



# MORTGAGE MONITOR



***JUNE 2018 REPORT***





# MORTGAGE MONITOR

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## JUNE 2018 OVERVIEW

Each month, the Black Knight Mortgage Monitor looks at a variety of issues related to the mortgage finance and housing industries.

This month, as always, we begin with a review of some of the high-level mortgage performance statistics reported in the company's [most recent First Look report](#), with an update on delinquency, foreclosure and prepayment trends. Then, with full Q2 loan-level mortgage performance data in hand, we take a closer look at mortgage performance trends over the first half of 2018, including default activity, serious delinquencies, and remaining hurricane-related effects.

Next, leveraging the latest data from the Black Knight Home Price Index, we break down the slowing rate of home price appreciation across the country, examining how rising interest rates may be influencing borrowers' buying behavior. Finally, we provide an in-depth look at the declining population of outstanding adjustable rate mortgages (ARMs), with a focus on how rising short-term interest rates are impacting borrowers in post-reset ARMs.

In producing the Mortgage Monitor, Black Knight's Data & Analytics division aggregates, analyzes and reports upon the most recently available mortgage performance data from the company's [McDash loan-level database](#). For more information on McDash or Black Knight Data & Analytics in general, please call 844-474-2537 or email [mortgage.monitor@bkfs.com](mailto:mortgage.monitor@bkfs.com).



Here we have an overview of findings from [Black Knight's 'First Look' at June mortgage performance data](#). This information has been compiled from Black Knight's [McDash](#) loan-level mortgage performance database. You may click on each chart to see its contents in high-resolution.

### JUNE OVERVIEW STATS



#### CHANGE IN DELINQUENCY RATE

June delinquency increases are extremely common

Despite the uptick, delinquencies are still **2%** below last year's level



#### TOTAL FORECLOSURE STARTS

At **43.5K** June had the fewest foreclosure starts in more than **17 years**

Foreclosure starts were down **23%** from last June



#### ACTIVE FORECLOSURES

Active foreclosure fell below **300K** for the first time in nearly **12 years**

119K fewer loans were in foreclosure than last June, a **30%** decline

**60%** of June foreclosure starts were repeat actions on loans that had been in foreclosure at least once before; **78%** of these were 2008 and earlier vintages

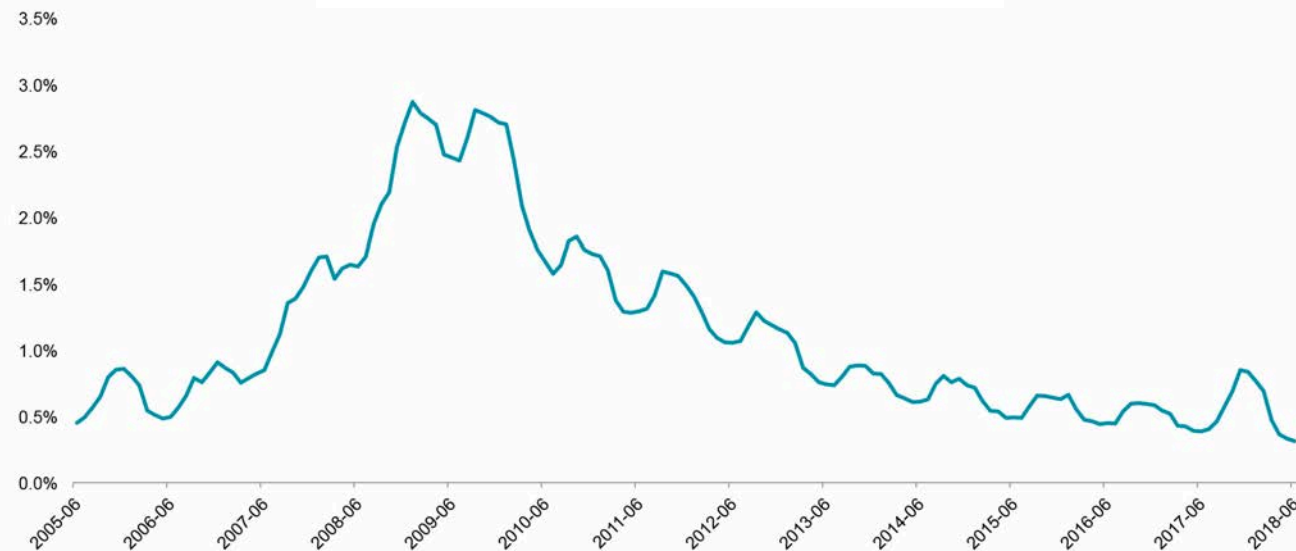


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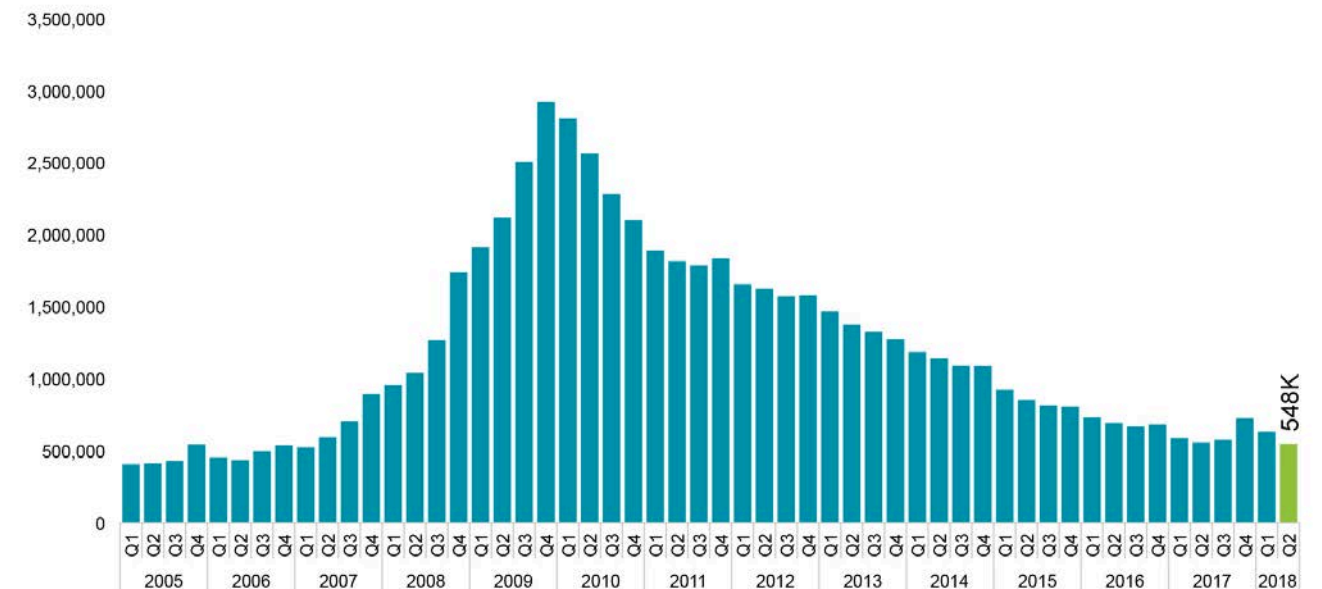
## JUNE 2018 MID-YEAR PERFORMANCE HIGHLIGHTS

Here, with full Q2 loan-level mortgage performance data in hand, we take a closer look at performance trends over the first half of 2018, including default activity, serious delinquencies and remaining hurricane-related effects. This information has been compiled from Black Knight's [McDash](#) loan-level mortgage performance database. You may click on each chart to see its contents in high-resolution.

**NEW SEVERE DELINQUENCY RATES**  
(90+ DAY DQS THAT WERE CURRENT 6 MONTHS AGO)



**90+ DAY DELINQUENT INVENTORY**



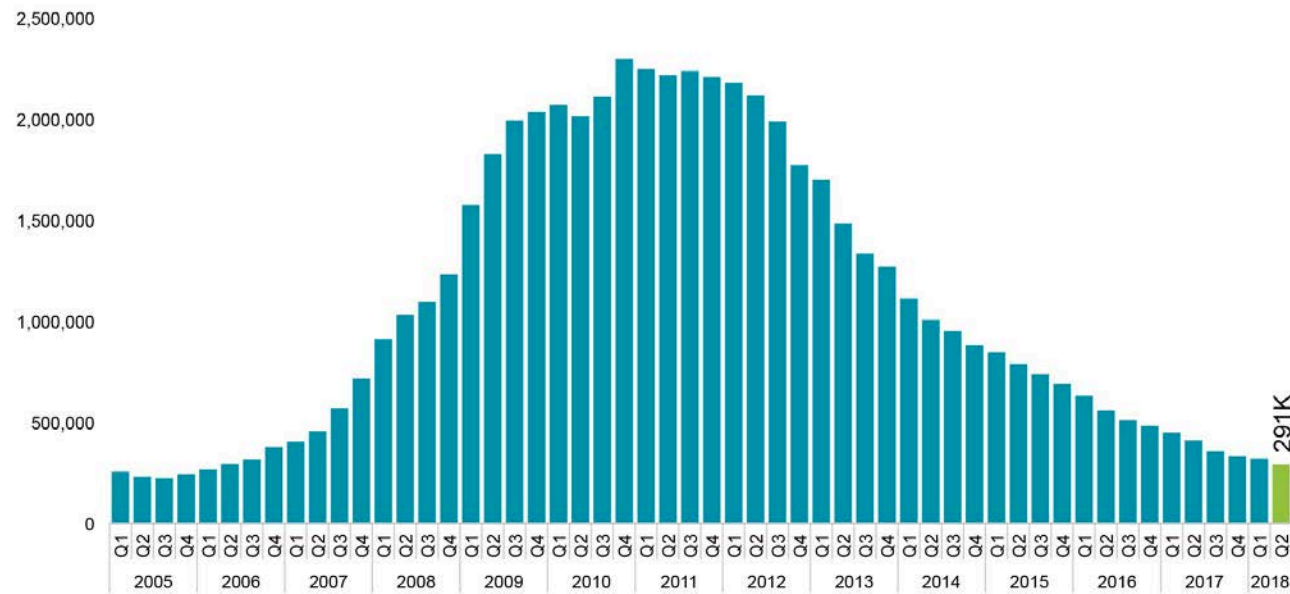
- » After spiking in the wake of the 2017 hurricane season, the inflow of new seriously delinquent loans improved significantly in Q2 2018
- » New severe delinquency rates set record lows for the century in each of the past two months

