

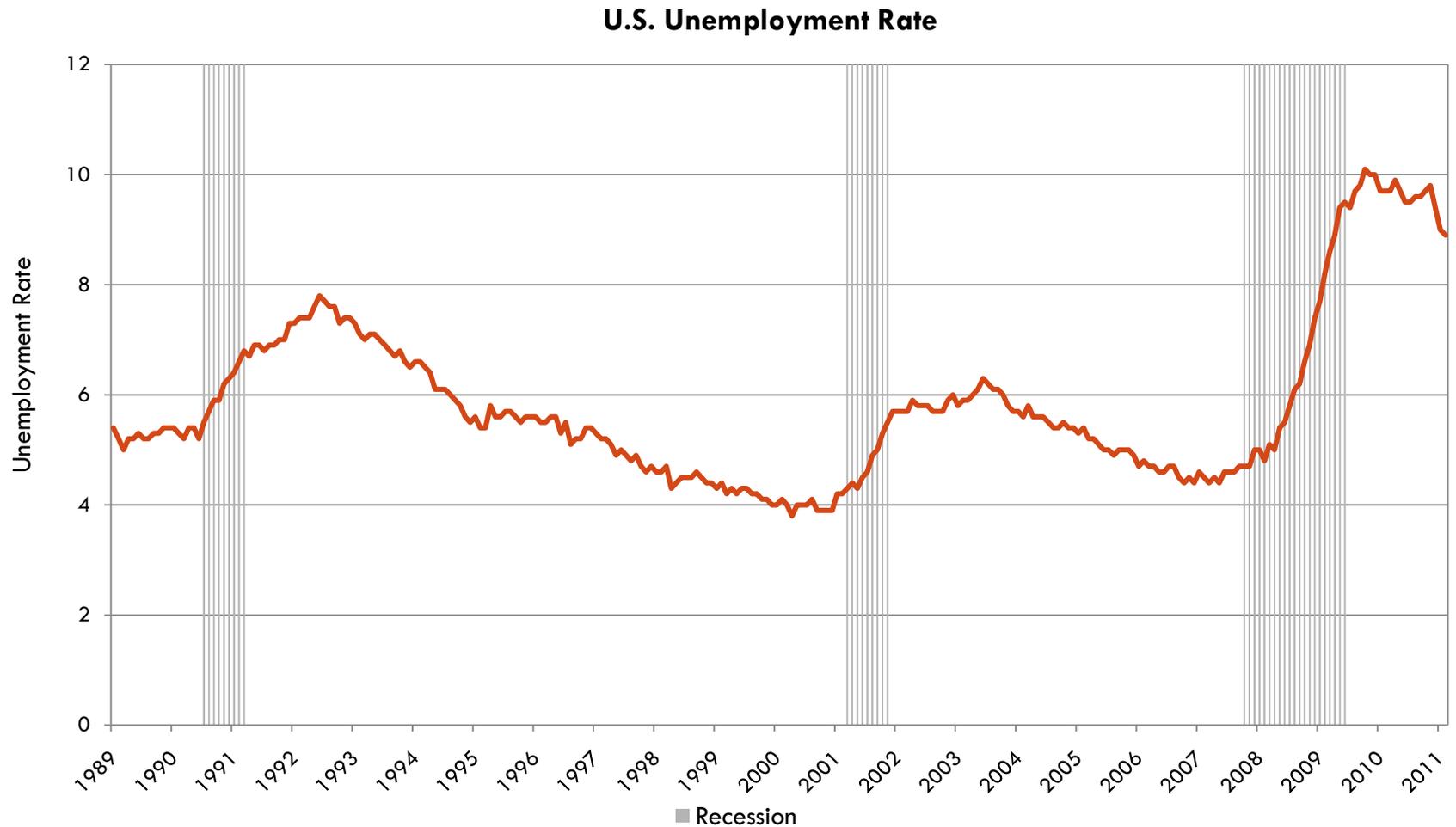
HOUSING AND LABOR MARKET TRENDS: NORTHERN CALIFORNIA

May 2011

Community Development Research
Federal Reserve Bank of San Francisco

National Trends

Unemployment dips below 9%

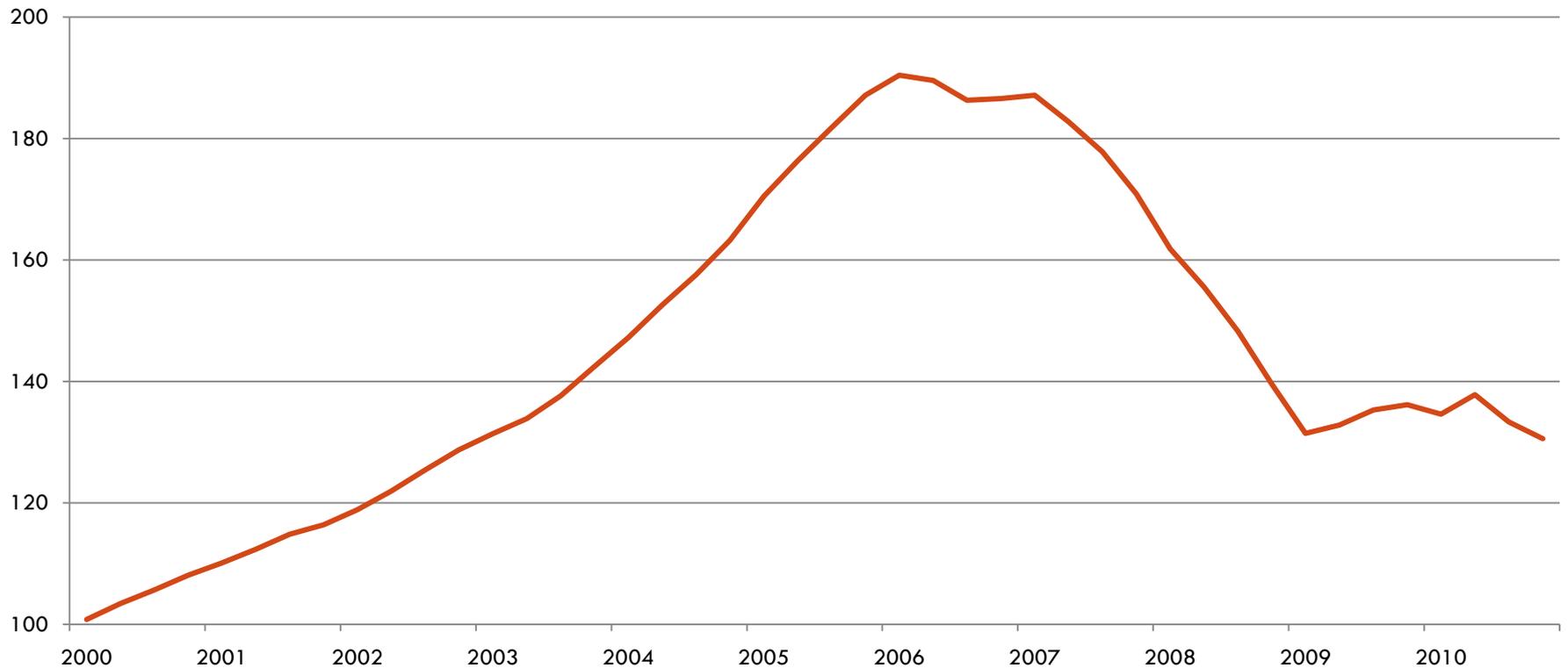


Recovery, particularly in labor market, remains elusive

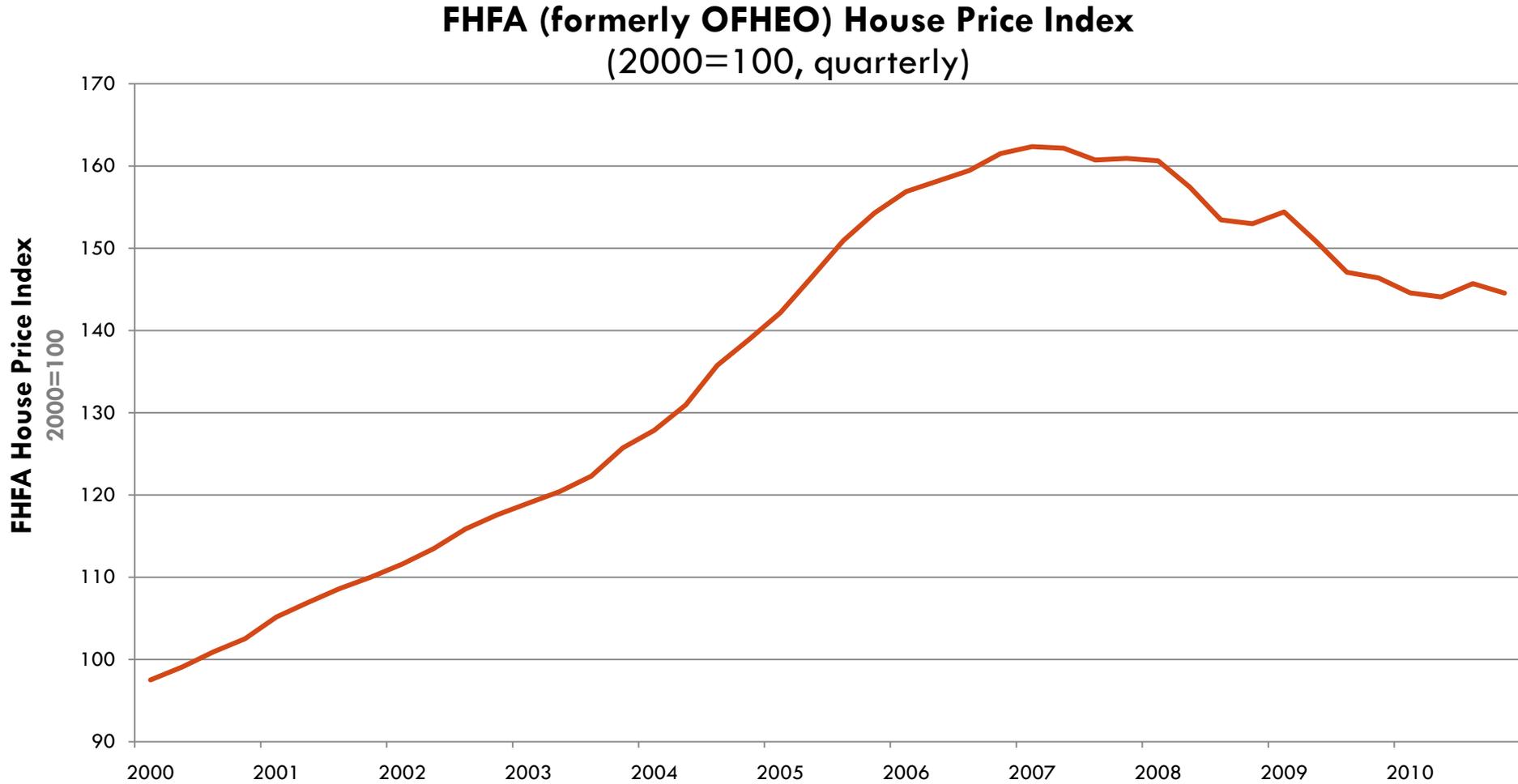


