

# HOUSING AND LABOR MARKET TRENDS: CENTRAL CALIFORNIA

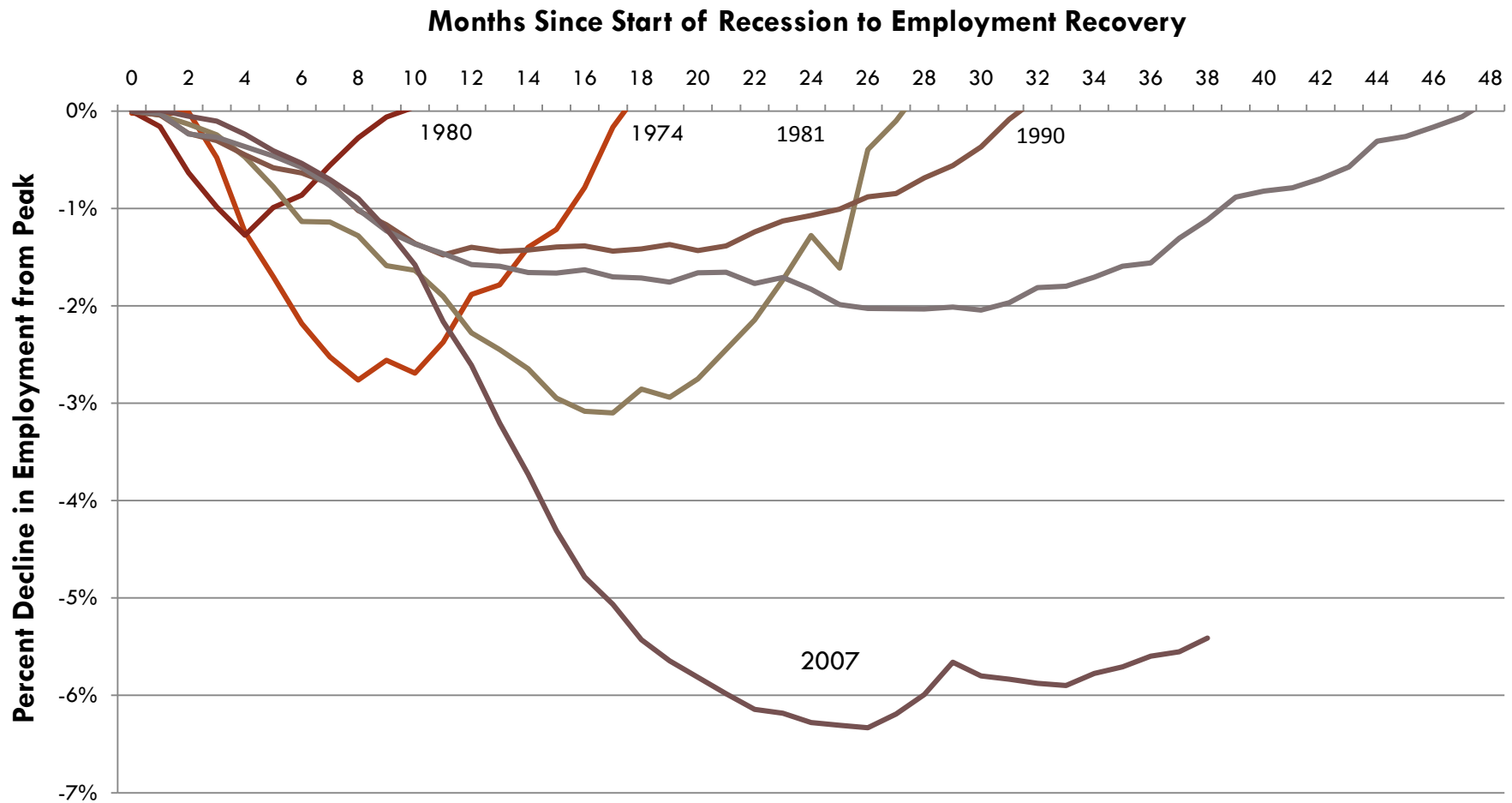
May 2011

# National Trends

# Unemployment dips below 9%

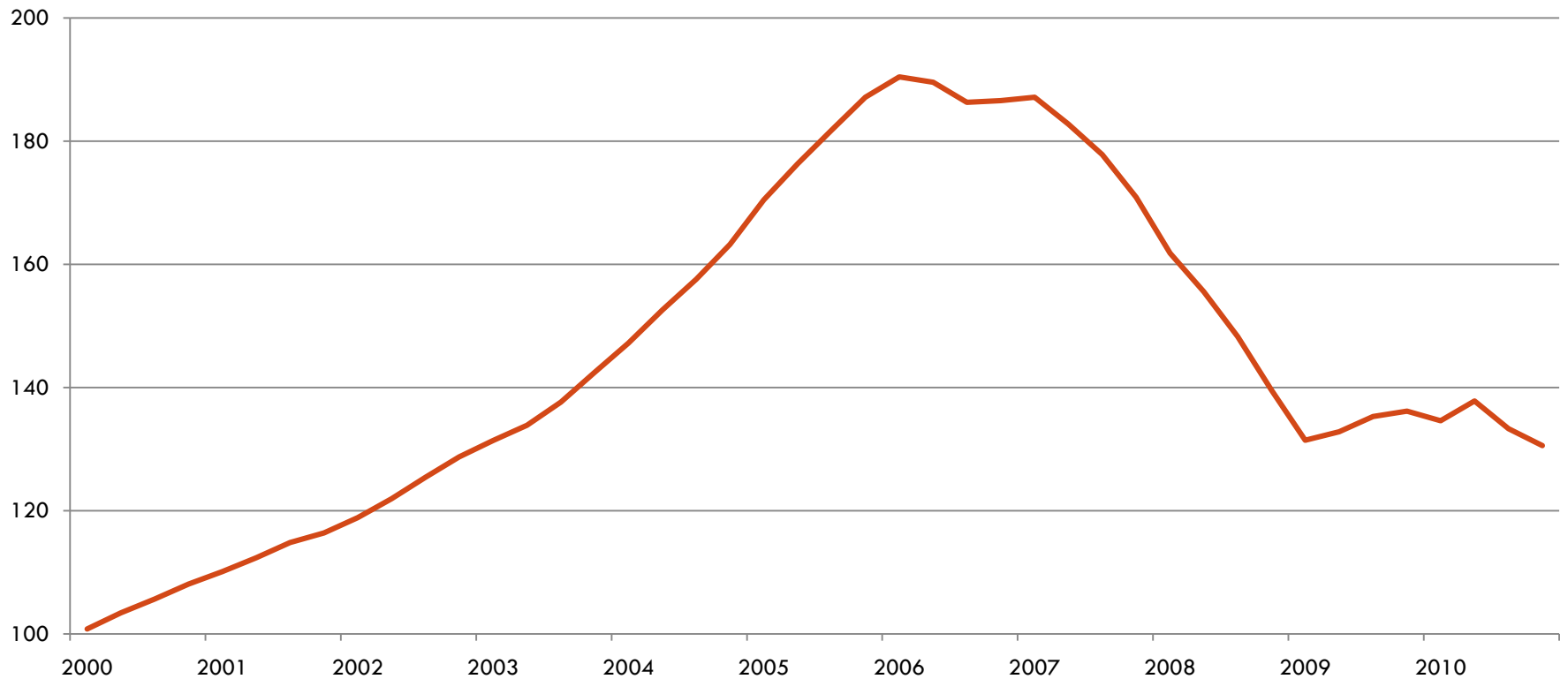


# Recovery, particularly in labor market, remains elusive

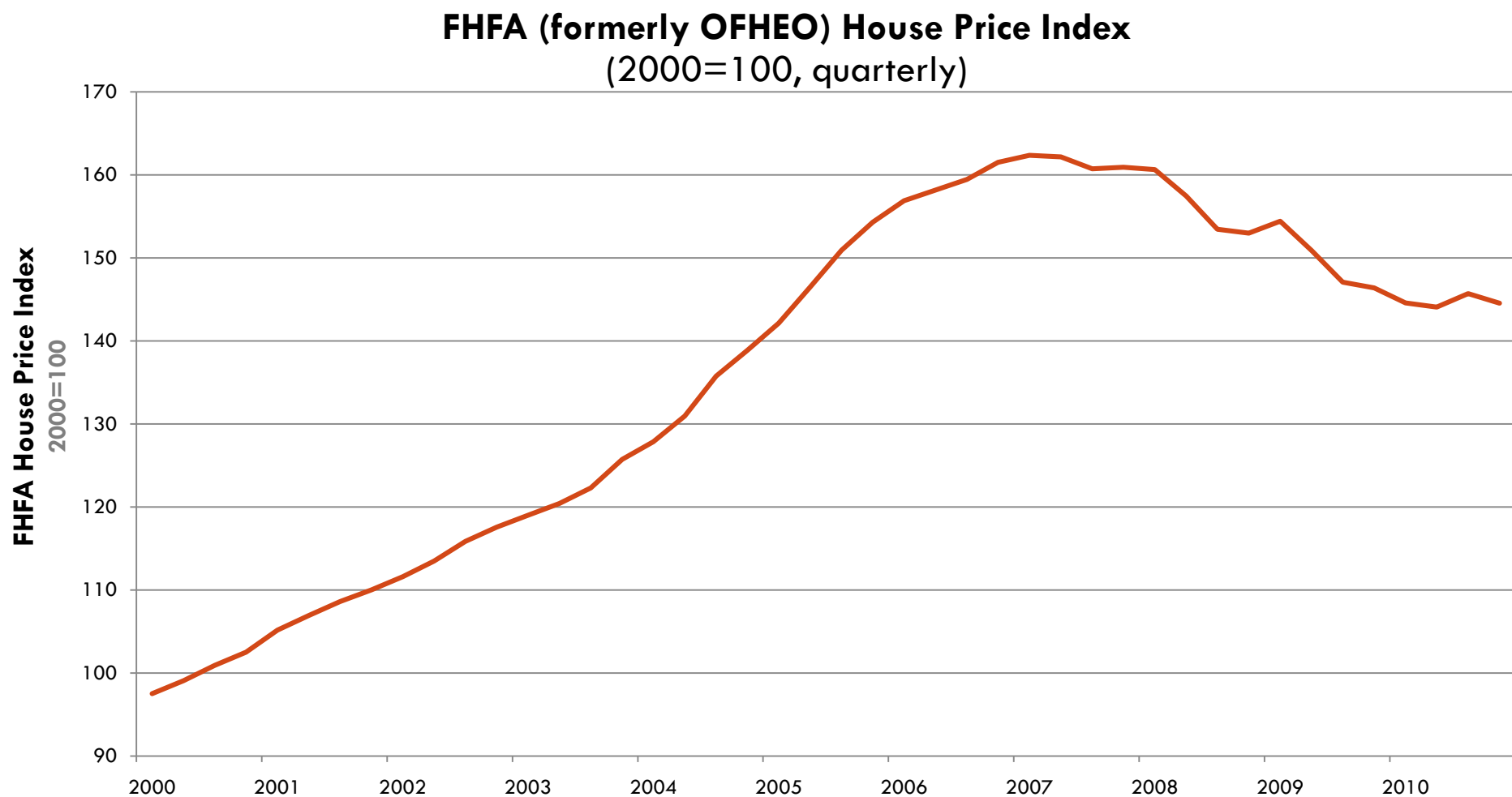


