

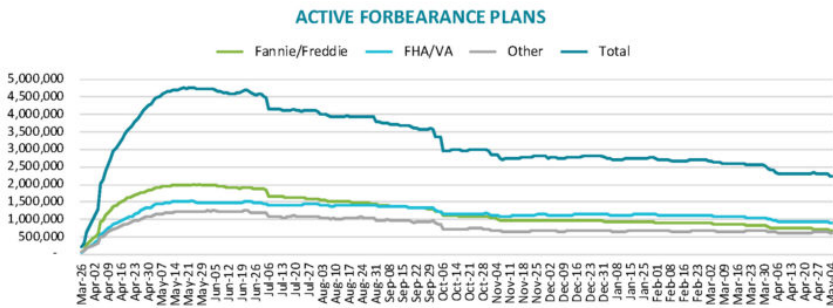
Forbearance Exits Soar as More Plans Expire

By: Jann Swanson | Fri, May 7 2021, 10:15 AM

There was a **sharp decline in the number of loans in forbearance** during the week ended May 4. Black Knight says this has come to be the norm during the early weeks of each month. Overall forbearance volumes dropped by 105,000, a **4.5 percent improvement**. The company, in its weekly report, said there are another 73,000 active plans with terms that expired at the end of April which may drive more exits in early May.

There were thousands of departures of each loan type. GSE forbearance volumes were down 39,000 or 5.3 percent, 44,000 FHA and VA loans left the program (4.7 percent), and the number of forbore loans serviced for bank portfolios and private label securities (PLS) declined by 22,000 or 3.4 percent.

At the end of the reporting period, 2.22 million loans remain in active plans. Of those, 697,000 are serviced for the GSEs, 2.5 percent of those outstanding loans, and 900,000 are FHA or VA loans (7.4 percent). The remaining 627,000 portfolio and PLS loans represent 4.8 percent of those portfolios.



Black Knight estimates **another 350,000 loans are due for servicer reviews to determine extensions or removals this month**, and 900,000 will be due in June. The latter will be the final quarterly review before early forbearance entrants begin to reach their 18-month plan expirations later this year.

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