

## SINGLE-FAMILY OPERATIONS

January 2011 Revised

CONTACT INFORMATION  
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### Applications

So far this fiscal year, FHA received 182 applications for Short Refinance transactions and insured 40 of these mortgages. Also 363 applications were received for Hope for Homeowners cases and insured 93 of this type mortgage.

For the month, the estimated seasonally adjusted annual rate for applications was 1,450,900, the lowest January estimated since 2007. Severe storms throughout the country account for part of this low estimate.

During January, 103,991 single family applications were received. Included were 55,417 for a house purchase, 41,178 to refinance a mortgage and 7,396 reverse mortgage transactions.

The applications for refinancing included 13,276 prior FHA's and 27,902 conventionals. The conventional count also included 60 Short Refinance and 149 H4H cases.

### Endorsements

For the month, 119,521 mortgages were endorsed and included 63,887 purchase money mortgages, 49,167 refinances as well as 6,464 reverse mortgages (HECM). Of the refinances, 26,856 were prior FHA cases -- 80 percent being streamlined cases. The remaining 22,314 cases were conventional conversions to FHA. These include 18 Short Refinances and 23 H4H transactions.

### Automated Underwriting

During January, 90,301 mortgages were accepted and endorsed using the FHA scorecard -- that accounted for 79.9 percent of the cases endorsed for the month.

### Insurance-In-Force

At the end of January, FHA held 6,882,984 mortgages in its portfolio with an outstanding balance of \$947.8 billion.

### Defaults and Claims

As of January 31, servicers reported to FHA that 612,443 mortgages were in a serious default status yielding a default rate of 8.9 percent.

Also, thus far this fiscal year, FHA has paid 115,272 claims -- 48 percent more than for the same time last year (77,887). Most of these claims were loss mitigation payments.

# FHA SINGLE-FAMILY OUTLOOK

## SINGLE-FAMILY OPERATIONS

January 2011 Revised

### MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
<b>TOTAL APPLICATIONS: *</b>	<b>103,991</b>	<b>112,500</b>	<b>-7.6%</b>	<b>126,043</b>	<b>-17.5%</b>
Annual Rate	1,450,900	1,778,000	-18.4%	1,681,500	-13.7%
Average per workday	5,735	7,028	-18.4%	6,646	-13.7%
<b>Purchase</b>	<b>55,417</b>	<b>57,390</b>	<b>-3.4%</b>	<b>70,693</b>	<b>-21.6%</b>
<b>Refinance</b>	<b>41,178</b>	<b>46,840</b>	<b>-12.1%</b>	<b>49,545</b>	<b>-16.9%</b>
Prior FHA	13,276	17,580	-24.5%	10,377	27.9%
Conventional to FHA	27,902	29,260	-4.6%	39,168	-28.8%
H4H (HOPE for Homeowners)	149	60	148.3%	43	246.5%
Short Refinance	60	30	100.0%		
<b>HECM</b>	<b>7,396</b>	<b>8,270</b>	<b>-10.6%</b>	<b>5,805</b>	<b>27.4%</b>
<b>TOTAL ENDORSEMENTS: *</b>	<b>119,521</b>	<b>133,603</b>	<b>-10.5%</b>	<b>158,612</b>	<b>-24.6%</b>
Annual Rate	1,434,300	1,603,200	-10.5%	1,903,300	-24.6%
Weighted Average FICO Score **	703	702	0.1%	694	1.3%
Minority	28,357	30,933	-8.3%	39,618	-28.4%
% Minority	23.7%	23.2%	0.6% #	25.0%	-1.3% #
<b>Purchase</b>	<b>63,887</b>	<b>66,165</b>	<b>-3.4%</b>	<b>90,030</b>	<b>-29.0%</b>
% Purchase	53.5%	49.5%	3.9% #	56.8%	-3.3% #
Average FICO Score **	703	701	0.3%	696	1.0%
1st Time Home Buyer	47,429	48,539	-2.3%	73,111	-35.1%
% 1st Time Home Buyer	74.2%	73.4%	0.9% #	81.2%	-7.0% #
Non-Minority	28,546	29,370	-2.8%	44,970	-36.5%
% Non-Minority	60.2%	60.5%	-0.3% #	61.5%	-1.3% #
Minority	15,681	15,885	-1.3%	23,049	-32.0%
% Minority	33.1%	32.7%	0.3% #	31.5%	1.5% #
Not-Disclosed	3,201	3,284	-2.5%	5,089	-37.1%
% Not-Disclosed	6.7%	6.8%	0.0% #	7.0%	-0.2% #
<b>Refinanced</b>	<b>49,167</b>	<b>60,884</b>	<b>-19.2%</b>	<b>60,954</b>	<b>-19.3%</b>
% Refinanced	41.1%	45.6%	-4.4% #	38.4%	2.7% #
Average FICO Score **	707	705	0.3%	690	2.5%
Prior FHA	26,856	37,762	-28.9%	30,266	-11.3%
Streamline	21,458	31,814	-32.6%	26,938	-20.3%
% Streamline	43.6%	52.3%	-8.6% #	44.2%	-0.6% #
Full Process	5,398	5,948	-9.2%	3,328	62.2%
Cash Out	984	1,041	-5.5%	1,148	-14.3%
Conventional to FHA	22,314	23,122	-3.5%	30,689	-27.3%
Cash Out	5,811	5,738	1.3%	9,803	-40.7%
Total Cash Out	6,795	6,779	0.2%	10,951	-38.0%
Total % Cash Out	13.8%	11.1%	2.7% #	18.0%	-4.1% #
H4H (HOPE for Homeowners)	23	21	9.5%	0	
Short Refinance	18	21			
<b>HECM</b>	<b>6,464</b>	<b>6,554</b>	<b>-1.4%</b>	<b>7,628</b>	<b>-15.3%</b>
% HECM	5.4%	4.9%	0.5% #	4.8%	0.6% #
HECM Traditional	5,917	6,105	-3.1%	6,911	-14.4%
HECM Traditional ARM	2,256	2,594	-13.0%	2,244	0.5%
HECM Purchase	117	115	1.7%	113	3.5%
HECM Purchase ARM	14	21	-33.3%	8	75.0%
HECM Refinance	265	259	2.3%	605	-56.2%
% HECM Refinance	4.1%	4.0%	0.1% #	7.9%	-3.8% #
HECM Refinance ARM	72	85	-15.3%	170	-57.6%
HECM Traditional Saver	165	75	120.0%		

Source: \* F17 CHUMS

# - Percentage point difference

\*\* This series represents the composite FICO score value that is used for loan underwriting.

# FHA SINGLE-FAMILY OUTLOOK

## SINGLE-FAMILY OPERATIONS

January 2011 Revised

### MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
<b>FORWARD ENDORSEMENTS ONLY: *</b>					
Section 203(k)	1,715	1,562	9.8%	1,917	-10.5%
Condominium	5,549	6,389	-13.1%	9,185	-39.6%
% Condominium	4.6%	4.8%	-0.1% #	5.8%	-1.1% #
ARM (Excludes HECM ARM)	5,344	4,621	15.6%	3,707	44.2%
% ARM	4.5%	3.5%	1.0% #	2.3%	2.1% #
Manufactured Housing (Real Estate)	1,769	1,966	-10.0%	2,961	-40.3%
Interest Buy-down	311	261	19.2%	275	13.1%
<b>Average Processing Time * ^</b>					
(Existing Homes, weeks)					
Application to Closing	8.1	7.6	6.6%	8.2	-1.2%
Closing to Endorsement	4.0	4.1	-2.4%	5.3	-24.5%
<b>Lender Insurance *</b>					
Total Lender Insurance	91,451	102,320	-10.6%	114,661	-20.2%
% of Total Insurance	76.5%	76.6%	-0.1% #	72.3%	4.2% #
Forward Mortgages	89,616	100,359	-10.7%	113,357	-20.9%
HECM	1,835	1,961	-6.4%	1,304	40.7%
<b>Automated Underwriting System * x</b>					
AUS Endorsed	90,301	93,995	-3.9%	120,145	-24.8%
AUS as % of Total Endorsed	79.9%	74.0%	5.9% #	79.6%	0.3% #
<b>Mortgage Insurance *</b>					
Total Number	119,518	133,603	-10.5%	158,612	-24.6%
Total Amount (\$B)	\$23.1	\$26.4	-12.5%	\$29.1	-20.6%
Forward Mortgages					
Total Forward Number	113,054	127,049	-11.0%	150,984	-25.1%
Amount (\$B)	\$21.4	\$24.7	-13.4%	\$27.0	-20.7%
Purchase Number					
Amount (\$B)	\$11.4	\$11.8	-3.4%	\$15.5	-26.5%
Refinance Number					
Amount (\$B)	\$10.0	\$12.9	-22.5%	\$11.5	-13.0%
Reverse Mortgages					
HECM Number	6,464	6,554	-1.4%	7,628	-15.3%
Max Claim Amount (\$B)	\$1.7	\$1.7	0.0%	\$2.1	-19.0%
<b>Mortgage Insurance-In-Force **</b>					
Total Number	6,882,984	6,812,689	1.0%	5,917,805	16.3%
Total Unpaid Balance Amount (\$B)	\$947.8	\$934.2	1.5%	\$768.7	23.3%
<b>Loans Seriously Delinquent *** &lt;</b>					
90 Days + Delinquent	612,443	598,140	2.4%	576,691	6.2%
Seriously Delinquent Rate	8.9%	8.8%	0.1% #	9.8% r	-0.9% #

Source: \* F17 CHUMS \*\* A43 Single Family Insurance System \*\*\* F42D Consolidated Single Family Default Monitoring System

# Percentage point difference

r - revised

^ Existing homes, including purchase and refinance cases, represent virtually all of insurance activity.

