

# MAY OVERVIEW STATS



## CHANGE IN DELINQUENCY RATE

The national delinquency rate **fell for the third consecutive month** in May

Delinquencies are now the **lowest since** Black Knight began reporting the metric in **January 2000**



## FORECLOSURE STARTS

At 39K, May saw the **fewest foreclosure starts** of any month in **more than 18 years**

Starts were **down 13.1%** from this time last year



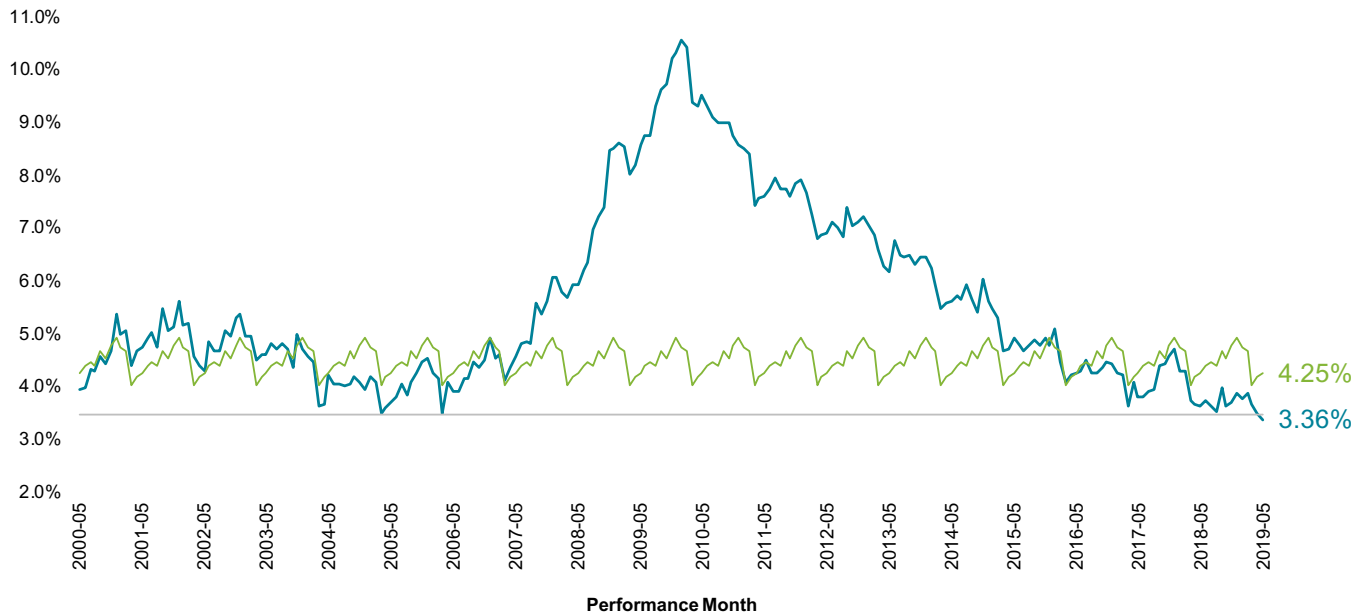
## PREPAYMENT RATE

**Low interest rates and the spring homebuying season** continue to push prepayment activity upward

**Prepays have more than doubled** over the past four months

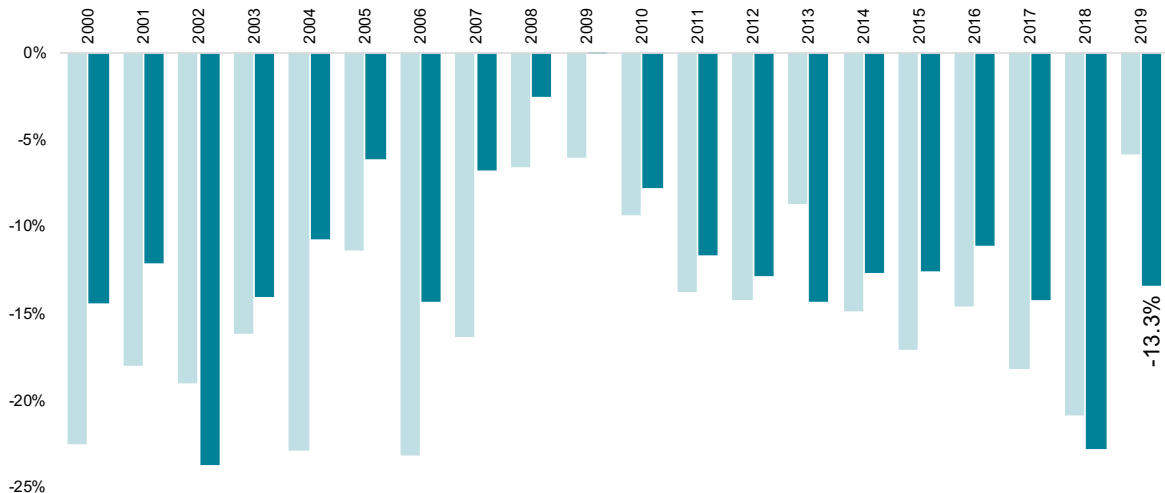
# NATIONAL DELINQUENCY RATE – FIRST LIEN MORTGAGES

