

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

September 16-30, 2007

Applications

- Seasonally adjusted, the annual rate for applications were again over the million mark (1,147,300) although slightly less than early September.
- The actual count was 44,079, 11.6 percent above the last reporting period -- due to more workdays.
- 20.9 percent more applications were received this year than for fiscal year 2006.

Endorsements

- 26,620 mortgages were insured in late September -- 14, 082 purchase cases, 8,379 refinances and 4,159 reverse mortgages.
- Purchase money mortgages accounted for 52.9 percent of the transactions, refinanced cases 31.5 percent and HECM's 15.6 percent.
- Roughly 8 out of every 10 purchase cases were for first time home buyers and of those, one-third were for minority households.
- Most of the refinanced endorsements required full underwriting since a large proportion were cash out transactions.
- Lender insurance accounted for 16,960 endorsements of the total insured this period (26,620).

Automated Underwriting

- During September, 22,521 cases were accepted and insured using the FHA score card. This does not include cases that were referred for full underwriting.

FHA SINGLE FAMILY OPERATIONS COMMENTS

(Supplement to FHA Outlook)

Fiscal Year Activity

During Fiscal Year 2007, FHA received 768,770 applications for insurance under the Single Family Programs. Of this total, 60,081 applications covered proposed construction and 708,689 existing home transactions. From this application volume, FHA endorsed 424,779 forward mortgages and 107,558 reverse mortgages for a total of 532,337 for the year. Lender Insurance approved lenders handled 290,339 of the forward mortgages and 12,672 of the HECM's.

Of the 532,337 mortgages insured during this fiscal year, 278,422 were for purchase money mortgages, 146,357 refinances and 107,558 HECM's. Eighty percent of the purchase money mortgages were insured for first time home owners and of these, 31.2 percent of the home owners were from minority families. The remaining were white households. Only 4.2 percent of the home buyers refused to disclose their race or ethnicity.

With respect to refinanced deals, only a small portion of the cases could use the streamlined procedures, since most transaction required appraisals. The bulk of these cases required full underwriting because of the major shift in business especially in cash out activity -- a significant number transferring from a conventional transaction to FHA. This is partially due to change in FHA regulations which permitted loan-value ratios of 95 percent -- up from the prior limit of 85 percent -- changed in October 2005.

The reverse mortgage or HECM program continues to grow significantly -- up 40.9 percent over last year. In addition, families continue to use more equity in their properties as HECM refinances rose 26.6 percent over FY 2006.

FY 2007 was a year of shifting business. Purchase transaction were off 11.3 percent and first timer mortgages were down 12 percent. However, the refinancing sector was much more active -- a further breakdown shows that streamlined processing was down 39.3 percent while full processing was up 65.4 percent. This is due to the shift in the source of refinancing.

FHA SINGLE FAMILY OPERATIONS COMMENTS

(Supplement to FHA Outlook)

Fiscal Year Activity (cont'd)

Most of this increase is due to conventional to FHA transactions, as well as some rise in FHA to FHA refinancing, most of which were also cash outs. Both types require full processing -- not streamlined procedures. HECMS were also of significance as noted in the prior paragraph.

A cursory review of some of the programs and stages of the inventory are informative. For example, Section 203k activity, at 3,391 endorsements is 16 percent above last year while endorsements (16,885) under Section 234c condo program was down 18.5 percent. Mortgages with ARM terms also fell to 5,204 -- off 55 percent from 2006.

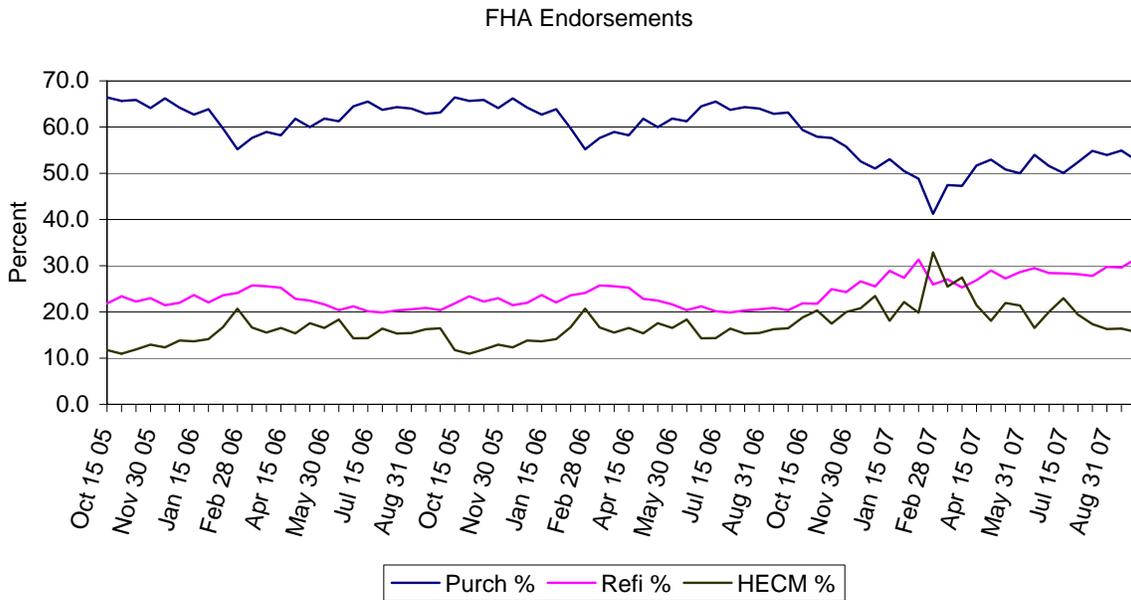
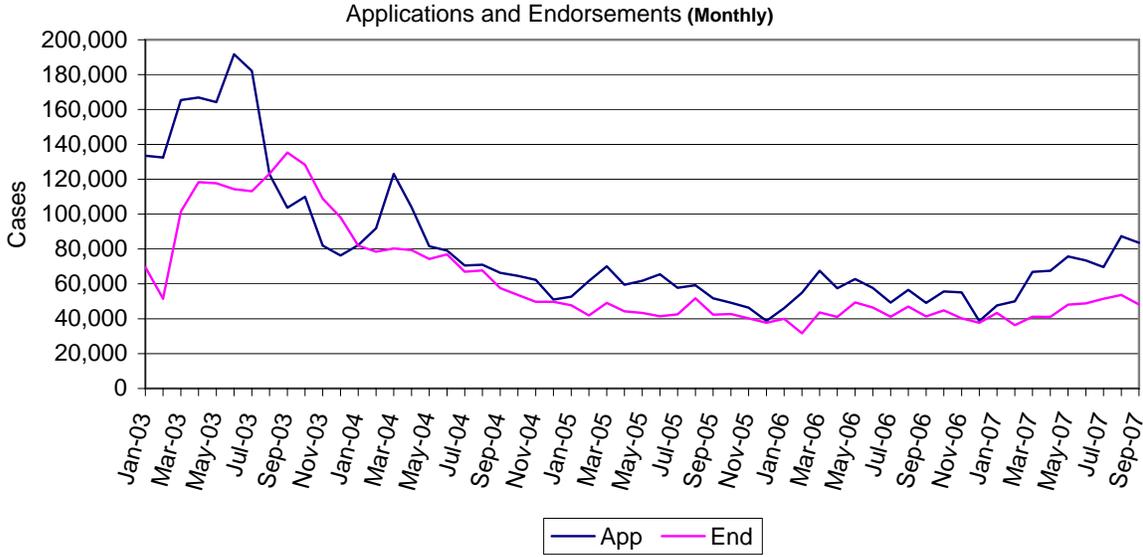
There were 50,366 designated manufactured home mortgages -- 15.2 percent higher than last year. With the increased activity in the Lender Insurance program, 303,011 mortgages were insured under this initiative -- 69 percent higher than for last year.

So far as automated underwriting is concerned, 240,656 mortgages were accepted and endorsed using the FHA scorecard -- about 57 percent of the mortgages insured. This does not include cases referred for full underwriting.

FHA SINGLE FAMILY OPERATIONS COMMENTS

(Supplement to FHA Outlook)

Fiscal Year Activity (cont'd)



FHA OUTLOOK

SINGLE FAMILY OPERATIONS

September 16-30, 2007

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	1,147,300	1,181,200	-2.9%	588,500	95.0%
Average per workday	4,535	4,669	-2.9%	2,326	95.0%
Actual	44,079	39,483	11.6%	23,714	85.9%
Endorsements: *					
Annual Rate	638,900	518,100	23.3%	492,700	29.7%
Actual	26,620	21,588	23.3%	20,531	29.7%
Purchase	14,082	11,657	20.8%	12,622	11.6%
% Purchase	52.9%	54.0%	-1.1% #	61.5%	-8.6% #
1st Time Home Buyer	11,204	9,301	20.5%	9,958	12.5%
% 1st Time Home Buyer	79.6%	79.8%	-0.2% #	78.9%	0.7% #
Non-Minority	7,198	5,941	21.2%	6,648	8.3%
% Non Minority	64.2%	63.9%	0.4% #	66.8%	-2.5% #
Minority	3,542	2,946	20.2%	2,929	20.9%
% Minority	31.6%	31.7%	-0.1% #	29.4%	2.2% #
Not-Disclosed	466	413	12.8%	380	22.6%
% Not-Disclosed	4.2%	4.4%	-0.3% #	3.8%	0.3% #
Refinanced	8,379	6,395	31.0%	4,188	100.1%
% Refinanced	31.5%	29.6%	1.9% #	20.4%	11.1% #
Streamline	735	526	39.7%	504	45.8%
% Streamline	8.8%	8.2%	0.5% #	12.0%	-3.3% #
Full Process	7,644	5,869	30.2%	3,684	107.5%
Cash Out	6,769	5,151	31.4%	3,415	98.2%
% Cash Out	88.6%	87.8%	0.8% #	92.7%	-4.1% #
HECM	4,159	3,536	17.6%	3,721	11.8%
% HECM	15.6%	16.4%	-0.8% #	18.1%	-2.5% #
HECM Refinance	200	180	11.1%	210	-4.8%
% HECM Refinance	4.8%	5.1%	-0.3% #	5.6%	-0.8% #
Section 203(k)	163	202	-19.3%	144	13.2%
Section 234(c)	792 r	639	23.9%	766	3.4%
% Section 234(c)	3.0%	3.0%	0.0% #	3.7%	-0.8% #
ARM (Excludes HECM ARM)	204	183	11.5%	326	-37.4%
% ARM	0.8%	0.8%	-0.1% #	1.6%	-0.8% #
Manufactured Housing	2,498	1,869	33.7%	2,083	19.9%
Interest Buy-down	353	227	55.5%	143	146.9%
Lender Insurance	16,960	13,839	22.6%	10,112	67.7%
Minority	7,504	6,084	23.3%	5,546	35.3%
% Minority	28.2%	28.2%	0.0% #	27.0%	1.2% #
Automated Underwriting System * x					
AUS Endorsed (Sep)	22,521	25,039	-10.1%	20,779	8.4%
AUS as % of Total Endorsed	55.6%	56.1%	-0.5% #	55.3%	0.3% #

= Percentage point difference r - revised

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out. Percentage based on forward mortgages only.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

September 16-30, 2007

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	768,770	635,801	20.9%	635,801
Endorsements *	514,000	532,337	501,894	6.1%	501,894
Purchase	319,000	278,422	314,010	-11.3%	314,010
% Purchase	62.1%	52.3%	62.6%	-10.3% #	62.6%
1st Time Home Buyer	255,000	221,492	248,893	-11.0%	248,893
% 1st Time Home Buyer	79.9%	79.6%	79.3%	0.3% #	79.3%
Non-Minority	165,000	143,170	163,589	-12.5%	163,589
% Non Minority	64.7%	64.6%	65.7%	-1.1% #	65.7%
Minority	81,000	69,041	76,098	-9.3%	76,098
% Minority	31.8%	31.2%	30.6%	0.6% #	30.6%
Not-Disclosed	9,000	9,275	9,166	1.2%	9,166
% Not-Disclosed	3.5%	4.2%	3.7%	0.5% #	3.7%
Refinanced	117,000	146,357	111,533	31.2%	111,533
% Refinanced	22.8%	27.5%	22.2%	5.3% #	22.2%
Streamline	39,000	22,105	36,406	-39.3%	36,406
% Streamline	33.3%	15.1%	32.6%	-17.5% #	32.6%
Full Process	78,000	124,252	75,128	65.4%	75,128
Cash Out	70,000	112,767	69,181	63.0%	69,181
% Cash Out	89.7%	90.8%	92.1%	-1.3% #	92.1%
HECM	78,000	107,558	76,351	40.9%	76,351
% HECM	15.2%	20.2%	15.2%	5.0% #	15.2%
HECM Refinance	5,000	6,749	5,333	26.6%	5,333
% HECM Refinance	6.4%	6.3%	7.0%	-0.7% #	7.0%
Section 203(k)	4,000	3,391 r	2,924 r	16.0%	2,924 r
Section 234(c)	21,000	16,865	20,687	-18.5%	20,687
% Section 234(c)	4.1%	3.2%	4.1%	-1.0% #	4.1%
ARM (Excludes HECM ARM)	12,000	5,204	11,528	-54.9%	11,528
% ARM	2.3%	1.0%	2.3%	-1.3% #	2.3%
Manufactured Housing	43,000	50,366	43,713	15.2%	43,713
Interest Buy-down	4,000	3,647	3,985	-8.5%	3,985
Lender Insurance	200,000	303,011	179,267	69.0%	179,267
Minority	140,000	148,927	139,715	6.6%	139,715
% Minority	27.2%	28.0%	27.8%	0.1% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Sep)	260,000	240,656	253,275	-5.0%	253,275
AUS as % of Total Endorse.	59.6%	56.7%	59.5% r	-2.8% #	59.5% r
Loans Delinquent as of (Sep) **	230,000	202,197	239,255	-15.5%	239,255
Claims (Sep) ***	135,000	142,455	135,303	5.3%	135,303
Loss Mitigation Retention	75,000	86,527	75,528	14.6%	75,528
Loss Mitigation Disposition	5,000	4,480	5,244	-14.6%	5,244
Other Claims	55,000	51,448	54,531	-5.7%	54,531

= Percentage point difference r - revised

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out. Percentage based on forward mortgages only.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

September 1-15, 2007

Applications

- Applications, seasonally adjusted, continued to climb and was estimated at an annual rate of 1,181,200 -- 16.5 percent above the estimate for the prior 2 weeks. In addition, this rate was also almost twice as high as a year ago -- 608,600.
- Actual application count was only 39,483, due to only 9 work days in this labor day period.

Endorsements

- During this reporting period, 21,588 mortgages were endorsed; 11,657 for purchase mortgages (54%), 6,395 for refinanced mortgages (29.6%) and 3,536 reverse mortgages, accounting for 16.4 percent of the total.
- Four out of every five purchase mortgages insured went to first time home buyers
- The bulk of the refinanced mortgages required full processing and most of these were cash-outs. A large portion of these were conventional mortgages moving to FHA financing.
- HECM volume continued to be steady and 180 HECM mortgages were refinanced this period.
- Endorsements processed through Lender Insurance made up 64 percent of the total endorsements for this cycle.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

September 1-15, 2007

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	1,181,200	1,014,000	16.5%	608,600	94.1%
Average per workday	4,669	4,008	16.5%	2,405	94.1%
Actual	39,483	45,458	-13.1%	25,408	55.4%
Endorsements: *					
Annual Rate	518,100	667,000	-22.3%	499,000	3.8%
Actual	21,588	27,791	-22.3%	20,790	3.8%
Purchase	11,657	14,994	-22.3%	13,074	-10.8%
% Purchase	54.0%	54.0%	0.0% #	62.9%	-8.9% #
1st Time Home Buyer	9,301	11,917	-22.0%	10,259	-9.3%
% 1st Time Home Buyer	79.8%	79.5%	0.3% #	78.5%	1.3% #
Non-Minority	5,941	7,651	-22.4%	6,883	-13.7%
% Non Minority	63.9%	64.2%	-0.3% #	67.1%	-3.2% #
Minority	2,946	3,744	-21.3%	2,949	-0.1%
% Minority	31.7%	31.4%	0.3% #	28.7%	2.9% #
Not-Disclosed	413	524	-21.2%	427	-3.3%
% Not-Disclosed	4.4%	4.4%	0.0% #	4.2%	0.3% #
Refinanced	6,395	8,272	-22.7%	4,337	47.5%
% Refinanced	29.6%	29.8%	-0.1% #	20.9%	8.8% #
Streamline	526	682	-22.9%	522	0.8%
% Streamline	8.2%	8.2%	0.0% #	12.0%	-3.8% #
Full Process	5,869	7,590	-22.7%	3,815	53.8%
Cash Out	5,151	6,781	-24.0%	3,553	45.0%
% Cash Out	87.8%	89.3%	-1.6% #	93.1%	-5.4% #
HECM	3,536	4,525	-21.9%	3,379	4.6%
% HECM	16.4%	16.3%	0.1% #	16.3%	0.1% #
HECM Refinance	180	283	-36.4%	241	-25.3%
% HECM Refinance	5.1%	6.3%	-1.2% #	7.1%	-2.0% #
Section 203(k)	202	291	-30.6%	161	25.5%
Section 234(c)	639	913	-30.0%	734	-12.9%
% Section 234(c)	3.0%	3.3%	-0.3% #	3.5%	-0.6% #
ARM (Excludes HECM ARM)	183	253	-27.7%	365	-49.9%
% ARM	0.8%	0.9%	-0.1% #	1.8%	-0.9% #
Manufactured Housing	1,869	2,439	-23.4%	2,050	-8.8%
Interest Buy-down	227	249	-8.8%	129	76.0%
Lender Insurance	13,839	17,602	-21.4%	10,605	30.5%
Minority	6,084	7,929	-23.3%	5,531	10.0%
% Minority	28.2%	28.5%	-0.3% #	26.6%	1.6% #
Automated Underwriting System * x					
AUS Endorsed (Aug)	25,039	23,330	7.3%	24,654	1.6%
AUS as % of Total Endorsed	56.1%	56.9%	-0.8% #	62.0%	-5.9% #

= Percentage point difference

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out. Percentage based on forward mortgages only.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

September 1-15, 2007

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	724,691	612,087	18.4%	635,801
Endorsements *	514,000	505,786	481,413	5.1%	501,894
Purchase	319,000	264,364	301,408	-12.3%	314,010
% Purchase	62.1%	52.3%	62.6%	-10.3% #	62.6%
1st Time Home Buyer	255,000	210,289	238,939	-12.0%	248,893
% 1st Time Home Buyer	79.9%	79.5%	79.3%	0.3% #	79.3%
Non-Minority	165,000	135,978	156,954	-13.4%	163,589
% Non Minority	64.7%	64.7%	65.7%	-1.0% #	65.7%
Minority	81,000	65,508	73,172	-10.5%	76,098
% Minority	31.8%	31.2%	30.6%	0.5% #	30.6%
Not-Disclosed	9,000	8,809	8,786	0.3%	9,166
% Not-Disclosed	3.5%	4.2%	3.7%	0.5% #	3.7%
Refinanced	117,000	137,991	107,365	28.5%	111,533
% Refinanced	22.8%	27.3%	22.3%	5.0% #	22.2%
Streamline	39,000	21,373	35,907	-40.5%	36,406
% Streamline	33.3%	15.5%	33.4%	-18.0% #	32.6%
Full Process	78,000	116,618	71,458	63.2%	75,128
Cash Out	70,000	106,005	65,756	61.2%	69,181
% Cash Out	89.7%	90.9%	92.0%	-1.1% #	92.1%
HECM	78,000	103,431	72,640	42.4%	76,351
% HECM	15.2%	20.4%	15.1%	5.4% #	15.2%
HECM Refinance	5,000	6,552	5,123	27.9%	5,333
% HECM Refinance	6.4%	6.3%	7.1%	-0.7% #	7.0%
Section 203(k)	4,000	5,061	3,638	39.1%	3,849
Section 234(c)	21,000	16,066	19,905	-19.3%	20,687
% Section 234(c)	4.1%	3.2%	4.1%	-1.0% #	4.1%
ARM (Excludes HECM ARM)	12,000	4,995	11,164	-55.3%	11,528
% ARM	2.3%	1.0%	2.3%	-1.3% #	2.3%
Manufactured Housing	43,000	47,876	41,632	15.0%	43,713
Interest Buy-down	4,000	3,266	3,831	-14.7%	3,985
Lender Insurance	200,000	286,082	169,173	69.1%	179,267
Minority	140,000	141,446	134,182	5.4%	139,715
% Minority	27.2%	28.0%	27.9%	0.1% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Aug)	260,000	218,150	232,516	-6.2%	253,275
AUS as % of Total Endorse.	59.6%	56.8%	59.4%	-2.6% #	59.5%
Loans Delinquent as of (Aug) **	230,000	192,088	237,768	-19.2%	239,255
Claims (Aug) ***	135,000	130,981	124,389	5.3%	135,303
Loss Mitigation Retention	75,000	79,300	69,030	14.9%	75,528
Loss Mitigation Disposition	5,000	4,163	4,860	-14.3%	5,244
Other Claims	55,000	47,518	50,499	-5.9%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out. Percentage based on forward mortgages only.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

August 16-31, 2007

Applications

- Applications, measured by a seasonally adjusted annual rate, rose slightly to 1,014,000. Applications continue to display a rising trend.
- The actual number of applications received was 45,458 -- 8.7 percent over those reported in early August.

Endorsements

- During this reporting period, 27,791 mortgages were endorsed -- 14,994 purchase money mortgages, 8,272 refinances and 4,525 HECM's.
- Purchase mortgages accounted for 54 percent of the total while refi's made up 29.8 percent and HECM's 16.3 percent.
- First time home buyers were involved in 79.5 percent of the purchase mortgages.
- 64.2 percent of these mortgages were for non-minority households and 31.4 percent for minority households. 4.4 percent of the first time buyers refused to give their race or ethnicity.
- As for refinanced cases, only 8.2 percent were processed using streamlined procedures. 7,590 cases required full processing and of these, 6,781 were cash out transactions.
- With respect to HECM's, 283 mortgages were refinanced (6.3%).
- Lender insurance handled 17,602 cases -- 63 percent of total insurance activity.

