

Mortgage Performance Summary



THE FEDERAL RESERVE BANK OF RICHMOND

RICHMOND ■ BALTIMORE ■ CHARLOTTE

An Update on Housing Market and Mortgage Performance in North Carolina 2nd Quarter, 2010 Summary of Findings

This report analyzes the size, composition, and performance of prime and subprime home mortgages in North Carolina. It also provides information on trends in the region's housing market and charts with metropolitan and county level data.

State Delinquency and Foreclosure Rates

- Data on delinquency and foreclosure in North Carolina indicate some improvement in recent months, although default rates continue to climb on a year-over-year basis.
- The prime foreclosure rate in North Carolina rose from 1.0 percent in June 2009 to 1.5 percent in June 2010. Over the same period, the prime 90+ day delinquency rate increased from 2.8 percent to 3.5 percent. (Table 6)
- The subprime foreclosure rate in North Carolina rose from 6.0 percent to 7.6 percent over the year ending in June 2010, while the 90+ day delinquency rate edged up from 19.8 percent to 23.3 percent. (Table 7)
- Subprime mortgages continue to make up 26.4 percent of the foreclosure inventory in North Carolina, though they make up only 8.4 percent of all mortgages. North Carolina is ranked 30th in the nation in its share of subprime loans. (Figure 2 and Table 3)

Metro Area Highlights

- The coastal area of Kill Devil Hills continues to experience the highest prime and subprime default in the state. The prime foreclosure rate in the area was 2.5 percent in June 2010 while the subprime rate remained high at 15.8 percent. Kill Devil Hills also has the highest share of adjustable rate and interest only mortgages of all MSAs in North Carolina. (Tables 5, 6, and 7)
- The prime default rate in the Charlotte MSA was also high for the state, although it held steady at 1.9 percent between June 2009 and June 2010. The Charlotte subprime foreclosure rate increased from 7.2 percent to 8.9 percent over the same period. (Tables 6 and 7)

State Economic Conditions and Looking Forward

- Declining house prices play a significant role in rising default rates and North Carolina is still experiencing some of its sharpest depreciation on record. House prices in the state peaked in the first quarter of 2009 and since that time have fallen 6.4 percent. Continued depreciation could impede any notable improvement in delinquency and foreclosure rates.
- An income shock to a household – such as unexpected unemployment – can affect the household's ability to repay a mortgage. The North Carolina unemployment rate reached a record 11.8 percent in February 2010, though joblessness edged down to 10.2 percent in June. (Table 9)

For more information on foreclosures, please visit the Richmond Fed's Foreclosure Center at http://www.richmondfed.org/community_development/foreclosure_resource_center/

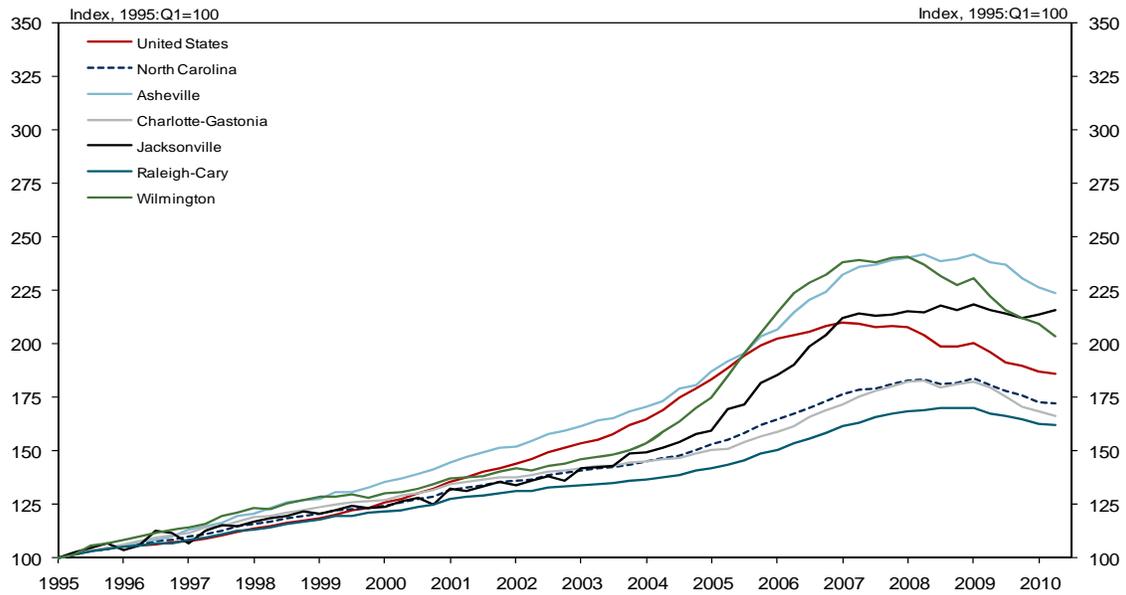
For recent data on the North Carolina economy, please visit the Richmond Fed's *Snapshot* publication at

http://www.richmondfed.org/research/regional_economy/reports/snapshot/index.cfm

The views expressed in this article are those of the authors and do not necessarily reflect the views of the Federal Reserve Bank of Richmond or the Federal Reserve System.

