



FHA Single Family Loan Performance Trends

April 2020
Credit Risk Report

Office of Risk Management
and Regulatory Affairs,
Office of Evaluation,
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Table of Contents

Table 1. Delinquency Rates by Month	2
Table 2. New 90+ Day Delinquencies by Reason for Delinquency	3
Table 3. Delinquency Rates by Loan and Property Characteristics	4
Table 4. Monthly Foreclosure Statistics and Trends.....	6
Table 5. REO Recovery Rates.....	7
Table 6. REO Components of Loss by Property Disposition Month	9

Table of Figures

Figure 1: Failure Rate by Fiscal Year	10
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Table 1. Delinquency Rates by Month

Month	Active Insurance in Force (EOM)	Delinquency Rates ^a (%)			Exceptions ^b (%)		Serious Delinquency Rate ^c (%)
		30-day	60-day	90-day	In Foreclosure	In Bankruptcy	
Non-Seasonally Adjusted							
Apr 2019	8,117,498	4.58	1.40	1.91	0.96	0.87	3.74
May	8,114,839	4.48	1.42	1.86	0.94	0.87	3.67
Jun	8,114,665	5.44	1.62	1.94	0.92	0.90	3.76
Jul	8,116,418	5.11	1.66	1.96	0.91	0.91	3.78
Aug	8,117,513	5.10	1.69	2.00	0.91	0.91	3.82
Sep	8,107,806	5.27	1.74	2.07	0.90	0.92	3.88
Oct	8,098,839	5.12	1.76	2.13	0.89	0.91	3.93
Nov	8,094,347	5.01	1.89	2.26	0.88	0.91	4.06
Dec	8,096,131	5.35	1.85	2.52	0.90	0.93	4.35
Jan 2020	8,125,137	5.09	1.75	2.25	0.92	0.94	4.12
Feb	8,128,001	5.16	1.65	2.17	0.93	0.94	4.04
Mar	8,122,723	5.59	1.61	2.72	0.56	0.69	3.97
Apr	8,118,070	9.20	2.28	3.00	0.40	0.64	4.04
Seasonally Adjusted							
Apr 2019	8,117,498	5.01	1.60	2.00	0.95	0.87	3.81
May	8,114,839	4.78	1.56	1.97	0.93	0.87	3.77
Jun	8,114,665	5.51	1.72	2.06	0.92	0.89	3.87
Jul	8,116,418	5.23	1.70	2.09	0.92	0.91	3.93
Aug	8,117,513	4.97	1.65	2.08	0.91	0.92	3.91
Sep	8,107,806	5.05	1.65	2.08	0.92	0.93	3.93
Oct	8,098,839	4.82	1.63	2.10	0.91	0.92	3.93
Nov	8,094,347	4.56	1.68	2.11	0.90	0.91	3.93
Dec	8,096,131	4.75	1.61	2.30	0.90	0.93	4.14
Jan 2020	8,125,137	4.88	1.57	2.03	0.92	0.93	3.88
Feb	8,128,001	5.26	1.68	2.06	0.91	0.94	3.91
Mar	8,122,723	6.47	1.86	2.83	0.54	0.70	4.07
Apr	8,118,070	10.05	2.61	3.15	0.39	0.64	4.18

EOM = end of month.

^a The 90-day category includes all loans that are at least 3 months delinquent excluding those loans in-foreclosure or in-bankruptcy processing. Included in the delinquency counts are loans under active consideration for loss mitigation foreclosure avoidance.

^b Exceptions are counted separately from delinquencies, regardless of the length of the delinquency period.

^c Serious delinquency rates are the sum of 90 day delinquencies, plus in-foreclosures and in-bankruptcies.

SOURCE: U.S. Department of HUD/FHA, May 2020.

