



December 2023 Credit Risk

# FHA Single Family Loan Performance Trends



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

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**Table 1. Delinquency Rates by Month**

Month	Active Insurance in Force (EOM)	Delinquency Rates <sup>a</sup> (%)			Exceptions <sup>b</sup> (%)		Serious Delinquency Rate <sup>c</sup> (%)
		30-day	60-day	90-day	In Foreclosure	In Bankruptcy	
<b>Non-Seasonally Adjusted</b>							
Dec 2022	7,314,834	5.56	1.84	3.82	0.57	0.52	4.91
Jan 2023	7,334,648	5.18	1.77	3.80	0.59	0.51	4.90
Feb	7,342,653	5.30	1.70	3.74	0.60	0.51	4.86
Mar	7,358,889	4.56	1.48	3.44	0.60	0.50	4.53
Apr	7,377,794	5.47	1.59	3.33	0.58	0.49	4.39
May	7,399,291	5.17	1.65	3.29	0.54	0.48	4.30
Jun	7,424,630	5.21	1.69	3.24	0.50	0.48	4.21
Jul	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
<b>Seasonally Adjusted</b>							
Dec 2022	7,314,834	4.93	1.61	3.49	0.57	0.52	4.58
Jan 2023	7,334,648	4.97	1.59	3.42	0.59	0.51	4.51
Feb	7,342,653	5.40	1.73	3.55	0.59	0.51	4.66
Mar	7,358,889	5.27	1.71	3.57	0.58	0.50	4.66
Apr	7,377,794	5.97	1.81	3.49	0.56	0.48	4.54
May	7,399,291	5.51	1.82	3.49	0.53	0.48	4.49
Jun	7,424,630	5.28	1.79	3.44	0.49	0.47	4.40
Jul	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

EOM = end of month.

<sup>a</sup> 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.

<sup>b</sup> Exceptions are counted separately from delinquencies, regardless of the length of the delinquency period.

<sup>c</sup> Serious delinquency rates are the sum of 90 day delinquencies, plus in-foreclosures and in-bankruptcies. Due to late reporting by a large servicer, the delinquency rates for February 2021 are likely understated

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

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

Fiscal Year and Quarter	New 90+ Day Delinquencies	Share by Reason for Delinquency (%)							
		Reduction of Income	Unemployed	Excessive Obligations	Death or Illness of Principal Borrower	Marital Difficulties	No Contact	National	Other <sup>b</sup>
2018 Q4	84,203	29.88	6.25	23.85	12.51	3.73	8.79	4.81	10.18
2019 Q1	92,066	29.26	6.03	23.89	12.48	3.45	8.69	6.02	10.18
2019 Q2	84,790	28.83	6.10	22.87	12.37	3.45	8.68	8.21	9.47
2019 Q3	69,294	26.79	5.77	22.13	12.33	3.48	7.95	12.20	9.36
2019 Q4	90,539	25.36	5.30	21.64	11.50	3.09	7.41	16.84	8.85
2020 Q1	114,279	21.58	4.44	18.33	9.49	2.41	6.57	25.47	11.73
2020 Q2	86,755	17.57	4.25	15.38	7.80	1.89	7.64	37.62	7.86
2020 Q3	467,534	5.96	1.91	2.91	1.17	0.24	1.33	81.88	4.59
2020 Q4	350,798	4.97	1.75	2.68	1.13	0.22	1.44	83.81	4.01
2021 Q1	190,215	5.60	2.03	3.62	1.83	0.37	2.51	80.06	3.98
2021 Q2	139,473	5.55	2.07	3.83	2.12	0.36	2.88	78.95	4.23
2021 Q3	79,571	5.80	1.97	4.67	2.92	0.50	3.57	75.92	4.64
2021 Q4	85,609	6.85	2.07	5.98	3.46	0.67	4.35	71.86	4.76
2022 Q1	106,122	7.33	2.11	6.62	3.93	0.70	4.35	69.64	5.32
2022 Q2	109,858	9.01	2.50	7.64	4.65	0.82	4.55	65.23	5.60
2022 Q3	95,177	11.18	3.11	9.39	5.78	1.05	4.81	58.30	6.39
2022 Q4	121,470	14.09	3.88	10.89	6.77	1.28	4.68	52.15	6.26
2023 Q1	137,301	16.29	4.45	11.73	7.49	1.47	4.76	46.20	7.61
2023 Q2	120,548	18.82	5.34	12.43	8.64	1.59	5.37	40.44	7.38
2023 Q3	115,420	22.46	6.58	14.35	9.91	1.83	5.69	32.23	6.95
2023 Q4	146,573	24.19	8.16	16.11	10.49	1.89	6.50	26.18	6.48
2024 Q1	161,345	22.34	8.73	16.09	10.57	1.72	13.21	20.82	6.53

