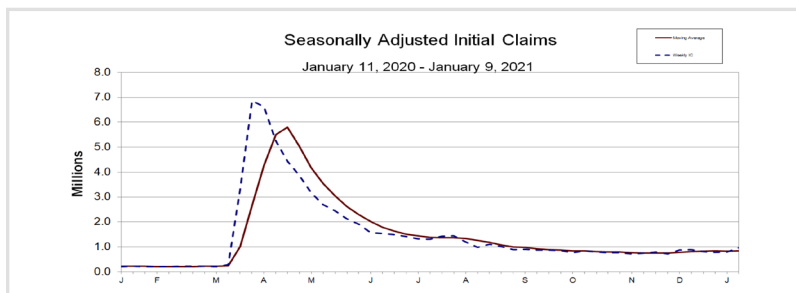


Market Trends We Are Watching

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 January 9, **jobless claims rose to 965,000**, an increase of 181,000 from the previous week's revised level. For the week ending January 2, the insured unemployment rate was 3.7%, an increase of 0.2% from the previous week's unrevised rate. Louisiana, Kansas, Texas, Georgia and Washington saw the largest rise in unemployment. As of January 14, 18 states are partially or mostly closed for business and 32 are mostly open.

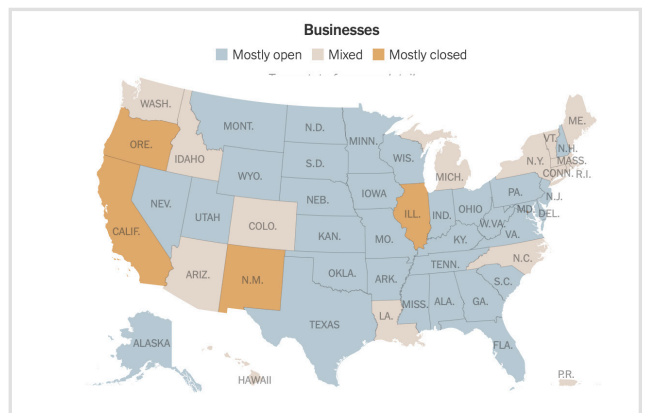
Additionally, the total number of loans in forbearance decreased to 5.46% of servicers' portfolio volume as of January 3, relative to 5.53% the prior week. Total loans in forbearance fell to 2.727 million as of January 12, the largest weekly drop since early November, with a total unpaid principal balance of \$545 billion. As of November, purchase rate lock volume remains strongly above 2019. For weeks 46 and 47, volume has consistently been about 30%-80% higher. 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. The upward trend has plateaued at about 12% year-over-year.

Jobless Claims



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

States Reopening

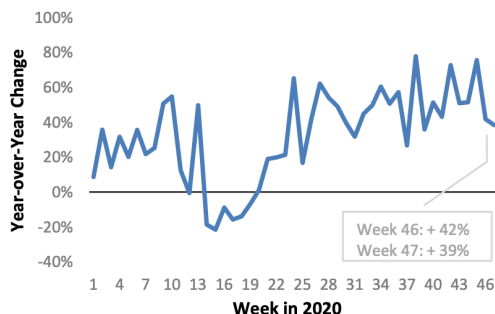


Source: [The New York Times](#)

Change in Purchase Loan Rate Lock Activity

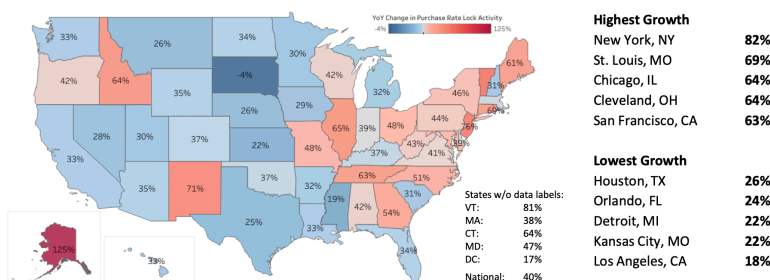
PURCHASE RATE LOCK VOLUME

Purchase rate lock volume remains strongly above last year's. For the last couple weeks, volume has consistently been about 30%-80% higher.

