Mortgage Performance Summary

QUARTERLY UPDATE

Housing Market and Mortgage Performance in North Carolina

3rd Quarter, 2011

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THE FEDERAL RESERVE BANK OF RICHMOND
RICHMOND ▪ BALTIMORE ▪ CHARLOTTE

An Update on Housing Market and Mortgage Performance in North Carolina
3rd 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 4.4 percent in September 2010 to 3.8 percent in September 2011. Nonetheless, the foreclosure rate continued to climb, rising from 2.4 percent to 3.8 percent over the same period. (Table 7)
- North Carolina's prime foreclosure rate rose from 1.8 percent to 2.8 percent over the year ending in September 2011. The prime 90+ day delinquency rate fell from 3.1 percent to 3.0 percent over the same period. (Table 8)
- The subprime foreclosure rate in North Carolina also rose, moving up from 9.0 percent in September 2010 to 16.0 percent in September 2011, while the 90+ day delinquency rate fell from 19.1 percent to 13.4 percent over the same period. (Table 9)
- The subprime share of the foreclosure inventory in North Carolina remained at 26.6 percent in the third quarter of 2011, though subprime mortgages make up only 8.1 percent of all mortgages. North Carolina is ranked 32nd 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 (4.8 percent) in September, with the Charlotte MSA posting a close second of 4.6 percent. Rocky Mount had the highest 90+ day delinquency rate (6.1 percent) in North Carolina, followed by the Goldsboro metro area (4.6 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)

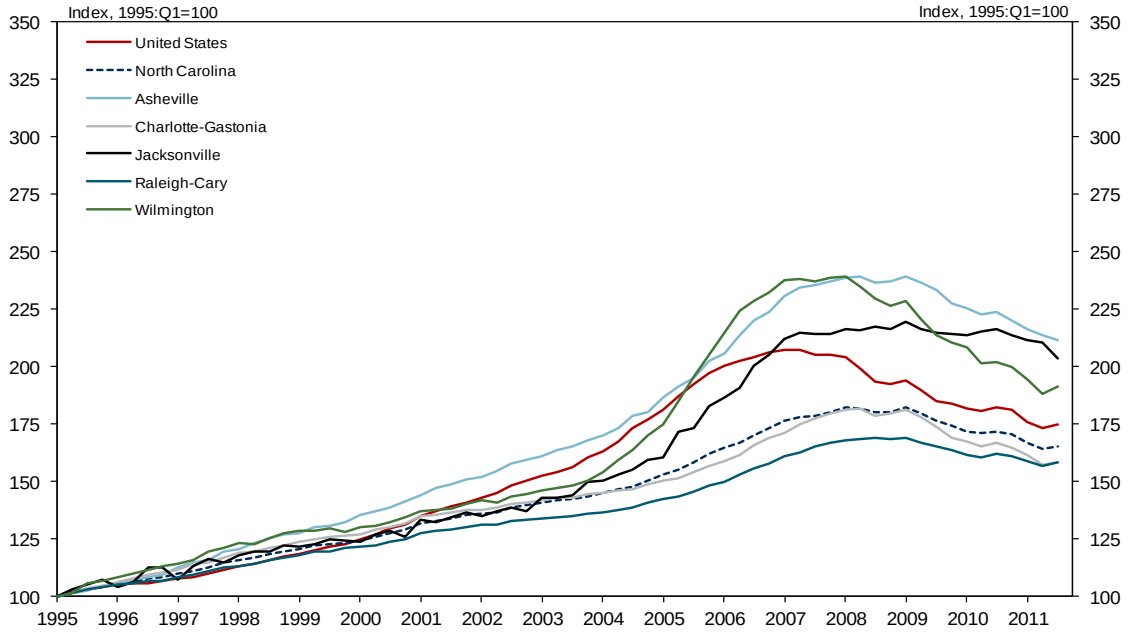
State Economic Conditions and Looking Forward

- Declining house prices play a significant role in rising default rates. House prices in North Carolina rose 0.6 in the second quarter, but prices continued to fall on a year-over-year basis. Home values in the state depreciated 9.4 percent since the first quarter of 2009.
- 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 10.0 percent by September 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/
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

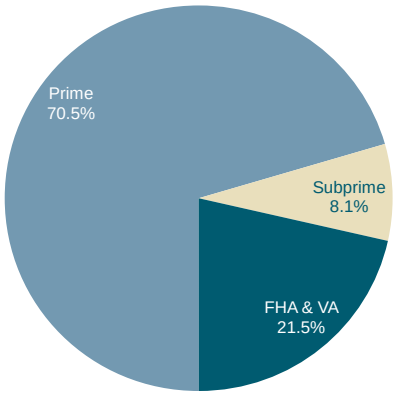
Figure 1
FHFA House Price Index: North Carolina



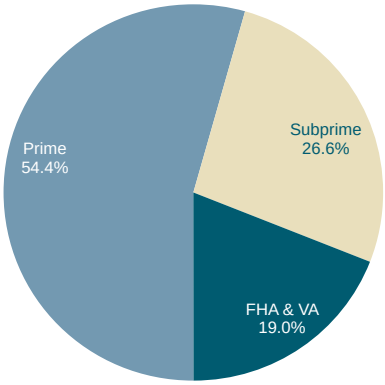
Source: Federal Housing Finance Agency (2011:Q3)/Haver Analytics

