



Technical Report Series

A Profile of 2014 Mortgage Borrowers: Statistics from the National Survey of Mortgage Originations

Technical Report 4.0

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1. Introduction

This is the second Technical Report on the responses received to the National Survey of Mortgage Originations (NSMO or survey), which is jointly administered by the Federal Housing Finance Agency (FHFA) and the Consumer Financial Protection Bureau (CFPB).¹ The survey collects information from a representative sample of recent mortgage borrowers about their experiences in choosing and taking out a mortgage. It is designed to provide researchers, policy makers, and other interested parties with comprehensive data about the consumer experience when getting a mortgage.

The NSMO is a recurring quarterly mail survey of new mortgage borrowers using a sample drawn from the National Mortgage Database (NMDB).² The NMDB is a representative 1-in-20 sample of closed-end first-lien mortgages reported to Experian, one of the three national credit repositories. From the third quarter of 2014 to the first quarter of 2016, NSMO sent surveys to 20,381 borrowers with mortgages originated in 2014, representing an average sampling rate of 1-in-261. Of the solicited surveys, 6,263 usable responses were received, making the effective response rate for 2014 originations 30.7 percent.³ A total of 5.2 million closed-end first-lien mortgages were originated in 2014, which means that each average useable survey response is representative of 835 mortgages.⁴

The NSMO is a voluntary survey, and the questions included in the survey focus on topics such as mortgage shopping behavior, mortgage closing experiences, and other information not readily available from other sources. In completing this survey, borrowers provide information about a

¹ The first Report, *A Profile of 2013 Mortgage Borrowers, National Mortgage Database Technical Report 3.1*, is available at http://www.fhfa.gov/PolicyProgramsResearch/Programs/Documents/NMDB-technical-report_3pt1_032117.pdf.

² The National Mortgage Database project is a multi-year project being jointly undertaken by the Federal Housing Finance Agency (FHFA) and the Consumer Financial Protection Bureau (CFPB). The project is designed to provide a source of information about the U.S. mortgage market based on a 5 percent sample of residential mortgages. The NMDB will enable FHFA to meet the statutory requirements of section 1324(c) of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, as amended by the Housing and Economic Recovery Act of 2008, to conduct a monthly mortgage market survey. For CFPB, the NMDB project will support policymaking and research efforts and help identify and understand emerging mortgage and housing market trends. For further information on the NMDB, see *National Mortgage Database Technical Report 1.1*, http://www.fhfa.gov/PolicyProgramsResearch/Programs/Documents/NMDB-technical-report_1pt1_122216.pdf. For additional background, also see the Appendix.

³ There are several ways calculations based on the NSMO raw survey responses may not be representative of the population as a whole and, as a result, survey responses are appropriately weighted. Commonly, in survey sampling, some individuals chosen for the sample are unwilling or unable to participate in the survey. Nonresponse bias (either complete nonresponse to the survey or nonresponse to selected items within the survey) is the bias that results when respondents differ in meaningful ways from non-respondents. To address this nonresponse bias, the NSMO uses weighting to adjust for differential response to the survey. In addition, to address missing information on individual questions within the survey, the NSMO uses statistical methods to impute missing data. The imputation technique makes multiple estimates of missing data to allow for an estimate of the uncertainty attributable to this type of nonresponse. See *National Survey of Mortgage Borrowers Technical Report 2.1*, http://www.fhfa.gov/PolicyProgramsResearch/Programs/Documents/NMDB-technical-report_2pt1_122216.pdf for more details.

⁴ The weighted percentages reported in this technical document represent the respondents who took out a mortgage in 2014. The words “respondent” and “borrower” are used interchangeably throughout the document.

range of topics, such as expectations about house price appreciation, critical household financial events, and life events such as unemployment, large medical expenses, or divorce.

This Report presents the results from the 6,263 responses to the survey, and provides an overview of the mortgage market and borrowers’ experiences in 2014. Section two compares the 2014 NSMO with 2014 Home Mortgage Disclosure Act (HMDA) data. Section three contains information about the overall profile of survey respondents in 2014, including their demographic characteristics and what kind of mortgages they obtained. Sections four through seven describe how the 2014 borrowers shopped for their mortgages and the application and closing processes. Section eight presents information about borrowers’ mortgage outcomes and measures of their satisfaction in the mortgage application and closing process. Section nine discusses borrowers’ opinions on financial responsibility, and section ten examines borrowers’ opinions on the neighborhood where they obtained their mortgage. Sections eleven and twelve discuss borrowers’ expectations for house prices, neighborhood desirability, and their own financial circumstances over the next couple of years. The Appendix provides details on the overall NMDB project and the sampling and data preparation procedures for the NSMO.

2. Comparing the 2014 NSMO with 2014 Home Mortgage Disclosure Act Data

This section provides a comparison of the 2014 NSMO survey responses with the 2014 HMDA data. This comparison is useful because HMDA data are generally accepted as including close to the total of all first-lien mortgages originated in the United States. As a result, this comparison provides a useful benchmark to validate the overall statistical methodology of NSMO.

As shown in Table 1, estimates derived from both the NSMO and HMDA data show that there were approximately 4.8 million first-lien mortgage loans associated with owner-occupied homes in 2014. The market dollar estimates from the two sources were also close, with the HMDA estimate slightly higher than the NSMO estimate. The average loan size in the NSMO was slightly smaller than in HMDA – \$219,311 compared with \$229,459.

Table 1. Comparison of Mortgage Originations, 2014
(Count and Dollar Volume)

Mortgage Originations	National Survey of Mortgage Originations (NSMO)		Home Mortgage Disclosure Act (HMDA)	
	Count (Thousands) ¹	Volume (Billions Dollar)	Count (Thousands)	Volume (Billions Dollar)
<i>Owner-occupied</i>	4,791	1,053	4,807	1,103
Purchase	2,760	624	2,808	662
Refinance	2,031	429	1,999	441
<i>Not owner-occupied</i>	439	81	740	256

Source: National Survey of Mortgage Originations, 2014, and Home Mortgage Disclosure Act, 2014

The estimate of mortgage loans associated with non-owner-occupied properties from HMDA is considerably higher than the estimate from the NSMO. HMDA estimates 740,000 such mortgages, 68 percent greater than the number estimated from the NSMO. The NSMO data suggest \$81 billion in mortgage originations in 2014 associated with non-owner-occupied properties, whereas HMDA suggests \$256 billion. One explanation for this difference is that HMDA reporting covers some larger mortgages made to business partnerships for non-owner-

occupied properties that are not reported to the credit bureaus and thus not represented in the NSMO.

3. Profile of 2014 Mortgage Borrowers

Tables 2 through 5 present characteristics of NSMO respondents who acquired a mortgage in 2014. These tables show the distributions of loan and property characteristics for several demographic groups. Table 2 presents loan type, and Table 3 presents loan size and mortgage term to maturity. Table 4 presents credit score, and Table 5 presents property type. The bottom row of each table shows the percentage distribution of each loan or property characteristic. Table 6 presents the kinds and percentages of household life events experienced by survey respondents over the last couple of years.

Loan Type and Loan Size

Table 2 reflects that the majority of 2014 mortgage loans reported in the survey were to purchase a property. Fifty-eight percent of survey respondents reported they purchased a home, and 42 percent reported they refinanced⁵ an existing mortgage. Owner occupants represented 92 percent of mortgage borrowers with 53 percent of borrowers having purchased a home that they occupied, and 39 percent having refinanced an existing mortgage for a home they occupied. The remaining 8 percent of borrowers were non-occupant investors (owners of seasonal homes and purchasers of homes for relatives are categorized as investors).

Table 3 reflects that of the 58 percent of respondents who purchased a home, 35 percent were first-time homeowners, 56 percent were repeat homeowners, and the remaining 9 percent were non-occupant investors. Of the 42 percent of respondents who refinanced an existing mortgage, 35 percent refinanced a mortgage for the borrower's primary residence and borrowed additional money, 58 percent refinanced a mortgage for the borrower's primary residence without extracting equity, and the remaining 8 percent refinanced a mortgage for a non-owner investment.

About half of respondents were 45 years old or younger (51 percent), and this share were greater for home-purchase borrowers (63 percent). About three-quarters of respondents reported that they were non-Hispanic white, nine percent reported they were Hispanic white, nearly seven percent indicated they were Asian, and almost five percent stated that they were Black or African American. Thirteen percent of borrowers indicated that they were "mixed" or "other."

More than three-quarters of the respondents who took out a mortgage in 2014 represented households with two adults living together, with 68 percent reporting they were married and eight percent reporting they were living with a partner. The percentage of married couples was somewhat higher for refinancers than for home purchasers, and the percentage of borrowers with a partner was somewhat higher for home purchases than for refinances. Twenty-five percent of

⁵ In this report, refinances include all non-purchase mortgages, 90 percent of which are traditional refinances or modifications, 5 percent are permanent financing of a construction loan, 4 percent are loans on a mortgage-free property, 1 percent are mortgages for a change in borrowers, and less than 1 percent are mortgages for a building on owned land.

Table 3. Loan Size and Mortgage Term to Maturity, by Demographic, Loan, and Property Characteristics
(Percentage Distribution)

Characteristics	Loan Size ¹			Mortgage Term to Maturity ¹			Share of All Loans	Share of Purchases	Share of Refinances	
	\$50,000 or Less	\$50,000 to \$150,000	\$150,001 to \$300,000	More than \$300,000	Less than 15 Years	15 to 30 Years				30 Years or More
Respondent Age										
35 Years or Younger	3.0	41.8	40.2	15.0	1.2	7.2	2.4	89.3	28.1	39.4
36 to 45	2.1	30.3	39.6	28.1	3.0	14.0	5.0	78.0	23.0	23.5
46 to 55	4.7	36.2	36.3	22.9	4.9	21.8	7.3	66.0	22.8	18.3
56 to 65	5.9	42.0	36.5	15.6	9.1	19.0	7.3	64.6	16.4	11.8
Older than 65	6.1	46.4	32.7	14.7	6.7	16.9	4.9	71.5	9.7	7.0
Respondent Race/Ethnicity										
Non-Hispanic White	4.3	39.3	38.0	18.4	4.9	15.0	5.5	74.7	76.0	75.9
Hispanic and Non-White	3.0	35.2	37.4	24.4	2.4	15.0	4.1	78.6	24.0	24.1
Asian	1.2	22.4	35.1	41.3	2.5	18.3	2.6	76.6	6.8	8.9
Black	3.4	42.5	38.9	15.1	2.2	12.2	5.5	80.2	5.2	7.5
Mixed and Other	3.7	37.5	33.5	25.3	3.3	13.2	3.6	79.9	3.2	3.0
Respondent Education										
High School or Less	11.0	54.5	28.8	5.7	8.1	17.9	8.0	66.1	12.5	10.5
Some School	17.9	51.2	30.4	0.6	9.7	23.4	10.8	56.1	1.5	1.2
High School	10.1	55.0	28.5	6.4	7.9	17.1	7.6	67.4	11.1	9.3
Some College	5.1	47.6	36.3	10.9	4.4	14.3	5.0	76.3	26.1	24.5
Technical School	6.2	56.9	28.1	8.7	4.1	16.7	3.3	75.9	5.1	4.8
Partial College	4.9	45.3	38.3	11.4	4.4	13.7	5.4	76.4	21.0	19.8
College Degree	2.5	35.9	40.6	21.0	3.2	13.4	4.5	78.9	34.8	36.6
Postgraduate	1.4	24.8	40.0	33.9	3.8	16.2	4.9	75.1	26.5	28.4
Household Income										
Less than \$50,000	12.4	66.4	19.4	1.9	5.1	13.2	4.8	76.8	18.8	19.0
\$50,000 to \$99,999	18.3	69.9	9.9	1.9	8.6	12.4	4.1	75.0	7.5	7.3
\$100,000 to \$149,999	8.5	64.0	25.6	1.8	2.9	13.7	5.3	78.1	11.3	11.7
\$150,000 to \$199,999	2.8	48.1	42.0	7.0	4.6	14.1	5.2	76.1	38.4	38.8
\$200,000 to \$249,999	3.7	56.0	35.9	4.4	4.5	13.3	4.2	78.0	19.5	20.6
\$250,000 to \$299,999	2.0	40.0	48.3	9.8	4.7	14.8	6.2	74.2	19.0	18.2
\$300,000 to \$349,999	1.7	20.5	49.1	28.7	3.2	15.1	5.8	75.9	28.6	29.2
\$350,000 to \$399,999	0.5	10.8	28.1	60.7	4.4	19.4	4.1	72.0	14.2	14.3
Household Type										
Couple	3.2	33.4	40.5	22.9	4.5	15.1	5.1	75.3	75.4	75.2
Married	3.0	32.2	41.2	23.6	4.6	15.8	5.3	74.2	67.6	64.8
With Partner	5.1	44.1	34.4	16.4	3.2	9.0	3.0	84.8	7.8	10.4
Single	6.2	53.5	29.6	10.6	3.7	14.4	5.4	76.5	24.6	24.3
Male	6.4	52.5	28.5	12.5	4.1	16.9	5.4	73.6	10.9	11.1
Female	6.1	54.3	30.5	9.1	3.3	12.4	5.5	78.8	13.7	13.7
Military										
Active Duty or Veteran	2.9	37.0	40.8	19.3	2.9	14.3	4.5	78.4	18.5	16.7
Active Duty	1.0	25.0	43.4	30.6	0.9	7.0	2.2	89.8	1.9	2.2
Veteran	3.1	38.3	40.5	18.0	3.1	15.1	4.7	77.1	16.7	14.5
No Military Service	4.2	38.7	37.1	20.0	4.6	15.1	5.3	75.0	81.5	83.3
Basic Training	5.2	41.2	37.5	16.0	5.0	17.5	4.8	72.7	5.5	4.6
Never Served	4.1	38.5	37.1	20.3	4.6	14.9	5.3	75.1	76.0	78.7

(Continued on the next page)

Table 3. Loan Size and Mortgage Term to Maturity, by Demographic, Loan, Property Characteristics (Continued)
(Percentage Distribution)

Characteristics	Loan Size ¹			Mortgage Term to Maturity ¹			Share of All Loans	Share of Purchases	Share of Refinances		
	\$50,000 or Less	\$50,000 to \$150,000	\$150,001 to \$300,000	More than \$300,000	Less than 15 Years	15 to 30 Years				30 Years or More	
Employment											
Full-Time	3.1	37.0	39.4	20.4	3.5	14.8	5.1	76.6	80.9	84.5	76.0
Couple, Both	2.8	31.9	42.3	23.0	3.8	13.6	4.9	77.7	31.9	34.6	28.1
Couple, One	2.5	33.6	40.6	23.3	4.0	15.9	5.2	74.9	31.3	30.6	32.2
Single	4.8	52.0	32.2	11.0	2.0	14.8	5.5	77.8	17.8	19.3	15.7
Not Full-Time	7.6	44.1	31.0	17.3	7.7	15.8	5.3	71.3	19.1	15.5	24.0
Couple, Neither	6.3	36.7	35.5	21.6	7.4	17.2	5.2	70.3	12.3	10.0	15.4
Single	10.0	57.5	22.9	9.6	8.1	13.3	5.4	73.1	6.8	5.5	8.6
Credit Score¹											
Lower than 620	8.1	52.4	28.1	11.4	6.8	11.2	5.1	76.9	5.6	4.2	7.4
620 to 679	4.0	46.0	34.5	15.5	2.8	10.2	4.6	82.3	17.2	16.2	18.5
680 to 699	6.1	52.8	29.7	11.4	3.1	12.5	3.4	81.0	4.2	4.2	4.3
640 to 659	5.0	47.3	29.2	18.5	3.3	10.5	6.4	79.9	6.4	5.9	7.0
660 to 679	1.6	40.5	42.7	15.2	2.2	8.5	3.7	85.6	6.6	6.1	7.3
680 to 719	3.5	41.8	38.8	16.0	3.6	13.6	6.2	76.6	16.0	16.0	16.1
680 to 699	3.9	44.1	34.3	17.7	2.7	14.5	6.4	76.4	8.0	7.9	8.3
700 to 719	3.0	39.5	43.3	14.2	4.5	12.7	5.9	76.9	8.0	8.2	7.8
720 or Higher	3.7	34.0	39.4	22.9	4.7	17.0	5.0	73.3	61.2	63.6	58.0
720 to 739	3.6	38.2	40.4	17.9	3.3	13.7	5.0	78.0	10.4	10.8	9.9
740 or Higher	3.8	33.1	39.2	23.9	4.9	17.7	5.0	72.4	50.8	52.8	48.1
Loan Type											
Purchase ²	3.1	36.9	39.4	20.6	1.9	7.3	2.1	88.7	57.9	100.0	0.0
First-Time Homeowner ¹	3.0	46.3	36.5	14.2	0.7	3.7	1.6	94.0	20.3	35.1	0.0
Repeat Homeowner	2.1	29.3	42.7	26.0	1.9	7.6	2.1	88.4	32.5	56.1	0.0
Seasonal Home	5.5	38.6	36.2	19.7	3.9	18.1	4.2	73.8	1.7	2.9	0.0
Relative Home	15.4	52.2	26.5	5.8	9.4	13.4	1.6	75.6	0.8	1.4	0.0
Investment Home	12.5	51.9	26.6	9.0	7.7	22.9	4.0	65.4	2.6	4.6	0.0
Refinance ²	5.1	40.4	35.7	18.8	7.6	25.5	9.4	57.6	42.1	0.0	100.0
Homeowner Cashout ³	5.6	40.5	36.4	17.5	8.5	23.7	7.2	60.5	14.7	0.0	34.8
Homeowner Regular	5.1	39.2	35.0	20.7	7.9	26.9	10.1	55.1	24.2	0.0	57.4
Seasonal Home	0.0	35.5	54.0	10.5	2.8	24.4	16.0	56.7	0.6	0.0	1.5
Relative Home	2.6	56.5	35.4	5.5	2.1	47.6	2.9	47.4	0.4	0.0	0.9
Investment Home	3.5	51.4	34.3	10.8	0.5	17.6	14.9	66.9	2.3	0.0	5.4
Property Type											
Single-family Detached House	3.6	37.9	38.6	20.0	4.2	15.1	5.0	75.8	83.4	82.6	84.4
Townhouse, Row House, or Villa	2.2	34.2	43.6	20.0	1.6	11.8	4.8	81.8	6.5	6.9	6.1
Mobile or Manufactured Home	25.2	61.6	12.7	0.5	19.4	16.1	17.3	47.2	1.7	1.3	2.2
Two-to-Four Unit Dwelling	2.9	40.7	28.9	27.5	3.8	18.9	5.7	71.5	2.2	2.0	2.6
Condo, Apartment House, or Co-op	5.3	40.7	33.6	20.5	3.8	13.8	3.6	78.8	5.8	6.7	4.6
Other	15.6	67.1	0.0	17.3	28.3	22.6	22.1	26.9	0.3	0.5	0.1
All Respondents	4.0	38.3	37.8	19.9	4.3	15.0	5.2	75.6	100.0	100.0	100.0

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.
 Notes: 1. Credit score, loan size, mortgage term to maturity, and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.
 2. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
 3. If a refinance mortgage amount is higher than the prior mortgage amount or if a mortgage is for a previously mortgage-free property, the mortgage is classified as a cashout refinance.

borrowers indicated that they were single, 14 percent single females and 11 percent single males. Overall, 87 percent of households included at least one full-time worker. This percentage was higher for homebuyers (90 percent) than those who refinanced (83 percent). Eighteen percent of borrowers reported that they were active duty or veterans of the U.S. military.

