

Market Snapshot





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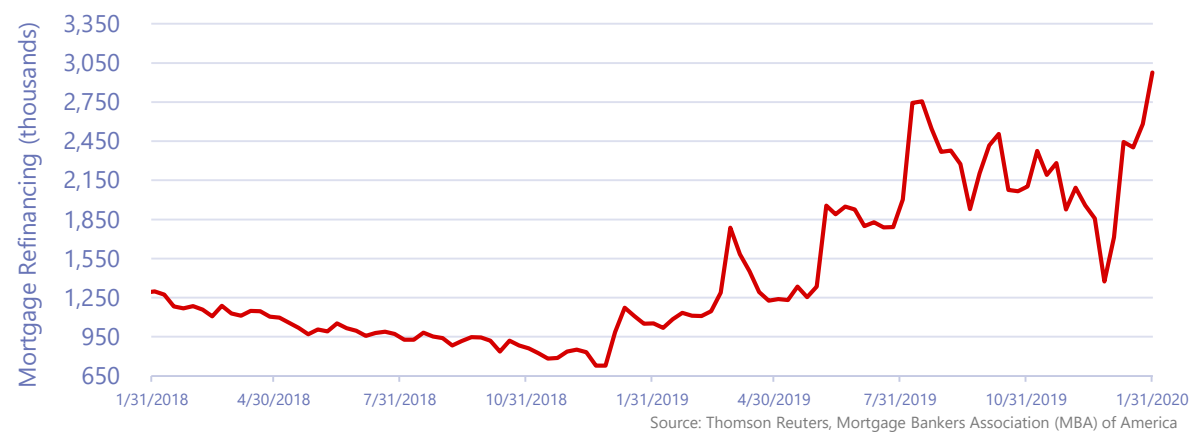
Macro- Economic Indicators

Summary

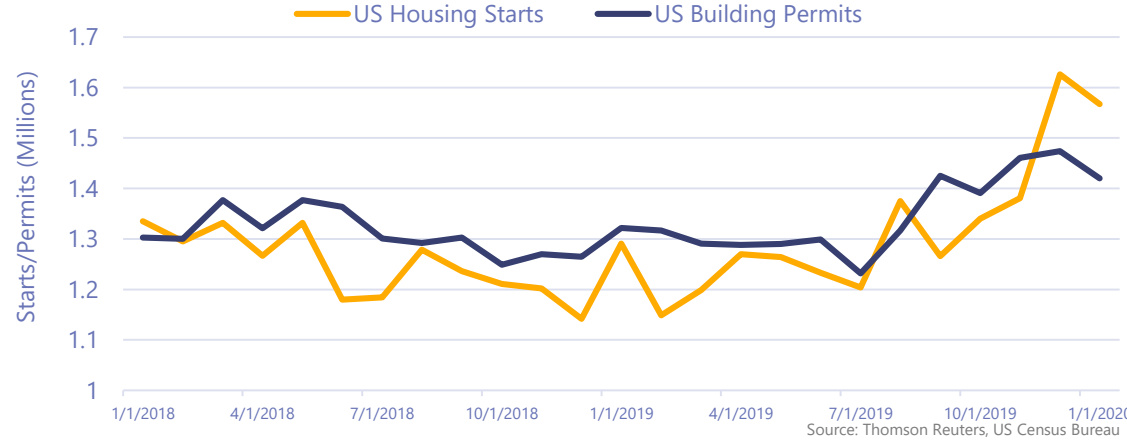
- The MBA Mortgage Refinance Application Index experienced a sharp increase over the course of January, reflecting the refinancing boom brought on by falling rates. January's final weekly reading of 2,976 represented a 116.44% gain over the last reading in December
- The Conference Board's consumer confidence reading for January came in at 131.6 for January, 2.65% higher than in December and the highest level seen since August of last year
- The residential domestic housing market continued its strong run in January, with housing starts coming in at 1,551,000, 9.20% higher than December's number and 17.90% higher than the figure from January 2019. The 1,567,000 housing permits for January were 3.60% below December's numbers, but 21.40% higher than the same time period in 2019

Macro-Economic Indicators

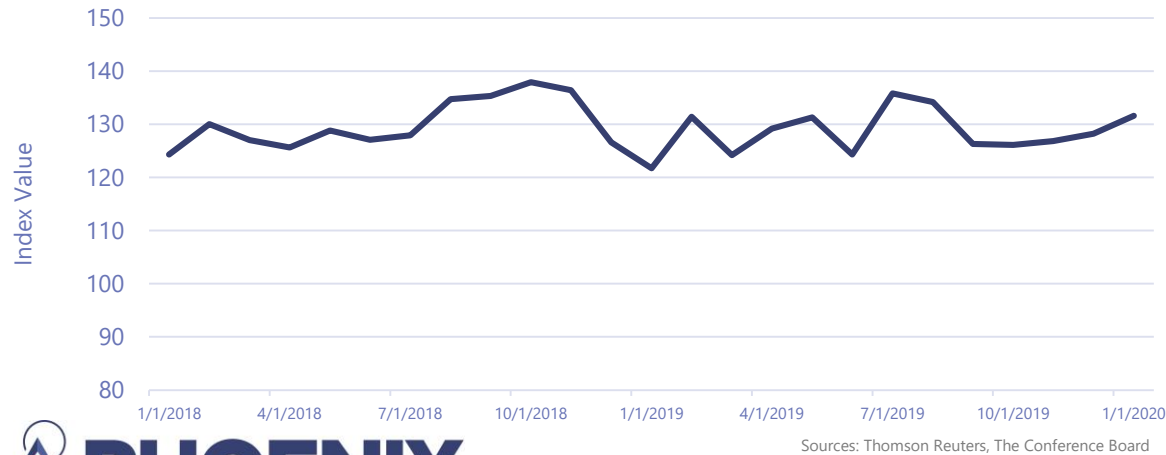
MBA Mortgage Refinance Application Index