Graphs and Charts

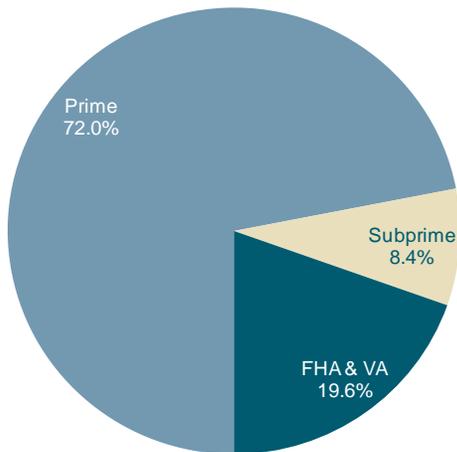
Figure 1
FHFA House Price Index: North Carolina



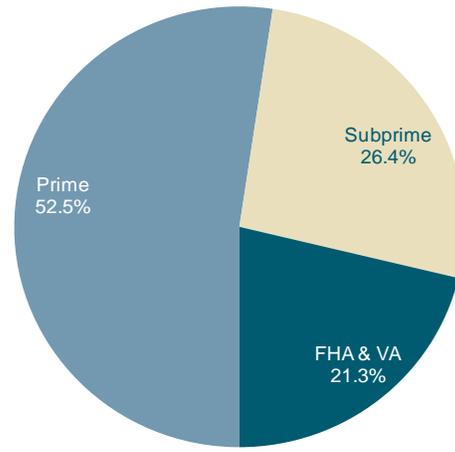
Source: Federal Housing Finance Agency (2010:Q2)/Haver Analytics

Figure 2
Mortgage Distribution: North Carolina

2a: Mortgages Outstanding

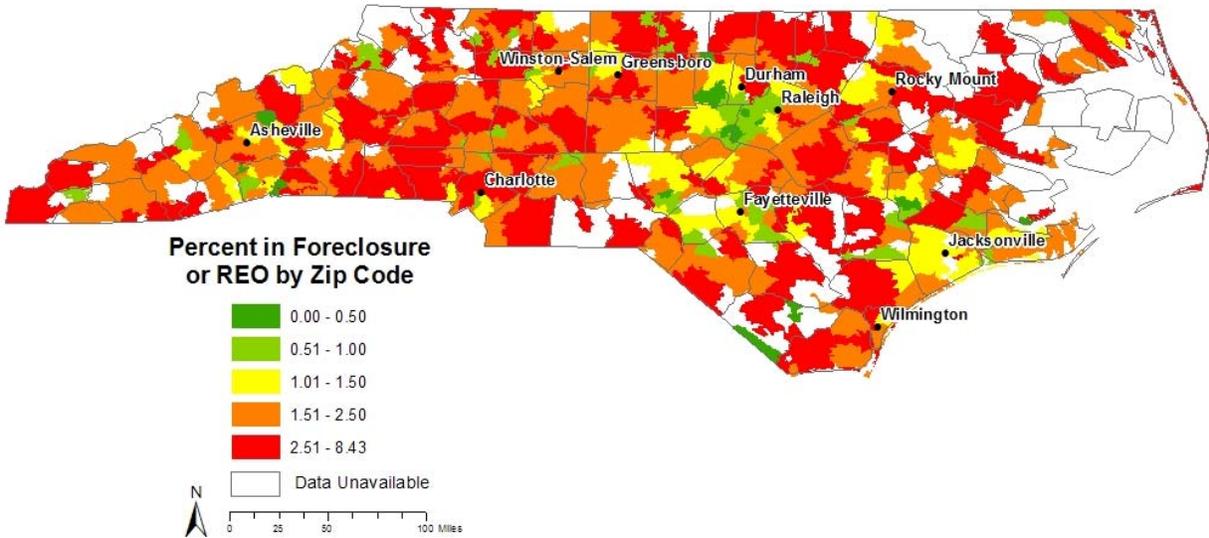


2b: Foreclosure Inventory



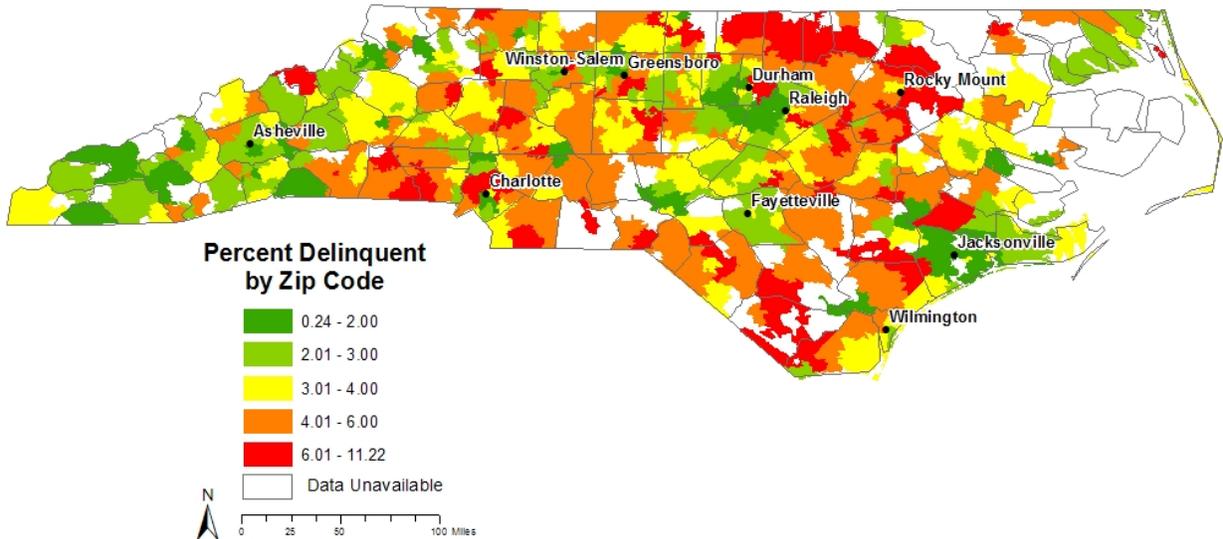
Source: Mortgage Bankers Association (2010:Q2)/Haver Analytics. Percentages may not sum to 100 due to rounding.

