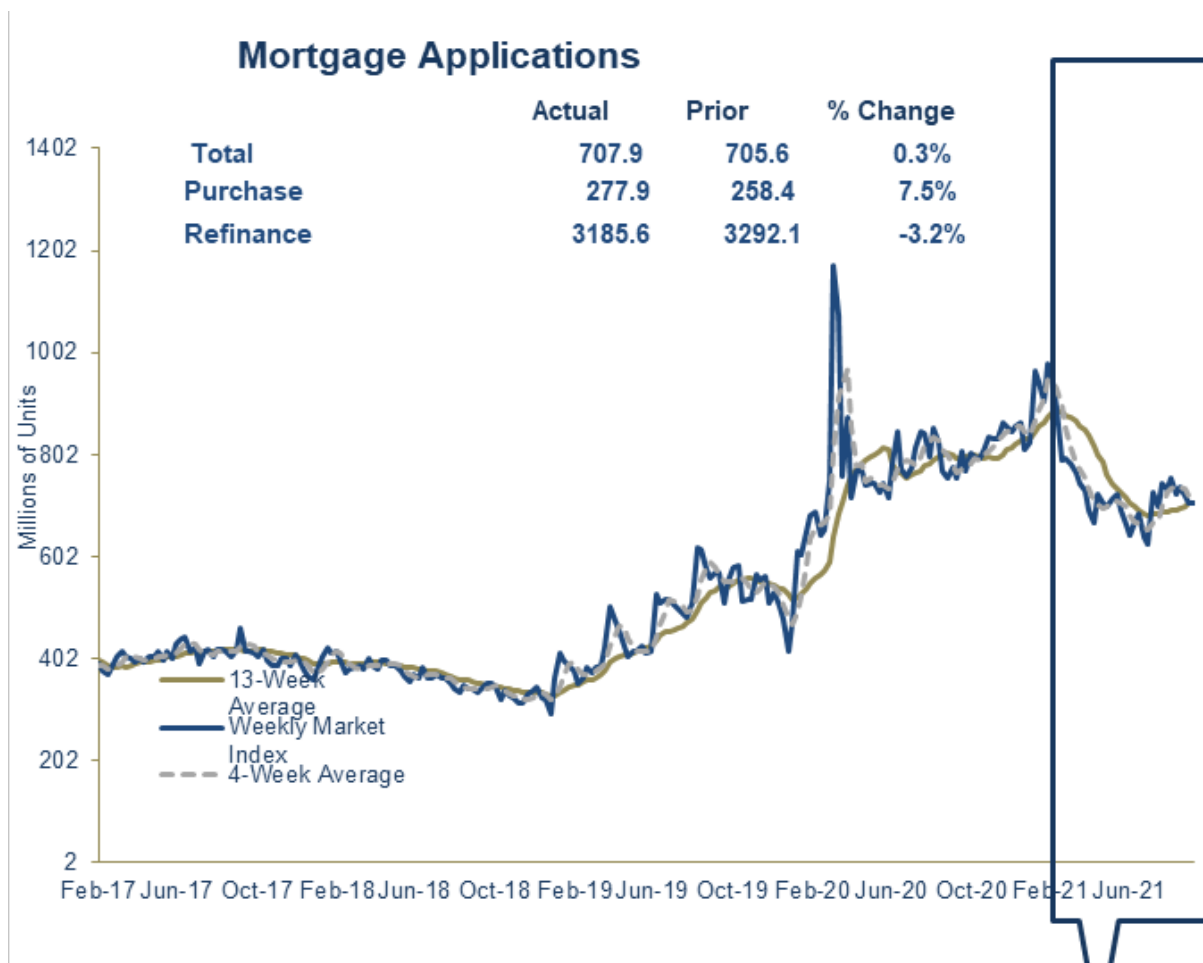


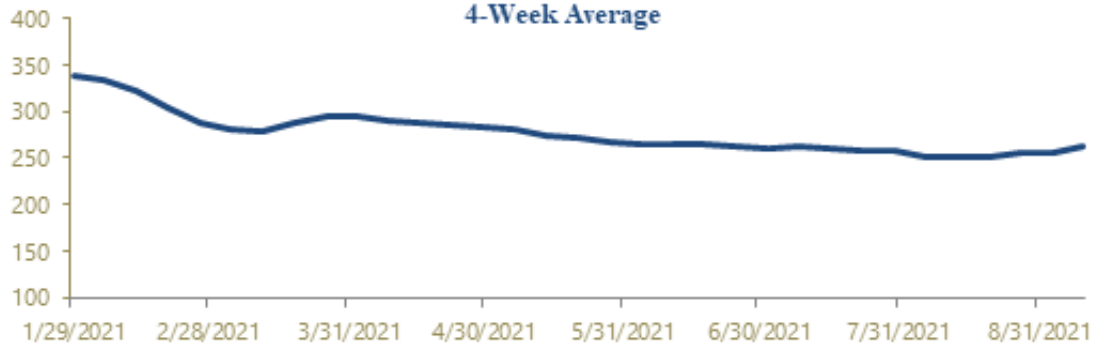
15.Sep.2021

Mortgage Apps: Mixed To Lower

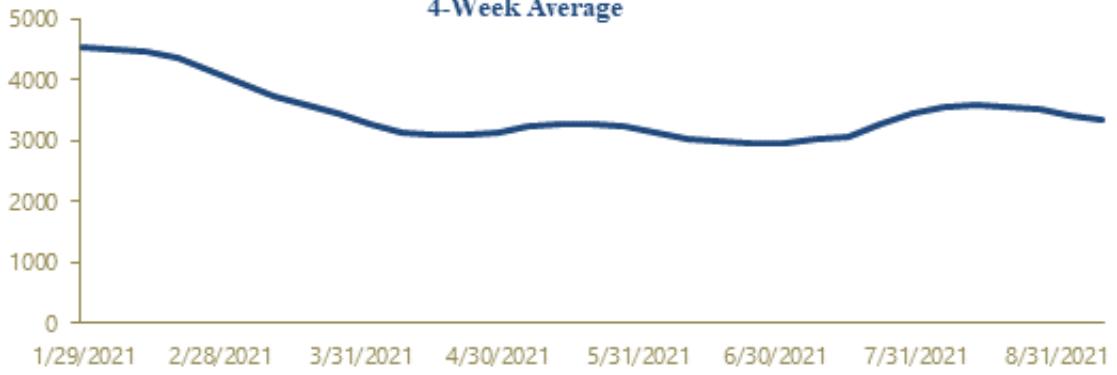
Bottom Line: Mortgage application volume fell in the week that included the Labor Day holiday. Seasonally adjusted volumes were just slightly higher. Current coupon yields in the secondary market were little changed last week, closing at 1.8%, and were down -4 bps this week through Tuesday. Realtors reported average 30-year fixed-rate mortgages were unchanged for the fourth straight week at 3.03%. Trends remained mixed to lower for both purchase and refi applications. Largely confirmed by the latest existing and new home sales data, housing market activity appears to be plateauing at a historically moderate to strong pace as buyers struggle with affordability in an environment where rates would need to decline substantially again to offset the higher prices in most markets.