Table 2. New 90+ Day Delinquencies by Reason for Delinquency

Fiscal Year and Quarter	New 90+ Day Delinquencies	Share by Reason for Delinquency (%)							
		Reduction of Income	Unemployed	Excessive Obligations	Death or Illness of Principal Borrower or Family	Marital Difficulties	No Contact	National Emergency ^a	Other ^b
2015 Q2	82,864	32.23	7.12	21.55	12.56	4.18	11.44	0.02	10.90
2015 Q3	71,869	30.85	6.63	21.22	12.71	4.24	13.11	0.04	11.18
2015 Q4	88,262	30.58	6.56	22.10	12.76	4.03	12.12	0.04	11.81
2016 Q1	92,606	30.65	6.42	22.50	12.99	4.06	11.25	0.06	12.08
2016 Q2	78,978	30.21	6.68	22.70	12.83	3.93	11.77	0.07	11.81
2016 Q3	66,500	30.90	6.74	22.97	13.36	4.19	10.59	0.08	11.17
2016 Q4	85,289	31.84	7.01	23.69	13.14	4.04	9.55	0.09	10.64
2017 Q1	94,958	31.47	6.74	24.29	13.16	3.82	9.08	0.11	11.33
2017 Q2	75,376	31.58	6.90	24.23	13.26	3.85	9.66	0.13	10.38
2017 Q3	65,531	30.77	6.80	24.32	13.82	3.93	9.72	0.18	10.47
2017 Q4	87,286	31.34	6.83	24.80	13.06	3.76	8.96	0.26	10.99
2018 Q1	157,584	24.20	4.54	22.42	8.66	2.40	7.12	0.28	30.38
2018 Q2	88,660	28.93	6.06	24.31	11.74	3.25	8.69	0.30	16.72
2018 Q3	64,397	30.73	6.55	25.08	12.89	3.83	8.79	0.51	11.62
2018 Q4	84,222	31.36	6.68	25.44	13.20	3.84	8.60	0.63	10.25
2019 Q1	92,065	31.00	6.66	25.71	13.27	3.67	8.51	0.87	10.31
2019 Q2	84,788	31.26	7.05	24.92	13.51	3.67	8.55	1.25	9.78
2019 Q3	69,223	30.40	7.53	25.18	13.82	3.84	7.93	1.59	9.71
2019 Q4	90,457	30.00	7.73	25.54	13.56	3.59	7.72	2.42	9.45
2020 Q1	113,969	28.33	7.14	23.62	12.30	3.00	7.73	3.28	14.61
2020 Q2	86,552	26.05	7.37	21.39	10.72	2.54	12.29	8.62	11.01
2020 Q3 ^c	35,292	23.27	5.78	15.50	6.64	1.45	13.80	20.68	12.89

^a Includes neighborhood problems and COVID-19 Pandemic.

^b Includes abandonment of property, distant employment transfer, property problems, inability to sell or rent property, military service, business failure, casualty loss, energy-environment cost, servicing problems, payment adjustment, payment dispute, transfer of ownership pending fraud and incarceration.

^c Only includes data for April.

SOURCE: U.S. Department of HUD/FHA, May 2020.

