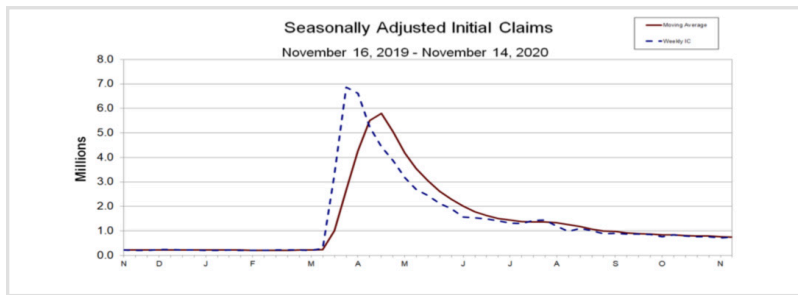


Market Trends We Are Watching

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 November 14, **jobless claims fell to 742,000**, an increase of 31,000 from the previous week’s revised level and the 13th time in the last 34 weeks that filings have dropped below one million. For the week ending November 7, the unemployment rate was 4.3%, a decrease of 0.3% from the previous week’s revised rate. Washington, California, Massachusetts, Alabama, and Louisiana saw the largest rise in unemployment. As of November 20, 17 states are partially or mostly closed for business and 33 are mostly open.

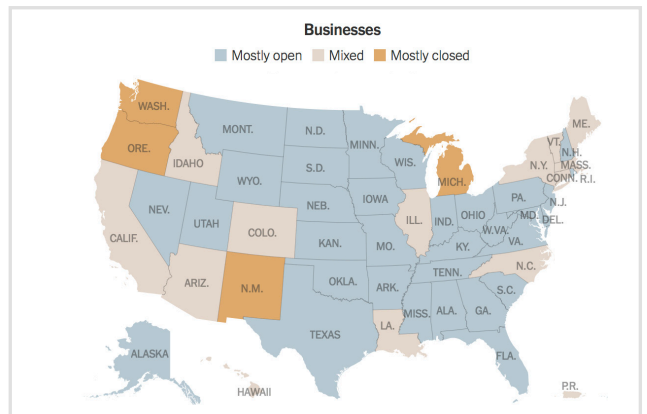
Additionally, the total number of loans in forbearance decreased to 5.47% of servicers’ portfolio volume as of November 8, compared to 5.67% the prior week. Total loans in forbearance rose to 2.765 million as of November 17, with a total unpaid principal balance of \$564 billion. The strong upward trend in purchase rate lock volume continued in weeks 44 and 45. 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

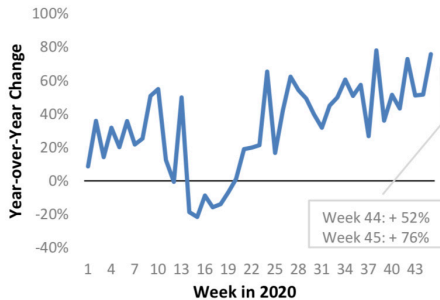


Source: [The New York Times](#)

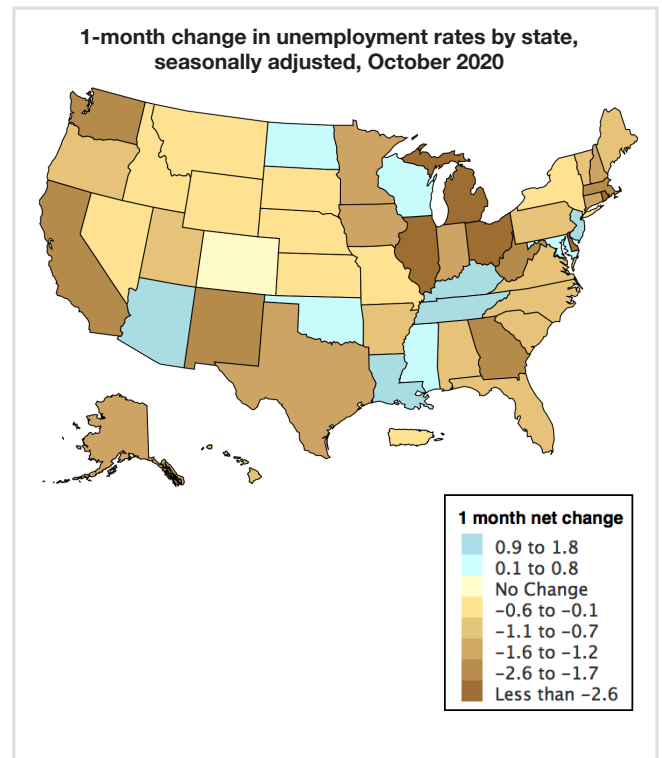
Change in Purchase Loan Rate Lock Activity

PURCHASE RATE LOCK VOLUME

The strong upward trend in purchase rate lock volume continued in weeks 44 & 45. Additionally, in week 45 of 2020, volume is only down 7% from the market’s usual seasonal peak in weeks 23-24, whereas in 2019 it was down 28%.



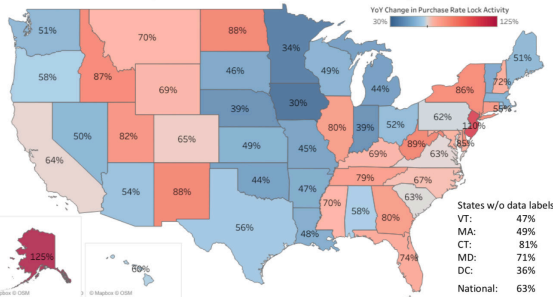
Unemployment Rate



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

PURCHASE RATE LOCK VOLUME by State & Select Metros

States and Metros have experienced different trends in rate lock volume growth for weeks 44 & 45.