<sup>a</sup> Includes neighborhood problems and COVID-19 Pandemic.

<sup>b</sup> 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, January 2024.

**Table 3. Delinquency Rates by Loan and Property Characteristics**

	IIF Shares <sup>a</sup>	Rates in Percent of Active Loan Counts						Serious Delinquency Rate <sup>c</sup>
		All Past Due <sup>b</sup>	30 Day	60 Day	90+ Day	In Foreclosure	In Bankruptcy	
<b>Loan Purpose</b>								
All Active Loans	7,586,431	12.69	6.50	2.15	3.12	0.44	0.47	4.04
Purchase	71.27	14.29	7.20	2.49	3.64	0.47	0.50	4.61
Refinance	28.73	8.70	4.76	1.33	1.84	0.36	0.42	2.62
<b>Refinance</b>								
Refinance Loans	2,179,213	8.70	4.76	1.33	1.84	0.36	0.42	2.62
Conventional	32.04	9.28	4.82	1.43	2.06	0.50	0.48	3.04
No Cash-out	15.74	9.22	4.80	1.39	2.01	0.53	0.50	3.03
Cash-out	16.31	9.34	4.84	1.47	2.10	0.48	0.46	3.04
FHA	19.49	8.95	5.07	1.37	1.92	0.22	0.38	2.51
No Cash-out	7.95	8.50	4.71	1.28	1.88	0.25	0.39	2.52
Cash-out	11.53	9.27	5.32	1.43	1.94	0.20	0.37	2.51
Streamline	48.47	8.21	4.59	1.24	1.66	0.32	0.40	2.38
<b>Credit Score Range<sup>d</sup></b>								
Loans with Credit Scores	6,342,378	13.14	6.69	2.25	3.30	0.44	0.47	4.21
< 500	0.07	25.62	11.30	4.19	6.85	1.45	1.83	10.12
500-579	1.59	22.98	11.09	3.97	5.76	0.97	1.20	7.93
580-619	8.81	22.58	10.92	4.11	5.91	0.78	0.88	7.56
620-659	34.32	18.00	9.12	3.13	4.56	0.55	0.64	5.75
660-719	39.30	10.04	5.25	1.65	2.47	0.33	0.34	3.14
720-850	15.92	4.06	2.18	0.62	0.93	0.21	0.13	1.27
<b>Fiscal Year Cohort</b>								
All Cohorts	7,586,431	12.69	6.50	2.15	3.12	0.44	0.47	4.04
pre-2009	8.71	16.26	8.01	2.77	3.82	0.85	0.82	5.49
2009	2.86	13.87	6.87	2.20	3.17	0.87	0.77	4.80
2010	3.45	11.29	5.70	1.85	2.60	0.61	0.53	3.74
2011	2.77	10.03	5.14	1.63	2.31	0.49	0.46	3.26
2012	3.55	8.35	4.27	1.39	1.95	0.35	0.39	2.69
2013	5.01	6.98	3.71	1.08	1.56	0.30	0.34	2.19
2014	2.12	13.29	6.67	2.12	3.13	0.59	0.77	4.50
2015	3.56	13.45	6.82	2.18	3.13	0.54	0.78	4.46
2016	5.01	13.61	6.95	2.23	3.11	0.52	0.79	4.42
2017	5.52	14.78	7.48	2.43	3.49	0.57	0.81	4.87
2018	4.48	18.76	8.90	3.22	4.91	0.78	0.94	6.64
2019	4.51	19.97	9.38	3.51	5.46	0.82	0.80	7.08
2020	9.09	13.16	6.75	2.25	3.37	0.39	0.40	4.16
2021	15.26	11.82	6.36	2.02	2.90	0.26	0.27	3.44
2022	12.18	14.15	7.36	2.46	3.81	0.28	0.25	4.34
2023	9.51	8.49	4.76	1.57	2.03	0.08	0.05	2.16
2024	2.41	1.26	1.11	0.14	0.01	0.00	0.00	0.02