Figure 3
Percentage of Owner-Occupied Prime Loans in Foreclosure or REO¹:
North Carolina



Notes: FHA and VA loans are included in the count of prime loans. Uncategorized zip codes have fewer than 100 loans or no data available.
 Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (June 2010)

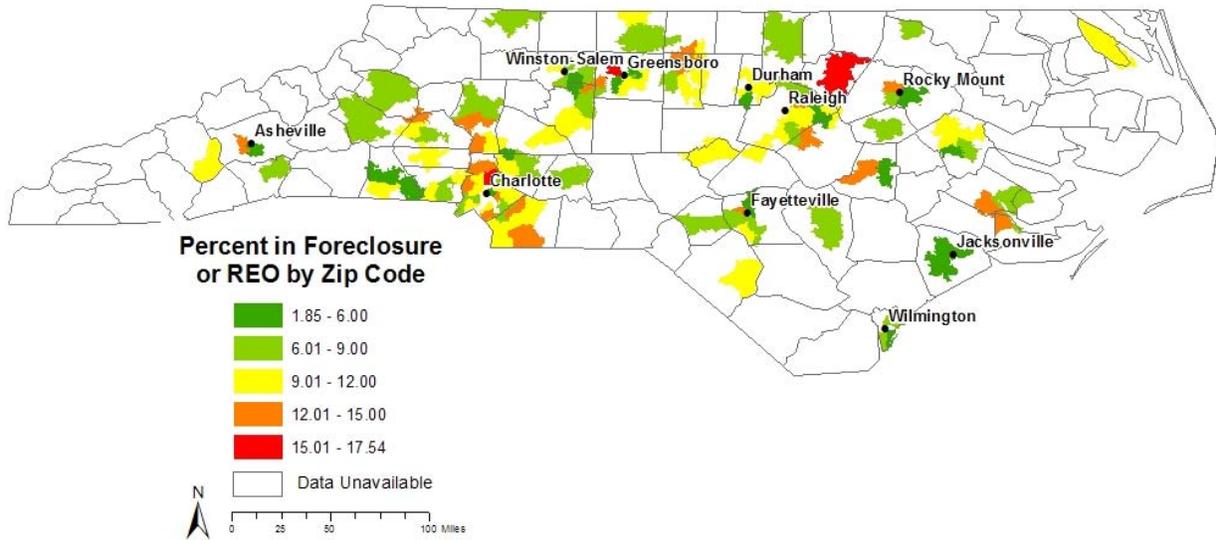
Figure 4
Percentage of Owner-Occupied Prime Loans with 90+ Day Delinquency:
North Carolina



Notes: FHA and VA loans are included in the count of prime loans. Uncategorized zip codes have fewer than 100 loans or no data available.
 Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (June 2010)

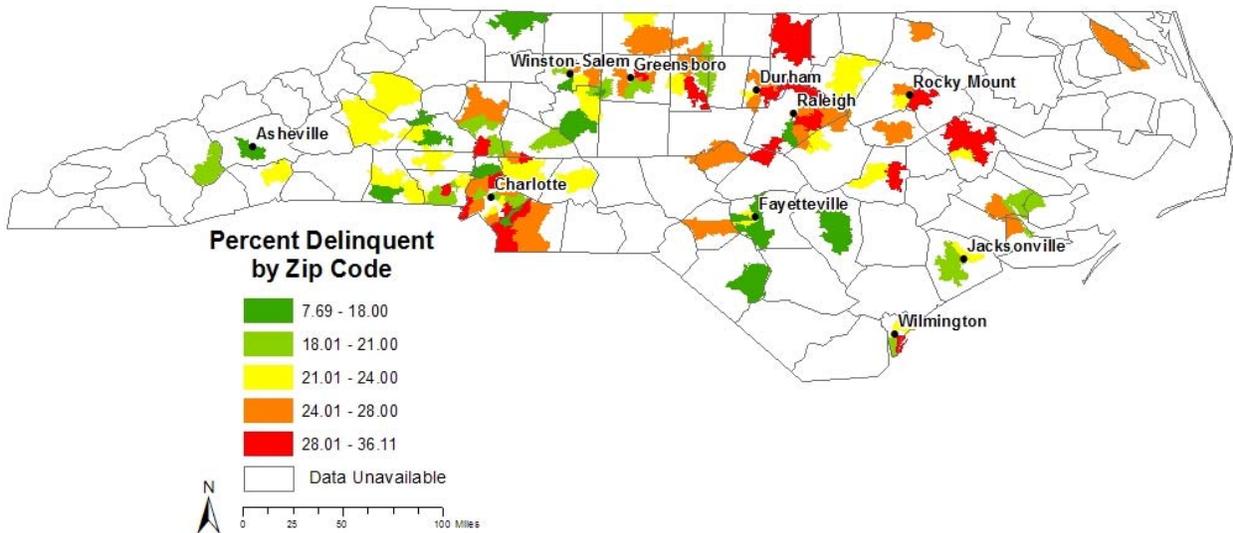
¹ Real Estate Owned (REO) properties are in the possession of the lender due to foreclosure or forfeiture.

