



August 2022 Credit Risk Report

FHA Single Family Production Report



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

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Table 1. Single Family Insured Mortgage Portfolio Change during Month

| | Loan Count | Loan Balance (\$ millions) |
|--|------------|-------------------------------|
| Insurance in-Force (Beginning) | 7,243,496 | 1,194,293 |
| Prepayments | (70,161) | (10,382) |
| Refinance with FHA | (9,114) | (1,594) |
| Full Payoff | (61,047) | (8,788) |
| Claims | (1,450) | (156) |
| Conveyance | (263) | (28) |
| Pre-foreclosure Sale | (138) | (20) |
| Note Sales | (0) | (0) |
| Third-Party Sales | (1,049) | (108) |
| Endorsements | 76,955 | 21,099 |
| Adjustment ^a | 2,243 | (2,265) |
| Insurance in-Force (Ending) ^b | 7,251,083 | 1,202,589 |

NOTE: Does not include Home Equity Conversion Mortgages (HECM).

^a Reconciling adjustments represent late posting of previous period activity.

^b Details may not sum to total due to rounding.

SOURCE: US Department of HUD/FHA, September 2022.

Table 2. Single Family Insured Mortgage Portfolio Change with Delinquency Transition during Month

| Performance Year | Month | 1. Beginning Serious Delinquent Loan Inventory ^a | Portfolio Account Transitions (Counts) | | | | 6. Ending Serious Delinquent Loan Inventory | Adjustment ^d (Col 1 to Col 6 Last Month) | Cure Ratio(%) = Col 3/Col 2 |
|------------------|-------|---|--|---|--------------------|--|---|---|-----------------------------|
| | | | 2. Add Entering Default ^b | 3. Subtract Cured ^c (Leaving Default Status) | 4. Subtract Claims | 5. Subtract Prepays (Previously Defaulted) | | | |
| 2021 | Aug | 733,810 | 36,263 | 71,704 | 1,211 | 5,474 | 691,684 | 516 | 197.7 |
| | Sep | 692,157 | 37,208 | 62,635 | 1,010 | 5,321 | 660,399 | 473 | 168.3 |
| | Oct | 660,803 | 43,259 | 75,582 | 883 | 4,772 | 622,825 | 404 | 174.7 |
| | Nov | 623,213 | 44,672 | 81,836 | 867 | 5,030 | 580,152 | 388 | 183.2 |
| | Dec | 580,520 | 42,897 | 81,277 | 862 | 4,942 | 536,336 | 368 | 189.5 |
| 2022 | Jan | 536,625 | 42,731 | 74,348 | 916 | 3,609 | 500,483 | 289 | 174.0 |
| | Feb | 500,706 | 44,942 | 67,455 | 881 | 3,440 | 473,872 | 223 | 150.1 |
| | Mar | 474,355 | 42,241 | 73,900 | 1,224 | 4,363 | 437,109 | 483 | 174.9 |
| | Apr | 437,522 | 35,238 | 87,984 | 1,365 | 3,689 | 379,722 | 413 | 249.7 |
| | May | 380,161 | 63,203 | 62,982 | 1,245 | 3,690 | 375,447 | 439 | 99.7 |
| | Jun | 375,875 | 46,023 | 55,358 | 1,254 | 3,688 | 361,598 | 428 | 120.3 |
| | Jul | 362,089 | 45,491 | 46,357 | 1,201 | 2,902 | 357,120 | 491 | 101.9 |
| | Aug | 357,652 | 47,143 | 50,242 | 1,450 | 3,522 | 349,581 | 532 | 106.6 |
| Y-O-Y% | | (51.3) | 30.0 | (29.9) | 19.7 | (35.7) | (49.5) | na | (46.1) |
| M-O-M% | | (1.2) | 3.6 | 8.4 | 20.7 | 21.4 | (2.1) | na | 4.6 |

na = not applicable.

NOTE: Does not include Home Equity Conversion Mortgage (HECM). Due to differences in timing and data sources, the inventory of SDQ loans may not reconcile fully with the FHA Loan Performance Trends report.