Case-Shiller Index shows continued softness in housing market

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



FHFA House Price Index Dips Again at End of 2010

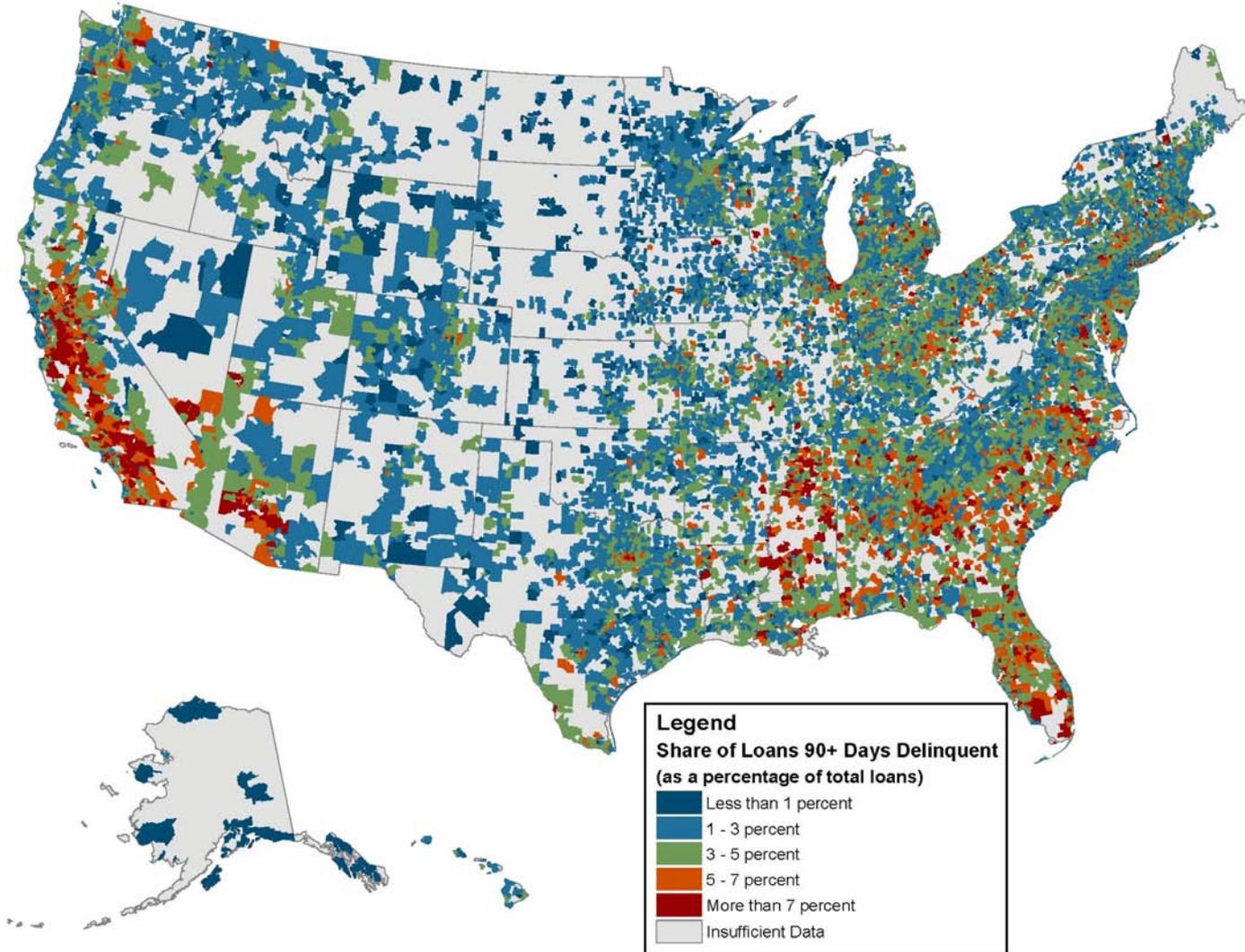


Source: Federal Housing Finance Agency (formerly OFHEO), includes refinancing and is not seasonally adjusted

