



# HOUSING FINANCE AT A GLANCE

A MONTHLY CHARTBOOK

March 2026

## ERRATA

This chartbook was corrected on February 9, 2025. A highlight on page 5 notes that “Approximately one-quarter of all single-family homes are not built for sale.” A previous version incorrectly said that those homes are built for rent. These homes did go on sale to the market, but are not necessarily for rent.

## ABOUT THE CHARTBOOK

The Housing Finance Policy Center’s (HFPC) mission is to produce analyses and ideas that promote sound public policy, efficient markets, and access to economic opportunity in the area of housing finance. *At A Glance*—a monthly chartbook and data source for policymakers, academics, journalists, and others interested in the government’s role in mortgage markets—is at the heart of this mission.

We welcome feedback from our readers on how we can make *At A Glance* a more useful publication. Please email any comments or questions to [ataglance@urban.org](mailto:ataglance@urban.org).

To receive regular updates from the Housing Finance Policy Center, please visit [here](#) to sign up for our biweekly newsletter.

## ABOUT THE URBAN INSTITUTE

The Urban Institute is a nonprofit research organization that provides data and evidence to help advance upward mobility and equity. We are a trusted source for changemakers who seek to strengthen decisionmaking, create inclusive economic growth, and improve the well-being of families and communities. For more than 50 years, Urban has delivered facts that inspire solutions—and this remains our charge today.

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# Mortgage Rates Rise as Spring Homebuying Season Begins

The February Chartbook documented the significant improvement in mortgage affordability nationwide. Considering both income growth and modest house price appreciation, the decline in mortgage rates has helped to boost affordability. After reaching a low in 2023, mortgage affordability has improved (page 24).

However, the direction of mortgage rates has reversed in March. After dropping from 6.18 percent to 5.98 percent between the last week of December and the last week in February, mortgage rates have risen by 24 basis points to 6.22 percent as of the week of March 20th. As a result, mortgage rates are now higher today than they were at the end of 2025.

Geopolitical conflict has undoubtedly contributed to the jump in mortgage rates. But this conflict has also helped to uncover a trend in place for much of 2026. Long-term market-based inflation expectations have been increasing over the first quarter of the year.

The 30-year fixed rate mortgage can be decomposed into the 10-year Treasury rate and the spread between these two rates, the primary mortgage risk premium. Since the end of 2025, the primary mortgage risk premium has declined by seven basis points from 2.02 percent to 1.95 percent.

In contrast, the 10-Year Treasury Note rate rose by 11 basis points from 4.16 percent to 4.27 percent. The figure below illustrates that market-based inflation expectations have been putting upward pressure on the 10-Year Treasury Note rate, and by extension, the 30-Year fixed mortgage rate for most of the year. However, prior to the current geopolitical tensions, this trend was masked by larger declines in the primary mortgage risk premium and the real yield associated with 10-Year Treasury Inflation Protected Securities.

In recent weeks, the increase in oil prices have helped to boost long-term market-based inflation expectations. Clearly, expectations of faster inflation can help to boost mortgage

rates. And all else equal, higher mortgage rates can reduce affordability, as well as credit access.

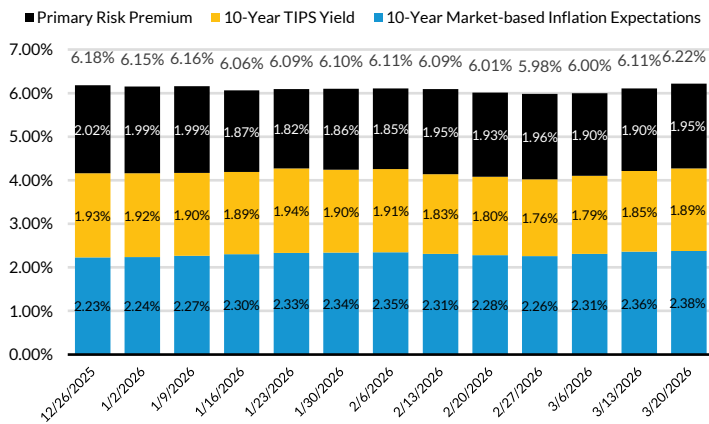
In theory, the effect of oil price increases on inflation are presumed to be “transitory”. This characteristic may be reflected in the figure below. This chart illustrates a 5-Year, 5-Year Forward Inflation Expectations Rate. It is a measure of expected inflation over the five-year period that begins five years from today. The decline in this measure over most of the year-to-date suggests that market participants’ longer-term inflation expectations have converged to the Federal Reserve’s two percent target.

Interpreting these trends requires important assumptions that, if violated, could undermine interpretation of macroeconomic signals from bond market pricing. However, if these assumptions remain largely intact, these trends suggest that appropriate monetary policy and the unwinding of the current conflict should, all else equal, result in lower mortgage rates. However, if higher expectations become entrenched then it could continue to put upward pressure on mortgage rates. And it could limit mortgage affordability as the Spring home-buying season begins.

## Inside this Issue

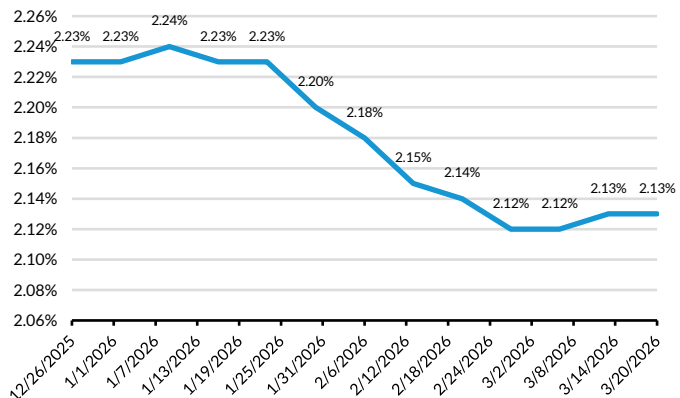
- Year-over-year, house prices are declining in the South and West regions of the country (page 26).
- The share of loans in negative or near-negative equity rose from 2.43 to 2.72 percent between Q2 and Q3 2025 (page 29).
- Serious delinquency rates on 1-4 family FHA loans rose to 6.24 percent in January 2026 (page 34).
- The FHA First-time Homebuyer share was 79.4 percent in January 2026 (page 28)

## Inflation Expectations Help to Boost Mortgage Rates



Notes: 10-Year Market-based Inflation Expectations is the difference between the yield on 10-Year Treasury Note rates and 10-Year Treasury Inflation Protected Securities (TIPS).  
Sources: Federal Reserve Board and Freddie Mac.

## 5-Year, 5-Year Forward Inflation Expectations Rate



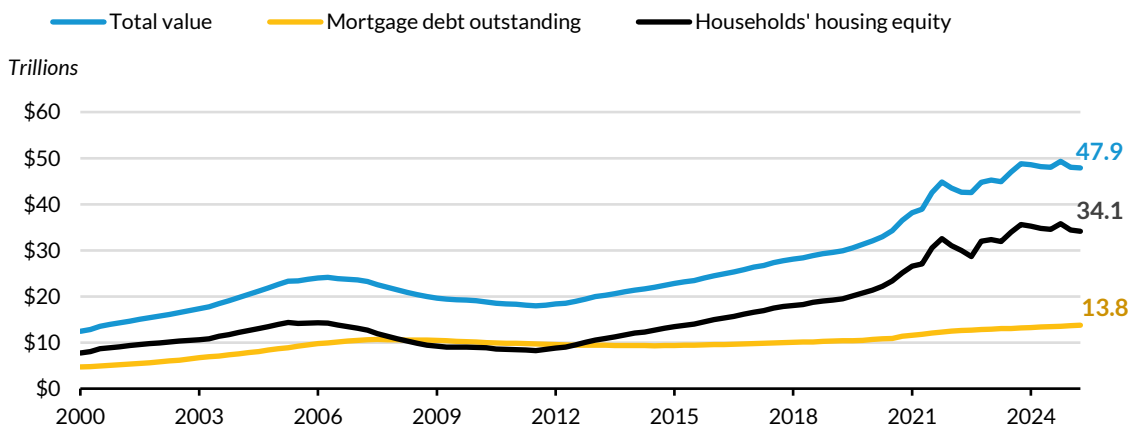
Source: Federal Reserve Bank of St. Louis FRED.

# OVERVIEW // MARKET SIZE OVERVIEW

From Q4 2024 to Q4 2025, the total value of the US single-family housing market decreased by 0.5 percent, reflecting a 1.7 percent decrease in aggregate value of housing equity held by households and a 2.9 percent increase in mortgage debt outstanding. The year-over-year decline in aggregate home values largely reflects declining house prices.

In the fourth quarter of 2025, agency MBS accounted for 64.4 percent (\$9.5 trillion) of total mortgage debt outstanding, while home equity loans made up 4.2 percent (\$0.6 trillion) and private-label securities made up 3.5 percent (\$0.5 trillion). Unsecuritized first liens, both bank portfolio and other, compose the remaining 27.8 percent (\$4.1 trillion), with banks making up 18.1 percent (\$2.7 trillion), and other accounting for 9.7 percent (\$1.4 trillion). Of other, nondepositories accounted for 5.5 percent (\$0.8 trillion) of the total, and credit unions accounted for 4.2 percent (\$0.6 trillion) (not shown).

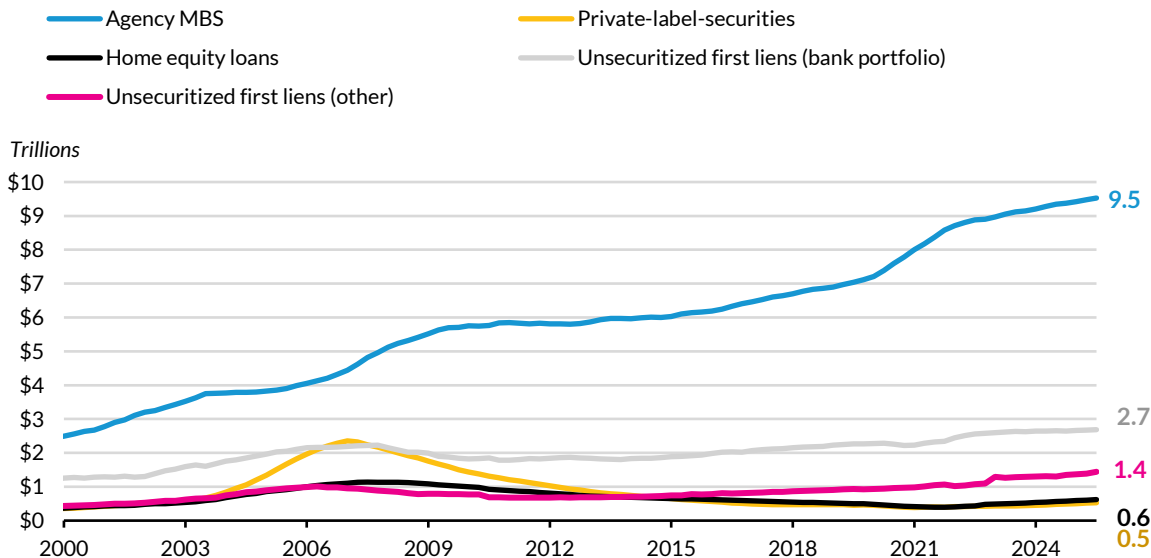
## Value of the US Single-Family Housing Market



Sources: Financial Accounts of the United States, table B.101, and the Urban Institute.

Notes: Data as of Q4 2025. Includes one-to-four-family owner-occupied mortgages. Mortgage debt outstanding in this figure does not match the totals in the figure below, as this figure does not include investor-owned properties.

## Composition of the US Single-Family Mortgage Market



Sources: Financial Accounts of the United States and the Urban Institute.

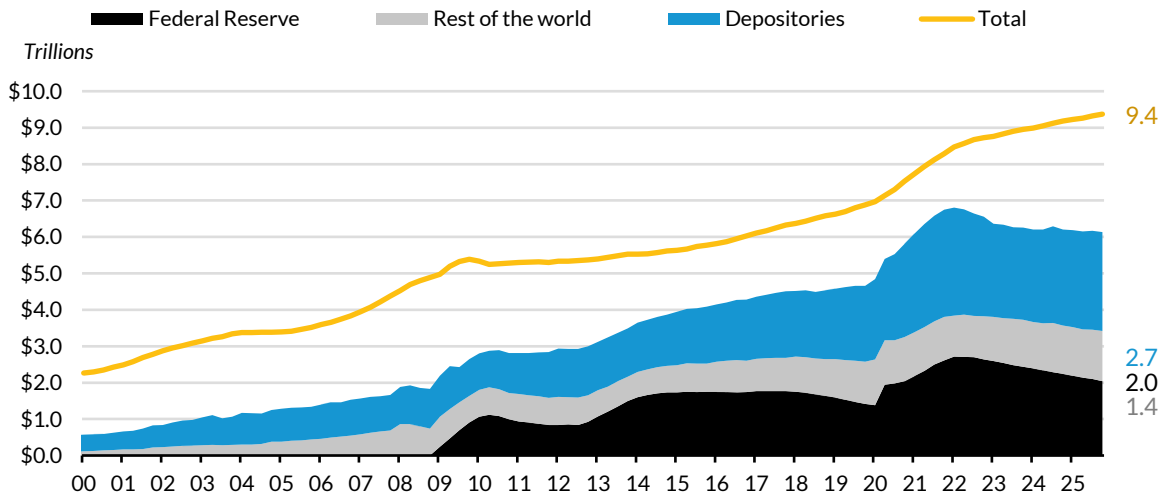
Notes: Data as of Q4 2025. Unsecuritized first liens (other) consists of mortgages not held on bank balance sheets and credit unions, nonprofits, nonfinancial business, insurance companies, pension funds, finance companies, trusts and federal, state and local government. All categories include investor-owned properties.

# OVERVIEW // MARKET SIZE OVERVIEW

In the fourth quarter of 2025, the three largest holders of the \$9.4 trillion in outstanding agency MBS are US depositories (\$2.7 trillion), the Federal Reserve (\$2.0 trillion), and foreign investors (\$1.4 trillion). Foreign investor holdings include sovereign and private holdings. As the Fed has not replaced maturing agency MBS securities with new purchases, the quantity of agency MBS on its balance sheet has shrunk over the past year. From Q4 2024 to Q4 2025, Federal Reserve holdings are down -9.2 percent. US depository holdings are up 2.4 percent and foreign investor holdings are up 4.9 percent over the past year. The combined amount among all other holders increased by 9.0 percent over the same period, and is expected to continue to grow if Fannie Mae and Freddie Mac purchase \$200 billion in agency MBS.

By the end of March 2026, outstanding securities in the agency market totaled over \$9.3 trillion according to loan-level data, 37.5 percent (\$3.5 trillion) of which belonged to Fannie Mae, 32.9 percent (\$3.1 trillion) to Freddie Mac, and 29.6 percent (\$2.8 trillion) to Ginnie Mae. Since mid-2022, GSEs MBS outstanding has been largely flat while Ginnie MBS outstanding has been steadily increasing.

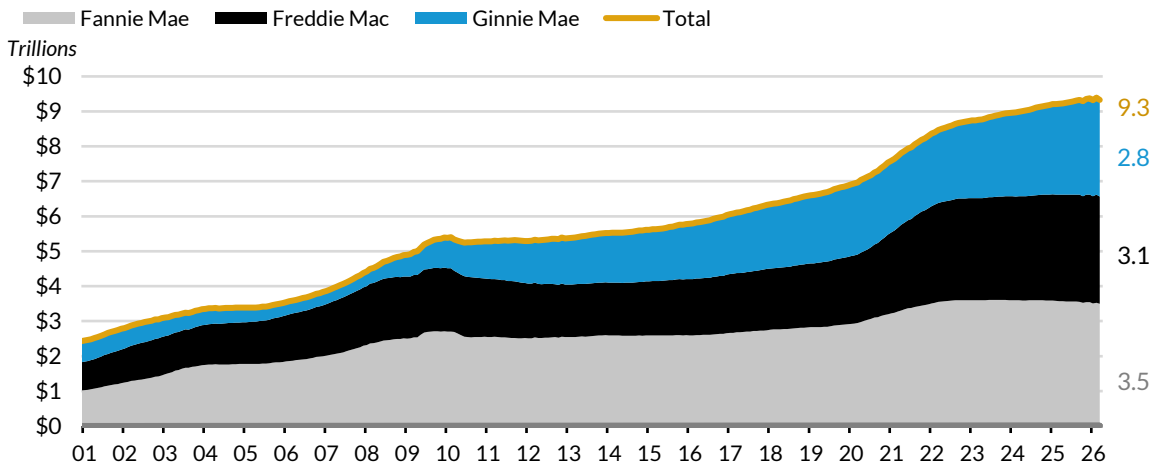
## Primary Holder of Agency MBS



**Sources:** Financial Accounts of the United States (table L.211), Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, Moody's Analytics, and Urban Institute calculations.

**Note:** Data as of Q4 2025. Federal reserve, depository and total holdings shown at face value and holding by the rest of the world at market value. As of Q3 2025, we have replaced the depositories series with just commercial banks due to a change in data reporting from the Federal Reserve. Five percent of foreign MBS holdings is agency debentures. Holders not shown include households; nonfinancial business; federal, state, and local governments; insurance companies; pension and retirement funds; money market and mutual funds; real estate investment trusts; asset-backed security issuers; brokers; and holding companies.

## Agency Mortgage-Backed Securities



**Sources:** eMBS and the Urban Institute.

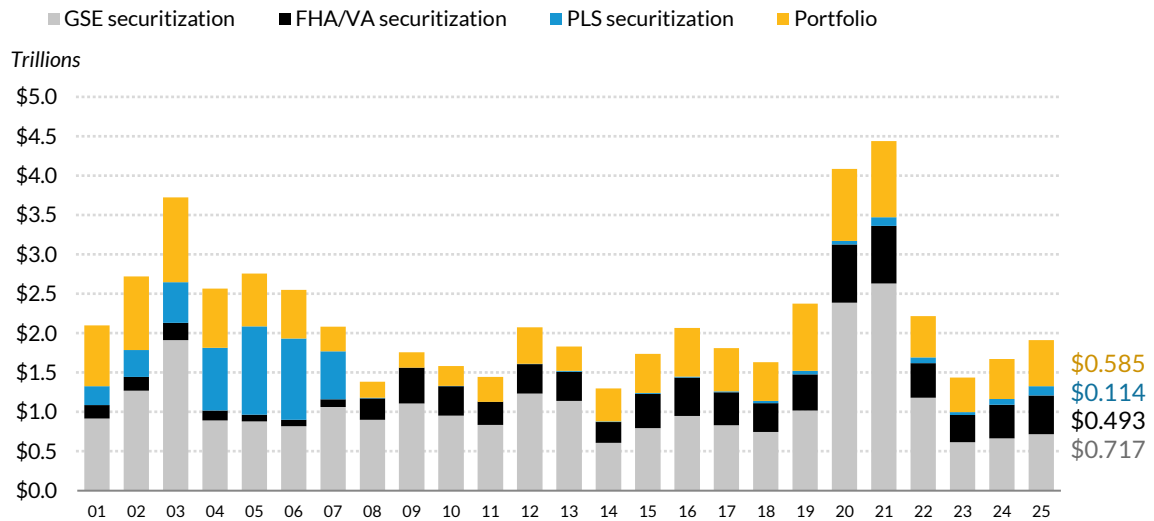
**Note:** Data as of March 2026. Total agency MBS in the top and bottom charts differ as the top is quarterly and the bottom is monthly. Values may not add up to total due to rounding.

# OVERVIEW // ORIGINATION VOLUME AND COMPOSITION

Total mortgage origination volume in 2025 was approximately \$1.91 trillion, 7.9 percent higher than in 2024, but the increase in total volume masked divergent trends. Over this same period first-lien PLS securitization volume in 2025 was \$114.3 billion, 57.8 percent greater than 2024. FHA/VA securitization volume was \$493.4 billion, 15.9 percent greater than a year ago while portfolio volume was \$585.0 billion in 2025, 15.3 percent higher than in 2024. Meanwhile, the volume of GSE securities originated in 2025 was \$717 billion, 7.9 percent lower than in Q4 2024.

In response to these year-over-year changes in securitized first-lien originations, the GSE share of all securitized originations fell by 2.4 percentage points to 37.6 percent in 2025. All other channels increased their share. Both the Portfolio and the FHA/VA share increased 0.3 percentage points, to 30.6 and 25.8 percent respectively. The share of originations secured by PLS increased by 1.6 percentage points to 6.0 percent.

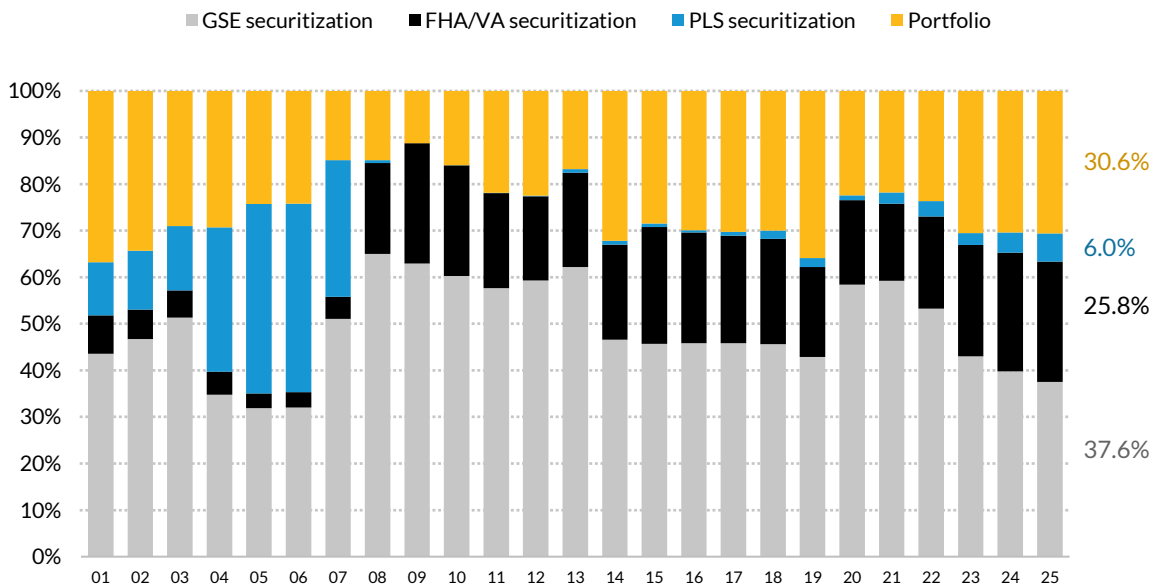
## Volume of Securitized First-Lien Originations



Sources: Inside Mortgage Finance and the Urban Institute.

Note: Data as of Q4 2025.

## Composition of Securitized First-Lien Originations



Sources: Inside Mortgage Finance and Urban Institute.

Note: Data as of Q4 2025.

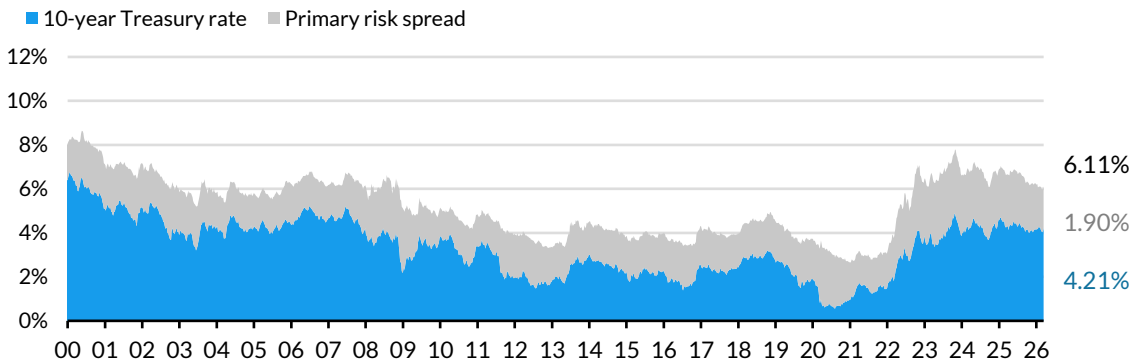
# OVERVIEW // MORTGAGE INTEREST RATES

While 30-year fixed rate mortgages have a shorter duration than the 10-year Treasury Note, analysts typically decouple mortgage rates into the 10-year Treasury rate and the residual between the 30-year mortgage rate and 10-year Treasury Note rate, the primary mortgage market spread. From the end of May 2025 to February 2026, the fixed rate mortgage has fallen by 91 basis points from 6.89 to 5.98, with the 10-year treasury declining by 42 basis points and the primary mortgage market spread narrowing by 49 basis point. Recently, mortgage rates have jumped, from a low of 5.98 percent to 6.11 percent in response to the Iran conflict and ensuing energy crisis. Over this three-week period, the primary mortgage market spread has declined from 1.96 to 1.90 percent. However, the 10-year Treasury Note rate has increased from 4.02 percent to 4.21 percent, partly reflecting higher financial market based measures of inflation expectations.