Table 3. Delinquency Rates by Loan and Property Characteristics

	IIF Shares ^a	Rates in Percent of Active Loan Counts						Serious Delinquency Rate ^c
		All Past Due ^b	30 Day	60 Day	90+ Day	In Foreclosure	In Bankruptcy	
Loan Purpose								
All Active Loans	8,118,070	15.52	9.20	2.28	3.00	0.40	0.64	4.04
Purchase	69.22	16.75	9.77	2.54	3.37	0.40	0.68	4.44
Refinance	30.78	12.76	7.91	1.72	2.18	0.39	0.56	3.13
Refinance								
Refinance Loans	2,498,958	12.76	7.91	1.72	2.18	0.39	0.56	3.13
Conventional	34.05	13.28	7.72	1.85	2.54	0.53	0.63	3.70
No Cash-out	19.54	12.91	7.48	1.77	2.46	0.54	0.65	3.66
Cash-out	14.51	13.78	8.05	1.97	2.64	0.52	0.59	3.76
FHA	14.53	12.21	8.08	1.66	1.81	0.21	0.46	2.47
No Cash-out	7.17	11.34	7.51	1.45	1.70	0.21	0.48	2.39
Cash-out	7.36	13.05	8.64	1.86	1.91	0.20	0.44	2.55
Streamline	51.42	12.57	7.98	1.65	2.04	0.36	0.55	2.95
Credit Score Range^d								
Loans with Credit Scores	6,500,784	15.72	9.38	2.32	3.03	0.37	0.62	4.02
< 500	0.09	34.90	13.85	6.00	10.61	2.18	2.26	15.05
500-579	1.76	30.64	14.10	5.09	8.08	1.44	1.93	11.45
580-619	8.29	24.84	12.62	4.21	6.05	0.74	1.21	8.01
620-659	32.17	20.70	11.74	3.30	4.29	0.47	0.91	5.66
660-719	39.10	13.20	8.63	1.76	2.13	0.27	0.43	2.82
720-850	18.59	6.80	4.96	0.66	0.86	0.16	0.16	1.18
Fiscal Year Cohort								
All Cohorts	8,118,070	15.52	9.20	2.28	3.00	0.40	0.64	4.04
pre-2005	7.42	18.59	9.60	3.11	4.27	0.65	0.97	5.88
2005	1.14	21.76	11.04	3.59	4.95	0.98	1.19	7.12
2006	0.92	23.34	11.35	3.81	5.55	1.31	1.32	8.19
2007	0.88	25.80	11.82	3.98	6.85	1.45	1.69	9.99
2008	2.04	26.36	12.25	4.04	6.79	1.71	1.57	10.07
2009	4.34	19.51	10.03	2.91	4.41	1.06	1.09	6.57
2010	5.49	15.92	8.85	2.35	3.19	0.70	0.83	4.72
2011	4.44	14.62	8.55	2.10	2.68	0.55	0.75	3.98
2012	5.53	13.24	8.15	1.80	2.28	0.37	0.64	3.29
2013	7.74	11.95	7.59	1.55	1.95	0.30	0.56	2.81
2014	3.60	17.13	9.51	2.48	3.57	0.49	1.09	5.14
2015	6.68	16.39	9.44	2.41	3.32	0.35	0.87	4.54
2016	9.71	15.73	9.39	2.26	3.08	0.28	0.71	4.07
2017	11.11	16.20	9.74	2.41	3.26	0.23	0.56	4.05
2018	9.48	17.48	10.30	2.68	3.78	0.24	0.48	4.51
2019	10.01	14.78	9.92	2.32	2.27	0.09	0.17	2.54
2020	9.45	7.52	6.61	0.71	0.19	0.00	0.01	0.20

Table 3. Delinquency Rates by Loan and Property Characteristics

	IIF Shares ^a	Rates in Percent of Active Loan Counts						Seriously Delinquency Rate ^c
		All Past Due ^b	30 Day	60 Day	90+ Day	In Foreclosure	In Bankruptcy	
Loan Amount at Origination (\$ thousands)								
All Loan Amounts	8,118,070	15.52	9.20	2.28	3.00	0.40	0.64	4.04
< 50	2.43	13.64	6.91	2.09	3.17	0.74	0.73	4.64
50-99	20.58	14.14	7.62	2.12	3.05	0.57	0.78	4.39
100-149	26.32	14.91	8.54	2.20	3.01	0.41	0.75	4.17
150-199	20.42	15.26	9.17	2.24	2.90	0.33	0.62	3.85
200-249	13.05	15.85	9.88	2.31	2.88	0.27	0.51	3.66
250-399	14.28	18.01	11.53	2.64	3.10	0.29	0.45	3.84
400-499	1.80	19.87	13.25	2.77	3.14	0.33	0.37	3.84
> 499	1.12	21.88	15.06	2.95	3.22	0.36	0.29	3.87
Property Type								
All Property Types	8,118,070	15.52	9.20	2.28	3.00	0.40	0.64	4.04
Detached	86.44	15.52	9.18	2.31	3.00	0.37	0.65	4.02
Manufactured Housing	3.40	12.96	6.75	1.87	2.90	0.72	0.73	4.34
2-4 Units	2.19	18.73	12.37	2.13	3.08	0.75	0.39	4.23
Condo	2.80	13.49	8.25	1.74	2.59	0.40	0.51	3.51
Townhouse	5.17	17.06	10.29	2.43	3.29	0.45	0.60	4.34
Purchase Loan Type								
All Purchase Loans	5,618,687	16.75	9.77	2.54	3.37	0.40	0.68	4.44
Repeat	16.60	14.04	8.60	2.08	2.50	0.32	0.54	3.37
First-time	83.40	17.29	10.01	2.63	3.54	0.41	0.70	4.66
Down Payment Assistance (DPA) Type								
All Sources of Funds	8,118,070	15.52	9.20	2.28	3.00	0.40	0.64	4.04
Government	7.65	16.07	8.82	2.49	3.60	0.37	0.79	4.76
Relative	16.25	19.54	11.37	3.07	3.96	0.43	0.72	5.10
Other	1.93	21.96	11.28	3.49	5.10	0.78	1.32	7.20
Seller Funded	0.51	30.21	13.73	4.81	8.06	1.56	2.05	11.67
No DPA	73.66	14.31	8.67	2.04	2.64	0.37	0.58	3.60

