

Market Snapshot





Contents

Macro-Economic Indicators

Rate History

Prepayment Speed Trends

Delinquency Trends

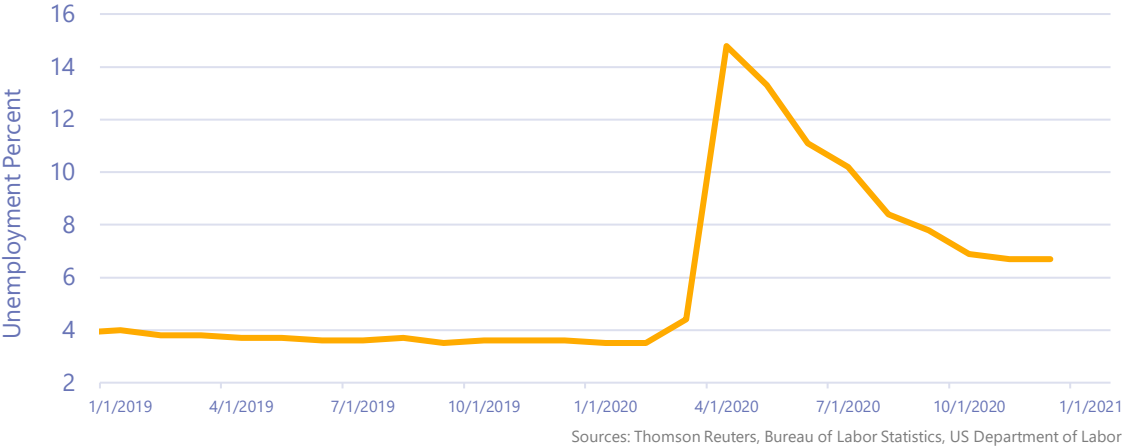
Macro- Economic Indicators

Summary

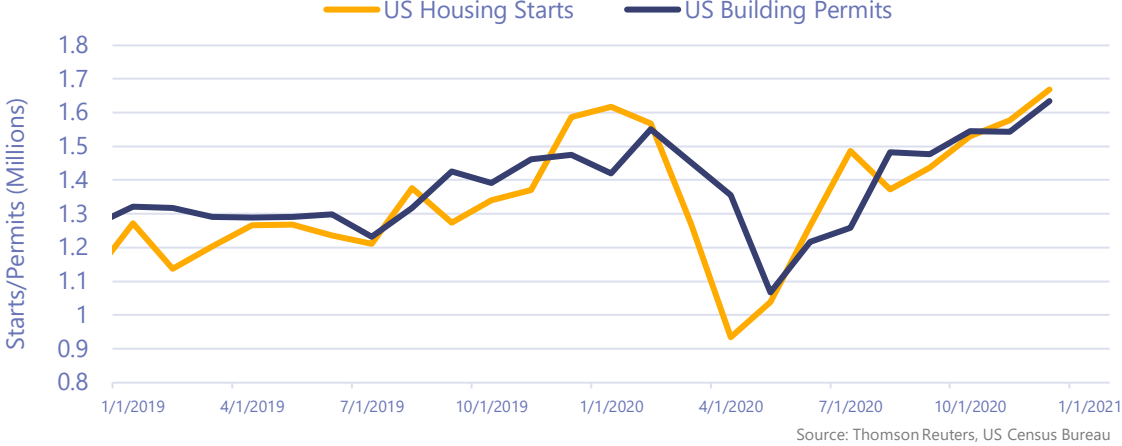
- The US job market held steady in December. US unemployment rate remained at 6.7%
- The total number of loans in forbearance as a percentage of servicer's portfolio volume, tracked by the MBA's Forbearance and Call Volume Survey, reversed its recent trend and showed a slight uptick over the course of December. December's final figure was 5.53%, up from the 5.48% of loans recorded in the first week of the month
- The domestic residential construction market picked up in December. Housing starts came in at 1,669,000; around 5.45% higher than November's month-end figure
- The MBA Mortgage Refinance Application Index's weekly readings decreased slightly during December, dropping down to 3,803 at month-end from 3,959 recorded at the beginning of December