About 19 percent of respondents reported household income in 2014 of less than \$50,000 compared to 53 percent of all households in the United States based on the 2013 Survey of Consumer Finances (SCF).⁶

Credit Score and Property Type

Table 4 reflects that 61 percent of survey respondents had a credit score of 720 or higher, 33 percent had a credit score between 620 and 719, and six percent had a credit score below 620. Sixty-four percent of homebuyer respondents had credit score of 720 or higher compared to 58 percent of respondents who refinanced, and 20 percent of homebuyer respondents had credit score below 680 compared to 26 percent of respondents who refinanced.

Survey respondents were asked to describe their property type. As shown in Table 5, single-family properties were the primary property type used to collateralize the respondent's mortgage. Eighty-four percent of respondents reported that their property was a single-family detached home, seven percent condominiums, six percent townhouses, two percent manufactured homes, and two percent 2-, 3- and 4-unit dwellings.

Life Events

Many of the respondents reported that they had experienced one or more life events over the last couple of years. Eight percent of respondents indicated that they had divorced or separated, 12 percent indicated they had married or had a new partner, nine percent reported experiencing a disability or major illness, two percent reported that a disaster that had affected their home, two percent reported that a disaster that had affected their job, 34 percent indicated that they moved less than 50 miles from their previous residence, and 16 percent indicated that they have moved 50 miles or more from their previous residence.

4. Borrower Knowledge of the Mortgage Process

The survey asked borrowers about their knowledge and familiarity with mortgage terminology and the mortgage process, and about their ability to explain the mortgage process. The results are reflected in Table 6. Borrowers' knowledge about the mortgage process differed significantly based on demographic characteristics and whether the consumer was shopping for a home at the same time as the mortgage. First-time homebuyers differed significantly from repeat homebuyers in their knowledge about mortgages. The extent of mortgage knowledge also differed for repeat borrowers depending on whether they were refinancing or purchasing a home.

⁶ See *NMDB Technical Report 3.1* for additional comparison of household income in the 2013 SCF to reported income for borrowers with a 2013 origination captured in the NSMO. For more about the Survey of Consumer Finances including results from the 2013 SCF, see <http://www.federalreserve.gov/econresdata/scf/scfindex.htm>.

Table 4. Credit Score, by Demographic, Loan, and Property Characteristics
(Percentage Distribution)

Characteristics	Credit Score ¹										Share of All Loans	
	Lower than 620		620 to 639		640 to 679		680 to 719		720 or Higher			
	All	620 to 639	640 to 659	660 to 679	All	680 to 699	700 to 719	All	720 to 739	740 or Higher		
Respondent Age												
35 Years or Younger	4.3	17.4	4.0	6.4	6.9	16.9	8.8	8.1	61.3	14.0	47.3	28.1
36 to 45	6.5	17.7	4.6	6.3	6.9	16.3	8.7	7.7	59.4	9.3	50.1	23.0
46 to 55	7.2	20.1	4.9	9.0	6.3	16.2	7.1	9.1	56.5	9.2	47.3	22.8
56 to 65	5.2	15.2	3.6	4.9	6.7	16.4	8.7	7.7	63.2	8.3	54.9	16.4
Older than 65	3.5	11.7	3.5	2.9	5.3	11.8	5.4	6.4	73.0	9.1	63.9	9.7
Respondent Race/Ethnicity												
Non-Hispanic White	5.1	16.1	4.1	6.0	6.0	15.7	8.0	7.7	63.1	10.3	52.8	76.0
Hispanic and Non-White	7.0	20.5	4.5	7.6	8.5	17.2	8.2	9.0	55.3	10.8	44.5	24.0
Hispanic White	6.2	24.3	5.5	7.0	11.7	17.4	7.1	10.3	52.2	11.5	40.7	8.8
Asian	3.9	9.7	1.7	4.4	3.6	13.5	6.0	7.5	72.8	10.1	62.7	6.8
Black	12.0	28.2	6.3	11.6	10.3	21.1	12.7	8.3	38.7	9.8	28.9	5.2
Mixed and Other	7.2	20.1	4.4	9.1	6.6	18.5	8.7	9.7	54.2	12.2	42.0	3.2
Respondent Education												
High School or Less	9.9	23.5	7.1	7.6	8.9	18.7	8.3	10.5	47.8	8.8	39.1	12.5
Some School	13.9	29.4	11.3	7.6	10.4	19.2	6.5	12.7	37.5	2.9	34.7	1.5
High School	9.4	22.8	6.5	7.6	8.7	18.7	8.5	10.2	49.2	9.5	39.6	11.1
Some College	7.9	21.9	5.3	8.1	8.6	19.3	10.6	8.7	51.0	10.8	40.2	26.1
Technical School	9.4	19.2	3.6	8.2	7.4	22.8	11.9	10.9	48.6	9.4	39.2	5.1
Partial College	7.5	22.5	5.7	8.0	8.8	18.4	10.3	8.1	51.5	11.1	40.4	21.0
College Degree	4.9	15.5	3.7	6.5	5.4	16.0	7.9	8.1	63.6	11.5	52.1	34.8
Postgraduate	2.0	11.7	2.5	4.0	5.1	11.6	5.6	6.1	74.7	9.5	65.1	26.5
Household Income												
Less than \$50,000	8.9	23.9	7.6	8.2	8.1	18.5	10.9	7.7	48.6	9.8	38.8	18.8
Less than \$35,000	11.9	24.9	9.5	8.3	7.1	18.0	11.7	6.3	45.3	9.6	35.6	7.5
\$35,000 to \$49,999	7.0	23.3	6.4	8.1	8.8	18.9	10.3	8.6	50.8	10.0	40.8	11.3
\$50,000 to \$99,999	6.2	17.6	4.2	6.7	6.7	17.9	8.6	9.3	58.3	11.8	46.4	38.4
\$50,000 to \$74,999	6.5	18.6	5.0	6.7	6.9	18.2	8.5	9.7	56.7	12.3	44.4	19.5
\$75,000 to \$99,999	5.9	16.6	3.5	6.7	6.4	17.6	8.7	8.9	59.9	11.4	48.5	19.0
\$100,000 to \$174,999	4.4	16.2	3.4	6.3	6.4	14.8	6.9	7.9	64.6	9.4	55.3	28.6
\$175,000 or More	1.7	9.0	1.3	3.0	4.7	10.1	5.1	5.0	79.2	9.6	69.7	14.2
Household Type												
Couple	5.2	16.9	4.1	6.1	6.7	15.9	7.7	8.2	62.0	10.6	51.4	75.4
Married	4.9	16.5	3.6	6.1	6.7	16.0	7.7	8.3	62.6	10.4	52.2	67.6
With Partner	7.5	20.6	7.9	5.5	7.2	15.1	7.2	7.9	56.8	12.6	44.3	7.8
Single	6.6	18.0	4.7	7.2	6.0	16.5	9.2	7.3	58.9	9.9	49.0	24.6
Male	5.1	16.4	4.1	6.7	5.5	16.4	8.6	7.8	62.1	12.0	50.1	10.9
Female	7.9	19.2	5.1	7.7	6.5	16.5	9.7	6.9	56.4	8.3	48.1	13.7
Military												
Active Duty or Veteran	6.7	20.1	4.6	7.8	7.7	15.4	7.9	7.5	57.8	10.7	47.0	18.5
Active Duty	0.0	20.8	2.5	11.8	6.5	18.2	9.8	8.5	61.0	22.5	38.4	1.9
Veteran	7.5	20.0	4.8	7.4	7.8	15.1	7.7	7.4	57.4	9.4	48.0	16.7
No Military Service	5.3	16.5	4.1	6.0	6.3	16.2	8.1	8.1	62.0	10.4	51.7	81.5
Basic Training	7.9	21.6	8.7	5.5	7.5	16.8	7.0	9.8	53.7	11.8	41.9	5.5
Never Served	5.1	16.1	3.8	6.1	6.2	16.1	8.1	8.0	62.6	10.3	52.4	76.0

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Table 4. Credit Score, by Demographic, Loan, and Property Characteristics (Continued)
(Percentage Distribution)

Characteristics	Credit Score ¹										Share of All Loans		
	Lower than 620		620 to 679			680 to 719			720 or Higher				
	All	620 to 639	640 to 659	660 to 679	All	680 to 699	700 to 719	All	720 to 739	740 or Higher			
Employment													
Full-Time	5.4	17.8	4.2	6.8	6.8	6.8	16.5	8.3	8.2	60.2	10.7	49.6	80.9
Couple, Both	4.8	17.1	4.2	6.4	6.5	6.4	16.7	7.6	9.1	61.4	11.3	50.0	31.9
Couple, One	5.6	18.1	4.2	6.6	7.4	6.6	15.5	7.6	8.0	60.8	10.3	50.5	31.3
Single	6.3	18.6	4.3	8.0	6.2	8.0	17.8	10.7	7.1	57.2	10.1	47.1	17.8
Not Full-Time	6.0	14.5	4.3	4.3	5.8	4.3	14.1	7.0	7.1	65.5	9.4	56.0	19.1
Couple, Neither	5.2	13.5	3.6	3.9	6.0	3.9	14.7	7.9	6.7	66.6	9.4	57.2	12.3
Single	7.4	16.2	5.5	5.2	5.5	5.2	13.0	5.3	7.7	63.3	9.5	53.8	6.8
Credit Score¹													
Lower than 620	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.6
620 to 679	0.0	100.0	24.6	37.1	38.3	37.1	0.0	0.0	0.0	0.0	0.0	0.0	17.2
640 to 659	0.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.2
660 to 679	0.0	100.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.4
680 to 719	0.0	0.0	0.0	0.0	100.0	0.0	100.0	50.1	49.9	0.0	0.0	0.0	6.6
680 to 699	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	0.0	0.0	0.0	0.0	16.0
700 to 719	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	100.0	0.0	0.0	0.0	8.0
720 or Higher	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	17.0	83.0	61.2
720 to 739	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	0.0	10.4
740 or Higher	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	100.0	50.8
Loan Type													
Purchase ²	4.2	16.2	4.2	5.9	6.1	5.9	16.0	7.9	8.2	63.6	10.8	52.8	57.9
First-Time Homeowner ¹	5.0	23.1	5.7	8.7	8.6	8.7	19.3	10.3	9.1	52.6	12.9	39.6	20.3
Repeat Homeowner	4.1	13.5	3.5	4.9	5.0	4.9	14.9	6.9	8.0	67.6	9.7	57.9	32.5
Seasonal Home	3.3	4.4	1.5	1.9	1.0	1.9	3.9	2.1	2.8	80.0	8.1	71.9	1.7
Relative Home	0.0	9.7	3.0	0.0	6.7	0.0	5.0	2.1	2.8	85.3	11.6	73.7	0.8
Investment Home	1.4	5.9	1.8	1.6	2.5	1.6	10.5	5.4	5.1	82.3	9.0	73.2	2.6
Refinance ²	7.4	18.5	4.3	7.0	7.3	7.0	16.1	8.3	7.8	58.0	9.9	48.1	42.1
Homeowner Cashout ³	9.6	21.4	5.1	7.9	8.3	7.9	16.9	9.1	7.8	52.1	9.8	42.4	14.7
Homeowner Regular	6.2	17.8	4.3	6.4	7.1	6.4	16.0	8.1	7.9	60.0	9.6	50.5	24.2
Seasonal Home	9.3	7.1	3.6	0.0	3.5	0.0	10.6	5.4	5.2	73.0	22.7	50.3	0.6
Relative Home	0.0	15.0	0.0	15.0	0.0	15.0	15.3	15.3	0.0	69.7	5.5	64.1	0.4
Investment Home	7.5	11.8	0.0	7.5	4.3	7.5	12.7	4.3	8.4	68.0	12.2	55.8	2.3
Property Type													
Single-family Detached House	6.0	17.8	4.3	6.5	7.0	6.5	16.4	8.2	8.2	59.8	10.4	49.4	83.4
Townhouse, Row House, or Villa	1.8	17.4	3.7	8.3	5.4	8.3	14.5	6.0	8.5	66.3	10.1	56.2	6.5
Mobile or Manufactured Home	8.7	25.4	7.3	7.6	10.6	7.6	18.3	11.3	7.0	47.6	10.7	36.9	1.7
Two-to-Four Unit Dwelling	4.8	12.8	2.7	5.4	4.6	5.4	14.9	10.3	4.6	67.5	14.4	53.1	2.2
Condo, Apartment House, or Co-op	2.9	7.3	2.6	2.9	1.8	2.9	12.7	7.0	5.7	77.1	9.9	67.2	5.8
Other	5.0	7.7	7.7	0.0	0.0	0.0	10.4	0.0	10.4	76.9	10.2	66.7	0.3
All Respondents	5.6	17.2	4.2	6.4	6.6	6.4	16.0	8.0	8.0	61.2	10.4	50.8	100.0

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.
 Notes: 1. Credit score, loan size, mortgage term to maturity, and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.
 2. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
 3. If a refinance mortgage amount is higher than the prior mortgage amount or if a mortgage is for a previously mortgage-free property, the mortgage is classified as a cashout refinance.

Table 5. Property Type, by Demographic and Loan Characteristics
(Percentage Distribution)

Characteristics	Property Type					Share of All Loans
	Single-Family	Townhouse	Mobile	Two-to-Four Unit	Condo	
Respondent Age						
35 Years or Younger	81.7	7.5	1.4	2.3	6.9	28.1
36 to 45	86.8	5.5	0.9	2.0	4.4	23.0
46 to 55	84.8	6.5	2.0	2.0	4.1	22.8
56 to 65	82.6	6.2	2.8	2.4	5.6	16.4
Older than 65	78.0	7.1	1.1	2.7	10.8	9.7
Respondent Race/Ethnicity						
Non-Hispanic White	84.0	5.9	2.1	2.1	5.6	76.0
Hispanic and Non-White	81.4	8.6	0.5	2.8	6.7	24.0
Hispanic White	86.5	6.2	0.3	2.5	4.4	8.8
Asian	78.7	9.1	0.0	1.3	10.9	6.8
Black	78.5	11.8	0.6	3.7	5.4	5.2
Mixed and Other	78.0	9.0	1.7	5.1	6.2	3.2
Respondent Education						
High School or Less	87.5	3.0	4.8	2.3	2.0	12.5
Some School	92.5	1.0	4.2	1.3	0.0	1.1
High School	86.8	3.3	4.9	2.5	2.3	11.1
Some College	86.2	5.4	1.9	2.4	3.7	26.1
Technical School	88.1	4.6	2.8	2.0	2.4	5.1
Partial College	85.7	5.6	1.6	2.5	4.0	21.0
College Degree	83.8	6.7	1.2	1.9	6.1	34.8
Postgraduate	78.1	9.1	0.7	2.4	9.4	26.5
Household Income						
Less than \$50,000	81.6	6.4	3.8	2.0	5.8	18.8
Less than \$35,000	81.7	5.9	5.0	0.8	5.9	7.5
\$35,000 to \$49,999	81.6	6.8	3.1	2.7	5.7	11.3
\$50,000 to \$99,999	84.5	6.6	2.0	2.0	4.7	38.4
\$50,000 to \$74,999	84.7	5.4	2.8	2.1	4.8	19.5
\$75,000 to \$99,999	84.2	7.8	1.2	1.8	4.5	19.0
\$100,000 to \$174,999	83.6	6.0	0.7	2.7	6.6	28.6
\$175,000 or More	82.2	7.7	0.0	2.2	7.7	14.2
Household Type						
Couple	86.7	5.3	1.5	1.8	4.3	75.4
Married	87.5	5.0	1.5	1.8	4.0	67.6
With Partner	79.8	8.5	1.9	2.4	7.0	7.8
Single	73.2	10.2	2.2	3.5	10.6	24.6
Male	75.2	7.9	1.9	4.4	10.1	10.9
Female	71.7	12.1	2.3	2.7	10.9	13.7
Military						
Active Duty or Veteran	86.1	6.2	2.1	1.6	3.8	18.5
Active Duty	93.5	3.8	0.0	0.0	2.7	1.9
Veteran	85.2	6.4	2.3	1.8	3.9	16.7
No Military Service	82.8	6.6	1.6	2.4	6.3	81.5
Basic Training	85.8	5.0	1.7	2.6	4.8	5.5
Never Served	82.5	6.8	1.6	2.3	6.4	76.0

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Table 5. Property Type, by Demographic and Loan Characteristics (Continued)
(Percentage Distribution)

Characteristics	Property Type					Share of All Loans
	Single-Family	Townhouse	Mobile	Two-to-Four Unit	Condo	
Employment						
Full-Time	84.0	6.6	1.5	2.1	5.5	80.9
Couple, Both	86.1	5.9	1.1	1.6	4.7	31.9
Couple, One	88.1	5.1	1.7	2.0	3.0	31.3
Single	73.0	10.5	1.9	3.2	11.4	17.8
Not Full-Time	80.7	6.3	2.4	2.7	7.2	19.1
Couple, Neither	84.4	4.5	2.1	1.9	6.5	12.3
Single	73.9	9.6	2.9	4.1	8.4	6.8
Credit Score ¹						
Lower than 620	90.0	2.1	2.6	1.9	3.0	5.6
620 to 679	86.6	6.6	2.5	1.7	2.5	17.2
680 to 639	85.8	5.7	2.9	1.4	3.6	4.2
640 to 659	84.9	8.5	2.0	1.9	2.7	6.4
660 to 679	88.7	5.4	2.7	1.6	1.6	6.6
680 to 719	85.3	5.9	1.9	2.1	4.6	16.0
680 to 699	84.8	4.9	2.4	2.8	5.1	8.0
700 to 719	85.7	6.9	1.5	1.3	4.2	8.0
720 or Higher	81.4	7.1	1.3	2.5	7.4	61.2
720 to 739	83.0	6.4	1.7	3.1	5.6	10.4
740 or Higher	81.0	7.2	1.2	2.3	7.7	50.8
Loan Type						
Purchase ²	82.6	6.9	1.3	2.0	6.7	57.9
First-Time Homeowner ¹	79.6	8.1	1.5	2.6	8.0	20.3
Repeat Homeowner	87.4	5.9	1.2	0.6	4.5	32.5
Seasonal Home	67.4	7.4	0.5	1.1	18.3	1.7
Relative Home	70.0	5.6	2.4	2.0	19.9	0.8
Investment Home	59.2	9.5	1.1	15.0	13.1	2.6
Refinance ²	84.4	6.1	2.2	2.6	4.6	42.1
Homeowner Cashout ³	86.9	5.8	1.9	1.5	3.9	14.7
Homeowner Regular	85.7	5.9	2.4	1.5	4.4	24.2
Seasonal Home	70.3	17.0	5.7	0.0	6.9	0.6
Relative Home	84.5	4.7	0.0	2.2	8.6	0.4
Investment Home	58.9	7.8	2.0	21.0	10.2	2.3
Property Type						
Single-family Detached House	100.0	0.0	0.0	0.0	0.0	83.4
Townhouse, Row House, or Villa	0.0	100.0	0.0	0.0	0.0	6.5
Mobile or Manufactured Home	0.0	0.0	100.0	0.0	0.0	1.7
Two-to-Four Unit Dwelling	0.0	0.0	0.0	100.0	0.0	2.2
Condo, Apartment House, or Co-op	0.0	0.0	0.0	0.0	100.0	5.8
Other	0.0	0.0	0.0	0.0	0.0	0.3
All Respondents	83.4	6.5	1.7	2.2	5.8	100.0

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

Notes: 1. Credit score, loan size, mortgage term to maturity, and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.

2. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.

3. If a refinance mortgage amount is higher than the prior mortgage amount or if a mortgage is for a previously mortgage-free property, the mortgage is classified as a cashout refinance.