# Case-Shiller Index shows continued softness in housing market

**Case-Shiller National House Price Index**  
(2000 = 100, Quarterly)

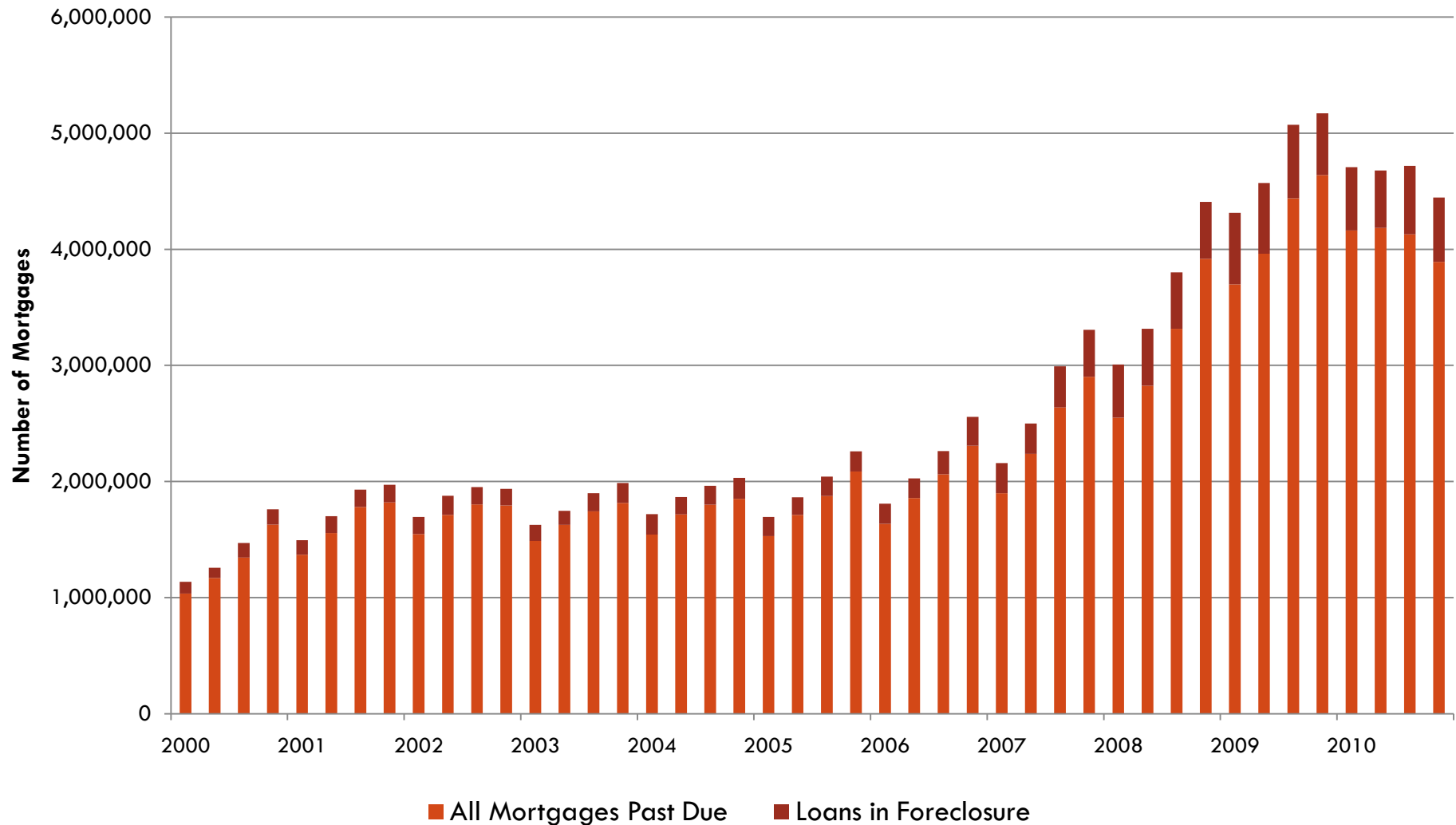


# FHFA House Price Index Dips Again at End of 2010



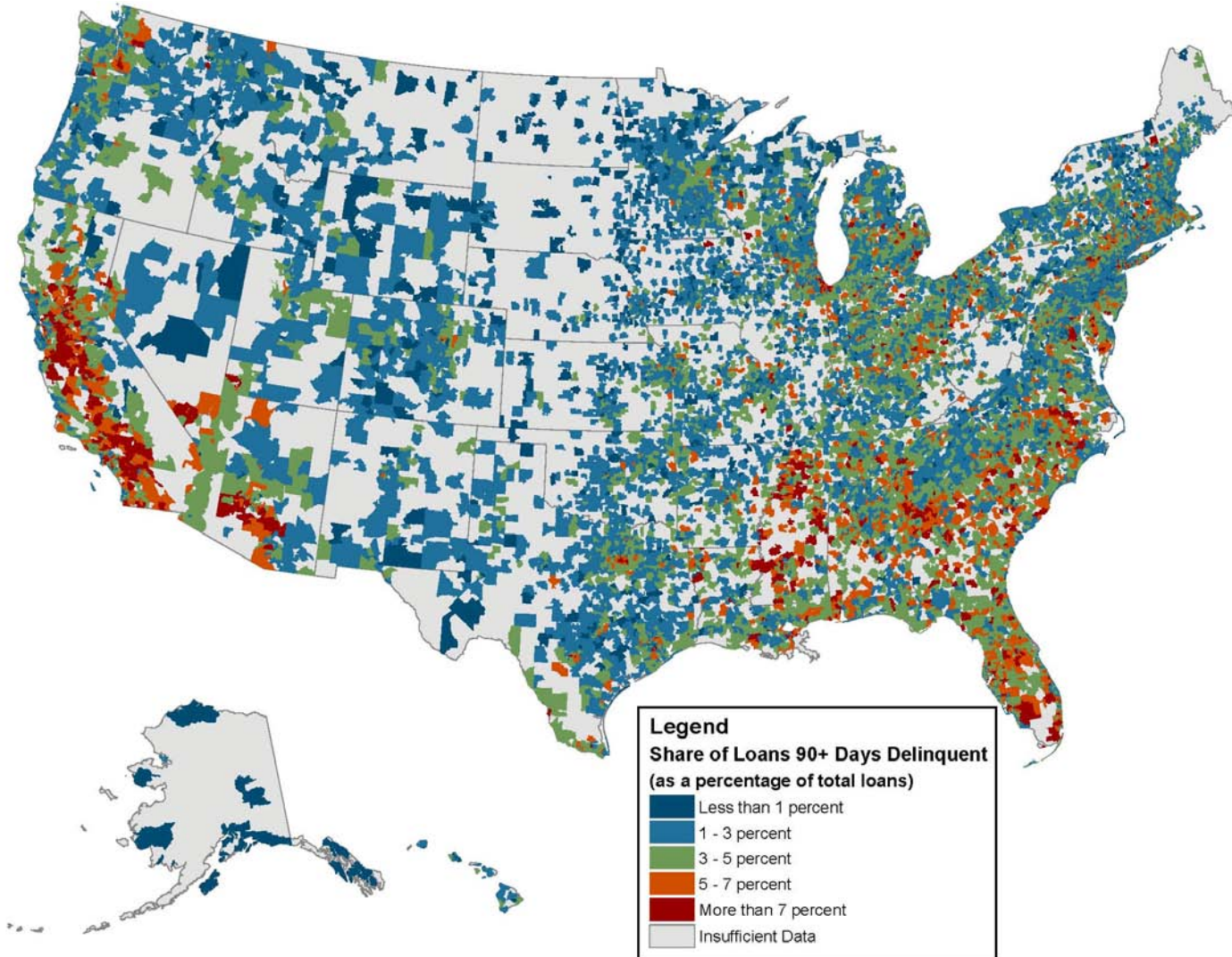
Source: Federal Housing Finance Agency (formerly OFHEO), includes refinancing and is not seasonally adjusted