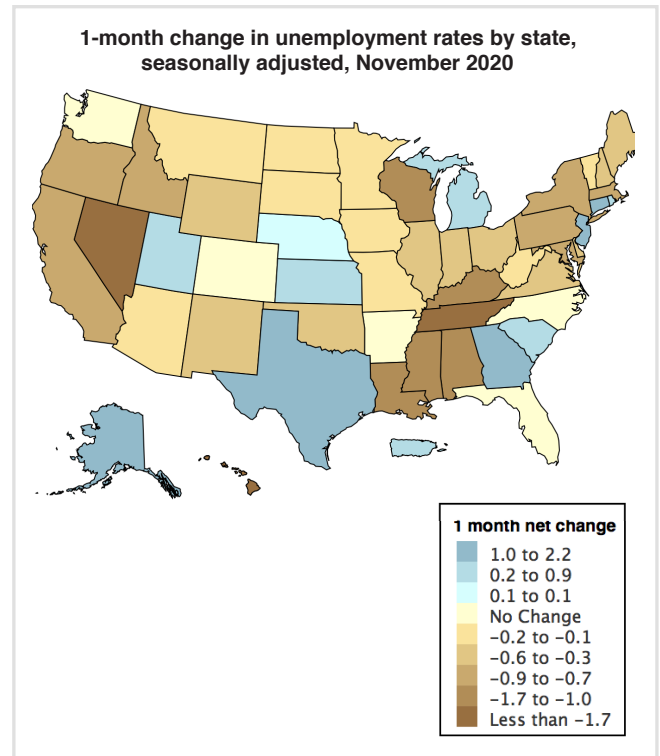


PURCHASE RATE LOCK VOLUME by State & Select Metros

States and Metros have experienced different trends in rate lock volume growth for weeks 46 & 47.