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

< This count of seriously delinquent mortgages includes all bankruptcies, all foreclosures and 90 days or more delinquencies.

# FHA SINGLE-FAMILY OUTLOOK

## SINGLE-FAMILY OPERATIONS

January 2011 Revised

### FISCAL YEAR COMPARISONS

	PROJECTIONS FY 2011 AS OF OCT 10	FY 2011 TO DATE	FY 2010 TO DATE	RATE OF CHANGE 2011/2010	FY 2010 FINAL
<b>TOTAL APPLICATIONS: *</b>	<b>2,000,000</b>	<b>533,110</b>	<b>727,120</b>	<b>-26.7%</b>	<b>2,334,696</b>
<b>Purchase</b>	<b>1,120,000</b>	<b>245,027</b>	<b>373,161</b>	<b>-34.3%</b>	<b>1,256,565</b>
<b>Refinance</b>	<b>800,000</b>	<b>255,951</b>	<b>328,765</b>	<b>-22.1%</b>	<b>981,160</b>
Prior FHA	300,000	118,058	143,234	-17.6%	423,093
Conventional to FHA	500,000	137,893	185,531	-25.7%	558,067
H4H (HOPE for Homeowners)		363	103		340
Short Refinance		182			
<b>HECM</b>	<b>80,000</b>	<b>32,132</b>	<b>25,194</b>	<b>27.5%</b>	<b>96,971</b>
<b>TOTAL ENDORSEMENTS: *</b>	<b>1,500,000</b>	<b>509,565</b>	<b>671,148</b>	<b>-24.1%</b>	<b>1,746,997</b>
Minority	375,000	118,637	159,236	-25.5%	429,926
% Minority	25.0%	23.3%	23.7%	-0.4% #	24.6%
<b>Purchase</b>	<b>900,000</b>	<b>260,716</b>	<b>394,998</b>	<b>-34.0%</b>	<b>1,109,699</b>
% Purchase	60.0%	51.2%	58.9%	-7.7% #	63.5%
1st Time Home Buyer	720,000	191,151	325,715	-41.3%	882,200
% 1st Time Home Buyer	80.0%	73.3%	82.5%	-9.1% #	79.5%
Non-Minority	460,800	116,000	211,181	-45.1%	558,991
% Non-Minority	64.0%	60.7%	64.8%	-4.2% #	63.4%
Minority	216,000	62,312	93,003	-33.0%	265,138
% Minority	30.0%	32.6%	28.6%	4.0% #	30.1%
Not-Disclosed	43,200	12,836	21,527	-40.4%	58,061
% Not-Disclosed	6.0%	6.7%	6.6%	0.1% #	6.6%
<b>Refinanced</b>	<b>525,000</b>	<b>223,992</b>	<b>243,729</b>	<b>-8.1%</b>	<b>558,192</b>
% Refinanced	35.0%	44.0%	36.3%	7.6% #	32.0%
Prior FHA	231,000	136,332	126,442	7.8%	252,522
Streamline	204,750	114,683	115,675	-0.9%	212,940
% Streamline	39.0%	51.2%	47.5%	3.7% #	38.1%
Full Process	26,250	21,649	10,767	101.1%	39,582
Cash Out	17,000	3,915	4,341	-9.8%	12,129
Conventional to FHA	294,000	87,668	117,288	-25.3%	305,676
Cash Out	203,000	21,925	38,621	-43.2%	98,107
Total Cash Out	220,000	25,840	42,962	-39.9%	110,236
Total % Cash Out	41.9%	11.5%	17.6%	-6.1% #	19.7%
H4H (HOPE for Homeowners)		93	12		107
Short Refinance		40			
<b>HECM</b>	<b>75,000</b>	<b>24,854</b>	<b>32,421</b>	<b>-23.3%</b>	<b>79,106</b>
% HECM	5.0%	4.9%	4.8%	0.0% #	4.5%
HECM Traditional	67,500	23,149	29,631	-21.9%	72,855
HECM Traditional ARM	66,150	8,654	10,230	-15.4%	23,005
HECM Purchase	2,400	432	533	-18.9%	1,389
HECM Purchase ARM	2,352	62	65	-4.6%	146
HECM Refinance	5,100	1,014	2,258	-55.1%	4,862
% HECM Refinance	6.8%	4.1%	7.0%	-2.9% #	6.1%
HECM Refinance ARM	4,998	268	682	-60.7%	1,457
HECM Traditional Saver		259			

Source: \* F17 CHUMS

# - Percentage point difference

# FHA SINGLE-FAMILY OUTLOOK

## SINGLE-FAMILY OPERATIONS

January 2011 Revised

### FISCAL YEAR COMPARISONS

	PROJECTIONS FY 2011 AS OF OCT 10	FY 2011 TO DATE	FY 2010 TO DATE	RATE OF CHANGE 2011/2010	FY 2010 FINAL
<b>FORWARD ENDORSEMENTS ONLY: *</b>					
Section 203(k)	22,000	6,496	7,191	-9.7%	22,491
Condominium	110,000	24,058	39,043	-38.4%	93,468
% Condominium	7.3%	4.7%	5.8%	-1.1% #	5.4%
ARM (Excludes HECM ARM)	50,000	16,833	15,956	5.5%	46,940
% ARM	3.3%	3.3%	2.4%	0.9% #	2.7%
Manufactured Housing (Real Estate)	50,000	7,449	11,610	-35.8%	30,751
Interest Buy-down	4,000	1,107 r	1,340	-17.4%	3,845
<b>Lender Insurance *</b>					
Total Lender Insurance	1,050,000	387,097	473,562	-18.3%	1,277,137
% of Total Insurance	70.0%	76.0%	70.6%	5.4% #	73.1%
Forward Mortgages	1,029,000	380,263	467,203	-18.6%	1,259,909
HECM	21,000	6,834	6,359	7.5%	17,228
<b>Automated Underwriting System * x</b>					
AUS Endorsed	1,125,000	364,831	505,476	-27.8%	1,409,766
AUS as % of Total Endorsed	78.9%	75.3%	79.1%	-3.9% #	84.5%
<b>Mortgage Insurance *</b>					
Total Number	1,500,000	509,562	671,143	-24.1%	1,746,997
Total Amount (\$B)	\$288.7	\$99.8	\$122.6	-18.6%	\$318.8
Forward Mortgages					
Total Forward Number	1,425,000	484,708	638,722	-24.1%	1,667,891
Amount (\$B)	\$270.0	\$93.5	\$113.5	-17.6%	\$297.7
Purchase Number					
Purchase Number	900,000	260,716	394,996	-34.0%	1,109,699
Amount (\$B)	\$162.0	\$46.5	\$67.5	-31.1%	\$191.7
Refinance Number					
Refinance Number	525,000	223,992	243,726	-8.1%	558,192
Amount (\$B)	\$107.6	\$47.0	\$46.0	2.2%	\$106.0
Reverse Mortgages					
HECM Number	75,000	24,854	32,421	-23.3%	79,106
Max Claim Amount (\$B)	\$18.7	\$6.3	\$9.1	-30.8%	\$21.1
<b>Claims **</b>					
Total Claims	305,000	115,272	77,877	48.0%	303,402
Loss Mitigation Retention	185,000	75,364	44,195	70.5%	182,968
Pre-Foreclosures	15,000	5,969	4,032	48.0%	15,291
Conveyances	100,000	31,770	28,178	12.7%	99,653
Other Claims	5,000	2,242	1,472	52.3%	5,490

Source: \* F17 CHUMS \*\* A43C Claims System

r - revised

# = Percentage point difference

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

## SINGLE-FAMILY OPERATIONS

December 2010

CONTACT INFORMATION  
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### Applications

During December, the seasonally adjusted annual rate was estimated to be 1,778,000 -- slightly above last month.