Figure 2
Mortgage Distribution: North Carolina

2a: Mortgages Outstanding

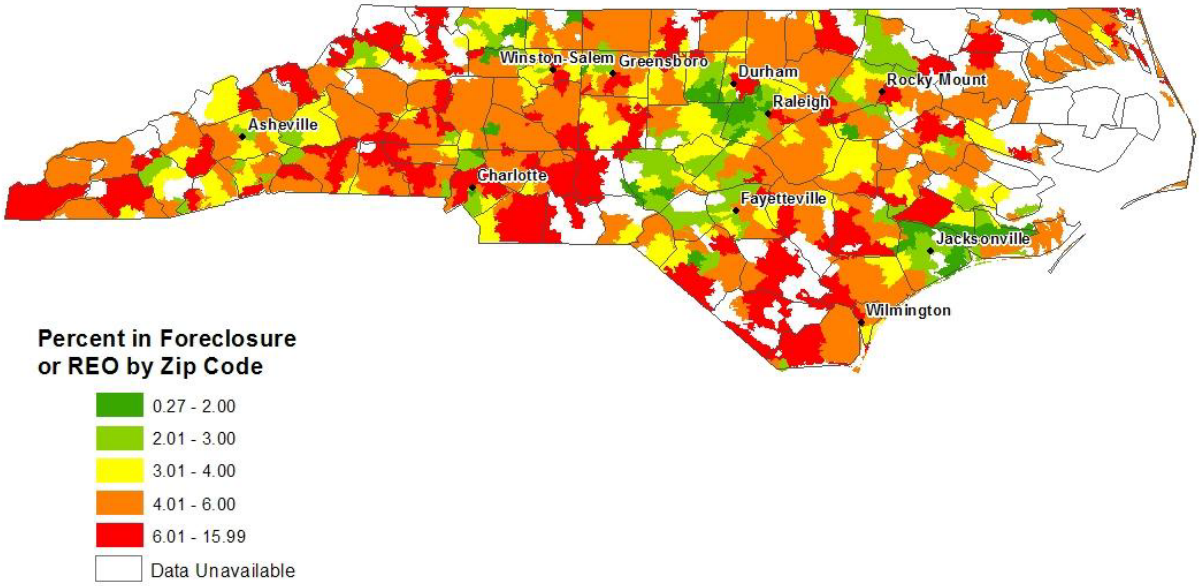


2b: Foreclosure Inventory



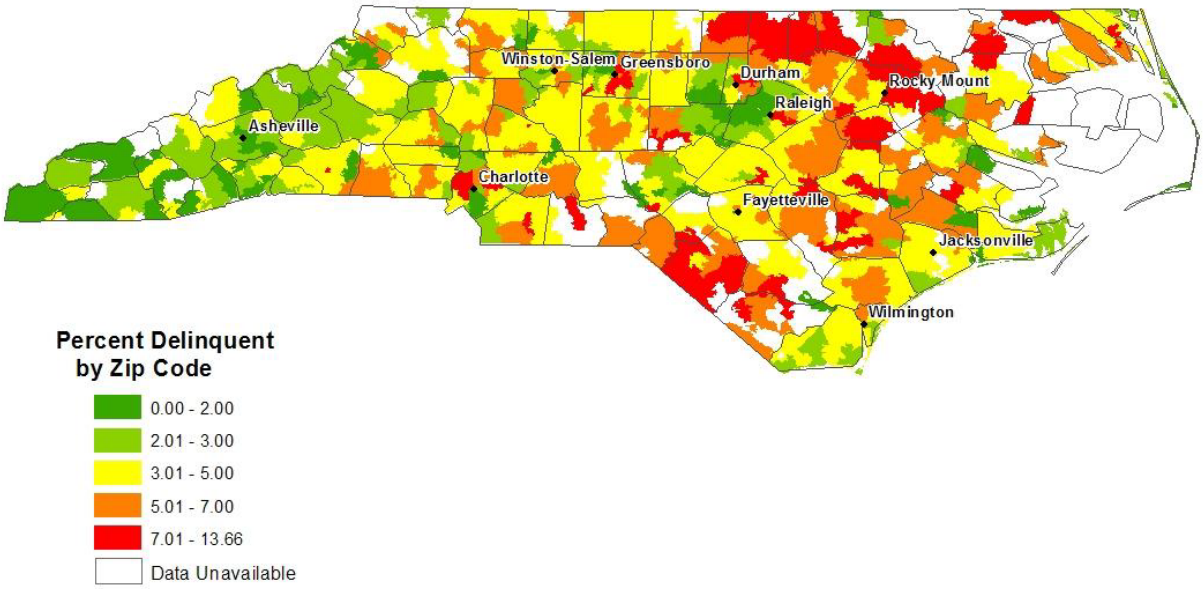
Source: Mortgage Bankers Association (2011:Q3)/Haver Analytics. Percentages may not sum to 100 due to rounding.

Figure 3
Percentage of Owner-Occupied Loans in Foreclosure or REO[1]: 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 (September 2011) and Mortgage Bankers Association (2011:Q3)/Haver Analytics

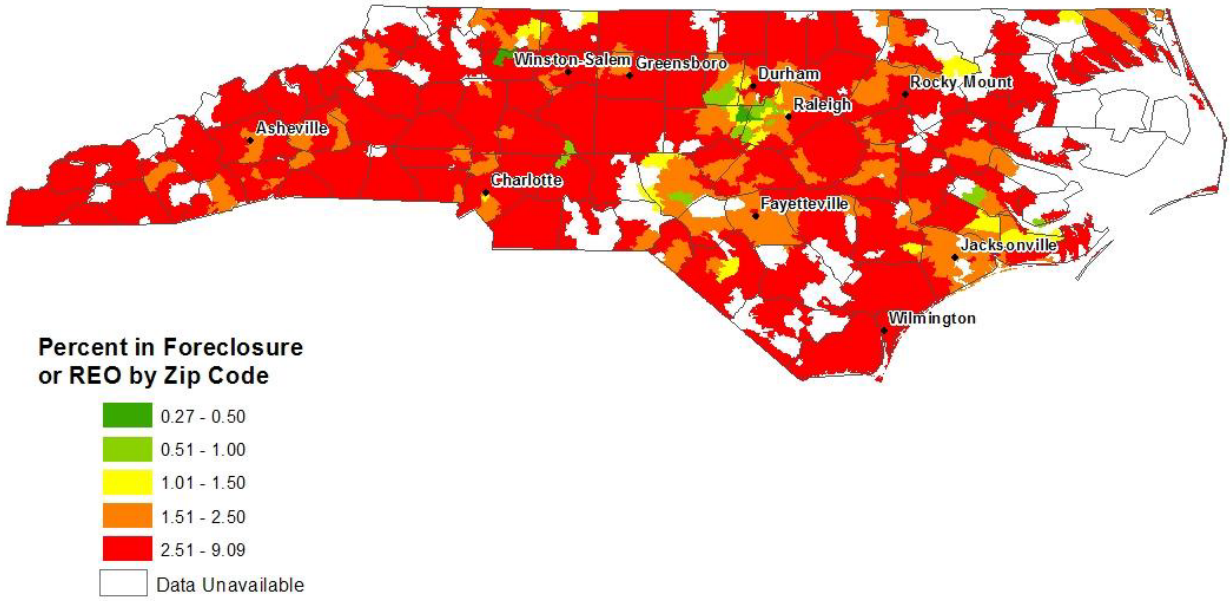
Figure 4
Percentage of Owner-Occupied Loans with 90+ Day Delinquency: North Carolina