Figure 5
Percentage of Owner-Occupied Subprime Loans in Foreclosure or REO:
North Carolina



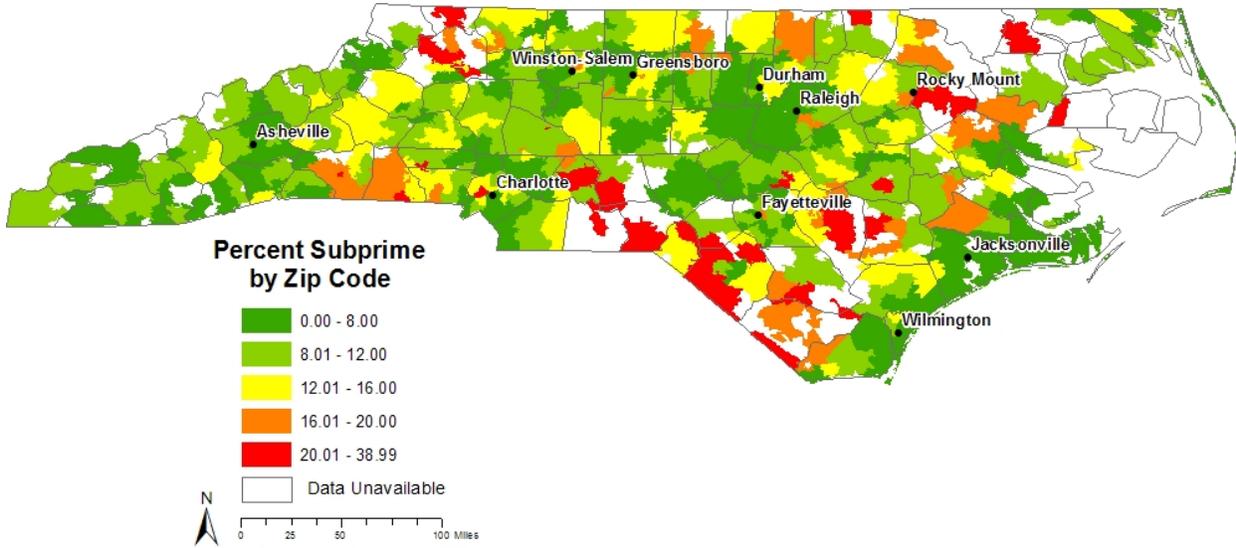
Notes: FHA and VA loans are included in the count of prime loans. Uncategorized zip codes have fewer than 100 loans, fewer than 50 subprime loans, or have no data available.
 Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (June 2010)

Figure 6
Percentage of Owner-Occupied Subprime Loans in with 90+ Day Delinquency:
North Carolina



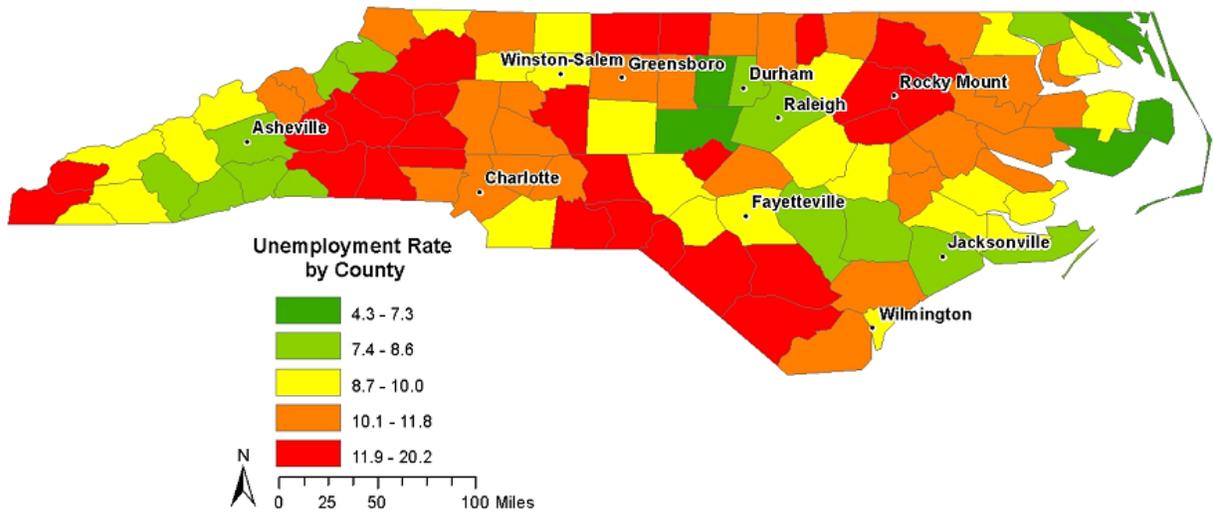
Notes: FHA and VA loans are included in the count of prime loans. Uncategorized zip codes have fewer than 100 loans, fewer than 50 subprime loans, or have no data available.
 Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (June 2010)

Figure 7
Percentage of Owner-Occupied Mortgages with Subprime Loans:
North Carolina



Notes: FHA and VA loans are included in the count of prime loans. Uncategorized zip codes have fewer than 100 loans or have no data available.
 Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (June 2010), Mortgage Bankers Association (2010:Q2)/Haver Analytics

Figure 8
Unemployment Rate: North Carolina



Notes: Unemployment Rate in June 2010
 Source: Bureau of Labor Statistics

Table 1
Foreclosure Rates by Mortgage Type: North Carolina

Loan Type	North Carolina		United States
	Percent in Foreclosure	National Rank	Percent in Foreclosure
Prime Fixed-Rate	1.43	36	2.36
Prime Adjustable-Rate	4.07	44	10.16
Subprime Fixed-Rate	5.53	41	8.90
Subprime Adjustable-Rate	11.12	45	22.99