Macro-Economic Indicators

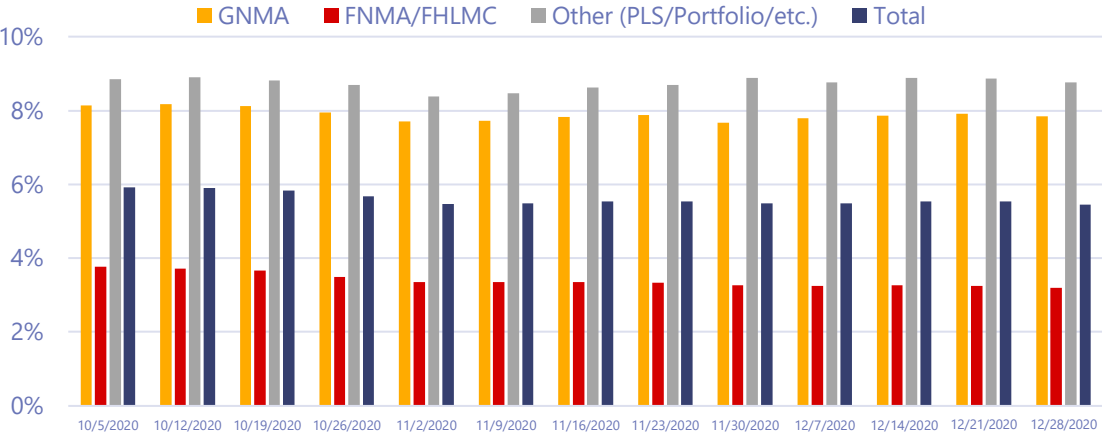
Unemployment Rate



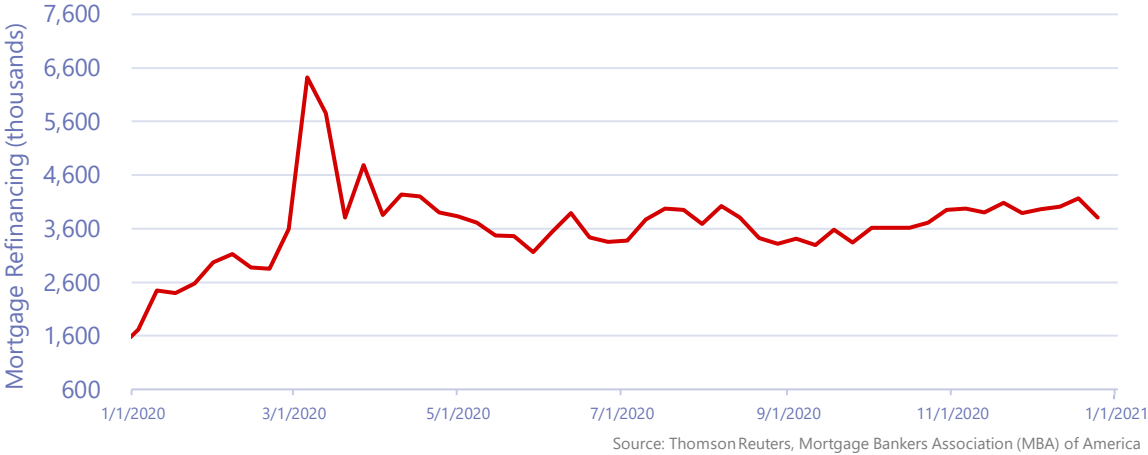
US Housing Starts/US Building Permits



Loans in Forbearance



MBA Mortgage Refinance Application Index



Rate History

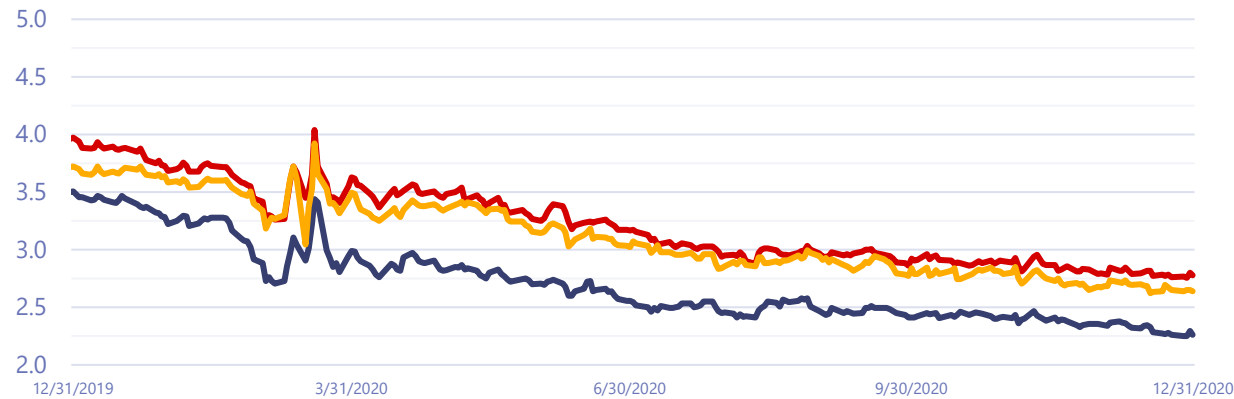
Summary

- PHOENIX primary mortgage rates were down over the course of December across all product types. The CONV fixed 30-year rate decreased 0.90 bps, the GOVT fixed 30-year rate fell 4.10 bps, and the fixed 15-year rate decreased 9.40 bps
- SWAP rates were mixed over December, with the CMS3Y falling 2.70 bps and the CMS5Y rising 0.30 bps
- The 1-month LIBOR decreased slightly from November month-end, moving from 0.15388% to 0.14388% during December

Rate History

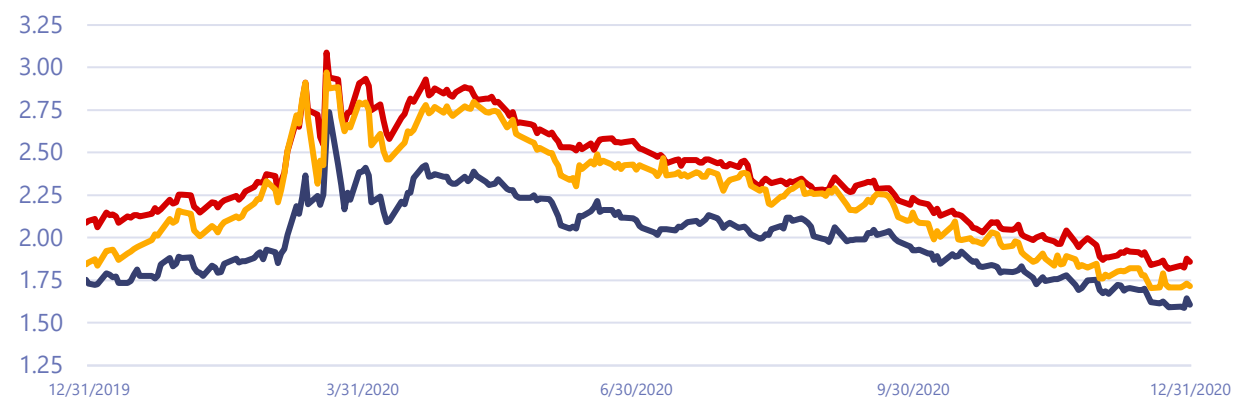
Mortgage Par Rates (%)

— CONV30 Primary — CONV15 Primary — GOV30 Primary



Mortgage Par Spread over SWAP Rates (%)

— CONV30 - SWAP 10yr — CONV15 - SWAP 7yr — GOV30 - SWAP 10yr



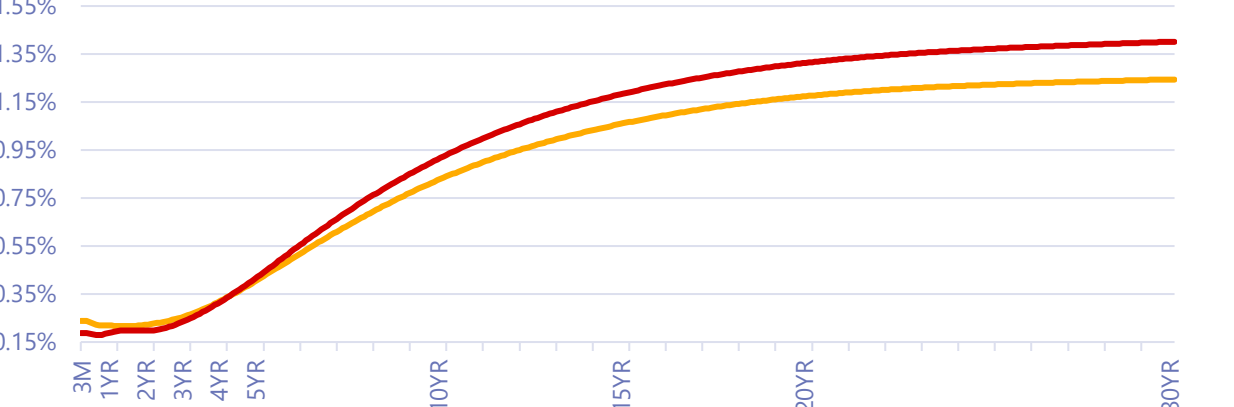
2yr and 10yr SWAP Spread

— 2yr - 10yr SWAP Spread



Yield Curve Comparison

— 11.30.20 — 12.31.20



Rate History (cont.)

Primary Rates as of 12/31/2020

Rate	12/31/2020	11/30/2020	9/30/2020	12/31/2019
CONV30	2.780	2.789	2.926	3.970
CONV15	2.261	2.355	2.412	3.504
GOV30	2.638	2.679	2.839	3.725
ARM 5/1	2.250	2.250	2.375	3.500

Secondary Rates as of 12/31/2020

Rate	12/31/2020	11/30/2020	9/30/2020	12/31/2019
FNMA 30	1.330	1.292	1.326	2.720
FNMA 15	0.811	0.897	0.875	2.304
GNMA II 30	1.138	1.131	1.028	2.425
GNMA II 15	0.816	1.020	0.638	2.304
ARM 5/1	3.010	3.030	3.110	3.490

Earnings Rates as of 12/31/2020

Rate	12/31/2020	11/30/2020	9/30/2020	12/31/2019
3 MO ED	0.188	0.237	0.201	1.846
6 MO ED	0.179	0.223	0.219	1.807
12 MO ED	0.194	0.218	0.181	1.764
2 YR SWAP	0.198	0.225	0.213	1.674
3 YR SWAP	0.243	0.261	0.232	1.663
5 YR SWAP	0.431	0.416	0.336	1.707
10 YR SWAP	0.923	0.834	0.692	1.872
15 YR SWAP	1.187	1.063	0.915	1.985
20 YR SWAP	1.314	1.175	1.029	2.043
30 YR SWAP	1.401	1.244	1.098	2.067

Source: Thomson Reuters and PHOENIX

Prepayment Speed Trends



Summary

- National prepayment speeds increased month-over-month, now sitting at an average of 34.5%
- CONV Fixed 30-year product saw increases of around 8%, while the CONV Fixed 15-year product increased around 10%
- GOVT product, on the other hand, increased by around 10 to 11% on both the Fixed 30-year and Fixed 15-year buckets
- Quarter-over-quarter, prepayment speeds on CONV product remained relatively stable while GOVT product increased by around 4 to 5%

CPR Summary

SUMMARY TABLES - December 2020

Loan Characteristics

Investor	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
CONV Fixed 30	\$228,373	3.97	751	75	46
CONV Fixed 15	\$186,756	3.31	760	64	42
GNMA Fixed 30	\$192,305	3.81	697	94	46
GNMA Fixed 15	\$136,990	3.52	719	81	56