— Delinquency Rate — 2000-2005 Average — Previous Record Low

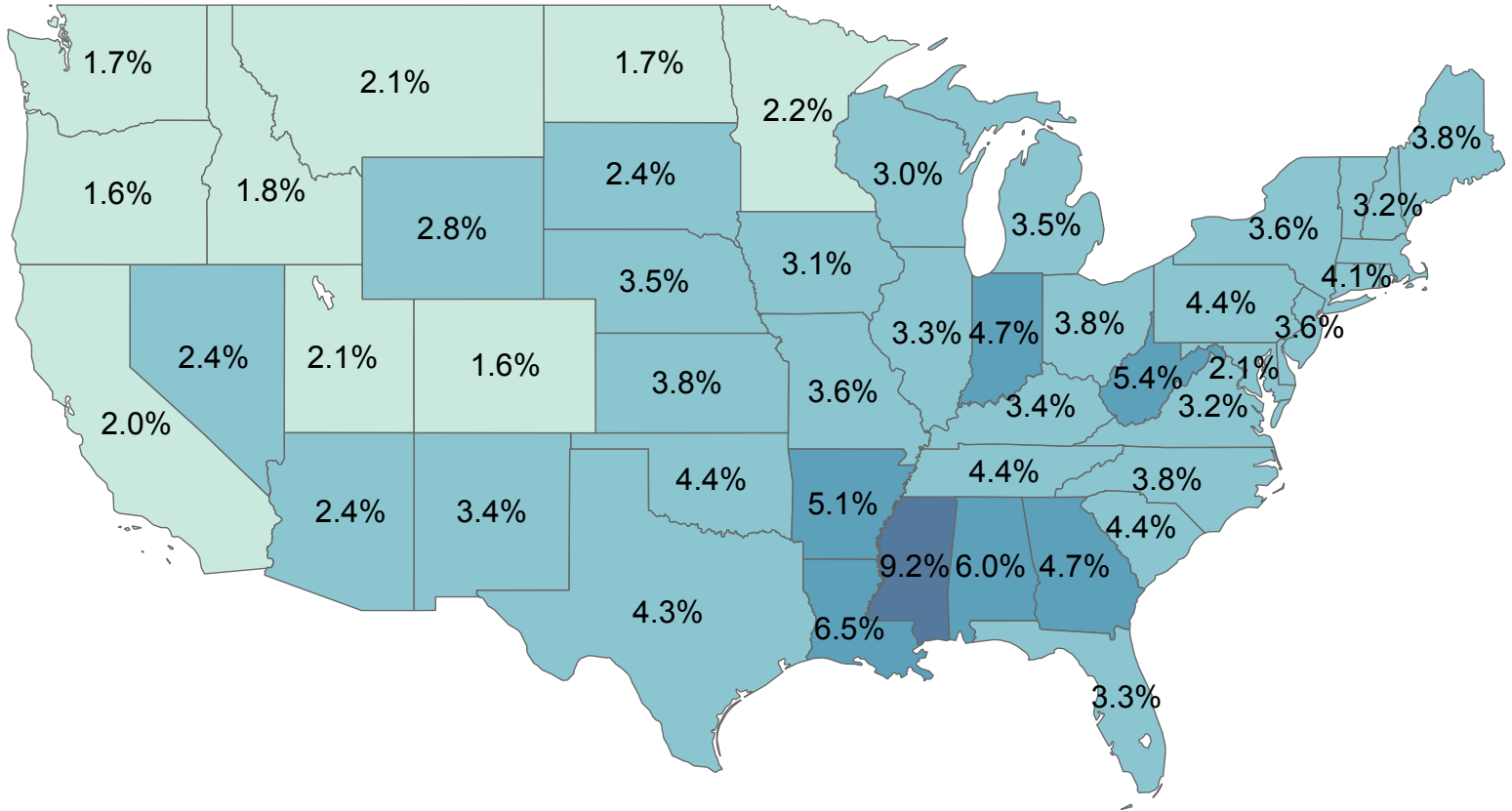


# SEASONAL DELINQUENCY RATE IMPROVEMENT AT BEGINNING OF EACH YEAR

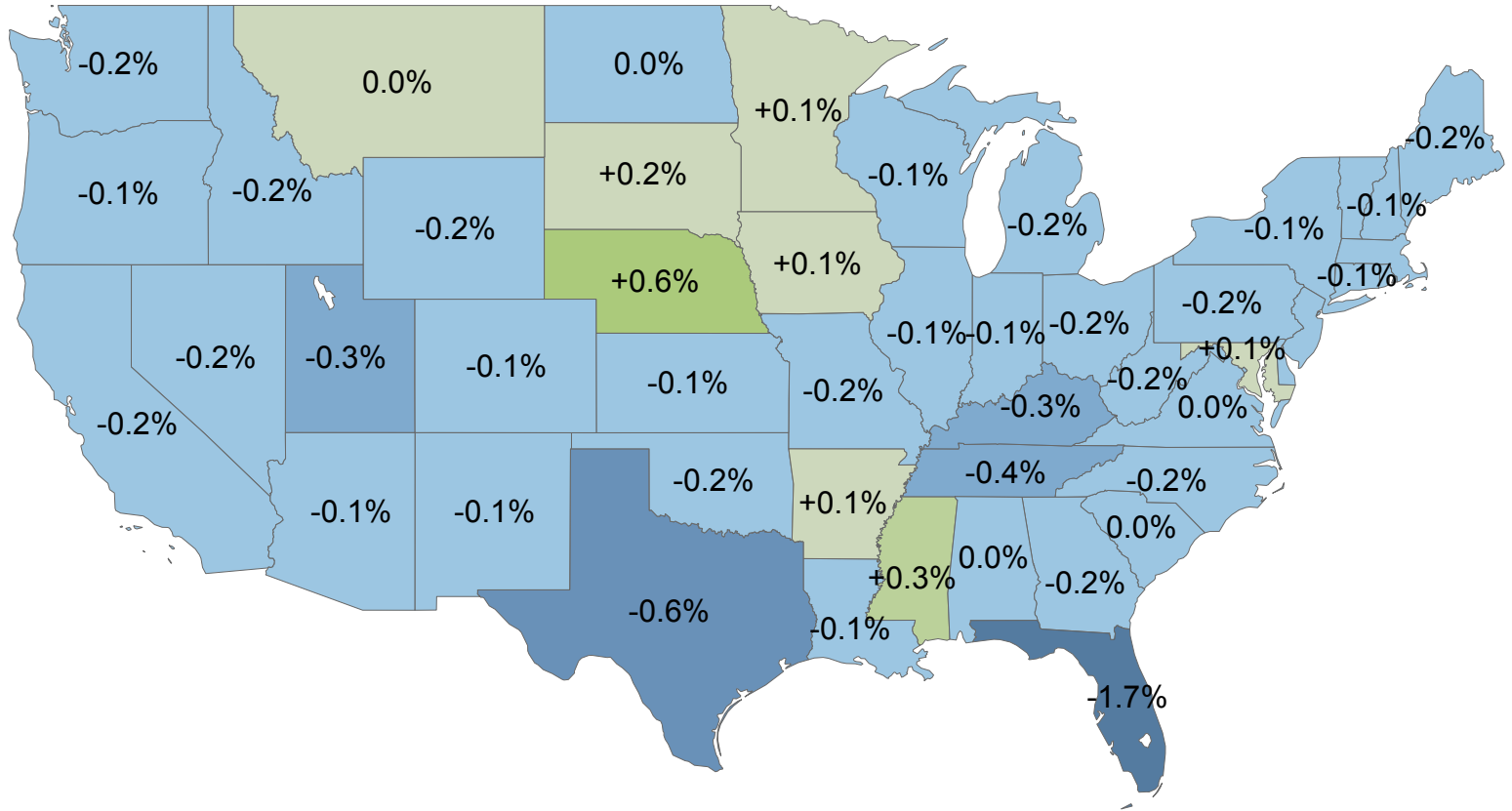
■ First 3 Months ■ First 5 Months



## DELINQUENCY RATES BY STATE – 2019-05



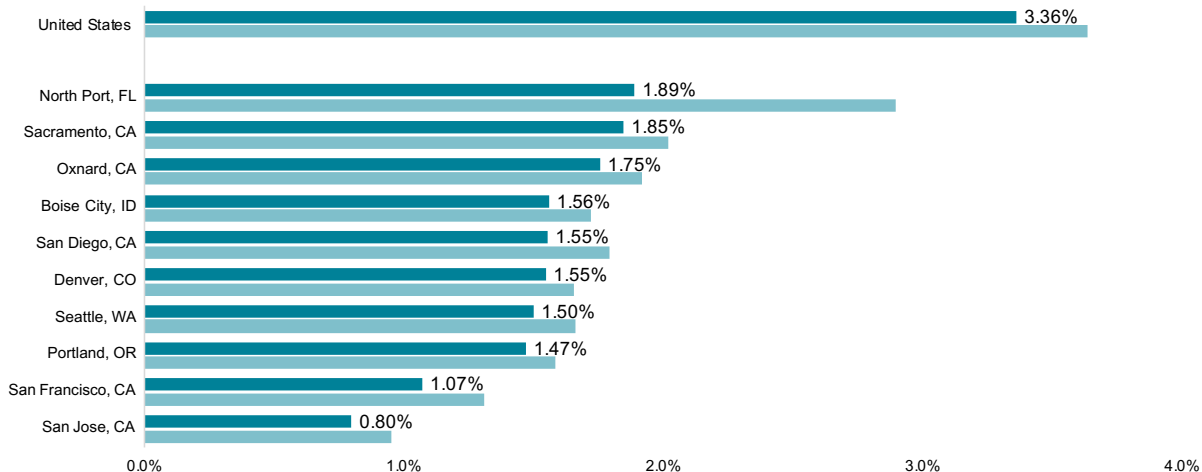
