

SINGLE-FAMILY OPERATIONS

December 2012

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Applications

During December, lenders initiated 127,057 applications for FHA single-family mortgages.

There were 49,927 applications for home purchase, 69,880 for refinancing, and 7,250 for reverse mortgages. Included in the refinance total were 55,185 prior FHA transactions and 14,695 conventional-to-FHA conversions. There were 636 principal-write-down cases for borrowers in negative equity situations in the

Endorsements

This month FHA insured 113,856 single family mortgages.

During December, 53,239 purchase money mortgages were insured, along with 56,706 refinance and 3,911 HECM loans.

Within the refinance total, 49,632 were prior FHA cases, of which 46,337 were handled using streamline procedures. There were also 7,074 conventional conversions to FHA, of which 135 were principal-write-down cases.

Mortgage Insurance Volumes

FHA insured 113,856 mortgages for \$20.9 billion this month. On December 31 there were 7,749,412 mortgages-in-force with an amortized balance of almost \$1.1 trillion.

Loans Delinquent

At the end of December loan servicers reported 734,658 mortgages in serious delinquency, yielding a default rate of 9.5 percent.

Claims

During the first quarter of this fiscal year, FHA paid 41,187 regular and 47,909 special claims, for a total of 89,096.

The regular claims include 27,530 property conveyances, 7,999 pre-foreclosure-sale actions, and 5,658 other claims.

The special claims involved 43,312 loss mitigation (home retention) actions and 4,597 HECM loan assignments.

FHA SINGLE-FAMILY OUTLOOK

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MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
TOTAL APPLICATIONS: *	127,057	151,574	-16.2%	110,427	15.1%
Annual Rate	2,391,800	2,532,900	-5.6%	1,865,900	28.2%
Average per workday	9,454	10,011	-5.6%	7,375	28.2%
Purchase	49,927	63,234	-21.0%	57,234	-12.8%
Refinance	69,880	80,914	-13.6%	47,101	48.4%
Prior FHA	55,185	63,641	-13.3%	26,060	111.8%
Conventional to FHA	14,695	17,273	-14.9%	21,041	-30.2%
Short Refinance	636	386	64.8%	274	132.1%
HECM	7,250	7,426	-2.4%	6,092	19.0%
TOTAL ENDORSEMENTS: *	113,856	120,911	-5.8%	93,739	21.5%
Annual Rate	1,366,300	1,450,900	-5.8%	1,124,900	21.5%
Weighted Average FICO Score **	696	696	0.0%	698	-0.3%
Minority	29,032	30,047	-3.4%	24,179	20.1%
% Minority	25.5%	24.9%	0.6% #	25.8%	-0.3% #
Purchase	53,239	57,247	-7.0%	58,589	-9.1%
% Purchase	46.8%	47.3%	-0.6% #	62.5%	-15.7% #
Average FICO Score **	695	695	0.0%	696	-0.1%
1st Time Home Buyer	41,526	44,890	-7.5%	44,856	-7.4%
% 1st Time Home Buyer	78.0%	78.4%	-0.4% #	76.6%	1.4% #
Non-Minority	25,485	28,152	-9.5%	27,396	-7.0%
% Non-Minority	61.4%	62.7%	-1.3% #	61.1%	0.3% #
Minority	13,744	14,261	-3.6%	14,890	-7.7%
% Minority	33.1%	31.8%	1.3% #	33.2%	-0.1% #
Not-Disclosed	2,297	2,477	-7.3%	2,570	-10.6%
% Not-Disclosed	5.5%	5.5%	0.0% #	5.7%	-0.2% #
Refinanced	56,706	59,228	-4.3%	30,515	85.8%
% Refinanced	49.8%	49.0%	0.8% #	32.6%	17.3% #
Average FICO Score **	701	699	0.3%	706	-0.7%
Prior FHA	49,632	51,878	-4.3%	19,017	161.0%
Streamline	46,377	48,490	-4.4%	14,840	212.5%
Streamline % of Refinance	81.8%	81.9%	-0.1% #	48.6%	33.2% #
Streamline % of Prior FHA	93.4%	93.5%	0.0% #	78.0%	15.4% #
Full Process	3,255	3,388	-3.9%	4,177	-22.1%
Cash Out	569	623	-8.7%	670	-15.1%
Conventional to FHA	7,074	7,350	-3.8%	11,498	-38.5%
Cash Out	1,941	2,076	-6.5%	3,144	-38.3%
Total Cash Out	2,510	2,699	-7.0%	3,814	-34.2%
Total % Cash Out	4.4%	4.6%	-0.1% #	12.5%	-8.1% #
Short Refinance	135	125	8.0%	148	-8.8%
HECM	3,911	4,436	-11.8%	4,635	-15.6%
% HECM	3.4%	3.7%	-0.2% #	4.9%	-1.5% #
HECM Standard Traditional	3,464	3,923	-11.7%	4,075	-15.0%
HECM Stndrd Traditional ARM	852	932	-8.6%	1,219	-30.1%
HECM Standard Purchase	156	153	2.0%	109	43.1%
HECM Stndrd Purchase ARM	4	1	300.0%	3	33.3%
HECM Standard Refinance	69	82	-15.9%	156	-55.8%
% HECM Standard Refinance	1.8%	1.8%	-0.1% #	3.4%	-1.6% #
HECM Stndrd Refinance ARM	12	14	-14.3%	87	-86.2%
HECM Saver Total	223	278	-19.8%	296	-24.7%