IIF = insurance in force.

^a For each subpanel, the loan shares add to 100%. However, in some of the subpanels, the total loans in the analysis do not add to 100% of IIF. For example, the IIF shares for refinance loans add to 100% of refinance loans. Streamline refinance loans are not included in the Credit Score Range analysis; the IIF shares in that panel, add to 100% of fully-underwritten loans.

^b Includes all loans 30 or more days past due, including those in bankruptcy or foreclosure.

^c Includes all loans 90 days past due plus all in-bankruptcy and in-foreclosure cases.

^d Credit score reporting began in May 2004 but was not mandatory until July 2008. Streamline Refinance loans do not require credit score reporting.

SOURCE: U.S. Department of HUD/FHA, May 2020.

Table 4. Monthly Foreclosure Statistics and Trends

Fiscal Year	Month	Insurance in Force	Foreclosure Starts	In Foreclosure ^a	Foreclosure Claims ^b	Foreclosure Starts: 6-month MA ^c	Annualized Foreclosure Rate ^d %
2017	Apr	7,917,975	9,085	114,284	5,517	10,427	0.83
	May	7,934,510	9,536	112,048	5,979	10,381	0.90
	Jun	7,950,029	8,779	108,632	6,286	10,150	0.94
	Jul	7,962,527	8,115	103,183	5,825	9,698	0.87
	Aug	7,973,604	9,472	103,830	6,800	9,462	1.02
	Sep	7,982,070	8,019	94,946	5,786	8,834	0.87
2018	Oct	7,986,663	8,753	94,012	6,008	8,779	0.90
	Nov	7,988,634	8,489	92,810	5,524	8,605	0.83
	Dec	7,989,699	8,854	93,261	4,756	8,617	0.71
	Jan	8,005,645	9,875	91,506	5,066	8,910	0.76
	Feb	8,007,772	9,937	92,797	5,023	8,988	0.75
	Mar	8,007,182	10,239	92,153	5,708	9,358	0.85
	Apr	8,012,065	9,693	90,663	5,406	9,515	0.81
	May	8,015,714	10,272	89,409	5,804	9,812	0.87
	Jun	8,024,523	9,106	87,390	5,440	9,854	0.81
	Jul	8,031,487	8,380	82,258	4,882	9,605	0.73
	Aug	8,037,609	9,811	85,106	5,207	9,584	0.77
	Sep	8,048,639	7,830	83,334	4,151	9,182	0.62
2019	Oct	8,062,967	10,356	81,407	5,549	9,293	0.82
	Nov	8,077,125	9,315	80,980	4,488	9,133	0.66
	Dec	8,086,151	9,432	80,094	4,086	9,187	0.60
	Jan	8,112,026	11,396	83,174	4,469	9,690	0.66
	Feb	8,117,180	10,287	84,258	4,355	9,769	0.64
	Mar	8,118,034	10,201	81,377	4,703	10,165	0.69
	Apr	8,117,498	9,461	78,277	4,883	10,015	0.72
	May	8,114,839	8,878	76,321	3,984	9,943	0.59
	Jun	8,114,665	7,710	74,502	3,746	9,656	0.55
	Jul	8,116,418	8,055	73,946	3,761	9,099	0.55
	Aug	8,117,513	9,059	73,562	4,032	8,894	0.59
	Sep	8,107,806	7,820	72,575	3,558	8,497	0.53
2020	Oct	8,098,839	9,751	71,711	4,163	8,546	0.62
	Nov	8,094,347	8,591	71,543	3,652	8,498	0.54
	Dec	8,096,131	9,092	73,070	3,566	8,728	0.53
	Jan	8,125,137	10,700	75,086	3,855	9,169	0.57
	Feb	8,128,001	10,558	75,294	3,378	9,419	0.50
	Mar	8,122,723	6,086	45,107	3,910	9,130	0.58
	Apr	8,118,070	56	32,204	3,365	7,514	0.50

^a Numbers of loans are in some stage of foreclosure processing at the end of each month.