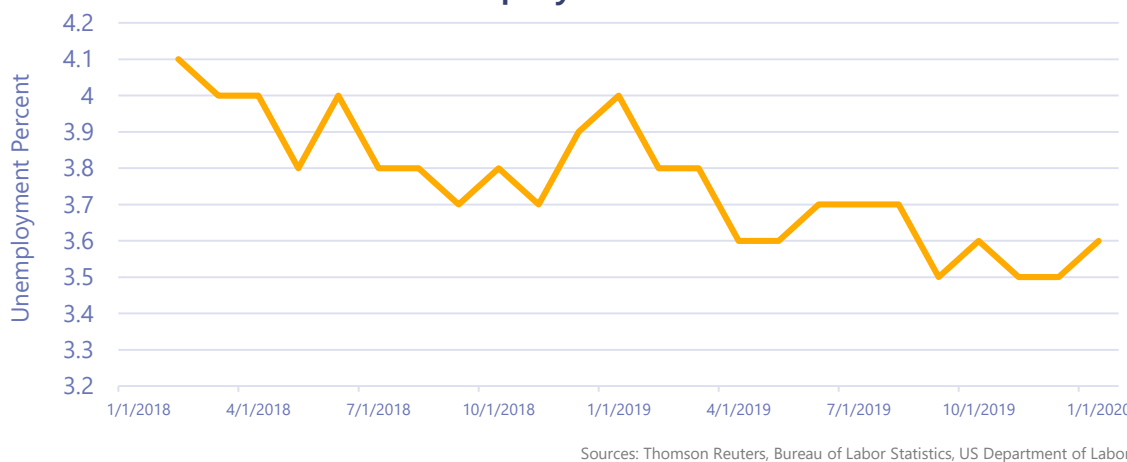
US Housing Starts/US Building Permits



US Consumer Confidence



Unemployment Rate



Rate History

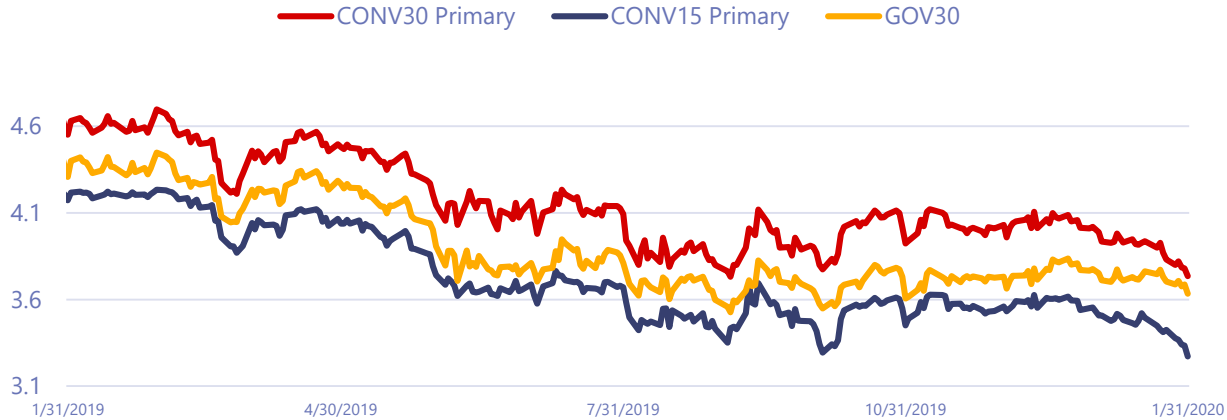


Summary

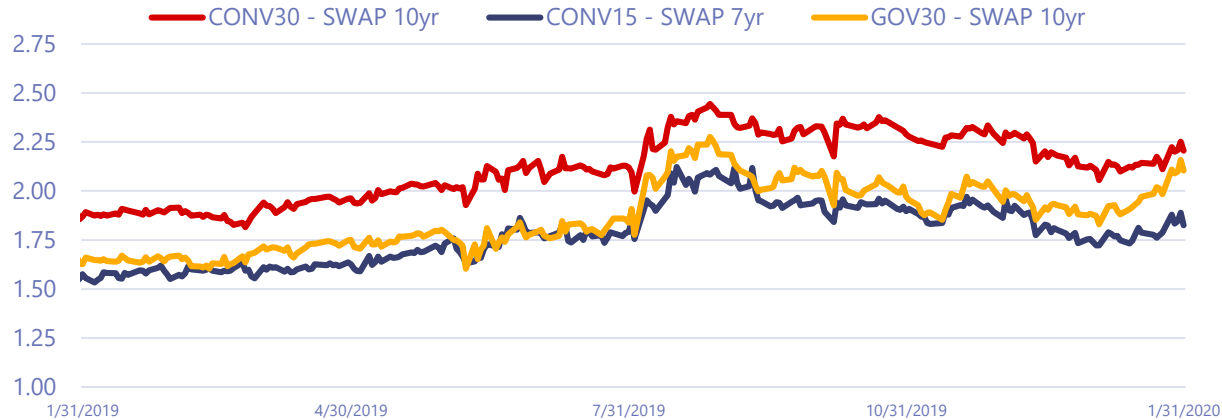
- Mortgage rates hit multi-year lows at the end of the month as markets cautiously surveyed the devastating, world-wide impact of Coronavirus. Conventional 30-year fixed product decreased by 28.60 bps and the 15-year product dropped 28.20 bps. The decrease in GNMA rates was not as severe, losing only 14.10 bps month-over-month
- The 10-year SWAP rate was down approximately 44 bps from December to January. As rates rapidly declined, volatilities went the other direction increasing at a similar pace

Rate History

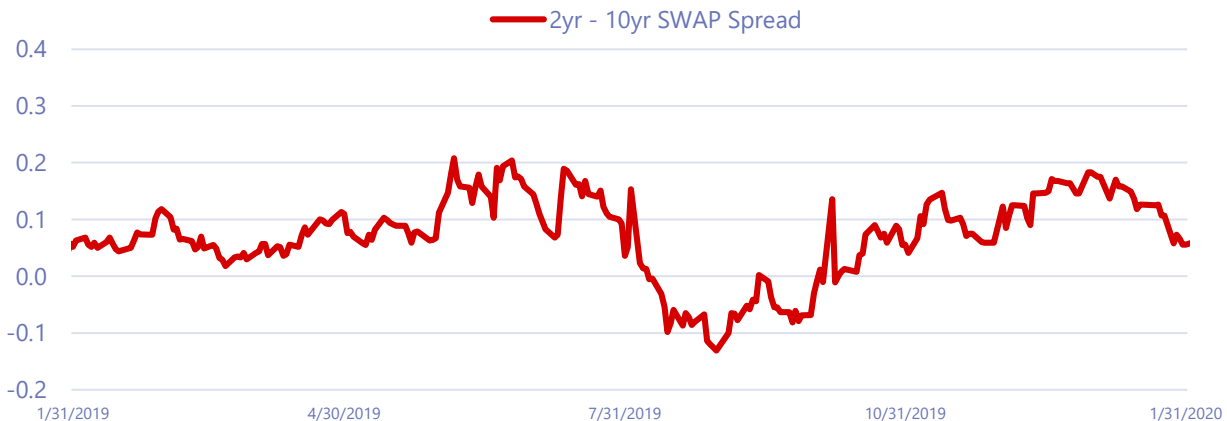
Mortgage Par Rates (%)



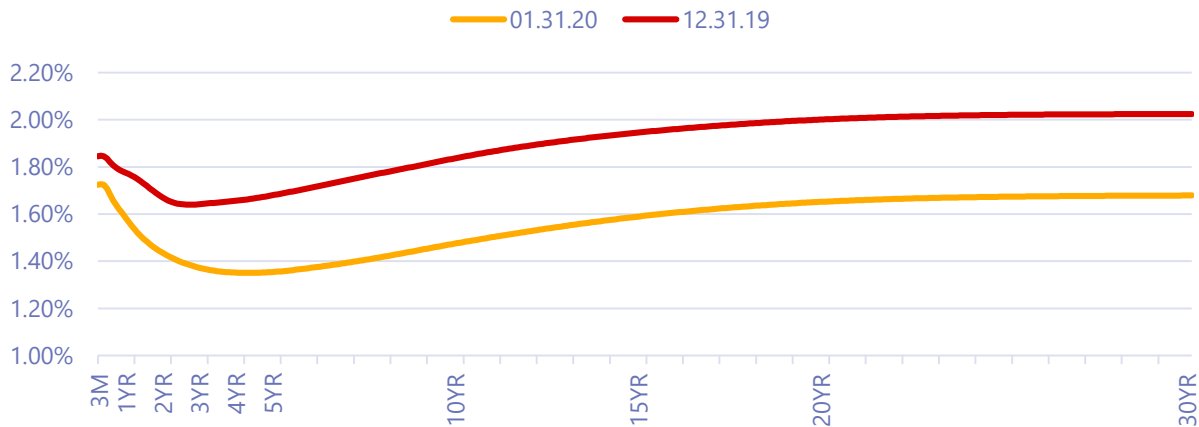
Mortgage Par Spread over SWAP Rates (%)



2yr and 10yr SWAP Spread



Yield Curve Comparison



Rate History (cont.)

Primary Rates as of 01/31/2020

Rate	1/31/2020	12/31/2019	10/31/2019	1/30/2019
CONV30	3.684	3.970	3.874	4.543
CONV15	3.222	3.504	3.400	4.153
GOV30	3.584	3.725	3.556	4.315
ARM 5/1	3.375	3.500	3.500	4.250

Secondary Rates as of 01/31/2020

Rate	1/31/2020	12/31/2019	10/31/2019	1/30/2019
FNMA 30	2.384	2.720	2.624	3.443
FNMA 15	2.022	2.304	2.200	3.003
GNMA II 30	2.234	2.425	2.256	3.265
GNMA II 15	2.022	2.304	2.238	3.009
ARM 5/1	3.330	3.490	3.850	4.010

Earnings Rates as of 01/31/2020

Rate	1/31/2020	12/31/2019	10/31/2019	1/31/2019
3 MO ED	1.724	1.846	1.872	2.695
6 MO ED	1.658	1.807	1.810	2.693
12 MO ED	1.552	1.764	1.698	2.689
2 YR SWAP	1.423	1.658	1.529	2.579
3 YR SWAP	1.367	1.644	1.479	2.518
5 YR SWAP	1.356	1.684	1.467	2.506
10 YR SWAP	1.479	1.841	1.585	2.631
15 YR SWAP	1.592	1.948	1.688	2.729
20 YR SWAP	1.653	2.002	1.743	2.763
30 YR SWAP	1.679	2.024	1.770	2.766

