



Mortgage Bankers Association of Puerto Rico

# MBA of Puerto Rico / Black Knight Data & Analytics Partnership

## *McDash Puerto Rico Servicing Portfolio Analysis*



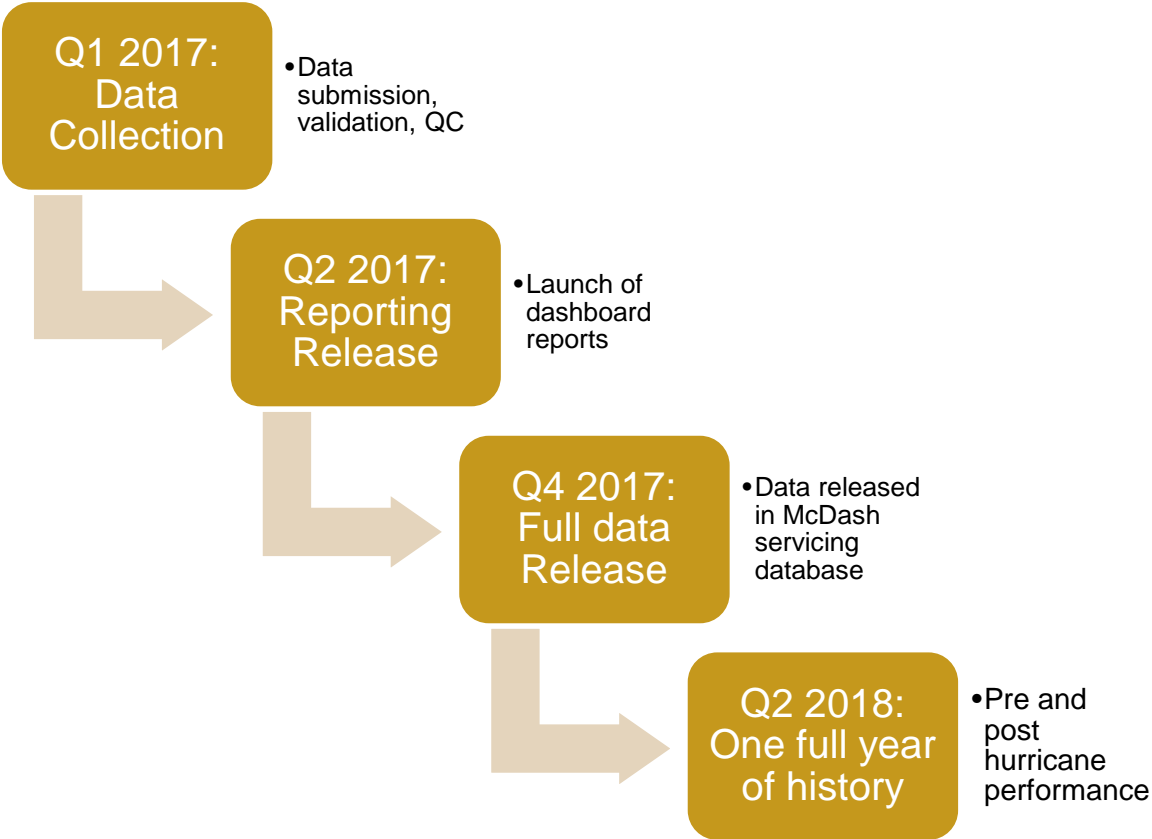


# Discussion Points

- **MBA of Puerto Rico Reporting Updates**
  - Updates on progress over the last year
- **Mortgage Data & Analytics Trends**
  - Puerto Rico market overview and hurricane
  - Hurricane impacts and comparisons to other areas
  - Example of historical loss mitigation data
- **Data's Role in the Recovery: Next Steps**

