MORTGAGE MONITOR

BLACK KNIGHT

MAY 2022 REPORT

MORTGAGE MONITOR

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MAY 2022 OVERVIEW

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

As always, we begin with a review of some of the high-level mortgage performance statistics reported in our most recent First Look report. From there we dive deeper into key May mortgage performance metrics to get a clearer sense of the current delinquency landscape, including levels of new inflow and delinquency roll rates.

This month we forego our regular look at the forbearance landscape to take a closer look at the effect of the recent rise in interest rates on refinance incentive, rate/lock volumes and the underlying credit quality of loans being originated. Finally, we examine changes in the housing market, including price growth, affordability and inventory trends.

In producing the Mortgage Monitor, the Black Knight Data & Analytics division aggregates, analyzes and reports on the most recently available data from the company's vast mortgage and housing related data assets. Information is gathered from the McDash and McDash Flash loan-level mortgage performance data sets; Collateral Analytics home price and sales trends data; origination and secondary market metrics from the Optimal Blue division; eMBS agency securities data; and the company's robust public records database covering 99.99% of the U.S. population. For more information on gaining access to Black Knight data assets, please call 844-474-2537 or email mortgage.monitor@bkfs.com.

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MAY 2022 FIRST LOOK

The Black Knight First Look at May mortgage performance provides a high-level overview compiled from the Black Knight McDash loan-level database. Click on the chart to view its contents in high resolution.

MAY OVERVIEW STATS

1.9%

DELINQUENCY RATE

The national delinquency rate fell to a new low of 2.75%

Serious delinquencies – those 90+ days past due – fell 7.0% (-45K)

12.2%

FORECLOSURE STARTS

Foreclosure starts dropped sharply in May

The month's 18.8K starts remain well below pre-pandemic levels

11.1%

PREPAYMENT ACTIVITY

Prepayment activity fell again in May, remaining at a three-year low

Activity is down 59.2% from a year ago amid sharply rising rates

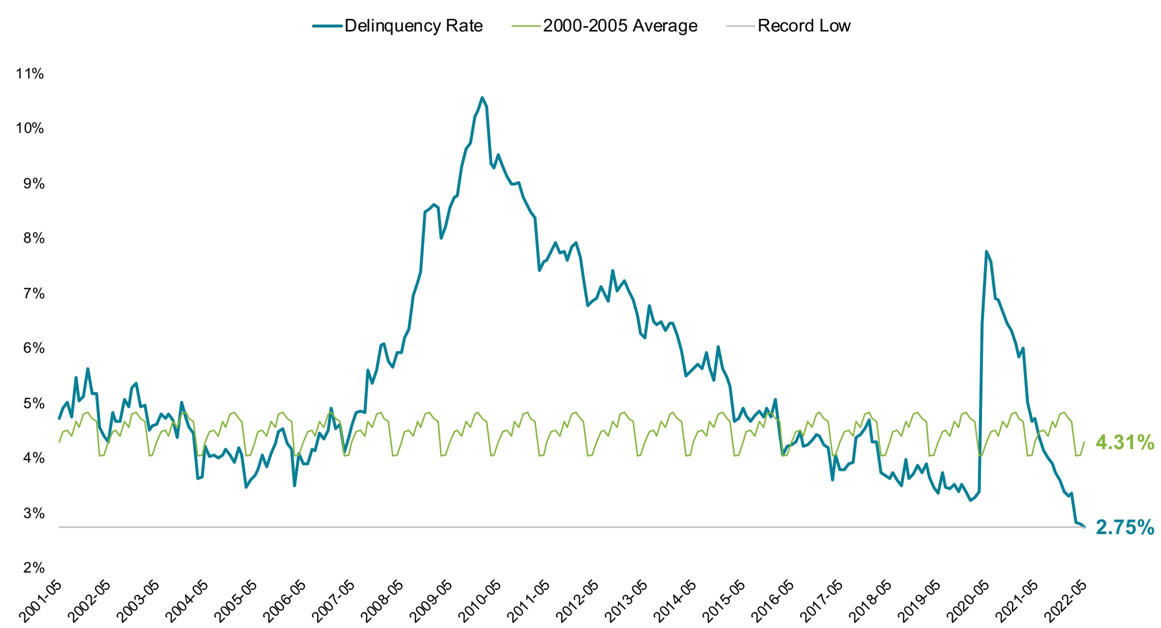
Mortgage delinquencies are down nearly 42% from last year, driven by strong economic improvement

MORTGAGE MONITOR

MAY 2022 PERFORMANCE HIGHLIGHTS

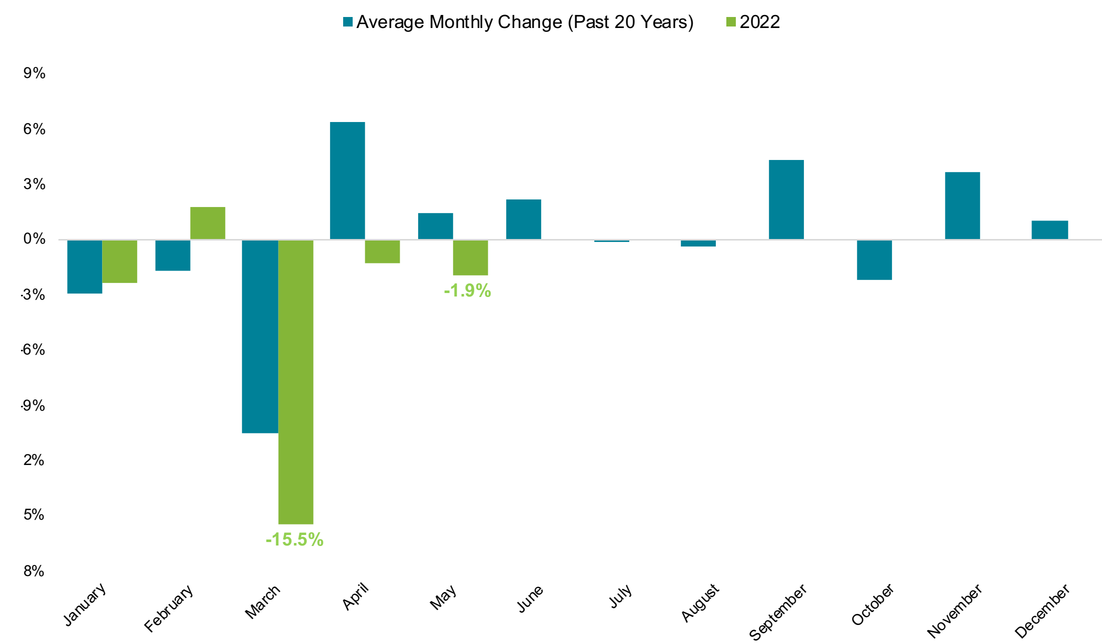
The Black Knight McDash loan-level mortgage performance database provides key performance metrics for a clearer picture of the delinquency landscape, including new inflow and roll rates. Click on each chart to view its contents in high resolution.

NATIONAL DELINQUENCY RATE – FIRST LIEN MORTGAGES



Source: Black Knight McDash

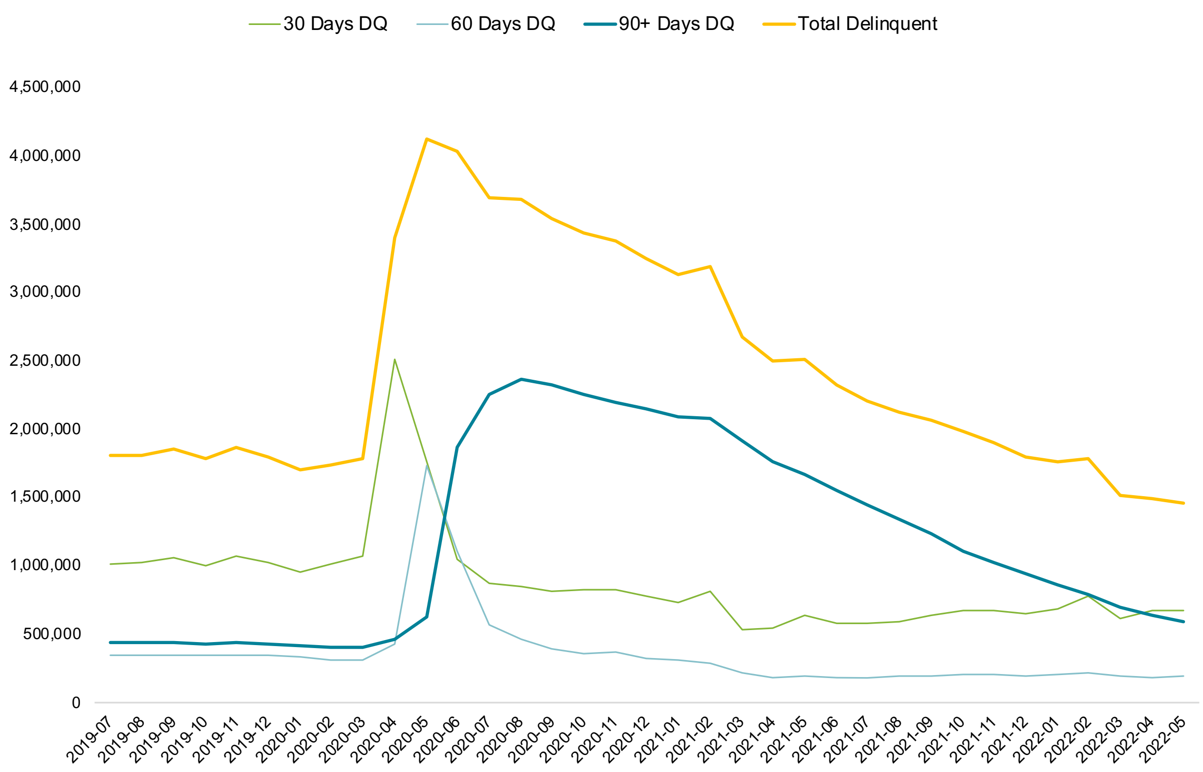
AVERAGE MONTHLY CHANGE IN DELINQUENCY RATE



Source: Black Knight McDash

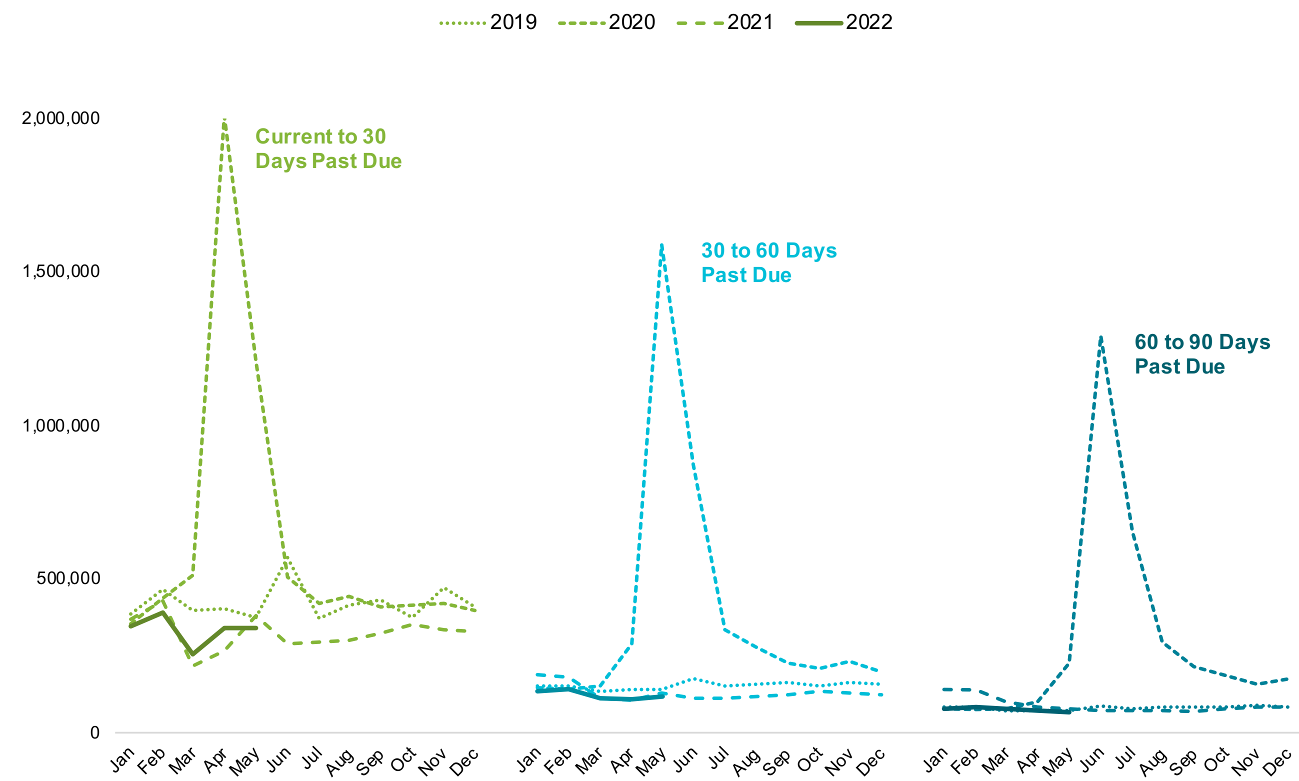
- The national delinquency rate fell five basis points to 2.75% in May, continuing the downtrend of the prior two months and marking another new low
- Following declines in March, a slight, seasonally typical increase in 30-day delinquencies was offset by continued improvements in serious delinquencies
- Improving unemployment, continued student loan deferrals, strong post-forbearance performance and borrowers refinancing into record low interest rates in recent years are all improving cash flows and putting downward pressure on delinquency rates
- The national delinquency rate is now more than 1.5 percentage points below the long-term average of 4.31% for the month of May