While mortgage rates remain elevated, the adjustable rate mortgage share of applications largely remains within its historical range of 5-to-10 percent of total applications, with periodic spikes above and below this range.

## 30-Year Fixed Mortgage Commitment Rate

By 10-year Treasury and primary risk spread



Source: Board of Governors of the Federal Reserve System and the Freddie Mac Primary Mortgage Market Survey and the Urban Institute.

Notes: Data as of March 13, 2026. The primary risk spread is the difference between the 30-year fixed mortgage rate and the 10-year Treasury note rate.

## Adjustable-Rate Mortgage Share of Applications



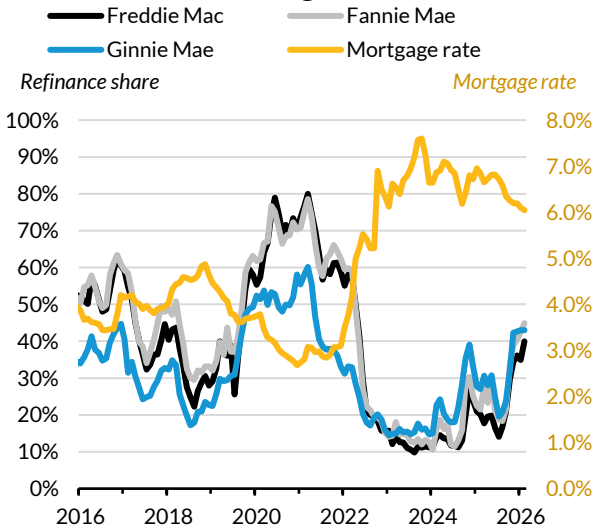
Source: Mortgage Bankers Association Weekly Mortgage Applications Survey.

Notes: Includes purchase and refinance applications. Data updated through March 13, 2026.

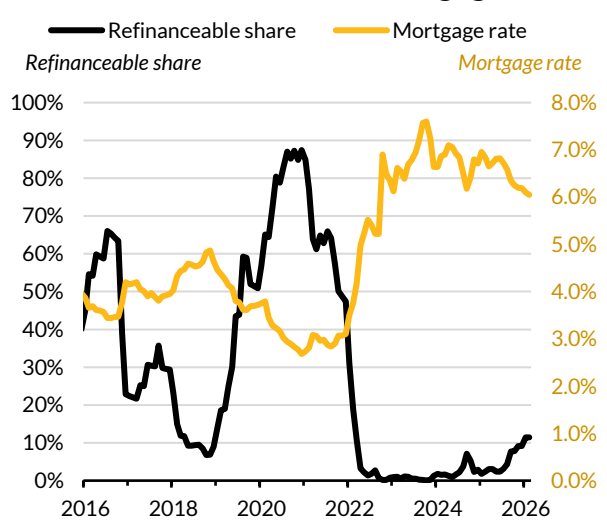
# OVERVIEW // REFINANCEABLE MORTGAGES

Over the past two-and-a-half years ending in February 2026, mortgage rates, measured on a monthly basis, were largely declining. At the same time, the refinance share has moved broadly higher. Although mortgage rates fell to just over 6.0 percent by the end of February, only 1.1 percent of outstanding agency mortgages are considered refinanceable (have a contract rate at least 50 basis points lower than the prevailing 30-year fixed-rate mortgage). The lack of refinanceability reflects the fact that 81.3 percent of outstanding agency borrowers have a rate 6.0 percent or lower.

## Refinance Percentage at Issuance



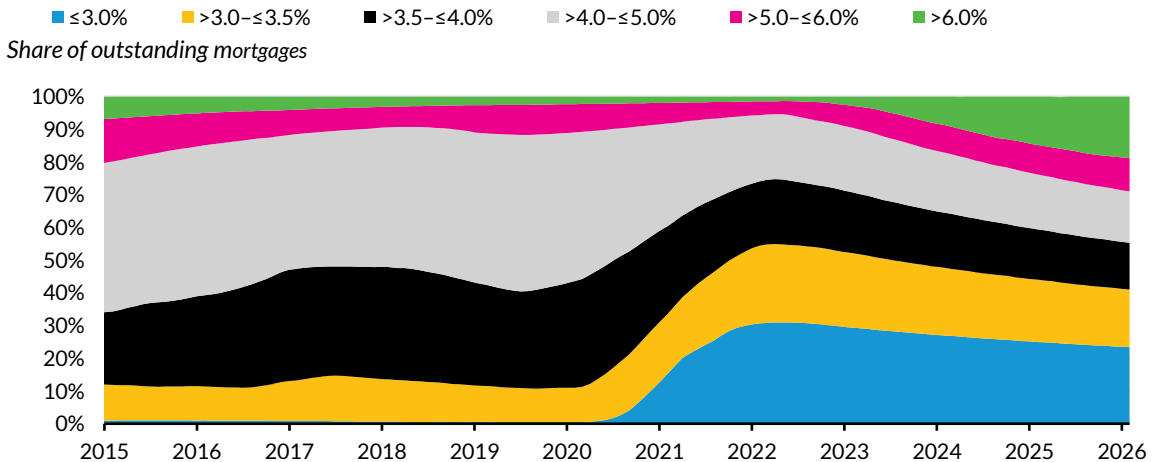
## Refinanceable Share of Mortgages



Sources: eMBS, Freddie Mac, and Urban Institute calculations.

Notes: Data as of February 2026. Loans are counted as refinanceable if the note rate is at least 50 basis points over the mortgage rate reported by Freddie Mac's Primary Mortgage Market Survey.

## Outstanding Agency Mortgage Volume, by Interest Rate



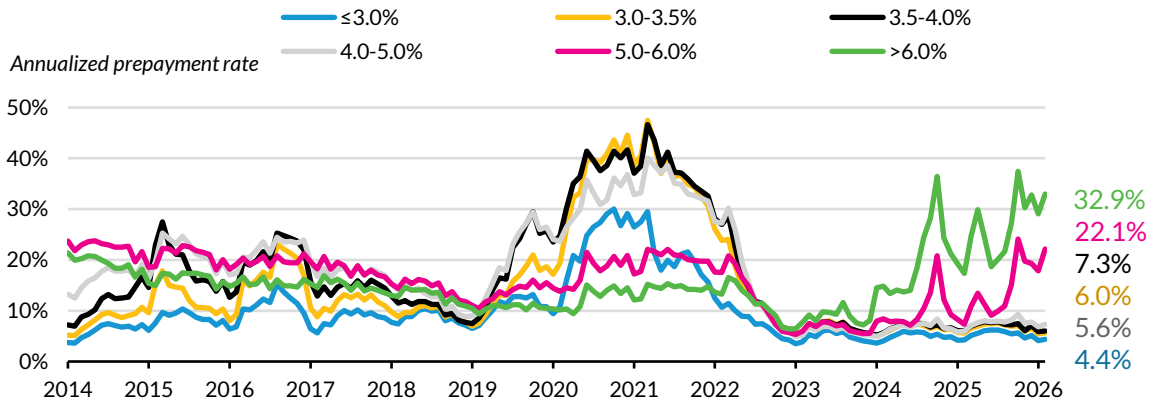
Sources: eMBS, Freddie Mac, and Urban Institute calculations.

Note: Data as of February 2026.

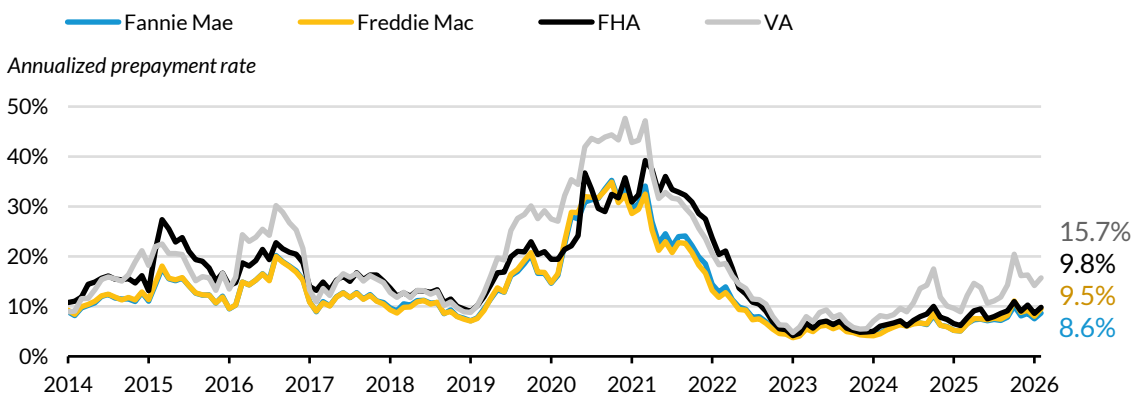
# OVERVIEW // PREPAYMENT SPEEDS

Although the refinance share is low, limited by the large share of borrowers with rates below 6.0 percent, there is some variation by loan characteristics. Prepayment speeds, which measure the rate at which borrowers pay off their mortgage principal faster than the scheduled amortization, largely due to mortgage refinancing, are higher for loans originated since 2022, loans with a mortgage rate exceeding 5.0 percent and VA loans. Prepayment speeds have been more volatile than historical norms, as borrowers have been quicker to react to changes in rates.

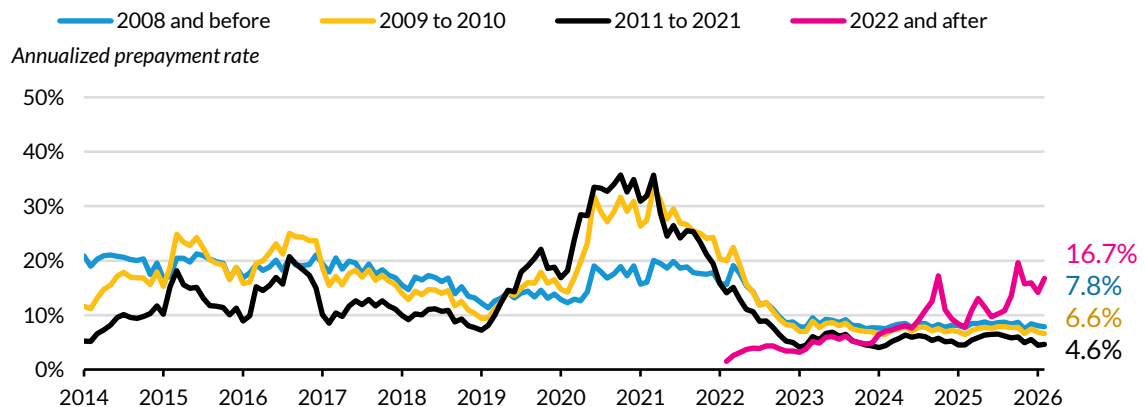
## Prepayment Rates, by Note Rate



## Prepayment Rates, by Agency



## Prepayment Rates, by Vintage



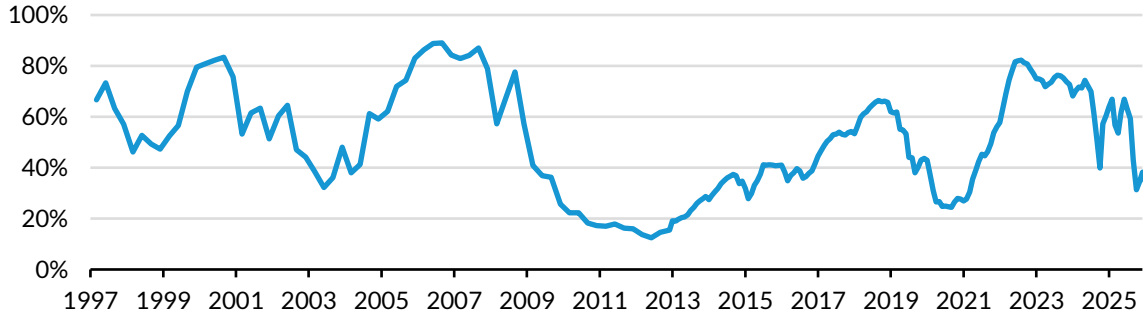
Source: Recursion Co. data as of February 2026.

Note: Prepayment rates calculated by loan count out of outstanding mortgage volume.

# OVERVIEW // CASH-OUT REFINANCES

Homeowners can refinance to reduce their payment through a lower rate or shorten their loan term and finish paying off the principal balance faster. But homeowners can also refinance with a goal of extracting equity from their home. Typically, when rates are high, the primary reason to refinance is to take out equity. However, with the drop in mortgage rates, there has been a relative decline in the cash-out share of conventional refinances. Conversely, the share of rate/term refinances has increased. Looking at cash-out refinances as a share of all mortgages, we find the cash-out share remains low across the GSEs and VA, but the FHA cash-out refinance share remains elevated compared its history. In spite of these differences in the relative share of cash-out loans, the volume of cash-out refinances remains low across all channels.

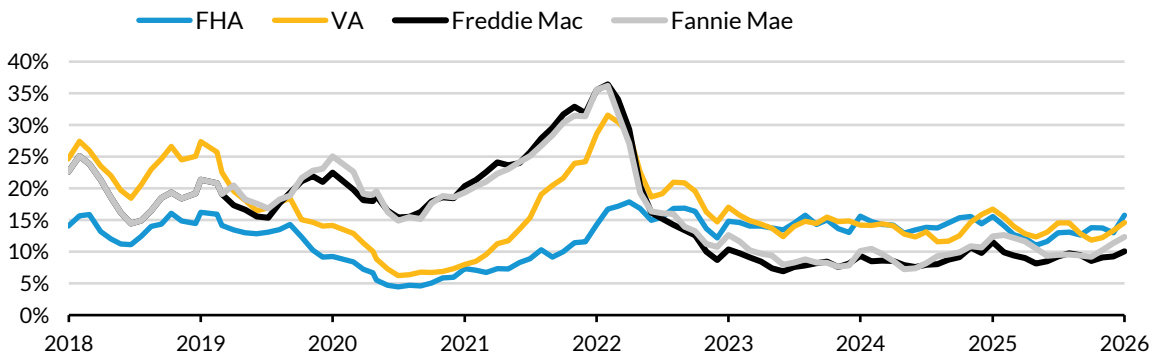
## Cash-Out Share of Conventional Refinances



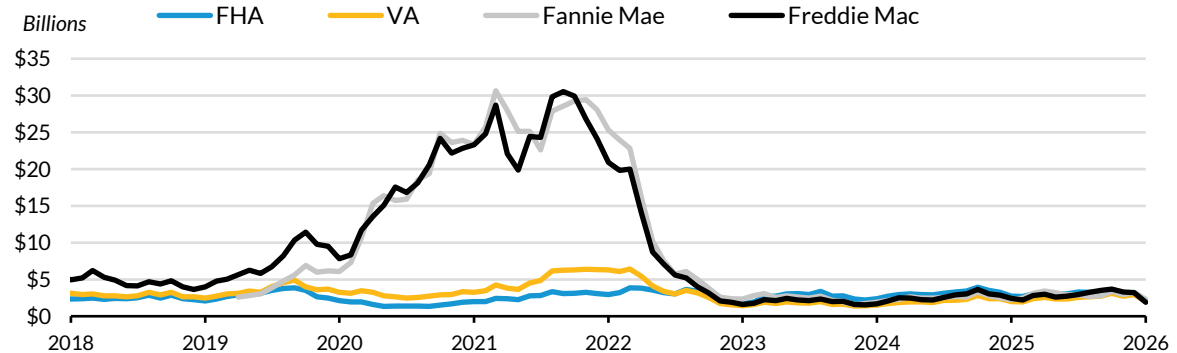
Sources: Freddie Mac, eMBS and Urban Institute.

Note: The cash-out share for the conventional market is calculated using Freddie Mac's quarterly refinance statistics from 1995 to 2013. Post 2013 it is calculated monthly using eMBS. Data as of January 2026.

## Cash-Out Refinance Share of All Originations



## Cash-Out Refinance Volume, by Agency



Sources: eMBS and the Urban Institute.

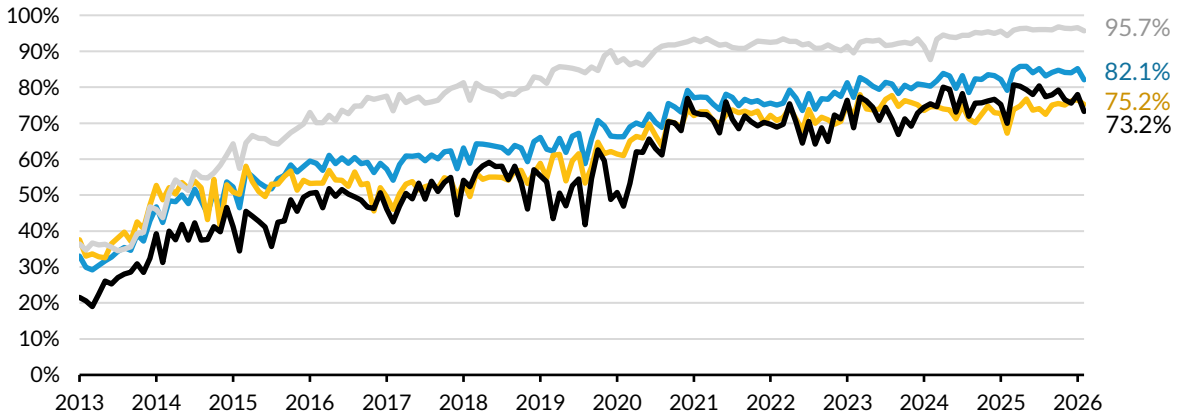
Note: Data as of January 2026. Fannie Mae started reporting cash-out volume in 2018.

# OVERVIEW // AGENCY NONBANK ORIGINATION SHARE

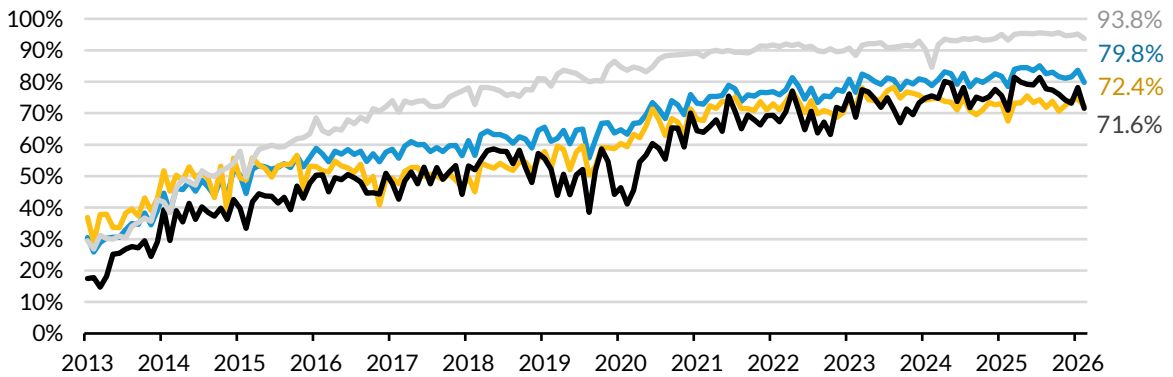
Most agency refinances, like agency purchase loans, are originated by nonbanks. As a result, the nonbank share across all agency originations, refinance and purchase loans, sits at 82.1 percent as of February 2026. The nonbank share of all agency loans has risen steadily since 2013. The Ginnie Mae nonbank share (95.7 percent in February 2026) has been consistently higher than the GSE share. Fannie Mae and Freddie Mac had nonbank shares of 75.2 and 73.2 percent, respectively.

— All      — Fannie Mae      — Freddie Mac      — Ginnie Mae

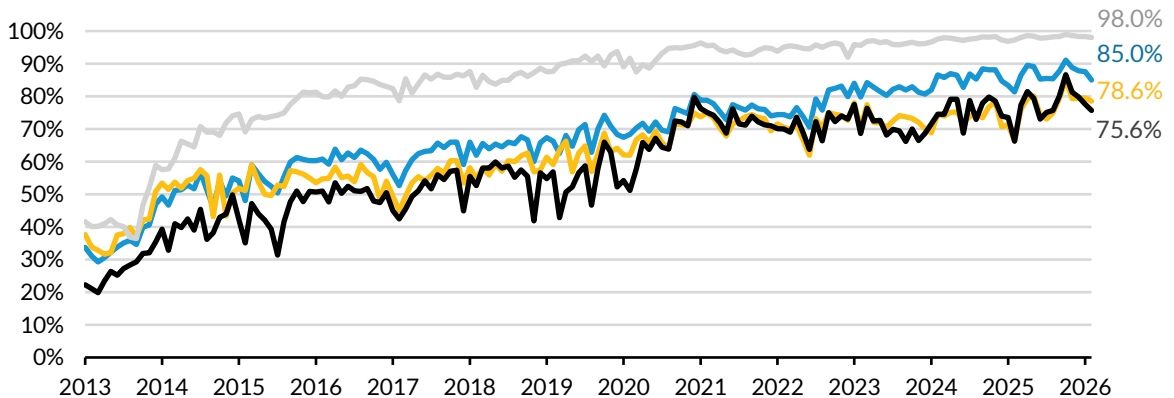
## Nonbank Origination Share: All Loans



## Nonbank Origination Share: Purchase Loans



## Nonbank Origination Share: Refinance Loans



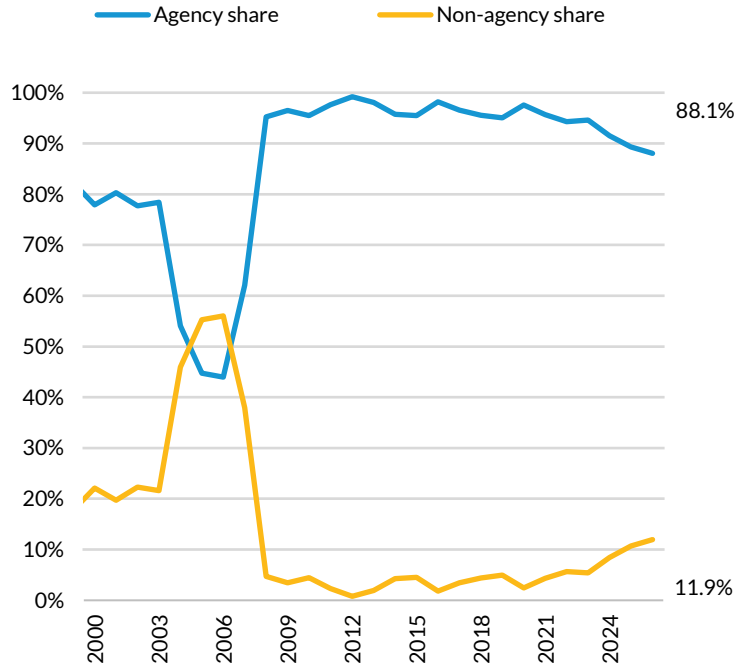
Sources: eMBS and Urban Institute.

Note: Data as of February 2026.

