

Mortgage Lender Sentiment Survey[®] Special Topics Report

Lenders' 2024 Business Priorities

July 2024



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Executive Summary

“Talent management and leadership” and “cost cutting” were cited by lenders as the most important priorities for 2024. Significantly fewer lenders (compared to last year) expect a recession in the next two years, and nearly three-in-five expect a refinance boom to start in 2025. Housing stock/supply and mortgage rate changes remain the top two risk factors for 2024. Nearly two-thirds of lenders report workforce cuts in 2023, but, for 2024, about half expect their workforce to remain the same.

Top Business Priorities

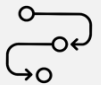
(Combined % most important + second most important*)



34%  say **talent management and leadership** (vs. 24% in Q2 2023)



31% say **cost cutting** (vs. 35% in Q2 2023)



29% say **business process streamlining** (vs. 32% in Q2 2023)




25% say **new products or services** (vs. 22% in Q2 2023)

Recession & Risk Factors

RECESSION LIKELIHOOD



66%  believe it is “**very likely**” or “**somewhat likely**” the U.S. will enter a recession in the next two years (vs. **93%** in Q2 2023).

TOP RISK FACTORS

(Rank order based on combined % biggest risk + second biggest risk + third biggest risk)




64% Housing Stock/Supply (vs. 59% in Q2 2023)



59% Mortgage Rate Changes (vs. 55% in Q2 2023)



35%  Household Debt Level (vs. 20% in Q2 2023).

Refinance & Workforce

REFINANCE BOOM TIMING



58% expect the next mortgage refinance boom to start in **2025**.



33% do not expect a refinance boom to start in the foreseeable future.

WORKFORCE




62% say their workforce **decreased** last year (2023).



54% expect their workforce **will remain the same** for 2024.



28% expect their workforce **will increase** for 2024.

 Denotes the Q2 2024 % is significantly higher/lower in comparison to Q2 2023





Business Context



Business Context and Research Questions

Business Context

In the post-pandemic era, the mortgage industry has faced a number of challenges, including continued home price appreciation, elevated interest rates, sticky inflation, continued tight inventory of homes available for sale, and a slowdown of global economic growth.

In May 2024, we surveyed over 200 senior mortgage executives via the Mortgage Lender Sentiment Survey[®], as we have since 2017, to better understand lenders' top business priorities for the year and how they may differ from prior years, given changes in the marketplace. Starting last year, we added questions about odds of recession. This year, we added questions about workforce management and expectation of a refinance boom.

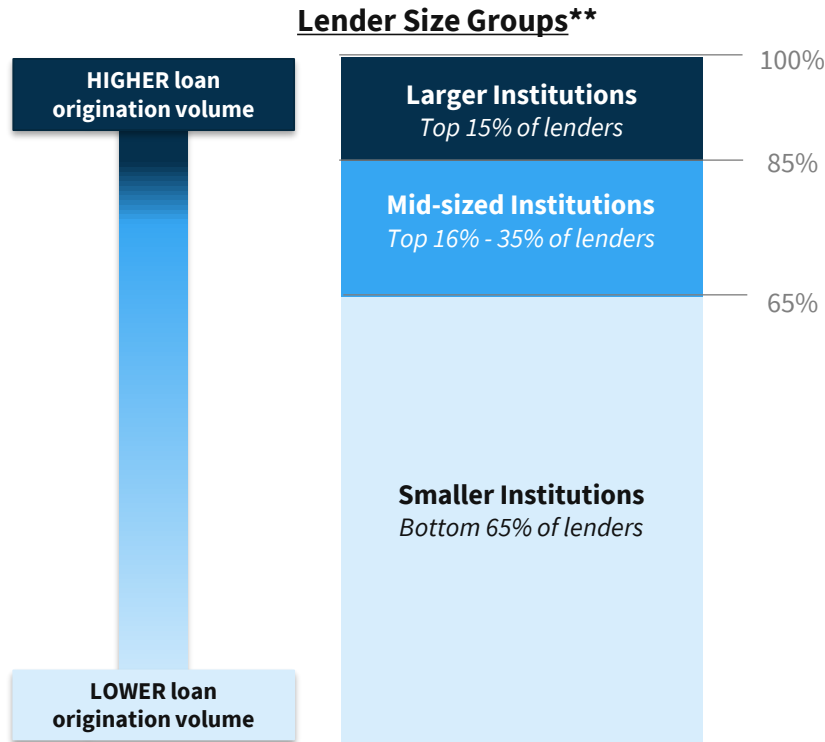
Research Questions

1. What are lenders' most important business priorities for 2024 to maintain or improve their competitiveness in the marketplace? And how are their top business priorities for 2024 different from those in the prior five years? What has changed?
2. What do lenders think about the U.S. economy? How likely do they think the U.S. economy will enter a recession over the next two years?
3. When do lenders expect a refinance boom to start?
4. What are the top risk factors that lenders think could impact the mortgage business for 2024? And how are the top risk factors different from last year?
5. How did lenders' mortgage-business workforce change last year (2023) compared with 2022 (increase, remain about the same, decrease)? How do lenders expect their workforce to change this year (2024) compared with 2023?
6. How have different shares of workplace arrangements (in-person vs. remote vs. hybrid) changed since the pandemic? How do today's trends compare with lenders' expectations made in 2021 for the post-pandemic era?



Respondent Sample and Groups

For the current study, a total of 215 senior executives* completed the survey between April 30 and May 10, representing 198 lending institutions.



Sample Q2 2024		Sample Size
Total Lending Institutions The “Total” data throughout this report is an average of the means of the three lender-size groups listed below.		198
Lender Size Groups	Larger Institutions Lenders in the Fannie Mae database who were in the top 15% of lending institutions based on their GSE 2023 loan origination volume (above \$245.69 million)	46
	Mid-sized Institutions Lenders in the Fannie Mae database who were in the next 20% (16%-35%) of lending institutions based on their GSE 2023 loan origination volume (between \$45.727 million and \$245.69 million)	35
	Smaller Institutions Lenders in the Fannie Mae database who were in the bottom 65% of lending institutions based on their GSE 2023 loan origination volume (less than \$45.727 million)	117
Institution Type***	Mortgage Banks (non-depository)	65
	Depository Institutions (excluding credit unions)	80
	Credit Unions	39

* The Mortgage Lender Sentiment Survey results are reported at the lending institutional parent-company level. If more than one individual from the same institution completes the survey, their responses are weighted to represent their parent institution.
 ** Lenders’ 2023 loan volume originated by GSEs used here includes the best available annual origination information from Fannie Mae and Freddie Mac. Lenders in the Fannie Mae database are sorted by their firm’s total 2023 GSE loan origination volume and then assigned into the size groups, with the top 15% of lenders being the “larger” group, the next 20% of lenders being the “mid-sized” group and the rest being the “small” group.
 *** Lenders that are not classified into mortgage banks or depository institutions or credit unions are mostly housing finance agencies or investment banks.





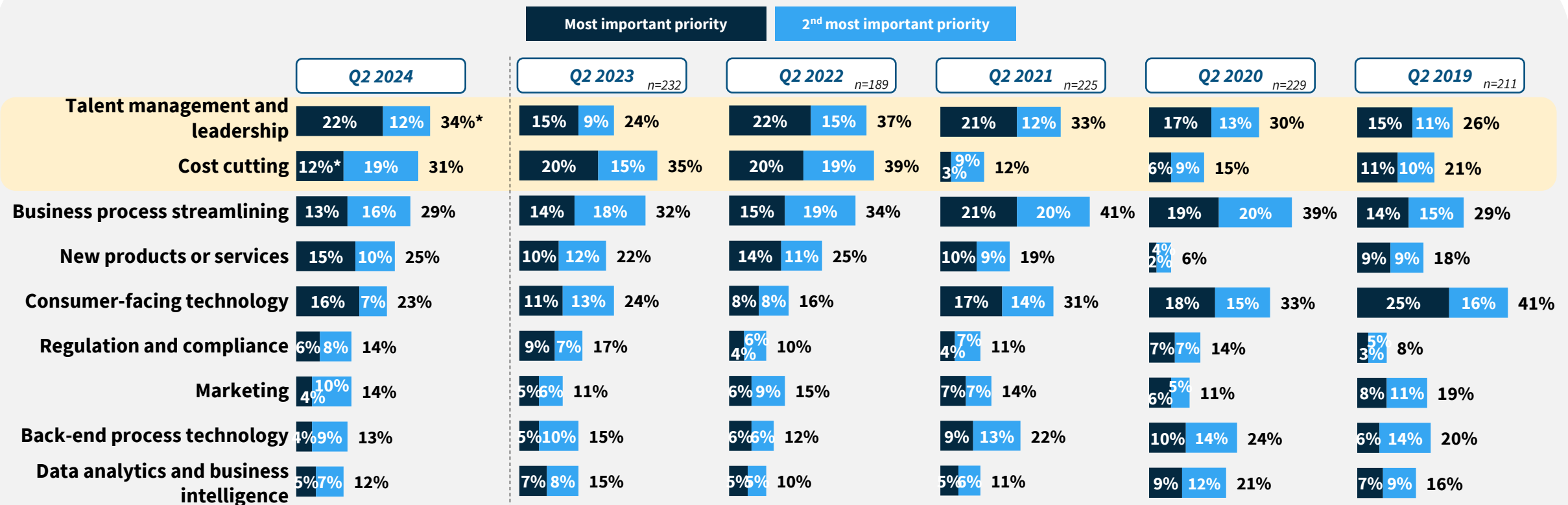
Research Findings:

Lenders' Business Priorities

Top Business Priorities for 2024

“Talent management and leadership” rose significantly as a top priority for 2024, followed by cost cutting and business process streamlining. Consumer-facing technology remained out of the top three for the third consecutive year.

Most Important Business Priorities for 2024
 Showing % selected ‘Most important,’ ‘Second most important,’ and Overall Importance; Ranked by Q2 2024 ‘Overall Importance;’ n=198



In 2024, 0% (n=0) chose ‘no answer’ for the second most important business priority.

About 4% (n=12) of respondents said “Other”.

Responses include: “Speed”, “Grow affordable lending”, “Reduced sales and marketing expenses”, “Quality”, “Recruiting Sales”, “Sales team retention”, “Merger”, “Originator recruiting”, “Improve sales skills and team”, “Business Development”, “Customer service”, and “Staff Acquisition”

* Indicates a significant difference in total between 2024 and 2023 at the 95% Confidence Interval

Q: To maintain or improve your competitiveness in the marketplace, what are your firm's two most important business priorities for 2024? Please select up to two most important priorities and rank them in order of importance.



Reasons for Key Business Priorities in 2024

For “talent management & leadership”, lenders commented on a retiring workforce and the difficulties of recruiting and retaining well-qualified personnel. Lenders also pointed out the importance of strong leadership to navigate market downturns. Many also look to optimize business processes and introduce new products or services to boost their market competitiveness.

What Are They Hoping To Achieve?

Asked of Those Who Listed Top Priority, Showing Top 3 Priorities

TALENT MANAGEMENT & LEADERSHIP (n=49)

“**Retention is top of mind.** We want to retain our LO team that is performing as well as continue to scout for new talent to join our organization. We are in **growth mode** for the foreseeable future.”
– Large Institution

“**Everything starts with good people.** You not only need good salespeople, but **management to lead them appropriately.**” – Mid-sized Institution

“Maintaining our best employees is critical to achieving our business goals. **Sharing a clear vision of the future and what it makes possible** for all is a key responsibility of top leadership.” – Small Institution

BUSINESS PROCESS STREAMLINING (n=39)

“**Better efficiency, visibility, and accuracy** through numerous vendor integrations throughout the mortgage process including **pricing, underwriting, validation, and documentation.**” – Large Institution

“Migration from a historical core system to a **cloud-based system** to minimize new product introductions and **streamline the process for employees and members** seeking a loan.” – Mid-sized Institution

“**Cutting out unnecessary processes and people steps** will create a better customer experience that can be managed with technology, **emerging AI**” – Small Institution

NEW PRODUCTS OR SERVICES (n=27)

“Constantly **innovating and providing new products and services** to our clients is what sets us apart from the competition.” – Large Institution

“Any and all products that directly address housing issues. Specifically **construction, renovation and rental/investment properties.**” – Mid-sized Institution

“**Traditional loan origination has decreased** so much the last 18 months, we are looking at other types of ways to make money, be it **new products or different services.**” – Small Institution

Note: n-sizes are based on unweighted number of respondents who answered the question

Q: You mentioned [PRIORITY] is a top priority for your firm. Could you please share some details about why it is a top priority? What do you want to achieve? (Optional)





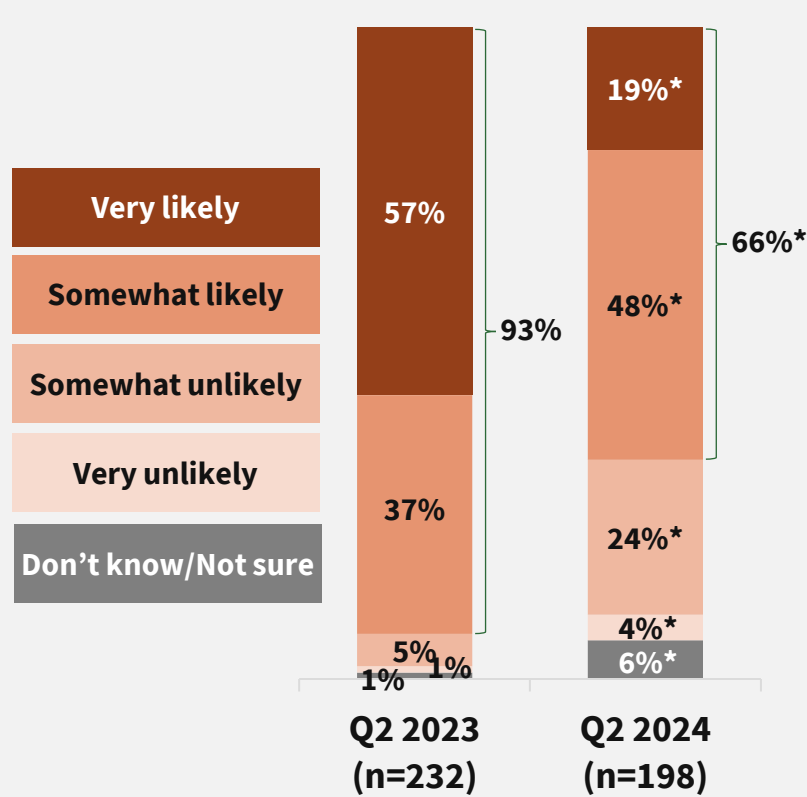
Research Findings:

Economic Conditions and Risks

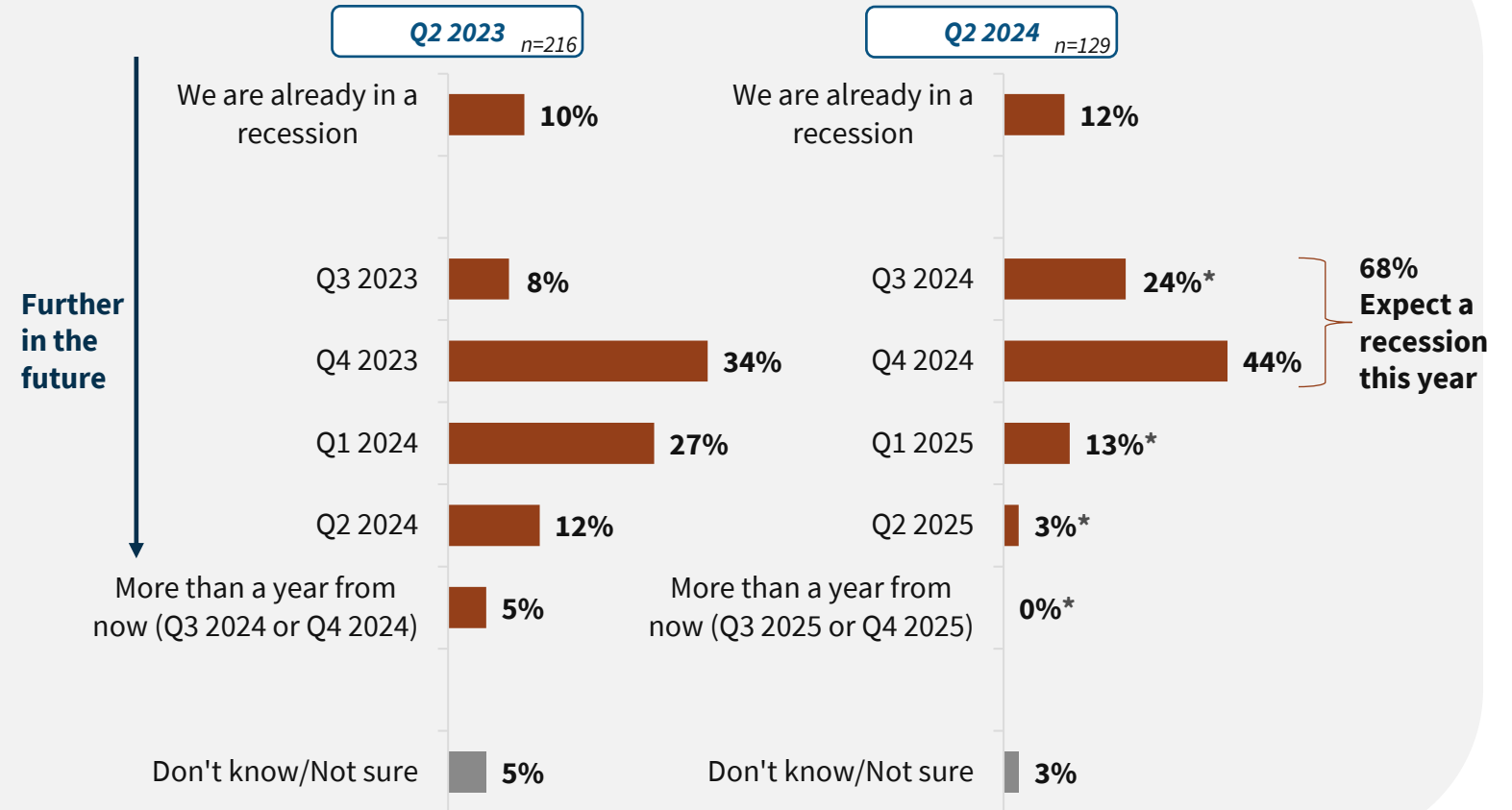
Expected Likelihood and Timing of Next Recession

Lenders are significantly less likely than last year to say that it is “very likely” or “somewhat likely” for the US economy to enter a recession over the next two years. Among lenders who do expect a recession, over two-thirds expect it to start this year.

