

Mortgage Performance Summary



THE FEDERAL RESERVE BANK OF RICHMOND

RICHMOND ■ BALTIMORE ■ CHARLOTTE

An Update on Housing Market and Mortgage Performance in Virginia
3rd Quarter, 2010
Summary of Findings

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

State Delinquency and Foreclosure Rates

- There is preliminary evidence that delinquency and foreclosure rates in Virginia continued to plateau or decline in the third quarter of 2010.
- The prime foreclosure rate in Virginia remained steady at 1.3 percent from September 2009 to September 2010. Over the same period, the prime 90+ day delinquency rate decreased from 2.7 percent to 2.5 percent. (Table 6)
- The subprime foreclosure rate also remained steady in the past year at 8.1 percent while the 90+ day delinquency rate fell slightly from 21.8 percent to 21.4 percent. (Table 7)
- Subprime mortgages continue to make up 29.3 percent of the foreclosure inventory in Virginia, though they make up only 7.0 percent of all mortgages. Virginia is ranked 39th in the nation in its share of subprime loans. (Figure 2 and Table 3)

Metro Area Highlights

- Northern Virginia (the Virginia portion of the Washington, D.C. MSA) and the Winchester MSA continued to have the highest subprime default rates in the state (8.8 percent and 11.4 percent, respectively) in September. However, in the same month, the Charlottesville MSA had the highest share of subprime mortgages not in foreclosure, but with payments more than 90 days past due (27.1 percent). (Table 7)
- Northern Virginia and the Winchester MSA also reported the highest prime foreclosure rates in the state in September. However, the highest prime 90+ day delinquency rates in September were reported in the Richmond MSA (3.0 percent) and the Winchester MSA (3.0 percent). (Table 6)

State Economic Conditions and Looking Forward

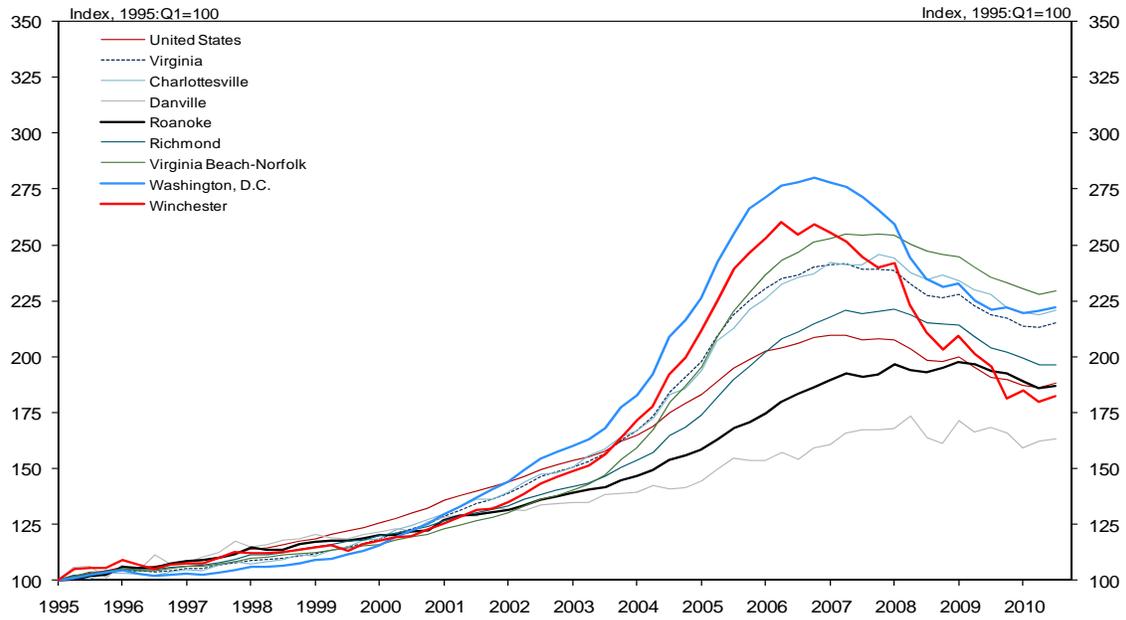
- Declining house prices play a significant role in rising default and continued depreciation in Virginia will impede a notable decline in delinquency and foreclosure. On a positive note, house prices rose 0.8 percent in the third quarter, although home values continued to depreciate on a year-over-year basis and fell a record 11.1 percent since the second quarter of 2007.
- An income shock to a household—such as unexpected unemployment—can affect the household's ability to repay a mortgage. The Virginia unemployment rate (NSA) was 6.5 percent in September 2010. Although this is a high rate for the state, joblessness remains well below the national 9.3 percent mark. (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 Virginia 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.