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 (September 2011) and Mortgage Bankers Association (2011:Q3)/Haver Analytics

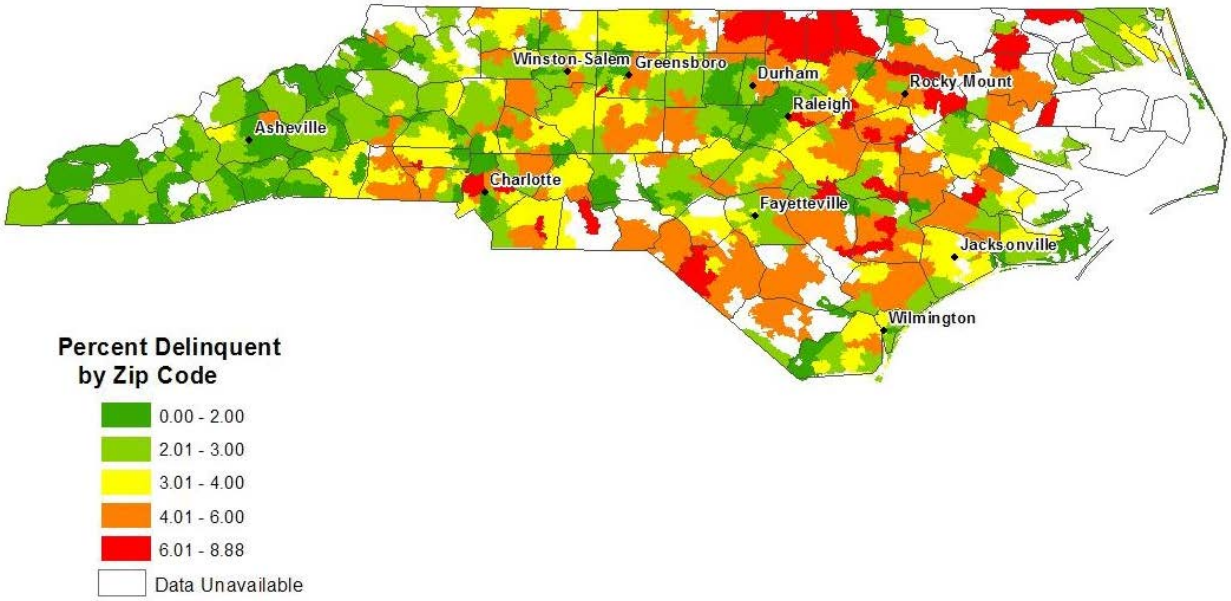
[1] Real Estate Owned (REO) properties are in the possession of the lender due to foreclosure or forfeiture.

Figure 5
Percentage of Owner-Occupied Prime Loans in Foreclosure or REO[2]: 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 (September 2011)

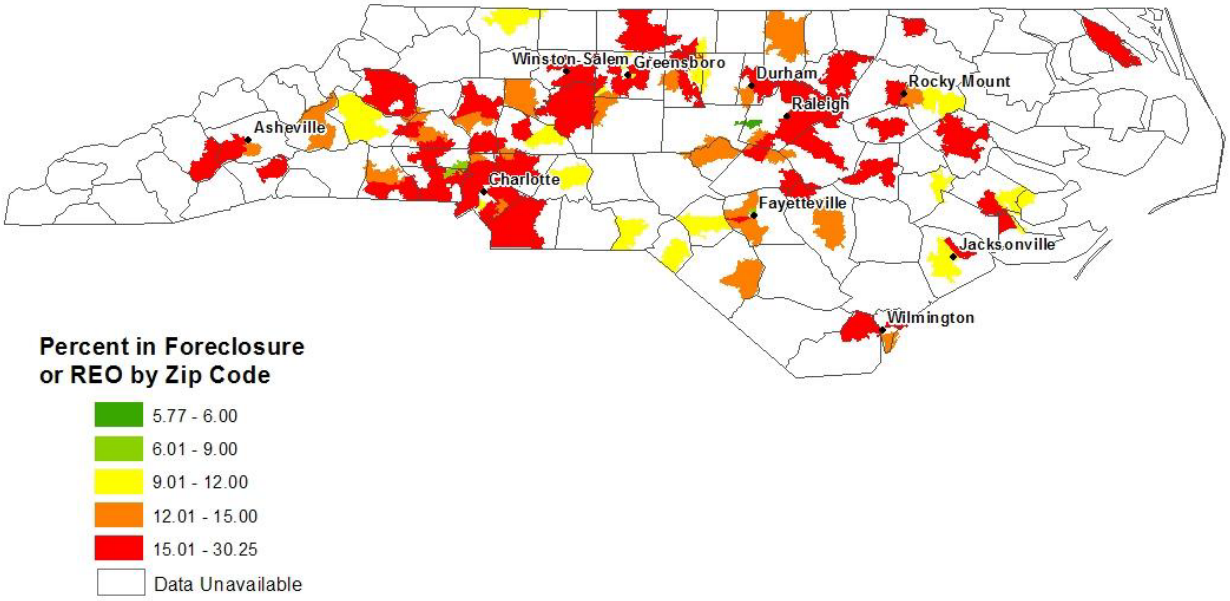
Figure 6
Percentage of Owner-Occupied Prime Loans with 90+ Day Delinquency: North Carolina



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 (September 2011)