**Table 3. Delinquency Rates by Loan and Property Characteristics**

	IIF Shares <sup>a</sup>	Rates in Percent of Active Loan Counts						Seriously Delinquency Rate <sup>c</sup>
		All Past Due <sup>b</sup>	30 Day	60 Day	90+ Day	In Foreclosure	In Bankruptcy	
<b>Loan Amount at Origination (\$ thousands)</b>								
All Loan Amounts	7,586,431	12.69	6.50	2.15	3.12	0.44	0.47	4.04
< 50	1.67	13.14	6.36	2.17	3.01	1.02	0.58	4.61
50-99	16.28	12.26	6.17	2.04	2.80	0.65	0.59	4.04
100-149	21.87	12.58	6.41	2.12	2.98	0.48	0.59	4.05
150-199	18.94	13.16	6.78	2.23	3.24	0.40	0.51	4.15
200-249	14.09	13.03	6.77	2.23	3.25	0.35	0.44	4.04
250-399	21.01	12.78	6.61	2.21	3.32	0.30	0.33	3.96
400-499	3.88	11.75	6.03	2.03	3.16	0.31	0.21	3.69
> 499	2.28	11.03	5.42	1.83	3.19	0.40	0.18	3.77
<b>Property Type</b>								
All Property Types	7,586,431	12.69	6.50	2.15	3.12	0.44	0.47	4.04
Detached	85.39	12.89	6.63	2.19	3.16	0.42	0.49	4.06
Manufactured Housing	4.03	11.85	6.03	1.98	2.77	0.59	0.48	3.85
2-4 Units	2.59	9.68	4.58	1.54	2.64	0.70	0.23	3.57
Condo	2.36	8.98	4.43	1.43	2.25	0.46	0.42	3.13
Townhouse	5.64	13.10	6.48	2.25	3.45	0.49	0.43	4.37
<b>Purchase Loan Type</b>								
All Purchase Loans	5,406,928	14.29	7.20	2.49	3.64	0.47	0.50	4.61
Repeat	14.81	11.73	6.26	1.94	2.73	0.37	0.44	3.53
First-time	85.19	14.74	7.36	2.58	3.80	0.49	0.51	4.80
<b>Down Payment Assistance (DPA) Type</b>								
All Sources of Funds	7,586,431	12.69	6.50	2.15	3.12	0.44	0.47	4.04
Government	9.71	15.32	7.43	2.75	4.20	0.42	0.51	5.13
Relative	16.66	16.95	8.49	2.98	4.38	0.54	0.55	5.47
Other	1.67	17.56	8.53	3.10	4.52	0.61	0.80	5.93
Seller Funded	0.38	22.74	10.71	3.87	5.63	1.05	1.48	8.16
No DPA	71.58	11.17	5.83	1.85	2.64	0.41	0.44	3.49

IIF = insurance in force.

<sup>a</sup> 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.

<sup>b</sup> Includes all loans 30 or more days past due, including those in bankruptcy or foreclosure.

<sup>c</sup> Includes all loans 90 or more days past due, including those in bankruptcy or foreclosure.

<sup>d</sup> Credit score reporting began in May 2004 but was not mandatory until July 2008. Streamline Refinance loans do not require credit score reporting.

