



# Mortgage Performance Summary



QUARTERLY UPDATE

## Housing Market and Mortgage Performance in North Carolina

**2nd Quarter, 2011**

Jake Blackwood  
Anne Davlin  
Lisa Hearl  
Sonya Ravindranath Waddell



THE FEDERAL RESERVE BANK OF RICHMOND

RICHMOND ■ BALTIMORE ■ CHARLOTTE

**An Update on Housing Market and Mortgage Performance in North Carolina**  
**2<sup>nd</sup> Quarter, 2011**  
**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 area and county level data.

**State Delinquency and Foreclosure Rates**

- The share of North Carolina mortgages with payments more than 90 days past due dropped from 5.1 percent in June 2010 to 4.0 percent in June 2011. Nonetheless, the foreclosure rate continued to climb, rising from 2.0 percent to 3.3 percent over the same period. (Table 7)
- North Carolina's prime foreclosure rate rose from 1.5 percent to 2.4 percent over the year ending in June 2011. The prime 90+ day delinquency rate fell from 3.6 percent to 2.9 percent over the same period. (Table 8)
- The subprime foreclosure rate in North Carolina also rose, moving up from 7.8 percent in June 2010 to 12.9 percent in June 2011, while the 90+ day delinquency rate fell from 20.7 percent to 16.3 percent over the same period. (Table 9)
- The subprime share of the foreclosure inventory in North Carolina remained at 25.6 percent in the second quarter of 2011, though they make up only 7.9 percent of all mortgages. North Carolina is ranked 31<sup>st</sup> in the nation in its share of subprime loans. (Figure 2 and Table 4)

**Metro Area Highlights**

- Kill Devil Hills again recorded the highest foreclosure rate in the state (4.6 percent) in June, although the Charlotte and Hickory MSAs also posted high foreclosure rates of about 4.0 percent. Rocky Mount had the highest 90+ day delinquency rate (6.1 percent) in North Carolina, followed by the Goldsboro metro area (4.7 percent). (Table 7)
- Kill Devil Hills also had the highest share of adjustable rate and interest only mortgages of all MSAs in North Carolina. The Charlotte metro area had an elevated share of adjustable-rate and interest-only mortgages as well, relative to most other MSAs in the state. (Table 6)

**State Economic Conditions and Looking Forward**

- Declining house prices play a significant role in rising default rates. House prices in North Carolina fell 1.9 percent in the second quarter and prices continued to fall on a year-over-year basis. The state posted 8.8 percent depreciation over the past two years.
- 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 12.1 percent in February 2010, though joblessness edged down to 10.4 percent by June 2011. (Table 11)

For more information on foreclosures, please visit the Richmond Fed's Foreclosure Center at [http://www.richmondfed.org/community\\_development/foreclosure\\_resource\\_center/](http://www.richmondfed.org/community_development/foreclosure_resource_center/)

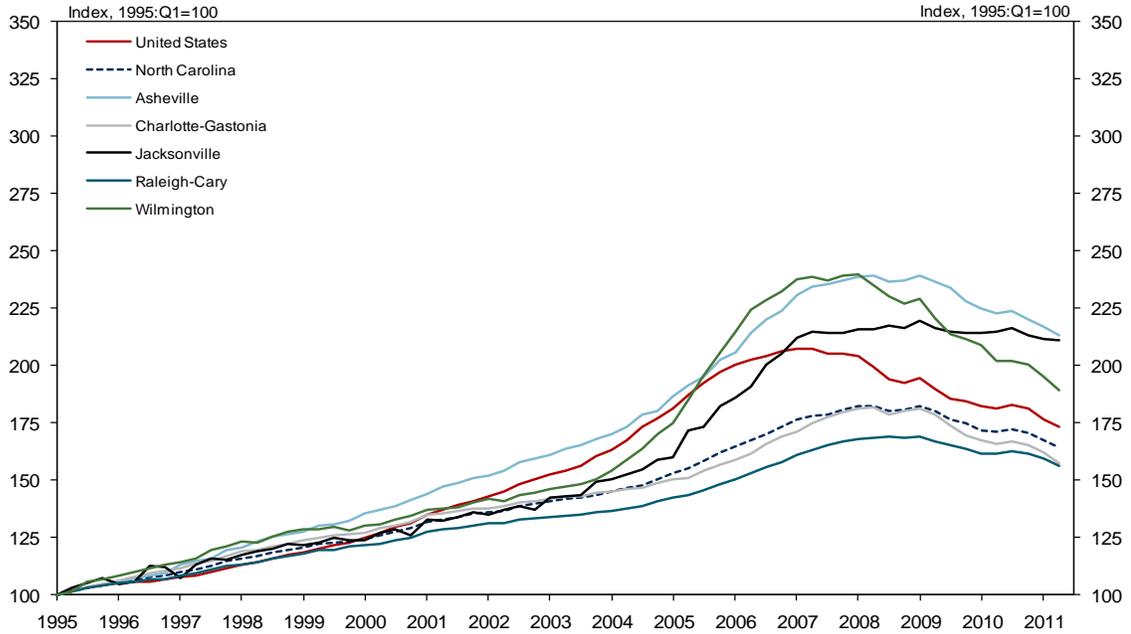
For recent data on the North Carolina economy, please visit the Richmond Fed's *Snapshot* publication at

[http://www.richmondfed.org/research/regional\\_economy/reports/snapshot/index.cfm](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

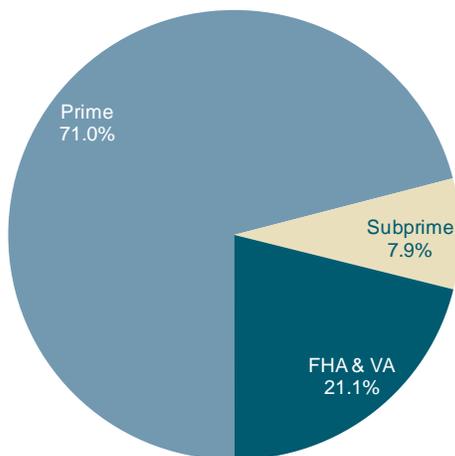
**Figure 1**  
**FHFA House Price Index: North Carolina**



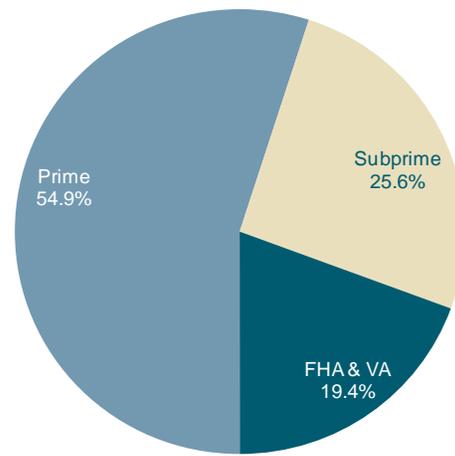
Source: Federal Housing Finance Agency (2011:Q2)/Haver Analytics