- » Low inflow of new 90-day past due loans, coupled with improving hurricane-related delinquencies have brought overall seriously delinquent inventory to a post-recession low
- » June's total of 548K 90-day delinquencies is the lowest since May 2007



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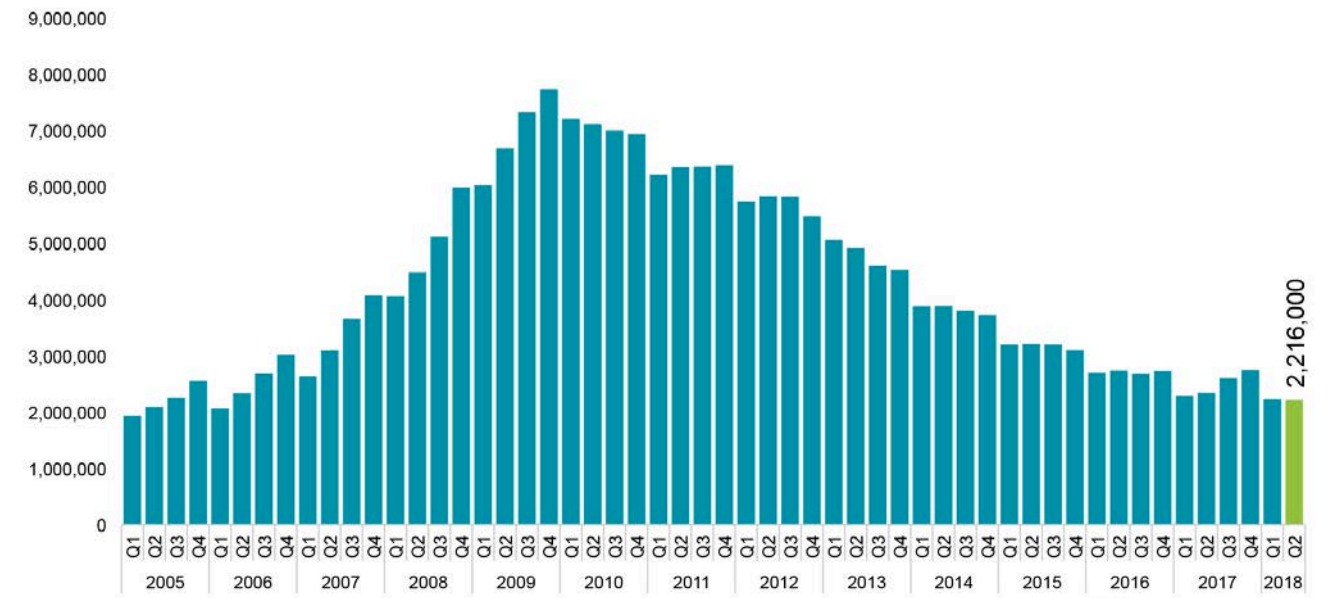
## ACTIVE FORECLOSURE INVENTORY



- » Unlike 90-day delinquencies, foreclosure volumes did not rise following last year's hurricane season
- » In fact, moratoria put in place in storm-affected areas actually aided overall foreclosure inventory decline over the past 12 months
- » As of June, fewer than 300K active foreclosures remain nationwide, down 30% from last year and the lowest volume since Q3 2006

## JUNE 2018 MID-YEAR PERFORMANCE HIGHLIGHTS

## NON-CURRENT INVENTORY

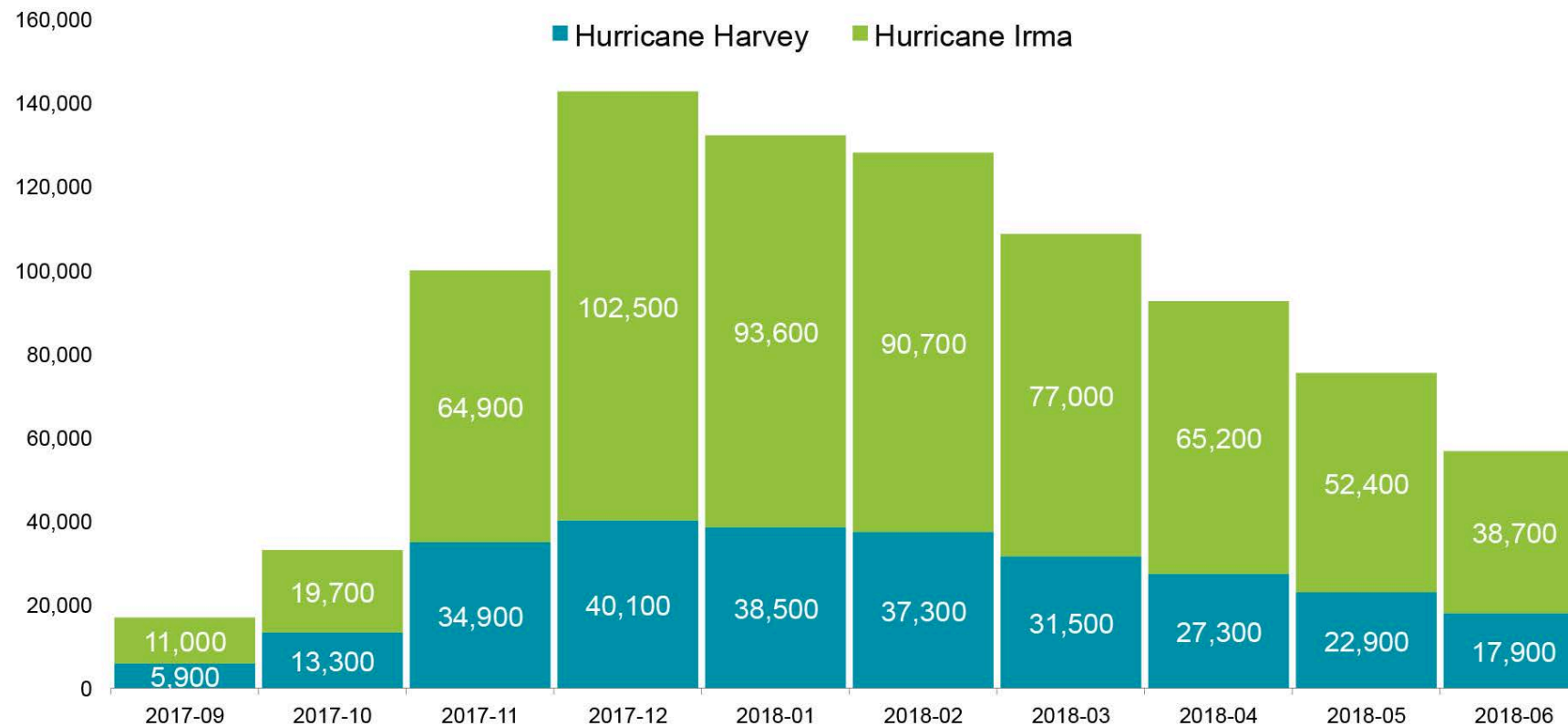


- » Just over 2.2M mortgages in the U.S. are 30 or more days past due or in active foreclosure
- » While also heavily impacted by the 2017 hurricane season, total non-current inventory has dropped back below pre-hurricane levels as well
- » Total non-current inventory fell by 126K over the past 12 months, hitting its lowest point since Q3 2005 in May before ticking up seasonally in June





