TRENDS IN DELINQUENCIES AND FORECLOSURES IN IDAHO

January 2011

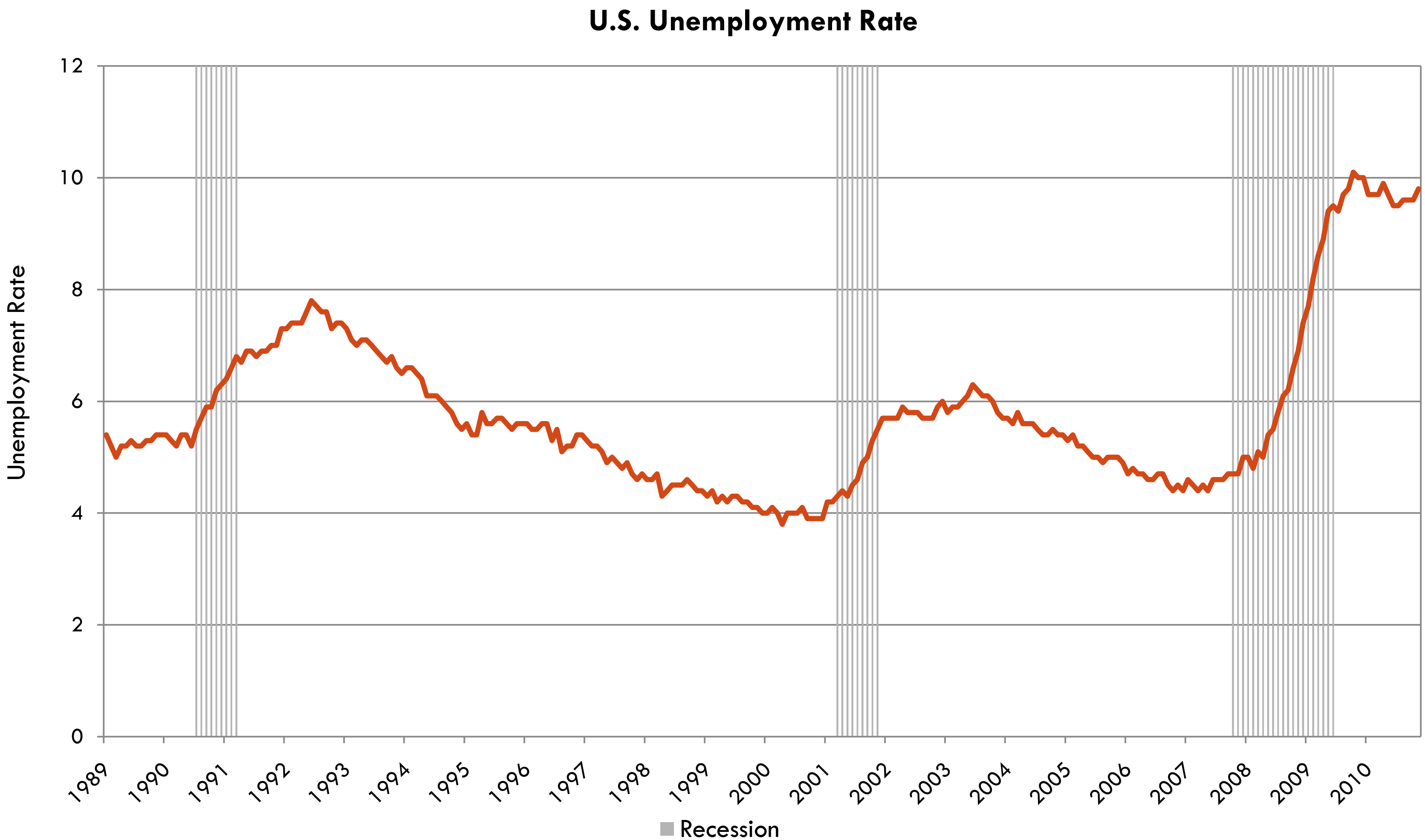
Community Development Research
Federal Reserve Bank of San Francisco

