

Market Snapshot





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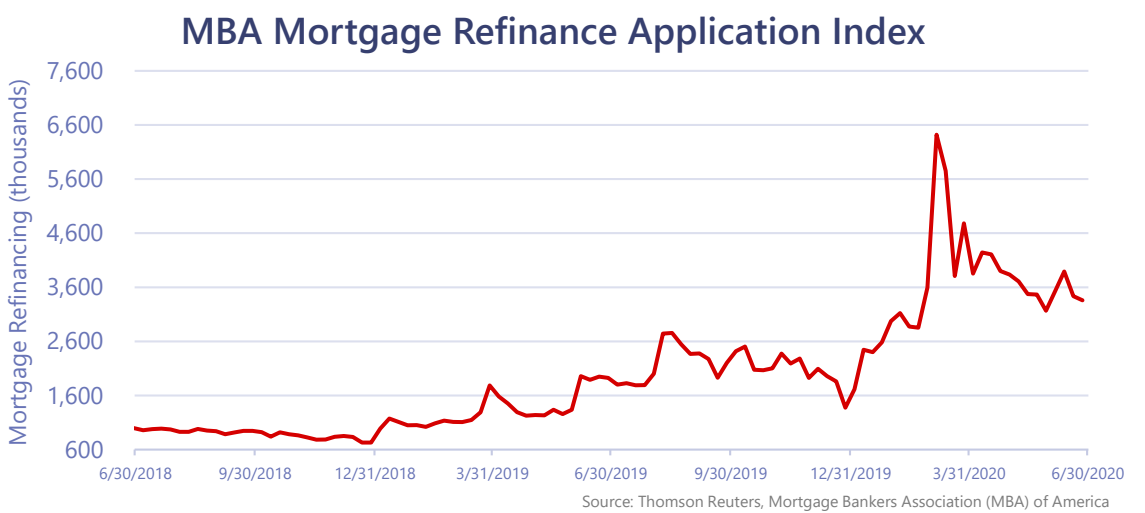
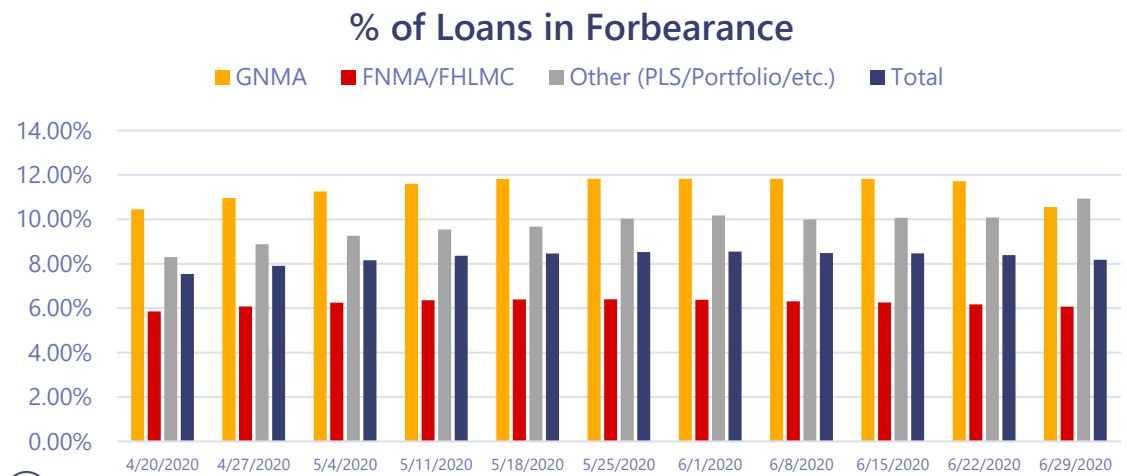
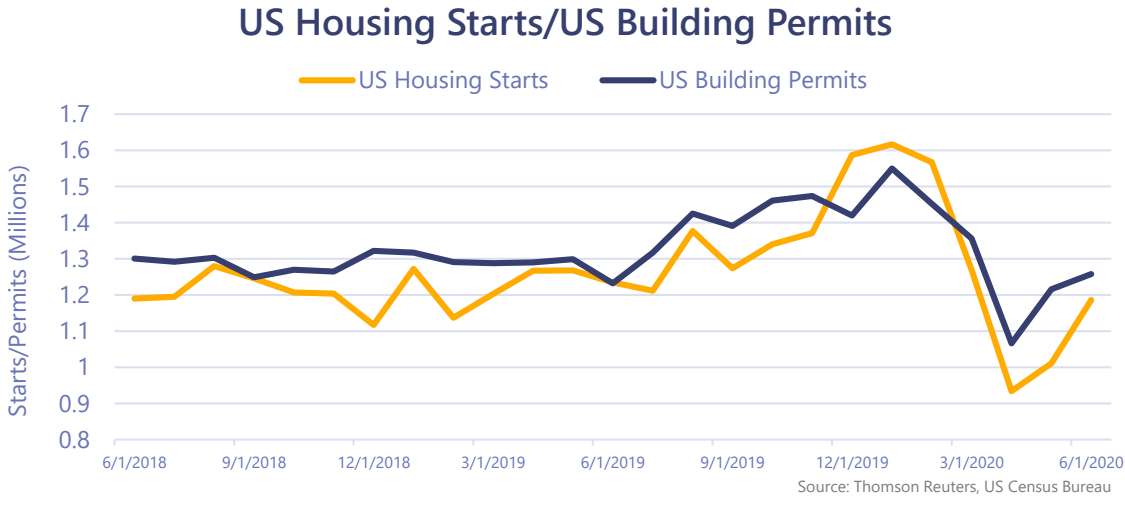
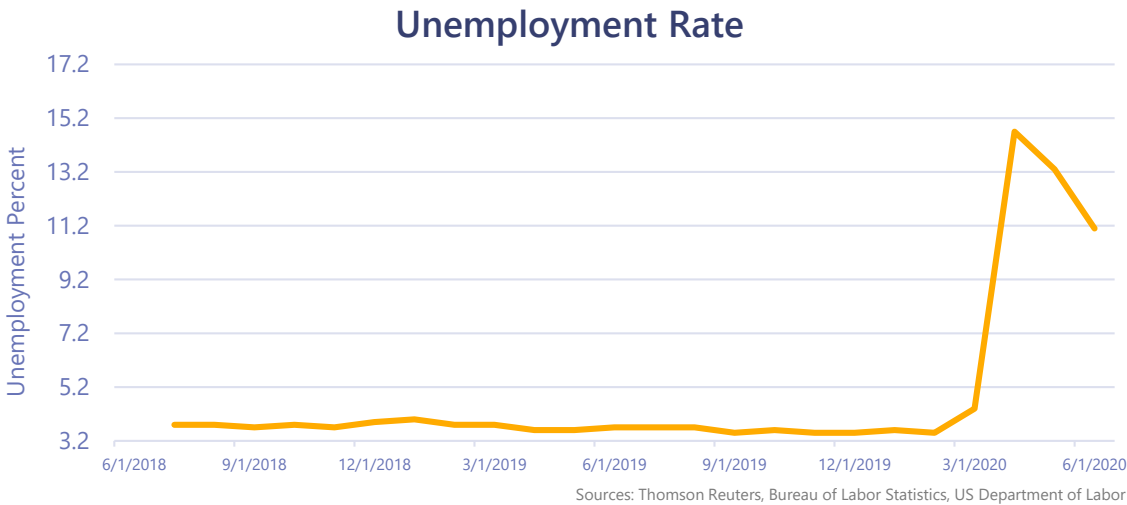
Delinquency Trends

Macro- Economic Indicators

Summary

- The US job market continued to rebound slightly in June. This was reflected by a drop to 11.10% in the US unemployment rate, down 2.20% from May's figure of 13.30%
- The total number of loans in forbearance as a percentage of servicer's portfolio volume, tracked by the MBA's Forbearance and Call Volume Survey, decreased slightly from 8.55% to 8.39% over the course of June
- The domestic residential construction market showed an uptick in activity in June, continuing May's slight increase. Housing starts for June came in at 1,186,000; 14.80% higher than May's number
- The MBA Mortgage Refinance Application Index's weekly readings increased considerably during the first half of June, before pulling back to 3,359 at month-end, representing a 5.71% increase for the month of June

