

Market Snapshot





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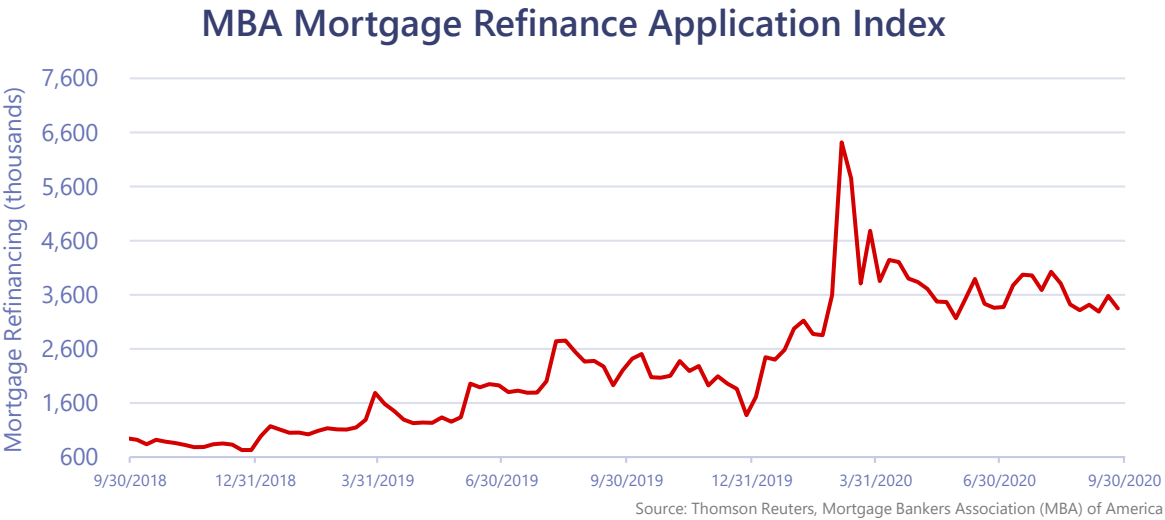
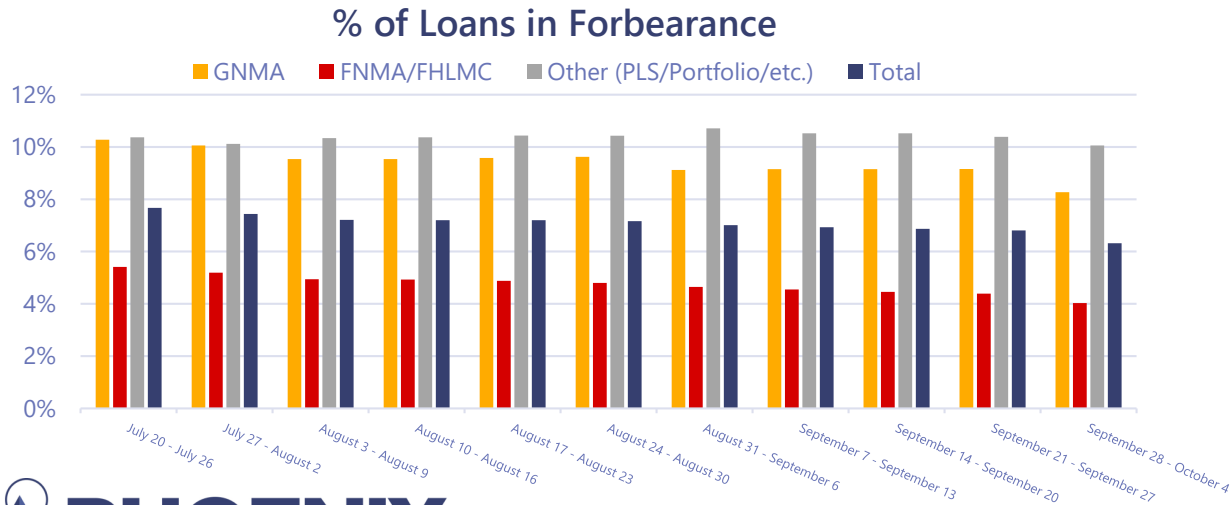
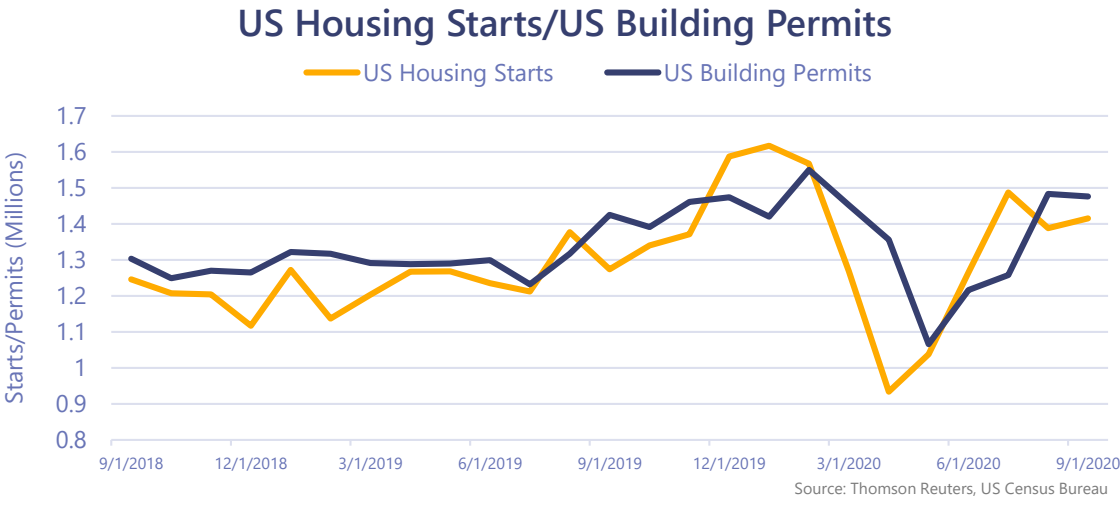
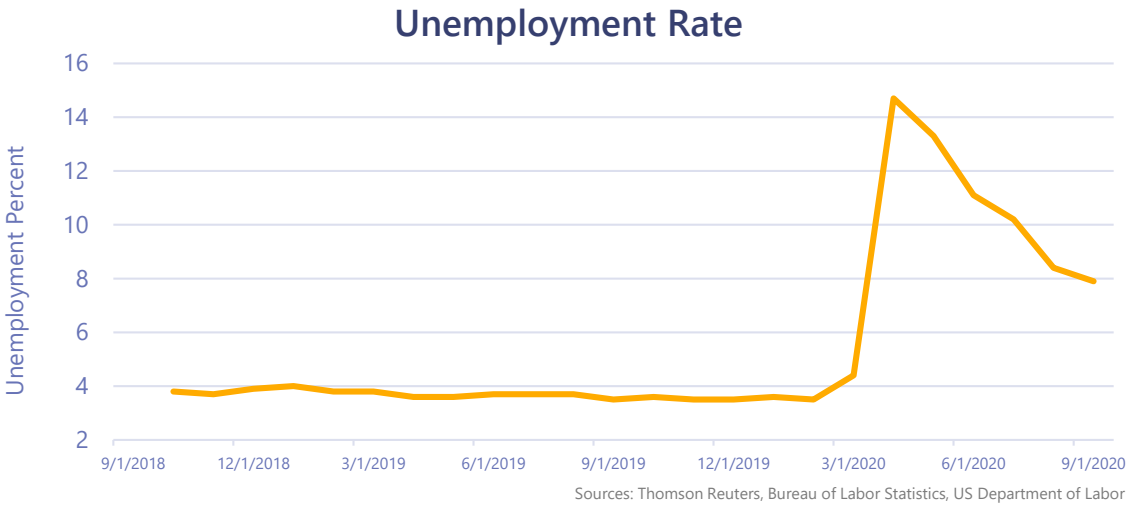
Delinquency Trends