^a Non Performing portion of the portfolio excludes all current, 30-day delinquent, and 60-day delinquent loans.^b New Non-performing portion of the portfolio includes loans that are serious delinquencies 90+ day delinquent, in foreclosure, and in bankruptcy.^c Loans that are no longer serious delinquencies—now fewer than 90 days delinquent through full or partial cure of delinquency. Cures can be with or without loss mitigation or lender assistance.^d Reconciling adjustments represent late posting of previous period activity. Due to differing reporting methodologies, the delinquency and foreclosure numbers shown above may not fully reconcile with other FHA reporting areas. These differences reflect ordering of intra-month default status codes which may result in different delinquency statuses of mortgages during a month and at month end. Due to late reporting by a large servicer, the delinquency counts for April 2022 are likely understated.

SOURCE: US Department of HUD/FHA, September 2022..

Table 3. Title I Insured Mortgage Portfolio Change during Month

| | Loan Count | Loan Balance (\$ millions) |
|--|------------|-------------------------------|
| Insurance in-Force (Beginning) | 20,143 | 609 |
| Property Improvement | 12,192 | 238 |
| Manufactured Housing | 7,951 | 371 |
| Prepayments | (488) | (12) |
| Property Improvement | (357) | (7) |
| Manufactured Housing | (131) | (6) |
| Claims | (12) | (0) |
| Property Improvement | (9) | (0) |
| Manufactured Housing | (3) | (0) |
| Endorsements | 82 | 2 |
| Property Improvement | 82 | 2 |
| Manufactured Housing | 0 | 0 |
| Adjustment ^a | (12) | (1) |
| Property Improvement | 4 | 0 |
| Manufactured Housing | (16) | (1) |
| Insurance in-Force (Ending) ^b | 19,713 | 598 |
| Property Improvement | 11,912 | 233 |
| Manufactured Housing | 7,801 | 365 |

^a Reconciling adjustments represent late posting of previous period activity.

^b Details may not sum to total due to rounding.

SOURCE: US Department of HUD/FHA, September 2022.

Table 4. Single-Family Insured Mortgage Endorsement Characteristic Shares

| | Aug 2022 | Jul 2022 | FY 2022 to date | FY 2021 to date | FY 2021 Final |
|---|-------------|-------------|--------------------|--------------------|------------------|
| Total Endorsement Count | 76,955 | 68,967 | 912,089 | 1,318,843 | 1,432,866 |
| Loan Purchase Shares | | | | | |
| Purchase (%) | 77.8 | 78.4 | 70.0 | 58.7 | 59.1 |
| Refinance (%) | 22.2 | 21.6 | 30.0 | 41.3 | 40.9 |
| Purchase Loan Count and Shares | | | | | |
| Purchase Loan Count | 59,906 | 54,065 | 638,567 | 773,703 | 846,243 |
| First-Time Homebuyer (%) | 82.7 | 83.1 | 83.6 | 84.6 | 84.6 |
| 203(K) Purchase and Rehabilitate (%) | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 |
| Minority (%) | 31.2 | 30.6 | 30.3 | 35.8 | 35.2 |
| Non-Minority (%) | 34.7 | 34.8 | 33.6 | 42.0 | 41.2 |
| Undisclosed Race/Ethnicity (%) | 34.1 | 34.6 | 36.1 | 22.2 | 23.6 |
| Refinance Loan Count and Shares | | | | | |
| Refinance Loan Count | 17,049 | 14,902 | 273,522 | 545,140 | 586,623 |
| FHA Streamline (%) | 0.4 | 0.7 | 30.7 | 68.7 | 67.8 |
| FHA-to-FHA (Fully Underwritten) (%) | 54.0 | 53.7 | 38.9 | 17.3 | 17.8 |
| Non-cash-out (%) | 2.9 | 3.7 | 12.7 | 47.7 | 45.7 |
| Cash out (%) | 97.1 | 96.3 | 87.3 | 52.3 | 54.3 |
| Conventional-to-FHA (%) | 45.6 | 45.6 | 30.4 | 14.0 | 14.4 |
| Non-cash-out (%) | 8.4 | 10.4 | 15.9 | 33.4 | 32.5 |
| Cash out (%) | 91.6 | 89.6 | 84.1 | 66.6 | 67.5 |
| Property-Type Shares | | | | | |
| Single-Family Detached (%) | 83.5 | 83.6 | 84.3 | 86.9 | 86.8 |
| Townhome (%) | 7.0 | 7.0 | 6.3 | 5.2 | 5.2 |
| Condominium (%) | 2.0 | 2.0 | 2.0 | 2.1 | 2.1 |
| 2-4 Unit Properties (%) | 3.0 | 3.0 | 3.1 | 2.8 | 2.8 |
| Manufactured Housing (With Real Estate) (%) | 4.5 | 4.5 | 4.3 | 3.0 | 3.0 |

