

SINGLE FAMILY OPERATIONS

November 2009

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Applications

- After seasonal adjustment, the estimated annual rate for applications during November was 2,822,600 -- the lowest monthly rate since August. Last November the annual rate was 2,493,800.
- The actual application count was 205,808, covering 87,142 purchase loans, 112,095 refinance mortgages and 6,571 reverse mortgage applications. 65,061 prior FHA and 47,034 conventional to FHA applications were included in the refinance total. Among the refinance cases were 31 H4H applications.

Endorsements

- 157,120 mortgages were endorsed during November. Included were 92,936 purchase money mortgages, 56,445 refinance mortgages and 7,738 HECM's.
- For the purchase cases, 82.9 percent were for first time home buyers, of which 27.2 percent were minority families.
- With respect to refinanced mortgages, 30,373 were prior FHA mortgages and 26,072 were conventional converting to FHA insured mortgages. One H4H mortgage was endorsed.
- Of the refinanced cases insured, 9,516 (16.9%) were cash out transactions. The bulk of these were from conventional conversion mortgages.
- 7,738 HECM's were insured this month, most of these -- 7,110 -- were traditional reverse mortgages. It is of interest to note a shift in financing of HECM's. This month, 7,110 traditional HECMs had ARM provisions (2,390) while last November 7,771 similar transactions had 7,461 ARM financing -- that is a 68 percent drop.
- Lender Insurance cases covered 107,765 mortgages -- 68.6 percent of the total single family cases insured this month.
- 157,119 mortgages were endorsed for \$28.7 billion during November, most of this for forward mortgages. 7,738 HECM's were insured for \$2.2 billion.
- As of the end of the month 5,721,487 mortgages were in force for an amortized outstanding balance of \$733.6 billion.
- During November the serious delinquent loan rate rose to 8.9 percent.

Automated Underwriting

- For November, 252,892 mortgages were accepted and insured using the FHA (TOTAL) score card. This represented 79.8 percent of the cases endorsed this month.

FHA OUTLOOK

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MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
TOTAL APPLICATIONS: *	205,808	253,503	-18.8%	163,343	26.0%
Annual Rate	2,822,600	3,026,600	-6.7%	2,493,800	13.2%
Average per workday	11,157	11,963	-6.7%	19,713	-43.4%
Purchase	87,142	141,371	-38.4%	71,427	22.0%
Refinance	112,095	106,240	5.5%	77,405	44.8%
Prior FHA	65,061	50,625	28.5%	9,928	555.3%
Conventional to FHA	47,034	55,615	-15.4%	67,158	-30.0%
Conventional to FHA (Delinquent)				319	
H4H (HOPE for Homeowners)	31	11	181.8%	123	-74.8%
HECM	6,571	5,892	11.5%	14,511	-54.7%
TOTAL ENDORSEMENTS: *	157,119	176,279	-10.9%	128,830	22.0%
Annual Rate	1,885,400	2,115,300	-10.9%	1,546,000	22.0%
Weighted Average FICO Score **	694	694	0.0%	621	11.8%
Minority	36,032	41,373	-12.9%	34,875	3.3%
% Minority	22.9%	23.5%	-0.5% #	27.1%	-4.1% #
Purchase	92,936	105,901	-12.2%	74,853	24.2%
% Purchase	59.2%	60.1%	-0.9% #	58.1%	1.0% #
Average FICO Score **	697	697	0.0%	633	10.1%
1st Time Home Buyer	77,068	86,416	-10.8%	57,882	33.1%
% 1st Time Home Buyer	82.9%	81.6%	1.3% #	77.3%	5.6% #
Non-Minority	51,298	57,021	-10.0%	35,537	44.4%
% Non-Minority	66.6%	66.0%	0.6% #	61.4%	5.2% #
Minority	20,925	23,725	-11.8%	18,557	12.8%
% Minority	27.2%	27.5%	-0.3% #	32.1%	-4.9% #
Not-Disclosed	4,845	5,669	-14.5%	3,783	28.1%
% Not-Disclosed	6.3%	6.6%	-0.3% #	6.5%	-0.2% #
Refinanced	56,445	61,606	-8.4%	46,206	22.2%
% Refinanced	35.9%	34.9%	1.0% #	35.9%	0.1% #
Average FICO Score **	686	683	0.4%	606	13.2%
Prior FHA	30,373	29,256	3.8%	8,183	271.2%
Streamline	28,151	26,589	5.9%	5,409	420.4%
% Streamline	49.9%	43.2%	6.7% #	11.7%	38.2% #
Full Process	2,222	2,667	-16.7%	2,774	-19.9%
Cash Out	936	1,230	-23.9%	1,432	-34.6%
Conventional to FHA	26,072	32,351	-19.4%	37,955	-31.3%
Cash Out	8,580	11,352	-24.4%	14,343	-40.2%
Conventional to FHA (Delinquent)				68	
Total Cash Out	9,516	12,582	-24.4%	15,775	-39.7%
Total % Cash Out	16.9%	20.4%	-3.6% #	34.1%	-17.3% #
H4H (HOPE for Homeowners)	1	11	-90.9%		
HECM	7,738	8,772	-11.8%	7,771	-0.4%
% HECM	4.9%	5.0%	-0.1% #	6.0%	-1.1% #
HECM Traditional	7,110	7,981	-10.9%	7,610	-6.6%
HECM Traditional ARM	2,390	3,178	-24.8%	7,461	-68.0%
HECM Purchase	124	141	-12.1%		
HECM Purchase ARM	18	18	0.0%		
HECM Refinance	504	650	-22.5%	161	213.0%
% HECM Refinance	6.5%	7.4%	-0.9% #	2.1%	4.4% #
HECM Refinance ARM	137	233	-41.2%	159	-13.8%

