

# Market Snapshot

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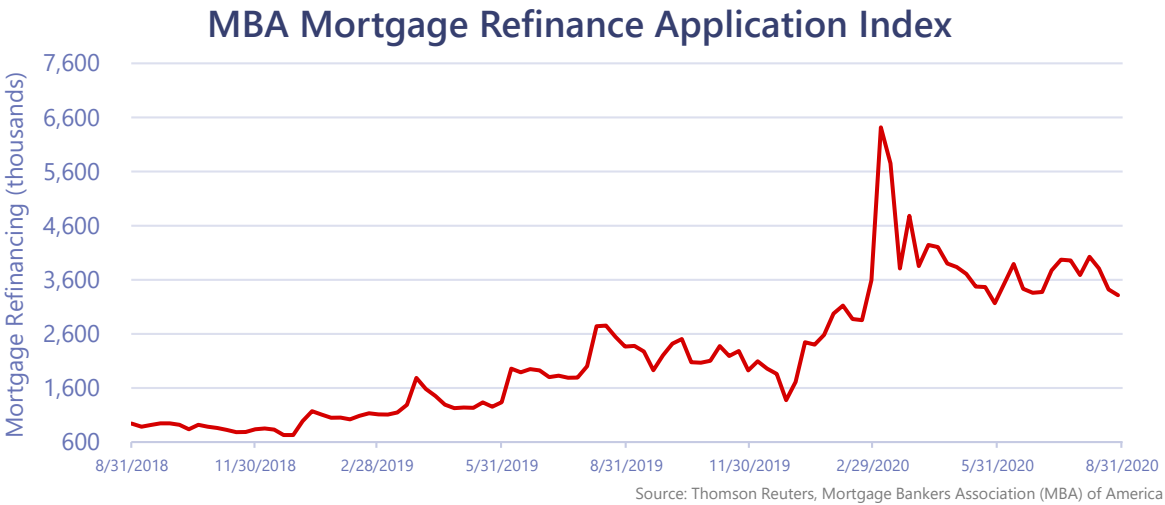
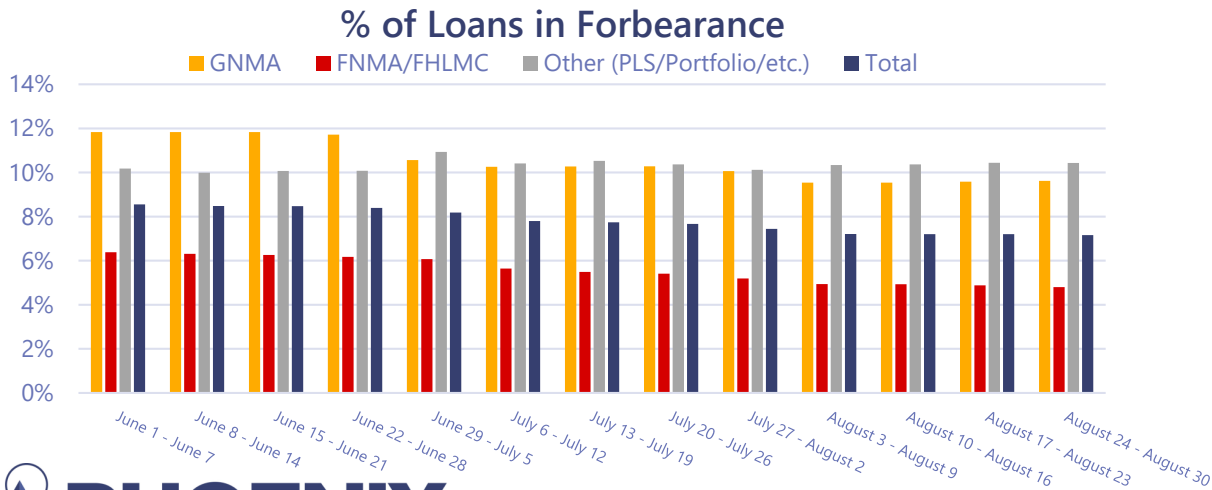
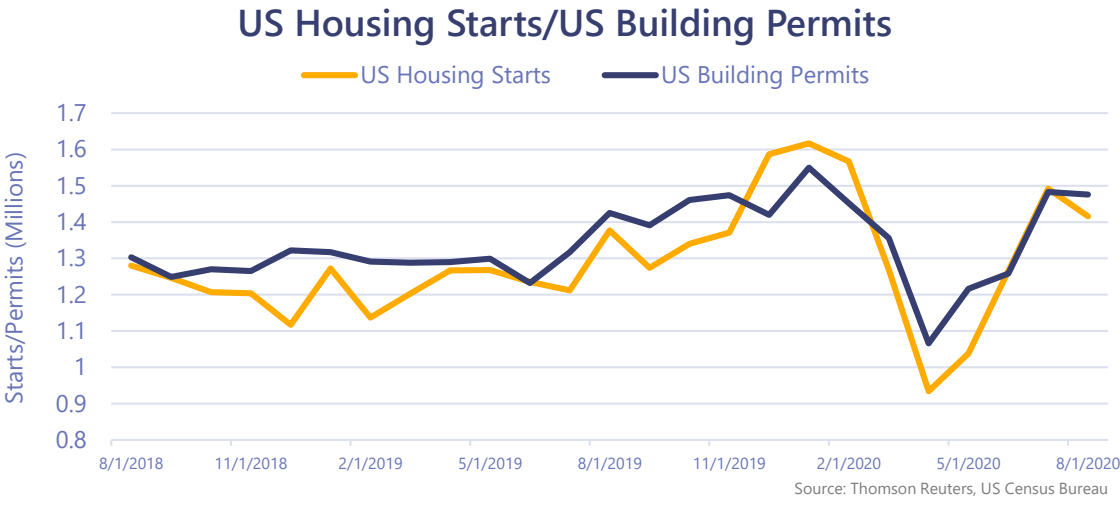
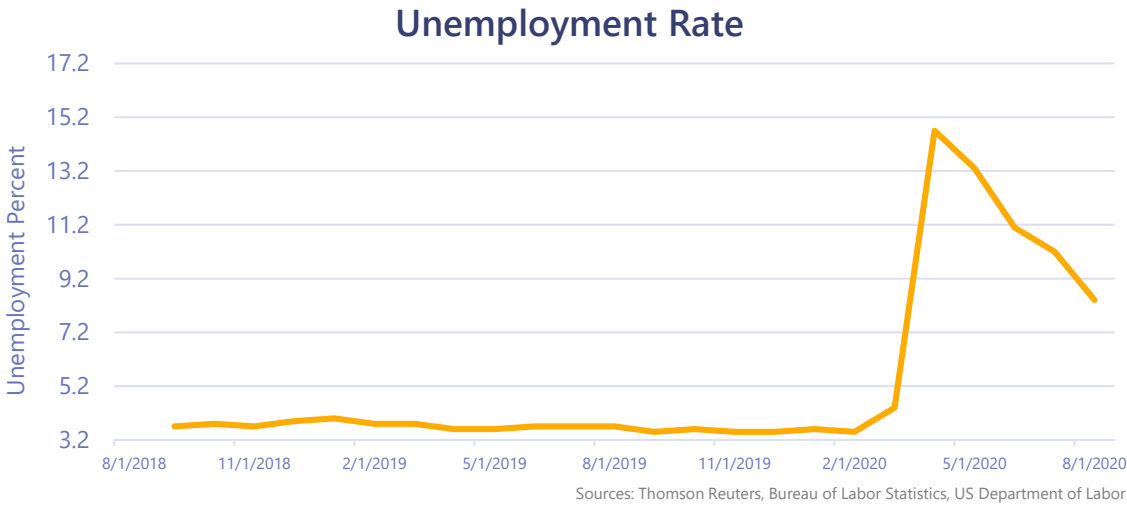
Delinquency Trends

# Macro- Economic Indicators

## Summary

- The US job market continued to rebound slightly in August. This was reflected by a drop to 8.40% in the US unemployment rate, down 1.80% from July's figure of 10.20%
- 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, continues to decreased. By the end of August the total number of loans in forbearance dropped to 7.20%. Down from 7.74% recorded at the end of July
- The domestic residential construction market slowed in August. Housing starts for August came in at 1,416,000; around 5.00% lower than July's month-end figure
- The MBA Mortgage Refinance Application Index's weekly readings decreased during August, pulling back slightly to 3,316 at month-end, representing a 10.00% decrease for the month of August

