



Delinquencies Fall Below Pre-Great Recession Average

The national delinquency rate **dropped by 7.62 percent** in June and is now 42.39 percent below its rate at the worst of the pandemic. Black Knight, in its monthly report, says the June rate, at 4.37 percent, was also back below its pre-Great Recession average.

Still, there are 2.32 million homeowners who are **30 or more days past due** on their mortgage payments. Even though this is 191,000 fewer delinquent mortgages than in May and 1.714 million fewer than in June 2020, most of those loans, 1.550 million of them, are seriously delinquent, having missed three or more monthly payments. While that is four times the number of seriously delinquent loans that existed prior to the pandemic, it still represents continued improvement. Serious delinquencies are down 119,000 month-over-month and there was an annual decline of 324,000 loans.

Though serious delinquencies remain significantly elevated, the share of mortgages in **active foreclosure fell** to yet another record low in June at 0.27 percent, in part due, no doubt, to the ongoing foreclosure moratoria. Foreclosure starts did rise by 16 percent to 4,400.

Delinquency rates were highest in **Mississippi, Louisiana, Hawaii, Oklahoma, and West Virginia**. None of those rates exceeded 8.0 percent.

Lower interest rates resulted in the single month mortality (SMM) or prepayment rate rising for the first time in three months. The 2.28 percent rate was 6.23 percent higher than in May and **160.5 percent** above the rate in June of last year.

This information was provided as Black Knight's "first look" at the June loan performance data. More detailed information will be provided in its next Mortgage Monitor which will be published on August 2.



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