

# How Mortgage Brokers View The Booming Alt A Market

## New Research Aimed at Understanding the Fastest Growing Sector of the Mortgage Business

### *A National Campbell Communications Survey Sponsored by Inside Mortgage Finance*

While total mortgage originations are expected to tumble by 25 percent or more this year, one sector of the mortgage lending business is continuing to post double digit production gains. It's the red-hot Alt A market, and it is a niche no serious mortgage industry player can afford to ignore.

Now lenders can make the best strategic business decisions about the constantly changing Alt A market with the latest research on this very important sector.

A major new survey of mortgage broker attitudes toward the Alt A space and wholesale lenders, sponsored by Inside Mortgage Finance and conducted by Campbell Communications, will provide you with a roadmap for building – and maintaining – your company's Alt A business.

### **Find Out What Makes the Alt A Market Tick in 2006**

This first-ever Alt A survey will focus on key issues related to broker business convergence, pricing, product guidelines, and convenience vs. necessity in choosing programs.

It will address such issues as:

- ? • How often do brokers originating Alt A loans also originate prime conforming, jumbo, and subprime?
- ? • For lenders with multiple product lines, do brokers prefer a single sales contact or multiple AEs with in-depth product knowledge?
- ? • What are typical YSPs, points, and fees for Alt A loans?
- ? • Which program guidelines are major impediments in growing Alt A business?
- ? • What are the most common reasons that borrowers choose to not document income – and are they related to convenience, not necessity?
- ? • What are the most important factors for brokers in selecting an Alt A lender?
- ? • How do brokers rate specific lenders as sources for Alt A loans – on factors most important to brokers?
- ? • What are the most popular Alt A lenders by product category?





## How Mortgage Brokers View Alt A Market and Lender Relationships

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### Detailed Rankings and Ratings of Major Lenders Serving Key Alt A Categories

Mortgage brokers rank and rate specific lenders on:

#### Pricing

- Competitive rates
- Low closing costs
- Rate discounts for high volume
- Discounts for high pull-through rates
- Discounts for electronic submission

#### Service

- Overall AE service
- Has local AE
- Electronic services
- Centralized call center service

#### Underwriting

- Underwriter solves problems
- Reliable pre-approvals, no cost increases
- Fast underwriting turn times
- Underwriter applies compensating factors

#### Loan programs

- Broad range of Alt A programs
- Also offers subprime programs
- Also offers prime programs
- Also offers interest-only
- Also offers option ARMs

### Actionable Data to Improve Marketing Focus

The survey report will provide Alt A lenders' executives specific, actionable information to allocate scarce marketing resources – with detailed information about the how brokers consider various factors in keeping lender relationships or seeking new ones, including:

- Program guidelines that prevent use of lenders for ALT A production
- Very competitive interest rates
- Faster turn times
- Soliciting customers for refinances
- Competition with retail divisions
- Importance of electronic services
- Trust in lender brand name
- And other important considerations

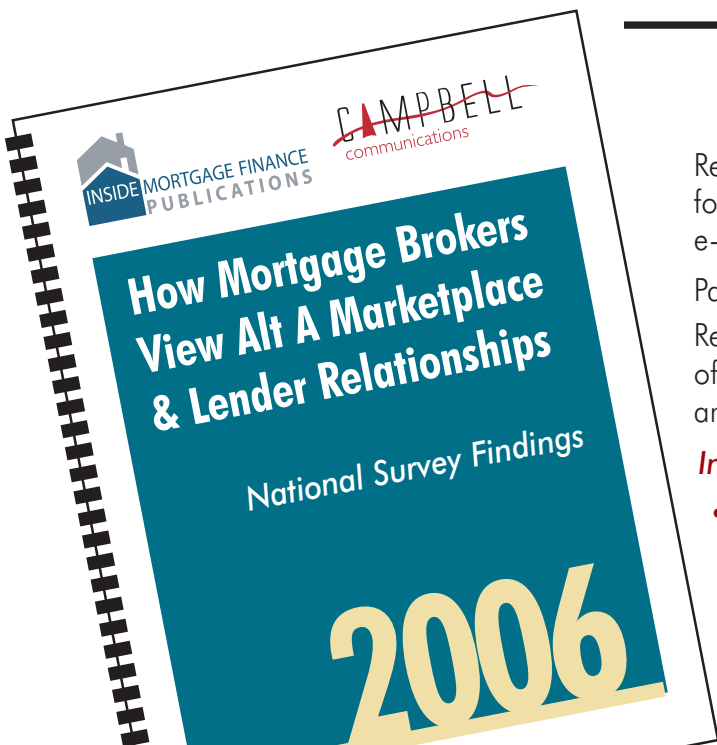
### Leveraging Previous Major Research Studies

