

U.S. Structured Finance Chart Book: March 2025

James Manzi

Tom Schopflocher

March 21, 2025

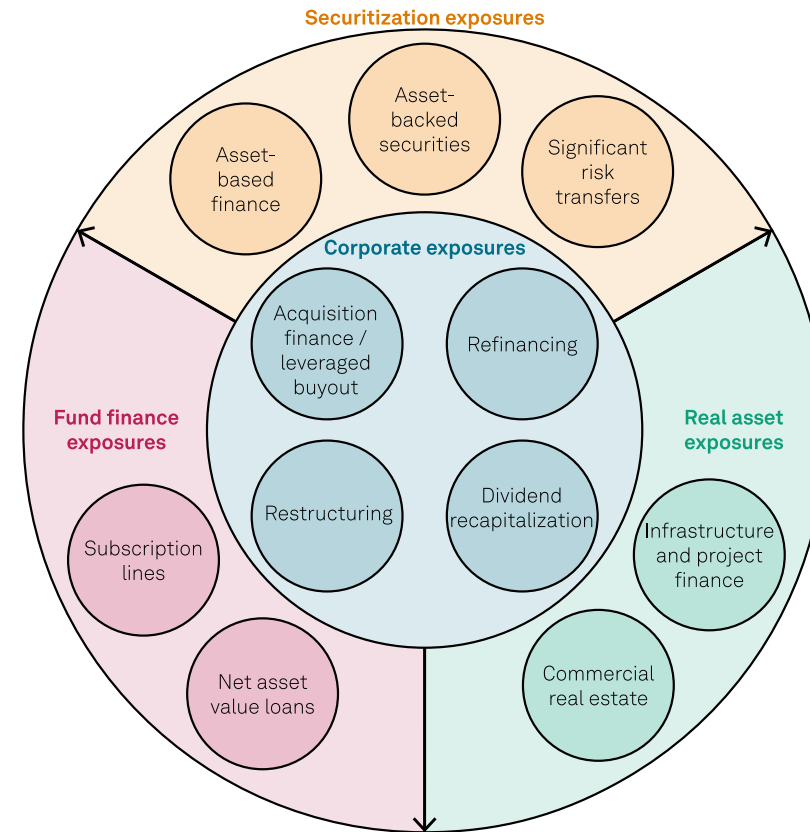


Highlights | ABS Frontiers: Asset-Based Finance Funds Are In Vogue

- Private credit investment vehicles are diversifying beyond direct lending investments to include securitizations, fund finance facilities, and real assets, such as infrastructure and commercial real estate (CRE).
- While similar securitization technology may be used for both public asset-backed securities (ABS) and private asset-based finance (ABF) transactions, the latter generally have more bespoke collateral pools and may benefit from enhanced structural protections.
- There is growing interest in obtaining credit ratings for investment vehicles financing pools of ABF transactions, significant risk transfers (SRTs), and fund finance facilities. Since the risk profile of individual transactions can vary widely across these exposure types, the investment vehicle's structural features and the manager's flexibility can influence our analysis.
- Key differentiators of credit risk across investment vehicles include the creditor class subordination structure and security package, refinancing risk in the capital structure, and documented structural protections, such as interest and principal coverage or portfolio investment tests.

The private credit market is expanding

Previously, it mostly comprised corporate exposures through direct lending. Now it also includes securitization exposures, fund finance exposures, and real asset exposures.



Source: S&P Global Ratings.

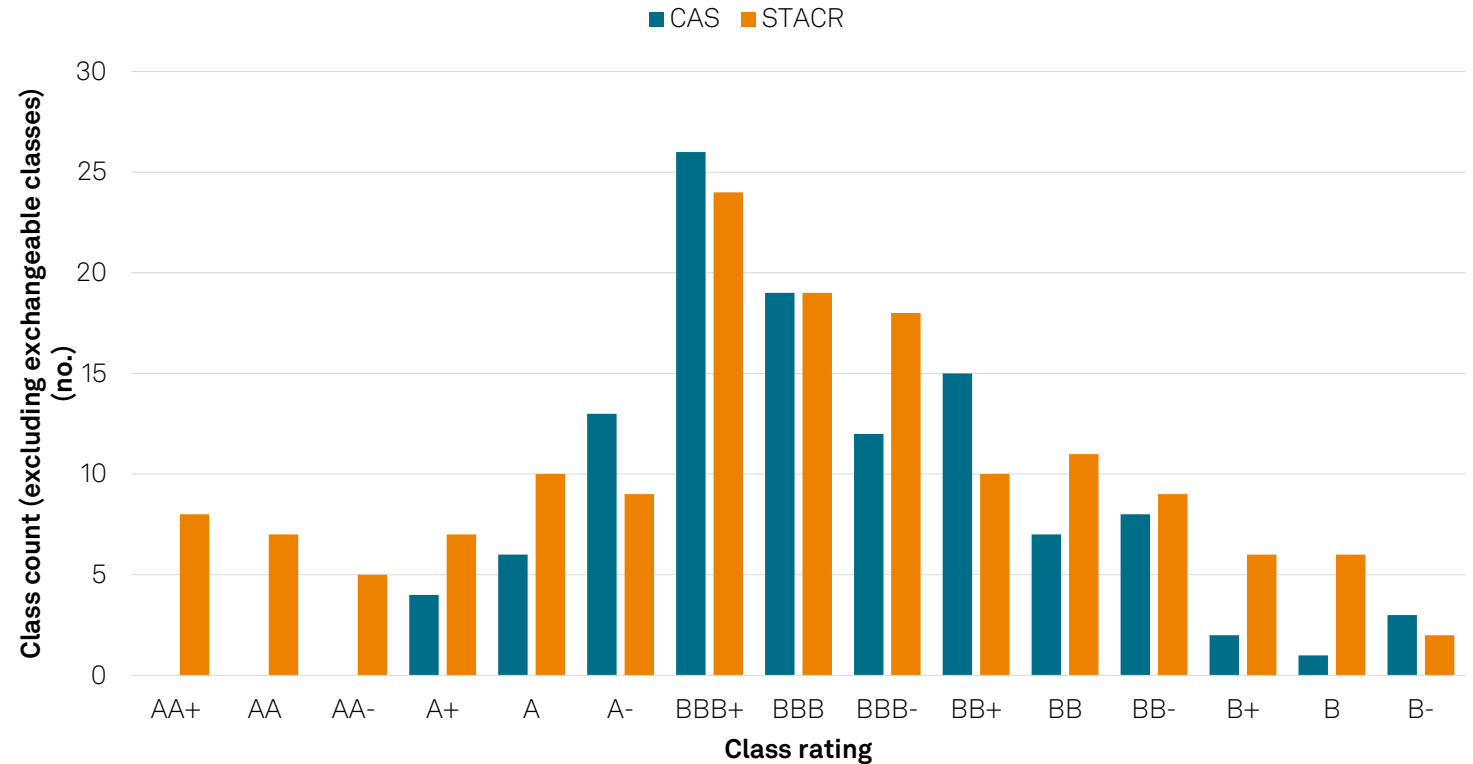
[Access Article](#) >



Highlights | How GSE Privatization Could Impact Credit Risk Transfer Ratings

- As privatization of the government-sponsored entities (GSEs) has resurfaced as a potential policy objective, we are monitoring the effect it could have on credit risk transfer (CRT) ratings.
- While CRT note credit quality is largely dependent on the behavior of the reference mortgage pool, counterparty risk of the GSEs could become a constraining factor.
- If a path to privatization takes form, we will need to factor in the extent to which transaction structures mitigate the counterparty risk of the GSEs, or any other forms of external support provided, such as a guarantor of GSE obligations.

S&P Global Ratings-rated GSE CRT classes by rating*



*Excluding exchangeables. CRT--Credit risk transfer. GSE--Government-sponsored entity. CAS--Connecticut Avenue Securities (Fannie Mae). STACR--Structured Agency Credit Risk (Freddie Mac). Source: S&P Global Ratings.

