



Mortgage Bankers Association of Puerto Rico

MBA of Puerto Rico / Black Knight Data & Analytics Partnership

McDash Puerto Rico Analysis

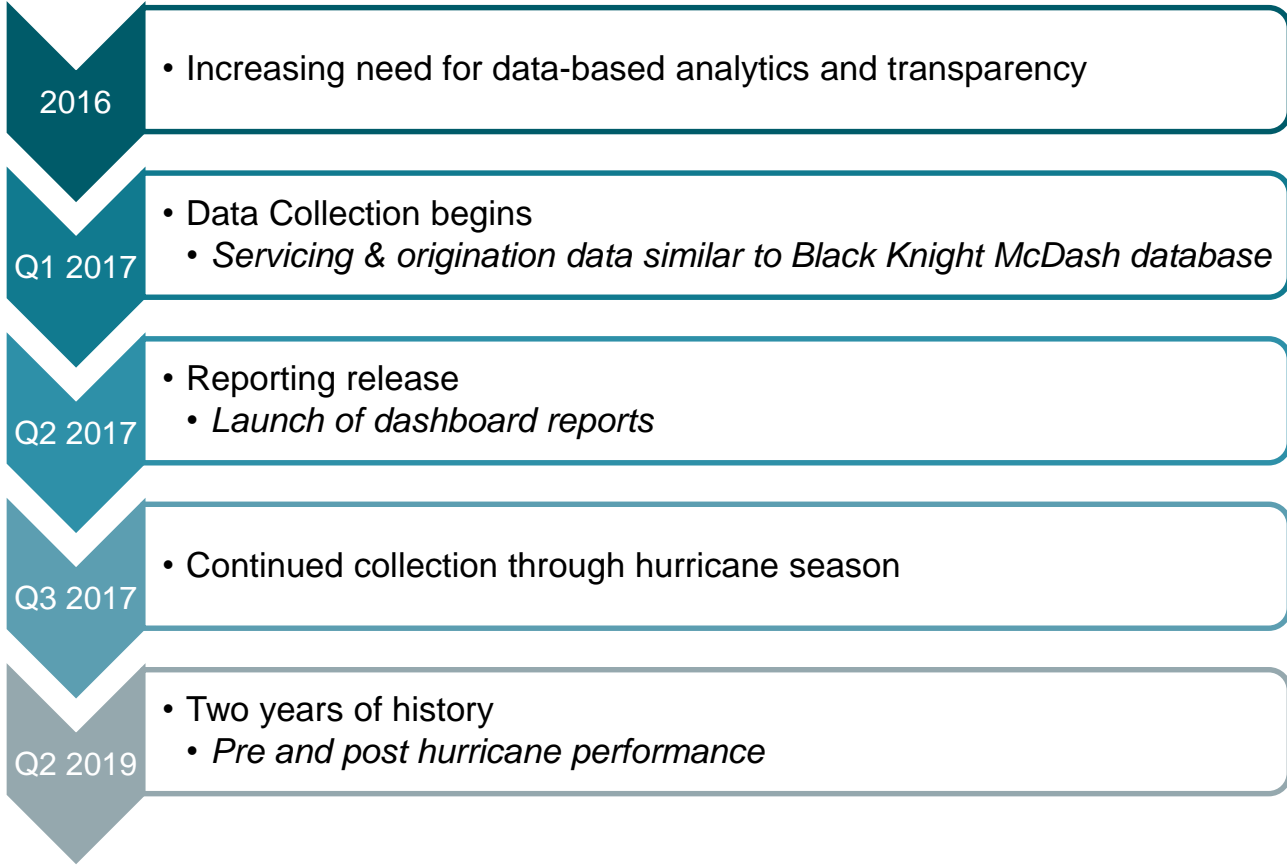


Discussion Points

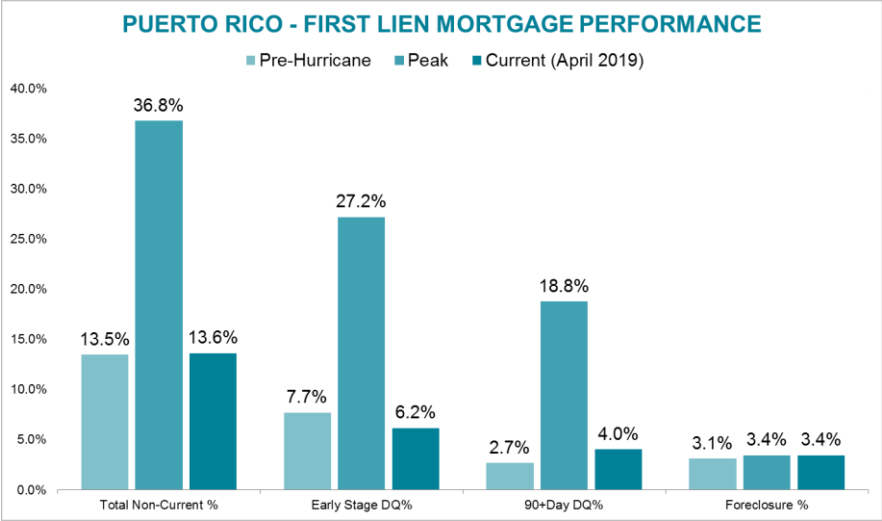
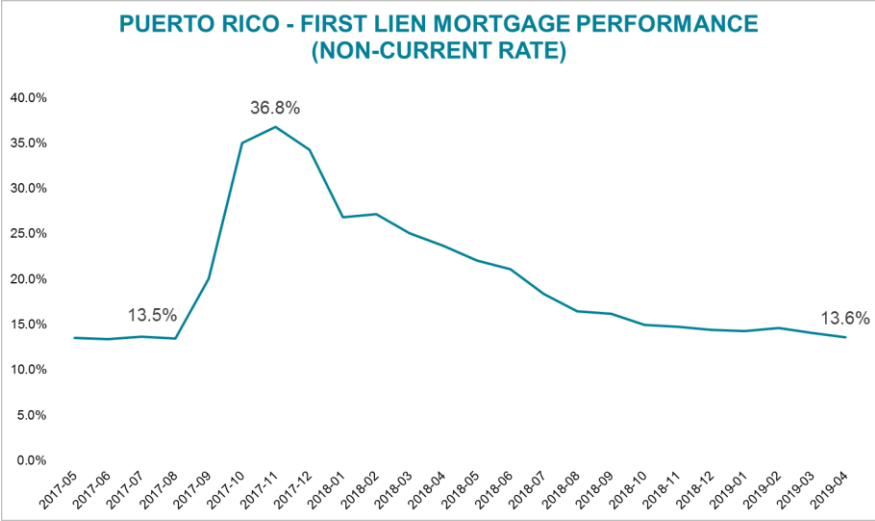
- **MBA of Puerto Rico Reporting Updates**
 - History of data collection and recent updates
- **Mortgage Data & Analytics Trends**
 - Puerto Rico delinquency overview
 - Hurricane impacts and comparisons to other areas
 - Portfolio Differences and Benchmarking
- **Upcoming activities**



MBA of Puerto Rico Reporting – Overview

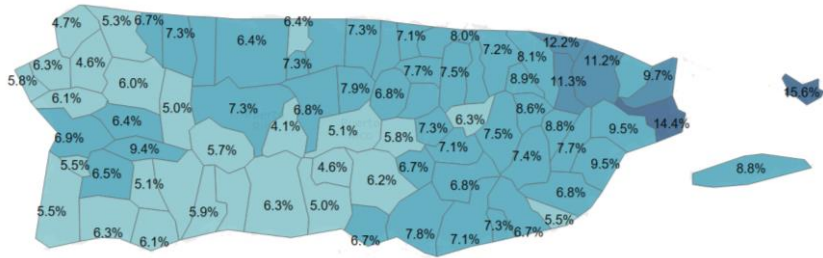


Total Non-Current rate in Puerto Rico is nearly back to pre-hurricane level, but seriously delinquent and foreclosure rates remain elevated