Automated Underwriting

- During August, 25,039 mortgages were accepted and endorsed using FHA total score card. That represents 56.1 percent of insurance for the month.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

August 16-31, 2007

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	1,014,000	1,006,600	0.7%	625,900	62.0%
Average per workday	4,008	3,979	0.7%	2,474	62.0%
Actual	45,458	41,819	8.7%	28,530	59.3%
Endorsements: *					
Annual Rate	667,000	619,600	7.7%	577,200	15.6%
Actual	27,791	25,815	7.7%	24,050	15.6%
Purchase	14,994	14,159	5.9%	15,395	-2.6%
% Purchase	54.0%	54.8%	-0.9% #	64.0%	-10.1% #
1st Time Home Buyer	11,917	11,081	7.5%	12,192	-2.3%
% 1st Time Home Buyer	79.5%	78.3%	1.2% #	79.2%	0.3% #
Non-Minority	7,651	7,199	6.3%	8,219	-6.9%
% Non Minority	64.2%	65.0%	-0.8% #	67.4%	-3.2% #
Minority	3,744	3,422	9.4%	3,476	7.7%
% Minority	31.4%	30.9%	0.5% #	28.5%	2.9% #
Not-Disclosed	524	459	14.2%	497	5.4%
% Not-Disclosed	4.4%	4.1%	0.3% #	4.1%	0.3% #
Refinanced	8,272	7,175	15.3%	4,946	67.2%
% Refinanced	29.8%	27.8%	2.0% #	20.6%	9.2% #
Streamline	682	670	1.8%	573	19.0%
% Streamline	8.2%	9.3%	-1.1% #	11.6%	-3.3% #
Full Process	7,590	6,505	16.7%	4,373	73.6%
Cash Out	6,781	5,843	16.1%	4,080	66.2%
% Cash Out	89.3%	89.8%	-0.5% #	93.3%	-4.0% #
HECM	4,525	4,481	1.0%	3,709	22.0%
% HECM	16.3%	17.4%	-1.1% #	15.4%	0.9% #
HECM Refinance	283	327	-13.5%	212	33.5%
% HECM Refinance	6.3%	7.3%	-1.0% #	5.7%	0.5% #
Section 203(k)	291	259	12.4%	194	50.0%
Section 234(c)	913	826	10.5%	931	-1.9%
% Section 234(c)	3.3%	3.2%	0.1% #	3.9%	-0.6% #
ARM (Excludes HECM ARM)	253	260	-2.7%	447	-43.4%
% ARM	0.9%	1.0%	-0.1% #	1.9%	-0.9% #
Manufactured Housing	2,439	2,291	6.5%	2,233	9.2%
Interest Buy-down	249	190	31.1%	195	27.7%
Lender Insurance	17,602	16,750	5.1%	12,105	45.4%
Minority	7,929	7,245	9.4%	6,282	26.2%
% Minority	28.5%	28.1%	0.5% #	26.1%	2.4% #
Automated Underwriting System * x					
AUS Endorsed (Aug)	25,039	23,330	7.3%	24,654	1.6%
AUS as % of Total Endorsed	56.1%	56.9%	-0.8% #	62.0%	-5.9% #

= Percentage point difference

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out. Percentage based on forward mortgages only.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

August 16-31, 2007

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	685,208	586,679	16.8%	635,801
Endorsements *	514,000	484,198	460,623	5.1%	501,894
Purchase	319,000	252,707	288,334	-12.4%	314,010
% Purchase	62.1%	52.2%	62.6%	-10.4% #	62.6%
1st Time Home Buyer	255,000	200,991	228,680	-12.1%	248,893
% 1st Time Home Buyer	79.9%	79.5%	79.3%	0.2% #	79.3%
Non-Minority	165,000	130,037	150,071	-13.3%	163,589
% Non Minority	64.7%	64.7%	65.6%	-0.9% #	65.7%
Minority	81,000	62,562	70,223	-10.9%	76,098
% Minority	31.8%	31.1%	30.7%	0.4% #	30.6%
Not-Disclosed	9,000	8,396	8,359	0.4%	9,166
% Not-Disclosed	3.5%	4.2%	3.7%	0.5% #	3.7%
Refinanced	117,000	131,596	103,028	27.7%	111,533
% Refinanced	22.8%	27.2%	22.4%	4.8% #	22.2%
Streamline	39,000	20,847	35,385	-41.1%	36,406
% Streamline	33.3%	15.8%	34.3%	-18.5% #	32.6%
Full Process	78,000	110,749	67,643	63.7%	75,128
Cash Out	70,000	100,854	62,203	62.1%	69,181
% Cash Out	89.7%	91.1%	92.0%	-0.9% #	92.1%
HECM	78,000	99,895	69,261	44.2%	76,351
% HECM	15.2%	20.6%	15.0%	5.6% #	15.2%
HECM Refinance	5,000	6,372	4,882	30.5%	5,333
% HECM Refinance	6.4%	6.4%	7.0%	-0.7% #	7.0%
Section 203(k)	4,000	4,859	3,477	39.7%	3,849
Section 234(c)	21,000	15,427	19,171	-19.5%	20,687
% Section 234(c)	4.1%	3.2%	4.2%	-1.0% #	4.1%
ARM (Excludes HECM ARM)	12,000	4,812	10,799	-55.4%	11,528
% ARM	2.3%	1.0%	2.3%	-1.4% #	2.3%
Manufactured Housing	43,000	46,007	39,582	16.2%	43,713
Interest Buy-down	4,000	3,039	3,702	-17.9%	3,985
Lender Insurance	200,000	272,243	158,568	71.7%	179,267
Minority	140,000	135,362	128,651	5.2%	139,715
% Minority	27.2%	28.0%	27.9%	0.0% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Aug)	260,000	218,150	232,516	-6.2%	253,275
AUS as % of Total Endorse.	59.6%	56.8%	59.4%	-2.6% #	59.5%
Loans Delinquent as of (Jul) **	230,000	188,894	237,862	-20.6%	239,255
Claims (Aug) ***	135,000	130,981	124,389	5.3%	135,303
Loss Mitigation Retention	75,000	79,300	69,030	14.9%	75,528
Loss Mitigation Disposition	5,000	4,163	4,860	-14.3%	5,244
Other Claims	55,000	47,518	50,499	-5.9%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out. Percentage based on forward mortgages only.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

August 1-15, 2007

Applications

- After seasonal adjustment, applications were estimated at an annual rate of 1,006,600 -- up 21.3 percent from the prior reporting period.
- Actual applications were recorded at 41,819 for the period -- 39.6 percent over late July.
- Also, this period had the highest annual rate as well as actual application count since May 15, 2004. That is the best 2 week report in over 3 years.

Endorsements

- During early August, 25,815 mortgages were endorsed for insurance, 14,159 purchase money mortgages, 7,175 refinance transactions and 4,481 HECM's.
- Compared to last year, purchase cases are down almost 13 percent , while refinances and HECM's are up 25.7 and 45.5 percent, respectively.
- First time home buyers accounted for about 4 out of every 5 purchase transactions and 30.9 percent of these purchasers were minority families.
- Most of the refinanced mortgages could not be processed with streamlined procedures since 81 percent of these mortgages involved a cash out action; which require full underwriting.
- 2,291 Manufactured Housing loans were insured under single family programs
- 16,750 loans were insured under Lender Insurance rules -- almost 65 percent of the total cases insured this period.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

August 1-15, 2007

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	1,006,600	830,100	21.3%	619,600	62.5%
Average per workday	3,979	3,281	21.3%	2,449	62.5%
Actual	41,819	29,886	39.9%	28,001	49.3%
Endorsements: *					
Annual Rate	619,600	515,300	20.2%	550,500	12.6%
Actual	25,815	21,471	20.2%	22,939	12.5%
Purchase	14,159	10,746	31.8%	14,758	-4.1%
% Purchase	54.8%	50.0%	4.8% #	64.3%	-9.5% #
1st Time Home Buyer	11,081	8,435	31.4%	11,577	-4.3%
% 1st Time Home Buyer	78.3%	78.5%	-0.2% #	78.4%	-0.2% #
Non-Minority	7,199	5,582	29.0%	7,987	-9.9%
% Non Minority	65.0%	66.2%	-1.2% #	69.0%	-4.0% #
Minority	3,422	2,481	37.9%	3,183	7.5%
% Minority	30.9%	29.4%	1.5% #	27.5%	3.4% #
Not-Disclosed	459	372	23.4%	405	13.3%
% Not-Disclosed	4.1%	4.4%	-0.3% #	3.5%	0.6% #
Refinanced	7,175	6,083	18.0%	4,663	53.9%
% Refinanced	27.8%	28.3%	-0.5% #	20.3%	7.5% #
Streamline	670	748	-10.4%	625	7.2%
% Streamline	9.3%	12.3%	-3.0% #	13.4%	-4.1% #
Full Process	6,505	5,335	21.9%	4,038	61.1%
Cash Out	5,843	4,795	21.9%	3,783	54.5%
% Cash Out	89.8%	89.9%	-0.1% #	93.7%	-3.9% #
HECM	4,481	4,642	-3.5%	3,518	27.4%
% HECM	17.4%	21.6%	-4.3% #	15.3%	2.0% #
HECM Refinance	327	406	-19.5%	252	29.8%
% HECM Refinance	7.3%	8.7%	-1.4% #	7.2%	0.1% #
Section 203(k)	259	232	11.6%	198	30.8%
Section 234(c)	826	613	34.7%	870	-5.1%
% Section 234(c)	3.2%	2.9%	0.3% #	3.8%	-0.6% #
ARM (Excludes HECM ARM)	260	213	22.1%	389	-33.2%
% ARM	1.0%	1.0%	0.0% #	1.7%	-0.7% #
Manufactured Housing	2,291	1,875	22.2%	2,124	7.9%
Interest Buy-down	190	114	66.7%	147	29.3%
Lender Insurance	16,750	14,628	14.5%	11,080	51.2%
Minority	7,245	5,759	25.8%	5,824	24.4%
% Minority	28.1%	26.8%	1.2% #	25.4%	2.7% #
Automated Underwriting System * x					
AUS Endorsed (Jul)	23,330	22,584	3.3%	21,776	7.1%
AUS as % of Total Endorsed	45.3%	46.2%	-0.9% #	52.9%	-7.6% #

= Percentage point difference

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing , standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

August 1-15, 2007

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	639,750	558,149	14.6%	635,801
Endorsements *	514,000	456,407	436,573	4.5%	501,894
Purchase	319,000	237,713	272,939	-12.9%	314,010
% Purchase	62.1%	52.1%	62.5%	-10.4% #	62.6%
1st Time Home Buyer	255,000	189,076	216,489	-12.7%	248,893
% 1st Time Home Buyer	79.9%	79.5%	79.3%	0.2% #	79.3%
Non-Minority	165,000	122,386	141,852	-13.7%	163,589
% Non Minority	64.7%	64.7%	65.5%	-0.8% #	65.7%
Minority	81,000	58,818	66,747	-11.9%	76,098
% Minority	31.8%	31.1%	30.8%	0.3% #	30.6%
Not-Disclosed	9,000	7,872	7,862	0.1%	9,166
% Not-Disclosed	3.5%	4.2%	3.6%	0.5% #	3.7%
Refinanced	117,000	123,324	98,082	25.7%	111,533
% Refinanced	22.8%	27.0%	22.5%	4.6% #	22.2%
Streamline	39,000	20,165	34,812	-42.1%	36,406
% Streamline	33.3%	16.4%	35.5%	-19.1% #	32.6%
Full Process	78,000	103,159	63,270	63.0%	75,128
Cash Out	70,000	94,073	58,123	61.9%	69,181
% Cash Out	89.7%	91.2%	91.9%	-0.7% #	92.1%
HECM	78,000	95,370	65,552	45.5%	76,351
% HECM	15.2%	20.9%	15.0%	5.9% #	15.2%
HECM Refinance	5,000	6,089	4,670	30.4%	5,333
% HECM Refinance	6.4%	6.4%	7.1%	-0.7% #	7.0%
Section 203(k)	4,000	4,568	3,283	39.1%	3,849
Section 234(c)	21,000	14,514	18,240	-20.4%	20,687
% Section 234(c)	4.1%	3.2%	4.2%	-1.0% #	4.1%
ARM (Excludes HECM ARM)	12,000	4,559	10,352	-56.0%	11,528
% ARM	2.3%	1.0%	2.4%	-1.4% #	2.3%
Manufactured Housing	43,000	43,568	37,349	16.7%	43,713
Interest Buy-down	4,000	2,790	3,507	-20.4%	3,985
Lender Insurance	200,000	254,641	146,463	73.9%	179,267
Minority	140,000	127,433	122,369	4.1%	139,715
% Minority	27.2%	27.9%	28.0%	-0.1% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Jul)	260,000	193,111	207,862	-7.1%	253,275
AUS as % of Total Endorse.	50.6%	44.8%	50.3%	-5.5% #	50.5%
Loans Delinquent as of (Jul) **	230,000	188,894	237,862	-20.6%	239,255
Claims (Jul) ***	135,000	118,312	111,418	6.2%	135,303
Loss Mitigation Retention	75,000	71,561	61,066	17.2%	75,528
Loss Mitigation Disposition	5,000	3,785	4,386	-13.7%	5,244
Other Claims	55,000	42,966	45,966	-6.5%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

July 16-31, 2007

Applications

- Seasonally adjusted, applications were up 2.8 percent to an annual rate of 853,400. This is the fourth consecutive report period where the annual rate was in the high 800,000 range -- something not recorded since early 2006.
- Actual application receipts recorded soared 33 percent -- primarily due to a greater number of workdays in this reporting period.

Endorsements

- In late July, 29,974 mortgages were endorsed. There were 15,713 purchase mortgages, 8,440 refinance mortgages and 5,821 reverse mortgages.
- For purchase transactions 78.5 percent were endorsed for first time home buyers. Of these, 65.4 percent were for non-minority households and 30.5 percent for minority families. 4.2 percent of the borrowers refused to disclose their race or ethnicity.
- Of the refinanced mortgages -- 28.2 percent of the total -- most were cash out transactions.
- Only 3.1 percent of the insured mortgages were for Section 234c condominium units.
- 2,587 units were classified as Manufactured Housing under Title II of Single Family procedures.
- 19,452 cases of the 29,974 mortgages insured 64.9 percent were handled by Lender Insurance approved lenders.

Automated Underwriting

- During July 23,330 cases were accepted and approved for insurance using the FHA Scorecard -- this does not include cases referred for full underwriting.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

July 16-31, 2007

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	853,400	830,100	2.8%	603,400	41.4%
Average per workday	3,373	3,281	2.8%	2,385	41.4%
Actual	39,751	29,886	33.0%	26,653	49.1%
Endorsements: *					
Annual Rate	719,400	515,300	39.6%	558,000	28.9%
Actual	29,974	21,471	39.6%	23,250	28.9%
Purchase	15,713	10,746	46.2%	14,819	6.0%
% Purchase	52.4%	50.0%	2.4% #	63.7%	-11.3% #
1st Time Home Buyer	12,330	8,435	46.2%	11,744	5.0%
% 1st Time Home Buyer	78.5%	78.5%	0.0% #	79.2%	-0.8% #
Non-Minority	8,061	5,582	44.4%	7,949	1.4%
% Non Minority	65.4%	66.2%	-0.8% #	67.7%	-2.3% #
Minority	3,755	2,481	51.4%	3,351	12.1%
% Minority	30.5%	29.4%	1.0% #	28.5%	1.9% #
Not-Disclosed	513	372	37.9%	439	16.9%
% Not-Disclosed	4.2%	4.4%	-0.2% #	3.7%	0.4% #
Refinanced	8,440	6,083	38.7%	4,621	82.6%
% Refinanced	28.2%	28.3%	-0.2% #	19.9%	8.3% #
Streamline	1,044	748	39.6%	670	55.8%
% Streamline	12.4%	12.3%	0.1% #	14.5%	-2.1% #
Full Process	7,396	5,335	38.6%	3,951	87.2%
Cash Out	6,628	4,795	38.2%	3,674	80.4%
% Cash Out	89.6%	89.9%	-0.3% #	93.0%	-3.4% #
HECM	5,821	4,642	25.4%	3,810	52.8%
% HECM	19.4%	21.6%	-2.2% #	16.4%	3.0% #
HECM Refinance	471	406	16.0%	275	71.3%
% HECM Refinance	8.1%	8.7%	-0.7% #	7.2%	0.9% #
Section 203(k)	299	232	28.9%	207	44.4%
Section 234(c)	927	613	51.2%	837	10.8%
% Section 234(c)	3.1%	2.9%	0.2% #	3.6%	-0.5% #
ARM (Excludes HECM ARM)	313	213	46.9%	435	-28.0%
% ARM	1.0%	1.0%	0.1% #	1.9%	-0.8% #
Manufactured Housing	2,587	1,875	38.0%	2,173	19.1%
Interest Buy-down	149	114	30.7%	175	-14.9%
Lender Insurance	19,452	14,628	33.0%	10,862	79.1%
Minority	8,340	5,759	44.8%	6,134	36.0%
% Minority	27.8%	26.8%	1.0% #	26.4%	1.4% #
Automated Underwriting System * x					
AUS Endorsed (Jul)	23,330	22,584	3.3%	21,776	7.1%
AUS as % of Total Endorsed	45.3%	46.2%	-0.9% #	52.9%	-7.6% #

= Percentage point difference

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing , standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

July 16-31, 2007

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	597,931	530,148	12.8%	635,801
Endorsements *	514,000	430,592	413,634	4.1%	501,894
Purchase	319,000	223,554	258,181	-13.4%	314,010
% Purchase	62.1%	51.9%	62.4%	-10.5% #	62.6%
1st Time Home Buyer	255,000	177,997	204,912	-13.1%	248,893
% 1st Time Home Buyer	79.9%	79.6%	79.4%	0.3% #	79.3%
Non-Minority	165,000	115,187	133,865	-14.0%	163,589
% Non Minority	64.7%	64.7%	65.3%	-0.6% #	65.7%
Minority	81,000	55,396	63,564	-12.9%	76,098
% Minority	31.8%	31.1%	31.0%	0.1% #	30.6%
Not-Disclosed	9,000	7,413	7,457	-0.6%	9,166
% Not-Disclosed	3.5%	4.2%	3.6%	0.5% #	3.7%
Refinanced	117,000	116,149	93,419	24.3%	111,533
% Refinanced	22.8%	27.0%	22.6%	4.4% #	22.2%
Streamline	39,000	19,495	34,187	-43.0%	36,406
% Streamline	33.3%	16.8%	36.6%	-19.8% #	32.6%
Full Process	78,000	96,654	59,232	63.2%	75,128
Cash Out	70,000	88,230	54,340	62.4%	69,181
% Cash Out	89.7%	91.3%	91.7%	-0.5% #	92.1%
HECM	78,000	90,889	62,034	46.5%	76,351
% HECM	15.2%	21.1%	15.0%	6.1% #	15.2%
HECM Refinance	5,000	5,762	4,418	30.4%	5,333
% HECM Refinance	6.4%	6.3%	7.1%	-0.8% #	7.0%
Section 203(k)	4,000	4,309	3,085	39.7%	3,849
Section 234(c)	21,000	13,688	17,370	-21.2%	20,687
% Section 234(c)	4.1%	3.2%	4.2%	-1.0% #	4.1%
ARM (Excludes HECM ARM)	12,000	4,299	9,963	-56.9%	11,528
% ARM	2.3%	1.0%	2.4%	-1.4% #	2.3%
Manufactured Housing	43,000	41,277	35,225	17.2%	43,713
Interest Buy-down	4,000	2,600	3,360	-22.6%	3,985
Lender Insurance	200,000	237,891	135,383	75.7%	179,267
Minority	140,000	120,188	116,545	3.1%	139,715
% Minority	27.2%	27.9%	28.2%	-0.3% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Jul)	260,000	193,111	207,862	-7.1%	253,275
AUS as % of Total Endorse.	50.6%	44.8%	50.3%	-5.5% #	50.5%
Loans Delinquent as of (Jun) **	230,000	185,071	236,496	-21.7%	239,255
Claims (Jul) ***	135,000	118,312	111,418	6.2%	135,303
Loss Mitigation Retention	75,000	71,561	61,066	17.2%	75,528
Loss Mitigation Disposition	5,000	3,785	4,386	-13.7%	5,244
Other Claims	55,000	42,966	45,966	-6.5%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

July 1-15, 2007

Applications

- Seasonally adjusted, FHA applications edged up 1.1 percent to an annual rate of 830,100 and continued the recent rise in activity.
- Actual receipts totaled 29,886 -- down 10.7 percent due to a lesser number of workdays in the reporting period.
- So far during this fiscal year, applications are 10.9 percent higher than for the same period last year.