# Macro-Economic Indicators



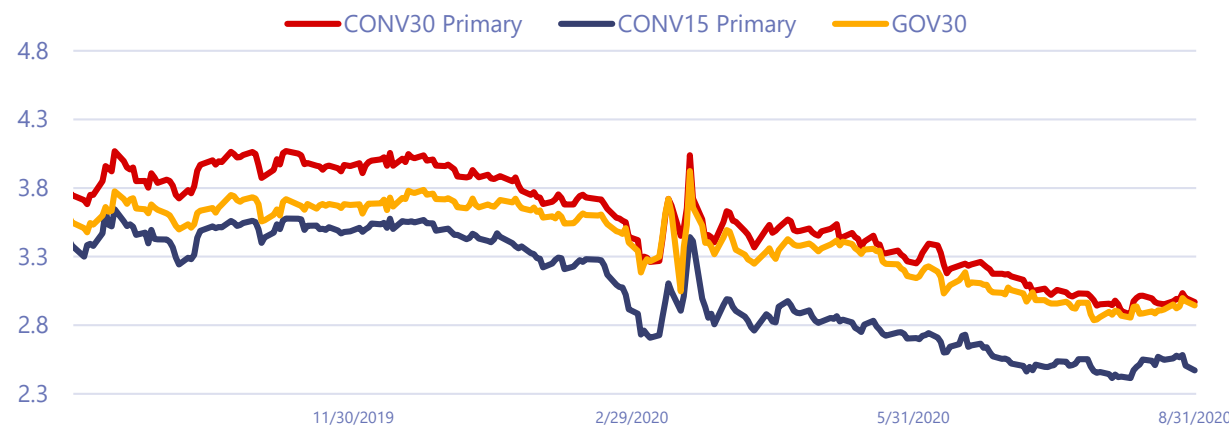
# Rate History

## Summary

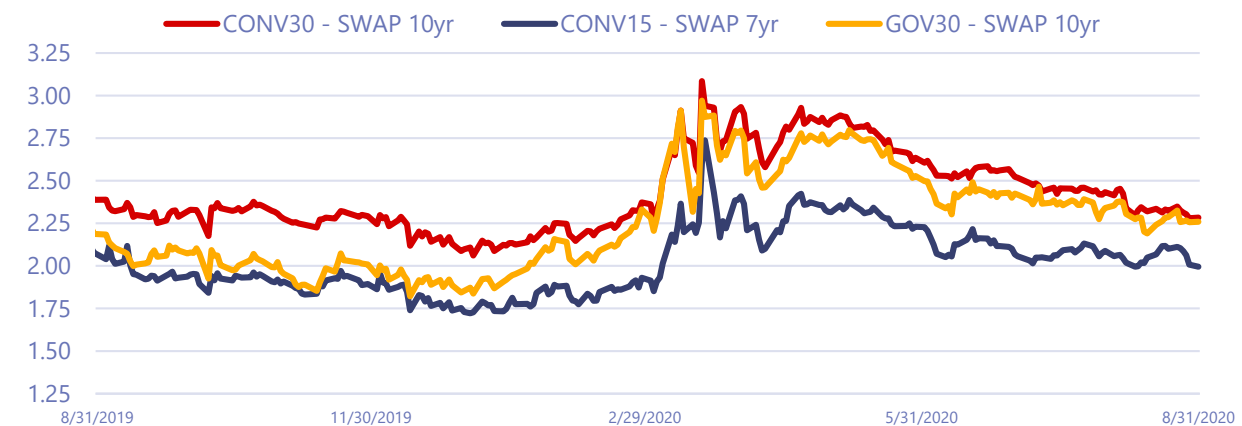
- PHOENIX primary mortgage rates increased for the first time since March. The fixed 30-yr conventional rate increased slightly by 1.70 bps, while government product went up 8.50 bps and 15-yr rates increased by only 1.20 bps
- SWAP rates reversed course from last month and showed increases across the board
- The 1-month LIBOR increased throughout August before tapering off and ending the month relatively unchanged from the previous month's close

# Rate History

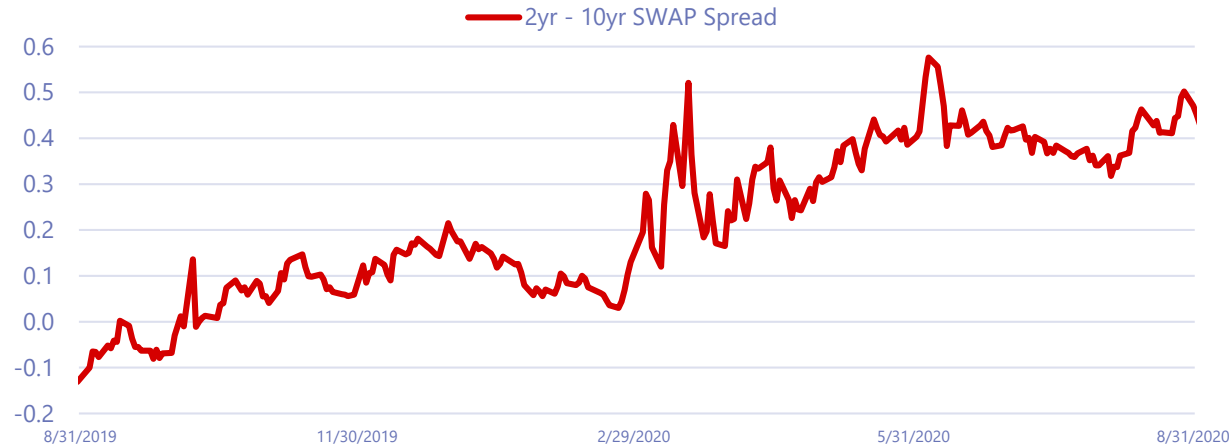
Mortgage Par Rates (%)



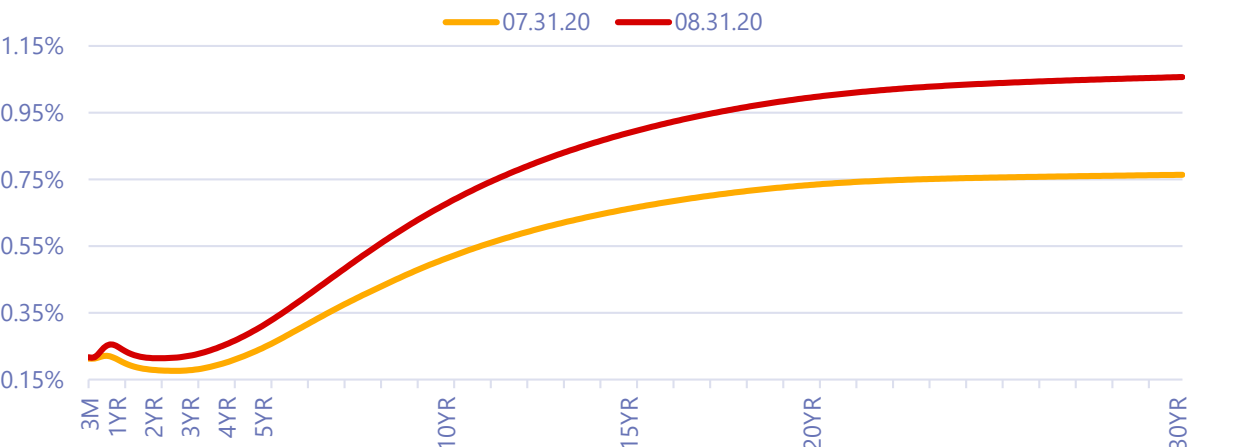
Mortgage Par Spread over SWAP Rates (%)



2yr and 10yr SWAP Spread



Yield Curve Comparison



# Rate History (cont.)

## Primary Rates as of 08/31/2020

Rate	8/31/2020	7/31/2020	5/29/2020	8/30/2019
CONV30	2.969	2.952	3.266	3.749
CONV15	2.471	2.459	2.703	3.382
GOV30	2.944	2.859	3.159	3.549
ARM 5/1	2.375	2.375	2.875	3.625

