MORTGAGE MONITOR

BLACK KNIGHT®

MARCH 2021 REPORT

MORTGAGE MONITOR

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MARCH 2021 OVERVIEW

Each month, the Black Knight Mortgage Monitor looks at a variety of issues related to the mortgage finance and housing industries.

This month, as always, we begin with a review of some of the high-level mortgage performance statistics reported in our most recent First Look report, including a significant reduction in the national mortgage delinquency rate as a result of both expected seasonal trends and broader economic improvements.

Next, we dive deeper into forbearance numbers, which have significantly improved in recent weeks and stand to improve further thanks to extension/removal reviews slated for the end of April and early May. Bellwether forbearances – homeowners who entered into forbearance early in the pandemic and who will determine the impact of the initial wave of 18-month expirations – have made up a significant share of the improvement, a good sign for the overall recovery.

Finally, we provide an update regarding interest rate and rate lock activity, taking a look at trends in 30-year rates and 10-year treasuries, both of which have eased in recent weeks. This decline has resulted in a rebound in refinance incentive and increased prepayment activity

In producing the Mortgage Monitor, Black Knight's Data & Analytics division aggregates, analyzes and reports upon the most recently available data from the company's vast mortgage and housing related data assets. Information is gathered from the McDash loan-level mortgage performance dataset, Collateral Analytics home price trends data, origination and secondary market metrics from the company's Secondary Marketing Technologies division and the company's robust public records database covering 99.9% of the U.S. population. For more information on gaining access to Black Knight's data assets, please call 844-474-2537 or email mortgage.monitor@bkfs.com.

MORTGAGE MONITOR

MARCH 2021 FIRST LOOK

Here we have an overview of findings from [Black Knight's 'First Look' at March mortgage performance data]. This information has been compiled from Black Knight's [McDash] loan-level mortgage performance database. You may click on each chart to see its contents in high-resolution.

MARCH OVERVIEW STATS

16.4%

CHANGE IN DELINQUENCY RATE

The **national delinquency rate fell nearly a full percentage point** to 5.02% in March

Despite the decline, **loans 90 or more days past due remain 5X pre-pandemic levels**

17.3%

PREPAYMENT ACTIVITY

Monthly **prepayments hit the highest level in 17+ years**

Seasonal home sales and **refi activity locked-in before rates began to rise** in February drove the spike

28.2%

FORECLOSURE STARTS

Though starts ticked up for the month, the number of **active foreclosures fell to yet another record low** in March

Widespread moratoriums and extended forbearance utilization continue to limit foreclosure inventory

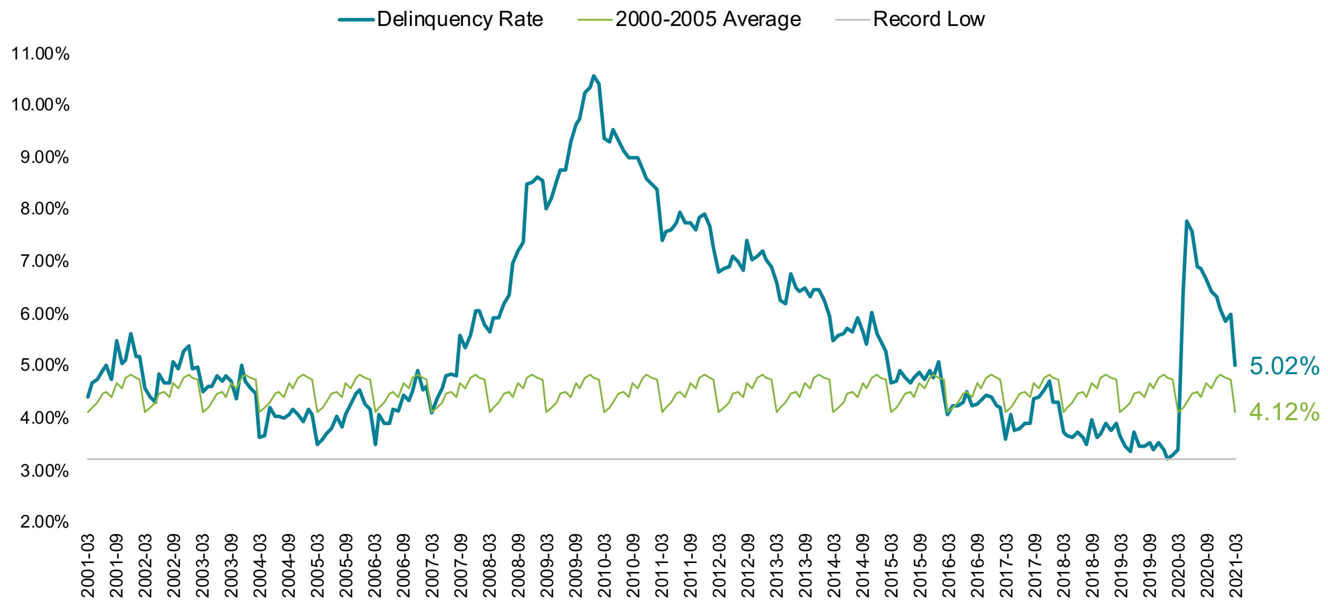
March saw a particularly steep drop in the national delinquency rate, primarily driven by the calendar, as both January and February ended on Sundays, leading to an even larger improvement than might normally be expected in what is historically the best month for mortgage performance.

MORTGAGE MONITOR

MARCH 2021 PERFORMANCE HIGHLIGHTS

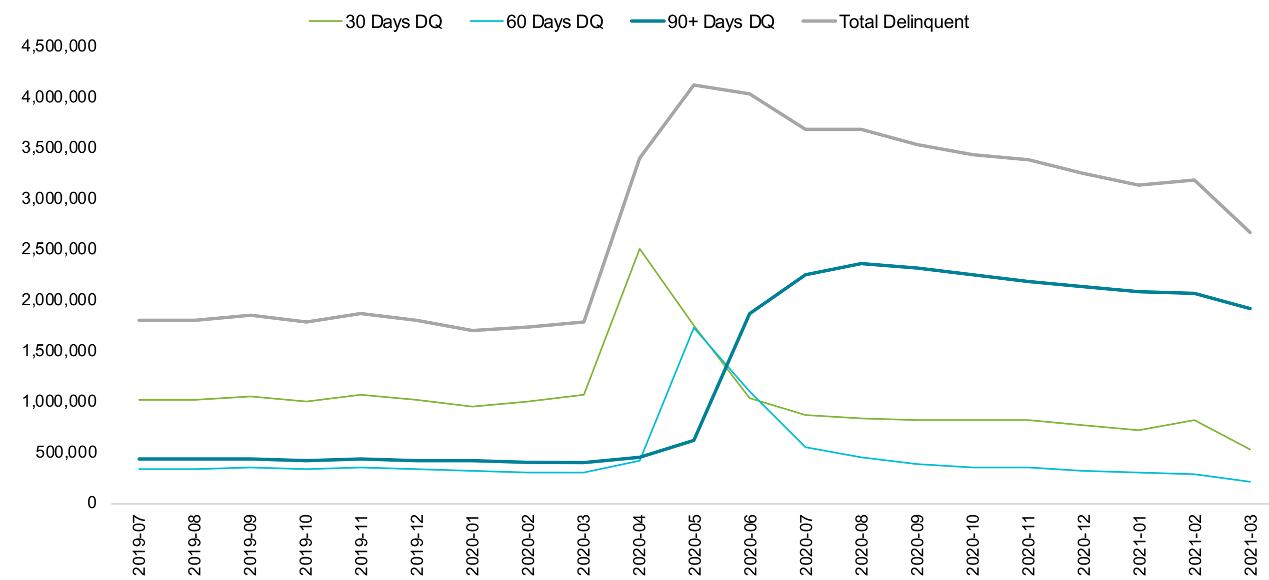
Here we take a detailed look at March mortgage performance data. This information has been compiled from Black Knight's original McDash loan-level mortgage performance database as well as the daily McDash Flash data set. Click on each chart to see its contents in high-resolution.

