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## **Mortgage Lenders Maintain Positive Sentiment for 2017**

*First-time home buyers, Generation X and millennials present greatest opportunity for growth*

**ST. LOUIS, April 12, 2017** – [The Lenders One® Cooperative](#), a national alliance of independent mortgage bankers, correspondent lenders and suppliers of mortgage products, has issued the results of the second annual Lenders One Mortgage Barometer, a survey of 200 mortgage lending professionals. According to the 2017 Lenders One Mortgage Barometer, a large majority of lenders (94 percent, up from 62 percent last year) expect an increase in mortgage purchase production.

Continued economic improvement should give first-time home buyers the boost they need to enter the market. In fact, about three in five lenders (59 percent) say it is very likely that there will be an increase in first-time home buyers in 2017. The optimism around first-time home buyers aligns with the recent report from the National Association of Realtors® that showed the share of sales to first-time home buyers grew from 2015 to 2016 and was the highest it's been since 2013. However, many lenders are predicting some challenges to mortgage industry growth with respondents seeing consumer debt as the highest risk factor this year (41 percent).

### **Lenders Analyze Growth Opportunities**

The populations that are most frequently cited as offering robust opportunity in 2017 include Generation X (86 percent) and millennials (85 percent, up from 79 percent last year). Following

closely are nontraditional buyers, those who are in the rental and vacation home markets (84 percent, up from 70 percent last year); boomerang buyers, those people who can now qualify for a mortgage after undergoing a short sale, foreclosure or bankruptcy (83 percent, up from 68 percent last year) and baby boomers (82 percent).

### **Lenders Identify Strong Jumbo Loan Activity**

A large majority of lenders (93 percent) report that they already originate non-qualifying mortgage (non-QM) loans. Bolstering one part of the non-QM market is continued home appreciation, especially in higher end markets, which has created demand for jumbo loans. Indeed, 91 percent of lenders project a significant increase in jumbo loan origination volume in 2017 for their organization.

### **Lenders' Take on Emerging Trends**

Given the growth of the sharing economy and services such as Airbnb, 82 percent of mortgage lending professionals anticipate an increase in people looking to finance larger homes to take advantage of rental incomes.

“Housing inventory remains limited and interest rates have increased sharply since the election,” said Bryan Binder, chief executive officer of Lenders One. “To be successful in this environment, lenders need to focus on the purchase market and new innovation to replace lost refinancing volume. Lenders must also focus on tools and solutions to help them improve operating efficiencies within their businesses.”

### **Survey Methodology**

The Lenders One Mortgage Barometer was conducted online among a random sample of 200 mortgage lenders. Fieldwork was conducted by independent research firm Ebiquity between January 4, 2017 and January 14, 2017. The margin of error associated with the sample of n=200 is +/- 6.9 percent at a 95 percent confidence level.

### **About Lenders One<sup>®</sup> Cooperative**

Lenders One ([LendersOne.com](http://LendersOne.com)) was established in 2000 as a national alliance of independent mortgage bankers, correspondent lenders and suppliers of mortgage products and services.

Members of the platform originated \$247 billion in mortgages in 2015, collectively ranking as one of the largest retail mortgage origination entities in the U.S. Lenders One is managed by a subsidiary of Altisource Portfolio Solutions, S.A.

**About Altisource®**

Altisource Portfolio Solutions S.A. (NASDAQ: ASPS) is an integrated service provider and marketplace for the real estate and mortgage industries. Combining operational excellence with a suite of innovative products and scalable technology, Altisource helps solve the demands of the ever-changing market. Additional information is available at [altisource.com](http://altisource.com).

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