## Secondary Rates as of 08/31/2020

Rate	8/31/2020	7/31/2020	5/29/2020	8/30/2019
FNMA 30	-	1.352	1.566	2.399
FNMA 15	-	0.959	1.303	2.082
GNMA II 30	-	1.209	1.559	2.199
GNMA II 15	-	0.955	1.307	2.082
ARM 5/1	-	3.290	3.250	3.890

## Earnings Rates as of 08/31/2020

Rate	8/31/2020	7/31/2020	5/29/2020	8/30/2019
3 MO ED	0.217	0.213	0.277	2.124
6 MO ED	0.245	0.221	0.283	2.032
12 MO ED	0.240	0.203	0.258	1.821
2 YR SWAP	0.214	0.178	0.245	1.492
3 YR SWAP	0.225	0.180	0.255	1.375
5 YR SWAP	0.322	0.253	0.348	1.298
10 YR SWAP	0.685	0.519	0.631	1.361
15 YR SWAP	0.894	0.665	0.793	1.446
20 YR SWAP	0.998	0.735	0.875	1.499
30 YR SWAP	1.057	0.764	0.916	1.523

Source: Thomson Reuters and PHOENIX

# Prepayment Speed Trends

## Summary

- Par rates were relatively flat over the course of August, and this was reflected in prepayment speeds across product types. Overall prepayment speeds exhibited a marginal increase of .62% month-over-month
- Conventional Fixed 30, Conventional Fixed 15, and VA Fixed loans all saw slight upticks in prepayment speeds in August while FHA Fixed product slowed slightly compared to July
- VA Fixed loans showed the largest increase in speeds month-over-month with a gain of 2.43%, while FHA Fixed loans slowed .35% compared to July. All product types continue to show large prepayment speed increases compared to August 2019



# CPR Summary

## SUMMARY TABLES - August 2020

### Loan Characteristics

Investor	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
CONV Fixed 30	\$225,349	4.16	750	76	51
CONV Fixed 15	\$182,237	3.48	758	65	48
GNMA Fixed 30	\$191,099	3.96	694	94	50
GNMA Fixed 15	\$137,585	3.58	711	81	58

### Prepayments

CPR	1mo CPR Change%
33.70%	0.39%
23.38%	0.17%
28.47%	1.59%
23.27%	2.77%

Vintage	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
2005	\$138,432	5.40	693	77	156
2006	\$142,913	5.45	685	78	136
2007	\$151,266	5.34	681	80	125
2008	\$145,205	5.33	684	82	126
2009	\$163,602	4.92	725	79	128
2010	\$171,903	4.66	737	78	117
2011	\$170,662	4.42	741	77	106
2012	\$198,306	3.78	749	79	96
2013	\$188,214	3.81	743	78	86
2014	\$176,010	4.25	731	80	73
2015	\$203,573	3.95	735	79	62
2016	\$223,564	3.70	736	78	49
2017	\$214,179	4.12	730	79	38
2018	\$208,690	4.70	726	81	26
2019	\$250,599	4.04	735	81	13

CPR	1mo CPR Change%
14.53%	-1.49%
13.39%	3.73%
13.02%	-2.04%
14.04%	-2.33%
22.10%	-7.56%
25.37%	-2.32%
25.37%	-1.86%
27.24%	4.05%
25.55%	3.46%
31.93%	1.26%
35.31%	2.79%
35.64%	5.62%
39.89%	-0.21%
43.78%	-4.20%
43.14%	7.02%

Tranche	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
0.0000 - 2.9999	\$261,957	2.79	763	70	24
3.0000 - 3.4999	\$244,735	3.25	752	76	35
3.5000 - 3.9999	\$227,585	3.73	742	78	46
4.0000 - 4.4999	\$204,538	4.19	732	80	54
4.5000 - 4.9999	\$187,713	4.68	724	81	57
5.0000 - 5.4999	\$165,417	5.16	708	83	75
5.5000 - 5.9999	\$142,997	5.66	698	80	109
6.0000 - 6.4999	\$121,059	6.16	694	78	153
6.5000 - 6.9999	\$105,903	6.65	686	79	169
7.0000 or more	\$80,431	7.48	666	82	201

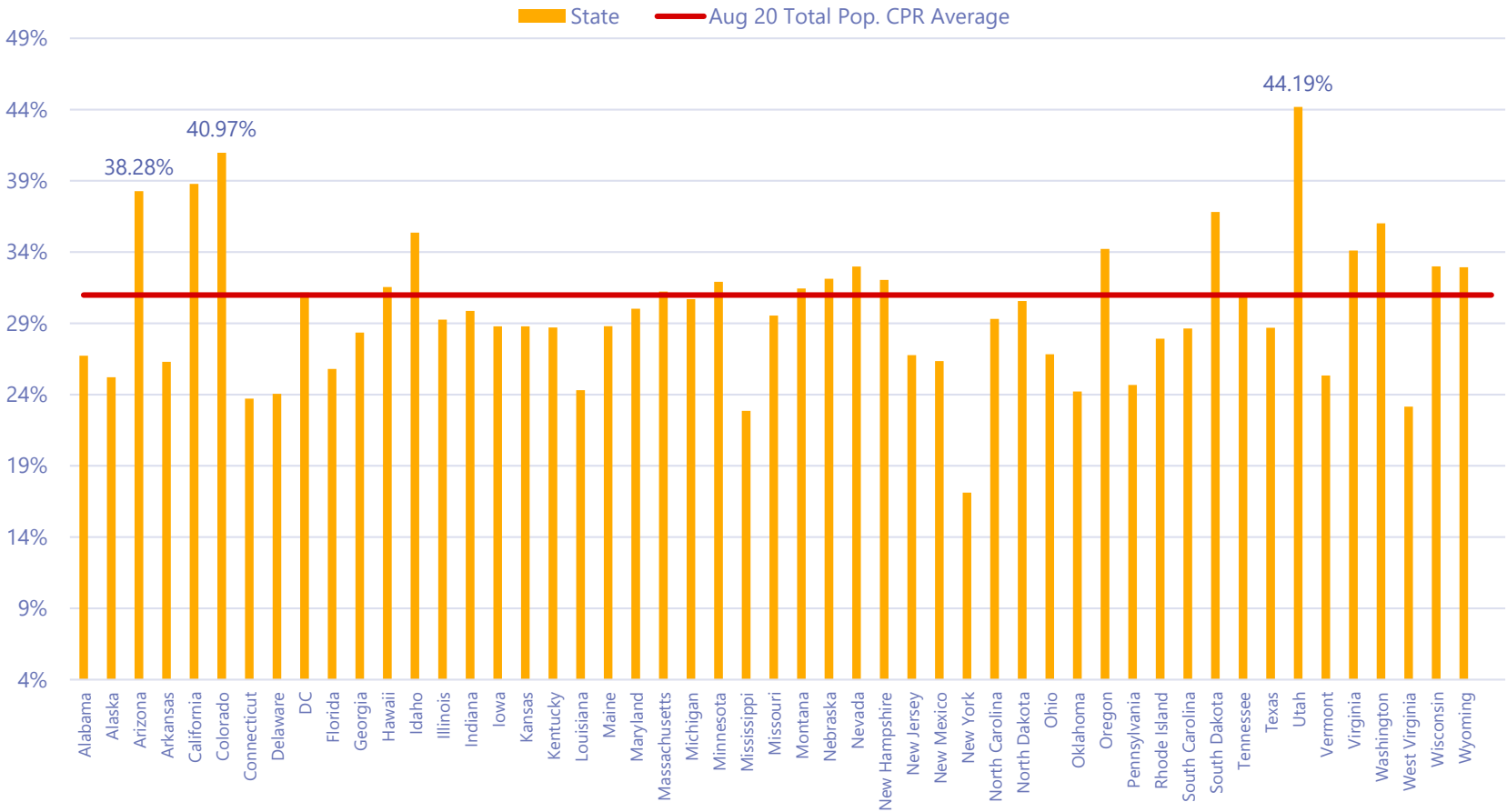
CPR	1mo CPR Change%
9.23%	-7.52%
21.61%	8.37%
33.64%	8.37%
37.13%	-0.33%
34.99%	-3.85%
28.74%	-6.36%
22.99%	-4.46%
16.36%	-3.44%
13.93%	1.33%
11.54%	-1.42%