# 1-YEAR CHANGE IN DELINQUENCY RATE



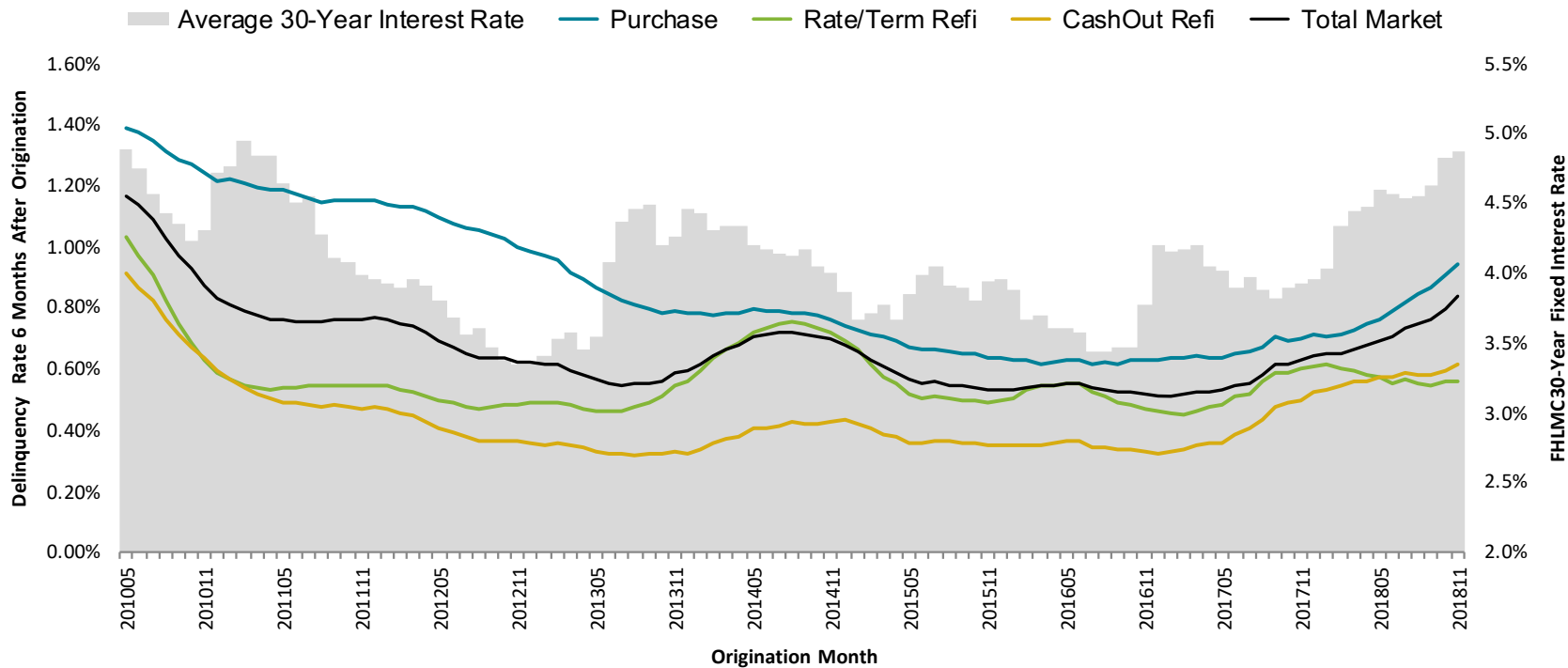
# 10 MARKETS WITH THE LOWEST DELINQUENCY RATES

(OF 100 LARGEST CBSAs BY POPULATION)

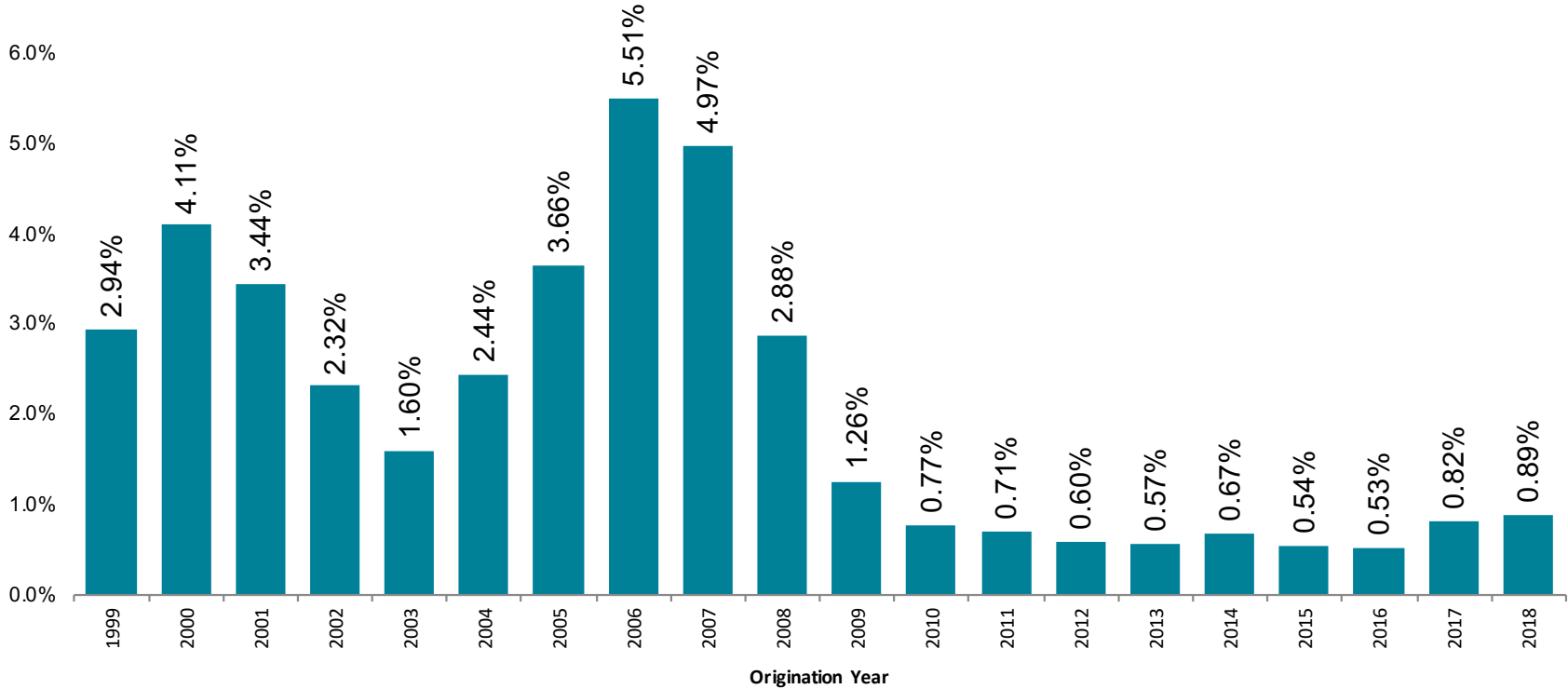
■ 2019-05 ■ 2018-05



# DELINQUENCY RATE AT 6 MONTHS AFTER ORIGINATION (12-MONTH MOVING AVERAGE)



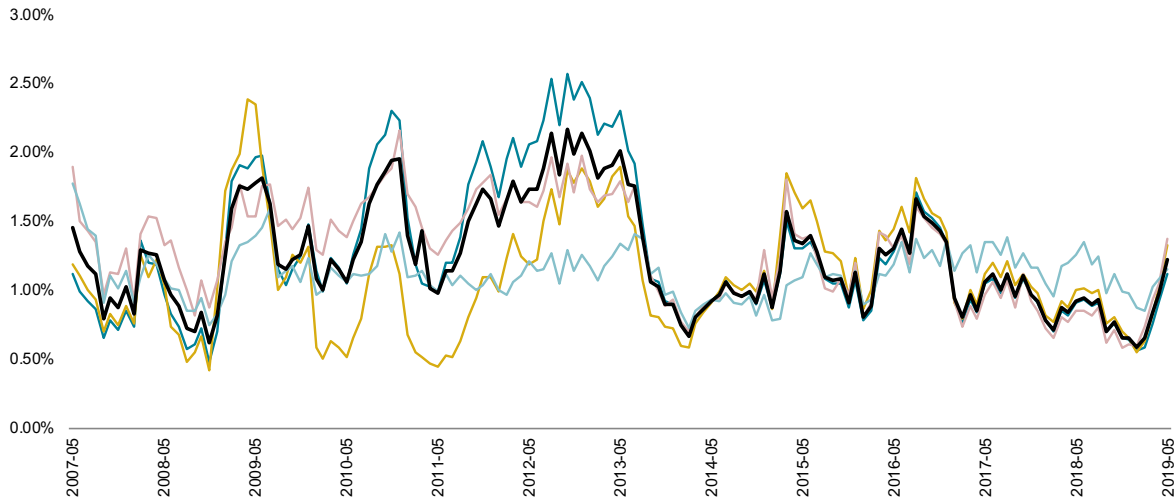
## DELINQUENCY RATE AT 6 MONTHS AFTER ORIGINATION