NOTE: Does not include Home Equity Conversion Mortgages (HECM).

SOURCE: US Department of HUD/FHA, September 2022.

Table 5. Single Family Application Activity

| Calendar Year | Month | Total Applications Received | Home Purchase | Conventional-to-FHA Refinance | FHA Non-Streamline Refinance | FHA Streamline Refinance |
|---------------|-------|-----------------------------|---------------|-------------------------------|------------------------------|--------------------------|
| 2020 | Jan | 133,166 | 70,926 | 16,297 | 12,228 | 33,715 |
| | Feb | 137,469 | 77,424 | 15,113 | 11,918 | 33,014 |
| | Mar | 170,332 | 93,006 | 17,901 | 15,930 | 43,495 |
| | Apr | 145,894 | 70,218 | 11,358 | 10,078 | 54,240 |
| | May | 148,996 | 84,585 | 9,765 | 8,852 | 45,794 |
| | Jun | 178,985 | 109,329 | 11,399 | 10,289 | 47,968 |
| | Jul | 174,333 | 108,914 | 10,608 | 10,005 | 44,806 |
| | Aug | 162,021 | 99,860 | 10,523 | 9,730 | 41,908 |
| | Sep | 158,810 | 96,304 | 10,848 | 9,694 | 41,964 |
| | Oct | 167,693 | 93,544 | 12,563 | 11,000 | 50,586 |
| | Nov | 146,472 | 77,956 | 12,502 | 10,792 | 45,222 |
| | Dec | 145,909 | 69,777 | 12,331 | 11,255 | 52,546 |
| 2021 | Jan | 144,951 | 67,796 | 12,417 | 11,428 | 53,310 |
| | Feb | 154,552 | 72,119 | 13,355 | 11,788 | 57,290 |
| | Mar | 174,805 | 93,747 | 16,331 | 13,192 | 51,535 |
| | Apr | 163,431 | 94,992 | 15,273 | 12,922 | 40,244 |
| | May | 150,424 | 87,431 | 15,311 | 13,097 | 34,585 |
| | Jun | 161,511 | 94,560 | 17,832 | 14,955 | 34,164 |
| | Jul | 151,071 | 87,986 | 16,567 | 15,178 | 31,340 |
| | Aug | 153,216 | 89,022 | 15,610 | 14,550 | 34,034 |
| | Sep | 139,279 | 80,980 | 14,171 | 13,756 | 30,372 |
| | Oct | 126,258 | 76,090 | 14,223 | 13,566 | 22,379 |
| | Nov | 115,384 | 71,230 | 13,704 | 13,791 | 16,659 |
| | Dec | 97,781 | 56,450 | 12,673 | 13,287 | 15,371 |
| 2022 | Jan | 98,481 | 58,535 | 14,657 | 14,193 | 11,096 |
| | Feb | 94,324 | 60,225 | 15,066 | 14,209 | 4,824 |
| | Mar | 117,846 | 77,614 | 19,592 | 17,833 | 2,807 |
| | Apr | 98,711 | 68,449 | 16,249 | 13,522 | 491 |
| | May | 98,767 | 70,154 | 15,372 | 13,113 | 128 |
| | Jun | 101,792 | 72,167 | 16,303 | 13,245 | 77 |
| | Jul | 91,437 | 64,288 | 15,259 | 11,641 | 249 |
| | Aug | 104,203 | 71,666 | 20,276 | 12,059 | 202 |

NOTE: Does not include Home Equity Conversion Mortgages (HECM).
 SOURCE: US Department of HUD/FHA, September 2022.