Likelihood of a U.S. Recession in the Next Two Years
 Asked of all participants



Expected Timing of Next U.S. Recession
 Among those who say a recession is “Very likely” or “Somewhat likely” in the next two years



* Indicates a significant difference between 2024 and 2023 at the 95% Confidence Interval

Q: Based on current economic conditions and your perspective as a mortgage executive, how likely do you think that the U.S. economy will enter a recession over the next two years (in 2024 and 2025)?

Q: When would you expect the U.S. recession to start? Your best estimate would be fine.

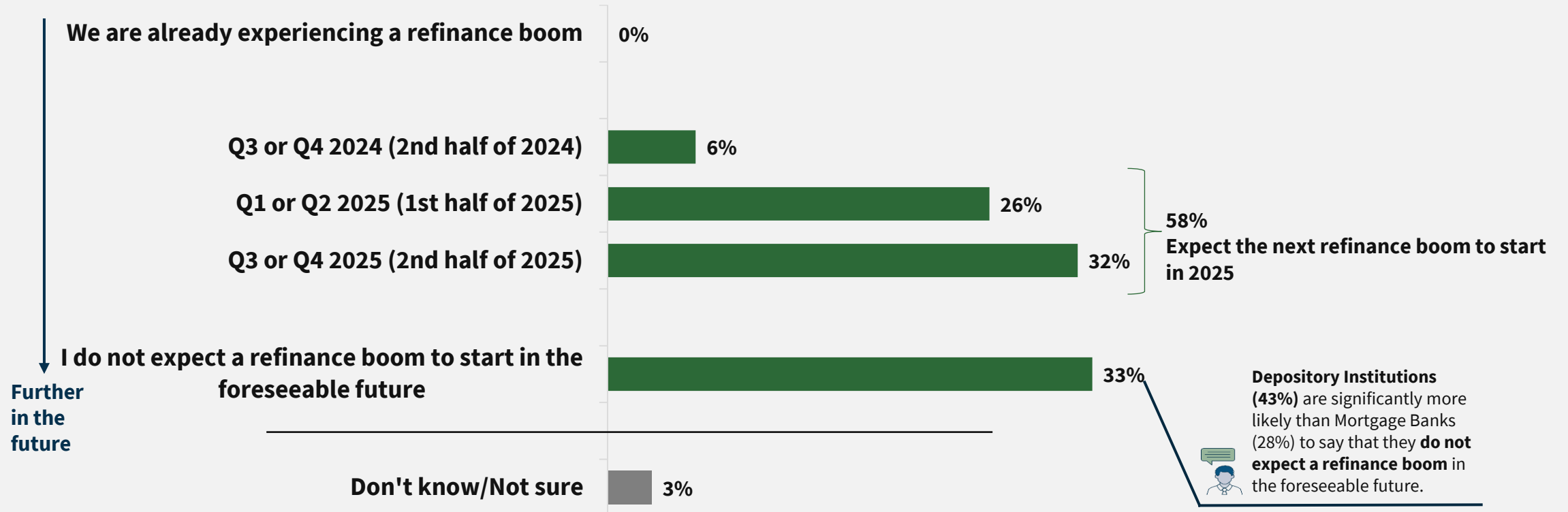


Expected Timing of Next Refinance Boom

Nearly three-in-five lenders expect a refinance boom to occur in 2025. However, one-third of lenders (particularly depository institutions) do not anticipate a refinance boom in the foreseeable future.

Expected Timing of Next Refinance Boom

Asked of all participants, n=198



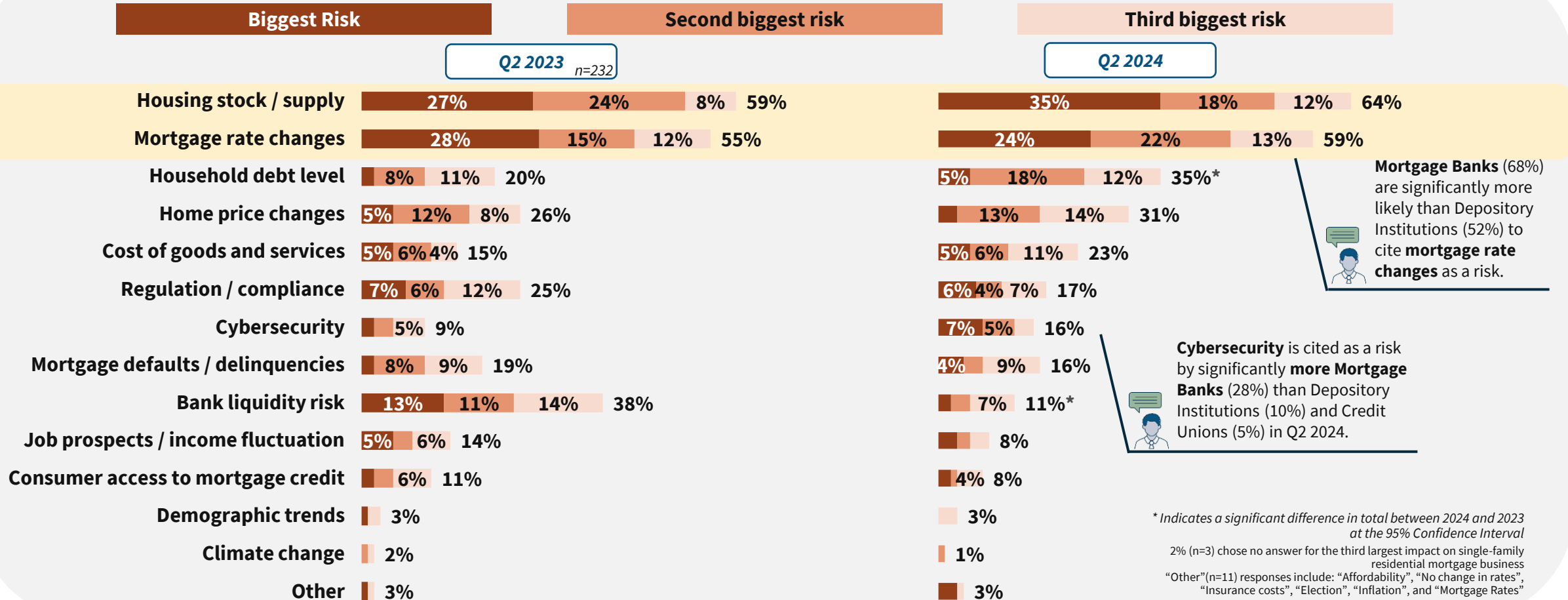
Q: Based on current economic conditions and your perspective as a mortgage executive, when would you expect the next mortgage refinance boom to start?



Risk Factors That Could Impact Single-Family Residential Mortgage Business for 2024

Housing stock/supply and mortgage rate changes continue to be the biggest perceived risk factors. Concern with household debt level has significantly increased this year, while bank liquidity risk concern has lessened.

Top 3 Risk Factors that could impact the Single-Family Residential Mortgage Business
(n=198)



* Indicates a significant difference in total between 2024 and 2023 at the 95% Confidence Interval

2% (n=3) chose no answer for the third largest impact on single-family residential mortgage business
"Other"(n=11) responses include: "Affordability", "No change in rates", "Insurance costs", "Election", "Inflation", and "Mortgage Rates"

Q: Below are some possible risk factors that could impact the single-family residential mortgage business. In your view, what are the biggest risks for 2024? Please select up to three and rank them in order of significance.





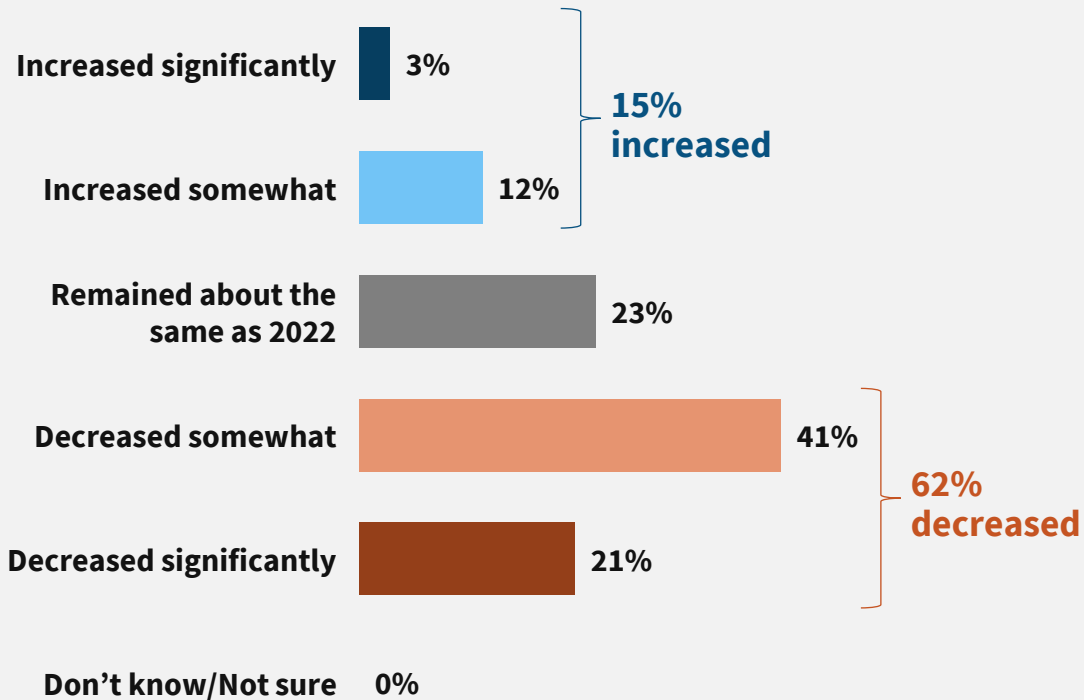
Research Findings:

Workforce Management

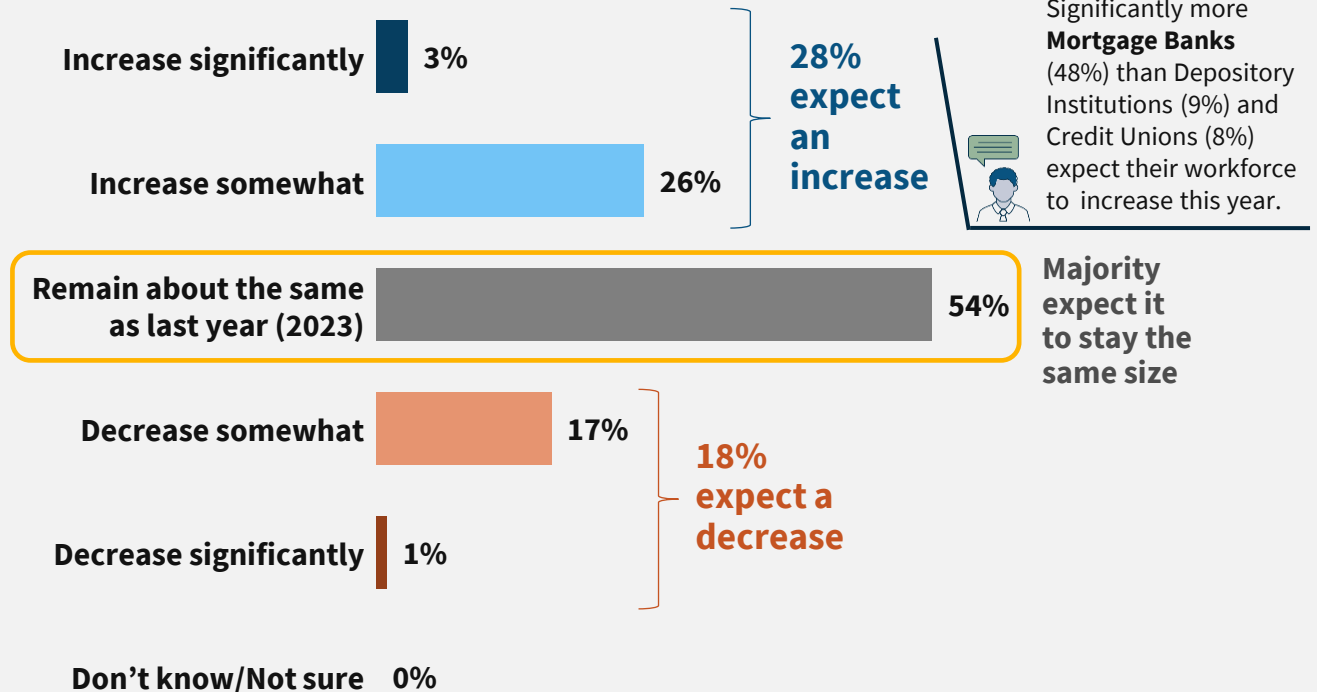
Changes in Mortgage Origination Business Workforce Size

Nearly two-thirds of lenders report their workforce size for the mortgage origination business decreased last year (in 2023). For 2024, approximately half report they expect their workforce size to stay about the same.

**Change in Workforce Size for Mortgage Origination Business
Last Year (2023) vs. Two Years ago (2022)**
Asked of all participants (Q2 2024), n=198



**Change in Workforce Size for Mortgage Origination Business
Expected This Year (2024)**
Asked of all participants (Q2 2024), n=198



Q: For 2023 (last year), how did the size of the workforce for your mortgage origination business change, compared to the year prior (2022)?

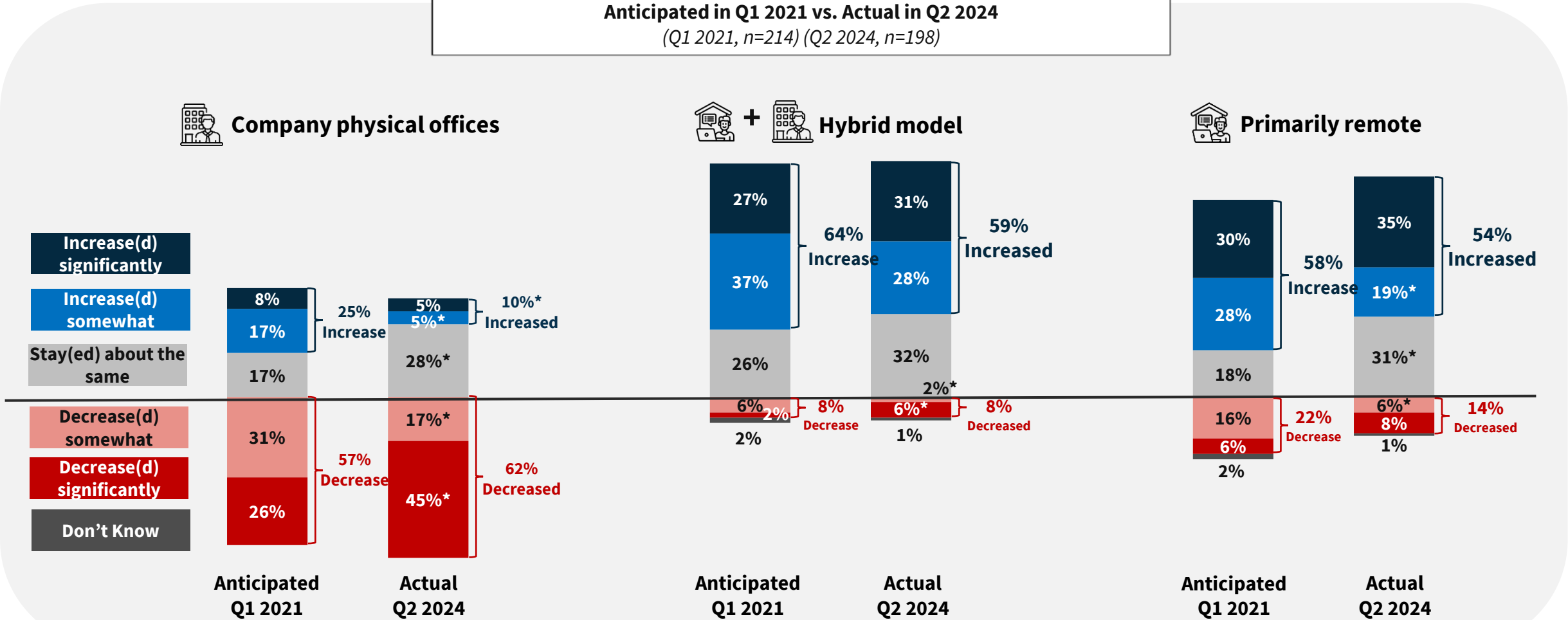
Q: Looking into the year ahead, how do you expect the size of the workforce for your mortgage origination business to change, compared to last year (2023)?



