



FHA SINGLE FAMILY ORIGINATION TRENDS

Credit Risk Report

Office of Risk Management and Regulatory Affairs,
Office of Evaluation, Reporting & Analysis Division

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Table 1. Distribution of New Endorsements by Loan Amount (%)

Fiscal Year	Quarter	Initial Loan Amount (\$ thousands)								
		<50	50–99	100–149	150–199	200–249	250–399	400–499	500–625.5	>625.5
2011	Oct–Dec	1.66	17.84	28.58	20.98	12.89	13.83	2.28	1.31	0.63
	Jan–Mar	1.68	18.71	28.63	20.60	12.65	13.56	2.24	1.29	0.64
	Apr–Jun	1.96	20.75	29.86	20.11	11.74	12.18	1.87	1.02	0.50
	Jul–Sep	2.06	21.26	30.01	19.93	11.52	11.94	1.85	0.95	0.47
2012	Oct–Dec	2.03	20.93	29.93	20.56	11.95	11.55	1.70	0.95	0.39
	Jan–Mar	1.99	20.67	29.91	20.30	11.96	12.03	1.80	1.02	0.31
	Apr–Jun	1.71	19.89	30.00	20.67	12.07	12.05	1.89	1.13	0.59
	Jul–Sep	1.66	19.28	29.83	20.89	12.30	12.53	1.91	1.05	0.55
2013	Oct–Dec	1.66	19.02	29.79	21.01	12.52	12.58	1.87	1.10	0.45
	Jan–Mar	1.56	18.43	28.96	21.11	12.75	13.32	2.17	1.19	0.51
	Apr–Jun	1.47	17.84	29.30	21.44	12.86	13.28	2.10	1.18	0.53
	Jul–Sep	1.39	17.35	28.96	21.66	12.92	13.80	2.28	1.15	0.49
2014	Oct–Dec	1.65	18.60	28.96	21.12	12.32	13.69	2.14	1.04	0.47
	Jan–Mar	1.72	18.43	29.01	21.14	12.39	13.67	2.20	1.05	0.39
	Apr–Jun	1.60	18.56	29.89	21.58	12.69	12.70	1.85	0.93	0.18
	Jul–Sep	1.41	17.03	29.13	22.17	13.55	13.58	1.96	1.00	0.17
2015	Oct–Dec	1.54	17.69	28.65	22.15	13.17	13.61	2.00	1.03	0.16
	Jan–Mar	1.57	17.03	27.60	22.06	13.68	14.50	2.21	1.19	0.17
	Apr–Jun	1.13	14.76	26.97	22.53	14.95	15.54	2.53	1.38	0.21
	Jul–Sep	1.05	13.40	25.82	22.91	15.61	16.68	2.70	1.58	0.24
2016	Oct–Dec	1.28	14.23	25.71	22.39	15.53	16.34	2.73	1.53	0.26
	Jan–Mar	1.27	13.45	25.12	22.67	15.64	17.13	2.84	1.62	0.26
	Apr–Jun	1.05	13.24	25.36	23.23	15.96	16.96	2.51	1.45	0.24
	Jul–Sep	0.94	11.92	24.09	23.51	16.75	18.32	2.76	1.48	0.24
2017	Oct–Dec	0.94	11.89	23.55	23.13	16.92	18.84	2.90	1.57	0.26
	Jan–Mar	0.98	11.75	23.10	22.75	17.18	19.40	2.95	1.59	0.30
	Apr–Jun	0.93	11.66	23.14	23.31	17.19	19.29	2.75	1.41	0.32
	Jul–Sep	0.82	10.84	22.27	23.45	17.60	20.25	2.94	1.51	0.32
2018	Oct–Dec	0.79	11.13	22.12	23.18	17.59	20.40	2.96	1.48	0.34
	Jan–Mar ^a	0.73	10.76	21.72	22.74	17.83	21.01	3.15	1.65	0.41

NOTES: Shares are based on loan counts. Excludes streamline refinancing.

^a Only includes data for January and February.

SOURCE: U.S. Department of HUD/FHA, March 2018.

