FHA BUSINESS TRENDS

U.S. Department of Housing and Urban Development
Federal Housing Administration
Office of Risk Management and Regulatory Affairs
Office of Evaluation

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FHA-Insured Single-Family Mortgage Originations Market Share Report: 2013 – Q3

Explanation of Changes in FHA Market Share Estimates

The FHA Market Share series reported here has revised estimates from Q1 2011 to Q4 2012, as well as first-time reported estimates for Q1 and Q2 2013.

The revised estimates tend to show greater FHA shares because of downward adjustments to market volumes. This is true for both purchase and refinance transactions, with larger revisions for purchase loans.

Revisions for 2011 and 2012 data are based upon better coverage of loans in the annual Home Mortgage Disclosure Act (HMDA) Lender Activity Reports. Better HMDA coverage removes the need for HUD to make adjustments for activity by non-reporting lenders. For quarters in the present year, when HMDA data is not yet available, HUD starts its market share estimates with market volume estimates published by the Mortgage Bankers Association (MBa). The MBa revised its own methodologies in 2012 to align with changes in HMDA reporting. HUD, therefore, no longer makes adjustments to MBa market volume estimates.

Table 1. FHA Single Family Insurance Activity
Mortgage Market Shares By Dollar Volume 2013Q3

Time Period (calendar years)	FHA Shares			Origination Volume (billions $)					
				Purchase		Refinance		All	
	Purchase	Refinance	All	FHA	Market	FHA	Market	FHA	Market
Annual Summaries									
2004	4.3%	1.9%	3.0%	$ 56	$ 1,309	$ 28	$ 1,463	$ 84	$ 2,773
2005	2.6	1.1	1.9	40	1,512	16	1,514	56	3,027
2006	2.7	1.3	2.0	38	1,399	17	1,326	55	2,726
2007	3.9	2.9	3.4	44	1,140	33	1,166	77	2,306
2008	19.5	12.9	16.1	143	731	100	777	243	1,509
2009	28.1	12.8	17.9	187	664	171	1,331	357	1,995
2010	27.4	8.6	14.9	165	602	103	1,203	268	1,804
2011	25.3	6.5	13.1	128	505	60	931	188	1,436
2012 (r)	24.9	8.6	13.3	125	503	107	1,250	232	1,750
Quarterly Activity									
2010 - Q1	23.0%	8.4%	14.2%	$ 35	$ 153	$ 20	$ 243	$ 56	$ 393
2010 - Q2	32.2	7.5	18.6	60	187	18	241	78	421
2010 - Q3	27.8	9.5	14.7	37	132	31	325	68	460
2010 - Q4	25.4	8.6	12.6	33	130	34	394	67	530
2011 - Q1	27.4	13.6	19.1	27	98	20	148	47	246
2011 - Q2	25.3	7.9	15.7	35	139	14	172	49	311
2011 - Q3	24.6	3.9	11.4	36	146	10	259	46	405
2011 - Q4	24.5	4.6	9.7	30	122	16	352	46	474
2012 - Q1	21.5	8.5	12.6	26	119	21	254	47	373
2012 - Q2	26.1	9.6	15.1	34	132	25	263	60	395
2012 - Q3	27.1	8.1	13.3	35	129	28	342	63	471
2012 - Q4	24.4	8.5	12.3	30	123	33	388	63	511
2013 - Q1	19.8	9.4	12.1	25	125	34	357	58	482
2013 - Q2 (r)	19.0	9.2	12.6	32	168	30	326	62	494
2013 - Q3 (p)	17.2	7.7	12.2	31	180	14	189	45	369

Source: US Department of HUD/FHA; data are from U.S. Department of HUD, Mortgage Bankers Association of America (“MBA Mortgage Finance Forecast” report, September 23, 2013).
(r) = revised
(p) = preliminary

Table 2. FHA Single Family Insurance Activity
Mortgage Market Shares By Loan Count 2013Q3

Time Period	FHA Market Shares			Number of Mortgage Originations					
				Purchase		Refinance		All	
(calendar years)	Purchase	Refinance	All	FHA	Market	FHA	Market	FHA	Market
Annual Summaries									
2004	6.6%	3.0%	4.7%	457,404	6,904,911	237,995	7,966,749	695,399	14,871,660
2005	4.5	1.8	3.1	322,915	7,233,456	133,261	7,251,637	456,176	14,485,093
2006	4.5	2.0	3.3	295,261	6,563,679	115,859	5,765,899	411,120	12,329,578
2007	6.1	4.2	5.1	317,181	5,222,266	211,093	5,071,725	528,274	10,293,991
2008	24.1	15.6	19.8	844,893	3,508,103	560,767	3,583,680	1,405,660	7,091,783
2009	32.6	14.8	21.1	1,088,356	3,338,302	896,558	6,052,223	1,984,914	9,390,525
2010	32.3	9.5	17.5	944,159	2,925,707	518,571	5,432,837	1,462,730	8,358,544
2011	27.2	6.7	14.2	760,339	2,794,833	321,847	4,831,557	1,082,186	6,816,077
2012 (r)	29.3	9.7	15.6	738,118	2,517,874	559,199	5,776,378	1,297,317	8,294,218
Quarterly Activity									
2010 - Q1	26.9%	9.9%	16.7%	201,197	748,149	109,412	1,108,470	310,609	1,856,619
2010 - Q2	37.9	8.7	22.1	353,023	931,604	96,726	1,107,337	449,749	2,038,941
2010 - Q3	32.8	10.2	17.0	204,715	623,578	149,532	1,458,948	354,247	2,082,526
2010 - Q4	29.8	9.3	14.6	185,224	622,376	162,901	1,758,082	348,125	2,380,458
2011 - Q1 (r)	27.4	13.3	19.2	153,779	560,741	105,259	786,052	259,038	1,349,793
2011 - Q2 (r)	26.6	7.8	16.2	208,610	783,468	74,938	962,522	283,548	1,745,990
2011 - Q3 (r)	27.2	4.3	12.8	216,329	796,626	57,439	1,340,282	273,768	2,136,908
2011 - Q4 (r)	27.8	4.8	11.1	181,621	652,237	84,211	1,739,709	265,832	2,391,946
2012 - Q1 (r)	24.8	8.9	14.2	154,833	624,582	109,327	1,231,776	264,160	1,856,358
2012 - Q2 (r)	30.7	10.0	17.2	204,184	664,778	126,279	1,261,042	330,463	1,925,820
2012 - Q3 (r)	32.2	9.4	16.0	204,110	634,128	145,481	1,544,800	349,591	2,178,928
2012 - Q4 (r)	29.4	10.2	15.1	174,870	594,563	178,050	1,738,835	352,920	2,333,398
2013 - Q1 (r)	23.6	10.7	14.0	141,893	601,064	184,222	1,728,629	326,115	2,329,693
2013 - Q2 (r)	24.2	10.0	14.5	184,391	763,055	167,797	1,672,551	352,188	2,435,606
2013 – Q3 (p)	23.5	9.3	15.8	177,322	752,981	82,525	891,537	259,847	1,644,518

Source: US Department of HUD/FHA; data are from U.S. Department of HUD, Mortgage Bankers Association of America ("MBA Mortgage Finance Forecast" report, September 23, 2013), and CoreLogic Loan Performance True Standings Servicing data system (average dollar amounts for non-FHA loans).
(r) = revised
(p) = preliminary