

MORTGAGE MARKET NOTE 11-02¹

Introduction

One important purpose of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank) is to reform the securitization of financial assets in the U.S.² To that end, the legislation requires the federal banking agencies, the Securities and Exchange Commission, the Secretary of Housing and Urban Development, and the Federal Housing Finance Agency (“the Agencies”) to jointly issue regulations to require securitizers to retain an economic interest in a portion of the credit risk for residential mortgages that they use to collateralize asset-backed securities. Dodd-Frank requires the Agencies to exempt securities from this requirement that are backed only by loans with low default risk that meet a Qualified Residential Mortgage (QRM) standard.

The Agencies must jointly define what constitutes a QRM “taking into consideration underwriting and product features that historical loan performance data indicate result in a lower risk of default.” To help the public consider the definition set forth in the recently-published Notice of Proposed Rulemaking (“NPR”) that would implement the risk retention provision of Dodd-Frank, this data release provides historical data on loan volumes and ever-90-day³ delinquency rates of mortgages purchased or guaranteed by Fannie Mae or Freddie Mac (“the Enterprises”).

Purpose

Given the proposed standard of a QRM exemption to the risk retention rule contained in Dodd-Frank, the data in this release provide broad answers to the questions:

¹ This Mortgage Market Note revises and corrects the March 31, 2011 Mortgage Market Note: Qualified Residential Mortgages. Revisions were made to the final two paragraphs of text concerning the marginal ever-90-day delinquency rates resulting from small adjustments to the proposed Qualified Residential Mortgage standards, as well as the bullet point that summarizes the key finding, “Expanding QRM Definitions Would Add Loans with Much Poorer Performance”. Additional tables were also added (see Section 4c), which were not included in the prior version.

² See Pub. L. No. 111-203, § 941, 124 Stat. 1376, 1890-1896 (2010) of the Dodd-Frank Act. See also, S. Rep. 111-176 at 128-131 (2010) (discussing subtitle D of title IX of the Dodd-Frank Act).

³ A mortgage is ever-90-day delinquent if it has had a payment 90 days past-due or longer, has been put into foreclosure or transferred as a deed-in-lieu of foreclosure, or has been classified as a real-estate-owned (REO) property after an unsuccessful sale at a foreclosure auction at any point in the life of the loan through September of 2010. The dataset contains monthly information on the number of days each delinquent mortgage is past due and whether loans are in foreclosure processing. However, mortgages are identified as being in REO only at the end of each quarter.

- What is the volume and performance of conventional single-family mortgages acquired by the Enterprises in recent years that would have met the proposed requirements, and how does this compare to the volume and performance of loans that would not have met the proposed requirements, and to overall volume and performance?
- How have the volume and performance of proposed QRM loans changed over time, especially with respect to typical years versus the housing boom years?
- How does the volume and performance of proposed QRM mortgages change when small adjustments are made to the qualification standards?

The analysis here does not attempt to estimate how overall loan volumes might have been affected if risk retention requirements had been in place, or how interest rates on QRM loans might differ from those on non-QRM loans.

Key Findings

This data release examines the volume and performance of all first-lien, single-family mortgages, and the subset of QRM eligible mortgages, acquired by the Enterprises from 1997 through 2009. The following analysis does not fully capture the restrictions of the interagency QRM proposal, although it attempts to come as close as possible, given the limitations of available data. Therefore, when necessary, the analysis utilizes approximations for the proposed QRM standards. For example, credit score(s) for the borrower(s) calculated using models developed by Fair Isaac Corporation (FICO) at loan origination are used as a proxy variable for borrower credit history as the dataset used does not capture detailed credit bureau information on a borrower's credit performance. An appendix summarizes the data used to prepare the analysis, which reaches the following broad conclusions:

QRM Shares Were Lowest During the Boom Years

- About 30.5 percent of conventional single-family mortgages originated in 2009 and subsequently acquired by the Enterprises would have met the proposed QRM standards. The QRM shares were lower in 1997 through 2008. Prior to the beginning of the housing boom in 2004, the years with the highest QRM shares were 1998 (23.3 percent) and 2003 (24.6 percent).

Delinquencies Were Higher for Non-QRM Loans, but Highest in 2004 to 2008 Non-QRM Loans

- Ever-90-day delinquencies for non-QRM loans originated during the 13 years considered here were 6 to 12 times as frequent as ever-90-day delinquencies for QRM loans. Prior to the housing boom, mortgages originated in 1997 through 2003 and subsequently acquired by the Enterprises that would have met the proposed QRM standards had an ever-90-day delinquency rate ranging from 0.3 percent to 0.6 percent. In the same period, the ever-90-day delinquency rate for loans that would not have met the proposed standard ranged from 2.6 percent to 3.7 percent.

- Mortgages originated in 2004 through 2008 and subsequently acquired by the Enterprises that would have met the proposed QRM standards had an ever-90-day delinquency rate ranging from 0.7 percent to 2.7 percent. In the same period, the ever-90-day delinquency rate for loans that would not have met the proposed QRM standard ranged from 6.2 percent to 21.5 percent.

Risk-Factors Contributing to Poor Performance of Non-QRM Loans Varied from Typical Years to Boom Years

- For the 2005-2007 origination years, the requirement for product-type (no non-traditional and low documentation loans, or loans for houses not occupied by the owner) was the QRM risk factor that most reduced delinquency rates. For most origination years, requirements for borrower credit score and loan-to-value ratio are the factors that most reduce the ever-90-day delinquency rate of mortgages acquired by the Enterprises that would have met the proposed QRM standards.

Debt-to-Income Ratios are Most Restrictive Factor within Proposed QRM Definition

- Among the factors that the NPR uses to define a QRM, the requirement that excludes the most mortgages is that which limits the borrower's front-end and back-end debt-to-income ratios, which may in part reflect a tendency for the borrower and/or lender to report an income that met the minimum underwriting requirement and no more.

Expanding QRM Definitions Would Add Loans with Much Poorer Performance

- Loans that would have met QRM standards except for having loan-to-value ratios above 80 percent but less than 90 percent had ever-90-day delinquency rates that ranged from 2.0 to 3.9 times as great as QRM loans originated in the same year. Relaxing the PTI/DTI requirement from 28/36 to 30/38 would have resulted in delinquency rates up to 2.1 times as great as for QRM loans.

Risk-Factors in Historic Loan Performance Data

The following data analysis describes how the QRM exemption requirements reduce the occurrence of delinquent mortgages relative to non-qualifying mortgages. In addition, the analysis describes how relaxing or tightening the risk-factors changes the QRM volume and ever-90-day delinquencies. The data come from FHFA's Historical Loan Performance ("HLP") dataset, which contains loan-level information on the characteristics and performance of all single-family mortgages acquired by the Enterprises.⁴ FHFA updates the Historical Loan Performance dataset quarterly with information from each Enterprise.

⁴ The Historical Loan Performance dataset does not include loans backing private-label MBS bought by the Enterprises.

The loans used for the analysis comprise nearly 75 million mortgages and had an aggregate unpaid principal balance at origination of \$11.9 trillion.

Defining Risk-Factor Requirements for Analysis

The HLP dataset contains information on factors that lenders use to assess mortgage credit risk at origination and information on subsequent loan performance. Risk-factors include the product-type, payment-to-income and debt-to-income (PTI/DTI) ratios at origination, initial loan-to-value (LTV) ratios based on the purchase price or appraised property value and the first-lien balance, and credit score(s) for the borrower(s) calculated using models developed by Fair Isaac Corporation (FICO). We define each risk-factor as the following:

- A **Product-Type qualified residential mortgage** is a first-lien mortgage that is for an owner-occupant with fully documented income, fully amortizing with a maturity that does not exceed 30 years and, in the case of adjustable-rate-mortgages (ARMs), has an interest rate reset limit of 2 percent annually and a limit of 6 percent over the life of the loan. Under QRM, loans may not be alternative-A (Alt-A, most of which are low- or no-document) mortgages, interest-only (IO) mortgages, negatively amortizing mortgages such as payment option-ARMs, or balloon mortgages. Therefore, loans with these characteristics are disqualified regardless of other risk-factor qualification.
- A **PTI/DTI qualified residential mortgage** has a borrower's ratio of monthly housing debt to monthly gross income that does not exceed 28 percent and a borrower's total monthly debt to monthly gross income that does not exceed 36 percent.
 - Payment-to-income ratio, otherwise known as front-end DTI, is the sum of the borrowers' monthly payment for principal, interest, taxes, and insurance divided by the total gross monthly income of all borrowers as determined at the time of origination.
 - Debt-to-Income ratio, or back-end DTI, is similar to payment-to-income but adds all other fixed debts into the numerator of the ratio.
- An **LTV ratio qualified residential mortgage** must meet a minimum LTV ratio that varies according to the purpose for which the mortgage was originated. For home purchase mortgages, rate and term refinances, and cash-out refinances, the LTV ratios are 80, 75, and 70 percent, respectively.
- A **FICO qualified residential mortgage** has a borrower's FICO score greater than or equal to 690 at the origination of the loan. The HLP dataset does not record delinquency history, prior bankruptcy or foreclosure, etc. of borrowers in the loans analyzed. For this reason, using a threshold of 690

for the FICO of the borrower at origination is a proxy for the absent detailed credit bureau data.

Data Limitations

The HLP data used for this analysis contains information on first lien mortgages, but does not indicate if a subordinate lien is present, so that some loans with combined LTV ratios greater than the QRM maximums will be missed and loans with equal reported LTV ratios may pose different credit risk. This data limitation is probably not a serious shortcoming for the years 1997 to, roughly, 2003, or for 2008 and 2009, as comparatively few junior liens were originated in those years. But for the peak years of the housing boom, 2004-2007, effects on volume and delinquency reduction are probably both understated. In addition, the PTI and DTI calculations use Enterprise definitions of income and debt payments, which may differ slightly from the definitions used in the NPR. Finally, the Enterprises did not always require full interior appraisals for low risk originations, and this risk-factor is not captured in the following analysis. However, it is likely that originators will respond to the proposed regulations by requiring full appraisals for loans that otherwise meet the QRM standards, so this is not likely to be a serious limitation of the analysis.

Mortgages missing either FICO scores or LTV ratios comprise 0.9 percent and 0.2 percent of the principal of all mortgages in the dataset. However, the percentage of mortgages missing either a front-end or back-end debt-to-income ratios for all years in the full dataset is 3.9 percent. Given the percentage of low- or no-document loans between 2004 and 2008, a significant portion of the missing observations are disqualified by the product-type qualification requirement in those years. The product-type requirement reduces the total missing for PTI/DTI to 2.2 percent. However, having the stipulation that loans must be fully-documented, the remaining mortgages that have missing observations, regardless of qualification in other risk factors, are rendered to non-qualified status. Therefore, the QRM qualified set of mortgages does not have any missing data.

