



## Expirations Reduce Forbearance Participants by 11 Percent

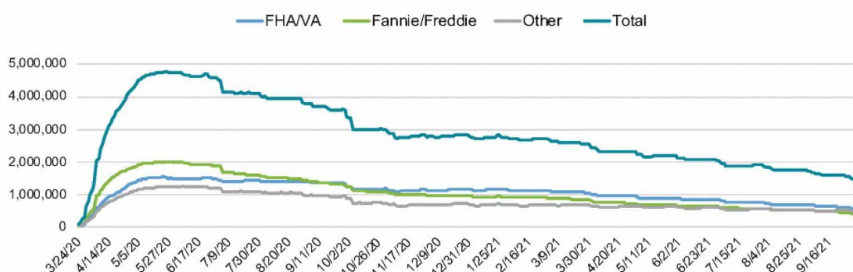
The number of mortgages in forbearance saw its **largest reduction in 12 months** last week. Black Knight said 177,000 loans exited the program, many of them having reached the end of the 18 months of reduced or suspended payments allowed for those financially impacted by the COVID-19 pandemic. **This is an 11 percent reduction** in program participants during the week ended October 5.

The company estimates about 180,000 additional plans with September 30 expirations await quarterly reviews as servicers work through the processing of large volumes of loans. Another 420,000 loans are scheduled for extension or removal in October. Many of these half-million loans will be reaching the end of allowable participation and will not be renewed.

FHA and VA backed loans saw the largest drop over the past week. Eighty-four thousand of those loans exited along with 50,000 GSE (Fannie Mae and Freddie Mac) loans and 43,000 serviced for bank portfolios or private labor securities (PLS).

Black Knight estimates that 1.39 million homeowners remain in the program, 2.6 percent of the 53 million with a mortgage. **This includes 398,000 GSE loans, 1.4 percent of those serviced, 518,000 FHA and VA loans (4.3 percent) and 474,000 portfolio/PLS loans (3.6 percent.)** Combined, these loans have an unpaid principal balance of \$267 billion.

### ACTIVE FORBEARANCE PLANS



Last week's declines bring the total reductions over the past month to 294,000 loans or 17 percent of forbearance volume. Black Knight says this is the fastest rate of improvement since October 2020. At that point, the surge was prompted by the first wave of entrants reaching their sixth month of forbearance.



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