Prepayments

CPR	1mo CPR Change%
36.70%	8.13%
25.05%	10.86%
34.21%	11.97%
29.07%	10.43%

Vintage	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
2006	\$141,840	5.47	686	78	139
2007	\$149,549	5.37	682	80	129
2008	\$144,568	5.33	686	82	129
2009	\$162,061	4.92	727	79	131
2010	\$169,953	4.66	736	79	121
2011	\$168,430	4.43	741	77	110
2012	\$194,762	3.78	749	80	99
2013	\$185,107	3.81	743	79	89
2014	\$171,781	4.26	731	80	75
2015	\$197,772	3.95	735	79	64
2016	\$217,253	3.70	736	78	51
2017	\$207,156	4.12	729	80	39
2018	\$201,564	4.70	724	82	28
2019	\$240,818	4.04	733	81	15
2020	\$280,701	3.11	752	75	4

CPR	1mo CPR Change%
16.44%	9.31%
16.38%	17.04%
17.84%	17.70%
27.28%	10.13%
30.78%	11.71%
30.11%	8.34%
33.01%	9.84%
30.93%	9.31%
35.83%	7.55%
40.33%	7.13%
41.29%	8.37%
44.96%	8.42%
47.99%	7.75%
50.27%	9.62%
19.49%	27.27%

Tranche	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
0.0000 - 2.4999	\$298,341	2.28	765	73	3
2.5000 - 2.9999	\$280,818	2.79	762	72	9
3.0000 - 3.4999	\$245,689	3.23	750	77	27
3.5000 - 3.9999	\$221,406	3.72	741	79	47
4.0000 - 4.4999	\$198,407	4.19	731	81	56
4.5000 - 4.9999	\$182,838	4.68	723	81	60
5.0000 - 5.4999	\$162,103	5.16	709	83	77
5.5000 - 5.9999	\$141,210	5.66	700	80	113
6.0000 - 6.4999	\$120,475	6.16	698	78	158
6.5000 or more	\$93,717	6.94	685	80	185

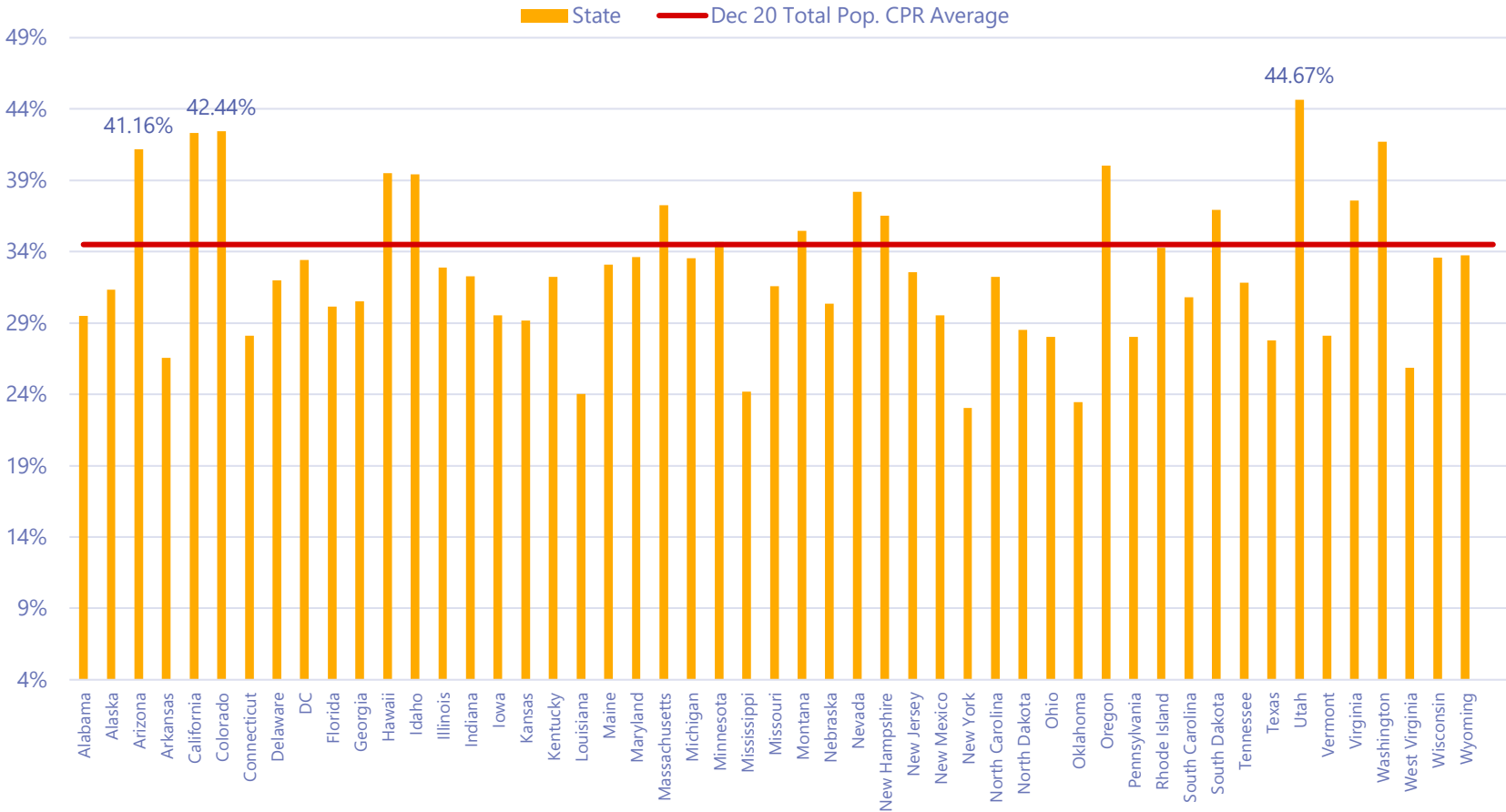
CPR	1mo CPR Change%
3.25%	1.78%
10.57%	24.53%
29.96%	17.77%
41.16%	10.83%
42.60%	8.61%
39.98%	9.00%
34.19%	10.25%
27.93%	16.62%
20.16%	15.02%
15.34%	13.63%

