## **SINGLE-FAMILY OPERATIONS**

September 2012

CONTACT INFORMATION
WILLIAM F. SHAW 202-402-7550
ZENORA HINES 202-402-7544

#### **Applications**

This month, FHA received 142,978 initial applications for single family mortgage insurance (case number assignments). They included 65,596 for home purchase, 70,507 for home refinance, and 6,875 for reverse mortgages. This count was 19.8 percent below last month's total, but 10.8 percent above that of the year-earlier period.

Refinance applications can be further defined by type: 54,645 on prior FHA cases, and 15,862 conventional conversions to FHA. The conventional transfers include 365 principal write down applications through the FHA Short Refinance program.

#### **Endorsements**

During September, FHA endorsed 109,293 single family mortgages for insurance -- 13.3 percent less than in the prior month (126,051) but 18.8 percent more than a year ago. The September total includes 56,812 purchase money mortgages, 48,775 refinance transactions, and 3,706 HECM.

Home purchase mortgages accounted for 52 percent of the transactions. Of those, 44,146 (78%) were for first-time homebuyers.

With respect to refinance transactions, 42,325 were on prior FHA cases and 6,455 were conventional conversions to FHA. There were 136 principal write-down (FHA Short Refinance) mortgages in the refinance total.

Overall, there were very few cash-out refinance endorsements (2,480) and even fewer adjustable rate mortgages (587) in the September totals.

#### **Mortgage Insurance**

Across the entire fiscal year, FHA insured 1,239,874 single family mortgages for \$226.5 billion. This included 733,959 purchase mortgages for \$124.5 billion, 451,095 refinances for \$88.9 billion, and 54,820 reverse mortgages for \$13.2 billion.

At the end of the fiscal year, FHA had 7,710,746 active mortgages insured, with an amortized (outstanding) balance of \$1,083.3 billion.

#### **Loans Delinquent**

On September 30, loan servicers reported 738,991 mortgages in serious delinquency, for a default rate of 9.6 percent -- just slightly higher than the August rate of 9.5%.

#### **Claims**

For all of FY 2012, FHA paid a total of 284,196 insurance claims for various servicer actions. There were 142,779 loan-termination claims, including 102,236 property conveyances, 36,740 pre-foreclosure sales, and 3,803 other actions (primarily assignment claims to facilitate note sales). In addition, there were 141,417 special type claims, including 129,626 loss mitigation home retention actions and 11,791 HECM assignments.

## **SINGLE-FAMILY OPERATIONS**

September 2012

#### **MONTHLY COMPARISONS**

|                                | CURRENT      | LAST         | RATE OF       |   | LAST        | RATE OF       |
|--------------------------------|--------------|--------------|---------------|---|-------------|---------------|
|                                | <u>MONTH</u> | <u>MONTH</u> | <u>CHANGE</u> |   | <u>YEAR</u> | <u>CHANGE</u> |
| TOTAL APPLICATIONS: *          | 142,978      | 178,314      | -19.8%        |   | 129,045     | 10.8%         |
| Annual Rate                    | 1,680,400    | 1,833,100    | -8.3%         |   | 1,377,000   | 22.0%         |
| Average per workday            | 6,642        | 7,246        | -8.3%         |   | 5,443       | 22.0%         |
| Purchase                       | 65,596       | 79,329       | -17.3%        |   | 73,283      | -10.5%        |
| Refinance                      | 70,507       | 90,880       | -22.4%        |   | 48,368      | 45.8%         |
| Prior FHA                      | 54,645       | 72,066       | -24.2%        |   | 23,656      | 131.0%        |
| Conventional to FHA            | 15,862       | 18,814       | -15.7%        |   | 24,712      | -35.8%        |
| Short Refinance                | 365          | 348          | 4.9%          |   | 285         | 28.1%         |
| HECM                           | 6,875        | 8,105        | -15.2%        |   | 7,394       | -7.0%         |
| TOTAL ENDORSEMENTS: *          | 109,293      | 126,051      | -13.3%        |   | 91,963      | 18.8%         |
| Annual Rate                    | 1,311,500    | 1,512,600    | -13.3%        |   | 1,103,600   | 18.8%         |
| Weighted Average FICO Score ** | 696          | 696          | 0.0%          |   | 697         | -0.1%         |
| Minority                       | 26,621       | 31,031       | -14.2%        |   | 24,355      | 9.3%          |
| % Minority                     | 24.4%        | 24.6%        | -0.3%         | # | 26.5%       | -2.1% #       |
| Purchase                       | 56,812       | 71,428       | -20.5%        |   | 66,602      | -14.7%        |
| % Purchase                     | 52.0%        | 56.7%        | -4.7%         | # | 72.4%       | -20.4% #      |
| Average FICO Score **          | 695          | 695          | 0.0%          |   | 697         | -0.3%         |
| 1st Time Home Buyer            | 44,146       | 55,617       | -20.6%        |   | 50,737      | -13.0%        |
| % 1st Time Home Buyer          | 77.7%        | 77.9%        | -0.2%         | # | 76.2%       | 1.5% #        |
| Non-Minority                   | 27,517       | 34,808       | -20.9%        | " | 31,116      | -11.6%        |
| % Non-Minority                 | 62.3%        | 62.6%        | -0.3%         | # | 61.3%       | 1.0% #        |
| Minority                       | 14,122       | 17,578       | -19.7%        | - | 16,541      | -14.6%        |
| % Minority                     | 32.0%        | 31.6%        | 0.4%          | # | 32.6%       | -0.6% #       |
| Not-Disclosed                  | 2,507        | 3,227        | -22.3%        | " | 3,080       | -18.6%        |
| % Not-Disclosed                | 5.7%         | 5.8%         | -0.1%         | # | 6.1%        | -0.4% #       |
| Refinanced                     | 48,775       | 50,501       | -3.4%         | π | 19,771      | 146.7%        |
| % Refinanced                   | 44.6%        | 40.1%        | 4.6%          | # | 21.5%       | 23.1% #       |
| Average FICO Score **          | 699          | 701          | -0.3%         | П | 698         | 0.1%          |
| Prior FHA                      | 42,325       | 42,607       | -0.7%         | _ | 9,579       | 341.9%        |
| Streamline                     | 39,577       | 39,559       | 0.0%          | _ | 6,881       | 475.2%        |
| Streamline % of Refinance      | 81.1%        | 78.3%        | 2.8%          | # | 34.8%       | 46.3% #       |
| Streamline % of Prior FHA      | 93.5%        | 92.8%        | 0.7%          | _ | 71.8%       | 21.7% #       |
| Full Process                   | 2,748        | 3,048        | -9.8%         | # | 2,698       | 1.9%          |
| Cash Out                       | 564          | 570          | -1.1%         | + | 576         | -2.1%         |
| Conventional to FHA            | 6,455        | 7,894        | -18.2%        |   | 10,192      | -36.7%        |
| Cash Out                       | 1,916        | 2,317        | -17.3%        |   | 3,030       | -36.8%        |
| Total Cash Out                 | 2,480        | 2,887        | -14.1%        | - | 3,606       | -31.2%        |
| Total % Cash Out               | 5.1%         | 5.7%         | -0.6%         | # | 18.2%       | -13.2% #      |
|                                |              |              |               | # |             | -13.270 #     |
| Short Refinance                | 136          | 107          | 27.1%         |   | 29          | 22.70/        |
| HECM<br>% HECM                 | 3,706        | 4,122        | -10.1%        | ш | 5,590       | -33.7%        |
| HECM Standard Traditional      | 3.4%         | 3.3%         | 0.1%          | # | 6.1%        | -2.7% #       |
|                                | 3,246        | 3,674        | -11.6%        |   | 4,743       | -31.6%        |
| HECM Standard Durahasa         | 755          | 794          | -4.9%         |   | 1,270       | -40.6%        |
| HECM Standard Purchase         | 126          | 130          | -3.1%         | - | 188         | -33.0%        |
| HECM Standard Purchase ARM     | 5            | 4            | 25.0%         | + | 10          | -50.0%        |
| HECM Standard Refinance        | 105          | 98           | 7.1%          | " | 121         | -13.2%        |
| % HECM Standard Refinance      | 2.8%         | 2.4%         | 0.5%          | # | 2.2%        | 0.7% #        |
| HECM Stndrd Refinance ARM      | 20           | 16           | 25.0%         | _ | 24          | -16.7%        |
| HECM Saver Total               | 229          | 220          | 4.1%          |   | 538         | -57.4%        |

Source: \* F17 CHUMS

# - Percentage point difference

<sup>\*\*</sup> This series represents the composite FICO score value that is used for loan underwriting.

### **SINGLE-FAMILY OPERATIONS**

September 2012

#### **MONTHLY COMPARISONS**

|                                    | CURRENT<br><u>MONTH</u> | LAST<br><u>MONTH</u> | RATE OF<br>CHANGE | LAST<br><u>YEAR</u> | RATE OF<br>CHANGE |
|------------------------------------|-------------------------|----------------------|-------------------|---------------------|-------------------|
| FORWARD ENDORSEMENTS ONLY:         | +                       |                      |                   |                     |                   |
| Section 203(k)                     | 1,599                   | 2,030                | -21.2%            | 2,217               | -27.9%            |
| Condominium                        | 4,538                   | 5,009                | -9.4%             | 3,152               | 44.0%             |
| % Condominium                      | 4.2%                    | 4.0%                 | 0.2% #            | 3.4%                | 0.7% #            |
| ARM (Excludes HECM ARM)            | 587                     | 887                  | -33.8%            | 3,634               | -83.8%            |
| % ARM                              | 0.5%                    | 0.7%                 | -0.2% #           | 4.0%                | -3.4% #           |
| Manufactured Housing (Real Estate) | 1,670                   | 2,001                | -16.5%            | 1,691               | -1.2%             |
| Interest Buy-down                  | 314                     | 399                  | -21.3%            | 398                 | -21.1%            |
| Average Processing Time * ^        |                         |                      |                   |                     |                   |
| (Existing Homes, weeks)            |                         |                      |                   |                     |                   |
| Application to Closing             | 6.8                     | 6.3                  | 7.9%              | 5.9                 | 15.3%             |
| Closing to Endorsement             | 3.8                     | 3.6                  | 5.6%              | 3.6                 | 5.6%              |
| Lender Insurance *                 |                         |                      |                   |                     |                   |
| Total Lender Insurance             | 87.732                  | 100,454              | -12.7%            | 71,995              | 21.9%             |
| % of Total Insurance               | 80.3%                   | 79.7%                | 0.6% #            | 71,995              | 2.0% #            |
| Forward Mortgages                  | 87,732                  | 100,454              | -12.7%            | 70,546              | 24.4%             |
| HECM                               | 0                       | 0                    | -12.7 /0          | 1,449               | 24.470            |
| TILOW                              | U                       | 0                    |                   | 1,449               |                   |
| Automated Underwriting System * x  |                         |                      |                   |                     |                   |
| AUS Endorsed                       | 63,801                  | 79,534               | -19.8%            | 76,395              | -16.5%            |
| AUS as % of Total Endorsed         | 60.4%                   | 65.2%                | -4.8% #           | 88.4%               | -28.0% #          |
| Mortgage Insurance *               |                         |                      |                   |                     |                   |
| Total Number                       | 109,293                 | 126,051              | -13.3%            | 91,963              | 18.8%             |
| Total Amount (\$B)                 | \$20.0                  | \$23.1               | -13.4%            | \$16.2              | 23.5%             |
| Forward Mortgages                  | 7=1.1                   | <b>V</b> =0.1        |                   | 7.2.2               |                   |
| Total Forward Number               | 105,587                 | 121,929              | -13.4%            | 86,373              | 22.2%             |
| Amount (\$B)                       | \$19.1                  | \$22.1               | -13.6%            | \$14.8              | 29.1%             |
| Purchase Number                    | 56,812                  | 71,428               | -20.5%            | 66,602              | -14.7%            |
| Amount (\$B)                       | \$9.9                   | \$12.4               | -20.2%            | \$11.2              | -11.6%            |
| Refinance Number                   | 48,775                  | 50,501               | -3.4%             | 19,771              | 146.7%            |
| Amount (\$B)                       | \$9.2                   | \$9.7                | -5.2%             | \$3.6               | 155.6%            |
| Reverse Mortgages                  |                         |                      |                   |                     |                   |
| HECM Number                        | 3,706                   | 4,122                | -10.1%            | 5,590               | -33.7%            |
| Max Claim Amount (\$B)             | \$0.9                   | \$1.0                | -10.0%            | \$1.4               | -35.7%            |
| Mortgage Insurance-In-Force **     |                         |                      |                   |                     |                   |
| Total Number                       | 7,710,746               | 7,691,776            | 0.2%              | 7,304,368           | 5.6%              |
| Total Unpaid Balance Amount (\$B)  | \$1,083.3               | \$1,080.5            | 0.3%              | \$1,019.7           | 6.2%              |
| Loans Seriously Delinquent *** <   |                         |                      |                   |                     |                   |
|                                    | 720 004                 | 700 007              | 1 F0/             | 635,000             | 16.40/            |
| Seriously Delinquent               | 738,991                 | 728,227              | 1.5%              | 635,096             | 16.4%             |
| Seriously Delinquent Rate          | 9.6%                    | 9.5%                 | 0.1% #            | 8.7%                | 0.9% #            |

Source: \* F17 CHUMS \*\* A43 Single Family Insurance System \*\*\* F42D Consolidated Single Family Default Monitoring System

<sup>#</sup> Percentage point difference

Existing homes, including purchase and refinance cases, represent virtually all of insurance activity.

 $<sup>{</sup>f x}$  AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

This count of seriously delinquent mortgages includes all bankruptcies, all foreclosures and 90 days or more delinquencies.

## **SINGLE-FAMILY OPERATIONS**

September 2012

#### **FISCAL YEAR COMPARISONS**

|                             | PROJECTIONS  |                      |                      | RATE OF   |    |                      |
|-----------------------------|--------------|----------------------|----------------------|-----------|----|----------------------|
|                             | FY 2012      | FY 2012              | FY 2011              | CHANGE    |    | FY 2011              |
|                             | AS OF OCT 11 | TO DATE              | TO DATE              | 2012/2011 |    | FINAL                |
|                             |              |                      | <del></del>          |           |    |                      |
| TOTAL APPLICATIONS: *       | 1,750,000    | 1,826,191            | 1,603,669            | 13.9%     |    | 1,603,669            |
| Purchase                    | 1,015,000    | 921,175              | 921,886              | -0.1%     |    | 921,886              |
| Refinance                   | 630,000      | 821,543              | 586,092              | 40.2%     |    | 586,092              |
| Prior FHA                   | 252,000      | 564,574              | 247,124              | 128.5%    |    | 247,124              |
| Conventional to FHA         | 378,000      | 256,969              | 338,968              | -24.2%    |    | 338,968              |
| Short Refinance             |              | 3,268                | 1,333                | 145.2%    |    | 1,333                |
| HECM                        | 105,000      | 83,473               | 95,691               | -12.8%    |    | 95,691               |
|                             |              |                      |                      |           |    |                      |
| TOTAL ENDORSEMENTS: *       | 1,400,000    | 1,239,874            | 1,271,211            | -2.5%     |    | 1,271,211            |
|                             |              |                      |                      |           |    |                      |
| Minority                    | 350,000      | 311,812              | 312,940              | -0.4%     |    | 312,940              |
| % Minority                  | 25.0%        | 25.1%                | 24.6%                | 0.5%      | #  | 24.6%                |
| Purchase                    | 840,000      | 722.050              | 777 504              | -5.6%     |    | 777 504              |
| % Purchase                  | 60.0%        | <b>733,959</b> 59.2% | <b>777,521</b> 61.2% | -2.0%     | 4  | <b>777,521</b> 61.2% |
|                             |              |                      | 585,091              |           | #  |                      |
| 1st Time Home Buyer         | 630,000      | 569,912              |                      | -2.6%     | ш  | 585,091              |
| % 1st Time Home Buyer       | 75.0%        | 77.6%                | 75.3%                | 2.4%      | #  | 75.3%                |
| Non-Minority                | 403,200      | 353,119              | 360,891              | -2.2%     | ш  | 360,891              |
| % Non-Minority              | 64.0%        | 62.0%                | 61.7%                | 0.3%      | #  | 61.7%                |
| Minority                    | 189,000      | 183,392              | 187,022              | -1.9%     | ш  | 187,022              |
| % Minority                  | 30.0%        | 32.2%                | 32.0%                | 0.2%      | #  | 32.0%                |
| Not-Disclosed               | 37,800       | 33,396               | 37,176               | -10.2%    | ,, | 37,176               |
| % Not-Disclosed             | 6.0%         | 5.9%                 | 6.4%                 | -0.5%     | #  | 6.4%                 |
| Refinanced                  | 476,000      | 451,095              | 420,561              | 7.3%      |    | 420,561              |
| % Refinanced                | 34.0%        | 36.4%                | 33.1%                | 3.3%      | #  | 33.1%                |
| Prior FHA                   | 247,520      | 321,820              | 224,936              | 43.1%     |    | 224,936              |
| Streamline                  | 223,720      | 274,160              | 180,330              | 52.0%     |    | 180,330              |
| Streamline % of Refinance   | 47.0%        | 60.8%                | 42.9%                | 17.9%     | #  | 42.9%                |
| Streamline % of Prior FHA   | 90.4%        | 85.2%                | 80.2%                | 5.0%      | #  | 80.2%                |
| Full Process                | 23,800       | 47,660               | 44,606               | 6.8%      |    | 44,606               |
| Cash Out                    | 7,200        | 7,558                | 9,022                | -16.2%    |    | 9,022                |
| Conventional to FHA         | 228,480      | 129,293              | 195,657              | -33.9%    |    | 195,634              |
| Cash Out                    | 36,000       | 35,098               | 52,921               | -33.7%    |    | 52,921               |
| Total Cash Out              | 43,200       | 42,656               | 61,943               | -31.1%    |    | 61,943               |
| Total % Cash Out            | 9.1%         | 9.5%                 | 14.7%                | -5.3%     | #  | 14.7%                |
| Short Refinance             |              | 1,440                | 334                  |           |    | 334                  |
| HECM                        | 84,000       | 54,820               | 73,129               | -25.0%    |    | 73,129               |
| % HECM                      | 6.0%         | 4.4%                 | 5.8%                 | -1.3%     | #  | 5.8%                 |
| HECM Standard Traditional   | 75,000       | 47,950               | 65,062               | -26.3%    |    | 65,062               |
| HECM Stndrd Traditional ARM | 22,500       | 12,858               | 19,429               | -33.8%    |    | 19,429               |
| HECM Standard Purchase      | 1,700        | 1,612                | 1,514                | 6.5%      |    | 1,514                |
| HECM Stndrd Purchase ARM    | 500          | 56                   | 112                  | -50.0%    |    | 112                  |
| HECM Standard Refinance     | 3,000        | 1,440                | 2,727                | -47.2%    |    | 2,727                |
| % HECM Standard Refinance   | 3.6%         | 2.6%                 | 3.7%                 | -1.1%     | #  | 3.7%                 |
| HECM Stndrd Refinance ARM   | 660          | 418                  | 565                  | -26.0%    |    | 565                  |
| HECM Saver Total            | 4,300        | 3,820                | 3,828                | -0.2%     |    | 3,828                |

Source: \* F17 CHUMS # Percentage point difference

<sup>&</sup>quot; I Groomago point amorono

## **SINGLE-FAMILY OPERATIONS**

September 2012

#### **FISCAL YEAR COMPARISONS**

| PROJECTIONS  |         |         | RATE OF   |              |
|--------------|---------|---------|-----------|--------------|
| FY 2012      | FY 2012 | FY 2011 | CHANGE    | FY 2011      |
| AS OF OCT 11 | TO DATE | TO DATE | 2012/2011 | <u>FINAL</u> |

|   | AS OF OCT TI | TODATE    | TODATE    | 2012/2011       | FINAL     |
|---|--------------|-----------|-----------|-----------------|-----------|
| FORWARD ENDORSEMENTS ONLY:                      | +            |           |           |                 |           |
| TORWARD ENDORGEMENTO ONET.                      |              |           |           |                 |           |
| Section 203(k)                                  | 22,000       | 22,495    | 21,297    | 5.6%            | 21,297    |
| Condominium                                     | 110,000      | 44,970    | 54,694    | -17.8%          | 54,694    |
| % Condominium                                   | 7.9%         | 3.6%      | 4.3%      | -0.7% #         | 4.3%      |
| ARM (Excludes HECM ARM)                         | 50,000       | 20,351    | 50,882    | -60.0%          | 50,882    |
| % ARM   | 3.6%         | 1.6%      | 4.0%      | -2.4% #         | 4.0%      |
| Manufactured Housing (Real Estate)              | 50,000       | 20,479    | 21,378    | -4.2%           | 21,378    |
| Interest Buy-down                               | 4,000        | 4,670     | 3,790     | 23.2%           | 3,790     |
|   |              |           |           |                 |           |
| Lender Insurance *                              |              |           |           |                 |           |
| Total Lender Insurance                          | 980,000      | 975,544   | 976,312   | -0.1%           | 976,312   |
| % of Total Insurance                            | 70.0%        | 78.7%     | 76.8%     | 1.9% #          | 76.8%     |
| Forward Mortgages                               | 960,400      | 974,735   | 956,514   | 1.9%            | 956,514   |
| HECM  | 19,600       | 809       | 19,798    | -95.9%          | 19,798    |
| Automated Underwriting System * v               |              |           |           |                 |           |
| Automated Underwriting System * x  AUS Endorsed | 1,050,000    | 880,319   | 994,574   | -11.5%          | 994,574   |
| AUS as % of Total Endorsed                      | 79.8%        | 74.3%     | 83.0%     | -8.7% #         | 83.0%     |
| AUS as % of Total Endorsed                      | 79.070       | 74.576    | 03.076    | -0.7 /0 #       | 03.076    |
| Mortgage Insurance *                            |              |           |           |                 |           |
| Total Number                                    | 1,400,000    | 1,239,874 | 1,271,211 | -2.5%           | 1,271,211 |
| Total Amount (\$B)                              | \$248.6      | \$226.5   | \$236.0   | -4.0%           | \$236.0   |
| Forward Mortgages                               |              |           |           |                 |           |
| Total Forward Number                            | 1,316,000    | 1,185,054 | 1,198,082 | -1.1%           | 1,198,082 |
| Amount (\$B)                                    | \$231.1      | \$213.4   | \$217.8   | -2.0%           | \$217.8   |
| Purchase Number                                 | 840,000      | 733,959   | 777,521   | -5.6%           | 777,521   |
| Amount (\$B)                                    | \$141.9      | \$124.5   | \$134.4   | -7.4%           | \$134.4   |
| Refinance Number                                | 476,000      | 451,095   | 420,561   | 7.3%            | 420,561   |
| Amount (\$B)                                    | \$89.2       | \$88.9    | \$83.4    | 6.6%            | \$83.4    |
| Reverse Mortgages                               |              |           |           |                 |           |
| HECM Number                                     | 84,000       | 54,820    | 73,129    | -25.0%          | 73,129    |
| Max Claim Amount (\$B)                          | \$17.5       | \$13.2    | \$18.2    | -27.5%          | \$18.2    |
| 21.1 11   |              |           |           |                 |           |
| Claims **                                       | 242 = 22     | 224 422   | 222.222   | 10.10/          | 222.222   |
| Total Claims                                    | 318,500      | 284,196   | 326,892   | -13.1%          | 326,892   |
| Regular   | 118,500      | 142,779   | 118,133   | 20.9%           | 118,133   |
| Conveyances                                     | 92,000       | 102,236   | 91,448    | 11.8%           | 91,448    |
| Pre-Foreclosures                                | 25,400       | 36,740    | 25,069    | 46.6%           | 25,069    |
| Other Claims                                    | 1,100        | 3,803     | 1,616     | 135.3%          | 1,616     |
| Special   | 200,000      | 141,417   | 208,759   | -32.3%          | 208,759   |
| Loss Mitigation Retention                       | 195,000      | 129,626   | 200,808   | -35.4%<br>48.3% | 200,808   |
| HECM Assignments                                | 5,000        | 11,791    | 7,951     | 48.3%           | 7,951     |

Source: \* F17 CHUMS \*\* A43C Claims System

<sup># =</sup> Percentage point difference

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

# SINGLE-FAMILY OPERATIONS August 2012

CONTACT INFORMATION
WILLIAM F. SHAW 202-402-7550
ZENORA HINES 202-402-7544

#### **Applications**

This month, lenders submitted 178,314 single family applications for insurance to FHA. This included 79,329 purchase cases, 90,880 refinance transactions and 8,105 reverse mortgage loans. The refinance applications included 72,066 prior FHA cases and 18,814 conventional conversions to FHA.

This refinance volume is more than three times than that of the year-earlier period (72,066 vs. 21,724).

Two thirds of the prior FHA cases were for streamline refinancing under reduced upfront and monthly premiums.

#### **Endorsements**

During August, FHA endorsed 126,051 mortgages for insurance. This month's figure included 71,428 purchase money mortgages, 50,501 refinanced and 4,122 HECM.

First time home buyers (55,617) accounted for at least 3 out of every 4 purchase transactions. Of those first-time buyers, 31.6 percent were minority households.

With regard to refinance transactions, 42,607 were prior FHA cases and 7,894 were conventional conversion cases seeking FHA insurance. Most of the prior FHA cases (92.8%) were insured using streamline procedures.

Among the conventional-conversion cases, 2,317 were cash outs and 107 were short refinance transactions (FHA Refinance of Borrowers in Negative Equity Positions).

Of the 4,122 HECM cases insured, 3,674 were traditional reverse mortgages while the rest were either tied to a home purchase or else a refinance of an existing reverse mortgage. Also, 220 Saver-option HECM cases were insured.

#### Mortgage Insurance

So far this fiscal year, FHA has insured 1,130,717 single family mortgages for \$206.5 billion. This included 677,175 purchase loans, 402,415 refinance loans, and 51,124 reverse mortgages.

At the end of August FHA had 7,691,770 mortgages-in-force with an amortized balance of \$1,080.5 billion.

#### **Defaults**

As of August 30, 728,227 single family mortgages were reported in serious delinquency (90 days or more past due, in foreclosure or in bankruptcy). This represented a default rate of 9.5 percent -- the same as reported in the past two months.

#### **Claims**

Through August of this fiscal year, FHA has paid 128,930 full claims. That total includes 94,580 conveyances (REO), 34,250 pre-foreclosure (short) sales, and 2,640 assignments (for pre-foreclosure note sales).

In addition, FHA has paid loan servicers for 115,134 loss mitigation home-retention actions, and has received 10,644 HECM note assignments via claim payments.

## **SINGLE-FAMILY OPERATIONS**

August 2012

#### **MONTHLY COMPARISONS**

|                                | CURRENT      | LAST         | RATE OF       | LAST            | RATE OF       |
|--------------------------------|--------------|--------------|---------------|-----------------|---------------|
|                                | <u>MONTH</u> | <u>MONTH</u> | <u>CHANGE</u> | <u>YEAR</u>     | <u>CHANGE</u> |
| TOTAL APPLICATIONS: *          | 178,314      | 181,951      | -2.0%         | 142,793         | 24.9%         |
| Annual Rate                    | 1,833,100    | 1,967,800    | -6.8%         | 1,507,400       | 21.6%         |
| Average per workday            | 7,246        | 7,778        | -6.8%         | 5,958           | 21.6%         |
| Purchase                       | 79,329       | 77,512       | 2.3%          | 85,080          | -6.8%         |
| Refinance                      | 90,880       | 97,065       | -6.4%         | 49,773          | 82.6%         |
| Prior FHA                      | 72,066       | 79,329       | -9.2%         | 21,724          | 231.7%        |
| Conventional to FHA            | 18,814       | 17,736       | 6.1%          | 28,049          | -32.9%        |
| Short Refinance                | 348          | 266          | 30.8%         | 188             | 85.1%         |
| HECM                           | 8,105        | 7,374        | 9.9%          | 7,940           | 2.1%          |
| TOTAL ENDORSEMENTS: *          | 126,051      | 110,924      | 13.6%         | 100,490         | 25.4%         |
| Annual Rate                    | 1,512,600    | 1,331,100    | 13.6%         | 1,205,900       | 25.4%         |
| Weighted Average FICO Score ** | 696          | 697          | -0.1%         | 698             | -0.3%         |
| Minority                       | 31,031       | 27,942       | 11.1%         | 26,751          | 16.0%         |
| % Minority                     | 24.6%        | 25.2%        | -0.6% #       | 26.6%           | -2.0% #       |
| Purchase                       | 71,428       | 69,774       | 2.4%          | 75,798          | -5.8%         |
| % Purchase                     | 56.7%        | 62.9%        | -6.2% #       | 75.4%           | -18.8% #      |
| Average FICO Score **          | 695          | 696          | -0.1%         | 697             | -0.3%         |
| 1st Time Home Buyer            | 55,617       | 54,661       | 1.7%          | 57,794          | -3.8%         |
| % 1st Time Home Buyer          | 77.9%        | 78.3%        | -0.5% #       | 76.2%           | 1.6% #        |
| Non-Minority                   | 34,808       | 34,392       | 1.2%          | 35,701          | -2.5%         |
| % Non-Minority                 | 62.6%        | 62.9%        | -0.3% #       | 61.8%           | 0.8% #        |
| Minority                       | 17,578       | 17,118       | 2.7%          |                 | -5.1%         |
| ·                              |              |              |               | 18,528<br>32.1% |               |
| % Minority                     | 31.6%        | 31.3%        | 0.3% #        |                 | -0.5% #       |
| Not-Disclosed                  | 3,227        | 3,151        | 2.4%          | 3,565           | -9.5%         |
| % Not-Disclosed                | 5.8%         | 5.8%         | 0.0% #        | 6.2%            | -0.4% #       |
| Refinanced                     | 50,501       | 37,282       | 35.5%         | 18,885          | 167.4%        |
| % Refinanced                   | 40.1%        | 33.6%        | 6.5% #        | 18.8%           | 21.3% #       |
| Average FICO Score **          | 701          | 703          | -0.3%         | 695             | 0.9%          |
| Prior FHA                      | 42,607       | 28,931       | 47.3%         | 8,386           | 408.1%        |
| Streamline                     | 39,559       | 25,753       | 53.6%         | 5,894           | 571.2%        |
| Streamline % of Refinance      | 78.3%        | 69.1%        | 9.3% #        | 31.2%           | 47.1% #       |
| Streamline % of Prior FHA      | 92.8%        | 89.0%        | 3.8% #        | 70.3%           | 22.6% #       |
| Full Process                   | 3,048        | 3,178        | -4.1%         | 2,492           | 22.3%         |
| Cash Out                       | 570          | 550          | 3.6%          | 607             | -6.1%         |
| Conventional to FHA            | 7,894        | 8,352        | -5.5%         | 10,499          | -24.8%        |
| Cash Out                       | 2,317        | 2,344        | -1.2%         | 3,167           | -26.8%        |
| Total Cash Out                 | 2,887        | 2,894        | -0.2%         | 3,774           | -23.5%        |
| Total % Cash Out               | 5.7%         | 7.8%         | -2.0% #       | 20.0%           | -14.3% #      |
| Short Refinance                | 107          | 93           | 15.1%         | 32              |               |
| HECM                           | 4,122        | 3,868        | 6.6%          | 5,807           | -29.0%        |
| % HECM                         | 3.3%         | 3.5%         | -0.2% #       | 5.8%            | -2.5% #       |
| HECM Standard Traditional      | 3,674        | 3,366        | 9.2%          | 4,935           | -25.6%        |
| HECM Stndrd Traditional ARM    | 794          | 746          | 6.4%          | 1,264           | -37.2%        |
| HECM Standard Purchase         | 130          | 137          | -5.1%         | 142             | -8.5%         |
| HECM Stndrd Purchase ARM       | 4            | 1            | 300.0%        | 4               | 0.0%          |
| HECM Standard Refinance        | 98           | 118          | -16.9%        | 194             | -49.5%        |
| % HECM Standard Refinance      | 2.4%         | 3.1%         | -0.7% #       | 3.3%            | -1.0% #       |
| HECM Stndrd Refinance ARM      | 16           | 32           | -50.0%        | 32              | -50.0%        |
| HECM Saver Total               | 220          | 247          | -10.9%        | 536             | -59.0%        |

<sup># -</sup> Percentage point difference

<sup>\*\*</sup> This series represents the composite FICO score value that is used for loan underwriting.

### **SINGLE-FAMILY OPERATIONS**

August 2012

#### **MONTHLY COMPARISONS**

|                                    | CURRENT<br><u>MONTH</u> | LAST<br><u>MONTH</u> | RATE OF<br><u>CHANGE</u> |   | LAST<br><u>YEAR</u> | RATE OF<br>CHANGE |
|------------------------------------|-------------------------|----------------------|--------------------------|---|---------------------|-------------------|
| FORWARD ENDORSEMENTS ONLY:         |                         |                      |                          |   |                     |                   |
| Section 203(k)                     | 2,030                   | 1,967                | 3.2%                     |   | 2,242               | -9.5%             |
| Condominium                        | 5,009                   | 4,147                | 20.8%                    |   | 3,637               | 37.7%             |
| % Condominium                      | 4.0%                    | 3.7%                 | 0.2%                     | # | 3.6%                | 0.4% #            |
| ARM (Excludes HECM ARM)            | 887                     | 1,274                | -30.4%                   |   | 4,084               | -78.3%            |
| % ARM                              | 0.7%                    | 1.1%                 | -0.4%                    | # | 4.1%                | -3.4% #           |
| Manufactured Housing (Real Estate) | 2,001                   | 1,799                | 11.2%                    |   | 1,817               | 10.1%             |
| Interest Buy-down                  | 399                     | 467                  | -14.6%                   |   | 411                 | -2.9%             |
| Average Processing Time * ^        |                         |                      |                          |   |                     |                   |
| (Existing Homes, weeks)            |                         |                      |                          |   |                     |                   |
| Application to Closing             | 6.3                     | 6.0                  | 5.0%                     |   | 5.9                 | 6.8%              |
| Closing to Endorsement             | 3.6                     | 3.8                  | -5.3%                    |   | 3.5                 | 2.9%              |
| Lender Insurance *                 |                         |                      |                          |   |                     |                   |
| Total Lender Insurance             | 100,454                 | 88,134               | 14.0%                    |   | 78,561              | 27.9%             |
| % of Total Insurance               | 79.7%                   | 79.5%                | 0.2%                     | # | 78.2%               | 1.5% #            |
| Forward Mortgages                  | 100,454                 | 88,134               | 14.0%                    |   | 76,885              | 30.7%             |
| HECM                               | 0                       | 0                    |                          |   | 1,676               |                   |
| Automated Underwriting System * x  |                         |                      |                          |   |                     |                   |
| AUS Endorsed                       | 79,534                  | 78,554               | 1.2%                     |   | 85,572              | -7.1%             |
| AUS as % of Total Endorsed         | 65.2%                   | 73.4%                | -8.1%                    | # | 90.4%               | -25.1% #          |
| Mortgage Insurance *               |                         |                      |                          |   |                     |                   |
| Total Number                       | 126,051                 | 110,924              | 13.6%                    |   | 100,490             | 25.4%             |
| Total Amount (\$B)                 | \$23.1                  | \$20.5               | 12.7%                    |   | \$17.4              | 32.8%             |
| Forward Mortgages                  |                         |                      |                          |   |                     |                   |
| Total Forward Number               | 121,929                 | 107,056              | 13.9%                    |   | 94,683              | 28.8%             |
| Amount (\$B)                       | \$22.1                  | \$19.6               | 12.8%                    |   | \$16.0              | 38.1%             |
| Purchase Number                    | 71,428                  | 69,774               | 2.4%                     |   | 75,798              | -5.8%             |
| Amount (\$B)                       | \$12.4                  | \$12.2               | 1.6%                     |   | \$12.7              | -2.4%             |
| Refinance Number                   | 50,501                  | 37,282               | 35.5%                    |   | 18,885              | 167.4%            |
| Amount (\$B)                       | \$9.7                   | \$7.4                | 31.1%                    |   | \$3.3               | 193.9%            |
| Reverse Mortgages                  |                         |                      |                          |   |                     |                   |
| HECM Number                        | 4,122                   | 3,868                | 6.6%                     |   | 5,807               | -29.0%            |
| Max Claim Amount (\$B)             | \$1.0                   | \$0.9                | 11.1%                    |   | \$1.4               | -28.6%            |
| Mortgage Insurance-In-Force **     |                         |                      |                          |   |                     |                   |
| Total Number                       | 7,691,776               | 7,663,329            | 0.4%                     |   | 7,259,736           | 6.0%              |
| Total Unpaid Balance Amount (\$B)  | \$1,080.5               | \$1,075.8            | 0.4%                     |   | \$1,012.8           | 6.7%              |
| Loans Seriously Delinquent *** <   |                         |                      |                          |   |                     |                   |
| Seriously Delinquent               | 728,227                 | 725,645              | 0.4%                     |   | 611,822             | 19.0%             |
| Seriously Delinquent Rate          | 9.5%                    | 9.5%                 | 0.0%                     | # | 8.4%                | 1.1% #            |

Source: \* F17 CHUMS \*\* A43 Single Family Insurance System \*\*\* F42D Consolidated Single Family Default Monitoring System

<sup>#</sup> Percentage point difference

Existing homes, including purchase and refinance cases, represent virtually all of insurance activity.

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

This count of seriously delinquent mortgages includes all bankruptcies, all foreclosures and 90 days or more delinquencies.

