



# FHA SINGLE FAMILY ORIGINATION TRENDS

Credit Risk Report

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

OCTOBER  
2016

## Table of Contents

---

Table 1. Distribution of New Endorsements by Loan Amount .....	2
Table 2. Distribution of New Endorsements by Loan-to-Value Range .....	3
Table 3. Average Loan-to-Value Ratios on New Endorsements by Loan Purpose .....	4
Table 4. Distribution of New Endorsements by Credit Score Range .....	5
Table 5. Average Borrower Credit Scores on New Endorsements by Loan Purpose .....	6
Table 6. Early Payment Delinquency Rates by Product Type .....	7
Table 7. Average Debt-to-Income Ratios on Purchase Endorsements by Credit Score .....	8
Table 8. Average Loan-to-Value Ratios on Purchase Endorsements by Credit Score .....	9

**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
2010	Oct-Dec	1.46	18.60	30.66	21.81	12.51	12.19	1.68	0.78	0.32
	Jan-Mar	1.68	18.83	29.28	21.03	12.66	13.16	1.95	0.96	0.45
	Apr-Jun	1.51	19.15	30.87	21.21	12.11	12.06	1.77	0.90	0.42
	Jul-Sep	1.68	19.08	29.40	20.91	12.35	13.01	2.03	1.04	0.50
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	23.50	16.75	18.32	2.76	1.48	0.24
2017	Oct-Dec	0.97	11.97	23.66	23.24	16.92	18.58	2.91	1.52	0.23

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

<sup>a</sup> Only includes data for October.

SOURCE: U.S. Department of HUD/FHA, November 2016.

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

Fiscal Year	Quarter	Loan-to-Value Range <sup>a</sup>			
		Less than or equal to 80 <sup>b</sup>	81–90	91–95	96–98 <sup>b</sup>
2010	Oct–Dec	5.82	14.83	10.11	69.24
	Jan–Mar	6.86	16.89	10.89	65.37
	Apr–Jun	5.73	12.94	9.53	71.81
	Jul–Sep	5.97	13.88	9.95	70.20
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	76.03
2013	Oct–Dec	5.17	9.99	10.14	74.70
	Jan–Mar	5.97	11.52	10.78	71.73
	Apr–Jun	5.63	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	8.24	71.67
	Jan–Mar	8.10	13.24	8.22	70.44
	Apr–Jun	6.80	11.68	7.67	73.85
	Jul–Sep	6.83	11.95	7.75	73.47
2017	Oct–Dec <sup>c</sup>	7.63	13.21	7.60	71.56

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

<sup>a</sup> 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.

<sup>b</sup> 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.

<sup>c</sup> Only includes data for October.

SOURCE: U.S. Department of HUD/FHA, November 2016.

**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 <sup>a</sup>	All <sup>a</sup>
2010	Oct–Dec	95.59	86.11	85.23	93.34
	Jan–Mar	95.51	86.19	87.05	92.86
	Apr–Jun	95.64	85.36	86.93	93.57
	Jul–Sep	95.55	85.99	87.96	93.49
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	83.61	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	93.43
2017	Oct–Dec <sup>b</sup>	95.73	78.88	82.03	93.09

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.

<sup>a</sup> These include only fully-underwritten loans and exclude streamline refinancing.

<sup>b</sup> Only includes data for October.

SOURCE: U.S. Department of HUD/FHA, November 2016.

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

Fiscal Year	Quarter	Credit Score Range <sup>a</sup>				
		500–619	620–639	640–679	680–719	720–850
2010	Oct–Dec	5.71	12.13	26.28	22.43	33.45
	Jan–Mar	5.13	11.68	26.65	22.72	33.82
	Apr–Jun	4.19	11.67	26.67	22.59	34.88
	Jul–Sep	4.45	11.71	26.54	22.57	34.73
2011	Oct–Dec	3.97	9.84	26.12	23.13	36.94
	Jan–Mar	3.32	6.43	28.51	24.07	37.67
	Apr–Jun	3.53	6.86	30.57	23.75	35.28
	Jul–Sep	4.25	8.08	31.00	23.70	32.98
2012	Oct–Dec	4.05	7.99	31.24	23.83	32.89
	Jan–Mar	3.58	7.71	31.01	23.83	33.87
	Apr–Jun	3.21	7.20	32.26	24.17	33.17
	Jul–Sep	2.89	6.83	34.19	25.28	30.81
2013	Oct–Dec	2.71	6.36	35.13	25.96	29.84
	Jan–Mar	2.40	5.88	35.93	26.59	29.21
	Apr–Jun	1.94	5.66	38.23	27.35	26.82
	Jul–Sep	2.04	6.24	40.45	27.70	23.56
2014	Oct–Dec	2.60	7.66	42.39	27.24	20.11
	Jan–Mar	3.24	9.11	41.99	26.62	19.04
	Apr–Jun	3.77	10.43	42.07	26.34	17.39
	Jul–Sep	4.56	11.16	41.35	25.94	16.99
2015	Oct–Dec	5.89	12.31	40.42	25.39	15.99
	Jan–Mar	5.73	12.37	40.01	25.65	16.24
	Apr–Jun	5.24	11.58	38.06	26.48	18.64
	Jul–Sep	5.38	11.39	36.89	26.63	19.71
2016	Oct–Dec	5.91	11.85	36.67	26.10	19.47
	Jan–Mar	6.12	12.00	36.45	26.36	19.07
	Apr–Jun	5.96	12.81	37.27	25.67	18.29
	Jul–Sep	5.88	12.72	37.06	25.94	18.41
2017	Oct–Dec <sup>b</sup>	6.15	12.70	36.69	26.15	18.31