**Figure 2**  
**Mortgage Distribution: North Carolina**

**2a: Mortgages Outstanding**

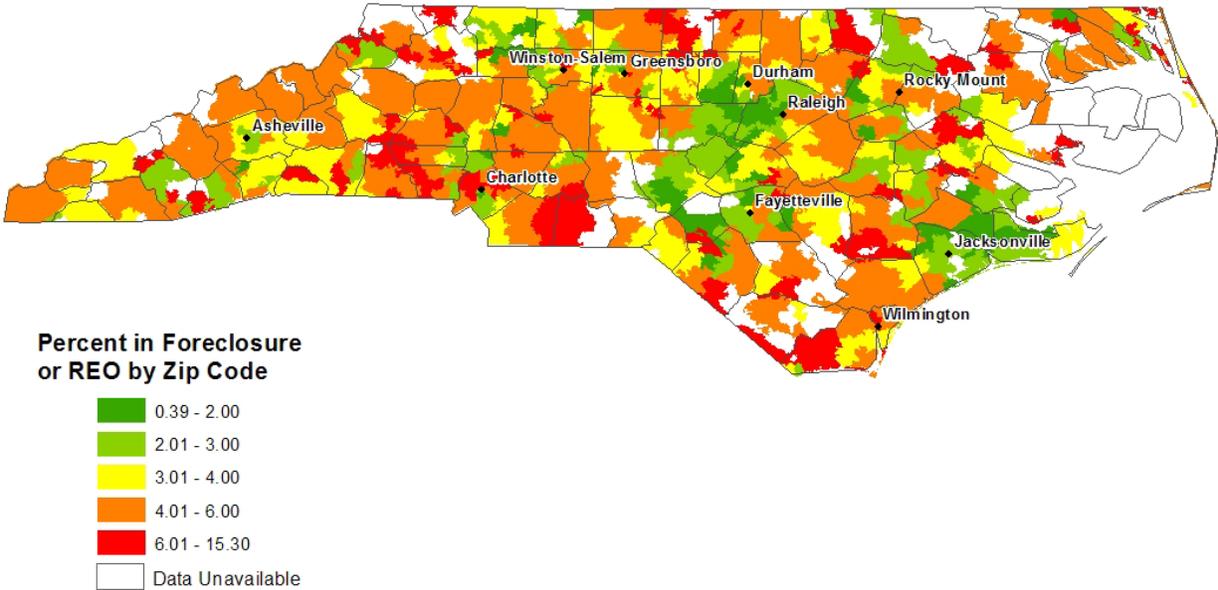


**2b: Foreclosure Inventory**



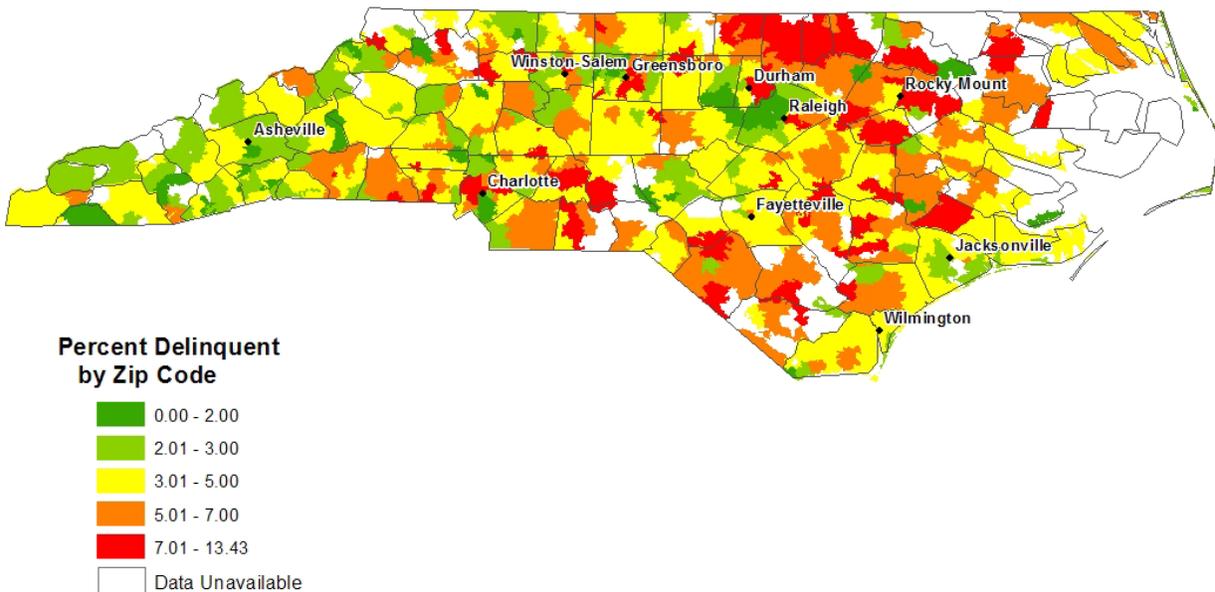
Source: Mortgage Bankers Association (2011:Q2)/Haver Analytics. Percentages may not sum to 100 due to rounding.

**Figure 3**  
**Percentage of Owner-Occupied Loans in Foreclosure or REO<sup>1</sup>:**  
**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 2011) and Mortgage Bankers Association (2011:Q2)/Haver Analytics

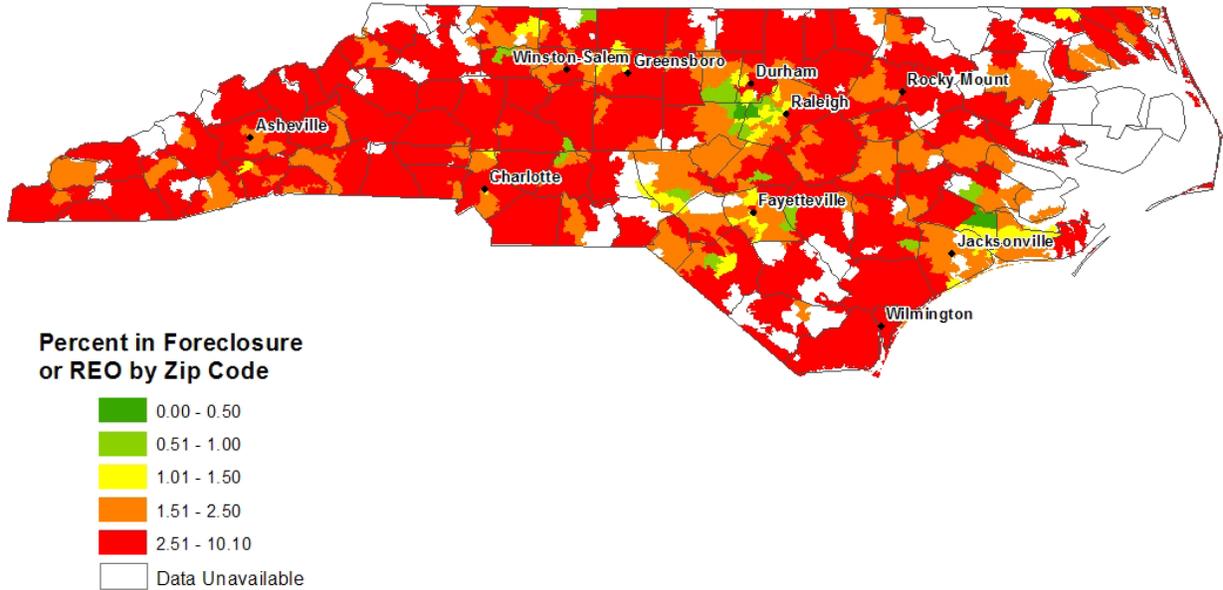
**Figure 4**  
**Percentage of Owner-Occupied Loans with 90+ Day Delinquency:**  
**North Carolina**