Macro-Economic Indicators



Rate History

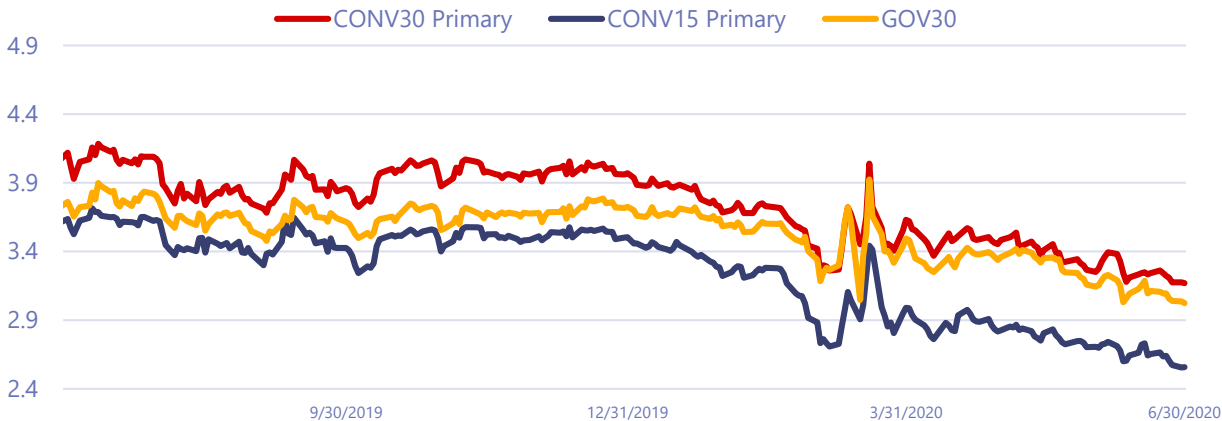


Summary

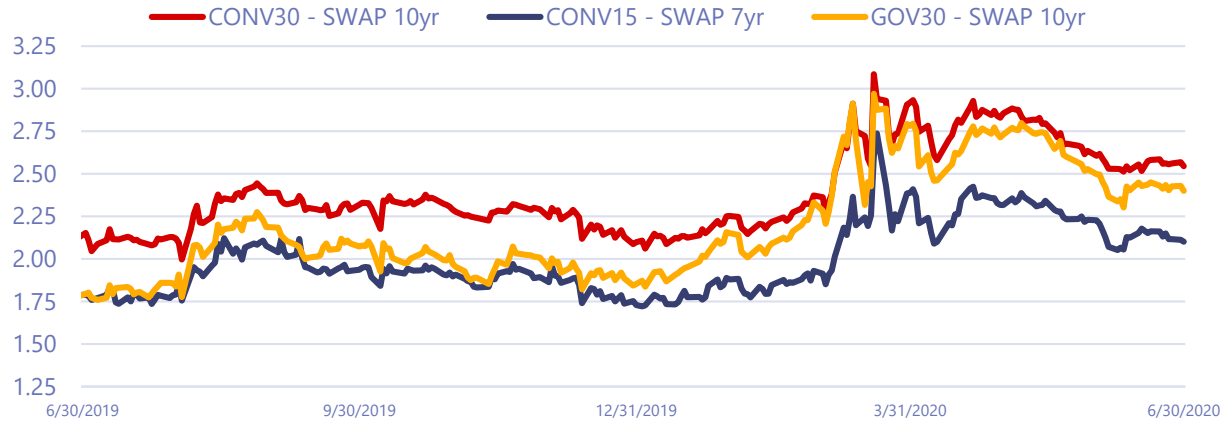
- PHOENIX primary mortgage rates were down again month over month. The fixed 30-yr conventional rate decreased 9.70 bps, government 30-yr decreased 13.50 bps and 15-yr rates decreased 14.60 bps
- SWAP rates decreased anywhere from 30% - 50% compared to Q1 2020
- The 1-month LIBOR continued to fall decreasing by just over 2 bps in May closing the month at .1623%

Rate History

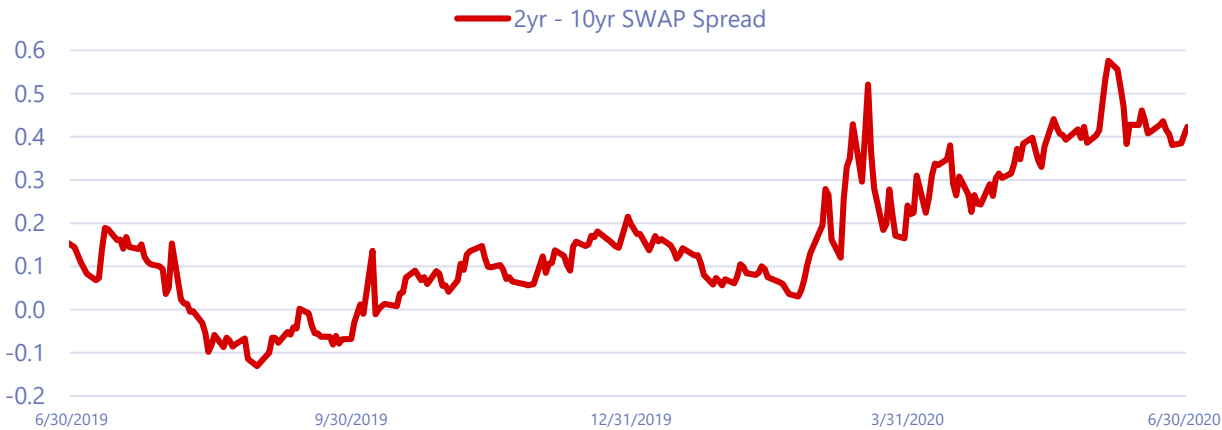
Mortgage Par Rates (%)



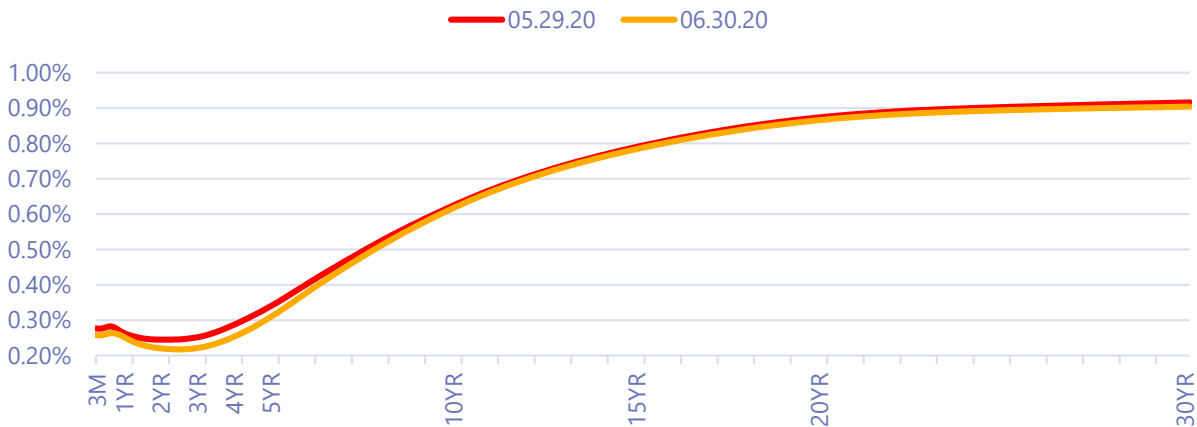
Mortgage Par Spread over SWAP Rates (%)



2yr and 10yr SWAP Spread



Yield Curve Comparison



Rate History (cont.)