The actual number of applications received was 112,500. While it is expected that December will be the low of the year because of the holiday season and heavy travel activity, severe weather in many parts of the country has made the expected monthly total worse.

Once again purchase transactions, with 57,390 applications was the leader (51%) followed by refinances (46,840) and 8,270 reverse mortgage applications.

The total count of refinances was made up of 17,580 prior FHA cases and 29,260 conventional conversions. Included in this refinance figure were 60 Hope for Homeowner cases as well as 30 short refinance transactions.

### Endorsements

FHA endorsed 133,603 mortgages in December. This included 66,165 purchase money mortgages, of which 48,539 were for first time home buyers.

Also, there were 60,884 refinanced mortgages insured, of which 37,762 were prior FHA cases and 23,122 were conventional mortgages converted to FHA. Included in the total were 21 H4H cases and 21 short refinance transactions.

There were also 6,554 HECM's insured, most being traditional type reverse mortgages.

### Automated Underwriting

In December, 93,995 mortgages were accepted and underwritten using the FHA score card. This represents about three out of every four mortgages insured this month.

### Insurance-In-Force

At the end of the month, FHA held 6,812,689 mortgages in force with an estimated mortgage balance of \$934.2 billion.

### Defaults and Claims

This month ended with 598,140 mortgages in serious default, yielding a default rate of 8.8 percent.

So far this fiscal year, FHA had paid 87,827 claims, 58,032 were loss mitigation retention transactions, 24,004 conveyance cases and the rest were miscellaneous other type claims.

# FHA SINGLE-FAMILY OUTLOOK

## SINGLE-FAMILY OPERATIONS

December 2010

### MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
<b>TOTAL APPLICATIONS: *</b>	<b>112,500</b>	<b>141,199</b>	<b>-20.3%</b>	<b>141,766</b>	<b>-20.6%</b>
Annual Rate	1,778,000	1,752,100	1.5%	2,138,400	-16.9%
Average per workday	7,028	6,925	1.5%	8,452	-16.8%
<b>Purchase</b>	<b>57,390</b>	<b>63,920</b>	<b>-10.2%</b>	<b>74,453</b>	<b>-22.9%</b>
<b>Refinance</b>	<b>46,840</b>	<b>69,062</b>	<b>-32.2%</b>	<b>60,387</b>	<b>-22.4%</b>
Prior FHA	17,580	30,593	-42.5%	15,198	15.7%
Conventional to FHA	29,260	38,469	-23.9%	45,189	-35.2%
H4H (HOPE for Homeowners)	60	88	-31.8%	19	215.8%
Short Refinance	30	40	-25.0%		
<b>HECM</b>	<b>8,270</b>	<b>8,217</b>	<b>0.6%</b>	<b>6,926</b>	<b>19.4%</b>
<b>TOTAL ENDORSEMENTS: *</b>	<b>133,603</b>	<b>131,258</b>	<b>1.8%</b>	<b>179,155</b>	<b>-25.4%</b>
Annual Rate	1,603,200	1,575,100	1.8%	2,149,900	-25.4%
Weighted Average FICO Score **	702	701	0.1%	694	1.2%
Minority	30,933	30,228	2.3%	42,217	-26.7%
% Minority	23.2%	23.0%	0.1% #	23.6%	-0.4% #
<b>Purchase</b>	<b>66,165</b>	<b>64,896</b>	<b>2.0%</b>	<b>106,137</b>	<b>-37.7%</b>
% Purchase	49.5%	49.4%	0.1% #	59.2%	-9.7% #
Average FICO Score **	701	700	0.1%	696	0.7%
1st Time Home Buyer	48,539	47,454	2.3%	89,124	-45.5%
% 1st Time Home Buyer	73.4%	73.1%	0.2% #	84.0%	-10.6% #
Non-Minority	29,370	28,894	1.6%	57,896	-49.3%
% Non-Minority	60.5%	60.9%	-0.4% #	65.0%	-4.5% #
Minority	15,885	15,312	3.7%	25,304	-37.2%
% Minority	32.7%	32.3%	0.5% #	28.4%	4.3% #
Not-Disclosed	3,284	3,247	1.1%	5,924	-44.6%
% Not-Disclosed	6.8%	6.8%	-0.1% #	6.6%	0.1% #
<b>Refinanced</b>	<b>60,884</b>	<b>59,803</b>	<b>1.8%</b>	<b>64,734</b>	<b>-5.9%</b>
% Refinanced	45.6%	45.6%	0.0% #	36.1%	9.4% #
Average FICO Score **	705	703	0.3%	687	2.6%
Prior FHA	37,762	38,285	-1.4%	36,553	3.3%
Streamline	31,814	32,943	-3.4%	34,001	-6.4%
% Streamline	52.3%	55.1%	-2.8% #	52.5%	-0.3% #
Full Process	5,948	5,342	11.3%	2,552	133.1%
Cash Out	1,041	963	8.1%	1,027	1.4%
Conventional to FHA	23,122	21,518	7.5%	28,161	-17.9%
Cash Out	5,738	5,188	10.6%	8,889	-35.4%
Total Cash Out	6,779	6,151	10.2%	9,916	-31.6%
Total % Cash Out	11.1%	10.3%	0.8% #	15.3%	-4.2% #
H4H (HOPE for Homeowners)	21	27	-22.2%		
Short Refinance	21	1			
<b>HECM</b>	<b>6,554</b>	<b>6,559</b>	<b>-0.1%</b>	<b>8,284</b>	<b>-20.9%</b>
% HECM	4.9%	5.0%	-0.1% #	4.6%	0.3% #
HECM Traditional	6,105	6,172	-1.1%	7,630	-20.0%
HECM Traditional ARM	2,594	2,319	11.9%	2,418	7.3%
HECM Purchase	115	108	6.5%	155	-25.8%
HECM Purchase ARM	21	15	40.0%	21	0.0%
HECM Refinance	259	260	-0.4%	499	-48.1%
% HECM Refinance	4.0%	4.0%	0.0% #	6.0%	-2.1% #
HECM Refinance ARM	85	63	34.9%	142	-40.1%
HECM Traditional Saver	75	19			

Source: \* F17 CHUMS # - Percentage point difference

\*\* This series represents the composite FICO score value that is used for loan underwriting.

# FHA SINGLE-FAMILY OUTLOOK

## SINGLE-FAMILY OPERATIONS

December 2010

### MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
<b>FORWARD ENDORSEMENTS ONLY: *</b>					
Section 203(k)	1,562	1,588	-1.6%	1,800	-13.2%
Condominium	6,389	6,284	1.7%	10,483	-39.1%
% Condominium	4.8%	4.8%	0.0% #	5.9%	-1.1% #
ARM (Excludes HECM ARM)	4,621	3,576	29.2%	4,362	5.9%
% ARM	3.5%	2.7%	0.7% #	2.4%	1.0% #
Manufactured Housing (Real Estate)	1,966	1,903	3.3%	2,937	-33.1%
Interest Buy-down	261	271	-3.7%	361	-27.7%
<b>Average Processing Time * ^</b>					
(Existing Homes, weeks)					
Application to Closing	7.6	7.3	4.1%	7.5	1.3%
Closing to Endorsement	4.1	4.1	0.0%	4.4	-6.8%
<b>Lender Insurance *</b>					
Total Lender Insurance	102,320	100,275	2.0%	124,914	-18.1%
% of Total Insurance	76.6%	76.4%	0.2% #	69.7%	6.9% #
Forward Mortgages	100,359	98,382	2.0%	123,231	-18.6%
HECM	1,961	1,893	3.6%	1,683	16.5%
<b>Automated Underwriting System * x</b>					
AUS Endorsed	93,995	90,502	3.9%	132,449	-29.0%
AUS as % of Total Endorsed	74.0%	72.6%	1.4% #	77.5%	-3.5% #
<b>Mortgage Insurance *</b>					
Total Number	133,603	131,258	1.8%	179,155	-25.4%
Total Amount (\$B)	\$26.4	\$26.1	1.1%	\$32.5	-18.8%
Forward Mortgages					
Total Forward Number	127,049	124,699	1.9%	170,871	-25.6%
Amount (\$B)	\$24.7	\$24.4	1.2%	\$30.2	-18.2%
Purchase Number					
Amount (\$B)	\$11.8	\$11.6	1.7%	\$17.9	-34.1%
Refinance Number					
Amount (\$B)	\$12.9	\$12.8	0.8%	\$12.3	4.9%
Reverse Mortgages					
HECM Number	6,554	6,559	-0.1%	8,284	-20.9%
Max Claim Amount (\$B)	\$1.7	\$1.7	0.0%	\$2.3	-26.1%
<b>Mortgage Insurance-In-Force **</b>					
Total Number	6,812,689	6,745,827	1.0%	5,815,006	17.2%
Total Unpaid Balance Amount (\$B)	\$934.2	\$921.0	1.4%	\$750.3	24.5%
<b>Loans Seriously Delinquent *** &lt;</b>					
90 Days + Delinquent	598,140	588,947	1.6%	549,661 r	8.8%
Seriously Delinquent Rate	8.8%	8.7%	0.1% #	9.5% r	-0.7% #

Source: \* F17 CHUMS \*\* A43 Single Family Insurance System \*\*\* F42D Consolidated Single Family Default Monitoring System

# Percentage point difference

r - revised

^ Existing homes, including purchase and refinance cases, represent virtually all of insurance activity.