GSE and GNMA fixed rate product only

Source: Black Knight McDash

Prepayment Speed Trends

Average CPR by State - December 2020



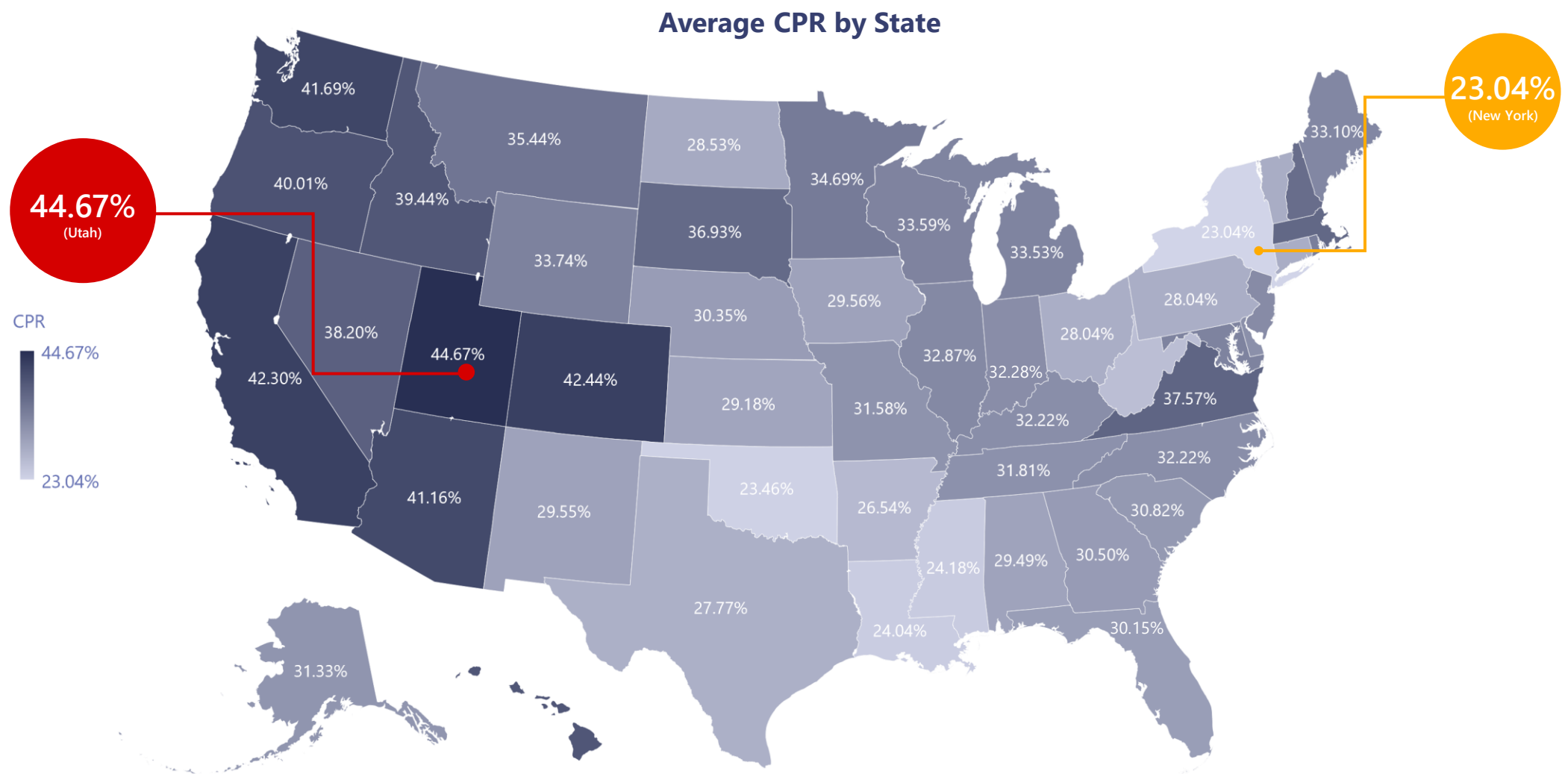
Analysis

- Utah continues to be the quickest prepaying state at 44.67%, followed closely this month by Arizona, Colorado, and California at around 41 to 42%
- All states saw increases in speeds month-over-month. North Dakota exhibited the smallest percentage increase of around 1%, while Alaska saw the largest increase around 27%
- New York, Oklahoma, Mississippi, and Louisiana continue to prepay marginally slower than the rest of the states, at around 23 to 24%

GSE and GNMA fixed rate product only

Source: Black Knight McDash

Prepayment Speed Trends (cont.)

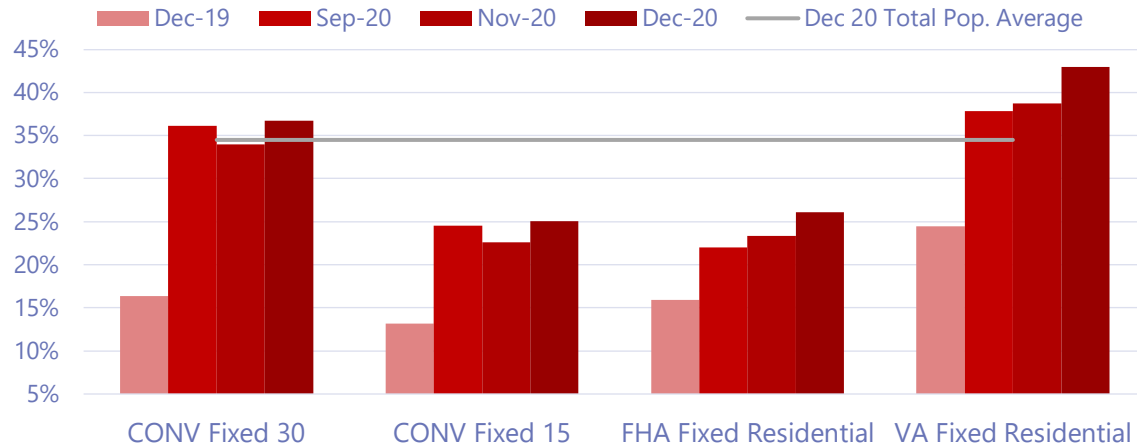


GSE and GNMA fixed rate product only

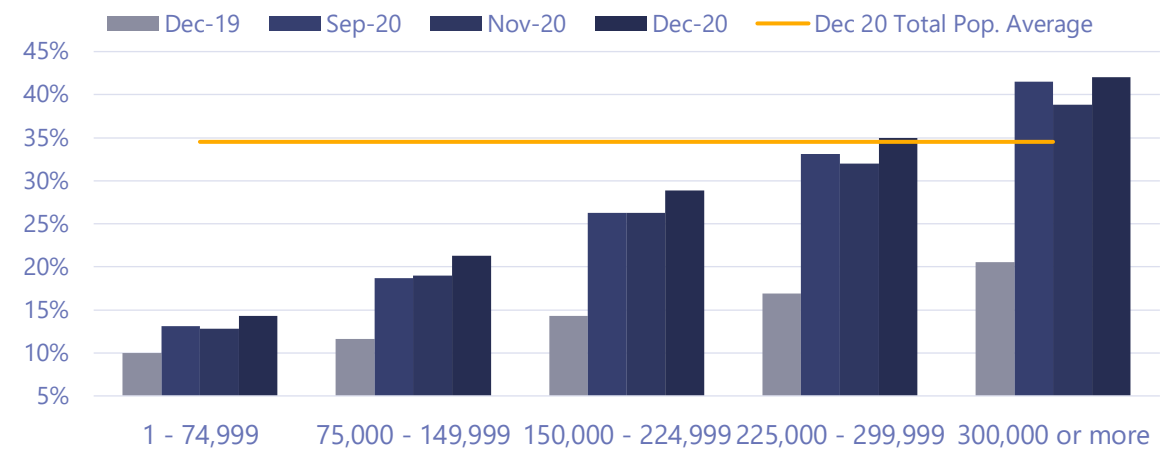
Source: Black Knight McDash

Prepayment Speed Trends (cont.)

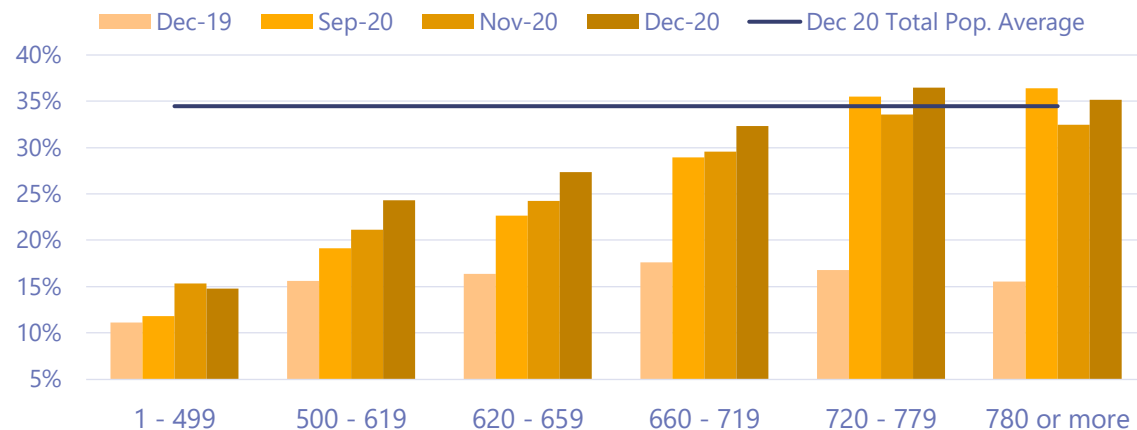
CPR by Fixed-Rate Product - December 2020