NATIONAL DELINQUENCY RATE – FIRST LIEN MORTGAGES



Source: McDash

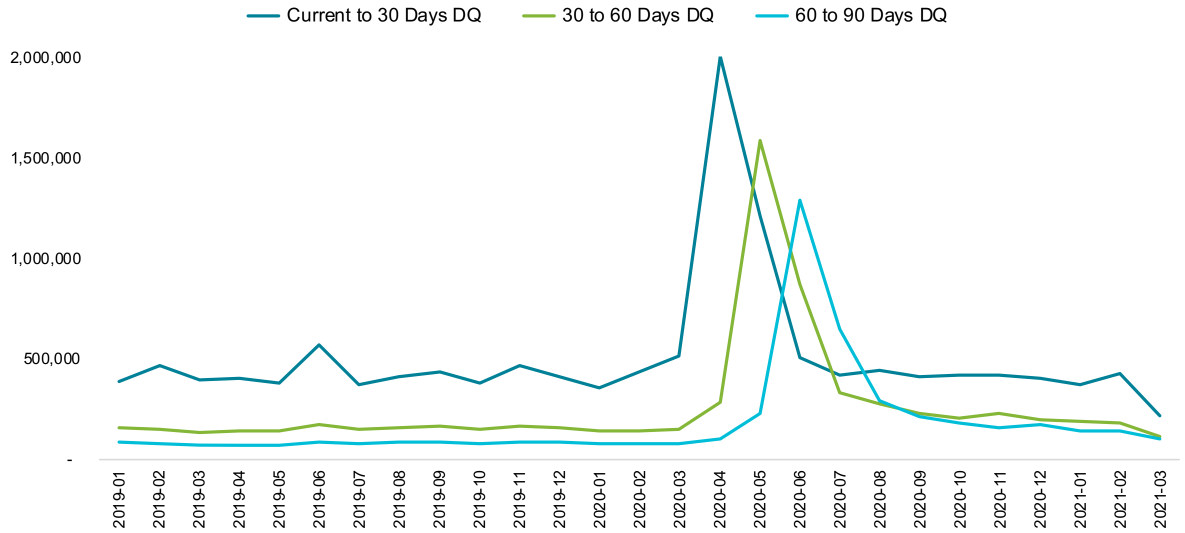
MORTGAGE DELINQUENCIES BY SEVERITY



Source: McDash

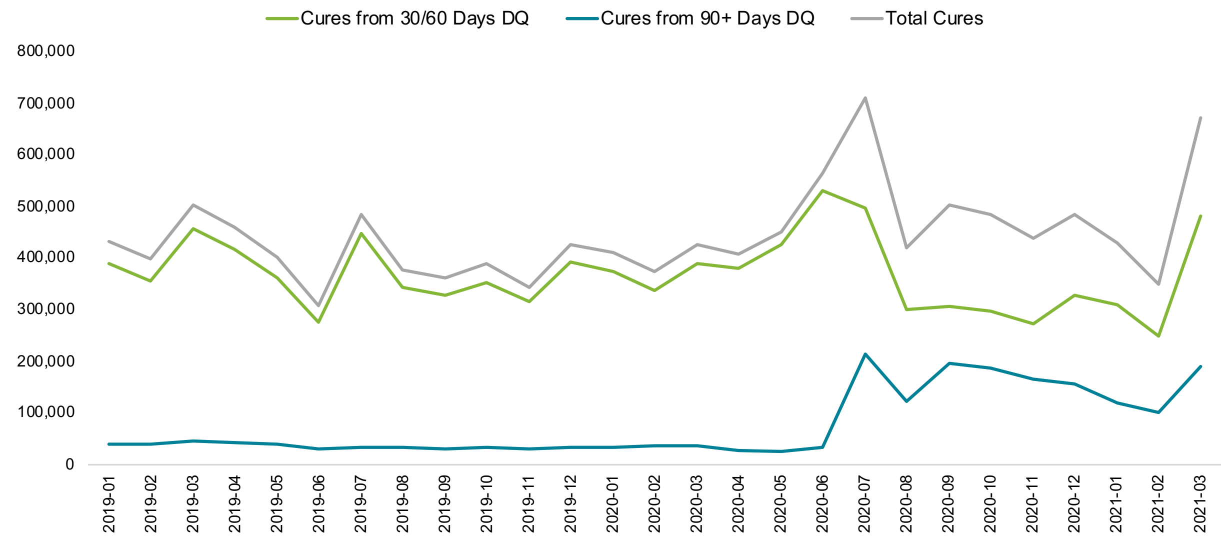
- March saw the largest monthly decline among delinquencies in 11 years, and the second-largest monthly improvement ever recorded
- March delinquency drops are common, accounting for 17 of the 19 largest monthly declines in recent history
- This month saw even more robust improvement than average due to both January and February ending on Sundays – which tends to dampen performance and then lead to "bounce back" gains – as well as broader economic improvements
- Active foreclosure inventory also fell by another 5,600 in March and is now down 28% (-58K) from the same time last year, setting another record low
- Despite the improvement, more than 5% of mortgage-holders – including those in active forbearance plans – remain delinquent on payments, up from 3.2% before the pandemic
- Improvements were seen broadly across investor classes and geographies, with every state seeing at least a 10% decline in their delinquency rate month-over-month
- Utah and Idaho saw the most robust declines at more than 20%

LOANS ROLLING TO A MORE DELINQUENT STATUS



Source: McDash

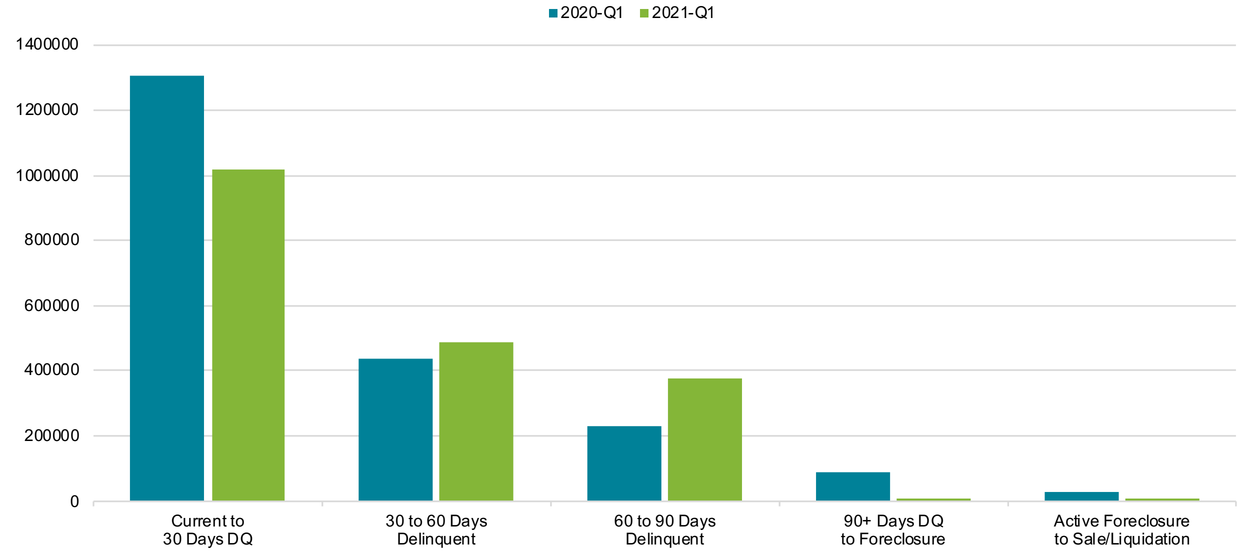
CURES TO CURRENT BY PREVIOUS DQ BUCKET



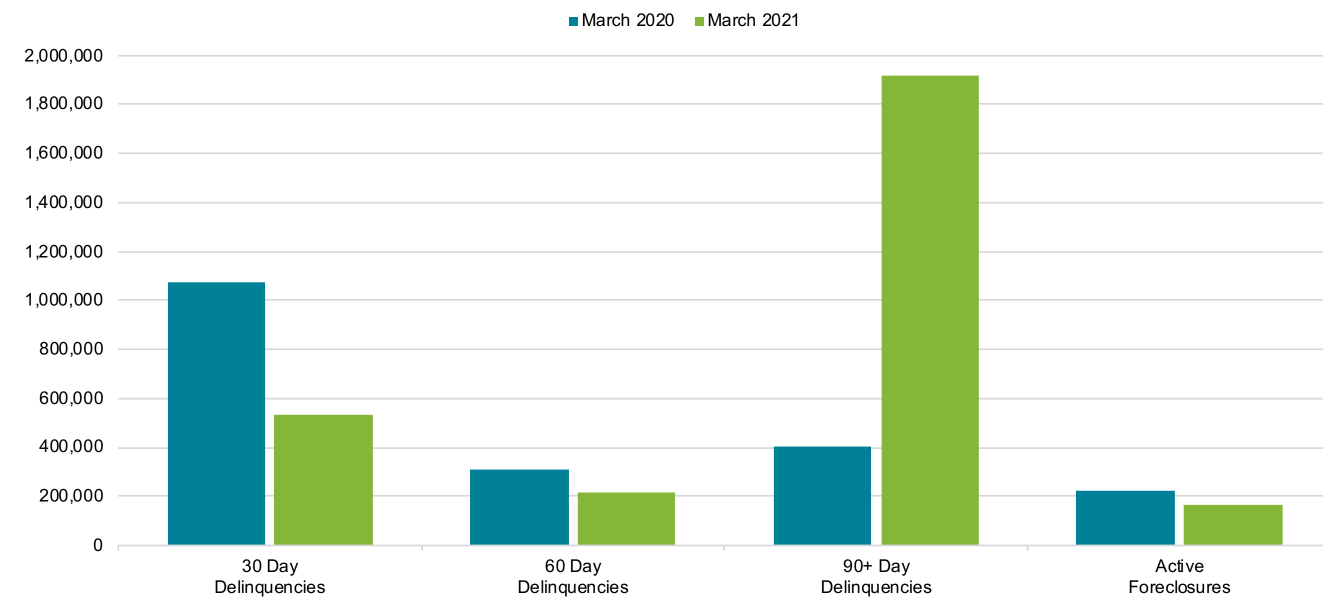
Source: McDash

- March's improvement was driven by a combination of low inflow as well as strong levels of cure activity
- Only 217K mortgages went from current to 30 days past due in March, the lowest such delinquency inflow of any month on record
- Cure activity also spiked, with 671K previously delinquent mortgages curing in March, making it one of the top five months of the past decade in terms of cure activity
- This strong performance was due to a combination of factors, including natural cure activity following a Sunday month-end and March's typically expected seasonal decline
- In addition, this March and April saw $376B in economic stimulus payments to nearly 160M Americans along with 1.2M forbearance reviews in March alone, which resulted in an 11% decline in volume

DELINQUENCY ROLL COMPARISON 2019-Q4 VS. 2020-Q4



YEAR-END MORTGAGE MARKET COMPARISON 2019 VS. 2020



» Just over 1M borrowers rolled from current to 30 days delinquent in Q1, the lowest inflow of new delinquencies in any quarter on record dating back to the turn of the century

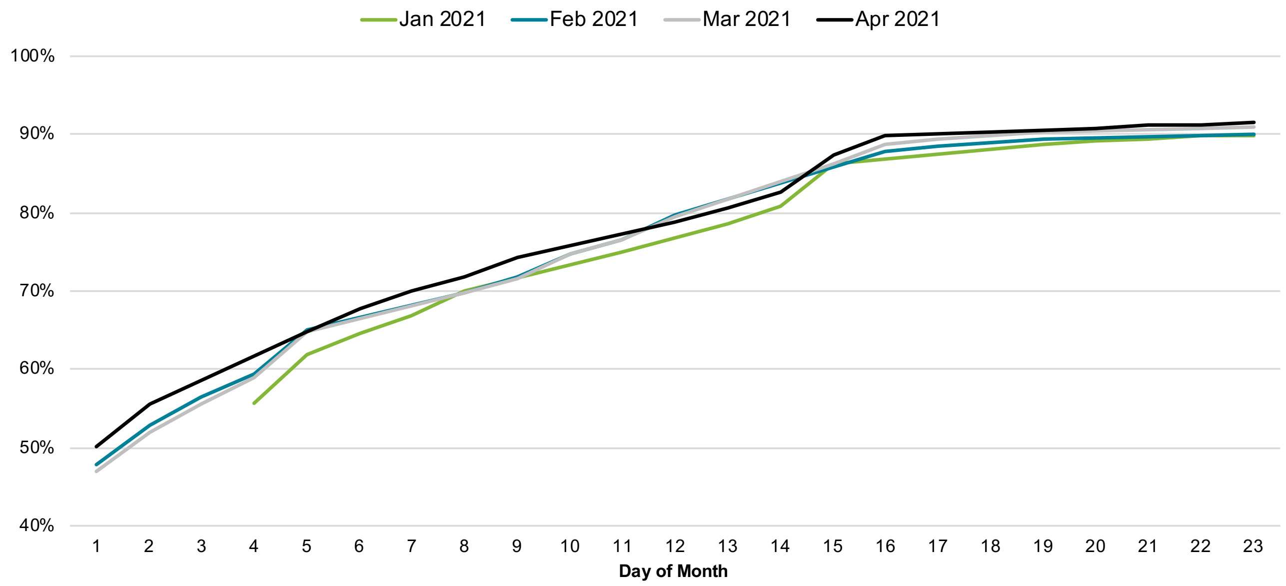
» Also noteworthy: while new delinquency inflow hit record lows, an elevated number of borrowers rolled from 30-to-60 and 60-to-90 days delinquent, likely due to participation in available forbearance programs