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

< This count of seriously delinquent mortgages includes all bankruptcies, all foreclosures and 90 days or more delinquencies.

# FHA SINGLE-FAMILY OUTLOOK

## SINGLE-FAMILY OPERATIONS

December 2010

### FISCAL YEAR COMPARISONS

	PROJECTIONS FY 2011 AS OF OCT 10	FY 2011 TO DATE	FY 2010 TO DATE	RATE OF CHANGE 2011/2010	FY 2010 FINAL
<b>TOTAL APPLICATIONS: *</b>	<b>2,000,000</b>	<b>429,119</b>	<b>601,077</b>	<b>-28.6%</b>	<b>2,334,696</b>
<b>Purchase</b>	<b>1,120,000</b>	<b>189,610</b>	<b>302,468</b>	<b>-37.3%</b>	<b>1,256,565</b>
<b>Refinance</b>	<b>800,000</b>	<b>214,773</b>	<b>279,220</b>	<b>-23.1%</b>	<b>981,160</b>
Prior FHA	300,000	104,782	132,857	-21.1%	423,093
Conventional to FHA	500,000	109,991	146,363	-24.9%	558,067
H4H (HOPE for Homeowners)		214	60		340
Short Refinance		122			
<b>HECM</b>	<b>80,000</b>	<b>24,736</b>	<b>19,389</b>	<b>27.6%</b>	<b>96,971</b>
<b>TOTAL ENDORSEMENTS: *</b>	<b>1,500,000</b>	<b>390,044</b>	<b>512,536</b>	<b>-23.9%</b>	<b>1,746,997</b>
Minority	375,000	90,280	119,618	-24.5%	429,926
% Minority	25.0%	23.1%	23.3%	-0.2% #	24.6%
<b>Purchase</b>	<b>900,000</b>	<b>196,829</b>	<b>304,968</b>	<b>-35.5%</b>	<b>1,109,699</b>
% Purchase	60.0%	50.5%	59.5%	-9.0% #	63.5%
1st Time Home Buyer	720,000	143,722	252,604	-43.1%	882,200
% 1st Time Home Buyer	80.0%	73.0%	82.8%	-9.8% #	79.5%
Non-Minority	460,800	87,454	166,211	-47.4%	558,991
% Non-Minority	64.0%	60.8%	65.8%	-4.9% #	63.4%
Minority	216,000	46,631	69,954	-33.3%	265,138
% Minority	30.0%	32.4%	27.7%	4.8% #	30.1%
Not-Disclosed	43,200	9,635	16,438	-41.4%	58,061
% Not-Disclosed	6.0%	6.7%	6.5%	0.2% #	6.6%
<b>Refinanced</b>	<b>525,000</b>	<b>174,825</b>	<b>182,775</b>	<b>-4.3%</b>	<b>558,192</b>
% Refinanced	35.0%	44.8%	35.7%	9.2% #	32.0%
Prior FHA	231,000	109,476	96,176	13.8%	252,522
Streamline	204,750	93,225	88,737	5.1%	212,940
% Streamline	39.0%	53.3%	48.5%	4.8% #	38.1%
Full Process	26,250	16,251	7,439	118.5%	39,582
Cash Out	17,000	2,931	3,193	-8.2%	12,129
Conventional to FHA	294,000	65,354	86,599	-24.5%	305,676
Cash Out	203,000	16,114	28,818	-44.1%	98,107
Total Cash Out	220,000	19,045	32,011	-40.5%	110,236
Total % Cash Out	41.9%	10.9%	17.5%	-6.6% #	19.7%
H4H (HOPE for Homeowners)		70	12		107
Short Refinance		22			
<b>HECM</b>	<b>75,000</b>	<b>18,390</b>	<b>24,793</b>	<b>-25.8%</b>	<b>79,106</b>
% HECM	5.0%	4.7%	4.8%	-0.1% #	4.5%
HECM Traditional	67,500	17,232	22,720	-24.2%	72,855
HECM Traditional ARM	66,150	6,398	7,986	-19.9%	23,005
HECM Purchase	2,400	315	420	-25.0%	1,389
HECM Purchase ARM	2,352	48	57	-15.8%	146
HECM Refinance	5,100	749	1,653	-54.7%	4,862
% HECM Refinance	6.8%	4.1%	6.7%	-2.6% #	6.1%
HECM Refinance ARM	4,998	196	512	-61.7%	1,457
HECM Traditional Saver		94			

Source: \* F17 CHUMS

# - Percentage point difference

# FHA SINGLE-FAMILY OUTLOOK

## SINGLE-FAMILY OPERATIONS

December 2010

### FISCAL YEAR COMPARISONS

	PROJECTIONS FY 2011 AS OF OCT 10	FY 2011 TO DATE	FY 2010 TO DATE	RATE OF CHANGE 2011/2010	FY 2010 FINAL
<b>FORWARD ENDORSEMENTS ONLY: *</b>					
Section 203(k)	22,000	4,781	5,274	-9.3%	22,491
Condominium	110,000	18,509	29,858	-38.0%	93,468
% Condominium	7.3%	4.7%	5.8%	-1.1% #	5.4%
ARM (Excludes HECM ARM)	50,000	11,489	12,249	-6.2%	46,940
% ARM	3.3%	2.9%	2.4%	0.6% #	2.7%
Manufactured Housing (Real Estate)	50,000	5,680	8,649	-34.3%	30,751
Interest Buy-down	4,000	796	1,065	-25.3%	3,845
<b>Lender Insurance *</b>					
Total Lender Insurance	1,050,000	295,646	358,901	-17.6%	1,277,137
% of Total Insurance	70.0%	75.8%	70.0%	5.8% #	73.1%
Forward Mortgages	1,029,000	290,647	353,846	-17.9%	1,259,909
HECM	21,000	4,999	5,055	-1.1%	17,228
<b>Automated Underwriting System * x</b>					
AUS Endorsed	1,125,000	274,530	385,331	-28.8%	1,409,766
AUS as % of Total Endorsed	78.9%	73.9%	79.0%	-5.1% #	84.5%
<b>Mortgage Insurance *</b>					
Total Number	1,500,000	390,044	512,531	-23.9%	1,746,997
Total Amount (\$B)	\$288.7	\$76.7	\$93.5	-18.0%	\$318.8
Forward Mortgages					
Total Forward Number	1,425,000	371,654	487,738	-23.8%	1,667,891
Amount (\$B)	\$270.0	\$72.1	\$86.5	-16.6%	\$297.7
Purchase Number					
Purchase Number	900,000	196,829	304,966	-35.5%	1,109,699
Amount (\$B)	\$162.0	\$35.1	\$52.0	-32.5%	\$191.7
Refinance Number					
Refinance Number	525,000	174,825	182,772	-4.3%	558,192
Amount (\$B)	\$107.6	\$37.0	\$34.5	7.2%	\$106.0
Reverse Mortgages					
HECM Number	75,000	18,390	24,793	-25.8%	79,106
Max Claim Amount (\$B)	\$18.7	\$4.6	\$7.0	-34.3%	\$21.1
<b>Claims **</b>					
Total Claims	305,000	87,827	56,842	54.5%	303,402
Loss Mitigation Retention	185,000	58,032	32,124	80.6%	182,968
Pre-Foreclosures	15,000	4,072	2,914	39.7%	15,291
Conveyances	100,000	24,004	20,689	16.0%	99,653
Other Claims	5,000	1,719	1,115	54.2%	5,490

Source: \* F17 CHUMS \*\* A43C Claims System

# = Percentage point difference

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

# **FHA SINGLE-FAMILY OUTLOOK**

## **SINGLE-FAMILY OPERATIONS**

**November 2010**

CONTACT INFORMATION  
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### **Applications**

During November, the annual rate for applications fell sharply as winter approaches. It was estimated to be 1,752,100 and will most likely decline further next month following the usual pattern.