## **SINGLE-FAMILY OPERATIONS**

August 2012

#### **FISCAL YEAR COMPARISONS**

|                                | PROJECTIONS      |                  |           | RATE OF                   |    |                      |
|--------------------------------|------------------|------------------|-----------|---------------------------|----|----------------------|
|                                | FY 2012          | FY 2012          | FY 2011   | CHANGE                    |    | FY 2011              |
|                                | AS OF OCT 11     | TO DATE          | TO DATE   | 2012/2011                 |    | FINAL                |
|                                |                  |                  |           |                           |    |                      |
| OTAL APPLICATIONS: *           | 1,750,000        | 1,683,212        | 1,474,622 | 14.1%                     |    | 1,603,669            |
| Purchase                       | 1,015,000        | 856,021          | 849,438   | 0.8%                      |    | 921,886              |
| Refinance                      | 630,000          | 750,593          | 536,887   | 39.8%                     |    | 586,092              |
| Prior FHA                      | 252,000          | 504,309          | 217,350   | 132.0%                    |    | 247,124              |
| Conventional to FHA            | 378,000          | 246,284          | 319,537   | -22.9%                    |    | 338,968              |
| Short Refinance                |                  | 2,910            | 891       |                           |    | 1,333                |
| HECM                           | 105,000          | 76,598           | 88,297    | -13.2%                    |    | 95,691               |
| OTAL ENDORSEMENTS: *           | 1,400,000        | 1,130,717        | 1,179,375 | -4.1%                     |    | 1,271,211            |
|                                |                  |                  |           |                           |    |                      |
| Minority                       | 350,000          | 285,221          | 288,611   | -1.2%                     |    | 312,940              |
| % Minority                     | 25.0%            | 25.2%            | 24.5%     | 0.8%                      | #  | 24.6%                |
| Purchase                       | 840,000          | 677,178          | 710,947   | -4.7%                     |    | 777,521              |
| % Purchase                     | 60.0%            | 59.9%            | 60.3%     | -0.4%                     | #  | 61.2%                |
| 1st Time Home Buyer            | 630,000          | 525,793          | 534,357   | -1.6%                     | #  | 585,091              |
|                                |                  |                  |           | 2.5%                      | #  |                      |
| % 1st Time Home Buyer          | 75.0%            | 77.6%            | 75.2%     |                           | #  | 75.3%<br>360,891     |
| Non-Minority                   | 403,200<br>64.0% | 325,623<br>61.9% | 329,785   | -1.3%                     | ш  | 61.7%                |
| % Non-Minority                 |                  |                  | 61.7%     | 0.2%                      | #  |                      |
| Minority                       | 189,000          | 169,275          | 170,492   | -0.7%                     | ,, | 187,022              |
| % Minority                     | 30.0%            | 32.2%            | 31.9%     | 0.3%                      | #  | 32.0%                |
| Not-Disclosed                  | 37,800           | 30,890           | 34,098    | -9.4%                     |    | 37,176               |
| % Not-Disclosed                | 6.0%             | 5.9%             | 6.4%      | -0.5%                     | #  | 6.4%                 |
| Refinanced                     | 476,000          | 402,415          | 400,880   | 0.4%                      |    | 420,561              |
| % Refinanced                   | 34.0%            | 35.6%            | 34.0%     | 1.6%                      | #  | 33.1%                |
| Prior FHA                      | 247,520          | 279,719          | 215,421   | 29.8%                     |    | 224,936              |
| Streamline                     | 223,720          | 234,639          | 173,492   | 35.2%                     |    | 180,330              |
| Streamline % of Refinance      | 47.0%            | 58.3%            | 43.3%     | 15.0%                     | #  | 42.9%                |
| Streamline % of Prior FHA      | 90.4%            | 83.9%            | 80.5%     | 3.3%                      | #  | 80.2%                |
| Full Process                   | 23,800           | 44,930           | 41,929    | 7.2%                      |    | 44,606               |
| Cash Out                       | 7,200            | 6,996            | 8,446     | -17.2%                    |    | 9,022                |
| Conventional to FHA            | 228,480          | 122,859          | 185,465   | -33.8%                    |    | 195,634              |
| Cash Out                       | 36,000           | 33,181           | 49,892    | -33.5%                    |    | 52,921               |
| Total Cash Out                 | 43,200           | 40,177           | 58,338    | -31.1%                    |    | 61,943               |
| Total % Cash Out               | 9.1%             | 10.0%            | 14.6%     | -4.6%                     | #  | 14.7%                |
| Short Refinance                | 21.7.0           | 1,305            | 305       |                           |    | 334                  |
| HECM                           | 84,000           | 51,124           | 67,548    | -24.3%                    |    | 73,129               |
| % HECM                         | 6.0%             | 4.5%             | 5.7%      | -1.2%                     | #  | 5.8%                 |
| HECM Standard Traditional      | 75,000           | 44,714           | 60,330    | -25.9%                    | _  | 65,062               |
| HECM Stndrd Traditional ARM    | 22,500           | 12,109           | 18,163    | -33.3%                    |    | 19,429               |
| HECM Standard Purchase         | 1,700            | 1,487            | 1,328     | 12.0%                     |    | 1,514                |
|                                |                  | 51               | 102       | -50.0%                    | _  | 1,314                |
| HELLINI STINGTO DITTORGED ADMI | 500              |                  | 104       | -30.070                   |    | 114                  |
| HECM Standard Refinance        | 3 000            |                  |           | /Q Q0/                    |    | 2 727                |
| HECM Standard Refinance        | 3,000            | 1,335            | 2,606     | -48.8%                    | #  | 2,727                |
|                                |                  |                  |           | -48.8%<br>-1.2%<br>-26.4% | #  | 2,727<br>3.7%<br>565 |

<sup>#</sup> Percentage point difference

## **SINGLE-FAMILY OPERATIONS**

August 2012

#### **FISCAL YEAR COMPARISONS**

 PROJECTIONS
 RATE OF

 FY 2012
 FY 2012
 FY 2011
 CHANGE
 FY 2011

 AS OF OCT 11
 TO DATE
 TO DATE
 2012/2011
 FINAL

|                                    | AS OF OCT 11 | TODATE    | TO DATE   | 2012/2011 | FINAL     |
|------------------------------------|--------------|-----------|-----------|-----------|-----------|
| FORWARD ENDORSEMENTS ONLY: *       |              |           |           |           |           |
|                                    |              |           |           |           |           |
| Section 203(k)                     | 22,000       | 20,901    | 19,081    | 9.5%      | 21,29     |
| Condominium                        | 110,000      | 40,442    | 51,531    | -21.5%    | 54,69     |
| % Condominium                      | 7.9%         | 3.6%      | 4.4%      | -0.8% #   | 4.3%      |
| ARM (Excludes HECM ARM)            | 50,000       | 19,758    | 47,197    | -58.1%    | 50,882    |
| % ARM                              | 3.6%         | 1.7%      | 4.0%      | -2.3% #   | 4.0%      |
| Manufactured Housing (Real Estate) | 50,000       | 18,811    | 19,687    | -4.4%     | 21,378    |
| Interest Buy-down                  | 4,000        | 4,355     | 3,380     | 28.8%     | 3,79      |
| Lender Insurance *                 |              |           |           |           |           |
| Total Lender Insurance             | 980,000      | 887,901   | 904,385   | -1.8%     | 976,312   |
| % of Total Insurance               | 70.0%        | 78.5%     | 76.7%     | 1.8% #    | 76.8%     |
| Forward Mortgages                  | 960,400      | 887,092   | 886,036   | 0.1%      | 956,514   |
| HECM                               | 19,600       | 809       | 18,349    | -95.6%    | 19,798    |
| Automated Underwriting System * x  |              |           |           |           |           |
| AUS Endorsed                       | 1,050,000    | 816,582   | 918,257   | -11.1%    | 994,574   |
| AUS as % of Total Endorsed         | 79.8%        | 75.6%     | 82.6%     | -7.0% #   | 83.0%     |
| Mortgage Insurance *               |              |           |           |           |           |
| Total Number                       | 1,400,000    | 1,130,717 | 1,179,375 | -4.1%     | 1,271,21  |
| Total Amount (\$B)                 | \$248.6      | \$206.5   | \$219.9   | -6.1%     | \$236.0   |
| Forward Mortgages                  |              |           |           |           |           |
| Total Forward Number               | 1,316,000    | 1,079,593 | 1,111,827 | -2.9%     | 1,198,082 |
| Amount (\$B)                       | \$231.1      | \$194.2   | \$203.1   | -4.4%     | \$217.8   |
| Purchase Number                    | 840,000      | 677,178   | 710,947   | -4.7%     | 777,52    |
| Amount (\$B)                       | \$141.9      | \$114.6   | \$123.2   | -7.0%     | \$134.4   |
| Refinance Number                   | 476,000      | 402,415   | 400,880   | 0.4%      | 420,56    |
| Amount (\$B)                       | \$89.2       | \$79.6    | \$79.9    | -0.4%     | \$83.4    |
| Reverse Mortgages                  |              |           |           |           |           |
| HECM Number                        | 84,000       | 51,124    | 67,548    | -24.3%    | 73,129    |
| Max Claim Amount (\$B)             | \$17.5       | \$12.3    | \$16.8    | -26.8%    | \$18.2    |
| Claims **                          |              |           |           |           |           |
| Total Claims                       | 318,500      | 257,248   | 304,334   | -15.5%    | 326,892   |
| Regular                            | 118,500      | 131,470   | 106,540   | 23.4%     | 118,13    |
| Conveyances                        | 92,000       | 94,580    | 83,098    | 13.8%     | 91,44     |
| Pre-Foreclosures                   | 25,400       | 34,250    | 21,837    | 56.8%     | 25,06     |
| Other Claims                       | 1,100        | 2,640     | 1,605     | 64.5%     | 1,61      |
| Special                            | 200,000      | 125,778   | 197,794   | -36.4%    | 208,75    |
| Loss Mitigation Retention          | 195,000      | 115,134   | 190,380   | -39.5%    | 200,80    |
| HECM Assignments                   | 5,000        | 10,644    | 7,414     | 43.6%     | 7,95      |

Source: \* F17 CHUMS \*\* A43C Claims System

<sup># =</sup> Percentage point difference

 $<sup>{</sup>f x}$  AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

# SINGLE-FAMILY OPERATIONS July 2012

CONTACT INFORMATION
WILLIAM F. SHAW 202-402-7550
ZENORA HINES 202-402-7544

#### **Applications**

During July 181,951 applications for single-family insurance were received by FHA -- slightly less than last month (188,810). There were 77,512 purchase applications, 97,065 refinance cases and 7,374 HECM. Included in the refinance count were 79,329 prior FHA cases and 17,736 conventional conversions to FHA. Also included in the refinance count were 266 short refinance cases. The high volume of refinance applications continues to be the result of activity related to the, lower insurance premiums available for streamline refinancing of current FHA cases endorsed prior to June 1, 2009. Their volumes resulted in a doubling of total refinance application activity in July 2012 compared to the year-earlier period.

#### **Endorsements**

This month FHA endorsed 110,924 single family mortgages, 3.2 percent more than in June and 21.2 percent more than in the year-earlier period. This included 69,774 purchase money mortgages, 37,282 refinance cases, and 3,868 reverse mortgages.

There were 54,661 first time home buyers included in the count for purchase mortgages -- 78 percent of all home-purchase transactions.

With respect to refinance transactions, 28,931 were for prior FHA cases and 8,352 were conventional conversions. There were also 93 FHA short refinance originations (which involve a minimum 10 percent principal write-down) in the refinance count.

Most of the HECMs insured were traditional equity extractions (3,621), though a small number were for home purchase (137) and refinance actions (118). A total of 247 cases were for borrowers using the SAVER option.

#### Mortgage Insurance

During July, FHA insured 110,924 single-family mortgages for \$20.5 billion. This yields an average mortgage amount of \$184,600. However, there are differences in the average size by loan purpose. Home-purchase mortgages averaged \$174,400, refinances \$198,500, and reverse mortgages (maximum claim amount) \$235,000.

To-date in this fiscal year FHA has endorsed 1,004,666 mortgages for \$183.4 billion.

At the end of July FHA had 7,663,329 single-family mortgages-in-force with an amortized balance of almost \$1.1 trillion.

#### **Defaults**

At the end of July, FHA mortgage servicers reported 725,645 mortgages in serious delinquency -- yielding a default of 9.5 percent -- the same as at the end of June.

#### <u>Claims</u>

Over the first ten months of fiscal year 2012, FHA has paid a total of 118,062 regular claims. This includes 85,175 property conveyances, 30,608 pre-foreclosure (short-sale) actions and 2,279 of other types. In addition to standard insurance claims, FHA has also paid loan servicers for 109,208 other actions -- 99,683 loss mitigation home-retention actions and 9,525 HECM assignments.

## **SINGLE-FAMILY OPERATIONS**

July 2012

#### **MONTHLY COMPARISONS**

|                                   | CURRENT      | LAST         | RATE OF      | LAST         | RATE OF        |
|-----------------------------------|--------------|--------------|--------------|--------------|----------------|
|                                   | MONTH        | MONTH        | CHANGE       | YEAR         | CHANGE         |
| TOTAL ADDI ICATIONIC. *           | 404.054      | 400.040      | 2.00/        | 445.000      | E7 00/         |
| TOTAL APPLICATIONS: * Annual Rate | 181,951      | 188,810      | <b>-3.6%</b> | 115,263      | <b>57.9%</b>   |
|                                   | 1,967,800    | 1,918,000    | 2.6%         | 1,375,500    | 43.1%          |
| Average per workday               | 7,778        | 7,581        | 2.6%         | 5,437        | 43.1%          |
| Purchase                          | 77,512       | 79,138       | -2.1%        | 76,543       | 1.3%           |
| Refinance                         | 97,065       | 102,640      | -5.4%        | 31,081       | 212.3%         |
| Prior FHA                         | 79,329       | 84,608       | -6.2%        | 10,536       | 652.9%         |
| Conventional to FHA               | 17,736       | 18,032       | -1.6%        | 20,545       | -13.7%         |
| Short Refinance                   | 266          | 290          | -8.3%        | 54           | 392.6%         |
| HECM                              | 7,374        | 7,032        | 4.9%         | 7,639        | -3.5%          |
| OTAL ENDORSEMENTS: *              | 110,924      | 107,533      | 3.2%         | 91,533       | 21.2%          |
| Annual Rate                       | 1,331,100    | 1,290,400    | 3.2%         | 1,098,400    | 21.2%          |
| Weighted Average FICO Score **    | 697          | 698          | -0.1%        | 699          | -0.3%          |
| Minority                          | 27,942       | 27,501       | 1.6%         | 23,938       | 16.7%          |
| % Minority                        | 25.2%        | 25.6%        | -0.4% #      | 26.2%        | -1.0%          |
| Purchase                          | 69,774       | 68,675       | 1.6%         | 68,336       | 2.1%           |
| % Purchase                        | 62.9%        | 63.9%        | -1.0% #      | 74.7%        | -11.8%         |
| Average FICO Score **             | 696          | 695          | 0.1%         | 699          | -0.4%          |
| 1st Time Home Buyer               | 54,661       | 54,080       | 1.1%         | 52,108       | 4.9%           |
| % 1st Time Home Buyer             | 78.3%        | 78.7%        | -0.4% #      | 76.3%        | 2.1%           |
| Non-Minority                      | 34,392       | 34,263       | 0.4%         | 32,411       | 6.1%           |
| % Non-Minority                    | 62.9%        | 63.4%        | -0.4% #      | 62.2%        | 0.7%           |
| Minority                          | 17,118       | 16,737       | 2.3%         | 16,355       | 4.7%           |
| % Minority                        | 31.3%        | 30.9%        | 0.4% #       | 31.4%        | -0.1%          |
| Not-Disclosed                     | 3,151        | 3,080        | 2.3%         | 3,341        | -5.7%          |
| % Not-Disclosed                   | 5.8%         | 5.7%         | 0.1% #       | 6.4%         | -0.6%          |
| Refinanced                        | 37,282       | 33,671       | 10.7%        | 17,683       | 110.8%         |
| % Refinanced                      | 33.6%        | 31.3%        | 2.3% #       | 19.3%        | 14.3%          |
| Average FICO Score **             | 703          | 707          | -0.6%        | 696          | 1.0%           |
| Prior FHA                         | 28,931       | 22,268       | 29.9%        | 7,918        | 265.4%         |
| Streamline                        | 25,753       | 18,100       | 42.3%        | 5,756        | 347.4%         |
| Streamline % of Refinance         | 69.1%        | 53.8%        | 15.3% #      | 32.6%        | 36.5%          |
| Streamline % of Prior FHA         | 89.0%        | 81.3%        | 7.7% #       | 72.7%        | 16.3%          |
| Full Process                      |              |              |              |              | 47.0%          |
| Cash Out                          | 3,178        | 4,168<br>676 | -23.8%       | 2,162<br>517 |                |
|                                   | 550<br>8,352 | 11,404       | -18.6%       | 9,765        | 6.4%<br>-14.5% |
| Conventional to FHA               |              |              | -26.8%       |              |                |
| Cash Out                          | 2,344        | 3,121        | -24.9%       | 2,975        | -21.2%         |
| Total Cash Out                    | 2,894        | 3,797        | -23.8%       | 3,492        | -17.1%         |
| Total % Cash Out                  | 7.8%         | 11.3%        | -3.5% #      | 19.7%        | -12.0%         |
| Short Refinance                   | 93           | 137          | -32.1%       | 28           |                |
| HECM                              | 3,868        | 5,187        | -25.4%       | 5,514        | -29.9%         |
| % HECM                            | 3.5%         | 4.8%         | -1.3% #      | 6.0%         | -2.5%          |
| HECM Standard Traditional         | 3,366        | 4,446        | -24.3%       | 4,745        | -29.1%         |
| HECM Stndrd Traditional ARM       | 746          | 1,201        | -37.9%       | 1,048        | -28.8%         |
| HECM Standard Purchase            | 137          | 173          | -20.8%       | 134          | 2.2%           |
| HECM Stndrd Purchase ARM          | 1            | 9            | -88.9%       | 3            | -66.7%         |
| HECM Standard Refinance           | 118          | 144          | -18.1%       | 139          | -15.1%         |
| % HECM Standard Refinance         | 3.1%         | 2.8%         | 0.3% #       | 2.5%         | 0.5%           |
| HECM Stndrd Refinance ARM         | 32           | 39           | -17.9%       | 20           | 60.0%          |
| HECM Saver Total                  | 247          | 424          | -41.7%       | 496          | -50.2%         |

<sup># -</sup> Percentage point difference

<sup>\*\*</sup> This series represents the composite FICO score value that is used for loan underwriting.

### **SINGLE-FAMILY OPERATIONS**

**July 2012** 

#### **MONTHLY COMPARISONS**

|                                    | CURRENT<br><u>MONTH</u> | LAST<br><u>MONTH</u> | RATE OF<br><u>CHANGE</u> | LAST<br><u>YEAR</u> | RATE OF<br>CHANGE |
|------------------------------------|-------------------------|----------------------|--------------------------|---------------------|-------------------|
| FORWARD ENDORSEMENTS ONLY:         | •                       |                      |                          |                     |                   |
| Section 203(k)                     | 1,967                   | 1,885                | 4.4%                     | 1.925               | 2.2%              |
| Condominium                        | 4,147                   | 3,687                | 12.5%                    | 3,607               | 15.0%             |
| % Condominium                      | 3.7%                    | 3.4%                 | 0.3% #                   | 3.9%                | -0.2% #           |
| ARM (Excludes HECM ARM)            | 1,274                   | 1,515                | -15.9%                   | 3,610               | -64.7%            |
| % ARM                              | 1.1%                    | 1.4%                 | -0.3% #                  | 3.9%                | -2.8% #           |
| Manufactured Housing (Real Estate) | 1,799                   | 1,798                | 0.1%                     | 1,663               | 8.2%              |
| Interest Buy-down                  | 467                     | 539                  | -13.4%                   | 406                 | 15.0%             |
| Average Processing Time * ^        |                         |                      |                          |                     |                   |
| (Existing Homes, weeks)            |                         |                      |                          |                     |                   |
| Application to Closing             | 6.0                     | 6.2                  | -3.2%                    | 6.0                 | 0.0%              |
| Closing to Endorsement             | 3.8                     | 3.8                  | 0.0%                     | 3.6                 | 5.6%              |
| Lender Insurance *                 |                         |                      |                          |                     |                   |
| Total Lender Insurance             | 88,134                  | 102,347              | -13.9%                   | 71,549              | 23.2%             |
| % of Total Insurance               | 79.5%                   | 95.2%                | -15.7% #                 | 78.2%               | 1.3%              |
| Forward Mortgages                  | 88,134                  | 102,347              | -13.9%                   | 69,773              | 26.3%             |
| HECM                               | 0                       | 0                    |                          | 1,776               |                   |
| Automated Underwriting System * x  |                         |                      |                          |                     |                   |
| AUS Endorsed                       | 78,554                  | 81,598               | -3.7%                    | 77,611              | 1.2%              |
| AUS as % of Total Endorsed         | 73.4%                   | 79.7%                | -6.4% #                  | 90.2%               | -16.8%            |
| Mortgage Insurance *               |                         |                      |                          |                     |                   |
| Total Number                       | 110,924                 | 107,533              | 3.2%                     | 91,533              | 21.2%             |
| Total Amount (\$B)                 | \$20.5                  | \$19.8               | 3.5%                     | \$16.1              | 27.3%             |
| Forward Mortgages                  |                         |                      |                          |                     |                   |
| Total Forward Number               | 107,056                 | 102,346              | 4.6%                     | 86,019              | 24.5%             |
| Amount (\$B)                       | \$19.6                  | \$18.5               | 5.9%                     | \$14.8              | 32.4%             |
| Purchase Number                    | 69,774                  | 68,675               | 1.6%                     | 68,336              | 2.1%              |
| Amount (\$B)                       | \$12.2                  | \$11.8               | 3.4%                     | \$11.6              | 5.2%              |
| Refinance Number                   | 37,282                  | 33,671               | 10.7%                    | 17,683              | 110.8%            |
| Amount (\$B)                       | \$7.4                   | \$6.7                | 10.4%                    | \$3.2               | 131.3%            |
| Reverse Mortgages                  |                         |                      |                          |                     |                   |
| HECM Number                        | 3,868                   | 5,187                | -25.4%                   | 5,514               | -29.9%            |
| Max Claim Amount (\$B)             | \$0.9                   | \$1.3                | -30.8%                   | \$1.3               | -30.8%            |
| Mortgage Insurance-In-Force **     |                         |                      |                          |                     |                   |
| Total Number                       | 7,663,329               | 7,635,893            | 0.4%                     | 7,202,951           | 6.4%              |
| Total Unpaid Balance Amount (\$B)  | \$1,075.8               | \$1,071.6            | 0.4%                     | \$1,003.2           | 7.2%              |
| Loans Seriously Delinquent *** <   |                         |                      |                          |                     |                   |
| Seriously Delinquent               | 725,645                 | 721,105              | 0.6%                     | 598,921             | 21.2%             |
| Seriously Delinquent Rate          | 9.5%                    | 9.5%                 | 0.0% #                   | 8.3%                | 1.2% ‡            |

Source: \* F17 CHUMS \*\* A43 Single Family Insurance System \*\*\* F42D Consolidated Single Family Default Monitoring System

<sup>#</sup> Percentage point difference

Existing homes, including purchase and refinance cases, represent virtually all of insurance activity.

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

This count of seriously delinquent mortgages includes all bankruptcies, all foreclosures and 90 days or more delinquencies.

## **SINGLE-FAMILY OPERATIONS**

July 2012

#### **FISCAL YEAR COMPARISONS**

|                             | PROJECTIONS  |            |           | RATE OF   |           |
|-----------------------------|--------------|------------|-----------|-----------|-----------|
|                             | FY 2012      | FY 2012    | FY 2011   | CHANGE    | FY 2011   |
|                             | AS OF OCT 11 | TO DATE    | TO DATE   | 2012/2011 | FINAL     |
| OTAL APPLICATIONS: *        | 1,750,000    | 1,504,898  | 1,331,829 | 13.0%     | 1,603,669 |
|                             | 1,100,000    | 1,00 1,000 | 1,000,000 |           | -,,       |
| Purchase                    | 1,015,000    | 776,692    | 764,358   | 1.6%      | 921,886   |
| Refinance                   | 630,000      | 659,713    | 487,114   | 35.4%     | 586,092   |
| Prior FHA                   | 252,000      | 432,243    | 195,626   | 121.0%    | 247,124   |
| Conventional to FHA         | 378,000      | 227,470    | 291,488   | -22.0%    | 338,968   |
| Short Refinance             |              | 2,562      | 703       |           | 1,333     |
| HECM                        | 105,000      | 68,493     | 80,357    | -14.8%    | 95,691    |
| OTAL ENDORSEMENTS: *        | 1,400,000    | 1,004,666  | 1,078,885 | -6.9%     | 1,271,211 |
|                             |              |            |           |           |           |
| Minority                    | 350,000      | 254,190    | 261,860   | -2.9%     | 312,940   |
| % Minority                  | 25.0%        | 25.3%      | 24.3%     | 1.0% #    | 24.6%     |
| Purchase                    | 840,000      | 605,750    | 635,149   | -4.6%     | 777,521   |
| % Purchase                  | 60.0%        | 60.3%      | 58.9%     | 1.4% #    | 61.2%     |
| 1st Time Home Buyer         | 630,000      | 470,176    | 476,583   | -1.3%     | 585,09    |
| % 1st Time Home Buyer       | 75.0%        | 77.6%      | 75.0%     | 2.6% #    | 75.3%     |
| Non-Minority                | 403,200      | 290,815    | 294,084   | -1.1%     | 360,89    |
| % Non-Minority              | 64.0%        | 61.9%      | 61.7%     | 0.1% #    | 61.79     |
| Minority                    | 189,000      | 151,697    | 151,964   | -0.2%     | 187,022   |
| % Minority                  | 30.0%        | 32.3%      | 31.9%     | 0.4% #    | 32.0%     |
| Not-Disclosed               | 37,800       | 27,663     | 30,533    | -9.4%     | 37,176    |
| % Not-Disclosed             | 6.0%         | 5.9%       | 6.4%      | -0.5% #   | 6.4%      |
| Refinanced                  | 476,000      | 351,914    | 381,995   | -7.9%     | 420,56    |
| % Refinanced                | 34.0%        | 35.0%      | 35.4%     | -0.4% #   | 33.1%     |
| Prior FHA                   | 247,520      | 237,112    | 207,035   | 14.5%     | 224,930   |
| Streamline                  | 223,720      | 195,080    | 167,598   | 16.4%     | 180,33    |
| Streamline % of Refinance   | 47.0%        | 55.4%      | 43.9%     | 11.6% #   | 42.9%     |
| Streamline % of Prior FHA   | 90.4%        | 82.3%      | 81.0%     | 1.3% #    | 80.29     |
| Full Process                | 23,800       | 41,882     | 39,437    | 6.2%      | 44,60     |
| Cash Out                    | 7,200        | 6,426      | 7,839     | -18.0%    | 9,02      |
| Conventional to FHA         | 228,480      | 114,965    | 174,966   | -34.3%    | 195,63    |
| Cash Out                    | 36,000       | 30,864     | 46,725    | -33.9%    | 52,92     |
| Total Cash Out              | 43,200       | 37,290     | 54,564    | -31.7%    | 61,94     |
| Total % Cash Out            | 9.1%         | 10.6%      | 14.3%     | -3.7% #   | 14.79     |
| Short Refinance             |              | 1,198      | 273       |           | 334       |
| HECM                        | 84,000       | 47,002     | 61,741    | -23.9%    | 73,12     |
| % HECM                      | 6.0%         | 4.7%       | 5.7%      | -1.0% #   | 5.8%      |
| HECM Standard Traditional   | 75,000       | 41,040     | 55,395    | -25.9%    | 65,062    |
| HECM Stndrd Traditional ARM | 22,500       | 11,315     | 16,899    | -33.0%    | 19,429    |
| HECM Standard Purchase      | 1,700        | 1,357      | 1,186     | 14.4%     | 1,514     |
| HECM Stndrd Purchase ARM    | 500          | 47         | 98        | -52.0%    | 11:       |
| HECM Standard Refinance     | 3,000        | 1,237      | 2,412     | -48.7%    | 2,72      |
| % HECM Standard Refinance   | 3.6%         | 2.6%       | 3.9%      | -1.3% #   | 3.7%      |
| HECM Stndrd Refinance ARM   | 660          | 382        | 509       | -25.0%    | 565       |
| HECM Saver Total            | 4,300        | 3,371      | 2,749     | 22.6%     | 3,828     |

<sup>#</sup> Percentage point difference

## **SINGLE-FAMILY OPERATIONS**

**July 2012** 

#### **FISCAL YEAR COMPARISONS**

 PROJECTIONS
 RATE OF

 FY 2012
 FY 2012
 FY 2011
 CHANGE
 FY 2011

 AS OF OCT 11
 TO DATE
 TO DATE
 2012/2011
 FINAL

|                                    | AS OF OCT II | TODATE    | TODATE    | 2012/2011 | FINAL     |
|------------------------------------|--------------|-----------|-----------|-----------|-----------|
| FORWARD ENDORSEMENTS ONLY:         | *            |           |           |           |           |
|                                    |              |           |           |           |           |
| Section 203(k)                     | 22,000       | 18,871    | 16,839    | 12.1%     | 21,297    |
| Condominium                        | 110,000      | 35,433    | 47,894    | -26.0%    | 54,694    |
| % Condominium                      | 7.9%         | 3.5%      | 4.4%      | -0.9% #   | 4.3%      |
| ARM (Excludes HECM ARM)            | 50,000       | 18,871    | 43,113    | -56.2%    | 50,882    |
| % ARM                              | 3.6%         | 1.9%      | 4.0%      | -2.1% #   | 4.0%      |
| Manufactured Housing (Real Estate) | 50,000       | 16,810    | 17,870    | -5.9%     | 21,378    |
| Interest Buy-down                  | 4,000        | 3,956     | 2,969     | 33.2%     | 3,790     |
| Lender Insurance *                 |              |           |           |           |           |
| Total Lender Insurance             | 980,000      | 787,447   | 825,824   | -4.6%     | 976,312   |
| % of Total Insurance               | 70.0%        | 78.4%     | 76.5%     | 1.8% #    | 76.8%     |
| Forward Mortgages                  | 960,400      | 786,638   | 809,151   | -2.8%     | 956,514   |
| HECM                               | 19,600       | 809       | 16,673    | -95.1%    | 19,798    |
| Automated Underwriting System * x  |              |           |           |           |           |
| AUS Endorsed                       | 1,050,000    | 737,048   | 832,685   | -11.5%    | 994,574   |
| AUS as % of Total Endorsed         | 79.8%        | 77.0%     | 81.9%     | -4.9% #   | 83.0%     |
| Mortgage Insurance *               |              |           |           |           |           |
| Total Number                       | 1,400,000    | 1,004,666 | 1,078,885 | -6.9%     | 1,271,211 |
| Total Amount (\$B)                 | \$248.6      | \$183.4   | \$202.5   | -9.4%     | \$236.0   |
| Forward Mortgages                  | Ψ2 10.0      | ψ100.1    | Ψ202.0    | 0.170     | Ψ200.0    |
| Total Forward Number               | 1,316,000    | 957,664   | 1,017,144 | -5.8%     | 1,198,082 |
| Amount (\$B)                       | \$231.1      | \$172.1   | \$187.1   | -8.0%     | \$217.8   |
| Purchase Number                    | 840,000      | 605,750   | 635,149   | -4.6%     | 777,52    |
| Amount (\$B)                       | \$141.9      | \$102.2   | \$110.5   | -7.5%     | \$134.4   |
| Refinance Number                   | 476,000      | 351,914   | 381,995   | -7.9%     | 420,561   |
| Amount (\$B)                       | \$89.2       | \$69.9    | \$76.6    | -8.7%     | \$83.4    |
| Reverse Mortgages                  |              |           |           |           |           |
| HECM Number                        | 84,000       | 47,002    | 61,741    | -23.9%    | 73,129    |
| Max Claim Amount (\$B)             | \$17.5       | \$11.3    | \$15.4    | -26.6%    | \$18.2    |
| Claims **                          |              |           |           |           |           |
| Total Claims                       | 318,500      | 227,270   | 278,658   | -18.4%    | 326,892   |
| Regular                            | 118,500      | 118,062   | 95,788    | 23.3%     | 118,133   |
| Conveyances                        | 92,000       | 85,175    | 75,139    | 13.4%     | 91,448    |
| Pre-Foreclosures                   | 25,400       | 30,608    | 19,177    | 59.6%     | 25,069    |
| Other Claims                       | 1,100        | 2,279     | 1,472     | 54.8%     | 1,616     |
| Special                            | 200,000      | 109,208   | 182,870   | -40.3%    | 208,759   |
| Loss Mitigation Retention          | 195,000      | 99,683    | 176,547   | -43.5%    | 200,808   |
| HECM Assignments                   | 5,000        | 9,525     | 6,323     | 50.6%     | 7,95      |

Source: \* F17 CHUMS \*\* A43C Claims System

<sup># =</sup> Percentage point difference

 $<sup>{</sup>f x}$  AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

### **SINGLE-FAMILY OPERATIONS**

June 2012

CONTACT INFORMATION
WILLIAM F. SHAW 202-402-7550
ZENORA HINES 202-402-7544

#### **Applications**

This month FHA received 188,810 single family applications -- 52.1 percent higher than in May. The increase was primarily due to a surge in applications for streamline refinance actions on outstanding FHA cases eligible for the new, lower insurance premiums (those insured prior to June 2009).

The actual count of applications included 79,138 for home-purchase loans, 102,640 for refinance actions, and 7,032 HECM loans. The refinance cases consisted of 84,608 prior-FHA and 18,032 conventional borrowers seeking FHA insurance on their new loan. There were 290 applications for refinance actions under the Refinance for Borrowers with Negative Equity Positions program (FHA Short Refi).

#### **Endorsements**

During June, 107,533 single family mortgages were insured. This included 68,675 home-purchase mortgages, 33,671 refinance transactions, and 5,187 reverse mortgages.

There are 54,080 first time home buyers included in the purchase mortgage total.

The (non-HECM) refinance total consists of 22,268 prior FHA cases and 11,404 conventional conversions to FHA. The prior-FHA total includes 18,100 streamline cases.

Also, 137 principal write-down mortgages are included in the refinance total.

Of the 5,187 reverse mortgages insured, the traditional type (not involving a home purchase) was predominant. There are 424 HECM SAVER mortgages in the HECM total.

#### **Processing Time**

Single family mortgages insured during June had an average processing time of 10 weeks. This included 6.2 weeks from application receipt to closing -- then another 3.8 weeks from closing to endorsement.

#### **Mortgage Insurance**

At the end of June, FHA had 7,635,803 single family mortgages in force with an outstanding balance of almost \$1.1 trillion.

During the month, 107,533 mortgages were insured, representing \$19.8 billion.

#### **Defaults**

At the end of the month, mortgage servicers reported 721,105 FHA mortgages in serious delinquency. This yielded a seriously delinquent rate of 9.5 percent, which was slightly higher than the 9.4 percent rate recorded for May.

#### **Claims**

So far this fiscal year, FHA has paid 203,402 single family claims -- 20.8 percent less than in the year-earlier period, with all of the decline being for loss mitigation actions. To-date claims include 88,568 loss mitigation payments, 76,781 property conveyances, 27,151 pre-foreclosure claims, 9,130 HECM assignments, and 1,772 other claim payments.

## **SINGLE-FAMILY OPERATIONS**

June 2012

#### **MONTHLY COMPARISONS**

|                                | CURRENT      | LAST         | RATE OF | LAST      | RATE OF |
|--------------------------------|--------------|--------------|---------|-----------|---------|
|                                | <u>MONTH</u> | <u>MONTH</u> | CHANGE  | YEAR      | CHANGE  |
|                                |              |              |         |           |         |
| TOTAL APPLICATIONS: *          | 188,810      | 124,125      | 52.1%   | 131,796   | 43.3%   |
| Annual Rate                    | 1,918,000    | 1,199,500    | 59.9%   | 1,388,000 | 38.2%   |
| Average per workday            | 7,581        | 4,741        | 59.9%   | 5,486     | 38.2%   |
| Purchase                       | 79,138       | 82,726       | -4.3%   | 87,674    | -9.7%   |
| Refinance                      | 102,640      | 34,407       | 198.3%  | 35,367    | 190.2%  |
| Prior FHA                      | 84,608       | 16,680       | 407.2%  | 12,748    | 563.7%  |
| Conventional to FHA            | 18,032       | 17,727       | 1.7%    | 22,619    | -20.3%  |
| H4H (HOPE for Homeowners)      |              |              |         | 157       | -100.0% |
| Short Refinance                | 290          | 204          | 42.2%   | 114       | 154.4%  |
| HECM                           | 7,032        | 6,992        | 0.6%    | 8,755     | -19.7%  |
| TOTAL ENDORSEMENTS: *          | 107,533      | 114,008      | -5.7%   | 101,469   | 6.0%    |
| Annual Rate                    | 1,290,400    | 1,368,100    | -5.7%   | 1,217,600 | 6.0%    |
| Weighted Average FICO Score ** | 698          | 699          | -0.1%   | 700       | -0.3%   |
| Minority                       | 27,501       | 28,005       | -1.8%   | 25,699    | 7.0%    |
| % Minority                     | 25.6%        | 24.6%        | 1.0%    |           | 0.2% #  |
| Purchase                       | 68,675       | 66,220       | 3.7%    | 74,370    | -7.7%   |
| % Purchase                     | 63.9%        | 58.1%        | 5.8%    | # 73.3%   | -9.4% # |
| Average FICO Score **          | 695          | 695          | 0.0%    | 699       | -0.6%   |
| 1st Time Home Buyer            | 54,080       | 52,000       | 4.0%    | 57,229    | -5.5%   |
| % 1st Time Home Buyer          | 78.7%        | 78.5%        | 0.2%    |           | 1.8% #  |
| Non-Minority                   | 34,263       | 32,902       | 4.1%    | 36,366    | -5.8%   |
| % Non-Minority                 | 63.4%        | 63.3%        | 0.1%    |           | -0.2% # |
| Minority                       | 16,737       | 16,046       | 4.3%    | 17,373    | -3.7%   |
| % Minority                     | 30.9%        | 30.9%        | 0.1%    |           | 0.6% #  |
| Not-Disclosed                  | 3,080        | 3,052        | 0.9%    | 3,490     | -11.7%  |
| % Not-Disclosed                | 5.7%         | 5.9%         | -0.2%   |           | -0.4% # |
| Refinanced                     | 33,671       | 43,349       | -22.3%  | 21,242    | 58.5%   |
| % Refinanced                   | 31.3%        | 38.0%        | -6.7%   |           | 10.4% # |
| Average FICO Score **          | 707          | 711          | -0.6%   | 698       | 1.3%    |
| Prior FHA                      | 22,268       | 30,006       | -25.8%  | 8,952     | 148.7%  |
| Streamline                     | 18,100       | 25,108       | -27.9%  | 6,353     | 184.9%  |
| % Streamline                   | 53.8%        | 57.9%        | -4.2%   |           | 23.8% # |
| Full Process                   | 4,168        | 4,898        | -14.9%  | 2,599     | 60.4%   |
| Cash Out                       | 676          | 740          | -8.6%   | 611       | 10.6%   |
| Conventional to FHA            | 11,404       | 13,343       | -14.5%  | 12,290    | -7.2%   |
| Cash Out                       | 3,121        | 3,590        | -13.1%  | 3,557     | -12.3%  |
| Total Cash Out                 | 3,797        | 4,330        | -12.3%  | 4,168     | -8.9%   |
| Total % Cash Out               | 11.3%        | 10.0%        | 1.3%    |           | -8.3% # |
| H4H (HOPE for Homeowners)      | 111070       | 10.070       | 1.070   | 58        | 0.070   |
| Short Refinance                | 137          | 107          | 28.0%   | 50        |         |
| HECM                           | 5,187        | 4,439        | 16.9%   | 5,857     | -11.4%  |
| % HECM                         | 4.8%         | 3.9%         | 0.9%    |           | -0.9% # |
| HECM Standard Traditional      | 4,446        | 3,866        | 15.0%   | 5,045     | -11.9%  |
| HECM Stndrd Traditional ARM    | 1,201        | 1,090        | 10.2%   | 1,162     | 3.4%    |
| HECM Standard Purchase         | 173          | 132          | 31.1%   | 146       | 18.5%   |
| HECM Standard Purchase ARM     | 9            | 2            | 350.0%  | 2         | 350.0%  |
| HECM Standard Refinance        | 144          | 90           | 60.0%   | 142       | 1.4%    |
| % HECM Standard Refinance      | 2.8%         | 2.0%         | 0.7%    |           | 0.4% #  |
| HECM Standard Refinance ARM    | 39           | 2.0%         | 39.3%   | 21        | 85.7%   |
| HECM Saver Total               | 424          | 351          | 20.8%   | 524       | -19.1%  |
| TILCIVI JAVEI TULAI            | 424          | 301          | 20.0%   | 524       | -19.1%  |

Source: \* F17 CHUMS

NA - Not available at this time.

<sup># -</sup> Percentage point difference

<sup>\*\*</sup> This series represents the composite FICO score value that is used for loan underwriting.

