

TRENDS IN DELINQUENCIES AND FORECLOSURES IN ALASKA

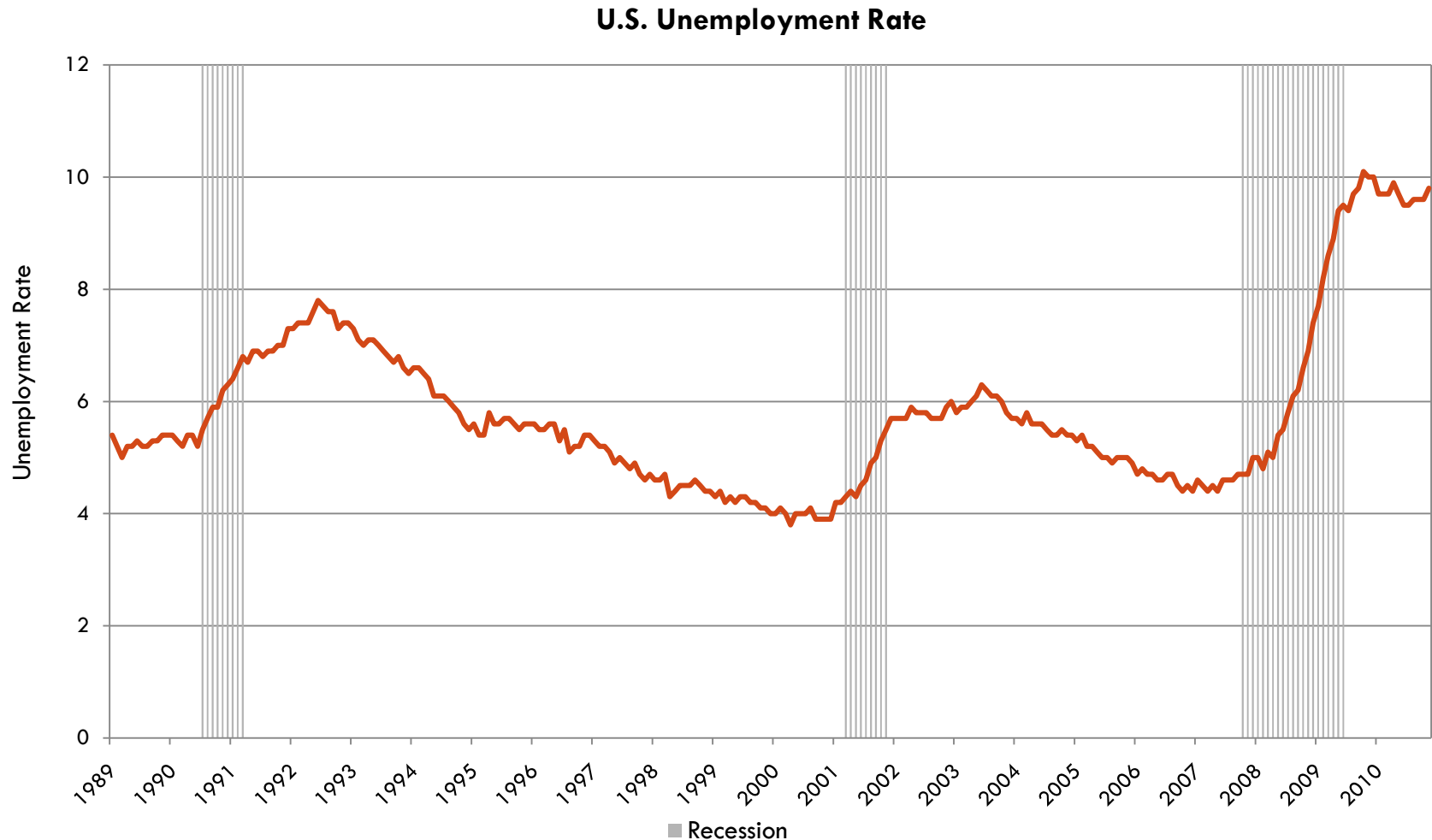
January 2011

National Trends

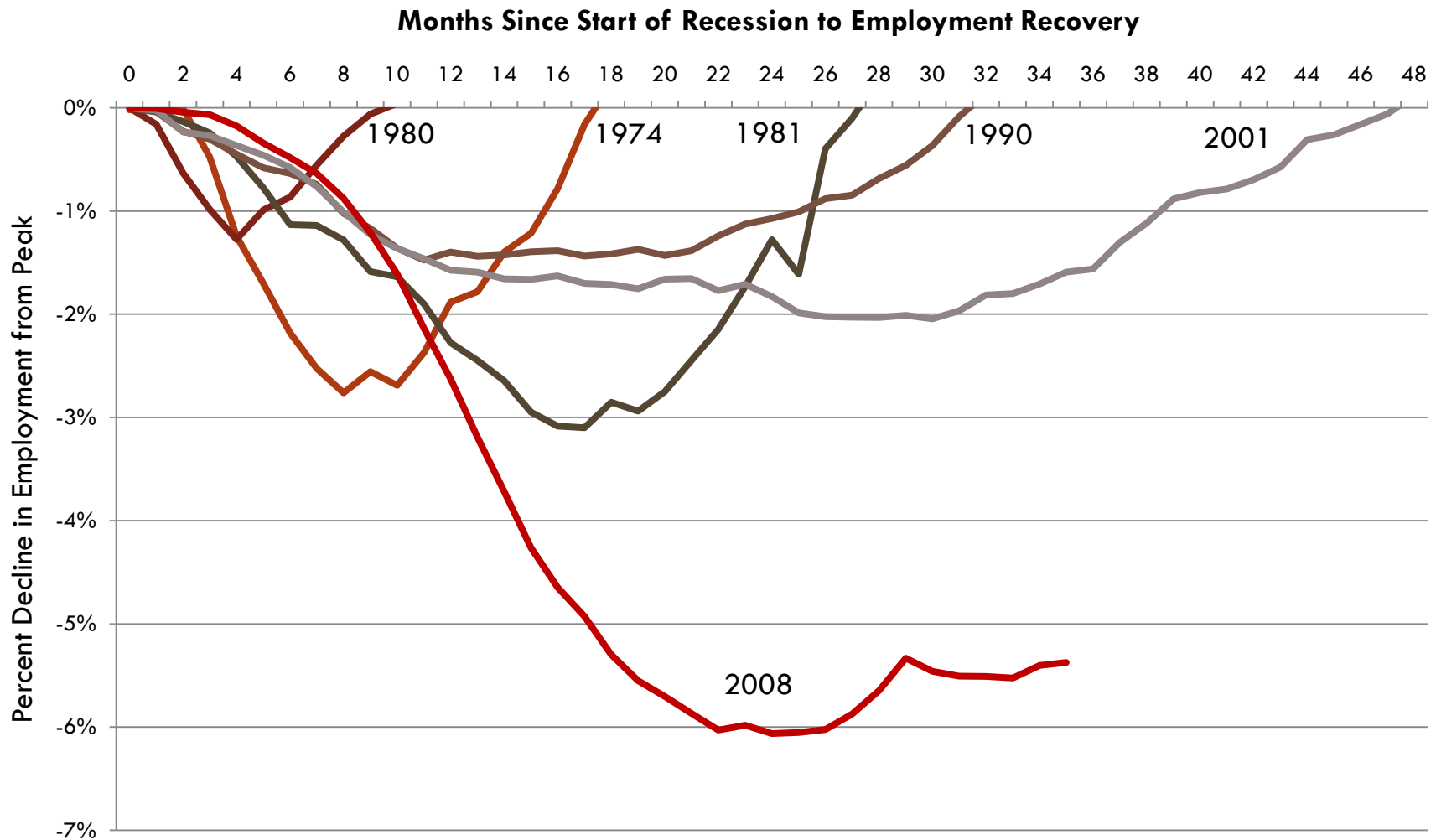
- Even though NBER officially announced the recession's end in June of 2009, pace of recovery remains slow
 - Unemployment rate in November rose to 9.8% from 9.6%, demonstrating continued weakness in the labor market
 - On the more positive side, the private sector has been adding jobs each month, and part of the rise in unemployment is due to an increase in the labor force-that is, the number of people who started looking for work
- Housing is the one major sector of the economy where we still do not see signs of recovery
 - New and existing home sales remain near historic lows, and inventories of foreclosed homes remain very high
- Public sector budget crisis in many states is of major concern, and threatens viability of services to LMI communities