Primary Rates as of 06/30/2020

Rate	6/30/2020	5/29/2020	3/31/2020	6/28/2019
CONV30	3.169	3.266	3.631	4.057
CONV15	2.557	2.703	2.990	3.606
GOV30	3.024	3.159	3.494	3.716
ARM 5/1	2.875	2.875	2.875	3.750

Secondary Rates as of 06/30/2020

Rate	6/30/2020	5/29/2020	3/31/2020	6/28/2019
FNMA 30	1.569	1.566	1.581	2.757
FNMA 15	1.057	1.303	1.390	2.306
GNMA II 30	1.124	1.559	1.444	2.416
GNMA II 15	1.264	1.307	1.396	2.306
ARM 5/1	3.120	3.250	3.360	3.850

Earnings Rates as of 06/30/2020

Rate	6/30/2020	5/29/2020	3/31/2020	6/28/2019
3 MO ED	0.258	0.277	1.159	2.344
6 MO ED	0.264	0.283	0.819	2.190
12 MO ED	0.244	0.258	0.624	2.019
2 YR SWAP	0.219	0.245	0.472	1.782
3 YR SWAP	0.224	0.255	0.445	1.722
5 YR SWAP	0.318	0.348	0.510	1.742
10 YR SWAP	0.624	0.631	0.713	1.940
15 YR SWAP	0.787	0.793	0.809	2.085
20 YR SWAP	0.867	0.875	0.853	2.154
30 YR SWAP	0.904	0.916	0.881	2.189

Source: Thomson Reuters and PHOENIX

Prepayment Speed Trends



Summary

- Par rates continued to slide over June. Total CPRs experienced an increase of 15.49% month-over-month
- All products saw an increase in prepayment speeds month-over-month of at least 14%. Conventional 15-year product experienced the largest monthly increase of 18.22%, with conventional 30-year product experiencing the smallest monthly increase of 14.34%
- All products' prepayment speeds are still at least 50% above their levels compared to June 2019. The conventional 30-year par rate is down ~89 bps and the government 30-year par rate is down ~69 bps year-over-year

CPR Summary

SUMMARY TABLES - June 2020

Loan Characteristics						Prepayments	
Investor	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age	CPR	1mo CPR Change%
CONV Fixed 30	\$223,993	4.23	749	76	51	32.98%	14.34%
CONV Fixed 15	\$179,811	3.55	757	65	49	21.89%	18.22%
GNMA Fixed 30	\$190,375	4.01	694	94	51	25.84%	17.87%
GNMA Fixed 15	\$137,568	3.61	711	82	58	21.23%	18.02%

Vintage	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age	CPR	1mo CPR Change%
2005	\$138,016	5.40	693	77	150	13.05%	13.19%
2006	\$142,609	5.45	684	79	133	12.31%	21.23%
2007	\$151,134	5.35	680	80	122	12.17%	20.65%
2008	\$145,546	5.32	684	82	121	13.09%	16.59%
2009	\$164,552	4.91	725	79	123	22.32%	16.20%
2010	\$172,918	4.66	737	79	114	24.60%	18.67%
2011	\$171,827	4.42	741	77	104	23.87%	16.60%
2012	\$199,679	3.78	749	80	94	23.36%	23.22%
2013	\$189,521	3.81	743	78	83	22.35%	21.67%
2014	\$178,174	4.25	732	80	69	30.91%	16.52%
2015	\$206,321	3.95	735	79	58	32.56%	18.94%
2016	\$226,181	3.70	736	78	46	30.63%	22.37%
2017	\$217,798	4.12	731	80	35	39.27%	16.47%
2018	\$212,684	4.70	727	81	24	47.40%	8.45%
2019	\$254,086	4.04	735	81	11	36.62%	18.77%

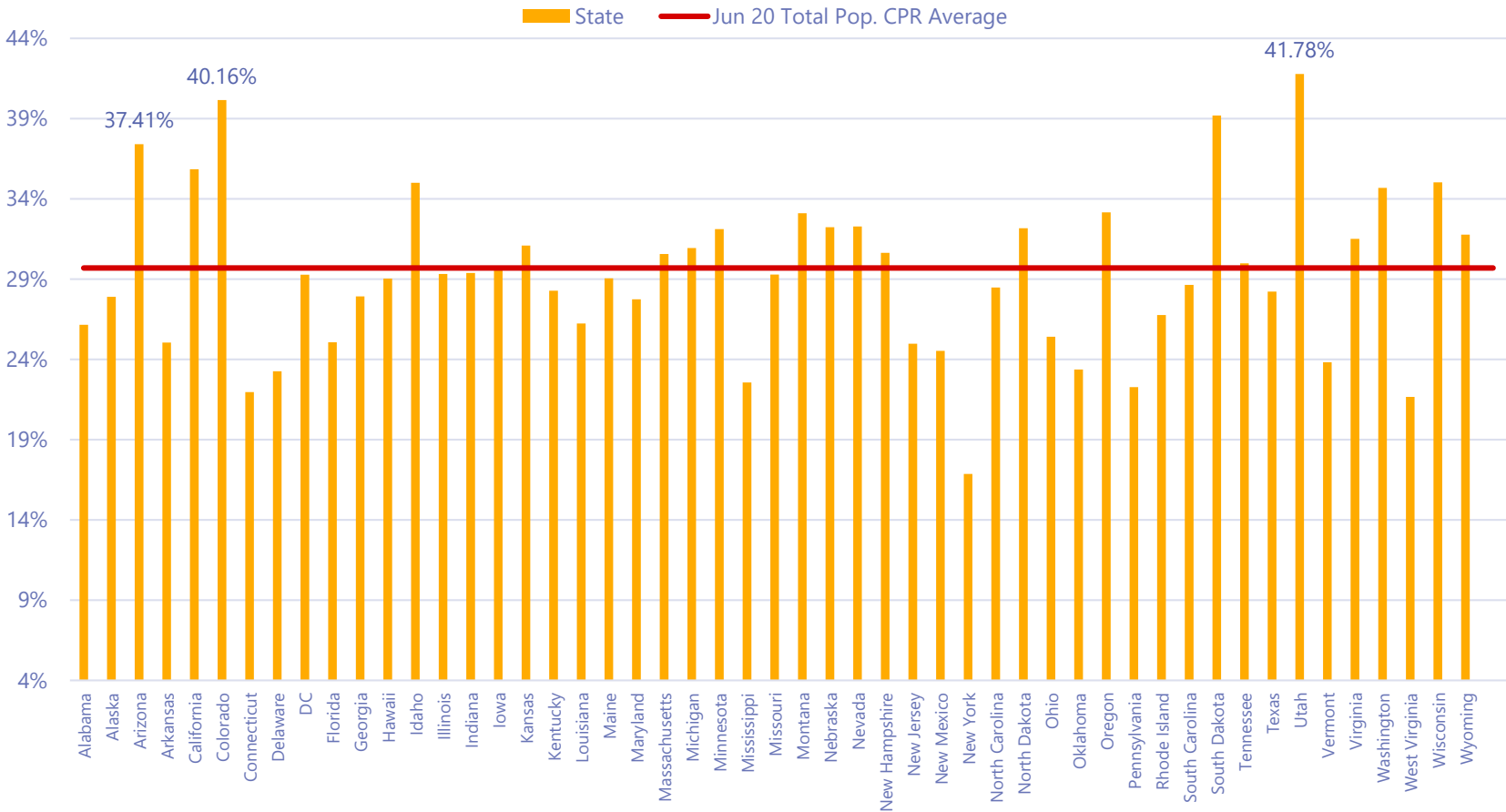
Tranche	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age	CPR	1mo CPR Change%
0.0000 - 2.9999	\$242,981	2.81	762	69	37	9.65%	9.89%
3.0000 - 3.4999	\$238,572	3.26	750	76	40	17.26%	24.46%
3.5000 - 3.9999	\$229,081	3.73	743	78	45	27.62%	25.46%
4.0000 - 4.4999	\$207,422	4.19	733	81	50	36.55%	14.54%
4.5000 - 4.9999	\$190,367	4.68	724	81	52	37.27%	9.06%
5.0000 - 5.4999	\$167,055	5.16	708	83	70	30.77%	10.83%
5.5000 - 5.9999	\$143,786	5.66	698	80	101	24.06%	10.05%
6.0000 - 6.4999	\$121,271	6.16	694	78	148	16.74%	15.67%
6.5000 - 6.9999	\$105,980	6.65	686	79	166	12.67%	16.30%
7.0000 or more	\$80,405	7.47	666	82	197	10.46%	14.59%

GSE and GNMA fixed rate product only

Source: Black Knight McDash

Prepayment Speed Trends

Average CPR by State - June 2020



Analysis

- Utah continues to lead the country in prepayment speeds (41.78% CPR), with New York experiencing the slowest prepayment speeds (16.86% CPR) for June
- Western states (AZ, CO, ID, MT, NM, NV, UT, WY) continue to lead the country in prepayment speeds, while mid-Atlantic states (NJ, NY, PA) experienced the slowest regional prepayment speeds
- The majority of states (38) experienced monthly increases of at least 10%; only 1 state, North Dakota, experienced a monthly decrease (-2.45%) over June

