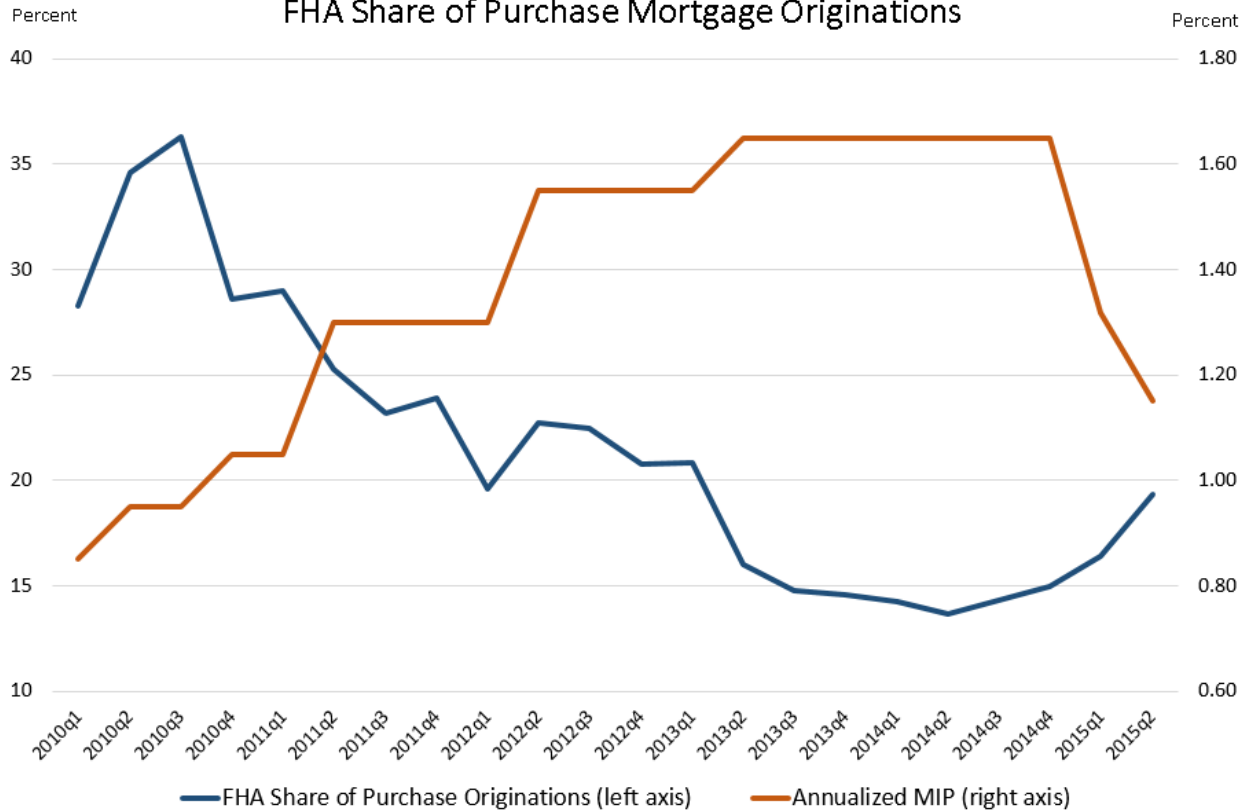


Chart of the Week - October 9, 2015
 FHA Share of Purchase Mortgage Originations



Source: FHA and MBA

Following a counter-cyclical peak in the Federal Housing Administration’s (FHA) share of purchase mortgage originations, the share declined steadily between 2010 and 2014. Over the same period, the annualized mortgage insurance premium (MIP) increased. In this week’s chart, we show that these trends reversed direction in 2015 following a 50 basis point decrease in the annual portion of the MIP in January.

FHA’s share of purchase mortgage originations grew from just under 15 percent of total purchase mortgage originations in the fourth quarter of 2014 to more than 19 percent during the second quarter of 2015.

The annualized total mortgage insurance premium in the chart is calculated using a 5:1 ratio to convert the up-front premium and adding it to the annual premium. The chart includes endorsement and origination data for 50 states and the District of Columbia.

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