MORTGAGE DELINQUENCIES BY SEVERITY



Source: Black Knight McDash

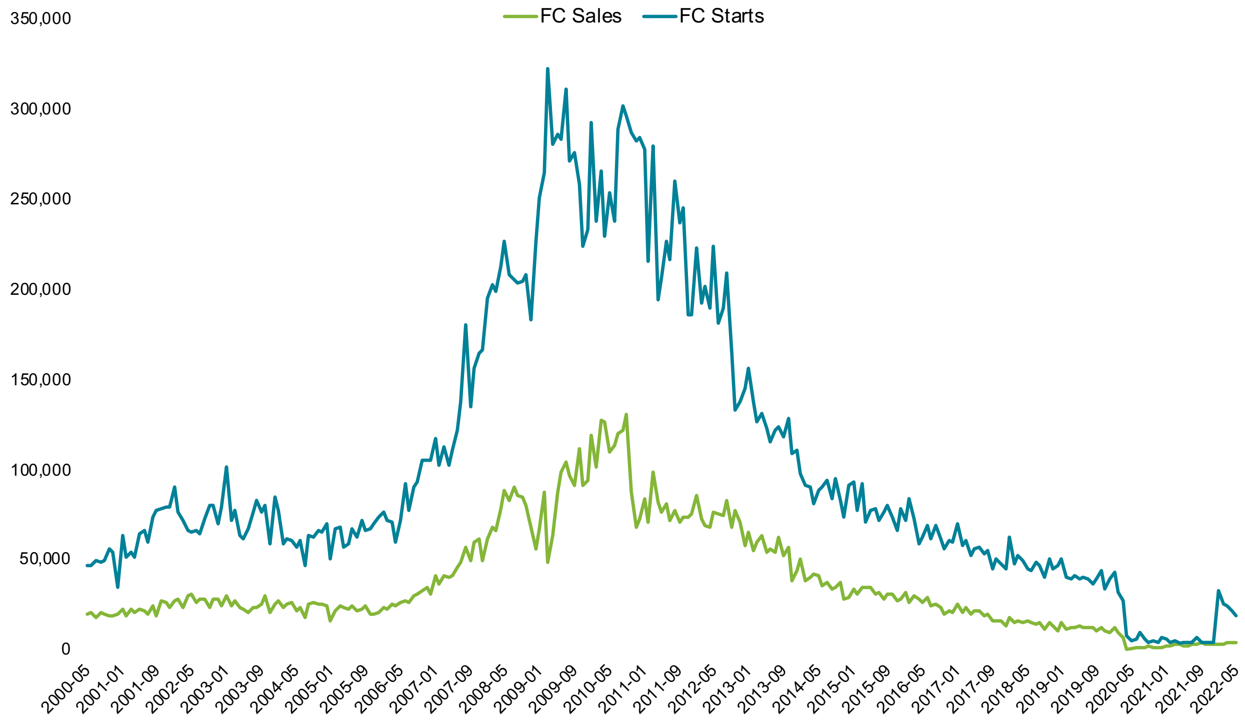
LOANS ROLLING TO A MORE DELINQUENT STATUS



Source: Black Knight McDash

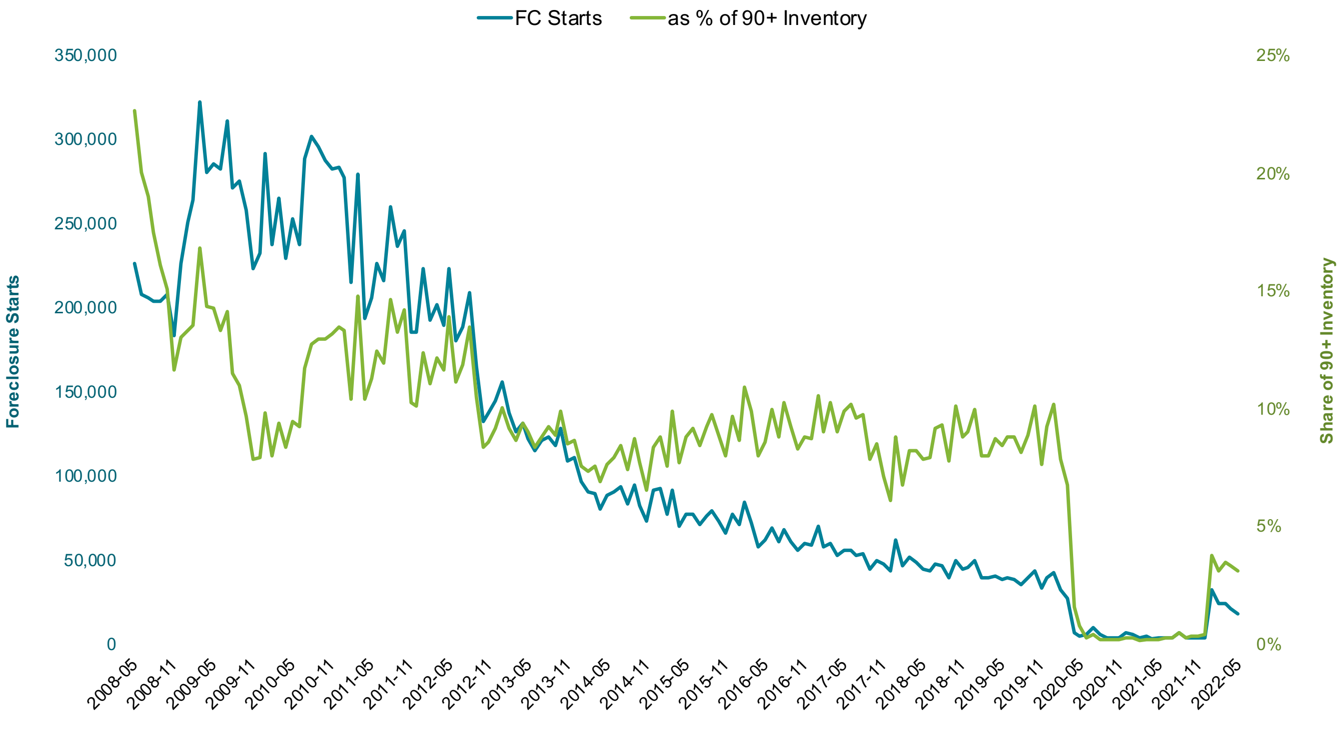
- Mortgage delinquencies improved in May, driven by declines in later stage delinquencies, while the level of borrowers a single payment past due remained essentially flat
- A 5% increase among 60-day delinquencies was more than offset by a 7% drop in borrowers 90+ days past due
- Serious delinquencies (SDQs) have fallen by 6-12% in each of the past 15 months as borrowers continue to recover financially from the pandemic
- However, SDQs remain 45% above pre-pandemic levels and many borrowers remain in forbearance or post forbearance loss mitigation
- Despite a rise in new delinquencies, the number of borrowers rolling from current to 30-days past due remains 10% below pre-pandemic levels, while SDQs inflow sits below volumes seen in May 2019

FORECLOSURE STARTS VS. FORECLOSURE SALES



Source: Black Knight McDash

FORECLOSURE STARTS



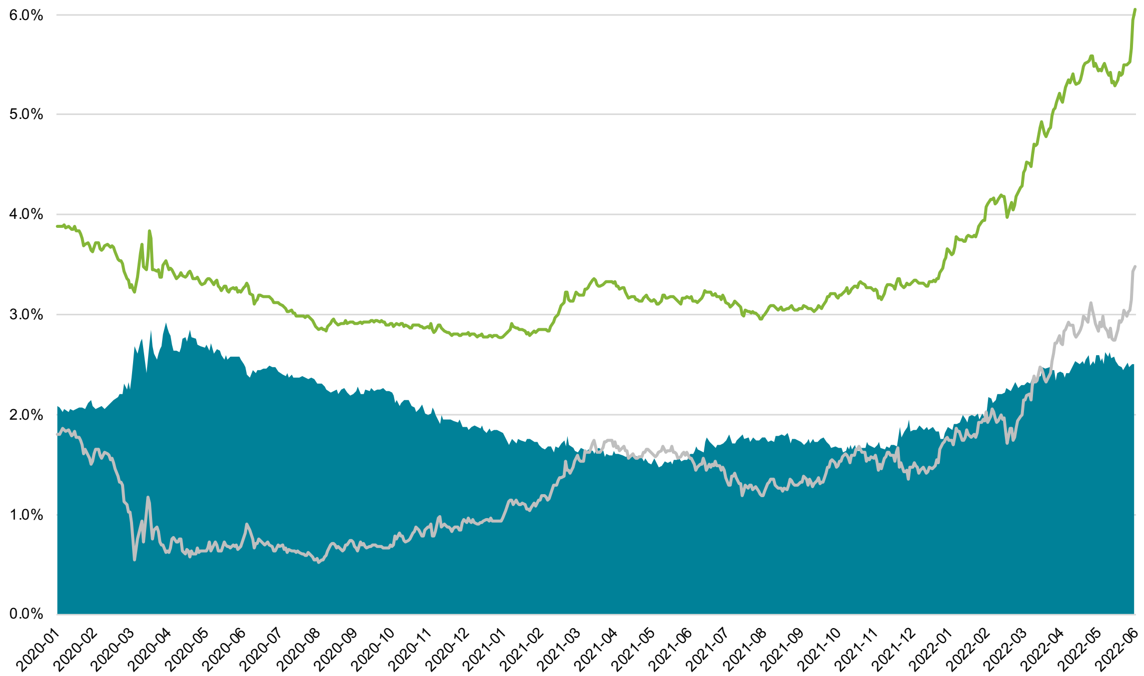
Source: Black Knight McDash

- Foreclosure starts have moderated since a January spike and remain well below pre-pandemic levels
- Since the moratorium lifted last year, serious delinquencies referred to foreclosure each month have hovered around 3.5%, down from an average of 9% in the five years prior to the pandemic
- With significant equity cushions created by elevated home prices, there appears to be an emphasis on workouts over foreclosures
- We continue to watch the performance of post-forbearance loans in delinquency or loss mitigation as well as the prospect of home assistance funding (HAF) becoming available to help support workouts

MAY 2022 IMPACT OF RISING INTEREST RATES

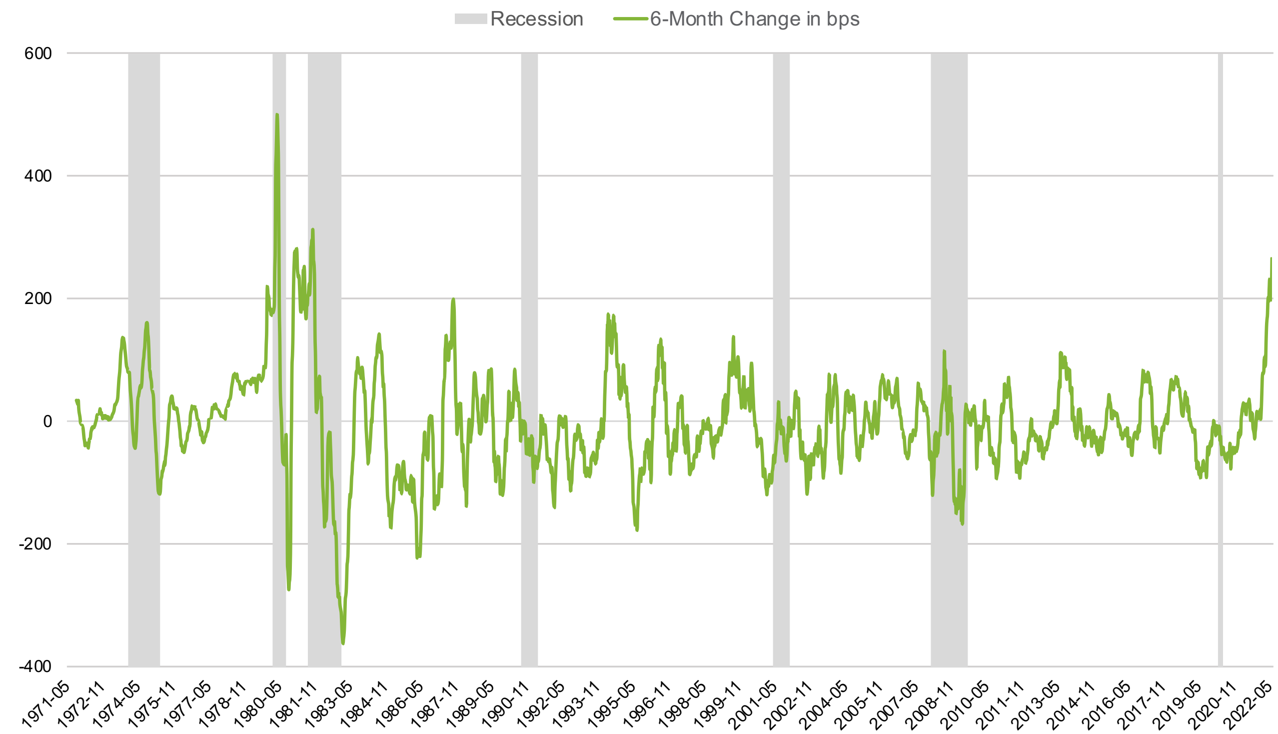
Here we take a closer look at the recent rise in 30-year rates from a historical perspective. We also take stock of how rising rates have affected refinance incentive and rate lock volumes along with recent shifts in the underlying credit quality of new loans. This information has been compiled from the original Black Knight McDash loan-level mortgage performance database, the Optimal Blue OBMMI and other sources. Click on each chart to view its contents in high resolution.