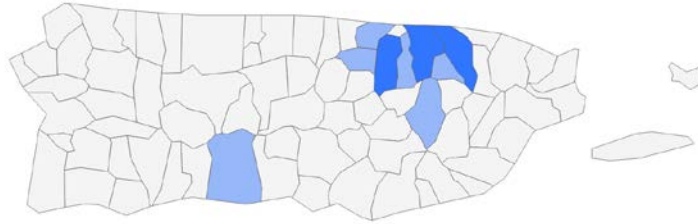


# MBA of Puerto Rico Reporting – Updates



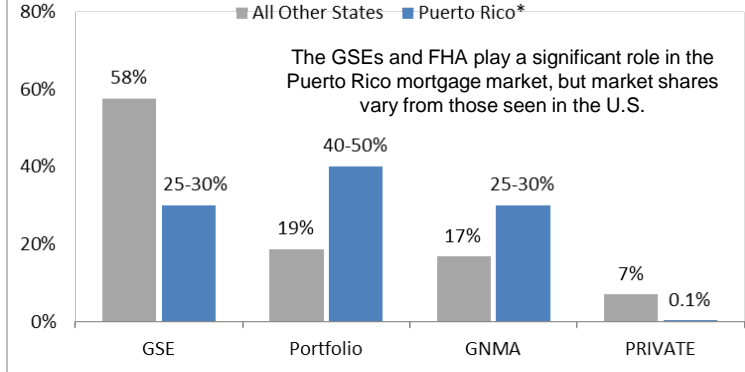
# Overview of Puerto Rico's Mortgage Market

The Puerto Rican mortgage market is estimated to contain approximately 425,000 active mortgages



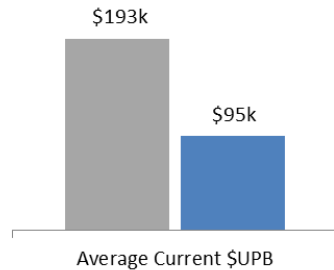
The heaviest concentration of mortgaged properties lie in the northeastern region of the island. Areas highlighted above contain approximately half of all mortgages properties