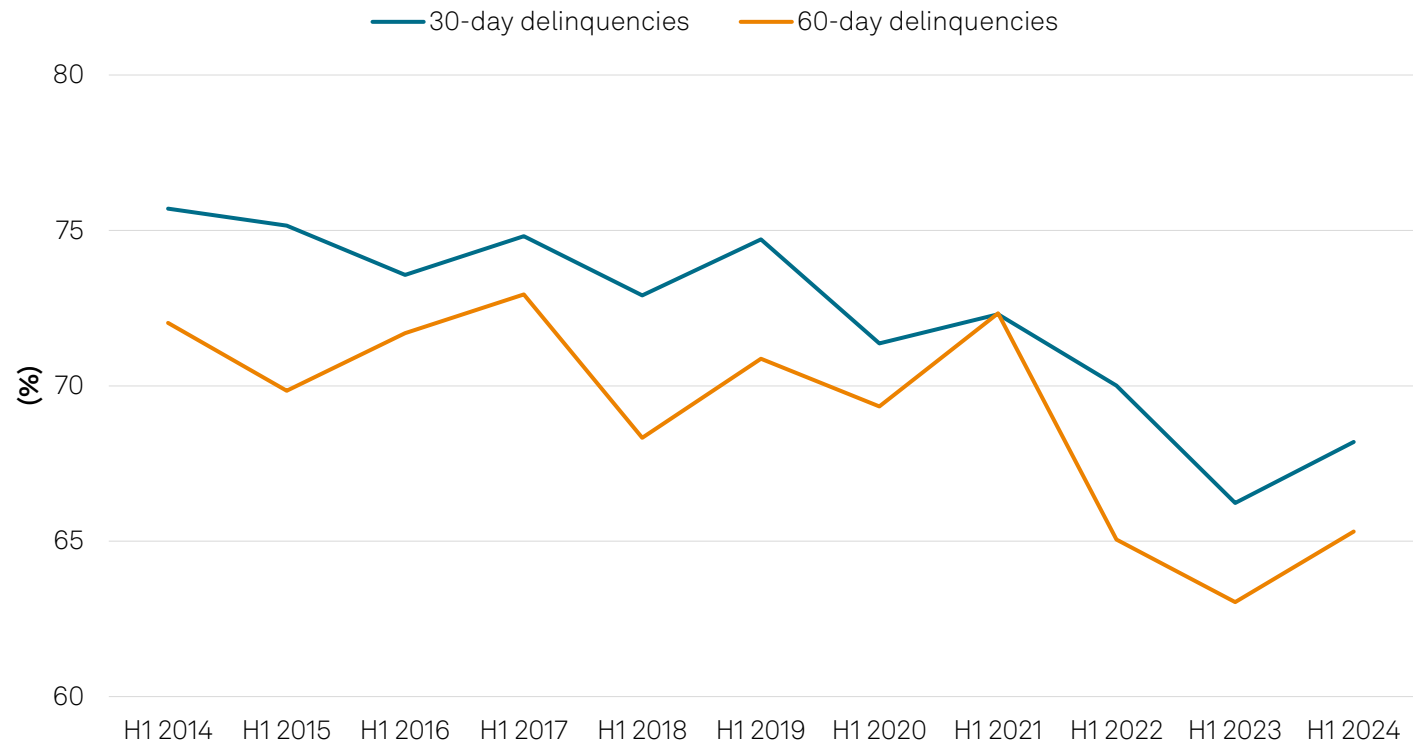
[Access Article >](#)



Highlights | Servicer Evaluation Spotlight Report™: Servicers' Collection Skills Essential For Managing Delinquent Loans In A New Era

- Early-stage mortgage delinquency rates have increased from their lows in 2021, and the role of collectors will be critical for servicers as these delinquencies rise.
- Loan delinquencies can result from borrower hardships related to inflationary pressures. These performance issues are often nuanced, idiosyncratic, and challenging to resolve.
- Default management has evolved since the last economic recovery. As new technology and more streamlined solutions have emerged, collectors are at risk of becoming less dynamic in their approach to resolving delinquencies.
- To manage delinquencies in this new era, servicers will need to assess and address any skill gaps in their collections staff.

Promise-to-pay success rates



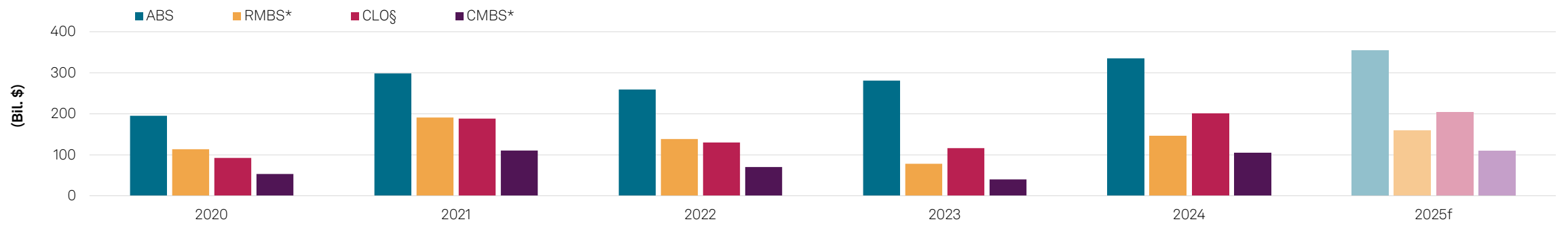
H1--First half. Source: S&P Global Ratings.

[Access Article](#) >

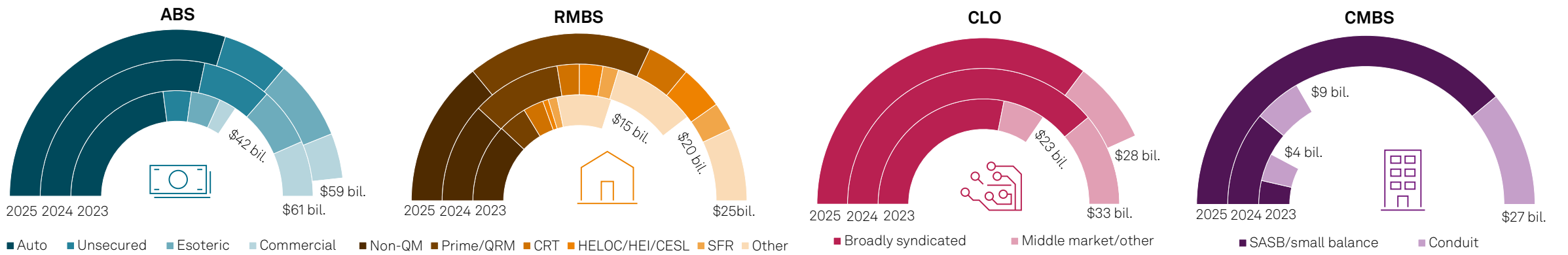


Market-Wide Structured Finance Issuance | Feb. 2025 SF Issuance Up 14% Vs. Feb. 2024 YTD; RMBS And CMBS Off To A Relatively Strong Start

Annual new issuance



New issuance through the end of February

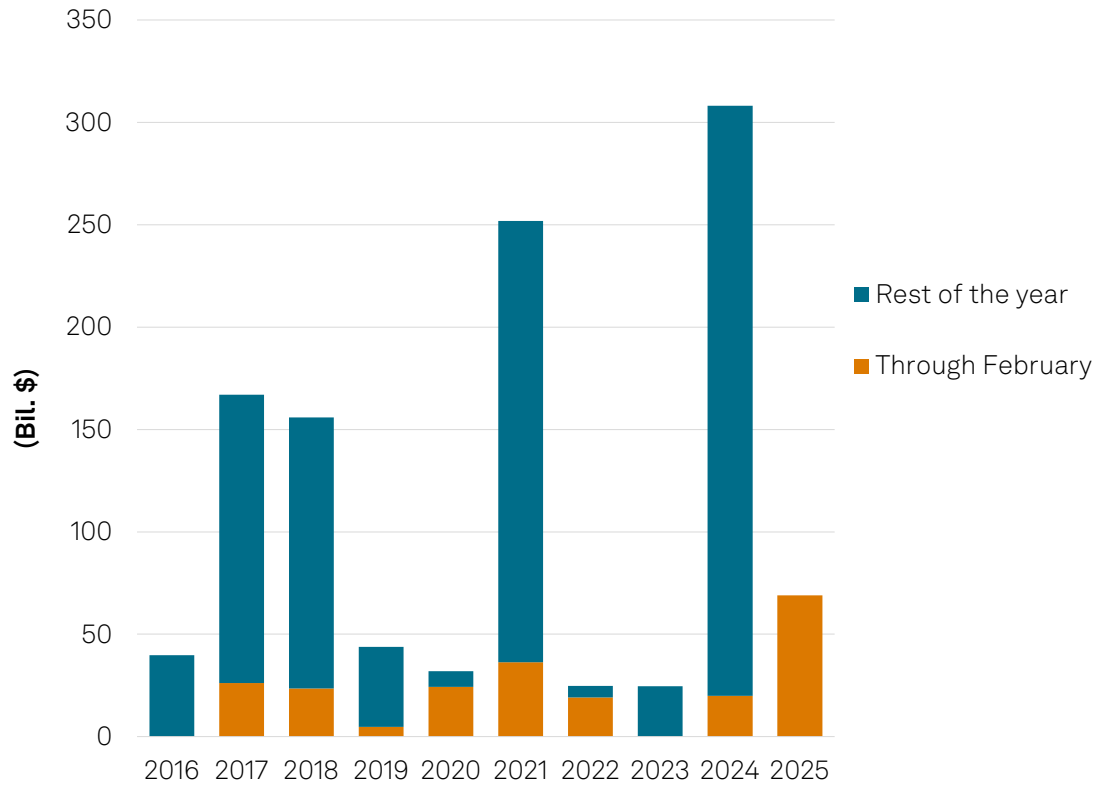


Note: Issuance volumes are rounded. New issuance volumes exclude CRE CLO transactions. *RMBS and CMBS issuance volumes exclude agency mortgage-backed securities. §CLO refinancing-reset volume is not considered new issuance. ABS--Asset-backed securities. RMBS--Residential mortgage-backed securities. CLO--Collateralized loan obligations. CMBS--Commercial mortgage-backed securities. Non-QM--Non-qualified mortgage. QRM--Qualified residential mortgage. CRT--Credit risk transfer. HELOC--Home equity line of credit. HEI--Home equity investment. CESL--Closed-end second lien. SFR--Single-family rental. SASB--Single asset, single borrower. CRE--Commercial real estate. f--Forecast.
Sources: S&P Global Ratings, Intex, Pitchbook LCD, Bloomberg, and Green Street.



