

Black Knight: Inflow of New Mortgage Delinquencies Drops to Record Low in March; April Payment Data Suggests Further Improvement Likely

- 217,000 homeowners became past due on their mortgages in March, the lowest such delinquency inflow of any month on record
- At the same time, cures spiked in the month as a variety of calendar and economy-driven factors resulted in the second largest delinquency rate decline ever recorded
- The number of loans 30 days past due fell 34% from February and 50% from the same time last year to hit an all-time low, with 60-day delinquencies below pre-pandemic levels and near record lows as well
- Despite expected seasonal headwinds associated with the month, Black Knight's McDash Flash daily performance dataset shows strong early mortgage payment activity in April
- Through April 23, 91.6% of mortgage holders had made their mortgage payments, up from 91% in March and the largest share for any month since the onset of the pandemic
- Should this trend hold true through April's final week, another improvement in overall delinquent loan volumes is likely to be seen when month-end data is reported in mid-May

JACKSONVILLE, Fla. – May 3, 2021 – Today, the [Data & Analytics](#) division of [Black Knight, Inc.](#) (NYSE:BKI) released its latest [Mortgage Monitor Report](#), based upon the company's industry-leading mortgage, real estate and public records datasets. In light of March's 16.4% decline in delinquencies – as reported in [Black Knight's First Look at the month's data](#) – this month's report drills deeper into what that may mean for the market. According to Black Knight Data & Analytics President Ben Graboske, both the company's full-month data for March and its unique McDash Flash daily performance tracking data for April suggest strengthening economic trends are now manifesting in the mortgage market.

“Not only did March see the largest single-month improvement in delinquencies in 11 years, but all indications suggest more is yet to come,” said Graboske. “Several factors contributed to particularly strong mortgage performance in March, including the distribution of 159 million stimulus payments totaling more than \$376 billion, broader economic improvement leading to nearly a million new jobs and 1.2 million forbearance plans reviewed for extension or removal, resulting in an 11% decline in plan volumes in the last 30 days. As many early forbearance plan adopters shifted to post-forbearance waterfalls to get back to performing on their mortgage payments, inflow has continued to steadily improve as well. And, of the 7.1 million homeowners who have been in COVID-19 forbearance at one point or another, performance among those who have left plans has generally been strong.

“Some other key metrics also point to a robust recovery under way. Despite mortgage delinquencies tending to trend seasonally upward starting in April, our McDash Flash daily performance dataset instead shows strong

early payment activity for the month. Through April 23, 91.6% of mortgage holders had made their monthly payments, up from 91% in March and the largest share for any month since the onset of the pandemic. That said, while overall sentiment for an economic recovery in 2021 remains robust, mortgage performance is expected to run into seasonal headwinds for most of the remainder of the year, which could marginally dampen overall improvement rates. Black Knight will continue to monitor the situation as we move forward.”

The report’s data showed that the number of borrowers with a single payment past due fell by 34% from February and is now down 50% from the same time last year to hit an all-time low in March. Though 60-day delinquencies are also now back below pre-pandemic levels and near record lows as well, the number of homeowners 90 or more days past due remains nearly five times what it was prior to COVID. One possibility for early-stage delinquencies falling well below pre-pandemic levels could be an elevated share of borrowers are rolling forward to later stages of delinquency – when they otherwise might not – due to participation in available forbearance programs. Much more detail can be found in Black Knight’s February 2021 [Mortgage Monitor Report](#).

About the Mortgage Monitor

The Data & Analytics division of Black Knight manages the nation's leading repository of loan-level residential mortgage data and performance information covering the majority of the overall market, including tens of millions of loans across the spectrum of credit products and more than 160 million historical records. The combined insight of the Black Knight HPI and Collateral Analytics’ home price and real estate data provides one of the most complete, accurate and timely measures of home prices available, covering 95% of U.S. residential properties down to the ZIP-code level. In addition, the company maintains one of the most robust public property records databases available, covering 99.9% of the U.S. population and households from more than 3,100 counties.

Black Knight's research experts carefully analyze this data to produce a summary supplemented by dozens of charts and graphs that reflect trend and point-in-time observations for the monthly Mortgage Monitor Report. To review the full report, visit: <https://www.blackknightinc.com/data-reports/>

About Black Knight

Black Knight, Inc. (NYSE:BKI) is an award-winning software, data and analytics company that drives innovation in the mortgage lending and servicing and real estate industries, as well as the capital and secondary markets. Businesses leverage our robust, integrated solutions across the entire homeownership life cycle to help retain existing customers, gain new customers, mitigate risk and operate more effectively.

Our clients rely on our proven, comprehensive, scalable products and our unwavering commitment to delivering superior client support to achieve their strategic goals and better serving their customers. For more information on Black Knight, please visit www.blackknightinc.com/.

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