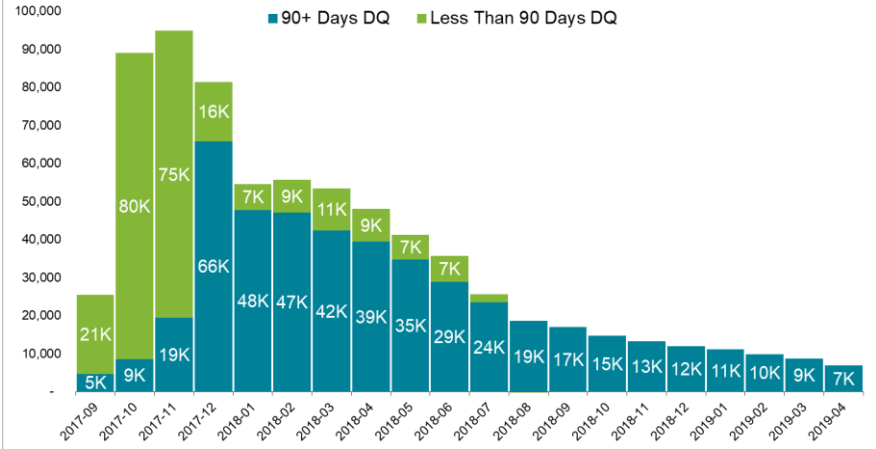


An estimated 6,900 hurricane related seriously delinquent mortgages remain, representing ~2% of all active mortgages on the island

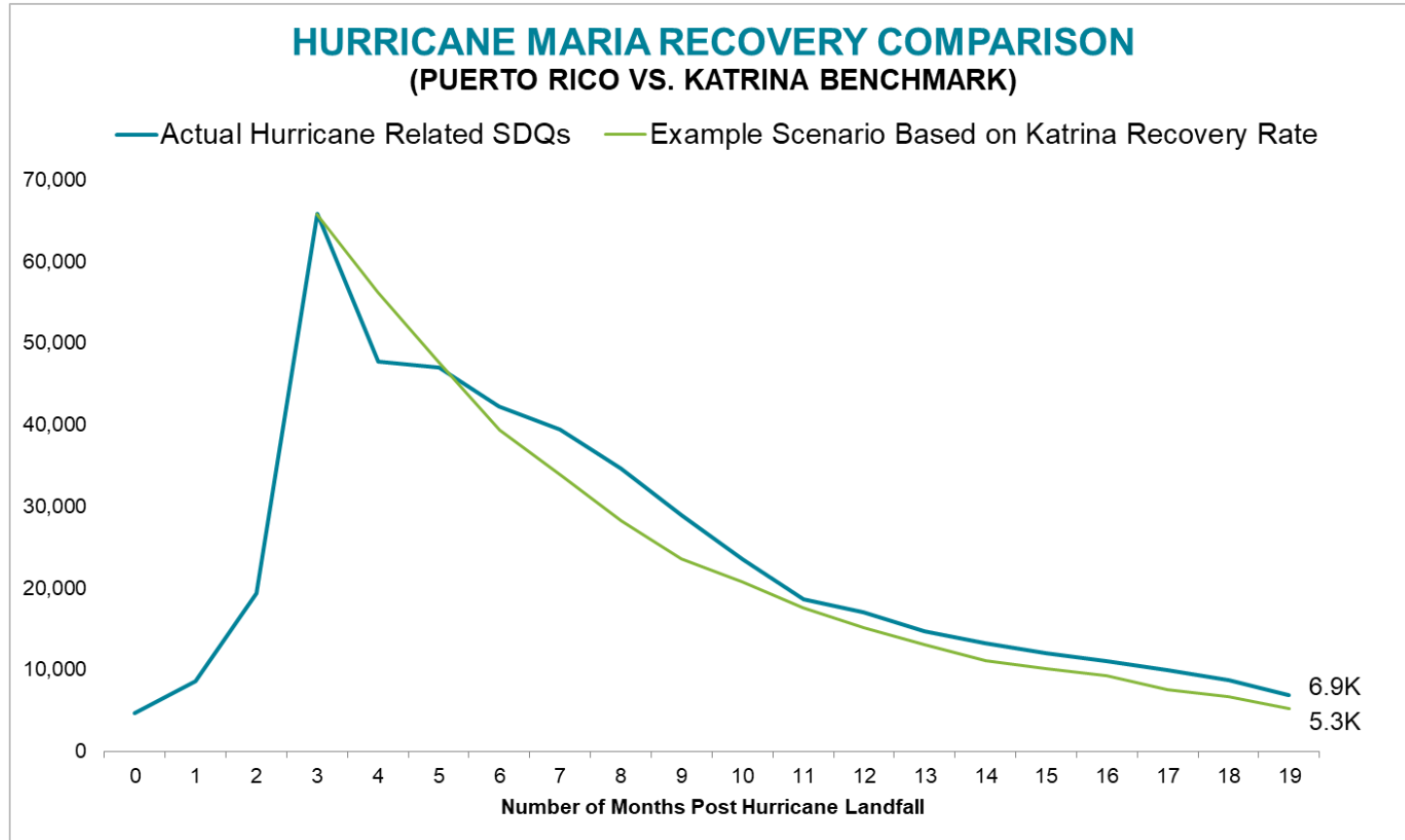
SHARE OF ACTIVE MORTGAGES 90+ DAYS DELINQUENT OR IN ACTIVE FORECLOSURE (APR 2019)



