National Trends
Composition of distressed sales by geography

Proportion of Distressed Property Transactions—May 2014
3 Month Moving Average

Source: Campbell/Inside Mortgage Finance HousingPulse Monthly Survey of Real Estate Market Conditions May 2014
Neighborhood stabilization: concerns over investor purchases of distressed properties

Who Is Buying Properties?—May 2014
3 Month Moving Average

<table>
<thead>
<tr>
<th>Property Type</th>
<th>Investor</th>
<th>First-Time Homebuyer</th>
<th>Current Homeowner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Damaged REO</td>
<td>55%</td>
<td>25%</td>
<td>20%</td>
</tr>
<tr>
<td>Move-In Ready REO</td>
<td>15%</td>
<td>39%</td>
<td>30%</td>
</tr>
<tr>
<td>Short Sale</td>
<td>33%</td>
<td>36%</td>
<td>30%</td>
</tr>
<tr>
<td>Non-Distressed</td>
<td>36%</td>
<td>50%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Campbell/Inside Mortgage Finance HousingPulse Monthly Survey of Real Estate Market Conditions May 2014
Financing for Homebuyers—May 2014
3 Month Moving Average

Current Homeowners
- 30%
- 8%
- 23%
- 14%
- 25%

First-Time Homebuyers
- 24%
- 8%
- 19%
- 38%
- 11%

Investors
- 19%
- 7%
- 2%
- 72%

Source: Campbell/Inside Mortgage Finance HousingPulse Monthly Survey of Real Estate Market Conditions May 2014
Hawaii Trends
Unemployment rate in Hawaii, at 4.4% in May 2014, well below US average

Source: Bureau of Labor Statistics
Hawaii housing prices on the rise

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

Source: Federal Housing Finance Agency (formerly OFHEO)
Numbers of delinquent mortgages and properties entering foreclosure process continue downward trend

Delinquent mortgages and foreclosure starts -- Hawaii

Source: Mortgage Bankers Association, National Delinquency Survey
Rents drop slightly in Q1 2014 but continue general upward trend in Honolulu

Asking Rent and Vacancy Rate in Honolulu
Quarterly

Source: Reis, Inc. Asking rent is calculated by first determining the average rent for each unit size, and then calculating a weighted average based on the number of units in each size category.
Upward but inconsistent trend in new housing starts since end of recession

### New Housing Starts - Hawaii (Quarterly)

- **Source:** Bank of Tokyo-Mitsubishi UFJ
Maps
Areas Affected by Concentrated Foreclosures
May 2014

Legend
Share of Foreclosures & REOs (as a percent of total loans)
- Less than 1 percent
- 1 - 3 percent
- 3 - 5 percent
- 5 - 7 percent
- More than 7 percent
- Insufficient Data

Source: Lender Processing Services Inc. Applied Analytics & FRBSF Calculations
Hawaii Data Maps

Areas at Risk of Additional Foreclosures
May 2014

Legend
Percent of loans seriously delinquent
- Less than 1 percent
- 1 - 2 percent
- 2 - 3 percent
- 3 - 4 percent
- More than 4 percent
- Insufficient Data

Source: Lender Processing Services Inc. Applied Analytics & FRBSF Calculations
For More Information:
FRBSF Community Development Website

www.frbsf.org/community

- All publications and presentations available on our website
- Conference materials also posted shortly after events