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

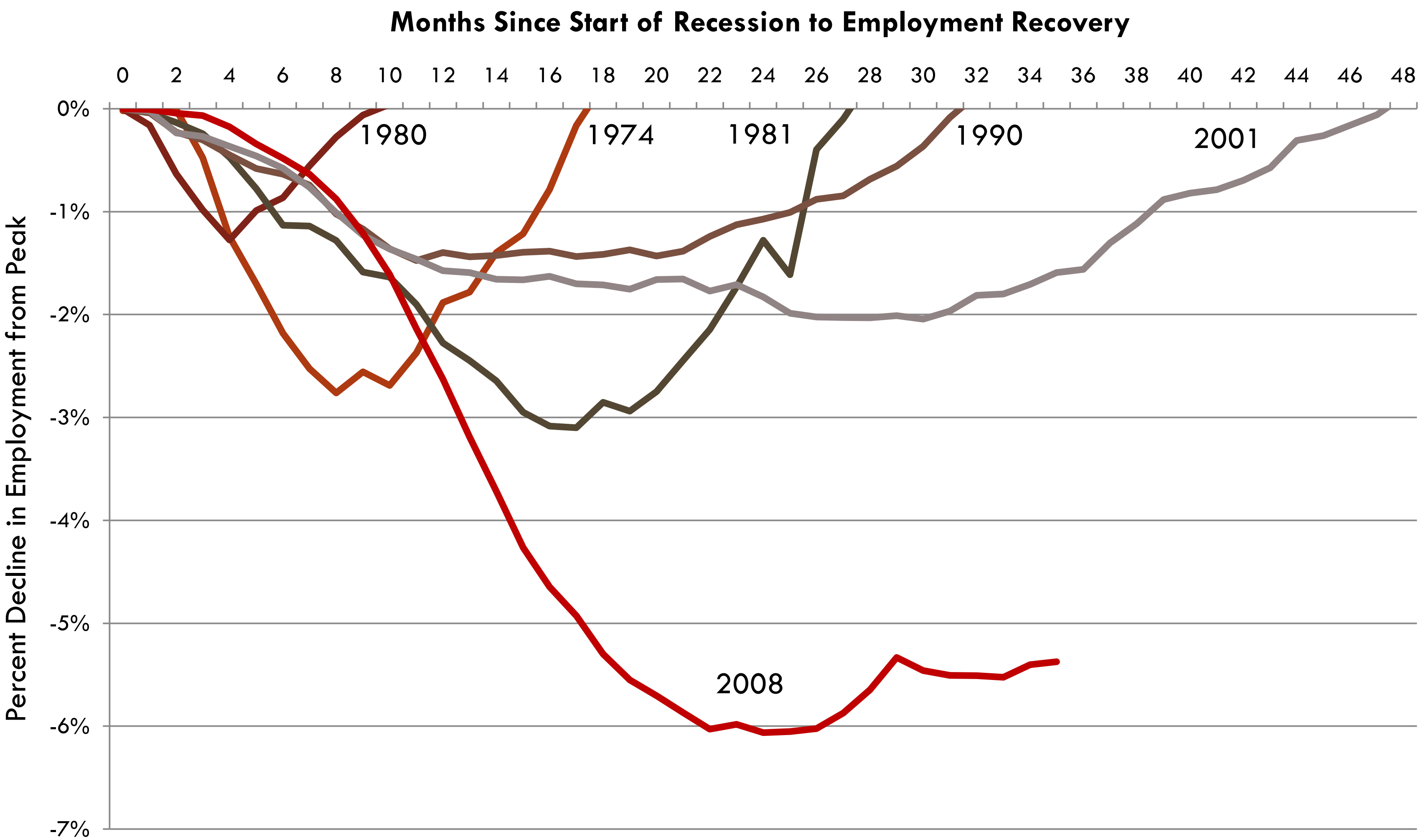
National Trends

Unemployment continues to hover around 10%



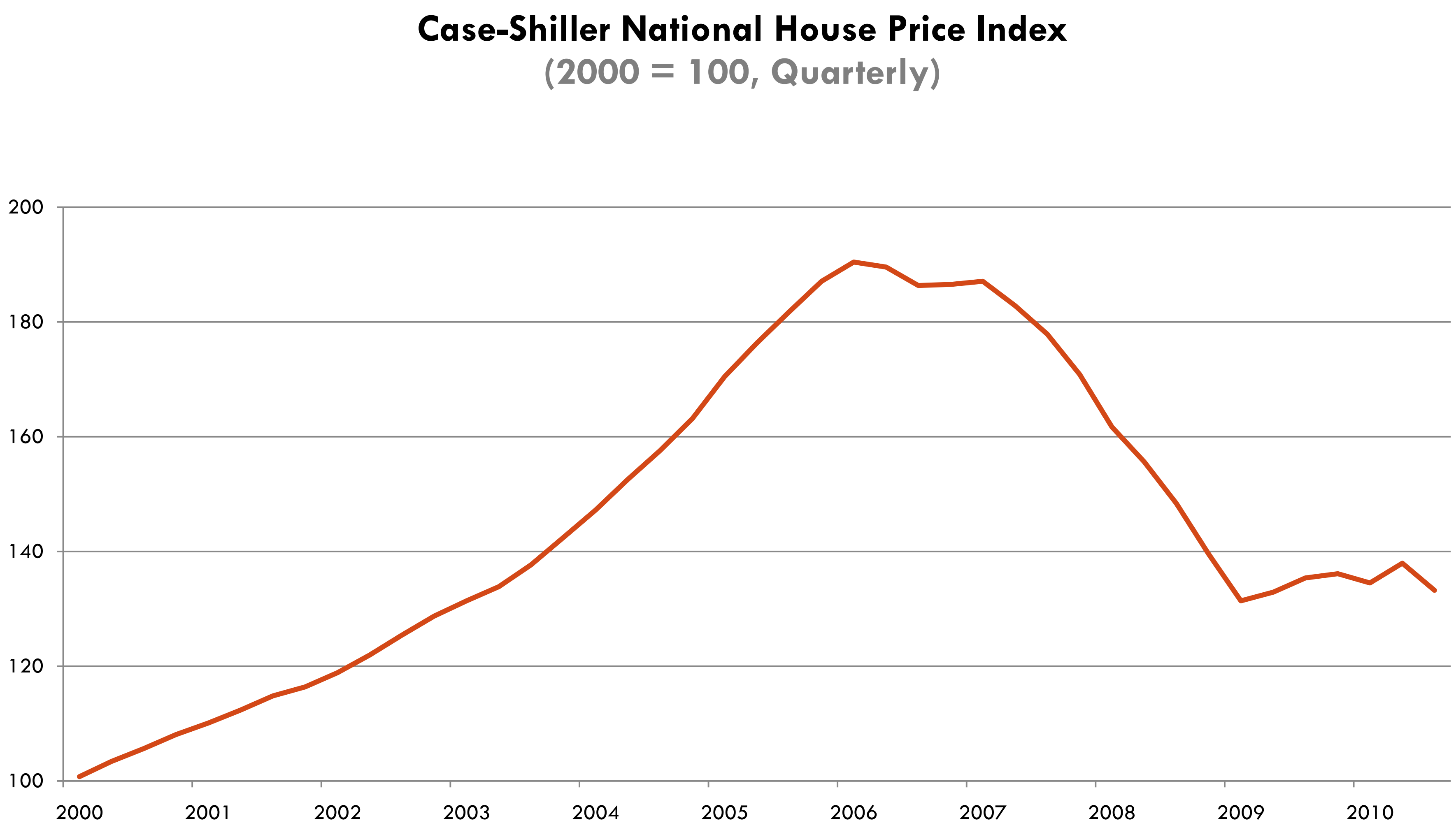
Source: Bureau of Labor Statistics, November 2010

Recovery, particularly in labor market, remains elusive



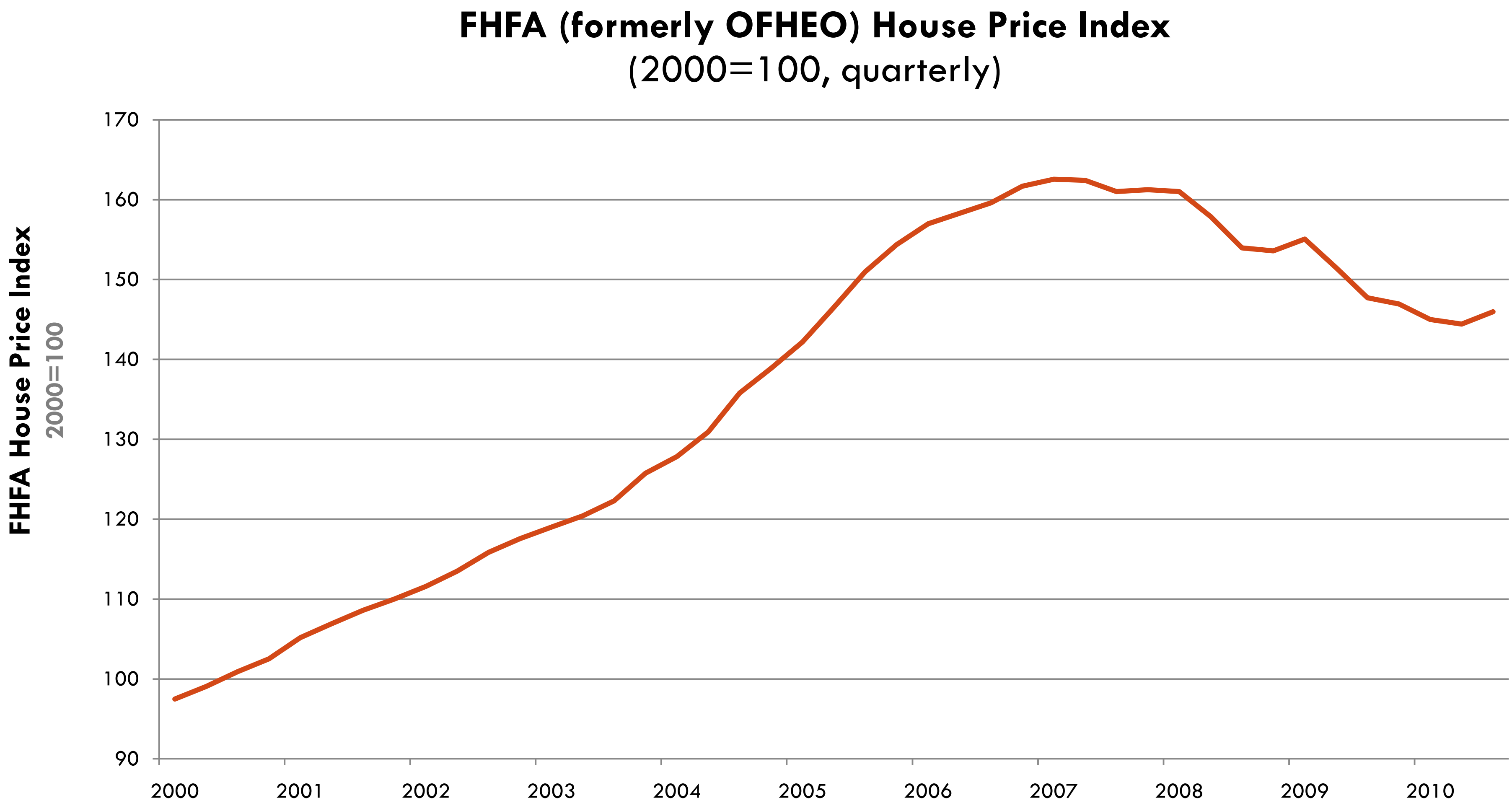
Source: Bureau of Labor Statistics, November 2010