National Trends

Unemployment continues to hover around 10%

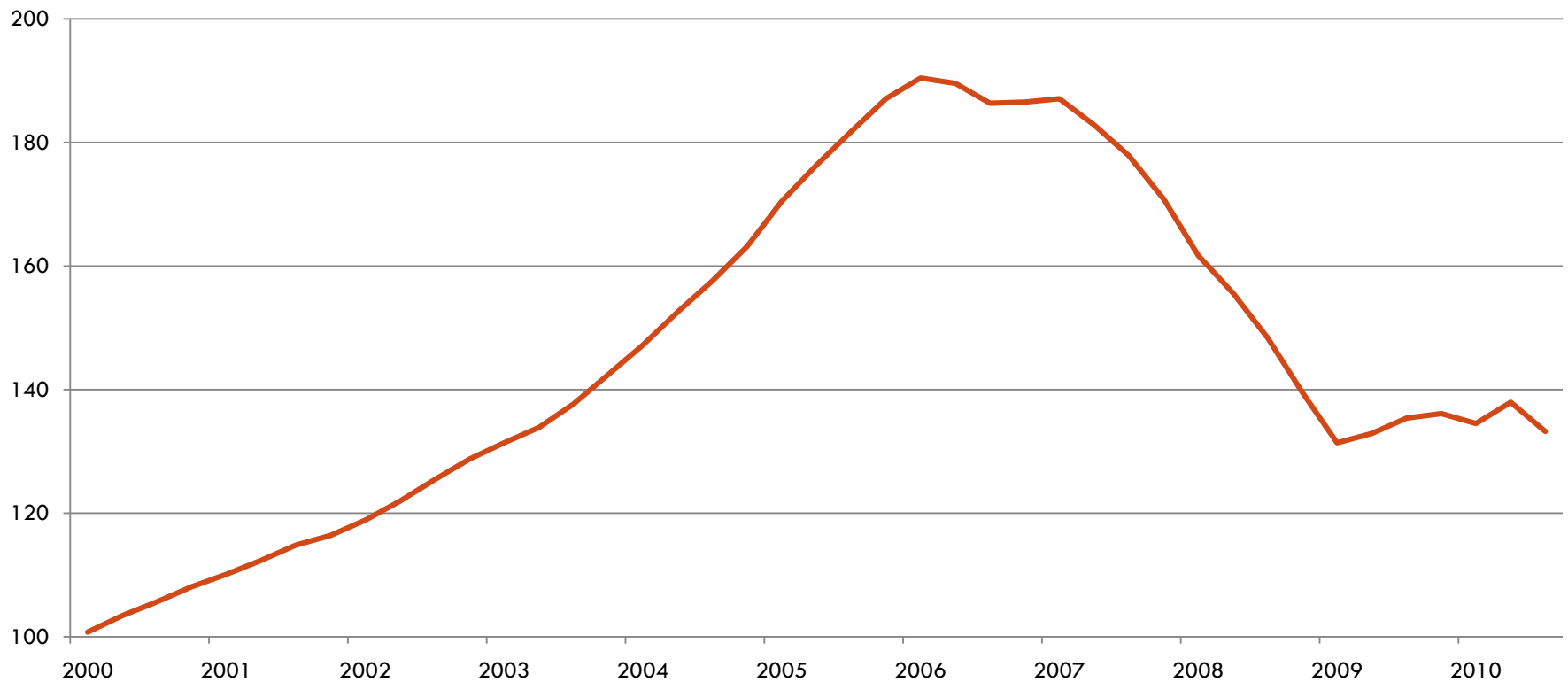


Recovery, particularly in labor market, remains elusive

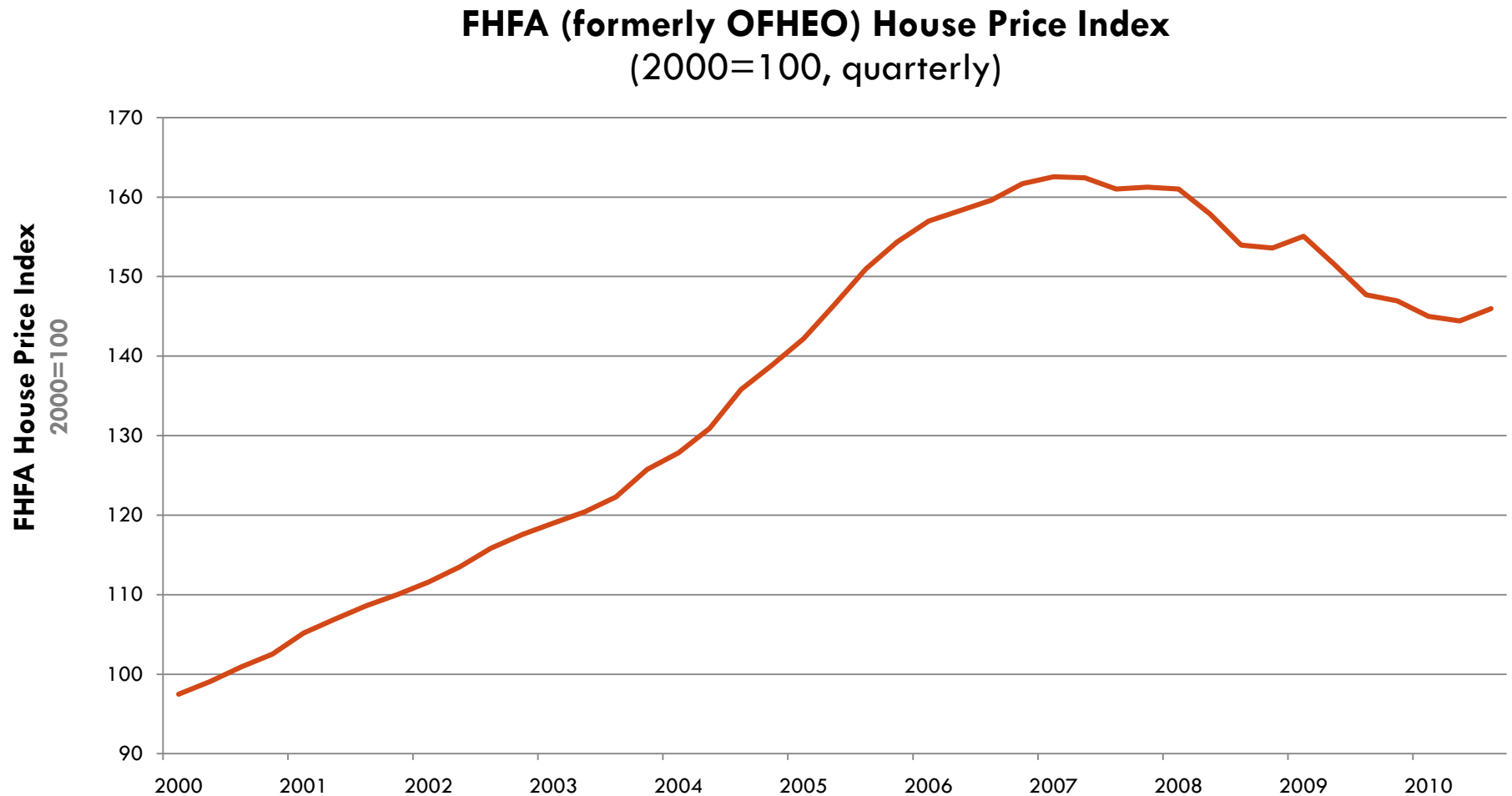


Case-Shiller Index shows continued softness in housing market

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

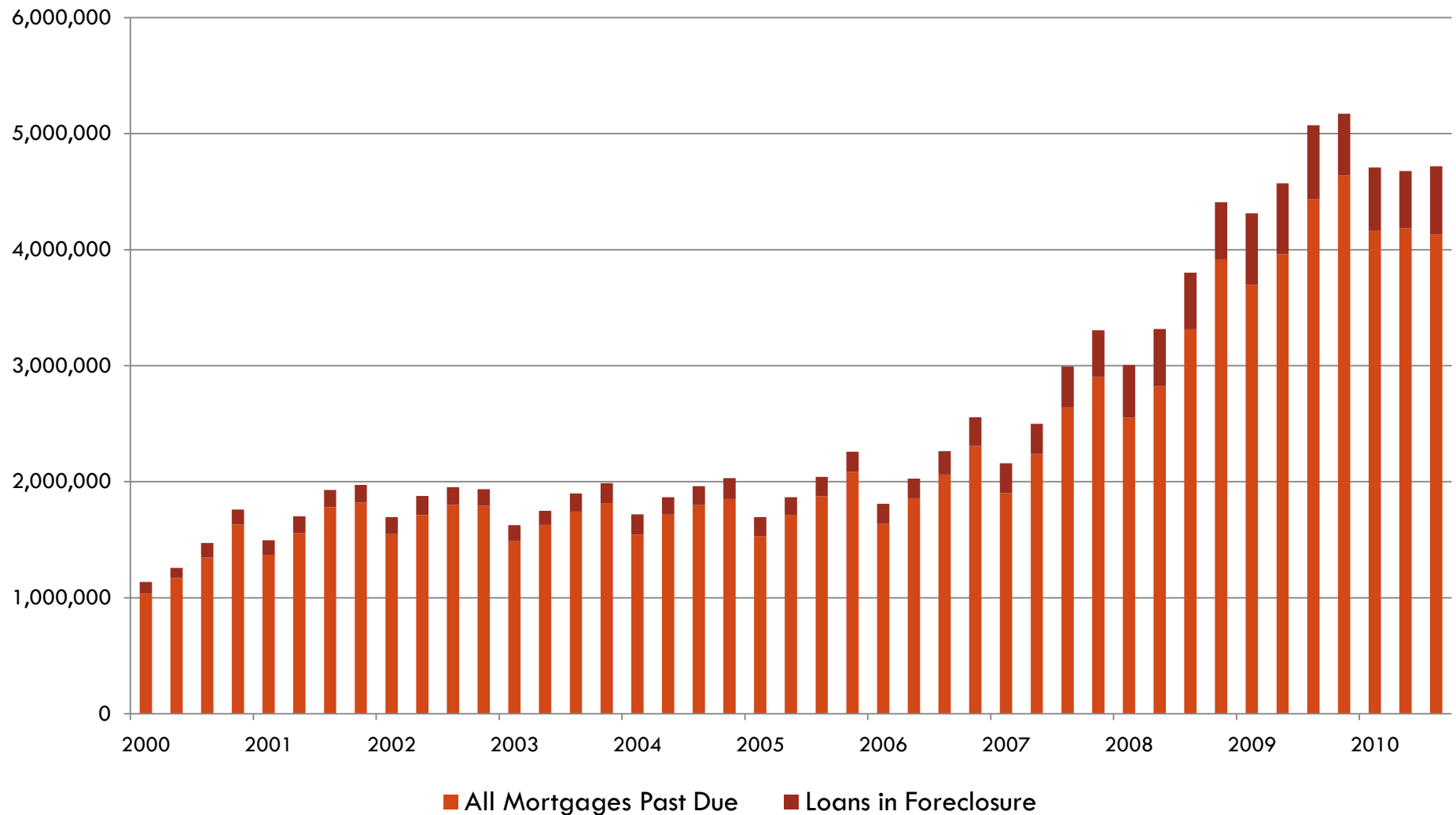


FHFA House Price Index rises slightly in 3rd Qtr of 2010



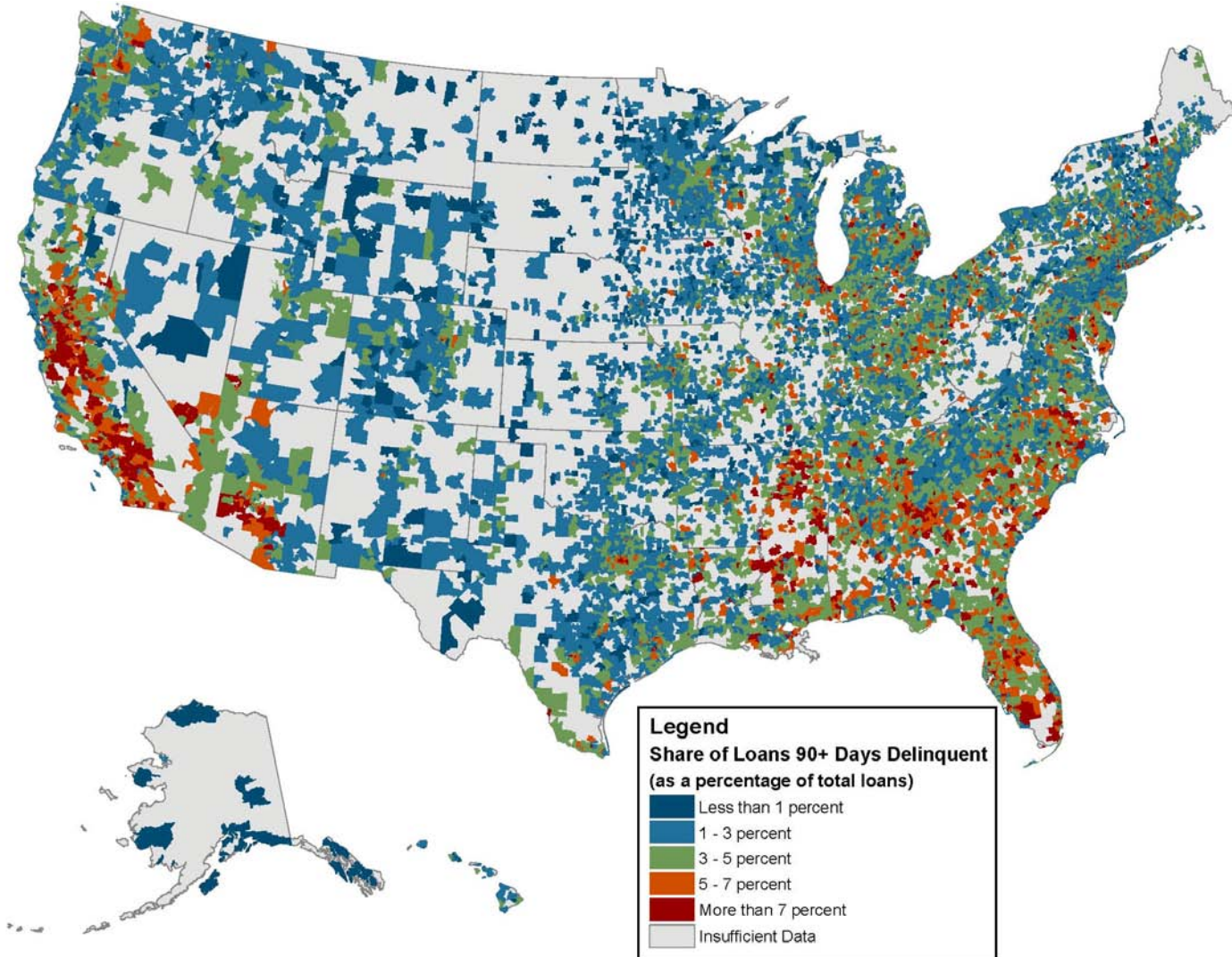
Source: Federal Housing Finance Agency (formerly OFHEO), includes refinancing and is not seasonally adjusted