30-YEAR MORTGAGE TO 10-YEAR TREASURY SPREAD



Source: Black Knight, Optimal Blue OBMMI, Federal Reserve

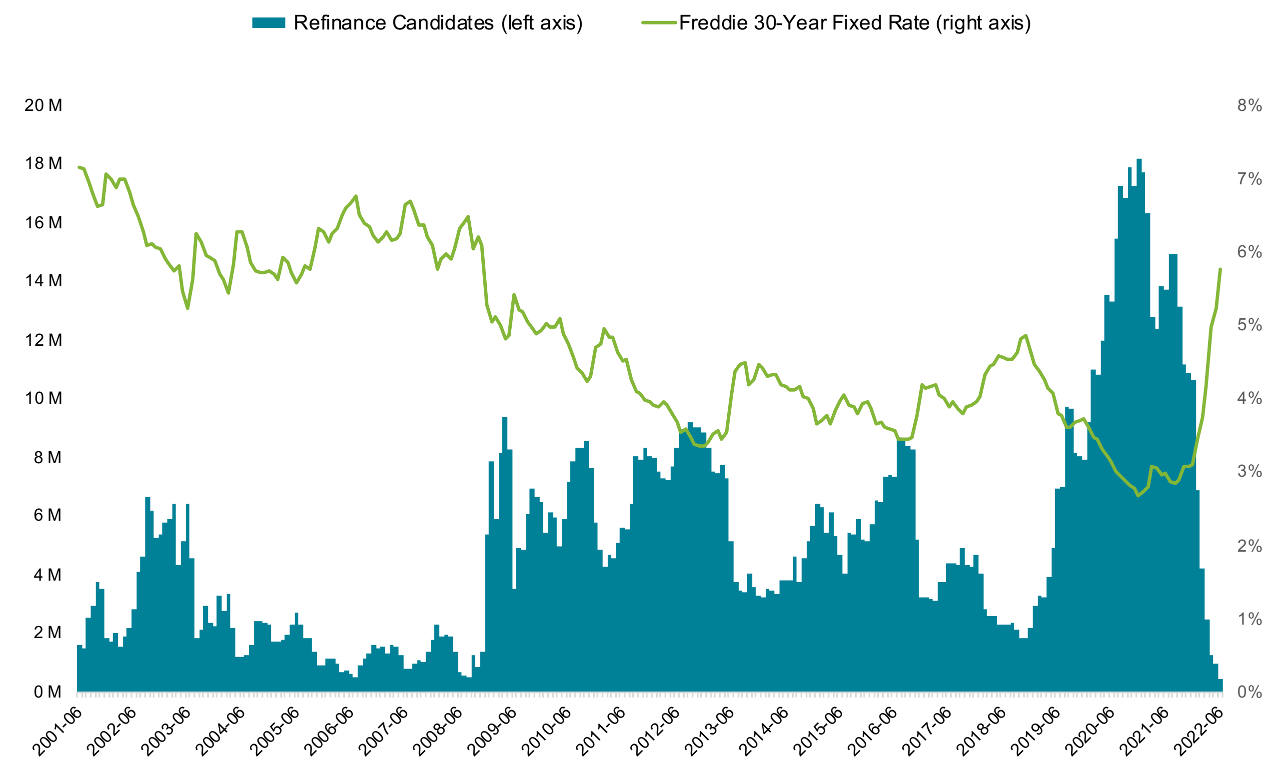
6-MONTH CHANGE IN 30-YEAR FRM RATES



Source: Black Knight, Freddie Mac PMMS

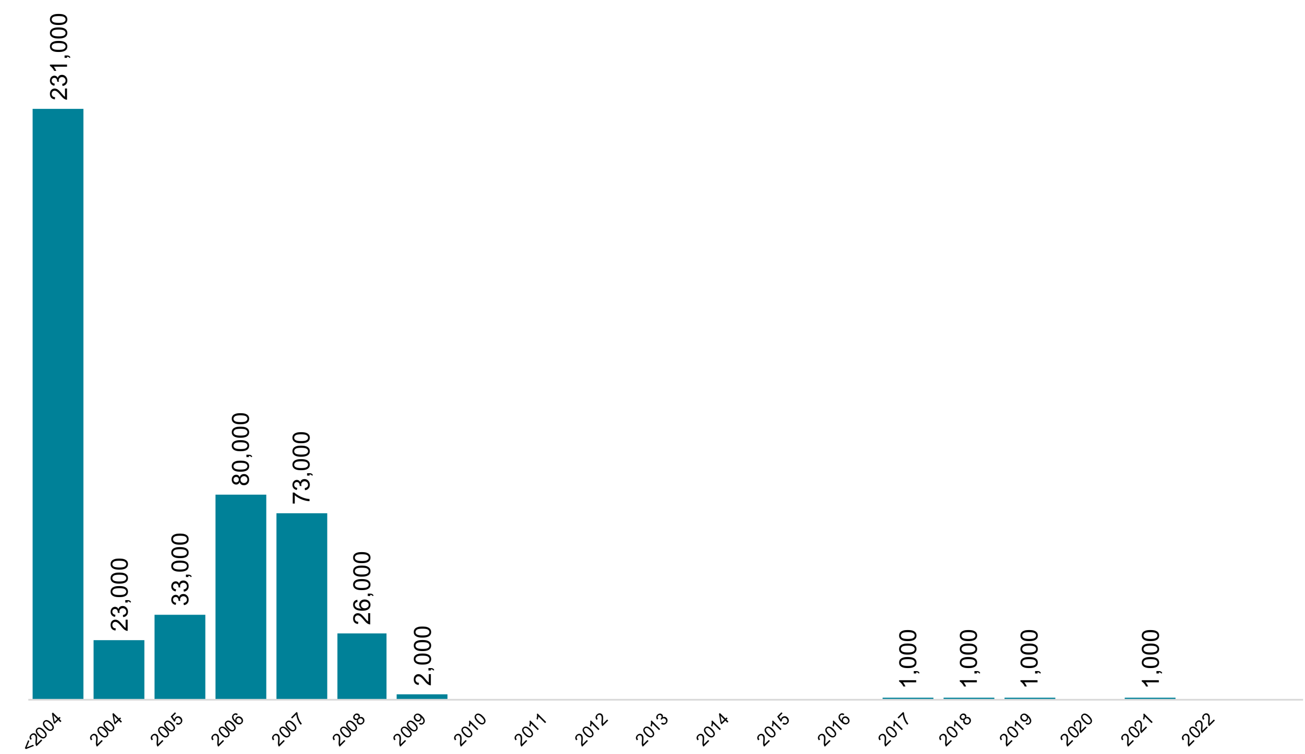
- Interest rates have risen sharply as the market reacts to accelerated Federal Reserve tightening and persistent inflationary pressures
- 30-year mortgage rates are up 270 basis points so far this year, the sharpest six-month rise since the early 1980s, when the Fed was – like now – trying to curb inflationary pressures
- The Federal Reserve may raise rates again in July, depending on the results of consumer price data expected mid-month
- 30-year fixed rates have crossed the 6% threshold for the first time since 2008
- The Fed plans to roll $30B of Treasuries and $17.5B of mortgage-backed securities (MBS) off its balance sheet starting this month, increasing to $60B and $35B respectively in three months, further widening the spread between 30-year rates and 10-year Treasuries

REFINANCE CANDIDATES BY MONTH



Source: Black Knight, McDash Primary, Federal Reserve
June data as of 6/16

DISTRIBUTION OF REFINANCE CANDIDATES BY VINTAGE

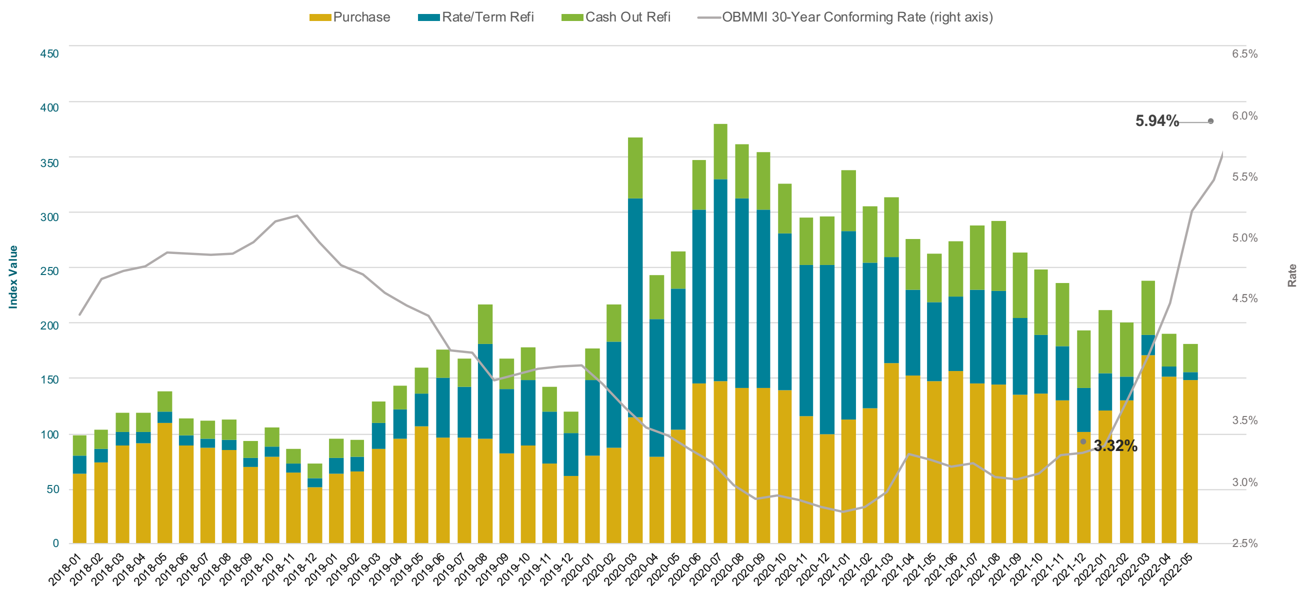


Source: Black Knight, McDash Primary

- Rising 30-year rates have now all but eliminated traditional rate/term refinance incentive in the market
- In an 18-month span from late 2020 to present, the market has seen the population of high-quality refi candidates soar to an all-time high near 20M and subsequently plunge to the lowest point since the turn of the century

- Entering the year, some 11M refinance candidates remained; that population has fallen by 95% year to date, with fewer than 500K remaining as of June
- Most of the remaining candidates have held their mortgages since 2003 or prior, suggesting a reluctance to either refinance or restart the clock on a 30-year commitment

