

SINGLE-FAMILY OPERATIONS

June 2010

CONTACT INFORMATION
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Applications

During the month of June 168,915 applications for insurance were received. Included were 89,951 purchase transactions, 69,876 refinance cases and 9,088 HECM applications. The refinance cases consisted of 23,659 prior FHA's and 46,217 conventional conversions to FHA. There were 50 Hope for Homeowner cases which part of the refinances.

Based on the applications received, the seasonally adjusted annual rate was estimated to be 1,898,900, down 13 percent from last month and the lowest rate since January -- 1,691,500.

Endorsements

This month 150,911 mortgages were endorsed for insurance. They included 115,831 purchase money mortgages, 29,776 refinanced mortgages and 5,304 reverse mortgages. The refinance total consisted of 9,682 former FHA mortgages and 20,095 prior conventional mortgages.

Of the 9,682 FHA mortgages refinanced, 6,801 were processed using streamlined procedures. Seven H4H mortgages were insured -- all former conventional loans.

Automated Underwriting

During the month 134,648 mortgages were accepted and endorsed using the FHA score card (TOTAL). This number represents 92.5 percent of the mortgages insured during this period.

Insurance-In-Force

In June, FHA insured 150,911 mortgages with a face amount of \$26.4 billion. At the end of the month, FHA had 6,402,527 mortgages in force with an outstanding balance of \$865.5 billion.

Defaults and Claims

As of June 30, 532,757 mortgages were at least 90 days or more in a delinquent status for a seriously default rate of 8.3%.

So far this fiscal year, FHA has paid 207,715 claims. 124,191 were for loss mitigation and 83,524 were for property conveyances.

FHA OUTLOOK

SINGLE-FAMILY OPERATIONS

June 2010

MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
TOTAL APPLICATIONS: *	168,915	181,524	-6.9%	239,405	-29.4%
Annual Rate	1,848,900	2,125,700	-13.0%	2,637,400	-29.9%
Average per workday	7,308	8,402	-13.0%	20,849	-64.9%
Purchase	89,951	121,035	-25.7%	133,715	-32.7%
Refinance	69,876	52,135	34.0%	94,263	-25.9%
Prior FHA	23,659	13,668	73.1%	34,367	-31.2%
Conventional to FHA	46,217	38,467	20.1%	59,896	-22.8%
H4H (HOPE for Homeowners)	50	72	-30.6%		
HECM	9,088	8,354	8.8%	11,427	-20.5%
TOTAL ENDORSEMENTS: *	150,911	124,759	21.0%	194,526	-22.4%
Annual Rate	1,810,900	1,497,100	21.0%	2,334,300	-22.4%
Weighted Average FICO Score **	697	698	-0.1%	684	1.9%
Minority	37,728	30,420	24.0%	43,606	-13.5%
% Minority	25.0%	24.4%	0.6% #	22.4%	2.6% #
Purchase	115,831	89,291	29.7%	88,975	30.2%
% Purchase	76.8%	71.6%	5.2% #	45.7%	31.0% #
Average FICO Score **	698	698	0.0%	693	0.7%
1st Time Home Buyer	92,198	71,091	29.7%	70,456	30.9%
% 1st Time Home Buyer	79.6%	79.6%	0.0% #	79.2%	0.4% #
Non-Minority	59,725	46,272	29.1%	46,175	29.3%
% Non-Minority	64.8%	65.1%	-0.3% #	65.5%	-0.8% #
Minority	26,701	20,383	31.0%	19,498	36.9%
% Minority	29.0%	28.7%	0.3% #	27.7%	1.3% #
Not-Disclosed	5,772	4,434	30.2%	4,783	20.7%
% Not-Disclosed	6.3%	6.2%	0.0% #	6.8%	-0.5% #
Refinanced	29,776	30,909	-3.7%	96,918	-69.3%
% Refinanced	19.7%	24.8%	-5.0% #	49.8%	-30.1% #
Average FICO Score **	694	695	-0.1%	666	4.2%
Prior FHA	9,682	9,827	-1.5%	56,885	-83.0%
Streamline	6,801	6,909	-1.6%	53,622	-87.3%
% Streamline	22.8%	22.4%	0.5% #	55.3%	-32.5% #
Full Process	2,881	2,918	-1.3%	3,263	-11.7%
Cash Out	892	796	12.1%	1,898	-53.0%
Conventional to FHA	20,095	21,084	-4.7%	40,032	-49.8%
Cash Out	6,426	6,804	-5.6%	17,926	-64.2%
Total Cash Out	7,318	7,600	-3.7%	19,824	-63.1%
Total % Cash Out	24.6%	24.6%	0.0% #	20.5%	4.1% #
H4H (HOPE for Homeowners)	7	6		0	
HECM	5,304	4,554	16.5%	8,633	-38.6%
% HECM	3.5%	3.7%	-0.1% #	4.4%	-0.9% #
HECM Traditional	4,916	4,239	16.0%	7,791	-36.9%
HECM Traditional ARM	1,348	1,231	9.5%	6,485	-79.2%
HECM Purchase	101	76	32.9%	60	68.3%
HECM Purchase ARM	5	3	66.7%	56	-91.1%
HECM Refinance	287	239	20.1%	782	-63.3%
% HECM Refinance	5.4%	5.2%	0.2% #	9.1%	-3.6% #
HECM Refinance ARM	74	48	54.2%	667	-88.9%

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. FICO Scores are weighted by the relative importance of loan type.

FHA OUTLOOK

SINGLE-FAMILY OPERATIONS

June 2010

MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
FORWARD ENDORSEMENTS ONLY: *					
Section 203(k)	1,845	1,574	17.2%	1,704	8.3%
Condominium	7,638	5,942	28.5%	9,889	-22.8%
% Condominium	5.1%	4.8%	0.3% #	5.1%	0.0% #
ARM (Excludes HECM ARM)	4,542	3,383	34.3%	514	783.7%
% ARM	3.0%	2.7%	0.3% #	0.3%	2.7% #
Manufactured Housing (Real Estate)	2,345	2,001	17.2%	3,902	-39.9%
Interest Buy-down	404	318	27.0%	323	25.1%
Average Processing Time * ^					
(Existing Homes, weeks)					
Application to Closing	7.1	6.6	7.6%	6.6	7.6%
Closing to Endorsement	3.9	3.4	14.7%	4.1	-4.9%
Lender Insurance *					
Total Lender Insurance	111,490	94,049	18.5%	137,566	-19.0%
% of Total Insurance	73.9%	75.4%	-1.5% #	70.7%	3.2% #
Forward Mortgages	110,374	93,001	18.7%	135,952	-18.8%
HECM	1,116	1,048	6.5%	1,614	-30.9%
Automated Underwriting System * x					
AUS Endorsed	134,648	109,838	22.6%	126,068	6.8%
AUS as % of Total Endorsed	92.5%	91.4%	1.1% #	67.8%	24.7% #
Mortgage Insurance *					
Total Number	150,911	124,754	21.0%	194,526	-22.4%
Total Amount (\$B)	\$26.4	\$22.3	18.4%	\$36.8	-28.3%
Forward Mortgages					
Total Forward Number	145,607	120,200	21.1%	185,893	-21.7%
Amount (\$B)	\$25.1	\$21.1	19.0%	\$34.2	-26.6%
Purchase Number	115,831	89,291	29.7%	88,975	30.2%
Amount (\$B)	\$19.6	\$15.3	28.1%	\$15.2	28.9%
Refinance Number	29,776	30,909	-3.7%	96,918	-69.3%
Amount (\$B)	\$5.5	\$5.8	-5.2%	\$19.0	-71.1%
Reverse Mortgages					
HECM Number	5,304	4,554	16.5%	8,633	-38.6%
Max Claim Amount (\$B)	\$1.3	\$1.2	8.3%	\$2.6	-50.0%
Mortgage Insurance-In-Force **					
Total Number	6,402,527	6,296,586	1.7%	5,156,279	24.2%
Total Unpaid Balance Amount (\$B)	\$865.5	\$837.8	3.3%	\$663.8	30.4%
Loans Seriously Delinquent *** <					
90 Days + Delinquent	532,757	530,140	0.5%	392,123	35.9%
Seriously Delinquent Rate	8.3%	8.4%	-0.1% #	7.6%	0.7% #

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

SINGLE-FAMILY OPERATIONS

June 2010

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	1,704,783	2,181,139	-21.8%	2,876,522
Purchase	1,375,000	994,268	874,711	13.7%	1,256,494
Refinance	1,000,000	645,669	1,185,099	-45.5%	1,472,023
Prior FHA	375,000	230,185	449,571	-48.8%	559,698
Conventional to FHA	625,000	415,484	734,554	-43.4%	911,373
H4H (HOPE for Homeowners)		421	949	-55.6%	934
HECM	125,000	64,846	121,329	-46.6%	162,619
TOTAL ENDORSEMENTS: *	1,875,000	1,337,243	1,387,209	-3.6%	1,946,809
Minority	487,500	325,468	345,073	-5.7%	474,072
% Minority	26.0%	24.3%	24.9%	-0.5% #	24.4%
Purchase	969,375	840,691	672,842	24.9%	995,590
% Purchase	51.7%	62.9%	48.5%	14.4% #	51.1%
1st Time Home Buyer	775,500	678,968	525,015	29.3%	781,718
% 1st Time Home Buyer	80.0%	80.8%	78.0%	2.7% #	78.5%
Non-Minority	496,320	435,648	326,743	33.3%	496,506
% Non-Minority	64.0%	64.2%	62.2%	1.9% #	63.5%
Minority	232,650	198,941	163,704	21.5%	233,104
% Minority	30.0%	29.3%	31.2%	-1.9% #	29.8%
Not-Disclosed	46,530	44,375	34,517	28.6%	52,054
% Not-Disclosed	6.0%	6.5%	6.6%	0.0% #	6.7%
Refinanced	798,750	435,949	627,826	-30.6%	836,528
% Refinanced	42.6%	32.6%	45.3%	-12.7% #	43.0%
Prior FHA	351,450	195,252	266,830	-26.8%	367,480
Streamline	311,522	167,830	237,745	-29.4%	329,441
% Streamline	39.0%	38.5%	37.9%	0.6% #	39.4%
Full Process	39,928	27,422	29,067	-5.7%	38,039
Cash Out	17,000	9,261	18,541	-50.1%	23,432
Conventional to FHA	447,300	240,695	361,014	-33.3%	468,740
Cash Out	203,000	78,559	188,089	-58.2%	233,755
Total Cash Out	220,000	87,820	206,630	-57.5%	257,187
Total % Cash Out	27.5%	20.1%	32.9%	-12.8% #	30.7%
H4H (HOPE for Homeowners)		48	1		23
HECM	106,875	60,604	86,541	-30.0%	114,691
% HECM	5.7%	4.5%	6.2%	-1.7% #	5.9%
HECM Traditional	96,188	55,626	79,833	-30.3%	104,478
HECM Traditional ARM	94,264	17,807	75,795	-76.5%	94,696
HECM Purchase	3,420	1,011	227	345.4%	483
HECM Purchase ARM	3,352	107	219	-51.1%	383
HECM Refinance	7,268	3,967	6,481	-38.8%	8,977
% HECM Refinance	6.8%	6.5%	7.5%	-0.9% #	7.8%
HECM Refinance ARM	7,122	1,216	6,158	-80.3%	8,144

Source: * F17 CHUMS

- Percentage point difference

FHA OUTLOOK

SINGLE-FAMILY OPERATIONS

June 2010

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
FORWARD ENDORSEMENTS ONLY: *					
Section 203(k)	22,000	16,393	11,493	42.6%	16,904
Condominium	110,000	73,699	65,071	13.3%	96,119
% Condominium	5.9%	5.5%	4.7%	0.8% #	4.9%
ARM (Excludes HECM ARM)	50,000	33,849	7,360	359.9%	14,361
% ARM	2.7%	2.5%	0.5%	2.0% #	0.7%
Manufactured Housing (Real Estate)	50,000	23,615	36,193	-34.8%	46,463
Interest Buy-down	4,000	2,896	5,778	-49.9%	6,702
Lender Insurance *					
Total Lender Insurance	1,312,500	970,573	973,219	-0.3%	1,363,323
% of Total Insurance	70.0%	72.6%	70.2%	2.4% #	70.0%
Forward Mortgages	1,273,125	958,296	945,547	1.3%	1,330,825
HECM	39,375	12,277	27,672	-55.6%	32,498
Automated Underwriting System * x					
AUS Endorsed	1,406,250	1,072,393	978,143	9.6%	1,399,854
AUS as % of Total Endorsed	79.5%	84.0%	75.2%	8.8% #	76.4%
Mortgage Insurance *					
Total Number	1,875,000	1,337,230	1,387,201	-3.6%	1,946,809
Total Amount (\$B)	\$349.7	\$242.6	\$256.5	-5.4%	\$360.7
Forward Mortgages					
Total Forward Number	1,768,125	1,276,629	1,300,664	-1.8%	1,832,118
Amount (\$B)	\$323.0	\$226.2	\$234.7	-3.6%	\$330.5
Purchase Mortgages					
Purchase Number	969,375	840,687	672,842	24.9%	995,590
Amount (\$B)	\$169.6	\$144.4	\$115.4	25.1%	\$171.7
Refinance Mortgages					
Refinance Number	798,750	435,942	627,822	-30.6%	836,528
Amount (\$B)	\$153.4	\$81.8	\$119.3	-31.4%	\$158.8
Reverse Mortgages					
HECM Number	106,875	60,601	86,537	-30.0%	114,691
Max Claim Amount (\$B)	\$26.7	\$16.4	\$21.8	-24.8%	\$30.2
Claims **					
Total Claims	213,000	207,715	148,333	40.0%	207,957
Loss Mitigation Retention	130,000	124,191	91,575	35.6%	127,134
Loss Mitigation (Property Sales)	8,000	11,407	4,781	138.6%	7,410
Other Claims (Conveyances)	75,000	72,117	51,977	38.7%	73,413

Source: * F17 CHUMS ** A43C Claims System

= Percentage point difference

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.

SINGLE-FAMILY OPERATIONS

May 2010

CONTACT INFORMATION
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Applications

During the month, applications, after seasonal adjustment, were estimated at an annual rate of 2,125,700 -- 7.4 percent lower than reported last month.

