

NATIONAL DELINQUENCY SURVEY Q4 | 2024 SPECIAL SUMMARY EDITION

Mortgage Delinquencies Increase in the Fourth Quarter of 2024

The delinquency rate for mortgage loans on one-to-four-unit residential properties increased to a seasonally adjusted rate of 3.98 percent of all loans outstanding at the end of the fourth quarter of 2024, according to the Mortgage Bankers Association's (MBA) National Delinquency Survey.

The delinquency rate was up 6 basis points from the third quarter of 2024 and up 10 basis points from one year ago. The percentage of loans on which foreclosure actions were started in the fourth quarter rose by 1 basis point to 0.15 percent.

"Although mortgage delinquencies rose only ten basis points in the fourth quarter of 2024 compared to one year ago, the composition of the delinquencies changed," said Marina Walsh, CMB, MBA's Vice President of Industry Analysis. "Conventional delinquencies remain near historical lows, but FHA and VA delinquencies are increasing at a faster pace. By the end of fourth quarter, the spread between the FHA and conventional delinquency rates reached 841 basis points, while the VA and conventional spread was 208 basis points."

Added Walsh, "Government loans are also rolling to later stages of delinquency. Compared to one year ago, the seriously delinquent rate rose seventy basis points for FHA loans and fifty-seven basis points for VA loans, but only two basis points for conventional loans."

According to Walsh, while the labor market remains relatively strong and often tracks with mortgage performance, some of today's headwinds include inflationary pressures, lower personal savings rates, natural disasters, increasing consumer debt, higher tax and insurance payments, and higher debt-to-income ratios. All of these factors may be impacting government borrowers to a greater extent than conventional borrowers.

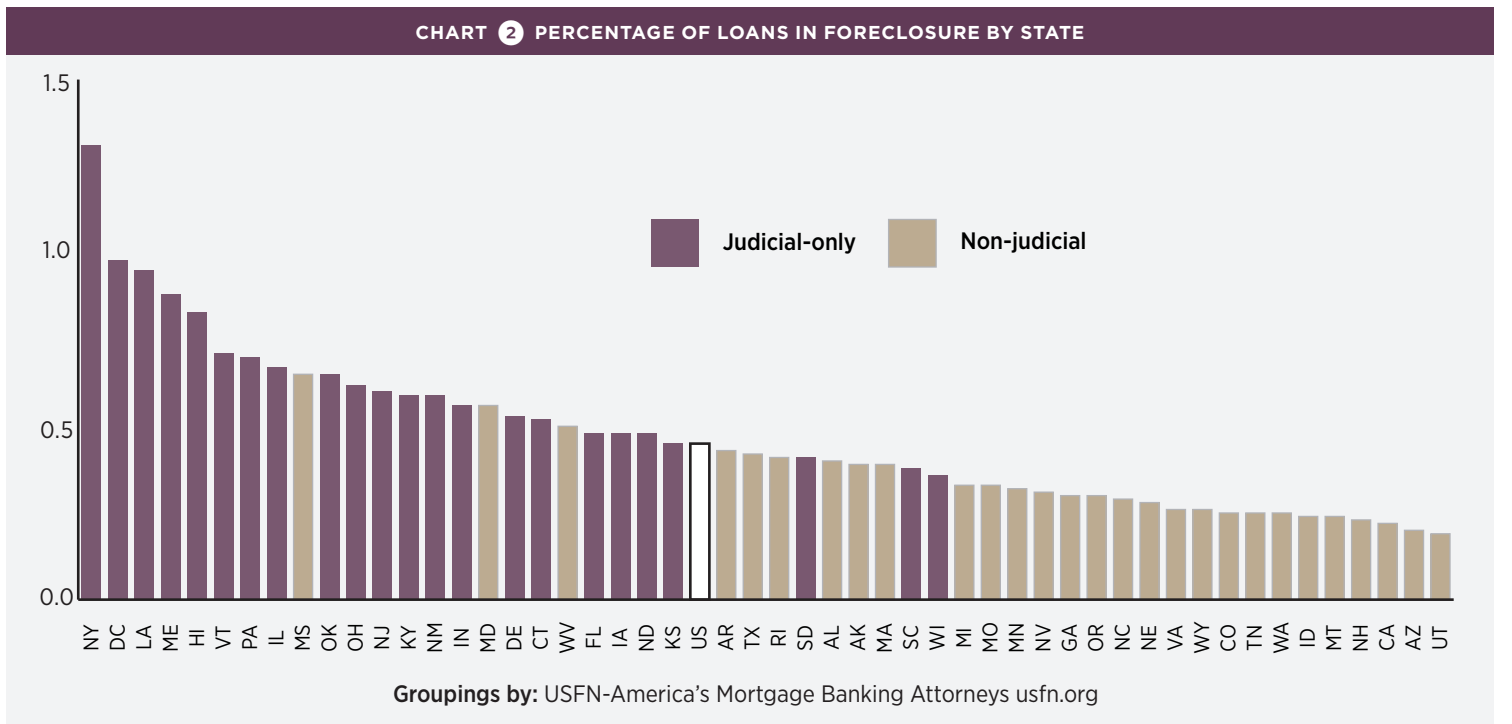
KEY FINDINGS FOR FOURTH QUARTER 2024:

- Compared to last quarter, the seasonally adjusted mortgage delinquency rate increased for all loans outstanding. By stage, the 30-day delinquency rate decreased 9 basis points to 2.03 percent, the 60-day delinquency rate increased 3 basis points to 0.76 percent, and the 90-day delinquency bucket increased 11 basis points to 1.19 percent.
- By loan type, the total delinquency rate for conventional loans decreased by 1 basis point to 2.62 percent over the previous quarter. The FHA delinquency rate increased 57 basis points to 11.03 percent, and the VA delinquency rate increased 12 basis points to 4.70 percent.

- On a year-over-year basis, total mortgage delinquencies increased for all loans outstanding. The delinquency rate increased 1 basis point for conventional loans, increased 22 basis points for FHA loans and increased 63 basis points for VA loans from the previous year.
- The delinquency rate includes loans that are at least one payment past due but does not include loans in the process of foreclosure. The percentage of loans in the foreclosure process at the end of the fourth quarter was 0.45 percent, remaining unchanged from the third quarter of 2024 and 2 basis points lower than one year ago.
- The non-seasonally adjusted seriously delinquent rate, the percentage of loans that are 90 days or more past due or in the process of foreclosure, was 1.68 percent. It increased 13 basis points from last quarter and increased 16 basis points from last year. The seriously delinquent rate increased 5 basis points for conventional loans, increased 49 basis points for FHA loans, and increased 32 basis points for VA loans from the previous quarter. Compared to a year ago, the seriously delinquent rate increased 2 basis points for conventional loans, increased 70 basis points for FHA loans and increased 57 basis points for VA loans.
- The five states with the largest quarterly increases in their overall delinquency rate were: Florida (99 basis points), South Carolina (59 basis points), North Carolina (40 basis points), Georgia (39 basis points), and Louisiana (32 basis points).

For the purposes of the survey, MBA asks servicers to report loans in forbearance as delinquent if the payment was not made based on the original terms of the mortgage.

Note: For non-seasonally-adjusted (NSA) supplemental information on the performance of servicing portfolios by investor type, loans in forbearance by investor type, and the status of post-forbearance workouts, as well as servicer call volume metrics, please refer to MBA's Monthly Loan Monitoring Survey at www.mba.org/lms. January 2025 results will be released on Tuesday, February 18, 2025.