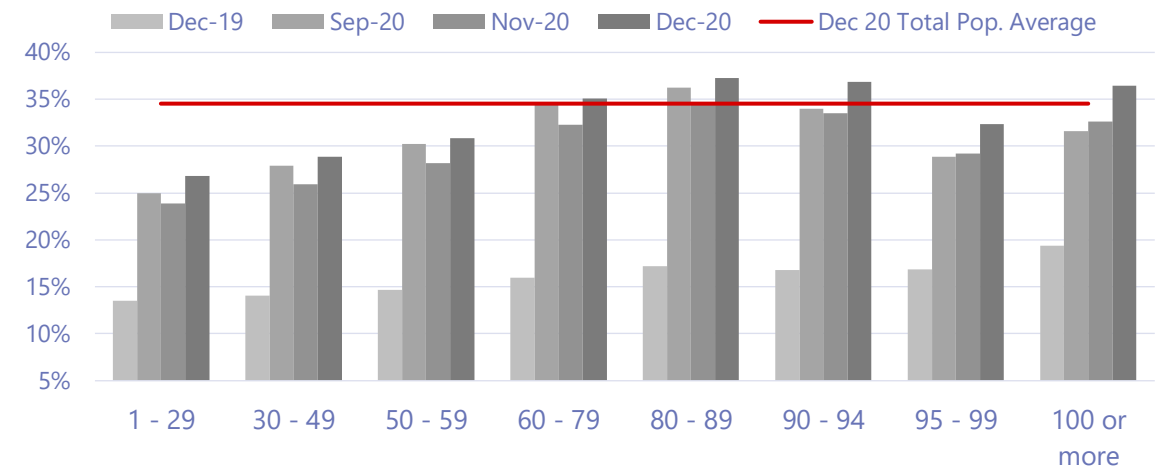
CPR by Original Loan Balance - December 2020



CPR by Original FICO - December 2020



CPR by Original LTV - December 2020



Delinquency Trends

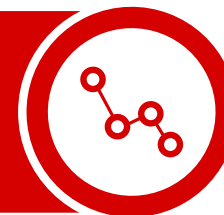
Summary

- The national delinquency and foreclosure rate fell to 6.24%, a decrease of 41 bps compared to last month. This result is exactly double the 3.12% national average delinquency and foreclosure rate from December 2019
- CONV 30-year loans' delinquency and foreclosure rates decreased 29 bps since November, while CONV 15-year loans' delinquency and foreclosure rates dropped 12 bps over the month
- In December, delinquency and foreclosure rates for FHA and VA loans decreased 41 and 50 bps, respectively

NOTE: non-paying loans in forbearance are counted as delinquent in our data source.

Total delinquencies down

6.13%



Delinquency Summary

SUMMARY TABLES - December 2020

Loan Characteristics

Investor	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age
CONV Fixed 30	\$228,373	3.97	751	75	46
CONV Fixed 15	\$186,756	3.31	760	64	42
GNMA Fixed 30	\$192,305	3.81	697	94	46
GNMA Fixed 15	\$136,990	3.52	719	81	56

Delinquencies

30d DQ	60d DQ	+90d DQ	Total FC	Total DQ & FC	1mo DQ & FC Change%
0.99%	0.38%	3.68%	0.15%	5.20%	-5.28%
0.51%	0.16%	1.38%	0.03%	2.07%	-5.25%
2.91%	1.27%	6.52%	0.29%	11.00%	-6.21%
1.26%	0.46%	2.46%	0.09%	4.26%	-0.23%

Vintage	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age	30d DQ	60d DQ	+90d DQ	Total FC	Total DQ & FC	1mo DQ & FC Change%
2006	\$141,840	5.47	686	78	139	4.34%	1.56%	10.38%	2.03%	18.31%	-2.18%
2007	\$149,549	5.37	682	80	129	4.53%	1.74%	11.55%	2.40%	20.22%	-2.38%
2008	\$144,568	5.33	686	82	129	4.63%	1.70%	8.58%	1.65%	16.55%	-3.50%
2009	\$162,061	4.92	727	79	131	2.60%	0.92%	4.23%	0.38%	8.13%	-3.26%
2010	\$169,953	4.66	736	79	121	1.94%	0.67%	3.68%	0.25%	6.54%	-2.91%
2011	\$168,430	4.43	741	77	110	1.62%	0.58%	3.27%	0.18%	5.65%	-3.63%
2012	\$194,762	3.78	749	80	99	1.06%	0.38%	2.53%	0.11%	4.08%	-4.45%
2013	\$185,107	3.81	743	79	89	1.25%	0.45%	3.25%	0.14%	5.08%	-3.64%
2014	\$171,781	4.26	731	80	75	1.91%	0.72%	4.74%	0.25%	7.61%	-2.70%
2015	\$197,772	3.95	735	79	64	1.66%	0.67%	4.84%	0.20%	7.37%	-4.47%
2016	\$217,253	3.70	736	78	51	1.54%	0.67%	5.28%	0.19%	7.68%	-4.49%
2017	\$207,156	4.12	729	80	39	1.90%	0.86%	6.70%	0.23%	9.69%	-3.28%
2018	\$201,564	4.70	724	82	28	2.20%	1.06%	8.39%	0.25%	11.90%	-2.14%
2019	\$240,818	4.04	733	81	15	1.52%	0.74%	6.60%	0.05%	8.91%	-2.15%
2020	\$280,701	3.11	752	75	4	0.63%	0.22%	0.98%	0.00%	1.82%	-3.75%

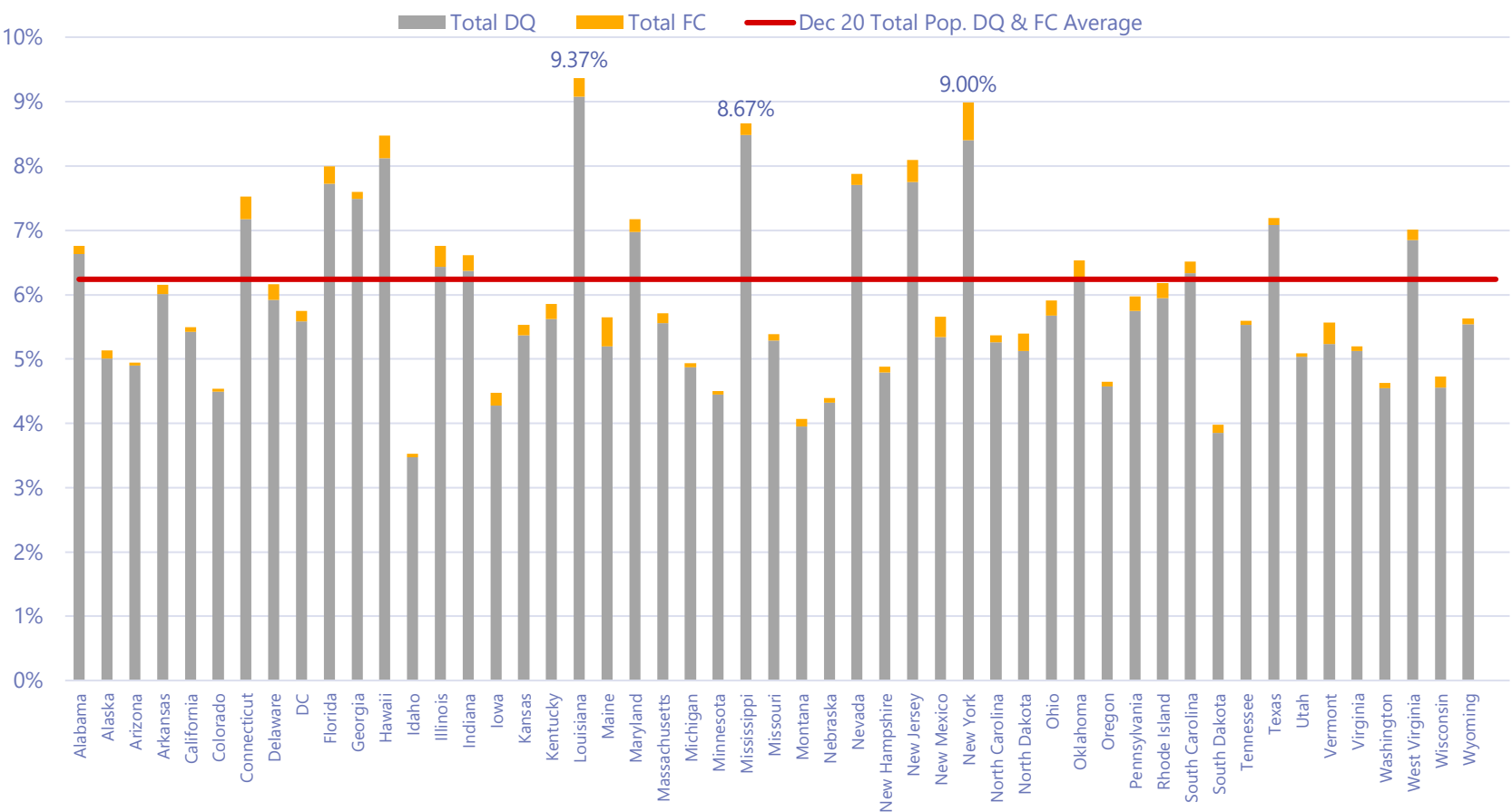
Tranche	Avg Orig Bal	WAC	WAvg Orig FICO	WAvg Orig LTV	WAvg Age	30d DQ	60d DQ	+90d DQ	Total FC	Total DQ & FC	1mo DQ & FC Change%
0.0000 - 2.4999	\$298,341	2.28	765	73	3	0.35%	0.07%	0.35%	0.19%	0.96%	-13.40%
2.5000 - 2.9999	\$280,818	2.79	762	72	9	0.43%	0.10%	0.39%	0.01%	0.92%	-0.96%
3.0000 - 3.4999	\$245,689	3.23	750	77	27	0.79%	0.30%	1.88%	0.05%	3.02%	-4.19%
3.5000 - 3.9999	\$221,406	3.72	741	79	47	1.28%	0.55%	3.98%	0.12%	5.93%	-3.63%
4.0000 - 4.4999	\$198,407	4.19	731	81	56	1.81%	0.78%	5.81%	0.23%	8.63%	-3.36%
4.5000 - 4.9999	\$182,838	4.68	723	81	60	2.14%	0.93%	7.01%	0.26%	10.35%	-2.53%
5.0000 - 5.4999	\$162,103	5.16	709	83	77	2.84%	1.18%	8.13%	0.39%	12.55%	-2.90%
5.5000 - 5.9999	\$141,210	5.66	700	80	113	3.24%	1.23%	7.85%	0.53%	12.84%	-3.10%
6.0000 - 6.4999	\$120,475	6.16	698	78	158	3.57%	1.17%	6.28%	0.90%	11.91%	-3.52%
6.5000 or more	\$93,717	6.94	685	80	185	4.04%	1.27%	6.02%	1.54%	12.86%	-2.21%

