



January 2024 Credit Risk

FHA Single Family Loan Performance Trends



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

Table of Contents

| | |
|--|---|
| Table 1. Delinquency Rates by Month..... | 2 |
| Table 2. New 90+ Day Delinquencies by Reason for Delinquency | 3 |
| Table 3. Delinquency Rates by Loan and Property Characteristics..... | 4 |
| Table 4. Monthly Foreclosure Statistics and Trends..... | 6 |
| Table 5. REO Recovery Rates | 7 |
| Table 6. REO Components of Loss by Property Disposition Month | 8 |

Table of Figures

| | |
|---|---|
| Figure 1: Failure Rate by Fiscal Year | 9 |
|---|---|

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 | | | | | | | |
| 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 |
| Jan 2024 | 7,613,635 | 5.98 | 2.08 | 3.17 | 0.44 | 0.48 | 4.08 |
| Seasonally Adjusted | | | | | | | |
| 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 |
| Jan 2024 | 7,613,635 | 5.74 | 1.87 | 2.85 | 0.44 | 0.47 | 3.76 |

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.

SOURCE: U.S. Department of HUD/FHA, February 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 or Family | Marital Difficulties | No Contact | National Emergency ^a | Other ^b |
| 2019 Q1 | 92,077 | 29.25 | 6.04 | 23.89 | 12.48 | 3.46 | 8.69 | 6.02 | 10.18 |
| 2019 Q2 | 84,794 | 28.84 | 6.10 | 22.87 | 12.38 | 3.46 | 8.68 | 8.20 | 9.47 |
| 2019 Q3 | 69,305 | 26.79 | 5.77 | 22.13 | 12.33 | 3.48 | 7.96 | 12.19 | 9.35 |
| 2019 Q4 | 90,543 | 25.38 | 5.30 | 21.63 | 11.51 | 3.09 | 7.41 | 16.82 | 8.85 |
| 2020 Q1 | 114,286 | 21.58 | 4.44 | 18.34 | 9.49 | 2.41 | 6.57 | 25.45 | 11.73 |
| 2020 Q2 | 86,759 | 17.57 | 4.25 | 15.39 | 7.81 | 1.89 | 7.64 | 37.58 | 7.86 |
| 2020 Q3 | 467,526 | 5.97 | 1.91 | 2.91 | 1.18 | 0.24 | 1.33 | 81.87 | 4.59 |
| 2020 Q4 | 350,801 | 4.97 | 1.75 | 2.68 | 1.13 | 0.22 | 1.44 | 83.80 | 4.01 |
| 2021 Q1 | 190,212 | 5.61 | 2.03 | 3.62 | 1.84 | 0.37 | 2.52 | 80.03 | 3.98 |
| 2021 Q2 | 139,477 | 5.55 | 2.06 | 3.83 | 2.13 | 0.36 | 2.90 | 78.94 | 4.23 |
| 2021 Q3 | 79,581 | 5.80 | 1.98 | 4.68 | 2.93 | 0.50 | 3.60 | 75.87 | 4.65 |
| 2021 Q4 | 85,621 | 6.86 | 2.07 | 5.98 | 3.47 | 0.67 | 4.36 | 71.81 | 4.77 |
| 2022 Q1 | 106,130 | 7.34 | 2.09 | 6.63 | 3.95 | 0.70 | 4.39 | 69.59 | 5.32 |
| 2022 Q2 | 109,860 | 9.03 | 2.51 | 7.64 | 4.66 | 0.82 | 4.59 | 65.16 | 5.60 |
| 2022 Q3 | 95,172 | 11.21 | 3.08 | 9.43 | 5.78 | 1.05 | 4.84 | 58.22 | 6.40 |
| 2022 Q4 | 121,446 | 14.11 | 3.86 | 10.90 | 6.79 | 1.28 | 4.74 | 52.04 | 6.28 |
| 2023 Q1 | 137,274 | 16.33 | 4.42 | 11.77 | 7.55 | 1.49 | 4.83 | 46.01 | 7.60 |
| 2023 Q2 | 120,527 | 18.94 | 5.30 | 12.48 | 8.68 | 1.59 | 5.45 | 40.19 | 7.38 |
| 2023 Q3 | 115,368 | 22.54 | 6.58 | 14.39 | 10.03 | 1.85 | 5.77 | 31.93 | 6.90 |
| 2023 Q4 | 146,454 | 24.42 | 8.11 | 16.10 | 10.65 | 1.93 | 6.36 | 26.01 | 6.43 |
| 2024 Q1 | 162,651 | 22.71 | 8.84 | 16.20 | 11.02 | 1.84 | 10.30 | 22.88 | 6.21 |
| 2024 Q2 - Jan | 55,695 | 22.97 | 8.96 | 16.32 | 11.02 | 1.75 | 18.51 | 14.26 | 6.21 |