Post-Pandemic Workplace Arrangements (Anticipated Back in 2021 versus Today/Actual Change)

The workplace arrangements that many lenders anticipated in 2021 for the post-pandemic era align closely to the actual changes lenders reported today. However, post-pandemic work at physical offices increased by less than half of what was anticipated (10% vs. 25%).

Post-Pandemic Workforce Arrangements
Anticipated in Q1 2021 vs. Actual in Q2 2024
(Q1 2021, n=214) (Q2 2024, n=198)



* Indicates a significant difference between Q2 2024 and Q1 2021 within each workplace arrangement at the 95% Confidence Interval

Q (Q1 2021): Thinking long term, after the COVID-19 pandemic is over, how do you anticipate the share of each workplace arrangement to change, compared to the pre-pandemic era?

Q (Q2 2024): Now, in the current post-pandemic era, how has the share of each workplace arrangement changed, compared to the pre-pandemic era?





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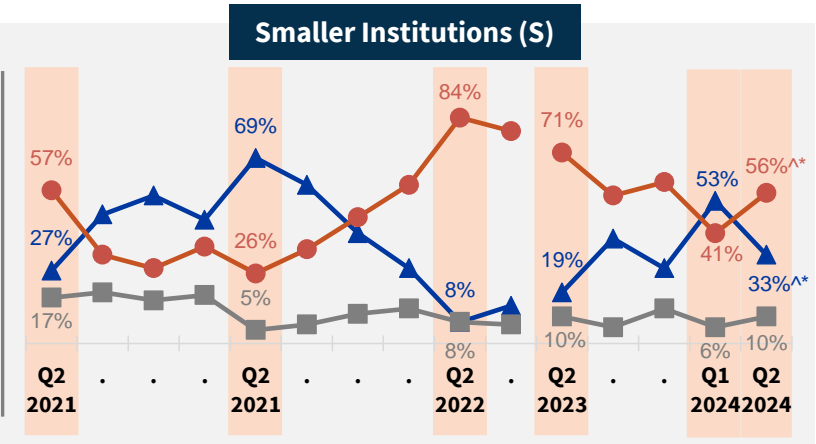
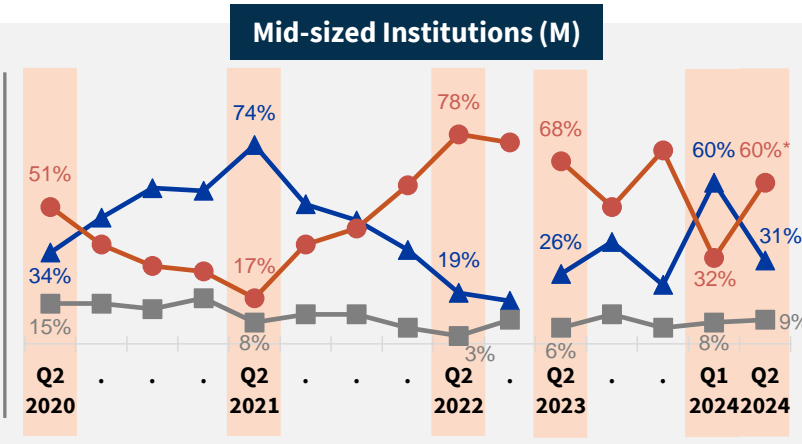
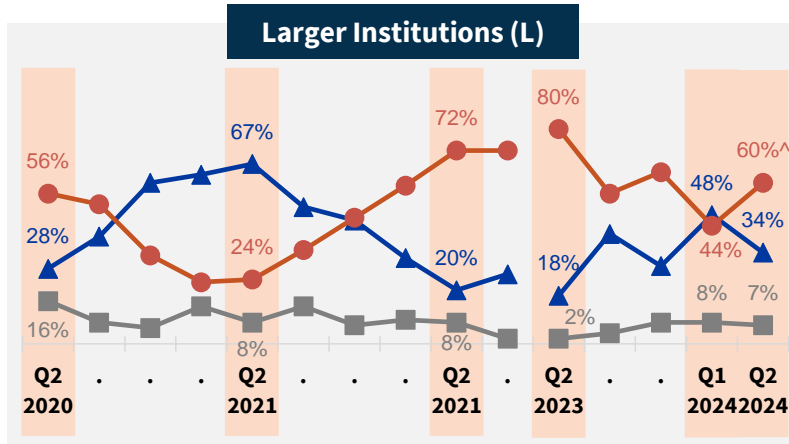
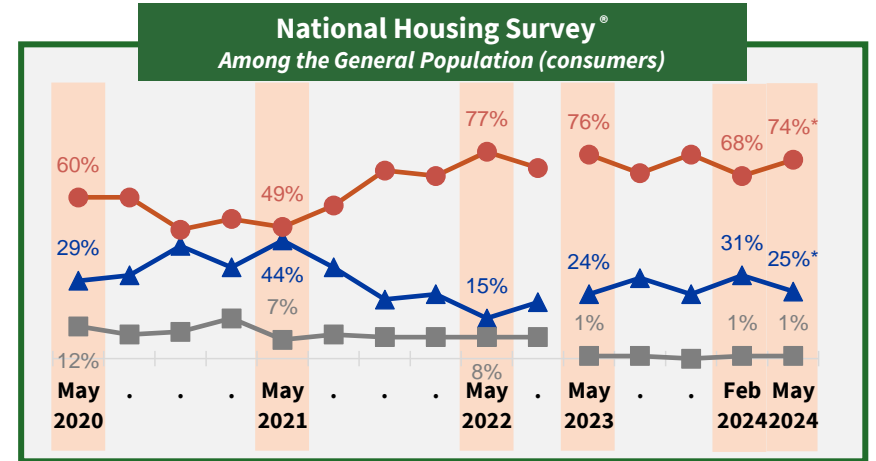
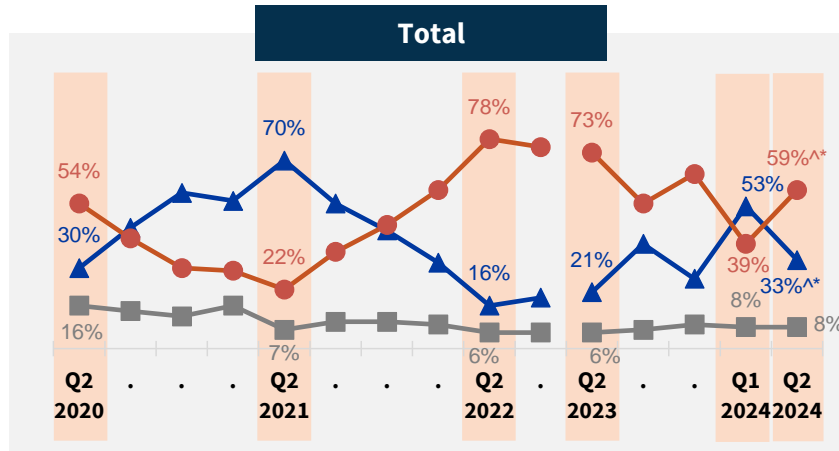


U.S. Economy Overall

Lenders' outlook towards the U.S. economy grew more pessimistic this quarter than last quarter, albeit significantly less pessimistic than one to two years ago. Consumer sentiment remains pessimistic.

In general, do you, as a senior mortgage executive, think the U.S. economy overall is on the right track or the wrong track?

- ▲ Right Track
- Don't know
- Wrong Track



L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level
M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level
* Denotes a statistically significant change comparing Q2 2024 with Q1 2024 (or February 2024 for NHS)
[^] Denotes a statistically significant change comparing Q2 2024 with Q2 2023 (or May 2023 for NHS)

National Housing Survey: <http://www.fanniemae.com/portal/research-and-analysis/housing-survey.html>

Note: Due to rounding, minor differences in calculated data (summarized results, net calculations, etc.) of up to 1 percentage point may occur

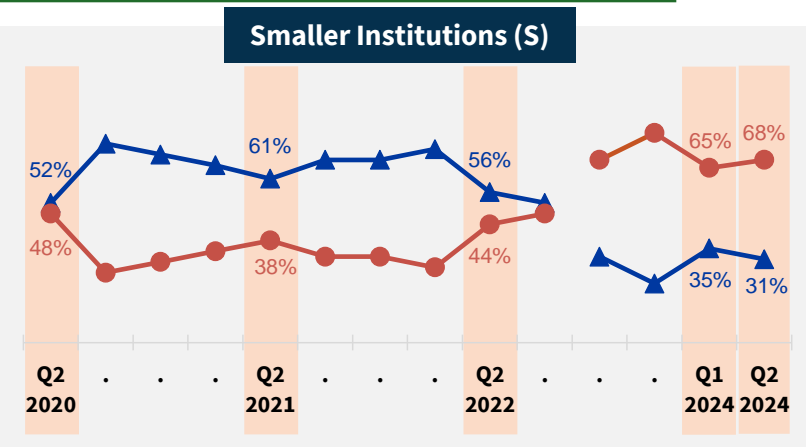
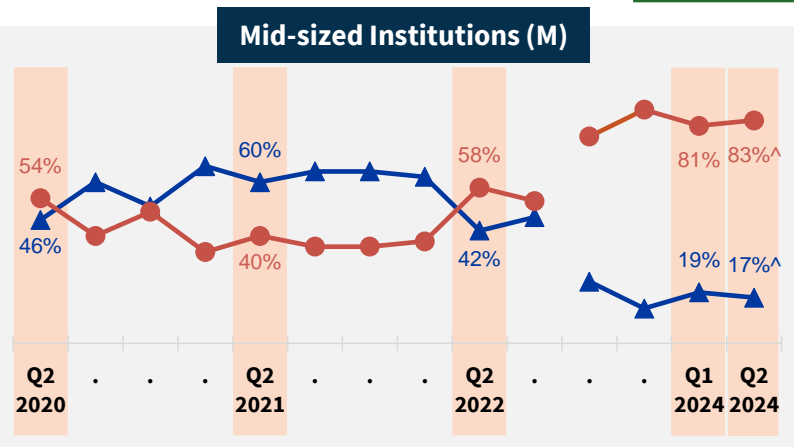
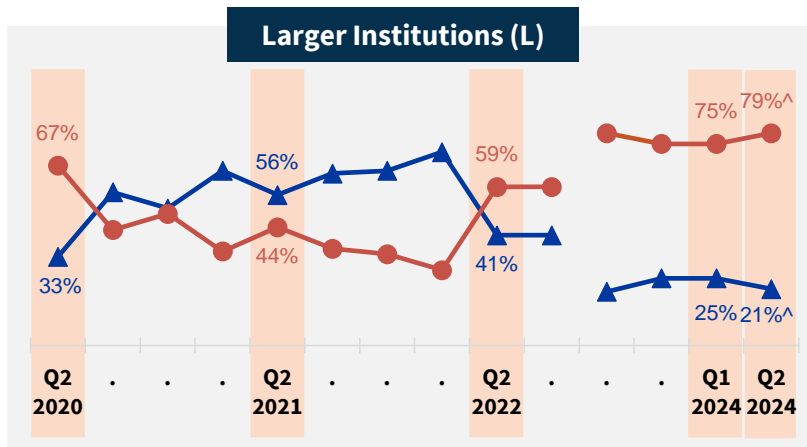
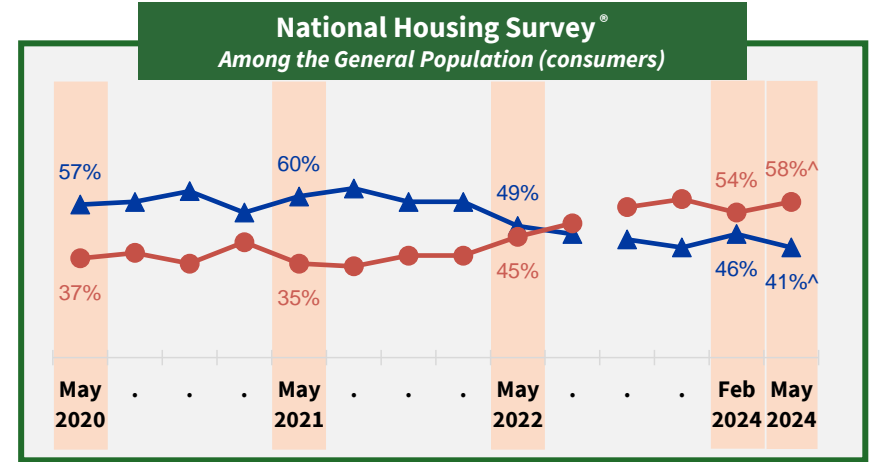
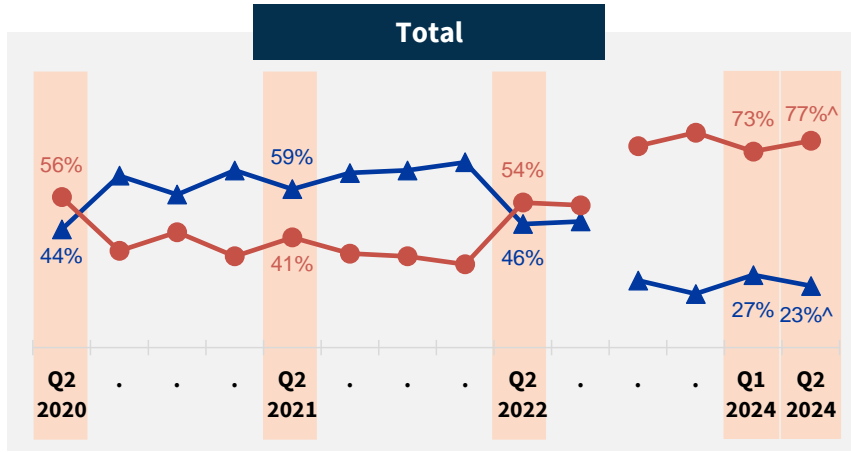


Difficulty of Getting a Mortgage

Most lenders continue to believe it is difficult for consumers to get a mortgage, a sentiment that remains at historically elevated levels since the pandemic. Perceived difficulties with getting a mortgage continues to be higher among lenders than consumers.

Do you think it is very difficult, somewhat difficult, somewhat easy, or very easy for consumers to get a home mortgage today?

