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# MortgagePoint Magazine

MAY 2026



## *The* **CHANGING FACE OF AMERICAN HOMEOWNERSHIP**

From delayed first-time buyers to rising minority homeownership, **demographic trends** are transforming the housing market and mortgage industry alike.

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# NAVIGATING HOUSING'S NEW REALITY

**T**he mortgage and housing industries are entering a period defined not by a convergence of market forces. Demographic shifts, evolving borrower profiles, regulatory change, and financial innovation are colliding in ways that are reshaping both homeownership and housing finance. In this issue of *MortgagePoint*, we examine several of the trends driving that transformation, as well as what they mean for lenders, servicers, investors, and legal professionals navigating those changes.

Our cover feature, “The Growing Homeownership Divide,” explores the widening gap between those able to access homeownership and those increasingly locked out of it. Affordability pressures, delayed household formation, and rising costs continue to challenge first-time buyers, even as minority homeownership rates show meaningful gains in several markets. The result is a housing landscape marked by both opportunity and disparity, forcing the industry to rethink outreach, lending strategies, and long-term market sustainability.

In “Shared Equity Moves Into the Mainstream,” by BSI Financial’s Allen Price, we examine how home equity investment products are transitioning from niche alternatives into increasingly institutionalized financial tools.

Traditional underwriting models were built around predictable W-2 income and conventional employment paths, but today’s workforce looks very different. “Non-QM Lending: The Bridge Between Income and Qualification,” by LendFriend Mortgage President Eric Bernstein, explores how non-QM lending continues to expand.

Finally, this issue includes further coverage from the Legal League Spring 2026 Servicer Summit, where servicing leaders, attorneys, and compliance professionals addressed the mounting operational and legal pressures facing the servicing sector.

Together, these stories reflect an industry balancing innovation with risk, access with affordability, and operational demands with evolving borrower realities. Welcome to the May 2026 edition of *MortgagePoint*.



David Wharton  
Editor-in-Chief



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Magazine

**EDITOR-IN-CHIEF**

David Wharton

**ART DIRECTOR**

Jason Stone

**SENIOR EDITOR**

Lance Murray

**REPORTER**

Demetria C. Lester

**MAGAZINE CONTRIBUTORS**

Eric Bernstein

Allen Price

**COPY EDITOR**

Brandy Scott

**ADVERTISING**

214.525.6700

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24

### Cover Feature

#### THE CHANGING FACE OF AMERICAN HOMEOWNERSHIP

From delayed first-time buyers to rising minority homeownership, demographic trends are transforming the housing market and mortgage industry alike.

### Departments

4

MTECH

12

MOVERS &amp; SHAKERS

30



### Feature Stories

#### SHARED EQUITY MOVES INTO THE MAINSTREAM

As regulation catches up and institutional capital accelerates, home equity investments are shifting from niche alternative to established housing finance product, putting new pressure on servicing, compliance, and execution.

34



#### NON-QM LENDING: THE BRIDGE BETWEEN INCOME AND QUALIFICATION

As self-employment, gig work, and asset-based wealth reshape borrower profiles, non-QM lending is becoming the critical link between traditional underwriting standards and how creditworthy borrowers actually earn, save, and qualify.

38



#### THE BANK OF MOM & DAD

Chris Birk, VP of Mortgage Insight at Veterans United Home Loans, discusses recent survey findings on how many parents are helping provide a bridge to homeownership for their children.

44



#### VOICES OF THE LEGAL LEAGUE SPRING 2026 SERVICER SUMMIT

At the Legal League Spring Conference, mortgage servicing leaders and legal experts discussed consumer distress, evolving foreclosure and loss-mitigation strategies, regulatory pressures, complex litigation trends, and the operational challenges reshaping the servicing industry.

49



### Also in this Issue:

#### TYPICAL NEW MORTGAGE PAYMENTS DIP AS COST-BURDENED HOMEOWNERS FACE CHALLENGES

52



#### FORECLOSURE AUCTION VOLUME CLIMBS TOWARD PRE-PANDEMIC LEVELS



## ROCKTOP TECHNOLOGIES LAUNCHES ROCKTOP DIGITAL

**R**ocktop Technologies LLC, a firm specializing in AI-driven data, document intelligence, and asset management solutions for the mortgage and private credit markets, announced the formation of Rocktop Digital, a new business dedicated to the digitization and tokenization of financial assets and the development of next-generation market infrastructure.

As part of the launch, Rocktop Technologies also announced the promotion of Brett Benson, its former Co-President, to CEO of Rocktop Digital. The appointment reflects Rocktop Technologies' commitment to building a dedicated leadership structure around blockchain-enabled innovation and the growing opportunity to modernize how mortgage and private credit assets are owned, financed, and traded.

The formation of Rocktop Digital comes at a pivotal moment for the mortgage industry. While asset volumes and investor demand remain significant, the underlying infrastructure for transferring and financing assets remains fragmented and heavily manual. At the same time, advances in generative AI, blockchain, and distributed ledger technologies are making it possible to create validated digital representations of real-world assets, unlocking new levels of liquidity, transparency, and efficiency.

Jason Pinson, CEO of Rocktop Technologies, said, "Rocktop has always believed that trusted data is the foundation of functioning capital markets. With Rocktop Digital, we are taking the next step—transforming validated assets into portable digital instruments that can move more efficiently between investors. Brett has played a central role in shaping this vision, and we are excited to see him lead Rocktop Digital as its CEO."

Brett Benson added, "We are entering a period where AI-driven asset validation and blockchain-based ownership structures can work together to fundamentally improve market infrastructure. Our goal is to connect trusted asset intelligence with programmable digital rails that reduce friction, expand investor participation, and unlock liquidity across the mortgage and private credit markets."

## AD MORTGAGE LAUNCHES QUICK PRICER PRO IN AIM PARTNER PORTAL

**A**D Mortgage announced the launch of Quick Pricer Pro, an advanced version of its widely used Quick Pricer tool, now available for free within the AIM Partner Portal.

Built as an AIM-native solution, Quick Pricer Pro enhances the pricing experience by incorporating partner-specific data directly into the workflow. This enables brokers to access product options tailored to their unique configurations, including channels and other partner-level inputs.

Designed to complement the original Quick Pricer, which focuses on quickly identifying a single eligible product, Quick Pricer Pro expands the experience by delivering a more flexible and customizable view of available loan options for AD Mortgage partners.

"Quick Pricer Pro reflects our continued investment in technology that empowers our partners to work more efficiently and with greater precision," said Max Slyusarchuk, CEO of AD Mortgage.

### A More Flexible, Streamlined Pricing Experience

Quick Pricer Pro introduces a range of advanced capabilities designed to simplify and enhance the loan pricing process:

- Partner-tailored pricing experience powered by AIM-integrated data
- More flexible and customizable product exploration
- Personalized results aligned with partner profiles
- Scenario functionality to save and reuse up to 3 preferred filter combinations
- Mortgage Insurance (MI) calculations for both Government and Conventional loans

The new Scenarios feature allows users to save their most frequently used filter combinations, creating a faster and more streamlined workflow, especially valuable within a tool that offers extensive customization.

## TRUSTENGINE ANNOUNCES AI-POWERED UPGRADES TO MORTGAGECOACH

**A** new set of AI-powered improvements to TrustEngine's MortgageCoach platform has been revealed. The way loan officers prepare and give borrower presentations is drastically altered by these improvements. Using natural language, voice input, or preexisting papers, loan officers may now create completely organized, customized borrower strategies in a matter of seconds.

In less than 30 seconds, loan officers may transition from a blank screen to a comprehensive borrower presentation thanks to the new AI improvements that eliminate the conventional friction involved in creating mortgage scenarios.

Lenders and loan officers utilize the MortgageCoach platform to explain loan possibilities, show the financial impact, and help borrowers make confident decisions. These new features further that goal by providing all loan

officers, regardless of experience level, with fast access to excellent, consultative presentations.

In the past, creating a thorough borrower presentation required physical labor, experience, and time. With these improvements, MortgageCoach offers three different processes for a customizable, AI-powered creative experience:

- **Natural language input:** Loan officers can simply type notes or speak a borrower scenario into their phone and instantly generate a full presentation. Drafting sessions carry over seamlessly between mobile and desktop, allowing loan officers to start a presentation on one device and finish it on another without interruption.
- **Document or screenshot upload:** Users can upload competitor fee sheets, call transcripts, or spreadsheets to automatically create a counter-strategy presentation.
- **Guided templates:** A Mad Lib-style interface helps structure borrower strategies with speed and consistency.

“By combining speed and flexibility, these enhancements allow every loan officer to produce the same kind of sophisticated borrower presentations associated with top performers,” said Bob Jennings, CEO of TrustEngine. “That quality and consistency drive better borrower understanding, stronger engagement, and, ultimately, better outcomes for lenders.”

## ATTOM INTRODUCES AN AI-POWERED AVM BASED ON 30 YEARS OF PROPERTY INTELLIGENCE

In order to overcome the shortcomings of conventional comparable-sales-based valuation models, ATTOM has announced the release of its next-generation automated valuation model (AVM), a complete, AI-first rebuild.

In today’s low-transaction housing market, traditional AVMs’ accuracy is limited by their heavy reliance on recent comparable sales. By replacing this reliance with an AI-driven method that makes use of over 30 years of time-adjusted transaction data, ATTOM’s new model makes valuations for underwriting, portfolio analysis, and risk management more dependable, even in markets where conventional AVMs falter.

The end product is a valuation system that generates property-level valuations even in low-liquidity or data-sparse contexts by learning how markets change over time through the analysis of correlations between property attributes, historical price patterns, and hyperlocal trends.

“This is not an incremental improvement—it’s a complete re-architecture of the AVM using advanced AI,” said Rob Barber, CEO at ATTOM. “We’ve moved beyond static, comp-based approaches to a dynamic system that can learn from decades of market behavior and adapt to changing conditions in real time.”

Over 80% of valuations fell within 10% of the actual sale price, while the ATTOM AVM consistently produced a median absolute percentage error of 2.9% through iterative out-of-sample testing over the previous ten years of residential transactions.

“We model how each neighborhood has evolved over the past 30 years and use that temporal context to translate

historical sales into accurate present-day values,” said Aaron Wagner, VP of Data Science at ATTOM. “This gives our valuation system a richer foundation to learn from, allowing each model to synthesize property characteristics, local market dynamics, and price history into a single, informed estimate. The result is consistent accuracy, even in markets where traditional comparable-sales approaches tend to break down.”

The ATTOM AVM is delivered via adaptable methods like APIs, bulk distribution, and cloud platforms like Snowflake and Databricks. It is designed for enterprise use across mortgage, insurance, investment, and proptech applications.

Organizations can automate choices with more control and transparency thanks to the confidence score included in each valuation, which offers a clear indicator of dependability.

## BENUTECH INTRODUCES PREDICTIVE INTELLIGENCE SUITE TO TRANSFORM REAL ESTATE PROSPECTING

To assist loan officers and real estate brokers in spotting high probability listing and refinancing possibilities before they appear on the general market, Benutech has introduced SellScore and RefiScore, a predictive analytics package.

“SellScore and RefiScore give our clients the ability to stop guessing and start closing,” said Brian Fox, VP of Business Development at Benutech. “Most platforms rely on off-the-shelf demographic data, but our algorithm uses a weighted system of behavioral indicators and historical trend-mapping. We don’t just tell you who lives somewhere—we tell you what they’re

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**The real estate professionals who win in today's market are the ones who show up first. SellScore and RefiScore let you focus your budget exclusively on the top five or 10% of households most likely to transact, instead of blanket-mailing entire ZIP codes.”**

—**Brian Fox**, VP of Business Development, Benutech

likely to do next. That's a fundamental shift in how real estate professionals can approach prospecting.”

SellScore, which is accessible via Benutech's TitleToolbox platform, finds homeowners who are statistically likely to market their property in the next six to twelve months. This allows agents to schedule high-intent listing appointments before rivals are even aware of the potential. RefiScore streamlines loan officer pipelines and enables more rapid, effective client contact by flagging households at the ideal intersection of rate, term, and behavioral triggers.

Benutech's analysis engine powers both scores, processing hundreds of different data sources to create a single probability score that goes much beyond basic equity or tenure. By identifying life-stage transitions through subtle data trends, a third component called Pattern Recognition enables professionals to engage with customers at the exact emotional moment when they are prepared to take action.

“The real estate professionals who win in today's market are the ones who show up first,” Fox said. “SellScore and RefiScore let you focus your budget exclusively on the top five or 10% of households most likely to transact, instead of blanket-mailing entire ZIP codes. The ROI difference is dramatic.”

## FIRST AMERICAN TITLE PRESENTS AGENTNET ASSIST

Using AI-assisted analysis to evaluate title search packages, First American Title Insurance Company has unveiled AgentNet Assist: Title Intelligence, a new feature that facilitates title professionals' transition from document browsing to decision-making more swiftly. The unified AI layer within AgentNet, known as AgentNet Assist, was introduced in 2025 and aims to improve decision-making, minimize manual labor, and reveal insights.

“AgentNet Assist: Title Intelligence is intended to amplify the strengths and

deep knowledge of title professionals, highlighting the expertise they bring to every file,” said Steve Vincini, President of First American Title's Agency Division. “And, unlike other tools in the marketplace, AgentNet Assist is fueled by First American Title's underwriting excellence, proprietary data assets developed over decades, and unmatched domain expertise.”

Large, unstructured title search packages that may include hundreds of pages of deeds, liens, legal descriptions, and supporting documentation are a common task for title experts. Finding pertinent documents and information, confirming consistency, and spotting possible problems all take up a substantial amount of manual labor when reviewing these items. The new Title Intelligence feature in AgentNet Assist can expedite the document review process by analyzing title search packages, extracting and organizing important information, and providing references to particular areas.

“This AI-assisted capability streamlines repetitive, time-intensive tasks, helping reduce processing time by as much as 30 minutes per file, depending on complexity, in early usage,” said Paul Bandiera, SVP of Agent Technology. “The enhancement to AgentNet Assist reviews documents for potential issues, such as breaks in the chain of title, missing information, or data discrepancies, establishing a strong foundation early in the examination process, while final title determinations remain with the title professional.”

Title Intelligence is now being implemented by First American Title's internal teams in an effort to improve the accuracy and quality of results in real-world circumstances. Before expanding access to First American policy-issuing title agents as part of the AgentNet platform, this strategy enables the business to take advantage of deep subject expertise and huge transaction volumes to continuously assess and improve its performance.

## THE ONE ATELIER INTRODUCES THE ONE CAPITAL, CENTERING ON TOKENIZATION IN BRANDED REAL ESTATE

The One Atelier has introduced The One Capital, a new blockchain platform that uses tokenized real-world asset (RWA) frameworks to support early-stage branded real estate development.

According to Savills' Branded Residences Report, branded homes continue to be one of the fastest-growing categories of the global real estate market, with average price premiums of up to 33% over comparable non-branded properties. By the end of 2026, the industry is expected to have grown significantly over the previous ten years, with over 1,000 schemes worldwide.

With tokenization applied to carefully chosen assets, One Capital was established to promote branded residential development in its early stages. Supported by the increasing maturity of blockchain-based real-world asset infrastructure, it concentrates on value creation at the earliest stages of the development lifecycle and provides structured finance throughout pre-launch and early phases.

"The One Capital is a natural extension of how we already operate," said Michele Galli, CEO of The One Atelier. "We work at the earliest stages of branded real estate projects, where decisions around brand alignment, positioning, and design have the greatest impact on long-term value. The maturity of the technology now allows us to apply more structured and transparent approaches to early-stage development, supporting developers in project planning, alignment, and execution across an ultra-high-end network of luxury properties."

One Capital creates structured solutions for branded real estate development at earlier phases of the lifecycle.

It offers developers a different path to funding that can boost early cash flow and fortify finance arrangements.

"Our ambition is to bring branded residences into the evolving landscape of real estate tokenisation, creating a clear and transparent framework that supports value creation from the very beginning," said Gabriele Carusi, Managing Director at The One Capital. "By reshaping how early-stage development is structured and deployed, we're introducing a level of efficiency not typically seen at this stage, without ever compromising control, quality, or the integrity of the projects we support."

The One Capital uses blockchain technology to underpin its digital infrastructure by offering a scalable and safe basis for tokenizing real-world assets. This involves the transparent and traceable digital representation of certain assets. Subject to relevant laws and regulatory permissions, The One Capital is intended to offer organized frameworks in line with current financial standards by integrating technology throughout the digital asset ecosystem. Transparency, governance, and a simplified user experience serve as the foundation for the platform's structured approaches to early-stage development.

## CERTAINTY HOME LENDING NOW PROVIDES COMPLETE SPANISH-LANGUAGE DIGITAL MORTGAGE EXPERIENCE

Certainty Home Lending, a Rate company, has made available a complete Spanish-language digital mortgage experience, giving Spanish-speaking borrowers the ability to review all key loan documents in Spanish and complete the entire mortgage application in Spanish with the click of a single button. The feature



We work at the earliest stages of branded real estate projects, where decisions around brand alignment, positioning, and design have the greatest impact on long-term value."

—Michele Galli, CEO, The One Atelier

instantly switches the application interface from English to Spanish, removing a barrier that has historically made the homebuying process more difficult for millions of families.

The Spanish-language application capability is now available across all Certainty Home Lending markets and is part of the company's broader technology investment strategy aimed at expanding access to homeownership for all borrowers.

"This represents a major step forward in our continued commitment to serving Spanish-speaking borrowers with the same level of excellence and accessibility we provide to all our clients. Many Spanish-speaking families have faced unnecessary barriers in the homeownership journey simply because of language. We're eliminating that barrier completely," said Franco Terango, CEO, Certainty Home Lending.

For Certainty, the rollout reflects a philosophy that technology should serve people rather than complicate an already high-stakes process. The ability to move through a mortgage application entirely in Spanish, without switching platforms or requesting special accommodations, is a meaningful and practical step toward making homeownership more accessible. Certainty's growing presence in markets with large Spanish-speaking populations makes the timing of this capability particularly relevant.

The launch also aligns with Certainty's ongoing investment in loan officers and branch teams who are equipped to serve diverse borrower communities. The company continues to add experienced originators in markets where personalized, culturally aware financial guidance is in high demand.

"We want every borrower, regardless of the language they speak at home, to feel confident and informed at every step of the process. This capability helps us deliver on that promise in a way that's practical, immediate, and meaningful," said Franco Terango, CEO, Certainty Home Lending.

## COTALITY LAUNCHES IMPROVED COMMERCIAL TAX PORTAL

Cotality, a global property information, analytics, and data-enabled solutions provider, announced the launch of our new Commercial Tax Portal, which gives corporations, investors, and lenders a streamlined view of portfolio details, payment information, refund status, and other action items.

"For commercial tax professionals, sustainable growth is all about balancing precision with efficiency. We're providing the deep data needed to turn a scattered portfolio into a clear, manageable roadmap," says Aaron Eichenlaub, SVP of Cotality Commercial Payment Solutions. "Our goal is to give users the confidence to mitigate risk while freeing up the bandwidth they need to scale their business. Our Commercial Tax Portal is an end-to-end solution for monitoring, paying, and reporting."

Cotality's Commercial Tax Portal leverages data from 22,000 tax authorities to provide a single source of truth for diverse portfolios. Users no longer have to hunt for information; instead, they have immediate, simultaneous access to payment reporting and delinquency searches for every property in your system.

Commercial Tax Portal provides real-time updates on upcoming due dates and tax changes. The end-to-end solution features a state-of-the-art dashboard, along with new and updated modules for refund management, tax agency contact information, tax report search, and loan information to give you better visibility into reporting.

Beyond tax oversight, the Commercial Tax Portal mitigates long-term risk for commercial properties that often carry multimillion-dollar valuations. It automatically verifies payment status with authorities, communicates with customers about late or missing payments, and provides up-to-date daily financial updates for users. This helps you protect customers from outsized financial risks.

“  
For commercial tax professionals, sustainable growth is all about balancing precision with efficiency. We're providing the deep data needed to turn a scattered portfolio into a clear, manageable roadmap.”

— Aaron Eichenlaub, SVP,  
Cotality Commercial Payment Solutions.



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### CITYWIDE HOME MORTGAGE PROMOTES ROBERT COOMER TO CHIEF GROWTH OFFICER



National mortgage lender Citywide Home Mortgage, a Rate company, has promoted **Robert Coomer** to Chief Growth Officer.

In his new role, Coomer will spearhead Citywide's continued aggressive growth trajectory while overseeing strategic initiatives designed to expand the company's national footprint and strengthen its competitive position in the mortgage lending marketplace.

Coomer joined Citywide in April 2024 as EVP, Director of Sales Strategy & Growth. Since then, he has helped drive significant expansion across the organization while helping to grow a culture focused on empowering loan officers and branch managers to build sustainable, high-performing operations.

"Robert has demonstrated an exceptional ability to attract elite talent while maintaining the client-first, service-oriented culture that defines who we are," Citywide CEO & President John Cady said. "His promotion to Chief Growth Officer reflects both his impact on our organization and our confidence in his vision for where we're headed. Robert goes beyond simply talking about empowerment and accountability. He builds systems that bring those concepts to life in practice."

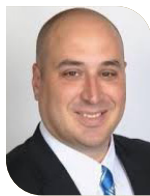
Coomer brings more than 25 years of mortgage industry experience to his expanded role. Prior to joining Citywide, he founded and led the Robert Coomer Group, a nationwide lending operation that closed \$1.3 billion in

2020. He has consistently been recognized as a top-producing mortgage originator and has held leadership positions with several national lenders throughout his career.

Known for building high-performing teams and implementing consumer-focused lending models, Coomer has established a reputation for mentoring top-tier talent and creating operational frameworks that balance autonomy with accountability. His approach emphasizes service-first principles and has aligned with Citywide's strategic direction as the company continues to scale its charter branch partnership model.

As Chief Growth Officer, Coomer will work closely with Citywide's executive team to develop and execute growth strategies that leverage the company's deep resources and unique charter branch partnership model. Citywide's mission is to become a sustained national lending success story and one of the nation's leading mortgage lenders by combining the support and innovation of Rate with the entrepreneurial, nimble approach that defines the lender's culture.

### HOME RUN FINANCING NAMES RYAN GRIFFIN PRESIDENT



Home Run Financing, a California-based specialty finance company and provider of residential Property Assessed Clean Energy (PACE)

financing, announced the appointment of **Ryan Griffin** as Company President.

Griffin joined Home Run Financing in 2019 and has been central to the company's growth ever since. He was promoted to Chief Compliance Officer

in 2020, General Counsel and Chief Compliance Officer in 2021, and COO and Chief Legal Officer in 2023, before assuming the presidency.

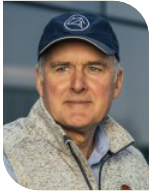
Before joining Home Run Financing, Griffin had 20 years of legal experience in private practice. He developed extensive real estate litigation expertise representing contractors, developers, homeowners, and mortgage and other lien holders, and served as outside counsel to early-stage and publicly traded companies across corporate formation, funding, mergers and acquisitions, real estate deals, negotiations, litigation, and navigating compliance and regulation issues in emerging industries.

A member of the State Bar of California and the Bar of the Supreme Court of the United States, he also serves on the Executive Committee of the Board of PACENation.

"Ryan has visibility into every part of how this business operates—from origination and underwriting to compliance, legal, and customer service," CEO Robert Giles said. "That depth of understanding is exactly what responsible growth requires, and it's why this appointment was an easy decision."

Giles added: "Ryan is a proven operator and problem-solver who leads with integrity, clear judgment, and high standards. He has helped build a culture where ethics, accountability, and strong performance are non-negotiable. Home Run Financing would not be where it is today without his leadership."

## BETTER HOME & FINANCE HOLDING COMPANY APPOINTS HUGH FRATER, FORMER FANNIE MAE CEO, TO BOARD OF DIRECTORS



Better Home & Finance Holding Company (Better), an AI-powered home-ownership company, announced that **Hugh Frater**, a founding

partner and former Managing Director of BlackRock and former CEO of Fannie Mae, has been appointed to its Board of Directors. Frater brings decades of experience across capital markets, housing finance, and corporate leadership to help guide Better's long-term strategy as it scales the Tinman AI Platform.

"Hugh has helped shape the modern housing finance system from the ground up. He's exactly the kind of leader you want in the room when you're rebuilding housing finance," said Vishal Garg, CEO and Founder of Better. "From helping build BlackRock as a founding partner to growing Berkadia into a leading agency lending and investment sales platform to leading Fannie Mae through one of the most complex periods in mortgage history, he brings a level of perspective that very few people have. As we use AI to make the mortgage experience faster, easier, and cheaper for Americans through Better's AI-native Tinman Platform, Hugh's experience will be critical at the board level in guiding our long-term strategy."

Frater was a founding partner of BlackRock, where he helped build the global leader in fixed income and mortgage-backed securities into the world's largest asset management company. His early work played a key role in shaping the modern mortgage capital markets ecosystem, connecting institutional investors to U.S. housing finance.

He later served as CEO and Board Member at the Federal National Mortgage Association (Fannie Mae)

from 2018 to 2022, where he guided the organization through one of the most volatile periods in the U.S. mortgage market. Prior to his role at Fannie Mae, he served as CEO and Chairman of Berkadia Commercial Mortgage LLC, a commercial and agency real estate lending and investment sales platform.

"The mortgage banking industry has long been ready for innovation, modern consumers are demanding it, and Vishal and Better have consistently pursued that vision. Better's combination of technology, data, and automation has proven to make housing finance more efficient and affordable over the last decade," Frater said. "To tackle the housing affordability crisis, we need a transparent system that connects capital with a variety of housing needs and does so at the best practical cost to consumers. Tinman provides a thoughtful approach to delivering more housing, and I'm excited to support the Board as their team continues to scale and deploy the platform to lenders, banks, and fintechs across the country."

Frater currently serves on the boards of directors of Hippo Holdings Inc., Vessel Technologies, Findigs, and the Bipartisan Policy Center. He has spent his career at the intersection of global capital, housing finance, and corporate leadership.

"We're delighted to welcome Hugh to Better's Board of Directors," shared Harit Talwar, Chairman of the Better Board. "Better is well-positioned to redesign the traditional mortgage process and deliver a superior customer experience as well as attractive returns to shareholders with its AI-native platform, Tinman. Hugh's experience, insights, and judgment will be invaluable along the company's journey."

## MortgagePoint



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**WATERSTONE MORTGAGE ANNOUNCES JEREMY MOREITHI AS NEW BRANCH MANAGER**



National mortgage lender Waterstone Mortgage Corporation announced the hiring of **Jeremy Moreithi** as Branch Manager for its Ashburn, Virginia, location. With more than 20 years of mortgage lending experience, Moreithi brings a wealth of knowledge and expertise to help homebuyers navigate the mortgage process with confidence. While based out of the Ashburn office, he will primarily serve homebuyers in the greater Washington, D.C., Maryland, and Virginia metropolitan areas.

In his new role with Waterstone Mortgage, Moreithi offers loans backed by the stability and security of WaterStone Bank, while leveraging an expanded suite of tools, programs, and support to serve a broad range of

homebuyers. This ensures clients have access to personalized solutions that meet their unique financial needs.

“I made the move to Waterstone Mortgage because it represents the next step in elevating how I serve my clients and partners,” Moreithi said. “The company’s extensive array of programs allows me to provide better solutions tailored to each client’s needs. Most importantly, their full commitment to support ensures I can continue delivering the highest level of service possible.”

This hire is part of Waterstone Mortgage’s ongoing commitment to strategic growth. By recruiting strong, experienced mortgage professionals like Moreithi, the company ensures it can continue to provide the highest level of service and guidance to homebuyers across the country.