Source: Mortgage Bankers Association (2010:Q2)/Haver Analytics

Table 2
Prime Mortgage Delinquency Rates: Fifth District

Geographic Area	Percent 90+ Days Past Due	National Rank	Percent in Foreclosure	National Rank
District of Columbia	2.41	21	2.16	27
Maryland	3.32	9	2.84	14
North Carolina	2.40	22	1.70	37
South Carolina	2.68	17	2.76	16
Virginia	2.21	28	1.52	44
West Virginia	1.99	36	1.60	40
United States	3.29	--	3.49	--

Source: Mortgage Bankers Association (2010:Q2)/Haver Analytics

Table 3
Subprime Share of All Loans: Fifth District

Geographic Area	Percent Subprime	National Rank
District of Columbia	7.61	37
Maryland	9.79	20
North Carolina	8.45	30
South Carolina	10.07	18
Virginia	7.34	39
West Virginia	10.59	14
United States	10.07	--

Source: Mortgage Bankers Association (2010:Q2)/Haver Analytics

Table 4
Subprime Mortgage Delinquency Rates: Fifth District

Geographic Area	Percent 90+ Days Past Due	National Rank	Percent in Foreclosure	National Rank
District of Columbia	13.96	17	13.29	16
Maryland	16.17	7	13.93	14
North Carolina	12.77	26	7.29	43
South Carolina	11.80	36	10.57	28
Virginia	13.32	23	7.67	41
West Virginia	11.93	34	5.84	50
United States	13.94	--	14.38	--

Source: Mortgage Bankers Association (2010:Q2)/Haver Analytics

Table 5
General Housing Statistics: North Carolina

Geographic Area	Housing Units					Percent of Owner-Occupied Mortgages With:			
	Total	Vacant	Occupied	Owner-Occupied		Prime Loan	Subprime Loan	Adjustable Rate	Interest Only
				Total	With a Mortgage				
Asheville	202,053	25,915	176,138	122,858	71,657	92.21	7.79	8.25	3.98
Burlington	65,197	5,315	59,882	39,533	26,535	90.05	9.95	7.02	1.78
Charlotte-Gastonia									
Entire MSA	729,678	68,286	661,392	451,165	354,251				
NC Portion	-	-	-	-	-	91.96	8.04	12.03	5.06
Durham	216,221	21,864	194,357	117,763	87,303	92.27	7.73	12.38	3.84
Fayetteville	153,270	20,704	132,566	81,530	62,058	90.99	9.01	7.64	0.57
Goldsboro	50,914	5,719	45,195	28,540	18,703	90.56	9.44	8.48	0.66
Greensboro	316,480	37,287	279,193	190,826	136,240	91.17	8.30	8.64	2.24
Greenville	81,017	10,633	70,384	41,059	28,697	89.54	10.46	6.98	1.54
Hickory-Lenoir	158,469	21,991	136,478	98,389	62,643	89.18	10.82	5.81	1.49
Jacksonville	67,011	10,394	56,617	35,246	24,338	95.92	4.08	7.29	1.25
Kill Devil Hills	-	-	-	-	-	93.17	6.83	14.50	9.55
Raleigh-Cary	441,188	39,776	401,412	275,515	221,965	93.92	6.08	10.83	3.71
Rocky Mount	66,720	7,299	59,421	38,026	24,867	83.31	16.69	8.61	1.19
Wilmington	201,149	53,228	147,921	103,075	70,151	93.69	6.31	9.63	5.42
Winston-Salem	209,823	25,027	184,796	129,061	89,350	91.32	8.68	8.27	1.89
North Carolina	4,200,447	605,272	3,595,175	2,451,157	1,685,967	91.55	8.45	9.54	3.28
Fifth District	13,068,131	1,717,299	11,350,832	7,801,889	5,427,813	91.31	8.69	12.17	6.80

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans.

Source: Housing units are 2008 estimates from the Census Bureau. Mortgage estimates are Federal Reserve Bank of Richmond calculations using data from Lender Processing Services (LPS) Applied Analytics (June 2010) and Mortgage Bankers Association (2010:Q2)/Haver Analytics.

Definitions of the metropolitan areas are provided later in the document.

Table 6
Owner-Occupied Prime Loan Statistics: North Carolina

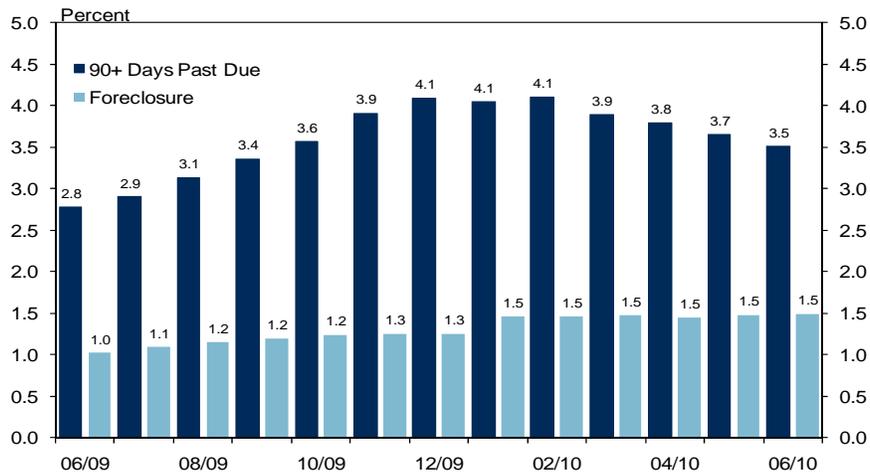
Geographic Area	June 2009			June 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Asheville	1.96	0.81	0.20	2.50	1.31	0.43
Burlington	2.96	1.06	0.33	3.45	1.56	0.60
Charlotte-Gastonia*	2.62	1.88	0.44	4.28	1.86	0.61
Durham	2.54	0.73	0.30	3.23	1.11	0.37
Fayetteville	2.37	0.80	0.40	2.60	0.93	0.43
Goldsboro	3.17	0.99	0.68	3.48	1.32	0.67
Greensboro	3.05	1.05	0.44	3.72	1.41	0.64
Greenville	2.86	0.95	0.31	3.19	1.27	0.46
Hickory-Lenoir	2.81	1.20	0.43	3.20	1.72	0.61
Jacksonville	1.90	0.82	0.25	1.90	1.13	0.25
Kill Devil Hills	2.99	1.92	0.69	3.45	2.53	1.25
Raleigh-Cary	2.06	0.74	0.26	2.73	1.05	0.37
Rocky Mount	3.66	1.32	0.67	5.03	1.53	0.80
Wilmington	2.44	1.01	0.34	3.47	1.85	0.57
Winston-Salem	3.02	1.04	0.41	3.45	1.50	0.53
North Carolina	2.77	1.02	0.37	3.51	1.49	0.55
Fifth District	2.56	1.40	0.48	3.41	1.66	0.63