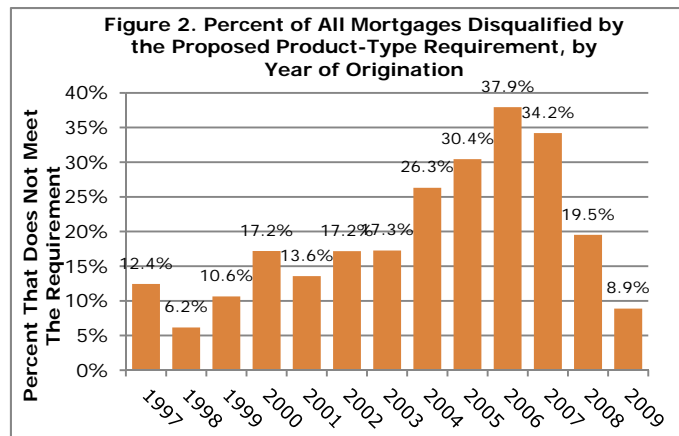
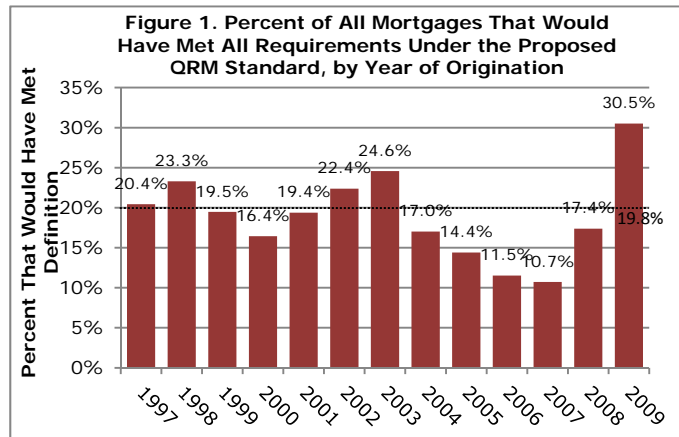
Analysis of Mortgages Acquired by the Enterprises

Volume of QRM-Qualified and Non-Qualified Loans

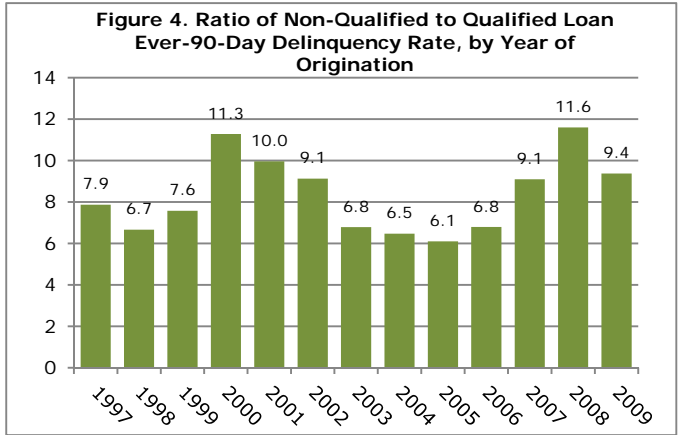
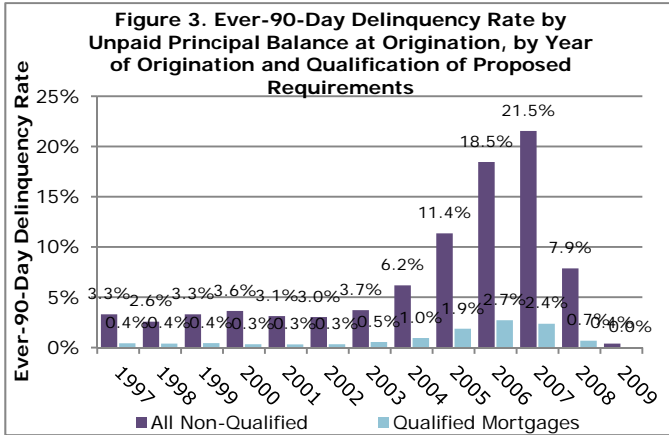
The first set of tables in Appendix A (Section 1) provide information on the volume of QRM-qualified and non-QRM qualified loans by origination year. When interpreting this table, it is important to understand that there is significant overlap across each column. For example, a mortgage that meets the PTI/DTI requirement may also meet the FICO requirement and therefore be captured in both columns. The first column shows the unrestricted volume of mortgages and the percentages in the subsequent columns reflect the volume of mortgages that would qualify for a single requirement, without restricting the data with the other three QRM requirements. About 19.8 percent of conventional single-family mortgages originated in 1997 through 2009 and subsequently acquired by

the Enterprises would have met the proposed QRM standards. The origination year with the highest QRM share was in 2009 (30.5 percent) (see Figure 1).

Prior to the beginning of the housing boom in 2004, the years with the highest QRM shares were 1998 (23.3 percent) and 2003 (24.6 percent). The percentage of mortgages originated from 2004 into 2008 that would have been disqualified by the product-type requirement (that is, mortgages with little or no documentation, interest only or negative amortization mortgages, etc.) is much higher than in other years. In figure 2, the percentages range from a low of 6.2 percent in 1998 to a peak of 37.9 percent in 2006. This observation reflects how the timing of the housing boom coincided with an increase in the volume of non-traditional and low-documentation loans as well as loans secured by investors. The shift in the boom years contrasts with the periods before and after, where higher concentrations of delinquencies in groups consist of mortgages with traditional payment-types.



Similarly, the second set of tables in the Appendix A (Section 2) provide information on the ever-90-day delinquency rates for the same groups as the tables in section A. The ever 90-day delinquency rates should be interpreted with caution. Relative comparisons of those rates are likely to be most revealing within origination years for two reasons. First, ever 90-day delinquency rates can only increase as time passes, so rates for recent years are understated relative to those for earlier years. Second, rates for groups of mortgages that appear identical at origination but were originated in different years may have different performance because economic conditions vary over time. For example, low interest rates and rapid house price appreciation allowed many borrowers who took out loans during times of peak house price appreciation to refinance their loans, reducing the ever 90-day delinquency rates of mortgages in those origination years relative to those loans taken at the end of the period.



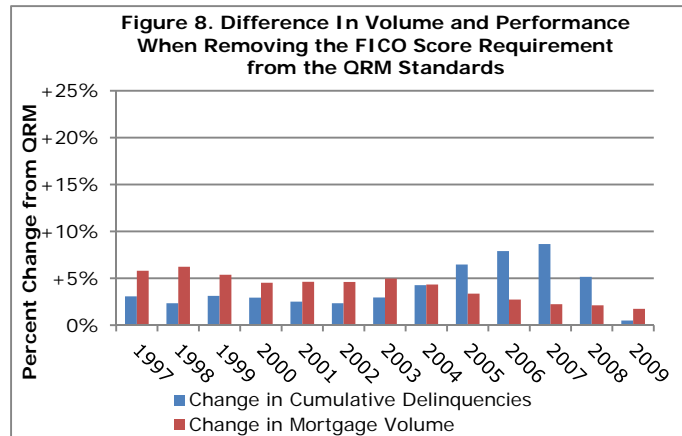
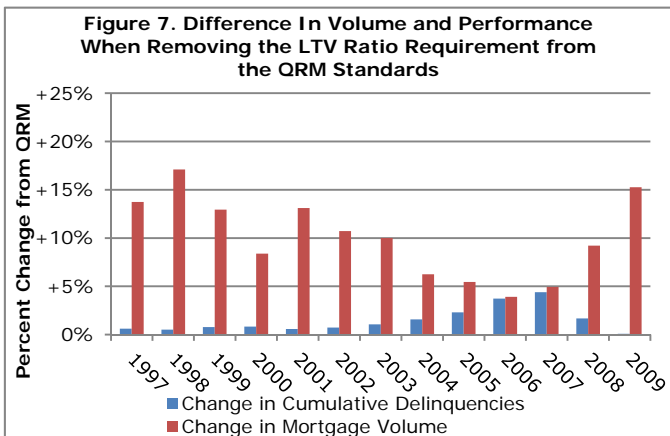
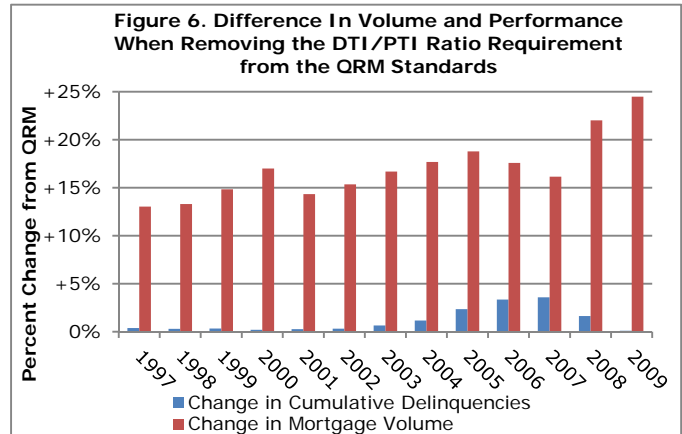
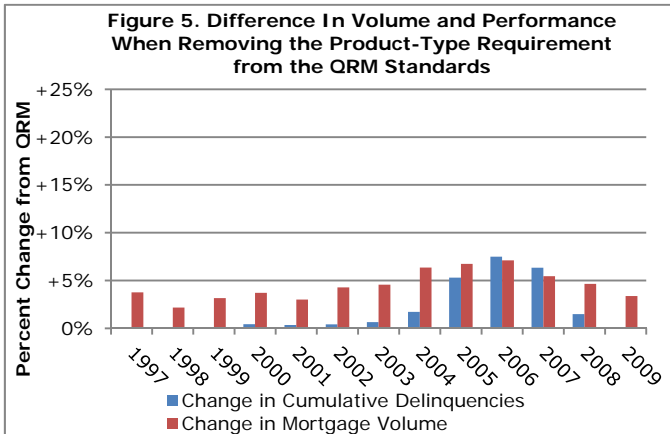
Prior to the housing boom, mortgages originated in 1997 through 2003 and subsequently acquired by the Enterprises that would have met the proposed QRM standard had an ever-90-day delinquency rate ranging from 0.3 percent to 0.5 percent (see Figure 3). In the same period, the ever-90-day delinquency rate for non-qualified loans (those that would not have met the proposed requirements) ranged from 2.6 percent to 3.7 percent. During the housing boom, mortgages originated in 2004 through 2008 and subsequently acquired by the Enterprises that would have met the proposed QRM standards had an ever-90-day delinquency rate ranging from 0.7 percent to 2.7 percent (see Figure 3). In the same period, the average delinquency rate for loans that would not have met the proposed standard ranged from 6.2 percent to 21.5 percent. The ratio of delinquency rates for non-qualified residential mortgages to qualified residential mortgages range from 6.1 to 11.6 for all years and reach peaks in 2000 and 2008 (see Figure 4).

Impact of Removing One of the Risk-Factors

The third set of tables in the Appendix A (Section 3) combine the information on the volumes and ever-90-day delinquency rates found in the previous two sets of tables to show the effect of removing one requirement while holding all others at their respective QRM levels. The first column shows the delinquency rate, or volume, for loans that appear eligible for QRM treatment under the proposed regulation. The last column shows the increase in total delinquency rate or total volume from removing all QRM requirements. The intermediate columns show the effect of removing one criterion from the proposed QRM standard. For example, the column headed FICO score shows the extent to which delinquency rates, and loan volume, would increase if all aspects of the QRM standards were maintained, except for the limitation on credit history (as proxied by the FICO score).