Table 2. Distribution of New Endorsements by Loan-to-Value Range (%)

Fiscal Year	Quarter	Loan-to-Value Range ^a			
		Less than or equal to 80 ^b	81–90	91–95	96–98 ^b
2011	Oct–Dec	6.21	15.87	10.95	66.97
	Jan–Mar	7.58	16.88	10.40	65.14
	Apr–Jun	6.21	13.08	9.00	71.70
	Jul–Sep	5.21	11.03	8.80	74.97
2012	Oct–Dec	5.85	12.02	9.33	72.80
	Jan–Mar	7.52	12.50	9.27	70.72
	Apr–Jun	7.67	11.34	8.96	72.04
	Jul–Sep	5.08	9.31	9.59	76.02
2013	Oct–Dec	5.17	9.99	10.14	74.70
	Jan–Mar	5.97	11.52	10.78	71.73
	Apr–Jun	5.64	10.27	9.75	74.35
	Jul–Sep	5.26	9.71	8.94	76.10
2014	Oct–Dec	5.58	9.95	9.00	75.47
	Jan–Mar	6.08	10.91	9.41	73.59
	Apr–Jun	5.63	9.61	9.04	75.72
	Jul–Sep	5.46	9.46	9.14	75.95
2015	Oct–Dec	6.70	10.79	8.93	73.57
	Jan–Mar	7.10	11.65	8.97	72.28
	Apr–Jun	6.14	11.59	8.76	73.52
	Jul–Sep	6.44	11.13	8.35	74.08
2016	Oct–Dec	7.53	12.56	8.25	71.67
	Jan–Mar	8.10	13.25	8.22	70.44
	Apr–Jun	6.80	11.68	7.68	73.85
	Jul–Sep	6.83	11.95	7.76	73.46
2017	Oct–Dec	8.02	13.89	7.66	70.43
	Jan–Mar	9.59	15.97	7.62	66.82
	Apr–Jun	7.97	13.80	7.55	70.69
	Jul–Sep	7.95	14.42	7.48	70.15
2018	Oct–Dec	8.79	16.38	7.40	67.42
	Jan–Mar ^c	9.57	17.59	7.15	65.69

NOTES: Shares are based on loan counts. Excludes streamline refinancing.

^a In accordance with statutory requirements for determining eligibility of loans for FHA insurance, HUD measures loan-to-value (LTV) ratio without including any financed mortgage insurance premium in the loan balance.

^b The statutory maximum LTV since October 1, 2008, is 96.5 percent. Prior to October 1, 2008, the statutory maximum was 97 percent, with higher allowances for borrowers financing loan closing costs into the mortgage balance. If there was such financing, then the statutory maximum was between 97 and 98.15 percent, depending on the geographic location and price of the property.

^c Only includes data for January and February.

SOURCE: U.S. Department of HUD/FHA, March 2018.

Table 3. Average Loan-to-Value Ratios on New Endorsements by Loan Purpose (%)

Fiscal Year	Quarter	Loan Purpose			
		Home Purchase	Conventional Loan Refinance	FHA-to-FHA Refinance ^a	All ^a
2011	Oct–Dec	95.62	87.06	88.94	93.22
	Jan–Mar	95.56	85.68	87.73	92.73
	Apr–Jun	95.73	85.00	86.85	93.67
	Jul–Sep	95.88	85.30	87.50	94.34
2012	Oct–Dec	95.98	85.29	88.79	94.06
	Jan–Mar	96.01	83.44	88.37	93.41
	Apr–Jun	95.99	81.79	87.85	93.32
	Jul–Sep	95.96	83.74	87.73	94.43
2013	Oct–Dec	95.95	84.43	87.79	94.31
	Jan–Mar	95.93	84.59	87.53	93.95
	Apr–Jun	95.87	84.01	86.47	94.09
	Jul–Sep	95.77	82.88	85.39	94.26
2014	Oct–Dec	95.74	82.07	83.76	94.24
	Jan–Mar	95.73	82.19	83.36	93.98
	Apr–Jun	95.70	81.20	83.60	94.15
	Jul–Sep	95.66	80.68	83.15	94.21
2015	Oct–Dec	95.63	79.90	82.91	93.70
	Jan–Mar	95.72	79.95	84.61	93.53
	Apr–Jun	95.73	81.05	85.71	93.68
	Jul–Sep	95.67	80.09	83.45	93.66
2016	Oct–Dec	95.68	79.38	82.57	93.19
	Jan–Mar	95.65	78.92	82.13	92.91
	Apr–Jun	95.79	79.27	82.33	93.44
	Jul–Sep	95.72	79.11	82.01	93.44
2017	Oct–Dec	95.70	78.90	82.00	92.89
	Jan–Mar	95.78	78.64	81.35	92.25
	Apr–Jun	95.75	78.05	81.25	92.89
	Jul–Sep	95.65	77.97	81.25	92.81
2018	Oct–Dec	95.70	78.30	81.47	92.38
	Jan–Mar ^b	95.73	78.15	81.37	92.06