GSE and GNMA fixed rate product only

Source: Black Knight McDash

# Prepayment Speed Trends

Average CPR by State - August 2020



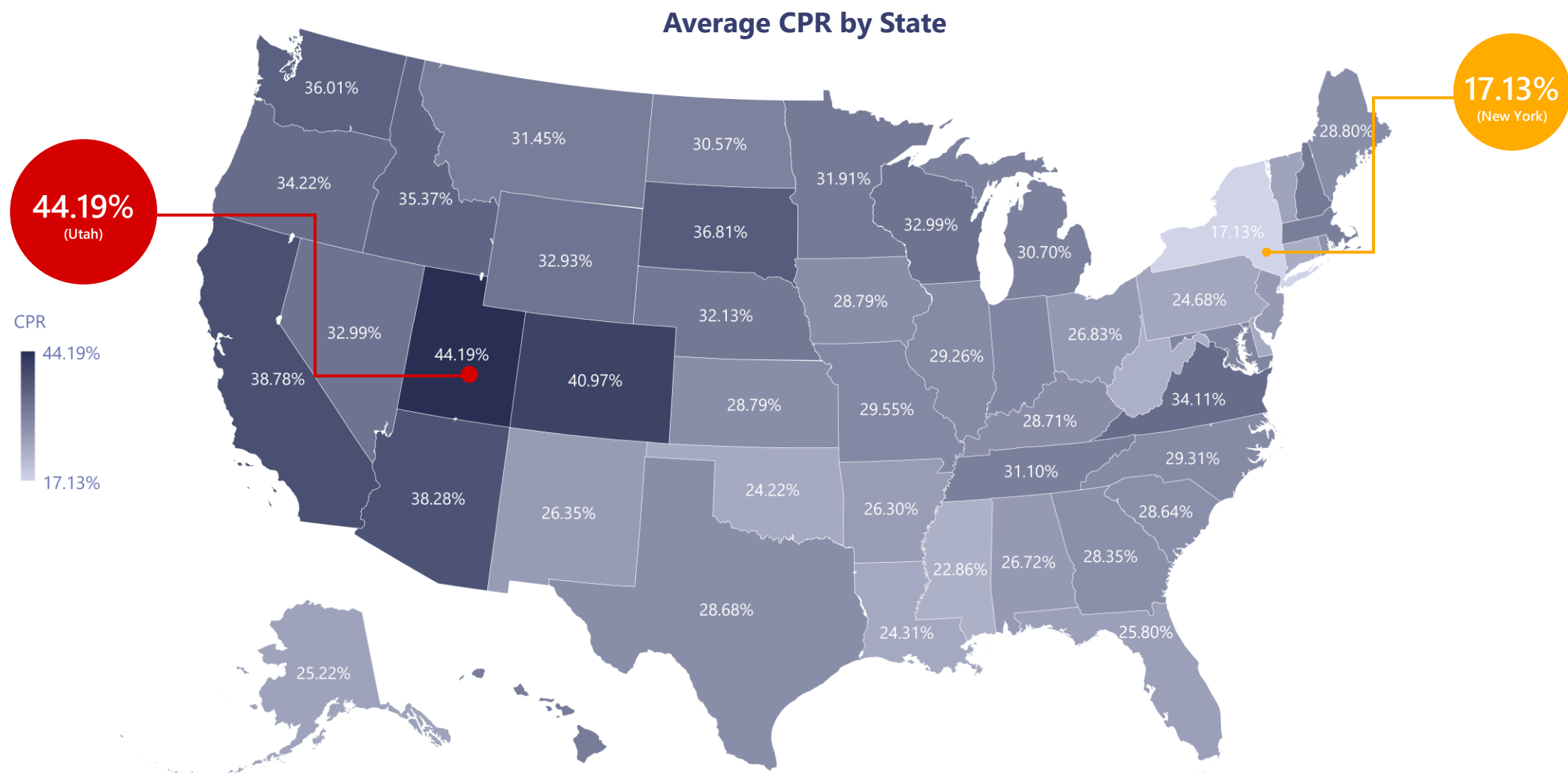
## Analysis

- Utah is once again the state leading the country in prepayment speeds (44.19% CPR), with New York experiencing the slowest prepayment speeds (17.13% CPR) for August
- The Midwest and East Coast states continue to exhibit slower speeds than the Westernmost states
- 30 states including DC are prepaying faster month-over month; while 20 states underwent monthly decreases over August

GSE and GNMA fixed rate product only

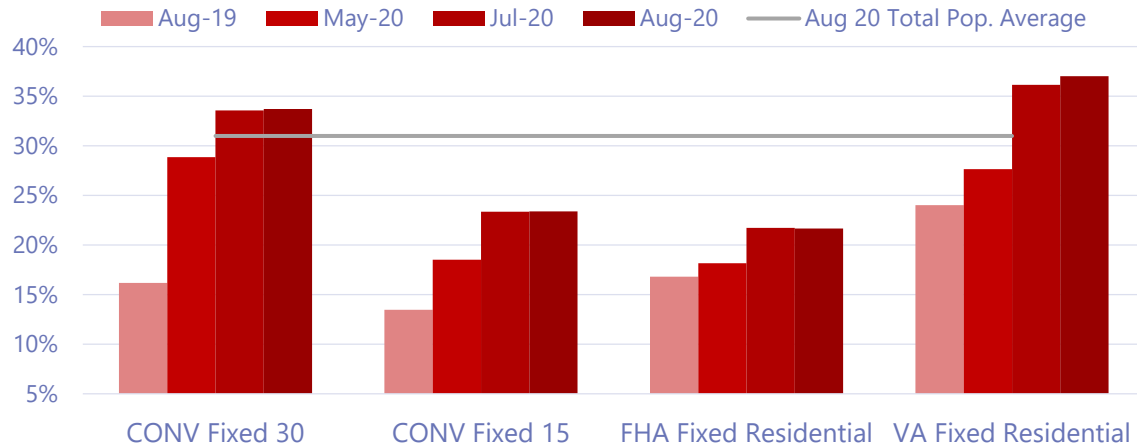
Source: Black Knight McDash

# Prepayment Speed Trends (cont.)

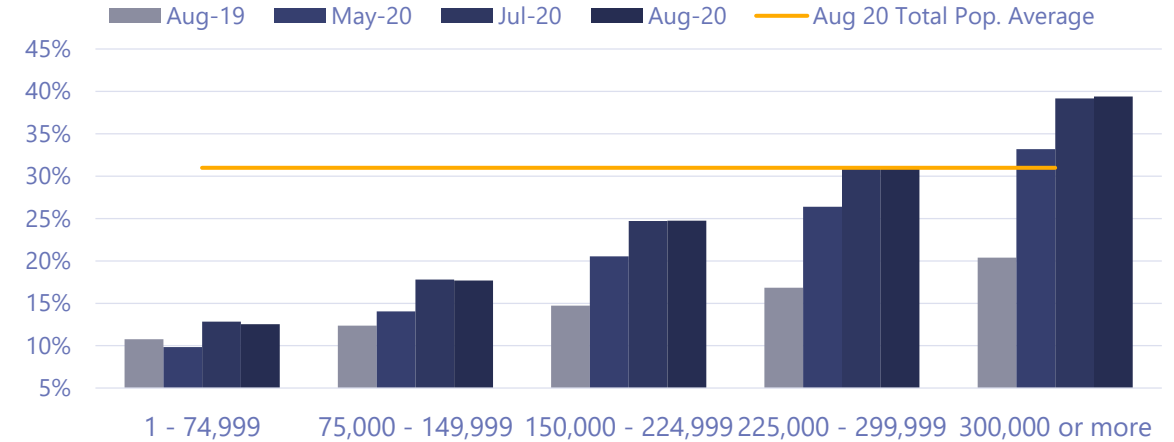


# Prepayment Speed Trends (cont.)

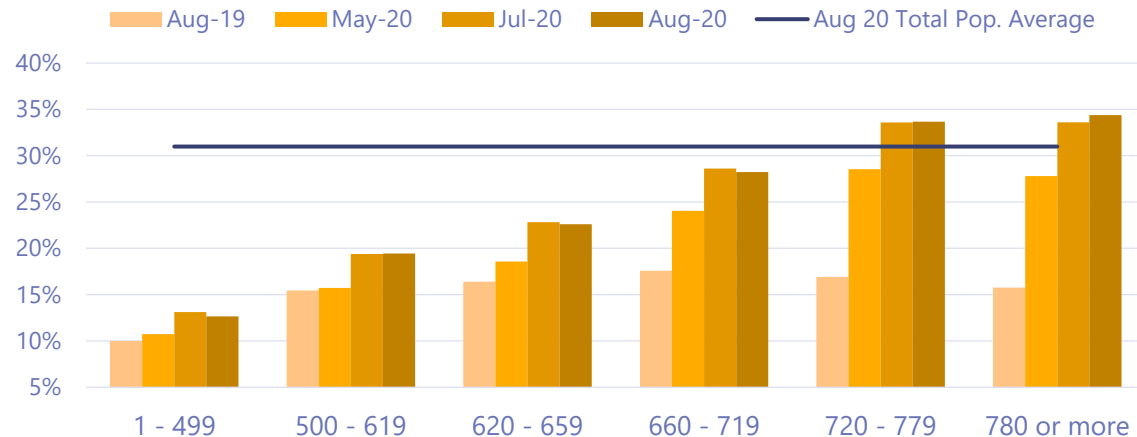
## CPR by Fixed-Rate Product - August 2020