Table 6. Home Equity Conversion Mortgage Insured Mortgage Portfolio

| | MMIF | | GI/SRI | | Total | |
|--|------------|-----------------------------------|------------|-----------------------------------|------------|-----------------------------------|
| | Loan Count | MCA ^a (\$ millions) | Loan Count | MCA ^a (\$ millions) | Loan Count | MCA ^a (\$ millions) |
| Insurance in-Force (Beginning) | 327,235 | 112,369 | 70,060 | 15,918 | 397,295 | 128,287 |
| Payoffs | (3,373) | (1,148) | (573) | (137) | (3,946) | (1,286) |
| Assignments | (837) | (217) | (478) | (104) | (1,315) | (321) |
| Shortfall Claims ^b | (278) | (48) | (291) | (53) | (569) | (100) |
| Endorsements | 5,718 | 2,984 | 0 | 0 | 5,718 | 2,984 |
| Adjustments | (169) | (73) | 52 | 10 | (117) | (63) |
| Insurance in-Force (Ending) ^c | 328,296 | 113,867 | 68,770 | 15,634 | 397,066 | 129,500 |

^a MCA is the maximum claim amount payable by HUD. It is defined as the initial value of the property or FHA loan limit, whichever is lower.

^b Shortfall claims comprise claim types *Foreclosure*, *Deed In Lieu of Foreclosure* and *Mortgagor's Short Sale*.

^c Details may not sum to total due to rounding.

^d Beginning with December 2017 data, FHA has better defined the change in the Mortgage Portfolio across the MMIF and GI/SRI funds. Therefore, a reconciling adjustment was made from December 2017 ending balance.

SOURCE: US Department of HUD/FHA, September 2022.

Table 7. Home Equity Conversion Mortgage Endorsement Characteristic Shares (%)

| | Aug 2022 | Jul 2022 | FY 2022 to date | FY 2021 to date | FY 2021 Final |
|--|-------------|-------------|--------------------|--------------------|------------------|
| Total Endorsement Count | 5,718 | 4,915 | 61,204 | 44,873 | 49,195 |
| Loan Purchase | | | | | |
| Home Purchase | 4.0 | 3.7 | 3.4 | 4.6 | 4.5 |
| Refinance | 32.0 | 38.0 | 46.0 | 41.4 | 42.0 |
| Equity Takeout (Traditional) | 64.0 | 58.4 | 50.6 | 54.1 | 53.5 |
| Product Type | | | | | |
| Fixed Rate | 2.0 | 2.0 | 4.5 | 7.2 | 7.3 |
| Adjustable Rate | 98.0 | 98.0 | 95.5 | 92.8 | 92.7 |
| Gender | | | | | |
| Individual Male | 20.6 | 19.7 | 20.0 | 21.0 | 20.9 |
| Individual Female | 36.2 | 37.5 | 35.7 | 36.1 | 36.1 |
| Joint Borrowers | 37.1 | 39.3 | 40.1 | 38.2 | 38.4 |
| Not Reported | 6.1 | 3.6 | 4.2 | 4.7 | 4.6 |
| Age | | | | | |
| 62-69 | 32.4 | 31.4 | 31.6 | 33.9 | 33.8 |
| 70-79 | 45.1 | 48.4 | 48.4 | 46.8 | 46.9 |
| 80-89 | 18.8 | 17.1 | 17.4 | 16.7 | 16.7 |
| 90+ | 3.6 | 3.1 | 2.5 | 2.6 | 2.6 |
| Initial Principal Limit (IPL) (\$ thousands) | | | | | |
| <101 | 6.5 | 5.9 | 5.2 | 8.8 | 8.5 |
| 101-200 | 31.3 | 28.9 | 27.3 | 33.1 | 32.8 |
| 201-300 | 27.9 | 28.0 | 29.2 | 26.1 | 26.2 |
| 301-400 | 17.0 | 18.0 | 18.2 | 15.3 | 15.4 |
| 401-500 | 17.3 | 19.2 | 20.0 | 16.8 | 17.0 |
| > 500 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Maximum Claim Amount (MCA) (\$ thousands) | | | | | |
| <101 | 4 | 4 | 4 | 9 | 9 |
| 101-200 | 5.2 | 5.5 | 6.1 | 11.8 | 11.5 |
| 201-300 | 13.0 | 12.9 | 14.4 | 19.8 | 19.5 |
| 301-400 | 18.6 | 18.1 | 18.6 | 19.6 | 19.5 |
| 401-500 | 16.9 | 16.6 | 17.3 | 14.3 | 14.5 |
| > 500 | 45.9 | 46.5 | 43.3 | 33.6 | 34.1 |

SOURCE: US Department of HUD/FHA, September 2022.