HISTORICAL NATIONAL DELINQUENCY SURVEY DATA*

ALL LOANS ^a

	Percent						
	Installments Past Due				Foreclosures		
	Total Past Due	30 Days	60 Days	90 Days or More	Inventory at End of Quarter	Started During Quarter	Seriously Delinquent
2020							
1st	4.36	2.67	0.77	0.93	0.73	0.19	1.67
2nd	8.22	2.34	2.15	3.72	0.68	0.03	4.26
3rd	7.65	1.86	1.02	4.78	0.59	0.03	5.16
4th	6.73	1.78	0.77	4.18	0.56	0.03	5.03
2021							
1st	6.38	1.46	0.67	4.25	0.54	0.04	4.70
2nd	5.47	1.41	0.52	3.53	0.51	0.04	4.03
3rd	4.88	1.51	0.52	2.85	0.46	0.03	3.40
4th	4.65	1.65	0.56	2.44	0.42	0.04	2.83
2022							
1st	4.11	1.59	0.56	1.96	0.53	0.19	2.39
2nd	3.64	1.66	0.49	1.49	0.59	0.18	2.12
3rd	3.45	1.66	0.53	1.27	0.56	0.15	1.90
4th	3.96	1.92	0.66	1.38	0.57	0.14	1.89
2023							
1st	3.56	1.77	0.55	1.24	0.57	0.16	1.73
2nd	3.37	1.75	0.55	1.07	0.53	0.13	1.61
3rd	3.62	2.03	0.62	0.98	0.49	0.14	1.52
4th	3.88	2.10	0.73	1.05	0.47	0.14	1.52
2024							
1st	3.94	2.25	0.67	1.02	0.46	0.14	1.44
2nd	3.97	2.26	0.70	1.01	0.43	0.13	1.43
3rd	3.92	2.12	0.73	1.08	0.45	0.14	1.55
4th	3.98	2.03	0.76	1.19	0.45	0.15	1.68

CONVENTIONAL LOANS ^a

	Percent						
	Installments Past Due				Foreclosures		
	Total Past Due	30 Days	60 Days	90 Days or More	Inventory at End of Quarter	Started During Quarter	Seriously Delinquent
	3.16	1.90	0.55	0.71	0.57	0.13	1.30
	6.68	1.87	1.81	3.01	0.58	0.03	3.49
	5.93	1.47	0.84	3.61	0.51	0.03	3.95
	5.09	1.45	0.59	3.05	0.48	0.04	3.69
	4.57	1.16	0.51	2.90	0.46	0.04	3.35
	3.89	1.10	0.40	2.39	0.46	0.04	2.88
	3.55	1.21	0.41	1.94	0.41	0.03	2.39
	3.58	1.33	0.47	1.78	0.36	0.03	2.06
	3.03	1.18	0.42	1.44	0.42	0.13	1.80
	2.64	1.20	0.35	1.09	0.48	0.12	1.61
	2.52	1.21	0.38	0.94	0.45	0.10	1.43
	2.78	1.34	0.46	0.98	0.45	0.10	1.38
	2.44	1.20	0.37	0.86	0.45	0.10	1.27
	2.29	1.19	0.36	0.73	0.42	0.09	1.17
	2.50	1.39	0.41	0.70	0.39	0.09	1.12
	2.61	1.41	0.46	0.74	0.38	0.09	1.12
	2.62	1.48	0.43	0.71	0.37	0.10	1.06
	2.64	1.50	0.45	0.69	0.36	0.10	1.04
	2.63	1.45	0.47	0.70	0.37	0.11	1.09
	2.62	1.38	0.50	0.75	0.37	0.11	1.14

FHA LOANS ^a

	Percent						
	Installments Past Due				Foreclosures		
	Total Past Due	30 Days	60 Days	90 Days or More	Inventory at End of Quarter	Started During Quarter	Seriously Delinquent
2020							
1st	9.69	6.09	1.71	1.90	1.40	0.42	3.29
2nd	15.65	4.65	3.79	7.20	1.17	0.03	7.96
3rd	15.59	3.71	1.95	9.93	1.01	0.03	10.76
4th	14.65	3.54	1.61	9.50	0.96	0.03	11.19
2021							
1st	14.67	2.84	1.33	10.50	0.92	0.03	11.00
2nd	12.77	2.96	1.03	8.78	0.83	0.03	9.48
3rd	11.34	3.20	1.09	7.05	0.75	0.04	8.19
4th	10.76	3.71	1.28	5.78	0.74	0.11	6.48
2022							
1st	9.58	3.78	1.32	4.48	1.13	0.54	5.33
2nd	8.85	4.19	1.24	3.42	1.20	0.42	4.64
3rd	8.52	4.19	1.43	2.90	1.12	0.37	4.26
4th	10.61	5.35	1.88	3.39	1.11	0.35	4.40
2023							
1st	9.27	4.67	1.51	3.10	1.16	0.43	4.01
2nd	8.95	4.72	1.53	2.70	1.00	0.31	3.71
3rd	9.50	5.45	1.73	2.33	0.87	0.35	3.34
4th	10.81	6.16	2.11	2.55	0.84	0.36	3.42
2024							
1st	10.39	6.06	1.89	2.45	0.86	0.38	3.18
2nd	10.60	6.19	2.01	2.40	0.77	0.33	3.17
3rd	10.46	5.66	2.05	2.74	0.83	0.38	3.63
4th	11.03	5.76	2.14	3.12	0.88	0.43	4.12