Source: Thomson Reuters and PHOENIX

Prepayment Speed Trends

Summary

- Total CPRs appeared slow to react to the decrease in rates and actually experienced a decrease of 14.03% month-over-month, as expected by seasonal trends
- All products saw a decrease in prepayment speeds month-over-month, with conventional fixed 30-year product experiencing the largest monthly decrease of 14.53% and conventional fixed 15-year product experiencing the smallest monthly decrease of 9.58%
- Prepayment speeds are still at least 50% above their levels compared to January 2019. The conventional 30-year par rate is down ~86 bps and the government 30-year par rate is down ~73 bps year-over-year

CPR Summary

SUMMARY TABLES - January 2020

Loan Characteristics						Prepayments	
Investor	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age	CPR	1mo CPR Change%
CONV Fixed 30	\$221,853	4.31	750	77	53	13.98%	-14.53%
CONV Fixed 15	\$175,268	3.61	757	66	55	11.88%	-9.58%
GNMA Fixed 30	\$189,084	4.09	694	94	52	16.26%	-14.42%
GNMA Fixed 15	\$142,467	3.65	710	83	61	13.10%	-10.62%

Vintage	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age	CPR	1mo CPR Change%
2005	\$138,255	5.38	693	77	149	10.73%	-9.48%
2006	\$144,466	5.42	685	78	132	9.69%	-11.83%
2007	\$152,904	5.32	681	80	121	9.76%	-8.01%
2008	\$148,081	5.30	684	82	118	10.02%	-14.71%
2009	\$165,546	4.91	726	79	119	12.78%	-13.94%
2010	\$173,590	4.65	737	79	110	13.28%	-13.83%
2011	\$172,761	4.41	742	77	99	12.99%	-11.01%
2012	\$201,186	3.77	749	80	89	10.46%	-15.45%
2013	\$190,921	3.80	742	79	79	10.57%	-15.28%
2014	\$182,354	4.25	733	80	64	14.03%	-15.52%
2015	\$211,938	3.94	736	79	54	13.16%	-16.95%
2016	\$232,444	3.70	736	78	41	11.70%	-18.27%
2017	\$226,926	4.12	732	80	30	16.23%	-15.85%
2018	\$223,990	4.70	730	81	19	26.72%	-13.93%
2019	\$261,848	4.09	735	82	7	14.04%	-4.66%

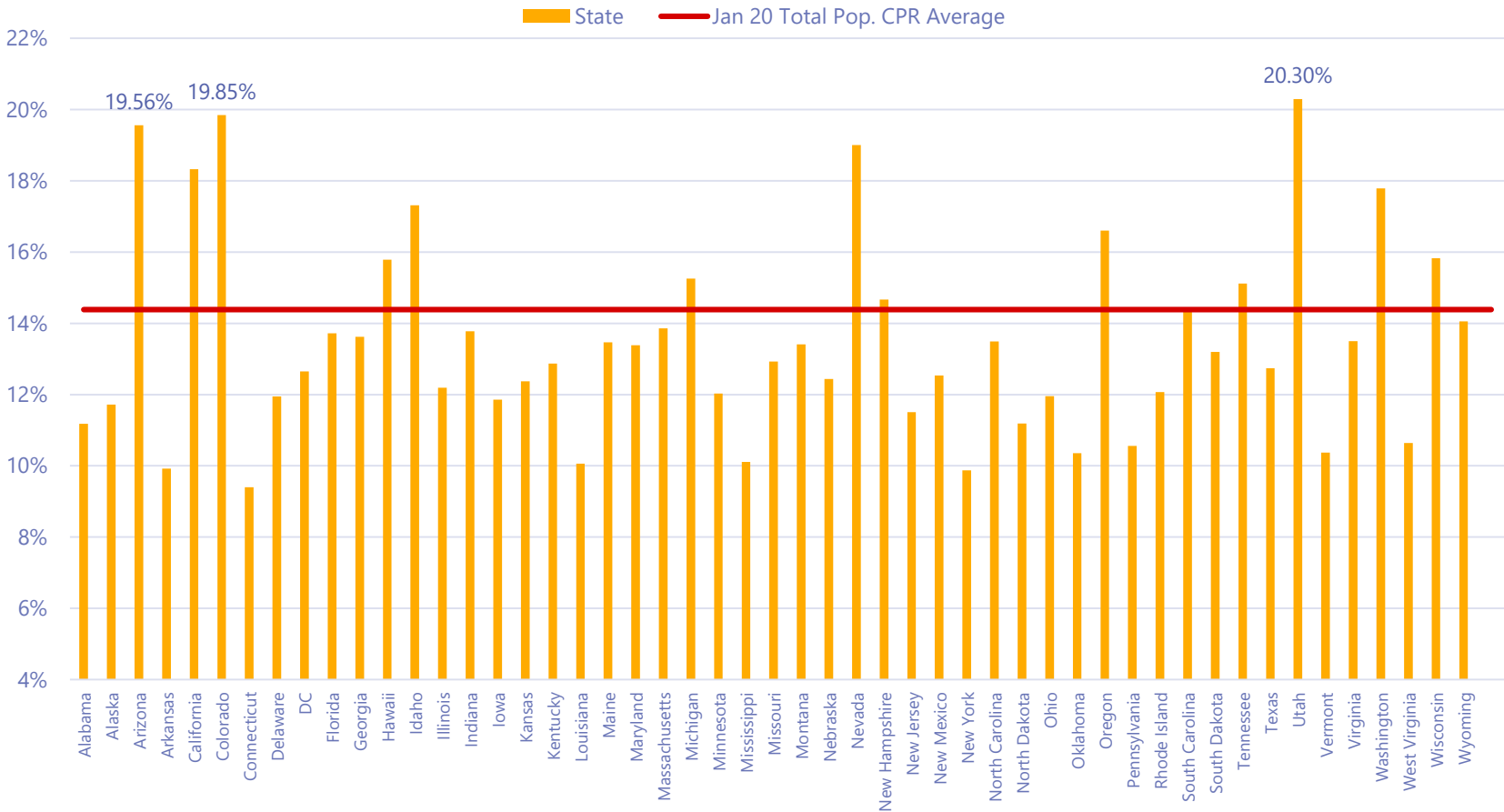
Tranche	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age	CPR	1mo CPR Change%
0.0000 - 4.4999	\$221,552	3.82	742	79	49	12.07%	-14.59%
4.5000 - 4.9999	\$196,109	4.67	727	81	49	20.20%	-12.92%
5.0000 - 5.4999	\$171,119	5.16	709	83	65	21.10%	-12.73%
5.5000 - 5.9999	\$145,180	5.66	698	81	98	18.32%	-10.66%
6.0000 - 6.4999	\$121,577	6.16	694	79	143	13.32%	-10.32%
6.5000 - 6.9999	\$105,972	6.65	687	79	162	10.72%	-11.42%
7.0000 - 7.4999	\$87,226	7.14	675	81	184	10.36%	-2.40%
7.5000 - 7.9999	\$77,682	7.63	659	82	202	9.54%	-5.94%
8.0000 - 8.4999	\$70,673	8.14	648	82	221	9.59%	-3.63%
8.5000 or more	\$64,409	8.88	638	82	227	10.28%	12.36%

GSE and GNMA fixed rate product only

Source: Black Knight McDash

Prepayment Speed Trends

Average CPR by State - January 2020



Analysis

- Utah continues to lead the country in prepayment speeds (20.30% CPR), while Connecticut brings in the rear with the slowest prepayment speeds (9.40% CPR) over the month of January
- Regional prepayment speeds continue across the nation’s regions—western states (AZ, CO, ID, MT, NM, NV, UT, WY) lead the country in prepayment speeds, while Southern states (TX, OK, AR, LA) experienced the slowest regional prepayment speeds
- All 50 states experienced decreases in prepayment speeds over January, with Rhode Island experiencing the largest month-over-month decrease of 23.96%