### **SINGLE-FAMILY OPERATIONS**

June 2012

#### **MONTHLY COMPARISONS**

|                                    | CURRENT<br><u>MONTH</u> | LAST<br><u>MONTH</u> | RATE OF<br><u>CHANGE</u> | LAST<br><u>YEAR</u> | RATE OF<br>CHANGE |
|------------------------------------|-------------------------|----------------------|--------------------------|---------------------|-------------------|
| FORWARD ENDORSEMENTS ONLY: *       |                         |                      |                          |                     |                   |
| Section 203(k)                     | 1,885                   | 1,725                | 9.3%                     | 2,077               | -9.2%             |
| Condominium                        | 3,687                   | 4,002                | -7.9%                    | 4,291               | -14.1%            |
| % Condominium                      | 3.4%                    | 3.5%                 | -0.1% ‡                  | # 4.2%              | -0.8%             |
| ARM (Excludes HECM ARM)            | 1,515                   | 1,635                | -7.3%                    | 4,085               | -62.9%            |
| % ARM                              | 1.4%                    | 1.4%                 | 0.0% ‡                   | # 4.0%              | -2.6%             |
| Manufactured Housing (Real Estate) | 1,798                   | 1,630                | 10.3%                    | 1,856               | -3.1%             |
| Interest Buy-down                  | 539                     | 345                  | 56.2%                    | 453                 | 19.0%             |
| Average Processing Time * ^        |                         |                      |                          |                     |                   |
| (Existing Homes, weeks)            |                         |                      |                          |                     |                   |
| Application to Closing             | 6.2                     | 6.4                  | -3.1%                    | 6.1                 | 1.6%              |
| Closing to Endorsement             | 3.8                     | 3.4                  | 11.8%                    | 3.3                 | 15.2%             |
| Lender Insurance *                 |                         |                      |                          |                     |                   |
| Total Lender Insurance             | 102,347                 | 90,457               | 13.1%                    | 79,092              | 29.4%             |
| % of Total Insurance               | 95.2%                   | 79.3%                | 15.8%                    | # 77.9%             | 17.2%             |
| Forward Mortgages                  | 102,347                 | 90,457               | 13.1%                    | 77,369              | 32.3%             |
| HECM                               | 0                       | 0                    |                          | 1,723               |                   |
| Automated Underwriting System * x  |                         |                      |                          |                     |                   |
| AUS Endorsed                       | 81,598                  | 81,836               | -0.3%                    | 86,618              | -5.8%             |
| AUS as % of Total Endorsed         | 79.7%                   | 74.7%                | 5.0%                     | # 90.6%             | -10.9%            |
| Mortgage Insurance *               |                         |                      |                          |                     |                   |
| Total Number                       | 107,533                 | 114,008              | -5.7%                    | 101,469             | 6.0%              |
| Total Amount (\$B)                 | \$19.8                  | \$21.3               | -7.0%                    | \$17.7              | 11.9%             |
| Forward Mortgages                  |                         |                      |                          |                     |                   |
| Total Forward Number               | 102,346                 | 109,569              | -6.6%                    | 95,612              | 7.0%              |
| Amount (\$B)                       | \$18.5                  | \$20.2               | -8.4%                    | \$16.3              | 13.5%             |
| Purchase Number                    | 68,675                  | 66,220               | 3.7%                     | 74,370              | -7.7%             |
| Amount (\$B)                       | \$11.8                  | \$11.3               | 4.4%                     | \$12.5              | -5.6%             |
| Refinance Number                   | 33,671                  | 43,349               | -22.3%                   | 21,242              | 58.5%             |
| Amount (\$B)                       | \$6.7                   | \$8.9                | -24.7%                   | \$3.8               | 76.3%             |
| Reverse Mortgages                  |                         |                      |                          |                     |                   |
| HECM Number                        | 5,187                   | 4,439                | 16.9%                    | 5,857               | -11.4%            |
| Max Claim Amount (\$B)             | \$1.3                   | \$1.1                | 18.2%                    | \$1.4               | -7.1%             |
| Mortgage Insurance-In-Force **     |                         |                      |                          |                     |                   |
| Total Number                       | 7,635,893               | 7,633,037            | 0.0%                     | 7,151,199           | 6.8%              |
| Total Unpaid Balance Amount (\$B)  | \$1,071.6               | \$1,070.6            | 0.1%                     | \$994.6             | 7.7%              |
| Loans Seriously Delinquent *** <   |                         |                      |                          |                     |                   |
| Seriously Delinquent               | 721,105                 | 713,104              | 1.1%                     | 584,822             | 23.3%             |
| Seriously Delinquent Rate          | 9.5%                    | 9.4%                 | 0.1%                     | # 8.2%              | 1.3%              |

Source: \* F17 CHUMS \*\* A43 Single Family Insurance System \*\*\* F42D Consolidated Single Family Default Monitoring System

<sup>#</sup> Percentage point difference

<sup>^</sup> Existing homes, including purchase and refinance cases, represent virtually all of insurance activity.

 $<sup>{</sup>f x}$  AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

This count of seriously delinquent mortgages includes all bankruptcies, all foreclosures and 90 days or more delinquencies.

## **SINGLE-FAMILY OPERATIONS**

June 2012

#### **FISCAL YEAR COMPARISONS**

|                             | PROJECTIONS   |           |           | RATE OF   |           |
|-----------------------------|---------------|-----------|-----------|-----------|-----------|
|                             | FY 2012       | FY 2012   | FY 2011   | CHANGE    | FY 2011   |
|                             | AS OF OCT 11  | TO DATE   | TO DATE   | 2012/2011 | FINAL     |
|                             | 710 01 001 11 | 10 2/112  | 10 27(12  | 2012/2011 | <u> </u>  |
| TOTAL APPLICATIONS: *       | 1,750,000     | 1,322,947 | 1,216,566 | 8.7%      | 1,603,669 |
|                             |               |           |           |           |           |
| Purchase                    | 1,015,000     | 699,180   | 687,815   | 1.7%      | 921,886   |
| Refinance                   | 630,000       | 562,648   | 456,033   | 23.4%     | 586,092   |
| Prior FHA                   | 252,000       | 352,914   | 185,090   | 90.7%     | 247,124   |
| Conventional to FHA         | 378,000       | 209,734   | 270,943   | -22.6%    | 338,968   |
| H4H (HOPE for Homeowners)   |               |           | 1,255     |           | 1,408     |
| Short Refinance             |               | 2,296     | 649       |           | 1,333     |
| HECM                        | 105,000       | 61,119    | 72,718    | -16.0%    | 95,691    |
| TOTAL ENDORSEMENTS: *       | 1,400,000     | 893,742   | 987,352   | -9.5%     | 1,271,211 |
| TOTAL ENDONGEMENTO.         | 1,400,000     | 000,1 42  | 301,302   | 0.070     | 1,211,211 |
| Minority                    | 350,000       | 226,248   | 237,922   | -4.9%     | 312,940   |
| % Minority                  | 25.0%         | 25.3%     | 24.1%     | 1.2%      |           |
|                             |               |           |           |           |           |
| Purchase                    | 840,000       | 535,976   | 566,813   | -5.4%     | 777,521   |
| % Purchase                  | 60.0%         | 60.0%     | 57.4%     | 2.6%      | # 61.2%   |
| 1st Time Home Buyer         | 630,000       | 415,515   | 424,475   | -2.1%     | 585,091   |
| % 1st Time Home Buyer       | 75.0%         | 77.5%     | 74.9%     | 2.6%      | # 75.3%   |
| Non-Minority                | 403,200       | 256,423   | 261,673   | -2.0%     | 360,891   |
| % Non-Minority              | 64.0%         | 61.7%     | 61.6%     | 0.1%      | # 61.7%   |
| Minority                    | 189,000       | 134,579   | 135,609   | -0.8%     | 187,022   |
| % Minority                  | 30.0%         | 32.4%     | 31.9%     | 0.4%      |           |
| Not-Disclosed               | 37,800        | 24,512    | 27,192    | -9.9%     | 37,176    |
| % Not-Disclosed             | 6.0%          | 5.9%      | 6.4%      | -0.5%     |           |
|                             |               |           |           |           |           |
| Refinanced                  | 476,000       | 314,632   | 364,312   | -13.6%    | 420,561   |
| % Refinanced                | 34.0%         | 35.2%     | 36.9%     | -1.7%     |           |
| Prior FHA                   | 247,520       | 208,181   | 199,117   | 4.6%      | 224,936   |
| Streamline                  | 223,720       | 169,327   | 161,842   | 4.6%      | 180,330   |
| % Streamline                | 47.0%         | 53.8%     | 44.4%     | 9.4%      | # 42.9%   |
| Full Process                | 23,800        | 38,704    | 37,275    | 3.8%      | 44,606    |
| Cash Out                    | 7,200         | 5,876     | 7,322     | -19.7%    | 9,022     |
| Conventional to FHA         | 228,480       | 106,613   | 165,201   | -35.5%    | 195,634   |
| Cash Out                    | 36,000        | 28,520    | 43,750    | -34.8%    | 52,921    |
| Total Cash Out              | 43,200        | 34,396    | 51,072    | -32.7%    | 61,943    |
| Total % Cash Out            | 9.1%          | 10.9%     | 14.0%     | -3.1%     | # 14.7%   |
| H4H (HOPE for Homeowners)   |               | 2         | 285       |           | 632       |
| Short Refinance             |               | 1,105     | 245       |           | 334       |
| HECM                        | 84,000        | 43,134    | 56,227    | -23.3%    | 73,129    |
| % HECM                      | 6.0%          | 4.8%      | 5.7%      | -0.9%     | # 5.8%    |
| HECM Standard Traditional   | 75,000        | 37,674    | 50,650    | -25.6%    | 65,062    |
| HECM Stndrd Traditional ARM | 22,500        | 10,569    | 15,851    | -33.3%    | 19,429    |
| HECM Standard Purchase      | 1,700         | 1,220     | 1,052     | 16.0%     | 1,514     |
| HECM Stndrd Purchase ARM    | 500           | 46        | 95        | -51.6%    | 112       |
| HECM Standard Refinance     | 3,000         | 1,119     | 2,273     | -50.8%    | 2,727     |
| % HECM Standard Refinance   | 3.6%          | 2.6%      | 4.0%      | -1.4%     |           |
| HECM Standard Refinance ARM | 660           | 350       | 489       | -28.4%    | 565       |
|                             | 555           | 000       | 100       | 20.170    | 550       |

## **SINGLE-FAMILY OPERATIONS**

June 2012

#### **FISCAL YEAR COMPARISONS**

| PROJECTIONS  |         |         | RATE OF   |              |
|--------------|---------|---------|-----------|--------------|
| FY 2012      | FY 2012 | FY 2011 | CHANGE    | FY 2011      |
| AS OF OCT 11 | TO DATE | TO DATE | 2012/2011 | <u>FINAL</u> |
|              |         |         |           |              |

| FORWARD ENDORSEMENTS ONLY: *       |           |         |         |        |   |          |
|------------------------------------|-----------|---------|---------|--------|---|----------|
|                                    |           |         |         |        |   |          |
| Section 203(k)                     | 22,000    | 16,904  | 14,914  | 13.3%  |   | 21,29    |
| Condominium                        | 110,000   | 31,286  | 44,287  | -29.4% |   | 54,69    |
| % Condominium                      | 7.9%      | 3.5%    | 4.5%    | -1.0%  | # | 4.3%     |
| ARM (Excludes HECM ARM)            | 50,000    | 17,597  | 39,503  | -55.5% |   | 50,88    |
| % ARM                              | 3.6%      | 2.0%    | 4.0%    | -2.0%  | # | 4.0%     |
| Manufactured Housing (Real Estate) | 50,000    | 15,011  | 16,207  | -7.4%  |   | 21,37    |
| Interest Buy-down                  | 4,000     | 3,489   | 2,563   | 36.1%  |   | 3,79     |
|                                    |           |         |         |        |   |          |
| Lender Insurance *                 |           |         |         |        |   |          |
| Total Lender Insurance             | 980,000   | 699,313 | 754,275 | -7.3%  |   | 976,312  |
| % of Total Insurance               | 70.0%     | 78.2%   | 76.4%   | 1.9%   | # | 76.89    |
| Forward Mortgages                  | 960,400   | 698,504 | 739,378 | -5.5%  |   | 956,51   |
| HECM                               | 19,600    | 809     | 14,897  | -94.6% |   | 19,79    |
| Automated Underwriting System * x  |           |         |         |        |   |          |
| AUS Endorsed                       | 1,050,000 | 658,494 | 755,074 | -12.8% |   | 994,57   |
| AUS as % of Total Endorsed         | 79.8%     | 77.4%   | 81.1%   | -3.7%  | # | 83.0%    |
|                                    |           |         |         |        |   |          |
| Mortgage Insurance *               |           |         |         |        |   |          |
| Total Number                       | 1,400,000 | 893,742 | 987,352 | -9.5%  |   | 1,271,21 |
| Total Amount (\$B)                 | \$248.6   | \$162.9 | \$186.4 | -12.6% |   | \$236.   |
| Forward Mortgages                  |           |         |         |        |   |          |
| Total Forward Number               | 1,316,000 | 850,608 | 931,125 | -8.6%  |   | 1,198,08 |
| Amount (\$B)                       | \$231.1   | \$152.5 | \$172.3 | -11.5% |   | \$217.   |
| Purchase Number                    | 840,000   | 535,976 | 566,813 | -5.4%  |   | 777,52   |
| Amount (\$B)                       | \$141.9   | \$90.0  | \$98.9  | -9.0%  |   | \$134.   |
| Refinance Number                   | 476,000   | 314,632 | 364,312 | -13.6% |   | 420,56   |
| Amount (\$B)                       | \$89.2    | \$62.5  | \$73.4  | -14.9% |   | \$83.    |
| Reverse Mortgages                  |           |         |         |        |   |          |
| HECM Number                        | 84,000    | 43,134  | 56,227  | -23.3% |   | 73,12    |
| Max Claim Amount (\$B)             | \$17.5    | \$10.4  | \$14.1  | -26.2% |   | \$18.    |
| Claims **                          |           |         |         |        |   |          |
| Total Claims                       | 318,500   | 203,402 | 256,770 | -20.8% |   | 326,89   |
| Loss Mitigation Retention          | 195,000   | 88,568  | 164,584 | -46.2% |   | 200,80   |
| Pre-Foreclosures                   | 25,400    | 27,151  | 16,492  | 64.6%  |   | 25,06    |
|                                    | 92,000    | 76,781  | 68,915  | 11.4%  | _ | 91,44    |
| Conveyances HECM Assignments       | 5,000     | 9,130   | 5,650   | 61.6%  |   | 7,95     |
| Other Claims                       | 1,100     | 1,772   | 1,129   | 57.0%  | _ | 1,61     |

Source: \* F17 CHUMS \*\* A43C Claims System

<sup># =</sup> Percentage point difference

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

# SINGLE-FAMILY OPERATIONS May 2012

CONTACT INFORMATION
WILLIAM F. SHAW 202-402-7550
ZENORA HINES 202-402-7544

#### **Applications**

The total number of single family insurance applications received by FHA during May was 124,125 -- 4.5 percent more than in the year-earlier period (118,784). The new total includes 82,726 home purchase loans, 34,407 refinance actions, and 6,992 reverse mortgage applications.

The refinance count included 16,680 prior FHA cases and 17,727 conventional mortgages seeking to convert to FHA insurance. There are 204 short refinance applications in the conventional count.

#### **Endorsements**

During May, FHA insured 114,008 single family mortgages with \$21.3 billion in loan balances. The loan count is 4.6 percent higher than in April.

Included in this total were 66,220 home purchase mortgages, 43,349 refinance transactions, and 4,439 HECM loans.

First time home buyers accounted for 78.5 percent of the home purchase loans; 30.9 percent of those home buyers were minority households.

Refinance transactions accounted for 38 percent of May endorsements and, of those, 30,006 were prior FHA cases of which 25,108 were handled using streamline procedures.

Conventional conversions accounted for 13,343 endorsement actions, and of those 3,590 were cash outs. There were also 740 prior-FHA cash-out transactions and 107 short refinance endorsements.

#### Insurance-in-Force

At the end of May, FHA had 7,633,037 single family mortgages-in-force with a balance of almost \$1.1 trillion.

#### Of Interest

So far this fiscal year, FHA has received 1,134,137 single family applications---4.6% higher than for the same time last year (1,084,770). Also, the average FICO score on new endorsements has been 699 for four months straight. Though FICO scores for home buyers have only fluctuated by one point throughout this fiscal year—moving between 695 and 696—those for refinance borrowers have risen since October and, in the last four months, have reached historic highs (708, 710, 712, and 711).

This month FHA insured 1,635 ARM's -- last month 1,448 were insured. FHA also insured 4,002 condominium units and 1,630 manufactured housing mortgages.

#### **Defaults and Claims**

At the end of May, servicers reported 713,104 FHA mortgages in serious delinquency (90+ days or in bankruptcy or foreclosure) yielding a serious delinquency rate of 9.4 percent -- the same as last month.

So far this fiscal year, FHA has paid 178,110 single family claims. This total is 21.4 percent lower than the year-to-date count seen in FY 2011. The decline is confined to loss mitigation claims, which are down 47 percent (77,512 versus 145,479). Conveyance claims for FY 2012 are now greater than at this point in FY 2011 (67,557 vs. 61,474) as a result of higher March - May activity, and following the National Mortgage Settlement. Pre-foreclosure sale claims have been higher in each month of FY 2012 than they were in FY 2011, so that year-to-date activity is up 78 percent (23,977 vs. 13,502). In addition, there have been 7,719 HECM claims paid and 1,345 other claim actions in this fiscal year.

## **SINGLE-FAMILY OPERATIONS**

May 2012

#### **MONTHLY COMPARISONS**

|                                  | CURRENT      | LAST         | RATE OF       | LAST        | RATE OF       |
|----------------------------------|--------------|--------------|---------------|-------------|---------------|
|                                  | <u>MONTH</u> | <u>MONTH</u> | <u>CHANGE</u> | <u>YEAR</u> | <u>CHANGE</u> |
| TOTAL APPLICATIONS: *            | 124,125      | 156,453      | -20.7%        | 118,784     | 4.5%          |
| Annual Rate                      | 1,199,500    | 1,215,700    | -1.3%         | 1,288,100   | -6.9%         |
| Average per workday              | 4,741        | 4,805        | -1.3%         | 5,091       | -6.9%         |
| Purchase                         | 82,726       | 88,121       | -6.1%         | 79,931      | 3.5%          |
| Refinance                        | 34,407       | 61,824       | -44.3%        | 31,380      | 9.6%          |
| Prior FHA                        | 16,680       | 33,807       | -50.7%        | 10,308      | 61.8%         |
| Conventional to FHA              | 17,727       | 28,017       | -36.7%        | 21,072      | -15.9%        |
|                                  | 11,121       | 20,017       | -30.7 %       |             | -13.970       |
| H4H (HOPE for Homeowners)        | 204          | 240          | 40.40/        | 134         | 242.00/       |
| Short Refinance                  | 204          | 249          | -18.1%        |             | 213.8%        |
| HECM                             | 6,992        | 6,508        | 7.4%          | 7,473       | -6.4%         |
| OTAL ENDORSEMENTS: *             | 114,008      | 108,954      | 4.6%          | 95,907      | 18.9%         |
| Annual Rate                      | 1,368,100    | 1,307,400    | 4.6%          | 1,150,900   | 18.9%         |
| Weighted Average FICO Score **   | 699          | 699          | 0.0%          | 701         | -0.3%         |
| Minority                         | 28,005       | 26,308       | 6.5%          | 23,677      | 18.3%         |
| % Minority                       | 24.6%        | 24.1%        | 0.4% #        | 24.7%       | -0.1%         |
| Purchase                         | 66,220       | 58,716       | 12.8%         | 66,475      | -0.4%         |
| % Purchase                       | 58.1%        | 53.9%        | 4.2% #        | 69.3%       | -11.2%        |
| Average FICO Score **            | 695          | 695          | 0.0%          | 700         | -0.7%         |
| 1st Time Home Buyer              | 52,000       | 45,975       | 13.1%         | 51,236      | 1.5%          |
| % 1st Time Home Buyer            | 78.5%        | 78.3%        | 0.2% #        | 77.1%       | 1.5%          |
| Non-Minority                     | 32,902       | 28,979       | 13.5%         | 32,704      | 0.6%          |
| % Non-Minority                   | 63.3%        | 63.0%        | 0.2% #        | 63.8%       | -0.6%         |
| Minority                         | 16,046       | 14,446       | 11.1%         | 15,451      | 3.9%          |
| % Minority                       | 30.9%        | 31.4%        | -0.6% #       | 30.2%       | 0.7%          |
| Not-Disclosed                    | 3,052        | 2,549        | 19.7%         | 3,081       | -0.9%         |
| % Not-Disclosed                  | 5.9%         | 5.5%         | 0.3% #        | 6.0%        | -0.1%         |
| Refinanced                       | 43,349       | 45,643       | -5.0%         | 24,244      | 78.8%         |
| % Refinanced                     | 38.0%        | 41.9%        | -3.9% #       | 25.3%       | 12.7%         |
| Average FICO Score **            | 711          | 712          | -0.1%         | 701         | 1.4%          |
| Prior FHA                        | 30,006       | 32,285       | -7.1%         | 10,315      | 190.9%        |
| Streamline                       | 25,108       | 27,260       | -7.9%         | 7,658       | 227.9%        |
| % Streamline                     | 57.9%        | 59.7%        | -1.8% #       | 31.6%       | 26.3%         |
| Full Process                     | 4,898        | 5,025        | -2.5%         | 2,657       | 84.3%         |
| Cash Out                         | 740          | 638          | 16.0%         | 611         | 21.1%         |
| Conventional to FHA              | 13,343       | 13,360       | -0.1%         | 13,929      | -4.2%         |
| Cash Out                         | 3,590        | 3,322        | 8.1%          | 4,026       | -10.8%        |
| Total Cash Out                   | 4,330        | 3,960        | 9.3%          | 4,637       | -6.6%         |
| Total % Cash Out                 | 10.0%        | 8.7%         | 1.3% #        | 19.1%       | -9.1%         |
| H4H (HOPE for Homeowners)        | 10.070       | 0.770        | 1.570 #       | 39          | -3.170        |
| Short Refinance                  | 107          | 210          | -49.0%        | 44          | 143.2%        |
|                                  |              |              |               |             |               |
| HECM<br>0/ HECM                  | 4,439        | 4,595        | -3.4%         | 5,188       | -14.4%        |
| % HECM HECM Standard Traditional | 3.9%         | 4.2%         | -0.3% #       | 5.4%        | -1.5%         |
|                                  | 3,866        | 3,956        | -2.3%         | 4,587       | -15.7%        |
| HECM Standard Traditional ARM    | 1,090        | 1,094        | -0.4%         | 1,019       | 7.0%          |
| HECM Standard Purchase           | 132          | 153          | -13.7%        | 96          | 37.5%         |
| HECM Stndrd Purchase ARM         | 2            | 4            | -50.0%        | 3           | -33.3%        |
| HECM Standard Refinance          | 90           | 138          | -34.8%        | 140         | -35.7%        |
| % HECM Standard Refinance        | 2.0%         | 3.0%         | -1.0% #       | 2.7%        | -0.7%         |
| HECM Stndrd Refinance ARM        | 28           | 32           | -12.5%        | 20          | 40.0%         |
| HECM Saver Total                 | 351          | 348          | 0.9%          | 365         | -3.8%         |

<sup># -</sup> Percentage point difference

NA - Not available at this time.

<sup>\*\*</sup> This series represents the composite FICO score value that is used for loan underwriting.

### **SINGLE-FAMILY OPERATIONS**

May 2012

#### **MONTHLY COMPARISONS**

|                                    | CURRENT<br><u>MONTH</u> | LAST<br><u>MONTH</u> | RATE OF<br><u>CHANGE</u> | LAST<br><u>YEAR</u> | RATE OF<br>CHANGE |
|------------------------------------|-------------------------|----------------------|--------------------------|---------------------|-------------------|
| FORWARD ENDORSEMENTS ONLY: *       |                         |                      |                          |                     |                   |
| Section 203(k)                     | 1,725                   | 1,798                | -4.1%                    | 1,759               | -1.9%             |
| Condominium                        | 4,002                   | 3,952                | 1.3%                     | 3,960               | 1.1%              |
| % Condominium                      | 3.5%                    | 3.6%                 | -0.1% #                  | 4.1%                | -0.6% ‡           |
| ARM (Excludes HECM ARM)            | 1,635                   | 1,448                | 12.9%                    | 4,194               | -61.0%            |
| % ARM                              | 1.4%                    | 1.3%                 | 0.1% #                   | 4.4%                | -2.9%             |
| Manufactured Housing (Real Estate) | 1,630                   | 1,523                | 7.0%                     | 1,720               | -5.2%             |
| Interest Buy-down                  | 345                     | 363                  | -5.0%                    | 328                 | 5.2%              |
| Average Processing Time * ^        |                         |                      |                          |                     |                   |
| (Existing Homes, weeks)            |                         |                      |                          |                     |                   |
| Application to Closing             | 6.4                     | 5.9                  | 8.5%                     | 6.0                 | 6.7%              |
| Closing to Endorsement             | 3.4                     | 3.3                  | 3.0%                     | 3.0                 | 13.3%             |
| Lender Insurance *                 |                         |                      |                          |                     |                   |
| Total Lender Insurance             | 90,457                  | 86,267               | 4.9%                     | 74,208              | 21.9%             |
| % of Total Insurance               | 79.3%                   | 79.2%                | 0.2% #                   | 77.4%               | 2.0%              |
| Forward Mortgages                  | 90,457                  | 86,267               | 4.9%                     | 73,070              | 23.8%             |
| HECM                               | 0                       | 0                    |                          | 1,138               |                   |
| Automated Underwriting System * x  |                         |                      |                          |                     |                   |
| AUS Endorsed                       | 81,836                  | 74,530               | 9.8%                     | 81,347              | 0.6%              |
| AUS as % of Total Endorsed         | 74.7%                   | 71.4%                | 3.3% #                   | 89.7%               | -15.0%            |
| Mortgage Insurance *               |                         |                      |                          |                     |                   |
| Total Number                       | 114,008                 | 108,954              | 4.6%                     | 95,907              | 18.9%             |
| Total Amount (\$B)                 | \$21.3                  | \$20.3               | 4.9%                     | \$16.9              | 26.0%             |
| Forward Mortgages                  |                         |                      |                          |                     |                   |
| Total Forward Number               | 109,569                 | 104,359              | 5.0%                     | 90,719              | 20.8%             |
| Amount (\$B)                       | \$20.2                  | \$19.2               | 5.2%                     | \$15.6              | 29.5%             |
| Purchase Number                    | 66,220                  | 58,716               | 12.8%                    | 66,475              | -0.4%             |
| Amount (\$B)                       | \$11.3                  | \$9.9                | 14.1%                    | \$11.2              | 0.9%              |
| Refinance Number                   | 43,349                  | 45,643               | -5.0%                    | 24,244              | 78.8%             |
| Amount (\$B)                       | \$8.9                   | \$9.3                | -4.3%                    | \$4.4               | 102.3%            |
| Reverse Mortgages                  |                         |                      |                          |                     |                   |
| HECM Number                        | 4,439                   | 4,595                | -3.4%                    | 5,188               | -14.4%            |
| Max Claim Amount (\$B)             | \$1.1                   | \$1.1                | 0.0%                     | \$1.3               | -15.4%            |
| Mortgage Insurance-In-Force **     |                         |                      |                          |                     |                   |
| Total Number                       | 7,633,037               | 7,549,568            | 1.1%                     | 7,090,489           | 7.7%              |
| Total Unpaid Balance Amount (\$B)  | \$1,070.6               | \$1,057.0            | 1.3%                     | \$984.6             | 8.7%              |
| Loans Seriously Delinquent *** <   |                         |                      |                          |                     |                   |
| Seriously Delinquent               | 713,104                 | 707,330              | 0.8%                     | 578,933             | 23.2%             |
| Seriously Delinquent Rate          | 9.4%                    | 9.4%                 | 0.0% #                   | 8.2%                | 1.2%              |

Source: \* F17 CHUMS \*\* A43 Single Family Insurance System \*\*\* F42D Consolidated Single Family Default Monitoring System

<sup>#</sup> Percentage point difference

<sup>^</sup> Existing homes, including purchase and refinance cases, represent virtually all of insurance activity.

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

This count of seriously delinquent mortgages includes all bankruptcies, all foreclosures and 90 days or more delinquencies.

## **SINGLE-FAMILY OPERATIONS**

May 2012

#### **FISCAL YEAR COMPARISONS**

| TOTAL APPLICATIONS:   |                                       | PROJECTIONS |           |           | RATE OF        |        |                    |
|---|---------------------------------------|-------------|-----------|-----------|----------------|--------|--------------------|
| AS OF OCT 11   TO DATE   TO DATE   2012/2011  |                                       |             | FY 2012   | FY 2011   | _              |        | FY 2011            |
| Purchase  |                                       |             |           |           |                |        | FINAL              |
| Refinance   | OTAL APPLICATIONS: *                  | 1,750,000   | 1,134,137 | 1,084,770 | 4.6%           |        | 1,603,669          |
| Refinance   | Durchaea                              | 1 015 000   | 620 588   | 600 141   | 2 /10/         | -      | 921,886            |
| Prior FHA   |                                       |             |           |           |                | +-     |                    |
| Conventional to FHA   378,000   196,347   248,324   -20.9%   H4H (HOPE for Homeowners)   1,000   1,000   53,007   63,963   -15.4%   105,000   54,087   63,963   -15.4%   105,000   786,341   886,087   -11.3%   1   1   1   1   1   1   1   1   1   |                                       |             |           |           |                | +-     | 586,092            |
| H4H (HOPE for Homeowners)   2,005   535   1,098   | -                                     |             |           |           |                | +-     | 247,124<br>338,968 |
| Short Refinance   2,005   535   |                                       | 370,000     | 190,347   |           | -20.9%         | +-     | 1,408              |
| HECM  | ·                                     |             | 2.005     | ·         |                | +      |                    |
| Minority   350,000   198,780   212,278   -6.4%  |                                       | 405.000     |           |           | 4 F 40/        | +      | 1,333              |
| Minority         350,000         198,780         212,278         -6.4%           % Minority         25.0%         25.3%         24.0%         1.3% #           Purchase         840,000         467,340         492,481         -5.1%           % Purchase         60.0%         59.4%         55.6%         3.9% #           1st Time Home Buyer         630,000         361,443         367,257         -1.6%           % 1st Time Home Buyer         75.0%         77.3%         74.6%         2.8% #           Non-Minority         403,200         222,174         225,327         -1.4%           % Non-Minority         64.0%         61.5%         61.4%         0.1% #           Minority         189,000         117,857         118,247         -0.3%           % Minority         30.0%         32.6%         32.2%         0.4% #           Not-Disclosed         37,800         21,435         23,703         -9.6%           % Not-Disclosed         6.0%         5.9%         6.5%         -0.5% #           Refinanced         476,000         281,047         343,232         -18.1%           % Refinanced         34.0%         35.7%         38.7%         -3.0% #           S   | HECM                                  | 105,000     | 54,087    | 63,963    | -15.4%         | +      | 95,691             |
| W Minority         25.0%         25.3%         24.0%         1.3%         #           Purchase         840,00         467,340         492,481         -5.1%           % Purchase         60.0%         59.4%         55.6%         3.9%         #           1st Time Home Buyer         630,000         361,443         367,257         -1.6%         2.8%         #           Non-Minority         403,200         222,174         225,327         -1.4%         %         0.1%         #           % Non-Minority         64.0%         61.5%         61.4%         0.1%         #         M         0.1%         #         0.1%         #         0.1%         #         0.1%         #         0.1%         0.1%         #         0.1%         0.1%         0.1%         0.1%         0.1%         0.1%         0.1%         0.1%         0.1%         0.1%         0.1%  | OTAL ENDORSEMENTS: *                  | 1,400,000   | 786,341   | 886,087   | -11.3%         |        | 1,271,211          |
| W Minority         25.0%         25.3%         24.0%         1.3%         #           Purchase         840,00         467,340         492,481         -5.1%           % Purchase         60.0%         59.4%         55.6%         3.9%         #           1st Time Home Buyer         630,000         361,443         367,257         -1.6%         2.8%         #           Non-Minority         403,200         222,174         225,327         -1.4%         %         0.1%         #           % Non-Minority         64.0%         61.5%         61.4%         0.1%         #         0.1%         #         Minority         189,000         117,857         118,247         -0.3%         #         0.1%         #         Minority         189,000         117,857         118,247         -0.3%         #         Minority         30.0%         32.6%         32.2%         0.4%         #         Not-Disclosed         37,800         21,435         23,703         -9.6%         #         Not-Disclosed         6.0%         5.9%         6.5%         -0.5%         #         *         *         *         *         40.4%         \$         *         *         *         *         *         *         * </td <td>Minority</td> <td>350,000</td> <td>108 780</td> <td>212 278</td> <td>-6.4%</td> <td>+</td> <td>312,940</td>      | Minority                              | 350,000     | 108 780   | 212 278   | -6.4%          | +      | 312,940            |
| Purchase         840,000         467,340         492,481         -5.1%           % Purchase         60.0%         59.4%         55.6%         3.9% #           1st Time Home Buyer         630,000         361,443         367,257         -1.6%           % 1st Time Home Buyer         75.0%         77.3%         74.6%         2.8% #           Non-Minority         403,200         222,174         225,327         -1.4%           % Non-Minority         64.0%         61.5%         61.4%         0.19% #           Minority         189,000         117,857         118,247         -0.3%           % Minority         30.0%         32.6%         32.2%         0.4% #           Not-Disclosed         37,800         21,435         23,703         9.6%           % Not-Disclosed         6.0%         5.9%         6.5%         -0.5% #           Refinanced         476,000         281,047         343,232         -18.1%           % Refinanced         34.0%         35.7%         38.7%         -3.0% #           Prior FHA         247,520         185,913         190,311         -2.3%           Streamline         247,520         151,280         155,591         -2.8%   |                                       |             |           |           |                | #      | 24.6%              |
| % Purchase         60.0%         59.4%         55.6%         3.9%         #           1st Time Home Buyer         630,000         361,443         367,257         -1.6%         2.8%         #           % 1st Time Home Buyer         75.0%         77.3%         74.6%         2.8%         #           Non-Minority         403,200         222,174         225,327         -1.4%         -1.4%           % Non-Minority         64.0%         61.5%         61.4%         0.1%         #           Minority         30.0%         32.6%         32.2%         0.4%         #           Not-Disclosed         37,800         21,435         23,703         -9.6%         -9.6%           Refinanced         476,000         281,047         343,232         -18.1%         -18.1%         -0.5%         #           % Refinanced         476,000         281,047         343,232         -18.1%         -18.1%         -0.5%         #           % Refinanced         476,000         281,047         343,232         -18.1%         -18.1%         -18.1%         -18.1%         -18.1%         -18.1%         -18.1%         -18.1%         -18.1%         -18.1%         -18.1%         -18.1%         -18.1%         -18.1%  | 70 WIII OH ty                         | 23.0 /0     | 20.0/0    | 24.0 /0   | 1.370          | 17     | 24.0 %             |
| % Purchase         60.0%         59.4%         55.6%         3.9%         #           1st Time Home Buyer         630,000         361,443         367,257         -1.6%         2.8%         #           % 1st Time Home Buyer         75.0%         77.3%         74.6%         2.8%         #           Non-Minority         403,200         222,174         225,327         -1.4%         -1.4%           % Non-Minority         64.0%         61.5%         61.4%         0.1%         #           Minority         30.0%         32.6%         32.2%         0.4%         #           Not-Disclosed         37,800         21,435         23,703         -9.6%         -9.6%           Refinanced         476,000         281,047         343,232         -18.1%         -18.1%         -0.5%         #           % Refinanced         476,000         281,047         343,232         -18.1%         -18.1%         -0.5%         #           % Refinanced         476,000         281,047         343,232         -18.1%         -18.1%         -18.1%         -18.1%         -18.1%         -18.1%         -18.1%         -18.1%         -18.1%         -18.1%         -18.1%         -18.1%         -18.1%         -18.1%  | Burchaso                              | 840,000     | 467 340   | 102 121   | _ <b>5</b> 10/ |        | 777,521            |
| 1st Time Home Buyer         630,000         361,443         367,257         -1.6%           % 1st Time Home Buyer         75.0%         77.3%         74.6%         2.8% #           Non-Minority         403,200         222,174         225,327         -1.4%           % Non-Minority         64.0% 61.5% 61.4% 0.1% #         0.1% #           Minority         189,000         117,857         118,247 -0.3%           % Minority         30.0% 32.6% 32.2% 0.4% #         0.4% #           Not-Disclosed         37,800         21,435 23,703 -9.6%           % Not-Disclosed         6.0% 5.9% 6.5% -0.5% #           Refinanced         476,000 281,047 343,232 -18.1%           % Refinanced         34.0% 35.7% 33.7% 33.7% 33.0% #           % Refinanced         34.0% 35.7% 38.7% 33.7% 33.0% #           % Streamline         223,720 151,280 155,591 -2.8%           % Streamline         47.0% 53.8% 45.3% 8.5% #           Full Process         23,800 34,560 34,720 -0.5%           Cash Out         7,200 5,205 6,722 -22.6%           Conventional to FHA         228,480 95,215 152,952 -37.7%           Cash Out         36,000 25,397 40,200 -36.8%           Total Cash Out         43,200 30,602 46,922 -34.8%           Total Cash Out         9.1% 10.9% 13.7% -2.8% #   |                                       |             |           | - , -     |                | #      | 61.2%              |
| % 1st Time Home Buyer         75.0%         77.3%         74.6%         2.8%         #           Non-Minority         403,200         222,174         225,327         -1.4%                     % Non-Minority         64.0%         61.5%         61.4%         0.1%         #           Minority         189,000         117,857         118,247         -0.3%                     % Minority         30.0%         32.6%         32.2%         0.4%         #           Not-Disclosed         6.0%         5.9%         6.5%         -0.5%         #           Refinanced         476,000         281,047         343,232         -18.1%                     % Refinanced         34.0%         35.7%         38.7%         -3.0%         #           Prior FHA         247,520         185,913         190,311         -2.3%                     Streamline         223,720         151,280         155,591         -2.8%                     Streamline         47.0%         53.8%         45.3%         8.5%         #           Full Process         23,800         34,560         34,720         -0.5%                     Cash Out         7,200         5,205         6,722 </td <td></td> <td></td> <td></td> <td></td> <td></td> <td>#</td> <td>585,091</td>   |                                       |             |           |           |                | #      | 585,091            |
| Non-Minority  |                                       |             |           |           |                | #      | 75.3%              |
| % Non-Minority         64.0%         61.5%         61.4%         0.1%         #           Minority         189,000         117,857         118,247         -0.3%                     % Minority         30.0%         32.6%         32.2%         0.4%         #           Not-Disclosed         37,800         21,435         23,703         -9.6%                     % Not-Disclosed         6.0%         5.9%         6.5%         -0.5%         #           Refinanced         476,000         281,047         343,232         -18.1%                     % Refinanced         34.0%         35.7%         38.7%         -3.0%         #           Prior FHA         247,520         185,913         190,311         -2.3%                   -3.0%         #                   -2.8%                   -3.0%         #                   -2.8%                   -5.591         -2.8%                   -3.0%         #                   -2.8%                   -3.0%         #         -2.8%                   -3.5%                   -2.8%                   -2.8%                   -3.0%                   -2.8%                   -2.8%                   -2.8%                   <  | · · · · · · · · · · · · · · · · · · · |             |           |           |                | #      | 360,891            |
| Minority         189,000         117,857         118,247         -0.3%           % Minority         30.0%         32.6%         32.2%         0.4%         #           Not-Disclosed         37,800         21,435         23,703         -9.6%   | •                                     |             |           |           |                | #      | 61.7%              |
| % Minority         30.0%         32.6%         32.2%         0.4%         #           Not-Disclosed         37,800         21,435         23,703         -9.6%                     % Not-Disclosed         6.0%         5.9%         6.5%         -0.5%         #           Refinanced         476,000         281,047         343,232         -18.1%                     % Refinanced         34.0%         35.7%         38.7%         -3.0%         #           Prior FHA         247,520         185,913         190,311         -2.3%                     Streamline         223,720         151,280         155,591         -2.8%                     % Streamline         47.0%         53.8%         45.3%         8.5%         #           Full Process         23,800         34,560         34,720         -0.5%                     Cash Out         7,200         5,205         6,722         -22.6%                     Conventional to FHA         228,480         95,215         152,952         -37.7%                     Cash Out         36,000         25,397         40,200         -36.8%                     Total Cash Out         43,200         30,602 <t< td=""><td>· · · · · · · · · · · · · · · · · · ·</td><td></td><td></td><td></td><td></td><td>#</td><td></td></t<>  | · · · · · · · · · · · · · · · · · · · |             |           |           |                | #      |                    |
| Not-Disclosed   37,800   21,435   23,703   -9.6%  | · · · · · · · · · · · · · · · · · · · |             |           |           |                | ш      | 187,022            |
| % Not-Disclosed         6.0%         5.9%         6.5%         -0.5%         #           Refinanced         476,000         281,047         343,232         -18.1%           % Refinanced         34.0%         35.7%         38.7%         -3.0%         #           Prior FHA         247,520         185,913         190,311         -2.3%         *           Streamline         223,720         151,280         155,591         -2.8%         *           % Streamline         47.0%         53.8%         45.3%         8.5%         #           Full Process         23,800         34,560         34,720         -0.5%         *           Cash Out         7,200         5,205         6,722         -22.6%         *           Conventional to FHA         228,480         95,215         152,952         -37.7%         *           Cash Out         36,000         25,397         40,200         -36.8%         *           Total Cash Out         43,200         30,602         46,922         -34.8%         *           Total % Cash Out         9.1%         10.9%         13.7%         -2.8%         #           HECM         84,000         37,954         50,375  | ·                                     |             |           |           |                | #      | 32.0%              |
| Refinanced         476,000         281,047         343,232         -18.1%           % Refinanced         34.0%         35.7%         38.7%         -3.0% #           Prior FHA         247,520         185,913         190,311         -2.3%           Streamline         223,720         151,280         155,591         -2.8%           % Streamline         47.0%         53.8%         45.3%         8.5% #           Full Process         23,800         34,560         34,720         -0.5%           Cash Out         7,200         5,205         6,722         -22.6%           Conventional to FHA         228,480         95,215         152,952         -37.7%           Cash Out         36,000         25,397         40,200         -36.8%           Total Cash Out         43,200         30,602         46,922         -34.8%           Total % Cash Out         9.1%         10.9%         13.7%         -2.8% #           H4H (HOPE for Homeowners)         2         227           Short Refinance         968         195           HECM         84,000         37,954         50,375         -24.7%           % HECM Standard Traditional         75,000         33,232         45,618<  |                                       | ·           | -         |           |                |        | 37,176             |
| % Refinanced       34.0%       35.7%       38.7%       -3.0%       #         Prior FHA       247,520       185,913       190,311       -2.3%         Streamline       223,720       151,280       155,591       -2.8%         % Streamline       47.0%       53.8%       45.3%       8.5%       #         Full Process       23,800       34,560       34,720       -0.5%   | % Not-Disclosed                       | 6.0%        | 5.9%      | 6.5%      | -0.5%          | #      | 6.4%               |
| % Refinanced       34.0%       35.7%       38.7%       -3.0%       #         Prior FHA       247,520       185,913       190,311       -2.3%         Streamline       223,720       151,280       155,591       -2.8%         % Streamline       47.0%       53.8%       45.3%       8.5%       #         Full Process       23,800       34,560       34,720       -0.5%   | Refinanced                            | 476,000     | 281,047   | 343,232   | -18.1%         |        | 420,561            |
| Prior FHA         247,520         185,913         190,311         -2.3%           Streamline         223,720         151,280         155,591         -2.8%           % Streamline         47.0%         53.8%         45.3%         8.5%         #           Full Process         23,800         34,560         34,720         -0.5%         -0.6%         -0.6%         -0.6%         -0.6%         -0.6%         -0.6%         -0.6%         -0.6%         -0.6%         -0.6%         -0.6%         -0.6%         -0.6%         -0.6%         -  | % Refinanced                          | 34.0%       |           | 38.7%     | -3.0%          | #      | 33.1%              |
| Streamline         223,720         151,280         155,591         -2.8%           % Streamline         47.0%         53.8%         45.3%         8.5%         #           Full Process         23,800         34,560         34,720         -0.5%         -0.5%           Cash Out         7,200         5,205         6,722         -22.6%         -22.6%           Conventional to FHA         228,480         95,215         152,952         -37.7%         -36.8%           Cash Out         36,000         25,397         40,200         -36.8%         -36.8%           Total Cash Out         43,200         30,602         46,922         -34.8%         -34.8%           Total % Cash Out         9.1%         10.9%         13.7%         -2.8%         #           H4H (HOPE for Homeowners)         2         227         227         -24.7%         -2.8%         #           Short Refinance         968         195         -24.7%         -24.7%         -24.7%         -24.7%         -24.7%         -24.7%         -24.7%         -24.7%         -24.7%         -24.7%         -24.7%         -24.7%         -24.7%         -24.7%         -24.7%         -24.7%         -24.7%         -24.7%         -24.7%  | Prior FHA                             |             |           |           |                |        | 224,936            |
| % Streamline       47.0%       53.8%       45.3%       8.5%       #         Full Process       23,800       34,560       34,720       -0.5%   |                                       |             |           |           |                |        | 180,330            |
| Full Process       23,800       34,560       34,720       -0.5%         Cash Out       7,200       5,205       6,722       -22.6%         Conventional to FHA       228,480       95,215       152,952       -37.7%         Cash Out       36,000       25,397       40,200       -36.8%         Total Cash Out       43,200       30,602       46,922       -34.8%         Total % Cash Out       9.1%       10.9%       13.7%       -2.8%       #         H4H (HOPE for Homeowners)       2       227       227       508       195       50,375       -24.7%       50,375       -24.7%       50,375       -24.7%       6.0%       4.8%       5.7%       -0.9%       #         HECM Standard Traditional       75,000       33,232       45,618       -27.2%       45,618       -27.2%       60.2   |                                       |             |           |           |                | #      | 42.9%              |
| Cash Out         7,200         5,205         6,722         -22.6%           Conventional to FHA         228,480         95,215         152,952         -37.7%           Cash Out         36,000         25,397         40,200         -36.8%           Total Cash Out         43,200         30,602         46,922         -34.8%           Total % Cash Out         9.1%         10.9%         13.7%         -2.8%         #           H4H (HOPE for Homeowners)         2         227         227         5         5         -24.7%         5         -24.7%         5         -24.7%         6         4.8%         5.7%         -0.9%         #         -24.7%         6         -27.2%         -24.7%         6         -27.2%         -24.7%         <   | Full Process                          | 23.800      | 34.560    | 34.720    |                |        | 44,606             |
| Conventional to FHA         228,480         95,215         152,952         -37.7%           Cash Out         36,000         25,397         40,200         -36.8%           Total Cash Out         43,200         30,602         46,922         -34.8%           Total % Cash Out         9.1%         10.9%         13.7%         -2.8%         #           H4H (HOPE for Homeowners)         2         227         227         227         50.00         195   | Cash Out                              |             | -         | 6.722     | -22.6%         |        | 9,022              |
| Cash Out       36,000       25,397       40,200       -36.8%         Total Cash Out       43,200       30,602       46,922       -34.8%         Total % Cash Out       9.1%       10.9%       13.7%       -2.8% #         H4H (HOPE for Homeowners)       2       227         Short Refinance       968       195         HECM       84,000       37,954       50,375       -24.7%         % HECM       6.0%       4.8%       5.7%       -0.9% #         HECM Standard Traditional       75,000       33,232       45,618       -27.2%         HECM Stndrd Traditional ARM       22,500       9,371       14,697       -36.2%         HECM Standard Purchase       1,700       1,047       906       15.6%         HECM Stndrd Purchase ARM       500       37       93       -60.2%  |                                       |             |           |           |                |        | 195,634            |
| Total Cash Out         43,200         30,602         46,922         -34.8%           Total % Cash Out         9.1%         10.9%         13.7%         -2.8%         #           H4H (HOPE for Homeowners)         2         227         227         50.00         10.9%         10.9%         10.0% <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td>52,921</td></td<> |                                       |             |           |           |                |        | 52,921             |
| Total % Cash Out         9.1%         10.9%         13.7%         -2.8% #           H4H (HOPE for Homeowners)         2         227           Short Refinance         968         195           HECM         84,000         37,954         50,375         -24.7%           % HECM         6.0%         4.8%         5.7%         -0.9% #           HECM Standard Traditional         75,000         33,232         45,618         -27.2%           HECM Stndrd Traditional ARM         22,500         9,371         14,697         -36.2%           HECM Standard Purchase         1,700         1,047         906         15.6%           HECM Stndrd Purchase ARM         500         37         93         -60.2%  |                                       |             |           |           |                |        | 61,943             |
| H4H (HOPE for Homeowners)       2       227         Short Refinance       968       195         HECM       84,000       37,954       50,375         % HECM       6.0%       4.8%       5.7%       -0.9%         HECM Standard Traditional       75,000       33,232       45,618       -27.2%         HECM Stndrd Traditional ARM       22,500       9,371       14,697       -36.2%         HECM Standard Purchase       1,700       1,047       906       15.6%         HECM Stndrd Purchase ARM       500       37       93       -60.2%   |                                       |             | ,         |           |                | #      | 14.7%              |
| Short Refinance         968         195           HECM         84,000         37,954         50,375         -24.7%           % HECM         6.0%         4.8%         5.7%         -0.9%         #           HECM Standard Traditional         75,000         33,232         45,618         -27.2%           HECM Stndrd Traditional ARM         22,500         9,371         14,697         -36.2%           HECM Standard Purchase         1,700         1,047         906         15.6%           HECM Stndrd Purchase ARM         500         37         93         -60.2%  |                                       |             |           |           |                | -      | 632                |
| HECM         84,000         37,954         50,375         -24.7%           % HECM         6.0%         4.8%         5.7%         -0.9%         #           HECM Standard Traditional         75,000         33,232         45,618         -27.2%           HECM Stndrd Traditional ARM         22,500         9,371         14,697         -36.2%           HECM Standard Purchase         1,700         1,047         906         15.6%           HECM Stndrd Purchase ARM         500         37         93         -60.2%  | ,                                     |             |           |           |                |        | 334                |
| % HECM     6.0%     4.8%     5.7%     -0.9%     #       HECM Standard Traditional     75,000     33,232     45,618     -27.2%       HECM Stndrd Traditional ARM     22,500     9,371     14,697     -36.2%       HECM Standard Purchase     1,700     1,047     906     15.6%       HECM Stndrd Purchase ARM     500     37     93     -60.2%   |                                       | 84.000      |           |           | -24.7%         |        | 73,129             |
| HECM Standard Traditional         75,000         33,232         45,618         -27.2%           HECM Stndrd Traditional ARM         22,500         9,371         14,697         -36.2%           HECM Standard Purchase         1,700         1,047         906         15.6%           HECM Stndrd Purchase ARM         500         37         93         -60.2%   |                                       |             |           |           |                | #      | 5.8%               |
| HECM Stndrd Traditional ARM         22,500         9,371         14,697         -36.2%           HECM Standard Purchase         1,700         1,047         906         15.6%           HECM Stndrd Purchase ARM         500         37         93         -60.2%   |                                       |             |           |           |                | $\top$ | 65,062             |
| HECM Standard Purchase         1,700         1,047         906         15.6%           HECM Stndrd Purchase ARM         500         37         93         -60.2%  |                                       |             |           |           |                | $\top$ | 19,429             |
| HECM Stndrd Purchase ARM         500         37         93         -60.2%   |                                       |             |           |           |                | $\top$ | 1,514              |
|   |                                       |             |           |           |                | $\top$ | 112                |
| HECM Standard Refinance   3.000  976  2.131  -54.2%   | HECM Standard Refinance               | 3,000       | 976       | 2,131     | -54.2%         | $\top$ | 2,727              |
| % HECM Standard Refinance 3.6% 2.6% 4.2% -1.7% #  |                                       |             |           |           |                | #      | 3.7%               |
| HECM Stndrd Refinance ARM 660 312 468 -33.3%  |                                       |             |           |           |                | $\top$ | 565                |
| HECM Saver Total 4,300 2,699 1,721 56.8%  |                                       |             |           |           |                | $\top$ | 3,828              |