The actual count of application receipts was 141,199. This included 63,920 purchase transactions, 69,062 refinance applications as well as 8,217 reverse mortgage case number assignments. There were 30,593 prior FHA and 38,469 conventional conversion mortgages in the refinance total. In addition, 88 H4H and 40 short refinance mortgages were part of the refinance count.

### **Endorsements**

In November, 131,258 mortgages were endorsed for insurance. There were 64,896 purchase money mortgages, 59,803 refinance transactions and 6,559 reverse mortgages insured. The refinance total was made up of 38,285 prior FHA mortgages plus 21,518 conventional conversions to FHA. Also, included in the refinance figure are 27 H4H cases and one short refinance transaction.

### **Automated Underwriting**

This month 90,502 cases were accepted and insured using the FHA scorecard. This total represents 72.6 percent of the total cases endorsed in November.

### **Insurance-In-Force**

During November, FHA endorsed 131,258 mortgages for \$26.1 billion and at the end of November, had 6,745,827 cases in force with an unpaid balance of \$921 billion.

### **Defaults and Claims**

This month FHA had 588,947 mortgages in serious default, yielding a default rate of 8.7 percent. Note that last month, the rate was much lower due to a reporting problem.

So far this year FHA has paid 54,586 claims. They included 34,403 Loss Mitigation claims and 16,720 Conveyance claims as well as several thousand other claims.

# FHA SINGLE-FAMILY OUTLOOK

## SINGLE-FAMILY OPERATIONS

November 2010

### MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
<b>TOTAL APPLICATIONS: *</b>	<b>141,199</b>	<b>175,421</b>	<b>-19.5%</b>	<b>205,808</b>	<b>-31.4%</b>
Annual Rate	1,752,100	1,715,100	2.2%	2,822,600	-37.9%
Average per workday	6,925	6,779	2.2%	11,157	-37.9%
<b>Purchase</b>	<b>63,920</b>	<b>68,628</b>	<b>-6.9%</b>	<b>87,142</b>	<b>-26.6%</b>
<b>Refinance</b>	<b>69,062</b>	<b>98,544</b>	<b>-29.9%</b>	<b>112,095</b>	<b>-38.4%</b>
Prior FHA	30,593	53,626	-43.0%	65,061	-53.0%
Conventional to FHA	38,469	44,918	-14.4%	47,034	-18.2%
H4H (HOPE for Homeowners)	88	66	33.3%	31	183.9%
Short Refinance	40	21	90.5%		
<b>HECM</b>	<b>8,217</b>	<b>8,249</b>	<b>-0.4%</b>	<b>6,571</b>	<b>25.0%</b>
<b>TOTAL ENDORSEMENTS: *</b>	<b>131,258</b>	<b>125,218</b>	<b>4.8%</b>	<b>157,119</b>	<b>-16.5%</b>
Annual Rate	1,575,100	1,502,600	4.8%	1,885,400	-16.5%
Weighted Average FICO Score **	701	701	0.0%	694	1.0%
Minority	30,228	29,122	3.8%	36,032	-16.1%
% Minority	23.0%	23.3%	-0.2% #	22.9%	0.1% #
<b>Purchase</b>	<b>64,896</b>	<b>65,781</b>	<b>-1.3%</b>	<b>92,936</b>	<b>-30.2%</b>
% Purchase	49.4%	52.5%	-3.1% #	59.2%	-9.7% #
Average FICO Score **	700	700	0.0%	697	0.4%
1st Time Home Buyer	47,454	47,738	-0.6%	77,068	-38.4%
% 1st Time Home Buyer	73.1%	72.6%	0.6% #	82.9%	-9.8% #
Non-Minority	28,894	29,197	-1.0%	51,298	-43.7%
% Non-Minority	60.9%	61.2%	-0.3% #	66.6%	-5.7% #
Minority	15,312	15,435	-0.8%	20,925	-26.8%
% Minority	32.3%	32.3%	-0.1% #	27.2%	5.1% #
Not-Disclosed	3,247	3,106	4.5%	4,845	-33.0%
% Not-Disclosed	6.8%	6.5%	0.3% #	6.3%	0.6% #
<b>Refinanced</b>	<b>59,803</b>	<b>54,158</b>	<b>10.4%</b>	<b>56,445</b>	<b>5.9%</b>
% Refinanced	45.6%	43.3%	2.3% #	35.9%	9.6% #
Average FICO Score **	703	702	0.1%	686	2.5%
Prior FHA	38,285	33,441	14.5%	30,373	26.0%
Streamline	32,943	28,476	15.7%	28,151	17.0%
% Streamline	55.1%	52.6%	2.5% #	49.9%	5.2% #
Full Process	5,342	4,965	7.6%	2,222	140.4%
Cash Out	963	927	3.9%	936	2.9%
Conventional to FHA	21,518	20,718	3.9%	26,072	-17.5%
Cash Out	5,188	5,187	0.0%	8,580	-39.5%
Total Cash Out	6,151	6,114	0.6%	9,516	-35.4%
Total % Cash Out	10.3%	11.3%	-1.0% #	16.9%	-6.6% #
H4H (HOPE for Homeowners)	27	22		1	
Short Refinance	1				
<b>HECM</b>	<b>6,559</b>	<b>5,279</b>	<b>24.2%</b>	<b>7,738</b>	<b>-15.2%</b>
% HECM	5.0%	4.2%	0.8% #	4.9%	0.1% #
HECM Traditional	6,191	4,957	24.9%	7,110	-12.9%
HECM Traditional ARM	2,319	1,485	56.2%	2,390	-3.0%
HECM Purchase	108	92	17.4%	124	-12.9%
HECM Purchase ARM	15	12	25.0%	18	-16.7%
HECM Refinance	260	230	13.0%	504	-48.4%
% HECM Refinance	4.0%	4.4%	-0.4% #	6.5%	-2.5% #
HECM Refinance ARM	63	48	31.3%	137	-54.0%

Source: \* F17 CHUMS

# - Percentage point difference

\*\* This series represents the composite FICO score value that is used for loan underwriting.

# FHA SINGLE-FAMILY OUTLOOK

## SINGLE-FAMILY OPERATIONS

November 2010

### MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
<b>FORWARD ENDORSEMENTS ONLY: *</b>					
Section 203(k)	1,588	1,633	-2.8%	1,637	-3.0%
Condominium	6,284	5,836	7.7%	9,252	-32.1%
% Condominium	4.8%	4.7%	0.1% #	5.9%	-1.1% #
ARM (Excludes HECM ARM)	3,576	3,291	8.7%	3,713	-3.7%
% ARM	2.7%	2.6%	0.1% #	2.4%	0.4% #
Manufactured Housing (Real Estate)	1,903	1,811	5.1%	2,545	-25.2%
Interest Buy-down	271	258	5.0%	358	-24.3%
<b>Average Processing Time * ^</b>					
(Existing Homes, weeks)					
Application to Closing	7.3	6.9	5.8%	6.5	12.3%
Closing to Endorsement	4.1	3.9	5.1%	4.0	2.5%
<b>Lender Insurance *</b>					
Total Lender Insurance	100,275	93,076	7.7%	107,765	-7.0%
% of Total Insurance	76.4%	74.3%	2.1% #	68.6%	7.8% #
Forward Mortgages	98,382	91,930	7.0%	106,141	-7.3%
HECM	1,893	1,146	65.2%	1,624	16.6%
<b>Automated Underwriting System * x</b>					
AUS Endorsed	90,502	90,052	0.5%	117,104	-22.7%
AUS as % of Total Endorsed	72.6%	75.1%	-2.5% #	78.4%	-5.8% #
<b>Mortgage Insurance *</b>					
Total Number	131,258	125,218	4.8%	157,119	-16.5%
Total Amount (\$B)	\$26.1	\$24.4	7.0%	\$28.7	-9.1%
Forward Mortgages					
Total Forward Number	124,699	119,939	4.0%	149,381	-16.5%
Amount (\$B)	\$24.4	\$23.1	5.6%	\$26.5	-7.9%
Purchase Number	64,896	65,781	-1.3%	92,936	-30.2%
Amount (\$B)	\$11.6	\$11.7	-0.9%	\$15.8	-26.6%
Refinance Number	59,803	54,158	10.4%	56,445	5.9%
Amount (\$B)	\$12.8	\$11.4	12.3%	\$10.7	19.6%
Reverse Mortgages					
HECM Number	6,559	5,279	24.2%	7,738	-15.2%
Max Claim Amount (\$B)	\$1.7	\$1.3	30.8%	\$2.2	-22.7%
<b>Mortgage Insurance-In-Force **</b>					
Total Number	6,745,827	6,684,825	0.9%	5,721,487	17.9%
Total Unpaid Balance Amount (\$B)	\$921.0	\$909.1	1.3%	\$733.6	25.5%
<b>Loans Seriously Delinquent *** &lt;</b>					
90 Days + Delinquent	588,947	532,938	10.5%	529,619	r 11.2%
Seriously Delinquent Rate	8.7%	8.0%	0.7% #	9.3%	r -0.6% #

Source: \* F17 CHUMS \*\* A43 Single Family Insurance System \*\*\* F42D Consolidated Single Family Default Monitoring System

# Percentage point difference

r - revised

^ Existing homes, including purchase and refinance cases, represent virtually all of insurance activity.

