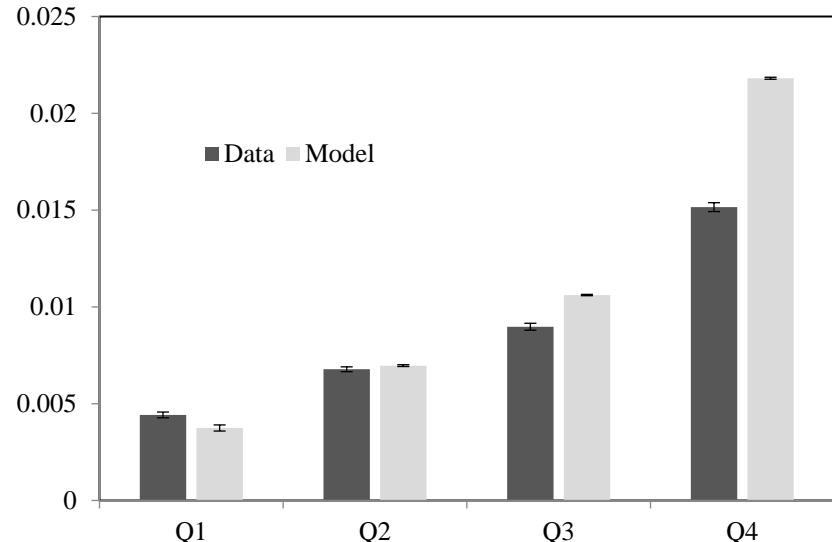
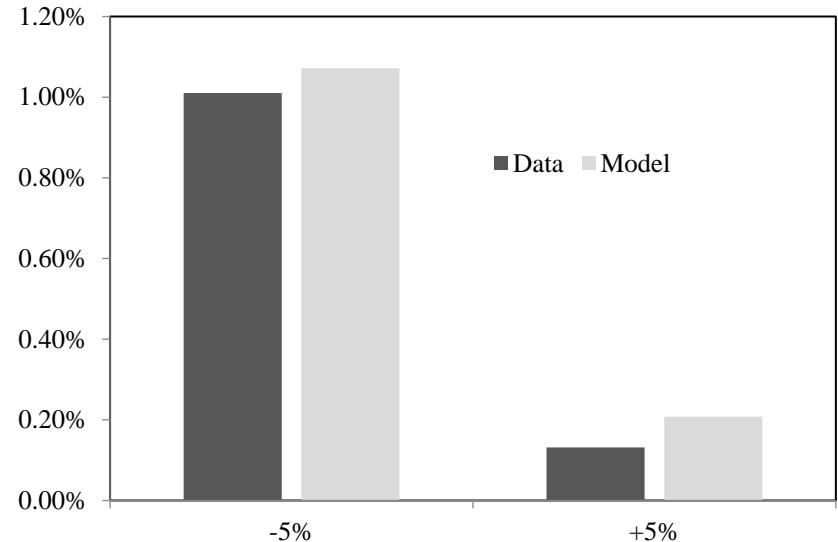


**Figure 8: Empirical versus Model Conforming Loan Bunching**

This figure shows actual and predicted market shares around the conforming loan limit. Panel A bins markets by predicted bunching quantile and plots the average market share of originations within +/-1pp of the conforming loan limit, with standard errors shown. The dark gray bars are actual bunching market share; the gray bars are the bunching share predicted by the model. Panel B shows the average market share across all markets for +/-5pp of the conforming loan limit. Data are from HMDA and the estimated model.



(a) Actual and predicted bunching share by predicted quartile



(b) Actual and predicted market share around conforming loan limit