^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, February 2024.

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 | 7,613,635 | 12.14 | 5.98 | 2.08 | 3.17 | 0.44 | 0.48 | 4.08 |
| Purchase | 71.39 | 13.71 | 6.67 | 2.39 | 3.68 | 0.47 | 0.50 | 4.65 |
| Refinance | 28.61 | 8.21 | 4.27 | 1.29 | 1.87 | 0.36 | 0.42 | 2.65 |
| Refinance | | | | | | | | |
| Refinance Loans | 2,178,357 | 8.21 | 4.27 | 1.29 | 1.87 | 0.36 | 0.42 | 2.65 |
| Conventional | 32.14 | 8.88 | 4.42 | 1.38 | 2.09 | 0.50 | 0.48 | 3.08 |
| No Cash-out | 15.72 | 8.76 | 4.39 | 1.32 | 2.02 | 0.53 | 0.50 | 3.05 |
| Cash-out | 16.43 | 8.99 | 4.45 | 1.44 | 2.16 | 0.48 | 0.46 | 3.10 |
| FHA | 19.58 | 8.54 | 4.60 | 1.38 | 1.95 | 0.22 | 0.39 | 2.56 |
| No Cash-out | 7.96 | 8.06 | 4.24 | 1.27 | 1.91 | 0.25 | 0.39 | 2.56 |
| Cash-out | 11.63 | 8.87 | 4.85 | 1.46 | 1.98 | 0.20 | 0.38 | 2.56 |
| Streamline | 48.27 | 7.64 | 4.04 | 1.19 | 1.69 | 0.32 | 0.40 | 2.41 |
| Credit Score Range^d | | | | | | | | |
| Loans with Credit Scores | 6,375,904 | 12.62 | 6.19 | 2.17 | 3.35 | 0.44 | 0.47 | 4.26 |
| < 500 | 0.07 | 24.11 | 9.82 | 4.17 | 6.86 | 1.39 | 1.88 | 10.13 |
| 500-579 | 1.59 | 22.03 | 10.19 | 3.89 | 5.80 | 0.97 | 1.18 | 7.95 |
| 580-619 | 8.81 | 21.77 | 10.20 | 3.87 | 6.04 | 0.79 | 0.87 | 7.70 |
| 620-659 | 34.26 | 17.34 | 8.46 | 3.05 | 4.64 | 0.55 | 0.64 | 5.83 |
| 660-719 | 39.31 | 9.61 | 4.85 | 1.60 | 2.49 | 0.33 | 0.34 | 3.17 |
| 720-850 | 15.97 | 3.85 | 1.99 | 0.59 | 0.93 | 0.21 | 0.13 | 1.27 |
| Fiscal Year Cohort | | | | | | | | |
| All Cohorts | 7,613,635 | 12.14 | 5.98 | 2.08 | 3.17 | 0.44 | 0.48 | 4.08 |
| pre-2009 | 8.61 | 15.46 | 7.42 | 2.57 | 3.82 | 0.83 | 0.81 | 5.47 |
| 2009 | 2.83 | 13.12 | 6.31 | 2.03 | 3.16 | 0.85 | 0.76 | 4.77 |
| 2010 | 3.42 | 10.67 | 5.24 | 1.67 | 2.62 | 0.60 | 0.53 | 3.75 |
| 2011 | 2.75 | 9.40 | 4.59 | 1.55 | 2.32 | 0.48 | 0.45 | 3.25 |
| 2012 | 3.52 | 7.82 | 3.86 | 1.28 | 1.95 | 0.35 | 0.38 | 2.68 |
| 2013 | 4.97 | 6.51 | 3.29 | 1.04 | 1.55 | 0.29 | 0.34 | 2.18 |
| 2014 | 2.11 | 12.46 | 5.95 | 2.05 | 3.12 | 0.58 | 0.77 | 4.47 |
| 2015 | 3.53 | 12.74 | 6.25 | 2.05 | 3.12 | 0.54 | 0.77 | 4.43 |
| 2016 | 4.97 | 12.87 | 6.32 | 2.11 | 3.15 | 0.52 | 0.77 | 4.44 |
| 2017 | 5.48 | 14.04 | 6.82 | 2.30 | 3.53 | 0.58 | 0.80 | 4.92 |
| 2018 | 4.44 | 18.05 | 8.20 | 3.07 | 5.03 | 0.79 | 0.95 | 6.77 |
| 2019 | 4.47 | 19.30 | 8.67 | 3.41 | 5.57 | 0.83 | 0.82 | 7.22 |
| 2020 | 9.02 | 12.67 | 6.24 | 2.18 | 3.44 | 0.39 | 0.41 | 4.25 |
| 2021 | 15.16 | 11.36 | 5.84 | 2.00 | 2.96 | 0.27 | 0.28 | 3.51 |
| 2022 | 12.10 | 13.84 | 6.93 | 2.47 | 3.86 | 0.31 | 0.27 | 4.44 |
| 2023 | 9.44 | 8.88 | 4.71 | 1.67 | 2.34 | 0.10 | 0.06 | 2.50 |
| 2024 | 3.18 | 1.67 | 1.35 | 0.25 | 0.06 | 0.00 | 0.00 | 0.06 |

