

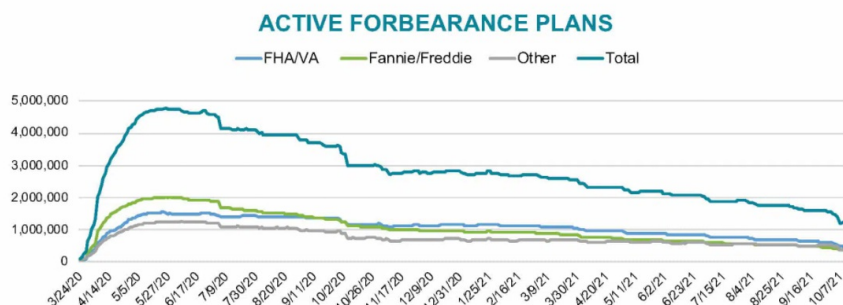


Forbearances Declining Faster, Plans Drop by 10%

The number of homeowners in forbearance receded at a brisk clip last week as the first wave of final expirations continues. Black Knight reports the **number of active plans dropped by about 10 percent during the week ended October 12**, a reduction of 143,000. This comes on the heels of a 177,000 drop the prior week.

The declines were seen across all investor classes with the largest, 88,000, in the number of loans serviced for bank portfolios and private label securities (PLS). This lowered the forborne share of those loans by 19 percent. Twenty-two thousand FHA and VA loans exited the program along with 33,000 loans serviced for Fannie Mae and Freddie Mac, the GSEs.

At the end of the reporting period 1.25 million loans remained in COVID-19 related plans, **representing 2.4 percent of the nation's 53 million active mortgages**. The breakdown is 376,000 GSE loans, 1.3 percent of those totals, 485,000 FHA and VA loans (4.0 percent) and 386,000 portfolio/PLS loans (3.0). The loans have a combined unpaid principal balance of \$233 billion.



The company estimates that an additional 47,000 plans with September month-end expirations are still left to process, and another 329,000 mortgages are scheduled for review for extension or removal in October.

Approximately 359,000 loans have been removed from the program over the last 30 days. This 22 percent reduction in forbearances is the fastest rate of improvement since the start of the pandemic. **All three investor classes have seen at least a 20 percent exit rate over the last month.**



Jason Wood

Mortgage Advisor & VA
Loan Specialist, VA Loan
Guy - American Mortgage
Network

www.valoanguy.us

P: (760) 350-3989

M: (760) 217-0820

1185 LINDA VISTA DR
SAN MARCOS CA 92078
317293