# OVERVIEW // SECURITIZATION VOLUME AND COMPOSITION

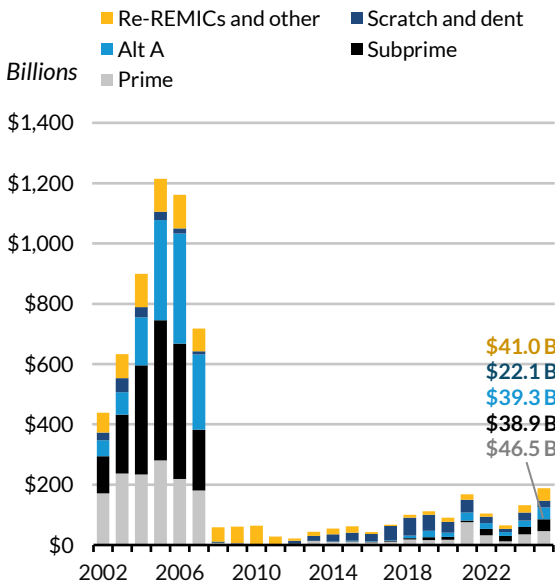
## Agency and Non-agency Share of Residential MBS Issuance

Agency securitizations dominate the MBS market. As measured by residential MBS issuance, the agency share has been declining since 2020. Despite the decline, close to \$9 out of every \$10 in residential MBS issuance are agency loans. However, this was not always the case. At its peak in the first quarter of 2006, the non-agency share accounted for the majority, 56 percent, of residential MBS issuance volume. Through the fourth quarter of 2025, the total volume of non-agency issuance reached \$186 billion, 41 percent higher than issuance through the fourth quarter of 2025. Monthly non-agency securitization has been trending upward since the end of 2022.



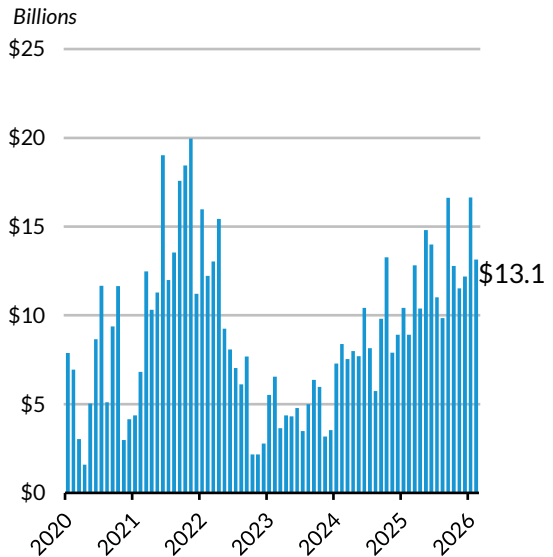
Sources: Inside Mortgage Finance and the Urban Institute.  
Notes: Monthly non-agency volume is subject to revision. Data through February 2026.

## Non-Agency MBS Issuance



Sources: Inside Mortgage Finance and the Urban Institute.  
Note: Data through Q4 2025.

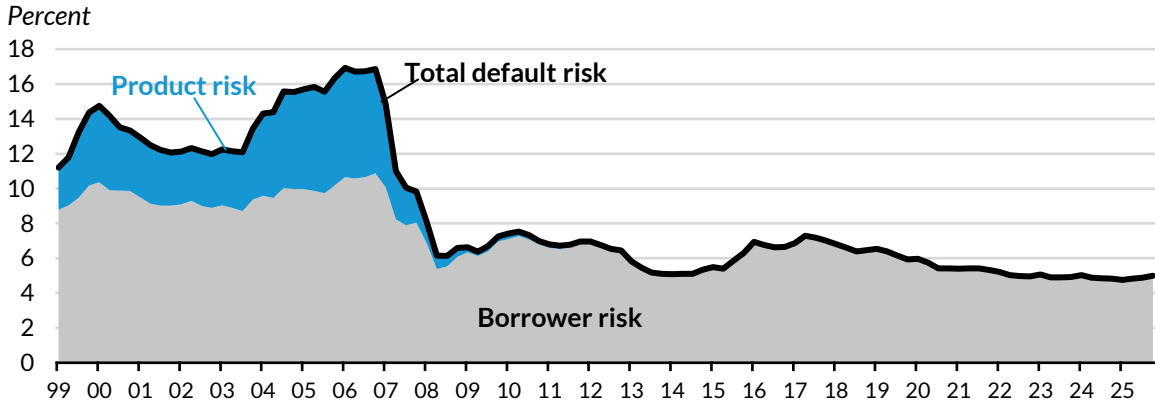
## Monthly Non-Agency Securitization



Sources: Inside Mortgage Finance and the Urban Institute.  
Note: Data through February 2026. January 2026 Data was back-updated.

# CREDIT BOX // HOUSING CREDIT AVAILABILITY INDEX

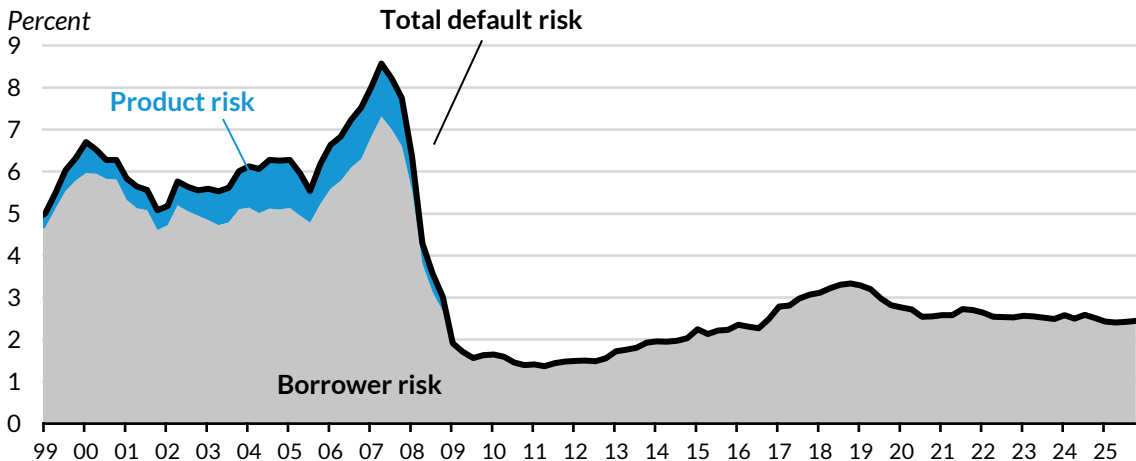
The Urban Institute’s Housing Credit Availability Index (HCAI) assesses lenders’ tolerance for both borrower risk and product risk. Across the whole market, it stands at 5.0 percent in Q4 2025, up slightly from 4.8 percent in Q3 2025 and from 4.9 percent in Q4 2024. This slightly higher default risk primarily reflects the reduced GSE share and the higher government and portfolio and private label securities shares (page 8). The GSEs have a much tighter credit box than the government market and a slightly tighter credit box than the portfolio and private label sectors. A shift from the GSEs into the other sectors will hence increase the overall default risk. We updated [the methodology](#) as of Q2 2020. More information about the HCAI is available [here](#).



Sources: eMBS, CoreLogic, Home Mortgage Disclosure Act data, Inside Mortgage Finance, and the Urban Institute.

## GSE Channel

The trend toward greater credit availability in the GSE channel began in Q2 2011. From Q2 2011 to Q4 2018, the total risk taken by the GSE channel more than doubled, from 1.4 percent to 3.3 percent. This is still very modest by pre-crisis standards. However, in the ensuing years, the total risk through the GSE channel has broadly declined. And in Q3 2025, credit availability stood at 2.4 percent, slightly below 2.5 percent in Q4 2024.

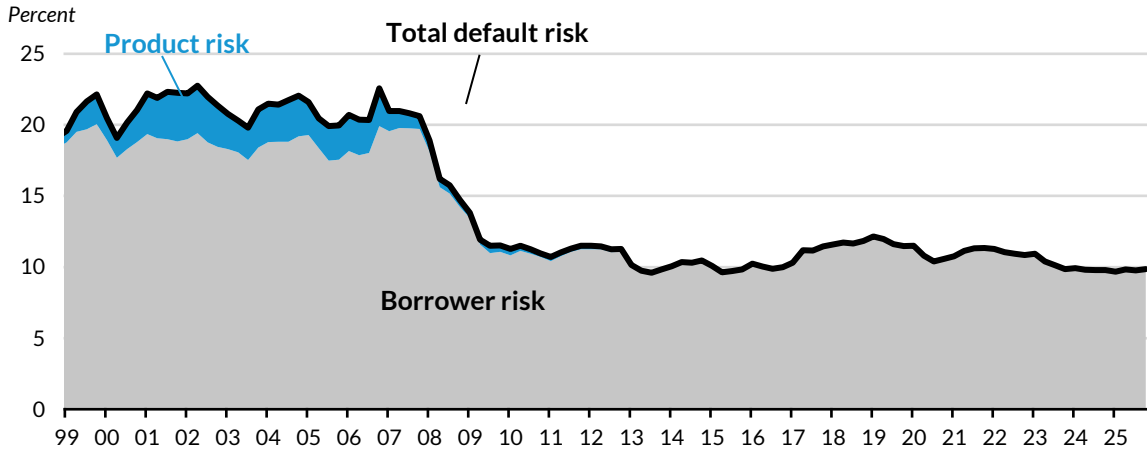


Sources: eMBS, CoreLogic, Home Mortgage Disclosure Act data, Inside Mortgage Finance, and the Urban Institute.

Notes: Default is defined as 90 days or more delinquent at any point. Last updated for Q4 2025.

## Government Channel

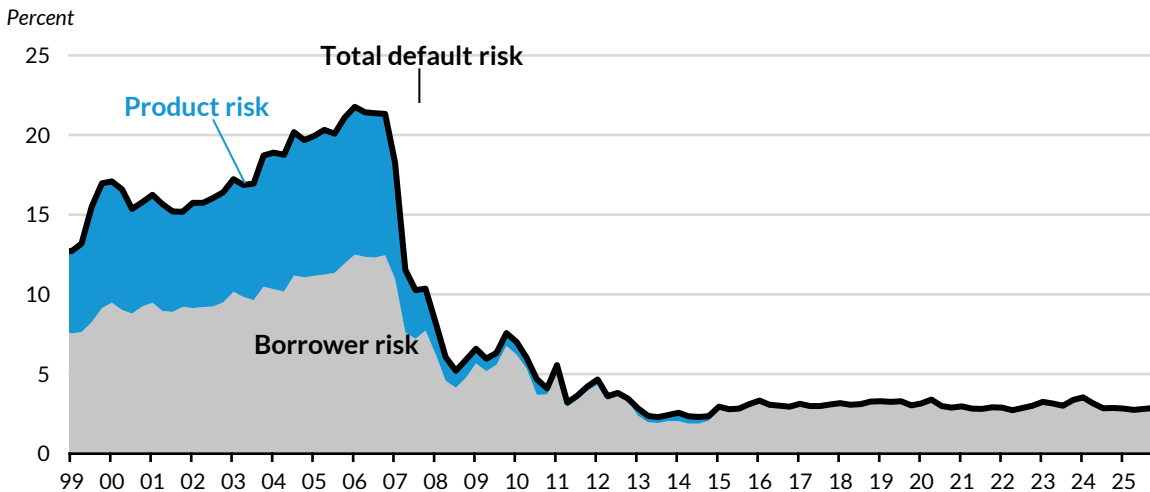
The total default risk the government loan channel is willing to take bottomed out at 9.6 percent in Q3 2013. It fluctuated in a narrow range at or above that number for three years. In the eleven quarters from Q4 2016 to Q1 2019, the risk in the government channel increased significantly from 9.9 to 12.1. In subsequent years, the risk in the government channel has largely declined, reaching 9.8 percent in Q4 2025; nearly the lowest level on record, far below the pre-bubble range of 19 to 23 percent.



Sources: eMBS, CoreLogic, Home Mortgage Disclosure Act data, Inside Mortgage Finance, and the Urban Institute.

## Portfolio and Private-Label Securities Channels

The portfolio and private-label securities (PP) channel took on more product risk than the government and GSE channels during the bubble. After the crisis, the channel’s product and borrower risks dropped sharply. The numbers have stabilized since 2013, with product risk well below 0.5 percent and total risk largely in the range of 2.3-3.5 percent; it was 2.9 percent in Q4 2024. This represents very similar risk compared to Q4 2024.



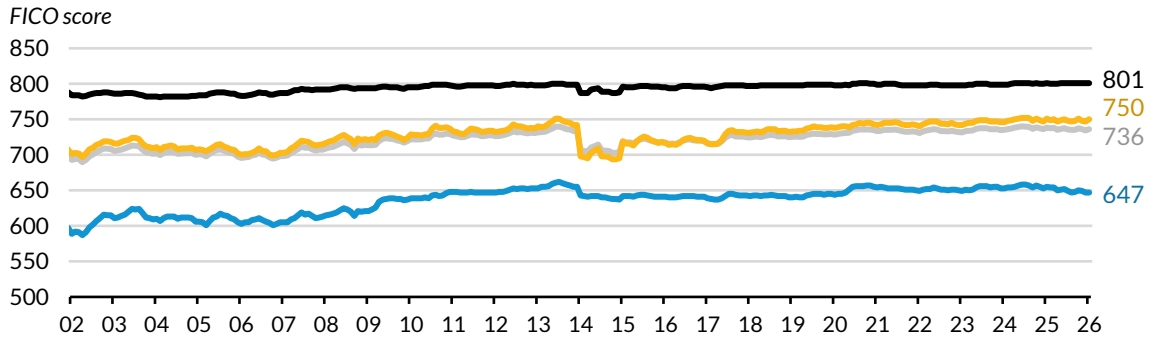
Sources: eMBS, CoreLogic, Home Mortgage Disclosure Act data, Inside Mortgage Finance, and the Urban Institute.  
 Notes: Default is defined as 90 days or more delinquent at any point. Last updated for Q4 2025.

# CREDIT BOX // CREDIT AVAILABILITY FOR PURCHASE LOANS

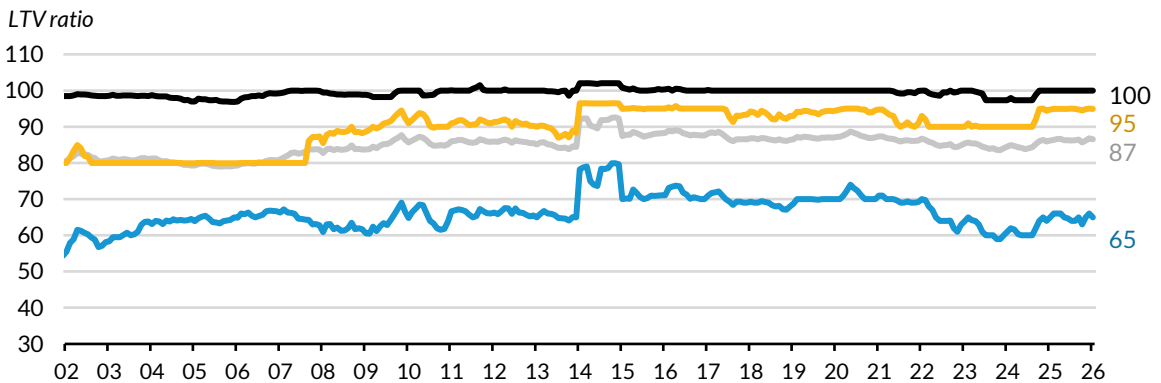
Changes in key loan characteristics can help us assess credit standards. Since 2021, interest rates and home prices have both risen. As a result, borrowers are seeking loans requiring smaller down payments (e.g. higher loan-to-value (LTV) ratios) and must use more of their income for debt service, reflected in increasing debt-to-income (DTI) ratios. Median LTVs have risen from 91 in December 2021 to 95 as of January 2026, while median DTIs have risen from 39 to 41. However, the loosening in both LTV and DTI has been partially offset by higher median FICO scores. The median credit score has increased from 738 in December of 2021 to 750 in January 2026. Over roughly the same period, average FICO scores across the entire score population have remained roughly flat.

— Mean — 90th percentile — Median — 10th percentile

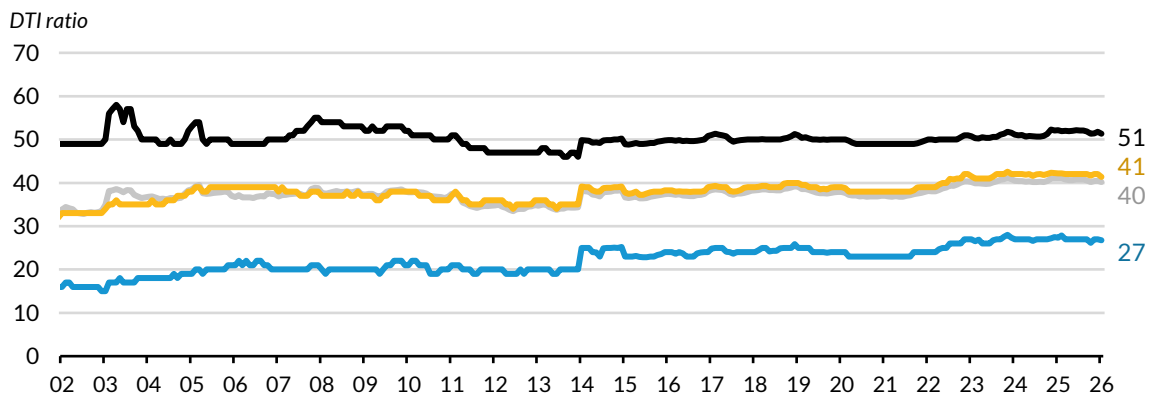
## Borrower FICO Score at Origination



## Combined LTV Ratio at Origination



## DTI Ratio at Origination



**Sources:** ICE Mortgage Technology, eMBS, Home Mortgage Disclosure Act data, Securities Industry and Financial Markets Association, CoreLogic, and the Urban Institute.

**Notes:** Includes owner-occupied purchase loans only. DTI ratio data before April 2018 are from CoreLogic; after that date, they are from ICE. A back-update to the ICE historical series was made in September 2021 for data starting from 2001 onward. Data as of January 2026.

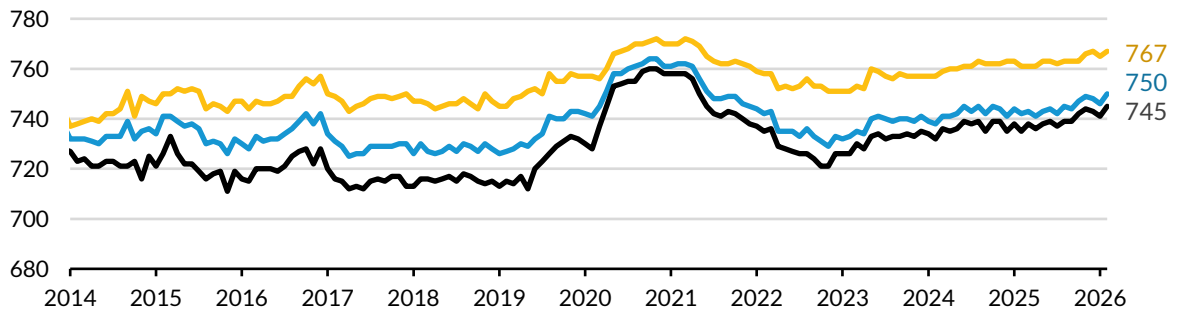
# CREDIT BOX // AGENCY NONBANK CREDIT BOX

We find the median FICO score for all agency loans (this page) is slightly higher than purchase only mortgages (page 17). This reflects the fact that refinance loans tend to have higher credit scores than their purchase counterparts; the drop in median credit scores in 2021-2023 was attributable to the fact that rates rose and refi activity declined. Note that in the 2023-early 2026 period, the range for median credit scores was substantially higher than their ranges before the pandemic. And, over this period, credit scores on agency originations have begun to trend upwards. In February 2026, the median agency credit score of 746 is higher than the range from 2023 to 2025 Q3.

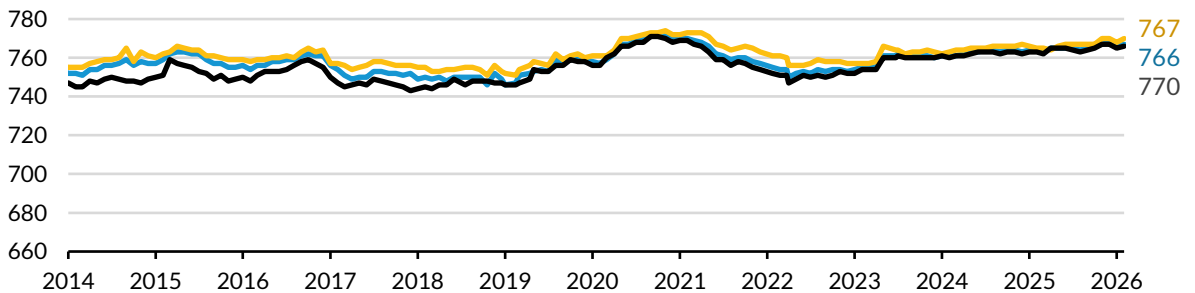
For GSE loans, the difference between the median FICO score on nonbank and bank loans stood at 4 points in February 2026. For Ginnie Mae loans, the difference was 21 points. Overall, the gap between agency bank and nonbank FICO scores was 22 points in February 2026. This reflects the sharp cutback in FHA lending by banks post-2008, banks now compose only 4.3 percent of Ginnie Mae originations (page 13).

— All Median FICO — Bank Median FICO — Nonbank Median FICO

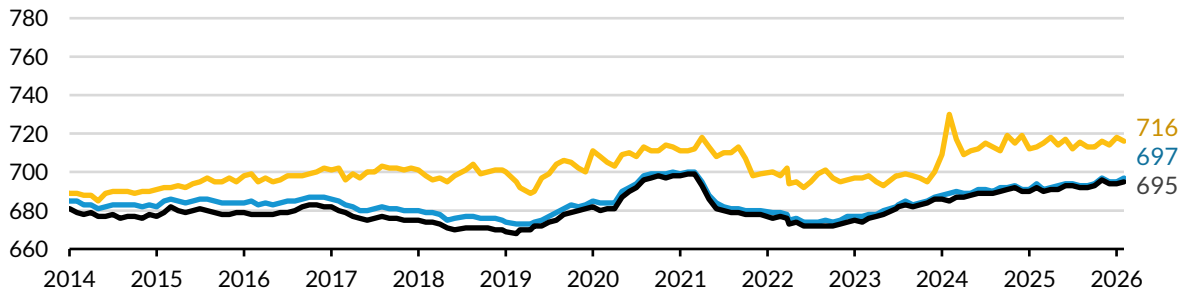
## Agency FICO Scores: Bank versus Nonbank



## GSE FICO Scores: Bank versus Nonbank



## Ginnie Mae FICO Scores: Bank versus Nonbank



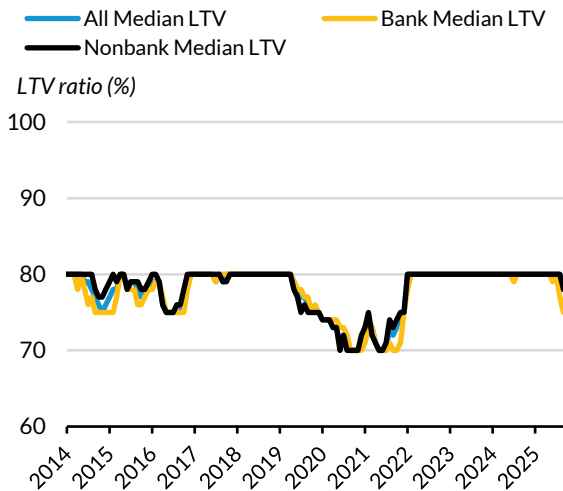
Sources: eMBS and the Urban Institute.

Note: Data as of February 2026.