NOTE: In accordance with statutory requirements for determining eligibility of loans for FHA insurance, HUD measures loan-to-value (LTV) without including any mortgage insurance premium financed in the loan balance.

^a These include only fully-underwritten loans and exclude streamline refinancing.

^b Only includes data for January and February.

SOURCE: U.S. Department of HUD/FHA, March 2018.

Table 4. Distribution of New Endorsements by Credit Score Range (%)

Fiscal Year	Quarter	Credit Score Range ^a				
		500–619	620–639	640–679	680–719	720–850
2011	Oct–Dec	4.03	9.84	26.10	23.12	36.91
	Jan–Mar	3.36	6.43	28.49	24.06	37.65
	Apr–Jun	3.57	6.86	30.56	23.74	35.27
	Jul–Sep	4.29	8.08	30.98	23.69	32.96
2012	Oct–Dec	4.09	7.99	31.23	23.81	32.87
	Jan–Mar	3.62	7.71	30.99	23.82	33.86
	Apr–Jun	3.25	7.19	32.24	24.16	33.16
	Jul–Sep	2.94	6.82	34.17	25.27	30.80
2013	Oct–Dec	2.76	6.36	35.11	25.95	29.82
	Jan–Mar	2.45	5.88	35.91	26.57	29.19
	Apr–Jun	1.99	5.66	38.22	27.34	26.80
	Jul–Sep	2.08	6.24	40.44	27.70	23.55
2014	Oct–Dec	2.62	7.66	42.38	27.23	20.10
	Jan–Mar	3.26	9.11	41.98	26.61	19.04
	Apr–Jun	3.79	10.43	42.07	26.33	17.39
	Jul–Sep	4.59	11.16	41.34	25.93	16.98
2015	Oct–Dec	5.91	12.30	40.41	25.39	15.98
	Jan–Mar	5.75	12.36	40.00	25.64	16.24
	Apr–Jun	5.27	11.58	38.05	26.47	18.64
	Jul–Sep	5.41	11.39	36.89	26.62	19.70
2016	Oct–Dec	5.93	11.85	36.66	26.09	19.46
	Jan–Mar	6.15	12.00	36.44	26.35	19.07
	Apr–Jun	5.99	12.81	37.26	25.66	18.28
	Jul–Sep	5.90	12.72	37.05	25.93	18.40
2017	Oct–Dec	6.54	12.89	36.61	25.76	18.20
	Jan–Mar	7.42	12.86	36.22	25.36	18.15
	Apr–Jun	8.29	13.73	36.49	24.38	17.12
	Jul–Sep	9.28	13.90	36.19	23.94	16.69
2018	Oct–Dec	10.28	14.42	36.37	23.22	15.71
	Jan–Mar ^b	11.46	14.45	36.34	22.66	15.09

NOTES: Shares are based on loan counts. Excludes streamline refinancing.