Case-Shiller Index shows continued softness in housing market



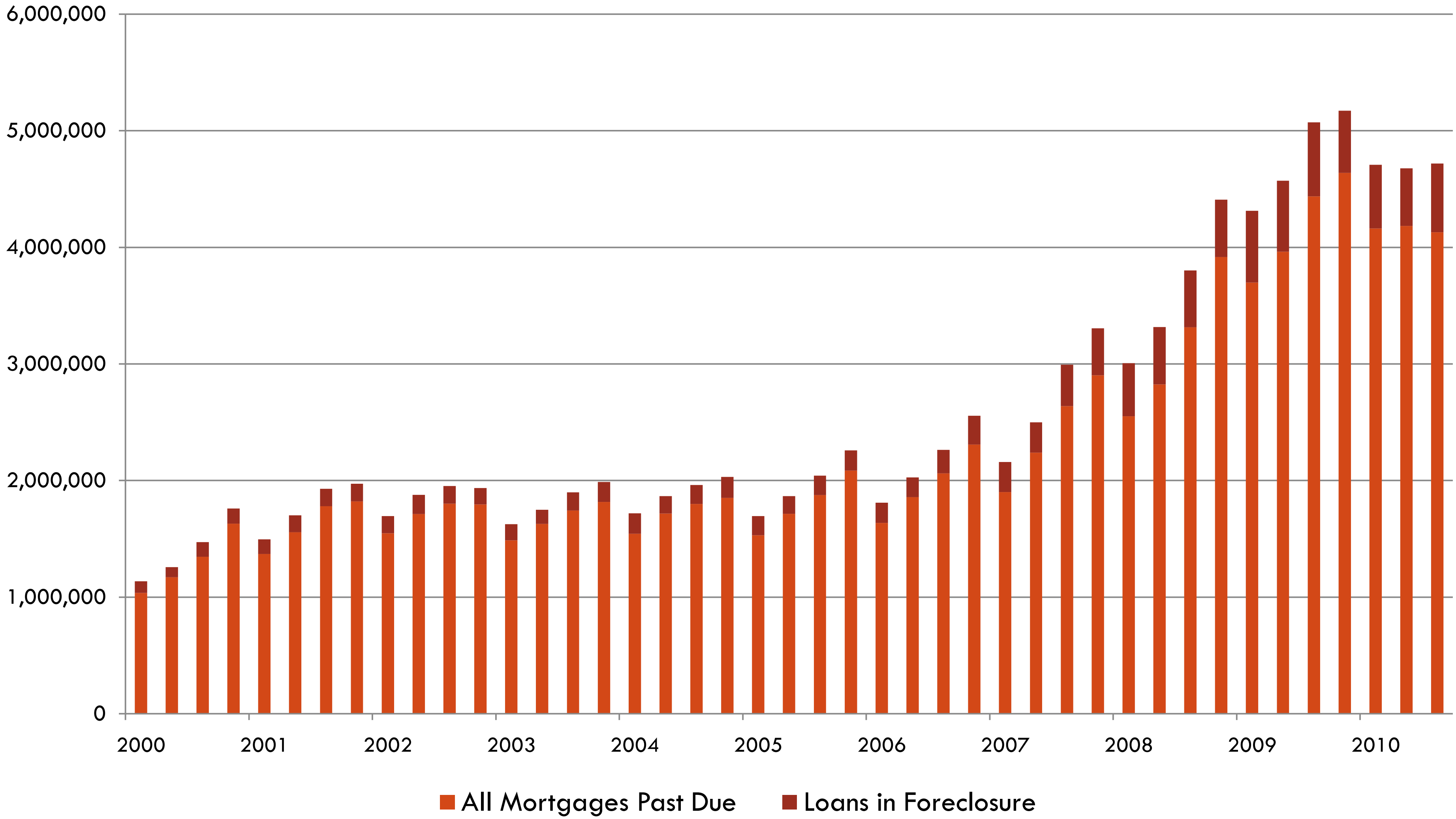
Source: Case - Shiller Home Price Index

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



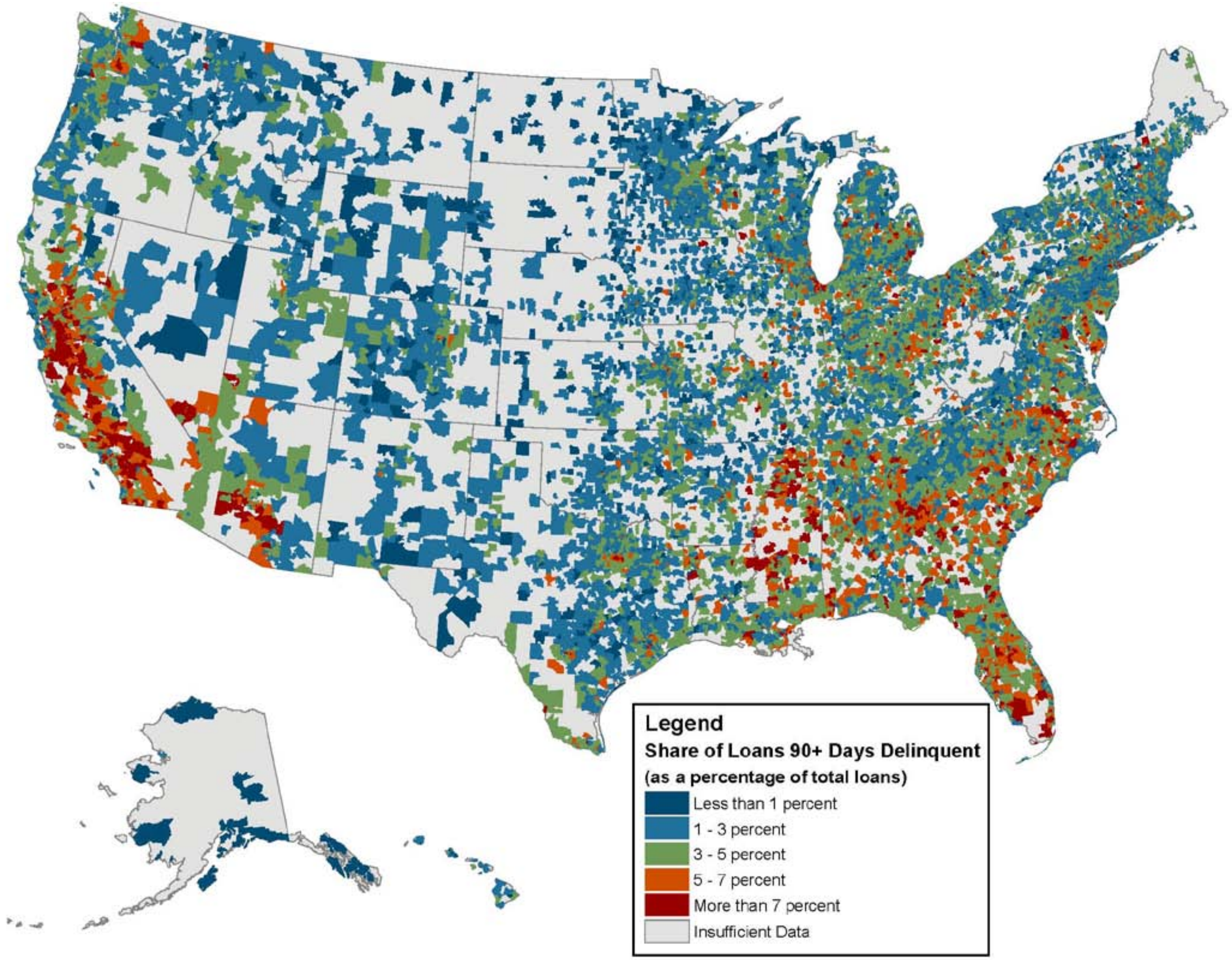
Source: Federal Housing Finance Agency (formerly OFHEO), includes refinancing and is not seasonally adjusted

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



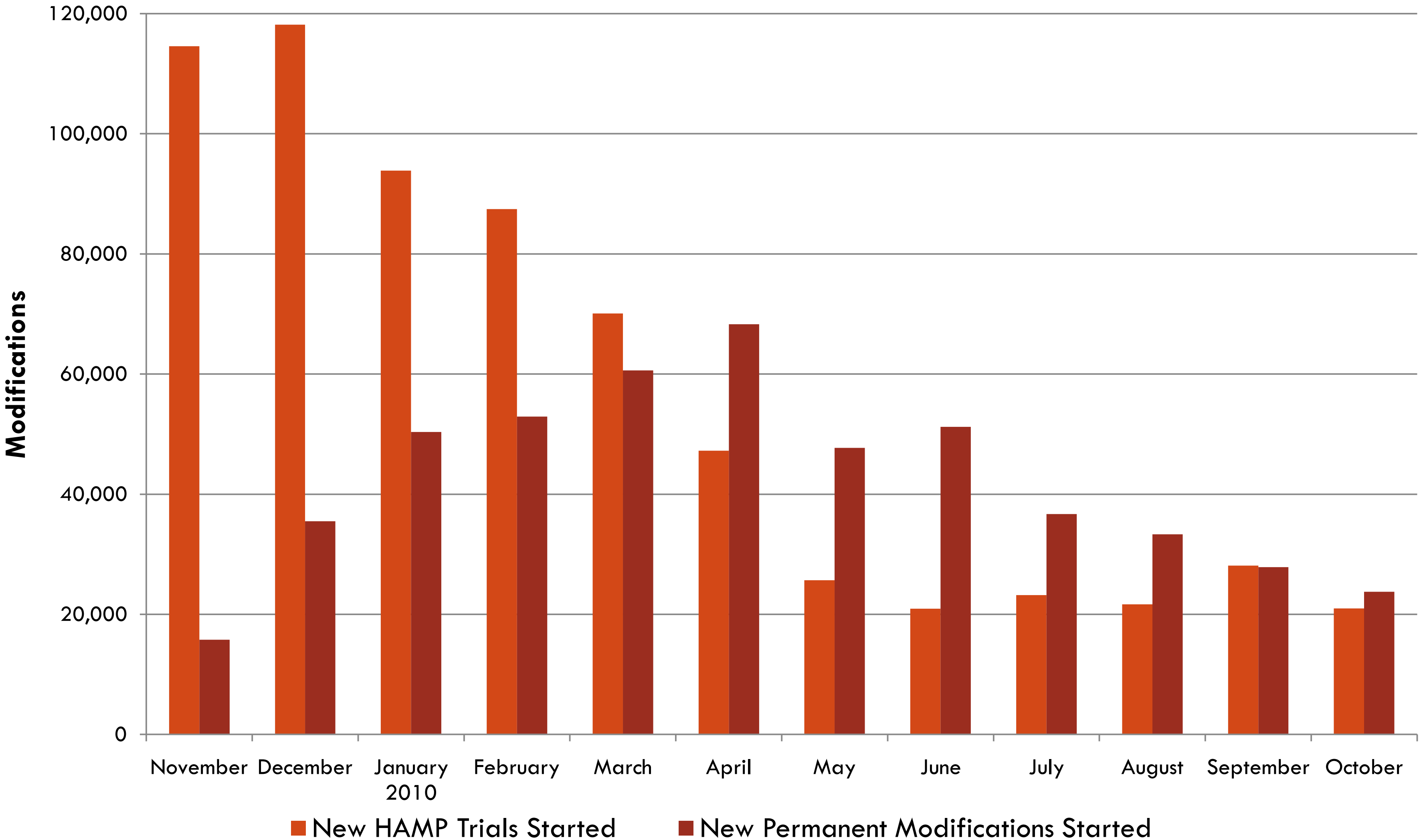
Source: Mortgage Bankers Association, National Delinquency Survey