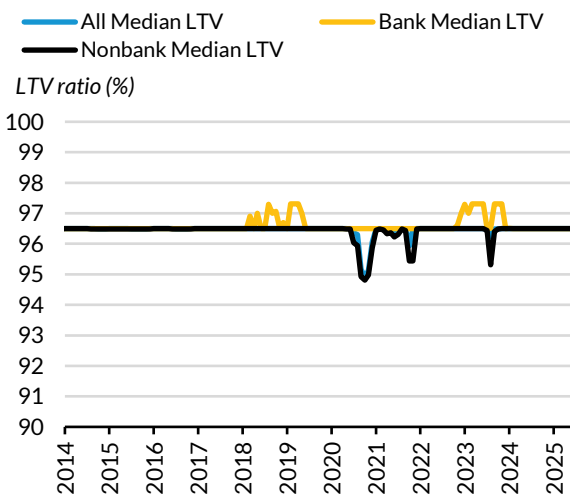
# CREDIT BOX // AGENCY NONBANK CREDIT BOX

LTVs on agency loans were stable from mid-2022 through late -2025. However, in the last few months, LTVs on GSE loans have decreased, with the LTVs on bank-originated GSE loans decreased from 80 percent in December 2025 to 75 percent as of February 2026. And in February 2026, median LTVs on GSE non-bank origination also decreased for the first time in almost 4 years, falling from 80 percent in January to 78 percent in February. This reflects the impact of increased refinancing activity, albeit from a low base; refinance loans tend to have lower LTVs than their purchase counterparts. Note that LTVs on Ginnie loans were largely flat over the mid-2023 to present period, at around 96.5%, reflecting the greater importance of purchase activity in this channel. From Dec, 2021 on median DTIs have risen noticeably on both GSE and Ginnie loans. Median DTIs are typically higher on Ginnie loans relative to GSE loans, and on nonbank loans relative to bank loans.

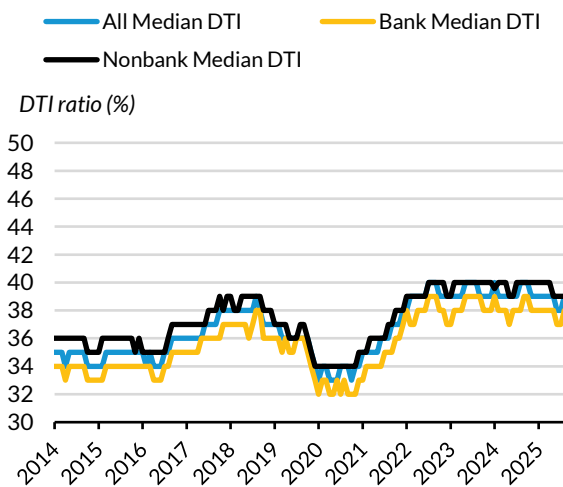
## GSE LTV Ratios: Bank versus Nonbank



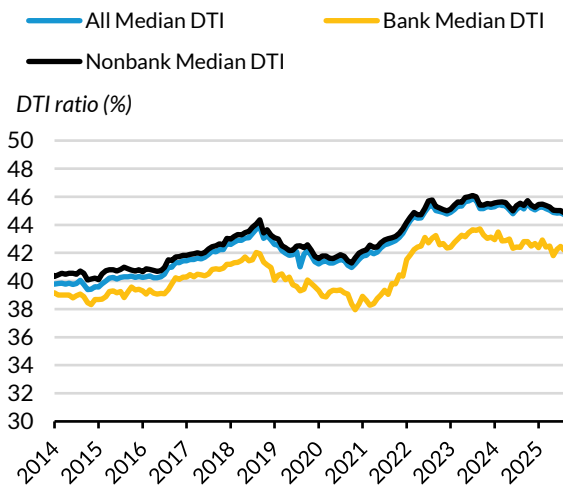
## Ginnie Mae LTV Ratios: Bank versus Nonbank



## GSE DTI Ratios: Bank versus Nonbank



## Ginnie Mae DTI Ratios: Bank versus Nonbank

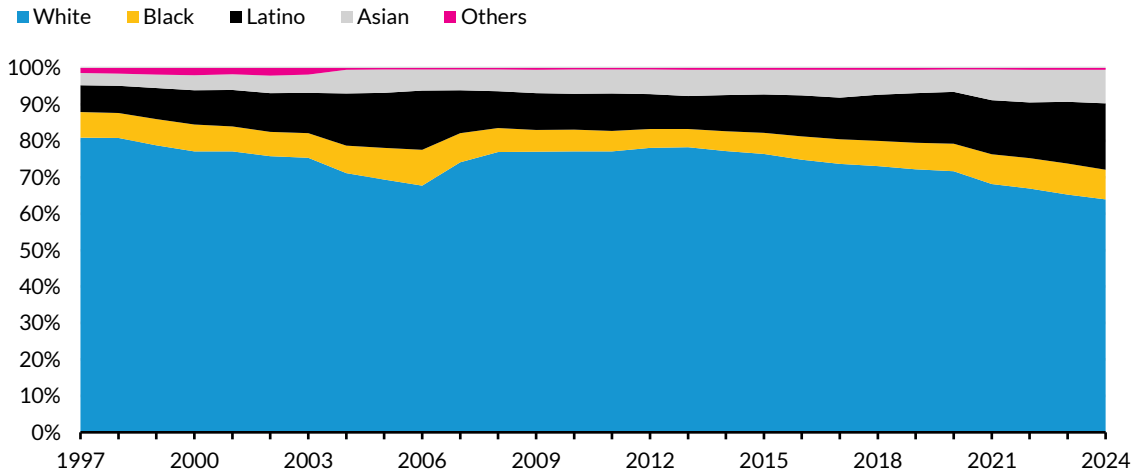


Sources: eMBS and the Urban Institute.  
 Note: Data as of January 2026.

# STATE OF THE MARKET // RACIAL AND ETHNIC COMPOSITION

Across all channels, the share of purchase lending to applicants of color reached a peak of 32.3 percent in 2006, the year before the Great Recession. Following the Great Recession and amid a period of very tight credit, the share of purchase loans extended to borrowers of color declined to a low of 21.7 percent in 2013. Since then, it has slowly increased. In 2024, the borrower of color share stood at 36.1 percent, up from 34.8 percent in 2023. But the share of purchase lending to borrowers of color varied widely by channel in 2024. Nearly 52 percent of FHA homebuyers are borrowers of color and 43.3 percent are PLS borrowers. Borrowers of color represented a smaller loan share in the GSE, VA, and portfolio channels (31.6 percent, 33.4 percent, and 34.3 percent, respectively).

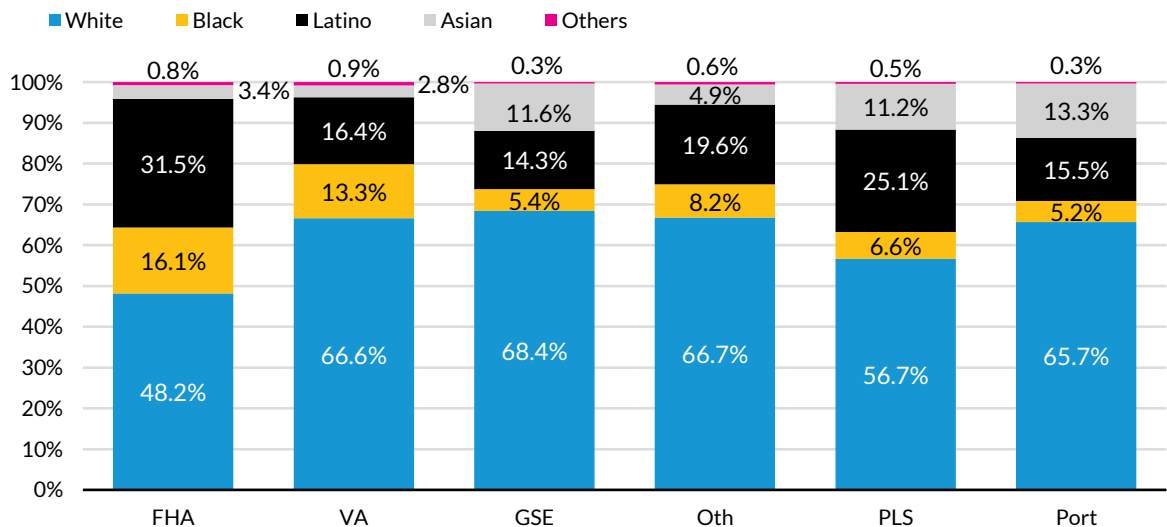
## 2024 Purchase Loan Shares, by Race or Ethnicity



Source: 1997 to 2024 Home Mortgage Disclosure Act data.

Note: Includes purchase loans only.

## 2024 Purchase Loan Channel Shares, by Race or Ethnicity



Source: 2024 Home Mortgage Disclosure Act data.

Note: Includes purchase loans only.

# STATE OF THE MARKET // MORTGAGE ORIGINATION PROJECTIONS

Origination volume for full year 2025 continues its recovery from its 2023 lows, reflecting stronger originations in the second half of the year than the first half the of year, due to lower rates and a higher refinance share. As a result of this higher refinance share, forecasters project originations to continue rising in 2026 to levels near those of 2022.

## Total Originations and Refinance Shares

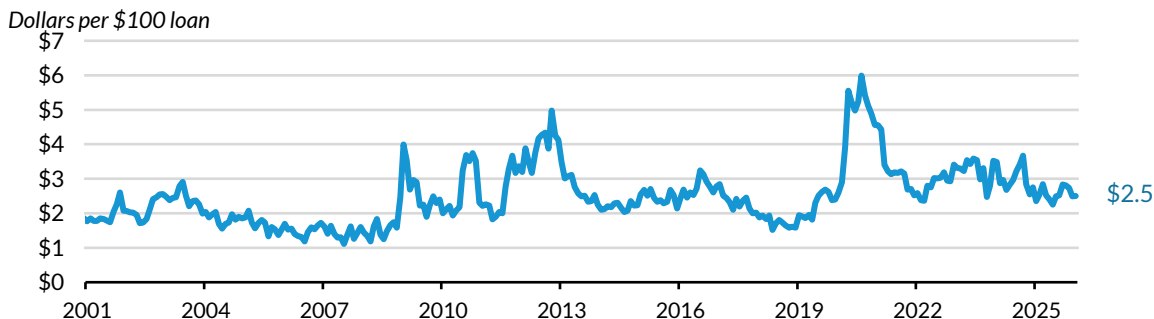
Period	Originations (\$ Billions)		Refinance Share (Percent)	
	Total, FNMA estimate	Total, MBA estimate	FNMA estimate	MBA estimate
2025 Q1	371	384	25	32
2025 Q2	506	515	25	32
2025 Q3	502	565	25	36
2025 Q4	578	586	39	45
2026 Q1	521	551	47	43
2026 Q2	651	577	39	36
2026 Q3	640	567	37	34
2026 Q4	614	521	40	36
2019	2,462	2,253	46	44
2020	4,374	4,108	64	64
2021	4,570	4,436	58	62
2022	2,374	2,245	31	33
2023	1,503	1,458	15	15
2024	1,695	1,685	21	21
2025	1,944	2,050	29	37
2026	2,426	2,216	41	37

Sources: Fannie Mae (FNMA), the Mortgage Bankers Association (MBA), and the Urban Institute.

Note: Fannie Mae and MBA forecasts as of February 2026. Shaded boxes indicate forecasted figures. All figures are estimates for the total single-family (one-to-four-unit) market. Regarding interest rates, the yearly averages for 2019, 2020, 2021, 2022, 2023, and 2024 were 3.9, 3.0, 3.0, 5.3, 6.8, and 6.7 percent.

## Originator Profitability and Unmeasured Costs

While origination activity may rise somewhat due to the drop in rates, there is still excess capacity in the system, which continues to weigh on profitability. In January 2026, Originator Profitability and Unmeasured Costs (OPUC) was \$2.5 per \$100 loan, up slightly from \$2.49 in December 2025. OPUC is generally high when interest rates are low, as originators are capacity constrained because of refinance demand and have no incentive to reduce rates. Conversely, when interest rates are higher and refinance activity is low, competition forces originators to lower rates, driving profitability down. OPUC, formulated and calculated by the Federal Reserve Bank of New York, is a strong relative measure of originator profitability. OPUC uses the sales price of a mortgage in the secondary market (less par) and adds two sources of profitability: retained servicing (both base and excess servicing, net of guarantee fees, or g-fees) and points the borrower pays. As volumes decline, fixed costs are spread out over fewer loans, overstating relative profitability.



Sources: Federal Reserve Bank of New York, updated monthly and available at this link: <https://www.newyorkfed.org/research/epr/2013/1113fust.html> and the Urban Institute.

Note: Data as of December 2025. OPUC is a monthly (four-week moving) average, as discussed in the link above.

## STATE OF THE MARKET // HOUSING SUPPLY

Despite the modest increase in origination volume in 2024 and 2025 year-to-date, real housing activity has remained low. Amid relatively high mortgage rates, the table below indicates that home sales in 2025 are expected to be largely flat compared to 2023 and 2024 levels. But while home sales are expected to rise over 2026, housing starts will remain stagnant. As a result of the sluggish housing activity, months' supply now stands at 4.1 months, in the same range as before the COVID pandemic.

### Months' Supply



Sources: National Association of Realtors and the Urban Institute.

Note: Data as of February 2026.

### Housing Starts and Home Sales

Year	Housing Starts, Thousands			Home Sales, Thousands		
	Total, FNMA estimate	Total, MBA estimate	Total, NAHB estimate	Total, FNMA estimate	Total, MBA estimate	Total, NAHB estimate*
2018	1,250	1,250	1,247	5,957	5,956	5,350
2019	1,290	1,295	1,292	6,023	6,016	5,431
2020	1,380	1,397	1,394	6,462	6,506	5,888
2021	1,601	1,605	1,605	6,891	6,896	6,195
2022	1,553	1,551	1,552	5,671	5,740	5,170
2023	1,420	1,421	1,421	4,756	4,785	4,341
2024	1,367	1,367	1,371	4,746	4,761	4,358
2025	1,359	1,351	1,337	4,758	4,755	4,382
2026	1,270	1,325	1,367	4,885	5,140	4,498

Sources: Fannie Mae (FNMA) and Mortgage Bankers Association (MBA) and National Association of Home Builders (NAHB) forecasts as of March 2026.

Note: Shaded boxes indicate forecasted figures; column labels indicate source of estimate.

\*The NAHB home sales also excludes existing condos and co-ops reported by the National Association of Realtors.

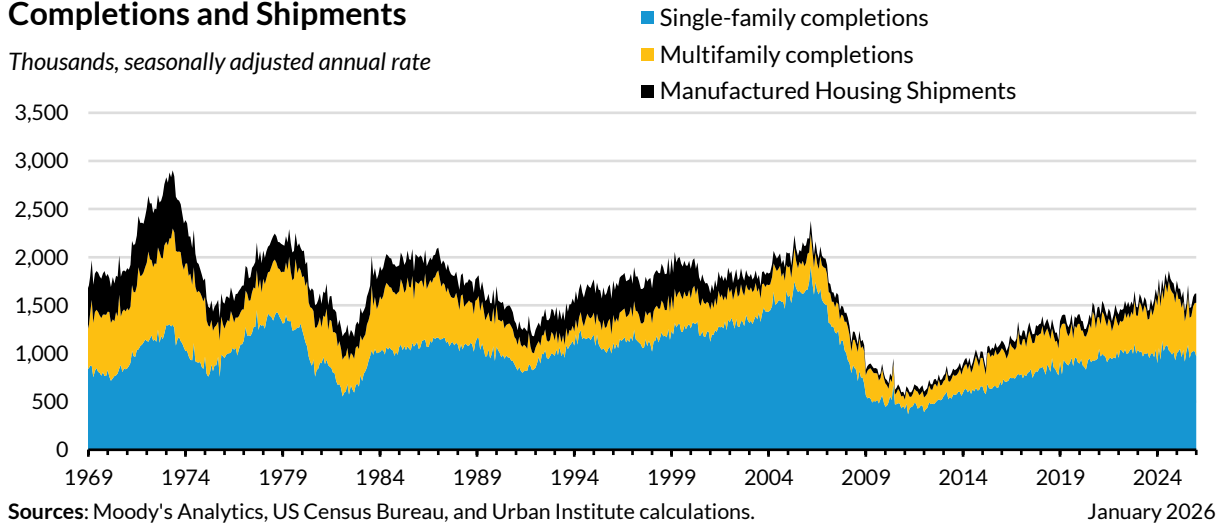
# STATE OF THE MARKET // NEW RESIDENTIAL PRODUCTION

New residential production—including single-family and multifamily completions, as well as manufactured housing shipments—reached a seasonally adjusted annual rate of 1.62 million units in January 2026. Since reaching a low of 565,000 units in January 2011, new production has risen 187 percent. But current production is still 32 percent lower than the peak March 2006 level of 2.38 million units. In January 2026, single-family completions were 49 percent lower than the March 2006 peak of 1.91 million units. Multifamily completions were 47 percent higher than their level in March 2006 and have declined by 15 percent since a recent peak in June 2024. Manufactured housing shipments were 41 percent lower than their January 2006 peak of 163 thousand units.

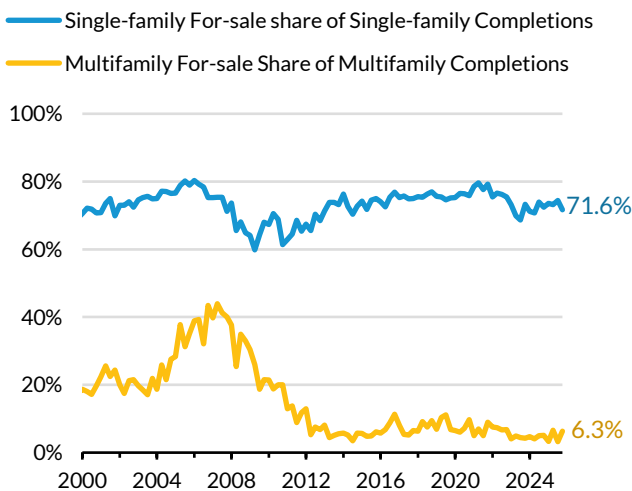
Among multifamily completions, only 6.3 percent were built for sale in Q4 2025, well below its 2007 peak of 44 percent. In addition, the share of single-family units built for sale declined as interest rates rose in 2022. Although the for-sale share of single-family completions has now pivoted and begun to recover; at 71.6 it is still below its rate in Q4 2021, 79.2 percent. The owner-occupied share of manufactured homes has slowly increased over the past decade after declining amid the impact from the Great Recession.

## Completions and Shipments

Thousands, seasonally adjusted annual rate

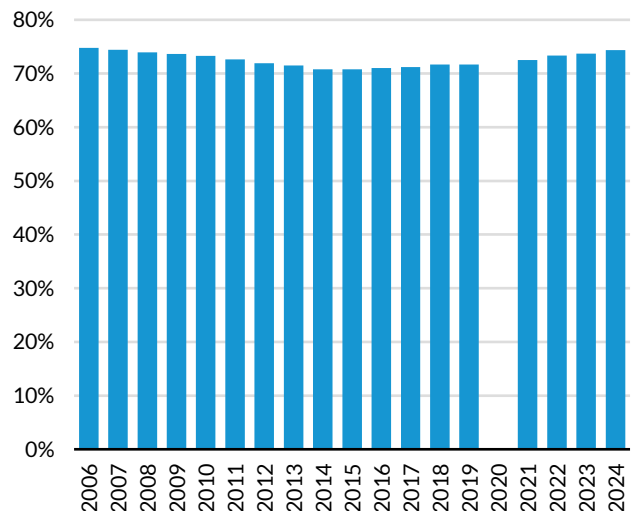


## Share of Residential Completions Built For Sale



Sources: US Census Bureau and Urban Institute calculations.  
Note: Data as of Q4 2025

## Owner-Occupied Share of Occupied Manufactured Homes



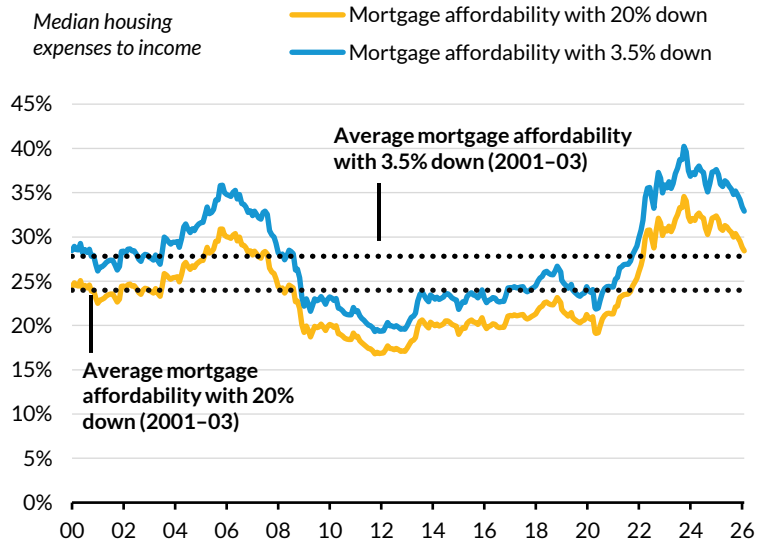
Source: 1-year American Community Survey data 2006-2024.  
Note: Data are not available for 2020 because of low response rates during the pandemic.

# STATE OF THE MARKET // HOUSING AFFORDABILITY

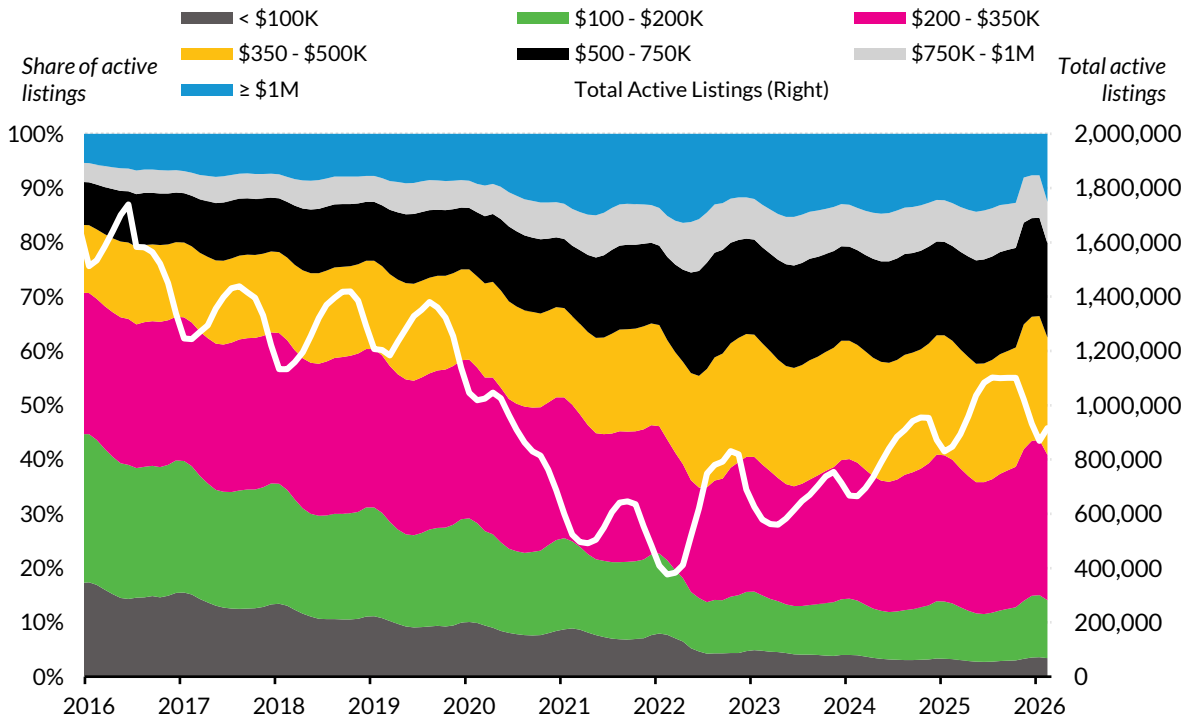
## National Mortgage Affordability over Time

Mortgage affordability remains worse than levels considered normal (2001-2003), but it has improved significantly since November 2023. Flat house prices nationwide and falling mortgage rates have contributed to the improvement in mortgage affordability. As of February 2026, with a 20 percent down payment, the share of median income needed for the median monthly mortgage payment was 28.4 percent, below the peak during the housing bubble in November 2005; and with 3.5 percent down, the housing cost burden is 32.9 percent, also just below the 35.8 percent peak in November 2005.

Despite seasonal fluctuations, active listings have broadly increased since 2022. But while the for-sale inventory has expanded from series lows, it remains below levels that prevailed a decade ago.