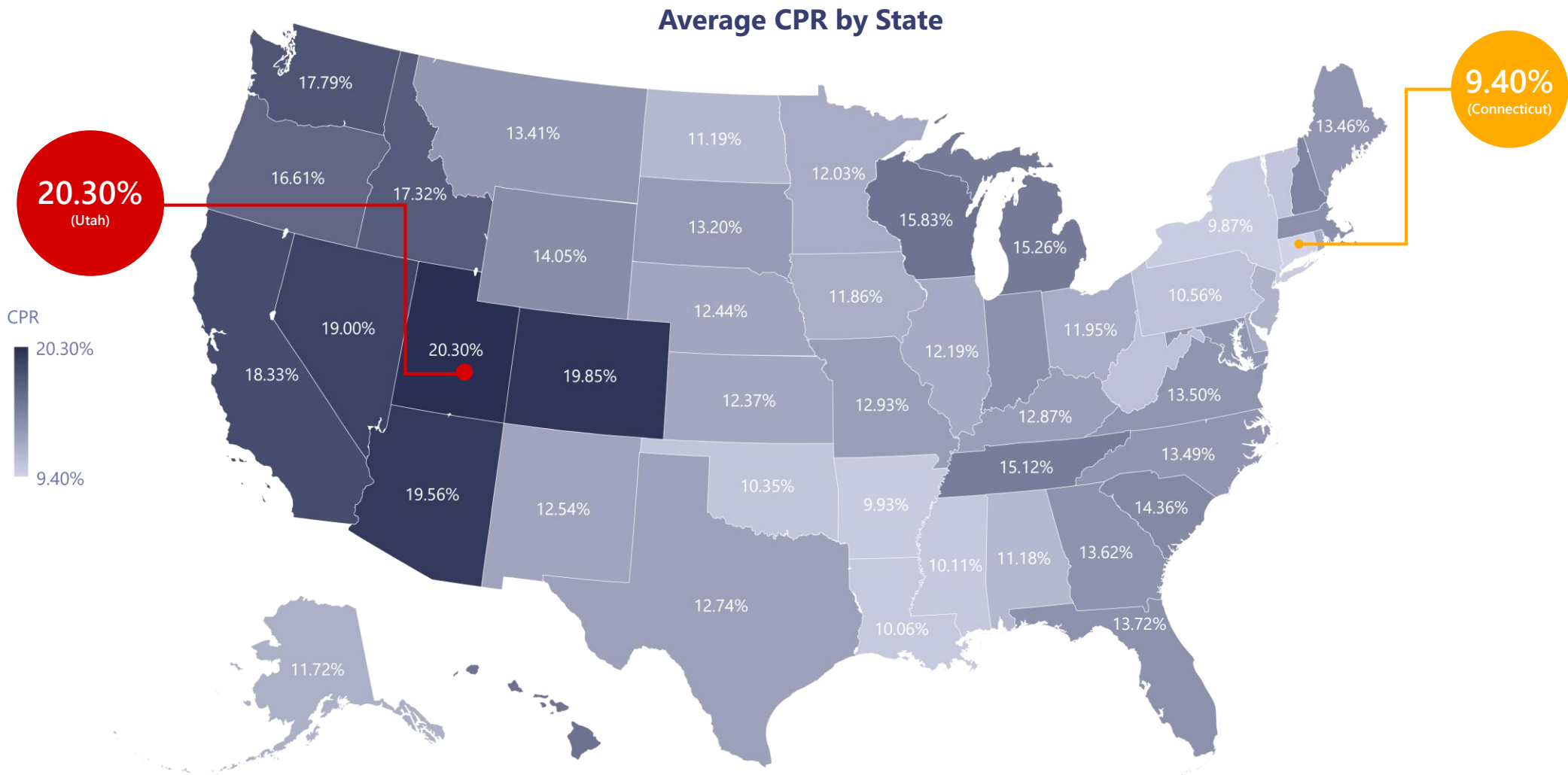
GSE and GNMA fixed rate product only



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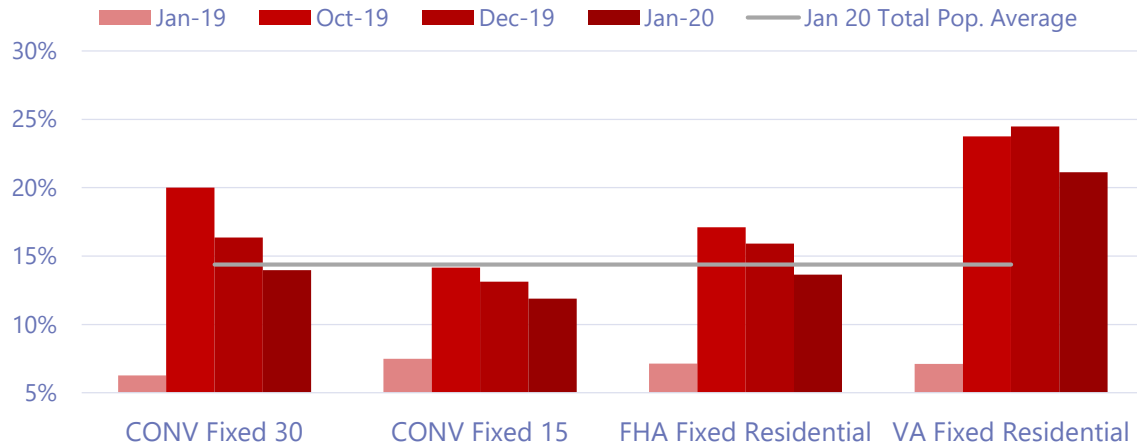
Source: Black Knight McDash

Prepayment Speed Trends (cont.)

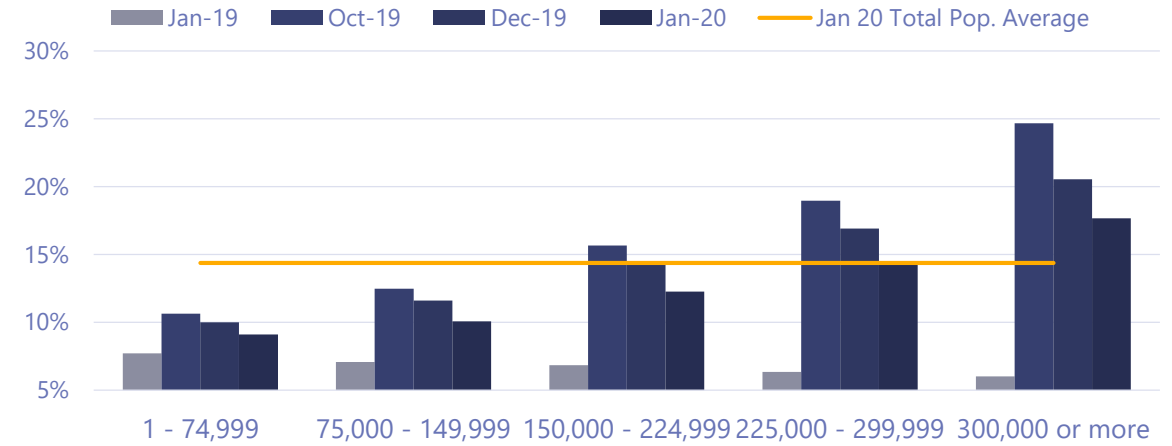


Prepayment Speed Trends (cont.)