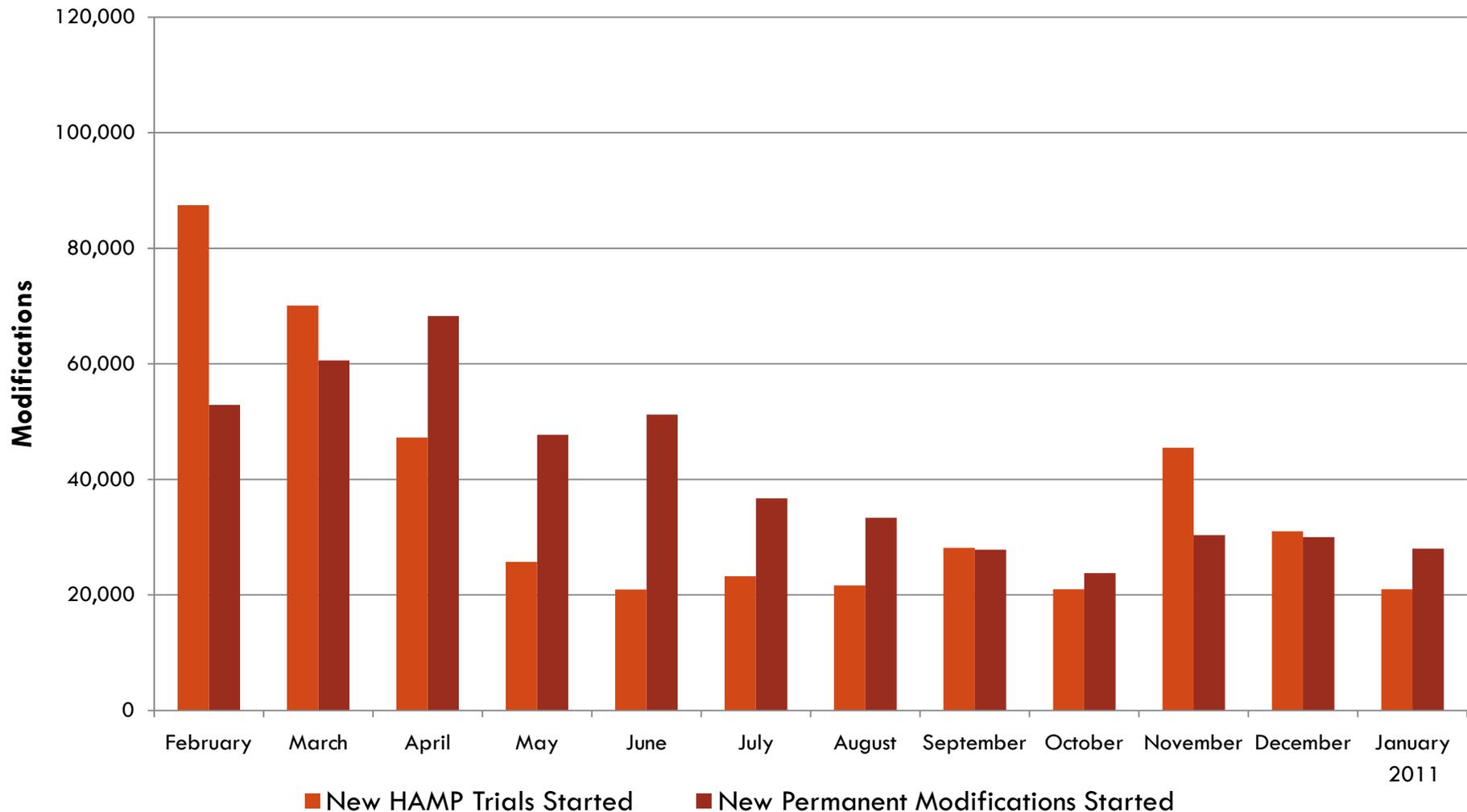
Nationally, delinquencies drop in 2010, but still more than 4.5 million homes in distress



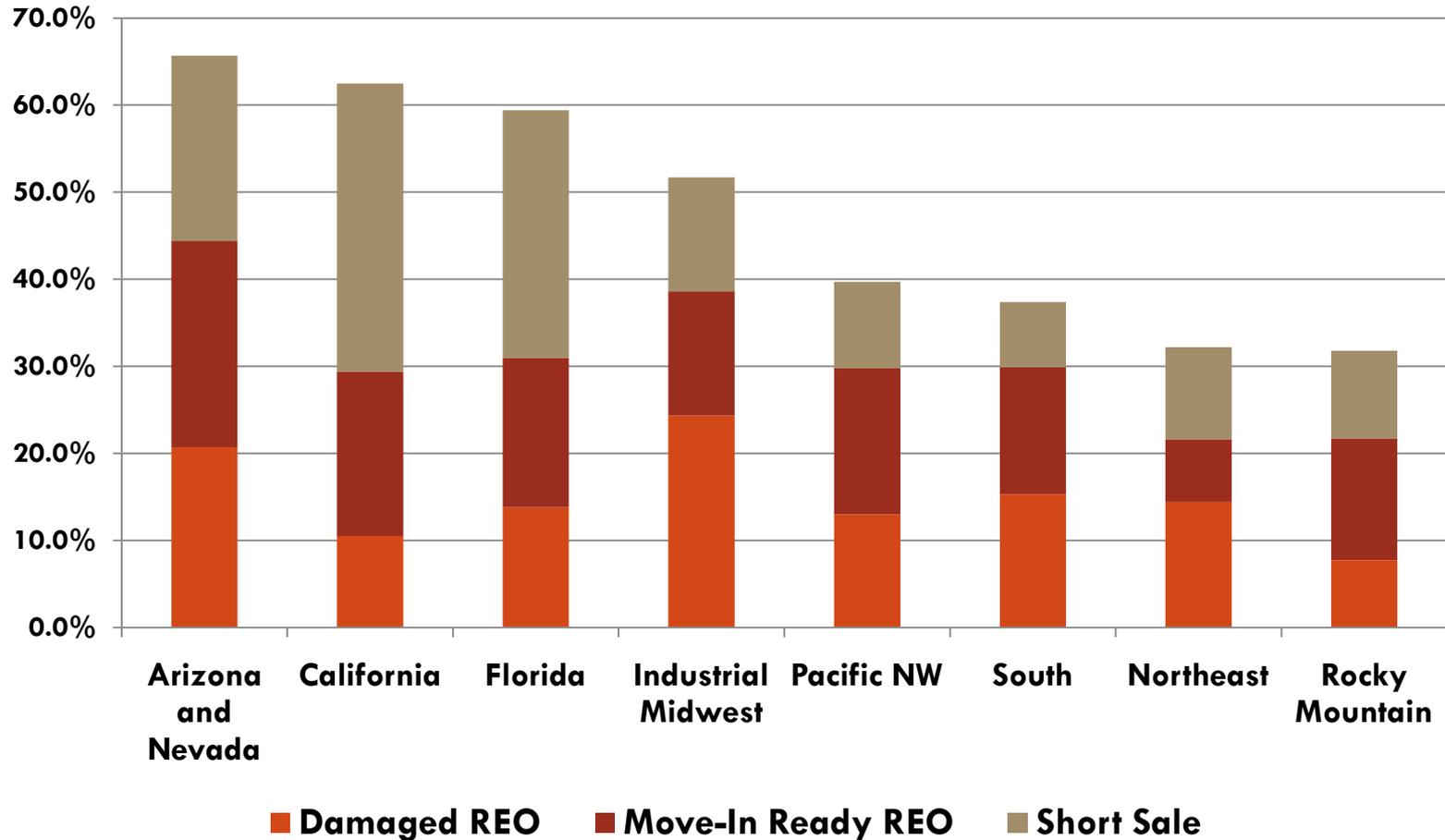
Despite improvement, high rates of delinquency remain concentrated in western and southern states