» The number of borrowers who are a single payment past due fell by 34% in March and is now down 50% from the same time last year, hitting an all-time low

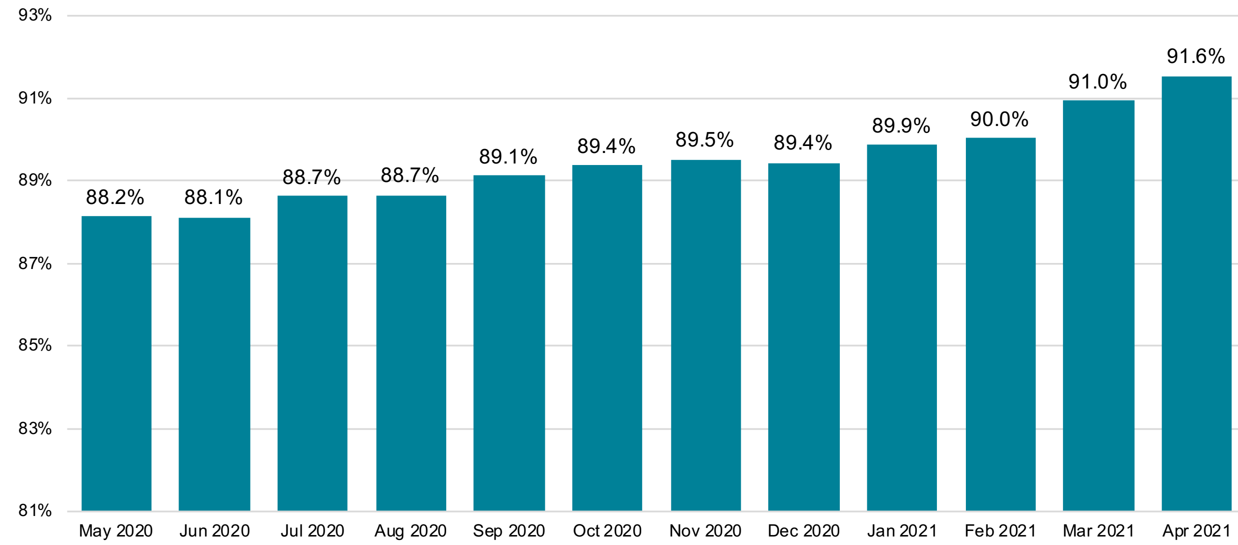
» 60-day delinquencies are also below pre-pandemic levels and are near record lows as well

» 90+ day delinquencies remain nearly 5X pre-pandemic levels, with 1.9M total (1.5M excess) serious delinquencies remaining

CUMULATIVE SHARE OF MORTGAGE PAYMENTS RECEIVED



SHARE OF MORTGAGE PAYMENTS RECEIVED THROUGH THE 23RD DAY OF EACH MONTH



- While mortgage delinquencies typically begin to trend upward in April, early mortgage payment activity for the month has been robust
- Through April 23, some 91.6% of borrowers had made their mortgage payments, up from 91% in March and the largest share since the onset of the pandemic
- If this trend continues, we could see another improvement in overall delinquent loan volumes when April month-end data is reported next month

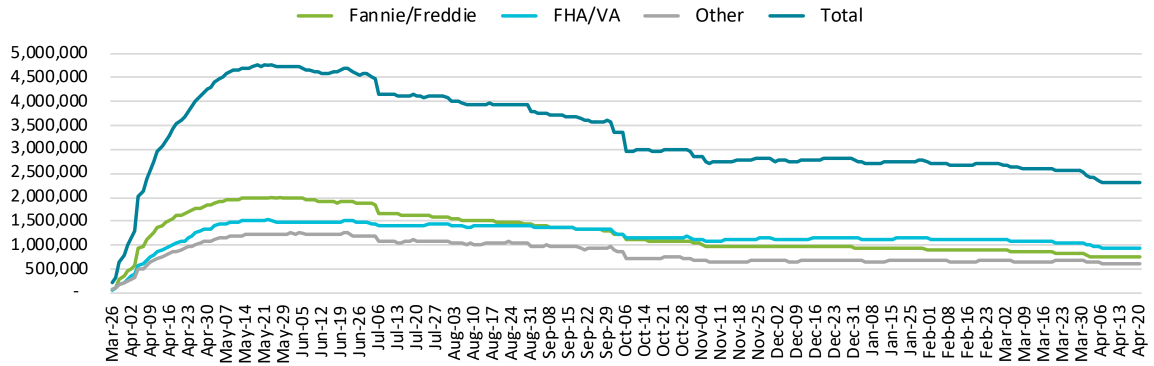
- While overall sentiment for the economic recovery in late 2021 remains robust, mortgage performance will be running into seasonal headwinds for the remainder of the year, which could marginally dampen overall improvement rates
- That said, factors such as the $360B in recent stimulus payments may continue to boost mortgage performance in coming months

MORTGAGE MONITOR

MARCH 2021 FORBEARANCE ACTIVITY

Here we look at active forbearance volumes, which have significantly improved in recent weeks, especially among early forbearance entrants. This information has been compiled from Black Knight's original McDash loan-level mortgage performance database as well as the daily McDash Flash data set. Click on each chart to see its contents in high-resolution.

ACTIVE FORBEARANCE PLANS

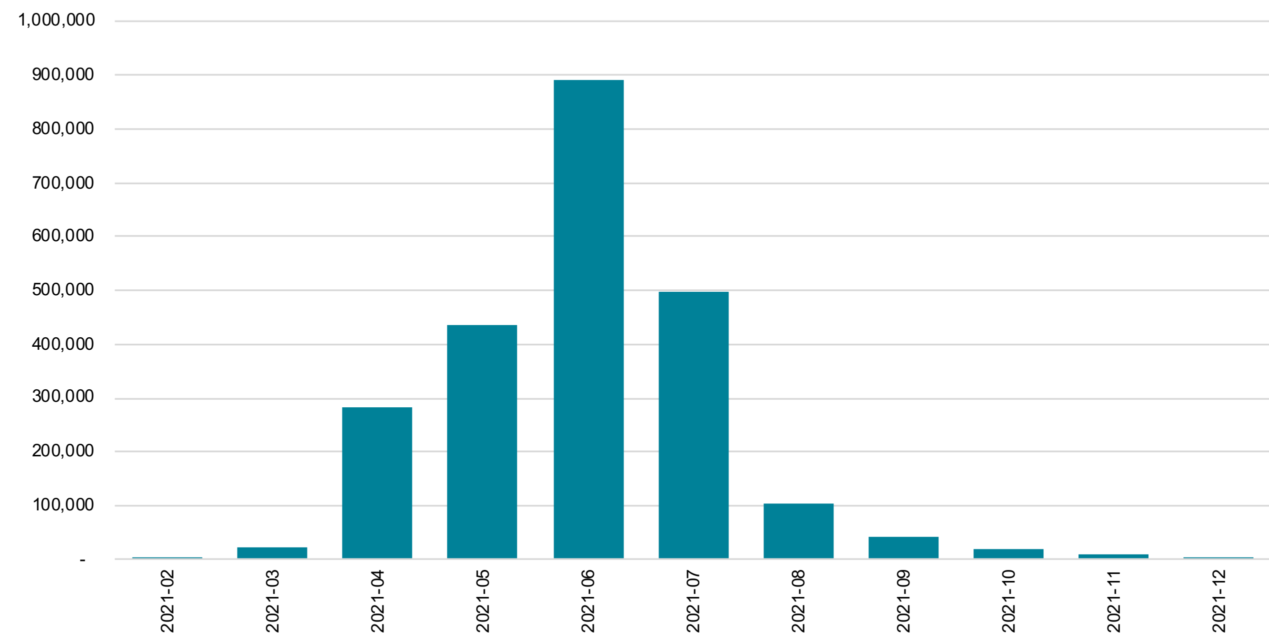


Source: McDash Flash Daily Mortgage Performance Database. Data as of April 20th 2021

	Fannie & Freddie	FHA & VA	Other**	Total
Loans in Forbearance*	745,000	946,000	618,000	2,309,000
UPB of Loans in Forbearance ($Bil)*	$154	$160	$138	$452
Share of Loans in Forbearance*	2.7%	7.8%	4.8%	4.4%
Active Loan Count (Mil)*	27.9	12.1	13.0	53.0

*Figures in this report are based on observations from Black Knight's McDash Flash data set and are extrapolated to estimate the full mortgage market
**Other category includes held in portfolios, private labeled securities, or by other entities