## Market Share by Investor



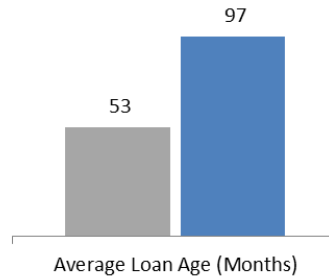
## Avg Loan Balance

■ All Other States ■ Puerto Rico



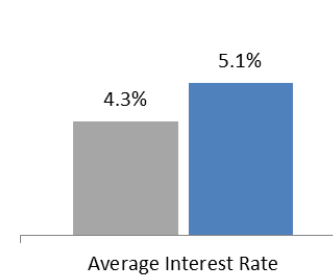
## Avg Loan Age

■ All Other States ■ Puerto Rico



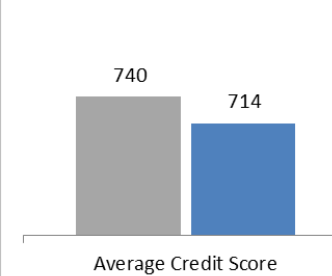
## Avg Interest Rate

■ All Other States ■ Puerto Rico

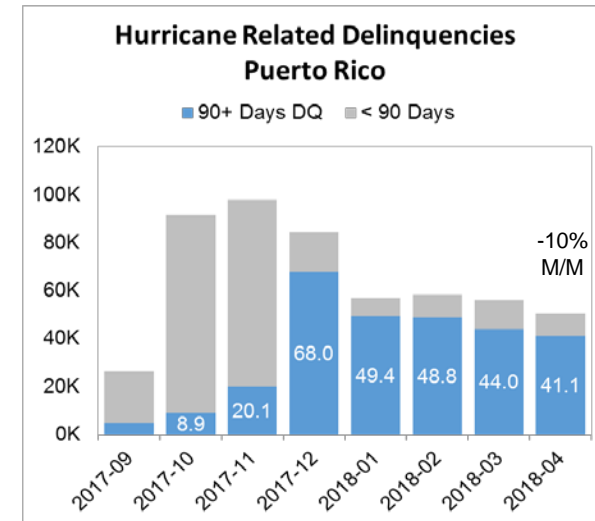
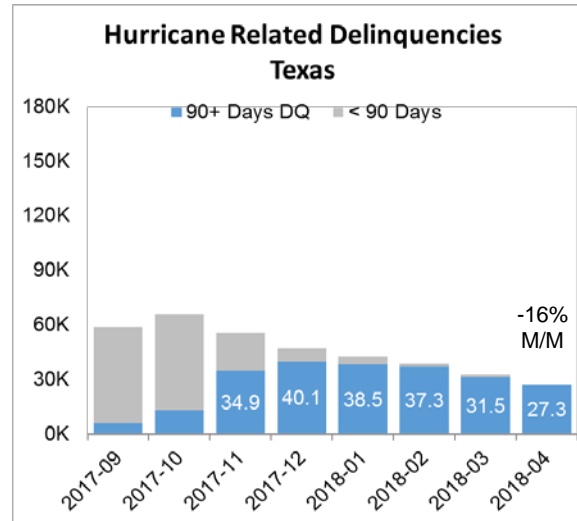
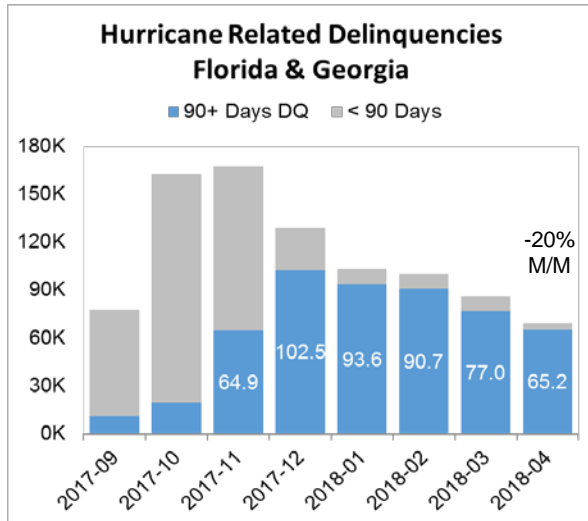


## Avg Credit Score

■ All Other States ■ Puerto Rico



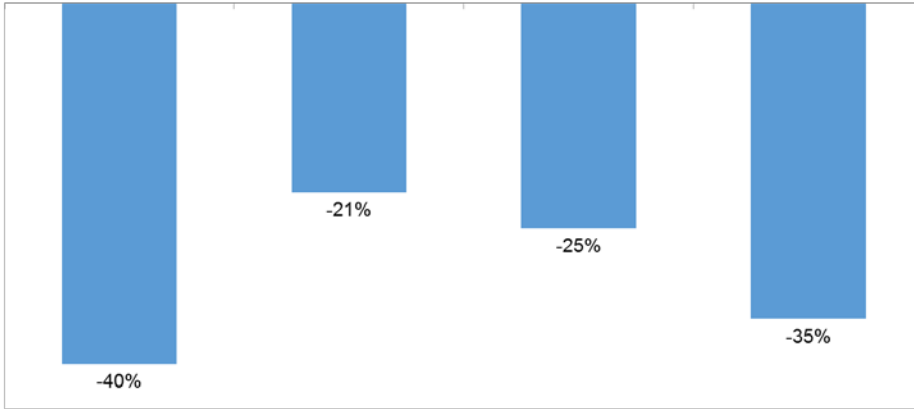
# Hurricane DQs saw continued improvement in April, although significant volume still remains



