HOUSING FINANCE POLICY CENTER

HOUSING FINANCE AT A GLANCE

A MONTHLY CHARTBOOK

June 2026

URBAN INSTITUTE · ELEVATE · THE · DEBATE

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.

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.

HFPC STAFF

Laurie Goodman
Institute Fellow

Michael Neal
Senior Fellow

Jung Choi
Principal Research Associate

Linna Zhu
Senior Research Associate

John Walsh
Research Associate

Daniel Pang
Research Associate

Katie Visalli
Research Analyst

Aniket Mehrotra
Policy Coordinator

Matthew Pruitt
Research Analyst

Bryson Berry
Research Assistant

Alison Rincon
Senior Director, Center Operations

Todd Hill
Director, Policy and Programs

Anna Barcus
Project Manager

HFPC NONRESIDENT FELLOWS

David Brickman
Nonresident Fellow

Sarah Gerecke
Nonresident Fellow

Jim Parrott
Nonresident Fellow

Vanessa Perry
Nonresident Fellow

Tony Pickett
Nonresident Fellow

Erika Poethig
Nonresident Fellow

Ellen Seidman
Nonresident Fellow

Michael Stegman
Nonresident Fellow

Ted Tozer
Nonresident Fellow

Jun Zhu
Nonresident Fellow

Alanna McCargo
Nonresident Fellow

Daniel Hornung
Nonresident Fellow

Ed Golding
Nonresident Fellow

CONTENTS

Special Feature Highlight: Loan Level GSE Data

The Urban Institute Housing Finance Policy team added a new bucket of origination years for 2022-2025 to our quarterly special feature on GSE loan-level composition and performance, included on pages 39-46 of this Chartbook edition. Throughout the rest of the Chartbook, we see several differences between 2021 and 2022 that might make us expect for loans originated during and after the Covid-19 pandemic to have different loan compositions and performance.

Interest rates more than doubled over 2022 from 3.1 percent in December 2021 to 6.4 percent by the end of December 2022 (page 9). Around the same time, home values skyrocketed over 2021 and 2022 (page 25). Thanks to the combination of rising prices and interest rates, median homebuyer affordability worsened over 2021 and 2022. For most months between October 2022 and June 2025 it was more difficult to buy a home than during the peak of the housing bubble in 2006 (page 24). Origination volumes and refinance shares dropped substantially from 2021 to 2022 (page 21). Due largely to high interest rates in 2022, prepayment speeds are much higher for loans originated in 2022 and after than for older loans as borrowers with high rates refinance into lower ones when interest rates drop (page 11).

Composition

The LTV distribution of recent loans is much higher than previous vintages. Almost a quarter of Fannie and Freddie loans originated from 2022 to 2025 have LTVs over 90 percent, compared to 17.9 percent of Fannie and 15.9 percent of Freddie loans originated 2018-2021 (page 39 & page 41).

Overall, the distribution of credit scores has not changed much in over a decade. The share of borrowers with credit scores 700 or lower has decreased marginally across Fannie loans from 12.0 percent in 2011-2017 to 10.7 percent of originations 2022-2025. However, Freddie's share of originations with credit scores 700 or under increased slightly from 12.4 percent in 2011-2017 to 13.4 percent in 2022-2025. For both GSEs, the share of loans going to borrowers with lower credit scores remains well below what it was in 1999-2004 when a third of Fannie and Freddie originations were going to borrowers with credit scored 700 or lower.

Default Rates

We define default as loans that go more than six months delinquent or are disposed of via short sales, third-party sales, deeds-in-lieu of foreclosure, or real estate owned (REO) acquisitions. Most of the loans in our newest 2022-2025 tranche are under three years old, so we can expect the default rates on them to rise over time. However, for the loans we have several years of performance for, we can see lower default rates in the first three years than on loans originated 2018-2021 (page 43).

This trend is mirrored in our tables on default rates by origination characteristics. So far, 0.8 percent of Fannie and 0.7 percent of Freddie loans originated since 2022 have defaulted, lower than the COVID-19 affected rates f the 2018-2021 vintages of 2.1 and 1.7 percent, respectively (page 40 & page 42). The 2022-2025 default rates are in line with the 2009-2017 vintages at the same ages.

Repurchase

Repurchases are loans that Fannie and Freddie have put back to lenders due to reps and warrants violations. The repurchase rates on newer loans are, so far, higher than rates on most previous vintages. About 0.2 percent of Fannie and 0.3 percent of Freddie loans that were originated in 2022-2023 and reached at least two years old have been repurchased by lenders due to reps and warrants violations (page 44). This is increased from about 0.1 percent of Fannie and 0.2 percent of Freddie loans originated from 2018-2021 at 2 years old.

Loss Severity

Both Fannie Mae and Freddie Mac's credit data include the status of loans after they experience a credit event (default). We define a credit event 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, which include loans that cured and became current, prepaid reperforming loan sales, loans still in the pipeline, and liquidated note sales. Unsurprisingly, the share of recently originated loans still in the pipeline is much higher than previous vintages as newer delinquencies take time to work out.

Changes to loss mitigation treatments and tighter credit standards have improved outcomes for delinquent loans over the past two decades, with an assist from robust home price appreciation. From 1999 to 2008, over half of loans that went delinquent resulted in liquidations. However, out of loans originated from 2018-2021 only 4.24 percent of Fannie and 2.41 percent of Freddie have liquidated (page 45). Loss severities on liquidated loans have decreased over the same period and have continued to decrease. At the same time, the share of cured and current loans increased.

We can also see detailed loss severities by liquidation channel. Across channels, loss severities have decreased for newer loans. So far, losses on liquidated loans originated 2022-2025 are only 9.23 percent for Fannie and 6.14 percent for Freddie. This is down from losses on loans originated 2018-2021, which were 14.45 percent and 8.91 percent for Fannie and Freddie respectively.

Historically, foreclosure alternatives (including note sales, short sales, and third part sales) have higher defaulted unpaid principal balances and lower loss severities than real estate owned (REO) sales (page 46).

Inside this Issue

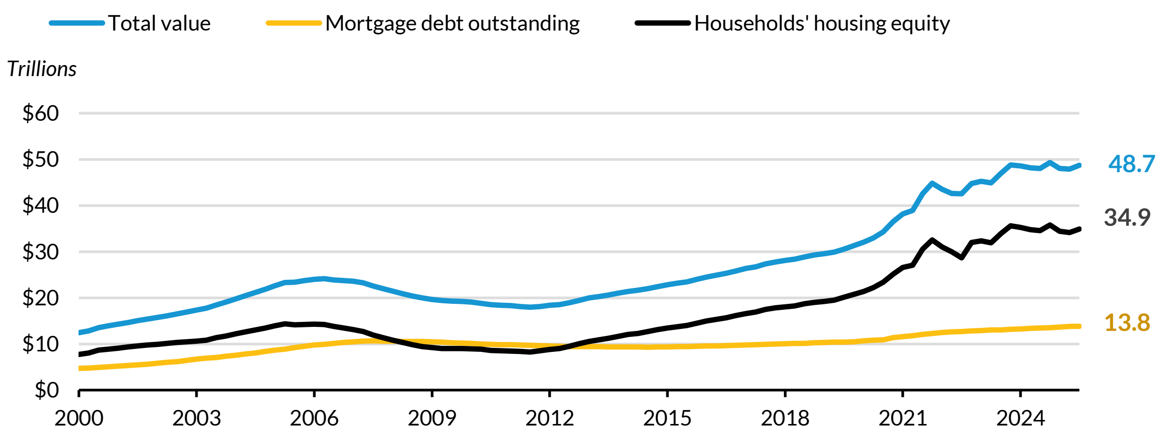
- Mortgage rates remain elevated (page 9).
- The refinance share in 2026 Q2 is projected to decline from Q1 2026 (page 21).
- The refinance share dropped sharply in May (page 10).
- Prepayment speeds declined in May (page 11).

OVERVIEW // MARKET SIZE OVERVIEW

From Q1 2025 to Q1 2026, the total value of the US single-family housing market owned by households has slightly increased by 1.5 percent. However, its composition has shifted modestly. Over the past four quarters, the aggregate value of housing equity held by households expanded by 1.0 percent while mortgage debt outstanding expanded by 3.0 percent.

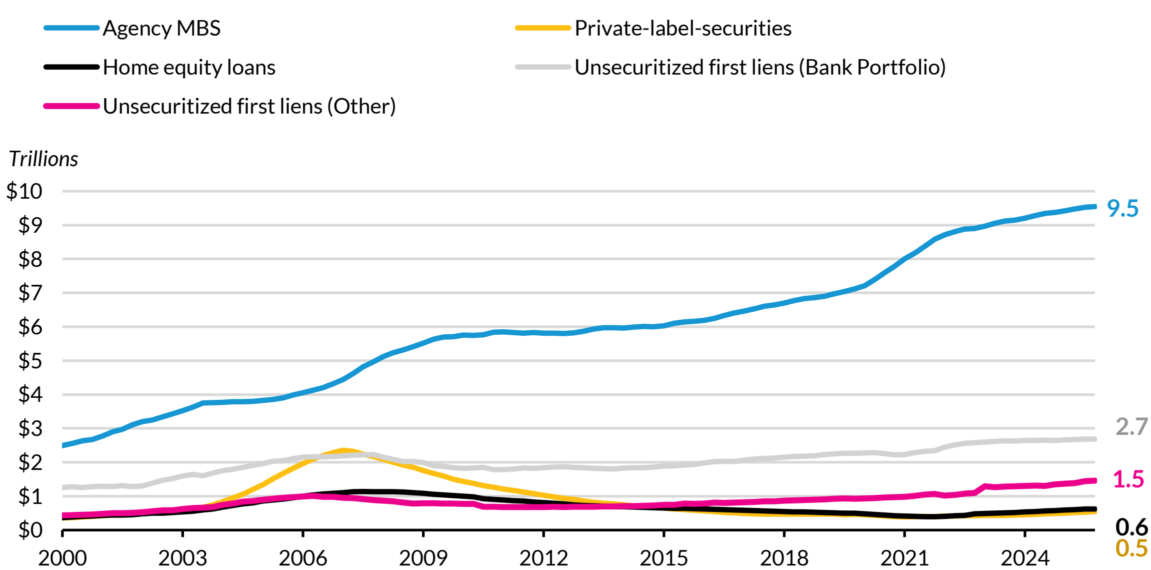
In the first quarter of 2026, agency MBS accounted for 64.3 percent ($9.5 trillion) of total mortgage debt outstanding, while home equity loans made up 4.2 percent ($0.6 trillion) and private-label securities made up 3.7 percent ($0.5 trillion). Unsecuritized first liens, both bank portfolio and other, compose the remaining 27.7 percent ($4.1 trillion), with banks making up 18.0 percent ($2.7 trillion), and other accounting for 9.8 percent ($1.5 trillion). Of Other, nondepositories accounted for 5.5 percent ($0.8 trillion) of the total, and credit unions accounted for 4.3 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 Q1 2026. Includes one-to-four-family owner-occupied mortgages. Mortgage debt outstanding in this figure does not match the totals in the figure below, as the this figure does not include investor-owned properties.

Composition of the US Single-Family Mortgage Market



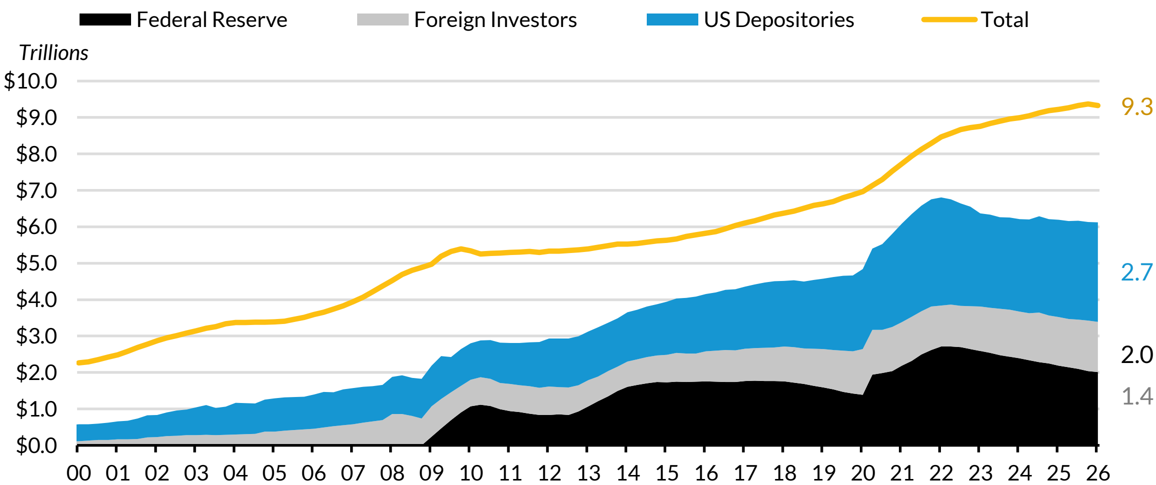
Sources: Financial Accounts of the United States and the Urban Institute.
Notes: Data as of Q1 2026. Unsecuritized first liens (Other) consists of mortgages not held on bank balance sheets and credit unions, nonprofits, nonfinancial business, insurance companies, pension funds, finance companies, trusts and federal, state and local government. All categories include investor-owned properties.

OVERVIEW // MARKET SIZE OVERVIEW

In the first quarter of 2026, the three largest holders of the $9.3 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 Q1 2025 to Q1 2026, Federal Reserve holdings are down 8.2 percent. US depository holdings are up 2.3 percent, and foreign investor holdings are up 3.7 percent over the past year. The combined amount among all other holders increased by 5.8 percent over the same period and is expected to continue to grow; this growth will be aided by continued Fannie Mae and Freddie Mac purchases of agency MBS, per the directive of the Trump administration.

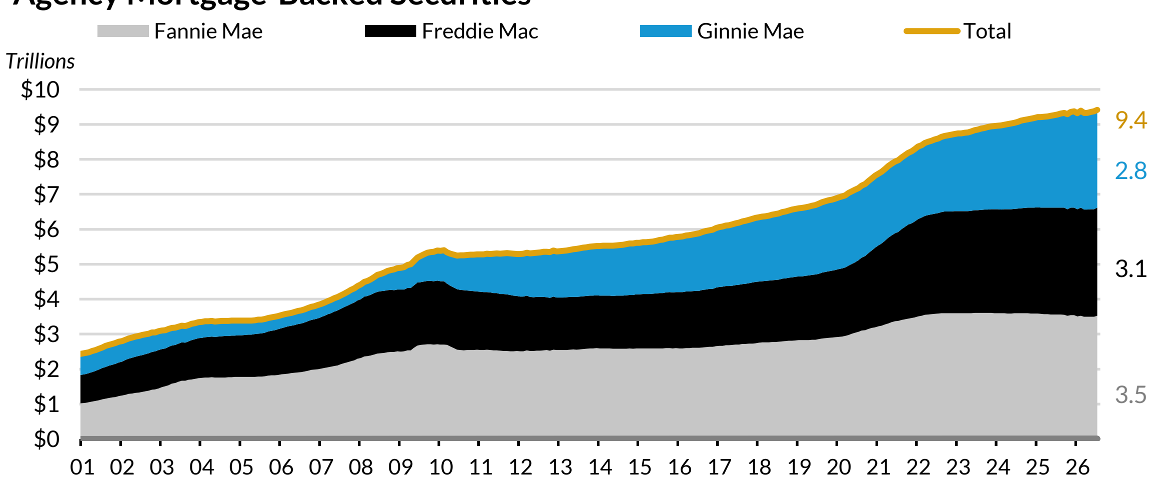
By the end of June 2026, outstanding securities in the agency market totaled over $9.4 trillion according to loan-level data, 37.3 percent ($3.5 trillion) of which belonged to Fannie Mae, 32.8 percent ($3.1 trillion) to Freddie Mac, and 29.9 percent ($2.8 trillion) to Ginnie Mae. Since mid-2022, GSEs MBS outstanding has been largely flat while Ginnie MBS outstanding has been steadily increasing.

Primary Holder of Agency MBS



Sources: Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, Moody's Analytics, eMBS and Urban Institute calculations.
Note: Data as of Q1 2026. Federal reserve, depository and total holdings shown at face value and holding by foreign investors 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



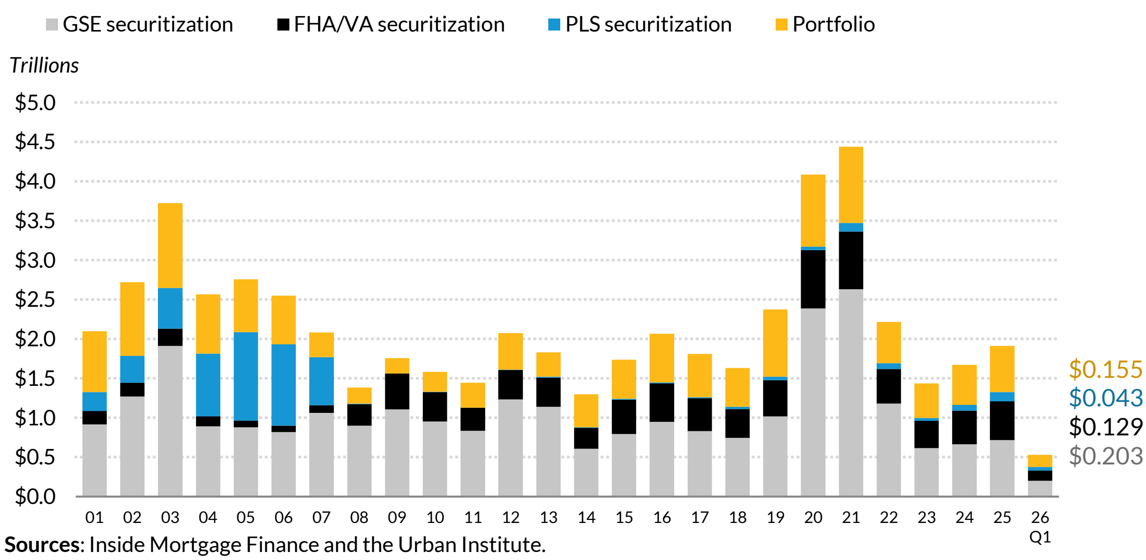
Sources: eMBS and the Urban Institute.
Note: Data as of June 2026. Total agency MBS in the top and bottom charts differ as the top is quarterly and the bottom is monthly. Values may not add up to total due to rounding.

OVERVIEW // ORIGINATION VOLUME AND COMPOSITION

Total mortgage origination volume in Q1 2026 was approximately $530 trillion, 49 percent higher than in Q1 2025. While origination volume grew in each channel, PLS and Portfolio growth was much greater than FHA/VA and GSE lines, although FHA/VA and GSE volume is much larger. First-lien PLS securitization volume in Q1 2026 was $43 billion, 115 percent greater than Q1 2025 and Portfolio volume was $115 billion, a 92 percent over the same period. FHA/VA securitization volume was $128.65 billion, 23 percent higher than a year, and the volume of GSE securities originated in Q1 2026 was $203 billion, 36 percent higher than in Q1 2025.