Source: * F17 CHUMS

- Percentage point difference

** This series represents the composite FICO score value that is used for loan underwriting.

FHA SINGLE-FAMILY OUTLOOK

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MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
FORWARD ENDORSEMENTS ONLY: *					
Section 203(k)	1,555	1,718	-9.5%	1,978	-21.4%
Condominium	5,016	5,303	-5.4%	3,188	57.3%
% Condominium	4.4%	4.4%	0.0% #	3.4%	1.0% #
ARM (Excludes HECM ARM)	493	566	-12.9%	2,106	-76.6%
% ARM	0.4%	0.5%	0.0% #	2.2%	-1.8% #
Manufactured Housing (Real Estate)	2,036	2,006	1.5%	1,618	25.8%
Interest Buy-down	267	288	-7.3%	371	-28.0%
Average Processing Time * ^					
(Existing Homes, weeks)					
Application to Closing	7.4	7.1	4.2%	6.1	21.3%
Closing to Endorsement	3.9	3.8	2.6%	4.0	-2.5%
Lender Insurance *					
Total Lender Insurance	92,545	96,987	-4.6%	72,393	27.8%
% of Total Insurance	81.3%	80.2%	1.1% #	77.2%	4.1% #
Forward Mortgages	92,545	96,987	-4.6%	72,389	27.8%
HECM	0	0		4	
Automated Underwriting System * x					
AUS Endorsed	61,004	65,432	-6.8%	71,721	-14.9%
AUS as % of Total Endorsed	55.5%	56.2%	-0.7% #	80.5%	-25.0% #
Mortgage Insurance *					
Total Number	113,856	120,911	-5.8%	93,739	21.5%
Total Amount (\$B)	\$20.9	\$22.0	-5.0%	\$16.7	25.1%
Forward Mortgages					
Total Forward Number	109,945	116,475	-5.6%	89,104	23.4%
Amount (\$B)	\$20.0	\$21.0	-4.8%	\$15.6	28.2%
Purchase Number	53,239	57,247	-7.0%	58,589	-9.1%
Amount (\$B)	\$9.4	\$9.9	-5.1%	\$9.7	-3.1%
Refinance Number	56,706	59,228	-4.3%	30,515	85.8%
Amount (\$B)	\$10.6	\$11.1	-4.5%	\$5.9	79.7%
Reverse Mortgages					
HECM Number	3,911	4,436	-11.8%	4,635	-15.6%
Max Claim Amount (\$B)	\$0.9	\$1.0	-10.0%	\$1.1	-18.2%
Mortgage Insurance-In-Force **					
Total Number	7,749,412	7,747,702	0.0%	7,414,979	4.5%
Total Unpaid Balance Amount (\$B)	\$1,088.3	\$1,088.6	0.0%	\$1,036.0	5.0%
Loans Seriously Delinquent *** <					
Seriously Delinquent	734,658	735,276	-0.1%	711,082	3.3%
Seriously Delinquent Rate	9.5%	9.5%	0.0% #	9.6%	-0.1% #

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

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.