^b This is the number of claims paid by HUD. These are nearly all for completed foreclosure actions.

^c The six-month moving average of foreclosure starts is presented here to smooth out variations in actual starts each month.

^d An annualized foreclosure rate takes the monthly foreclosure claim rate and transforms that into its annual equivalency. That is, if the same foreclosure claim rate continued for 12 straight months, then the figure is the final annual foreclosure rate result as a percentage of beginning insurance-in-force.

SOURCE: U.S. Department of HUD/FHA, May 2020.

Table 5. REO Recovery Rates

Disposition State ^b	Dispositions	Recovery Rates (%)			Percentage Point Change	
		March 2020	February 2020	March 2019	From Previous Month	From Previous Year
US	1,349	51.1	50.2	45.4	0.9	5.7
IL	95	18.3	22.6	28.3	-4.3	-10.0
CT	86	46.1	50.0	37.2	-3.9	8.9
OH	85	46.6	35.3	36.4	11.3	10.3
TX	84	63.9	63.6	63.3	0.3	0.6
PA	62	36.5	45.6	31.8	-9.1	4.7
NY	54	37.5	26.7	17.1	10.8	20.4
VA	54	66.3	60.8	58.9	5.5	7.5
MD	52	53.7	50.9	41.8	2.8	11.9
NJ	50	49.6	36.6	19.4	13.0	30.2
IN	48	37.6	46.6	35.5	-9.0	2.1
FL	45	67.7	64.4	52.4	3.3	15.3
AL	44	52.1	50.6	49.1	1.6	3.1
KS	44	59.7	58.9	43.7	0.9	16.1
LA	44	43.6	43.2	50.6	0.4	-7.0
MI	43	51.8	51.7	40.9	0.2	11.0
MO	40	49.3	55.6	47.4	-6.2	1.9
OK	33	41.2	54.3	46.3	-13.1	-5.1
KY	31	44.7	51.5	40.8	-6.8	3.9
GA	30	66.6	63.4	55.4	3.2	11.2
NC	29	57.8	62.8	58.5	-5.0	-0.6
TN	23	68.7	67.4	62.7	1.3	6.0
SC	22	58.8	53.0	49.3	5.8	9.5
PR	19	58.8	61.2	47.8	-2.4	11.0
MS	18	42.0	54.0	44.5	-12.1	-2.6
WI	18	47.1	59.2	34.0	-12.1	13.1
AR	16	45.8	46.1	50.5	-0.2	-4.7
IA	15	28.8	25.5	47.2	3.4	-18.4
MN	15	46.6	61.8	61.8	-15.2	-15.2
NH	13	55.0	83.8	54.9	-28.9	0.0
NM	12	46.9	65.3	50.6	-18.4	-3.7
CA	11	77.3	73.7	110.8	3.7	-33.5
WV	11	20.4	27.1	42.3	-6.7	-21.9
MA	9	55.7	60.2	48.6	-4.5	7.1
ME	9	36.8	19.9	23.9	16.9	13.0
ND	9	68.3	47.0	45.2	21.3	23.1
AK	8	61.2	64.8	39.3	-3.6	21.9
CO	8	78.4	84.9	73.8	-6.5	4.6
OR	8	85.7	86.4	55.8	-0.7	29.9
WY	7	82.0	32.1	48.6	49.9	33.4