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

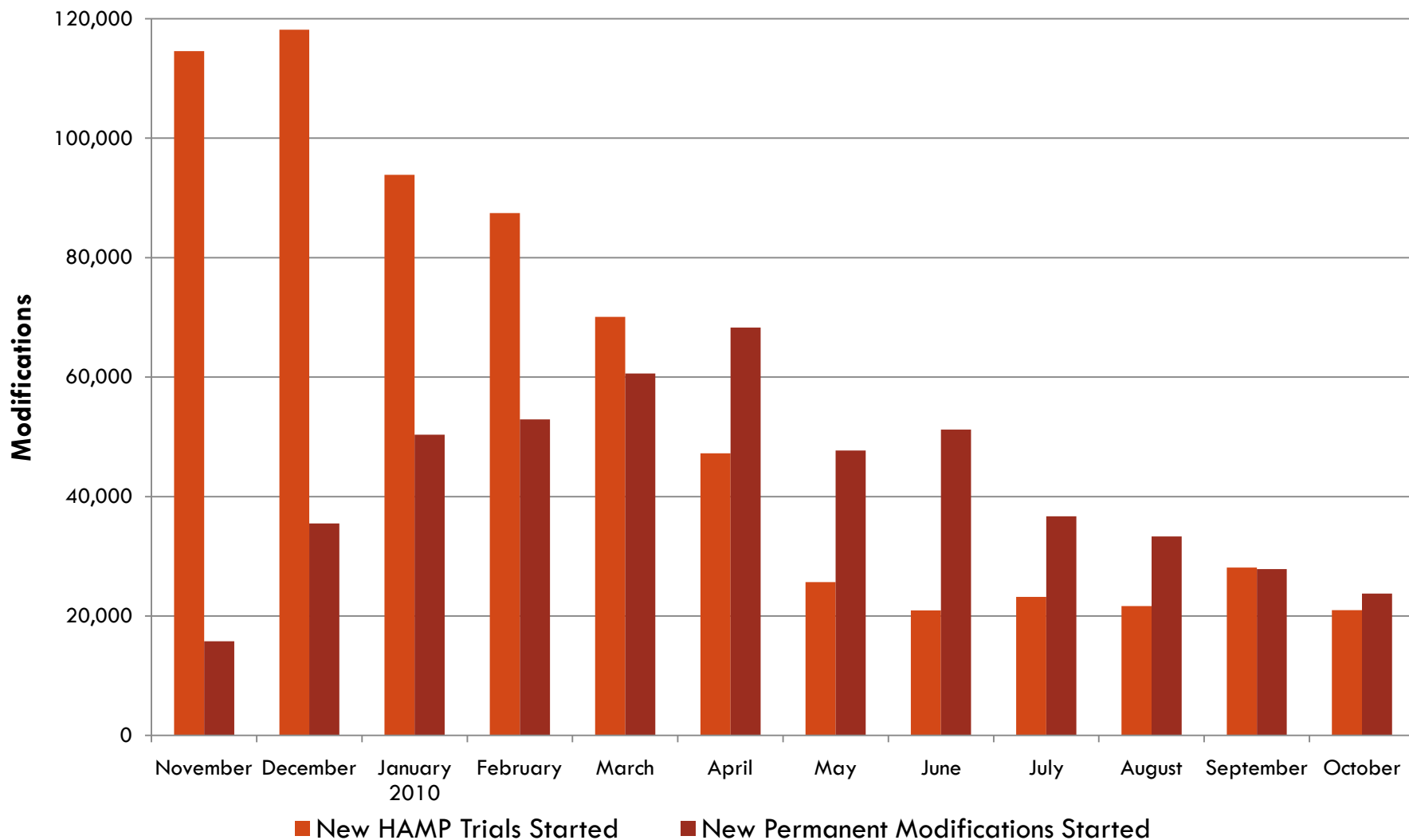


Source: Mortgage Bankers Association, National Delinquency Survey

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



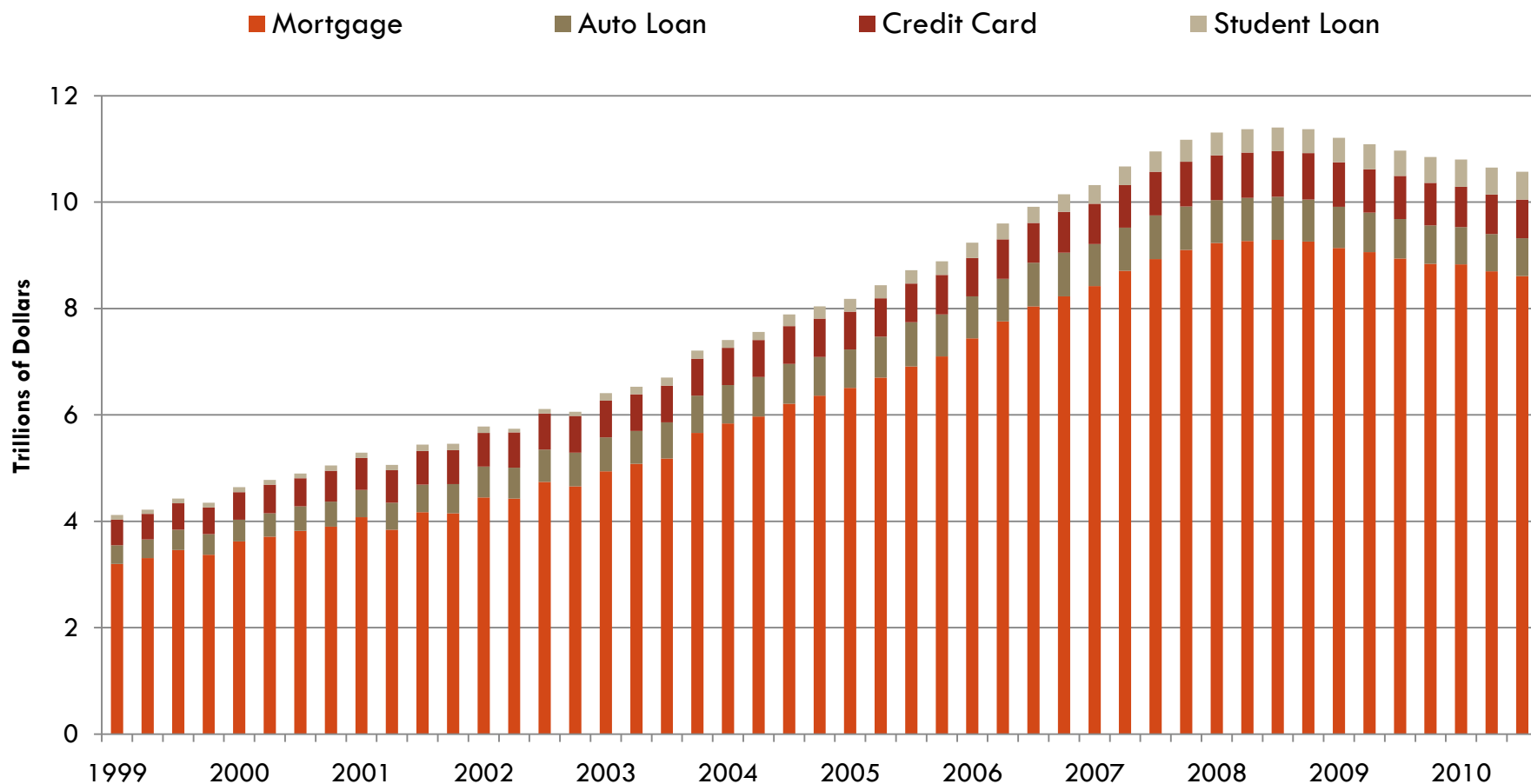
HAMP modifications down; borrowers still face challenges in obtaining permanent modifications