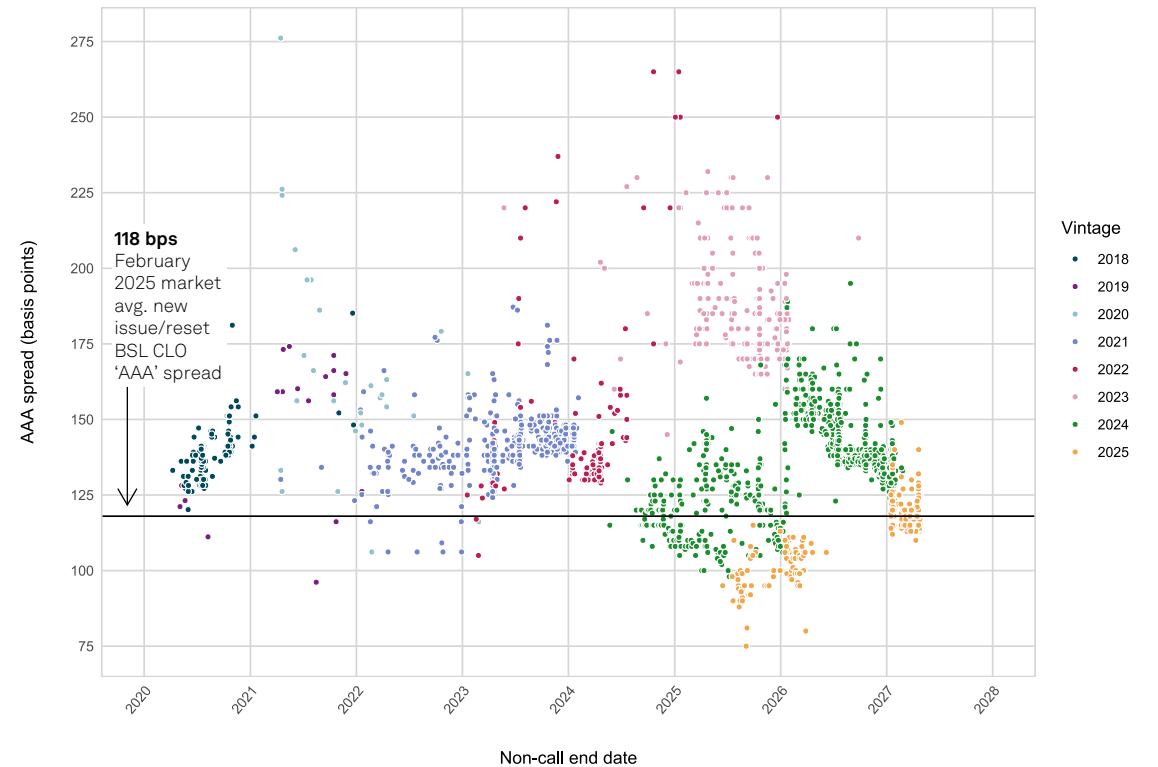
CLO Refinancings And Resets | Robust Activity Continues

CLO refinance/reset issuance volume



Source: Pitchbook LCD.

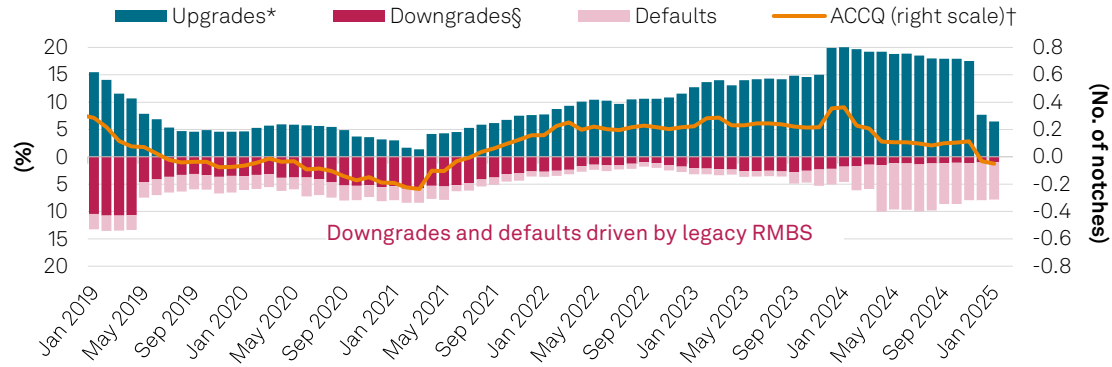
Outstanding U.S. BSL CLO 'AAA' spreads and non-call period end dates, by vintage*



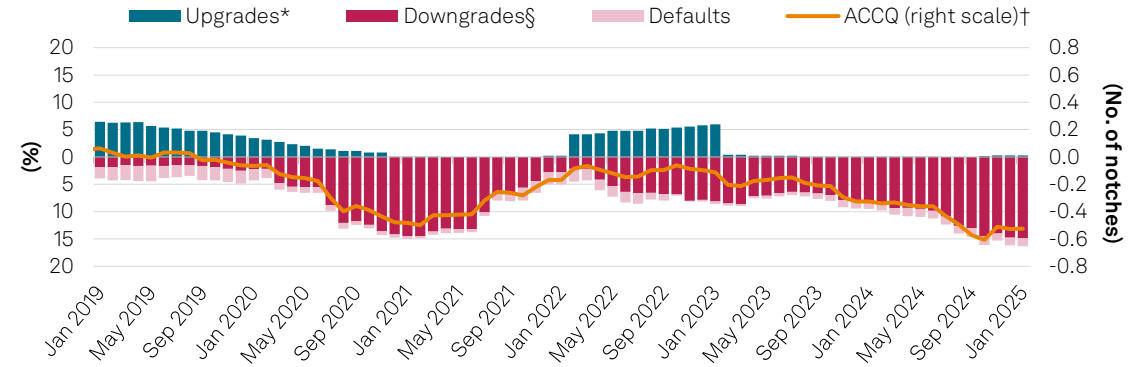
*Data as of March 13, 2025. Note: The spreads of reinvesting transactions and transactions within two years of their reinvestment period end date are plotted. The spreads of transactions that have been refinanced or reset previously are plotted (vintage is adjusted to reflect most recent iteration of the CLO). BSL--Broadly syndicated loan. CLO--Collateralized loan obligation. Bps--Basis points. Sources: Pitchbook LCD and S&P Global Ratings.