# Nationally, delinquencies drop in 2010, but still more than 4.5 million homes in distress



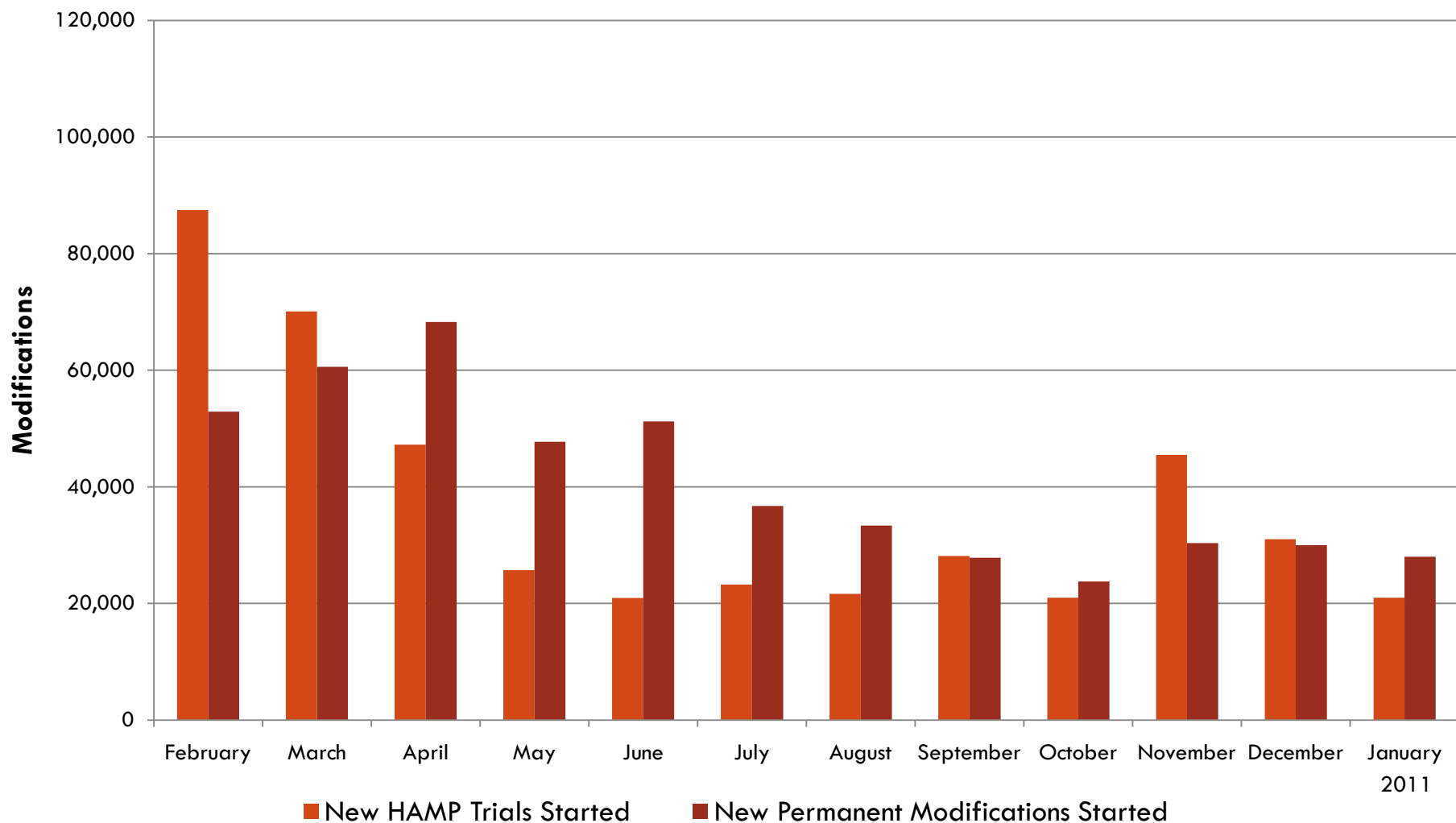
■ All Mortgages Past Due ■ Loans in Foreclosure