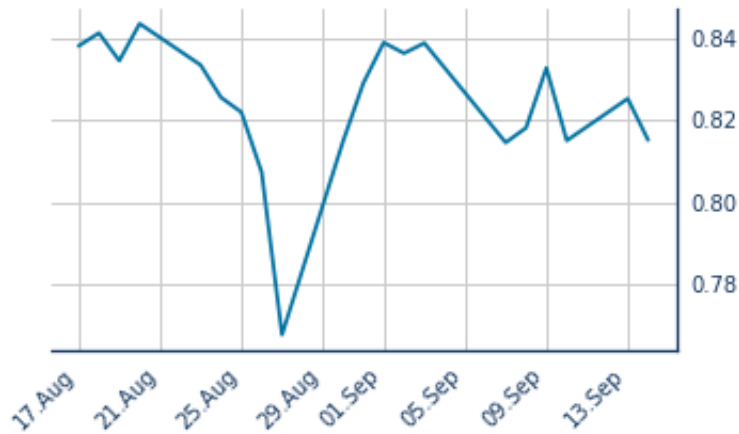
Purchase Index 4-Week Average



Refi Index 4-Week Average



MBS Current Coupon spread to Blend of UST



The MBA Mortgage Applications Index ROSE by 0.3% during the week ended September 10 to 707.9, slightly below its 13 week average of 708.4 and 6.5% BELOW its year-ago level.

The Purchase Index ROSE by 7.5% to 277.9, moderately above its 13 week average of 258.4 but 12.1% BELOW its year-ago level.

The Refinance Index FELL by 3.2% to 3,186. With this decline, refinancing activity is modestly below its 13 week average of 3,319 and 3.2% BELOW its year-ago level.

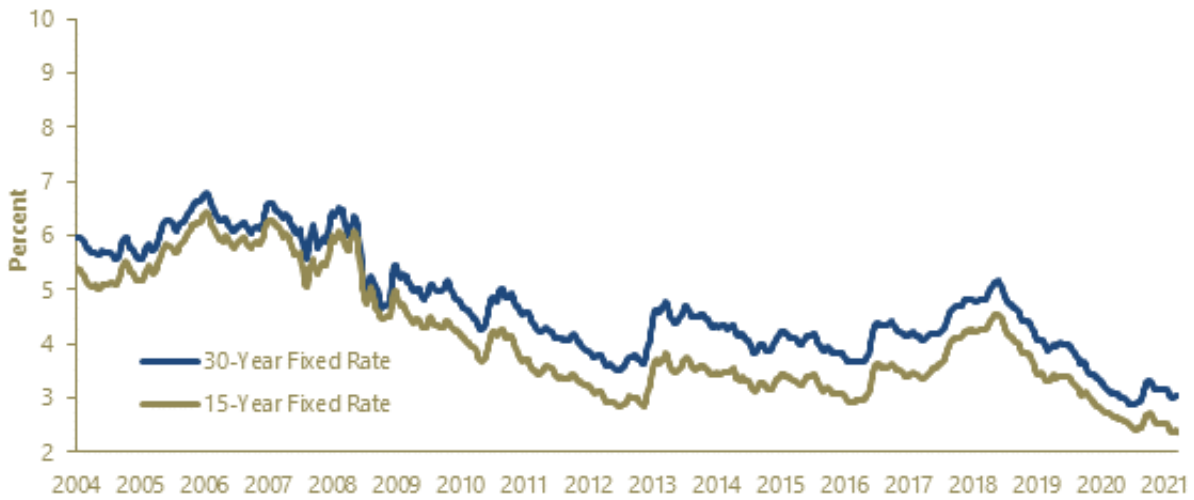
Contract Mortgage Rates were MIXED with the 30-year fixed rate unchanged at 3.03% and the 15-year fixed rate declining by 3 bps to 2.34%.

Key findings of MBA's Forbearance and Call Volume Survey - August 30 to September 5, 2021