Source: HAMP Service Performance Report Through October 2010

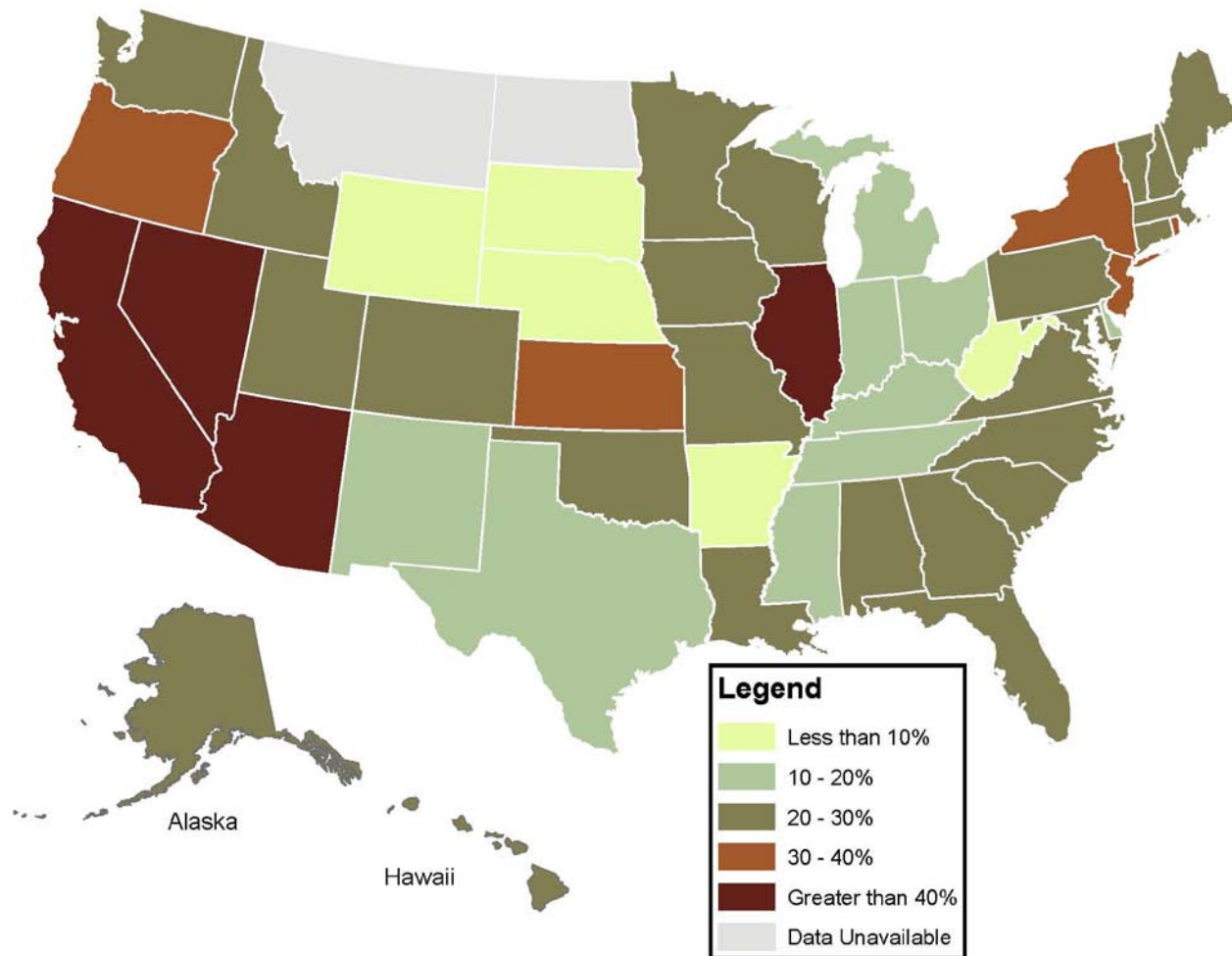
Household debt falling from 2008 peak

Total Debt Balance and Composition



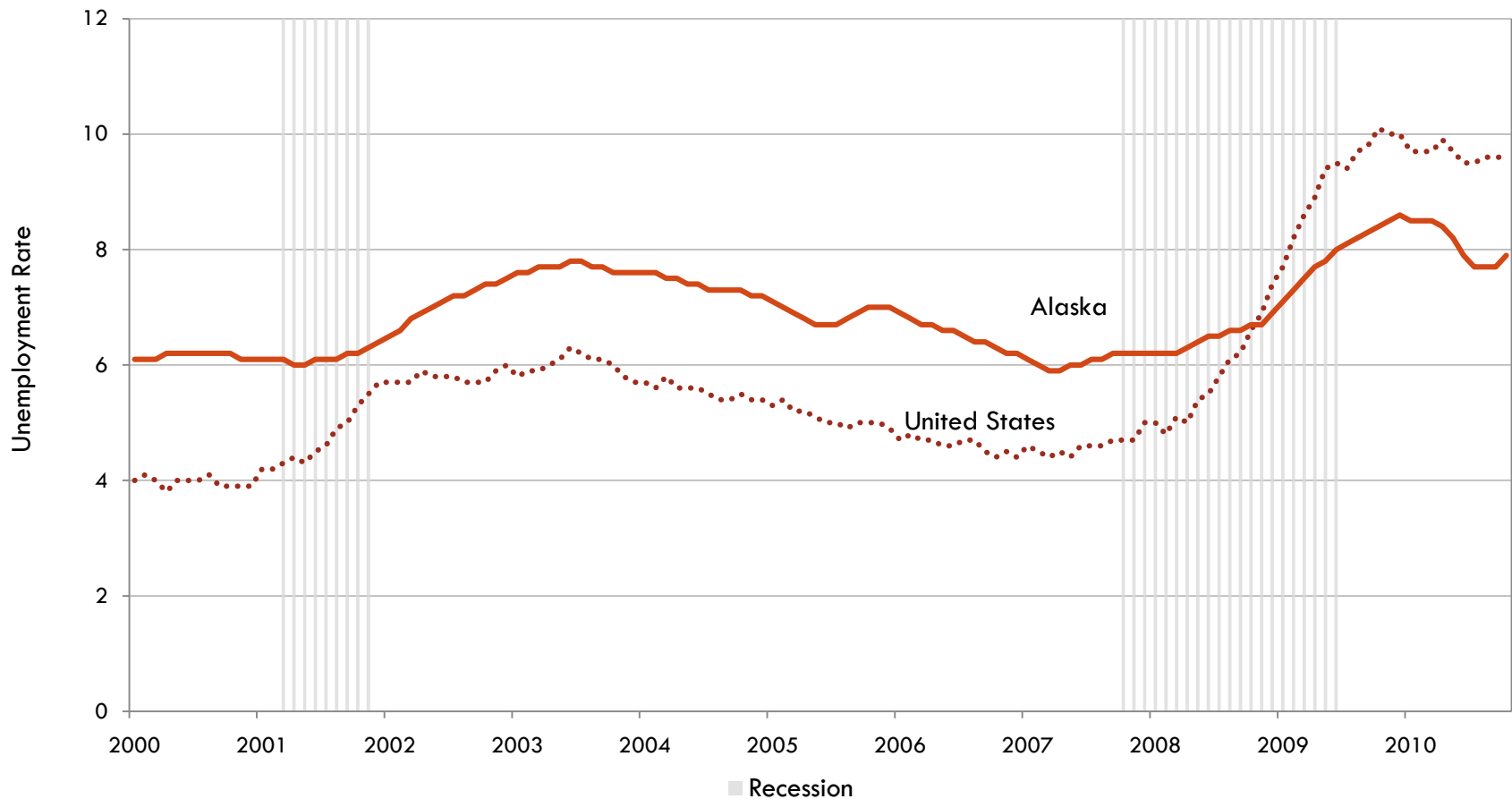
Many states within 12th District face severe budget shortfalls