The ever-90-day delinquency rates for mortgages originated from 2004 into 2008 are concentrated in the non-product-type QRM groups of mortgages (see Figure 5). When the PTI/DTI requirement is removed from the QRM standards, the percent change in the volume of mortgages increases significantly in comparison to the change in ever-90-day

delinquency rates (see Figure 6), which, as noted earlier, may reflect on the reporting of income by the borrower and/or lender at the time of origination. Leaving aside mortgages originated in 2005-2007, which were much more likely to have non-traditional payment terms than loans originated in other years, borrower credit score and LTV ratio are the factors that most reduce the ever-90-day delinquency rate of mortgages that would have met the proposed QRM standard (see Figures 7, 8).



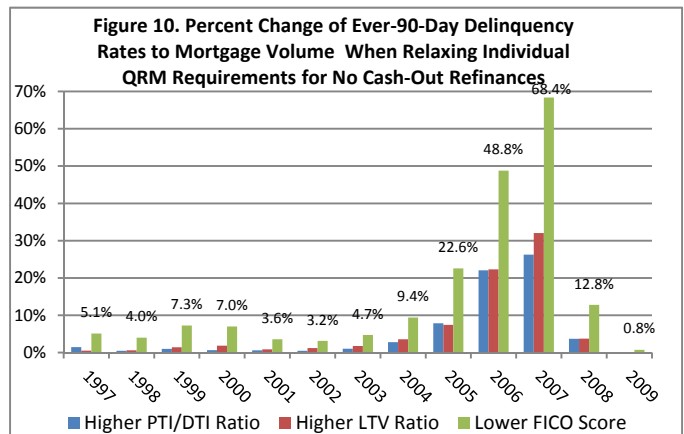
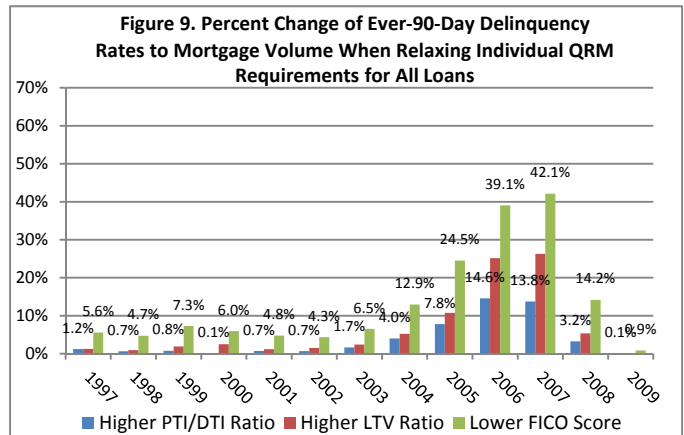
Impact of Adjusting One of the Risk-Factors

Where the previous tables provide information on the exclusion of one or more of the requirements, the final set of tables in the Appendix A (Sections 4a, 4b and 4c) provide a brief description of the sensitivity of volume and performance, by year, to small adjustments to the QRM requirements. To assess changes to the risk-factors, the analysis relaxes or tightens each requirement. For the relaxed qualifications, adjustments to the minimum PTI/DTI ratios move from 28/36 to 30/38, the maximum LTV ratios move from 80, 75, and 70 percent to 90, 85, and 80 percent, respectively, and the minimum FICO score changes from 690 to 660. For the tighter qualifications, adjustments to the minimum PTI/DTI ratios move to 26/34, the maximum LTV ratios move to 70, 65, and 60 percent, respectively, and the minimum FICO score changes to 720. While some of the adjustments are targeted to evaluate specific policy discussions, all of the adjustments

reflect an attempt to provide context to the proposed QRM standards on which this data release is based.

The first column in tables 4a and 4b shows the ever-90-day delinquency rates for QRMs and subsequent columns provide information on the effect of changing one standard, while holding the others constant. For example, the "Higher DTI" column in the delinquency portion of the tables in section 4a shows the effect relaxing the PTI/DTI standard. Applying a less stringent PTI/DTI standard, while holding all other proposed QRM standards constant, raises the delinquency rate by a few basis points over the rate shown in the first column, where all QRM standards are applied as per the interagency proposal. The second section of the table shows the effect on mortgage lending volume (measured in unpaid principle balance terms) from changing one standard while holding others constant. The final three columns show the tradeoff between the changes in volume and the changes in delinquency that result from an adjustment to one of the standards. These columns display the ratio of the change in delinquency to the change in total volume. The second to last column in the Purchases table of section 4a shows that a relaxation of the LTV ratio requirement from 80 to 90 percent in 1997, holding all other requirements equal to the proposed QRM standards, produces a rate of change for an ever-90-day delinquency of 1.63 basis points for every 1 percentage point change to volume. More specifically, the ever-90-day delinquency rate in 1997 increases from 0.42 percent to 0.51 percent if the maximum LTV Ratio moves from 80 to 90 percent; the increase in default cost may be absorbed by Private Mortgage Insurance (PMI) but the ever-90-day delinquency rate nevertheless increases.

The effects of altering the proposed QRM standards during the boom years are different from the effects in more typical years, sometimes substantially so. For example, in section in 2007 at the height of the housing boom, lowering the FICO requirement from 690 to 660 would have increased the delinquency rate by 42 basis points for each percentage point increase in volume. From 1997 to 2002, relaxing the FICO standard would have only increased ever-90-day delinquency rates from between 4.3 and 7.3 basis points for each percentage point increase in volume. For those same years, relaxing the PTI/DTI



risk-factor requirement from 28/36 to 30/38 would have increased ever-90-day delinquency rates from between 0.7 and 1.2 basis points for each percentage point increase in volume (see Figure 9). An adjustment to the PTI/DTI requirements would affect ever-90-day delinquency rates less than an adjustment to any other proposed QRM requirement. In contrast, ever-90-day delinquency rates related to FICO score, especially for no cash-out refinances during the housing boom years shown in figure 10, are the most sensitive to an adjustment to the QRM requirements.

Loans that were just beyond the proposed QRM requirements had substantially higher ever-90-day delinquency rates than did loans that met all of the proposed QRM requirements. For example, Section 4c of the Appendix A shows that during the peak years of the boom, 2004 to 2007, purchase loans that met all requirements had an ever-90-day delinquency rate ranging from 1.16 to 2.33 percent, while purchase loans that met all requirements except that their LTV ratios were higher, between 80 and 90 percent, than the proposed QRM requirement, had an ever-90-day delinquency rate ranging from 2.66 to 5.51 percent, about 2.0 to 2.3 times the percent for QRM eligible loans. Even for the more typical years, 1997 to 2002, this finding is persistent as loans with an LTV ratio between 80 and 90 percent are still about 2.0 to 2.5 times more delinquent than the proposed QRM eligible loans.

Similarly, from 2004 to 2007, all loans that met the proposed QRM requirements had an ever-90-day delinquency rate ranging from 0.95 to 2.72 percent, while loans that met all requirements except that their PTI/DTI ratios were between 28/36 and 30/38 percent had an ever-90-day delinquency rate ranging from 1.72 to 4.68 percent, about 1.7 to 1.8 times the percent for QRM eligible loans. In the 1997 to 2002 time period, loans with these higher PTI/DTI ratios had delinquencies rates between 1.1 and 1.7 times the percent for QRM eligible loans.

APPENDIX A SECTION 1: PERCENT OF UNPAID-PRINCIPAL-BALANCE BY PROPOSED REQUIREMENT QUALIFICATION

Year	All Loans	Percent of Mortgages that Do Not Qualify for the Following Requirements				All Non-Qualified	Percent of Mortgages that Qualify for the Following Requirements				Qualified Mortgages
		Product-Type	PTI/DTI	LTV	FICO		Product-Type	PTI/DTI	LTV	FICO	
1997	\$ 286,497,878,371	12.43%	44.44%	46.59%	33.40%	79.56%	87.57%	55.56%	53.41%	66.60%	20.44%
1998	\$ 691,033,994,509	6.17%	40.94%	47.28%	30.56%	76.71%	93.83%	59.06%	52.72%	69.44%	23.29%
1999	\$ 481,450,519,442	10.64%	48.88%	46.59%	32.76%	80.52%	89.36%	51.12%	53.41%	67.24%	19.48%
2000	\$ 356,779,731,420	17.19%	57.53%	44.46%	34.63%	83.56%	82.81%	42.47%	55.54%	65.37%	16.44%
2001	\$ 1,039,412,013,403	13.57%	49.68%	48.62%	31.63%	80.63%	86.43%	50.32%	51.38%	68.37%	19.37%
2002	\$ 1,385,056,256,240	17.17%	48.58%	41.89%	28.94%	77.63%	82.83%	51.42%	58.11%	71.06%	22.37%
2003	\$ 1,924,265,340,603	17.26%	47.56%	37.12%	26.69%	75.43%	82.74%	52.44%	62.88%	73.31%	24.57%
2004	\$ 937,643,914,289	26.31%	57.38%	36.25%	31.02%	82.97%	73.69%	42.62%	63.75%	68.98%	17.03%
2005	\$ 939,069,358,457	30.43%	62.68%	35.16%	29.31%	85.59%	69.57%	37.32%	64.84%	70.69%	14.41%
2006	\$ 887,443,942,464	37.93%	67.28%	35.78%	31.21%	88.48%	62.07%	32.72%	64.22%	68.79%	11.52%
2007	\$ 1,027,460,511,244	34.21%	69.10%	45.58%	32.26%	89.28%	65.79%	30.90%	54.42%	67.74%	10.72%
2008	\$ 793,136,249,487	19.52%	62.19%	40.68%	18.18%	82.61%	80.48%	37.81%	59.32%	81.82%	17.39%
2009	\$ 1,176,445,135,548	8.89%	47.02%	33.67%	7.57%	69.48%	91.11%	52.98%	66.33%	92.43%	30.52%

Year	All Loans	Percent of Mortgages that Do Not Qualify for the Following Requirements				All Non-Qualified	Percent of Mortgages that Qualify for the Following Requirements				Qualified Mortgages
		Product-Type	PTI/DTI	LTV	FICO		Product-Type	PTI/DTI	LTV	FICO	
1997	\$ 171,316,168,314	13.58%	45.87%	44.31%	32.65%	79.26%	86.42%	54.13%	55.69%	67.35%	20.74%
1998	\$ 243,827,154,269	7.91%	45.45%	44.20%	31.84%	77.92%	92.09%	54.55%	55.80%	68.16%	22.08%
1999	\$ 252,736,885,540	12.76%	51.89%	42.26%	30.30%	80.14%	87.24%	48.11%	57.74%	69.70%	19.86%
2000	\$ 259,462,348,244	16.94%	57.68%	39.65%	31.24%	81.83%	83.06%	42.32%	60.35%	68.76%	18.17%
2001	\$ 334,671,388,428	17.10%	55.24%	39.04%	31.11%	80.43%	82.90%	44.76%	60.96%	68.89%	19.57%
2002	\$ 378,648,800,742	22.98%	56.73%	35.83%	30.48%	81.57%	77.02%	43.27%	64.17%	69.52%	18.43%
2003	\$ 428,404,858,343	25.58%	57.77%	33.43%	29.23%	81.97%	74.42%	42.23%	66.57%	70.77%	18.03%
2004	\$ 397,943,548,815	31.83%	60.61%	26.98%	27.49%	83.29%	68.17%	39.39%	73.02%	72.51%	16.71%
2005	\$ 433,917,427,310	36.81%	63.50%	21.97%	24.48%	84.33%	63.19%	36.50%	78.03%	75.52%	15.67%
2006	\$ 459,040,004,449	39.62%	67.67%	22.43%	26.51%	86.43%	60.38%	32.33%	77.57%	73.49%	13.57%
2007	\$ 504,879,485,500	33.63%	70.36%	36.93%	28.80%	87.61%	66.37%	29.64%	63.07%	71.20%	12.39%
2008	\$ 321,485,446,505	20.83%	64.91%	34.49%	16.19%	82.67%	79.17%	35.09%	65.51%	83.81%	17.33%
2009	\$ 225,983,942,704	15.38%	54.40%	18.84%	8.24%	72.94%	84.62%	45.60%	81.16%	91.76%	27.06%