— Easy (Very/Somewhat)
— Difficult (Very/Somewhat)



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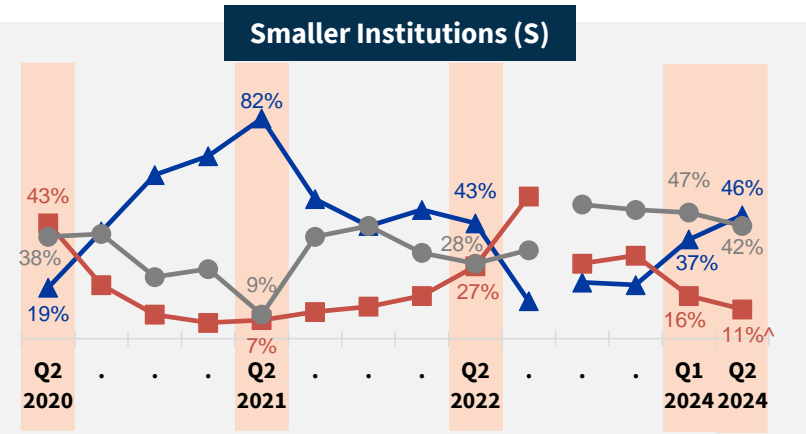
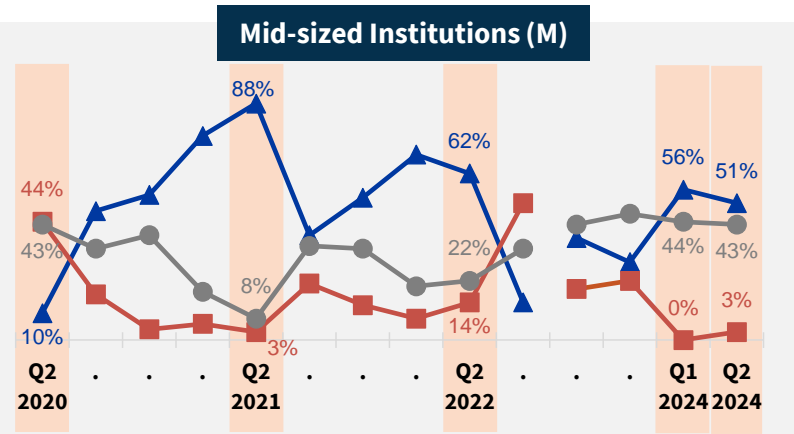
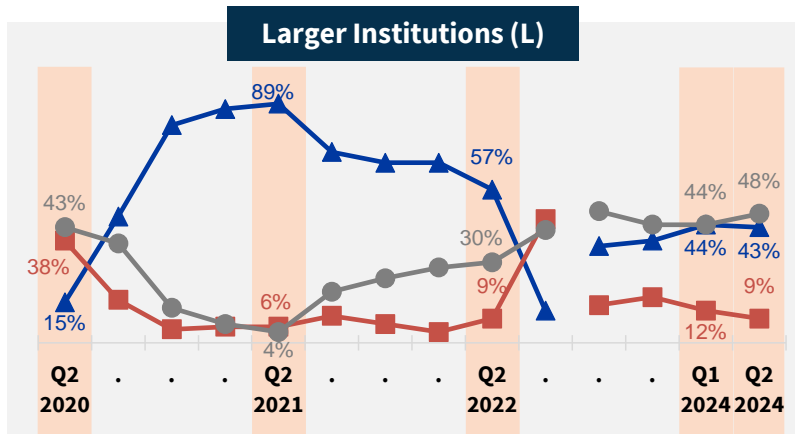
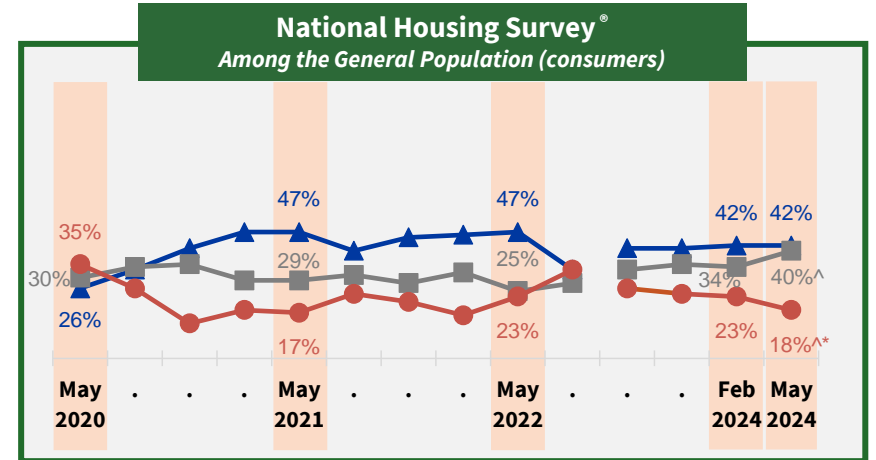
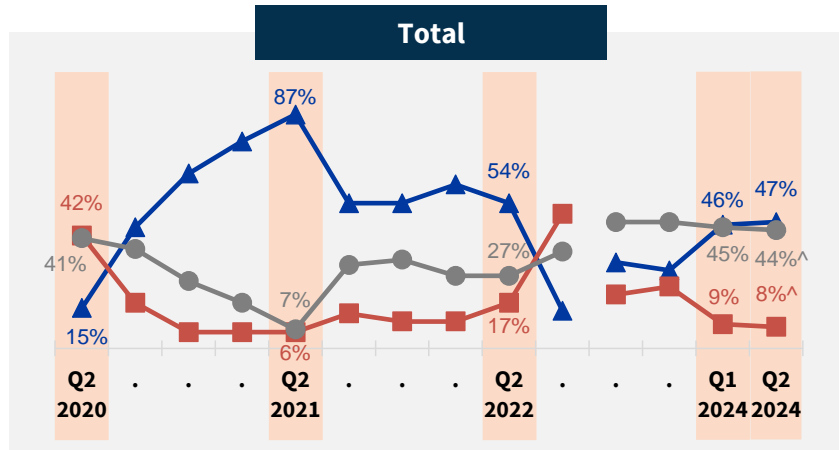


U.S. Home Prices – Next 12 Months

The share of lenders who expect home prices to go up vs. go down in the next 12 months plateaued this quarter. While consumer expectations of home prices going up remained stable, significantly fewer say prices will go down.

Nationally, during the next 12 months, do you, as a senior mortgage executive, think home prices in general will go up, go down, or stay the same as where they are now?

- ▲ Go up
- Go down
- Stay the same



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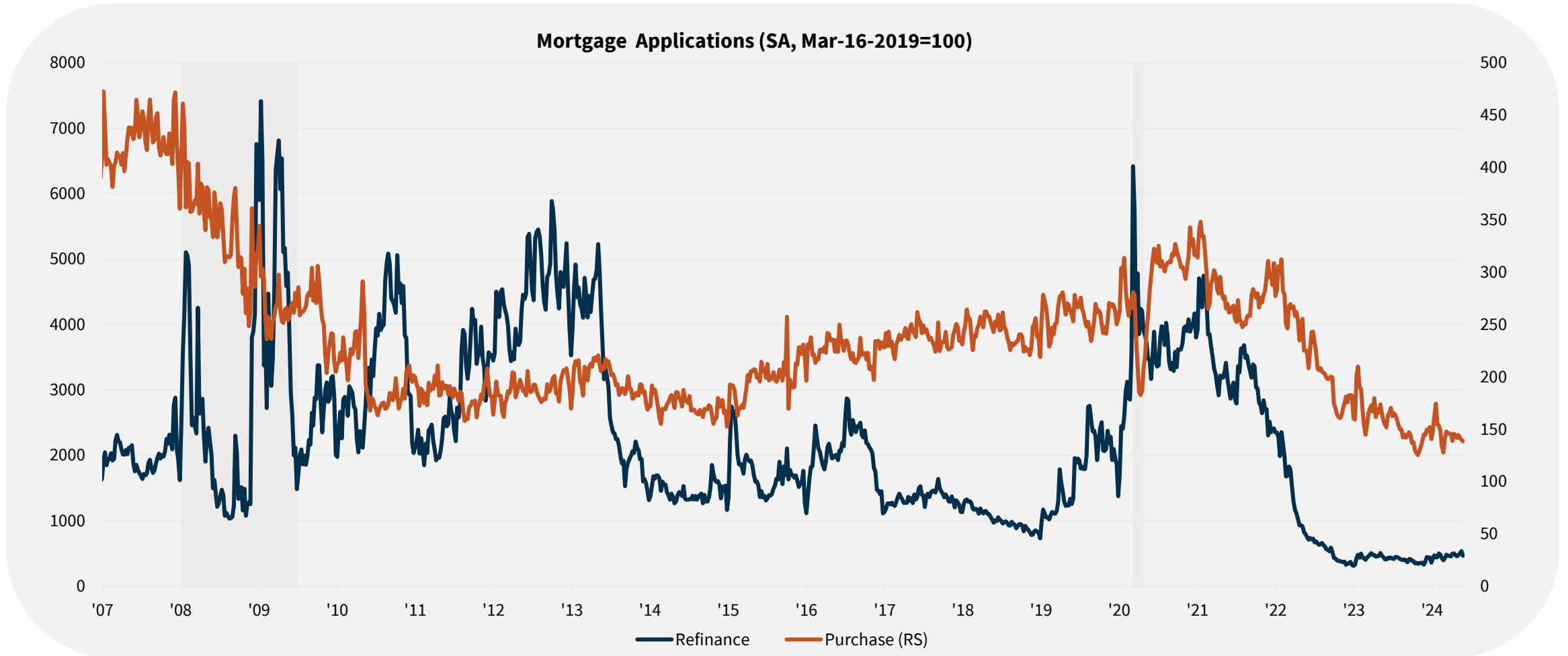
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Mortgage Applications as of May 24, 2024

Refinance applications remained low at the end of May as mortgage rates remain elevated. Purchase applications rose in the fourth quarter of 2023 as mortgage rates pulled back from the October 2023 mortgage rate peak, but have since flatlined as mortgage rates began to climb in February.

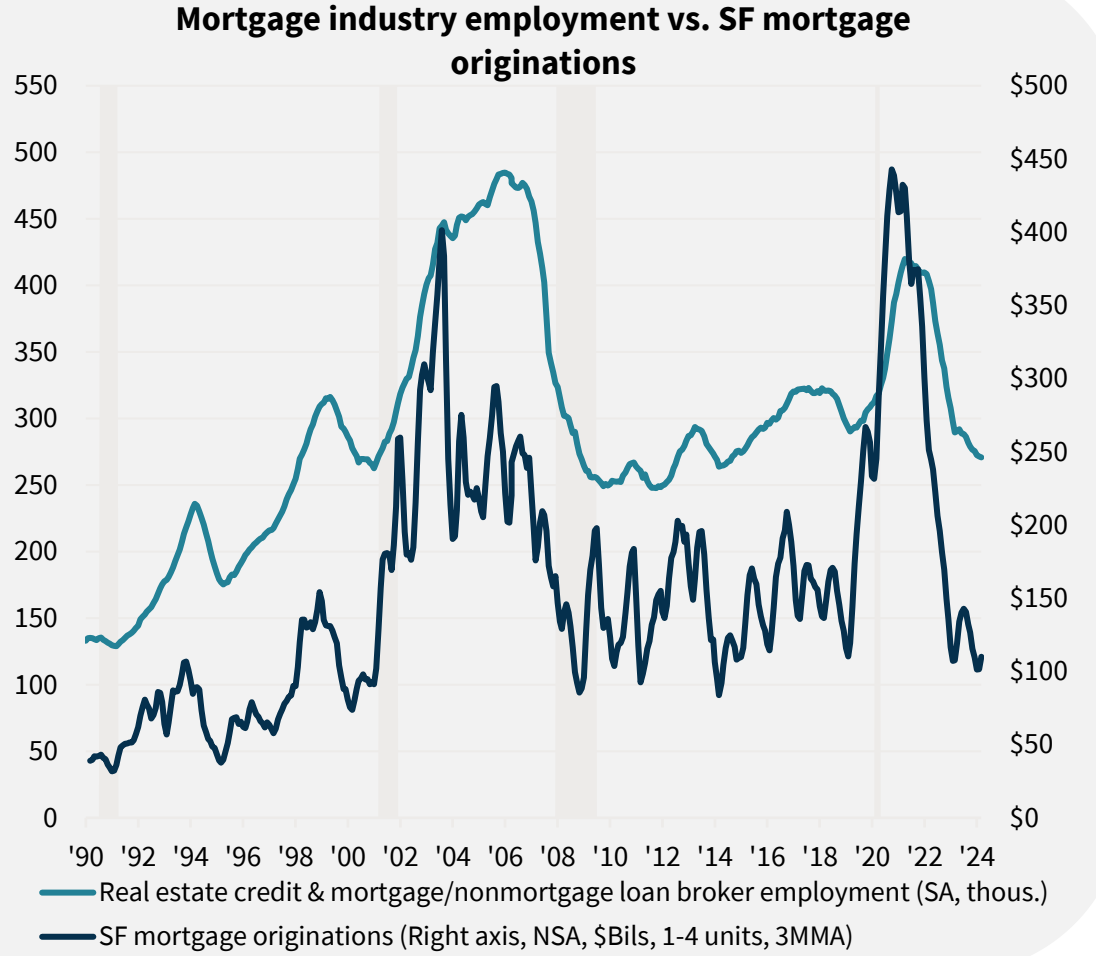
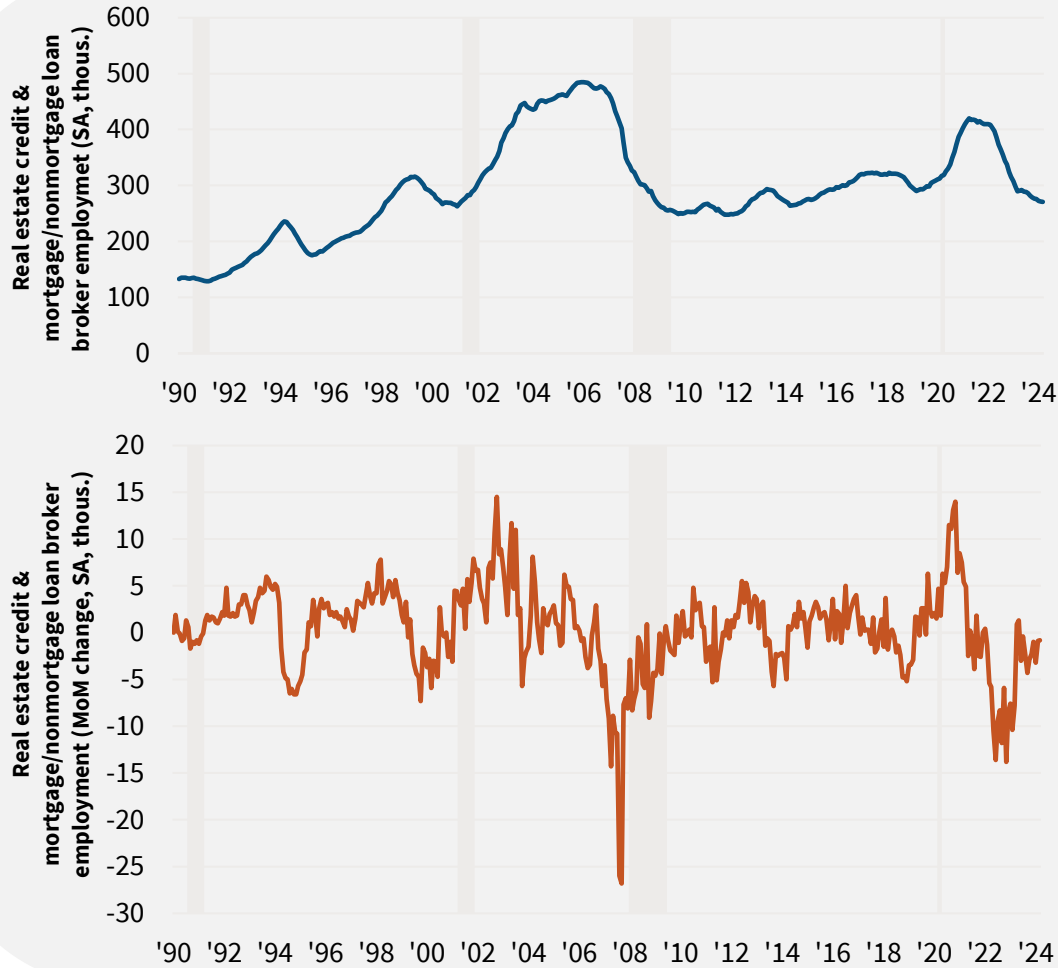


Source: Mortgage Bankers Association



Mortgage Industry Employment Overview

The increase in mortgage rates has led to a sharp decline in origination volumes since April 2021, leading to layoffs in the mortgage industry, which accelerated in mid-2022. Employment levels are currently at the lowest level since 2014.

