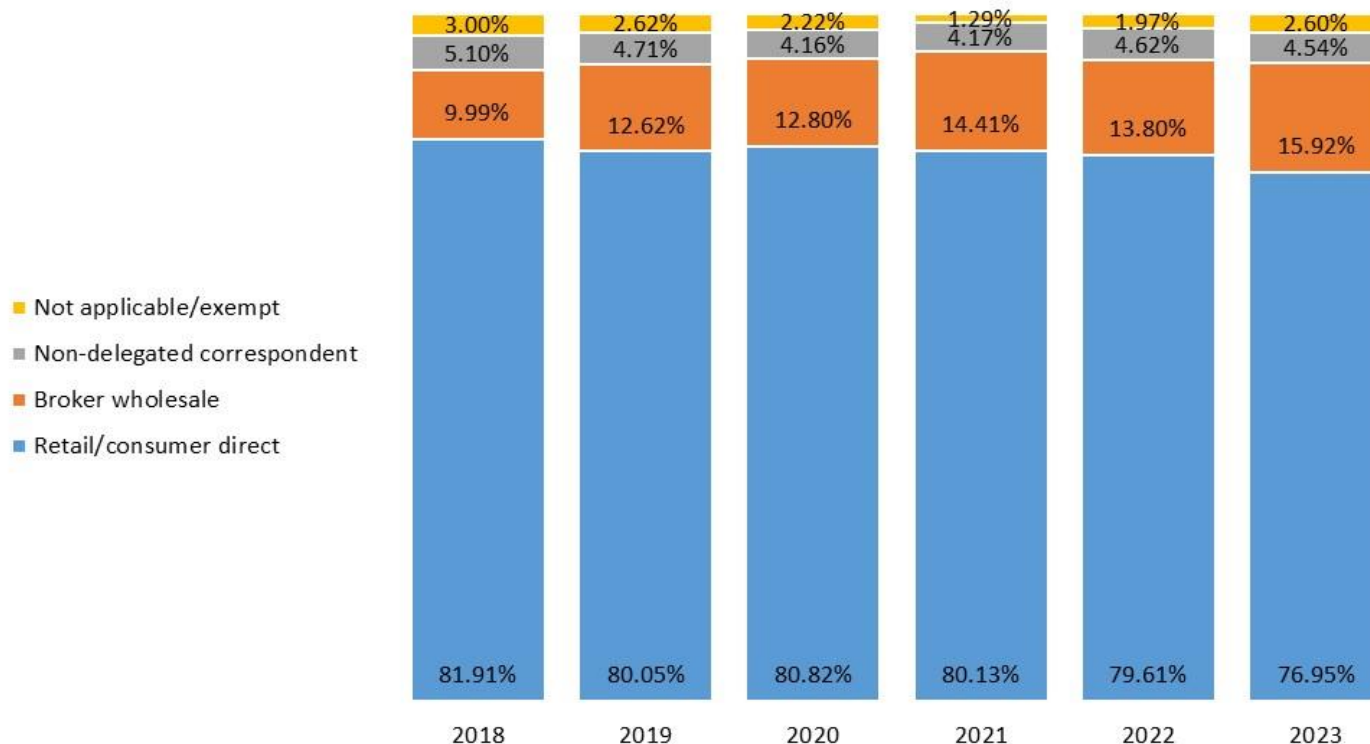


Chart of the Week – September 27, 2024

Share of Originations (\$) by Production Channel



Source: 2019-2023 Home Mortgage Disclosure Act (HMDA)

The broker wholesale and non-delegated correspondent production channels accounted for a combined 20.5 percent of dollar volume originated in 2023 per MBA’s analyses of the Home Mortgage Disclosure Act (HMDA) data. This is the highest combined share on record for these channels since 2018 when MBA first started tracking this data upon expansion of the HMDA dataset. The broker wholesale channel accounted for the entirety of this growth in share – picking up nearly 6 percent of dollar volume, from 10 percent in 2018 to 16 percent in 2023. The non-delegated correspondent channel, in contrast, held steady and accounted for 4-5 percent of originations over the past six years. The retail and consumer direct channels remain the predominant origination channels at a combined 77 percent of volume in 2023, and another 3 percent of volume is unclassified due to HMDA reporting exemptions. The delegated correspondent channel is excluded from this analysis.

Growth in the broker wholesale and non-delegated correspondent channels aligns with a continued shift in the overall lender and borrower landscape. Non-depository lenders (IMBs) – who have increased their market share in recent years and originated 61 percent of dollar volume in 2023 – also account for the majority of the wholesale channel. In 2023, 40 percent of all broker wholesale and non-delegated correspondent lenders were IMBs, accounting for only 27 percent of retail and consumer direct lenders. IMBs originated 86 percent of broker and non-del dollar volume last year but 57 percent of retail and CD volume.

The broker and non-del channels also serve a higher percentage of minority borrowers, likely due to IMBs’ higher share of government (specifically FHA) products that focus on first-time and low-to-moderate income homebuyers. Across all channels, 27 percent of home purchase loans for owner-occupied properties originated in 2023 were for minority

borrowers; however, this percentage was higher for the broker and non-del channels at 33 percent, compared to 25 percent for the retail and CD channels.

MBA's HMDA data analyses utilize the following exclusion criteria: 1-4 unit, closed-end (or exempt), 1st lien loans originated through the retail/consumer direct, broker wholesale, or non-delegated correspondent channels. They exclude loans purchased through the delegated correspondent channel, home improvement loans and loans with "other" or "not applicable" purposes. Though earlier iterations of the HMDA data are published by the CFPB in spring and early summer, MBA waits to publish its own analyses until mid-summer, after scrubbing the dataset of errors and outliers and allowing reporters time to correct and resubmit their data.

Please visit MBA's [HMDA webpage](#) to view our suite of standard HMDA reports and explore custom reporting options. Our [HMDA Residential Originations Databook](#) (with 2023 data) is currently available for purchase and our [HMDA Executive Databook](#) is FREE for MBA members.