### HURRICANE-RELATED 90+ DAY DELINQUENCIES – MAINLAND U.S.

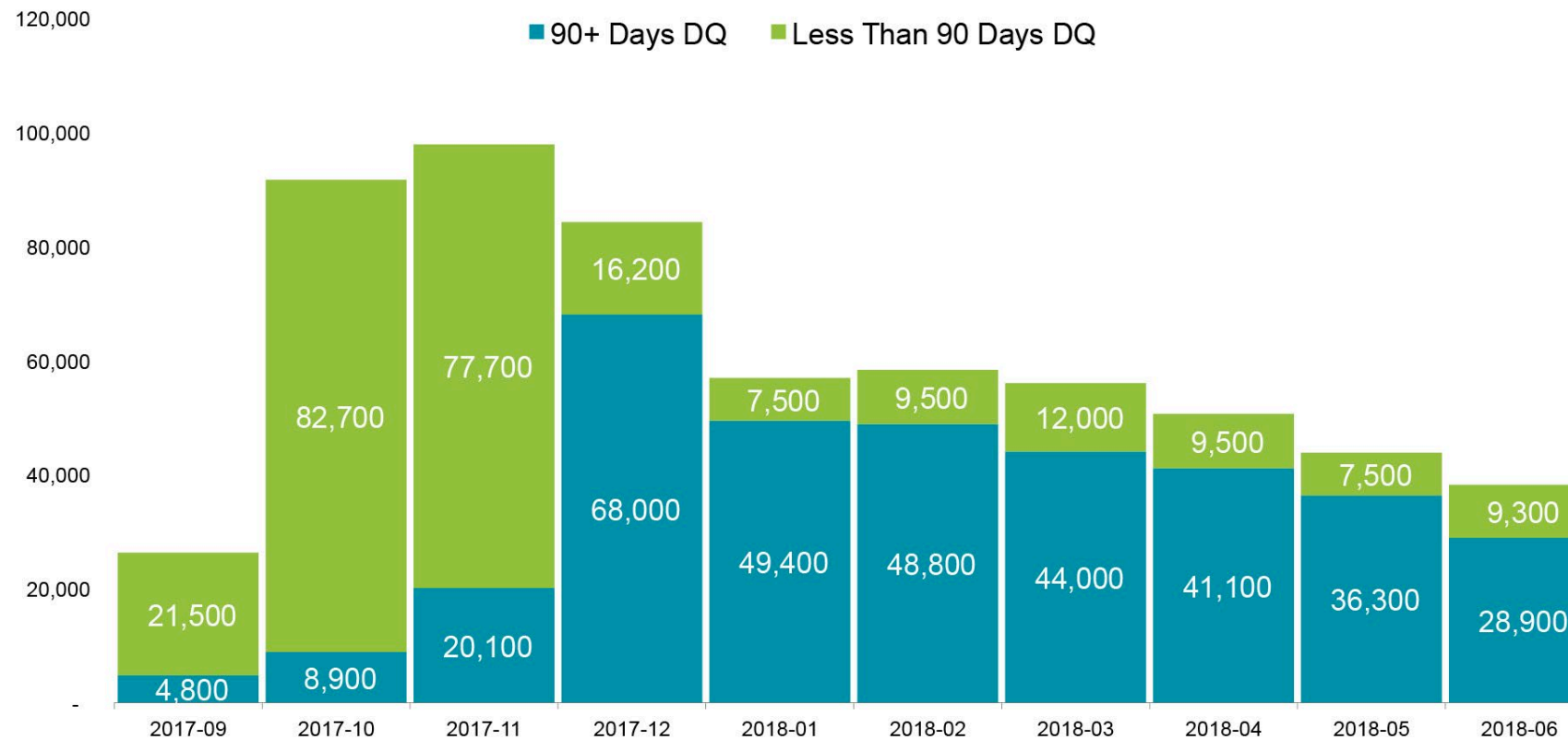


Of the nearly **230K** borrowers in the mainland U.S. who became past due as a result of last year's storms, **more than 75%** are no longer delinquent

- » Hurricane-related delinquencies declined 25% in the mainland U.S. in June
- » This marks the largest single-month improvement since the hurricane recovery began, with an estimated 56.6K serious delinquencies remaining
- » That number represents more than 10% of the entire nation's serious delinquencies
- » Improvement is strengthening in both Harvey- and Irma-affected areas
- » Irma-related delinquencies are down 77% from their peak, despite that storm making landfall after Hurricane Harvey
- » In Harvey-affected areas the decline is now 73%, a number that has been improving in recent months



### HURRICANE-RELATED DELINQUENCIES – PUERTO RICO



**Over half** of the estimated **98K** borrowers who ended up missing at least one mortgage payment due to the storms are no longer delinquent

- » Overall, past-due mortgages in Puerto Rico fell by 4% in June, driven lower by a 13% decline in hurricane-related delinquencies
- » June marked the third consecutive month with double-digit declines in hurricane-related delinquencies on the island
- » Puerto Rico's non-current rate (all loans 30 or more days past due or in active foreclosure) has fallen to 21% from a peak of nearly 37% following Hurricanes Irma and Maria
- » 38.2K borrowers are still estimated to be past due as a result of the storms (28.9K of whom are 90 or more days delinquent)

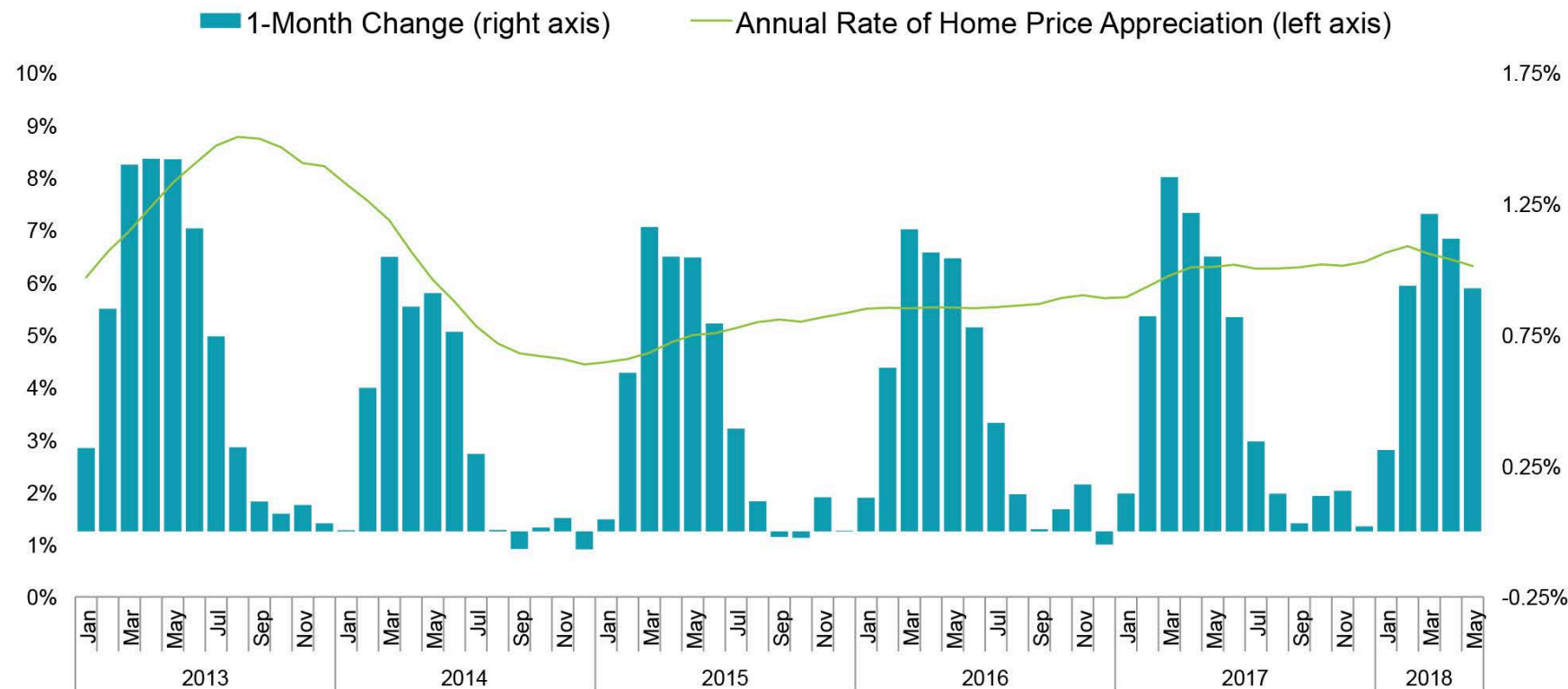


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## JUNE 2018 SLOWING HOME PRICE GAINS

Here, leveraging the latest home price data, we break down the slowing rate of home price appreciation across the country and examine how rising interest rates may be influencing borrowers' buying behavior. This information has been compiled from the Black Knight Home Price Index and the company's [McDash](#) loan-level mortgage performance database. You may click on each chart to see its contents in high-resolution.

### BLACK KNIGHT HOME PRICE INDEX



Home price appreciation has now been above the 25-year average for more than six years

- » Home price appreciation slowed each month from March through May, the first three-month slide in nearly four years
- » Though every state saw prices increase in May – typically one of the strongest months for home price appreciation – the average home gained just 0.93% in value, the lowest growth rate for any May in four years
- » That said, the annual rate of home price growth is still historically high at 6.3%, some 2.5 percentage points above long-term norms
- » The question now is whether tightening affordability will end that streak and if more deceleration is on the horizon