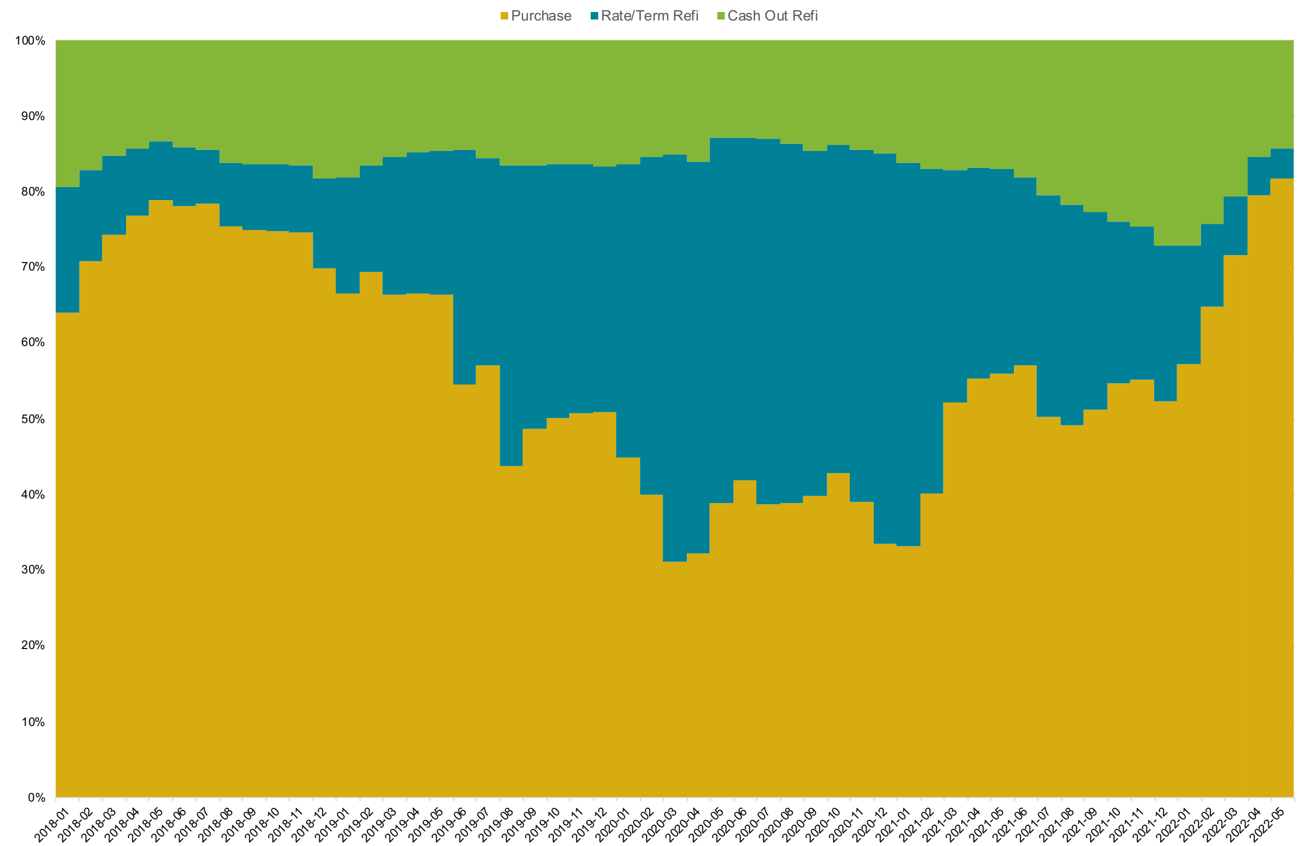
RATE LOCK VOLUME BY PURPOSE



Market Volume Index	Current Value	1-Month % Change	3-Month % Change	12-Month % Change
Purchase Index	150	-2%	+14%	+0.2%
Cash Out Refi Index	26	-12%	-47%	-42%
Rate/Term Refi Index	7	-24%	-67%	-90%
Total Volume Index	184	-5%	-10%	-31%
Refinance Share	18%	-2pp	-17pp	-26pp

Source: Optimal Blue, a division of Black Knight

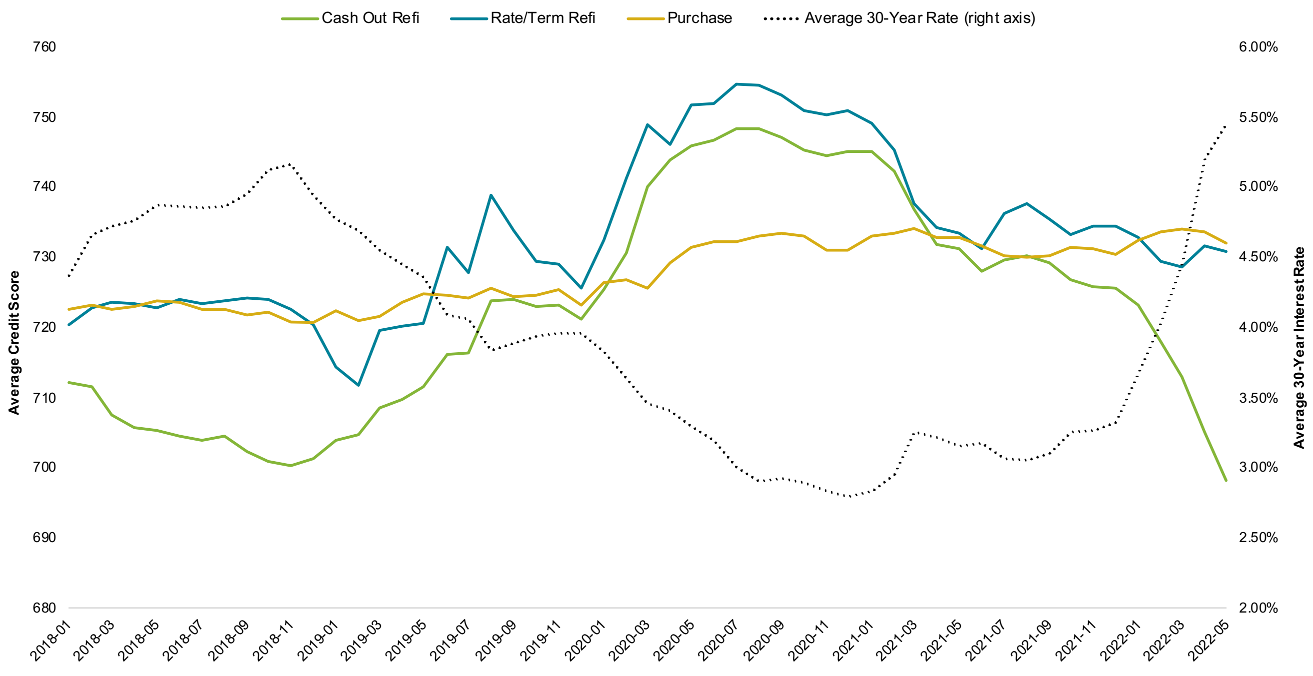
RATE LOCK DISTRIBUTION BY PURPOSE



Source: Optimal Blue, a division of Black Knight

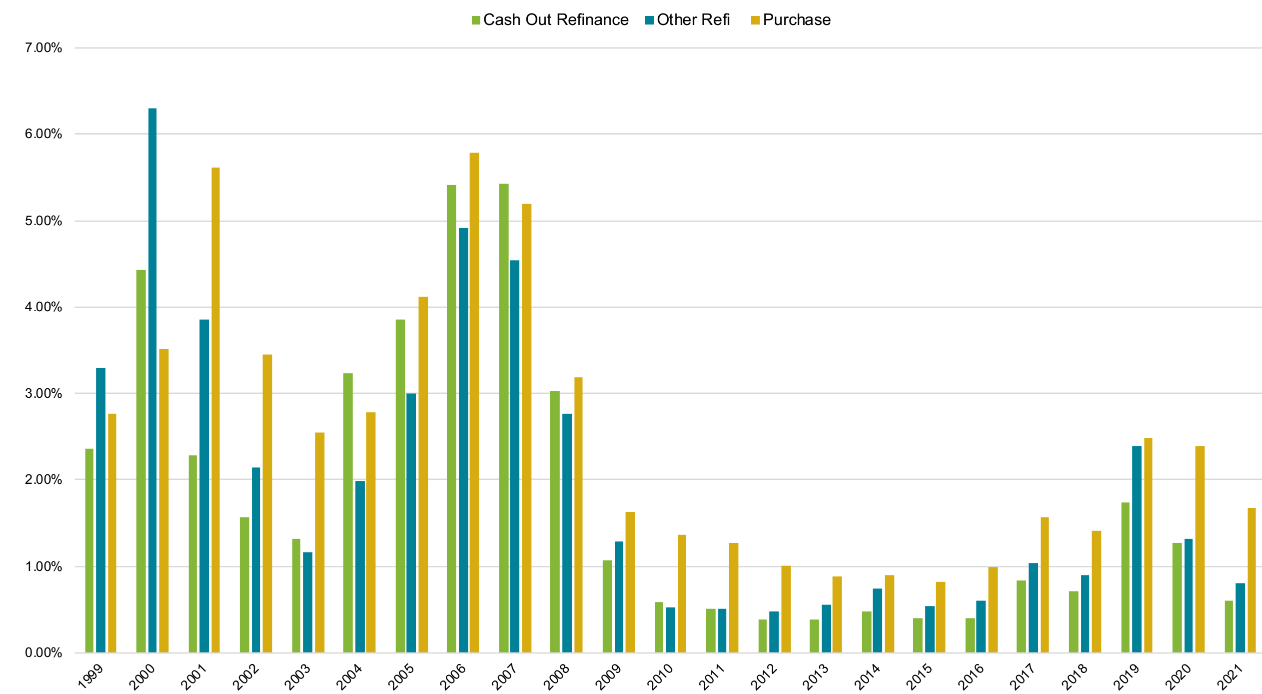
- With rate incentive to refinance at a record low, traditional rate/term refinance volumes have become all but non-existent in recent months
- Rate/term locks are down 90% from the same time last year and accounted for less than 5% of rate locks on the Optimal Blue platform in May
- Cash-out and purchase locks, which had been more resilient to rising rates, are beginning to pull back as well
- Cash-out locks were down 42% year over year, and early data through mid-June suggests that they're now down 50% from the same time last year
- Purchase locks were flat in May by dollar volume but actually dropped 8.5% year over year after adjusting for price growth
- The slowing became even more noticeable in early June, with locks by volume now down 14% year over year, or a price-adjusted 21%

AVERAGE CREDIT SCORE OF RATE LOCK BY LOAN PURPOSE



Source: Optimal Blue, a division of Black Knight

DELINQUENCY RATE AT 6-MONTHS OF LOAN AGE BY VINTAGE



Source: Black Knight, McDash Primary Data

- Rising interest rates have resulted in falling credit scores among refinance borrowers
- Credit score averages often drop in rising rate cycles, because borrowers with higher credit scores tend to refinance earlier, when rates are still falling
- Average credit scores among rate/term refinances have fallen from a peak of 755 in mid-2020 to just over 730 today
- Credit scores on cash-out refis have seen the sharpest decline, down from a peak of 748 in mid-2020 (and 726 at the end of 2021) to below 700, a drop likely compounded by higher-credit borrowers switching from cash-outs to HELOCs

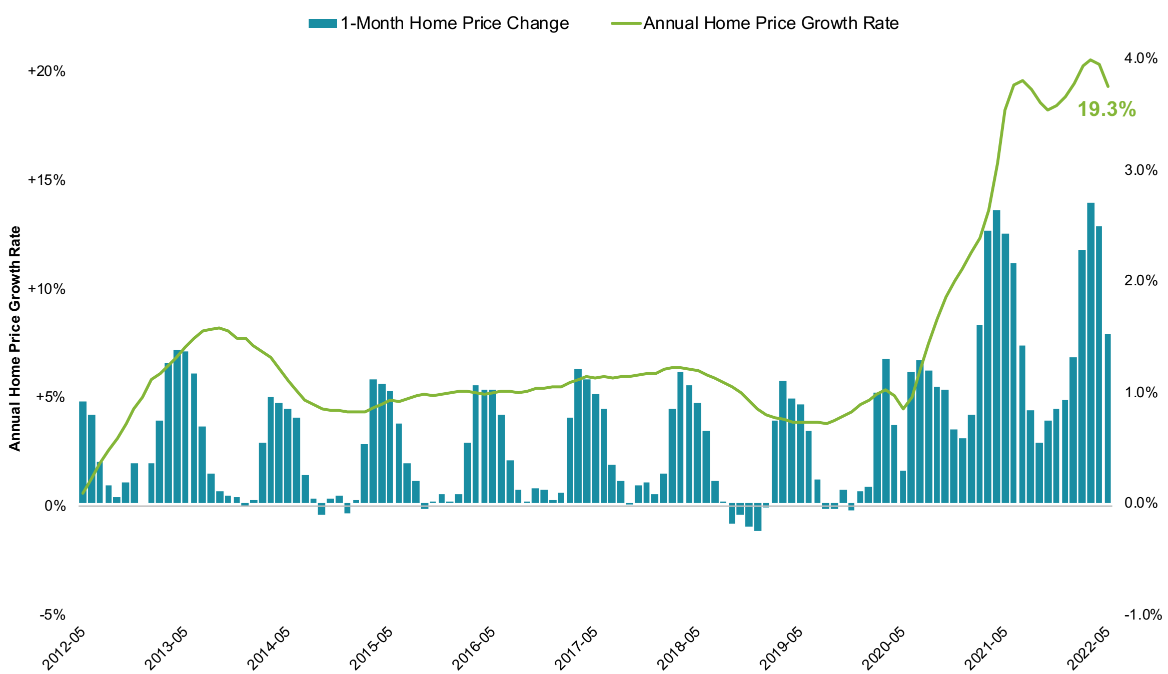
- Purchase mortgages tend to see higher early stage delinquency rates due to heavier concentrations of first-time homebuyers and negative payment shocks as opposed to rate/term refinances, which tend to see the lowest
- The impact of the pandemic is apparent in the performance of 2019 and 2020 vintage loans of all types
- As the first lien market shifts away from refinance towards purchase loans, the higher concentration of borrowers with lower credit scores in the refinance market may cause delinquencies to rise over time
- Performance remains strong from a historical context