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 | 7,613,635 | 12.14 | 5.98 | 2.08 | 3.17 | 0.44 | 0.48 | 4.08 |
| < 50 | 1.64 | 12.62 | 5.95 | 2.11 | 2.96 | 1.01 | 0.59 | 4.56 |
| 50-99 | 16.15 | 11.77 | 5.75 | 1.94 | 2.83 | 0.66 | 0.59 | 4.08 |
| 100-149 | 21.75 | 12.06 | 5.94 | 2.01 | 3.02 | 0.49 | 0.59 | 4.10 |
| 150-199 | 18.90 | 12.59 | 6.24 | 2.16 | 3.28 | 0.40 | 0.51 | 4.19 |
| 200-249 | 14.10 | 12.49 | 6.22 | 2.15 | 3.32 | 0.36 | 0.44 | 4.11 |
| 250-399 | 21.18 | 12.20 | 6.04 | 2.14 | 3.37 | 0.31 | 0.33 | 4.01 |
| 400-499 | 3.95 | 11.25 | 5.46 | 2.06 | 3.20 | 0.31 | 0.22 | 3.73 |
| > 499 | 2.32 | 10.46 | 4.81 | 1.85 | 3.22 | 0.41 | 0.18 | 3.81 |
| Property Type | | | | | | | | |
| All Property Types | 7,613,635 | 12.14 | 5.98 | 2.08 | 3.17 | 0.44 | 0.48 | 4.08 |
| Detached | 85.37 | 12.33 | 6.11 | 2.11 | 3.20 | 0.42 | 0.49 | 4.11 |
| Manufactured Housing | 4.03 | 11.43 | 5.58 | 1.95 | 2.82 | 0.60 | 0.49 | 3.91 |
| 2-4 Units | 2.59 | 9.21 | 4.18 | 1.47 | 2.65 | 0.68 | 0.22 | 3.55 |
| Condo | 2.35 | 8.46 | 3.95 | 1.36 | 2.26 | 0.46 | 0.44 | 3.15 |
| Townhouse | 5.65 | 12.61 | 6.04 | 2.17 | 3.49 | 0.49 | 0.42 | 4.40 |
| Purchase Loan Type | | | | | | | | |
| All Purchase Loans | 5,434,991 | 13.71 | 6.67 | 2.39 | 3.68 | 0.47 | 0.50 | 4.65 |
| Repeat | 14.82 | 11.13 | 5.68 | 1.88 | 2.77 | 0.37 | 0.44 | 3.57 |
| First-time | 85.18 | 14.16 | 6.84 | 2.48 | 3.84 | 0.49 | 0.51 | 4.84 |
| Down Payment Assistance (DPA) Type | | | | | | | | |
| All Sources of Funds | 7,613,635 | 12.14 | 5.98 | 2.08 | 3.17 | 0.44 | 0.48 | 4.08 |
| Government | 9.75 | 14.46 | 6.67 | 2.66 | 4.19 | 0.43 | 0.51 | 5.13 |
| Relative | 16.68 | 16.37 | 7.96 | 2.87 | 4.44 | 0.55 | 0.55 | 5.54 |
| Other | 1.67 | 16.73 | 7.92 | 2.95 | 4.47 | 0.60 | 0.80 | 5.86 |
| Seller Funded | 0.37 | 21.89 | 10.17 | 3.66 | 5.59 | 1.06 | 1.42 | 8.07 |
| No DPA | 71.53 | 10.68 | 5.36 | 1.78 | 2.69 | 0.41 | 0.44 | 3.54 |