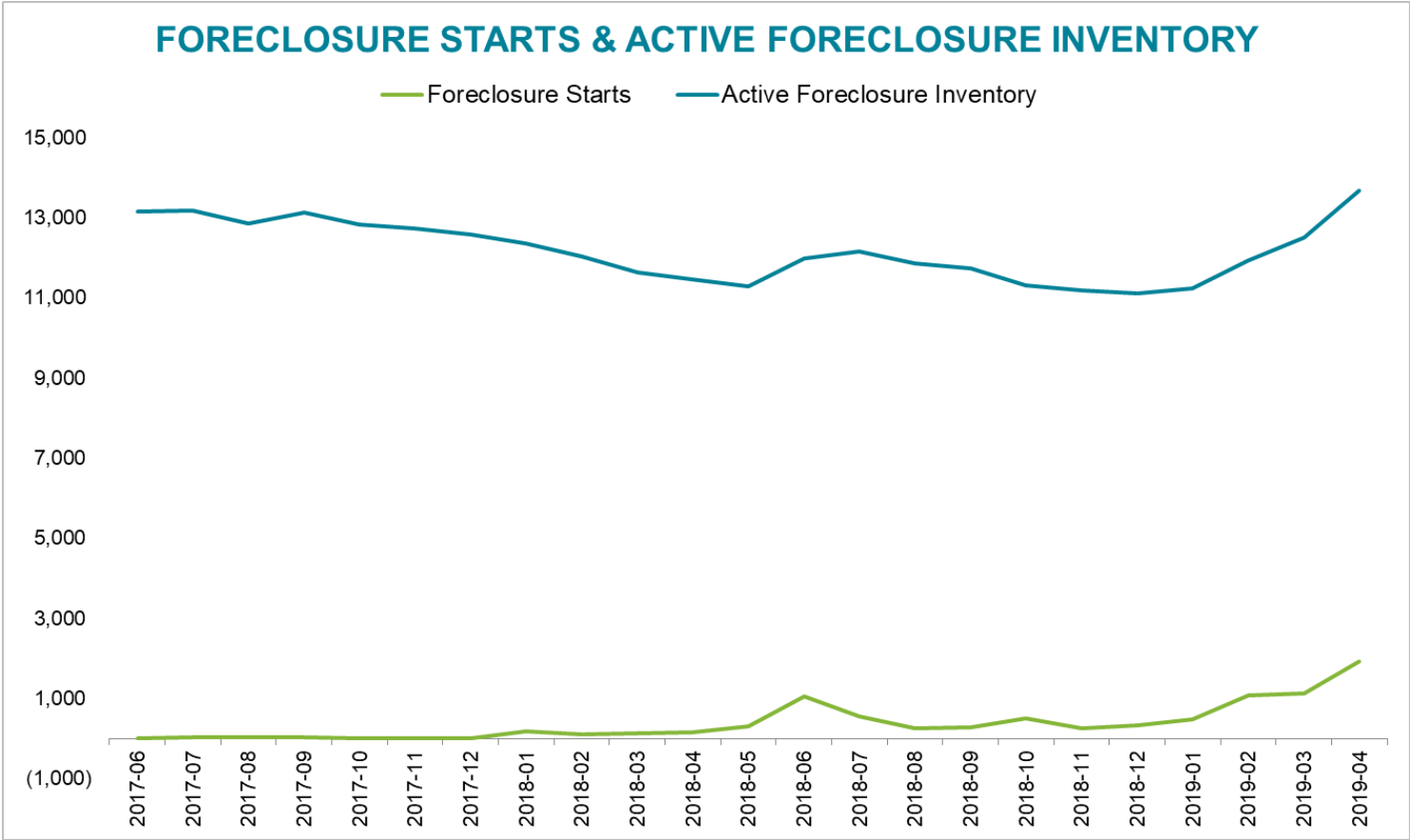
ESTIMATED HURRICANE RELATED DELINQUENCIES (PUERTO RICO)