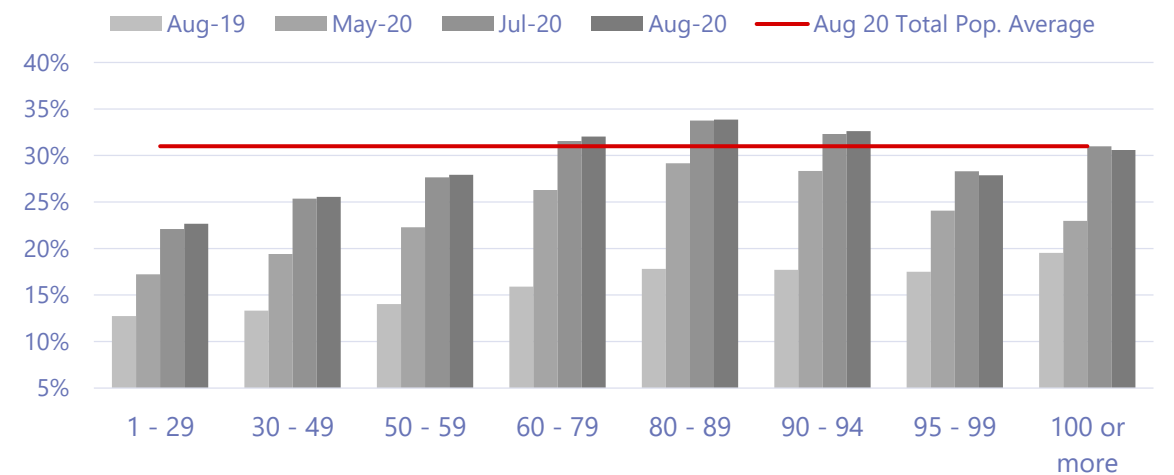
## CPR by Original Loan Balance - August 2020



## CPR by Original FICO - August 2020



## CPR by Original LTV - August 2020



# Delinquency Trends

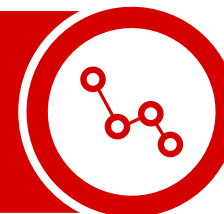
## Summary

- The national delinquency and foreclosure rate decreased by 31 bps since last month and 140 bps over the quarter. Compared to August 2019, however, the delinquency rate has increased 431 bps
- Conventional 30-yr loans' delinquency and foreclosure rates decreased 26 bps since July, while Conventional 15-yr loans' delinquency and foreclosure rates dropped 22 bps over the month
- Over the month, delinquency rates for FHA fell only 1 bp, while VA fixed-rate loans saw a 28 bps increase in delinquency and foreclosure

NOTE: non-paying loans in forbearance are counted as delinquent in our data source. As of September 13<sup>th</sup>, 2020, the MBA Forbearance and Call Volume Survey tallied 6.93% of all mortgages in forbearance. [Click Here For Source](#)

Total delinquencies down

**4.07%**



# Delinquency Summary

SUMMARY TABLES - August 2020

Loan Characteristics

Investor	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
CONV Fixed 30	\$225,349	4.16	750	76	51
CONV Fixed 15	\$182,237	3.48	758	65	48
GNMA Fixed 30	\$191,099	3.96	694	94	50
GNMA Fixed 15	\$137,585	3.58	711	81	58

Delinquencies

30d DQ	60d DQ	+90d DQ	Total FC	Total DQ & FC	1mo DQ & FC Change%
1.16%	0.67%	4.42%	0.17%	6.41%	-3.86%
0.60%	0.32%	1.91%	0.03%	2.85%	-7.04%
3.16%	1.78%	6.94%	0.34%	12.22%	-3.41%
1.30%	0.73%	2.51%	0.10%	4.65%	-6.01%

Vintage	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
2005	\$138,432	5.40	693	77	156
2006	\$142,913	5.45	685	78	136
2007	\$151,266	5.34	681	80	125
2008	\$145,205	5.33	684	82	126
2009	\$163,602	4.92	725	79	128
2010	\$171,903	4.66	737	78	117
2011	\$170,662	4.42	741	77	106
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2016	\$223,564	3.70	736	78	49
2017	\$214,179	4.12	730	79	38
2018	\$208,690	4.70	726	81	26
2019	\$250,599	4.04	735	81	13

30d DQ	60d DQ	+90d DQ	Total FC	Total DQ & FC	1mo DQ & FC Change%
3.87%	1.70%	7.92%	1.41%	14.89%	-2.04%
4.50%	2.10%	10.26%	2.06%	18.92%	-1.85%
4.84%	2.28%	11.24%	2.41%	20.77%	-0.30%
4.88%	2.22%	8.74%	1.72%	17.55%	-1.58%
2.68%	1.18%	4.58%	0.39%	8.83%	-2.95%
2.01%	0.91%	3.99%	0.26%	7.17%	-3.54%
1.69%	0.82%	3.54%	0.19%	6.24%	-4.59%
1.14%	0.61%	2.87%	0.11%	4.73%	-6.70%
1.32%	0.71%	3.55%	0.15%	5.73%	-3.94%
1.89%	1.00%	4.86%	0.25%	8.00%	-1.65%
1.74%	0.95%	5.06%	0.20%	7.95%	-1.52%
1.65%	0.96%	5.39%	0.19%	8.19%	-0.50%
1.94%	1.17%	6.59%	0.22%	9.92%	0.23%
2.21%	1.41%	8.18%	0.25%	12.04%	1.51%
1.57%	1.06%	6.16%	0.05%	8.84%	2.63%