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

<sup>a</sup> 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.

<sup>b</sup> Only includes data for October.

SOURCE: U.S. Department of HUD/FHA, November 2016.

**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 <sup>a</sup>	All <sup>a</sup>
2010	Oct–Dec	696	690	679	694
	Jan–Mar	696	695	685	695
	Apr–Jun	697	699	688	697
	Jul–Sep	696	700	693	697
2011	Oct–Dec	699	704	700	701
	Jan–Mar	701	707	703	703
	Apr–Jun	699	702	699	700
	Jul–Sep	697	694	697	697
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	695	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	680	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 <sup>b</sup>	680	678	673	679

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.

<sup>a</sup> These include only fully-underwritten loans and exclude streamline refinancing

<sup>b</sup> Only includes data for October.

SOURCE: U.S. Department of HUD/FHA, November 2016.

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

Loan Origination Month	Percentage of New Loan Originations			
	Home Purchase Loans	Fully Underwritten Finance	Streamline Refinance	All Loans
Apr 2013	0.31	0.14	0.25	0.27
May	0.29	0.19	0.22	0.26
Jun	0.34	0.15	0.24	0.29
Jul	0.35	0.24	0.28	0.32
Aug	0.39	0.29	0.26	0.35
Sep	0.35	0.13	0.28	0.31
Oct	0.34	0.27	0.30	0.32
Nov	0.30	0.32	0.33	0.30
Dec	0.34	0.11	0.35	0.32
Jan 2014	0.32	0.33	0.28	0.32
Feb	0.40	0.24	0.43	0.39
Mar	0.41	0.29	0.37	0.39
Apr	0.45	0.32	0.22	0.40
May	0.45	0.37	0.43	0.44
Jun	0.49	0.39	0.49	0.48
Jul	0.47	0.40	0.46	0.47
Aug	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	0.19	0.32	0.29
Dec	0.33	0.25	0.27	0.31
Jan 2016	0.33	0.15	0.23	0.29
Feb	0.39	0.19	0.25	0.33
Mar	0.40	0.21	0.33	0.36

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, November 2016.



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

Fiscal Year	Quarter	Loan Count	Credit Score Range <sup>a</sup>					All
			500–619	620–639	640–679	680–719	720–850	
2010	Oct–Dec	304,929	39.15	41.51	41.46	41.24	39.90	40.75
	Jan–Mar	245,879	38.96	41.40	41.54	41.35	39.96	40.80
	Apr–Jun	289,776	38.94	41.01	41.24	41.07	39.60	40.50
	Jul–Sep	268,997	38.67	40.91	41.16	41.10	39.79	40.53
2011	Oct–Dec	196,800	38.63	40.60	40.74	40.79	39.61	40.24
	Jan–Mar	168,776	39.02	40.45	41.47	41.36	40.31	40.86
	Apr–Jun	201,157	38.53	40.31	41.31	41.33	40.30	40.79
	Jul–Sep	210,694	38.18	40.09	41.22	41.29	40.45	40.76
2012	Oct–Dec	176,168	37.89	40.01	40.95	41.04	40.37	40.58
	Jan–Mar	166,168	37.82	39.74	40.96	40.87	40.17	40.47
	Apr–Jun	193,558	37.59	39.43	40.67	40.60	39.95	40.23
	Jul–Sep	197,970	37.10	39.06	40.43	40.43	39.97	40.10
2013	Oct–Dec	177,852	37.19	38.62	40.17	40.29	39.78	39.91
	Jan–Mar	157,439	37.55	38.74	40.19	40.26	39.88	39.97
	Apr–Jun	181,297	36.70	38.47	39.94	40.06	39.85	39.81
	Jul–Sep	185,827	35.19	38.75	40.41	40.75	40.72	40.38
2014	Oct–Dec	152,965	35.26	39.24	40.73	41.05	41.27	40.70
	Jan–Mar	119,833	35.58	39.69	40.83	41.02	41.20	40.72
	Apr–Jun	148,016	35.72	39.42	40.57	40.63	40.95	40.38
	Jul–Sep	174,184	35.75	39.76	40.80	40.85	41.21	40.57
2015	Oct–Dec	154,807	36.14	40.24	40.93	41.07	41.36	40.71
	Jan–Mar	132,529	36.11	40.14	40.80	40.80	41.07	40.52
	Apr–Jun	198,802	35.81	39.67	40.42	40.27	40.51	40.08
	Jul–Sep	267,250	36.11	40.20	40.79	40.77	40.84	40.50
2016	Oct–Dec	210,551	36.17	40.66	41.09	41.02	41.04	40.75
	Jan–Mar	187,069	36.42	40.99	41.29	41.10	41.10	40.90
	Apr–Jun	225,134	36.24	40.76	41.23	40.93	40.89	40.75
	Jul–Sep	256,764	36.35	41.07	41.30	41.23	41.17	40.96
2017	Oct–Dec <sup>b</sup>	76,759	36.90	41.17	41.37	41.25	41.23	41.03