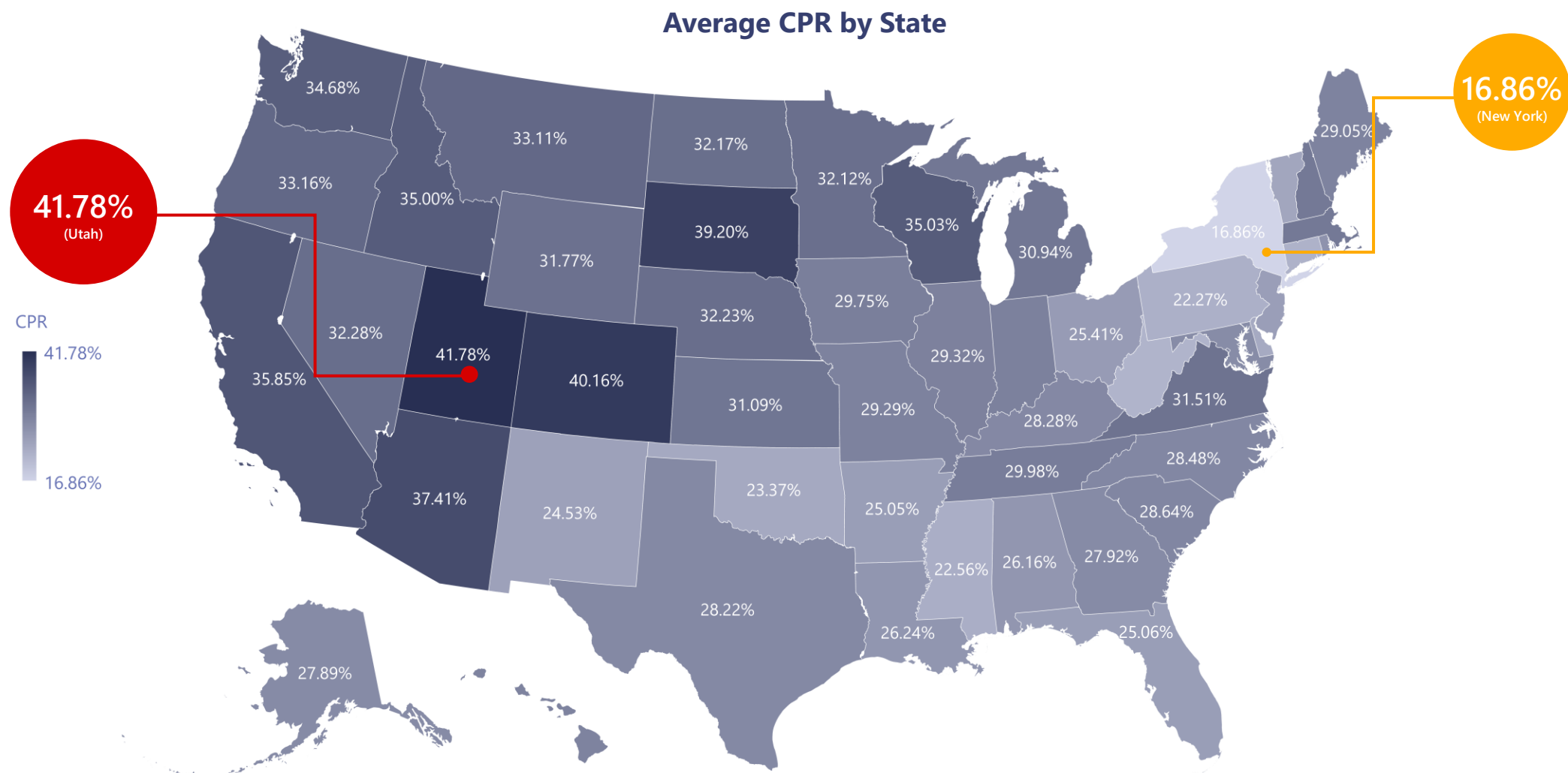
GSE and GNMA fixed rate product only



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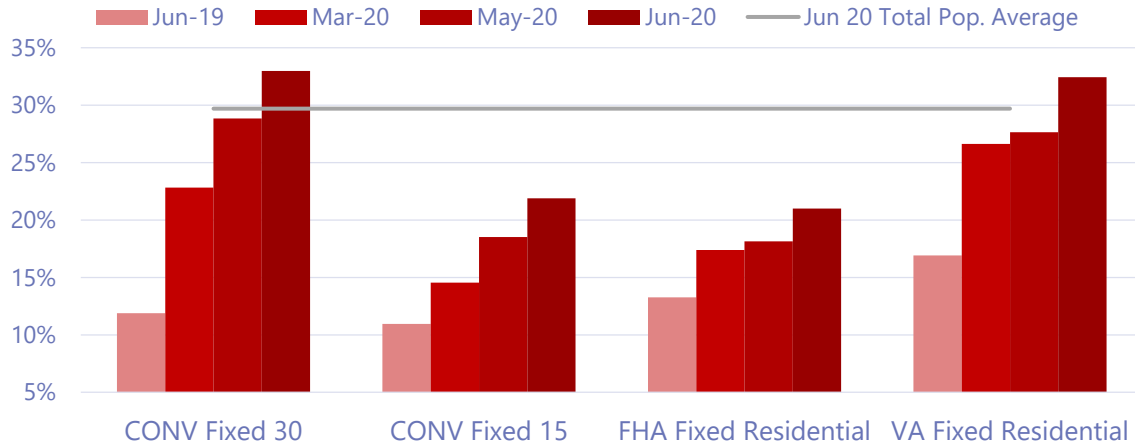
Source: Black Knight McDash

Prepayment Speed Trends (cont.)

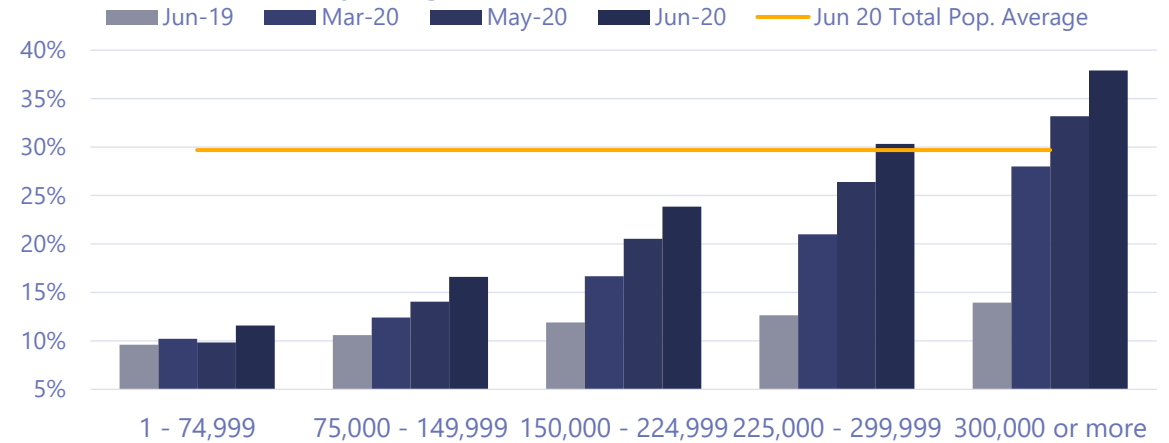


Prepayment Speed Trends (cont.)