MORTGAGE MONITOR

MAY 2022 HOUSING MARKET, AFFORDABILITY AND INVENTORY

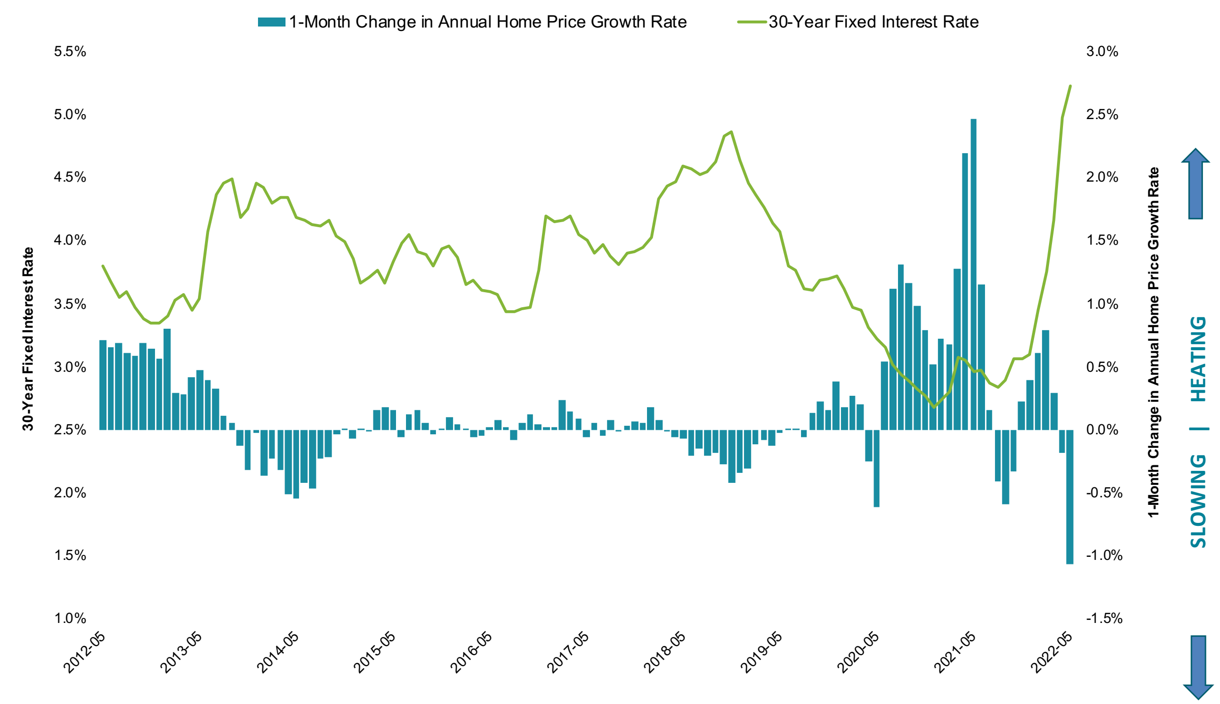
Leveraging data from the Black Knight Home Price Index (HPI), we look at the latest housing market and inventory trends, along with tappable equity and what that means for cash-out and home equity lending. This analysis also draws upon third-party sources of information. Click on each chart to view its contents in high resolution.

BLACK KNIGHT HOME PRICE INDEX



Source: Black Knight Home Price Index (HPI)

BLACK KNIGHT HOME PRICE INDEX

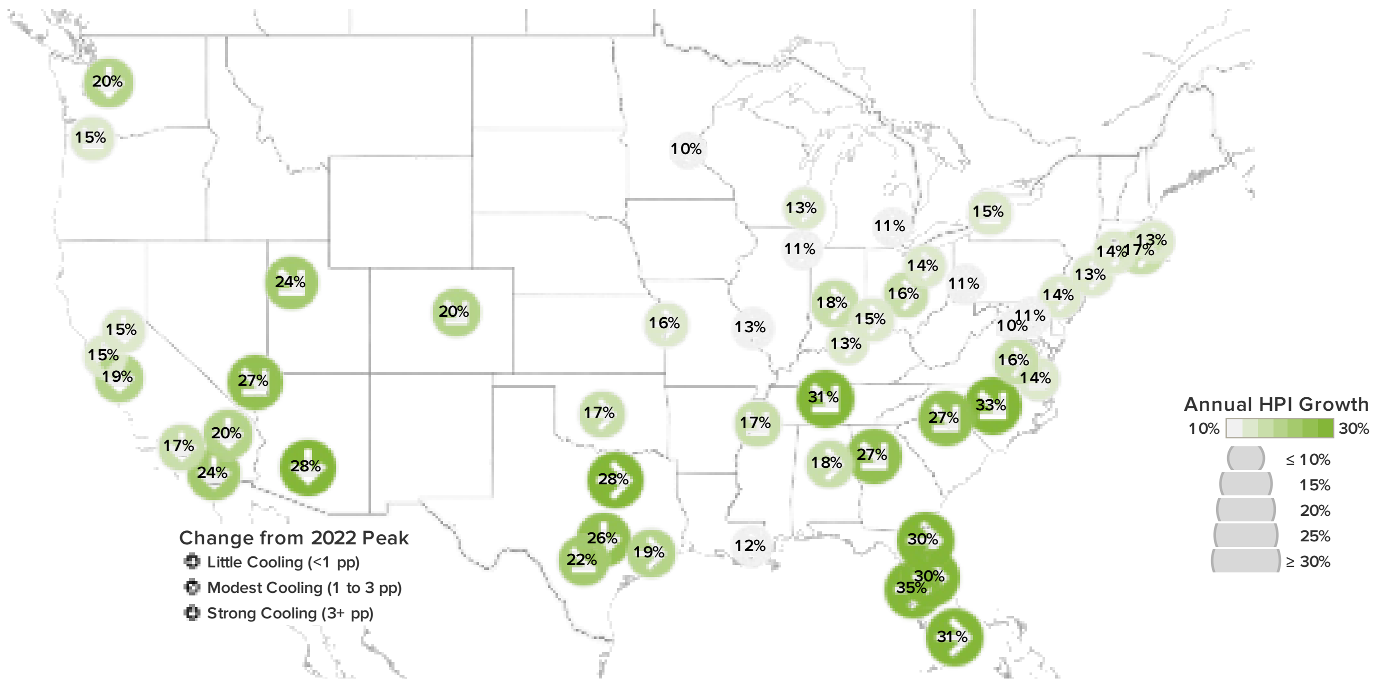


Source: Black Knight Home Price Index (HPI)

- Annual home price appreciation fell to 19.3% from a revised 20.4% in April, marking the largest single-month deceleration since 2006
- Even so, prices rose 1.5% month over month – nearly twice the historical average for May
- Home prices are up 10.8% year to date, and 44% since the start of the pandemic
- Home price growth typically ranges from 3% to 5% in a normal year

MAY 2022 HOUSING MARKET, AFFORDABILITY AND INVENTORY

ANNUAL HOME PRICE GROWTH RATE BY CBSA



Source: Black Knight HPI May 2022

MARKETS WITH HIGHEST HOME PRICE GROWTH RATES

Rank	Geography (CBSA)	Annual Home Price Growth Rate
1	Tampa, FL	+34.6%
2	Raleigh, NC	+33.0%
3	Nashville, TN	+31.3%
4	Miami, FL	+30.8%
5	Jacksonville, FL	+29.8%
6	Orlando, FL	+29.7%
7	Phoenix, AZ	+27.9%
8	Dallas, TX	+27.8%
9	Atlanta, GA	+27.1%
10	Las Vegas, NV	+27.1%

MARKETS WITH LOWEST HOME PRICE GROWTH RATES

Rank	Geography (CBSA)	Annual Home Price Growth Rate
41	Louisville, KY	+13.0%
42	Milwaukee, WI	+13.0%
43	St. Louis, MO	+12.5%
44	New Orleans, LA	+11.9%
45	Chicago, IL	+11.3%
46	Detroit, MI	+11.0%
47	Baltimore, MD	+11.0%
48	Pittsburgh, PA	+10.9%
49	Minneapolis, MN	+10.5%
50	Washington, DC	+9.9%

» Price gains have begun to slow, with 97 of the nation's 100 largest markets seeing deceleration within the past six months – Miami, Omaha, and Grand Rapids are the only exceptions

» The strongest deceleration is in Austin, (-12.2 percentage points), Boise (-12.1), Spokane, (-7.1), Stockton (-6), Phoenix (-5.1) and Seattle (-5), all of which experienced significant home price growth in recent years

» California markets are seeing the strongest cooling, with annual growth in all 10 major CBSAs in the state dipping by 3-6 percentage points

» Despite the slowdowns, price growth remains strong and almost all major markets are continuing to see upward movement, at least for now

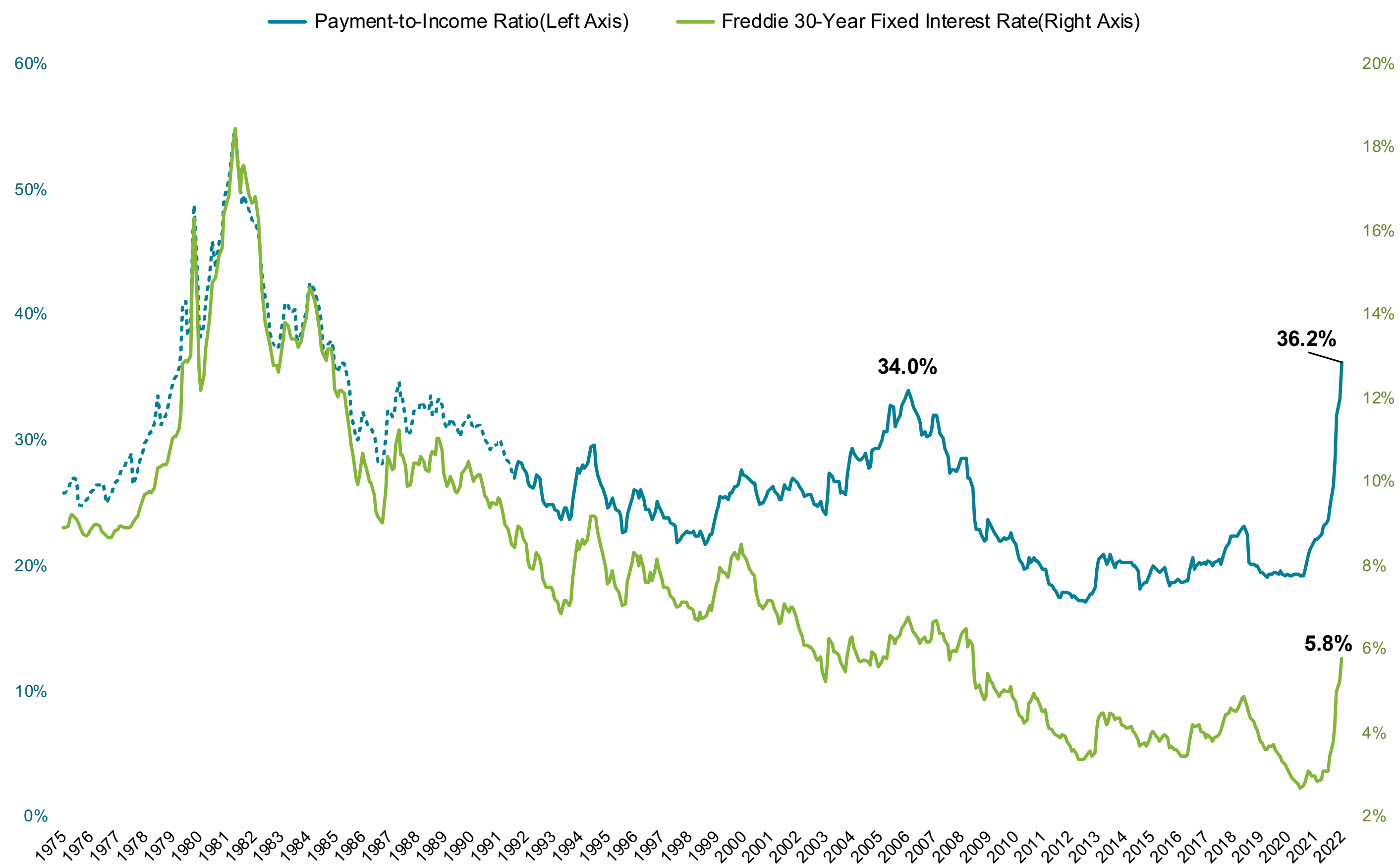
» With May typically one of the peak months for home price growth, it will be worth watching to see if prices weaken as we move into the more neutral seasonal months of September through January

» There are only a handful of markets that have seen prices come off their peaks so far and the pullbacks at this point have been marginal

» San Jose, Calif., has seen the sharpest pullback and even that has been modest, with the average price dropping by 0.5% in recent months

» Florida markets remain among the hottest for home price appreciation, with homes in Tampa up 35% year over year, and Miami, Jacksonville and Orlando all up around 30%