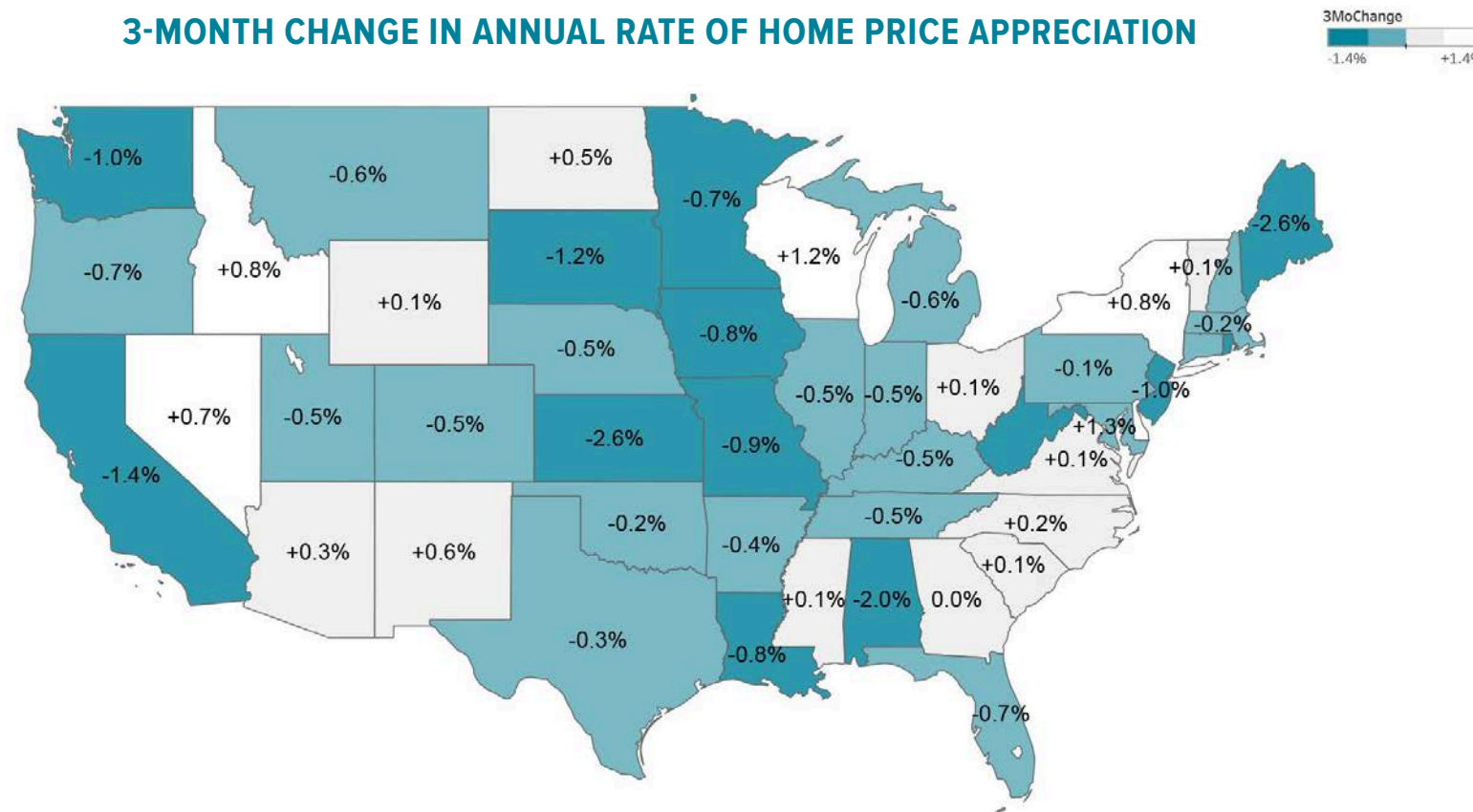




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## JUNE 2018 SLOWING HOME PRICE GAINS

### 3-MONTH CHANGE IN ANNUAL RATE OF HOME PRICE APPRECIATION

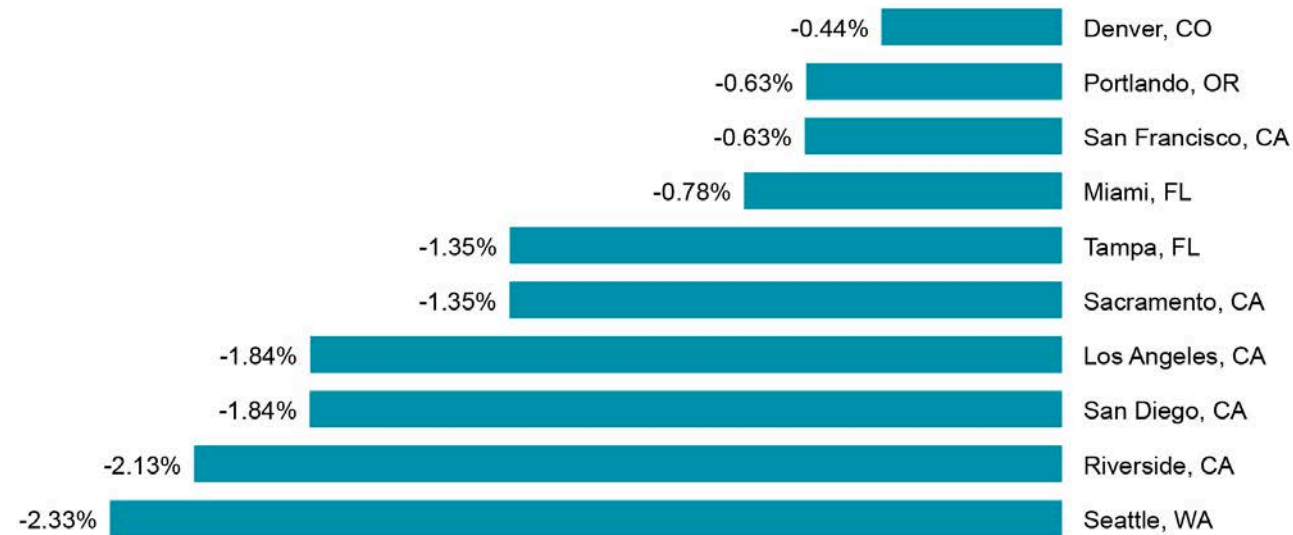


Over the past three months, **32 states** have seen **deceleration** in home price gains, while 18 have picked up speed

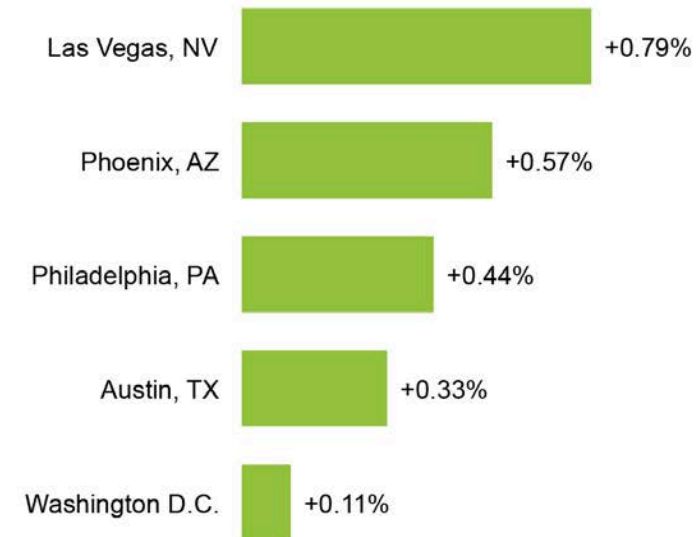
- » California has seen more than 3X the national average slowdown, with annual appreciation cooling from 10.2% in February to 8.8% in May
- » New Jersey, Washington, Oregon, Florida and Colorado are also among notable states that have experienced deceleration
- » As was reported in the [April 2018 Mortgage Monitor](#), many of these states have already reached or surpassed long term affordability benchmarks
- » However, slowing has also been seen elsewhere, such as the Midwest, which remains more affordable than long-term benchmarks
- » On the other hand, Washington, D.C. and Hawaii – already much less affordable than historic benchmarks – have actually seen home price appreciation accelerate, even in the face of rising interest rates



### 3-MONTH CHANGE IN ANNUAL RATE OF HOME PRICE APPRECIATION (NOTABLE METROS EXPERIENCING DECELERATION)



### 3-MONTH CHANGE IN ANNUAL RATE OF HOME PRICE APPRECIATION (NOTABLE METROS STILL SEEING ACCELERATION)



- » 33 of the 50 largest U.S. markets have seen annual rates of appreciation slow over the past three months
- » Seattle, recently the fastest-appreciating market, slowed by 2.3% (from 14.8% to 12.5%) over that time frame
- » Riverside (-2.1%), San Diego (-1.8%), Los Angeles (-1.8%), Sacramento (-1.4%) and San Francisco (-0.6%) are all California metros slowing more rapidly than the national average of -0.4%

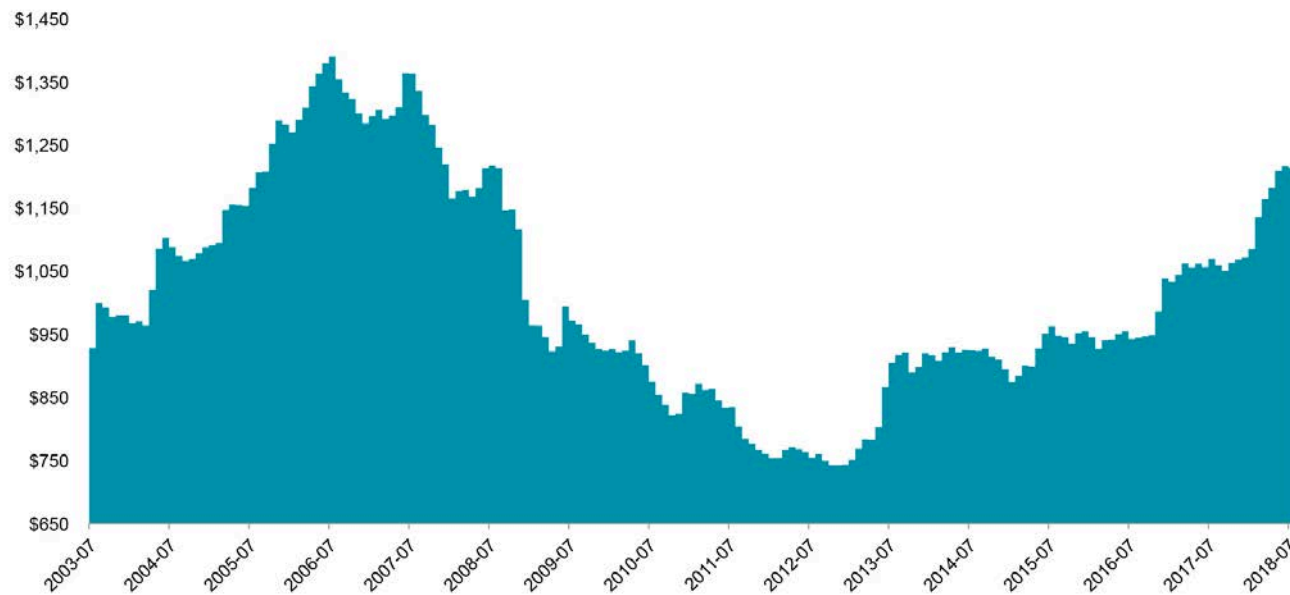
- » Meanwhile, Las Vegas continues to accelerate even in a time of rising rates, with annual appreciation climbing another 0.8%
- » Las Vegas' 15.6% annual appreciation is the second fastest of the nation's largest markets (behind only San Jose, which has slowed slightly)