# Despite improvement, high rates of delinquency remain concentrated in western and southern states

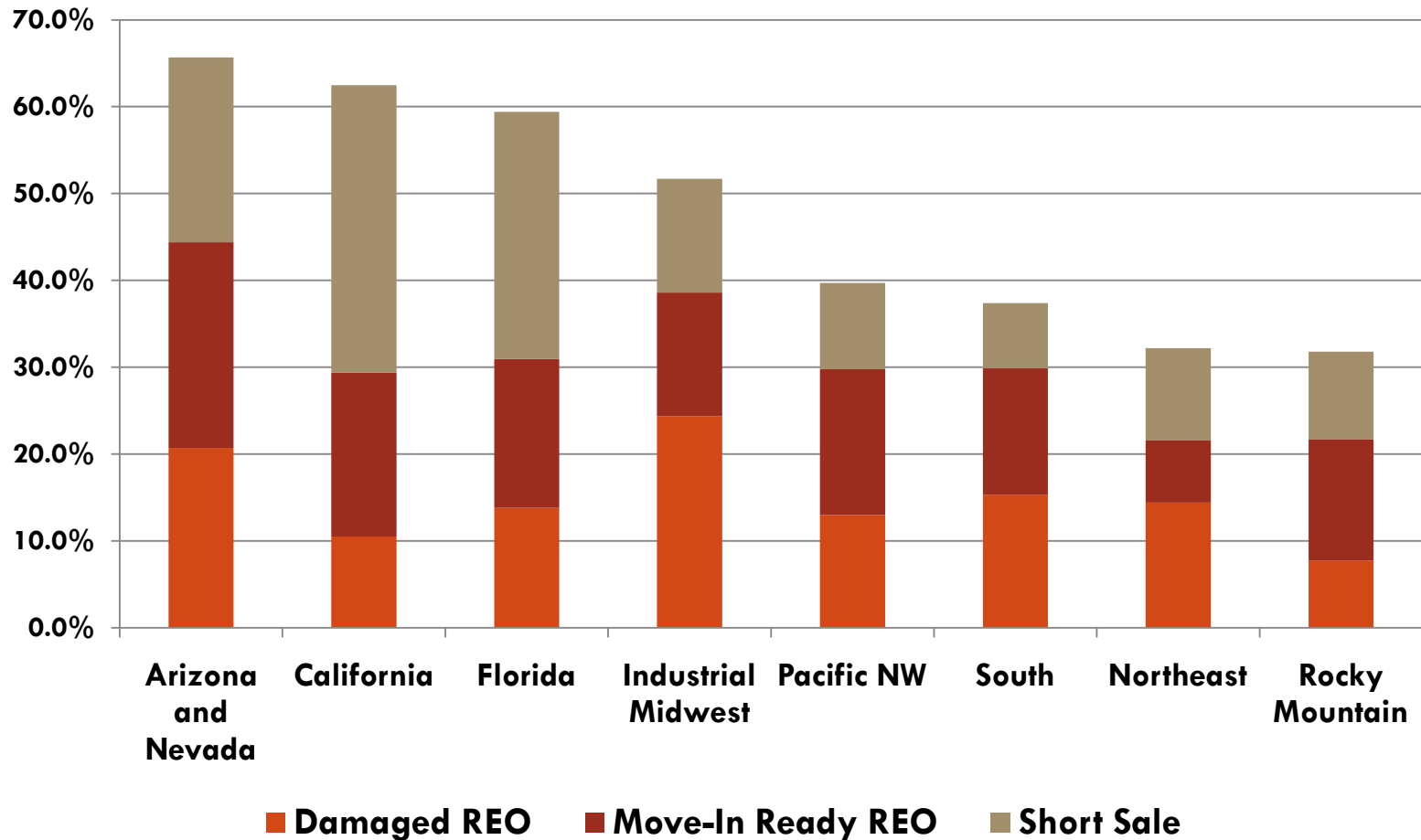




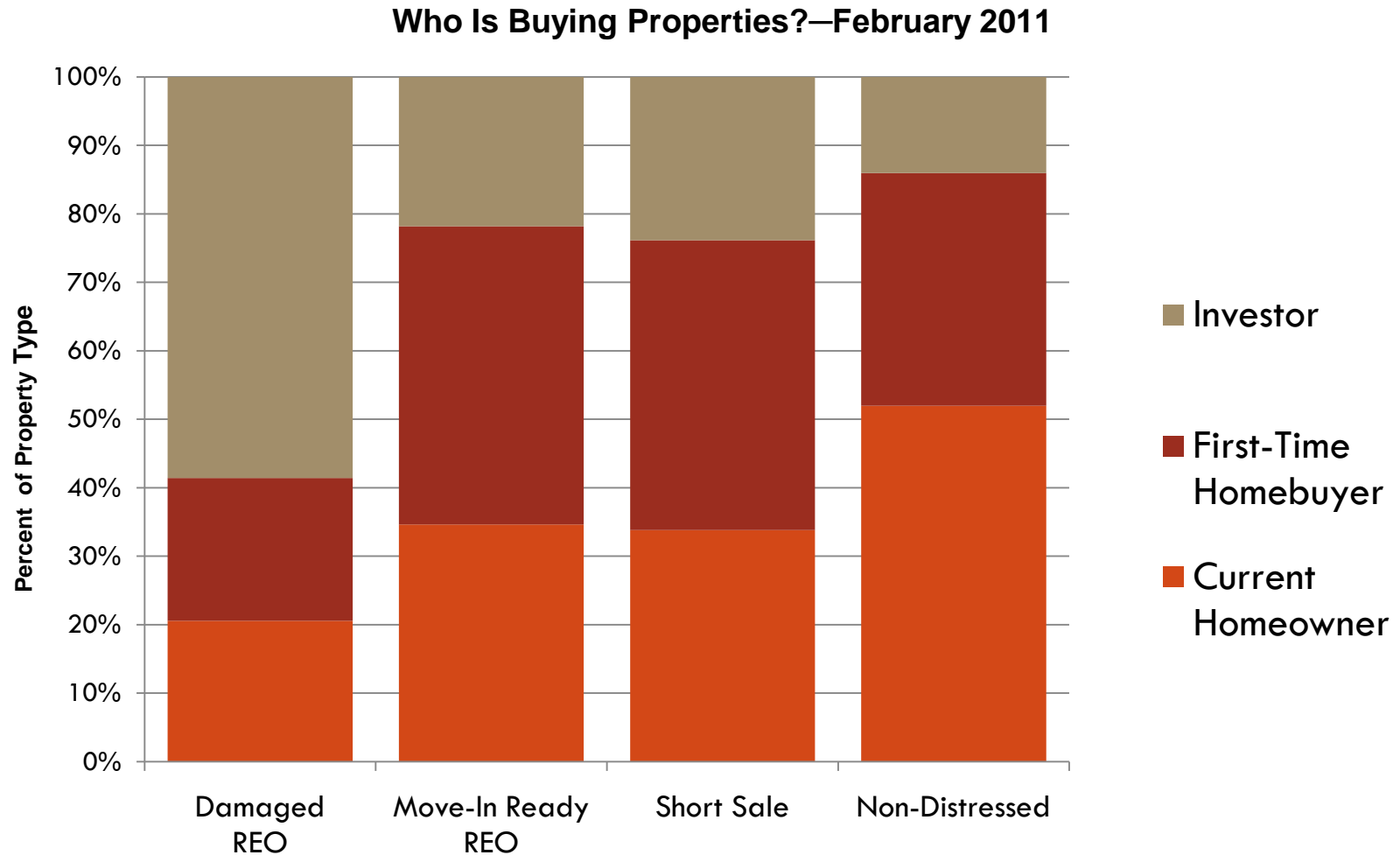
# HAMP modifications down; borrowers still face challenges in obtaining permanent modifications