“Having had the privilege of working with Jeremy for over 15 years, I can confidently say his integrity, expertise, and client-first mindset are unmatched in our industry,” said Margie Hennessey, VP of Eastern Sales for Waterstone Mortgage. “Beyond being a seasoned mortgage

professional, he is a trusted colleague and a great friend whose contributions will undoubtedly elevate our entire organization. I am thrilled to welcome Jeremy to Waterstone Mortgage and look forward to the impact he will make as we continue to grow and serve our clients at the highest level.”

**ASSOCIATED BANK HIRES LISA BUETOW AS SVP, PRIVATE BANKING, MAJOR METRO MARKETS DIRECTOR**



Associated Bank announced **Lisa Buetow** has joined Associated Bank as Director of Private Banking, Major Metro Markets. Buetow is

based in Minneapolis and will be responsible for Minnesota, Chicago, Milwaukee, and Madison, Wisconsin, and will report to Jayne Hladio, EVP and President, Associated Bank Private Wealth.

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Buetow brings more than 25 years of experience across investment banking, corporate banking, and private wealth, with a proven history of leading complex, high-performing organizations serving ultra-high-net-worth clients. Most recently, she served as Managing Director and Private Wealth Banking Manager at Wells Fargo, where she led client-facing banking and lending teams across 11 states in the central United States, partnering with more than 1,000 wealth and financial advisors to serve the banking and lending needs of high- and ultra-high-net worth clients.

Prior to that, Buetow held senior leadership roles at Abbot Downing, where she oversaw professionals offering custom lending, cash management, and deposit services to ultra-high-net-worth clients nationwide and advanced various enterprise initiatives. Her depth of experience in wealth advisory, strategic credit structuring, risk management, and multi-market leadership will be instrumental as Private Wealth continues to scale its Private Banking capabilities across Associated's largest and most complex markets.

"We are thrilled to welcome Lisa to our team. Her deep expertise in private banking and wealth, fortified by her ability to build trusted relationships, makes her an exceptional addition to our organization, especially as we move forward with Associated's merger with American National Bank," Hladio said. "Lisa brings a client-first mindset, serving as a true advocate who listens, anticipates needs, and delivers thoughtful, tailored guidance. That commitment to place clients' needs at the center of every decision and team consult is exactly what defines our elevated wealth care approach we provide at Associated Private Wealth."

Designating major metropolitan markets will fortify local senior leadership, accelerate momentum growing banking and investing households, and attract top talent. Strong leadership, market focus, elevated capabilities, and disciplined execution position Associated to win across major, metropolitan, and community markets. Buetow will

complement the deep organizational expertise of Stacy Stecker, Director of Metro Banking for Fox Valley, Wisconsin; Green Bay, Wisconsin; Omaha, Nebraska; American National Bank, and administration.

"It's an exciting time to join Associated, as the bank has a powerful opportunity to expand our reach and deepen relationships in the communities we serve," Buetow said. "I'm excited to join at such a pivotal moment and help accelerate our growth by working with our team, partners, and clients and ensuring we continue to deliver a high-touch, client-focused experience to drive sustainable, long-term value."

She is a graduate of the University of Minnesota, Carlson School of Management, earning both a bachelor's degree in business and an MBA. Buetow and her family live in Minnesota, and she is based in the IDS Center in Minneapolis.

#### CHRISTOPHER GRIFFITH JOINS NEXA LENDING AS EVP OF VA GROWTH AND STRATEGY



NEXA Lending announced that **Christopher Griffith** has joined the organization, bringing with him a mission-driven focus on

transforming how the mortgage industry serves veterans while elevating loan officer performance across the TPO channel.

Griffith's decision to join NEXA Lending comes at a defining moment in his career; one that nearly led him to step away from the industry altogether. Instead, he chose to stay, driven by purpose.

"I was at a point where I was deciding whether I was done with this industry," Christopher Griffith said. "And I realized I'm not done because I still want to have an impact. I want to change how this industry behaves, how

it acts, and how it treats veterans." That mission found alignment in NEXA Lending's platform, built to give loan officers the tools, flexibility, and scale to operate like no other brokerage can.

"At the end of the day, the best loan officer to serve a veteran is the one with the most tools, and the highest level of proficiency using them," Griffith said. "NEXA Lending offers the widest range of tools in the industry. That's what creates real capability, and that's what creates real outcomes."

"Veterans deserve more than a transaction; they deserve professionals who understand them, advocate for them, and fight to get it right," said Mike Kortas, CEO of NEXA Lending. "Our job at NEXA Lending is to give loan officers the tools, training, and platform to serve at that level every single time." NEXA Lending's model is designed as a true platform, not a traditional lender, and it empowers originators with unmatched access to products, systems, and support. For Griffith, that creates something far greater than production. It creates capacity for impact.

"To serve is to seek the opposite of self without erasing self," Griffith said. "It's using the value and capacity you've been given to support and grow others. NEXA Lending gives me the ability to do that at a much broader level."

Throughout his career, Griffith has made decisions rooted not in personal gain but in alignment with what he believes is right. Griffith believes the industry must fundamentally shift its mindset when working with veteran borrowers, moving away from transactions and toward relationships built on trust, education, and technical excellence. "Stop focusing on the transaction. Start focusing on the person," he said. "Stop selling. Start teaching. Start understanding. Start growing someone's capacity—even if there's no immediate return."

Griffith is widely recognized for his work with Veted VA, but he is clear that its mission was never meant to belong to a single company. "Veted VA isn't about one company," Griffith said.

“If we’re going to create real change, we have to unite the industry, not divide it.” He believes meaningful progress happens when competitors align around a shared mission.

“Vetted VA is a banner that invites everyone in; brokers, lenders, companies, and says: join us in serving something bigger than yourself.” NEXA Lending’s leadership shares that belief and sees Griffith’s addition as a catalyst for raising the standard across the entire channel.

“Vetted VA isn’t about one company, it’s about raising the bar for the entire TPO channel,” Kortas said. “When the standard goes up, loan officers win, veterans win, and the industry gets better, and that is something we’re always going to support.”

NEXA Lending is also deeply committed to serving the veteran community beyond the transaction, including through its nonprofit foundation and initiatives such as hosting wounded warriors at Midnight Canyon Ranch, creating spaces for connection, recovery, and support for those who have served.

“With everything we’re building, our commitment to veterans goes far beyond lending,” Kortas added. “It’s about giving back to the people who have given everything for us and continuing to find meaningful ways to support them, including helping more veterans access housing in an affordable way.”

With his move to NEXA Lending, Griffith sees an opportunity to elevate loan officer performance through accountability, education, and real proficiency, especially in VA lending. He told us, “If you’re not willing to be held to a higher standard, you won’t grow in a meaningful way.”

“This move strengthens what NEXA Lending stands for,” Kortas said. “We’re not here to be average; we’re here to lead, innovate, and give loan officers every possible advantage to serve their clients at the highest level.”

“Veterans deserve to encounter professionals who are genuinely seeking to help, people who operate with a pure heart and clear intent in how they

serve, and this move to NEXA Lending matters because it gives me a larger platform to hold people accountable to that standard,” Griffith said.

### » Service Providers

#### AUCTION.COM APPOINTS ALI HARALSON CO-CEO



Auction.com announced that **Ali Haralson** has been appointed Co-Chief Executive Officer and a member of the Board of Directors.

Haralson, who has been the company’s President since 2021, will join Jason Allnutt in leading the nation’s largest distressed real estate marketplace. Allnutt took on the role of CEO in 2018 and will remain on the Board.

The appointment formalizes a leadership partnership that has helped guide Auction.com for the past several years. Together, Haralson and Allnutt have worked closely across the business, combining complementary strengths to drive operational excellence, deepen client relationships, strengthen culture, and support the company’s long-term growth.

“Ali is an extraordinary leader, with exceptional market insight and deep industry relationships,” said Jim Carlisle, Managing Director and head of THL’s Technology and Business Solutions investment vertical, as well as an Auction.com board member. “Her long-standing partnership with Jason makes this Co-CEO structure a natural fit, and we’re confident in their joint leadership of Auction.com’s continued growth.”

As President, Haralson played a central role in the company’s performance and evolution, with leadership spanning operations, business development, client partnerships, and culture-building. In the role of Co-CEO, she will continue working in close partnership with Allnutt to lead Auction.com’s strategy, execution, and growth.

“  
I’m proud  
to have Ali  
formally step  
into the role of  
Co-CEO within  
a leadership  
structure we  
developed  
together and  
have been  
operating under  
for some time.”

— Jason Allnutt, CEO, Auction.com

★★★★★

“I’m proud to have Ali formally step into the role of Co-CEO within a leadership structure we developed together and have been operating under for some time,” Allnutt said. “Over the past few years, we’ve had the opportunity to test this model while running Auction.com and see it work. We’re confident it’s the most effective way to position our company for continued growth and success in the years ahead.

“Ali has been an exceptional partner at Auction.com,” Allnutt continued. “Her judgment, commitment to our mission, people, and clients, and ability to lead with clarity have helped shape the company we are today. Formalizing our partnership through a co-CEO structure reflects how we have been running the business and positions us even more strongly for what comes next.”

Allnutt will continue to focus on overseeing the company’s technology



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The FORCE network is in partnership with various organizations that are periodically in need of services provided by residential real estate agents and brokerage firms. These activities are at the discretion of the participating partners and may include but not be limited to:

**Services Provided Include: REO Listings Short Sales Valuations Deed-In-Lieu Market Analysis**

and product teams, helping to drive innovation that improves the buyer experience for Auction.com's more than 8 million registered users while making the process of buying distressed properties at auction even easier for a broader pool of potential buyers, including first-time homebuyers and other owner-occupant buyers.

"Jason has led the company with vision and resolve over the past decade, and it's been a privilege to partner with him in that leadership journey," Haralson said. "Together, we've come to value the strength of a co-leadership model, and I truly believe it will continue to serve our buyers, sellers, employees, and board in the years to come."

"It's an honor to take on this role and continue partnering with Jason to lead Auction.com," Haralson continued. "We have built a strong foundation together, and I'm excited to keep working alongside our team to serve our mission, strengthen our culture, and build on the momentum across the business."

Agha S. Khan, Co-Head of Private Equity, Stone Point, said, "Auction.com has built a leading platform, and we're proud of the team behind it. We believe Ali and Jason are exactly the right leaders for its next chapter."

## DARK MATTER TECHNOLOGIES NAMES VIKAS RAO CEO



Dark Matter Technologies (Dark Matter®) has announced the appointment of **Vikas Rao** as Chief Executive Officer.

Rao, who has served as Chief Technology Officer since 2025, succeeds Sean Dugan and will lead the company's next phase with a focus on translating its technology leadership into stronger growth. Dark Matter has built a strong foundation in product innovation, including early leadership in applying AI within

mortgage origination, positioning the company to compete more effectively as the industry continues to shift.

"Dark Matter has built meaningful technology advantages in a market that is being reshaped by AI, automation, and a faster pace of change," said Bonnie Wilhelm, CEO of Constellation Software's Andromeda Operating Group. "This leadership transition reflects a clear decision to align the company with where the market is going and to turn that advantage into sustained growth. Vikas has been at the center of that shift and is the right leader to carry it forward."

"We are reshaping how we build, operate, and go to market to match where the technology is going," Rao said. "That means embedding an AI-first approach across the entire organization so we can move faster and deliver more effectively. Our clients will feel that pace of innovation. That is the measure that matters most."

Rao brings more than 15 years of experience in software engineering, product management, and mortgage technology leadership. Prior to joining Dark Matter, he led product strategy at Ellie Mae, where he was responsible for the Encompass lending platform along with the Developer and Partner ecosystems.

As part of the transition, Dark Matter is making further changes to its leadership structure and targeted organizational adjustments, including a reduction in force, to align its operating model with its strategic priorities. Dark Matter continues to operate with the support of Constellation Software's Andromeda Operating Group. The company's product roadmap, customer commitments, and day-to-day operations remain unchanged.

## CLICK N' CLOSE APPOINTS DELORES LOPEZ AS COO



Click n' Close, a multistate mortgage lender, announced the appointment of **Delores Lopez** as Chief Operating Officer. In this role,

Lopez will lead operational strategy, drive scalable growth initiatives, and strengthen field operations across the organization, reporting to company President Ian Kimball.

As COO, Lopez will focus on advancing operational excellence, supporting long-term growth, and optimizing performance across Click n' Close's national footprint as the company continues to expand. Lopez joins Click n' Close at a time of continued momentum for the company, as it builds on its leadership in down payment assistance programs and One-Time Close construction lending while expanding its reach across wholesale, correspondent, and retail channels.

"I'm pleased to welcome Delores to Click n' Close," said Ian Kimball, President of Click n' Close. "Her deep operational expertise and proven leadership across complex mortgage functions will be instrumental as we continue to scale the business, strengthen our platform, and support our partners and borrowers with greater efficiency and consistency."

Lopez most recently served as EVP of Mortgage Operations at Titan Bank, where she played a key role in building and scaling the bank's correspondent channel while guiding operations across the full loan life cycle. Prior to that, she spent more than a decade at Supreme Lending, including as Chief Enterprise Risk Officer, where she helped shape a disciplined risk culture and strengthen quality and compliance practices across a growing national platform. She began her career in secondary marketing, building a deep foundation in capital markets that informs her disciplined approach to growth, risk, and execution.

## PARTNERONE ANNOUNCES CEO TO LEAD MORTGAGE CADENCE



PartnerOne has appointed **Michael Detwiler** as the new CEO for Mortgage Cadence. PartnerOne recently acquired Mortgage Cadence, a provider of cloud-based digital lending solutions.

Detwiler is the original CEO and co-founder of Mortgage Cadence. He is a well-respected leader and an executive with over 30 years of experience in mortgage lending software. After having grown Mortgage Cadence from its first steps in [2002] to 2015, Detwiler is back to lead it into the next decades of growth and innovation. He brings a strong record of scaling organizations, driving investments, and aligning people and technology to deliver a culture of customer-centric success.

"I couldn't be more enthusiastic about leading Mortgage Cadence as part of PartnerOne," Detwiler said. "Our customers can plan on continued innovation in the age of AI and, more importantly, their being central to everything we do every day."

"We are delighted to welcome Mike as our Mortgage Cadence CEO," said Suzanne Fortman, VP at PartnerOne. "He brings a proven record of high performance and exemplary customer service that aligns seamlessly with PartnerOne's fast-paced culture and long-term investment strategy. Mike is committed to building upon the company's strong foundation, empowering teams, and driving sustainable growth as we continue to accelerate our momentum within the PartnerOne portfolio."

## ARDÁN NAMES NEIL GULLEY AS PRESIDENT AND CHIEF OPERATING OFFICER



Ardán, Inc., the holding company of Westcor Land Title Insurance Company, announced that **Neil Gulley** has been named President and COO. Terry Wright will remain CEO through the remainder of 2026, with Gulley to transition to CEO at the beginning of next year.

Gulley joins Ardán from CBIP Services, LLC, and Keymara Ventures, where he served as EVP and Chief Revenue Officer. His previous experience includes financial, operations, and business development in the title, financial, and real estate industries, including as Chief Development Officer at Title Resources Group, where he was responsible for driving strategic growth initiatives, and as SVP at Realogy Title Group, where he led operations across the West and Midwest regions.

"Neil has a depth of expertise in our industry, having served in various roles in title and real estate," said Terry Wright, CEO of Ardán. "He brings energy, enthusiasm, and ingenuity to this role and will be a great addition to our family of companies. I look forward to working with Neil over the next several months."

Gulley shared, "Ardán, particularly its flagship brand, Westcor, has built a reputation for innovation, independence, and a relentless focus on helping customers close real estate transactions efficiently and safely. I have deep respect for what Mary O'Donnell and the team have built, and I'm honored to build on that momentum alongside the leadership group as we drive the next phase of growth."

## WFG NATIONAL TITLE DEEPENS ITS LEADERSHIP BENCH

WFG National Title Insurance Company (WFG National Title), a full-service provider of title insurance and real estate settlement services for residential and commercial transactions nationwide, announced key leadership appointments designed to accelerate growth, strengthen operational execution, and position the company for long-term success.

Both Chairman and Founder Patrick Stone and President and CEO Steve Ozonian remain actively engaged in the company's day-to-day operations and long-term strategic direction.



**Shaun Gonzales** has been appointed COO for WFG National Title's Direct Operations. In this expanded role, Gonzales will oversee

the company's direct title and settlement operations, further aligning performance, scalability, and service delivery across WFG's direct platform.



**Noah Blanton** will transition into the role of Chief Growth Officer, focusing on driving strategic expansion, market development, and

long-term value creation across WFG National Title. This transition will take place over the next several months to ensure continuity and consistency across the organization.



**Josie Hyde**, who has consistently delivered strong performance in WFG's Vancouver and Spokane, Washington, markets, will take on expanded

responsibility, adding the company's market-leading Oregon market to her

leadership scope, while continuing to lead her existing regions.

“These leadership moves reflect who we are as a company and where we’re going,” Ozonian said. “Our focus has never been on being the biggest; it’s on being the best. The strength of this team, and the way we continue to develop and elevate leaders from within, positions us to deliver an even higher level of performance for our clients while continuing to help shape the future of our industry. Pat and I are as engaged as ever, and we’re building the bench around us that will allow WFG to keep leading for decades to come.”

Patrick Stone emphasized the long-term vision behind WFG’s leadership approach.

“From the beginning, we set out to build a company designed for long-term success; one grounded in strong leadership, clear vision, and a culture that supports both,” Stone said. “What you’re seeing here is a continuation of that vision. As we grow and continue advancing the technology and innovation that are defining this industry’s future, we are strengthening the foundation of our organization by investing in leaders who have demonstrated their ability to perform, adapt, and lead through both opportunity and change. I remain as committed as ever to this company and to the team we are building.”

As Chief Operations Officer, Gonzales brings more than 25 years of industry experience, including executive leadership roles since 2011. Known for his ability to lead large-scale operations and drive performance across complex environments, he has played a critical role in advancing WFG’s operational capabilities. Prior to this appointment, Gonzales served as EVP, Managing Director of Direct Operations & National Builder President, where he led operations across multiple states while continuing to expand WFG’s builder services platform. His leadership has consistently driven growth, efficiency, and service excellence.

Blanton, who will transition into the role of Chief Growth Officer, has

been instrumental in driving performance and expansion within WFG’s market-leading Oregon operations, where he currently serves as Division President. His track record of building market presence and delivering results makes him ideally positioned to lead WFG’s next chapter of strategic growth.

### MORTGAGE CADENCE NAMES JOE ZEIBERT CHIEF REVENUE OFFICER



Mortgage Cadence announced that **Joe Zeibert** has joined the company as Chief Revenue Officer (CRO), where he will help guide the

company’s continued growth by strengthening alignment across sales, customer success, and go-to-market strategy.

His appointment comes at a pivotal time as Mortgage Cadence enters its next chapter under PartnerOne, with a continued focus on delivering measurable outcomes for customers through partnership, service, and innovation.

“What makes Joe’s addition especially meaningful is his rare blend of deep technology expertise and authentic lender perspective,” said Mike Detwiler, CEO of Mortgage Cadence. “He understands that growth doesn’t come from selling more; it comes from serving customers better. Joe brings a mindset that aligns directly with how we operate: putting lenders first, working collaboratively, and delivering results that matter.”

Zeibert brings more than 20 years of experience across banking, fintech, and mortgage technology, including leadership roles at Anchor Loans, FICO, Nomis Solutions, Ally Financial, and Bank of America. Throughout his career, he has built and scaled programs that improve lender performance, strengthen customer relationships, and deliver sustainable, long-term growth.

“From my experience working through the financial crisis, I witnessed both the strengths and shortcomings of the mortgage industry,” Joe Zeibert said. “This inspired me to believe there was a better way to manufacture mortgages, and I committed myself to helping the industry evolve. My goal is to create greater efficiency for lenders while ultimately improving outcomes for consumers, resulting in a true win-win for everyone involved.”

In his role, Zeibert will work closely with Mortgage Cadence’s sales team, customer success, and delivery teams to establish new relationships to build on existing partnerships and ensure customers continue to see value from their investment. His focus will be on enhancing the strong partnerships already in place, while helping customers unlock additional value from the Mortgage Cadence Platform (MCP) through more connected, collaborative engagement.

This includes supporting the continued evolution of MCP and the broader MCP ecosystem, with an emphasis on intelligent automation, operational efficiency, and human-in-the-loop agentic innovation that enables lenders to move faster toward AI while maintaining control and compliance.

“Joe understands that our success is directly tied to our customers’ success,” Detwiler said. “His role is not just about growth, it’s about ensuring we continue to deliver on our promise to serve while innovating the future.”



**Ingrid Jaschok was a respected mentor and a steady hand to all those she worked with at Cenlar. She navigated the complexities of our industry with a rare grace and a genuine care for the people behind the work.”**

—Ed Delgado,

Chairman Emeritus of Five Star Global and  
Managing Director of Mortgage Policy  
Advisors

IN MEMORIAM

*Ingrid Jaschok*

1973–2026



## » *In Memoriam*

### REMEMBERING THE INDUSTRY'S INGRID JASCHOK

**I**ngrid Jaschok, a well-known mortgage servicing industry professional who was most recently serving as SVP at Cenlar, passed away on April 9 at the age of 53.

As SVP of Default Operations at Cenlar, Jaschok oversaw all business segments within the default servicing portfolio, including early and late-stage default. She had more than 25 years of experience in call center operations, loan administration, mortgage loan servicing, loss mitigation, bank and non-bank financial institution management, as well as regulatory and compliance oversight.

“Ingrid was authentic,” said Leslie Peeler, EVP & Chief Operating Officer at Cenlar FSB, in a statement provided

to *MortgagePoint*. “She knew exactly who she was and wasn’t afraid to show that to others. I asked some of those who worked closest with her to share a few words about how they saw Ingrid. Taken together, these words paint the clearest picture of Ingrid: a leader who was genuine, kind, and who deeply cared.”

“Ingrid always lived her values,” Peeler continued. “She was a fierce leader, cared deeply for her friends and colleagues, and always worked to create an environment where all could thrive and be themselves.”

At April’s Five Star Government Forum in Washington, D.C., Ed Delgado, Chairman Emeritus of Five Star Global and Managing Director of Mortgage Policy Advisors, remembered Jaschok and led the audience in a moment of silence for Jaschok.

Delgado also told *MortgagePoint*, “Ingrid Jaschok was a respected mentor and a steady hand to all those she worked with at Cenlar. “She navigated

the complexities of our industry with a rare grace and a genuine care for the people behind the work.”

Before joining Cenlar, Jaschok was Senior Director and SVP of Default Servicing at Flagstar Bank. She was also SVP of Vulnerability Management at Citibank, where she assisted the team with the startup of Vulnerability Remediation in the Global Technology areas. Before Citibank, she was EVP of Online Auction Operations at Auction.com, where she managed merchandising to transaction servicing processing.

Jaschok, a resident of Grand Prairie, Texas, also held leadership roles at both Freedom Mortgage and Mr. Cooper, where, as SVP, she partnered with her team and technology to create an automated loss mitigation process for customers during the pandemic.

Jaschok earned her Bachelor of Science in education from Kent State University and was a recipient of a 2019 Women in Housing Leadership Award for Diversity & Inclusion.



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# THE CHANGING FACE OF AMERICAN HOMEOWNERSHIP

From delayed first-time buyers to rising minority homeownership, demographic trends are transforming the housing market and mortgage industry alike.

By LANCE MURRAY

At its core, demography is the study of human populations—their size, structure, distribution, and how they change over time.

The mortgage industry relies on demographics to predict demand, assess risk, design new products, market loans, and comply with lending regulations. Demographic analysis helps lenders better understand who is buying homes, where the demand is growing, and what kinds of financing options different demographic groups need.

In the housing sector, demographers look at homeownership by analyzing who owns, homes, who rents, and how those trends change over time across various groups of people. Who are today's homeowners in the United States, a nation where almost everything seems to be rapidly changing, and housing affordability is one of the biggest political issues?

"Demographics are a fundamental driver of housing demand and mortgage activity," said **Odeta Kushi**, VP and Deputy Chief Economist at First American Financial Corp. "Factors such as population growth, household formation, and life-cycle decisions—like marriage and family formation—



shape when households enter the market and how that demand evolves over time."

"Their importance has become more visible as demographic trends have diverged across generations, and as data availability and accessibility have grown. Differences in the timing of homeownership, household formation, and mobility patterns continue to play a central role in shaping mortgage demand," Kushi said. "As a result, demographics are central to forecasting mortgage activity. Shifts like delayed homeownership among younger households and aging in place among older owners directly influence purchase demand and overall housing turnover."

Moving forward, what qualities will define the homebuyer of the future?

## Demographic Profiles Are Shifting

Today, homebuyers present shifting demographic profiles that reflect significant economic, social, and generational changes.

On average, potential homebuyers are older, more diverse, and increasingly shaped by affordability pressures that have delayed their entry into the market.

First-time buyers, who once were the backbone of home sales, now make up a smaller share, squeezed by high prices, higher mortgage rates, and limited inventory, while repeat buyers with accumulated equity play a larger role.

"Younger households, particularly first-time buyers, remain the most constrained. They typically lack the housing equity that repeat buyers can use toward a down payment, and saving remains the biggest hurdle to entry," Kushi said. "While affordability is gradually improving, our February Real House Price Index shows conditions at their best level since 2022. It remains historically constrained."

In NAR's 2025 Generational Trends report, Gen Z accounted for 3% of buy-





## The homeownership gap is not just about housing—it's about who gets to build wealth in America.”

—Andre M. Perry,

Senior Fellow and Director of the Center for Community Uplift, Brookings Institution.

ers, millennials were 29% combined, Gen X was 24%, baby boomers were 42%, and the Silent Generation (1928-1945) was 4%.

NAR reported that the share of first-time home buyers dropped to a record low of 21%, while the typical age of first-time buyers climbed to an all-time high of 40 years.

“The historically low share of first-time buyers underscores the real-world consequences of a housing market starved for affordable inventory,” said **Jessica Lautz**, Deputy Chief Economist and VP of Research for the NAR (National Association of Realtors). “The share of first-time buyers in the market has contracted by 50% since 2007—right before the Great Recession. The implications for the housing market are staggering. Today’s first-time buyers are building less housing wealth and will likely have fewer moves over a lifetime as a result.”

### Baby Boomers Have largest Piece of the Pie

**O**lder Americans dominate homeownership, with baby boomers having the largest share at an 80% ownership rate. Millennials (55%) and Gen Zers (27%) are slowly catching up as the baby boomers age.

Demographers note that this fact reflects delayed entry into homeownership, not necessarily a full-blown rejection of it. Younger households are buying later because of costs, debt, and later life milestones.

Rising participation among Hispanic, Black, and Asian households is reshaping the racial makeup of homeowners, even as persistent gaps in access to credit and wealth persist.

“The homeownership gap is not just about housing—it’s about who gets to build wealth in America,” said **Andre M. Perry**, a Senior Fellow and Director of the Center for Community Uplift at the Brookings Institution.

In a recent study, LendingTree noted that inequality is a major issue in

the United States, with systemic racism and historical discrimination causing challenges in daily life, including homebuying, for Black Americans, who are among the nation’s most economically disadvantaged groups.

Online bank lending market LendingTree found that the Black homeownership rate across the 50 largest metros was 43.6%, compared with 70.3% among white householders.