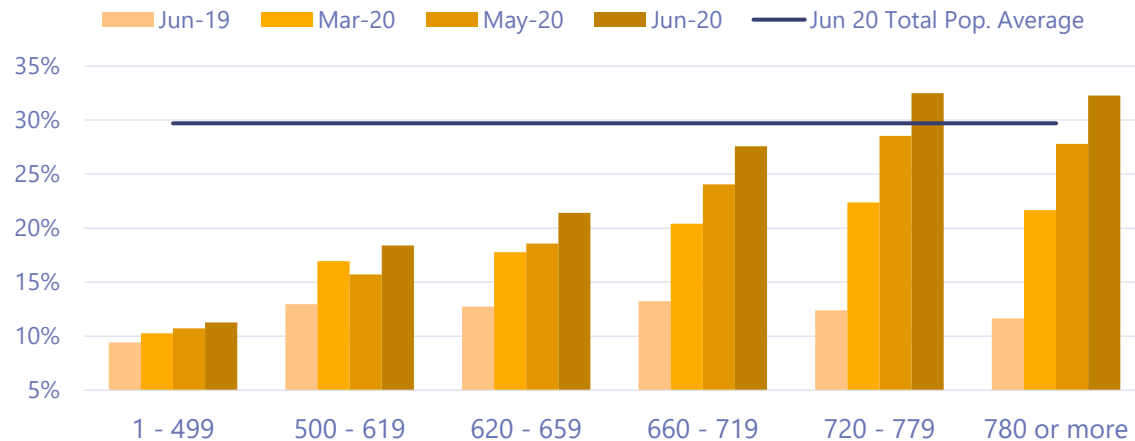
CPR by Fixed-Rate Product - June 2020



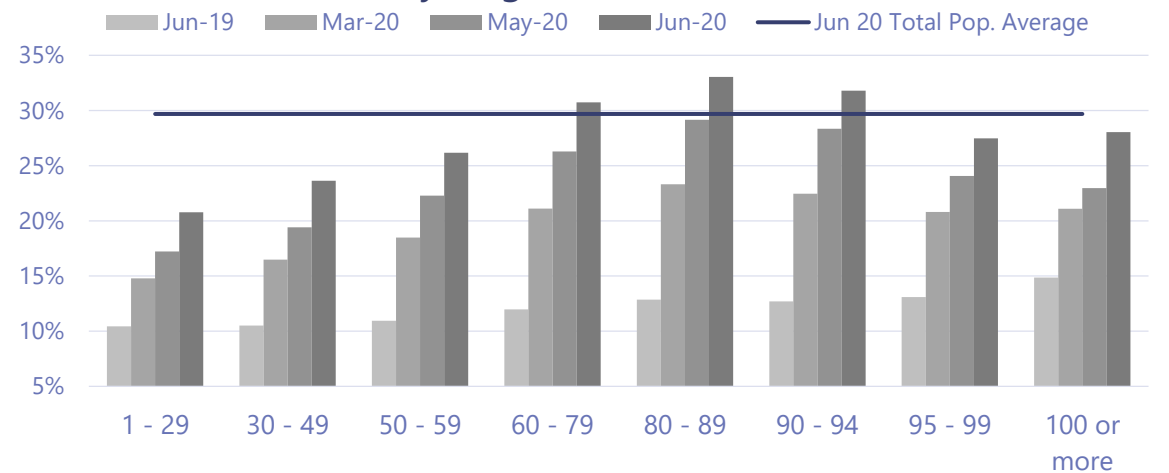
CPR by Original Loan Balance - June 2020



CPR by Original FICO - June 2020



CPR by Original LTV - June 2020



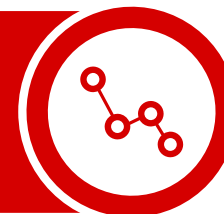
Delinquency Trends

Summary

- The national delinquency and foreclosure rate decreased by 99 bps over last month's level
- Conventional 30-year loans' delinquency and foreclosure rates decreased by 9 bps since May 2020, while Conventional 15-year loans' delinquency and foreclosure rates decreased by 20 bps
- Over the month, delinquency rates for FHA and VA fixed-rate loans increased by 8 bps and 16 bps, respectively

Total delinquencies down

0.99%



Delinquency Summary

SUMMARY TABLES - June 2020

Loan Characteristics

Investor	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
CONV Fixed 30	\$223,993	4.23	749	76	51
CONV Fixed 15	\$179,811	3.55	757	65	49
GNMA Fixed 30	\$190,375	4.01	694	94	51
GNMA Fixed 15	\$137,568	3.61	711	82	58

Delinquencies

30d DQ	60d DQ	+90d DQ	Total FC	Total DQ & FC	1mo DQ & FC Change%
1.65%	2.24%	3.55%	0.18%	7.62%	-1.22%
0.89%	1.27%	1.52%	0.04%	3.70%	-5.07%
3.86%	3.43%	6.17%	0.36%	13.82%	0.17%
1.64%	1.63%	2.29%	0.12%	5.67%	-1.73%

Vintage	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
2005	\$138,016	5.40	693	77	150
2006	\$142,609	5.45	684	79	133
2007	\$151,134	5.35	680	80	122
2008	\$145,546	5.32	684	82	121
2009	\$164,552	4.91	725	79	123
2010	\$172,918	4.66	737	79	114
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2012	\$199,679	3.78	749	80	94
2013	\$189,521	3.81	743	78	83
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2015	\$206,321	3.95	735	79	58
2016	\$226,181	3.70	736	78	46
2017	\$217,798	4.12	731	80	35
2018	\$212,684	4.70	727	81	24
2019	\$254,086	4.04	735	81	11

30d DQ	60d DQ	+90d DQ	Total FC	Total DQ & FC	1mo DQ & FC Change%
4.61%	3.28%	7.24%	1.38%	16.51%	-2.49%
5.39%	3.91%	9.11%	2.06%	20.47%	-2.34%
5.73%	4.04%	9.80%	2.37%	21.94%	-1.60%
5.53%	4.08%	8.40%	1.65%	19.66%	-3.33%
3.00%	2.56%	4.56%	0.39%	10.52%	-3.20%
2.32%	2.32%	3.95%	0.25%	8.84%	-2.79%
2.02%	2.21%	3.58%	0.19%	7.99%	-2.85%
1.48%	1.90%	2.81%	0.11%	6.29%	-2.66%
1.69%	2.02%	3.17%	0.15%	7.04%	-2.09%
2.30%	2.39%	4.11%	0.25%	9.05%	-0.82%
2.16%	2.43%	4.13%	0.20%	8.92%	0.42%
2.10%	2.49%	4.20%	0.19%	8.98%	0.79%
2.45%	2.86%	5.05%	0.22%	10.59%	2.51%
2.78%	3.34%	6.10%	0.25%	12.47%	4.29%
2.07%	2.72%	4.17%	0.04%	9.00%	5.57%

Tranche	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
0.0000 - 2.9999	\$242,981	2.81	762	69	37
3.0000 - 3.4999	\$238,572	3.26	750	76	40
3.5000 - 3.9999	\$229,081	3.73	743	78	45
4.0000 - 4.4999	\$207,422	4.19	733	81	50
4.5000 - 4.9999	\$190,367	4.68	724	81	52
5.0000 - 5.4999	\$167,055	5.16	708	83	70
5.5000 - 5.9999	\$143,786	5.66	698	80	101
6.0000 - 6.4999	\$121,271	6.16	694	78	148
6.5000 - 6.9999	\$105,980	6.65	686	79	166
7.0000 or more	\$80,405	7.47	666	82	197