## **SINGLE-FAMILY OPERATIONS**

May 2012

#### **FISCAL YEAR COMPARISONS**

| PROJECTIONS  |         |         | RATE OF   |              |
|--------------|---------|---------|-----------|--------------|
| FY 2012      | FY 2012 | FY 2011 | CHANGE    | FY 2011      |
| AS OF OCT 11 | TO DATE | TO DATE | 2012/2011 | <u>FINAL</u> |

|                                    | 710 01 001 11 | TOBITE  | 10 27(12 | 2012/2011 | 1110/12  |
|------------------------------------|---------------|---------|----------|-----------|----------|
| FORWARD ENDORSEMENTS ONLY:         | *             |         |          |           |          |
|                                    |               |         |          |           |          |
| Section 203(k)                     | 22,000        | 15,022  | 12,838   | 17.0%     | 21,297   |
| Condominium                        | 110,000       | 27,592  | 39,997   | -31.0%    | 54,694   |
| % Condominium                      | 7.9%          | 3.5%    | 4.5%     | -1.0%     | # 4.3%   |
| ARM (Excludes HECM ARM)            | 50,000        | 16,068  | 35,395   | -54.6%    | 50,882   |
| % ARM                              | 3.6%          | 2.0%    | 4.0%     | -2.0%     | # 4.0%   |
| Manufactured Housing (Real Estate) | 50,000        | 10,066  | 14,354   | -29.9%    | 21,378   |
| Interest Buy-down                  | 4,000         | 2,947   | 2,106    | 39.9%     | 3,790    |
| Lender Insurance *                 |               |         |          |           |          |
| Total Lender Insurance             | 980,000       | 614,283 | 675,384  | -9.0%     | 976,312  |
| % of Total Insurance               | 70.0%         | 78.1%   | 76.2%    | 1.9%      |          |
| Forward Mortgages                  | 960,400       | 613,474 | 662,209  | -7.4%     | 956,51   |
| HECM                               | 19,600        | 809     | 13,175   | -93.9%    | 19,79    |
| TIEOW                              | 10,000        | 000     | 10,170   | 30.370    | 10,70    |
| Automated Underwriting System * x  |               |         |          |           |          |
| AUS Endorsed                       | 1,050,000     | 576,964 | 668,599  | -13.7%    | 994,57   |
| AUS as % of Total Endorsed         | 79.8%         | 77.1%   | 80.0%    | -2.9%     | # 83.09  |
| Mortgage Insurance *               |               |         |          |           |          |
| Total Number                       | 1,400,000     | 786,341 | 886,087  | -11.3%    | 1,271,21 |
| Total Amount (\$B)                 | \$248.6       | \$143.3 | \$168.5  | -15.0%    | \$236.   |
| Forward Mortgages                  |               |         |          |           |          |
| Total Forward Number               | 1,316,000     | 748,387 | 835,713  | -10.4%    | 1,198,08 |
| Amount (\$B)                       | \$231.1       | \$134.1 | \$155.8  | -13.9%    | \$217.   |
| Purchase Number                    | 840,000       | 467,340 | 492,481  | -5.1%     | 777,52   |
| Amount (\$B)                       | \$141.9       | \$78.2  | \$86.3   | -9.4%     | \$134.   |
| Refinance Number                   | 476,000       | 281,047 | 343,232  | -18.1%    | 420,56   |
| Amount (\$B)                       | \$89.2        | \$55.9  | \$69.5   | -19.6%    | \$83.    |
| Reverse Mortgages                  |               |         |          |           |          |
| HECM Number                        | 84,000        | 37,954  | 50,374   | -24.7%    | 73,12    |
| Max Claim Amount (\$B)             | \$17.5        | \$9.2   | \$12.7   | -27.6%    | \$18.    |
| Claims **                          |               |         |          |           |          |
| Total Claims                       | 318,500       | 178,110 | 226,671  | -21.4%    | 326,89   |
| Loss Mitigation Retention          | 195,000       | 77,512  | 145,479  | -46.7%    | 200,80   |
| Pre-Foreclosures                   | 25,400        | 23,977  | 13,502   | 77.6%     | 25,06    |
| Conveyances                        | 92,000        | 67,557  | 61,474   | 9.9%      | 91,44    |
| HECM                               | 5,000         | 7,719   | 5,128    | 50.5%     | 7,95     |
| Other Claims                       | 1,100         | 1,345   | 1,088    | 23.6%     | 1,61     |

Source: \* F17 CHUMS \*\* A43C Claims System

<sup># =</sup> Percentage point difference

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

# SINGLE-FAMILY OPERATIONS April 2012

CONTACT INFORMATION
WILLIAM F. SHAW 202-402-7550
ZENORA HINES 202-402-7544

#### **Applications**

During April, FHA received 156,453 applications for single-family insurance. By loan purpose, there were: 88,121 for home purchase, 61,824 for refinancing, and 6,508 reverse mortgage applications. The refinance transactions include 33,807 for current FHA mortgages and 28,017 conventional conversions. Also, 249 Short Refinance applications were part of the refinance total.

#### **Endorsements**

This month, FHA endorsed 108,954 single-family mortgages for insurance. Purchase money mortgages accounted for 58,716 cases, refinancing another 45,643, and HECM provided an additional 4,595.

With respect to refinancing, there were 32,285 on prior FHA mortgages and 13,360 conventional conversions. Most of the FHA-to-FHA loans were streamlined cases (27,260). The conventional group included 210 Short Refinance transactions.

#### **Processing Time**

During April, the average processing time for mortgage insurance was 9.2 weeks--almost 6 weeks from application to closing and another 3 weeks from closing to endorsement.

#### Automated Underwriting

This month, 74,530 endorsement were processed using the FHA automated underwriting system (TOTAL), representing 71.4 percent of the total cases insured in April.

#### **Mortgage Insurance**

So far this fiscal year, FHA has insured 672,333 single-family mortgages for \$122 billion. During April, 108,954 mortgages were endorsed for \$20.3 billion. At the end of April, FHA had 7,549,568 mortgages-inforce with an amortized balance of \$1.06 trillion.

#### **Defaults and Claims**

At the end of April, servicers reported 707,330 mortgages in serious delinquency (90 days or more) for a default rate of 9.4 percent -- a continuation of the moderation in the default rate that started in February.

Through April of this fiscal year, FHA paid 153,579 single-family insurance claims. Most of these were loss mitigation actions (67,671), though there were record numbers of property conveyances (57,571) and preforeclosure sales (21,037) for the first seven months of a fiscal year. Conveyance claims in March and April included a significant number of actions on cases that had been held by mortgagees for over a year, pending the National Mortgage Settlement on foreclosure practices. Compared with activity prior to March, the number of monthly conveyance claims should continue to be elevated for the remainder of the fiscal year. In addition to forward-loan activity, 6,453 HECM claim payments have been made this fiscal year.

## **SINGLE-FAMILY OPERATIONS**

**April 2012** 

#### **MONTHLY COMPARISONS**

|                                | CURRENT   | LAST      | RATE OF  | LAST      | RATE OF |
|--------------------------------|-----------|-----------|----------|-----------|---------|
|                                | MONTH     | MONTH     | CHANGE   | YEAR      | CHANGE  |
|                                |           |           | <u></u>  |           |         |
| TOTAL APPLICATIONS: *          | 156,453   | 205,778   | -24.0%   | 160,186   | -2.3%   |
| Annual Rate                    | 1,215,700 | 2,040,000 | -40.4%   | 1,624,500 | -25.2%  |
| Average per workday            | 4,805     | 8,063     | -40.4%   | 6,421     | -25.2%  |
| Purchase                       | 88,121    | 118,352   | -25.5%   | 107,125   | -17.7%  |
| Refinance                      | 61,824    | 80,351    | -23.1%   | 45,690    | 35.3%   |
| Prior FHA                      | 33,807    | 47,160    | -28.3%   | 15,137    | 123.3%  |
| Conventional to FHA            | 28,017    | 33,191    | -15.6%   | 30,553    | -8.3%   |
| H4H (HOPE for Homeowners)      |           |           |          | 155       | -100.0% |
| Short Refinance                | 249       | 229       | 8.7%     | 60        | 315.0%  |
| HECM                           | 6,508     | 7,075     | -8.0%    | 7,371     | -11.7%  |
| TOTAL ENDORSEMENTS: *          | 108,954   | 100,939   | 7.9%     | 93,394    | 16.7%   |
| Annual Rate                    | 1,307,400 | 1,211,300 | 7.9%     | 1,120,700 | 16.7%   |
| Weighted Average FICO Score ** | 699       | 699       | 0.0%     | 703       | -0.6%   |
| Minority                       | 26,308    | 24,736    | 6.4%     | 23,200    | 13.4%   |
| % Minority                     | 24.1%     | 24.5%     | -0.4% #  | 24.8%     | -0.7%   |
| Purchase                       | 58,716    | 54,180    | 8.4%     | 60,378    | -2.8%   |
| % Purchase                     | 53.9%     | 53.7%     | 0.2% #   | 64.6%     | -10.8%  |
| Average FICO Score **          | 695       | 696       | -0.1%    | 701       | -0.9%   |
| 1st Time Home Buyer            | 45,975    | 42,237    | 8.9%     | 46,247    | -0.6%   |
| % 1st Time Home Buyer          | 78.3%     | 78.0%     | 0.3% #   | 76.6%     | 1.7%    |
| Non-Minority                   | 28,979    | 26,099    | 11.0%    | 29,112    | -0.5%   |
| % Non-Minority                 | 63.0%     | 61.8%     | 1.2% #   | 62.9%     | 0.1%    |
| Minority                       | 14,446    | 13,642    | 5.9%     | 14,273    | 1.2%    |
| % Minority                     | 31.4%     | 32.3%     | -0.9% #  | 30.9%     | 0.6%    |
| Not-Disclosed                  | 2,549     | 2,496     | 2.1%     | 2,862     | -10.9%  |
| % Not-Disclosed                | 5.5%      | 5.9%      | -0.4% #  | 6.2%      | -0.6%   |
| Refinanced                     | 45,643    | 42,378    | 7.7%     | 26,893    | 69.7%   |
| % Refinanced                   | 41.9%     | 42.0%     | -0.1% #  | 28.8%     | 13.1%   |
| Average FICO Score **          | 712       | 710       | 0.3%     | 704       | 1.1%    |
| Prior FHA                      | 32,285    | 29,926    | 7.9%     | 11,836    | 172.8%  |
| Streamline                     | 27,260    | 25,175    | 8.3%     | 8,940     | 204.9%  |
| % Streamline                   | 59.7%     | 59.4%     | 0.3% #   | 33.2%     | 26.5%   |
| Full Process                   | 5,025     | 4,751     | 5.8%     | 2,896     | 73.5%   |
| Cash Out                       | 638       | 649       | -1.7%    | 651       | -2.0%   |
| Conventional to FHA            | 13,360    | 12,453    | 7.3%     | 15,059    | -11.3%  |
| Cash Out                       | 3,322     | 3,132     | 6.1%     | 4,262     | -22.1%  |
| Total Cash Out                 | 3,960     | 3,781     | 4.7%     | 4,913     | -19.4%  |
| Total % Cash Out               | 8.7%      | 8.9%      | -0.2% #  | 18.3%     | -9.6%   |
| H4H (HOPE for Homeowners)      | 0.7 70    | 0.070     | 0.270 11 | 29        | 3.070   |
| Short Refinance                | 210       | 135       | 55.6%    | 44        |         |
| HECM                           | 4,595     | 4,381     | 4.9%     | 6,123     | -25.0%  |
| % HECM                         | 4.2%      | 4.3%      | -0.1% #  | 6.6%      | -2.3% ‡ |
| HECM Standard Traditional      | 3,956     | 3,827     | 3.4%     | 5,388     | -26.6%  |
| HECM Standard Traditional ARM  | 1,094     | 1,084     | 0.9%     | 1,301     | -15.9%  |
| HECM Standard Purchase         | 153       | 110       | 39.1%    | 121       | 26.4%   |
| HECM Standard Purchase ARM     | 4         | 3         | 33.3%    | 4         | 0.0%    |
| HECM Standard Refinance        | 138       | 112       | 23.2%    | 223       | -38.1%  |
|                                |           |           |          |           |         |
| % HECM Standard Refinance      | 3.0%      | 2.6%      | 0.4% #   | 3.6%      | -0.6%   |
| HECM Student Refinance ARM     | 32        | 26        | 23.1%    | 26        | 23.1%   |
| HECM Saver Total               | 348       | 332       | 4.8%     | 392       | -11.2%  |

Source: \* F17 CHUMS

# - Percentage point difference

NA - Not available at this time.

<sup>\*\*</sup> This series represents the composite FICO score value that is used for loan underwriting.

### **SINGLE-FAMILY OPERATIONS**

**April 2012** 

#### **MONTHLY COMPARISONS**

|                                    | CURRENT<br><u>MONTH</u> | LAST<br><u>MONTH</u> | RATE OF<br>CHANGE |      | LAST<br><u>YEAR</u> | RATE OF<br><u>CHANGE</u> |
|------------------------------------|-------------------------|----------------------|-------------------|------|---------------------|--------------------------|
| FORWARD ENDORSEMENTS ONLY:         |                         |                      |                   |      |                     |                          |
| Section 203(k)                     | 1,798                   | 1,704                | 5.5%              |      | 1.534               | 17.2%                    |
| Condominium                        | 3,952                   | 3,630                | 8.9%              |      | 3,954               | -0.1%                    |
| % Condominium                      | 3.6%                    | 3.6%                 | 0.0%              | #    | 4.2%                | -0.6% #                  |
| ARM (Excludes HECM ARM)            | 1,448                   | 1,560                | -7.2%             | TT . | 4,761               | -69.6%                   |
| % ARM                              | 1.3%                    | 1.5%                 | -0.2%             | #    | 5.1%                | -3.8% #                  |
| Manufactured Housing (Real Estate) | 1,523                   | 1,636                | -6.9%             | "    | 1,777               | -14.3%                   |
| Interest Buy-down                  | 363                     | 300                  | 21.0%             |      | 250                 | 45.2%                    |
| Average Processing Time * ^        |                         |                      |                   |      |                     |                          |
| (Existing Homes, weeks)            |                         |                      |                   |      |                     |                          |
| Application to Closing             | 5.9                     | 5.7                  | 3.5%              |      | 6.1                 | -3.3%                    |
| Closing to Endorsement             | 3.3                     | 3.2                  | 3.1%              |      | 3.0                 | 10.0%                    |
| Lender Insurance *                 |                         |                      |                   |      |                     |                          |
| Total Lender Insurance             | 86,267                  | 79,580               | 8.4%              |      | 71,895              | 20.0%                    |
| % of Total Insurance               | 79.2%                   | 78.8%                | 0.3%              | #    | 77.0%               | 2.2% #                   |
| Forward Mortgages                  | 86,267                  | 79,580               | 8.4%              |      | 70,587              | 22.2%                    |
| HECM                               | 0                       | 0                    |                   |      | 1,308               |                          |
| Automated Underwriting System * x  |                         |                      |                   |      |                     |                          |
| AUS Endorsed                       | 74,530                  | 68,981               | 8.0%              |      | 76,669              | -2.8%                    |
| AUS as % of Total Endorsed         | 71.4%                   | 71.4%                | 0.0%              | #    | 87.9%               | -16.4% #                 |
| Mortgage Insurance *               |                         |                      |                   |      |                     |                          |
| Total Number                       | 108,954                 | 100,939              | 7.9%              |      | 93,394              | 16.7%                    |
| Total Amount (\$B)                 | \$20.3                  | \$18.8               | 8.0%              |      | \$16.8              | 20.8%                    |
| Forward Mortgages                  |                         |                      |                   |      |                     |                          |
| Total Forward Number               | 104,359                 | 96,558               | 8.1%              |      | 87,271              | 19.6%                    |
| Amount (\$B)                       | \$19.2                  | \$17.7               | 8.5%              |      | \$15.3              | 25.5%                    |
| Purchase Number                    | 58,716                  | 54,180               | 8.4%              |      | 60,378              | -2.8%                    |
| Amount (\$B)                       | \$9.9                   | \$9.1                | 8.8%              |      | \$10.3              | -3.9%                    |
| Refinance Number                   | 45,643                  | 42,378               | 7.7%              |      | 26,893              | 69.7%                    |
| Amount (\$B)                       | \$9.3                   | \$8.6                | 8.1%              |      | \$5.0               | 86.0%                    |
| Reverse Mortgages                  |                         |                      |                   |      |                     |                          |
| HECM Number                        | 4,595                   | 4,381                | 4.9%              |      | 6,123               | -25.0%                   |
| Max Claim Amount (\$B)             | \$1.1                   | \$1.1                | 0.0%              |      | \$1.5               | -26.7%                   |
| Mortgage Insurance-In-Force **     |                         |                      |                   |      |                     |                          |
| Total Number                       | 7,549,568               | 7,590,450            | -0.5%             |      | 7,035,016           | 7.3%                     |
| Total Unpaid Balance Amount (\$B)  | \$1,057.0               | \$1,063.9            | -0.6%             |      | \$975.2             | 8.4%                     |
| Loans Seriously Delinquent *** <   |                         |                      |                   |      |                     |                          |
| Seriously Delinquent               | 707,330                 | 707,863              | -0.1%             |      | 575,950             | 22.8%                    |
| Seriously Delinquent Rate          | 9.4%                    | 9.4%                 | 0.0%              | #    | 8.2%                | 1.2% ‡                   |

Source: \* F17 CHUMS \*\* A43 Single Family Insurance System \*\*\* F42D Consolidated Single Family Default Monitoring System

<sup>#</sup> Percentage point difference

<sup>^</sup> Existing homes, including purchase and refinance cases, represent virtually all of insurance activity.

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

This count of seriously delinquent mortgages includes all bankruptcies, all foreclosures and 90 days or more delinquencies.

## **SINGLE-FAMILY OPERATIONS**

**April 2012** 

#### **FISCAL YEAR COMPARISONS**

|                             | PROJECTIONS        |           |                    | RATE OF   |           |
|-----------------------------|--------------------|-----------|--------------------|-----------|-----------|
|                             | FY 2012            | FY 2012   | FY 2011            | CHANGE    | FY 2011   |
|                             | AS OF OCT 11       | TO DATE   | TO DATE            | 2012/2011 | FINAL     |
| OTAL APPLICATIONS: *        | 1,750,000          | 1,010,012 | 965,986            | 4.6%      | 1,603,669 |
| Purchase                    | 1,015,000          | 537,862   | 520,210            | 3.4%      | 921,886   |
| Refinance                   |                    |           | -                  | 9.2%      |           |
| Prior FHA                   | 630,000            | 425,055   | 389,286            | 52.1%     | 586,092   |
| Conventional to FHA         | 252,000<br>378.000 | 246,435   | 162,034<br>227,252 |           | 247,124   |
| H4H (HOPE for Homeowners)   | 370,000            | 178,620   | 964                | -21.4%    | 338,968   |
| , ,                         |                    | 4.004     |                    |           | 1,408     |
| Short Refinance             | 405.000            | 1,801     | 470<br>50 400      | -16.6%    | 1,333     |
| HECM                        | 105,000            | 47,095    | 56,490             | -16.6%    | 95,691    |
| OTAL ENDORSEMENTS: *        | 1,400,000          | 672,333   | 790,180            | -14.9%    | 1,271,211 |
| Minority                    | 350,000            | 170,775   | 188,601            | -9.5%     | 312,940   |
| % Minority                  | 25.0%              | 25.4%     | 23.9%              | 1.5%      |           |
| 70 Willionty                | 25.070             | 20.7/0    | 20.070             | 1.0/0     | 24.070    |
| Purchase                    | 840,000            | 401,120   | 426.006            | -5.8%     | 777,521   |
| % Purchase                  | 60.0%              | 59.7%     | 53.9%              | 5.7%      |           |
| 1st Time Home Buyer         | 630,000            | 309,461   | 316,043            | -2.1%     | 585,091   |
| % 1st Time Home Buyer       | 75.0%              | 77.1%     | 74.2%              | 3.0%      |           |
| Non-Minority                | 403,200            | 189,272   | 192,623            | -1.7%     | 360,891   |
| % Non-Minority              | 64.0%              | 61.2%     | 60.9%              | 0.2%      |           |
| •                           |                    |           |                    | -1.0%     |           |
| Minority                    | 189,000            | 101,811   | 102,796            |           | 187,022   |
| % Minority                  | 30.0%              | 32.9%     | 32.5%              | 0.4%      |           |
| Not-Disclosed               | 37,800             | 18,383    | 20,622             | -10.9%    | 37,176    |
| % Not-Disclosed             | 6.0%               | 5.9%      | 6.5%               | -0.6%     | 6.4%      |
| Refinanced                  | 476,000            | 237,698   | 318,988            | -25.5%    | 420,561   |
| % Refinanced                | 34.0%              | 35.4%     | 40.4%              | -5.0%     | # 33.1%   |
| Prior FHA                   | 247,520            | 155,907   | 179,996            | -13.4%    | 224,936   |
| Streamline                  | 223,720            | 126,172   | 147,933            | -14.7%    | 180,330   |
| % Streamline                | 47.0%              | 53.1%     | 46.4%              | 6.7%      |           |
| Full Process                | 23,800             | 29,662    | 32,063             | -7.5%     | 44,606    |
| Cash Out                    | 7,200              | 4,465     | 6,111              | -26.9%    | 9,022     |
| Conventional to FHA         | 228,480            | 81,872    | 139,023            | -41.1%    | 195,634   |
| Cash Out                    | 36,000             | 21,807    | 36,174             | -39.7%    | 52,921    |
| Total Cash Out              | 43,200             | 26,272    | 42,285             | -37.9%    | 61,943    |
| Total % Cash Out            | 9.1%               | 11.1%     | 13.3%              | -2.2%     |           |
| H4H (HOPE for Homeowners)   |                    | 2         | 188                |           | 632       |
| Short Refinance             |                    | 861       | 151                |           | 334       |
| HECM                        | 84,000             | 33,515    | 45,187             | -25.8%    | 73,129    |
| % HECM                      | 6.0%               | 5.0%      | 5.7%               | -0.7%     |           |
| HECM Standard Traditional   | 75,000             | 29,366    | 41,031             | -28.4%    | 65,062    |
| HECM Stndrd Traditional ARM | 22,500             | 8,281     | 13,678             | -39.5%    | 19,429    |
| HECM Standard Purchase      | 1,700              | 915       | 810                | 13.0%     | 1,514     |
| HECM Stndrd Purchase ARM    | 500                | 35        | 90                 | -61.1%    | 112       |
| HECM Standard Refinance     | 3,000              | 886       | 1,991              | -55.5%    | 2,727     |
| % HECM Standard Refinance   | 3.6%               | 2.6%      | 4.4%               | -1.8%     |           |
| HECM Stndrd Refinance ARM   | 660                | 284       | 448                | -36.6%    | 565       |
|                             |                    | · · · ·   |                    |           |           |

## **SINGLE-FAMILY OPERATIONS**

**April 2012** 

#### **FISCAL YEAR COMPARISONS**

 PROJECTIONS
 RATE OF

 FY 2012
 FY 2012
 FY 2011
 CHANGE
 FY 2011

 AS OF OCT 11
 TO DATE
 TO DATE
 2012/2011
 FINAL

|                                    | AS OF OCT TI | TODATE  | TODATE  | 2012/2011 | FINAL    |
|------------------------------------|--------------|---------|---------|-----------|----------|
| FORWARD ENDORSEMENTS ONLY          | ': *         |         |         |           |          |
|                                    |              |         |         |           |          |
| Section 203(k)                     | 22,000       | 13,297  | 11,079  | 20.0%     | 21,297   |
| Condominium                        | 110,000      | 23,590  | 36,037  | -34.5%    | 54,694   |
| % Condominium                      | 7.9%         | 3.5%    | 4.6%    | -1.1% #   | 4.3%     |
| ARM (Excludes HECM ARM)            | 50,000       | 14,433  | 31,201  | -53.7%    | 50,882   |
| % ARM                              | 3.6%         | 2.1%    | 3.9%    | -1.8% #   | 4.0%     |
| Manufactured Housing (Real Estate) | 50,000       | 10,066  | 12,634  | -20.3%    | 21,378   |
| Interest Buy-down                  | 4,000        | 2,602   | 1,778   | 46.3%     | 3,790    |
| Lender Insurance *                 |              |         |         |           |          |
| Total Lender Insurance             | 980,000      | 523,826 | 601,176 | -12.9%    | 976,312  |
| % of Total Insurance               | 70.0%        | 77.9%   | 76.1%   | 1.8% #    | 76.8%    |
| Forward Mortgages                  | 960,400      | 523,017 | 589,139 | -11.2%    | 956,514  |
| HECM                               | 19,600       | 809     | 12,037  | -93.3%    | 19,798   |
| Automated Underwriting System *    | x            |         |         |           |          |
| AUS Endorsed                       | 1,050,000    | 495,128 | 587,252 | -15.7%    | 994,574  |
| AUS as % of Total Endorsed         | 79.8%        | 77.5%   | 78.8%   | -1.3% #   | 83.0%    |
| Mortgage Insurance *               |              |         |         |           |          |
| Total Number                       | 1,400,000    | 672,333 | 790,180 | -14.9%    | 1,271,21 |
| Total Amount (\$B)                 | \$248.6      | \$122.0 | \$151.6 | -19.5%    | \$236.0  |
| Forward Mortgages                  |              |         |         |           |          |
| Total Forward Number               | 1,316,000    | 638,818 | 744,994 | -14.3%    | 1,198,08 |
| Amount (\$B)                       | \$231.1      | \$113.9 | \$140.2 | -18.8%    | \$217.   |
| Purchase Number                    | 840,000      | 401,120 | 426,006 | -5.8%     | 777,52   |
| Amount (\$B)                       | \$141.9      | \$66.9  | \$75.1  | -10.9%    | \$134.   |
| Refinance Number                   | 476,000      | 237,698 | 318,988 | -25.5%    | 420,56   |
| Amount (\$B)                       | \$89.2       | \$47.0  | \$65.1  | -27.8%    | \$83.    |
| Reverse Mortgages                  |              |         |         |           |          |
| HECM Number                        | 84,000       | 33,515  | 45,186  | -25.8%    | 73,12    |
| Max Claim Amount (\$B)             | \$17.5       | \$8.1   | \$11.4  | -28.9%    | \$18.    |
| Claims **                          |              |         |         |           |          |
| Total Claims                       | 318,500      | 153,579 | 199,591 | -23.1%    | 326,89   |
| Loss Mitigation Retention          | 195,000      | 67,671  | 127,946 | -47.1%    | 200,80   |
| Pre-Foreclosures                   | 25,400       | 21,037  | 11,780  | 78.6%     | 25,06    |
| Conveyances                        | 92,000       | 57,571  | 54,519  | 5.6%      | 91,44    |
| HECM                               | 5,000        | 6,453   | 4,328   | 49.1%     | 7,95     |
| Other Claims                       | 1,100        | 847     | 1,018   | -16.8%    | 1,61     |

Source: \* F17 CHUMS \*\* A43C Claims System

<sup># =</sup> Percentage point difference

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

# SINGLE-FAMILY OPERATIONS March 2012

CONTACT INFORMATION
WILLIAM F. SHAW 202-402-7550
ZENORA HINES 202-402-7544

#### **Applications**

During March, FHA received 205,778 single family applications. This total included 118,352 for home purchase, 80,351 refinance actions, and 7,075 for reverse mortgages. The refinance cases included 47,160 for existing FHA-insured loans and 33,191 for conventional-loan conversions. The refinance total also included 229 principal write down transactions under the FHA refinance for borrowers in negative equity positions (short refinance).

At the half-way point in the fiscal year, FHA has received a total of 853,559 applications for single-family mortgage insurance. Most of these (449,741) were for home-purchase transactions, though there has been significant activity for refinance actions (363,231) and HECM loans (40,587).

#### **Endorsements**

This month FHA endorsed for insurance 100,939 mortgages, with balances of \$18.8 billion. This total includes 54,180 purchase money mortgages, 42,378 refinance cases and 4,381 reverse mortgages. The refinance mortgages include 29,926 on prior FHA mortgages (25,175 being streamline cases) and 12,453 conventional conversions to FHA. Included in the conventional count are 135 principal write-down cases. Also, 4,381 HECM loans were insured this month, of which, 332 were for the Saver option.

Year to date, FHA has insured 563,379 single-family mortgages. This includes 342,404 purchase cases, 192,055 refinance actions, and 28,920 reverse mortgages.

At the end of March, FHA had 7,590,450 single family mortgages-in-force with an amortized balance of \$1,063.9 billion.

#### **Automated Underwriting**

During the month, 68,981 mortgages were accepted and endorsed using the FHA scorecard, accounting for 71.4 percent of the total endorsements this month.

#### **Defaults and Claims**

At the end of March, servicers reported 707,863 FHA insured mortgages in serious delinquency yielding a default rate of 9.4 percent -- down from the 9.7 percent rate reported for February.

FHA has paid on 127,645 claim filings so far this year. Most of them (57,910) were for loss mitigation home retention options, however, 45,741 were for property conveyances. The bulk of the remaining claims were preforeclosure (17,649) or HECM (5,664) claims.

