Market Research

Target Market Age Group: 30-64

Target Market Category: Small Business Owners

Texas Luxury Home Sales –

* Austin-Round Rock
* Dallas-Fort Worth-Arlington
* Houston-The Woodlands-Sugar Land
* San Antonio-New Braunfels

How many small businesses?

Florida: 2,500,000

Texas: 2,600,000

Maryland: 581,712

DC: 68,236

Virginia: 732,962

Total: 6,482,910

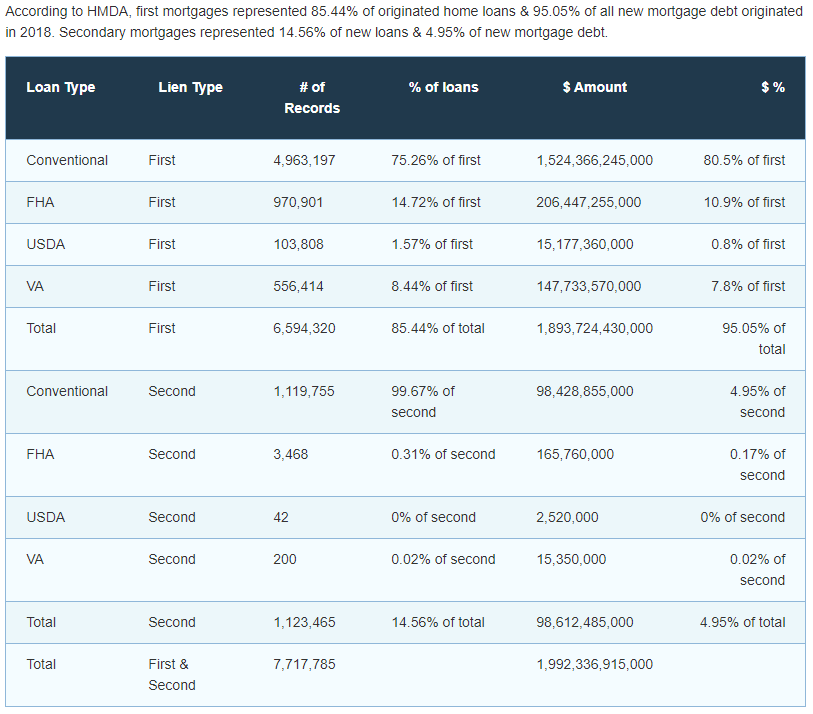
<https://finance.yahoo.com/news/size-u-mortgage-market-2020-154148225.html>

The size of the US Mortgage Market in 2020 is $11.05 Trillion – measured by outstanding mortgages.

<https://www.mortgagecalculator.org/helpful-advice/mortgage-statistics.php>

At the end of the second quarter of 2019, there were 13.86 trillion Dollars in outstanding household debt across the United States. Housing debt totals $9.81 trillion, or 70.78% of the total.