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

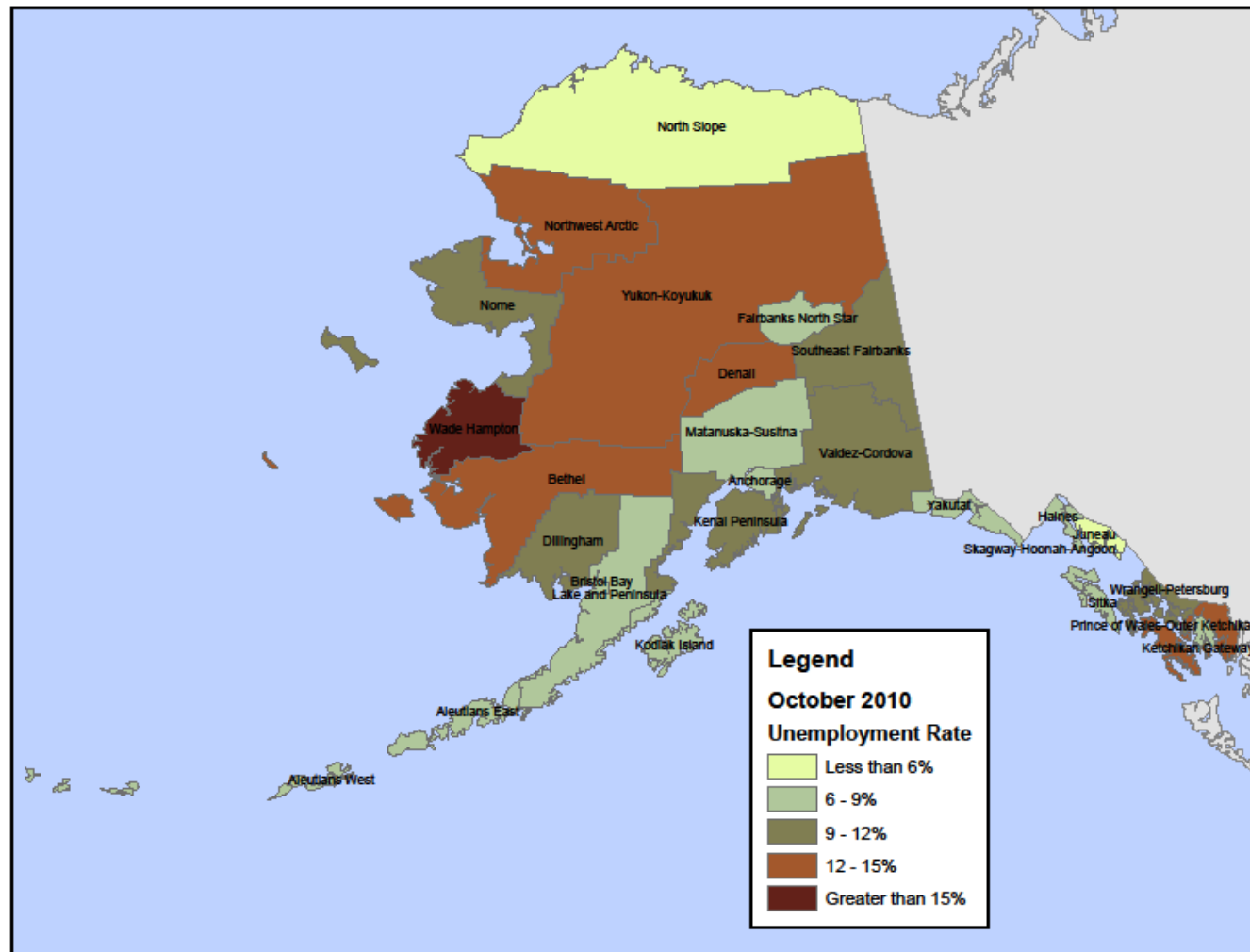


Alaska Trends

Unemployment rate in Alaska still below national average

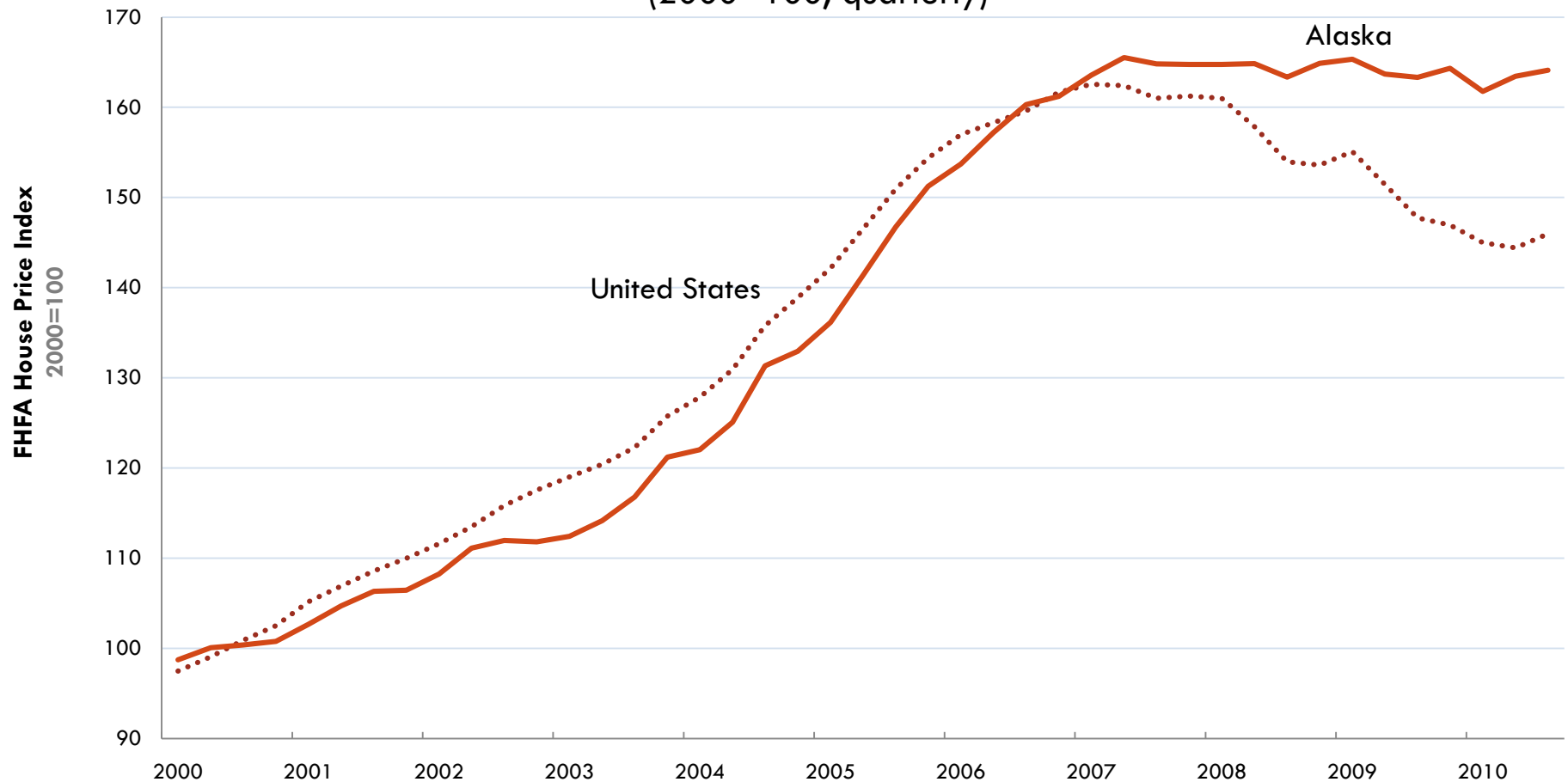


Unemployment rates in Alaska by county



Alaska's real estate market remains fairly stable

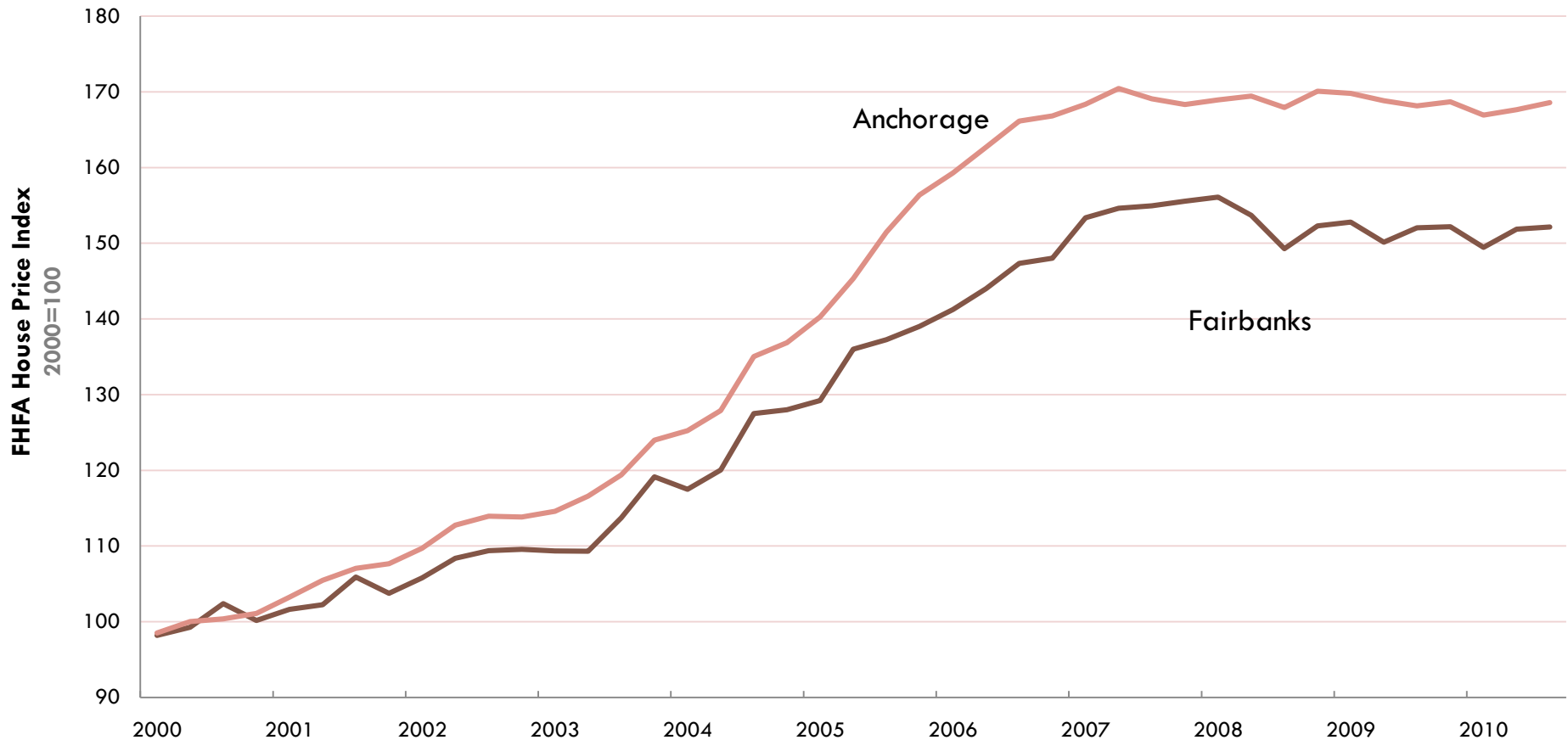