Tranche	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
0.0000 - 2.9999	\$261,957	2.79	763	70	24
3.0000 - 3.4999	\$244,735	3.25	752	76	35
3.5000 - 3.9999	\$227,585	3.73	742	78	46
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4.5000 - 4.9999	\$187,713	4.68	724	81	57
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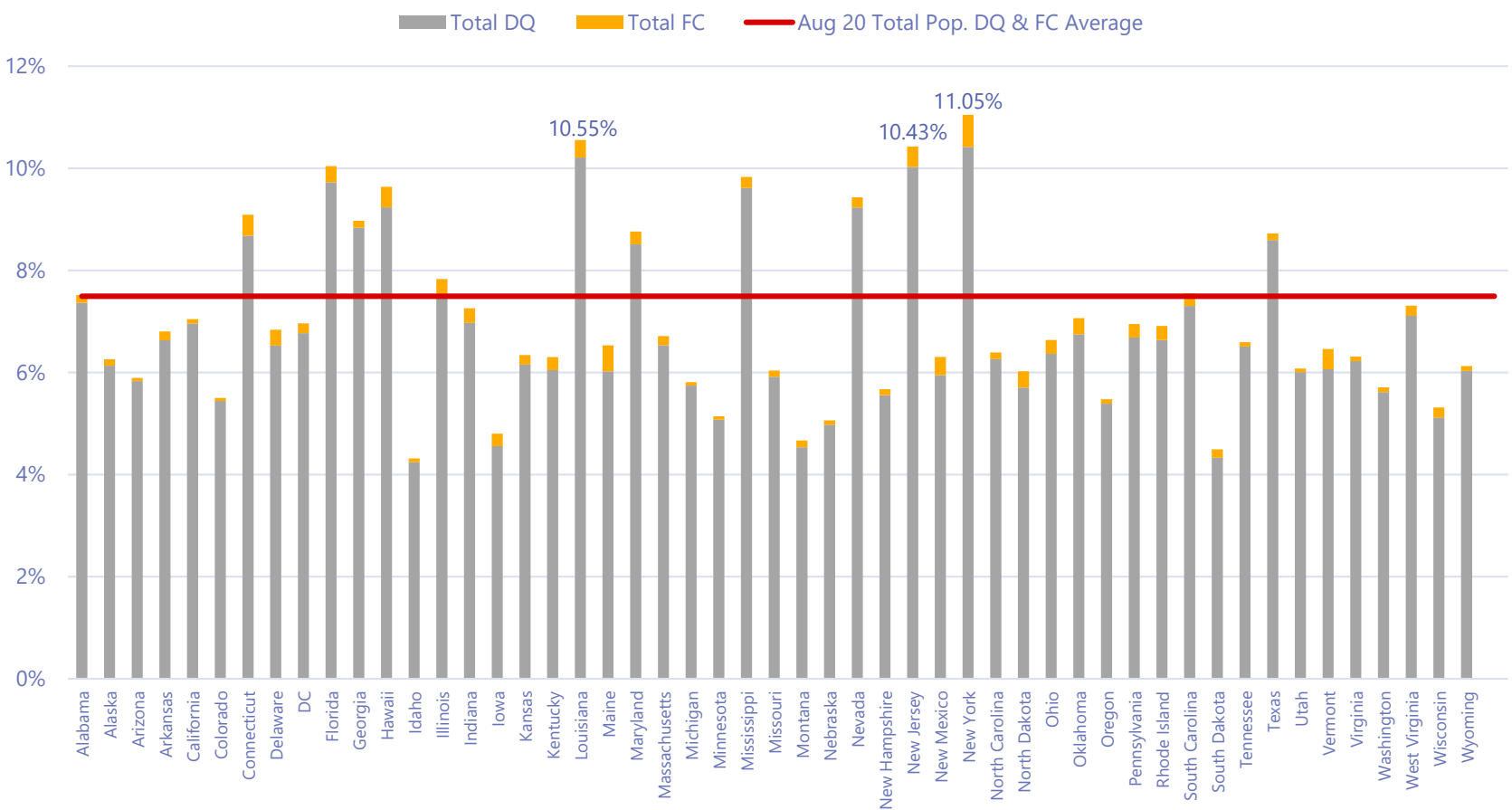
30d DQ	60d DQ	+90d DQ	Total FC	Total DQ & FC	1mo DQ & FC Change%
0.40%	0.21%	0.90%	0.08%	1.59%	-25.29%
0.85%	0.48%	2.18%	0.06%	3.57%	-9.99%
1.33%	0.80%	3.99%	0.12%	6.24%	-1.84%
1.86%	1.08%	5.78%	0.23%	8.95%	-0.56%
2.22%	1.26%	7.06%	0.26%	10.80%	-0.06%
2.89%	1.61%	8.46%	0.41%	13.37%	-0.49%
3.28%	1.62%	8.25%	0.57%	13.72%	-0.85%
3.60%	1.51%	6.63%	0.92%	12.66%	-1.81%
3.98%	1.55%	6.20%	1.33%	13.05%	-0.69%
4.49%	1.73%	6.43%	1.99%	14.64%	0.15%

GSE and GNMA fixed rate product only

Source: Black Knight McDash

# Delinquency Trends

Average Delinquency and Foreclosure by State - August 2020



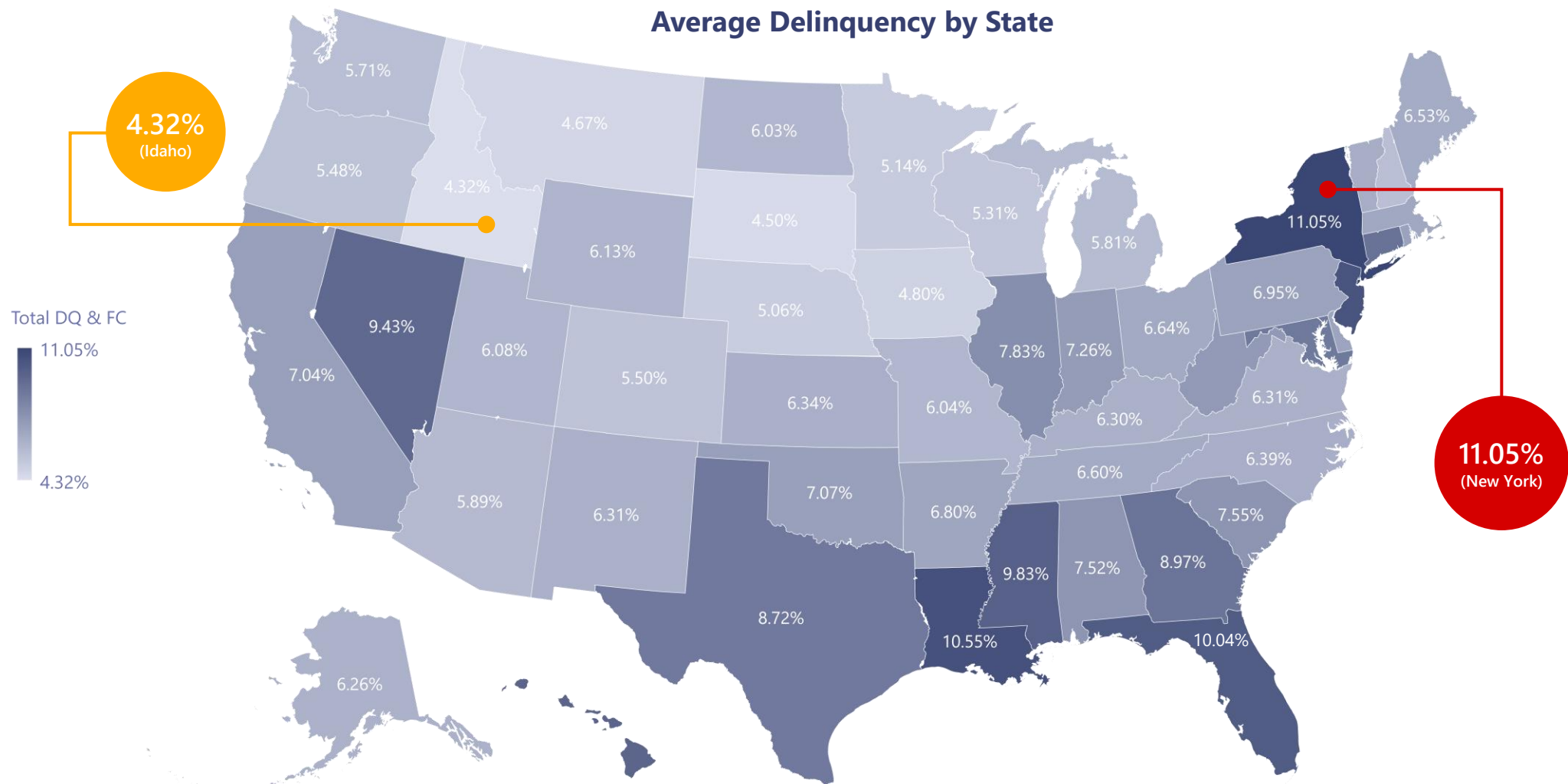
GSE and GNMA fixed rate product only

Source: Black Knight McDash

## Analysis

- Idaho is the best-performing state, with delinquency and foreclosure rates at 4.32%. Back in August 2019, Idaho was the third-best performing state with a delinquency rate of 1.97%
- With 11.05% delinquency and foreclosure rates, New York is the nation's most-delinquent state
- Regionally, the Middle Atlantic states of NY, NJ, and PA have the highest delinquency rate (9.74%)
- The best-performing region is the West North Central area, which includes the Dakotas, Nebraska, Kansas, Iowa, Minnesota, and Missouri. Together, these states reported 5.41% delinquency