The actual number of applications received was 181,524. This covered 121,035 purchase applications, 52,135 refinance transactions as well as 8,354 reverse mortgage applications. These refinance applications consisted of 13,688 prior FHA cases and 38,467 conventional to FHA conversions. Included in this refinance total were 72 H4H transactions.

It should be noted that purchase transaction dropped sharply during this month. During the first week of May, 3 out of 4 applications were for a home purchase. By the end of May, purchase applications fell to about 55 percent of the daily application receipts.

Endorsements

124,754 mortgages were endorsed for insurance during May. 89,291 of these cases were purchase money mortgages of which 71,091 were for first-time homebuyers. There were 30,909 refinanced mortgages including 9,827 prior FHA mortgages and 21,084 conventional mortgages converting to FHA. This refinance total included 6 Hope for Home-owner insured cases.

Also, during the month, 4,554 HECM's were insured, most of which were traditional reverse mortgages. The remaining were previously refinanced HECM's.

During the month 124,754 mortgages for \$22.3 billion were insured for the FHA Single-Family Program.

Automated Underwriting

109,838 of these mortgages were accepted and endorsed using the FHA scorecard, accounting for 91.4 percent of the loans insured in May.

Insurance-In-Force

As of the end of May, FHA had 6,296,586 single-family mortgages in force with an unpaid balance of \$837.8 billion.

Defaults and Claims

In May 530,140 loans were reported in serious delinquency, for a portfolio default rate of 8.4 percent -- marginally below last month's rate. Over the first eight months of the fiscal year, FHA has paid 63,019 property conveyance claims (foreclosures), and 177,300 total claims. Most of the difference between the two claims numbers represents loss mitigation default workout actions, though FHA has also paid 9,078 pre-foreclosure (short) sale claims.

FHA OUTLOOK

SINGLE-FAMILY OPERATIONS

May 2010

MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
TOTAL APPLICATIONS: *	181,524	215,578	-15.8%	255,647	-29.0%
Annual Rate	2,125,700	2,296,400	-7.4%	2,995,500	-29.0%
Average per workday	8,402	9,077	-7.4%	11,840	-29.0%
Purchase	121,035	150,935	-19.8%	117,988	2.6%
Refinance	52,135	56,474	-7.7%	126,920	-58.9%
Prior FHA	13,668	12,005	13.9%	60,662	-77.5%
Conventional to FHA	38,467	44,469	-13.5%	66,258	-41.9%
H4H (HOPE for Homeowners)	72	70	2.9%	29	148.3%
HECM	8,354	8,169	2.3%	10,739	-22.2%
TOTAL ENDORSEMENTS: *	124,759	126,316	-1.2%	162,690	-23.3%
Annual Rate	1,497,100	1,515,800	-1.2%	1,952,300	-23.3%
Weighted Average FICO Score **	698	697	0.1%	678	2.9%
Minority	30,420	31,271	-2.7%	37,526	-18.9%
% Minority	24.4%	24.8%	-0.4% #	23.1%	1.3% #
Purchase	89,291	84,723	5.4%	70,259	27.1%
% Purchase	71.6%	67.1%	4.5% #	43.2%	28.4% #
Average FICO Score **	698	699	-0.1%	688	1.5%
1st Time Home Buyer	71,091	67,218	5.8%	55,696	27.6%
% 1st Time Home Buyer	79.6%	79.3%	0.3% #	79.3%	0.3% #
Non-Minority	46,272	42,951	7.7%	35,583	30.0%
% Non-Minority	65.1%	63.9%	1.2% #	63.9%	1.2% #
Minority	20,383	19,951	2.2%	16,424	24.1%
% Minority	28.7%	29.7%	-1.0% #	29.5%	-0.8% #
Not-Disclosed	4,434	4,316	2.7%	3,689	20.2%
% Not-Disclosed	6.2%	6.4%	-0.2% #	6.6%	-0.4% #
Refinanced	30,909	36,082	-14.3%	84,035	-63.2%
% Refinanced	24.8%	28.6%	-3.8% #	51.7%	-26.9% #
Average FICO Score **	695	693	0.3%	661	5.1%
Prior FHA	9,827	11,577	-15.1%	46,572	-78.9%
Streamline	6,909	8,229	-16.0%	43,370	-84.1%
% Streamline	22.4%	22.8%	-0.5% #	51.6%	-29.3% #
Full Process	2,918	3,348	-12.8%	3,202	-8.9%
Cash Out	796	931	-14.5%	1,414	-43.7%
Conventional to FHA	21,084	24,505	-14.0%	37,456	-43.7%
Cash Out	6,804	7,872	-13.6%	12,997	-47.6%
Total Cash Out	7,600	8,803	-13.7%	14,411	-47.3%
Total % Cash Out	24.6%	24.4%	0.2% #	17.1%	7.4% #
H4H (HOPE for Homeowners)	6	23		0	
HECM	4,554	5,511	-17.4%	8,396	-45.8%
% HECM	3.7%	4.4%	-0.7% #	5.2%	-1.5% #
HECM Traditional	4,239	5,116	-17.1%	7,684	-44.8%
HECM Traditional ARM	1,231	1,453	-15.3%	6,976	-82.4%
HECM Purchase	76	96	-20.8%	45	68.9%
HECM Purchase ARM	3	10	-70.0%	45	-93.3%
HECM Refinance	239	299	-20.1%	667	-64.2%
% HECM Refinance	5.2%	5.4%	-0.2% #	7.9%	-2.7% #
HECM Refinance ARM	48	94	-48.9%	614	-92.2%

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. FICO Scores are weighted by the relative importance of loan type.

FHA OUTLOOK

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May 2010

MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
FORWARD ENDORSEMENTS ONLY: *					
Section 203(k)	1,574	1,856	-15.2%	1,330	18.3%
Condominium	5,942	6,330	-6.1%	7,731	-23.1%
% Condominium	4.8%	5.0%	-0.2% #	4.8%	0.0% #
ARM (Excludes HECM ARM)	3,383	3,045	11.1%	365	826.8%
% ARM	2.7%	2.4%	0.3% #	0.2%	2.5% #
Manufactured Housing (Real Estate)	2,001	2,105	-4.9%	3,203	-37.5%
Interest Buy-down	318	312	1.9%	298	6.7%
Average Processing Time * ^					
(Existing Homes, weeks)					
Application to Closing	6.6	6.6	0.0%	6.1	8.2%
Closing to Endorsement	3.4	3.4	0.0%	3.9	-12.8%
Lender Insurance *					
Total Lender Insurance	94,049	93,259	0.8%	113,613	-17.2%
% of Total Insurance	75.4%	73.8%	1.6% #	69.8%	5.6% #
Forward Mortgages	93,001	92,021	1.1%	111,273	-16.4%
HECM	1,048	1,238	-15.3%	2,340	-55.2%
Automated Underwriting System * x					
AUS Endorsed	109,838	109,210	0.6%	105,616	4.0%
AUS as % of Total Endorsed	91.4%	90.4%	1.0% #	68.5%	22.9% #
Mortgage Insurance *					
Total Number	124,754	126,316	-1.2%	162,690	-23.3%
Total Amount (\$B)	\$22.3	\$22.9	-2.6%	\$30.8	-27.6%
Forward Mortgages					
Total Forward Number	120,200	120,805	-0.5%	154,294	-22.1%
Amount (\$B)	\$21.1	\$21.5	-1.9%	\$28.4	-25.7%
Purchase Number	89,291	84,723	5.4%	70,259	27.1%
Amount (\$B)	\$15.3	\$14.7	4.1%	\$11.8	29.7%
Refinance Number	30,909	36,082	-14.3%	84,035	-63.2%
Amount (\$B)	\$5.8	\$6.8	-14.7%	\$16.6	-65.1%
Reverse Mortgages					
HECM Number	4,554	5,511	-17.4%	8,396	-45.8%
Max Claim Amount (\$B)	\$1.2	\$1.4	-14.3%	\$2.4	-50.0%
Mortgage Insurance-In-Force **					
Total Number	6,296,586	6,192,885	1.7%	5,047,635	24.7%
Total Unpaid Balance Amount (\$B)	\$837.8	\$820.0	2.2%	\$605.2	38.4%
Loans Seriously Delinquent *** <					
90 Days + Delinquent	530,140	527,504	0.5%	374,834	41.4%
Seriously Delinquent Rate	8.4%	8.5%	-0.1% #	7.4%	1.0% #

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

SINGLE-FAMILY OPERATIONS

May 2010

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	1,535,867	1,941,733	-20.9%	2,892,764
Purchase	1,375,000	905,045	742,089	22.0%	1,256,494
Refinance	1,000,000	575,064	1,089,742	-47.2%	1,472,023
Prior FHA	375,000	202,093	404,554	-50.0%	559,698
Conventional to FHA	625,000	372,971	684,193	-45.5%	911,373
H4H (HOPE for Homeowners)		368	945	-61.1%	934
HECM	125,000	55,758	109,902	-49.3%	162,619
TOTAL ENDORSEMENTS: *	1,875,000	1,186,424	1,192,739	-0.5%	1,946,809
Minority	487,500	287,788	301,483	-4.5%	474,072
% Minority	26.0%	24.3%	25.3%	-1.0% #	24.4%
Purchase	969,375	724,899	583,885	24.2%	995,590
% Purchase	51.7%	61.1%	49.0%	12.1% #	51.1%
1st Time Home Buyer	775,500	586,783	454,567	29.1%	781,718
% 1st Time Home Buyer	80.0%	80.9%	77.9%	3.1% #	78.5%
Non-Minority	496,320	375,942	280,579	34.0%	496,506
% Non-Minority	64.0%	64.1%	61.7%	2.3% #	63.5%
Minority	232,650	172,251	144,210	19.4%	233,104
% Minority	30.0%	29.4%	31.7%	-2.4% #	29.8%
Not-Disclosed	46,530	38,605	29,737	29.8%	52,054
% Not-Disclosed	6.0%	6.6%	6.5%	0.0% #	6.7%
Refinanced	798,750	406,206	530,942	-23.5%	836,528
% Refinanced	42.6%	34.2%	44.5%	-10.3% #	43.0%
Prior FHA	351,450	185,589	209,945	-11.6%	367,480
Streamline	311,522	161,043	184,140	-12.5%	329,441
% Streamline	39.0%	39.6%	34.7%	5.0% #	39.4%
Full Process	39,928	24,546	25,805	-4.9%	38,039
Cash Out	17,000	8,371	11,132	-24.8%	23,432
Conventional to FHA	447,300	220,617	320,682	-31.2%	468,740
Cash Out	203,000	72,132	104,216	-30.8%	233,755
Total Cash Out	220,000	80,503	115,348	-30.2%	257,187
Total % Cash Out	27.5%	19.8%	21.7%	-1.9% #	30.7%
H4H (HOPE for Homeowners)		41	1		23
HECM	106,875	55,315	77,912	-29.0%	114,691
% HECM	5.7%	4.7%	6.5%	-1.9% #	5.9%
HECM Traditional	96,188	50,724	72,046	-29.6%	104,371
HECM Traditional ARM	94,264	16,467	69,314	-76.2%	95,187
HECM Purchase	3,420	910	167	444.9%	468
HECM Purchase ARM	3,352	102	163	-37.4%	372
HECM Refinance	7,268	3,681	5,699	-35.4%	8,862
% HECM Refinance	6.8%	6.7%	7.3%	-0.7% #	7.7%
HECM Refinance ARM	7,122	1,143	5,491	-79.2%	8,091

Source: * F17 CHUMS

- Percentage point difference

FHA OUTLOOK

SINGLE-FAMILY OPERATIONS

May 2010

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
FORWARD ENDORSEMENTS ONLY: *					
Section 203(k)	22,000	14,553	9,794	48.6%	16,904
Condominium	110,000	66,071	55,188	19.7%	96,119
% Condominium	5.9%	5.6%	4.6%	0.9% #	4.9%
ARM (Excludes HECM ARM)	50,000	29,283	6,844	327.9%	14,361
% ARM	2.7%	2.5%	0.6%	1.9% #	0.7%
Manufactured Housing (Real Estate)	50,000	21,275	32,294	-34.1%	46,463
Interest Buy-down	4,000	2,469	5,437	-54.6%	6,702
Lender Insurance *					
Total Lender Insurance	1,312,500	859,145	835,653	2.8%	1,363,323
% of Total Insurance	70.0%	72.4%	70.1%	2.4% #	70.0%
Forward Mortgages	1,273,125	847,982	809,595	4.7%	1,330,825
HECM	39,375	11,163	26,058	-57.2%	32,498
Automated Underwriting System * x					
AUS Endorsed	1,406,250	937,806	852,120	10.1%	1,399,854
AUS as % of Total Endorsed	79.5%	82.9%	76.4%	6.5% #	76.4%
Mortgage Insurance *					
Total Number	1,875,000	1,186,409	1,192,739	-0.5%	1,946,809
Total Amount (\$B)	\$349.7	\$216.3	\$219.5	-1.5%	\$360.7
Forward Mortgages					
Total Forward Number	1,768,125	1,131,096	1,114,827	1.5%	1,832,118
Amount (\$B)	\$323.0	\$201.2	\$200.3	0.4%	\$330.5
Purchase Number					
Purchase Number	969,375	724,896	583,885	24.2%	995,590
Amount (\$B)	\$169.6	\$124.8	\$100.1	24.7%	\$171.7
Refinance Number					
Refinance Number	798,750	406,200	530,942	-23.5%	836,528
Amount (\$B)	\$153.4	\$76.4	\$100.2	-23.8%	\$158.8
Reverse Mortgages					
HECM Number	106,875	55,313	77,912	-29.0%	114,691
Max Claim Amount (\$B)	\$26.7	\$15.1	\$19.2	-21.4%	\$30.2
Claims **					
Total Claims	213,000	177,300	127,939	38.6%	207,957
Loss Mitigation Retention	130,000	104,566	79,049	32.3%	127,134
Loss Mitigation (Property Sales)	8,000	9,715	4,016	141.9%	7,410
Other Claims (Conveyances)	75,000	63,019	44,874	40.4%	73,413

Source: * F17 CHUMS ** A43C Claims System

= Percentage point difference

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.

SINGLE-FAMILY OPERATIONS

April 2010 Revised

CONTACT INFORMATION
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Applications

The number of applications for FHA mortgage insurance was 215,578. This consisted of 150,935 purchase cases, 56,474 refinance applications as well as 8,169 HECM's.