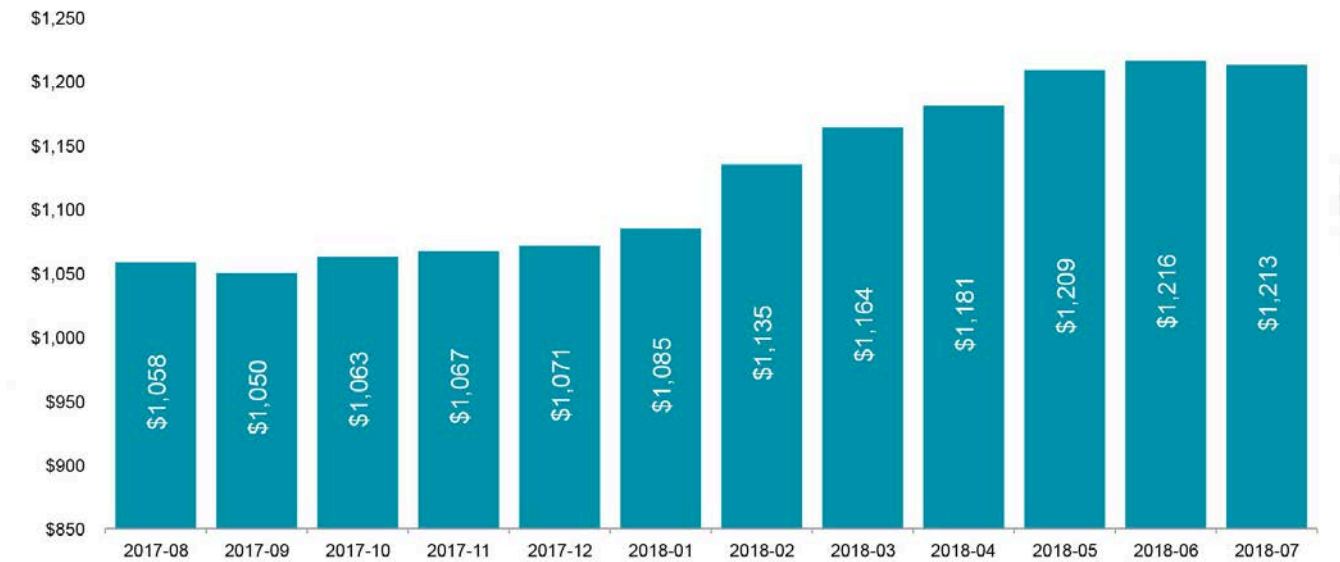
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**JUNE 2018** SLOWING HOME PRICE GAINS

MONTHLY P&I PAYMENT TO PURCHASE THE AVERAGE-PRICED HOME



MONTHLY P&I PAYMENT TO PURCHASE THE AVERAGE-PRICED HOME  
(MOST RECENT 12 MONTHS)



- » Cooling home prices, combined with a slight reprieve in interest rates, have been enough to hold affordability relatively steady
- » The monthly cost to purchase the average-priced home has increased by only \$4 per month over June and July 2018 combined as compared to a \$138 increase through the first five months of 2018
- » It now takes \$1213/month in principal and interest (P&I) to purchase the average-priced home (with 20% down), near a post-recession high

- » This is up from \$1,071 entering 2018 (a 13% increase year-to-date), and up \$471/month from the market's bottom in 2012
- » That said, it still requires \$176 (-13%) less in monthly P&I payments to purchase the average home today than at the peak of the market in 2006 due to today's lower interest rates





# MORTGAGE MONITOR

## JUNE 2018 IMPACT OF RISING RATES ON ARM PERFORMANCE

Here, we provide an in-depth look at the declining population of outstanding adjustable rate mortgages (ARMs), with a focus on how rising short-term interest rates are impacting borrowers in post-reset ARMs. This information has been compiled from Black Knight's [McDash](#) loan-level mortgage performance database. You may click on each chart to see its contents in high-resolution.

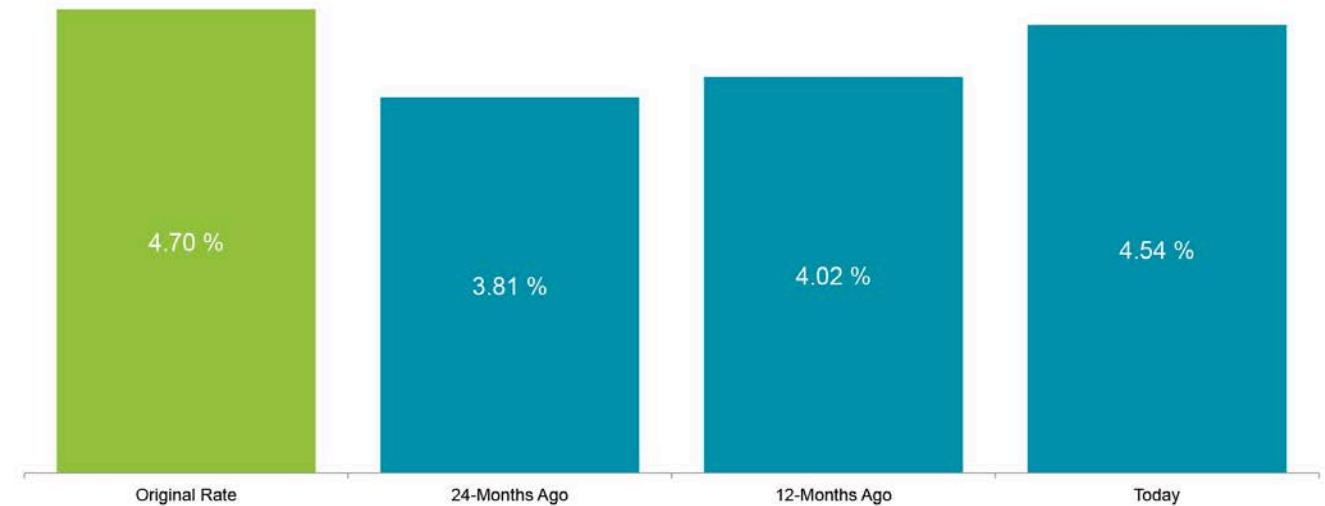
### ARM MORTGAGE INDEX RATES



Source: ICE Benchmark Administration Limited (IBA), 12-Month London Interbank Offered Rate (LIBOR), based on U.S. Dollar [USD12MD156N], retrieved from FRED, Federal Reserve Bank of St. Louis

Board of Governors of the Federal Reserve System (US), 1-Year Treasury Constant Maturity Rate [DGS1], retrieved from FRED, Federal Reserve Bank of St. Louis;

### AVERAGE INTEREST RATE OF POST-RESET ARMS ACTIVE TODAY

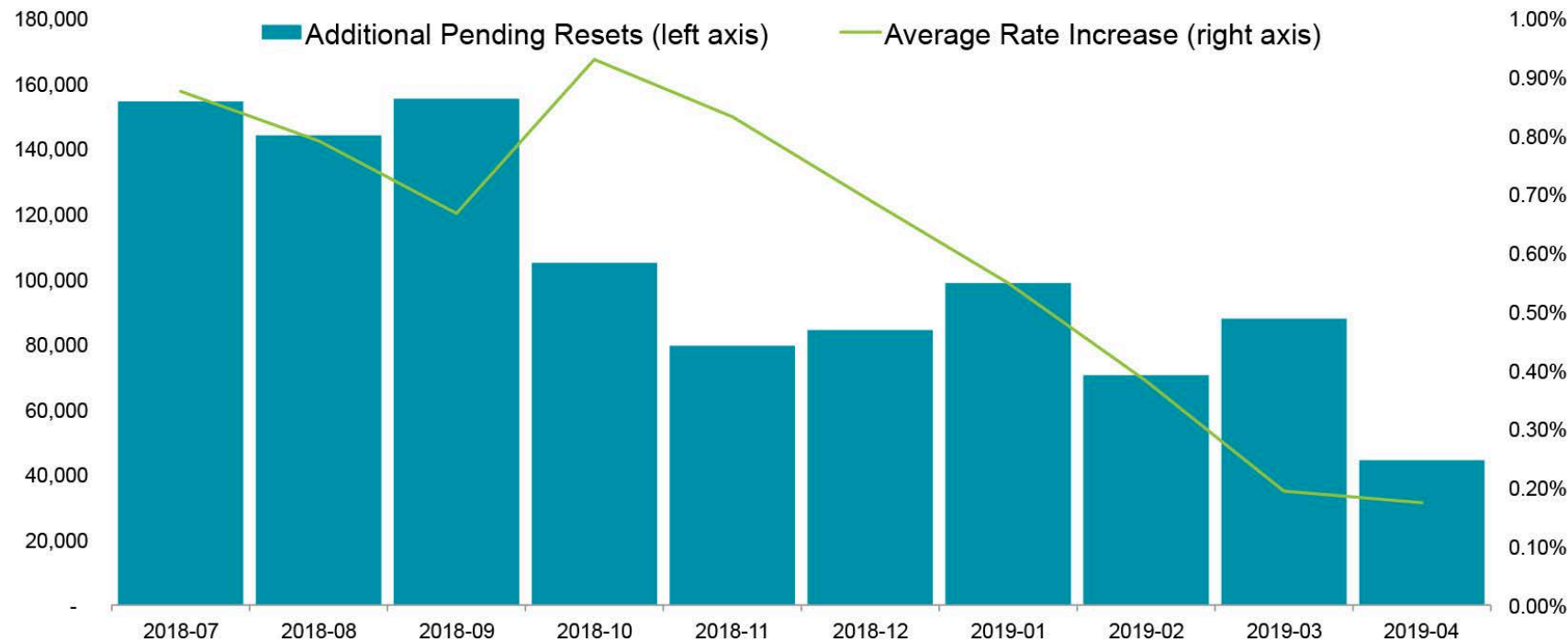


- » Increases to both the LIBOR and Constant Maturity Treasury (CMT) rates – the majority of adjustable-rate mortgages (ARMs) are pegged to one of these two indices – have resulted in higher rates on post-reset ARMs
- » Average rates on post-reset ARMs have risen by more than 0.5% over the past 12 months and nearly 0.75% over the past two years, pushing the average post-reset ARM interest rate to more than 4.5%
- » These borrowers had been the beneficiary of downward reductions in their rates and payments following the financial crisis, but that's no longer the case