## PREPAYMENT RATE (SMM) BY INVESTOR / PRODUCT

— GSE — FHA/VA — PORTFOLIO — PRIVATE — Market Total



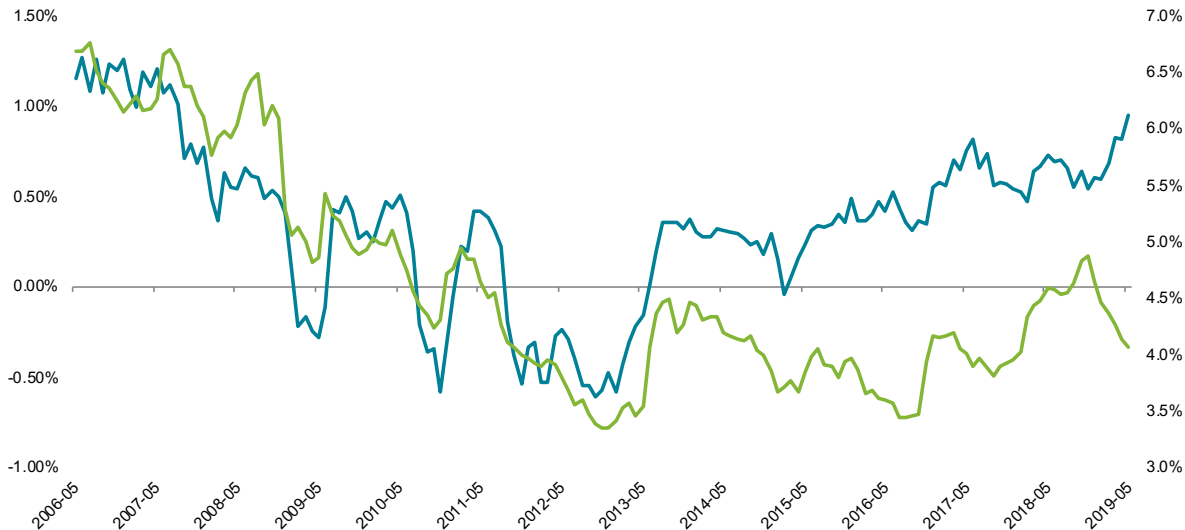
	GSE	FHA/VA	PORTFOLIO	PRIVATE	TOTAL MARKET
2019-05	1.12%	1.33%	1.37%	1.16%	1.23%
4-Mo Change	+98%	+145%	+131%	+31%	+109%

## PREPAYMENT RATE (SMM) BY INTEREST TYPE



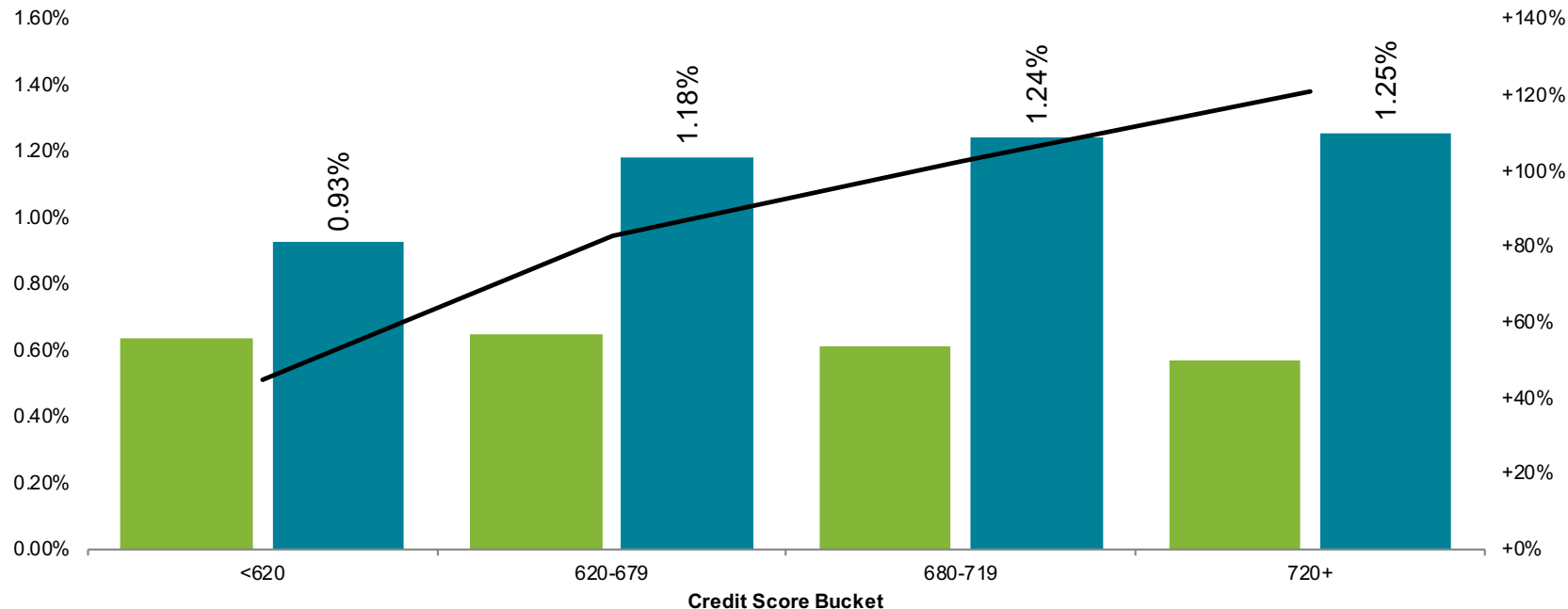
## DELTA BETWEEN ARM AND FIXED PREPAY SPEEDS (SMM)

— Delta Between ARM and Fixed SMM (Left Axis) — Freddie 30-Year Fixed Rate (Right Axis)



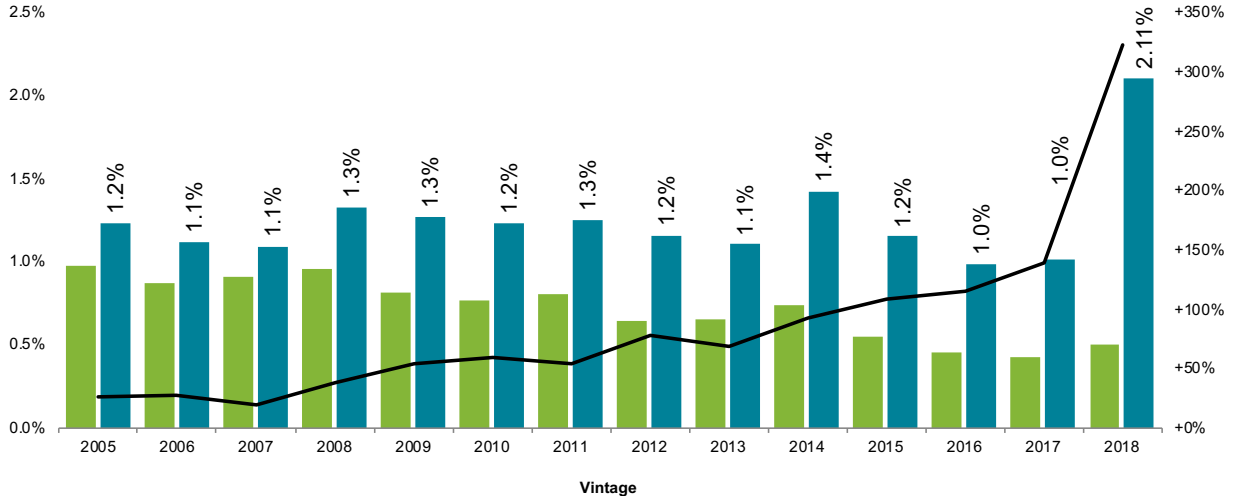
## PREPAYMENT SPEEDS (SMM) BY CREDIT SCORE BUCKET

■ January 2019   ■ May 2019   — 4-Month Percent Change (Right Axis)