Macro- Economic Indicators

Summary

- The US job market continued to rebound slightly in September. This was reflected by a drop to 7.9% in the US unemployment rate, down 0.5% from August's figure of 8.4%
- 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, continued to steadily decline during September. September's final figure was 6.32%, down from the 7.01% of loans recorded in the first week of the month
- The residential construction market picked-up in September. Housing starts for September came in at 1,415,000; around 1.9% higher than August's month-end figure
- The MBA Mortgage Refinance Application Index's weekly readings decreased during September, pulling back slightly to 3,347 at month-end from 3,415 recorded at the beginning of September

Macro-Economic Indicators



Rate History

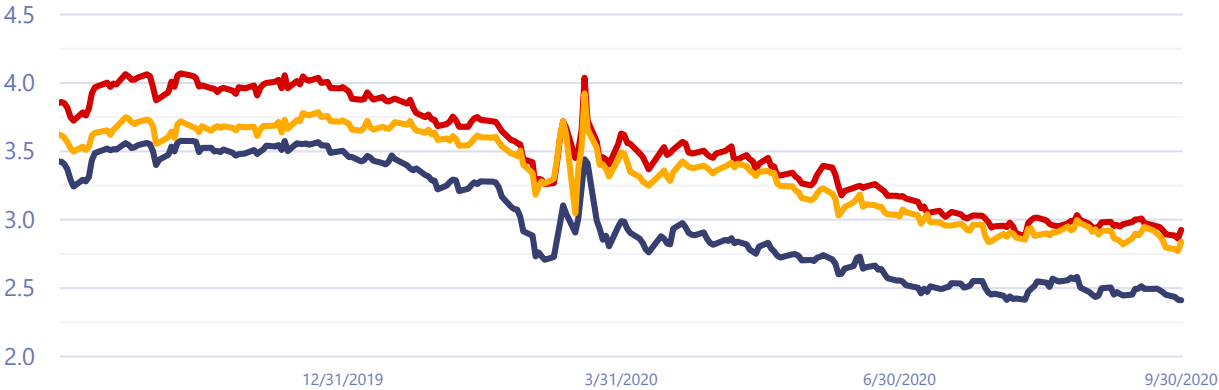
Summary

- PHOENIX primary mortgage rates slid marginally from August month-end. The conventional fixed 30-year rate decreased 4.3 bps, the government fixed 30-year rate decreased 10.5 bps, and the fixed 15-year rate decreased 5.9 bps
- SWAP rates continued their upward trend for the second straight month, increasing across the board from August month-end
- The 1-month LIBOR decreased slightly from August month-end, now sitting at 0.14825% as of September month-end

Rate History

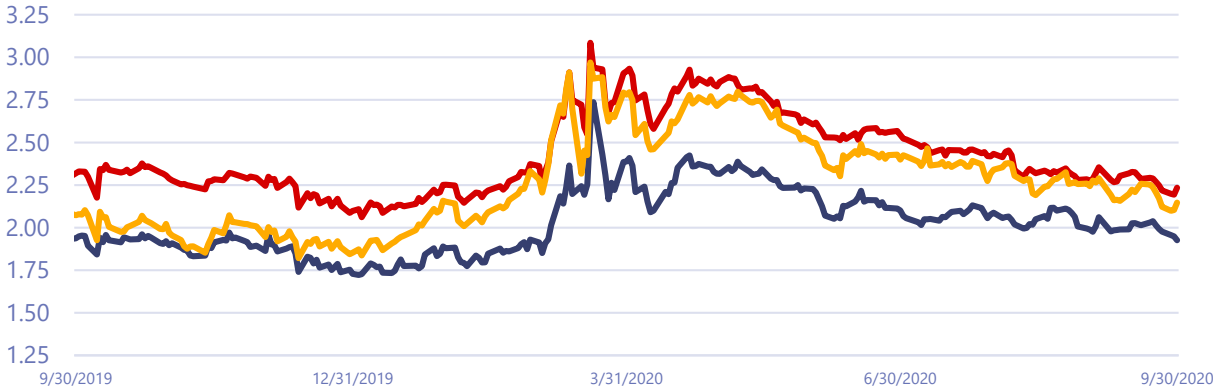
Mortgage Par Rates (%)

— CONV30 Primary — CONV15 Primary — GOV30



Mortgage Par Spread over SWAP Rates (%)

— CONV30 - SWAP 10yr — CONV15 - SWAP 7yr — GOV30 - SWAP 10yr



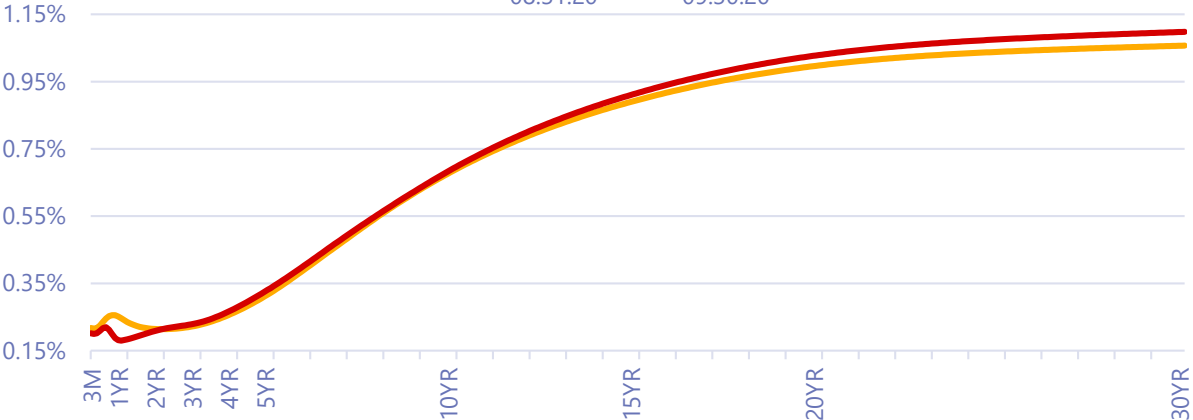
2yr and 10yr SWAP Spread

— 2yr - 10yr SWAP Spread



Yield Curve Comparison

— 08.31.20 — 09.30.20



Rate History (cont.)

Primary Rates as of 09/30/2020

Rate	9/30/2020	8/31/2020	6/30/2020	9/30/2019
CONV30	2.926	2.969	3.169	3.861
CONV15	2.412	2.471	2.557	3.425
GOV30	2.839	2.944	3.024	3.615
ARM 5/1	2.375	2.375	2.875	3.500

Secondary Rates as of 09/30/2020

Rate	9/30/2020	8/31/2020	6/30/2020	9/30/2019
FNMA 30	1.326	1.369	1.569	2.611
FNMA 15	0.712	0.671	1.057	2.225
GNMA II 30	0.989	1.044	1.550	2.315
GNMA II 15	0.638	0.594	1.264	2.225
ARM 5/1	3.110	3.320	3.120	4.000

Earnings Rates as of 09/30/2020

Rate	9/30/2020	8/31/2020	6/30/2020	9/30/2019
3 MO ED	0.201	0.217	0.258	2.089
6 MO ED	0.219	0.245	0.264	2.022
12 MO ED	0.181	0.240	0.244	1.763
2 YR SWAP	0.213	0.214	0.219	1.610
3 YR SWAP	0.232	0.225	0.224	1.530
5 YR SWAP	0.336	0.322	0.318	1.481
10 YR SWAP	0.692	0.685	0.624	1.542
15 YR SWAP	0.915	0.894	0.787	1.623
20 YR SWAP	1.029	0.998	0.867	1.671
30 YR SWAP	1.098	1.057	0.904	1.691