NO CASHOUT REFINANCES

Year	All Loans	Percent of Mortgages that Do Not Qualify for the Following Requirements				All Non-Qualified	Percent of Mortgages that Qualify for the Following Requirements				Qualified Mortgages
		Product-Type	PTI/DTI	LTV	FICO		Product-Type	PTI/DTI	LTV	FICO	
1997	\$ 72,883,400,278	11.21%	41.91%	48.39%	33.33%	78.96%	88.79%	58.09%	51.61%	66.67%	21.04%
1998	\$ 302,723,323,315	5.51%	37.65%	47.08%	29.44%	74.76%	94.49%	62.35%	52.92%	70.56%	25.24%
1999	\$ 140,480,199,806	8.21%	44.65%	49.13%	35.44%	79.66%	91.79%	55.35%	50.87%	64.56%	20.34%
2000	\$ 48,878,241,470	15.43%	56.56%	54.50%	42.38%	86.34%	84.57%	43.44%	45.50%	57.62%	13.66%
2001	\$ 390,566,245,690	10.81%	44.63%	48.40%	29.49%	77.44%	89.19%	55.37%	51.60%	70.51%	22.56%
2002	\$ 584,998,514,202	14.25%	41.83%	37.47%	24.64%	71.31%	85.75%	58.17%	62.53%	75.36%	28.69%
2003	\$ 920,098,549,172	14.00%	40.54%	32.81%	22.18%	68.94%	86.00%	59.46%	67.19%	77.82%	31.06%
2004	\$ 269,562,391,201	20.63%	49.47%	36.64%	28.13%	77.63%	79.37%	50.53%	63.36%	71.87%	22.37%
2005	\$ 169,162,254,192	25.31%	57.10%	43.13%	29.16%	83.58%	74.69%	42.90%	56.87%	70.84%	16.42%
2006	\$ 131,792,837,483	38.68%	63.97%	49.03%	31.93%	89.76%	61.32%	36.03%	50.97%	68.07%	10.24%
2007	\$ 196,852,210,903	37.90%	66.82%	53.69%	32.36%	90.59%	62.10%	33.18%	46.31%	67.64%	9.41%
2008	\$ 231,714,054,542	19.75%	57.54%	41.02%	16.17%	79.84%	80.25%	42.46%	58.98%	83.83%	20.16%
2009	\$ 637,544,819,174	7.97%	43.87%	35.65%	6.77%	67.20%	92.03%	56.13%	64.35%	93.23%	32.80%

CASHOUT REFINANCES

Year	All Loans	Percent of Mortgages that Do Not Qualify for the Following Requirements				All Non-Qualified	Percent of Mortgages that Qualify for the Following Requirements				Qualified Mortgages
		Product-Type	PTI/DTI	LTV	FICO		Product-Type	PTI/DTI	LTV	FICO	
1997	\$ 42,298,309,778	9.87%	43.04%	52.72%	36.55%	81.83%	90.13%	56.96%	47.28%	63.45%	18.17%
1998	\$ 144,483,516,925	4.63%	40.25%	52.90%	30.76%	78.75%	95.37%	59.75%	47.10%	69.24%	21.25%
1999	\$ 88,233,434,096	8.40%	46.99%	54.94%	35.53%	82.95%	91.60%	53.01%	45.06%	64.47%	17.05%
2000	\$ 48,439,141,706	20.33%	57.76%	60.10%	44.96%	89.97%	79.67%	42.24%	39.90%	55.04%	10.03%
2001	\$ 314,174,379,286	13.25%	50.04%	59.10%	34.84%	84.81%	86.75%	49.96%	40.90%	65.16%	15.19%
2002	\$ 421,408,941,296	16.00%	50.63%	53.49%	33.54%	82.87%	84.00%	49.37%	46.51%	66.46%	17.13%
2003	\$ 575,761,933,088	16.29%	51.18%	46.76%	32.01%	80.95%	83.71%	48.82%	53.24%	67.99%	19.05%
2004	\$ 270,137,974,274	23.86%	60.53%	49.49%	39.08%	87.84%	76.14%	39.47%	50.51%	60.92%	12.16%
2005	\$ 335,989,676,955	24.77%	64.44%	48.19%	35.62%	88.23%	75.23%	35.56%	51.81%	64.38%	11.77%
2006	\$ 296,611,100,532	34.97%	68.14%	50.55%	38.16%	91.07%	65.03%	31.86%	49.45%	61.84%	8.93%
2007	\$ 325,728,814,842	32.87%	68.53%	54.09%	37.58%	91.07%	67.13%	31.47%	45.91%	62.42%	8.93%
2008	\$ 239,936,748,440	17.53%	63.04%	48.63%	22.78%	85.22%	82.47%	36.96%	51.37%	77.22%	14.78%
2009	\$ 312,916,373,670	6.10%	48.11%	40.34%	8.70%	71.64%	93.90%	51.89%	59.66%	91.30%	28.36%

SECTION 2: EVER-90-DAY DELINQUENCY RATES BY PROPOSED REQUIREMENT

QUALIFICATION

Year	All Loans	Mortgages that Do Not Qualify for the Following Requirements				All Non-Qualified	Mortgages that Qualify for the the Following Requirements				Qualified Mortgages
		Product-Type	PTI/DTI	LTV	FICO		Product-Type	PTI/DTI	LTV	FICO	
1997	2.72%	1.78%	3.55%	4.19%	6.37%	3.31%	2.85%	2.05%	1.43%	0.88%	0.42%
1998	2.06%	1.62%	2.74%	3.08%	4.97%	2.57%	2.09%	1.59%	1.15%	0.78%	0.39%
1999	2.75%	2.06%	3.42%	4.22%	6.31%	3.30%	2.83%	2.10%	1.46%	1.01%	0.44%
2000	3.09%	4.37%	3.71%	5.12%	7.02%	3.64%	2.83%	2.25%	1.47%	1.01%	0.32%
2001	2.59%	4.29%	3.40%	4.00%	6.20%	3.13%	2.32%	1.79%	1.25%	0.92%	0.31%
2002	2.42%	3.34%	3.21%	4.14%	5.92%	3.03%	2.23%	1.68%	1.19%	1.00%	0.33%
2003	2.94%	3.68%	3.99%	5.09%	6.96%	3.72%	2.79%	2.00%	1.68%	1.48%	0.55%
2004	5.29%	6.59%	6.59%	8.62%	10.44%	6.18%	4.82%	3.54%	3.40%	2.97%	0.95%
2005	9.99%	14.52%	12.11%	14.56%	17.79%	11.36%	8.01%	6.44%	7.52%	6.76%	1.86%
2006	16.65%	24.47%	19.70%	24.26%	27.98%	18.47%	11.88%	10.38%	12.41%	11.51%	2.72%
2007	19.49%	28.28%	23.49%	28.85%	33.67%	21.55%	14.92%	10.54%	11.65%	12.74%	2.37%
2008	6.62%	9.09%	8.95%	11.18%	17.99%	7.87%	6.02%	2.79%	3.49%	4.09%	0.68%
2009	0.28%	0.34%	0.46%	0.50%	1.62%	0.39%	0.28%	0.12%	0.17%	0.17%	0.04%

Year	All Loans	Mortgages that Do Not Qualify for the Following Requirements				All Non-Qualified	Mortgages that Qualify for the the Following Requirements				Qualified Mortgages
		Product-Type	PTI/DTI	LTV	FICO		Product-Type	PTI/DTI	LTV	FICO	
1997	2.87%	1.68%	3.66%	4.72%	6.88%	3.50%	3.05%	2.19%	1.39%	0.92%	0.42%
1998	2.59%	1.68%	3.19%	4.19%	6.07%	3.20%	2.67%	2.10%	1.33%	0.97%	0.46%
1999	2.62%	1.78%	3.17%	4.40%	6.44%	3.18%	2.75%	2.04%	1.33%	0.96%	0.40%
2000	2.59%	3.54%	3.13%	4.66%	6.39%	3.09%	2.39%	1.85%	1.22%	0.86%	0.29%
2001	2.97%	4.65%	3.72%	5.34%	7.15%	3.61%	2.63%	2.06%	1.46%	1.09%	0.38%
2002	3.18%	3.82%	3.79%	6.07%	7.31%	3.79%	2.99%	2.39%	1.57%	1.37%	0.48%
2003	4.43%	4.33%	5.38%	8.48%	9.73%	5.20%	4.47%	3.13%	2.40%	2.25%	0.93%
2004	5.87%	6.73%	7.22%	11.53%	12.20%	6.81%	5.47%	3.79%	3.78%	3.47%	1.16%
2005	10.74%	15.22%	13.05%	17.78%	20.16%	12.34%	8.13%	6.73%	8.76%	7.69%	2.13%
2006	16.39%	24.25%	19.69%	25.63%	30.20%	18.53%	11.22%	9.48%	13.71%	11.40%	2.76%
2007	18.84%	26.76%	23.00%	31.05%	35.95%	21.18%	14.83%	8.97%	11.70%	11.92%	2.33%
2008	6.26%	7.66%	8.24%	12.40%	18.53%	7.44%	5.89%	2.59%	3.03%	3.89%	0.64%
2009	0.30%	0.36%	0.41%	0.48%	1.75%	0.38%	0.29%	0.17%	0.25%	0.17%	0.07%