## Active Listings, by Price Tier, over Time

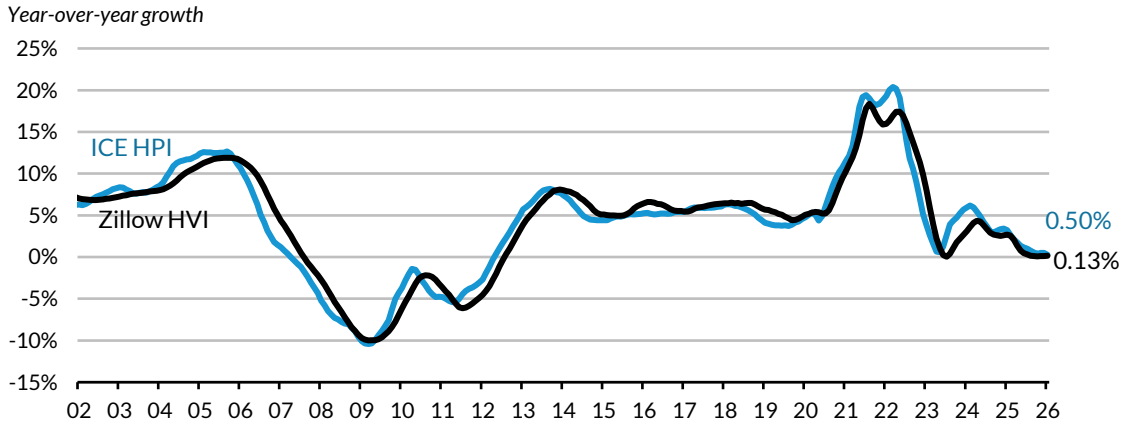


**Sources:** National Association of Realtors, the US Census Bureau, the Current Population Survey, the American Community Survey, Moody's Analytics, the Freddie Mac Primary Mortgage Market Survey, Realtor.com, and the Urban Institute.

**Notes:** Mortgage affordability is the share of median family income devoted to the monthly principal, interest, taxes, and insurance payment required to buy the median home at the Freddie Mac prevailing rate for a 30-year fixed-rate mortgage and property tax and insurance at 1.75 percent of the housing value. Data for the bottom chart provided by Realtor.com as of February 2026.

## National Year-Over-Year HPI Growth

While house prices likely remain supported by the lack of supply, home price appreciation has continued to slow through 2025, and has largely stagnated, as demonstrated by two key measures of home price indices. According to ICE Mortgage Technology's repeat sales index, year-over-year home price appreciation was 0.5 percent in December 2025, up slightly from the previous month's 0.49 percent. Year-over-year home price appreciation, as measured by Zillow's hedonic home value index, is 0.13 percent in December 2025, up from 0.11 percent in November.

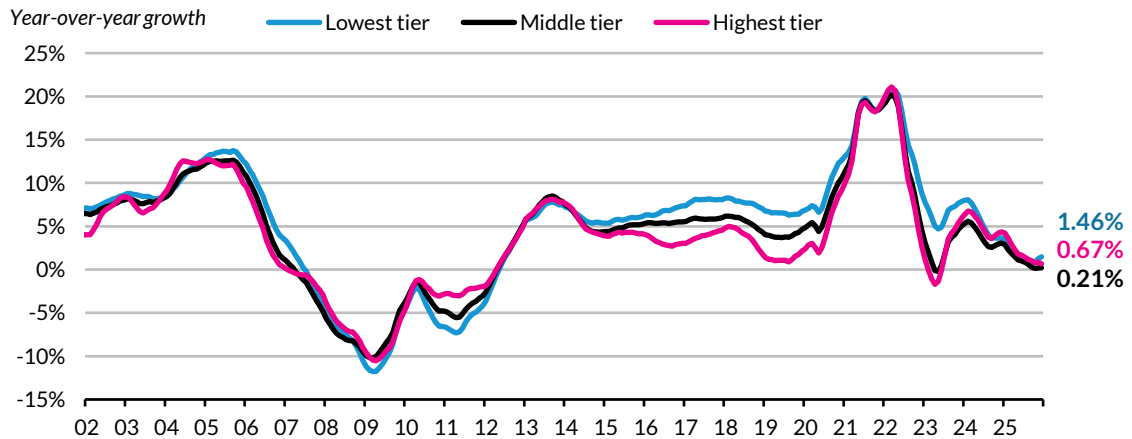


Sources: ICE Mortgage Technology, Zillow, and the Urban Institute.

Notes: ICE modified the methodology behind its HPI in February 2021, resulting in changes to historic price estimates. Data as of December 2025.

## National Year-Over-Year HPI Growth, by Price Tier

When interest rates are higher, house price appreciation has historically tended to be more robust for lower priced than higher priced properties. Higher interest rates not only delay homebuying, lowering overall demand, but they can also reduce the property price affordable to the homebuyer. This shifts demand from higher priced homes to lower priced ones. And higher interest rates can limit repeat buyers who typically exchange their current home for a more expensive, and often new, homes. Faster appreciation in the low-price tier occurred in 2005 and 2006 as well as 2018. In the recent upward rate cycle, the historical pattern has not applied, house price appreciation was slowing across all three price tiers. However, in December 2025, house price appreciation has begun to tick upwards in the lowest and middle tiers.



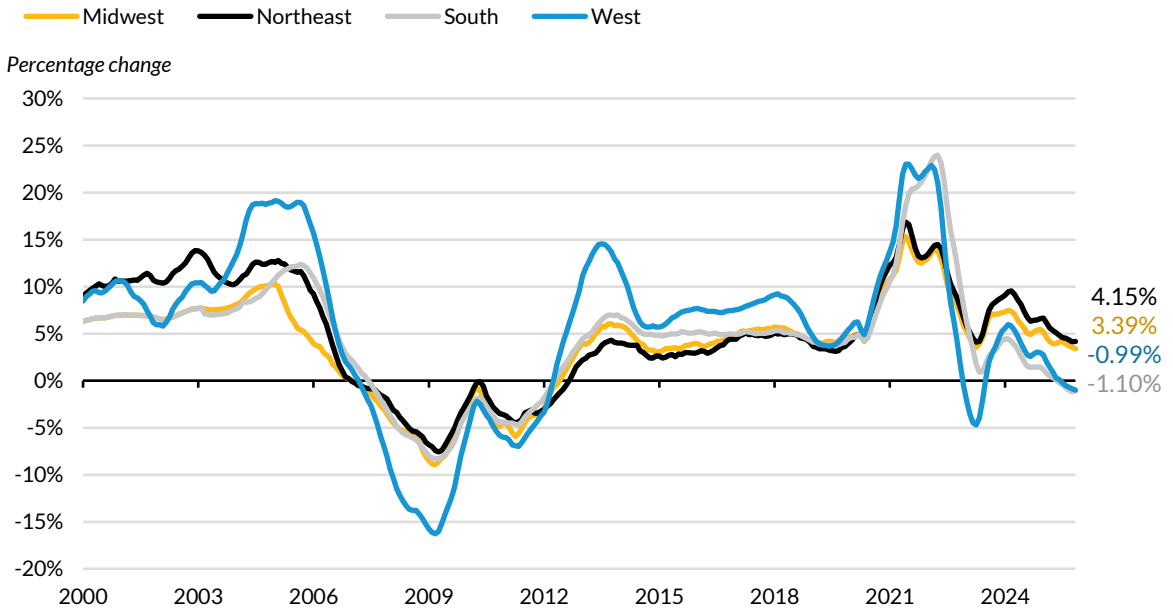
Sources: ICE Mortgage Technology and the Urban Institute.

Notes: ICE modified the methodology behind its HPI in February 2021, resulting in changes to historic price estimates. Data as of December 2025.

# STATE OF THE MARKET // REGIONAL HOME PRICE INDEXES

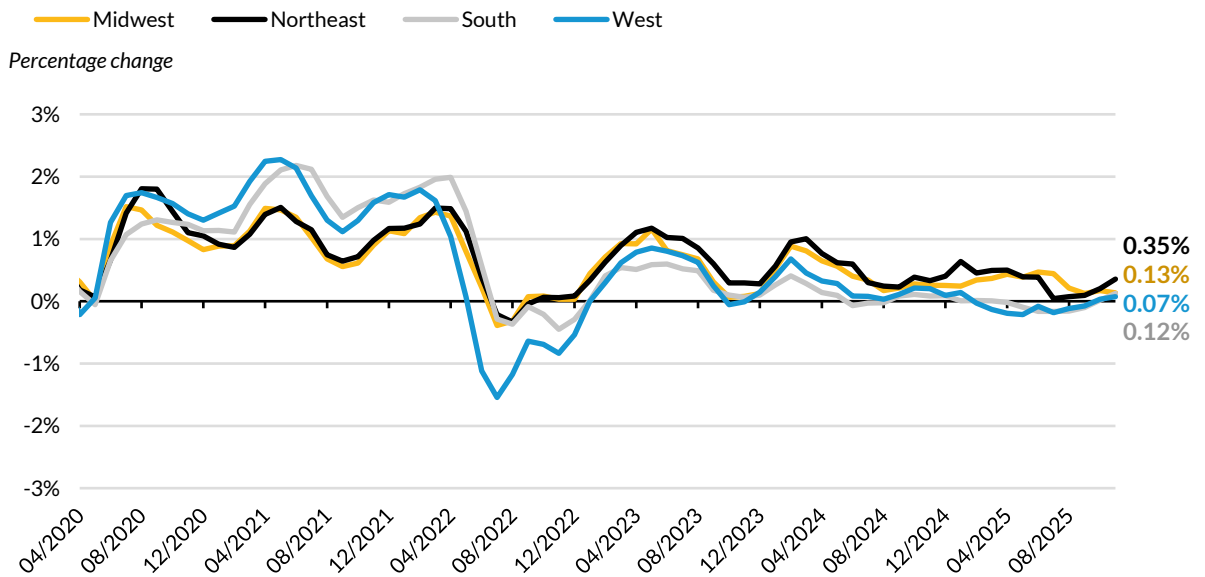
House price appreciation across all regions of the country continued to slow over 12 months ending in August 2025. However, 12-month house price appreciation varies considerably by region. Year-over-year, house price appreciation continues to slow in the Northeast and Midwest. But in the South and West, house prices have declined year-over-year by 1.1 and 0.99 percent respectively over the past year.

## Year-over-Year Home Price Appreciation, by Region



Sources: ICE Mortgage Technology and Urban Institute calculations.  
 Note: Data as of November 2025.

## Month-over-Month Home Price, by Region

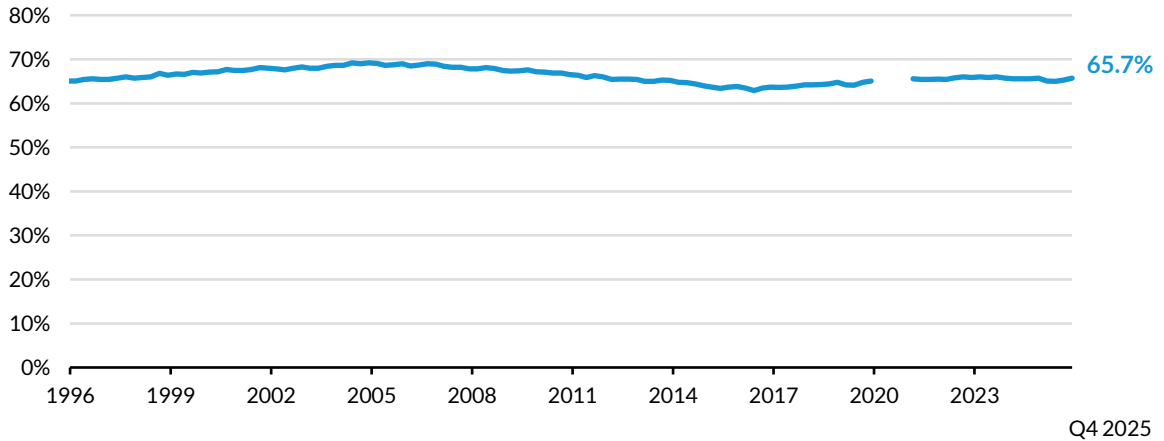


Sources: ICE Mortgage Technology and Urban Institute calculations.  
 Note: Data as of November 2025. Values are seasonally adjusted.

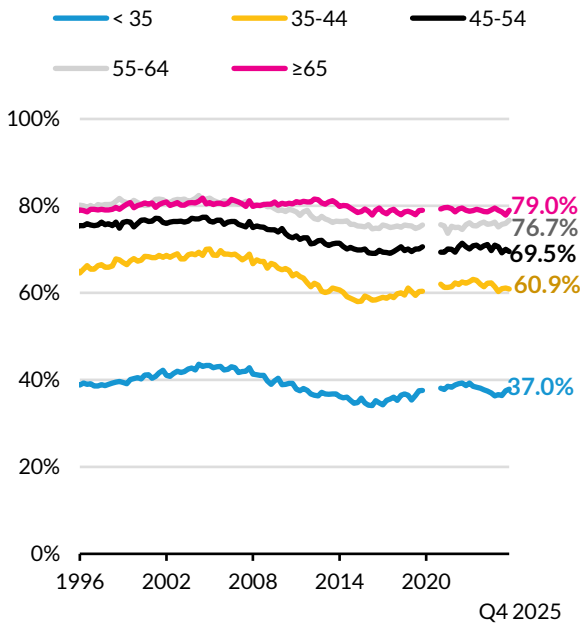
# STATE OF THE MARKET // HOMEOWNERSHIP RATES

In Q4 2025, the homeownership rate was at 65.7 percent, slightly higher from the previous quarter and at the same level as a year earlier. After falling to 62.9 percent in Q2 2016, the homeownership rate began to recover but remains 3.7 percentage points below its Q1 2005 peak of 69.0 percent. By age groups, older households are more likely to be homeowners relative to younger households. In addition, the homeownership rate for households 65 and older is closest to its 2000s peak level. By race and ethnicity, white households are more likely to be homeowners relative to households of color. But the homeownership rate among Latino households is closest to returning to its 2000s peak.

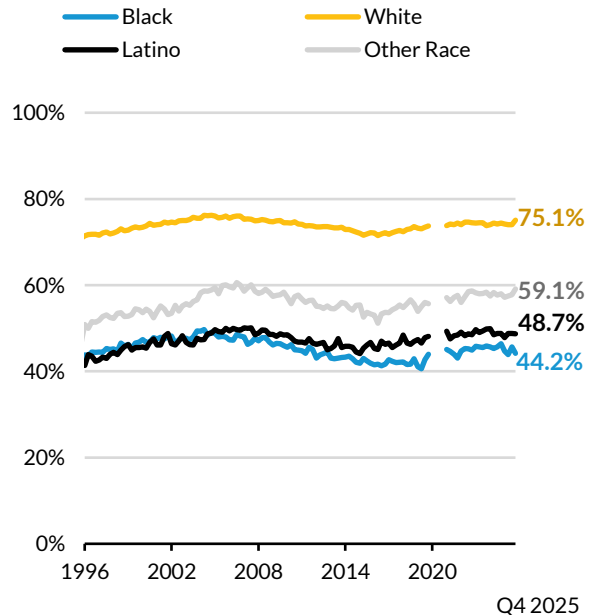
## Overall Homeownership Rate



## Homeownership, by Owner Age



## Homeownership Rate, by Race or Ethnicity



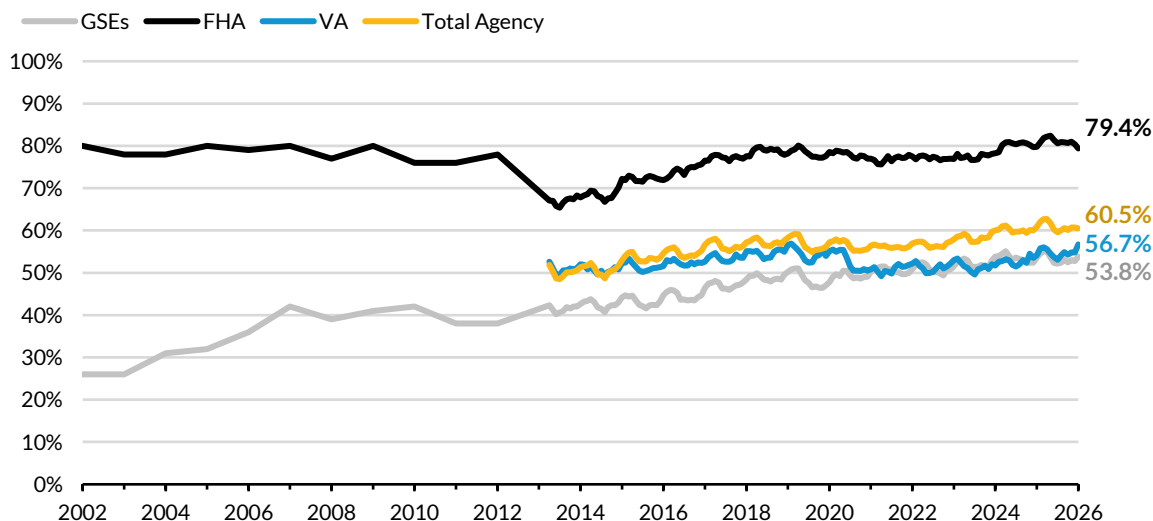
Sources: Moody's Analytics, US Census Bureau, and Urban Institute calculations.  
 Note: Data from 2020 are poor because of low response rates during the pandemic.

## STATE OF THE MARKET // FIRST-TIME HOMEBUYERS

The first-time homebuyer share, which compares first-time homebuyers with repeat buyers has increased over the past decade. In recent years, however, the homeownership rate has remained largely static and the first-time homebuyer share among agency loans has largely steadied around 60 percent. First-time homebuyers are traditionally more concentrated among FHA borrowers. However, in January 2026, more than half of GSE and VA purchase originations were made to first-time homebuyers (53.8 percent and 56.7 percent, respectively).

The bottom table shows that based on mortgages originated in January 2026, the average FTHB was more likely than an average repeat buyer to take out a smaller loan (because they purchased a lower valued home), to have a lower credit score and a higher LTV ratio. But while first-time homebuyers were more likely to have a lower credit score and a higher LTV, they had a lower mortgage rate. This likely reflects the disproportionate share of FHA loans originated to first-time homebuyers and the widespread in mortgage rates between GSE and FHA loans.

### First-Time Homebuyer Share



Sources: eMBS, the Federal Housing Administration, and the Urban Institute. Data as of January 2026.

Note: All series measure the first-time homebuyer share of purchase loans for principal residences. In January 2026, we changed the source of our FHA FTHB share from FHA's Production Report to eMBS.

### Comparison of First-Time and Repeat Homebuyers, GSE and FHA Originations

Characteristics	GSEs		FHA		GSEs and FHA	
	First-time	Repeat	First-time	Repeat	First-time	Repeat
Loan amount	\$343,314	\$389,737	\$323,140	\$345,504	\$340,677	\$391,580
Credit score	752	764	689	694	727	752
LTV ratio (%)	84	76	95	93	90	81
DTI ratio (%)	37	38	44	47	40	40
Loan rate (%)	6.05	6.06	5.86	5.78	5.95	5.96

Sources: eMBS and the Urban Institute.

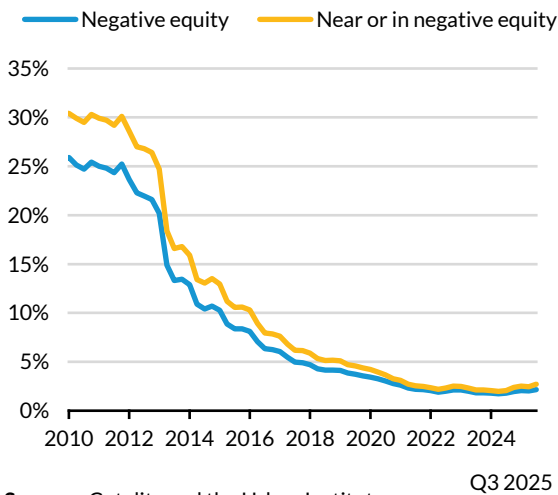
Note: Based on owner-occupied purchase mortgages originated in January 2026.

# STATE OF THE MARKET // DELINQUENCIES AND LOSS MITIGATION

As house prices have stagnated, and even fallen in some parts of the country, the share of loans with negative and near-negative equity has increased slightly from 2.43 to 2.72 percent from Q2 2025 to Q3 2025, reflecting increases in the shares in both negative and near-negative equity. From Q2 2025 to Q3 2025, the composition of loans in negative equity rose slightly to 2.16 percent while the share in near-negative equity, defined as having zero to five percent in equity, rose from 0.42 percent to 0.56 percent over the same period. Serious delinquency has ticked up slightly in the recent quarter. The share of loans that are 90 days or more delinquent or in foreclosure increased 16 basis points, from 1.61 percent in Q3 2025 to 1.77 percent in Q4 2025. The share of mortgages in foreclosure has remained the same at 0.5 percent over the same period, while the share of loans 90 days or more delinquent increased by 16 basis points to 1.27 percent. Serious delinquencies include loans where borrowers have missed three or more payments, including those in forbearance.

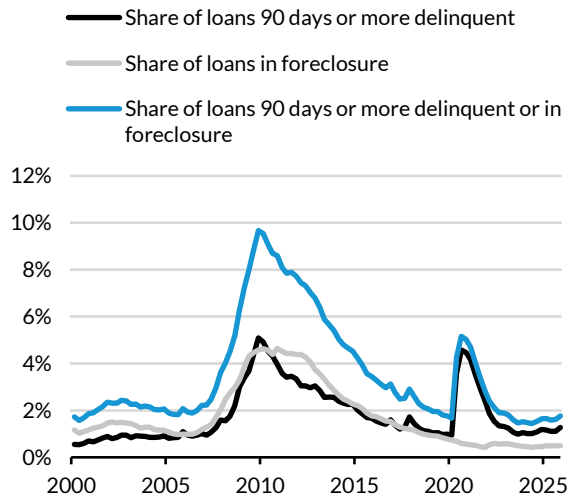
The bottom chart shows the share of loans in forbearance according to the MBA Weekly Forbearance and Call Volume Survey, launched in March 2020. After peaking at 8.55 percent in early June 2020, the total forbearance rate declined to 2.06 percent as of October 31, 2021, the final week of the call survey. The MBA has since moved to conducting a monthly survey, with the most recent forbearance rate decreasing by 2 basis points to 0.36 percent as of March 31, 2025. Ginnie Mae loans had the highest forbearance rate at 0.83 percent. GSE loans have consistently had the lowest forbearance rates at 0.13 percent. The forbearance rate across other loans (e.g., portfolio and PLS) was 0.33 percent.

## Negative Equity Share



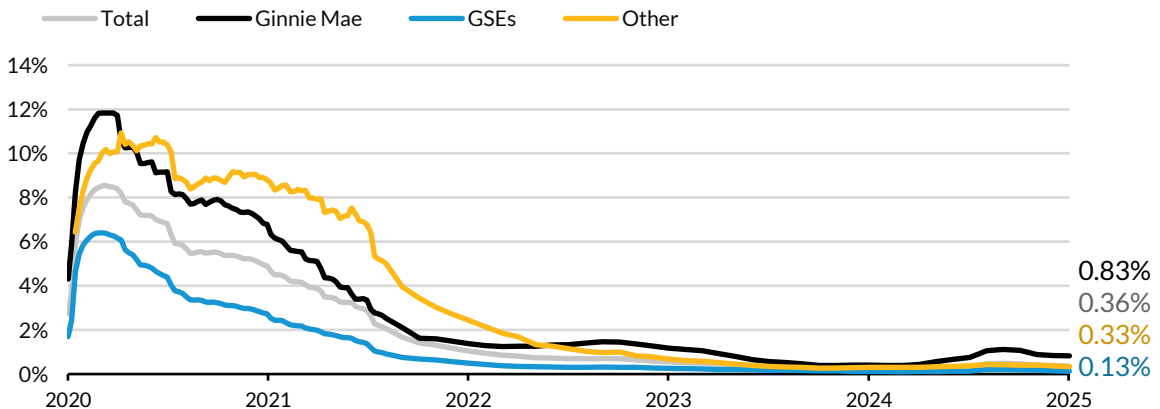
Sources: Cotality and the Urban Institute.  
Notes: Loans with negative equity refer to loans with LTV ratios above 100 percent. Loans near negative equity refer to loans with LTV ratios above 95 percent.