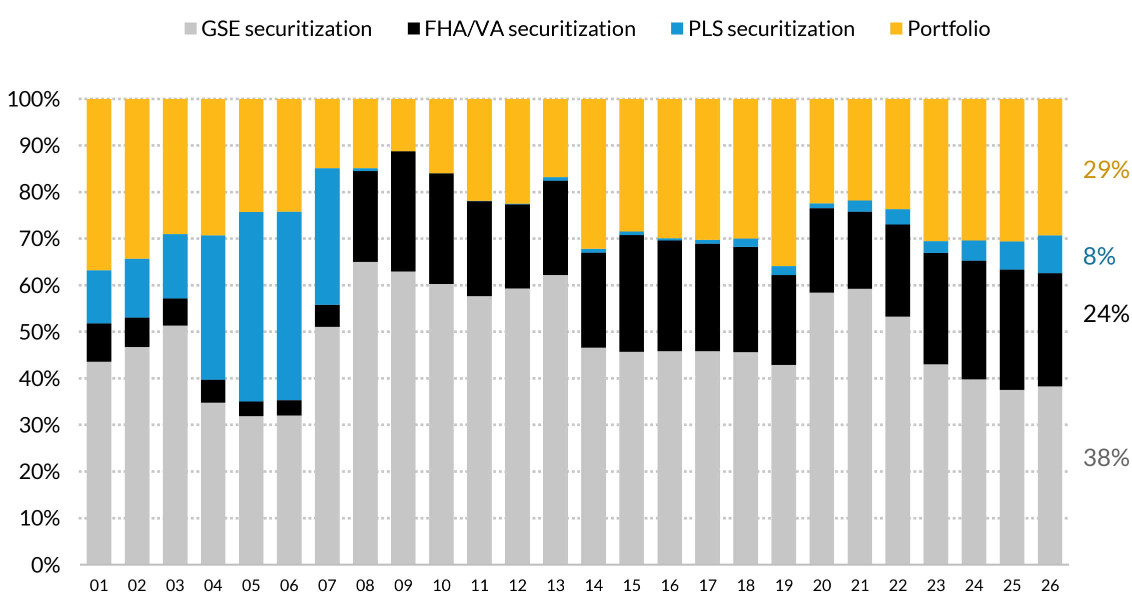
In response to these year-over-year changes in securitized first-lien originations, the GSE share of all securitized originations fell by 4 percentage points to 38 percent in Q1 2026, continuing a downward trend since reaching a peak of 59 percent in 2021. The FHA/VA share also decreased 6 percentage points from 30 in Q1 2025 to 24 in Q1 2026. The Portfolio share increased 7 percentage points to 29 percent. The share of originations secured by PLS increased by 3 percentage points to 8 percent.

Volume of Securitized First-Lien Originations



Sources: Inside Mortgage Finance and the Urban Institute.
Note: Data as of Q1 2026.

Composition of Securitized First-Lien Originations



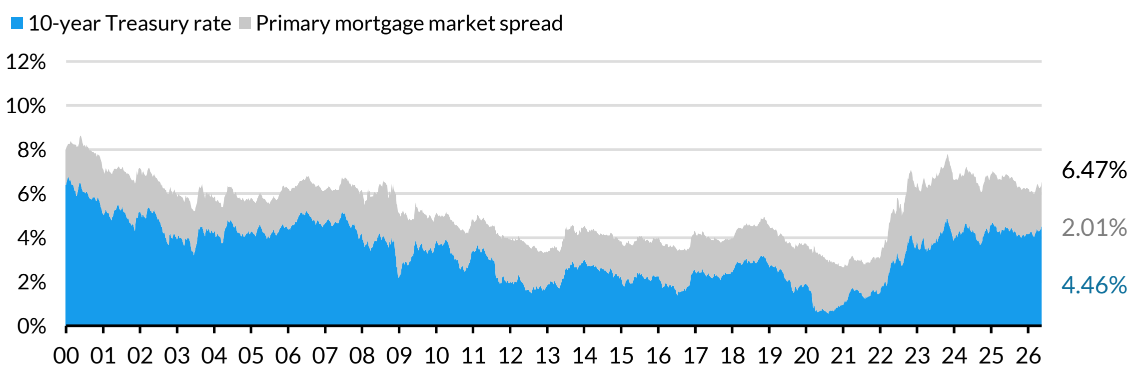
Sources: Inside Mortgage Finance and Urban Institute.
Note: Data as of Q1 2026.

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 30-year fixed rate mortgage fell 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 points. As of June 2026, mortgage rates have jumped, from a low of 5.98 percent to 6.47 percent. The initial increase was likely related to the Iran conflict and ensuing energy crisis. Although the conflict has ebbed and energy prices have receded, hawkish commentary from the Fed continues to weigh on Treasury prices. Over this period, the 10-year Treasury Note increased from 4.02 percent to 4.46 percent. The primary mortgage market spread has increased from 1.90 to 2.01 percent, likely due to greater volatility.

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 more volatility since 2022 and periodic spikes above and below this range.

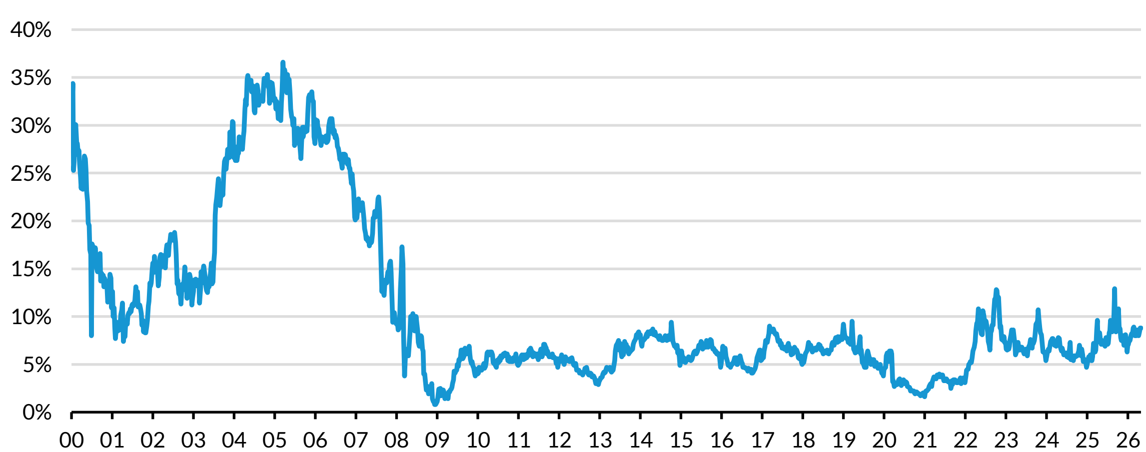
30-Year Fixed Mortgage Commitment Rate

By 10-year Treasury and primary mortgage market 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 June 19, 2026. The primary mortgage market spread is the difference between the 30-year fixed mortgage rate and the 10-year Treasury note rate.

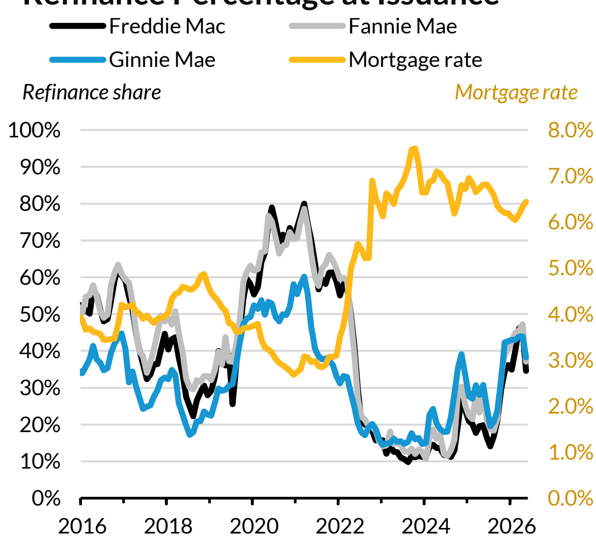
Adjustable-Rate Mortgage Share of Applications



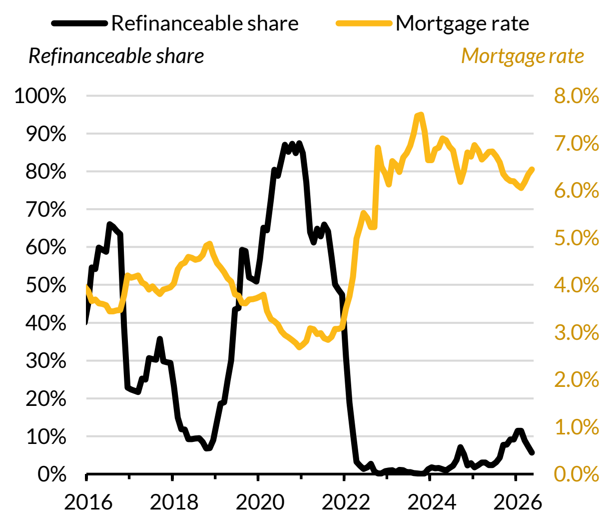
Source: Mortgage Bankers Association Weekly Mortgage Applications Survey.
Notes: Includes purchase and refinance applications. Data updated through June , 2026.

Over the past two-and-a-half years ending in April 2026, mortgage rates were largely declining. At the same time, the refinance share has moved broadly higher. Mortgage rates have since risen to over 6.4 percent in May 2026, and the percent of outstanding agency mortgages that are considered refinanceable (have a contract rate at least 50 basis points lower than the prevailing 30-year fixed-rate mortgage) has declined to 5.7 percent from 7.2 percent in April 2026 while the refinance share has declined across all agency channels. The relative decline in refinance activity reflects the fact that 80.9 percent of outstanding agency borrowers have a rate 6.0 percent or lower.

Refinance Percentage at Issuance

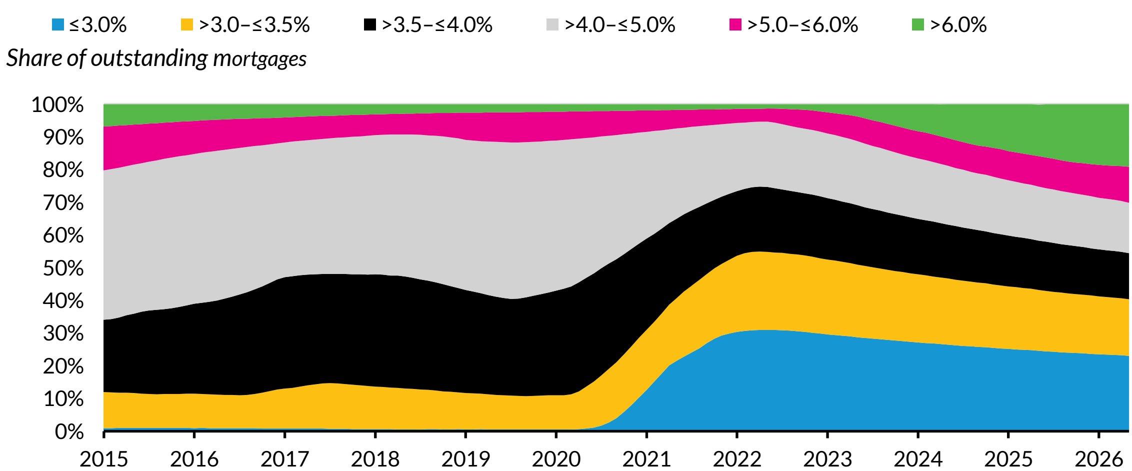


Refinanceable Share of Mortgages



Sources: eMBS, Freddie Mac, and Urban Institute calculations.
Notes: Data as of May 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

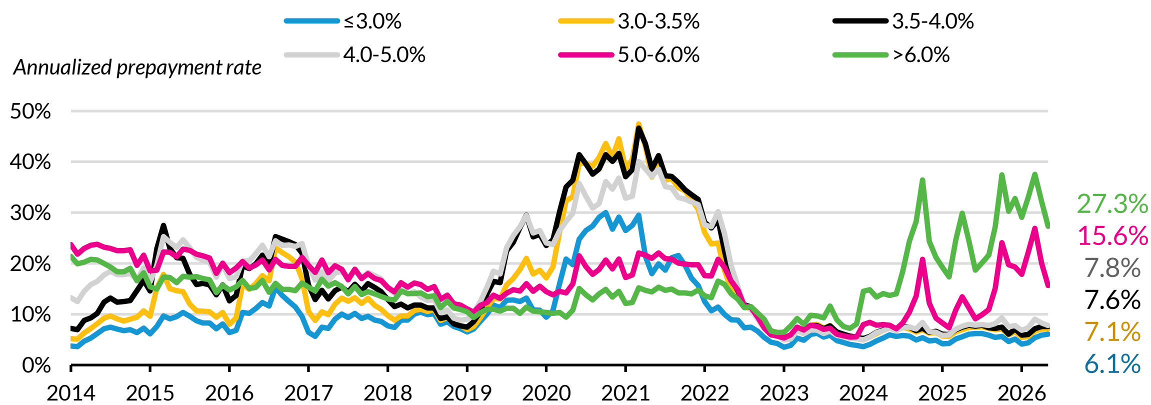


Sources: eMBS, Freddie Mac, and Urban Institute calculations.
Note: Data as of May 2026.

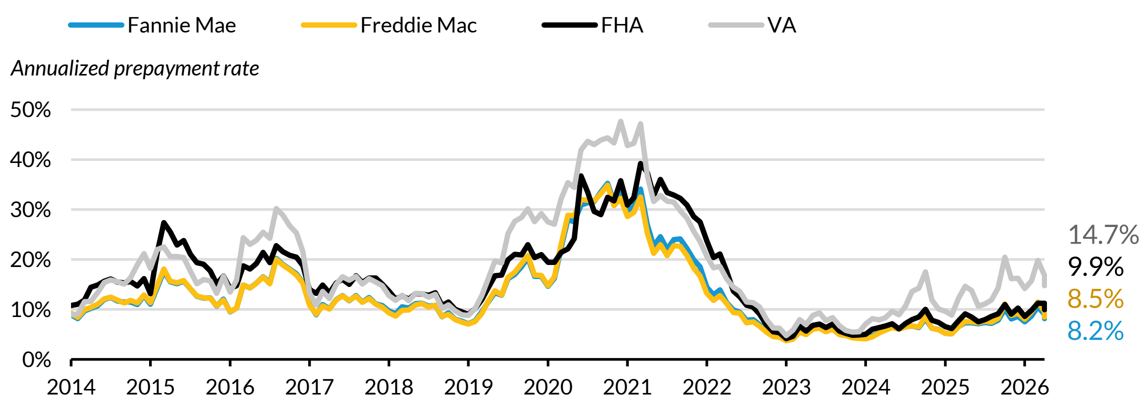
OVERVIEW // PREPAYMENT SPEEDS

Prepayment speeds measure the rate at which borrowers make unscheduled mortgage principal payments; this is in excess of the scheduled amortization. This is largely due to mortgage refinancing. Prepayment speeds vary, they are higher for loans originated since 2022, loans with a mortgage rate exceeding 5.0 percent and VA loans compared to loans with other characteristics. In addition, prepayment speeds for loans with these characteristics have been more volatile than historical norms, as borrowers have been quicker to react to changes in rates. Currently, speeds on these loans are slowing significantly amid the sharp increase in

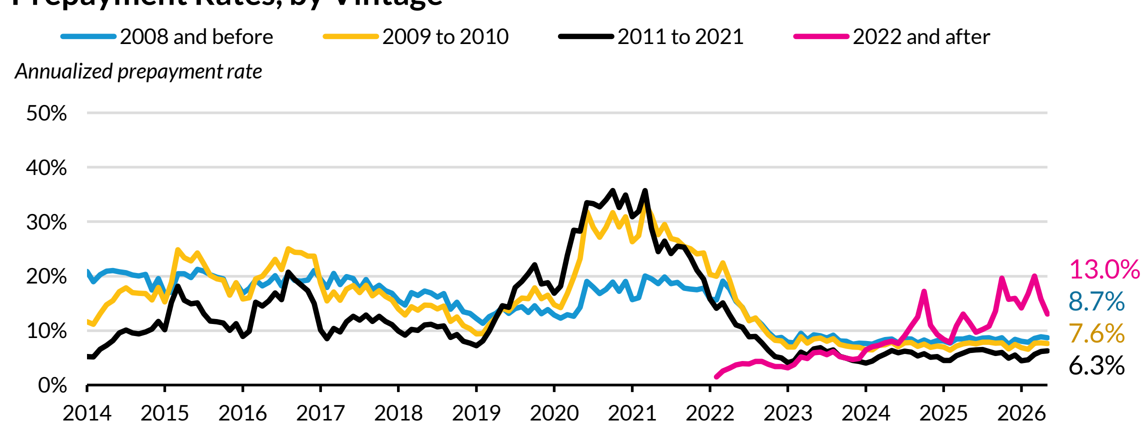
Prepayment Rates, by Note Rate



Prepayment Rates, by Agency



Prepayment Rates, by Vintage

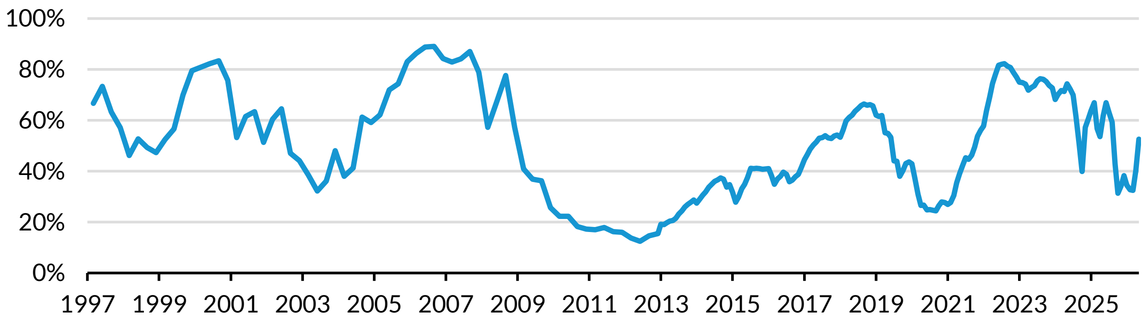


Source: Recursion Co. data as of May 2026.
Note: Prepayment rates calculated by loan count out of outstanding mortgage volume.

OVERVIEW // CASH-OUT REFINANCES

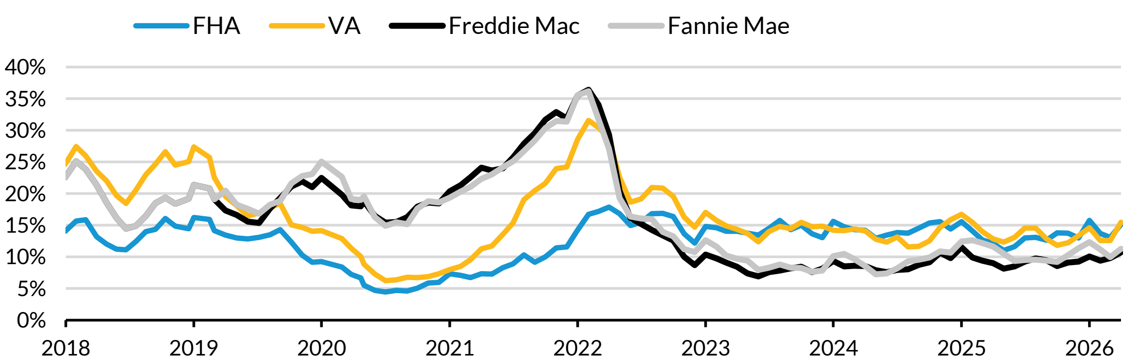
Homeowners can refinance to reduce their payment through a lower rate or shorten their loan term and finish paying off the principal balance faster. But homeowners can also refinance with a goal of extracting equity from their home. Typically, when rates are high, the primary reason to refinance is to take out equity. The drop in mortgage rates since 2025 corresponds with a relative decline in the cash-out share of conventional refinances. But the cash-out share jumped in recent months amid the spike in rates. 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

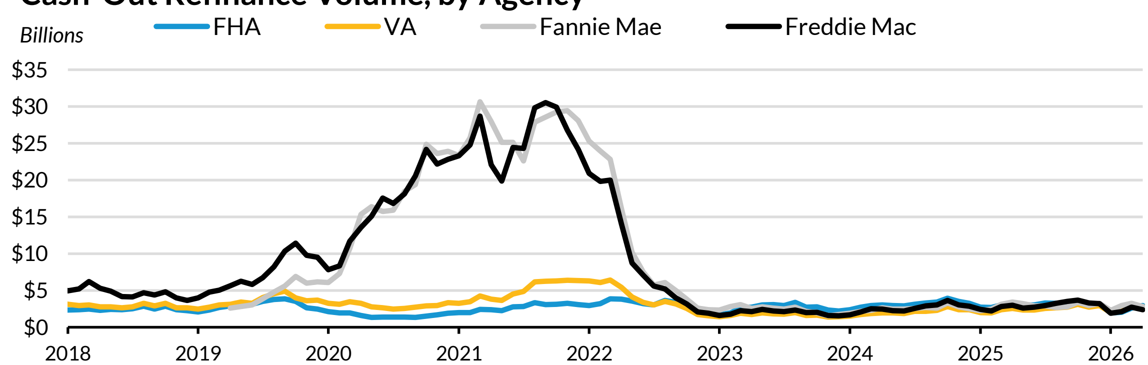


Sources: Freddie Mac, eMBS and Urban Institute.
Note: The cash-out share for the conventional market is calculated using Freddie Mac's quarterly refinance statistics from 1995 to 2013. Post 2013 it is calculated monthly using eMBS. Data as of May 2026.