Table 5. REO Recovery Rates

Disposition State ^b	Dispositions	Recovery Rates (%)			Percentage Point Change	
		March 2020	February 2020	March 2019	From Previous Month	From Previous Year
SD	6	58.0	130.7	54.4	-72.6	3.6
WA	6	80.0	89.1	76.5	-9.0	3.5
AZ	5	72.6	91.6	57.8	-19.0	14.7
RI	5	53.0	49.8	59.7	3.2	-6.7
DE	4	27.9	37.7	56.1	-9.8	-28.1
MT	4	48.1	52.5	85.8	-4.3	-37.7
UT	4	74.7	67.8	45.5	6.9	29.2
NE	3	44.6	45.3	54.6	-0.7	-10.0
NV	3	35.0	54.9	81.6	-19.9	-46.6
ID	2	32.1	76.1	83.7	-43.9	-51.6
VT	2	55.5	17.3	29.9	38.2	25.6
HI	1	84.9	na	na	na	na

na = not applicable

^a Rates are percentages of unpaid loan balance at time of default.

^b State records are sorted by number of dispositions in the most recent month (largest to smallest).

SOURCE: U.S. Department of HUD/FHA, May 2020.

Table 6. REO Components of Loss by Property Disposition Month

Disposition Month	2020			2019									
	Mar	Feb	Jan	Dec	Nov	Oct	Sep	Aug	Jul	Jun	May	Apr	Mar
Loss Components as Percent of Defaulted Loan Balance													
Claim Expenses ^a (%)	18.39	19.81	19.97	20.31	20.06	20.46	20.81	20.50	20.20	21.16	20.92	20.95	20.99
Holding Costs ^b (%)	5.24	5.29	5.28	5.32	5.37	5.58	5.48	4.95	4.92	5.16	5.35	5.12	5.16
Loss on Collateral ^c (%)	23.09	22.90	22.79	23.79	23.30	21.45	22.24	21.96	21.37	20.79	22.13	24.56	23.42
Sales Expense (%)	4.86	4.98	5.21	4.81	5.04	4.95	4.87	4.93	5.03	5.00	4.92	4.66	4.84
Program Discounts ^d (%)	0.10	0.08	0.42	0.08	0.36	0.22	0.15	0.23	0.37	0.30	0.29	0.11	0.20
Net Loss Rate ^e (%)	48.87	49.76	51.34	52.20	51.33	49.71	50.93	51.07	50.82	51.99	53.68	54.78	54.60
Average Amount													
Average Dollar Loss (\$)	57,467	58,085	60,782	62,874	61,913	59,008	60,451	63,490	61,845	62,632	63,096	66,425	65,898
Average Unpaid Balance (\$)	117,604	116,738	118,396	120,443	120,619	118,699	118,689	124,318	121,683	120,480	117,544	121,258	120,692
Occurrence Counts													
Number of Dispositions	1,349	1,449	1,426	1,290	1,191	1,276	1,061	1,200	1,252	1,157	1,355	1,292	1,445
Number of Discounts	4	2	9	3	8	8	5	7	8	7	9	4	5
Stage													
Average Time in Months													
Delinquency ^f	9.6	9.9	9.6	9.8	10.5	10.5	10.3	10.5	10.0	10.3	10.8	11.2	11.1
Foreclosure ^g	10.8	11.9	11.7	12.1	12.1	12.5	12.2	12.0	12.2	11.9	12.1	12.6	12.5
Deed Transfer ^h	11.0	11.3	11.5	11.7	11.8	11.9	12.3	12.2	12.3	11.8	13.0	13.0	12.7
REO	4.5	4.5	4.4	4.4	4.4	4.3	4.5	4.3	4.1	4.2	4.1	4.2	4.2
All Stages	35.8	37.5	37.2	37.8	38.7	39.2	39.3	38.9	38.6	38.2	39.8	40.9	40.5

^a Includes interest on principal.

^b Management, maintenance, repairs, administration, and security, net of rent and other income.

^c Value when foreclosed (UPB) minus value received in REO; does not include Streamline refinances.

^d Rate over all dispositions; effect is greater in the cases where a discount actually is given.

