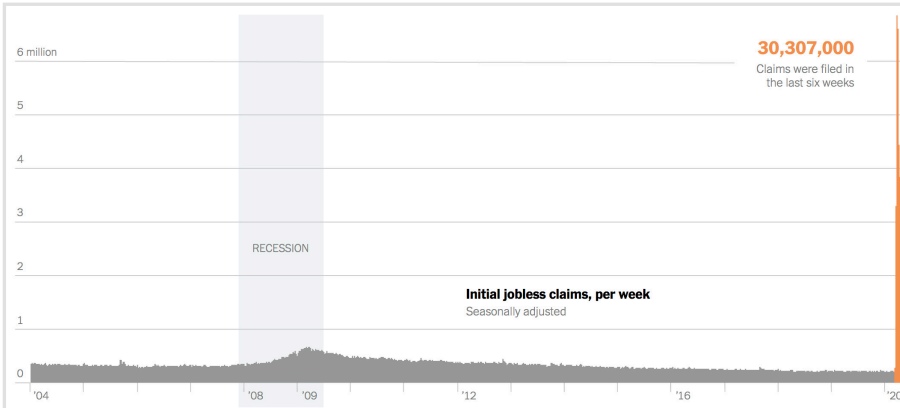


Market Trends We Are Watching

Below is snapshot of data we are watching that will directly or indirectly impact housing and our industry—namely focused on: (1) employment; (2) mortgage forbearance; and (3) access to credit. For the week ending April 25, jobless claims reached 3.8 million, bringing the total number of claims to **more than 30 million in the last six weeks**. Nevada, Colorado, Kentucky, Louisiana and Florida saw the largest rise in unemployment in March (+1.5 to +2.7% month over month). As of May 1, 18 states have partially reopened for business. Even as states allowed re-openings, the vast majority of businesses are doing so under restrictions.

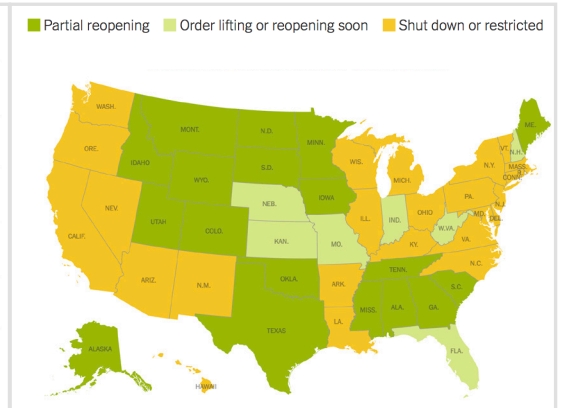
Additionally, the total number of loans now in forbearance increased to 6.99% of servicers' portfolio volume as of April 19 compared to 5.95% the prior week. Total loans in forbearance reached 3.4 million as of April 23, with a total unpaid principal balance of \$754 billion. Access to credit as also tightened, with some large lenders making changes to their product or channel offerings. For the week of April 20 (week 17), purchase loan rate lock activity was 17% below that for the same week (week 17) in 2019. However, activity may be down as much as 28% after considering activity in January and February 2020 (weeks 1-8) was running 16% ahead of the same period in 2019.

Jobless Claims



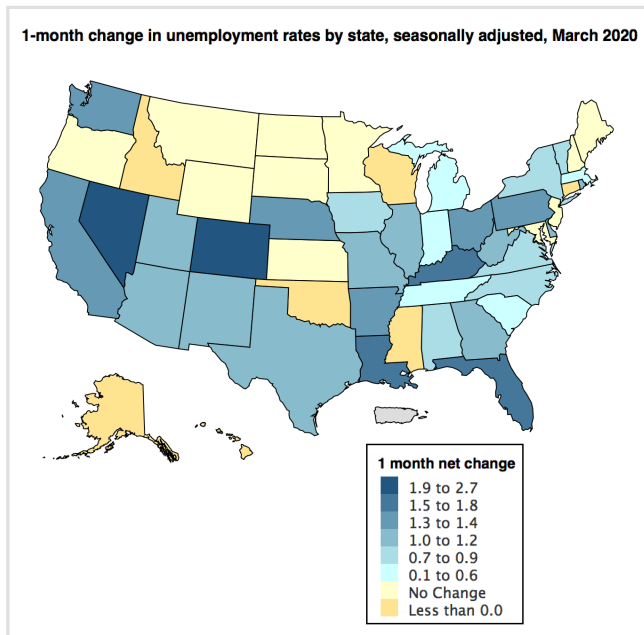
Source: [The New York Times](#)

States Reopening



Source: [The New York Times](#)

Unemployment Rate



Source: [U.S. Bureau of Labor Statistics](#)

Change in Purchase Loan Rate Lock Activity

Metros with an above average decline	% change in rate locks, week 17: 2019 vs 2020	Metros with a below average or no decline	% change in rate locks, week 17: 2019 vs 2020
Pittsburgh, PA	-68%	Nation	-17%
Detroit, MI	-54%	Indianapolis, IN	-16%
San Francisco, CA	-49%	Kansas City, MO	-15%
Las Vegas, NV	-44%	Sacramento, CA	-15%
Miami, FL	-41%	Cleveland, OH	-15%
Denver, CO	-40%	San Antonio, TX	-12%
Boston, MA	-36%	Baltimore, MD	-12%
Philadelphia, PA	-35%	Austin, TX	-12%
Orlando, FL	-31%	Houston, TX	-11%
New York, NY	-30%	Charlotte, NC	-9%
Seattle, WA	-30%	Cincinnati, OH	-9%
Cape Coral, FL	-28%	Raleigh, NC	-7%
Minneapolis, MN	-28%	St. Louis, MO	-7%
Los Angeles, CA	-27%	Atlanta, GA	-6%
Chicago, IL	-27%	Virginia Beach, VA	-5%
Phoenix, AZ	-19%	Washington, DC	-5%
Portland, OR	-19%	Dallas, TX	-4%
Tampa, FL	-18%	North Port, FL	-4%
San Diego, CA	-18%	Columbus, OH	4%
Riverside SB, CA	-17%	Nashville, TN	8%
Nation	-17%	Jacksonville, FL	9%