^a Credit scores are cobranded between the three major credit repositories (Equifax, Experian, TransUnion) and Fair Isaac Corporation (FICO). Values can range from 300 to 850. FHA policy permits credit scores of 580 and above, except for loans with equity positions of 10 percent or more, which may have credit scores as low as 500. They are grouped here according to the “decision” score used for loan underwriting. The decision score represents the weakest borrower on a loan application when there are multiple applicants. Streamline refinance loans do not require full underwriting; therefore, they are not represented here.

^b Only includes data for January and February.

SOURCE: U.S. Department of HUD/FHA, March 2018.

Table 5. Average Borrower Credit Scores on New Endorsements by Loan Purpose

Fiscal Year	Quarter	Loan Purpose			
		Home Purchase	Conventional Loan Refinance	FHA-to-FHA Refinance ^a	All ^a
2011	Oct–Dec	699	704	700	701
	Jan–Mar	701	707	703	703
	Apr–Jun	699	702	699	700
	Jul–Sep	697	694	697	696
2012	Oct–Dec	695	702	705	697
	Jan–Mar	695	707	708	698
	Apr–Jun	695	711	709	698
	Jul–Sep	695	698	704	696
2013	Oct–Dec	694	696	703	695
	Jan–Mar	694	697	703	695
	Apr–Jun	692	694	699	693
	Jul–Sep	690	685	690	689
2014	Oct–Dec	686	677	679	685
	Jan–Mar	684	674	675	682
	Apr–Jun	681	672	673	680
	Jul–Sep	680	671	671	679
2015	Oct–Dec	678	669	669	676
	Jan–Mar	678	673	675	677
	Apr–Jun	681	678	679	680
	Jul–Sep	682	677	674	682
2016	Oct–Dec	682	676	672	681
	Jan–Mar	681	676	672	680
	Apr–Jun	679	677	673	679
	Jul–Sep	680	677	672	679
2017	Oct–Dec	679	677	672	678
	Jan–Mar	679	675	668	678
	Apr–Jun	676	672	666	675
	Jul–Sep	676	670	664	674
2018	Oct–Dec	674	668	663	672
	Jan–Mar ^b	672	665	661	670

NOTE: Credit scores are cobranded between the three major credit repositories (Equifax, Experian, TransUnion) and Fair Isaac Corporation (FICO). Values can range from 300 to 850. FHA policy permits credit scores of 580 and above, except for loans with equity positions of 10 percent or more, which may have credit scores as low as 500. They are grouped here according to the “decision” score used for loan underwriting. The decision score represents the weakest borrower on a loan application when there are multiple applicants. Streamline refinance loans do not require full underwriting; therefore, they are not represented here.

^a These include only fully-underwritten loans and exclude streamline refinancing

^b Only includes data for January and February.

SOURCE: U.S. Department of HUD/FHA, March 2018.

Table 6. Early Payment Delinquency Rates by Product Type (%)

Loan Origination Month	Percentage of New Loan Originations			
	Home Purchase Loans	Fully Underwritten Refinance	Streamline Refinance	All Loans
Aug 2014	0.49	0.21	0.41	0.46
Sep	0.39	0.18	0.34	0.36
Oct	0.37	0.37	0.29	0.36
Nov	0.36	0.17	0.29	0.33
Dec	0.33	0.31	0.19	0.31
Jan 2015	0.42	0.29	0.28	0.39
Feb	0.42	0.26	0.34	0.39
Mar	0.40	0.21	0.21	0.30
Apr	0.45	0.19	0.29	0.37
May	0.43	0.14	0.29	0.36
Jun	0.42	0.26	0.38	0.40
Jul	0.47	0.22	0.41	0.43
Aug	0.45	0.29	0.47	0.43
Sep	0.34	0.16	0.40	0.32
Oct	0.32	0.23	0.31	0.31
Nov	0.30	0.20	0.31	0.29
Dec	0.33	0.25	0.26	0.31
Jan 2016	0.32	0.14	0.23	0.29
Feb	0.39	0.19	0.25	0.33
Mar	0.40	0.22	0.32	0.36
Apr	0.41	0.26	0.33	0.37
May	0.49	0.20	0.45	0.45
Jun	0.47	0.26	0.46	0.44
Jul	0.50	0.29	0.44	0.46
Aug	0.46	0.24	0.46	0.44
Sep	0.38	0.18	0.28	0.33
Oct	0.30	0.11	0.31	0.28
Nov	0.32	0.14	0.28	0.29
Dec	0.32	0.14	0.25	0.28
Jan 2017	0.40	0.14	0.26	0.33
Feb	0.41	0.17	0.33	0.35
Mar	0.42	0.23	0.37	0.38
Apr	0.59	0.21	0.41	0.51
May	1.07	0.51	0.90	0.97
Jun	1.70	1.01	1.23	1.56
Jul	1.65	1.32	1.52	1.59