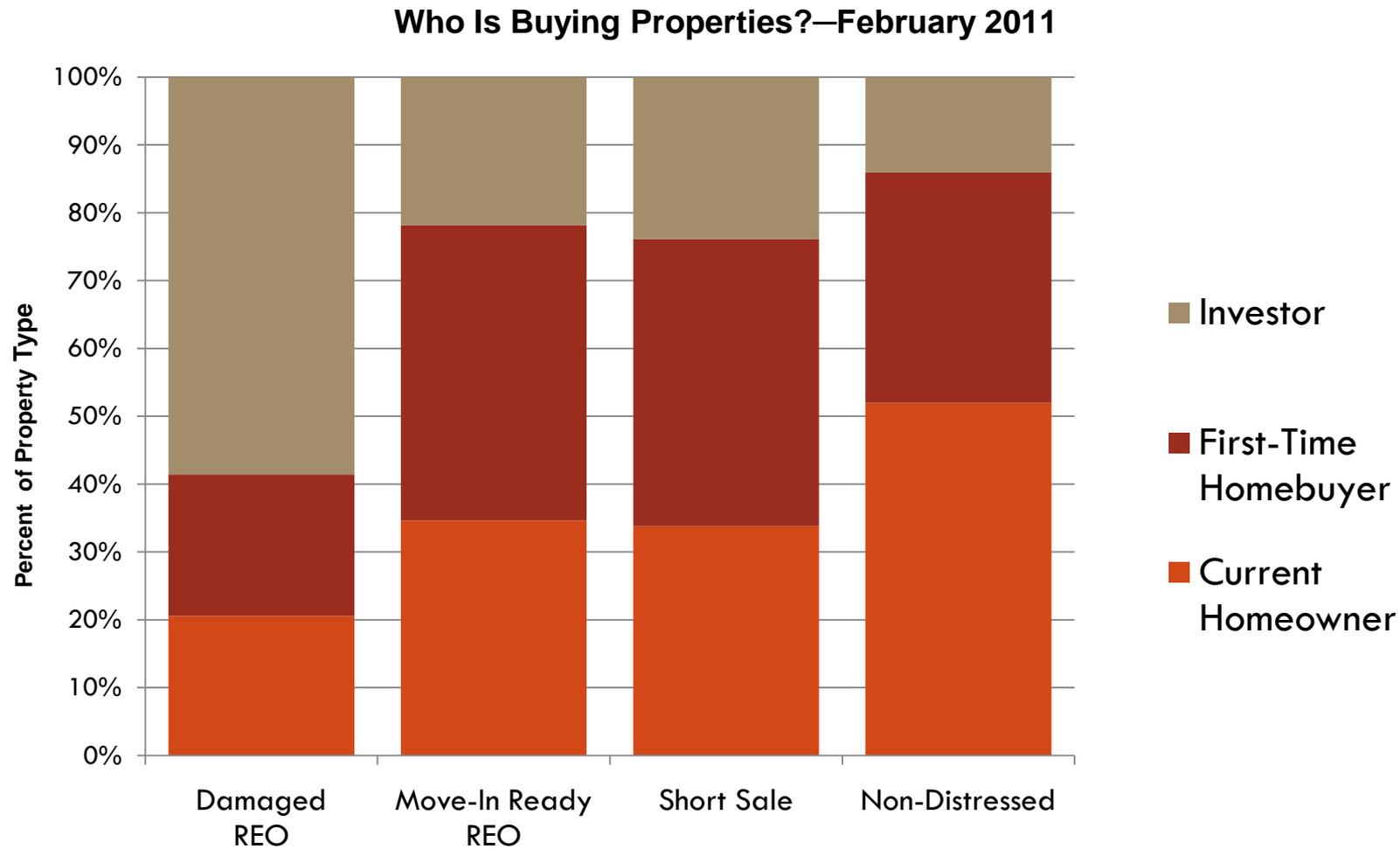
HAMP modifications down; borrowers still face challenges in obtaining permanent modifications



Composition of distressed sales

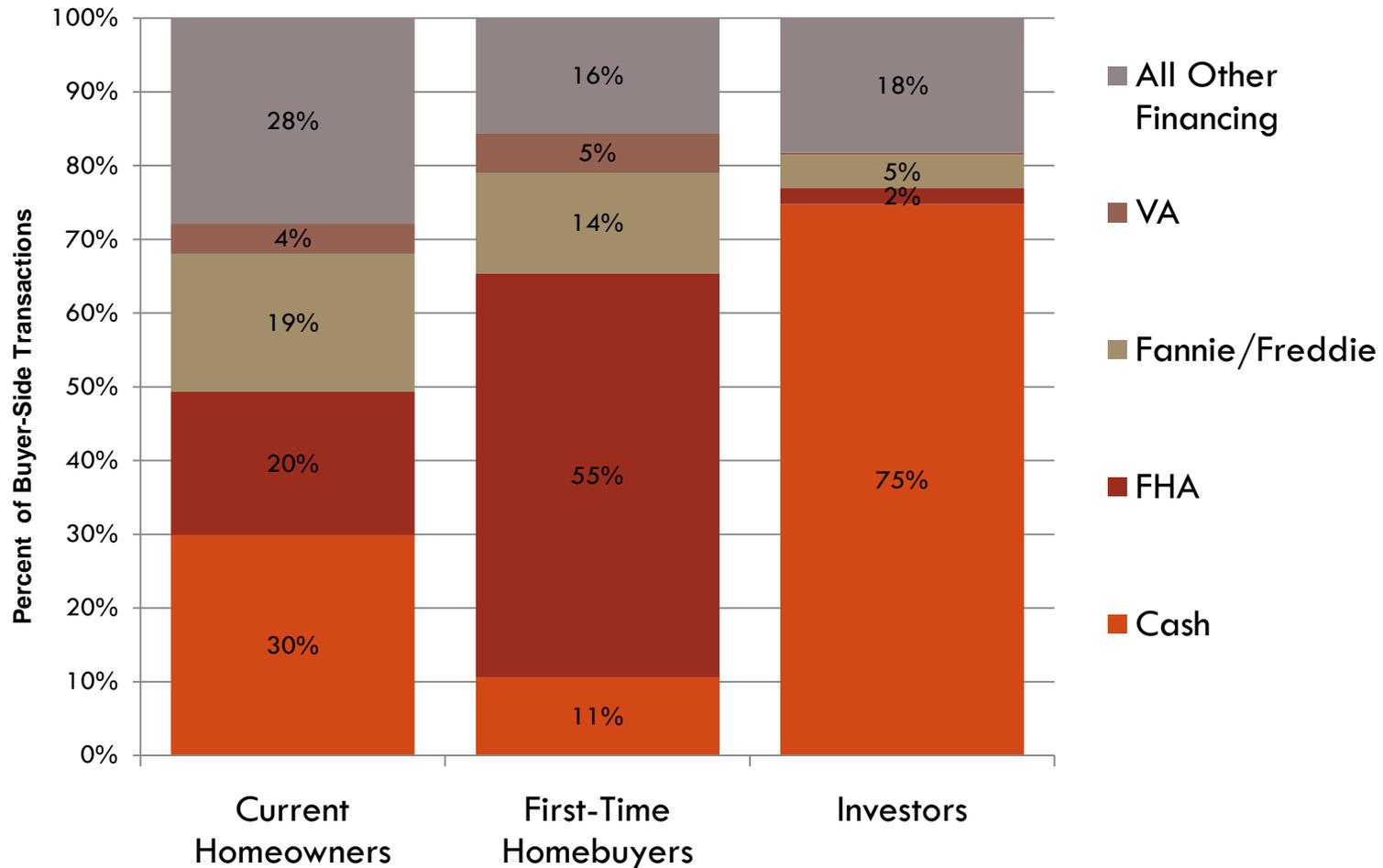


Neighborhood stabilization: concerns over investor purchases of distressed properties