Source: [AEI Housing Center](#)

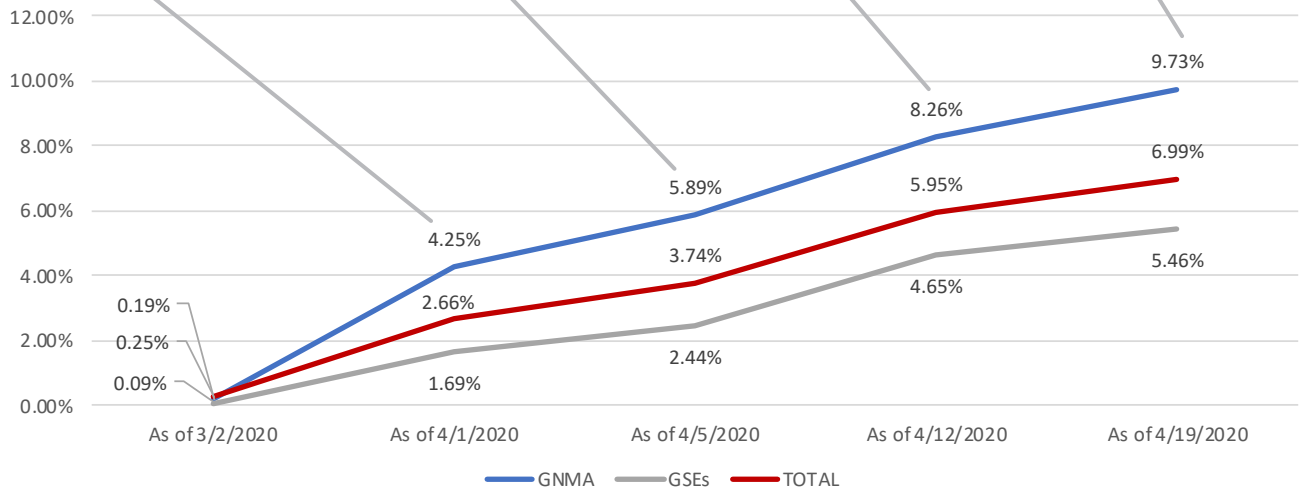
Share of Mortgage Loans in Forbearance

Survey based on **22.4 million loans**, representing **45%** of the first-mortgage servicing market

Survey based on **26.9 million loans**, representing **54%** of the first-mortgage servicing market

Survey based on **38.3 million loans**, representing **77%** of the first-mortgage servicing market

Survey based on **38.3 million loans**, representing **77%** of the first-mortgage servicing market



Source: [Mortgage Bankers Association \(MBA\) Forbearance and Call Volume Survey](#)

Active Forbearance Plans Starting April 3

Date	Loans in forbearance	% of loans in forbearance	UPB of loans in forbearance	Est. Monthly P&I advances	Data
As of April 16, 2020	2.9 million	5.5%	\$651 billion	\$3.6 billion	53 million active loan count
As of April 23, 2020	3.4 million	6.4%	\$754 billion	\$4.2 billion	53 million active loan count

Source: [Black Knight McDash Flash Forbearance Tracker](#)

Mortgage Credit Availability Index (MCAI)

Month	MCAI Level	Change from previous month
April 2019	186.0	+2.1%
May 2019	189.5	+1.9%
June 2019	189.8	+0.2%
July 2019	189.0	-0.4%
August 2019	181.7	-3.9%
September 2019	183.4	+0.9%
October 2019	185.1	+0.9%
November 2019	188.9	+2.1%
December 2019	182.2	-3.5%
January 2020	181.9	-0.2%
February 2020	181.3	-0.3%
March 2020	152.1	-16.1%

Source: [Mortgage Bankers Association Mortgage Credit Availability Index \(MCAI\)](#)

Lender Overlays and Product/Channel Changes

Wells Fargo	Minimum credit score of 680. No longer accepting applications for HELOCs.
US Bank	Minimum credit score of 680 and maximum DTI of 50% for FHA, VA, and USDA mortgages. Minimum credit score of 700 and maximum DTI of 43% when any funds used for closings costs or down payment are not borrower's own funds or gift finds
Chase	Minimum credit score of 700 and maximum 80% LTV. No longer accepting applications for HELOCs.
Navy Federal Credit Union	No longer offering FHA loans.

Mr. Cooper	Closed its wholesale-broker platform.
Flagstar	Minimum credit score of 680 for FHA, VA, and USDA loans. Minimum credit score of 720 for HELOCs.
Better.com	Stopped offering FHA loans, increased minimum FICO score for borrowers, and no jumbo loans with LTVs above 80%.
loanDepot	Suspended investment properties with LTVs above 80% for all conventional products
TCF	Eliminated standalone HELOCs and limited piggyback 2nds to CLTVs of 85%.