Table 6. Household Life Events, by Loan and Demographic Characteristics
(Percent Who Experienced Each Event in the Last Several Years)

Characteristics	Divorced or Separated	Married or Had a Partner	Death in Household	Addition to Household	Left Household	Disability or Illness	Disaster to Home	Disaster to Work or Job	Moved Less than 50 Miles	Moved 50 Miles or More
Loan Type										
Purchase ¹	8.8	15.7	2.9	17.8	6.5	6.5	1.0	1.8	53.0	24.2
First-Time Homeowner ²	6.3	22.2	3.2	20.0	3.4	4.0	0.8	0.9	58.3	21.9
Repeat Homeowner	11.3	13.3	2.6	18.2	7.3	7.6	1.0	2.1	56.4	28.6
Non-Occupant Owner	3.0	5.0	3.5	6.4	13.6	9.1	1.9	3.1	9.9	5.4
Refinance¹	6.8	6.6	4.2	11.3	9.3	11.9	3.0	2.7	8.5	4.1
Homeowner Cashout ³	8.1	6.5	5.3	13.2	10.3	12.3	3.3	2.5	6.4	3.4
Homeowner Regular	6.2	6.3	3.5	10.1	8.5	12.1	2.9	2.9	8.6	3.3
Non-Occupant Owner	5.2	9.0	4.0	12.2	10.5	9.6	2.4	1.8	16.9	12.8
Loan Size										
\$50,000 or Less	9.6	7.7	7.2	13.2	8.6	13.8	3.3	3.5	20.3	6.6
\$50,001 to \$150,000	10.6	11.8	4.5	12.7	7.8	10.0	2.1	2.2	30.1	13.0
\$150,001 to \$300,000	7.0	13.3	3.0	16.5	7.2	8.0	1.8	2.2	37.7	16.6
More than \$300,000	4.4	10.2	1.5	17.3	8.1	7.0	1.2	1.6	38.5	21.1
Credit Score²										
Lower than 620	12.8	12.9	6.0	12.5	11.0	18.0	3.7	5.3	26.0	13.3
620 to 679	7.3	13.9	3.8	16.5	8.1	9.5	2.0	2.2	33.9	16.3
680 to 719	9.4	13.1	2.2	15.2	7.7	9.6	1.9	2.0	34.6	14.6
720 or Higher	7.3	10.9	3.4	14.8	7.2	7.5	1.6	1.9	35.0	16.1
Respondent Age										
35 Years or Younger	5.0	23.4	2.3	28.7	2.3	2.7	1.3	0.9	52.4	19.6
36 to 45	10.5	10.2	1.5	17.4	5.0	5.2	1.8	2.3	37.2	16.0
46 to 55	11.4	7.7	3.6	8.1	15.5	10.2	1.9	2.5	26.1	13.1
56 to 65	6.8	4.7	5.4	4.8	12.2	16.6	2.8	4.3	19.4	11.8
Older than 65	4.5	4.5	7.3	3.6	3.4	18.0	1.6	0.9	18.8	16.7
Respondent Race/Ethnicity										
Non-Hispanic White	8.0	11.8	3.3	14.7	7.8	8.8	1.8	2.2	34.6	16.2
Hispanic and Non-White	7.9	12.2	3.9	16.4	7.3	8.6	1.9	1.9	33.0	14.3
Respondent Education										
High School or Less	10.8	9.8	5.5	10.2	8.3	12.3	1.9	2.8	24.9	10.2
Some College	9.3	11.1	5.2	14.3	8.2	11.1	2.2	2.7	33.2	13.7
College Degree	6.9	14.0	2.5	15.8	7.1	7.0	1.8	2.1	36.8	15.6
Postgraduate	6.7	10.8	2.0	17.1	7.5	7.2	1.5	1.3	36.4	20.5
Household Income										
Less than \$50,000	12.9	9.0	7.4	11.2	5.7	14.2	2.6	3.2	31.1	13.1
\$50,000 to \$99,999	8.3	12.3	3.5	16.1	7.2	9.4	1.5	2.2	36.0	14.9
\$100,000 to \$174,999	6.3	13.5	2.0	16.0	8.0	6.1	1.9	1.9	35.1	16.7
\$175,000 or More	3.9	11.1	0.9	15.6	10.9	5.3	1.5	1.1	31.9	19.6
Household Type										
Couple	3.3	14.9	2.0	17.8	7.8	8.9	1.9	2.3	34.1	16.9
Single	22.1	2.5	7.8	6.5	7.1	8.4	1.7	1.7	34.7	12.1
All Respondents	8.0	11.9	3.4	15.1	7.7	8.8	1.8	2.1	34.2	15.7

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
 2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.
 3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

Mortgage Features

The survey asked respondents to assess their prior knowledge about getting a mortgage and familiarity with basic mortgage loan terms. The results are reflected in Table 7. Three to 14 percent of respondents reported that they were not previously familiar with the types of mortgages available, the process, interest rate levels, down payment or income requirements or the type of credit history that was expected. First-time buyers were less likely to indicate that they were previously familiar with the process of taking out a mortgage, the types of mortgages, or interest rates available compared to borrowers who had bought a home previously and to those who refinanced. First-time homebuyers were also more likely to indicate that they were not previously familiar with the income, credit history, down payment, or closing costs required for a mortgage.

Younger borrowers and those with lower credit scores or income reported that they had less prior information about the process and qualification requirements for obtaining a mortgage. Twenty-four percent of borrowers 35 years old or younger, for example, indicated that they were not familiar with the process of taking out a mortgage. Nearly one-fifth of households with less than \$50,000 in income indicated they were not familiar with the down payment required to purchase a house or the amount of money needed at closing. About 17 percent of borrowers with credit scores below 620 reported that they were not familiar with the types of mortgages available.

Mortgage Process

The share of borrowers who reported they were not previously familiar with each facet of the mortgage process generally declined as loan amount, education, credit score, and income increased. The number of persons feeling unfamiliar with the process was also comparatively high among Hispanics, non-white borrowers, and single-headed households.

The shares of borrowers who were concerned about qualifying for a mortgage also declined as loan amount, education, credit score and income increased. For example, 16 percent of non-Hispanic white borrowers reported that they were very concerned with qualifying compared to 29 percent of Hispanic or non-white borrowers. The differences in the percentages of borrowers concerned about qualifying for a mortgage was starkest based on credit score: 38 percent of those with scores below 620 were very concerned about qualifying, while 12 percent of borrowers with scores of at least 720 reported that they were very concerned.

A large percentage of borrowers who refinanced their mortgage or looked for an investment property indicated that they had a firm idea about the type of mortgage they wanted. In contrast, only 36 percent of first-time buyers indicated that they had a firm idea of the mortgage they wanted, ten percent of first-time buyers indicated they had little idea of what type of mortgage they wanted, and 44 percent reported they had some idea. The percentage of borrowers who indicated they had a firm idea about the type of mortgage they wanted decreased with age and credit score.

Table 7. Prior Knowledge and Idea About Getting a Mortgage and Concern About Qualifying, by Loan and Demographic Characteristics

Characteristics	Interest Rates Available			Prior Mortgage Types Available			Process of Taking Out Mortgage			Percent Not at All Familiar with Each Feature)			Money Needed at Closing			Concerned About Qualifying (Percentage Distribution)			Idea About the Mortgage Wanted (Percentage Distribution)		
	Interest Rates Available	Mortgage Types Available	Process of Taking Out Mortgage	Down Payment to Qualify	Income Needed to Qualify	Credit History or Score	Money Needed at Closing	Very	Somewhat	Not at All	Firm Idea	Some Idea	Little Idea	Very	Somewhat	Not at All	Firm Idea	Some Idea	Little Idea		
																				Available	Available
Loan Type																					
Purchase ¹	8.8	14.2	16.9	9.4	11.3	3.4	15.3	20.1	34.4	45.5	27.1	31.5	7.4	20.1	34.4	45.5	27.1	31.5	7.4		
First-Time Homeowner ²	17.5	26.2	37.0	16.5	20.7	6.2	28.5	30.4	39.5	30.1	35.6	43.6	10.0	30.4	39.5	30.1	35.6	43.6	10.0		
Repeat Homeowner	4.4	8.4	6.4	6.3	6.7	2.0	8.8	15.5	32.8	51.7	23.1	26.6	6.2	15.5	32.8	51.7	23.1	26.6	6.2		
Non-Occupant Owner	2.1	3.7	3.5	1.5	3.5	1.7	4.0	8.4	23.6	68.0	18.5	14.5	4.9	8.4	23.6	68.0	18.5	14.5	4.9		
Refinance ¹	3.6	10.1	5.7	11.7	8.6	2.6	11.3	17.0	29.0	54.0	23.3	26.3	7.2	17.0	29.0	54.0	23.3	26.3	7.2		
Homeowner Cashout ³	4.0	12.6	7.3	12.4	9.8	2.8	13.7	18.6	29.9	51.5	26.6	30.3	8.0	18.6	29.9	51.5	26.6	30.3	8.0		
Homeowner Regular	3.1	8.6	5.1	11.0	8.0	2.5	9.8	17.0	27.6	55.5	22.1	25.7	6.6	17.0	27.6	55.5	22.1	25.7	6.6		
Non-Occupant Owner	5.2	10.1	2.8	13.8	7.9	2.6	11.5	10.6	35.7	53.7	17.7	12.3	7.3	10.6	35.7	53.7	17.7	12.3	7.3		
Loan Size																					
\$50,000 or Less	13.2	23.2	16.8	20.2	16.4	10.9	18.8	19.9	32.9	47.2	33.4	39.0	9.0	19.9	32.9	47.2	33.4	39.0	9.0		
\$50,001 to \$150,000	8.7	15.0	14.5	13.7	12.8	4.1	15.2	22.0	33.5	44.5	29.5	36.8	9.1	22.0	33.5	44.5	29.5	36.8	9.1		
\$150,001 to \$300,000	5.4	11.6	11.2	8.5	8.4	1.7	12.2	18.3	31.3	50.4	24.0	26.5	6.1	18.3	31.3	50.4	24.0	26.5	6.1		
More than \$300,000	3.6	7.3	8.6	5.7	7.3	2.2	12.2	13.3	30.9	55.9	19.0	18.1	5.8	13.3	30.9	55.9	19.0	18.1	5.8		
Credit Score²																					
Lower than 620	11.3	17.2	15.1	18.3	15.1	7.6	20.2	38.2	41.3	30.5	29.8	36.2	13.4	38.2	41.3	30.5	29.8	36.2	13.4		
620 to 679	9.6	17.1	16.1	15.2	13.1	4.3	16.7	31.5	38.5	30.0	29.4	37.2	8.0	31.5	38.5	30.0	29.4	37.2	8.0		
680 to 719	7.5	13.7	14.4	12.4	10.9	3.5	17.0	24.9	38.9	36.2	28.4	31.5	7.3	24.9	38.9	36.2	28.4	31.5	7.3		
720 or Higher	5.1	10.5	10.2	7.8	8.7	2.2	11.3	11.9	27.7	60.4	23.2	25.9	6.6	11.9	27.7	60.4	23.2	25.9	6.6		
Respondent Age																					
35 Years or Younger	12.4	18.9	23.9	12.8	15.8	4.5	21.1	22.6	35.9	41.4	32.1	38.7	8.5	22.6	35.9	41.4	32.1	38.7	8.5		
36 to 45	4.1	10.1	9.2	7.1	7.8	1.7	11.4	20.6	32.6	46.8	25.6	29.0	7.4	20.6	32.6	46.8	25.6	29.0	7.4		
46 to 55	4.6	10.0	6.2	10.1	7.6	2.5	10.2	17.1	30.8	52.1	22.1	24.7	6.5	17.1	30.8	52.1	22.1	24.7	6.5		
56 to 65	4.8	10.3	7.6	11.0	7.9	3.5	10.2	16.1	29.6	54.4	20.8	22.5	5.0	16.1	29.6	54.4	20.8	22.5	5.0		
Older than 65	3.5	9.1	7.1	10.8	9.5	3.1	10.9	11.9	27.5	60.6	21.9	25.2	9.5	11.9	27.5	60.6	21.9	25.2	9.5		
Respondent Race/Ethnicity																					
Non-Hispanic White	6.1	11.6	11.2	8.9	9.4	3.0	12.5	15.5	31.6	53.0	25.2	28.6	6.6	15.5	31.6	53.0	25.2	28.6	6.6		
Hispanic and Non-White	8.1	15.3	15.3	15.0	12.6	3.3	17.3	29.4	33.8	36.8	26.6	31.4	9.5	29.4	33.8	36.8	26.6	31.4	9.5		
Respondent Education																					
High School or Less	8.1	16.1	12.5	14.4	12.6	5.2	16.4	25.6	35.6	38.8	35.7	45.0	12.1	25.6	35.6	38.8	35.7	45.0	12.1		
Some College	6.7	13.8	12.7	12.5	11.2	3.5	13.3	23.9	33.0	43.2	26.6	34.6	8.0	23.9	33.0	43.2	26.6	34.6	8.0		
College Degree	6.6	11.7	12.5	9.5	9.5	2.8	13.4	17.1	31.0	51.9	24.7	27.2	6.3	17.1	31.0	51.9	24.7	27.2	6.3		
Postgraduate	5.9	10.5	11.0	7.5	9.0	2.0	12.9	12.8	31.2	56.0	20.6	19.4	5.7	12.8	31.2	56.0	20.6	19.4	5.7		
Household Income																					
Less than \$50,000	12.1	21.3	19.4	18.1	16.0	6.5	17.5	31.3	36.0	32.7	33.8	44.1	10.6	31.3	36.0	32.7	33.8	44.1	10.6		
\$50,000 to \$99,999	7.4	13.5	13.6	11.5	11.7	2.9	15.8	21.2	35.7	43.0	28.9	35.5	8.4	21.2	35.7	43.0	28.9	35.5	8.4		
\$100,000 to \$174,999	4.0	9.7	9.4	7.3	7.0	2.0	11.7	12.7	29.6	57.8	20.2	19.9	4.8	12.7	29.6	57.8	20.2	19.9	4.8		
\$175,000 or More	2.6	3.9	4.4	3.3	4.7	1.1	6.5	8.0	22.3	69.7	16.0	11.7	4.9	8.0	22.3	69.7	16.0	11.7	4.9		
Household Type																					
Couple	5.9	11.2	10.9	9.3	9.5	2.9	13.0	18.6	31.2	50.2	23.6	28.2	7.1	18.6	31.2	50.2	23.6	28.2	7.1		
Single	8.8	16.4	16.0	13.9	12.4	3.6	15.5	19.3	35.0	45.7	31.4	32.7	7.9	19.3	35.0	45.7	31.4	32.7	7.9		
All Respondents	6.6	12.5	12.2	10.4	10.2	3.1	13.6	18.8	32.1	49.1	25.5	29.3	7.3	18.8	32.1	49.1	25.5	29.3	7.3		

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
 2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.
 3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

Ability to Explain Mortgage Process

Table 8 reflects that by the end of the process of getting their mortgage 59 percent of first-time buyers and nearly half of those who refinanced a mortgage felt they were somewhat able to explain the process of taking out a mortgage. Thirty-eight percent of first-time buyers and 47 percent of those who refinanced felt very confident in their ability to explain the mortgage process. For borrowers with \$175,000 or more in income, about six out of 10 were very confident in their ability to explain the process of taking out a mortgage, and fewer than four out of 10 borrowers with less than \$50,000 in income were very confident in their ability to explain the process. Eight percent of households with incomes less than \$50,000 and seven percent of households in which the respondent had a high school education or less were not confident about their ability to explain the process of taking out a mortgage.

Forty-four percent of all respondents reported they would have a difficult time explaining the difference between a prime and a subprime loan. The share of borrowers who were not confident in their ability to explain prime versus subprime loans exceeded 50 percent among first-time buyers, borrowers 35 years old or younger, borrowers taking out loans of \$50,000 or less, borrowers with credit scores of less than 620, and borrowers with household income of less than \$50,000. Overall, more than one-quarter of borrowers reported that they could not explain amortization or the difference between the interest rate and the Annual Percentage Rate (APR) on a loan. The percentages of respondents who reported that they were not able to explain these mortgage details were highest among borrowers with a high school diploma or less education, first-time buyers, those taking out loans of \$50,000 or less, those with credit scores below 620, those with household incomes below \$50,000, single households, and Hispanic or non-white borrowers.

5. Selecting a Mortgage: Mortgage Broker versus Mortgage Lender

The survey asked borrowers about how they chose their mortgage originator, the number of lenders they considered, and important factors in choosing the lender and the mortgage product. Borrowers reported that they balance many features when selecting a mortgage. Table 9 reflects that about 63 percent of all respondents and 71 percent of respondents who refinanced went to a lender for their mortgage rather than to a mortgage broker. For the smallest loan sizes of \$50,000 or less nearly 85 percent of borrowers went to the lender directly. First-time homebuyers were somewhat more likely than other borrowers to use a broker, and the share who used a broker increased with loan size.

Borrowers initiated contact with the lender or broker 67 percent of the time, lenders initiated contact 14 percent of the time, and a third party initiated contact for 19 percent of respondents. Lenders initiated contact for one-quarter of respondents who refinanced compared to six percent of homebuyers. The share of loans for which a third party initiated contact was nearly six times (29 percent) higher for home purchase loans than for refinances (5 percent). Six percent of all respondents used housing counselors or completed courses on home ownership, and the share who received housing counseling was higher for first-time homebuyers (16 percent), those with credit scores lower than 620 (11 percent), those with household income less than \$50,000 (11 percent), and respondents 35 years old or younger (10 percent).