## **SINGLE-FAMILY OPERATIONS**

March 2012

#### **MONTHLY COMPARISONS**

|                                | CURRENT   | LAST      | RATE OF   | LAST      | RATE OF |
|--------------------------------|-----------|-----------|-----------|-----------|---------|
|                                | MONTH     | MONTH     | CHANGE    | YEAR      | CHANGE  |
|                                |           |           | <u></u>   |           |         |
| TOTAL APPLICATIONS: *          | 205,778   | 155,248   | 32.5%     | 158,478   | 29.8%   |
| Annual Rate                    | 2,040,000 | 2,247,000 | -9.2%     | 1,492,515 | 36.7%   |
| Average per workday            | 8,063     | 8,881     | -9.2%     | 5,899     | 36.7%   |
| Purchase                       | 118,352   | 75,377    | 57.0%     | 100,402   | 17.9%   |
| Refinance                      | 80,351    | 73,076    | 10.0%     | 49,238    | 63.2%   |
| Prior FHA                      | 47,160    | 43,737    | 7.8%      | 14,983    | 214.8%  |
| Conventional to FHA            | 33,191    | 29,339    | 13.1%     | 34,255    | -3.1%   |
| H4H (HOPE for Homeowners)      |           |           |           | 279       |         |
| Short Refinance                | 229       | 239       | -4.2%     | 74        | 209.5%  |
| HECM                           | 7,075     | 6,795     | 4.1%      | 8,838     | -19.9%  |
| TOTAL ENDORSEMENTS: *          | 100,939   | 90,561    | 11.5%     | 99,112    | 1.8%    |
| Annual Rate                    | 1,211,300 | 1,086,700 | 11.5%     | 1,189,300 | 1.8%    |
| Weighted Average FICO Score ** | 699       | 699       | 0.0%      | 703       | -0.6%   |
| Minority                       | 24,736    | 23,654    | 4.6%      | 24,739    | 0.0%    |
| % Minority                     | 24.5%     | 26.1%     | -1.6% #   | 25.0%     | -0.5%   |
| Purchase                       | 54,180    | 50,378    | 7.5%      | 58,057    | -6.7%   |
| % Purchase                     | 53.7%     | 55.6%     | -2.0% #   | 58.6%     | -4.9%   |
| Average FICO Score **          | 696       | 696       | 0.0%      | 703       | -1.0%   |
| 1st Time Home Buyer            | 42,237    | 39,034    | 8.2%      | 43,653    | -3.2%   |
| % 1st Time Home Buyer          | 78.0%     | 77.5%     | 0.5% #    | 75.2%     | 2.8% ‡  |
| Non-Minority                   | 26,099    | 23,083    | 13.1%     | 26,716    | -2.3%   |
| % Non-Minority                 | 61.8%     | 59.1%     | 2.7% #    | 61.2%     | 0.6%    |
| Minority                       | 13,642    | 13,567    | 0.6%      | 14,248    | -4.3%   |
| % Minority                     | 32.3%     | 34.8%     | -2.5% #   | 32.6%     | -0.3% ; |
| Not-Disclosed                  | 2,496     | 2,384     | 4.7%      | 2,689     | -7.2%   |
| % Not-Disclosed                | 5.9%      | 6.1%      | -0.2% #   | 6.2%      | -0.3%   |
| Refinanced                     | 42,378    | 34,757    | 21.9%     | 33,749    | 25.6%   |
| % Refinanced                   | 42.0%     | 38.4%     | 3.6% #    | 34.1%     | 7.9%    |
| Average FICO Score **          | 710       | 708       | 0.3%      | 705       | 0.7%    |
| Prior FHA                      | 29,926    | 23,284    | 28.5%     | 15,440    | 93.8%   |
| Streamline                     | 25,175    | 19,117    | 31.7%     | 11,800    | 113.3%  |
| % Streamline                   | 59.4%     | 55.0%     | 4.4% #    | 35.0%     | 24.4%   |
| Full Process                   | 4,751     | 4,167     | 14.0%     | 3,640     | 30.5%   |
| Cash Out                       | 649       | 630       | 3.0%      | 768       | -15.5%  |
| Conventional to FHA            | 12,453    | 11,475    | 8.5%      | 18,309    | -32.0%  |
| Cash Out                       | 3,132     | 2,989     | 4.8%      | 5,129     | -38.9%  |
| Total Cash Out                 | 3,781     | 3,619     | 4.5%      | 5,897     | -35.9%  |
| Total % Cash Out               | 8.9%      | 10.4%     | -1.5% #   | 17.5%     | -8.6%   |
| H4H (HOPE for Homeowners)      | 0.070     | 101170    | 110,70 !! | 50        | 0.070   |
| Short Refinance                | 135       | 104       | 29.8%     | 43        |         |
| HECM                           | 4,381     | 5,426     | -19.3%    | 7,306     | -40.0%  |
| % HECM                         | 4.3%      | 6.0%      | -1.7% #   | 7.4%      | -3.0% # |
| HECM Standard Traditional      | 3,827     | 4,783     | -20.0%    | 6,402     | -40.2%  |
| HECM Stndrd Traditional ARM    | 1,084     | 1,307     | -17.1%    | 1,874     | -42.2%  |
| HECM Standard Purchase         | 110       | 132       | -16.7%    | 121       | -9.1%   |
| HECM Stndrd Purchase ARM       | 3         | 5         | -40.0%    | 9         | -66.7%  |
| HECM Standard Refinance        | 112       | 130       | -13.8%    | 374       | -70.1%  |
| % HECM Standard Refinance      | 2.6%      | 2.4%      | 0.2% #    | 5.1%      | -2.6%   |
| HECM Standard Refinance ARM    | 26        | 35        | -25.7%    | 58        | -55.2%  |
| HECM Saver Total               | 332       | 381       | -12.9%    | 409       | -18.8%  |
| TILOW OUVOI TOTAL              | 302       | 301       | 12.070    | 700       | 10.070  |

Source: \* F17 CHUMS

NA - Not available at this time.

<sup># -</sup> Percentage point difference

<sup>\*\*</sup> This series represents the composite FICO score value that is used for loan underwriting.

## **SINGLE-FAMILY OPERATIONS**

March 2012

#### **MONTHLY COMPARISONS**

|                                    | CURRENT<br><u>MONTH</u> | LAST<br><u>MONTH</u> | RATE OF<br><u>CHANGE</u> | LAST<br><u>YEAR</u> | RATE OF<br>CHANGE |
|------------------------------------|-------------------------|----------------------|--------------------------|---------------------|-------------------|
| FORWARD ENDORSEMENTS ONLY: *       |                         |                      |                          |                     |                   |
| Section 203(k)                     | 1,704                   | 1,803                | -5.5%                    | 1,573               | 8.3%              |
| Condominium                        | 3,630                   | 3,280                | 10.7%                    | 4,268               | -14.9%            |
| % Condominium                      | 3.6%                    | 3.6%                 | 0.0%                     | # 4.3%              | -0.7% #           |
| ARM (Excludes HECM ARM)            | 1,560                   | 1,755                | -11.1%                   | 5,187               | -69.9%            |
| % ARM                              | 1.5%                    | 1.9%                 | -0.4%                    | # 5.2%              | -3.7% ‡           |
| Manufactured Housing (Real Estate) | 1,636                   | 1,678                | -2.5%                    | 1,836               | -10.9%            |
| Interest Buy-down                  | 300                     | 298                  | 0.7%                     | 249                 | 20.5%             |
| Average Processing Time * ^        |                         |                      |                          |                     |                   |
| (Existing Homes, weeks)            |                         |                      |                          |                     |                   |
| Application to Closing             | 5.7                     | 6.0                  | -5.0%                    | 6.7                 | -14.9%            |
| Closing to Endorsement             | 3.2                     | 3.7                  | -13.5%                   | 3.3                 | -3.0%             |
| Lender Insurance *                 |                         |                      |                          |                     |                   |
| Total Lender Insurance             | 79,580                  | 70,256               | 13.3%                    | 75,903              | 4.8%              |
| % of Total Insurance               | 78.8%                   | 77.6%                | 1.3%                     | # 76.6%             | 2.3%              |
| Forward Mortgages                  | 79,580                  | 70,256               | 13.3%                    | 73,783              | 7.9%              |
| HECM                               | 0                       | 0                    |                          | 2,120               |                   |
| Automated Underwriting System * x  |                         |                      |                          |                     |                   |
| AUS Endorsed                       | 68,981                  | 63,621               | 8.4%                     | 78,293              | -11.9%            |
| AUS as % of Total Endorsed         | 71.4%                   | 74.7%                | -3.3%                    | # 85.3%             | -13.8%            |
| Mortgage Insurance *               |                         |                      |                          |                     |                   |
| Total Number                       | 100,939                 | 90,561               | 11.5%                    | 99,112              | 1.8%              |
| Total Amount (\$B)                 | \$18.8                  | \$16.5               | 13.9%                    | \$18.3              | 2.7%              |
| Forward Mortgages                  |                         |                      |                          |                     |                   |
| Total Forward Number               | 96,558                  | 85,135               | 13.4%                    | 91,806              | 5.2%              |
| Amount (\$B)                       | \$17.7                  | \$15.2               | 16.4%                    | \$16.5              | 7.3%              |
| Purchase Number                    | 54,180                  | 50,378               | 7.5%                     | 58,057              | -6.7%             |
| Amount (\$B)                       | \$9.1                   | \$8.4                | 8.3%                     | \$10.1              | -9.9%             |
| Refinance Number                   | 42,378                  | 34,757               | 21.9%                    | 33,749              | 25.6%             |
| Amount (\$B)                       | \$8.6                   | \$6.8                | 26.5%                    | \$6.4               | 34.4%             |
| Reverse Mortgages                  |                         |                      |                          |                     |                   |
| HECM Number                        | 4,381                   | 5,426                | -19.3%                   | 7,306               | -40.0%            |
| Max Claim Amount (\$B)             | \$1.1                   | \$1.3                | -15.4%                   | \$1.8               | -38.9%            |
| Mortgage Insurance-In-Force **     |                         |                      |                          |                     |                   |
| Total Number                       | 7,590,450               | 7,494,104            | 1.3%                     | 6,983,893           | 8.7%              |
| Total Unpaid Balance Amount (\$B)  | \$1,063.9               | \$1,047.9            | 1.5%                     | \$966.4             | 10.1%             |
| Loans Seriously Delinquent *** <   |                         |                      |                          |                     |                   |
| Seriously Delinquent               | 707,863                 | 723,904              | -2.2%                    | 580,480             | 21.9%             |
| Seriously Delinquent Rate          | 9.4%                    | 9.7%                 | -0.3%                    | # 8.3%              | 1.1% ‡            |

Source: \* F17 CHUMS \*\* A43 Single Family Insurance System \*\*\* F42D Consolidated Single Family Default Monitoring System

<sup>#</sup> Percentage point difference

<sup>^</sup> Existing homes, including purchase and refinance cases, represent virtually all of insurance activity.

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

This count of seriously delinquent mortgages includes all bankruptcies, all foreclosures and 90 days or more delinquencies.

## **SINGLE-FAMILY OPERATIONS**

March 2012

#### **FISCAL YEAR COMPARISONS**

|                             | PROJECTIONS  | RATE OF |         |           |           |
|-----------------------------|--------------|---------|---------|-----------|-----------|
|                             | FY 2012      | FY 2012 | FY 2011 | CHANGE    | FY 2011   |
|                             | AS OF OCT 11 | TO DATE | TO DATE | 2012/2011 | FINAL     |
|                             | <u> </u>     | TOBATE  | TOBATE  | 2012/2011 | THAL      |
| OTAL APPLICATIONS: *        | 1,750,000    | 853,559 | 805,800 | 5.9%      | 1,603,669 |
| Durches                     | 4.045.000    | 440.744 | 442.005 | 0.00/     | 024 000   |
| Purchase                    | 1,015,000    | 449,741 | 413,085 | 8.9%      | 921,886   |
| Refinance                   | 630,000      | 363,231 | 343,596 | 5.7%      | 586,092   |
| Prior FHA                   | 252,000      | 212,628 | 146,897 | 44.7%     | 247,124   |
| Conventional to FHA         | 378,000      | 150,603 | 196,699 | -23.4%    | 338,968   |
| H4H (HOPE for Homeowners)   |              | 0       | 809     |           | 1,408     |
| Short Refinance             |              | 1,552   | 410     |           | 1,333     |
| HECM                        | 105,000      | 40,587  | 49,119  | -17.4%    | 95,691    |
| OTAL ENDORSEMENTS: *        | 1,400,000    | 563,379 | 696,786 | -19.1%    | 1,271,211 |
|                             |              |         |         |           |           |
| Minority                    | 350,000      | 144,467 | 165,401 | -12.7%    | 312,940   |
| % Minority                  | 25.0%        | 25.6%   | 23.7%   | 1.9% #    | 24.6%     |
| Purchase                    | 940,000      | 242 404 | 26E 629 | C 49/     | 777 504   |
|                             | 840,000      | 342,404 | 365,628 | -6.4%     | 777,521   |
| % Purchase                  | 60.0%        | 60.8%   | 52.5%   | 8.3% #    | 61.2%     |
| 1st Time Home Buyer         | 630,000      | 263,493 | 269,796 | -2.3%     | 585,091   |
| % 1st Time Home Buyer       | 75.0%        | 77.0%   | 73.8%   | 3.2% #    | 75.3%     |
| Non-Minority                | 403,200      | 160,293 | 163,511 | -2.0%     | 360,891   |
| % Non-Minority              | 64.0%        | 60.8%   | 60.6%   | 0.2% #    | 61.7%     |
| Minority                    | 189,000      | 87,365  | 88,523  | -1.3%     | 187,022   |
| % Minority                  | 30.0%        | 33.2%   | 32.8%   | 0.3% #    | 32.0%     |
| Not-Disclosed               | 37,800       | 15,834  | 17,760  | -10.8%    | 37,176    |
| % Not-Disclosed             | 6.0%         | 6.0%    | 6.6%    | -0.6% #   | 6.4%      |
| Refinanced                  | 476,000      | 192,055 | 292,095 | -34.2%    | 420,561   |
| % Refinanced                | 34.0%        | 34.1%   | 41.9%   | -7.8% #   | 33.1%     |
| Prior FHA                   | 247,520      | 123,622 | 168,160 | -26.5%    | 224,936   |
| Streamline                  | 223,720      | 98,912  | 138,993 | -28.8%    | 180,330   |
| % Streamline                | 47.0%        | 51.5%   | 47.6%   | 3.9% #    | 42.9%     |
| Full Process                | 23,800       | 24,637  | 29,167  | -15.5%    | 44,606    |
| Cash Out                    | 7,200        | 3,827   | 5,460   | -29.9%    | 9,022     |
| Conventional to FHA         | 228,480      | 68,512  | 123,964 | -44.7%    | 195,634   |
| Cash Out                    | 36,000       | 18,485  | 31,912  | -42.1%    | 52,921    |
| Total Cash Out              | 43,200       | 22,312  | 37,372  | -40.3%    | 61,943    |
|                             | 9.1%         | 11.6%   | 12.8%   | -40.3%    | 14.7%     |
| Total % Cash Out            | 9.1%         |         |         | -1.2% #   |           |
| H4H (HOPE for Homeowners)   |              | 2       | 159     |           | 632       |
| Short Refinance             | 04.000       | 651     | 107     | 00.00/    | 334       |
| HECM                        | 84,000       | 28,920  | 39,064  | -26.0%    | 73,129    |
| % HECM                      | 6.0%         | 5.1%    | 5.6%    | -0.5% #   | 5.8%      |
| HECM Standard Traditional   | 75,000       | 25,410  | 35,643  | -28.7%    | 65,062    |
| HECM Stndrd Traditional ARM | 22,500       | 7,187   | 12,377  | -41.9%    | 19,429    |
| HECM Standard Purchase      | 1,700        | 762     | 689     | 10.6%     | 1,514     |
| HECM Stndrd Purchase ARM    | 500          | 31      | 86      | -64.0%    | 112       |
| HECM Standard Refinance     | 3,000        | 748     | 1,768   | -57.7%    | 2,727     |
| % HECM Standard Refinance   | 3.6%         | 2.6%    | 4.5%    | -1.9% #   | 3.7%      |
| HECM Stndrd Refinance ARM   | 660          | 252     | 422     | -40.3%    | 565       |
| HECM Saver Total            | 4,300        | 2,000   | 964     | 107.5%    | 3,828     |

## **SINGLE-FAMILY OPERATIONS**

March 2012

#### **FISCAL YEAR COMPARISONS**

 PROJECTIONS
 RATE OF

 FY 2012
 FY 2012
 FY 2011
 CHANGE
 FY 2011

 AS OF OCT 11
 TO DATE
 TO DATE
 2012/2011
 FINAL

| FORWARD ENDORSEMENTS ONLY: *       |           |         |         |         |          |
|------------------------------------|-----------|---------|---------|---------|----------|
|                                    |           |         |         |         |          |
| Section 203(k)                     | 22,000    | 11,499  | 9,545   | 20.5%   | 21,29    |
| Condominium                        | 110,000   | 19,638  | 32,083  | -38.8%  | 54,69    |
| % Condominium                      | 7.9%      | 3.5%    | 4.6%    | -1.1% ‡ | # 4.3°   |
| ARM (Excludes HECM ARM)            | 50,000    | 12,985  | 26,440  | -50.9%  | 50,88    |
| % ARM                              | 3.6%      | 2.3%    | 3.8%    | -1.5% ‡ | # 4.0°   |
| Manufactured Housing (Real Estate) | 50,000    | 10,066  | 10,857  | -7.3%   | 21,37    |
| Interest Buy-down                  | 4,000     | 2,239   | 1,528   | 46.5%   | 3,79     |
| Lender Insurance *                 |           |         |         |         |          |
| Total Lender Insurance             | 980,000   | 437,559 | 529,281 | -17.3%  | 976,31   |
| % of Total Insurance               | 70.0%     | 77.7%   | 76.0%   | 1.7% #  |          |
| Forward Mortgages                  | 960,400   | 436,750 | 518,552 | -15.8%  | 956,51   |
| HECM                               | 19,600    | 809     | 10,729  | -92.5%  | 19,79    |
| Automated Underwriting System * x  |           |         |         |         |          |
| AUS Endorsed                       | 1,050,000 | 420,598 | 510,583 | -17.6%  | 994,57   |
| AUS as % of Total Endorsed         | 79.8%     | 78.7%   | 77.6%   | 1.1%    |          |
| Mortgage Insurance *               |           |         |         |         |          |
| Total Number                       | 1,400,000 | 563,379 | 696,786 | -19.1%  | 1,271,21 |
| Total Amount (\$B)                 | \$248.6   | \$101.7 | \$134.8 | -24.6%  | \$236    |
| Forward Mortgages                  | φ240.0    | φ101.7  | φ134.0  | -24.076 | φ230.    |
| Total Forward Number               | 1,316,000 | 534,459 | 657,723 | -18.7%  | 1,198,08 |
|                                    | \$231.1   | \$94.7  | \$124.9 | -24.2%  | \$217    |
| Amount (\$B)                       | 840,000   | 342,404 | 365,628 | -24.2%  | 777,52   |
| Purchase Number                    | \$141.9   | \$57.0  | \$64.8  | -12.0%  | \$134    |
| Amount (\$B)  Refinance Number     | 476,000   | 192,055 | 292,095 | -34.2%  | 420,56   |
|                                    | \$89.2    | \$37.7  | \$60.1  |         | \$83     |
| Amount (\$B)  Reverse Mortgages    | Φ09.2     | φ31.1   | φυ. ι   | -37.3%  | φου      |
| HECM Number                        | 84,000    | 28,920  | 39,063  | -26.0%  | 73,12    |
| Max Claim Amount (\$B)             | \$17.5    | \$7.0   | \$9.9   | -29.3%  | \$18     |
|                                    |           |         |         |         |          |
| Claims **                          | 040 =00   | 107.015 | 170 10- | 0= 101  | 222      |
| Total Claims                       | 318,500   | 127,645 | 170,487 | -25.1%  | 326,89   |
| Loss Mitigation Retention          | 195,000   | 57,910  | 109,423 | -47.1%  | 200,80   |
| Pre-Foreclosures                   | 25,400    | 17,649  | 9,286   | 90.1%   | 25,06    |
| Conveyances                        | 92,000    | 45,741  | 47,534  | -3.8%   | 91,44    |
| HECM                               | 5,000     | 5,664   | 3,624   | 56.3%   | 7,95     |
| Other Claims                       | 1,100     | 681     | 620     | 9.8%    | 1,61     |

Source: \* F17 CHUMS \*\* A43C Claims System

<sup># =</sup> Percentage point difference

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

## SINGLE-FAMILY OPERATIONS

February 2012

CONTACT INFORMATION
WILLIAM F. SHAW 202-402-7550
ZENORA HINES 202-402-7544

#### **Applications**

During February, the estimated seasonally adjusted annual rate was 2,247,000 -- slightly below January's estimate but a continuation of improved activity.

The actual count of application receipts was 155,248 -- 22.4 percent higher than last month. There were 75,377 purchase applications, 73,076 refinance applications as well as 6,795 for reverse mortgages.

Included in the refinance count was 43,737 prior FHA cases and 29,339 conventional converting to FHA. The conversions included 239 principal write down transactions.

#### **Endorsements**

During the month, 90,561 single-family mortgages were endorsed for \$16.5 billion (average mortgage -- \$182,000). There were 50,378 purchase money mortgages, 34,757 refinanced cases and 5,426 reverse mortgages making up the total. It should be noted that the quality of the mortgages were relatively good -- with FICO scores of 696 for purchase cases and 708 for refinance transactions.

For purchase mortgages, 77.5 percent were for first time home buyers of which 34.8 percent were minority households.

With respect to refinances, 23,284 were prior FHA cases and 11,475 were conventional conversions to FHA. Four out of five of these FHA cases were handled with streamline procedures and the bulk of these did not have appraisals.

The conventional conversions included 2,989 cash outs as well as 104 short refinance actions.

Of the HECM cases insured, most of these (4,783) were standard reverse mortgages. Also, there were 381 HECM saver transactions.

#### **Automated Underwriting**

There were 63,621 mortgages accepted and endorsed using the FHA scorecard. This represented 74.7 percent of the total single family cases insured this month.

#### **Defaults and Claims**

At the end of February, servicers reported 723,904 mortgages in serious default for a delinquency ratio of 9.7 percent. This decline was expected and followed the usual seasonal pattern.

So far this fiscal year, FHA had paid 100,426 claims -- 28.1 percent lower than a year ago. Most of these claims (48,403) were for loss mitigation actions. Another 32,219 have been property conveyance cases.

## **SINGLE-FAMILY OPERATIONS**

February 2012

#### **MONTHLY COMPARISONS**

|   | CURRENT          | LAST         | RATE OF       | LAST             | RATE OF        |
|---|------------------|--------------|---------------|------------------|----------------|
|   | <u>MONTH</u>     | <u>MONTH</u> | <u>CHANGE</u> | <u>YEAR</u>      | <u>CHANGE</u>  |
| TOTAL APPLICATIONS: *                     | 155,248          | 126,835      | 22.4%         | 114,215          | 35.9%          |
| Annual Rate                               | 2,247,000        | 2,377,000    | -5.5%         | 1,676,800        | 34.0%          |
| Average per workday                       | 8,881            | 9,395        | -5.5%         | 6,628            | 34.0%          |
| Purchase                                  | 75,377           | 61,547       | 22.5%         | 67,990           | 10.9%          |
| Refinance                                 | 73,076           | 59,493       | 22.8%         | 38,076           | 91.9%          |
| Prior FHA                                 |                  |              | 26.8%         |                  |                |
| Conventional to FHA                       | 43,737<br>29.339 | 34,498       | 17.4%         | 10,777<br>27,299 | 305.8%<br>7.5% |
|   | 29,339           | 24,995       | 17.4%         |                  |                |
| H4H (HOPE for Homeowners) Short Refinance | 220              | 220          | 4.20/         | 154              | -100.0%        |
|   | 239              | 236          | 1.3%          | 89               | 168.5%         |
| HECM                                      | 6,795            | 5,795        | 17.3%         | 8,149            | -16.6%         |
| FOTAL ENDORSEMENTS: *                     | 90,561           | 102,011      | -11.2%        | 88,269           | 2.6%           |
| Annual Rate                               | 1,086,700        | 1,224,100    | -11.2%        | 1,059,200        | 2.6%           |
| Weighted Average FICO Score **            | 699              | 698          | 0.1%          | 703              | -0.6%          |
| Minority                                  | 23,654           | 26,137       | -9.5%         | 22,051           | 7.3%           |
| % Minority                                | 26.1%            | 25.6%        | 0.5% #        | 25.0%            | 1.1%           |
| Purchase                                  | 50,378           | 61,663       | -18.3%        | 46,899           | 7.4%           |
| % Purchase                                | 55.6%            | 60.4%        | -4.8% #       | 53.1%            | 2.5%           |
| Average FICO Score **                     | 696              | 696          | 0.0%          | 703              | -1.0%          |
| 1st Time Home Buyer                       | 39,034           | 47,235       | -17.4%        | 35,020           | 11.5%          |
| % 1st Time Home Buyer                     | 77.5%            | 76.6%        | 0.9% #        | 74.7%            | 2.8%           |
| Non-Minority                              | 23,083           | 28,563       | -19.2%        | 20,810           | 10.9%          |
| % Non-Minority                            | 59.1%            | 60.5%        | -1.3% #       | 59.4%            | -0.3%          |
| Minority                                  | 13,567           | 15,787       | -14.1%        | 11,972           | 13.3%          |
| % Minority                                | 34.8%            | 33.4%        | 1.3% #        | 34.2%            | 0.6%           |
| Not-Disclosed                             | 2,384            | 2,885        | -17.4%        | 2,238            | 6.5%           |
| % Not-Disclosed                           | 6.1%             | 6.1%         | 0.0% #        | 6.4%             | -0.3%          |
| Refinanced                                | 34,757           | 35,173       | -1.2%         | 34,466           | 0.8%           |
| % Refinanced                              | 38.4%            | 34.5%        | 3.9% #        | 39.0%            | -0.7%          |
| Average FICO Score **                     | 708              | 706          | 0.3%          | 706              | 0.3%           |
| Prior FHA                                 | 23,284           | 22,458       | 3.7%          | 16,459           | 41.5%          |
| Streamline                                | 19,117           | 17,968       | 6.4%          | 12,560           | 52.2%          |
| % Streamline                              | 55.0%            | 51.1%        | 3.9% #        | 36.4%            | 18.6%          |
| Full Process                              | 4,167            | 4,490        | -7.2%         | 3,899            | 6.9%           |
| Cash Out                                  | 630              | 703          | -10.4%        | 777              | -18.9%         |
| Conventional to FHA                       | 11,475           | 12,716       | -9.8%         | 18,009           | -36.3%         |
| Cash Out                                  | 2,989            | 3,557        | -16.0%        | 4,857            | -38.5%         |
| Total Cash Out                            | 3,619            | 4,260        | -15.0%        | 5,634            | -35.8%         |
| Total % Cash Out                          | 10.4%            | 12.1%        | -1.7% #       | 16.3%            | -5.9%          |
| H4H (HOPE for Homeowners)                 | 10.470           | 0            | 1.1 /0 π      | 16               | 3.370          |
| Short Refinance                           | 104              | 99           | 5.1%          | 24               |                |
| HECM                                      | 5,426            | 5,175        | 4.9%          | 6,904            | -21.4%         |
| % HECM                                    |                  | 5.1%         | 0.9% #        |                  | -1.8% #        |
| HECM Standard Traditional                 | 6.0%             | 4,564        | 4.8%          | 7.8%<br>6,092    | -21.5%         |
| HECM Standard Traditional ARM             | 4,783            |              | -4.8%         | 2,025            | -35.5%         |
| HECM Standard Purchase                    | 1,307            | 1,373        |               |                  |                |
|   | 132              | 161          | -18.0%        | 136              | -2.9%          |
| HECM Standard Perinana                    | 5                | 9            | -44.4%        | 15               | -66.7%         |
| HECM Standard Refinance                   | 130              | 118          | 10.2%         | 380              | -65.8%         |
| % HECM Standard Refinance                 | 2.4%             | 2.3%         | 0.1% #        | 5.5%             | -3.1%          |
| HECM Stndrd Refinance ARM                 | 35               | 46           | -23.9%        | 96               | -63.5%         |
| HECM Saver Total                          | 381              | 332          | 14.8%         | 296              | 28.7%          |

Source: \* F17 CHUMS

NA - Not available at this time.

<sup># -</sup> Percentage point difference

<sup>\*\*</sup> This series represents the composite FICO score value that is used for loan underwriting.

### **SINGLE-FAMILY OPERATIONS**

February 2012

#### **MONTHLY COMPARISONS**

|                                    | CURRENT<br><u>MONTH</u> | LAST<br><u>MONTH</u> | RATE OF<br><u>CHANGE</u> | LAST<br><u>YEAR</u> | RATE OF<br>CHANGE |
|------------------------------------|-------------------------|----------------------|--------------------------|---------------------|-------------------|
| FORWARD ENDORSEMENTS ONLY: *       |                         |                      |                          |                     |                   |
| Section 203(k)                     | 1,803                   | 1,854                | -2.8%                    | 1,478               | 22.0%             |
| Condominium                        | 3,280                   | 3,604                | -9.0%                    | 3,754               | -12.6%            |
| % Condominium                      | 3.6%                    | 3.5%                 | 0.1% #                   | 4.3%                | -0.6%             |
| ARM (Excludes HECM ARM)            | 1,755                   | 2,267                | -22.6%                   | 4,378               | -59.9%            |
| % ARM                              | 1.9%                    | 2.2%                 | -0.3% #                  | 5.0%                | -3.0%             |
| Manufactured Housing (Real Estate) | 1,678                   | 1,845                | -9.1%                    | 1,574               | 6.6%              |
| Interest Buy-down                  | 298                     | 488                  | -38.9%                   | 165                 | 80.6%             |
| Average Processing Time * ^        |                         |                      |                          |                     |                   |
| (Existing Homes, weeks)            |                         |                      |                          |                     |                   |
| Application to Closing             | 6.0                     | 6.6                  | -9.1%                    | 7.6                 | -21.1%            |
| Closing to Endorsement             | 3.7                     | 4.1                  | -9.8%                    | 3.8                 | -2.6%             |
| Lender Insurance *                 |                         |                      |                          |                     |                   |
| Total Lender Insurance             | 70,256                  | 80,044               | -12.2%                   | 66,375              | 5.8%              |
| % of Total Insurance               | 77.6%                   | 78.5%                | -0.9% #                  | 75.2%               | 2.4%              |
| Forward Mortgages                  | 70,256                  | 80,044               | -12.2%                   | 64,600              | 8.8%              |
| HECM                               | 0                       | 0                    |                          | 1,775               | -100.0%           |
| Automated Underwriting System * x  |                         |                      |                          |                     |                   |
| AUS Endorsed                       | 63,621                  | 76,280               | -16.6%                   | 67,566              | -5.8%             |
| AUS as % of Total Endorsed         | 74.7%                   | 78.8%                | -4.0% #                  | 83.0%               | -8.3%             |
| Mortgage Insurance *               |                         |                      |                          |                     |                   |
| Total Number                       | 90,561                  | 102,011              | -11.2%                   | 88,269              | 2.6%              |
| Total Amount (\$B)                 | \$16.5                  | \$18.3               | -9.8%                    | \$16.8              | -1.8%             |
| Forward Mortgages                  |                         |                      |                          |                     |                   |
| Total Forward Number               | 85,135                  | 96,836               | -12.1%                   | 81,365              | 4.6%              |
| Amount (\$B)                       | \$15.2                  | \$17.1               | -11.1%                   | \$15.0              | 1.3%              |
| Purchase Number                    | 50,378                  | 61,663               | -18.3%                   | 46,899              | 7.4%              |
| Amount (\$B)                       | \$8.4                   | \$10.3               | -18.4%                   | \$8.3               | 1.2%              |
| Refinance Number                   | 34,757                  | 35,173               | -1.2%                    | 34,466              | 0.8%              |
| Amount (\$B)                       | \$6.8                   | \$6.8                | 0.0%                     | \$6.7               | 1.5%              |
| Reverse Mortgages                  |                         |                      |                          |                     |                   |
| HECM Number                        | 5,426                   | 5,175                | 4.9%                     | 6,904               | -21.4%            |
| Max Claim Amount (\$B)             | \$1.3                   | \$1.2                | 8.3%                     | \$1.8               | -27.8%            |
| Mortgage Insurance-In-Force **     |                         |                      |                          |                     |                   |
| Total Number                       | 7,494,104               | 7,512,171            | -0.2%                    | 6,932,510           | 8.1%              |
| Total Unpaid Balance Amount (\$B)  | \$1,047.9               | \$1,051.0            | -0.3%                    | \$956.9             | 9.5%              |
| Loans Seriously Delinquent *** <   |                         |                      |                          |                     |                   |
| Seriously Delinquent               | 723,904                 | 733,844              | -1.4%                    | 619,712             | 16.8%             |
| Seriously Delinquent Rate          | 9.7%                    | 9.8%                 | -0.1% #                  | 8.9%                | 0.8%              |

<sup>#</sup> Percentage point difference

<sup>^</sup> Existing homes, including purchase and refinance cases, represent virtually all of insurance activity.

 $<sup>{</sup>f x}$  AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

This count of seriously delinquent mortgages includes all bankruptcies, all foreclosures and 90 days or more delinquencies.

## **SINGLE-FAMILY OPERATIONS**

February 2012

#### **FISCAL YEAR COMPARISONS**

|                             | PROJECTIONS  | EV 2242 | E)/ 0044 | RATE OF          | E)/ 0      |                   |
|-----------------------------|--------------|---------|----------|------------------|------------|-------------------|
|                             | FY 2012      | FY 2012 | FY 2011  | CHANGE           | FY 2       |                   |
|                             | AS OF OCT 11 | TO DATE | TO DATE  | <u>2012/2011</u> | <u>FII</u> | <u>NAL</u>        |
| TOTAL APPLICATIONS: *       | 1,750,000    | 647,780 | 647,325  | 0.1%             | 1,603,     | <mark>,669</mark> |
|                             | 4 045 000    | 201.010 | 242.247  | 2.22/            |            | 200               |
| Purchase                    | 1,015,000    | 331,819 | 313,017  | 6.0%             | 921,       | _                 |
| Refinance                   | 630,000      | 282,449 | 294,027  | -3.9%            | 586,       |                   |
| Prior FHA                   | 252,000      | 160,496 | 128,835  | 24.6%            | 247,       |                   |
| Conventional to FHA         | 378,000      | 121,953 | 165,192  | -26.2%           | 338,       |                   |
| H4H (HOPE for Homeowners)   |              | 0       | 517      |                  | -          | ,408              |
| Short Refinance             |              | 1,323   | 271      |                  |            | ,333              |
| HECM                        | 105,000      | 33,512  | 40,281   | -16.8%           | 95,        | ,691              |
| TOTAL ENDORSEMENTS: *       | 1,400,000    | 462,556 | 597,834  | -22.6%           | 1,271,     | <mark>,211</mark> |
| Minority                    | 350,000      | 119,764 | 140,688  | -14.9%           | 312,       | 940               |
| % Minority                  | 25.0%        | 25.9%   | 23.5%    | 2.4%             |            | 1.6%              |
| 70 Milloney                 | 20.070       | 20.070  | 20.070   | ۷.٦/٥            |            | .0 /0             |
| Purchase                    | 840,000      | 288,256 | 307,615  | -6.3%            | 777,       | 521               |
| % Purchase                  | 60.0%        | 62.3%   | 51.5%    | 10.9%            |            | .2%               |
| 1st Time Home Buyer         | 630,000      | 221,280 | 226,171  | -2.2%            | 585,       |                   |
| % 1st Time Home Buyer       | 75.0%        | 76.8%   | 73.5%    | 3.2%             |            | 5.3%              |
| Non-Minority                | 403,200      | 134,206 | 136,810  | -1.9%            | 360,       |                   |
| % Non-Minority              | 64.0%        | 60.6%   | 60.5%    | 0.2%             |            | .7%               |
| Minority                    | 189,000      | 73,735  | 74,284   | -0.7%            | 187,       | _                 |
| % Minority                  | 30.0%        | 33.3%   | 32.8%    | 0.5%             |            | 2.0%              |
| Not-Disclosed               | 37,800       | 13,338  | 15,074   | -11.5%           |            | ,176              |
| % Not-Disclosed             | 6.0%         | 6.0%    | 6.7%     | -0.6%            |            | 5.4%              |
| 70 NOT DISCISSES            | 0.070        | 0.070   | 0.170    | 0.070            | ur G       | . 4 70            |
| Refinanced                  | 476,000      | 149,757 | 258,458  | -42.1%           | 420,       | .561              |
| % Refinanced                | 34.0%        | 32.4%   | 43.2%    | -10.9%           |            | 3.1%              |
| Prior FHA                   | 247,520      | 93,696  | 152,791  | -38.7%           | 224,       |                   |
| Streamline                  | 223,720      | 73,781  | 127,243  | -42.0%           | 180,       |                   |
| % Streamline                | 47.0%        | 49.3%   | 49.2%    | 0.0%             |            | 2.9%              |
| Full Process                | 23,800       | 19,915  | 25,548   | -22.0%           |            | ,606              |
| Cash Out                    | 7,200        | 3,181   | 4,692    | -32.2%           | 9.         | ,022              |
| Conventional to FHA         | 228,480      | 56,070  | 105,677  | -46.9%           | 195,       | _                 |
| Cash Out                    | 36,000       | 15,350  | 26,782   | -42.7%           |            | ,921              |
| Total Cash Out              | 43,200       | 18,531  | 31,474   | -41.1%           |            | ,943              |
| Total % Cash Out            | 9.1%         | 12.4%   | 12.2%    | 0.2%             | # 14       | .7%               |
| H4H (HOPE for Homeowners)   |              | 2       | 109      |                  |            | 632               |
| Short Refinance             |              | 516     | 64       |                  |            | 334               |
| HECM                        | 84,000       | 24,543  | 31,758   | -22.7%           | 73,        | ,129              |
| % HECM                      | 6.0%         | 5.3%    | 5.3%     | 0.0%             |            | 5.8%              |
| HECM Standard Traditional   | 75,000       | 21,590  | 29,241   | -26.2%           | 65,        | ,062              |
| HECM Stndrd Traditional ARM | 22,500       | 6,106   | 10,679   | -42.8%           |            | ,429              |
| HECM Standard Purchase      | 1,700        | 652     | 568      | 14.8%            |            | ,514              |
| HECM Stndrd Purchase ARM    | 500          | 28      | 77       | -63.6%           |            | 112               |
| HECM Standard Refinance     | 3,000        | 636     | 1,394    | -54.4%           | 2,         | ,727              |
| % HECM Standard Refinance   | 3.6%         | 2.6%    | 4.4%     | -1.8%            |            | 3.7%              |
| HECM Stndrd Refinance ARM   | 660          | 226     | 364      | -37.9%           |            | 565               |
| HECM Saver Total            | 4,300        | 1,666   | 555      |                  |            | ,828              |

## **SINGLE-FAMILY OPERATIONS**

February 2012

#### **FISCAL YEAR COMPARISONS**

 PROJECTIONS
 RATE OF

 FY 2012
 FY 2012
 FY 2011
 CHANGE
 FY 2011

 AS OF OCT 11
 TO DATE
 TO DATE
 2012/2011
 FINAL

|                                    | AS OF OCT TI | TODATE  | TODATE  | 2012/2011 | FINAL    |
|------------------------------------|--------------|---------|---------|-----------|----------|
| FORWARD ENDORSEMENTS ONLY          | ': *         |         |         |           |          |
|                                    |              |         |         |           |          |
| Section 203(k)                     | 22,000       | 9,799   | 7,974   | 22.9%     | 21,297   |
| Condominium                        | 110,000      | 16,010  | 27,812  | -42.4%    | 54,694   |
| % Condominium                      | 7.9%         | 3.5%    | 4.7%    | -1.2% #   | 4.3%     |
| ARM (Excludes HECM ARM)            | 50,000       | 11,413  | 21,211  | -46.2%    | 50,882   |
| % ARM                              | 3.6%         | 2.5%    | 3.5%    | -1.1% #   | 4.0%     |
| Manufactured Housing (Real Estate) | 50,000       | 8,432   | 9,023   | -6.5%     | 21,378   |
| Interest Buy-down                  | 4,000        | 1,933   | 1,272   | 52.0%     | 3,790    |
| Lender Insurance *                 |              |         |         |           |          |
| Total Lender Insurance             | 980,000      | 358,043 | 453,472 | -21.0%    | 976,312  |
| % of Total Insurance               | 70.0%        | 77.4%   | 75.9%   | 1.6% #    | 76.89    |
| Forward Mortgages                  | 960,400      | 357,235 | 444,863 | -19.7%    | 956,51   |
| HECM                               | 19,600       | 808     | 8,609   | -90.6%    | 19,79    |
| Automated Underwriting System *    | x            |         |         |           |          |
| AUS Endorsed                       | 1,050,000    | 351,684 | 432,397 | -18.7%    | 994,57   |
| AUS as % of Total Endorsed         | 79.8%        | 80.3%   | 76.4%   | 3.9% #    | 83.0%    |
| Mortgage Insurance *               |              |         |         |           |          |
| Total Number                       | 1,400,000    | 462,556 | 597,831 | -22.6%    | 1,271,21 |
| Total Amount (\$B)                 | \$248.6      | \$82.7  | \$116.6 | -29.1%    | \$236.0  |
| Forward Mortgages                  |              |         |         |           |          |
| Total Forward Number               | 1,316,000    | 438,013 | 566,073 | -22.6%    | 1,198,08 |
| Amount (\$B)                       | \$231.1      | \$76.9  | \$108.5 | -29.1%    | \$217.   |
| Purchase Number                    | 840,000      | 288,256 | 307,615 | -6.3%     | 777,52   |
| Amount (\$B)                       | \$141.9      | \$47.9  | \$54.8  | -12.6%    | \$134.   |
| Refinance Number                   | 476,000      | 149,757 | 258,458 | -42.1%    | 420,56   |
| Amount (\$B)                       | \$89.2       | \$29.0  | \$53.7  | -46.0%    | \$83.4   |
| Reverse Mortgages                  |              |         |         |           |          |
| HECM Number                        | 84,000       | 24,543  | 31,758  | -22.7%    | 73,12    |
| Max Claim Amount (\$B)             | \$17.5       | \$5.8   | \$8.1   | -28.4%    | \$18.    |
| Claims **                          |              |         |         |           |          |
| Total Claims                       | 318,500      | 100,426 | 139,637 | -28.1%    | 326,89   |
| Loss Mitigation Retention          | 195,000      | 48,403  | 90,395  | -46.5%    | 200,80   |
| Pre-Foreclosures                   | 25,400       | 14,597  | 7,053   | 107.0%    | 25,06    |
| Conveyances                        | 92,000       | 32,219  | 39,217  | -17.8%    | 91,44    |
| HECM                               | 5,000        | 4,825   | 2,688   | 79.5%     | 7,95     |
| Other Claims                       | 1,100        | 382     | 284     | 34.5%     | 1,61     |

Source: \* F17 CHUMS \*\* A43C Claims System

<sup># =</sup> Percentage point difference

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

# SINGLE-FAMILY OPERATIONS January 2012

CONTACT INFORMATION
WILLIAM F. SHAW 202-402-7550
ZENORA HINES 202-402-7544

#### **Applications**

During January, the seasonally adjusted annual rate for applications reached 2,377,000 -- the best rate since September 2010.