Source: Thomson Reuters and PHOENIX

Prepayment Speed Trends

Summary

- Par rates decreased slightly over the course of September, and this was reflected in prepayment speeds across product types. Overall prepayment speeds exhibited an increase of 5.93% month-over-month
- Conventional Fixed-30, Conventional Fixed-15, FHA, and VA Fixed loans all saw slight upticks in prepayment speeds in September
- CONV Fixed-30 loans showed the largest increase in speeds month-over-month with a gain of 2.43%, while VA Fixed loans showed the smallest increase in speeds of .82% compared to August. All product types continue to show large prepayment speed increases compared to August 2019

CPR Summary

SUMMARY TABLES - September 2020

Loan Characteristics

Investor	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
CONV Fixed 30	\$226,123	4.12	750	76	49
CONV Fixed 15	\$183,420	3.44	758	65	46
GNMA Fixed 30	\$191,765	3.93	696	94	47
GNMA Fixed 15	\$137,529	3.57	718	82	56

Prepayments

CPR	1mo CPR Change%
36.12%	7.20%
24.56%	5.01%
29.24%	2.69%
24.26%	4.25%

Vintage	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
2005	\$138,308	5.41	695	77	157
2006	\$142,240	5.47	686	78	138
2007	\$150,091	5.37	682	80	127
2008	\$144,990	5.33	686	82	127
2009	\$163,455	4.92	727	79	128
2010	\$171,661	4.66	736	79	118
2011	\$170,227	4.42	741	77	107
2012	\$197,684	3.78	750	80	96
2013	\$187,726	3.81	744	79	86
2014	\$174,996	4.26	732	80	72
2015	\$202,232	3.95	735	80	61
2016	\$222,095	3.70	736	79	48
2017	\$212,430	4.12	729	81	37
2018	\$207,150	4.70	725	82	26
2019	\$248,436	4.04	734	81	12

CPR	1mo CPR Change%
15.59%	7.33%
13.66%	2.01%
13.58%	4.35%
15.36%	9.45%
24.83%	12.33%
27.71%	9.21%
27.40%	8.01%
30.16%	10.74%
28.22%	10.46%
33.86%	6.03%
38.19%	8.14%
38.50%	8.03%
41.86%	4.94%
44.78%	2.30%
46.45%	7.68%

Tranche	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
0.0000 - 2.9999	\$271,227	2.77	763	72	14
3.0000 - 3.4999	\$245,926	3.25	752	77	29
3.5000 - 3.9999	\$226,379	3.72	742	79	45
4.0000 - 4.4999	\$203,277	4.19	732	81	53
4.5000 - 4.9999	\$186,770	4.68	724	81	56
5.0000 - 5.4999	\$164,945	5.16	708	83	73
5.5000 - 5.9999	\$142,791	5.66	699	80	107
6.0000 - 6.4999	\$121,046	6.16	698	79	154
6.5000 - 6.9999	\$105,807	6.65	690	79	171
7.0000 or more	\$80,327	7.47	674	82	203

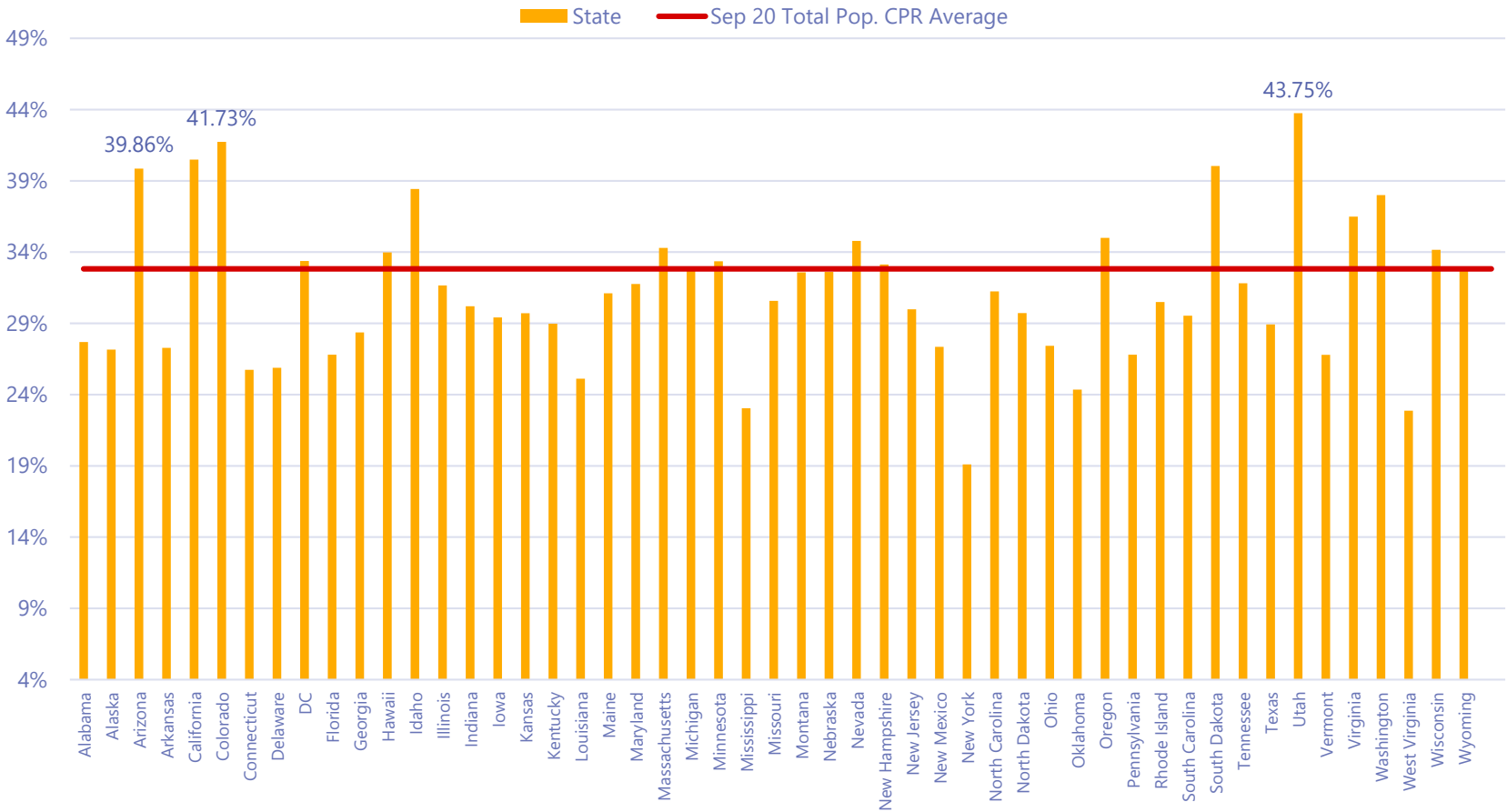
CPR	1mo CPR Change%
8.98%	-2.70%
24.29%	12.42%
37.01%	10.04%
39.44%	6.22%
36.43%	4.11%
30.05%	4.53%
23.48%	2.16%
17.32%	5.83%
14.16%	1.67%
11.80%	2.18%