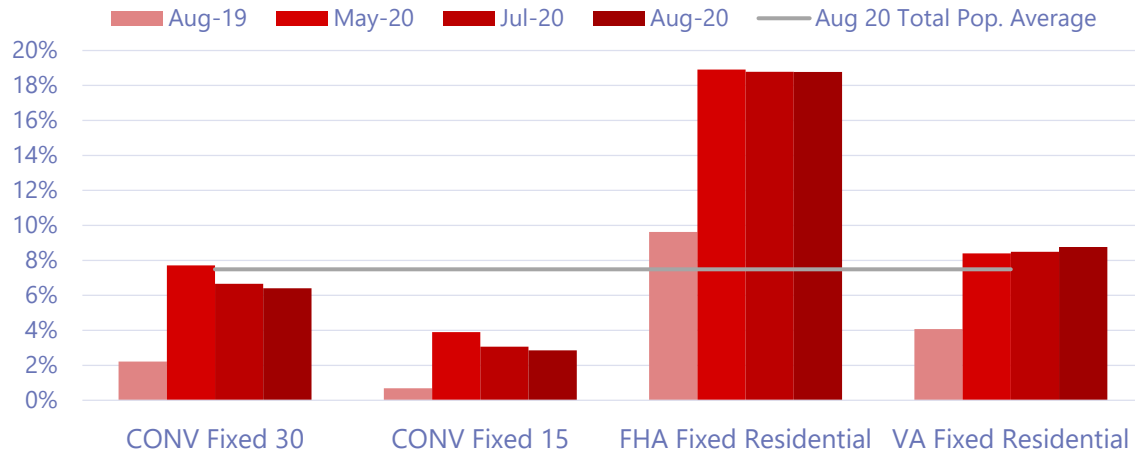
# Delinquency Trends (cont.)



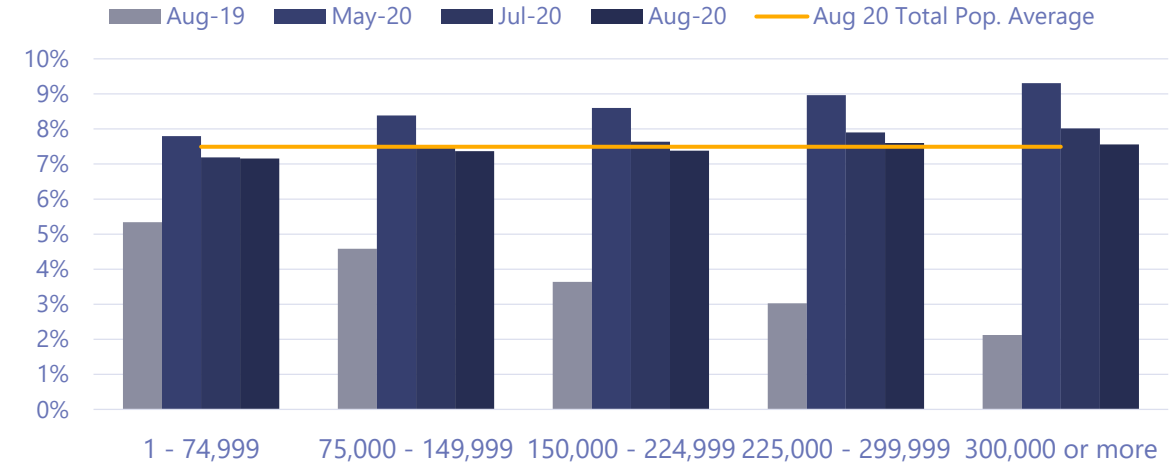


# Delinquency Trends (cont.)

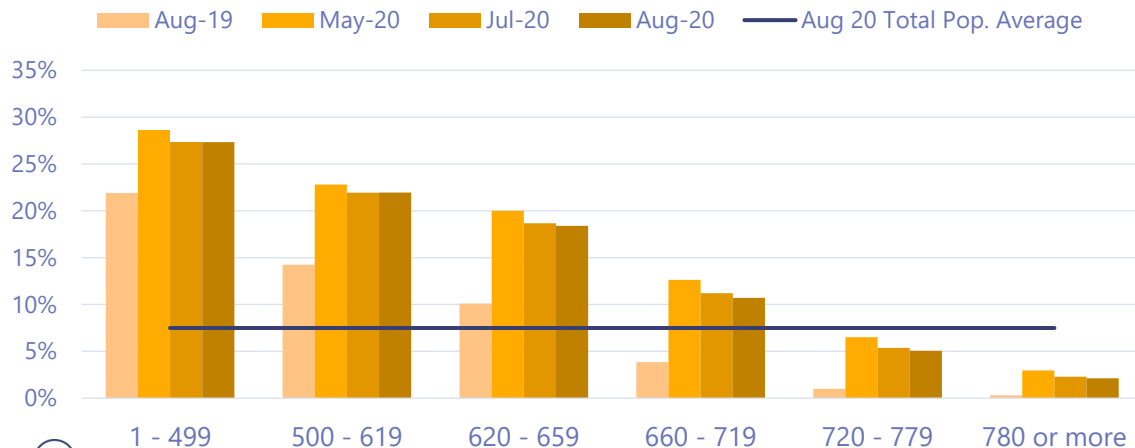
Delinquency and Foreclosure by Fixed-Rate Product - August 2020



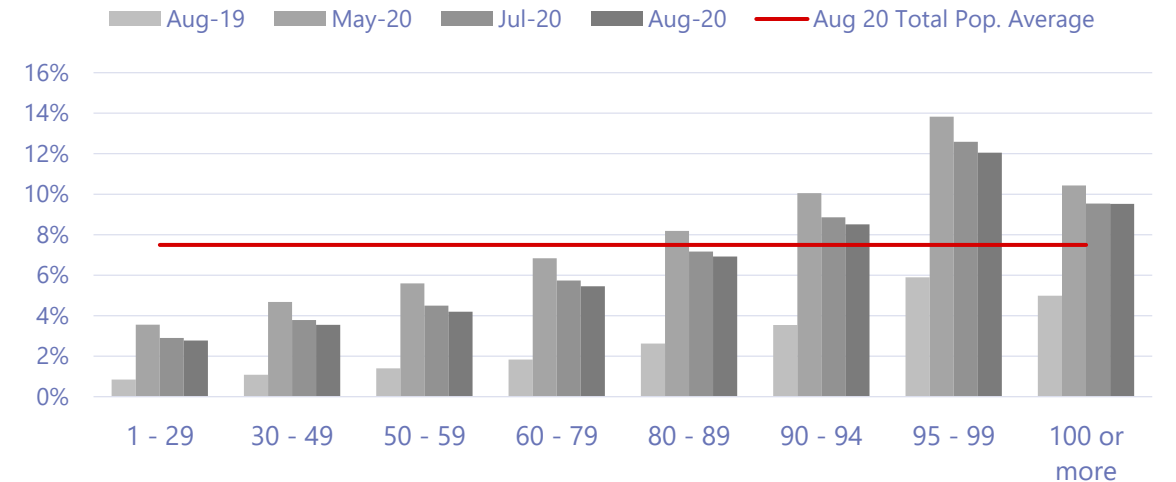
Delinquency and Foreclosure by Original Loan Balance - August 2020



