



July 2024 Credit Risk Report

FHA Single Family Loan Performance Trends



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

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.....	8

Table of Figures

Figure 1: Failure Rate by Fiscal Year.....	9
--	---

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							
Jul 2023	7,450,024	5.43	1.79	3.18	0.46	0.48	4.12
Aug	7,483,303	5.52	1.83	3.06	0.45	0.46	3.97
Sep	7,509,540	5.82	1.90	3.05	0.43	0.45	3.93
Oct	7,534,590	5.68	1.92	2.98	0.42	0.46	3.86
Nov	7,562,636	6.02	2.01	3.02	0.43	0.46	3.91
Dec	7,586,431	6.50	2.15	3.12	0.44	0.47	4.04
Jan 2024	7,613,635	5.98	2.08	3.17	0.44	0.48	4.08
Feb	7,630,910	5.79	1.94	3.06	0.45	0.47	3.97
Mar	7,654,977	5.67	1.77	2.84	0.44	0.46	3.74
Apr	7,677,670	5.55	1.76	2.70	0.43	0.46	3.58
May	7,704,544	5.50	1.83	2.66	0.41	0.45	3.52
Jun	7,730,383	6.41	2.06	2.83	0.40	0.45	3.68
Jul	7,758,946	6.17	2.14	3.00	0.39	0.45	3.84
Seasonally Adjusted							
Jul 2023	7,450,024	5.56	1.83	3.39	0.46	0.48	4.34
Aug	7,483,303	5.38	1.78	3.18	0.45	0.47	4.10
Sep	7,509,540	5.58	1.79	3.06	0.44	0.45	3.96
Oct	7,534,590	5.35	1.78	2.94	0.43	0.46	3.83
Nov	7,562,636	5.47	1.79	2.82	0.43	0.47	3.72
Dec	7,586,431	5.77	1.88	2.86	0.44	0.48	3.77
Jan 2024	7,613,635	5.74	1.87	2.85	0.44	0.47	3.76
Feb	7,630,910	5.90	1.97	2.91	0.44	0.47	3.81
Mar	7,654,977	6.55	2.04	2.95	0.42	0.46	3.84
Apr	7,677,670	6.07	2.00	2.83	0.42	0.45	3.70
May	7,704,544	5.86	2.03	2.82	0.40	0.45	3.67
Jun	7,730,383	6.49	2.18	3.01	0.40	0.44	3.85
Jul	7,758,946	6.31	2.19	3.21	0.40	0.45	4.05

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. Due to differing reporting methodologies, the delinquency and foreclosure numbers shown above may not fully reconcile with other FHA reporting areas.

SOURCE: U.S. Department of HUD/FHA, August 2024.

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

Fiscal Quarter	New D90+ Delinquencies	Share by Reason for Delinquency (%)							
		Reduction of Income	Unemployed	Excessive Obligations	Death or Illness	Marital Difficulties	No Contact	National Emergency ^a	Other ^b
2019 Q3	69,305	26.85	5.77	22.16	12.35	3.48	7.91	12.10	9.38
2019 Q4	90,531	25.39	5.31	21.65	11.54	3.10	7.39	16.71	8.90
2020 Q1	114,286	21.62	4.45	18.35	9.52	2.42	6.54	25.33	11.76
2020 Q2	86,759	17.63	4.25	15.39	7.90	1.90	7.61	37.42	7.89
2020 Q3	467,501	5.99	1.92	2.93	1.19	0.24	1.33	81.79	4.61
2020 Q4	350,811	4.99	1.76	2.69	1.14	0.23	1.44	83.73	4.02
2021 Q1	190,234	5.64	2.04	3.63	1.86	0.38	2.52	79.93	4.00
2021 Q2	139,479	5.59	2.07	3.86	2.16	0.37	2.90	78.82	4.22
2021 Q3	79,613	5.88	1.97	4.74	2.95	0.50	3.57	75.72	4.68
2021 Q4	85,646	6.92	2.09	6.02	3.54	0.68	4.33	71.65	4.78
2022 Q1	106,144	7.43	2.12	6.70	4.00	0.72	4.32	69.37	5.34
2022 Q2	109,845	9.10	2.53	7.71	4.77	0.84	4.50	64.89	5.65
2022 Q3	95,146	11.30	3.12	9.56	5.89	1.09	4.78	57.81	6.45
2022 Q4	121,385	14.31	3.91	11.02	6.93	1.31	4.62	51.57	6.32
2023 Q1	137,150	16.63	4.47	11.93	7.74	1.54	4.72	45.29	7.67
2023 Q2	120,430	19.30	5.32	12.68	9.00	1.64	5.19	39.38	7.48
2023 Q3	115,171	23.14	6.42	14.74	10.57	1.96	5.28	30.84	7.05
2023 Q4	146,046	25.82	7.86	16.61	11.50	2.15	5.18	24.15	6.73
2024 Q1	162,259	25.43	9.33	17.48	12.68	2.26	5.72	20.18	6.91
2024 Q2	153,596	27.41	11.39	18.24	13.52	2.37	6.23	13.97	6.87
2024 Q3	145,115	24.82	11.94	18.75	12.49	2.20	9.84	12.90	7.07
2024 Q4 - Jul	59,222	23.50	11.45	19.49	11.54	1.88	17.80	6.59	7.75