NATIONAL PAYMENT-TO-INCOME RATIO*

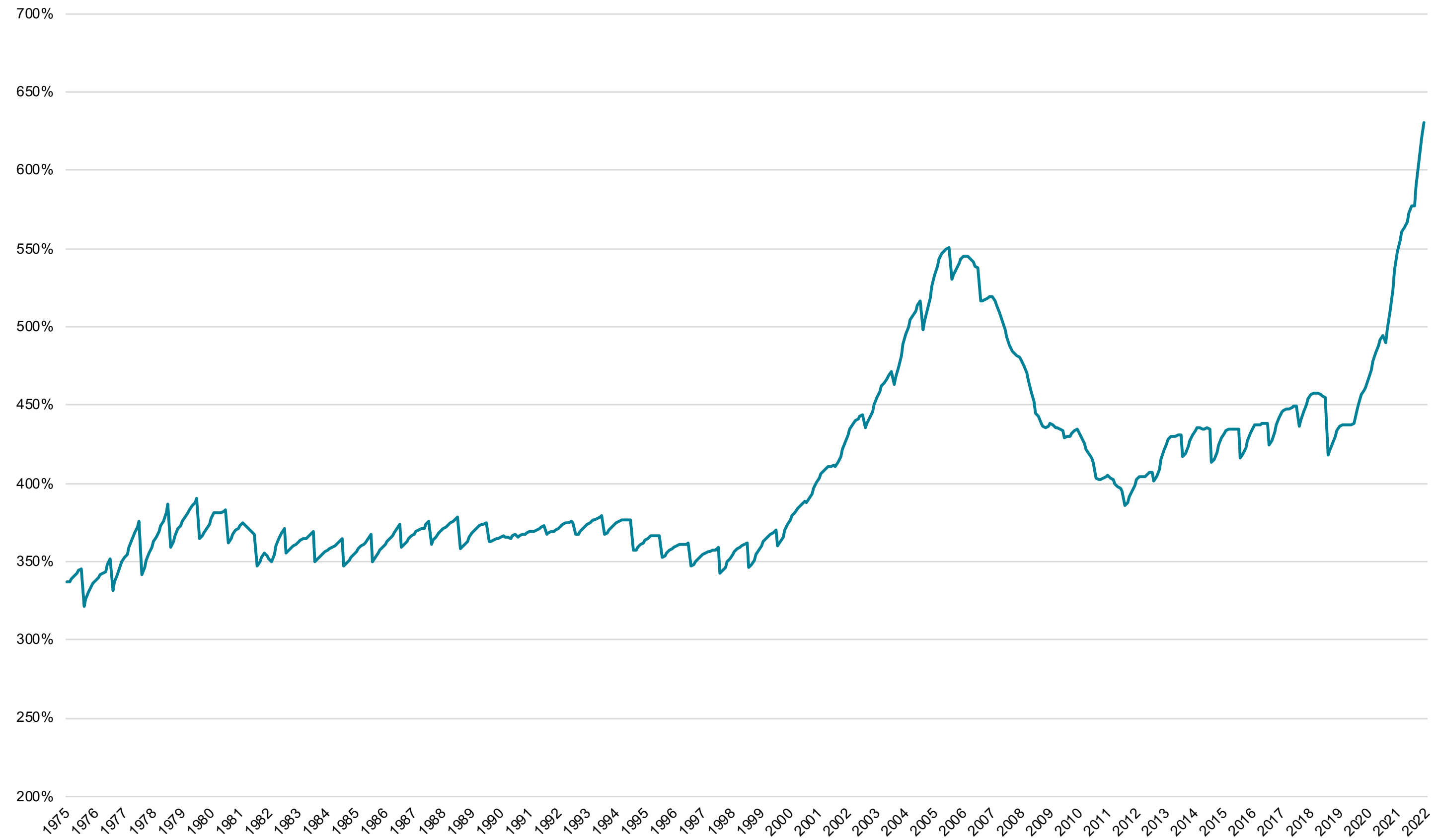


Source: Black Knight HPI, Census Bureau, FHLMC PMMS, Moody's
*The National Payment to Income Ratio is the share of median income needed to make the monthly principal and interest payment on the purchase of the average-priced home using a 20% down 30-year fixed rate mortgage at the prevailing interest rate
2022: Data as of June 16th, 2022

Today's 36.2% ratio is a result of both rising interest rates and soaring home values largely driven by historically low inventory levels

- With 30-year rates hovering close to 6% and home prices up nearly 11% since the start of 2022, affordability is at its worst point since the mid-1980s – when sharp Fed hikes led to high double-digit mortgage rates that resulted in a greater than 50% payment-to-income ratio
- The affordability challenge back then was almost entirely driven by the interest rate environment, while incomes largely kept up with home price growth
- As of mid-June 2022, it takes 36.2% of the median household income to make the mortgage payment on the average priced home purchase, well above the 34.1% post-1980s peak in July 2006
- The monthly principal and interest (P&I) payment for the average-priced home purchased with 20% down is now over $2,100 for the first time on record, up nearly $750 (55%) so far this year and nearly 2X the $1,089 required at the beginning of the pandemic

AVERAGE HOME PRICE AS % OF MEDIAN HOUSEHOLD INCOME

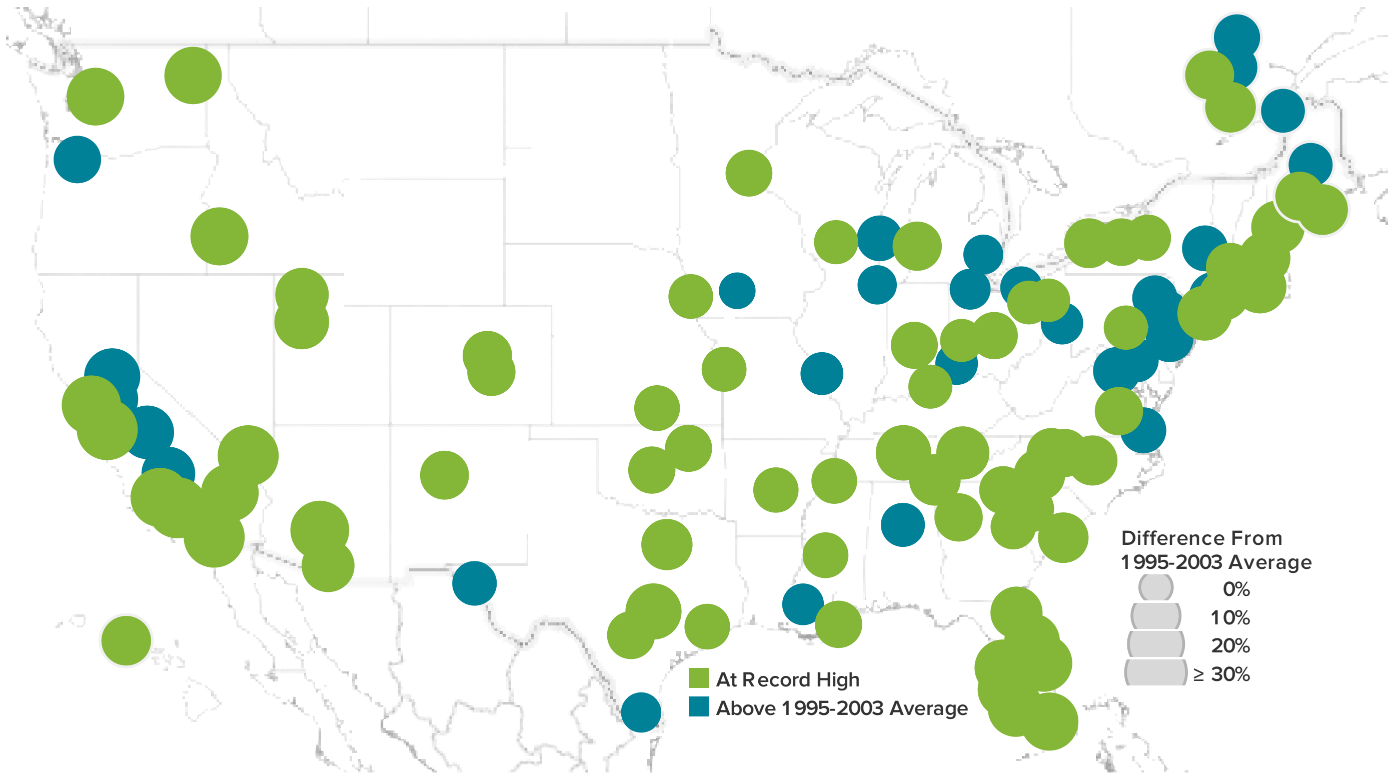


Source: Black Knight HPI, Realtor.com, Census Bureau, Moody's
Assumes a 20% down payment and utilization of a 30-year fixed rate mortgage at the prevailing interest rate
Data as of May 2022

The combination of record home price growth and the largest six-month rise in 30-year rates in more than 40 years continues to pummel home affordability

- From the late 1970s through the turn of the century, the average home price in the U.S. was equal to 3.5-3.75X the median household income
- Even in early 1980s, sharply rising interest rates pushed affordability to its lowest level on record while home prices as a share of median income – though elevated slightly – remained well below 4X
- Easy credit and alternative loan products in the mid-2000s allowed prospective homebuyers to purchase much more house than their incomes could support, pushing the price-to-income ratio all the way to 5.5X
- Today, the average home price is up more than 44% in just over two years
- The average home price is now more than 6X the median household income, the largest multiple on record since the early 1970s

PAYMENT-TO-INCOME RATIO BY CBSA
(JUNE 2022)



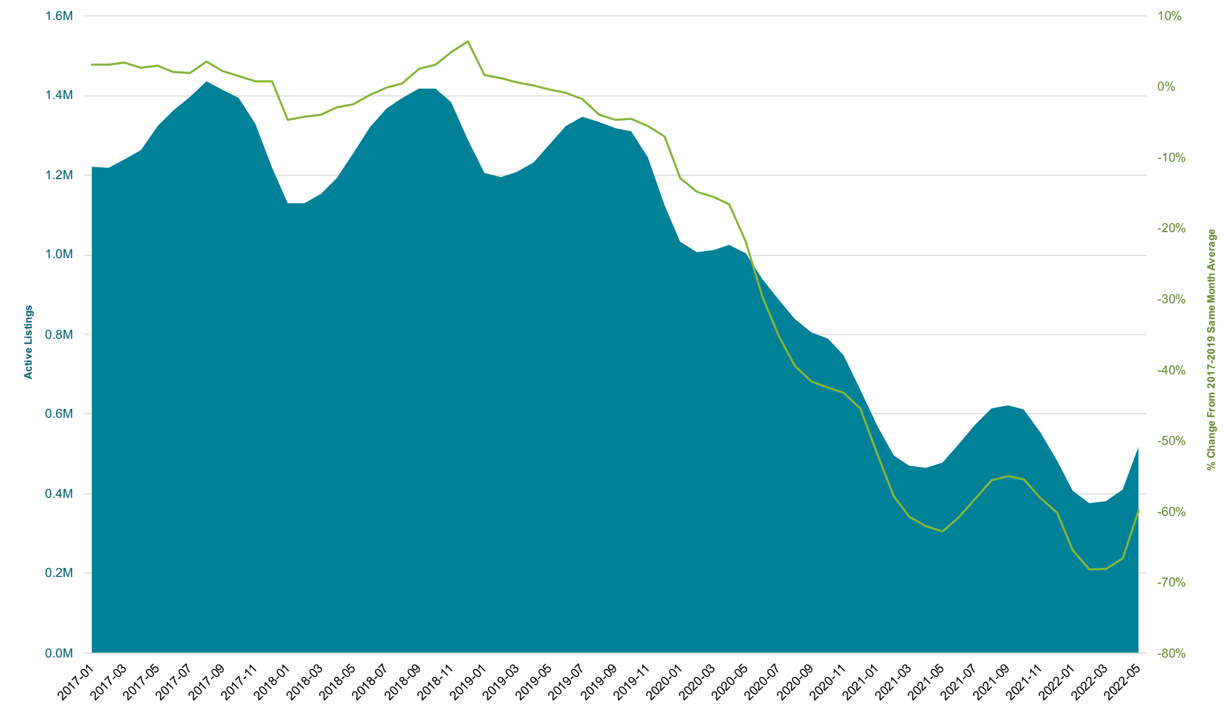
MARKETS WITH HIGHEST PAYMENT-TO-INCOME RATIO				
Rank	Geography (CBSA)	Current Payment-to-Income Ratio	Difference From 1995-2003 Average	Record High
1	Los Angeles, CA	**73.3%**	+37.9%	**73.3%**
2	San Jose, CA	**67.8%**	+33.6%	**67.8%**
3	San Diego, CA	**67.2%**	+33.0%	**67.2%**
4	San Francisco, CA	**61.2%**	+26.3%	**61.2%**
5	Las Vegas, NV	**54.7%**	+31.1%	**54.7%**
6	Seattle, WA	**50.5%**	+23.3%	**50.5%**
7	Riverside, CA	**48.9%**	+23.2%	**48.9%**
8	Miami, FL	**48.4%**	+24.0%	**48.4%**
9	Phoenix, AZ	**47.7%**	+25.5%	**47.7%**
10	Sacramento, CA	47.5%	+20.4%	48.3%