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



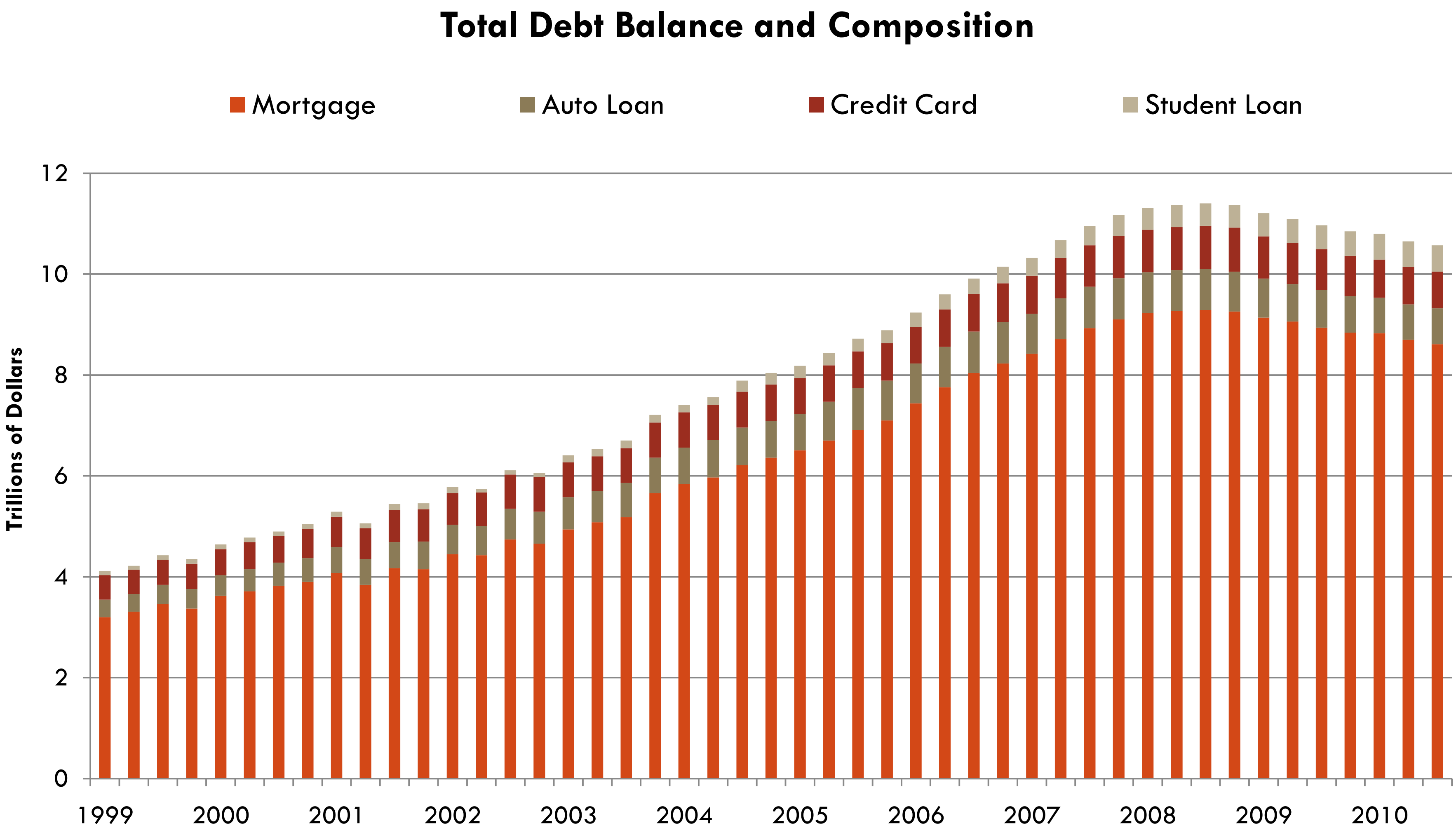
Source: Lender Processing Service Inc. Applied Analytics, November 2010