Ratings Performance | Average Change In Credit Quality By Sector

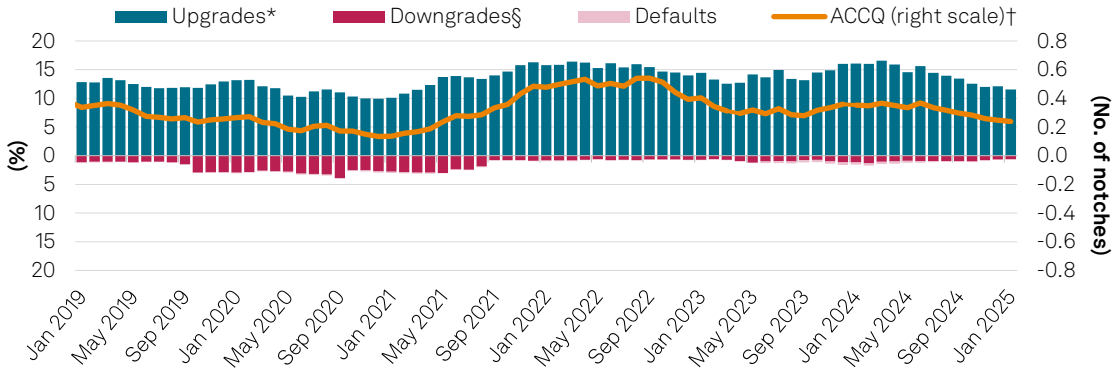
RMBS



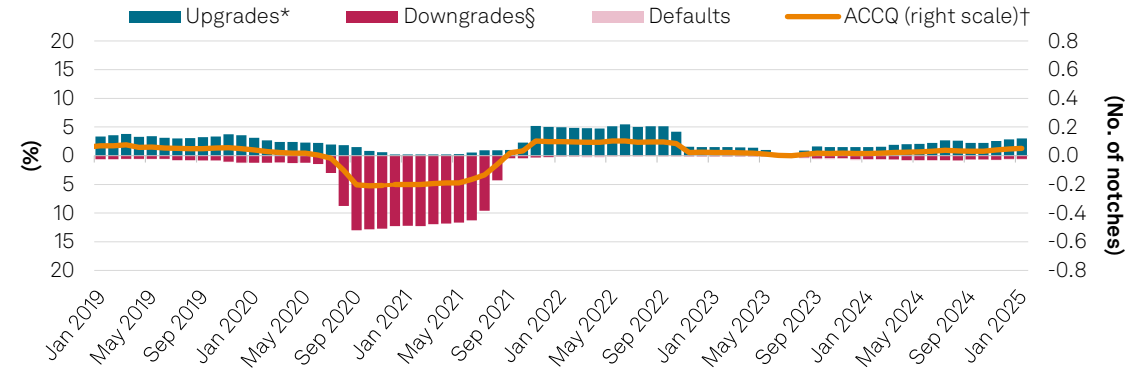
CMBS



ABS[‡]



CLO



*Total number of upgrades (downgrades, defaults) divided by the total number of outstanding ratings in the sector on a trailing-12-month basis. Securities whose ratings migrated to NR over each period are classified based on their rating prior to NR.
 ‡The downgrade proportion excludes defaulted tranches. †The average number of notches by which ratings across all tranches in each sector changed on a trailing-12-month basis. §ABS includes ratings performance data from esoteric asset classes.
 RMBS--Residential mortgage-backed securities. CMBS--Commercial mortgage-backed securities. ABS--Asset-backed securities. CLO--Collateralized loan obligation. ACCQ--Average change in credit quality. NR--Not rated. Source: S&P Global Ratings.

RMBS



James Taylor

+1 (212) 438 6067

james.taylor@spglobal.com



Vanessa Purwin

+1 (212) 438 0455

vanessa.purwin@spglobal.com



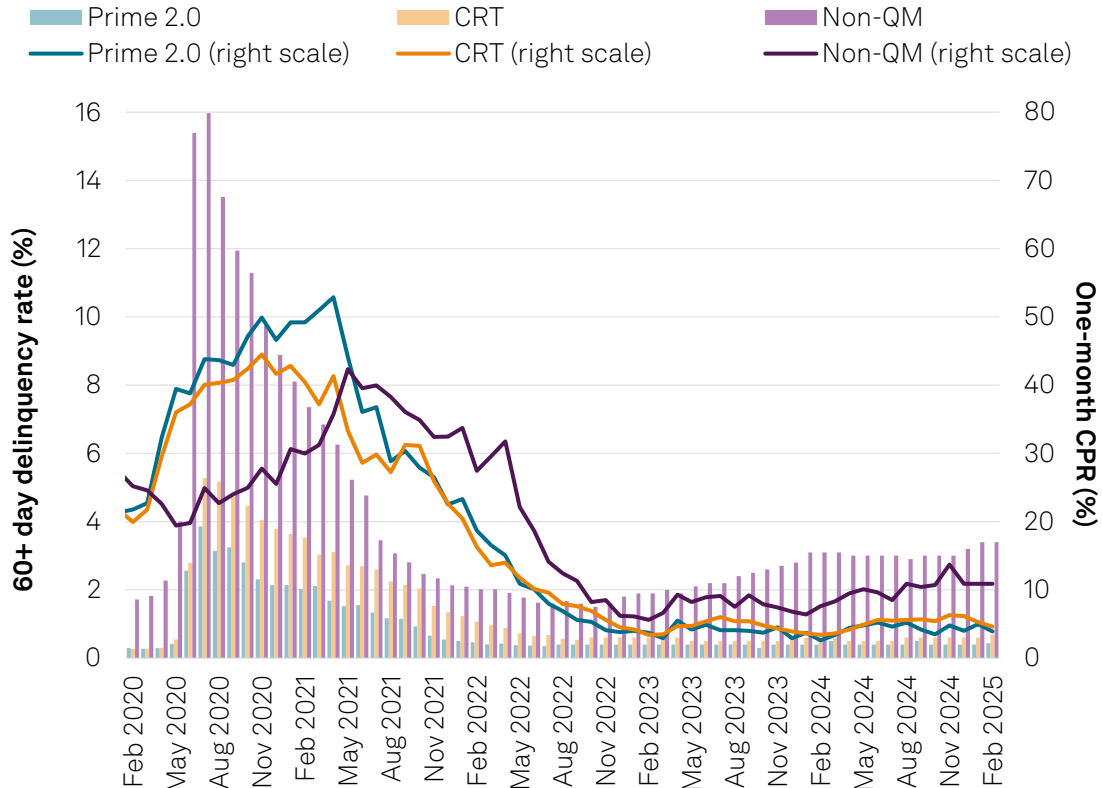
Jeremy Schneider

+1 (212) 438 5230

jeremy.schneider@spglobal.com

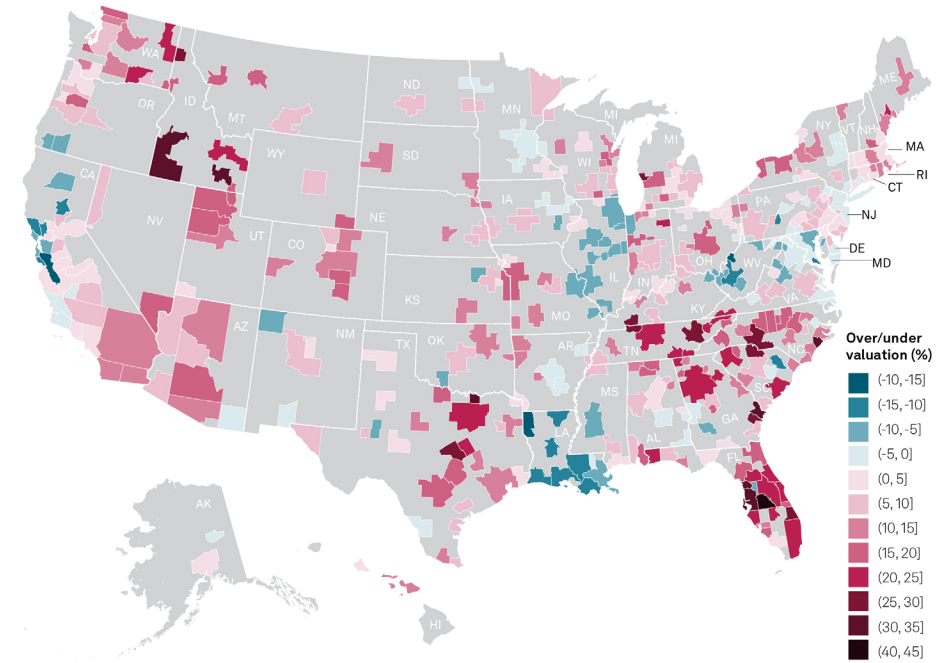
RMBS | Overall Pool Performance And Geographic Comparison Of Non-QM Delinquencies

RMBS collateral performance*



*Data as of Mar. 1, 2025. Based on loans backing RMBS transactions rated by S&P Global Ratings. RMBS--Residential mortgage-backed securities. CRT--Credit risk transfer. Non-QM--Non-qualified mortgage. CPR--Conditional prepayment rate. Source: S&P Global Ratings.

U.S. over/undervaluation by MSA as of third-quarter 2024



Non-seasonally adjusted data. Ten MSAs depict combined data from two or more metropolitan divisions due to overlapping geographic locations. The over/under data from the metropolitan division with the highest core city population was chosen for each combined MSA. HPA—Home price appreciation. MSA—Metropolitan statistical area. Sources: Federal Housing Finance Agency and S&P Global Ratings.

