



## 70% of Freddie's Portfolio Suggests Refis Aren't Dead

Freddie Mac reported this week that its total **mortgage portfolio increased at an annualized rate of 27.7 percent in August** compared to a 20.0 percent gain in July. The portfolio balance at the end of the period was \$2.533 trillion compared to \$2.476 trillion the prior month and \$2.275 trillion a year earlier. The growth rate for the year to date is 13.0 percent.

Purchases and Issuances totaled \$131.140 billion and Sales were (\$898) billion. The July numbers were \$116.83 billion and (\$3.803) billion, respectively.

**Single-family refinance loan purchase and guarantee volume** was \$87.200 billion in August compared to \$77.700 billion in July, **representing a 70 percent share of total single-family mortgage portfolio** purchases and issuances compared to 72 percent the previous month.

Purchases in Freddie Mac's Mortgage Related Investments Portfolio totaled \$94.753 billion for the month compared to \$86.189 billion during the prior period. Liquidations were (\$2.405) billion and (\$2.318) billion for August and July respectively and Sales for the two periods were (\$89.432) and (\$84.665) billion. The ending balance in the portfolio was \$196.232 billion, compared to \$193.316 billion in July and \$218.630 billion in August 2019.

The Mortgage Related Investments portfolio grew 18.1 percent compared to a decline of (4.9) percent a month earlier. The annualized growth in August 2019 was (1.3) percent.

The ending balance of the Mortgage Related Investments Portfolio was composed of \$84.724 billion in Mortgage Related Securities, Mortgage Loans valued at \$106.697 billion, Non-Agency, non-Freddie Mac Mortgage-Related Securities at \$1.486 billion; and Agency non-Freddie Mac Mortgage related securities of \$3.225 billion. Mortgage related securities and other guarantee commitments increased at an annualized rate of 23.8 percent; a half point increase compared to the previous month.

Freddie Mac's single-family **delinquency rate increased from 3.12 percent in July to 3.17 percent in August**. The rate has risen by 236 basis points since May. The multi-family delinquency rate increased to 13 percent from 0.9 percent month-over-month.

Freddie Mac said the measure of its exposure to changes in portfolio value averaged \$134 million in August compared to \$80 million in July.



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