The refinance applications included 12,005 prior FHA cases and 44,469 conventional conversions to FHA. 70 H4H applications were part of this refinance total.

During April, the annual rate for single-family application was estimated to be 2,296,400 -- slightly below March, but roughly in the same range as the last several months.

Endorsements

126,316 mortgages with an aggregate face amount of \$22.9 billion were endorsed for insurance during April. These consisted of 84,723 purchase money mortgages, 36,082 refinance mortgages and 5,511 reverse mortgages.

With respect to the purchase cases, 67,218 were for first-time homebuyers of which 19,951 were minority households.

For the 36,082 refinanced endorsements, 11,577 were prior FHA cases and 24,505 were formerly conventional cases moving to FHA. These refinance transactions included 23 H4H cases -- all of which were formerly conventional mortgages.

During April, 3,045 adjustable rate mortgages were endorsed -- most having 5-year period terms.

2,105 manufactured housing mortgages were endorsed.

Automated Underwriting

109,210 mortgages were approved and endorsed using TOTAL, representing 90.4 percent of this month's endorsements..

Insurance-In-Force

At the end of April, FHA had 6,192,885 single-family mortgages in force with a scheduled outstanding balance of \$820 billion.

Defaults and Claims

As of April 30, 527,504 mortgages had spent at least 90 days in a delinquent status, yielding a serious default rate of 8.5 percent, down a fraction from last month.

FHA has paid 153,540 claims so far this fiscal year. 89,822 were loss mitigation retention claims. 55,653 were for property conveyances.

FHA OUTLOOK

SINGLE-FAMILY OPERATIONS

April 2010 Revised

MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
TOTAL APPLICATIONS: *	215,578	246,406	-12.5%	280,466	-23.1%
Annual Rate	2,296,400	2,378,700	-3.5%	2,987,000	-23.1%
Average per workday	9,077	9,402	-3.5%	11,807	-23.1%
Purchase	150,935	163,467	-7.7%	118,179	27.7%
Refinance	56,474	75,541	-25.2%	148,672	-62.0%
Prior FHA	12,005	17,356	-30.8%	74,279	-83.8%
Conventional to FHA	44,469	58,185	-23.6%	74,393	-40.2%
Conventional to FHA (Delinquent)					
H4H (HOPE for Homeowners)	70	54	29.6%	71	-1.4%
HECM	8,169	7,398	10.4%	13,615	-40.0%
TOTAL ENDORSEMENTS: *	126,316	132,301	-4.5%	162,351	-22.2%
Annual Rate	1,515,800	1,587,600	-4.5%	1,948,200	-22.2%
Weighted Average FICO Score **	697	697	0.0%	672	3.7%
Minority	31,271	32,959	-5.1%	38,195	-18.1%
% Minority	24.8%	24.9%	-0.2% #	23.5%	1.2% #
Purchase	84,723	82,879	2.2%	69,554	21.8%
% Purchase	67.1%	62.6%	4.4% #	42.8%	24.2% #
Average FICO Score **	699	699	0.0%	683	2.3%
1st Time Home Buyer	67,218	64,917	3.5%	55,095	22.0%
% 1st Time Home Buyer	79.3%	78.3%	1.0% #	79.2%	0.1% #
Non-Minority	42,951	40,492	6.1%	34,860	23.2%
% Non-Minority	63.9%	62.4%	1.5% #	63.3%	0.6% #
Minority	19,951	19,956	0.0%	16,714	19.4%
% Minority	29.7%	30.7%	-1.1% #	30.3%	-0.7% #
Not-Disclosed	4,316	4,469	-3.4%	3,521	22.6%
% Not-Disclosed	6.4%	6.9%	-0.5% #	6.4%	0.0% #
Refinanced	36,082	43,600	-17.2%	81,137	-55.5%
% Refinanced	28.6%	33.0%	-4.4% #	50.0%	-21.4% #
Average FICO Score **	693	692	0.1%	653	6.1%
Prior FHA	11,577	15,003	-22.8%	39,876	-71.0%
Streamline	8,229	11,143	-26.2%	36,342	-77.4%
% Streamline	22.8%	25.6%	-2.8% #	44.8%	-22.0% #
Full Process	3,348	3,860	-13.3%	3,534	-5.3%
Cash Out	931	1,154	-19.3%	1,165	-20.1%
Conventional to FHA	24,505	28,596	-14.3%	41,251	-40.6%
Cash Out	7,872	9,541	-17.5%	9,747	-19.2%
Conventional to FHA (Delinquent)		1		10	-100.0%
Total Cash Out	8,803	10,695	-17.7%	10,912	-19.3%
Total % Cash Out	24.4%	24.5%	-0.1% #	13.4%	10.9% #
H4H (HOPE for Homeowners)	23	0		0	
HECM	5,511	5,822	-5.3%	11,660	-52.7%
% HECM	4.4%	4.4%	0.0% #	7.2%	-2.8% #
HECM Traditional	5,116	5,394	-5.2%	10,795	-52.6%
HECM Traditional ARM	1,453	1,580	-8.0%	10,240	-85.8%
HECM Purchase	96	76	26.3%	55	74.5%
HECM Purchase ARM	10	14	-28.6%	53	-81.1%
HECM Refinance	299	352	-15.1%	810	-63.1%
% HECM Refinance	5.4%	6.0%	-0.6% #	6.9%	-1.5% #
HECM Refinance ARM	94	117	-19.7%	772	-87.8%

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. FICO Scores are weighted by the relative importance of loan type.

FHA OUTLOOK

SINGLE-FAMILY OPERATIONS

April 2010 Revised

MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
FORWARD ENDORSEMENTS ONLY: *					
Section 203(k)	1,856	2,130	-12.9%	1,262	47.1%
Condominium	6,330	7,214	-12.3%	7,603	-16.7%
% Condominium	5.0%	5.5%	-0.4% #	4.7%	0.3% #
ARM (Excludes HECM ARM)	3,045	3,174	-4.1%	235	1195.7%
% ARM	2.4%	2.4%	0.0% #	0.1%	2.3% #
Manufactured Housing (Real Estate)	2,105	2,622	-19.7%	3,501	-39.9%
Interest Buy-down	312	266	17.3%	329	-5.2%
Average Processing Time * ^					
(Existing Homes, weeks)					
Application to Closing	6.6	6.9	-4.3%	5.8	13.8%
Closing to Endorsement	3.4	4.2	-19.0%	3.8	-10.5%
Lender Insurance *					
Total Lender Insurance	93,259	100,075	-6.8%	109,313	-14.7%
% of Total Insurance	73.8%	75.6%	-1.8% #	67.3%	6.5% #
Forward Mortgages	92,021	98,954	-7.0%	105,244	-12.6%
HECM	1,238	1,121	10.4%	4,069	-69.6%
Automated Underwriting System * x					
AUS Endorsed	109,210	111,261	-1.8%	108,836	0.3%
AUS as % of Total Endorsed	90.4%	88.0%	2.4% #	72.2%	18.2% #
Mortgage Insurance *					
Total Number	126,316	132,301	-4.5%	162,351	-22.2%
Total Amount (\$B)	\$22.9	\$24.1	-5.0%	\$30.5	-24.9%
Forward Mortgages					
Total Forward Number	120,805	126,479	-4.5%	150,691	-19.8%
Amount (\$B)	\$21.5	\$22.6	-4.9%	\$27.4	-21.5%
Purchase Number	84,723	82,879	2.2%	69,554	21.8%
Amount (\$B)	\$14.7	\$14.5	1.4%	\$11.7	25.6%
Refinance Number	36,082	43,600	-17.2%	81,137	-55.5%
Amount (\$B)	\$6.8	\$8.1	-16.0%	\$15.7	-56.7%
Reverse Mortgages					
HECM Number	5,511	5,822	-5.3%	11,660	-52.7%
Max Claim Amount (\$B)	\$1.4	\$1.5	-6.7%	\$3.1	-54.8%
Mortgage Insurance-In-Force **					
Total Number	6,192,885	6,114,452	1.3%	4,975,546	24.5%
Total Unpaid Balance Amount (\$B)	\$820.0	\$805.6	1.8%	\$591.2	38.7%
Loans Seriously Delinquent *** <					
90 Days + Delinquent	527,504	536,858	-1.7%	293,275	79.9%
Seriously Delinquent Rate	8.5%	8.8%	-0.3% #	5.9%	2.6% #

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

SINGLE-FAMILY OPERATIONS

April 2010 Revised

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	1,354,343	1,686,086	-19.7%	2,917,583
Purchase	1,375,000	784,010	624,101	25.6%	1,256,494
Refinance	1,000,000	522,929	962,822	-45.7%	1,472,023
Prior FHA	375,000	188,425	343,892	-45.2%	559,698
Conventional to FHA	625,000	334,504	617,935	-45.9%	911,373
Conventional to FHA (Delinquent)			995		952
H4H (HOPE for Homeowners)		296	916	-67.7%	934
HECM	125,000	47,404	99,163	-52.2%	162,619
TOTAL ENDORSEMENTS: *	1,875,000	1,061,665	1,030,100	3.1%	1,946,809
Minority	487,500	257,368	263,957	-2.5%	474,072
% Minority	26.0%	24.2%	25.6%	-1.4% #	24.4%
Purchase	969,375	635,608	513,632	23.7%	995,590
% Purchase	51.7%	59.9%	49.9%	10.0% #	51.1%
1st Time Home Buyer	775,500	515,701	398,874	29.3%	781,718
% 1st Time Home Buyer	80.0%	81.1%	77.7%	3.5% #	78.5%
Non-Minority	496,320	329,670	244,996	34.6%	496,506
% Non-Minority	64.0%	63.9%	61.4%	2.5% #	63.5%
Minority	232,650	151,868	127,786	18.8%	233,104
% Minority	30.0%	29.4%	32.0%	-2.6% #	29.8%
Not-Disclosed	46,530	34,171	26,048	31.2%	52,054
% Not-Disclosed	6.0%	6.6%	6.5%	0.1% #	6.7%
Refinanced	798,750	375,297	446,919	-16.0%	836,528
% Refinanced	42.6%	35.3%	43.4%	-8.0% #	43.0%
Prior FHA	351,450	175,762	163,373	7.6%	367,480
Streamline	311,522	154,134	140,770	9.5%	329,441
% Streamline	39.0%	41.1%	31.5%	9.6% #	39.4%
Full Process	39,928	21,628	22,603	-4.3%	38,039
Cash Out	17,000	7,575	9,718	-22.1%	23,432
Conventional to FHA	447,300	199,533	283,226	-29.5%	468,740
Cash Out	203,000	65,328	91,219	-28.4%	233,755
Conventional to FHA (Delinquent)	320	2	320		316
Total Cash Out	220,000	72,903	100,937	-27.8%	257,187
Total % Cash Out	27.5%	19.4%	22.6%	-3.2% #	30.7%
H4H (HOPE for Homeowners)		35	1		23
HECM	106,875	50,761	69,516	-27.0%	114,691
% HECM	5.7%	4.8%	6.7%	-2.0% #	5.9%
HECM Traditional	96,188	46,485	64,362	-27.8%	107,482
HECM Traditional ARM	94,264	15,236	62,338	-75.6%	98,451
HECM Purchase	3,420	834	122	583.6%	478
HECM Purchase ARM	3,352	99	118	-16.1%	380
HECM Refinance	7,268	3,442	5,032	-31.6%	9,005
% HECM Refinance	6.8%	6.8%	7.2%	-0.5% #	7.9%
HECM Refinance ARM	7,122	1,095	4,877	-77.5%	8,249

Source: * F17 CHUMS

- Percentage point difference

FHA OUTLOOK

SINGLE-FAMILY OPERATIONS

April 2010 Revised

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
FORWARD ENDORSEMENTS ONLY: *					
Section 203(k)	22,000	12,979	8,464	53.3%	16,904
Condominium	110,000	60,129	47,457	26.7%	96,119
% Condominium	5.9%	5.7%	4.6%	1.1% #	4.9%
ARM (Excludes HECM ARM)	50,000	25,900	6,479	299.8%	14,361
% ARM	2.7%	2.4%	0.6%	1.8% #	0.7%
Manufactured Housing (Real Estate)	50,000	19,274	29,091	-33.7%	46,463
Interest Buy-down	4,000	2,151	5,139	-58.1%	6,702
Lender Insurance *					
Total Lender Insurance	1,312,500	765,096	722,040	6.0%	1,363,323
% of Total Insurance	70.0%	72.1%	70.1%	2.0% #	70.0%
Forward Mortgages	1,273,125	754,981	698,322	8.1%	1,330,825
HECM	39,375	10,115	23,718	-57.4%	32,498
Automated Underwriting System * x					
AUS Endorsed	1,406,250	827,968	746,504	10.9%	1,399,854
AUS as % of Total Endorsed	79.5%	81.9%	77.7%	4.2% #	76.4%
Mortgage Insurance *					
Total Number	1,875,000	1,061,655	1,030,049	3.1%	1,946,809
Total Amount (\$B)	\$349.7	\$194.0	\$188.7	2.8%	\$360.7
Forward Mortgages					
Total Forward Number	1,768,125	1,010,896	960,533	5.2%	1,832,118
Amount (\$B)	\$323.0	\$180.1	\$171.9	4.8%	\$330.5
Purchase Mortgages					
Purchase Number	969,375	635,605	513,626	23.7%	995,590
Amount (\$B)	\$169.6	\$109.5	\$88.3	24.0%	\$171.7
Refinance Mortgages					
Refinance Number	798,750	375,291	446,907	-16.0%	836,528
Amount (\$B)	\$153.4	\$70.6	\$83.6	-15.6%	\$158.8
Reverse Mortgages					
HECM Number	106,875	50,759	69,516	-27.0%	114,691
Max Claim Amount (\$B)	\$26.7	\$13.9	\$16.8	-17.3%	\$30.2
Claims **					
Total Claims	213,000	153,540	110,085	39.5%	207,957
Loss Mitigation Retention	130,000	89,822	67,768	32.5%	127,134
Loss Mitigation (Property Sales)	8,000	8,065	3,515	129.4%	7,410
Other Claims (Conveyances)	75,000	55,653	38,802	43.4%	73,413

Source: * F17 CHUMS ** A43C Claims System

= Percentage point difference

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.