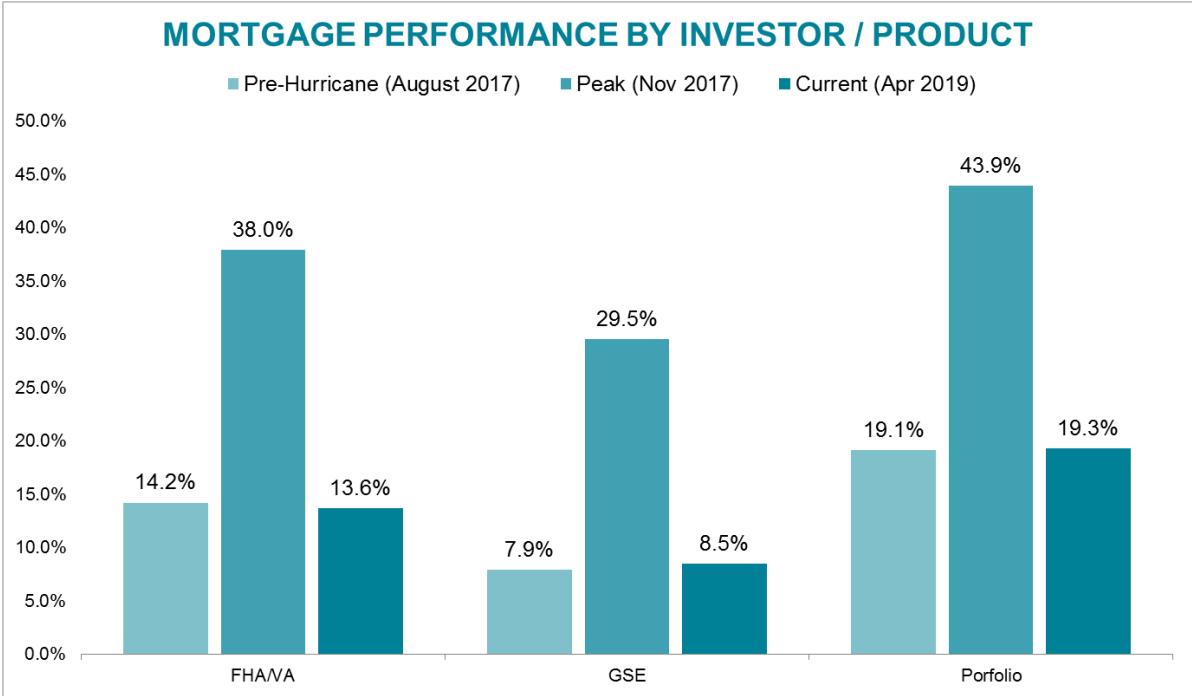
Similar recovery rate continues to be observed between hurricane Maria and hurricane Katrina (in 2005)



Foreclosure referrals and active inventories are beginning to rise



Mortgage performance continues to vary by product and investor class; FHA/VA non-current% below pre-hurricane while GSE remains elevated



Granular data allows for meaningful comparisons



MONTHLY PRODUCT OVERVIEW REPORT - April 2019

Loan Selection: Reported PR Loans - FHA

DELINQUENCY RATES (based on UPB)