The actual count of applications received for January was 126,835. This included 61,547 purchase applications, 59,493 applications for refinancing as well as 5,795 reverse mortgage applications. The refinance cases involved 34,498 prior FHA cases and 24,995 conventional conversions to FHA. Included in the refinance total were 236 conventional principal write down cases.

#### **Endorsements**

In January, 102,011 single-family mortgages for \$18.3 billion were insured for an average mortgage amount of \$179,600. The total number included 61,663 purchase money mortgages, 35,173 refinanced mortgages and 5,175 HECM's.

There were 22,458 prior FHA mortgages refinanced as well as 12,716 conventional conversions. About 80 percent of the prior FHA refinances were streamlined cases with no appraisals. The conventional conversions included 99 principal write down mortgages.

#### **Processing Time**

It took 10.7 weeks, on average, to process an FHA mortgage, that is 6.6 weeks from initial application to closing . Then an additional 4.1 weeks from closing to endorsement.

#### **Automated Underwriting**

During the month, 102,011 mortgages were insured and 76,280 (78.8%) were accepted and endorsed using the FHA scorecard.

#### Insurance-In-Force

At the end of January, FHA had 7,512,171 single-family mortgages-in-force with an amortized balance of \$1,050 billion. This is a 9.1 percent increase in the number of mortgages-in-force over a year ago.

#### **Defaults and Claims**

Mortgages servicers reported 733,844 FHA mortgages in serious default for a default rate of 9.8 percent.

So far this fiscal year, FHA has paid 81,067 insurance claims -- almost 30 percent lower than for the same time last year. Most of the claims were loss mitigation actions (39,879) and 25,342 were conveyance claim transactions.

## **SINGLE-FAMILY OPERATIONS**

January 2012

#### **MONTHLY COMPARISONS**

|                                | CURRENT                | LAST                   | RATE OF | LAST      | RATE OF |
|--------------------------------|------------------------|------------------------|---------|-----------|---------|
|                                | MONTH                  | MONTH                  | CHANGE  | YEAR      | CHANGE  |
|                                |                        |                        |         |           |         |
| TOTAL APPLICATIONS: *          | 126,835                | 110,427                | 14.9%   | 103,991   | 22.0%   |
| Annual Rate                    | 2,377,000              | 1,865,900              | 27.4%   | 1,450,900 | 63.8%   |
| Average per workday            | 9,395                  | 7,375                  | 27.4%   | 5,735     | 63.8%   |
| Purchase                       | 61,547                 | 57,234                 | 7.5%    | 55,417    | 11.1%   |
| Refinance                      | 59,493                 | 47,101                 | 26.3%   | 41,178    | 44.5%   |
| Prior FHA                      | 34,498                 | 26,060                 | 32.4%   | 13,276    | 159.9%  |
| Conventional to FHA            | 24,995                 | 21,041                 | 18.8%   | 27,902    | -10.4%  |
| H4H (HOPE for Homeowners)      |                        |                        |         | 149       | -100.0% |
| Short Refinance                | 236                    | 274                    | -13.9%  | 60        | 293.3%  |
| HECM                           | 5,795                  | 6,092                  | -4.9%   | 7,396     | -21.6%  |
| TOTAL ENDORSEMENTS: *          | 102,011                | 93,739                 | 8.8%    | 119,518   | -14.6%  |
| Annual Rate                    | 1,224,100              | 1,124,900              | 8.8%    | 1,434,200 | -14.6%  |
| Weighted Average FICO Score ** | 698                    | 698                    | 0.0%    | 704       | -0.9%   |
| Minority                       | 26,137                 | 24,179                 | 8.1%    | 28,357    | -7.8%   |
| % Minority                     | 25.6%                  | 25.8%                  | -0.2%   |           | 1.9% #  |
| Purchase                       | 61,663                 | 58,589                 | 5.2%    | 63,887    | -3.5%   |
| % Purchase                     | 60.4%                  | 62.5%                  | -2.1%   |           | 7.0% #  |
| Average FICO Score **          | 696                    | 696                    | 0.0%    | 703       | -1.0%   |
| 1st Time Home Buyer            | 47,235                 | 44,856                 | 5.3%    | 47,429    | -0.4%   |
| % 1st Time Home Buyer          | 76.6%                  | 76.6%                  | 0.0%    |           | 2.4% #  |
| Non-Minority                   | 28,563                 | 27,396                 | 4.3%    | 28,546    | 0.1%    |
| % Non-Minority                 | 60.5%                  | 61.1%                  | -0.6%   |           | 0.3% #  |
| Minority                       | 15,787                 | 14,890                 | 6.0%    | 15,681    | 0.7%    |
| % Minority                     | 33.4%                  | 33.2%                  | 0.2%    |           | 0.4% #  |
| Not-Disclosed                  | 2,885                  | 2,570                  | 12.3%   | 3,201     | -9.9%   |
| % Not-Disclosed                | 6.1%                   | 5.7%                   | 0.4%    |           |         |
| Refinanced                     |                        |                        | 15.3%   |           | -0.6% # |
| % Refinanced                   | <b>35,173</b><br>34.5% | <b>30,515</b><br>32.6% | 1.9%    | 49,167    | -28.5%  |
|                                |                        |                        |         |           | -6.7% # |
| Average FICO Score **          | 706                    | 706                    | 0.0%    | 707       | -0.1%   |
| Prior FHA                      | 22,458                 | 19,017                 | 18.1%   | 26,856    | -16.4%  |
| Streamline                     | 17,968                 | 14,840                 | 21.1%   | 21,458    | -16.3%  |
| % Streamline                   | 51.1%                  | 48.6%                  | 2.5%    |           | 7.4% #  |
| Full Process                   | 4,490                  | 4,177                  | 7.5%    | 5,398     | -16.8%  |
| Cash Out                       | 703                    | 670                    | 4.9%    | 984       | -28.6%  |
| Conventional to FHA            | 12,716                 | 11,498                 | 10.6%   | 22,314    | -43.0%  |
| Cash Out                       | 3,557                  | 3,144                  | 13.1%   | 5,811     | -38.8%  |
| Total Cash Out                 | 4,260                  | 3,814                  | 11.7%   | 6,795     | -37.3%  |
| Total % Cash Out               | 12.1%                  | 12.5%                  | -0.4%   |           | -1.7% # |
| H4H (HOPE for Homeowners)      | 0                      | 2                      |         | 23        |         |
| Short Refinance                | 99                     | 148                    | -33.1%  | 18        |         |
| HECM                           | 5,175                  | 4,635                  | 11.7%   | 6,464     | -19.9%  |
| % HECM                         | 5.1%                   | 4.9%                   | 0.1%    |           | -0.3% # |
| HECM Standard Traditional      | 4,564                  | 4,075                  | 12.0%   | 5,917     | -22.9%  |
| HECM Stndrd Traditional ARM    | 1,373                  | 1,219                  | 12.6%   | 2,256     | -39.1%  |
| HECM Standard Purchase         | 161                    | 109                    | 47.7%   | 117       | 37.6%   |
| HECM Stndrd Purchase ARM       | 9                      | 3                      | 200.0%  | 14        | -35.7%  |
| HECM Standard Refinance        | 118                    | 156                    | -24.4%  | 265       | -55.5%  |
| % HECM Standard Refinance      | 2.3%                   | 3.4%                   | -1.1%   | # 4.1%    | -1.8% # |
| HECM Stndrd Refinance ARM      | 46                     | 87                     | -47.1%  | 72        | -36.1%  |
| HECM Saver Total               | 332                    | 296                    | 12.2%   | 165       | 101.2%  |

<sup># -</sup> Percentage point difference

NA - Not available at this time.

<sup>\*\*</sup> This series represents the composite FICO score value that is used for loan underwriting.

## **SINGLE-FAMILY OPERATIONS**

January 2012

#### **MONTHLY COMPARISONS**

|                                    | CURRENT<br><u>MONTH</u> | LAST<br><u>MONTH</u> | RATE OF<br><u>CHANGE</u> | LAST<br><u>YEAR</u> | RATE OF<br>CHANGE |
|------------------------------------|-------------------------|----------------------|--------------------------|---------------------|-------------------|
| FORWARD ENDORSEMENTS ONLY:         | •                       |                      |                          |                     |                   |
| Section 203(k)                     | 1,854                   | 1,978                | -6.3%                    | 1,715               | 8.1%              |
| Condominium                        | 3,604                   | 3,188                | 13.0%                    | 5,549               | -35.1%            |
| % Condominium                      | 3.5%                    | 3.4%                 | 0.1% #                   | 4.6%                | -1.1% #           |
| ARM (Excludes HECM ARM)            | 2,267                   | 2,106                | 7.6%                     | 5,344               | -57.6%            |
| % ARM                              | 2.2%                    | 2.2%                 | 0.0% #                   | 4.5%                | -2.2% ‡           |
| Manufactured Housing (Real Estate) | 1,845                   | 1,618                | 14.0%                    | 1,769               | 4.3%              |
| Interest Buy-down                  | 488                     | 371                  | 31.5%                    | 311                 | 56.9%             |
| Average Processing Time * ^        |                         |                      |                          |                     |                   |
| (Existing Homes, weeks)            |                         |                      |                          |                     |                   |
| Application to Closing             | 6.6                     | 6.1                  | 8.2%                     | 8.1                 | -18.5%            |
| Closing to Endorsement             | 4.1                     | 4.0                  | 2.5%                     | 4.0                 | 2.5%              |
| Lender Insurance *                 |                         |                      |                          |                     |                   |
| Total Lender Insurance             | 80,044                  | 72,393               | 10.6%                    | 91,451              | -12.5%            |
| % of Total Insurance               | 78.5%                   | 77.2%                | 1.2% #                   | 76.5%               | 1.9%              |
| Forward Mortgages                  | 80,044                  | 72,389               | 10.6%                    | 89,616              | -10.7%            |
| HECM                               | 0                       | 4                    | -100.0%                  | 1,835               | -100.0%           |
| Automated Underwriting System * x  |                         |                      |                          |                     |                   |
| AUS Endorsed                       | 76,280                  | 71,721               | 6.4%                     | 90,301              | -15.5%            |
| AUS as % of Total Endorsed         | 78.8%                   | 80.5%                | -1.7% #                  | 79.9%               | -1.1%             |
| Mortgage Insurance *               |                         |                      |                          |                     |                   |
| Total Number                       | 102,011                 | 93,739               | 8.8%                     | 119,518             | -14.6%            |
| Total Amount (\$B)                 | \$18.3                  | \$16.7               | 9.6%                     | \$23.1              | -20.8%            |
| Forward Mortgages                  |                         |                      |                          |                     |                   |
| Total Forward Number               | 96,836                  | 89,104               | 8.7%                     | 113,054             | -14.3%            |
| Amount (\$B)                       | \$17.1                  | \$15.6               | 9.6%                     | \$21.4              | -20.1%            |
| Purchase Number                    | 61,663                  | 58,589               | 5.2%                     | 63,887              | -3.5%             |
| Amount (\$B)                       | \$10.3                  | \$9.7                | 6.2%                     | \$11.4              | -9.6%             |
| Refinance Number                   | 35,173                  | 30,515               | 15.3%                    | 49,167              | -28.5%            |
| Amount (\$B)                       | \$6.8                   | \$5.9                | 15.3%                    | \$10.0              | -32.0%            |
| Reverse Mortgages                  |                         |                      |                          |                     |                   |
| HECM Number                        | 5,175                   | 4,635                | 11.7%                    | 6,464               | -19.9%            |
| Max Claim Amount (\$B)             | \$1.2                   | \$1.1                | 9.1%                     | \$1.7               | -29.4%            |
| Mortgage Insurance-In-Force **     |                         |                      |                          |                     |                   |
| Total Number                       | 7,512,171               | 7,414,979            | 1.3%                     | 6,882,984           | 9.1%              |
| Total Unpaid Balance Amount (\$B)  | \$1,051.0               | \$1,036.0            | 1.4%                     | \$947.8             | 10.9%             |
| Loans Seriously Delinquent *** <   |                         |                      |                          |                     |                   |
| Seriously Delinquent               | 733,844                 | 711,082              | 3.2%                     | 612,443             | 19.8%             |
| Seriously Delinquent Rate          | 9.8%                    | 9.6%                 | 0.2% #                   | 8.9%                | 0.9%              |

<sup>#</sup> Percentage point difference

<sup>^</sup> Existing homes, including purchase and refinance cases, represent virtually all of insurance activity.

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

This count of seriously delinquent mortgages includes all bankruptcies, all foreclosures and 90 days or more delinquencies.

## **SINGLE-FAMILY OPERATIONS**

January 2012

#### **FISCAL YEAR COMPARISONS**

|                             | PROJECTIONS   |                  |          | RATE OF          |           |
|-----------------------------|---------------|------------------|----------|------------------|-----------|
|                             | FY 2012       | FY 2012          | FY 2011  | CHANGE           | FY 2011   |
|                             | AS OF OCT 11  | TO DATE          | TO DATE  | <u>2012/2011</u> | FINAL     |
|                             | 710 01 001 11 | <u> 10 B/(12</u> | 10 5/112 | 2012/2011        | <u> </u>  |
| TOTAL APPLICATIONS: *       | 1,750,000     | 492,532          | 533,110  | -7.6%            | 1,603,669 |
|                             |               |                  |          |                  |           |
| Purchase                    | 1,015,000     | 256,442          | 245,027  | 4.7%             | 921,886   |
| Refinance                   | 630,000       | 209,373          | 255,951  | -18.2%           | 586,092   |
| Prior FHA                   | 252,000       | 116,759          | 118,058  | -1.1%            | 247,124   |
| Conventional to FHA         | 378,000       | 92,614           | 137,893  | -32.8%           | 338,968   |
| H4H (HOPE for Homeowners)   |               | 0                | 363      |                  | 1,408     |
| Short Refinance             |               | 1,084            | 182      |                  | 1,333     |
| HECM                        | 105,000       | 26,717           | 32,132   | -16.9%           | 95,691    |
| TOTAL ENDORSEMENTS: *       | 1,400,000     | 371,995          | 509,562  | -27.0%           | 1,271,211 |
| TOTAL ENDORGEMENTO.         | 1,400,000     | 07 1,000         | 000,002  | 21.070           | 1,211,211 |
| Minority                    | 350,000       | 96,110           | 118,637  | -19.0%           | 312,940   |
| % Minority                  | 25.0%         | 25.8%            | 23.3%    | 2.6%             |           |
|                             |               |                  |          |                  |           |
| Purchase                    | 840,000       | 237,878          | 260,716  | -8.8%            | 777,521   |
| % Purchase                  | 60.0%         | 63.9%            | 51.2%    | 12.8%            | # 61.2%   |
| 1st Time Home Buyer         | 630,000       | 182,246          | 191,151  | -4.7%            | 585,091   |
| % 1st Time Home Buyer       | 75.0%         | 76.6%            | 73.3%    | 3.3%             | # 75.3%   |
| Non-Minority                | 403,200       | 111,123          | 116,000  | -4.2%            | 360,891   |
| % Non-Minority              | 64.0%         | 61.0%            | 60.7%    | 0.3%             | # 61.7%   |
| Minority                    | 189,000       | 60,168           | 62,312   | -3.4%            | 187,022   |
| % Minority                  | 30.0%         | 33.0%            | 32.6%    | 0.4%             |           |
| Not-Disclosed               | 37,800        | 10,954           | 12,836   | -14.7%           | 37,176    |
| % Not-Disclosed             | 6.0%          | 6.0%             | 6.7%     | -0.7%            |           |
|                             |               |                  |          |                  |           |
| Refinanced                  | 476,000       | 115,000          | 223,992  | -48.7%           | 420,561   |
| % Refinanced                | 34.0%         | 30.9%            | 44.0%    | -13.0%           |           |
| Prior FHA                   | 247,520       | 70,412           | 136,332  | -48.4%           | 224,936   |
| Streamline                  | 223,720       | 54,664           | 114,683  | -52.3%           | 180,330   |
| % Streamline                | 47.0%         | 47.5%            | 51.2%    | -3.7%            | # 42.9%   |
| Full Process                | 23,800        | 15,748           | 21,649   | -27.3%           | 44,606    |
| Cash Out                    | 7,200         | 2,551            | 3,915    | -34.8%           | 9,022     |
| Conventional to FHA         | 228,480       | 44,595           | 87,668   | -49.1%           | 195,634   |
| Cash Out                    | 36,000        | 12,361           | 21,925   | -43.6%           | 52,921    |
| Total Cash Out              | 43,200        | 14,912           | 25,840   | -42.3%           | 61,943    |
| Total % Cash Out            | 9.1%          | 13.0%            | 11.5%    | 1.4%             | # 14.7%   |
| H4H (HOPE for Homeowners)   |               | 2                | 93       |                  | 632       |
| Short Refinance             |               | 412              | 40       |                  | 334       |
| HECM                        | 84,000        | 19,117           | 24,854   | -23.1%           | 73,129    |
| % HECM                      | 6.0%          | 5.1%             | 4.9%     | 0.3%             | # 5.8%    |
| HECM Standard Traditional   | 75,000        | 16,807           | 23,149   | -27.4%           | 65,062    |
| HECM Stndrd Traditional ARM | 22,500        | 4,799            | 8,654    | -44.5%           | 19,429    |
| HECM Standard Purchase      | 1,700         | 520              | 432      | 20.4%            | 1,514     |
| HECM Stndrd Purchase ARM    | 500           | 23               | 62       | -62.9%           | 112       |
| HECM Standard Refinance     | 3,000         | 506              | 1,014    | -50.1%           | 2,727     |
| % HECM Standard Refinance   | 3.6%          | 2.6%             | 4.1%     | -1.4%            |           |
|                             |               |                  |          |                  |           |
| HECM Stndrd Refinance ARM   | 660           | 191              | 268      | -28.7%           | 565       |

## **SINGLE-FAMILY OPERATIONS**

January 2012

#### **FISCAL YEAR COMPARISONS**

 PROJECTIONS
 RATE OF

 FY 2012
 FY 2012
 FY 2011
 CHANGE
 FY 2011

 AS OF OCT 11
 TO DATE
 TO DATE
 2012/2011
 FINAL

|                                    | AS OF OCT II | TODATE  | TODATE  | 2012/2011 | FINAL    |
|------------------------------------|--------------|---------|---------|-----------|----------|
| FORWARD ENDORSEMENTS ONLY          | ': *         |         |         |           |          |
|                                    |              |         |         |           |          |
| Section 203(k)                     | 22,000       | 7,996   | 6,496   | 23.1%     | 21,297   |
| Condominium                        | 110,000      | 12,730  | 24,058  | -47.1%    | 54,694   |
| % Condominium                      | 7.9%         | 3.4%    | 4.7%    | -1.3% #   | 4.3%     |
| ARM (Excludes HECM ARM)            | 50,000       | 9,658   | 16,833  | -42.6%    | 50,882   |
| % ARM                              | 3.6%         | 2.6%    | 3.3%    | -0.7% #   | 4.0%     |
| Manufactured Housing (Real Estate) | 50,000       | 6,754   | 7,449   | -9.3%     | 21,378   |
| Interest Buy-down                  | 4,000        | 1,635   | 1,107   | 47.7%     | 3,790    |
| Lender Insurance *                 |              |         |         |           |          |
| Total Lender Insurance             | 980,000      | 287,787 | 387,097 | -25.7%    | 976,312  |
| % of Total Insurance               | 70.0%        | 77.4%   | 76.0%   | 1.4% #    | 76.8%    |
| Forward Mortgages                  | 960,400      | 286,979 | 380,263 | -24.5%    | 956,514  |
| HECM                               | 19,600       | 808     | 6,834   | -88.2%    | 19,79    |
| Automated Underwriting System *    | x            |         |         |           |          |
| AUS Endorsed                       | 1,050,000    | 288,063 | 364,831 | -21.0%    | 994,57   |
| AUS as % of Total Endorsed         | 79.8%        | 81.6%   | 75.3%   | 6.4% #    | 83.0%    |
| Mortgage Insurance *               |              |         |         |           |          |
| Total Number                       | 1,400,000    | 371,995 | 509,562 | -27.0%    | 1,271,21 |
| Total Amount (\$B)                 | \$248.6      | \$66.2  | \$99.8  | -33.7%    | \$236.0  |
| Forward Mortgages                  |              |         |         |           |          |
| Total Forward Number               | 1,316,000    | 352,878 | 484,708 | -27.2%    | 1,198,08 |
| Amount (\$B)                       | \$231.1      | \$61.7  | \$93.5  | -34.0%    | \$217.   |
| Purchase Number                    | 840,000      | 237,878 | 260,716 | -8.8%     | 777,52   |
| Amount (\$B)                       | \$141.9      | \$39.5  | \$46.5  | -15.1%    | \$134.   |
| Refinance Number                   | 476,000      | 115,000 | 223,992 | -48.7%    | 420,56   |
| Amount (\$B)                       | \$89.2       | \$22.2  | \$47.0  | -52.8%    | \$83.    |
| Reverse Mortgages                  |              |         |         |           |          |
| HECM Number                        | 84,000       | 19,117  | 24,854  | -23.1%    | 73,12    |
| Max Claim Amount (\$B)             | \$17.5       | \$4.5   | \$6.3   | -28.6%    | \$18.    |
| Claims **                          |              |         |         |           |          |
| Total Claims                       | 318,500      | 81,067  | 115,272 | -29.7%    | 326,89   |
| Loss Mitigation Retention          | 195,000      | 39,879  | 75,364  | -47.1%    | 200,80   |
| Pre-Foreclosures                   | 25,400       | 12,446  | 5,896   | 111.1%    | 25,06    |
| Conveyances                        | 92,000       | 25,342  | 31,770  | -20.2%    | 91,44    |
| HECM                               | 5,000        | 3,223   | 1,958   | 64.6%     | 7,95     |
| Other Claims                       | 1,100        | 177     | 284     | -37.7%    | 1,61     |

Source: \* F17 CHUMS \*\* A43C Claims System

<sup># =</sup> Percentage point difference

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

### **SINGLE-FAMILY OPERATIONS**

December 2011

CONTACT INFORMATION
WILLIAM F. SHAW 202-402-7550
ZENORA HINES 202-402-7544

#### **Applications**

During December, FHA received 110,427 applications for single family home insurance -- 12.1 percent below last month but only 1.8 percent lower than last December. While 57,234 purchase cases account for the biggest share there has been a noticeable increase in refinance transactions.

There were 47,101 applications for refinancing -- 26,060 prior FHA cases and 21,041 conventional seeking FHA insurance. Included in this total were 274 principal write down applications. Also, during the month, 6,092 reverse mortgage applications were received.

#### **Endorsements**

This month, FHA insured 93,739 mortgages for \$16.7 billion. The overall average mortgage was \$178,000 and broken down as follows -- \$165,500 for purchase transactions, \$193,300 for refinance cases and \$237,300 for HECM.

The breakdown of mortgage transactions was as follows: 58,589 purchase money mortgages, 30,515 refinance mortgages as well as 4,635 reverse mortgages. The refinance total was made up of 19,017 prior FHA mortgages and 11,498 conventional mortgages converting to FHA. Included in this group were 148 short refinance cases as well as 2 hope for homeowner transactions.

#### **Lender Insurance**

#### **Automated Underwriting**

There were 71,721 cases accepted and approved using the FHA score card (TOTAL) accounting for 80.5 percent of the mortgages insured this month.

#### **Processing Time**

#### **Insurance-In-Force**

At the end of December, FHA had 7,414,979 single family mortgages in force with an estimated amortized balance of \$1,036.0 billion. This is 10.9 percent mort than reported last December.

#### **Defaults and Claims**

As of December 31, FHA servicers reported 771,082 mortgages in serious default for a default rate of 9.6 percent. It should be noted that due to usual seasonal patterns the rate could rise for the next few months.

So far this fiscal year, FHA has paid 61,259 single family insurance claims -- 30.3 percent lower that the same time last year. The bulk of the claims (30,387) involved loss mitigation retention actions. In addition, there were 18,801 conveyance claims, 9,807 pre-foreclosures and a small number of other actions.

## **SINGLE-FAMILY OPERATIONS**

December 2011

#### **MONTHLY COMPARISONS**

|                                | CURRENT     | LAST      | RATE OF   | LAST      | RATE OF |
|--------------------------------|-------------|-----------|-----------|-----------|---------|
|                                | MONTH       | MONTH     | CHANGE    | YEAR      | CHANGE  |
|                                | · <u></u> - |           |           |           |         |
| TOTAL APPLICATIONS: *          | 110,427     | 125,596   | -12.1%    | 112,500   | -1.8%   |
| Annual Rate                    | 1,865,900   | 1,925,800 | -3.1%     | 1,778,000 | 4.9%    |
| Average per workday            | 7,375       | 7,612     | -3.1%     | 7,028     | 4.9%    |
| Purchase                       | 57,234      | 67,358    | -15.0%    | 57,390    | -0.3%   |
| Refinance                      | 47,101      | 50,730    | -7.2%     | 46,840    | 0.6%    |
| Prior FHA                      | 26,060      | 26,866    | -3.0%     | 17,580    | 48.2%   |
| Conventional to FHA            | 21,041      | 23,864    | -11.8%    | 29,260    | -28.1%  |
| H4H (HOPE for Homeowners)      |             |           |           | 60        | -100.0% |
| Short Refinance                | 274         | 293       | -6.5%     | 30        | 813.3%  |
| HECM                           | 6,092       | 7,508     | -18.9%    | 8,270     | -26.3%  |
| TOTAL ENDORSEMENTS: *          | 93,739      | 88,206    | 6.3%      | 133,603   | -29.8%  |
| Annual Rate                    | 1,124,900   | 1,058,500 | 6.3%      | 1,603,200 | -29.8%  |
| Weighted Average FICO Score ** | 698         | 697       | 0.1%      | 702       | -0.6%   |
| Minority                       | 24,179      | 22,810    | 6.0%      | 30,933    | -21.8%  |
| % Minority                     | 25.8%       | 25.9%     | -0.1% #   | 23.2%     | 2.6%    |
| Purchase                       | 58,589      | 57,038    | 2.7%      | 66,165    | -11.5%  |
| % Purchase                     | 62.5%       | 64.7%     | -2.2% #   | 49.5%     | 13.0%   |
| Average FICO Score **          | 696         | 695       | 0.1%      | 701       | -0.7%   |
| 1st Time Home Buyer            | 44,856      | 43,968    | 2.0%      | 48,539    | -7.6%   |
| % 1st Time Home Buyer          | 76.6%       | 77.1%     | -0.5% #   | 73.4%     | 3.2%    |
| Non-Minority                   | 27,396      | 26,818    | 2.2%      | 29,370    | -6.7%   |
| % Non-Minority                 | 61.1%       | 61.0%     | 0.1% #    | 60.5%     | 0.6%    |
| Minority                       | 14,890      | 14,492    | 2.7%      | 15,885    | -6.3%   |
| % Minority                     | 33.2%       | 33.0%     | 0.2% #    | 32.7%     | 0.5%    |
| Not-Disclosed                  | 2,570       | 2,658     | -3.3%     | 3,284     | -21.7%  |
| % Not-Disclosed                | 5.7%        | 6.0%      | -0.3% #   | 6.8%      | -1.0%   |
| Refinanced                     | 30,515      | 26,514    | 15.1%     | 60,884    | -49.9%  |
| % Refinanced                   | 32.6%       | 30.1%     | 2.5% #    | 45.6%     | -13.0%  |
| Average FICO Score **          | 706         | 703       | 0.4%      | 705       | 0.1%    |
| Prior FHA                      | 19,017      | 16,201    | 17.4%     | 37,762    | -49.6%  |
| Streamline                     | 14,840      | 12,349    | 20.2%     | 31,814    | -53.4%  |
| % Streamline                   | 48.6%       | 46.6%     | 2.1% #    | 52.3%     | -3.6%   |
| Full Process                   | 4,177       | 3,852     | 8.4%      | 5,948     | -29.8%  |
| Cash Out                       | 670         | 644       | 4.0%      | 1,041     | -35.6%  |
| Conventional to FHA            | 11,498      | 10,313    | 11.5%     | 23,122    | -50.3%  |
| Cash Out                       | 3,144       | 2,898     | 8.5%      | 5,738     | -45.2%  |
| Total Cash Out                 | 3,814       | 3,542     | 7.7%      | 6,779     | -43.7%  |
| Total % Cash Out               | 12.5%       | 13.4%     | -0.9% #   | 11.1%     | 1.4%    |
| H4H (HOPE for Homeowners)      | 2           | 10.470    | 0.070  11 | 21        | 1.470   |
| Short Refinance                | 148         | 76        | 94.7%     | 21        |         |
| HECM                           | 4,635       | 4,654     | -0.4%     | 6,554     | -29.3%  |
| % HECM                         | 4.9%        | 5.3%      | -0.3% #   | 4.9%      | 0.0%    |
| HECM Standard Traditional      | 4,075       | 4,113     | -0.9%     | 6,105     | -33.3%  |
| HECM Standard Traditional ARM  | 1,219       | 1,096     | 11.2%     | 2,594     | -53.0%  |
| HECM Standard Purchase         | 109         | 121       | -9.9%     | 115       | -5.2%   |
| HECM Standard Purchase ARM     | 3           | 6         | -50.0%    | 21        | -85.7%  |
| HECM Standard Refinance        | 156         | 110       | 41.8%     | 259       | -39.8%  |
| % HECM Standard Refinance      | 3.4%        | 2.4%      |           | 4.0%      | -0.6%   |
| HECM Standard Refinance ARM    | 87          | 31        | 1.0% #    |           | 2.4%    |
|                                |             |           | 180.6%    | 85        |         |
| HECM Saver Total               | 296         | 310       | -4.5%     | 75        | 294.7%  |

Source: \* F17 CHUMS

NA - Not available at this time.

<sup># -</sup> Percentage point difference

<sup>\*\*</sup> This series represents the composite FICO score value that is used for loan underwriting.

## **SINGLE-FAMILY OPERATIONS**

December 2011

#### **MONTHLY COMPARISONS**

|                                    | CURRENT<br><u>MONTH</u> | LAST<br><u>MONTH</u> | RATE OF<br><u>CHANGE</u> | LAST<br><u>YEAR</u> | RATE OF<br><u>CHANGE</u> |
|------------------------------------|-------------------------|----------------------|--------------------------|---------------------|--------------------------|
| FORWARD ENDORSEMENTS ONLY: '       |                         |                      |                          |                     |                          |
| Section 203(k)                     | 1,978                   | 2,148                | -7.9%                    | 1,562               | 26.6%                    |
| Condominium                        | 3,188                   | 2,937                | 8.5%                     | 6,389               | -50.1%                   |
| % Condominium                      | 3.4%                    | 3.3%                 | 0.1% #                   | 4.8%                | -1.4%                    |
| ARM (Excludes HECM ARM)            | 2,106                   | 2,280                | -7.6%                    | 4,621               | -54.4%                   |
| % ARM                              | 2.2%                    | 2.6%                 | -0.3% #                  | 3.5%                | -1.2%                    |
| Manufactured Housing (Real Estate) | 1,618                   | 1,644                | -1.6%                    | 1,966               | -17.7%                   |
| Interest Buy-down                  | 371                     | 357                  | 3.9%                     | 261                 | 42.1%                    |
| Average Processing Time * ^        |                         |                      |                          |                     |                          |
| (Existing Homes, weeks)            |                         |                      |                          |                     |                          |
| Application to Closing             | 6.1                     | 6.0                  | 1.7%                     | 7.6                 | -19.7%                   |
| Closing to Endorsement             | 4.0                     | 3.7                  | 8.1%                     | 4.1                 | -2.4%                    |
| Lender Insurance *                 |                         |                      |                          |                     |                          |
| Total Lender Insurance             | 72,393                  | 67,305               | 7.6%                     | 102,320             | -29.2%                   |
| % of Total Insurance               | 77.2%                   | 76.3%                | 0.9% #                   | 76.6%               | 0.6%                     |
| Forward Mortgages                  | 72,389                  | 67,287               | 7.6%                     | 100,359             | -27.9%                   |
| HECM                               | 4                       | 18                   | -77.8%                   | 1,961               | -99.8%                   |
| Automated Underwriting System * x  |                         |                      |                          |                     |                          |
| AUS Endorsed                       | 71,721                  | 68,818               | 4.2%                     | 93,995              | -23.7%                   |
| AUS as % of Total Endorsed         | 80.5%                   | 82.4%                | -1.9% #                  | 74.0%               | 6.5%                     |
| Mortgage Insurance *               |                         |                      |                          |                     |                          |
| Total Number                       | 93,739                  | 88,206               | 6.3%                     | 133,603             | -29.8%                   |
| Total Amount (\$B)                 | \$16.7                  | \$15.6               | 7.1%                     | \$26.4              | -36.7%                   |
| Forward Mortgages                  |                         |                      |                          |                     |                          |
| Total Forward Number               | 89,104                  | 83,552               | 6.6%                     | 127,049             | -29.9%                   |
| Amount (\$B)                       | \$15.6                  | \$14.5               | 7.6%                     | \$24.7              | -36.8%                   |
| Purchase Number                    | 58,589                  | 57,038               | 2.7%                     | 66,165              | -11.5%                   |
| Amount (\$B)                       | \$9.7                   | \$9.4                | 3.2%                     | \$11.8              | -17.8%                   |
| Refinance Number                   | 30,515                  | 26,514               | 15.1%                    | 60,884              | -49.9%                   |
| Amount (\$B)                       | \$5.9                   | \$5.1                | 15.7%                    | \$12.9              | -54.3%                   |
| Reverse Mortgages                  |                         |                      |                          |                     |                          |
| HECM Number                        | 4,635                   | 4,654                | -0.4%                    | 6,554               | -29.3%                   |
| Max Claim Amount (\$B)             | \$1.1                   | \$1.1                | 0.0%                     | \$1.7               | -35.3%                   |
| Mortgage Insurance-In-Force **     |                         |                      |                          |                     |                          |
| Total Number                       | 7,414,979               | 7,376,641            | 0.5%                     | 6,812,689           | 8.8%                     |
| Total Unpaid Balance Amount (\$B)  | \$1,036.0               | \$1,030.4            | 0.5%                     | \$934.2             | 10.9%                    |
| Loans Seriously Delinquent *** <   |                         |                      |                          |                     |                          |
| Seriously Delinquent               | 711,082                 | 689,346              | 3.2%                     | 598,140             | 18.9%                    |
| Seriously Delinquent Rate          | 9.6%                    | 9.3%                 | 0.3% #                   | 8.8%                | 0.8%                     |

<sup>#</sup> Percentage point difference

<sup>^</sup> Existing homes, including purchase and refinance cases, represent virtually all of insurance activity.

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

This count of seriously delinquent mortgages includes all bankruptcies, all foreclosures and 90 days or more delinquencies.