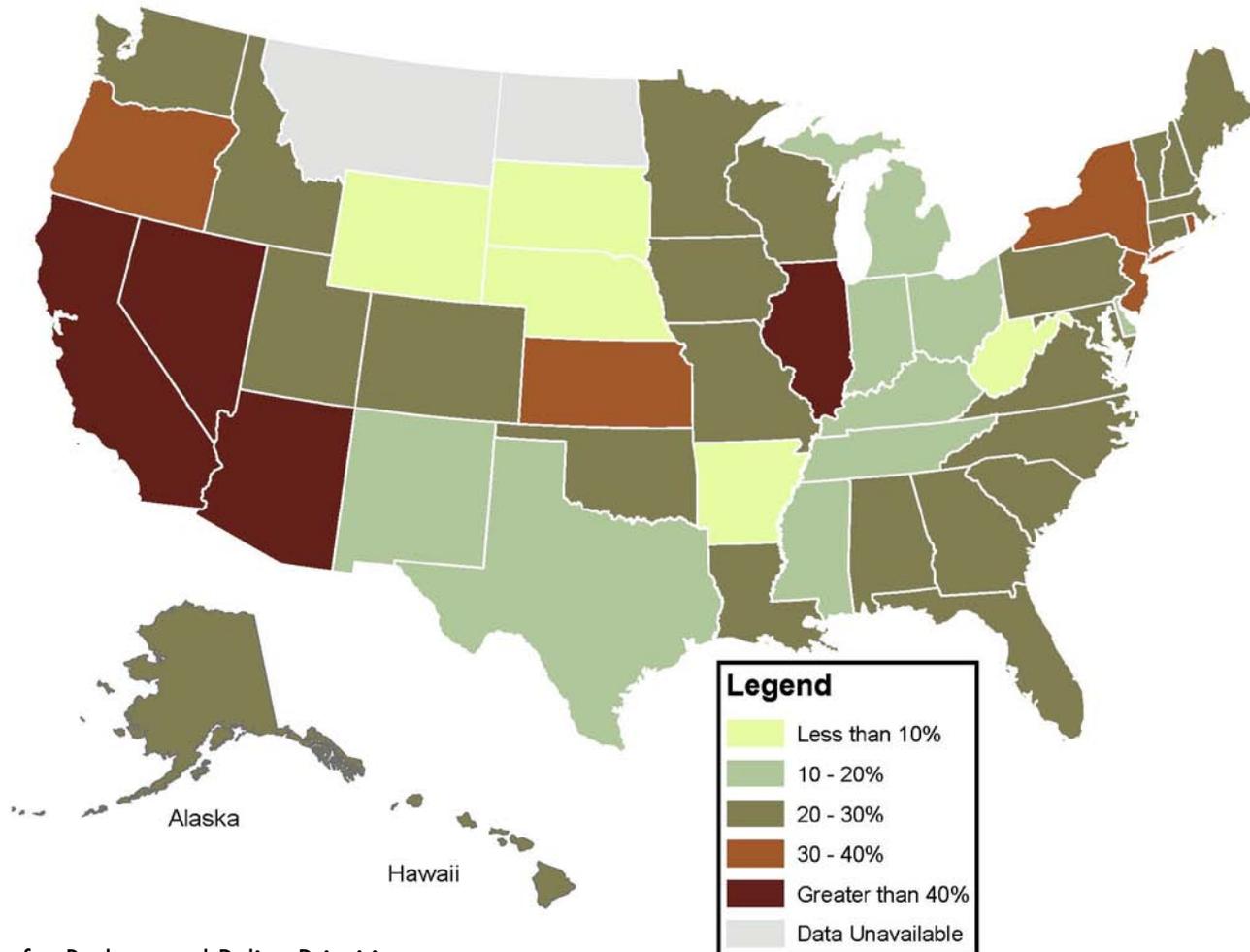
Source: Campbell/Inside Mortgage Finance *HousingPulse* Monthly Survey of Real Estate Market Conditions, Feb 2011

Financing for home purchases



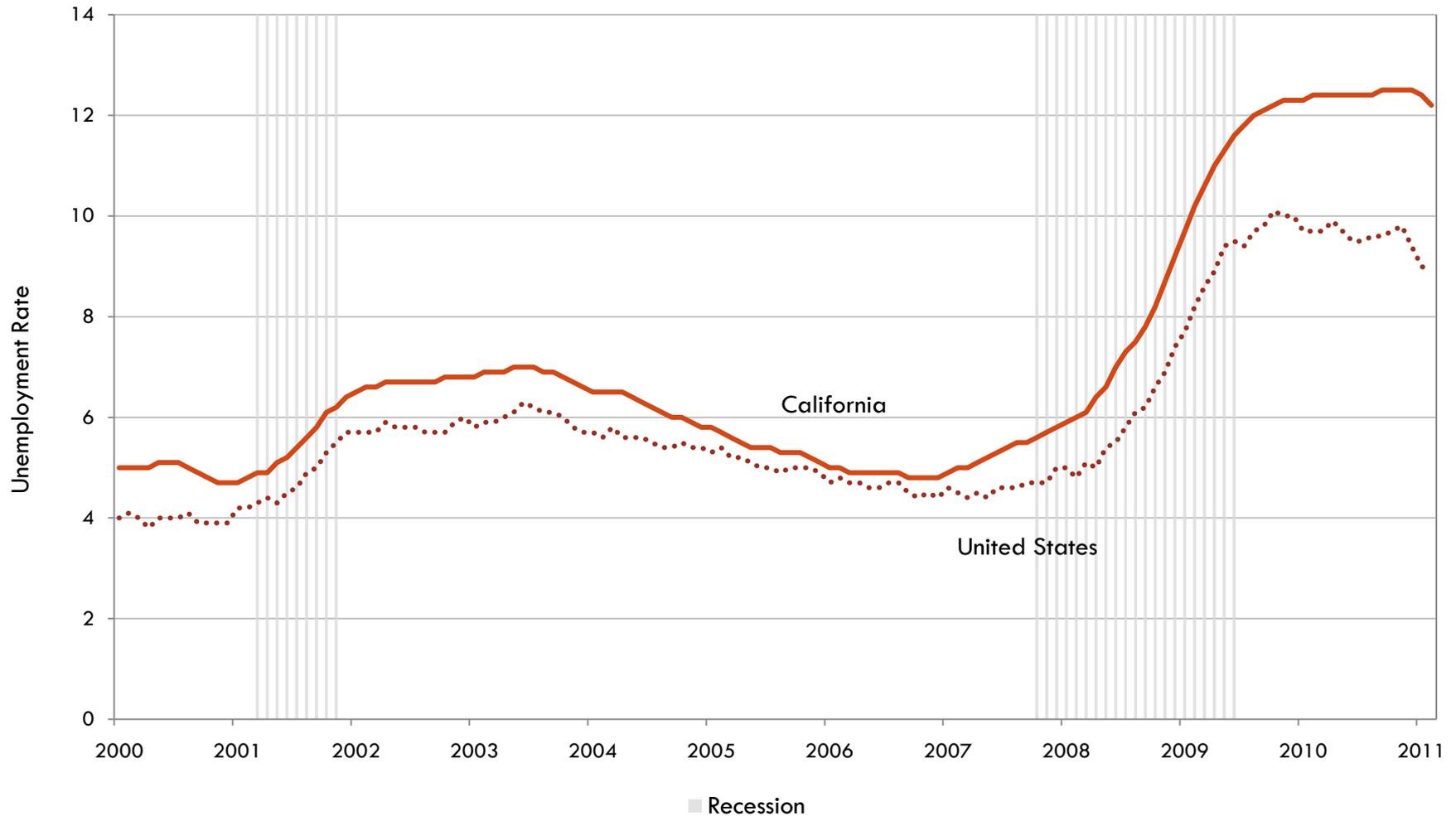
Many states within 12th District face severe budget shortfalls

