Mortgage lenders’ profit margin outlook up on surging refinance demand

As part of our quarterly Mortgage Lender Sentiment Survey®, our economists surveyed senior executives of lending institutions to assess their views and outlooks across a variety of issues related to the mortgage market. Among their findings: The net profit margin outlook for lenders hit a survey high in the third quarter due to a combination of consumer demand — particularly among refinance mortgages — and improved operational efficiency. For refinance mortgages, the net share of lenders reporting demand growth over both the prior three months and the next three months continued its upward trend and reached new survey highs.

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: GSE-eligible mortgages only

Hear more from our research team, or read the full findings of our survey.

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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