Cash-Out Refinance Share of All Originations



Cash-Out Refinance Volume, by Agency

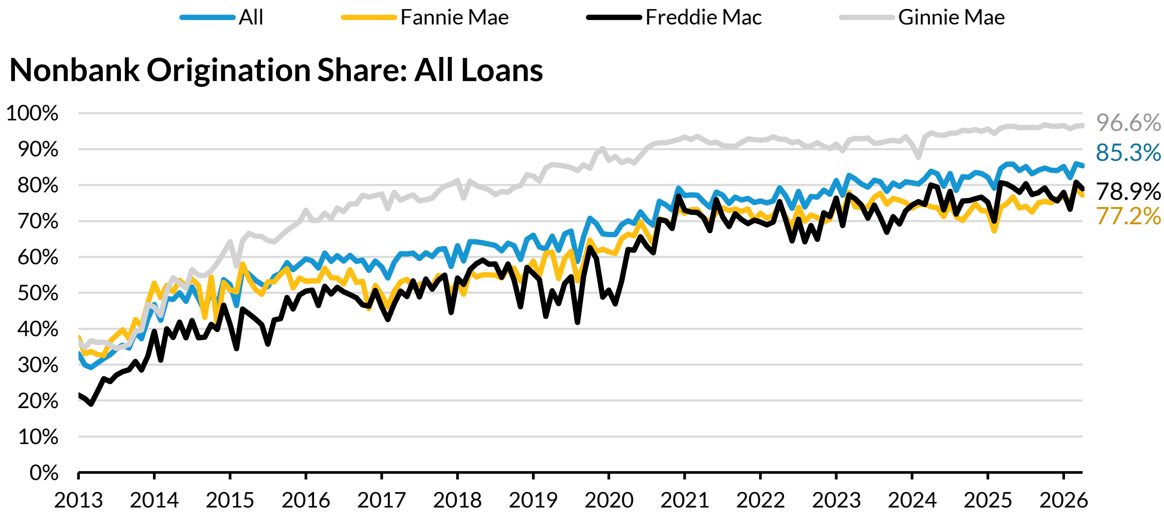


Sources: eMBS and the Urban Institute.
Note: Data as of April 2026. Fannie Mae started reporting cash-out volume in 2018.

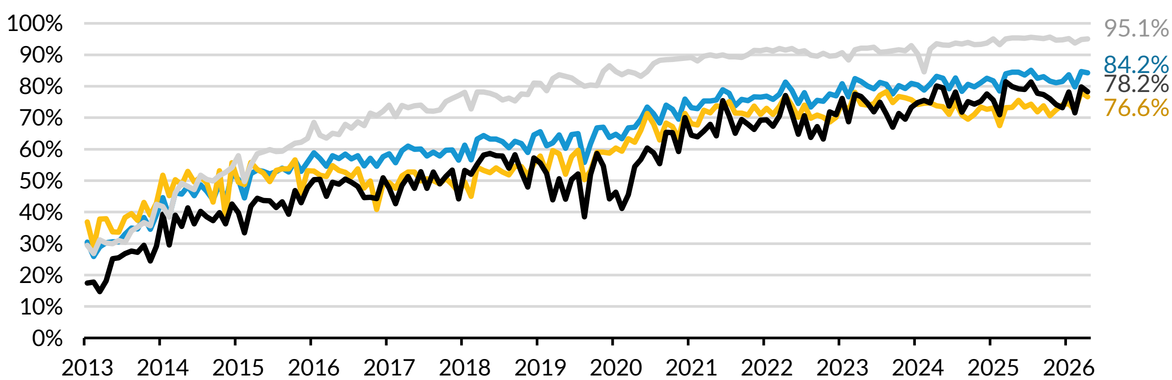
OVERVIEW // AGENCY NONBANK ORIGINATION SHARE

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 85.3 percent as of April 2026. The nonbank share of all agency loans has risen steadily since 2013. The Ginnie Mae nonbank share (96.6 percent in April 2026) has been consistently higher than the GSE share. Fannie Mae and Freddie Mac had nonbank shares of 77.2 and 78.9 percent, respectively.

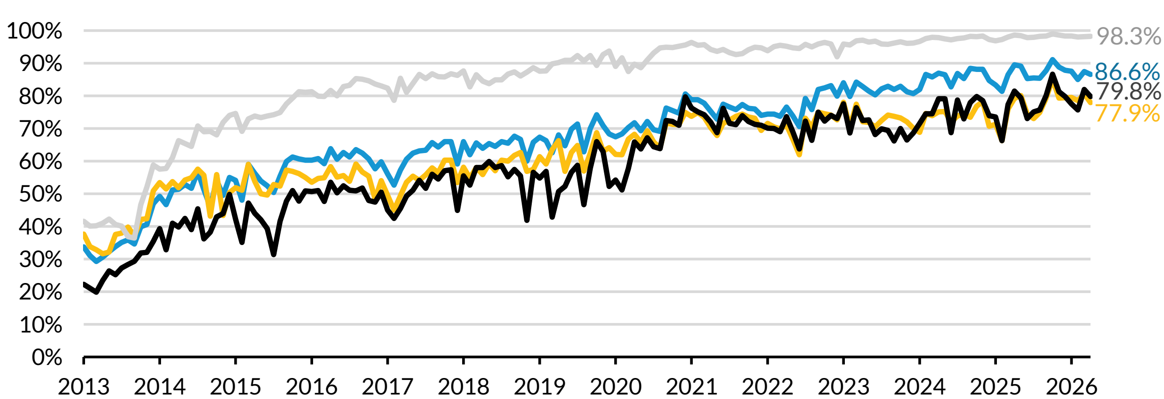
Nonbank Origination Share: All Loans



Nonbank Origination Share: Purchase Loans



Nonbank Origination Share: Refinance Loans



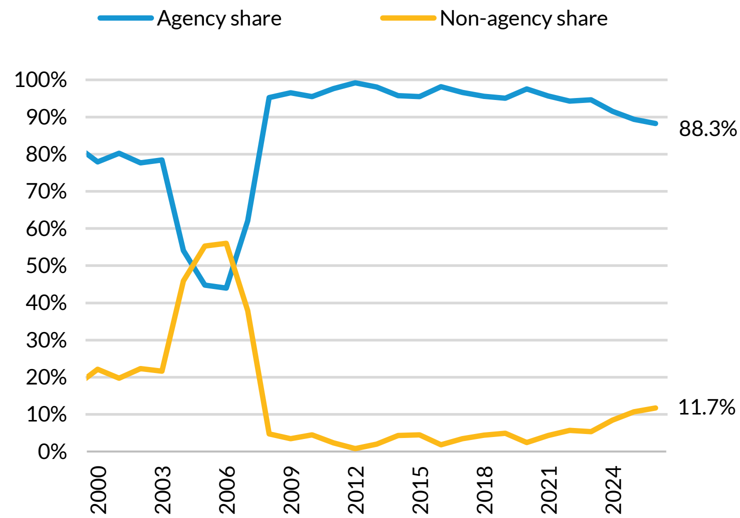
Sources: eMBS and Urban Institute.
Note: Data as of April 2026.

OVERVIEW // SECURITIZATION VOLUME AND COMPOSITION

Agency and Non-agency Share of Residential MBS Issuance

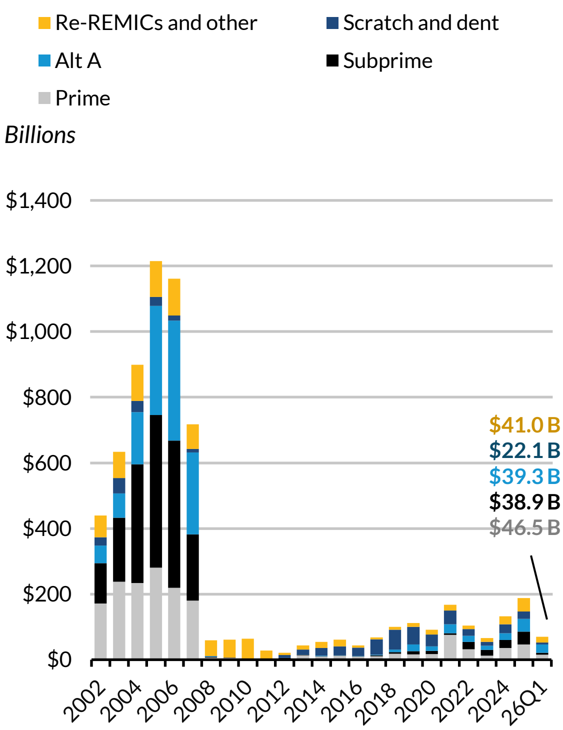
Agency securitizations dominate the MBS market. Close to $9 out of every $10 in residential MBS issuance are agency loans. However, since 2020, agency issuance of residential MBS has been declining and conversely, the non-agency share has been rising. Despite the decline, the agency share today remains well above its Great Recession-era as well as the levels that prevailed between 2000-2003.

Through the first five months of 2026, the total volume of non-agency issuance reached $78.3 billion, 36 percent higher than issuance through May of 2025. Monthly non-agency securitization has been trending upward since the end of 2022.



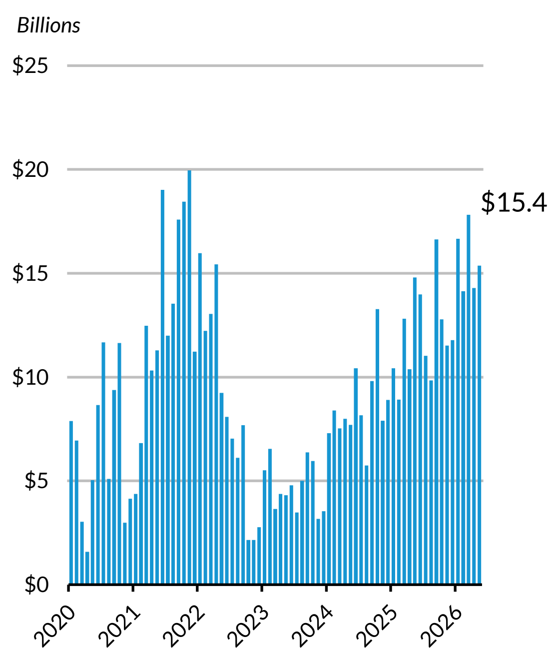
Sources: Inside Mortgage Finance and the Urban Institute.
Notes: Monthly non-agency volume is subject to revision. Data through May 2026.

Non-Agency MBS Issuance



Sources: Inside Mortgage Finance and the Urban Institute.
Note: Data through Q1 2026.

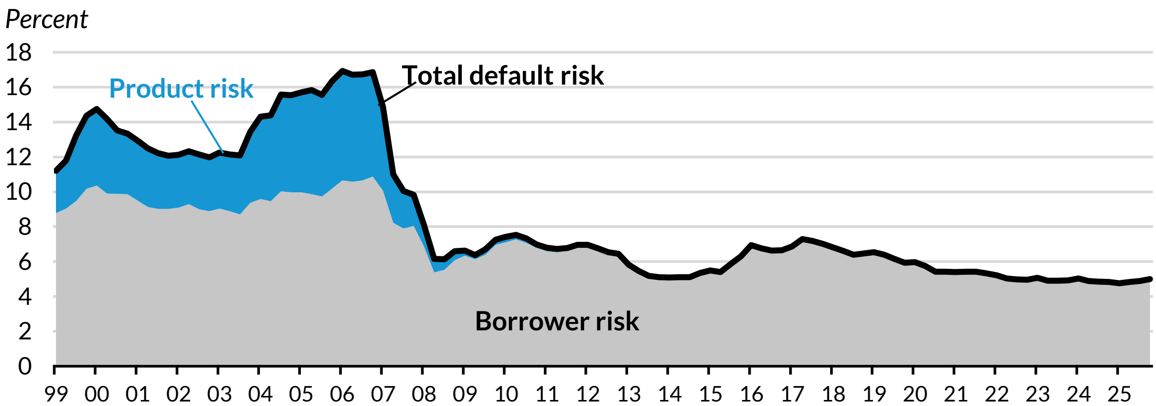
Monthly Non-Agency Securitization



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

CREDIT BOX // HOUSING CREDIT AVAILABILITY INDEX

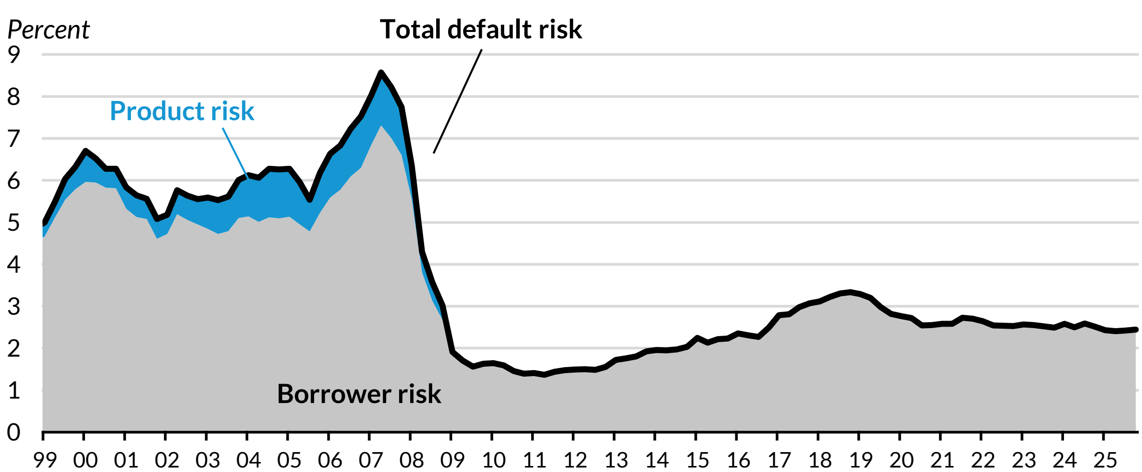
The Urban Institute's Housing Credit Availability Index (HCAI) assesses lenders' tolerance for both borrower risk and product risk. Across the whole market, it stands at 5.0 percent in Q4 2025, up slightly from 4.8 percent in Q3 2025 and from 4.9 percent in Q4 2024. This slightly higher default risk 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

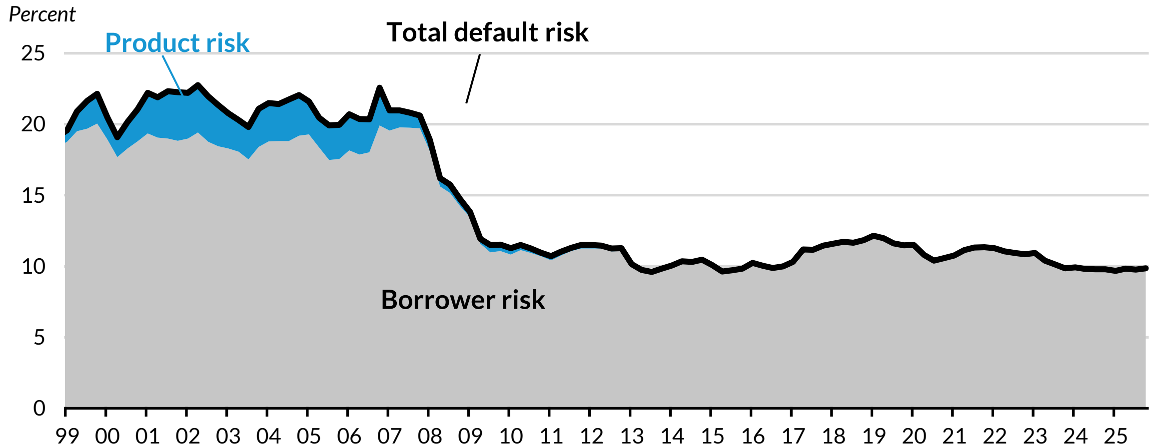
The trend toward greater credit availability in the GSE channel began in Q2 2011. From Q2 2011 to Q4 2018, the total risk taken by the GSE channel more than doubled, from 1.4 percent to 3.3 percent. This is still very modest by pre-crisis standards. However, in the ensuing years, the total risk through 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

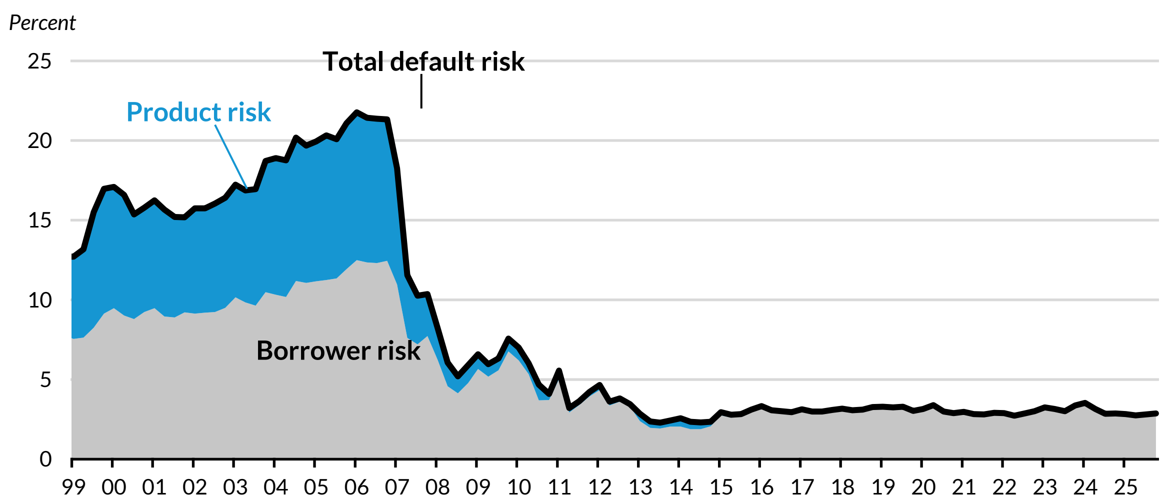
The total default risk the government loan channel is willing to take bottomed out at 9.6 percent in Q3 2013. It fluctuated in a narrow range at or above that number for three years. In the eleven quarters from Q4 2016 to Q1 2019, the risk in the government channel increased significantly from 9.9 to 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 2025. This represents very similar risk compared to Q4 2024.



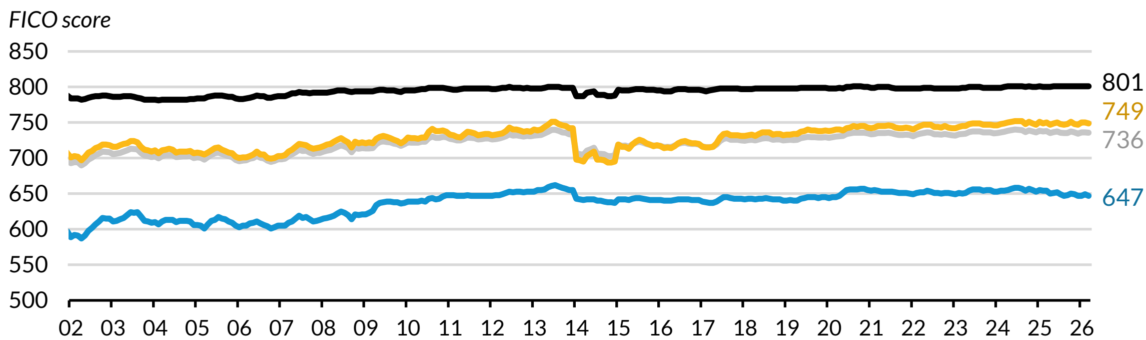
Sources: eMBS, CoreLogic, Home Mortgage Disclosure Act data, Inside Mortgage Finance, and the Urban Institute.
Notes: Default is defined as 90 days or more delinquent at any point. Last updated for Q4 2025.