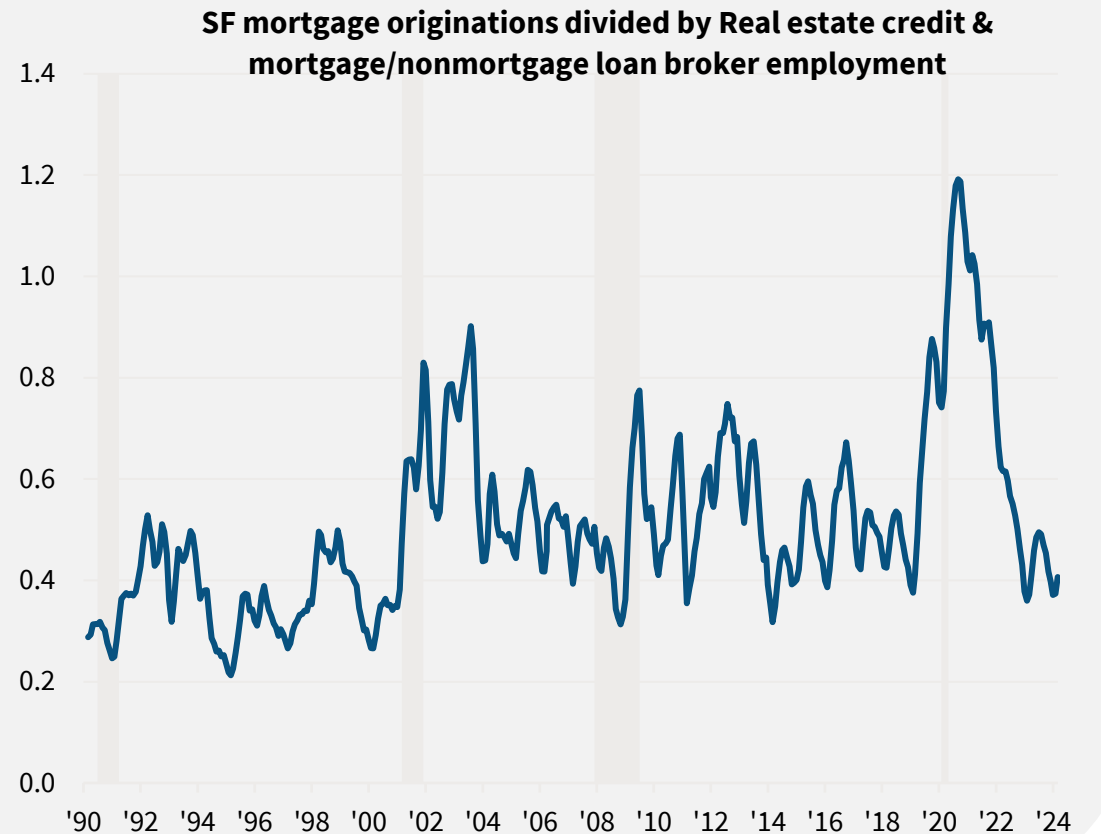
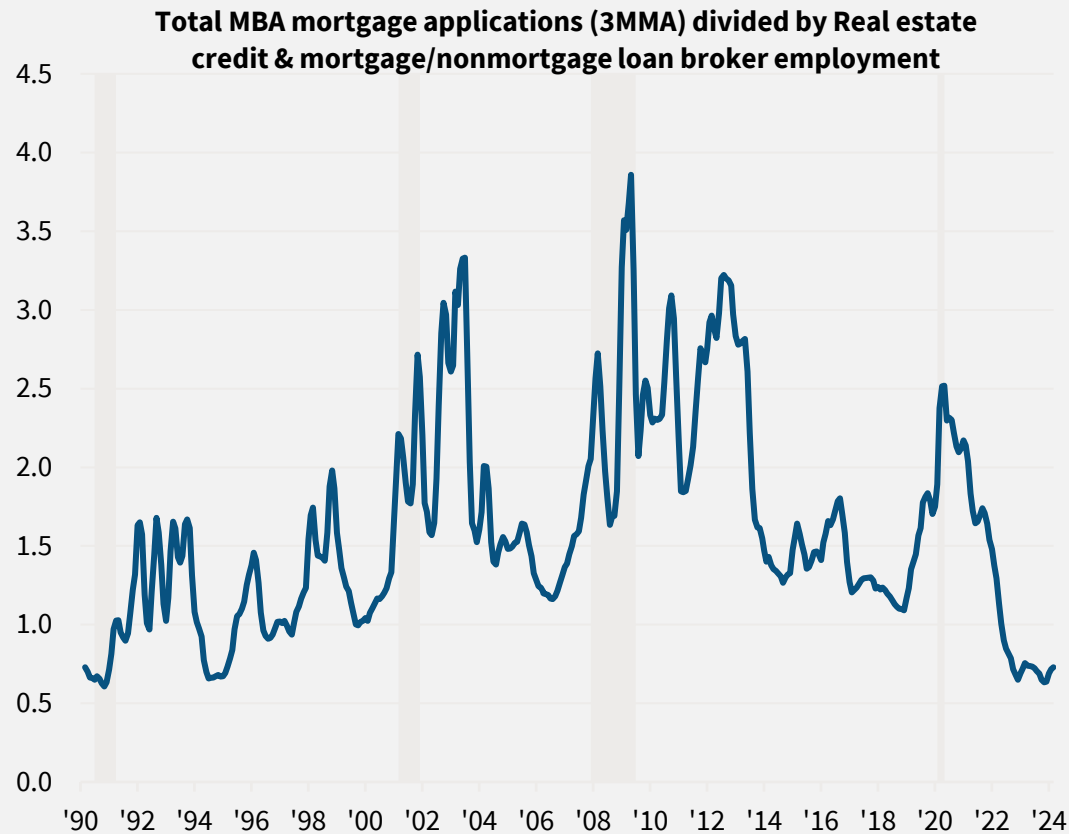


Source: Bureau of Labor Statistics, Fannie Mae analysis



Productivity

The average amount of origination volume per employee* spiked at the end of 2020 before retreating from 2021 through the first quarter of 2024 as mortgage rates increased and volumes declined. Loan applications per employee* followed a similar pattern.

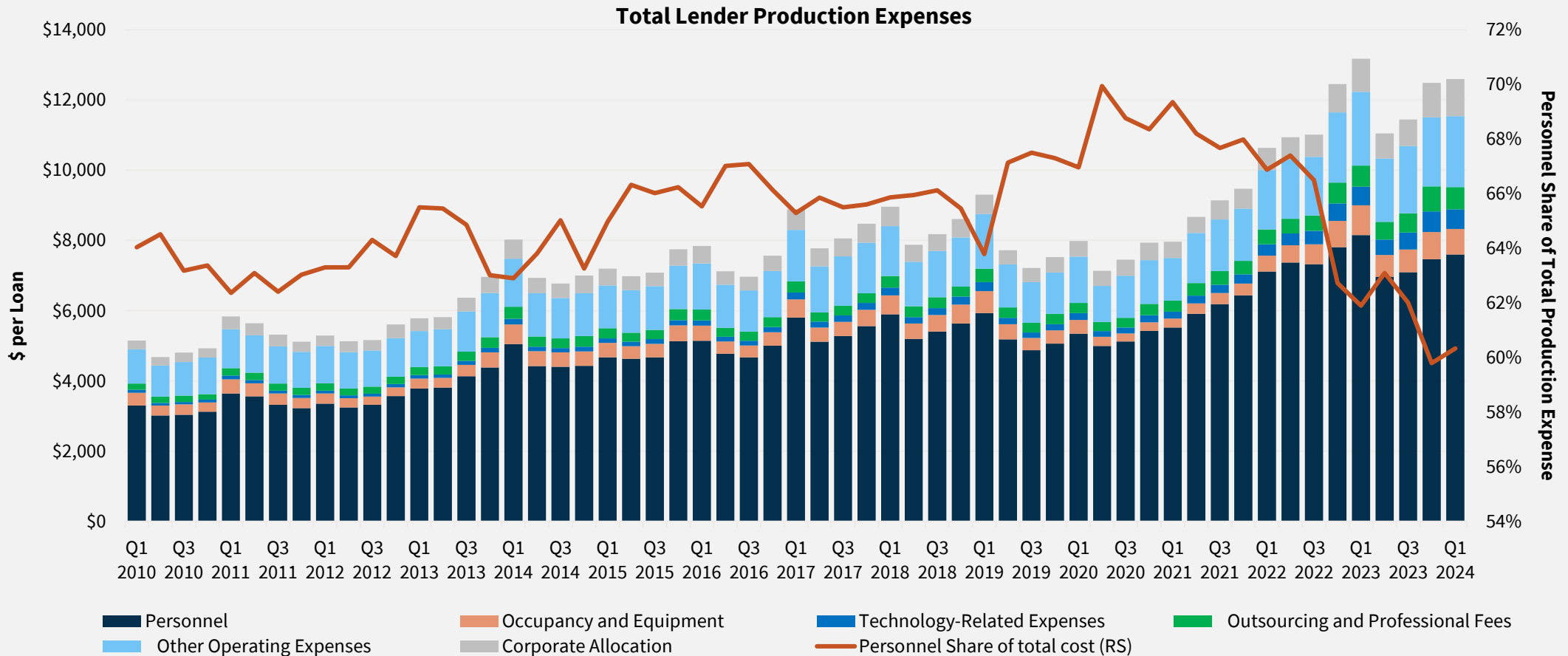


* Based on total mortgage industry employment, not specific to specific roles
Source: Mortgage Bankers Association, Bureau of Labor Statistics, Fannie Mae analysis



Loan Origination Cost and Share of Personnel Cost

The average origination cost per loan had steadily increased since Q2 2020 and reached a study-high of \$13,171 per loan in Q1 2023 before pulling back slightly in Q2 2023. The majority of lender expense is for personnel, though the share has fallen since Q1 2021 as other categories, such as technology costs, have risen.



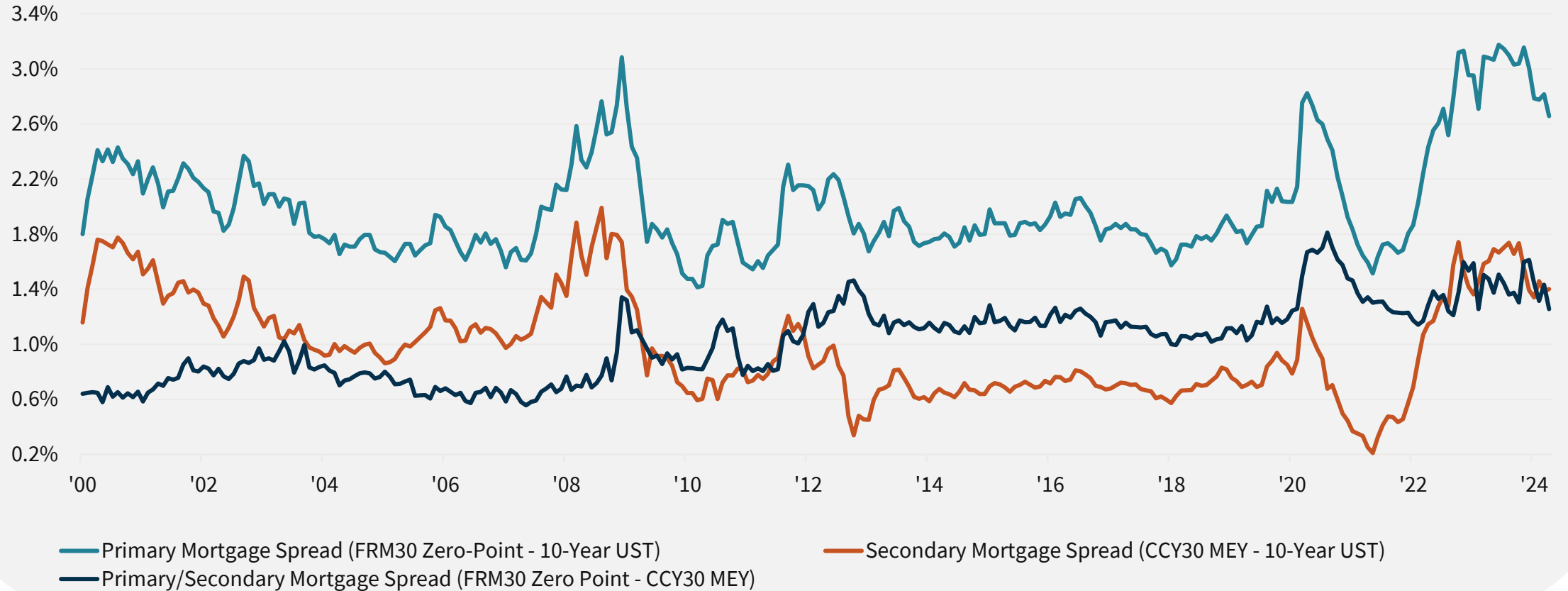
Source: Mortgage Bankers Association, Mortgage Bankers Performance Reports - Quarterly and Annual



Mortgage Spreads

Primary and secondary spreads have contracted since the end of 2023 as the 10-year Treasury has risen faster than the mortgage rate. Similarly, the primary-secondary spread has also trended downward since the end of 2023.

Mortgage Spreads





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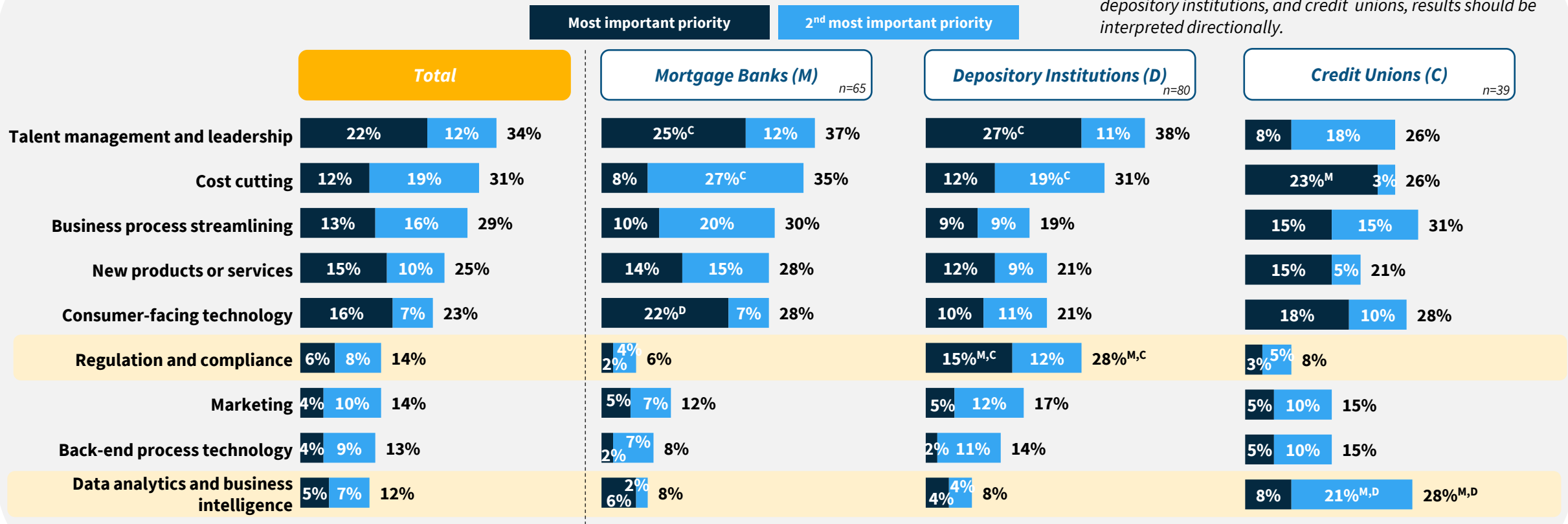
Top Business Priorities for 2024 by Institution Type

Top priorities in general remain about the same across institution types, but depository institutions are significantly more likely to prioritize regulation and compliance compared to mortgage banks and credit unions. Credit unions are significantly more likely than other groups to focus on data analytics and business intelligence.

Most Important Business Priorities for 2024

Showing % who selected 'Most important,' 'Second most important,' and Overall Importance by Institution Type; Ranked by Q2 2024 'Overall Importance', n=198

Note: Due to small sample sizes for mortgage banks, depository institutions, and credit unions, results should be interpreted directionally.



M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level

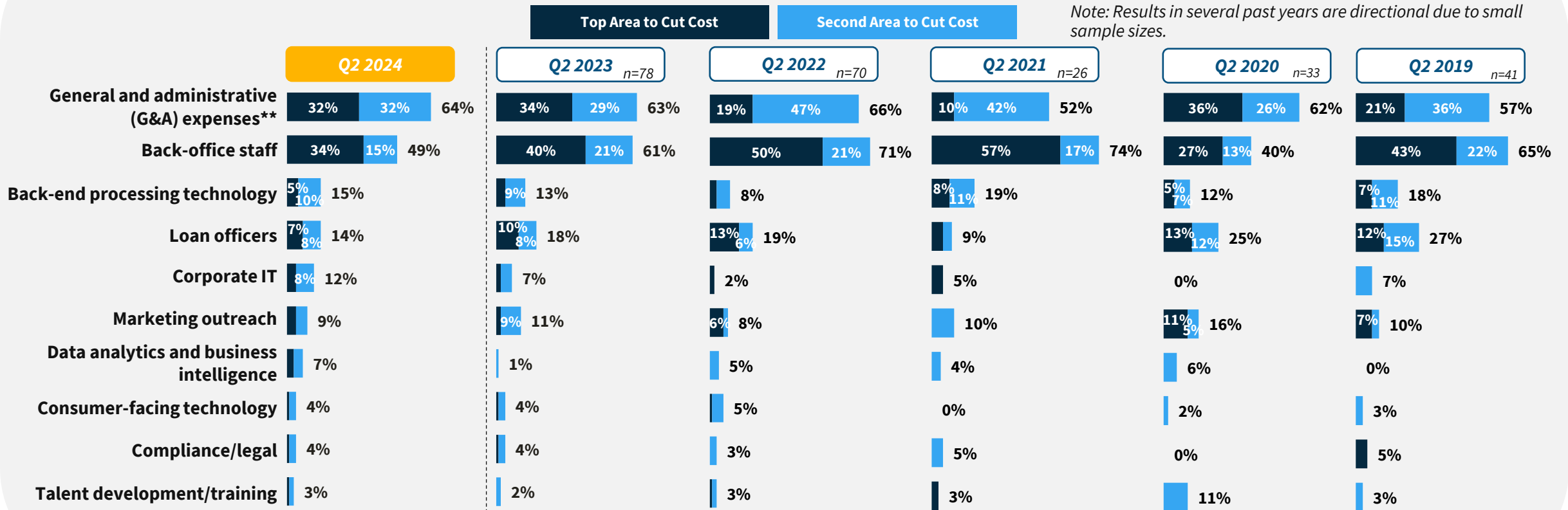
Q: To maintain or improve your competitiveness in the marketplace, what are your firm's two most important business priorities for 2024? Please select up to two most important priorities and rank them in order of importance.