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

< This count of seriously delinquent mortgages includes all bankruptcies, all foreclosures and 90 days or more delinquencies.

# FHA SINGLE-FAMILY OUTLOOK

## SINGLE-FAMILY OPERATIONS

November 2010

### FISCAL YEAR COMPARISONS

	PROJECTIONS FY 2011 AS OF OCT 10	FY 2011 TO DATE	FY 2010 TO DATE	RATE OF CHANGE 2011/2010	FY 2010 FINAL
<b>TOTAL APPLICATIONS: *</b>	<b>2,000,000</b>	<b>316,620</b>	<b>459,311</b>	<b>-31.1%</b>	<b>2,334,696</b>
<b>Purchase</b>	<b>1,120,000</b>	<b>132,548</b>	<b>228,513</b>	<b>-42.0%</b>	<b>1,256,565</b>
<b>Refinance</b>	<b>800,000</b>	<b>167,606</b>	<b>218,335</b>	<b>-23.2%</b>	<b>981,160</b>
Prior FHA	300,000	84,219	115,686	-27.2%	423,093
Conventional to FHA	500,000	83,387	102,649	-18.8%	558,067
H4H (HOPE for Homeowners)		154	42		340
Short Refinance		61			
<b>HECM</b>	<b>80,000</b>	<b>16,466</b>	<b>12,463</b>	<b>32.1%</b>	<b>96,971</b>
<b>TOTAL ENDORSEMENTS: *</b>	<b>1,500,000</b>	<b>256,476</b>	<b>333,398</b>	<b>-23.1%</b>	<b>1,746,997</b>
Minority	375,000	59,350	77,405	-23.3%	429,926
% Minority	25.0%	23.1%	23.2%	-0.1% #	24.6%
<b>Purchase</b>	<b>900,000</b>	<b>130,677</b>	<b>198,837</b>	<b>-34.3%</b>	<b>1,109,699</b>
% Purchase	60.0%	51.0%	59.6%	-8.7% #	63.5%
1st Time Home Buyer	720,000	95,192	163,484	-41.8%	882,200
% 1st Time Home Buyer	80.0%	72.8%	82.2%	-9.4% #	79.5%
Non-Minority	460,800	58,091	108,319	-46.4%	558,991
% Non-Minority	64.0%	61.0%	66.3%	-5.2% #	63.4%
Minority	216,000	30,747	44,650	-31.1%	265,138
% Minority	30.0%	32.3%	27.3%	5.0% #	30.1%
Not-Disclosed	43,200	6,353	10,514	-39.6%	58,061
% Not-Disclosed	6.0%	6.7%	6.4%	0.2% #	6.6%
<b>Refinanced</b>	<b>525,000</b>	<b>113,961</b>	<b>118,051</b>	<b>-3.5%</b>	<b>558,192</b>
% Refinanced	35.0%	44.4%	35.4%	9.0% #	32.0%
Prior FHA	231,000	71,726	59,629	20.3%	252,522
Streamline	204,750	61,419	54,740	12.2%	212,940
% Streamline	39.0%	53.9%	46.4%	7.5% #	38.1%
Full Process	26,250	10,307	4,889	110.8%	39,582
Cash Out	17,000	1,890	2,166	-12.7%	12,129
Conventional to FHA	294,000	42,236	58,423	-27.7%	305,676
Cash Out	203,000	10,375	19,932	-47.9%	98,107
Total Cash Out	220,000	12,265	22,098	-44.5%	110,236
Total % Cash Out	41.9%	10.8%	18.7%	-8.0% #	19.7%
H4H (HOPE for Homeowners)		49	12		107
<b>HECM</b>	<b>75,000</b>	<b>11,838</b>	<b>16,510</b>	<b>-28.3%</b>	<b>79,106</b>
% HECM	5.0%	4.6%	5.0%	-0.3% #	4.5%
HECM Traditional	67,500	11,148	15,091	-26.1%	72,855
HECM Traditional ARM	66,150	3,804	5,568	-31.7%	23,005
HECM Purchase	2,400	200	265	-24.5%	1,389
HECM Purchase ARM	2,352	27	36	-25.0%	146
HECM Refinance	5,100	490	1,154	-57.5%	4,862
% HECM Refinance	6.8%	4.1%	7.0%	-2.9% #	6.1%
HECM Refinance ARM	4,998	111	370	-70.0%	1,457

Source: \* F17 CHUMS

# - Percentage point difference

# FHA SINGLE-FAMILY OUTLOOK

## SINGLE-FAMILY OPERATIONS

November 2010

### FISCAL YEAR COMPARISONS

	PROJECTIONS FY 2011 AS OF OCT 10	FY 2011 TO DATE	FY 2010 TO DATE	RATE OF CHANGE 2011/2010	FY 2010 FINAL
<b>FORWARD ENDORSEMENTS ONLY: *</b>					
Section 203(k)	22,000	3,221	3,474	-7.3%	22,491
Condominium	110,000	12,120	19,373	-37.4%	93,468
% Condominium	7.3%	4.7%	5.8%	-1.1% #	5.4%
ARM (Excludes HECM ARM)	50,000	6,867	7,893	-13.0%	46,940
% ARM	3.3%	2.7%	2.4%	0.3% #	2.7%
Manufactured Housing (Real Estate)	50,000	3,714	5,712	-35.0%	30,751
Interest Buy-down	4,000	529	698	-24.2%	3,845
<b>Lender Insurance *</b>					
Total Lender Insurance	1,050,000	193,351	233,999	-17.4%	1,277,137
% of Total Insurance	70.0%	75.4%	70.2%	5.2% #	73.1%
Forward Mortgages	1,029,000	190,312	230,627	-17.5%	1,259,909
HECM	21,000	3,039	3,372	-9.9%	17,228
<b>Automated Underwriting System * x</b>					
AUS Endorsed	1,125,000	180,554	252,892	-28.6%	1,409,766
AUS as % of Total Endorsed	78.9%	73.8%	79.8%	-6.0% #	84.5%
<b>Mortgage Insurance *</b>					
Total Number	1,500,000	256,476	333,398	-23.1%	1,746,997
Total Amount (\$B)	\$288.7	\$50.5	\$60.9	-17.1%	\$318.8
Forward Mortgages					
Total Forward Number	1,425,000	244,638	316,888	-22.8%	1,667,891
Amount (\$B)	\$270.0	\$47.5	\$56.1	-15.3%	\$297.7
Purchase Number					
Total Purchase Number	900,000	130,677	198,837	-34.3%	1,109,699
Amount (\$B)	\$162.0	\$23.3	\$34.0	-31.5%	\$191.7
Refinance Number					
Total Refinance Number	525,000	113,961	118,051	-3.5%	558,192
Amount (\$B)	\$107.6	\$24.2	\$22.1	9.5%	\$106.0
Reverse Mortgages					
HECM Number	75,000	11,838	16,510	-28.3%	79,106
Max Claim Amount (\$B)	\$18.7	\$3.0	\$4.8	-37.5%	\$21.1
<b>Claims **</b>					
Total Claims	305,000	54,586	36,821	48.2%	303,402
Loss Mitigation Retention	185,000	34,403	20,802	65.4%	182,968
Pre-Foreclosures	15,000	2,359	1,858	27.0%	15,291
Conveyances	100,000	16,720	13,213	26.5%	99,653
Other Claims	5,000	1,104	948	16.5%	5,490

Source: \* F17 CHUMS \*\* A43C Claims System

# = Percentage point difference

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

## SINGLE-FAMILY OPERATIONS

October 2010

CONTACT INFORMATION  
WILLIAM F. SHAW 202-402-7550  
ZENORA HINES 202-402-7544

### Applications

For October, the seasonally adjusted annual rate for applications was estimated to be 1,715,100 -- 47.9 percent below the rate for last month and 43.3 percent lower than this time last year.