^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. Due to late reporting by a large servicer, the delinquency rates for February 2021 are likely understated

SOURCE: U.S. Department of HUD/FHA, August 2024.

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	7,758,946	12.16	6.17	2.14	3.00	0.39	0.45	3.84
Purchase	71.99	13.62	6.85	2.45	3.44	0.42	0.46	4.32
Refinance	28.01	8.40	4.43	1.37	1.88	0.32	0.41	2.61
Refinance								
Refinance Loans	2,173,527	8.40	4.43	1.37	1.88	0.32	0.41	2.61
Conventional	32.65	8.98	4.62	1.44	2.03	0.44	0.45	2.92
No Cash-out	15.51	8.73	4.52	1.37	1.93	0.46	0.46	2.85
Cash-out	17.14	9.20	4.71	1.50	2.12	0.42	0.44	2.98
FHA	20.25	9.08	4.91	1.51	2.05	0.21	0.40	2.66
No Cash-out	7.97	8.34	4.52	1.35	1.85	0.22	0.39	2.47
Cash-out	12.27	9.56	5.16	1.61	2.18	0.20	0.41	2.79
Streamline	47.10	7.71	4.08	1.25	1.71	0.28	0.38	2.37
Credit Score Range^d								
Loans with Credit Scores	6,558,518	12.62	6.39	2.24	3.15	0.39	0.45	3.99
< 500	0.07	24.53	11.22	3.93	6.61	1.25	1.52	9.38
500-579	1.58	21.99	10.65	3.76	5.76	0.82	1.00	7.58
580-619	8.81	21.80	10.47	4.05	5.79	0.69	0.81	7.29
620-659	33.87	17.39	8.77	3.13	4.37	0.50	0.62	5.49
660-719	39.34	9.72	5.06	1.67	2.34	0.31	0.33	2.98
720-850	16.32	3.78	1.99	0.62	0.86	0.18	0.12	1.17
Fiscal Year Cohort								
All Cohorts	7,758,946	12.16	6.17	2.14	3.00	0.39	0.45	3.84
pre-2009	8.09	15.20	7.56	2.61	3.62	0.71	0.70	5.03
2009	2.66	12.97	6.45	2.11	3.01	0.76	0.65	4.42
2010	3.24	10.49	5.34	1.74	2.44	0.51	0.46	3.41
2011	2.60	9.28	4.73	1.60	2.18	0.37	0.40	2.95
2012	3.34	7.70	3.95	1.31	1.82	0.28	0.33	2.44
2013	4.74	6.39	3.36	1.04	1.46	0.24	0.28	1.98
2014	2.00	12.27	6.14	2.10	2.94	0.48	0.61	4.03
2015	3.36	12.43	6.30	2.10	2.97	0.43	0.63	4.03
2016	4.73	12.57	6.41	2.13	2.94	0.43	0.67	4.04
2017	5.20	13.75	6.97	2.34	3.26	0.48	0.70	4.44
2018	4.21	17.62	8.40	3.10	4.56	0.66	0.89	6.11
2019	4.24	19.03	9.01	3.40	5.06	0.71	0.84	6.61
2020	8.58	12.82	6.52	2.26	3.21	0.36	0.47	4.04
2021	14.48	11.71	6.16	2.10	2.81	0.28	0.35	3.44
2022	11.57	14.97	7.58	2.73	3.89	0.39	0.38	4.66
2023	8.94	12.10	6.06	2.28	3.36	0.24	0.16	3.76
2024	8.02	3.92	2.43	0.74	0.72	0.02	0.01	0.75