GSE and GNMA fixed rate product only

Source: Black Knight McDash

Prepayment Speed Trends

Average CPR by State - September 2020



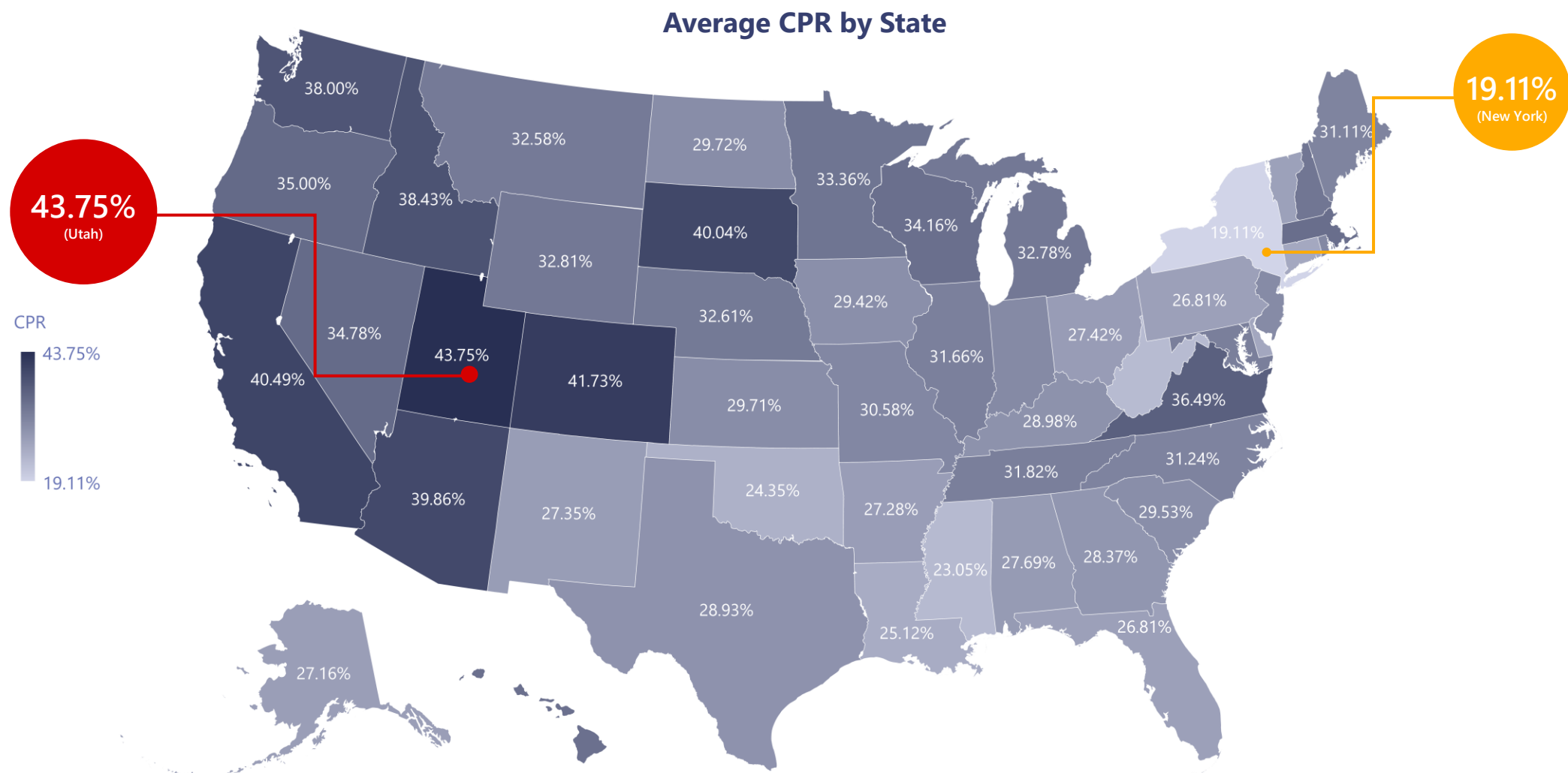
Analysis

- Utah is once again the state leading the country in prepayment speeds (43.75% CPR), with New York experiencing the slowest prepayment speeds (19.11% CPR) for September
- The Midwest and East Coast states continue to exhibit slower speeds than the Westernmost states
- 46 states including DC are prepaying faster month-over month; while 4 states (WY, WV, UT, ND) underwent monthly decreases over September

GSE and GNMA fixed rate product only

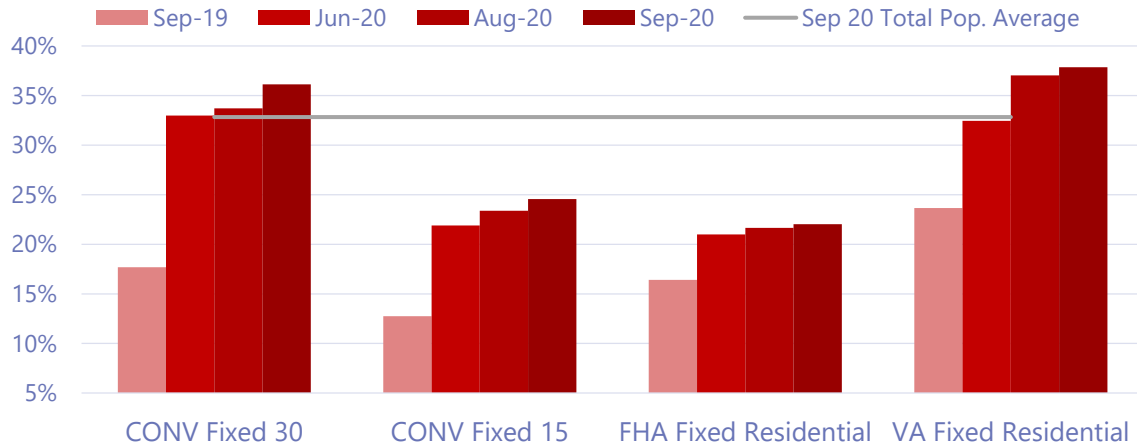
Source: Black Knight McDash

Prepayment Speed Trends (cont.)

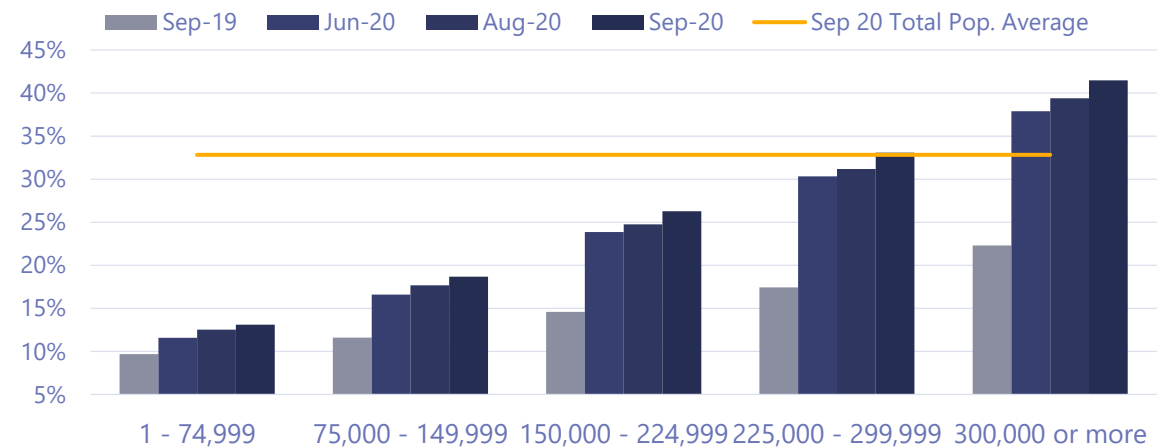


Prepayment Speed Trends (cont.)

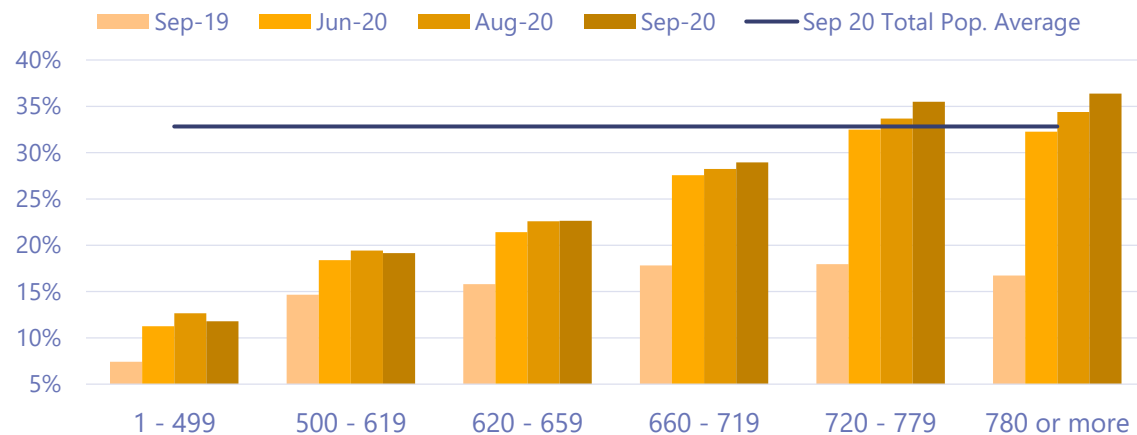
CPR by Fixed-Rate Product - September 2020