FHA SINGLE-FAMILY OUTLOOK

SINGLE-FAMILY OPERATIONS

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FISCAL YEAR COMPARISONS

	PROJECTIONS FY 2013 AS OF OCT 2012	FY 2013 TO DATE	FY 2012 TO DATE	RATE OF CHANGE 2013/2012	FY 2012 FINAL
TOTAL APPLICATIONS: *	1,800,000	452,583	365,697	23.8%	1,826,191
Purchase	907,200	186,970	194,895	-4.1%	921,175
Refinance	810,000	242,691	149,880	61.9%	821,543
Prior FHA	486,000	193,601	82,261	135.3%	564,574
Conventional to FHA	324,000	49,090	67,619	-27.4%	256,969
Short Refinance		1,372	848	61.8%	3,268
HECM	82,800	22,922	20,922	9.6%	83,473
TOTAL ENDORSEMENTS: *	1,368,000	365,416	269,984	35.3%	1,239,874
Minority	342,000	91,582	69,973	30.9%	311,812
% Minority	25.0%	25.1%	25.9%	-0.9% #	25.1%
Purchase	807,100	177,895	176,215	1.0%	733,959
% Purchase	59.0%	48.7%	65.3%	-16.6% #	59.2%
1st Time Home Buyer	605,300	138,981	135,011	2.9%	569,912
% 1st Time Home Buyer	75.0%	78.1%	76.6%	1.5% #	77.6%
Non-Minority	387,400	86,437	82,560	4.7%	353,119
% Non-Minority	64.0%	62.2%	61.2%	1.0% #	62.0%
Minority	181,600	44,874	44,381	1.1%	183,392
% Minority	30.0%	32.3%	32.9%	-0.6% #	32.2%
Not-Disclosed	36,300	7,670	8,069	-4.9%	33,396
% Not-Disclosed	6.0%	5.5%	6.0%	-0.5% #	5.9%
Refinanced	492,500	175,430	79,827	119.8%	451,095
% Refinanced	36.0%	48.0%	29.6%	18.4% #	36.4%
Prior FHA	344,800	152,654	47,954	218.3%	321,820
Streamline	293,100	140,784	36,696	283.6%	274,160
Streamline % of Refinance	59.5%	80.3%	46.0%	34.3% #	60.8%
Streamline % of Prior FHA	85.0%	92.2%	76.5%	15.7% #	85.2%
Full Process	51,700	10,175	11,258	-9.6%	47,660
Cash Out	7,200	1,859	1,848	0.6%	7,558
Conventional to FHA	147,700	22,782	31,879	-28.5%	129,293
Cash Out	39,900	6,394	8,804	-27.4%	35,098
Total Cash Out	47,100	8,253	10,652	-22.5%	42,656
Total % Cash Out	9.6%	4.7%	13.3%	-8.6% #	9.5%
Short Refinance		379	313	21.1%	1,440
HECM	68,400	12,091	13,942	-13.3%	54,820
% HECM	5.0%	3.3%	5.2%	-1.9% #	4.4%
HECM Standard Traditional	59,800	10,691	12,243	-12.7%	47,950
HECM Stndrd Traditional ARM	58,600	2,539	3,426	-25.9%	12,858
HECM Standard Purchase	2,000	464	359	29.2%	1,612
HECM Stndrd Purchase ARM	1,900	12	14	-14.3%	56
HECM Standard Refinance	1,800	227	388	-41.5%	1,440
% HECM Standard Refinance	2.6%	1.9%	2.8%	-0.9% #	2.6%
HECM Stndrd Refinance ARM	1,700	41	145	-71.7%	418
HECM Saver Total	4,800	710	953	-25.5%	3,820

Source: * F17 CHUMS

Percentage point difference

FHA SINGLE-FAMILY OUTLOOK

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FISCAL YEAR COMPARISONS

	PROJECTIONS FY 2013 AS OF OCT 12	FY 2013 TO DATE	FY 2012 TO DATE	RATE OF CHANGE 2013/2012	FY 2012 FINAL
FORWARD ENDORSEMENTS ONLY: *					
Section 203(k)		5,024	6,142	-18.2%	22,495
Condominium		15,831	9,126	73.5%	44,970
% Condominium		4.3%	3.4%	1.0% #	3.6%
ARM (Excludes HECM ARM)		1,662	7,391	-77.5%	20,351
% ARM		0.5%	2.7%	-2.3% #	1.6%
Manufactured Housing (Real Estate)		6,076	4,909	23.8%	20,479
Interest Buy-down		892	1,147	-22.2%	4,670
Lender Insurance *					
Total Lender Insurance	980,000	295,449	207,743	42.2%	975,544
% of Total Insurance	71.6%	80.9%	76.9%	3.9% #	78.7%
Forward Mortgages	960,400	295,449	206,935	42.8%	974,735
HECM	19,600	0	808	-100.0%	809
Automated Underwriting System * x					
AUS Endorsed	1,094,400	202,865	211,783	-4.2%	880,319
AUS as % of Total Endorsed	84.2%	57.4%	82.7%	-25.3% #	74.3%
Mortgage Insurance *					
Total Number	1,368,000	365,416	269,984	35.3%	1,239,874
Total Amount (\$B)	\$248.6	\$76.0	\$47.9	58.7%	\$226.5
Forward Mortgages					
Total Forward Number	1,299,600	353,325	256,042	38.0%	1,185,054
Amount (\$B)	\$231.1	\$73.2	\$44.6	64.1%	\$213.4
Purchase Number					
Purchase Number	807,100	177,895	176,215	1.0%	733,959
Amount (\$B)	\$141.9	\$40.4	\$29.2	38.4%	\$124.5
Refinance Number					
Refinance Number	492,500	175,430	79,827	119.8%	451,095
Amount (\$B)	\$89.2	\$32.8	\$15.4	113.0%	\$88.9
Reverse Mortgages					
HECM Number	68,400	12,091	13,942	-13.3%	54,820
Max Claim Amount (\$B)	\$17.5	\$2.8	\$3.3	-15.2%	\$13.2
Claims **					
Total Claims	291,000	89,096	61,259	45.4%	284,196
Regular					
Regular	147,000	41,187	28,702	43.5%	142,779
Conveyances					
Conveyances	105,000	27,530	18,801	46.4%	102,236
Pre-Foreclosures					
Pre-Foreclosures	38,000	7,999	9,807	-18.4%	36,740
Other Claims					
Other Claims	4,000	5,658	94		3,803
Special					
Special	144,000	47,909	32,557	47.2%	141,417
Loss Mitigation Retention					
Loss Mitigation Retention	132,000	43,312	30,387	42.5%	129,626
HECM Assignments					
HECM Assignments	12,000	4,597	2,170	111.8%	11,791

Source: * F17 CHUMS ** A43C Claims System

= Percentage point difference

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