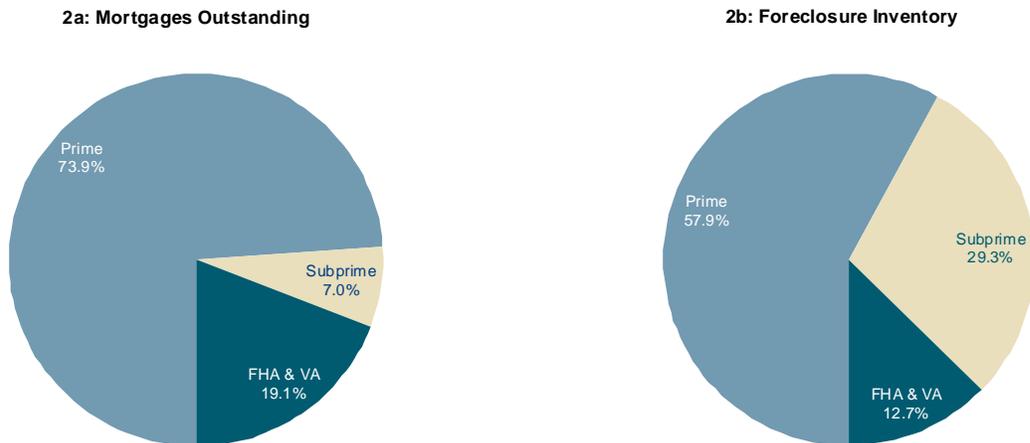
Graphs and Charts

Figure 1
FHFA House Price Index: Virginia



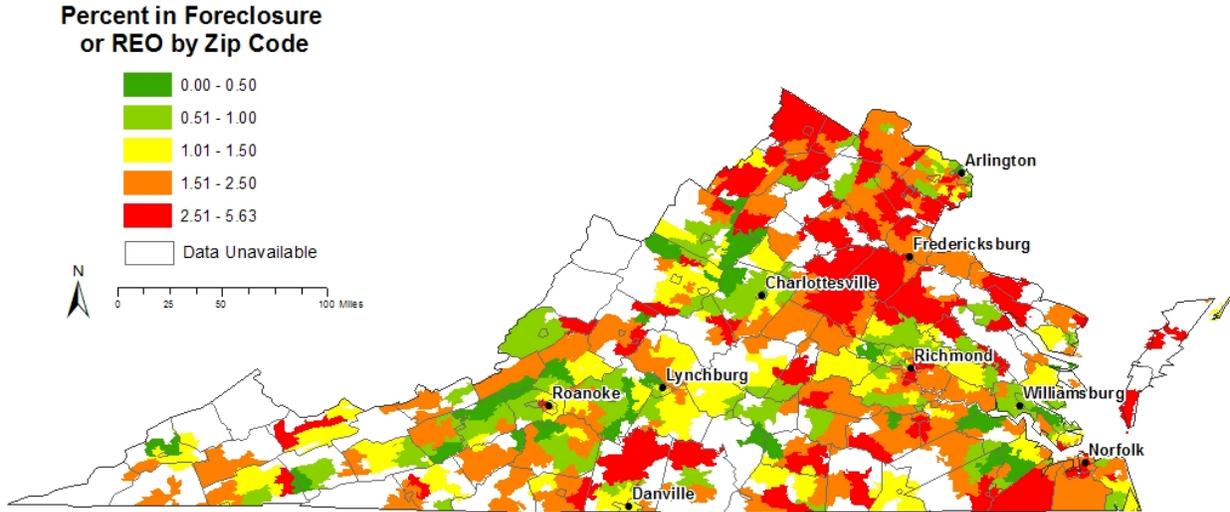
Source: Federal Housing Finance Agency (2010:Q3)/Haver Analytics