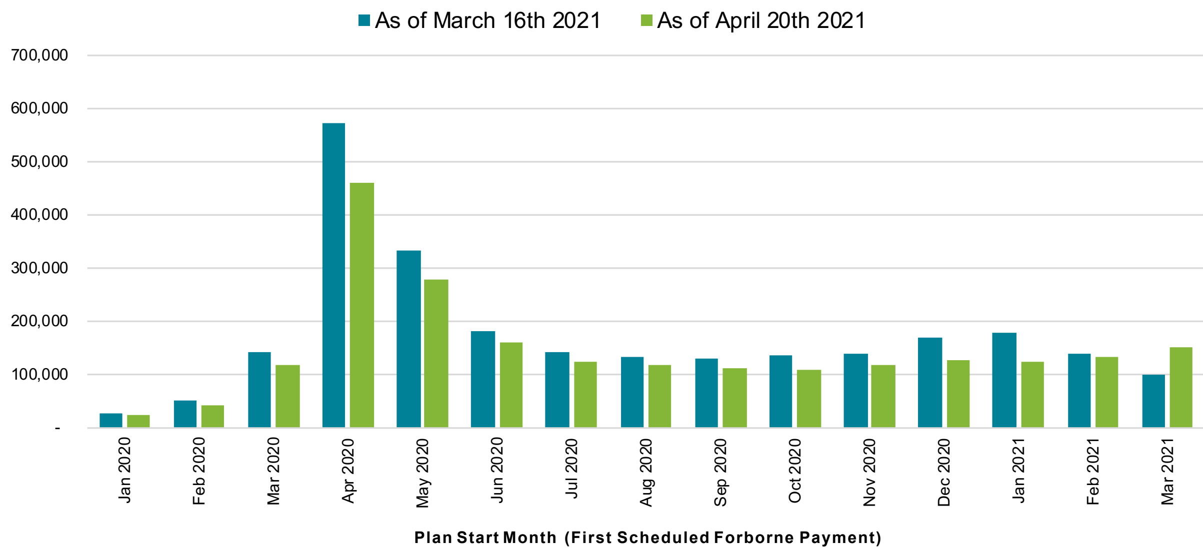
SCHEDULED FORBEARANCE PLAN EXPIRATIONS



Source: McDash Flash

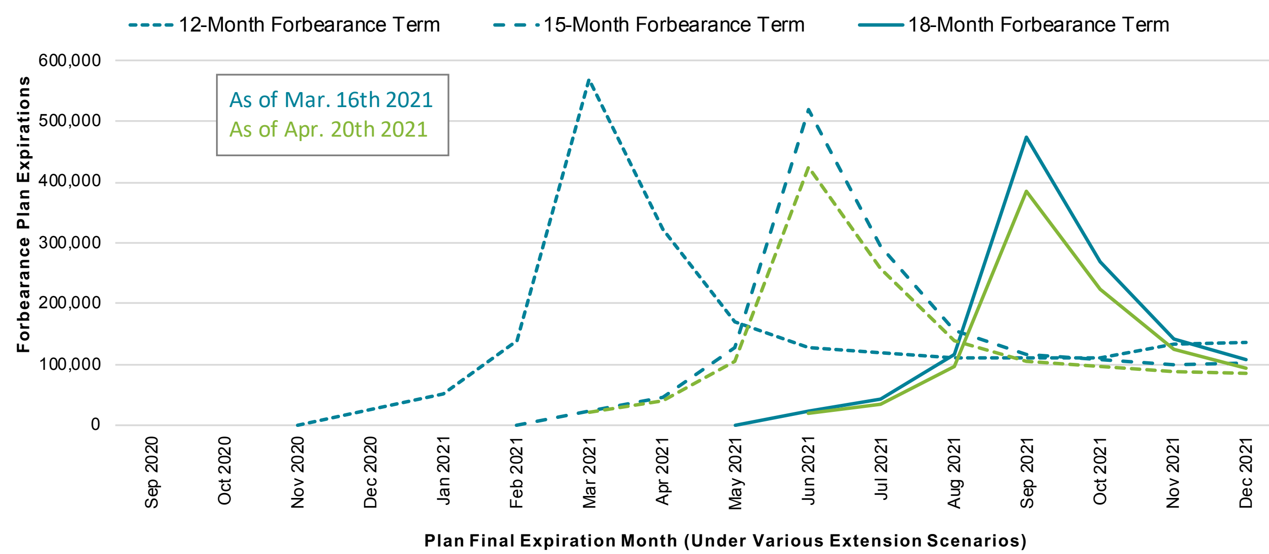
- After having stalled from mid-November through early March, significant improvement has been seen in forbearance volumes in recent weeks
- An estimated 1.2M plans were reviewed for extension/removal in March alone, contributing to increased removal activity and overall declines in outstanding forbearance volumes in the month
- Over the past month, forbearance volumes are down 11% (298K), with improvements seen across inventor classes
- Some 280K plan expirations remain for April, providing a moderate level of opportunity for additional declines in overall forbearance volumes in late April/early May
- The next significant round of reviews (about 890K, many of which will be 15-month reviews for early forbearance entrants) will take place in June
- This will represent the last round of quarterly reviews before the first wave of outstanding forbearance plans is slated for their 18-month – and as for now, final – expiration at the end of September

ACTIVE FORBEARANCE PLANS BY START MONTH



Source: McDash Flash

ESTIMATED FORBEARANCE EXPIRATION VOLUMES / TIMING UNDER VARIOUS EXTENSION SCENARIOS

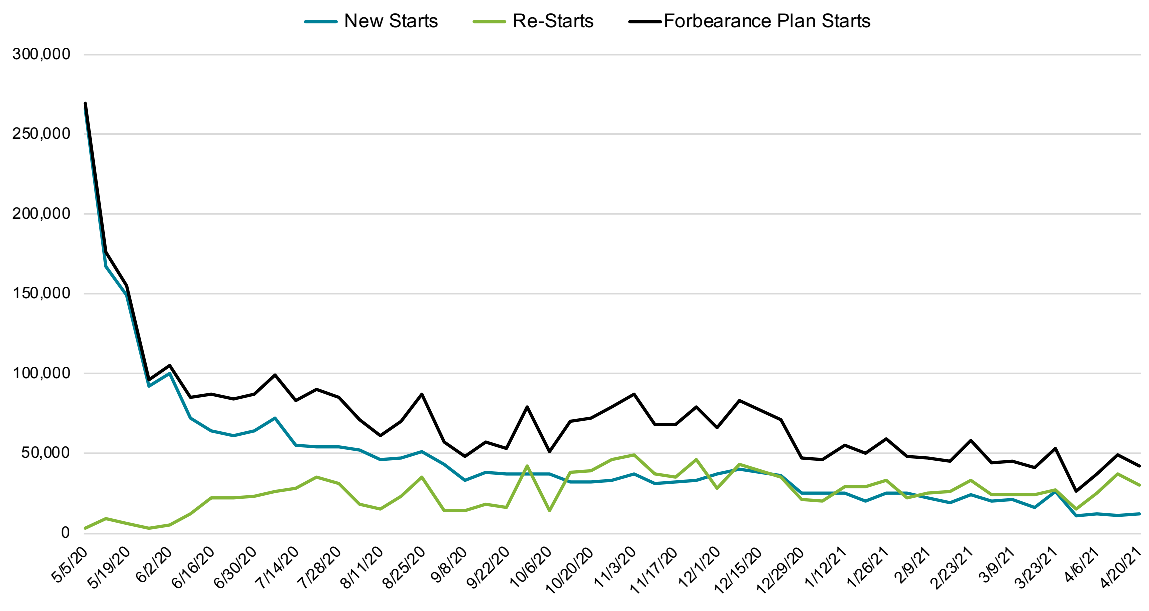


Scenarios above are based on current monthly reduction rate of 3% observed among early forbearance starts in recent months.

- The significant improvements in the number of outstanding forbearances in recent weeks have come primarily from early plan entrants – the population that will ultimately dictate the impact of the initial wave of 18-month plan expirations
- After seeing monthly declines of less than 5% among this group, the oversized reductions of recent weeks mark a noticeable shift in the pace of improvement
- The larger-than-average reduction is a direct result of such borrowers going through 12-month review process for extension/removal from their plans
- As of mid-March, we were on pace for 475K plans to remain active and reach their 18-month expirations at the end of September, with another 275K at the end of October
- With the oversized improvement in recent weeks, those numbers have now fallen to 385K and 225K respectively
- These numbers will continue to fluctuate in coming months depending on exit velocity of early forbearance entrants, and are worth watching closely through Q2 and Q3, especially near the end of June during the 15-month review process

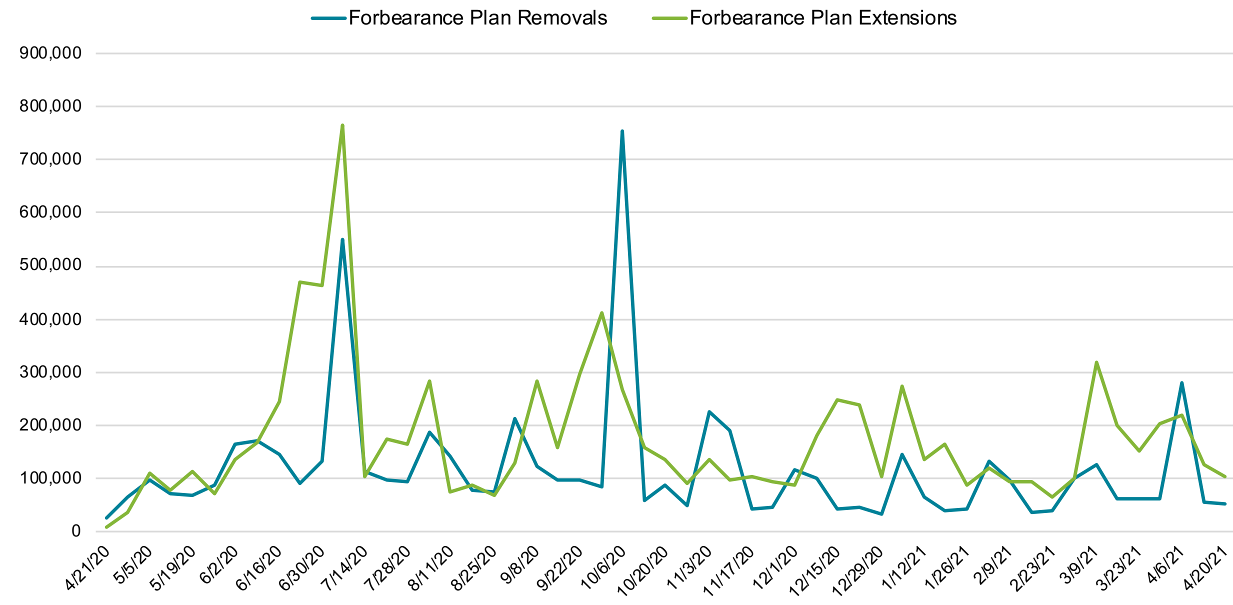
MARCH 2021 FORBEARANCE ACTIVITY

FORBEARANCE PLAN STARTS



Source: McDash Flash

FORBEARANCE PLAN EXTENSIONS & REMOVALS – BY WEEK



Source: McDash Flash

» Forbearance start volumes continue to trend downward, with the four-week average of both total starts and new starts hitting their lowest levels since the onset of the pandemic