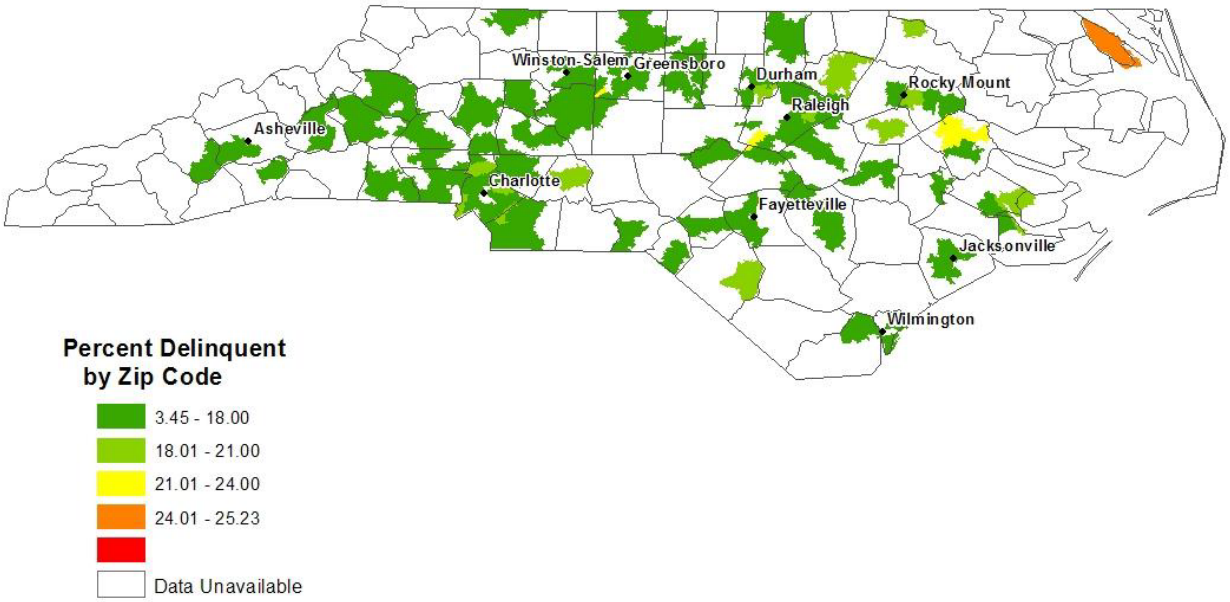
[2] Real Estate Owned (REO) properties are in the possession of the lender due to foreclosure or forfeiture.

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



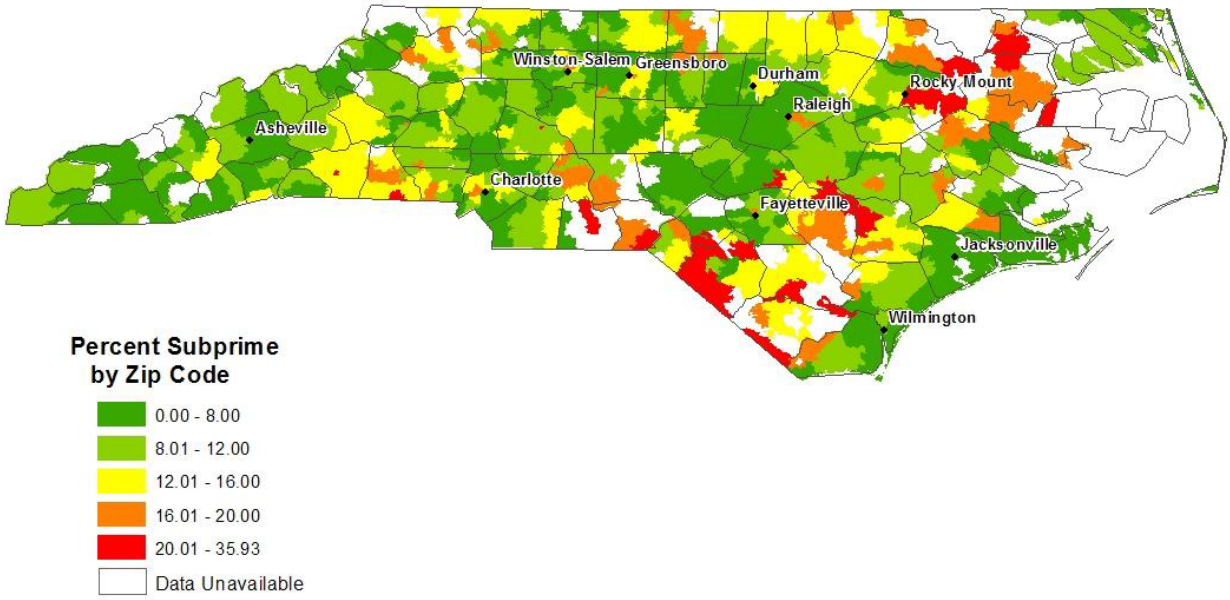
Notes: FHA and VA loans are included in the count of prime loans. Uncategorized zip codes have fewer than 100 loans, fewer than 50 subprime loans, or have no data available.
Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (September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

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



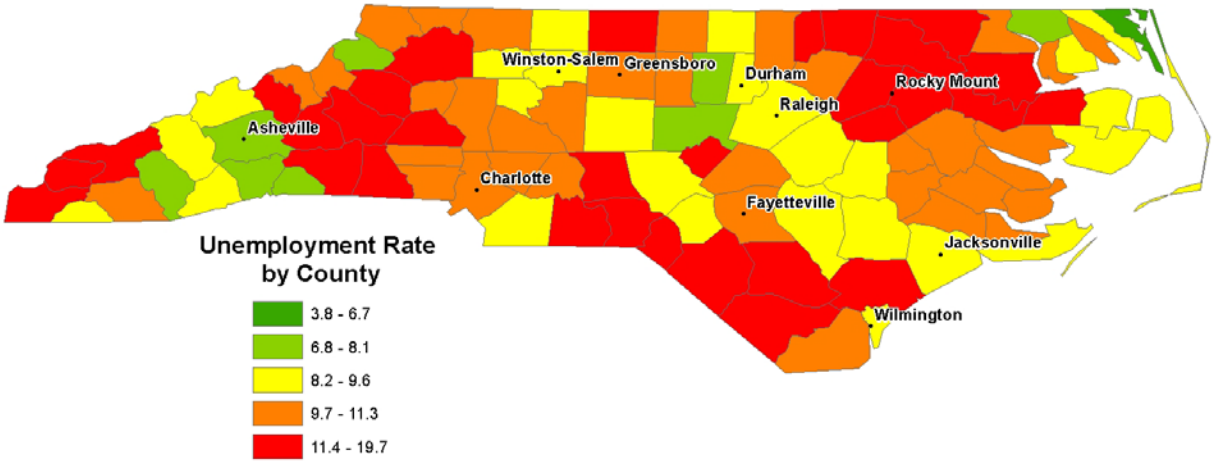
Notes: FHA and VA loans are included in the count of prime loans. Uncategorized zip codes have fewer than 100 loans, fewer than 50 subprime loans, or have no data available.
Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (September 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 (September 2011) and Mortgage Bankers Association (2011:Q3)/Haver Analytics