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



Source: HAMP Service Performance Report Through October 2010

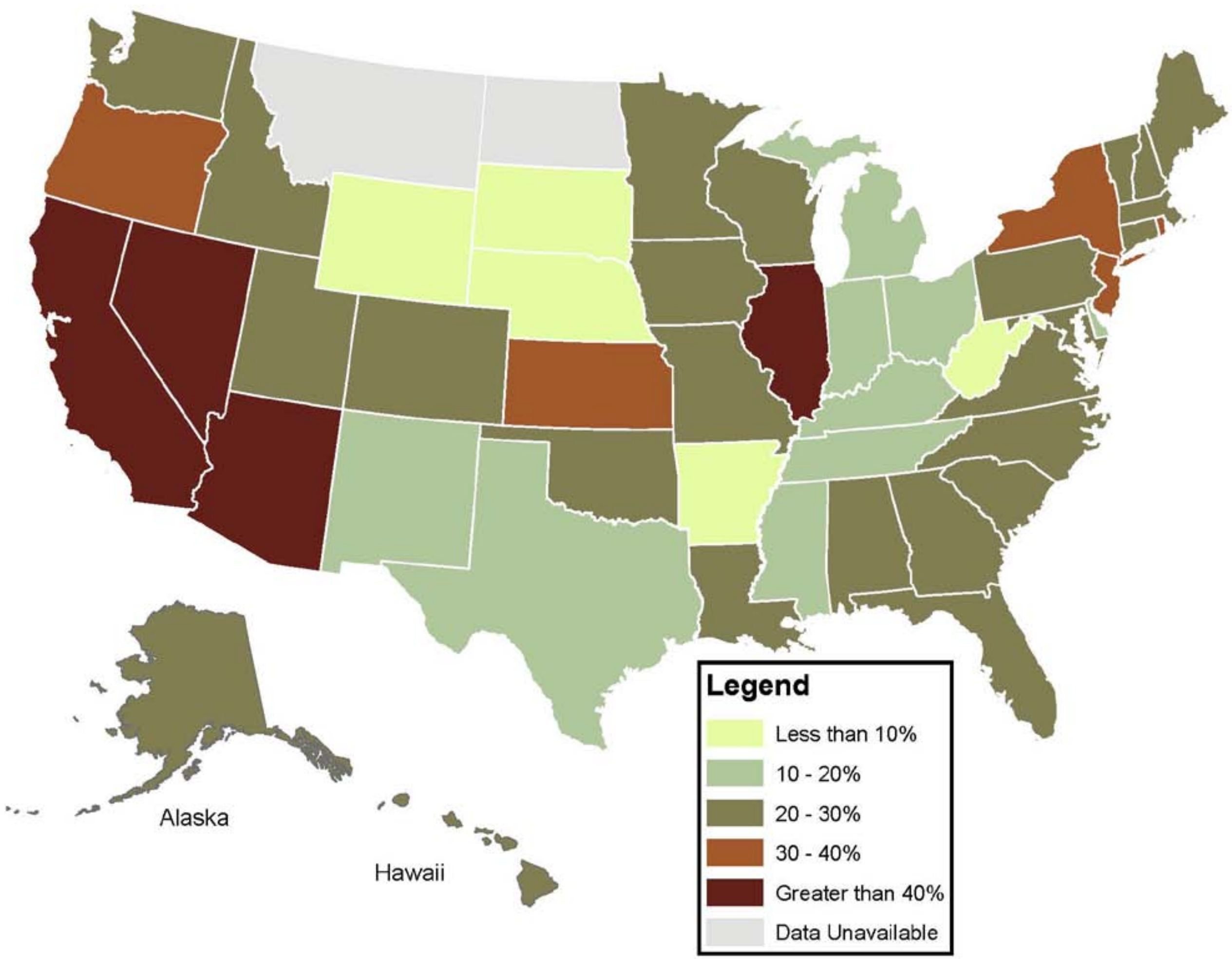
Household debt falling from 2008 peak



Source: Federal Reserve Bank of New York

Many states within 12th District face severe budget shortfalls

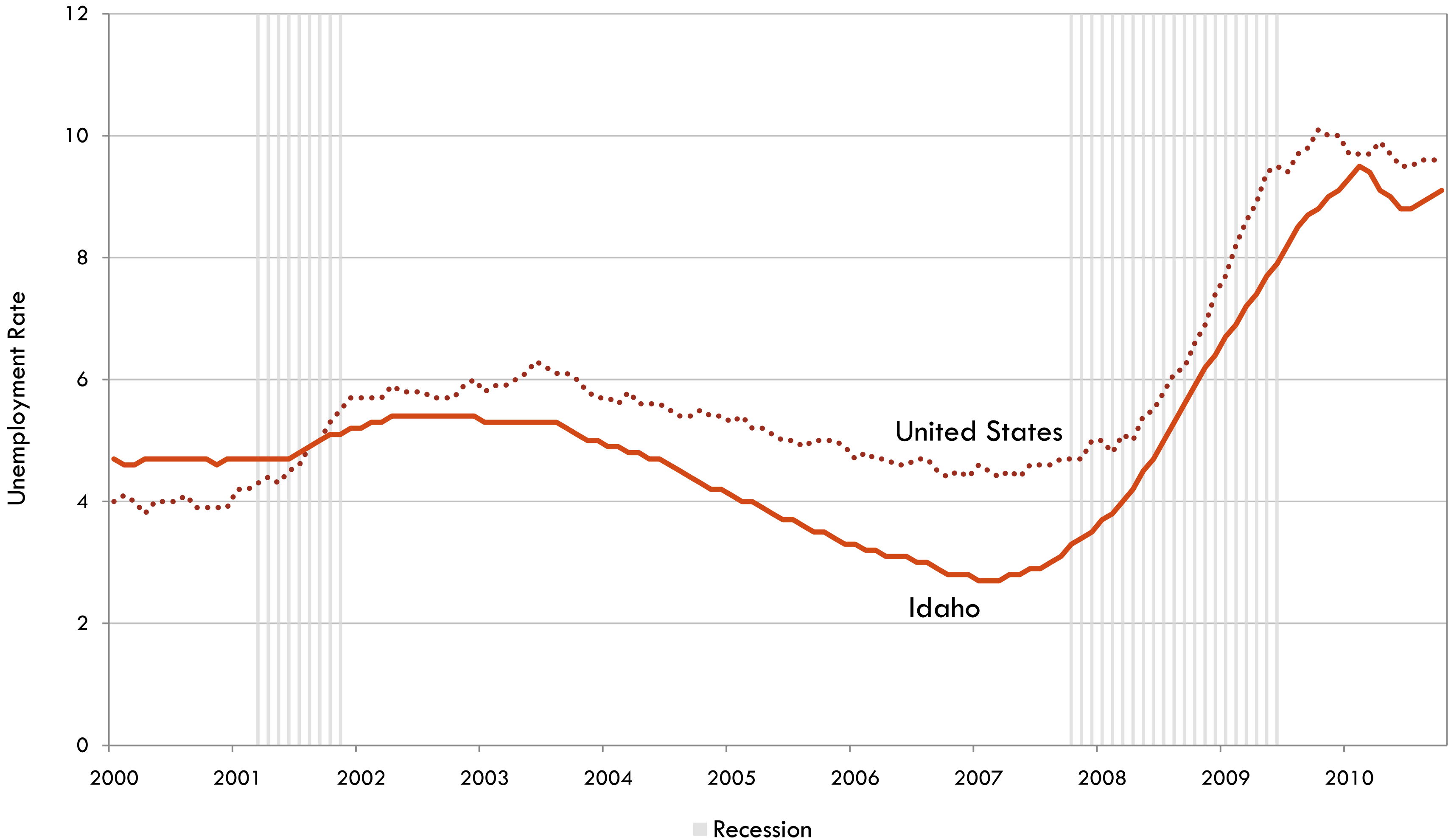
Total End-of-Year Shortfall as Percentage of 2010 Budget