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	7,758,946	12.16	6.17	2.14	3.00	0.39	0.45	3.84
< 50	1.52	12.35	6.01	2.16	2.81	0.86	0.52	4.19
50-99	15.37	11.60	5.91	1.99	2.61	0.55	0.54	3.70
100-149	21.02	12.00	6.16	2.06	2.81	0.42	0.55	3.78
150-199	18.60	12.63	6.47	2.22	3.08	0.36	0.50	3.94
200-249	14.18	12.57	6.47	2.23	3.12	0.33	0.42	3.87
250-399	22.26	12.37	6.22	2.24	3.26	0.30	0.34	3.90
400-499	4.41	11.47	5.54	2.15	3.26	0.30	0.22	3.78
> 499	2.63	10.37	4.84	1.85	3.12	0.37	0.18	3.68
Property Type								
All Property Types	7,758,946	12.16	6.17	2.14	3.00	0.39	0.45	3.84
Detached	85.32	12.37	6.31	2.19	3.04	0.37	0.46	3.87
Manufactured Housing	4.05	11.11	5.73	1.88	2.52	0.52	0.45	3.50
2-4 Units	2.57	9.18	4.23	1.58	2.48	0.68	0.22	3.38
Condo	2.32	8.59	4.09	1.46	2.21	0.41	0.41	3.03
Townhouse	5.74	12.54	6.14	2.26	3.28	0.45	0.41	4.14
Purchase Loan Type								
All Purchase Loans	5,585,158	13.62	6.85	2.45	3.44	0.42	0.46	4.32
Repeat	14.80	11.24	5.86	1.95	2.68	0.33	0.41	3.43
First-time	85.20	14.04	7.02	2.54	3.57	0.44	0.47	4.48
Down Payment Assistance (DPA) Type								
All Sources of Funds	7,758,946	12.16	6.17	2.14	3.00	0.39	0.45	3.84
Government	9.98	14.47	7.10	2.68	3.78	0.41	0.49	4.68
Relative	16.74	16.26	8.14	2.95	4.16	0.48	0.52	5.17
Other	1.64	16.51	8.19	2.93	4.21	0.49	0.68	5.38
Seller Funded	0.36	21.24	10.14	3.58	5.55	0.86	1.11	7.52
No DPA	71.28	10.73	5.51	1.85	2.58	0.36	0.41	3.36

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. Due to differing reporting methodologies, the delinquency and foreclosure numbers shown above may not fully reconcile with other FHA reporting areas.

SOURCE: U.S. Department of HUD/FHA, August 2024.