Figure 10
Unemployment Rate: North Carolina



Notes: Unemployment Rate in September 2011
Source: Bureau of Labor Statistics

Table 1
Foreclosure Rates by Mortgage Type: North Carolina

	North Carolina		United States
Loan Type	Percent in Foreclosure	National Rank	Percent in Foreclosure
Total	3.08	29	4.43
Prime Total	2.38	24	3.37
Prime Fixed-Rate	2.14	20	2.56
Prime Adjustable-Rate	4.73	35	9.05
Subprime Total	10.15	34	14.84
Subprime Fixed-Rate	7.75	31	10.82
Subprime Adjustable-Rate	15.61	32	22.73

Source: Mortgage Bankers Association (2011:Q3)/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	28	3.11	28
Maryland	4.82	2	3.71	17
North Carolina	3.03	25	3.08	29
South Carolina	2.99	26	4.40	11
Virginia	2.35	40	1.85	45
West Virginia	2.61	32	2.14	39
Fifth District	3.21	--	3.01	--
United States	3.46	--	4.43	--

Source**:** Mortgage Bankers Association (2011:Q3)/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	1.97	15	2.42	22
Maryland	3.20	3	2.67	19
North Carolina	1.55	28	2.38	24
South Carolina	1.66	25	3.55	7
Virginia	1.31	37	1.36	43
West Virginia	1.33	36	1.53	39
Fifth District	1.86	--	2.28	--
United States	2.17	--	3.37	--

Source**:** Mortgage Bankers Association (2011:Q3)/Haver Analytics

Table 4
Subprime Share of All Loans: Fifth District

Geographic Area	Percent Subprime	National Rank
District of Columbia	7.47	39
Maryland	10.16	16
North Carolina	8.08	32
South Carolina	9.69	19
Virginia	7.15	42
West Virginia	10.00	17
Fifth District	8.53	--
United States	9.63	--

Source: Mortgage Bankers Association (2011:Q3)/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	12.80	8	12.76	17
Maryland	14.77	3	12.89	16
North Carolina	10.76	22	10.15	34
South Carolina	9.95	30	13.00	15
Virginia	10.14	29	8.15	39
West Virginia	9.75	31	7.30	46
Fifth District	11.54	--	10.78	--
United States	10.85	--	14.84	--

Source**:** Mortgage Bankers Association (2011:Q3)/Haver Analytics

Table 6
General Housing Statistics: North Carolina

	Housing Units					Percent of Owner-Occupied Mortgages With:			
				Owner-Occupied					
Geographic Area	Total	Vacant	Occupied	Total	With a Mortgage	Prime Loan	Subprime Loan	Adjustable Rate	Interest Only
Asheville	213,637	33,720	179,917	125,590	76,295	92.80	7.20	7.37	3.40
Burlington	66,576	6,616	59,960	40,104	27,247	90.35	9.65	6.61	1.62
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	3.27	7.98	11.11	4.34
Durham	222,760	20,284	202,476	121,650	91,562	2.88	7.93	11.22	3.22
Fayetteville	153,735	14,772	138,963	80,053	61,421	2.97	8.19	7.99	0.46
Goldsboro	52,949	5,118	47,831	29,828	19,525	3.25	9.44	9.35	0.56
Greensboro	322,754	32,060	290,694	186,999	134,353	3.20	8.61	8.32	1.85
Greenville	83,203	8,313	74,890	41,985	30,013	2.97	10.08	6.63	1.28
Hickory-Lenoir	162,613	18,109	144,504	103,966	66,104	2.63	9.86	5.58	1.29
Jacksonville	68,226	8,134	60,092	34,332	25,865	3.00	4.17	9.66	1.02
Kill Devil Hills	33,492	19,157	14,335	10,118	7,214	1.84	5.55	12.54	7.49
Raleigh-Cary	466,095	35,518	430,577	287,501	234,196	2.41	5.95	10.14	3.10
Rocky Mount	67,124	7,662	59,462	37,967	24,892	4.36	13.78	7.47	1.02
Wilmington	205,642	52,966	152,676	102,867	72,689	2.90	5.76	8.75	4.58
Winston-Salem	214,375	22,065	192,310	130,315	91,204	2.93	8.45	7.88	1.62
North Carolina	4,327,528	582,373	3,745,155	2,497,900	1,741,905	91.92	8.08	8.96	2.78
Fifth District	13,387,600	1,598,257	11,789,343	7,930,734	5,632,033	91.47	8.53	11.41	5.88
United States	131,704,730	14,988,438	116,716,292	75,986,074	51,208,208*	90.37	9.63	11.83	5.48

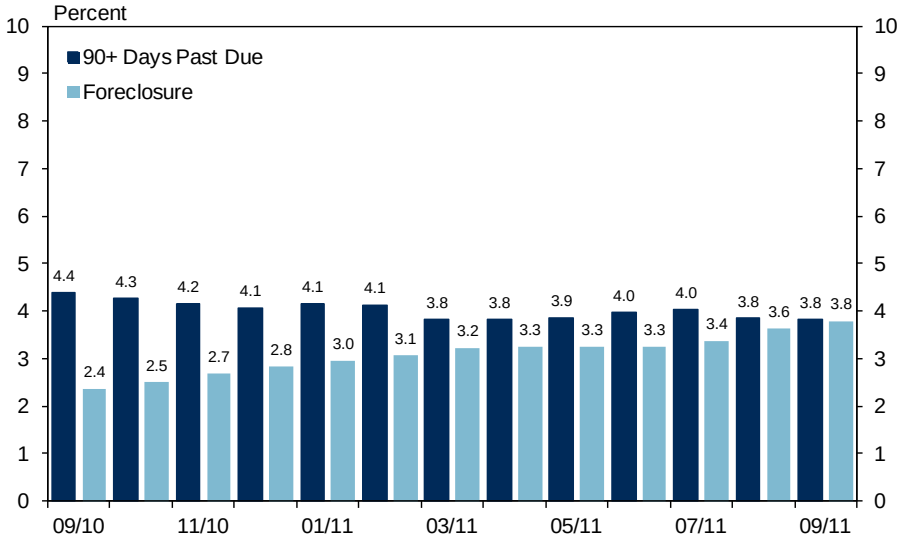
Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans.
Source: Housing units are reported in the 2010 Census. Mortgage estimates are Federal Reserve Bank of Richmond calculations using data from Lender Processing Services (LPS) Applied Analytics (September 2011) and Mortgage Bankers Association (2011:Q3)/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