Table 8. Knowledge About the Mortgage Process at the Time of Survey, by Loan and Demographic Characteristics

Characteristics	Ability to Explain Mortgage Process (Percentage Distribution)			Mortgage Knowledge (Percent Not at All Able to Explain Each Feature)				
	Very	Somewhat	Not at All	Fixed Versus Adjustable Rate	Prime Versus Subprime	Interest Rate Versus APR	Amortization of Loan	Consequence of Not Paying
Loan Type								
Purchase ¹	48.2	49.0	2.9	6.3	46.9	27.1	31.5	7.4
First-Time Homeowner ²	38.0	58.9	3.1	9.3	59.3	35.6	43.6	10.0
Repeat Homeowner	52.2	44.8	2.9	4.9	41.6	23.1	26.6	6.2
Non-Occupant Owner	62.8	35.8	1.4	3.1	31.4	18.5	14.5	4.9
Refinance¹	47.0	48.5	4.4	4.8	40.3	23.3	26.3	7.2
Homeowner Cashout ³	46.3	49.7	4.0	5.3	46.0	26.6	30.3	8.0
Homeowner Regular	46.3	49.0	4.7	4.7	38.1	22.1	25.7	6.6
Non-Occupant Owner	55.3	40.0	4.7	3.6	30.9	17.7	12.3	7.3
Loan Size								
\$50,000 or Less	35.7	55.5	8.7	12.7	51.0	33.4	39.0	9.0
\$50,001 to \$150,000	43.5	52.0	4.4	7.5	49.3	29.5	36.8	9.1
\$150,001 to \$300,000	49.2	48.0	2.8	4.4	43.6	24.0	26.5	6.1
More than \$300,000	55.2	42.6	2.2	3.2	33.9	19.0	18.1	5.8
Credit Score²								
Lower than 620	41.2	51.4	7.5	8.9	50.9	29.8	36.2	13.4
620 to 679	45.8	49.8	4.5	7.7	46.2	29.4	37.2	8.0
680 to 719	43.0	54.0	3.0	6.9	47.9	28.4	31.5	7.3
720 or Higher	50.0	46.9	3.0	4.5	42.0	23.2	25.9	6.6
Respondent Age								
35 Years or Younger	43.6	53.3	3.1	7.7	57.3	32.1	38.7	8.5
36 to 45	47.4	49.3	3.3	4.0	45.8	25.6	29.0	7.4
46 to 55	51.5	45.0	3.4	5.1	37.1	22.1	24.7	6.5
56 to 65	48.2	47.9	3.8	4.9	35.2	20.8	22.5	5.0
Older than 65	50.3	44.6	5.1	6.6	33.6	21.9	25.2	9.5
Respondent Race/Ethnicity								
Non-Hispanic White	48.1	48.7	3.2	5.0	43.6	25.2	28.6	6.6
Hispanic and Non-White	46.4	49.1	4.6	7.6	45.8	26.6	31.4	9.5
Respondent Education								
High School or Less	40.1	52.8	7.2	9.1	52.4	35.7	45.0	12.1
Some College	42.2	54.1	3.7	7.4	46.4	26.6	34.6	8.0
College Degree	49.5	47.2	3.3	4.3	44.2	24.7	27.2	6.3
Postgraduate	54.3	43.7	2.0	4.0	37.9	20.6	19.4	5.7
Household Income								
Less than \$50,000	35.6	56.8	7.5	10.3	56.9	33.8	44.1	10.6
\$50,000 to \$99,999	43.6	52.7	3.7	6.3	48.4	28.9	35.5	8.4
\$100,000 to \$174,999	53.1	45.5	1.4	3.3	38.8	20.2	19.9	4.8
\$175,000 or More	63.7	34.2	2.1	2.5	26.4	16.0	11.7	4.9
Household Type								
Couple	48.6	48.3	3.1	5.1	42.2	23.6	28.2	7.1
Single	44.8	50.3	4.9	7.4	50.1	31.4	32.7	7.9
All Respondents	47.7	48.8	3.5	5.7	44.1	25.5	29.3	7.3

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

- Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
 2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.
 3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

Table 9. Mortgage Application Channel, First Contact, and Housing Counseling, by Loan and Demographic Characteristics

Characteristics	Mortgage Application (Percent Who Applied)		Contact Initiated by (Percentage Distribution)			Housing Counseling (Percent Who Received)
	Directly	Through Broker	Borrower	Lender	Third Party	
Loan Type						
<i>Purchase</i> ¹	57.6	41.5	64.4	6.3	29.4	8.6
First-Time Homeowner ²	55.8	43.6	61.5	6.6	31.9	16.3
Repeat Homeowner	57.1	41.7	64.8	6.3	29.0	4.9
Non-Occupant Owner	67.7	31.9	73.1	5.0	21.9	1.3
<i>Refinance</i> ¹	71.0	28.9	69.7	25.4	4.9	2.3
Homeowner Cashout ³	67.3	32.7	72.8	21.7	5.5	2.8
Homeowner Regular	73.2	26.7	68.9	26.8	4.4	2.1
Non-Occupant Owner	71.5	28.5	62.7	31.8	5.5	0.6
Loan Size						
\$50,000 or Less	84.7	14.9	76.2	12.5	11.3	4.3
\$50,001 to \$150,000	67.6	32.3	67.2	16.6	16.2	7.9
\$150,001 to \$300,000	60.2	38.8	65.3	13.4	21.3	5.7
More than \$300,000	56.3	43.0	66.1	12.1	21.8	2.9
Credit Score ²						
Lower than 620	62.9	35.7	61.1	19.9	19.0	11.1
620 to 679	57.8	41.3	62.8	18.0	19.1	9.2
680 to 719	62.5	37.1	66.3	15.4	18.3	7.7
720 or Higher	65.0	34.6	68.3	12.5	19.2	4.1
Respondent Age						
35 Years or Younger	59.4	40.6	65.3	8.1	26.6	9.5
36 to 45	58.7	40.5	70.1	11.9	17.9	5.9
46 to 55	63.3	35.9	65.0	18.0	17.0	5.2
56 to 65	69.7	29.5	68.1	18.5	13.4	3.1
Older than 65	73.9	25.3	63.4	22.3	14.2	2.0
Respondent Race/Ethnicity						
Non-Hispanic White	65.3	34.3	68.9	12.9	18.1	4.7
Hispanic and Non-White	56.8	42.3	59.3	18.7	22.0	10.0
Respondent Education						
High School or Less	66.1	33.6	64.7	20.4	14.9	7.0
Some College	62.7	36.3	63.8	15.8	20.4	6.6
College Degree	63.5	36.2	69.0	12.7	18.3	6.0
Postgraduate	62.1	37.2	67.2	12.2	20.6	4.6
Household Income						
Less than \$50,000	66.6	33.3	63.3	18.3	18.5	10.8
\$50,000 to \$99,999	61.9	37.3	65.9	14.3	19.8	7.2
\$100,000 to \$174,999	62.1	37.3	67.2	13.2	19.6	3.2
\$175,000 or More	64.8	34.8	71.9	11.5	16.5	1.6
Household Type						
Couple	63.2	36.2	67.0	13.6	19.4	4.9
Single	63.4	36.1	65.6	16.5	18.0	9.0
All Respondents	63.2	36.2	66.6	14.3	19.1	5.9

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

- Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
 2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.
 3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

Number of Lenders Considered

The survey asked borrowers about the number of lenders a borrower seriously considered when selecting a mortgage. As reflected on Table 10, almost half of all borrowers seriously considered applying to only one lender, more than one-third seriously considered two lenders, and 15 percent indicated that they seriously considered more than two lenders. A slightly higher share of respondents who refinanced (51 percent) considered one lender compared to homebuyers (46 percent). The percentage of borrowers who considered only one lender declined with loan size, credit score, education, and household income and increased with respondent age. Forty-nine percent of non-Hispanic white borrowers and 44 percent non-white or Hispanic borrowers seriously considered only one lender.

Overall, 78 percent of borrowers applied to one lender. Three-quarters of homebuyers applied to one lender compared to over four-fifths of respondents who refinanced. First-time purchasers were the least likely to apply to one lender at 71 percent. Twenty-three percent of first-time purchasers applied to two lenders compared with 18 percent for borrowers as a whole. Borrowers aged 35 years old or younger reported applying to two lenders 21 percent of the time. Overall, four percent of borrowers applied to three lenders, and less than one percent reportedly applied to more than three lenders. The share of non-Hispanic white borrowers who applied to one lender was about seven percentage points higher than the share for non-white or Hispanic borrowers (79 percent and 72 percent, respectively).

Important Factors in Choosing the Lender

The survey asked borrowers about how important a variety of factors were in selecting a lender or broker. Tables 11 and 12 list the responses to these questions. Borrowers indicated that the lender's reputation, the lender's location, and having an established banking relationship with a lender were important considerations in choosing a lender or broker. The lender's reputation was very important to 41 percent and somewhat important to 27 percent of borrowers. Having a local office or branch nearby was very important to 36 percent of borrowers, and somewhat important to 25 percent. A banking relationship was very important to 44 percent of borrowers, and somewhat important to an additional 24 percent.

Borrowers also identified factors that were unimportant when selecting a lender. For example, whether the lender spoke the borrower's primary language (91 percent), was recommended by a website (85 percent), or was a credit union (67 percent) were reported as not important by borrowers. Homebuyers were nearly twice as likely (70 percent) as those who refinanced (41 percent) to report that a lender used previously was unimportant, and homebuyers were less likely than those refinancing loans to say that an agent or home builder's recommendation was unimportant (44 percent and 84 percent, respectively).

As shown in Table 12, half of all borrowers refinancing a mortgage reported that using a lender with an established banking relationship was very important. More than one-third of first-time homebuyers and of borrowers aged 35 years or younger found recommendations from a friend, relative, or co-worker very important in selecting a lender or broker. Homebuyers (34 percent) were much more likely than those refinancing an existing mortgage (6 percent) to report that recommendations from a real estate agent or a home builder were very important.

Table 10. Number of Lenders Considered and Applied to, by Loan and Demographic Characteristics

Characteristics	Number of Lenders Seriously Considered (Percentage Distribution)					Number of Lenders Applied to (Percentage Distribution)				
	1	2	3	4	5 or More	1	2	3	4	5 or More
Loan Type										
Purchase ¹	45.5	39.1	13.1	1.7	0.6	75.0	20.1	4.3	0.6	0.1
First-Time Homeowner ²	42.9	39.7	14.2	2.6	0.6	71.0	22.6	5.5	0.8	0.2
Repeat Homeowner	47.7	38.0	12.5	1.3	0.5	76.7	18.6	4.0	0.5	0.1
Non-Occupant Owner	42.0	43.1	12.4	1.0	1.4	79.6	19.6	0.8	0.0	0.0
Refinance¹	51.3	34.0	11.2	2.2	1.3	81.5	14.7	3.0	0.6	0.3
Homeowner Cashout ³	50.8	33.3	11.8	2.9	1.2	80.0	15.6	3.1	0.6	0.7
Homeowner Regular	51.0	35.0	10.8	1.9	1.2	82.3	13.9	3.2	0.6	0.1
Non-Occupant Owner	56.0	29.5	10.6	1.6	2.4	82.0	16.7	0.9	0.3	0.0
Loan Size										
\$50,000 or Less	59.3	28.5	10.2	1.5	0.5	83.2	11.0	3.9	0.8	1.1
\$50,001 to \$150,000	51.3	35.3	11.0	1.7	0.7	78.6	17.0	3.7	0.5	0.2
\$150,001 to \$300,000	46.6	37.7	12.7	2.1	0.9	77.2	18.2	3.8	0.6	0.2
More than \$300,000	41.8	40.2	14.4	2.2	1.4	75.7	19.9	3.6	0.7	0.1
Credit Score²										
Lower than 620	54.1	32.3	11.3	1.4	0.9	76.7	15.0	6.2	1.0	1.1
620 to 679	46.9	37.0	13.1	2.4	0.6	74.3	19.8	5.1	0.7	0.1
680 to 719	49.4	34.6	12.9	2.2	0.9	75.8	19.2	3.9	0.8	0.4
720 or Higher	47.4	37.9	12.0	1.8	1.0	79.2	17.1	3.1	0.5	0.1
Respondent Age										
35 Years or Younger	44.6	39.1	12.7	2.8	0.9	73.2	20.8	5.1	0.8	0.2
36 to 45	45.9	39.2	12.6	1.5	0.8	75.8	19.8	3.6	0.6	0.2
46 to 55	47.0	37.2	13.1	2.0	0.7	79.3	16.6	3.3	0.6	0.2
56 to 65	53.0	33.9	10.6	1.3	1.2	82.5	14.2	2.8	0.3	0.2
Older than 65	56.5	29.9	11.2	1.2	1.2	83.5	13.3	2.6	0.4	0.2
Respondent Race/Ethnicity										
Non-Hispanic White	49.2	36.4	11.9	1.6	0.8	79.3	17.0	3.1	0.4	0.2
Hispanic and Non-White	44.0	38.7	13.3	2.8	1.2	72.4	20.4	5.9	1.0	0.3
Respondent Education										
High School or Less	58.0	30.1	8.9	2.6	0.5	80.9	16.4	2.1	0.1	0.5
Some College	47.8	37.3	12.7	1.6	0.6	74.6	19.3	5.3	0.5	0.3
College Degree	48.0	37.0	12.0	1.8	1.3	79.3	16.7	3.1	0.8	0.1
Postgraduate	43.5	39.7	13.8	2.2	0.8	77.0	18.5	3.8	0.6	0.1
Household Income										
Less than \$50,000	55.0	30.4	12.0	1.9	0.7	77.2	16.9	4.5	0.8	0.6
\$50,000 to \$99,999	48.3	36.9	11.5	2.3	1.0	77.7	17.4	4.4	0.4	0.1
\$100,000 to \$174,999	45.1	39.8	12.6	1.7	0.8	77.6	18.3	3.4	0.7	0.0
\$175,000 or More	43.7	39.8	14.2	1.3	1.0	78.7	19.1	1.7	0.5	0.1
Household Type										
Couple	46.6	38.1	12.5	1.9	1.0	77.6	18.2	3.5	0.5	0.2
Single	52.2	33.4	11.7	1.9	0.7	78.0	16.6	4.6	0.7	0.1
All Respondents	48.0	36.9	12.3	1.9	0.9	77.7	17.8	3.7	0.6	0.2

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

- Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
- 2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Fannie Mae ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.
- 3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

Table 11. Importance of Decision Factors in Choosing the Lender
(Percentage Distribution)

Factors	Importance of Factors		
	Very	Somewhat	Not at All
All Mortgages			
Established banking relationship	43.6	24.1	32.4
Local office	36.0	24.5	39.6
Used previously	29.1	13.0	57.9
Lender is a personal friend	10.1	10.3	79.7
Lender operates online	19.7	25.6	54.8
Lender is a credit union	17.5	15.6	66.8
Recommended by a friend/relative/co-worker	22.3	19.8	57.9
Recommended by an agent/home builder	22.1	17.0	60.8
Recommended by a website	4.1	11.2	84.7
Lender reputation	41.2	26.9	31.9
Spoke borrower's primary language (not English)	5.8	3.1	91.1
Purchases			
Established banking relationship	38.9	25.2	35.9
Local office	37.5	26.5	36.0
Used previously	18.2	11.5	70.3
Lender is a personal friend	10.8	11.1	78.1
Lender operates online	17.8	25.4	56.9
Lender is a credit union	17.2	16.4	66.4
Recommended by a friend/relative/co-worker	28.4	21.4	50.1
Recommended by an agent/home builder	34.2	21.7	44.1
Recommended by a website	3.3	9.8	87.0
Lender reputation	40.3	27.9	31.8
Spoke borrower's primary language (not English)	5.2	3.5	91.3
Refinances			
Established banking relationship	50.0	22.5	27.5
Local office	33.8	21.7	44.5
Used previously	44.1	15.2	40.7
Lender is a personal friend	9.1	9.2	81.8
Lender operates online	22.3	25.9	51.8
Lender is a credit union	18.0	14.6	67.4
Recommended by a friend/relative/co-worker	13.8	17.5	68.7
Recommended by an agent/home builder	5.5	10.6	83.9
Recommended by a website	5.3	13.1	81.6
Lender reputation	42.6	25.3	32.1
Spoke borrower's primary language (not English)	6.5	2.5	90.9

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

Table 12. Importance of Decision Factors in Choosing the Lender, by Loan and Demographic Characteristics
(Percentage Distribution)

Characteristics	Established Banking Relationship			Recommended by Friend/Relative/Co-worker			Recommended by Agent/Home Builder		
	Very	Somewhat	Not at All	Very	Somewhat	Not at All	Very	Somewhat	Not at All
Loan Type									
Purchase ¹	38.9	25.2	35.9	28.4	21.4	50.1	34.2	21.7	44.1
First-Time Homeowner ²	37.3	27.5	35.2	38.9	24.2	36.9	37.4	24.3	38.3
Repeat Homeowner	39.4	24.0	36.6	23.8	19.9	56.3	33.8	20.5	45.7
Non-Occupant Owner	42.1	24.0	34.0	16.8	19.9	63.3	24.1	18.6	57.3
Refinance ¹	50.0	22.5	27.5	13.8	17.5	68.7	5.5	10.6	83.9
Homeowner Cashout ³	49.7	22.9	27.4	14.5	16.6	68.9	6.4	9.8	83.8
Homeowner Regular	50.7	21.8	27.5	13.4	18.1	68.5	4.9	10.9	84.2
Non-Occupant Owner	46.6	25.3	28.0	13.0	17.5	69.5	5.8	12.5	81.7
Loan Size									
\$50,000 or Less	67.9	16.5	15.6	15.4	19.3	65.3	7.6	12.9	79.5
\$50,001 to \$150,000	46.0	23.4	30.5	21.3	18.5	60.2	20.0	15.7	64.3
\$150,001 to \$300,000	40.3	25.5	34.2	24.9	19.1	55.9	25.9	17.8	56.2
More than \$300,000	39.9	24.1	36.0	20.6	23.5	55.9	22.1	18.9	58.9
Credit Score²									
Lower than 620	44.8	23.3	31.9	21.9	16.4	61.7	20.7	14.3	65.0
620 to 679	41.5	25.2	33.3	25.1	18.7	56.2	23.5	16.6	60.0
680 to 719	42.8	24.1	33.1	20.3	19.4	60.2	22.1	18.3	59.6
720 or Higher	44.3	23.8	31.9	22.0	20.5	57.5	21.9	17.1	61.0
Respondent Age									
35 Years or Younger	40.2	27.9	31.9	35.0	25.0	40.0	32.5	23.9	43.6
36 to 45	40.5	26.5	32.9	22.5	23.7	53.8	20.4	21.5	58.1
46 to 55	45.0	22.4	32.6	16.1	19.7	64.1	19.3	12.7	68.0
56 to 65	49.5	18.9	31.6	14.9	12.6	72.4	15.3	10.0	74.7
Older than 65	46.9	19.9	33.2	12.2	7.8	80.1	14.7	9.2	76.1
Respondent Race/Ethnicity									
Non-Hispanic White	43.6	23.3	33.1	21.4	18.9	59.7	21.6	15.4	63.0
Hispanic and Non-White	43.4	26.6	30.0	25.0	22.6	52.4	24.0	22.1	53.9
Respondent Education									
High School or Less	48.5	21.6	29.9	18.3	16.4	65.3	17.6	15.3	67.1
Some College	43.5	26.1	30.4	20.2	18.5	61.3	21.2	16.6	62.2
College Degree	43.6	24.6	31.8	25.6	22.2	52.2	24.1	18.1	57.8
Postgraduate	41.2	22.6	36.2	21.8	19.5	58.7	22.7	16.8	60.5
Household Income									
Less than \$50,000	46.6	23.4	30.1	24.2	18.4	57.4	20.7	17.0	62.3
\$50,000 to \$99,999	43.5	25.2	31.3	23.3	18.8	57.9	24.3	17.2	58.5
\$100,000 to \$174,999	41.6	24.3	34.1	22.3	21.4	56.3	22.1	17.0	60.9
\$175,000 or More	43.6	21.7	34.7	17.0	20.9	62.1	18.3	16.7	65.0
Household Type									
Couple	43.2	24.7	32.1	21.3	20.2	58.5	22.0	17.4	60.6
Single	44.7	22.1	33.2	25.2	18.5	56.4	22.6	15.8	61.6
All Respondents	43.6	24.1	32.4	22.3	19.8	57.9	22.1	17.0	60.8

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

- Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
 2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.
 3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

Important Factors in Choosing the Mortgage

The survey asked how important a variety of mortgage terms or features were in selecting a mortgage. As shown in Table 13, a low interest rate was very important to 91 percent of borrowers, a fixed-rate mortgage was very important to 82 percent, and a low APR was very important to 80 percent. Low closing fees were very important to 70 percent of borrowers and somewhat important for 26 percent more. Overall, 50 percent of respondents reported that a low down payment was very important. Table 14 shows that more than 50 percent of first-time homebuyers (58 percent), borrowers with income below \$50,000 (60 percent), borrowers with at most a high school education (60 percent), and borrowers with credit scores below 620 (62 percent) said a low down payment was very important in choosing the mortgage.

A low monthly payment was very important to 62 percent of all borrowers. A low monthly payment was very important to at least 70 percent of borrowers with a high school education or less, those with credit scores below 680, and those with household income below \$50,000.

6. During the Application Process

This survey asked borrowers about what additional information, if any, that a lender asked them to provide during the mortgage application process. The survey found that purchase mortgage borrowers were more likely to report a lender request for additional information than refinance borrowers. Table 15 shows that nearly 22 percent of all borrowers reported being asked to resolve problems that appeared on a credit report. The share of borrowers who reported lender requests to fix problems with their credit reports differed sharply by credit score: 47 percent of borrowers with credit score lower than 620 and 38 percent of borrowers with credit scores between 620 and 679 were asked by the lender to resolve a problem compared to 27 percent of borrowers with scores between 680 and 719 and 14 percent of borrowers with scores 720 or greater.

More than one in five borrowers had to delay their closing date. Delays were somewhat more common for purchase mortgages than for refinances. The percentage of respondents who reported that the closing date had been delayed ranged from 25 to 30 percent across homebuyers to 16 to 21 percent for borrowers who refinanced.