- » Indeed, the average rate for these borrowers is now within 16BPS of where they started, in many cases more than 10 years ago
- » 1.7M such borrowers have seen their monthly mortgage payments increase by an average of \$70 over the past 12 months
- » Note: the majority of LIBOR's 12-month increase came in early 2018, meaning much of that increase has yet to manifest in borrower's mortgage rates



### POTENTIAL UPCOMING ARM RESETS BASED ON TODAY'S INDEX RATES



- » Since ARMs reset every 3, 6 or even 12 months, the full impact of recent short-term rate increases has yet to be fully felt
- » Here we estimate these “shadow resets” that would occur upon borrowers' next reset, based on today's prevailing index rates (LIBOR and CMT rates as of June)
- » An estimated 1M borrowers would see their interest rates rise further upon their next rate reset, with an average rate increase of 0.67% and a monthly P&I payment rise of nearly \$70/month
- » ARMs facing resets within the next 5 months would see rates increase by 0.81% on average, with a monthly payment increase of more than \$80/month
- » Borrowers in post-reset loans will likely see their interest rates rise above the original rate on their loan upon the next reset

**Of the 1M borrowers whose rates are set to increase at their next reset, 700K would see their rate increase by more than 0.5%**



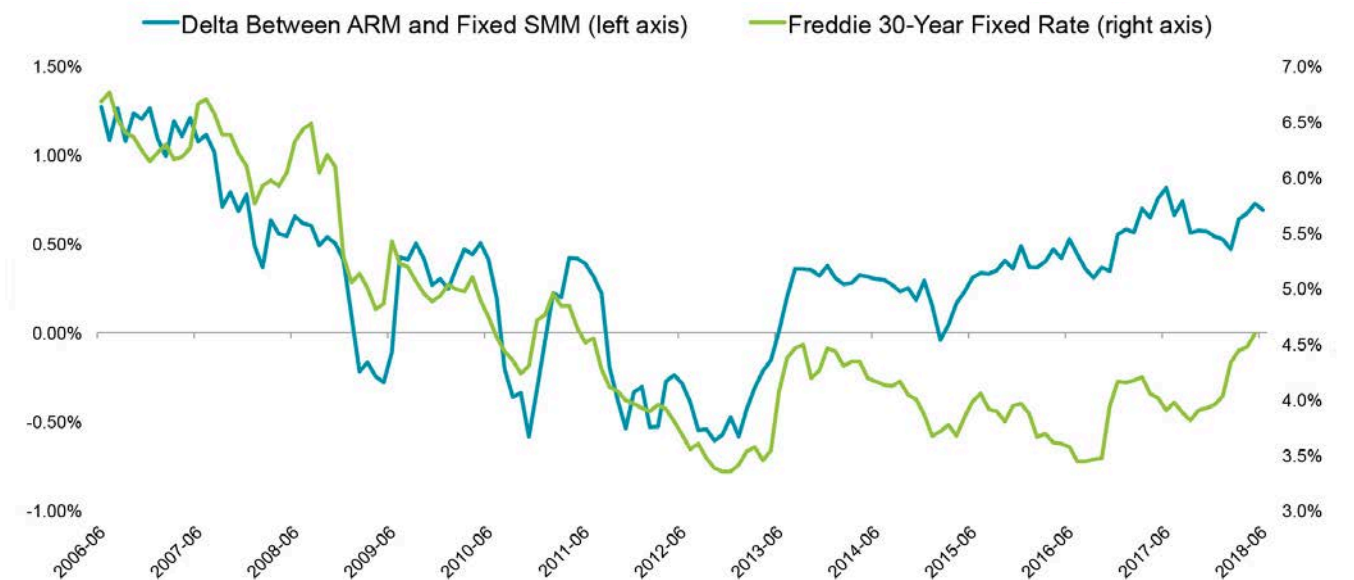
# MORTGAGE MONITOR

## JUNE 2018 IMPACT OF RISING RATES ON ARM PERFORMANCE

PREPAYMENT RATE (SMM) BY INTEREST TYPE



DELTA BETWEEN ARM AND FIXED PREPAY SPEEDS (SMM)



- » While rate and payment increases have not led to any measurable increase in post-reset ARM delinquencies, they have impacted ARM prepay speeds
- » As interest rates hit historic lows in the wake of the financial crisis, many ARM borrowers' interest rates reset downward, which led to lower-than-average prepayment speeds, but times have changed

- » With short-term interest rates on the rise and ARM rates resetting higher, ARMs have been prepaying at a 72% higher rate than their fixed-rate counterparts over the past 12 months
- » That number reached as high as 89% in April, the largest such difference in nearly 10 years