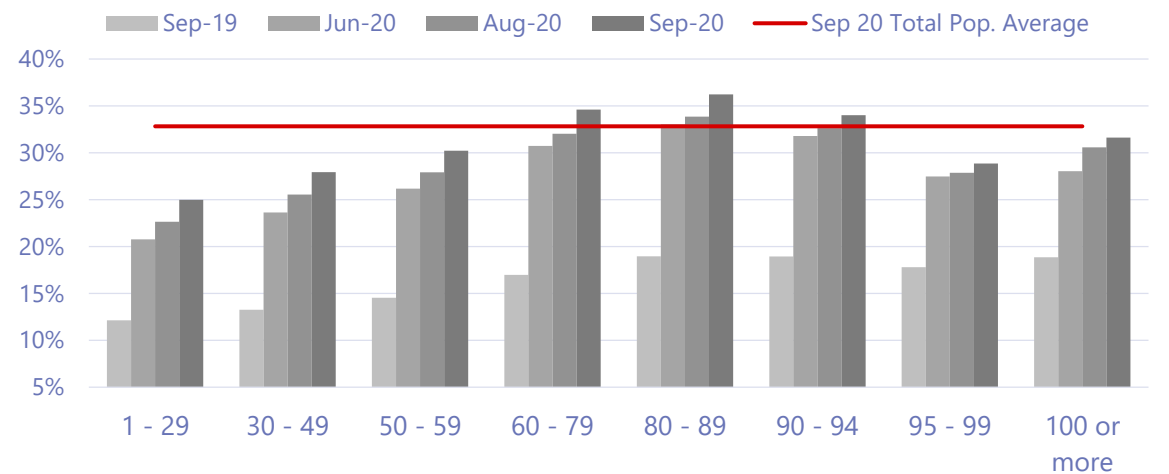
CPR by Original Loan Balance - September 2020



CPR by Original FICO - September 2020



CPR by Original LTV - September 2020



Delinquency Trends

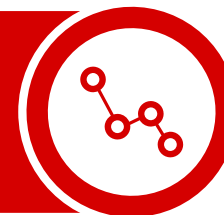
Summary

- The national delinquency and foreclosure rate decreased by 19 bps since last month and 151 bps over the quarter. Compared to September 2019, however, the delinquency rate has increased 401 bps
- Conventional 30-year loans' delinquency and foreclosure rates decreased 30 bps since August, while Conventional 15-year loans' delinquency and foreclosure rates dropped 25 bps over the month
- Over the month, delinquency and foreclosure rates for FHA and VA loans increased 22 and 18 bps, respectively

NOTE: non-paying loans in forbearance are counted as delinquent in our data source. For more information, click our link below to access the MBA Forbearance and Call Volume Survey [Click Here For Source](#)

Total delinquencies down

2.54%



Delinquency Summary

SUMMARY TABLES - September 2020

Loan Characteristics

Investor	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
CONV Fixed 30	\$226,123	4.12	750	76	49
CONV Fixed 15	\$183,420	3.44	758	65	46
GNMA Fixed 30	\$191,765	3.93	696	94	47
GNMA Fixed 15	\$137,529	3.57	718	82	56

Delinquencies

30d DQ	60d DQ	+90d DQ	Total FC	Total DQ & FC	1mo DQ & FC Change%
1.12%	0.57%	4.25%	0.17%	6.10%	-4.70%
0.55%	0.27%	1.76%	0.03%	2.61%	-8.69%
3.26%	1.64%	7.08%	0.32%	12.30%	0.69%
1.34%	0.63%	2.43%	0.09%	4.50%	-3.27%

Vintage	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
2005	\$138,308	5.41	695	77	157
2006	\$142,240	5.47	686	78	138
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2015	\$202,232	3.95	735	80	61
2016	\$222,095	3.70	736	79	48
2017	\$212,430	4.12	729	81	37
2018	\$207,150	4.70	725	82	26
2019	\$248,436	4.04	734	81	12

30d DQ	60d DQ	+90d DQ	Total FC	Total DQ & FC	1mo DQ & FC Change%
3.88%	1.60%	7.87%	1.41%	14.76%	-0.89%
4.57%	1.96%	10.43%	2.11%	19.06%	0.73%
4.79%	2.09%	11.49%	2.46%	20.82%	0.25%
4.96%	2.07%	8.81%	1.71%	17.55%	0.02%
2.68%	1.08%	4.53%	0.38%	8.67%	-1.79%
1.98%	0.86%	3.92%	0.26%	7.01%	-2.21%
1.69%	0.75%	3.46%	0.19%	6.09%	-2.39%
1.12%	0.53%	2.74%	0.11%	4.49%	-5.12%
1.33%	0.62%	3.44%	0.15%	5.53%	-3.42%
1.96%	0.92%	4.83%	0.25%	7.96%	-0.44%
1.79%	0.88%	5.06%	0.20%	7.94%	-0.13%
1.68%	0.87%	5.42%	0.19%	8.16%	-0.35%
2.07%	1.05%	6.71%	0.22%	10.05%	1.30%
2.40%	1.32%	8.46%	0.26%	12.44%	3.26%
1.60%	0.97%	6.44%	0.05%	9.06%	2.44%