# Composition of distressed sales

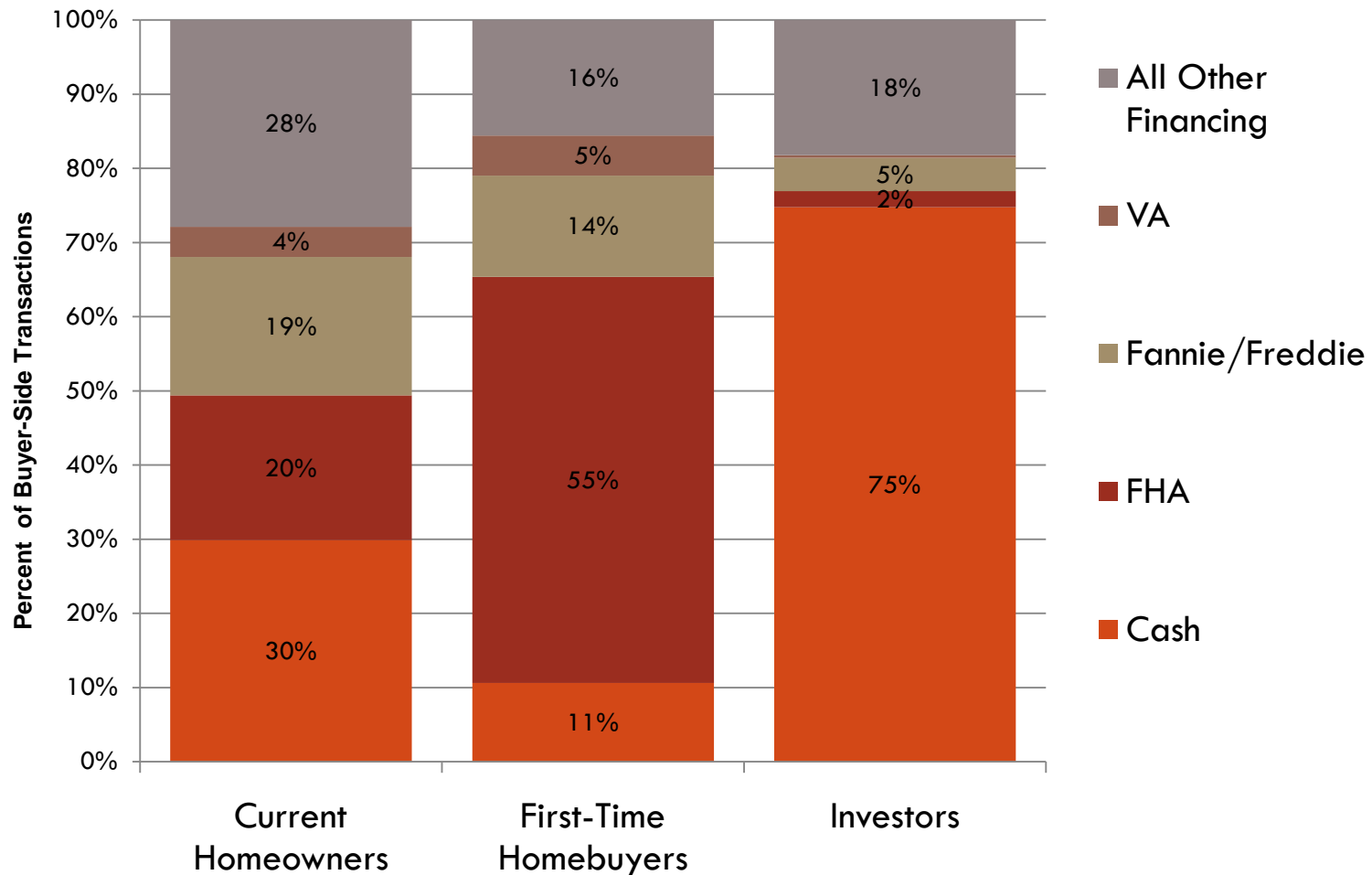


# Neighborhood stabilization: concerns over investor purchases of distressed properties



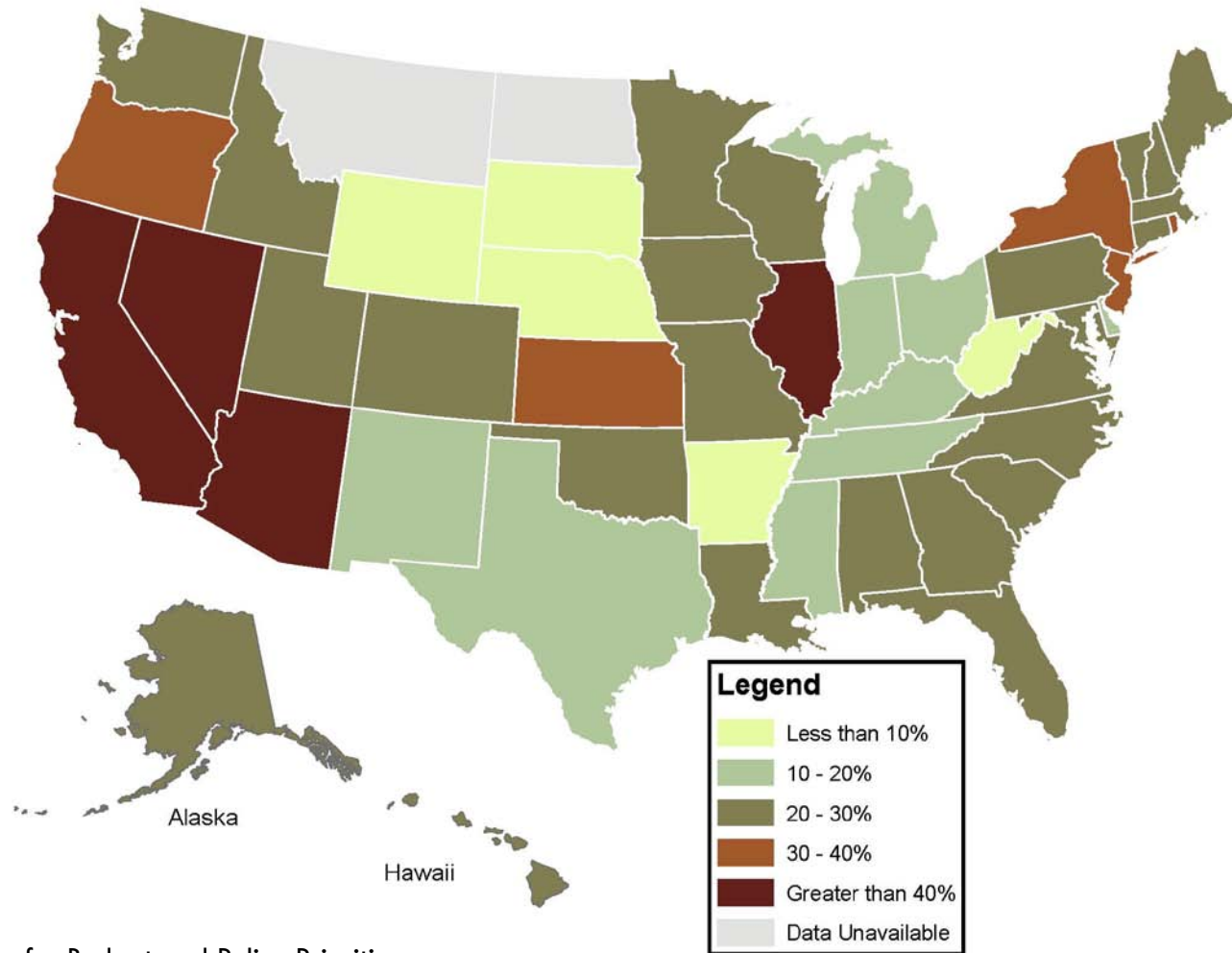
Source: Campbell/Inside Mortgage Finance *HousingPulse* Monthly Survey of Real Estate Market Conditions, Feb 2011

# Financing for home purchases



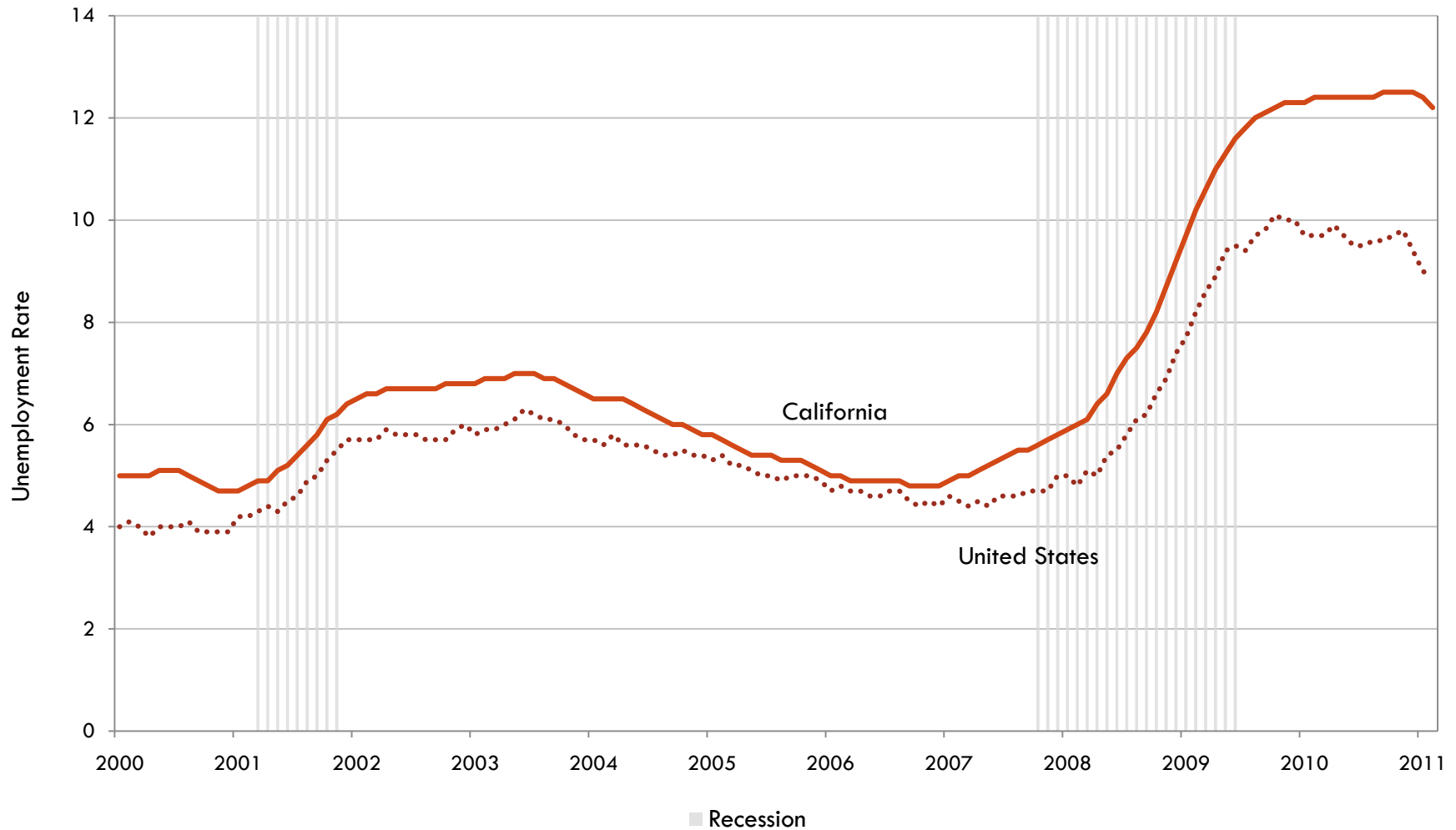
# Many states within 12<sup>th</sup> District face severe budget shortfalls