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

**Table 4. Monthly Foreclosure Statistics and Trends**

Fiscal Year	Month	Insurance in Force	Foreclosure Starts	In Foreclosure <sup>a</sup>	Foreclosure Claims <sup>b</sup>	Foreclosure Starts: 6-month MA <sup>c</sup>	Annualized Foreclosure Rate <sup>d</sup> %
2021	Dec	7,872,710	432	17,397	1,479	453	0.23
	Jan	7,854,545	370	17,037	1,206	415	0.18
	Feb	7,820,058	504	13,862	1,250	434	0.19
	Mar	7,754,867	589	15,667	1,540	452	0.24
	Apr	7,712,623	516	15,230	1,130	468	0.18
	May	7,675,350	460	15,061	981	479	0.15
	Jun	7,627,918	544	15,607	1,088	497	0.17
	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	691	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	6,219	58,513	820	2,160	0.13
	Feb	7,313,781	6,412	42,421	784	3,046	0.13
	Mar	7,279,440	12,485	45,348	1,085	4,992	0.18
	Apr	7,256,669	7,260	43,255	1,236	6,036	0.20
	May	7,241,481	7,007	46,203	1,111	6,885	0.18
	Jun	7,238,927	7,403	46,146	1,113	7,798	0.18
	Jul	7,243,496	6,411	45,616	1,071	7,830	0.18
	Aug	7,251,083	7,124	45,509	1,312	7,948	0.22
Sep	7,263,194	6,551	42,427	1,125	6,959	0.19	
2023	Oct	7,277,614	6,210	40,020	1,041	6,784	0.17
	Nov	7,297,596	6,066	40,499	1,012	6,628	0.17
	Dec	7,314,834	6,629	41,967	1,044	6,499	0.17
	Jan	7,334,648	7,212	43,335	1,017	6,632	0.17
	Feb	7,342,653	7,371	44,386	1,238	6,673	0.20
	Mar	7,358,889	8,273	44,042	1,377	6,960	0.22
	Apr	7,377,794	6,974	42,490	1,075	7,088	0.17
	May	7,399,291	6,531	39,764	1,348	7,165	0.22
	Jun	7,424,630	5,423	36,823	1,302	6,964	0.21
	Jul	7,450,024	4,914	34,171	1,169	6,581	0.19
Aug	7,483,303	6,235	33,749	1,438	6,392	0.23	
Sep	7,509,540	5,490	32,233	1,172	5,928	0.19	
2024	Oct	7,534,590	5,842	31,670	1,328	5,739	0.21
	Nov	7,562,636	5,597	32,295	1,219	5,584	0.19
	Dec	7,586,431	5,512	33,273	1,240	5,598	0.20

<sup>a</sup> This is the number of claims paid by HUD. These are nearly all for completed foreclosure actions.

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

<sup>c</sup> 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.

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

**Table 5. REO Recovery Rates**

Disposition State <sup>b</sup>	Dispositions	Recovery Rates (%)			Percentage Point Change	
		November 2023	October 2023	November 2022	From Previous Month	From Previous Year
US	311	74.4	71.2	68.4	3.2	6.0
PR	45	84.1	81.2	72.2	2.8	11.9
TX	31	68.6	75.9	74.4	-7.3	-5.8
MI	19	62.1	69.6	77.3	-7.5	-15.2
IN	16	63.2	67.4	57.8	-4.2	5.4
VA	15	86.7	82.6	85.3	4.1	1.4
KY	12	63.9	73.6	71.8	-9.7	-7.9
OH	12	59.5	59.1	50.6	0.4	8.9
IL	11	46.7	59.4	41.2	-12.6	5.6
PA	10	74.1	60.7	60.7	13.4	13.4
CO	9	74.2	106.8	na	-32.6	na
CT	9	90.3	92.0	81.0	-1.7	9.3
OK	9	73.8	53.6	39.3	20.2	34.5
GA	8	94.7	73.4	98.5	21.3	-3.8
MS	8	66.5	53.6	75.4	13.0	-8.8
NJ	8	77.6	54.6	61.7	23.0	15.9
AL	7	80.4	69.1	53.0	11.4	27.4
FL	7	110.1	82.5	104.5	27.6	5.6
LA	7	57.2	43.2	45.4	13.9	11.8
NY	7	73.8	24.9	-2.1	49.0	75.9
KS	6	66.8	47.7	72.6	19.1	-5.8
MO	6	80.6	60.8	73.5	19.8	7.1
SC	6	73.8	74.2	71.4	-0.4	2.4
CA	4	88.3	80.5	80.5	7.8	7.7
IA	4	41.4	27.8	na	13.6	na
MA	4	79.7	na	76.3	na	3.5
MD	4	75.1	65.8	103.7	9.3	-28.6
NC	3	53.4	79.2	73.4	-25.7	-19.9
TN	3	90.9	105.8	86.6	-14.9	4.3
AK	2	85.2	21.4	57.1	63.8	28.1
AR	2	33.7	67.7	na	-34.0	na
ID	2	86.8	103.4	243.6	-16.5	-156.8
MN	2	55.0	70.7	40.9	-15.6	14.2
ND	2	66.6	39.0	70.7	27.6	-4.2
NM	2	73.1	na	93.2	na	-20.1
AZ	1	85.3	na	na	na	na
DE	1	97.7	83.0	47.1	14.8	50.6
ME	1	129.8	57.3	65.8	72.5	64.1
MT	1	-0.5	na	na	na	na
OR	1	100.8	77.7	na	23.1	na
RI	1	118.0	na	57.4	na	60.6
WA	1	73.5	96.3	98.6	-22.8	-25.1
WI	1	62.5	67.6	64.3	-5.1	-1.8
WY	1	24.7	82.2	73.7	-57.4	-49.0
NH	0	na	na	71.4	na	na
SD	0	na	46.9	120.6	na	na
VT	0	na	na	-73.3	na	na
WV	0	na	56.4	na	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, January 2024