	September 2010			September 2011		
Geographic Area	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Asheville	3.32	2.08	0.72	2.46	3.45	0.55
Burlington	5.00	2.24	1.32	4.07	4.25	0.74
Charlotte-Gastonia*	5.02	2.94	0.91	4.11	4.61	0.56
Durham	4.38	1.87	0.70	3.84	3.20	0.44
Fayetteville	3.58	1.67	0.54	3.75	2.51	0.41
Goldsboro	4.58	2.18	0.85	4.55	3.38	0.46
Greensboro	4.59	2.34	0.94	4.12	3.80	0.56
Greenville	5.34	2.12	0.70	4.35	3.83	0.46
Hickory-Lenoir	4.29	2.83	1.00	3.46	4.41	0.62
Jacksonville	2.44	1.45	0.41	3.36	2.10	0.28
Kill Devil Hills	3.58	2.99	1.24	2.26	4.79	0.65
Raleigh-Cary	3.49	1.76	0.59	3.12	2.79	0.47
Rocky Mount	6.73	2.67	1.32	6.08	4.09	0.89
Wilmington	3.95	2.46	0.94	3.53	4.22	0.61
Winston-Salem	4.35	2.39	0.76	3.54	3.88	0.63
North Carolina	4.39	2.38	0.83	3.82	3.82	0.56
Fifth District	4.45	2.47	1.01	4.15	3.46	0.66
United States	4.96	4.09	1.22	4.26	4.92	1.01

*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 (September 2011) and Mortgage Bankers Association (2011:Q3)/Haver Analytics.

Figure 11
Owner-Occupied Loan Statistics: North Carolina



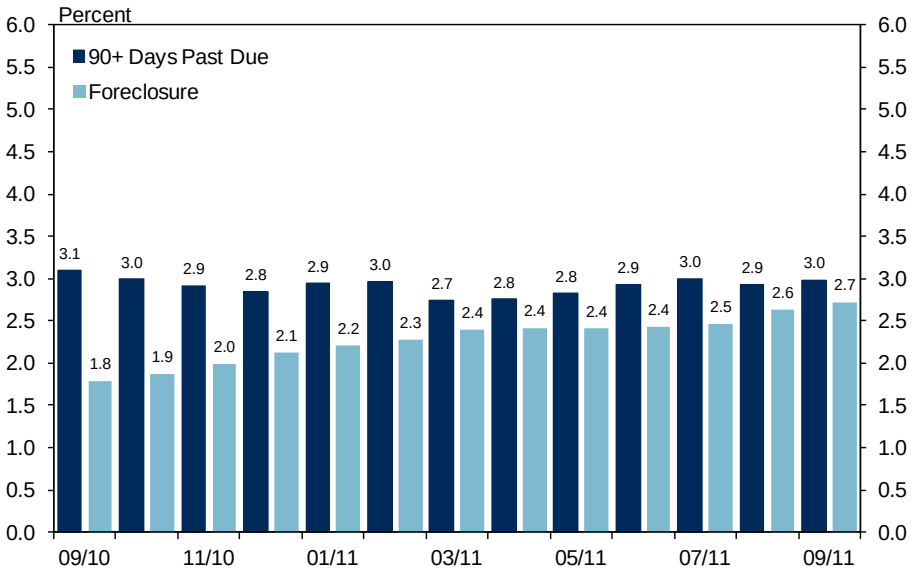
Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans.
Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (September 2011) and Mortgage Bankers Association (2011:Q3)/Haver Analytics.

Table 8
Owner-Occupied Prime Loan Statistics: North Carolina

Geographic Area	September 2010 Percent 90+ Days Past Due	September 2010 Percent in Foreclosure	September 2010 Percent in REO	September 2011 Percent 90+ Days Past Due	September 2011 Percent in Foreclosure	September 2011 Percent in REO
Asheville	2.15	1.60	0.65	1.91	2.47	0.48
Burlington	3.19	1.61	0.86	2.95	2.76	0.57
Charlotte-Gastonia*	3.76	2.30	0.79	3.27	3.48	0.48
Durham	2.91	1.34	0.51	2.88	2.10	0.33
Fayetteville	2.37	1.20	0.42	2.97	1.66	0.29
Goldsboro	3.00	1.47	0.77	3.25	2.09	0.46
Greensboro	3.26	1.76	0.77	3.20	2.74	0.47
Greenville	3.10	1.36	0.52	2.97	2.28	0.28
Hickory-Lenoir	2.89	2.12	0.90	2.63	3.17	0.59
Jacksonville	1.89	1.20	0.39	3.00	1.60	0.23
Kill Devil Hills	2.55	2.22	1.14	1.84	3.15	0.69
Raleigh-Cary	2.39	1.29	0.48	2.41	1.91	0.35
Rocky Mount	4.40	1.92	1.03	4.36	2.85	0.58
Wilmington	3.00	2.11	0.80	2.90	3.44	0.55
Winston-Salem	3.12	1.75	0.72	2.93	2.71	0.56
North Carolina	3.10	1.80	0.70	2.99	2.75	0.48
Fifth District	3.12	1.85	0.81	3.08	2.51	0.53
United States	3.34	3.02	1.03	3.16	3.46	0.84

*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 (September 2011)

Figure 12
Owner-Occupied Prime Loan Statistics: North Carolina



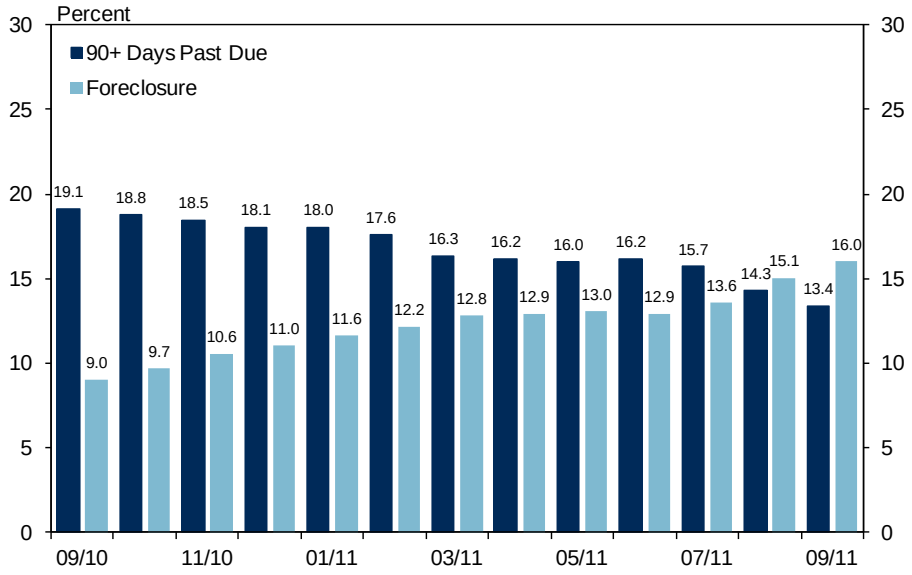
Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans.
Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (September 2011)