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 2011) and Mortgage Bankers Association (2011:Q2)/Haver Analytics

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

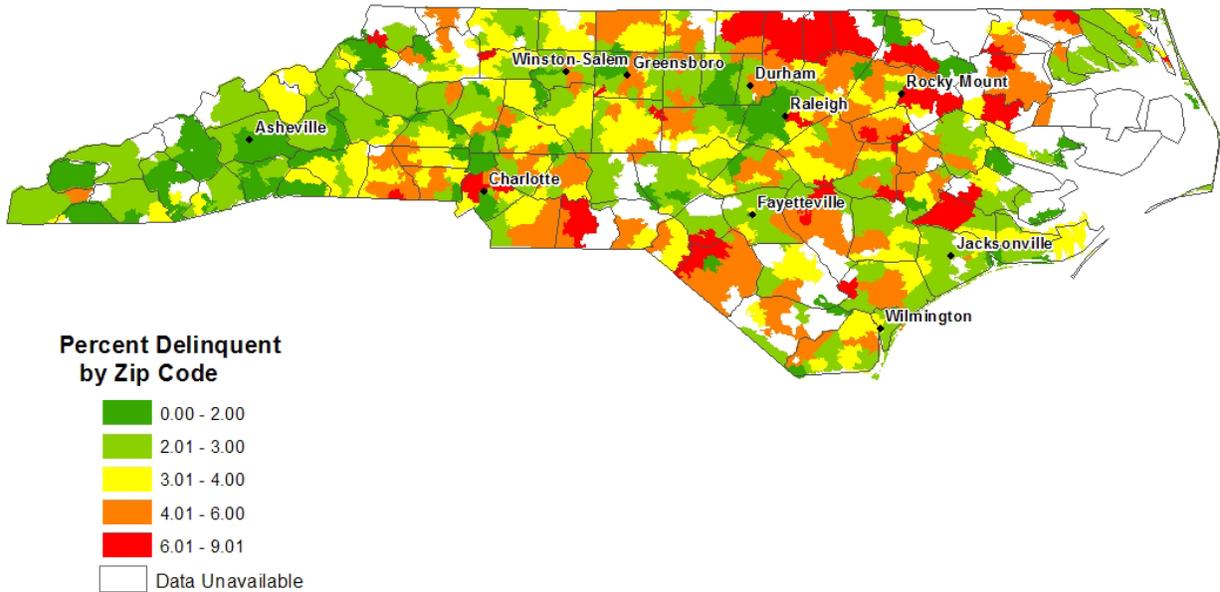
**Figure 5**  
**Percentage of Owner-Occupied Prime Loans in Foreclosure or REO<sup>2</sup>:**  
**North Carolina**



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 2011)

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

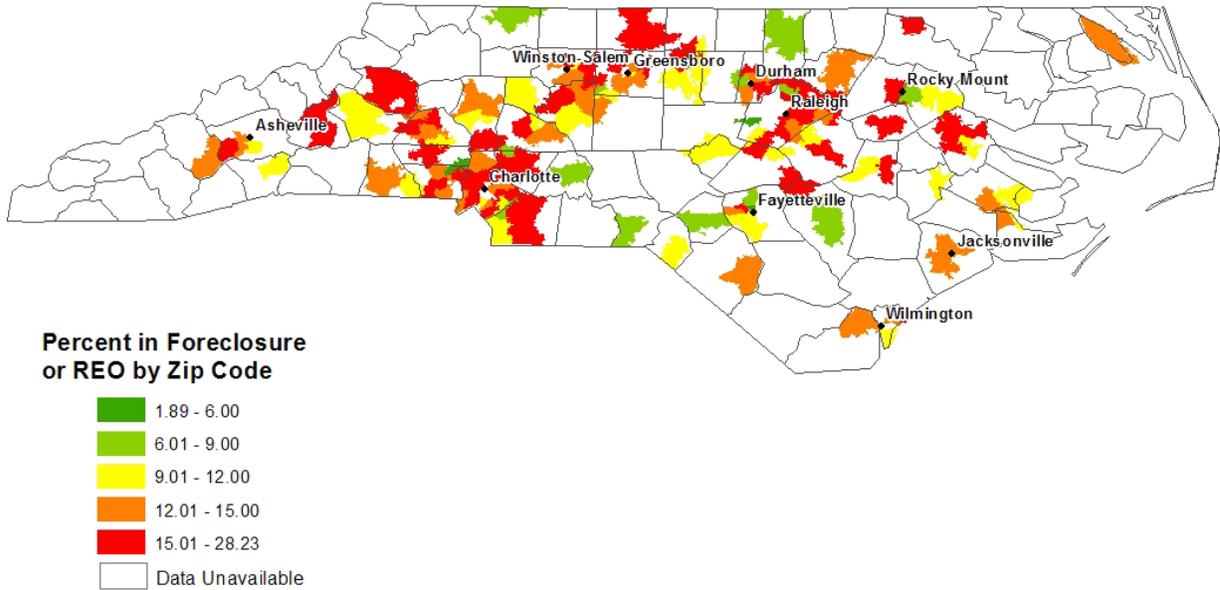


Notes: FHA and VA loans are included in the count of prime loans. Uncategorized zip codes have fewer than 100 loans or no data available.

Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (June 2011)

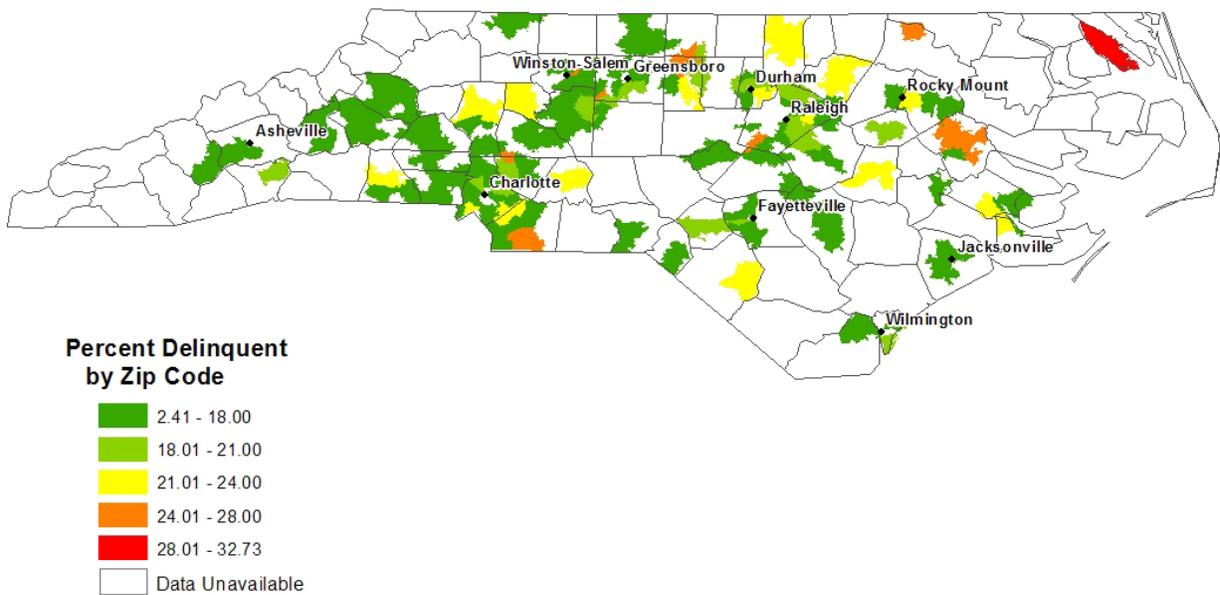
<sup>2</sup> Real Estate Owned (REO) properties are in the possession of the lender due to foreclosure or forfeiture.

**Figure 7**  
**Percentage of Owner-Occupied Subprime Loans in Foreclosure or REO:**  
**North Carolina**



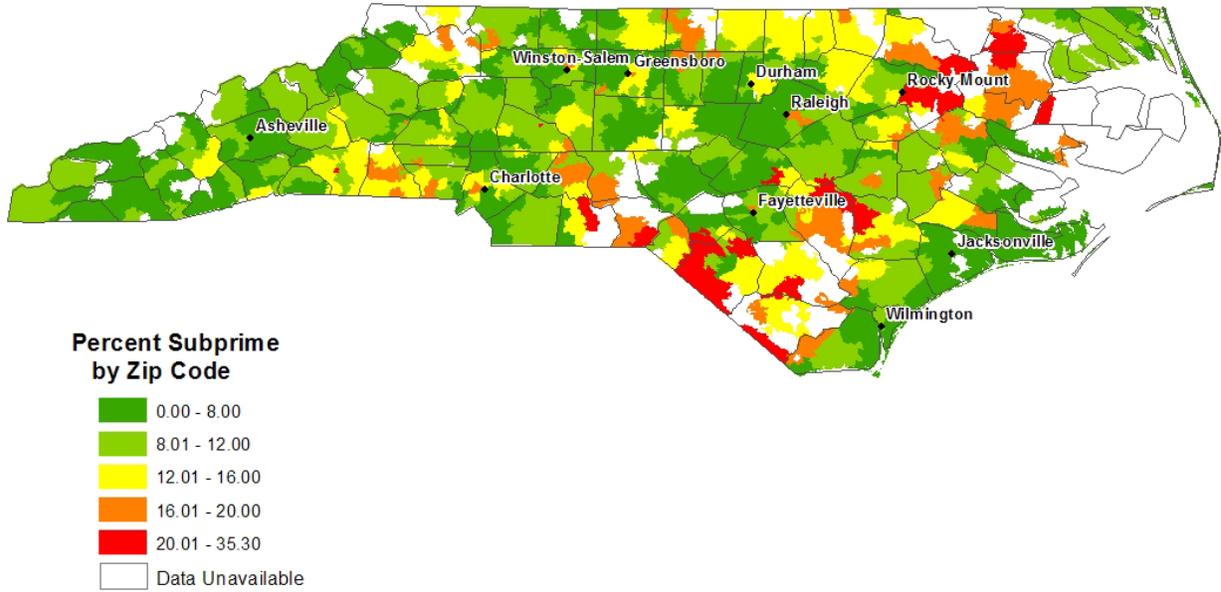
Notes: FHA and VA loans are included in the count of prime loans. Uncategorized zip codes have fewer than 100 loans, fewer than 50 subprime loans, or have no data available.  
 Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (June 2011)

**Figure 8**  
**Percentage of Owner-Occupied Subprime Loans in with 90+ Day Delinquency:**  
**North Carolina**



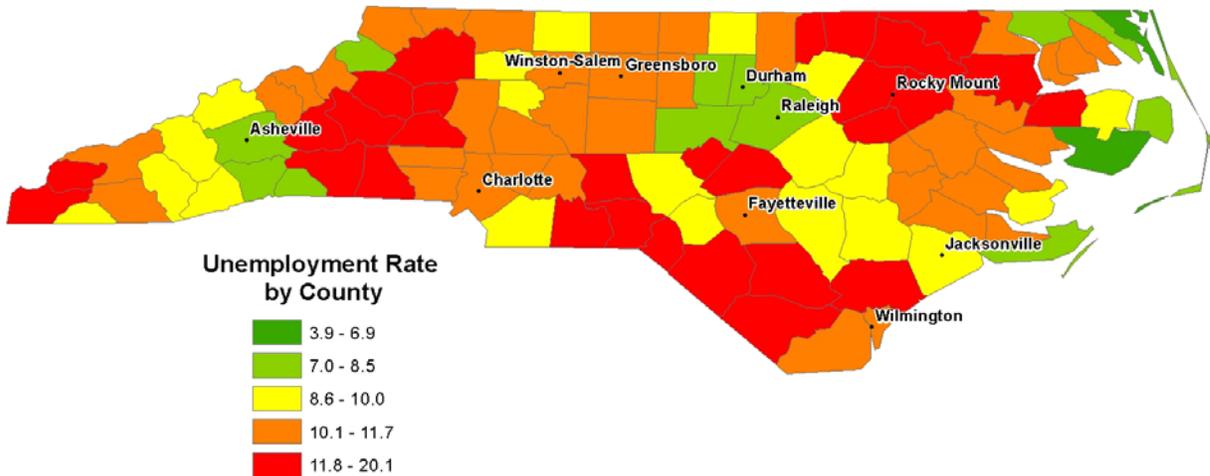
Notes: FHA and VA loans are included in the count of prime loans. Uncategorized zip codes have fewer than 100 loans, fewer than 50 subprime loans, or have no data available.  
 Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (June 2011)