**Table 6. REO Components of Loss by Property Disposition Month**

Disposition Month	2023											2022	
	Nov	Oct	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov
<b>Loss Components as Percent of Defaulted Loan Balance</b>													
Claim Expenses <sup>a</sup> (%)	21.63	23.27	23.19	23.28	23.48	24.02	24.62	24.28	26.79	27.29	26.69	26.40	27.36
Holding Costs <sup>b</sup> (%)	10.15	10.56	8.69	8.46	8.63	9.32	7.88	7.49	7.60	8.37	8.36	8.27	8.34
Loss on Collateral <sup>c</sup> (%)	13.15	11.83	13.30	15.70	15.10	13.36	14.54	6.16	10.26	8.89	5.96	8.74	7.84
Sales Expense (%)	6.71	6.61	7.01	6.82	6.93	7.19	6.90	6.35	7.17	6.41	6.32	6.68	6.47
Program Discounts <sup>d</sup> (%)	0.00	0.15	0.34	0.45	0.04	0.91	0.62	0.05	0.65	0.00	0.00	0.24	0.20
Net Loss Rate <sup>e</sup> (%)	25.62	28.82	25.41	24.18	24.26	27.05	25.58	32.63	31.88	32.43	34.30	32.99	31.62
<b>Average Amount</b>													
Average Dollar Loss (\$)	35,885	37,522	34,928	32,553	32,711	36,774	35,881	43,694	41,159	40,387	41,325	38,757	40,325
Average Unpaid Balance (\$)	140,062	130,171	137,453	134,607	134,847	135,960	140,283	133,911	129,090	124,547	120,493	117,480	127,539
<b>Occurrence Counts</b>													
Number of Dispositions	311	312	320	362	283	355	339	280	314	271	204	271	253
Number of Discounts	0	2	2	3	1	4	4	1	3	0	0	1	1
<b>Stage</b>													
<b>Average Time in Months</b>													
Delinquency <sup>f</sup>	17.3	14.2	15.3	15.7	14.8	16.2	13.9	16.4	15.1	13.2	15.2	14.1	14.4
Foreclosure <sup>g</sup>	15.7	18.0	17.9	16.2	16.6	15.9	16.7	14.8	19.1	18.3	17.9	19.3	19.7
Deed Transfer <sup>h</sup>	10.7	10.8	9.9	9.2	9.8	10.2	9.9	9.9	10.8	12.8	11.7	10.9	13.0
REO	5.1	5.2	5.2	4.9	5.0	5.8	4.7	4.9	5.2	5.9	5.4	5.7	5.4
All Stages	48.8	48.2	48.3	45.9	46.2	48.0	45.1	46.2	50.1	49.8	49.7	49.9	52.4

<sup>a</sup> Includes interest on principal.

<sup>b</sup> Management, maintenance, repairs, administration, and security, net of rent and other income.

<sup>c</sup> Value when foreclosed (UPB) minus value received in REO; does not include Streamline refinances.

<sup>d</sup> Rate over all dispositions; effect is greater in the cases where a discount actually is given.

