Mortgage demand expectations climb, drive positive profit margin outlook for third consecutive quarter

As part of our quarterly Mortgage Lender Sentiment Survey®, our economists surveyed senior executives of mortgage lending institutions to assess their views and outlooks across a variety of issues related to the mortgage market. Among their findings: Lenders’ expectations for purchase mortgage demand increased significantly while demand for refinance mortgages remained strong. Lenders continue to report credit tightening, but their profit margin outlook is, on net, still positive.

If positive, more lenders than not are optimistic about future profit margins. If negative, more lenders than not are pessimistic about future profit margins.

Purchase demand expectations

Refinance demand expectations

Note: Shares of lenders who expect consumer demand to go up or down in the next three months. GSE-eligible only.

Led by Senior Vice President and Chief Economist Doug Duncan, our Economic & Strategic Research (ESR) Group studies current data, analyzes historical and emerging trends, and conducts surveys of consumer and mortgage lender groups to provide forecasts and analyses on the economy, housing, and mortgage markets.

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