Total End-of-Year Shortfall as Percentage of 2010 Budget

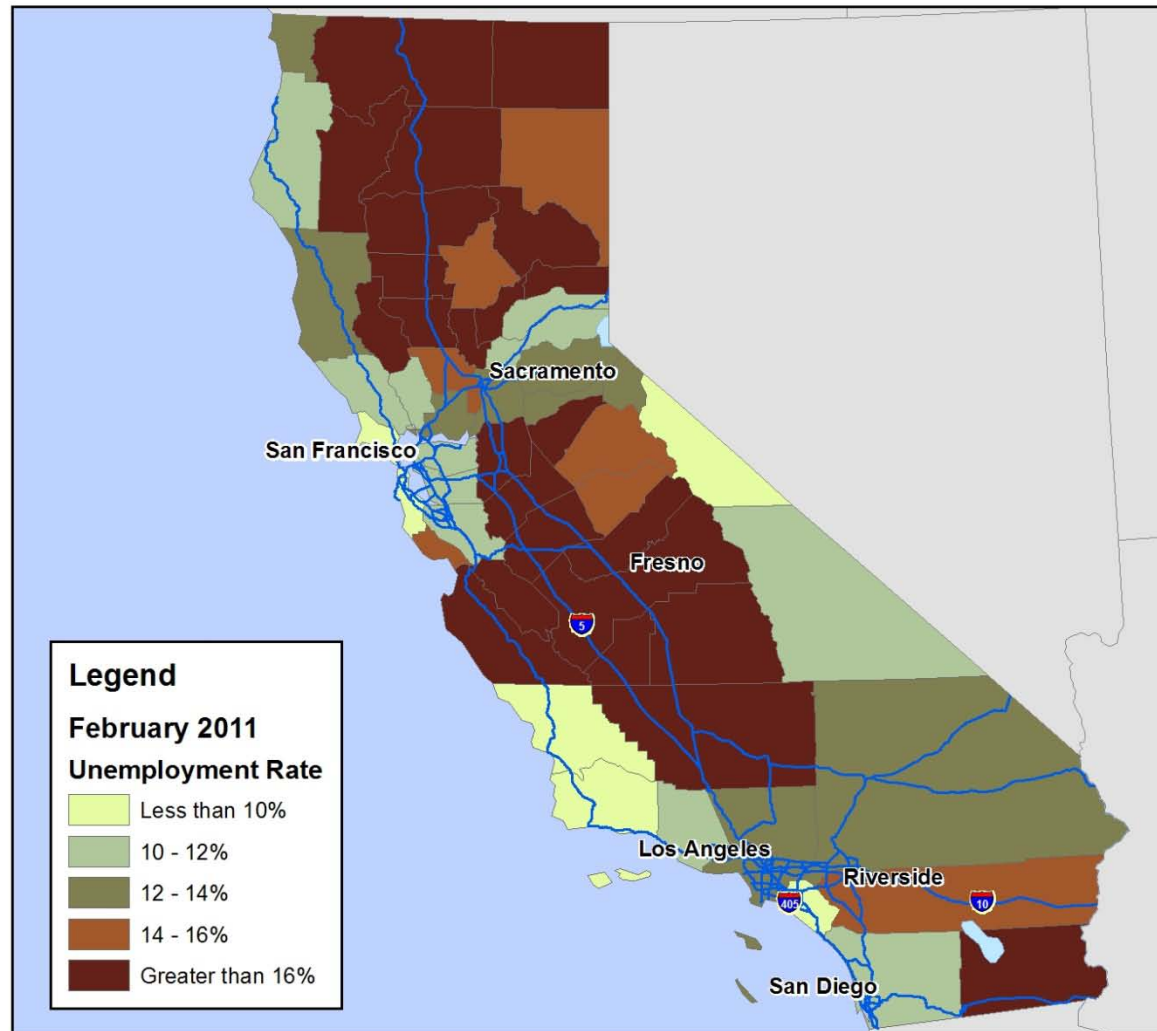


# California Trends

# California's unemployment still well above national average



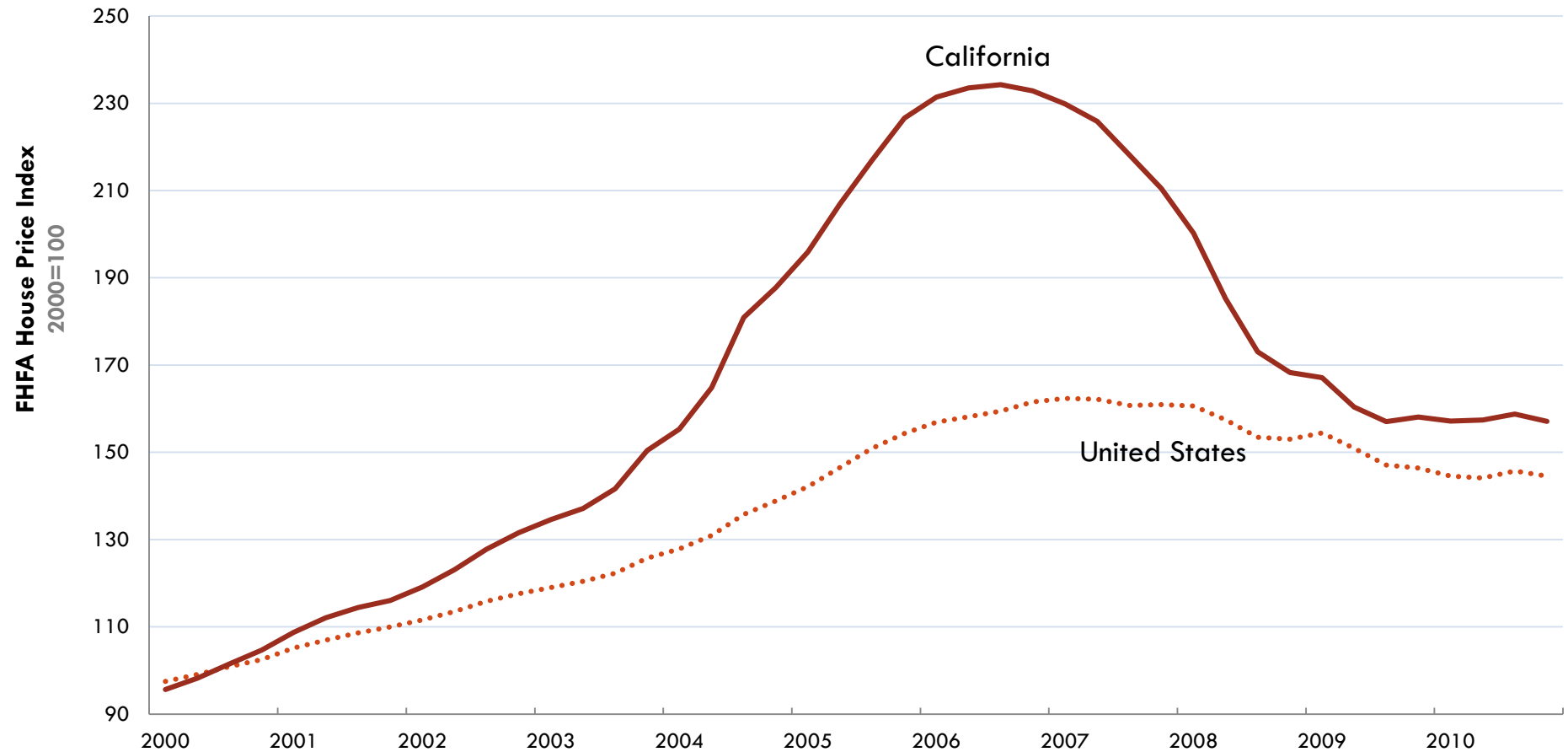
# Unemployment rates particularly high in Central Valley and northern counties





# California house prices appear to be stabilizing

**FHFA (formerly OFHEO) House Price Index**  
(2000=100, quarterly)

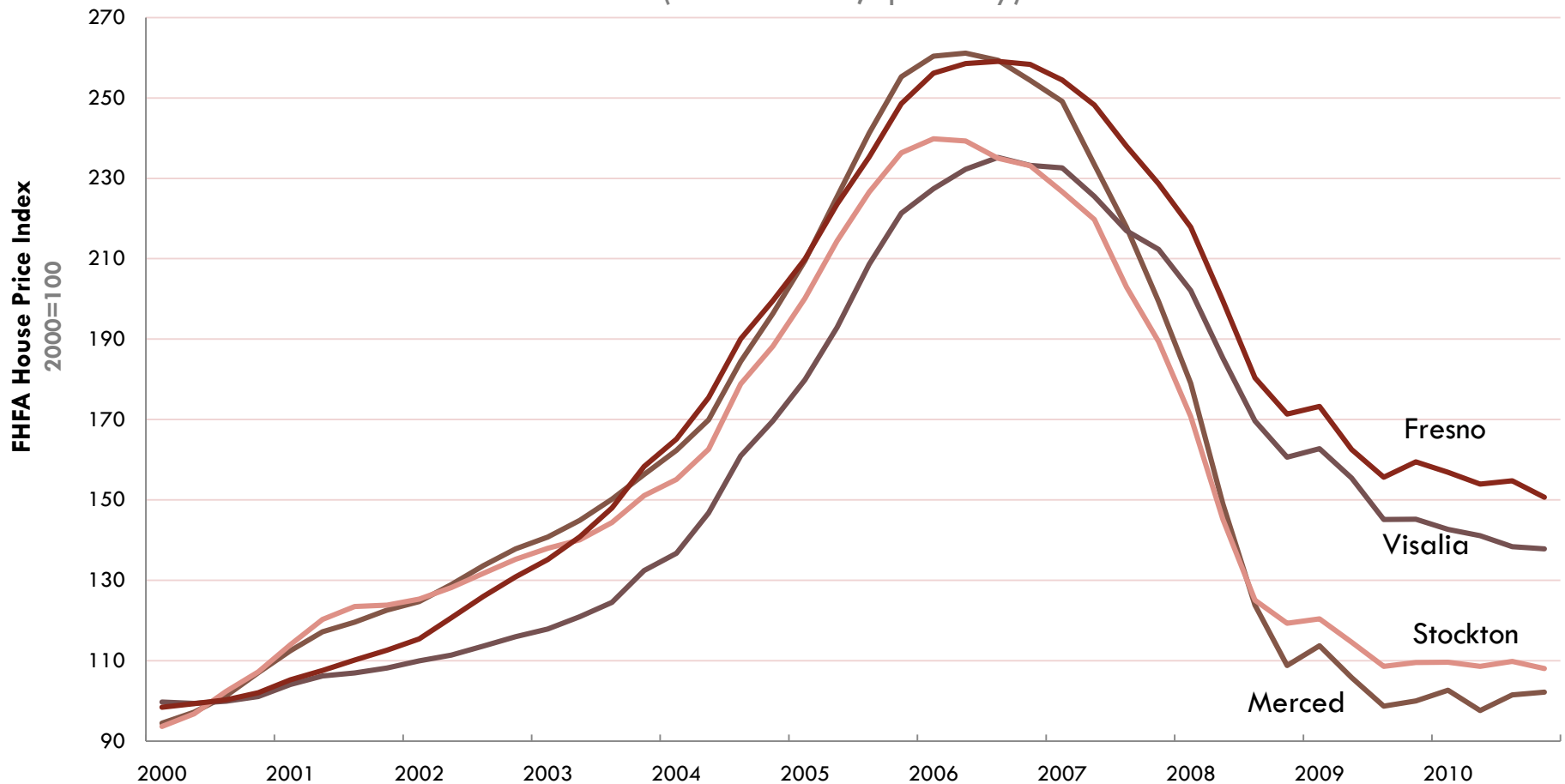


Source: Federal Housing Finance Agency (formerly OFHEO)