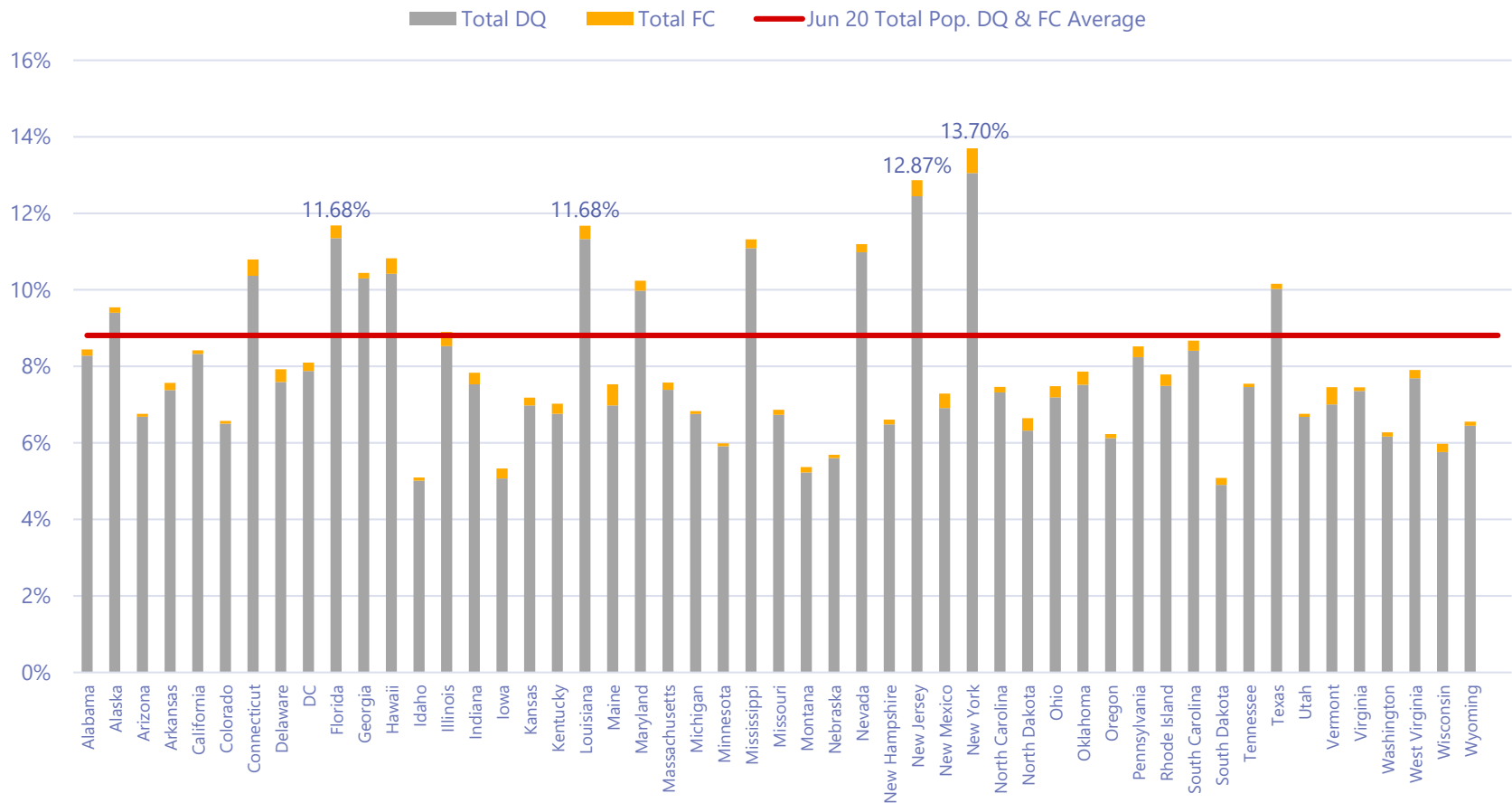
30d DQ	60d DQ	+90d DQ	Total FC	Total DQ & FC	1mo DQ & FC Change%
0.78%	0.93%	1.03%	0.16%	2.90%	-11.75%
1.29%	1.52%	1.99%	0.08%	4.88%	-7.28%
1.74%	2.15%	3.13%	0.12%	7.15%	-0.04%
2.35%	2.72%	4.59%	0.22%	9.88%	1.72%
2.76%	3.10%	5.56%	0.26%	11.67%	1.91%
3.55%	3.56%	6.97%	0.41%	14.49%	0.96%
3.94%	3.43%	6.85%	0.57%	14.79%	-0.22%
4.19%	2.95%	5.87%	0.91%	13.92%	-2.34%
4.46%	2.83%	5.66%	1.32%	14.25%	-3.48%
5.05%	2.70%	5.81%	1.96%	15.52%	-2.81%