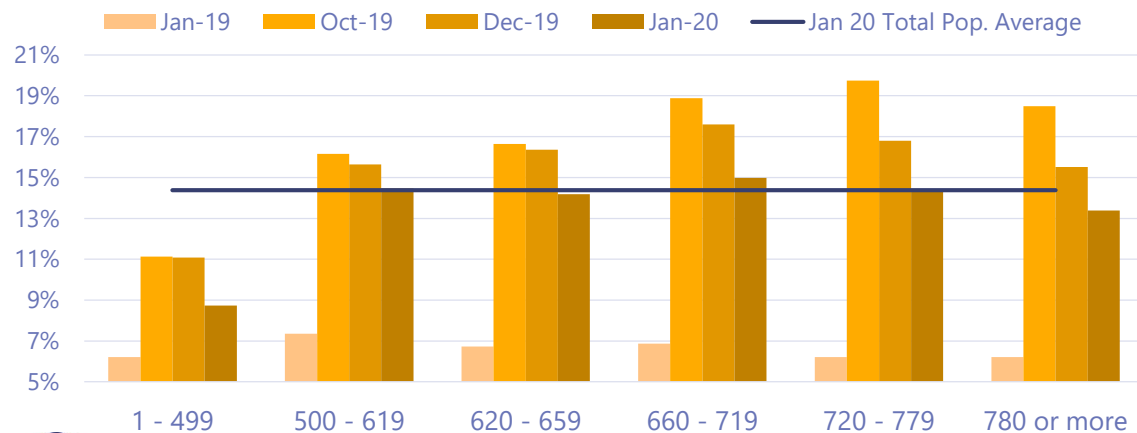
CPR by Fixed-Rate Product - January 2020



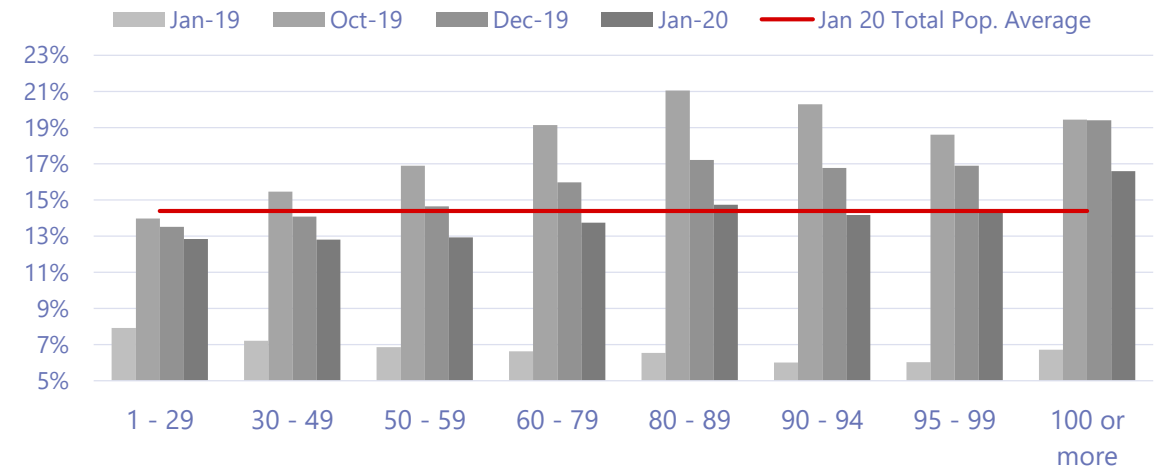
CPR by Original Loan Balance - January 2020



CPR by Original FICO - January 2020



CPR by Original LTV - January 2020



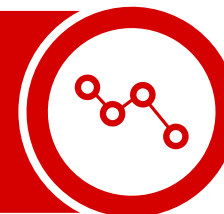
Delinquency Trends

Summary

- The national delinquency and foreclosure rate decreased by 3.78% over last month's level
- Conventional 30-year loans' delinquency and foreclosure rates decreased 12 bps since December 2019, while Conventional 15-year loans' delinquency and foreclosure rates dropped 7 bps
- Over the month, delinquency rates for FHA and VA fixed-rate loans dropped 10 and 12 bps, respectively

Total delinquencies down

3.78%



Delinquency Summary

SUMMARY TABLES - January 2020

Loan Characteristics

Investor	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
CONV Fixed 30	\$221,853	4.31	750	77	53
CONV Fixed 15	\$175,268	3.61	757	66	55
GNMA Fixed 30	\$189,084	4.09	694	94	52
GNMA Fixed 15	\$142,467	3.65	710	83	61

Delinquencies

30d DQ	60d DQ	+90d DQ	Total FC	Total DQ & FC	1mo DQ & FC Change%
1.03%	0.28%	0.37%	0.21%	1.90%	-6.08%
0.43%	0.08%	0.10%	0.04%	0.65%	-9.29%
3.88%	1.13%	0.88%	0.46%	6.35%	-2.20%
1.29%	0.31%	0.23%	0.11%	1.93%	-5.95%

Vintage	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
2005	\$138,255	5.38	693	77	149
2006	\$144,466	5.42	685	78	132
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2011	\$172,761	4.41	742	77	99
2012	\$201,186	3.77	749	80	89
2013	\$190,921	3.80	742	79	79
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2016	\$232,444	3.70	736	78	41
2017	\$226,926	4.12	732	80	30
2018	\$223,990	4.70	730	81	19
2019	\$261,848	4.09	735	82	7

30d DQ	60d DQ	+90d DQ	Total FC	Total DQ & FC	1mo DQ & FC Change%
5.09%	1.64%	1.75%	1.42%	9.89%	-1.95%
6.21%	2.13%	2.47%	2.15%	12.95%	-2.45%
6.54%	2.35%	2.82%	2.46%	14.17%	-2.85%
6.37%	2.04%	1.93%	1.71%	12.04%	-4.48%
3.10%	0.87%	0.70%	0.47%	5.14%	-4.71%
2.14%	0.59%	0.48%	0.27%	3.48%	-3.62%
1.76%	0.48%	0.41%	0.20%	2.85%	-3.81%
1.08%	0.28%	0.24%	0.12%	1.72%	-4.30%
1.30%	0.33%	0.32%	0.17%	2.12%	-4.67%
2.03%	0.58%	0.58%	0.28%	3.46%	-2.73%
1.78%	0.52%	0.54%	0.24%	3.07%	-2.01%
1.59%	0.44%	0.49%	0.24%	2.75%	-2.65%
1.86%	0.52%	0.55%	0.25%	3.19%	-1.58%
1.95%	0.59%	0.58%	0.24%	3.34%	0.54%
0.91%	0.19%	0.11%	0.03%	1.25%	-2.96%

Tranche	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
0.0000 - 4.4999	\$221,552	3.82	742	79	49
4.5000 - 4.9999	\$196,109	4.67	727	81	49
5.0000 - 5.4999	\$171,119	5.16	709	83	65
5.5000 - 5.9999	\$145,180	5.66	698	81	98
6.0000 - 6.4999	\$121,577	6.16	694	79	143
6.5000 - 6.9999	\$105,972	6.65	687	79	162
7.0000 - 7.4999	\$87,226	7.14	675	81	184
7.5000 - 7.9999	\$77,682	7.63	659	82	202
8.0000 - 8.4999	\$70,673	8.14	648	82	221
8.5000 or more	\$64,409	8.88	638	82	227