Tranche	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
0.0000 - 2.9999	\$271,227	2.77	763	72	14
3.0000 - 3.4999	\$245,926	3.25	752	77	29
3.5000 - 3.9999	\$226,379	3.72	742	79	45
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5.5000 - 5.9999	\$142,791	5.66	699	80	107
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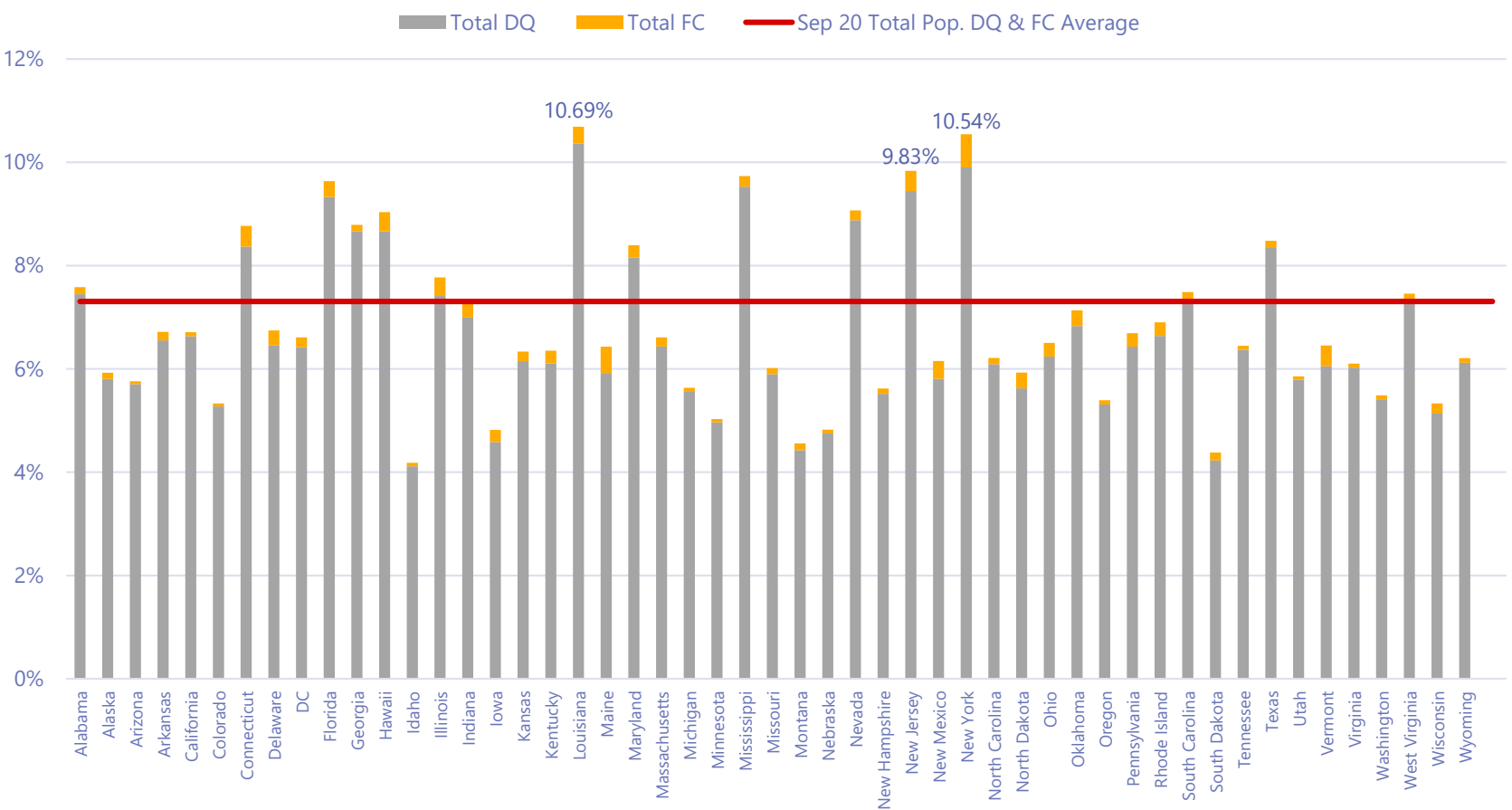
30d DQ	60d DQ	+90d DQ	Total FC	Total DQ & FC	1mo DQ & FC Change%
0.37%	0.15%	0.69%	0.06%	1.28%	-19.66%
0.84%	0.43%	2.10%	0.06%	3.42%	-4.26%
1.35%	0.71%	4.03%	0.12%	6.21%	-0.50%
1.93%	0.99%	5.86%	0.23%	9.00%	0.55%
2.30%	1.17%	7.16%	0.26%	10.89%	0.82%
3.02%	1.49%	8.61%	0.41%	13.53%	1.23%
3.40%	1.50%	8.38%	0.56%	13.84%	0.86%
3.72%	1.44%	6.64%	0.90%	12.71%	0.36%
4.03%	1.49%	6.10%	1.33%	12.96%	-0.69%
4.43%	1.65%	6.29%	2.01%	14.37%	-1.84%

GSE and GNMA fixed rate product only

Source: Black Knight McDash

Delinquency Trends

Average Delinquency and Foreclosure by State - September 2020



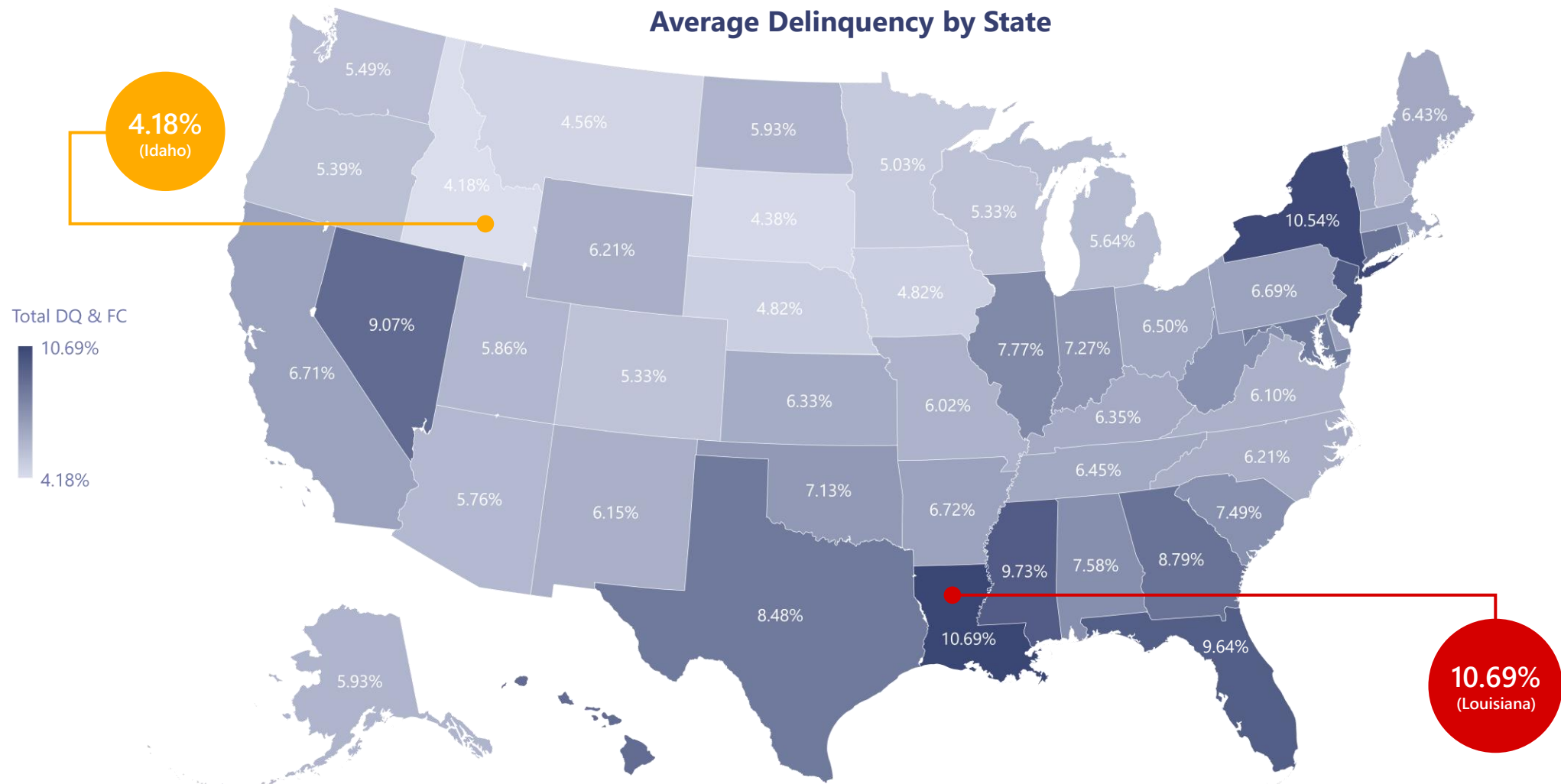
GSE and GNMA fixed rate product only

Source: Black Knight McDash

Analysis

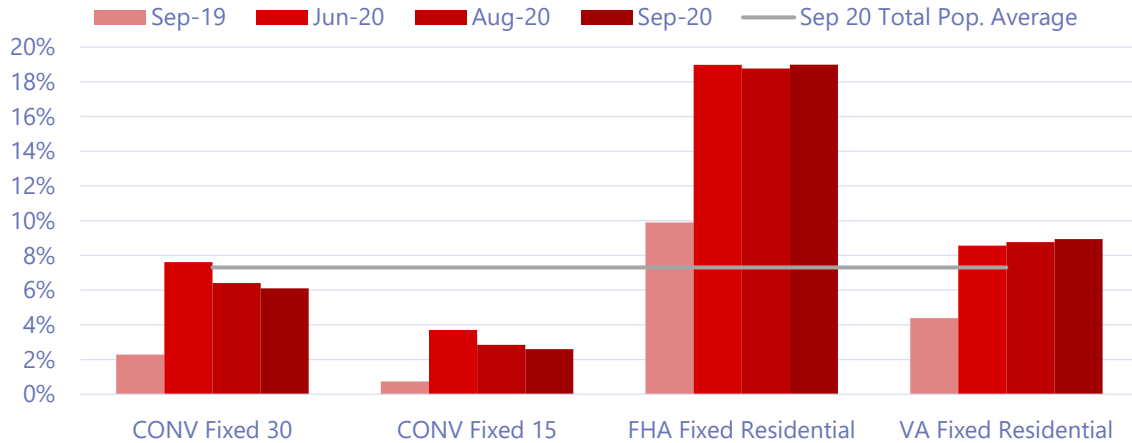
- Idaho remains the best-performing state, with delinquency and foreclosure rates at 4.18%
- With 10.69% delinquency and foreclosure rates, Louisiana is the nation's most-delinquent state
- New York was the most-delinquent state in August, but now ranks second with a rate of 10.54%. That decrease of 51 bps over the month is more than double the national average
- Regionally, the Middle Atlantic states of NY, NJ, and PA still have the highest delinquency rate (9.26%), but that region posted a decrease of 48 bps over the month

Delinquency Trends (cont.)