Endorsements

- 21,471 mortgages were insured -- 10,746 purchase money mortgages, 6,083 refinances and 4,642 HECM's.
- With respect to year to date totals -- purchase transaction are down 14.6 percent, while refinancing are up 21.3 percent and HECM's increased by 46.1 percent.
- Refinanced cases accounted for 28.3 percent of the endorsement for this period and of those cases, 748 could be handled using streamlined procedures and 5,335 cases required full underwriting. 89.9 percent of the full processed cases involved a cash out deal.
- 8.7 percent of the HECM's insured were refinanced transactions.
- Only 1 percent of the forward mortgages endorsed had adjustable rate terms.
- 14,628 cases out of the 21,471 insured (68.1%) were handled using lender insurance procedures.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

July 1-15, 2007

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	830,100	820,700	1.1%	575,200	44.3%
Average per workday	3,281	3,244	1.1%	2,274	44.3%
Actual	29,886	33,479	-10.7%	22,588	32.3%
Endorsements: *					
Annual Rate	515,300	591,400	-12.9%	429,500	20.0%
Actual	21,471	24,641	-12.9%	17,896	20.0%
Purchase	10,746	12,711	-15.5%	11,724	-8.3%
% Purchase	50.0%	51.6%	-1.5% #	65.5%	-15.5% #
1st Time Home Buyer	8,435	10,121	-16.7%	9,235	-8.7%
% 1st Time Home Buyer	78.5%	79.6%	-1.1% #	78.8%	-0.3% #
Non-Minority	5,582	6,607	-15.5%	6,272	-11.0%
% Non Minority	66.2%	65.3%	0.9% #	67.9%	-1.7% #
Minority	2,481	3,083	-19.5%	2,639	-6.0%
% Minority	29.4%	30.5%	-1.0% #	28.6%	0.8% #
Not-Disclosed	372	431	-13.7%	319	16.6%
% Not-Disclosed	4.4%	4.3%	0.2% #	3.5%	1.0% #
Refinanced	6,083	7,002	-13.1%	3,607	68.6%
% Refinanced	28.3%	28.4%	-0.1% #	20.2%	8.2% #
Streamline	748	984	-24.0%	583	28.3%
% Streamline	12.3%	14.1%	-1.8% #	16.2%	-3.9% #
Full Process	5,335	6,018	-11.3%	3,024	76.4%
Cash Out	4,795	5,411	-11.4%	2,807	70.8%
% Cash Out	89.9%	89.9%	0.0% #	92.8%	-2.9% #
HECM	4,642	4,928	-5.8%	2,565	81.0%
% HECM	21.6%	20.0%	1.6% #	14.3%	7.3% #
HECM Refinance	406	399	1.8%	193	110.4%
% HECM Refinance	8.7%	8.1%	0.6% #	7.5%	1.2% #
Section 203(k)	232	102	127.5%	144	61.1%
Section 234(c)	613	718	-14.6%	737	-16.8%
% Section 234(c)	2.9%	2.9%	-0.1% #	4.1%	-1.3% #
ARM (Excludes HECM ARM)	213	248	-14.1%	359	-40.7%
% ARM	1.0%	1.0%	0.0% #	2.0%	-1.0% #
Manufactured Housing	1,875	2,208	-15.1%	1,643	14.1%
Interest Buy-down	114	146	-21.9%	113	0.9%
Lender Insurance	14,628	16,086	-9.1%	8,830	65.7%
Minority	5,759	6,862	-16.1%	4,638	24.2%
% Minority	26.8%	27.8%	-1.0% #	25.9%	0.9% #
Automated Underwriting System * x					
AUS Endorsed (Jun)	22,584	21,158	6.7%	24,251	-6.9%
AUS as % of Total Endorsed	46.2%	44.0%	2.2% #	52.3%	-6.1% #

= Percentage point difference

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing , standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

July 1-15, 2007

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	558,180	503,495	10.9%	635,801
Endorsements *	514,000	400,618	390,384	2.6%	501,894
Purchase	319,000	207,841	243,362	-14.6%	314,010
% Purchase	62.1%	51.9%	62.3%	-10.5% #	62.6%
1st Time Home Buyer	255,000	165,668	193,176	-14.2%	248,893
% 1st Time Home Buyer	79.9%	79.7%	79.4%	0.3% #	79.3%
Non-Minority	165,000	107,126	125,916	-14.9%	163,589
% Non Minority	64.7%	64.7%	65.2%	-0.5% #	65.7%
Minority	81,000	51,641	60,213	-14.2%	76,098
% Minority	31.8%	31.2%	31.2%	0.0% #	30.6%
Not-Disclosed	9,000	6,900	7,018	-1.7%	9,166
% Not-Disclosed	3.5%	4.2%	3.6%	0.5% #	3.7%
Refinanced	117,000	107,709	88,798	21.3%	111,533
% Refinanced	22.8%	26.9%	22.7%	4.1% #	22.2%
Streamline	39,000	18,451	33,517	-45.0%	36,406
% Streamline	33.3%	17.1%	37.7%	-20.6% #	32.6%
Full Process	78,000	89,258	55,281	61.5%	75,128
Cash Out	70,000	81,602	50,666	61.1%	69,181
% Cash Out	89.7%	91.4%	91.7%	-0.2% #	92.1%
HECM	78,000	85,068	58,224	46.1%	76,351
% HECM	15.2%	21.2%	14.9%	6.3% #	15.2%
HECM Refinance	5,000	5,291	4,143	27.7%	5,333
% HECM Refinance	6.4%	6.2%	7.1%	-0.9% #	7.0%
Section 203(k)	4,000	4,010	2,878	39.3%	3,849
Section 234(c)	21,000	12,761	16,533	-22.8%	20,687
% Section 234(c)	4.1%	3.2%	4.2%	-1.0% #	4.1%
ARM (Excludes HECM ARM)	12,000	3,986	9,528	-58.2%	11,528
% ARM	2.3%	1.0%	2.4%	-1.4% #	2.3%
Manufactured Housing	43,000	38,690	33,052	17.1%	43,713
Interest Buy-down	4,000	2,451	3,185	-23.0%	3,985
Lender Insurance	200,000	218,439	124,521	75.4%	179,267
Minority	140,000	111,848	110,411	1.3%	139,715
% Minority	27.2%	27.9%	28.3%	-0.4% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Jun)	260,000	169,781	186,086	-8.8%	253,275
AUS as % of Total Endorse.	50.6%	44.8%	50.0%	-5.2% #	50.5%
Loans Delinquent as of (Jun) **	230,000	185,071	236,496	-21.7%	239,255
Claims (Jun) ***	135,000	106,588	99,784	6.8%	135,303
Loss Mitigation Retention	75,000	64,383	54,187	18.8%	75,528
Loss Mitigation Disposition	5,000	3,367	3,920	-14.1%	5,244
Other Claims	55,000	38,838	41,677	-6.8%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

June 16-30, 2007

Applications

- Applications, seasonally adjusted, slipped slightly (-5.4%) but still maintained a strong annual rate -- 820,700.
- The actual count of applications received was 33,479 -- down from early June, due to one less business day in this report period.
- So far this fiscal year, applications are 9.9 percent higher than this time last year

Endorsements

- Mortgage endorsements totaled 24,641 -- 12,711 purchase money mortgages, 7,002 refinance obligations and 4,928 HECM's.
- Compared with last years year-to-date numbers; purchase transactions are down 14.9 percent, refinances are up 19.3 percent and HECM's have risen 44.5 percent.
- With respect to refinanced mortgages, the big change is in the number of cases requiring full underwriting because of the very sharp rise in cash out transactions -- most coming from former conventional mortgages.
- Lender Insurance processing accounted for 16,086 cases -- 65 percent of the total 24,641 cases insured.

Automated Underwriting

- AUS endorsed 22,584 cases during June. That is 48.2 percent of the insured cases were accepted and insured using the FHA scorecard.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

June 16-30, 2007

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	820,700	867,500	-5.4%	676,100	21.4%
Average per workday	3,244	3,429	-5.4%	2,672	21.4%
Actual	33,479	39,965	-16.2%	28,467	17.6%
Endorsements: *					
Annual Rate	591,400	580,700	1.8%	558,800	5.8%
Actual	24,641	24,197	1.8%	23,284	5.8%
Purchase	12,711	13,065	-2.7%	15,016	-15.4%
% Purchase	51.6%	54.0%	-2.4% #	64.5%	-12.9% #
1st Time Home Buyer	10,121	10,464	-3.3%	11,910	-15.0%
% 1st Time Home Buyer	79.6%	80.1%	-0.5% #	79.3%	0.3% #
Non-Minority	6,607	6,820	-3.1%	7,979	-17.2%
% Non Minority	65.3%	65.2%	0.1% #	67.0%	-1.7% #
Minority	3,083	3,213	-4.0%	3,484	-11.5%
% Minority	30.5%	30.7%	-0.2% #	29.3%	1.2% #
Not-Disclosed	431	429	0.5%	448	-3.8%
% Not-Disclosed	4.3%	4.1%	0.2% #	3.8%	0.5% #
Refinanced	7,002	7,135	-1.9%	4,942	41.7%
% Refinanced	28.4%	29.5%	-1.1% #	21.2%	7.2% #
Streamline	984	1,071	-8.1%	861	14.3%
% Streamline	14.1%	15.0%	-1.0% #	17.4%	-3.4% #
Full Process	6,018	6,064	-0.8%	4,081	47.5%
Cash Out	5,411	5,463	-1.0%	3,798	42.5%
% Cash Out	89.9%	90.1%	-0.2% #	93.1%	-3.2% #
HECM	4,928	3,997	23.3%	3,326	48.2%
% HECM	20.0%	16.5%	3.5% #	14.3%	5.7% #
HECM Refinance	399	365	9.3%	345	15.7%
% HECM Refinance	8.1%	9.1%	-1.0% #	10.4%	-2.3% #
Section 203(k)	102	232	-56.0%	243	-58.0%
Section 234(c)	718	814	-11.8%	951	-24.5%
% Section 234(c)	2.9%	3.4%	-0.5% #	4.1%	-1.2% #
ARM (Excludes HECM ARM)	248	209	18.7%	436	-43.1%
% ARM	1.0%	0.9%	0.1% #	1.9%	-0.9% #
Manufactured Housing	2,208	2,206	0.1%	2,062	7.1%
Interest Buy-down	146	133	9.8%	171	-14.6%
Lender Insurance	16,086	15,479	3.9%	11,019	46.0%
Minority	6,862	6,872	-0.1%	6,173	11.2%
% Minority	27.8%	28.4%	-0.6% #	26.5%	1.3% #
Automated Underwriting System * x					
AUS Endorsed (Jun)	22,584	21,158	6.7%	24,251	-6.9%
AUS as % of Total Endorsed	46.2%	44.0%	2.2% #	52.3%	-6.1% #

= Percentage point difference

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing , standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

June 16-30, 2007

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	528,294	480,907	9.9%	635,801
Endorsements *	514,000	379,147	372,488	1.8%	501,894
Purchase	319,000	197,095	231,638	-14.9%	314,010
% Purchase	62.1%	52.0%	62.2%	-10.2% #	62.6%
1st Time Home Buyer	255,000	157,238	183,945	-14.5%	248,893
% 1st Time Home Buyer	79.9%	79.8%	79.4%	0.4% #	79.3%
Non-Minority	165,000	101,544	119,644	-15.1%	163,589
% Non Minority	64.7%	64.6%	65.0%	-0.5% #	65.7%
Minority	81,000	49,160	57,574	-14.6%	76,098
% Minority	31.8%	31.3%	31.3%	0.0% #	30.6%
Not-Disclosed	9,000	6,528	6,699	-2.6%	9,166
% Not-Disclosed	3.5%	4.2%	3.6%	0.5% #	3.7%
Refinanced	117,000	101,626	85,191	19.3%	111,533
% Refinanced	22.8%	26.8%	22.9%	3.9% #	22.2%
Streamline	39,000	17,703	32,934	-46.2%	36,406
% Streamline	33.3%	17.4%	38.7%	-21.2% #	32.6%
Full Process	78,000	83,923	52,257	60.6%	75,128
Cash Out	70,000	76,807	47,859	60.5%	69,181
% Cash Out	89.7%	91.5%	91.6%	-0.1% #	92.1%
HECM	78,000	80,426	55,659	44.5%	76,351
% HECM	15.2%	21.2%	14.9%	6.3% #	15.2%
HECM Refinance	5,000	4,885	3,950	23.7%	5,333
% HECM Refinance	6.4%	6.1%	7.1%	-1.0% #	7.0%
Section 203(k)	4,000	3,778	2,734	38.2%	3,849
Section 234(c)	21,000	12,148	15,796	-23.1%	20,687
% Section 234(c)	4.1%	3.2%	4.2%	-1.0% #	4.1%
ARM (Excludes HECM ARM)	12,000	3,773	9,169	-58.9%	11,528
% ARM	2.3%	1.0%	2.5%	-1.5% #	2.3%
Manufactured Housing	43,000	36,815	31,409	17.2%	43,713
Interest Buy-down	4,000	2,337	3,072	-23.9%	3,985
Lender Insurance	200,000	203,811	115,691	76.2%	179,267
Minority	140,000	106,089	105,773	0.3%	139,715
% Minority	27.2%	28.0%	28.4%	-0.4% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Jun)	260,000	169,781	186,086	-8.8%	253,275
AUS as % of Total Endorse.	50.6%	44.8%	50.0%	-5.2% #	50.5%
Loans Delinquent as of (May) **	230,000	187,747	242,141	-22.5%	239,255
Claims (Jun) ***	135,000	106,588	99,784	6.8%	135,303
Loss Mitigation Retention	75,000	64,383	54,187	18.8%	75,528
Loss Mitigation Disposition	5,000	3,367	3,920	-14.1%	5,244
Other Claims	55,000	38,838	41,677	-6.8%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

June 1-15, 2007

Applications

- Seasonally adjusted, the annual rate for applications is 867,500 -- a 12.4 percent jump from the prior period and the best rate since March 15, 2000 -- 7 years ago.
- Actual applications received totaled 39,965 -- 10.1 percent above the May 31 reporting period.

Endorsements

- During this reporting period, 24,197 mortgages were insured; 13,065 purchase actions, 7,135 refinances and 3,997 HECM's.
- Purchase transactions comprised of 54 percent of the endorsements and of these 8 out of 10 mortgages were for first time home buyers.
- With respect to refinancing, only 15 percent could be handled with streamline procedures. Most of the refinances had to be fully processed because of the large number of cases that involved a cash out deal.
- HECM's accounted for 16.5 percent of the total insurance activity. It is of interest to note that 9.1 percent of the total HECM activity involved refinance activity.
- Lender insurance processing covered 15,479 mortgages -- roughly 64 percent of case handling.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

June 1-15, 2007

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	867,500	771,900	12.4%	709,200	22.3%
Average per workday	3,429	3,051	12.4%	2,803	22.3%
Actual	39,965	36,313	10.1%	29,152	37.1%
Endorsements: *					
Annual Rate	580,700	596,200	-2.6%	554,800	4.7%
Actual	24,197	24,840	-2.6%	23,116	4.7%
Purchase	13,065	12,422	5.2%	14,160	-7.7%
% Purchase	54.0%	50.0%	4.0% #	61.3%	-7.3% #
1st Time Home Buyer	10,464	10,060	4.0%	11,220	-6.7%
% 1st Time Home Buyer	80.1%	81.0%	-0.9% #	79.2%	0.9% #
Non-Minority	6,820	6,503	4.9%	7,659	-11.0%
% Non Minority	65.2%	64.6%	0.5% #	68.3%	-3.1% #
Minority	3,213	3,163	1.6%	3,146	2.1%
% Minority	30.7%	31.4%	-0.7% #	28.0%	2.7% #
Not-Disclosed	429	395	8.6%	415	3.4%
% Not-Disclosed	4.1%	3.9%	0.2% #	3.7%	0.4% #
Refinanced	7,135	7,110	0.4%	4,710	51.5%
% Refinanced	29.5%	28.6%	0.9% #	20.4%	9.1% #
Streamline	1,071	1,079	-0.7%	938	14.2%
% Streamline	15.0%	15.2%	-0.2% #	19.9%	-4.9% #
Full Process	6,064	6,031	0.5%	3,772	60.8%
Cash Out	5,463	5,451	0.2%	3,531	54.7%
% Cash Out	90.1%	90.4%	-0.3% #	93.6%	-3.5% #
HECM (all ARM's)	3,997	5,308	-24.7%	4,246	-5.9%
% HECM	16.5%	21.4%	-4.9% #	18.4%	-1.8% #
HECM Refinance	365	459	-20.5%	463	-21.2%
% HECM Refinance	9.1%	8.6%	0.5% #	10.9%	-1.8% #
Section 203(k)	232	204	13.7%	188	23.4%
Section 234(c)	814	729	11.7%	908	-10.4%
% Section 234(c)	3.4%	2.9%	0.4% #	3.9%	-0.6% #
ARM (Excludes HECM ARM)	209	209	0.0%	318	-34.3%
% ARM	0.9%	0.8%	0.0% #	1.4%	-0.5% #
Manufactured Housing	2,206	2,181	1.1%	1,897	16.3%
Interest Buy-down	133	120	10.8%	157	-15.3%
Lender Insurance	15,479	13,236	16.9%	10,448	0.0%
Minority	6,872	7,094	-3.1%	6,041	13.8%
% Minority	28.4%	28.6%	-0.2% #	26.1%	2.3% #
Automated Underwriting System * x					
AUS Endorsed (May)	21,158	18,268	15.8%	25,223	-16.1%
AUS as % of Total Endorsed	44.0%	44.5%	-0.5% #	51.1%	-7.1% #

= Percentage point difference

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing , standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

June 1-15, 2007

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	494,815	452,440	9.4%	635,801
Endorsements *	514,000	354,545	349,253	1.5%	501,894
Purchase	319,000	184,399	216,648	-14.9%	314,010
% Purchase	62.1%	52.0%	62.0%	-10.0% #	62.6%
1st Time Home Buyer	255,000	147,121	172,039	-14.5%	248,893
% 1st Time Home Buyer	79.9%	79.8%	79.4%	0.4% #	79.3%
Non-Minority	165,000	94,940	111,682	-15.0%	163,589
% Non Minority	64.7%	64.5%	64.9%	-0.4% #	65.7%
Minority	81,000	46,083	54,094	-14.8%	76,098
% Minority	31.8%	31.3%	31.4%	-0.1% #	30.6%
Not-Disclosed	9,000	6,097	6,252	-2.5%	9,166
% Not-Disclosed	3.5%	4.1%	3.6%	0.5% #	3.7%
Refinanced	117,000	94,633	80,267	17.9%	111,533
% Refinanced	22.8%	26.7%	23.0%	3.7% #	22.2%
Streamline	39,000	16,722	32,077	-47.9%	36,406
% Streamline	33.3%	17.7%	40.0%	-22.3% #	32.6%
Full Process	78,000	77,911	48,190	61.7%	75,128
Cash Out	70,000	71,404	44,061	62.1%	69,181
% Cash Out	89.7%	91.6%	91.4%	0.2% #	92.1%
HECM (all ARM's)	78,000	75,513	52,338	44.3%	76,351
% HECM	15.2%	21.3%	15.0%	6.3% #	15.2%
HECM Refinance	5,000	4,484	3,605	24.4%	5,333
% HECM Refinance	6.4%	5.9%	6.9%	-0.9% #	7.0%
Section 203(k)	4,000	3,519	2,491	41.3%	3,849
Section 234(c)	21,000	11,421	14,849	-23.1%	20,687
% Section 234(c)	4.1%	3.2%	4.3%	-1.0% #	4.1%
ARM (Excludes HECM ARM)	12,000	3,529	8,730	-59.6%	11,528
% ARM	2.3%	1.0%	2.5%	-1.5% #	2.3%
Manufactured Housing	43,000	34,409	29,352	17.2%	43,713
Interest Buy-down	4,000	2,172	2,898	-25.1%	3,985
Lender Insurance	200,000	187,738	104,686	0.0%	179,267
Minority	140,000	99,238	99,613	-0.4%	139,715
% Minority	27.2%	28.0%	28.5%	-0.5% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (May)	260,000	147,204	161,856	-9.1%	253,275
AUS as % of Total Endorse.	50.6%	44.6%	49.6%	-5.0% #	50.5%
Loans Delinquent as of (May) **	230,000	187,747	242,141	-22.5%	239,255
Claims (May) ***	135,000	94,301	87,220	8.1%	135,303
Loss Mitigation Retention	75,000	56,726	46,690	21.5%	75,528
Loss Mitigation Disposition	5,000	2,963	3,425	-13.5%	5,244
Other Claims	55,000	34,612	37,105	-6.7%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

May 16-31, 2007

Applications

- Although applications, at an annual rate showed continued strength, there was a slippage of about 8 percent to 771,900 -- most likely due to the Memorial Day Weekend.
- Actual receipts totaled 36,313 -- down for 39,427 from the last report period.
- During May, 3.8 percent of the applications were to refinance a home.

Endorsements

- During this reporting period, 24,840 mortgages were endorsed -- 12,422 purchase money mortgages, 7,110 existing transactions and 5,308 HECM's.
- Purchase Transaction accounted for 50 percent of the endorsements and of those, 81 percent were for first time homebuyers. In addition, 31.4 percent were minority households. 3.9 percent of the mortgagors declined to give their race or ethnicity.
- 28.6 percent of the endorsements covered refinance mortgages and of those most required full processing because of the large proportion that were cash outs -- primarily from conventional to FHA mortgages. This was combination of borrowers taking advantage of the 95 percent loan-to-value ratio for cash out refi's now available for FHA transactions and some subprime mortgages being refinanced.
- HECM's accounted for 21.4 percent of the endorsed mortgages.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

May 16-31, 2007

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	771,900	838,500	-7.9%	721,100	7.0%
Average per workday	3,051	3,314	-7.9%	2,850	7.1%
Actual	36,313	39,427	-7.9%	29,322	23.8%
% for Refinance (May)	3.8%	4.3%	-0.5% #	3.5%	0.3% #
Endorsements: *					
Annual Rate	596,200	557,900	6.9%	592,100	0.7%
Actual	24,840	23,245	6.9%	24,671	0.7%
Purchase	12,422	11,814	5.1%	15,257	-18.6%
% Purchase	50.0%	50.8%	-0.8% #	61.8%	-11.8% #
1st Time Home Buyer	10,060	9,632	4.4%	12,134	-17.1%
% 1st Time Home Buyer	81.0%	81.5%	-0.5% #	79.5%	1.5% #
Non-Minority	6,503	6,216	4.6%	8,254	-21.2%
% Non Minority	64.6%	64.5%	0.1% #	68.0%	-3.4% #
Minority	3,163	3,021	4.7%	3,427	-7.7%
% Minority	31.4%	31.4%	0.1% #	28.2%	3.2% #
Not-Disclosed	395	394	0.3%	454	-13.0%
% Not-Disclosed	3.9%	4.1%	-0.2% #	3.7%	0.2% #
Refinanced	7,110	6,330	12.3%	5,336	33.2%
% Refinanced	28.6%	27.2%	1.4% #	21.6%	7.0% #
Streamline	1,079	1,015	6.3%	1,083	-0.4%
% Streamline	15.2%	16.0%	-0.9% #	20.3%	-5.1% #
Full Process	6,031	5,315	13.5%	4,253	41.8%
Cash Out	5,451	4,802	13.5%	3,946	38.1%
% Cash Out	90.4%	90.3%	0.0% #	92.8%	-2.4% #
HECM (all ARM's)	5,308	5,101	4.1%	4,078	30.2%
% HECM	21.4%	21.9%	-0.6% #	16.5%	4.8% #
HECM Refinance	459	391	17.4%	320	43.4%
% HECM Refinance	8.6%	7.7%	1.0% #	7.8%	0.8% #
Section 203(k)	204	201	1.5%	203	0.5%
Section 234(c)	729	779	-6.4%	891	-18.2%
% Section 234(c)	2.9%	3.4%	-0.4% #	3.6%	-0.7% #
ARM (Excludes HECM ARM)	209	201	4.0%	396	-47.2%
% ARM	0.8%	0.9%	0.0% #	1.6%	-0.8% #
Manufactured Housing	2,181	2,062	5.8%	2,162	0.9%
Interest Buy-down	120	106	13.2%	194	-38.1%
Lender Insurance	13,236	12,623	4.9%	11,065	0.0%
Minority	7,094	6,524	8.7%	6,609	7.3%
% Minority	28.6%	28.1%	0.5% #	26.8%	1.8% #
Automated Underwriting System * x					
AUS Endorsed (May)	21,158	18,268	15.8%	25,223	-16.1%
AUS as % of Total Endorsed	44.0%	44.5%	-0.5% #	51.1%	-7.1% #

= Percentage point difference

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing , standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

May 16-31, 2007

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	454,850	423,288	7.5%	635,801
Endorsements *	514,000	330,348	326,137	1.3%	501,894
Purchase	319,000	171,334	202,488	-15.4%	314,010
% Purchase	62.1%	51.9%	62.1%	-10.2% #	62.6%
1st Time Home Buyer	255,000	136,659	160,826	-15.0%	248,893
% 1st Time Home Buyer	79.9%	79.8%	79.4%	0.3% #	79.3%
Non-Minority	165,000	88,120	104,023	-15.3%	163,589
% Non Minority	64.7%	64.5%	64.7%	-0.2% #	65.7%
Minority	81,000	42,870	50,948	-15.9%	76,098
% Minority	31.8%	31.4%	31.7%	-0.3% #	30.6%
Not-Disclosed	9,000	5,668	5,837	-2.9%	9,166
% Not-Disclosed	3.5%	4.1%	3.6%	0.5% #	3.7%
Refinanced	117,000	87,498	75,557	15.8%	111,533
% Refinanced	22.8%	26.5%	23.2%	3.3% #	22.2%
Streamline	39,000	15,651	31,139	-49.7%	36,406
% Streamline	33.3%	17.9%	41.2%	-23.3% #	32.6%
Full Process	78,000	71,847	44,418	61.8%	75,128
Cash Out	70,000	65,941	40,530	62.7%	69,181
% Cash Out	89.7%	91.8%	91.2%	0.5% #	92.1%
HECM (all ARM's)	78,000	71,516	48,092	48.7%	76,351
% HECM	15.2%	21.6%	14.7%	6.9% #	15.2%
HECM Refinance	5,000	4,119	3,142	31.1%	5,333
% HECM Refinance	6.4%	5.8%	6.5%	-0.8% #	7.0%
Section 203(k)	4,000	3,287	2,303	42.7%	3,849
Section 234(c)	21,000	10,607	13,941	-23.9%	20,687
% Section 234(c)	4.1%	3.2%	4.3%	-1.1% #	4.1%
ARM (Excludes HECM ARM)	12,000	3,320	8,412	-60.5%	11,528
% ARM	2.3%	1.0%	2.6%	-1.6% #	2.3%
Manufactured Housing	43,000	32,203	27,455	17.3%	43,713
Interest Buy-down	4,000	2,039	2,741	-25.6%	3,985
Lender Insurance	200,000	172,259	94,238	0.0%	179,267
Minority	140,000	92,366	93,572	-1.3%	139,715
% Minority	27.2%	28.0%	28.7%	-0.7% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (May)	260,000	147,204	161,856	-9.1%	253,275
AUS as % of Total Endorse.	50.6%	44.6%	49.6%	-5.0% #	50.5%
Loans Delinquent as of (Apr) **	230,000	183,858	244,073	-24.7%	239,255
Claims (May) ***	135,000	94,301	87,220	8.1%	135,303
Loss Mitigation Retention	75,000	56,726	46,690	21.5%	75,528
Loss Mitigation Disposition	5,000	2,963	3,425	-13.5%	5,244
Other Claims	55,000	34,612	37,105	-6.7%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

May 1-15, 2007

Applications

- The seasonally adjusted rate for applications continue to rise. During this reporting period the annual rate was recorded at 838,500 -- 8 percent above the last report period and the highest rate since March 15, 2006.
- Actual applications received was also up 8 percent and totaled 39,427.

