



November 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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Due to a delay in the reporting of loan data to FHA by an external servicer, the October 2023 Single Family forward loan delinquency information in the previous month's report was understated. The October 2023 values are correctly reflected in this report if applicable.

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							
Nov 2022	7,297,596	5.25	1.77	3.71	0.55	0.52	4.79
Dec	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
Seasonally Adjusted							
Nov 2022	7,297,596	4.77	1.57	3.47	0.56	0.52	4.55
Dec	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

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. 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.

SOURCE: U.S. Department of HUD/FHA, December 2023.

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 Emergency ^a	Other ^b
2019 Q1	92,071	29.26	6.03	23.88	12.47	3.45	8.70	6.02	10.18
2019 Q2	84,788	28.83	6.10	22.86	12.37	3.45	8.68	8.24	9.47
2019 Q3	69,294	26.79	5.76	22.14	12.32	3.47	7.95	12.21	9.36
2019 Q4	90,532	25.35	5.30	21.65	11.50	3.09	7.41	16.86	8.85
2020 Q1	114,278	21.56	4.43	18.32	9.48	2.41	6.58	25.48	11.73
2020 Q2	86,758	17.54	4.25	15.38	7.79	1.88	7.65	37.65	7.87
2020 Q3	467,534	5.96	1.91	2.91	1.16	0.24	1.33	81.89	4.59
2020 Q4	350,795	4.96	1.75	2.68	1.12	0.22	1.44	83.83	4.01
2021 Q1	190,214	5.59	2.03	3.61	1.83	0.37	2.52	80.08	3.98
2021 Q2	139,469	5.54	2.07	3.82	2.11	0.36	2.89	78.99	4.23
2021 Q3	79,565	5.78	1.97	4.67	2.90	0.50	3.58	75.95	4.66
2021 Q4	85,610	6.81	2.08	5.96	3.44	0.66	4.36	71.92	4.77
2022 Q1	106,120	7.33	2.09	6.63	3.91	0.70	4.36	69.66	5.32
2022 Q2	109,858	9.00	2.50	7.62	4.60	0.81	4.55	65.31	5.61
2022 Q3	95,175	11.13	3.10	9.36	5.75	1.05	4.83	58.40	6.38
2022 Q4	121,474	14.01	3.85	10.87	6.73	1.27	4.68	52.32	6.26
2023 Q1	137,347	16.19	4.43	11.70	7.43	1.45	4.81	46.38	7.61
2023 Q2	120,573	18.70	5.33	12.36	8.55	1.56	5.38	40.73	7.39
2023 Q3	115,462	22.35	6.54	14.33	9.76	1.82	5.83	32.40	6.97
2023 Q4	146,658	23.85	8.08	16.01	10.26	1.83	7.16	26.29	6.52
2024 Q1-Oct	51,068	22.20	8.67	16.05	10.29	1.74	11.42	23.28	6.35
2024 Q1-Nov	52,316	21.32	8.64	15.85	9.90	1.66	17.14	18.52	6.96

^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, December 2023.