### Examining Homeownership Rates

**L**endingTree found that Atlanta topped the list for Black homeownership among the 50 largest metros, with a rate of 55.3%. Birmingham, Alabama (54.1%), and Richmond, Virginia (52.8%), follow close behind. Just five metros have Black homeownership rates above 50%, with Washington, D.C., and Miami rounding out the group, the lender said.

According to the National Association of Hispanic Real Estate Professionals’ (NAHREP) 2025 State of Hispanic Homeownership Report released in March, a record number of Hispanic households are now homeowners.

The report said that roughly 10.2 million Hispanic households owned their properties last year. About 441,000 new Hispanic households became homeowners in 2025, the largest annual rise in Hispanic homeownership since the U.S. Census Bureau began tracking the data in 1975, according to the report.

“In a year in which affordability and economic uncertainty kept many Americans on the sidelines, Latino buyers are effectively supporting the housing market,” NAHREP National President **Edwin Acevedo** said. “Their youth and resilience in a tough environment indicate that the influence of Latino buyers will only grow over time.”

NAHREP said it attributed the gains in homeownership to slower home price appreciation, lower mortgage rates, and more properties for sale.

According to The Harvard Center Joint Center for Housing Studies (The Center), Hispanic households tend to

enter homeownership later in life. The median first-time buyer age of Hispanics is 34, compared to 31 for white households, it said.

The Center said that the delay in Hispanic homeownership reflects a set of early barriers that appear long before families are ready to buy a home. It said the homeownership rate for Hispanic households between the ages of 35 and 44 was 22 percentage points lower than that of non-Hispanic white households in the same age group.

The trends paint a picture of a housing market that is less accessible for newcomers but more reflective of the country's evolving demographics.

The demographics of current homebuyers offer clear trends across age, income, household type, and market behavior.

Here's a breakdown of those trends:

- The median buyer age is about 42 years old, and depending on who did the study, the average age of a first-time homebuyer is 35 to 40. Repeat buyers' average age is 47, according to Redfin.
- Due to affordability challenges, buyers are older than in past decades.
- The typical composition of homebuyers in America is evolving.
- Most are married couples (50-60%), while single women comprise 20-25% and single men make up 10%. Buyers with children under the age of 18 comprise 18%-24%, but that percentage is declining, demographers said.
- Most homebuyers are white, and while minority homeownership is growing, it still lags.
- Black and Hispanic buyers face lower ownership rates and higher barriers such as income, credit, and wealth gaps.
- As a trend, buyers are waiting longer to purchase, and many of them rely on family help or dual incomes to buy a home.

A new survey from *U.S. News & World Report* shows the lengths some homebuyers are having to go to in buying a new home.

#### Homebuyers Take on 'Side Hustles'

The survey said that more than half of homebuyers (57%) are taking on additional work or a side hustle to deal with higher housing payments, and that 37% are planning to buy a home with someone other than a spouse or partner—somebody like a friend, a sibling or a parent—to split the cost.

It said that 11% reported that most of their down payment is coming from parents or family. About one in nine homebuyers are turning to “the bank of mom and dad” for help with their mortgages.

Between April 20 and 24, 2026, *U.S. News* ran a nationwide survey of 1,207 Americans planning to buy a home this year using a mortgage.

The survey found that about two-thirds of homebuyers (62%) are waiting for rates to fall before buying a home in 2026. That's much lower than last year's survey, when 80% of respondents said the same. That suggests that consumers are finally becoming accustomed to rates above 6%, five years after the ultralow rates in the COVID-19 pandemic era.

“The thing that jumped out to me was, we always ask, ‘Are you waiting for mortgage rates to fall before buying a home?’” said Erika Giovanetti, Consumer Lending Analyst for *U.S. News*. “The first two years we ran it, we had about two thirds—66%, 67%—and in 2025, 80% of people were waiting for rates to fall.”

#### Waiting for Rates To Fall

Giovanetti added that, “This year, it's come back down even lower. Sixty-two percent of homebuyers are waiting for rates to fall. So, I would say, broadly, the biggest takeaway here is that people are getting comfortable with the 6% rates.”

Giovanetti discussed some of the creative and nontraditional approaches homebuyers are taking.

“The creative ways that we're looking at for people who are buying a home with a mortgage has to do with the sacrifices they're giving up.”

—Erika Giovanetti,  
Consumer Lending Analyst, *U.S. News*

## Increasing diversity of households will function as a downward force on future homeownership rates because of constant and large homeownership rate disparities by race and ethnicity.



“The creative ways that we’re looking at for people who are buying a home with a mortgage has to do with the sacrifices they’re giving up,” she said.

“Thirty-seven percent are buying a home with a non-spouse. Whether it’s a friend, a sibling, a parent, a child, it’s not something that we’ve asked in years past,” Giovanetti said. “It’s a significant number, if you’re looking at it overall. Fifteen percent said they were considering buying a house with a friend, and that’s what I would consider more nontraditional. And this rise in co-buying, I think, really speaks a lot to the market.

“Traditionally, you would look at renters who are moving in with each other because rent is rising, and they can afford \$2,500 for rent if they split it between them and one other person,” Giovanetti said.

The Urban Institute said in a report that, for millions of families, owning a home has long represented a gateway to financial prosperity, upward mobility, and the intergenerational transfer of wealth. Will that remain true in the decades to come?

### At a Crossroads

It said that the value of American homeownership is partly owed to the nation’s housing finance system. But, after nearly a century of making homeownership possible for millions, the system is at a crossroads, Urban Institute noted in an analysis of the nation’s FHLBank system.

It said that economic, political, societal, and technological trends are presenting challenges, but also hold the promise for the continued viability of homeownership and the system that makes it possible.

The Harvard Center Joint Center for Housing Studies (JCHS) reported in a recent study that looking forward, demographic changes over the next 10 years are relatively predictable compared to market changes.

In general, the JCHS noted that there are two significant demographic factors that will influence overall

homeownership rate trends: the changing age structure of the population and growing racial/ethnic diversity.

It said that the 2025 household projections show that, between 2025 and 2035, the number of households headed by a person aged 65 and over is projected to grow by nearly 20%. Given that homeownership rates rise with age, that shift will theoretically work to increase overall homeownership rates.

Concurrently, JCHS said that households headed by Black, Hispanic, Asian, and all other race householders will make up fully 98% of all net household growth between 2025 and 2035. It said that increasing diversity of households will function as a downward force on future homeownership rates because of constant and large homeownership rate disparities by race and ethnicity.

According to the JCHS, comparing the homeownership rate of non-Hispanic white households, the homeownership rate of Black households was 28 percentage points lower, the Hispanic homeownership rate was 25 percentage

points lower, and the rate for Asian and all other race households was 14 percentage points lower in 2024.

As America’s population continues to age and diversify, the future of homeownership will increasingly depend on whether the housing market can adapt to the realities facing younger and minority buyers. The data suggests that the desire to own a home remains strong, but affordability pressures, limited inventory, rising debt burdens, and widening wealth gaps are forcing many households to delay or rethink the traditional path to ownership. At the same time, demographic shifts are creating new opportunities for lenders, policymakers, and housing providers willing to innovate around financing, accessibility, and long-term affordability.

The next decade could redefine what the “typical” American homeowner looks like. Hispanic households, multicultural buyers, multigenerational families, and nontraditional co-buyers are poised to play a much larger role in sustaining housing demand as older generations age in place. Whether the nation can preserve homeownership as a reliable pathway to wealth creation may ultimately depend on addressing the structural barriers that continue to leave many aspiring buyers behind. In that sense, the future of housing is not just an economic story—it is a demographic one. **MP**



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# SHARED EQUITY MOVES INTO THE MAINSTREAM

As regulation catches up and institutional capital accelerates, home equity investments are shifting from niche alternative to established housing finance product, putting new pressure on servicing, compliance, and execution.

By ALLEN PRICE

For a long time, shared equity—an approach that lets homeowners access cash in exchange for a share of their home's future value—felt like the cool younger sibling of the housing finance world. It was innovative, a bit rebellious, and lived mostly on the fringes of the market. But in 2026, the vibe has shifted.

Home equity investments (HEIs), often referred to as home equity agreements (HEAs), have officially moved beyond the trial phase and onto the balance sheets of major institutional players. That shift did not happen overnight. It reflects years of experimentation, gradual adoption, and growing familiarity among both consumers and capital providers.

Two forces are driving this transition. The first is regulatory activity, primarily at the state level. The second is the continued flow of institutional capital into the space. But as shared equity moves further into the mainstream, the real question is whether the frameworks built around it will be able to keep pace.

## Regulation Is Evolving

Perhaps the most important development in shared equity today is how these products are being defined.

Shared equity agreements allow homeowners to access a portion of



**ALLEN PRICE,** SVP at BSI Financial Services, is a mortgage industry veteran with more than 30 years of experience in the primary and secondary markets. At BSI, Price focuses on home equity investments and agreements and equity loan subservicing, OC, and mortgage servicing rights (MSR) acquisitions. Prior to BSI, he oversaw sales and strategy as SVP at RoundPoint Financial Group. Price also served as SVP at ServiceLink's Capital Markets group and as SVP at Nationstar Mortgage, where he led Nationstar's MSR and subservicing acquisitions. Earlier in his career, he was a senior risk executive for BBVA's residential mortgage portfolio and an SVP of Global Structured Finance and RMBS trading at Bank of America. Prior to that, Price was Senior Manager at Fannie Mae for nearly seven years, from 2000-2006. He is a member of the Board of Directors at Quorum Federal Credit Union and also serves on the IMN Home Equity Investment Advisory Board.

their home equity without taking on a traditional loan. There are no required monthly payments, and repayment typically occurs when the home is sold, refinanced, or the agreement term ends.

For years, shared equity contracts did not fit neatly into existing regulatory categories. They do not function

like traditional mortgages: there is no interest rate in the conventional sense and no monthly payment. That lack of definition allowed the product to grow quickly, but it also created uncertainty about how it should be governed.

State regulators are now stepping in to address that uncertainty, with some treating shared equity agreements more like mortgage products from a disclosure standpoint. Washington remains the only state with a clear appellate-level ruling treating HEIs as loan-like instruments, or more specifically, reverse mortgages, in terms of required disclosures. However, several other states, including Massachusetts, Colorado, New York, and Connecticut, are evaluating similar approaches.

This regulatory distinction—treating shared equity agreements like loan products for disclosure purposes—matters. While it does not fundamentally change how these agreements work, it could change how they are structured, documented, and presented to consumers. In fact, the Consumer Financial Protection Bureau (CFPB) has also raised questions about how these products are marketed and whether consumers fully understand how repayment is calculated.

Industry groups such as the Coalition for Home Equity Partnership

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“  
**While regulations are still taking shape, capital is pouring into this space. A few years ago, investors were somewhat cautious about these products. Today, credit funds and other institutional investors are actively backing originators, supporting both current production and future growth.**

(CHEP) are also working to strengthen alignment between market participants, regulators, and consumers, helping to support clearer standards and greater transparency as the market evolves. In response to legislation in Maine, CHEP recently noted its extensive engagement with policymakers and consumer advocates to develop a more balanced framework, while raising concerns that the measure could restrict the availability of shared equity agreements and limit options for homeowners seeking to access equity without taking on additional monthly debt.

For originators, more robust disclosures could increase the cost of originating HEIs and extend closing timelines. Additional documentation, legal review, and accuracy checks all become part of the process.

At the same time, greater regulatory clarity can have a stabilizing effect and make shared equity products easier for investors, regulators, and consumers to evaluate.

In either case, compliance is becoming a central part of operating in the shared equity market. Because the rules are still taking shape, players must continue to track state-level changes and be ready to adjust as new interpretations emerge.

#### Capital Is Flowing

**W**hile regulations are still taking shape, capital is pouring into this space. A few years ago, investors were somewhat cautious about these products. Today, credit funds and other institutional investors are actively backing originators, supporting both current production and future growth.

One of the clearest signs of this shift is the rise of forward flow agreements. In these arrangements, investors provide capital on an ongoing basis so that originators can fund deals as they are created. This represents a meaningful departure from earlier models, where HEI originators would accumulate portfolios and sell them in bulk. It reflects a growing level of

confidence in shared equity as an asset class. For originators, this shift creates more predictable pipelines and makes it easier to scale.

You can see that confidence in the size of recent commitments. One major provider recently secured a \$280 million funding round to expand production capacity, while another platform completed a roughly \$300 million secondary market transaction backed by institutional capital.

Securitization activity tells a similar story. The most recent government estimates come from the CFPB in 2024, when the agency estimated a total shared equity market size of \$2 billion to \$3 billion. Since then, more recent securitization activity suggests the market size is now more than \$4 billion.

In a recap of the SFVegas (Structured Finance) conference earlier this year, Morningstar DBRS highlighted strong growth in home equity-related securitizations, noting that HEI transactions saw more than 110% year-over-year growth in 2025.

All of this growth shows that shared equity is a viable asset that can be structured, rated, and sold in the secondary market.

#### Servicing Is More Critical Than Ever

**A**s shared equity moves further into the mainstream, servicing is becoming more complex.

At first glance, shared equity may appear simpler than traditional mortgage servicing. There are no monthly payments to process, and consumer interaction is more limited. In reality, the work is not simpler, just different.

One of the core responsibilities is lien monitoring. Shared equity positions exist alongside first and sometimes second liens, which means servicers must maintain visibility into all obligations tied to the property. This includes mortgage liens as well as other potential encumbrances, such as homeowners' association liens. That visibility is critical because the performance of

the shared equity position is tied to the overall condition of the property's capital structure, and changes in lien status can affect risk and investor returns.

Servicers must also manage reporting across a wide group of stakeholders. Originators, investors, warehouse lenders, trustees, and rating agencies all require accurate and timely information. Each group may have different requirements, and those requirements can evolve as the market develops.

Servicers also need to stay ahead of regulatory and legal developments. When new requirements emerge, servicers that specialize in shared equity products are often in a position to quickly identify those changes and communicate them to their clients.

This requires a servicing model built around monitoring, reporting, and coordination. It is less about processing payments and more about staying compliant and maintaining a clear, consistent view of assets over time.

### Growth Is Outpacing the Framework

One of the defining characteristics of the shared equity market right now is how HEIs and HEAs have grown faster than the regulatory and operational frameworks designed to support them. For years, that imbalance allowed originators to move quickly and bring new offerings to market. Now, it is creating a different kind of pressure.

While regulators, mainly at the state level, are working to define how these agreements should be treated, investors are committing larger amounts of capital and expecting more consistency. These forces are now converging. As more states weigh in on how shared equity should be classified, players in this space must navigate a patchwork of rules that vary by jurisdiction. That requires greater coordination and flexibility than in the past.

On the capital side, the shift toward forward flow funding means originators are no longer operating in cycles. But because they are producing assets

continuously, it increases the need for consistent processes and reliable execution throughout the entire lifecycle of these agreements.

All of these place greater importance on the infrastructure supporting the shared equity market. The main focus has shifted from product innovation to operational execution.

Servicing, reporting, and compliance aren't secondary considerations. They are central to how shared equity operates at scale. The challenge is not just creating the product but managing it over time in a way that meets the evolving expectations of regulators, investors, and other stakeholders.

### A Market Coming Into Its Own

Shared equity is no longer operating on the margins of housing finance. In many ways, it has grown out of its "younger sibling" phase and has entered adulthood, but with that comes higher expectations and greater accountability.

The qualities that once set shared equity apart—flexibility, innovation, and a different approach to accessing home equity—are still there. But the market around them is changing. Regulations are taking shape, capital is scaling, and operational demands are becoming more complex.

That shift brings both opportunity and pressure. Shared equity is no longer being viewed as an experiment, but as a product that needs to perform consistently within a more structured environment.

The real question now is not whether the market will grow. It is whether the infrastructure around it—disclosures, servicing, and reporting—can keep pace with rising homeowner demand and the capital flowing into the space. At this stage, execution, not expansion, will determine what comes next. **MP**

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# NON-QM LENDING: THE BRIDGE BETWEEN INCOME AND QUALIFICATION

As self-employment, gig work, and asset-based wealth reshape borrower profiles, non-QM lending is becoming the critical link between traditional underwriting standards and how creditworthy borrowers actually earn, save, and qualify.

By ERIC BERNSTEIN

Consider a borrower who has run a profitable business for eight years. Their credit score sits above 740. They carry minimal personal debt. Their bank deposits over the past two years average well above the amount required for a qualifying monthly payment. By most practical measures, they are a strong credit borrower. But their tax returns, legally optimized to reduce taxable income through aggressive tax planning, show adjusted gross income that falls short of conventional DTI thresholds. The loan does not close.

This has become a routine outcome for a growing share of creditworthy borrowers. The mortgage industry built its qualification infrastructure around a workforce model defined by W-2 employment, salaried pay cycles, and predictable documentation. That model still works for the borrowers it was designed to serve. The problem is that the borrower population has moved, and the framework has not.

About 15 million Americans, roughly 10% of the workforce, now classify themselves as self-employed. Full-time independent workers more than doubled from 13.6 million in 2020 to 27.7 million in 2024. More than 4.7 million independent workers earned over



\$100,000 in 2024, up from 3 million in 2020. These are not marginal earners looking for workarounds. They are creditworthy borrowers whose income does not travel well through standard documentation channels.

Non-QM lending's growth from roughly 3% of originations in 2020 to approximately \$232 billion in origination volume in 2025 is the market's answer to that mismatch. Understanding that response, and what it means for how the industry evaluates borrower risk, matters

for anyone involved in origination, servicing, or lending strategy.

## Why Standard Underwriting Struggles With Non-Standard Income

Conventional underwriting, as governed by GSE guidelines, uses adjusted gross income as its primary measure of repayment capacity. The logic holds for salaried employees: if income is stable, regularly documented, and reported in full on a W-2, DTI ratios calculated against it carry reasonable confidence. The framework performs as intended for the borrowers it was built around.

The problem is structural when applied to everyone else. Business owners routinely reduce taxable income through depreciation, business expense deductions, and retirement contributions. These are rational tax decisions. They also produce AGI figures that understate actual cash flow, through no fault of their own. The tax return says one thing; the bank account says another. Conventional underwriting reads the tax return.

The population this affects is wider than self-employed borrowers alone. Independent contractors and 1099 workers often show income that is consistent but

“About 15 million Americans, roughly 10% of the workforce, now classify themselves as self-employed. These are not marginal earners looking for workarounds. They are creditworthy borrowers whose income does not travel well through standard documentation channels.”



fragmented across clients or platforms. Real estate investors carry depreciation schedules that suppress reported income regardless of how strong their rental cash flow is. Retirees drawing from brokerage accounts may have substantial assets and low expenses but limited current earned income. Borrowers with significant crypto holdings sit outside conventional reserve and income frameworks entirely, regardless of what their balance sheet shows.

Strong balance sheets, significant liquidity, low debt relative to assets: none of that registers when the documentation does not fit the model. These borrowers fail qualification not because repayment is in doubt, but because their income does not fit the input requirements of the underwriting framework being applied. An inability to produce two years of W-2s is not, in itself, evidence of credit risk. Conventional underwriting conflates documentation format with repayment capacity, and that conflation becomes more consequential as the share of non-traditional earners in the borrower population grows.

### How Non-QM Qualification Models Work in Practice

Non-QM lending does not mean lending without documentation. It means lending with different documentation, calibrated to how a borrower's income actually exists rather than how a standardized model expects it to appear. For originators and lenders working with nontraditional income borrowers, understanding how each approach functions is the starting point for knowing which tool fits which borrower.

Bank statement loans hold 33.7% of non-QM volume. They work by using 12 or 24 months of personal or business bank statements to calculate average monthly deposits. For business accounts, an expense ratio is applied before arriving at usable income. The result is a cash flow picture drawn from actual transaction history rather than from a tax return that may have been actively managed down. For self-employed borrowers with

strong revenue and disciplined business finances, this approach frequently produces a more accurate picture of repayment capacity than AGI-based qualification would.

Asset depletion, or asset-based qualification, takes a different approach. Eligible liquid assets, including retirement accounts, brokerage holdings, and savings, are divided over the loan term to generate an imputed monthly income figure. A retiree or high-net-worth borrower between income sources can demonstrate repayment capacity through the depth of their balance sheet rather than through a pay stub. The math is straightforward; the underwriting judgment lies in evaluating the quality and accessibility of the assets being counted.

DSCR loans account for 28.7% of non-QM volume. They operate at the property level rather than the borrower level. For real estate investors, the debt service coverage ratio measures whether a property's rental income covers its mortgage payment. Personal income verification is not the primary factor; the investment's cash flow is. This approach is particularly useful for experienced investors whose personal tax picture is complex, but whose portfolio generates documented rental revenue.

For contractors and gig workers, 1099-only loans and borrower-prepared profit-and-loss statements offer alternatives when income is consistent but fragmented. These require more underwriting scrutiny than bank statement loans, but they address a real gap for borrowers whose income pattern is reliable even when the documentation is nonstandard.

Risk management in non-QM underwriting relies more actively on compensating factors than conventional underwriting does. Higher down payments, lower LTV thresholds, credit score minimums, and reserve requirements serve as structural supports in the absence of standard income documentation. The 2024 vintage non-QM loans closed at an average 75% LTV with a 776 credit score, metrics largely indistinguishable from conforming production.

That's a critical data point for anyone still operating under the assumption that non-QM means elevated credit risk. Non-QM loans are priced higher than conforming loans, appropriately so, given the additional underwriting complexity and the different investor base. That cost differential is something originators need to communicate clearly with borrowers up front.

### What Non-QM's Growth Signals About the Future of Qualification

Non-QM lending closed 2025 with record momentum, capturing more than 9% of total lock volume as the year ended. That growth occurred during a period of rising rates and compressed overall origination volume. Non-QM did not ride a volume wave. It gained share in a difficult market. Industry analysts now project non-QM could represent over 15% of total mortgage originations by the end of 2026. A segment does not build that kind of trajectory on cyclical demand alone.

The labor market data reinforces that conclusion. More than 70 million Americans are estimated to be part of the gig economy in 2025, representing approximately 36% of the total workforce. By 2027, freelancers are projected to make up over 50% of the U.S. workforce. The self-employed, independent contractor, and nontraditional earner populations are not a temporary disruption normalizing back toward W-2 employment. For a growing share of working adults, nontraditional income is the permanent structure of their financial lives. The mortgage industry cannot qualify its way around that indefinitely.

For lenders and originators, this raises practical questions about positioning. Building non-QM capabilities requires real investment: underwriting expertise, originator training, product shelf development, and secondary market relationships. Non-QM underwriting involves more judgment and more documentation review than automated conventional processing. These commitments are not trivial. But lenders treating non-QM as

an overflow product, reached for when a conventional deal falls apart, are underinvesting in what is becoming a core segment of the borrower population.

The secondary market has matured to support that investment. Non-QM has been driving private-label securities in recent years, representing nearly half of that market in 2025, with issuance forecast to grow another 12% in 2026. Non-QM securitization is on track to fuel an overall 25% increase in non-agency issuance in 2026, according to S&P's North American structured finance outlook. That level of institutional engagement reflects a market that has matured considerably. Non-QM is not the illiquid category it was a decade ago. Execution options have deepened, and the investor base has grown more sophisticated in how it evaluates these pools.

One distinction worth keeping clear: non-QM is not a return to the documentation failures that preceded 2008. The QM framework created a regulatory safe harbor. It did not define the outer boundary of responsible lending. Non-QM underwriting, done with appropriate compensating factors and disciplined documentation review, does not carry inherent systemic risk. Keeping that distinction clear matters both internally and in conversations with borrowers and referral partners who may conflate the two.

#### Qualifying Borrowers on Financial Reality

The borrower in the opening scenario—eight years in business, strong cash flow, minimal debt, and a credit score above 740—is not marginal credit.

They are a creditworthy borrower whose income documentation is misaligned with the measurement framework being applied to them.

Non-QM lending is not an expansion of who qualifies for a mortgage. It is an expansion of the industry's ability to accurately assess who already does. The qualification gap is a documentation problem, and the lenders, originators, and institutions best positioned for the next decade are the ones building the underwriting fluency to close it.

The most creditworthy borrower in the room is not always the one with the simplest paperwork. The industry's job is to find a way to recognize that and build the underwriting infrastructure to act on it. **MP**

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LEGAL LEAGUE

# THE BANK OF MOM & DAD

**Chris Birk**, VP of Mortgage Insight at Veterans United Home Loans, discusses recent survey findings on how many parents are helping provide a bridge to homeownership for their children.

By **DEMETRIA C. LESTER**

Despite ongoing affordability hurdles and economic uncertainty, consumers nationwide are still aspiring to attain the American Dream while attempting to navigate today's unpredictable housing trends, prices, and more. According to a recent Veterans United Home Loans survey, parents are increasingly influencing the next generation's path to homeownership. With approximately six out of 10 parents (59%) having provided or wishing to assist their children with financial help so they can purchase a property, Chris Birk, VP of Mortgage Insight at Veterans United Home Loans, shared insights on the subject with *MortgagePoint* in this exclusive discussion.

Birk is author of *The Book on VA Loans: An Essential Guide to Maximizing Your Home Loan Benefits*. His analysis and articles have appeared in the *New York Times*, the *Washington Post*, the *Wall Street Journal*, on FOX Business, and more.

The survey revealed that families are increasingly stepping in to help overcome financial difficulties in today's housing market. Roughly 68% of veterans and service members say they have helped or wish to help, compared to 49% of civilians. Also, according to



**DEMETRIA C. LESTER** is a reporter for *MortgagePoint* with more than 10 years of writing and editing experience.

*She has served as content coordinator and copy editor for the Los Angeles Daily News and the Orange County Register, in addition to 11 other Southern California publications. A former editor-in-chief at Northlake College and staff writer at her alma mater, the University of Texas at Arlington, she has covered events such as the Byron Nelson and Pac-12 Conferences, progressing into her freelance work with the Dallas Wings and D Magazine. Currently located in Dallas, Lester is a jazz aficionado, Harry Potter fanatic, and avid record collector. She can be reached at demetria.lester@thefivestar.com.*

the study, many parents consider financial support to be both kind and crucial when it comes to housing.

"Today's affordability challenges are making it harder for many younger buyers to gain a foothold in the housing market," Birk said. "For some families, that means stepping in where they can to help bridge gaps around upfront costs or qualification hurdles, even if it means stretching their own finances or making sacrifices elsewhere."

According to 43% of respondents, the most frequent reason parents intervene is to assist with a down payment. An estimated 33% mentioned paying closing expenses, and another 37% stated they wanted to assist their child in getting a mortgage. The findings also highlighted two of the most significant obstacles to becoming a homeowner: fulfilling loan requirements and saving enough money up front.

However, many parents are also considering the long term. While some 27% want to lower monthly payments, a third (33%) indicated they want to assist their child in developing equity and long-term wealth.

**Q:** According to a recent survey conducted by Veterans United Home Loans, most parents have given or intend to provide some type of financial aid to help their children purchase a home. How significantly do you think this will benefit the newer generation of homebuyers?

This could be a significant benefit for the newer generation of homebuyers, especially in a market where affordability remains one of the biggest barriers.



**“Today’s affordability challenges are making it harder for many younger buyers to gain a foothold in the housing market. For some families, that means stepping in where they can to help bridge gaps ...”**



**When you shift the focus to the benefits, VA loans are one of the most powerful homebuying tools available. They offer no down payment, no private mortgage insurance, competitive rates, and built-in consumer protections that help veterans avoid risky lending.”**



—Chris Birk,  
VP of Mortgage Insight,  
Veterans United Home  
Loans



**Q: What is the most important thing for veterans to consider before applying for a VA loan?**

The most important thing for veterans to consider before applying for a VA loan is understanding their full financial picture, not just whether they qualify.