Delinquency and Foreclosure by Original FICO - August 2020



Delinquency and Foreclosure by Original LTV - August 2020



# Tables



# State Summary

## Prepayment and Delinquency

SUMMARY TABLES - August 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	\$206,850	4.01	736	79	52	30.99%	0.62%	100.00%	1.62%	0.92%	4.76%	0.20%	7.49%	-4.07%	100.00%
Alabama	\$158,498	4.07	726	84	56	26.72%	-1.98%	86.24%	2.23%	1.09%	4.05%	0.15%	7.52%	-1.52%	100.29%
Alaska	\$247,749	3.88	733	84	56	25.22%	-11.05%	81.38%	1.34%	0.91%	3.88%	0.13%	6.26%	-12.95%	83.53%
Arizona	\$195,338	4.04	736	81	42	38.28%	0.57%	123.52%	1.45%	0.82%	3.56%	0.06%	5.89%	-3.65%	78.64%
Arkansas	\$141,833	4.04	728	83	57	26.30%	1.63%	84.87%	1.98%	1.03%	3.63%	0.17%	6.80%	-1.08%	90.79%
California	\$296,949	3.93	746	71	47	38.78%	0.75%	125.15%	1.34%	0.78%	4.85%	0.08%	7.04%	-4.93%	94.00%
Colorado	\$248,611	3.89	746	76	41	40.97%	-0.33%	132.22%	1.23%	0.71%	3.50%	0.06%	5.50%	-4.35%	73.41%
Connecticut	\$217,113	4.08	736	80	63	23.71%	5.93%	76.53%	1.89%	1.10%	5.68%	0.41%	9.09%	-3.98%	121.28%
Delaware	\$205,629	4.09	733	81	58	24.05%	0.40%	77.61%	1.71%	0.92%	3.91%	0.31%	6.84%	-3.30%	91.23%
DC	\$331,215	3.96	752	71	52	31.16%	6.65%	100.56%	1.19%	0.71%	4.87%	0.20%	6.96%	-3.79%	92.93%
Florida	\$188,270	4.15	729	82	49	25.80%	0.13%	83.24%	1.80%	1.15%	6.77%	0.32%	10.04%	-4.31%	134.00%
Georgia	\$179,032	4.06	727	83	53	28.35%	-0.39%	91.48%	1.93%	1.14%	5.77%	0.13%	8.97%	-3.87%	119.71%
Hawaii	\$360,453	3.95	747	74	57	31.54%	3.07%	101.79%	1.52%	1.00%	6.71%	0.40%	9.64%	-2.12%	128.60%
Idaho	\$190,250	3.98	741	78	45	35.37%	-0.30%	114.14%	1.18%	0.56%	2.50%	0.07%	4.32%	-2.51%	57.61%
Illinois	\$182,716	4.05	736	81	56	29.26%	0.47%	94.43%	1.69%	0.94%	4.85%	0.35%	7.83%	-3.03%	104.50%
Indiana	\$137,671	4.14	722	84	53	29.87%	1.35%	96.39%	2.19%	1.06%	3.72%	0.29%	7.26%	-1.72%	96.84%
Iowa	\$147,168	3.92	738	82	53	28.79%	-2.55%	92.92%	1.48%	0.68%	2.39%	0.24%	4.80%	-0.99%	64.09%
Kansas	\$152,105	4.00	733	83	53	28.79%	-4.30%	92.89%	1.75%	0.90%	3.52%	0.19%	6.34%	-1.55%	84.63%
Kentucky	\$149,502	4.04	727	82	53	28.71%	2.04%	92.64%	1.73%	0.85%	3.47%	0.26%	6.30%	-2.52%	84.11%
Louisiana	\$169,173	4.11	721	82	55	24.31%	-6.48%	78.46%	2.66%	1.42%	6.13%	0.34%	10.55%	0.53%	140.83%
Maine	\$181,850	4.05	733	80	55	28.80%	1.34%	92.93%	1.63%	0.85%	3.54%	0.51%	6.53%	-3.22%	87.15%
Maryland	\$249,217	3.99	732	81	57	30.03%	3.85%	96.91%	1.91%	1.12%	5.49%	0.25%	8.76%	-3.99%	116.89%
Massachusetts	\$264,569	3.94	741	74	52	31.23%	1.36%	100.79%	1.63%	0.87%	4.04%	0.18%	6.71%	-1.86%	89.58%
Michigan	\$150,825	4.05	736	82	50	30.70%	2.32%	99.07%	1.40%	0.72%	3.62%	0.07%	5.81%	-4.11%	77.56%
Minnesota	\$194,929	3.96	745	82	51	31.91%	4.75%	102.99%	1.33%	0.67%	3.08%	0.07%	5.14%	-4.14%	68.63%
Mississippi	\$151,246	4.09	717	85	54	22.86%	-5.82%	73.76%	2.68%	1.40%	5.53%	0.22%	9.83%	-2.99%	131.18%
Missouri	\$151,560	4.02	733	82	52	29.55%	-1.18%	95.35%	1.76%	0.84%	3.32%	0.12%	6.04%	-2.52%	80.57%
Montana	\$194,754	3.95	744	78	50	31.45%	-1.30%	101.49%	1.25%	0.62%	2.66%	0.13%	4.67%	-1.91%	62.28%
Nebraska	\$151,882	3.88	740	82	48	32.13%	3.47%	103.68%	1.48%	0.74%	2.76%	0.08%	5.06%	-3.30%	67.55%
Nevada	\$211,849	4.11	733	82	42	32.99%	-1.62%	106.45%	1.66%	1.10%	6.47%	0.20%	9.43%	-5.98%	125.86%
New Hampshire	\$210,967	4.00	737	80	53	32.05%	2.34%	103.42%	1.46%	0.74%	3.36%	0.11%	5.67%	-3.80%	75.67%
New Jersey	\$246,598	4.04	737	77	57	26.77%	2.69%	86.39%	1.82%	1.16%	7.05%	0.40%	10.43%	-5.42%	139.14%
New Mexico	\$168,846	4.15	732	81	62	26.35%	-0.04%	85.03%	1.64%	0.82%	3.50%	0.36%	6.31%	-3.39%	84.13%
New York	\$237,868	4.18	738	74	64	17.13%	-0.55%	55.27%	1.90%	1.11%	7.42%	0.63%	11.05%	-5.44%	147.41%
North Carolina	\$179,621	4.02	735	81	52	29.31%	-3.66%	94.58%	1.65%	0.90%	3.72%	0.13%	6.39%	-3.24%	85.31%
North Dakota	\$186,180	3.80	743	81	47	30.57%	-0.12%	98.64%	1.35%	0.76%	3.60%	0.32%	6.03%	0.72%	80.40%
Ohio	\$140,175	4.13	726	84	56	26.83%	4.00%	86.57%	1.79%	0.90%	3.68%	0.27%	6.64%	-3.63%	88.56%
Oklahoma	\$147,480	4.14	726	85	56	24.22%	2.21%	78.15%	1.99%	1.03%	3.73%	0.32%	7.07%	-3.79%	94.28%
Oregon	\$225,931	4.02	746	77	48	34.22%	0.58%	110.42%	1.16%	0.64%	3.59%	0.09%	5.48%	-2.34%	73.09%
Pennsylvania	\$172,111	4.07	735	81	59	24.68%	1.48%	79.63%	1.69%	0.91%	4.09%	0.27%	6.95%	-4.48%	92.73%
Rhode Island	\$207,892	4.06	735	80	56	27.93%	4.93%	90.12%	1.79%	0.83%	4.02%	0.28%	6.91%	-1.54%	92.22%
South Carolina	\$173,688	4.06	728	82	51	28.64%	-2.35%	92.41%	1.87%	1.01%	4.43%	0.25%	7.55%	-2.43%	100.73%
South Dakota	\$168,644	3.81	744	81	48	36.81%	-3.81%	118.79%	1.28%	0.68%	2.38%	0.16%	4.50%	-2.77%	59.98%
Tennessee	\$173,781	4.02	731	82	50	31.10%	-0.55%	100.36%	1.70%	0.91%	3.90%	0.09%	6.60%	-2.91%	88.00%
Texas	\$184,407	4.10	727	82	50	28.68%	-3.08%	92.56%	1.98%	1.20%	5.42%	0.13%	8.72%	-3.16%	116.41%
Utah	\$231,492	3.92	738	80	39	44.19%	5.50%	142.59%	1.62%	0.86%	3.53%	0.07%	6.08%	-1.15%	81.12%
Vermont	\$184,380	4.09	740	78	57	25.34%	1.51%	81.76%	1.63%	0.81%	3.63%	0.40%	6.46%	-4.68%	86.20%
Virginia	\$244,561	3.92	739	81	53	34.11%	1.90%	110.06%	1.42%	0.82%	3.99%	0.09%	6.31%	-4.16%	84.24%
Washington	\$253,021	3.97	741	77	46	36.01%	-0.28%	116.22%	1.35%	0.69%	3.58%	0.09%	5.71%	-1.35%	76.18%
West Virginia	\$146,890	4.13	719	84	57	23.15%	2.00%	74.71%	2.32%	1.01%	3.79%	0.20%	7.31%	-0.72%	97.54%
Wisconsin	\$164,886	4.00	737	81	53	32.99%	0.15%	106.46%	1.46%	0.73%	2.93%	0.19%	5.31%	-2.32%	70.91%
Wyoming	\$199,956	3.92	736	81	49	32.93%	2.64%	106.28%	1.72%	0.95%	3.37%	0.09%	6.13%	-1.83%	81.73%

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