## Loans in Serious Delinquency or Foreclosure



Sources: Mortgage Bankers Association and the Urban Institute.  
Q3 2025

## Forbearance Rates, by Channel

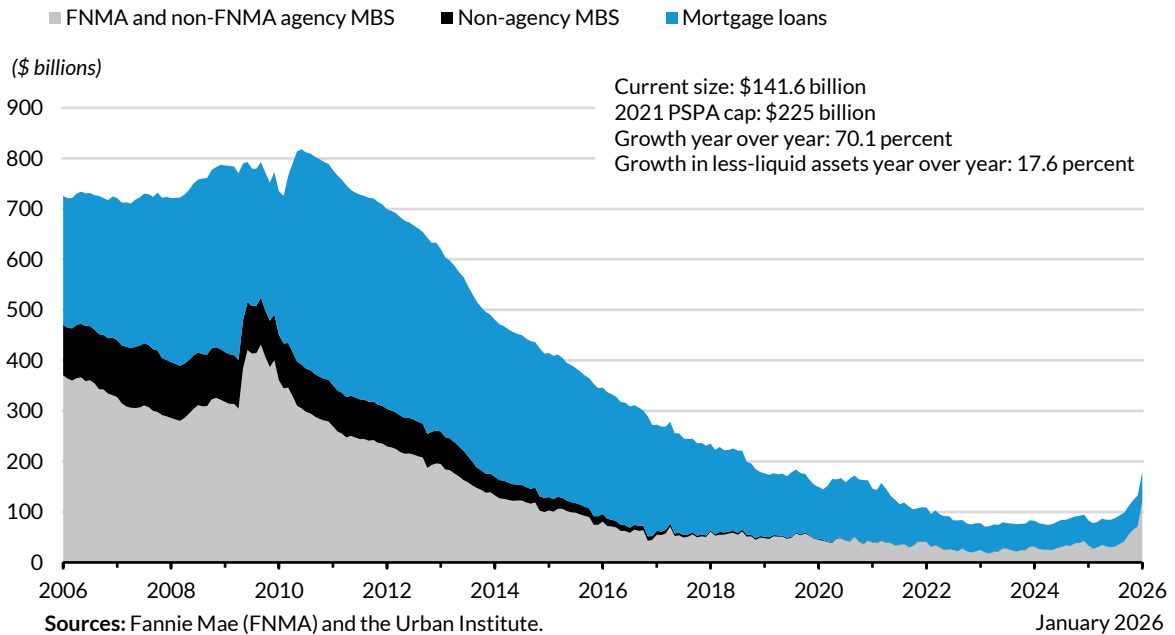


Source: MBA Weekly Forbearance and Call Volume Survey.  
Note: Forbearance rates as of March 31, 2025.

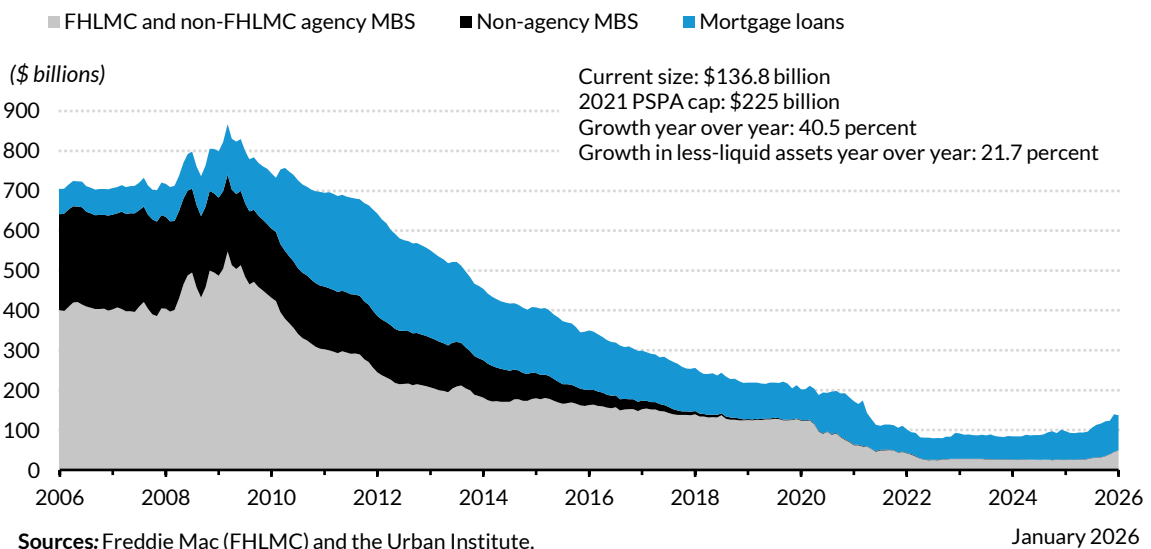
# GSEs UNDER CONSERVATORSHIP // GSE PORTFOLIO WIND-DOWN

The Fannie Mae and Freddie Mac portfolios remain well below the \$225 billion cap mandated in January 2021 by the new Preferred Stock Purchase Agreements (PSPAs) (\$141.6 and \$136.8 billion, respectively). From January 2025 to January 2026, the Fannie Mae portfolio grew by 70.1 percent, and Freddie Mac's grew by 40.5 percent. This growth reflects primarily the addition of Agency MBS since the summer months. Note that within the portfolios, Fannie Mae and Freddie Mac grew their less-liquid assets (mortgage loans, non-agency MBS) by 17.6 and 21.7 percent, respectively, much less than the growth of the overall portfolios.

## Fannie Mae Mortgage-Related Investment Portfolio Composition



## Freddie Mac Mortgage-Related Investment Portfolio Composition

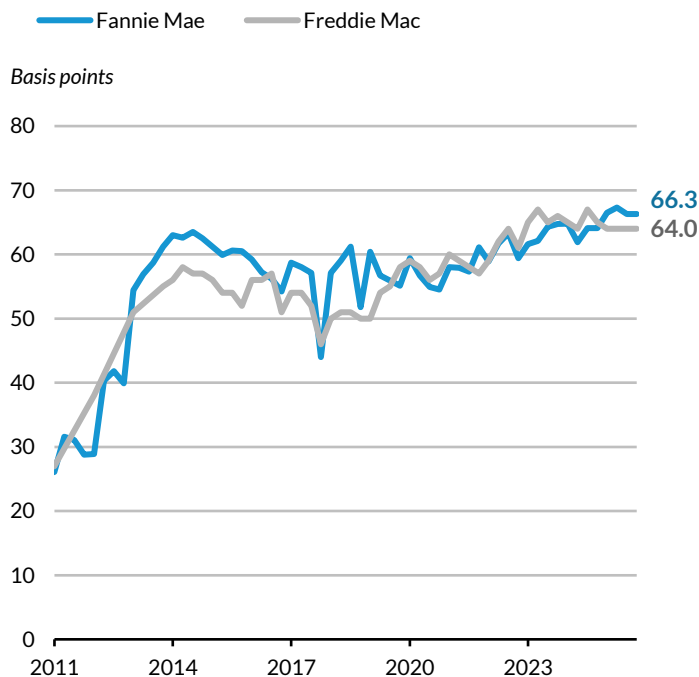


**Note:** Effective March 2021, Freddie Mac does not provide Freddie Mac/non-Freddie Mac breakout of agency mortgage-backed securities. The above charts were updated in May 2021 to reflect this.

## Guarantee Fees Charged on New Acquisitions

Fannie Mae's and Freddie Mac's average g-fees charged on new acquisitions remained the same from Q3 2025 to Q4 2025, at 66.3 and 64.0 basis points respectively. Today's g-fees are markedly higher than g-fees in 2011 and 2012, contributing to the GSEs' earnings amid sharp drops in acquisition volume.

The bottom table shows Fannie Mae loan-level pricing adjustments (LLPAs), which are expressed as up-front charges. In October 2022, the GSEs announced the elimination of LLPAs for loans to FTHBs earning up to the area median income; for affordable mortgage products such as Home Possible and Home Ready; and for loans supporting the Duty to Serve program. In January 2023, the GSEs released an updated LLPA Adjustment Matrix, effective since May 1, 2023.



Sources: Fannie Mae, Freddie Mac, and the Urban Institute.  
Note: Data as of Q4 2025.

## Fannie Mae Up-Front Loan-Level Price Adjustments (LLPAs)

Credit score	LTV Ratio								
	≤ 60%	30–60%	60–70%	70–75%	75–80%	80–85%	85–90%	90–95%	> 95%
> 779	0.000	0.000	0.000	0.500	0.375	0.375	0.250	0.250	0.125
760–779	0.000	0.000	0.000	0.250	0.625	0.625	0.500	0.500	0.250
740–759	0.000	0.000	0.125	0.375	0.875	1.000	0.750	0.625	0.500
720–739	0.000	0.000	0.250	0.750	1.250	1.250	1.000	0.875	0.750
700–719	0.000	0.000	0.375	0.875	1.375	1.500	1.250	1.125	0.875
680–699	0.000	0.000	0.625	1.125	1.750	1.875	1.500	1.375	1.125
660–679	0.000	0.000	0.750	1.375	1.875	2.125	1.750	1.625	1.250
640–679	0.000	0.000	1.125	1.500	2.250	2.500	2.000	1.875	1.500
< 640	0.000	0.125	1.500	2.125	2.750	2.875	2.625	2.250	1.750

Sources: Fannie Mae and the Urban Institute.  
Note: Last updated January 2023.

## GSEs UNDER CONSERVATORSHIP // GSE RISK-SHARING TRANSACTIONS

Fannie Mae and Freddie Mac have been laying off credit risk primarily through their CAS/STACR and reinsurance transactions. Since 2014, the GSEs have transferred the bulk of the credit risk on most of their mortgages to the private markets. Fannie Mae's CAS issuances since inception total \$2.43 trillion; Freddie's STACR totals \$2.86 trillion. Over 2025, Fannie Mae issued six CAS deals and Freddie Mac issued five STACR deals. So far in 2026, Fannie Mae issued two CAS deal and Freddie Mac issued one STACR deal.

### Fannie Mae – Connecticut Avenue Securities (CAS)

Date	Transaction	Reference Pool Size (\$m)	Amount Issued (\$m)	% of Reference Pool Covered
2014	CAS 2014 deals	\$222,224	\$5,849	2.6
2015	CAS 2015 deals	\$187,127	\$5,463	2.9
2016	CAS 2016 deals	\$236,459	\$7,392	3.1
2017	CAS 2017 deals	\$264,697	\$8,707	3.3
2018	CAS 2018 deals	\$205,998	\$7,314	3.6
2019	CAS 2019 deals	\$290,211	\$8,073	2.8
2020	CAS 2020 deals	\$58,015	\$2,167	3.7
2021	CAS 2021 deals	\$142,202	\$3,095	2.2
2022	CAS 2022 deals	\$325,601	\$8,920	2.7
2023	CAS 2023 deals	\$191,497	\$5,440	2.8
2024	CAS 2024 deals	\$123,689	\$4,163	3.4
2025	CAS 2025 deals	\$117,920	\$4,001	3.4
February 2026	CAS Series 2026 – R01	\$19,286	\$662	3.4
March 2026	CAS Series 2026 – R02	\$18,649	\$670	3.6
<b>Total</b>		<b>\$2,430,263</b>	<b>\$72,592</b>	<b>3.0%</b>

### Freddie Mac – Structured Agency Credit Risk (STACR)

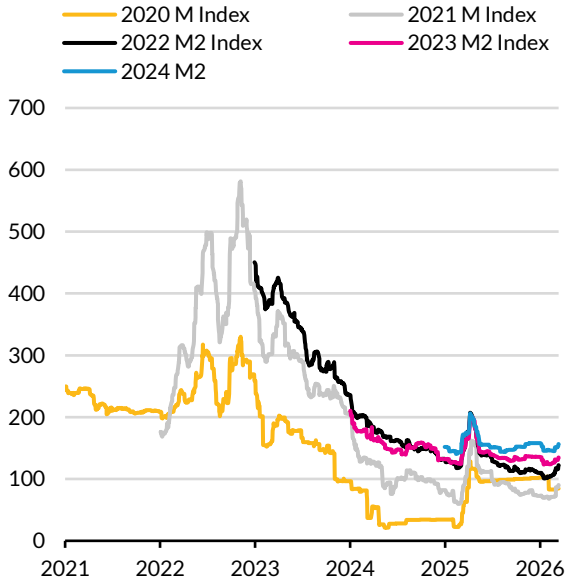
Date	Transaction	Reference Pool Size (\$m)	Amount Issued (\$m)	% of Reference Pool Covered
2015	STACR 2015 deals	\$179,196	\$6,658	3.7
2016	STACR 2016 deals	\$183,421	\$5,541	3.0
2017	STACR 2017 deals	\$248,821	\$5,663	2.3
2018	STACR 2018 deals	\$243,007	\$6,055	2.5
2019	STACR 2019 deals	\$181,753	\$5,807	3.2
2020	STACR 2020 deals	\$403,591	\$10,372	2.6
2021	STACR 2021 deals	\$574,706	\$11,024	1.9
2022	STACR 2022 deals	\$327,773	\$11,203	3.4
2023	STACR 2023 deals	\$87,794	\$2,838	3.2
2024	STACR 2024 deals	\$101,024	\$2,826	2.8
2025	STACR 2025 deals	\$101,693	\$3,040	3.0
February 2026	STACR 2025 – DNA1	\$23,552	\$628	2.7
<b>Total</b>		<b>\$2,861,362</b>	<b>\$77,700</b>	<b>2.7%</b>

**Sources:** Fannie Mae, Freddie Mac and Urban Institute. **Note:** Classes A-H, M-1H, M-2H, and B-H are reference tranches only. These classes are not issued or sold. The risk is retained by Fannie Mae and Freddie Mac. "CE" = credit enhancement.

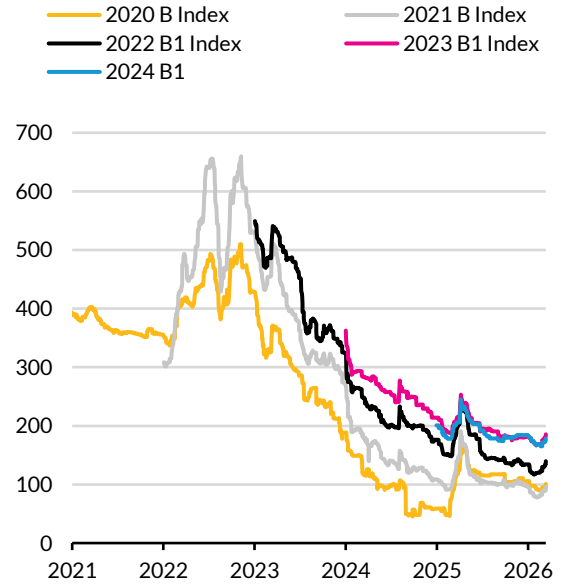
# GSEs UNDER CONSERVATORSHIP // GSE RISK-SHARING INDEXES

The figures below show the spreads for 2020–2024 indexes, as priced by dealers. These spreads signal mortgage credit risk. Since the fluctuations in 2022, spreads have largely narrowed (except for 2020 vintages, which did not widen as much as the later years). Recently, spreads, especially those associated with 2021-2025 vintages, have trended upward amid softer home prices, but remain below their early-2025 levels, the last period of notable spread widening.

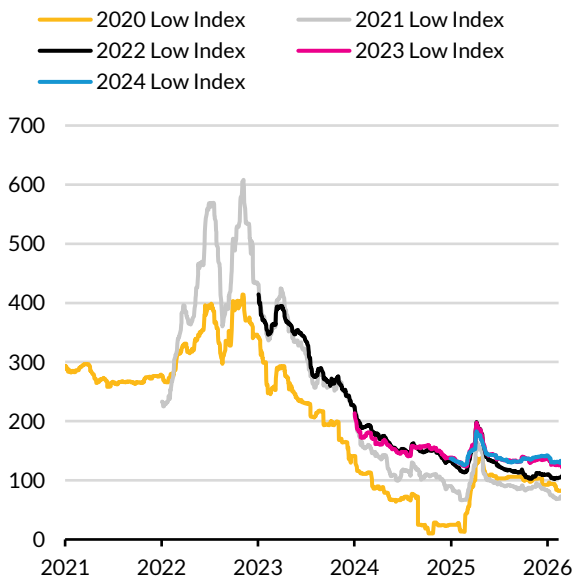
## M Indexes



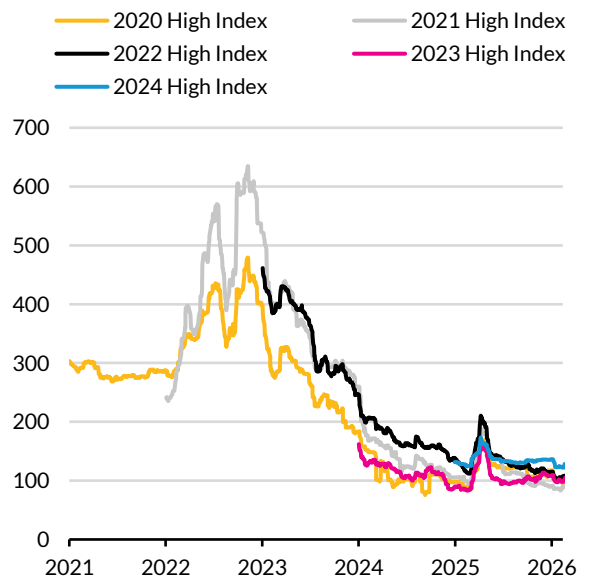
## B Indexes



## Low Indexes



## High Indexes



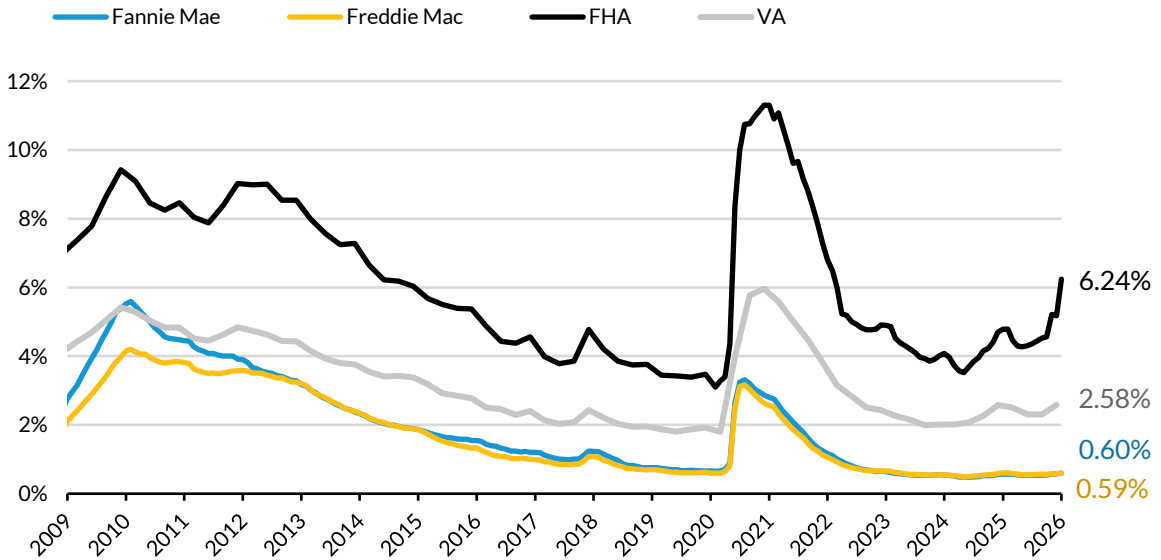
Sources: Vista Data Services and the Urban Institute.

Note: Data as of March 13, 2026.

# GSEs UNDER CONSERVATORSHIP // SERIOUS DELINQUENCY RATES

Serious delinquency rates on government mortgage loans have moved upward in the past quarter. This increase reflects deeper financial stress among less affluent borrowers. The serious delinquency rate for FHA single-family loans, measured on a seasonally adjusted basis, was 6.24 percent in January 2026, 171 basis points above its level at the end of the Q3 2025 (September 2025), 4.53 percent. In Q4 2025, VA serious delinquency rates on single-family loans increased to 2.58 percent from 2.30 percent in Q3 2025. The serious delinquency rates on Fannie Mae and Freddie Mac single-family loans have been relatively constant at 0.60 percent and 0.59 percent respectively as of January 2026. Loans in forbearance are counted as delinquent for the purpose of measuring delinquency rates. Serious delinquency rates on Fannie Mae and Freddie Mac multifamily loans have been increasing since 2022, although they have retraced a small portion of this rise over the past few months.

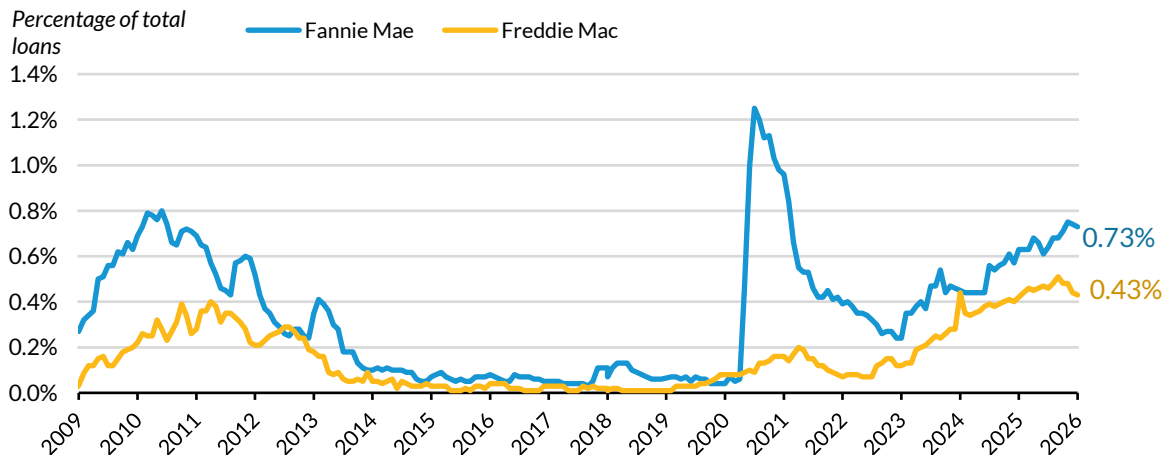
## Serious Delinquency Rates among Single-Family Loans



Sources: Fannie Mae, Freddie Mac, FHA, the MBA Delinquency Survey, and the Urban Institute. VA and FHA data as of Q4 2025. GSE data as of December 2025.

Notes: Serious delinquency refers to loans 90 days or more past due or in foreclosure. Not seasonally adjusted. From February 2020 through November 2024, FHA delinquency rates were collected from FHA's monthly single-family loan performance trends report, before and after this FHA serious delinquencies are from the quarterly MBA Delinquency Survey.

## Serious Delinquency Rates among Multifamily GSE Loans



Sources: Fannie Mae, Freddie Mac, and the Urban Institute.

Notes: Data as of January 2026. Multifamily serious delinquency is the unpaid balance of loans 60 days or more past due, divided by the total unpaid balance.

## AGENCY ISSUANCE // AGENCY GROSS AND NET ISSUANCE

Agency gross issuance totaled \$124.0 billion so far in January 2026; \$72.8 billion by the GSEs and \$51.2 billion by Ginnie Mae. GSE issuance was up 15.3 percent and Ginnie Mae issuance was up 32.4 percent from January 2025. Net issuance (new securities issued less the decline in outstanding securities attributable to principal paydowns or prepayments) in January 2026 was -\$55.8 billion was much lower than \$23.5 billion in January 2025. The lower net level relative to a year earlier is attributable to negative issuance by the GSEs and Ginnie Mae.