FHFA (formerly OFHEO) House Price Index
(2000=100, quarterly)



Source: Federal Housing Finance Agency (formerly OFHEO)

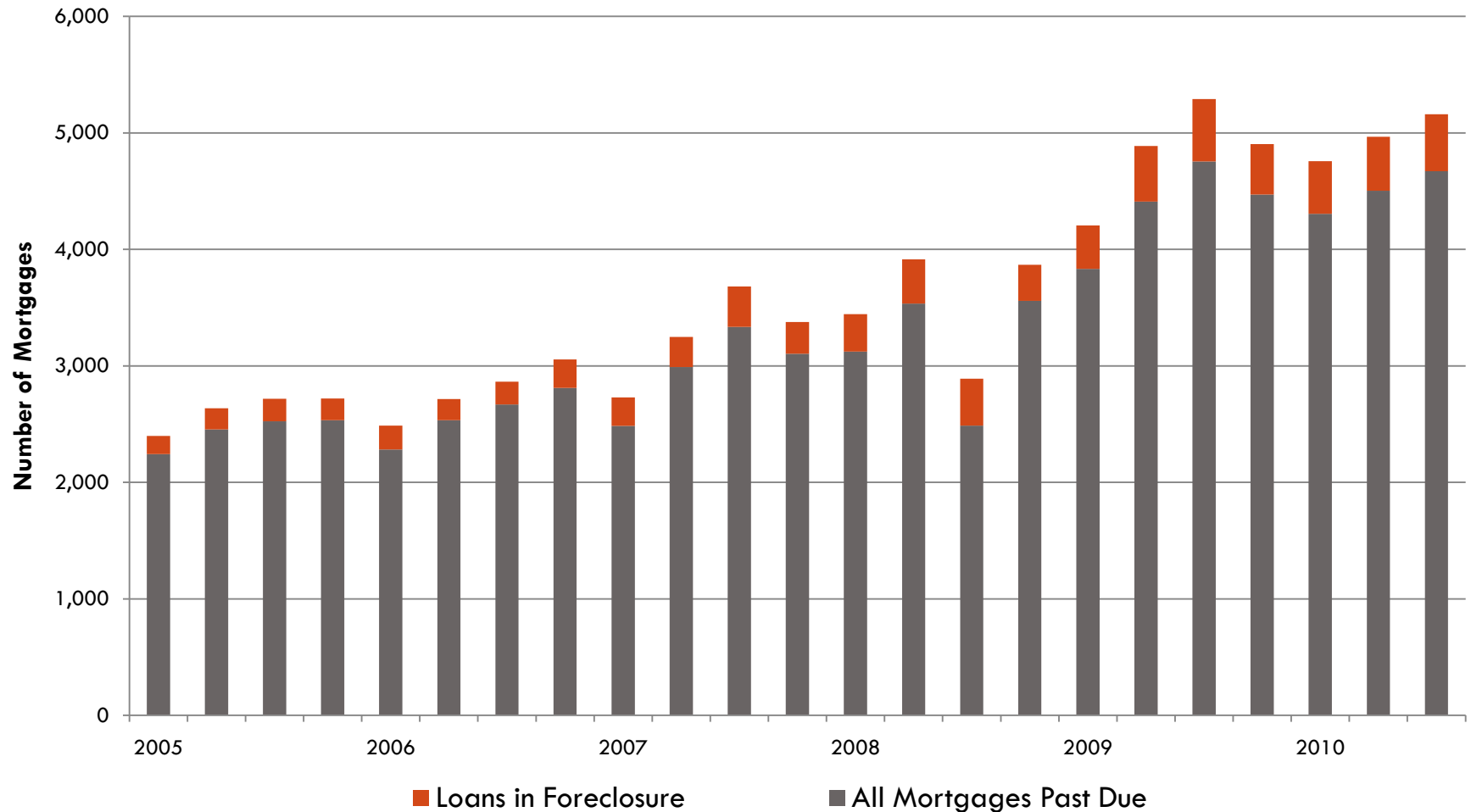
House price changes at the metro level

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



Source: Federal Housing Finance Agency (formerly OFHEO)