^e Profit (loss) divided by Unpaid Principal Balance (UPB). The listed cost categories are not exhaustive, and they will not sum to the loss rate

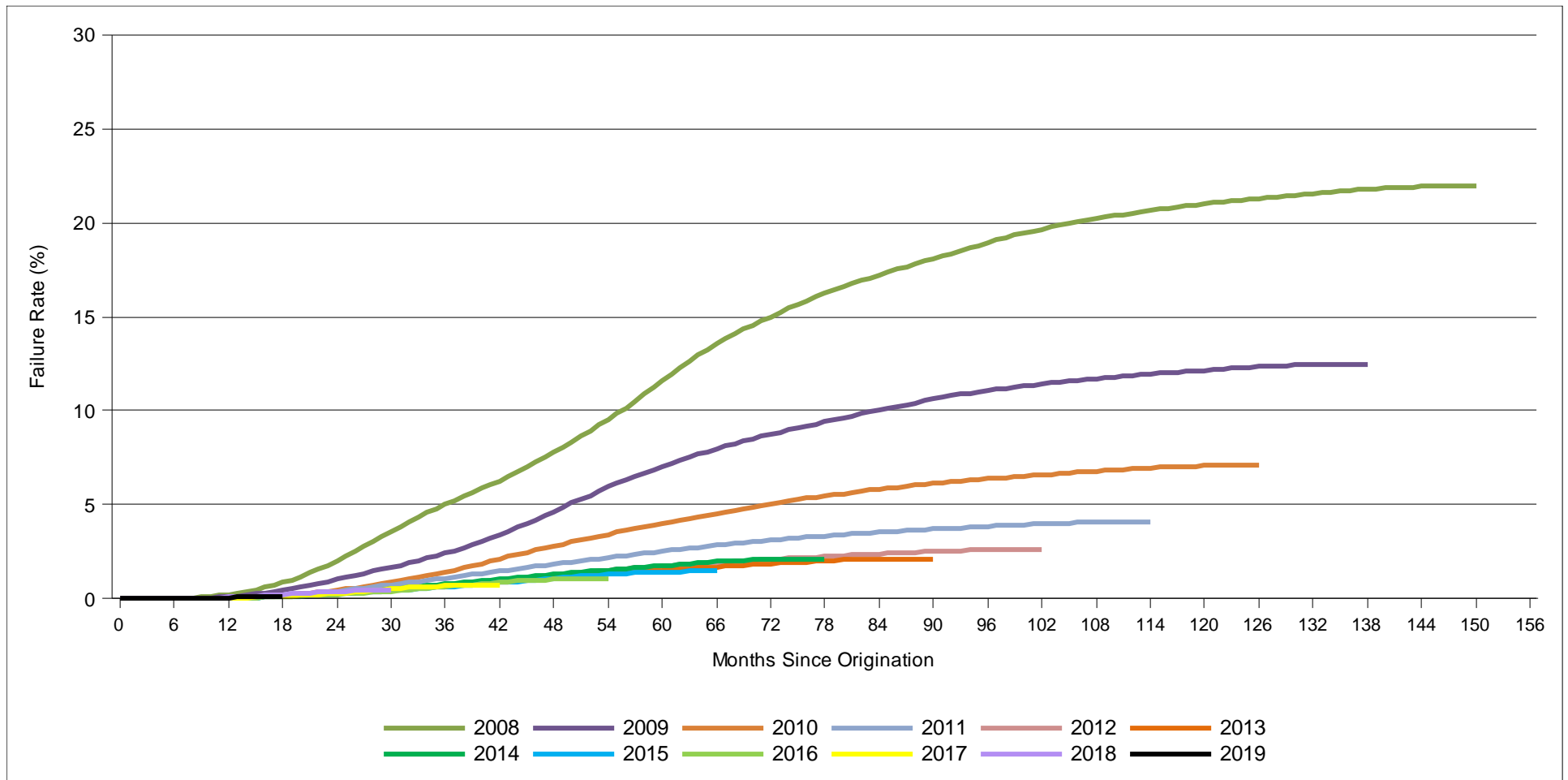
^f First missed payment to date foreclosure initiated.

^g Initiation of foreclosure proceedings to auction date.

^h Auction date to HUD acquisition date.

SOURCE: U.S. Department of HUD/FHA, May 2020.

Figure 1. Failure Rate by Fiscal Year



NOTES: A loan that is in foreclosure processing or has gone to claim is deemed to be a 'failure' for this illustration. The failure rate is the sum of Cumulative Claim Rate and Cumulative Active Foreclosure Rate divided by Total Loans.

SOURCE: U.S. Department of HUD/FHA, May 2020.