## **SINGLE-FAMILY OPERATIONS**

December 2011

#### **FISCAL YEAR COMPARISONS**

|                             | PROJECTIONS RATE C |         |             |           |        | F           |  |  |
|-----------------------------|--------------------|---------|-------------|-----------|--------|-------------|--|--|
|                             | FY 2012            | FY 2012 | FY 2011     | CHANGE    |        | FY 2011     |  |  |
|                             | AS OF OCT 11       | TO DATE | TO DATE     | 2012/2011 |        | FINAL       |  |  |
|                             |                    |         | <del></del> |           |        | <del></del> |  |  |
| TOTAL APPLICATIONS: *       | 1,750,000          | 365,697 | 429,119     | -14.8%    |        | 1,603,669   |  |  |
|                             |                    |         |             |           |        |             |  |  |
| Purchase                    | 1,015,000          | 194,895 | 189,610     | 2.8%      |        | 921,886     |  |  |
| Refinance                   | 630,000            | 149,880 | 214,773     | -30.2%    |        | 586,092     |  |  |
| Prior FHA                   | 252,000            | 82,261  | 104,782     | -21.5%    |        | 247,124     |  |  |
| Conventional to FHA         | 378,000            | 67,619  | 109,991     | -38.5%    |        | 338,968     |  |  |
| H4H (HOPE for Homeowners)   |                    | 0       | 214         |           |        | 1,408       |  |  |
| Short Refinance             |                    | 848     | 122         |           |        | 1,333       |  |  |
| HECM                        | 105,000            | 20,922  | 24,736      | -15.4%    |        | 95,691      |  |  |
|                             |                    |         |             |           |        |             |  |  |
| TOTAL ENDORSEMENTS: *       | 1,400,000          | 269,984 | 390,044     | -30.8%    | -      | 1,271,211   |  |  |
| Minority                    | 350,000            | 69,973  | 90,280      | -22.5%    | +      | 312,940     |  |  |
| % Minority                  | 25.0%              | 25.9%   | 23.1%       | 2.8%      | #      | 24.6%       |  |  |
| 76 IVIII IOTILY             | 25.070             | 25.370  | 23.170      | 2.070     | #      | 24.070      |  |  |
| Purchase                    | 840,000            | 176,215 | 196,829     | -10.5%    |        | 777,521     |  |  |
| % Purchase                  | 60.0%              | 65.3%   | 50.5%       | 14.8%     | #      | 61.2%       |  |  |
| 1st Time Home Buyer         | 630,000            | 135,011 | 143,722     | -6.1%     | π      | 585,091     |  |  |
| % 1st Time Home Buyer       | 75.0%              | 76.6%   | 73.0%       | 3.6%      | #      | 75.3%       |  |  |
| Non-Minority                | 403,200            | 82,560  | 87,454      | -5.6%     | π      | 360,891     |  |  |
| % Non-Minority              | 64.0%              | 61.2%   | 60.8%       | 0.3%      | #      | 61.7%       |  |  |
| Minority                    | 189,000            | 44,381  | 46,631      | -4.8%     | #      | 187,022     |  |  |
| % Minority                  | 30.0%              | 32.9%   | 32.4%       | 0.4%      | #      | 32.0%       |  |  |
| Not-Disclosed               | 37,800             | 8,069   | 9,635       | -16.3%    | #      | 37,176      |  |  |
| % Not-Disclosed             |                    | 6.0%    |             |           | ш      |             |  |  |
| % Not-Disclosed             | 6.0%               | 0.0%    | 6.7%        | -0.7%     | #      | 6.4%        |  |  |
| Refinanced                  | 476,000            | 79,827  | 174,825     | -54.3%    |        | 420,561     |  |  |
| % Refinanced                | 34.0%              | 29.6%   | 44.8%       | -15.3%    | #      | 33.1%       |  |  |
| Prior FHA                   | 247,520            | 47,954  | 109,476     | -56.2%    |        | 224,936     |  |  |
| Streamline                  | 223,720            | 36,696  | 93,225      | -60.6%    |        | 180,330     |  |  |
| % Streamline                | 47.0%              | 46.0%   | 53.3%       | -7.4%     | #      | 42.9%       |  |  |
| Full Process                | 23,800             | 11,258  | 16,251      | -30.7%    |        | 44,606      |  |  |
| Cash Out                    | 7,200              | 1,848   | 2,931       | -36.9%    |        | 9,022       |  |  |
| Conventional to FHA         | 228,480            | 31,879  | 65,354      | -51.2%    |        | 195,634     |  |  |
| Cash Out                    | 36,000             | 8,804   | 16,114      | -45.4%    |        | 52,921      |  |  |
| Total Cash Out              | 43,200             | 10,652  | 19,045      | -44.1%    |        | 61,943      |  |  |
| Total % Cash Out            | 9.1%               | 13.3%   | 10.9%       | 2.5%      | #      | 14.7%       |  |  |
| H4H (HOPE for Homeowners)   | 21.77              | 2       | 70          | =1070     | -      | 632         |  |  |
| Short Refinance             |                    | 313     | 22          |           |        | 334         |  |  |
| HECM                        | 84,000             | 13,942  | 18,390      | -24.2%    |        | 73,129      |  |  |
| % HECM                      | 6.0%               | 5.2%    | 4.7%        | 0.4%      | #      | 5.8%        |  |  |
| HECM Standard Traditional   | 75,000             | 12,243  | 17,232      | -29.0%    | 1      | 65,062      |  |  |
| HECM Stndrd Traditional ARM | 22,500             | 3,426   | 6,398       | -46.5%    | $\top$ | 19,429      |  |  |
| HECM Standard Purchase      | 1,700              | 359     | 315         | 14.0%     | $\top$ | 1,514       |  |  |
| HECM Stndrd Purchase ARM    | 500                | 14      | 48          | -70.8%    | +      | 112         |  |  |
| HECM Standard Refinance     | 3,000              | 388     | 749         | -48.2%    | +      | 2,727       |  |  |
| % HECM Standard Refinance   | 3.6%               | 2.8%    | 4.1%        | -1.3%     | #      | 3.7%        |  |  |
| HECM Standard Refinance ARM | 660                | 145     | 196         | -26.0%    | .,     | 565         |  |  |
| HECM Saver Total            | 4,300              | 953     | 94          | 20.070    | _      | 3,828       |  |  |

## **SINGLE-FAMILY OPERATIONS**

December 2011

#### **FISCAL YEAR COMPARISONS**

| PROJE        | ECTIONS       |           | RATE OF   |         |
|--------------|---------------|-----------|-----------|---------|
| FY           | 2012 FY 201   | 2 FY 2011 | CHANGE    | FY 2011 |
| <u>AS OF</u> | OCT 11 TO DAT | E TO DATE | 2012/2011 | FINAL   |

|                                    | 710 01 001 11 | TOBATE  | TOBRIL  | 2012/2011 | 1 11 47 12 |
|------------------------------------|---------------|---------|---------|-----------|------------|
| FORWARD ENDORSEMENTS ONLY          | · *           |         |         |           |            |
|                                    |               |         |         |           |            |
| Section 203(k)                     | 22,000        | 6,142   | 4,781   | 28.5%     | 21,297     |
| Condominium                        | 110,000       | 9,126   | 18,509  | -50.7%    | 54,694     |
| % Condominium                      | 7.9%          | 3.4%    | 4.7%    | -1.4% #   |            |
| ARM (Excludes HECM ARM)            | 50,000        | 7,391   | 11,489  | -35.7%    | 50,88      |
| % ARM                              | 3.6%          | 2.7%    | 2.9%    | -0.2% #   |            |
| Manufactured Housing (Real Estate) | 50,000        | 4,909   | 5,680   | -13.6%    | 21,37      |
| Interest Buy-down                  | 4,000         | 1,147   | 796     | 44.1%     | 3,79       |
| ,                                  |               |         |         |           |            |
| Lender Insurance *                 |               |         |         |           |            |
| Total Lender Insurance             | 980,000       | 207,743 | 295,646 | -29.7%    | 976,31     |
| % of Total Insurance               | 70.0%         | 76.9%   | 75.8%   | 1.1% #    | 76.8%      |
| Forward Mortgages                  | 960,400       | 206,935 | 290,647 | -28.8%    | 956,51     |
| HECM                               | 19,600        | 808     | 4,999   | -83.8%    | 19,79      |
|                                    |               |         |         |           |            |
| Automated Underwriting System *:   | X             |         |         |           |            |
| AUS Endorsed                       | 1,050,000     | 211,783 | 274,530 | -22.9%    | 994,57     |
| AUS as % of Total Endorsed         | 79.8%         | 82.7%   | 73.9%   | 8.8% #    | 83.09      |
|                                    |               |         |         |           |            |
| Mortgage Insurance *               |               |         |         |           |            |
| Total Number                       | 1,400,000     | 269,984 | 390,044 | -30.8%    | 1,271,21   |
| Total Amount (\$B)                 | \$248.6       | \$47.9  | \$76.7  | -37.5%    | \$236.     |
| Forward Mortgages                  |               |         |         |           |            |
| Total Forward Number               | 1,316,000     | 256,042 | 371,654 | -31.1%    | 1,198,08   |
| Amount (\$B)                       | \$231.1       | \$44.6  | \$72.1  | -38.1%    | \$217.     |
| Purchase Number                    | 840,000       | 176,215 | 196,829 | -10.5%    | 777,52     |
| Amount (\$B)                       | \$141.9       | \$29.2  | \$35.1  | -16.8%    | \$134.     |
| Refinance Number                   | 476,000       | 79,827  | 174,825 | -54.3%    | 420,56     |
| Amount (\$B)                       | \$89.2        | \$15.4  | \$37.0  | -58.4%    | \$83.      |
| Reverse Mortgages                  |               |         |         |           |            |
| HECM Number                        | 84,000        | 13,942  | 18,390  | -24.2%    | 73,12      |
| Max Claim Amount (\$B)             | \$17.5        | \$3.3   | \$4.6   | -28.3%    | \$18.      |
|                                    |               |         |         |           |            |
| Claims **                          |               |         |         |           |            |
| Total Claims                       | 318,500       | 61,259  | 87,827  | -30.3%    | 326,89     |
| Loss Mitigation Retention          | 195,000       | 30,387  | 58,032  | -47.6%    | 200,80     |
| Pre-Foreclosures                   | 25,400        | 9,807   | 4,072   | 140.8%    | 25,06      |
| Conveyances                        | 92,000        | 18,801  | 24,004  | -21.7%    | 91,44      |
| HECM                               | 5,000         | 2,170   | 1,435   | 51.2%     | 7,95       |
| Other Claims                       | 1,100         | 94      | 284     | -66.9%    | 1,610      |

Source: \* F17 CHUMS \*\* A43C Claims System

<sup># =</sup> Percentage point difference

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

### SINGLE-FAMILY OPERATIONS

November 2011

CONTACT INFORMATION
WILLIAM F. SHAW 202-402-7550
ZENORA HINES 202-402-7544

#### **Applications**

The number of single family applications for November totaled 125,596 cases. This count consisted of 67,358 purchase cases, 50,730 refinance applications and 7,508 reverse mortgage applications.

The refinance applications included 26,866 prior FHA mortgages plus 23,864 conventional mortgages seeking FHA insurance. Also, included in the refinance total were 293 principle write down cases.

The seasonally adjusted annual rate was estimated to be 1,925,800 -- higher than last month, again due to favorable factors for November and a higher daily average of applications per workday.

#### **Endorsements**

For the month, FHA endorsed 88,206 mortgages for \$15.6 billion. The breakdown was a follows: 57,038 purchase money mortgages, of which 43,968 were for first time home buyers. There were also 26,514 mortgages refinanced -- 16,201 being prior FHA mortgages and 10,313 conventional mortgages converting to FHA. Virtually all of the prior FHA's were streamline cases without appraisals. The count of conventions included 76 short refinances.

#### **Lender Insurance**

67,305 cases insured were handled with lender insurance -- 76.3 percent of the total insurance this month.

#### **Automated Underwriting**

82.4 percent of the cases insured this month (68,818) were accepted and endorsed using the FHA score card (TOTAL).

#### **Processing Time**

The average time for processing a cases -- from application to insurance was 9.7 weeks.

#### Insurance-In-Force

At the end of November, FHA had 7,376,641 single family mortgages-in-force with an amortized balance of \$1,030.4 billion.

#### **Defaults and Claims**

On November 30, FHA servicers reported 689,346 mortgages in serious default yielding a default rate of 9.3 percent.

So far this fiscal year, FHA has paid 42,593 claims. Loss mitigation accounted for 21,314 while 12,724 were property conveyances. Most of the remaining were pre-foreclosure actions.

## **SINGLE-FAMILY OPERATIONS**

**November 2011** 

#### **MONTHLY COMPARISONS**

|                                | CURRENT   | LAST      | RATE OF | LAST      | RATE OF  |
|--------------------------------|-----------|-----------|---------|-----------|----------|
|                                | MONTH     | MONTH     | CHANGE  | YEAR      | CHANGE   |
|                                | WONT      | WOITH     | OHAITOL | TEAR      | OHANGE   |
| TOTAL APPLICATIONS: *          | 125,596   | 129,675   | -3.1%   | 141,199   | -11.1%   |
| Annual Rate                    | 1,925,800 | 1,667,100 | 15.5%   | 1,752,100 | 9.9%     |
| Average per workday            | 7,612     | 6,589     | 15.5%   | 6,925     | 9.9%     |
| Purchase                       | 67,358    | 70,580    | -4.6%   | 63,920    | 5.4%     |
| Refinance                      | 50,730    | 51,772    | -2.0%   | 69,062    | -26.5%   |
| Prior FHA                      | 26,866    | 26,473    | 1.5%    | 30,593    | -12.2%   |
| Conventional to FHA            | 23,864    | 25,299    | -5.7%   | 38,469    | -38.0%   |
| H4H (HOPE for Homeowners)      |           |           |         | 88        | -100.0%  |
| Short Refinance                | 293       | 266       | 10.2%   | 40        | 632.5%   |
| HECM                           | 7,508     | 7,323     | 2.5%    | 8,217     | -8.6%    |
| TOTAL ENDORSEMENTS: *          | 88,206    | 88,060    | 0.2%    | 131,258   | -32.8%   |
| Annual Rate                    | 1,058,500 | 1,056,700 | 0.2%    | 1,575,100 | -32.8%   |
| Weighted Average FICO Score ** | 697       | 697       | 0.0%    | 701       | -0.6%    |
| Minority                       | 22,810    | 22,990    | -0.8%   | 30,228    | -24.5%   |
| % Minority                     | 25.9%     | 26.1%     | -0.2% # | 23.0%     | 2.8% #   |
| Purchase                       | 57,038    | 60,596    | -5.9%   | 64,896    | -12.1%   |
| % Purchase                     | 64.7%     | 68.8%     | -4.1% # | 49.4%     | 15.2% #  |
| Average FICO Score **          | 695       | 696       | -0.1%   | 700       | -0.7%    |
| 1st Time Home Buyer            | 43,968    | 46,192    | -4.8%   | 47,454    | -7.3%    |
| % 1st Time Home Buyer          | 77.1%     | 76.2%     | 0.9% #  | 73.1%     | 4.0% #   |
| Non-Minority                   | 26,818    | 28,348    | -5.4%   | 28,894    | -7.2%    |
| % Non-Minority                 | 61.0%     | 61.4%     | -0.4% # | 60.9%     | 0.1% #   |
| Minority                       | 14,492    | 15,003    | -3.4%   | 15,312    | -5.4%    |
| % Minority                     | 33.0%     | 32.5%     | 0.5% #  | 32.3%     | 0.7% #   |
| Not-Disclosed                  | 2,658     | 2,841     | -6.4%   | 3,247     | -18.1%   |
| % Not-Disclosed                | 6.0%      | 6.2%      | -0.1% # | 6.8%      | -0.8% #  |
| Refinanced                     | 26,514    | 22,811    | 16.2%   | 59,803    | -55.7%   |
| % Refinanced                   | 30.1%     | 25.9%     | 4.2% #  | 45.6%     | -15.5% # |
| Average FICO Score **          | 703       | 703       | 0.0%    | 703       | 0.0%     |
| Prior FHA                      | 16,201    | 12,742    | 27.1%   | 38,285    | -57.7%   |
| Streamline                     | 12,349    | 9,509     | 29.9%   | 32,943    | -62.5%   |
| % Streamline                   | 46.6%     | 41.7%     | 4.9% #  | 55.1%     | -8.5% #  |
| Full Process                   | 3,852     | 3,233     | 19.1%   | 5,342     | -27.9%   |
| Cash Out                       | 644       | 534       | 20.6%   | 963       | -33.1%   |
| Conventional to FHA            | 10,313    | 10,070    | 2.4%    | 21,518    | -52.1%   |
| Cash Out                       | 2,898     | 2,762     | 4.9%    | 5,188     | -44.1%   |
| Total Cash Out                 | 3,542     | 3,296     | 7.5%    | 6,151     | -42.4%   |
| Total % Cash Out               | 13.4%     | 14.4%     | -1.1% # | 10.3%     | 3.1% #   |
| H4H (HOPE for Homeowners)      |           |           |         | 27        |          |
| Short Refinance                | 76        | 89        | -14.6%  | 1         |          |
| HECM                           | 4,654     | 4,653     | 0.0%    | 6,559     | -29.0%   |
| % HECM                         | 5.3%      | 5.3%      | 0.0% #  | 5.0%      | 0.3% #   |
| HECM Standard Traditional      | 4,113     | 4,055     | 1.4%    | 6,191     | -33.6%   |
| HECM Stndrd Traditional ARM    | 1,096     | 1,111     | -1.4%   | 2,319     | -52.7%   |
| HECM Standard Purchase         | 121       | 129       | -6.2%   | 108       | 12.0%    |
| HECM Stndrd Purchase ARM       | 6         | 5         | 20.0%   | 15        | -60.0%   |
| HECM Standard Refinance        | 110       | 122       | -9.8%   | 260       | -57.7%   |
| % HECM Standard Refinance      | 2.4%      | 2.6%      | -0.3% # | 4.0%      | -1.6% #  |
| HECM Stndrd Refinance ARM      | 31        | 27        | 14.8%   | 63        | -50.8%   |
| HECM Saver Total               | 310       | 347       | -10.7%  |           |          |

Source: \* F17 CHUMS

NA - Not available at this time.

<sup># -</sup> Percentage point difference

<sup>\*\*</sup> This series represents the composite FICO score value that is used for loan underwriting.

## **SINGLE-FAMILY OPERATIONS**

**November 2011** 

#### **MONTHLY COMPARISONS**

|                                    | CURRENT<br>MONTH | LAST<br><u>MONTH</u> | RATE OF<br>CHANGE | LAST<br>YEAR | RATE OF<br>CHANGE |
|------------------------------------|------------------|----------------------|-------------------|--------------|-------------------|
|                                    |                  |                      |                   |              |                   |
| FORWARD ENDORSEMENTS ONLY: *       |                  |                      |                   |              |                   |
| Section 203(k)                     | 2,148            | 2,016                | 6.5%              | 1,588        | 35.3%             |
| Condominium                        | 2,937            | 2,998                | -2.0%             | 6,284        | -53.3%            |
| % Condominium                      | 3.3%             | 3.4%                 | -0.1% #           | 4.8%         | -1.5%             |
| ARM (Excludes HECM ARM)            | 2,280            | 2,995                | -23.9%            | 3,576        | -36.2%            |
| % ARM                              | 2.6%             | 3.4%                 | -0.8% #           | 2.7%         | -0.1%             |
| Manufactured Housing (Real Estate) | 1,644            | 1,648                | -0.2%             | 1,903        | -13.6%            |
| Interest Buy-down                  | 357              | 419                  | -14.8%            | 271          | 31.7%             |
| Average Processing Time * ^        |                  |                      |                   |              |                   |
| (Existing Homes, weeks)            |                  |                      |                   |              |                   |
| Application to Closing             | 6.0              | 6.0                  | 0.0%              | 7.3          | -17.8%            |
| Closing to Endorsement             | 3.7              | 3.6                  | 2.8%              | 4.1          | -9.8%             |
| Lender Insurance *                 |                  |                      |                   |              |                   |
| Total Lender Insurance             | 67,305           | 68,056               | -1.1%             | 100,275      | -32.9%            |
| % of Total Insurance               | 76.3%            | 77.3%                | -1.0% #           | 76.4%        | -0.19             |
| Forward Mortgages                  | 67,287           | 67,270               | 0.0%              | 98,382       | -31.6%            |
| HECM                               | 18               | 786                  | -97.7%            | 1,893        | -99.0%            |
| Automated Underwriting System * x  |                  |                      |                   |              |                   |
| AUS Endorsed                       | 68,818           | 71,253               | -3.4%             | 90,502       | -24.0%            |
| AUS as % of Total Endorsed         | 82.4%            | 85.4%                | -3.1% #           | 72.6%        | 9.8%              |
| Mortgage Insurance *               |                  |                      |                   |              |                   |
| Total Number                       | 88,206           | 88,060               | 0.2%              | 131,258      | -32.8%            |
| Total Amount (\$B)                 | \$15.6           | \$15.7               | -0.6%             | \$26.1       | -40.29            |
| Forward Mortgages                  |                  |                      |                   |              |                   |
| Total Forward Number               | 83,552           | 83,407               | 0.2%              | 124,699      | -33.0%            |
| Amount (\$B)                       | \$14.5           | \$14.6               | -0.7%             | \$24.4       | -40.6%            |
| Purchase Number                    | 57,038           | 60,596               | -5.9%             | 64,896       | -12.19            |
| Amount (\$B)                       | \$9.4            | \$10.2               | -7.8%             | \$11.6       | -19.0%            |
| Refinance Number                   | 26,514           | 22,811               | 16.2%             | 59,803       | -55.7%            |
| Amount (\$B)                       | \$5.1            | \$4.4                | 15.9%             | \$12.8       | -60.29            |
| Reverse Mortgages                  |                  |                      |                   |              |                   |
| HECM Number                        | 4,654            | 4,653                | 0.0%              | 6,559        | -29.0%            |
| Max Claim Amount (\$B)             | \$1.1            | \$1.1                | 0.0%              | \$1.7        | -35.3%            |
| Mortgage Insurance-In-Force **     |                  |                      |                   |              |                   |
| Total Number                       | 7,376,641        | 7,342,078            | 0.5%              | 6,745,827    | 9.4%              |
| Total Unpaid Balance Amount (\$B)  | \$1,030.4        | \$1,025.5            | 0.5%              | \$921.0      | 11.99             |
| Loans Seriously Delinquent *** <   |                  |                      |                   |              |                   |
| Seriously Delinquent               | 689,346          | 661,554              | 4.2%              | 588,947      | 17.0%             |
| Seriously Delinquent Rate          | 9.3%             | 9.0%                 | 0.3% #            | 8.7%         | 0.6%              |

<sup>#</sup> Percentage point difference

<sup>^</sup> Existing homes, including purchase and refinance cases, represent virtually all of insurance activity.

 $<sup>{</sup>f x}$  AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

This count of seriously delinquent mortgages includes all bankruptcies, all foreclosures and 90 days or more delinquencies.

## **SINGLE-FAMILY OPERATIONS**

**November 2011** 

#### **FISCAL YEAR COMPARISONS**

| Purchase         1,015,000         137,938         132,548         4.1%         921,886           Refinance         630,000         102,502         167,606         -38.8%         586,092           Prior FHA         252,000         53,339         84,219         -36.7%         247,124           Conventional to FHA         378,000         49,163         83,387         -41.0%         338,968           H4H (HOPE for Homeowners)         0         154         1,408           Short Refinance         559         61         1,333           HECM         105,000         14,831         16,466         -9.9%         95,691  |                                       | PROJECTIONS  |         |         | RATE OF   |        |              |
|--|---------------------------------------|--------------|---------|---------|-----------|--------|--------------|
| AS OF OCT 11   TO DATE   TO DATE   2012/2011   FINAL   |                                       | FY 2012      | FY 2012 | FY 2011 | CHANGE    |        | FY 2011      |
| Purchase   |                                       | AS OF OCT 11 | TO DATE | TO DATE | 2012/2011 |        | <u>FINAL</u> |
| Refinance  | TOTAL APPLICATIONS: *                 | 1,750,000    | 255,271 | 316,620 | -19.4%    |        | 1,603,669    |
| Refinance  | Powerle and                           | 4 045 000    | 407.000 | 100 540 | 4.40/     | -      | 004.000      |
| Prior FHA  |                                       |              |         |         |           | -      |              |
| Conventional to FHA   376,000   49,163   83,387   -41,0%   338,968   H4H (HOPE for Homeowners)   0   154   1,408   1,408   Short Refinance   559   61   1,333   HECM   105,000   14,831   16,466   -9,9%   95,691   100,000   14,831   16,466   -9,9%   95,691   100,000   176,266   256,476   -31,3%   1,271,211   Minority   350,000   45,800   59,350   -22,8%   312,940   William   26,000   26,000   23,1%   2,8%   24,6%   24,6%   23,1%   2,8%   # 24,6%   24 |                                       |              |         |         |           | -      |              |
| Hartl (HOPE for Homeowners)  | -                                     |              |         |         |           | -      |              |
| Short Refinance  |                                       | 378,000      |         |         | -41.0%    | -      |              |
| HECM   | ·                                     |              | -       | -       |           | _      | -            |
| Minority   350,000   45,800   59,350   -22.8%   312,940  |                                       | 107.000      |         |         | 2 201     | _      |              |
| Minority         350,000         45,800         59,350         -22.8%         312,940           % Minority         25,0%         26,0%         23,1%         2.8%         # 24,6%           Purchase         840,000         117,634         130,677         -10.0%         777,521           % Purchase         60.0%         66.7%         51.0%         15.8%         # 61.2%           1st Time Home Buyer         630,000         90,160         95,192         -5.3%         585,091           % 1st Time Home Buyer         75.0%         76.6%         72.8%         3.8%         # 75.3%           Non-Minority         403,200         55,166         58.091         -5.0%         360,891           % Non-Minority         64.0%         61.2%         61.0%         0.2%         # 61.7%           Minority         189,000         29,495         30,747         -4.1%         187,022           % Minority         30.0%         32,7%         32.3%         0.4%         # 32.0%           Not-Disclosed         37,800         5,499         6,533         -13.4%         37,176           Refinanced         476,000         49,325         113,961         -56.7%         420,561           % Ref  | несм                                  | 105,000      | 14,831  | 16,466  | -9.9%     | +      | 95,691       |
| W Minority         25.0%         26.0%         23.1%         2.8%         #         24.6%           Purchase         840,000         117,634         130,677         -10.0%         777,521           % Purchase         60.0%         66.7%         51.0%         15.8%         #         61.2%           1st Time Home Buyer         630,000         90,160         95,192         -5.3%         585,091           % Ist Time Home Buyer         75.0%         76.6%         72.8%         3.38%         #         75.3%           Non-Minority         403,200         55,166         58.091         -5.0%         360,891           Minority         189,000         29,495         30,747         -4.1%         187,002           % Minority         189,000         29,495         30,747         -4.1%         187,002           W Minority         30,0%         32,7%         32,3%         0.4%         32,0%           Not-Disclosed         37,800         5,499         6,353         -13,4%         37,176           Refinanced         476,000         49,325         113,961         -56,7%         420,561           Refinanced         34,0%         28,0%         44,4%         -16,5%  | TOTAL ENDORSEMENTS: *                 | 1,400,000    | 176,266 | 256,476 | -31.3%    |        | 1,271,211    |
| W Minority         25.0%         26.0%         23.1%         2.8%         #         24.6%           Purchase         840,000         117,634         130,677         -10.0%         777,521           % Purchase         60.0%         66.7%         51.0%         15.8%         #         61.2%           1st Time Home Buyer         630,000         90,160         95,192         -5.3%         585,091           % Ist Time Home Buyer         75.0%         76.6%         72.8%         3.38%         #         75.3%           Non-Minority         403,200         55,166         58.091         -5.0%         360,891           Minority         189,000         29,495         30,747         -4.1%         187,002           % Minority         189,000         29,495         30,747         -4.1%         187,002           W Minority         30,0%         32,7%         32,3%         0.4%         32,0%           Not-Disclosed         37,800         5,499         6,353         -13,4%         37,176           Refinanced         476,000         49,325         113,961         -56,7%         420,561           Refinanced         34,0%         28,0%         44,4%         -16,5%  | Minority                              | 350,000      | 45.800  | 50 350  | -22.8%    | +      | 312 040      |
| Purchase         840,000         117,634         130,677         -10.0%         777,521           % Purchase         60.0%         66.7%         51.0%         15.8%         # 61.2%           1st Time Home Buyer         630,000         90,160         95,192         -5.3%         585,091           % Ist Time Home Buyer         75.0%         76.6%         72.8%         3.8%         # 75.3%           Non-Minority         403,200         55,166         58,091         -5.0%         360,891           % Non-Minority         64.0%         61.2%         61.0%         0.2%         # 61.7%           Minority         30.0%         32.7%         30,747         4.1%         187,022           % Minority         30.0%         32.7%         32.3%         0.4%         # 32.0%           Not-Disclosed         37,800         5.499         6.353         -13.4%         37,176           % Not-Disclosed         46.0%         6.1%         6.7%         -0.6%         4.4%           Refinanced         476,000         49,325         113,961         -56.7%         420,561           Refinanced         34.0%         28.0%         44.4%         -16.5%         33.1%           Prior FHA <td></td> <td></td> <td></td> <td></td> <td></td> <td>#</td> <td></td>  |                                       |              |         |         |           | #      |              |
| % Purchase         60.0%         66.7%         51.0%         15.8%         # 61.2%           1st Time Home Buyer         630,000         90,160         95,192         -5.3%         585,091           % 1st Time Home Buyer         75.0%         76.6%         72.2%         3.8%         # 75.3%           Non-Minority         403,200         55,166         58.091         -5.0%         360.891           % Non-Minority         64.0%         61.2%         61.0%         0.2%         # 61.7%           Minority         189.000         29.495         30,747         4.1%         187,022           % Minority         30.0%         32.7%         32.3%         0.4%         # 32.0%           Not-Disclosed         37,800         5.499         6,353         -13.4%         37,176           % Not-Disclosed         6.0%         6.1%         6.7%         -0.6%         # 420,561           % Refinanced         476,000         49.325         113,961         -56.7%         420,561           % Refinanced         34.0%         28.9%3         71,726         -59.9%         224,936           Streamline         223,720         21.858         61,419         -64.4%         180,330           <  | 70 Millionty                          | 25.0 /0      | 20.070  | 20.170  | 2.070     | TT     | 27.0 /0      |
| % Purchase         60.0%         66.7%         51.0%         15.8%         # 61.2%           1st Time Home Buyer         630,000         90,160         95,192         -5.3%         585,091           % 1st Time Home Buyer         75.0%         76.6%         72.2%         3.8%         # 75.3%           Non-Minority         403,200         55,166         58.091         -5.0%         360.891           % Non-Minority         64.0%         61.2%         61.0%         0.2%         # 61.7%           Minority         189.000         29.495         30,747         4.1%         187,022           % Minority         30.0%         32.7%         32.3%         0.4%         # 32.0%           Not-Disclosed         37,800         5.499         6,353         -13.4%         37,176           % Not-Disclosed         6.0%         6.1%         6.7%         -0.6%         # 420,561           % Refinanced         476,000         49.325         113,961         -56.7%         420,561           % Refinanced         34.0%         28.9%3         71,726         -59.9%         224,936           Streamline         223,720         21.858         61,419         -64.4%         180,330           <  | Durchaeo                              | 840,000      | 117 624 | 130 677 | 10.0%     |        | 777 521      |
| 1st Time Home Buyer         630,000         90,160         95,192         -5.3%         585,091           % 1st Time Home Buyer         75.0%         76.6%         72.8%         3.8%         # 75.3%           Non-Minority         403,200         55,166         58.091         -5.0%         360,891           % Non-Minority         189,000         29,495         30,747         -4.1%         187,022           % Minority         30.0%         32,7%         32,3%         0.4%         # 32.0%           Not-Disclosed         37,800         5,499         6,353         -13.4%         37,176           % Not-Disclosed         6.0%         6.1%         6.7%         -0.6%         # 6.4%           Refinanced         476,000         49,325         113,961         -56.7%         420,561           % Refinanced         34.0%         28.0%         44.4%         -16.5%         # 33,1%           Frior FIHA         247,520         28,943         77,726         -59.6%         224,936           Streamline         47.0%         44.3%         53.9%         -9.6%         # 42.9%           Gash Out         7,200         1,178         1,890         -37.7%         9,022  |                                       |              |         |         |           | #      |              |
| % 1st Time Home Buyer         75.0%         76.6%         72.8%         3.8%         #         75.3%           Non-Minority         403,200         55,166         58.091         -5.0%         360,891           % Non-Minority         64.0%         61.2%         61.0%         0.2%         #         61.7%           Minority         189,000         29,495         30,747         4.1%         187,022           % Minority         30.0%         32,7%         32,3%         0.4%         #         32,0%           Not-Disclosed         6.0%         6.1%         6.7%         -0.6%         #         6.4%           **Refinanced         476,000         49,325         113,961         -56.7%         420,561           % Refinanced         34,0%         28,0%         44.4%         -16.5%         #         33,1%           Prior FHA         247,520         28,943         71,726         -59.6%         224,936           Streamline         223,720         21,858         61,419         -64.4%         180,330           *Streamline         47.0%         44.3%         53.9%         9.6%         # 42.9%           Full Process         23,800         7,085         10,307  |                                       |              |         |         |           | #      |              |
| Non-Minority   |                                       |              |         |         |           | #      |              |
| % Non-Minority         64.0%         61.2%         61.0%         0.2%         #         61.7%           Minority         189,000         29,495         30,747         -4.1%         187,022           % Minority         30.0%         32,7%         32,3%         0.4%         #         32,0%           Not-Disclosed         37,800         5,499         6,353         -13.4%         37,176           % Not-Disclosed         6.0%         6.1%         6.7%         -0.6%         #         6.4%           Refinanced         476,000         49,325         113,961         -56.7%         420,561           % Refinanced         34.0%         28.0%         44.4%         -16.5%         #         33,1%           Prior FHA         247,520         28,943         71,726         -59.6%         224,936           Streamline         223,720         21,858         61,419         -64.4%         180,330           Streamline         47.0%         44.3%         53.9%         -9.6%         #         42.9%           Full Process         23,800         7,085         10,307         -31.3%         44.606         44.2%           Cash Out         7,200         1,178         1,800 <td>· · · · · · · · · · · · · · · · · · ·</td> <td></td> <td></td> <td></td> <td></td> <td>#</td> <td></td>   | · · · · · · · · · · · · · · · · · · · |              |         |         |           | #      |              |
| Minority         189,000         29,495         30,747         -4.1%         187,022           % Minority         30.0%         32.7%         32.3%         0.4%         # 32.0%           Not-Disclosed         37,800         5.499         6,353         -13.4%         37,176           % Not-Disclosed         6.0%         6.1%         6.7%         -0.6%         # 6.4%           Refinanced         476,000         49,325         113,961         -56.7%         420,561           % Refinanced         34.0%         28.0%         44.4%         -16.5%         # 33,1%           Prior FHA         247,520         28,943         71,726         -59.6%         224,936           Streamline         223,720         21,858         61,419         -64.4%         180,330           % Streamline         47.0%         44.3%         53.9%         -9.6%         # 42.9%           Full Process         23,800         7,085         10,307         -31.3%         44,606           Cash Out         7,200         1,178         1,890         -37.7%         9,022           Conventional to FHA         228,480         20,383         42,236         -51.7%         195,634           Ca  | · · · · · · · · · · · · · · · · · · · |              |         |         |           | #      |              |
| % Minority         30.0%         32.7%         32.3%         0.4%         #         32.0%           Not-Disclosed         37,800         5,499         6,353         -13.4%         37,176           % Not-Disclosed         6.0%         6.1%         6.7%         -0.6%         #         6.4%           Refinanced         476,000         49,325         113,961         -56.7%         420,561           % Refinanced         34.0%         28.0%         44.4%         -16.5%         #         33.1%           Prior FHA         247,520         28.943         71,726         -59.6%         224,936           Streamline         223,720         21.858         61,419         -64.4%         180,330           % Streamline         47.0%         44.3%         53.9%         -9.6%         #         42.9%           Full Process         23,800         7,085         10,307         -31.3%         44,606         44.606           Cash Out         7,200         1,178         1,890         -37.7%         9,022         9,022         1,634         44.606         5,660         10,375         -45.4%         52,921         70tal Cash Out         36,000         5,660         10,375         -45.4%  | ·                                     |              |         |         |           | #      |              |
| Not-Disclosed         37,800         5,499         6,353         -13.4%         37,176           % Not-Disclosed         6.0%         6.1%         6.7%         -0.6%         #         6.4%           Refinanced         476,000         49,325         113,961         -56.7%         420,561           % Refinanced         34.0%         28.0%         44.4%         -16.5%         #         33.1%           Prior FHA         247,520         28,943         71,726         -59.6%         224,936         Streamline         223,720         21,858         61,419         -64.4%         180,330         % Streamline         47.0%         44,3%         53.9%         -9.6%         #         42,9%         Full Process         23,800         7,085         10,307         -31.3%         44,606         A4,606         Cash Out         7,200         1,178         1,890         -37.7%         9,022         9,022         Conventional to FHA         228,480         20,383         42,236         -51.7%         195,634         A2,300         6,838         12,265         -44.2%         61,943         Total Cash Out         43,200         6,838         12,265         -44.2%         61,943         A1,7%         44,2%         61,943         A1,7% </td <td>•</td> <td></td> <td></td> <td></td> <td></td> <td>4</td> <td></td>  | •                                     |              |         |         |           | 4      |              |
| Refinanced         476,000         49,325         113,961         -56.7%         420,561           % Refinanced         34.0%         28.0%         44.4%         -16.5%         # 33.1%           Prior FHA         247,520         28,943         71,726         -59.6%         224,936           Streamline         223,720         21,858         61,419         -64.4%         180,330           % Streamline         47.0%         44.3%         53.9%         -9.6%         # 42.9%           Full Process         23,800         7,085         10,307         -31.3%         44,606           Cash Out         7,200         1,178         1,890         -37.7%         9,022           Conventional to FHA         228,480         20,383         42,236         -51.7%         195,634           Cash Out         36,000         5,660         10,375         -45.4%         52,921           Total Cash Out         43,200         6,838         12,265         -44.2%         61,943           Total % Cash Out         9,1%         13,9%         10.8%         3.1%         # 14.7%           HHCM         84,000         9,307         11,838         -21.4%         73,129           % HECM Standar  | · · · · · · · · · · · · · · · · · · · |              |         |         |           | #      |              |
| Refinanced         476,000         49,325         113,961         -56.7%         420,561           % Refinanced         34.0%         28.0%         44.4%         -16.5%         # 33.1%           Prior FHA         247,520         28,943         71,726         -59.6%         224,936           Streamline         223,720         21,858         61,419         -64.4%         180,330           % Streamline         47.0%         44.3%         53.9%         -9.6%         # 42.9%           Full Process         23,800         7,085         10,307         -31.5%         44,606           Cash Out         7,200         1,178         1,890         -37.7%         9,022           Conventional to FHA         228,480         20,383         42,236         -51.7%         195,634           Cash Out         36,000         5,660         10,375         -45.4%         52,921           Total Cash Out         43,200         6,838         12,265         -44.2%         61,943           Total % Cash Out         9,1%         13.9%         10.8%         3.1%         # 14.7%           HHCM         6,0%         5.3%         4.6%         0.7%         # 5.8%           HECM <td< td=""><td></td><td></td><td></td><td></td><td></td><td>ш</td><td></td></td<>   |                                       |              |         |         |           | ш      |              |
| % Refinanced         34.0%         28.0%         44.4%         -16.5%         #         33.1%           Prior FHA         247,520         28,943         71,726         -59.6%         224,936           Streamline         223,720         21,858         61,419         -64.4%         180,330           % Streamline         47.0%         44.3%         53.9%         -9.6%         #         42.9%           Full Process         23,800         7,085         10,307         -31.3%         44,606           Cash Out         7,200         1,178         1,890         -37.7%         9,022           Conventional to FHA         228,480         20,383         42,236         -51.7%         195,634           Cash Out         36,000         5,660         10,375         -45.4%         52,921           Total Cash Out         43,200         6,838         12,265         -44.2%         61,943           Total W Cash Out         9.1%         13.9%         10.8%         3.1%         #         14.7%           HHH (HOPE for Homeowners)         0         49         632         632         632         632         632         632         634         632         634         632         6  | % Not-Disclosed                       | 0.0%         | 0.1%    | 0.7%    | -0.6%     | #      | 0.4%         |
| % Refinanced         34.0%         28.0%         44.4%         -16.5%         #         33.1%           Prior FHA         247,520         28,943         71,726         -59.6%         224,936           Streamline         223,720         21,858         61,419         -64.4%         180,330           % Streamline         47.0%         44.3%         53.9%         -9.6%         #         42.9%           Full Process         23,800         7,085         10,307         -31.3%         44,606           Cash Out         7,200         1,178         1,890         -37.7%         9,022           Conventional to FHA         228,480         20,383         42,236         -51.7%         195,634           Cash Out         36,000         5,660         10,375         -45.4%         52,921           Total Cash Out         43,200         6,838         12,265         -44.2%         61,943           Total W Cash Out         9.1%         13.9%         10.8%         3.1%         #         14.7%           HHH (HOPE for Homeowners)         0         49         632         632         632         632         632         632         634         632         634         632         6  | Refinanced                            | 476.000      | 49.325  | 113.961 | -56.7%    |        | 420.561      |
| Prior FHA         247,520         28,943         71,726         -59.6%         224,936           Streamline         223,720         21,858         61,419         -64.4%         180,330           % Streamline         47.0%         44.3%         53.9%         -9.6%         # 42,9%           Full Process         23,800         7,085         10,307         -31.3%         44,606           Cash Out         7,200         1,178         1,890         -37.7%         9,022           Conventional to FHA         228,480         20,383         42,236         -51.7%         195,634           Cash Out         36,000         5,660         10,375         -45.4%         52,921           Total Cash Out         43,200         6,838         12,265         -44.2%         61,943           Total % Cash Out         9,1%         13.9%         10.8%         3.1%         # 14.7%           H4H (HOPE for Homeowners)         0         49         632           Short Refinance         165         1         334           HECM         6.0%         5.3%         4.6%         0.7%         # 5.8%           HECM Standard Traditional         75,000         8,168         11,148         -26.7% <td></td> <td></td> <td></td> <td></td> <td></td> <td>#</td> <td>,</td>   |                                       |              |         |         |           | #      | ,            |
| Streamline         223,720         21,858         61,419         -64.4%         180,330           % Streamline         47.0%         44.3%         53.9%         -9.6%         #         42.9%           Full Process         23,800         7,085         10,307         -31.3%         44,606           Cash Out         7,200         1,178         1,890         -37.7%         9,022           Conventional to FHA         228,480         20,383         42,236         -51.7%         195,634           Cash Out         36,000         5,660         10,375         -45.4%         52,921           Total Cash Out         43,200         6,838         12,265         -44.2%         61,943           Total W Cash Out         9.1%         13.9%         10.8%         3.1%         #         14.7%           H4H (HOPE for Homeowners)         0         49         632         53.4  | Prior FHA                             |              |         |         |           |        |              |
| % Streamline         47.0%         44.3%         53.9%         -9.6%         # 42.9%           Full Process         23,800         7,085         10,307         -31.3%         44,606           Cash Out         7,200         1,178         1,890         -37.7%         9,022           Conventional to FHA         228,480         20,383         42,236         -51.7%         195,634           Cash Out         36,000         5,660         10,375         -45.4%         52,921           Total Cash Out         43,200         6,838         12,265         -44.2%         61,943           Total % Cash Out         9.1%         13.9%         10.8%         3.1%         # 14.7%           H4H (HOPE for Homeowners)         0         49         632           Short Refinance         165         1         334           HECM         84,000         9,307         11,838         -21.4%         73,129           % HECM Standard Traditional         75,000         8,168         11,148         -26.7%         65,062           HECM Standard Purchase         1,700         250         200         25.0%         1,514           HECM Standard Purchase ARM         500         11         27  |                                       |              |         |         |           |        |              |
| Full Process         23,800         7,085         10,307         -31.3%         44,606           Cash Out         7,200         1,178         1,890         -37.7%         9,022           Conventional to FHA         228,480         20,383         42,236         -51.7%         195,634           Cash Out         36,000         5,660         10,375         -45.4%         52,921           Total Cash Out         43,200         6,838         12,265         -44.2%         61,943           Total % Cash Out         9.1%         13.9%         10.8%         3.1%         # 14.7%           H4H (HOPE for Homeowners)         0         49         632           Short Refinance         165         1         334           HECM         84,000         9,307         11,838         -21.4%         73,129           % HECM Standard Traditional         75,000         8,168         11,148         -26.7%         65,062           HECM Standard Traditional ARM         22,500         2,207         3,804         -42.0%         19,429           HECM Standard Purchase         1,700         250         200         25.0%         1,514           HECM Standard Refinance         3,000         232         <   | % Streamline                          |              |         |         |           | #      |              |
| Cash Out         7,200         1,178         1,890         -37.7%         9,022           Conventional to FHA         228,480         20,383         42,236         -51.7%         195,634           Cash Out         36,000         5,660         10,375         -45.4%         52,921           Total Cash Out         43,200         6,838         12,265         -44.2%         61,943           Total % Cash Out         9.1%         13.9%         10.8%         3.1%         # 14.7%           H4H (HOPE for Homeowners)         0         49         632           Short Refinance         165         1         334           HECM         84,000         9,307         11,838         -21.4%         73,129           % HECM         6.0%         5.3%         4.6%         0.7%         # 5.8%           HECM Standard Traditional         75,000         8,168         11,148         -26.7%         65,062           HECM Standard Purchase         1,700         250         200         25.0%         1,514           HECM Standard Refinance         3,000         232         490         -52.7%         2,727           % HECM Standard Refinance         3.6%         2.5%         4.1%   |                                       | 23.800       | 7.085   | 10.307  |           |        |              |
| Conventional to FHA         228,480         20,383         42,236         -51.7%         195,634           Cash Out         36,000         5,660         10,375         -45.4%         52,921           Total Cash Out         43,200         6,838         12,265         -44.2%         61,943           Total % Cash Out         9.1%         13.9%         10.8%         3.1%         # 14.7%           H4H (HOPE for Homeowners)         0         49         632           Short Refinance         165         1         334           HECM         84,000         9,307         11,838         -21.4%         73,129           % HECM Standard Traditional         75,000         8,168         11,148         -26.7%         65,062           HECM Standard Purchase         1,700         250         2,207         3,804         -42.0%         19,429           HECM Standard Purchase ARM         500         11         27         -59.3%         112           HECM Standard Refinance         3,000         232         490         -52.7%         2,727           % HECM Standard Refinance         3.6%         2.5%         4.1%         -1.6%         3.7%           HECM Standard Refinance ARM         660  |                                       |              |         |         |           |        |              |
| Cash Out         36,000         5,660         10,375         -45.4%         52,921           Total Cash Out         43,200         6,838         12,265         -44.2%         61,943           Total % Cash Out         9.1%         13.9%         10.8%         3.1%         # 14.7%           H4H (HOPE for Homeowners)         0         49         632           Short Refinance         165         1         334           HECM         84,000         9,307         11,838         -21.4%         73,129           % HECM Standard Traditional         6.0%         5.3%         4.6%         0.7%         # 5.8%           HECM Standard Traditional ARM         22,500         8,168         11,148         -26.7%         65,062           HECM Standard Purchase         1,700         250         200         25.0%         1,514           HECM Standard Refinance         3,000         232         490         -52.7%         2,727           % HECM Standard Refinance         3.6%         2.5%         4.1%         -1.6%         # 3.7%           HECM Standard Refinance ARM         660         58         111         -47.7%         565  | Conventional to FHA                   |              |         |         |           |        |              |
| Total Cash Out         43,200         6,838         12,265         -44.2%         61,943           Total % Cash Out         9.1%         13.9%         10.8%         3.1%         #         14.7%           H4H (HOPE for Homeowners)         0         49         632           Short Refinance         165         1         334           HECM         84,000         9,307         11,838         -21.4%         73,129           % HECM         6.0%         5.3%         4.6%         0.7%         #         5.8%           HECM Standard Traditional         75,000         8,168         11,148         -26.7%         65,062           HECM Stndrd Traditional ARM         22,500         2,207         3,804         -42.0%         19,429           HECM Standard Purchase         1,700         250         200         25.0%         1,514           HECM Standard Refinance         3,000         232         490         -52.7%         2,727           % HECM Standard Refinance         3.6%         2.5%         4.1%         -1.6%         3.7%           HECM Stndrd Refinance ARM         660         58         111         -47.7%         565   |                                       |              |         |         |           |        |              |
| Total % Cash Out         9.1%         13.9%         10.8%         3.1%         #         14.7%           H4H (HOPE for Homeowners)         0         49         632           Short Refinance         165         1         334           HECM         84,000         9,307         11,838         -21.4%         73,129           % HECM         6.0%         5.3%         4.6%         0.7%         #         5.8%           HECM Standard Traditional         75,000         8,168         11,148         -26.7%         65,062           HECM Stndrd Traditional ARM         22,500         2,207         3,804         -42.0%         19,429           HECM Standard Purchase         1,700         250         200         25.0%         1,514           HECM Standard Purchase ARM         500         11         27         -59.3%         112           HECM Standard Refinance         3,000         232         490         -52.7%         2,727           % HECM Standard Refinance         3.6%         2.5%         4.1%         -1.6%         #         3.7%           HECM Stndrd Refinance ARM         660         58         111         -47.7%         565  | Total Cash Out                        |              |         |         |           |        |              |
| H4H (HOPE for Homeowners)         0         49         632           Short Refinance         165         1         334           HECM         84,000         9,307         11,838         -21.4%         73,129           % HECM         6.0%         5.3%         4.6%         0.7%         #         5.8%           HECM Standard Traditional         75,000         8,168         11,148         -26.7%         65,062           HECM Stndrd Traditional ARM         22,500         2,207         3,804         -42.0%         19,429           HECM Standard Purchase         1,700         250         200         25.0%         1,514           HECM Stndrd Purchase ARM         500         11         27         -59.3%         112           HECM Standard Refinance         3,000         232         490         -52.7%         2,727           % HECM Standard Refinance         3.6%         2.5%         4.1%         -1.6%         #         3.7%           HECM Stndrd Refinance ARM         660         58         111         -47.7%         565   |                                       |              |         |         |           | #      |              |
| Short Refinance         165         1         334           HECM         84,000         9,307         11,838         -21.4%         73,129           % HECM         6.0%         5.3%         4.6%         0.7%         #         5.8%           HECM Standard Traditional         75,000         8,168         11,148         -26.7%         65,062           HECM Stndrd Traditional ARM         22,500         2,207         3,804         -42.0%         19,429           HECM Standard Purchase         1,700         250         200         25.0%         1,514           HECM Stndrd Purchase ARM         500         11         27         -59.3%         112           HECM Standard Refinance         3,000         232         490         -52.7%         2,727           % HECM Standard Refinance         3.6%         2.5%         4.1%         -1.6%         #         3.7%           HECM Stndrd Refinance ARM         660         58         111         -47.7%         565  |                                       | 511.11       |         |         | 21111     |        |              |
| HECM         84,000         9,307         11,838         -21.4%         73,129           % HECM         6.0%         5.3%         4.6%         0.7%         #         5.8%           HECM Standard Traditional         75,000         8,168         11,148         -26.7%         65,062           HECM Stndrd Traditional ARM         22,500         2,207         3,804         -42.0%         19,429           HECM Standard Purchase         1,700         250         200         25.0%         1,514           HECM Stndrd Purchase ARM         500         11         27         -59.3%         112           HECM Standard Refinance         3,000         232         490         -52.7%         2,727           % HECM Standard Refinance         3.6%         2.5%         4.1%         -1.6%         #         3.7%           HECM Stndrd Refinance ARM         660         58         111         -47.7%         565  | ,                                     |              | -       |         |           |        |              |
| % HECM         6.0%         5.3%         4.6%         0.7%         #         5.8%           HECM Standard Traditional         75,000         8,168         11,148         -26.7%         65,062           HECM Stndrd Traditional ARM         22,500         2,207         3,804         -42.0%         19,429           HECM Standard Purchase         1,700         250         200         25.0%         1,514           HECM Stndrd Purchase ARM         500         11         27         -59.3%         112           HECM Standard Refinance         3,000         232         490         -52.7%         2,727           % HECM Standard Refinance         3.6%         2.5%         4.1%         -1.6%         #         3.7%           HECM Stndrd Refinance ARM         660         58         111         -47.7%         565   |                                       | 84.000       |         |         | -21.4%    |        |              |
| HECM Standard Traditional         75,000         8,168         11,148         -26.7%         65,062           HECM Stndrd Traditional ARM         22,500         2,207         3,804         -42.0%         19,429           HECM Standard Purchase         1,700         250         200         25.0%         1,514           HECM Stndrd Purchase ARM         500         11         27         -59.3%         112           HECM Standard Refinance         3,000         232         490         -52.7%         2,727           % HECM Standard Refinance         3.6%         2.5%         4.1%         -1.6%         #         3.7%           HECM Stndrd Refinance ARM         660         58         111         -47.7%         565   |                                       |              |         |         |           | #      |              |
| HECM Stndrd Traditional ARM         22,500         2,207         3,804         -42.0%         19,429           HECM Standard Purchase         1,700         250         200         25.0%         1,514           HECM Stndrd Purchase ARM         500         11         27         -59.3%         112           HECM Standard Refinance         3,000         232         490         -52.7%         2,727           % HECM Standard Refinance         3.6%         2.5%         4.1%         -1.6%         #         3.7%           HECM Stndrd Refinance ARM         660         58         111         -47.7%         565   |                                       |              |         |         |           | $\top$ |              |
| HECM Standard Purchase         1,700         250         200         25.0%         1,514           HECM Stndrd Purchase ARM         500         11         27         -59.3%         112           HECM Standard Refinance         3,000         232         490         -52.7%         2,727           % HECM Standard Refinance         3.6%         2.5%         4.1%         -1.6%         #         3.7%           HECM Stndrd Refinance ARM         660         58         111         -47.7%         565  |                                       |              |         |         |           | $\top$ |              |
| HECM Stndrd Purchase ARM         500         11         27         -59.3%         112           HECM Standard Refinance         3,000         232         490         -52.7%         2,727           % HECM Standard Refinance         3.6%         2.5%         4.1%         -1.6%         #         3.7%           HECM Stndrd Refinance ARM         660         58         111         -47.7%         565   |                                       |              |         |         |           | +      |              |
| HECM Standard Refinance     3,000     232     490     -52.7%     2,727       % HECM Standard Refinance     3.6%     2.5%     4.1%     -1.6%     # 3.7%       HECM Stndrd Refinance ARM     660     58     111     -47.7%     565   |                                       |              |         |         |           | +      |              |
| % HECM Standard Refinance         3.6%         2.5%         4.1%         -1.6%         #         3.7%           HECM Stndrd Refinance ARM         660         58         111         -47.7%         565  |                                       |              |         |         |           | +      |              |
| HECM Stndrd Refinance ARM         660         58         111         -47.7%         565  |                                       |              |         |         |           | #      |              |
|  |                                       |              |         |         |           | $\top$ |              |
|  |                                       |              |         |         | ,0        | $\top$ |              |

