



December 2021 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)	7,408,662	1,184,143
Prepayments	(141,102)	(25,025)
Refinance with FHA	(23,689)	(4,706)
Full Payoff	(117,413)	(20,319)
Claims	(862)	(103)
Conveyance	(187)	(21)
Pre-foreclosure Sale	(124)	(20)
Note Sales	(0)	(0)
Third-Party Sales	(551)	(62)
Endorsements	97,689	24,043
Adjustment ^a	4,847	(1,650)
Insurance in-Force (Ending) ^b	7,369,234	1,181,408

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, January 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)			
2020	Dec	942,157	69,972	68,940	1,743	5,760	935,686	481	98.5
2021	Jan	936,319	60,412	61,778	1,501	3,959	929,493	633	102.3
	Feb	929,982	66,251	101,591	1,537	4,031	889,074	489	153.3
	Mar	889,646	94,943	77,050	1,831	5,712	899,996	572	81.2
	Apr	900,510	40,453	81,181	1,434	5,357	852,991	514	200.7
	May	853,618	37,218	71,859	1,283	5,057	812,637	627	193.1
	Jun	813,264	34,722	69,445	1,388	6,084	771,069	627	200.0
	Jul	771,520	36,614	68,247	1,120	5,473	733,294	451	186.4
	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
Y-O-Y%		(38.4)	(38.7)	17.9	(50.5)	(14.2)	(42.7)	na	92.3
M-O-M%		(6.9)	(4.0)	(0.7)	(0.6)	(1.7)	(7.6)	na	3.4

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 late reporting by a large servicer, the delinquency counts for February 2021 are likely understated.

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

Table 3. Title I Insured Mortgage Portfolio Change during Month

	Loan Count	Loan Balance (\$ millions)
Insurance in-Force (Beginning)	23,158	687
Property Improvement	14,299	278
Manufactured Housing	8,859	409
Prepayments	(321)	(8)
Property Improvement	(252)	(5)
Manufactured Housing	(69)	(3)
Claims	(6)	(0)
Property Improvement	(5)	(0)
Manufactured Housing	(1)	(0)
Endorsements	45	1
Property Improvement	45	1
Manufactured Housing	0	0
Adjustment ^a	5	(0)
Property Improvement	21	1
Manufactured Housing	(16)	(1)
Insurance in-Force (Ending) ^b	22,881	680
Property Improvement	14,108	275
Manufactured Housing	8,773	405

^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, January 2022.

Table 4. Single-Family Insured Mortgage Endorsement Characteristic Shares

	Dec 2021	Nov 2021	FY 2022 to date	FY 2021 to date	FY 2021 Final
Total Endorsement Count	97,689	100,392	306,476	357,605	1,432,868
Loan Purchase Shares					
Purchase (%)	67.3	65.9	65.9	63.8	59.1
Refinance (%)	32.7	34.1	34.1	36.2	40.9
Purchase Loan Count and Shares					
Purchase Loan Count	65,746	66,195	201,817	228,153	846,244
First-Time Homebuyer (%)	84.0	84.1	84.2	84.2	84.6
203(K) Purchase and Rehabilitate (%)	0.6	0.6	0.6	0.6	0.6
Minority (%)	30.1	30.1	30.1	40.1	35.2
Non-Minority (%)	32.7	32.7	32.7	47.6	41.2
Undisclosed Race/Ethnicity (%)	37.2	37.2	37.2	12.3	23.6
Refinance Loan Count and Shares					
Refinance Loan Count	31,943	34,197	104,659	129,452	586,624
FHA Streamline (%)	44.1	49.4	49.1	72.2	67.8
FHA-to-FHA (Fully Underwritten) (%)	31.4	28.4	28.7	15.6	17.8
Non-cash-out (%)	18.7	22.1	21.5	55.5	45.7
Cash out (%)	81.3	77.9	78.5	44.5	54.3
Conventional-to-FHA (%)	24.5	22.1	22.2	12.2	14.4
Non-cash-out (%)	19.9	21.8	21.5	35.9	32.5
Cash out (%)	80.1	78.2	78.5	64.1	67.5
Property-Type Shares					
Single-Family Detached (%)	84.7	85.2	85.1	86.9	86.8
Townhome (%)	6.1	5.8	6.0	5.6	5.2
Condominium (%)	2.0	2.0	2.0	2.2	2.1
2-4 Unit Properties (%)	3.2	3.2	3.2	2.7	2.8
Manufactured Housing (With Real Estate) (%)	3.9	3.7	3.7	2.7	3.0