Endorsements

- During this period, 23,245 mortgages were endorsed -- 11,814 purchase money mortgages, 6,330 refinances and 5,101 HECM's.
- 81.5 percent of the purchase transactions were for first timers and 31.4 percent of these represented minority households.
- Most of the refinances required full processing because the bulk of these transactions involved a cash out.
- HECM's accounted for 21.9 percent of the endorsements and so far this fiscal year HECM's are 50 percent above those reported for the same period last year.
- Lender insurance accounted for 12,623 endorsements -- 54.3 percent of total cases insured.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

May 1-15, 2007

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	838,500	776,700	8.0%	833,300	0.6%
Average per workday	3,314	3,070	7.9%	3,294	0.6%
Actual	39,427	36,460	8.1%	33,579	17.4%
% for Refinance (Apr)	4.3%	5.1%	-0.8% #	4.7%	-0.4% #
Endorsements: *					
Annual Rate	557,900	542,300	2.9%	592,700	-5.9%
Actual	23,245	22,596	2.9%	24,695	-5.9%
Purchase	11,814	11,964	-1.3%	14,813	-20.2%
% Purchase	50.8%	52.9%	-2.1% #	60.0%	-9.2% #
1st Time Home Buyer	9,632	9,614	0.2%	11,752	-18.0%
% 1st Time Home Buyer	81.5%	80.4%	1.2% #	79.3%	2.2% #
Non-Minority	6,216	6,150	1.1%	7,854	-20.9%
% Non Minority	64.5%	64.0%	0.6% #	66.8%	-2.3% #
Minority	3,021	3,032	-0.4%	3,434	-12.0%
% Minority	31.4%	31.5%	-0.2% #	29.2%	2.1% #
Not-Disclosed	394	433	-9.0%	461	-14.5%
% Not-Disclosed	4.1%	4.5%	-0.4% #	3.9%	0.2% #
Refinanced	6,330	6,547	-3.3%	5,546	14.1%
% Refinanced	27.2%	29.0%	-1.7% #	22.5%	4.8% #
Streamline	1,015	1,283	-20.9%	1,378	-26.3%
% Streamline	16.0%	19.6%	-3.6% #	24.8%	-8.8% #
Full Process	5,315	5,264	1.0%	4,168	27.5%
Cash Out	4,802	4,819	-0.4%	3,879	23.8%
% Cash Out	90.3%	91.5%	-1.2% #	93.1%	-2.7% #
HECM (all ARM's)	5,101	4,085	24.9%	4,336	17.6%
% HECM	21.9%	18.1%	3.9% #	17.6%	4.4% #
HECM Refinance	391	249	57.0%	367	6.5%
% HECM Refinance	7.7%	6.1%	1.6% #	8.5%	-0.8% #
Section 203(k)	201	266	-24.4%	172	16.9%
Section 234(c)	779	721	8.0%	971	-19.8%
% Section 234(c)	3.4%	3.2%	0.2% #	3.9%	-0.6% #
ARM (Excludes HECM ARM)	201	220	-8.6%	386	-47.9%
% ARM	0.9%	1.0%	-0.1% #	1.6%	-0.7% #
Manufactured Housing	2,062	2,163	-4.7%	2,041	1.0%
Interest Buy-down	106	178	-40.4%	184	-42.4%
Lender Insurance	12,623	12,619	0.0%	11,281	0.0%
Minority	6,524	6,479	0.7%	6,543	-0.3%
% Minority	28.1%	28.7%	-0.6% #	26.5%	1.6% #
Automated Underwriting System * x					
AUS Endorsed (Apr)	18,268	16,947	7.8%	20,902	-12.6%
AUS as % of Total Endorsed	44.5%	40.1%	4.4% #	50.9%	-6.4% #

= Percentage point difference

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

May 1-15, 2007

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	418,537	393,966	6.2%	635,801
Endorsements *	514,000	305,508	301,466	1.3%	501,894
Purchase	319,000	158,912	187,231	-15.1%	314,010
% Purchase	62.1%	52.0%	62.1%	-10.1% #	62.6%
1st Time Home Buyer	255,000	126,599	148,692	-14.9%	248,893
% 1st Time Home Buyer	79.9%	79.7%	79.4%	0.2% #	79.3%
Non-Minority	165,000	81,617	95,769	-14.8%	163,589
% Non Minority	64.7%	64.5%	64.4%	0.1% #	65.7%
Minority	81,000	39,707	47,521	-16.4%	76,098
% Minority	31.8%	31.4%	32.0%	-0.6% #	30.6%
Not-Disclosed	9,000	5,273	5,383	-2.0%	9,166
% Not-Disclosed	3.5%	4.2%	3.6%	0.5% #	3.7%
Refinanced	117,000	80,388	70,221	14.5%	111,533
% Refinanced	22.8%	26.3%	23.3%	3.0% #	22.2%
Streamline	39,000	14,572	30,056	-51.5%	36,406
% Streamline	33.3%	18.1%	42.8%	-24.7% #	32.6%
Full Process	78,000	65,816	40,165	63.9%	75,128
Cash Out	70,000	60,490	36,584	65.3%	69,181
% Cash Out	89.7%	91.9%	91.1%	0.8% #	92.1%
HECM (all ARM's)	78,000	66,208	44,014	50.4%	76,351
% HECM	15.2%	21.7%	14.6%	7.1% #	15.2%
HECM Refinance	5,000	3,660	2,822	29.7%	5,333
% HECM Refinance	6.4%	5.5%	6.4%	-0.9% #	7.0%
Section 203(k)	4,000	3,083	2,100	46.8%	3,849
Section 234(c)	21,000	9,878	13,050	-24.3%	20,687
% Section 234(c)	4.1%	3.2%	4.3%	-1.1% #	4.1%
ARM (Excludes HECM ARM)	12,000	3,111	8,016	-61.2%	11,528
% ARM	2.3%	1.0%	2.7%	-1.6% #	2.3%
Manufactured Housing	43,000	30,222	25,293	19.5%	43,713
Interest Buy-down	4,000	1,919	2,547	-24.7%	3,985
Lender Insurance	200,000	159,023	83,173	0.0%	179,267
Minority	140,000	85,272	86,963	-1.9%	139,715
% Minority	27.2%	27.9%	28.8%	-0.9% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Apr)	260,000	126,046	136,633	-7.7%	253,275
AUS as % of Total Endorse.	50.6%	44.7%	49.4%	-4.7% #	50.5%
Loans Delinquent as of (Apr) **	230,000	183,858	244,073	-24.7%	239,255
Claims (Apr) ***	135,000	82,125	74,774	9.8%	135,303
Loss Mitigation Retention	75,000	49,251	39,557	24.5%	75,528
Loss Mitigation Disposition	5,000	2,553	2,929	-12.8%	5,244
Other Claims	55,000	30,321	32,288	-6.1%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

April 16-30, 2007

Applications

- Applications were estimated at an annual rate of 776,600 -- the highest seasonally adjusted rate since May 1-15, 2006. That is the best in the last 23 reporting periods. It is still too early to call it a significant change in business activity but it is potentially a good omen.
- Actual receipts totaled 36,460 -- 17.4 percent higher than early April.
- During April only 4.3 percent of the applications were for a refinance transaction

Endorsements

- 22,596 mortgages were endorsed -- 11,964 purchase mortgages, 6,547 refinances and 4,085 HECM's.
- Four out of every five purchase transactions were for first time home owners and 31.5 percent of these buyers were from some minority group.
- 29 percent of the endorsements were to refinance a current mortgage.
- 18.1 percent of the endorsements were HECM's and 6.1 percent of the HECM total were refinances.
- Lender insurance covered 12,619 of the 22,596 mortgages insured.

FHA SINGLE FAMILY OPERATIONS COMMENTS

(Supplement to FHA Outlook)

April 16-30, 2007

During calendar year 2006, the typical home mortgage insured under Section 203(b) - the largest single family program - was \$128,991 supported by a property with an estimated value of \$138,000.

The property was most likely situated in the suburbs on a 9,601 square foot lot. The home had 1,486 square feet of improved living area and averaged 6.1 rooms, 3.1 bedrooms and 1.7 baths. It should be noted that two out of every three homes had garages or carports with 2 or more car capacity. Most of the homes also had central air conditioning.

The annual income of the typical FHA owner (aged 36.7 years) was \$54,252 and the mortgage had an interest rate of 6.39 percent requiring a monthly payment (PITI) of \$681 for 30 years.

The typical front end ratio (total monthly payment to income) was 25.8 percent and the back ratio (total fixed payment to income) was 38.7 percent (the current underwriting ratio guidelines are 31 and 43 percent respectively). It is also of note that 44.6 percent of the FHA home owners are unmarried.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

April 16-30, 2007

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	776,700	674,600	15.1%	741,600	4.7%
Average per workday	3,070	2,667	15.1%	2,931	4.7%
Actual	36,460	31,069	17.4%	27,239	33.9%
% for Refinance (Apr)	4.3%	5.1%	-0.8% #	4.7%	-0.4% #
Endorsements: *					
Annual Rate	542,300	442,500	22.6%	513,300	5.6%
Actual	22,596	18,436	22.6%	21,387	5.7%
Purchase	11,964	9,525	25.6%	13,219	-9.5%
% Purchase	52.9%	51.7%	1.3% #	61.8%	-8.9% #
1st Time Home Buyer	9,614	7,660	25.5%	10,498	-8.4%
% 1st Time Home Buyer	80.4%	80.4%	-0.1% #	79.4%	0.9% #
Non-Minority	6,150	4,993	23.2%	7,098	-13.4%
% Non Minority	64.0%	65.2%	-1.2% #	67.6%	-3.6% #
Minority	3,032	2,335	29.9%	2,952	2.7%
% Minority	31.5%	30.5%	1.1% #	28.1%	3.4% #
Not-Disclosed	433	331	30.8%	444	-2.5%
% Not-Disclosed	4.5%	4.3%	0.2% #	4.2%	0.3% #
Refinanced	6,547	4,954	32.2%	4,882	34.1%
% Refinanced	29.0%	26.9%	2.1% #	22.8%	6.1% #
Streamline	1,283	959	33.8%	1,287	-0.3%
% Streamline	19.6%	19.4%	0.2% #	26.4%	-6.8% #
Full Process	5,264	3,995	31.8%	3,595	46.4%
Cash Out	4,819	3,631	32.7%	3,343	44.2%
% Cash Out	91.5%	90.9%	0.7% #	93.0%	-1.4% #
HECM (all ARM's)	4,085	3,957	3.2%	3,286	24.3%
% HECM	18.1%	21.5%	-3.4% #	15.4%	2.7% #
HECM Refinance	249	232	7.3%	237	5.1%
% HECM Refinance	6.1%	5.9%	0.2% #	7.2%	-1.1% #
Section 203(k)	266	206	29.1%	184	44.6%
Section 234(c)	721	547	31.8%	872	-17.3%
% Section 234(c)	3.2%	3.0%	0.2% #	4.1%	-0.9% #
ARM (Excludes HECM ARM)	220	180	22.2%	320	-31.3%
% ARM	1.0%	1.0%	0.0% #	1.5%	-0.5% #
Manufactured Housing	2,163	1,773	22.0%	1,866	15.9%
Interest Buy-down	178	140	27.1%	157	13.4%
Lender Insurance	12,619	9,989	26.3%	9,533	0.0%
Minority	6,479	5,123	26.5%	5,550	16.7%
% Minority	28.7%	27.8%	0.9% #	26.0%	2.7% #
Automated Underwriting System * x					
AUS Endorsed (Apr)	18,268	16,947	7.8%	20,902	-12.6%
AUS as % of Total Endorsed	44.5%	40.1%	4.4% #	50.9%	-6.4% #

= Percentage point difference

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

April 16-30, 2007

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	379,110	360,387	5.2%	635,801
Endorsements *	514,000	282,263	276,771	2.0%	501,894
Purchase	319,000	147,098	172,418	-14.7%	314,010
% Purchase	62.1%	52.1%	62.3%	-10.2% #	62.6%
1st Time Home Buyer	255,000	116,969	136,941	-14.6%	248,893
% 1st Time Home Buyer	79.9%	79.5%	79.4%	0.1% #	79.3%
Non-Minority	165,000	75,401	87,915	-14.2%	163,589
% Non Minority	64.7%	64.5%	64.2%	0.3% #	65.7%
Minority	81,000	36,686	44,087	-16.8%	76,098
% Minority	31.8%	31.4%	32.2%	-0.8% #	30.6%
Not-Disclosed	9,000	4,879	4,922	-0.9%	9,166
% Not-Disclosed	3.5%	4.2%	3.6%	0.6% #	3.7%
Refinanced	117,000	74,058	64,675	14.5%	111,533
% Refinanced	22.8%	26.2%	23.4%	2.9% #	22.2%
Streamline	39,000	13,557	28,678	-52.7%	36,406
% Streamline	33.3%	18.3%	44.3%	-26.0% #	32.6%
Full Process	78,000	60,501	35,997	68.1%	75,128
Cash Out	70,000	55,688	30,770	81.0%	69,181
% Cash Out	89.7%	92.0%	85.5%	6.6% #	92.1%
HECM (all ARM's)	78,000	61,107	39,678	54.0%	76,351
% HECM	15.2%	21.6%	14.3%	7.3% #	15.2%
HECM Refinance	5,000	3,269	2,455	33.2%	5,333
% HECM Refinance	6.4%	5.3%	6.2%	-0.8% #	7.0%
Section 203(k)	4,000	2,882	1,928	49.5%	3,849
Section 234(c)	21,000	9,099	12,079	-24.7%	20,687
% Section 234(c)	4.1%	3.2%	4.4%	-1.1% #	4.1%
ARM (Excludes HECM ARM)	12,000	2,910	7,630	-61.9%	11,528
% ARM	2.3%	1.0%	2.8%	-1.7% #	2.3%
Manufactured Housing	43,000	28,160	23,252	21.1%	43,713
Interest Buy-down	4,000	1,813	2,363	-23.3%	3,985
Lender Insurance	200,000	146,400	71,892	0.0%	179,267
Minority	140,000	78,748	80,420	-2.1%	139,715
% Minority	27.2%	27.9%	29.1%	-1.2% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Apr)	260,000	126,046	136,633	-7.7%	253,275
AUS as % of Total Endorse.	50.6%	44.7%	49.4%	-4.7% #	50.5%
Loans Delinquent as of (Mar) **	230,000	192,922	246,226	-21.6%	239,255
Claims (Apr) ***	135,000	82,125	74,774	9.8%	135,303
Loss Mitigation Retention	75,000	49,251	39,557	24.5%	75,528
Loss Mitigation Disposition	5,000	2,553	2,929	-12.8%	5,244
Other Claims	55,000	30,321	32,288	-6.1%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

April 1-15, 2007

Applications

- Seasonally adjusted, the annual rate for application activity was 674,600 -- 4.7 percent above the rate estimated for late March.
- 31,069 applications were received during this two week period.
- So far this fiscal year, 259,667 applications were received. 1.7 percent higher than the same time last year.

Endorsements

- 18,436 mortgages were insured. 9,525 to purchase a home, 4,954 to refinance a current mortgage and 3,957 HECM's.
- Purchase Transaction accounted for 51.7 of the endorsements and of those 30.5 percent of the endorsements were for minority households.
- Eight out of every 10 refinance case requires full processing because most of these were cash out actions.
- HECM's now account for 21.5 percent of the endorsements. 5.9 percent of these HECM's were refinanced actions.
- Only 1 percent of the endorsements had ARM provisions.
- 9,989 cases were processed using the Lender Insurance Program -- 54.2 percent of the total endorsements.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

April 1-15, 2007

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	742,100 r	708,900	4.7% r	821,300	-9.6%
Average per workday	2,933 r	2,802	4.7% r	3,246	-9.6%
Actual	31,069	34,089	-8.9%	30,245	2.7%
% for Refinance (Mar)	5.1%	4.6%	0.5% #	6.1%	-1.0% #
Endorsements: *					
Annual Rate	442,500	504,300	-12.3%	472,100	-6.3%
Actual	18,436	21,011	-12.3%	19,671	-6.3%
Purchase	9,525	9,934	-4.1%	11,455	-16.8%
% Purchase	51.7%	47.3%	4.4% #	58.2%	-6.6% #
1st Time Home Buyer	7,660	7,996	-4.2%	9,131	-16.1%
% 1st Time Home Buyer	80.4%	80.5%	-0.1% #	79.7%	0.7% #
Non-Minority	4,993	5,096	-2.0%	6,005	-16.9%
% Non Minority	65.2%	63.7%	1.5% #	65.8%	-0.6% #
Minority	2,335	2,560	-8.8%	2,720	-14.2%
% Minority	30.5%	32.0%	-1.5% #	29.8%	0.7% #
Not-Disclosed	331	340	-2.6%	405	-18.3%
% Not-Disclosed	4.3%	4.3%	0.1% #	4.4%	-0.1% #
Refinanced	4,954	5,309	-6.7%	4,965	-0.2%
% Refinanced	26.9%	25.3%	1.6% #	25.2%	1.6% #
Streamline	959	968	-0.9%	1,582	-39.4%
% Streamline	19.4%	18.2%	1.1% #	31.9%	-12.5% #
Full Process	3,995	4,341	-8.0%	3,383	18.1%
Cash Out	3,631	3,993	-9.1%	1,198	203.1%
% Cash Out	90.9%	92.0%	-1.1% #	35.4%	55.5% #
HECM (all ARM's)	3,957	5,768	-31.4%	3,251	21.7%
% HECM	21.5%	27.5%	-6.0% #	16.5%	4.9% #
HECM Refinance	232	288	-19.4%	236	-1.7%
% HECM Refinance	5.9%	5.0%	0.9% #	7.3%	-1.4% #
Section 203(k)	206	179	15.1%	126	63.5%
Section 234(c)	547	540	1.3%	706	-22.5%
% Section 234(c)	3.0%	2.6%	0.4% #	3.6%	-0.6% #
ARM (Excludes HECM ARM)	180	136	32.4%	286	-37.1%
% ARM	1.0%	0.6%	0.3% #	1.5%	-0.5% #
Manufactured Housing	1,773	1,932	-8.2%	1,649	7.5%
Interest Buy-down	140	105	33.3%	158	-11.4%
Lender Insurance	9,989	9,689	3.1%	9,331	0.0%
Minority	5,123	5,981	-14.3%	5,287	-3.1%
% Minority	27.8%	28.5%	-0.7% #	26.9%	0.9% #
Automated Underwriting System * x					
AUS Endorsed (Mar)	16,947	14,878	13.9%	21,747	-22.1%
AUS as % of Total Endorsed	40.1%	41.0%	-0.9% #	49.9%	-9.8% #

= Percentage point difference r - revised

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing , standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

April 1-15, 2007

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	342,650	333,148	2.9%	635,801
Endorsements *	514,000	259,667	255,384	1.7%	501,894
Purchase	319,000	135,134	159,199	-15.1%	314,010
% Purchase	62.1%	52.0%	62.3%	-10.3% #	62.6%
1st Time Home Buyer	255,000	107,356	126,446	-15.1%	248,893
% 1st Time Home Buyer	79.9%	79.4%	79.4%	0.0% #	79.3%
Non-Minority	165,000	69,251	80,817	-14.3%	163,589
% Non Minority	64.7%	64.5%	63.9%	0.6% #	65.7%
Minority	81,000	33,654	41,135	-18.2%	76,098
% Minority	31.8%	31.3%	32.5%	-1.2% #	30.6%
Not-Disclosed	9,000	4,446	4,478	-0.7%	9,166
% Not-Disclosed	3.5%	4.1%	3.5%	0.6% #	3.7%
Refinanced	117,000	67,511	59,793	12.9%	111,533
% Refinanced	22.8%	26.0%	23.4%	2.6% #	22.2%
Streamline	39,000	12,274	27,391	-55.2%	36,406
% Streamline	33.3%	18.2%	45.8%	-27.6% #	32.6%
Full Process	78,000	55,237	32,402	70.5%	75,128
Cash Out	70,000	50,869	27,427	85.5%	69,181
% Cash Out	89.7%	92.1%	84.6%	7.4% #	92.1%
HECM (all ARM's)	78,000	57,022	36,392	56.7%	76,351
% HECM	15.2%	22.0%	14.2%	7.7% #	15.2%
HECM Refinance	5,000	3,020	2,218	36.2%	5,333
% HECM Refinance	6.4%	5.3%	6.1%	-0.8% #	7.0%
Section 203(k)	4,000	2,616	1,744	50.0%	3,849
Section 234(c)	21,000	8,378	11,207	-25.2%	20,687
% Section 234(c)	4.1%	3.2%	4.4%	-1.2% #	4.1%
ARM (Excludes HECM ARM)	12,000	2,690	7,310	-63.2%	11,528
% ARM	2.3%	1.0%	2.9%	-1.8% #	2.3%
Manufactured Housing	43,000	25,997	21,386	21.6%	43,713
Interest Buy-down	4,000	1,635	2,206	-25.9%	3,985
Lender Insurance	200,000	133,781	62,359	0.0%	179,267
Minority	140,000	72,269	74,870	-3.5%	139,715
% Minority	27.2%	27.8%	29.3%	-1.5% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Mar)	260,000	107,778	115,731	-6.9%	253,275
AUS as % of Total Endorse.	50.6%	44.7%	49.1%	-4.4% #	50.5%
Loans Delinquent as of (Mar) **	230,000	192,922	246,226	-21.6%	239,255
Claims (Mar) ***	135,000	71,242	64,098	11.1%	135,303
Loss Mitigation Retention	75,000	42,985	33,559	28.1%	75,528
Loss Mitigation Disposition	5,000	2,162	2,552	-15.3%	5,244
Other Claims	55,000	26,095	27,987	-6.8%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing , standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

March 16-31, 2007

Applications

- After seasonal adjustment, applications were recorded at an annual rate of 708,900 -- 6.7 percent above the rate for early March.
- Actual receipts totaled 34,089 for this reporting period.
- 5.1 percent of the applications for March were to refinance a prior mortgage.