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 or more days past due, including those in bankruptcy or foreclosure.

^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, February 2024.

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 | 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 | 7,259 | 43,255 | 1,236 | 6,036 | 0.20 |
| | May | 7,241,481 | 7,009 | 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 | 6,413 | 45,616 | 1,071 | 7,830 | 0.18 |
| | Aug | 7,251,083 | 7,125 | 45,509 | 1,312 | 7,949 | 0.22 |
| Sep | 7,263,194 | 6,549 | 42,427 | 1,125 | 6,960 | 0.19 | |
| 2023 | Oct | 7,277,614 | 6,216 | 40,020 | 1,041 | 6,786 | 0.17 |
| | Nov | 7,297,596 | 6,066 | 40,499 | 1,012 | 6,629 | 0.17 |
| | Dec | 7,314,834 | 6,630 | 41,967 | 1,044 | 6,500 | 0.17 |
| | Jan | 7,334,648 | 7,217 | 43,335 | 1,017 | 6,634 | 0.17 |
| | Feb | 7,342,653 | 7,372 | 44,386 | 1,238 | 6,675 | 0.20 |
| | Mar | 7,358,889 | 8,275 | 44,042 | 1,377 | 6,963 | 0.22 |
| | Apr | 7,377,794 | 6,977 | 42,490 | 1,074 | 7,090 | 0.17 |
| | May | 7,399,291 | 6,535 | 39,764 | 1,348 | 7,168 | 0.22 |
| | Jun | 7,424,630 | 5,428 | 36,823 | 1,302 | 6,967 | 0.21 |
| | Jul | 7,450,024 | 4,917 | 34,171 | 1,169 | 6,584 | 0.19 |
| | Aug | 7,483,303 | 6,245 | 33,749 | 1,438 | 6,396 | 0.23 |
| Sep | 7,509,540 | 5,499 | 32,233 | 1,172 | 5,934 | 0.19 | |
| 2024 | Oct | 7,534,590 | 5,857 | 31,670 | 1,328 | 5,747 | 0.21 |
| | Nov | 7,562,636 | 5,625 | 32,295 | 1,219 | 5,595 | 0.19 |
| | Dec | 7,586,431 | 5,795 | 33,273 | 1,240 | 5,656 | 0.20 |
| | Jan | 7,613,635 | 6,695 | 33,562 | 1,302 | 5,953 | 0.21 |

^a The six-month moving average of foreclosure starts is presented here to smooth out variations in actual starts each month.

^b 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.