Table 8. Home Equity Conversion Mortgage Application Activity

| Calendar Year | Month | Total Applications Received | Interest Rate Type | | Loan Purpose | | |
|---------------|-------|-----------------------------|--------------------|------------|---------------|-----------|----------------|
| | | | Fixed | Adjustable | Home Purchase | Refinance | Equity Takeout |
| 2020 | Jan | 4,489 | 79 | 4,410 | 194 | 848 | 3,447 |
| | Feb | 4,718 | 67 | 4,651 | 226 | 899 | 3,593 |
| | Mar | 5,662 | 127 | 5,535 | 300 | 1,375 | 3,987 |
| | Apr | 5,564 | 165 | 5,399 | 215 | 1,449 | 3,900 |
| | May | 4,793 | 161 | 4,632 | 186 | 1,290 | 3,317 |
| | Jun | 5,750 | 202 | 5,548 | 260 | 1,772 | 3,718 |
| | Jul | 5,841 | 225 | 5,616 | 303 | 1,772 | 3,766 |
| | Aug | 5,902 | 263 | 5,639 | 243 | 2,189 | 3,470 |
| | Sep | 6,318 | 270 | 6,048 | 305 | 2,257 | 3,756 |
| | Oct | 6,886 | 344 | 6,542 | 311 | 2,437 | 4,138 |
| | Nov | 5,212 | 347 | 4,865 | 203 | 1,911 | 3,098 |
| | Dec | 5,366 | 338 | 5,028 | 218 | 1,995 | 3,153 |
| 2021 | Jan | 5,053 | 481 | 4,572 | 194 | 2,073 | 2,786 |
| | Feb | 5,421 | 458 | 4,963 | 178 | 2,383 | 2,860 |
| | Mar | 7,564 | 669 | 6,895 | 256 | 3,721 | 3,587 |
| | Apr | 6,463 | 603 | 5,860 | 237 | 3,019 | 3,207 |
| | May | 5,988 | 505 | 5,483 | 201 | 2,802 | 2,985 |
| | Jun | 7,056 | 555 | 6,501 | 250 | 3,209 | 3,597 |
| | Jul | 6,896 | 488 | 6,408 | 222 | 3,267 | 3,407 |
| | Aug | 7,805 | 407 | 7,398 | 253 | 3,848 | 3,704 |
| | Sep | 7,796 | 407 | 7,389 | 258 | 3,687 | 3,851 |
| | Oct | 7,250 | 394 | 6,856 | 224 | 3,266 | 3,760 |
| | Nov | 6,867 | 354 | 6,513 | 219 | 3,138 | 3,510 |
| | Dec | 6,054 | 312 | 5,742 | 168 | 2,849 | 3,037 |
| 2022 | Jan | 7,037 | 347 | 6,690 | 152 | 3,486 | 3,399 |
| | Feb | 6,896 | 328 | 6,568 | 194 | 3,062 | 3,640 |
| | Mar | 8,307 | 287 | 8,020 | 233 | 3,460 | 4,614 |
| | Apr | 6,255 | 146 | 6,109 | 204 | 2,344 | 3,707 |
| | May | 5,341 | 138 | 5,203 | 221 | 1,562 | 3,558 |
| | Jun | 5,223 | 123 | 5,100 | 193 | 1,368 | 3,662 |
| | Jul | 4,777 | 135 | 4,642 | 213 | 1,039 | 3,525 |
| | Aug | 5,302 | 141 | 5,161 | 233 | 1,054 | 4,015 |

SOURCE: US Department of HUD/FHA, September 2022.