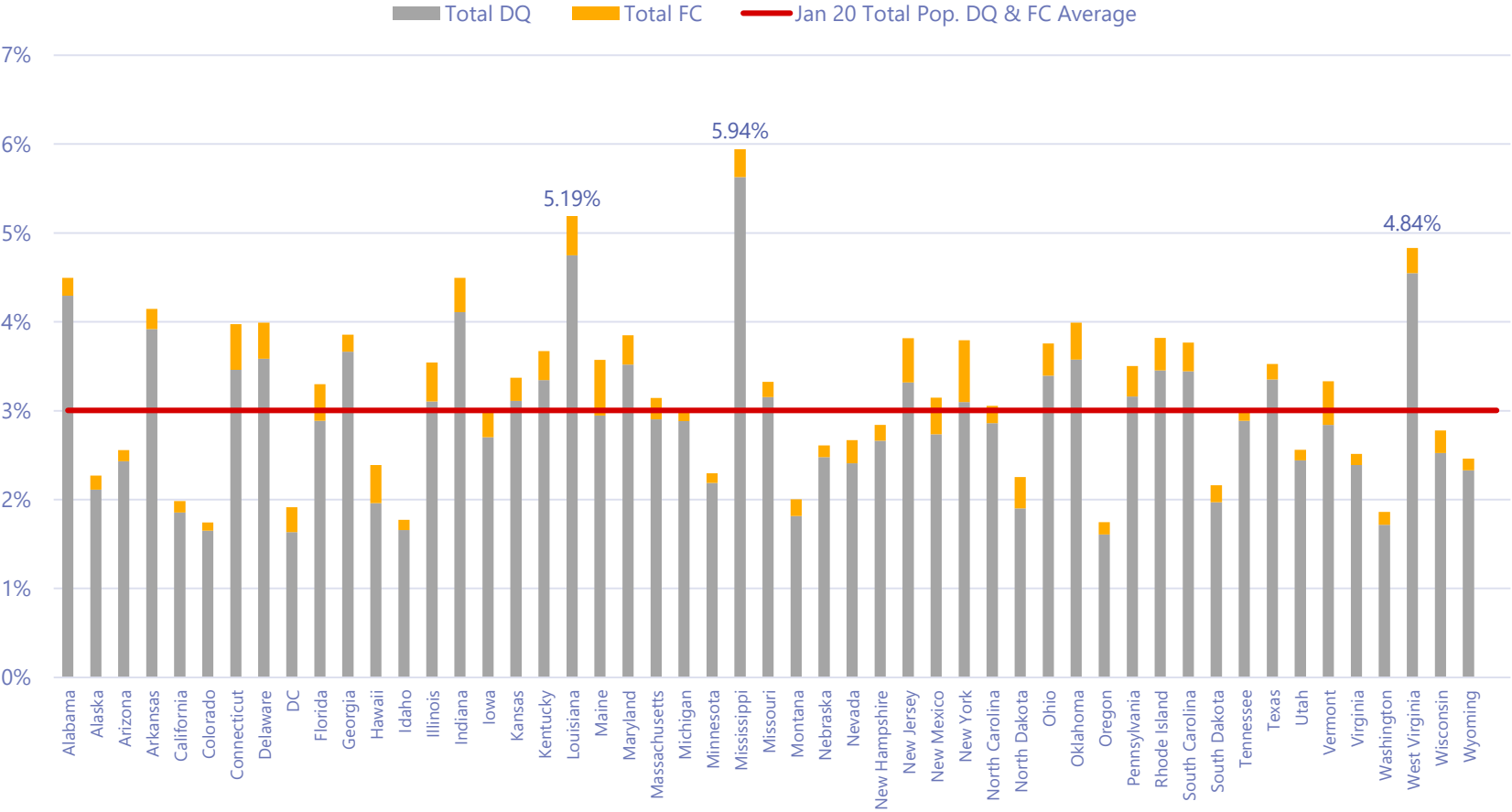
30d DQ	60d DQ	+90d DQ	Total FC	Total DQ & FC	1mo DQ & FC Change%
1.36%	0.37%	0.37%	0.20%	2.30%	-5.03%
2.17%	0.62%	0.60%	0.28%	3.67%	-1.42%
3.18%	0.94%	0.87%	0.43%	5.42%	-0.50%
3.86%	1.14%	1.00%	0.59%	6.58%	-0.53%
4.39%	1.24%	1.17%	0.97%	7.77%	-2.28%
4.99%	1.38%	1.31%	1.37%	9.06%	-3.87%
5.61%	1.68%	1.62%	1.90%	10.80%	-3.16%
5.78%	1.71%	1.96%	2.05%	11.51%	-3.65%
6.40%	1.70%	2.09%	2.17%	12.37%	-3.02%
6.53%	2.17%	2.38%	2.54%	13.62%	-5.55%

GSE and GNMA fixed rate product only

Source: Black Knight McDash

Delinquency Trends

Average Delinquency and Foreclosure by State - January 2020



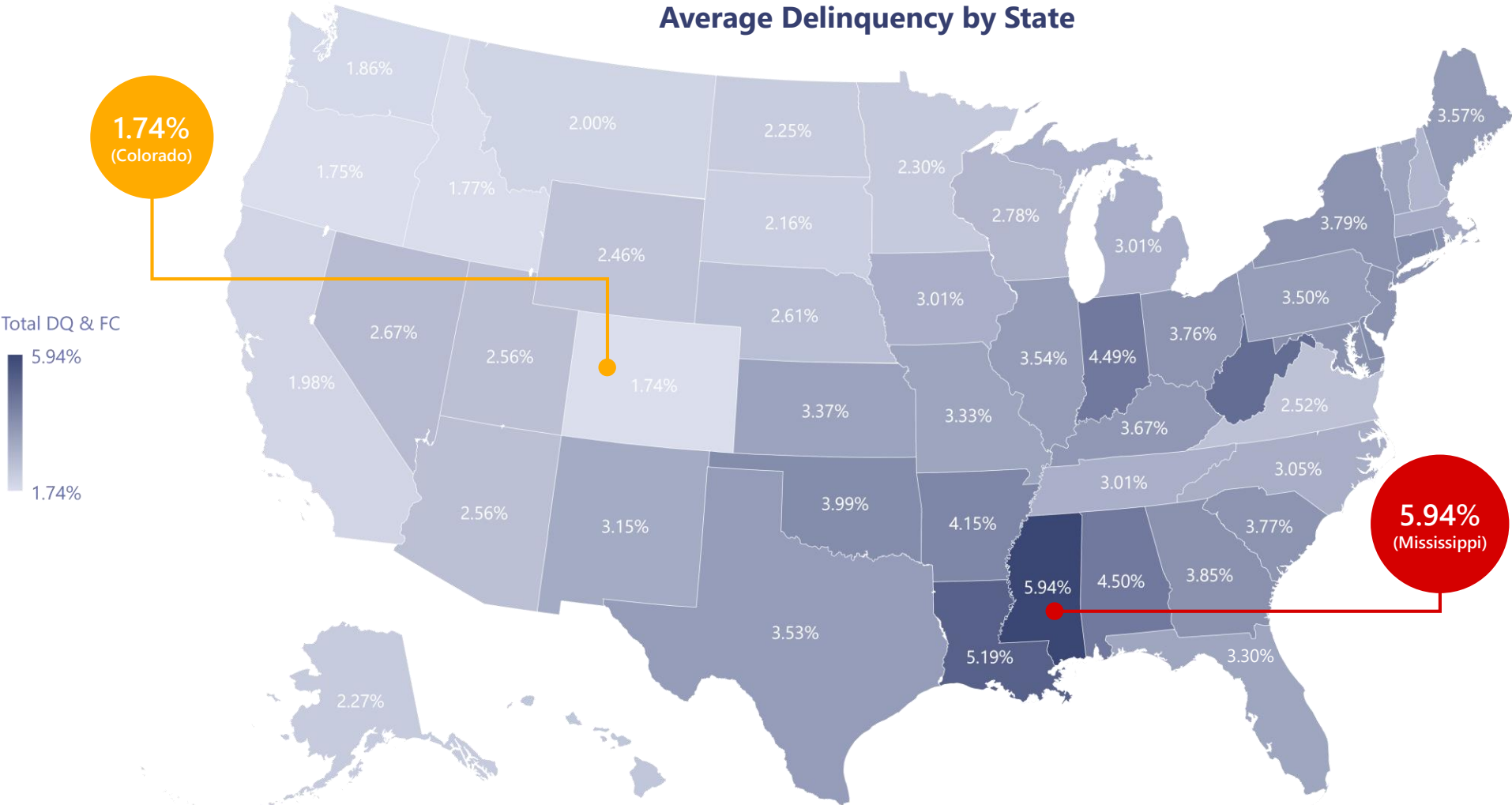
GSE and GNMA fixed rate product only

Source: Black Knight McDash

Analysis

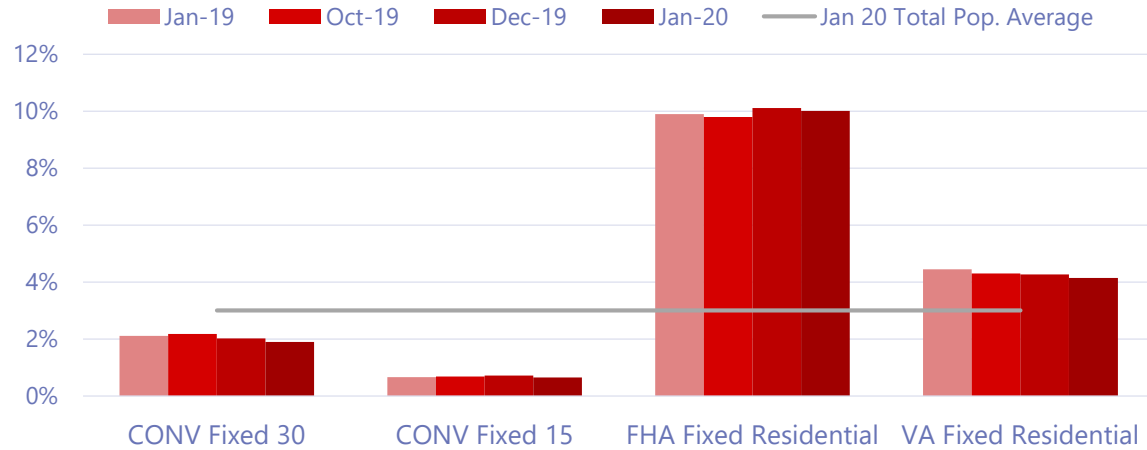
- Colorado is the best-performing state, with delinquency and foreclosure rates at 1.74%
- Delinquency and foreclosure rates in last month's best-performing state, Oregon, followed the nation's downward trend and moved from 1.84% to 1.75%
- With 5.94% delinquency and foreclosure rates, Mississippi is the nation's most-delinquent state. This level is a small decrease from last month's result of 6.04%

Delinquency Trends (cont.)