Endorsements

- 21,011 mortgages were endorsed. 9,934 purchase money mortgages, 5,309 refinance transactions and 5,768 HECM's.
- 5 percent of the HECM's were refinancing actions.
- Cash out transactions continue to make up the bulk of the refinances.
- 9,689 endorsements were handled with Lender Insurance procedures.

Automated Underwriting

- 16,947 mortgages were accepted and endorsed using the FHA score card. This represents 40.1 percent of the mortgages insured during March.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

March 16-31, 2007

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	708,900	664,500	6.7%	798,000	-11.2%
Average per workday	2,802	2,626	6.7%	3,154	-11.2%
Actual	34,089	32,796	3.9%	34,381	-0.8%
% for Refinance (Mar)	5.1%	4.6%	0.5% #	6.1%	-1.0% #
Endorsements: *					
Annual Rate	504,300	482,400	4.5%	561,400	-10.2%
Actual	21,011	20,098	4.5%	23,391	-10.2%
Purchase	9,934	9,538	4.2%	13,787	-27.9%
% Purchase	47.3%	47.5%	-0.2% #	58.9%	-11.7% #
1st Time Home Buyer	7,996	7,650	4.5%	10,886	-26.5%
% 1st Time Home Buyer	80.5%	80.2%	0.3% #	79.0%	1.5% #
Non-Minority	5,096	4,838	5.3%	7,016	-27.4%
% Non Minority	63.7%	63.2%	0.5% #	64.4%	-0.7% #
Minority	2,560	2,434	5.2%	3,459	-26.0%
% Minority	32.0%	31.8%	0.2% #	31.8%	0.2% #
Not-Disclosed	340	377	-9.8%	409	-16.9%
% Not-Disclosed	4.3%	4.9%	-0.7% #	3.8%	0.5% #
Refinanced	5,309	5,440	-2.4%	5,974	-11.1%
% Refinanced	25.3%	27.1%	-1.8% #	25.5%	-0.3% #
Streamline	968	1,124	-13.9%	1,936	-50.0%
% Streamline	18.2%	20.7%	-2.4% #	32.4%	-14.2% #
Full Process	4,341	4,316	0.6%	4,038	7.5%
Cash Out	3,993	3,969	0.6%	3,709	7.7%
% Cash Out	92.0%	92.0%	0.0% #	91.9%	0.1% #
HECM (all ARM's)	5,768	5,120	12.7%	3,630	58.9%
% HECM	27.5%	25.5%	2.0% #	15.5%	11.9% #
HECM Refinance	288	249	15.7%	207	39.1%
% HECM Refinance	5.0%	4.9%	0.1% #	5.7%	-0.7% #
Section 203(k)	179	187	-4.3%	162	10.5%
Section 234(c)	540	557	-3.1%	858	-37.1%
% Section 234(c)	2.6%	2.8%	-0.2% #	3.7%	-1.1% #
ARM (Excludes HECM ARM)	136	126	7.9%	389	-65.0%
% ARM	0.6%	0.6%	0.0% #	1.7%	-1.0% #
Manufactured Housing	1,932	1,833	5.4%	2,046	-5.6%
Interest Buy-down	105	112	-6.3%	186	-43.5%
Lender Insurance	9,689	9,534	1.6%	11,066	0.0%
Minority	5,981	5,735	4.3%	6,607	-9.5%
% Minority	28.5%	28.5%	-0.1% #	28.2%	0.2% #
Automated Underwriting System * x					
AUS Endorsed (Mar)	16,947	14,878	13.9%	21,747	-22.1%
AUS as % of Total Endorsed	40.1%	41.0%	-0.9% #	49.9%	-9.8% #

= Percentage point difference

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing , standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

March 16-31, 2007

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	311,581	302,903	2.9%	635,801
Endorsements *	514,000	241,231	235,713	2.3%	501,894
Purchase	319,000	125,609	147,744	-15.0%	314,010
% Purchase	62.1%	52.1%	62.7%	-10.6% #	62.6%
1st Time Home Buyer	255,000	99,696	117,318	-15.0%	248,893
% 1st Time Home Buyer	79.9%	79.4%	79.4%	0.0% #	79.3%
Non-Minority	165,000	64,258	74,812	-14.1%	163,589
% Non Minority	64.7%	64.5%	63.8%	0.7% #	65.7%
Minority	81,000	31,319	38,415	-18.5%	76,098
% Minority	31.8%	31.4%	32.7%	-1.3% #	30.6%
Not-Disclosed	9,000	4,115	4,073	1.0%	9,166
% Not-Disclosed	3.5%	4.1%	3.5%	0.7% #	3.7%
Refinanced	117,000	62,557	54,828	14.1%	111,533
% Refinanced	22.8%	25.9%	23.3%	2.7% #	22.2%
Streamline	39,000	11,315	25,809	-56.2%	36,406
% Streamline	33.3%	18.1%	47.1%	-29.0% #	32.6%
Full Process	78,000	51,242	29,019	76.6%	75,128
Cash Out	70,000	47,238	26,229	80.1%	69,181
% Cash Out	89.7%	92.2%	90.4%	1.8% #	92.1%
HECM (all ARM's)	78,000	53,065	33,141	60.1%	76,351
% HECM	15.2%	22.0%	14.1%	7.9% #	15.2%
HECM Refinance	5,000	2,788	1,982	40.7%	5,333
% HECM Refinance	6.4%	5.3%	6.0%	-0.7% #	7.0%
Section 203(k)	4,000	2,410	1,618	48.9%	3,849
Section 234(c)	21,000	7,831	10,501	-25.4%	20,687
% Section 234(c)	4.1%	3.2%	4.5%	-1.2% #	4.1%
ARM (Excludes HECM ARM)	12,000	2,510	7,024	-64.3%	11,528
% ARM	2.3%	1.0%	3.0%	-1.9% #	2.3%
Manufactured Housing	43,000	24,224	19,737	22.7%	43,713
Interest Buy-down	4,000	1,495	2,048	-27.0%	3,985
Lender Insurance	200,000	123,792	53,028	0.0%	179,267
Minority	140,000	67,146	69,583	-3.5%	139,715
% Minority	27.2%	27.8%	29.5%	-1.7% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Mar)	260,000	107,778	115,731	-6.9%	253,275
AUS as % of Total Endorse.	50.6%	44.7%	49.1%	-4.4% #	50.5%
Loans Delinquent as of (Feb) **	230,000	202,078	264,374	-23.6%	239,255
Claims (Mar) ***	135,000	71,242	64,098	11.1%	135,303
Loss Mitigation Retention	75,000	42,985	33,559	28.1%	75,528
Loss Mitigation Disposition	5,000	2,162	2,552	-15.3%	5,244
Other Claims	55,000	26,095	29,987	-13.0%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK
SINGLE FAMILY OPERATIONS
March 1-15, 2007

Applications

- Applications were estimated at a seasonally adjusted annual rate of 664,500 -- 5 percent higher than for the prior reporting period.
- Actual receipts were 32,796 -- 47.2% above late February -- partially due to a greater number of workdays.
- So far this fiscal year applications reported are 3.1 percent higher than for the same period last year.

Endorsements

- 20,098 mortgages were endorsed for insurance. 9,538 were to purchase a home, 5,440 to refinance a mortgage and 5,120 under the HECM program.
- Four out of every five purchase mortgages were for first time owners and 31.8 percent of those were for minority households.
- Refinancing accounted for 27.1 percent of the endorsements and most required full processing because 73 percent of the refi's were cash out transactions which cannot be handled with streamlined processing.
- HECM's accounted for 25.5 percent of the endorsements processed.
- 4.9 percent of the HECM's were refinanced mortgages.
- ARM's accounted for less than one percent of the forward mortgage endorsements (All HECM's have ARM provisions).
- 9,534 cases were insured using the lender insurance provisions -- 47 percent of total activity.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

March 1-15, 2007

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	664,500	632,800	5.0%	861,200	-22.8%
Average per workday	2,626	2,501	5.0%	3,404	-22.9%
Actual	32,796	22,280	47.2%	33,174	-1.1%
% for Refinance (Feb)	4.6%	6.6%	-2.0% #	7.8%	-3.2% #
Endorsements: *					
Annual Rate	482,400	394,200	22.4%	484,900	-0.5%
Actual	20,098	16,425	22.4%	20,204	-0.5%
Purchase	9,538	6,767	40.9%	11,647	-18.1%
% Purchase	47.5%	41.2%	6.3% #	57.6%	-10.2% #
1st Time Home Buyer	7,650	5,340	43.3%	9,210	-16.9%
% 1st Time Home Buyer	80.2%	78.9%	1.3% #	79.1%	1.1% #
Non-Minority	4,838	3,372	43.5%	5,849	-17.3%
% Non Minority	63.2%	63.1%	0.1% #	63.5%	-0.3% #
Minority	2,434	1,730	40.7%	2,984	-18.4%
% Minority	31.8%	32.4%	-0.6% #	32.4%	-0.6% #
Not-Disclosed	377	238	58.4%	376	0.3%
% Not-Disclosed	4.9%	4.5%	0.5% #	4.1%	0.8% #
Refinanced	5,440	4,258	27.8%	5,196	4.7%
% Refinanced	27.1%	25.9%	1.1% #	25.7%	1.3% #
Streamline	1,124	834	34.8%	1,801	-37.6%
% Streamline	20.7%	19.6%	1.1% #	34.7%	-14.0% #
Full Process	4,316	3,424	26.1%	3,395	27.1%
Cash Out	3,969	3,130	26.8%	3,142	26.3%
% Cash Out	92.0%	91.4%	0.5% #	92.5%	-0.6% #
HECM (all ARM's)	5,120	5,400	-5.2%	3,361	52.3%
% HECM	25.5%	32.9%	-7.4% #	16.6%	8.8% #
HECM Refinance	249	284	-12.3%	208	19.7%
% HECM Refinance	4.9%	5.3%	-0.4% #	6.2%	-1.3% #
Section 203(k)	187	184	1.6%	122	53.3%
Section 234(c)	557	389	43.2%	740	-24.7%
% Section 234(c)	2.8%	2.4%	0.4% #	3.7%	-0.9% #
ARM (Excludes HECM ARM)	126	143	-11.9%	320	-60.6%
% ARM	0.6%	0.9%	-0.2% #	1.6%	-1.0% #
Manufactured Housing	1,833	1,554	18.0%	1,725	6.3%
Interest Buy-down	112	102	9.8%	125	-10.4%
Lender Insurance	9,534	7,237	31.7%	7,295	0.0%
Minority	5,735	4,598	24.7%	5,833	-1.7%
% Minority	28.5%	28.0%	0.5% #	28.9%	-0.3% #
Automated Underwriting System * x					
AUS Endorsed (Feb)	14,878	19,547	-23.9%	14,802	0.5%
AUS as % of Total Endorsed	41.0%	45.1%	-4.1% #	46.8%	-5.8% #

= Percentage point difference

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

March 1-15, 2007

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	276,801	268,522	3.1%	635,801
Endorsements *	514,000	220,137	212,383	3.7%	501,894
Purchase	319,000	115,624	133,990	-13.7%	314,010
% Purchase	62.1%	52.5%	63.1%	-10.6% #	62.6%
1st Time Home Buyer	255,000	91,702	106,433	-13.8%	248,893
% 1st Time Home Buyer	79.9%	79.3%	79.4%	-0.1% #	79.3%
Non-Minority	165,000	59,176	67,810	-12.7%	163,589
% Non Minority	64.7%	64.5%	63.7%	0.8% #	65.7%
Minority	81,000	28,762	34,963	-17.7%	76,098
% Minority	31.8%	31.4%	32.8%	-1.5% #	30.6%
Not-Disclosed	9,000	3,775	3,664	3.0%	9,166
% Not-Disclosed	3.5%	4.1%	3.4%	0.7% #	3.7%
Refinanced	117,000	57,193	48,870	17.0%	111,533
% Refinanced	22.8%	26.0%	23.0%	3.0% #	22.2%
Streamline	39,000	10,335	23,878	-56.7%	36,406
% Streamline	33.3%	18.1%	48.9%	-30.8% #	32.6%
Full Process	78,000	46,858	24,992	87.5%	75,128
Cash Out	70,000	39,227	22,520	74.2%	69,181
% Cash Out	89.7%	83.7%	90.1%	-6.4% #	92.1%
HECM (all ARM's)	78,000	47,320	29,523	60.3%	76,351
% HECM	15.2%	21.5%	13.9%	7.6% #	15.2%
HECM Refinance	5,000	2,502	1,776	40.9%	5,333
% HECM Refinance	6.4%	5.3%	6.0%	-0.7% #	7.0%
Section 203(k)	4,000	2,226	1,456	52.9%	3,849
Section 234(c)	21,000	7,283	9,647	-24.5%	20,687
% Section 234(c)	4.1%	3.3%	4.5%	-1.2% #	4.1%
ARM (Excludes HECM ARM)	12,000	2,372	6,636	-64.3%	11,528
% ARM	2.3%	1.1%	3.1%	-2.0% #	2.3%
Manufactured Housing	43,000	22,277	17,695	25.9%	43,713
Interest Buy-down	4,000	1,383	1,858	-25.6%	3,985
Lender Insurance	200,000	113,980	41,974	0.0%	179,267
Minority	140,000	61,174	62,991	-2.9%	139,715
% Minority	27.2%	27.8%	29.7%	-1.9% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Feb)	260,000	90,851	94,011	-3.4%	253,275
AUS as % of Total Endorse.	50.6%	45.4%	48.9%	-3.5% #	50.5%
Loans Delinquent as of (Feb) **	230,000	202,078	264,374	-23.6%	239,255
Claims (Feb) ***	135,000	59,667	51,566	15.7%	135,303
Loss Mitigation Retention	75,000	36,512	26,860	35.9%	75,528
Loss Mitigation Disposition	5,000	1,764	2,127	-17.1%	5,244
Other Claims	55,000	21,391	22,579	-5.3%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

February 16-28, 2007

Applications

- o Seasonally adjusted, the annual rate for application receipts rose 7.9 percent to 632,800.
- o Actual receipts were 22,280 -- down 19.6 percent due to only 8 workdays in this reporting period. (The typical report period has about 11 days)
- o During February, only 4.6 percent of the applications were for refinancing a mortgage.

Endorsements

- o 16,425 mortgages were insured -- 6,767 purchase cases, 4,258 refinancing actions and 5,400 HECM's.
- o 78.9 percent of the endorsements were for first time home buyers and of these, 32.4 percent were for minority households. 4.5 percent of the buyers refused to indicate their race or ethnicity.
- o 5.3 percent of the HECM transactions were refinances.
- o Section 234C condominium units account for only 2.4 percent of the mortgages insured.
- o 7,237 mortgages were insured under the Lender Insurance Program.

Automated Underwriting

- o 14,878 loans were accepted and endorsed under the FHA Automated Underwriting System -- 41 percent of the total cases insured.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

February 16-28, 2007

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	632,800	586,600	7.9%	835,900	-24.3%
Average per workday	2,501	2,318	7.9%	3,304	-24.3%
Actual	22,280	27,723	-19.6%	23,985	-7.1%
% for Refinance (Feb)	4.6%	6.6%	-2.0% #	7.8%	-3.2% #
Endorsements: *					
Annual Rate	394,200	477,600	-17.5%	335,800	17.4%
Actual	16,425	19,901	-17.5%	13,990	17.4%
Purchase	6,767	9,716	-30.4%	7,722	-12.4%
% Purchase	41.2%	48.8%	-7.6% #	55.2%	-14.0% #
1st Time Home Buyer	5,340	7,701	-30.7%	6,117	-12.7%
% 1st Time Home Buyer	78.9%	79.3%	-0.3% #	79.2%	-0.3% #
Non-Minority	3,372	4,977	-32.2%	3,787	-11.0%
% Non Minority	63.1%	64.6%	-1.5% #	61.9%	1.2% #
Minority	1,730	2,381	-27.3%	2,093	-17.3%
% Minority	32.4%	30.9%	1.5% #	34.2%	-1.8% #
Not-Disclosed	238	343	-30.6%	238	0.0%
% Not-Disclosed	4.5%	4.5%	0.0% #	3.9%	0.6% #
Refinanced	4,258	6,236	-31.7%	3,373	26.2%
% Refinanced	25.9%	31.3%	-5.4% #	24.1%	1.8% #
Streamline	834	1,517	-45.0%	1,272	-34.4%
% Streamline	19.6%	24.3%	-4.7% #	37.7%	-18.1% #
Full Process	3,424	4,719	-27.4%	2,101	63.0%
Cash Out	3,130	4,328	-27.7%	1,941	61.3%
% Cash Out	91.4%	91.7%	-0.3% #	92.4%	-1.0% #
HECM (all ARM's)	5,400	3,949	36.7%	2,895	86.5%
% HECM	32.9%	19.8%	13.0% #	20.7%	12.2% #
HECM Refinance	284	214	32.7%	134	111.9%
% HECM Refinance	5.3%	5.4%	-0.2% #	4.6%	0.6% #
Section 203(k)	184	242	-24.0%	81	127.2%
Section 234(c)	389	666	-41.6%	521	-25.3%
% Section 234(c)	2.4%	3.3%	-1.0% #	3.7%	-1.4% #
ARM (Excludes HECM ARM)	143	194	-26.3%	318	-55.0%
% ARM	0.9%	1.0%	-0.1% #	2.3%	-1.4% #
Manufactured Housing	1,554	2,104	-26.1%	1,198	29.7%
Interest Buy-down	102	132	-22.7%	97	5.2%
Lender Insurance	7,237	11,286	-35.9%	5,020	0.0%
Minority	4,598	5,476	-16.0%	4,157	10.6%
% Minority	28.0%	27.5%	0.5% #	29.7%	-1.7% #
Automated Underwriting System * x					
AUS Endorsed (Feb)	14,878	19,547	-23.9%	14,802	0.5%
AUS as % of Total Endorsed	41.0%	45.1%	-4.1% #	46.8%	-5.8% #

= Percentage point difference

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing , standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

February 16-28, 2007

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	244,005	235,348	3.7%	635,801
Endorsements *	514,000	200,039	192,179	4.1%	501,894
Purchase	319,000	106,086	122,343	-13.3%	314,010
% Purchase	62.1%	53.0%	63.7%	-10.6% #	62.6%
1st Time Home Buyer	255,000	84,052	97,226	-13.5%	248,893
% 1st Time Home Buyer	79.9%	79.2%	79.5%	-0.2% #	79.3%
Non-Minority	165,000	54,338	61,961	-12.3%	163,589
% Non Minority	64.7%	64.6%	63.7%	0.9% #	65.7%
Minority	81,000	26,328	31,979	-17.7%	76,098
% Minority	31.8%	31.3%	32.9%	-1.6% #	30.6%
Not-Disclosed	9,000	3,398	3,288	3.3%	9,166
% Not-Disclosed	3.5%	4.0%	3.4%	0.7% #	3.7%
Refinanced	117,000	51,753	43,674	18.5%	111,533
% Refinanced	22.8%	25.9%	22.7%	3.1% #	22.2%
Streamline	39,000	9,211	22,077	-58.3%	36,406
% Streamline	33.3%	17.8%	50.5%	-32.8% #	32.6%
Full Process	78,000	42,542	21,597	97.0%	75,128
Cash Out	70,000	35,258	19,378	81.9%	69,181
% Cash Out	89.7%	82.9%	89.7%	-6.8% #	92.1%
HECM (all ARM's)	78,000	42,200	26,162	61.3%	76,351
% HECM	15.2%	21.1%	13.6%	7.5% #	15.2%
HECM Refinance	5,000	2,253	1,568	43.7%	5,333
% HECM Refinance	6.4%	5.3%	6.0%	-0.7% #	7.0%
Section 203(k)	4,000	2,039	1,334	52.8%	3,849
Section 234(c)	21,000	6,726	8,907	-24.5%	20,687
% Section 234(c)	4.1%	3.4%	4.6%	-1.3% #	4.1%
ARM (Excludes HECM ARM)	12,000	2,246	6,316	-64.4%	11,528
% ARM	2.3%	1.1%	3.3%	-2.2% #	2.3%
Manufactured Housing	43,000	20,444	15,970	28.0%	43,713
Interest Buy-down	4,000	1,271	1,733	-26.7%	3,985
Lender Insurance	200,000	104,446	34,679	0.0%	179,267
Minority	140,000	55,439	57,158	-3.0%	139,715
% Minority	27.2%	27.7%	29.7%	-2.0% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Feb)	260,000	90,851	94,011	-3.4%	253,275
AUS as % of Total Endorse.	50.6%	45.4%	48.9%	-3.5% #	50.5%
Loans Delinquent as of (Jan) **	230,000	203,531	277,980	-26.8%	239,255
Claims (Feb) ***	135,000	59,667	51,566	15.7%	135,303
Loss Mitigation Retention	75,000	36,512	26,860	35.9%	75,528
Loss Mitigation Disposition	5,000	1,764	2,127	-17.1%	5,244
Other Claims	55,000	21,391	22,579	-5.3%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

February 1-15, 2007

Applications

- o The annual rate for applications, after seasonal adjustment, was 586,600 -- slightly less than for the prior reporting period.
- o Actual receipts of applications totaled 27,723, almost the same as for late January.