SINGLE-FAMILY OPERATIONS

March 2010

CONTACT INFORMATION
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Applications

The seasonally adjusted annual rate for applications jumped 18.3 percent to 2,378,700 in March, due to a surge in applications the last week of the month, as prospective mortgagors sought to beat the increase in the upfront mortgage insurance premium, from 1.75% to 2.25%, effective April 5.

There were 246,406 applications received this month, up from 165,239 last month. This included 163,467 purchase cases, 75,541 refinances and 7,398 HECM's. The refinance applications consisted of 17,356 prior FHA cases and 58,185 conventional conversions to FHA. Included in these refinance mortgages were 54 H4H cases.

Endorsements

FHA endorsed 132,301 mortgages for insurance during March. They included 82,879 purchase money mortgages, 43,600 refinanced instruments and 5,822 reverse mortgages. The refinanced mortgages were 15,003 prior FHA's, 28,596 conventional to FHA transactions and one formerly delinquent conventional conversion mortgage.

10,695 of the refinanced mortgages involved a cash-out deal -- 24.5 percent of the total.

Of the 5,822 HECM's insured, the bulk were traditional reverse mortgages.

The (weighted average) FICO score this month was 697. For purchase cases it was 699 and 692 for refinanced mortgages.

The average processing time for a mortgage from application receipt to endorsement was 11.1 weeks.

7,214 condominium units were insured as well as 2,130 Section 203(k) mortgages.

ARM's (excluding HECM's) accounted for only 2.4 percent of the business.

Automated Underwriting

During March, 111,261 cases were accepted and endorsed using the FHA scorecard (TOTAL). This represents 88 percent of the mortgages endorsed this month.

Other

During the month, FHA insured 132,301 single-family mortgages for \$24.1 billion.

At the end of the month there were 6,114,452 mortgages in force with a scheduled aggregate outstanding balance of \$805.6 billion.

As of March 31, there were 536,858 mortgages 90 days or more in arrears for a "seriously" default rate of 8.8% - down from 9.2% in February.

So far this fiscal year, FHA has paid 129,503 claims -- 75,466 of which were loss mitigation retention claims. 47,458 claims for property conveyances were also paid.

FHA OUTLOOK

SINGLE-FAMILY OPERATIONS

March 2010

MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
TOTAL APPLICATIONS: *	246,406	165,239	49.1%	307,561	-19.9%
Annual Rate	2,378,700	2,011,600	18.2%	3,114,300	-23.6%
Average per workday	9,402	7,951	18.2%	12,310	-23.6%
Purchase	163,467	97,171	68.2%	110,214	48.3%
Refinance	75,541	61,425	23.0%	181,283	-58.3%
Prior FHA	17,356	12,464	39.2%	62,547	-72.3%
Conventional to FHA	58,185	48,961	18.8%	118,736	-51.0%
Conventional to FHA (Delinquent)					
H4H (HOPE for Homeowners)	54	46	17.4%	159	-66.0%
HECM	7,398	6,643	11.4%	16,064	-53.9%
TOTAL ENDORSEMENTS: *	132,301	131,978	0.2%	151,140	-12.5%
Annual Rate	1,587,600	1,583,700	0.2%	1,813,700	-12.5%
Weighted Average FICO Score **	697	693	0.6%	673	3.6%
Minority	32,959	33,902	-2.8%	36,425	-9.5%
% Minority	24.9%	25.7%	-0.8% #	24.1%	0.8% #
Purchase	82,879	73,038	13.5%	59,627	39.0%
% Purchase	62.6%	55.3%	7.3% #	39.5%	23.2% #
Average FICO Score **	699	697	0.3%	680	2.8%
1st Time Home Buyer	64,917	57,890	12.1%	46,832	38.6%
% 1st Time Home Buyer	78.3%	79.3%	-0.9% #	78.5%	-0.2% #
Non-Minority	40,492	35,059	15.5%	28,668	41.2%
% Non-Minority	62.4%	60.6%	1.8% #	61.2%	1.2% #
Minority	19,956	18,972	5.2%	15,064	32.5%
% Minority	30.7%	32.8%	-2.0% #	32.2%	-1.4% #
Not-Disclosed	4,469	3,859	15.8%	3,100	44.2%
% Not-Disclosed	6.9%	6.7%	0.2% #	6.6%	0.3% #
Refinanced	43,600	51,916	-16.0%	80,252	-45.7%
% Refinanced	33.0%	39.3%	-6.4% #	53.1%	-20.1% #
Average FICO Score **	692	683	1.3%	665	4.1%
Prior FHA	15,003	22,761	-34.1%	39,610	-62.1%
Streamline	11,143	19,107	-41.7%	36,128	-69.2%
% Streamline	25.6%	36.8%	-11.2% #	45.0%	-19.5% #
Full Process	3,860	3,654	5.6%	3,482	10.9%
Cash Out	1,154	1,149	0.4%	1,182	-2.4%
Conventional to FHA	28,596	29,156	-1.9%	40,634	-29.6%
Cash Out	9,541	9,298	2.6%	9,922	-3.8%
Conventional to FHA (Delinquent)	1	1		12	-91.7%
Total Cash Out	10,695	10,447	2.4%	11,104	-3.7%
Total % Cash Out	24.5%	20.1%	4.4% #	13.8%	10.7% #
H4H (HOPE for Homeowners)	0	0		1	
HECM	5,822	7,024	-17.1%	11,261	-48.3%
% HECM	4.4%	5.3%	-0.9% #	7.5%	-3.1% #
HECM Traditional	5,394	6,358	-15.2%	10,179	-47.0%
HECM Traditional ARM	1,580	1,979	-20.2%	9,910	-84.1%
HECM Purchase	76	129	-41.1%	57	33.3%
HECM Purchase ARM	14	10	40.0%	55	-74.5%
HECM Refinance	352	537	-34.5%	1,025	-65.7%
% HECM Refinance	6.0%	7.6%	-1.6% #	9.1%	-3.1% #
HECM Refinance ARM	117	203	-42.4%	989	-88.2%

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. FICO Scores are weighted by the relative importance of loan type.

FHA OUTLOOK

SINGLE-FAMILY OPERATIONS

March 2010

MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
FORWARD ENDORSEMENTS ONLY: *					
Section 203(k)	2,130	1,804	18.1%	1,108	92.2%
Condominium	7,214	7,541	-4.3%	6,727	7.2%
% Condominium	5.5%	5.7%	-0.3% #	4.5%	1.0% #
ARM (Excludes HECM ARM)	3,174	3,719	-14.7%	204	1455.9%
% ARM	2.4%	2.8%	-0.4% #	0.1%	2.3% #
Manufactured Housing (Real Estate)	2,622	2,937	-10.7%	3,263	-19.6%
Interest Buy-down	266	197	35.0%	259	2.7%
Average Processing Time * ^					
(Existing Homes, weeks)					
Application to Closing	6.9	7.7	-10.4%	5.9	16.9%
Closing to Endorsement	4.2	5.3	-20.8%	3.7	13.5%
Lender Insurance *					
Total Lender Insurance	100,075	98,246	1.9%	99,054	1.0%
% of Total Insurance	75.6%	74.4%	1.2% #	65.5%	10.1% #
Forward Mortgages	98,954	96,849	2.2%	95,109	4.0%
HECM	1,121	1,397	-19.8%	3,945	-71.6%
Automated Underwriting System * x					
AUS Endorsed	111,261	102,071	9.0%	97,913	13.6%
AUS as % of Total Endorsed	88.0%	81.7%	6.3% #	70.0%	18.0% #
Mortgage Insurance *					
Total Number	132,301	131,978	0.2%	151,140	-12.5%
Total Amount (\$B)	\$24.1	\$24.4	-1.2%	\$28.0	-13.9%
Forward Mortgages					
Total Forward Number	126,479	124,954	1.2%	139,879	-9.6%
Amount (\$B)	\$22.6	\$22.5	0.4%	\$25.2	-10.3%
Purchase Number	82,879	73,038	13.5%	59,627	39.0%
Amount (\$B)	\$14.5	\$12.8	13.3%	\$10.0	45.0%
Refinance Number	43,600	51,916	-16.0%	80,252	-45.7%
Amount (\$B)	\$8.1	\$9.7	-16.5%	\$15.2	-46.7%
Reverse Mortgages					
HECM Number	5,822	7,024	-17.1%	11,261	-48.3%
Max Claim Amount (\$B)	\$1.5	\$1.9	-21.1%	\$2.8	-46.4%
Mortgage Insurance-In-Force **					
Total Number	6,114,452	6,014,729	1.7%	4,904,167	24.7%
Total Unpaid Balance Amount (\$B)	\$805.6	\$786.5	2.4%	\$577.2	39.6%
Loans Seriously Delinquent *** <					
90 Days + Delinquent	536,858	553,929	-3.1%	347,504	54.5%
Seriously Delinquent Rate	8.8%	9.2%	-0.4% #	7.1%	1.7% #

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

SINGLE-FAMILY OPERATIONS

March 2010

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	1,138,765	1,405,620	-19.0%	2,944,678
Purchase	1,375,000	633,075	505,922	25.1%	1,256,494
Refinance	1,000,000	466,455	814,150	-42.7%	1,472,023
Prior FHA	375,000	176,420	269,613	-34.6%	559,698
Conventional to FHA	625,000	290,035	543,542	-46.6%	911,373
Conventional to FHA (Delinquent)			995		952
H4H (HOPE for Homeowners)		226	845	-73.3%	934
HECM	125,000	39,235	85,548	-54.1%	162,619
TOTAL ENDORSEMENTS: *	1,875,000	935,349	867,749	7.8%	1,946,809
Minority	487,500	226,097	225,762	0.1%	474,072
% Minority	26.0%	24.2%	26.0%	-1.8% #	24.4%
Purchase	969,375	550,885	444,078	24.1%	995,590
% Purchase	51.7%	58.9%	51.2%	7.7% #	51.1%
1st Time Home Buyer	775,500	448,492	343,788	30.5%	781,718
% 1st Time Home Buyer	80.0%	81.4%	77.4%	4.0% #	78.5%
Non-Minority	496,320	286,719	210,136	36.4%	496,506
% Non-Minority	64.0%	63.9%	61.1%	2.8% #	63.5%
Minority	232,650	131,917	111,072	18.8%	233,104
% Minority	30.0%	29.4%	32.3%	-2.9% #	29.8%
Not-Disclosed	46,530	29,855	22,527	32.5%	52,054
% Not-Disclosed	6.0%	6.7%	6.6%	0.1% #	6.7%
Refinanced	798,750	339,215	365,782	-7.3%	836,528
% Refinanced	42.6%	36.3%	42.2%	-5.9% #	43.0%
Prior FHA	351,450	164,185	123,521	32.9%	367,480
Streamline	311,522	145,905	104,428	39.7%	329,441
% Streamline	39.0%	43.0%	28.5%	14.5% #	39.4%
Full Process	39,928	18,280	19,069	-4.1%	38,039
Cash Out	17,000	6,644	8,553	-22.3%	23,432
Conventional to FHA	447,300	175,028	241,975	-27.7%	468,740
Cash Out	203,000	57,456	81,472	-29.5%	233,755
Conventional to FHA (Delinquent)	320	2	310		316
Total Cash Out	220,000	64,100	90,025	-28.8%	257,187
Total % Cash Out	27.5%	18.9%	24.6%	-5.7% #	30.7%
H4H (HOPE for Homeowners)		12			23
HECM	106,875	45,250	57,856	-21.8%	114,691
% HECM	5.7%	4.8%	6.7%	-1.8% #	5.9%
HECM Traditional	96,188	41,369	53,567	-22.8%	106,866
HECM Traditional ARM	94,264	13,783	52,098	-73.5%	98,121
HECM Purchase	3,420	738	67		480
HECM Purchase ARM	3,352	89	65		382
HECM Refinance	7,268	3,143	4,222	-25.6%	9,220
% HECM Refinance	6.8%	6.9%	7.3%	-0.4% #	8.0%
HECM Refinance ARM	7,122	1,001	4,105	-75.6%	8,466

Source: * F17 CHUMS

- Percentage point difference

FHA OUTLOOK

SINGLE-FAMILY OPERATIONS

March 2010

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
FORWARD ENDORSEMENTS ONLY: *					
Section 203(k)	22,000	11,123	7,202	54.4%	16,904
Condominium	110,000	53,799	39,854	35.0%	96,119
% Condominium	5.9%	5.8%	4.6%	1.2% #	4.9%
ARM (Excludes HECM ARM)	50,000	22,855	6,244	266.0%	14,361
% ARM	2.7%	2.4%	0.7%	1.7% #	0.7%
Manufactured Housing (Real Estate)	50,000	17,169	25,590	-32.9%	46,463
Interest Buy-down	4,000	1,839	4,810	-61.8%	6,702
Lender Insurance *					
Total Lender Insurance	1,312,500	671,837	612,727	9.6%	1,363,323
% of Total Insurance	70.0%	71.8%	70.6%	1.2% #	70.0%
Forward Mortgages	1,273,125	662,960	593,078	11.8%	1,330,825
HECM	39,375	8,877	19,649	-54.8%	32,498
Automated Underwriting System * x					
AUS Endorsed	1,406,250	718,758	637,668	12.7%	1,399,854
AUS as % of Total Endorsed	79.5%	80.8%	78.7%	2.0% #	76.4%
Mortgage Insurance *					
Total Number	1,875,000	935,339	867,698	7.8%	1,946,809
Total Amount (\$B)	\$349.7	\$171.1	\$158.2	8.2%	\$360.7
Forward Mortgages					
Total Forward Number	1,768,125	890,091	809,842	9.9%	1,832,118
Amount (\$B)	\$323.0	\$158.6	\$144.5	9.8%	\$330.5
Purchase Mortgages					
Purchase Number	969,375	550,882	444,072	24.1%	995,590
Amount (\$B)	\$169.6	\$94.8	\$76.6	23.8%	\$171.7
Refinance Mortgages					
Refinance Number	798,750	339,209	365,770	-7.3%	836,528
Amount (\$B)	\$153.4	\$63.8	\$67.9	-6.0%	\$158.8
Reverse Mortgages					
HECM Number	106,875	45,248	57,856	-21.8%	114,691
Max Claim Amount (\$B)	\$26.7	\$12.5	\$13.7	-8.8%	\$30.2
Claims **					
Total Claims	213,000	129,503	92,113	40.6%	207,957
Loss Mitigation Retention	130,000	75,466	56,583	33.4%	127,134
Loss Mitigation (Property Sales)	8,000	6,579	2,908	126.2%	7,410
Other Claims (Conveyances)	75,000	47,458	32,622	45.5%	73,413

Source: * F17 CHUMS ** A43C Claims System

= Percentage point difference

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.