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

SOURCE: US Department of HUD/FHA, January 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
2019	Jan	96,352	63,760	17,656	10,436	4,500
	Feb	101,510	70,270	16,168	9,728	5,344
	Mar	125,631	89,026	18,612	11,602	6,391
	Apr	139,081	94,601	20,004	13,626	10,850
	May	141,808	96,470	20,081	13,678	11,579
	Jun	139,910	86,245	20,525	15,107	18,033
	Jul	156,629	92,614	23,831	16,853	23,331
	Aug	164,218	87,456	27,895	20,884	27,983
	Sep	137,003	78,097	16,100	12,012	30,794
	Oct	155,609	85,099	19,359	14,700	36,451
	Nov	132,272	69,219	15,779	12,505	34,769
	Dec	117,828	59,985	14,247	10,988	32,608
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	93,005	17,902	15,930	43,495
	Apr	145,894	70,217	11,359	10,078	54,240
	May	148,996	84,584	9,767	8,851	45,794
	Jun	178,985	109,327	11,402	10,288	47,968
	Jul	174,333	108,913	10,609	10,005	44,806
	Aug	162,021	99,859	10,523	9,733	41,906
	Sep	158,810	96,298	10,854	9,694	41,964
	Oct	167,693	93,540	12,566	11,001	50,586
	Nov	146,472	77,952	12,507	10,791	45,222
	Dec	145,909	69,771	12,337	11,256	52,545
2021	Jan	144,951	67,792	12,421	11,429	53,309
	Feb	154,551	72,115	13,362	11,787	57,287
	Mar	174,805	93,741	16,338	13,191	51,535
	Apr	163,431	94,987	15,278	12,921	40,245
	May	150,424	87,421	15,318	13,100	34,585
	Jun	161,511	94,534	17,863	14,949	34,165
	Jul	151,071	87,949	16,633	15,123	31,366
	Aug	153,216	88,962	15,685	14,461	34,108
	Sep	139,279	80,933	14,295	13,587	30,464
	Oct	126,258	76,038	14,429	13,290	22,501
	Nov	115,384	71,174	14,170	13,277	16,763
	Dec	97,730	56,454	14,605	11,215	15,456

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

SOURCE: US Department of HUD/FHA, January 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)	325,626	104,294	80,228	18,213	405,854	122,507
Payoffs	(4,772)	(1,651)	(562)	(133)	(5,334)	(1,784)
Assignments	(667)	(166)	(426)	(94)	(1,093)	(260)
Shortfall Claims ^b	(150)	(29)	(166)	(32)	(316)	(61)
Endorsements	5,214	2,467	0	0	5,214	2,467
Adjustments	(240)	(63)	(14)	(3)	(254)	(66)
Insurance in-Force (Ending) ^c	325,011	104,853	79,060	17,950	404,071	122,803

^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, January 2022.

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

	Dec 2021	Nov 2021	FY 2022 to date	FY 2021 to date	FY 2021 Final
Total Endorsement Count	5,214	4,948	15,193	11,396	49,170
Loan Purchase					
Home Purchase	3.5	4.0	3.9	5.2	4.5
Refinance	50.0	51.1	50.8	35.6	42.0
Equity Takeout (Traditional)	46.5	44.9	45.3	59.2	53.5
Product Type					
Fixed Rate	6.1	6.9	6.7	4.5	7.3
Adjustable Rate	93.9	93.1	93.3	95.5	92.7
Gender					
Individual Male	19.5	20.0	19.6	21.5	20.9
Individual Female	33.9	35.7	35.1	35.7	36.1
Joint Borrowers	42.8	40.6	41.6	38.3	38.4
Not Reported	3.9	3.8	3.7	4.5	4.6
Age					
62-69	32.5	31.0	31.6	35.2	33.8
70-79	48.9	50.3	49.4	46.7	46.9
80-89	16.4	16.3	16.7	15.6	16.7
90+	2.1	2.4	2.3	2.6	2.6
Initial Principal Limit (IPL) (\$ thousands)					
<101	5.3	5.2	5.4	9.5	8.5
101-200	26.6	26.6	26.8	34.4	32.8
201-300	30.9	29.4	29.8	26.1	26.2
301-400	18.7	18.8	18.6	14.7	15.4
401-500	18.5	20.0	19.4	15.3	17.0
> 500	0.0	0.0	0.0	0.0	0.0
Maximum Claim Amount (MCA) (\$ thousands)					
<101	4	6	5	1.1	9
101-200	6.7	7.1	7.1	13.0	11.5
201-300	15.7	15.7	15.8	21.0	19.5
301-400	18.7	19.1	18.9	20.4	19.5
401-500	18.6	16.6	17.2	13.6	14.5
> 500	39.9	41.0	40.4	31.0	34.1

SOURCE: US Department of HUD/FHA, January 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
2019	Jan	3,766	175	3,591	191	219	3,356
	Feb	3,916	158	3,758	185	251	3,480
	Mar	4,451	131	4,320	240	234	3,977
	Apr	4,408	130	4,278	273	300	3,835
	May	4,249	102	4,147	288	338	3,623
	Jun	4,247	97	4,150	260	341	3,646
	Jul	4,880	84	4,796	285	510	4,085
	Aug	5,075	100	4,975	286	739	4,050
	Sep	5,025	82	4,943	268	1,075	3,682
	Oct	5,600	78	5,522	301	1,052	4,247
	Nov	4,481	53	4,428	217	814	3,450
	Dec	4,169	53	4,116	202	740	3,227
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	3,720	3,588
	Apr	6,463	602	5,861	237	3,019	3,207
	May	5,988	508	5,480	201	2,802	2,985
	Jun	7,056	557	6,499	250	3,208	3,598
	Jul	6,896	486	6,410	222	3,265	3,409
	Aug	7,805	417	7,388	253	3,840	3,712
	Sep	7,796	407	7,389	257	3,674	3,865
	Oct	7,249	412	6,837	225	3,246	3,778
	Nov	6,867	365	6,502	218	3,071	3,578
	Dec	6,048	318	5,730	166	2,748	3,134

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