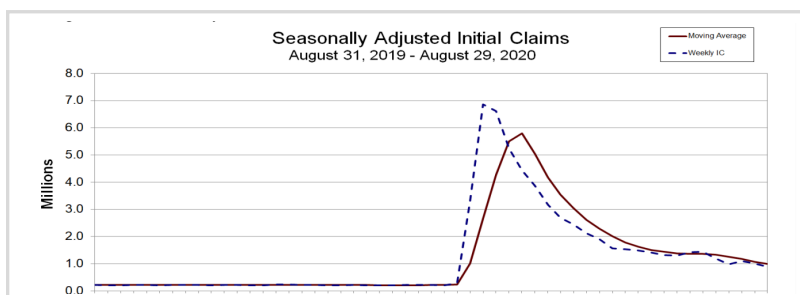


## Market Trends We Are Watching

Below is a 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 August 29, **jobless claims declined to 881,000**, a decrease of 130,000 from the previous week's revised level and the second time in the last 24 weeks that filings have dropped below one million. For the week ending August 22, the unemployment rate was 9.1%, a decrease of 0.8% from the previous week's unrevised rate. California, Illinois, Pennsylvania, Kansas and Rhode Island saw the largest rise in unemployment. As of September 4, 28 states are reopened or reopening, and 22 states have paused or reversed re-openings.

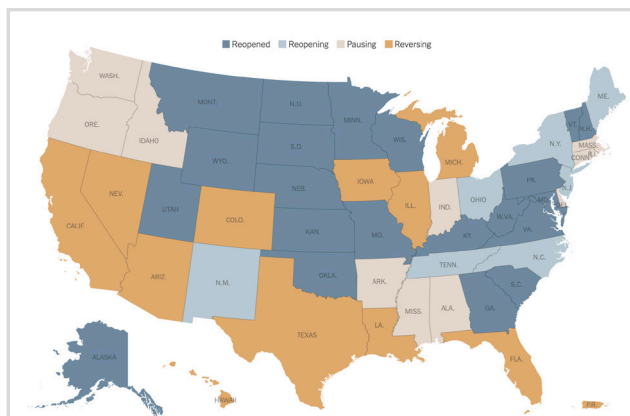
Additionally, the total number of loans in forbearance remained flat at 7.20% of servicers' portfolio volume as of August 23. Total loans in forbearance decreased to 3.784 million as of September 1, with a total unpaid principal balance of \$804 billion. The strong upward trend in purchase rate lock volume continued in weeks 34 and 35. Driven by ultra-low mortgage rates and a limited supply, the national home price appreciation is unsustainable and far exceeds the levels before the pandemic.

### Jobless Claims



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

### States Reopening

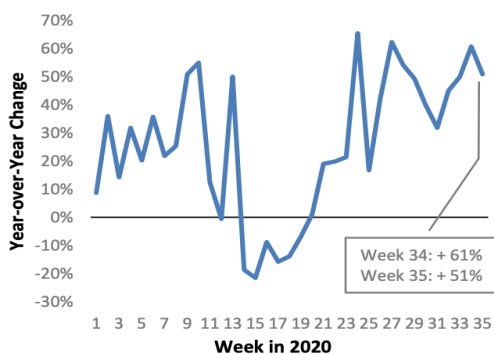


Source: [The New York Times](#)

### Change in Purchase Loan Rate Lock Activity

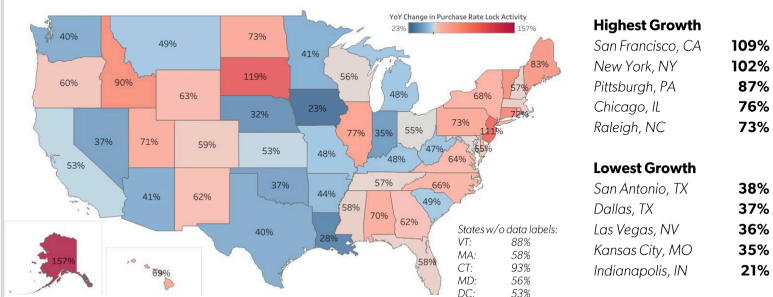
#### PURCHASE RATE LOCK VOLUME

The strong upward trend in purchase rate lock volume continued in weeks 34 & 35.