CMBS



Cathy de la Torre

+1 (212) 438 0502

cathy.de.la.torre@spglobal.com



James Digney

+1 (212) 438 1832

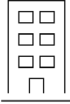
james.digney@spglobal.com



Senay Dawit

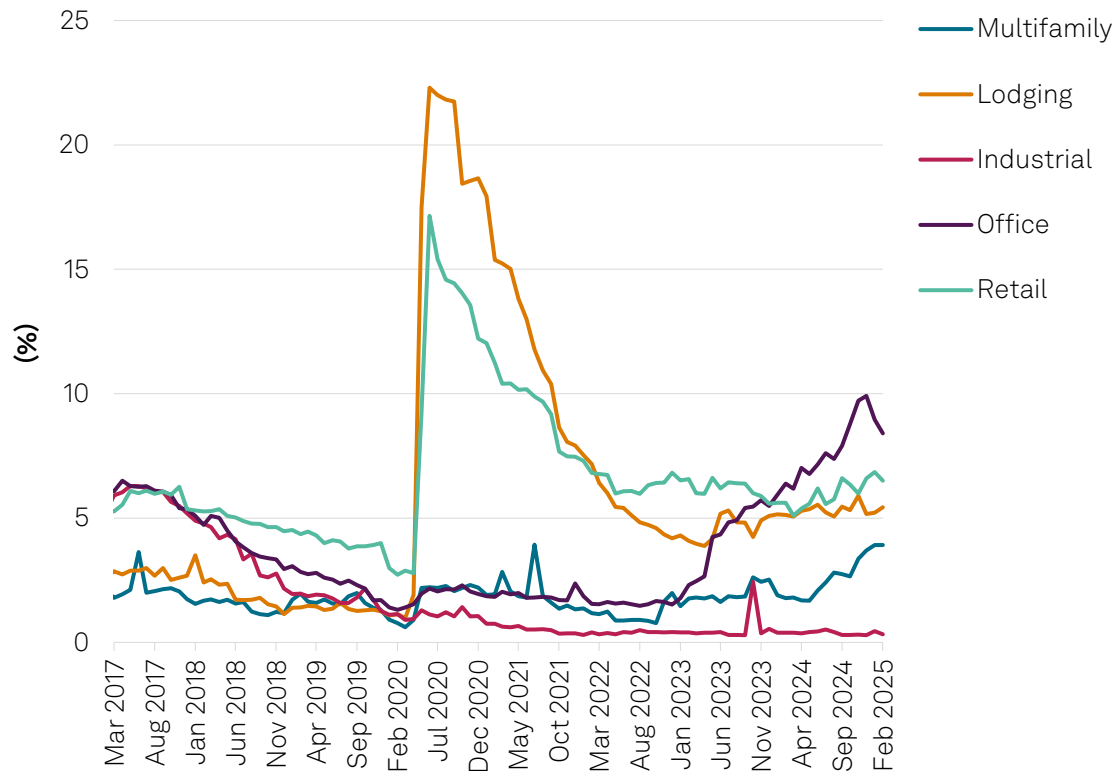
+1 (212) 438 0132

senay.dawit@spglobal.com



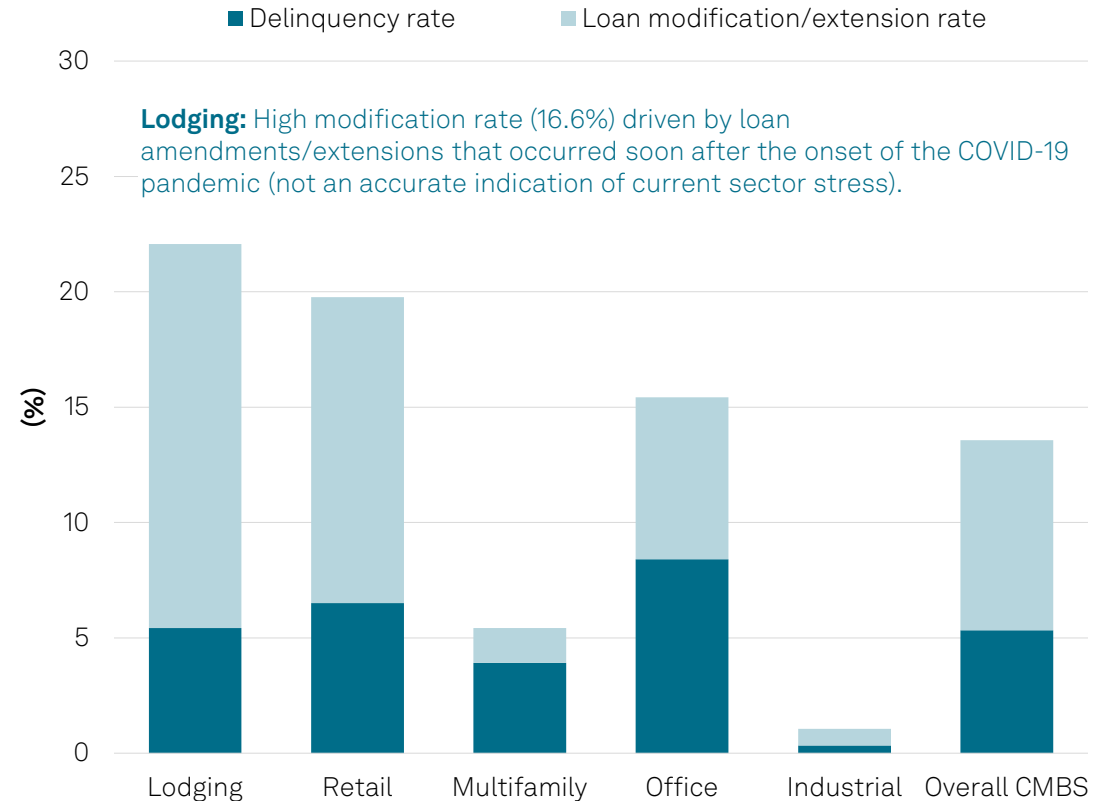
CMBS | Overall Delinquency Rate Decreased 33 Bps To 5.3% In February 2025; Office Rate Fell To 8.4%

Delinquency rate by property type



Source: S&P Global Ratings.

Delinquency and modification/extension rate by property type*



*Data as of February 2025. CMBS--Commercial mortgage-backed securities. Source: S&P Global Ratings.

ABS



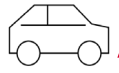
Frank Trick
+1 (212) 438 1108
frank.trick@spglobal.com