Table 9
Owner-Occupied Subprime Loan Statistics: North Carolina

Geographic Area	September 2010 Percent 90+ Days Past Due	September 2010 Percent in Foreclosure	September 2010 Percent in REO	September 2011 Percent 90+ Days Past Due	September 2011 Percent in Foreclosure	September 2011 Percent in REO
Asheville	18.42	8.23	1.63	9.59	16.02	1.52
Burlington	21.70	8.09	5.53	14.55	18.24	2.31
Charlotte-Gastonia*	19.62	10.40	2.32	13.86	17.64	1.46
Durham	21.77	8.19	2.95	15.02	16.02	1.72
Fayetteville	17.02	6.88	1.89	12.43	12.06	1.76
Goldsboro	20.00	9.17	1.67	17.03	15.72	0.44
Greensboro	18.65	8.42	2.76	13.94	14.95	1.56
Greenville	26.03	9.11	2.39	16.70	17.61	2.03
Hickory-Lenoir	16.94	9.22	1.84	11.04	15.76	0.87
Jacksonville	15.18	7.39	0.78	11.52	13.58	1.23
Kill Devil Hills	20.95	16.19	2.86	9.47	32.63	0.00
Raleigh-Cary	20.83	9.06	2.48	14.27	16.71	2.31
Rocky Mount	21.48	7.38	3.13	16.86	11.88	2.85
Wilmington	18.98	8.03	3.16	13.81	16.89	1.61
Winston-Salem	17.83	9.43	1.26	10.22	16.54	1.33
North Carolina	19.10	9.00	2.33	13.36	16.00	1.56
Fifth District	19.21	9.36	3.23	15.66	13.65	2.06
United States	19.99	13.96	2.98	14.58	18.53	2.60

*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 (September 2011)

Figure 13
Owner-Occupied Subprime Loan Statistics: North Carolina



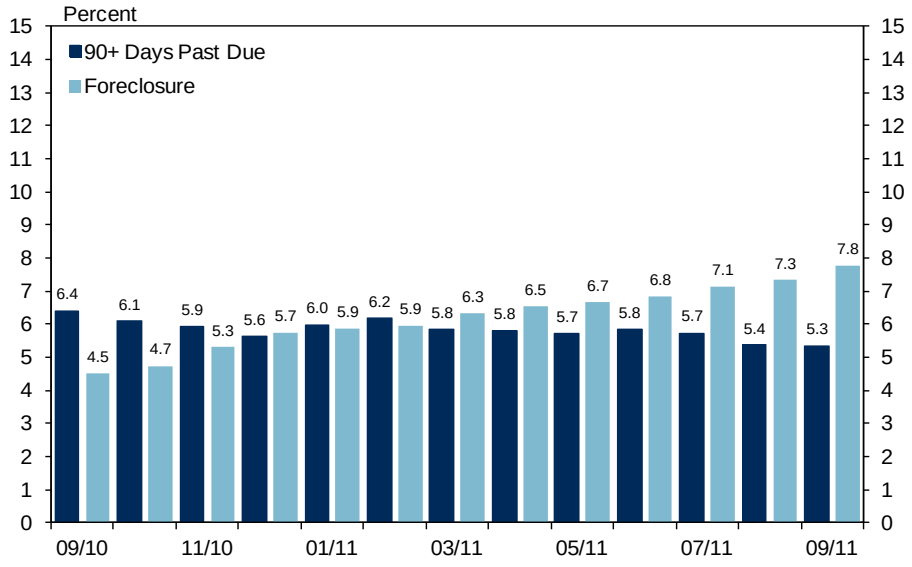
Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans.
Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (September 2011)

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

	September 2010			September 2011		
Geographic Area	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Asheville	5.44	4.87	2.15	3.80	9.23	1.21
Burlington	5.44	5.86	3.35	6.73	11.06	1.44
Charlotte-Gastonia*	6.49	4.47	1.79	4.93	7.62	1.07
Durham	6.04	3.18	1.34	5.07	5.46	0.77
Fayetteville	7.48	1.40	0.93	5.71	4.57	0.57
Goldsboro	N/A	N/A	N/A	N/A	N/A	N/A
Greensboro	5.40	3.27	2.33	4.80	6.51	0.73
Greenville	12.90	5.38	3.76	8.75	11.88	1.88
Hickory-Lenoir	7.06	5.59	1.76	7.36	9.70	1.00
Jacksonville	9.13	3.20	0.91	6.78	6.78	0.56
Kill Devil Hills	8.04	6.62	4.96	6.10	10.17	3.49
Raleigh-Cary	5.33	3.84	1.53	5.12	6.31	1.29
Rocky Mount	15.15	10.10	1.01	8.14	11.63	3.49
Wilmington	7.37	5.19	2.47	6.85	9.79	1.84
Winston-Salem	7.71	3.92	1.77	6.33	7.98	0.75
North Carolina	6.41	4.50	1.99	5.34	7.78	1.22
Fifth District	7.96	5.46	2.84	7.22	6.89	1.63
United States	10.21	10.01	3.49	8.65	11.06	2.54

*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 (September 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 (September 2011)