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

Table 5. REO Recovery Rates

| Disposition State ^b | Dispositions | Recovery Rates (%) | | | Percentage Point Change | |
|--------------------------------|--------------|--------------------|---------------|---------------|-------------------------|--------------------|
| | | December 2023 | November 2023 | December 2022 | From Previous Month | From Previous Year |
| US | 291 | 67.2 | 73.1 | 66.7 | -5.9 | 0.5 |
| PR | 44 | 78.6 | 80.2 | 77.3 | -1.7 | 1.3 |
| TX | 26 | 67.7 | 68.6 | 74.7 | -0.9 | -7.0 |
| VA | 14 | 77.9 | 86.7 | 73.4 | -8.8 | 4.5 |
| IL | 13 | 26.8 | 46.1 | 53.5 | -19.3 | -26.8 |
| AL | 12 | 83.5 | 78.1 | 79.5 | 5.3 | 3.9 |
| PA | 12 | 54.6 | 70.5 | 30.5 | -16.0 | 24.1 |
| MI | 11 | 53.3 | 62.0 | 50.7 | -8.7 | 2.6 |
| OH | 10 | 44.7 | 58.6 | 47.2 | -13.9 | -2.5 |
| CO | 9 | 83.3 | 74.2 | 83.3 | 9.1 | -0.1 |
| KS | 9 | 52.9 | 66.6 | 71.8 | -13.6 | -18.8 |
| LA | 9 | 24.7 | 54.1 | 42.8 | -29.3 | -18.1 |
| MD | 9 | 66.7 | 74.9 | 53.0 | -8.3 | 13.6 |
| CT | 8 | 65.2 | 90.2 | 88.7 | -25.0 | -23.5 |
| KY | 8 | 77.4 | 63.6 | 57.3 | 13.9 | 20.1 |
| MO | 8 | 57.1 | 80.0 | 62.1 | -22.9 | -5.0 |
| GA | 7 | 85.4 | 94.4 | 87.9 | -9.0 | -2.5 |
| IN | 7 | 68.2 | 62.7 | 60.2 | 5.5 | 8.0 |
| MS | 7 | 70.1 | 65.1 | 56.5 | 5.0 | 13.6 |
| ND | 7 | 60.6 | 66.6 | 56.7 | -5.9 | 3.9 |
| NY | 7 | 41.7 | 60.9 | 24.8 | -19.3 | 16.9 |
| MN | 6 | 62.9 | 55.0 | na | 7.8 | na |
| CA | 5 | 82.3 | 87.5 | 49.8 | -5.2 | 32.5 |
| WA | 5 | 84.2 | 73.5 | 111.8 | 10.8 | -27.6 |
| AR | 4 | 39.0 | 33.2 | 50.6 | 5.8 | -11.6 |
| OK | 4 | 51.1 | 73.2 | 36.2 | -22.1 | 15.0 |
| SC | 4 | 60.5 | 73.7 | 106.1 | -13.2 | -45.6 |
| TN | 4 | 81.3 | 90.2 | 109.0 | -8.9 | -27.7 |
| NM | 3 | 82.8 | 73.7 | 77.6 | 9.1 | 5.2 |
| OR | 3 | 88.4 | 100.0 | 101.2 | -11.6 | -12.8 |
| WV | 3 | 31.5 | na | 79.7 | na | -48.2 |
| NC | 2 | 65.4 | 53.4 | 71.8 | 12.1 | -6.3 |
| NJ | 2 | 34.4 | 77.0 | 65.7 | -42.6 | -31.3 |
| AK | 1 | 88.8 | 85.2 | 46.8 | 3.5 | 42.0 |
| DE | 1 | 80.5 | 97.4 | 68.2 | -16.9 | 12.4 |
| FL | 1 | 101.3 | 109.0 | 55.8 | -7.6 | 45.5 |
| IA | 1 | 56.1 | 41.4 | 50.1 | 14.6 | 6.0 |
| NV | 1 | 118.6 | na | na | na | na |
| RI | 1 | 83.4 | 118.0 | na | -34.6 | na |
| UT | 1 | 108.4 | na | na | na | na |
| VT | 1 | 58.5 | na | 2.6 | na | 55.9 |
| WY | 1 | 74.3 | 24.2 | 99.1 | 50.1 | -24.8 |
| AZ | 0 | na | 84.6 | 67.3 | na | na |
| ID | 0 | na | 86.4 | na | na | na |
| MA | 0 | na | 79.6 | 105.6 | na | na |
| ME | 0 | na | 129.8 | na | na | na |
| MT | 0 | na | -1.9 | na | na | na |
| NH | 0 | na | na | 96.8 | na | na |
| WI | 0 | na | 62.3 | 59.5 | 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, February 2024.