NO CASHOUT REFINANCES

Year	All Loans	Mortgages that Do Not Qualify for the Following Requirements				All Non-Qualified	Mortgages that Qualify for the the Following Requirements				Qualified Mortgages
		Product-Type	PTI/DTI	LTV	FICO		Product-Type	PTI/DTI	LTV	FICO	
1997	2.37%	1.85%	3.31%	3.40%	5.65%	2.90%	2.43%	1.69%	1.40%	0.73%	0.37%
1998	1.74%	1.45%	2.49%	2.57%	4.39%	2.22%	1.76%	1.29%	1.01%	0.64%	0.33%
1999	2.94%	2.43%	3.87%	4.31%	6.40%	3.57%	2.98%	2.18%	1.61%	1.03%	0.46%
2000	4.51%	6.92%	5.53%	6.42%	8.76%	5.16%	4.07%	3.19%	2.22%	1.38%	0.40%
2001	2.24%	3.55%	3.14%	3.56%	5.74%	2.81%	2.08%	1.51%	0.99%	0.77%	0.27%
2002	1.91%	2.66%	2.81%	3.60%	5.34%	2.56%	1.78%	1.26%	0.89%	0.78%	0.28%
2003	2.17%	2.87%	3.16%	3.98%	5.86%	2.94%	2.05%	1.49%	1.28%	1.11%	0.46%
2004	4.13%	5.74%	5.47%	6.76%	9.04%	5.09%	3.71%	2.81%	2.60%	2.20%	0.77%
2005	7.97%	12.33%	9.96%	11.55%	15.04%	9.26%	6.49%	5.32%	5.26%	5.06%	1.43%
2006	16.73%	25.19%	19.70%	22.95%	26.30%	18.32%	11.39%	11.46%	10.74%	12.24%	2.74%
2007	22.30%	32.88%	26.61%	30.07%	33.92%	24.32%	15.85%	13.63%	13.31%	16.75%	2.86%
2008	6.48%	10.40%	9.29%	10.57%	17.91%	7.94%	5.52%	2.67%	3.64%	4.28%	0.70%
2009	0.28%	0.31%	0.49%	0.54%	1.71%	0.40%	0.28%	0.12%	0.14%	0.18%	0.04%

CASHOUT REFINANCES

Year	All Loans	Mortgages that Do Not Qualify for the Following Requirements				All Non-Qualified	Mortgages that Qualify for the the Following Requirements				Qualified Mortgages
		Product-Type	PTI/DTI	LTV	FICO		Product-Type	PTI/DTI	LTV	FICO	
1997	2.72%	2.22%	3.50%	3.62%	5.69%	3.21%	2.77%	2.12%	1.71%	1.00%	0.51%
1998	1.83%	1.86%	2.39%	2.48%	4.20%	2.22%	1.83%	1.46%	1.11%	0.78%	0.39%
1999	2.79%	2.70%	3.51%	3.71%	5.85%	3.25%	2.80%	2.15%	1.67%	1.10%	0.52%
2000	4.39%	6.07%	5.05%	5.55%	7.75%	4.82%	3.95%	3.47%	2.63%	1.64%	0.51%
2001	2.61%	4.56%	3.30%	3.50%	5.77%	3.02%	2.31%	1.92%	1.32%	0.92%	0.31%
2002	2.46%	3.55%	3.08%	3.50%	5.39%	2.90%	2.25%	1.82%	1.26%	0.98%	0.31%
2003	3.08%	4.05%	3.87%	4.53%	6.31%	3.68%	2.89%	2.25%	1.80%	1.56%	0.51%
2004	5.60%	7.06%	6.56%	7.65%	9.61%	6.25%	5.14%	4.12%	3.58%	3.02%	0.89%
2005	10.04%	14.32%	11.87%	14.02%	16.81%	11.16%	8.64%	6.74%	6.34%	6.30%	1.70%
2006	17.03%	24.49%	19.73%	23.88%	26.22%	18.44%	13.01%	11.25%	10.02%	11.35%	2.61%
2007	18.80%	27.50%	22.44%	25.80%	30.82%	20.43%	14.54%	10.88%	10.55%	11.56%	2.14%
2008	7.24%	9.94%	9.63%	10.53%	17.54%	8.37%	6.66%	3.16%	4.12%	4.20%	0.72%
2009	0.27%	0.40%	0.45%	0.42%	1.38%	0.37%	0.26%	0.10%	0.17%	0.17%	0.03%

SECTION 3: THE EFFECT OF REMOVING INDIVIDUAL REQUIREMENTS

Change in the QRM Ever-90-Day Delinquency Rate When
Removing One of the Qualification Requirements

Change in the Total QRM Dollar Volume When Removing One of the
Qualification Requirements

ALL LOANS

Year	QRM Delinquency Rate	Product Type	PTI/DTI	LTV	FICO	All Req'ts	Year	QRM Volume	Product Type	PTI/DTI	LTV	FICO	All Loans
1997	0.42%	+0.05%	+0.39%	+0.61%	+3.08%	+2.30%	1997	20.44%	+3.75%	+13.04%	+13.74%	+5.81%	\$ 286,497,878,371
1998	0.39%	+0.10%	+0.31%	+0.52%	+2.34%	+1.68%	1998	23.29%	+2.17%	+13.30%	+17.10%	+6.24%	\$ 691,033,994,509
1999	0.44%	+0.13%	+0.34%	+0.78%	+3.12%	+2.31%	1999	19.48%	+3.16%	+14.83%	+12.95%	+5.37%	\$ 481,450,519,442
2000	0.32%	+0.43%	+0.20%	+0.83%	+2.94%	+2.77%	2000	16.44%	+3.70%	+17.00%	+8.40%	+4.53%	\$ 356,779,731,420
2001	0.31%	+0.35%	+0.27%	+0.59%	+2.52%	+2.27%	2001	19.37%	+3.01%	+14.33%	+13.11%	+4.62%	\$ 1,039,412,013,403
2002	0.33%	+0.41%	+0.32%	+0.73%	+2.34%	+2.09%	2002	22.37%	+4.28%	+15.35%	+10.72%	+4.62%	\$ 1,385,056,256,240
2003	0.55%	+0.64%	+0.66%	+1.06%	+2.95%	+2.40%	2003	24.57%	+4.55%	+16.68%	+10.02%	+4.98%	\$ 1,924,265,340,603
2004	0.95%	+1.72%	+1.16%	+1.58%	+4.27%	+4.33%	2004	17.03%	+6.35%	+17.68%	+6.25%	+4.34%	\$ 937,643,914,289
2005	1.86%	+5.30%	+2.36%	+2.31%	+6.46%	+8.13%	2005	14.41%	+6.74%	+18.78%	+5.45%	+3.36%	\$ 939,069,358,457
2006	2.72%	+7.49%	+3.35%	+3.73%	+7.90%	+13.93%	2006	11.52%	+7.11%	+17.59%	+3.91%	+2.73%	\$ 887,443,942,464
2007	2.37%	+6.34%	+3.59%	+4.39%	+8.66%	+17.12%	2007	10.72%	+5.44%	+16.14%	+4.95%	+2.24%	\$ 1,027,460,511,244
2008	0.68%	+1.48%	+1.64%	+1.68%	+5.15%	+5.94%	2008	17.39%	+4.64%	+22.01%	+9.22%	+2.12%	\$ 793,136,249,487
2009	0.04%	+0.06%	+0.11%	+0.09%	+0.50%	+0.24%	2009	30.52%	+3.38%	+24.47%	+15.26%	+1.74%	\$ 1,176,445,135,548

PURCHASES

Year	QRM Delinquency Rate	Product Type	PTI/DTI	LTV	FICO	All Req'ts	Year	QRM Volume	Product Type	PTI/DTI	LTV	FICO	All Loans
1997	0.42%	+0.03%	+0.36%	+0.80%	+3.13%	+2.44%	1997	20.74%	+4.40%	+14.02%	+12.11%	+5.55%	\$ 171,316,168,314
1998	0.46%	+0.04%	+0.30%	+0.90%	+2.70%	+2.13%	1998	22.08%	+2.99%	+15.33%	+13.09%	+6.23%	\$ 243,827,154,269
1999	0.40%	+0.12%	+0.30%	+0.98%	+3.05%	+2.23%	1999	19.86%	+4.02%	+17.29%	+10.39%	+4.93%	\$ 252,736,885,540
2000	0.29%	+0.38%	+0.17%	+0.83%	+2.51%	+2.29%	2000	18.17%	+4.21%	+19.37%	+7.56%	+4.45%	\$ 259,462,348,244
2001	0.38%	+0.35%	+0.28%	+0.97%	+2.72%	+2.59%	2001	19.57%	+4.20%	+18.76%	+7.94%	+4.92%	\$ 334,671,388,428
2002	0.48%	+0.50%	+0.32%	+1.28%	+2.61%	+2.70%	2002	18.43%	+5.80%	+18.86%	+6.12%	+4.51%	\$ 378,648,800,742
2003	0.93%	+0.72%	+0.78%	+1.84%	+3.29%	+3.50%	2003	18.03%	+6.81%	+19.38%	+5.32%	+4.42%	\$ 428,404,858,343
2004	1.16%	+1.97%	+1.24%	+2.53%	+3.93%	+4.71%	2004	16.71%	+9.21%	+20.88%	+3.25%	+3.78%	\$ 397,943,548,815
2005	2.13%	+6.18%	+2.49%	+2.87%	+5.94%	+8.61%	2005	15.67%	+10.22%	+22.25%	+2.51%	+2.92%	\$ 433,917,427,310
2006	2.76%	+8.69%	+3.28%	+3.29%	+6.78%	+13.63%	2006	13.57%	+9.37%	+21.75%	+2.02%	+2.48%	\$ 459,040,004,449
2007	2.33%	+6.76%	+3.31%	+4.33%	+6.79%	+16.51%	2007	12.39%	+6.88%	+19.94%	+3.27%	+1.95%	\$ 504,879,485,500
2008	0.64%	+1.36%	+1.42%	+2.10%	+4.73%	+5.62%	2008	17.33%	+6.08%	+26.06%	+6.40%	+1.86%	\$ 321,485,446,505
2009	0.07%	+0.09%	+0.09%	+0.07%	+0.63%	+0.23%	2009	27.06%	+7.02%	+33.83%	+8.18%	+1.89%	\$ 225,983,942,704

NO CASHOUT REFINANCES

Change in the QRM Ever-90-Day Delinquency Rate When Removing One of the Qualification Requirements

Change in the Total QRM Dollar Volume When Removing One of the Qualification Requirements

Year	QRM Delinquency Rate	Product Type	PTI/DTI	LTV	FICO	All Req'ts	Year	QRM Volume	Product Type	PTI/DTI	LTV	FICO	All Loans
1997	0.37%	+0.06%	+0.43%	+0.32%	+2.94%	+2.00%	1997	21.04%	+3.12%	+11.92%	+15.76%	+6.12%	\$ 72,883,400,278
1998	0.33%	+0.11%	+0.27%	+0.36%	+2.15%	+1.41%	1998	25.24%	+1.92%	+12.34%	+18.72%	+6.40%	\$ 302,723,323,315
1999	0.46%	+0.17%	+0.43%	+0.66%	+3.26%	+2.47%	1999	20.34%	+2.44%	+12.42%	+14.98%	+6.23%	\$ 140,480,199,806
2000	0.40%	+0.66%	+0.31%	+0.70%	+3.69%	+4.11%	2000	13.66%	+2.31%	+11.72%	+10.37%	+5.06%	\$ 48,878,241,470
2001	0.27%	+0.32%	+0.24%	+0.50%	+2.21%	+1.97%	2001	22.56%	+2.89%	+13.21%	+15.14%	+4.72%	\$ 390,566,245,690
2002	0.28%	+0.27%	+0.28%	+0.65%	+2.01%	+1.63%	2002	28.69%	+4.46%	+15.27%	+11.65%	+4.90%	\$ 584,998,514,202
2003	0.46%	+0.42%	+0.54%	+0.88%	+2.69%	+1.71%	2003	31.06%	+4.48%	+16.76%	+11.22%	+5.22%	\$ 920,098,549,172
2004	0.77%	+1.01%	+0.97%	+1.25%	+4.09%	+3.36%	2004	22.37%	+5.15%	+16.81%	+8.76%	+5.07%	\$ 269,562,391,201
2005	1.43%	+3.09%	+1.92%	+1.96%	+6.46%	+6.54%	2005	16.42%	+4.93%	+16.06%	+8.46%	+3.82%	\$ 169,162,254,192
2006	2.74%	+6.44%	+3.70%	+3.72%	+8.57%	+13.99%	2006	10.24%	+6.22%	+13.03%	+6.20%	+2.73%	\$ 131,792,837,483
2007	2.86%	+7.94%	+5.20%	+5.39%	+10.27%	+19.45%	2007	9.41%	+5.15%	+12.27%	+6.36%	+2.16%	\$ 196,852,210,903
2008	0.70%	+1.80%	+1.94%	+1.55%	+5.25%	+5.78%	2008	20.16%	+4.61%	+20.18%	+10.87%	+2.06%	\$ 231,714,054,542
2009	0.04%	+0.03%	+0.11%	+0.10%	+0.48%	+0.24%	2009	32.80%	+3.01%	+22.10%	+16.44%	+1.63%	\$ 637,544,819,174