# Housing markets in the Central Valley saw greatest declines, but starting to stabilize

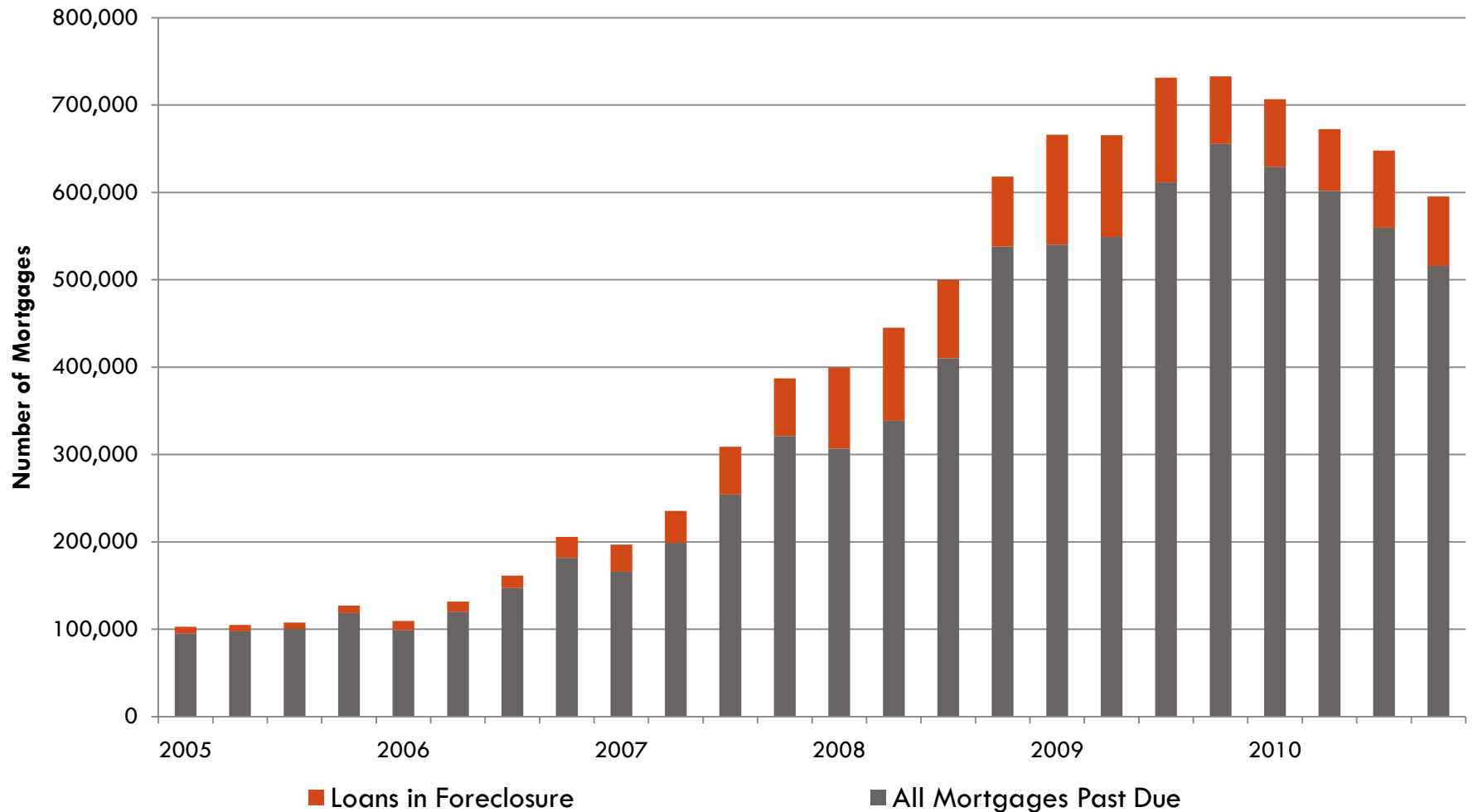
## FHFA (formerly OFHEO) House Price Index: Central California

(2000 = 100, quarterly)



Source: Federal Housing Finance Agency (formerly OFHEO)