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	7,562,636	11.93	6.02	2.01	3.02	0.43	0.46	3.91
Purchase	71.17	13.51	6.72	2.32	3.52	0.46	0.49	4.46
Refinance	28.83	8.05	4.27	1.24	1.78	0.35	0.41	2.54
Refinance								
Refinance Loans	2,180,090	8.05	4.27	1.24	1.78	0.35	0.41	2.54
Conventional	31.92	8.67	4.41	1.31	1.98	0.50	0.47	2.95
No Cash-out	15.75	8.63	4.39	1.30	1.94	0.52	0.49	2.95
Cash-out	16.17	8.72	4.43	1.33	2.03	0.48	0.45	2.96
FHA	19.38	8.25	4.54	1.31	1.83	0.21	0.36	2.40
No Cash-out	7.96	7.91	4.25	1.26	1.76	0.25	0.39	2.40
Cash-out	11.42	8.49	4.74	1.34	1.87	0.19	0.34	2.41
Streamline	48.70	7.56	4.08	1.16	1.62	0.32	0.39	2.33
Credit Score Ranged								
Loans with Credit Scores	6,311,806	12.38	6.21	2.10	3.18	0.42	0.46	4.07
< 500	0.07	23.84	9.98	4.38	6.40	1.40	1.69	9.49
500-579	1.59	21.53	10.15	3.63	5.58	0.96	1.22	7.76
580-619	8.80	21.21	10.17	3.79	5.64	0.75	0.86	7.25
620-659	34.37	16.92	8.46	2.92	4.39	0.53	0.62	5.54
660-719	39.29	9.50	4.90	1.55	2.39	0.33	0.33	3.05
720-850	15.88	3.85	2.02	0.58	0.93	0.20	0.13	1.26
Fiscal Year Cohort								
All Cohorts	7,562,636	11.93	6.02	2.01	3.02	0.43	0.46	3.91
pre-2009	8.79	15.38	7.49	2.53	3.72	0.83	0.81	5.36
2009	2.88	13.03	6.35	2.03	3.01	0.88	0.75	4.65
2010	3.48	10.62	5.28	1.68	2.54	0.60	0.53	3.66
2011	2.79	9.36	4.68	1.51	2.23	0.48	0.46	3.18
2012	3.57	7.77	3.94	1.25	1.87	0.35	0.38	2.59
2013	5.05	6.50	3.33	1.01	1.53	0.29	0.34	2.16
2014	2.14	12.51	6.11	2.00	3.03	0.59	0.77	4.39
2015	3.59	12.65	6.29	2.06	2.99	0.54	0.78	4.30
2016	5.05	12.74	6.39	2.06	3.00	0.51	0.78	4.29
2017	5.56	13.90	6.93	2.27	3.35	0.55	0.80	4.70
2018	4.52	17.85	8.42	3.00	4.75	0.75	0.93	6.43
2019	4.54	18.95	8.82	3.33	5.22	0.80	0.78	6.80
2020	9.15	12.44	6.29	2.13	3.26	0.38	0.38	4.01
2021	15.36	11.06	5.84	1.90	2.83	0.24	0.25	3.33
2022	12.26	13.19	6.73	2.29	3.69	0.26	0.22	4.17
2023	9.56	7.29	4.15	1.36	1.68	0.06	0.04	1.78
2024	1.68	0.56	0.53	0.03	0.00	0.00	0.00	0.00

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	7,562,636	11.93	6.02	2.01	3.02	0.43	0.46	3.91
< 50	1.68	12.55	6.02	2.02	2.99	0.97	0.56	4.52
50-99	16.41	11.61	5.78	1.88	2.73	0.63	0.58	3.94
100-149	21.97	11.88	5.98	1.97	2.87	0.47	0.58	3.92
150-199	18.97	12.34	6.26	2.08	3.11	0.39	0.50	4.00
200-249	14.07	12.22	6.23	2.10	3.14	0.33	0.42	3.89
250-399	20.85	11.99	6.08	2.08	3.21	0.30	0.32	3.83
400-499	3.81	10.93	5.47	1.89	3.07	0.30	0.21	3.58
> 499	2.24	10.32	4.93	1.72	3.09	0.41	0.18	3.67
Property Type								
All Property Types	7,562,636	11.93	6.02	2.01	3.02	0.43	0.46	3.91
Detached	85.40	12.12	6.14	2.05	3.04	0.41	0.48	3.93
Manufactured Housing	4.02	11.22	5.67	1.82	2.69	0.57	0.48	3.74
2-4 Units	2.59	9.07	4.22	1.36	2.55	0.72	0.22	3.49
Condo	2.36	8.56	4.15	1.31	2.22	0.47	0.42	3.10
Townhouse	5.62	12.36	5.96	2.11	3.38	0.48	0.42	4.28
Purchase Loan Type								
All Purchase Loans	5,382,256	13.50	6.72	2.32	3.52	0.46	0.49	4.46
Repeat	14.80	10.95	5.72	1.82	2.64	0.35	0.42	3.41
First-time	85.20	13.95	6.89	2.41	3.67	0.47	0.50	4.64
Down Payment Assistance (DPA) Type								
All Sources of Funds	7,562,636	11.93	6.02	2.01	3.02	0.43	0.46	3.91
Government	9.68	14.61	7.02	2.57	4.09	0.42	0.52	5.02
Relative	16.65	15.99	7.93	2.78	4.21	0.52	0.54	5.27
Other	1.68	16.69	7.99	2.95	4.34	0.59	0.81	5.75
Seller Funded	0.38	21.54	10.02	3.54	5.42	1.11	1.45	7.97
No DPA	71.62	10.47	5.37	1.72	2.55	0.40	0.43	3.38