## PREPAYMENT SPEEDS (SMM) BY VINTAGE

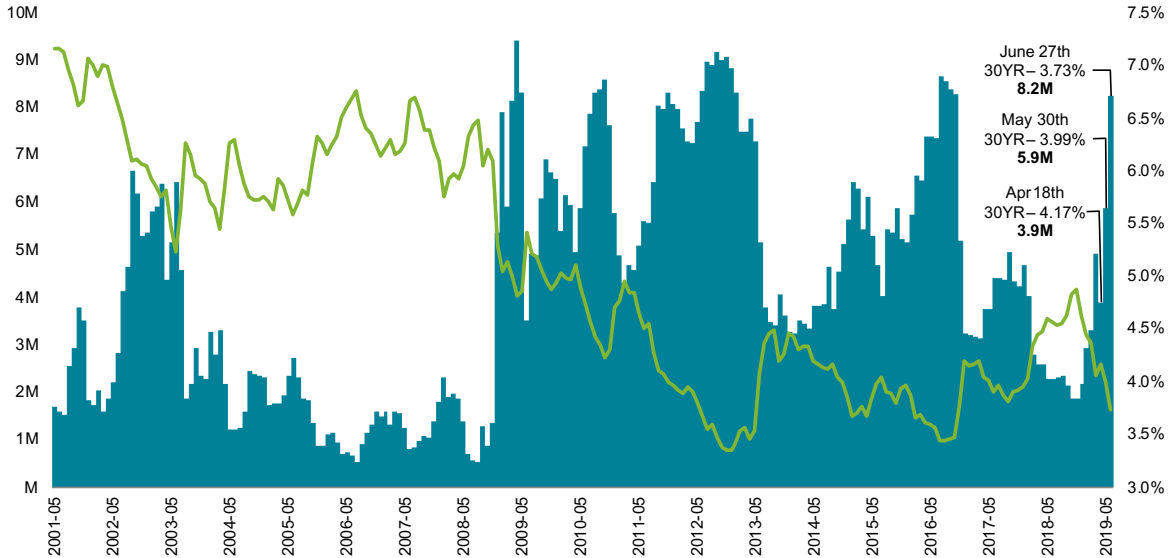
■ January 2019   ■ May 2019   — 4-Month Percentage Change (Right Axis)



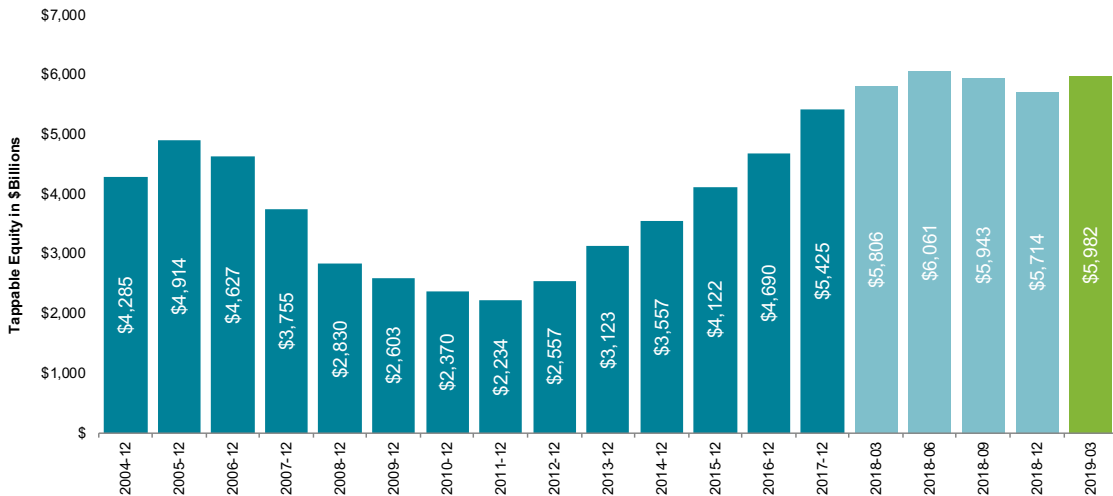
# REFINANCE CANDIDATES IN MILLIONS

■ Refinance Candidates (Left Axis)

— Freddie 30-Year Fixed Rate (Right Axis)

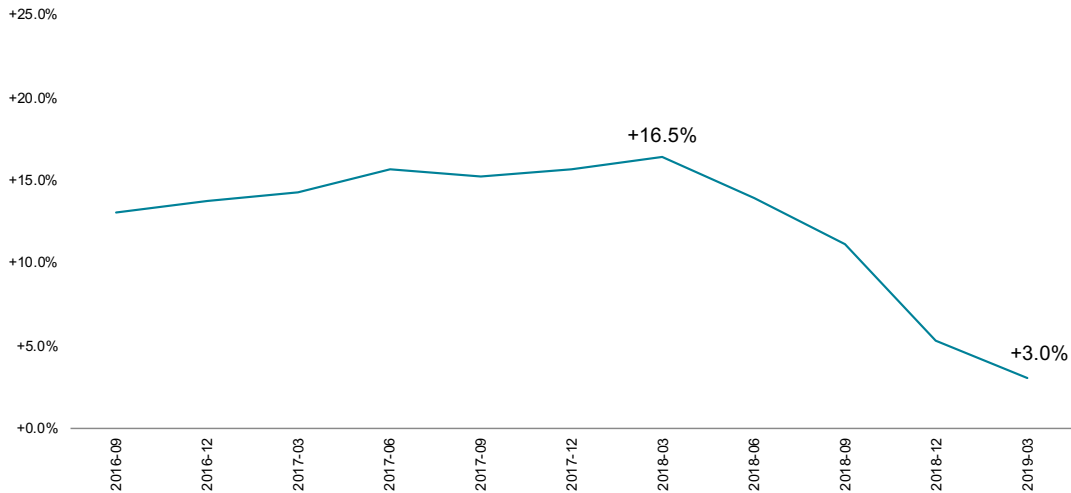


## TAPPABLE EQUITY OF U.S. MORTGAGE HOLDERS



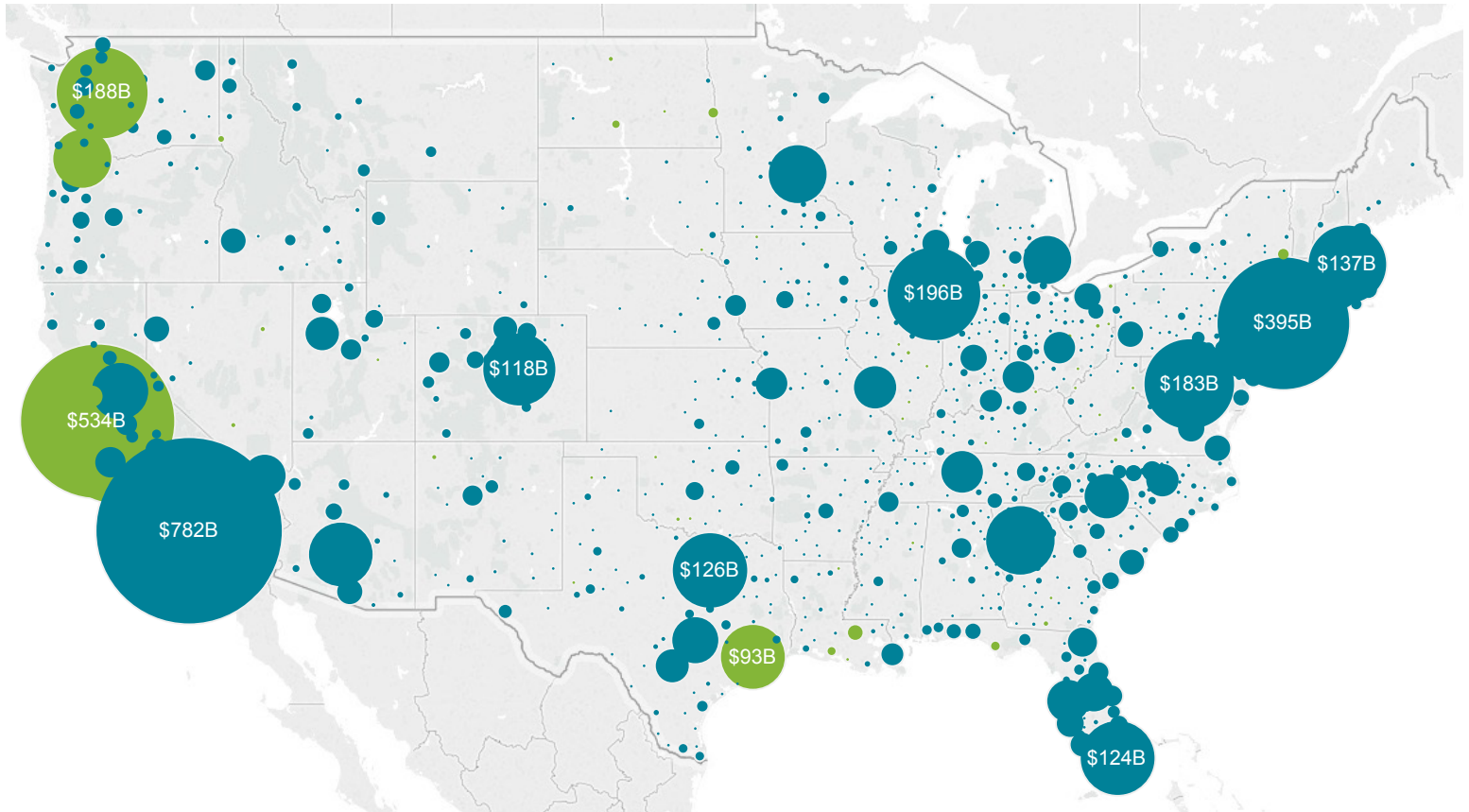
**Tappable Equity:** Equity available on all residential properties with an existing mortgage before reaching a current CLTV of 80%