CASHOUT REFINANCES

Year	QRM Delinquency Rate	Product Type	PTI/DTI	LTV	FICO	All Req'ts	Year	QRM Volume	Product Type	PTI/DTI	LTV	FICO	All Loans
1997	0.51%	+0.18%	+0.48%	+0.54%	+3.12%	+2.20%	1997	18.17%	+2.23%	+10.98%	+16.86%	+6.32%	\$ 42,298,309,778
1998	0.39%	+0.20%	+0.37%	+0.42%	+2.09%	+1.44%	1998	21.25%	+1.30%	+11.88%	+20.45%	+5.91%	\$ 144,483,516,925
1999	0.52%	+0.23%	+0.42%	+0.56%	+3.05%	+2.27%	1999	17.05%	+1.84%	+11.63%	+17.04%	+5.28%	\$ 88,233,434,096
2000	0.51%	+0.70%	+0.41%	+0.81%	+4.26%	+3.88%	2000	10.03%	+2.40%	+9.66%	+10.90%	+4.46%	\$ 48,439,141,706
2001	0.31%	+0.33%	+0.23%	+0.52%	+2.67%	+2.30%	2001	15.19%	+1.90%	+11.01%	+16.10%	+4.18%	\$ 314,174,379,286
2002	0.31%	+0.40%	+0.28%	+0.61%	+2.57%	+2.15%	2002	17.13%	+2.67%	+12.30%	+13.58%	+4.33%	\$ 421,408,941,296
2003	0.51%	+0.64%	+0.60%	+1.12%	+3.11%	+2.57%	2003	19.05%	+2.99%	+14.53%	+11.60%	+5.00%	\$ 575,761,933,088
2004	0.89%	+1.29%	+1.08%	+1.51%	+4.92%	+4.71%	2004	12.16%	+3.34%	+13.83%	+8.15%	+4.43%	\$ 270,137,974,274
2005	1.70%	+2.71%	+2.22%	+2.55%	+7.11%	+8.34%	2005	11.77%	+3.14%	+15.67%	+7.74%	+3.71%	\$ 335,989,676,955
2006	2.61%	+3.77%	+3.34%	+4.05%	+9.06%	+14.42%	2006	8.93%	+4.00%	+13.17%	+5.81%	+3.12%	\$ 296,611,100,532
2007	2.14%	+3.46%	+3.37%	+3.84%	+9.99%	+16.66%	2007	8.93%	+3.39%	+12.61%	+6.70%	+2.75%	\$ 325,728,814,842
2008	0.72%	+1.39%	+1.73%	+1.44%	+5.47%	+6.52%	2008	14.78%	+2.75%	+18.34%	+11.41%	+2.52%	\$ 239,936,748,440
2009	0.03%	+0.05%	+0.10%	+0.07%	+0.44%	+0.24%	2009	28.36%	+1.52%	+22.56%	+17.99%	+1.87%	\$ 312,916,373,670

SECTION 4a. THE EFFECT OF RELAXING INDIVIDUAL REQUIREMENTS

		Change in the Ever-90-Day Delinquency Rates After Decreasing Each Requirement			Change in the Total QRM Dollar Volume After Decreasing Each Requirement					Percent Change of Delinquency Rate to Mortgage Volume				
ALL LOANS	Year	QRM Delinquency Rate	Higher DTI	Higher LTV	Lower FICO	Year	QRM Volume	Higher DTI	Higher LTV	Lower FICO	All Loans	Higher DTI	Higher LTV	Lower FICO
	1997	0.42%	+0.03%	+0.11%	+0.15%	1997	20.44%	+2.70%	+8.81%	+2.64%	\$ 286,497,878,371	1.22%	1.28%	5.59%
	1998	0.39%	+0.02%	+0.12%	+0.13%	1998	23.29%	+2.46%	+12.51%	+2.74%	\$ 691,033,994,510	0.66%	0.92%	4.73%
	1999	0.44%	+0.02%	+0.17%	+0.18%	1999	19.48%	+2.28%	+8.64%	+2.51%	\$ 481,450,519,437	0.77%	1.92%	7.32%
	2000	0.32%	+0.00%	+0.12%	+0.12%	2000	16.44%	+2.32%	+4.75%	+2.00%	\$ 356,779,731,419	0.10%	2.50%	5.95%
	2001	0.31%	+0.01%	+0.12%	+0.10%	2001	19.37%	+2.02%	+9.84%	+2.16%	\$ 1,039,412,013,402	0.73%	1.17%	4.78%
	2002	0.33%	+0.01%	+0.13%	+0.10%	2002	22.37%	+2.12%	+8.47%	+2.22%	\$ 1,385,056,256,237	0.68%	1.51%	4.34%
	2003	0.55%	+0.04%	+0.19%	+0.15%	2003	24.57%	+2.16%	+7.98%	+2.27%	\$ 1,924,265,340,603	1.66%	2.43%	6.54%
	2004	0.95%	+0.08%	+0.25%	+0.25%	2004	17.03%	+2.08%	+4.72%	+1.95%	\$ 937,643,914,292	4.02%	5.23%	12.94%
	2005	1.86%	+0.17%	+0.46%	+0.39%	2005	14.41%	+2.15%	+4.26%	+1.60%	\$ 939,069,358,458	7.80%	10.76%	24.54%
2006	2.72%	+0.28%	+0.74%	+0.50%	2006	11.52%	+1.93%	+2.93%	+1.28%	\$ 887,443,942,463	14.57%	25.17%	39.07%	
2007	2.37%	+0.24%	+0.88%	+0.44%	2007	10.72%	+1.71%	+3.33%	+1.04%	\$ 1,027,460,511,244	13.75%	26.30%	42.13%	
2008	0.68%	+0.08%	+0.37%	+0.16%	2008	17.39%	+2.41%	+6.91%	+1.13%	\$ 793,136,249,488	3.24%	5.34%	14.18%	
2009	0.04%	+0.00%	+0.02%	+0.01%	2009	30.52%	+3.17%	+12.43%	+1.14%	\$ 1,176,445,135,544	0.14%	0.13%	0.87%	

PURCHASES	Year	QRM Delinquency Rate	Higher DTI	Higher LTV	Lower FICO	Year	QRM Volume	Higher DTI	Higher LTV	Lower FICO	All Loans	Higher DTI	Higher LTV	Lower FICO
	1997	0.42%	+0.03%	+0.09%	+0.14%	1997	20.74%	+2.98%	+5.39%	+2.52%	\$ 171,316,168,315	1.06%	1.63%	5.51%
	1998	0.46%	+0.02%	+0.10%	+0.15%	1998	22.08%	+2.85%	+5.42%	+2.63%	\$ 243,827,154,269	0.54%	1.92%	5.71%
	1999	0.40%	+0.01%	+0.10%	+0.16%	1999	19.86%	+2.67%	+4.27%	+2.35%	\$ 252,736,885,537	0.52%	2.42%	6.96%
	2000	0.29%	+0.00%	+0.06%	+0.10%	2000	18.17%	+2.68%	+3.21%	+2.07%	\$ 259,462,348,244	0.00%	1.95%	4.94%
	2001	0.38%	+0.02%	+0.08%	+0.13%	2001	19.57%	+2.61%	+3.16%	+2.31%	\$ 334,671,388,428	0.67%	2.52%	5.64%
	2002	0.48%	+0.02%	+0.08%	+0.13%	2002	18.43%	+2.50%	+2.37%	+2.19%	\$ 378,648,800,742	0.83%	3.34%	5.92%
	2003	0.93%	+0.07%	+0.11%	+0.23%	2003	18.03%	+2.42%	+1.95%	+1.89%	\$ 428,404,858,343	2.80%	5.50%	11.96%
	2004	1.16%	+0.10%	+0.10%	+0.26%	2004	16.71%	+2.51%	+1.22%	+1.82%	\$ 397,943,548,817	4.05%	8.35%	14.17%
	2005	2.13%	+0.18%	+0.14%	+0.36%	2005	15.67%	+2.59%	+0.98%	+1.58%	\$ 433,917,427,309	7.00%	14.09%	22.93%
2006	2.76%	+0.28%	+0.14%	+0.45%	2006	13.57%	+2.41%	+0.75%	+1.35%	\$ 459,040,004,449	11.63%	19.23%	33.15%	
2007	2.33%	+0.23%	+0.19%	+0.36%	2007	12.39%	+2.13%	+1.04%	+1.06%	\$ 504,879,485,501	10.99%	18.04%	34.23%	
2008	0.64%	+0.07%	+0.29%	+0.16%	2008	17.33%	+2.77%	+3.26%	+1.07%	\$ 321,485,446,506	2.53%	8.96%	15.23%	
2009	0.07%	+0.01%	+0.01%	+0.02%	2009	27.06%	+3.94%	+5.34%	+1.21%	\$ 225,983,942,702	0.16%	0.23%	1.47%	