That starts with getting a clear picture of your finances, including your credit, your income, and your major monthly debts. Not because you need to be perfect, but because you need to know where you stand and what's possible. Mortgage calculators and affordability tools can help you get an early sense of a potential homebuying budget.

Help from parents can give younger buyers a faster path to homeownership by easing upfront costs like a down payment and closing expenses. That support can help them enter the market sooner, start building equity earlier, and begin creating long-term financial stability.

The key is making sure that assistance helps buyers purchase responsibly, rather than stretching into a home or monthly payment they can't comfortably sustain.

**Q: What are the biggest issues facing veterans seeking a VA mortgage?**

Veterans and service members face many of the same headwinds as all would-be buyers. But the VA home loan benefit offers major advantages that can help buyers get into homes sooner and easier than their civilian counterparts. One of the big issues facing veterans is that there's a lot of misconceptions and misunderstandings out there about how VA loans work and what they offer.

For example, some veterans believe they need perfect credit or a large down payment to get a VA loan. The reality is this program was designed to be more flexible, requiring no down payment and offering competitive interest rates. Others think the benefit can only be used once, when it can actually be used over and over again.

Another challenge is that some sellers and even real estate agents are unfamiliar with VA loans, which can lead to hesitation in competitive markets. There's a lingering myth that VA loans are harder to close or come with excessive requirements, neither of which is true.

When you shift the focus to the benefits, VA loans are one of the most powerful homebuying tools available. They offer no down payment, no private mortgage insurance, competitive rates, and built-in consumer protections that help veterans avoid risky lending. Once people understand how accessible and valuable VA loans are, many of those perceived barriers disappear.

The VA loan program is incredibly powerful. It offers things like no down payment and flexible credit guidelines, which can open doors a lot of people don't realize are available. But it's not one-size-fits-all, and the best outcomes come when veterans take that first step to understand their options early.

Getting preapproved is a key first step. It helps you shop with confidence, move quickly when you find the right home, and avoid surprises along the way.

Lastly, don't try to figure it all out on your own. Work with a lender who really knows VA loans and takes the time to answer all your questions.

**Q: Are younger, first-time buyers making any headway towards homeownership?**

Affordability is a real challenge right now, but younger and first-time buyers are finding ways to break into homeownership, often without financial help from their parents. The key difference is that they're often taking the time to understand the homebuying process and using specialized loan programs and assistance options.

For eligible service members and veterans, the VA loan is a major driver here. In fact, usage has been growing fastest among Gen Z buyers, which shows that younger borrowers are increasingly tapping into this benefit early. The reason is simple: VA loans remove some of the biggest barriers, like large down payments and a need for great credit, making homeownership much more attainable.

Beyond VA loans, other low-down-payment options are also helping first-time buyers gain traction, including FHA and USDA loans. Many state and local programs also offer down payment assistance, grants, or forgivable loans that can significantly reduce upfront costs.

The bigger issue isn't that solutions don't exist; it's that many buyers assume they need 10%–20% down or that all mortgage products work the same way. That misconception can sideline a lot of otherwise qualified buyers.

**Q:** Are more parents acting as co-signers or simply assisting in the homebuying process monetarily?

Most parents are stepping in with direct financial support rather than co-signing on the loan itself. That help often comes with no strings attached.

The most common forms of assistance are things like contributing to a down payment, gifting cash, or helping pay down debt. In fact, among parents who are helping, 57% say that support is a gift, while 20% structure it as a loan, and another 23% use a mix of both. That underscores how focused families are on easing the up-front cost burden and helping buyers qualify. By comparison, only about 1-in-5 (18%), are taking on a formal role by co-signing on the mortgage.

**Q:** In the next generation's path to homeownership, what factors would you suggest home shoppers educate themselves on prior to viewing listings and applying for loans?

Start by understanding your options. Too many buyers assume they need a large down payment to top-tier credit, and that isn't the reality.

Learn the loan programs available. FHA and USDA offer low or no down payment options. VA loans remain one of the strongest tools for eligible buyers. First-time buyers might be able to tap into conventional loans with low down payments.

Next, get to know your numbers. Look at your credit, your debt, and what you can afford each month, not just what you might qualify for. Explore down payment help and grants. Make sure you clarify whether any family financial support is a gift or a loan.

The biggest mistake is assuming homeownership is out of reach. Education upfront builds confidence when it is time to act.

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**Q:** Even with parents helping with down payments, what other headwinds are first-time homebuyers facing in the current market?

Affordability remains the biggest issue. So even buyers who get help upfront still need to qualify for and comfortably afford the ongoing cost of homeownership.

Credit and debt also play a major role. Lenders are closely evaluating debt-to-income ratios, so buyers carrying student loans, car payments, or credit card debt can find it harder to qualify, regardless of how much help they receive with a down payment.

There's also the challenge of limited inventory and competition, especially at lower price points. First-time buyers are often competing with repeat buyers or investors, which can make it tougher to get an offer accepted even if they're financially prepared.

**Q:** For buyers with parental aid, will meeting lending requirements pose a challenge for those with lower incomes and credit scores?

Parental help can ease upfront costs and strengthen an application by lowering the loan amount or improving financial positioning, but buyers still need to meet core financial standards.

Lenders still focus on things like income stability, debt-to-income ratios, and credit history. Buyers with lower incomes or weaker credit may still face challenges qualifying or securing favorable terms. Every would-be buyer's situation is different.

**Q:** Per the survey, are more parents gifting their children with cash or expecting them to pay a loan back?

Based on the survey, parents are far more likely to gift money than expect it to be repaid. Among those providing

support, 57% say their assistance is a gift, compared to 20% who structure it as a loan. Another 23% have used or plan to use a combination of both.

Some parents are becoming even more involved in the process of purchasing a property. Approximately 1 in 5 people (18%) have co-signed a mortgage or intend to do so. Another 17% have bought or intend to buy a house for their child outright, and the same percentage have given or intended to give a private loan.

That financial help frequently comes with no conditions: for example, kids having to pay their parents back. Of parents who have assisted or want to assist, an estimated 57% define the support as a gift, 20% as a loan, and 23% as a mix of the two.

However, there are frequently large financial stakes. Of the parents surveyed, some 23% intend to donate between \$50,000 and \$99,999, and 30% say they have donated or plan to contribute between \$25,000 and \$49,999. A further 12% anticipate making contributions in the range of \$100,000 to \$199,999, with smaller fractions intending even greater sums.

At the end of the day, this is about families working together to navigate a challenging market. For parents who are in a position to help, it can be a powerful way to open the door to homeownership sooner and set up their children with a stronger financial foundation for the future.

**Q:** How does debt-to-income (DTI) work for VA loans?

Debt-to-income ratio for VA loans works much like it does for other mortgages.

Lenders calculate your DTI ratio by comparing your major monthly obligations (like credit cards, car loans, student loans, and the projected mortgage payment) to your gross monthly income. The VA doesn't set a minimum for DTI ratio, and benchmarks will vary by lender. **MP**

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—Denia Ray, SVP National Field Services, Genstone



For more information, contact [memberships@thefivestar.com](mailto:memberships@thefivestar.com).

# VOICES OF THE LEGAL LEAGUE SPRING 2026 SERVICER SUMMIT

At the Legal League Spring Conference, mortgage servicing leaders and legal experts discussed consumer distress, evolving foreclosure and loss-mitigation strategies, regulatory pressures, complex litigation trends, and the operational challenges reshaping the servicing industry.

By LANCE MURRAY

The Legal League 2026 Spring Conference drew industry professionals from across the country to participate in an informative series of sessions on March 25-26 at the Adolphus Hotel in Dallas.

Open to all mortgage lending and servicing professionals, GSEs, government entities, and Legal League members, the annual Spring Servicer Summit gathers the nation's elite financial services law firms to discuss default policies, procedures, and emerging issues with leading mortgage servicing executives. The unique opportunities for education, networking, and engaging discussions on pressing issues impacting financial services law firms are not to be missed.

Here are the topics attendees got to dive into during this year's Summit.

## Panel 1:

### From 50-Year Mortgages to Rising Foreclosures

The mortgage landscape is undergoing rapid transformation, and servicers are facing new product structures, evolving regulatory expectations,



*A veteran journalist with decades of experience in both online and print publishing.*

**LANCE MURRAY**  
*is Senior Editor of*

*MortgagePoint. Has many years of experience as an editor, writer, photographer, designer, and artist. Most recently, he edited and wrote for an innovation website and a group of real estate-focused magazines.*

and shifting default trends.

The first panel included Jane Bond, Managing Partner, SE Litigation of MRLP, LLP; Hilary Bonial, Managing Director at Bonial & Associates P.C.; Deloise Browne-Milner, Senior Operations Manager, Foreclosure, Bankruptcy, & Distressed Properties at Freddie Mac; LeAllen Frost, EVP & Deputy General Counsel at PennyMac; and Michael Merritt, SVP, Head of Default and Customer Care for BOK Financial.

This session brought together seasoned General Counsel from two major mortgage servicers, a leading mortgage servicing attorney, and an industry-wide data expert known for his insights on foreclosure volumes.

Together, they broke down the most pressing issues shaping default servicing in 2026, including affordability pressures facing borrowers, differences in performance between GSE and FHA modification products, and economic and policy factors impacting housing access.

During the first panel discussion, panelists emphasized that defaults, bankruptcies, and consumer distress are rising, not due to risky origination practices, but because escalating taxes, insurance, utilities, and household costs are eroding affordability long after loans were originated.

This included discussions on the 50-year mortgage concept floated by the Trump administration earlier in the year, which was generally regarded as a non-starter. Panelists noted that while extending the length of the loan could lower monthly payments, it could also significantly drive up interest over the life of the loan.

Merritt also touched on performance of loss-mitigation options such as 40-year mods, saying, "If you have to go to that level of extreme to get a customer into an affordable payment, it is a sign they're probably stretched financially. And with the other housing



*Panel 1:* Jane Bond, Managing Partner, SE Litigation of MRLP, LLP; Hilary Bonial, Managing Director at Bonial & Associates P.C.; Deloise Browne-Milner, Senior Operations Manager, Foreclosure, Bankruptcy, & Distressed Properties at Freddie Mac; LeAllen Frost, EVP & Deputy General Counsel at PennyMac; and Michael Merritt, SVP, Head of Default and Customer Care for BOK Financial.

costs and insurance going up, it feels like what we can control on the P&I side is getting smaller.”

“Affordability is not a simple fix,” Merritt added. “We didn’t get into the affordability crisis overnight and solutions will have to continue to evolve.”

In addition to economic pressures, panelists described a servicing environment becoming more operationally demanding, from AI-assisted pro se litigation to TCPA exposure and increased scrutiny around foreclosure timelines, bankruptcy compliance, assumptions, and distressed collateral management.

Frost noted that many of the current TCPA (Telephone Consumer Protection Act) cases center around the do-not-call registry, with every call or text in violation of that statute potentially accruing a fine.

The panelists noted that AI is being extensively utilized in pro se cases, especially those involving so-called “sovereign citizens” who argue that they are exempt from federal laws. Frost noted that “AI is now writing them pleadings

that look almost like they’re written by an attorney, and so it is much easier for them to get past that pleading stage.”

#### Panel 2:

#### Market Forces, Risk, and the Future of Servicing

Industry experts next held a forward-looking discussion on the economic and market forces influencing our industry. This session covered the broader economic outlook with a lens toward supply and demand shifts, buyer and seller trends, delinquency and foreclosure patterns, mortgage servicing changes, consolidation across the industry, and the evolving role of the GSEs.

Panelists included Patrick O’Brien, COO for Stern & Eisenberg; Daren Blomquist, VP Market Economics at Auction.com; LaQuanda Sain, EVP, Servicing at Rocket Mortgage; and Nolan Turner, Managing Director at Carrington Mortgage.

Blomquist noted that the jobs market has not only been challenging, but that revisions in jobs market data over the past year mean that the market is actually “worse than what we thought it was.”

Blomquist added that “consumer debt overall—credit card, auto, along with mortgage—is at its highest level since 2013.” He also cited consumer sentiment hitting “a 40-year low” last year. “It bounced back a little bit, but it’s still pretty low,” he said.

“The manufacturing index is a good indicator of recession when it goes below 50. That has bounced back above 50,” Blomquist said. “So, the sentiment is actually improving recently, although I would say probably the next surveys that come out, that may be changing. But some of the hard data that we look at is not so rosy.”

LaQuanda Sain of Rocket Mortgage echoed the challenges facing many Americans, saying, “Many families are one unexpected expense away from fi-



**Panel 2:** Patrick O'Brien, COO for Stern & Eisenberg; Daren Blomquist, VP Market Economics at Auction.com; LaQuanda Sain, EVP, Servicing at Rocket Mortgage; and Nolan Turner, Managing Director at Carrington Mortgage.



**Panel 3:** Michael Chisholm, Director of Client Relations, Friedman Vartolo; Roy Diaz, Managing Shareholder at Diaz Anselmo; and Dave Hughes, Senior Director of Servicing for Lima One Capital.

financial distress. They're working hard to stay above water, but the financial cushion they once had is disappearing. Homeowners are navigating rising costs from every direction, and many no longer have the financial cushion they had when they first purchased their home."

#### Panel 3:

### Foreclosing Outside the Standard Model

This panel focused on the unique operational and legal challenges of specialty servicing and where traditional foreclosure models fall short.

Panelists included Michael Chisholm, Director of Client Relations, Friedman Vartolo; Roy Diaz, Managing Shareholder at Diaz Anselmo; and Dave Hughes, Senior Director of Servicing for Lima One Capital.

They discussed system limitations tied to non-standard foreclosure timelines, managing departures from standard workflows, and adjusting servicing expectations and performance metrics. The conversation also addressed escalation and exception governance, cross-functional coordination among servicing, legal, field ser-

vices, and asset management, and the added complexity created by investor and asset manager involvement—particularly in BPL portfolios.

"The BPL borrower is a completely different animal," Hughes said. "With a homeowner, there's an emotional connection to the property. When you get into a delinquency situation, everything revolves around the reason for delinquency. On the BPL side, that's not the case. What you have is a business, [so] the questions that you're asking them and the way you approach the delinquency is very, very different than on the residential side."

#### Panel 4:

### HUD Servicing Guide Updates: What Servicers Need to Know

Members of this panel examined recent updates to the HUD Servicing Guide, with a focus on key loss mitigation changes and updates to CAFMV calculations. They discussed practical implications for servicers, compliance considerations, and how these changes may impact day-to-day operations.

Panelists included Ryan Bourgeois, Partner with Barrett Daffin Frappier Turner and Engel, LLP; Caren Castle,

Senior Managing Attorney at The Mortgage Law Firm; Candace Russell, VP of Post-Sale Activities, Default Servicing with Carrington Mortgage Services; and Timika Scott, SVP, Default Ops Recovery & Loss Prevention with U.S. Bank.

"Part of what we need to think about in doing loss mitigation [is that] we're trying to get the borrower to a payment they can afford. And in many circumstances, that just isn't possible," Castle noted. "Partial claims help, whether it's HUD or VA, but if you can't afford the underlying payment, just putting that portion of the loan somewhere else doesn't always solve the problem."

Bourgeois continued the discussion of the use of partial claims.

"The statute limits the partial claim to one partial claim per loan," he said. "If you got one during COVID, you're not eligible for another partial claim. So, making sure borrowers don't pull that lever until they absolutely need it [is] probably a good idea."

Russell said the partial shouldn't be used in all cases.

"I think some of the industry interpretation has been that the waterfall is intentional in trying to make sure you hit other goals before you hit the partial because the partial is not meant



**Panel 4:** Ryan Bourgeois, Partner with Barrett Daffin Frappier Turner and Engel, LLP; Caren Castle, Senior Managing Attorney at The Mortgage Law Firm; Candace Russell, VP of Post-Sale Activities, Default Servicing with Carrington Mortgage Services; and Timika Scott, SVP, Default Ops Recovery & Loss Prevention with U.S. Bank.



**Panel 5:** Stephen Hladik, Partner at Hladik, Onorato & Federman, LLP; Alicia Byrd, Bankruptcy Manager at AMIP Management; Clay Gordon, Director of Complex Litigation & Strategic Initiatives at McMichael Taylor Gray LLC; Reneau Longoria, Managing Member and Owner at Doonan, Graves and Longoria LLC; and Julie O'Hara, Managing Director with PRP Advisors.

to just be used for everybody in every situation.”

Russell added, “Those two steps above it are to keep partials at a minimum. Some of our feedback has been that we would’ve really preferred it to be the other way. We think that it works differently in the other products. And I think they’re going to continue to see that limitation on usage is probably some of the intent behind some of the reworking.”

#### Panel 5:

### Complex Litigation: Risks, Remedies, and Litigation Strategy

Leading practitioners held an in-depth discussion of the legal and practical challenges driving complex litigation in 2026. Their topics included FAPA developments, tactics for overcoming court backlogs and delays, handling jury trials in foreclosure matters, the increasing use of FDCPA and UDAAP claims as counterclaim weapons, and navigating the unique risks posed by zombie mortgages and charged-off debt.

Panelists included Stephen Hladik, Partner at Hladik, Onorato & Federman, LLP; Alicia Byrd, Bankruptcy Manager at AMIP Management; Clay

Gordon, Director of Complex Litigation & Strategic Initiatives at McMichael Taylor Gray LLC; Reneau Longoria, Managing Member and Owner at Doonan, Graves and Longoria LLC; and Julie O’Hara, Managing Director with PRP Advisors.

“Necessity is the mother of invention. So, oftentimes we think of receivers with distressed property: you want to get in there,” Longoria said. “We’re asking for an offensive receiver so that we don’t end up with a defensive situation where the state or county or city has a receiver. When it comes to strategic litigation and trying to control the leak, thinking about receivers at different times is important.”

Hladik steered the discussion toward judgments.

“A lot of people think that the judgment’s the end of the line. We got our foreclosure. There are no delays after judgment.”

O’Hara picked up the ball and discussed the intricacies of “what’s next?”

“We get our foreclosure judgment, and the common thought is, okay, what’s next?” O’Hara said. “We’re going to go to sale, but the borrower now wants to play Let’s Make a Deal. They don’t have an instrument to modify. There is a judgment. It is not a note and mortgage that they can cure. There is

a judgment, and that judgment says, “This is owed, and we are going to sell.”

Gordon talked about properties in one state, while the guarantee is based on the law in another state.

“So, one of the cool things or the interesting things, at least professionally, about some of these business purpose loans is you have a separate choice of law provisions on actions involving property in one state, but the guarantee is based on the law in another state, and it gives you options of where you want to go,” Gordon said.

“Let’s say, for example, all the parties are in the state of New York, but there’s a choice of law provision there which allows you to go back and perhaps pursue the claim in Florida,” Gordon said. “So those are sort of the things that you can look to help avoid the inevitable log jam that obviously everyone knows would happen in New York if you file an action.”

Many of the Legal League Summit speakers will reconvene at the Five Star Conference, September 1-3 at the Omni Hotel in Dallas. You can learn more at [fivestarconference.com](http://fivestarconference.com) and visit the official Legal League website at [legalleague100.com](http://legalleague100.com). **MP**



## » Lending/Originations

### 2025 IMB NET PRODUCTION PROFITS REACH THE HIGHEST LEVEL IN FOUR YEARS

The average profit on each loan created by independent mortgage banks (IMBs) and mortgage subsidiaries of chartered banks increased to \$785 in 2025 from an average of \$443 in 2024.

Key Findings of MBA's 2025 Annual Mortgage Bankers Performance Report:

- Average production volume was \$2.5 billion (7,273 loans) per company in 2025, up from \$2.1 billion (6,259 loans) per company in 2024. On a repeater company basis, average production volume was \$2.4 billion (7,158 loans) in 2025, up from \$2.1 billion (6,290 loans) in 2024.
- In basis points, the average production income was 21 basis points in 2025, up from an average of 10 basis points in 2024. Since the inception of the MBA's Annual Performance Report in 2008, net production income by year has averaged 45 basis points (\$1,031 per loan).
- The refinancing share of total originations (by dollar volume) increased to

21% in 2025 from 16% in 2024. For the entire mortgage industry, MBA estimates the refinancing share last year increased to 34% from 20% in 2024.

- The average loan balance for first mortgages reached a study-high of \$371,965 in 2025, up from \$357,631 in 2024.
- Total production revenues (fee income, net secondary marking income, and warehouse spread) were 347 basis points in 2025, up from 345 basis points in 2024. On a per-loan basis, production revenues were \$11,879 per loan in 2025, up from \$11,520 per loan in 2024.
- Total loan production expenses—commissions, compensation, occupancy, equipment, and other

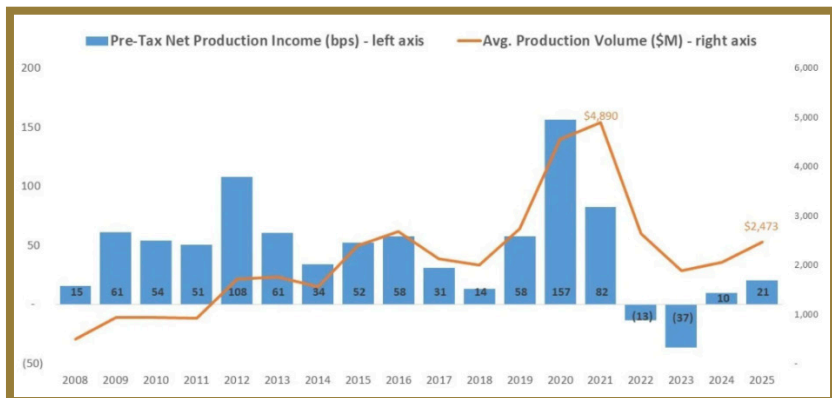
production expenses and corporate allocations—increased to \$11,094 per loan in 2025, up from \$11,076 in 2024.

- Net servicing financial income, which includes net servicing operational income, as well as mortgage servicing right (MSR) amortization and gains and losses on MSR valuations, was \$89 per loan in 2025, down from \$301 per loan in 2024.
- Including all business lines, 78% of the firms in the study posted pre-tax net financial profits in 2025, up from 68% in 2024.

“The average net production profit for IMBs in 2025 reached its highest level in four years at 21 basis points,” said Marina Walsh, CMB, MBA's VP of Industry Analysis. “While profits have improved slightly in recent years, they are still less than half the historical average going back to 2008. There was also wide variability between top and bottom performers due to differences in product mix, volume levels, geography, and cost efficiencies, among other factors.”

Some 78% of the companies in the research reported pre-tax net financial profits in 2025, up from 68% in 2024 and 36% in 2023, including both the production and servicing business lines. The proportion of businesses reporting net financial profits would have dropped to 64% in 2025 if it weren't for the gains from the servicing side of the business.

“Overall annual production volume was up in 2025, while loan balances rose



to new study-highs. Despite the increase in volume, per-loan production costs were slightly higher than in 2024,” Walsh said. “Historically, when volume picks up, fixed costs are spread over more loans, resulting in a reduction in per-loan costs. However, that was not the case in 2025 as rising wage growth, increases in third-party charges, and reduced application pull-through negatively impacted origination costs. Containing origination costs and increasing efficiencies will remain a differentiator between profitable and unprofitable companies in 2026.”

## TYPICAL NEW MORTGAGE PAYMENTS DIP AS COST-BURDENED HOMEOWNERS FACE CHALLENGES

In a study, LendingTree revealed how most household budgets are heavily impacted by housing expenses. Many Americans find themselves in a difficult financial situation when factoring in necessities like groceries, transportation, electricity, and other monthly costs.

In 2025, the average monthly payment for a new mortgage dropped from \$1,990 to \$1,942, a 2.4% decrease. However, there are still a lot of affordability pressures. A popular measure for the burden of housing costs is that nearly 1 in 4 new borrowers spend at least 30% of their income on mortgage payments. Data shows which metro areas put the most financial burden on new homebuyers and where mortgage payments are rising or falling countrywide, and the results may be a surprise to some.

Mortgage payments for new homebuyers are somewhat lower than they were a year ago. The average monthly payment on a new mortgage decreased by 2.4%, from \$1,990 in 2024 to \$1,942 in 2025. Consequently, in 2025, the average new borrower’s monthly mortgage payment was 20.3% of their salary.

### Average New Mortgage Payments (U.S.):

Average new monthly payment (2024)	\$1,990
Average new monthly payment (2025)	\$1,942
\$ change	-\$48
% change	-2.4%
Average monthly income (2025)	\$9,590
Average % of monthly income	20.3%
% spending at least 30% of income	24.3%

### Average New Mortgage Payments by Generation (2025):

Generation	Average new monthly payment	Average monthly income	Average % of monthly income	% spending at least 30% of income
Gen Zers	\$1,722	\$7,029	24.5%	32.0%
Millennials	\$2,126	\$10,485	20.3%	21.7%
Gen Xers	\$1,915	\$10,547	18.2%	20.1%
Baby boomers	\$1,655	\$8,511	19.5%	27.8%

“Tying up that much of your income in housing payments can make things really challenging,” says Matt Schulz, Chief Consumer Finance Analyst of LendingTree and author of *Ask Questions, Save Money, Make More: How to Take Control of Your Financial Life*.

“That’s money that can’t go toward other needs, like childcare, or toward longer-term financial goals, like building an emergency fund, investing for retirement, or saving for college,” Schulz added.

According to the report and LendingTree analysts, affordability problems still exist despite the downturn. A quarter of new borrowers (24.3%) set aside at least 30% of their monthly income for their mortgage, which is frequently regarded as a benchmark for stress related to housing costs.

Note: Payments reflect principal and interest only and use the lowest-APR new mortgage offer per borrower. Offers are lender quotes and may not reflect final terms.

These numbers only include principal and interest payments. Many buyers are spending an even greater portion of their income on house expenses when

homeowners’ insurance and property taxes are taken into account.

“Unfortunately, in many parts of this country, the only way for many people to purchase a home is to devote an outsized portion of their income to it,” Schulz said.

When it comes to purchasing a home, younger borrowers are under the most financial duress. According to data, Gen Z borrowers (those between the ages of 18 and 28) pay their mortgages with an average of 24.5% of their monthly income. In contrast, baby boomers (years 61 to 79) spend 19.5%, Gen Xers (ages 45 to 60) spend 18.2%, and millennials (ages 29 to 44) spend 20.3%. Interestingly, compared to millennials (21.7%) and Gen Xers (20.1%), over one-third (32.0%) of new Gen Z borrowers spend 30% or more of their income on principal and interest payments. 27.8% of baby boomers spend at least 30% of their income on mortgage payments.

According to Schulz, younger borrowers who enter the property market should anticipate paying a higher percentage of their salary toward mortgages than previous generations.

“They typically earn less and have lower credit scores than older Americans, and that’s a difficult mix when you’re trying to buy a home,” Schulz said. “It also means that if you do qualify to get a home, you’re likely to put down a smaller down payment and face higher interest rates. Add it all up, and it can mean having a bigger monthly payment than you’d like.”

### Regional Differences Play a Large Part

California has the highest mortgage payments in the nation for new borrowers. In actuality, the Golden State is home to the five metro areas with the highest average monthly expenses. With an average monthly cost of \$4,016, San Jose comes in at #1, followed by San Francisco (\$3,850); Oxnard (\$3,401); Los Angeles (\$3,366); and San Diego (\$3,225).

California’s affordability issues are probably caused by several factors. The state’s home values increased dramatically between 2020 and 2022, making them substantially higher than those of much of the nation. Household salaries haven’t kept up with the rising cost of housing, even if prices have somewhat stabilized. Compared to 60% in 2019, only roughly 45% of California households were expected to be eligible for a mortgage on a low-income property in 2025. According to the California Legislative Analyst’s Office, the percentage drops to just 23% for mid-tier homes from 35% in 2019.