### Agency Gross Issuance

Issuance year	GSEs	Ginnie Mae	Total
2004	\$872.6	\$119.2	\$991.9
2005	\$894.0	\$81.4	\$975.3
2006	\$853.0	\$76.7	\$929.7
2007	\$1,066.2	\$94.9	\$1,161.1
2008	\$911.4	\$267.6	\$1,179.0
2009	\$1,280.0	\$451.3	\$1,731.3
2010	\$1,003.5	\$390.7	\$1,394.3
2011	\$879.3	\$315.3	\$1,194.7
2012	\$1,288.8	\$405.0	\$1,693.8
2013	\$1,176.6	\$393.6	\$1,570.1
2014	\$650.9	\$296.3	\$947.2
2015	\$845.7	\$436.3	\$1,282.0
2016	\$991.6	\$508.2	\$1,499.8
2017	\$877.3	\$455.6	\$1,332.9
2018	\$795.0	\$400.6	\$1,195.3
2019	\$1,042.6	\$508.6	\$1,551.2
2020	\$2,407.5	\$775.4	\$3,182.9
2021	\$2,650.8	\$855.3	\$3,506.1
2022	\$1,200	\$527.4	\$1,727.4
2023	\$637.9	\$382.9	\$1,020.7
2024	\$691.1	\$453.6	\$1,144.7
2025	\$751.0	\$523.8	\$1,274.8
2026	\$72.8	\$51.2	\$124.0
<b>2026 % Change from 2025</b>	15.3%	32.4%	21.8%

### Agency Net Issuance

Issuance Year	GSEs	Ginnie Mae	Total
2004	\$82.5	-\$40.1	\$42.4
2005	\$174.2	-\$42.2	\$132.0
2006	\$313.6	\$0.2	\$313.8
2007	\$514.9	\$30.9	\$545.7
2008	\$314.8	\$196.4	\$511.3
2009	\$250.6	\$257.4	\$508.0
2010	-\$303.2	\$198.3	-\$105.0
2011	-\$128.4	\$149.6	\$21.2
2012	-\$42.4	\$119.1	\$76.8
2013	\$65.3	\$89.6	\$154.9
2014	\$26.0	\$61.6	\$87.7
2015	\$68.4	\$97.2	\$165.6
2016	\$127.4	\$125.8	\$253.1
2017	\$160.7	\$132.3	\$293.0
2018	\$149.4	\$112.0	\$261.5
2019	\$197.8	\$95.7	\$293.5
2020	\$632.8	\$19.9	\$652.7
2021	\$753.5	\$5.6	\$759.1
2022	\$289.5	\$143.0	\$432.5
2023	\$57.5	\$175.4	\$232.9
2024	\$47.5	\$181.2	\$228.7
2025	\$3.3	\$184.4	\$187.8
2026	-\$47.0	-\$8.8	-\$55.8
<b>2026 % Change from 2025</b>	-	-	-

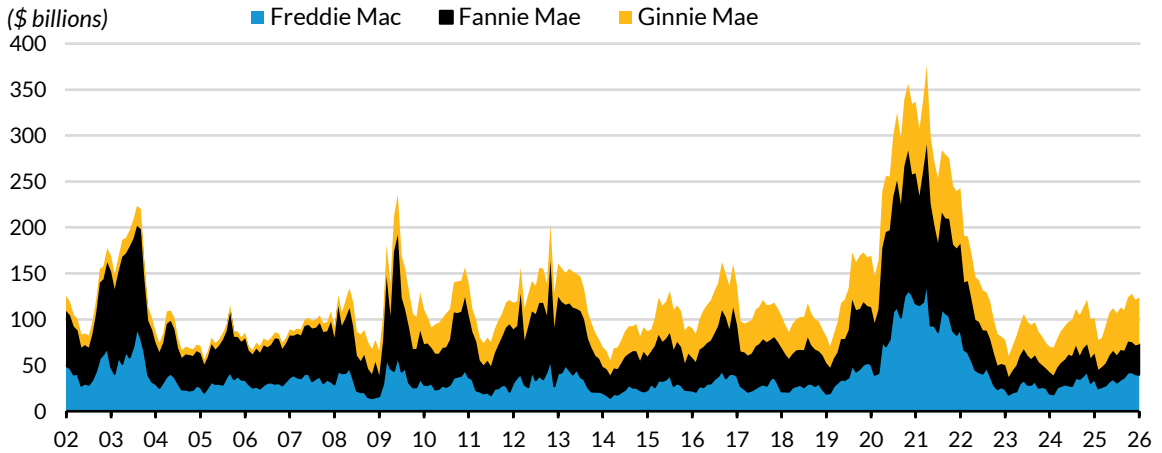
Sources: eMBS and the Urban Institute.

Notes: Dollar amounts are in billions. Data as of January 2026.

# AGENCY ISSUANCE // AGENCY GROSS ISSUANCE AND FED PURCHASES

Agency issuances by the GSEs and Ginnie Mae totaled \$124.0 billion in January 2026, 21.8 percent higher than volume in January 2025. Freddie Mac comprised 32.0 percent of agency gross issuance in January 2026 (down from 34.4 percent in January 2025), Fannie Mae comprised 26.6 percent (down from 27.6 percent), and Ginnie Mae comprised 41.3 percent (up from 38 percent).

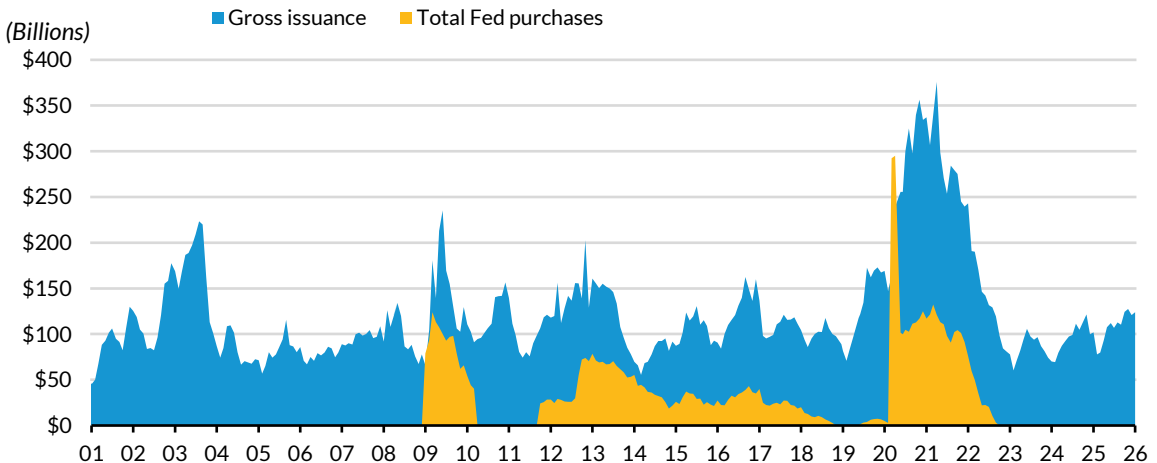
## Monthly Gross Issuance



Sources: eMBS and Urban Institute calculations. Data as of January 2025.

## Federal Reserve Absorption of Agency Gross Issuance

The Federal Reserve's portfolio was a critical policy tool used during the Great Recession and the more recent pandemic recession. In both instances, the Fed's portfolio, known as the system open market account (SOMA), ballooned as the agency bought both Treasury securities and agency MBS (including multifamily during the COVID recession). The Fed's purchases of agency MBS dropped to \$0 in November 2022 and has remained negligible since. At its most recent meeting in March 2026, the Federal Open Markets Committee (FOMC) held its policy rate unchanged at a range of 3.50-3.75 percent amid low job gains and elevated inflation.

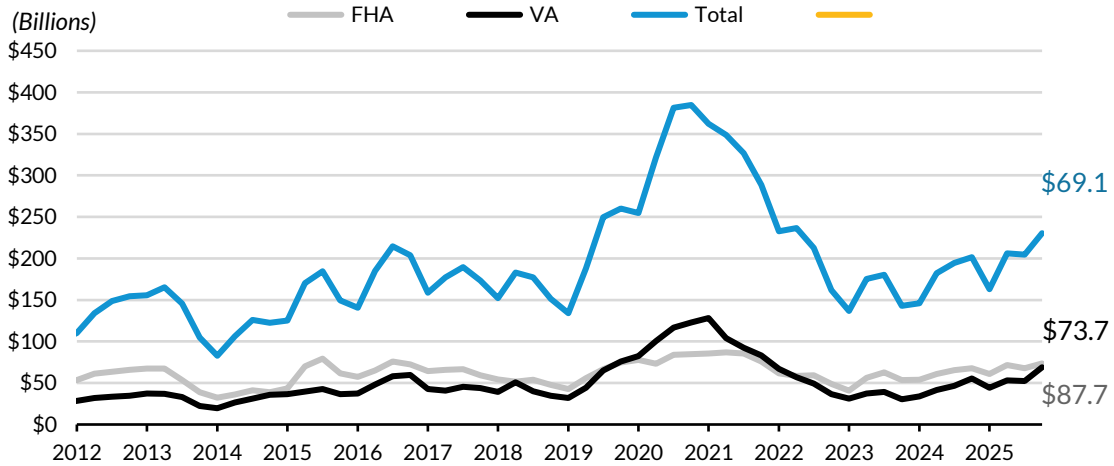


Sources: eMBS, the Federal Reserve Bank of New York, and the Urban Institute. Data as of January 2026.

# AGENCY ISSUANCE // MORTGAGE INSURANCE ACTIVITY

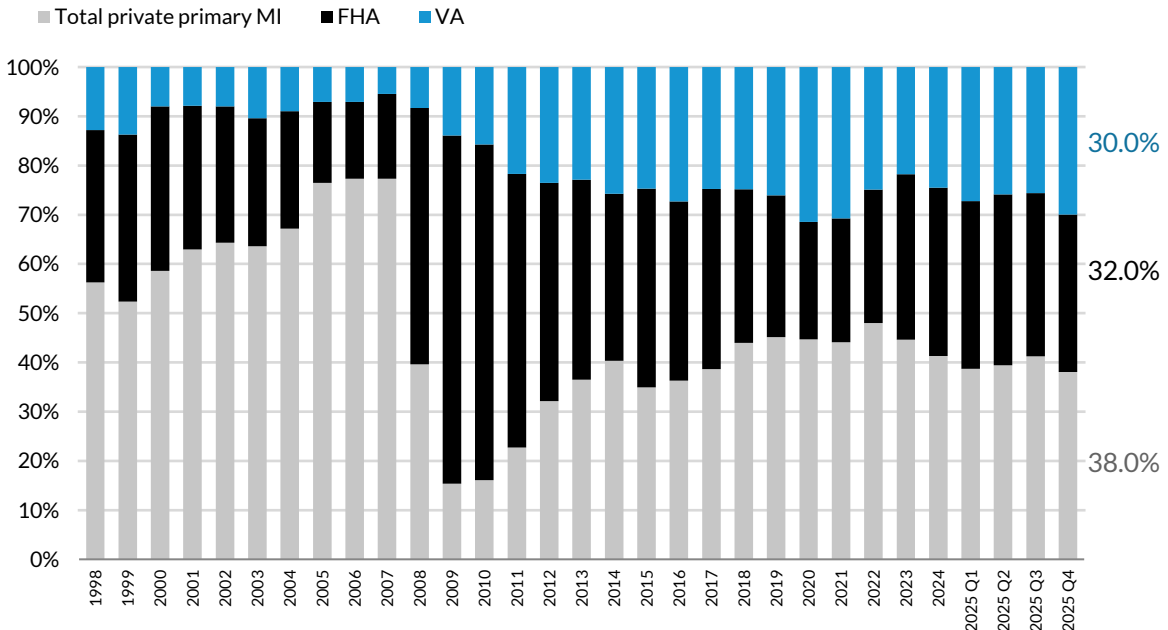
## MI Activity

As mortgage originations were higher in the fourth quarter of 2025 compared to a year ago, total mortgage insurance grew as well, by 14.5 percent compared to 2024 Q4. Amid reduced affordability, the growth in total mortgage insurance reflected increased use of the Ginnie Mae channel, which accounts for a sizeable share of first-time homebuyers (see page 28). Mortgage insurance activity on FHA and VA loans increased 8.9 and 24.9 percent, respectively, from 2024 Q4 to 2025 Q4. In 2025 Q4, private primary mortgage insurance activity was \$87.7 billion, 11.9 percent higher than in 2024 Q4. The composition of total mortgage insurance activity shifted towards the VA channel over this period. The private mortgage insurer share decreased from 41.2 to 38.0 percent and the FHA share declined from 33.2 to 32.0 percent. In contrast, the VA share increased from 25.6 to 30.0 percent.



Sources: Inside Mortgage Finance and the Urban Institute.  
 Note: Last updated for Q4 2025.

## MI Market Share



Sources: Inside Mortgage Finance and the Urban Institute.  
 Note: Last updated for Q4 2025.

## AGENCY ISSUANCE // MORTGAGE INSURANCE ACTIVITY

Following the increase in FHA premiums in the aftermath of the Great Recession, these premiums have decreased since 2012. Mortgage insurance premiums on FHA loans are now 1.75% upfront and 0.55% per year, irrespective of the borrower's credit score (top table). By contrast, private mortgage insurance (PMI), applicable to high LTV GSE borrowers, uses risk-based pricing. The GSEs also use risk-based loan level pricing adjustments, but these are waived for lower income borrowers participating in Fannie Mae's Home Possible and Freddie Mac's Home Ready programs; we do not take LLPAs into account in this calculation (bottom table). FHA will be more attractive to lower credit score borrowers, who are disadvantaged by the PMI risk-based pricing relative to the FHA flat rate. Note also that the base rate for an FHA borrower is 15 basis points lower compared to their conforming peers. Taken together, this month we find FHA loans are a more financially attractive option for borrowers with credit scores less than 760, conforming loans are more financially attractive for borrowers with a credit score at or above 760.

### FHA MI Premiums for a Typical Purchase Loan

Case number date	Up-front mortgage insurance premium (UFMIP) paid (basis points)	Annual mortgage insurance premium (MIP) (basis points)
1/1/2001–7/13/2008	150	50
7/14/2008–4/5/2010*	175	55
4/5/2010–10/3/2010	225	55
10/4/2010–4/17/2011	100	90
4/18/2011–4/8/2012	100	115
4/9/2012–6/10/2012	175	125
6/11/2012–3/31/2013 <sup>a</sup>	175	125
4/1/2013–1/25/2015 <sup>b</sup>	175	135
1/26/2015–3/19/2023 <sup>c</sup>	175	85
Beginning 3/20/2023	175	55

Sources: Ginnie Mae and the Urban Institute.

Note: A typical purchase loan has an LTV ratio over 95 percent and a loan term longer than 15 years.

\* For a short period in 2008, the FHA used a risk-based FICO score/LTV ratio matrix for MI.

<sup>a</sup> Applies to purchase loans up to \$625,500. Those over that amount have an annual premium of 150 basis points.

<sup>b</sup> Applies to purchase loans up to \$625,500. Those over that amount have an annual premium of 155 basis points.

<sup>c</sup> Applies to purchase loans up to \$625,500. Those over that amount have an annual premium of 105 basis points.

### Initial Monthly Payment Comparison: FHA versus GSE with PMI

Assumptions									
Property value	\$400,000								
Loan amount	\$386,000								
LTV ratio	96.5%								
Base rate									
Conforming base rate	6.31%								
FHA base rate	6.16%								
FICO	620–639	640–659	660–679	680–699	700–719	720–739	740–759	≥ 760	
FHA MI premiums									
FHA UFMIP	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
FHA MIP	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55
PMI									
PMI annual MIP	1.50%	1.31%	1.23%	0.98%	0.79%	0.70%	0.58%	0.46%	
Monthly payment									
FHA	\$2,572	\$2,572	\$2,572	\$2,572	\$2,572	\$2,572	\$2,572	\$2,572	\$2,572
GSE plus PMI	\$2,873	\$2,812	\$2,786	\$2,706	\$2,645	\$2,616	\$2,577	\$2,539	
GSE plus PMI Advantage	-\$301	-\$240	-\$214	-\$134	-\$73	-\$44	-\$5	\$34	

Sources: Enact Mortgage Insurance, Ginnie Mae, and the Urban Institute. FHA and 30-year conforming rates come from the Mortgage Bankers Association Weekly Applications Survey.

Notes: PMI = private mortgage insurance. MIP = mortgage insurance premium. UFMIP = upfront mortgage insurance premium. Rates as of March 11, 2026. Mortgage insurance premiums are listed in percentage points. Gray shading indicates the FHA monthly payment is more favorable, while blue indicates PMI is more favorable. The PMI monthly payment calculation is based on the 25 percent coverage that applies to Fannie Mae's HomeReady and Freddie Mac's Home Possible programs.

# SPECIAL FEATURE: LOAN LEVEL GSE CREDIT DATA

## FANNIE MAE COMPOSITION

After the foreclosure crisis, the composition of loans purchased by Fannie Mae shifted towards borrowers with higher FICO scores. For example, 63.7 percent of loans originated from 2018 to Q3 2025 were for borrowers with FICO scores above 750, compared to 44.2 percent of borrowers from 2005-2008 and 36.7 percent from 1999-2004. At the same time, the composition of Fannie Mae loans has shifted towards borrowers with higher LTVs. For example, 19.7 percent of loans originated from 2018 to Q3 2025 were for borrowers with LTV above 90 percent, compared to 6.5 percent of borrowers from 2005-2008 and 10.0 percent from 1999-2004. As compared to the very tight credit box in 2009-2010, the share of borrowers with an LTV above 90 has increased while the share of borrowers with a FICO score above 750 has declined, though at a more modest pace.

### Balance on 30-year, Fixed-rate, Full-doc, Amortizing Loans

Origination Year	Origination FICO	LTV				Total
		≤70	70 to 80	80 to 90	>90	
1999-2004	≤700	9.3%	15.0%	4.5%	4.5%	33.3%
	700 to 750	9.2%	14.2%	3.4%	3.2%	30.0%
	>750	15.6%	16.1%	2.7%	2.3%	36.7%
	Total	34.0%	45.3%	10.7%	10.0%	100.0%
2005-2008	≤700	10.6%	13.1%	3.8%	2.4%	29.8%
	700 to 750	8.4%	12.7%	3.0%	1.8%	26.0%
	>750	16.9%	21.4%	3.6%	2.2%	44.2%
	Total	36.0%	47.2%	10.4%	6.5%	100.0%
2009-2010	≤700	3.6%	2.9%	0.3%	0.2%	6.9%
	700 to 750	8.2%	10.8%	1.7%	0.8%	21.5%
	>750	32.3%	33.5%	4.0%	1.7%	71.6%
	Total	44.1%	47.2%	6.0%	2.7%	100.0%
2011-2017	≤700	3.5%	5.0%	1.3%	2.1%	12.0%
	700 to 750	5.6%	10.0%	3.2%	5.0%	23.8%
	>750	20.1%	28.0%	7.4%	8.8%	64.2%
	Total	29.2%	42.9%	12.0%	15.9%	100.0%
2018-3Q25	≤700	4.2%	3.6%	1.3%	2.2%	11.3%
	700 to 750	6.4%	8.4%	3.6%	6.7%	25.1%
	>750	21.8%	22.8%	8.2%	10.9%	63.7%
	Total	32.3%	34.8%	13.2%	19.7%	100.0%
Total		33.0%	40.5%	11.7%	14.8%	100.0%

Sources: Fannie Mae and Urban Institute.

Note: Fannie Mae loan level credit data includes loans originated from Q1 1999 to Q3 2025. The percentages are weighted by origination balance. The analysis included only mortgages with original terms of 241-420 months.

# SPECIAL FEATURE: LOAN LEVEL GSE CREDIT DATA

## FANNIE MAE DEFAULT RATE

While the composition of Fannie Mae loans originated from 2005-2008 were similar to that of 2004 and earlier vintage years, 2005-2008 loans experienced a much higher default rate due to the sharp drop in home values in the foreclosure crisis. Post-2009 originations have pristine credit characteristics and a more favorable home price environment, contributing to very low default rates. Even so, delinquencies on new originations, which jumped in 2020 and 2021 due to COVID-19, have declined meaningfully.

### Default Rate on 30-year, Fixed-rate, Full-doc, Amortizing Loans

Origination Year	Origination FICO	LTV				Total
		≤70	70 to 80	80 to 90	>90	
1999-2004	≤700	4.0%	4.9%	6.5%	7.4%	5.2%
	700 to 750	1.3%	2.0%	3.1%	3.2%	2.1%
	>750	0.5%	0.9%	1.6%	1.8%	0.8%
	Total	1.7%	2.6%	4.2%	4.8%	2.7%
2005-2008	≤700	17.8%	22.1%	28.3%	28.8%	21.9%
	700 to 750	7.5%	11.8%	16.7%	16.1%	11.3%
	>750	2.3%	4.7%	8.7%	9.2%	4.3%
	Total	8.1%	11.4%	18.2%	18.5%	11.4%
2009-2010	≤700	5.4%	7.0%	6.5%	7.7%	6.2%
	700 to 750	1.6%	2.8%	3.2%	3.9%	2.4%
	>750	0.4%	0.9%	1.4%	1.8%	0.7%
	Total	1.0%	1.7%	2.1%	2.9%	1.5%
2011-2017	≤700	5.4%	6.1%	7.1%	9.3%	6.6%
	700 to 750	2.4%	2.7%	3.1%	4.2%	3.0%
	>750	0.8%	1.0%	1.2%	1.7%	1.0%
	Total	1.7%	2.0%	2.3%	3.5%	2.2%
2018-1Q25	≤700	3.9%	5.2%	6.1%	8.2%	5.4%
	700 to 750	1.6%	2.2%	2.7%	3.8%	2.5%
	>750	0.4%	0.6%	0.9%	1.4%	0.7%
	Total	1.1%	1.5%	1.9%	2.9%	1.7%
<b>Total</b>		2.0%	2.8%	3.6%	3.9%	2.8%

Sources: Fannie Mae and Urban Institute.

Note: Fannie Mae loan level credit data includes loans originated from Q1 1999 to Q3 2025, with performance information on these loans also through Q1 2025. Default is defined as more than six months delinquent or disposed of via short sales, third-party sales, deeds-in-lieu of foreclosure, or real estate owned (REO acquisitions). The analysis included only mortgages with original terms of 241-420 months.

# SPECIAL FEATURE: LOAN LEVEL GSE CREDIT DATA

## FREDDIE MAC COMPOSITION

After the foreclosure crisis, the composition of loans purchased by Fannie Mae shifted towards borrowers with higher FICO scores. For example, 59.4 percent of loans originated from 2018 to Q3 2025 were for borrowers with FICO scores above 750, compared to 42 percent of borrowers from 2005-2008 and 34.2 percent from 1999-2004. At the same time, the composition of Fannie Mae loans has shifted towards borrowers with higher LTVs. For example, 18.9 percent of loans originated from 2018 to Q3 2025 were for borrowers with LTV above 90 percent, compared to 7.1 percent of borrowers from 2005-2008 and 8.5 percent from 1999-2004. As compared to the very tight credit box in 2009-2010, the share of borrowers with an LTV above 90 has increased while the share of borrowers with a FICO score above 750 has declined, though at a more modest pace.

### Balance on 30-year, Fixed-rate, Full-doc, Amortizing Loans

Origination Year	Origination FICO	LTV				Total
		≤70	70 to 80	80 to 90	>90	
1999-2004	≤700	8.7%	16.7%	4.5%	4.5%	34.3%
	700 to 750	9.9%	16.1%	2.8%	2.6%	31.5%
	>750	15.2%	15.7%	1.9%	1.5%	34.2%
	Total	33.8%	48.5%	9.2%	8.5%	100.0%
2005-2008	≤700	9.5%	14.0%	3.3%	3.1%	29.9%
	700 to 750	9.0%	14.5%	2.5%	2.0%	28.1%
	>750	17.6%	19.8%	2.7%	1.9%	42.0%
	Total	36.1%	48.3%	8.5%	7.1%	100.0%
2009-2010	≤700	3.8%	3.2%	0.3%	0.2%	7.6%
	700 to 750	9.3%	11.8%	1.7%	0.9%	23.7%
	>750	32.8%	31.0%	3.6%	1.4%	68.8%
	Total	46.0%	46.0%	5.5%	2.5%	100.0%
2011-2017	≤700	3.9%	5.0%	1.5%	2.0%	12.4%
	700 to 750	6.9%	12.2%	3.6%	5.3%	28.0%
	>750	18.5%	26.8%	6.6%	7.7%	59.6%
	Total	29.3%	44.0%	11.6%	15.1%	100.0%
2018-4Q24	≤700	5.0%	4.0%	1.6%	2.2%	12.7%
	700 to 750	7.4%	9.6%	4.2%	6.7%	27.9%
	>750	19.1%	22.1%	8.3%	10.0%	59.4%
	Total	31.4%	35.6%	14.0%	18.9%	100.0%
Total		32.9%	41.2%	11.7%	14.2%	100.0%

Sources: Freddie Mac and Urban Institute.