## ANNUAL GROWTH RATE OF TAPPABLE EQUITY





# TAPPABLE EQUITY BY CBSA – Q1 2019

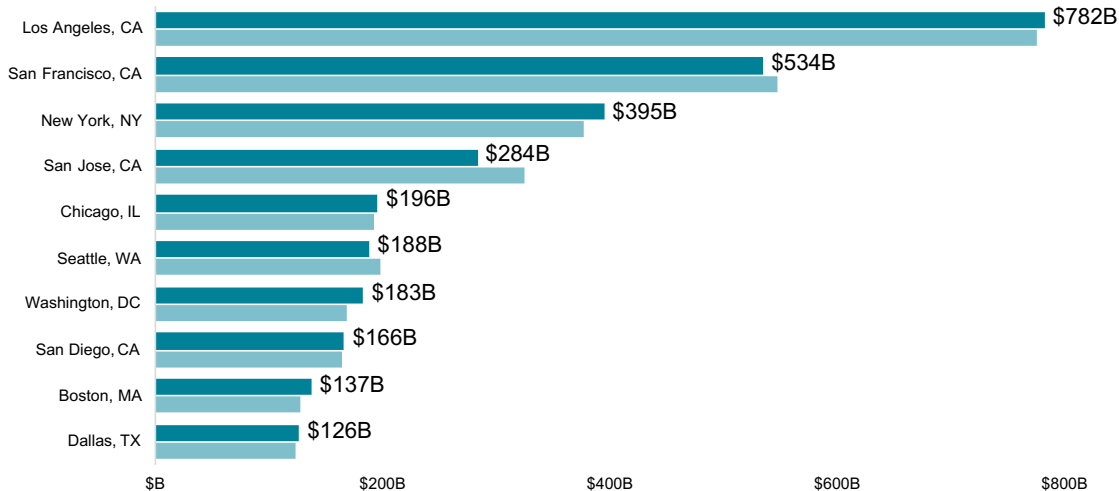


Green = Markets that have seen total tappable equity volumes decline over the past 12 months

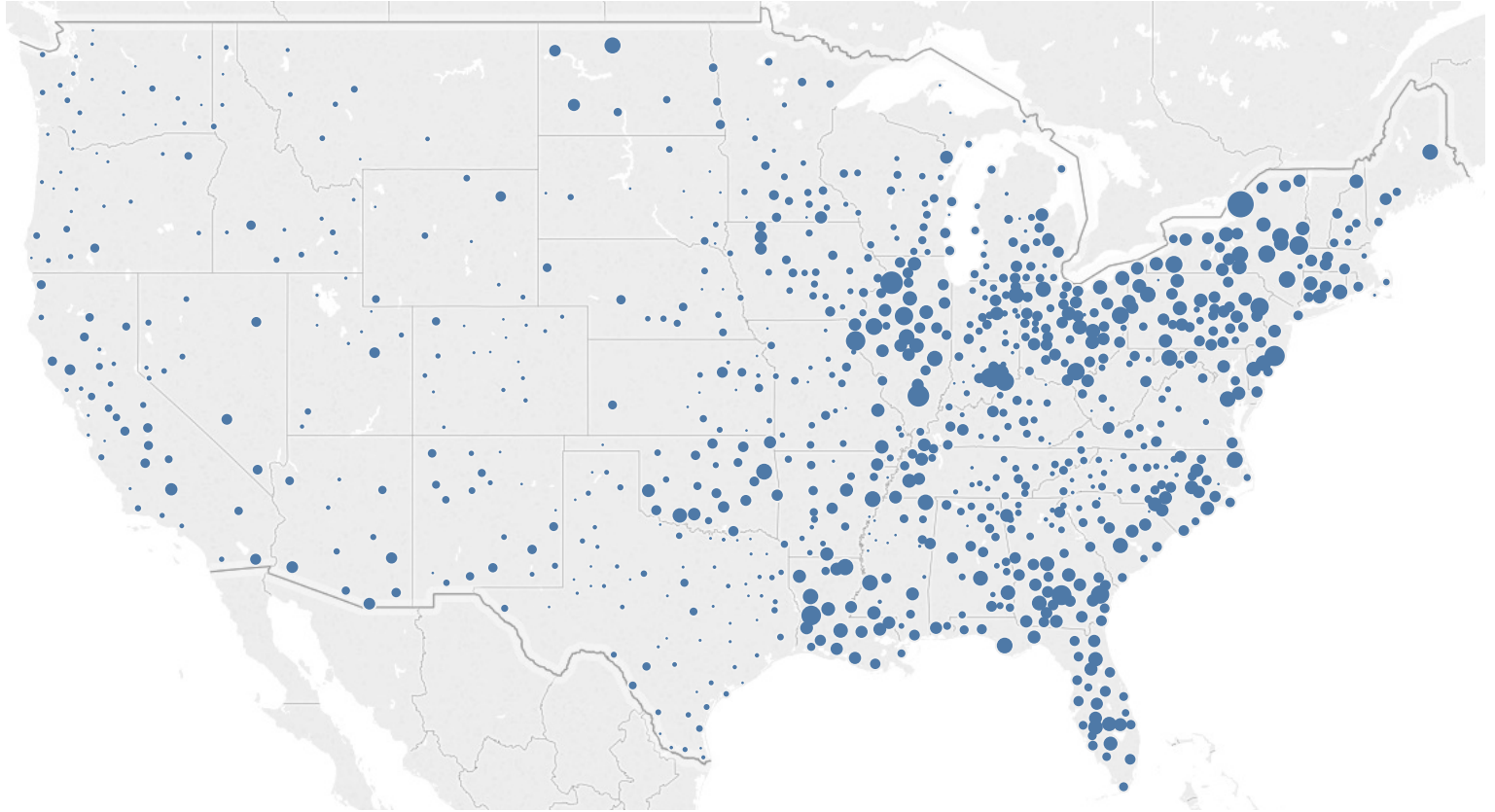
# TAPPABLE EQUITY COMPARISON BY CBSA

(TOP 10 CBSAs BY TAPPABLE EQUITY VOLUME)