GSE and GNMA fixed rate product only

Source: Black Knight McDash

Delinquency Trends

Average Delinquency and Foreclosure by State - December 2020



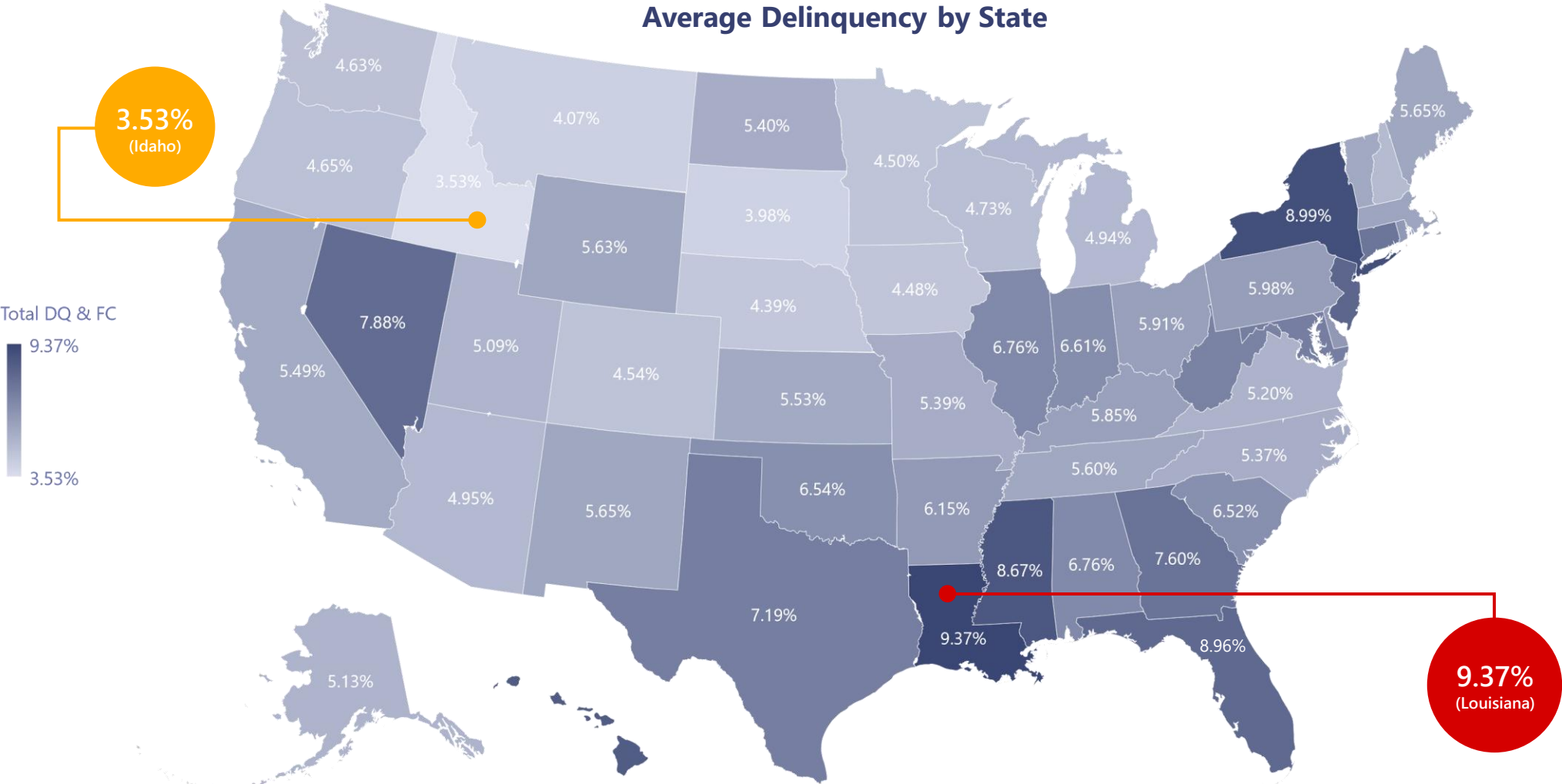
GSE and GNMA fixed rate product only

Source: Black Knight McDash

Analysis

- Idaho remains the best-performing state, with delinquency and foreclosure rates at 3.53%
- With 9.37% delinquency and foreclosure rates, Louisiana is the nation's most-delinquent state
- The Middle Atlantic states of NY, NJ, and PA still have the highest delinquency rate (7.86%), but the West-South-Central region of TX, OK, AR, and LA is close behind with 7.38% delinquency and foreclosure

Delinquency Trends (cont.)