Source: * F17 CHUMS

- Percentage point difference

** As of 5/31/09 we are publishing a different average FICO score series. This series represents the composite FICO score value that is used for loan underwriting. In many cases this will be lower than the average (of applicant) FICO scores that was previously published in the Outlook.

FHA OUTLOOK

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	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
FORWARD ENDORSEMENTS ONLY: *					
Section 203(k)	1,637	1,837	-10.9%	1,084	51.0%
Condominium	9,252	10,121	-8.6%	6,200	49.2%
% Condominium	5.9%	5.7%	0.1% #	4.8%	1.1% #
ARM (Excludes HECM ARM)	3,713	4,180	-11.2%	1,270	192.4%
% ARM	2.4%	2.4%	0.0% #	1.0%	1.4% #
Manufactured Housing (Real Estate)	2,545	3,167	-19.6%	4,242	-40.0%
Interest Buy-down	358	340	5.3%	881	-59.4%
Average Processing Time * ^					
(Existing Homes, weeks)					
Application to Closing	6.5	6.7	-3.0%	5.6	16.1%
Closing to Endorsement	4.0	4.0	0.0%	4.1	-2.4%
Lender Insurance *					
Total Lender Insurance	107,765	126,234	-14.6%	91,722	17.5%
% of Total Insurance	68.6%	71.6%	-3.0% #	71.2%	-2.6% #
Forward Mortgages	106,141	124,486	-14.7%	89,342	18.8%
HECM	1,624	1,748	-7.1%	2,380	-31.8%
Automated Underwriting System * x					
AUS Endorsed	117,104	135,788	-13.8%	102,542	14.2%
AUS as % of Total Endorsed	78.4%	81.1%	-2.7% #	84.7%	-6.3% #
Mortgage Insurance *					
Total Number	157,119	176,279	-10.9%	128,794	22.0%
Total Amount (\$B)	\$28.7	\$32.2	-10.9%	\$22.9	25.3%
Forward Mortgages					
Total Forward Number	149,381	167,507	-10.8%	121,023	23.4%
Amount (\$B)	\$26.5	\$29.6	-10.5%	\$21.3	24.4%
Purchase Number	92,936	105,901	-12.2%	74,837	24.2%
Amount (\$B)	\$15.8	\$18.2	-13.2%	\$12.9	22.5%
Refinance Number	56,445	61,606	-8.4%	46,186	22.2%
Amount (\$B)	\$10.7	\$11.4	-6.1%	\$8.4	27.4%
Reverse Mortgages					
HECM Number	7,738	8,772	-11.8%	7,771	-0.4%
Max Claim Amount (\$B)	\$2.2	\$2.6	-15.4%	\$1.6	37.5%
Mortgage Insurance-In-Force **					
Total Number	5,721,487	5,614,948	1.9%	4,594,361	24.5%
Total Unpaid Balance Amount (\$B)	\$733.6	\$714.0	2.7%	\$516.7	42.0%
Loans Seriously Delinquent *** <					
90 Days + Delinquent	512,150	488,735	4.8%	300,209	70.6%
Seriously Delinquent Rate	8.9%	8.7%	0.2% #	6.5%	2.4% #

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 total includes only cases accepted and endorsed by the score card (TOTAL). Does not include cases referred for standard processing, standard rejects or actual fall out or streamline refinances.. Percentage based on forward mortgages only.

< This count of seriously delinquent mortgages includes bankruptcies and foreclosures.