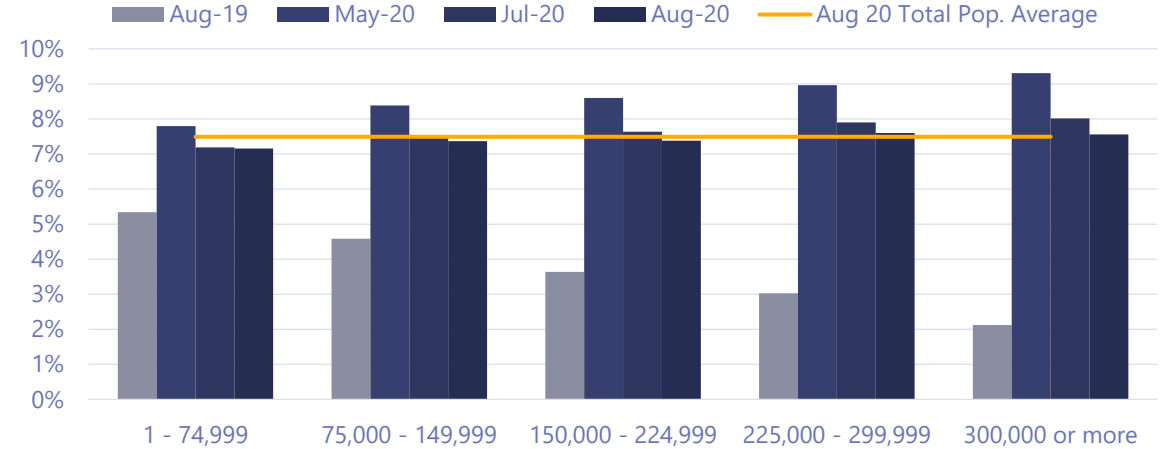


Delinquency Trends (cont.)

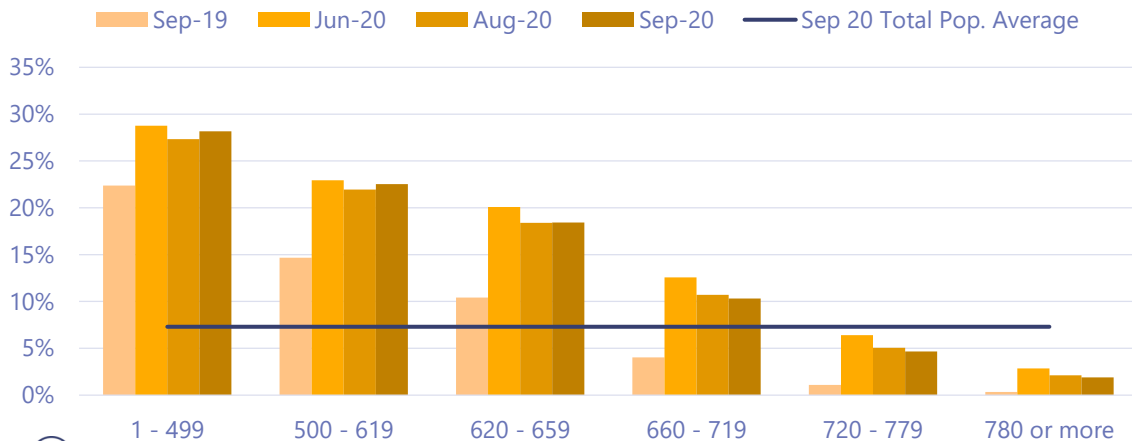
Delinquency and Foreclosure by Fixed-Rate Product - September 2020



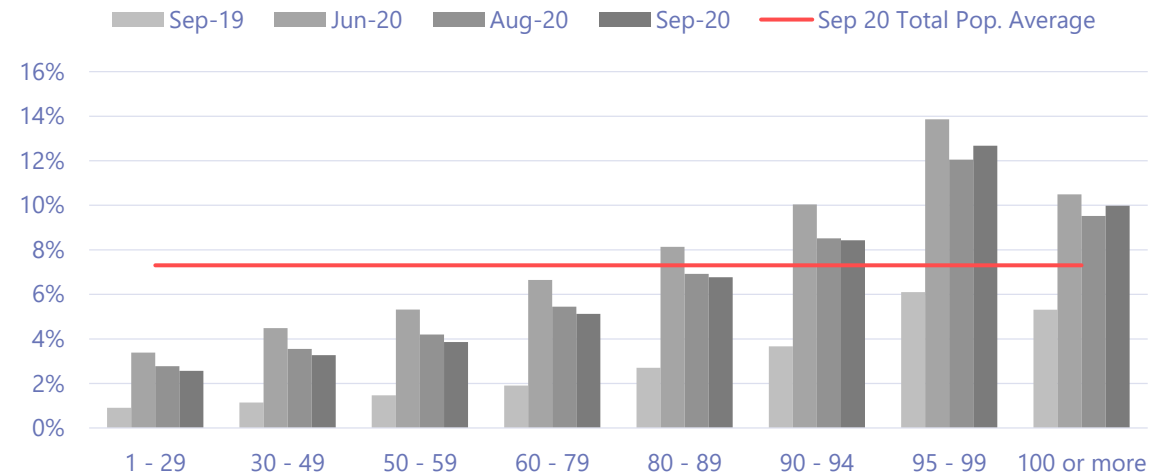
Delinquency and Foreclosure by Original Loan Balance - September 2020