» After seeing removal activity spike in early April, removal volumes have moderated in recent weeks

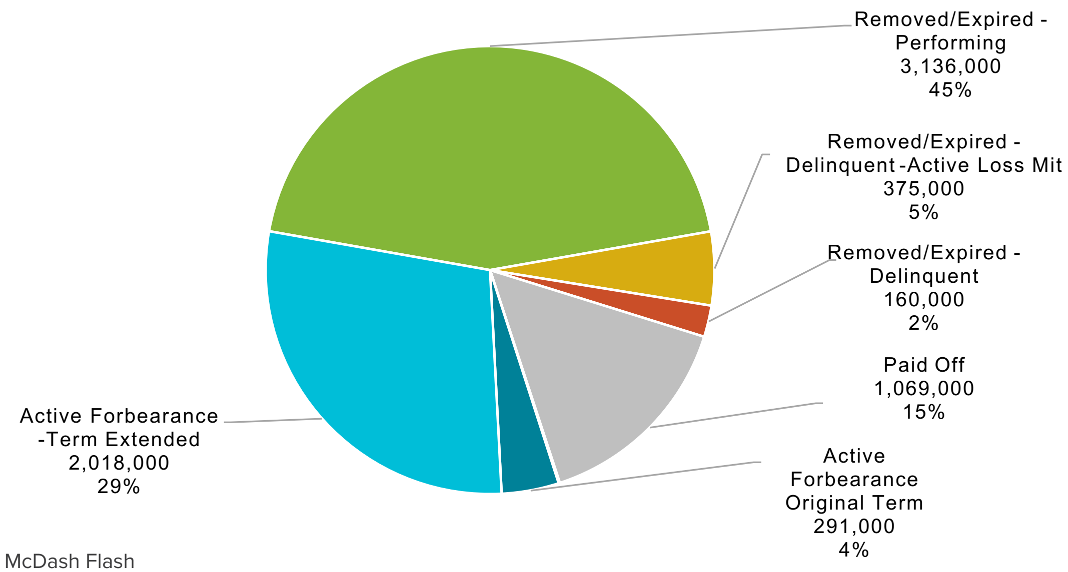
» With 280K additional expirations scheduled for the final week of the month, some opportunity remains for additional removals through the first week of May

» All in, just over 1/3 of forbearance plans reviewed for extension/removal over the past four weeks have been removed, up from 29% at the same time last month, and the highest share since early March

MARCH 2021 FORBEARANCE ACTIVITY

CURRENT STATUS OF COVID-19 RELATED FORBEARANCES

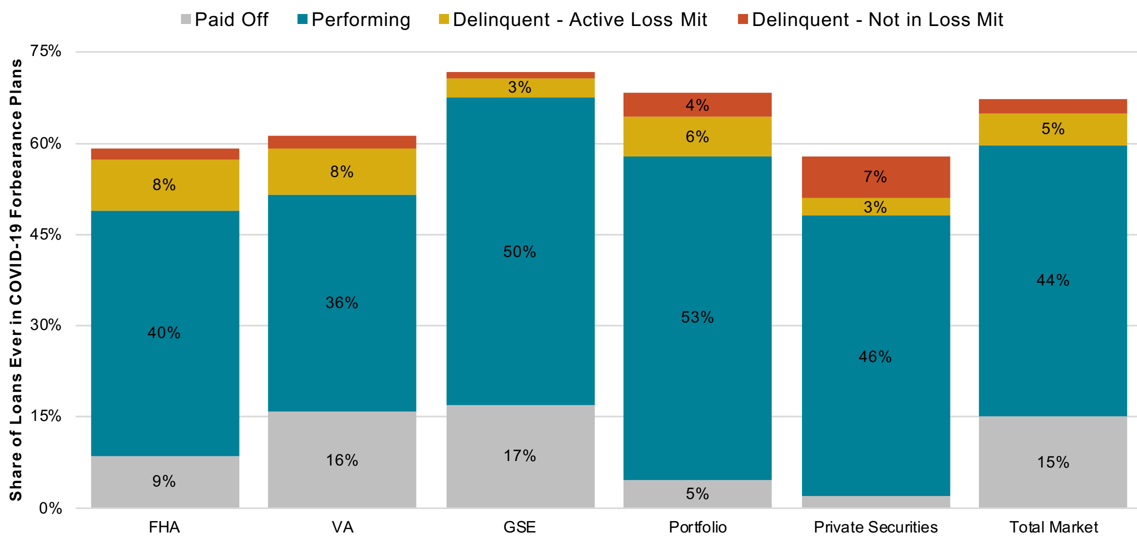
(STATUS AS OF APRIL 20TH 2021)



Source: McDash Flash

STATUS OF LOANS THAT HAVE LEFT COVID-19 RELATED FORBEARANCE PLANS

(REMAINING SHARE ARE STILL IN FORBEARANCE)



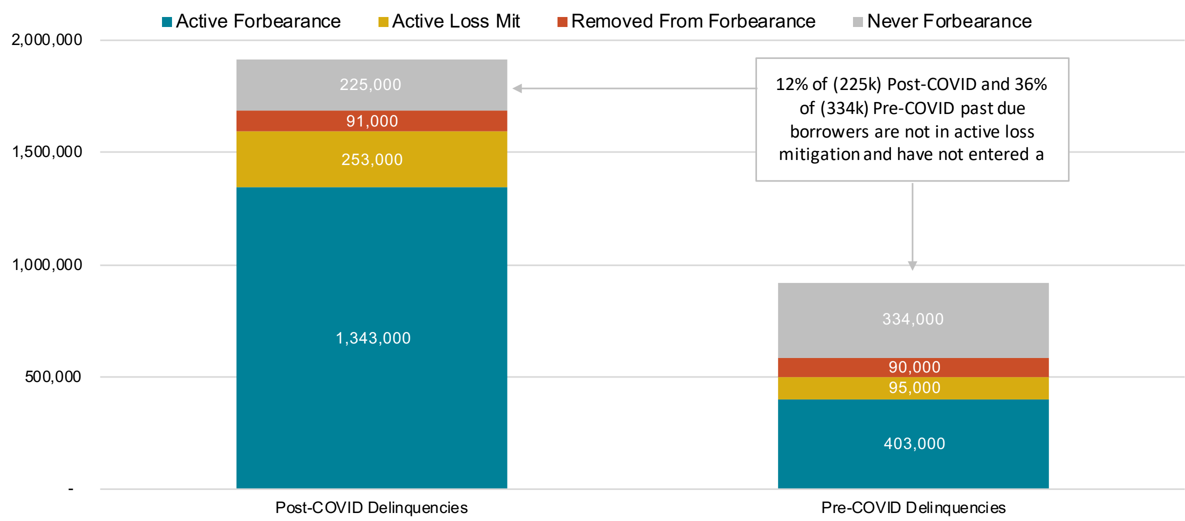
Source: McDash Flash

- Performance among borrowers leaving their forbearance plans remains strong
- Of the now 7.1M (14% of all) homeowners who have entered forbearance plans since the onset of the pandemic, 2/3 have since left forbearance
- Some 45% (3.14M) of plan participants have left and are re-performing, while 1.07M (15%) have left and have paid off their mortgages in full
- The share of homeowners in post-forbearance loss mitigation increased along with exit volumes, but has begun to normalize as servicers work through waterfalls on recent exits
- As of April 20, there are now 160K “high risk” forbearance exits who have left their plans, are not in loss mitigation and remain delinquent
- That said, more than 100K of those borrowers were already delinquent heading into the pandemic

MARCH 2021 FORBEARANCE ACTIVITY

BREAKDOWN OF ALL PAST DUE MORTGAGES (30+ DAYS)

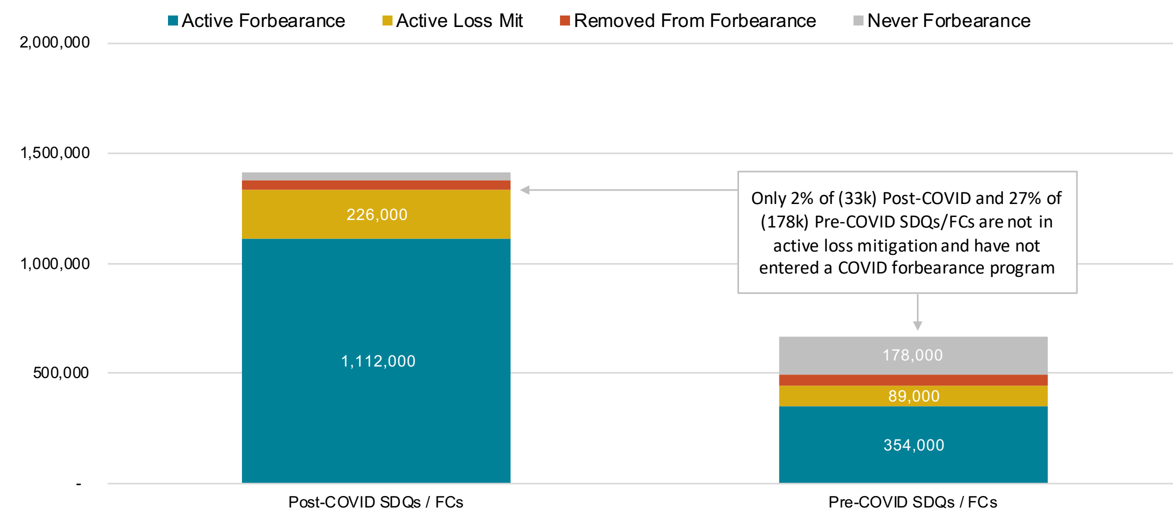
(AS OF MARCH 2021 MONTH-END)



Source: McDash Flash, McDash Primary

BREAKDOWN OF LOANS 90+ DAYS DQ OR IN FORECLOSURE

(AS OF MARCH 2021 MONTH-END)