Table 4. Monthly Foreclosure Statistics and Trends

Fiscal Year	Month	Insurance in Force	Foreclosure Starts	In Foreclosure	Foreclosure Claims ^a	Foreclosure Starts: 6-month MA ^b	Annualized Foreclosure Rate ^c %
2021	Jul	7,588,572	719	15,804	916	555	0.14
	Aug	7,546,269	1,098	27,891	979	654	0.16
	Sep	7,498,614	806	52,834	830	690	0.13
2022	Oct	7,457,304	996	46,526	735	771	0.12
	Nov	7,408,662	1,913	81,541	723	1,013	0.12
	Dec	7,369,234	1,927	132,560	738	1,243	0.12
	Jan	7,344,489	6,220	58,513	820	2,160	0.13
	Feb	7,313,781	6,413	42,421	784	3,046	0.13
	Mar	7,279,440	12,486	45,348	1,085	4,993	0.18
	Apr	7,256,669	7,262	43,255	1,236	6,037	0.20
	May	7,241,481	7,011	46,203	1,111	6,887	0.18
	Jun	7,238,927	7,404	46,146	1,113	7,799	0.18
Jul	7,243,496	6,417	45,616	1,071	7,832	0.18	
Aug	7,251,083	7,125	45,509	1,312	7,951	0.22	
Sep	7,263,194	6,550	42,427	1,125	6,962	0.19	
2023	Oct	7,277,614	6,217	40,020	1,041	6,787	0.17
	Nov	7,297,596	6,072	40,499	1,012	6,631	0.17
	Dec	7,314,834	6,636	41,967	1,044	6,503	0.17
	Jan	7,334,648	7,223	43,335	1,017	6,637	0.17
	Feb	7,342,653	7,377	44,386	1,237	6,679	0.20
	Mar	7,358,889	8,282	44,042	1,377	6,968	0.22
	Apr	7,377,794	6,989	42,490	1,074	7,097	0.17
	May	7,399,291	6,543	39,764	1,348	7,175	0.22
	Jun	7,424,630	5,432	36,823	1,302	6,974	0.21
	Jul	7,450,024	4,928	34,171	1,169	6,592	0.19
	Aug	7,483,303	6,258	33,749	1,438	6,405	0.23
Sep	7,509,540	5,507	32,233	1,172	5,943	0.19	
2024	Oct	7,534,590	5,880	31,670	1,328	5,758	0.21
	Nov	7,562,636	5,662	32,295	1,219	5,611	0.19
	Dec	7,586,431	5,837	33,273	1,240	5,679	0.20
	Jan	7,613,635	7,092	33,562	1,302	6,039	0.21
	Feb	7,630,910	7,344	34,139	1,257	6,220	0.20
	Mar	7,654,977	6,717	33,352	1,269	6,422	0.20
	Apr	7,677,670	6,730	32,686	1,311	6,564	0.20
	May	7,704,544	6,441	31,348	1,410	6,694	0.22
	Jun	7,730,383	5,148	30,868	1,111	6,579	0.17
Jul	7,758,946	5,733	30,450	1,313	6,352	0.20	

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

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

^c 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. Due to differing reporting methodologies, the delinquency and foreclosure numbers shown above may not fully reconcile with other FHA reporting areas.

SOURCE: U.S. Department of HUD/FHA, August 2024.

Table 5. REO Recovery Rates

Disposition State ^b	Dispositions	Recovery Rates (%)			Percentage Point Change	
		June 2024	May 2024	June 2023	From Previous Month	From Previous Year
US	300	68.1	67.4	72.9	0.6	-4.9
MI	29	78.8	75.8	68.2	3.0	10.6
TX	29	64.7	60.9	73.2	3.8	-8.4
PR	27	73.5	74.0	66.6	-0.4	6.9
PA	18	57.0	60.2	63.6	-3.3	-6.7
AL	14	80.8	57.7	72.3	23.1	8.5
OH	14	53.5	62.9	68.3	-9.5	-14.9
CT	10	79.1	96.7	79.5	-17.6	-0.4
GA	10	97.1	72.7	77.2	24.4	19.9
IN	10	62.9	63.3	88.9	-0.4	-25.9
KY	10	71.0	61.5	84.6	9.4	-13.7
LA	10	44.1	44.2	54.1	-0.1	-9.9
MS	10	50.6	47.7	41.4	2.8	9.2
SC	10	54.3	70.2	63.6	-15.8	-9.3
CO	8	84.0	68.6	91.2	15.4	-7.2
OK	8	65.2	41.5	67.3	23.8	-2.1
MO	7	50.9	54.6	64.0	-3.7	-13.1
IL	6	59.3	56.1	51.2	3.3	8.1
NY	6	37.4	13.5	22.5	23.9	14.9
VA	6	75.8	68.0	88.4	7.8	-12.6
AR	5	57.3	na	55.7	na	1.7
FL	5	65.3	79.5	116.9	-14.2	-51.6
IA	5	59.0	37.0	59.5	22.1	-0.4
NM	5	92.0	99.6	89.5	-7.6	2.5
CA	4	85.7	100.0	102.5	-14.3	-16.9
KS	4	28.7	49.4	61.2	-20.7	-32.5
NC	4	68.7	75.7	118.1	-7.0	-49.4
NJ	4	60.1	65.4	40.7	-5.3	19.4
MN	3	85.0	83.2	82.7	1.8	2.3
ND	3	53.5	53.2	63.3	0.3	-9.9
OR	3	70.5	75.5	na	-5.0	na
ID	2	97.2	82.6	na	14.6	na
NE	2	39.7	38.0	na	1.7	na
AZ	1	82.7	75.0	147.4	7.7	-64.7
DE	1	66.9	136.3	87.6	-69.4	-20.7
MA	1	74.6	46.6	na	28.0	na
MD	1	46.4	96.5	77.1	-50.1	-30.7
RI	1	80.1	na	na	na	na
TN	1	11.7	77.1	108.6	-65.4	-96.9
UT	1	86.4	139.3	na	-52.9	na
VI	1	95.2	na	na	na	na
WV	1	72.5	8.0	37.5	64.6	35.1
AK	0	na	61.7	79.4	na	na
HI	0	na	na	54.1	na	na
MT	0	na	39.8	69.2	na	na
NH	0	na	na	81.8	na	na
NV	0	na	na	85.1	na	na
SD	0	na	50.8	na	na	na
WA	0	na	91.6	na	na	na
WI	0	na	53.9	94.0	na	na
WY	0	na	na	70.2	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, August 2024.