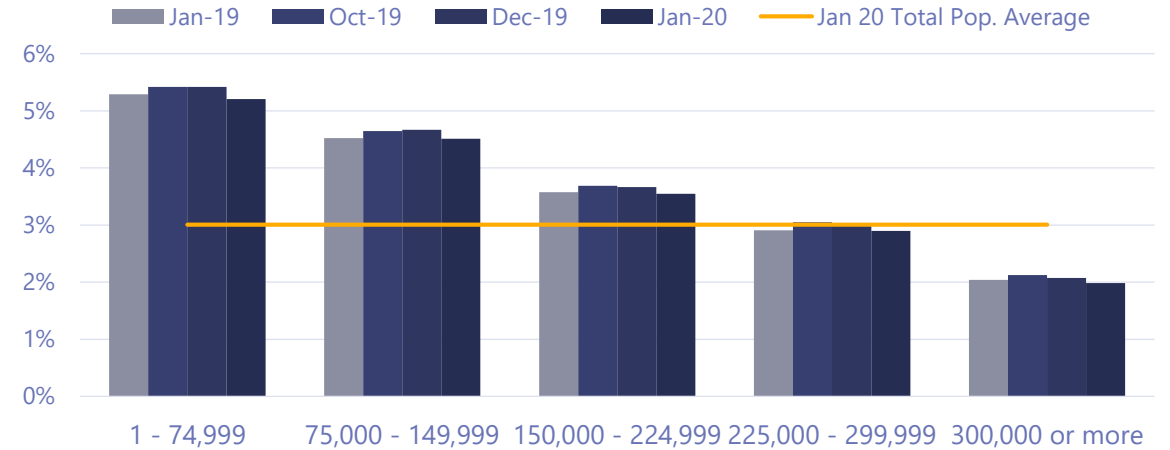


Delinquency Trends (cont.)

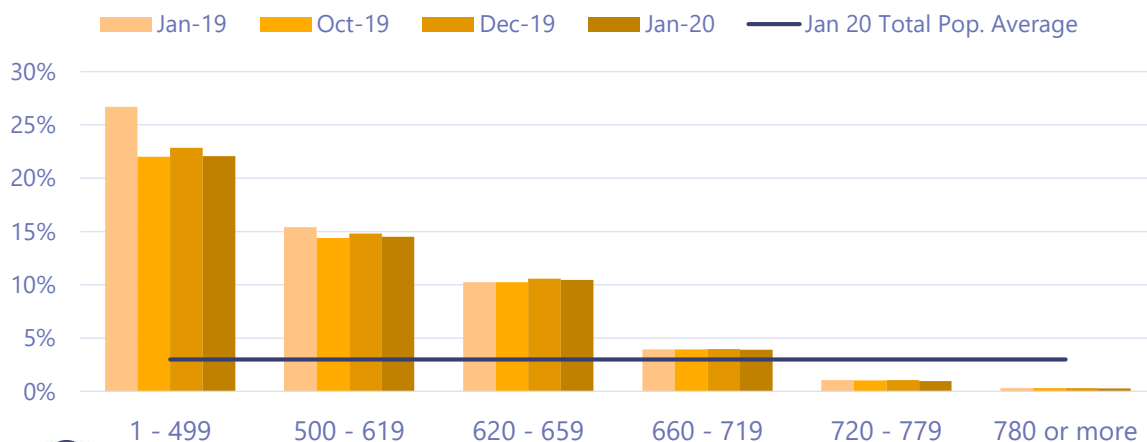
Delinquency and Foreclosure by Fixed-Rate Product - January 2020



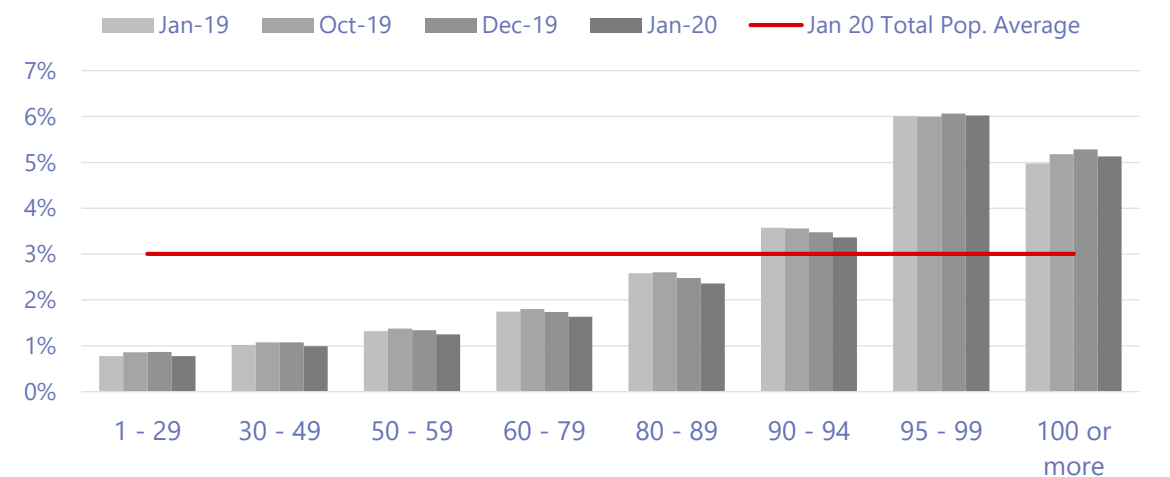
Delinquency and Foreclosure by Original Loan Balance - January 2020