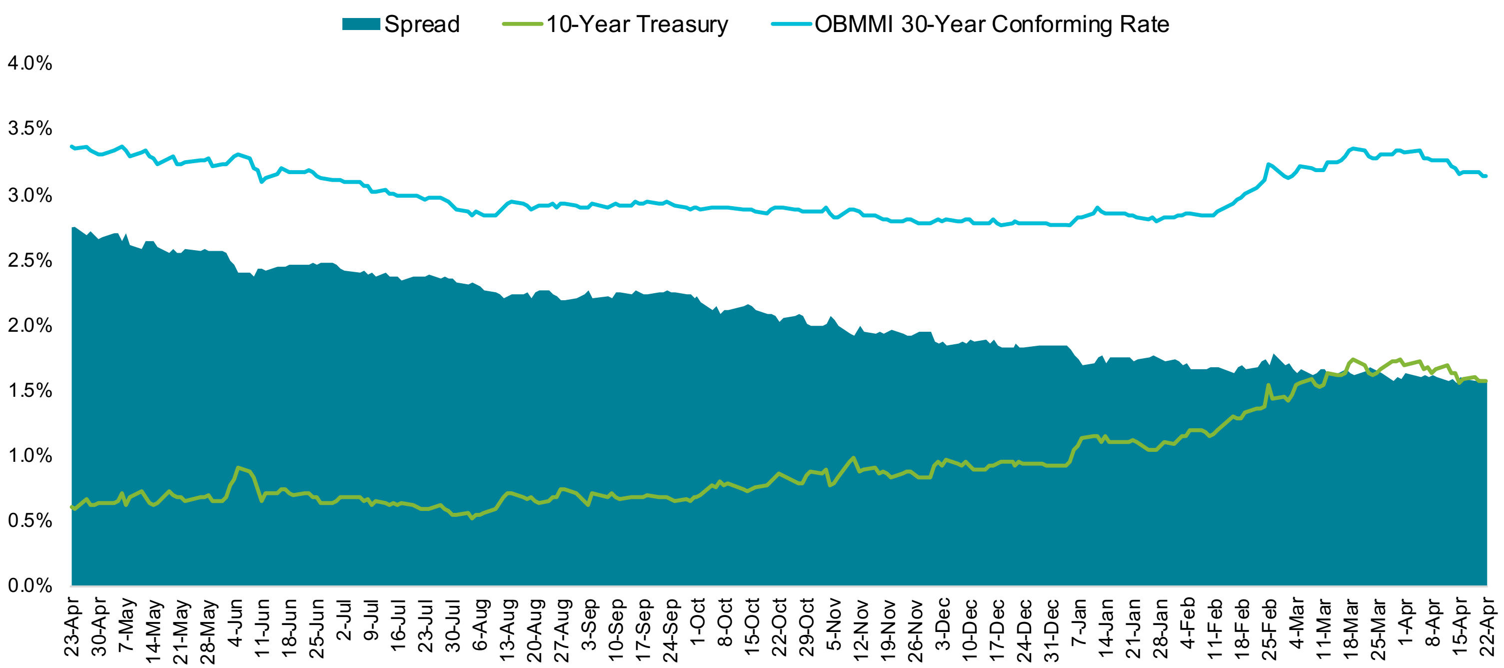
Source: McDash Flash, McDash Primary

- As delinquencies have improved, there's been more overlap with forbearance, as more homeowners significantly past due on their mortgages take advantage of available forbearance options
- Of the 2.1M borrowers 90+ days delinquent on their mortgages – including cases where foreclosure had previously been started – 90% have been in forbearance or are currently involved in other loss mitigation options with their servicers
- That share is even higher among borrowers that became seriously delinquent following the COVID-19 pandemic, with 98% of such borrowers involved is loss mitigation and/or forbearance programs

MARCH 2021 INTEREST RATE AND RATE LOCK ACTIVITY

Here, we provide an update on interest rates and rate lock activity, taking a look at trends in 30-year rates and 10-year treasuries, both of which have eased in recent weeks, resulting in a rebound in refinance incentive and increased prepayment activity. This information has been compiled from the Black Knight Home Price Index, the McDash loan-level mortgage performance database, and data from our Collateral Analytics division. Click on each chart to see its contents in high-resolution.

30-YEAR CONFORMING RATES / SPREAD VS. 10-YEAR TREASURY



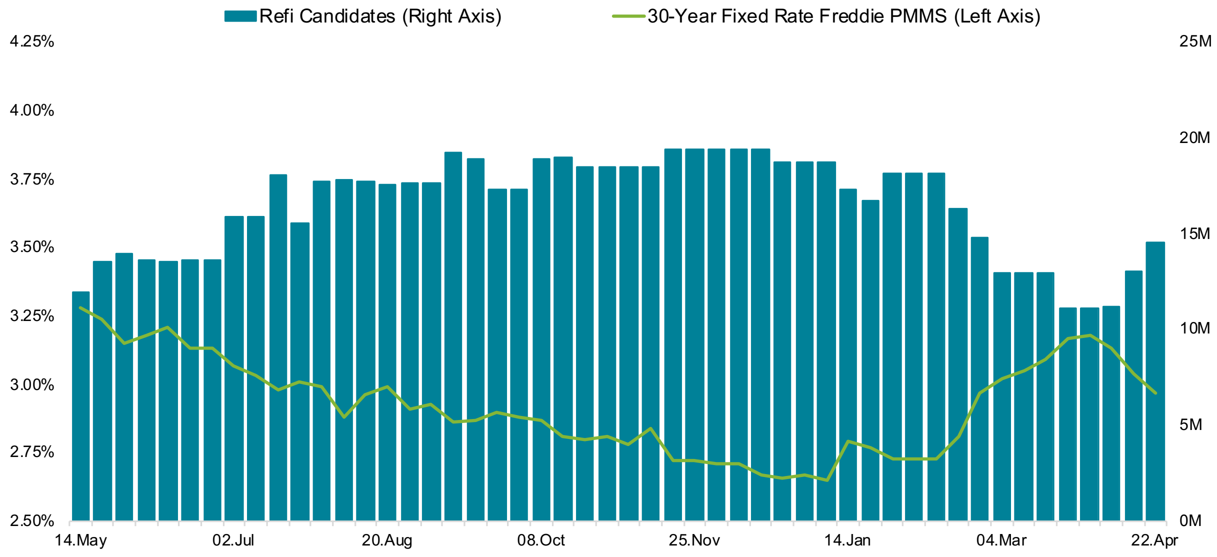
Source: Black Knight OBMMI

While 30-year rates have eased, the spread between 10-year treasuries continues to tighten, having now fallen below 1.6% in recent days, its lowest level in recent history and well below the pre-COVID average range of 1.9-2.0%

- After seeing 30-year rates rise by nearly 60BPS during Q1, both 10-year treasuries as well as downstream 30-year rates have mellowed in recent weeks
- According to Black Knight's OBMMI – which tracks daily interest rate lock trends and volumes – the average 30-year conforming rate climbed as high as 3.35% on March 19
- In the weeks since, 10-year treasury yields have fallen by 17BPS and 30-year rates improving by 20PBS through April 22
- This easing in 30-year rates has reversed some of the impacts of early 2021 on both refinance incentive as well as affordability

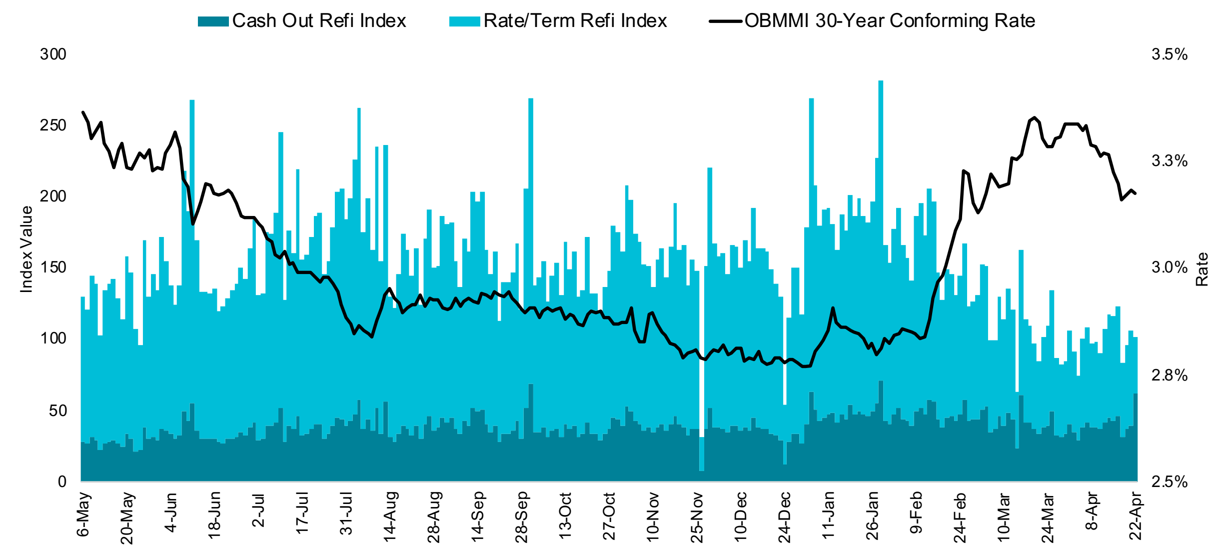
MARCH 2021 INTEREST RATE AND RATE LOCK ACTIVITY