Amy Martin
+1 (212) 438 2538
amy.martin@spglobal.com

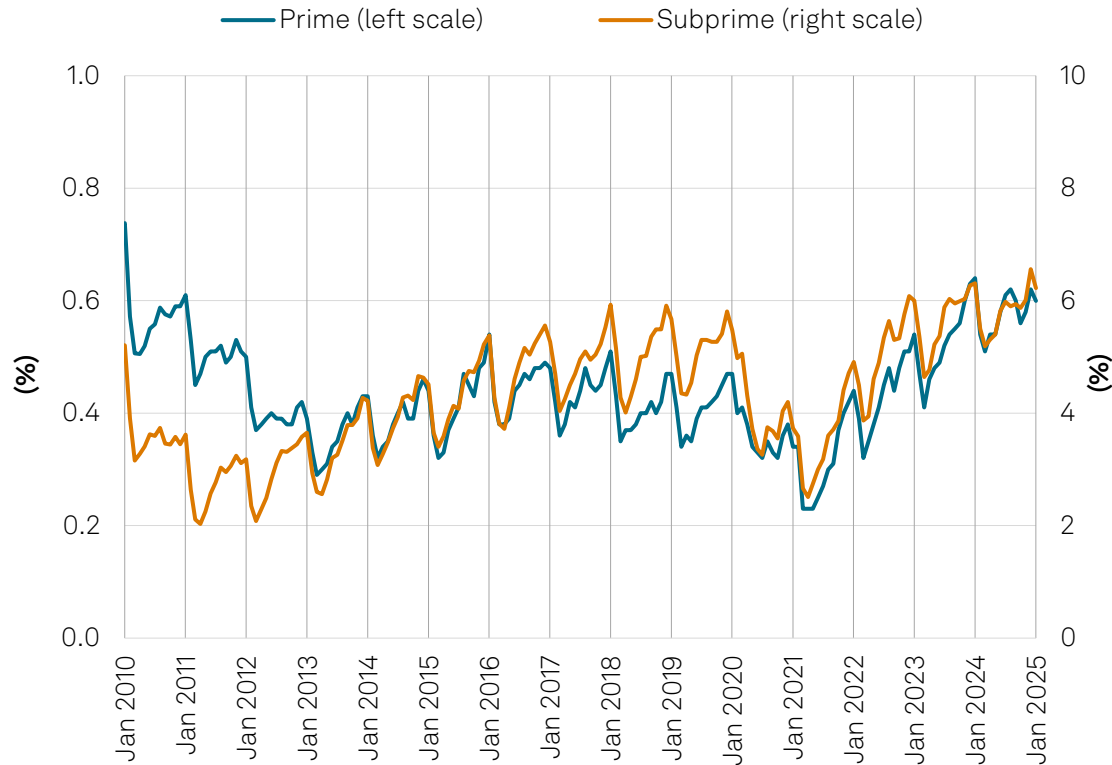


Kate Scanlin
+1 (212) 438 2002
kate.scanlin@spglobal.com



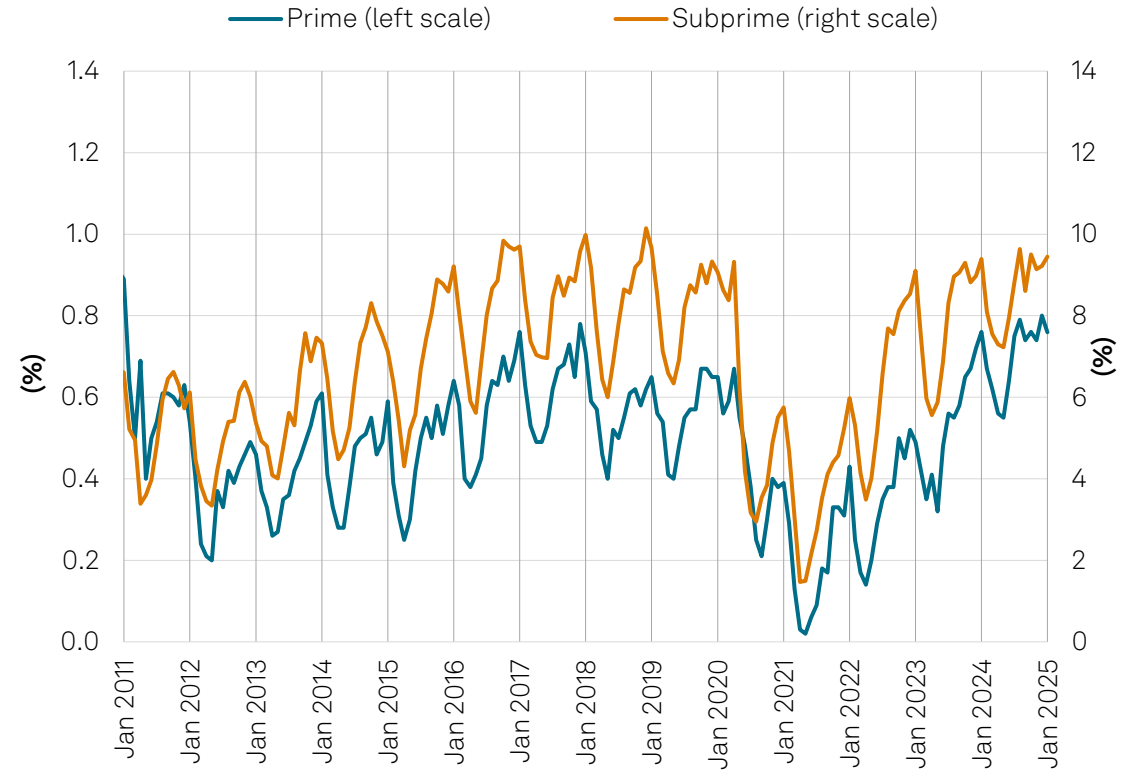
Auto Loan ABS | Delinquencies And Losses Remain Elevated

Auto loan ABS 60+ day delinquency rates



Monthly net loss rates are annualized. ABS--Asset-backed securities. Source: S&P Global Ratings.

Auto loan ABS net loss rates

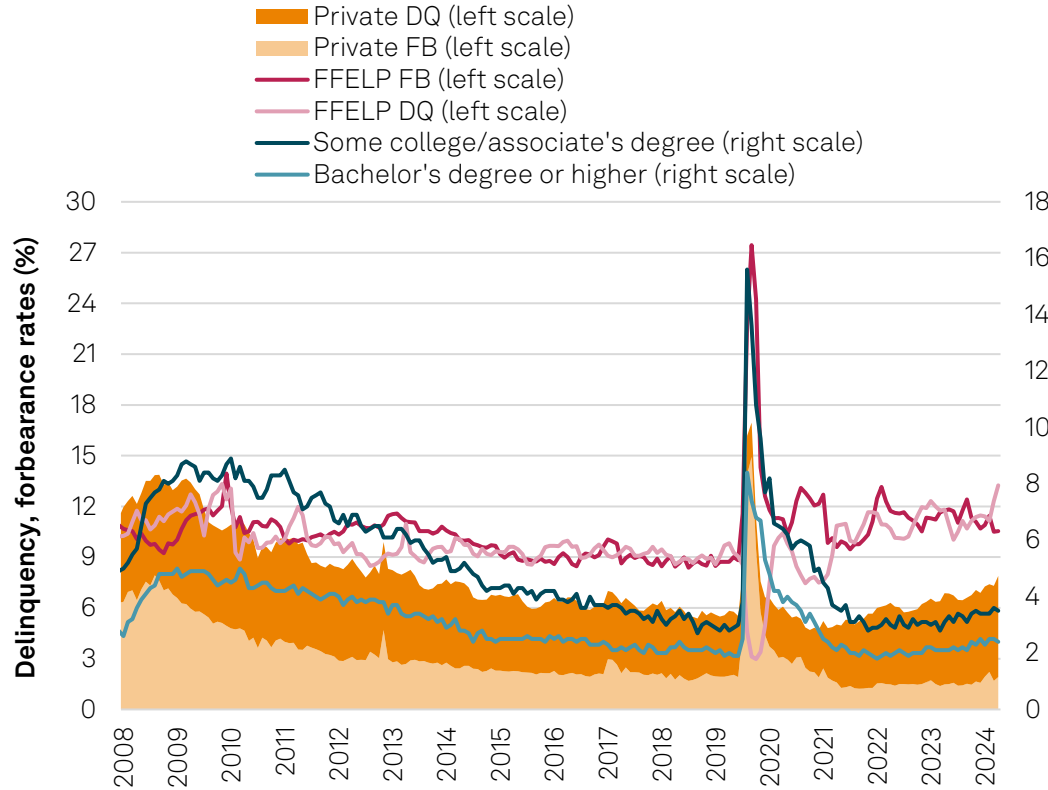


Monthly net loss rates are annualized. ABS--Asset-backed securities. Source: S&P Global Ratings.



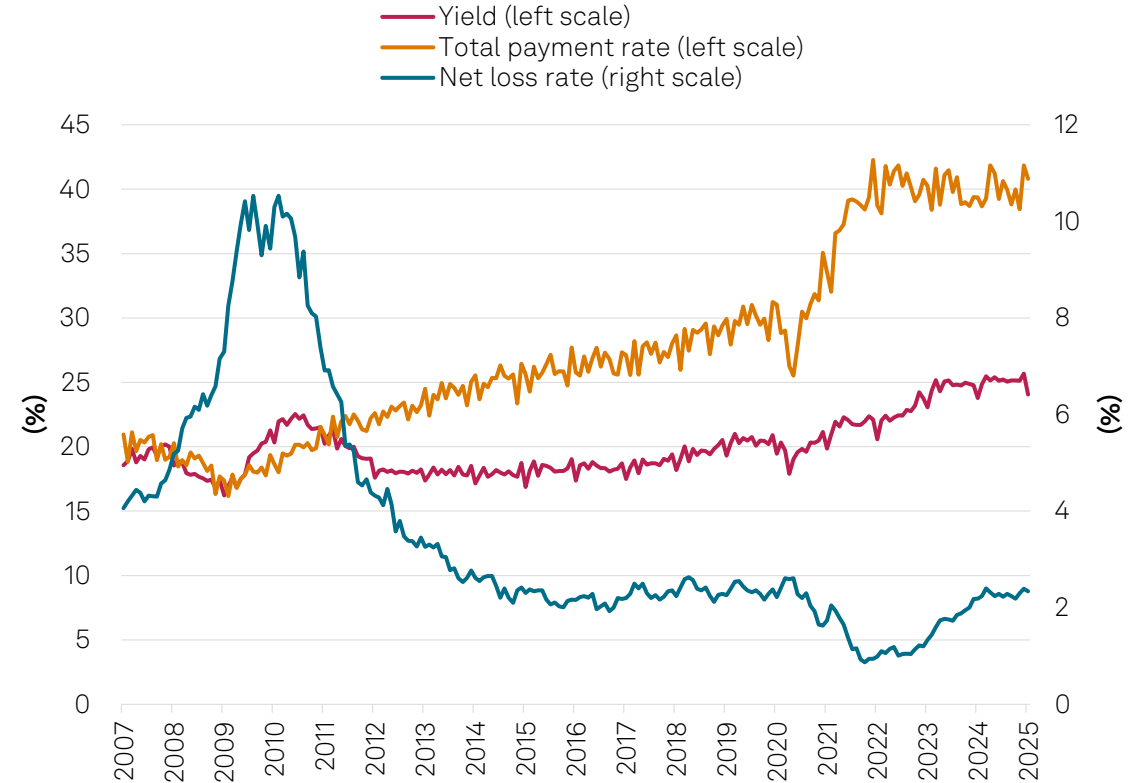
Student Loan And Credit Card ABS | Collateral Performance Overview

Unemployment by education vs. delinquency, forbearance rates



Data as of December 2024. Forbearance and delinquency data are derived only from student loan ABS transactions rated by S&P Global Ratings that provide monthly pool performance statistics. FB--Forbearance. DQ--Delinquency. FFELP--Federal Family Educational Loan Program. Sources: U.S. Bureau of Labor Statistics and S&P Global Ratings.