MARKETS WITH LOWEST PAYMENT-TO-INCOME RATIO				
Rank	Geography (CBSA)	Current Payment-to-Income Ratio	Difference From 1995-2003 Average	Record High
41	Milwaukee, WI	26.6%	+6.0%	27.1%
42	Baltimore, MD	26.1%	+4.8%	34.7%
43	Louisville, KY	**25.6%**	+4.5%	**25.6%**
44	Pittsburgh, PA	25.0%	+3.3%	26.8%
45	Chicago, IL	24.9%	+1.4%	31.1%
46	Cincinnati, OH	24.8%	+3.4%	25.6%
47	Cleveland, OH	24.7%	+3.1%	25.1%
48	Kansas City, MO	**24.4%**	+5.2%	**24.4%**
49	Detroit, MI	23.5%	+1.7%	24.9%
50	St. Louis, MO	23.0%	+3.6%	24.0%

Source: Black Knight HPI, FHLMC PMMS, Census Bureau, Moody's

- Three quarters of U.S. markets are experiencing the worst home affordability since Black Knight began tracking the data in the mid-1990s
- Affordability is at its worst in Los Angeles, where the average-priced home requires monthly P&I payments equal to 73% of the median household income
- Nine of the 10 least affordable markets nationwide are now less affordable than they've been in more than 37 years
- In Los Angeles, Las Vegas, Phoenix, Miami, San Jose and San Diego, it requires nearly 2X the previously typical share of median income to make payments on an average-priced home
- The extremely tight affordability landscape is expected to continue to put pressure on home sales activity, which will be worth watching closely in coming months

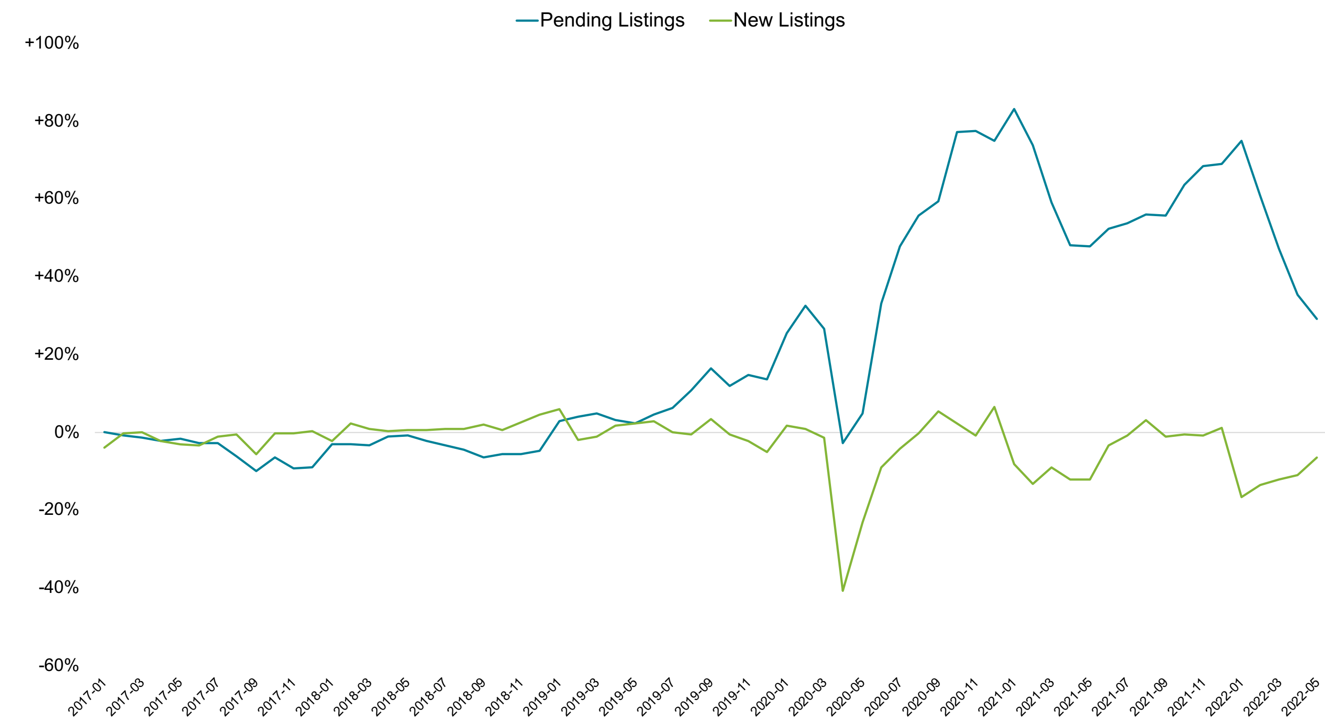
INVENTORY OF HOMES LISTED FOR SALE



Source: Black Knight, Realtor.com

NEW LISTING AND PENDING LISTING VOLUMES

(% CHANGE FROM 2017-2019 SAME MONTH AVERAGES)

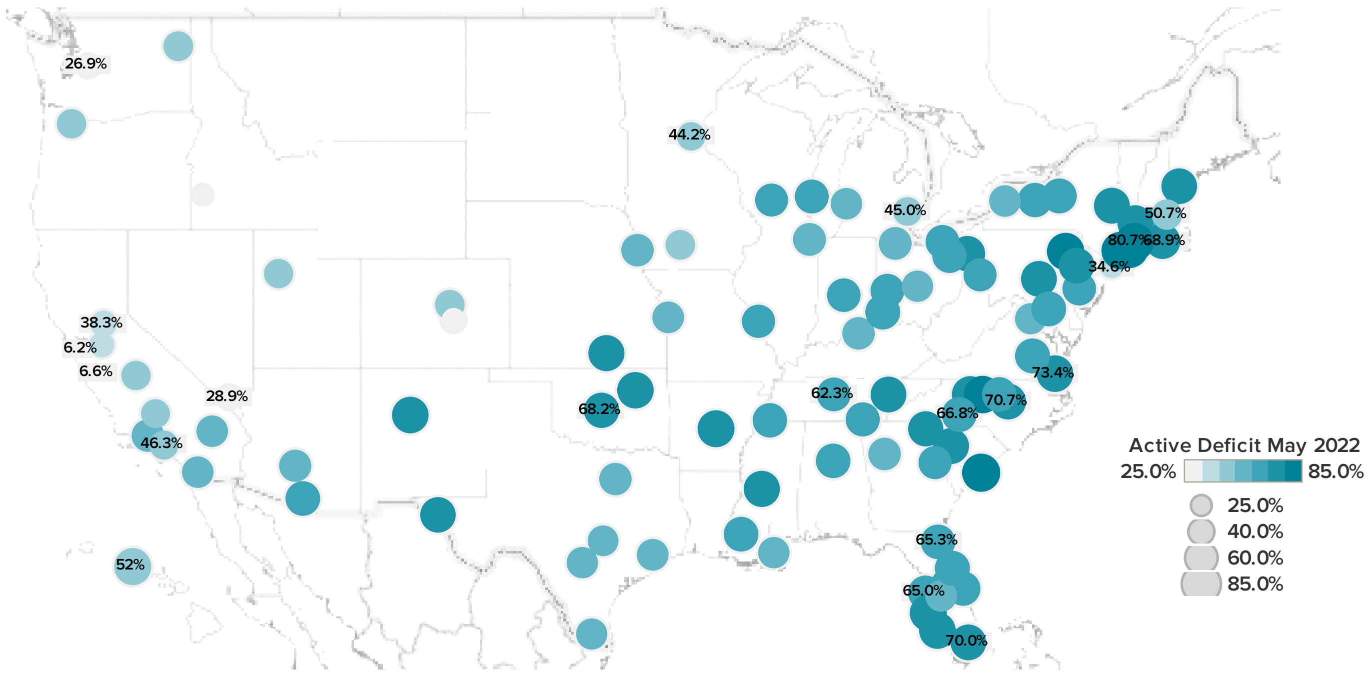


Source: Black Knight, Realtor.com

- May saw the largest single-month increase in inventory in more than five years, with active listing volumes rising by 107K, nearly 2X the traditional seasonal rise for the month
- The deficit of active listings decreased from -67% to -60%, but there are still an estimated 769K fewer active listings than there should be in the market (down from an 820K shortage the previous month)
- While 6% more homes hit the market in May year over year, new listings were still 6% below their pre-pandemic average for the month
- Pending sales have begun to weaken, with such transactions currently 25% above pre-pandemic levels, down from 75% in January and dropping fast
- Rising inventory is good news, but the improvements we're seeing are due to falling sales volumes rather than a increase in listings, which isn't good for transactional revenue

DEFICIT OF ACTIVE LISTINGS BY CBSA – MAY 2022

(COMPARED TO 2017-2019 MAY AVERAGE)



Source: Black Knight, Realtor.com
Active Listings as of May 2022 vs. average of May 2017-2019
New listings average for Jan-May 2022 vs. average for Jan-May 2017-2019

MARKETS WITH SMALLEST ACTIVE LISTING DEFICITS

Rank	Geography (CBSA)	Active Listings Deficit	Active Listings Deficit YTD Change
1	San Francisco, CA	6%	-26 pp
2	San Jose, CA	7%	-43 pp
3	Seattle, WA	27%	-41 pp
4	Las Vegas, NV	29%	-12 pp
5	New York-Newark, NY-NJ	35%	**+5 pp**
6	Sacramento, CA	38%	-22 pp
7	Minneapolis, MN	44%	**+10 pp**
8	Detroit, MI	45%	-6 pp
9	Los Angeles, CA	46%	-10 pp
10	Portland, OR	47%	-13 pp

MARKETS WITH LARGEST ACTIVE LISTING DEFICITS

Rank	Geography (CBSA)	Active Listings Deficit	Active Listings Deficit YTD Change
41	Baltimore, MD	67%	**+5 pp**
42	Cincinnati, OH	67%	**+5 pp**
43	Charlotte, NC	67%	-0 pp
44	Richmond, VA	67%	**+2 pp**
45	Oklahoma City, OK	68%	**+4 pp**
46	Providence, RI	69%	**+1 pp**
47	Miami, FL	70%	**+5 pp**
48	Raleigh, NC	71%	-5 pp
49	Virginia Beach, VA	73%	**+6 pp**
50	Hartford, CT	81%	**+3 pp**

Numbers in **bold** indicate worsening deficits

- While inventory shortages are universally being seen across the country, the degree of deficits varies significantly from market to market
- Hartford, Conn. is now seeing the largest deficit in active listings (81%) overtaking Raleigh, N.C., which has seen its inventory marginally improve in recent months
- On the other end of the spectrum, markets like San Francisco and San Jose, Calif., and Seattle are seeing the smallest deficits as the post-pandemic, remote-work footing and continued affordability pressures lead home shoppers to look elsewhere
- San Francisco entered the year with a 32% inventory deficit (now down to 6%), while San Jose entered the year short 50% (now down to 7%); Seattle entered the year short 68% and is now down just 27%
- Given how quickly deficits are disappearing on the West Coast, those markets will be worth watching in coming months to see how prices react to a more balanced supply and demand
- Eight of the 10 markets with the largest listing deficits have seen those shortages worsen year to date, while eight of the 10 markets with the smallest deficits have seen them improve

INVENTORY SHORTAGES VS. LACK OF AFFORDABILITY

Source: Black Knight, Census Bureau, Realtor.com, FHLMC PMMS, Moody's

Markets with both low affordability and relatively small inventory shortages are seeing the strongest home price slowing

- This chart consolidates inventory, affordability, and home price metrics for each market to show home price trends among markets with varying degrees of inventory shortages and affordability pressures
- The further right on the chart a market appears, the less affordable it is compared to long-run averages (100% = 2X the normal share of median income to afford the average priced home)
- The further up on the chart a market appears, the larger the deficit of active listings
- Darker green = stronger home price growth, and the arrows depict how much cooling each market has seen (again 97% of markets are seeing slowing, the question is to what degree)
- In a perfectly "normal" market, all metros would be sitting on top of the 0%/0% axis, with both active listings and affordability right at long-run averages
- Markets on the bottom right of the chart are those that may be the most sensitive to price shocks – those that are simultaneously unaffordable compared to their own long-run averages and also have relatively small inventory deficits to hold prices up

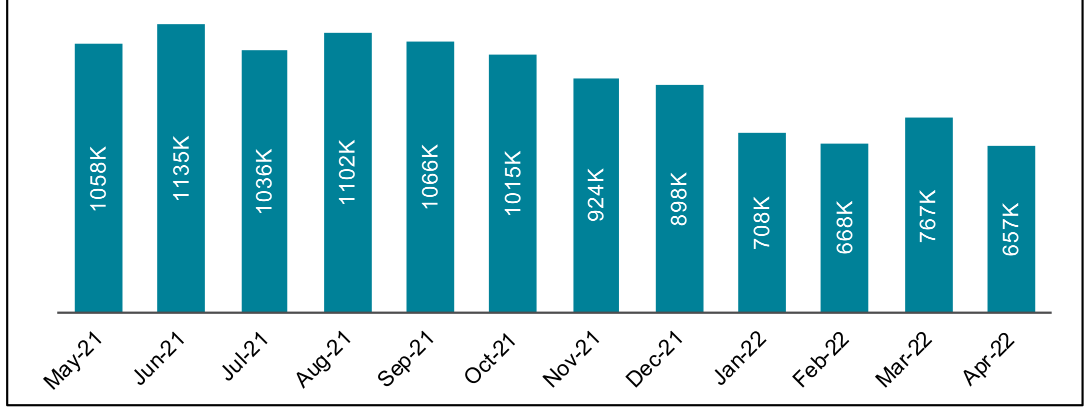
MAY 2022 DATA SUMMARY

Summary Statistics	May-22	Monthly Change	YTD Change	Yearly Change
Delinquencies	2.75%	-1.93%	-16.73%	-41.96%
Foreclosure	0.33%	1.03%	17.22%	17.55%
Foreclosure Starts	18,800	-12.15%	-42.86%	394.74%
Seriously Delinquent (90+) or in Foreclosure	1.45%	-4.99%	-23.50%	-57.76%
New Originations (data as of Apr-22)	657K	-14.3%	-26.8%	-44.4%