CREDIT BOX // CREDIT AVAILABILITY FOR PURCHASE LOANS

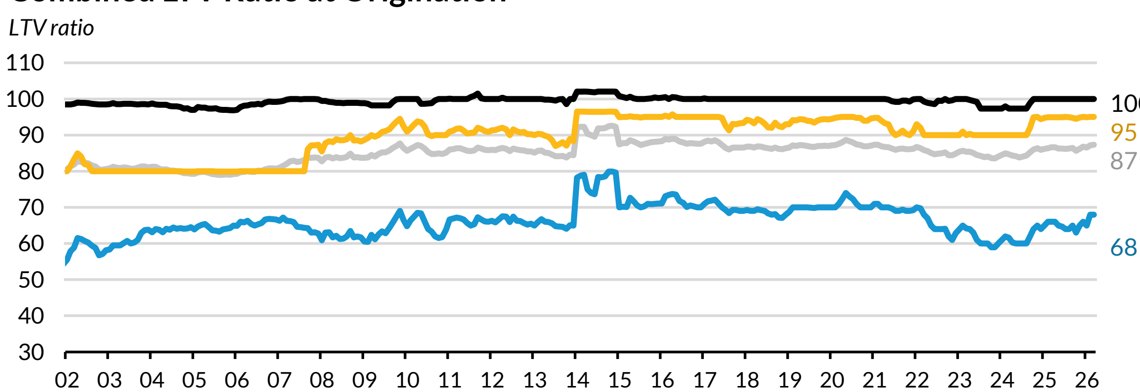
Changes in key loan characteristics can help us assess credit standards. Since 2021, interest rates and home prices have both risen. As a result, borrowers are seeking loans requiring smaller down payments (e.g. higher loan-to-value (LTV) ratios) and must use more of their income for debt service, reflected in increasing debt-to-income (DTI) ratios. Median LTVs have risen from 91 in December 2021 to 95 as of March 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 749 in March 2026. Over roughly the same period, average FICO scores across the entire score population have remained roughly flat.

Mean — 90th percentile — Median — 10th percentile

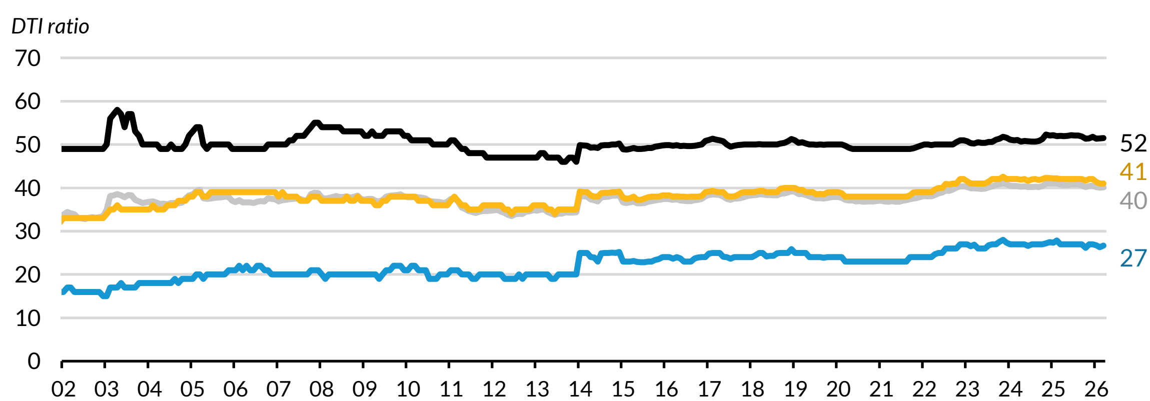
Borrower FICO Score at Origination



Combined LTV Ratio at Origination



DTI Ratio at Origination



Sources: Intercontinental Exchange 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 Intercontinental Exchange Mortgage Technology. A back-update to the Intercontinental Exchange historical series was made in September 2021 for data starting from 2001 onward. Data as of March 2026.

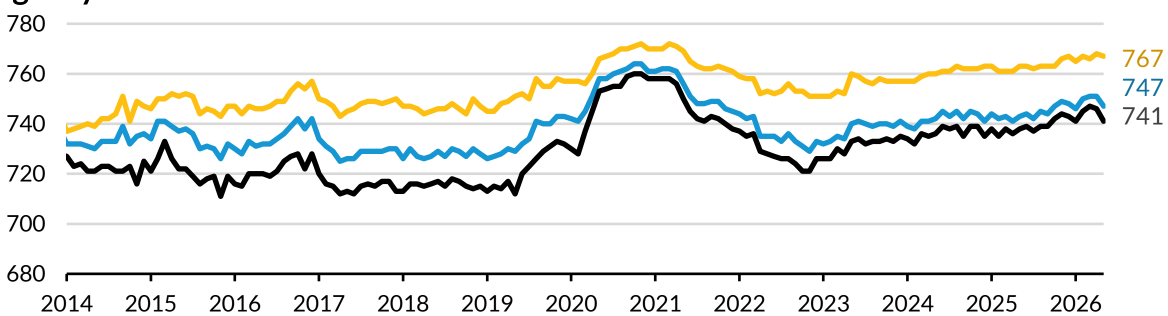
CREDIT BOX // AGENCY NONBANK CREDIT BOX

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 2021-2022 was attributable to the fact that rates rose and refi activity declined. From 2023-March 2026, FICO scores have largely increased; with May 2026 showing a 747 median FICO. Note that FICO scores post 2023 have generally been higher than prior to pandemic.

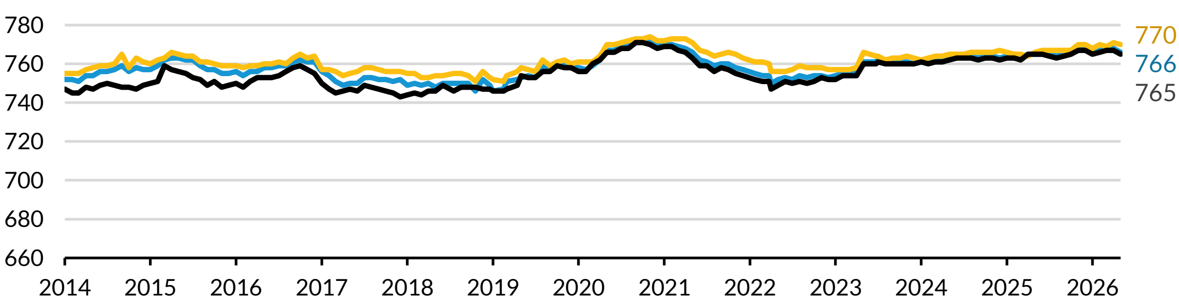
For GSE loans, the difference between the median FICO score on nonbank and bank loans stood at 5 points in May 2026. For Ginnie Mae loans, the difference was 27 points. Overall, the gap between agency bank and nonbank FICO scores was 26 points in May 2026. This reflects the sharp cutback in FHA lending by banks post-2008, banks now compose only 3.6 percent of Ginnie Mae originations (page 13).

All Median FICO Bank Median FICO Nonbank Median FICO

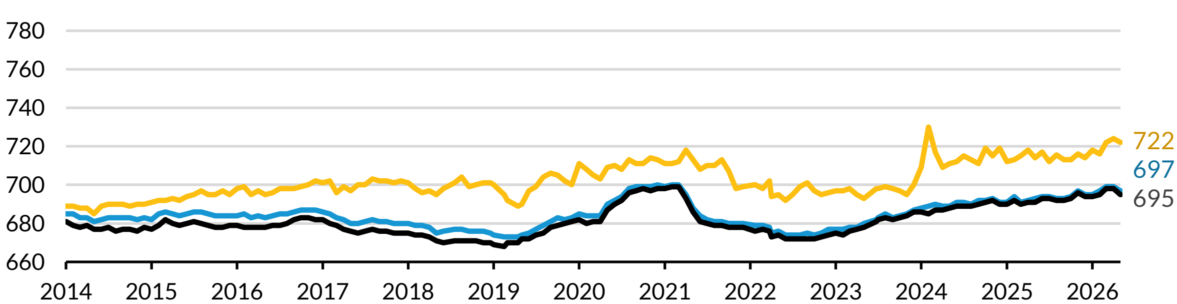
Agency FICO Scores: Bank versus Nonbank



GSE FICO Scores: Bank versus Nonbank



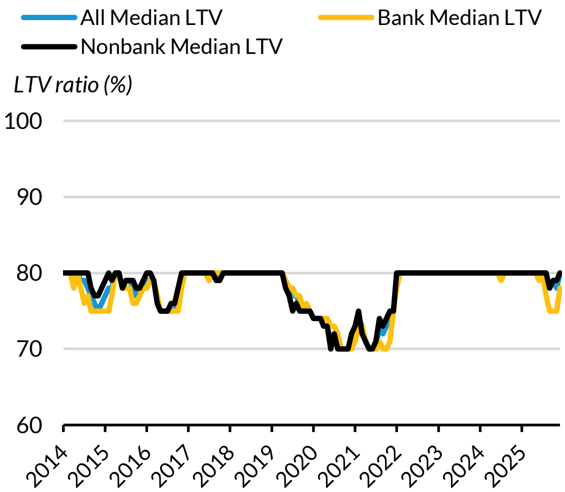
Ginnie Mae FICO Scores: Bank versus Nonbank



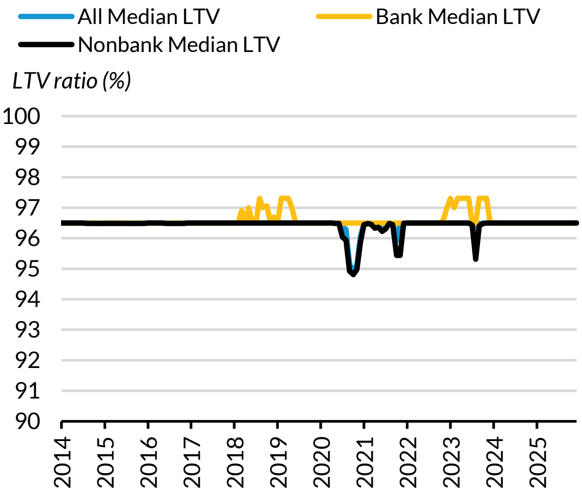
Sources: eMBS and the Urban Institute.
Note: Data as of May 2026.

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 78 percent as of May 2026. In May 2026, median LTVs on GSE non-bank origination has increased slightly, to 80 percent from 79 percent in April 2026. 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. Between December 2021 and September 2025, median DTIs have risen noticeably on both GSE and Ginnie loans. Since October 2025, median DTIs have been slightly declining across GSE and Ginnie loans. However, DTIs on Nonbank loans typically persistently exceed that of Bank loans.

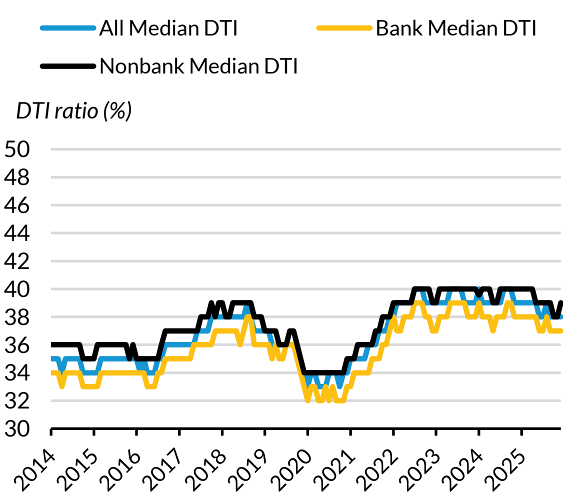
GSE LTV Ratios: Bank versus Nonbank



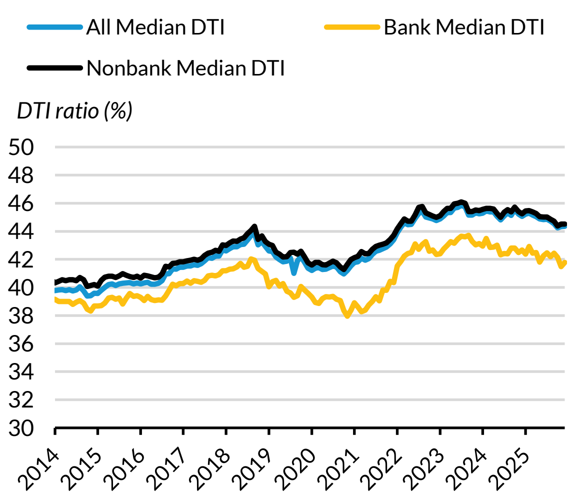
Ginnie Mae LTV Ratios: Bank versus Nonbank



GSE DTI Ratios: Bank versus Nonbank



Ginnie Mae DTI Ratios: Bank versus Nonbank

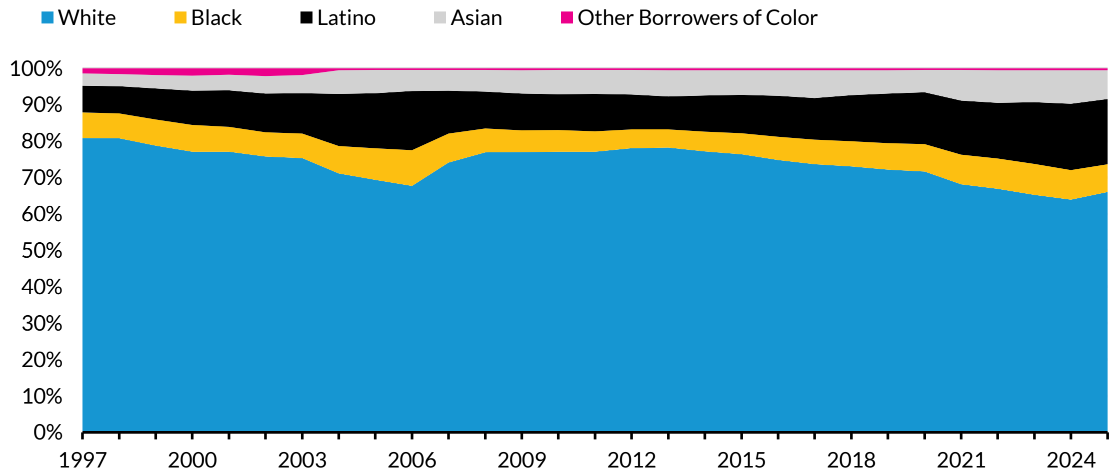


Sources: eMBS and the Urban Institute.
Note: Data as of May 2026.

STATE OF THE MARKET // RACIAL AND ETHNIC COMPOSITION

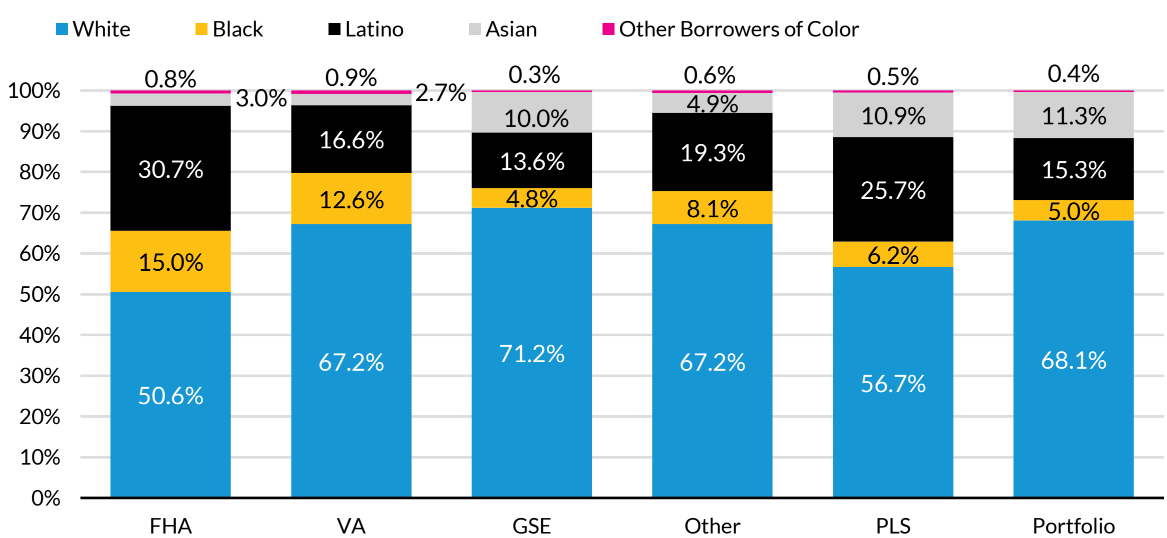
Across all channels, the share of purchase lending to applicants of color reached a peak of 32.3 percent in 2006, the year before the Great Recession. Following the Great Recession and amid a period of very tight credit, the share of purchase loans extended to borrowers of color declined to a low of 21.7 percent in 2013. Since then, it has slowly increased. In 2025, the borrower of color share stood at 34.0 percent, down from 36.1 percent in 2024. But the share of purchase lending to borrowers of color varied widely by channel in 2025. Nearly 50 percent of FHA homebuyers are borrowers of color, as are 43.3 percent are PLS borrowers. Borrowers of color represented a smaller loan share in the GSE, VA, and portfolio channels (28.8 percent, 32.8 percent, and 31.9 percent, respectively).

2025 Purchase Loan Shares, by Race or Ethnicity



Source: 1997 to 2025 Home Mortgage Disclosure Act data.
Note: Includes purchase loans only.

2025 Purchase Loan Channel Shares, by Race or Ethnicity



Source: 2025 Home Mortgage Disclosure Act data.
Note: Includes purchase loans only.

Mortgage volume continues to recover from the 2023 lows. Fannie Mae forecasts 2026 originations will be 20 percent above 2025 levels, while the Mortgage Bankers Association expects a 6 percent increase. Originations over the first quarter of 2026 were higher compared to the first quarter of 2025, partly driven by a higher refi share.

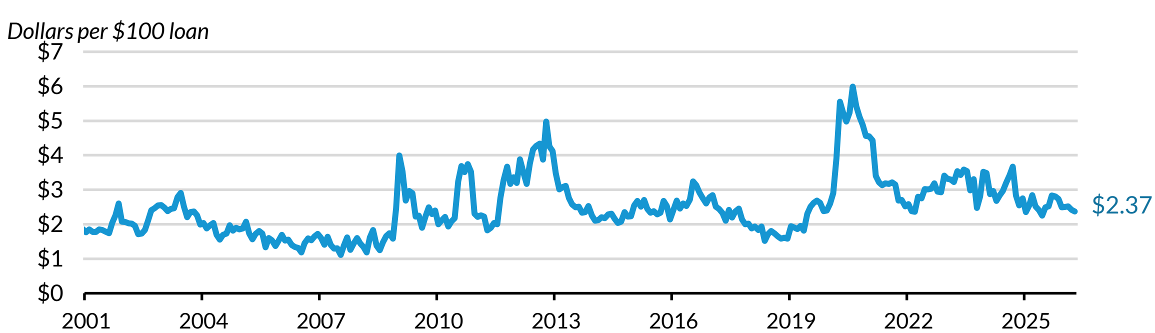
Total Originations and Refinance Shares

	Originations ($ Billions)		Refinance Share (Percent)	
Period	Total, FNMA estimate	Total, MBA estimate	FNMA estimate	MBA estimate
2025 Q1	370	384	25	29
2025 Q2	506	515	25	29
2025 Q3	501	565	25	33
2025 Q4	581	586	40	42
2026 Q1	546	551	48	40
2026 Q2	594	567	32	37
2026 Q3	607	539	34	29
2026 Q4	598	517	39	31
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	1,958	2,050	29	34
2026	2,345	2,174	38	34

Sources: Fannie Mae (FNMA), the Mortgage Bankers Association (MBA), and the Urban Institute.
Note: Fannie Mae and MBA forecasts as of June 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, 2024, 2025, and 2026 were 3.9, 3.0, 3.0, 5.3, 6.8, 6.7, 6.6 and 6.1 percent.

Originator Profitability and Unmeasured Costs

While origination activity may be variable, due to changes in mortgage rates, there is still excess capacity in the system, which continues to weigh on profitability. In April 2026, Originator Profitability and Unmeasured Costs (OPUC) was $2.37 per $100 loan, down from $2.42 in March 2026. 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 April 2026. OPUC is a monthly (four-week moving) average, as discussed in the link above.