Delinquency and Foreclosure by Original FICO - September 2020



Delinquency and Foreclosure by Original LTV - September 2020



Tables



State Summary

Prepayment and Delinquency

SUMMARY TABLES - September 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	\$207,595	3.97	737	79	48	32.83%	5.93%	100.00%	1.63%	0.82%	4.67%	0.19%	7.30%	-2.54%	100.00%
Alabama	\$159,756	4.02	727	85	53	27.69%	3.60%	84.34%	2.28%	1.03%	4.14%	0.14%	7.58%	0.88%	103.81%
Alaska	\$248,812	3.85	733	85	54	27.16%	7.71%	82.75%	1.43%	0.73%	3.65%	0.12%	5.93%	-5.32%	81.15%
Arizona	\$198,032	3.97	737	81	39	39.86%	4.14%	121.43%	1.45%	0.73%	3.53%	0.06%	5.76%	-2.24%	78.87%
Arkansas	\$143,574	3.98	728	84	51	27.28%	3.72%	83.09%	1.96%	0.93%	3.67%	0.16%	6.72%	-1.31%	91.94%
California	\$299,672	3.87	746	71	45	40.49%	4.40%	123.34%	1.28%	0.67%	4.69%	0.08%	6.71%	-4.71%	91.89%
Colorado	\$252,440	3.83	746	76	38	41.73%	1.85%	127.13%	1.23%	0.60%	3.44%	0.06%	5.33%	-3.11%	72.97%
Connecticut	\$217,767	4.05	736	80	60	25.74%	8.54%	78.41%	1.87%	0.93%	5.57%	0.40%	8.77%	-3.53%	120.04%
Delaware	\$207,170	4.05	734	82	54	25.88%	7.60%	78.83%	1.73%	0.84%	3.88%	0.29%	6.74%	-1.36%	92.33%
DC	\$335,981	3.90	753	72	48	33.37%	7.09%	101.66%	1.09%	0.58%	4.74%	0.19%	6.61%	-5.07%	90.51%
Florida	\$190,746	4.10	730	83	45	26.81%	3.92%	81.66%	1.73%	1.01%	6.59%	0.31%	9.64%	-4.05%	131.91%
Georgia	\$181,000	4.01	728	84	48	28.37%	0.06%	86.41%	1.93%	0.99%	5.74%	0.13%	8.79%	-2.04%	120.32%
Hawaii	\$359,405	3.90	749	74	55	33.98%	7.72%	103.51%	1.38%	0.88%	6.40%	0.37%	9.03%	-6.26%	123.69%
Idaho	\$193,825	3.91	742	79	40	38.43%	8.65%	117.06%	1.20%	0.50%	2.42%	0.07%	4.18%	-3.15%	57.24%
Illinois	\$183,088	4.02	737	82	54	31.66%	8.19%	96.45%	1.74%	0.88%	4.80%	0.36%	7.77%	-0.79%	106.37%
Indiana	\$138,425	4.10	723	85	51	30.20%	1.10%	91.99%	2.25%	0.99%	3.76%	0.28%	7.27%	0.19%	99.55%
Iowa	\$149,350	3.86	739	82	48	29.42%	2.17%	89.62%	1.52%	0.64%	2.43%	0.23%	4.82%	0.31%	65.96%
Kansas	\$153,449	3.95	734	84	49	29.71%	3.22%	90.51%	1.84%	0.82%	3.50%	0.18%	6.33%	-0.13%	86.72%
Kentucky	\$150,319	4.00	729	83	50	28.98%	0.95%	88.28%	1.88%	0.83%	3.40%	0.25%	6.35%	0.76%	86.95%
Louisiana	\$170,929	4.05	722	83	51	25.12%	3.32%	76.53%	2.91%	1.37%	6.09%	0.32%	10.69%	1.28%	146.34%
Maine	\$183,387	4.01	733	81	51	31.11%	8.03%	94.78%	1.62%	0.73%	3.58%	0.51%	6.43%	-1.56%	88.02%
Maryland	\$252,211	3.93	734	82	51	31.77%	5.78%	96.77%	1.83%	0.94%	5.39%	0.24%	8.39%	-4.20%	114.90%
Massachusetts	\$266,579	3.90	741	75	49	34.29%	9.79%	104.46%	1.62%	0.78%	4.04%	0.18%	6.61%	-1.55%	90.48%
Michigan	\$151,525	4.01	736	82	48	32.78%	6.79%	99.87%	1.43%	0.67%	3.47%	0.07%	5.64%	-3.05%	77.15%
Minnesota	\$197,071	3.91	746	82	48	33.36%	4.52%	101.61%	1.36%	0.62%	2.99%	0.06%	5.03%	-2.24%	68.84%
Mississippi	\$152,506	4.05	718	86	50	23.05%	0.83%	70.20%	2.70%	1.24%	5.59%	0.21%	9.73%	-1.00%	133.26%
Missouri	\$152,977	3.98	734	83	49	30.58%	3.49%	93.15%	1.79%	0.77%	3.34%	0.12%	6.02%	-0.36%	82.37%
Montana	\$197,120	3.91	744	79	47	32.58%	3.58%	99.24%	1.25%	0.54%	2.64%	0.13%	4.56%	-2.34%	62.40%
Nebraska	\$153,784	3.82	741	83	44	32.61%	1.50%	99.34%	1.43%	0.66%	2.66%	0.08%	4.82%	-4.70%	66.05%
Nevada	\$215,111	4.04	733	83	38	34.78%	5.45%	105.96%	1.62%	0.95%	6.31%	0.19%	9.07%	-3.86%	124.15%
New Hampshire	\$212,058	3.96	738	80	50	33.13%	3.39%	100.94%	1.51%	0.66%	3.34%	0.11%	5.62%	-0.88%	76.96%
New Jersey	\$248,585	3.99	738	78	54	29.98%	12.00%	91.34%	1.75%	0.95%	6.75%	0.39%	9.83%	-5.70%	134.62%
New Mexico	\$170,773	4.11	733	82	59	27.35%	3.81%	83.33%	1.62%	0.75%	3.43%	0.35%	6.15%	-2.39%	84.26%
New York	\$238,727	4.16	738	74	62	19.11%	11.56%	58.20%	1.85%	0.95%	7.10%	0.64%	10.54%	-4.57%	144.33%
North Carolina	\$181,669	3.96	736	82	48	31.24%	6.60%	95.17%	1.62%	0.78%	3.68%	0.12%	6.21%	-2.83%	85.05%
North Dakota	\$188,222	3.75	743	82	43	29.72%	-2.78%	90.53%	1.28%	0.66%	3.68%	0.31%	5.93%	-1.61%	81.16%
Ohio	\$141,175	4.09	728	85	53	27.42%	2.23%	83.54%	1.83%	0.84%	3.57%	0.26%	6.50%	-2.02%	89.03%
Oklahoma	\$148,448	4.10	726	85	53	24.35%	0.55%	74.18%	2.05%	0.98%	3.80%	0.30%	7.13%	0.96%	97.66%
Oregon	\$228,945	3.96	747	77	45	35.00%	2.29%	106.63%	1.27%	0.56%	3.48%	0.09%	5.39%	-1.52%	73.85%
Pennsylvania	\$173,337	4.02	736	82	56	26.81%	8.63%	81.66%	1.67%	0.80%	3.96%	0.26%	6.69%	-3.73%	91.59%
Rhode Island	\$209,599	4.02	735	81	52	30.49%	9.18%	92.89%	1.81%	0.78%	4.04%	0.26%	6.90%	-0.16%	94.47%
South Carolina	\$175,772	4.01	729	83	47	29.53%	3.14%	89.97%	1.90%	0.93%	4.43%	0.23%	7.49%	-0.82%	102.51%
South Dakota	\$171,034	3.74	745	81	44	40.04%	8.77%	121.98%	1.24%	0.58%	2.41%	0.15%	4.38%	-2.51%	59.99%
Tennessee	\$176,514	3.96	732	83	45	31.82%	2.30%	96.92%	1.67%	0.81%	3.89%	0.08%	6.45%	-2.24%	88.27%
Texas	\$186,444	4.05	728	82	46	28.93%	0.85%	88.12%	1.92%	1.05%	5.38%	0.12%	8.48%	-2.81%	116.09%
Utah	\$235,350	3.84	739	80	35	43.75%	-0.99%	133.27%	1.56%	0.76%	3.48%	0.07%	5.86%	-3.67%	80.18%
Vermont	\$183,510	4.06	740	79	56	26.79%	5.74%	81.61%	1.56%	0.81%	3.67%	0.40%	6.45%	-0.12%	88.34%
Virginia	\$247,697	3.86	741	82	48	36.49%	6.99%	111.16%	1.44%	0.70%	3.89%	0.08%	6.10%	-3.34%	83.54%
Washington	\$256,605	3.91	742	78	43	38.00%	5.51%	115.76%	1.26%	0.58%	3.56%	0.09%	5.49%	-3.85%	75.15%
West Virginia	\$148,098	4.08	720	85	52	22.87%	-1.23%	69.66%	2.31%	1.01%	3.95%	0.19%	7.46%	2.00%	102.08%
Wisconsin	\$165,595	3.95	737	82	50	34.16%	3.55%	104.07%	1.49%	0.67%	2.97%	0.19%	5.33%	0.30%	72.97%
Wyoming	\$201,245	3.87	736	81	46	32.81%	-0.37%	99.95%	1.66%	0.90%	3.57%	0.09%	6.21%	1.39%	85.02%

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