LoanCnt	1 Month	2 Month	3+ Month	Total Delinq	Factor vs. All Loans	Change vs. Prev Month	Change vs. Year Ago
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PREPAYMENT RATES (based on UPB)

1 month CPR	Factor vs. All Loans	Change vs. Prev Month	Change vs. Year Ago
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COLLATERAL CHARACTERISTICS

Wtd Avg Interest Rt	Avg Orig Loan Amt	Wtd Avg Credit Sc	Wtd Avg Loan Age
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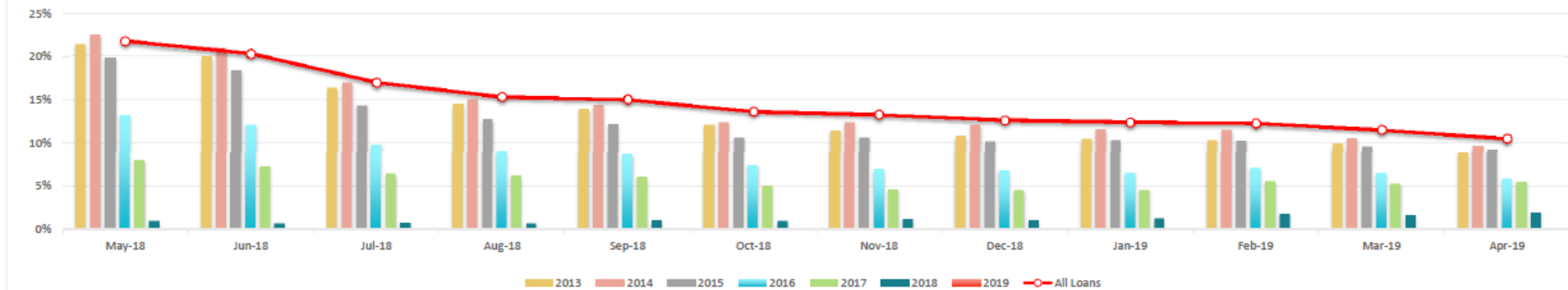
BY VINTAGE

	LoanCnt	1 Month	2 Month	3+ Month	Total Delinq	Factor vs. All Loans	Change vs. Prev Month	Change vs. Year Ago
All Loans	93,178	4.34%	1.73%	4.41%	10.47%		(8.83%)	(55.05%)
2006	1,407	8.20%	3.66%	9.59%	21.44%	205%	(6.52%)	(36.92%)
2007	1,383	7.22%	2.98%	6.67%	16.88%	161%	(12.87%)	(50.44%)
2008	2,939	6.45%	2.04%	7.04%	15.53%	148%	(11.36%)	(50.63%)
2009	5,798	4.13%	1.44%	5.10%	10.67%	102%	(11.44%)	(58.18%)
2010	5,974	4.20%	1.92%	5.34%	11.45%	109%	(11.15%)	(56.72%)
2011	6,040	5.02%	2.33%	6.72%	14.06%	134%	(7.07%)	(49.20%)
2012	9,711	3.92%	1.55%	4.64%	10.10%	96%	(9.88%)	(59.61%)
2013	8,774	3.60%	1.43%	3.87%	8.90%	85%	(9.99%)	(61.13%)
2014	5,125	3.67%	1.54%	4.52%	9.73%	93%	(7.63%)	(59.71%)
2015	6,696	3.58%	1.28%	4.38%	9.24%	88%	(3.80%)	(57.01%)
2016	5,236	2.58%	1.28%	2.02%	5.88%	56%	(10.26%)	(59.71%)
2017	3,489	3.43%	0.98%	1.08%	5.49%	52%	2.95%	(35.15%)
2018	3,477	1.52%	0.18%	0.23%	1.93%	18%	10.26%	489.41%
2019	868	0.00%	0.00%	0.00%	0.00%	0%		

3.37%		43.46%	33.93%
0.87%	26%	70.21%	(66.36%)
4.29%	127%	53.68%	(12.41%)
4.82%	143%	(6.21%)	107.91%
4.43%	131%	80.71%	56.89%
6.05%	179%	135.93%	81.52%
4.61%	137%	83.65%	155.45%
3.03%	90%	163.77%	58.36%
3.75%	111%	85.80%	61.28%
3.09%	92%	(23.06%)	10.82%
1.47%	44%	(40.80%)	(44.37%)
1.68%	50%	(30.07%)	(17.92%)
2.00%	59%	448.72%	73.72%
0.68%	20%	(51.93%)	(36.49%)
0.28%	8%	(76.12%)	