Alaska foreclosures and delinquencies rising slightly in 2010

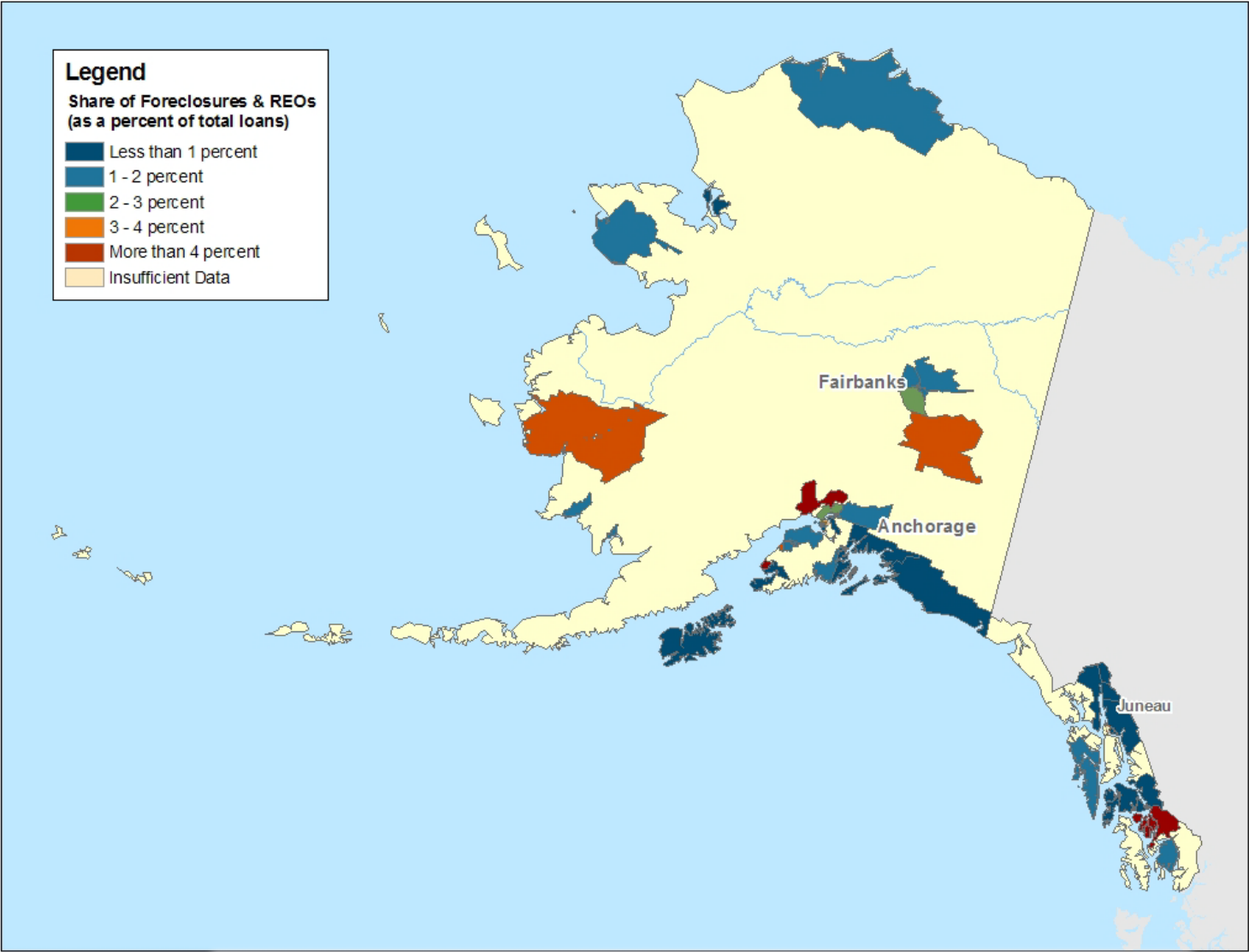


Source: Mortgage Bankers Association, National Delinquency Survey

Alaska Foreclosure Data Maps

Areas Affected by Concentrated Foreclosures

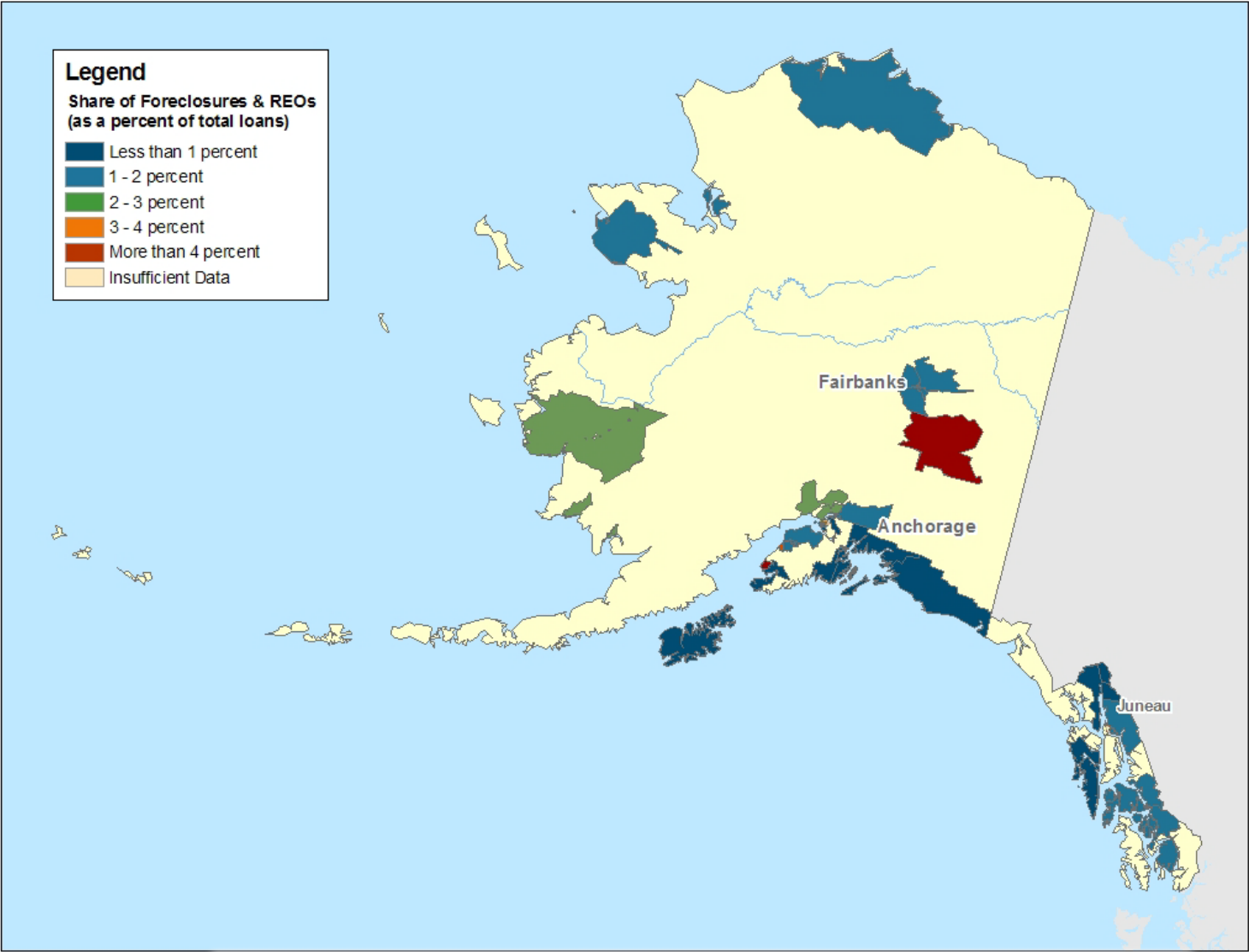
July 2010



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

Areas Affected by Concentrated Foreclosures

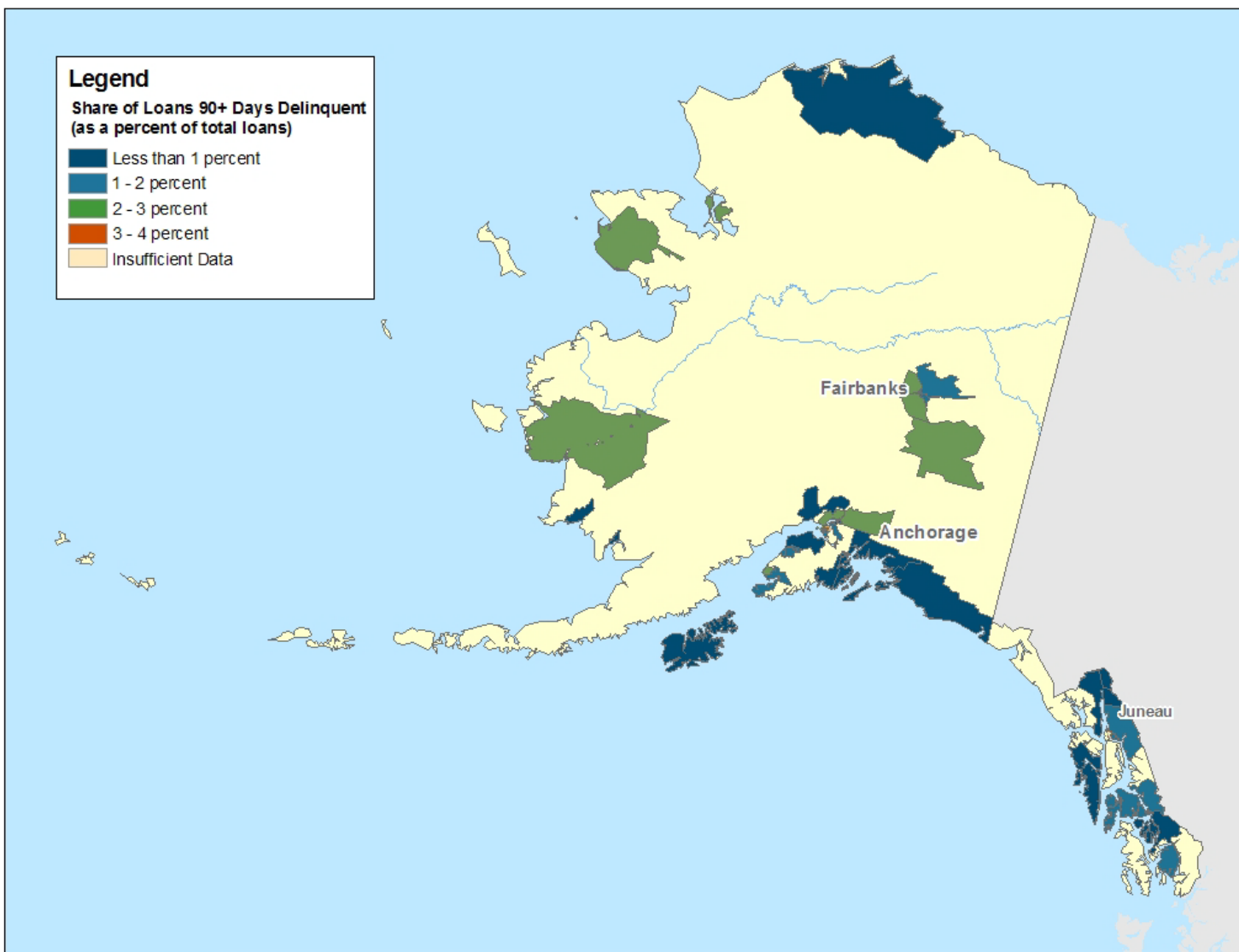
November 2010