#### PURCHASE RATE LOCK VOLUME by State & Select Metros

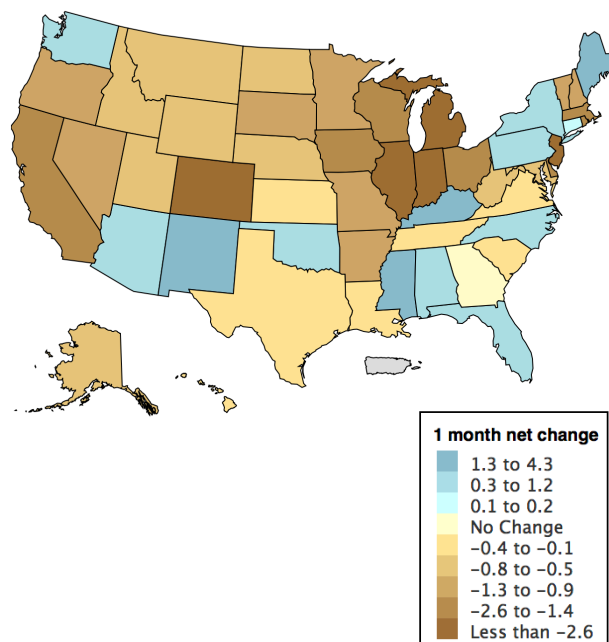
States and Metros have experienced different trends in rate lock volume growth for weeks 34 & 35.



Source: [AEI Housing Center and Optimal Blue](#)