**Figure 9**  
**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 2011) and Mortgage Bankers Association (2011:Q2)/Haver Analytics

**Figure 10**  
**Unemployment Rate: North Carolina**



Notes: Unemployment Rate in June 2011  
 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
Total	2.83	33	4.43
Prime Total	2.19	31	3.40
Prime Fixed-Rate	1.98	25	2.56
Prime Adjustable-Rate	4.27	37	9.16
Subprime Total	9.13	38	14.89
Subprime Fixed-Rate	7.33	35	11.01
Subprime Adjustable-Rate	13.18	41	22.23

Source: Mortgage Bankers Association (2011:Q2)/Haver Analytics

**Table 2**  
**Mortgage Delinquency Rates: Fifth District**

Geographic Area	Percent 90+ Days Past Due	National Rank	Percent in Foreclosure	National Rank
District of Columbia	2.95	22	2.92	31
Maryland	4.58	2	3.66	18
North Carolina	3.10	21	2.83	33
South Carolina	3.13	20	4.00	14
Virginia	2.28	39	1.92	44
West Virginia	2.52	34	2.04	41
Fifth District	3.17	--	2.89	--
United States	3.42	--	4.43	--

Source: Mortgage Bankers Association (2011:Q2)/Haver Analytics

**Table 3**  
**Prime Mortgage Delinquency Rates: Fifth District**

Geographic Area	Percent 90+ Days Past Due	National Rank	Percent in Foreclosure	National Rank
District of Columbia	2.05	14	2.26	27
Maryland	3.05	3	2.70	19
North Carolina	1.67	22	2.19	31
South Carolina	1.96	17	3.17	11
Virginia	1.33	34	1.50	41
West Virginia	1.30	36	1.48	42
Fifth District	1.92	--	2.22	--
United States	2.21	--	3.40	--

Source: Mortgage Bankers Association (2011:Q2)/Haver Analytics

**Table 4**  
**Subprime Share of All Loans: Fifth District**

Geographic Area	Percent Subprime	National Rank
District of Columbia	7.02	38
Maryland	9.48	19
North Carolina	7.93	31
South Carolina	9.60	18
Virginia	6.80	41
West Virginia	9.99	16
Fifth District	8.21	--
United States	9.40	--

Source: Mortgage Bankers Association (2011:Q2)/Haver Analytics

**Table 5**  
**Subprime Mortgage Delinquency Rates: Fifth District**

Geographic Area	Percent 90+ Days Past Due	National Rank	Percent in Foreclosure	National Rank
District of Columbia	13.08	9	12.65	20
Maryland	15.33	2	13.06	16
North Carolina	11.65	14	9.13	38
South Carolina	9.97	32	12.13	26
Virginia	10.66	23	8.25	41
West Virginia	9.70	36	7.12	47
Fifth District	12.04	--	10.40	--
United States	11.26	--	14.89	--

Source: Mortgage Bankers Association (2011:Q2)/Haver Analytics

**Table 6**  
**General Housing Statistics: North Carolina**

Geographic Area	Housing Units					Percent of Owner-Occupied Mortgages			
	Total	Vacant	Occupied	Owner-Occupied		Prime Loan	Subprime Loan	With:	
				Total	With a Mortgage			Adjustable Rate	Interest Only
Asheville	213,637	33,720	179,917	125,590	76,295	92.96	7.04	7.34	3.47
Burlington	66,576	6,616	59,960	40,104	27,247	90.67	9.33	6.53	1.63
Charlotte-Gastonia									
Entire MSA	737,775	66,546	671,229	445,815	356,468				
NC Portion	643,579	58,214	585,365	383,696	308,920	92.24	7.76	11.07	4.48
Durham	222,760	20,284	202,476	121,650	91,562	92.40	7.60	11.21	3.27
Fayetteville	153,735	14,772	138,963	80,053	61,421	92.13	7.87	7.80	0.46
Goldsboro	52,949	5,118	47,831	29,828	19,525	91.00	9.00	9.23	0.57
Greensboro	322,754	32,060	290,694	186,999	134,353	91.58	8.42	8.17	1.91
Greenville	83,203	8,313	74,890	41,985	30,013	90.22	9.78	6.55	1.28
Hickory-Lenoir	162,613	18,109	144,504	103,966	66,104	90.32	9.68	5.58	1.32
Jacksonville	68,226	8,134	60,092	34,332	25,865	96.07	3.93	9.37	1.01
Kill Devil Hills	33,492	19,157	14,335	10,118	7,214	94.52	5.48	12.05	7.75
Raleigh-Cary	466,095	35,518	430,577	287,501	234,196	94.21	5.79	10.12	3.17
Rocky Mount	67,124	7,662	59,462	37,967	24,892	86.60	13.40	7.38	1.03
Wilmington	205,642	52,966	152,676	102,867	72,689	94.33	5.67	8.54	4.61
Winston-Salem	214,375	22,065	192,310	130,315	91,204	91.76	8.24	7.77	1.64
North Carolina	4,327,528	582,373	3,745,155	2,497,900	1,741,905	92.07	7.93	8.88	2.84
Fifth District	13,387,600	1,598,257	11,789,343	7,930,734	5,632,033	90.01	9.99	11.42	6.05
United States	131,704,730	14,988,438	116,716,292	75,986,074	51,208,208*	90.60	9.40	11.54	5.59

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

Source: Housing units are reported in the 2010 Census. Mortgage estimates are Federal Reserve Bank of Richmond calculations using data from Lender Processing Services (LPS) Applied Analytics (June 2011) and Mortgage Bankers Association (2011:Q2)/Haver Analytics.

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

\*The figure for owner-occupied units with a mortgage at the national level is calculated by summing the totals for the states.