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

Areas at Risk of Additional Foreclosures

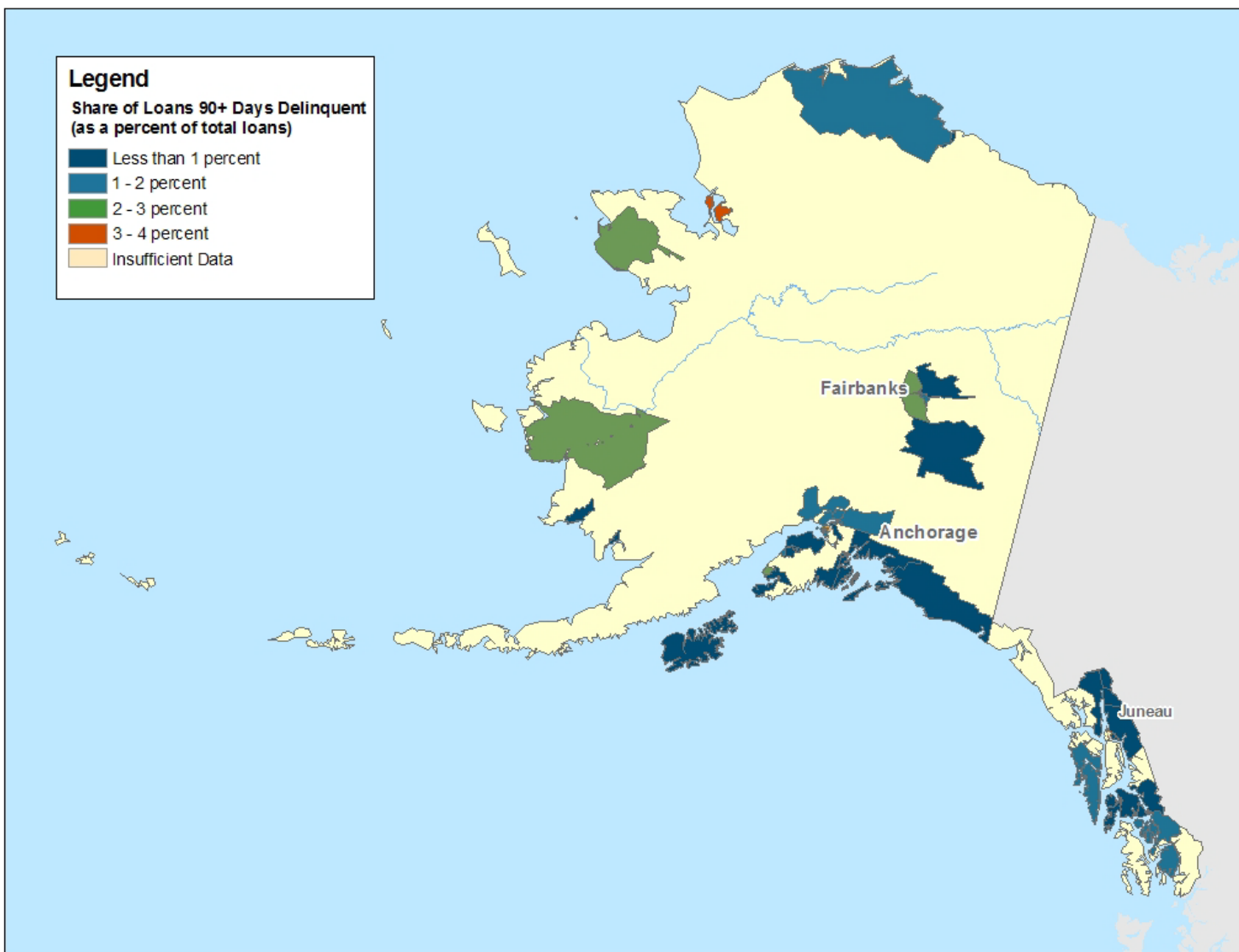
July 2010



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

Areas at Risk of Additional Foreclosures

November 2010

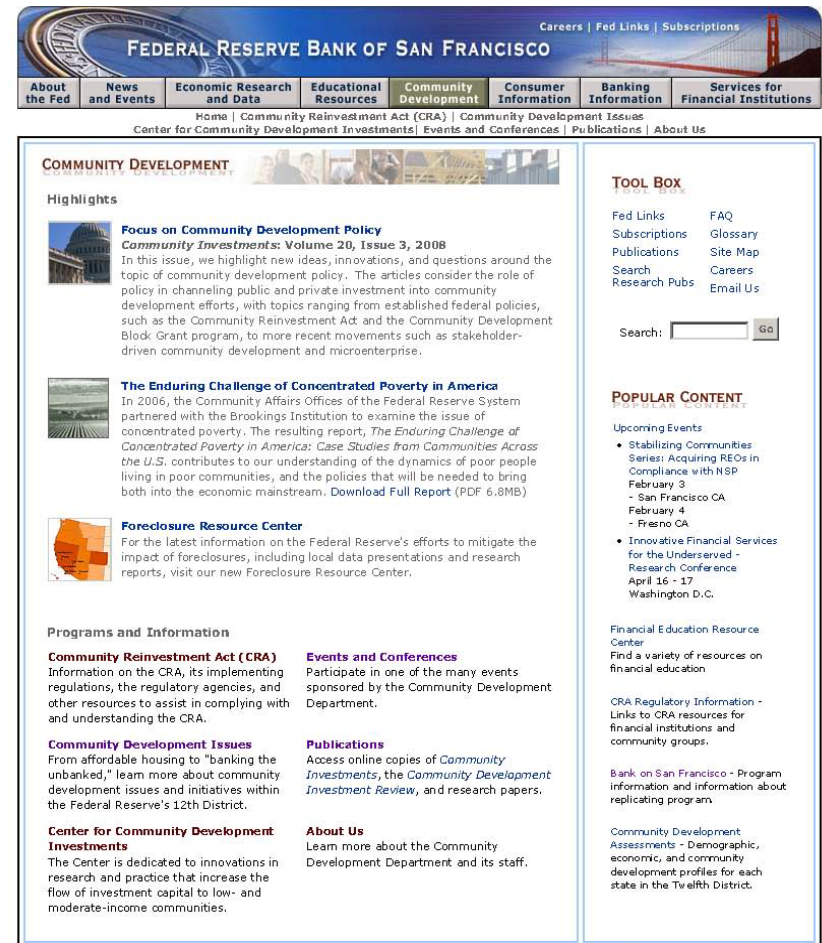


Source: Lender Processing Services Inc. Applied Analytics & FRBSF Calculations

Conclusion

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/>