REFINANCE CANDIDATES BY WEEK VS. 30-YEAR FIXED RATES



Source: McDash

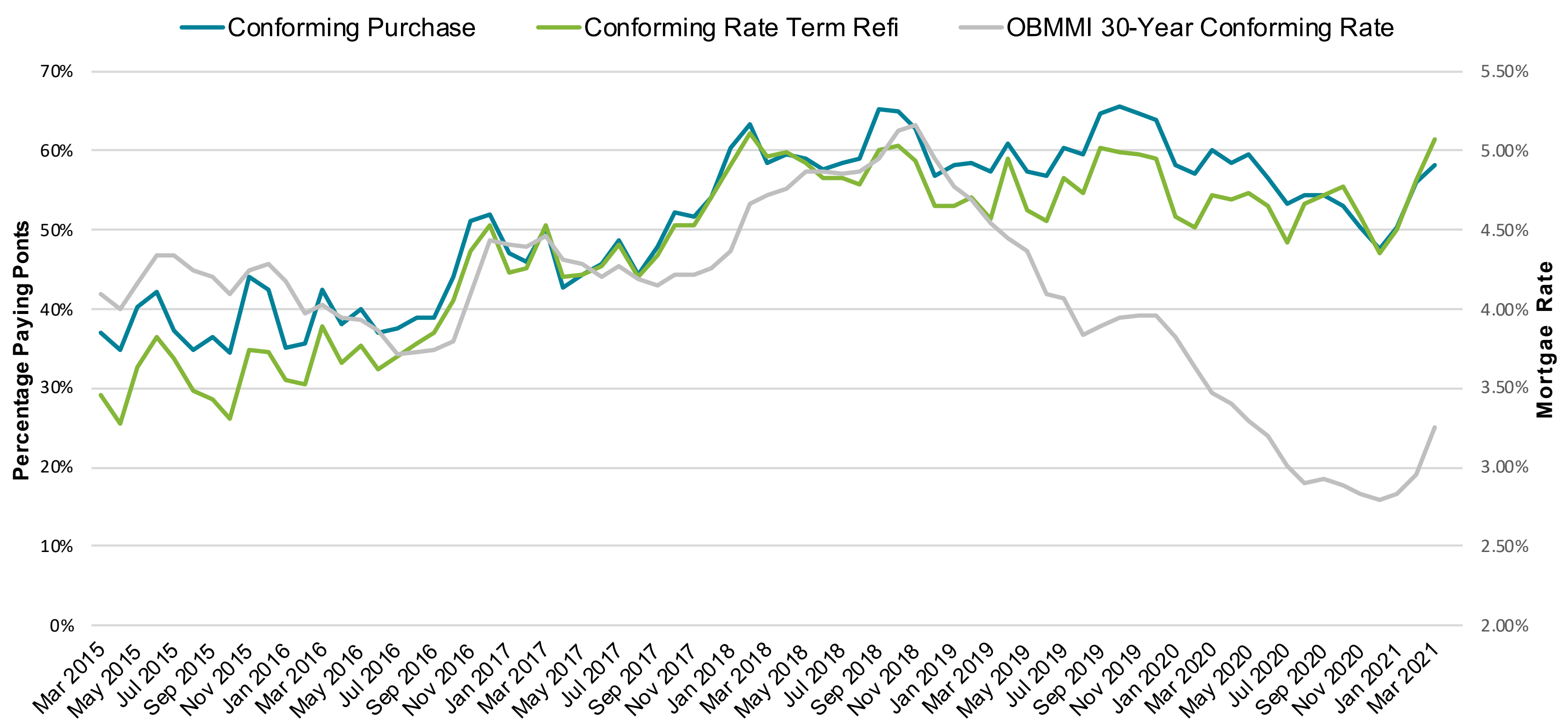
INDEXED REFINANCE RATE LOCK VOLUMES



Source: Black Knight Optimal Blue Rate Lock Data

- The number of refinance candidates had fallen by 40% throughout the first quarter of the year – with 7.6M high quality refinance candidates losing their incentive to refinance
- Refinance incentive is now up 30% in the past two weeks alone, as some 3.4M homeowners regained incentive, pushing the number of high-quality refinance candidates to its highest level since late February
- Through March, rate/term lock activity trended closely with refi incentive, falling by 35% from December to March, according to Black Knight's latest Origination Market Monitor
- While lock volumes haven't fully rebounded alongside incentive yet, they're worth watching closely in coming weeks given recent rate declines and the rebound in incentives
- It's also worth noting that the surge in lock activity seen in January shows why prepayment activity jumped to a 17-year high in March

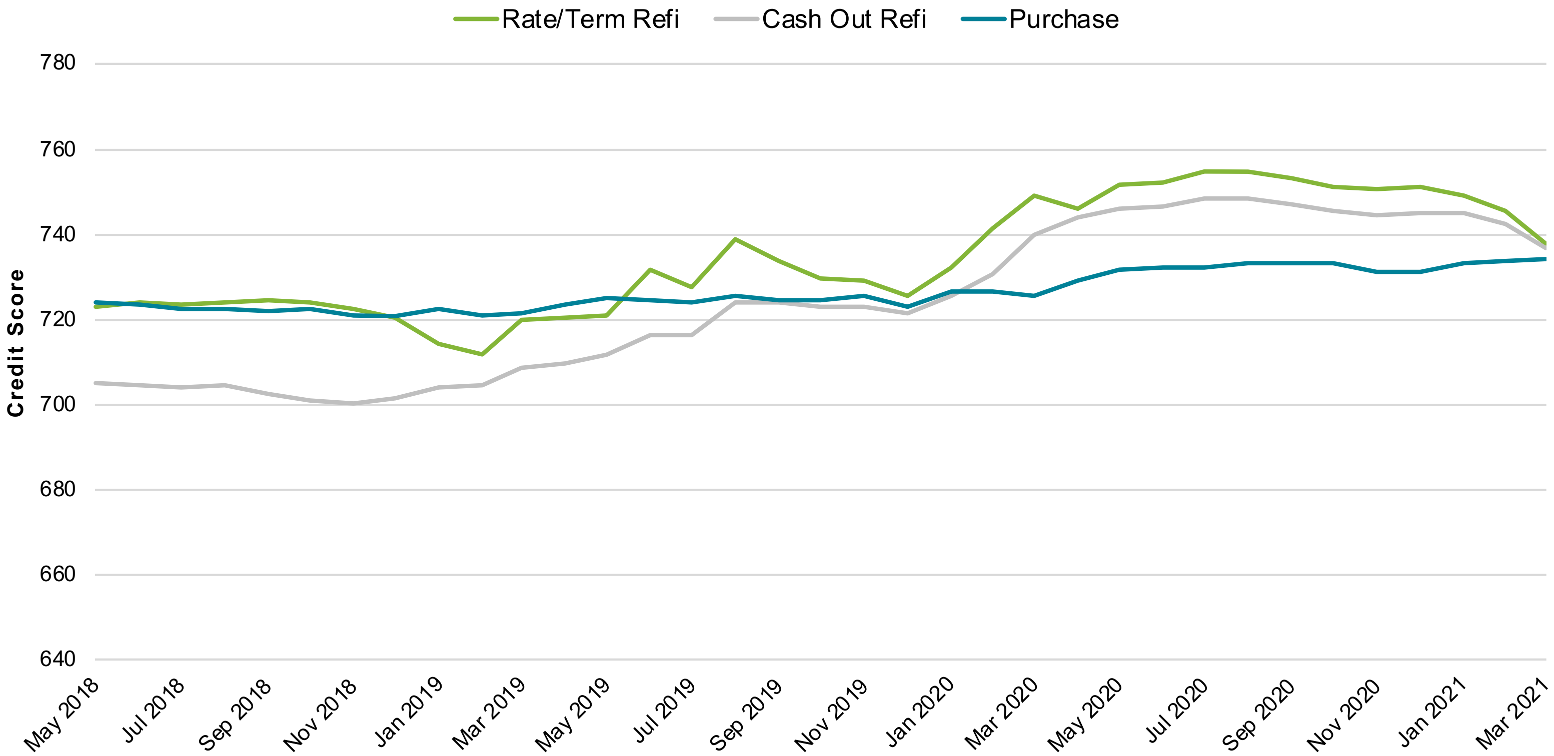
SHARE OF BORROWERS PAYING POINTS TO REDUCE THEIR INTEREST RATE



Rising interest rates in February and March have led to a higher share of borrowers paying points to buy down their interest rate

- Along with overall volume shifts we've seen some interesting underlying trends among rate locks as well
- After seeing the share drop below 50% in December for the first time since late 2017, it's edged upward in recent months as borrowers presumably counter the rising rate environment by buying down their rates to more attractive levels
- In March, some 61% of rate/term refinance borrowers paid points to buy down their interest rate, the highest share in 2.5 years and one of the highest shares since Black Knight's Secondary Marketing division began tracking the metric in 2015
- A similar trend was seen among homebuyers with 58% of purchase locks involving the paying of points, up from 47% in December and the highest such share since May 2020
- While early April data suggests that recent rate declines may be easing that behavior a bit, it's certainly worth watching – especially if rates gradually begin to rise, which could lead to additional buydown activity

AVERAGE CREDIT SCORE OF RATE LOCKS



Interesting trends are being seen among credit scores of both purchase and refinance rate locks in recent months

- After seeing credit scores among both purchases and refinances hit all-time highs in 2020, credits scores specifically among refinances have begun to wain early this year
- This type of behavior is typical in a rising rate environment as high credit score borrowers tend to be the first to jump in and refinance when rates fall and the first to exit the market as rates begin to rise
- The average credit score among rate/term refinances is down 13 points year to date, while the average among cash out refis is down a more modest 8 points
- At the same time, credit quality among purchase loans continues to remain strong with the average credit score of purchase locks up 3 points through March 2021 from 2020's already record highs