NOTE: Early payment delinquencies are defined as loans which have had a 90-day delinquency within the first six months of required mortgage payments. The first payment-due month is the second month after loan closing. Thus, these rates indicate the percentage of loans experiencing a 90-day delinquency within 7 months of loan closing.
 SOURCE: U.S. Department of HUD/FHA, March 2018.

Table 7. Average Debt-to-Income Ratios on Purchase Endorsements by Credit Score (%)

Fiscal Year	Quarter	Loan Count	Credit Score Range ^a					All
			720–850	500–619	620–639	640–679	680–719	
2011	Oct–Dec	196,800	39.61	38.67	40.60	40.74	40.79	40.24
	Jan–Mar	168,776	40.31	39.05	40.45	41.47	41.36	40.86
	Apr–Jun	201,157	40.29	38.56	40.31	41.31	41.33	40.79
	Jul–Sep	210,694	40.45	38.22	40.09	41.22	41.29	40.76
2012	Oct–Dec	176,168	40.37	37.92	40.01	40.95	41.04	40.58
	Jan–Mar	166,168	40.17	37.85	39.74	40.96	40.87	40.47
	Apr–Jun	193,558	39.95	37.61	39.43	40.67	40.60	40.23
	Jul–Sep	197,970	39.97	37.16	39.06	40.43	40.43	40.10
2013	Oct–Dec	177,852	39.78	37.21	38.62	40.17	40.29	39.91
	Jan–Mar	157,439	39.88	37.60	38.74	40.19	40.25	39.97
	Apr–Jun	181,297	39.85	36.75	38.47	39.94	40.06	39.81
	Jul–Sep	185,827	40.73	35.26	38.75	40.41	40.75	40.38
2014	Oct–Dec	152,965	41.26	35.35	39.24	40.73	41.05	40.70
	Jan–Mar	119,833	41.20	35.65	39.69	40.83	41.02	40.72
	Apr–Jun	148,016	40.95	35.72	39.42	40.58	40.63	40.38
	Jul–Sep	174,184	41.21	35.76	39.76	40.80	40.86	40.57
2015	Oct–Dec	154,807	41.36	36.15	40.24	40.93	41.07	40.71
	Jan–Mar	132,529	41.07	36.12	40.14	40.80	40.80	40.52
	Apr–Jun	198,802	40.52	35.83	39.67	40.42	40.27	40.08
	Jul–Sep	267,250	40.84	36.13	40.20	40.79	40.77	40.50
2016	Oct–Dec	210,550	41.04	36.17	40.66	41.09	41.02	40.75
	Jan–Mar	187,069	41.10	36.45	40.99	41.29	41.10	40.90
	Apr–Jun	225,133	40.89	36.26	40.76	41.23	40.93	40.75
	Jul–Sep	256,762	41.17	36.37	41.07	41.30	41.23	40.96
2017	Oct–Dec	220,353	41.49	37.64	41.28	41.59	41.45	41.25
	Jan–Mar	195,485	42.12	39.76	42.03	42.33	42.15	42.04
	Apr–Jun	230,476	42.22	40.08	41.98	42.31	42.19	42.05
	Jul–Sep	235,768	42.47	40.39	42.23	42.60	42.60	42.35
2018	Oct–Dec	195,513	42.62	40.93	42.50	42.85	42.84	42.59
	Jan–Mar ^b	111,021	42.90	41.25	43.03	43.35	43.28	43.01

^a Credit scores are cobranded between the three major credit repositories (Equifax, Experian, TransUnion) and Fair Isaac Corporation (FICO). Values can range from 300 to 850. FHA policy permits credit scores of 580 and above, except for loans with equity positions of 10 percent or more, which may have credit scores as low as 500. They are grouped here according to the “decision” score used for loan underwriting. The decision score represents the weakest borrower on a loan application when there are multiple applicants.