Top Areas for Cost-Cutting *(Among those who say cost-cutting is the most or second most important priority)*

Most lenders who expect to cut costs plan to cut general and administrative expenses (G&A) and back-office staff, consistent with previous years.

Top Areas in Which They Expect to Cut Costs
 Asked of lenders who say 'Cost Cutting' is 'Most/Second most important priority', Showing % of lenders who selected "Top area/second area to cut cost"
 Ranked by highest % of Q2 2024 overall areas to cut costs ("Top area" + "Second area"), n=60



Note: Results in several past years are directional due to small sample sizes.

* Indicates a significant difference in total between 2024 and 2023 at the 95% Confidence Interval
 ** Answer choice text was shortened to improve readability of chart data. The full answer choice text is "General and administrative (G&A) expenses such as facilities and equipment"

In 2024, 8% (N=6) chose no answer for the second top area to cut. 10% of respondents said "Other". Responses include: "Fulfillment", "Dividends", "Indirect costs", "Risk based pricing", "Validation", and "Economic expenses".

Q: You mentioned that cost cutting would be a top priority for your organization to maintain or improve competitiveness. In which areas do you expect to cut costs? Please select up to two areas.



Mid-Ranked Business Priorities for 2024

Investments in technologies that enhance consumer experience, keep up with regulations, maintain compliance, and optimize marketing efforts rank in the middle of the pack as priorities this quarter.

What Are They Hoping To Achieve?

Asked of Those Who Listed Top Priority, Showing Priorities Outside of the Top 3

CONSUMER-FACING TECHNOLOGY (n=32)

“Working on a **LOS** for our Correspondent **platform** to **streamline** and enhance the process.” – Large Institution

“**RPA lead technology** based upon market data. We believe that [due] to the **NAR settlement**, there will be a distinct **change** in the referral process which will mandate control of a borrower/lead further up the sales funnel. Acquisition of this lead is paramount to a lenders success.” – Mid-sized Institution

“We are investing in customer **on-line interface** with the hopes that the process will be **easier for the consumer** and allow 24 hour access.” – Small Institution

REGULATION AND COMPLIANCE (n=20)

“Regulatory and **compliance costs are increasing** daily, while Income, spreads on gain on sale decline as Investors are worried about prepay speeds on new originations, **which shrink margins across board**” – Large Institution

“Maintenance of **safety and soundness** in operations/asset quality/IRR/profitability are key in moving through this current economic environment successfully. **Everchanging regulations** will need to be effectively addressed and adhered to maintain sound ratings.” – Small Institution

“Make sure our processes and CRA efforts are in line with goals and regulations.” – Large Institution

MARKETING (n=20)

“Better **name recognition** in order to get potential borrowers to call us **outside the regular referral networks**.” – Large Institution

“Increase our **lead gyration** direct to consumers through our web site.” – Mid-sized Institution

“With **40% of originators exiting the market** in 2023, we have to find ways to **gain market share**. Marketing at reasonable pricing is key.” – Small Institution

“In the current environment Loan Officers need to spend more time selling and marketing themselves to their current and potentially new referral partners.” – Small Institution

Note: n-sizes are based on unweighted number of respondents who answered the question

Q: You mentioned [**PRIORITY**] is a top priority for your firm. Could you please share some details about why it is a top priority? What do you want to achieve? (Optional)



Bottom-Ranked Business Priorities for 2024 (Bottom 3 Priorities)

Technologies that support back-end mortgage origination activities and leveraging data analytics rank lowest in lender priorities this quarter. A handful of lenders say they would like to improve customer service and business growth.

What Are They Hoping To Achieve?

Asked of Those Who Listed Top Priority, Showing Bottom 3 Priorities

BACK-END PROCESS TECHNOLOGY (n=18)

“**Automation and AI** services in all areas of **backend services** - underwriting, service ordering, post-closing, doc prep, disclosures, etc.” – Large Institution

“Enhance our **LOS programming** to increase **efficiencies** and reduce resources.” – Mid-sized Institution

“We have **invested in the software**, we are currently in the process of training and **learning how to utilize it**. Hopefully when the staff is able to implement the process effectively, it might smooth out the hit if there is a spike in activity.” – Small Institution

DATA ANALYTICS AND BUSINESS INTELLIGENCE (n=19)

“We are using AI to help automate the loan process, present options, instant approval, etc. to our borrowers. It helps assist with offering borrowers products in our consumer portal as well as home equity product options and instant approval.” – Small Institution

“Knowing our customers and prospects and engaging with them.” – Small Institution

“Improved reporting - capacity, productivity, and profitability- and digital marketing.” – Small Institution

OTHER (n=8)

“**CUSTOMER SERVICE**”: “In spite of the inane **push for AI** in every aspect of life, the vast majority of our **customers still want a REAL PERSON** to talk to, work with, meet, and ask questions of. Technology is great, but it's not a replacement for a **person who genuinely cares** about you.” – Small Institution

“**BUSINESS DEVELOPMENT**”: “Drive **more loans and revenue** through our platform.” – Small Institution

“**MERGER**”: “Merger to become **larger** and increase **liquidity**.” – Small Institution

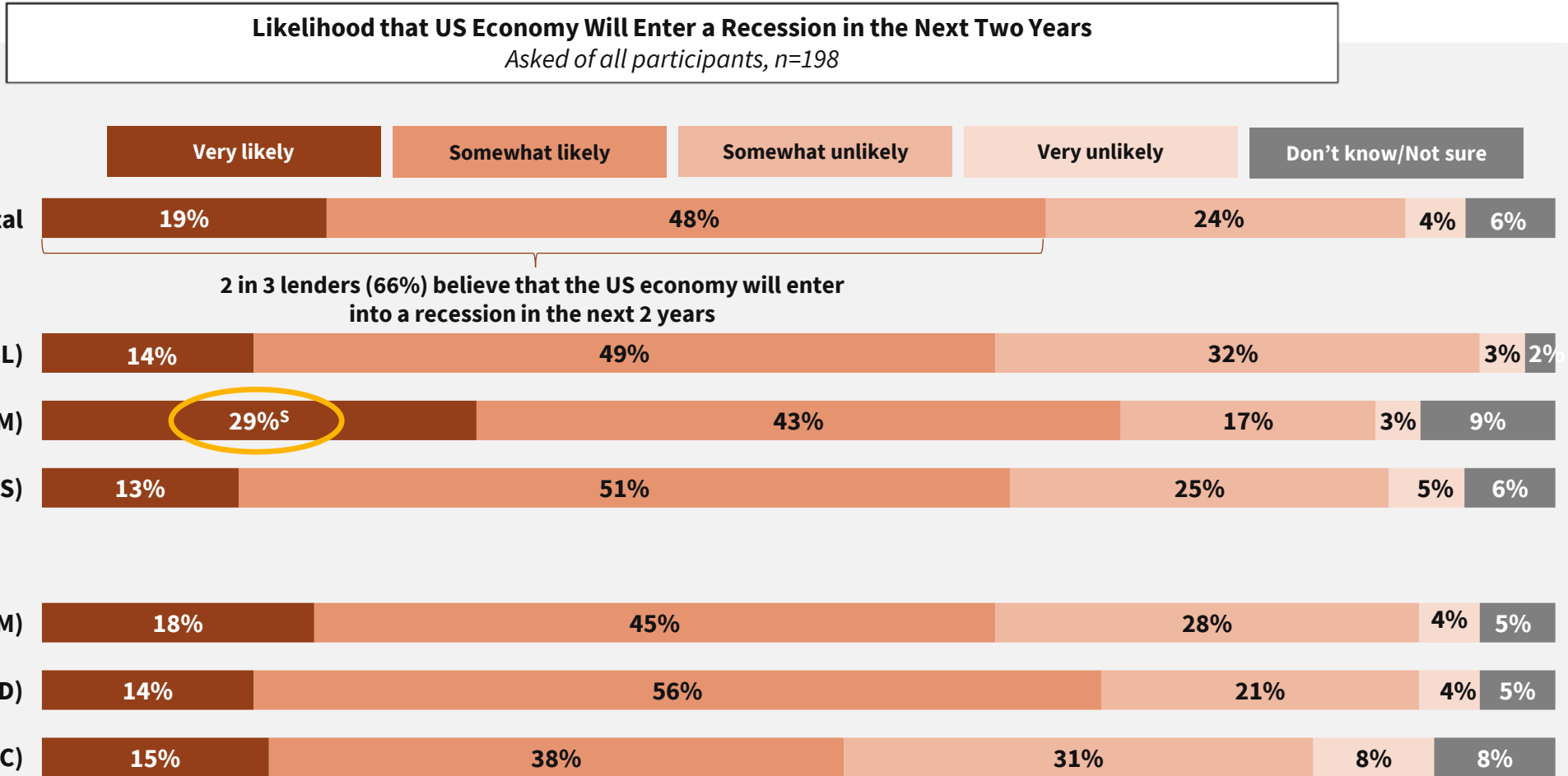
Note: n-sizes are based on unweighted number of respondents who answered the question

Q: You mentioned [**PRIORITY**] is a top priority for your firm. Could you please share some details about why it is a top priority? What do you want to achieve? (Optional)



Likelihood of a U.S. Recession over the Next Two Years, by Institution Size and Type

Approximately two-in-three lenders believe that the U.S. economy will enter a recession over the next two years, with lenders in mid-sized organizations significantly more likely than those in smaller organizations to say it is “very likely.”



L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level

M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level

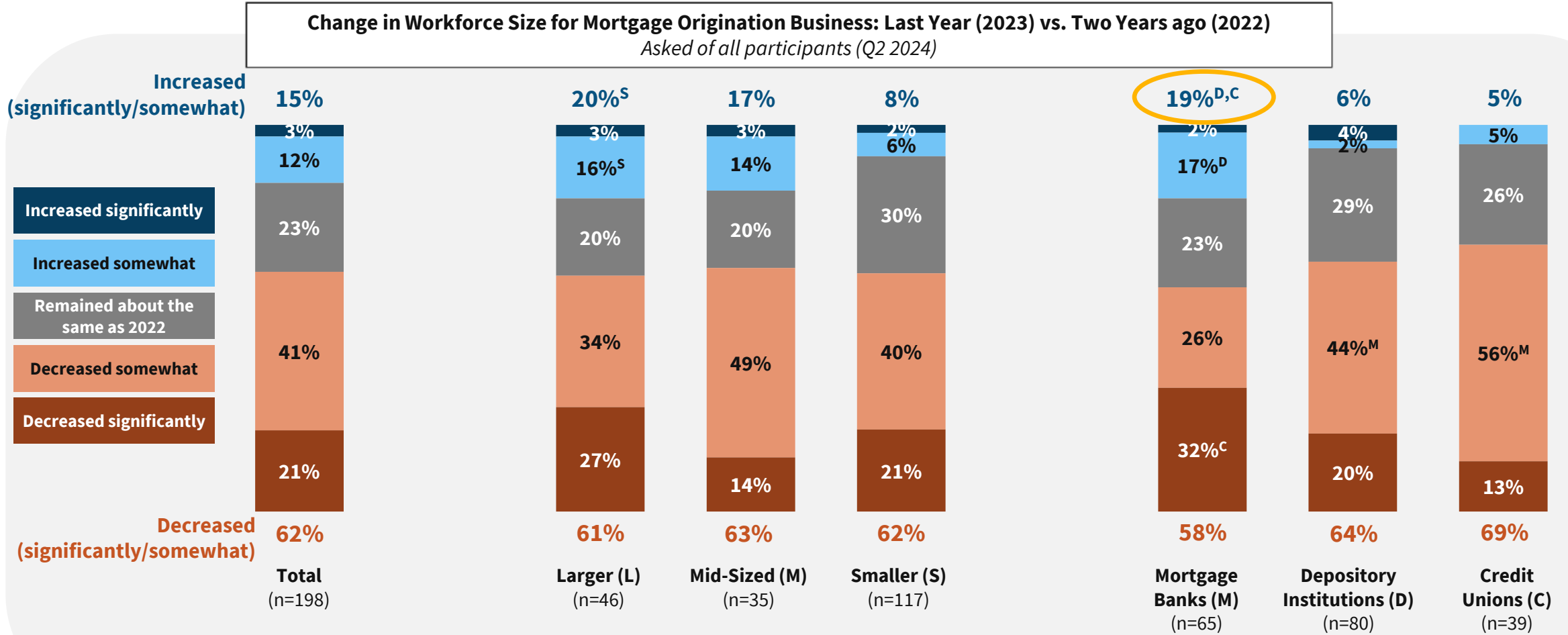
Note: All calculations (summarized, etc.) are made using unrounded and weighted respondent level data to help ensure precision. As a result, minor differences in calculated data of up to 1 percentage point may occur due to rounding.

Q: Based on current economic conditions and your perspective as a mortgage executive, how likely do you think that the U.S. economy will enter a recession over the next two years (in 2024 and 2025)?



Change in Workforce Size Last Year (2023), by Institution Size and Type

Nearly two-thirds of lenders report workforce cuts in 2023. Mortgage banks are more likely than depository institutions and credit unions to say their workforce increased last year.



L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level

M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level

Note: All calculations (summarized, etc.) are made using unrounded and weighted respondent level data to help ensure precision. As a result, minor differences in calculated data of up to 1 percentage point may occur due to rounding.

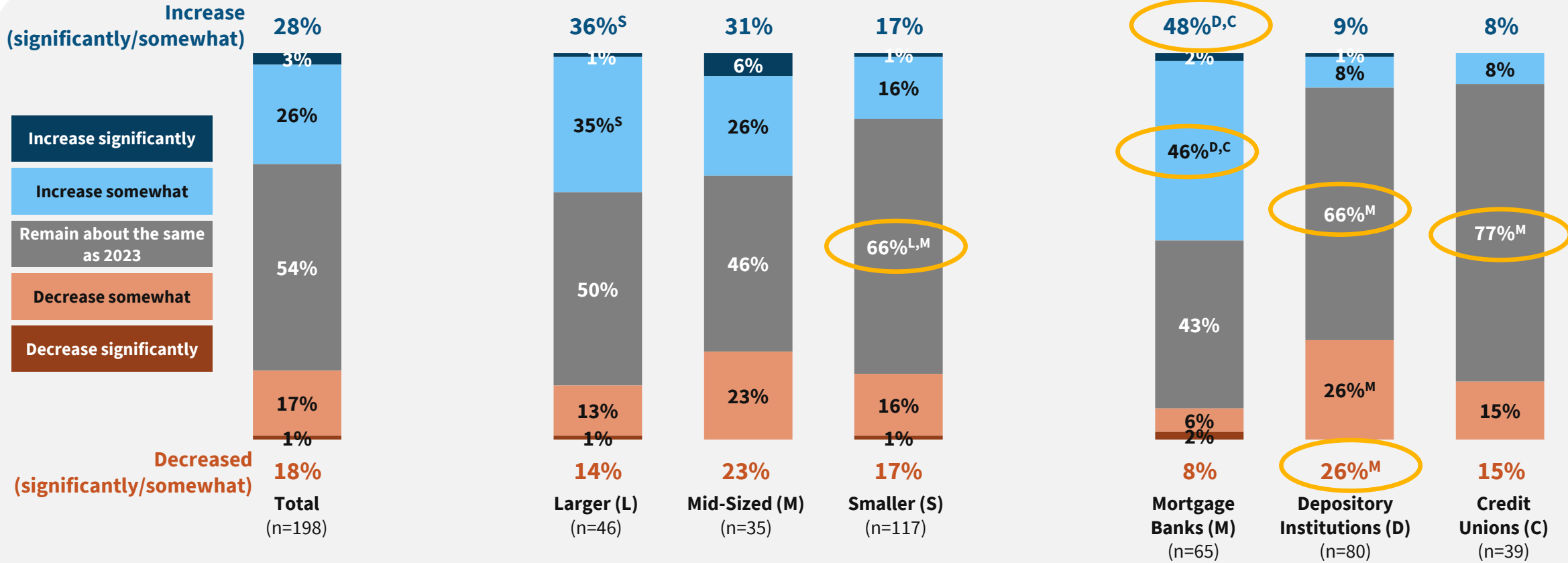
Q: For 2023 (last year), how did the size of the workforce for your mortgage origination business change, compared to the year prior (2022)?