Table 6. REO Components of Loss by Property Disposition Month

Disposition Month	2024						2023						
	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct	Sep	Aug	Jul	Jun
Loss Components as Percent of Defaulted Loan Balance													
Claim Expenses ^a (%)	23.46	25.09	23.59	22.85	22.69	24.06	23.94	23.78	24.72	23.97	23.93	24.22	24.09
Holding Costs ^b (%)	9.77	9.37	9.59	10.29	10.50	9.72	9.25	10.52	10.61	8.69	8.47	8.64	9.33
Loss on Collateral ^c (%)	9.04	7.70	3.02	5.33	3.35	8.59	6.77	13.15	11.83	13.30	15.70	15.10	13.36
Sales Expense (%)	6.35	6.43	6.06	6.40	6.08	6.65	6.71	6.77	6.61	7.02	6.82	6.93	7.19
Program Discounts ^d (%)	0.48	0.44	0.36	0.27	0.21	0.26	0.50	0.00	0.15	0.34	0.45	0.04	0.91
Net Loss Rate ^e (%)	31.93	32.56	37.02	32.22	35.49	32.24	34.70	28.38	30.20	26.07	24.93	25.71	27.06
Average Amount													
Average Dollar Loss (\$)	47,940	45,229	56,175	46,453	53,571	48,017	51,749	39,748	39,310	35,831	33,559	34,664	36,793
Average Unpaid Balance (\$)	150,152	138,928	151,760	144,174	150,936	148,956	149,145	140,062	130,171	137,453	134,607	134,847	135,960
Occurrence Counts													
Number of Dispositions	300	400	354	413	361	349	291	311	312	320	362	283	355
Number of Discounts	2	2	2	1	2	2	2	0	2	2	3	1	4
Stage													
Average Time in Months													
Delinquency ^f	13.4	15.4	15.7	15.5	14.9	17.2	17.7	17.3	14.2	15.3	15.7	14.8	16.2
Foreclosure ^g	16.3	16.6	15.8	15.4	17.5	16.9	17.0	15.7	18.0	17.9	16.1	16.6	15.9
Deed Transfer ^h	9.4	10.4	8.7	9.8	8.6	11.0	9.1	10.7	10.8	9.9	9.2	9.8	10.2
REO	5.6	5.2	5.5	5.3	5.3	5.4	5.3	5.1	5.2	5.2	4.9	5.0	5.8
All Stages	44.7	47.7	45.6	45.9	46.1	50.5	48.9	48.8	48.2	48.3	45.9	46.2	48.0

^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 may exclude certain recoveries; they will not sum to the loss rate.