This comprehensive new project builds on our 2003-2006 surveys of mortgage brokers in prime and nonprime lending, our 2005-2006 surveys of correspondent lenders, and our 2003-2006 surveys of real estate agents and brokers – probing attitudes toward key lending relationships and specific lenders and investors. Each year, a majority of the nation's largest wholesale and retail lenders count on our survey findings to improve their competition position in a fast-changing marketplace. For more information about previous research, see [www.campbellsurveys.com](http://www.campbellsurveys.com).





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## Methodology

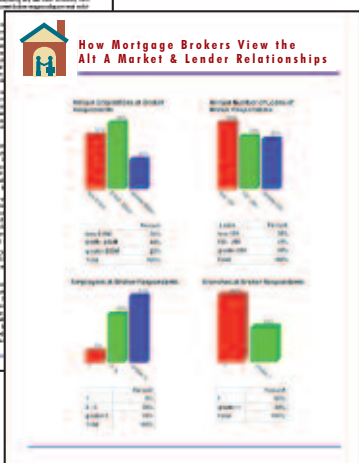
Respondents are invited to complete the survey form on a secure web site after promotion through e-mail messages.

Participants complete the survey online.

Respondents are assured anonymity, ensuring validity of responses and higher response rate; their names and firms are kept confidential.

### Incentive for respondents to participate:

- **Complimentary summary report.** Following analysis and tabulation, all respondents will receive an electronic copy of generic findings — not strategic, proprietary information — on the attitudes of their peers toward loan programs and process.
- **Ease of participation.** Simple online function, web-based, can be accomplished at convenience of respondent at home or office, day or night.
- **Length and simplicity.** Relatively brief instrument requires little time, no need to refer to documents. Virtually all information needed is present in mind of respondent.



## Targeted Respondents

Targeted respondents were recruited in two ways:

- A substantial sample of the nation's mortgage brokers, recruited via a proprietary database of 50,000 e-mail addresses.
- Additional respondents recruited through lender notification.

For more information, call 202.363.2069



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### Review the Survey Online

The survey instrument may be reviewed at [www.campbellsurveys.com/AltA06](http://www.campbellsurveys.com/AltA06). Designed by Geosegment Systems and Campbell Communications, with input from Inside Mortgage Finance Publications, as well as lenders and brokers. Pre-tested regarding content and online compatibility.

#### Survey Timing

The survey is being conducted in September 2006. Full report to be delivered in late October 2006.

#### Full Report Contents

A complete set of survey findings will be provided, consisting of data analysis, summary tables, color graphs, and interpretative narrative. Analysis and preparation of report by Campbell Communications and Geosegment Systems. Documents in PDF format with permission to print out and duplicate copies for companies' internal use. Purchasers may obtain PowerPoint versions of graphs and tables at no extra charge.

#### Pricing and Delivery

Price of the full report is \$12,500. Customers will receive expedited electronic delivery of findings in order of purchase.

#### Questions and Further Information

Call John Campbell 202.363.2069, or e-mail [john@campbellsurveys.com](mailto:john@campbellsurveys.com).

### To Order Survey Report

- E-mail [info@campbellsurveys.com](mailto:info@campbellsurveys.com), providing name and company name and contact information
- Call 202.363.2069



Inside Mortgage Finance Publications, Inc. is a leading publisher of strategic newsletters in the mortgage industry. Campbell Communications, Inc. is a marketing and research firm which conducts syndicated surveys in vertical markets. The survey instruments in this and other projects undertaken by the two firms are designed by Geosegment Systems Corporation, a market research firm specializing in the mortgage industry.

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