### SINGLE-FAMILY OPERATIONS

**November 2011** 

#### FISCAL YEAR COMPARISONS

FY 2012

RATE OF

**CHANGE** 

-31.3%

-38.0%

-31.8%

-38.7%

-10.0%

-15.9%

-56.7%

-60.7%

-21.4%

-26.7%

-22.0%

-38.0%

202.6%

-23.9%

66.7%

-82.4%

FY 2011

1,271,211

1,198,082

\$236.0

\$217.8

\$134.4

\$83.4

73,129

326,892

200,808

25,069

91,448

7,951

1,616

\$18.2

777,521

420,561

FY 2011

256,476

244,638

130,677

113,961

\$50.5

\$47.5

\$23.3

\$24.2

11,838

54,586

34,403

2,359

16,720

820

284

\$3.0

**PROJECTIONS** 

FY 2012

1,400,000

1,316,000

\$248.6

\$231.1

\$141.9

\$89.2

84,000

\$17.5

318,500

195,000

25,400

92,000

5,000

1,100

840,000

476,000

|                                    | AS OF OCT 11 | TO DATE | TO DATE | 2012/2011 | FINAL   |
|------------------------------------|--------------|---------|---------|-----------|---------|
| FORWARD ENDORSEMENTS ONLY          | <b>/</b> : * |         |         |           |         |
|                                    |              |         |         |           |         |
| Section 203(k)                     | 22,000       | 4,164   | 3,221   | 29.3%     | 21,297  |
| Condominium                        | 110,000      | 5,935   | 12,120  | -51.0%    | 54,694  |
| % Condominium                      | 7.9%         | 3.4%    | 4.7%    | -1.4%     | # 4.3%  |
| ARM (Excludes HECM ARM)            | 50,000       | 5,275   | 6,867   | -23.2%    | 50,882  |
| % ARM                              | 3.6%         | 3.0%    | 2.7%    | 0.3%      | # 4.0%  |
| Manufactured Housing (Real Estate) | 50,000       | 3,292   | 3,714   | -11.4%    | 21,378  |
| Interest Buy-down                  | 4,000        | 776     | 529     | 46.7%     | 3,790   |
| Lender Insurance *                 |              |         |         |           |         |
| Total Lender Insurance             | 980,000      | 135,361 | 193,351 | -30.0%    | 976,312 |
| % of Total Insurance               | 70.0%        | 76.8%   | 75.4%   | 1.4%      | # 76.8% |
| Forward Mortgages                  | 960,400      | 134,557 | 190,312 | -29.3%    | 956,514 |
| HECM                               | 19,600       | 804     | 3,039   | -73.5%    | 19,798  |
| Automated Underwriting System *    | x            |         |         |           |         |
| AUS Endorsed                       | 1,050,000    | 140.071 | 180,554 | -22.4%    | 994,574 |
| AUS as % of Total Endorsed         | 79.8%        | 83.9%   | 73.8%   | 10.1%     |         |
|                                    |              |         |         |           |         |

176,266

166,959

117,634

\$29.1

\$19.6

\$9.5

9,307

42,593

21,314

7,138

12,724

1,367

50

\$2.2

49,325

\$31.3

| Source: * F17 CHUMS | ** A43C Claims System |
|---------------------|-----------------------|
|---------------------|-----------------------|

<sup># =</sup> Percentage point difference

Mortgage Insurance \*

Forward Mortgages

**Total Forward Number** 

Purchase Number

Refinance Number

Loss Mitigation Retention

Pre-Foreclosures

Conveyances

Other Claims

**HECM** 

Reverse Mortgages
HECM Number

Claims \*\*
Total Claims

Amount (\$B)

Amount (\$B)

Amount (\$B)

Max Claim Amount (\$B)

**Total Number** 

Total Amount (\$B)

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

### **SINGLE-FAMILY OPERATIONS**

October 2011

CONTACT INFORMATION
WILLIAM F. SHAW 202-402-7550
ZENORA HINES 202-402-7544

#### **Applications**

This month the seasonally adjusted annual rate for applications was estimated to be 1,667,100 -- higher than last month due to a higher daily count and a more favorable monthly index for September.

The actual total for the month was 129,675 applications. This total consisted of 70,580 purchase transactions, 51,772 refinance cases and 7,323 reverse mortgage applications. It should be noted that the refinance total included 26,473 prior FHA cases and 25,299 conventional conversions to FHA applications with 266 short refinance cases included in the conventional to FHA figure.

#### **Endorsements**

During this report period, 88,060 mortgages were endorsed -- 60,596 purchase money mortgages, 22,811 refinance cases as well as 4,653 HECM's.

With respect to the purchase mortgages, 76.2 percent were for first time home buyers, about one of every three being a minority household.

As for refinanced mortgages, 12,742 were prior FHA cases and 10,070 were conventional conversions. The refinance total also included 89 short refinance endorsements.

Of the HECM's endorsed, the majority were standard traditional reverse mortgage transactions. There was a small number of purchase and refinance cases. Also 347 HECM saver mortgages were endorsed.

#### **Lender Insurance**

68,056 cases were handled using the lender insurance program -- 77.3 percent of the cases endorsed in October.

#### **Automated Underwriting**

There were 71,253 mortgages accepted and approved using the FHA scorecard. This represents 85.4 percent insured this month.

#### **Processing Time**

The average processing time for an FHA mortgages transaction was 9.6 weeks -- about the same as last month. It took 6 weeks from application to closing then an additional 3.6 weeks from closing to endorsement.

#### Insurance-In-Force

At the end of October, FHA had 7,342,078 single family mortgages in force with an unpaid balance of \$1,025.5 billion.

#### **Defaults and Claims**

For October servicers reported 661,554 mortgages in serious default yielding a default rate of 9.0 percent.

During the month, FHA paid 22,805 claims. Most (10,718) were loss mitigation claims while 6,757 were conveyance claims .

## **SINGLE-FAMILY OPERATIONS**

October 2011

#### **MONTHLY COMPARISONS**

|                                 | CURRENT      | LAST      | RATE OF | LAST      | RATE OF |
|---------------------------------|--------------|-----------|---------|-----------|---------|
|                                 | <u>MONTH</u> | MONTH     | CHANGE  | YEAR      | CHANGE  |
|                                 |              |           |         |           |         |
| TOTAL APPLICATIONS: *           | 129,675      | 129,045   | 0.5%    | 175,421   | -26.1%  |
| Annual Rate                     | 1,667,100    | 1,377,000 | 21.1%   | 1,715,100 | -2.8%   |
| Average per workday             | 6,589        | 5,443     | 21.1%   | 6,779     | -2.8%   |
| Purchase                        | 70,580       | 73,283    | -3.7%   | 68,628    | 2.8%    |
| Refinance                       | 51,772       | 48,368    | 7.0%    | 98,544    | -47.5%  |
| Prior FHA                       | 26,473       | 23,656    | 11.9%   | 53,626    | -50.6%  |
| Conventional to FHA             | 25,299       | 24,712    | 2.4%    | 44,918    | -43.7%  |
| H4H (HOPE for Homeowners)       |              | 0         |         | 66        |         |
| Short Refinance                 | 266          | 285       | -6.7%   | 21        |         |
| HECM                            | 7,323        | 7,394     | -1.0%   | 8,249     | -11.2%  |
| TOTAL ENDORSEMENTS: *           | 88,060       | 91,963    | -4.2%   | 125,218   | -29.7%  |
| Annual Rate                     | 1,056,700    | 1,103,600 | -4.2%   | 1,502,600 | -29.7%  |
| Weighted Average FICO Score **  | 697          | 697       | 0.0%    | 701       | -0.6%   |
| Minority                        | 22,990       | 24,355    | -5.6%   | 29,122    | -21.1%  |
| % Minority                      | 26.1%        | 26.5%     | -0.4% # | 23.3%     | 2.9%    |
| Purchase                        | 60,596       | 66,602    | -9.0%   | 65,781    | -7.9%   |
| % Purchase                      | 68.8%        | 72.4%     | -3.6% # | 52.5%     | 16.3%   |
| Average FICO Score **           | 696          | 697       | -0.1%   | 700       | -0.6%   |
| 1st Time Home Buyer             | 46,192       | 50,737    | -9.0%   | 47,738    | -3.2%   |
| % 1st Time Home Buyer           | 76.2%        | 76.2%     | 0.1% #  | 72.6%     | 3.7%    |
| Non-Minority                    | 28,348       | 31,116    | -8.9%   | 29,197    | -2.9%   |
| % Non-Minority                  | 61.4%        | 61.3%     | 0.0% #  | 61.2%     | 0.2%    |
| Minority                        | 15,003       | 16,541    | -9.3%   | 15,435    | -2.8%   |
| % Minority                      | 32.5%        | 32.6%     | -0.1% # | 32.3%     | 0.1%    |
| Not-Disclosed                   | 2,841        | 3,080     | -7.8%   | 3,106     | -8.5%   |
| % Not-Disclosed                 | 6.2%         | 6.1%      | 0.1% #  | 6.5%      | -0.4%   |
| Refinanced                      | 22,811       | 19,771    | 15.4%   | 54,158    | -57.9%  |
| % Refinanced                    | 25.9%        | 21.5%     | 4.4% #  | 43.3%     | -17.3%  |
|                                 | 703          | 698       | 0.7%    | 702       |         |
| Average FICO Score ** Prior FHA |              |           |         |           | 0.1%    |
| -                               | 12,742       | 9,579     | 33.0%   | 33,441    | -61.9%  |
| Streamline                      | 9,509        | 6,881     | 38.2%   | 28,476    | -66.6%  |
| % Streamline                    | 41.7%        | 34.8%     | 6.9% #  | 52.6%     | -10.9%  |
| Full Process                    | 3,233        | 2,698     | 19.8%   | 4,965     | -34.9%  |
| Cash Out                        | 534          | 576       | -7.3%   | 927       | -42.4%  |
| Conventional to FHA             | 10,070       | 10,192    | -1.2%   | 20,718    | -51.4%  |
| Cash Out                        | 2,762        | 3,030     | -8.8%   | 5,187     | -46.8%  |
| Total Cash Out                  | 3,296        | 3,606     | -8.6%   | 6,114     | -46.1%  |
| Total % Cash Out                | 14.4%        | 18.2%     | -3.8% # | 11.3%     | 3.2%    |
| H4H (HOPE for Homeowners)       |              | 200       |         | 22        |         |
| Short Refinance                 | 89           | 29        | 206.9%  |           |         |
| HECM                            | 4,653        | 5,590     | -16.8%  | 5,279     | -11.9%  |
| % HECM                          | 5.3%         | 6.1%      | -0.8% # | 4.2%      | 1.1%    |
| HECM Standard Traditional       | 4,055        | 4,743     | -14.5%  | 4,957     | -18.2%  |
| HECM Stndrd Traditional ARM     | 1,111        | 1,270     | -12.5%  | 1,485     | -25.2%  |
| HECM Standard Purchase          | 129          | 188       | -31.4%  | 92        | 40.2%   |
| HECM Stndrd Purchase ARM        | 5            | 10        | -50.0%  | 12        | -58.3%  |
| HECM Standard Refinance         | 122          | 121       | 0.8%    | 230       | -47.0%  |
| % HECM Standard Refinance       | 2.6%         | 2.2%      | 0.5% #  | 4.4%      | -1.7%   |
| HECM Stndrd Refinance ARM       | 27           | 24        | 12.5%   | 48        | -43.8%  |
| HECM Saver Total                | 347          | 538       | -35.5%  |           |         |

<sup># -</sup> Percentage point difference

NA - Not available at this time.

<sup>\*\*</sup> This series represents the composite FICO score value that is used for loan underwriting.

## **SINGLE-FAMILY OPERATIONS**

October 2011

#### **MONTHLY COMPARISONS**

|                                    | CURRENT<br><u>MONTH</u> | LAST<br><u>MONTH</u> | RATE OF<br><u>CHANGE</u> | LAST<br><u>YEAR</u> | RATE OF<br>CHANGE |
|------------------------------------|-------------------------|----------------------|--------------------------|---------------------|-------------------|
| FORWARD ENDORSEMENTS ONLY: *       |                         |                      |                          |                     |                   |
| Section 203(k)                     | 2,016                   | 2,217                | -9.1%                    | 1,633               | 23.5%             |
| Condominium                        | 2,998                   | 3,152                | -4.9%                    | 5,836               | -48.6%            |
| % Condominium                      | 3.4%                    | 3.4%                 | 0.0% #                   | 4.7%                | -1.3%             |
| ARM (Excludes HECM ARM)            | 2,995                   | 3,634                | -17.6%                   | 3,291               | -9.0%             |
| % ARM                              | 3.4%                    | 4.0%                 | -0.6% #                  | 2.6%                | 0.8%              |
| Manufactured Housing (Real Estate) | 1,648                   | 1,691                | -2.5%                    | 1,811               | -9.0%             |
| Interest Buy-down                  | 419                     | 398                  | 5.3%                     | 258                 | 62.4%             |
| Average Processing Time * ^        |                         |                      |                          |                     |                   |
| (Existing Homes, weeks)            |                         |                      |                          |                     |                   |
| Application to Closing             | 6.0                     | 5.9                  | 1.7%                     | 6.9                 | -13.0%            |
| Closing to Endorsement             | 3.6                     | 3.6                  | 0.0%                     | 3.9                 | -7.7%             |
| Lender Insurance *                 |                         |                      |                          |                     |                   |
| Total Lender Insurance             | 68,056                  | 71,995               | -5.5%                    | 93,076              | -26.9%            |
| % of Total Insurance               | 77.3%                   | 78.3%                | -1.0% #                  | 74.3%               | 3.0%              |
| Forward Mortgages                  | 67,270                  | 70,546               | -4.6%                    | 91,930              | -26.8%            |
| HECM                               | 786                     | 1,449                | -45.8%                   | 1,146               | -31.4%            |
| Automated Underwriting System * x  |                         |                      |                          |                     |                   |
| AUS Endorsed                       | 71,253                  | 76,395               | -6.7%                    | 90,052              | -20.9%            |
| AUS as % of Total Endorsed         | 85.4%                   | 88.4%                | -3.0% #                  | 75.1%               | 10.3%             |
| Mortgage Insurance *               |                         |                      |                          |                     |                   |
| Total Number                       | 88,060                  | 91,963               | -4.2%                    | 125,218             | -29.7%            |
| Total Amount (\$B)                 | \$15.7                  | \$16.2               | -3.1%                    | \$24.4              | -35.7%            |
| Forward Mortgages                  |                         |                      |                          |                     |                   |
| Total Forward Number               | 83,407                  | 86,373               | -3.4%                    | 119,939             | -30.5%            |
| Amount (\$B)                       | \$14.6                  | \$14.8               | -1.4%                    | \$23.1              | -36.8%            |
| Purchase Number                    | 60,596                  | 66,602               | -9.0%                    | 65,781              | -7.9%             |
| Amount (\$B)                       | \$10.2                  | \$11.2               | -8.9%                    | \$11.7              | -12.8%            |
| Refinance Number                   | 22,811                  | 19,771               | 15.4%                    | 54,158              | -57.9%            |
| Amount (\$B)                       | \$4.4                   | \$3.6                | 22.2%                    | \$11.4              | -61.49            |
| Reverse Mortgages                  |                         |                      |                          |                     |                   |
| HECM Number                        | 4,653                   | 5,590                | -16.8%                   | 5,279               | -11.9%            |
| Max Claim Amount (\$B)             | \$1.1                   | \$1.4                | -21.4%                   | \$1.3               | -15.4%            |
| Mortgage Insurance-In-Force **     |                         |                      |                          |                     |                   |
| Total Number                       | 7,342,078               | 7,304,368            | 0.5%                     | 6,684,825           | 9.8%              |
| Total Unpaid Balance Amount (\$B)  | \$1,025.5               | \$1,019.7            | 0.6%                     | \$909.1             | 12.8%             |
| Loans Seriously Delinquent *** <   |                         |                      |                          |                     |                   |
| Seriously Delinquent               | 661,554                 | 635,096              | 4.2%                     | 532,938             | 24.19             |
| Seriously Delinquent Rate          | 9.0%                    | 8.7%                 | 0.3% #                   | 8.0%                | 1.0%              |

<sup>#</sup> Percentage point difference

<sup>^</sup> Existing homes, including purchase and refinance cases, represent virtually all of insurance activity.

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

This count of seriously delinquent mortgages includes all bankruptcies, all foreclosures and 90 days or more delinquencies.

## **SINGLE-FAMILY OPERATIONS**

October 2011

#### **FISCAL YEAR COMPARISONS**

|   | PROJECTIONS RATE OF             |                          |                     |                           |   |
|---|---------------------------------|--------------------------|---------------------|---------------------------|---|
|   | FY 2012                         | FY 2012                  | FY 2011             | CHANGE                    | FY 2011                                       |
|   | AS OF OCT 11                    | TO DATE                  | TO DATE             | 2012/2011                 | FINAL   |
| OTAL APPLICATIONS: *  | 1,750,000                       | 129,675                  | 175,421             | -26.1%                    | 1,603,669                                     |
| STAL ALL LICATIONS.   | 1,730,000                       | 123,073                  | 173,421             | -20.176                   | 1,003,009                                     |
| Purchase  | 1,015,000                       | 70,580                   | 68,628              | 2.8%                      | 921,886                                       |
| Refinance   | 630,000                         | 51,772                   | 98,544              | -47.5%                    | 586,092                                       |
| Prior FHA   | 252,000                         | 26,473                   | 53,626              | -50.6%                    | 247,124                                       |
| Conventional to FHA   | 378,000                         | 25.299                   | 44,918              | -43.7%                    | 338,968                                       |
| H4H (HOPE for Homeowners)   | 070,000                         | 0                        | 66                  | 40.170                    | 1,408   |
| Short Refinance   |                                 | 266                      | 21                  |                           | 1,333   |
| HECM  | 105,000                         | 7,323                    | 8,249               | -11.2%                    | 95,691  |
| TILOW   | 103,000                         | 7,323                    | 0,243               | -11.2/0                   | 33,031  |
| OTAL ENDORSEMENTS: *  | 1,400,000                       | 88,060                   | 125,218             | -29.7%                    | 1,271,211                                     |
|   |                                 |                          |                     |                           |   |
| Minority  | 350,000                         | 22,990                   | 29,122              | -21.1%                    | 312,940                                       |
| % Minority  | 25.0%                           | 26.1%                    | 23.3%               | 2.9% #                    | 24.6%   |
| Purchase  | 940 000                         | 60 506                   | CE 704              | 7.00/                     | 777 504                                       |
|   | <b>840,000</b><br>60.0%         | <b>60,596</b><br>68.8%   | <b>65,781</b> 52.5% | <b>-7.9%</b>              | 777,521                                       |
| % Purchase  |                                 |                          |                     | 16.3% #                   | 61.2%   |
| 1st Time Home Buyer   | 630,000                         | 46,192                   | 47,738              | -3.2%                     | 585,091                                       |
| % 1st Time Home Buyer   | 75.0%                           | 76.2%                    | 72.6%               | 3.7% #                    | 75.3%   |
| Non-Minority  | 403,200                         | 28,348                   | 29,197              | -2.9%                     | 360,891                                       |
| % Non-Minority  | 64.0%                           | 61.4%                    | 61.2%               | 0.2% #                    | 61.7%   |
| Minority  | 189,000                         | 15,003                   | 15,435              | -2.8%                     | 187,022                                       |
| % Minority  | 30.0%                           | 32.5%                    | 32.3%               | 0.1% #                    | 32.0%   |
| Not-Disclosed   | 37,800                          | 2,841                    | 3,106               | -8.5%                     | 37,176  |
| % Not-Disclosed   | 6.0%                            | 6.2%                     | 6.5%                | -0.4% #                   | 6.4%  |
| Refinanced  | 476,000                         | 22,811                   | 54,158              | -57.9%                    | 420,561                                       |
| % Refinanced  | 34.0%                           | 25.9%                    | 43.3%               | -17.3% #                  | 33.1%   |
| Prior FHA   | 247,520                         | 12,742                   | 33,441              | -61.9%                    | 224,936                                       |
| Streamline  | 223,720                         | 9,509                    | 28,476              | -66.6%                    | 180,330                                       |
| % Streamline  | 47.0%                           | 41.7%                    | 52.6%               | -10.9% #                  | 42.9%   |
| Full Process  | 23,800                          | 3,233                    | 4,965               | -34.9%                    | 44,606  |
| Cash Out  | 7,200                           | 534                      | 927                 | -42.4%                    | 9,022   |
| Conventional to FHA   | 228,480                         | 10,070                   | 20,718              | -51.4%                    | 195,634                                       |
| Cash Out  | 36,000                          | 2,762                    | 5,187               | -46.8%                    | 52,921  |
| Total Cash Out  | 43,200                          | 3,296                    | 6,114               | -46.1%                    | 61,943  |
| Total % Cash Out  | 9.1%                            | 14.4%                    | 11.3%               | 3.2% #                    | 14.7%   |
| H4H (HOPE for Homeowners)   |                                 | 0                        | 22                  |                           | 632   |
| Short Refinance   |                                 | 89                       | 0                   |                           | 334   |
| HECM  | 84,000                          | 4,653                    | 5,279               | -11.9%                    | 73,129  |
| % HECM  | 6.0%                            | 5.3%                     | 4.2%                | 1.1% #                    | 5.8%  |
| HECM Standard Traditional   |                                 | 4,055                    | 4,957               | -18.2%                    | 65,062  |
|   | 75.000                          |                          | 1,001               |                           | 19,429  |
|   | 75,000<br>22,500                |                          | 1 485               | -25 2%                    |   |
| HECM Stndrd Traditional ARM   | 22,500                          | 1,111                    | 1,485               | -25.2%<br>40.2%           |   |
| HECM Stndrd Traditional ARM HECM Standard Purchase  | 22,500<br>1,700                 | 1,111<br>129             | 92                  | 40.2%                     | 1,514   |
| HECM Stndrd Traditional ARM<br>HECM Standard Purchase<br>HECM Stndrd Purchase ARM                   | 22,500<br>1,700<br>500          | 1,111<br>129<br>5        | 92<br>12            | 40.2%<br>-58.3%           | 1,51 <sup>2</sup><br>112                      |
| HECM Stndrd Traditional ARM HECM Standard Purchase HECM Stndrd Purchase ARM HECM Standard Refinance | 22,500<br>1,700<br>500<br>3,000 | 1,111<br>129<br>5<br>122 | 92<br>12<br>230     | 40.2%<br>-58.3%<br>-47.0% | 1,514<br>112<br>2,727                         |
| HECM Stndrd Traditional ARM<br>HECM Standard Purchase<br>HECM Stndrd Purchase ARM                   | 22,500<br>1,700<br>500          | 1,111<br>129<br>5        | 92<br>12            | 40.2%<br>-58.3%           | 1,514<br>1,514<br>112<br>2,727<br>3.7%<br>565 |

## **SINGLE-FAMILY OPERATIONS**

October 2011

#### **FISCAL YEAR COMPARISONS**

| PROJECTIONS  |         |         | RATE OF   |              |
|--------------|---------|---------|-----------|--------------|
| FY 2012      | FY 2012 | FY 2011 | CHANGE    | FY 2011      |
| AS OF OCT 11 | TO DATE | TO DATE | 2012/2011 | <u>FINAL</u> |

|                                    |           | ' <u></u> |         | <del></del> |          |
|------------------------------------|-----------|-----------|---------|-------------|----------|
| FORWARD ENDORSEMENTS ONLY: *       |           |           |         |             |          |
|                                    |           |           |         |             |          |
| Section 203(k)                     | 22,000    | 2,016     | 1,633   | 23.5%       | 21,29    |
| Condominium                        | 110,000   | 2,998     | 5,836   | -48.6%      | 54,69    |
| % Condominium                      | 7.9%      | 3.4%      | 4.7%    | -1.3% #     |          |
| ARM (Excludes HECM ARM)            | 50,000    | 2,995     | 3,291   | -9.0%       | 50,88    |
| % ARM                              | 3.6%      | 3.4%      | 2.6%    | 0.8% #      |          |
| Manufactured Housing (Real Estate) | 50,000    | 1,648     | 1,811   | -9.0%       | 21,37    |
| Interest Buy-down                  | 4,000     | 419       | 258     | 62.4%       | 3,79     |
|                                    |           |           |         |             |          |
| Lender Insurance *                 |           |           |         |             |          |
| Total Lender Insurance             | 980,000   | 68,056    | 93,076  | -26.9%      | 976,312  |
| % of Total Insurance               | 70.0%     | 77.3%     | 74.3%   | 3.0% #      |          |
| Forward Mortgages                  | 960,400   | 67,270    | 91,930  | -26.8%      | 956,51   |
| HECM                               | 19,600    | 786       | 1,146   | -31.4%      | 19,79    |
| Automated Underwriting System * x  |           |           |         |             |          |
| AUS Endorsed                       | 1,050,000 | 71,253    | 90,052  | -20.9%      | 994,57   |
| AUS as % of Total Endorsed         | 79.8%     | 85.4%     | 75.1%   | 10.3% #     | # 83.0%  |
| Mortgage Insurance *               |           |           |         |             |          |
| Total Number                       | 1,400,000 | 88,060    | 125,218 | -29.7%      | 1,271,21 |
| Total Amount (\$B)                 | \$248.6   | \$15.7    | \$24.4  | -35.7%      | \$236.   |
| Forward Mortgages                  | Ψ2-10.0   | Ψ10.7     | ψ24.4   | 33.770      | Ψ250.    |
| Total Forward Number               | 1,316,000 | 83,407    | 119,939 | -30.5%      | 1,198,08 |
| Amount (\$B)                       | \$231.1   | \$14.6    | \$23.1  | -36.8%      | \$217.   |
| Purchase Number                    | 840,000   | 60,596    | 65,781  | -7.9%       | 777,52   |
| Amount (\$B)                       | \$141.9   | \$10.2    | \$11.7  | -12.8%      | \$134.   |
| Refinance Number                   | 476,000   | 22,811    | 54,158  | -57.9%      | 420,56   |
| Amount (\$B)                       | \$89.2    | \$4.4     | \$11.4  | -61.4%      | \$83.    |
| Reverse Mortgages                  | Ψ09.2     | Ψ4.4      | Ψ11.4   | -01.470     | ψου.     |
| HECM Number                        | 84,000    | 4,653     | 5,279   | -11.9%      | 73,12    |
| Max Claim Amount (\$B)             | \$17.5    | \$1.1     | \$1.3   | -15.4%      | \$18.    |
|                                    | , ,       | ,         |         | - /-        | ,        |
| Claims **                          | 040.500   | 00.005    | 22.225  | 10.001      | 000.00   |
| Total Claims                       | 318,500   | 22,805    | 28,235  | -19.2%      | 326,89   |
| Loss Mitigation Retention          | 195,000   | 10,718    | 16,222  | -33.9%      | 200,80   |
| Pre-Foreclosures                   | 25,400    | 4,434     | 1,454   | 205.0%      | 25,06    |
| Conveyances                        | 92,000    | 6,757     | 9,848   | -31.4%      | 91,44    |
| HECM                               | 5,000     | 850       | 427     | 99.1%       | 7,95     |
| Other Claims                       | 1,100     | 46        | 284     | -83.8%      | 1,61     |

Source: \* F17 CHUMS \*\* A43C Claims System

<sup># =</sup> Percentage point difference

 $<sup>{</sup>f x}$  AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).