■ Q1 2019 ■ Q1 2018

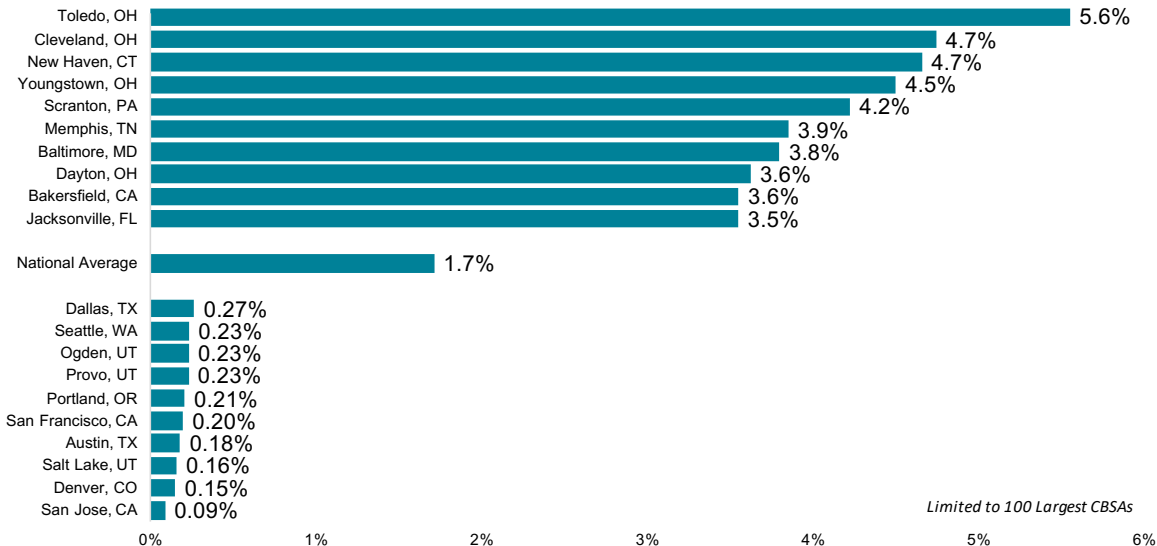


## NEGATIVE EQUITY RATES BY CBSA – Q1 2019



# NEGATIVE EQUITY RATES

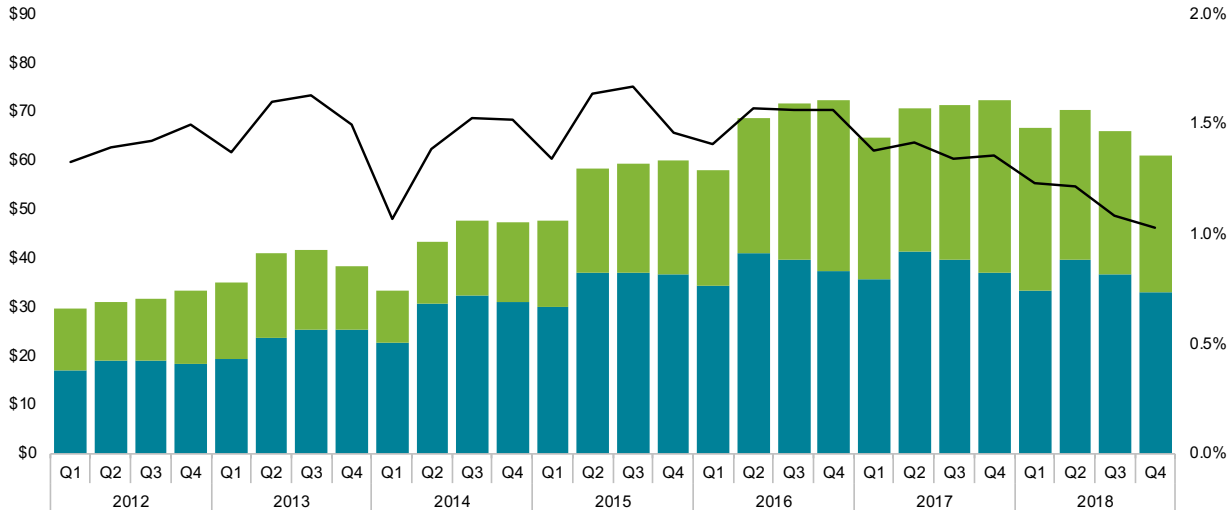
(TOP 10 & BOTTOM 10 CBSAs)



Limited to 100 Largest CBSAs

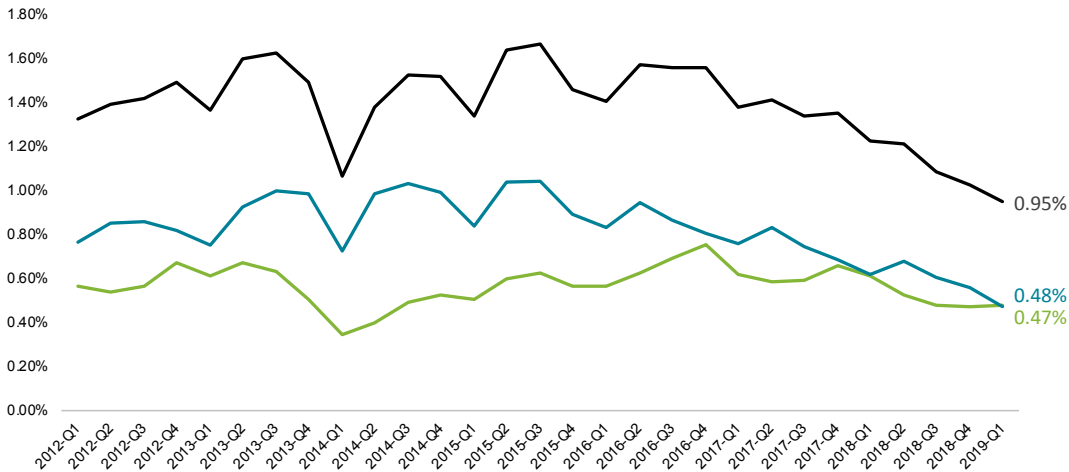
## EQUITY TAPPED BY QUARTER

Equity Tapped Via HELOC (\$B)    Equity Tapped Via Cash-Out Refi (\$B)    Percent of Available Equity Tapped



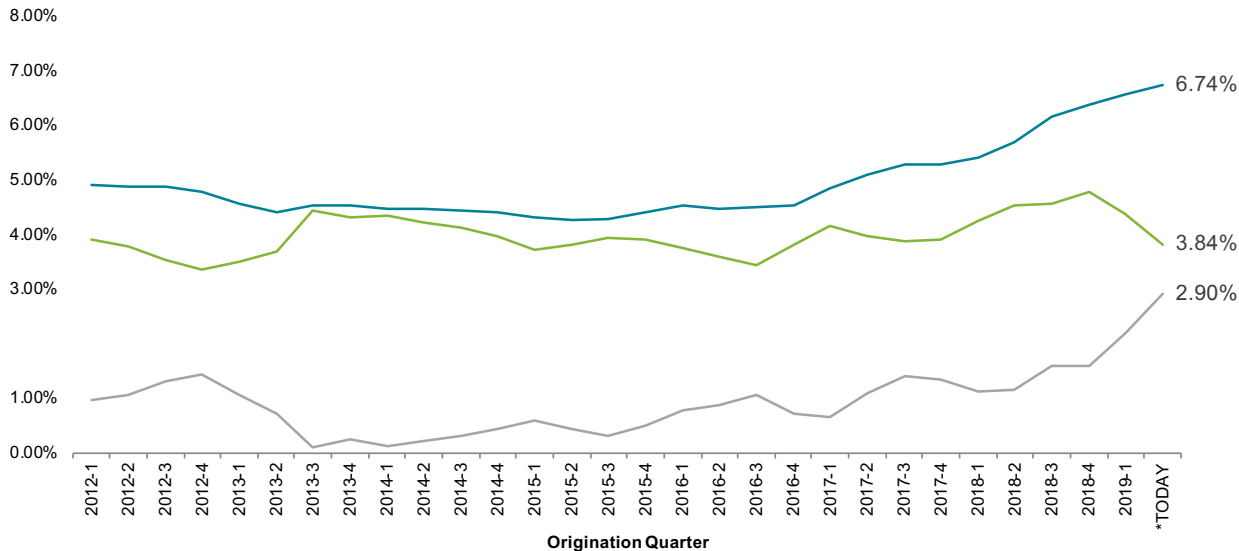
# SHARE OF AVAILABLE EQUITY WITHDRAWN

— Total    — Via Cash-Out Refinance    — Via 2<sup>nd</sup> Lien HELOC



## AVERAGE INTEREST RATE AT ORIGATION

— 2<sup>nd</sup> Lien HELOC — 30-YR Fixed Rate (FHLMC) — Delta Between 30-YR and HELOC

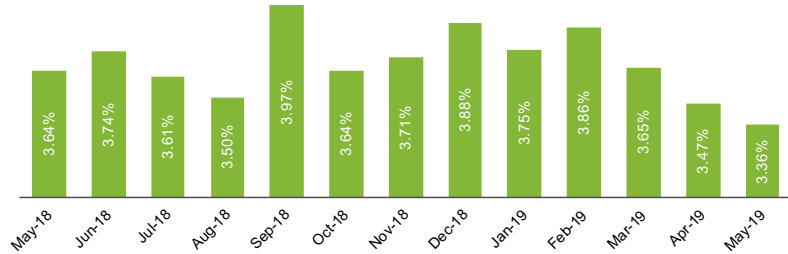


\*Note: Freddie Mac 30-year fixed rate was 3.84% as of June 20, 2019.