In addition to more refinances, forecasts of greater mortgage origination volume over 2026 compared to 2025 will also reflect modest growth in home sales. Over the year, Fannie Mae expects home sales to rise by 1.3 percent while MBA projects a 3.3 percent increase. Despite rising from a historical low in 2022, inventory (measured as months' supply) of existing single-family homes, condos, and co-ops remains low and the pace of new residential construction in 2026 is expected to be similar to 2025, weighing on home sales growth.

Months' Supply

Sources: National Association of Realtors and the Urban Institute.
Note: Data as of May 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	1,356	1,359	1,356	4,754	4,755	4,379
2026	1,370	1,358	1,342	4,814	4,911	4,472

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

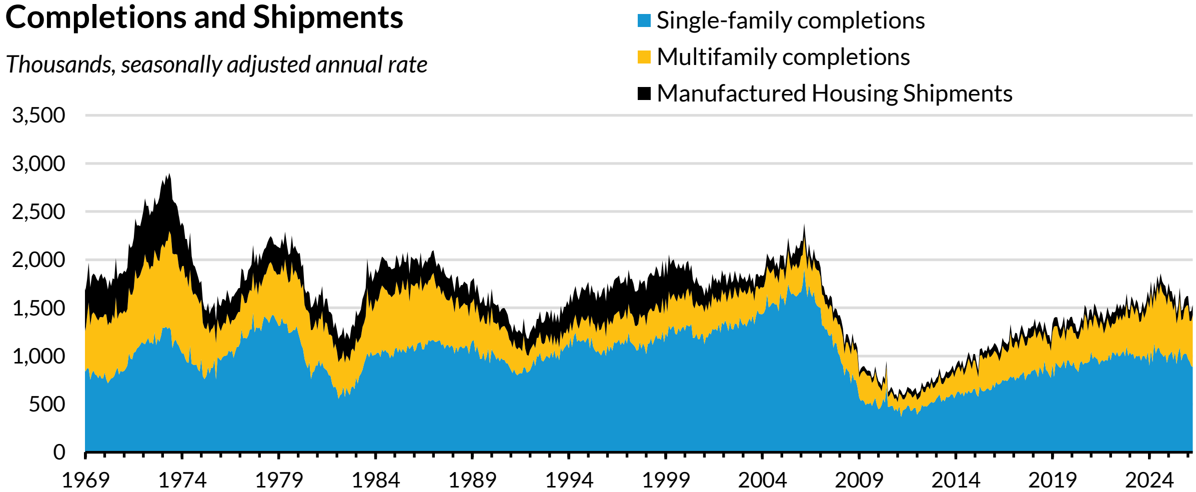
STATE OF THE MARKET // NEW RESIDENTIAL PRODUCTION

New residential production—including single-family and multifamily completions, as well as manufactured housing shipments—reached a seasonally adjusted annual rate of 1.53 million units in April 2026. Since reaching a low of 565,000 units in January 2011, new production has risen 171 percent. But current production is still 36 percent lower than the peak March 2006 level of 2.38 million units. In April 2026, single-family completions were 53 percent lower than the March 2006 peak of 1.91 million units. Multifamily completions were 24 percent higher than their level in March 2006 and have declined by 25 percent since a recent peak in August 2024. Manufactured housing shipments were 38 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.

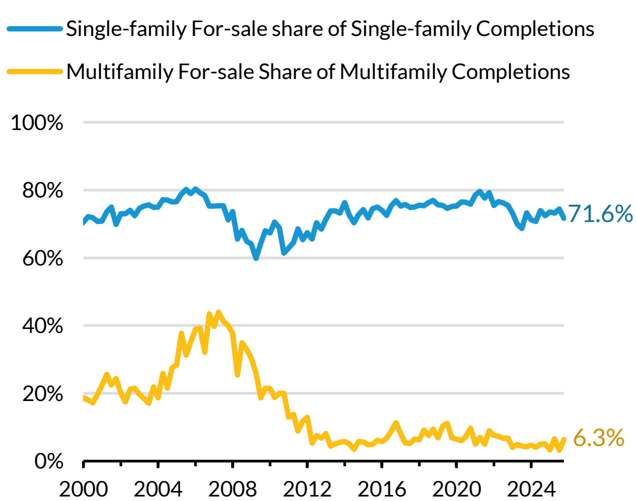
Completions and Shipments

Thousands, seasonally adjusted annual rate



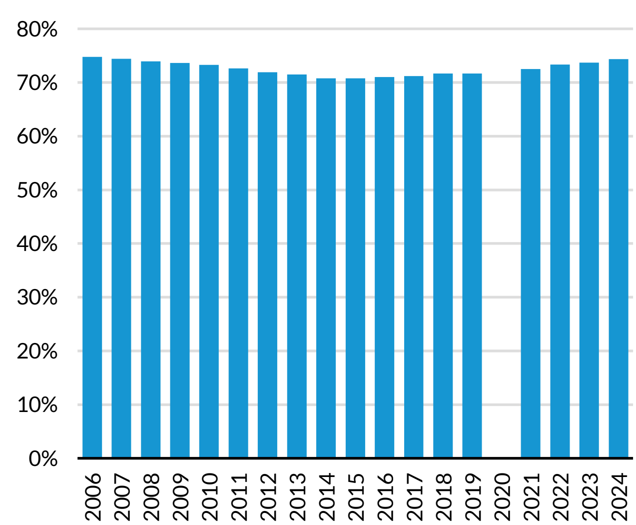
Sources: Moody's Analytics, US Census Bureau, and Urban Institute calculations. April 2026

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

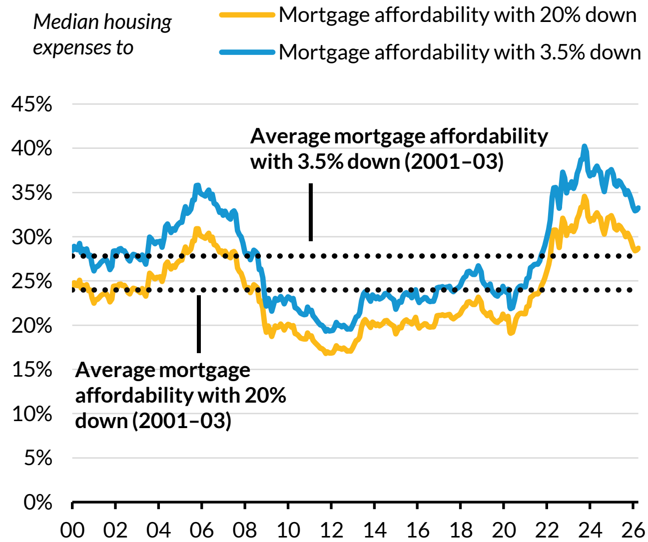


Source: 1-year American Community Survey data 2006-2024.
Note: Data are not available for 2020 because of low response rates during the pandemic.

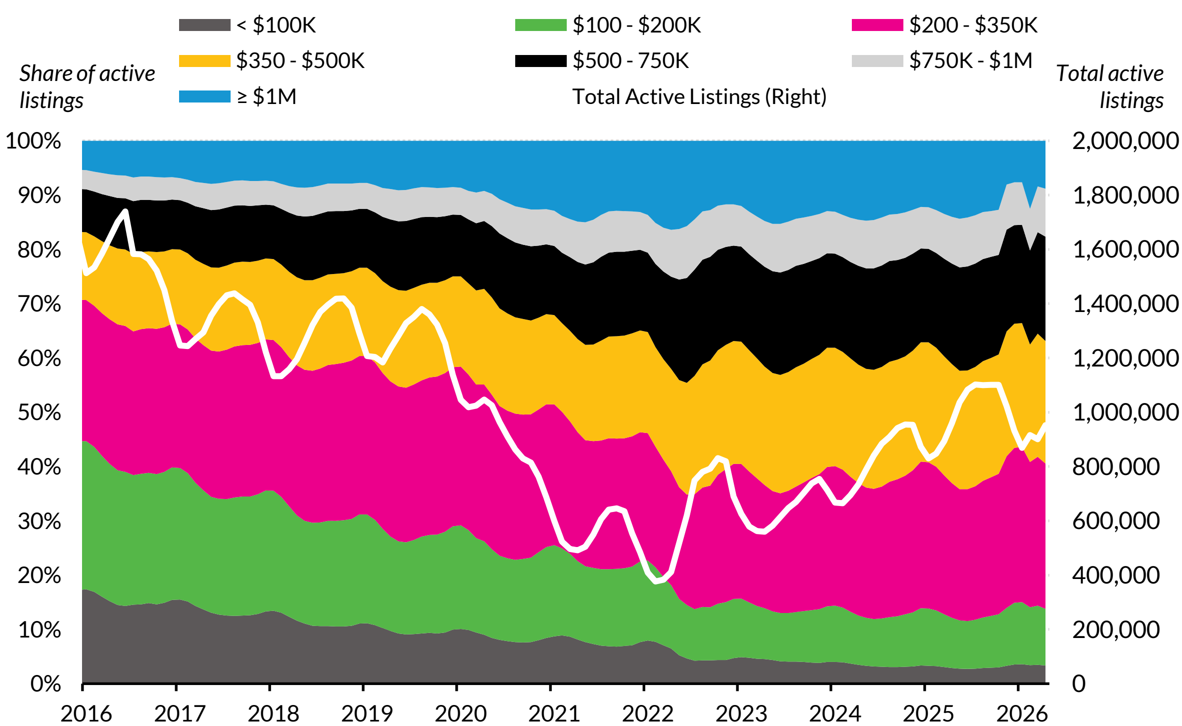
National Mortgage Affordability over Time

Mortgage affordability has improved significantly since November 2023. Flat house prices nationwide and falling mortgage rates have contributed to the improvement in mortgage affordability. As of April 2026, with a 20 percent down payment, the share of median income needed for the median monthly mortgage payment was 28.7 percent, below the peak during the housing bubble in November 2005; and with 3.5 percent down, the housing cost burden is 33.3 percent, also just below the 35.8 percent peak in November 2005. However, affordability remains worse compared to its average over the 2001-2003 period.

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.



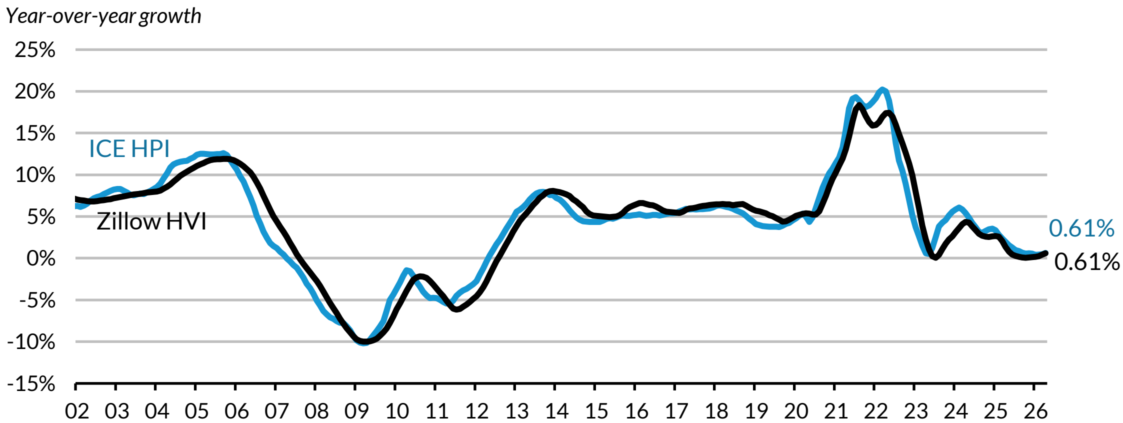
Active Listings, by Price Tier, over Time



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 April 2026.

National Year-Over-Year HPI Growth

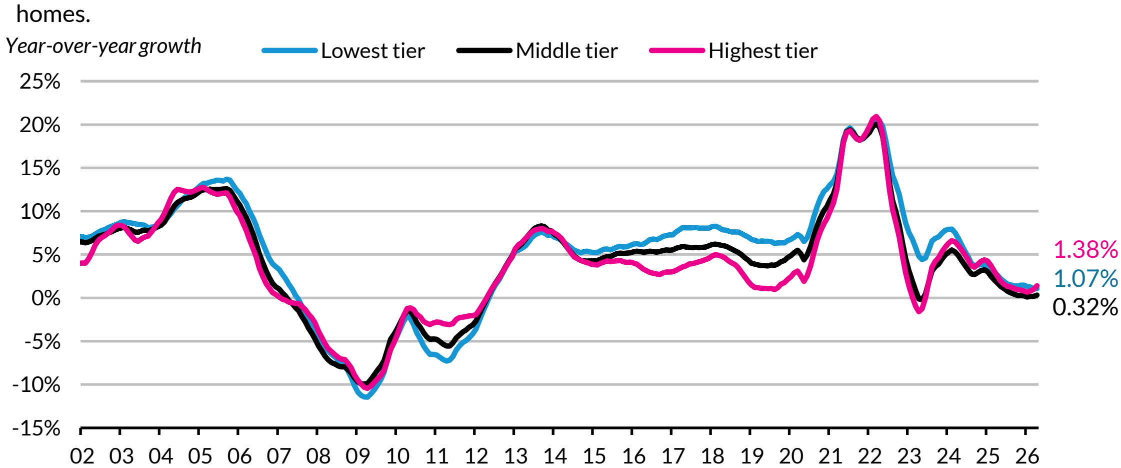
While house prices likely remain supported by the lack of supply, home price appreciation has slowed with house prices largely stagnating, as demonstrated by two key measures of home price indices. According to Intercontinental Exchange Mortgage Technology's repeat sales index, year-over-year home price appreciation was 0.61 percent in April 2026, up slightly from the previous month's 0.46 percent. Year-over-year home price appreciation, as measured by Zillow's hedonic home value index, is 0.61 percent in April 2026, up from 0.44 percent in March.



Sources: Intercontinental Exchange Mortgage Technology, Zillow, and the Urban Institute.
Notes: Intercontinental Exchange Mortgage Technology modified the methodology behind its HPI in February 2021, resulting in changes to historic price estimates. Data as of April 2026.

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

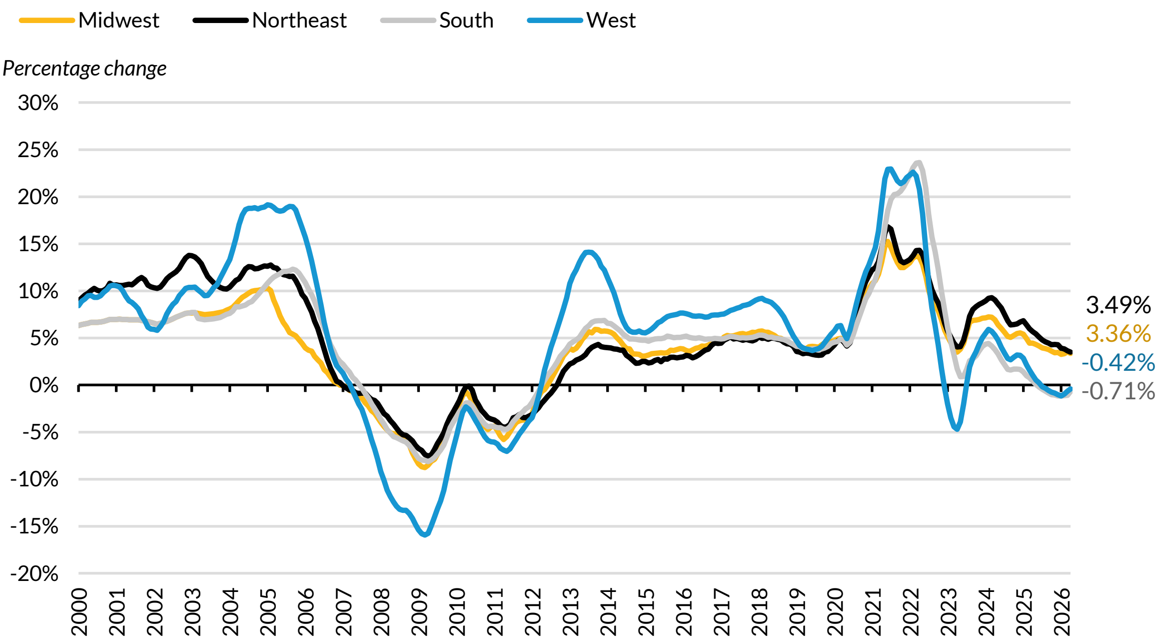
Lower tier homes generally exhibit more price volatility than higher tier homes, rising more when home prices accelerate and falling more when home prices slow or decline. On the whole, since the early 2000s lower priced homes have generally appreciated marginally more than their higher priced counterparts. As of April 2026, house price growth for the highest-tier homes has outpaced that of middle- and lowest-tier homes.



Sources: Intercontinental Exchange Mortgage Technology and the Urban Institute.
Notes: Intercontinental Exchange modified the methodology behind its HPI in February 2021, resulting in changes to historic price estimates. Data as of April 2026.

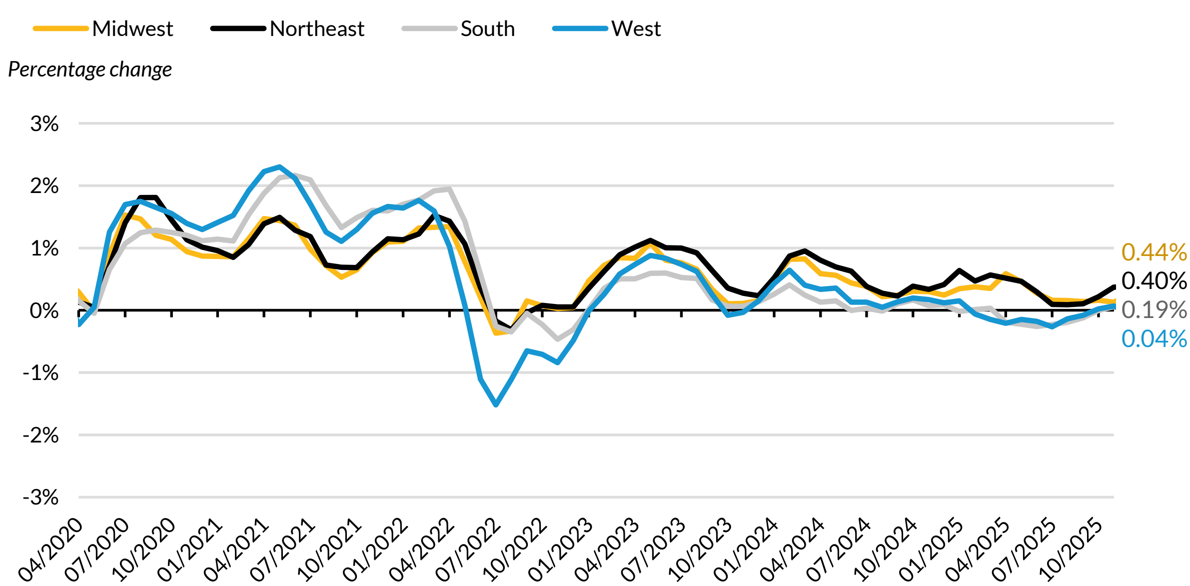
On a year-over-year basis, house price appreciation has slowed across the Midwest and Northeast while house prices are declining in the South and West. However, the rate of house price declines in the South and West are slowing and might begin to grow in the near future as month-over-month house prices changes in these regions has pivoted and are now positive.

Year-over-Year Home Price Appreciation, by Region



Sources: Intercontinental Exchange Mortgage Technology and Urban Institute calculations.
Note: Data as of April 2026.