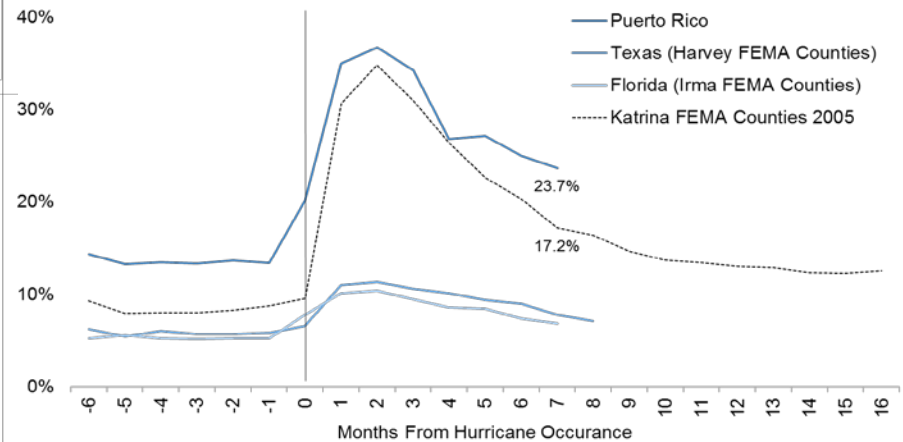
# Puerto Rico mostly following recovery track of Katrina

**Improvement in Hurricane Related 90+ Day Delinquencies**  
(Total Improvement in First 3 Months Following Peak)

Katrina - 2005 (MS & LA)      Harvey - 2017 (Texas)      Irma - 2017 (FL & GA)      Maria - 2017 (Puerto Rico)

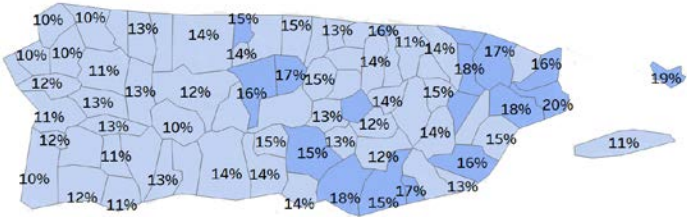


**Hurricane Comparison - Non-Current Mortgage Rates**



# Geographical Impacts from Hurricane Maria

**Pre-Hurricane Non-Current Rates (Aug 17)**

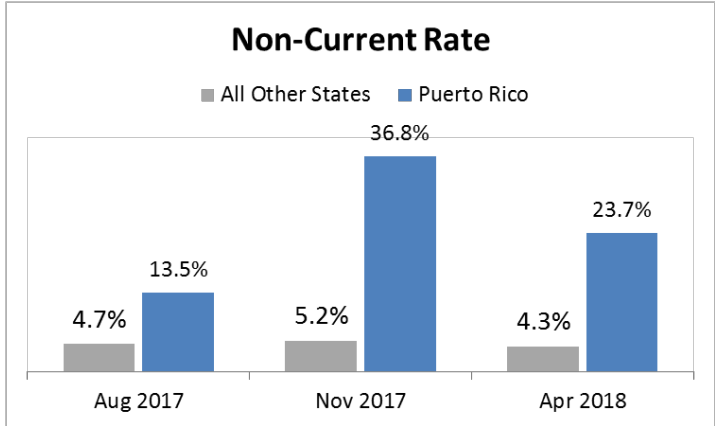
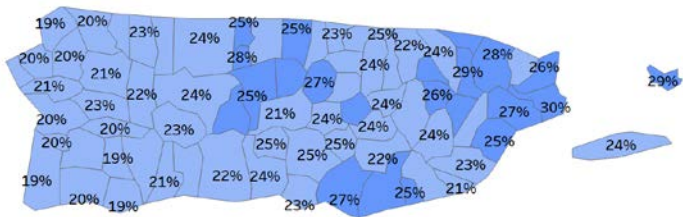