*Only the North Carolina portion of this MSA is included here.

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 raw loans receive an N/A.

Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (June 2010)

Figure 9
Owner-Occupied Prime Loan Statistics: North Carolina



Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans.

Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (March 2010)

Table 7
Owner-Occupied Subprime Loan Statistics: North Carolina

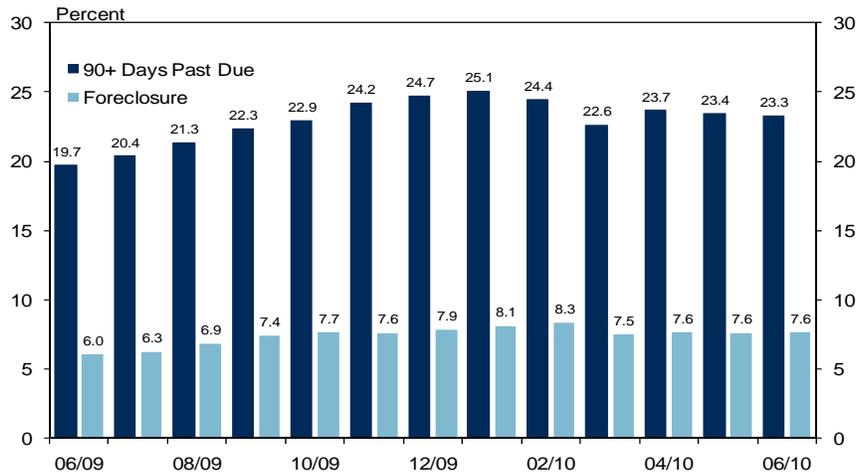
Geographic Area	June 2009			June 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Asheville	16.63	5.33	1.86	21.87	7.19	1.44
Burlington	24.88	6.70	1.67	25.92	8.17	3.10
Charlotte-Gastonia*	17.28	11.08	1.58	23.92	8.71	1.63
Durham	23.52	5.91	2.81	25.82	8.76	1.59
Fayetteville	14.68	4.92	2.75	18.75	5.60	2.05
Goldsboro	20.26	6.61	2.20	23.20	8.25	2.58
Greensboro	19.60	5.65	2.00	21.82	7.43	2.26
Greenville	23.97	7.99	1.45	29.92	7.01	1.62
Hickory-Lenoir	19.56	4.92	1.30	22.29	6.41	1.37
Jacksonville	14.41	5.24	0.44	19.49	5.64	2.05
Kill Devil Hills	28.89	6.67	4.44	39.47	15.79	1.32
Raleigh-Cary	20.90	6.22	1.72	25.87	8.38	1.95
Rocky Mount	19.44	5.81	3.28	26.15	5.17	2.59
Wilmington	21.68	4.90	1.54	23.95	6.37	2.18
Winston-Salem	20.47	4.23	1.61	21.45	6.74	1.12
North Carolina	19.75	6.04	1.88	23.28	7.64	1.79
Fifth District	19.29	8.33	3.26	22.78	8.32	2.90

*Only the North Carolina portion of this MSA is included here.

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 raw loans and/or fewer than 50 raw subprime loans receive an N/A.

Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (June 2010)

Figure 10
Owner-Occupied Subprime Loan Statistics: North Carolina



Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans.

Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (June 2010)