In the pricey state of California, monthly mortgage costs have also risen more quickly than rentals, making homeownership even more unattainable for many potential buyers. In addition to discouraging current homeowners from selling, high mortgage interest rates have kept inventories low for those who can afford to buy.

“California can certainly be a challenging place to buy a home,” Schulz said. “Sure, people in the state’s biggest cities typically earn more than people in other parts of the country, but housing costs can be outrageously high in those areas. That can easily leave someone house-poor or force them to make

compromises they’d rather not make, such as settling for a smaller home or a longer commute—or even not being able to purchase a home at all.”

The South and Midwest are well-represented among the markets with the lowest average new mortgage payments, while California and East Coast metropolitan areas lead the rankings. Among the 100 metro areas in the survey, Toledo, Ohio, has the lowest average monthly payment (\$1,297), followed by:

- Wichita, KS (\$1,343)
- Akron, OH (\$1,393)
- Columbia, SC (\$1,439)
- Little Rock, AR (\$1,440)

Approximately 25% of the 100 largest metro areas saw an increase in mortgage payments during the last year, despite a 2.4% decline in average mortgage payments nationwide. Notably, despite the fact that average payments in those areas are still lower than in many other parts of the nation, a number of Southern and Midwestern metro areas saw some of the largest increases.

The biggest rise was in Akron, Ohio, where average payments increased by 10.7%. Charleston, South Carolina (6.7%), Augusta, Georgia (8.9%), and Toledo, Ohio (9.7%) come next. Despite the Midwest’s lengthy reputation for being reasonably priced, prices have increased due to a chronic lack of available properties and high buyer demand. Even in locations with historically lower housing costs, monthly payments have increased due to limited inventory and high mortgage rates.

Strong housing demand and population growth have increased home prices in many metro areas in the South. Southeastern states, such as Georgia and South Carolina, have experienced some of the biggest rises in housing costs. As a result, new borrowers’ monthly mortgage payments have increased.

Overall, some 10% of new borrowers nationwide spend at least 40% of their income on principal and interest. Households that spend more than 50% of their income on housing expenses are

classified as “severely cost burdened” under federal housing laws, which significantly reduces the amount of money available in their budgets for other necessities or unforeseen costs.

## CO-BUYING: HELPING MAKE THE AMERICAN DREAM POSSIBLE.

**G**en Z homeowners and, in some cases, their parents are banding together to combat the soaring costs of housing, according to a new Investopedia study.

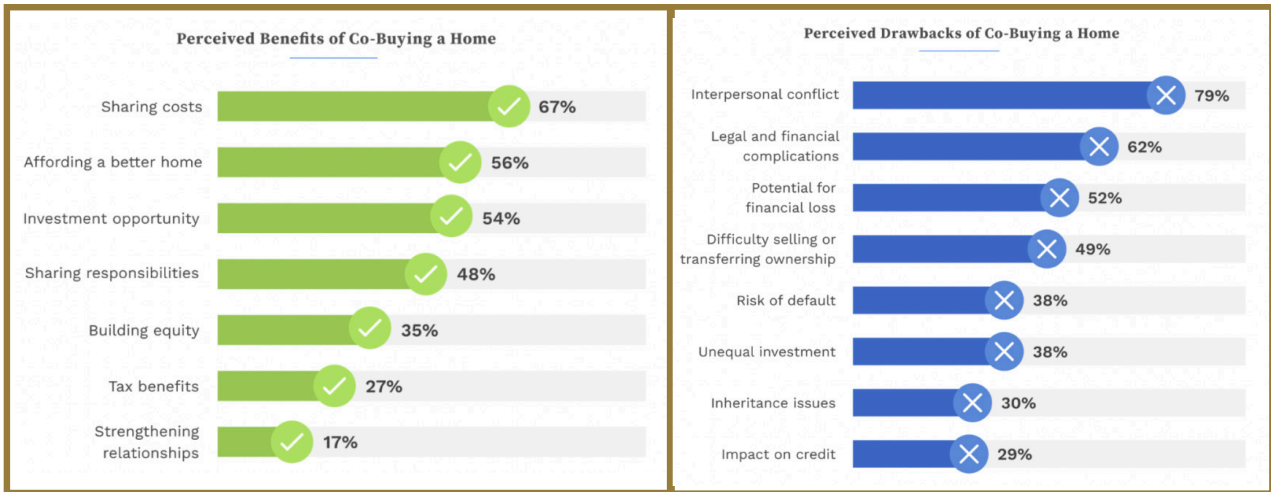
According to real estate experts, co-buying—where two or more people pool their money to purchase a home—is growing in popularity as high housing costs prevent many people from becoming homeowners. According to surveys, younger consumers are more likely to follow this trend, but multigenerational co-buying within families is growing in popularity.

Co-buying distributes expenses and borrowing power among several sources of income, but it also adds shared credit risk, liquidity restrictions, and legal complications that may have an impact on financial flexibility and profits.

“The affordability issue is a real big problem for folks,” said Alvaro Moreira, Founder of Moreira Team MortgageRight. “And combining incomes, combining assets, does allow them to normally buy a home they’re more interested in. I think it’s kind of a sign of the times where they just simply don’t have the income, but together, they can qualify.”

### Co-Buying Assisting Americans With Homeownership

The trend of co-ownership is expanding. According to a 2025 survey by mortgage insurance company National MI and nonprofit financial literacy organization FirstHome IQ, 32% of Gen Z buyers (ages 18–24) and 18% of millennials (ages 25–44) are thinking of co-buying.



Additionally, about 15% of Americans had bought a property with someone other than a love partner, according to a 2024 JW Surety Bonds survey, and nearly half of respondents said they would think about co-buying. The trend is a result of rising house costs and persistently high mortgage rates, which have driven many Americans out of the market.

According to Moreira, co-ownership enables buyers to purchase a larger home or a property in a more desirable neighborhood in certain situations, while, in others, it helps them afford a home. Homebuyers can jointly own a property in a number of ways. One is known as “joint tenancy,” when ownership is distributed equally regardless of monetary contributions. Frequently utilized by members of the same family, ownership immediately passes to the other partners upon death, and all parties must consent to a transaction.

Another is known as a “tenancy in common,” in which ownership shares are determined by monetary contributions. Individual shares may be inherited or sold without necessitating the sale of all parties. Friends or purchasers who contribute unequally frequently use tenancy in common.

According to Moreira, many families are using this tactic in addition to younger purchasers banding together to purchase homes. When buying a home, older parents are more likely to move in with their children, particularly if the property offers guest homes or other separate living areas.

“It kind of makes sense, especially with Gen Z and even older folks that maybe have kids, where the parents will actually come into the household to be more involved with the family,” Moreira said. “And it’s a good way to save on childcare as well.”

**Legal Knowledge, Actions Helping Protect U.S. Homeowners**

Pacaso, a real estate agency that specializes in co-buying agreements, states that in certain situations, co-owners may create a limited liability corporation (LLC) to oversee the equity agreement and the parties’ obligations.

“Co-ownership works best with people you trust and have compatible schedules and financial goals,” Pacaso said.. “The key is choosing co-owners who value transparency, communication, and shared responsibility.”

Real estate and legal experts stated that it is crucial for individuals purchasing a home together to set and record regulations prior to the acquisition, regardless of the identity of the co-owners.

“You need a written co-ownership agreement that spells out how decisions are made, how costs are divided, and how someone can exit the arrangement if life circumstances change,” wrote lawyers from Florida-based real estate firm The Law Office of Sam J. Saad III. “Addressing these safeguards upfront helps you protect your investment and avoid conflicts that can drain both money and relationships.”

**Additional Key Findings:**

- Co-buying a property can improve relationships, according to one in four Gen Zers.
- Compared to males, women are 29% more likely to see shared duties like upkeep and repairs as a benefit of joint ownership.
- Just one in four Gen Zers is worried about the possibility of an unequal investment or default.
- Conflicts with co-buyers are 11% more likely to worry women than men.
- When it comes to co-buying a home, single people are 20% more likely than married people to see sharing the financial load as a benefit.
- Sharing expenses (67%), being able to afford a better home (56%), and investing opportunities (54%) are the three main benefits of co-buying a home.

In conclusion, the traditional route to property ownership is changing due to the idea of non-romantic co-buying. A sizable percentage of Americans are increasingly investing in homes with friends and family, according to JW Surety Bonds. A wider acceptance of shared financial responsibility is suggested by this trend, which is driven by economic considerations and a generational shift in beliefs. However, only time will tell what becomes of the U.S. housing market and its accessibility to aspiring buyers nationwide.



## » Mortgage Servicing

### FORECLOSURE AUCTION VOLUME CLIMBS TOWARD PRE-PANDEMIC LEVELS

Auction volume continued a steady rise toward pre-pandemic levels in the first quarter this year, according to Auction.com, reflecting what the company said was the continued normalization rather than a new crisis in the distressed property market.

Foreclosure supply kept rebuilding, Auction.com said, with both completed and scheduled foreclosure auctions moving closer to Q1 2020 levels, while REO auction volume also continued its gradual recovery. The quarter's supply metrics pointed to a healthier flow through the pipeline rather than a sharp shift in distressed trends, Auction.com noted.

Demand signals were firmer than they were late in 2025, but the improvement was selective.

Auction.com said that REO auction demand strengthened more clearly than foreclosure auction demand, and buyer price tolerance stabilized unevenly across local markets. Seller pricing adjusted gradually in response to those local conditions, helping narrow bid-ask

spreads on a quarter-over-quarter basis, the company noted.

Lower borrower equity remained part of the backdrop, Auction.com noted. Average equity for scheduled foreclosure auctions fell to 26.9% of value. That placed more upward pressure on roll rates from scheduled to completed auction, the company said.

According to Auction.com, buyer quantity demanded improved in Q1 at REO auction, likely because of lower seller pricing at REO auction compared to a year ago. The REO auction sales rate—the number of properties buyers were willing to buy as a percentage of properties available for sale—rose 12% from the fourth quarter of 2025 and 36% from a year ago.

#### Foreclosure Auction Pricing Fell

By contrast, Auction.com noted that the foreclosure auction sales rate increased 2% quarter over quarter but remained 12% below its year-ago level as seller pricing at foreclosure auction fell slightly from the previous quarter but was up from a year ago.

Relative to Q1 2020 norms, the two auction channels continued to follow different normalization paths, Auction.com said the REO auction sales rate ran at roughly 90% of its Q1 2020 level in Q1 2026, while the overall foreclosure auction sales rate stood at roughly 103%

of its Q1 2020 level. Average bidders per REO auction increased to 2.7, up 8% from the fourth quarter of 2025, but down 14% from Q1 2025. That suggests better engagement than the previous quarter but less competitive pressure than a year earlier, Auction.com said.

Market-level demand remained uneven among the Metropolitan Statistical Areas.

Twenty-six MSAs, or 27%, recorded higher foreclosure sales rates than a year ago, while 70 MSAs, or 72%, saw sales rates decline, Auction.com said. Among the highest-volume MSAs with improving sales rates, New York, Houston, Phoenix, St. Louis, and Cleveland posted year-over-year gains ranging from roughly 2% to 7%.

Auction.com noted that among the highest-volume MSAs with declining sales rates, Chicago, Atlanta, Dallas-Fort Worth, and Detroit recorded year-over-year declines ranging from roughly 3% to more than 30%.

“Expecting more inventory in the second quarter of 2026,” Patrick, a Cleveland, Ohio, Auction.com buyer, wrote in response to a buyer sentiment survey in Q1 2026. “This is impacting how I am currently investing, as more inventory will most likely lower overall prices.”

Buyer price demand—what buyers were willing to pay at auction—rose from the previous quarter at both REO and foreclosure auction in Q1 2026, Auction.com noted, although the year-over-year trend was more mixed. REO auction buyers were willing to pay an average of 67.3% of the estimated retail market value, up from 64.6% in Q4 2025 but down from 68.6% a year ago. That was 102% of the Q1 2020 level.

#### Retail Value

Foreclosure auction buyers were willing to pay an average of 67.6% of estimated retail market value in Q1 2026, up from 66.8% last quarter and essentially unchanged from a year ago, Auction.com said. That equated to roughly 94% of the Q1 2020 benchmark, indicating that foreclosure auction buyer price demand remained below its pre-pandemic reference point even as it improved sequentially.

At the market level, buyer price demand was almost evenly split between gains and declines. Forty-eight MSAs, or 49%, recorded higher buyer price demand than a year ago, while 49 MSAs, or 51%, saw price demand fall. Among the highest-volume MSAs with rising price demand, Chicago, New York, Houston, Detroit, and St. Louis recorded year-over-year increases ranging from roughly 1% to 6%. Among the highest-volume MSAs with declining price demand, Dallas-Fort Worth, Atlanta, Phoenix, and several smaller markets saw declines generally in the low- to mid-single-digit range.

Distressed supply continued to rebuild in Q1 2026. Auction.com noted. Completed foreclosure auctions increased to 66% of their Q1 2020 level, up about 10% from Q4 2025 and 33% from a year ago, continuing the gradual normalization in foreclosure resolution activity, the company said. Scheduled foreclosure auctions rose to roughly 69% of their Q1 2020 level, up 11% quarter over quarter and 16% year over year. Auction.com said that additional supply is likely to flow through the auction pipeline in the coming quarters.

REO auction volume also rose, reaching 49% of its Q1 2020 level. That was up 6% from the previous quarter and 26% from Q1 2025, reflecting a modest but steady recovery in REO dispositions. The BTA rate fell to 26.2% in Q1 2026, down 1% from Q4 2025 but up 14% from a year ago, showing buyers continued to take a larger share of bids to title despite the sequential slowdown.

By loan type, Auction.com said that the BTA supply increased on both a quarterly and annual basis across most loan types, led by VA-insured and HUD loans, while private-label loans remained well below pre-pandemic levels. VA BTA volume in Q1 2026 exceeded 100% of its Q1 2020 level, while GSE and HUD loans remained below pre-pandemic norms but continued to recover.

#### Some 48 States Reported an Increase

By state, foreclosure supply growth remained broad-based, Auction.com said. Forty-five states reported an increase in

BTA volume from a year ago in Q1 2026. Eighteen states saw BTA volumes above their Q1 2020 levels, indicating that foreclosure supply had fully normalized in a subset of lower-48 markets.

The company said that seller pricing adjusted gradually in Q1 2026, contributing to narrower bid-ask spreads on a quarter-over-quarter basis. At REO auction, the bid-ask spread narrowed to approximately 912 basis points, down from 1,074 basis points in Q4 2025 and 1,195 basis points a year ago. REO reserve-to-value averaged 76.4%, up 106 basis points quarter over quarter but down 419 basis points year over year, the company noted.

At foreclosure auction, the bid-ask spread narrowed to roughly 909 basis points, down from 980 basis points last quarter but still wider than 708 basis points a year ago. Credit bid-to-value averaged 67%, down 21 basis points from Q4 2025 but up 345 basis points from Q1 2025.

Those results suggest sellers were gradually adjusting pricing strategies in response to localized demand conditions rather than moving in a uniform direction, the company noted.

Sixty-two MSAs, or 64%, increased seller pricing from a year ago, while 35 MSAs, or 36%, reduced seller pricing, reflecting generally firmer lender pricing strategies, Auction.com said.

## Q1 U.S. FORECLOSURE ACTIVITY JUMPED YOY AS HOUSING MARKET 'NORMALIZES'

According to ATTOM's Q1 2026 U.S. Foreclosure Market Report, there were an estimated 118,727 U.S. properties with a foreclosure filing during Q1 2026, a gradual increase of 6% from the previous quarter and 26% from the previous year. The research also showed that there were 45,921 U.S. properties with foreclosure

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files in March 2026, an increase of 18% from the previous month and 28% from the previous year.

“Foreclosure activity increased in the first quarter, with both starts and completed foreclosures posting solid year-over-year gains,” said Rob Barber, CEO at ATTOM. “While volumes remain below historical peaks, the continued rise, especially in starts and bank repossessions, suggests financial pressure may be building for some homeowners and could signal shifting housing market dynamics.”

In Q1 2026, 82,631 U.S. properties began the foreclosure process, up 20% from the previous year and 7% from the previous quarter.

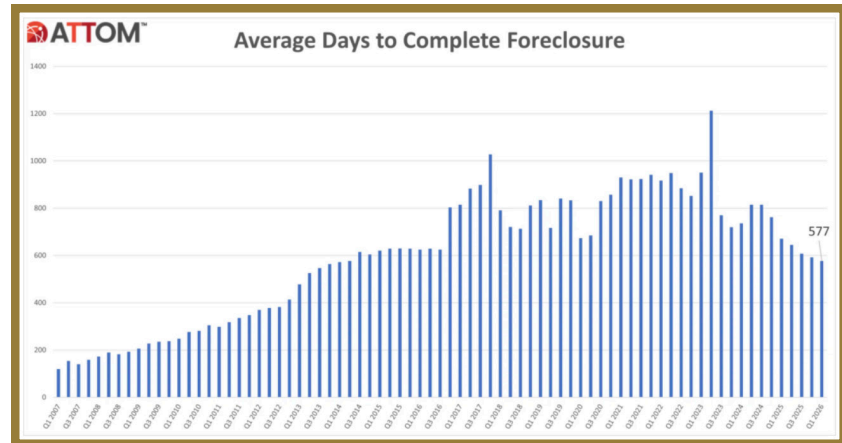
#### Key Findings:

- Nationwide, in March 2026, one in every 3,131 properties had a foreclosure filing.
- States with the worst foreclosure rates in March 2026 were South Carolina (one in every 1,996 housing units with a foreclosure filing); Indiana (one in every 2,122 housing units); Florida (one in every 2,124 housing units); Illinois (one in every 2,238 housing units); and New Jersey (one in every 2,266 housing units).
- 30,334 U.S. properties started the foreclosure process in March 2026, up 17% from the previous month and up 21% from March 2025.
- Lenders completed the foreclosure process on 5,229 U.S. properties in March 2026, up 28% from the previous month and up 42% from March 2025.

States that had the greatest number of foreclosure starts in Q1 2026 included:

- Texas (10,617 foreclosure starts)
- Florida (10,099 foreclosure starts)
- California (7,985 foreclosure starts)
- Georgia (4,356 foreclosure starts)
- New York (3,886 foreclosure starts)

In Q1 2026, one in every 1,211 dwelling units nationwide filed a foreclosure petition.



States with the worst foreclosure rates were:

- Indiana (one in every 739 housing units with a foreclosure filing)
- South Carolina (one in every 743 housing units)
- Florida (one in every 750 housing units)
- Delaware (one in every 757 housing units)
- Illinois (one in every 833 housing units)

#### U.S. Lender Activity, Repossessions & More

In Q1 2026, 14,020 U.S. properties were repossessed by lenders through foreclosure (REO), an increase of 2% from the previous quarter and 45% from the previous year.

Among states with 100 or more REOs in Q1 2026, those with the greatest annual increases in the number of REOs were:

- Colorado (increase from 99 REOs in Q1 2025 to 321 REOs in Q1 2026)
- Alabama (increase from 153 to 355)
- Washington (increase from 104 to 224)
- Oregon (increase from 80 to 170)
- Florida (increase from 487 to 1,014)

Further, in Q1 2026, properties that were foreclosed upon had been in the foreclosure process for an average of 577 days. This represented a six-quarter drop, down 3% from the prior quarter and 14% from the same period last year.

States with the longest average foreclosure timelines for homes foreclosed in Q1 2026 were:

- Louisiana (3,140 days)
- Hawaii (2,119 days)
- New York (1,911 days)
- Connecticut (1,686 days)
- Nevada (1,422 days)

Texas (165 days), West Virginia (178 days), Alaska (192 days), Wyoming (193 days), and Rhode Island (219 days) were the states with the quickest average foreclosure durations for properties foreclosed in Q1 2026.

Overall, in Q1 2026, foreclosure activity was still on the rise, with both starts and completions rising annually. The steady growth in recent quarters may indicate that the market is increasingly adapting to broader economic conditions, even though volumes are still modest by historical standards.

*Note:* Quarterly declines in select states are outweighed by a broader trend of elevated foreclosure activity year over year.

## EQUITY-RICH HOMEOWNERS DECLINE AS UNDERWATER MORTGAGES RISE

According to ATTOM's Q1 2026 U.S. Home Equity & Underwater Report, some 43.3% of the nation's mortgaged residential properties were equity-rich, which means that the total estimated loan balances



secured by those properties were less than half of their estimated market value. This was the lowest percentage of equity-rich residential properties since Q4 2021, down from 44.6% in the preceding quarter.

In Q1 2026, roughly 3.2% of mortgaged residential properties nationwide were deemed substantially underwater, which means that the total estimated sums of the loans secured by the properties exceeded their estimated market value by at least 25%. This increased from 2.8% in Q1 2025 and 3% in the preceding quarter.

“Homeowner equity remains relatively strong overall, but we’re seeing signs of moderation,” said Rob Barber, CEO at ATTOM. “As mortgage rates have risen and home prices have cooled, the share of equity-rich homes has declined in most markets while the rate of seriously underwater properties is edging up across much of the country.”

Just three states had an increase in the proportion of equity-rich households from Q4 2025, while some six states saw an increase from Q1 2025.

### Regional Trends, Differences & Equity Shifts

The states that saw year-over-year (YoY) increases in their shares of equity-rich homes were:

- Illinois (up from 31.5% to 33.5%)
- Alaska (up from 31.7% to 33.5%)
- South Dakota (up from 51.3% to 52.4%)
- North Dakota (up from 31.9% to 32.8%)
- New York (up from 54.1% to 54.4%)

The states with the largest YoY drops in their shares of equity-rich homes were:

- Florida (down from 49.3% to 43.2%)
- Arizona (down from 49.8% to 44.2%)
- Colorado (down from 45.8% to 40.5%)
- North Carolina (down from 47.2% to 42.1%)
- Texas (down from 47.4% to 42.5%)

The states with the highest shares of equity-rich homes in Q1 2026 were:

- Vermont (85.7%)

- New Hampshire (58.1%)
- Montana (57.7%)
- Rhode Island (57.2%)
- Hawaii (55.8%)

In some 44 states and the District of Columbia, the percentage of substantially underwater mortgaged residential properties increased quarter over quarter, and in 45 states and the District of Columbia, it increased year over year.

The markets with the largest annual increases in their shares of seriously underwater properties were:

- District of Columbia (up from 3.8% to 5.3%)
- Mississippi (up from 6.6% to 8%)
- Louisiana (up from 10.5% to 11.8%)
- Kentucky (up from 7.3% to 8.5%)
- Oklahoma (up from 5.5% to 6.6%)

In some 87% (93) of the 107 metropolitan statistical regions in ATTOM’s survey, the proportion of equity-rich properties decreased quarter over quarter. Metro areas with a population of 500,000 or more were included. In 86% (92) of the markets, the proportion of equity-rich properties decreased from the previous year.

The metro areas with the highest rates of equity-rich homes in Q1 2026 were:

- San Jose, CA (65.2%)
- Los Angeles (59.3%)
- San Diego (58.2%)
- Portland, ME (57.9%)
- Buffalo, NY (56.7%)

The metros with the lowest rates of equity-rich homes were:

- Baton Rouge, LA (17.4%)
- New Orleans (19.1%)
- Little Rock, AR (23.7%)
- Jackson, MS (25.6%)
- Baltimore (26.9%)

Further, in some 28.2% (2,564) of the 9,084 ZIP codes that were part of ATTOM’s analysis, at least half of the mortgaged properties were equity-rich in Q1 2026. According to the Q1 2026 U.S. Home Equity & Underwater Report,

3.2% of mortgaged homes were substantially underwater, and 43.3% of mortgaged homes were equity-rich. In most U.S. areas, underwater rates rose while equity-rich rates decreased due to rising mortgage rates and declining home prices. National homeowner equity levels are still comparatively healthy, notwithstanding this reduction.

## U.S. MORTGAGE DELINQUENCIES DIP; FORECLOSURE INVENTORY HITS SIX-YEAR HIGH

The March 2026 ICE First Look into mortgage delinquency, foreclosure, and prepayment statistics has been published by Intercontinental Exchange, Inc (ICE). According to the report, while foreclosure volumes continued to rise, mortgage delinquencies improved significantly in March, with cure activity improving and prepayment speeds reaching their best level in over four years.

“March brought the seasonal improvement we typically expect to see this time of year,” said Andy Walden, Head of Mortgage and Housing Market Research at ICE. “Delinquencies moved lower, with improvement across the earlier stages of mortgage performance as fewer loans rolled into delinquency. Prepayment activity also climbed to its highest level in nearly four years as borrowers responded to a lower-rate environment. At the same time, serious delinquencies continue to broadly trend higher, with 154,000 more borrowers 90-plus days past due or in active foreclosure, compared to the same time last year.”

### Key Findings from the First Look:

- **Seasonal declines in delinquencies:** Although remaining 14 basis points higher than the previous year, the national delinquency rate reduced by 37 basis points (bps) in March to

	March 2026	Month-over-month change	Year-over-year change	12-month trend
Total U.S. loan delinquency rate (loans 30 or more days past due, but not in foreclosure):	3.35%	↓ -9.98%	↑ 4.40%	
Total U.S. foreclosure pre-sale inventory rate:	0.50%	↑ 2.71%	↑ 26.98%	
Total U.S. foreclosure starts:	39,000	↑ 9.61%	↑ 16.64%	
Monthly Prepayment Rate (SMM):	1.06%	↑ 29.28%	↑ 78.42%	
Total U.S. foreclosure sales:	7,400	↑ 6.04%	↑ 21.43%	
Number of properties that are 30 or more days past due, but not in foreclosure:	1,844,000	↓ -202,000	↑ 100,000	
Number of properties that are 90 or more days past due, but not in foreclosure:	588,000	↓ -24,000	↑ 94,000	
Number of properties in foreclosure pre-sale inventory:	273,000	↑ 8,000	↑ 61,000	
Number of properties that are 30 or more days past due or in foreclosure:	2,118,000	↓ -194,000	↑ 161,000	

**Legend**  
■ Low ■ High

3.35%, in keeping with the month's usual seasonal improvement.

- **Prepayment activity increased dramatically:** Prepayment speeds (SMM) increased 78% above March 2025 and 24 basis points from February to 1.06%, the greatest level in almost four years.
- **Overall, delinquency performance improved.** March's new delinquency inflow decreased by 23% seasonally and was essentially unchanged from the same period the previous year. Rolls to 60- and 90-day delinquency also improved during the month.
- **The number of cures increased to 547,000, a 27% rise from February.** Cures on loans that were more than 90 days past due also showed a significant month-over-month increase.
- **Non-current loan volumes decreased but stayed higher than the previous year.** In March, the number of loans that were 30 days or more past due or in foreclosure decreased by 194,000 to 2.12 million, but they were still 8.2% more than they were a year earlier.
- **Despite March's improvement, there are still 154,000 more borrowers who are 90 days or more past due or in active foreclosure than**

Top 5 states by 90+ days delinquent percentage							
State	90+ delinquency % 2000-current	March 2026	Year-over-year change	Peak	Date of peak	Low	Date of low
Mississippi		2.54%	25.79%	10.43%	Dec-05	1.09%	May-00
Louisiana		2.36%	16.55%	13.54%	Dec-05	1.09%	May-00
Alabama		1.84%	22.16%	5.64%	Jan-10	1.41%	May-24
Arkansas		1.67%	28.18%	5.09%	Feb-21	0.80%	Mar-00
Georgia		1.65%	20.31%	7.15%	Jan-10	1.09%	May-24

Top 5 states by 12-month change in non-current percentage							
State	Non-curr % 2000-current	Change in non-curr %	March 2026	Peak	Date of peak	Low	Date of low
Hawaii		-1.50%	2.24%	14.37%	Jul-03	1.38%	Mar-06
Vermont		-1.37%	3.00%	9.63%	Dec-12	2.24%	Apr-04
Idaho		-1.18%	1.95%	10.55%	Jan-10	1.76%	May-22
Montana		-0.61%	2.11%	7.59%	Feb-10	1.87%	May-24
New York		-0.35%	3.53%	13.98%	Dec-12	3.52%	Jul-25

Bottom 5 states by 12-month change in non-current percentage							
State	Non-curr % 2000-current	Change in non-curr %	March 2026	Peak	Date of peak	Low	Date of low
Utah		18.02%	3.23%	11.06%	Feb-10	2.50%	May-22
Maryland		14.11%	4.88%	14.57%	Feb-10	2.99%	Mar-06
Arizona		13.27%	3.38%	17.22%	Jan-10	2.06%	Mar-06
Arkansas		12.04%	5.45%	12.61%	Sep-12	3.67%	Mar-00
Georgia		12.00%	5.31%	17.31%	Jan-10	4.11%	Mar-23

there were at the same time last year. Sales (+21%) and foreclosure starts (+17%) have also significantly increased from the previous year's levels.