The actual count of applications received during the month was 175,421. Of this total, there were 68,628 purchase cases, 98,544 refinance applications and 8,249 HECM transactions.

The refinance cases consisted of 53,626 prior FHA cases and 44,918 conventionals seeking FHA insurance. Included in the refinance total were 66 Hope for Homeowner applications and 21 Short Refinance transactions.

### Endorsements

This month FHA endorsed 125,218 single family mortgages. They consisted of 65,781 purchase money mortgages, 54,158 refinanced cases as well as 5,279 reverse mortgages. It is interesting to note that three out of every four (47,738) home purchases were for first time home buyers.

The refinanced transactions involved 33,441 prior FHA mortgages of which 28,476 were streamline refinance cases as well as 20,718 conventional non delinquent mortgage conversions. The refinance total included 22 H4H mortgages.

During October, FHA insured 5,836 condominium units as well as 1,633 Section 203k loans. Also, 5,279 HECM mortgages, most of which were traditional reverse mortgages. In addition, 3,291 mortgages insured this month had adjustable rate terms.

Loans endorsed this month averaged 10.8 weeks to process -- that is from application to endorsement.

For the first time the average FICO score for insured cases reached the 700 level -- actually 702.

### Automated Underwriting

During October, 90,052 mortgages were accepted and endorsed by the FHA scorecard. This represented 75.1 percent of all mortgages endorsed.

### Insurance-In-Force

During the month FHA insured 125,218 single-family mortgages for \$24.4 billion. At the end of October there were 6,684,825 mortgages-in-force with an unpaid balance of \$909.1 billion.

### Defaults and Claims

At the end of October, FHA had 532,938 mortgages in serious default (90 days +, all bankruptcies and all foreclosures) for a default rate of 8.0 percent. In addition, FHA paid 28,235 claims this month. They included 16,222 loss mitigation transactions and 9,848 for mortgage conveyance.

# FHA SINGLE-FAMILY OUTLOOK

## SINGLE-FAMILY OPERATIONS

October 2010

### MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
<b>TOTAL APPLICATIONS: *</b>	<b>175,421</b>	<b>255,938</b>	<b>-31.5%</b>	<b>253,503</b>	<b>-30.8%</b>
Annual Rate	1,715,100	3,291,700	-47.9%	3,026,600	-43.3%
Average per workday	6,779	13,011	-47.9%	11,963	-43.3%
<b>Purchase</b>	<b>68,628</b>	<b>96,446</b>	<b>-28.8%</b>	<b>141,371</b>	<b>-51.5%</b>
<b>Refinance</b>	<b>98,544</b>	<b>146,014</b>	<b>-32.5%</b>	<b>106,240</b>	<b>-7.2%</b>
Prior FHA	53,626	94,351	-43.2%	50,625	5.9%
Conventional to FHA	44,918	51,663	-13.1%	55,615	-19.2%
H4H (HOPE for Homeowners)	66	29	127.6%	11	500.0%
Short Refinance	21	14			
<b>HECM</b>	<b>8,249</b>	<b>13,478</b>	<b>-38.8%</b>	<b>5,892</b>	<b>40.0%</b>
<b>TOTAL ENDORSEMENTS: *</b>	<b>125,218</b>	<b>126,326</b>	<b>-0.9%</b>	<b>176,279</b>	<b>-29.0%</b>
Annual Rate	1,502,600	1,515,900	-0.9%	2,115,300	-29.0%
Weighted Average FICO Score **	701	699	0.3%	694	1.0%
Minority	29,122	30,745	-5.3%	41,373	-29.6%
% Minority	23.3%	24.3%	-1.1% #	23.5%	-0.2% #
<b>Purchase</b>	<b>65,781</b>	<b>71,145</b>	<b>-7.5%</b>	<b>105,901</b>	<b>-37.9%</b>
% Purchase	52.5%	56.3%	-3.8% #	60.1%	-7.5% #
Average FICO Score **	700	700	0.0%	697	0.4%
1st Time Home Buyer	47,738	51,489	-7.3%	86,416	-44.8%
% 1st Time Home Buyer	72.6%	72.4%	0.2% #	81.6%	-9.0% #
Non-Minority	29,197	30,840	-5.3%	57,021	-48.8%
% Non-Minority	61.2%	59.9%	1.3% #	66.0%	-4.8% #
Minority	15,435	17,134	-9.9%	23,725	-34.9%
% Minority	32.3%	33.3%	-0.9% #	27.5%	4.9% #
Not-Disclosed	3,106	3,515	-11.6%	5,669	-45.2%
% Not-Disclosed	6.5%	6.8%	-0.3% #	6.6%	-0.1% #
<b>Refinanced</b>	<b>54,158</b>	<b>49,215</b>	<b>10.0%</b>	<b>61,606</b>	<b>-12.1%</b>
% Refinanced	43.3%	39.0%	4.3% #	34.9%	8.3% #
Average FICO Score **	702	699	0.4%	683	2.8%
Prior FHA	33,441	27,042	23.7%	29,256	14.3%
Streamline	28,476	22,151	28.6%	26,589	7.1%
% Streamline	52.6%	45.0%	7.6% #	43.2%	9.4% #
Full Process	4,965	4,891	1.5%	2,667	86.2%
Cash Out	927	1,037	-10.6%	1,230	-24.6%
Conventional to FHA	20,718	22,173	-6.6%	32,351	-36.0%
Cash Out	5,187	6,100	-15.0%	11,352	-54.3%
Total Cash Out	6,114	7,137	-14.3%	12,582	-51.4%
Total % Cash Out	11.3%	14.5%	-3.2% #	20.4%	-9.1% #
H4H (HOPE for Homeowners)	22	11		11	
<b>HECM</b>	<b>5,279</b>	<b>5,966</b>	<b>-11.5%</b>	<b>8,772</b>	<b>-39.8%</b>
% HECM	4.2%	4.7%	-0.5% #	5.0%	-0.8% #
HECM Traditional	4,957	5,587	-11.3%	7,981	-37.9%
HECM Traditional ARM	1,485	1,680	-11.6%	3,178	-53.3%
HECM Purchase	92	107	-14.0%	141	-34.8%
HECM Purchase ARM	12	17	-29.4%	18	-33.3%
HECM Refinance	230	272	-15.4%	650	-64.6%
% HECM Refinance	4.4%	4.6%	-0.2% #	7.4%	-3.1% #
HECM Refinance ARM	48	64	-25.0%	233	-79.4%

Source: \* F17 CHUMS

# - Percentage point difference

\*\* This series represents the composite FICO score value that is used for loan underwriting.

# FHA SINGLE-FAMILY OUTLOOK

## SINGLE-FAMILY OPERATIONS

October 2010

### MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
<b>FORWARD ENDORSEMENTS ONLY: *</b>					
Section 203(k)	1,633	1,738	-6.0%	1,837	-11.1%
Condominium	5,836	5,908	-1.2%	10,121	-42.3%
% Condominium	4.7%	4.7%	0.0% #	5.7%	-1.1% #
ARM (Excludes HECM ARM)	3,291	3,387	-2.8%	4,180	-21.3%
% ARM	2.6%	2.7%	-0.1% #	2.4%	0.3% #
Manufactured Housing (Real Estate)	1,811	2,109	-14.1%	3,167	-42.8%
Interest Buy-down	258	182	41.8%	340	-24.1%
<b>Average Processing Time * ^</b>					
(Existing Homes, weeks)					
Application to Closing	6.9	6.8	1.5%	6.7	3.0%
Closing to Endorsement	3.9	3.9	0.0%	4.0	-2.5%
<b>Lender Insurance *</b>					
Total Lender Insurance	93,076	94,302	-1.3%	126,234	-26.3%
% of Total Insurance	74.3%	74.6%	-0.3% #	71.6%	2.7% #
Forward Mortgages	91,930	92,808	-0.9%	124,486	-26.2%
HECM	1,146	1,494	-23.3%	1,748	-34.4%
<b>Automated Underwriting System * x</b>					
AUS Endorsed	90,052	96,292	-6.5%	135,788	-33.7%
AUS as % of Total Endorsed	75.1%	80.0%	-4.9% #	81.1%	-6.0% #
<b>Mortgage Insurance *</b>					
Total Number	125,218	126,326	-0.9%	176,279	-29.0%
Total Amount (\$B)	\$24.4	\$24.4	0.0%	\$32.2	-24.2%
Forward Mortgages					
Total Forward Number	119,939	120,360	-0.3%	167,507	-28.4%
Amount (\$B)	\$23.1	\$22.9	0.9%	\$29.6	-22.0%
Purchase Number					
Amount (\$B)	\$11.7	\$12.8	-8.6%	\$18.2	-35.7%
Refinance Number					
Amount (\$B)	\$11.4	\$10.1	12.9%	\$11.4	0.0%
Reverse Mortgages					
HECM Number	5,279	5,966	-11.5%	8,772	-39.8%
Max Claim Amount (\$B)	\$1.3	\$1.5	-13.3%	\$2.6	-50.0%
<b>Mortgage Insurance-In-Force **</b>					
Total Number	6,684,825	6,624,780	0.9%	5,614,948	19.1%
Total Unpaid Balance Amount (\$B)	\$909.1	\$897.5	1.3%	\$714.0	27.3%
<b>Loans Seriously Delinquent *** &lt;</b>					
90 Days + Delinquent	532,938	563,513 r	-5.4%	505,438 r	5.4%
Seriously Delinquent Rate	8.0%	8.5% r	-0.5% #	9.0% r	-1.0% #

Source: \* F17 CHUMS \*\* A43 Single Family Insurance System \*\*\* F42D Consolidated Single Family Default Monitoring System

# Percentage point difference

r - revised

^ Existing homes, including purchase and refinance cases, represent virtually all of insurance activity.