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



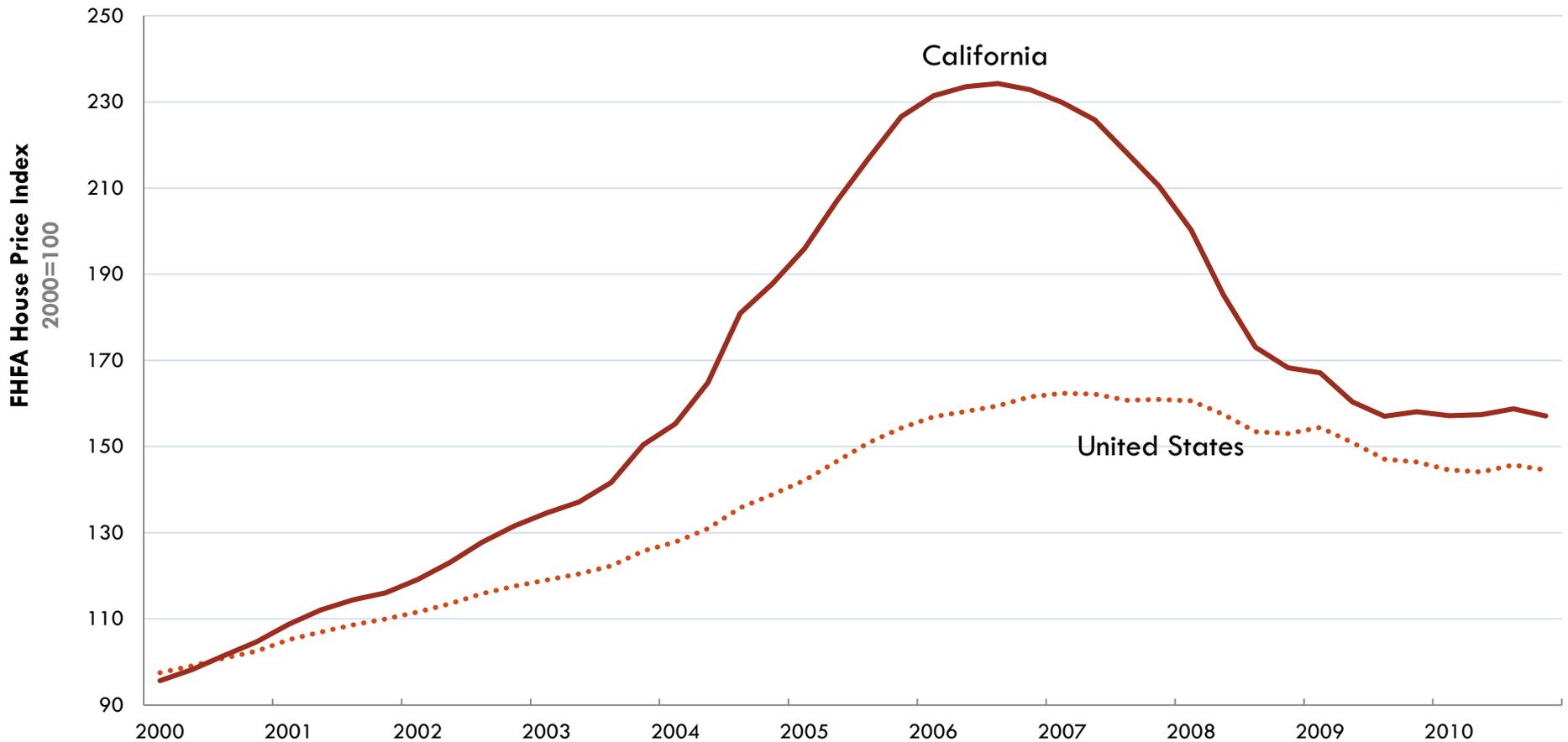
California Trends

California's unemployment still well above national average



California house prices appear to be stabilizing

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

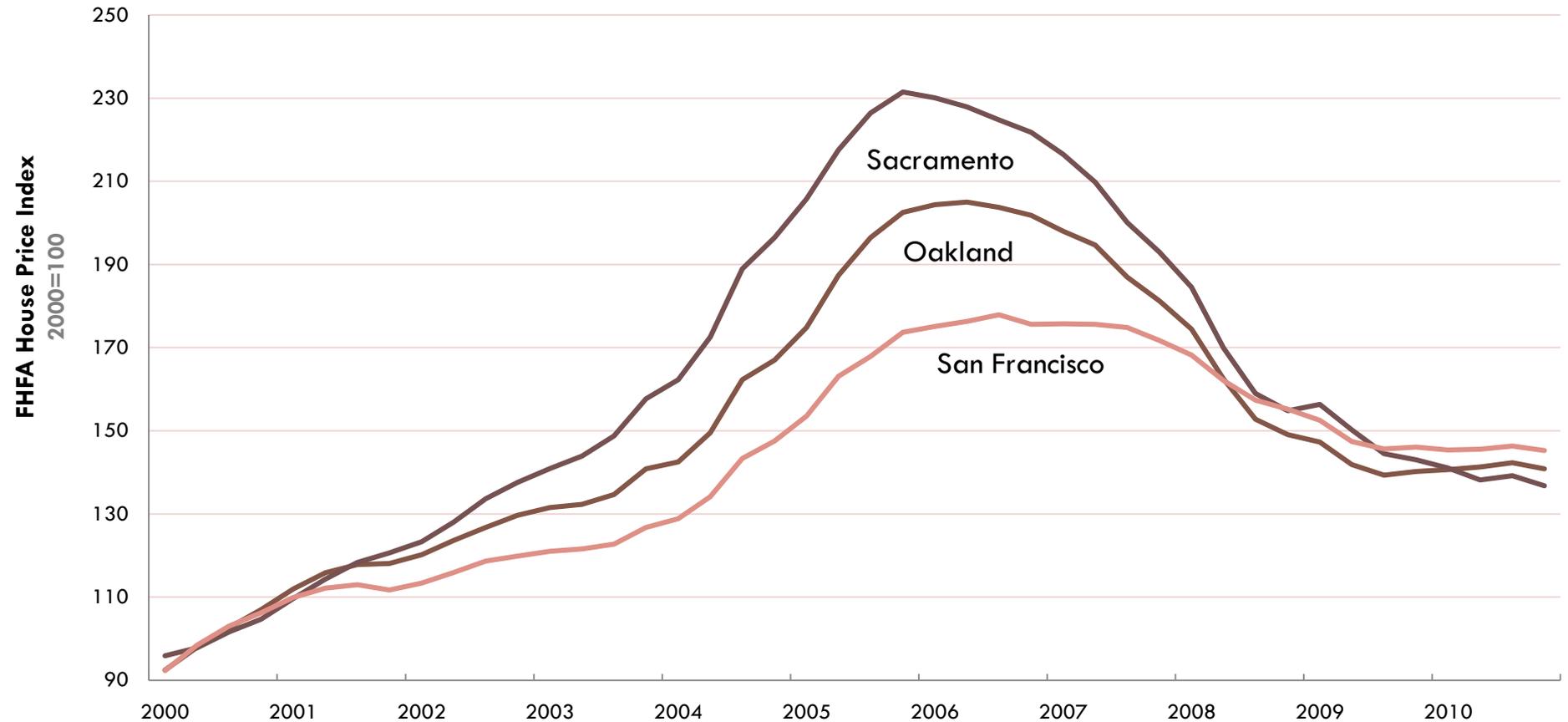


Source: Federal Housing Finance Agency (formerly OFHEO)