Figure 2
Mortgage Distribution: Virginia



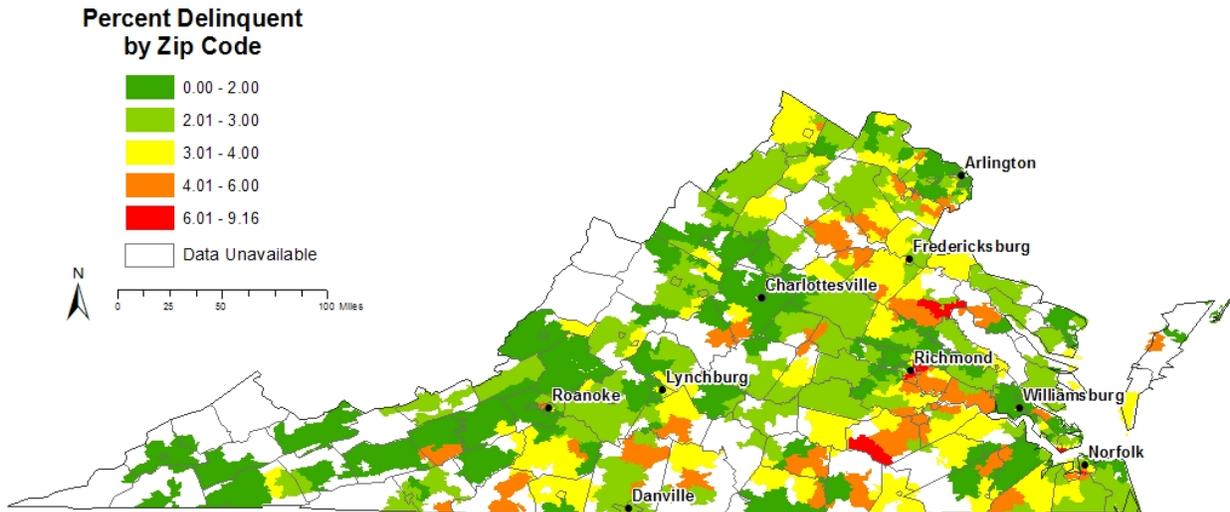
Source: Mortgage Bankers Association (2010:Q3)/Haver Analytics. Percentages may not sum to 100 due to rounding.

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



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 2010)

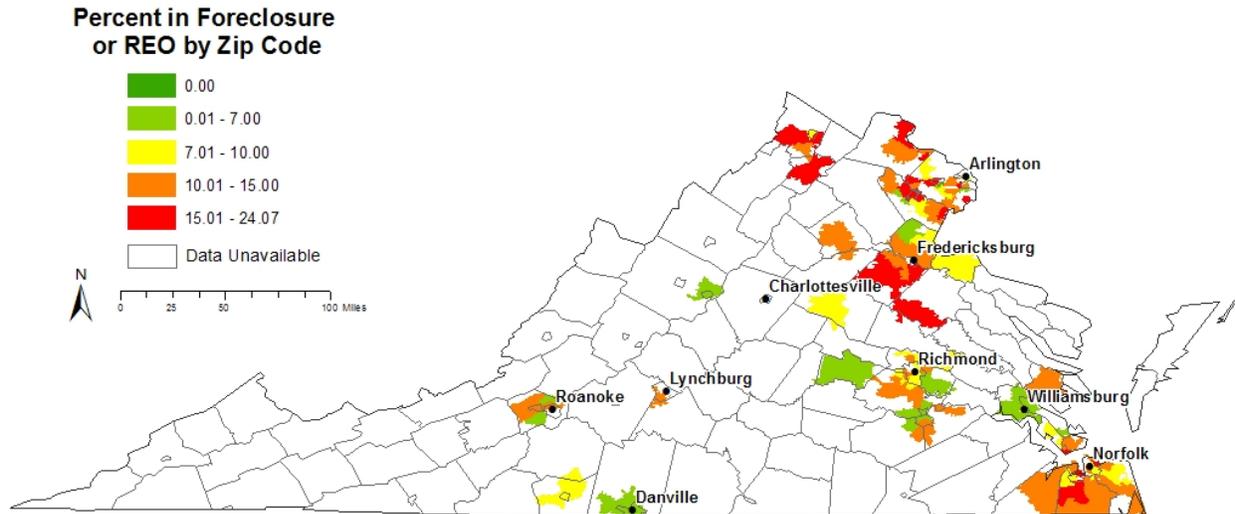
Figure 4
Percentage of Owner-Occupied Prime Loans with 90+ Day Delinquency: Virginia