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).

< This count of seriously delinquent mortgages includes all bankruptcies, all foreclosures and 90 days or more delinquencies.

# FHA SINGLE-FAMILY OUTLOOK

## SINGLE-FAMILY OPERATIONS

October 2010

### FISCAL YEAR COMPARISONS

	PROJECTIONS FY 2011 AS OF OCT 10	FY 2011 TO DATE	FY 2010 TO DATE	RATE OF CHANGE 2011/2010	FY 2010 FINAL
<b>TOTAL APPLICATIONS: *</b>	<b>2,000,000</b>	<b>175,421</b>	<b>253,503</b>	<b>-30.8%</b>	<b>2,334,696</b>
<b>Purchase</b>	<b>1,120,000</b>	<b>68,628</b>	<b>141,371</b>	<b>-51.5%</b>	<b>1,256,565</b>
<b>Refinance</b>	<b>800,000</b>	<b>98,544</b>	<b>106,240</b>	<b>-7.2%</b>	<b>981,160</b>
Prior FHA	300,000	53,626	50,625	5.9%	423,093
Conventional to FHA	500,000	44,918	55,615	-19.2%	558,067
H4H (HOPE for Homeowners)		66	11		340
Short Refinance		21			
<b>HECM</b>	<b>80,000</b>	<b>8,249</b>	<b>5,892</b>	<b>40.0%</b>	<b>96,971</b>
<b>TOTAL ENDORSEMENTS: *</b>	<b>1,500,000</b>	<b>125,218</b>	<b>176,279</b>	<b>-29.0%</b>	<b>1,746,997</b>
Minority	375,000	29,122	41,373	-29.6%	429,926
% Minority	25.0%	23.3%	23.5%	-0.2% #	24.6%
<b>Purchase</b>	<b>900,000</b>	<b>65,781</b>	<b>105,901</b>	<b>-37.9%</b>	<b>1,109,699</b>
% Purchase	60.0%	52.5%	60.1%	-7.5% #	63.5%
1st Time Home Buyer	720,000	47,738	86,416	-44.8%	882,200
% 1st Time Home Buyer	80.0%	72.6%	81.6%	-9.0% #	79.5%
Non-Minority	460,800	29,197	57,021	-48.8%	558,991
% Non-Minority	64.0%	61.2%	66.0%	-4.8% #	63.4%
Minority	216,000	15,435	23,725	-34.9%	265,138
% Minority	30.0%	32.3%	27.5%	4.9% #	30.1%
Not-Disclosed	43,200	3,106	5,669	-45.2%	58,061
% Not-Disclosed	6.0%	6.5%	6.6%	-0.1% #	6.6%
<b>Refinanced</b>	<b>525,000</b>	<b>54,158</b>	<b>61,606</b>	<b>-12.1%</b>	<b>558,192</b>
% Refinanced	35.0%	43.3%	34.9%	8.3% #	32.0%
Prior FHA	231,000	33,441	29,256	14.3%	252,522
Streamline	204,750	28,476	26,589	7.1%	212,940
% Streamline	39.0%	52.6%	43.2%	9.4% #	38.1%
Full Process	26,250	4,965	2,667	86.2%	39,582
Cash Out	17,000	927	1,230	-24.6%	12,129
Conventional to FHA	294,000	20,718	32,351	-36.0%	305,676
Cash Out	203,000	5,187	11,352	-54.3%	98,107
Total Cash Out	220,000	6,114	12,582	-51.4%	110,236
Total % Cash Out	41.9%	11.3%	20.4%	-9.1% #	19.7%
H4H (HOPE for Homeowners)		22	11		107
<b>HECM</b>	<b>75,000</b>	<b>5,279</b>	<b>8,772</b>	<b>-39.8%</b>	<b>79,106</b>
% HECM	5.0%	4.2%	5.0%	-0.8% #	4.5%
HECM Traditional	67,500	4,957	7,981	-37.9%	72,855
HECM Traditional ARM	66,150	1,485	3,178	-53.3%	23,005
HECM Purchase	2,400	92	141	-34.8%	1,389
HECM Purchase ARM	2,352	12	18	-33.3%	146
HECM Refinance	5,100	230	650	-64.6%	4,862
% HECM Refinance	6.8%	4.4%	7.4%	-3.1% #	6.1%
HECM Refinance ARM	4,998	48	233	-79.4%	1,457

Source: \* F17 CHUMS

# - Percentage point difference

# FHA SINGLE-FAMILY OUTLOOK

## SINGLE-FAMILY OPERATIONS

October 2010

### FISCAL YEAR COMPARISONS

	PROJECTIONS FY 2011 AS OF OCT 10	FY 2011 TO DATE	FY 2010 TO DATE	RATE OF CHANGE 2011/2010	FY 2010 FINAL
<b>FORWARD ENDORSEMENTS ONLY: *</b>					
Section 203(k)	22,000	1,633	1,837	-11.1%	22,491
Condominium	110,000	5,836	10,121	-42.3%	93,468
% Condominium	7.3%	4.7%	5.7%	-1.1% #	5.4%
ARM (Excludes HECM ARM)	50,000	3,291	4,180	-21.3%	46,940
% ARM	3.3%	2.6%	2.4%	0.3% #	2.7%
Manufactured Housing (Real Estate)	50,000	1,811	3,167	-42.8%	30,751
Interest Buy-down	4,000	258	340	-24.1%	3,845
<b>Lender Insurance *</b>					
Total Lender Insurance	1,050,000	93,076	126,234	-26.3%	1,277,137
% of Total Insurance	70.0%	74.3%	71.6%	2.7% #	73.1%
Forward Mortgages	1,029,000	91,930	124,486	-26.2%	1,259,909
HECM	21,000	1,146	1,748	-34.4%	17,228
<b>Automated Underwriting System * x</b>					
AUS Endorsed	1,125,000	90,052	135,788	-33.7%	1,409,766
AUS as % of Total Endorsed	78.9%	75.1%	81.1%	-6.0% #	84.5%
<b>Mortgage Insurance *</b>					
Total Number	1,500,000	125,218	176,279	-29.0%	1,746,997
Total Amount (\$B)	\$288.7	\$24.4	\$32.2	-24.2%	\$318.8
Forward Mortgages					
Total Forward Number	1,425,000	119,939	167,507	-28.4%	1,667,891
Amount (\$B)	\$270.0	\$23.1	\$29.6	-22.0%	\$297.7
Purchase Number					
Purchase Number	900,000	65,781	105,901	-37.9%	1,109,699
Amount (\$B)	\$162.0	\$11.7	\$18.2	-35.7%	\$191.7
Refinance Number					
Refinance Number	525,000	54,158	61,606	-12.1%	558,192
Amount (\$B)	\$107.6	\$11.4	\$11.4	0.0%	\$106.0
Reverse Mortgages					
HECM Number	75,000	5,279	8,772	-39.8%	79,106
Max Claim Amount (\$B)	\$18.7	\$1.3	\$2.6	-50.0%	\$21.1
<b>Claims **</b>					
Total Claims	305,000	28,235	18,926	49.2%	303,402
Loss Mitigation Retention	185,000	16,222	10,609	52.9%	182,968
Pre-Foreclosures	15,000	1,454	970	49.9%	15,291
Conveyances	100,000	9,848	6,733	46.3%	99,653
Other Claims	5,000	711	614	15.8%	5,490

Source: \* F17 CHUMS \*\* A43C Claims System

# = Percentage point difference

x AUS includes only forward mortgages accepted and endorsed by the FHA scorecard (TOTAL).