Month-over-Month Home Price, by Region

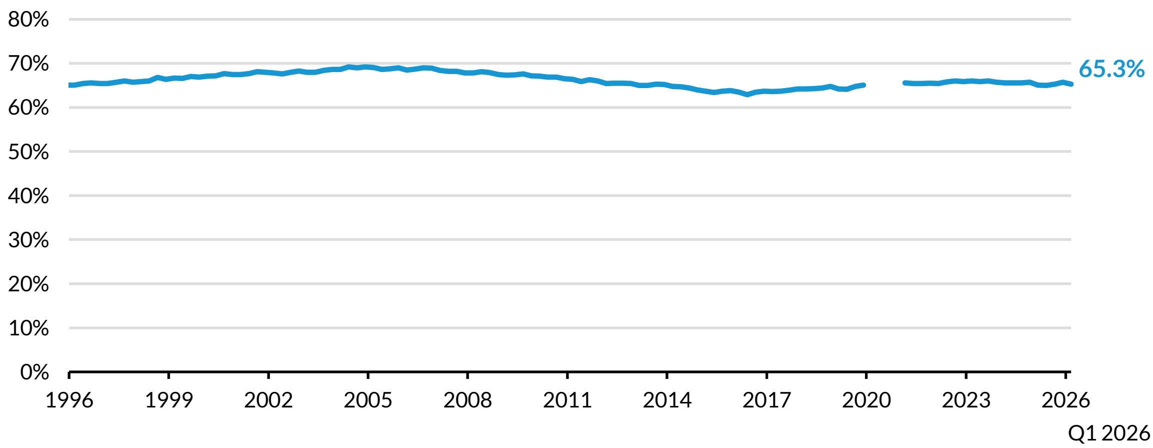


Sources: Intercontinental Exchange Mortgage Technology and Urban Institute calculations.
Note: Data as of April 2026. Values are seasonally adjusted.

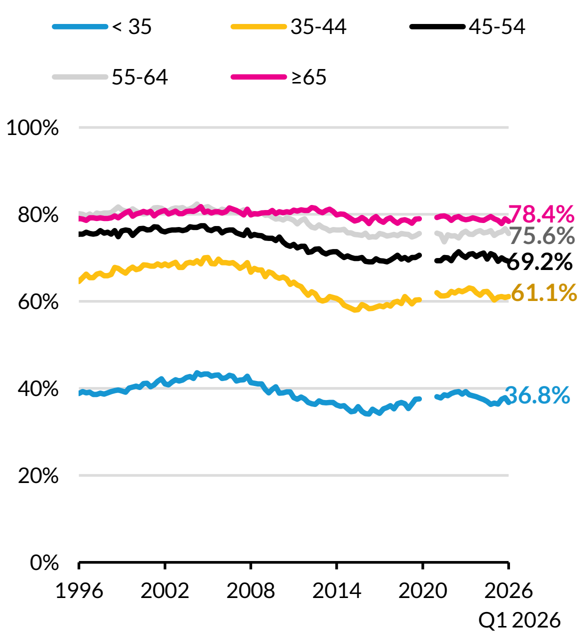
STATE OF THE MARKET // HOMEOWNERSHIP RATES

In Q1 2026, the homeownership rate was at 65.3 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.

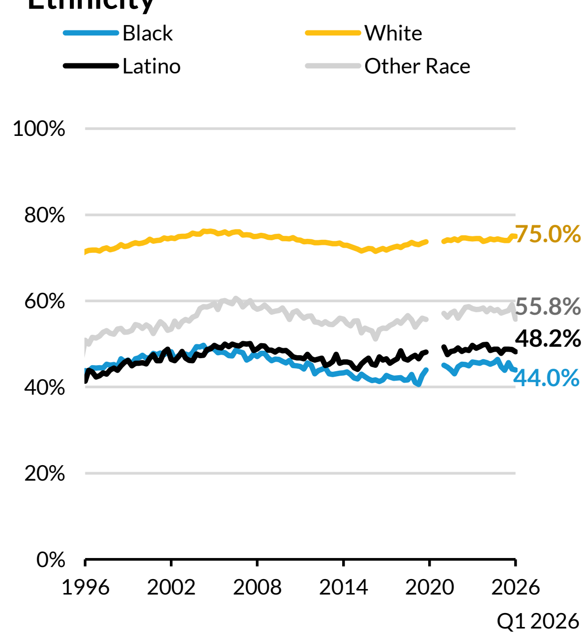
Overall Homeownership Rate



Homeownership, by Owner Age



Homeownership Rate, by Race or Ethnicity



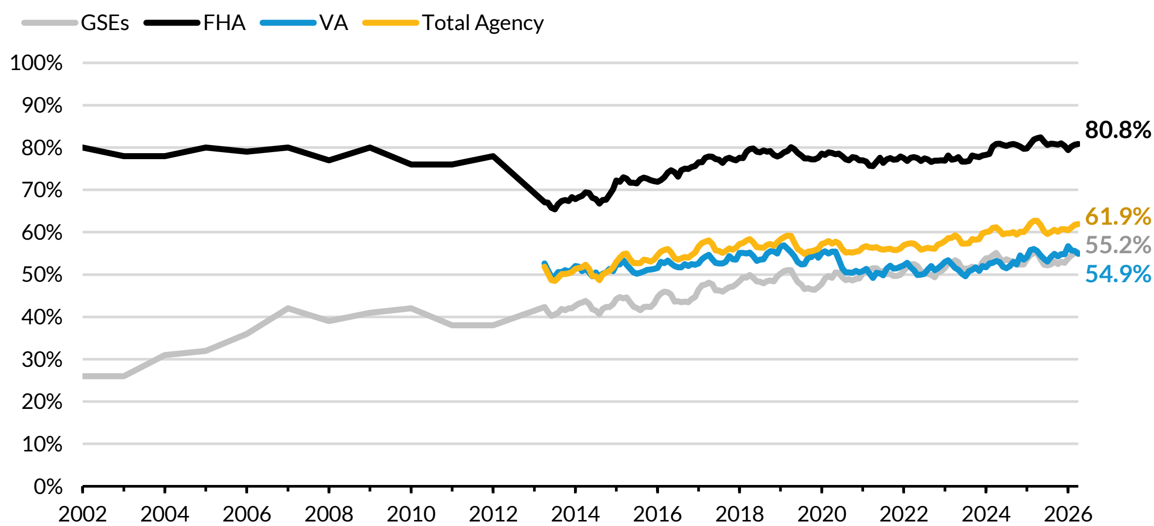
Sources: Moody's Analytics, US Census Bureau, and Urban Institute calculations.
Note: Data from 2020 are poor because of low response rates during the pandemic.

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 April 2026, more than half of GSE and VA purchase originations were made to first-time homebuyers (55.2 percent and 54.9 percent, respectively).

The bottom table shows that based on mortgages originated in April 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 wide spread 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 April 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

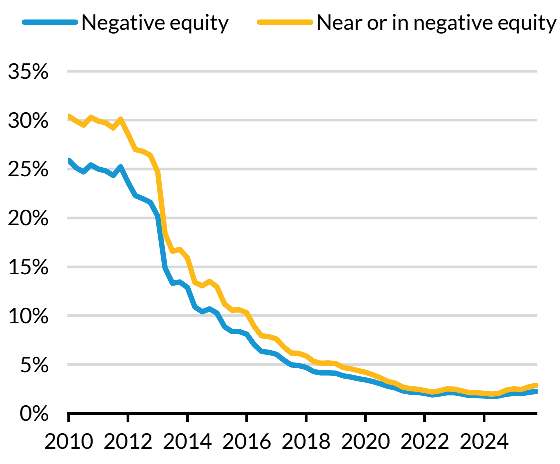
	GSEs		FHA		GSEs and FHA	
Characteristics	First-time	Repeat	First-time	Repeat	First-time	Repeat
Loan amount	$347,171	$396,665	$325,389	$351,444	$344,727	$402,254
Credit score	753	765	691	695	727	753
LTV ratio (%)	85	77	95	93	90	82
DTI ratio (%)	37	38	44	46	40	40
Loan rate (%)	6.16	6.16	5.81	5.74	5.99	6.02

Sources: eMBS and the Urban Institute.
Note: Based on owner-occupied purchase mortgages originated in April 2026.

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 2.71 to 2.89 percent from Q3 2025 to Q4 2025, reflecting increases in the shares in both negative and near-negative equity. From Q3 2025 to Q4 2025, the composition of loans in negative equity rose slightly to 2.24 percent from 2.16 percent while the share in near-negative equity, defined as having zero to five percent in equity, rose from 0.56 percent to 0.65 percent over the same period. Serious delinquency has risen sharply in the recent quarter. The share of loans that are 90 days or more delinquent or in foreclosure increased 29 basis points, from 1.77 percent in Q4 2025 to 2.06 percent in Q1 2026. The share of mortgages in foreclosure has increased to 0.64 percent over the same period, while the share of loans 90 days or more delinquent increased by 15 basis points to 1.42 percent from 1.27 percent in the previous quarter. Serious delinquencies include loans where borrowers have missed three or more payments, including those in forbearance.

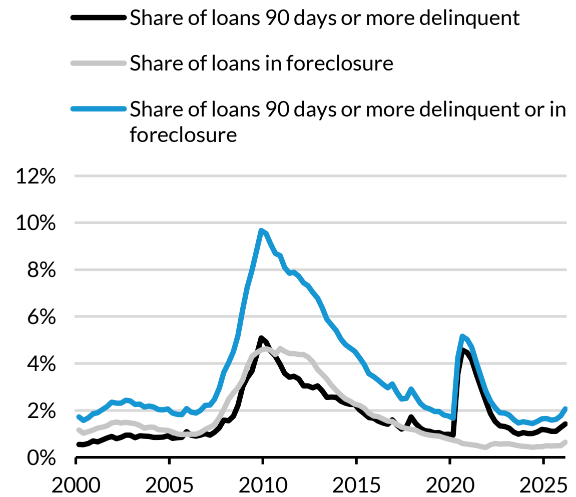
The bottom chart shows the share of loans in forbearance according to the MBA Weekly Forbearance and Call Volume Survey, launched in March 2020. After peaking at 8.55 percent in early June 2020, the total forbearance rate declined to 2.06 percent as of October 31, 2021, the final week of the call survey. 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.

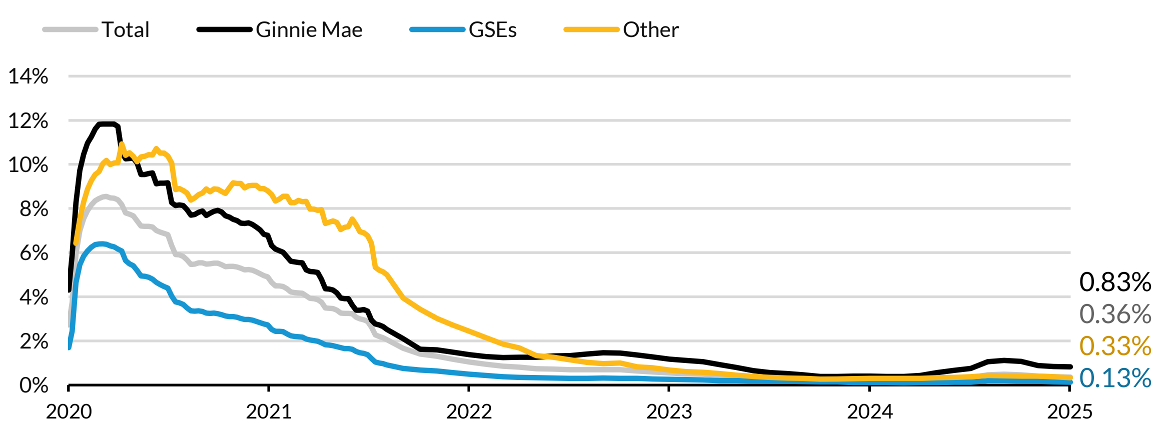
Loans in Serious Delinquency or Foreclosure



Sources: Mortgage Bankers Association and the Urban Institute.

Q1 2026

Forbearance Rates, by Channel

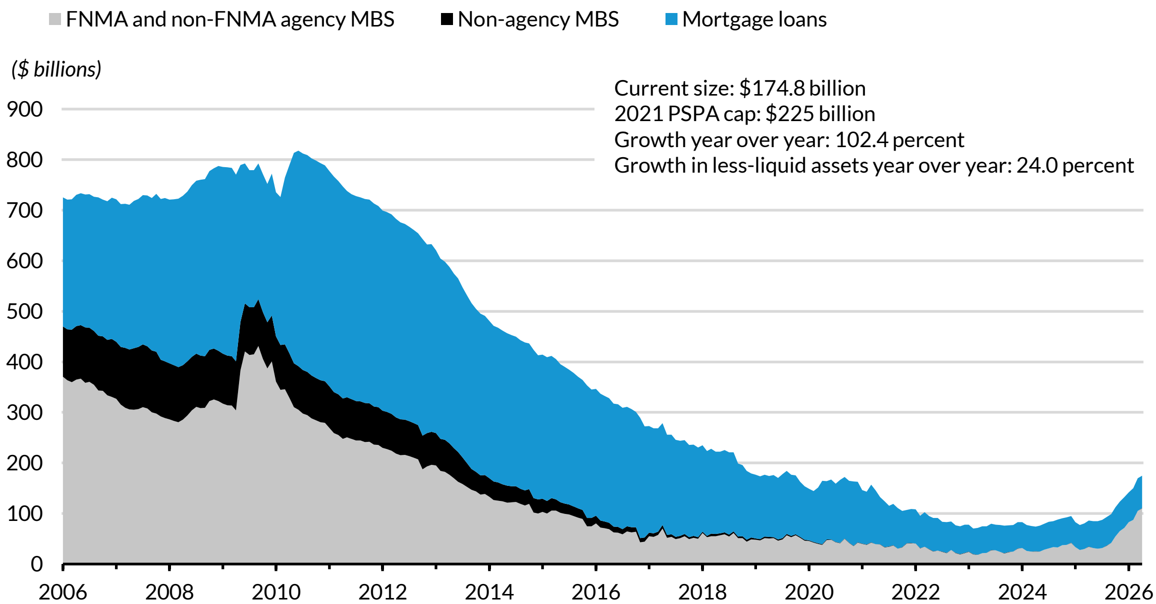


Source: MBA Weekly Forbearance and Call Volume Survey.
Note: Forbearance rates as of March 31, 2025.

GSEs UNDER CONSERVATORSHIP // GSE PORTFOLIO WIND-DOWN

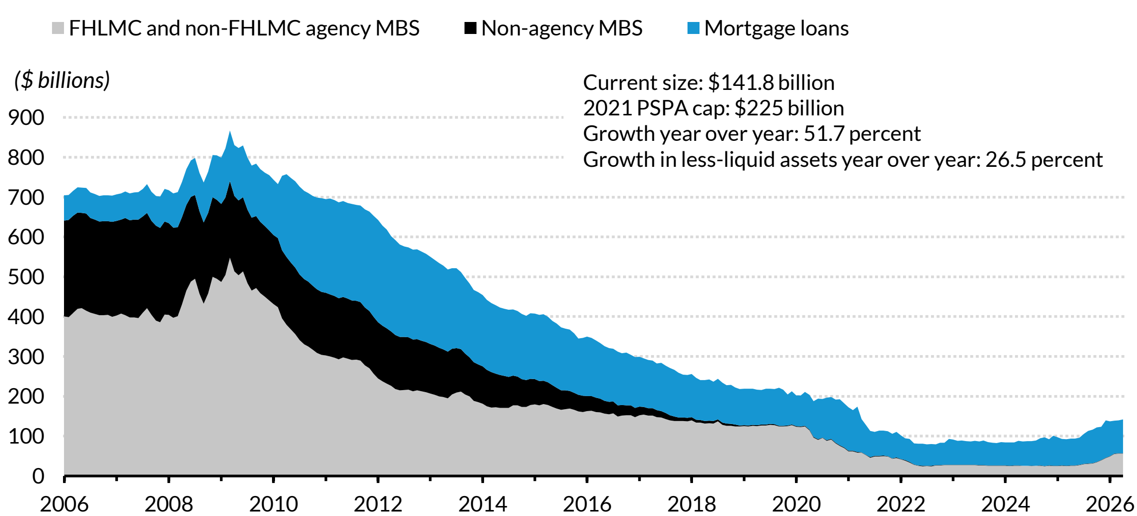
The Fannie Mae and Freddie Mac portfolios remain well below the $225 billion cap mandated in January 2021 by the new Preferred Stock Purchase Agreements (PSPAs) ($174.8 and $141.8 billion, respectively). From April 2025 to April 2026, the Fannie Mae portfolio grew by 102.4 percent, and Freddie Mac's grew by 51.7 percent, but from a very low base. Note that within the portfolios, Fannie Mae and Freddie Mac grew their less-liquid assets (mortgage loans, non-agency MBS) by 24.0 and 26.5 percent, respectively, much less than the growth of the overall portfolios.

Fannie Mae Mortgage-Related Investment Portfolio Composition



Sources: Fannie Mae (FNMA) and the Urban Institute. April 2026

Freddie Mac Mortgage-Related Investment Portfolio Composition



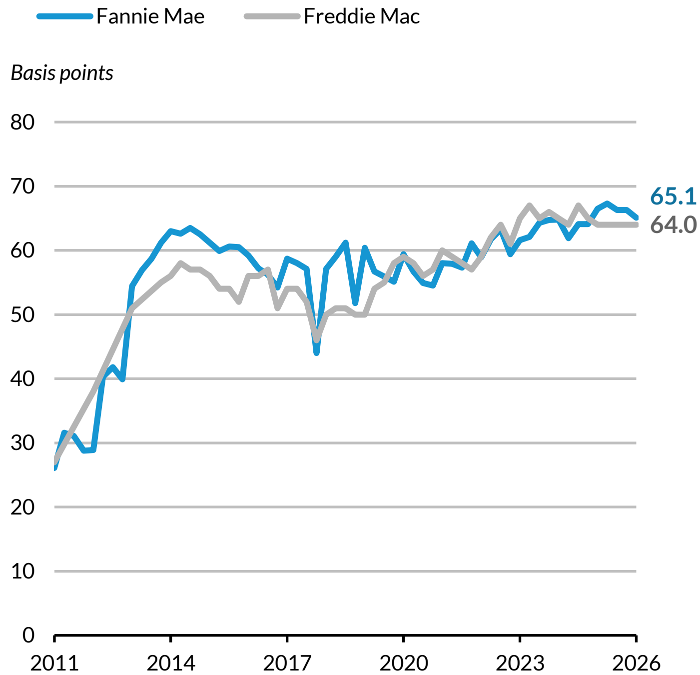
Sources: Freddie Mac (FHLMC) and the Urban Institute. April 2026

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 average g-fees charged on new acquisitions decreased slightly from Q4 2025 to Q1 2026 to 65.1 basis points. Freddie Mac's remained the same from Q4 2025 to Q1 2026, at 64.0 basis points. 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 Mae, and the Urban Institute.
Note: Data as of Q1 2026.

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

	LTV Ratio								
Credit score	≤ 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.

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 $2.45 trillion; Freddie's STACR totals $2.88 trillion. Over 2025, Fannie Mae issued six CAS deals and Freddie Mac issued five STACR deals. So far in 2026, Fannie Mae issued three CAS deals and Freddie Mac issued three STACR deals.