Change in Workforce Size This Year (2024), by Institution Size and Type

Mortgage banks are more likely than other groups to say they expect their workforce to increase this year, while the other two groups are more likely to report they “remain about the same.”

Change in Workforce Size for Mortgage Origination Business: Expected this Year (2024) vs. Last Year (2023)
 Asked of all participants (Q2 2024)



L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level

M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level

Note: All calculations (summarized, etc.) are made using unrounded and weighted respondent level data to help ensure precision. As a result, minor differences in calculated data of up to 1 percentage point may occur due to rounding.

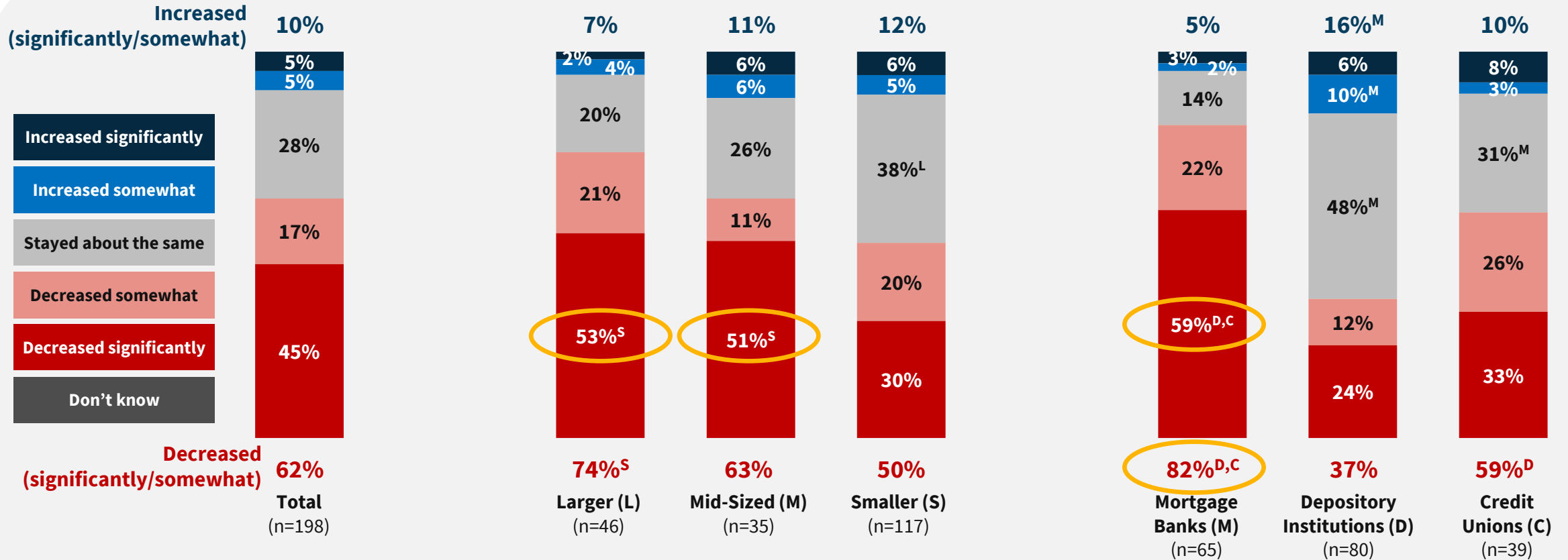
Q: Looking into the year ahead, how do you expect the size of the workforce for your mortgage origination business to change, compared to last year (2023)?



Change in Share of Employees Working in Physical Offices, by Institution Size and Type

Significantly more lenders in mid-to-large-sized institutions than smaller institutions say there was a “significant decrease” in the share of employees working in-person, since the pandemic.

Change in Share of Employees Working in Company Physical Offices: Now vs. Pre-Pandemic
 Asked of all participants (Q2 2024)



L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level

M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level

Note: All calculations (summarized, etc.) are made using unrounded and weighted respondent level data to help ensure precision. As a result, minor differences in calculated data of up to 1 percentage point may occur due to rounding.

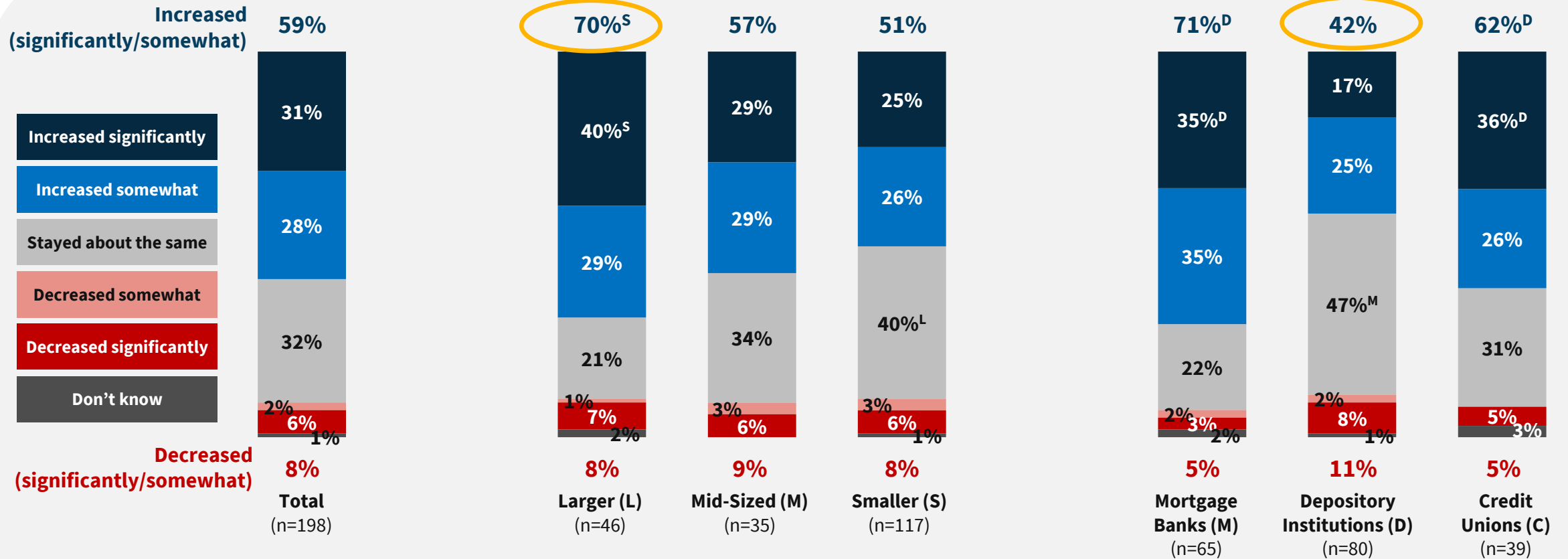
Q: Share of employees working primarily in company physical offices : Now, in the current post-pandemic era, how has the share of each workplace arrangement changed, compared to the pre-pandemic era?



Change in Share of Employees Working in Hybrid Model, by Institution Size and Type

Fewer depository institutions than mortgage banks and credit unions say there has been an increase in hybrid workers since the pandemic.

Change in Share of Employees Working in a Hybrid Model: Now vs. Pre-Pandemic
 Asked of all participants (Q2 2024)



L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level

M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level

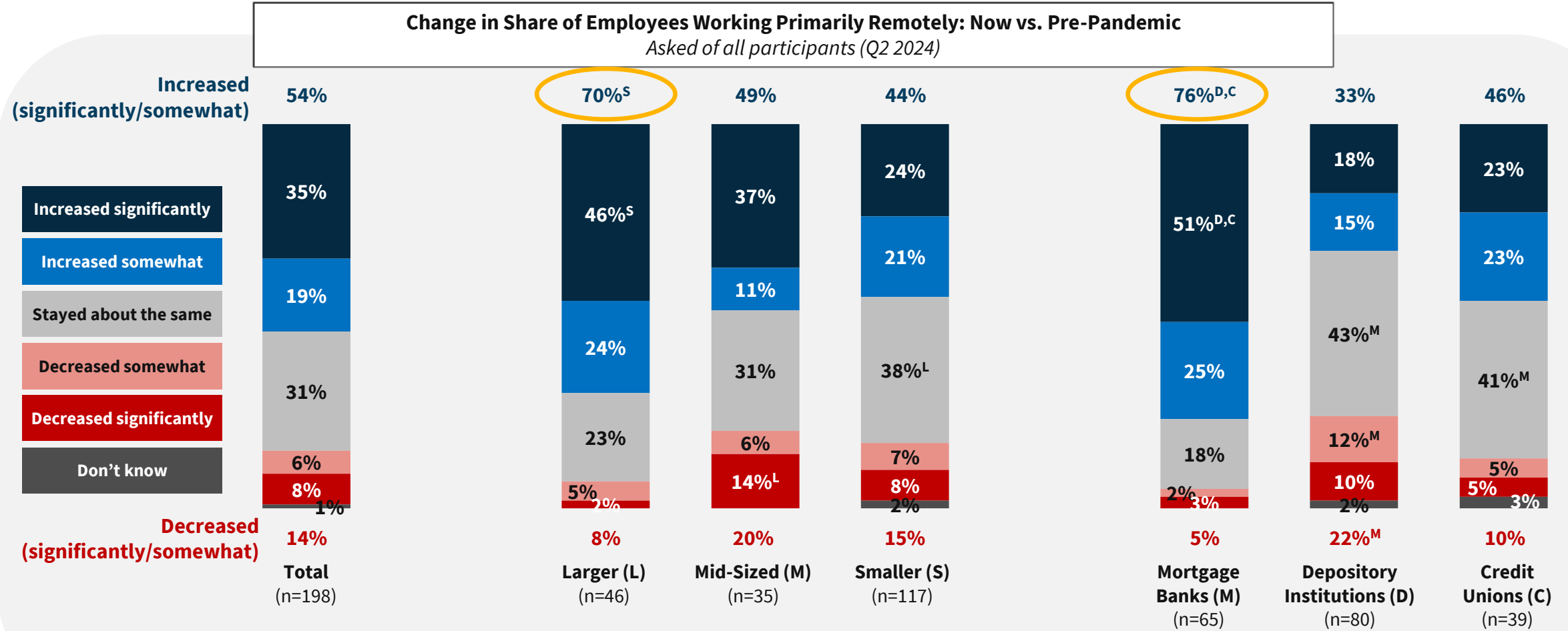
Note: All calculations (summarized, etc.) are made using unrounded and weighted respondent level data to help ensure precision. As a result, minor differences in calculated data of up to 1 percentage point may occur due to rounding.

Q: Share of employees with a hybrid model (some days in company physical offices and some days working remotely) : Now, in the current post-pandemic era, how has the share of each workplace arrangement changed, compared to the pre-pandemic era?



Actual Change in Share of Employees Working Remotely, by Institution Size and Type

Mortgage banks are more likely than depository institutions and credit unions to report an increase in the share of employees working remotely since the pandemic.



L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level

M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level

Note: All calculations (summarized, etc.) are made using unrounded and weighted respondent level data to help ensure precision. As a result, minor differences in calculated data of up to 1 percentage point may occur due to rounding.

Q: Share of employees working primarily remotely: Now, in the current post-pandemic era, how has the share of each workplace arrangement changed, compared to the pre-pandemic era?





Appendix

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Mortgage Lender Sentiment Survey®

The Mortgage Lender Sentiment Survey® (MLSS), which debuted in March 2014, is an online survey among senior executives, such as CEOs and CFOs, of Fannie Mae's lending institution customers.

Each study focuses on a key topic to highlight the specific opportunities and challenges facing the mortgage industry.

Examples of Past Studies

- **Mortgage Technology Competitiveness and Value**
- **Condominium Mortgage Lending**
- **Artificial Intelligence and Mortgage Lending**
- **Costs and Impact of Digitization Efforts on Cost Efficiency**
- **Appraisal Modernization**
- **Blockchain**
- **Closing Homeownership Gaps**
- **Remote Working**

Results are reported at the lending institution parent-company level. If more than one individual from the same institution completes the survey, their responses are averaged to represent their parent company.



Methodology of Mortgage Lender Sentiment Survey[®]

Survey Methodology

- A 5-minute online survey among senior executives, such as CEOs and CFOs, of Fannie Mae's lending institution partners.
- To ensure that the survey results represent the behavior and output of organizations rather than individuals, the Fannie Mae Mortgage Lender Sentiment Survey is structured and conducted as an establishment survey.
- Each respondent is asked about ~10 questions.

Sample Design

- A random selection of approximately 3,000 senior executives among Fannie Mae's approved lenders are invited to participate in the study.

Data Weighting

- The results of the Mortgage Lender Sentiment Survey are reported at the institutional parent-company level. If more than one individual from the same parent institution completes the survey, their responses are averaged to represent their parent institution.



Cross-Subgroup Sample Sizes

	Total	Larger Lenders	Mid-Sized Lenders	Smaller Lenders
Total	198	46	35	117
Mortgage Banks (non-depository)	65	32	12	21
Depository Institutions	80	10	16	54
Credit Unions	39	1	4	34





Appendix

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How to Read Significance Testing

On slides where significant differences between three groups are shown:

- Each group is assigned a letter (L/M/S, M/D/C).
- If a group has a significantly higher % than another group at the 95% confidence level, a letter will be shown next to the % for that metric. The letter denotes which group the % is significantly higher than.

Example:

Which of the following strategies do you think your firm will likely implement in growing your firm's mortgage servicing portfolio? Please select all that apply.
Asked of firms that service mortgage loans & who plan to grow their mortgage servicing portfolio

	Total	LOAN VOLUME			INSTITUTION TYPE		
		Larger (L)	Mid-sized (M)	Smaller (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
<i>N</i> =	94	26	18	50	35	34	25
We are looking to retain more MSR's on our originations	59%	58%	73%	47%	61%	52%	54%
We are looking to grow our correspondent lending to aggregate a larger servicing portfolio	20%	26%	24%	11%	26%	9%	16%
We are looking to buy more MSR's	10%	15%	0%	12%	17%	6%	8%
We are looking to grow selectively based on product execution (GSE/Ginnie Mae/others)	45%	64% ^{M,S}	32%	37%	48%	45%	38%
Not sure/Prefer not to answer/Not applicable	8%	4%	5%	14%	3%	9%	20% ^M

64% is significantly higher than 32% (mid-sized institutions) and 37% (smaller institutions)

20% is significantly higher than 3% (mortgage banks)



Calculation of the “Total”

The “Total” data presented in this report is an average of the means of the three loan origination volume groups (see an illustrated example below). Please note that percentages are based on the number of financial institutions that gave responses other than “Not Applicable.” Percentages below may add not sum to 100% due to rounding.

Example:

Which of the following strategies do you think your firm will likely implement in growing your firm’s mortgage servicing portfolio? Please select all that apply.
Asked of firms that service mortgage loans & who plan to grow their mortgage servicing portfolio

	Total	LOAN VOLUME			INSTITUTION TYPE		
		Larger (L)	Mid-sized (M)	Smaller (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
N=	189	50	43	96	75	77	32
Yes	84%	86%	77%	89%	77%	92% ^M	97% ^M
No	16%	14%	23%	11%	23% ^{D,C}	8%	3%

“Total” of 84% is
 $(86\% + 77\% + 89\%) / 3$



Economic Sentiment

In general, do you, as a senior mortgage executive, think the U.S. economy overall is on the right track or the wrong track?

	Total	LOAN VOLUME			INSTITUTION TYPE		
		Larger (L)	Mid-sized (M)	Smaller (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
<i>n</i> =	198	46	35	117	65	80	39
Right track	33%	34%	31%	33%	43%	32%	26%
Wrong track	59%	60%	60%	56%	50%	64%	54%
Don't know	8%	7%	9%	10%	7%	4%	21% ^{M,D}

*L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level
M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level*



Ease of Getting a Home Mortgage

Do you think it is very difficult, somewhat difficult, somewhat easy, or very easy for consumers to get a home mortgage today?

	Total	LOAN VOLUME			INSTITUTION TYPE		
		Larger (L)	Mid-sized (M)	Smaller (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
<i>n</i> =	198	46	35	117	65	80	39
Very difficult	20%	20%	23%	18%	20%	19%	15%
Somewhat difficult	57%	60%	60%	50%	52%	52%	64%
Somewhat easy	20%	20%	14%	26%	24%	28%	15%
Very easy	3%	1%	3%	4%	4%	1%	5%
Don't know	.%	0%	0%	1%	0%	0%	0%

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M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level*



Home Price Expectations

Nationally, during the next 12 months, do you, as a senior mortgage executive, think home prices in general will go up, go down, or stay the same as where they are now?