Endorsements

- o 19,901 mortgages were endorsed. 9,716 purchase money mortgages (48.8%), 6,236 refinanced transactions and 3,949 HECM's.
- o With respect to purchaser's, 79.3 percent were first time home buyers and of those 30.9 percent were members of some racial or ethnic minority.
- o Of the refinances, only 24.3 percent of the cases used streamlined procedures.
- o Most of the cases required full processing because of the high proportion that involved a cash out deal.
- o HECM's now represent 19.8 percent of the cases being endorsed.
- o 11,286 cases were insured using the Lender Insurance procedure.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

February 1-15, 2007

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	586,600	592,100	-0.9%	767,800	-23.6%
Average per workday	2,318	2,340	-0.9%	3,035	-23.6%
Actual	27,723	27,953	-0.8%	30,951	-10.4%
% for Refinance (Jan)	6.6%	5.2%	1.4% #	11.0%	-4.4% #
Endorsements: *					
Annual Rate	477,600	588,100	-18.8%	423,000	12.9%
Actual	19,901	24,505	-18.8%	17,626	12.9%
Purchase	9,716	12,172	-20.2%	10,525	-7.7%
% Purchase	48.8%	49.7%	-0.8% #	59.7%	-10.9% #
1st Time Home Buyer	7,701	9,687	-20.5%	8,283	-7.0%
% 1st Time Home Buyer	79.3%	79.6%	-0.3% #	78.7%	0.6% #
Non-Minority	4,977	6,000	-17.1%	5,128	-2.9%
% Non Minority	64.6%	61.9%	2.7% #	61.9%	2.7% #
Minority	2,381	3,211	-25.8%	2,889	-17.6%
% Minority	30.9%	33.1%	-2.2% #	34.9%	-4.0% #
Not-Disclosed	343	415	-17.3%	265	29.4%
% Not-Disclosed	4.5%	4.3%	0.2% #	3.2%	1.3% #
Refinanced	6,236	6,907	-9.7%	4,155	50.1%
% Refinanced	31.3%	28.2%	3.1% #	23.6%	7.8% #
Streamline	1,517	1,423	6.6%	1,649	-8.0%
% Streamline	24.3%	20.6%	3.7% #	39.7%	-15.4% #
Full Process	4,719	5,484	-13.9%	2,506	88.3%
Cash Out	4,328	5,067	-14.6%	2,277	90.1%
% Cash Out	91.7%	92.4%	-0.7% #	90.9%	0.9% #
HECM (all ARM's)	3,949	5,426	-27.2%	2,946	34.0%
% HECM	19.8%	22.1%	-2.3% #	16.7%	3.1% #
HECM Refinance	214	277	-22.7%	187	14.4%
% HECM Refinance	5.4%	5.1%	0.3% #	6.3%	-0.9% #
Section 203(k)	242	232	4.3%	131	84.7%
Section 234(c)	666	815	-18.3%	764	-12.8%
% Section 234(c)	3.3%	3.3%	0.0% #	4.3%	-1.0% #
ARM (Excludes HECM ARM)	194	203	-4.4%	456	-57.5%
% ARM	1.0%	0.8%	0.1% #	2.6%	-1.6% #
Manufactured Housing	2,104	2,592	-18.8%	1,551	35.7%
Interest Buy-down	132	131	0.8%	134	-1.5%
Lender Insurance	11,286	12,520	-9.9%	6,915	0.0%
Minority	5,476	6,947	-21.2%	5,316	3.0%
% Minority	27.5%	28.3%	-0.8% #	30.2%	-2.6% #
Automated Underwriting System * x					
AUS Endorsed (Jan)	19,547	15,975	22.4%	19,730	-0.9%
AUS as % of Total Endorsed	45.1%	45.1%	0.0% #	49.3%	-4.2% #

= Percentage point difference

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

February 1-15, 2007

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	221,725	211,363	4.9%	635,801
Endorsements *	514,000	183,614	178,189	3.0%	501,894
Purchase	319,000	99,319	114,621	-13.4%	314,010
% Purchase	62.1%	54.1%	64.3%	-10.2% #	62.6%
1st Time Home Buyer	255,000	78,715	91,111	-13.6%	248,893
% 1st Time Home Buyer	79.9%	79.3%	79.5%	-0.2% #	79.3%
Non-Minority	165,000	50,966	58,174	-12.4%	163,589
% Non Minority	64.7%	64.7%	63.8%	0.9% #	65.7%
Minority	81,000	24,598	29,886	-17.7%	76,098
% Minority	31.8%	31.2%	32.8%	-1.6% #	30.6%
Not-Disclosed	9,000	3,160	3,050	3.6%	9,166
% Not-Disclosed	3.5%	4.0%	3.3%	0.7% #	3.7%
Refinanced	117,000	47,495	40,301	17.9%	111,533
% Refinanced	22.8%	25.9%	22.6%	3.2% #	22.2%
Streamline	39,000	8,377	20,805	-59.7%	36,406
% Streamline	33.3%	17.6%	51.6%	-34.0% #	32.6%
Full Process	78,000	39,118	19,496	100.6%	75,128
Cash Out	70,000	32,128	17,437	84.3%	69,181
% Cash Out	89.7%	82.1%	89.4%	-7.3% #	92.1%
HECM (all ARM's)	78,000	36,800	23,267	58.2%	76,351
% HECM	15.2%	20.0%	13.1%	7.0% #	15.2%
HECM Refinance	5,000	1,969	1,434	37.3%	5,333
% HECM Refinance	6.4%	5.4%	6.2%	-0.8% #	7.0%
Section 203(k)	4,000	1,855	1,253	48.0%	3,849
Section 234(c)	21,000	6,337	8,386	-24.4%	20,687
% Section 234(c)	4.1%	3.5%	4.7%	-1.3% #	4.1%
ARM (Excludes HECM ARM)	12,000	2,103	5,998	-64.9%	11,528
% ARM	2.3%	1.1%	3.4%	-2.2% #	2.3%
Manufactured Housing	43,000	18,890	14,772	27.9%	43,713
Interest Buy-down	4,000	1,169	1,636	-28.5%	3,985
Lender Insurance	200,000	97,209	29,659	0.0%	179,267
Minority	140,000	50,841	53,001	-4.1%	139,715
% Minority	27.2%	27.7%	29.7%	-2.1% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Jan)	260,000	75,973	79,209	-4.1%	253,275
AUS as % of Total Endorse.	50.6%	46.4%	49.3%	-2.9% #	50.5%
Loans Delinquent as of (Jan) **	230,000	203,531	277,980	-26.8%	239,255
Claims (Jan) ***	135,000	49,421	40,625	21.7%	135,303
Loss Mitigation Retention	75,000	30,545	20,833	46.6%	75,528
Loss Mitigation Disposition	5,000	1,485	1,715	-13.4%	5,244
Other Claims	55,000	17,391	18,077	-3.8%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

January 16-31, 2007

Applications

- Seasonal adjusted applications were recorded at an annual rate of 592,100 -- 14.1 percent below the last half of January.
- However, the actual total for the reporting period was 27,953, up sharply because of a greater number of workdays.
- Applications to refinance accounted for only 6.6 percent of the receipts.

Endorsements

- 24,505 mortgages were endorsed; 12,172 were purchase money mortgages, 6,907 refinances and 5,426 HECM's.
- 8 out of 10 purchase transactions were for first time home buyers and of these almost 62 percent were made for non-minority households.
- With respect to refinance cases, 1,423 were handled using streamline procedures, while the bulk (5,484) required full processing because most were cash out actions.
- HECM's account for 22 percent of the insured cases. This time last year they made up 14.1 percent.
- 815 mortgages were insured under the condominium program.
- Less than 1 percent of the insured mortgages had ARM provisions.
- 12,520 mortgages were endorsed using the lender insurance program -- 51 percent of the total insurance volume.

Automated Underwriting

- During January, 19,547 mortgages were accepted and endorsed using the automated FHA scorecard.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

January 16-31, 2007

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	592,100	689,100	-14.1%	635,600	-6.8%
Average per workday	2,340	2,724	-14.1%	2,512	-6.8%
Actual	27,953	19,697	41.9%	27,878	0.3%
% for Refinance (Jan)	6.6%	5.2%	1.4% #	11.0%	-4.4% #
Endorsements: *					
Annual Rate	588,100	451,300	30.3%	527,700	11.4%
Actual	24,505	18,803	30.3%	21,986	11.5%
Purchase	12,172	9,974	22.0%	14,040	-13.3%
% Purchase	49.7%	53.0%	-3.4% #	63.9%	-14.2% #
1st Time Home Buyer	9,687	7,938	22.0%	11,125	-12.9%
% 1st Time Home Buyer	79.6%	79.6%	0.0% #	79.2%	0.3% #
Non-Minority	6,000	5,174	16.0%	6,872	-12.7%
% Non Minority	61.9%	65.2%	-3.2% #	61.8%	0.2% #
Minority	3,211	2,518	27.5%	3,889	-17.4%
% Minority	33.1%	31.7%	1.4% #	35.0%	-1.8% #
Not-Disclosed	415	306	35.6%	362	14.6%
% Not-Disclosed	4.3%	3.9%	0.4% #	3.3%	1.0% #
Refinanced	6,907	5,429	27.2%	4,844	42.6%
% Refinanced	28.2%	28.9%	-0.7% #	22.0%	6.2% #
Streamline	1,423	1,051	35.4%	1,856	-23.3%
% Streamline	20.6%	19.4%	1.2% #	38.3%	-17.7% #
Full Process	5,484	4,378	25.3%	2,988	83.5%
Cash Out	5,067	3,983	27.2%	2,719	86.4%
% Cash Out	92.4%	91.0%	1.4% #	91.0%	1.4% #
HECM (all ARM's)	5,426	3,400	59.6%	3,102	74.9%
% HECM	22.1%	18.1%	4.1% #	14.1%	8.0% #
HECM Refinance	277	164	68.9%	168	64.9%
% HECM Refinance	5.1%	4.8%	0.3% #	5.4%	-0.3% #
Section 203(k)	232	208	11.5%	178	30.3%
Section 234(c)	815	701	16.3%	964	-15.5%
% Section 234(c)	3.3%	3.7%	-0.4% #	4.4%	-1.1% #
ARM (Excludes HECM ARM)	203	197	3.0%	621	-67.3%
% ARM	0.8%	1.0%	-0.2% #	2.8%	-2.0% #
Manufactured Housing	2,592	1,991	30.2%	1,931	34.2%
Interest Buy-down	131	126	4.0%	186	-29.6%
Lender Insurance	12,520	10,765	16.3%	6,640	0.0%
Minority	6,947	5,300	31.1%	6,661	4.3%
% Minority	28.3%	28.2%	0.2% #	30.3%	-1.9% #
Automated Underwriting System * x					
AUS Endorsed (Jan)	19,547	15,975	22.4%	19,730	-0.9%
AUS as % of Total Endorsed	45.1%	45.1%	0.0% #	49.3%	-4.2% #

= Percentage point difference

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing , standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

January 16-31, 2007

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	194,002	180,412	7.5%	635,801
Endorsements *	514,000	163,713	160,563	2.0%	501,894
Purchase	319,000	89,603	104,096	-13.9%	314,010
% Purchase	62.1%	54.7%	64.8%	-10.1% #	62.6%
1st Time Home Buyer	255,000	71,018	82,834	-14.3%	248,893
% 1st Time Home Buyer	79.9%	79.3%	79.6%	-0.3% #	79.3%
Non-Minority	165,000	45,989	53,046	-13.3%	163,589
% Non Minority	64.7%	64.8%	64.0%	0.7% #	65.7%
Minority	81,000	22,217	26,997	-17.7%	76,098
% Minority	31.8%	31.3%	32.6%	-1.3% #	30.6%
Not-Disclosed	9,000	2,817	2,785	1.1%	9,166
% Not-Disclosed	3.5%	4.0%	3.4%	0.6% #	3.7%
Refinanced	117,000	41,259	36,146	14.1%	111,533
% Refinanced	22.8%	25.2%	22.5%	2.7% #	22.2%
Streamline	39,000	6,860	19,156	-64.2%	36,406
% Streamline	33.3%	16.6%	53.0%	-36.4% #	32.6%
Full Process	78,000	34,399	16,990	102.5%	75,128
Cash Out	70,000	27,800	15,160	83.4%	69,181
% Cash Out	89.7%	80.8%	89.2%	-8.4% #	92.1%
HECM (all ARM's)	78,000	32,851	20,321	61.7%	76,351
% HECM	15.2%	20.1%	12.7%	7.4% #	15.2%
HECM Refinance	5,000	1,755	1,247	40.7%	5,333
% HECM Refinance	6.4%	5.3%	6.1%	-0.8% #	7.0%
Section 203(k)	4,000	1,613	1,122	43.8%	3,849
Section 234(c)	21,000	5,671	7,622	-25.6%	20,687
% Section 234(c)	4.1%	3.5%	4.7%	-1.3% #	4.1%
ARM (Excludes HECM ARM)	12,000	1,909	5,542	-65.6%	11,528
% ARM	2.3%	1.2%	3.5%	-2.3% #	2.3%
Manufactured Housing	43,000	16,786	13,221	27.0%	43,713
Interest Buy-down	4,000	1,037	1,502	-31.0%	3,985
Lender Insurance	200,000	85,923	22,744	0.0%	179,267
Minority	140,000	45,365	47,685	-4.9%	139,715
% Minority	27.2%	27.7%	29.7%	-2.0% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Jan)	260,000	75,973	79,209	-4.1%	253,275
AUS as % of Total Endorse.	50.6%	46.4%	49.3%	-2.9% #	50.5%
Loans Delinquent as of (Dec) **	230,000	195,910	279,858	-30.0%	239,255
Claims (Jan) ***	135,000	49,421	40,625	21.7%	135,303
Loss Mitigation Retention	75,000	30,545	20,833	46.6%	75,528
Loss Mitigation Disposition	5,000	1,485	1,715	-13.4%	5,244
Other Claims	55,000	17,391	18,077	-3.8%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

January 1-15, 2007

Applications

- After seasonal adjustment, applications, at an annual rate, were recorded at 689,100 -- 35.7 percent above late December.
- Actual receipts totaled 19,697, a large improvement above the last reporting period -- 15,068.

Endorsements

- During this reporting period, 18,803 mortgages were insured: 9,974 purchase transactions, 5,429 mortgages to refinance and 3,400 HECM's.
- Of the purchase money mortgages comprising 53 percent of the total, four out of every five were for first time home buyers.
- With respect to first timers, 31.7 percent were for minority households. 3.9 percent of the first time home owners refused to disclose their race or ethnicity.
- Of the 5,429 refinanced mortgages, most had to be handled with full processing because most were cash out transactions.
- 3,400 HECM mortgages were endorsed and of these (164) 4.8 percent represented refinance actions.
- Only 1 percent of the insurance endorsements had ARM terms.
- 3.7 percent of the endorsements (701) were insured Section 234c provisions.
- 10,765 mortgages were endorsed using the new lender insurance program.

FHA SINGLE FAMILY OPERATIONS COMMENTS

(Supplement to FHA Outlook)

January 1-15, 2006

Processing Times

It is not unusual to hear about the time it takes to complete a home purchase transaction. Some are fast -- others more slowly. We also hear about all the paper work that is part of an FHA insured transaction. In general, delays develop in a hot market when appraiser's are over whelmed and you just wait. Also, missing or delayed arrival of documents can be a problem. Despite these general inconveniences, the processing time for FHA insured transactions are not bad.

FHA experience may be indicative of general experience only for the application to closing time period. For example, with respect to existing home sales, about 18,000 FHA transaction on average, it is slightly over 4 weeks from application to closing. However, it is 10.3 weeks from application to insurance endorsement. This extra 6 weeks is no concern to the buyer because they already have title to the house at closing and have most likely moved into their new home.

With respect to proposed construction -- a new house -- the time from application to closing is 7.7 weeks. This extra time is usually due to completion issues, considered normal for new construction cases. Time from applications to endorsement for this class of cases is typically 15.9 weeks. It's interesting to note that there is a very small difference in the application - endorsement interval. For refinance cases in general, it is 8.9 weeks, for refi's with appraisal it is 9.0 week and for streamlined refi's without appraisal, it is 8.4 weeks.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

January 1-15, 2007

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	689,100	507,700	35.7%	464,500	48.4%
Average per workday	2,724	2,007	35.7%	1,836	48.4%
Actual	19,697	15,068	30.7%	18,291	7.7%
% for Refinance (Dec)	5.2%	5.2%	0.0% #	9.7%	-4.5% #
Endorsements: *					
Annual Rate	451,300	356,700	26.5%	432,000	4.5%
Actual	18,803	14,862	26.5%	18,000	4.5%
Purchase	9,974	7,585	31.5%	11,287	-11.6%
% Purchase	53.0%	51.0%	2.0% #	62.7%	-9.7% #
1st Time Home Buyer	7,938	6,027	31.7%	8,917	-11.0%
% 1st Time Home Buyer	79.6%	79.5%	0.1% #	79.0%	0.6% #
Non-Minority	5,174	3,893	32.9%	5,602	-7.6%
% Non Minority	65.2%	64.6%	0.6% #	62.8%	2.4% #
Minority	2,518	1,909	31.9%	2,975	-15.4%
% Minority	31.7%	31.7%	0.0% #	33.4%	-1.6% #
Not-Disclosed	306	222	37.8%	338	-9.5%
% Not-Disclosed	3.9%	3.7%	0.2% #	3.8%	0.1% #
Refinanced	5,429	3,791	43.2%	4,258	27.5%
% Refinanced	28.9%	25.5%	3.4% #	23.7%	5.2% #
Streamline	1,051	598	75.8%	2,112	-50.2%
% Streamline	19.4%	15.8%	3.6% #	49.6%	-30.2% #
Full Process	4,378	3,193	37.1%	2,146	104.0%
Cash Out	3,983	2,942	35.4%	1,948	104.5%
% Cash Out	91.0%	92.1%	-1.2% #	90.8%	0.2% #
HECM (all ARM's)	3,400	3,486	-2.5%	2,455	38.5%
% HECM	18.1%	23.5%	-5.4% #	13.6%	4.4% #
HECM Refinance	164	194	-15.5%	142	15.5%
% HECM Refinance	4.8%	5.6%	-0.7% #	5.8%	-1.0% #
Section 203(k)	208	134	55.2%	125	66.4%
Section 234(c)	701	485	44.5%	848	-17.3%
% Section 234(c)	3.7%	3.3%	0.5% #	4.7%	-1.0% #
ARM (Excludes HECM ARM)	197	165	19.4%	547	-64.0%
% ARM	1.0%	1.1%	-0.1% #	3.0%	-2.0% #
Manufactured Housing	1,991	1,423	39.9%	1,527	30.4%
Interest Buy-down	126	76	65.8%	149	-15.4%
Lender Insurance	10,765	7,851	37.1%	4,930	0.0%
Minority	5,300	4,138	28.1%	5,328	-0.5%
% Minority	28.2%	27.8%	0.3% #	29.6%	-1.4% #
Automated Underwriting System * x					
AUS Endorsed (Dec)	15,975	19,283	-17.2%	18,497	-13.6%
AUS as % of Total Endorsed	45.1%	47.9%	-2.8% #	49.1%	-4.0% #

= Percentage point difference

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

January 1-15, 2007

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	166,049	152,534	8.9%	635,801
Endorsements *	514,000	139,208	138,577	0.5%	501,894
Purchase	319,000	77,431	90,056	-14.0%	314,010
% Purchase	62.1%	55.6%	65.0%	-9.4% #	62.6%
1st Time Home Buyer	255,000	61,335	71,712	-14.5%	248,893
% 1st Time Home Buyer	79.9%	79.2%	79.6%	-0.4% #	79.3%
Non-Minority	165,000	39,989	46,174	-13.4%	163,589
% Non Minority	64.7%	65.2%	64.4%	0.8% #	65.7%
Minority	81,000	19,006	23,108	-17.8%	76,098
% Minority	31.8%	31.0%	32.2%	-1.2% #	30.6%
Not-Disclosed	9,000	2,402	2,423	-0.9%	9,166
% Not-Disclosed	3.5%	3.9%	3.4%	0.5% #	3.7%
Refinanced	117,000	34,352	31,302	9.7%	111,533
% Refinanced	22.8%	24.7%	22.6%	2.1% #	22.2%
Streamline	39,000	5,437	17,300	-68.6%	36,406
% Streamline	33.3%	15.8%	55.3%	-39.4% #	32.6%
Full Process	78,000	28,915	14,002	106.5%	75,128
Cash Out	70,000	22,733	12,441	82.7%	69,181
% Cash Out	89.7%	78.6%	88.9%	-10.2% #	92.1%
HECM (all ARM's)	78,000	27,425	17,219	59.3%	76,351
% HECM	15.2%	19.7%	12.4%	7.3% #	15.2%
HECM Refinance	5,000	1,478	1,079	37.0%	5,333
% HECM Refinance	6.4%	5.4%	6.3%	-0.9% #	7.0%
Section 203(k)	4,000	1,381	944	46.3%	3,849
Section 234(c)	21,000	4,856	6,658	-27.1%	20,687
% Section 234(c)	4.1%	3.5%	4.8%	-1.3% #	4.1%
ARM (Excludes HECM ARM)	12,000	1,706	4,921	-65.3%	11,528
% ARM	2.3%	1.2%	3.6%	-2.3% #	2.3%
Manufactured Housing	43,000	14,194	11,290	25.7%	43,713
Interest Buy-down	4,000	906	1,316	-31.2%	3,985
Lender Insurance	200,000	73,403	16,104	0.0%	179,267
Minority	140,000	38,418	41,024	-6.4%	139,715
% Minority	27.2%	27.6%	29.6%	-2.0% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Dec)	260,000	56,426	59,479	-5.1%	253,275
AUS as % of Total Endorse.	50.6%	46.9%	49.3%	-2.4% #	50.5%
Loans Delinquent as of (Dec) **	230,000	195,910	279,858	-30.0%	239,255
Claims (Dec) ***	135,000	36,024	30,205	19.3%	135,303
Loss Mitigation Retention	75,000	22,302	15,465	44.2%	75,528
Loss Mitigation Disposition	5,000	1,131	1,207	-6.3%	5,244
Other Claims	55,000	12,591	13,533	-7.0%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

December 16-31, 2006

Applications

- Applications, seasonally adjusted, fell sharply to an annual rate of 507,700
Due to the holidays, travel and generally inclement weather, December is not a reliable period to judge activity.
- Actual application receipts totaled 15,068.

Endorsements

- During this reporting period, 14,862 mortgages were endorsed.
- 7,585 purchase money mortgages were insured, as well as 3,791 refinances and 3,486 HECM's.
- 25.5 percent of the mortgages insured were refinancing actions and of those 77.6 percent were cash out deals.
- HECM's accounted for 23.5 percent of the endorsements and 5.6 percent of the HECM total involved a refinancing action.
- 7,851 mortgages were insured using the Lender Insurance Program.