Table 6. REO Components of Loss by Property Disposition Month

| Disposition Month | 2023 | | | | | | | | | | | | 2022 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | Dec | Nov | Oct | Sep | Aug | Jul | Jun | May | Apr | Mar | Feb | Jan | Dec |
| Loss Components as Percent of Defaulted Loan Balance | | | | | | | | | | | | | |
| Claim Expenses ^a (%) | 22.03 | 22.41 | 23.85 | 23.48 | 23.45 | 23.56 | 24.04 | 24.68 | 24.28 | 26.79 | 27.29 | 26.69 | 26.71 |
| Holding Costs ^b (%) | 9.10 | 10.51 | 10.62 | 8.69 | 8.46 | 8.64 | 9.33 | 7.88 | 7.49 | 7.60 | 8.37 | 8.36 | 8.27 |
| Loss on Collateral ^c (%) | 6.77 | 13.15 | 11.83 | 13.30 | 15.70 | 15.10 | 13.36 | 14.54 | 6.16 | 10.26 | 8.89 | 5.96 | 8.74 |
| Sales Expense (%) | 6.70 | 6.76 | 6.61 | 7.01 | 6.82 | 6.93 | 7.19 | 6.90 | 6.35 | 7.17 | 6.41 | 6.32 | 6.68 |
| Program Discounts ^d (%) | 0.50 | 0.00 | 0.15 | 0.34 | 0.45 | 0.04 | 0.91 | 0.62 | 0.05 | 0.65 | 0.00 | 0.00 | 0.24 |
| Net Loss Rate ^e (%) | 32.83 | 26.91 | 29.46 | 25.62 | 24.34 | 24.71 | 27.03 | 25.64 | 32.61 | 31.88 | 32.52 | 34.29 | 33.30 |
| Average Amount | | | | | | | | | | | | | |
| Average Dollar Loss (\$) | 48,965 | 37,696 | 38,355 | 35,218 | 32,763 | 33,321 | 36,755 | 35,965 | 43,666 | 41,158 | 40,503 | 41,320 | 39,123 |
| Average Unpaid Balance (\$) | 149,145 | 140,062 | 130,171 | 137,453 | 134,607 | 134,847 | 135,960 | 140,283 | 133,911 | 129,090 | 124,547 | 120,493 | 117,480 |
| Occurrence Counts | | | | | | | | | | | | | |
| Number of Dispositions | 291 | 311 | 312 | 320 | 362 | 283 | 355 | 339 | 280 | 314 | 271 | 204 | 271 |
| Number of Discounts | 2 | 0 | 2 | 2 | 3 | 1 | 4 | 4 | 1 | 3 | 0 | 0 | 1 |
| Stage | | | | | | | | | | | | | |
| Average Time in Months | | | | | | | | | | | | | |
| Delinquency ^f | 17.7 | 17.3 | 14.0 | 15.3 | 15.7 | 14.8 | 16.4 | 13.9 | 16.4 | 15.1 | 13.2 | 15.2 | 14.1 |
| Foreclosure ^g | 17.0 | 15.7 | 18.2 | 17.9 | 16.2 | 16.6 | 15.7 | 16.7 | 14.8 | 19.2 | 18.3 | 17.9 | 19.3 |
| Deed Transfer ^h | 9.1 | 10.7 | 10.8 | 9.9 | 9.2 | 9.8 | 10.2 | 9.9 | 9.9 | 10.8 | 12.8 | 11.7 | 10.9 |
| REO | 5.3 | 5.1 | 5.2 | 5.2 | 4.9 | 5.0 | 5.8 | 4.7 | 4.9 | 5.2 | 5.9 | 5.4 | 5.7 |
| All Stages | 48.9 | 48.8 | 48.2 | 48.3 | 45.9 | 46.2 | 48.0 | 45.1 | 46.2 | 50.1 | 49.8 | 49.7 | 49.9 |

^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.