NO CASHOUT REFINANCES

Change in the Ever-90-Day Delinquency Rates After Decreasing Each Requirement

Change in the Total QRM Dollar Volume After Decreasing Each Requirement

Percent Change of Delinquency Rate to Mortgage Volume

Year	QRM Delinquency Rate	Higher DTI	Higher LTV	Lower FICO	Year	QRM Volume	Higher DTI	Higher LTV	Lower FICO	All Loans	Higher DTI	Higher LTV	Lower FICO
1997	0.37%	+0.03%	+0.07%	+0.15%	1997	21.04%	+2.36%	+12.34%	+2.87%	\$ 72,883,400,278	1.48%	0.55%	5.11%
1998	0.33%	+0.01%	+0.09%	+0.11%	1998	25.24%	+2.31%	+14.60%	+2.87%	\$ 302,723,323,316	0.47%	0.62%	4.01%
1999	0.46%	+0.02%	+0.16%	+0.21%	1999	20.34%	+1.91%	+11.53%	+2.84%	\$ 140,480,199,805	1.01%	1.43%	7.27%
2000	0.40%	+0.01%	+0.15%	+0.14%	2000	13.66%	+1.58%	+7.99%	+2.01%	\$ 48,878,241,470	0.66%	1.88%	7.01%
2001	0.27%	+0.01%	+0.10%	+0.08%	2001	22.56%	+1.90%	+11.93%	+2.28%	\$ 390,566,245,688	0.63%	0.88%	3.58%
2002	0.28%	+0.01%	+0.12%	+0.08%	2002	28.69%	+2.20%	+9.63%	+2.48%	\$ 584,998,514,198	0.50%	1.23%	3.17%
2003	0.46%	+0.02%	+0.17%	+0.12%	2003	31.06%	+2.22%	+9.33%	+2.54%	\$ 920,098,549,171	1.06%	1.80%	4.72%
2004	0.77%	+0.06%	+0.27%	+0.22%	2004	22.37%	+1.98%	+7.44%	+2.35%	\$ 269,562,391,200	2.80%	3.59%	9.42%
2005	1.43%	+0.14%	+0.54%	+0.40%	2005	16.42%	+1.78%	+7.31%	+1.76%	\$ 169,162,254,193	7.86%	7.44%	22.57%
2006	2.74%	+0.32%	+1.19%	+0.60%	2006	10.24%	+1.45%	+5.35%	+1.23%	\$ 131,792,837,483	22.07%	22.33%	48.77%
2007	2.86%	+0.34%	+1.64%	+0.69%	2007	9.41%	+1.30%	+5.11%	+1.01%	\$ 196,852,210,902	26.26%	32.04%	68.37%
2008	0.70%	+0.09%	+0.33%	+0.15%	2008	20.16%	+2.39%	+8.77%	+1.17%	\$ 231,714,054,542	3.69%	3.76%	12.79%
2009	0.04%	+0.00%	+0.01%	+0.01%	2009	32.80%	+3.02%	+12.36%	+1.09%	\$ 637,544,819,173	0.15%	0.11%	0.77%

CASHOUT REFINANCES

Year	QRM Delinquency Rate	Higher DTI	Higher LTV	Lower FICO	Year	QRM Volume	Higher DTI	Higher LTV	Lower FICO	All Loans	Higher DTI	Higher LTV	Lower FICO
1997	0.51%	+0.03%	+0.25%	+0.19%	1997	18.17%	+2.16%	+16.55%	+2.77%	\$ 42,298,309,778	1.62%	1.51%	6.86%
1998	0.39%	+0.03%	+0.20%	+0.13%	1998	21.25%	+2.13%	+20.09%	+2.67%	\$ 144,483,516,926	1.21%	0.99%	4.84%
1999	0.52%	+0.03%	+0.26%	+0.20%	1999	17.05%	+1.72%	+16.54%	+2.42%	\$ 88,233,434,095	1.81%	1.56%	8.33%
2000	0.51%	+0.02%	+0.31%	+0.24%	2000	10.03%	+1.15%	+9.72%	+1.64%	\$ 48,439,141,706	1.88%	3.24%	14.44%
2001	0.31%	+0.01%	+0.18%	+0.10%	2001	15.19%	+1.54%	+14.35%	+1.84%	\$ 314,174,379,286	0.78%	1.24%	5.60%
2002	0.31%	+0.01%	+0.20%	+0.10%	2002	17.13%	+1.66%	+12.32%	+1.88%	\$ 421,408,941,297	0.51%	1.60%	5.33%
2003	0.51%	+0.03%	+0.34%	+0.16%	2003	19.05%	+1.85%	+10.30%	+2.11%	\$ 575,761,933,089	1.56%	3.26%	7.62%
2004	0.89%	+0.08%	+0.49%	+0.30%	2004	12.16%	+1.55%	+7.18%	+1.75%	\$ 270,137,974,275	4.96%	6.86%	17.04%
2005	1.70%	+0.14%	+0.90%	+0.44%	2005	11.77%	+1.76%	+6.96%	+1.54%	\$ 335,989,676,956	8.22%	12.91%	28.87%
2006	2.61%	+0.26%	+1.47%	+0.58%	2006	8.93%	+1.39%	+5.22%	+1.20%	\$ 296,611,100,531	18.71%	28.22%	47.99%
2007	2.14%	+0.18%	+1.39%	+0.44%	2007	8.93%	+1.32%	+5.81%	+1.03%	\$ 325,728,814,841	13.36%	23.91%	42.43%
2008	0.72%	+0.08%	+0.48%	+0.17%	2008	14.78%	+1.93%	+9.99%	+1.19%	\$ 239,936,748,440	4.09%	4.83%	14.45%
2009	0.03%	+0.00%	+0.03%	+0.01%	2009	28.36%	+2.92%	+17.68%	+1.19%	\$ 312,916,373,669	0.05%	0.14%	0.68%

SECTION 4b. THE EFFECT OF TIGHTENING INDIVIDUAL REQUIREMENTS

Change in the Ever-90-Day Delinquency Rates
After Decreasing Each Requirement

Change in the Total QRM Dollar Volume
After Decreasing Each Requirement

Percent Change of
Delinquency Rate to
Mortgage Volume

ALL LOANS

Year	QRM Delinquency Rate	Lower DTI	Lower LTV	Higher FICO	Year	QRM Volume	Lower DTI	Lower LTV	Higher FICO	All Loans	Lower DTI	Lower LTV	Higher FICO
1998	0.39%	-0.02%	-0.10%	-0.10%	1998	23.29%	-2.55%	-12.42%	-4.44%	\$ 691,033,994,510	0.73%	0.78%	2.25%
1999	0.44%	-0.02%	-0.10%	-0.12%	1999	19.48%	-2.35%	-11.08%	-3.72%	\$ 481,450,519,437	0.81%	0.90%	3.29%
2000	0.32%	-0.01%	-0.08%	-0.09%	2000	16.44%	-2.40%	-10.21%	-2.93%	\$ 356,779,731,419	0.59%	0.80%	2.96%
2001	0.31%	-0.01%	-0.08%	-0.07%	2001	19.37%	-2.17%	-9.43%	-3.26%	\$ 1,039,412,013,402	0.58%	0.86%	2.12%
2002	0.33%	-0.01%	-0.10%	-0.07%	2002	22.37%	-2.30%	-9.17%	-3.52%	\$ 1,385,056,256,237	0.63%	1.05%	2.06%
2003	0.55%	-0.03%	-0.18%	-0.13%	2003	24.57%	-2.34%	-9.40%	-3.65%	\$ 1,924,265,340,603	1.36%	1.92%	3.67%
2004	0.95%	-0.07%	-0.38%	-0.22%	2004	17.03%	-2.14%	-8.06%	-2.84%	\$ 937,643,914,292	3.14%	4.69%	7.89%
2005	1.86%	-0.17%	-0.84%	-0.42%	2005	14.41%	-2.15%	-7.28%	-2.30%	\$ 939,069,358,458	8.05%	11.53%	18.26%
2006	2.72%	-0.25%	-1.35%	-0.59%	2006	11.52%	-1.86%	-6.29%	-1.88%	\$ 887,443,942,463	13.27%	21.48%	31.58%
2007	2.37%	-0.23%	-1.18%	-0.59%	2007	10.72%	-1.68%	-5.78%	-1.60%	\$ 1,027,460,511,244	13.48%	20.47%	36.73%
2008	0.68%	-0.06%	-0.24%	-0.17%	2008	17.39%	-2.42%	-8.00%	-1.98%	\$ 793,136,249,488	2.41%	3.04%	8.52%
2009	0.04%	-0.00%	-0.01%	-0.01%	2009	30.52%	-3.35%	-11.57%	-2.54%	\$ 1,176,445,135,544	0.13%	0.09%	0.40%

PURCHASES

Year	QRM Delinquency Rate	Lower DTI	Lower LTV	Higher FICO	Year	QRM Volume	Lower DTI	Lower LTV	Higher FICO	All Loans	Lower DTI	Lower LTV	Higher FICO
1998	0.46%	-0.02%	-0.15%	-0.11%	1998	22.08%	-2.93%	-15.60%	-4.28%	\$ 243,827,154,269	0.70%	0.95%	2.65%
1999	0.40%	-0.02%	-0.13%	-0.11%	1999	19.86%	-2.76%	-13.88%	-3.66%	\$ 252,736,885,537	0.66%	0.96%	2.93%
2000	0.29%	-0.01%	-0.11%	-0.07%	2000	18.17%	-2.77%	-12.45%	-3.16%	\$ 259,462,348,244	0.46%	0.89%	2.27%
2001	0.38%	-0.01%	-0.15%	-0.08%	2001	19.57%	-2.74%	-13.89%	-3.48%	\$ 334,671,388,428	0.48%	1.11%	2.29%
2002	0.48%	-0.02%	-0.21%	-0.10%	2002	18.43%	-2.58%	-13.15%	-3.27%	\$ 378,648,800,742	0.67%	1.62%	3.12%
2003	0.93%	-0.06%	-0.46%	-0.20%	2003	18.03%	-2.50%	-13.00%	-2.95%	\$ 428,404,858,343	2.48%	3.53%	6.69%
2004	1.16%	-0.08%	-0.65%	-0.25%	2004	16.71%	-2.52%	-11.69%	-2.78%	\$ 397,943,548,817	3.15%	5.57%	9.11%
2005	2.13%	-0.18%	-1.34%	-0.44%	2005	15.67%	-2.57%	-10.86%	-2.41%	\$ 433,917,427,309	7.15%	12.39%	18.32%
2006	2.76%	-0.25%	-1.98%	-0.60%	2006	13.57%	-2.32%	-9.51%	-2.11%	\$ 459,040,004,449	10.63%	20.78%	28.40%
2007	2.33%	-0.21%	-1.72%	-0.57%	2007	12.39%	-2.08%	-8.72%	-1.77%	\$ 504,879,485,501	9.85%	19.76%	32.34%
2008	0.64%	-0.04%	-0.26%	-0.15%	2008	17.33%	-2.72%	-11.43%	-1.96%	\$ 321,485,446,506	1.65%	2.27%	7.66%
2009	0.07%	-0.01%	-0.03%	-0.02%	2009	27.06%	-3.95%	-19.57%	-2.61%	\$ 225,983,942,702	0.13%	0.15%	0.79%