Automated Underwriting

- During December, 15,975 cases were accepted and endorsed using automated procedures that represents 45.1 percent of insurance activity.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

December 16-31, 2006

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	507,700	796,300	-36.2%	376,600	34.8%
Average per workday	2,007	3,148	-36.2%	1,489	34.8%
Actual	15,068	26,462	-43.1%	15,908	-5.3%
% for Refinance (Dec)	5.2%	5.2%	0.0% #	9.7%	-4.5% #
Endorsements: *					
Annual Rate	356,700	492,900	-27.6%	417,600	-14.6%
Actual	14,862	20,538	-27.6%	17,402	-14.6%
Purchase	7,585	10,798	-29.8%	11,177	-32.1%
% Purchase	51.0%	52.6%	-1.5% #	64.2%	-13.2% #
1st Time Home Buyer	6,027	8,559	-29.6%	8,992	-33.0%
% 1st Time Home Buyer	79.5%	79.3%	0.2% #	80.5%	-1.0% #
Non-Minority	3,893	5,593	-30.4%	5,733	-32.1%
% Non Minority	64.6%	65.3%	-0.8% #	63.8%	0.8% #
Minority	1,909	2,643	-27.8%	2,983	-36.0%
% Minority	31.7%	30.9%	0.8% #	33.2%	-1.5% #
Not-Disclosed	222	323	-31.3%	271	-18.1%
% Not-Disclosed	3.7%	3.8%	-0.1% #	3.0%	0.7% #
Refinanced	3,791	5,466	-30.6%	3,825	-0.9%
% Refinanced	25.5%	26.6%	-1.1% #	22.0%	3.5% #
Streamline	598	955	-37.4%	1,981	-69.8%
% Streamline	15.8%	17.5%	-1.7% #	51.8%	-36.0% #
Full Process	3,193	4,511	-29.2%	1,844	73.2%
Cash Out	2,942	4,162	-29.3%	1,657	77.5%
% Cash Out	92.1%	92.3%	-0.1% #	89.9%	2.3% #
HECM (all ARM's)	3,486	4,274	-18.4%	2,400	45.3%
% HECM	23.5%	20.8%	2.6% #	13.8%	9.7% #
HECM Refinance	194	236	-17.8%	137	41.6%
% HECM Refinance	5.6%	5.5%	0.0% #	5.7%	-0.1% #
Section 203(k)	134	180	-25.6%	115	16.5%
Section 234(c)	485	720	-32.6%	743	-34.7%
% Section 234(c)	3.3%	3.5%	-0.2% #	4.3%	-1.0% #
ARM (Excludes HECM ARM)	165	216	-23.6%	542	-69.6%
% ARM	1.1%	1.1%	0.1% #	3.1%	-2.0% #
Manufactured Housing	1,423	1,962	-27.5%	1,570	-9.4%
Interest Buy-down	76	130	-41.5%	137	-44.5%
Lender Insurance	7,851	10,778	-27.2%	2,271	0.0%
Minority	4,138	5,663	-26.9%	5,188	-20.2%
% Minority	27.8%	27.6%	0.3% #	29.8%	-2.0% #
Automated Underwriting System * x					
AUS Endorsed (Dec)	15,975	19,283	-17.2%	18,497	-13.6%
AUS as % of Total Endorsed	45.1%	47.9%	-2.8% #	49.1%	-4.0% #

= Percentage point difference

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing , standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

December 16-31, 2006

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	146,352	134,243	9.0%	635,801
Endorsements *	514,000	120,405	120,577	-0.1%	501,894
Purchase	319,000	67,457	78,769	-14.4%	314,010
% Purchase	62.1%	56.0%	65.3%	-9.3% #	62.6%
1st Time Home Buyer	255,000	53,402	62,801	-15.0%	248,893
% 1st Time Home Buyer	79.9%	79.2%	79.7%	-0.6% #	79.3%
Non-Minority	165,000	34,815	40,572	-14.2%	163,589
% Non Minority	64.7%	65.2%	64.6%	0.6% #	65.7%
Minority	81,000	16,488	20,133	-18.1%	76,098
% Minority	31.8%	30.9%	32.1%	-1.2% #	30.6%
Not-Disclosed	9,000	2,096	2,085	0.5%	9,166
% Not-Disclosed	3.5%	3.9%	3.3%	0.6% #	3.7%
Refinanced	117,000	28,923	27,044	6.9%	111,533
% Refinanced	22.8%	24.0%	22.4%	1.6% #	22.2%
Streamline	39,000	4,386	15,188	-71.1%	36,406
% Streamline	33.3%	15.2%	56.2%	-41.0% #	32.6%
Full Process	78,000	24,537	11,856	107.0%	75,128
Cash Out	70,000	22,733	10,493	116.6%	69,181
% Cash Out	89.7%	92.6%	88.5%	4.1% #	92.1%
HECM (all ARM's)	78,000	24,025	14,764	62.7%	76,351
% HECM	15.2%	20.0%	12.2%	7.7% #	15.2%
HECM Refinance	5,000	1,314	937	40.2%	5,333
% HECM Refinance	6.4%	5.5%	6.3%	-0.9% #	7.0%
Section 203(k)	4,000	1,173	819	43.2%	3,849
Section 234(c)	21,000	4,155	5,810	-28.5%	20,687
% Section 234(c)	4.1%	3.5%	4.8%	-1.4% #	4.1%
ARM (Excludes HECM ARM)	12,000	1,509	4,374	-65.5%	11,528
% ARM	2.3%	1.3%	3.6%	-2.4% #	2.3%
Manufactured Housing	43,000	12,203	9,763	25.0%	43,713
Interest Buy-down	4,000	780	1,167	-33.2%	3,985
Lender Insurance	200,000	62,638	11,174	0.0%	179,267
Minority	140,000	33,118	35,696	-7.2%	139,715
% Minority	27.2%	27.5%	29.6%	-2.1% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Dec)	260,000	56,426	59,479	-5.1%	253,275
AUS as % of Total Endorse.	50.6%	46.9%	49.3%	-2.4% #	50.5%
Loans Delinquent as of (Nov) **	230,000	206,038	275,955	-25.3%	239,255
Claims (Dec) ***	135,000	36,024	30,205	19.3%	135,303
Loss Mitigation Retention	75,000	22,302	15,465	44.2%	75,528
Loss Mitigation Disposition	5,000	1,131	1,207	-6.3%	5,244
Other Claims	55,000	12,591	13,533	-7.0%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

December 1-15, 2006

Applications

- After seasonal adjustment, the annual rate for applications was 796,300 -- 26.6 percent above the last report.
- Actual receipts for the period was 26,462 -- down slightly due to less workdays

Endorsements

- During early December, 20,538 mortgages were endorsed -- 10,798 purchase transactions, 5,466 refinances and 4,274 HECM's.
- 79.3 percent of the purchase cases were for first time home buyers.
- 30.9 percent of the first time home owners were minority families.
- 26.6 percent of the insurance endorsements were refinanced transactions.
- HECM's accounted for 20.8 percent of the insurance activity. This time last year it represented only 12.6 percent.
- Only 1.1 percent of the insured mortgages had ARM provisions.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

December 1-15, 2006

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	796,300	628,900	26.6%	439,300	81.3%
Average per workday	3,148	2,486	26.6%	1,736	81.3%
Actual	26,462	21,705 R	21.9%	22,874	15.7%
% for Refinance (Nov)	5.2%	4.5%	0.7% #	10.2%	-5.0% #
Endorsements: *					
Annual Rate	492,900	439,100	12.3%	486,500	1.3%
Actual	20,538	18,295	12.3%	20,272	1.3%
Purchase	10,798	10,205	5.8%	13,257	-18.5%
% Purchase	52.6%	55.8%	-3.2% #	65.4%	-12.8% #
1st Time Home Buyer	8,559	8,111	5.5%	10,569	-19.0%
% 1st Time Home Buyer	79.3%	79.5%	-0.2% #	79.7%	-0.5% #
Non-Minority	5,593	5,242	6.7%	6,674	-16.2%
% Non Minority	65.3%	64.6%	0.7% #	63.1%	2.2% #
Minority	2,643	2,550	3.6%	3,528	-25.1%
% Minority	30.9%	31.4%	-0.6% #	33.4%	-2.5% #
Not-Disclosed	323	320	0.9%	364	-11.3%
% Not-Disclosed	3.8%	3.9%	-0.2% #	3.4%	0.3% #
Refinanced	5,466	4,439	23.1%	4,456	22.7%
% Refinanced	26.6%	24.3%	2.4% #	22.0%	4.6% #
Streamline	955	623	53.3%	2,238	-57.3%
% Streamline	17.5%	14.0%	3.4% #	50.2%	-32.8% #
Full Process	4,511	3,816	18.2%	2,218	103.4%
Cash Out	4,162	3,532	17.8%	1,974	110.8%
% Cash Out	92.3%	92.6%	-0.3% #	89.0%	3.3% #
HECM (all ARM's)	4,274	3,651	17.1%	2,559	67.0%
% HECM	20.8%	20.0%	0.9% #	12.6%	8.2% #
HECM Refinance	236	179	31.8%	169	39.6%
% HECM Refinance	5.5%	4.9%	0.6% #	6.6%	-1.1% #
Section 203(k)	180	179	0.6%	139	29.5%
Section 234(c)	720	620	16.1%	974	-26.1%
% Section 234(c)	3.5%	3.4%	0.1% #	4.8%	-1.3% #
ARM (Excludes HECM ARM)	216	256	-15.6%	659	-67.2%
% ARM	1.1%	1.4%	-0.3% #	3.3%	-2.2% #
Manufactured Housing	1,962	1,960	0.1%	1,726	13.7%
Interest Buy-down	130	120	8.3%	159	-18.2%
Lender Insurance	10,778	9,318	15.7%	2,757	0.0%
Minority	5,663	5,139	10.2%	6,249	-9.4%
% Minority	27.6%	28.1%	-0.5% #	30.8%	-3.3% #
Automated Underwriting System * x					
AUS Endorsed (Nov)	19,283	21,172	-8.9%	19,904	-3.1%
AUS as % of Total Endorsed	47.9%	47.3%	0.6% #	49.5%	-1.6% #

= Percentage point difference

R - Revised

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing , standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

December 1-15, 2006

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	131,284 R	118,335	10.9%	635,801
Endorsements *	514,000	105,560	103,206	2.3%	501,894
Purchase	319,000	59,881	67,606	-11.4%	314,010
% Purchase	62.1%	56.7%	65.5%	-8.8% #	62.6%
1st Time Home Buyer	255,000	47,377	53,811	-12.0%	248,893
% 1st Time Home Buyer	79.9%	79.1%	79.6%	-0.5% #	79.3%
Non-Minority	165,000	30,928	34,841	-11.2%	163,589
% Non Minority	64.7%	65.3%	64.7%	0.5% #	65.7%
Minority	81,000	14,581	17,153	-15.0%	76,098
% Minority	31.8%	30.8%	31.9%	-1.1% #	30.6%
Not-Disclosed	9,000	1,874	1,814	3.3%	9,166
% Not-Disclosed	3.5%	4.0%	3.4%	0.6% #	3.7%
Refinanced	117,000	25,137	23,234	8.2%	111,533
% Refinanced	22.8%	23.8%	22.5%	1.3% #	22.2%
Streamline	39,000	3,789	13,217	-71.3%	36,406
% Streamline	33.3%	15.1%	56.9%	-41.8% #	32.6%
Full Process	78,000	21,348	10,017	113.1%	75,128
Cash Out	70,000	19,798	8,836	124.1%	69,181
% Cash Out	89.7%	92.7%	88.2%	4.5% #	92.1%
HECM (all ARM's)	78,000	20,542	12,366	66.1%	76,351
% HECM	15.2%	19.5%	12.0%	7.5% #	15.2%
HECM Refinance	5,000	1,120	801	39.8%	5,333
% HECM Refinance	6.4%	5.5%	6.5%	-1.0% #	7.0%
Section 203(k)	4,000	1,040	704	47.7%	3,849
Section 234(c)	21,000	3,670	5,068	-27.6%	20,687
% Section 234(c)	4.1%	3.5%	4.9%	-1.4% #	4.1%
ARM (Excludes HECM ARM)	12,000	1,343	3,831	-64.9%	11,528
% ARM	2.3%	1.3%	3.7%	-2.4% #	2.3%
Manufactured Housing	43,000	10,784	8,196	31.6%	43,713
Interest Buy-down	4,000	697	1,029	-32.3%	3,985
Lender Insurance	200,000	54,794	8,904	0.0%	179,267
Minority	140,000	28,982	30,514	-5.0%	139,715
% Minority	27.2%	27.5%	29.6%	-2.1% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Nov)	260,000	40,452	40,985	-1.3%	253,275
AUS as % of Total Endorse.	50.6%	47.6%	49.4%	-1.8% #	50.5%
Loans Delinquent as of (Nov) **	230,000	206,038	275,955	-25.3%	239,255
Claims (Nov) ***	135,000	24,181	20,362	18.8%	135,303
Loss Mitigation Retention	75,000	14,721	10,376	41.9%	75,528
Loss Mitigation Disposition	5,000	797	841	-5.2%	5,244
Other Claims	55,000	8,663	9,145	-5.3%	54,531

= Percentage point difference R - Revised

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

November 16-30, 2006

Applications

- The current estimated annual rate for applications is 628,900 -- down 7.6 percent from early November.
- Actual receipts during this reporting period totaled 21,705.
- During November, 5.2 percent of the applications were to refinance a mortgage.

Endorsements

- For the latter part of November, 18,295 cases were endorsed, 10,205 purchase transactions, 4,439 refinances and 3,651 HECM's.
- 4 out of every 5 purchase cases were for first time home buyers. Of these, 31.4 percent represented minority households. 3.9 percent of the endorsements had owners who chose not to disclose race or ethnicity.
- Refinances represented 24.3 percent of the endorsements -- most of which required full processing since 92.6 percent of these cases involved a cash out deal.
- HECM's were down slightly from early November (4.6%) but were 47 percent higher than for this time last year.
- 4.9 percent of the HECM's were refinanced actions.
- Only 1.4 percent of the endorsements had ARM provisions.
- 9,318 cases were handled using the Lender Insurance program -- down 23 percent from early November.

Automated Underwriting

- 19,283 endorsements were handled using the Automated Underwriting System. This represents 47.9% of the cases endorsed during the month of November.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

November 16-30, 2006

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	628,900	680,500	-7.6%	462,000	36.1%
Average per workday	2,486	2,690	-7.6%	1,826	36.1%
Actual	21,705 R	27,417	-20.8%	21,130	2.7%
% for Refinance (Nov)	5.2%	4.5%	0.7% #	10.2%	-5.0% #
Endorsements: *					
Annual Rate	439,100	526,700	-16.6%	461,400	-4.8%
Actual	18,295	21,944	-16.6%	19,227	-4.8%
Purchase	10,205	12,648	-19.3%	12,328	-17.2%
% Purchase	55.8%	57.6%	-1.9% #	64.1%	-8.3% #
1st Time Home Buyer	8,111	9,995	-18.8%	9,869	-17.8%
% 1st Time Home Buyer	79.5%	79.0%	0.5% #	80.1%	-0.6% #
Non-Minority	5,242	6,494	-19.3%	6,460	-18.9%
% Non Minority	64.6%	65.0%	-0.3% #	65.5%	-0.8% #
Minority	2,550	3,078	-17.2%	3,072	-17.0%
% Minority	31.4%	30.8%	0.6% #	31.1%	0.3% #
Not-Disclosed	320	423	-24.3%	338	-5.3%
% Not-Disclosed	3.9%	4.2%	-0.3% #	3.4%	0.5% #
Refinanced	4,439	5,469	-18.8%	4,416	0.5%
% Refinanced	24.3%	24.9%	-0.7% #	23.0%	1.3% #
Streamline	623	909	-31.5%	2,563	-75.7%
% Streamline	14.0%	16.6%	-2.6% #	58.0%	-44.0% #
Full Process	3,816	4,560	-16.3%	1,853	105.9%
Cash Out	3,532	4,211	-16.1%	1,647	114.5%
% Cash Out	92.6%	92.3%	0.2% #	88.9%	3.7% #
HECM (all ARM's)	3,651	3,827	-4.6%	2,483	47.0%
% HECM	20.0%	17.4%	2.5% #	12.9%	7.0% #
HECM Refinance	179	174	2.9%	167	7.2%
% HECM Refinance	4.9%	4.5%	0.4% #	6.7%	-1.8% #
Section 203(k)	179	255	-29.8%	126	42.1%
Section 234(c)	620	739	-16.1%	938	-33.9%
% Section 234(c)	3.4%	3.4%	0.0% #	4.9%	-1.5% #
ARM (Excludes HECM ARM)	256	260	-1.5%	659	-61.2%
% ARM	1.4%	1.2%	0.2% #	3.4%	-2.0% #
Manufactured Housing	1,960	2,387	-17.9%	1,605	22.1%
Interest Buy-down	120	140	-14.3%	179	-33.0%
Lender Insurance	9,318	12,103	-23.0%	1,479	0.0%
Minority	5,139	6,003	-14.4%	5,572	-7.8%
% Minority	28.1%	27.4%	0.7% #	29.0%	-0.9% #
Automated Underwriting System * x					
AUS Endorsed (Nov)	19,283	21,172	-8.9%	19,904	-3.1%
AUS as % of Total Endorsed	47.9%	47.3%	0.6% #	49.5%	-1.6% #

= Percentage point difference

R - Revised

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

November 16-30, 2006

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	104,822 R	95,461	9.8%	635,801
Endorsements *	514,000	85,022	82,934	2.5%	501,894
Purchase	319,000	49,083	54,349	-9.7%	314,010
% Purchase	62.1%	57.7%	65.5%	-7.8% #	62.6%
1st Time Home Buyer	255,000	38,819	43,242	-10.2%	248,893
% 1st Time Home Buyer	79.9%	79.1%	79.6%	-0.5% #	79.3%
Non-Minority	165,000	25,335	28,167	-10.1%	163,589
% Non Minority	64.7%	65.3%	65.1%	0.1% #	65.7%
Minority	81,000	11,938	13,625	-12.4%	76,098
% Minority	31.8%	30.8%	31.5%	-0.8% #	30.6%
Not-Disclosed	9,000	1,551	1,450	7.0%	9,166
% Not-Disclosed	3.5%	4.0%	3.4%	0.6% #	3.7%
Refinanced	117,000	19,671	18,778	4.8%	111,533
% Refinanced	22.8%	23.1%	22.6%	0.5% #	22.2%
Streamline	39,000	2,834	10,979	-74.2%	36,406
% Streamline	33.3%	14.4%	58.5%	-44.1% #	32.6%
Full Process	78,000	16,837	7,799	115.9%	75,128
Cash Out	70,000	15,636	6,862	127.9%	69,181
% Cash Out	89.7%	92.9%	88.0%	4.9% #	92.1%
HECM (all ARM's)	78,000	16,268	9,807	65.9%	76,351
% HECM	15.2%	19.1%	11.8%	7.3% #	15.2%
HECM Refinance	5,000	884	632	39.9%	5,333
% HECM Refinance	6.4%	5.4%	6.4%	-1.0% #	7.0%
Section 203(k)	4,000	860	565	52.2%	3,849
Section 234(c)	21,000	2,950	4,094	-27.9%	20,687
% Section 234(c)	4.1%	3.5%	4.9%	-1.5% #	4.1%
ARM (Excludes HECM ARM)	12,000	1,127	3,172	-64.5%	11,528
% ARM	2.3%	1.3%	3.8%	-2.5% #	2.3%
Manufactured Housing	43,000	8,822	6,470	36.4%	43,713
Interest Buy-down	4,000	567	870	-34.8%	3,985
Lender Insurance	200,000	44,016	6,147	0.0%	179,267
Minority	140,000	23,319	24,265	-3.9%	139,715
% Minority	27.2%	27.4%	29.3%	-1.8% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Nov)	260,000	40,452	40,985	-1.3%	253,275
AUS as % of Total Endorse.	50.6%	47.6%	49.4%	-1.8% #	50.5%
Loans Delinquent as of (Oct) **	230,000	221,216	263,149	-15.9%	239,255
Claims (Nov) ***	135,000	24,181	20,362	18.8%	135,303
Loss Mitigation Retention	75,000	14,721	10,376	41.9%	75,528
Loss Mitigation Disposition	5,000	797	841	-5.2%	5,244
Other Claims	55,000	8,663	9,145	-5.3%	54,531

= Percentage point difference R - Revised

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing , standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

November 1-15, 2006

Applications

- Seasonally adjusted, applications, were recorded at an annual rate of 680,500 -- 7.8 percent above the prior period.
- However, actual application receipts were 27,417 -- off 8.6 percent due to a smaller number of workdays during the period.
- 4.5 percent of the applications received involved a refinancing action.

Endorsements

- 21,944 mortgages were endorsed, 12,648 purchase money loans, 5,469 refinance transactions and 3,827 HECM's.
- 79 percent of the home purchase mortgages were for first timers and of these 30.8 percent involved minority households.
- Refinancing's represented 24.9 percent of the endorsements and 77 percent of these were cash out transactions.
- HECM's now represent 17.4 percent of the mortgages and year to date account for 18.9 percent of insurance activity -- for the same period last year HECM's accounted for 11.5 percent of activity.
- ARM's represented only 1.2 percent of the mortgages insured.
- Section 234c condo's totaled 739 units and only 3.4 percent of total cases insured.

FHA SINGLE FAMILY OPERATIONS COMMENTS

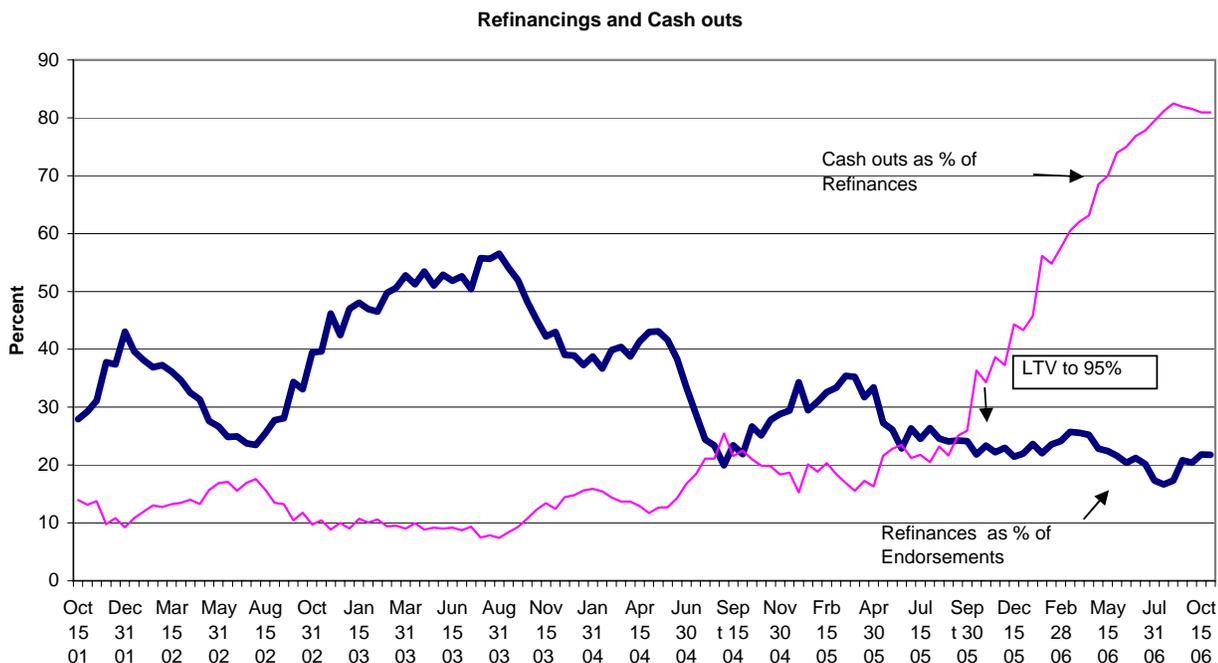
(Supplement to FHA Outlook)

November 1-15, 2006

Historically, FHA has required that all mortgages covering cash out refinances not exceed a loan to value ratio of 85 percent. However, in October 2005, FHA revised this limit to 95 percent. As noted in the chart below, after that date, the percent of cash out refinances rose sharply during the year while total refinance activity remained fairly stable.