FHA OUTLOOK

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FISCAL YEAR COMPARISONS

	PROJECTIONS FY 2010 AS OF OCT 09	FY 2010 TO DATE	FY 2009 TO DATE	RATE OF CHANGE 2010/2009	FY 2009 FINAL
TOTAL APPLICATIONS: *	2,500,000	459,311	351,927	30.5%	2,800,460
Purchase	1,375,000	228,513	157,121	45.4%	1,256,494
Refinance	1,000,000	218,335	165,266	32.1%	1,472,023
Prior FHA	375,000	115,686	18,766	516.5%	559,698
Conventional to FHA	625,000	102,649	145,756	-29.6%	911,373
Conventional to FHA (Delinquent)			744		952
H4H (HOPE for Homeowners)		42	234	-82.1%	934
HECM	125,000	12,463	29,540	-57.8%	162,619
TOTAL ENDORSEMENTS: *	1,875,000	333,398	296,886	12.3%	1,946,809
Minority	487,500	77,405	81,052	-4.5%	474,072
% Minority	26.0%	23.2%	27.3%	-4.1% #	24.4%
Purchase	969,375	198,837	182,383	9.0%	995,590
% Purchase	51.7%	59.6%	61.4%	-1.8% #	51.1%
1st Time Home Buyer	775,500	163,483	140,866	16.1%	781,718
% 1st Time Home Buyer	80.0%	82.2%	77.2%	5.0% #	78.5%
Non-Minority	496,320	108,319	87,311	24.1%	496,506
% Non-Minority	64.0%	66.3%	62.0%	4.3% #	63.5%
Minority	232,650	44,650	44,355	0.7%	233,104
% Minority	30.0%	27.3%	31.5%	-4.2% #	29.8%
Not-Disclosed	46,530	10,514	9,157	14.8%	52,054
% Not-Disclosed	6.0%	6.4%	6.5%	-0.1% #	6.7%
Refinanced	798,750	118,051	96,611	22.2%	836,528
% Refinanced	42.6%	35.4%	32.5%	2.9% #	43.0%
Prior FHA	351,450	59,629	16,509	261.2%	367,480
Streamline	311,522	54,740	10,800	406.9%	329,441
% Streamline	39.0%	46.4%	11.2%	35.2% #	39.4%
Full Process	39,928	4,889	5,709	-14.4%	38,039
Cash Out	17,000	2,166	3,143	-31.1%	23,432
Conventional to FHA	447,300	58,423	79,934	-26.9%	468,740
Cash Out	203,000	19,932	32,054	-37.8%	233,755
Conventional to FHA (Delinquent)	320		171		316
Total Cash Out	220,000	22,098	35,197	-37.2%	257,187
Total % Cash Out	27.5%	18.7%	36.4%	-17.7% #	30.7%
H4H (HOPE for Homeowners)		12			23
HECM	106,875	16,510	17,892	-7.7%	114,691
% HECM	5.7%	5.0%	6.0%	-1.1% #	5.9%
HECM Traditional	96,188	15,091	17,536	-13.9%	104,297
HECM Traditional ARM	94,264	5,568	17,227	-67.7%	95,672
HECM Purchase	3,420	265			423
HECM Purchase ARM	3,352	36			327
HECM Refinance	7,268	1,154	356	224.2%	8,356
% HECM Refinance	6.8%	7.0%	2.0%	5.0% #	7.3%
HECM Refinance ARM	7,122	370	352	5.1%	7,636

Source: * F17 CHUMS

- Percentage point difference

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	PROJECTIONS FY 2010 AS OF OCT 09	FY 2010 TO DATE	FY 2009 TO DATE	RATE OF CHANGE 2010/2009	FY 2009 FINAL
FORWARD ENDORSEMENTS ONLY: *					
Section 203(k)	15,000	3,474	2,092	66.1%	16,904
Condominium	84,375	19,373	14,335	35.1%	96,119
% Condominium	4.5%	5.8%	4.8%	1.0% #	4.9%
ARM (Excludes HECM ARM)	9,375	7,893	4,459	77.0%	14,361
% ARM	0.5%	2.4%	1.5%	0.9% #	0.7%
Manufactured Housing (Real Estate)	50,000	5,712	9,852	-42.0%	46,463
Interest Buy-down	8,000	698	2,727	-74.4%	6,702
Lender Insurance *					
Total Lender Insurance	1,312,500	233,999	213,888	9.4%	1,363,323
% of Total Insurance	70.0%	70.2%	72.0%	-1.9% #	70.0%
Forward Mortgages	1,273,125	230,627	208,539	10.6%	1,330,825
HECM	39,375	3,372	5,349	-37.0%	32,498
Automated Underwriting System * x					
AUS Endorsed	1,406,250	252,892	235,036	7.6%	1,399,854
AUS as % of Total Endorsed	79.5%	79.8%	84.2%	-4.4% #	76.4%
Mortgage Insurance *					
Total Number	1,875,000	333,398	296,850	12.3%	1,946,809
Total Amount (\$B)	\$349.7	\$60.9	\$52.8	15.3%	\$360.7
Forward Mortgages					
Total Forward Number	1,768,125	316,888	278,958	13.6%	1,832,118
Amount (\$B)	\$323.0	\$56.1	\$49.2	14.0%	\$330.5
Purchase Number					
Amount (\$B)	\$169.6	\$34.0	\$31.6	7.6%	\$171.7
Refinance Number					
Amount (\$B)	\$153.4	\$22.1	\$17.6	25.6%	\$158.8
Reverse Mortgages					
HECM Number	106,875	16,510	17,892	-7.7%	114,691
Max Claim Amount (\$B)	\$26.7	\$4.8	\$3.6	33.3%	\$30.2
Claims **					
Total Claims	213,000	36,821	29,126	26.4%	207,957
Loss Mitigation Retention	130,000	20,802	18,381	13.2%	127,134
Loss Mitigation (Property Sales)	8,000	1,985	881	125.3%	7,410
Other Claims (Conveyances)	75,000	14,034	9,864	42.3%	73,413

Source: * F17 CHUMS ** A43C Claims System

= Percentage point difference

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