NO CASHOUT REFINANCES

Change in the Ever-90-Day Delinquency Rates
After Decreasing Each Requirement

Change in the Total QRM Dollar Volume
After Decreasing Each Requirement

Percent Change of
Delinquency Rate to
Mortgage Volume

Year	QRM Delinquency Rate	Lower DTI	Lower LTV	Higher FICO	Year	QRM Volume	Lower DTI	Lower LTV	Higher FICO	All Loans	Lower DTI	Lower LTV	Higher FICO
1997	0.37%	-0.02%	-0.09%	-0.10%	1997	21.04%	-2.48%	-10.09%	-4.33%	\$ 72,883,400,278	0.81%	0.85%	2.37%
1998	0.33%	-0.01%	-0.08%	-0.09%	1998	25.24%	-2.44%	-11.90%	-4.68%	\$ 302,723,323,316	0.53%	0.63%	1.87%
1999	0.46%	-0.02%	-0.13%	-0.14%	1999	20.34%	-1.97%	-9.08%	-3.98%	\$ 140,480,199,805	0.78%	1.38%	3.48%
2000	0.40%	-0.03%	-0.11%	-0.12%	2000	13.66%	-1.67%	-5.28%	-2.60%	\$ 48,878,241,470	1.71%	2.17%	4.75%
2001	0.27%	-0.01%	-0.06%	-0.06%	2001	22.56%	-2.11%	-8.74%	-3.55%	\$ 390,566,245,688	0.47%	0.68%	1.67%
2002	0.28%	-0.01%	-0.06%	-0.06%	2002	28.69%	-2.47%	-9.17%	-4.19%	\$ 584,998,514,198	0.43%	0.65%	1.40%
2003	0.46%	-0.02%	-0.12%	-0.12%	2003	31.06%	-2.49%	-9.79%	-4.31%	\$ 920,098,549,171	0.81%	1.18%	2.70%
2004	0.77%	-0.04%	-0.20%	-0.20%	2004	22.37%	-2.14%	-6.90%	-3.56%	\$ 269,562,391,200	1.79%	2.87%	5.67%
2005	1.43%	-0.13%	-0.40%	-0.40%	2005	16.42%	-1.87%	-5.28%	-2.61%	\$ 169,162,254,193	7.11%	7.49%	15.23%
2006	2.74%	-0.30%	-1.03%	-0.79%	2006	10.24%	-1.41%	-3.28%	-1.77%	\$ 131,792,837,483	21.60%	31.52%	44.64%
2007	2.86%	-0.31%	-1.22%	-0.84%	2007	9.41%	-1.28%	-3.15%	-1.50%	\$ 196,852,210,902	24.06%	38.84%	56.03%
2008	0.70%	-0.07%	-0.28%	-0.19%	2008	20.16%	-2.47%	-6.65%	-2.13%	\$ 231,714,054,542	2.64%	4.27%	8.97%
2009	0.04%	-0.00%	-0.01%	-0.01%	2009	32.80%	-3.27%	-10.63%	-2.54%	\$ 637,544,819,173	0.12%	0.07%	0.29%

CASHOUT REFINANCES

Year	QRM Delinquency Rate	Lower DTI	Lower LTV	Higher FICO	Year	QRM Volume	Lower DTI	Lower LTV	Higher FICO	All Loans	Lower DTI	Lower LTV	Higher FICO
1997	0.51%	-0.03%	-0.09%	-0.12%	1997	18.17%	-2.17%	-6.74%	-3.97%	\$ 42,298,309,778	1.23%	1.30%	3.00%
1998	0.39%	-0.02%	-0.06%	-0.10%	1998	21.25%	-2.11%	-8.12%	-4.19%	\$ 144,483,516,926	1.18%	0.68%	2.49%
1999	0.52%	-0.03%	-0.07%	-0.14%	1999	17.05%	-1.77%	-6.23%	-3.47%	\$ 88,233,434,095	1.91%	1.08%	4.05%
2000	0.51%	-0.02%	-0.05%	-0.18%	2000	10.03%	-1.19%	-3.19%	-2.05%	\$ 48,439,141,706	1.55%	1.66%	8.72%
2001	0.31%	-0.01%	-0.03%	-0.07%	2001	15.19%	-1.63%	-5.52%	-2.65%	\$ 314,174,379,286	0.73%	0.47%	2.68%
2002	0.31%	-0.01%	-0.05%	-0.07%	2002	17.13%	-1.80%	-5.58%	-2.83%	\$ 421,408,941,297	0.73%	0.93%	2.58%
2003	0.51%	-0.03%	-0.11%	-0.13%	2003	19.05%	-1.99%	-6.10%	-3.12%	\$ 575,761,933,089	1.33%	1.80%	4.16%
2004	0.89%	-0.07%	-0.23%	-0.21%	2004	12.16%	-1.58%	-3.89%	-2.23%	\$ 270,137,974,275	4.75%	5.99%	9.28%
2005	1.70%	-0.16%	-0.51%	-0.40%	2005	11.77%	-1.74%	-3.66%	-2.01%	\$ 335,989,676,956	9.36%	13.81%	20.13%
2006	2.61%	-0.22%	-0.83%	-0.48%	2006	8.93%	-1.36%	-2.63%	-1.56%	\$ 296,611,100,531	16.00%	31.46%	30.57%
2007	2.14%	-0.22%	-0.69%	-0.46%	2007	8.93%	-1.30%	-2.80%	-1.40%	\$ 325,728,814,841	17.30%	24.67%	32.91%
2008	0.72%	-0.07%	-0.21%	-0.17%	2008	14.78%	-1.95%	-4.70%	-1.87%	\$ 239,936,748,440	3.64%	4.49%	8.98%
2009	0.03%	-0.00%	-0.00%	-0.01%	2009	28.36%	-3.10%	-7.72%	-2.50%	\$ 312,916,373,669	0.15%	0.01%	0.38%

SECTION 4c: THE MARGINAL EVER-90-DAY DELINQUENCY RATES THAT RESULT FROM ADJUSTMENTS TO INDIVIDUAL REQUIREMENTS

The Ever-90-Day Delinquency Rate for Mortgages That Would Have Gained QRM Qualification from Relaxing an Individual Requirement

Year	ALL LOANS				PURCHASE LOANS				NO CASHOUT REFINANCES				CASHOUT REFINANCES			
	QRM Delinquency Rate	Higher DTI	Higher LTV	Lower FICO	QRM Delinquency Rate	Higher DTI	Higher LTV	Lower FICO	QRM Delinquency Rate	Higher DTI	Higher LTV	Lower FICO	QRM Delinquency Rate	Higher DTI	Higher LTV	Lower FICO
1997	0.42%	0.70%	0.79%	1.71%	0.42%	0.67%	0.85%	1.70%	0.37%	0.71%	0.55%	1.59%	0.51%	0.84%	1.04%	1.95%
1998	0.39%	0.55%	0.72%	1.62%	0.46%	0.59%	0.99%	1.87%	0.33%	0.46%	0.58%	1.46%	0.39%	0.68%	0.81%	1.55%
1999	0.44%	0.60%	0.98%	2.05%	0.40%	0.51%	0.98%	1.94%	0.46%	0.69%	0.92%	2.15%	0.52%	0.86%	1.04%	2.14%
2000	0.32%	0.34%	0.85%	1.42%	0.29%	0.29%	0.71%	1.29%	0.40%	0.50%	0.81%	1.50%	0.51%	0.72%	1.15%	2.19%
2001	0.31%	0.47%	0.66%	1.34%	0.38%	0.53%	0.96%	1.62%	0.27%	0.42%	0.57%	1.16%	0.31%	0.44%	0.68%	1.26%
2002	0.33%	0.50%	0.80%	1.40%	0.48%	0.65%	1.17%	1.70%	0.28%	0.43%	0.75%	1.27%	0.31%	0.41%	0.78%	1.33%
2003	0.55%	0.99%	1.34%	2.30%	0.93%	1.50%	2.03%	3.31%	0.46%	0.81%	1.19%	2.05%	0.51%	0.84%	1.47%	2.12%
2004	0.95%	1.72%	2.09%	3.41%	1.16%	1.94%	2.66%	3.79%	0.77%	1.45%	1.84%	3.10%	0.89%	1.57%	2.21%	3.26%
2005	1.86%	3.15%	3.87%	5.79%	2.13%	3.41%	4.48%	6.09%	1.43%	2.86%	3.20%	5.54%	1.70%	2.81%	4.12%	5.54%
2006	2.72%	4.68%	6.35%	7.72%	2.76%	4.61%	5.51%	7.70%	2.74%	5.32%	6.22%	8.34%	2.61%	4.54%	6.60%	7.47%
2007	2.37%	4.08%	6.06%	7.32%	2.33%	3.93%	4.76%	6.94%	2.86%	5.67%	7.51%	9.98%	2.14%	3.51%	5.66%	6.36%
2008	0.68%	1.32%	1.98%	3.31%	0.64%	1.15%	2.48%	3.44%	0.70%	1.53%	1.78%	3.42%	0.72%	1.41%	1.92%	3.03%
2009	0.04%	0.09%	0.10%	0.32%	0.07%	0.12%	0.14%	0.48%	0.04%	0.09%	0.09%	0.30%	0.03%	0.05%	0.10%	0.23%

The Ever-90-Day Delinquency Rate for Mortgages That Would Have Lost QRM Qualification from Tightening an Individual Requirement

Year	ALL LOANS				PURCHASE LOANS				NO CASHOUT REFINANCES				CASHOUT REFINANCES			
	QRM Delinquency Rate	Lower DTI	Lower LTV	Higher FICO	QRM Delinquency Rate	Higher DTI	Higher LTV	Lower FICO	QRM Delinquency Rate	Lower DTI	Lower LTV	Higher FICO	QRM Delinquency Rate	Lower DTI	Lower LTV	Higher FICO
1997	0.42%	0.58%	0.49%	0.83%	0.42%	0.58%	0.48%	0.83%	0.37%	0.52%	0.46%	0.76%	0.51%	0.71%	0.66%	0.94%
1998	0.39%	0.54%	0.47%	0.81%	0.46%	0.59%	0.52%	0.93%	0.33%	0.45%	0.41%	0.72%	0.39%	0.62%	0.48%	0.82%
1999	0.44%	0.57%	0.51%	0.96%	0.40%	0.51%	0.45%	0.87%	0.46%	0.60%	0.62%	1.03%	0.52%	0.81%	0.63%	1.06%
2000	0.32%	0.41%	0.37%	0.72%	0.29%	0.36%	0.34%	0.63%	0.40%	0.60%	0.58%	0.93%	0.51%	0.64%	0.62%	1.20%
2001	0.31%	0.41%	0.40%	0.66%	0.38%	0.46%	0.45%	0.75%	0.27%	0.36%	0.36%	0.58%	0.31%	0.41%	0.36%	0.65%
2002	0.33%	0.46%	0.47%	0.72%	0.48%	0.58%	0.56%	0.95%	0.28%	0.39%	0.41%	0.62%	0.31%	0.42%	0.42%	0.68%
2003	0.55%	0.85%	0.84%	1.32%	0.93%	1.32%	1.11%	1.94%	0.46%	0.69%	0.71%	1.18%	0.51%	0.74%	0.74%	1.17%
2004	0.95%	1.42%	1.38%	2.07%	1.16%	1.61%	1.44%	2.43%	0.77%	1.13%	1.21%	1.83%	0.89%	1.39%	1.38%	1.81%
2005	1.86%	2.85%	2.69%	4.07%	2.13%	3.07%	2.73%	4.56%	1.43%	2.47%	2.27%	3.53%	1.70%	2.64%	2.82%	3.67%
2006	2.72%	4.00%	3.84%	5.76%	2.76%	3.95%	3.60%	6.01%	2.74%	4.65%	4.94%	6.52%	2.61%	3.82%	4.59%	4.86%
2007	2.37%	3.59%	3.38%	5.72%	2.33%	3.35%	3.06%	5.77%	2.86%	4.81%	5.29%	7.29%	2.14%	3.46%	3.65%	4.61%
2008	0.68%	1.04%	0.96%	1.99%	0.64%	0.88%	0.77%	1.81%	0.70%	1.16%	1.27%	2.31%	0.72%	1.19%	1.18%	1.88%
2009	0.04%	0.08%	0.06%	0.15%	0.07%	0.10%	0.08%	0.26%	0.04%	0.07%	0.05%	0.12%	0.03%	0.07%	0.04%	0.13%