SINGLE FAMILY OPERATIONS

February 2010

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Applications

During February, despite bad weather in some parts of the country, the estimated annual rate for applications rose to 2,011,600 -- up from 1,681,500 during January.

The actual count of request for case numbers (application) was 165,239 -- 31.1 percent above the 126,048 reported last month. This total consisted of 97,171 purchase mortgage applications, 61,425 refinances as well as 6,643 reverse mortgage applications. The refinances included 12,464 prior FHA mortgages and 48,961 conventional to FHA conversions. There were 46 H4H applications included in this refinance total.

Endorsements

During February, FHA endorsed 131,978 single-family mortgages. This involved 73,038 purchase money mortgages, 51,916 refinances and 7,024 HECMs. The refinanced cases included 22,761 prior FHA cases, most handled with streamlined procedures, 29,156 conventional conversions and 1 formally delinquent conventional conversion.

With respect to the refinances, 10,447 were cash out deals -- 20.1 percent of the refinance actions.

No H4H mortgages were insured.

As for HECMs, 7,024 cases were endorsed during February -- most of these being traditional reverse mortgages.

Automated Underwriting

This month 102,071 cases were accepted and endorsed using the FHA scorecard. This represents 81.7 percent of the total cases insured this month.

Other

The total amount of insurance endorsed this month covered 131,978 mortgages for \$24 billion. This includes 124,954 in forward mortgages for \$22.5 billion and 7,024 in reverse mortgages for \$1.9 billion.

For February, 553,929 mortgages were in a seriously delinquent status (90 days +) for a default rate of 9.2 percent.

So far this fiscal year, FHA has paid 100,428 claims. Most have been loss mitigation retention claims.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

February 2010

MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
TOTAL APPLICATIONS: *	165,239	126,043	31.1%	224,365	-26.4%
Annual Rate	2,011,600	1,681,500	19.6%	2,851,400	-29.5%
Average per workday	7,951	6,646	19.6%	11,271	-29.5%
Purchase	97,171	70,693	37.5%	85,521	13.6%
Refinance	61,425	49,545	24.0%	126,113	-51.3%
Prior FHA	12,464	10,377	20.1%	45,722	-72.7%
Conventional to FHA	48,961	39,168	25.0%	80,391	-39.1%
Conventional to FHA (Delinquent)					
H4H (HOPE for Homeowners)	46	43	7.0%	209	-78.0%
HECM	6,643	5,805	14.4%	12,731	-47.8%
TOTAL ENDORSEMENTS: *	131,978	158,612	-16.8%	135,718	-2.8%
Annual Rate	1,583,700	1,903,300	-16.8%	1,628,600	-2.8%
Weighted Average FICO Score **	693	694	-0.1%	663	4.5%
Minority	33,902	39,618	-14.4%	33,659	0.7%
% Minority	25.7%	25.0%	0.7% #	24.8%	0.9% #
Purchase	73,038	90,030	-18.9%	52,356	39.5%
% Purchase	55.3%	56.8%	-1.4% #	38.6%	16.8% #
Average FICO Score **	697	696	0.1%	678	2.8%
1st Time Home Buyer	57,890	73,111	-20.8%	40,699	42.2%
% 1st Time Home Buyer	79.3%	81.2%	-1.9% #	77.7%	1.5% #
Non-Minority	35,059	44,970	-22.0%	23,992	46.1%
% Non-Minority	60.6%	61.5%	-0.9% #	58.9%	1.6% #
Minority	18,972	23,049	-17.7%	13,935	36.1%
% Minority	32.8%	31.5%	1.2% #	34.2%	-1.5% #
Not-Disclosed	3,859	5,089	-24.2%	2,773	39.2%
% Not-Disclosed	6.7%	7.0%	-0.3% #	6.8%	-0.1% #
Refinanced	51,916	60,954	-14.8%	74,276	-30.1%
% Refinanced	39.3%	38.4%	0.9% #	54.7%	-15.4% #
Average FICO Score **	683	690	-1.0%	644	6.1%
Prior FHA	22,761	30,266	-24.8%	35,615	-36.1%
Streamline	19,107	26,938	-29.1%	32,201	-40.7%
% Streamline	36.8%	44.2%	-7.4% #	43.4%	-6.5% #
Full Process	3,654	3,328	9.8%	3,414	7.0%
Cash Out	1,149	1,148	0.1%	1,259	-8.7%
Conventional to FHA	29,156	30,689	-5.0%	38,644	-24.6%
Cash Out	9,298	9,803	-5.2%	11,105	-16.3%
Conventional to FHA (Delinquent)	1	0		22	-95.5%
Total Cash Out	10,447	10,951	-4.6%	12,364	-15.5%
Total % Cash Out	20.1%	18.0%	2.2% #	16.6%	3.5% #
H4H (HOPE for Homeowners)	0	0			
HECM	7,024	7,628	-7.9%	9,086	-22.7%
% HECM	5.3%	4.8%	0.5% #	6.7%	-1.4% #
HECM Traditional	6,358	6,911	-8.0%	7,980	-20.3%
HECM Traditional ARM	1,979	2,244	-11.8%	7,694	-74.3%
HECM Purchase	129	113	14.2%	5	
HECM Purchase ARM	10	8	25.0%	5	
HECM Refinance	537	605	-11.2%	1,102	-51.3%
% HECM Refinance	7.6%	7.9%	-0.3% #	12.1%	-4.5% #
HECM Refinance ARM	203	170	19.4%	1,071	-81.0%

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. FICO Scores are weighted by the relative importance of loan type.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

February 2010

MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
FORWARD ENDORSEMENTS ONLY: *					
Section 203(k)	1,804	1,917	-5.9%	1,061	70.0%
Condominium	7,541	9,185	-17.9%	5,925	27.3%
% Condominium	5.7%	5.8%	-0.1% #	4.4%	1.3% #
ARM (Excludes HECM ARM)	3,719	3,707	0.3%	184	1921.2%
% ARM	2.8%	2.3%	0.5% #	0.1%	2.7% #
Manufactured Housing (Real Estate)	2,937	2,961	-0.8%	3,342	-12.1%
Interest Buy-down	197	275	-28.4%	277	-28.9%
Average Processing Time * ^					
(Existing Homes, weeks)					
Application to Closing	7.7	8.2	-6.1%	5.7	35.1%
Closing to Endorsement	5.3	5.3	0.0%	3.7	43.2%
Lender Insurance *					
Total Lender Insurance	98,246	114,661	-14.3%	93,923	4.6%
% of Total Insurance	74.4%	72.3%	2.2% #	69.2%	5.2% #
Forward Mortgages	96,849	113,357	-14.6%	90,677	6.8%
HECM	1,397	1,304	7.1%	3,246	-57.0%
Automated Underwriting System * x					
AUS Endorsed	102,071	120,145	-15.0%	87,838	16.2%
AUS as % of Total Endorsed	81.7%	79.6%	2.1% #	69.4%	12.3% #
Mortgage Insurance *					
Total Number	131,978	158,612	-16.8%	135,718	-2.8%
Total Amount (\$B)	\$24.4	\$29.1	-16.2%	\$25.5	-4.3%
Forward Mortgages					
Total Forward Number	124,954	150,984	-17.2%	126,632	-1.3%
Amount (\$B)	\$22.5	\$27.0	-16.7%	\$23.1	-2.6%
Purchase Number	73,038	90,030	-18.9%	52,356	39.5%
Amount (\$B)	\$12.8	\$15.5	-17.4%	\$9.0	42.2%
Refinance Number	51,916	60,954	-14.8%	74,276	-30.1%
Amount (\$B)	\$9.7	\$11.5	-15.7%	\$14.1	-31.2%
Reverse Mortgages					
HECM Number	7,024	7,628	-7.9%	9,086	-22.7%
Max Claim Amount (\$B)	\$1.9	\$2.1	-9.5%	\$2.4	-20.8%
Mortgage Insurance-In-Force **					
Total Number	6,014,729	5,917,805	1.6%	4,819,839	24.8%
Total Unpaid Balance Amount (\$B)	\$786.5	\$768.7	2.3%	\$560.0	40.4%
Loans Seriously Delinquent *** <					
90 Days + Delinquent	553,929	558,944	-0.9%	348,703	58.9%
Seriously Delinquent Rate	9.2%	9.4%	-0.2% #	7.3%	1.9% #

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

SINGLE FAMILY OPERATIONS

February 2010

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	892,359	1,098,059	-18.7%	2,861,482
Purchase	1,375,000	470,332	397,075	18.4%	1,256,494
Refinance	1,000,000	390,190	631,500	-38.2%	1,472,023
Prior FHA	375,000	155,698	199,968	-22.1%	559,698
Conventional to FHA	625,000	234,492	430,319	-45.5%	911,373
Conventional to FHA (Delinquent)			1,213		952
H4H (HOPE for Homeowners)		149	674	-77.9%	934
HECM	125,000	31,837	69,484	-54.2%	162,619
TOTAL ENDORSEMENTS: *	1,875,000	803,126	716,609	12.1%	1,946,809
Minority	487,500	193,138	189,359	2.0%	474,072
% Minority	26.0%	24.0%	26.4%	-2.4% #	24.4%
Purchase	969,375	468,036	384,465	21.7%	995,590
% Purchase	51.7%	58.3%	53.7%	4.6% #	51.1%
1st Time Home Buyer	775,500	383,584	296,962	29.2%	781,718
% 1st Time Home Buyer	80.0%	82.0%	77.2%	4.7% #	78.5%
Non-Minority	496,320	246,240	181,477	35.7%	496,506
% Non-Minority	64.0%	64.2%	61.1%	3.1% #	63.5%
Minority	232,650	111,975	96,012	16.6%	233,104
% Minority	30.0%	29.2%	32.3%	-3.1% #	29.8%
Not-Disclosed	46,530	25,386	19,429	30.7%	52,054
% Not-Disclosed	6.0%	6.6%	6.5%	0.1% #	6.7%
Refinanced	798,750	295,645	285,547	3.5%	836,528
% Refinanced	42.6%	36.8%	39.8%	-3.0% #	43.0%
Prior FHA	351,450	149,203	83,911	77.8%	367,480
Streamline	311,522	134,782	68,322	97.3%	329,441
% Streamline	39.0%	45.6%	23.9%	21.7% #	39.4%
Full Process	39,928	14,421	15,589	-7.5%	38,039
Cash Out	17,000	5,490	7,372	-25.5%	23,432
Conventional to FHA	447,300	146,444	201,343	-27.3%	468,740
Cash Out	203,000	47,919	71,554	-33.0%	233,755
Conventional to FHA (Delinquent)	320		315		316
Total Cash Out	220,000	53,409	78,926	-32.3%	257,187
Total % Cash Out	27.5%	18.1%	27.6%	-9.6% #	30.7%
H4H (HOPE for Homeowners)		12			23
HECM	106,875	39,445	46,597	-15.3%	114,691
% HECM	5.7%	4.9%	6.5%	-1.6% #	5.9%
HECM Traditional	96,188	35,989	43,394	-17.1%	104,667
HECM Traditional ARM	94,264	12,209	42,194	-71.1%	95,905
HECM Purchase	3,420	662	6		428
HECM Purchase ARM	3,352	75	6		332
HECM Refinance	7,268	2,795	3,199	-12.6%	9,297
% HECM Refinance	6.8%	7.1%	6.9%	0.2% #	8.1%
HECM Refinance ARM	7,122	885	3,118	-71.6%	8,548

Source: * F17 CHUMS

- Percentage point difference

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

February 2010

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
FORWARD ENDORSEMENTS ONLY: *					
Section 203(k)	15,000	8,995	6,094	47.6%	16,904
Condominium	84,375	46,584	33,129	40.6%	96,119
% Condominium	4.5%	5.8%	4.6%	1.2% #	4.9%
ARM (Excludes HECM ARM)	9,375	19,675	6,035	226.0%	14,361
% ARM	0.5%	2.4%	0.8%	1.6% #	0.7%
Manufactured Housing (Real Estate)	50,000	14,547	22,330	-34.9%	46,463
Interest Buy-down	8,000	1,537	4,545	-66.2%	6,702
Lender Insurance *					
Total Lender Insurance	1,312,500	572,258	513,720	11.4%	1,363,323
% of Total Insurance	70.0%	71.3%	71.7%	-0.4% #	70.0%
Forward Mortgages	1,273,125	564,052	498,014	13.3%	1,330,825
HECM	39,375	8,206	15,706	-47.8%	32,498
Automated Underwriting System * x					
AUS Endorsed	1,406,250	607,547	539,796	12.6%	1,399,854
AUS as % of Total Endorsed	79.5%	79.6%	80.6%	-1.0% #	76.4%
Mortgage Insurance *					
Total Number	1,875,000	803,121	716,609	12.1%	1,946,809
Total Amount (\$B)	\$349.7	\$147.0	\$130.1	13.0%	\$360.7
Forward Mortgages					
Total Forward Number	1,768,125	763,676	670,012	14.0%	1,832,118
Amount (\$B)	\$323.0	\$136.0	\$119.2	14.1%	\$330.5
Purchase Number					
Purchase Number	969,375	468,034	384,465	21.7%	995,590
Amount (\$B)	\$169.6	\$80.3	\$66.6	20.6%	\$171.7
Refinance Number					
Refinance Number	798,750	295,642	285,547	3.5%	836,528
Amount (\$B)	\$153.4	\$55.7	\$52.6	5.9%	\$158.8
Reverse Mortgages					
HECM Number	106,875	39,445	46,597	-15.3%	114,691
Max Claim Amount (\$B)	\$26.7	\$11.0	\$10.9	0.9%	\$30.2
Claims **					
Total Claims	213,000	100,428	77,076	30.3%	207,957
Loss Mitigation Retention	130,000	58,018	48,366	20.0%	127,134
Loss Mitigation (Property Sales)	8,000	5,309	2,452	116.5%	7,410
Other Claims (Conveyances)	75,000	37,101	26,258	41.3%	73,413

Source: * F17 CHUMS ** A43C Claims System

= Percentage point difference

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.

