit Margin – Drivers

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. (*Showing % rank 1 + 2*)	Total								
	2017		2018			2019			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
N=	*29*	*34*	*30*	*38*	*22*	*36*	*81*	*86*	*42*
Consumer demand	22%	34%	56%	22%	21%	41%	64%	61%	55%^
Operational efficiency (i.e., technology)	62%	43%	58%	64%	65%	47%	32%	43%	49%
Market trend changes (i.e. shift from refinance to purchase)	34%	41%	31%	9%	0%	11%	17%	22%	27%^
GSE pricing and policies	36%	29%	11%	12%	3%	9%	7%	19%	16%
Less competition from other lenders	2%	2%	0%	7%	19%	8%	22%	13%	13%
Non-GSE (other investors) pricing and policies	13%	8%	15%	6%	21%	19%	6%	10%	10%
Government monetary or fiscal policy	3%	6%	4%	6%	9%	3%	8%	12%	6%
Staffing (personnel costs) reduction	16%	15%	13%	44%	32%	42%	25%	8%	6%^
Servicing cost reduction	3%	4%	4%	2%	0%	3%	2%	1%	4%
Marketing expense reduction	2%	4%	0%	4%	0%	1%	9%	2%	0%
Government regulatory compliance	0%	6%	0%	7%	0%	0%	2%	2%	0%

For detailed data by lender size and lender type, please check out the excel file posted on the Mortgage Lender Sentiment Survey web page, together with the report.

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Decreased Profit Margin – Drivers

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. (*Showing % rank 1 + 2*)	Total								
	2017		2018			2019			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
N=	*75*	*85*	*52*	*69*	*87*	*52*	*24*	*23*	*47*
Competition from other lenders	75%	78%	78%	71%	74%	77%	59%	66%	63%
Market trend changes (i.e. shift from refinance to purchase)	19%	35%	31%	23%	16%	16%	3%	19%	39%^
Consumer demand	30%	22%	19%	37%	38%	29%	13%	8%	36%*
GSE pricing and policies	5%	10%	8%	9%	12%	17%	20%	28%	14%
Staffing (personnel costs)	29%	12%	19%	15%	19%	18%	28%	21%	12%
Operational efficiency (i.e. technology)	8%	7%	12%	9%	7%	5%	13%	12%	10%
Marketing expenses	2%	4%	0%	1%	4%	3%	14%	7%	5%
Government monetary or fiscal policy	7%	12%	9%	8%	10%	9%	12%	7%	5%
Non-GSE (other investors) pricing and policies	3%	8%	8%	10%	6%	10%	3%	4%	5%
Government regulatory compliance	13%	6%	9%	14%	5%	7%	18%	20%	4%
Servicing costs	4%	3%	2%	2%	1%	3%	3%	4%	2%

For detailed data by lender size and lender type, please check out the excel file posted on the Mortgage Lender Sentiment Survey web page, together with the report.

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Appendix

Survey Methodology Details..... 18
Economic and Housing Sentiment..... 26
Consumer Demand (Purchase Mortgages)..... 30
Consumer Demand (Refinance Mortgages)..... 43
Credit Standards..... 50
Profit Margin Outlook..... 58
Survey Question Text..... 63

Question Text

Economic and Housing Sentiment

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?

q1a. Do you think it is very difficult, somewhat difficult, somewhat easy, or very easy for consumers to get a home mortgage today?

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?

q4a. 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?

q5a. 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?

Consumer Demand

q6. 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.

q7. 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)

q14. 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.

q46. 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.

q47. 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.

q49. 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.

q50. 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.

q51. 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.

q52. 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.

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Question Text Continued

q10. 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.

q18. 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.

q20. 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?

q21. 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?

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?

q23. 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.

q24. 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.

q25. 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.

q26. 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.

Credit Standards

q27. 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.

q28. 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)

q31. 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)? Please answer for GSE eligible mortgages, non-GSE eligible mortgages, and government mortgages.

q32. 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)

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