^b Only includes data for January and February.

SOURCE: U.S. Department of HUD/FHA, March 2018.

Table 8. Average Loan-to-Value Ratios on Purchase Endorsements by Credit Score (%)

Fiscal Year	Quarter	Loan Count	Credit Score Range ^a					All
			720–850	500–619	620–639	640–679	680–719	
2011	Oct–Dec	196,800	95.64	94.44	95.56	95.70	95.74	95.62
	Jan–Mar	168,776	95.57	94.51	95.32	95.61	95.69	95.56
	Apr–Jun	201,157	95.74	94.69	95.54	95.77	95.87	95.73
	Jul–Sep	210,694	95.90	94.83	95.72	95.97	95.99	95.88
2012	Oct–Dec	176,168	96.04	94.70	95.82	96.09	96.06	95.98
	Jan–Mar	166,168	96.14	94.84	95.85	96.00	96.11	96.01
	Apr–Jun	193,558	96.05	94.96	95.84	96.06	96.01	95.99
	Jul–Sep	197,970	96.02	94.85	95.79	95.99	96.03	95.96
2013	Oct–Dec	177,852	96.14	94.54	95.60	95.93	96.00	95.95
	Jan–Mar	157,439	96.12	94.42	95.53	95.92	95.95	95.93
	Apr–Jun	181,297	96.11	94.54	95.59	95.87	95.80	95.87
	Jul–Sep	185,827	95.97	94.04	95.44	95.80	95.73	95.77
2014	Oct–Dec	152,965	96.10	93.94	95.42	95.80	95.64	95.74
	Jan–Mar	119,833	96.05	93.93	95.42	95.78	95.70	95.73
	Apr–Jun	148,016	96.06	94.00	95.49	95.83	95.55	95.70
	Jul–Sep	174,184	96.02	93.87	95.52	95.81	95.51	95.66
2015	Oct–Dec	154,807	96.13	94.09	95.52	95.76	95.46	95.63
	Jan–Mar	132,529	96.18	94.05	95.58	95.84	95.65	95.72
	Apr–Jun	198,802	96.04	94.38	95.62	95.86	95.61	95.73
	Jul–Sep	267,250	95.98	94.27	95.51	95.84	95.53	95.67
2016	Oct–Dec	210,550	96.06	94.03	95.53	95.81	95.59	95.68
	Jan–Mar	187,069	96.00	94.27	95.47	95.77	95.58	95.65
	Apr–Jun	225,133	96.13	94.55	95.67	95.89	95.71	95.79
	Jul–Sep	256,762	96.07	94.21	95.63	95.87	95.61	95.72
2017	Oct–Dec	220,353	96.09	94.22	95.63	95.83	95.62	95.70
	Jan–Mar	195,485	96.26	94.09	95.61	95.94	95.69	95.78
	Apr–Jun	230,476	96.10	94.20	95.77	95.89	95.76	95.75
	Jul–Sep	235,768	95.98	94.12	95.63	95.82	95.69	95.65
2018	Oct–Dec	195,513	96.18	93.84	95.67	95.89	95.80	95.70
	Jan–Mar ^b	111,021	96.17	93.81	95.72	95.93	95.94	95.73

^a Credit scores are cobranded between the three major credit repositories (Equifax, Experian, TransUnion) and Fair Isaac Corporation (FICO). Values can range from 300 to 850. FHA policy permits credit scores of 580 and above, except for loans with equity positions of 10 percent or more, which may have credit scores as low as 500. They are grouped here according to the “decision” score used for loan underwriting. The decision score represents the weakest borrower on a loan application when there are multiple applicants.

^b Only includes data for January and February.

SOURCE: U.S. Department of HUD/FHA, March 2018.