SINGLE FAMILY OPERATIONS

January 2010

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

Applications

During January of 2010, we received 126,043 applications – a sharp decrease from the 243,511 we received during January of 2009. This may in part be because (1) FHA tightened its underwriting standards for streamline refinancing in mid-November and (2) during December and January there were severe weather conditions in the middle Atlantic States as well as some other parts of the country.

Of these 126,043 applications, 70,693 were requests for appraisal for purchase money mortgages, 49,545 for refinancing, and 5,805 for reverse mortgages (HECMs).

Endorsements

158,618 single-family mortgages were endorsed for insurance during January 2010. This consisted of 90,030 purchase money mortgages, 60,954 refinanced mortgages, and 7,628 HECMs. Of the refinancing, 30,266 were on prior FHA mortgages and 30,689 were on conventional mortgages. No H4H mortgages were endorsed during January, 2010.

The 7,628 HECMs consisted of 6,911 traditional HECMs, 113 purchase HECMs, and 605 refinanced HECMs.

Over the past year, there has been a gradual increase in the use of adjustable rate mortgages (ARMs). From a low of 184 ARM endorsements during February 2009, we endorsed 4,362 ARMs during December 2009, and 3,707 during January 2010.

Automated Underwriting

During January, 120,145 single-family mortgages were accepted and endorsed using the FHA score card, TOTAL. That represented 79.6 percent of all cases endorsed for the month.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

January 2010

MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
TOTAL APPLICATIONS: *	126,043	141,766	-11.1%	243,511	-48.2%
Annual Rate	1,681,500	2,138,400	-21.4%	3,232,300	-48.0%
Average per workday	6,646	8,452	-21.4%	12,776	-48.0%
Purchase	70,693	74,453	-5.1%	63,258	11.8%
Refinance	49,545	60,387	-18.0%	167,576	-70.4%
Prior FHA	10,377	15,198	-31.7%	73,835	-85.9%
Conventional to FHA	39,168	45,189	-13.3%	93,739	-58.2%
Conventional to FHA (Delinquent)				2	-100.0%
H4H (HOPE for Homeowners)	43	19	126.3%	95	-54.7%
HECM	5,805	6,926	-16.2%	12,677	-54.2%
TOTAL ENDORSEMENTS: *	158,612	179,155	-11.5%	143,961	10.2%
Annual Rate	1,903,300	2,149,900	-11.5%	1,727,500	10.2%
Weighted Average FICO Score **	694	694	0.0%	660	5.2%
Minority	39,618	42,217	-6.2%	37,837	4.7%
% Minority	25.0%	23.6%	1.4% #	26.3%	-1.3% #
Purchase	90,030	106,137	-15.2%	70,674	27.4%
% Purchase	56.8%	59.2%	-2.5% #	49.1%	7.7% #
Average FICO Score **	696	696	0.0%	677	2.8%
1st Time Home Buyer	73,111	89,124	-18.0%	54,534	34.1%
% 1st Time Home Buyer	81.2%	84.0%	-2.8% #	77.2%	4.0% #
Non-Minority	44,970	57,896	-22.3%	32,402	38.8%
% Non-Minority	61.5%	65.0%	-3.5% #	59.4%	2.1% #
Minority	23,049	25,304	-8.9%	18,500	24.6%
% Minority	31.5%	28.4%	3.1% #	33.9%	-2.4% #
Not-Disclosed	5,089	5,924	-14.1%	3,629	40.2%
% Not-Disclosed	7.0%	6.6%	0.3% #	6.7%	0.3% #
Refinanced	60,954	64,734	-5.8%	63,429	-3.9%
% Refinanced	38.4%	36.1%	2.3% #	44.1%	-5.6% #
Average FICO Score **	690	687	0.4%	633	9.0%
Prior FHA	30,266	36,553	-17.2%	22,646	33.6%
Streamline	26,938	34,001	-20.8%	19,377	39.0%
% Streamline	44.2%	52.5%	-8.3% #	30.5%	13.6% #
Full Process	3,328	2,552	30.4%	3,269	1.8%
Cash Out	1,148	1,027	11.8%	1,447	-20.7%
Conventional to FHA	30,689	28,181	8.9%	40,744	-24.7%
Cash Out	9,803	8,889	10.3%	13,441	-27.1%
Conventional to FHA (Delinquent)	0			50	-100.0%
Total Cash Out	10,951	9,916	10.4%	14,888	-26.4%
Total % Cash Out	18.0%	15.3%	2.6% #	23.5%	-5.5% #
H4H (HOPE for Homeowners)	0	0			
HECM	7,628	8,284	-7.9%	9,858	-22.6%
% HECM	4.8%	4.6%	0.2% #	6.8%	-2.0% #
HECM Traditional	6,911	7,630	-9.4%	8,780	-21.3%
HECM Traditional ARM	2,244	2,418	-7.2%	8,448	-73.4%
HECM Purchase	113	155	-27.1%		
HECM Purchase ARM	8	21	-61.9%		
HECM Refinance	605	499	21.2%	1,078	-43.9%
% HECM Refinance	7.9%	6.0%	1.9% #	10.9%	-3.0% #
HECM Refinance ARM	170	142	19.7%	1,047	-83.8%

Source: * F17 CHUMS # - Percentage point difference

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FHA OUTLOOK

SINGLE FAMILY OPERATIONS

January 2010

MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
FORWARD ENDORSEMENTS ONLY: *					
Section 203(k)	1,917	1,800	6.5%	1,532	25.1%
Condominium	9,185	10,483	-12.4%	6,452	42.4%
% Condominium	5.8%	5.9%	-0.1% #	4.5%	1.3% #
ARM (Excludes HECM ARM)	3,707	4,362	-15.0%	483	667.5%
% ARM	2.3%	2.4%	-0.1% #	0.3%	2.0% #
Manufactured Housing (Real Estate)	2,961	2,937	0.8%	4,093	-27.7%
Interest Buy-down	275	361	-23.8%	631	-56.4%
Average Processing Time * ^					
(Existing Homes, weeks)					
Application to Closing	8.2	7.5	9.3%	5.6	46.4%
Closing to Endorsement	5.3	4.4	20.5%	4.0	32.5%
Lender Insurance *					
Total Lender Insurance	114,661	124,914	-8.2%	103,891	10.4%
% of Total Insurance	72.3%	69.7%	2.6% #	72.2%	0.1% #
Forward Mortgages	113,357	123,231	-8.0%	99,930	13.4%
HECM	1,304	1,683	-22.5%	3,961	-67.1%
Automated Underwriting System * x					
AUS Endorsed	120,145	132,449	-9.3%	105,043	14.4%
AUS as % of Total Endorsed	79.6%	77.5%	2.1% #	78.3%	1.2% #
Mortgage Insurance *					
Total Number	158,612	179,155	-11.5%	143,961	10.2%
Total Amount (\$B)	\$29.1	\$32.5	-10.5%	\$26.6	9.4%
Forward Mortgages					
Total Forward Number	150,984	170,871	-11.6%	134,103	12.6%
Amount (\$B)	\$27.0	\$30.2	-10.6%	\$24.1	12.0%
Purchase Number	90,030	106,137	-15.2%	70,674	27.4%
Amount (\$B)	\$15.5	\$17.9	-13.4%	\$12.3	26.0%
Refinance Number	60,954	64,734	-5.8%	63,429	-3.9%
Amount (\$B)	\$11.5	\$12.3	-6.5%	\$11.8	-2.5%
Reverse Mortgages					
HECM Number	7,628	8,284	-7.9%	9,858	-22.6%
Max Claim Amount (\$B)	\$2.1	\$2.3	-8.7%	\$2.5	-16.0%
Mortgage Insurance-In-Force **					
Total Number	5,917,805	5,815,006	1.8%	4,756,624	24.4%
Total Unpaid Balance Amount (\$B)	\$768.7	\$750.3	2.5%	\$547.5	40.4%
Loans Seriously Delinquent *** <					
90 Days + Delinquent	558,944	531,671	5.1%	344,856	62.1%
Seriously Delinquent Rate	9.4%	9.1%	0.3% #	7.3%	2.1% #

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

SINGLE FAMILY OPERATIONS

January 2010

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	727,120	873,694	-16.8%	2,880,628
Purchase	1,375,000	373,161	311,554	19.8%	1,256,494
Refinance	1,000,000	328,765	505,387	-34.9%	1,472,023
Prior FHA	375,000	143,234	154,246	-7.1%	559,698
Conventional to FHA	625,000	185,531	349,928	-47.0%	911,373
Conventional to FHA (Delinquent)			1,213		952
H4H (HOPE for Homeowners)		103	465	-77.8%	934
HECM	125,000	25,194	56,753	-55.6%	162,619
TOTAL ENDORSEMENTS: *	1,875,000	671,148	580,891	15.5%	1,946,809
Minority	487,500	159,236	155,700	2.3%	474,072
% Minority	26.0%	23.7%	26.8%	-3.1% #	24.4%
Purchase	969,375	394,998	332,109	18.9%	995,590
% Purchase	51.7%	58.9%	57.2%	1.7% #	51.1%
1st Time Home Buyer	775,500	325,705	256,267	27.1%	781,718
% 1st Time Home Buyer	80.0%	82.5%	77.2%	5.3% #	78.5%
Non-Minority	496,320	211,181	157,485	34.1%	496,506
% Non-Minority	64.0%	64.8%	61.5%	3.4% #	63.5%
Minority	232,650	93,003	82,077	13.3%	233,104
% Minority	30.0%	28.6%	32.0%	-3.5% #	29.8%
Not-Disclosed	46,530	21,527	16,656	29.2%	52,054
% Not-Disclosed	6.0%	6.6%	6.5%	0.1% #	6.7%
Refinanced	798,750	243,729	211,271	15.4%	836,528
% Refinanced	42.6%	36.3%	36.4%	-0.1% #	43.0%
Prior FHA	351,450	126,442	48,296	161.8%	367,480
Streamline	311,522	115,675	36,121	220.2%	329,441
% Streamline	39.0%	47.5%	17.1%	30.4% #	39.4%
Full Process	39,928	10,767	12,175	-11.6%	38,039
Cash Out	17,000	4,341	6,113	-29.0%	23,432
Conventional to FHA	447,300	117,288	162,699	-27.9%	468,740
Cash Out	203,000	38,621	60,449	-36.1%	233,755
Conventional to FHA (Delinquent)	320		293		316
Total Cash Out	220,000	42,962	66,562	-35.5%	257,187
Total % Cash Out	27.5%	17.6%	31.5%	-13.9% #	30.7%
H4H (HOPE for Homeowners)		12			23
HECM	106,875	32,421	37,511	-13.6%	114,691
% HECM	5.7%	4.8%	6.5%	-1.6% #	5.9%
HECM Traditional	96,188	29,631	35,414	-16.3%	105,467
HECM Traditional ARM	94,264	10,230	34,500	-70.3%	96,659
HECM Purchase	3,420	533			423
HECM Purchase ARM	3,352	65			327
HECM Refinance	7,268	2,258	2,097	7.7%	9,273
% HECM Refinance	6.8%	7.0%	5.6%	1.4% #	8.1%
HECM Refinance ARM	7,122	682	2,047	-66.7%	8,524

Source: * F17 CHUMS

- Percentage point difference

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

January 2010

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
FORWARD ENDORSEMENTS ONLY: *					
Section 203(k)	15,000	7,191	5,033	42.9%	16,904
Condominium	84,375	39,043	27,204	43.5%	96,119
% Condominium	4.5%	5.8%	4.7%	1.1% #	4.9%
ARM (Excludes HECM ARM)	9,375	15,956	5,851	172.7%	14,361
% ARM	0.5%	2.4%	1.0%	1.4% #	0.7%
Manufactured Housing (Real Estate)	50,000	11,610	18,988	-38.9%	46,463
Interest Buy-down	8,000	1,340	4,268	-68.6%	6,702
Lender Insurance *					
Total Lender Insurance	1,312,500	474,012	419,797	12.9%	1,363,323
% of Total Insurance	70.0%	70.6%	72.3%	-1.6% #	70.0%
Forward Mortgages	1,273,125	467,203	407,337	14.7%	1,330,825
HECM	39,375	6,809	12,460	-45.4%	32,498
Automated Underwriting System * x					
AUS Endorsed	1,406,250	505,476	451,958	11.8%	1,399,854
AUS as % of Total Endorsed	79.5%	79.1%	83.2%	-4.0% #	76.4%
Mortgage Insurance *					
Total Number	1,875,000	671,143	580,891	15.5%	1,946,809
Total Amount (\$B)	\$349.7	\$122.5	\$104.6	17.1%	\$360.7
Forward Mortgages					
Total Forward Number	1,768,125	638,722	543,380	17.5%	1,832,118
Amount (\$B)	\$323.0	\$113.4	\$96.1	18.0%	\$330.5
Purchase Number					
Purchase Number	969,375	394,996	332,109	18.9%	995,590
Amount (\$B)	\$169.6	\$67.5	\$57.6	17.1%	\$171.7
Refinance Number					
Refinance Number	798,750	243,726	211,271	15.4%	836,528
Amount (\$B)	\$153.4	\$46.0	\$38.5	19.4%	\$158.8
Reverse Mortgages					
HECM Number	106,875	32,421	37,511	-13.6%	114,691
Max Claim Amount (\$B)	\$26.7	\$9.1	\$8.5	6.7%	\$30.2
Claims **					
Total Claims	213,000	77,877	61,721	26.2%	207,957
Loss Mitigation Retention	130,000	44,195	38,704	14.2%	127,134
Loss Mitigation (Property Sales)	8,000	4,312	2,027	112.7%	7,410
Other Claims (Conveyances)	75,000	29,370	20,990	39.9%	73,413

Source: * F17 CHUMS ** A43C Claims System

= Percentage point difference

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.

SINGLE FAMILY OPERATIONS

December 2009

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

Applications

- During December, the estimated annual rate for applications slid to 2,138,400. While there has been some recent weakness in activity, this drop was likely aided by the very bad weather during this month.
- The actual count of applications was 141,766 -- 31.1 percent below November and 49.1 percent lower than a year ago. Included in this total were applications for 74,453 purchase transactions, 60,387 refinance cases and 6,926 reverse mortgage deals.
- The refinance transactions covered 15,198 prior FHA cases and 45,189 conventional mortgage conversions to FHA. Included in this refinance total were 19 H4H cases.