Note: Freddie Mac loan level credit data includes loans originated from Q1 1999 to Q3 2025, with performance data through Q3 2025. The percentages are weighted by origination balance. The analysis included only mortgages with original terms of 241-420 months.

# SPECIAL FEATURE: LOAN LEVEL GSE CREDIT DATA

## FREDDIE MAC DEFAULT RATE

While the composition of Freddie Mac loans originated from 2005-2008 were similar to that of 1999-2004 vintage years, 2005-2008 loans experienced a much higher default rate due to the sharp drop in home values during the recession. 2009 and later originations have pristine credit characteristics and a more favorable home price environment, contributing to very low default rates. Even so, delinquencies on new origination, which jumped in 2020 and 2021 due to COVID-19, have declined meaningfully.

### Default Rate on 30-year, Fixed-rate, Full-doc, Amortizing Loans

Origination Year	Origination FICO	LTV				Total
		≤70	70 to 80	80 to 90	>90	
1999-2004	≤700	3.4%	4.7%	7.0%	7.4%	5.0%
	700 to 750	1.2%	1.9%	3.1%	3.2%	1.9%
	>750	0.4%	0.9%	1.7%	2.1%	0.8%
	Total	1.4%	2.5%	4.7%	5.2%	2.6%
2005-2008	≤700	15.5%	20.4%	25.6%	27.7%	20.2%
	700 to 750	6.8%	11.4%	15.4%	15.6%	10.6%
	>750	2.2%	5.1%	8.2%	9.3%	4.3%
	Total	6.9%	11.4%	17.1%	19.2%	10.8%
2009-2011	≤700	4.8%	6.6%	6.3%	6.8%	5.7%
	700 to 750	1.4%	2.7%	2.8%	3.5%	2.2%
	>750	0.4%	0.9%	1.4%	1.6%	0.7%
	Total	1.0%	1.7%	2.1%	2.7%	1.4%
2011-2017	≤700	5.1%	5.5%	6.4%	7.7%	5.8%
	700 to 750	2.5%	2.7%	3.1%	3.9%	2.9%
	>750	0.9%	1.1%	1.3%	1.8%	1.2%
	Total	1.9%	2.0%	2.5%	3.4%	2.2%
2018-4Q24	≤700	3.0%	3.8%	4.6%	5.0%	3.8%
	700 to 750	1.2%	1.7%	2.0%	2.7%	1.9%
	>750	0.4%	0.6%	0.7%	1.2%	0.6%
	Total	1.0%	1.2%	1.6%	2.2%	1.4%
<b>Total</b>		1.9%	2.9%	3.3%	3.6%	2.7%

Sources: Freddie Mae and Urban Institute.

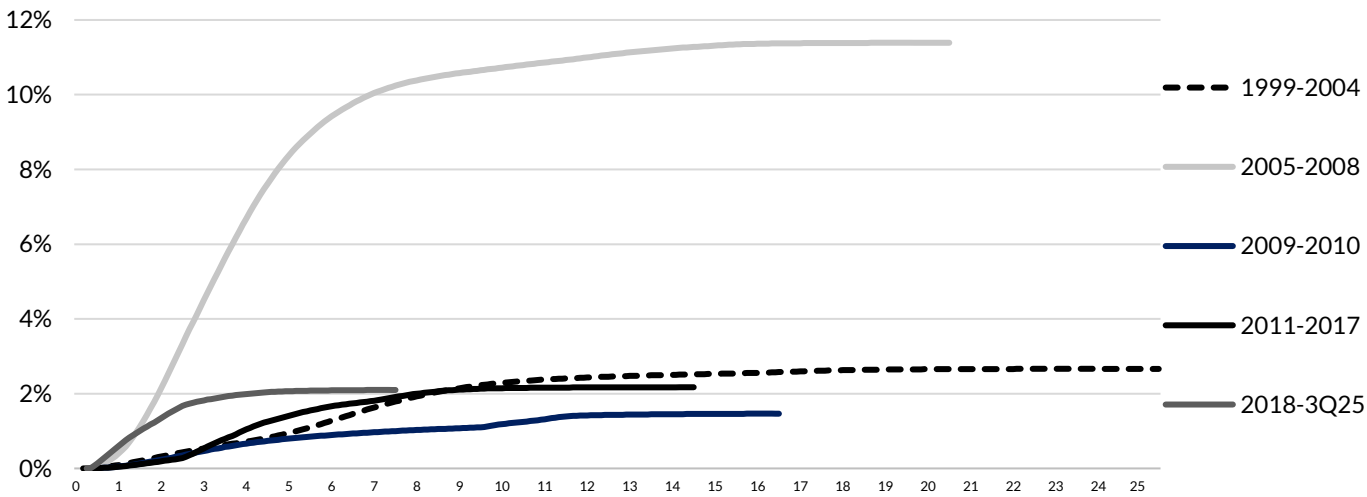
Note: Freddie Mac loan level credit data includes loans originated from Q1 1999 to Q3 2025, with performance data through Q3 2025. Default is defined as six months delinquent or disposed of via short sales, third-party sales, deeds-in-lieu of foreclosure, or real estate owned (REO acquisitions). The analysis included only mortgages with original terms of 241-420 months.

# SPECIAL FEATURE: LOAN LEVEL GSE CREDIT DATA

## DEFAULT RATE BY VINTAGE

As a result of pristine books of business, a strong housing market, and improved loss mitigation options, the effect of COVID-19 on GSE delinquencies is a fraction of what it was in the Great Financial Crisis. These charts show cumulative D180 (default) rates as of the end of Q4 2024 for Fannie and Freddie. For Fannie Mae and Freddie Mac's 1999-2004 vintages, cumulative defaults total 2.7 percent for Fannie and 2.6 percent for Freddie, while cumulative defaults for the 2005-2008 vintages are 11.4 percent for Fannie originations and 10.9 percent for Freddie originations. While the D180+ rate on loans originated in 2018 and later were running above the 1999-2004 levels, most of these loans have successfully exited forbearance. There are few new loans going D180+, leading to a flattening of the 2018 and later curves.

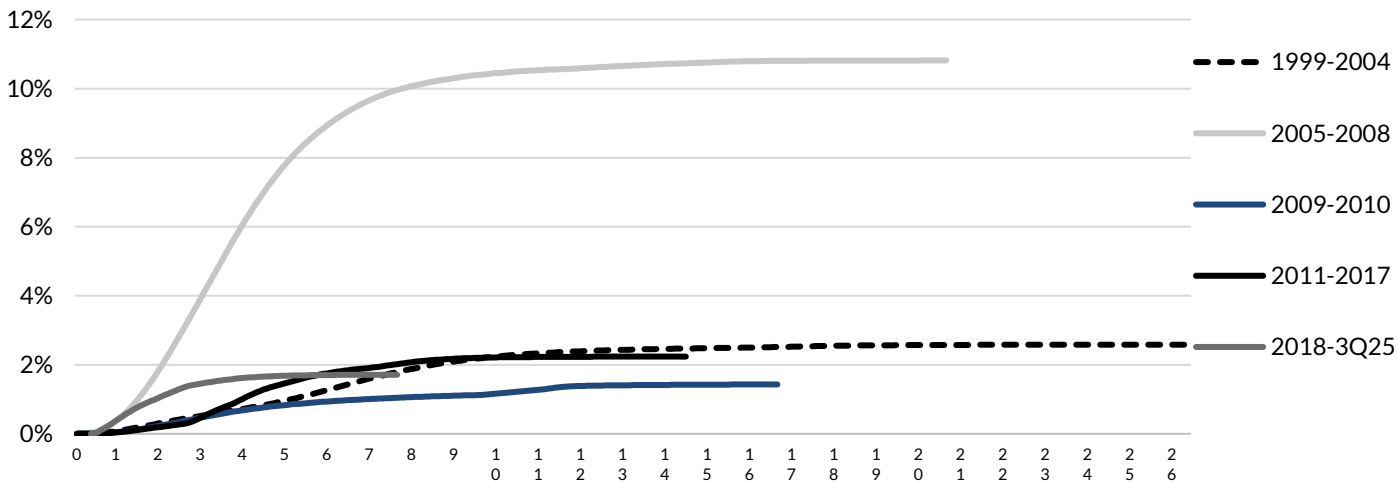
### Fannie Mae Cumulative Default Rate by Vintage Year



Sources: Fannie Mae and Urban Institute.

Note: The analysis included only mortgages with original terms of 241-420 months. A default is defined as a delinquency of 180 days or more, a deed-in-lieu, short sale, foreclosure sale or REO sale.

### Freddie Mac Cumulative Default Rate by Vintage Year



Sources: Freddie Mac and Urban Institute.

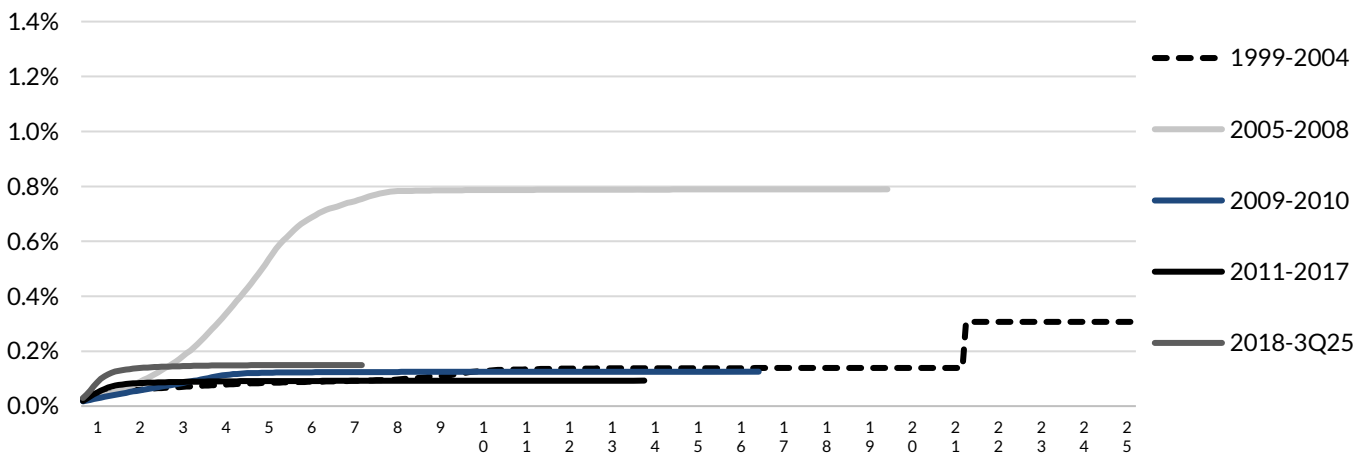
Note: The analysis included only mortgages with original terms of 241-420 months. A default is defined as a delinquency of 180 days or more, a deed-in-lieu, short sale, foreclosure sale or REO sale.

# SPECIAL FEATURE: LOAN LEVEL GSE CREDIT DATA

## REPURCHASE RATE BY VINTAGE

These figures show the cumulative percentage of fixed-rate, full documentation, amortizing 30-year loans of a given vintage that Fannie and Freddie have put back to lenders due to reps and warrants violations. Bubble era vintages were significantly more likely to be put back than either pre- or post-bubble vintages. Note that put-backs are generally quite small, with the exception of the 2005-2008 vintages. These numbers exclude loans put back through global settlements, which are not done at the loan level. In recent years, the GSEs have sharply increased their repurchase activity and become more aggressive in forcing more repurchases earlier in the life of the loan than was the case with earlier vintages. In the first few years of the mortgages' life, there have been more repurchases for the 2018-2025 origination years than there were in the 2005-08 origination years. Even though the number of affected loans is still low, the economic impact is magnified in a high-interest rate environment, as originations must repurchase these loans at a loss. As a result, access to credit becomes restricted as originators become less inclined to originate loan types with characteristics found in the repurchase requests.

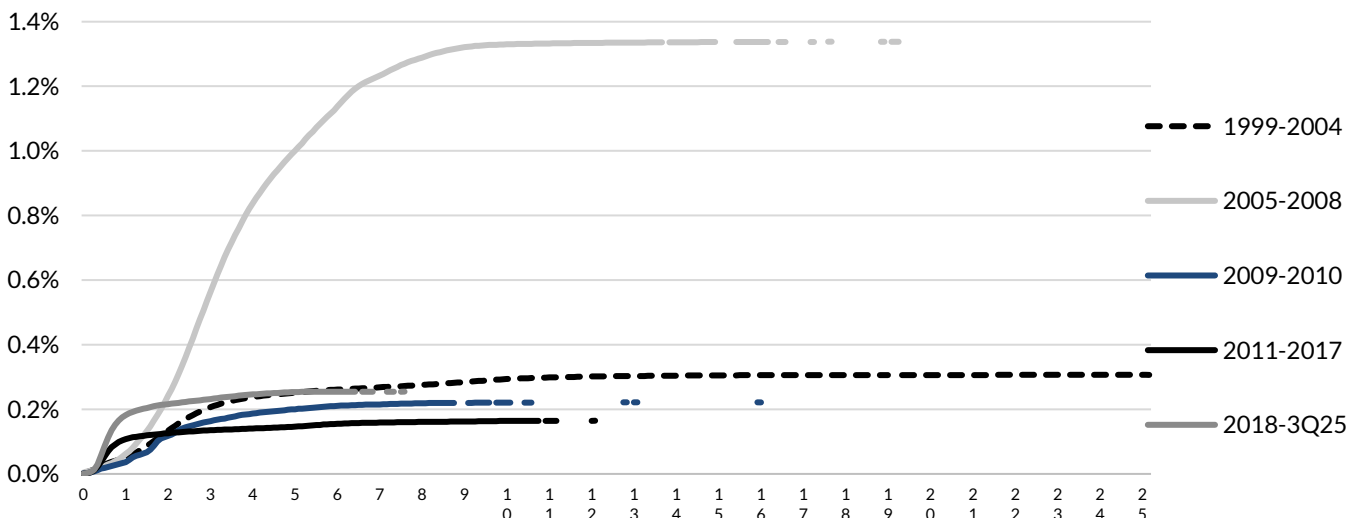
### Fannie Mae Repurchase Rate by Vintage Year



Sources: Fannie Mae and Urban Institute.

Note: The analysis included only mortgages with original terms of 241-420 months.

### Freddie Mac Repurchase Rate by Vintage Year



Sources: Freddie Mac and Urban Institute.

Note: The analysis included only mortgages with original terms of 241-420 months.

# SPECIAL FEATURE: LOAN LEVEL GSE CREDIT DATA

## LOSS SEVERITY

Both Fannie Mae and Freddie Mac’s credit data include the status of loans after they experience a credit event (default). A credit event is defined as a delinquency of 180 days or more, a deed-in-lieu, short sale, foreclosure sale or REO sale. We look at each loan that has experienced a credit event and categorize it based on present status— for Fannie Mae loans (top table) 16.92 percent are current, 35.25 percent are prepaid, 6.70 percent are still in the pipeline (not current, not prepaid, not liquidated) and 41.21 percent have already liquidated (deed-in-lieu, short sale, foreclosure sale, REO sale). Freddie Mac’s results (bottom table) are very similar. The right side of both tables shows the severity of all loans that have liquidated, broken down by LTV buckets: total severities are 41.3 percent for Fannie and 40.5 percent for Freddie.

### Fannie Mae - Liquidation Rates and Severities for D180+ loans

Origination Year	Paths for D180+ Loans (% of total count)				Severity for Liquidated Loans By LTV			
	Paths With No Eventual Loss		Paths With Eventual Loss		≤60	60-80	>80	Total
	Current	Prepay*	Still in the Pipeline	% Already Liquidated Loans†				
1999-2004	5.77%	35.52%	1.32%	57.38%	27.8%	41.1%	26.4%	34.4%
2005-2008	5.34%	30.85%	1.07%	62.74%	40.6%	53.0%	36.5%	47.3%
2009-2010	15.31%	40.62%	3.81%	40.26%	27.6%	37.6%	19.9%	33.1%
2011-2017	34.94%	45.13%	9.75%	10.18%	22.7%	25.7%	12.8%	18.9%
2018-3Q25	39.01%	33.07%	23.29%	4.63%	10.2%	15.2%	10.9%	12.0%
Total	16.92%	35.25%	6.70%	41.13%	35.7%	48.2%	30.2%	41.3%

### Freddie Mac - Liquidation Rates and Severities for D180+ loans

Origination Year	Paths for D180+ Loans (% of total count)				Severity for Liquidated Loans By LTV			
	Paths With No Eventual Loss		Paths With Eventual Loss		≤60	60-80	>80	Total
	Current	Prepay*	Still In The Pipeline	% Already Liquidated Loans†				
1999-2004	3.89%	38.04%	1.13%	56.93%	25.2%	39.4%	28.8%	34.7%
2005-2008	3.43%	31.94%	0.84%	63.79%	38.1%	50.2%	37.0%	45.9%
2009-2010	10.84%	40.96%	2.74%	45.46%	22.2%	34.1%	29.6%	31.2%
2011-2017	30.50%	43.66%	7.75%	18.09%	12.2%	19.7%	25.9%	24.3%
2018-3Q25	39.78%	30.66%	26.46%	3.09%	4.5%	7.6%	9.1%	8.2%
Total	14.54%	35.73%	6.19%	43.54%	33.1%	46.3%	32.1%	40.5%

**Sources:** Fannie Mae, Freddie Mac, and Urban Institute.

**Note:** Fannie Mae loan level credit data includes loans originated from Q1 1999 to Q3 2025, with performance information on these loans also through Q3 2025. Freddie Mac loan level credit data includes loans originated from Q1 1999 to Q3 2025, with performance information on these loans through Q3 2025. The analysis included only mortgages with original terms of 241-420 months. \*Prepay category includes repricing loan sales. †Already liquidated loans include notes sales.

# SPECIAL FEATURE: LOAN LEVEL GSE CREDIT DATA

## LOSS SEVERITY BY CHANNEL

The table below shows the severity of Fannie and Freddie loans that have liquidated, broken down by liquidation channel and vintage year. Foreclosure alternatives (which includes short sales, third party sales, and note sales) have higher defaulted unpaid principal balance (UPB) and much lower loss severities than REO sales. For example, for all Fannie Mae originations, foreclosure alternatives had a mean defaulted UPB of \$156,756 and a loss severity of 41.31 percent, versus a mean defaulted UPB of \$145,837 and a loss severity of 46.92 percent for REO sales.

### Fannie Mae - Loss Severity for Already Liquidated Loans

Origination Year	Number of Loans			Mean defaulted UPB (\$)			Severity		
	All	REO	Foreclosure Alternatives*	All	REO	Foreclosure Alternatives	All	REO	Foreclosure Alternatives
1999-2004	211,201	157,579	53,622	\$110,645	\$105,508	\$125,742	34.42%	39.25%	22.52%
2005-2008	330,390	220,604	109,786	\$182,988	\$172,507	\$204,047	47.30%	52.34%	38.72%
2009-2010	24,245	14,708	9,537	\$169,561	\$162,132	\$181,017	33.15%	40.04%	23.62%
2011-2017	25,490	12,017	13,473	\$158,446	\$147,606	\$168,115	18.95%	26.08%	13.36%
2018-3Q25	12,149	4,117	8,032	\$215,903	\$196,920	\$225,633	12.02%	15.58%	10.43%
Total	603,475	409,025	194,450	\$156,756	\$145,837	\$179,726	41.31%	46.92%	31.74%

### Freddie Mac - Loss Severity for Already Liquidated Loans

Origination Year	Number of Loans			Mean defaulted UPB (\$)			Severity		
	All	REO	Foreclosure Alternatives*	All	REO	Foreclosure Alternatives	All	REO	Foreclosure Alternatives
1999-2004	142,125	94,917	47,208	\$110,893	\$105,592	\$121,551	34.72%	41.87%	22.23%
2005-2008	315,018	171,198	143,820	\$179,513	\$163,938	\$198,052	45.87%	54.41%	37.46%
2009-2010	35,593	15,542	20,051	\$188,626	\$171,283	\$202,068	31.16%	43.16%	23.27%
2011-2017	41,903	14,907	26,996	\$167,597	\$149,542	\$177,566	24.33%	36.61%	18.61%
2018-3Q25	5,809	2,109	3,700	\$194,633	\$175,496	\$205,541	8.19%	15.69%	4.53%
Total	540,448	298,673	241,775	\$161,306	\$145,141	\$181,275	40.50%	49.57%	31.52%

Sources: Fannie Mae, Freddie Mac and Urban Institute.

Note: Fannie Mae loan level credit data includes loans originated from Q1 1999 to Q3 2025, with performance information on these loans also through Q3 2025. Freddie Mac loan level credit data includes loans originated from Q1 1999 to Q3 2025, with performance information on these loans through Q3 2025. The analysis included only mortgages with original terms of 241-420 months.

\*Foreclosure Alternatives include notes sales.

# PUBLICATIONS AND EVENTS

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## Projects

[Building Financial Resilience Amidst Macroeconomic Dynamics](#)

[The Future of Homeownership and Housing Finance  
A Road Map to Address America's Housing Crisis](#)

[Exploring Mom-and-Pop Landlord Rentals](#)

[Sustaining Homeownership](#)

[The Special Purpose Credit Program Data Toolkit  
Wealth Opportunities Realized through Homeownership  
State Data to Target Homeowner Assistance Fund  
Dollars](#)

[The Mortgage Servicing Collaborative](#)

[Housing Credit Availability Index \(HCAI\)](#)

[Home Mortgage Disclosure Act Projects](#)

[Mortgage Markets COVID-19 Collaborative](#)

[Reducing the Racial Homeownership Gap](#)

[Monthly Chartbooks](#)

## Data Tools Available Online

[Special Purpose Credit Program Data Toolkit](#)

[Tracking Rent Payments to Mom-and-Pop Landlords](#)

[Tracking Homeownership Wealth Gaps](#)

## Publications

[Moving Beyond Aggregate Measures to Understand  
AANHPI Homeownership Dynamics in the US Housing  
Market](#)

**Authors:** Linna Zhu, Daniel Pang, Bryson Berry, Jun Zhu  
**Date:** March 18, 2026

[An Innovative Approach to Expanding Homeownership in  
Underserved Communities](#)

**Authors:** Michael Neal, Aniket Mehrotra, Bryson Berry  
**Date:** March 16, 2026

[How Shared Equity Products Work, Who Is Using Them,  
and Regulatory Recommendations](#)

**Authors:** Laurie Goodman, Katie Visalli  
**Date:** February 26, 2025

[AANHPI Homeownership and Wealth-Building  
Trajectories](#)

**Authors:** Linna Zhu, Bryson Berry, Daniel Pang, Jun Zhu  
**Date:** January 27, 2025

## Blog Posts

[The Senate's Surprising Move to Dissuade Investors from  
Building Rental Housing](#)

**Authors:** Laurie Goodman, Jim Parrott  
**Date:** March 16, 2026

[How the Federal Home Loan Bank System Increases  
Residential Mortgage Lending](#)

**Authors:** Katie Visalli, Bryson Berry  
**Date:** March 5, 2026

[How Boosting Usage of Adjustable-Rate Mortgages Could  
Increase Housing Affordability](#)

**Authors:** Laurie Goodman, Ted Tozer, Alexei Alexandrov  
**Date:** February 11, 2026

[Homeowners Have Limited Options to Finance  
Renovations. Here's How Federal Policymakers Could  
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**Date:** January 26, 2026

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Financial Services. New Data Shed Light on the Reasons](#)

**Authors:** Michael Neal, Amalie Zinn  
**Date:** December 19, 2025

[Portable Mortgages Could Alleviate Homeowner Lock-In  
but Come with Challenges and Do Not Solve the Housing  
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**Authors:** Laurie Goodman, Alexei Alexandrov  
**Date:** December 10, 2025

[Four Reasons Assumable Mortgages are Unlikely to  
Stimulate the Housing Market](#)

**Authors:** Laurie Goodman, Alexei Alexandrov  
**Date:** December 10, 2025

[Federal Home Loan Banks Significantly Reduce the Risk  
of Financial Crises](#)

**Authors:** Jung Hyun Choi, Laurie Goodman, Jun Zhu  
**Date:** December 1, 2025

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