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
April 2026	CAS Series 2026 – R03	$20,514	$630	3.1
Total		**$2,450,777**	**$73,222**	**3.0%**

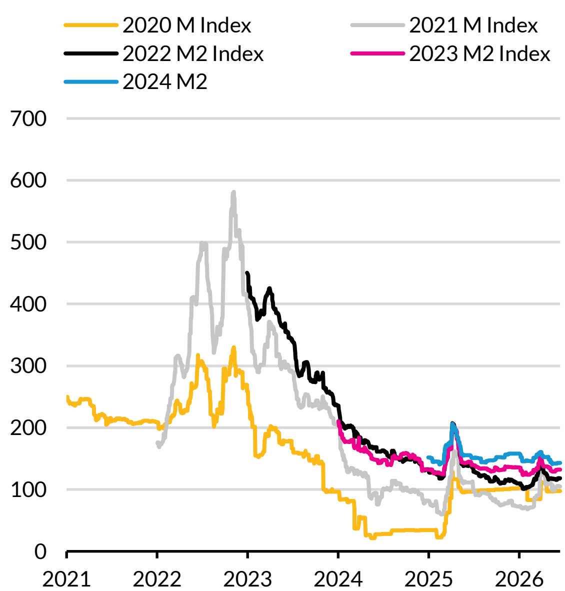
Freddie Mac – Structured Agency Credit Risk (STACR)

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 2026 – DNA1	$23,552	$628	2.7
March 2026	STACR 2026 – DNA2	$27,525	$507	1.8
May 2026	STACR 2026 – HQA1	$17,127	$512	3.0
Total		**$2,888,887**	**$78,207**	**2.7%**

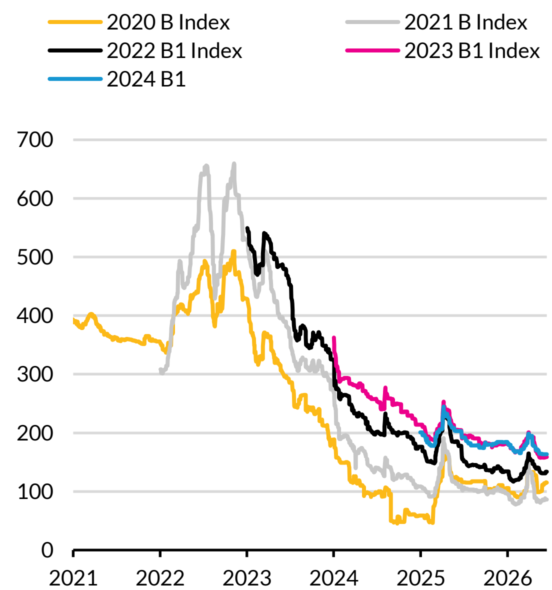
Sources: Fannie Mae, Freddie Mac and Urban Institute. **Note**: Classes A-H, M-1H, M-2H, and B-H are reference tranches only. These classes are not issued or sold. The risk is retained by Fannie Mae and Freddie Mac. “CE” = credit enhancement.

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. Recently, the spreads on both the M and B indices for 2021-2024 have widened due to softer home prices and concerns about macroeconomic instability. However, spreads remain below their early-2025 levels, the last period of notable spread widening.

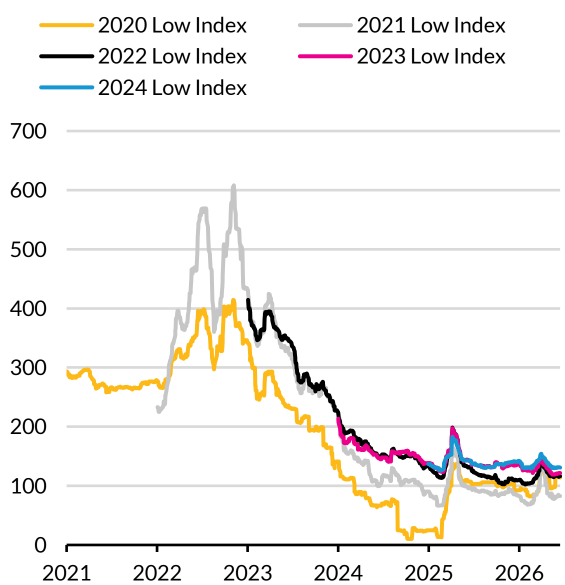
M Indexes



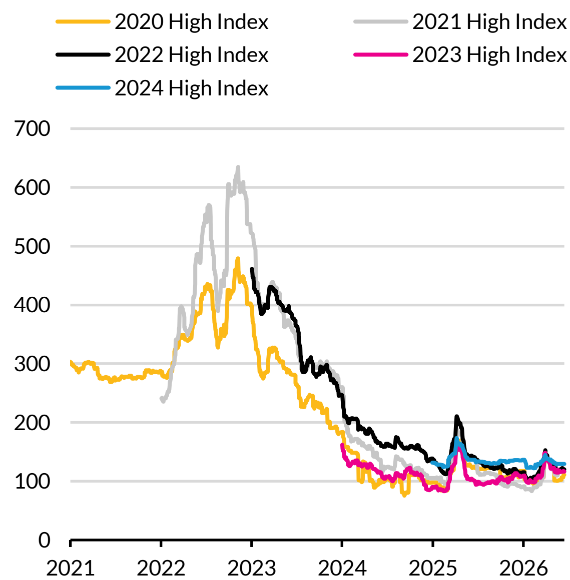
B Indexes



Low Indexes



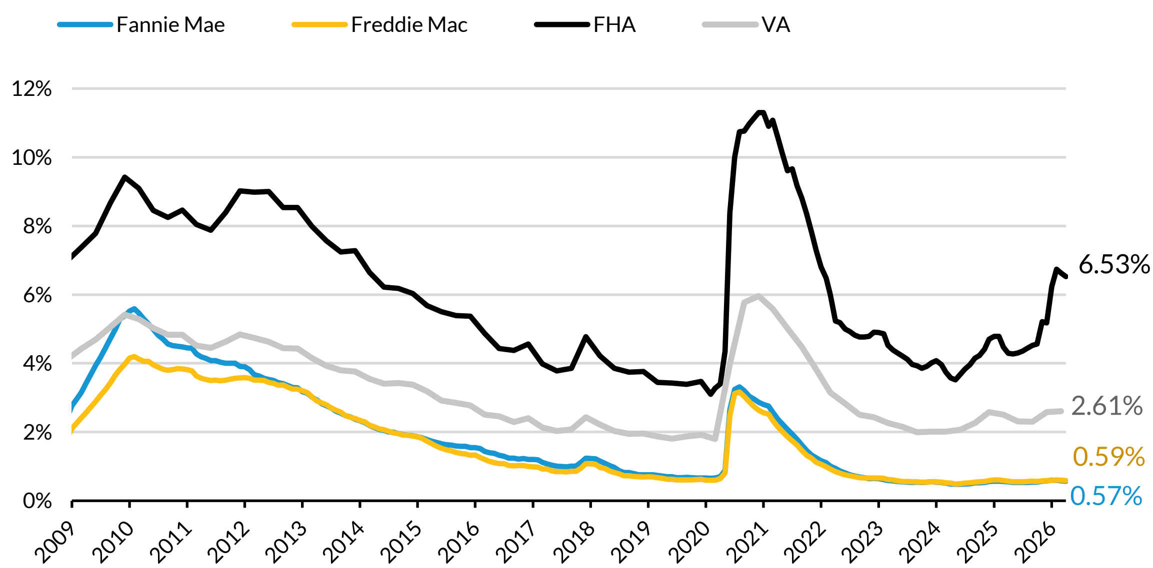
High Indexes



Sources: Vista Data Services and the Urban Institute.
Note: Data as of June 15, 2026.

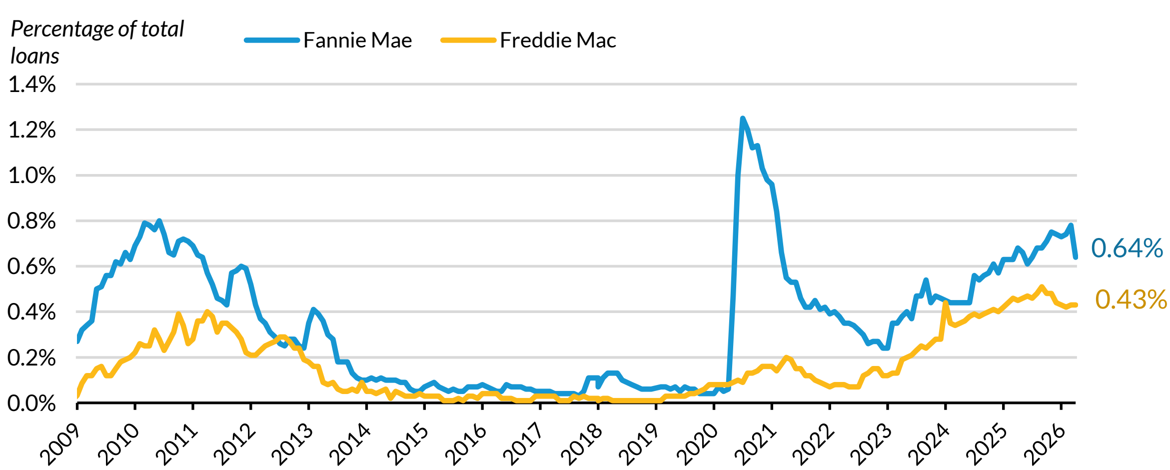
Serious delinquency rates on government mortgage loans have moved upward in the past quarter. This increase reflects deeper financial stress among less affluent borrowers, as well as a change in reporting requirements with respect to the treatment of trial payment periods. The serious delinquency rate for FHA single-family loans, measured on a seasonally adjusted basis, was 6.53 percent in April 2026, 135 basis points above its level in December 2025 (5.18 percent). In Q1 2026, VA serious delinquency rates on single-family loans increased to 2.61 percent from 2.58 percent in Q4 2025. The serious delinquency rates on Fannie Mae and Freddie Mac single-family loans have been relatively constant at 0.57 percent and 0.59 percent respectively as of April 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 Q1 2026. GSE data as of April 2026.
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 April 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 $606.5 billion in the first 4 months of 2026; $363.2 billion by the GSEs and $243.4 billion by Ginnie Mae. GSE issuance was up 34.8 percent and Ginnie Mae issuance was up 28.0 percent from the first 4 months of 2025. Net issuance (new securities issued less the decline in outstanding securities attributable to principal paydowns or prepayments) through April 2026 was -$15.6 billion, this is much lower than $47.0 billion from January-April 2025. The lower net level relative to a year earlier is attributable to negative issuance by the GSEs and low issuance by Ginnie Mae. Net issuance was last negative in the years directly following the Great Recession.

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	$363.2	$243.4	$606.5
% Change YTD 2026 from same period 2025	34.8%	28.0%	32.0%

Agency Net Issuance

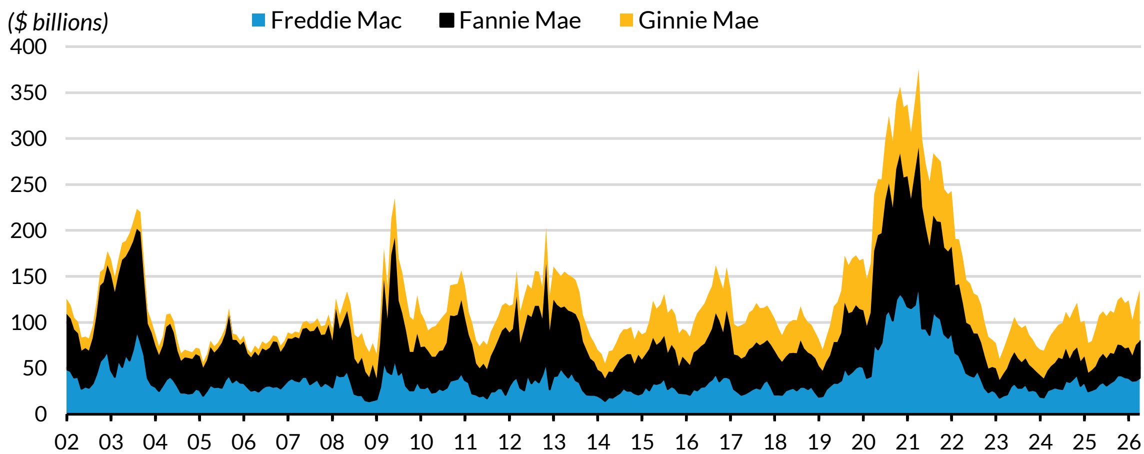
Issuance Year	GSEs	Ginnie Mae	Total
2004	$82.5	-$40.1	$42.4
2005	$174.2	-$42.2	$132.0
2006	$313.6	$0.2	$313.8
2007	$514.9	$30.9	$545.7
2008	$314.8	$196.4	$511.3
2009	$250.6	$257.4	$508.0
2010	-$303.2	$198.3	-$105.0
2011	-$128.4	$149.6	$21.2
2012	-$42.4	$119.1	$76.8
2013	$65.3	$89.6	$154.9
2014	$26.0	$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	-$52.7	$37.2	-$15.6
% Change YTD 2026 from same period 2025	1058.2%	-43.0%	-125.7%

Sources: eMBS and the Urban Institute.
Notes: Dollar amounts are in billions. Data as of May 2026.

AGENCY ISSUANCE // AGENCY GROSS ISSUANCE AND FED PURCHASES

Agency issuances by the GSEs and Ginnie Mae totaled $135.3 billion in April 2026, 45.3 percent higher than volume in April 2025. Freddie Mac comprised 29.2 percent of agency gross issuance in April 2026 (down from 30.2 percent in April 2025), Fannie Mae comprised 29.6 percent (up from 25.9 percent), and Ginnie Mae comprised 41.1 percent (down from 43.9 percent).

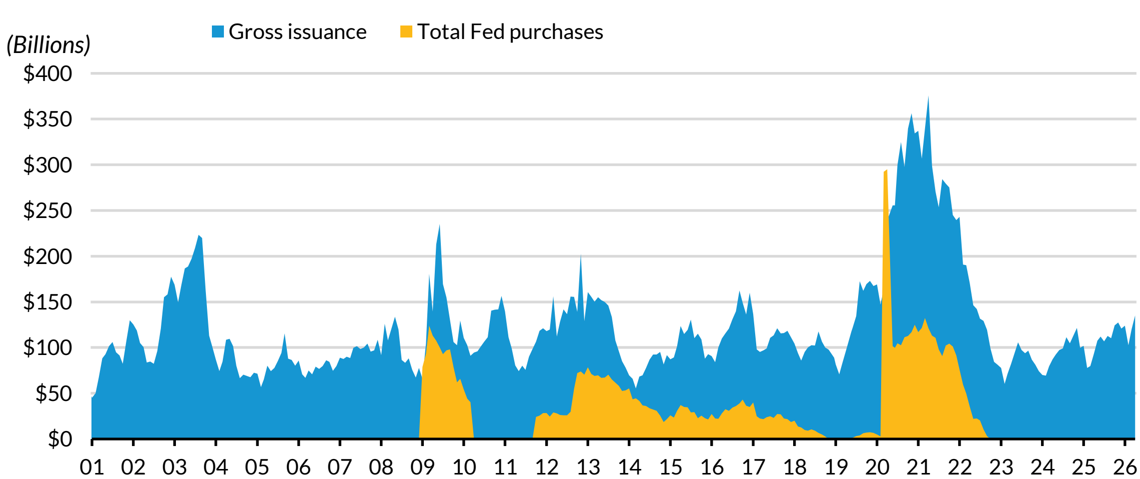
Monthly Gross Issuance



Sources: eMBS and Urban Institute calculations. Data as of April 2026.

Federal Reserve Absorption of Agency Gross Issuance

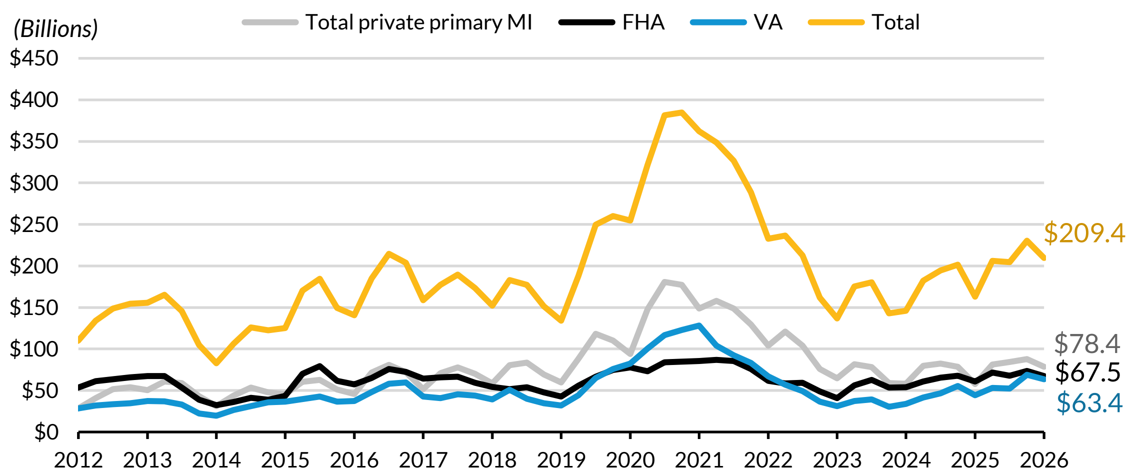
The Federal Reserve's portfolio was a critical policy tool used during the Great Recession and the more recent pandemic recession. In both instances, the Fed's portfolio, known as the system open market account (SOMA), ballooned as the agency bought both Treasury securities and agency MBS (including 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 June 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 April 2026.

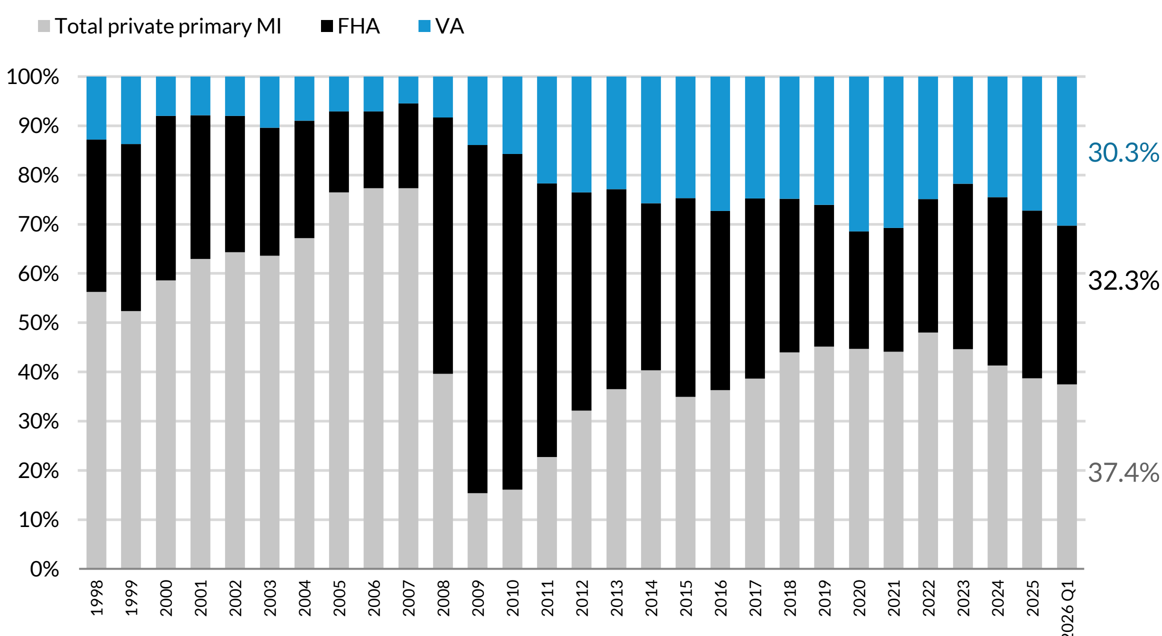
MI Activity

As mortgage originations were higher in the first quarter of 2026 compared to a year ago, total mortgage insurance grew as well, by 28.5 percent compared to 2025 Q1. 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 11.0 and 43.7 percent, respectively, from 2025 Q1 to 2026 Q1. In 2026 Q1, private primary mortgage insurance activity was $78.4 billion, 35.4 percent higher than in 2025 Q1. Year-over-year, the composition of total mortgage insurance increased for private mortgage insurers from 35.5 to 37.4 percent and for VA insurers from 27.1 to 30.3 percent. But the FHA share fell 37.4 to 32.3 percent.



Sources: Inside Mortgage Finance and the Urban Institute.
Note: Last updated for Q1 2026.

MI Market Share



Sources: Inside Mortgage Finance and the Urban Institute.
Note: Last updated for Q1 2026.

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 most borrowers, particularly those with lower credit scores.

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[a]	175	125
4/1/2013–1/25/2015[b]	175	135
1/26/2015–3/19/2023[c]	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.
[a] Applies to purchase loans up to $625,500. Those over that amount have an annual premium of 150 basis points.
[b] Applies to purchase loans up to $625,500. Those over that amount have an annual premium of 155 basis points.
[c] 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	6.73%
FHA base rate	6.41%

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
FHA MIP	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	$2,635	$2,635	$2,635	$2,635	$2,635	$2,635	$2,635	$2,635
GSE plus PMI	$2,980	$2,919	$2,893	$2,813	$2,752	$2,723	$2,684	$2,645
GSE plus PMI Advantage	-$345	-$284	-$258	-$178	-$116	-$87	-$49	-$10

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 June 17, 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.