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. 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.

SOURCE: U.S. Department of HUD/FHA, December 2023.

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	Nov	7,913,900	396	17,932	1,342	456	0.20
	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	7,008	46,203	1,111	6,885	0.18
	Jun	7,238,927	7,405	46,146	1,113	7,798	0.18
	Jul	7,243,496	6,412	45,616	1,071	7,830	0.18
	Aug	7,251,083	7,123	45,509	1,312	7,949	0.22
	Sep	7,263,194	6,550	42,427	1,125	6,960	0.19
2023	Oct	7,277,614	6,209	40,020	1,041	6,785	0.17
	Nov	7,297,596	6,066	40,499	1,012	6,628	0.17
	Dec	7,314,834	6,628	41,967	1,044	6,498	0.17
	Jan	7,334,648	7,210	43,335	1,017	6,631	0.17
	Feb	7,342,653	7,369	44,386	1,238	6,672	0.20
	Mar	7,358,889	8,271	44,042	1,377	6,959	0.22
	Apr	7,377,794	6,967	42,490	1,075	7,085	0.17
	May	7,399,291	6,524	39,764	1,348	7,162	0.22
	Jun	7,424,630	5,420	36,823	1,302	6,960	0.21
	Jul	7,450,024	4,905	34,171	1,169	6,576	0.19
	Aug	7,483,303	6,229	33,749	1,438	6,386	0.23
Sep	7,509,540	5,481	32,233	1,172	5,921	0.19	
2024	Oct	7,534,590	5,842	31,670	1,328	5,739	0.21
	Nov	7,562,636	5,258	32,601	1,219	5,521	0.19

^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. 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.

SOURCE: U.S. Department of HUD/FHA, December 2023.

Table 5. REO Recovery Rates

Disposition State ^b	Dispositions	Recovery Rates (%)			Percentage Point Change	
		October 2023	September 2023	October 2022	From Previous Month	From Previous Year
US	312	72.5	75.6	68.1	-3.1	4.4
PR	52	80.9	79.6	72.5	1.2	8.3
TX	28	76.1	71.4	74.6	4.7	1.5
OH	20	60.3	52.7	58.8	7.6	1.6
LA	17	43.3	44.1	37.9	-0.7	5.4
PA	15	62.6	62.9	53.0	-0.3	9.6
CT	14	95.5	84.0	79.9	11.5	15.6
MI	12	69.4	87.1	72.8	-17.7	-3.4
VA	12	82.9	86.4	74.3	-3.5	8.6
IN	11	79.8	71.7	47.3	8.1	32.5
MO	11	60.8	65.2	66.4	-4.3	-5.6
GA	9	73.6	84.5	79.5	-10.9	-5.9
KS	9	47.7	67.5	58.0	-19.8	-10.3
MS	8	53.7	56.8	73.4	-3.1	-19.7
NY	8	30.6	24.3	-27.7	6.3	58.3
AL	7	84.2	69.9	81.8	14.3	2.4
FL	7	82.5	134.4	72.4	-51.9	10.1
IL	7	59.8	48.2	35.9	11.6	24.0
KY	6	74.0	80.1	63.8	-6.2	10.2
TN	6	105.7	78.1	91.7	27.6	13.9
MD	5	66.5	120.7	74.4	-54.2	-7.9
SC	5	73.9	85.2	53.0	-11.3	20.9
CO	4	106.8	79.5	na	27.3	na
NC	4	83.7	90.5	86.7	-6.8	-3.0
ND	4	39.7	74.8	65.9	-35.1	-26.3
AR	3	68.0	177.7	35.7	-109.8	32.3
OK	3	53.6	73.6	107.1	-20.0	-53.5
WA	3	96.5	93.7	na	2.9	na
WI	3	69.2	79.8	48.0	-10.5	21.2
WV	3	56.6	24.3	95.4	32.3	-38.7
IA	2	29.1	38.6	43.0	-9.5	-14.0
ID	2	104.8	76.7	na	28.1	na
NJ	2	54.8	-8.6	64.9	63.4	-10.1
OR	2	78.0	94.4	na	-16.4	na
WY	2	82.9	na	62.3	na	20.6
AK	1	21.4	na	34.6	na	-13.2
CA	1	81.1	93.1	54.3	-12.0	26.8
DE	1	83.3	92.7	-28.4	-9.4	111.6
ME	1	57.8	na	na	na	na
MN	1	72.4	78.9	55.4	-6.5	17.0