4.50	107,400	696	91
5.55	94,190	655	153
5.53	98,530	663	141
5.30	111,948	689	129
4.81	130,059	700	117
4.64	130,037	700	105
4.44	122,559	693	93
3.85	127,665	701	80
3.89	117,562	699	71
4.20	107,589	696	57
3.97	121,392	701	46
3.72	123,788	705	33
3.96	121,338	710	22
4.43	122,816	715	9
4.40	125,979	724	2

Delinquency by Vintage - Time Series



McDash MBA reports focus on delinquency & FC related metrics

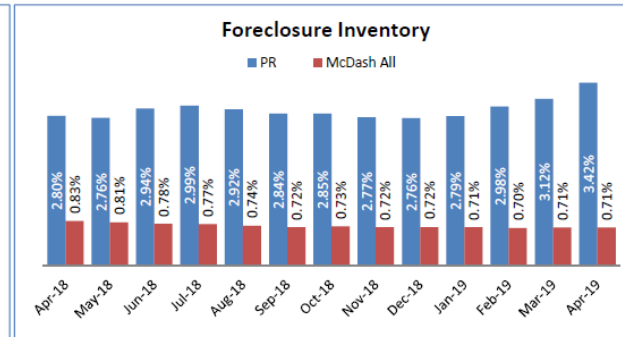
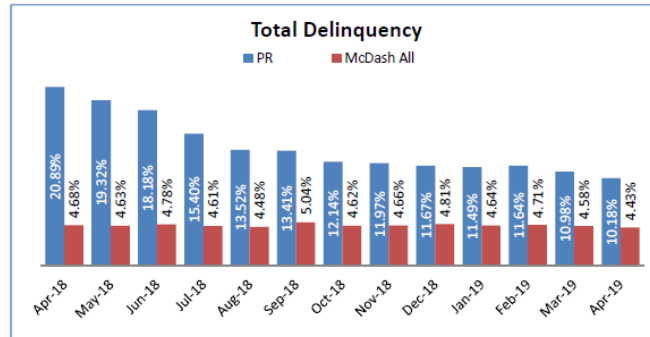


Summary Statistics - PR

	Apr-19	Monthly Change	YTD Change	Yearly Change
Delinquencies	10.18%	↓ -7.3%		↓ -51.3%
Foreclosure	3.42%	↑ 9.6%		↑ 22.2%
Foreclosure Starts	1,393	↑ 70.5%		↑ 1051.2%
Seriously Delinquent (90+) or in Foreclosure	7.44%	↓ -3.7%		↓ -50.0%

12 Month History - PR

	Apr-19	Mar-19	Feb-19	Jan-19	Dec-18	Nov-18	Oct-18	Sep-18	Aug-18	Jul-18	Jun-18	May-18	Apr-18
Delinquencies	10.18%	10.98%	11.64%	11.49%	11.67%	11.97%	12.14%	13.41%	13.52%	15.40%	18.18%	19.32%	20.89%
Foreclosure	3.42%	3.12%	2.98%	2.79%	2.76%	2.77%	2.85%	2.84%	2.92%	2.99%	2.94%	2.76%	2.80%
Foreclosure Starts	1,393	817	787	350	246	193	372	217	189	408	787	222	121
Seriously Delinquent	7.44%	7.72%	7.91%	8.03%	8.24%	8.51%	8.88%	9.45%	9.84%	11.15%	12.41%	13.65%	14.89%



Upcoming activities

- **Leverage growing dataset**

- Over two years of data for at least 75% of Puerto Rico mortgage market

- **Resource for regulatory bodies in data needs**

- Black Knight's data collection history with Federal Reserve Board, Fannie Mae and OCC

- **New servicers on-boarding**

- Expected increase in coverage later in 2019

- **Increase participation from Puerto Rico servicers**

- Goal >**90%** mortgage market coverage