VA LOANS ^a

	Percent						
	Installments Past Due				Foreclosures		
	Total Past Due	30 Days	60 Days	90 Days or More	Inventory at End of Quarter	Started During Quarter	Seriously Delinquent
	4.65	2.81	0.81	1.02	0.8	0.23	1.80
	8.05	2.40	2.11	3.54	0.66	0.01	3.98
	8.16	1.83	1.05	5.28	0.55	0.03	5.77
	7.29	1.58	0.76	4.96	0.52	0.02	5.96
	7.62	1.46	0.72	5.44	0.49	0.02	5.59
	6.47	1.31	0.55	4.61	0.43	0.03	5.02
	5.81	1.43	0.49	3.89	0.41	0.03	4.48
	5.24	1.36	0.50	3.38	0.39	0.04	3.82
	4.86	1.54	0.55	2.77	0.57	0.25	3.15
	4.22	1.59	0.51	2.12	0.67	0.27	2.83
	3.71	1.52	0.52	1.66	0.72	0.24	2.51
	4.16	1.79	0.63	1.75	0.75	0.23	2.43
	3.98	1.81	0.58	1.60	0.77	0.23	2.26
	3.70	1.76	0.58	1.37	0.78	0.23	2.15
	3.76	1.97	0.61	1.18	0.74	0.26	1.99
	4.07	2.04	0.73	1.30	0.70	0.19	2.01
	4.66	2.41	0.76	1.49	0.59	0.08	2.01
	4.63	2.31	0.75	1.56	0.53	0.07	2.07
	4.58	2.08	0.76	1.74	0.48	0.06	2.26
	4.70	1.88	0.78	2.03	0.45	0.06	2.58

- a. Except for the Foreclosure Starts, Foreclosure Inventory and Seriously Delinquent measures, data are adjusted using Census Bureau's X-12-ARIMA seasonal adjustment program.
- b. FRM and ARM data are reported by a smaller sample of companies. Consequently, the weighted sum of FRM and ARM delinquency rates does not necessarily equal the overall delinquency rate.
- c. In Q1 2021, MBA revised the historical data for the Conventional Fixed loans and FHA Fixed loans only for the period from Q1 2017 to Q4 2020.

NDS Notes

A loan is considered 30 days delinquent if the December 1 installment has not been paid as of December 31. A loan is 60 days delinquent if the November 1 installment is unpaid as of December 31, and so forth.

Foreclosures started during quarter includes loans placed in the process of foreclosure during the fourth quarter of 2024, deeds in lieu of foreclosure and loans assigned to FHA, VA, other insurers

or investors. Foreclosure inventory end of quarter includes all loans in the process of foreclosure on December 31. Both foreclosure categories are excluded from total installments past due.

The four census regions of the country contain the following subregions: Northeast equals New England and Mid Atlantic; Midwest equals East North Central and West North Central; South equals South Atlantic, East South Central and West South Central; West equals Mountain and Pacific. National totals include loans in Puerto Rico and loans of firms not providing state-by-state data.

This survey includes over 41 million mortgage loans on one- to four-unit residential properties. These loans are serviced by approximately 75 lenders, including independent mortgage companies, and depositories such as large banks, community banks and credit unions.

All national measures are seasonally adjusted except for foreclosure starts, foreclosure inventory and seriously delinquent percentages. State level delinquency and foreclosure measures are not seasonally adjusted.