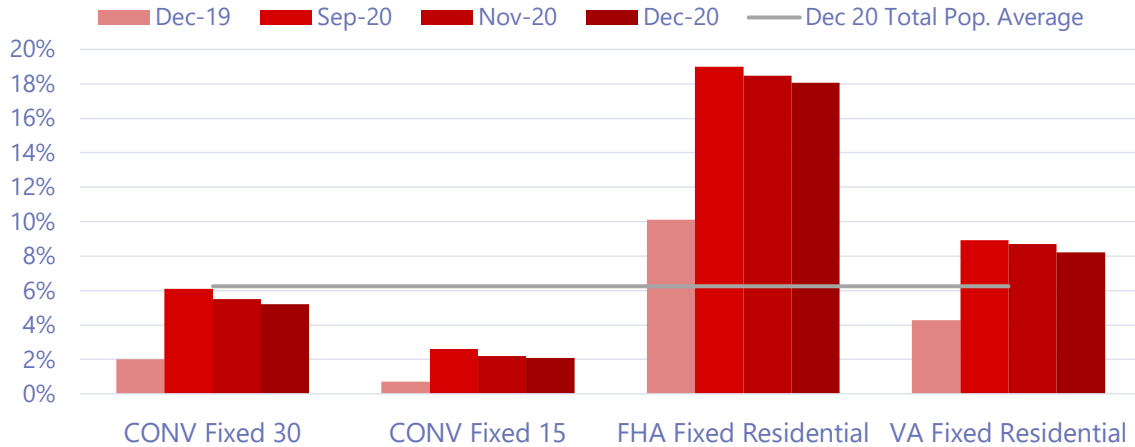


GSE and GNMA fixed rate product only

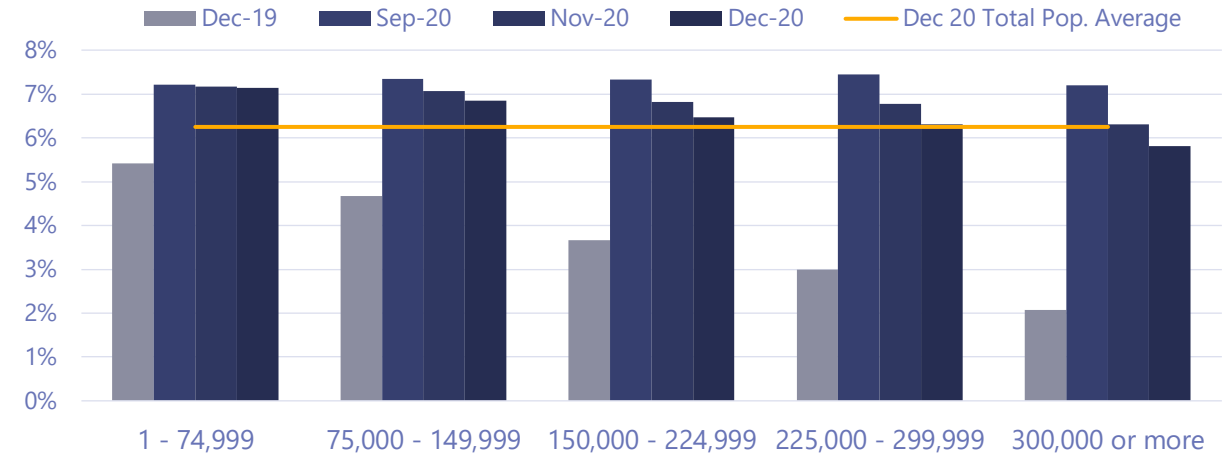
Source: Black Knight McDash

Delinquency Trends (cont.)

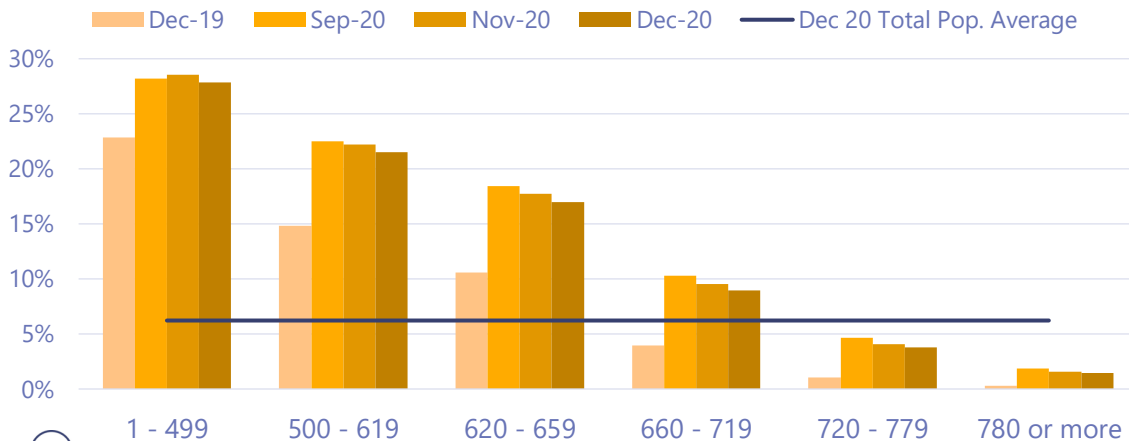
Delinquency and Foreclosure by Fixed-Rate Product - December 2020



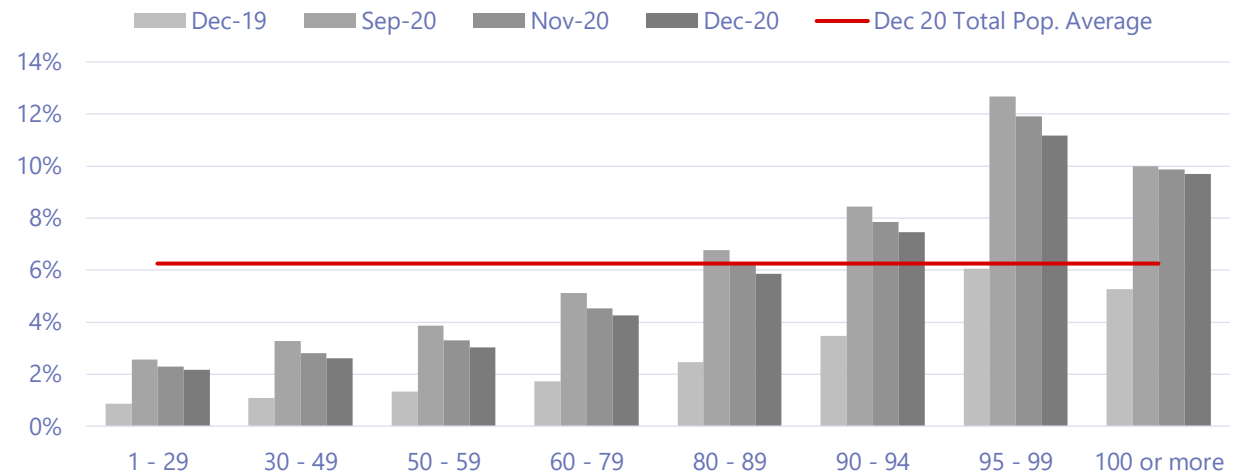
Delinquency and Foreclosure by Original Loan Balance - December 2020