# Number of delinquent mortgages and properties in foreclosure dropped throughout 2010



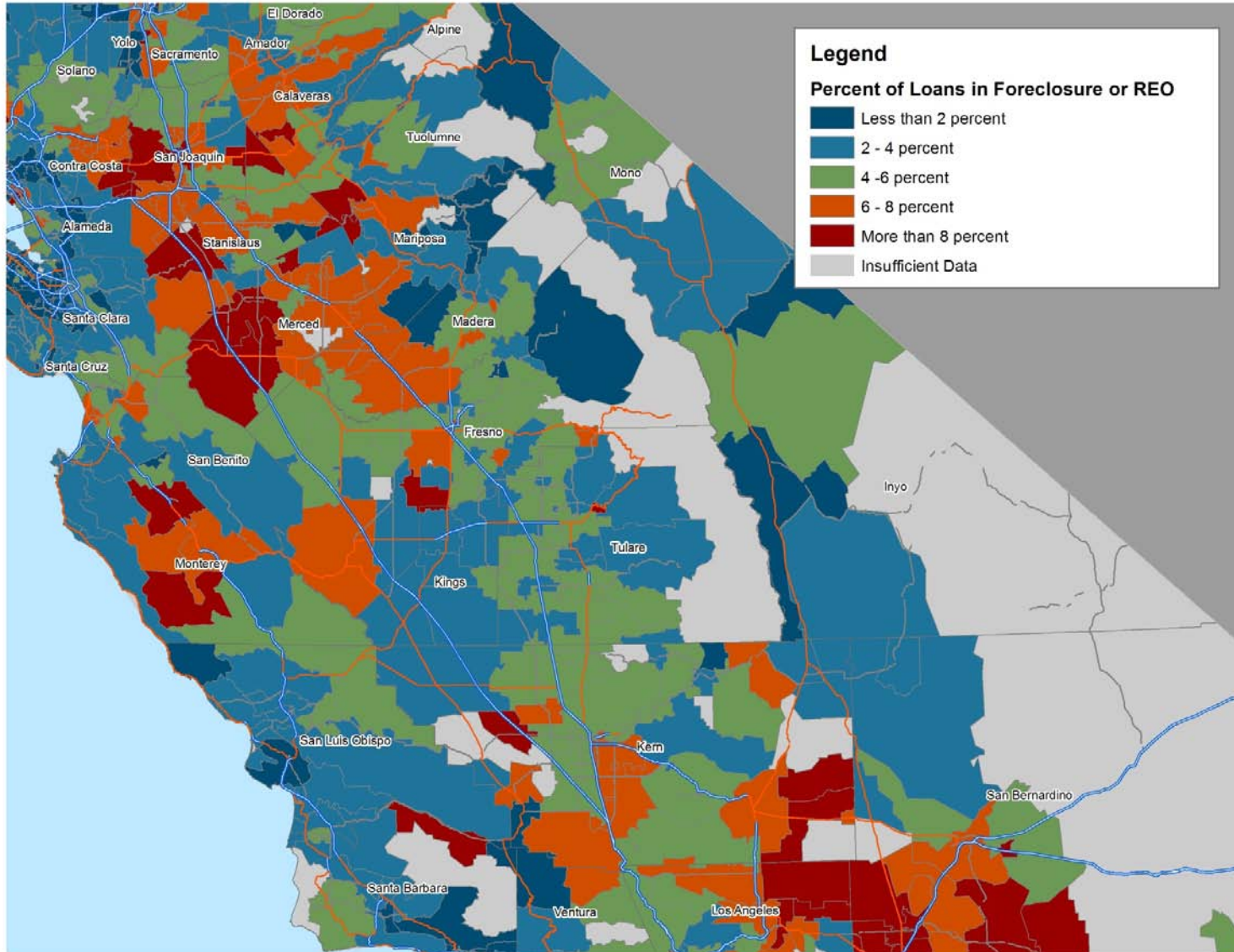
Loans in Foreclosure

All Mortgages Past Due

# Maps

## Areas Affected by Concentrated Foreclosures

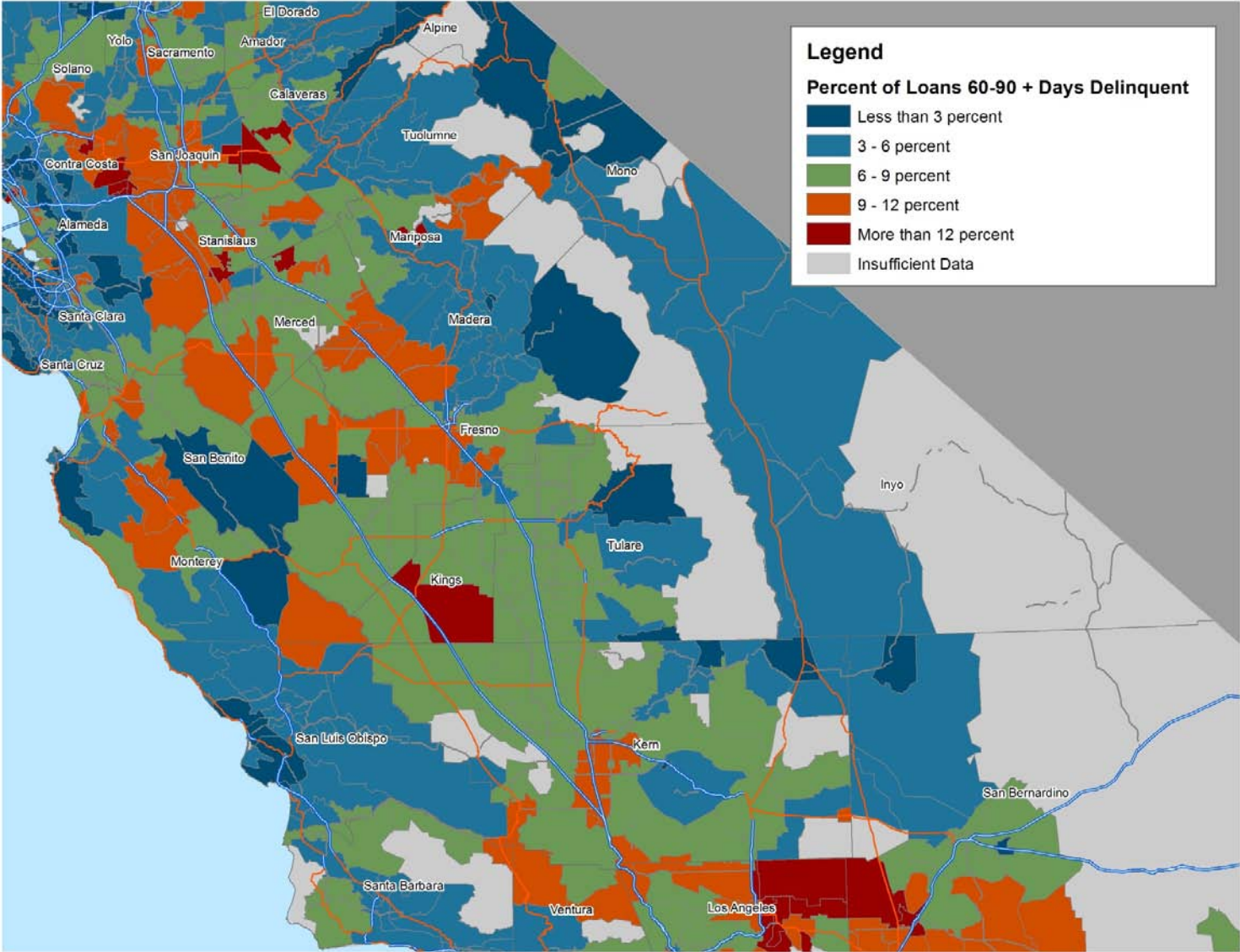
# February 2011



Source: Lender Processing Services Inc. Applied Analytics

# Areas At Risk of Additional Foreclosures

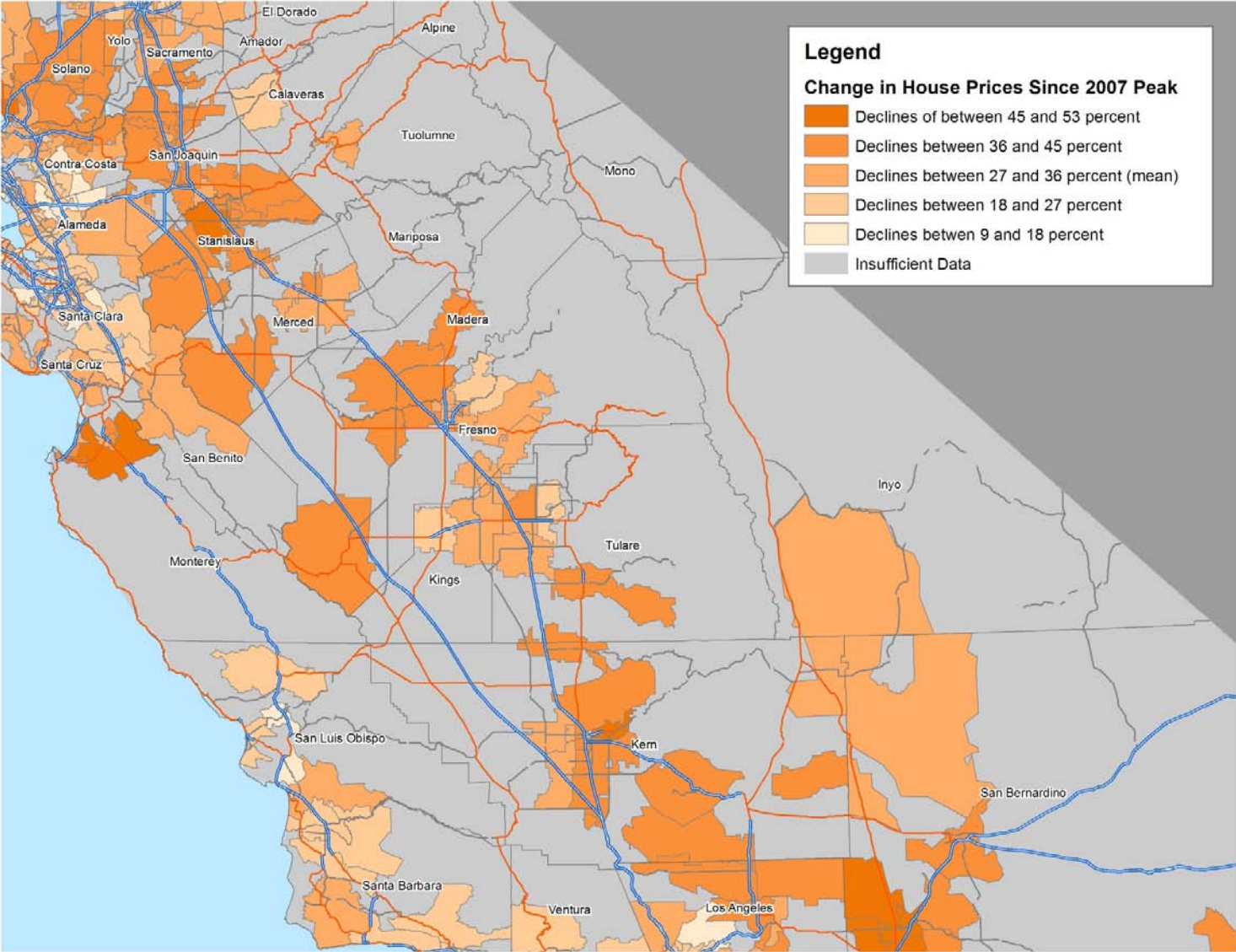
February 2011





# Changes in House Prices Since 2007 Peak

February 2011

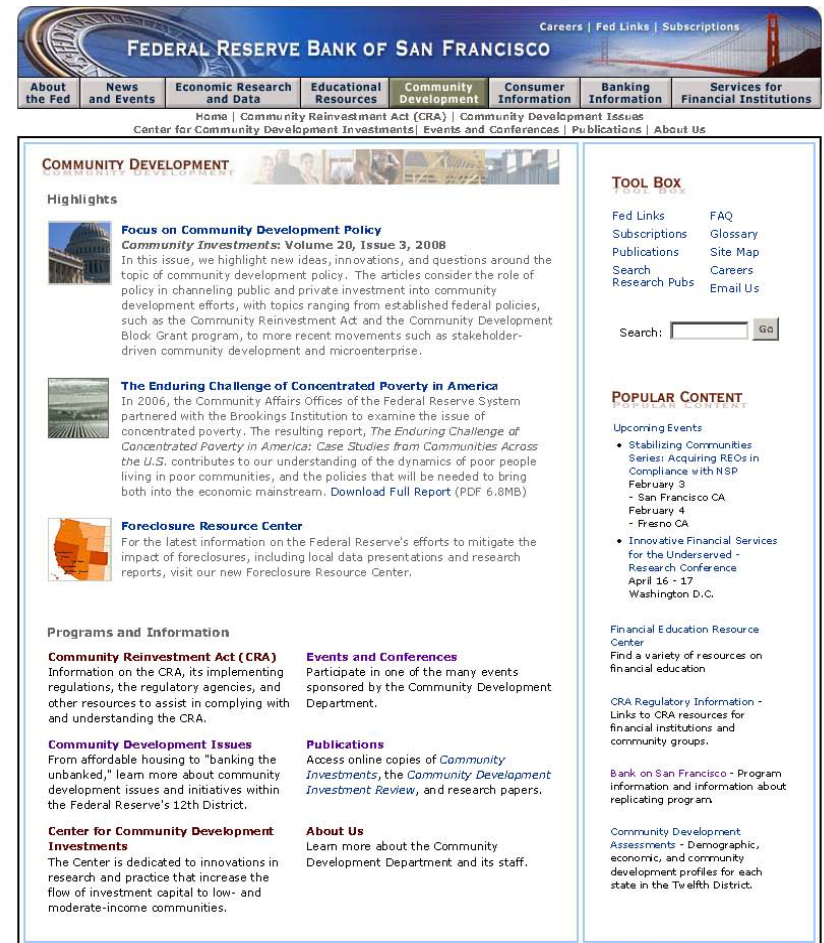


# Conclusions



# For More Information: FRBSF Community Development Website

- Links to other resources and research on foreclosure trends and mitigation strategies
- All publications, presentations available on our website
- Conference materials also posted shortly after events



<http://www.frbsf.org/community/>