Source: Data from Center for Budget and Policy Priorities

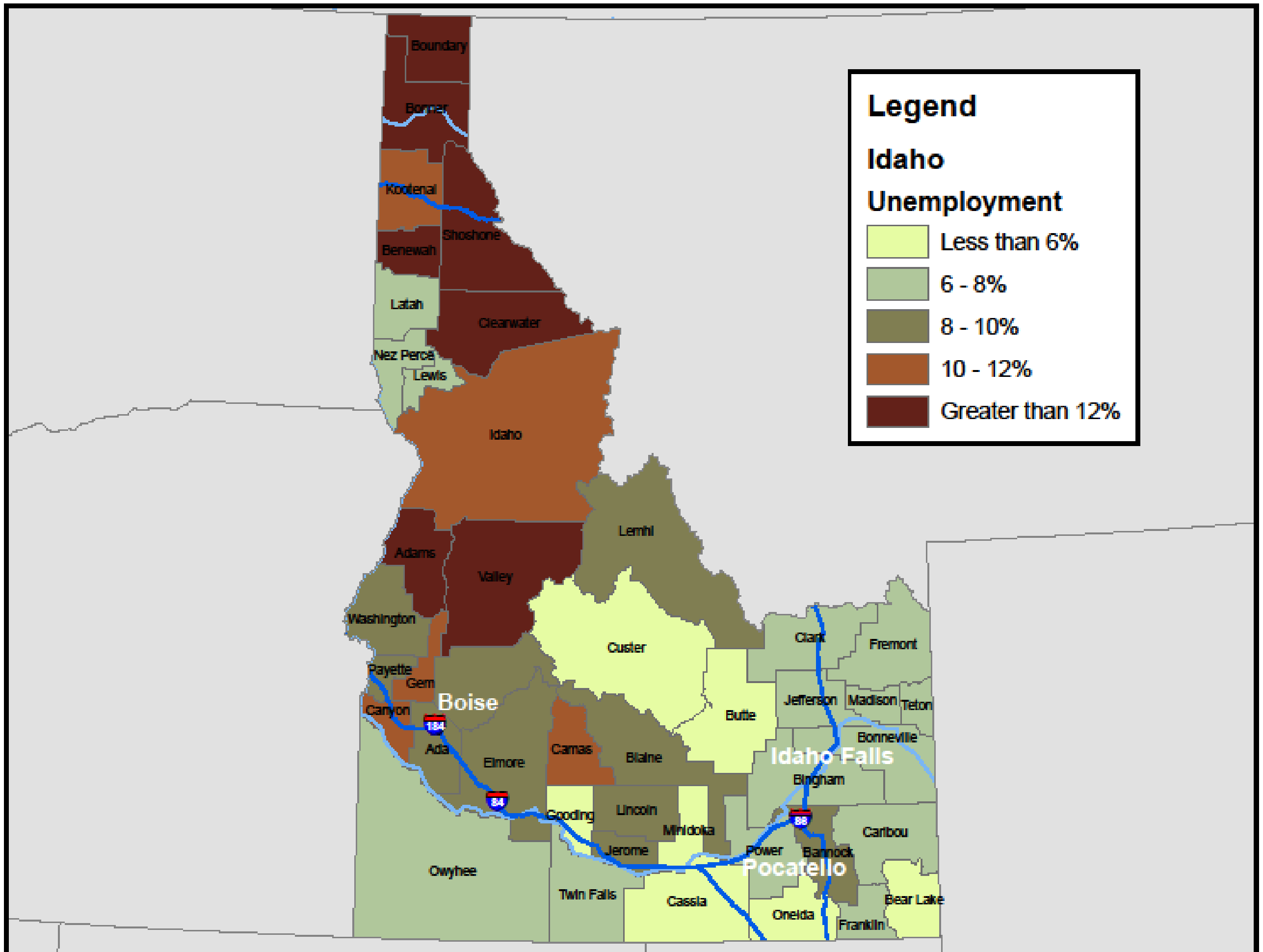
Idaho Trends

Idaho's unemployment rate rose in second half of 2010



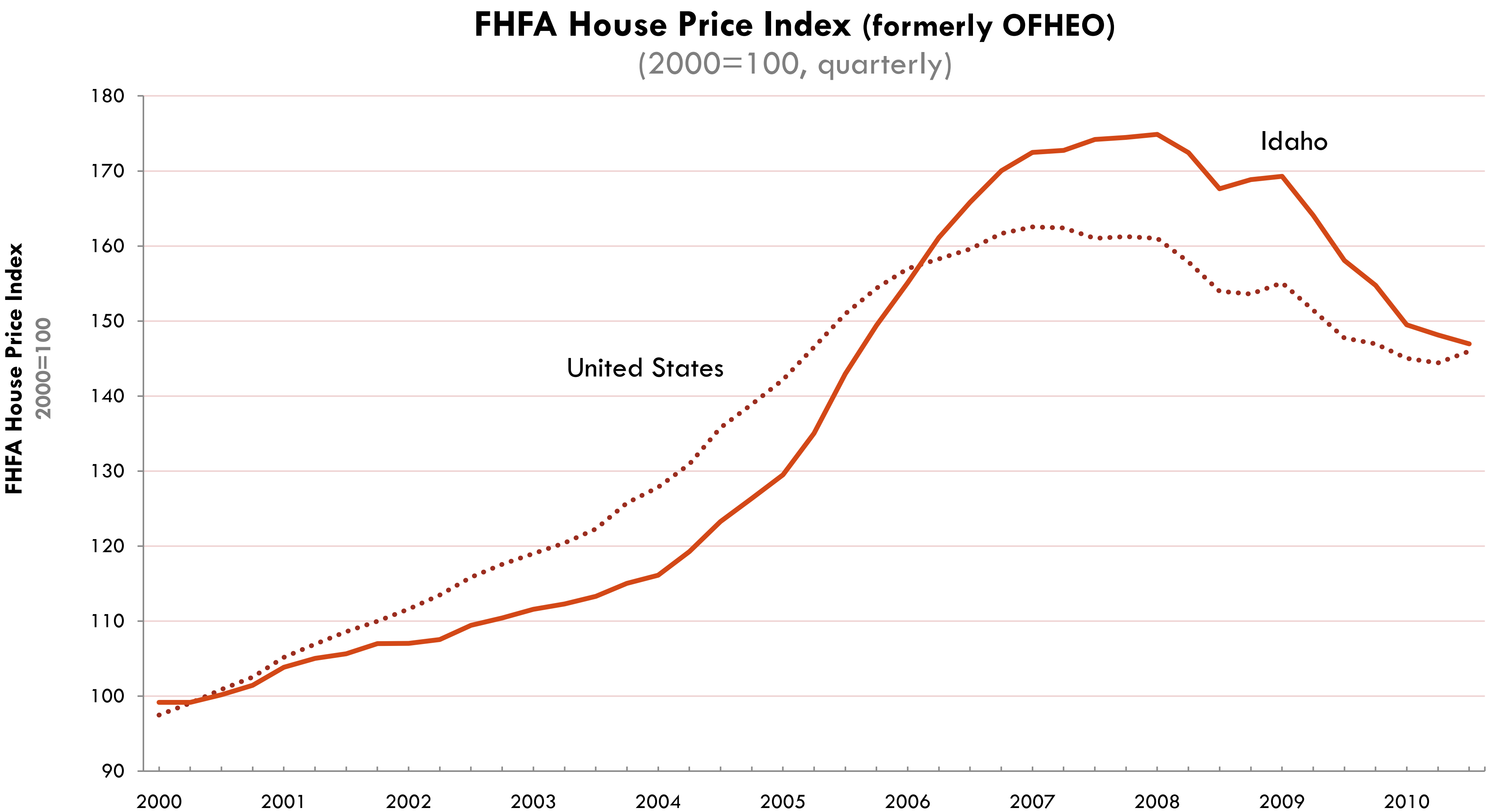
Source: Bureau of Labor Statistics

Unemployment rates in Idaho vary by county



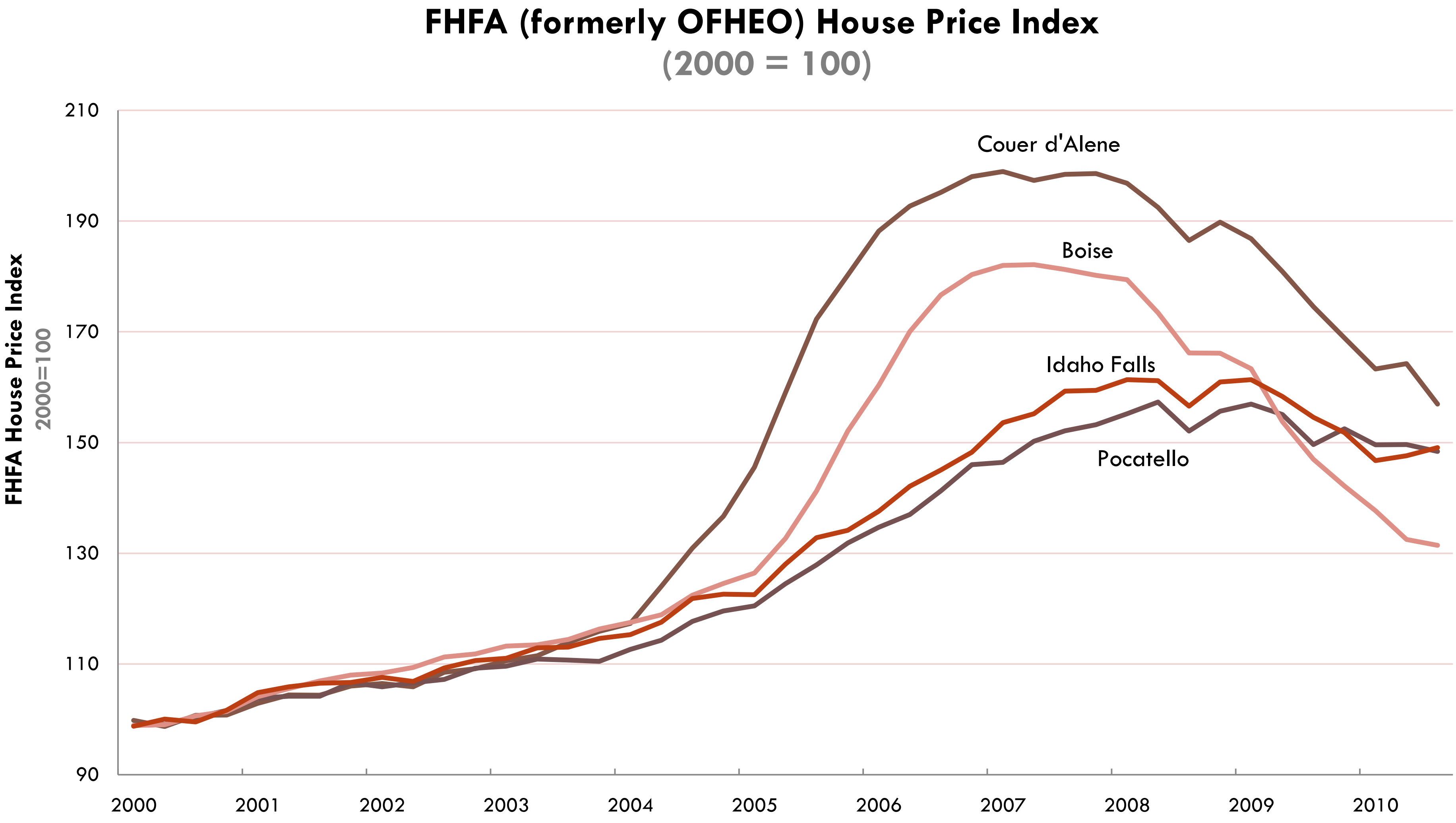
Source: Bureau of Labor Statistics, October 2010

Idaho seeing continued softening of real estate market



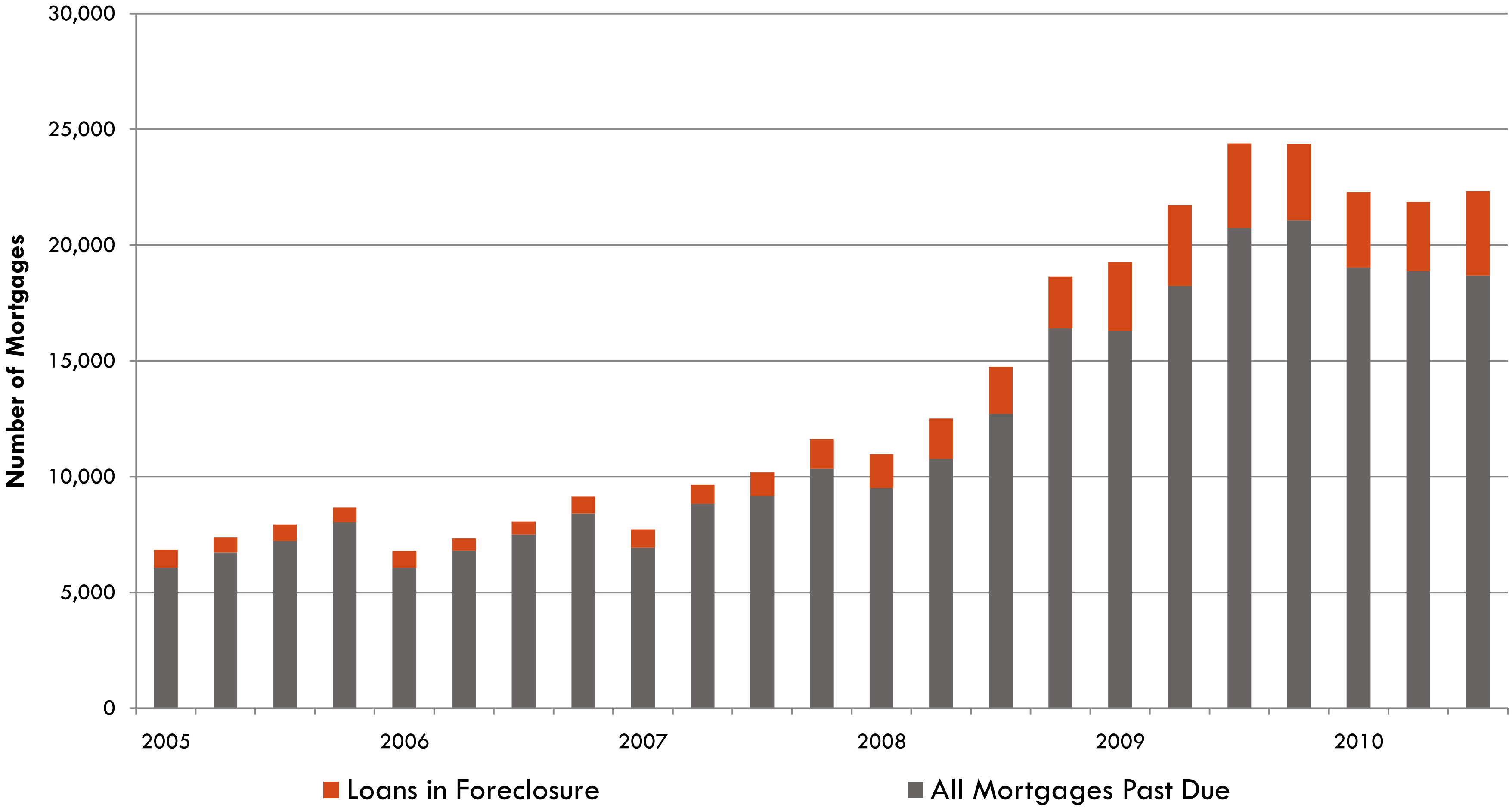
Source: Federal Housing Finance Agency (formerly OFHEO)

House prices in Boise and Couer d'Alene continue to decline



Source: Federal Housing Finance Agency (formerly OFHEO)