- **Foreclosure inventory reached its greatest level in six years.** In March, active foreclosure inventory increased from 213,000 to 273,000, the highest level since February 2020.

**Regional Overview (2025):**

“While overall mortgage performance remains healthy for most borrowers, the continued buildup in late-stage delinquencies and foreclosure pipelines remains worth watching,” Walden said.

*Note:* Non-current totals combine foreclosures and delinquencies as a percent of active loans in that state.



## Government

### FED'S KASHKARI WARNS IRAN WAR COULD DELAY RATE CUTS, RAISE INFLATION RISKS

**A** prolonged Iran war increases inflation risks and economic damage, limiting the Fed's ability to provide clear rate guidance, Minneapolis Fed President Neel Kashkari said on CBS's *Face the Nation*.

On the broadcast, Kashkari said he could not say that rate cuts were forthcoming, and he raised the possibility of moving rates higher, citing uncertainty around all aspects of the war.

"I don't feel comfortable signaling that a rate cut is in the cards. You know, we might be in worse scenarios. We might have to go the other direction," he said.

Kashkari said that the uncertainty surrounding the conflict makes it impossible for the central bank to offer clear signals on the direction of interest rates. He said he was focused on the war's effects on both inflation and economic demand, particularly given the continued closure of the Strait of

Hormuz, the waterway through which about a fifth of the world's oil and gas supplies normally flow.

He said he could not signal that rate cuts were coming, further raising the possibility that the Fed might need to move rates upward.

In a television appearance, Chicago Fed President Austan Goolsbee called the most recent U.S. inflation data "bad news," the *New York Post* reported. Against the Fed's 2% target, headline inflation as measured by the personal consumption expenditures price index was up by 3.5% year over year as of March, the *Post* said.

Kashkari's comments reflect a notable shift in tone within the FOMC, according to InvestingLive.

At the most recent meeting in April, Kashkari was part of an unusually large dissenting group. He joined the leaders of the Cleveland and Dallas regional Fed banks in voting against the language used in the committee's monetary policy statement.

All three regional bank presidents supported holding rates steady while keeping the door open for movement in either direction, depending on how the war in Iran develops. Fed Governor Stephen Miran also dissented, but he was

in favor of a cut, underscoring the depth of the division within the committee.

Ultimately, the Fed held its benchmark rate target range at 3.5% to 3.75% and retained language that characterized the next likely move as a reduction.

The conflict in Iran started in February when the United States and Israel launched airstrikes on Iran, triggering a sharp surge in global energy prices and worsening an already difficult inflation environment in the United States. Historically, the central bank has generally considered energy price shocks as temporary, but several officials said that the current situation is complicated by years of inflation already running above the Fed's target before the war began.

BlackRock's Managing Director Jeffrey Rosenberg suggested the Fed is likely to remain in a state of internal division for an extended period, InvestingLive noted, a view that aligns with the unusually fractured vote at the latest FOMC meeting.

### FED'S COLLINS PUSHES TO REMOVE RATE-CUT BIAS FROM POLICY GUIDANCE

**B**oston Fed President Susan Collins said at the late European trading session that she expects interest rates to hold "for a longer period," but she expects interest rate cuts "down the road."

Collins said she was strongly in support of holding interest rates steady and wants the Fed's statement language changed, so it does not implicitly point to a rate cut as the next move.

Collins said that policy may need to stay unchanged for a "longer period," and she noted that more officials want to signal that the next step could be "either a rate cut or a rate hike" as inflation shows itself to be persistent.

Collins told reporters she backed the latest decision to keep rates on hold but

that she “hopes to adjust the wording of the statement to avoid implying a rate cut,” according to a summary of her remarks. She added that “an increasing number of officials” want the Federal Open Market Committee to signal that the next policy move “could be either a rate cut or a rate hike,” rather than embedding a dovish bias into forward guidance.

That messaging is consistent with Collins’s recent comments, according to the website [crypto.news](#).

In late February, Collins said that the central bank is “quite likely” to keep current interest rates steady for “some time,” and said that the Fed’s monetary policy is well-positioned for risks.

“It does seem to me that a patient and deliberate approach is appropriate at this stage, because, you know, I think that after 175 basis points of easing over the past year and a half, that we’re at a mildly restrictive, perhaps quite close to neutral [policy] already,” Collins said at the 2026 Technology-Enabled Disruption Conference.

Collins also said that the tariff news at the time hasn’t changed the outlook much and that the nation’s economy shows a “benign” outlook when it comes to inflation and wage growth. She also stated that the effects from the tariffs likely will become more pronounced as costs pass to consumers.

In March, Collins said she saw “no urgency” to change rates and would need “clear evidence” that inflation is moving sustainably toward 2% before supporting cuts.

For months, Collins has been part of the Fed’s higher-for-longer camp, [crypto.news](#) reported. Previously, she repeatedly set a “high bar” for additional easing, saying she would be “reluctant to support further interest rate cuts anytime soon with inflation still high,” and warned that premature easing could “delay—or potentially halt—the return of inflation to the target level.”

According to [crypto.news](#), Collins’ latest push to remove language that hints at cuts matters for markets that have spent much of 2026 front-running “dovish pivots.”

“It does seem to me that a patient and deliberate approach is appropriate at this stage, because, you know, I think that after 175 basis points of easing over the past year and a half, that we’re at a mildly restrictive, perhaps quite close to neutral [policy] already.”

—Susan Collins, Boston Fed President

★★★★★

## FHLBANKS DEPLOYED BILLIONS IN TARGETED HOUSING, COMMUNITY INVESTMENT OVER PAST DECADE

New research shows that the Federal Home Loan Banks housing and community development programs deployed \$147.2 billion across the programs and generated an estimated \$47 billion in direct economic impact.

The Council of Federal Home Loan Banks said the research was done by the Urban Institute, a nationally respected,

nonpartisan think tank based in Washington, D.C.

“This third study from the Urban Institute provides a clear, data-driven picture of how the privately funded FHLBanks deliver for communities across the country,” said Ryan Donovan, President and CEO of the Council of Federal Home Loan Banks. “Over the 10-year study period, the FHLBanks deployed more than \$147 billion across a range of programs and financing tools, generating more than \$47 billion in direct economic activity while consistently exceeding their statutory Affordable Housing Program contributions. Taken together, these findings show how the FHLBanks and their 6,400 members operate in concert to deliver meaningful support for housing and community development nationwide.”

Two previous studies examined how FHLBank liquidity supports financial stability and expands lending by members.

FHLBank said the latest study completes the picture by showing how that capacity translates into real-world targeted housing and community development programs. The study examines the impact of the system's mission-oriented activities, including the Affordable Housing Program (AHP), the Community Investment Program (CIP), the Community Investment Cash Advance (CICA), Acquired Member Asset (AMA) programs, and a growing set of voluntary initiatives.

Per FHLBank, the study's highlights include:

- Across targeted housing and community mission-oriented programs, the FHLBanks deployed \$147.2 billion in funding between 2015 and 2024, generating an estimated \$47 billion in direct economic impact under base-case assumptions.
- Estimated economic impacts range from \$16.5 billion to \$94.8 billion under conservative and high-end scenarios.
- The FHLBanks consistently exceed their statutory Affordable Housing Program contributions, contributing roughly 15% of net earnings, or more, annually in recent years.
- The AHP General Fund contributed \$3.8 billion between 2015 and 2024, supporting production of nearly 250,000 housing units, with a strong focus on rental housing.
- 88.3% of AHP Set-aside funds went to first-time homebuyers in 2024, and average grant sizes doubled from \$7,052 (2015–2023) to \$14,173 in 2024.
- Between 2015 and 2024, the FHLBanks provided nearly \$70 billion in CIP advances and CICA lending, supporting mission-aligned housing, small businesses, and community development nationwide.
- Between 2015 and 2023, FHLBanks

purchased \$71.6 billion in mortgage loans through the AMA programs, providing liquidity that supports ongoing mortgage lending and access to housing finance. The AMA programs primarily support small local lenders, many designated as community financial institutions (CFIs), that retain the option to service the loans and maintain their valuable customer relationships.

- FHLBank voluntary programs are funded above and beyond statutory AHP contributions, are growing in importance, and demonstrate that the FHLBank System is proactively choosing to do significantly more and respond quickly to emerging or local needs.

The Council of Federal Home Loan Banks said it commissioned the series of Urban Institute studies to provide independent measurement of how FHLBank liquidity supports financial stability and lending, and how those activities fuel housing and community investment through targeted programs.

The FHLBanks are 11 regionally based, wholesale suppliers of lendable funds to financial institutions of all sizes and many types, including community banks, credit unions, commercial and savings banks, insurance companies, and community development financial institutions.

The FHLBanks are owned by member financial institutions in all 50 states and U.S. territories. The steady supply of lendable funds from FHLBanks helps U.S. lenders invest in local needs, including housing, jobs, and economic growth.

## THE U.S. NEEDS MILLIONS MORE HOUSES, ECONOMIC ADVISERS REPORT SAYS

The affordable housing crisis in the United States drew the attention of the Council of Economic Advisers, which said in its Economic Report to the President that the nation has a shortage of millions of houses.

The report said that regulatory cuts could lead to more construction to stabilize prices, increase homeownership, and fuel faster economic growth. It also details both a political risk and a messaging opportunity for President Donald Trump, whose public approval has slumped because of concerns about his tariffs, the Iran war, and his unfulfilled promises to slash inflation and unleash stronger growth.

Beyond housing, the report weighed in on such topics as AI, healthcare, energy, and trade policy, among other things.

In March, President Donald Trump signed a pair of executive orders seeking to improve home affordability, a key issue for many voters going into November's election to determine control of the House and Senate.

### Housing Regulatory Burdens

The first order addresses how the federal government would reduce its own housing regulatory burdens and create incentives for best practices by state and local governments. The goal is to make it easier for builders to construct more homes. The second order seeks to reduce the regulatory burdens tied to mortgages and to make it easier for small community banks to provide home loans.

"Layers of unnecessary regulatory barriers, slow permitting processes, and onerous mandates at all levels of government have delayed construction, restricted development, and driven up the costs of new housing," a draft of the order stated. "These constraints have



made housing less affordable for many Americans.”

The Iran war, meanwhile, has propelled the cost of buying homes upward, with average rates for 30-year mortgages jumping from just under 6% to 6.37%.

Trump also has argued in favor of keeping home prices high to protect values for existing owners.

“I don’t want to drive housing prices down,” Trump told his Cabinet earlier this year. “I want to drive housing prices up for people that own their homes, and they can be assured that’s what’s going to happen.”

The housing chapter of the report lays out a blueprint for how more home construction would help the middle class and the overall economy, setting up an argument that Trump could make to voters.

### 10 Million More Houses

The report was put together by staff at the White House Council of Economic Advisers, and it finds there would be 10 million more houses in the country if “homebuilding and the growth of the single-family housing stock had continued at their historical pace instead of falling dramatically” following the 2008 global financial crisis.

The 2008 crisis was largely caused by a wave of defaults in the housing market, where prices had been fueled by questionable lending practices.

The analysis also notes that home prices are up 82% since 2000, while incomes are up just 12%—a mismatch that had been masked for a period by historically low mortgage rates.

“If homebuilding and the growth of

the single-family housing stock had continued at their historical pace instead of falling dramatically after 2008, there would be 10 million or more additional single-family homes today,” the report notes.

The report also notes that various regulations on home construction, which it calls “the bureaucrat tax,” add more than \$100,000 in building costs, which includes changing the building codes over the past decade, compliance costs, and zoning approval fees, among other expenses.

The report estimates that a reduction in those regulatory costs could help spur the construction of as many as 13.2 million homes.

Green energy housing standards were also attacked in the report as a factor in increasing construction costs.



## Market Trends

### OUTSTANDING MORTGAGE PAYMENTS BURDENING HOMEOWNERS

In Q4 2025, the average mortgage holder's monthly payment exceeded \$2,000 for the first time, according to new Realtor.com data. In September 2022, new homebuyers crossed that level, demonstrating how freshly obtained mortgages bear the entire burden of today's increased rates and prices. Starting at 6.34% in early October and ending the year at 6.15%, mortgage rates decreased through Q4 2025.

They kept declining through February 2026 before experiencing a dramatic increase in March because of worries over the crisis in the Middle East. Rates have been above 6% since September 2022, except for a week in late February 2026, keeping many potential sellers "locked in" and impeding the recovery of the entire inventory.

Housing data from March 2026 indicated some vitality heading into

spring despite such obstacles: New listings up 21.2% from February, and pending sales increased 3.9% year over year (YoY), marking the third straight month of yearly growth. Even though active listings increased 8.1% YoY, they were still 13.8% below average pre-pandemic levels from 2017 to 2019. The new-home percentage of inventory is still higher than it was before the pandemic, and new-construction inventory has continued to close some of the gap. In supply-constrained regions, particularly inexpensive neighborhoods where homes continue to sell rapidly, and purchasers face competition, a lack of resale inventory has maintained upward pressure on home prices.

#### Mortgage Rates, Loans & Payment Activity

From 19.8% in Q3 and a peak of about 24.6% in early 2022, some 19.7% of outstanding mortgages had an interest rate below 3% in Q4 2025. In July 2020, the Freddie Mac fixed rate on a 30-year loan fell below 3%, and it remained below that level until September 2021. This was the only time in the data's history (since 1971) that rates fell below this

threshold, underscoring how exceptional these circumstances were.

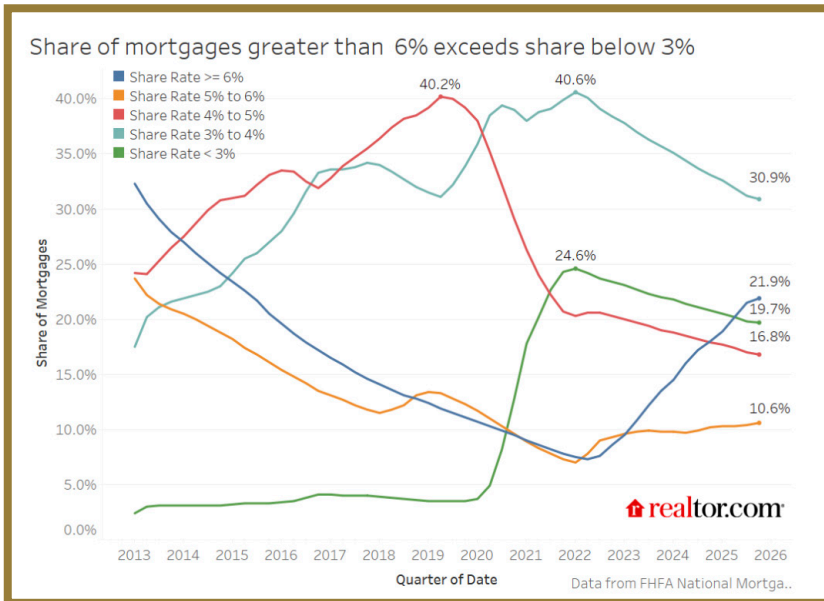
The changes in rate share between the third and fourth quarters of 2025 were slight but consistent: While the 5%-to-6% and 6%-or-higher categories also increased, every bracket below 4% kept getting smaller. As 38% of outstanding mortgages, the largest proportion in the data's history, fall within the 5-to-7-year loan age window—that is, loans that originated between 2018 and 2020—the sub-4% share decreased by a total of 0.4 percentage points, relaxing gradually. The 1-to-4-year cohort share in Q4 was surpassed by the early-COVID-19 refi cohort, which is firmly in the 5-to-7-year age range. These borrowers are not yet at a natural payment or move horizon because they are locked in low rates from the COVID-19 timeframe.

The extremely slow erosion indicates how strong the lock-in is. Both "swappers," or borrowers switching from a lower-rate mortgage to a higher-rate one, and buyers paying off their mortgages and becoming outright owners, are captured by the sluggish change. Further, home builders are still providing rate buydowns and other incentives, which could be contributing to the stability of those shares and the 4%-6% range. In line with some buyers locking in on the lower end of the current rate environment, the 5%-6% bracket increased by 0.2 percentage points to 10.6%.

Approximately 78% of outstanding mortgages have a rate below 6%, and slightly more than half (50.6%) still have rates of 4% or less. The 6%-or-higher share is currently at 21.9%, up 3.9 percentage points from 18.0% in Q4 2024. This significant YoY acceleration is fueled by persistent buyer activity despite high financing prices.

#### Homeowner Trends & Buyer Activity

As buyer activity continued despite high rates, the percentage of homeowners with a mortgage with a rate of 6% or more rose by about 4 percentage points between Q4 2024 and Q4 2025. Homebuying activity around significant life



events, like having children, changing jobs, or getting divorced, keeps the market moving even in today's expensive, high-rate market. Seller activity will also be significantly influenced by declining mortgage rates and inflation, which will ease some of the pressure on prices and competition in the current undersupplied market.

Since the \$2,005 average payment represents the whole portfolio, including the sizable group of pre-2022 borrowers who still have sub-4% interest rates, it is a floor rather than a limit on affordability pressure. Many potential sellers are trapped in place because new borrowers entering the market now must make payments that are significantly higher than what the current portfolio average suggests. Early in 2013, the average payment was \$1,255. By the beginning of 2020, it had gradually increased to \$1,456. However, as home prices skyrocketed and new originations with larger loan balances came in, the average payment quickly increased.

The largest increase occurred after mid-2022, when already high costs were exacerbated by the rate jump. From \$1,390 in early 2021 to \$2,005 today, the average payment increased by more than \$600 in just three years—a 44% increase in around four years.

The portfolio's loan tenure distribution has drastically changed, which is one of the most notable structural changes in the Q4 2025 data. From 11.8% in Q4 2023 to 38.4% in Q4 2025, the percentage of outstanding mortgages with a loan age between five and seven years increased by 26.6 percentage points in just two years, surpassing the under-4-year bucket for the first time. This is the mechanical result of the wave of refinancing in 2020–2021, when many homeowners locked in rates of less than 3% and 4%, which are now aging into that window of five to seven years. Additionally, the market is skewed away from 1- to 4-year duration mortgages since fewer buyers have refinanced in the last four or more years.

Overall, the steady quarterly loss of the sub-4% cohort and the fast expansion of the 6%+ population imply that the market's center of gravity is steadily shifting, even though almost 78% of outstanding mortgages still have rates below 6%, indicating that the rate lock-in remains significant. The concern for 2026 is whether relief will come quickly enough to free reluctant sellers before another spring season passes, which is currently exacerbated by increasing rate volatility linked to geopolitical uncertainties.

## SURVEY EXAMINES U.S. ACTIONS TO EXPAND VETERAN HOMEOWNERSHIP

After serving this country, it may come as no surprise to many that veterans desire homeownership, like most Americans, and the majority are already aware of the VA house loan advantage. A new survey by NewDay USA revealed the opportunities and benefits veterans desire, as well as the missing pieces to attain them.

That may come across as significantly positive news for anyone involved in the veteran homeownership industry. While there is already a significant level of awareness, thousands of qualified veterans nationwide may not even be aware of how close they are to the American Dream.

According to a survey of veterans, some 63% of them are aware of the VA home loan benefit. Until you take a closer look, the figure seems impressive. During or after their military service, nearly one in three (32%) reported having little to no knowledge regarding their VA home loan benefits. Additionally, some 30% are not clear whether they are eligible for the benefit at all.

- Only 32% knew that a VA loan requires no down payment
- Approximately 30% incorrectly believed a down payment is required
- Roughly 38% said they were simply unsure

Further, regarding private mortgage insurance (PMI), there was even greater ambiguity:

- Just 23% understood that VA loans do not require PMI regardless of down payment
- Some 30% believed PMI is required
- An estimated 47% said they had no idea either way

This misconception can cost veterans between \$100 and \$300 each month for as long as it takes to acquire 20% equity if they took out a conventional

loan instead of the VA loan because they believed PMI was inevitable. The Basic Allowance for Housing (BAH) can be used to determine income eligibility for a VA loan, according to 42% of respondents. However, an estimated 19% mistakenly thought it couldn't be counted at all, and 39% were unsure.

BAH can make up a sizable amount of total income for veterans who have just been separated or active-duty military personnel. Someone may think they make less money than they do for loan purposes if they are unaware that it qualifies.

#### Common Veteran Misconceptions, Worries & More

Several myths prevent eligible veterans from becoming homeowners across the country.

#### No. 1: Needing a down payment to utilize a VA loan

This is the data's most significant misinterpretation, according to the report. Although individual lenders may have their own overlays, eligible Veterans can buy a home with zero down payment thanks to the VA home loan guarantee.

When asked how much money they believed they would need to use a VA loan to purchase a home:

- 19% said they were unsure
- 17% estimated \$10,000 to \$19,900
- 9% correctly answered none

That may explain why some 49% of veterans in the same survey said that homeownership is currently unattainable, which is largely explained by these figures.

#### No. 2: VA loans require private mortgage insurance

When a borrower puts less than 20% down on a conventional loan, PMI is required. PMI is not required for VA loans at any level of down payment. The insurance that PMI would normally offer is replaced by the VA's guarantee to the lender. For qualified borrowers, the VA is an affordable mortgage alternative because of this benefit.

#### No. 3: VA loans take longer to close

According to the NewDay USA poll, approximately 29% of veterans said VA loans took longer to process than other kinds of mortgages, with analysts citing that this particular view is out of date. Most VA loans close in a timeframe similar to that of traditional finance.

#### No. 4: BAH cannot be used to qualify for a mortgage

Because BAH is tax-free income, lenders who are aware of VA regulations will frequently gross it up when determining qualified income, thus raising its worth during the underwriting process. If veterans and service members are uncertain about how their income will be assessed, they should speak with their lender directly about how BAH, disability benefits, and other kinds of income unique to the military are handled.

- 42% knew BAH can count toward income qualification
- 39% were unsure
- 19% incorrectly believed BAH cannot be used to qualify

While there are some expenses homebuyers should be aware of, the VA home loan program does not require a down payment, upfront mortgage insurance, or monthly mortgage insurance. However, borrowers with VA loans should anticipate regular closing charges in addition to the funding fee, which may include:

- The VA appraisal
- Credit report
- State and local taxes
- Title fees
- Real estate agent commission
- Recording fees

#### Veterans Hesitant to Buy Due to Price Concerns

The most common perceived hurdle mentioned by survey participants was rising housing prices (62%), followed by income worries (55%) and paying for upfront expenses (49%). Concerns about credit scores were mentioned by

32%, debt commitments by 35%, and ignorance of available benefits by 24%. Lack of knowledge regarding benefits was cited by nearly one in four veterans as a deterrent to purchasing.

When taking down payments and closing fees into account, only 21% of non-homeowners say they are fully or very likely to purchase a home in 2026. When those expenses are eliminated, 40% of veterans who are not homeowners say they would purchase a property. The largest upfront expense—the down payment—is already eliminated by the VA loan. Simply said, many individuals are unaware of that. Additional data reported that 45% of respondents said they do not have enough savings to cover closing costs; some 35% have less than \$5,000 saved toward those costs, and 18% have nothing saved at all.

Overall, when asked how vital homeownership is to boosting one's net worth, roughly 37% of respondents said it is crucial, and 33% said it is crucial. The VA loan benefit is the most direct route to homeownership for those who have served, and it is evident that Veterans see a strong correlation between homeownership and financial security.

Further, the VA loan is not a final resort, according to NewDay USA analysts. However, it is a strategic financial strategy intended to reduce the cost of homeownership for those who have earned it, and it is based on the reality of military service.

## HOW CLIMATE HAZARDS, RISKS & INSURANCE COSTS ARE IMPACTING HOMEBUYING ACTIVITY

According to a new LendingTree study, one of the most important places Americans are feeling the effects of climate change is their homes.

Americans' perspectives on homeownership and where they choose

# According to the latest LendingTree poll of U.S. consumers, some 30% of homeowners have chosen not to purchase or make an offer on a home because of worries about climate hazards and risks.



to live are changing due to growing concerns about extreme weather and rising insurance prices. In fact, according to the latest LendingTree poll of U.S. consumers, some 30% of homeowners have chosen not to purchase or make an offer on a home because of worries about climate hazards and risks.

Concern over the potential effects of climate change on their homes is growing among Americans. Within the next ten years, nearly seven out of 10 (68%) homeowners are concerned that climate-related risks could affect their property.

However, the study showed that this worry goes beyond potential hazards. Of all Americans, an estimated 72% believe that over the next 10 years, climate-related concerns will get worse, and roughly 60% think that the risks of extreme weather are already rising in places where they would choose to live.

## Climate Factors Affecting Consumer Concerns

Power outages due to severe weather (40%), winter storms and extreme cold

(36%), and severe storms (34%) are among the most urgent issues cited by U.S. consumers. Following those events comes:

- Extreme heat (32%)
- Flooding (23%)
- Poor air quality or smoke (22%)
- Drought/water scarcity (19%)
- Hurricane and tropical storm (19%)
- Wildfire (16%)
- Coastal flooding and sea level rise (11%)
- Earthquake (9%)
- Landslide (5%)

“More than 40% of claims payments are for wind and hail damage, making them the most significant drivers of loss for homeowners,” said Rob Bhatt, a LendingTree home insurance expert and licensed insurance agent.

These worries are also supported by research and data, as the Insurance Information Institute reported that wind and hail are the most common reasons for house insurance claims.

However, it is necessary to remember that regular homeowners’ insurance

does not cover every risk associated with climate change, according to the industry expert.

“Homeowners insurance doesn’t cover floods,” Bhatt said. “That means many Americans may need separate policies to fully protect against certain climate-related hazards, like wind and hail coverage.”

Approximately 88% of Americans have experienced a climate-related hazard in the last five years, according to LendingTree. Severe weather-related power outages (41%), winter storms (32%), severe storms (31%), and extreme heat (30%) are the most frequent occurrences.

These encounters cover a broad spectrum of life circumstances. While 21% of respondents live in apartments, the majority (61%) reside in single-family houses. Geographically, some 45% of them live in suburban areas, 32% in urban areas, and 23% in rural communities, indicating that the effects of climate change are felt in all types of housing and geographical areas. Of those impacted, an estimated 27% claim that these incidents caused damage, and 18% say they had to make repairs as a result.

According to Bhatt, policyholders frequently struggle with submitting insurance claims for repairs and damage, especially those without a home inventory.