GSE and GNMA fixed rate product only

Source: Black Knight McDash

Delinquency Trends

Average Delinquency and Foreclosure by State - June 2020



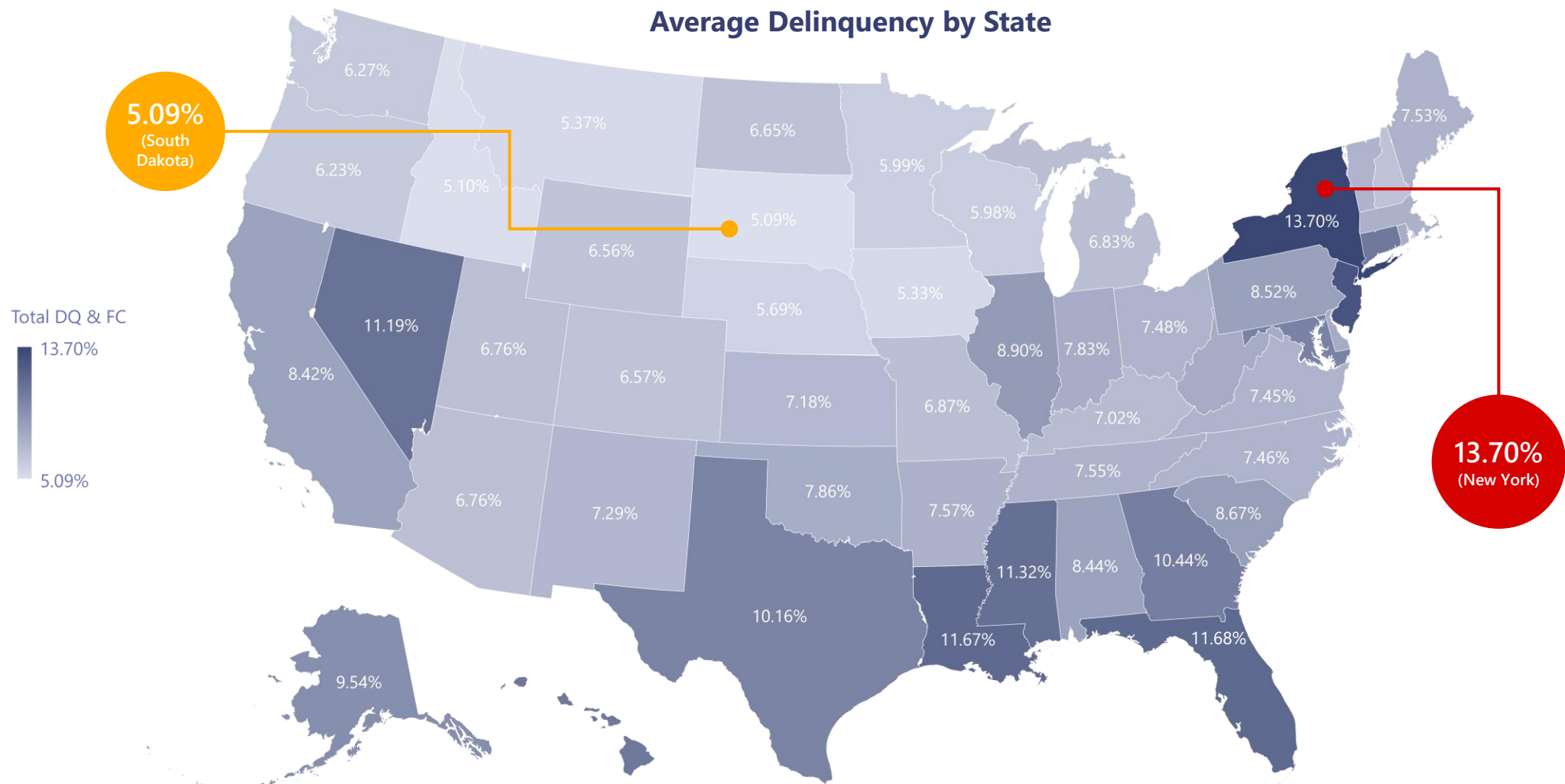
GSE and GNMA fixed rate product only

Source: Black Knight McDash

Analysis

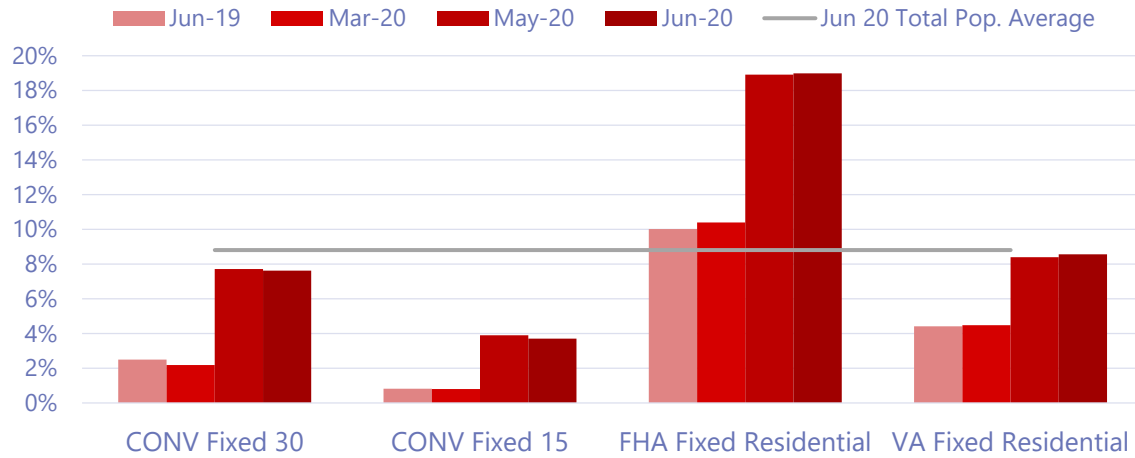
- Delinquency and foreclosure rates in last month's best-performing state, South Dakota, continued the nation's upward trend and moved up 9 bps from last month up to 5.09%
- Considering New York has been hit especially hard by COVID-19, its delinquency and foreclosure rates have seen a tremendous increase; however, recent data is showing signs of a potential reversal
- Although we are seeing increases in the total number of delinquencies and foreclosures, this number may be slightly misleading as foreclosures have been suspended and replaced by forbearance programs

Delinquency Trends (cont.)

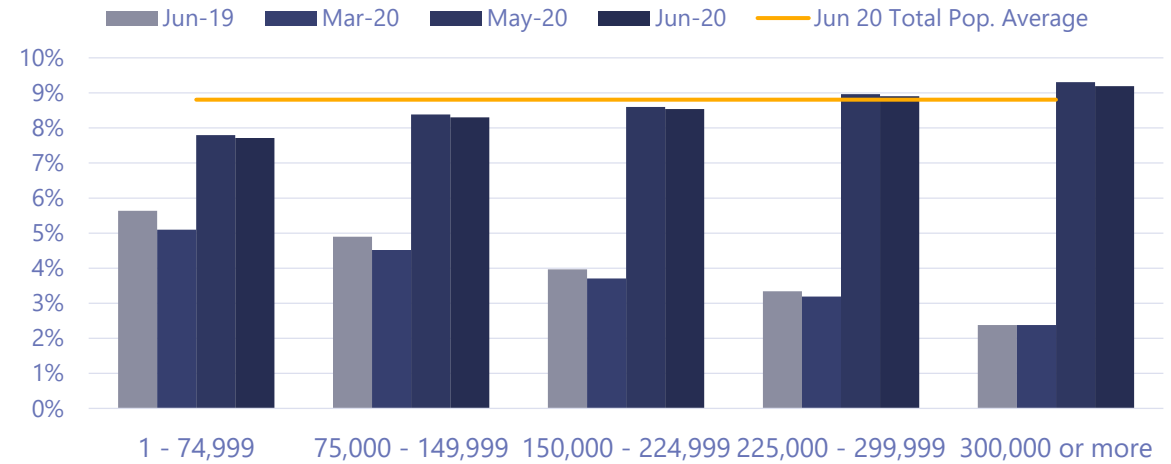


Delinquency Trends (cont.)

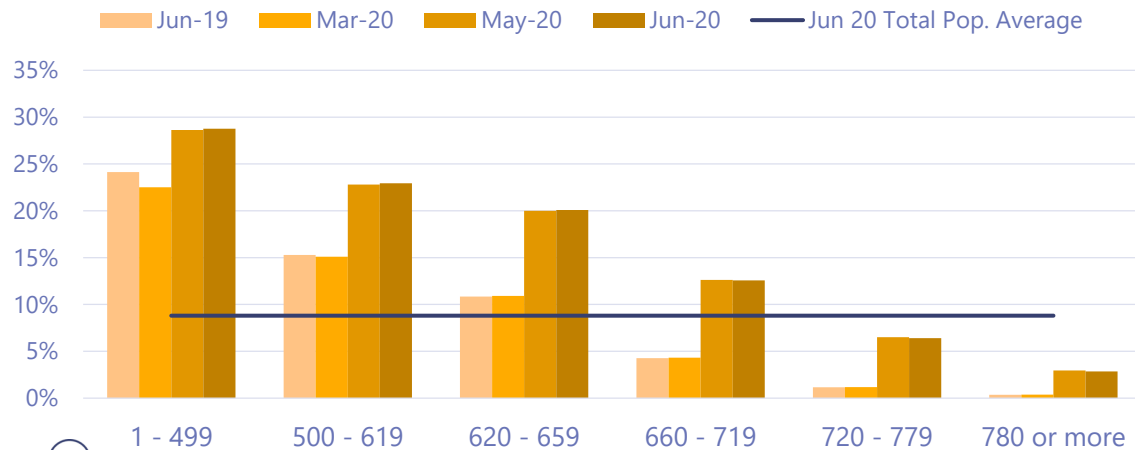
Delinquency and Foreclosure by Fixed-Rate Product - June 2020



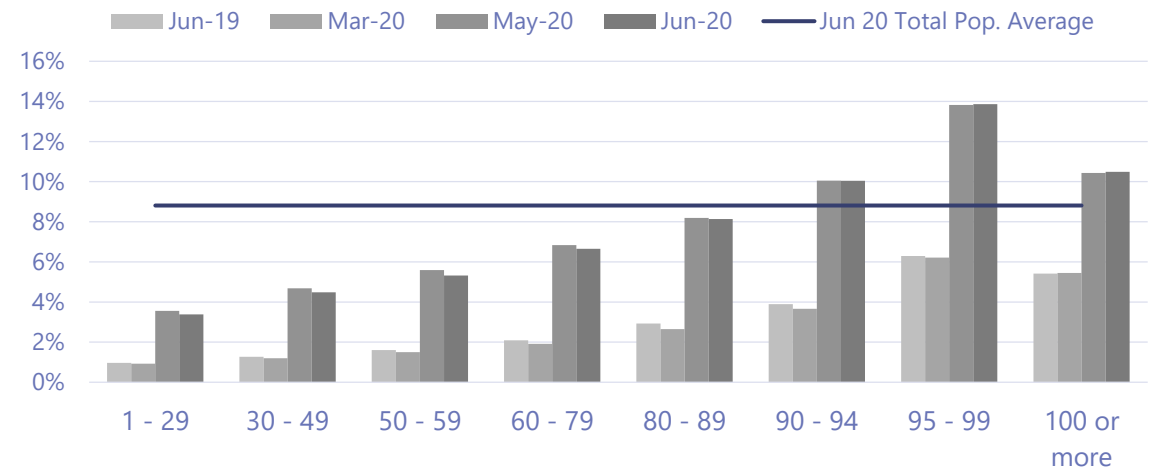
Delinquency and Foreclosure by Original Loan Balance – June 2020