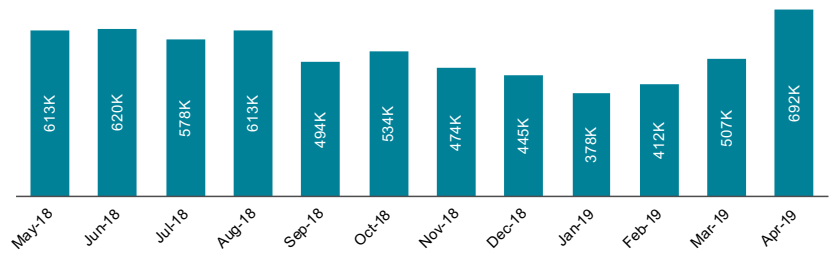
	May-19	Monthly Change	YTD Change	Yearly Change
Delinquencies	3.36%	-3.03%	-10.25%	-7.50%
Foreclosure	0.49%	-1.65%	-4.33%	-17.38%
Foreclosure Starts	39,000	-5.80%	-22.31%	-13.14%
Seriously Delinquent (90+) or in Foreclosure	1.37%	-2.39%	-7.51%	-19.31%
New Originations (data as of Apr-19)	692K	36.4%	55.5%	23.9%

	May-19	Apr-19	Mar-19	Feb-19	Jan-19	Dec-18	Nov-18	Oct-18	Sep-18	Aug-18	Jul-18	Jun-18	May-18
Delinquencies	3.36%	3.47%	3.65%	3.86%	3.75%	3.88%	3.71%	3.64%	3.97%	3.50%	3.61%	3.74%	3.64%
Foreclosure	0.49%	0.50%	0.51%	0.51%	0.51%	0.52%	0.52%	0.52%	0.52%	0.54%	0.57%	0.56%	0.59%
Foreclosure Starts	39,000	41,400	39,700	40,300	50,200	46,300	45,200	50,600	40,000	47,100	48,300	43,500	44,900
Seriously Delinquent (90+) or in Foreclosure	1.37%	1.40%	1.45%	1.47%	1.48%	1.51%	1.50%	1.48%	1.51%	1.52%	1.59%	1.63%	1.70%
New Originations		692K	507K	412K	378K	445K	474K	534K	494K	613K	578K	620K	613K

### TOTAL DELINQUENCIES



### NEW ORIGINATIONS





Month	TOTAL ACTIVE COUNT	30 DAYS	60 DAYS	90+ DAYS	FC	Total NC	FC Starts	Average Days Delinquent for 90+	Average Days Delinquent for FC	Ratio of 90+ to FC
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	1,031	119.8%
1/31/16	50,541,353	1,298,682	444,594	831,284	659,237	3,233,797	71,900	495	1,047	126.1%
1/31/17	50,871,357	1,108,712	389,768	663,521	480,598	2,642,599	70,357	454	1,013	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%
1/31/19	51,896,438	1,074,044	367,750	503,655	264,875	2,210,325	50,196	391	830	190.1%
2/28/19	51,854,081	1,138,116	362,154	500,822	263,707	2,264,798	40,289	385	839	189.9%
3/31/19	52,081,244	1,061,924	348,443	492,889	264,451	2,167,707	39,657	391	853	186.4%
4/30/19	52,228,211	1,003,514	335,160	473,565	259,290	2,071,529	41,356	393	880	182.6%
5/31/19	52,304,596	965,815	332,992	461,036	255,386	2,015,229	38,970	394	897	180.5%

State	Del %	FC %	NC %	Yr/Yr Change in NC%
National	3.4%	0.5%	3.9%	-9.0%
MS	9.2%	0.6%	9.9%	3.6%
LA*	6.5%	0.9%	7.3%	-3.3%
AL	6.0%	0.4%	6.4%	-1.7%
WV	5.4%	0.5%	5.9%	-4.6%
AR	5.1%	0.5%	5.6%	1.3%
ME*	3.8%	1.6%	5.4%	-6.2%
IN*	4.7%	0.7%	5.4%	-4.0%
RI	4.5%	0.8%	5.4%	0.0%
OK*	4.4%	0.8%	5.2%	-5.3%
PA*	4.4%	0.7%	5.2%	-5.3%
NY*	3.6%	1.5%	5.1%	-6.7%
DE*	4.3%	0.8%	5.1%	-4.2%
CT*	4.1%	0.9%	5.0%	-4.0%
GA	4.7%	0.3%	5.0%	-5.1%
MD*	4.4%	0.6%	5.0%	-1.2%
SC*	4.4%	0.6%	4.9%	-1.6%
TX	4.3%	0.3%	4.6%	-13.0%

State	Del %	FC %	NC %	Yr/Yr Change in NC%
National	3.4%	0.5%	3.9%	-9.0%
TN	4.4%	0.2%	4.6%	-9.4%
OH*	3.8%	0.7%	4.5%	-7.0%
NJ*	3.6%	0.8%	4.4%	-12.7%
VT*	3.2%	1.1%	4.3%	-2.3%
KS*	3.8%	0.4%	4.3%	-3.2%
NC	3.8%	0.4%	4.2%	-4.1%
NM*	3.4%	0.8%	4.2%	-7.3%
FL*	3.3%	0.8%	4.1%	-31.6%
HI*	2.6%	1.5%	4.1%	-9.6%
IL*	3.3%	0.7%	4.0%	-2.9%
KY*	3.4%	0.6%	4.0%	-8.4%
MO	3.6%	0.3%	3.9%	-5.2%
NE*	3.5%	0.2%	3.7%	19.6%
MA	3.3%	0.4%	3.7%	-9.8%
MI	3.5%	0.2%	3.7%	-4.9%
IA*	3.1%	0.5%	3.7%	2.6%
WI*	3.0%	0.5%	3.5%	-5.0%

State	Del %	FC %	NC %	Yr/Yr Change in NC%
National	3.4%	0.5%	3.9%	-9.0%
NH	3.2%	0.3%	3.5%	-5.6%
VA	3.2%	0.2%	3.4%	-1.4%
AK	3.0%	0.3%	3.3%	-2.6%
WY	2.8%	0.2%	3.1%	-8.1%
NV	2.4%	0.5%	2.9%	-13.8%
SD*	2.4%	0.3%	2.7%	8.7%
DC	2.1%	0.6%	2.7%	-9.4%
AZ	2.4%	0.2%	2.6%	-5.3%
MN	2.2%	0.2%	2.4%	3.4%
MT	2.1%	0.3%	2.4%	-2.0%
UT	2.1%	0.2%	2.3%	-12.5%
ND*	1.7%	0.5%	2.2%	-3.7%
CA	2.0%	0.2%	2.1%	-11.6%
ID	1.8%	0.2%	2.0%	-13.0%
WA	1.7%	0.2%	2.0%	-12.1%
OR	1.6%	0.3%	1.9%	-11.2%
CO	1.6%	0.1%	1.8%	-8.0%

*\* Indicates Judicial State*