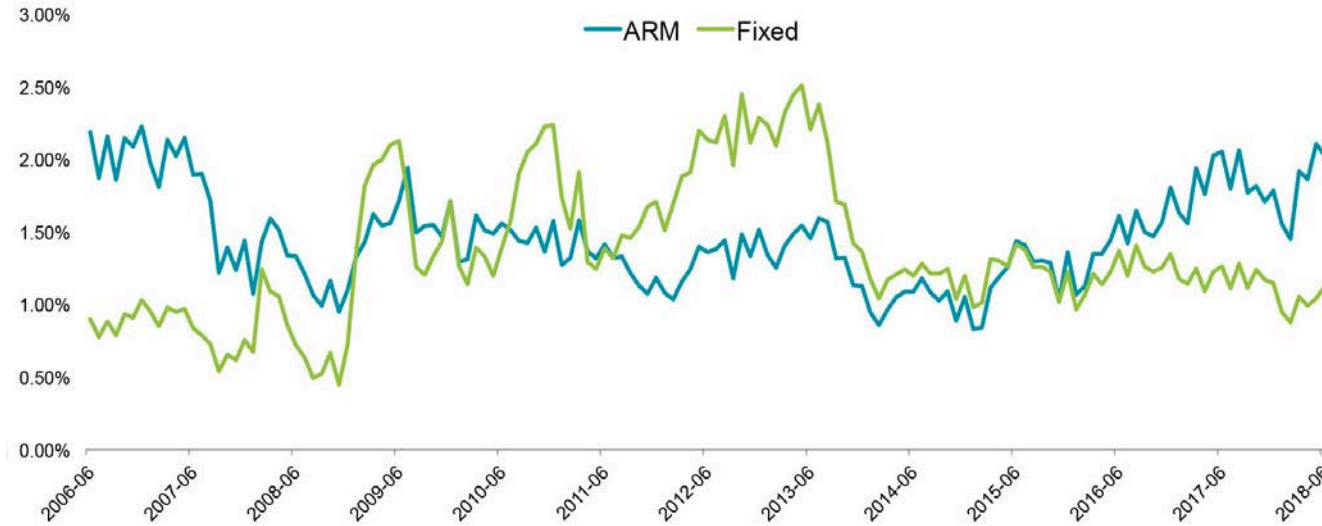




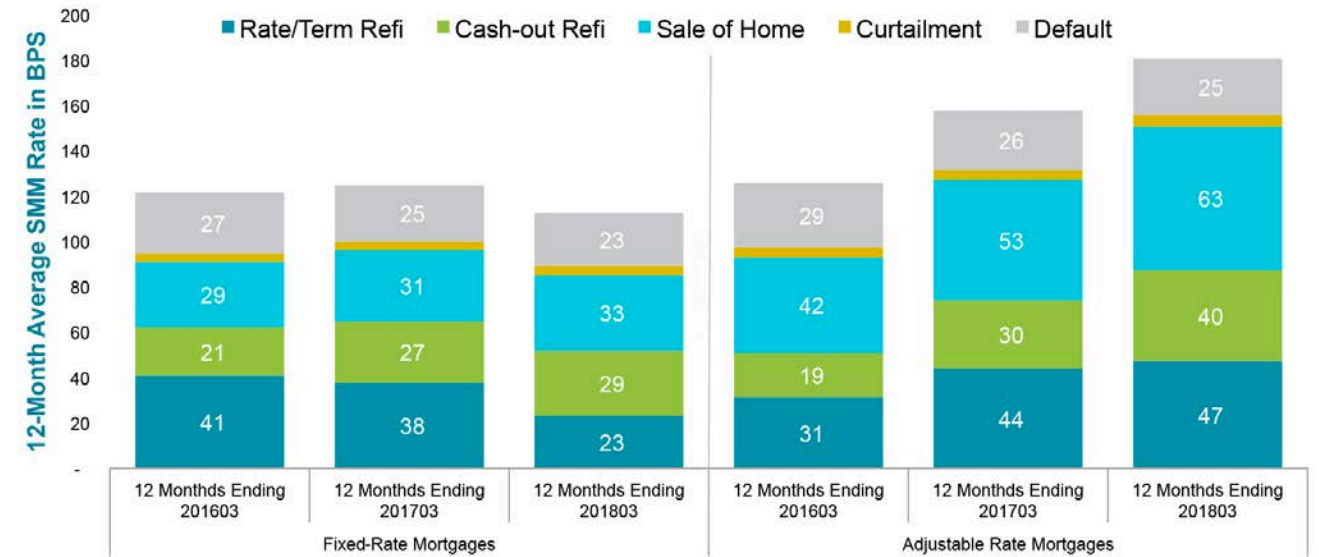
# MORTGAGE MONITOR

## JUNE 2018 IMPACT OF RISING RATES ON ARM PERFORMANCE

**PREPAYMENT RATE (SMM) BY INTEREST TYPE**  
(2004-2008 VINTAGE LOANS)



**CHANGING PREPAY SPEEDS AND DRIVERS – PAST 3 YEARS**  
(2004-2008 VINTAGE MORTGAGES)

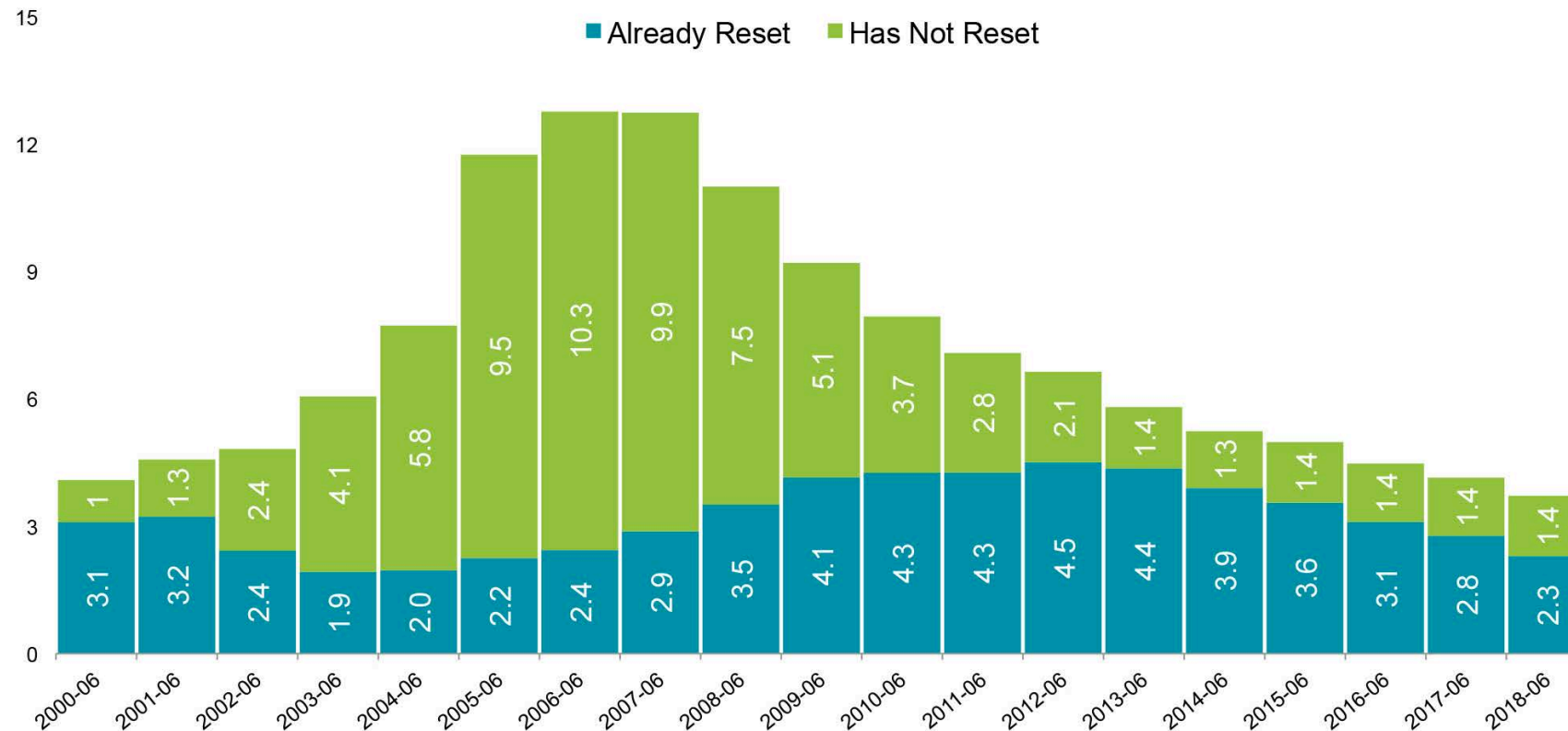


- » Single month mortality (SMM) among “crisis era” ARMs (2004-2008 vintages) is up more than 40% over the past two years, as compared to a 7% decline among fixed-rate loans
- » In fact, rising short-term interest rates not only appear to be driving more borrowers in 2004-2008 era ARMs to refinance, but also to sell their homes at a higher clip than in recent years
- » Refi-driven prepaes are up significantly among the ARM contingent, seeing a 72% rise (+50% among rate/term, while cash-out-driven prepaes have doubled)

- » Utilizing public records data, we can link these refinances to future loan originations, finding that 75% of borrowers refinancing out of these ARMs are moving to the security of a fixed-rate mortgage
- » This group has also seen a significant rise in home-sale-driven prepaes, suggesting interest rates resetting higher appear to be driving a 50% increase in the share of those homeowners listing their homes for sale



### ACTIVE ARMS BY COUNT (IN MILLIONS)



**Over 60% of outstanding ARMs are in their adjustable phase, leaving some **2.3M** borrowers at risk of payment increases from continued rises in short-term interest rates**

- » Higher-than-average prepay speeds among ARMs – coupled with low origination volumes – continue to reduce the number of active ARMs
- » There are now fewer ARMs in the market than at any point since the turn of the century
- » Total active ARM inventory stands at 3.7M, down by nearly 280K (-7%) since the start of 2018



# MORTGAGE MONITOR

JUNE 2018 APPENDIX

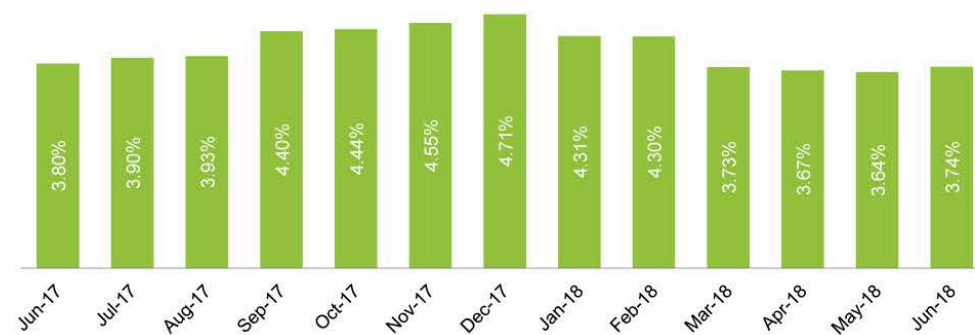
## JUNE 2018 DATA SUMMARY

### Summary Statistics

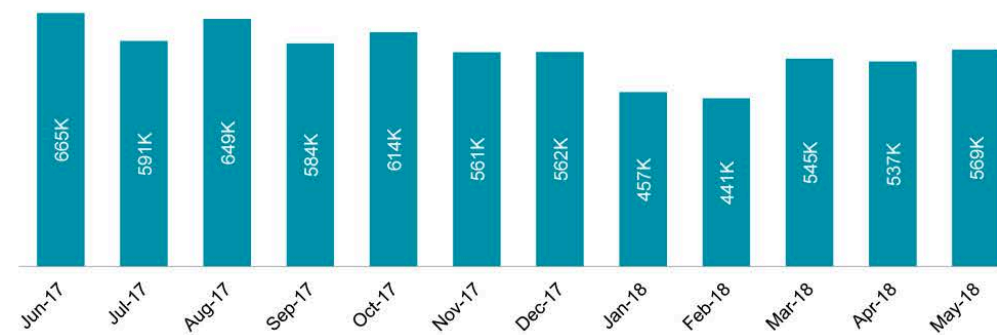
|                                              | Jun-18 | Monthly Change | YTD Change | Yearly Change |
|----------------------------------------------|--------|----------------|------------|---------------|
| Delinquencies                                | 3.74%  | 2.71%          | -13.22%    | -1.59%        |
| Foreclosure                                  | 0.56%  | -4.51%         | -14.24%    | -29.98%       |
| Foreclosure Starts                           | 43,500 | -3.12%         | -30.18%    | -23.01%       |
| Seriously Delinquent (90+) or in Foreclosure | 1.63%  | -4.06%         | -20.14%    | -14.15%       |
| New Originations (data as of May-18)         | 569K   | 5.8%           | 1.2%       | -9.7%         |

|                                              | Jun-18 | May-18 | Apr-18 | Mar-18 | Feb-18 | Jan-18 | Dec-17 | Nov-17 | Oct-17 | Sep-17 | Aug-17 | Jul-17 | Jun-17 |
|----------------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Delinquencies                                | 3.74%  | 3.64%  | 3.67%  | 3.73%  | 4.30%  | 4.31%  | 4.71%  | 4.55%  | 4.44%  | 4.40%  | 3.93%  | 3.90%  | 3.80%  |
| Foreclosure                                  | 0.56%  | 0.59%  | 0.61%  | 0.63%  | 0.65%  | 0.66%  | 0.65%  | 0.66%  | 0.68%  | 0.70%  | 0.76%  | 0.78%  | 0.81%  |
| Foreclosure Starts                           | 43,500 | 44,900 | 49,300 | 52,100 | 46,700 | 62,300 | 44,500 | 47,800 | 50,200 | 45,200 | 54,700 | 53,300 | 56,500 |
| Seriously Delinquent (90+) or in Foreclosure | 1.63%  | 1.70%  | 1.78%  | 1.86%  | 2.01%  | 2.04%  | 2.06%  | 1.97%  | 1.84%  | 1.83%  | 1.85%  | 1.87%  | 1.90%  |
| New Originations                             |        | 569K   | 537K   | 545K   | 441K   | 457K   | 562K   | 561K   | 614K   | 584K   | 649K   | 591K   | 665K   |