<sup>a</sup> 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.

<sup>b</sup> Only includes data for October.

SOURCE: U.S. Department of HUD/FHA, November 2016.

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

Fiscal Year	Quarter	Loan Count	Credit Value Range <sup>a</sup>					All
			500–619	620–639	640–679	680–719	720–850	
2010	Oct–Dec	304,929	94.87	95.59	95.61	95.70	95.63	95.59
	Jan–Mar	245,879	94.49	95.57	95.61	95.62	95.51	95.51
	Apr–Jun	289,776	94.77	95.76	95.73	95.70	95.60	95.64
	Jul–Sep	268,997	94.70	95.66	95.60	95.68	95.52	95.55
2011	Oct–Dec	196,800	94.44	95.56	95.70	95.74	95.64	95.62
	Jan–Mar	168,776	94.50	95.32	95.61	95.69	95.57	95.56
	Apr–Jun	201,157	94.68	95.53	95.77	95.87	95.74	95.73
	Jul–Sep	210,694	94.82	95.72	95.97	95.99	95.90	95.88
2012	Oct–Dec	176,168	94.70	95.82	96.09	96.06	96.04	95.98
	Jan–Mar	166,168	94.85	95.85	95.99	96.11	96.14	96.01
	Apr–Jun	193,558	94.94	95.84	96.06	96.01	96.05	95.99
	Jul–Sep	197,970	94.83	95.79	95.99	96.03	96.02	95.96
2013	Oct–Dec	177,852	94.48	95.60	95.93	96.00	96.14	95.95
	Jan–Mar	157,439	94.36	95.54	95.92	95.95	96.13	95.93
	Apr–Jun	181,297	94.50	95.59	95.87	95.80	96.11	95.87
	Jul–Sep	185,827	94.02	95.45	95.80	95.73	95.97	95.77
2014	Oct–Dec	152,965	93.93	95.42	95.80	95.64	96.10	95.74
	Jan–Mar	119,833	93.92	95.42	95.78	95.70	96.05	95.73
	Apr–Jun	148,016	93.98	95.49	95.83	95.55	96.06	95.70
	Jul–Sep	174,184	93.86	95.51	95.81	95.51	96.02	95.66
2015	Oct–Dec	154,807	94.08	95.52	95.76	95.46	96.13	95.63
	Jan–Mar	132,529	94.05	95.58	95.84	95.65	96.18	95.72
	Apr–Jun	198,802	94.37	95.62	95.86	95.61	96.04	95.73
	Jul–Sep	267,250	94.25	95.52	95.84	95.53	95.98	95.67
2016	Oct–Dec	210,551	94.02	95.53	95.81	95.59	96.06	95.68
	Jan–Mar	187,069	94.27	95.47	95.77	95.58	96.00	95.65
	Apr–Jun	225,134	94.55	95.67	95.89	95.71	96.13	95.79
	Jul–Sep	256,764	94.20	95.63	95.87	95.61	96.07	95.72
2017	Oct–Dec <sup>b</sup>	76,759	94.08	95.60	95.88	95.71	96.05	95.73

<sup>a</sup> 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.

<sup>b</sup> Only includes data for October.

SOURCE: U.S. Department of HUD/FHA, November 2016.