Delinquency and Foreclosure by Original FICO - January 2020



Delinquency and Foreclosure by Original LTV - January 2020



Tables



State Summary

Prepayment and Delinquency

SUMMARY TABLES - January 2020

Loan Characteristics						Prepayments			Delinquencies						
State	WAvg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age	CPR	1mo CPR Change%	CPR Factor	30d DQ	60d DQ	+90d DQ	Total FC	Total DQ & FC	1mo DQ & FC Change%	DQ Factor
National	\$203,489	4.17	735	80	54	14.38%	-14.03%	100.00%	1.76%	0.50%	0.48%	0.26%	3.01%	-3.78%	100.00%
Alabama	\$157,045	4.21	725	85	59	11.18%	-15.92%	77.73%	2.64%	0.79%	0.87%	0.20%	4.50%	-4.30%	149.62%
Alaska	\$249,695	3.97	732	85	58	11.72%	-11.95%	81.49%	1.40%	0.39%	0.32%	0.16%	2.27%	0.93%	75.54%
Arizona	\$190,513	4.24	734	83	46	19.56%	-14.79%	136.02%	1.63%	0.43%	0.37%	0.13%	2.56%	-2.63%	85.12%
Arkansas	\$140,517	4.16	727	84	60	9.93%	-21.33%	69.02%	2.45%	0.72%	0.75%	0.23%	4.15%	-4.32%	137.97%
California	\$290,422	4.10	743	72	50	18.33%	-12.61%	127.44%	1.24%	0.32%	0.29%	0.13%	1.98%	-2.46%	65.96%
Colorado	\$243,835	4.08	744	77	45	19.85%	-17.78%	138.01%	1.08%	0.29%	0.28%	0.09%	1.74%	-5.58%	57.97%
Connecticut	\$216,240	4.19	735	80	63	9.40%	-12.50%	65.34%	2.18%	0.63%	0.65%	0.52%	3.97%	-5.38%	132.25%
Delaware	\$204,380	4.21	732	82	59	11.95%	-9.48%	83.08%	2.31%	0.66%	0.62%	0.41%	3.99%	-3.04%	132.81%
DC	\$326,376	4.10	751	72	54	12.65%	-16.38%	87.96%	1.06%	0.25%	0.32%	0.28%	1.91%	-5.34%	63.66%
Florida	\$185,121	4.30	728	83	50	13.72%	-14.47%	95.38%	1.82%	0.53%	0.53%	0.42%	3.30%	-3.62%	109.82%
Georgia	\$176,107	4.21	726	84	56	13.62%	-13.17%	94.72%	2.32%	0.70%	0.64%	0.19%	3.85%	-3.04%	128.25%
Hawaii	\$361,359	4.05	746	75	56	15.79%	-17.11%	109.79%	1.22%	0.34%	0.41%	0.43%	2.39%	-4.44%	79.53%
Idaho	\$184,625	4.16	740	80	49	17.32%	-19.83%	120.39%	1.16%	0.27%	0.23%	0.11%	1.77%	-5.85%	58.94%
Illinois	\$182,419	4.17	735	82	57	12.19%	-18.34%	84.76%	1.94%	0.58%	0.59%	0.44%	3.54%	-2.45%	117.84%
Indiana	\$135,978	4.28	719	85	56	13.78%	-13.00%	95.82%	2.63%	0.77%	0.70%	0.38%	4.49%	-3.79%	149.55%
Iowa	\$147,103	4.04	739	83	55	11.86%	-19.04%	82.47%	1.75%	0.52%	0.43%	0.30%	3.01%	-1.02%	100.00%
Kansas	\$150,848	4.15	732	84	55	12.37%	-21.61%	86.02%	2.03%	0.56%	0.52%	0.26%	3.37%	-2.54%	112.15%
Kentucky	\$148,203	4.18	727	83	55	12.87%	-16.36%	89.51%	2.15%	0.62%	0.58%	0.33%	3.67%	-4.23%	122.16%
Louisiana	\$168,427	4.23	720	83	57	10.06%	-10.26%	69.94%	2.98%	0.89%	0.89%	0.44%	5.19%	-4.47%	172.75%
Maine	\$181,668	4.18	731	81	55	13.46%	-18.07%	93.62%	2.02%	0.48%	0.45%	0.63%	3.57%	-5.23%	118.87%
Maryland	\$248,754	4.11	731	82	58	13.38%	-6.79%	93.05%	2.24%	0.64%	0.64%	0.33%	3.85%	-2.75%	128.12%
Massachusetts	\$262,042	4.07	739	76	53	13.86%	-18.99%	96.34%	1.89%	0.49%	0.52%	0.24%	3.15%	-6.90%	104.66%
Michigan	\$146,609	4.24	733	83	57	15.26%	-10.51%	106.10%	1.90%	0.51%	0.48%	0.13%	3.01%	-4.90%	100.10%
Minnesota	\$193,397	4.09	744	83	54	12.03%	-21.78%	83.62%	1.45%	0.38%	0.36%	0.11%	2.30%	-0.35%	76.47%
Mississippi	\$149,658	4.23	716	85	58	10.11%	-13.89%	70.29%	3.51%	1.03%	1.09%	0.31%	5.94%	-1.56%	197.70%
Missouri	\$149,880	4.16	732	83	54	12.93%	-19.76%	89.90%	2.07%	0.56%	0.52%	0.17%	3.33%	-1.97%	110.68%
Montana	\$192,583	4.08	744	79	52	13.41%	-12.83%	93.23%	1.19%	0.31%	0.32%	0.19%	2.00%	-4.26%	66.62%
Nebraska	\$150,363	4.03	740	83	52	12.44%	-15.37%	86.48%	1.63%	0.44%	0.41%	0.13%	2.61%	2.88%	86.82%
Nevada	\$207,421	4.30	730	84	45	19.00%	-12.06%	132.14%	1.51%	0.44%	0.47%	0.26%	2.67%	-2.02%	88.85%
New Hampshire	\$210,370	4.14	736	81	55	14.67%	-14.67%	101.98%	1.77%	0.46%	0.43%	0.18%	2.84%	-4.67%	94.51%
New Jersey	\$244,064	4.17	736	78	59	11.51%	-13.67%	80.02%	2.02%	0.62%	0.68%	0.50%	3.82%	-4.10%	126.99%
New Mexico	\$166,989	4.28	731	82	64	12.54%	-10.86%	87.19%	1.83%	0.50%	0.40%	0.41%	3.15%	-5.81%	104.73%
New York	\$235,945	4.27	737	74	65	9.87%	-7.83%	68.63%	1.94%	0.55%	0.61%	0.70%	3.79%	-4.98%	126.22%
North Carolina	\$176,953	4.16	734	82	54	13.49%	-15.08%	93.78%	1.83%	0.54%	0.50%	0.19%	3.05%	-2.71%	101.63%
North Dakota	\$185,723	3.93	743	82	50	11.19%	-18.19%	77.80%	1.23%	0.28%	0.39%	0.35%	2.25%	4.31%	74.94%
Ohio	\$138,806	4.26	725	85	58	11.95%	-15.92%	83.12%	2.19%	0.60%	0.60%	0.36%	3.76%	-3.77%	124.99%
Oklahoma	\$145,905	4.26	724	85	58	10.35%	-8.24%	71.99%	2.37%	0.64%	0.56%	0.41%	3.99%	-1.63%	132.78%
Oregon	\$222,028	4.18	744	78	51	16.61%	-17.00%	115.46%	1.05%	0.27%	0.28%	0.14%	1.75%	-4.48%	58.14%
Pennsylvania	\$172,244	4.17	735	81	60	10.56%	-13.89%	73.44%	2.03%	0.58%	0.55%	0.34%	3.50%	-6.36%	116.61%
Rhode Island	\$206,623	4.18	733	82	57	12.07%	-23.96%	83.91%	2.20%	0.62%	0.64%	0.36%	3.82%	-3.59%	127.05%
South Carolina	\$172,153	4.21	728	83	53	14.36%	-9.37%	99.85%	2.20%	0.64%	0.60%	0.33%	3.77%	-4.15%	125.39%
South Dakota	\$169,156	3.95	744	82	50	13.20%	-21.82%	91.77%	1.25%	0.36%	0.36%	0.19%	2.16%	-6.97%	71.95%
Tennessee	\$171,808	4.16	730	82	52	15.12%	-7.09%	105.13%	1.84%	0.52%	0.52%	0.12%	3.01%	-6.30%	100.00%
Texas	\$181,669	4.24	726	83	51	12.74%	-8.74%	88.58%	2.18%	0.63%	0.54%	0.18%	3.53%	-3.02%	117.37%
Utah	\$226,347	4.13	736	82	43	20.30%	-18.64%	141.13%	1.56%	0.45%	0.43%	0.12%	2.56%	-3.07%	85.16%
Vermont	\$184,196	4.19	740	78	59	10.37%	-16.70%	72.11%	1.92%	0.48%	0.44%	0.49%	3.33%	-0.36%	110.82%
Virginia	\$243,586	4.06	737	82	55	13.50%	-14.40%	93.88%	1.52%	0.44%	0.42%	0.13%	2.52%	-3.82%	83.69%
Washington	\$246,937	4.15	739	79	48	17.79%	-15.42%	123.68%	1.15%	0.27%	0.29%	0.15%	1.86%	-2.00%	62.00%
West Virginia	\$147,246	4.25	718	85	61	10.64%	-9.24%	74.00%	3.07%	0.84%	0.63%	0.29%	4.83%	-4.35%	160.80%
Wisconsin	\$163,740	4.14	736	82	56	15.83%	-3.26%	110.04%	1.63%	0.46%	0.44%	0.25%	2.78%	-4.34%	92.45%
Wyoming	\$198,786	4.06	735	82	52	14.05%	-14.54%	97.72%	1.62%	0.38%	0.33%	0.13%	2.46%	0.90%	81.93%

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