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 2010)

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

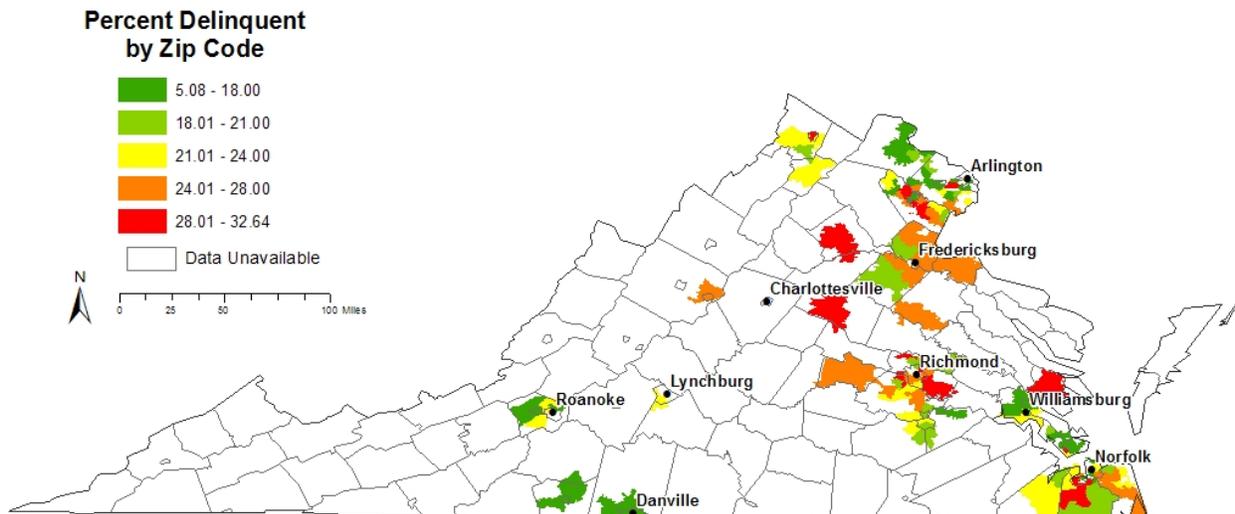
Figure 5
Percentage of Owner-Occupied Subprime Loans in Foreclosure or REO: Virginia



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 2010)

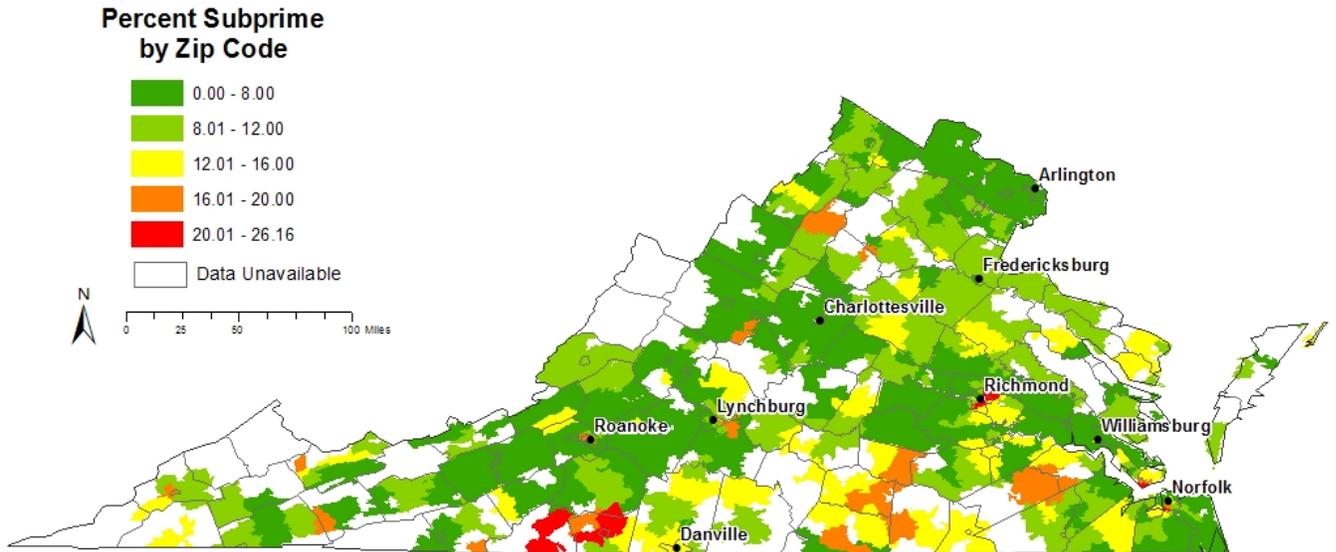
Figure 6
Percentage of Owner-Occupied Subprime Loans with 90+ Day Delinquency: Virginia