For the fiscal year 2006, the bulk (38%) of the cash outs had 85 percent ratios since many were already in process when the rule was changed. Even so, for fiscal year 2006 11.4 percent had a loan-value ratio of 94 percent and 16.3 percent were at the new limit of 95 percent.

It is of great interest to note that for cases insured in October 2006, there were 7,893 cash out transactions and the bulk of these (83.5%) were conventional loan refi's to FHA. Also, for these former conventional's, 32 percent were at the highest loan value limits 94 and 95 percent. In addition, when viewing the FHA to FHA cash out refinances, although much smaller in volume, also were loaded at the top end -- 38 percent in the 94 - 95 percent group. Overall, of the total cash out refinances, over half (52.8%) were in the new expanded limits (86 to 95 percent).



FHA OUTLOOK

SINGLE FAMILY OPERATIONS

November 1-15, 2006

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	680,500	631,500	7.8%	621,100	9.6%
Average per workday	2,690	2,496	7.8%	2,455	9.6%
Actual	27,417	29,984	-8.6%	25,178	8.9%
% for Refinance (Oct)	4.5%	3.9%	0.6% #	14.0%	-9.5% #
Endorsements: *					
Annual Rate	526,700	589,000	-10.6%	503,700	4.6%
Actual	21,944	24,540	-10.6%	20,987	4.6%
Purchase	12,648	14,215	-11.0%	13,827	-8.5%
% Purchase	57.6%	57.9%	-0.3% #	65.9%	-8.2% #
1st Time Home Buyer	9,995	11,223	-10.9%	11,052	-9.6%
% 1st Time Home Buyer	79.0%	79.0%	0.1% #	79.9%	-0.9% #
Non-Minority	6,494	7,365	-11.8%	7,177	-9.5%
% Non Minority	65.0%	65.6%	-0.7% #	64.9%	0.0% #
Minority	3,078	3,430	-10.3%	3,515	-12.4%
% Minority	30.8%	30.6%	0.2% #	31.8%	-1.0% #
Not-Disclosed	423	429	-1.4%	358	18.2%
% Not-Disclosed	4.2%	3.8%	0.4% #	3.2%	1.0% #
Refinanced	5,469	5,340	2.4%	4,667	17.2%
% Refinanced	24.9%	21.8%	3.2% #	22.2%	2.7% #
Streamline	909	703	29.3%	2,597	-65.0%
% Streamline	16.6%	13.2%	3.5% #	55.6%	-39.0% #
Full Process	4,560	4,637	-1.7%	2,070	120.3%
Cash Out	4,211	4,321	-2.5%	1,805	133.3%
% Cash Out	92.3%	93.2%	-0.8% #	87.2%	5.1% #
HECM (all ARM's)	3,827	4,985	-23.2%	2,493	53.5%
% HECM	17.4%	20.3%	-2.9% #	11.9%	5.6% #
HECM Refinance	174	308	-43.5%	164	6.1%
% HECM Refinance	4.5%	6.2%	-1.6% #	6.6%	-2.0% #
Section 203(k)	255	246	3.7%	155	64.5%
Section 234(c)	739	842	-12.2%	1,057	-30.1%
% Section 234(c)	3.4%	3.4%	-0.1% #	5.0%	-1.7% #
ARM (Excludes HECM ARM)	260	338	-23.1%	813	-68.0%
% ARM	1.2%	1.4%	-0.2% #	3.9%	-2.7% #
Manufactured Housing	2,387	2,424	-1.5%	1,757	35.9%
Interest Buy-down	140	154	-9.1%	261	-46.4%
Lender Insurance	12,103	12,307	-1.7%	1,893	0.0%
Minority	6,003	6,718	-10.6%	6,245	-3.9%
% Minority	27.4%	27.4%	0.0% #	29.8%	-2.4% #
Automated Underwriting System * x					
AUS Endorsed (Oct)	21,172	20,779	1.9%	21,081	0.4%
AUS as % of Total Endorsed	47.3%	50.3%	-3.0% #	49.3%	-2.0% #

= Percentage point difference

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing , standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

November 1-15, 2006

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	83,117	74,331	11.8%	635,801
Endorsements *	514,000	66,727	63,707	4.7%	501,894
Purchase	319,000	38,878	42,021	-7.5%	314,010
% Purchase	62.1%	58.3%	66.0%	-7.7% #	62.6%
1st Time Home Buyer	255,000	30,708	33,373	-8.0%	248,893
% 1st Time Home Buyer	79.9%	79.0%	79.4%	-0.4% #	79.3%
Non-Minority	165,000	20,093	21,707	-7.4%	163,589
% Non Minority	64.7%	65.4%	65.0%	0.4% #	65.7%
Minority	81,000	9,388	10,553	-11.0%	76,098
% Minority	31.8%	30.6%	31.6%	-1.0% #	30.6%
Not-Disclosed	9,000	1,231	1,112	10.7%	9,166
% Not-Disclosed	3.5%	4.0%	3.3%	0.7% #	3.7%
Refinanced	117,000	15,232	14,362	6.1%	111,533
% Refinanced	22.8%	22.8%	22.5%	0.3% #	22.2%
Streamline	39,000	2,211	8,416	-73.7%	36,406
% Streamline	33.3%	14.5%	58.6%	-44.1% #	32.6%
Full Process	78,000	13,021	5,946	119.0%	75,128
Cash Out	70,000	12,104	5,215	132.1%	69,181
% Cash Out	89.7%	93.0%	87.7%	5.3% #	92.1%
HECM (all ARM's)	78,000	12,617	7,324	72.3%	76,351
% HECM	15.2%	18.9%	11.5%	7.4% #	15.2%
HECM Refinance	5,000	705	465	51.6%	5,333
% HECM Refinance	6.4%	5.6%	6.3%	-0.8% #	7.0%
Section 203(k)	4,000	681	439	55.1%	3,849
Section 234(c)	21,000	2,330	3,156	-26.2%	20,687
% Section 234(c)	4.1%	3.5%	5.0%	-1.5% #	4.1%
ARM (Excludes HECM ARM)	12,000	871	2,513	-65.3%	11,528
% ARM	2.3%	1.3%	3.9%	-2.6% #	2.3%
Manufactured Housing	43,000	6,862	4,865	41.0%	43,713
Interest Buy-down	4,000	447	691	-35.3%	3,985
Lender Insurance	200,000	34,698	4,668	0.0%	179,267
Minority	140,000	18,180	18,693	-2.7%	139,715
% Minority	27.2%	27.2%	29.3%	-2.1% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Oct)	260,000	21,172	21,081	0.4%	253,275
AUS as % of Total Endorse.	50.6%	47.3%	49.3%	-2.0% #	50.5%
Loans Delinquent as of (Oct) **	230,000	221,216	263,149	-15.9%	239,255
Claims (Oct) ***	135,000	12,343	10,189	21.1%	135,303
Loss Mitigation Retention	75,000	7,458	5,181	43.9%	75,528
Loss Mitigation Disposition	5,000	433	461	-6.1%	5,244
Other Claims	55,000	4,452	4,547	-2.1%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

October 16-31, 2006

Applications

- Seasonally adjusted applications fell 14.2 percent to an annual rate of 631,500 -- down from 736,300 for the last reporting period.
- Actual receipts totaled 29,984 -- up due to the greater number of workdays this period.
- During October, 4.5 percent of the applications involved refinances.

Endorsements

- 24,540 mortgages were endorsed -- 14,215 purchase transactions, 5,340 refinanced cases and 4,985 HECM's.
- 79 percent of the purchase money mortgages were for first time home buyers 30.6 percent of which belong to minority groups.
- 21.8 percent of the endorsements were to refinance a current mortgage.
- The bulk (86.8%) of these refinances required full processing since most required appraisals. Of those 93.2 percent were cash out transactions.
- 4,985 HECM's (all ARM's) accounting for 20.3 percent of insurance activity were insured. Of this total, 308 (6.2%) were to refinance a prior HECM.
- 842 Section 234c condo units were insured accounting for only 3.4 percent of the insured activity.
- Only 1.4 percent of the insured transactions had ARM provisions -- down from the 3.8 percent reported this time last year.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

October 16-31, 2006

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	631,500	736,300	-14.2%	568,100	11.2%
Average per workday	2,496	2,910	-14.2%	2,246	11.1%
Actual	29,984	25,716	16.6%	24,850	20.7%
% for Refinance (Oct)	4.5%	3.9%	0.6% #	14.0%	-9.5% #
Endorsements: *					
Annual Rate	589,000	485,800	21.2%	565,900	4.1%
Actual	24,540	20,243	21.2%	23,578	4.1%
Purchase	14,215	12,015	18.3%	15,482	-8.2%
% Purchase	57.9%	59.4%	-1.4% #	65.7%	-7.7% #
1st Time Home Buyer	11,223	9,493	18.2%	12,267	-8.5%
% 1st Time Home Buyer	79.0%	79.0%	-0.1% #	79.2%	-0.3% #
Non-Minority	7,365	6,234	18.1%	7,947	-7.3%
% Non Minority	65.6%	65.7%	0.0% #	64.8%	0.8% #
Minority	3,430	2,880	19.1%	3,911	-12.3%
% Minority	30.6%	30.3%	0.2% #	31.9%	-1.3% #
Not-Disclosed	429	379	13.2%	406	5.7%
% Not-Disclosed	3.8%	4.0%	-0.2% #	3.3%	0.5% #
Refinanced	5,340	4,423	20.7%	5,514	-3.2%
% Refinanced	21.8%	21.8%	-0.1% #	23.4%	-1.6% #
Streamline	703	599	17.4%	3,378	-79.2%
% Streamline	13.2%	13.5%	-0.4% #	61.3%	-48.1% #
Full Process	4,637	3,824	21.3%	2,136	117.1%
Cash Out	4,321	3,572	21.0%	1,891	128.5%
% Cash Out	93.2%	93.4%	-0.2% #	88.5%	4.7% #
HECM (all ARM's)	4,985	3,805	31.0%	2,582	93.1%
% HECM	20.3%	18.8%	1.5% #	11.0%	9.4% #
HECM Refinance	308	223	38.1%	164	87.8%
% HECM Refinance	6.2%	5.9%	0.3% #	6.4%	-0.2% #
Section 203(k)	246	180	36.7%	140	75.7%
Section 234(c)	842	749	12.4%	1,132	-25.6%
% Section 234(c)	3.4%	3.7%	-0.3% #	4.8%	-1.4% #
ARM (Excludes HECM ARM)	338	273	23.8%	892	-62.1%
% ARM	1.4%	1.3%	0.0% #	3.8%	-2.4% #
Manufactured Housing	2,424	2,051	18.2%	1,755	38.1%
Interest Buy-down	154	153	0.7%	222	-30.6%
Lender Insurance	12,307	10,288	19.6%	1,514	0.0%
Minority	6,718	5,459	23.1%	6,924	-3.0%
% Minority	27.4%	27.0%	0.4% #	29.4%	-2.0% #
Automated Underwriting System * x					
AUS Endorsed (Oct)	21,172	20,779	1.9%	21,081	0.4%
AUS as % of Total Endorsed	47.3%	50.3%	-3.0% #	49.3%	-2.0% #

= Percentage point difference

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing , standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

October 16-31, 2006

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	55,700	49,153	13.3%	635,801
Endorsements *	514,000	44,783	42,720	4.8%	501,894
Purchase	319,000	26,230	28,194	-7.0%	314,010
% Purchase	62.1%	58.6%	66.0%	-7.4% #	62.6%
1st Time Home Buyer	255,000	20,716	22,323	-7.2%	248,893
% 1st Time Home Buyer	79.9%	79.0%	79.2%	-0.2% #	79.3%
Non-Minority	165,000	13,599	14,530	-6.4%	163,589
% Non Minority	64.7%	65.6%	65.1%	0.6% #	65.7%
Minority	81,000	6,310	7,038	-10.3%	76,098
% Minority	31.8%	30.5%	31.5%	-1.1% #	30.6%
Not-Disclosed	9,000	808	754	7.2%	9,166
% Not-Disclosed	3.5%	3.9%	3.4%	0.5% #	3.7%
Refinanced	117,000	9,763	9,695	0.7%	111,533
% Refinanced	22.8%	21.8%	22.7%	-0.9% #	22.2%
Streamline	39,000	1,302	5,819	-77.6%	36,406
% Streamline	33.3%	13.3%	60.0%	-46.7% #	32.6%
Full Process	78,000	8,461	3,876	118.3%	75,128
Cash Out	70,000	7,893	3,410	131.5%	69,181
% Cash Out	89.7%	93.3%	88.0%	5.3% #	92.1%
HECM (all ARM's)	78,000	8,790	4,831	81.9%	76,351
% HECM	15.2%	19.6%	11.3%	8.3% #	15.2%
HECM Refinance	5,000	531	301	76.4%	5,333
% HECM Refinance	6.4%	6.0%	6.2%	-0.2% #	7.0%
Section 203(k)	4,000	426	284	50.0%	3,849
Section 234(c)	21,000	1,591	2,099	-24.2%	20,687
% Section 234(c)	4.1%	3.6%	4.9%	-1.4% #	4.1%
ARM (Excludes HECM ARM)	12,000	611	1,700	-64.1%	11,528
% ARM	2.3%	1.4%	4.0%	-2.6% #	2.3%
Manufactured Housing	43,000	4,475	3,108	44.0%	43,713
Interest Buy-down	4,000	307	430	-28.6%	3,985
Lender Insurance	200,000	22,595	2,775	0.0%	179,267
Minority	140,000	12,177	12,448	-2.2%	139,715
% Minority	27.2%	27.2%	29.1%	-1.9% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Oct)	260,000	21,172	21,081	0.4%	253,275
AUS as % of Total Endorse.	50.6%	47.3%	49.3%	-2.0% #	50.5%
Loans Delinquent as of (Sep) **	230,000	239,255	258,298	-7.4%	239,255
Claims (Oct) ***	135,000	12,343	10,189	21.1%	135,303
Loss Mitigation Retention	75,000	7,458	5,181	43.9%	75,528
Loss Mitigation Disposition	5,000	433	461	-6.1%	5,244
Other Claims	55,000	4,452	4,547	-2.1%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

October 1-15, 2006

Applications

- The annual rate for applications, after seasonal adjustments, totaled 736,300 -- up sharply from the prior report.
- The actual number of applications received was 25,716.
- During September, 3.9 percent of applications represented refinance transactions.

Endorsements

- 20,243 mortgages were endorsed during this reporting period.
- 12,015 purchase money mortgages, 4,423 refinancing and 3,805 HECM's were included in this total.
- With respect to purchase transactions, 79 percent were for first time home buyers and of these 30.3 percent involved minority households. 4 percent of the endorsements declined to give their race or ethnicity.
- Refinances accounted for 21.8 percent of the endorsements.
- Only 13.5 percent of these cases could be processed using streamline procedures.
- The bulk of the refinanced required full underwriting and 93.4 percent of these fully processed cases were cash out transactions.
- 3,805 endorsed mortgages were HECM's (all of which had adjustable rates); this represented 18.8 percent of the endorsements for this period.
- 749 Section 234c condominium units were insured, accounting for only 3.7 percent of insurance activity.
- Only 273 mortgages had adjustable rate provisions amounting to just 1.3 percent endorsement activity -- less than 4.2 percent reported a year ago (Note that ARM figures were adjusted to separate HECM's out of this figure, since all HECM's are ARM's).
- 10,288 mortgages were insured under the Lender Insurance Program.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

October 1-15, 2006

CURRENT

	CURRENT 2 WEEK PERIOD	LAST PERIOD	PERCENT CHANGE	LAST YEAR	PERCENT CHANGE
Applications: *					
Annual Rate	736,300	588,500	25.1%	769,400	-4.3%
Average per workday	2,910	2,326	25.1%	3,041	-4.3%
Actual	25,716	23,714	8.4%	24,303	5.8%
% for Refinance (Sep)	3.9%	3.0%	0.9% #	15.5%	-11.6% #
Endorsements: *					
Annual Rate	485,800	492,700	-1.4%	459,400	5.7%
Actual	20,243	20,531	-1.4%	19,142	5.8%
Purchase	12,015	12,622	-4.8%	12,712	-5.5%
% Purchase	59.4%	61.5%	-2.1% #	66.4%	-7.1% #
1st Time Home Buyer	9,493	9,958	-4.7%	10,058	-5.6%
% 1st Time Home Buyer	79.0%	78.9%	0.1% #	79.1%	-0.1% #
Non-Minority	6,234	6,648	-6.2%	6,583	-5.3%
% Non Minority	65.7%	66.8%	-1.1% #	65.5%	0.2% #
Minority	2,880	2,929	-1.7%	3,127	-7.9%
% Minority	30.3%	29.4%	0.9% #	31.1%	-0.8% #
Not-Disclosed	379	380	-0.3%	348	8.9%
% Not-Disclosed	4.0%	3.8%	0.2% #	3.5%	0.5% #
Refinanced	4,423	4,188	5.6%	4,181	5.8%
% Refinanced	21.8%	20.4%	1.5% #	21.8%	0.0% #
Streamline	599	504	18.8%	2,441	-75.5%
% Streamline	13.5%	12.0%	1.5% #	58.4%	-44.8% #
Full Process	3,824	3,684	3.8%	1,740	119.8%
Cash Out	3,572	3,415	4.6%	1,519	135.2%
% Cash Out	93.4%	92.7%	0.7% #	87.3%	6.1% #
HECM (all ARM's)	3,805	3,721	2.3%	2,249	69.2%
% HECM	18.8%	18.1%	0.7% #	11.7%	7.0% #
HECM Refinance	223	210	6.2%	137	62.8%
% HECM Refinance	5.9%	5.6%	0.2% #	6.1%	-0.2% #
Section 203(k)	180	212	-15.1%	144	25.0%
Section 234(c)	749	766	-2.2%	967	-22.5%
% Section 234(c)	3.7%	3.7%	0.0% #	5.1%	-1.4% #
ARM (Excludes HECM ARM)	273	326	-16.3%	808	-66.2%
% ARM	1.3%	1.6%	-0.2% #	4.2%	-2.9% #
Manufactured Housing	2,051	2,083	-1.5%	1,353	51.6%
Interest Buy-down	153	143	7.0%	208	-26.4%
Lender Insurance	10,288	10,112	1.7%	1,261	0.0%
Minority	5,459	5,546	-1.6%	5,524	-1.2%
% Minority	27.0%	27.0%	0.0% #	28.9%	-1.9% #
Automated Underwriting System * x					
AUS Endorsed (Sep)	20,779	24,654	-15.7%	21,113	-1.6%
AUS as % of Total Endorsed	50.3%	52.5%	-2.2% #	49.9%	0.4% #

= Percentage point difference

Source: * F17 CHUMS

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing , standard rejects or actual fall out.

FHA OUTLOOK

SINGLE FAMILY OPERATIONS

October 1-15, 2006

OUTLOOK

	PROJECTIONS FY 2007	FY 2007 TO DATE	FY 2006 TO DATE	% CHANGE 2007/2006	FY 2006 FINAL
Applications *	650,000	25,716	24,303	5.8%	635,801
Endorsements *	514,000	20,243	19,142	5.8%	501,894
Purchase	319,000	12,015	12,712	-5.5%	314,010
% Purchase	62.1%	59.4%	66.4%	-7.1% #	62.6%
1st Time Home Buyer	255,000	9,493	10,058	-5.6%	248,893
% 1st Time Home Buyer	79.9%	79.0%	79.1%	-0.1% #	79.3%
Non-Minority	165,000	6,234	6,583	-5.3%	163,589
% Non Minority	64.7%	65.7%	65.5%	0.2% #	65.7%
Minority	81,000	2,880	3,127	-7.9%	76,098
% Minority	31.8%	30.3%	31.1%	-0.8% #	30.6%
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Streamline	39,000	599	2,441	-75.5%	36,406
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Cash Out	70,000	3,572	1,519	135.2%	69,181
% Cash Out	89.7%	93.4%	87.3%	6.1% #	92.1%
HECM (all ARM's)	78,000	3,805	2,249	69.2%	76,351
% HECM	15.2%	18.8%	11.7%	7.0% #	15.2%
HECM Refinance	5,000	223	137	62.8%	5,333
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Section 203(k)	4,000	180	144	25.0%	3,849
Section 234(c)	21,000	749	967	-22.5%	20,687
% Section 234(c)	4.1%	3.7%	5.1%	-1.4% #	4.1%
ARM (Excludes HECM ARM)	12,000	273	808	-66.2%	11,528
% ARM	2.3%	1.3%	4.2%	-2.9% #	2.3%
Manufactured Housing	43,000	2,051	1,353	51.6%	43,713
Interest Buy-down	4,000	153	208	-26.4%	3,985
Lender Insurance	200,000	10,288	1,261	0.0%	179,267
Minority	140,000	5,459	5,524	-1.2%	139,715
% Minority	27.2%	27.0%	28.9%	-1.9% #	27.8%
Automated Underwriting System * x					
AUS Endorsed (Sep)	260,000	253,275	257,514	-1.6%	253,275
AUS as % of Total Endorse.	50.6%	50.5%	46.4%	4.1% #	50.5%
Loans Delinquent as of (Sep) **	230,000	239,255	258,298	-7.4%	239,255
Claims (Sep) ***	135,000	135,303	155,231	-12.8%	135,303
Loss Mitigation Retention	75,000	75,528	81,037	-6.8%	75,528
Loss Mitigation Disposition	5,000	5,244	5,832	-10.1%	5,244
Other Claims	55,000	54,531	68,362	-20.2%	54,531

= Percentage point difference

Source: * F17 CHUMS ** F42D Single Family Default Monitoring System *** A43C Claims System

x AUS total includes only cases accepted and endorsed by the score cards. Does not include cases referred for standard processing, standard rejects or actual fall out.