National Trends
Unemployment dips below 9%

Source: Bureau of Labor Statistics, November 2010
Recovery, particularly in labor market, remains elusive

Source: Bureau of Labor Statistics, December 2010
Case-Shiller Index shows continued softness in housing market

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

Source: Case - Shiller Home Price Index
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

Source: Mortgage Bankers Association, National Delinquency Survey
Despite improvement, high rates of delinquency remain concentrated in western and southern states.

**Legend**

Share of Loans 90+ Days Delinquent (as a percentage 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 Service Inc. Applied Analytics, November 2010
HAMP modifications down; borrowers still face challenges in obtaining permanent modifications

Source: HAMP Service Performance Report Through January 2011
Composition of distressed sales

Neighborhood stabilization: concerns over investor purchases of distressed properties

**Who Is Buying Properties?—February 2011**

<table>
<thead>
<tr>
<th>Property Type</th>
<th>Damaged REO</th>
<th>Move-In Ready REO</th>
<th>Short Sale</th>
<th>Non-Distressed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investor</td>
<td>40%</td>
<td>40%</td>
<td>40%</td>
<td>40%</td>
</tr>
<tr>
<td>First-Time Homebuyer</td>
<td>60%</td>
<td>60%</td>
<td>60%</td>
<td>60%</td>
</tr>
<tr>
<td>Current Homeowner</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Financing for home purchases

Many states within 12th District face severe budget shortfalls

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

Source: Data from Center for Budget and Policy Priorities
Washington Trends
Unemployment rate in Washington has mirrored national trends

Source: Bureau of Labor Statistics
Unemployment rates in Washington vary by county

Washington’s house values continue to soften
House prices at metropolitan level

Source: Federal Housing Finance Agency (formerly OFHEO)
Numbers of loans in foreclosure and mortgages past due falling slightly at the end of 2010

Source: Mortgage Bankers Association, National Delinquency Survey
Washington Foreclosure Data Maps
Areas Affected by Concentrated Foreclosures
February 2011

Legend
Percent of Loans in Foreclosure or REO
- Less than 1 percent
- 1 - 2 percent
- 2 - 4 percent
- 4 - 6 percent
- More than 6 percent
- Insufficient Data

Source: Lender Processing Services Inc. Applied Analytics & FRBSF Calculations
Areas at Risk of Additional Foreclosures
February 2011

Legend
Percent of Loans 60-90 + Days Delinquent
- 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
Areas at Risk of Additional Foreclosures
February 2011

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Source: Lender Processing Services Inc. Applied Analytics & FRBSF Calculations
Change in House Values Since 2007
February 2011

Legend
Change in House Prices Since 2007 Peak
- Declines of more than 30 percent
- Declines of between 25 - 30 percent
- Declines of between 20 - 25 percent
- Declines of between 10 - 20 percent
- Declines of less than 10 percent
- Insufficient Data

Source: CoreLogic Home Price Index and FRBSF CD Calculations
Areas Affected by Concentrated Foreclosures
February 2011

Legend
Percent of Loans in Foreclosure or REO
- Less than 1 percent
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- More than 6 percent
- Insufficient Data

Source: Lender Processing Services Inc. Applied Analytics & FRBSF Calculations
Areas at Risk of Additional Foreclosures
February 2011

Source: Lender Processing Services Inc. Applied Analytics & FRBSF Calculations
Change in House Values Since 2007
February 2011

Source: CoreLogic Home Price Index and FRBSF CD Calculations
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/