Foreclosures rise in 3rd quarter while delinquent mortgages seem to be stabilizing

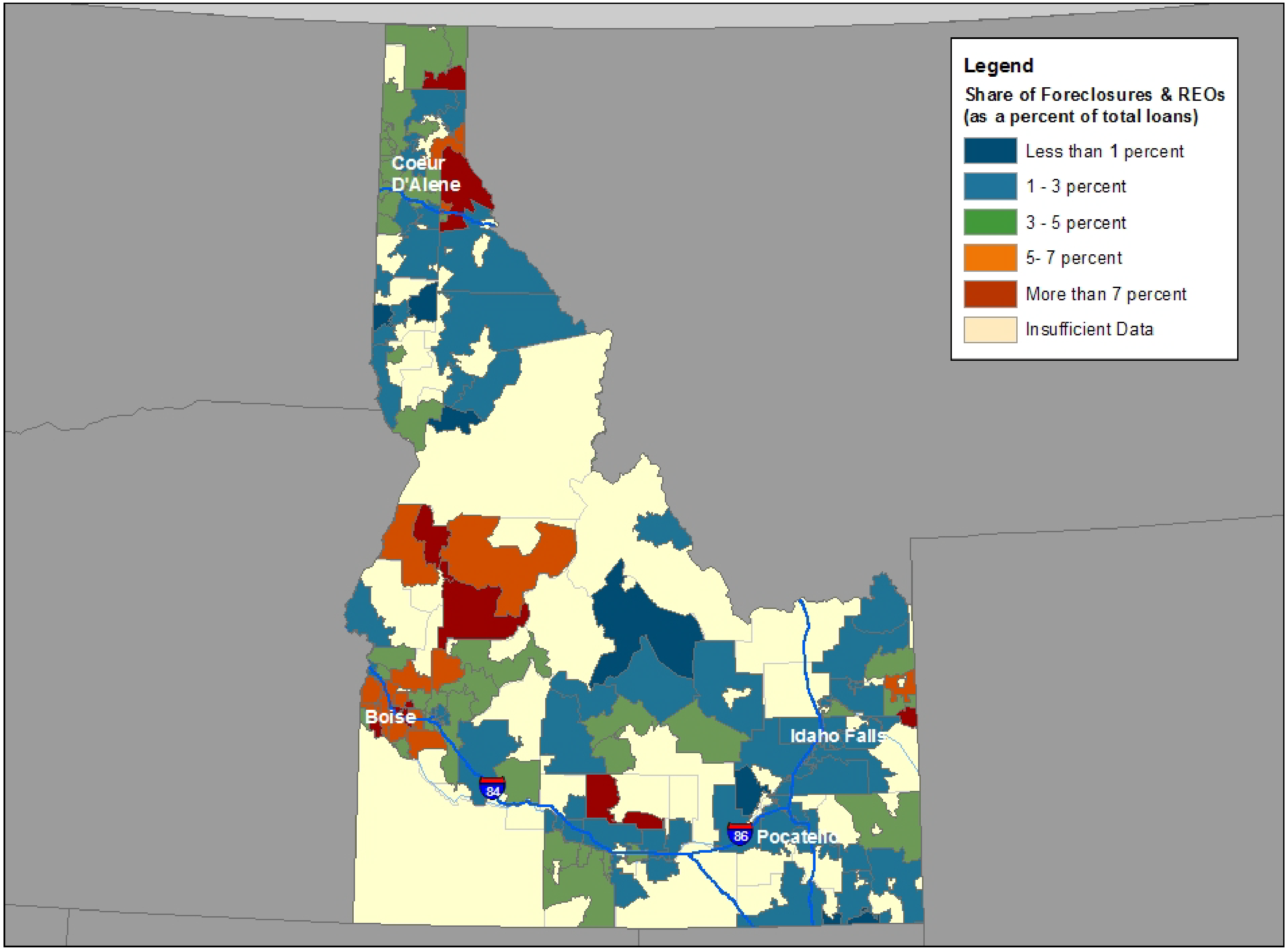


Source: Mortgage Bankers Association, National Delinquency Survey

Idaho Foreclosure Data Maps

Areas Affected by Concentrated Foreclosures

July 2010



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

Idaho Data Maps

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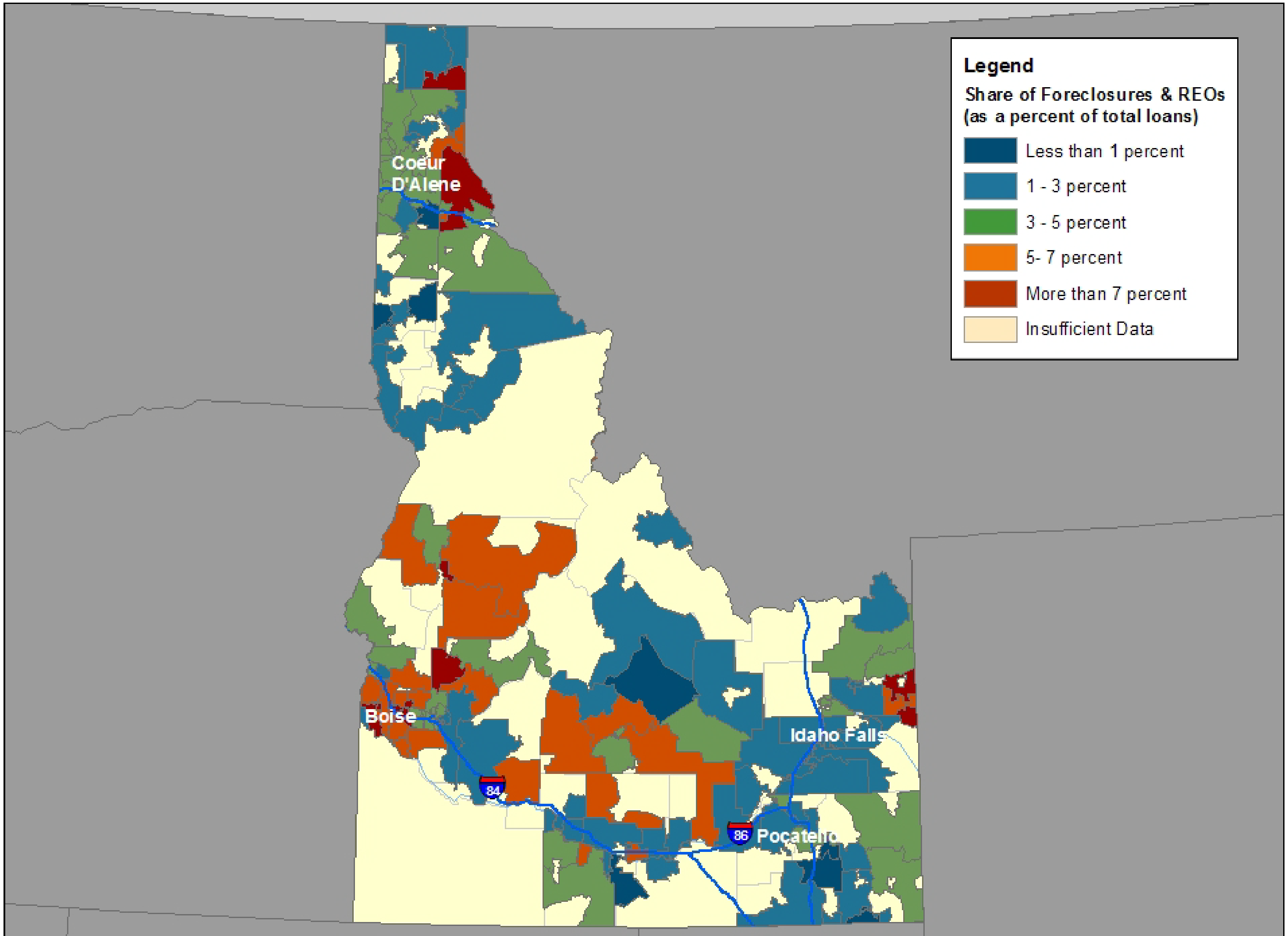