Table 5. REO Recovery Rates

Disposition State ^b	Dispositions	Recovery Rates (%)			Percentage Point Change	
		October 2023	September 2023	October 2022	From Previous Month	From Previous Year
SD	1	48.3	na	68.1	na	-19.8
MA	0	na	98.5	78.0	na	na
NE	0	na	26.0	12.7	na	na
NM	0	na	84.6	107.6	na	na
RI	0	na	na	46.8	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, December 2023.

Table 6. REO Components of Loss by Property Disposition Month

Disposition Month	2023										2022		
	Oct	Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct
Loss Components as Percent of Defaulted Loan Balance													
Claim Expenses ^a (%)	22.71	22.73	22.92	23.05	23.98	24.60	24.18	26.78	27.28	26.69	26.40	27.30	25.58
Holding Costs ^b (%)	10.29	8.63	8.46	8.63	9.32	7.88	7.49	7.59	8.37	8.36	8.27	8.34	8.77
Loss on Collateral ^c (%)	11.83	13.30	15.70	15.10	13.36	14.54	6.16	10.26	8.89	5.96	8.74	7.84	4.09
Sales Expense (%)	6.61	7.01	6.82	6.93	7.19	6.90	6.35	7.17	6.41	6.32	6.68	6.47	6.26
Program Discounts ^d (%)	0.15	0.34	0.45	0.04	0.91	0.62	0.05	0.65	0.00	0.00	0.24	0.20	0.47
Net Loss Rate ^e (%)	27.51	24.40	23.96	23.54	27.03	25.50	32.71	31.90	31.98	34.30	32.99	31.56	31.94
Average Amount													
Average Dollar Loss (\$)	35,807	33,534	32,245	31,741	36,751	35,773	43,804	41,183	39,825	41,325	38,757	40,249	37,786
Average Unpaid Balance (\$)	130,171	137,453	134,607	134,847	135,960	140,283	133,911	129,090	124,547	120,493	117,480	127,539	118,319
Occurrence Counts													
Number of Dispositions	312	320	362	283	355	339	280	314	271	204	271	253	232
Number of Discounts	2	2	3	1	4	4	1	3	0	0	1	1	2
Stage													
Average Time in Months													
Delinquency ^f	14.0	15.3	15.8	14.8	16.4	13.9	16.4	15.1	13.2	15.2	14.1	14.4	15.6
Foreclosure ^g	18.2	17.9	16.1	16.6	15.7	16.7	14.7	19.1	18.3	17.9	19.3	19.7	17.5
Deed Transfer ^h	10.8	9.9	9.2	9.8	10.2	9.9	9.9	10.8	12.8	11.7	10.9	13.0	14.2
REO	5.2	5.2	4.9	5.0	5.8	4.7	4.9	5.2	5.9	5.4	5.7	5.4	5.5
All Stages	48.2	48.3	45.9	46.2	48.0	45.1	46.2	50.1	49.8	49.7	49.9	52.4	52.4

^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.