Almost 65 percent of respondents reported answering follow-up requests for more information, and one-fifth reported having to redo paperwork during the application process. The percent of borrowers who redid paperwork was fairly steady across groups defined by demographics and loan characteristics. In contrast, those borrowers who were asked follow-up questions varied more noticeably. More than 7 in 10 borrowers with loans of more than \$300,000 had to answer follow-up requests, while 54 percent of borrowers with loans of less than \$50,000 received such requests. The percentage of borrowers who responded to follow-up requests also rose with income and education, but the percentage fell with credit score. Purchasers were also more likely to have answered follow-up questions than those who refinanced.

Eight percent of borrowers reported needing multiple appraisals. The percentage of borrowers who required multiple appraisals was somewhat higher for first-time homebuyers, borrowers

Table 13. Importance of Decision Factors in Choosing the Mortgage
(Percentage Distribution)

Factors	Importance of Factors		
	Very	Somewhat	Not at All
All Mortgages			
Low interest rate	91.0	8.2	0.8
Low APR	79.5	14.7	5.8
Low closing fees	69.3	25.1	5.6
Low down payment	49.7	23.7	26.6
Low monthly payment	62.3	26.3	11.4
Fixed interest rate	82.0	11.4	6.7
Term less than 30 years	31.7	25.3	43.0
No mortgage insurance	39.8	24.9	35.4
Purchases			
Low interest rate	88.9	10.1	0.9
Low APR	77.3	17.1	5.6
Low closing fees	65.0	29.0	6.0
Low down payment	47.5	27.1	25.4
Low monthly payment	58.8	28.9	12.3
Fixed interest rate	79.6	13.1	7.2
Term less than 30 years	22.5	27.1	50.3
No mortgage insurance	34.7	27.6	37.7
Refinances			
Low interest rate	93.8	5.6	0.6
Low APR	82.6	11.4	6.0
Low closing fees	75.3	19.7	5.0
Low down payment	52.7	19.1	28.2
Low monthly payment	67.1	22.7	10.2
Fixed interest rate	85.1	8.9	5.9
Term less than 30 years	44.5	22.8	32.7
No mortgage insurance	46.7	21.2	32.1

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

Table 14. Importance of Decision Factors in Choosing the Mortgage, by Loan and Demographic Characteristics
(Percentage Distribution)

Characteristics	Low Down Payment			Low Monthly Payment			No Mortgage Insurance		
	Very	Somewhat	Not at All	Very	Somewhat	Not at All	Very	Somewhat	Not at All
Loan Type									
Purchase ¹	47.5	27.1	25.4	58.8	28.9	12.3	34.7	27.6	37.7
First-Time Homeowner ²	57.8	23.5	18.7	62.9	27.9	9.2	27.4	30.3	42.3
Repeat Homeowner	43.7	28.7	27.5	57.6	29.5	13.0	37.3	26.8	35.9
Non-Occupant Owner	31.0	30.6	38.4	49.8	29.8	20.4	47.2	21.6	31.1
Refinance¹									
Homeowner Cashout ³	52.7	19.1	28.2	67.1	22.7	10.2	46.7	21.2	32.1
Homeowner Regular	51.7	19.5	28.7	67.2	22.9	9.8	47.7	21.9	30.5
Homeowner Regular	53.6	18.5	27.9	66.9	22.9	10.2	45.6	21.3	33.1
Non-Occupant Owner	50.6	21.6	27.8	68.8	19.9	11.3	51.0	17.0	32.0
Loan Size									
\$50,000 or Less	52.6	22.3	25.1	68.1	20.8	11.1	32.8	27.2	40.0
\$50,001 to \$150,000	56.4	20.3	23.4	67.8	22.3	9.9	35.6	25.0	39.4
\$150,001 to \$300,000	49.1	26.0	25.0	61.1	29.0	9.9	42.5	25.5	32.1
More than \$300,000	37.2	26.6	36.2	52.3	30.2	17.5	44.1	23.0	32.9
Credit Score²									
Lower than 620	62.4	17.6	19.9	78.4	17.7	3.9	34.1	28.6	37.3
620 to 679	65.9	18.8	15.3	70.1	21.3	8.7	32.2	25.4	42.4
680 to 719	60.5	22.3	17.2	68.8	24.5	6.7	36.5	26.2	37.2
720 or Higher	41.1	26.1	32.9	56.9	29.0	14.1	43.3	24.0	32.7
Respondent Age									
35 Years or Younger	55.1	27.0	17.9	62.8	28.2	9.0	33.7	30.0	36.3
36 to 45	50.3	23.7	26.0	61.9	27.2	10.9	46.1	25.6	28.4
46 to 55	48.8	24.4	26.8	60.9	26.6	12.5	42.4	23.7	33.9
56 to 65	46.1	19.9	34.0	64.4	23.7	11.9	39.6	20.6	39.8
Older than 65	41.1	19.5	39.4	61.4	22.5	16.1	36.1	18.7	45.2
Respondent Race/Ethnicity									
Non-Hispanic White	47.4	24.2	28.3	60.7	27.4	11.9	39.1	25.4	35.5
Hispanic and Non-White	56.9	22.1	21.0	67.3	22.9	9.8	41.8	23.1	35.1
Respondent Education									
High School or Less	60.3	18.5	21.3	70.8	20.6	8.7	36.6	25.0	38.4
Some College	58.8	18.4	22.8	69.0	20.9	10.1	37.7	24.6	37.7
College Degree	48.7	26.2	25.0	61.6	27.6	10.9	40.1	25.6	34.3
Postgraduate	37.1	28.2	34.8	52.5	32.7	14.7	42.8	24.1	33.1
Household Income									
Less than \$50,000	60.0	18.5	21.6	73.7	18.7	7.6	30.4	26.1	43.4
\$50,000 to \$99,999	56.0	21.6	22.4	67.3	23.7	9.0	38.7	24.8	36.5
\$100,000 to \$174,999	44.4	28.1	27.4	58.5	30.7	10.8	45.0	24.6	30.4
\$175,000 or More	29.4	27.8	42.8	41.1	34.8	24.1	44.7	23.8	31.5
Household Type									
Couple	48.9	24.5	26.7	61.4	26.8	11.8	40.7	25.2	34.0
Single	52.2	21.5	26.3	64.9	24.9	10.2	36.8	23.8	39.5
All Respondents	49.7	23.7	26.6	62.3	26.3	11.4	39.8	24.9	35.4

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

- Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
 2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.
 3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

Table 15. Additional Steps Taken in the Mortgage Process, by Loan and Demographic Characteristics
(Percent Who Took Each Step)

Characteristics	Resolved Credit Report Issues	Answered Follow-up Requests	Had Multiple Appraisals	Redid Paperwork Due to Delays	Delayed Closing Date
Loan Type					
<i>Purchase</i> ¹	24.4	70.4	8.7	21.6	26.6
First-Time Homeowner ²	28.0	70.7	11.3	22.1	28.3
Repeat Homeowner	23.7	70.0	7.4	20.7	25.0
Non-Occupant Owner	14.8	72.0	6.8	24.7	30.4
<i>Refinance</i> ¹	18.8	57.2	6.8	17.2	17.8
Homeowner Cashout ³	22.0	57.0	8.1	18.0	20.7
Homeowner Regular	17.1	56.2	6.3	16.3	15.8
Non-Occupant Owner	16.3	65.7	4.3	20.8	19.7
Loan Size					
\$50,000 or Less	18.3	53.5	8.1	22.3	25.2
\$50,001 to \$150,000	23.8	60.2	7.5	20.7	24.1
\$150,001 to \$300,000	21.7	67.2	7.2	18.6	21.3
More than \$300,000	20.1	71.7	9.9	19.5	23.3
Credit Score ²					
Lower than 620	46.7	67.4	11.2	26.3	26.0
620 to 679	37.9	67.4	8.5	24.3	28.7
680 to 719	26.8	68.0	9.0	21.8	25.3
720 or Higher	14.1	63.1	7.1	17.4	20.4
Respondent Age					
35 Years or Younger	21.6	67.4	9.7	19.8	25.1
36 to 45	22.7	68.1	9.1	20.7	24.5
46 to 55	24.0	62.1	6.9	21.3	22.3
56 to 65	20.5	61.6	5.2	16.4	19.2
Older than 65	19.6	61.8	6.9	19.5	20.4
Respondent Race/Ethnicity					
Non-Hispanic White	20.4	64.6	7.0	18.8	21.4
Hispanic and Non-White	27.4	65.7	10.7	22.9	27.7
Respondent Education					
High School or Less	24.2	57.1	7.2	19.0	24.0
Some College	27.2	62.8	8.1	21.3	24.9
College Degree	21.6	66.5	8.8	19.4	21.2
Postgraduate	16.5	68.4	6.8	19.0	22.7
Household Income					
Less than \$50,000	23.8	60.4	9.3	21.9	27.4
\$50,000 to \$99,999	25.0	63.1	8.1	20.4	23.2
\$100,000 to \$174,999	19.9	67.4	7.3	18.3	21.1
\$175,000 or More	15.8	70.4	6.8	18.1	20.0
Household Type					
Couple	22.1	65.5	7.9	19.8	22.5
Single	21.8	63.0	7.8	19.7	24.2
All Respondents	22.0	64.9	7.9	19.8	22.9

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.

3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

with credit scores below 620, those with loans for more than \$300,000, and Hispanic and non-White borrowers.

7. Closing on a Mortgage

The survey asked questions about the closing process, including locking the interest rate, the sources of information used by borrowers about their closing, funding the closing costs, finding a settlement agent, title insurance, and other features of the mortgage. Tables 16 to 18 reflect the responses to these questions.

Timing of Interest Rate Lock

Survey respondents were asked when their interest rate was set or locked. Table 16 shows how the respondents reported the timing of their interest rate lock. Forty-two percent reported that their rate was set or locked when they applied for the loan, 46 percent indicated that their rate was set or locked between the application and closing dates, and 12 percent reported that their interest rate was set or locked around the time of closing. A majority of homebuyers indicated that their interest rate was set or locked between the application and closing dates, compared to a majority of refinancing borrowers who indicated that their rate was set or locked at application.

Source of Information on Closing Documents

Fifty-nine percent of borrowers reported seeking information or input from the lender or broker on closing documents. Thirty-one percent of all borrowers and 60 percent of first-time homebuyers asked their real estate agent for input about their closing documents. Thirteen to 20 percent of borrowers reportedly sought input from the settlement agent, an attorney, the title agent, or a trusted friend, and one percent turned to a housing counselor for input on the mortgage closing. The percentage of borrowers seeking input on closing documents was uniformly higher for homebuyers than for refinancing borrowers.

Closing Costs

The survey asked borrowers to report who paid any of the closing costs. Because costs could be funded through multiple sources, the percentages do not add up to 100 percent. Table 17 reflects that the borrower paid at least some of the costs of closing the loan on 63 percent of loans. In purchase transactions, 78 percent of borrowers paid all closing costs and the lender and seller were less likely to have paid some of the closing costs (12 percent and 36 percent of loans, respectively). For refinances, the lender paid some or all of closing costs for 25 percent of the loans, and the borrower paid some or all of the closing costs for 43 percent. Closing costs were added to the mortgage amount for 32 percent of loans: 17 percent of purchases and 52 percent of refinances.

Selecting Settlement Agent

The survey also asked respondents about their search for a settlement agent and about the features present in the mortgage they obtained. Table 18 lists the responses to these questions. Nearly two-thirds of respondents indicated that the lender recommended the settlement agent.

Table 16. Timing of Interest Rate Lock and Sources of Input About Closing Documents, by Loan and Demographic Characteristics

Characteristics	Locked or Set Interest Rate (Percentage Distribution)		Sources of Input About Closing Documents (Percentage Who Sought Input from Each Source)						Housing Counselor
	At Application	Round and Closing	Attorney	Real Estate Agent	Settlement Agent	Title Agent	Trusted Friend		
Loan Type									
Purchase ¹	34.3	50.9	17.2	50.1	20.4	17.1	25.3	1.1	
First-Time Homeowner ²	30.5	51.2	20.3	59.8	19.3	17.5	43.6	2.3	
Repeat Homeowner	35.7	51.0	14.5	47.0	21.1	17.0	16.0	0.6	
Non-Occupant Owner	40.7	48.9	21.9	31.8	20.1	16.6	11.1	0.4	
Refinance ¹	53.0	38.3	7.9	4.4	13.7	8.6	12.8	0.5	
Homeowner Cashout ³	51.7	39.5	7.7	5.1	14.2	9.2	13.1	0.4	
Homeowner Regular	54.8	36.4	7.7	4.3	13.4	8.3	13.2	0.6	
Non-Occupant Owner	45.0	47.1	10.8	2.6	14.0	7.7	8.0	0.2	
Loan Size									
\$50,000 or Less	52.5	33.4	8.3	16.7	11.3	11.2	19.4	0.0	
\$50,001 to \$150,000	44.3	41.8	13.0	30.9	16.0	13.1	20.6	1.2	
\$150,001 to \$300,000	40.4	48.3	12.7	33.2	18.6	14.4	21.1	0.7	
More than \$300,000	39.2	50.3	16.0	29.3	19.9	13.3	16.9	0.8	
Credit Score²									
Lower than 620	43.2	40.7	8.7	25.9	15.6	12.8	17.7	0.7	
620 to 679	38.6	46.6	12.4	30.8	18.1	13.1	22.4	1.4	
680 to 719	40.5	46.3	12.2	31.8	18.3	15.1	23.5	0.8	
720 or Higher	43.5	45.6	14.2	31.1	17.4	13.3	18.6	0.7	
Respondent Age									
35 Years or Younger	33.2	51.3	15.4	50.0	18.8	16.4	37.2	1.3	
36 to 45	39.0	47.5	11.9	27.8	14.5	13.0	19.1	0.9	
46 to 55	45.8	44.5	13.3	23.3	17.8	12.5	13.0	0.9	
56 to 65	49.4	40.6	11.4	19.4	19.6	11.6	8.4	0.4	
Older than 65	54.7	35.7	13.7	20.0	17.3	12.1	8.4	0.4	
Respondent Race/Ethnicity									
Non-Hispanic White	42.7	45.7	13.7	31.1	17.6	12.7	19.6	0.5	
Hispanic and Non-White	40.5	45.2	12.2	30.3	17.4	16.1	21.4	2.0	
Respondent Education									
High School or Less	47.4	38.5	11.8	25.5	16.3	11.3	16.2	1.1	
Some College	43.2	42.9	10.7	30.4	15.9	14.0	19.2	0.5	
College Degree	39.7	48.0	13.3	32.3	17.9	13.9	23.0	1.0	
Postgraduate	41.8	48.5	16.6	32.0	19.4	13.7	18.8	0.9	
Household Income									
Less than \$50,000	46.7	39.4	11.4	33.1	14.1	13.5	23.4	1.8	
\$50,000 to \$99,999	41.5	44.9	12.6	32.9	17.5	14.0	22.0	0.9	
\$100,000 to \$174,999	38.6	50.0	13.2	29.5	18.7	13.1	18.9	0.4	
\$175,000 or More	45.1	46.9	17.8	25.1	20.2	13.3	12.5	0.7	
Household Type									
Couple	41.4	46.1	13.1	30.4	17.7	14.1	19.0	0.8	
Single	44.6	44.1	14.0	32.4	17.1	11.8	23.2	1.0	
All Respondents	42.2	45.6	13.3	30.9	17.6	13.5	20.0	0.9	

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

- Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
 2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vanantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.
 3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

Table 17. Source of Funding for the Closing Costs, by Loan and Demographic Characteristics
(Percent Who Reported Each Source)

Characteristics	Closing Costs Paid			
	By Borrower	By Lender	By Seller	By Adding to Mortgage
Loan Type				
<i>Purchase</i> ¹	78.1	12.4	36.3	17.4
First-Time Homeowner ²	75.4	13.6	46.1	17.0
Repeat Homeowner	77.7	11.8	33.0	18.1
Non-Occupant Owner	91.5	11.7	18.4	15.2
<i>Refinance</i> ¹	43.1	24.5	0.0	51.6
Homeowner Cashout ³	39.8	25.4	0.0	60.5
Homeowner Regular	45.2	24.7	0.0	45.9
Non-Occupant Owner	42.7	19.6	0.0	53.5
Loan Size				
\$50,000 or Less	50.6	16.8	9.7	36.4
\$50,001 to \$150,000	60.9	14.7	22.3	34.0
\$150,001 to \$300,000	64.4	17.7	22.3	30.3
More than \$300,000	68.9	22.6	18.5	29.6
Credit Score ²				
Lower than 620	46.8	19.8	23.2	37.9
620 to 679	54.3	16.6	24.5	36.0
680 to 719	60.0	19.4	23.9	34.6
720 or Higher	68.3	17.1	19.1	29.4
Respondent Age				
35 Years or Younger	70.4	14.0	37.6	23.3
36 to 45	64.4	17.0	20.7	29.9
46 to 55	61.0	20.1	14.3	36.0
56 to 65	56.6	18.2	9.8	39.0
Older than 65	58.1	21.5	8.5	39.0
Respondent Race/Ethnicity				
Non-Hispanic White	63.4	16.7	21.6	33.3
Hispanic and Non-White	63.4	20.0	19.2	27.1
Respondent Education				
High School or Less	50.0	17.8	16.7	37.5
Some College	57.0	15.8	20.6	35.2
College Degree	65.8	17.5	22.8	29.1
Postgraduate	72.9	19.1	21.2	29.4
Household Income				
Less than \$50,000	56.9	14.4	23.2	31.3
\$50,000 to \$99,999	60.2	16.4	23.2	33.9
\$100,000 to \$174,999	67.0	19.1	19.3	31.9
\$175,000 or More	73.5	21.4	15.8	26.7
Household Type				
Couple	63.4	18.1	20.9	32.2
Single	63.5	15.6	21.4	30.6
All Respondents	63.4	17.5	21.0	31.8

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.