	May-22	Apr-22	Mar-22	Feb-22	Jan-22	Dec-21	Nov-21	Oct-21	Sep-21	Aug-21	Jul-21	Jun-21	May-21
Delinquencies	2.75%	2.80%	2.84%	3.36%	3.30%	3.38%	3.59%	3.74%	3.91%	4.00%	4.14%	4.37%	4.73%
Foreclosure	0.33%	0.32%	0.32%	0.31%	0.28%	0.24%	0.25%	0.26%	0.26%	0.27%	0.26%	0.27%	0.28%
Foreclosure Starts	18,800	21,400	24,300	25,000	32,900	4,100	3,700	4,000	3,900	7,100	4,200	4,400	3,800
Seriously Delinquent (90+) or in Foreclosure	1.45%	1.52%	1.62%	1.79%	1.89%	2.02%	2.18%	2.34%	2.59%	2.79%	2.98%	3.20%	3.42%
New Originations		657K	767K	668K	708K	898K	924K	1015K	1066K	1102K	1036K	1135K	1058K

TOTAL DELINQUENCIES

NEW ORIGINATIONS



DELINQUENCY AND FORECLOSURE FIGURES BY STATE

State		Del %	FC %	Non-Curr %	Yr/Yr Change in NC%
National		2.7%	0.3%	3.1%	-38.7%
MS		5.7%	0.4%	6.1%	-29.2%
LA	*	4.9%	0.6%	5.4%	-32.7%
AL		4.2%	0.3%	4.5%	-28.1%
OK	*	3.9%	0.6%	4.4%	-34.2%
WV		3.9%	0.4%	4.2%	-33.7%
AR		3.8%	0.4%	4.2%	-31.6%
NY	*	2.9%	1.0%	3.9%	-40.1%
IN	*	3.4%	0.4%	3.9%	-32.2%
MD	*	3.5%	0.4%	3.9%	-41.6%
PA	*	3.3%	0.5%	3.8%	-31.3%
AK		3.3%	0.5%	3.8%	-36.1%
TX		3.5%	0.3%	3.8%	-40.0%
NE	*	3.4%	0.3%	3.7%	-26.7%
IL	*	3.2%	0.5%	3.7%	-35.3%
CT	*	3.1%	0.5%	3.6%	-38.8%
GA		3.4%	0.2%	3.6%	-41.1%
ME	*	2.8%	0.8%	3.6%	-28.7%

State		Del %	FC %	Non-Curr %	Yr/Yr Change in NC%
National		2.7%	0.3%	3.1%	-38.7%
KS	*	3.2%	0.4%	3.6%	-30.6%
SC	*	3.1%	0.3%	3.5%	-35.1%
OH	*	3.0%	0.5%	3.4%	-32.1%
RI		3.0%	0.4%	3.3%	-37.7%
VT	*	2.8%	0.5%	3.3%	-43.2%
NM	*	2.8%	0.5%	3.3%	-34.7%
DE	*	2.9%	0.4%	3.3%	-40.7%
MO		3.0%	0.2%	3.3%	-25.7%
IA	*	2.8%	0.4%	3.3%	-22.2%
FL	*	2.8%	0.4%	3.2%	-44.2%
KY	*	2.8%	0.4%	3.2%	-27.7%
TN		2.9%	0.2%	3.1%	-34.9%
NJ	*	2.7%	0.4%	3.0%	-47.0%
MN		2.7%	0.2%	2.9%	-30.4%
NC		2.7%	0.2%	2.9%	-38.8%
NV		2.5%	0.3%	2.9%	-53.5%
MI		2.7%	0.2%	2.9%	-28.1%

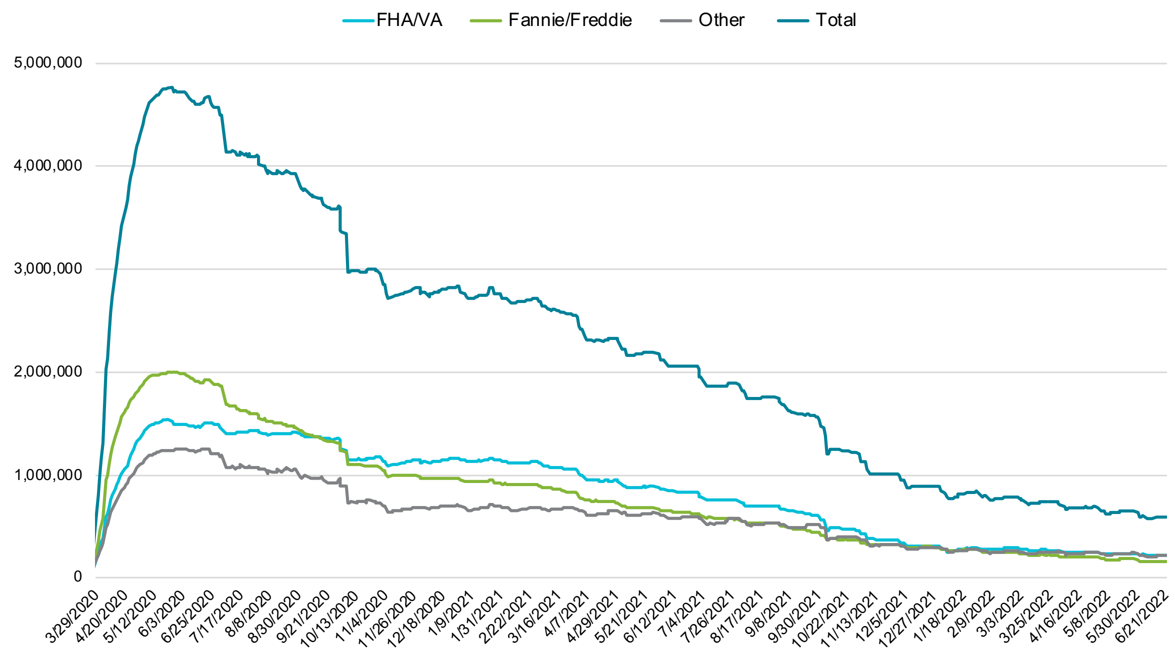
State		Del %	FC %	Non-Curr %	Yr/Yr Change in NC%
National		2.7%	0.3%	3.1%	-38.7%
WI	*	2.5%	0.3%	2.8%	-29.3%
HI	*	1.9%	0.9%	2.7%	-61.3%
WY		2.4%	0.2%	2.6%	-39.5%
NH		2.4%	0.2%	2.6%	-33.8%
VA		2.4%	0.2%	2.5%	-41.2%
DC		2.2%	0.3%	2.5%	-47.4%
ND	*	2.1%	0.3%	2.5%	-34.3%
MA		2.2%	0.2%	2.5%	-42.3%
AZ		2.2%	0.1%	2.3%	-39.5%
SD	*	1.9%	0.2%	2.1%	-36.4%
MT		1.8%	0.2%	2.0%	-38.5%
OR		1.8%	0.2%	2.0%	-39.2%
UT		1.8%	0.1%	1.9%	-37.1%
CO		1.7%	0.1%	1.8%	-39.5%
CA		1.7%	0.1%	1.8%	-50.5%
ID		1.5%	0.1%	1.6%	-35.3%
WA		1.5%	0.1%	1.6%	-46.8%

- Indicates Judicial State

MAY 2022 FORBEARANCE TRACKER

(COMPARED TO 2017-2019 MAY AVERAGE)

ACTIVE FORBEARANCE PLANS



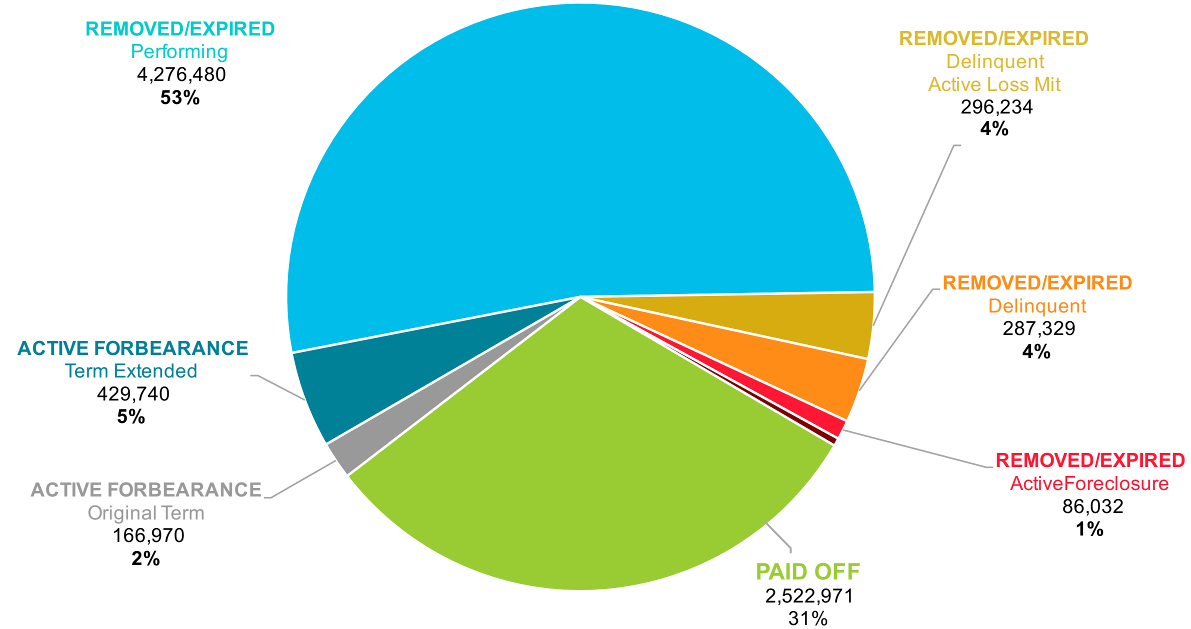
	Fannie & Freddie	FHA & VA	Other**	Total
Loans in Forbearance*	155,000	224,000	217,000	596,000
UPB of Loans in Forbearance ($Bil)*	$31	$39	$37	$108
Share of Loans in Forbearance*	0.6%	1.9%	1.7%	1.1%
Active Loan Count (Mil)*	27.9	12.1	13.0	53.0

Source: Black Knight McDash Flash

*Figures in this report are based on observations from Black Knight's McDash Flash data set and are extrapolated to estimate the full mortgage market

**Other category includes held in portfolios, private labeled securities, or by other entities

CURRENT STATUS OF COVID-19 RELATED FORBEARANCES



	Fannie & Freddie	FHA & VA	Other**	Total
Average Monthly P&I Payment*	$1,091	$880	$942	$970
Average Monthly T&I Payment*	$536	$497	$532	$519
Aggregate Monthly P&I Payment*	$30.4B	$10.6B	$12.2B	$51.4B
Aggregate Monthly T&I Payment*	$15.0B	$6.0B	$6.9B	$27.5B
Est. Monthly P&I Advances on Active Forbearance Plans*	$.17B	$.20B	$.20B	$.58B
Est. Monthly T&I Advances on Active Forbearance Plans*	$.08B	$.11B	$.12B	$.31B

Source: Black Knight McDash Flash

Mortgage Monitor Disclosures

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TOTAL ACTIVE COUNT:	All active loans as of month-end, including loans in any state of delinquency or foreclosure. Post-sale loans and loans in REO are excluded from the total active count.
DELINQUENCY STATUSES (30, 60, 90+, ETC.):	All delinquency statuses are calculated using the MBA methodology based on the payment due date provided by the servicer. Loans in foreclosure are reported separately and are not included in the MBA days delinquent.
90-DAY DEFAULTS:	Loans that were less than 90-days delinquent in the prior month and were 90-days delinquent, but not in foreclosure, in the current month.
FORECLOSURE INVENTORY:	The servicer has referred the loan to an attorney for foreclosure. Loans remain in foreclosure inventory from referral to sale.
FORECLOSURE STARTS:	Any active loan that was not in foreclosure in the prior month that moves into foreclosure inventory in the current month.
NON-CURRENT:	Loans in any stage of delinquency or foreclosure.
FORECLOSURE SALE / NEW REO:	Any loan that was in foreclosure in the prior month that moves into post-sale status or is flagged as a foreclosure liquidation.
REO:	The loan is in post-sale foreclosure status. Listing status is not a consideration, this includes all properties on and off the market.
DETERIORATION RATIO:	The ratio of the percentage of loans deteriorating in delinquency status vs. those improving.