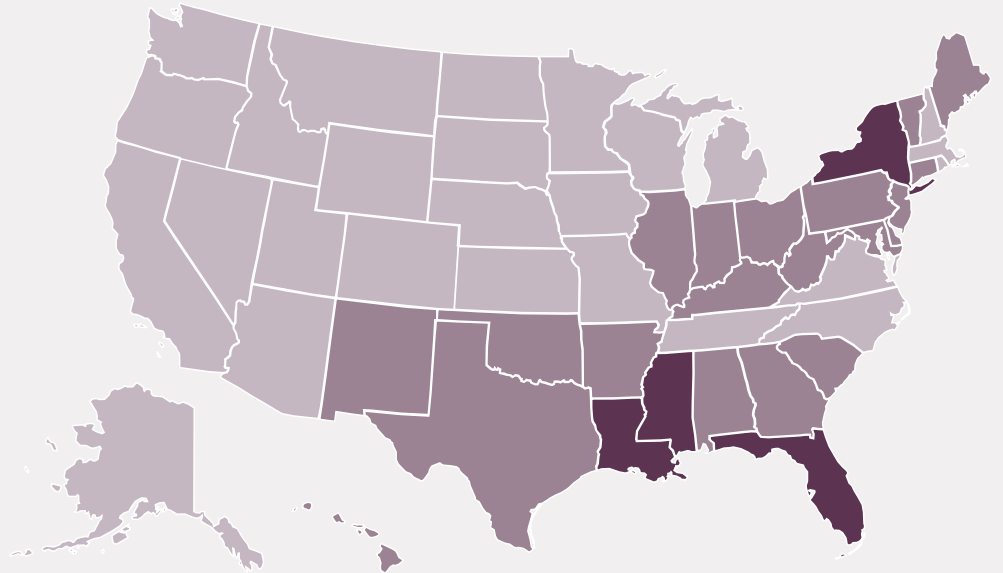
MAP 1

SERIOUSLY DELINQUENT RATE BY STATE FOR Q4, 2024 (NSA)

U.S. Average: 1.68%

- Greater than 2.22%
- 1.69%–2.22%
- 0–1.68%

Source: MBA's National Delinquency Survey



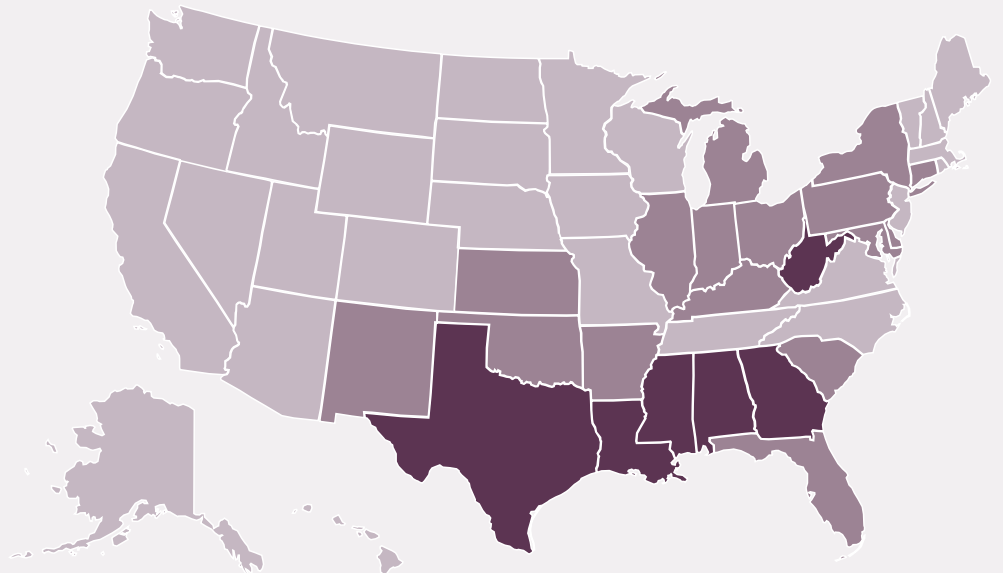
MAP 2

TOTAL PAST DUE RATE BY STATE FOR Q4, 2024 (NSA)

US Average: 4.24%

- Greater than 5.39%
- 4.25%–5.39%
- 0–4.24%

Source: MBA's National Delinquency Survey



MAP 3

30 DAYS PAST DUE RATE BY STATE FOR Q4, 2024 (NSA)

US Average: 2.20%

- Greater than 2.77%
- 2.21%–2.77%
- 0–2.20%

Source: MBA's National Delinquency Survey