### TOTAL DELINQUENCIES



### NEW ORIGINATIONS





# MORTGAGE MONITOR

JUNE 2018 APPENDIX

## LOAN COUNTS AND AVERAGE DAYS DELINQUENT

| Month   | TOTAL ACTIVE COUNT | 30 DAYS   | 60 DAYS | 90+ DAYS  | FC        | Total Non-Current | FC Starts | Average Days Delinquent for 90+ | Average Days Delinquent for FC | Ratio of 90+ to FC |
|---------|--------------------|-----------|---------|-----------|-----------|-------------------|-----------|---------------------------------|--------------------------------|--------------------|
| 7/31/18 | 40,192,541         | 1,176,769 | 296,820 | 374,724   | 234,074   | 2,082,387         | 55,426    | 241                             | 331                            | 160.1%             |
| 1/31/00 | 43,454,963         | 1,353,355 | 380,012 | 515,985   | 340,401   | 2,589,754         | 90,160    | 219                             | 289                            | 151.6%             |
| 1/31/03 | 44,275,177         | 1,331,861 | 365,393 | 494,180   | 344,037   | 2,535,471         | 101,211   | 231                             | 297                            | 143.6%             |
| 1/31/04 | 44,769,847         | 1,186,809 | 352,515 | 501,740   | 321,294   | 2,362,357         | 77,360    | 269                             | 344                            | 156.2%             |
| 1/31/05 | 47,706,128         | 1,197,062 | 339,920 | 458,719   | 276,745   | 2,272,446         | 50,922    | 242                             | 324                            | 165.8%             |
| 1/31/06 | 50,900,620         | 1,242,434 | 387,907 | 542,378   | 258,613   | 2,431,332         | 76,477    | 207                             | 308                            | 209.7%             |
| 1/31/07 | 53,900,458         | 1,425,030 | 468,441 | 551,439   | 393,973   | 2,838,883         | 117,419   | 203                             | 267                            | 140.0%             |
| 1/31/08 | 55,478,782         | 1,743,420 | 676,266 | 950,639   | 813,560   | 4,183,885         | 195,033   | 190                             | 256                            | 116.8%             |
| 1/31/09 | 55,788,441         | 2,001,314 | 932,436 | 1,878,981 | 1,321,029 | 6,133,760         | 250,621   | 193                             | 323                            | 142.2%             |
| 1/31/10 | 55,098,009         | 1,945,589 | 903,778 | 2,972,983 | 2,068,572 | 7,890,922         | 292,308   | 253                             | 418                            | 143.7%             |
| 1/31/11 | 53,861,778         | 1,750,601 | 746,634 | 2,078,130 | 2,245,250 | 6,820,615         | 277,374   | 333                             | 527                            | 92.6%              |
| 1/31/12 | 52,687,781         | 1,592,463 | 652,524 | 1,796,698 | 2,205,818 | 6,247,503         | 223,394   | 395                             | 666                            | 81.5%              |
| 1/31/13 | 51,229,692         | 1,464,583 | 587,661 | 1,551,415 | 1,742,689 | 5,346,348         | 156,654   | 460                             | 803                            | 89.0%              |
| 1/31/14 | 50,380,779         | 1,341,074 | 529,524 | 1,278,955 | 1,213,046 | 4,362,599         | 97,467    | 486                             | 935                            | 105.4%             |
| 1/31/15 | 50,412,744         | 1,238,453 | 465,849 | 1,060,002 | 884,901   | 3,649,204         | 93,280    | 509                             | 1031                           | 119.8%             |
| 1/31/16 | 50,541,353         | 1,298,682 | 444,594 | 831,284   | 659,237   | 3,233,797         | 71,900    | 495                             | 1047                           | 126.1%             |
| 1/31/17 | 50,871,357         | 1,108,712 | 389,768 | 663,521   | 480,598   | 2,642,599         | 70,357    | 454                             | 1013                           | 138.1%             |
| 1/31/18 | 51,155,753         | 1,083,162 | 412,676 | 706,623   | 336,613   | 2,539,074         | 62,312    | 364                             | 932                            | 209.9%             |
| 2/28/18 | 51,154,575         | 1,114,486 | 386,518 | 696,802   | 330,505   | 2,528,312         | 46,720    | 367                             | 930                            | 210.8%             |
| 3/31/18 | 51,282,283         | 942,600   | 336,892 | 632,157   | 320,686   | 2,232,335         | 52,094    | 388                             | 928                            | 197.1%             |
| 4/30/18 | 51,378,198         | 960,902   | 325,538 | 598,191   | 314,016   | 2,198,647         | 49,280    | 395                             | 929                            | 190.5%             |
| 5/31/18 | 51,338,774         | 970,417   | 328,860 | 568,110   | 303,412   | 2,170,799         | 44,866    | 401                             | 937                            | 187.2%             |
| 6/30/18 | 51,520,891         | 1,040,477 | 335,991 | 548,366   | 290,744   | 2,215,577         | 43,454    | 404                             | 935                            | 188.6%             |





# MORTGAGE MONITOR

JUNE 2018 APPENDIX

## STATE-BY-STATE RANKINGS BY NON-CURRENT (NC) LOAN POPULATION

| State           | Del %       | FC %        | NC %        | Year/Year<br>Change in NC% |
|-----------------|-------------|-------------|-------------|----------------------------|
| <b>National</b> | <b>3.7%</b> | <b>0.6%</b> | <b>4.3%</b> | <b>-6.6%</b>               |
| MS              | 9.1%        | 0.6%        | 9.7%        | -4.2%                      |
| LA*             | 6.7%        | 0.9%        | 7.6%        | -11.5%                     |
| AL              | 6.3%        | 0.4%        | 6.7%        | -5.9%                      |
| WV              | 6.1%        | 0.6%        | 6.7%        | -2.2%                      |
| ME*             | 4.3%        | 1.7%        | 6.0%        | -10.2%                     |
| IN*             | 5.1%        | 0.8%        | 5.9%        | -4.6%                      |
| PA*             | 4.9%        | 0.8%        | 5.7%        | -6.6%                      |
| AR              | 5.2%        | 0.5%        | 5.7%        | -5.3%                      |
| FL*             | 4.6%        | 1.0%        | 5.6%        | 9.7%                       |
| OK*             | 4.7%        | 0.9%        | 5.6%        | -6.9%                      |
| RI              | 4.8%        | 0.8%        | 5.6%        | -11.7%                     |
| DE*             | 4.7%        | 0.9%        | 5.6%        | -5.4%                      |
| NY*             | 3.8%        | 1.7%        | 5.5%        | -13.4%                     |
| GA              | 5.0%        | 0.4%        | 5.4%        | -4.2%                      |
| CT*             | 4.4%        | 1.0%        | 5.4%        | -6.3%                      |
| TX              | 4.9%        | 0.4%        | 5.3%        | -1.3%                      |
| MD*             | 4.6%        | 0.7%        | 5.3%        | -4.7%                      |

| State           | Del %       | FC %        | NC %        | Year/Year<br>Change in NC% |
|-----------------|-------------|-------------|-------------|----------------------------|
| <b>National</b> | <b>3.7%</b> | <b>0.6%</b> | <b>4.3%</b> | <b>-6.6%</b>               |
| TN              | 5.0%        | 0.3%        | 5.3%        | -5.1%                      |
| NJ*             | 4.0%        | 1.2%        | 5.2%        | -19.5%                     |
| SC*             | 4.5%        | 0.6%        | 5.1%        | -8.1%                      |
| OH*             | 4.3%        | 0.8%        | 5.0%        | -6.5%                      |
| KS*             | 4.1%        | 0.5%        | 4.6%        | -3.4%                      |
| VT*             | 3.6%        | 1.0%        | 4.6%        | -7.9%                      |
| HI*             | 3.3%        | 1.3%        | 4.6%        | -10.9%                     |
| NM*             | 3.6%        | 1.0%        | 4.5%        | -14.7%                     |
| KY*             | 3.8%        | 0.6%        | 4.5%        | -6.7%                      |
| NC              | 4.1%        | 0.4%        | 4.5%        | -7.7%                      |
| IL*             | 3.6%        | 0.7%        | 4.3%        | -7.3%                      |
| MA              | 3.6%        | 0.6%        | 4.3%        | -10.1%                     |
| MO              | 3.9%        | 0.3%        | 4.2%        | -5.2%                      |
| MI              | 3.9%        | 0.2%        | 4.1%        | -2.6%                      |
| NH              | 3.6%        | 0.3%        | 3.9%        | -3.8%                      |
| WI*             | 3.2%        | 0.6%        | 3.8%        | -10.2%                     |
| IA*             | 3.2%        | 0.5%        | 3.7%        | -5.4%                      |

| State           | Del %       | FC %        | NC %        | Year/Year<br>Change in NC% |
|-----------------|-------------|-------------|-------------|----------------------------|
| <b>National</b> | <b>3.7%</b> | <b>0.6%</b> | <b>4.3%</b> | <b>-6.6%</b>               |
| WY              | 3.2%        | 0.3%        | 3.5%        | -6.9%                      |
| VA              | 3.3%        | 0.2%        | 3.5%        | -6.4%                      |
| NV              | 2.7%        | 0.8%        | 3.4%        | -12.3%                     |
| AK              | 3.0%        | 0.4%        | 3.4%        | -2.3%                      |
| NE*             | 3.1%        | 0.2%        | 3.3%        | -4.0%                      |
| DC              | 2.5%        | 0.7%        | 3.2%        | -17.0%                     |
| AZ              | 2.6%        | 0.2%        | 2.8%        | -5.6%                      |
| UT              | 2.6%        | 0.2%        | 2.8%        | -12.1%                     |
| SD*             | 2.2%        | 0.4%        | 2.6%        | -10.8%                     |
| MT              | 2.1%        | 0.4%        | 2.5%        | -7.1%                      |
| CA              | 2.3%        | 0.2%        | 2.5%        | -11.9%                     |
| MN              | 2.2%        | 0.2%        | 2.4%        | -1.8%                      |
| ND*             | 1.8%        | 0.5%        | 2.4%        | 6.2%                       |
| ID              | 2.0%        | 0.3%        | 2.3%        | -15.0%                     |
| WA              | 1.9%        | 0.3%        | 2.3%        | -17.2%                     |
| OR              | 1.8%        | 0.4%        | 2.2%        | -18.3%                     |
| CO              | 1.8%        | 0.1%        | 1.9%        | -9.0%                      |

\* - Indicates Judicial State





# MORTGAGE MONITOR

***JUNE 2018*** DISCLOSURES

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