Delinquency and Foreclosure by Original FICO - June 2020



Delinquency and Foreclosure by Original LTV - June 2020



Tables



State Summary

Prepayment and Delinquency

SUMMARY TABLES - June 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	\$205,485	4.08	735	79	51	29.70%	15.49%	100.00%	2.16%	2.44%	4.00%	0.21%	8.81%	-0.99%	100.00%
Alabama	\$157,787	4.13	725	84	56	26.16%	11.07%	88.08%	2.68%	2.10%	3.51%	0.16%	8.44%	-1.09%	95.83%
Alaska	\$248,030	3.92	732	85	56	27.89%	10.45%	93.93%	2.01%	3.21%	4.18%	0.14%	9.54%	-0.58%	108.33%
Arizona	\$194,097	4.12	735	82	42	37.41%	12.01%	125.97%	1.89%	1.96%	2.84%	0.08%	6.76%	0.25%	76.74%
Arkansas	\$141,426	4.09	727	84	57	25.05%	12.58%	84.35%	2.29%	2.00%	3.10%	0.19%	7.57%	0.15%	85.90%
California	\$295,084	4.01	744	71	47	35.85%	19.99%	120.72%	1.92%	2.38%	4.03%	0.09%	8.42%	-1.72%	95.57%
Colorado	\$246,829	3.97	745	76	42	40.16%	14.72%	135.22%	1.75%	1.96%	2.79%	0.07%	6.57%	1.08%	74.63%
Connecticut	\$216,769	4.13	735	80	61	21.96%	11.44%	73.95%	2.46%	2.79%	5.12%	0.43%	10.79%	-1.74%	122.53%
Delaware	\$205,116	4.14	733	81	57	23.26%	13.67%	78.32%	2.12%	2.14%	3.33%	0.33%	7.92%	-1.48%	89.93%
DC	\$328,966	4.03	751	72	52	29.28%	15.84%	98.60%	1.79%	2.52%	3.57%	0.22%	8.10%	2.87%	91.93%
Florida	\$187,356	4.21	729	82	48	25.06%	19.59%	84.40%	2.47%	3.27%	5.62%	0.33%	11.68%	-1.04%	132.63%
Georgia	\$177,995	4.12	726	84	53	27.92%	13.18%	94.03%	2.64%	2.88%	4.78%	0.14%	10.44%	-0.13%	118.53%
Hawaii	\$361,604	3.99	746	74	54	29.03%	8.38%	97.76%	2.14%	3.33%	4.96%	0.40%	10.82%	-0.85%	122.87%
Idaho	\$188,368	4.05	740	79	45	35.00%	7.80%	117.87%	1.55%	1.47%	1.99%	0.08%	5.10%	-1.05%	57.85%
Illinois	\$182,397	4.11	735	82	56	29.32%	16.64%	98.73%	2.17%	2.42%	3.94%	0.37%	8.90%	1.02%	101.04%
Indiana	\$137,112	4.19	720	85	54	29.39%	10.57%	98.96%	2.54%	2.00%	3.00%	0.30%	7.83%	1.42%	88.93%
Iowa	\$146,571	3.98	738	82	53	29.75%	3.57%	100.19%	1.71%	1.44%	1.92%	0.26%	5.33%	1.60%	60.51%
Kansas	\$151,222	4.06	732	83	52	31.09%	14.49%	104.70%	2.17%	1.89%	2.92%	0.21%	7.18%	1.31%	81.55%
Kentucky	\$148,946	4.10	727	83	53	28.28%	14.11%	95.23%	2.14%	1.78%	2.83%	0.27%	7.02%	0.19%	79.74%
Louisiana	\$168,722	4.16	720	83	55	26.24%	18.73%	88.36%	3.13%	2.92%	5.28%	0.35%	11.67%	-0.11%	132.52%
Maine	\$181,243	4.11	732	80	54	29.05%	14.07%	97.82%	2.01%	1.88%	3.09%	0.55%	7.53%	-0.13%	85.47%
Maryland	\$249,155	4.04	732	82	56	27.74%	17.43%	93.41%	2.58%	2.81%	4.60%	0.26%	10.24%	-0.53%	116.22%
Massachusetts	\$263,565	4.00	740	75	51	30.56%	9.61%	102.92%	2.03%	2.12%	3.24%	0.19%	7.58%	-2.03%	85.99%
Michigan	\$150,075	4.11	735	82	50	30.94%	10.95%	104.18%	1.85%	1.92%	2.99%	0.08%	6.83%	-1.73%	77.55%
Minnesota	\$194,075	4.02	744	82	52	32.12%	10.67%	108.16%	1.59%	1.83%	2.50%	0.08%	5.99%	0.77%	67.98%
Mississippi	\$150,468	4.15	716	85	54	22.56%	9.42%	75.97%	3.35%	2.87%	4.88%	0.23%	11.32%	-0.48%	128.48%
Missouri	\$150,725	4.08	733	82	52	29.29%	7.15%	98.62%	2.13%	1.84%	2.76%	0.13%	6.87%	-1.25%	77.93%
Montana	\$193,845	4.01	744	78	51	33.11%	8.15%	111.49%	1.48%	1.48%	2.26%	0.14%	5.37%	-2.13%	60.94%
Nebraska	\$150,694	3.95	739	83	50	32.23%	8.50%	108.53%	1.72%	1.66%	2.22%	0.09%	5.69%	2.17%	64.58%
Nevada	\$210,811	4.18	732	83	41	32.28%	14.12%	108.71%	2.30%	3.13%	5.55%	0.21%	11.19%	-1.73%	127.07%
New Hampshire	\$210,573	4.06	736	80	53	30.63%	10.31%	103.15%	1.87%	1.83%	2.78%	0.13%	6.61%	-0.14%	75.03%
New Jersey	\$245,813	4.10	736	78	57	24.97%	14.57%	84.09%	2.59%	3.36%	6.49%	0.42%	12.87%	-2.29%	146.08%
New Mexico	\$168,465	4.21	732	82	61	24.53%	15.03%	82.61%	2.05%	2.03%	2.83%	0.38%	7.29%	0.33%	82.72%
New York	\$237,077	4.22	737	74	63	16.86%	20.05%	56.78%	2.63%	3.41%	7.01%	0.65%	13.70%	-3.25%	155.49%
North Carolina	\$178,572	4.08	734	82	51	28.48%	14.26%	95.90%	2.14%	2.12%	3.06%	0.15%	7.46%	-0.17%	84.73%
North Dakota	\$185,128	3.86	742	81	48	32.17%	-2.45%	108.32%	1.79%	1.89%	2.64%	0.33%	6.65%	3.96%	75.45%
Ohio	\$139,597	4.18	725	85	56	25.41%	10.14%	85.57%	2.17%	1.95%	3.07%	0.29%	7.48%	0.08%	84.94%
Oklahoma	\$146,800	4.19	725	85	56	23.37%	19.13%	78.69%	2.38%	2.04%	3.10%	0.35%	7.86%	0.96%	89.27%
Oregon	\$224,698	4.09	745	77	48	33.16%	8.67%	111.66%	1.54%	1.81%	2.78%	0.11%	6.23%	0.58%	70.73%
Pennsylvania	\$171,563	4.11	734	81	59	22.27%	17.67%	74.99%	2.21%	2.35%	3.68%	0.28%	8.52%	-1.47%	96.73%
Rhode Island	\$207,540	4.10	734	81	55	26.76%	12.96%	90.11%	2.12%	2.02%	3.35%	0.30%	7.79%	-2.10%	88.40%
South Carolina	\$172,927	4.12	728	83	51	28.64%	16.48%	96.44%	2.45%	2.37%	3.59%	0.26%	8.67%	0.16%	98.46%
South Dakota	\$168,617	3.87	743	81	49	39.20%	8.04%	131.99%	1.54%	1.44%	1.92%	0.18%	5.09%	1.74%	57.73%
Tennessee	\$173,048	4.08	730	82	50	29.98%	10.66%	100.96%	2.16%	2.08%	3.22%	0.09%	7.55%	0.40%	85.66%
Texas	\$183,368	4.16	726	82	49	28.22%	21.60%	95.04%	2.62%	2.99%	4.41%	0.14%	10.16%	0.02%	115.34%
Utah	\$229,855	4.00	737	81	40	41.78%	12.51%	140.70%	2.00%	1.90%	2.78%	0.08%	6.76%	0.42%	76.73%
Vermont	\$183,547	4.13	739	78	57	23.82%	15.01%	80.21%	1.84%	1.98%	3.18%	0.45%	7.46%	-4.19%	84.63%
Virginia	\$244,293	3.98	738	81	53	31.51%	19.47%	106.11%	1.93%	2.18%	3.25%	0.10%	7.45%	0.62%	84.57%
Washington	\$250,838	4.04	740	78	45	34.68%	7.51%	116.79%	1.61%	1.79%	2.77%	0.11%	6.27%	-0.06%	71.22%
West Virginia	\$146,478	4.17	718	85	57	21.66%	10.62%	72.93%	2.79%	1.90%	3.00%	0.21%	7.90%	1.00%	89.73%
Wisconsin	\$164,164	4.06	736	82	54	35.03%	11.25%	117.95%	1.81%	1.62%	2.34%	0.21%	5.98%	1.68%	67.83%
Wyoming	\$199,242	3.98	735	81	49	31.77%	5.98%	106.97%	2.06%	1.93%	2.46%	0.11%	6.56%	3.50%	74.42%

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