Northern California house prices steady

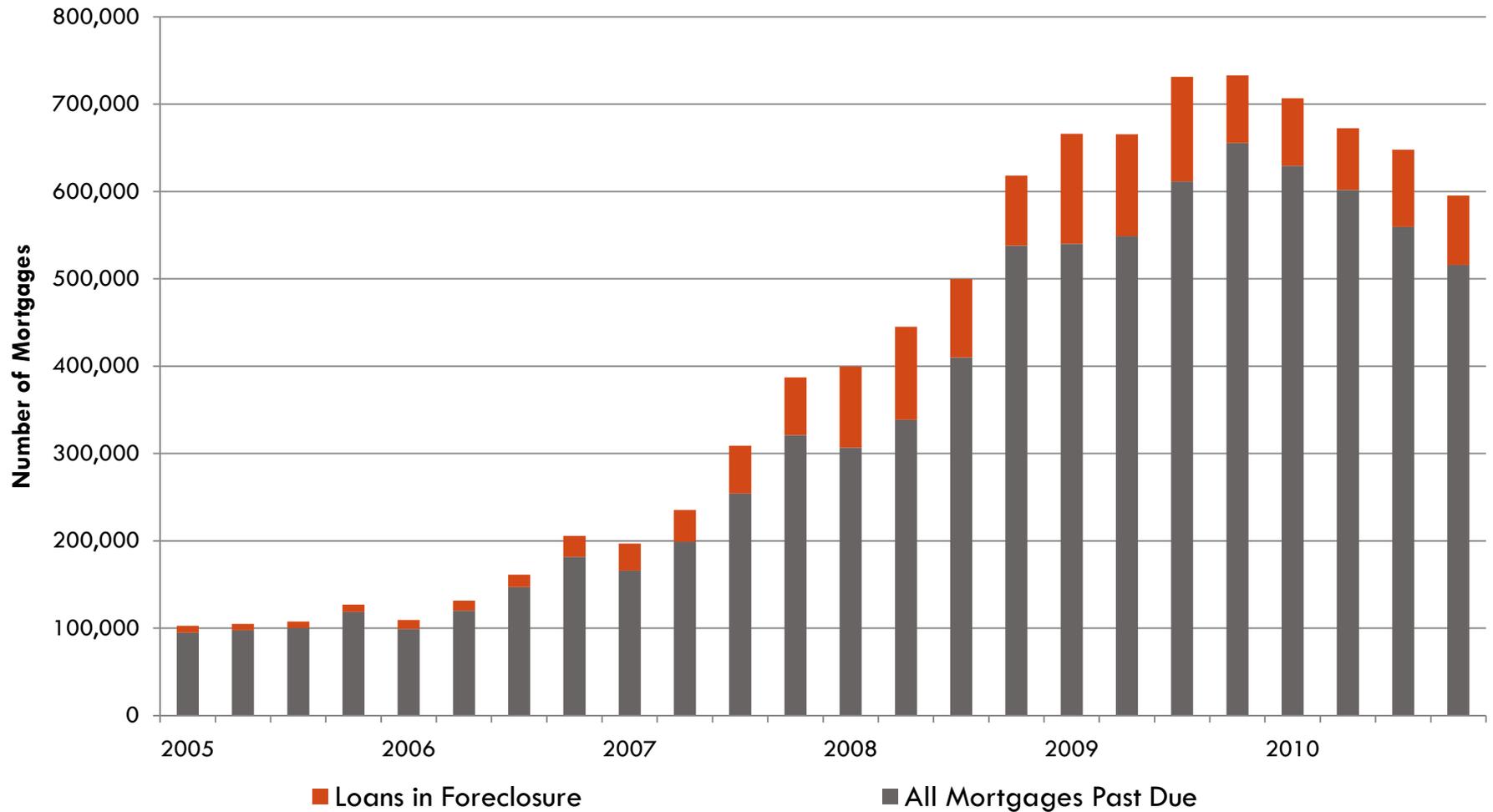
FHFA House Price Index: Northern California

(2000 = 100)



Source: Federal Housing Finance Agency (formerly OFHEO)

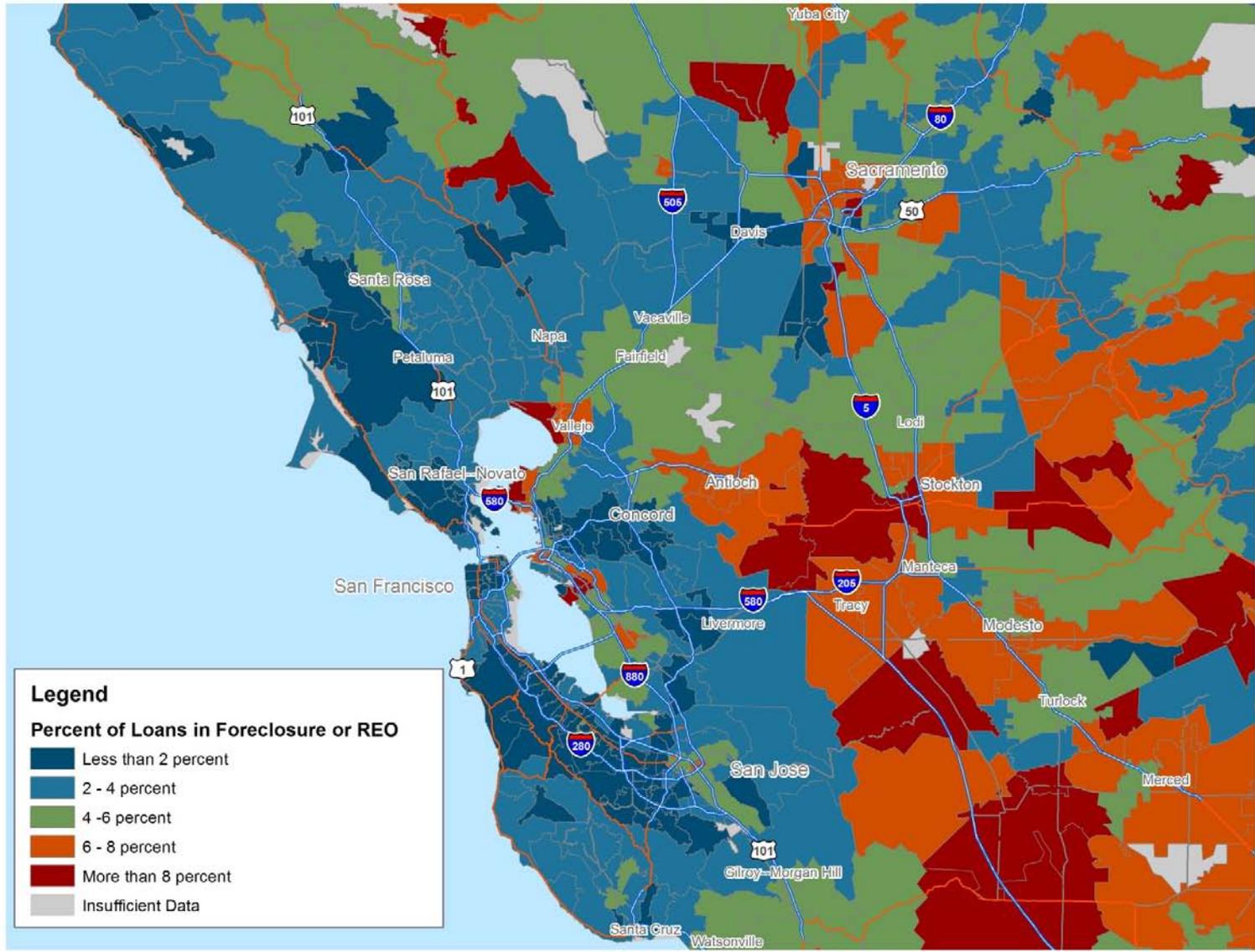
Number of delinquent mortgages and properties in foreclosure dropped throughout 2010



Maps

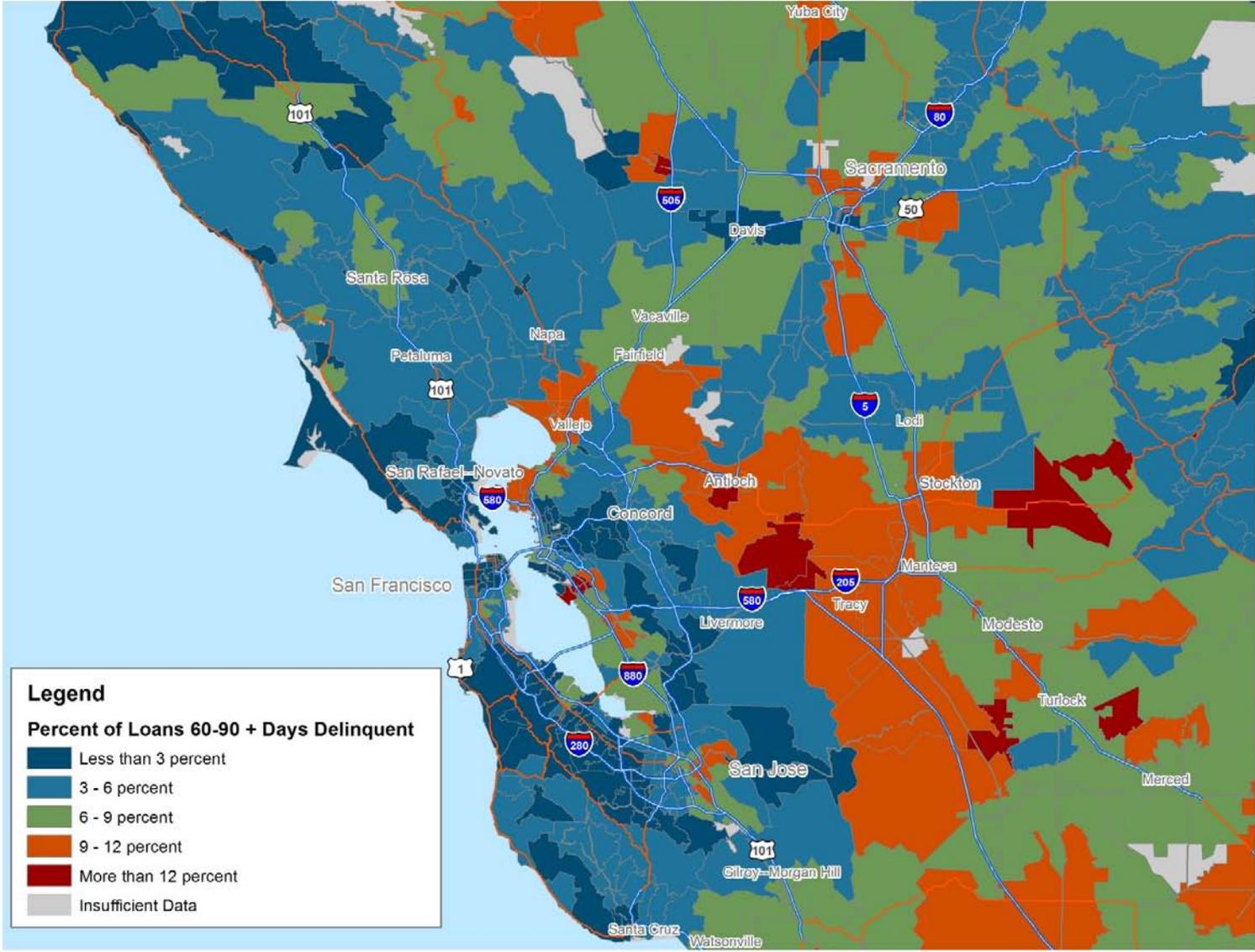
Areas Affected by Concentrated Foreclosures