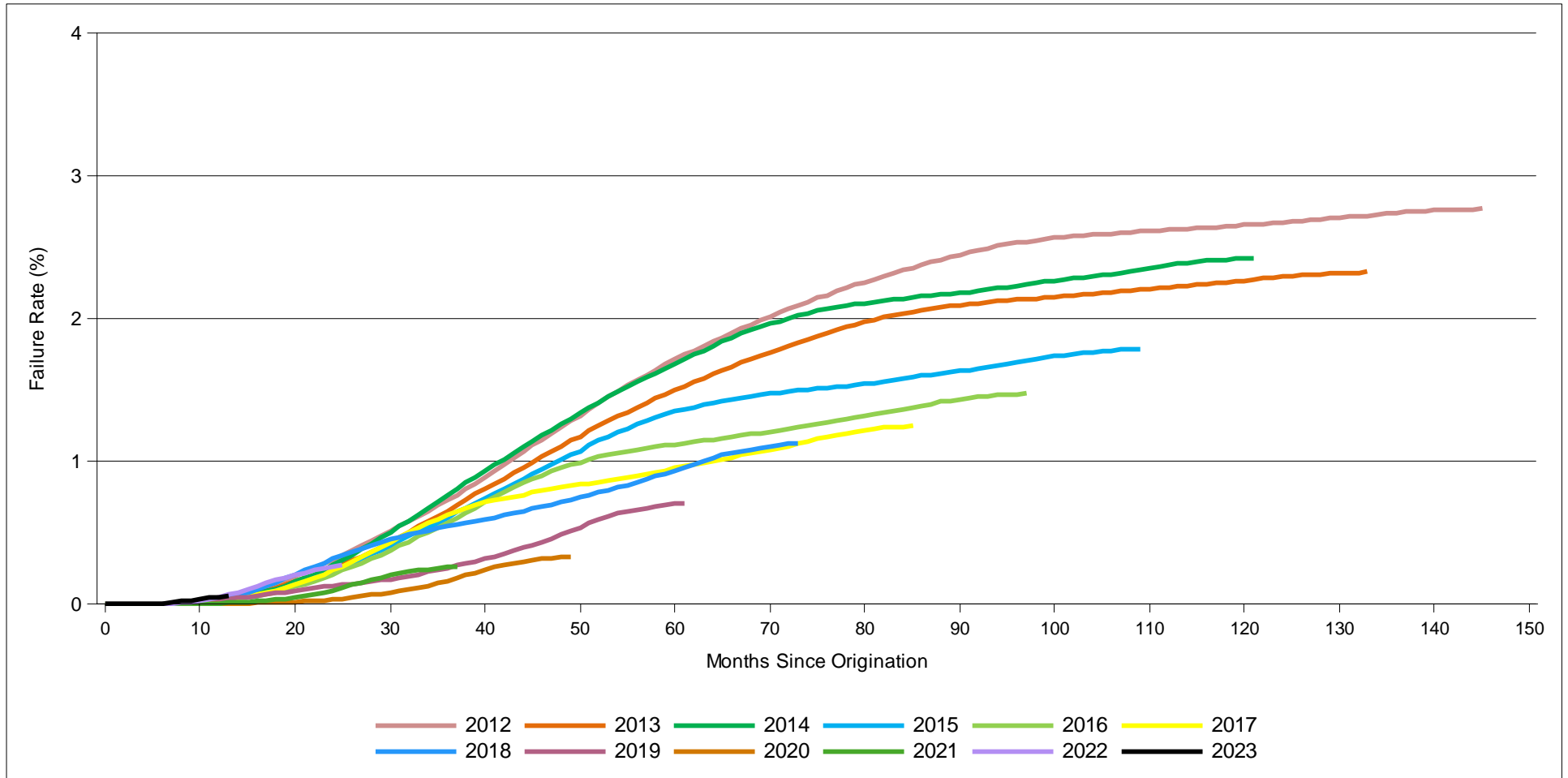
^f First missed payment to date foreclosure initiated.

^g Initiation of foreclosure proceedings to auction date.

^h Auction date to HUD acquisition date.

SOURCE: U.S. Department of HUD/FHA, December 2023.

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, December 2023.