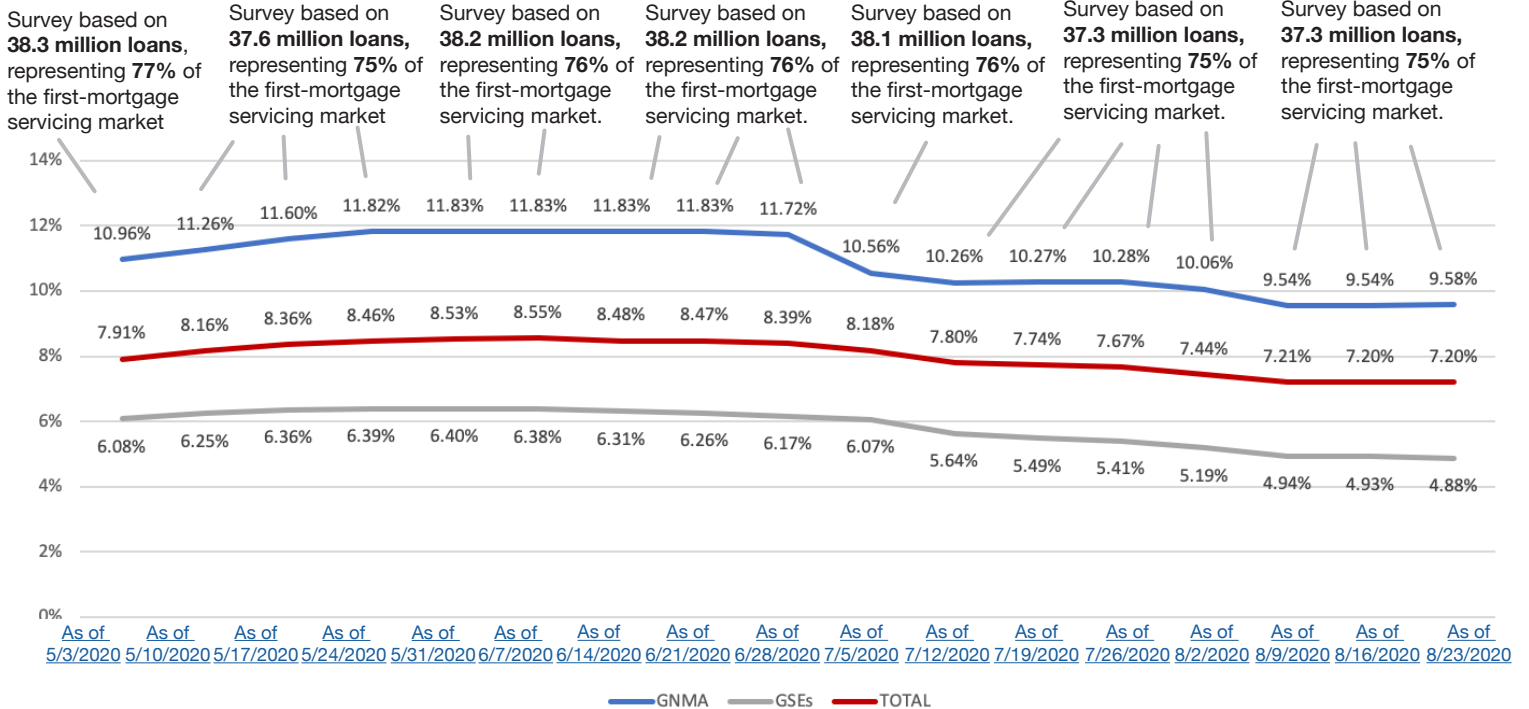
### Unemployment Rate

#### 1-month change in unemployment rates by state, seasonally adjusted, July 2020



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

## Share of Mortgage Loans in Forbearance



## Active Forbearance Plans

Date	Loans in forbearance	% of loans in forbearance	UPB of loans in forbearance	Est. Monthly P&I advances
<a href="#">As of April 16</a>	2.9 million	5.5%	\$651 billion	\$3.6 billion
<a href="#">As of April 23</a>	3.4 million	6.4%	\$754 billion	\$4.2 billion
<a href="#">As of April 30</a>	3.8 million	7.3%	\$841 billion	\$4.7 billion
<a href="#">As of May 7</a>	4.1 million	7.7%	\$890 billion	\$5 billion
<a href="#">As of May 12</a>	4.7 million	8.8%	\$1.026 trillion	\$5.7 billion
<a href="#">As of May 19</a>	4.8 million	9.0%	\$1.044 trillion	\$5.8 billion
<a href="#">As of May 26</a>	4.8 million	9.0%	\$1.052 trillion	\$5.8 billion
<a href="#">As of June 2</a>	4.7 million	8.9%	\$1.044 trillion	\$5.8 billion
<a href="#">As of June 9</a>	4.7 million	8.8%	\$1.028 trillion	\$5.7 billion
<a href="#">As of June 16</a>	4.6 million	8.7%	\$1.012 trillion	\$5.6 billion
<a href="#">As of June 23</a>	4.7 million	8.8%	\$1.025 trillion	\$5.7 billion
<a href="#">As of July 3</a>	4.6 million	8.6%	\$995 billion	\$5.6 billion
<a href="#">As of July 7</a>	4.1 million	7.8%	\$898 billion	\$5.1 billion
<a href="#">As of July 14</a>	4.1 million	7.8%	\$889 billion	\$5.0 billion
<a href="#">As of July 21</a>	4.1 million	7.8%	\$890 billion	\$5.0 billion
<a href="#">As of July 28</a>	4.1 million	7.7%	\$879 billion	\$5.0 billion
<a href="#">As of August 3</a>	4.0 million	7.5%	\$852 billion	\$4.9 billion
<a href="#">As of August 10</a>	3.9 million	7.4%	\$834 billion	\$4.8 billion
<a href="#">As of August 21</a>	3.9 million	7.4%	\$833 billion	\$4.8 billion
<a href="#">As of August 25</a>	3.9 million	7.4%	\$828 billion	\$4.8 billion
<a href="#">As of Sept. 1</a>	3.7 million	7.1%	\$804 billion	\$4.6 billion

Source: Black Knight McDash Flash Forbearance Tracker  
Data is based on a 53 million active loan count

## Mortgage Credit Availability Index (MCAI)

Month	MCAI Level	Change from previous month
<a href="#">April 2019</a>	186.0	+2.1%
<a href="#">May 2019</a>	189.5	+1.9%
<a href="#">June 2019</a>	189.8	+0.2%
<a href="#">July 2019</a>	189.0	-0.4%
<a href="#">August 2019</a>	181.7	-3.9%
<a href="#">September 2019</a>	183.4	+0.9%
<a href="#">October 2019</a>	185.1	+0.9%
<a href="#">November 2019</a>	188.9	+2.1%
<a href="#">December 2019</a>	182.2	-3.5%
<a href="#">January 2020</a>	181.9	-0.2%
<a href="#">February 2020</a>	181.3	-0.3%
<a href="#">March 2020</a>	152.1	-16.1%
<a href="#">April 2020</a>	133.5	-12.2%
<a href="#">May 2020</a>	129.3	-3.1%
<a href="#">June 2020</a>	125.0	-3.3%
<a href="#">July 2020</a>	126.9	+1.5%

Source: Mortgage Bankers Association Mortgage Credit Availability Index (MCAI)

## Lender Overlays and Product/Channel Changes

<b>Wells Fargo</b>	Minimum credit score of 680. No longer accepting applications for HELOCs.
<b>US Bank</b>	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 funds.
<b>Chase</b>	Minimum credit score of 700 and maximum 80% LTV. No longer accepting applications for HELOCs.
<b>Navy Federal Credit Union</b>	No longer offering FHA loans.
<b>Mr. Cooper</b>	Closed its wholesale-broker platform.
<b>Flagstar</b>	Minimum credit score of 680 for FHA, VA, and USDA loans. Minimum credit score of 720 for HELOCs.
<b>Better.com</b>	Stopped offering FHA loans, increased minimum FICO score for borrowers, and no jumbo loans with LTVs above 80%.
<b>loanDepot</b>	Suspended investment properties with LTVs above 80% for all conventional products
<b>TCF</b>	Eliminated standalone HELOCs and limited piggyback 2nds to CLTVs of 85%.
<b>Truist</b>	Minimum credit score of 680 for FHA and VA loans. Maximum DTI of 50% for FHA and VA purchase loans.