Source: Lender Processing Services Inc. Applied Analytics & FRBSF Calculations

Idaho Data Maps

Areas at Risk of Additional Foreclosures

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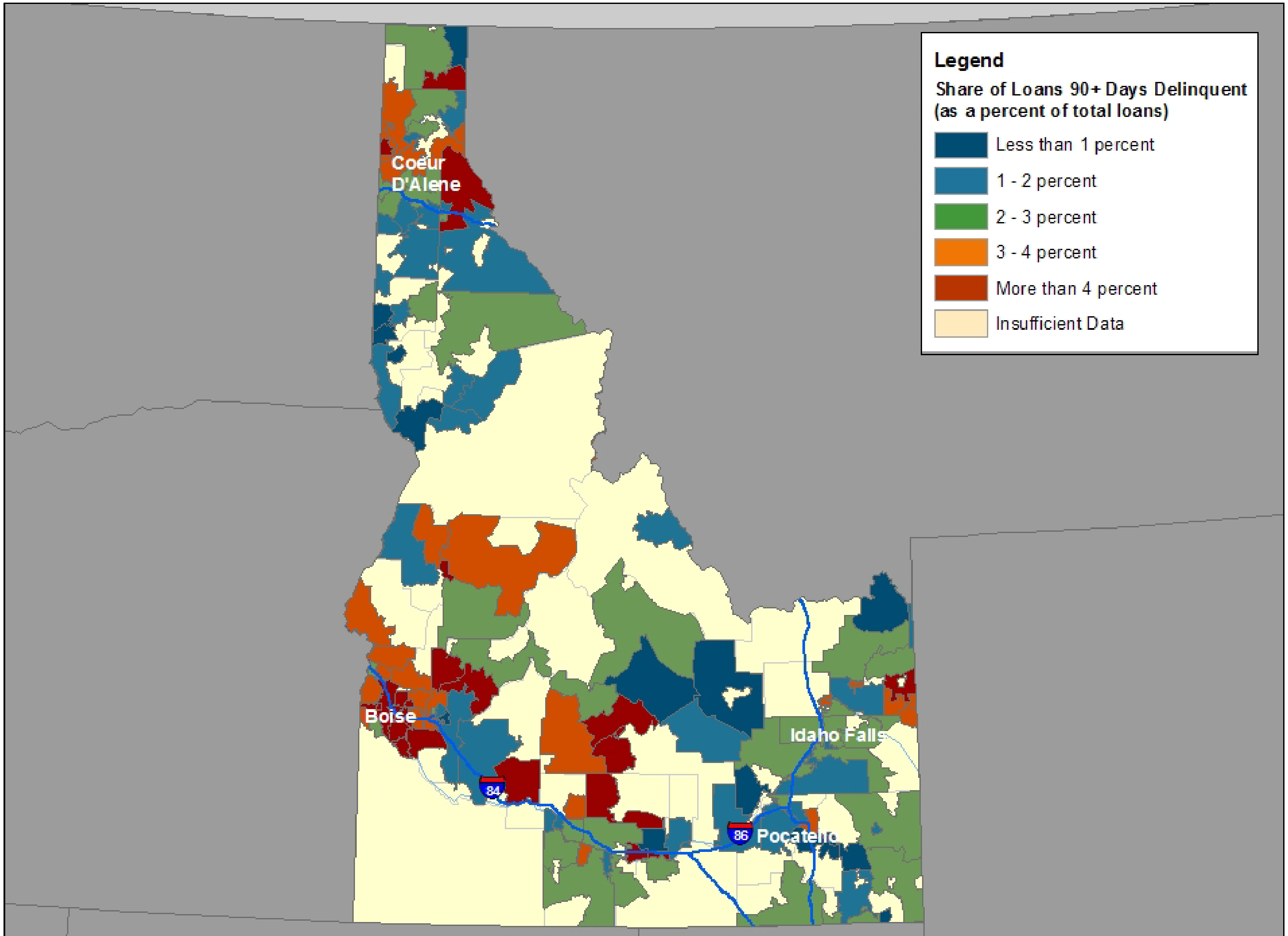

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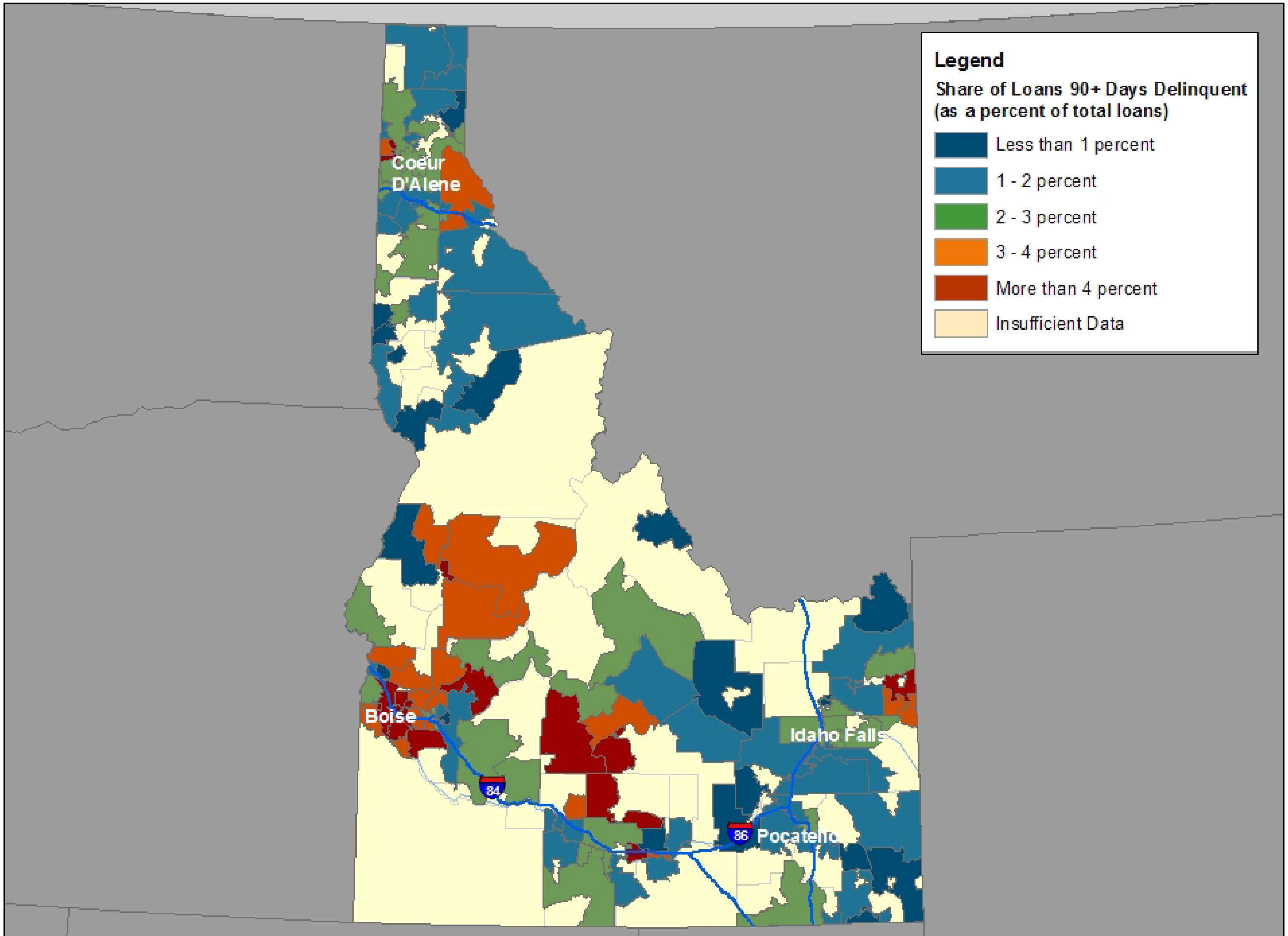
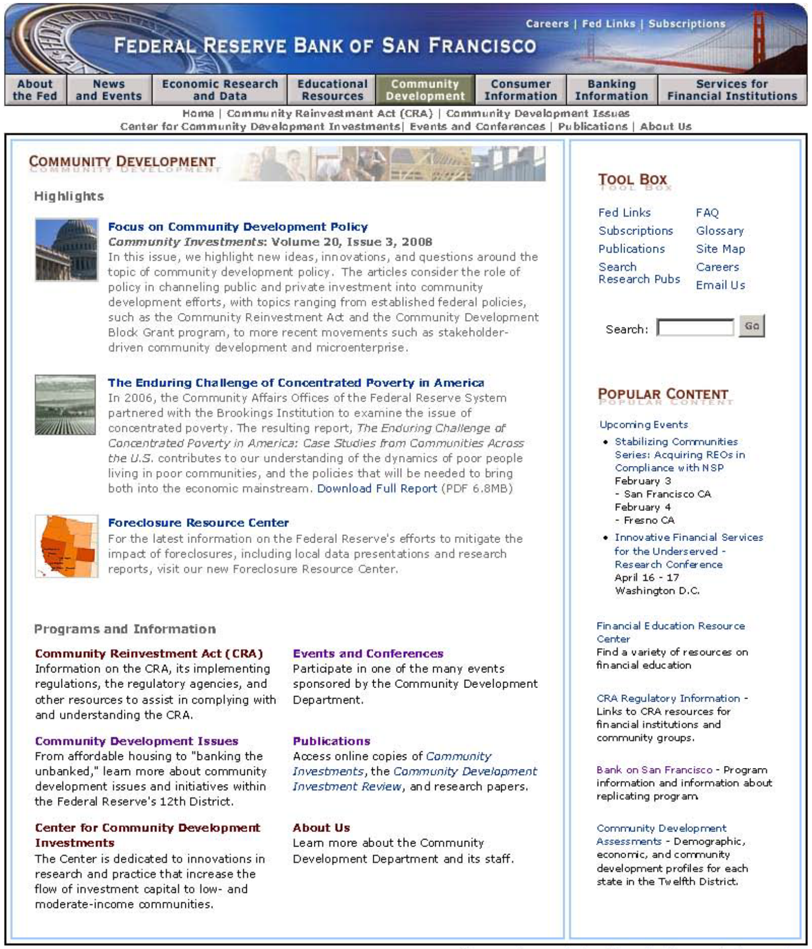


Source: Lender Processing Services Inc. Applied Analytics & FRBSF Calculations

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/