



Trend Report for Independent Mortgage Bankers 2016 - 1st Quarter



Change in Total Production Volume

Q1 production volume was essentially unchanged during Q1, up only 0.3% quarter-over-quarter and 1% over the same period last year.



Changes in Refinance Volume

Refinance volume was up 11% in Q1, benefiting from a decline in interest rates during the quarter. Purchase volume decreased by 5%.



Changes in Unfunded Lock Pipelines

Unfunded lock pipelines were at record levels as of March 31, indicating high production volume for the 2nd quarter.



Changes in Pre-Tax Profits (bps)

Gross loan margins, in basis points of funded volume, declined by 6.7 bps in the 4th quarter, primarily due to a 15% quarter-over-quarter decrease in the unpaid principle balance of loans held for sale and interest rate lock commitments.



Changes in Production Support FTEs

Increased headcounts in secondary, quality control, post-closing and other production support departments, which were up by 10% to handle the demands of TRID and other regulatory requirements, were the primary drivers of increased costs to originate in Q1 compared to 2015.

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