**Table 7  
Owner-Occupied Loan Statistics: North Carolina**

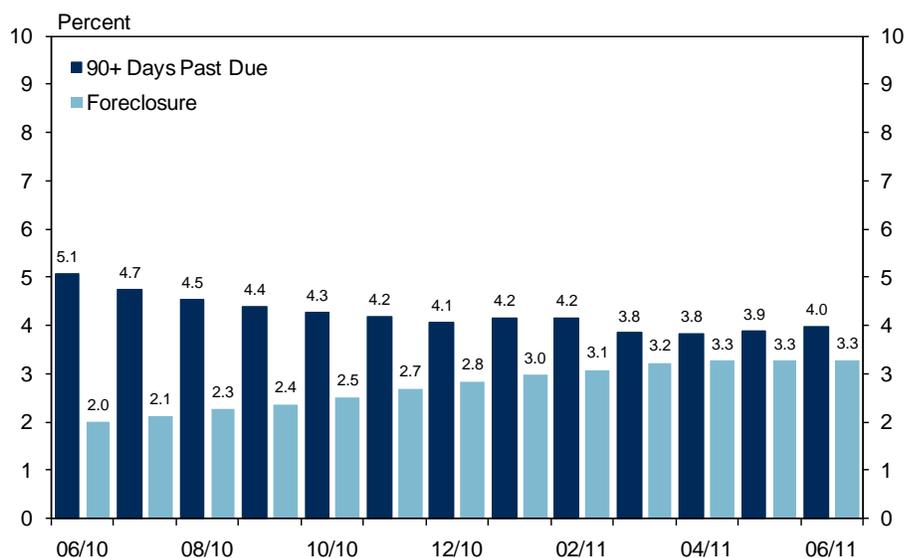
Geographic Area	June 2010			June 2011		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Asheville	3.96	1.72	0.58	2.75	3.07	0.54
Burlington	5.31	2.27	0.95	4.53	3.33	0.78
Charlotte-Gastonia*	5.92	2.44	0.78	4.29	4.01	0.63
Durham	4.79	1.67	0.50	4.00	2.62	0.46
Fayetteville	3.90	1.27	0.54	3.74	2.15	0.32
Goldsboro	5.17	1.90	0.81	4.70	2.80	0.43
Greensboro	5.31	2.01	0.82	4.11	3.23	0.60
Greenville	5.70	1.74	0.65	4.49	3.32	0.49
Hickory-Lenoir	5.25	2.31	0.81	3.38	3.95	0.72
Jacksonville	2.67	1.32	0.34	2.93	1.94	0.24
Kill Devil Hills	4.84	2.96	1.13	2.95	4.62	0.84
Raleigh-Cary	4.01	1.48	0.48	3.23	2.39	0.46
Rocky Mount	7.36	1.97	1.03	6.08	3.67	0.85
Wilmington	4.59	2.02	0.72	3.72	3.70	0.65
Winston-Salem	4.99	1.98	0.62	3.88	3.27	0.59
North Carolina	5.08	2.00	0.71	3.98	3.27	0.58
Fifth District	4.86	2.37	0.93	4.38	3.30	0.76
United States	5.54	3.91	1.11	4.34	4.68	1.07

\*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 2011) and Mortgage Bankers Association (2011:Q2)/Haver Analytics.

**Figure 11  
Owner-Occupied 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 2011)

**Table 8  
Owner-Occupied Prime Loan Statistics: North Carolina**

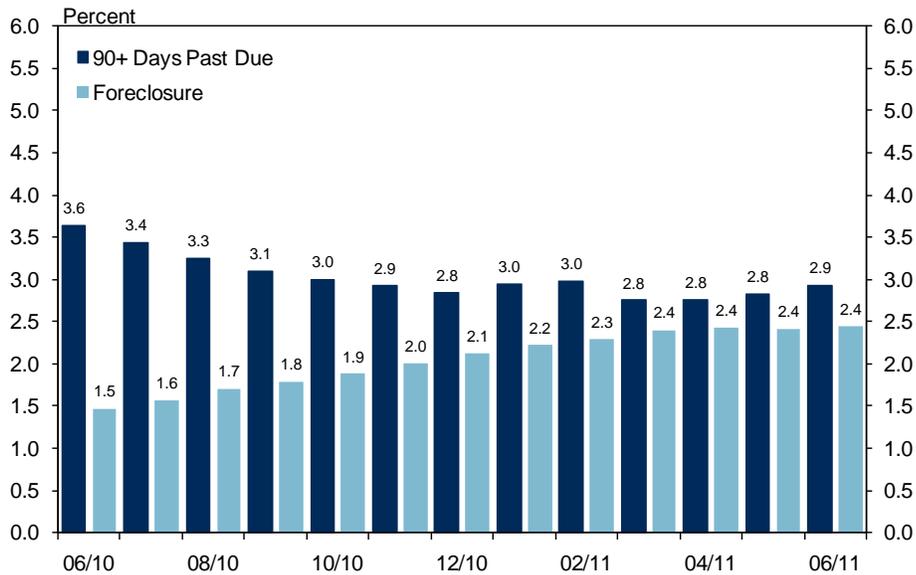
Geographic Area	June 2010			June 2011		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Asheville	2.63	1.26	0.48	1.87	2.35	0.48
Burlington	3.50	1.57	0.67	2.89	2.51	0.56
Charlotte-Gastonia*	4.53	1.87	0.68	3.32	3.10	0.53
Durham	3.24	1.10	0.41	2.85	1.83	0.34
Fayetteville	2.66	0.90	0.42	2.67	1.52	0.24
Goldsboro	3.53	1.32	0.64	3.12	1.90	0.43
Greensboro	3.89	1.42	0.68	3.06	2.41	0.48
Greenville	3.30	1.19	0.51	2.84	2.08	0.30
Hickory-Lenoir	3.55	1.71	0.73	2.49	2.95	0.59
Jacksonville	1.99	1.12	0.27	2.48	1.49	0.22
Kill Devil Hills	3.31	2.17	1.08	2.23	3.33	0.89
Raleigh-Cary	2.80	1.04	0.39	2.36	1.70	0.32
Rocky Mount	4.88	1.36	0.87	4.28	2.63	0.58
Wilmington	3.59	1.71	0.60	2.92	3.08	0.57
Winston-Salem	3.66	1.46	0.56	2.91	2.39	0.50
North Carolina	3.64	1.47	0.59	2.93	2.44	0.47
Fifth District	3.47	1.72	0.72	2.97	2.31	0.57
United States	3.82	2.85	0.93	3.05	3.40	0.90

\*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 receive an N/A.

Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (June 2011)

**Figure 12  
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 (June 2011)

**Table 9  
Owner-Occupied Subprime Loan Statistics: North Carolina**

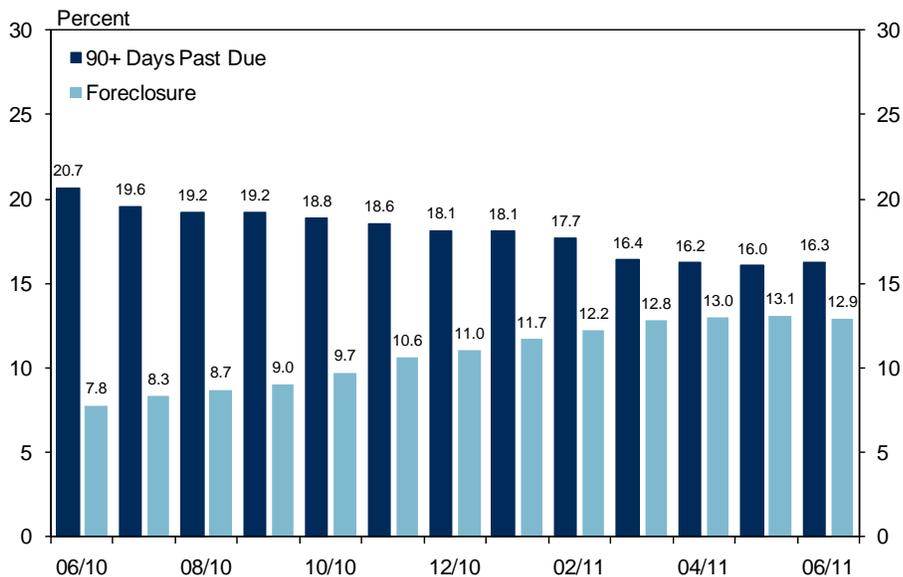
Geographic Area	June 2010			June 2011		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Asheville	20.57	7.53	1.80	14.42	12.59	1.26
Burlington	21.66	8.49	3.40	20.51	11.29	3.00
Charlotte-Gastonia*	21.42	8.87	1.95	15.90	14.82	1.71
Durham	22.45	8.20	1.49	17.97	12.22	1.98
Fayetteville	17.03	5.25	1.86	16.36	9.52	1.29
Goldsboro	20.49	7.38	2.46	20.61	11.84	0.44
Greensboro	19.73	7.92	2.24	15.61	12.10	1.88
Greenville	26.91	6.57	1.91	19.69	14.77	2.24
Hickory-Lenoir	19.91	7.54	1.46	11.65	13.35	1.94
Jacksonville	17.76	5.79	1.93	13.75	12.92	0.83
Kill Devil Hills	28.83	15.32	1.80	15.46	26.80	0.00
Raleigh-Cary	22.54	8.23	1.84	17.31	13.51	2.69
Rocky Mount	22.77	5.80	2.01	17.73	10.40	2.60
Wilmington	19.83	6.77	2.49	16.91	14.02	1.97
Winston-Salem	19.09	7.42	1.31	14.69	13.14	1.63
North Carolina	20.66	7.77	1.97	16.25	12.93	1.80
Fifth District	19.49	9.13	3.10	17.10	12.15	2.47
United States	20.88	13.35	2.73	16.75	17.02	2.68

\*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 2011)

**Figure 13  
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 2011)

**Table 10**  
**Owner-Occupied Interest Only Loan Statistics: North Carolina**

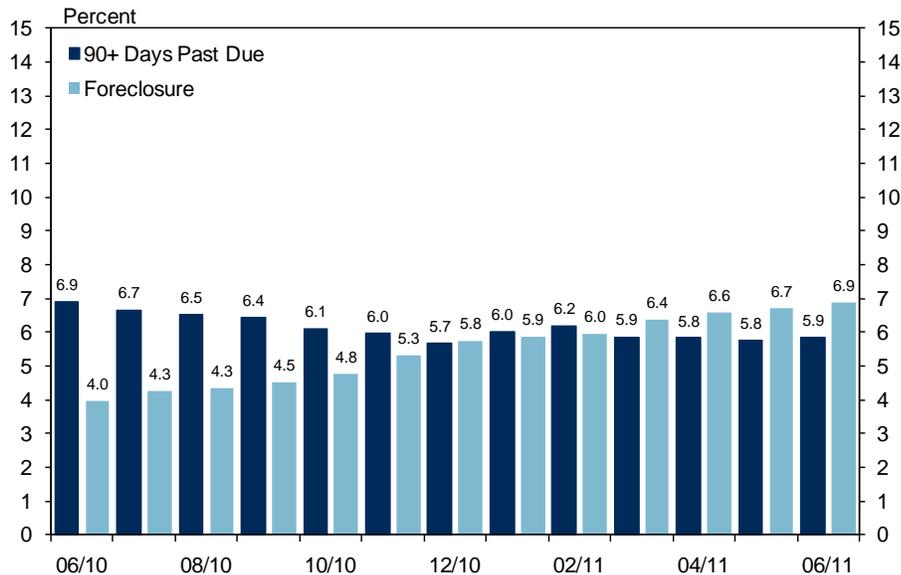
Geographic Area	June 2010			June 2011		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Asheville	6.04	4.02	1.87	4.74	7.52	1.72
Burlington	8.54	5.69	1.22	6.98	9.30	1.86
Charlotte-Gastonia*	6.98	3.90	1.65	5.33	6.70	1.21
Durham	5.32	2.84	0.97	5.45	4.65	0.95
Fayetteville	7.21	2.25	1.35	6.04	3.85	1.10
Goldsboro	10.42	2.08	0.00	4.88	2.44	2.44
Greensboro	5.40	3.37	1.90	5.04	5.11	1.45
Greenville	12.56	5.53	3.02	14.02	9.15	2.44
Hickory-Lenoir	7.89	5.07	1.41	7.64	11.15	0.32
Jacksonville	9.09	2.60	0.87	7.69	6.04	1.10
Kill Devil Hills	9.34	7.06	4.33	6.58	10.96	3.56
Raleigh-Cary	6.06	3.33	1.38	5.77	5.60	1.32
Rocky Mount	14.85	3.96	1.98	13.48	12.36	0.00
Wilmington	8.24	4.68	2.15	7.13	8.96	2.28
Winston-Salem	6.63	3.86	1.21	6.19	6.33	1.29
North Carolina	6.91	3.96	1.73	5.85	6.86	1.41
Fifth District	8.30	5.53	2.66	7.22	6.65	1.96
United States	11.16	9.74	3.15	9.22	10.83	2.83

\*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 2011)

**Figure 14**  
**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 2011)

**Table 11**  
**Unemployment Rates: North Carolina**

Geographic Area	Unemployment Rate	Percentage Point Change from June 2010
Asheville	8.2	-0.4
Burlington	10.9	-0.7
Charlotte-Gastonia	11.2	-0.6
Durham	8.0	0.0
Fayetteville	10.1	0.6
Goldsboro	9.2	0.2
Greensboro	10.8	-0.5
Greenville	10.8	0.3
Hickory-Lenoir	12.5	-0.9
Jacksonville	9.5	0.7
Kill Devil Hills	8.1	0.7
Raleigh-Cary	8.3	-0.4
Rocky Mount	13.7	-0.1
Wilmington	10.4	0.3
Winston-Salem	9.9	-0.3
North Carolina	10.4	-0.2
Fifth District	8.7	-0.2

Note: Data are not seasonally adjusted.  
Source: Bureau of Labor Statistics (June 2011)

**Table 12**  
**Owner-Occupied Loan Statistics**  
**Charlotte-Gastonia-Concord, NC MSA**

Geographic Area	June 2010			June 2011		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Anson County	10.70	3.55	1.65	6.16	5.80	1.26
Cabarrus County	5.81	2.31	0.65	4.30	4.07	0.61
Gaston County	6.55	2.49	1.19	4.69	4.15	0.80
Mecklenburg County	5.87	2.47	0.73	4.22	3.99	0.60
Union County	5.60	2.34	0.82	4.26	3.87	0.63

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 2011) and Mortgage Bankers Association (2011:Q2)/Haver Analytics.