“It may seem daunting, but all you have to do is turn on your smartphone camera and walk through your home taking pictures or video of your belongings, including serial numbers and model numbers,” Bhatt said. “You can then list your items on a spreadsheet, along with their approximate value.”

## Climate Risks Affecting U.S. Homebuying Activity

Where Americans choose to reside is becoming more influenced by climate hazards, particularly for younger generations. In general, some 30% of homeowners claim that worries about the potential of hazards have prevented them from making an offer or purchasing a property. With 62% of Gen Zers (ages 18 to 29) and 46% of millennials (ages 30 to 45) stating that they have

turned down a house for this reason, that percentage rises dramatically among younger buyers.

Relocation decisions are also being influenced by climate concerns. Because of climate risk, nearly one in five Americans (18%) are thinking about moving within the next two years, and 17% say they have already done so. Because of these hazards, Gen Zers are the most proactive; 25% are thinking about moving, and 32% have actually done so. Millennials have comparable numbers, at 26% and 25%, respectively.

Americans are demanding more openness in the home-buying process as climate hazards take center stage in housing purchases. Flood zone or flood risk ratings (73%) and previous flooding or wildfire damage (72%) are the most often requested disclosures. More factors include:

- Prior wind, hail, or storm damage (66%)
- Local hazard history (66%)
- Wildfire risk rating (66%)
- Whether the property is in an evacuation zone (66%)
- Estimated insurance costs (63%)
- Insurance availability constraints (63%)

However, when looking for a home, Bhatt thinks it's important to consider climate concerns, especially significant or evident risks.

"Interestingly, you can learn a little about a property's past claims when you get a homeowners insurance quote for it," he said. "Most quoting systems will flag information about recent claims at a home, as these can increase the price of insuring it, even if the claim was filed by a previous owner."

Overall, not only is climate change concerning, but it is also driving up homeowner expenses. Even though 88% of homeowners have home insurance, some 56% of those policyholders claim that their premiums have increased in the last 12 months.

Concerns regarding future coverage are also becoming more prevalent, as 30% of respondents think their insurer may cancel their policy because of the risk of local hazards. Many Americans

are reconsidering their priorities when making housing decisions as a result. In a lower-risk area, nearly one-third (32%) said they would choose a property with higher insurance prices over a less expensive one in a higher-risk area. This inclination is even more noticeable among Gen Zers (43%) and millennials (41%), as well as among those with children under the age of 18 (46%).

"The cost of homeowners' insurance is going to affect your PITI payments and the amount you can borrow," Bhatt explained. "Buying a home in an area with high insurance costs means you may have to choose a lower-priced home. Buying in an area with lower insurance costs may help you afford a higher-priced home."

In any case, according to Bhatt, it's crucial to account for insurance prices in your total cost of purchasing and owning a home. Home insurance used to be an afterthought, but according to Bhatt, the cost of insurance has increased to the point where it is now essential to consider it in advance.

## 'DUAL SHOPPING' ON THE RISE

According to new data, approximately 8% of Zillow users who are looking to purchase a property in today's volatile housing market are also browsing rentals and exploring their options. These "dual shoppers" consider both choices before deciding, highlighting how the distinction between buying and renting is becoming more complex to navigate due to persistent financial constraints.

Zillow analysts revealed that measuring the rent-versus-buy decision is inherently difficult for many Americans seeking to attain the "American Dream." Conventional methods rely on assumptions about matching homes in the two markets, and comparing a typical rental to a typical for-sale property often fails because the properties are not directly comparable. The recent report examined a more realistic view of the

trade-offs households face by concentrating on dual shoppers and letting their own engagement behavior match their housing preferences.

For many, that choice usually boils down to monthly expenses and how much buyers can afford without ending up cost-burdened by monthly costs. Assuming a 20% down payment and accounting for mortgage payments, property taxes, insurance, and upkeep, owning a home in the United States is usually an estimated \$415 more expensive per month than renting. That difference is more than \$3,400 a month in expensive housing markets like San Jose, California.

Note: Metros with a higher share of affordable inventory, lower home price to income ratio, and fewer years for potential buyers to save for a down payment are associated with a lower share of for-sale shoppers also engaging with rentals.

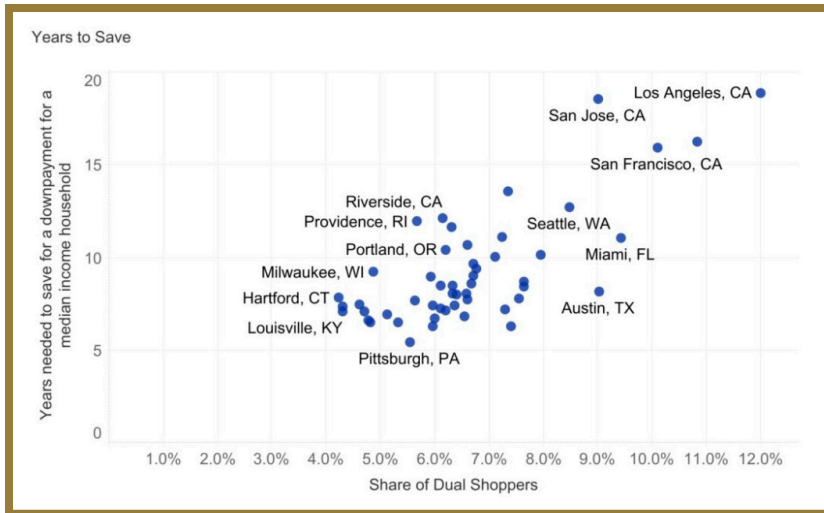
### Property Size, Square Footage & Home Design Matter

Additionally, dual shoppers typically look at larger properties when browsing for-sale listings. On average, the rentals most researched are roughly 284 square feet smaller. These rental homes often offer a higher value per square foot, suggesting that they may have more contemporary amenities, finishes, or layouts.

Dual shopping also varies by region, cities, and states nationwide. In markets where there is a significant financial gap between owning and leasing due to budgetary constraints, dual shopping is increasingly common. With approximately 12% of for-sale consumers also perusing rentals, the Los Angeles metro leads the country in dual shopping, followed by San Diego (10.8%) and San Francisco (10.1%). With a 20% down payment, the median household in each of these coastal markets would have to spend around two-thirds of its income on a monthly mortgage payment, underscoring the affordability challenges forcing consumers to weigh their options. In contrast, renting reduces the burden to about one-third of income, or nearly half.

**Zillow analysts revealed that measuring the rent-versus-buy decision is inherently difficult for many Americans seeking to attain the “American Dream.”**





One notable exception is New York City. 29.9% of NYC house shoppers are also thinking about renting, which is 3.8 times the national proportion and 4 times the share for the larger New York metro area, according to StreetEasy data. New York City customers are likely to consider both options more frequently due to the city's exceptionally high percentage of renter households (about 70%) and high housing costs.

"As many working people know, it is increasingly impossible to find an affordable home in New York City, to build a dignified life without making hundreds of thousands of dollars a year," said Zohran Mamdani, Mayor of New York City.

Conversely, dual shopping is less prevalent in more reasonably priced marketplaces, where consumers are more likely to become homeowners. Lower percentages of for-sale shoppers also interacting with rentals are linked to metro areas with a higher proportion of affordable inventory, a lower home price to income ratio, and fewer years for prospective buyers to save for a down payment. At 4.2%, the report found that Hartford, Connecticut, has the lowest percentage of dual shoppers.

## UPZONING EFFORTS MAY BENEFIT HOMEBUYERS & NATIONWIDE HOUSING PRODUCTION

In a recent Realtor.com study, experts revealed that cities across the nation have been speculating that more housing and, eventually, lower housing costs will be made possible by looser zoning regulations. That same study suggested that the risk may be profitable—but "only in certain circumstances and not on demand."

Researchers at the Urban Institute discovered that upzoning does result in increased housing supply when they examined significant rezoning initiatives in Philadelphia and New York City. However, the timing of the reforms, local market demand, and whether other policies made projects financially possible all had a significant impact on the gains.

In some places, like Philadelphia, the reforms successfully spurred more density while failing to increase the volume of projects. Others, such as the Bronx's Jerome Avenue, had no appreciable rise in housing because of rezoning, indicating the significance of other economic variables in luring new development. The analysis provides a

better understanding of where the plan is most likely to succeed—and where it may fail—as local, state, and even federal governments continue to push zoning reform as a response to the housing affordability crisis.

### Measuring Regional Differences of Upzoning

The "Concrete Jungle"—New York—provides the best proof of upzoning's effectiveness. According to many planners, housing shortages over the decades in New York were self-inflicted, due to zoning regulations that grew more restrictive after the 1960s. Housing construction fell precipitously after those rules were established, and as of right now, the city's vacancy rate is at a record low of 1.4%, and the housing gap is anticipated to be around 560,000 units.

Following a previous wave of rezonings during the Michael Bloomberg era in the 2000s, the Bill de Blasio administration implemented a series of neighborhood-by-neighbor upzonings between 2016 and 2021 in response to the situation. In comparison to comparable properties that were not upzoned, Urban Institute researchers estimate that seven of these neighborhood-scale upzonings collectively created roughly 4,100 additional housing units within four years.

Once more, these are not merely permits but genuine units. In a shortfall of more than 500,000 units, this distinction is crucial because they represent actual homes that people can move into rather than merely the prospect of future ones. However, experts revealed that the result that made headlines in New York had a catch.

With over 15 extra units per upzoned parcel four years after rezoning, compared to about 1.1 across all upzoned parcels citywide, one area, Gowanus, accounted for the majority of the gain, significantly surpassing the other rezonings.

As a result, Gowanus is practically a best-case scenario for upzoning. The area in northwest Brooklyn entered the rezoning process with some of the city's highest demand. It is centered on a former industrial canal corridor that has

been undergoing remediation for years. That kind of momentum can result in very favorable conditions for new homes, according to Christian Perry, a globally connected Realtor at Sotheby's International Realty.

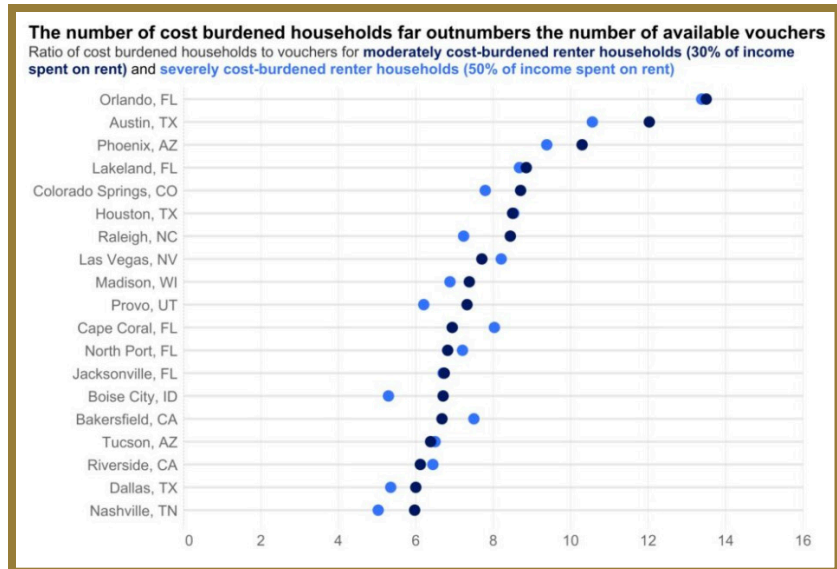
"Going back to my days at Merrill Lynch, I often decided which towns and cities were worth buying bonds in for my clients by simply counting the cranes," Perry said. "Crane counts told you where capital had confidence and where real development was happening."

For the larger case for upzoning, it is both promising and restrictive. Gowanus' success raises more difficult concerns about how readily that success can be repeated elsewhere, but it also provides a clear example of where the strategy might be effective.

## MILLIONS OF RENTER HOUSEHOLDS REMAIN COST-BURDENED DESPITE DECELERATING RENT GROWTH

**G**rowth in rent has slowed, according to a new Zillow analysis. However, that does not equate to relief for millions of American tenants. Renters care more about the monthly payment than the pace of growth, and 2024 was just another year that went in the wrong direction. Cost-burdened renter households increased from 20.9 million in 2023 to 21.4 million in 2024. This indicates that rent accounted for more than 30% of income for 47.6% of renter households nationally. The number of severely burdened households—those who spend more than half of their income on rent—rose from 10.5 million to 10.9 million.

The report also showed that increasing demand has outpaced the federal rental aid program. In 2024, there were around 2.79 million Housing Choice



Vouchers in use, meaning that there were about 18.6 million more cost-burdened renter households than there were available vouchers. This difference increased from 18.2 million the year before. Although not all burdened households are eligible for aid, this estimate shows the trend of the assistance gap. Finding a landlord who will accept a voucher is far from certain, even for those who do qualify.

Rents are not declining just because rent growth is slower. It indicates that rent increases are still occurring, but at a slower rate. For rent burdens, this divergence is important. Families are affected not just by the present growth rate but also by the amount of rent they must pay. When rents stay high in relation to salaries, affordability may still be a problem even if rent decreases. Additionally, a significant portion of the story is revealed by the disparities among metro areas. In addition to having higher rents, higher-rent metro areas typically have more renter households.

There are more cost-burdened households in pricey markets, which can be explained by this composition impact. A greater proportion of households are initially subject to rent pressures when a higher percentage of them rent. Therefore, pricier markets would still often exhibit more widespread renter strain simply because renting is more popular there, even if the risk of

being burdened by costs were the same everywhere. Both forces are active in real life. Renters make up a greater proportion of all households and frequently pay higher rents in pricey metropolitan areas. The percentage of households facing rent stress varies significantly between metro areas as a result of this combination.

The number of Housing Choice Vouchers increased slightly from 2.75 million in 2023 to approximately 2.79 million in 2024. As a result, there were about 18.6 million more cost-burdened renter households than vouchers available, compared to about 18.2 million a year earlier. The primary rental assistance program of the U.S. Department of Housing and Urban Development (HUD) is Housing Choice Vouchers, which are managed locally by about 2,000 public housing agencies.

This disparity should not be interpreted as the number of homes that are eligible for vouchers but have not received them. In addition to additional eligibility requirements that are managed by regional housing agencies, HUD's program is intended for very low-income and extremely low-income households. Additionally, waiting lists and selection of preferences are managed by local organizations, which have an impact on who receives aid. Therefore, the voucher shortfall is an essential metric of size, even though

it is not a physical waitlist shortage for every burdened tenant. It demonstrates that the number of renter households experiencing financial hardship is significantly more than the amount of aid that is accessible.

Even for homes that do qualify and get a voucher, there is another restriction. Households must have at least 60 days after receiving a voucher to look for a rental property that will take it. That search might be challenging in a competitive rental market, as is the case in many Northeast urban areas. A household must ask the housing agency for an extension if they are unable to locate a unit in time.

This implies that there may be a greater gap between renter need and effective aid than what the voucher count alone indicates. Even after receiving a voucher and being eligible, some households may still find it difficult to rent an apartment.

In several of the biggest cities in the nation, this disparity was particularly pronounced. More than ten cost-burdened renter households per available voucher were present in 29 of the 100 largest metro areas in 2024, compared to 24 in 2023. Orlando, Florida; Austin, Texas; Phoenix; Lakeland, Florida, and Houston continued to be the metro areas with the greatest burden-to-voucher ratios. These locations do not always contain the highest percentages of cost-burdened renter households, nor are they the costliest rental markets in the nation.

The disparity depends on both eligibility and the financing and management of voucher support. The measured gap between burden and accessible help will inevitably appear higher in a community where a large number of burdened renter households do not match voucher eligibility requirements. However, the distribution of vouchers does not quite correspond with the current metro-level support requirements. They are run by regional organizations, each of which has its own waitlists, funding records, and program size.

Furthermore, success is not assured even if a household is eligible and gets

a voucher. While some markets do not have state or local source-of-income (SOI) safeguards that prohibit landlords from turning away tenants due to their use of vouchers, others do. States like Idaho and Missouri have recently approved preemption laws that essentially forbid locals from enforcing SOI laws, even though some U.S. towns and counties have continued to do so.

For instance, the California Civil Rights Department enforces the Fair Employment and Housing Act and publishes guidelines that list several unlawful practices, such as charging a higher deposit or rent or denying a tenant access to a pool or common areas because they receive voucher assistance. However, research indicates that about 30% of households countrywide who obtain housing vouchers ultimately fail to locate a residence that will accept the voucher.

To put it another way, the most expensive markets do not usually have the biggest burden-to-voucher disparities. They are frequently found in areas where there is a comparatively small local voucher footprint, where fewer households with high rent match the eligibility requirements, or where it is more difficult for voucher holders to find a landlord who will rent to them.

So, the question remains: what more must be done to support struggling renters? The answers may be best explained from two viewpoints:

- First, in 2024, renter concerns, hardships, and housing sentiment were still worsening. The damage to affordability caused by years of rapid rent rises was not reversed by slower rent growth, and expenses kept rising.
- Second, there was still a huge disparity between renters' needs and rental aid. Furthermore, disparity is more than just a tale of pricey locations. It also discusses renter eligibility, voucher funding, the challenges of locating a landlord who will accept a voucher, and the unequal distribution of legal protections and voucher assistance in local housing markets.

## NEARLY 4 MILLION U.S. HOMES NOW HOUSE MULTIPLE GENERATIONS

**M**ultigeneration households are quietly reshaping housing demand in the U.S. with sellers asking for 65% more for multigenerational homes amid high competition, especially in Southern and Eastern markets where supply is thin, according to a new report from Realtor.com.

Realtor.com reports that nearly 3 million owner-occupied homes nationwide have at least two mothers living under one roof among the nearly 4 million multigenerational households. Multigenerational houses are homes whose descriptions include keywords such as “guest house,” “in-law suite,” or “granny flat,” Realtor.com said.

“Multigenerational living is a meaningful force in the housing market,” said Hannah Jones, Senior Economic Research Analyst at Realtor.com. “A sense of shared purpose and care is at the heart of multigenerational living, a housing arrangement that is quietly shaping American family life. What stands out in this data is that buyers are not being deterred by the higher price tags. The demand is strong, and, in a few parts of the country, the supply is struggling to keep up.”

Realtor.com noted that in 2024, 4.5% of all owner-occupied households were multigenerational, defined as containing three or more generations, which was up from 4.3% in 2019. The typical multigenerational household includes five people sharing a four-bedroom home, with a median annual household income of \$131,000, Realtor.com noted.

In 2025, Realtor.com said, the median list price for a multigenerational house on its website was \$709,000, roughly 65% higher than the \$429,900 median for a standard listing.

Realtor.com noted that some of the premium is because multigenerational homes are typically larger. But even on a per-square-foot basis, these homes ask

**“Multigenerational living is a meaningful force in the housing market ... What stands out in this data is that buyers are not being deterred by the higher price tags. The demand is strong, and, in a few parts of the country, the supply is struggling to keep up.”**

—**Hannah Jones**, Senior Economic Research Analyst, Realtor.com



\$262 per-square-foot versus \$215 for standard homes, a 22% premium driven by specialized features such as in-law suites, secondary kitchens, and dual entries, as well as their concentration in high-cost coastal markets, according to Realtor.com.

Multigenerational listings received 13.5% more page views than standard homes and sold in the same median time-frame of 59 days, suggesting demand is keeping pace with the higher price point.

Regionally, the supply picture is very uneven, Realtor.com said.

Western metros, it said, account for the highest share of multigenerational home listings, averaging around 14%, compared to 6.1% in the South, 5.3% in the Northeast, and just 2.9% in the Midwest. All five of the top metros by multigenerational listing share are in California: Los Angeles (23.7%), San Diego (22.7%), San Jose (18.0%), San Francisco (17.4%), and Riverside (14.9%).

In California, multigenerational homes are more common and priced accordingly, Realtor.com noted. In Los Angeles, for example, the premium over a standard listing is just 1.6%. In San Francisco, it is 8.4%. Cultural tradition, housing costs, and an existing stock of purpose-built or adapted homes have made extended family living a mainstream option there.

The story is different in the Midwest and parts of the South, Realtor.com noted.

Detroit, Cleveland, and Buffalo rank among the lowest metros for multigenerational listing share—2.0%, 3.1%, and 2.5%, respectively—yet buyers in those see asking price premiums of 120%, 107%, and 94% over standard listings when a multigenerational home does come up for sale, the website stated. Detroit listings attract 82% more page views than standard homes. Cleveland is close behind at 78%.

“In markets like Detroit and Cleveland, multigenerational homes are a rare find, and when one hits the market, buyers respond,” Jones said. “The strong demand and steep premiums we are seeing in inventory-constrained markets point to a real mismatch between what buyers are looking for and what is actually available. For sellers in these

markets, this type of home can be a significant asset.”

Multigenerational households reflect the diversity of American family life, Realtor.com said. Among owner-occupied multigenerational households, 44.9% are white, 25.8% are Hispanic, 13.5% are Black, and 11.1% are Asian, the website noted. The arrangement is most prevalent in urban markets in the West and along the East Coast.

“While the share of multigenerational households held steady over the past decade, the number of families choosing to live this way grew from 3.2 million to 3.9 million between 2014 and 2024, a sign that multigenerational living is becoming an increasingly common choice for American families as high housing and childcare costs create strong reasons for co-living,” said Jiayi Xu, an Economist at Realtor.com.

## RENTERS GAIN MORE 'ELBOW ROOM' AS U.S. RENT GROWTH SLOWS

**B**ecause wage growth has outpaced rent increases, renters are breathing easier, according to the latest Zillow Observed Rent Index. Further, the average household now has an extra \$193 per month—an additional \$2,318 annually for gas and groceries, or a head start on a down payment.

At \$1,910, the average asking rent increased by just 1.8% annually, the slowest rate since 2020. While multifamily rentals increased 1.3% to \$1,757, single-family rents increased 2.5% year over year to \$2,225, the slowest yearly growth ever noted in Zillow's data series. Rent rise is outpacing income growth in both sectors, relieving the financial strain that tenants have been under since the pandemic-era spike.

Although the amount varies by market, the savings are realized nationwide. After accounting for wage growth and rent reductions, renters in Austin are experiencing the most annual increases,

with around \$3,182 more than a year ago. Renters in Tampa come in second at \$3,110 a year, followed by Denver at \$3,002. Renters are winning even in more expensive markets: Renters in Los Angeles have an extra \$2,438 annually. The boost is less substantial at \$458 per year in San Francisco, where rents have increased dramatically.

### Key Findings:

- The typical asking rent is \$1,910 in March, up 0.6% month over month. The pre-pandemic average month-over-month change for this time of year is 0.7%.
- Since the beginning of the pandemic, rents have increased by 36.2%.
- Rents are now 1.8%, up from last year.
- Rents are up from year-ago levels in 37 of the 50 largest metro areas. Annual rent increases are highest in San Francisco (6.4%), Virginia Beach, Virginia (6%), Chicago (5.6%), Providence, Rhode Island (4.9%), and San Jose, California (4.8%).
- The median household would spend 26.5% of its income on a new rental in March.
- Rent affordability is flat month over month in March. The pre-pandemic share of median household income spent on rent was 25.8%.
- Rent affordability is now 0.4ppts down from last year.
- The most affordable metro areas for rent are Austin (18.1%), Salt Lake City (18.2%), Raleigh (18.4%), Minneapolis (19.5%), and Denver (19.5%).
- The least affordable metro areas for rent are New York (38.0%), Miami (37.4%), Los Angeles (33.9%), Riverside (31.0%), and Boston (30.1%).
- Income needed to afford rent increased by 1.7% year over year in March to \$76,417. Since before the pandemic, the income needed to afford rent has increased by 35.4%.

### Renter Activity, Savings & Opportunity

Per the report, affordability is starting to rebound and return to historical levels. The median household's usual rent expenditure as a percentage of income has decreased to 26.5%, which is closer to the pre-pandemic level of 25.8% than it was a year before. However, to comfortably afford the average rental, a household must make about \$76,400 annually, which is 35% more than what was needed prior to the pandemic.

At the same time, some prospective first-time buyers are considering rentals due to affordability issues in the for-sale market. Nearly 1 in 13 for-sale customers are simultaneously looking at rentals, according to recent Zillow research. For the properties these dual shoppers are examining, owning is roughly \$415 more expensive per month than renting. Renting is frequently the more flexible and cost-effective alternative for households considering their options.

#### Additional Key Findings:

- The typical asking rent for single-family homes is \$2,225 in March, up 0.5% month over month. Since the beginning of the pandemic, single-family rents have increased by 44.9%.
- Single-family rents are now up 2.5% from last year.

- Single-family rents fell, on a monthly basis, in 3 major metro areas. The largest monthly drops in single-family rents are in Baltimore (-0.2%), Richmond (-0.1%), and Minneapolis (-0.1%).
- Single-family rents are up from year-ago levels in all 50 of the largest metro areas. Annual single-family rent increases are highest in Providence (7.3%), Milwaukee (5.8%), Boston (5.6%), Buffalo (5.3%), and Cleveland (5%).

#### Multifamily Trends:

- The typical asking rent for multifamily homes is \$1,757 in March, up 0.6% month-over-month. Since the beginning of the pandemic, multifamily rents have increased by 28%.
- Multifamily rents are now up 1.3% from last year.
- Multifamily rents are up from year-ago levels in 33 of the 50 largest metro areas. Annual multifamily rent increases are highest in Virginia Beach (6.5%), San Francisco (6.1%), Chicago (5.5%), San Jose (4.8%), and Providence (4.6%).

#### Rent Concessions:

- 39.8% of rentals on Zillow offered concessions in March.

- The share of rental listings offering concessions increased by 0.6ppts month-over-month in March.
- The share of rental listings offering concessions is flat compared to last year.
- The share of rentals with concessions is lower, monthly, in 17 major metro areas. The largest monthly drops in the share of rentals with concessions are in Milwaukee (-2.9ppts), San Francisco (-2.3ppts), Salt Lake City (-1.7ppts), Minneapolis (-1ppts), and Kansas City, Missouri (-0.8ppts).
- The share of rentals with concessions is higher monthly in 33 major metro areas. The largest monthly increases in the share of rentals with concessions are in Indianapolis (4.3ppts), New Orleans (3.8ppts), Memphis, Tennessee (3.7ppts), Virginia Beach, Virginia (2.7ppts), and San Antonio (2.6ppts).
- Rent concessions are up from year-ago levels in 30 of the 50 largest metro areas. The annual increase in share of rental listings with concessions is highest in Tampa, Florida (12ppts), Birmingham, Alabama (8.9ppts), Las Vegas (8.5ppts), Boston (7.5ppts), and Columbus, Ohio (7.4ppts).