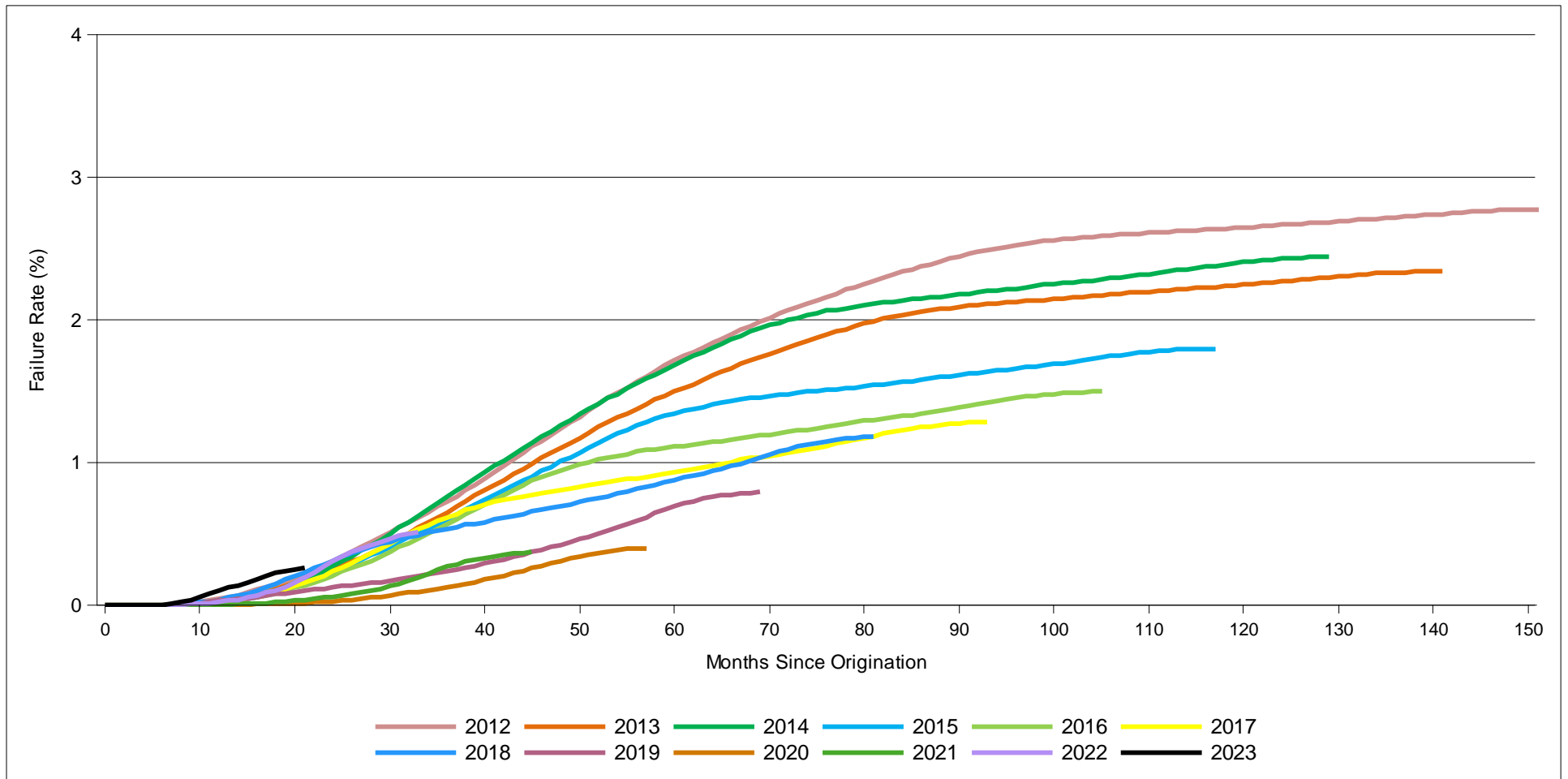
^f First missed payment to date foreclosure initiated.

^g Initiation of foreclosure proceedings to auction date.

^h Auction date to HUD acquisition date.

SOURCE: U.S. Department of HUD/FHA, August 2024.

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, August 2024.