Bankcard Credit Card Quality Index



Data as of January 2025. Based on credit card ABS transactions rated by S&P Global Ratings. Monthly net loss rates and yields are annualized. Source: S&P Global Ratings.

Esoteric ABS



Jie Liang

+1 (212) 438 8654

jie.liang@spglobal.com



Ryan Butler

+1 (212) 438 2122

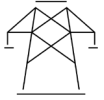
ryan.butler@spglobal.com



Deborah Newman

+1 (212) 438 4451

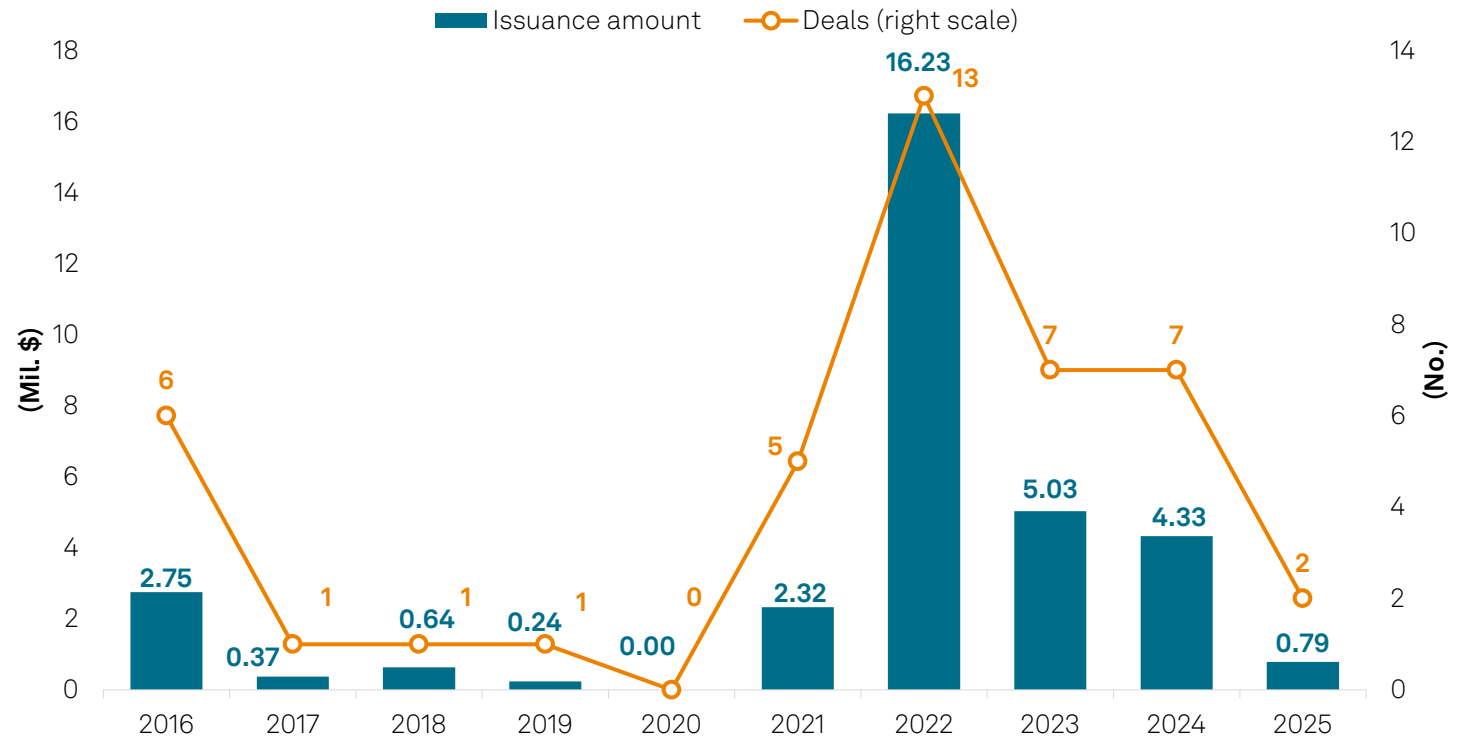
deborah.newman@spglobal.com



Esoteric ABS | Utility-Related Securitizations

- Issuance in 2025 is poised for growth as utilities finance clean energy and infrastructure modernization projects and recover costs from climate-related disasters.
- Historically, performance has been stable due to the strength of the true-up mechanism, which adjusts the charge to ensure adequate collections for amortizing the bonds in line with the closing date repayment schedule, as collections may vary due to forecasting variances, power outages, extreme weather events, or billing errors.
- All the bonds in this sector are rated 'AAA (sf)', and there have been no rating actions to date.
- Southern California Edison has three outstanding securitizations: SCE Recovery Funding LLC 2021-A, 2022-A, and 2023-A. The transactions are supported by the true-up mechanism, liquidity, and capital subaccount. We do not expect any rating actions on these bonds as a relatively small portion of the customer base (7,000 structures or less than 1%) was impacted by the recent LA fires.

S&P Global Ratings=rated utility-related securitizations



Source: S&P Global Ratings.

CLO



Jimmy Kobylinski

+1 (212) 438 6314

jimmy.kobylinski@spglobal.com



Belinda Ghetti

+1 (212) 438 1595

belinda.ghetti@spglobal.com



Stephen Anderberg

+1 (212) 438 8991

stephen.anderberg@spglobal.com



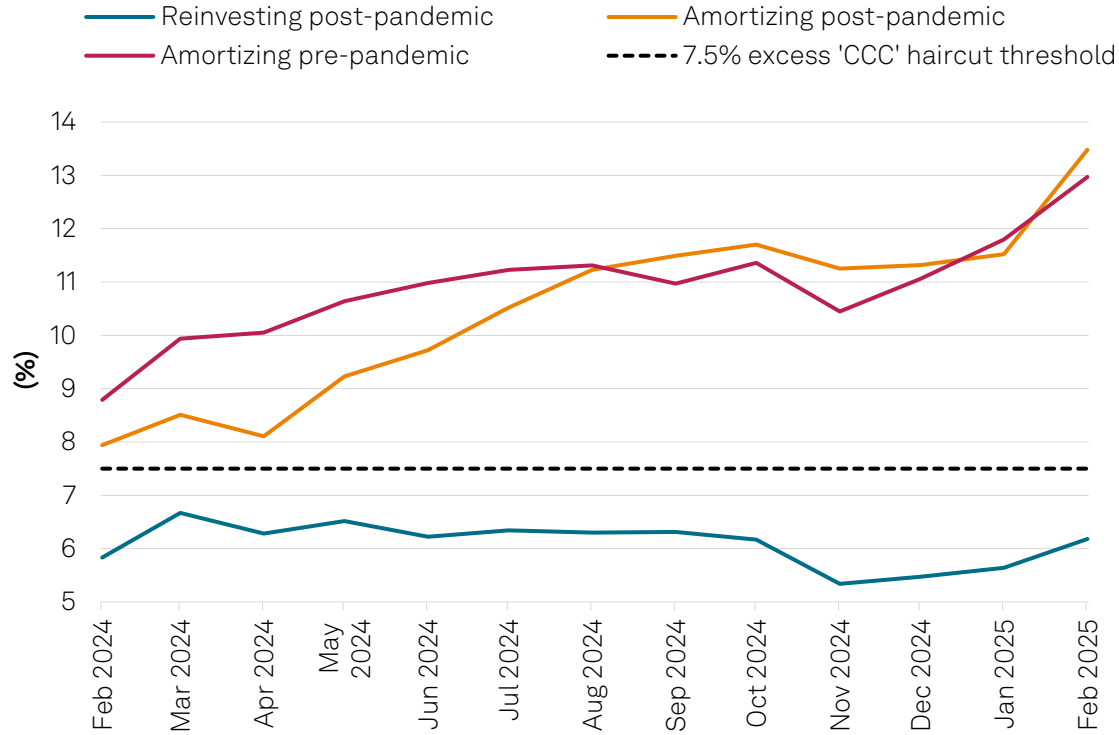
Daniel Hu

+1 (212) 438 2206

daniel.hu@spglobal.com

CLO | 'CCC' Exposure; Comparing 'BB' Tranches From New Issue And Reset/Refi CLOs

'CCC' exposure across U.S. BSL CLO Insights Index*



*Dataset is derived from transactions included in our U.S. BSL CLO Insights Index. 'CCC' exposures represent derived opinion (not ratings) on the as-of date of the dataset. Derived opinion is an input determined by S&P Global Ratings for inclusion in CDO Evaluator. January 2025 and February 2025 datapoints are in progress and based on the most recent portfolio statistics available to us. BSL--Broadly syndicated loan. CLO--Collateralized loan obligation. Source: S&P Global Ratings' [U.S. CLO Insights dashboard](#).