Metro area	Typical rent, Zillow Observed Rent Index (ZORI)	Typical rent, YoY change	Monthly savings	Annual savings	Share of rental listings on Zillow offering a concession
U.S.	\$1,910	1.8%	\$193	\$2,318	39.8%
New York	\$3,337	4.2%	\$92	\$1,106	18.5%
Los Angeles	\$2,895	0.8%	\$203	\$2,438	29.9%
Chicago	\$2,180	5.6%	\$112	\$1,346	21.3%
Dallas	\$1,645	-0.1%	\$228	\$2,738	63.1%
Houston	\$1,610	-0.9%	\$241	\$2,894	53.0%
Washington, D.C.	\$2,347	-0.1%	\$229	\$2,750	57.9%
Philadelphia	\$1,869	3.4%	\$166	\$1,994	33.2%
Miami	\$2,665	0.7%	\$209	\$2,510	28.3%
Atlanta	\$1,811	1.2%	\$206	\$2,474	58.1%

## SPRING SALES HEAT UP AS NEW LISTINGS SHOW MODEST INCREASE

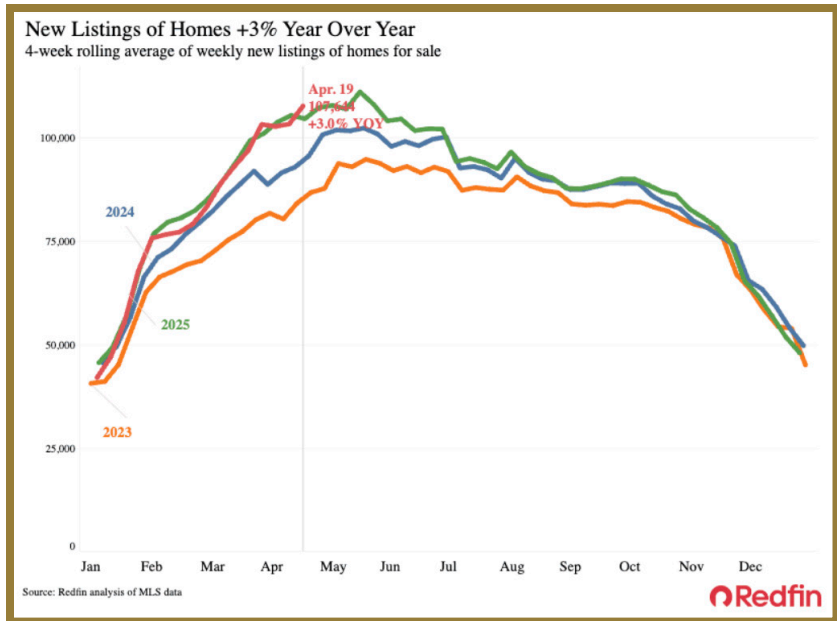
In the four weeks ended April 19, new listings of U.S. homes for sale increased 3% year over year. According to a recent Redfin study, that is the largest gain since November. The biggest drop in pending home sales in about a month was 1.2% year-over-year, with applications for mortgage purchases increased by 10% per week.

As mortgage rates drop, some buyers and sellers of homes have entered the market. The median monthly housing payment decreased 1.4% year over year as the weekly average mortgage rate dropped to 6.3% from 6.46% two weeks prior. Additionally, there were indications that the Iran war was coming to an end, which momentarily lowered oil prices. Because they felt more optimistic about the economy, some house buyers and sellers might have moved off the sidelines.

Nevertheless, the U.S. homebuying season is off to a slow start this spring, according to Redfin experts. Home-sale prices are up 2% year over year, while mortgage rates remain higher than the sub-6% rates briefly observed in February. In addition to higher prices, some Americans are reluctant to sell or purchase homes because they believe the economy is unstable, in part because of worries about job security and the Iran War.

“The leaves are turning green, the flowers are blooming, and more sellers are listing their homes in hopes of moving before the next school year starts,” said Adrianna Berlin, a Redfin agent in Grand Rapids, Michigan. “While some people are holding off on selling or buying because they’re holding out hope that mortgage rates will plummet, most have come to terms with today’s costs. The people who need to move this summer are starting to list their homes or prepare for listing.”

Further, although the optimum window differs by region, a recent



### U.S. highlights: Four weeks ending April 19, 2026

Metrics	Four weeks ending April 19, 2026	YoY change
Median sale price	\$394,687	2%
Median asking price	\$427,475	2.7%
Median monthly mortgage payment	\$2,740 at a 6.3% mortgage rate	-1.4%
Pending sales	89,393	-1.2%
New listings	107,644	3%
Active listings	1,110,922	-2.6%
Months of supply	4.2	Unchanged
Share of homes off market in two weeks	38.9%	Essentially unchanged
Median days on market	46	+4 days
Share of homes sold above list price	24.9%	Down from 26%
Average sale-to-list price ratio	98.7%	Down from 98.8%

Redfin analysis revealed that late April is the best time to list a property for sale nationwide.

Note: 4 to 5 months of supply is considered balanced, with a lower number indicating seller’s market conditions.

Metro-level highlights: Four weeks ending April 19, 2026

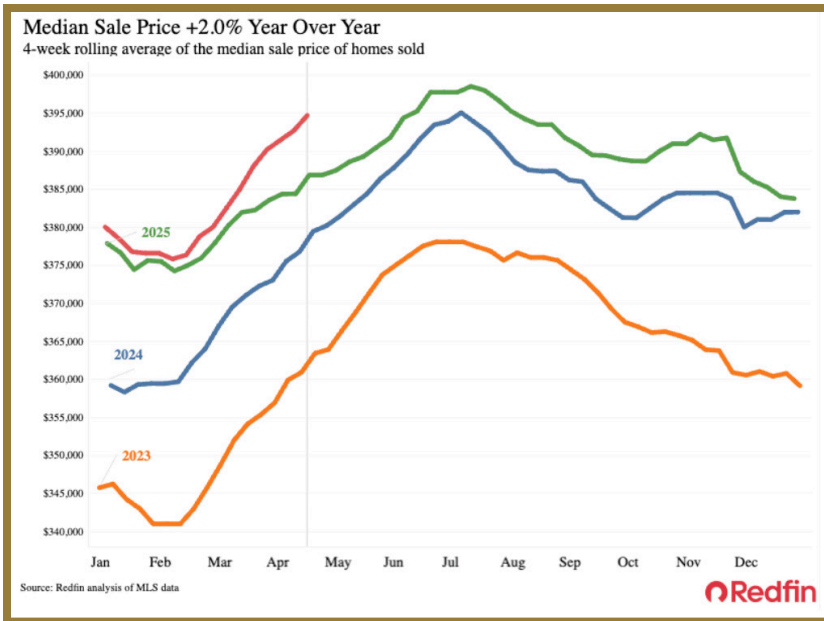
Top five metros with the **biggest**

#### YoY increases in new listings:

1. Milwaukee, WI (22.2%)
2. Montgomery County, PA (20.6%)
3. Pittsburgh (15.4%)
4. Washington, D.C. (14.4%)
5. Minneapolis (14%)

#### Top five metros with the **biggest** YoY decreases in new listings:

1. Tampa, FL (-10.9%)



2. Riverside, CA (-10.7%)
3. Jacksonville, FL (-10.2%)
4. Las Vegas (-9.7%)
5. Orlando, FL (-8.1%)

**Top five metros with the biggest YoY increases in median sale price:**

1. Detroit (14.8%)
2. San Francisco (11.7%)
3. Cleveland (11%)
4. Providence, RI (10.6%)
5. Pittsburgh (9.7%)

Overall, the U.S. median sale price declined in 18 metros.

**Top five metros with the biggest YoY decreases in median sale price:**

1. Austin, Texas (-3.6%)
2. Riverside, CA (-3.4%)
3. Seattle, WA (-3%)
4. Minneapolis (-2.7%)
5. Las Vegas (-2.4%)

**Top five metros with the biggest YoY increases in pending sales:**

West Palm Beach, FL (19.6%)

6. Miami (10.6%)
7. Milwaukee (6.2%)
8. Austin, Texas (4.3%)
9. Pittsburgh (3.7%)

**Top five metros with the biggest**

**YoY decreases in pending sales:**

1. Houston (-14.5%)
2. Seattle, WA (-11.7%)
3. Providence, RI (-9.6%)
4. Nassau County, NY (-9.4%)
5. Detroit (-9.2%)

## HOMES SELLING FASTER IN SOME METROS AS BUYERS TIPTOE BACK INTO THE SPRING MARKET

The U.S. housing market is now again running on two different tracks after years of extremely rapid home sales during the pandemic, according to a new Zillow report. Although this specific demographic is declining, desirable, reasonably priced properties are still selling swiftly. Some residences remain longer than they have in many years. These figures suggest that the housing market is settling into its new normal, as they resemble pre-pandemic norms.

For the first time since 2020, the difference between the time all inventory sits and the speed at which sold homes move was at its largest in March. The median

age of all current listings in March was 56 days, a 37-day difference from the average home that went pending in 19 days. In April 2022, that difference was as little as nine days. The gap indicates a market where purchasers have more options and power than in previous years, and where exceptional properties are rewarded while others are left waiting.

In February 2026, the most recent month with available sales data, some 18.5% of properties nationwide went pending within seven days. Moreover, one-third of all properties sell in the fastest markets, such as St. Louis, Hartford, Connecticut, and Seattle, Washington.

**Regional Trends, Differences & More**

Compared to just 17.1% of all homes, an estimated 44.3% of those quickly selling properties sold for more than the asking price, making homes that sold in less than a week 2.6 times more likely to have sparked a bidding battle. According to Zillow’s data dating back to 2018, that is the second-highest multiple.

A return to a more balanced housing market is seen in the difference between homes that sell quickly and those that lag. The pool of buyers has shrunk due to difficult financial circumstances, and they are now pickier than they were during the pandemic. However, there are more options and negotiation power available to those purchasers who are still in the market. While some sellers loiter, those whose properties meet all the requirements sell swiftly.

Depending on where homebuyers look, the gap manifests itself in different ways, Zillow analysts mentioned. At least three out of ten properties in a number of Midwest markets, such as St. Louis, Cincinnati, and Kansas City, Missouri, sell within seven days due to relative affordability, which has maintained demand. Less than 10% of properties in Sun Belt markets where inventory has increased—such as Austin, Texas; San Antonio, Texas; Charlotte, North Carolina; and Jacksonville, Tennessee—are selling just that quickly. In these markets, homebuyers have a lot more options and are less motivated to submit an offer right away.

## Popular U.S. Metros &amp; Housing Market Data:

Metro Area	Median days to pending (March 2026)	Median age of all active listings (March 2026)	Share of homes sold within 7 days (February 2026)	Share of homes sold within 7 days that sold above list price (February 2026)	Share of all homes sold above list (February 2026)
U.S.	19	56	18.5%	44.3%	17.1%
New York	25	49	5.6%	53.4%	33.9%
Los Angeles	18	40	14.4%	56.1%	32.3%
Chicago	8	26	25.0%	58.5%	24.7%
Dallas	25	52	13.6%	36.5%	9.6%
Houston	34	73	11.9%	28.1%	7.5%
Washington, D.C.	7	24	33.5%	62.1%	28.1%
Philadelphia	9	27	28.2%	60.7%	29.2%
Miami	53	104	8.9%	19.4%	4.9%
Atlanta	33	59	8.6%	36.1%	12.7%
Boston	8	18	28.7%	69.6%	32.6%

Overall, in February 2026, properties that went pending within seven days had a 2.6-fold higher chance of selling for more than the asking price compared to the average listing; 44.3% of these quickly selling homes sold for more than the asking price, compared to 17.1% of all homes. As mentioned, Zillow data showed that in the first March since 2020, the difference between the speed at which sold properties move and the duration of all active listings was at its largest. While the market remains volatile and some markets are still posting elevated home prices, homebuyers are continuing to be active, as many consumers are still on the hunt to attain the American Dream.

## DOWN PAYMENT ASSISTANCE SURGES AS GEN Z, MILLENNIALS LEAN ON FAMILY

Nearly 80% of Gen Z homeowners are among the four out of 10 homeowners nationwide

who received financial assistance with the down payment on their current home, according to LendingTree's 2026 Mortgage Down Payment Survey. Over one-third of those who received assistance believe they would not have been able to purchase their home at the time they did without it. Nonetheless, almost two-thirds of Americans believe that homeownership is attainable without family wealth, demonstrating their continued optimism regarding the purchase of a home.

The share of Americans who received assistance with their current home's down payment is rising. The percentage was 35% in 2023. It is 40% now. A closer look reveals a huge generational divide. We discovered that only 35% of Gen X (years 46 to 61) and 12% of baby boomers (ages 62 to 80) homeowners received financial assistance with their current home's down payment, compared to 78% of Gen Z (ages 18 to 29) and 56% of millennials (ages 30 to 45).

Notably, there is far less of a difference in income levels. We discovered that 42% of homeowners making \$100,000 or more received assistance with their down payment, compared to 43% of those making less than \$30,000 annually. But in the

lower-income group, the sample size is much smaller, suggesting a larger possible margin of error.

### Homebuyers, Owners Need Financial Help in Today's Market

Even financial assistance is insufficient for most homeowners to make a down payment of at least 20%, which is the magic number that enables homeowners to significantly lower their monthly mortgage costs and avoid private mortgage insurance (PMI). Just 23% of homebuyers paid 20% or more, while slightly over half (51%) spent less than 20%. Further, an additional 10% were unaware, and 16% failed to make a down payment.

At least 40% of the down payment was provided by aid, according to half of the homeowners who received it. This includes 11% who claim aid accounted for at least 80% of their down payment and 22% who claim assistance accounted for at least 60%.

That percentage is likely to be higher the younger you are. According to data, only 39% of Gen Xers claim that assistance paid 40% or more of their down payment, compared to an estimated 59% of Gen Zers and 55% of millennials. Additionally, men are significantly more likely than women (56% versus 42%) to report that aid accounted for at least 40% of their down payment.

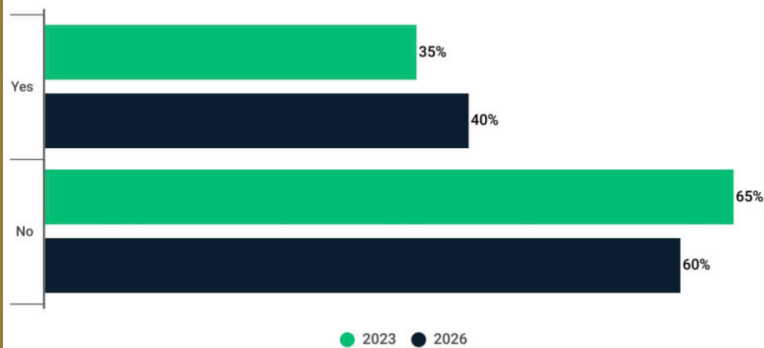
*Note:* The baby boomer sample size is too small to be statistically significant.

Some may ask, in today's economy, where is the most popular place to get help? The simple answer: Mom and Dad. According to LendingTree research, approximately 16% of homeowners claim that their parents assisted with their down payment; this number rises to 27% among Gen Zers, 26% among parents of small children, and 24% among millennials.

Other sources include:

- Friends or other family: 12% (27% of Gen Zers and 19% of millennials say this)
- An inheritance or trust fund: 11% (24% of Gen Zers and 15% of millennials say this)

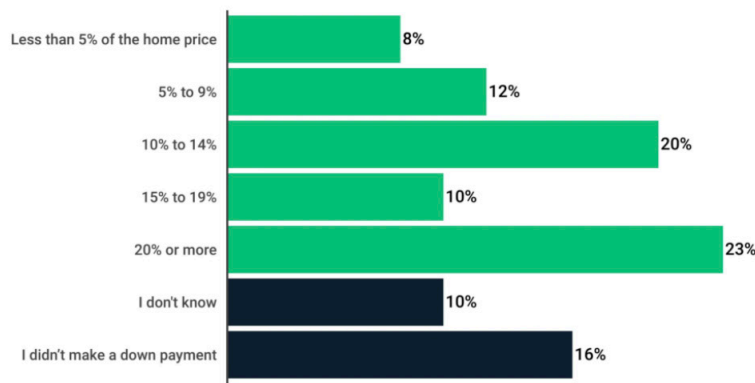
Did you receive any financial help for a down payment on your current home?



Source: LendingTree survey of U.S. homeowners in 2023 and 2026.



How much did you put down as a down payment on your current home?



Source: LendingTree survey of 1,229 U.S. homeowners, conducted in March 2026. Note: Totals don't add to 100% due to rounding.



- Seller concessions: 8%
- A down payment assistance program: 6%
- Employer assistance: 5%

According to survey respondents, the assistance with the down payment was much more likely to be a gift than a loan. Of those who received assistance with their current home down payment, some 48% received it as a gift, some 28% as a loan, and 25% as a combination of the two.

**Without Financial Aid, Many Americans Can't Afford Homes**

Many people who got aid with their current home's down payment found that the additional support was more than merely helpful. It was crucial. Over one-third (35%) of those who received assistance with their down payment on their present home claim that they would not have been able to purchase it at the time they did without it. Compared to men, women are far more likely

to say this (44% versus 29%).

Further, of those who received down payment aid, 43% say it helped them get a mortgage, 33% say it helped them lower their monthly payment, 31% say it helped them afford a larger down payment, and 30% say it allowed them to buy a more costly property. Even if the help had a significant impact, the beneficiaries report feeling conflicted about it. Some 46% of receivers report that their first emotion was thankfulness, followed by relief (19%) and support (14%). However, 21% of Gen Zers reported feeling humiliated, compared to 11% overall.

Nearly half of Americans (46%) anticipate helping a kid or relative purchase a home in the future, according to LendingTree analysts. This percentage rises to 60% of millennials, 63% of Gen Zers, and 75% of parents with small children. But for most Americans, hope endures despite this and the other frequently depressing findings in the study. Homeownership is attainable without family wealth, according to nearly seven out of ten Americans (68%).

With 77% of those earning \$100,000 or more annually and 74% of those earning \$50,000 to \$99,999, high earners are among the most likely to concur. Additionally, 70% of men, 74% of parents of older children, 73% of parents of younger children, and 77% of baby boomers agree. You don't need family wealth to own a home, according to 61% of Gen Zers and 65% of millennials, Gen Xers, and women.

In conclusion, Americans have good cause to be confident about their capacity to finance a home without assistance from a wealthy relative, despite high interest rates and home prices. The fact that there are numerous other forms of assistance accessible to people who desire it—some of which we briefly discussed previously in the report—may be the best explanation.

# HOUSING MARKET DEFIES VOLATILITY WITH RISING LISTINGS AND FEWER PRICE CUTS

According to the Realtor.com April 2026 Monthly Housing Trends Report, the spring housing market demonstrated unexpected resiliency in April despite a tumultuous start to the month defined by skyrocketing gas costs, soaring mortgage rates, and plummeting consumer mood.

Analysts revealed that the number of new listings increased by an estimated 1.1% year over year in April, median list prices decreased for the sixth consecutive month, and the percentage of sellers lowering prices actually decreased, indicating that sellers are entering the market with reasonable expectations rather than panicking due to economic uncertainty and potential affordability challenges.

“The worry going into April was that history would repeat itself,” said Danielle Hale, Chief Economist at Realtor.com. “Last spring, tariff-driven uncertainty and recession fears hit in early April, sidelining sellers and buyers and setting up a cruel summer marked by parties too far apart to transact. This year, different triggers like the Iran conflict, spiking gas prices, [and] surging mortgage rates have threatened the same outcome. The hope was that sellers would continue coming to market at the strong March pace, and that buyers would keep engaging despite the volatility. By those measures, April delivered.”

Further, in April, new listings increased 8.7% month over month. The Northeast (+9.4% year over year) and Midwest (+6.6%), two areas that have long suffered from low inventories, saw the biggest increases. Significantly less significant movement was recorded in the West and South (+0.6% and -3.5%, respectively). Louisville, Kentucky, Virginia Beach, Virginia, and Indianapolis lead the United States in the rise of new listings at the average metro level.

## Popular U.S. Metros & Housing Market Data:

Metro Area	Median days to pending (March 2026)	Median age of all active listings (March 2026)	Share of homes sold within 7 days (February 2026)	Share of homes sold within 7 days that sold above list price (February 2026)	Share of all homes sold above list (February 2026)
U.S.	19	56	18.5%	44.3%	17.1%
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Dallas	25	52	13.6%	36.5%	9.6%
Houston	34	73	11.9%	28.1%	7.5%
Washington, DC	7	24	33.5%	62.1%	28.1%
Philadelphia	9	27	28.2%	60.7%	29.2%
Miami	53	104	8.9%	19.4%	4.9%
Atlanta	33	59	8.6%	36.1%	12.7%
Boston	8	18	28.7%	69.6%	32.6%

Metric	April 2026	Change over March 2026 (MoM)	Change over Apr. 2025 (YoY)	Change over Apr. 2019	Change over Apr. 2022
Median listing price	\$425,000	2.3%	-1.4%	34.9%	1.3%
Active listings	1,002,935	4.0%	4.6%	-11.8%	163.9%
New listings	477,116	8.7%	1.1%	-13.6%	-3.7%
Median days on market	52	-6	2	-2	22
Share of active listings with price reductions	16.7%	0.5	-1.2	2.3	9.9
Median list price per square ft.	\$227	1.1%	-2.4%	50.3%	3.8%

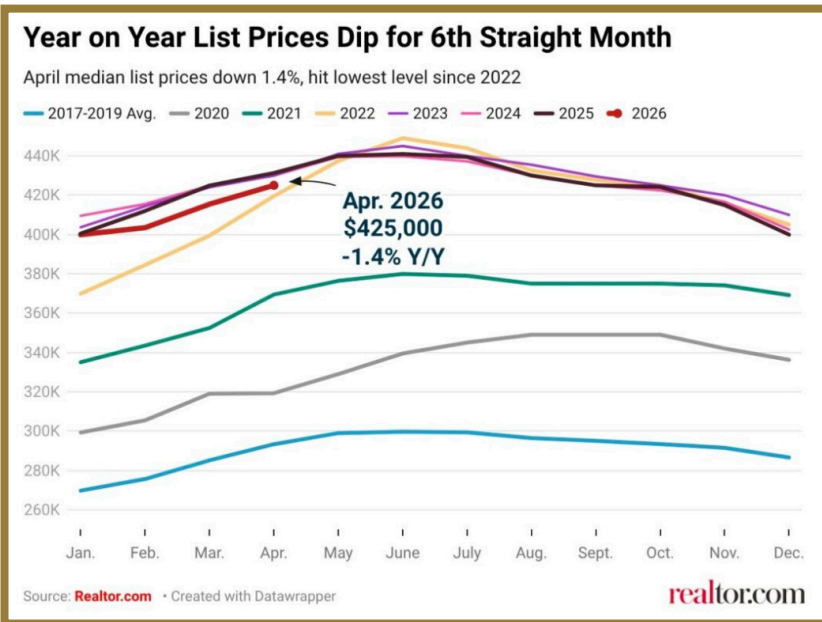
April’s nationwide median list price was \$425,000, up 2.3% from March in a usual seasonal pattern but down 1.4% year over year, continuing a nine-month trend of flat or dropping annual prices. The price per square foot, which takes into consideration the shifting size distribution of available homes, decreased 2.4% annually to \$227. All four of the major regions saw year-over-year drops in median list prices, which ranged from -3.1% in the West to -0.1% in the Midwest. Memphis, Tennessee (-12.9%), Austin, Texas (-9.5%), and Los Angeles (-8.1) saw the biggest drops in the South and West.

Perhaps the most telling price signal in April came from what did not happen, as price drops fell rather than spiking. The share of active listings with a price reduction declined 1.2 percentage points year over year to 16.7%—even as overall list prices continued to soften.

“Compared to last year, 2026 has seen both fewer price cuts and lower median list prices,” said Jake Krimmel, Senior Economist at Realtor.com. “That combination suggests sellers have internalized the generally more buyer-friendly market conditions and are adjusting price expectations before listing rather than after. This is a meaningful behavioral shift.”

Regional and Metro Housing Overview — April 2026:

Region	Active listing count (YoY)	New listing count (YoY)	Median list price	Median list price (YoY)	Median list price per SF (YoY)	Median days on market, YoY (Days)	Price reduced share	Price reduced share, YoY (Percentage points)
Northeast	9.3%	9.4%	\$537,450	-2.3%	-0.3%	-1	10.2%	0.4
Midwest	11.5%	6.6%	\$319,450	-0.1%	1.3%	3	13.4%	0.6
South	1.8%	0.6%	\$386,500	-2.6%	-3.4%	3	18.8%	-1.8
West	5.8%	-3.5%	\$599,450	-3.1%	-1.7%	4	17.9%	-1.1
National Average	4.6%	1.1%	\$425,000	-1.4%	-2.4%	2	16.7%	-1.2



**Housing Inventory, Days on Market Show Signs of Movement**

Even while the rate of growth has slowed from the previous month's 8.1% increase, active listings increased 4.6% year over year to 1,002,935 in April. After a 13.8% shortfall the previous month, the national stockpile is still 11.8% below average pre-pandemic levels from 2017 to 2019. Interestingly, the rise of new listings is somewhat accelerating while the increase of active inventory is slowing down; this difference suggests that the market is cycling through fresher inventory. The main question for May will be whether that results in increased sales.

The median home was on the market for 52 days in April, which is two days longer than it was a year earlier. This is the

25th straight month that sales have slowed down year over year. Homes are still selling four days quicker than they did before the outbreak. All four regions had a little increase in time on market (Midwest +3; South +3; West +4 days), whereas the Northeast saw a decrease (-1 day).

Mortgage rates dropped for three weeks in a row after reaching a peak of 6.46% on April 2nd, ending the month below 6.30%. Although rates are still higher than they have been for most of the previous six months, they are significantly lower than the previous two April rates (7.17% in April 2024 and 6.81% in April 2025), giving buyers a real increase in affordability over recent springs. Applications for mortgage purchases, which declined in March, increased in

April. This is in line with the rise in new listings and suggests that purchasers have not been completely ignored by the volatility.

“Although rates have eased from their peak in early April, they are still higher than earlier this year, but well below the past two Aprils,” Krimmel said. “Between the rebound in mortgage purchase applications and the continued rise in new listings, it looks as though buyers are relatively unfazed by the volatility. Even so, a resolution to the recent geopolitical uncertainty would do a world of good for the U.S. consumer and homebuyer.”

Overall, the two most important factors to keep an eye on going into May are whether the momentum for new listings continues, especially in the Northeast and Midwest, where those gains are essential to reversing the cycle of high prices and low inventory lock-in, and whether reduced list prices result in more pending sales. There is a discrepancy between the increase in new listings and the rise in active inventory, which suggests more sales and fresher inventory. The effectiveness of the price adjustment will be verified by May's forthcoming sales figures.

“It's too early to declare the spring housing market has weathered the storm, but there's renewed reason for cautious optimism,” Krimmel noted. “The leading indicators that would signal trouble—seller pullback, spiking cancellations, surging price cuts—are, if anything, moving in the right direction. New listings are up, contract cancellations are normal, and seller price cuts that can reveal concern are down.”

## “slow-motion housing correction”

**Jason Allnutt**, Auction.com CEO, explained how, despite a pessimistic outlook, a record-low 36% of homebuyers said their local property market was overpriced, indicating that an increasing number of markets are at their lowest, most affordable levels in five years, with local community developers buying at auction expecting a sluggish housing correction to continue in 2026.



## “sluggish”

**Lawrence Yun**, Chief Economist for the National Association of Realtors, revealed that existing-home sales decreased month over month in March, continuing their sluggish trend and remaining below the pace of the previous year, with homebuyers still discouraged by persistently low consumer confidence and slower job growth.



## “housing market remains cloudy”

**Lisa Sturtevant**, Chief Economist at Bright MLS, explained that although there were encouraging indications that affordability was improving, the U.S. housing market is still facing challenges due to rising rates and increased uncertainty, and due to the continuous shortage of supply, housing prices are expected to remain constant this spring despite lower demand.



## “homebuyers are overwhelmed”

**Dave Steinmetz**, President of Origination Services for ServiceLink, discussed how today's homebuyers remain stressed by paperwork, negotiations, obtaining fair rates, and determining the true cost of housing, with many compelled to make concessions, going over their spending limits while still not obtaining all of their desired home features.



## “navigating a very different market”

**Danielle Hale**, Chief Economist at Realtor.com, noted how U.S. homebuyers in metros like Houston or San Antonio are navigating a significantly contrasting market than those in places like Hartford, CT, or Milwaukee, with buyer trends, prices, and affordability notably differing by region, state, and city.



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