Endorsements

- This month, 179,155 single-family mortgages were endorsed for insurance. There were 106,137 purchase money mortgages, 64,734 refinance transactions and 8,284 HECMs insured.
- Of the purchase transactions, 89,124 (84%) were for first-time home buyers. With respect to the refinance transactions, 35,553 were prior FHA refinances while 28,181 were conventional mortgages converting to FHA-insured mortgages.
- For forward mortgage refinances, 9,916 were cash-outs, of which about 90% were conventional conversion transactions.
- Of the 8,284 reverse mortgages, 7,630 were traditional HECMs, while 499 were refinance transactions and 155 were purchase-type mortgages.
- During the month, 10,483 condominium units were insured, as well as 1,800 Section 203(k) mortgages and 2,937 manufactured housing cases.
- Also of note, it took an average of roughly 12 weeks to process a case, that, is from application to insurance endorsement.
- During the month, 179,155 mortgages were endorsed for \$32.5 billion. This included 170,871 forward mortgages for \$30.2 billion and 8,284 reverse mortgages endorsed for \$2.3 billion.
- At the end of December, 5,815,006 single family mortgages were in force having an amortized outstanding balance of \$750 billion.
- In addition, 531,671 mortgages were seriously delinquent (90 days +) yielding a serious default rate of 9.1 percent. Last December there were 319,741 seriously delinquent mortgages with a rate of 6.8 percent.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

December 2009

MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
TOTAL APPLICATIONS: *	141,766	205,808	-31.1%	278,256	-49.1%
Annual Rate	2,138,400	2,822,600	-24.2%	4,219,400	-49.3%
Average per workday	8,452	11,157	-24.2%	16,677	-49.3%
Purchase	74,453	87,142	-14.6%	91,761	-18.9%
Refinance	60,387	112,095	-46.1%	171,959	-64.9%
Prior FHA	15,198	65,061	-76.6%	59,175	-74.3%
Conventional to FHA	45,189	47,034	-3.9%	112,198	-59.7%
Conventional to FHA (Delinquent)				586	-100.0%
H4H (HOPE for Homeowners)	19	31	-38.7%	142	-86.6%
HECM	6,926	6,571	5.4%	14,536	-52.4%
TOTAL ENDORSEMENTS: *	179,155	157,119	14.0%	140,076	27.9%
Annual Rate	2,149,900	1,885,400	14.0%	1,680,900	27.9%
Weighted Average FICO Score **	694	694	0.0%	661	5.0%
Minority	42,217	36,032	17.2%	37,597	12.3%
% Minority	23.6%	22.9%	0.6% #	26.8%	-3.3% #
Purchase	106,137	92,936	14.2%	79,066	34.2%
% Purchase	59.2%	59.2%	0.1% #	56.4%	2.8% #
Average FICO Score **	696	697	-0.1%	675	3.1%
1st Time Home Buyer	89,124	77,068	15.6%	60,874	46.4%
% 1st Time Home Buyer	84.0%	82.9%	1.0% #	77.0%	7.0% #
Non-Minority	57,896	51,298	12.9%	37,322	55.1%
% Non-Minority	65.0%	66.6%	-1.6% #	61.3%	3.7% #
Minority	25,304	20,925	20.9%	19,678	28.6%
% Minority	28.4%	27.2%	1.2% #	32.3%	-3.9% #
Not-Disclosed	5,924	4,845	22.3%	3,870	53.1%
% Not-Disclosed	6.6%	6.3%	0.4% #	6.4%	0.3% #
Refinanced	64,734	56,445	14.7%	51,249	26.3%
% Refinanced	36.1%	35.9%	0.2% #	36.6%	-0.5% #
Average FICO Score **	687	686	0.1%	637	7.8%
Prior FHA	36,553	30,373	20.3%	9,147	299.6%
Streamline	34,001	28,151	20.8%	5,949	471.5%
% Streamline	52.5%	49.9%	2.7% #	11.6%	40.9% #
Full Process	2,552	2,222	14.9%	3,198	-20.2%
Cash Out	1,027	936	9.7%	1,524	-32.6%
Conventional to FHA	28,181	26,072	8.1%	42,026	-32.9%
Cash Out	8,889	8,580	3.6%	14,956	-40.6%
Conventional to FHA (Delinquent)				78	
Total Cash Out	9,916	9,516	4.2%	16,480	-39.8%
Total % Cash Out	15.3%	16.9%	-1.5% #	32.2%	-16.8% #
H4H (HOPE for Homeowners)	0	1			
HECM	8,284	7,738	7.1%	9,761	-15.1%
% HECM	4.6%	4.9%	-0.3% #	7.0%	-2.3% #
HECM Traditional	7,630	7,110	7.3%	9,098	-16.1%
HECM Traditional ARM	2,418	2,390	1.2%	8,825	-72.6%
HECM Purchase	155	124	25.0%		
HECM Purchase ARM	21	18	16.7%		
HECM Refinance	499	504	-1.0%	663	-24.7%
% HECM Refinance	6.0%	6.5%	-0.5% #	6.8%	-0.8% #
HECM Refinance ARM	142	137	3.6%	648	-78.1%

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. FICO Scores are weighted by the relative importance of loan type.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

December 2009

MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
FORWARD ENDORSEMENTS ONLY: *					
Section 203(k)	1,800	1,637	10.0%	1,409	27.8%
Condominium	10,483	9,252	13.3%	6,417	63.4%
% Condominium	5.9%	5.9%	0.0% #	4.6%	1.3% #
ARM (Excludes HECM ARM)	4,362	3,713	17.5%	904	382.5%
% ARM	2.4%	2.4%	0.1% #	0.6%	1.8% #
Manufactured Housing (Real Estate)	2,937	2,545	15.4%	5,046	-41.8%
Interest Buy-down	361	358	0.8%	910	-60.3%
Average Processing Time * ^					
(Existing Homes, weeks)					
Application to Closing	7.5	6.5	15.4%	5.4	38.9%
Closing to Endorsement	4.4	4.0	10.0%	4.1	7.3%
Lender Insurance *					
Total Lender Insurance	124,914	107,765	15.9%	102,035	22.4%
% of Total Insurance	69.7%	68.6%	1.1% #	72.8%	-3.1% #
Forward Mortgages	123,231	106,141	16.1%	98,885	24.6%
HECM	1,683	1,624	3.6%	3,150	-46.6%
Automated Underwriting System * x					
AUS Endorsed	132,449	117,104	13.1%	111,891	18.4%
AUS as % of Total Endorsed	77.5%	78.4%	-0.9% #	85.9%	-8.3% #
Mortgage Insurance *					
Total Number	179,155	157,119	14.0%	140,076	27.9%
Total Amount (\$B)	\$32.5	\$28.7	13.2%	\$25.1	29.5%
Forward Mortgages					
Total Forward Number	170,871	149,381	14.4%	130,315	31.1%
Amount (\$B)	\$30.2	\$26.5	14.0%	\$23.0	31.3%
Purchase Number	106,137	92,936	14.2%	79,066	34.2%
Amount (\$B)	\$17.9	\$15.8	13.3%	\$13.7	30.7%
Refinance Number	64,734	56,445	14.7%	51,249	26.3%
Amount (\$B)	\$12.3	\$10.7	15.0%	\$9.3	32.3%
Reverse Mortgages					
HECM Number	8,284	7,738	7.1%	9,761	-15.1%
Max Claim Amount (\$B)	\$2.3	\$2.2	4.5%	\$2.1	9.5%
Mortgage Insurance-In-Force **					
Total Number	5,815,006	5,721,487	1.6%	4,681,291	24.2%
Total Unpaid Balance Amount (\$B)	\$750.3	\$733.6	2.3%	\$533.1	40.7%
Loans Seriously Delinquent *** <					
90 Days + Delinquent	531,671	512,150	3.8%	319,741	66.3%
Seriously Delinquent Rate	9.1%	8.9%	0.2% #	6.8%	2.3% #

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

SINGLE FAMILY OPERATIONS

December 2009

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	601,077	630,183	-4.6%	2,915,373
Purchase	1,375,000	302,468	248,296	21.8%	1,256,494
Refinance	1,000,000	279,220	337,811	-17.3%	1,472,023
Prior FHA	375,000	132,857	80,411	65.2%	559,698
Conventional to FHA	625,000	146,363	256,189	-42.9%	911,373
Conventional to FHA (Delinquent)			1,211		952
H4H (HOPE for Homeowners)		60	370	-83.8%	934
HECM	125,000	19,389	44,076	-56.0%	162,619
TOTAL ENDORSEMENTS: *	1,875,000	512,536	436,930	17.3%	1,946,809
Minority	487,500	119,618	117,863	1.5%	474,072
% Minority	26.0%	23.3%	27.0%	-3.6% #	24.4%
Purchase	969,375	304,968	261,435	16.7%	995,590
% Purchase	51.7%	59.5%	59.8%	-0.3% #	51.1%
1st Time Home Buyer	775,500	252,604	201,737	25.2%	781,718
% 1st Time Home Buyer	80.0%	82.8%	77.2%	5.7% #	78.5%
Non-Minority	496,320	166,211	125,083	32.9%	496,506
% Non-Minority	64.0%	65.8%	62.0%	3.8% #	63.5%
Minority	232,650	69,954	63,577	10.0%	233,104
% Minority	30.0%	27.7%	31.5%	-3.8% #	29.8%
Not-Disclosed	46,530	16,438	13,027	26.2%	52,054
% Not-Disclosed	6.0%	6.5%	6.5%	0.1% #	6.7%
Refinanced	798,750	182,775	147,842	23.6%	836,528
% Refinanced	42.6%	35.7%	33.8%	1.8% #	43.0%
Prior FHA	351,450	96,176	25,650	275.0%	367,480
Streamline	311,522	88,737	16,744	430.0%	329,441
% Streamline	39.0%	48.5%	11.3%	37.2% #	39.4%
Full Process	39,928	7,439	8,906	-16.5%	38,039
Cash Out	17,000	3,193	4,666	-31.6%	23,432
Conventional to FHA	447,300	86,599	121,955	-29.0%	468,740
Cash Out	203,000	28,818	47,008	-38.7%	233,755
Conventional to FHA (Delinquent)	320		243		316
Total Cash Out	220,000	32,011	51,674	-38.1%	257,187
Total % Cash Out	27.5%	17.5%	35.0%	-17.4% #	30.7%
H4H (HOPE for Homeowners)		12			23
HECM	106,875	24,793	27,653	-10.3%	114,691
% HECM	5.7%	4.8%	6.3%	-1.5% #	5.9%
HECM Traditional	96,188	22,720	26,634	-14.7%	105,785
HECM Traditional ARM	94,264	7,986	26,052	-69.3%	97,036
HECM Purchase	3,420	420			423
HECM Purchase ARM	3,352	57			327
HECM Refinance	7,268	1,653	1,019	62.2%	8,858
% HECM Refinance	6.8%	6.7%	3.7%	3.0% #	7.7%
HECM Refinance ARM	7,122	512	1,000	-48.8%	8,125

Source: * F17 CHUMS

- Percentage point difference

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

December 2009

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
FORWARD ENDORSEMENTS ONLY: *					
Section 203(k)	15,000	5,274	3,501	50.6%	16,904
Condominium	84,375	29,858	20,752	43.9%	96,119
% Condominium	4.5%	5.8%	4.7%	1.1% #	4.9%
ARM (Excludes HECM ARM)	9,375	12,249	5,368	128.2%	14,361
% ARM	0.5%	2.4%	1.2%	1.2% #	0.7%
Manufactured Housing (Real Estate)	50,000	8,649	14,895	-41.9%	46,463
Interest Buy-down	8,000	1,065	3,637	-70.7%	6,702
Lender Insurance *					
Total Lender Insurance	1,312,500	358,901	315,906	13.6%	1,363,323
% of Total Insurance	70.0%	70.0%	72.3%	-2.3% #	70.0%
Forward Mortgages	1,273,125	353,846	307,407	15.1%	1,330,825
HECM	39,375	5,055	8,499	-40.5%	32,498
Automated Underwriting System * x					
AUS Endorsed	1,406,250	385,331	346,915	11.1%	1,399,854
AUS as % of Total Endorsed	79.5%	79.0%	84.8%	-5.8% #	76.4%
Mortgage Insurance *					
Total Number	1,875,000	512,531	436,930	17.3%	1,946,809
Total Amount (\$B)	\$349.7	\$93.4	\$78.0	19.7%	\$360.7
Forward Mortgages					
Total Forward Number	1,768,125	487,738	409,277	19.2%	1,832,118
Amount (\$B)	\$323.0	\$86.4	\$72.0	20.0%	\$330.5
Purchase Number					
Purchase Number	969,375	304,966	261,435	16.7%	995,590
Amount (\$B)	\$169.6	\$52.0	\$45.3	14.7%	\$171.7
Refinance Number					
Refinance Number	798,750	182,772	147,842	23.6%	836,528
Amount (\$B)	\$153.4	\$34.5	\$26.7	29.1%	\$158.8
Reverse Mortgages					
HECM Number	106,875	24,793	27,653	-10.3%	114,691
Max Claim Amount (\$B)	\$26.7	\$7.0	\$6.0	16.2%	\$30.2
Claims **					
Total Claims	213,000	56,842	45,150	25.9%	207,957
Loss Mitigation Retention	130,000	32,124	28,143	14.1%	127,134
Loss Mitigation (Property Sales)	8,000	3,114	1,434	117.2%	7,410
Other Claims (Conveyances)	75,000	21,604	15,573	38.7%	73,413

Source: * F17 CHUMS ** A43C Claims System

= Percentage point difference

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.

SINGLE FAMILY OPERATIONS

November 2009

CONTACT INFORMATION
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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

SINGLE FAMILY OPERATIONS

November 2009

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

SINGLE FAMILY OPERATIONS

November 2009

MONTHLY COMPARISONS

	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					
Total	92,936	105,901	-12.2%	74,837	24.2%
Amount (\$B)	\$15.8	\$18.2	-13.2%	\$12.9	22.5%
Refinance Number					
Total	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

SINGLE FAMILY OPERATIONS

November 2009

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

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

November 2009

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
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					
Purchase Number	969,375	198,837	182,367	9.0%	995,590
Amount (\$B)	\$169.6	\$34.0	\$31.6	7.6%	\$171.7
Refinance Number					
Refinance Number	798,750	118,051	96,591	22.2%	836,528
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

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.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

October 1-31, 2009

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

Applications

- During October, FHA single family application level was estimated to be at an annual rate of 3,026,600.
- The actual count of applications for the month was 253,503. Included were 141,371 purchase cases, 106,240 refinances and 5,892 reverse mortgage applications.
- The refinance total consisted of 50,625 prior FHA cases and 55,615 former conventional's seeking FHA insurance. This refinance figure included 11 H4H applications.