Delinquency and Foreclosure by Original FICO - December 2020



Delinquency and Foreclosure by Original LTV - December 2020



Tables



State Summary

Prepayment and Delinquency

SUMMARY TABLES - December 2020

Loan Characteristics						Prepayments			Delinquencies						
State	WAvg Orig Bal	WAC	WAvg Orig RICO	WAvg Orig LTV	WAvg Age	CPR	1mo CPR Change%	CPR Factor	30d DQ	60d DQ	+90d DQ	Total FC	Total DQ & FC	1mo DQ & FC Change%	DQ Factor
National	\$209,626	3.84	739	78	45	34.50%	9.34%	100.00%	1.42%	0.58%	4.08%	0.17%	6.24%	-6.13%	100.00%
Alabama	\$161,075	3.90	728	84	51	29.49%	12.94%	85.48%	1.97%	0.75%	3.92%	0.13%	6.76%	-4.98%	108.30%
Alaska	\$249,374	3.76	735	84	52	31.33%	27.47%	90.81%	1.15%	0.54%	3.31%	0.13%	5.13%	-3.90%	82.19%
Arizona	\$200,311	3.80	739	80	36	41.16%	7.11%	119.31%	1.27%	0.52%	3.11%	0.05%	4.95%	-7.33%	79.21%
Arkansas	\$145,088	3.85	730	84	49	26.54%	5.98%	76.93%	1.75%	0.74%	3.52%	0.14%	6.15%	-2.89%	98.57%
California	\$303,316	3.71	749	70	41	42.30%	9.99%	122.63%	1.09%	0.43%	3.91%	0.07%	5.49%	-7.91%	88.00%
Colorado	\$255,331	3.66	748	75	35	42.44%	6.78%	123.01%	1.05%	0.43%	3.02%	0.05%	4.54%	-6.75%	72.75%
Connecticut	\$218,710	3.94	738	80	58	28.11%	8.69%	81.47%	1.66%	0.72%	4.79%	0.35%	7.52%	-6.09%	120.52%
Delaware	\$208,063	3.93	735	81	52	31.99%	11.29%	92.74%	1.73%	0.67%	3.53%	0.25%	6.17%	-3.72%	98.75%
DC	\$340,508	3.76	755	71	45	33.41%	8.27%	96.84%	0.93%	0.43%	4.22%	0.16%	5.75%	-5.04%	92.02%
Florida	\$192,756	3.97	732	82	43	30.15%	18.09%	87.41%	1.45%	0.67%	5.62%	0.27%	7.99%	-7.29%	128.05%
Georgia	\$182,783	3.88	729	83	46	30.50%	9.48%	88.41%	1.69%	0.71%	5.09%	0.11%	7.60%	-6.19%	121.67%
Hawaii	\$358,261	3.80	750	73	54	39.51%	8.06%	114.52%	1.30%	0.62%	6.21%	0.36%	8.48%	-4.33%	135.78%
Idaho	\$196,940	3.74	743	78	38	39.44%	6.49%	114.31%	1.01%	0.34%	2.12%	0.05%	3.53%	-6.55%	56.46%
Illinois	\$183,804	3.91	739	81	52	32.87%	10.05%	95.28%	1.59%	0.66%	4.18%	0.32%	6.76%	-5.48%	108.23%
Indiana	\$139,539	3.98	725	84	49	32.28%	8.31%	93.57%	2.05%	0.77%	3.55%	0.24%	6.61%	-2.51%	105.89%
Iowa	\$151,414	3.72	741	82	45	29.56%	4.63%	85.67%	1.41%	0.52%	2.35%	0.20%	4.48%	-3.12%	71.68%
Kansas	\$155,536	3.81	736	83	46	29.18%	4.17%	84.58%	1.53%	0.62%	3.23%	0.16%	5.53%	-5.55%	88.60%
Kentucky	\$151,439	3.89	730	83	48	32.22%	13.87%	93.40%	1.68%	0.65%	3.29%	0.23%	5.85%	-3.88%	93.74%
Louisiana	\$171,948	3.94	723	83	49	24.04%	5.82%	69.68%	2.15%	0.98%	5.94%	0.29%	9.37%	-6.07%	150.01%
Maine	\$183,345	3.86	736	79	48	33.10%	5.47%	95.95%	1.48%	0.57%	3.15%	0.46%	5.65%	-3.85%	90.52%
Maryland	\$253,289	3.80	737	82	48	33.63%	5.79%	97.48%	1.63%	0.67%	4.67%	0.20%	7.17%	-5.37%	114.88%
Massachusetts	\$269,288	3.76	743	74	46	37.24%	8.29%	107.94%	1.45%	0.54%	3.57%	0.16%	5.71%	-7.84%	91.53%
Michigan	\$152,965	3.88	738	81	46	33.53%	5.09%	97.20%	1.36%	0.52%	3.00%	0.06%	4.94%	-3.50%	79.08%
Minnesota	\$198,473	3.78	747	81	45	34.69%	2.70%	100.56%	1.22%	0.49%	2.74%	0.06%	4.50%	-3.58%	72.11%
Mississippi	\$153,757	3.93	720	85	49	24.18%	7.65%	70.09%	2.31%	1.03%	5.15%	0.19%	8.67%	-5.07%	138.81%
Missouri	\$154,792	3.84	736	82	46	31.58%	9.46%	91.53%	1.57%	0.61%	3.10%	0.11%	5.39%	-4.38%	86.35%
Montana	\$198,178	3.80	745	78	45	35.44%	16.64%	102.74%	1.11%	0.43%	2.40%	0.12%	4.07%	-4.68%	65.23%
Nebraska	\$155,438	3.68	743	82	42	30.35%	4.90%	87.98%	1.44%	0.53%	2.35%	0.07%	4.39%	-1.88%	70.33%
Nevada	\$217,042	3.88	735	82	36	38.20%	11.86%	110.72%	1.41%	0.66%	5.63%	0.18%	7.88%	-5.22%	126.19%
New Hampshire	\$213,701	3.82	740	79	48	36.52%	9.16%	105.86%	1.32%	0.52%	2.96%	0.09%	4.88%	-7.37%	78.17%
New Jersey	\$251,048	3.85	740	77	50	32.56%	8.58%	94.39%	1.53%	0.64%	5.58%	0.34%	8.09%	-7.93%	129.60%
New Mexico	\$171,769	4.00	735	81	56	29.55%	11.54%	85.65%	1.76%	0.56%	3.02%	0.31%	5.65%	-3.81%	90.57%
New York	\$241,183	4.05	740	74	60	23.04%	7.65%	66.77%	1.67%	0.66%	6.08%	0.59%	8.99%	-4.48%	144.02%
North Carolina	\$183,782	3.83	738	81	45	32.22%	10.81%	93.39%	1.42%	0.54%	3.30%	0.11%	5.37%	-5.41%	85.95%
North Dakota	\$189,654	3.62	745	81	41	28.53%	1.13%	82.70%	1.07%	0.44%	3.61%	0.28%	5.40%	-4.15%	86.48%
Ohio	\$142,576	3.97	730	84	50	28.04%	7.91%	81.27%	1.76%	0.66%	3.25%	0.24%	5.91%	-2.43%	94.68%
Oklahoma	\$149,601	3.98	728	85	51	23.46%	8.04%	68.00%	1.78%	0.71%	3.79%	0.27%	6.54%	-4.39%	104.69%
Oregon	\$231,092	3.82	748	76	42	40.01%	17.54%	115.99%	0.94%	0.39%	3.25%	0.08%	4.65%	-6.87%	74.47%
Pennsylvania	\$174,582	3.91	738	81	53	28.04%	7.02%	81.29%	1.63%	0.62%	3.50%	0.23%	5.98%	-3.00%	95.71%
Rhode Island	\$210,946	3.89	737	80	50	34.27%	12.15%	99.33%	1.72%	0.63%	3.60%	0.24%	6.19%	-4.43%	99.07%
South Carolina	\$177,263	3.88	731	83	45	30.82%	6.82%	89.33%	1.63%	0.63%	4.07%	0.19%	6.52%	-5.95%	104.40%
South Dakota	\$172,218	3.60	746	81	42	36.93%	8.08%	107.04%	1.11%	0.49%	2.26%	0.13%	3.98%	-3.51%	63.78%
Tennessee	\$178,399	3.82	734	82	43	31.81%	8.27%	92.20%	1.49%	0.60%	3.44%	0.07%	5.60%	-4.99%	89.65%
Texas	\$188,433	3.92	730	82	44	27.77%	6.49%	80.50%	1.61%	0.73%	4.74%	0.11%	7.19%	-7.26%	115.22%
Utah	\$238,500	3.66	740	79	33	44.67%	9.39%	129.47%	1.28%	0.56%	3.20%	0.06%	5.09%	-6.50%	81.53%
Vermont	\$184,769	3.94	742	78	54	28.10%	2.38%	81.46%	1.57%	0.54%	3.12%	0.34%	5.57%	-5.08%	89.22%
Virginia	\$249,051	3.71	744	81	45	37.57%	11.47%	108.90%	1.24%	0.49%	3.41%	0.07%	5.20%	-6.43%	83.21%
Washington	\$260,587	3.75	745	76	40	41.69%	10.12%	120.85%	1.06%	0.42%	3.08%	0.08%	4.63%	-7.50%	74.12%
West Virginia	\$149,250	3.96	723	85	50	25.87%	14.95%	74.99%	2.21%	0.87%	3.77%	0.16%	7.01%	-2.99%	112.25%
Wisconsin	\$166,961	3.83	739	81	48	33.59%	3.44%	97.36%	1.27%	0.51%	2.78%	0.17%	4.73%	-5.76%	75.72%
Wyoming	\$202,229	3.74	737	81	43	33.74%	3.29%	97.81%	1.48%	0.62%	3.45%	0.09%	5.63%	-2.96%	90.20%

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