**Peak Non-Current Rates (Nov 17)**



**Current Non-Current Rates (Apr 18)**

- More than 24%
- Between 18 and 24%
- Less than 18%



# Board reports track delinquencies and foreclosures



Presented For:  
 MORTGAGE BANKERS ASSOCIATION OF PUERTO RICO

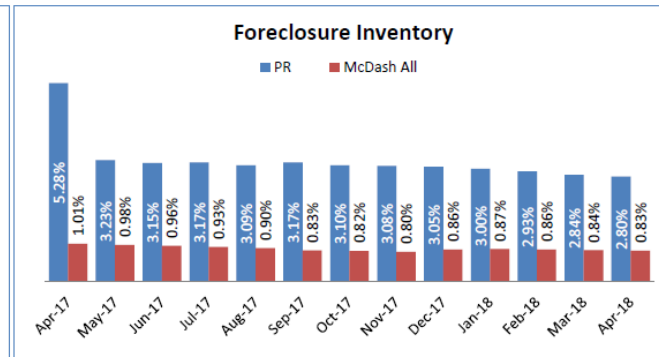
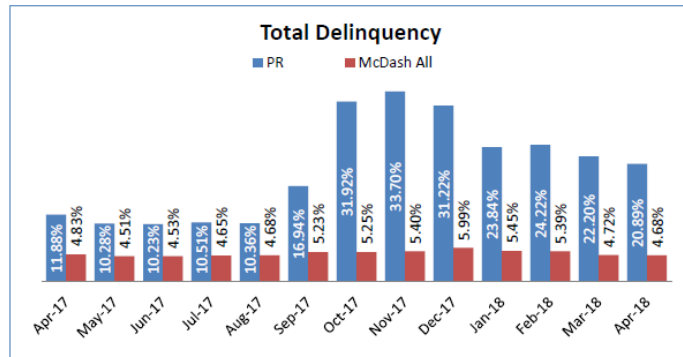


## Summary Statistics - PR

	Apr-18	Monthly Change	YTD Change	Yearly Change
Delinquencies	20.89%	↓ -5.9%	↑ 23.4%	↑ 75.9%
Foreclosure	2.80%	↓ -1.4%	↓ -11.7%	↓ -47.0%
Foreclosure Starts	121	↑ 21.0%	↑ 536.8%	↑ 450.0%
Seriously Delinquent (90+) or in Foreclosure	14.89%	↓ -5.1%	↑ 113.7%	↑ 43.3%