3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

Table 18. Settlement Agent Selection and Mortgage Features, by Loan and Demographic Characteristics

Characteristics	Settlement Agent Selection (Percent Who Used Each Method)			Mortgage Features (Percent with Each Feature)				
	Lender Recommended	Previous Agent	Shopped Around	Prepayment Penalty	Escrow Account	Balloon Payment	Interest-Only Payment	Credit/Debt Insurance
Loan Type								
Purchase ¹	64.6	19.7	16.5	2.2	83.9	2.3	4.5	6.8
First-Time Homeowner ²	63.6	14.5	20.5	2.5	86.1	1.9	5.2	9.4
Repeat Homeowner	65.8	21.0	14.2	2.3	84.4	2.3	4.3	5.7
Non-Occupant Owner	61.2	32.0	15.4	0.8	71.5	4.3	3.0	3.5
Refinance ¹	62.4	23.6	11.7	2.9	74.6	2.3	4.7	4.3
Homeowner Cashout ³	64.4	22.8	10.5	2.9	74.6	3.2	4.3	5.1
Homeowner Regular	60.9	23.2	12.2	3.1	75.0	1.7	5.2	4.0
Non-Occupant Owner	64.1	30.2	14.1	1.0	71.3	2.2	3.3	2.8
Loan Size								
\$50,000 or Less	44.3	27.4	13.9	6.2	61.6	7.1	8.7	10.7
\$50,001 to \$150,000	62.7	20.6	14.3	2.7	81.8	2.0	4.1	7.6
\$150,001 to \$300,000	65.9	20.6	15.0	1.9	83.6	1.8	4.3	4.7
More than \$300,000	65.2	23.3	13.9	2.7	73.1	2.9	5.2	3.2
Credit Score²								
Lower than 620	65.9	21.5	13.1	5.4	87.7	4.0	6.7	16.7
620 to 679	64.2	21.7	15.8	2.3	85.7	1.5	5.0	7.2
680 to 719	60.4	18.4	15.4	2.2	84.3	1.4	4.3	4.9
720 or Higher	64.2	22.1	14.0	2.4	76.5	2.6	4.4	4.6
Respondent Age								
35 Years or Younger	62.4	20.6	18.6	3.1	86.6	1.7	4.7	8.5
36 to 45	65.7	23.3	15.0	2.3	79.6	1.9	4.4	5.1
46 to 55	63.5	21.5	12.9	2.3	79.9	2.3	3.8	4.6
56 to 65	64.7	19.8	11.5	1.5	74.2	3.3	5.6	5.3
Older than 65	61.4	21.4	10.4	3.6	71.3	3.3	5.2	3.1
Respondent Race/Ethnicity								
Non-Hispanic White	64.7	21.6	12.8	2.3	81.1	2.4	4.3	5.3
Hispanic and Non-White	60.3	20.8	19.9	3.0	76.3	2.1	5.7	7.3
Respondent Education								
High School or Less	56.2	26.8	15.5	4.4	79.0	2.4	7.5	7.3
Some College	61.6	20.5	16.4	2.1	81.4	1.9	4.4	6.3
College Degree	64.6	20.2	13.8	2.6	81.0	2.8	4.5	5.5
Postgraduate	68.0	21.3	13.0	1.8	77.6	2.0	3.7	4.9
Household Income								
Less than \$50,000	57.6	21.9	15.9	3.3	79.7	2.6	5.4	7.4
\$50,000 to \$99,999	63.5	20.2	14.0	2.4	82.9	1.5	4.3	6.9
\$100,000 to \$174,999	66.2	21.6	14.8	2.0	80.3	2.5	4.6	4.6
\$175,000 or More	67.1	23.3	13.4	3.0	71.7	3.9	4.2	2.7
Household Type								
Couple	64.5	21.4	14.4	2.4	79.7	2.4	4.8	5.8
Single	61.1	21.3	14.8	2.7	80.6	1.9	4.0	5.8
All Respondents	63.7	21.4	14.5	2.5	80.0	2.3	4.6	5.8

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

- Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
- 2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.
- 3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

More than one-fifth of borrowers overall indicated they selected an agent they had used previously, with slightly greater shares for investors and those who refinanced. Fifteen percent of borrowers shopped around for a settlement agent to handle their closing, with the highest share for first-time homebuyers.

Mortgage Features

Eighty percent of borrowers reported that their mortgages included an escrow account for taxes or homeowner insurance, with a higher share for purchases than refinances. Among mortgage features reported, three percent of borrowers reported loans that included a pre-payment penalty, and two percent of borrowers reported that their loan included a balloon payment feature. About six percent of borrowers reported that their loan included credit life, debt suspension, or debt cancellation insurance. These types of insurance were more common for first-time homebuyers, borrowers with credit scores less than 620, loans of \$50,000 or less, incomes less than \$50,000, or high school or less education.

8. Satisfaction with Mortgage Terms, Mortgage Process and Information

The survey asked borrowers about their satisfaction with the terms, interest rate, and closing costs received on their most recent mortgages. The survey also asked borrowers about their satisfaction with the lender or broker used by the borrower, the application and closing process, and the mortgage disclosure documents provided to the borrower. Tables 19 to 21 reflect the response to these questions.

Satisfaction with Overall Mortgage Terms

Seventy-eight percent of respondents indicated that they were very satisfied with the general terms of their mortgage, and 20 percent more indicated that they were somewhat satisfied. Two percent of respondents indicated that they were not at all satisfied with their mortgage terms. There was little variation in reported satisfaction across groups of borrowers.

Satisfaction with Interest Rate

Sixty-nine percent of respondents indicated that they were very satisfied that they received the lowest interest rate for which they could qualify, and 26 percent reported they were somewhat satisfied. Overall, five percent of borrowers were not satisfied that they received the lowest interest rate for which they could qualify. Borrowers older than 65 years (9 percent) and Hispanic or non-white borrowers (7 percent) were slightly more likely to report being dissatisfied with their interest rate.

Satisfaction with Closing Costs

Respondents were less likely to report that they were very satisfied that they had received the lowest closing costs than those who were very satisfied with the terms and interest rates as described above. Approximately 58 percent were very satisfied that they had received the

Table 19. Satisfaction that Mortgage Was the Loan with the Best Features, by Loan and Demographic Characteristics
(Percentage Distribution)

Characteristics	Terms			Interest Rate			Closing Costs		
	Very	Somewhat	Not at All	Very	Somewhat	Not at All	Very	Somewhat	Not at All
Loan Type									
Purchase ¹	77.1	20.7	2.2	68.5	26.2	5.3	55.0	36.7	8.3
First-Time Homeowner ²	74.5	23.3	2.2	65.9	29.4	4.8	56.5	36.1	7.4
Repeat Homeowner	78.2	19.7	2.1	69.6	24.7	5.6	54.9	36.4	8.8
Non-Occupant Owner	81.0	16.4	2.6	71.5	23.0	5.5	50.0	41.7	8.3
Refinance¹									
Homeowner Cashout ³	78.3	19.9	1.9	70.6	24.5	4.8	61.9	30.7	7.3
Homeowner Regular	75.4	22.1	2.4	67.1	27.5	5.4	56.0	35.4	8.6
Homeowner Regular	80.7	17.8	1.5	73.3	22.1	4.7	65.5	27.7	6.8
Non-Occupant Owner	73.2	24.9	1.9	66.9	29.6	3.5	62.0	32.6	5.4
Loan Size									
\$50,000 or Less	80.4	18.0	1.6	72.8	22.7	4.4	65.9	24.2	9.9
\$50,001 to \$150,000	78.7	19.2	2.1	71.2	23.2	5.6	61.0	31.7	7.3
\$150,001 to \$300,000	75.8	22.1	2.1	68.4	27.3	4.3	57.0	35.6	7.4
More than \$300,000	78.4	19.8	1.9	67.1	26.9	5.9	52.3	38.2	9.4
Credit Score²									
Lower than 620	65.9	29.0	5.1	71.5	23.9	4.6	59.9	30.5	9.6
620 to 679	74.7	23.7	1.6	69.0	27.4	3.6	61.6	31.8	6.6
680 to 719	75.2	21.5	3.3	68.1	26.5	5.4	59.3	32.0	8.7
720 or Higher	80.1	18.3	1.6	69.7	24.9	5.5	56.4	35.8	7.9
Respondent Age									
35 Years or Younger	76.9	21.2	1.9	67.8	28.5	3.7	57.6	35.9	6.5
36 to 45	75.3	22.4	2.3	69.4	25.8	4.8	55.1	37.2	7.6
46 to 55	77.6	20.0	2.4	69.2	25.7	5.1	58.3	33.1	8.6
56 to 65	80.3	17.9	1.8	72.1	21.9	6.0	60.6	31.9	7.5
Older than 65	80.6	17.9	1.5	69.8	21.4	8.8	60.3	28.7	11.0
Respondent Race/Ethnicity									
Non-Hispanic White	79.9	18.6	1.5	71.9	23.7	4.4	59.2	34.3	6.4
Hispanic and Non-White	70.4	25.8	3.8	61.4	31.2	7.3	53.8	33.8	12.4
Respondent Education									
High School or Less	74.8	22.4	2.9	70.0	23.6	6.4	62.4	27.7	9.9
Some College	77.4	20.7	1.8	71.5	22.7	5.8	60.9	32.2	6.8
College Degree	78.4	19.6	1.9	69.9	25.6	4.5	57.9	35.1	7.1
Postgraduate	78.1	19.9	2.0	66.3	29.0	4.7	52.9	38.1	9.0
Household Income									
Less than \$50,000	75.5	22.3	2.1	69.6	23.8	6.5	61.5	28.0	10.4
\$50,000 to \$99,999	76.4	21.1	2.6	69.4	25.3	5.3	58.4	34.3	7.3
\$100,000 to \$174,999	77.9	20.5	1.6	66.9	28.7	4.4	55.9	36.9	7.3
\$175,000 or More	83.1	15.5	1.4	73.9	21.8	4.3	56.1	36.7	7.1
Household Type									
Couple	78.3	19.9	1.8	70.1	25.2	4.7	58.0	34.4	7.5
Single	75.5	21.7	2.8	67.3	26.4	6.3	57.7	33.4	8.9
All Respondents	77.6	20.3	2.0	69.4	25.5	5.1	57.9	34.2	7.9

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

- Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
- 2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.
- 3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

lowest closing costs, and 34 percent were somewhat satisfied that they received the lowest closing costs. Eight percent were not satisfied that they had received the lowest closing costs. Borrowers with household income less than \$50,000 (10 percent), Hispanic or non-white borrowers (12 percent), and borrowers older than 65 years (11 percent) were more likely to be dissatisfied with their closing costs than other groups.

Satisfaction with Lender or Broker

Table 20 reflects the respondents' overall satisfaction with the lender or broker used by the borrower, the mortgage application process, and the loan closing process. More than 95 percent of all respondents indicated that they were very or somewhat satisfied with the lender or broker they used. Three out of four respondents were reportedly very satisfied with their lender. Four percent were dissatisfied with their lender.

Satisfaction with Mortgage Application Process

Overall, more than 90 percent of respondents reported that they were very or somewhat satisfied with the mortgage application process. More than 60 percent reported they were very satisfied, and an additional 31 percent were somewhat satisfied. About 7 percent were not satisfied. Investors who purchased a house (11 percent), borrowers with loans larger than \$300,000 (nine percent), respondents with a postgraduate degree (10 percent), and borrowers with incomes \$175,000 and above (10 percent) were more likely to be dissatisfied with the application process.

Satisfaction with Mortgage Closing Process

Ninety-three percent of respondents reported that they were very or somewhat satisfied with the mortgage closing process. Sixty-six percent reported that they were very satisfied, and 27 percent reported that they were somewhat satisfied. Investors who purchased a house (9 percent) were more likely to be dissatisfied with the closing process.

Satisfaction with Mortgage Disclosure Documents

Table 21 reflects the overall satisfaction of borrowers with the information in mortgage disclosure documents, the timeliness of the mortgage disclosure documents, and their settlement agent. Very high percentages of respondents indicated they were very or somewhat satisfied with the information (96 percent), timeliness of the mortgage disclosure process (94 percent), and with their settlement agent (95 percent). First-time homebuyers and borrowers with loans above \$300,000 (six percent each) were more likely to report that they were not satisfied with disclosures. Investors, borrowers with loans above \$300,000, and respondents with a postgraduate degree (eight percent each) were more likely to report that they were not satisfied with timeliness. Investors, borrowers with the largest loans, borrowers with credit scores below 620, Hispanic and non-white borrowers, and borrowers with incomes above \$175,000 (six to nine percent) were more likely to report that they were not satisfied with the settlement agent.

Table 20. Satisfaction with the Mortgage Process, by Loan and Demographic Characteristics
(Percentage Distribution)

Characteristics	Lender or Broker			Application			Closing		
	Very	Somewhat	Not at All	Very	Somewhat	Not at All	Very	Somewhat	Not at All
Loan Type									
Purchase ¹	75.2	20.0	4.8	60.1	31.6	8.3	63.3	28.6	8.0
First-Time Homeowner ²	75.7	20.5	3.9	59.8	33.2	7.0	61.1	31.5	7.4
Repeat Homeowner	75.1	19.5	5.4	61.2	29.9	8.9	64.9	26.9	8.2
Non-Occupant Owner	73.7	21.4	4.9	54.0	35.5	10.5	62.2	28.6	9.3
Refinance¹	77.0	29.6	2.6	64.7	29.6	5.7	69.6	24.9	5.5
Homeowner Cashout ³	74.3	22.3	3.4	62.0	31.5	6.5	67.6	25.7	6.7
Homeowner Regular	79.3	18.5	2.1	67.7	27.3	5.0	72.4	22.9	4.8
Non-Occupant Owner	71.9	25.0	3.1	54.3	37.9	7.8	57.6	36.7	5.8
Loan Size									
\$50,000 or Less	78.7	20.8	0.4	67.6	27.3	5.2	72.6	23.0	4.4
\$50,001 to \$150,000	77.6	18.9	3.6	63.5	29.8	6.8	66.1	27.6	6.3
\$150,001 to \$300,000	74.7	21.2	4.1	62.4	30.7	7.0	66.3	26.4	7.3
More than \$300,000	74.6	20.4	5.0	57.4	33.5	9.1	63.7	28.2	8.1
Credit Score²									
Lower than 620	69.2	25.8	5.1	56.2	38.0	5.8	62.4	30.9	6.6
620 to 679	76.9	19.7	3.4	63.4	29.7	6.9	66.1	27.9	6.1
680 to 719	74.7	21.2	4.0	61.0	31.7	7.3	65.6	27.1	7.3
720 or Higher	76.6	19.5	3.9	62.4	30.1	7.5	66.3	26.5	7.2
Respondent Age									
35 Years or Younger	76.3	19.7	4.0	60.9	31.6	7.5	61.3	31.8	6.9
36 to 45	73.4	21.5	5.1	59.0	33.9	7.1	63.4	29.6	7.0
46 to 55	74.8	21.2	4.0	62.1	30.1	7.8	68.0	24.0	8.0
56 to 65	77.9	19.6	2.4	65.9	27.9	6.2	70.8	22.9	6.3
Older than 65	80.1	16.9	3.0	65.4	27.3	7.3	72.6	21.7	5.7
Respondent Race/Ethnicity									
Non-Hispanic White	77.5	18.7	3.8	62.9	30.0	7.1	67.4	26.1	6.5
Hispanic and Non-White	71.1	24.7	4.3	59.1	33.1	7.8	61.2	30.2	8.5
Respondent Education									
High School or Less	78.7	18.3	3.0	66.1	28.3	5.5	69.7	23.4	6.9
Some College	76.6	20.2	3.2	65.2	28.6	6.2	67.7	25.8	6.6
College Degree	76.1	20.1	3.8	61.9	31.7	6.4	65.2	28.6	6.1
Postgraduate	73.8	21.0	5.2	57.1	32.7	10.2	63.4	28.1	8.4
Household Income									
Less than \$50,000	77.2	20.1	2.7	63.3	31.2	5.5	65.3	28.6	6.2
\$50,000 to \$99,999	75.5	19.9	4.6	63.6	29.5	6.8	66.7	26.0	7.3
\$100,000 to \$174,999	75.2	21.8	3.0	60.5	31.7	7.8	65.4	27.5	7.1
\$175,000 or More	77.0	17.6	5.5	58.8	31.6	9.6	65.9	27.3	6.8
Household Type									
Couple	76.3	19.9	3.8	61.7	30.9	7.4	66.3	27.1	6.6
Single	74.8	20.8	4.4	63.1	30.2	6.7	64.8	27.0	8.2
All Respondents	75.9	20.1	3.9	62.0	30.8	7.2	66.0	27.1	7.0

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

- Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
- 2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.
- 3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

Table 21. Satisfaction with Information During the Mortgage Process, by Loan and Demographic Characteristics
(Percentage Distribution)

Characteristics	Disclosures			Timeliness			Settlement Agent		
	Very	Somewhat	Not at All	Very	Somewhat	Not at All	Very	Somewhat	Not at All
Loan Type									
Purchase ¹	63.1	31.8	5.0	62.9	29.8	7.3	69.1	25.7	5.2
First-Time Homeowner ²	60.9	33.5	5.6	61.3	32.0	6.7	66.9	28.7	4.5
Repeat Homeowner	65.1	30.3	4.6	64.4	28.0	7.6	71.2	23.3	5.5
Non-Occupant Owner	59.9	34.6	5.6	59.9	32.4	7.8	65.0	28.9	6.1
Refinance¹	67.5	29.0	3.5	66.4	28.0	5.6	70.8	24.3	4.9
Homeowner Cashout ³	65.7	29.6	4.7	63.4	29.9	6.7	70.2	24.8	5.0
Homeowner Regular	70.3	27.0	2.8	69.3	26.1	4.6	72.3	23.2	4.5
Non-Occupant Owner	55.1	41.0	3.9	59.1	33.5	7.4	63.1	29.6	7.3
Loan Size									
\$50,000 or Less	71.6	26.2	2.2	69.7	25.0	5.3	73.2	21.6	5.2
\$50,001 to \$150,000	65.7	29.9	4.4	63.9	29.4	6.7	69.9	25.6	4.5
\$150,001 to \$300,000	65.2	31.1	3.7	65.6	28.6	5.9	71.4	23.9	4.7
More than \$300,000	61.9	32.0	6.1	62.1	30.0	8.0	66.1	26.9	6.9
Credit Score²									
Lower than 620	63.0	32.5	4.5	62.1	30.8	7.2	62.5	29.7	7.8
620 to 679	66.8	28.3	4.9	63.2	30.1	6.7	73.2	23.6	3.3
680 to 719	65.5	30.3	4.2	63.5	28.7	7.8	68.2	25.3	6.5
720 or Higher	64.5	31.2	4.3	65.2	28.7	6.2	70.0	25.0	5.0
Respondent Age									
35 Years or Younger	62.6	32.2	5.1	63.8	29.4	6.8	67.5	29.1	3.4
36 to 45	61.9	33.7	4.4	61.5	31.6	6.9	67.3	26.2	6.5
46 to 55	65.5	29.8	4.6	64.1	28.7	7.2	70.4	23.8	5.8
56 to 65	68.8	28.2	3.0	67.3	27.5	5.2	73.7	21.9	4.3
Older than 65	71.2	24.6	4.2	68.8	25.4	5.8	74.8	19.2	6.0
Respondent Race/Ethnicity									
Non-Hispanic White	67.0	29.1	4.0	66.1	27.7	6.1	72.0	23.5	4.4
Hispanic and Non-White	58.7	35.5	5.8	58.9	33.2	7.9	62.9	30.1	7.1
Respondent Education									
High School or Less	67.5	28.3	4.2	65.6	28.1	6.4	69.7	23.9	6.4
Some College	68.6	27.9	3.4	66.4	27.3	6.3	73.0	22.3	4.7
College Degree	63.8	31.7	4.5	64.0	30.1	5.9	69.5	26.4	4.1
Postgraduate	61.8	32.9	5.3	62.4	29.8	7.9	67.2	26.7	6.1
Household Income									
Less than \$50,000	64.0	31.5	4.5	61.9	30.7	7.4	69.1	26.1	4.8
\$50,000 to \$99,999	65.6	30.1	4.2	64.9	28.9	6.3	69.6	25.0	5.5
\$100,000 to \$174,999	65.6	30.2	4.2	65.7	28.4	5.9	71.5	24.3	4.2
\$175,000 or More	63.2	31.5	5.2	64.0	28.4	7.6	68.2	25.6	6.2
Household Type									
Couple	65.6	30.2	4.2	64.7	28.7	6.6	70.5	24.6	4.9
Single	63.1	31.9	5.0	63.6	29.9	6.5	67.9	26.5	5.6
All Respondents	65.0	30.6	4.4	64.4	29.0	6.6	69.8	25.1	5.1

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

- Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
 2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.
 3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

9. Opinions on Homeownership and Financial Responsibility

The survey asked borrowers whether they agreed or disagreed with statements about homeownership and financial responsibility. The results are reflected in Table 22. For example, over 90 percent of all groups of respondents agreed that owning a home is a good financial investment.

Late Payments and Credit Rating

Borrowers were asked if they thought that late payment of their mortgage would lower their credit ratings. More than nine out of 10 respondents agreed that late payments would lower their credit ratings. This opinion was shared by most respondents, ranging from 95 percent for investors who purchased a property to 88 percent for respondents with at most a high school education. Thirteen percent of respondents (12 percent of homebuyers and 16 percent of refinancing borrowers) agreed with the statement that lenders should not care about late payments, only whether loans are fully repaid. The share that agreed with this statement differed across groups, from nine percent for borrowers with incomes above \$175,000 to about 19 percent among those who borrowed \$50,000 or less and about 23 percent for borrowers who had a credit score below 620.