Table 11
Unemployment Rates: North Carolina

Geographic Area	Unemployment Rate	Percentage Point Change from September 2010
Asheville	8.1	0.6
Burlington	10.2	0.2
Charlotte-Gastonia	10.7	0.0
Durham	7.7	0.7
Fayetteville	9.9	1.1
Goldsboro	9.0	0.8
Greensboro	10.4	0.4
Greenville	10.3	1.0
Hickory-Lenoir	12.0	0.2
Jacksonville	9.5	1.6
Kill Devil Hills	9.4	2.8
Raleigh-Cary	8.4	0.5
Rocky Mount	13.4	1.5
Wilmington	10.2	1.1
Winston-Salem	9.4	0.3
North Carolina	10.0	0.6
Fifth District	8.4	0.1

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

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

	September 2010			September 2011		
Geographic Area	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Anson County	7.79	3.81	2.03	5.64	6.84	1.16
Cabarrus County	4.87	2.88	0.77	4.10	4.74	0.61
Gaston County	5.66	3.13	1.15	4.34	4.87	0.78
Mecklenburg County	4.97	2.91	0.91	4.15	4.51	0.52
Union County	4.77	2.97	0.80	3.68	4.70	0.53

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 (September 2011) and Mortgage Bankers Association (2011:Q3)/Haver Analytics.

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

	September 2010			September 2011		
Geographic Area	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Franklin County	5.34	2.80	1.27	4.87	4.02	0.89
Johnston County	4.83	2.20	0.99	4.63	3.70	0.70
Wake County	3.26	1.66	0.52	2.88	2.64	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 (September 2011) and Mortgage Bankers Association (2011:Q3)/Haver Analytics.

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

	September 2010			September 2011		
Geographic Area	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Anson County	7.17	2.71	1.27	5.56	3.99	1.04
Cabarrus County	3.67	2.30	0.70	3.35	3.59	0.46
Gaston County	4.20	2.37	0.99	3.39	3.64	0.63
Mecklenburg County	3.73	2.27	0.77	3.28	3.44	0.46
Union County	3.53	2.34	0.78	2.97	3.44	0.47

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 (September 2011)

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

	September 2010			September 2011		
Geographic Area	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Franklin County	3.77	2.12	1.14	3.64	2.77	0.71
Johnston County	3.38	1.85	0.83	3.75	2.68	0.49
Wake County	2.23	1.20	0.41	2.22	1.79	0.32

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 (September 2011)

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

	September 2010			September 2011		
Geographic Area	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Anson County	9.46	6.76	4.05	5.88	14.71	1.47
Cabarrus County	19.52	10.04	1.67	13.24	18.58	2.37
Gaston County	17.73	9.39	2.48	12.24	15.16	2.09
Mecklenburg County	19.98	10.60	2.58	14.68	17.50	1.19
Union County	21.24	11.25	1.11	12.90	20.94	1.34

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 (September 2011)

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

	September 2010			September 2011		
Geographic Area	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Franklin County	21.15	9.62	2.56	17.36	16.67	2.78
Johnston County	21.07	6.18	2.81	14.67	15.27	2.99
Wake County	20.77	9.48	2.43	14.00	16.94	2.17

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 (September 2011)

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

	September 2010			September 2011		
Geographic Area	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	8.11	4.52	2.34	7.99	8.36	0.56
Gaston County	8.10	7.14	1.19	5.95	9.92	1.13
Mecklenburg County	5.62	4.06	1.81	4.48	6.81	1.04
Union County	9.51	5.73	1.55	5.46	10.52	1.45

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 (September 2011)

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

	September 2010			September 2011		
Geographic Area	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Franklin County**	7.45	3.19	4.26	6.58	3.95	1.32
Johnston County	7.76	5.48	2.28	6.84	8.42	2.11
Wake County	5.11	3.74	1.42	4.98	6.21	1.24

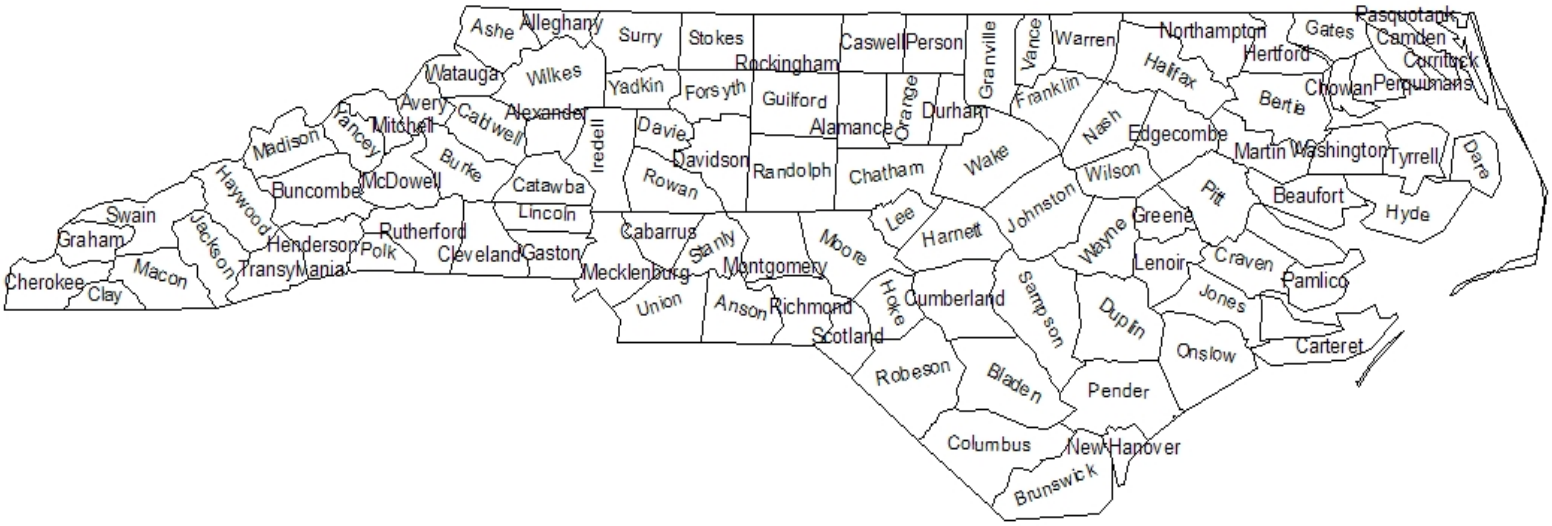
Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 raw loans and/or fewer than 50 raw interest only loans receive an N/A.
Source: Federal Reserve Bank of Richmond estimates using data from Lender Processing Services (LPS) Applied Analytics (September 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.