Unemployment Rate

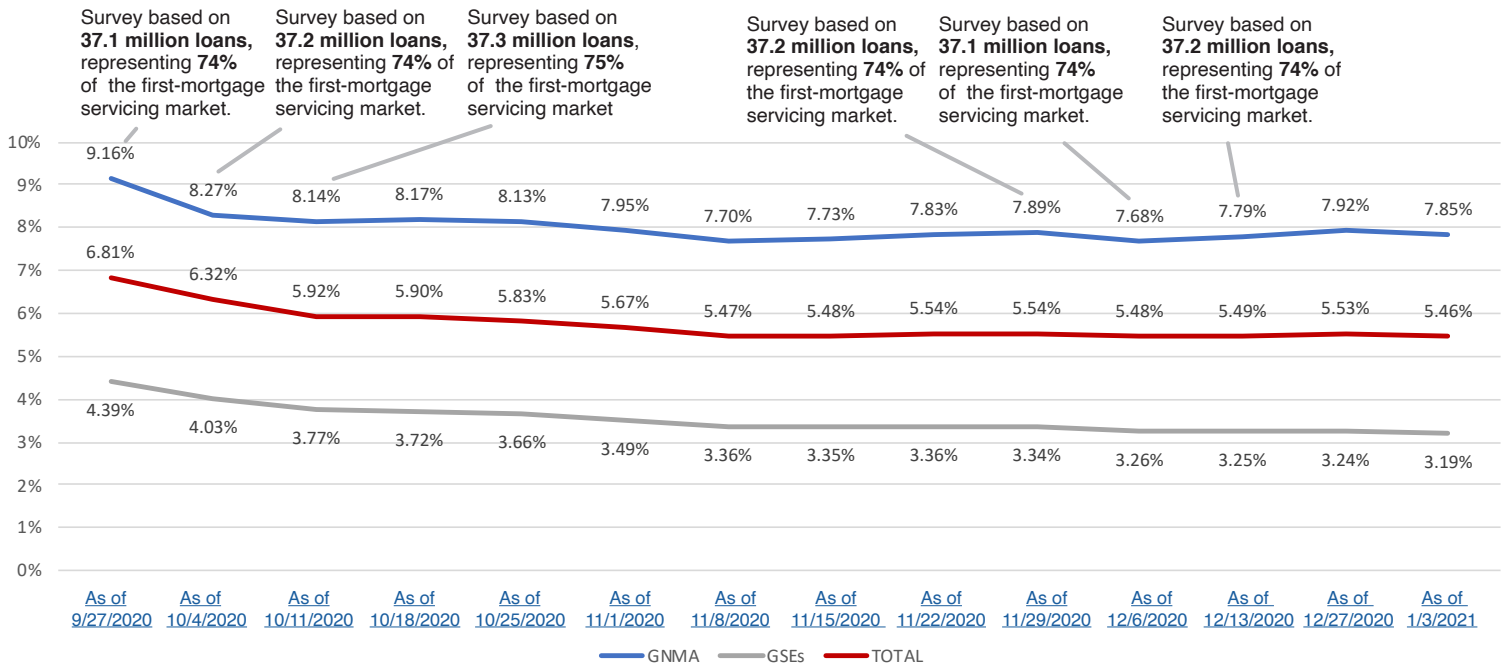


Source: [U.S. Bureau of Labor Statistics](#)

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

Share of Mortgage Loans in Forbearance

USMI Member Report | January 15, 2021



Source: Mortgage Bankers Association (MBA) Forbearance and Call Volume Survey

Active Forbearance Plans

Date	Loans in forbearance	% of loans in forbearance	UPB of loans in forbearance	Est. Monthly P&I advances
As of August 21	3.9 million	7.4%	\$833 billion	\$4.8 billion
As of August 25	3.9 million	7.4%	\$828 billion	\$4.8 billion
As of Sept. 8	3.7 million	7.0%	\$789 billion	\$4.6 billion
As of Sept. 15	3.7 million	7.0%	\$781 billion	\$4.5 billion
As of Sept. 22	3.6 million	6.8%	\$751 billion	\$4.4 billion
As of Sept. 29	3.6 million	6.8%	\$751 billion	\$4.4 billion
As of Oct. 6	2.9 million	5.6%	\$614 billion	\$3.6 billion
As of Oct. 13	2.9 million	5.6%	\$617 billion	\$3.6 billion
As of Oct. 20	2.9 million	5.6%	\$616 billion	\$3.6 billion
As of Oct. 27	3.0 million	5.7%	\$619 billion	\$3.7 billion
As of Nov. 3	2.9 million	5.4%	\$584 billion	\$3.5 billion
As of Nov. 10	2.7 million	5.2%	\$559 billion	\$3.3 billion
As of Nov. 17	2.8 million	5.2%	\$564 billion	\$3.4 billion
As of Nov. 23	2.8 million	5.3%	\$564 billion	\$3.4 billion
As of Dec. 1	2.8 million	5.2%	\$561 billion	\$3.4 billion
As of Dec. 8	2.7 million	5.2%	\$558 billion	\$3.3 billion
As of Dec. 15	2.8 million	5.3%	\$563 billion	\$3.4 billion
As of Dec. 29	2.8 million	5.3%	\$568 billion	\$3.4 billion
As of Jan. 5	2.7 million	5.2%	\$547 billion	\$3.3 billion
As of Jan. 12	2.7 million	5.1%	\$545 billion	\$3.3 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
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%
April 2020	133.5	-12.2%
May 2020	129.3	-3.1%
June 2020	125.0	-3.3%
July 2020	126.9	+1.5%
August 2020	120.9	-4.7%
September 2020	118.6	-1.9%
October 2020	121.3	+2.3%
November 2020	122.2	+0.7%
December 2020	122.1	-0.1%

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 funds.
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%.
Truist	Minimum credit score of 680 for FHA and VA loans. Maximum DTI of 50% for FHA and VA purchase loans.