Endorsements

- 176,279 mortgages were endorsed for insurance in October. 105,901 of those cases were purchase money mortgages and 86,416 of those were for first time home buyers, 61,606 mortgages involved refinanced transactions. Of those, 29,256 were former FHA mortgages, of which 26,589 were handled with streamlined procedures. In addition, 32,351 cases were conventional mortgages converting to FHA. Included in the refinanced figure were 11 Hope for Homeowner mortgages -- all formally conventional loans.
- Also insured were 8,772 HECM's, 7,981 of those mortgages were traditional reverse mortgages. The remainder were refinanced HECM's or purchase type HECM's.
- During October, FHA endorsed 176,279 mortgages for \$32.2 billion. 167,507 of this total was for forward mortgages and 8,772 for HECM's.
- At the end of the month, FHA had 5,614,948 mortgages in force with an amortized outstanding balance of \$714 billion.

Automated Underwriting

- In October, 135,788 mortgages were accepted and endorsed using the FHA score card (TOTAL). This represented four out of every five mortgages endorsed (81.1%) during the month.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

October 1-31, 2009

MONTHLY COMPARISONS

	CURRENT MONTH	LAST MONTH	RATE OF CHANGE	LAST YEAR	RATE OF CHANGE
TOTAL APPLICATIONS: *	253,503	254,019	-0.2%	188,584	34.4%
Annual Rate	3,026,600	3,153,400	-4.0%	2,177,000	39.0%
Average per workday	11,963	12,464	-4.0%	8,605	39.0%
Purchase	141,371	132,696	6.5%	85,694	65.0%
Refinance	106,240	102,268	3.9%	87,861	20.9%
Prior FHA	50,625	42,034	20.4%	8,838	472.8%
Conventional to FHA	55,615	60,234	-7.7%	78,598	-29.2%
Conventional to FHA (Delinquent)				425	
H4H (HOPE for Homeowners)	11			111	-90.1%
HECM	5,892	19,055	-69.1%	15,029	-60.8%
TOTAL ENDORSEMENTS: *	176,279	176,753	-0.3%	168,056	4.9%
Annual Rate	2,115,300	2,121,000	-0.3%	2,016,700	4.9%
Weighted Average FICO Score **	694	689	0.7%	661	5.0%
Minority	41,373	41,149	0.5%	46,177	-10.4%
% Minority	23.5%	23.3%	0.2% #	27.5%	-4.0% #
Purchase	105,901	107,598	-1.6%	107,530	-1.5%
% Purchase	60.1%	60.9%	-0.8% #	64.0%	-3.9% #
Average FICO Score **	697	698	-0.1%	671	3.9%
1st Time Home Buyer	86,416	86,089	0.4%	82,989	4.1%
% 1st Time Home Buyer	81.6%	80.0%	1.6% #	77.2%	4.4% #
Non-Minority	57,021	56,791	0.4%	51,774	10.1%
% Non-Minority	66.0%	66.0%	0.0% #	62.4%	3.6% #
Minority	23,725	23,424	1.3%	25,798	-8.0%
% Minority	27.5%	27.2%	0.2% #	31.1%	-3.6% #
Not-Disclosed	5,669	5,874	-3.5%	5,374	5.5%
% Not-Disclosed	6.6%	6.8%	-0.3% #	6.5%	0.1% #
Refinanced	61,606	59,682	3.2%	50,405	22.2%
% Refinanced	34.9%	33.8%	1.2% #	30.0%	5.0% #
Average FICO Score **	683	663	3.0%	637	7.2%
Prior FHA	29,256	26,934	8.6%	8,326	251.4%
Streamline	26,589	24,297	9.4%	5,391	393.2%
% Streamline	43.2%	40.7%	2.4% #	10.7%	32.5% #
Full Process	2,667	2,637	1.1%	2,935	-9.1%
Cash Out	1,230	1,396	-11.9%	1,711	-28.1%
Conventional to FHA	32,351	32,748	-1.2%	41,979	-22.9%
Cash Out	11,352	13,544	-16.2%	17,711	-35.9%
Conventional to FHA (Delinquent)	0	1		103	
Total Cash Out	12,582	14,940	-15.8%	19,422	-35.2%
Total % Cash Out	20.4%	25.0%	-4.6% #	38.5%	-18.1% #
H4H (HOPE for Homeowners)	11	22	-50.0%		
HECM	8,772	9,473	-7.4%	10,121	-13.3%
% HECM	5.0%	5.4%	-0.4% #	6.0%	-1.0% #
HECM Traditional	7,981	8,546	-6.6%	9,926	-19.6%
HECM Traditional ARM	3,178	4,987	-36.3%	9,766	-67.5%
HECM Purchase	141	137	2.9%		
HECM Purchase ARM	18	32	-43.8%		
HECM Refinance	650	790	-17.7%	195	233.3%
% HECM Refinance	7.4%	8.3%	-0.9% #	1.9%	5.5% #
HECM Refinance ARM	233	399	-41.6%	193	20.7%

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

SINGLE FAMILY OPERATIONS

October 1-31, 2009

MONTHLY COMPARISONS

	<u>CURRENT MONTH</u>	<u>LAST MONTH</u>	<u>RATE OF CHANGE</u>	<u>LAST YEAR</u>	<u>RATE OF CHANGE</u>
FORWARD ENDORSEMENTS ONLY: *					
Section 203(k)	1,837	1,743	5.4%	1,008	82.2%
Condominium Section 234(c)	10,121	10,034	0.9%	8,135	24.4%
% Condominium Section 234(c)	5.7%	5.7%	0.1% #	4.8%	0.9% #
ARM (Excludes HECM ARM)	4,180	3,289	27.1%	3,189	31.1%
% ARM	2.4%	1.9%	0.5% #	1.9%	0.5% #
Manufactured Housing (Real Estate)	3,167	3,045	4.0%	5,610	-43.5%
Interest Buy-down	340	256	32.8%	1,846	-81.6%
Average Processing Time * ^					
(Existing Homes, weeks)					
Application to Closing	6.7	6.8	-1.5%	5.3	26.4%
Closing to Endorsement	4.0	4.3	-7.0%	4.0	0.0%
Lender Insurance *					
Total Lender Insurance	126,234	121,159	4.2%	122,166	3.3%
% of Total Insurance	71.6%	68.5%	3.1% #	72.7%	-1.1% #
Forward Mortgages	124,486	119,765	3.9%	119,197	4.4%
HECM	1,748	1,394	25.4%	2,969	-41.1%
Automated Underwriting System * x					
AUS Endorsed	135,788	137,464	-1.2%	132,494	2.5%
AUS as % of Total Endorsed	81.1%	82.2%	-1.1% #	83.9%	-2.8% #
Mortgage Insurance *					
Total Number	176,279	176,753	-0.3%	168,056	4.9%
Total Amount (\$B)	\$32.2	\$32.6	-1.2%	\$29.9	7.7%
Forward Mortgages					
Total Forward Number	167,507	167,280	0.1%	157,935	6.1%
Amount (\$B)	\$29.6	\$29.8	-0.7%	\$27.9	6.1%
Purchase Number					
Total Purchase Number	105,901	107,598	-1.6%	107,530	-1.5%
Amount (\$B)	\$18.2	\$18.7	-2.7%	\$18.7	-2.7%
Refinance Number					
Total Refinance Number	61,606	59,682	3.2%	50,405	22.2%
Amount (\$B)	\$11.4	\$11.1	2.7%	\$9.2	23.9%
Reverse Mortgages					
HECM Number	8,772	9,473	-7.4%	10,121	-13.3%
Max Claim Amount (\$B)	\$2.6	\$2.8	-7.1%	\$2.0	30.0%
Mortgage Insurance-In-Force **					
Total Number	5,614,948	5,515,018	1.8%	4,472,108	25.6%
Total Unpaid Balance Amount (\$B)	\$714.0	\$695.6	2.6%	\$493.3	44.7%
Loans Seriously Delinquent *** <					
90 Days + Delinquent	488,735	455,575	7.3%	274,952	77.8%
Seriously Delinquent Rate	8.7%	8.3%	0.4% #	6.2%	2.5% #

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

SINGLE FAMILY OPERATIONS

October 1-31, 2009

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	253,503	188,584	34.4%	2,825,701
Purchase	1,375,000	141,371	85,694	65.0%	1,256,494
Refinance	1,000,000	106,240	87,861	20.9%	1,472,023
Prior FHA	375,000	50,625	8,838	472.8%	559,698
Conventional to FHA	625,000	55,615	78,598	-29.2%	911,373
Conventional to FHA (Delinquent)		0	425	-100.0%	952
H4H (HOPE for Homeowners)		11	111	-90.1%	934
HECM	125,000	5,892	15,029	-60.8%	162,619
TOTAL ENDORSEMENTS: *	1,875,000	176,279	168,056	4.9%	1,946,809
Minority	487,500	41,373	46,177	-10.4%	474,072
% Minority	26.0%	23.5%	27.5%	-4.0% #	24.4%
Purchase	969,375	105,901	107,530	-1.5%	995,590
% Purchase	51.7%	60.1%	64.0%	-3.9% #	51.1%
1st Time Home Buyer	775,500	86,416	82,989	4.1%	781,718
% 1st Time Home Buyer	80.0%	81.6%	77.2%	4.4% #	78.5%
Non-Minority	496,320	57,021	51,774	10.1%	496,506
% Non-Minority	64.0%	66.0%	62.4%	3.6% #	63.5%
Minority	232,650	23,725	25,798	-8.0%	233,104
% Minority	30.0%	27.5%	31.1%	-3.6% #	29.8%
Not-Disclosed	46,530	5,669	5,374	5.5%	52,054
% Not-Disclosed	6.0%	6.6%	6.5%	0.1% #	6.7%
Refinanced	798,750	61,606	50,405	22.2%	836,528
% Refinanced	42.6%	34.9%	30.0%	5.0% #	43.0%
Prior FHA	351,450	29,256	8,326	251.4%	367,480
Streamline	311,522	26,589	5,391	393.2%	329,441
% Streamline	39.0%	43.2%	10.7%	32.5% #	39.4%
Full Process	39,928	2,667	2,935	-9.1%	38,039
Cash Out	17,000	1,230	1,711	-28.1%	23,432
Conventional to FHA	447,300	32,351	41,979	-22.9%	468,740
Cash Out	203,000	11,352	17,711	-35.9%	233,755
Conventional to FHA (Delinquent)	320	0	103		316
Total Cash Out	220,000	12,582	19,422	-35.2%	257,187
Total % Cash Out	27.5%	20.4%	38.5%	-18.1% #	30.7%
H4H (HOPE for Homeowners)		11	0		23
HECM	106,875	8,772	10,121	-13.3%	114,691
% HECM	5.7%	5.0%	6.0%	-1.0% #	5.9%
HECM Traditional	96,188	7,981	9,926	-19.6%	106,613
HECM Traditional ARM	94,264	3,178	9,766	-67.5%	97,977
HECM Purchase	3,420	141	0		423
HECM Purchase ARM	3,352	18	0		327
HECM Refinance	7,268	650	195	233.3%	8,390
% HECM Refinance	6.8%	7.4%	1.9%	5.5% #	7.3%
HECM Refinance ARM	7,122	233	193	20.7%	7,670

Source: * F17 CHUMS

- Percentage point difference

Department of Housing and Urban Development, Housing - Deputy Assistant Secretary for Finance and Budget, Office of Evaluation

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

October 1-31, 2009

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
FORWARD ENDORSEMENTS ONLY: *					
Section 203(k)	15,000	1,837	1,008	82.2%	16,904
Condominium Section 234(c)	84,375	10,121	8,135	24.4%	96,119
% Condominium Section 234(c)	4.5%	5.7%	4.8%	0.9% #	4.9%
ARM (Excludes HECM ARM)	9,375	4,180	3,189	31.1%	14,361
% ARM	0.5%	2.4%	1.9%	0.5% #	0.7%
Manufactured Housing (Real Estate)	50,000	3,167	5,610	-43.5%	46,463
Interest Buy-down	8,000	340	1,846	-81.6%	6,702
Lender Insurance *					
Total Lender Insurance	1,312,500	126,234	122,166	3.3%	1,363,323
% of Total Insurance	70.0%	71.6%	72.7%	-1.1% #	70.0%
Forward Mortgages	1,273,125	124,486	119,197	4.4%	1,330,825
HECM	39,375	1,748	2,969	-41.1%	32,498
Automated Underwriting System * x					
AUS Endorsed	1,406,250	135,788	132,494	2.5%	1,399,854
AUS as % of Total Endorsed	79.5%	81.1%	83.9%	-2.8% #	76.4%
Mortgage Insurance *					
Total Number	1,875,000	176,279	168,056	4.9%	1,946,809
Total Amount (\$B)	\$349.7	\$32.2	\$29.9	7.7%	\$360.7
Forward Mortgages					
Total Forward Number	1,768,125	167,507	157,935	6.1%	1,832,118
Amount (\$B)	\$323.0	\$29.6	\$27.9	6.1%	\$330.5
Purchase Number					
Amount (\$B)	969,375	105,901	107,530	-1.5%	995,590
Amount (\$B)	\$169.6	\$18.2	\$18.7	-2.7%	\$171.7
Refinance Number					
Amount (\$B)	798,750	61,606	50,405	22.2%	836,528
Amount (\$B)	\$153.4	\$11.4	\$9.2	23.9%	\$158.8
Reverse Mortgages					
HECM Number	106,875	8,772	10,121	-13.3%	114,691
Max Claim Amount (\$B)	\$26.7	\$2.6	\$2.0	30.0%	\$30.2
Claims **					
Total Claims	213,000	18,926	15,707	20.5%	207,957
Loss Mitigation Retention	130,000	10,609	10,041	5.7%	127,134
Loss Mitigation (Property Sales)	8,000	1,029	487	111.3%	7,410
Other Claims (Conveyances)	75,000	7,288	5,179	40.7%	73,413

Source: * F17 CHUMS ** A43C Claims System

= Percentage point difference

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.