<sup>e</sup> 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

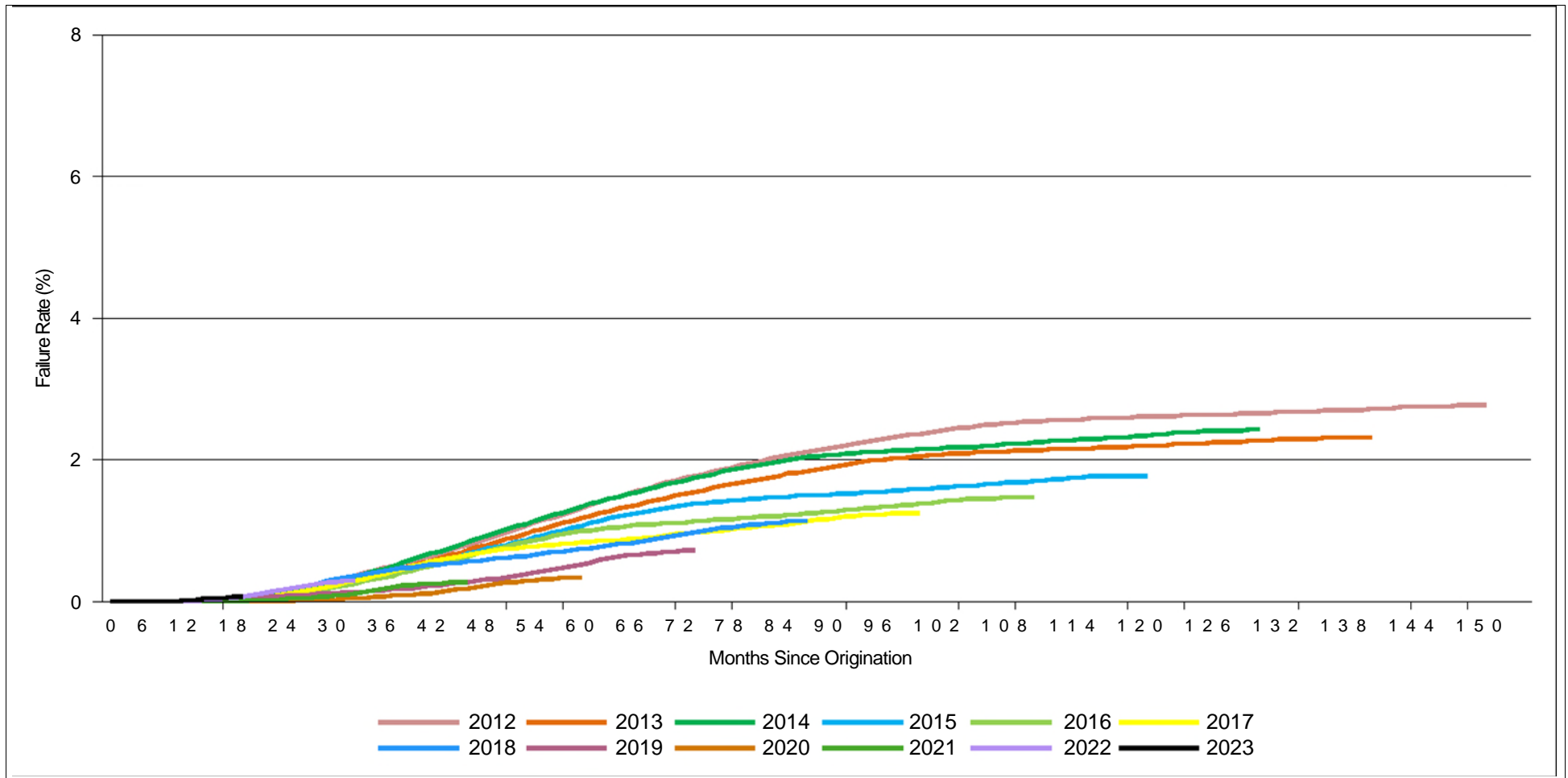
<sup>f</sup> First missed payment to date foreclosure initiated.

<sup>g</sup> Initiation of foreclosure proceedings to auction date.

<sup>h</sup> Auction date to HUD acquisition date.

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