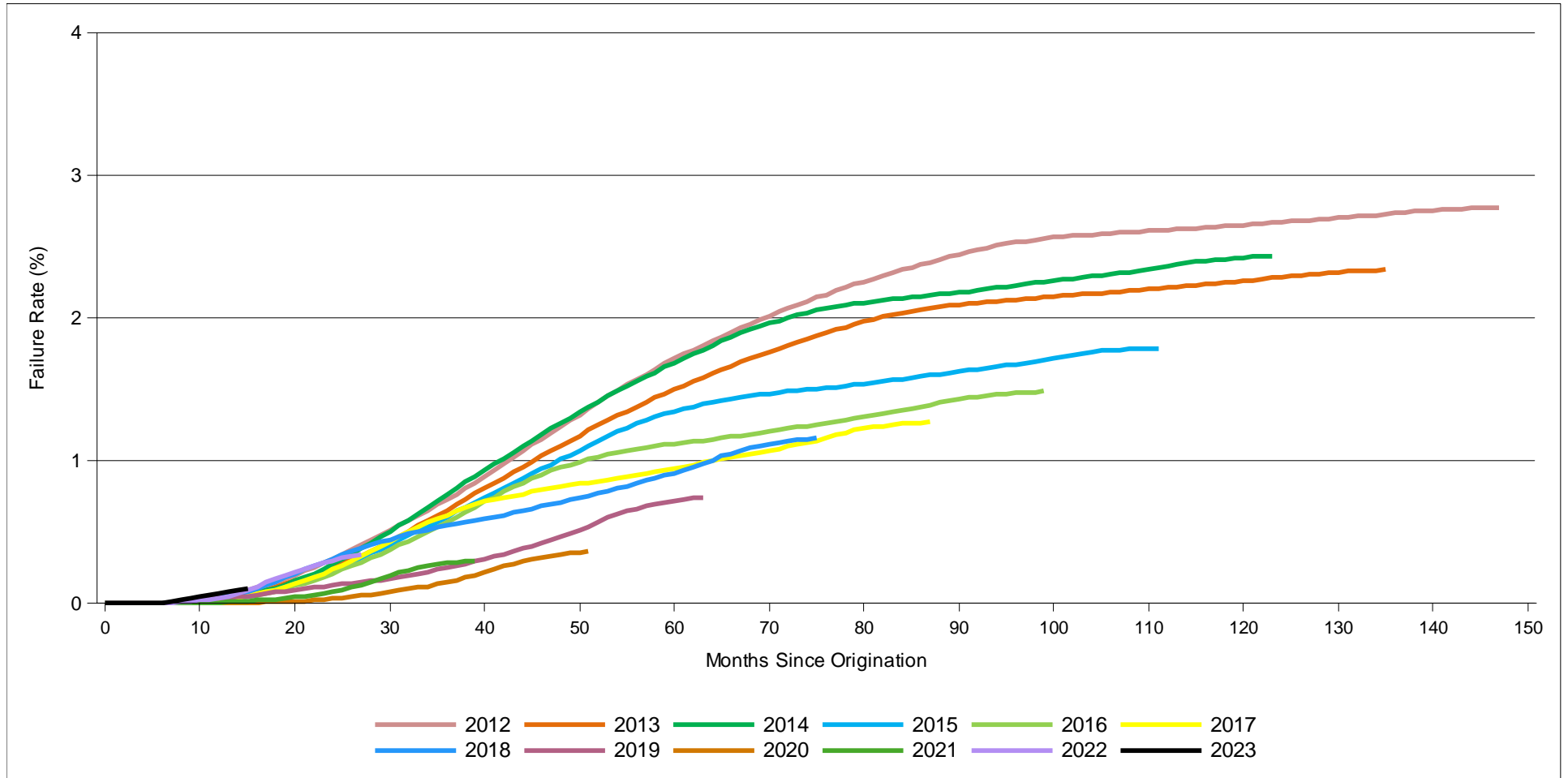
^f First missed payment to date foreclosure initiated.

^g Initiation of foreclosure proceedings to auction date.

^h Auction date to HUD acquisition date.

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