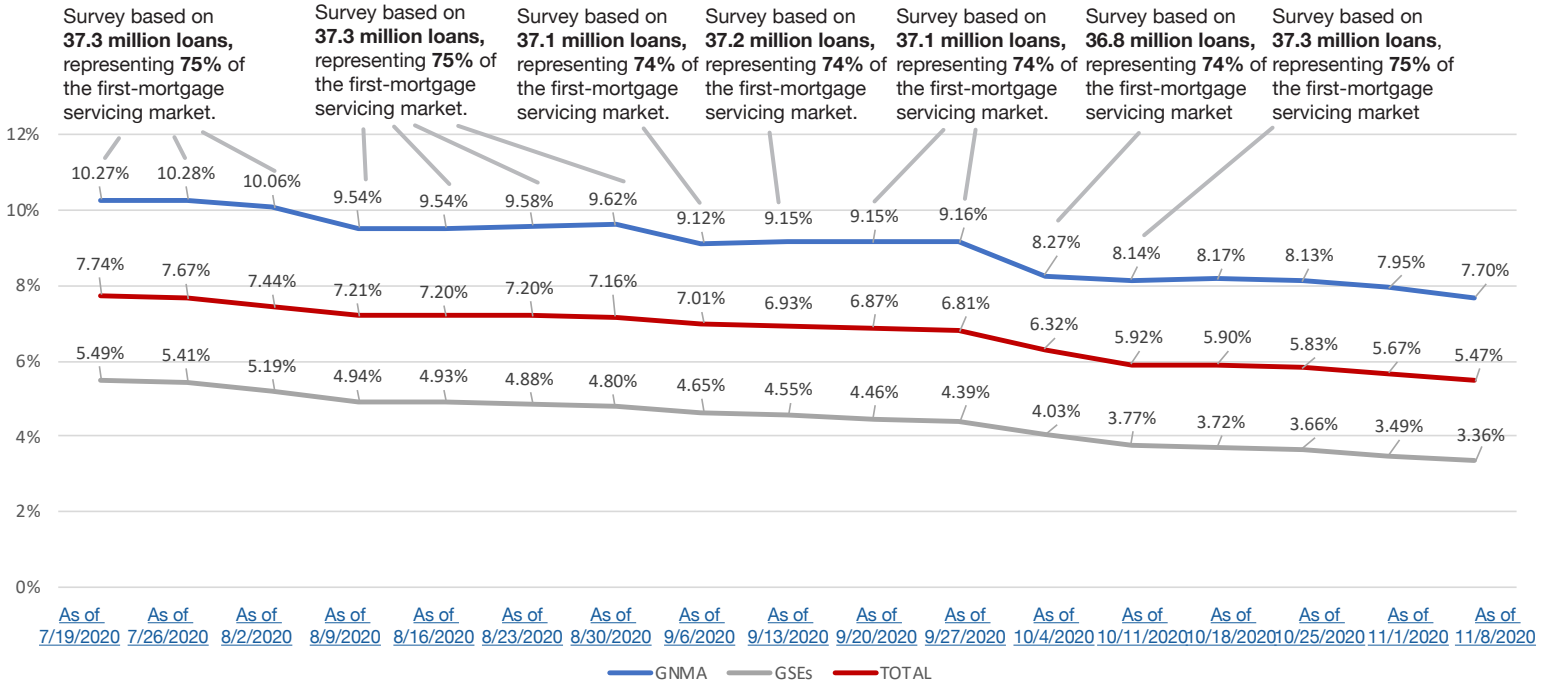


- | | |
|-----------------------|-------------|
| Highest Growth | 122% |
| New York, NY | 109% |
| Cape Coral, FL | 102% |
| San Francisco, CA | 85% |
| Cleveland, OH | 82% |
| North Port, FL | |
| Lowest Growth | |
| Columbus, OH | 41% |
| Kansas City, MO | 41% |
| Portland, OR | 40% |
| Detroit, MI | 38% |
| Minneapolis, MN | 34% |

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

Share of Mortgage Loans in Forbearance

USMI Member Report | November 20, 2020



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 May 19	4.8 million	9.0%	\$1.044 trillion	\$5.8 billion
As of May 26	4.8 million	9.0%	\$1.052 trillion	\$5.8 billion
As of June 2	4.7 million	8.9%	\$1.044 trillion	\$5.8 billion
As of June 9	4.7 million	8.8%	\$1.028 trillion	\$5.7 billion
As of June 16	4.6 million	8.7%	\$1.012 trillion	\$5.6 billion
As of June 23	4.7 million	8.8%	\$1.025 trillion	\$5.7 billion
As of July 3	4.6 million	8.6%	\$995 billion	\$5.6 billion
As of July 7	4.1 million	7.8%	\$898 billion	\$5.1 billion
As of July 14	4.1 million	7.8%	\$889 billion	\$5.0 billion
As of July 21	4.1 million	7.8%	\$890 billion	\$5.0 billion
As of July 28	4.1 million	7.7%	\$879 billion	\$5.0 billion
As of August 3	4.0 million	7.5%	\$852 billion	\$4.9 billion
As of August 10	3.9 million	7.4%	\$834 billion	\$4.8 billion
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

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%

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.