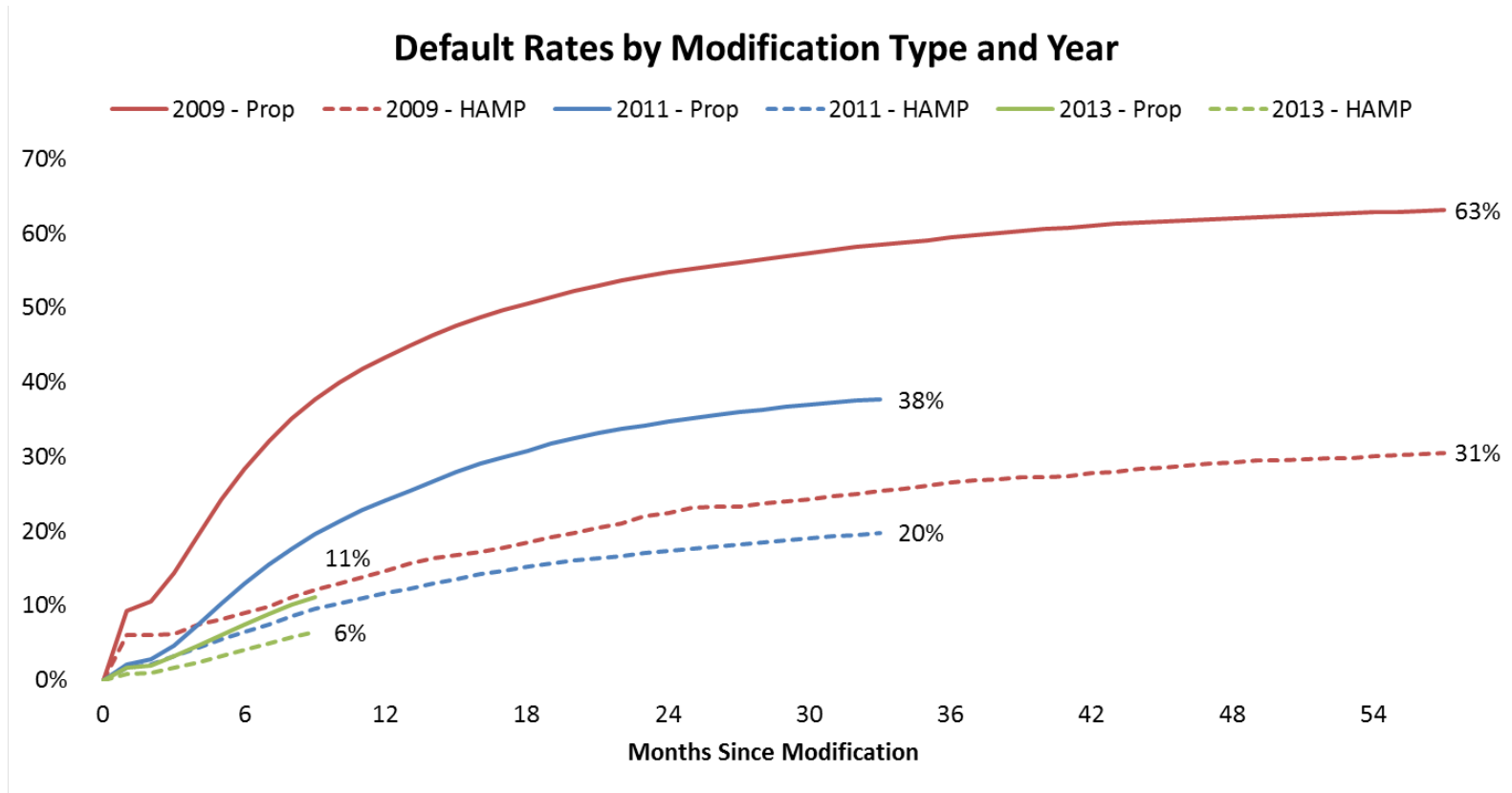
## 12 Month History - PR

	Apr-18	Mar-18	Feb-18	Jan-18	Dec-17	Nov-17	Oct-17	Sep-17	Aug-17	Jul-17	Jun-17	May-17	Apr-17
Delinquencies	20.89%	22.20%	24.22%	23.84%	31.22%	33.70%	31.92%	16.94%	10.36%	10.51%	10.23%	10.28%	11.88%
Foreclosure	2.80%	2.84%	2.93%	3.00%	3.05%	3.08%	3.10%	3.17%	3.09%	3.17%	3.15%	3.23%	5.28%
Foreclosure Starts	121	100	86	126	8	5	11	19	23	18	17	-	22
Seriously Delinquent	14.89%	15.69%	17.11%	17.36%	21.83%	10.50%	7.84%	6.97%	5.76%	5.86%	5.80%	5.83%	10.38%





# Tracking loss mitigation and recidivism through the financial crisis





# Date's Role in the Recovery: Next Steps

- **Leverage existing data**

- Continue to track mortgage performance
  - **Evaluate whether additional loss mitigation data is needed**
- Obtain additional performance history
- Review tools and reports for additional analysis

- **Work with regulatory bodies to assist in data needs**

- Black Knight's experience with Federal Reserve Board and OCC

- **Increase participation from Puerto Rico servicers**

- Current coverage rate **75%** of Puerto Rico market; Goal **>90%** mortgage market coverage