New issue vs. reset/refi 'BB' CLO notes: current rating/rating prior to 'NR' compared to original rating

Vintage	New issue (%)				Reset/refi (%)			
	Outstanding	Higher rating	Same rating	Lower rating	Outstanding	Higher rating	Same rating	Lower rating
2014	0.0	6.1	71.4	22.5	0.0	25.0	75.0	0.0
2015	0.0	14.0	72.0	14.0	0.0	11.8	88.2	0.0
2016	2.5	2.5	87.5	10.0	2.9	0.0	82.9	17.1
2017	21.6	0.0	46.0	54.1	28.2	3.9	34.6	61.5
2018	52.8	2.4	61.6	36.0	51.1	3.3	41.1	55.6
2019	14.1	0.0	92.2	7.8	50.0	0.0	19.2	80.8
2020	8.8	0.6	99.4	0.0	42.9	0.0	85.7	14.3
2021	73.6	0.0	98.6	1.4	66.7	0.0	99.4	0.6
2022	40.5	0.0	100.0	0.0	93.3	0.0	100.0	0.0
2023	83.9	0.0	100.0	0.0	66.7	0.0	100.0	0.0
2024	100.0	0.0	100.0	0.0	98.9	0.0	100.0	0.0

Figures are rounded. CLO--Collateralized loan obligation. NR--Not rated. Source: S&P Global Ratings.

ABCP/ Muni-Structured



Kate Scanlin

+1 (212) 438 2002

kate.scanlin@spglobal.com



Joshua Saunders

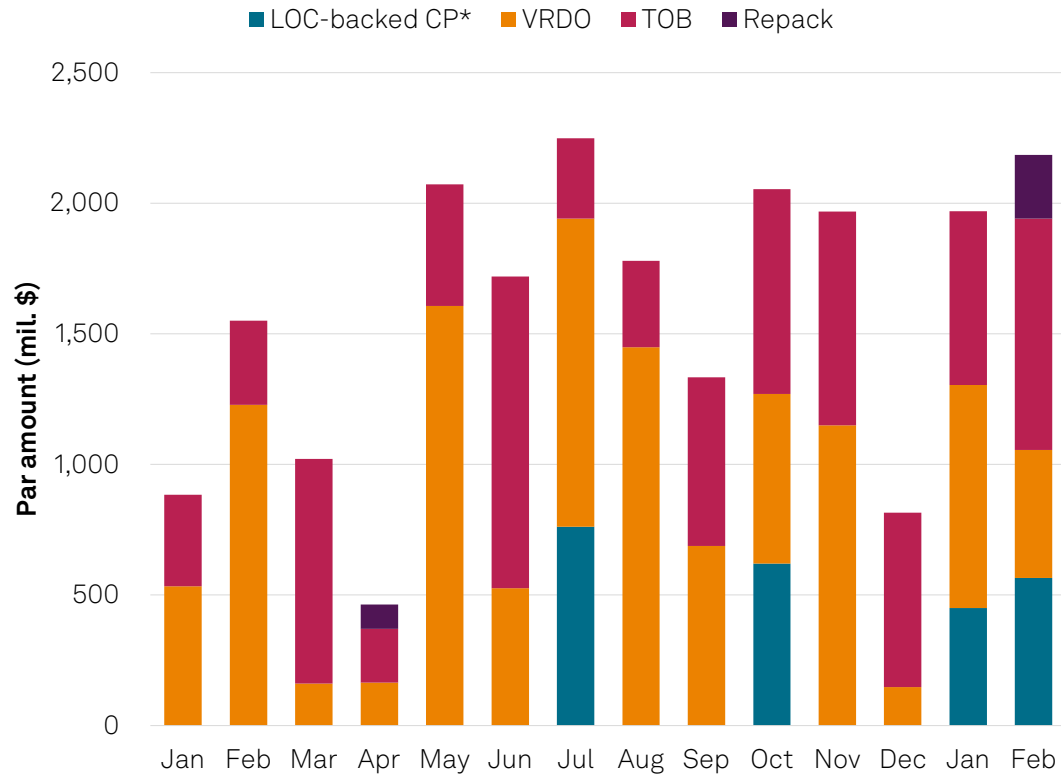
+1 (312) 233 7059

joshua.saunders@spglobal.com



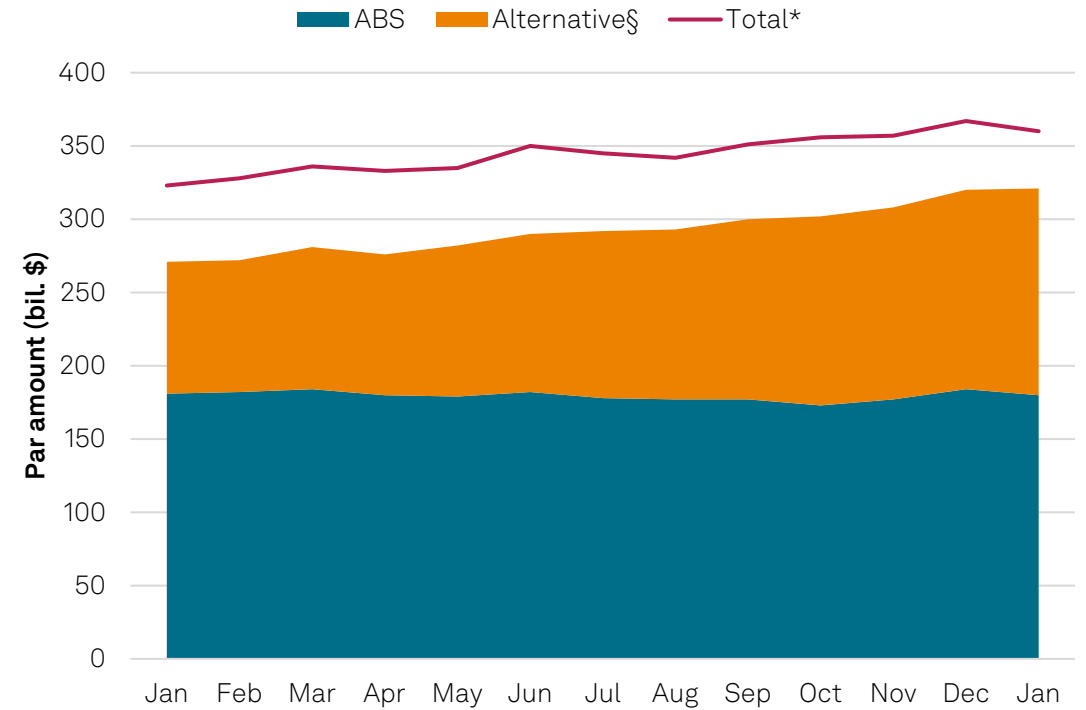
ABCP Muni-Structured | New Issuance And Outstanding Amounts

S&P Global Ratings-rated short-term variable-rate municipal issuance for the past year



*Represents maximum authorized amount of program. VRDO--Variable rate demand obligation. TOB--Tender option bond. Source: S&P Global Ratings.

ABCP outstanding



Data through December 2024. *Total as reported by the Federal Reserve (includes programs not rated by S&P). §Alternative includes derivative-backed, repo-backed and collateralized commercial paper programs. ABCP--Asset-backed commercial paper. Sources: S&P Global Ratings and U.S. Federal Reserve.



Recent Research

Sector	Publications
RMBS	U.S. Home Price Overvaluation At 10%
CMBS	U.S. CMBS Delinquency Rate Decreased 33 Bps To 5.3% In February 2025; Office Rate Fell To 8.4%
ABS	U.S. Auto Loan ABS Tracker: January 2025 Performance
Esoteric ABS	Structured Finance Esoteric Quarterly Roundup: Q1 2025
CLO	SF Credit Brief: CLO Insights 2025 U.S. BSL Index: Tariffs And Impact On BSL CLO Obligors; Downgrades Across Widely Held Issuers Nudge 'CCC' Buckets Upward Private Credit And Middle-Market CLO Quarterly: Waiting For The Sun (Q1 2025)
ABCP/Muni-Structured	Tender Option Bond 2025 Outlook

Copyright © 2025 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software, or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced, or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees, or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness, or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED, OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Some of the Content may have been created with the assistance of an artificial intelligence (AI) tool. Published Content created or processed using AI is composed, reviewed, edited, and approved by S&P personnel.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses, and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment, and experience of the user, its management, employees, advisors, and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw, or suspend such acknowledgement at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal, or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain nonpublic information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.spglobal.com/ratings (free of charge), and www.ratingsdirect.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.spglobal.com/usratingsfees.

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.

spglobal.com/ratings

S&P Global
Ratings