FANNIE MAE COMPOSITION

After the foreclosure crisis, the composition of loans purchased by Fannie Mae shifted towards borrowers with higher FICO scores. For example, 65.0 percent of loans originated from 2022 to Q4 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, 24.6 percent of loans originated from 2022 to Q4 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.

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%
2018-2021	≤700	4.1%	3.8%	1.4%	2.3%	11.5%
	700 to 750	6.8%	8.8%	3.6%	6.1%	25.3%
	>750	23.9%	22.6%	7.5%	9.3%	63.2%
	Total	34.7%	35.2%	12.5%	17.6%	100.0%
2022-2025	≤700	4.3%	3.2%	1.2%	1.9%	10.7%
	700 to 750	5.5%	7.2%	3.7%	7.8%	24.3%
	>750	17.0%	23.2%	10.0%	14.8%	65.0%
	Total	26.8%	33.7%	15.0%	24.6%	100.0%
Total		32.9%	40.3%	11.8%	14.9%	100.0%

Sources: Fannie Mae and Urban Institute.
Note: Fannie Mae loan level credit data includes loans originated from Q1 1999 to Q4 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. 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%	2.4%	3.5%	2.2%
2018-2021	≤700	4.6%	6.1%	7.2%	10.0%	6.5%
	700 to 750	1.9%	2.7%	3.4%	5.0%	3.1%
	>750	0.5%	0.9%	1.3%	2.0%	0.9%
	Total	1.3%	1.9%	2.5%	4.1%	2.1%
2022-2025	≤700	2.5%	3.0%	3.2%	3.8%	3.0%
	700 to 750	0.8%	1.0%	1.1%	1.7%	1.2%
	>750	0.1%	0.2%	0.2%	0.5%	0.3%
	Total	0.7%	0.6%	0.7%	1.1%	0.8%
Total		2.0%	2.8%	3.5%	3.8%	2.8%

Sources: Fannie Mae and Urban Institute.
Note: Fannie Mae loan level credit data includes loans originated from Q1 1999 to Q4 2025, with performance information on these loans also through Q4 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 Freddie Mac shifted towards borrowers with higher FICO scores. For example, 59.1 percent of loans originated from 2022 to Q3 2025 were for borrowers with FICO scores above 750, compared to 42.0 percent of borrowers from 2005-2008 and 34.2 percent from 1999-2004. At the same time, the composition of Freddie Mac loans has shifted towards borrowers with higher LTVs. For example, 24.8 percent of loans originated from 2022 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.

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%
2018-2021	≤700	5.0%	4.0%	1.5%	1.9%	12.4%
	700 to 750	8.1%	10.1%	4.1%	5.7%	28.0%
	>750	21.1%	22.4%	7.7%	8.4%	59.5%
	Total	34.1%	36.5%	13.4%	15.9%	100.0%
2022-2025Q3	≤700	4.8%	3.8%	1.7%	3.0%	13.4%
	700 to 750	6.1%	8.4%	4.4%	8.7%	27.6%
	>750	15.1%	21.5%	9.3%	13.2%	59.1%
	Total	26.0%	33.8%	15.4%	24.8%	100.0%
Total		32.9%	41.2%	11.7%	14.3%	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%
2018-2021	≤700	3.4%	4.6%	5.6%	7.1%	4.6%
	700 to 750	1.4%	2.1%	2.6%	3.8%	2.3%
	>750	0.5%	0.8%	1.0%	1.7%	0.8%
	Total	1.1%	1.6%	2.0%	3.1%	1.7%
2022-2025Q3	≤700	2.2%	2.3%	2.6%	2.5%	2.3%
	700 to 750	0.6%	0.8%	1.0%	1.3%	1.0%
	>750	0.1%	0.2%	0.3%	0.5%	0.3%
	Total	0.6%	0.6%	0.7%	1.0%	0.7%
Total		1.9%	2.9%	3.3%	3.6%	2.7%

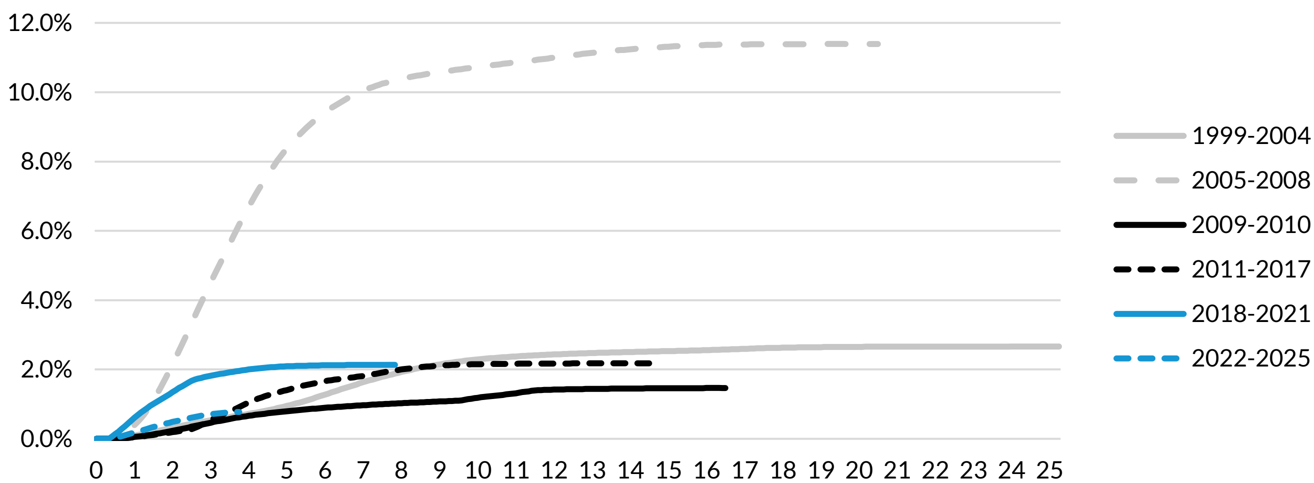
Sources: Freddie Mac and Urban Institute.
Note: Freddie Mac loan level credit data includes loans originated from Q1 1999 to Q3 2025, with performance data through Q3 2025. Default is defined as six months delinquent or disposed of via short sales, third-party sales, deeds-in-lieu of foreclosure, or 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

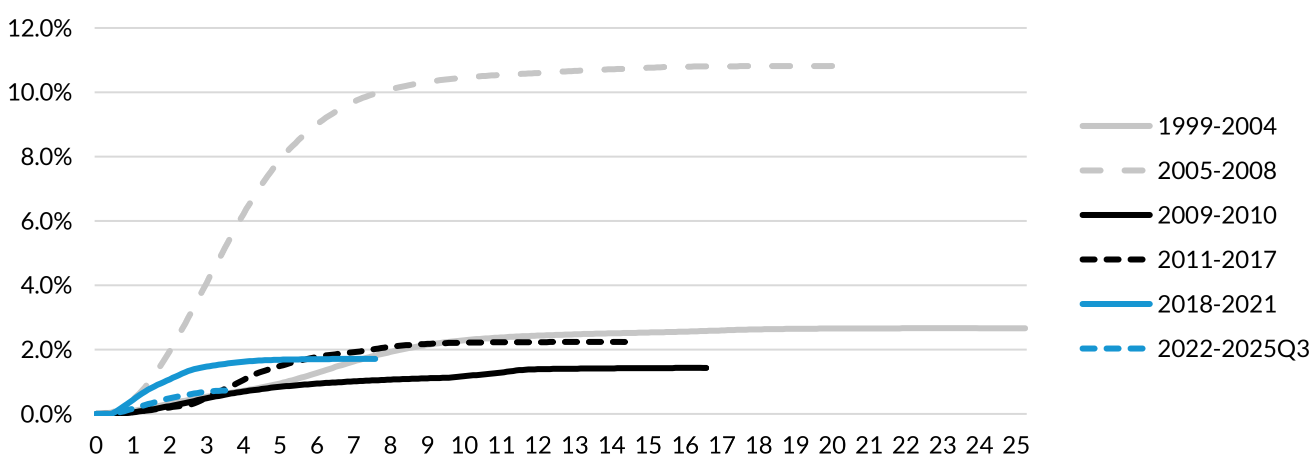
These charts show cumulative D180 (default) rates as of the end of Q4 2025 for Fannie and Freddie. For Fannie Mae and Freddie Mac's 1999-2004 vintages, cumulative defaults total 2.7 percent for Fannie and 2.7 percent for Freddie, while cumulative defaults for the 2005-2008 vintages are 11.4 percent for Fannie originations and 10.8 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, and cumulative default rates are 2.1 percent for Fannie and 1.7 percent for Freddie. 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. Default rates are based on unpaid balances.

Freddie Mac Cumulative Default Rate by Vintage Year



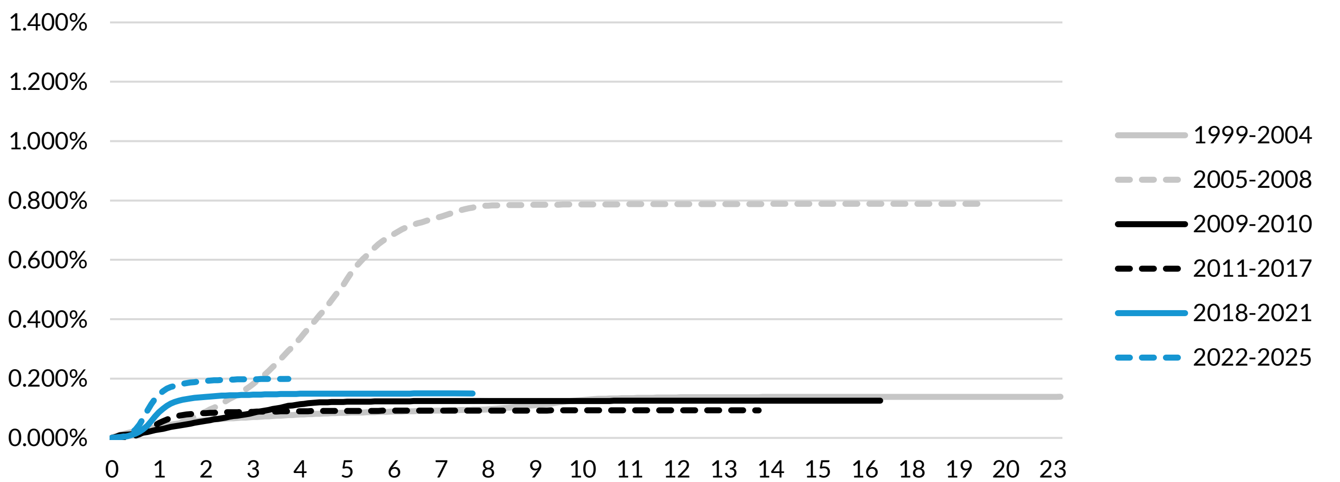
Sources*:* Freddie Mac and Urban Institute.
Note: The analysis included only mortgages with original terms of 241-420 months. A default is defined as a delinquency of 180 days or more, a deed-in-lieu, short sale, foreclosure sale or REO sale. Default rates are based on unpaid balances.

SPECIAL FEATURE: LOAN LEVEL GSE CREDIT DATA

REPURCHASE RATE BY VINTAGE

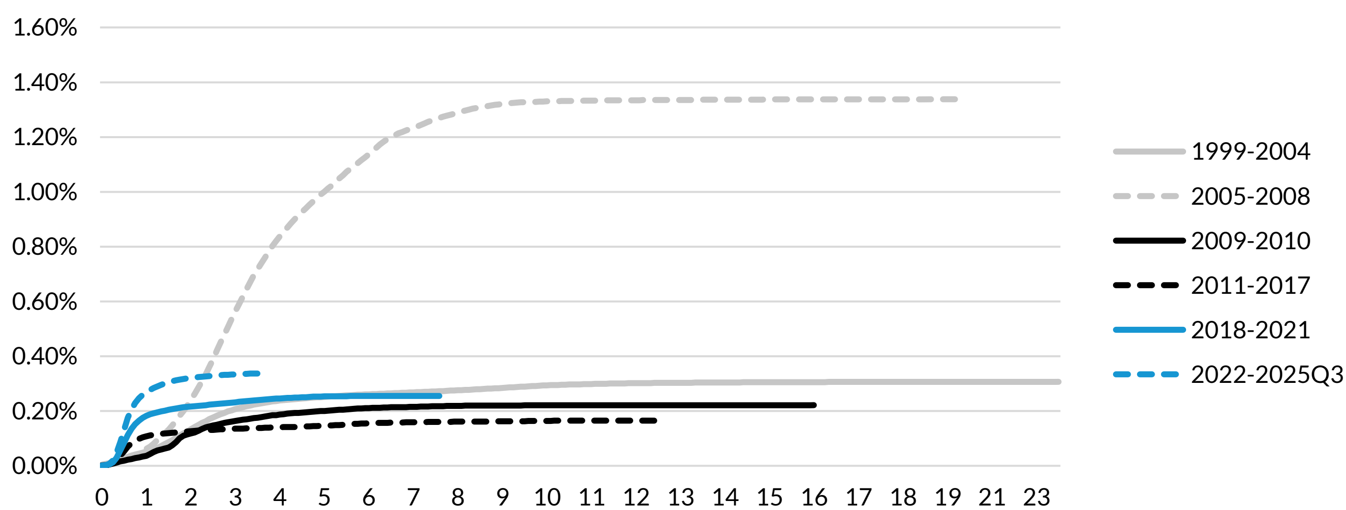
These figures show the cumulative percentage of fixed-rate, full documentation, amortizing 30-year loans of a given vintage that Fannie and Freddie have put back to lenders due to reps and warrants violations. Note that put-backs are generally quite small, with the exception of the 2005-2008 vintages. 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 Cumulative Repurchase Rate by Vintage Year



Sources: Fannie Mae and Urban Institute.
Note: The analysis included only mortgages with original terms of 241-420 months. Shares are based on unpaid balance.

Freddie Mac Cumulative Repurchase Rate by Vintage Year



Sources: Freddie Mac and Urban Institute.
Note: The analysis included only mortgages with original terms of 241-420 months. Shares are based on unpaid balance.

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) 16.71 percent are current, 35.42 percent are prepaid, 6.85 percent are still in the pipeline (not current, not prepaid, not liquidated) and 41.02 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					
	Current	Prepay*	Still in the Pipeline	% Already Liquidated Loans†	≤60	60-80	>80	Total
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	34.26%	45.68%	9.85%	10.20%	22.7%	26.0%	13.0%	19.2%
2018-2021	39.70%	36.63%	19.42%	4.24%	13.2%	16.6%	13.5%	14.4%
2022-2025	25.26%	10.38%	55.14%	9.22%	5.7%	11.4%	8.8%	9.2%
Total	16.71%	35.42%	6.85%	41.02%	35.8%	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					
	Current	Prepay*	Still In The Pipeline	% Already Liquidated Loans†	≤60	60-80	>80	Total
1999-2004	3.89%	38.04%	3.58%	54.49%	25.2%	39.4%	28.8%	34.7%
2005-2008	3.43%	31.94%	4.20%	60.43%	38.1%	50.2%	37.0%	45.9%
2009-2010	10.84%	40.96%	7.04%	41.16%	22.2%	34.1%	29.6%	31.2%
2011-2017	30.50%	43.66%	9.98%	15.86%	12.2%	19.7%	25.9%	24.3%
2018-2021	42.58%	34.54%	20.47%	2.41%	4.8%	7.7%	10.6%	8.9%
2022-2025Q3	24.79%	9.87%	61.58%	3.77%	3.7%	7.1%	6.0%	6.1%
Total	14.54%	35.73%	8.77%	40.96%	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 Q4 2025, with performance information on these loans also through Q4 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 reperforming 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, notes sales, short sales, and third party 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 $179,769 and a loss severity of 31.78 percent, versus a mean defaulted UPB of $145,913 and a loss severity of 46.87 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	25,583	12,040	13,543	$158,355	$147,655	$167,867	19.17%	26.25%	13.64%
2018-2021	10,009	3,365	6,644	$195,885	$173,407	$207,269	14.45%	19.64%	12.25%
2022-2025	2,939	1,141	1,798	$284,450	$275,668	$290,023	9.23%	6.43%	10.92%
Total	604,367	409,437	194,930	$156,833	$145,913	$179,769	41.29%	46.87%	31.78%

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%
2018-2021	4,609	1,605	3,004	$181,390	$159,784	$192,934	8.91%	18.73%	4.56%
2022-2025Q3	1,200	504	696	$245,496	$225,531	$259,953	6.14%	8.85%	4.43%
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 Q4 2025, with performance information on these loans also through Q4 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

See our events page for more information on other upcoming and past events.

Projects

The Role and Impact of Federal Home Loan Banks

Evaluating Automation in Housing

Understanding Heirs Property as a Challenge to Generational Wealth

Pathways to Homeownership and Wealth Building in AANHPI Communities

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

Condominiums Are a Missing Piece of the Housing Affordability Puzzle
Authors: Edward Golding, Laurie Goodman, Joe Weisbord
Date: June 18, 2026

How the Basel Re-Proposal Will Impact the Mortgage Market
Authors: Jim Parrott, Laurie Goodman, Mark M. Zandi
Date: June 12, 2026

Advancing and Defending Homeownership Gains
Authors: Lydia Lo, Michael Neal, Ilina Mitra, Matthew Pruitt, Violet Sulka/Hewes, Jung Hyun Choi
Date: June 9, 2026

Blog Posts

New 2025 HMDA Data Reveal What It Will Take to Make Homeownership Accessible and Sustainable for Everyone
Authors: Jung Hyun Choi, Aniket Mehrotra, John Walsh
Date: June 25, 2026

What Supports Do Young Adults Need to Make the Most of Baby Bonds? Initial Insights from the Cash Catalyst Program
Authors: Michael Neal, Marokey Sawo, Eleanor Pratt
Date: June 18, 2026

The US Needs More Starter Homes. Factory-Built Construction Can Fill the Gap.
Authors: Laurie Goodman, Aniket Mehrotra
Date: June 17, 2026

How FHLBanks Are Investing to Meet the Local Housing Needs and What More Is Needed
Authors: Jung Hyun Choi, Laurie Goodman, Daniel Pang, Jun Zhu
Date: May 29, 2026

Homeownership Among Young Adults Has Fallen, and It's Worse Than You Think
Authors: Jung Hyun Choi, Laurie Goodman, Jun Zhu
Date: May 28, 2026

High Interest Rates and Expensive Home Prices Continued to Make Homeownership Less Affordable in 2025, New Data Show
Authors: John Walsh, Jung Hyun Choi
Date: May 11, 2026

More Households Are Using Buy Now, Pay Later. What Does That Mean for Homeownership?
Authors: Michael Neal
Date: May 8, 2026

The Evolving Role of Single-Family Rental Investors—and How They Can Leverage Their Property Management and Rehab Capacity for Greater Impact
Authors: Laurie Goodman, Jung Hyun Choi
Date: March 30, 2026

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

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Auction.com
Bank of America
Bilt Rewards
Citizens Bank
Coalition for Home Equity Partnership
Cotality
Council of Federal Home Loan Banks
Ellington Management Group
Enact Mortgage Insurance Corporation
Equifax
FICO
Freedom Mortgage
Habitat for Humanity
Housing Policy Council
Impact Capitol
Ivory Innovations
Living Cities
Longbridge Financial, LLC
MGIC
Mortgage Bankers Association
Move.com, formerly Avail
National Association of Affordable Housing Lenders
National Association of Home Builders
National Association of Realtors
National Community Stabilization Trust
National Fair Housing Alliance
NewRez
Padgett Law Group
Partnership for Financial Equity
Pretium Partners
Pulte Home Mortgage
RiskSpan
Rithm Capital
Rocket Mortgage
Union Home Mortgage
U.S. Mortgage Insurers
Veterans United Home Loans
Vista Index Services
Wells Fargo
Zillow

Individuals
Priscilla Almodovar
Kenneth & Judy Bacon
David & Rita Brickman
Mary Miller
Shekar Narasimhan
Faith Schwartz

Data Partners
Avail, by Realtor.com
Cotality
First American
Intercontinental Exchange (ICE)
Moody's Analytics
Recursion Co

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