- Total loans in forbearance decreased by 15 basis points relative to the prior week: from 3.23% to 3.08%.
 - By investor type, the share of Ginnie Mae loans in forbearance decreased relative to the prior week: from 3.63% to 3.39%.
 - The share of Fannie Mae and Freddie Mac loans in forbearance decreased relative to the prior week: from 1.63% to 1.52%.
 - The share of other loans (e.g., portfolio and PLS loans) in forbearance decreased relative to the prior week: from 7.52% to 7.27%.
- By stage, 10.7% of total loans in forbearance are in the initial forbearance plan stage, while 81.1% are in a forbearance extension. The remaining 8.2% are forbearance re-entries.
- Total weekly forbearance requests as a percent of servicing portfolio volume (#) increased relative to the prior week: from 0.04% to 0.05%.
- Of the cumulative forbearance exits for the period from June 1, 2020, through September 5, 2021, at the time of forbearance exit:
 - 28.3% resulted in a loan deferral/partial claim.
 - 22.2% represented borrowers who continued to make their monthly payments during their forbearance period.
 - 16.3% represented borrowers who did not make all of their monthly payments and exited forbearance without a loss mitigation plan in place yet.
 - 12.8% resulted in reinstatements, in which past-due amounts are paid back when exiting forbearance.
 - 11.5% resulted in a loan modification or trial loan modification.
 - 7.4% resulted in loans paid off through either a refinance or by selling the home.
 - The remaining 1.4% resulted in repayment plans, short sales, deed-in-lieu or other reasons.
- Weekly servicer call center volume:
 - As a percent of servicing portfolio volume (#), calls increased relative to the prior week: from 5.8% to 7.7%.
 - Average speed to answer increased from 1.0 minutes to 1.6 minutes.
 - Abandonment rates increased from 3.3% to 4.0%.
 - Average call length increased from 8.1 minutes to 8.2 minutes.
- Loans in forbearance as a share of servicing portfolio volume (#) as of September 5, 2021:
 - Total: 3.08% (previous week: 3.23%)
 - IMBs: 3.33% (previous week: 3.49%)
 - Depositories: 3.15% (previous week: 3.33%)

source: Mortgage Banker's Association

Mortgage Interest Rates 4-Week Average 30-Year Fixed Rate, 15-Year Fixed Rate



Purchase Index vs. Existing Home Sales



Refinancing Index vs Mortgage Rate 4-Week Average



	10-Sep	3-Sep	27-Aug	20-Aug	13-Aug	6-Aug	30-Jul	23-Jul	16-Jul	13 Wk Avg	Year Ago
Market Index	707.9	705.6	719.4	737.1	725.4	754.8	734.3	747.0	698.3	708.4	757.2
Percent Change	0.3	-1.9	-2.4	1.6	-3.9	2.8	-1.7	7.0	-4.0	-0.1	-6.5
Non-seasonally Adj. % Chg	-10.4	-2.7	-3.2	0.9						-10.6	-6.3
Purchase Index	277.9	258.4	259.0	257.5	249.9	252.0	247.5	251.9	255.8	258.4	316.2
Percent Change	7.5	-0.2	0.6	3.0	-0.8	1.8	-1.7	-1.5	-6.4	7.6	-12.1
Refinancing Index	3,186	3,292	3,386	3,521	3,490	3,684	3,571	3,633	3,268	3,319	3,289
Percent Change	-3.2	-2.8	-3.8	0.9	-5.3	3.2	-1.7	11.2	-2.8	-4.0	-3.2
Refinance % of Total	64.9	66.8	66.8	67.3	67.3	68.0	67.6	67.5	64.9	65.5	62.8
Percent Change	-2.8	0.0	-0.7	0.0	-1.0	0.6	0.1	4.0	1.2	-0.9	3.3
% of ARMs	3.3	2.5	3.2	3.1	3.2	3.2	3.4	3.5	3.3	3.3	2.3
30-Year Fixed Rate	3.03	3.03	3.03	3.03	3.06	2.99	2.97	3.01	3.11	3.07	3.07
15-Year Fixed Rate	2.34	2.37	2.39	2.38	2.41	2.35	2.33	2.36	2.46	2.43	2.61
5-Year ARM on 30-Year	2.68	2.56	2.80	2.68	2.90	2.52	2.93	2.81	2.74	2.79	3.20

Source: Mortgage Bankers Association via Bloomberg. Our calculations.

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September 15, 2021

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