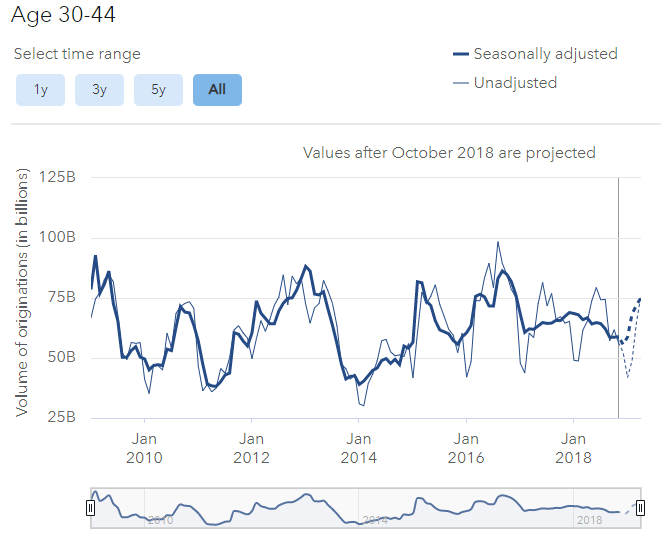
Average loan size: $258,148.797

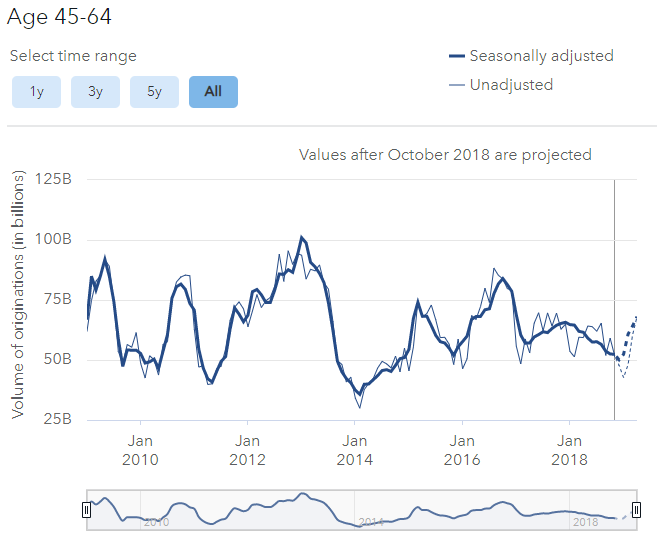
Total NonQM Units (4%): 308,711.40

Total NonQM Volume (4%): $79,693,476,600

<https://www.consumerfinance.gov/data-research/consumer-credit-trends/mortgages/lending-borrower-age/>

Lending by Borrower Age





Younger than 30: 14.7B

30-44: 56.8B (41.37%)

45-64: 52.3B (38.09%)

65+: 13.5B

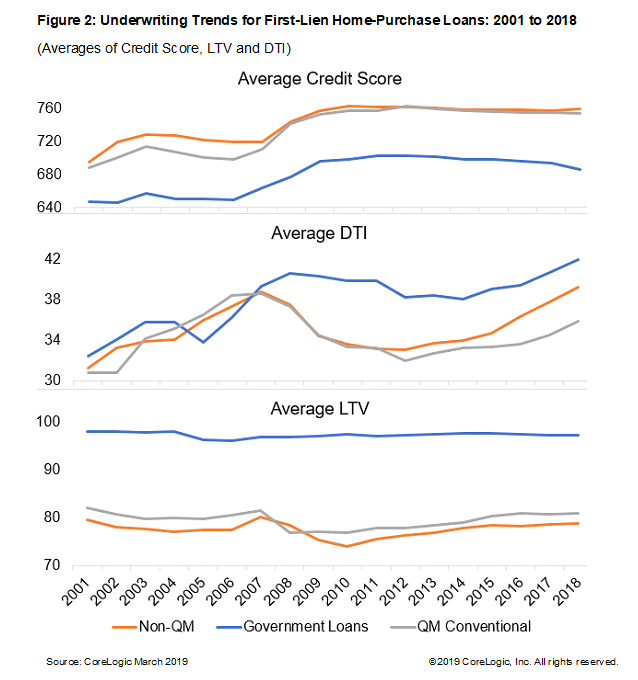
Total $137.3B

The non-QM definition is very broad but tends to incorporate four types of borrower: the self-employed, those borrowing for investment properties, those with a debt-to-income (DTI) of more than 43% and loans to foreign nationals.  
  
Full article: <https://www.euromoney.com/article/b1hxbln3fdlb8d/us-rmbs-is-non-qm-the-new-sub-prime?copyrightInfo=true>  
Visit <http://www.euromoney.com/reprints> for additional distribution rights. For more articles like this, follow us [@euromoney](https://twitter.com/euromoney) on Twitter.

<https://themreport.com/daily-dose/10-24-2019/risk-and-reward-in-the-non-qm-market>

In fact, according to CoreLogic, the total non-QM loan market only made up about 4% of total mortgage originations in 2018.

<https://www.corelogic.com/blog/2019/03/characteristics-of-todays-non-qualified-mortgages.aspx>



Today’s non-QMs are high quality. They are vastly different and safer than their pre-crisis counterparts. Figure 2 shows the trend of three major variables of underwriting for first-lien home purchase loans: credit score, DTI and loan-to-value (LTV) ratio. In 2018, the average credit score of homebuyers with non-QMs was 760, compared to a score of 754 for homebuyers with QMs. Similarly, the average first-lien LTV for borrowers with non-QMs was 79 percent compared to 81 percent for borrowers with QMs. However, average DTI for homebuyers with non-QMs was higher compared with the DTI for borrowers with QMs.[[4]](https://www.corelogic.com/blog/2019/03/characteristics-of-todays-non-qualified-mortgages.aspx" \l "_ftn4)

Despite having DTI ratios that are higher than conventional QM loans today, non-QMs are performing very well. Both the non-QM and QM conventional loans had low delinquency rates in 2018. In fact, the serious delinquency rate for non-QM loans is slightly lower than the rate for conventional QM loans and government-insured loans in 2018. Lenders are using high credit score and low LTV to help offset the added risk from high DTI, limited documentation and interest-only non-QM loans.

Housing Reports

Units Sold/Median Sales Price 2019

* Maryland: 81,129/$299,022 ($24.2B)
* Virginia: 126,305/$295,000 (37.2B)
* DC: 8,737/$590,250 ($5.1B)
* Texas: 357,238/$240,000 ($85.7B)
* Florida: 293,325/$264,500 ($77.5B)
* TOTAL MARKET (REGION PHASE 1): $229.7B