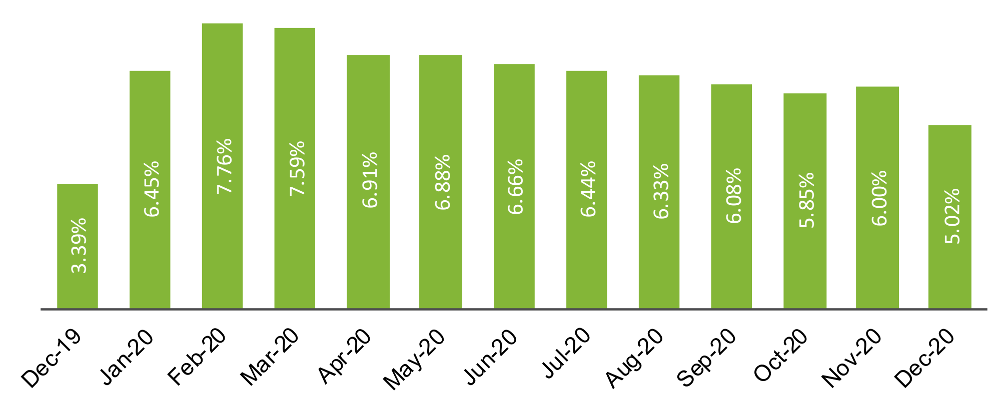
MARCH 2021 DATA SUMMARY

Summary Statistics

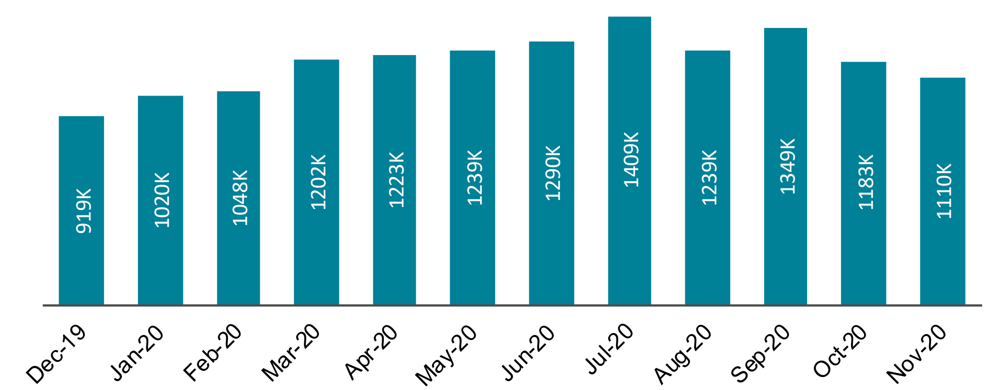
	Mar-21	Monthly Change	YTD Change	Yearly Change
Delinquencies	5.02%	-16.39%	-14.21%	48.09%
Foreclosure	0.30%	-3.63%	-4.74%	-26.79%
Foreclosure Starts	5,000	28.21%	-15.25%	-81.88%
Seriously Delinquent (90+) or in Foreclosure	3.91%	-7.47%	-7.48%	230.26%
New Originations (data as of Feb-21)	1110K	-6.2%	-17.7%	58.0%

	Dec-20	Nov-20	Oct-20	Sep-20	Aug-20	Jul-20	Jun-20	May-20	Apr-20	Mar-20	Feb-20	Jan-20	Dec-19
Delinquencies	5.02%	6.00%	5.85%	6.08%	6.33%	6.44%	6.66%	6.88%	6.91%	7.59%	7.76%	6.45%	3.39%
Foreclosure	0.30%	0.32%	0.32%	0.33%	0.33%	0.33%	0.34%	0.35%	0.36%	0.36%	0.38%	0.40%	0.42%
Foreclosure Starts	5,000	3,900	5,900	7,100	4,400	4,700	4,500	6,000	9,900	5,900	5,100	7,400	27,600
Seriously Delinquent (90+) or in Foreclosure	3.91%	4.23%	4.23%	4.35%	4.44%	4.57%	4.71%	4.77%	4.57%	3.89%	1.57%	1.28%	1.18%
New Originations		1110K	1183K	1349K	1239K	1409K	1290K	1239K	1223K	1202K	1048K	1020K	919K

TOTAL DELINQUENCIES



NEW ORIGINATIONS



LOAN COUNTS AND AVERAGE DAYS DELINQUENT

Month	TOTAL ACTIVE COUNT	30 DAYS	60 DAYS	90+ DAYS	FC	Total Non-Current	FC Starts	Average Days Delinquent for 90+	Average Days Delinquent for FC	Ratio of 90+ to FC
1/31/05	47,706,128	1,197,062	339,920	458,719	276,745	2,272,446	50,922	242	324	165.8%
1/31/06	50,900,620	1,242,434	387,907	542,378	258,613	2,431,332	76,477	207	308	209.7%
1/31/07	53,900,458	1,425,030	468,441	551,439	393,973	2,838,883	117,419	203	267	140.0%
1/31/08	55,478,782	1,743,420	676,266	950,639	813,560	4,183,885	195,033	190	256	116.8%
1/31/09	55,788,441	2,001,314	932,436	1,878,981	1,321,029	6,133,760	250,621	193	323	142.2%
1/31/10	55,098,009	1,945,589	903,778	2,972,983	2,068,572	7,890,922	292,308	253	418	143.7%
1/31/11	53,861,778	1,750,601	746,634	2,078,130	2,245,250	6,820,615	277,374	333	527	92.6%
1/31/12	52,687,781	1,592,463	652,524	1,796,698	2,205,818	6,247,503	223,394	395	666	81.5%
1/31/13	51,229,692	1,464,583	587,661	1,551,415	1,742,689	5,346,348	156,654	460	803	89.0%
1/31/14	50,380,779	1,341,074	529,524	1,278,955	1,213,046	4,362,599	97,467	486	935	105.4%
1/31/15	50,412,744	1,238,453	465,849	1,060,002	884,901	3,649,204	93,280	509	1,031	119.8%
1/31/16	50,754,010	1,300,564	444,962	832,265	660,056	3,237,847	72,021	494	1,047	126.1%
1/31/17	51,159,681	1,110,977	390,341	665,258	481,613	2,648,190	70,568	454	1,012	138.1%
1/31/18	51,428,922	1,085,065	413,313	708,248	337,351	2,543,976	62,470	364	931	209.9%
1/31/19	51,896,438	1,074,044	367,750	503,655	264,875	2,210,325	50,196	391	830	190.1%
1/31/20	52,999,009	954,154	332,534	418,662	245,517	1,950,866	42,834	338	838	170.5%
1/31/21	53,491,958	729,408	310,947	2,089,527	171,259	3,301,141	5,876	266	1,374	1220.1%
2/28/21	53,068,416	816,688	294,797	2,074,707	167,944	3,354,135	3,887	280	1,413	1235.4%
3/31/21	53,227,008	535,008	217,704	1,919,066	162,329	2,834,107	4,961	301	1,457	1182.2%

STATE-BY-STATE RANKINGS BY NON-CURRENT LOAN POPULATION

State	Del %	FC %	NC %	Year/Year Change in NC%
National	5.0%	0.3%	5.3%	39.8%
MS	8.6%	0.3%	8.9%	-2.0%
LA*	7.9%	0.5%	8.4%	11.3%
HI*	6.4%	1.3%	7.7%	109.8%
OK*	6.6%	0.5%	7.0%	32.4%
MD*	6.6%	0.3%	6.9%	44.4%
NY*	5.7%	1.2%	6.9%	41.0%
NV	6.5%	0.4%	6.9%	116.1%
TX	6.5%	0.2%	6.7%	43.9%
GA	6.4%	0.2%	6.5%	31.4%
AL	6.3%	0.2%	6.5%	4.8%
WV	6.2%	0.3%	6.5%	10.0%
AR	6.1%	0.3%	6.4%	20.4%
FL*	5.9%	0.5%	6.4%	52.0%
CT*	5.8%	0.6%	6.3%	34.9%
AK	6.0%	0.2%	6.2%	72.8%
NJ*	5.7%	0.4%	6.1%	43.9%
VT*	5.5%	0.6%	6.1%	36.6%

State	Del %	FC %	NC %	Year/Year Change in NC%
National	5.0%	0.3%	5.3%	39.8%
IN*	5.6%	0.5%	6.0%	17.7%
IL*	5.6%	0.4%	6.0%	44.4%
DE*	5.5%	0.4%	5.9%	26.3%
PA*	5.3%	0.4%	5.8%	15.8%
RI	5.2%	0.5%	5.7%	11.6%
SC*	5.4%	0.3%	5.7%	20.8%
NM*	4.9%	0.5%	5.4%	32.6%
OH*	4.9%	0.4%	5.4%	22.9%
NE*	5.2%	0.2%	5.3%	42.5%
KS*	5.0%	0.3%	5.3%	24.8%
ME*	4.5%	0.9%	5.3%	12.9%
TN	5.0%	0.1%	5.1%	20.0%
NC	4.7%	0.2%	4.9%	22.5%
DC	4.6%	0.3%	4.9%	97.9%
WY	4.6%	0.1%	4.7%	63.5%
KY*	4.3%	0.3%	4.7%	20.4%
VA	4.4%	0.1%	4.6%	37.0%

State	Del %	FC %	NC %	Year/Year Change in NC%
National	5.0%	0.3%	5.3%	39.8%
MO	4.4%	0.2%	4.6%	17.0%
MN	4.3%	0.1%	4.5%	74.0%
MA	4.1%	0.3%	4.4%	28.6%
IA*	4.0%	0.3%	4.3%	15.9%
AZ	4.2%	0.1%	4.3%	53.7%
WI*	4.0%	0.3%	4.2%	24.6%
MI	3.9%	0.1%	4.1%	16.0%
ND*	3.8%	0.2%	4.0%	71.7%
NH	3.7%	0.1%	3.9%	14.4%
CA	3.7%	0.1%	3.8%	77.3%
SD*	3.4%	0.2%	3.6%	36.9%
OR	3.4%	0.1%	3.5%	81.6%
MT	3.3%	0.2%	3.5%	49.3%
WA	3.1%	0.1%	3.2%	79.1%
CO	3.1%	0.1%	3.2%	78.9%
UT	3.1%	0.1%	3.2%	27.6%
ID	2.5%	0.1%	2.6%	39.7%

Indicates Judicial State

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TOTAL ACTIVE COUNT:	All active loans as of month-end including loans in any state of delinquency or foreclosure. Post-sale loans and loans in REO are excluded from the total active count.
DELINQUENCY STATUSES (30, 60, 90+, ETC):	All delinquency statuses are calculated using the MBA methodology based on the payment due date provided by the servicer. Loans in foreclosure are reported separately and are not included in the MBA days delinquent.
90-DAY DEFAULTS:	Loans that were less than 90 days delinquent in the prior month and were 90 days delinquent, but not in foreclosure, in the current month.
FORECLOSURE INVENTORY:	The servicer has referred the loan to an attorney for foreclosure. Loans remain in foreclosure inventory from referral to sale.
FORECLOSURE STARTS:	Any active loan that was not in foreclosure in the prior month that moves into foreclosure inventory in the current month.
NON-CURRENT:	Loans in any stage of delinquency or foreclosure.
FORECLOSURE SALE / NEW REO:	Any loan that was in foreclosure in the prior month that moves into post-sale status or is flagged as a foreclosure liquidation.
REO:	The loan is in post-sale foreclosure status. Listing status is not a consideration, this includes all properties on and off the market.
DETERIORATION RATIO:	The ratio of the percentage of loans deteriorating in delinquency status vs. those improving.