Mortgage Default and Borrower's Financial Interest

Respondents were far less likely to agree with the statement that it is okay to default or stop paying if it is in the borrower's financial interest. An estimated six percent of respondents agreed with this statement, with investor buyers (four percent) and non-Hispanic white respondents (five percent) least likely to agree with this statement. Hispanic or non-white borrowers (eight percent), refinancing investors (10 percent), and borrowers with mortgages above \$300,000 (seven percent) were more likely to agree that it is okay to default when it is in the borrower's financial interest.

10. Recent Changes in Neighborhood Housing

The survey asked borrowers' opinions about changes in the neighborhoods where homes were located for which they had most recently acquired a mortgage. The survey also asked borrowers for their opinion on changes to house prices and the overall desirability of living in the neighborhood. Tables 23 and 24 reflect respondents' responses.

Change in Number of Homes Available for Sale

Almost 70 percent indicated that the number of homes available for sale in their neighborhood experienced little or no change, while slightly more than one-fourth reported that the number for sale had increased significantly (Table 23). About four percent of respondents reported the number of homes for sale declined significantly in their neighborhood. There was little variation across borrower groups in reporting either a significant increase or significant decrease in the number of homes for sale. Borrowers with loans above \$300,000 (six percent), borrowers with incomes above \$175,000 (six percent), and borrowers with credit scores below 620 (seven

Table 22. Opinions on Homeownership, Lenders, and Mortgage Payments, by Loan and Demographic Characteristics
(Percent Who Agreed with Each Statement)

Characteristics	Owning a Home Is a Good Financial Investment	Mortgage Lenders Generally Treat Borrowers Well	Late Payments Will Lower Credit Rating	Lenders Should Not Care About Late Payments, Only Whether Loans Fully Repaid	It is Okay to Default If It Is in the Borrower's Financial Interest
Loan Type					
<i>Purchase</i> ¹	95.4	78.9	93.3	11.7	5.7
First-Time Homeowner ²	95.5	78.4	93.1	13.8	6.6
Repeat Homeowner	95.5	78.8	93.2	11.1	5.4
Non-Occupant Owner	95.1	82.4	95.1	6.8	4.0
<i>Refinance</i> ¹	95.0	77.3	91.6	15.9	6.4
Homeowner Cashout ³	96.1	77.2	90.8	14.2	5.8
Homeowner Regular	94.2	77.5	91.5	16.8	6.4
Non-Occupant Owner	95.7	76.3	95.8	17.0	9.6
Loan Size					
\$50,000 or Less	97.4	77.4	89.9	13.5	6.8
\$50,001 to \$150,000	96.3	81.0	90.9	15.8	5.1
\$150,001 to \$300,000	94.8	78.2	93.8	12.4	6.1
More than \$300,000	93.7	73.1	94.0	11.0	7.4
Credit Score ²					
Lower than 620	96.4	77.9	92.0	23.3	6.1
620 to 679	95.9	78.1	91.8	16.9	5.9
680 to 719	96.1	79.0	92.0	15.8	5.2
720 or Higher	94.7	78.1	93.0	11.0	6.3
Respondent Age					
35 Years or Younger	96.0	80.4	92.7	12.8	6.0
36 to 45	95.0	75.9	94.0	12.6	7.7
46 to 55	94.6	77.4	91.1	13.8	4.9
56 to 65	95.3	78.7	92.4	14.1	5.2
Older than 65	95.2	78.7	92.7	15.3	5.9
Respondent Race/Ethnicity					
Non-Hispanic White	95.3	80.0	93.2	11.8	5.4
Hispanic and Non-White	95.1	72.6	90.5	18.6	7.9
Respondent Education					
High School or Less	96.5	78.7	87.6	20.6	6.0
Some College	97.1	79.9	91.6	15.2	4.8
College Degree	95.3	80.2	93.3	11.7	5.9
Postgraduate	92.7	73.8	94.9	10.6	7.4
Household Income					
Less than \$50,000	96.6	79.0	88.6	19.4	6.7
\$50,000 to \$99,999	95.6	79.7	91.7	15.2	5.2
\$100,000 to \$174,999	95.1	77.4	94.8	9.5	6.1
\$175,000 or More	92.6	74.9	95.8	8.8	7.2
Household Type					
Couple	95.1	78.1	92.6	13.5	5.9
Single	95.8	78.7	92.6	13.4	6.3
All Respondents	95.2	78.2	92.6	13.4	6.0

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

- Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
 2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.
 3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

Table 23. Changes in Housing Availability in Neighborhood over Last Couple Years, by Loan and Demographic Characteristics
(Percentage Distribution)

Characteristics	Number of Homes for Sale			Number of Vacant Homes			Number of Homes for Rent		
	Significantly Increase	Little or No Change	Significantly Decrease	Significantly Increase	Little or No Change	Significantly Decrease	Significantly Increase	Little or No Change	Significantly Decrease
Loan Type									
<i>Purchase</i> ¹	24.8	70.9	4.3	7.9	83.5	8.6	7.9	86.4	5.8
First-Time Homeowner ²	23.2	73.5	3.3	8.0	84.9	7.2	6.8	88.2	5.0
Repeat Homeowner	26.5	68.6	4.9	8.4	82.2	9.4	8.5	85.2	6.3
Non-Occupant Owner	20.3	74.9	4.8	4.8	86.4	8.8	7.7	86.8	5.5
<i>Refinance</i> ¹	29.1	66.9	4.0	13.7	79.0	7.4	13.4	81.9	4.8
Homeowner Cashout ³	27.8	68.3	3.9	15.0	77.2	7.8	14.3	79.8	5.8
Homeowner Regular	30.4	65.6	4.0	13.1	79.6	7.3	12.8	83.1	4.1
Non-Occupant Owner	25.7	70.0	4.3	11.9	82.3	5.8	13.2	82.2	4.6
Loan Size									
\$50,000 or Less	27.4	70.7	1.9	20.0	74.8	5.2	10.7	85.7	3.6
\$50,001 to \$150,000	25.7	71.0	3.3	14.1	80.1	5.8	11.9	83.4	4.7
\$150,001 to \$300,000	27.1	68.4	4.5	8.8	82.2	9.0	9.9	84.1	6.1
More than \$300,000	27.2	66.9	5.8	4.1	84.6	11.3	7.4	87.0	5.6
Credit Score ²									
Lower than 620	30.3	62.7	7.0	16.5	75.3	8.2	12.1	83.0	4.9
620 to 679	25.3	70.9	3.8	11.5	80.4	8.1	11.8	82.4	5.8
680 to 719	27.3	69.5	3.2	12.4	80.1	7.6	11.8	84.3	3.9
720 or Higher	26.4	69.3	4.3	8.9	82.9	8.2	9.1	85.2	5.6
Respondent Age									
35 Years or Younger	25.3	70.9	3.9	8.2	84.5	7.3	9.1	86.2	4.7
36 to 45	28.4	67.2	4.4	9.2	80.2	10.6	9.6	85.2	5.2
46 to 55	29.2	66.9	3.9	12.8	79.2	8.1	12.7	81.2	6.0
56 to 65	24.6	71.0	4.4	11.6	82.2	6.3	10.2	84.4	5.5
Older than 65	23.7	71.6	4.7	11.5	81.2	7.2	8.7	85.5	5.8
Respondent Race/Ethnicity									
Non-Hispanic White	25.6	70.6	3.8	10.1	82.6	7.2	9.5	85.5	5.0
Hispanic and Non-White	29.7	64.8	5.5	11.0	78.3	10.6	12.4	81.1	6.5
Respondent Education									
High School or Less	26.5	69.7	3.8	17.1	75.7	7.2	10.7	82.5	6.8
Some College	27.2	68.6	4.1	13.5	79.3	7.2	12.1	82.7	5.2
College Degree	26.0	70.0	4.0	8.7	82.9	8.4	9.8	85.2	5.0
Postgraduate	26.8	68.5	4.7	6.3	84.9	8.8	8.5	86.1	5.4
Household Income									
Less than \$50,000	27.5	69.2	3.3	16.8	77.7	5.5	12.4	82.2	5.4
\$50,000 to \$99,999	26.0	69.5	4.5	11.4	80.7	7.9	10.9	83.3	5.7
\$100,000 to \$174,999	25.4	71.2	3.4	7.5	84.6	8.0	8.6	86.6	4.8
\$175,000 or More	29.4	64.4	6.2	4.6	83.2	12.2	8.2	86.3	5.5
Household Type									
Couple	26.6	69.3	4.1	9.8	81.6	8.5	9.6	84.9	5.5
Single	26.5	69.0	4.5	11.9	81.5	6.6	11.9	83.2	4.9
All Respondents	26.6	69.2	4.2	10.3	81.6	8.1	10.2	84.5	5.4

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
 2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.
 3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

percent) reported a decrease in available homes for sale, slightly more than other borrowers reported.

Change in Number of Vacant Homes

Borrower groups varied in their descriptions of changes in the number of vacant homes in the neighborhood. Overall, one out of 10 respondents indicated that the number of vacant homes increased significantly, nearly 82 percent indicated that there was little or no change, and eight percent reported that the number of vacant homes had declined significantly. More refinancing borrowers (14 percent) than homebuyers (8 percent) reported a significant increase in vacant homes in their neighborhood over the last two years. Borrowers with a high school education or less (17 percent), borrowers with household income below \$50,000 (17 percent), borrowers with credit scores below 620 (17 percent), and respondents with mortgages less than \$50,000 (20 percent) were also more likely to report a significant increase in vacant homes in their neighborhood. Respondents with incomes above \$175,000 (five percent) and borrowers with mortgages above \$300,000 (four percent) were less likely to report a significant increase in vacant homes.

Change in Number of Homes for Rent

Different borrower groups gave varied responses about the changes in the number of houses for rent in their neighborhood. Overall, 10 percent of respondents reported a significant increase in rental housing, 85 percent of borrowers reported little or no change, and five percent reported a significant decrease in the number of rental homes. Refinancing borrowers (13 percent) were more likely to report a significant increase in the number of rental properties in their neighborhoods than homebuyers (8 percent). Borrowers who had credit scores below 620 (12 percent), Hispanic and non-white respondents (12 percent), and borrowers with incomes below \$50,000 (12 percent) were also more likely to report a significant increase in the number of rental properties in their neighborhoods.

Change in Number of Foreclosures and Short Sales

About 78 percent of respondents indicated that the number of foreclosures and short sales in their neighborhood had little or no change over the last couple of years (Table 24). About the same proportion of respondents reported a significant increase as those who reported a significant decrease (11 percent). More refinancing borrowers (13 percent) reported a larger increase in the number of foreclosures than homebuyers (10 percent). Borrowers with credit scores below 620 (13 percent), a high school education or less (16 percent), and incomes below \$50,000 (16 percent) reported a larger increase in the number of foreclosures.

Change in House Prices

Fifty-nine percent of respondents reported that there was little or no change to house prices in their neighborhood over the last couple of years, while 32 percent reported a significant increase in prices and 9 percent reported significant decline in house prices in their neighborhood. However, respondents who took out mortgages above \$300,000 (48 percent), borrowers with incomes above \$175,000 (45 percent), and borrowers with postgraduate degrees (38 percent)

Table 24. Changes in Neighborhood Desirability over Last Couple Years, by Loan and Demographic Characteristics
(Percentage Distribution)

Characteristics	Number of Foreclosures or Short Sales			House Prices			Overall Desirability of Living There		
	Significantly Increase	Little or No Change	Significantly Decrease	Significantly Increase	Little or No Change	Significantly Decrease	Significantly Increase	Little or No Change	Significantly Decrease
Loan Type									
<i>Purchase</i> ¹	10.0	79.4	10.5	29.8	63.8	6.4	25.9	71.6	2.5
First-Time Homeowner ²	10.5	81.0	8.5	28.5	66.3	5.2	25.1	71.9	2.9
Repeat Homeowner	10.0	78.1	11.8	30.5	62.5	7.0	26.5	70.9	2.6
Non-Occupant Owner	8.4	81.3	10.3	30.4	61.7	7.9	25.3	74.2	0.4
<i>Refinance</i> ¹	13.0	76.3	10.7	33.7	53.4	12.9	23.6	70.9	5.5
Homeowner Cashout ³	14.1	74.8	11.1	36.3	51.5	12.3	23.9	70.4	5.8
Homeowner Regular	12.4	77.4	10.2	31.6	55.1	13.3	23.3	71.3	5.4
Non-Occupant Owner	12.9	75.1	12.0	38.0	49.2	12.7	24.3	70.8	4.9
Loan Size									
\$50,000 or Less	14.3	81.5	4.2	17.2	68.5	14.2	12.8	77.4	9.8
\$50,001 to \$150,000	15.0	78.0	7.0	22.4	66.2	11.4	16.6	78.4	5.0
\$150,001 to \$300,000	10.4	77.8	11.9	33.2	57.9	8.9	28.1	68.7	3.1
More than \$300,000	5.3	78.4	16.3	48.3	47.3	4.4	37.3	61.2	1.5
Credit Score ²									
Lower than 620	12.9	78.9	8.3	26.7	61.1	12.1	21.2	72.4	6.4
620 to 679	12.3	77.5	10.2	26.3	63.8	9.9	23.1	72.3	4.6
680 to 719	13.2	77.2	9.6	29.2	60.9	9.9	24.1	71.0	4.8
720 or Higher	10.4	78.5	11.2	33.9	57.6	8.5	26.0	71.0	3.0
Respondent Age									
35 Years or Younger	9.1	81.0	9.9	32.6	62.6	4.7	25.2	72.3	2.5
36 to 45	10.2	78.5	11.3	34.5	57.3	8.1	27.0	69.2	3.9
46 to 55	13.7	74.3	12.0	30.6	58.7	10.7	25.1	70.1	4.8
56 to 65	13.3	77.7	9.0	28.8	58.1	13.1	23.8	71.9	4.3
Older than 65	11.3	78.5	10.3	27.2	58.8	14.0	20.7	75.4	3.9
Respondent Race/Ethnicity									
Non-Hispanic White	11.9	78.6	9.5	29.3	61.1	9.6	23.9	72.5	3.6
Hispanic and Non-White	9.4	76.6	13.9	38.2	54.0	7.8	28.1	67.6	4.3
Respondent Education									
High School or Less	16.3	75.2	8.5	24.7	62.4	12.8	19.1	74.9	6.0
Some College	14.3	76.6	9.0	26.3	61.4	12.2	20.9	73.8	5.3
College Degree	9.7	79.4	10.9	32.7	59.7	7.5	26.3	70.7	3.0
Postgraduate	8.0	79.2	12.8	38.0	55.5	6.5	29.8	67.9	2.3
Household Income									
Less than \$50,000	15.6	77.3	7.1	22.6	64.4	13.0	16.2	77.2	6.6
\$50,000 to \$99,999	12.2	78.2	9.5	27.7	62.6	9.8	22.3	73.1	4.6
\$100,000 to \$174,999	10.0	78.4	11.6	35.5	56.9	7.7	28.2	69.9	1.9
\$175,000 or More	5.6	78.3	16.1	45.4	49.4	5.2	37.1	61.5	1.4
Household Type									
Couple	10.8	78.3	10.9	32.2	59.1	8.7	26.2	70.3	3.5
Single	12.8	77.6	9.6	29.2	60.2	10.6	20.9	74.4	4.6
All Respondents	11.3	78.1	10.6	31.5	59.4	9.1	24.9	71.3	3.8

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
 2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.
 3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

were more likely to report a significant increase in house price over the last couple years than were other respondents. Borrowers who purchased a home, including investors and first-time buyers, were less likely to report a significant decline in house price (six percent) than were respondents who refinanced a mortgage (13 percent).

Change in Desirability of Neighborhood

Borrowers were asked if the overall desirability of living in their neighborhood had changed over the last couple of years. Over 70 percent of respondents indicated that there had been little or no change in desirability, 25 percent reported a significant increase in desirability, and four percent reported a significant decline. There was little to no variation across borrower groups.

11. Expectations on Neighborhood House Prices and Neighborhood Desirability

Borrowers were asked what they think will happen to prices of homes in their neighborhood over the next couple of years. As shown in Table 25, nearly 79 percent of all respondents expect house prices to increase, with 62 percent expecting that prices will increase a little and 17 percent expecting that prices will increase a lot. About 18 percent of respondents indicated that prices would remain about the same over the next couple of years, and three percent of respondents expect prices to decrease. Slightly more homebuyers (80 percent) expected house prices to increase compared to refinancing borrowers (76 percent). The percentage of borrowers who reportedly expect price to increase generally rose with loan size and borrower income. The percent of borrowers expecting home prices to remain about the same and the percent of borrowers expecting price declines decreased with loan size and income. There was generally little variation across other groups of borrowers in expectations on neighborhood house prices.

Borrowers were also asked whether they expect the overall desirability of living in their neighborhood to change in the next couple of years. Table 26 shows that about 59 percent of respondents indicated that they expected overall desirability of their neighborhood to stay about the same, 38 percent of respondents expected neighborhood desirability to increase, and three percent of respondents expected neighborhood desirability to decrease. Homebuyers (43 percent) were more likely to expect neighborhood desirability to increase than refinancing borrowers (31 percent) and less likely to expect desirability to stay the same or decrease. Borrowers with loans for less than \$50,000, borrowers with credit scores below 620, borrowers with at most a high school education, and borrowers with household income of less than \$50,000 were more likely than other groups of borrowers to expect that neighborhood desirability would decrease.