	Total	LOAN VOLUME			INSTITUTION TYPE		
		Larger (L)	Mid-sized (M)	Smaller (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
<i>n</i> =	198	46	35	117	65	80	39
Go up	47%	43%	51%	46%	55%	40%	49%
Go down	8%	9%	3%	11%	7%	12%	10%
Stay the same	44%	48%	43%	42%	38%	48%	41%
Don't know	1%	0%	3%	.%	0%	1%	0%

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M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level*



Home Price Expectations (Percent Increase)

By about what percent do you, as a senior mortgage executive, think home prices nationally will go up on average over the next 12 months?
Asked among those who expect home prices to go up over the next 12 months, showing summary statistics

	Total	LOAN VOLUME			INSTITUTION TYPE		
		Larger (L)	Mid-sized (M)	Smaller (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
<i>n=</i>	87	20	17	50	35	30	17
<i>Mean</i>	5.23	4.80	5.59	5.27	5.14	5.75 ^C	4.53
<i>Median</i>	5.00	4.50	5.00	5.00	5.00	5.00	4.00
<i>Minimum</i>	2.00	2.00	3.00	2.00	2.00	3.00	2.00
<i>Maximum</i>	11.00	10.00	8.00	11.00	11.00	10.00	8.00
<i>Standard Deviation</i>	1.94	1.95	1.42	2.40	2.35	2.12	1.77

*L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level
M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level*



Home Price Expectations (Percent Decrease)

By about what percent do you, as a senior mortgage executive, think home prices nationally will go down on average over the next 12 months?
Asked among those who expect home prices to go down over the next 12 months, showing summary statistics

	Total	LOAN VOLUME			INSTITUTION TYPE		
		Larger (L)	Mid-sized (M)	Smaller (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
<i>n=</i>	18	4	1	13	4	10	4
<i>Mean</i>	6.62	6.38	5.00	7.23	4.89	7.74	7.25
<i>Median</i>	5.00	7.50	5.00	8.00	5.00	10.00	7.50
<i>Minimum</i>	1.00	1.00	5.00	1.00	1.00	1.00	4.00
<i>Maximum</i>	10.00	10.00	5.00	10.00	10.00	10.00	10.00
<i>Standard Deviation</i>	2.95	3.56	N/A	2.96	2.53	2.89	3.20

*L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level
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Top Business Priorities for 2024

To maintain or improve your competitiveness in the marketplace, what are your firm's two most important business priorities for 2024? Please select up to two most important priorities and rank them in order of importance.

Showing 'Most important priority' + 'Second most important priority;' Ranked by 'Total'

	Total	LOAN VOLUME			INSTITUTION TYPE		
		Larger (L)	Mid-sized (M)	Smaller (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
<i>n=</i>	198	46	35	117	65	80	39
Talent management and leadership	34%	27%	40%	35%	37%	38%	26%
Cost cutting	31%	37%	29%	29%	35%	31%	26%
Business process streamlining	29%	34%	34%	21%	30%	19%	31%
New products or services	25%	33%	20%	22%	28%	21%	21%
Consumer-facing technology	23%	23%	20%	25%	28%	21%	28%
Marketing	14%	5%	17%	18% ^L	12%	17%	15%
Regulation and compliance	14%	14%	11%	18%	6%	28% ^{M,C}	8%
Back-end process technology	13%	13%	14%	12%	8%	14%	15%
Data analytics and business intelligence	12%	10%	11%	15%	8%	8%	28% ^{M,D}
Other	4%	4%	3%	6%	8%	4%	3%

*L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level
M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level*



Top Business Priorities from 2017 to 2024

To maintain or improve your competitiveness in the marketplace, what are your firm's two most important business priorities for 2024? Please select up to two most important priorities and rank them in order of importance.

Showing 'Most important priority' + 'Second most important priority'

	Q2 2024	Q2 2023	Q2 2022	Q2 2021	Q2 2020	Q2 2019	Q2 2018	Q2 2017
<i>n=</i>	198	232	189	225	229	211	170	184
Talent management and leadership	34%*	24%	37%	33%	30%	26%	23%	31%
Cost cutting	31%	35%	39%	12%	15%	21%	30%	11%
Business process streamlining	29%	32%	34%	41%	39%	29%	30%	35%
New products or services	25%	22%	25%	19%	6%	18%	19%	22%
Consumer-facing technology	23%	24%	16%	31%	33%	41%	36%	31%
Marketing	14%	11%	15%	14%	11%	19%	12%	18%
Regulation and compliance	14%	17%	10%	11%	14%	8%	12%	20%
Back-end process technology	13%	15%	12%	22%	24%	20%	20%	22%
Data analytics and business intelligence	12%	15%	10%	11%	21%	16%	13%	10%
Other	4%	5%	1%	1%	2%	2%	3%	2%

* Indicates a significant difference in total between 2024 and 2023 at the 95% Confidence Interval



Top Areas for Cost Cutting (if cost cutting is selected as a top priority)

You mentioned that cost cutting would be a top priority for your organization to maintain or improve competitiveness. In which areas do you expect to cut costs? Please select up to two areas.

*Asked of Firms that say Cost Cutting is Top Priority
Showing 'Top area to cut cost' + 'Second area to cut cost;' Ranked by 'Total'*

	Total	LOAN VOLUME			INSTITUTION TYPE		
		Larger (L)	Mid-sized (M)	Smaller (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
<i>n=</i>	60	17	10	34	22	25	10
General administrative (G&A) expenses such as facilities and equipment	64%	76%	60%	52%	73% ^C	60%	30%
Back-office staff	49%	47%	60%	40%	36%	58%	50%
Back-end processing technology	15%	0%	30% ^L	19% ^L	16%	12%	20%
Loan officers	14%	21%	0%	21%	16%	20%	20%
Corporate IT	12%	6%	30% ^S	3%	13%	4%	10%
Marketing outreach	9%	6%	10%	12%	9%	0%	20% ^D
Data analytics and business intelligence	7%	9%	10%	3%	11%	4%	0%
Consumer-facing technology	4%	6%	0%	6%	0%	4%	10%
Compliance/legal	4%	0%	0%	12%	0%	16% ^M	0%
Talent development/training	3%	0%	0%	9%	4%	4%	10%
Other	10%	18%	0%	10%	9%	10%	20%

*L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level
M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level*



Likelihood of Recession

Based on current economic conditions and your perspective as a mortgage executive, how likely do you think that the U.S. economy will enter a recession over the next two years (in 2024 and 2025)?

	Total	LOAN VOLUME			INSTITUTION TYPE		
		Larger (L)	Mid-sized (M)	Smaller (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
<i>n</i> =	198	46	35	117	65	80	39
Very likely	19%	14%	29% ^S	13%	18%	14%	15%
Somewhat likely	48%	49%	43%	51%	45%	56%	38%
Somewhat unlikely	24%	32%	17%	25%	28%	21%	31%
Very unlikely	4%	3%	3%	5%	4%	4%	8%
Don't know/Not sure	6%	2%	9%	6%	5%	5%	8%

*L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level
M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level*



Timing of Expected Recession

When would you expect the U.S. recession to start? Your best estimate would be fine.
 Asked among people who think a recession is “Very likely” or “Somewhat likely”

	Total	LOAN VOLUME			INSTITUTION TYPE		
		Larger (L)	Mid-sized (M)	Smaller (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
<i>n</i> =	129	29	25	75	41	56	21
We are already in a recession	10%	7%	16%	7%	12% ^D	2%	14% ^D
Q3 2024	8%	3%	12%	7%	10%	7%	0%
Q4 2024	34%	36%	32%	33%	33%	31%	52%
Q1 2025	27%	26%	24%	31%	20%	36%	24%
Q2 2025	12%	16%	12%	8%	11%	12%	0%
More than a year from now (Q3 2025 or Q4 2025)	5%	9%	0%	8%	9%	5%	5%
Don't know/Not sure	5%	3%	4%	7%	6%	6%	5%

L/M/S - Denote a % is significantly higher than the annual loan origination volume group that the letter represents at the 95% confidence level
 M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level



Risk Factors for 2024

Below are some possible risk factors that could impact the single-family residential mortgage business. In your view, what are the biggest risks for 2024? Please select up to three and rank them in order of significance.

Showing Biggest risk + Second biggest risk + Third biggest risk; Ranked by 'Total'

	Total	LOAN VOLUME			INSTITUTION TYPE		
		Larger (L)	Mid-sized (M)	Smaller (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
N=	198	46	35	117	65	80	39
Housing stock / supply	64%	63%	66%	64%	65%	64%	59%
Mortgage rate changes	59%	64%	57%	56%	68% ^D	52%	51%
Household debt level	35%	39%	37%	29%	27%	36%	36%
Home price changes	31%	22%	31%	39% ^L	22%	36%	49% ^M
Cost of goods and services	23%	30%	14%	24%	28%	22%	18%
Regulation / compliance	17%	28% ^M	6%	16%	16%	21%	13%
Cybersecurity	16%	25% ^S	11%	11%	28% ^{D,C}	10%	5%
Mortgage defaults / delinquencies	16%	13%	17%	18%	15%	18%	18%
Bank liquidity risk	11%	3%	11%	20% ^L	12%	14%	23%
Job prospects / income fluctuation	8%	2%	11%	9%	7%	9%	5%
Consumer access to mortgage credit	8%	3%	11%	8%	6%	9%	8%
Demographic trends (e.g., immigration and homebuyer population)	3%	4%	3%	3%	3%	4%	3%
Climate change	1%	2%	0%	2%	2%	1%	3%
Other	6%	3%	11%	5%	2%	3%	10%

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Expected Timing of Next Mortgage Refinance Boom

Based on current economic conditions and your perspective as a mortgage executive, when would you expect the next mortgage refinance boom to start?

	Total	LOAN VOLUME			INSTITUTION TYPE		
		Larger (L)	Mid-sized (M)	Smaller (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
n=	198	46	35	117	65	80	39
We are already experiencing a refinance boom	0%	0%	0%	0%	0%	0%	0%
Q3 or Q4 2024 (2nd half of 2024)	6%	3%	9%	5%	8%	2%	0%
Q1 or Q2 2025 (1st half of 2025)	26%	27%	29%	23%	36% ^D	18%	23%
Q3 or Q4 2025 (2nd half of 2025)	32%	35%	31%	29%	28%	34%	31%
I do not expect a refinance boom to start in the foreseeable future	33%	35%	23%	41% ^M	28%	43% ^M	41%
Don't know/Not sure	3%	0%	9% ^{L,S}	1%	0%	2%	5%

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Changes in Mortgage Origination Workforce Size: Last Year (2023) vs. Two Years Ago (2022)

For 2023 (last year), how did the size of the workforce for your mortgage origination business change, compared to the year prior (2022)?

	Total	LOAN VOLUME			INSTITUTION TYPE		
		Larger (L)	Mid-sized (M)	Smaller (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
<i>n</i> =	198	46	35	117	65	80	39
Increased significantly	3%	3%	3%	2%	2%	4%	0%
Increased somewhat	12%	16% ^S	14%	6%	17% ^D	2%	5%
Remained about the same as 2022	23%	20%	20%	30%	23%	29%	26%
Decreased somewhat	41%	34%	49%	40%	26%	44% ^M	56% ^M
Decreased significantly	21%	27%	14%	21%	32% ^C	20%	13%
Don't know/Not sure	0%	0%	0%	0%	0%	0%	0%

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Change in Mortgage Origination Business Workforce Size: Expected This Year (2024) vs. 2023

Looking into the year ahead, how do you expect the size of the workforce for your mortgage origination business to change, compared to last year (2023)?

	Total	LOAN VOLUME			INSTITUTION TYPE		
		Larger (L)	Mid-sized (M)	Smaller (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
<i>n</i> =	198	46	35	117	65	80	39
Increase significantly	3%	1%	6%	1%	2%	1%	0%
Increase somewhat	26%	35% ^S	26%	16%	46% ^{D,C}	8%	8%
Remain about the same as 2023	54%	50%	46%	66% ^{L,M}	43%	66% ^M	77% ^M
Decrease somewhat	17%	13%	23%	16%	6%	26% ^M	15%
Decrease significantly	1%	1%	0%	1%	2%	0%	0%
Don't know/Not sure	0%	0%	0%	0%	0%	0%	0%

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Change in Share of In-Person Employees Compared with the Pre-Pandemic Era

Now, in the current post-pandemic era, how has the share of each workplace arrangement changed, compared to the pre-pandemic era?
Share of employees working primarily in company physical offices

	Total	LOAN VOLUME			INSTITUTION TYPE		
		Larger (L)	Mid-sized (M)	Smaller (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
<i>n</i> =	198	46	35	117	65	80	39
Increased significantly	5%	2%	6%	6%	3%	6%	8%
Increased somewhat	5%	4%	6%	5%	2%	10% ^M	3%
Remained about the same	28%	20%	26%	38% ^L	14%	48% ^M	31% ^M
Decreased somewhat	17%	21%	11%	20%	22%	12%	26%
Decreased significantly	45%	53% ^S	51% ^S	30%	59% ^{D,C}	24%	33%
Don't know/Not sure	0%	0%	0%	0%	0%	0%	0%

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Change in Share of Remote Employees Compared with the Pre-Pandemic Era

Now, in the current post-pandemic era, how has the share of each workplace arrangement changed, compared to the pre-pandemic era?
Share of employees working primarily remotely

	Total	LOAN VOLUME			INSTITUTION TYPE		
		Larger (L)	Mid-sized (M)	Smaller (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
<i>n</i> =	198	46	35	117	65	80	39
Increased significantly	35%	46% ^S	37%	24%	51% ^{D,C}	18%	23%
Increased somewhat	19%	24%	11%	21%	25%	15%	23%
Remained about the same	31%	23%	31%	38% ^L	18%	43% ^M	41% ^M
Decreased somewhat	6%	5%	6%	7%	2%	12% ^M	5%
Decreased significantly	8%	2%	14% ^L	8%	3%	10%	5%
Don't know/Not sure	1%	0%	0%	2%	0%	2%	3%

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M/D/C - Denote a % is significantly higher than the institution type group that the letter represents at the 95% confidence level*



Change in Share of Hybrid Employees Compared with the Pre-Pandemic Era

Now, in the current post-pandemic era, how has the share of each workplace arrangement changed, compared to the pre-pandemic era?
Share of employees with a hybrid model (some days in company physical offices and some days working remotely)

	Total	LOAN VOLUME			INSTITUTION TYPE		
		Larger (L)	Mid-sized (M)	Smaller (S)	Mortgage Banks (M)	Depository Institutions (D)	Credit Unions (C)
<i>n</i> =	198	46	35	117	65	80	39
Increased significantly	31%	40% ^S	29%	25%	35% ^D	17%	36% ^D
Increased somewhat	28%	29%	29%	26%	35%	25%	26%
Remained about the same	32%	21%	34%	40% ^L	22%	47% ^M	31%
Decreased somewhat	2%	1%	3%	3%	2%	2%	0%
Decreased significantly	6%	7%	6%	6%	3%	8%	5%
Don't know/Not sure	1%	2%	0%	1%	2%	1%	3%

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Appendix

Appendix

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Special Topics Question Text

QR497: Based on current economic conditions and your perspective as a mortgage executive, how likely do you think that the U.S. economy will enter a recession over the next two years (in 2024 and 2025)?

QR498: When would you expect the U.S. recession to start? Your best estimate would be fine.

QR525: Based on current economic conditions and your perspective as a mortgage executive, when would you expect the next mortgage refinance boom to start?

QR526: For 2023 (last year), how did the size of the workforce for your mortgage origination business change, compared to the year prior (2022)?

QR527: Looking into the year ahead, how do you expect the size of the workforce for your mortgage origination business to change, compared to last year (2023)?

GR528: Now, in the current post-pandemic era, how has the share of each workplace arrangement changed, compared to the pre-pandemic era?

- **QR528a:** Share of employees working primarily in company physical offices
- **QR528b:** Share of employees working primarily remotely
- **QR528c:** Share of employees with a hybrid model (some days in company physical offices and some days working remotely)

QR440: To maintain or improve your competitiveness in the marketplace, what are your firm's two most important business priorities for 2024? Please select up to two most important priorities and rank them in order of importance.

QR441: You mentioned [PRIORITY] is a top priority for your firm. Could you please share some details about why it is a top priority? What do you want to achieve? (Optional)

QR442: You mentioned that **cost cutting** would be a top priority for your organization to maintain or improve competitiveness. In which areas do you expect to cut costs? Please select up to two areas.

QR499: Below are some possible risk factors that could impact the single-family residential mortgage business. In your view, what are the biggest risks for 2024? Please select up to three and rank them in order of significance.