February 2011



Areas At Risk of Additional Foreclosures

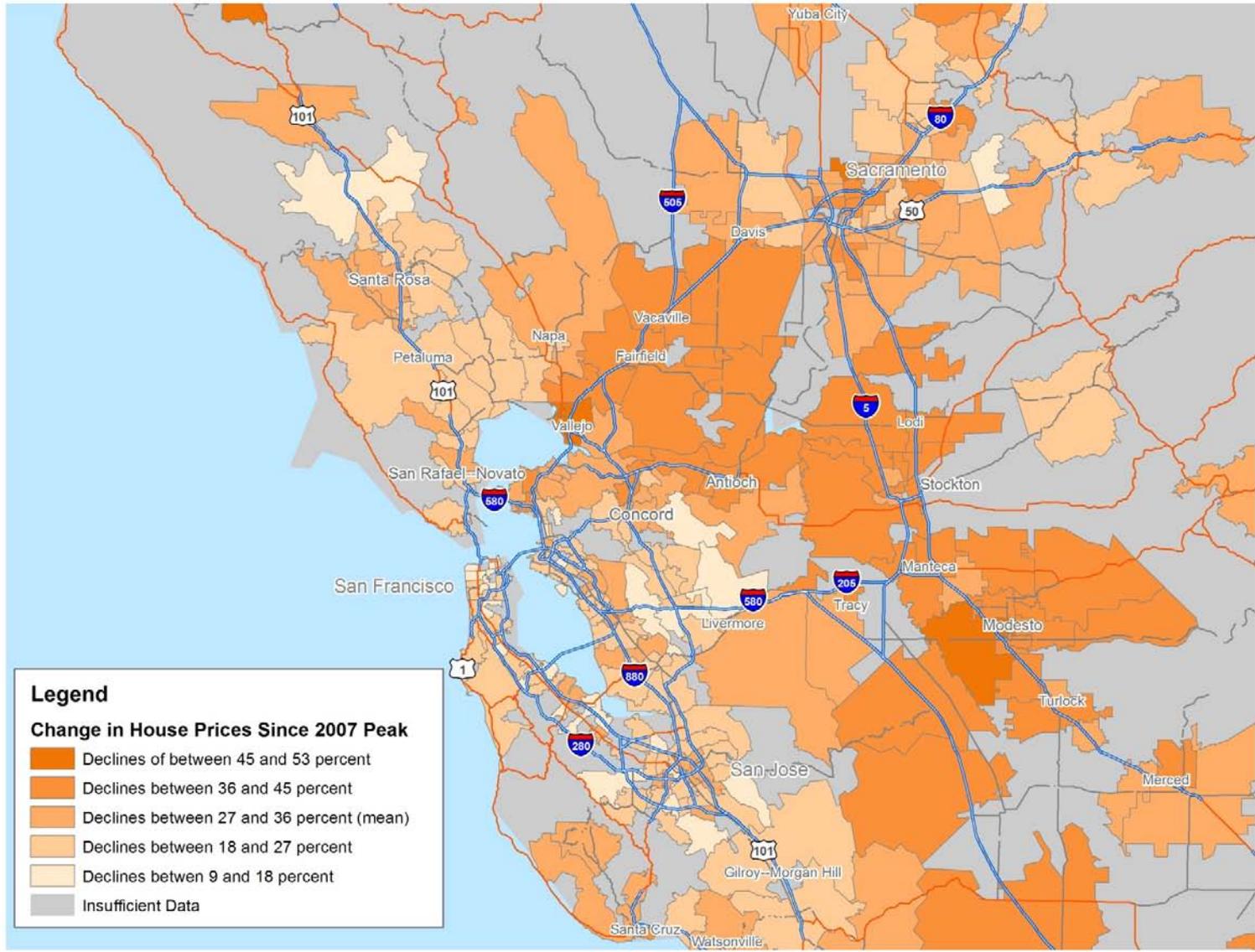
February 2011



Source: Lender Processing Services Inc. Applied Analytics

Changes in House Prices Since 2007 Peak

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

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Center for Community Development Investments | Events and Conferences | Publications | About Us

COMMUNITY DEVELOPMENT

Highlights

Focus on Community Development Policy
Community Investments: Volume 20, Issue 3, 2008
In this issue, we highlight new ideas, innovations, and questions around the topic of community development policy. The articles consider the role of policy in channeling public and private investment into community development efforts, with topics ranging from established federal policies, such as the Community Reinvestment Act and the Community Development Block Grant program, to more recent movements such as stakeholder-driven community development and microenterprise.

The Enduring Challenge of Concentrated Poverty in America
In 2006, the Community Affairs Offices of the Federal Reserve System partnered with the Brookings Institution to examine the issue of concentrated poverty. The resulting report, *The Enduring Challenge of Concentrated Poverty in America: Case Studies from Communities Across the U.S.* contributes to our understanding of the dynamics of poor people living in poor communities, and the policies that will be needed to bring both into the economic mainstream. [Download Full Report \(PDF 6.8MB\)](#)

Foreclosure Resource Center
For the latest information on the Federal Reserve's efforts to mitigate the impact of foreclosures, including local data presentations and research reports, visit our new Foreclosure Resource Center.

Programs and Information

Community Reinvestment Act (CRA)
Information on the CRA, its implementing regulations, the regulatory agencies, and other resources to assist in complying with and understanding the CRA.

Events and Conferences
Participate in one of the many events sponsored by the Community Development Department.

Publications
Access online copies of *Community Investments*, the *Community Development Investment Review*, and research papers.

Center for Community Development Investments
The Center is dedicated to innovations in research and practice that increase the flow of investment capital to low- and moderate-income communities.

About Us
Learn more about the Community Development Department and its staff.

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POPULAR CONTENT

Upcoming Events

- Stabilizing Communities Series: Acquiring REOs in Compliance with NSP
February 3
- San Francisco CA
February 4
- Fresno CA
- Innovative Financial Services for the Underserved - Research Conference
April 16 - 17
Washington D.C.

Financial Education Resource Center
Find a variety of resources on financial education

CRA Regulatory Information - Links to CRA resources for financial institutions and community groups.

Bank on San Francisco - Program information and information about replicating program

Community Development Assessments - Demographic, economic, and community development profiles for each state in the Twelfth District.

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