**Table 13**  
**Owner-Occupied Loan Statistics**  
**Raleigh-Cary, NC MSA**

Geographic Area	June 2010			June 2011		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Franklin County	5.96	2.41	0.90	4.91	3.61	0.79
Johnston County	5.79	1.93	0.90	4.89	3.04	0.70
Wake County	3.74	1.40	0.42	2.97	2.26	0.42

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 2011) and Mortgage Bankers Association (2011:Q2)/Haver Analytics.

**Table 14**  
**Owner-Occupied Prime Loan Statistics**  
**Charlotte-Gastonia-Concord, NC MSA**

Geographic Area	June 2010			June 2011		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Anson County	8.21	2.37	1.26	6.26	3.72	1.18
Cabarrus County	4.48	1.80	0.58	3.33	3.10	0.45
Gaston County	4.86	1.93	0.96	3.62	3.13	0.65
Mecklenburg County	4.53	1.87	0.63	3.28	3.10	0.51
Union County	4.23	1.84	0.75	3.15	3.01	0.61

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 2011)

**Table 15**  
**Owner-Occupied Prime Loan Statistics**  
**Raleigh-Cary, NC MSA**

Geographic Area	June 2010			June 2011		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Franklin County	4.50	1.75	0.86	3.48	2.71	0.73
Johnston County	4.23	1.40	0.68	3.74	2.29	0.45
Wake County	2.58	0.98	0.34	2.17	1.60	0.29

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 2011)

**Table 16**  
**Owner-Occupied Subprime Loan Statistics**  
**Charlotte-Gastonia-Concord, NC MSA**

Geographic Area	June 2010			June 2011		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Anson County	17.11	6.58	2.63	5.88	11.76	1.47
Cabarrus County	21.53	8.39	1.46	16.25	16.05	2.51
Gaston County	19.72	6.91	3.02	13.84	12.88	2.05
Mecklenburg County	21.55	9.46	1.81	15.91	15.01	1.67
Union County	23.21	8.72	1.71	19.21	15.40	0.83

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 2011)

**Table 17**  
**Owner-Occupied Subprime Loan Statistics**  
**Raleigh-Cary, NC MSA**

Geographic Area	June 2010			June 2011		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Franklin County	20.13	8.81	1.26	20.00	13.10	1.38
Johnston County	22.34	7.63	3.27	18.18	11.73	3.52
Wake County	22.73	8.29	1.65	16.99	13.83	2.64

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 2011)

**Table 18**  
**Owner-Occupied Interest Only Loan Statistics**  
**Charlotte-Gastonia-Concord, NC MSA**

Geographic Area	June 2010			June 2011		
	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	8.22	4.78	1.94	7.80	7.27	0.35
Gaston County	8.92	5.03	2.75	7.14	9.26	1.59
Mecklenburg County	6.26	3.61	1.53	4.86	5.97	1.15
Union County	9.27	4.60	1.73	5.92	9.30	1.65

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 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 2011)

**Table 19**  
**Owner-Occupied Interest Only Loan Statistics**  
**Raleigh-Cary, NC MSA**

Geographic Area	June 2010			June 2011		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Franklin County**	8.42	4.21	2.11	5.00	5.00	2.50
Johnston County	9.13	4.35	2.61	7.54	8.54	1.51
Wake County	5.83	3.22	1.29	5.70	5.41	1.27

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 2011)

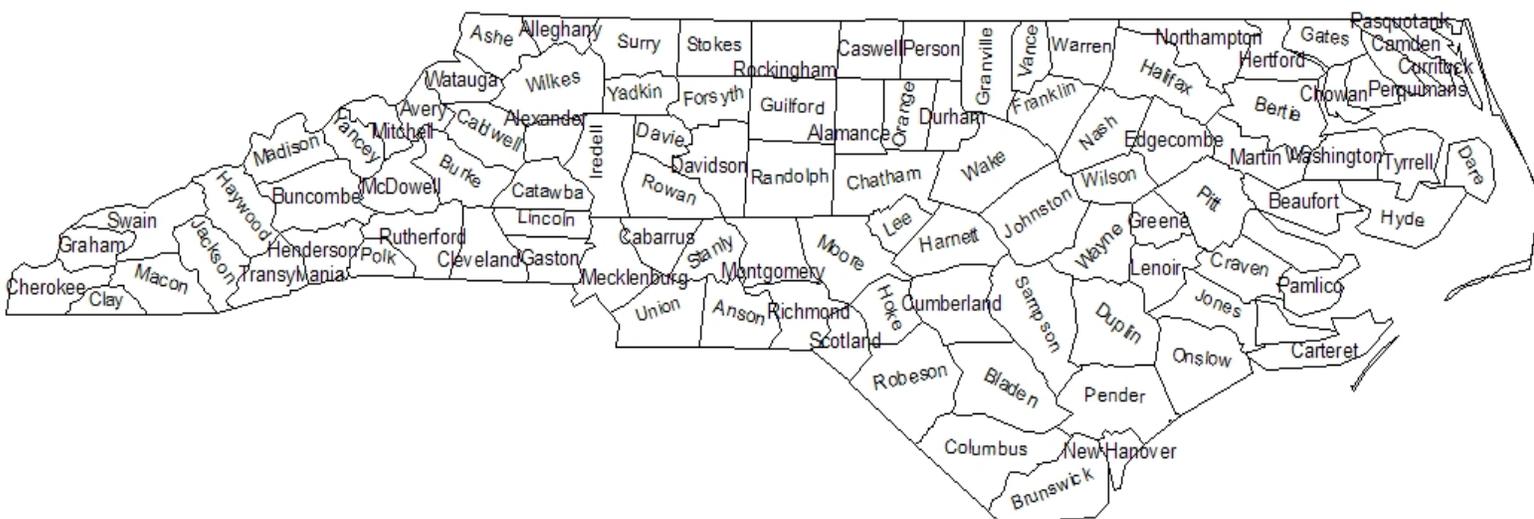
## MSA Definitions

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.

Loan Processing Services, Inc. made a large enhancement to the Applied Analytics Mortgage Data (LPS Data) in November 2010 with the addition of several servicers. Performance numbers for the added servicers date back to January 2008. Historical rates may have changed in this version of the Mortgage Performance Summaries from previous versions.

The LPS data in this document is subject to revision.