Table 8
Owner-Occupied Interest Only Loan Statistics: North Carolina

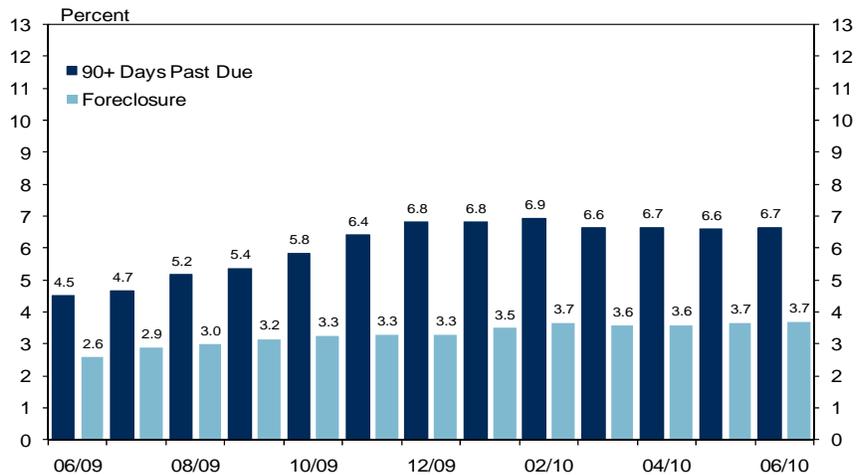
Geographic Area	June 2009			June 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Asheville	3.82	2.90	0.35	5.49	3.43	1.37
Burlington	5.95	3.57	0.40	9.27	4.39	0.98
Charlotte-Gastonia*	4.32	2.77	1.05	6.72	3.61	1.48
Durham	4.37	1.17	0.52	5.16	2.79	0.98
Fayetteville	3.40	2.55	1.70	7.89	2.11	1.58
Goldsboro	N/A	N/A	N/A	N/A	N/A	N/A
Greensboro	3.89	2.09	1.51	5.04	3.03	1.80
Greenville	10.75	4.21	0.47	13.14	5.71	2.29
Hickory-Lenoir	6.29	2.69	0.00	6.23	5.19	1.38
Jacksonville	2.97	4.24	0.42	9.95	2.49	1.00
Kill Devil Hills	8.45	5.56	2.42	9.40	7.98	4.84
Raleigh-Cary	4.11	2.17	0.59	5.87	3.03	0.96
Rocky Mount	11.11	5.56	1.11	15.79	3.95	1.32
Wilmington	4.59	2.42	1.28	7.94	4.76	1.94
Winston-Salem	4.46	1.53	1.88	6.77	3.46	0.86
North Carolina	4.51	2.58	0.97	6.64	3.70	1.48
Fifth District	5.38	4.73	1.73	7.94	4.80	2.12

*Only the North Carolina portion of this MSA is included here.

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 raw loans and/or fewer than 50 raw interest only loans receive an N/A.

Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (June 2010)

Figure 11
Owner-Occupied Interest Only Loan Statistics: North Carolina



Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans.

Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (June 2010)

Table 9
Unemployment Rates: North Carolina

Geographic Area	Unemployment Rate	Percentage Point Change from June 2009
Asheville	8.5	-0.9
Burlington	11.2	-1.3
Charlotte-Gastonia	11.4	-0.9
Durham	7.6	-0.8
Fayetteville	9.1	-0.4
Goldsboro	8.8	-0.5
Greensboro	10.9	-1.1
Greenville	10.1	-1.2
Hickory-Lenoir	13.1	-2.1
Jacksonville	8.1	-0.9
Kill Devil Hills	6.9	0.1
Raleigh-Cary	8.5	-0.8
Rocky Mount	13.2	-1.2
Wilmington	9.8	-0.4
Winston-Salem	9.7	-0.8
North Carolina	10.2	-0.9
5th District	8.8	-0.5

Note: Data are not seasonally adjusted.
Source: Bureau of Labor Statistics (June 2010)

Table 10
Owner-Occupied Prime Loan Statistics
Charlotte-Gastonia-Concord, NC MSA

Geographic Area	June 2009			June 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Anson County	6.64	1.01	0.20	8.23	2.41	1.00
Cabarrus County	3.19	1.00	0.42	4.31	1.82	0.54
Gaston County	3.53	1.49	0.56	4.53	2.03	0.85
Mecklenburg County	3.09	1.16	0.36	4.27	1.84	0.58
Union County	2.93	1.29	0.39	4.04	1.87	0.65

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 raw loans receive an N/A.

Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (June 2010)

Table 12
Owner-Occupied Prime Loan Statistics
Raleigh-Cary, NC MSA

Geographic Area	June 2009			June 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Franklin County	3.52	1.51	0.59	4.49	1.82	0.87
Johnston County	3.23	1.27	0.54	4.12	1.44	0.68
Wake County	1.88	0.66	0.22	2.51	0.97	0.31

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 raw loans receive an N/A.

Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (June 2010)

Table 13
Owner-Occupied Subprime Loan Statistics
Charlotte-Gastonia-Concord, NC MSA

Geographic Area	June 2009			June 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Anson County	19.05	1.59	0.00	18.03	6.56	3.28
Cabarrus County	20.53	4.72	2.05	25.19	7.12	0.51
Gaston County	20.91	7.54	1.71	21.73	6.96	2.04
Mecklenburg County	20.79	6.92	1.86	23.83	9.37	1.64
Union County	19.10	6.74	1.87	26.93	8.83	1.77

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 raw loans and/or fewer than 50 raw subprime loans receive an N/A.

Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (June 2010)

Table 14
Owner-Occupied Subprime Loan Statistics
Raleigh-Cary, NC MSA

Geographic Area	June 2009			June 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Franklin County	21.92	8.22	0.00	22.48	9.30	0.78
Johnston County	22.32	4.89	1.53	26.10	8.46	2.94
Wake County	20.59	6.32	1.86	26.12	8.33	1.88

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 raw loans and/or fewer than 50 raw subprime loans receive an N/A.

Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (June 2010)

Table 15
Owner-Occupied Interest Only Loan Statistics
Charlotte-Gastonia-Concord, NC MSA

Geographic Area	June 2009			June 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Anson County	N/A	N/A	N/A	N/A	N/A	N/A
Cabarrus County	5.12	2.95	1.40	8.33	4.53	1.45
Gaston County	7.60	4.28	1.66	8.22	5.38	2.83
Mecklenburg County	3.86	2.48	0.94	6.01	3.30	1.44
Union County	5.27	3.64	1.24	8.94	4.28	1.30

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 raw loans and/or fewer than 50 raw interest only loans receive an N/A.

Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (June 2010)

Table 16
Owner-Occupied Interest Only Loan Statistics
Raleigh-Cary, NC MSA

Geographic Area	June 2009			June 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Franklin County	7.92	4.95	0.99	10.00	2.50	1.25
Johnston County	3.50	4.67	2.33	8.38	3.14	2.62
Wake County	4.03	1.97	0.49	5.61	3.00	0.87

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 raw loans and/or fewer than 50 raw interest only loans receive an N/A.

Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (June 2010)

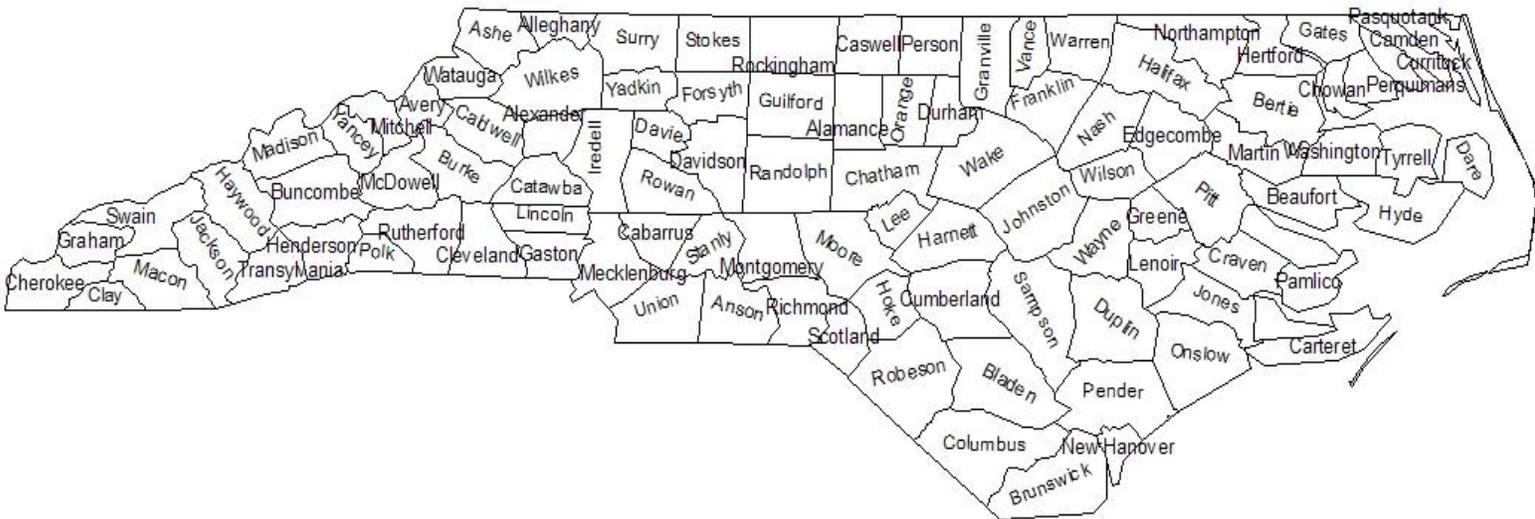
MSA Definitions

1. **Asheville, NC MSA** – Buncombe County, NC; Haywood County, NC; Henderson County, NC; Madison County, NC
2. **Burlington, NC MSA** – Alamance County, NC
3. **Charlotte-Gastonia-Concord, NC MSA** – Anson County, NC; Cabarrus County, NC; Gaston County, NC; Mecklenburg County, NC; Union County, NC; York County, SC
4. **Durham-Chapel Hill, NC MSA** – Chatham County, NC; Durham County, NC; Orange County, NC; Person County, NC
5. **Fayetteville, NC MSA** – Cumberland County, NC; Hoke County, NC
6. **Goldsboro, NC MSA** – Wayne County, NC
7. **Greensboro-High Point, NC MSA** – Guilford County, NC; Randolph County, NC; Rockingham County, NC
8. **Greenville, NC MSA** – Greene County, NC; Pitt County, NC
9. **Hickory-Lenoir-Morganton, NC MSA** – Alexander County, NC; Burke County, NC; Caldwell County, NC; Catawba County, NC
10. **Jacksonville, NC MSA** – Onslow County, NC
11. **Kill Devil Hills*, NC MSA** – Dare County, NC
12. **Raleigh-Cary, NC MSA** – Franklin County, NC; Johnston County, NC; Wake County, NC
13. **Rocky Mount, NC MSA** – Edgecombe County, NC; Nash County, NC
14. **Wilmington, NC MSA** – Brunswick County, NC; New Hanover County, NC; Pender County, NC
15. **Winston-Salem, NC MSA** – Davie County, NC; Forsyth County, NC; Stokes County, NC; Yadkin County, NC

*Indicates a micropolitan statistical area

Source: Office of Management and Budget, 2008

North Carolina Counties



Sources and Notes

House Price Index

Federal Housing Finance Agency/Haver Analytics

Weighted repeat sales index, measuring the average price changes in repeat sales or refinancing on the same single family properties. Based on transactions involving conforming, conventional mortgages purchased or securitized by Fannie Mae or Freddie Mac.

Unemployment Rate

Bureau of Labor Statistics/Haver Analytics

General Housing Statistics

Census Bureau

Metropolitan Statistical Area Definitions

Office of Management and Budget, 2008

Loan Distribution and Loan Performance

(1) Mortgage Bankers' Association/Haver Analytics

(2) Loan Processing Services Inc. Applied Analytics Mortgage Data

Loan Processing Services, Inc. Applied Analytics Mortgage Data (LPS Data) does not have as complete coverage of subprime loans as it does of prime loans. To compensate for this, we scaled the LPS subprime and prime data for each locality by common factors such that the LPS totals matched the MBA data at the state level. While this method of dealing with LPS's underrepresentation of loans is far from perfect, it only impacts the figures and tables that report the prevalence of subprime loans within geographic areas of North Carolina. It has no impact on the subprime performance numbers.

The LPS data in this document is subject to revision.