12. Financial Expectations

The survey asked borrowers how likely they were to encounter events in the next couple of years that might constrain their household finances. Specifically, the survey asked whether it was very, somewhat, or not at all likely over the next couple of years that the respondent would experience any of the following: a) retire; b) be laid off, become unemployed, or be forced to reduce hours of work; c) have difficulties making mortgage payments; or d) experience some

Table 25. Expectations for House Prices in Neighborhood over Next Couple of Years, by Loan and Demographic Characteristics
(Percentage Distribution)

Characteristics	Prices of Similar Homes in Neighborhood Will				
	Increase a Lot	Increase a Little	Remain About the Same	Decrease a Little	Decrease a Lot
Loan Type					
<i>Purchase</i> ¹	17.3	63.1	17.9	1.4	0.4
First-Time Homeowner ²	16.2	62.0	20.0	1.5	0.4
Repeat Homeowner	18.3	63.4	16.5	1.4	0.4
Non-Occupant Owner	15.1	65.5	18.1	1.1	0.2
<i>Refinance</i> ¹	16.3	59.8	19.2	3.2	1.5
Homeowner Cashout ³	16.8	58.7	19.7	2.7	2.0
Homeowner Regular	15.7	60.5	18.9	3.6	1.2
Non-Occupant Owner	18.6	59.0	18.8	2.7	0.9
Loan Size					
\$50,000 or Less	9.2	44.1	36.1	7.3	3.4
\$50,001 to \$150,000	12.7	59.4	24.1	2.7	1.1
\$150,001 to \$300,000	18.8	64.2	14.5	1.9	0.7
More than \$300,000	22.7	64.9	11.5	0.6	0.3
Credit Score ²					
Lower than 620	17.6	53.6	21.8	4.6	2.4
620 to 679	17.4	58.1	20.8	2.5	1.1
680 to 719	19.3	56.6	20.8	2.0	1.3
720 or Higher	16.0	64.7	16.8	1.9	0.5
Respondent Age					
35 Years or Younger	18.0	61.9	18.4	1.1	0.6
36 to 45	16.3	61.8	19.4	2.4	0.2
46 to 55	17.3	59.8	17.9	3.6	1.4
56 to 65	14.9	63.2	18.2	2.1	1.6
Older than 65	17.5	62.7	17.7	1.3	0.7
Respondent Race/Ethnicity					
Non-Hispanic White	14.7	64.2	18.3	2.1	0.7
Hispanic and Non-White	23.9	53.8	18.8	2.3	1.2
Respondent Education					
High School or Less	13.2	54.4	26.9	3.0	2.5
Some College	17.1	59.4	20.1	2.4	1.0
College Degree	17.4	63.0	16.8	2.2	0.5
Postgraduate	17.7	65.6	14.8	1.5	0.3
Household Income					
Less than \$50,000	14.5	55.1	25.2	3.6	1.7
\$50,000 to \$99,999	16.6	59.5	20.1	2.9	0.9
\$100,000 to \$174,999	15.7	67.5	15.3	1.1	0.4
\$175,000 or More	23.1	64.6	11.3	0.5	0.5
Household Type					
Couple	17.4	62.2	17.9	1.9	0.7
Single	15.4	60.2	20.1	3.0	1.4
All Respondents	16.9	61.7	18.4	2.1	0.9

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
 2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.
 3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

Table 26. Expectations for Neighborhood Desirability over Next Couple of Years, by Loan and Demographic Characteristics
(Percentage Distribution)

Characteristics	Living in the Neighborhood Will		
	Become More Desirable	Stay About The Same	Become Less Desirable
Loan Type			
<i>Purchase</i> ¹	42.8	55.6	1.5
First-Time Homeowner ²	41.5	56.9	1.6
Repeat Homeowner	44.6	54.2	1.3
Non-Occupant Owner	37.1	60.1	2.8
<i>Refinance</i> ¹	31.4	64.4	4.1
Homeowner Cashout ³	30.2	64.4	5.4
Homeowner Regular	31.4	65.0	3.6
Non-Occupant Owner	37.1	59.8	3.1
Loan Size			
\$50,000 or Less	18.9	73.0	8.1
\$50,001 to \$150,000	30.2	66.3	3.5
\$150,001 to \$300,000	40.5	57.5	2.1
More than \$300,000	52.4	46.7	0.9
Credit Score ²			
Lower than 620	34.5	61.9	3.7
620 to 679	35.5	61.6	2.9
680 to 719	37.5	59.9	2.7
720 or Higher	39.2	58.3	2.4
Respondent Age			
35 Years or Younger	41.2	57.0	1.8
36 to 45	41.6	56.2	2.1
46 to 55	35.9	60.3	3.9
56 to 65	32.9	64.0	3.0
Older than 65	33.9	63.4	2.7
Respondent Race/Ethnicity			
Non-Hispanic White	36.4	61.1	2.5
Hispanic and Non-White	43.0	53.8	3.2
Respondent Education			
High School or Less	27.1	68.3	4.7
Some College	32.3	64.9	2.8
College Degree	41.4	56.4	2.2
Postgraduate	44.4	53.5	2.1
Household Income			
Less than \$50,000	29.6	66.1	4.3
\$50,000 to \$99,999	36.1	61.0	2.9
\$100,000 to \$174,999	39.5	58.4	2.1
\$175,000 or More	51.4	47.7	0.9
Household Type			
Couple	39.6	58.2	2.3
Single	33.3	63.0	3.7
All Respondents	38.0	59.3	2.6

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.

2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.

3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

other personal financial crisis. Table 27 shows that 18 percent of respondents indicated that they were very or somewhat likely to retire in the next couple of years. About one quarter of refinancing borrowers reported being very or somewhat likely to retire in the near term compared to 14 percent of homebuyers. Respondents who were older than 56 were twice as likely to report they were very or somewhat likely to retire in the next couple of years than were those aged 46 to 55 years old, while four percent of respondents aged 36 to 45 years old and two percent of respondents aged 35 years or younger indicated that they were very or somewhat likely to retire in the next couple of years. Two percent of first-time homebuyers indicated they were very or somewhat likely to retire in the next couple of years, and 33 percent of investors purchasing a home expressed that they were very or somewhat likely to retire in the near term.

Expectations of Financial Difficulties

Thirteen percent of respondents reported being very or somewhat likely to have difficulties in making their mortgage payments in the next couple of years. Sixteen percent of refinancing borrowers reported being very or somewhat likely to have difficulties in making mortgage payments compared to 10 percent of homebuyers. Respondents with credit scores 620 and below (21 percent), high school education or less (18 percent), or household income less than \$50,000 a year (22 percent) were more likely to believe they could have difficulties than other respondents. Conversely, respondents with credit scores of 720 or higher (11 percent), postgraduate degrees (10 percent), or household income of \$175,000 or more (six percent) were less likely to believe they could have difficulties in paying their mortgage in the next couple of years.

Expectations of Layoff or Unemployment

Nearly 16 percent of respondents indicated that it was very or somewhat likely that they might experience a layoff, unemployment, or forced reduction in hours over the next couple of years. Refinancing borrowers (17 percent), those borrowing \$50,000 or less (18 percent), and those earning \$50,000 or less (18 percent) were little more likely to believe they are at risk than were other respondents.

Twenty percent of all respondents indicated that it was very or somewhat likely that they would face some other personal financial crisis in the next couple of years. Refinancing borrowers (25 percent), respondents with household income of less than \$50,000 (28 percent), respondents with credit scores below 620 (28 percent), and respondents with only a high school education (26 percent) were most likely to report that they were very or somewhat likely to face some other personal financial crisis.

Expectation of Ability to Pay Bills without Borrowing

Table 28 reflects that about 84 percent of respondents indicated they were very or somewhat likely to pay their bills for the next three months without borrowing. Respondents with household income \$175,000 or more (95 percent) and respondents with loans more than \$300,000 (90 percent) were more likely than other respondents to indicate they were very or somewhat likely to pay their bills for the next three months without borrowing. Respondents with household income less than \$50,000 (78 percent) and respondents with only a high school

Table 27. Expectations About Future Financial Situation, by Loan and Demographic Characteristics
(Percent Very or Somewhat Likely to Face Each Situation in the Next Couple of Years)

Characteristics	Retirement	Difficulties Making Mortgage Payments	Unemployment, Layoff, or Forced Hour Reduction	Some Other Personal Financial Crisis
Loan Type				
<i>Purchase</i> ¹	13.5	10.4	14.7	16.1
First-Time Homeowner ²	2.3	11.1	15.4	15.8
Repeat Homeowner	17.3	10.3	14.4	16.7
Non-Occupant Owner	33.2	8.2	14.3	13.9
<i>Refinance</i> ¹	24.5	16.4	17.4	24.5
Homeowner Cashout ³	23.5	16.0	15.9	26.8
Homeowner Regular	24.4	16.8	18.8	23.4
Non-Occupant Owner	29.3	15.7	14.1	22.6
Loan Size				
\$50,000 or Less	17.9	18.3	18.3	28.2
\$50,001 to \$150,000	19.2	13.9	16.4	21.1
\$150,001 to \$300,000	17.2	12.1	15.3	18.8
More than \$300,000	17.8	11.5	15.5	16.8
Credit Score ²				
Lower than 620	17.1	21.0	14.9	27.5
620 to 679	15.4	14.9	15.1	21.8
680 to 719	17.4	15.4	16.6	21.5
720 or Higher	19.1	11.0	16.0	17.9
Respondent Age				
35 Years or Younger	1.7	10.8	14.1	15.0
36 to 45	3.8	11.4	17.1	19.4
46 to 55	18.9	14.0	19.0	22.3
56 to 65	52.9	16.9	18.2	24.2
Older than 65	38.7	13.6	6.7	19.6
Respondent Race/Ethnicity				
Non-Hispanic White	17.9	12.8	15.3	19.6
Hispanic and Non-White	18.8	13.4	17.6	19.8
Respondent Education				
High School or Less	23.2	17.8	17.2	26.2
Some College	21.4	14.8	15.8	21.4
College Degree	13.5	11.6	16.1	18.6
Postgraduate	18.5	10.4	14.9	16.2
Household Income				
Less than \$50,000	17.3	22.0	18.4	27.7
\$50,000 to \$99,999	17.5	13.7	16.5	20.6
\$100,000 to \$174,999	18.2	9.7	14.4	16.5
\$175,000 or More	20.8	5.5	13.7	12.8
Household Type				
Couple	18.5	12.7	16.2	19.5
Single	17.0	13.7	14.8	20.2
All Respondents	18.1	12.9	15.9	19.6

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.

3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

Table 28. Ability to Weather an Adverse Financial Shock, by Loan and Demographic Characteristics
(Percent Very or Somewhat Likely to Perform Each Action in the Next Couple of Years)

Characteristics	Pay Bills for the Next Three Months Without Borrowing	Get Significant Financial Help from Family or Friends	Borrow Enough Money from a Bank or Credit Union	Increase Income Significantly
Loan Type				
<i>Purchase</i> ¹	86.3	62.0	69.5	57.1
First-Time Homeowner ²	82.7	75.7	71.4	63.7
Repeat Homeowner	87.2	55.3	67.8	53.2
Non-Occupant Owner	94.5	49.9	72.8	55.8
<i>Refinance</i> ¹	81.5	50.5	64.5	46.7
Homeowner Cashout ³	78.7	52.1	65.5	46.1
Homeowner Regular	82.1	50.3	64.3	47.2
Non-Occupant Owner	89.1	44.7	62.2	45.4
Loan Size				
\$50,000 or Less	77.6	52.4	61.3	48.2
\$50,001 to \$150,000	80.7	56.0	64.5	49.2
\$150,001 to \$300,000	85.8	58.5	70.1	53.6
More than \$300,000	89.4	57.6	69.2	58.6
Credit Score ²				
Lower than 620	67.8	50.3	55.7	53.1
620 to 679	75.2	54.1	63.3	53.6
680 to 719	79.4	59.7	65.9	54.7
720 or Higher	89.5	58.0	70.0	51.9
Respondent Age				
35 Years or Younger	82.9	76.4	74.0	64.6
36 to 45	84.1	63.3	68.0	55.0
46 to 55	82.4	50.3	65.3	52.0
56 to 65	86.7	39.9	63.5	44.2
Older than 65	88.6	32.3	58.5	29.2
Respondent Race/Ethnicity				
Non-Hispanic White	84.5	57.9	69.7	51.2
Hispanic and Non-White	83.3	54.7	60.1	57.6
Respondent Education				
High School or Less	75.9	47.0	55.3	45.8
Some College	82.4	52.5	65.4	51.7
College Degree	84.8	61.7	70.2	56.1
Postgraduate	89.3	60.6	71.5	52.6
Household Income				
Less than \$50,000	73.2	56.8	56.0	47.7
\$50,000 to \$99,999	82.9	57.8	67.6	51.2
\$100,000 to \$174,999	88.1	58.2	72.9	54.6
\$175,000 or More	94.7	53.9	71.0	59.9
Household Type				
Couple	85.2	56.9	68.7	53.4
Single	81.3	57.8	63.5	50.5
All Respondents	84.2	57.1	67.4	52.7

Source: National Survey of Mortgage Originations, 2014. Based on 6,263 survey responses.

Notes: 1. Mortgages to purchase a property are classified as the "purchase" loan type and all other mortgages are classified as the "refinance" type.
2. Credit score and first-time homebuyer status are assembled from the National Mortgage Database. Credit score from Vantage ranges from 300 to 850. A homebuyer is classified as first-time if neither the respondent nor the spouse is older than 54 years in age and there is no evidence of a prior mortgage in the credit files.

3. If a refinance mortgage amount is higher than the previous mortgage or if a mortgage is for a previously mortgage-free property, it is classified as a cashout refinance.

education (76 percent) were less likely to report that they were very or somewhat likely to pay their bills for the next three months without borrowing.

Expectation of Receiving Financial Help from Friends or Family

Fifty-seven percent of respondents indicated that they were very or somewhat likely to get significant financial help from family or friends if they suffered an unexpected financial crisis. More homebuyers (62 percent) believed they were very or somewhat likely to get significant help compared to refinancing borrowers (51 percent). At the lower end, 40 percent of respondents aged 56 to 65 and 32 percent of respondents 65 years and older reported that they were very or somewhat likely to get significant help from family or friends. At the higher end, 76 percent of respondents aged 35 years or younger and 76 percent of first-time homebuyers reported that they were very or somewhat likely to get financial help from their family or friends.

Fifty-three percent of respondents felt that it was very or somewhat likely that they could significantly increase their income if they experienced a financial shock. More homebuyers (57 percent) reported that they were very or somewhat likely to significantly increase their income than refinancing borrowers (47 percent). First-time homebuyers and younger respondents were more likely to indicate that they could significantly increase their income than other respondents. Sixty-four percent of first-time homebuyers, 65 percent of respondents 35 years or younger, and 60 percent of respondents with incomes of \$175,000 or more reported that they were very or somewhat likely to significantly increase their income. Older respondents were less likely to indicate they could significantly increase their income than other respondents. Forty-four percent of respondents aged 56 to 65 years old and 29 percent of respondents older than 65 years reported they were very or somewhat likely to significantly increase their income if they experienced a financial shock.

Appendix

The National Mortgage Database is a multiyear project being jointly undertaken by the Federal Housing Finance Agency (FHFA) and the Consumer Financial Protection Bureau (CFPB). The project is designed to provide comprehensive information about the U.S. mortgage market based on a five percent sample of residential mortgages. The project has three primary components: (1) the NMDB⁷, (2) the quarterly NSMO⁸ and (3) the annual American Survey of Mortgage Borrowers (ASMB).

The NMDB project will enable FHFA to meet the statutory requirements of section 1324(c) of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, as amended by the Housing and Economic Recovery Act of 2008, to conduct a monthly mortgage market survey. Specifically, FHFA must, through a survey of the mortgage market, collect data on the characteristics of individual mortgages, including subprime and nontraditional mortgages, and information on the creditworthiness of borrowers, including a determination of whether subprime and nontraditional borrowers would have qualified for prime lending.

For CFPB, the NMDB project will support policymaking and research efforts and help identify and understand emerging mortgage and housing market trends. CFPB expects to use the NMDB, among other purposes, in support of the market monitoring called for by the Dodd-Frank Wall Street Reform and Consumer Protection Act, including understanding how mortgage debt affects consumers.

FHFA and CFPB have examined existing databases and determined that none of them fully meet the criteria necessary to achieve the above objectives. The NMDB, when fully complete, will be a de-identified, loan-level database of closed-end first-lien residential mortgages. It will: (1) be representative of the market as a whole; (2) contain comprehensive information on the terms and performance of mortgages, as well as characteristics of the associated borrowers and property; (3) be continually updated; (4) have an historical component dating back before the financial crisis of 2008; and (5) provide a sampling frame for the NSMO and ASMB.

The core data in the NMDB are drawn from a random 1-in-20 sample of all closed-end first-lien mortgage files outstanding at any time between January 1998 and June 2012 and maintained by Experian, one of the three national credit repositories. A random 1-in-20 sample of mortgages newly reported to Experian is added each quarter. Mortgages are followed in the NMDB database until they terminate through prepayment (including refinancing), foreclosure, or maturity. De-identified information from credit repository files related to each borrower associated with the mortgages in the NMDB sample is collected from at least one year prior to origination to one year after termination of the mortgage. The information on borrowers and

⁷ See *National Mortgage Database Technical Report 1.1*, http://www.fhfa.gov/PolicyProgramsResearch/Programs/Documents/NMDB-technical-report_1pt1_122216.pdf for more details.

⁸ See *National Survey of Mortgage Borrowers Technical Report 2.1*, http://www.fhfa.gov/PolicyProgramsResearch/Programs/Documents/NMDB-technical-report_2pt1_122216.pdf for more details.

loans available for analysis is de-identified and does not include directly-identifiable information, such as borrower name, address, or Social Security number.

The NSMO is a component of the NMDB project. The survey is designed to complement the NMDB by providing information, particularly related to mortgage shopping, that is not otherwise available in the database. The survey is completely voluntary and its target universe is newly originated closed-end first-lien residential mortgages and the associated borrowers. To achieve this objective, the NSMO draws its sample from mortgages that are part of the NMDB, which samples from the same target universe.

The NSMO is administered by Westat under a subcontract with Experian. Fair Credit Reporting Act (FCRA) rules require that the survey process be administered through Experian in order to maintain consumer privacy because it utilizes borrower names and addresses drawn from credit repository records.

The NSMO sample is selected each quarter from the mortgage loans newly added to the NMDB sample that quarter. After the sample is selected, Experian eliminates any potential respondents who have opted out of previous surveys or are deemed not to have useable addresses or names.

Industry guidance (Metro 2[®] Industry Standards for Credit Reporting) requires that servicers must supply a billing address for each borrower on a trade line (including mortgages). Experian generally uses these borrower billing addresses as the survey mailing addresses. However, where there are multiple addresses and borrowers associated with a survey sample loan, Table A-1 presents the rules for selecting the borrower(s) and address to which the survey is mailed. The survey is sent to no more than two borrowers who share a common address. FHFA and CFPB never receive the names or addresses chosen for the survey. Only Experian and Westat, as Experian’s subcontractor, have access to this information.

Table A-1. Rule for Best Address

Number of Borrowers	Same or Different Address	Resulting Survey Recipient
1	Not Applicable	One borrower with Experian’s associated best address
2	Same	Two borrower names with one common best address
2	Different	The one borrower and associated best address with the lowest number of open mortgages
>2	Same	Two borrowers with one common best address that has the highest number of trade lines reported
>2	Different	The one borrower and associated best address with the lowest number of open mortgages

The survey implementation strategy comprises four respondent contacts over a seven-week period:

- Week 1 Printed questionnaire, cover letter, and cash incentive (entire survey sample population)
- Week 2 1st reminder letter (entire survey sample population)
- Week 5 2nd reminder letter, printed questionnaire, and additional cash incentive (sampled borrowers who have not responded by Week 4)
- Week 7 3rd reminder letter, which includes the due date for returning the questionnaire, to close the communication loop (sampled borrowers who have not responded by Week 6)

Participation in the survey is completely voluntary and respondents are assured the confidentiality in their responses. The first and the third contacts contain a printed survey questionnaire and a five dollar cash incentive which respondents are free to keep regardless of whether they return the questionnaire. The mailings and printed questionnaires detail how respondents can also complete the survey online in either English or Spanish using instructions and a unique “survey PIN number” provided in the questionnaire packet. About one quarter of survey responses are completed online.

Mail surveys are processed for four weeks after the third reminder letter, so the field period comprises 11 weeks in total. It takes between five and six weeks to draw the new NMDB sample, identify and combine duplicative records, draw the NSMO sample, process it at Experian, and print the survey materials. Thus, the survey cycle typically begins six weeks after the end of a quarter and extends about four weeks into the next quarter.

All returned questionnaires and any non-delivered mail are sent directly to Westat and not to FHFA, CFPB, or Experian. All survey responses received by Westat are purged of any information related to the name of the borrower, address of the borrower, or name of any financial institution. This is done to maintain the de-identified confidential nature of the data and to ensure that the survey responses cannot be connected to a name or address.

During the first eight weeks of each cycle, Experian maintains a NSMO call center to address any questions by respondents. This call center also allows respondents to “opt out” of the survey and future surveys. Both FHFA and CFPB describe the survey on their websites so that respondents can independently validate the legitimacy of the survey. The agency officials signing the cover letter (Sandra Thompson at FHFA and David Silberman at CFPB) are identified on the websites as senior employees of their respective agencies.

Once the active phase of a survey cycle ends, it takes about 25 days for Westat to scan and edit returned questionnaires, combine them with on-line responses, and create an electronic data file. This file is delivered to the NMDB development staff through Experian. It takes an additional

eight weeks to complete additional cleaning and editing of survey responses, to create preliminary sample weights, and to assemble a preliminary user data file.

The timeline described above applies to each quarterly data release. Because some loans can take longer than six months to be reported to the repositories, a data file fully representative of a calendar year will generally not be available until December of the following year.



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