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 2010)

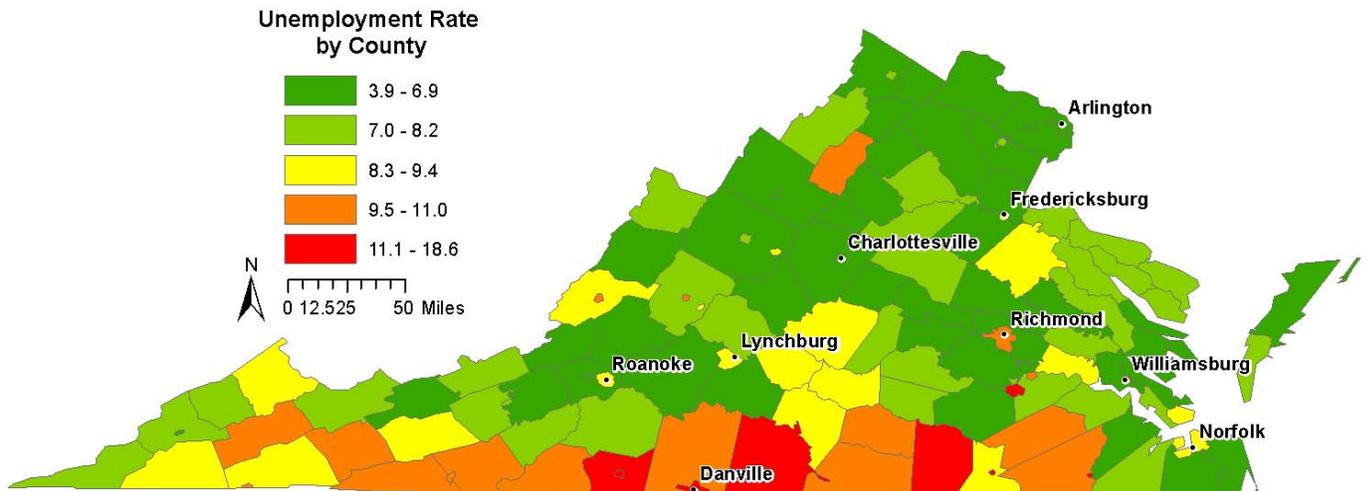
Figure 7
Percentage of Owner-Occupied Mortgages with Subprime Loans: Virginia



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 2010) and Mortgage Bankers Association (2010:Q3)/Haver Analytics.

Figure 8
Unemployment Rate: Virginia



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

Table 1
Foreclosure Rates by Mortgage Type: Virginia

Loan Type	Virginia		United States
	Percent in Foreclosure	National Rank	Percent in Foreclosure
Prime Fixed-Rate	0.91	47	2.45
Prime Adjustable-Rate	4.46	39	10.05
Subprime Fixed-Rate	4.92	44	8.88
Subprime Adjustable-Rate	11.89	42	21.78

Source: Mortgage Bankers Association (2010:Q3)/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	2.24	21	2.12	30
Maryland	3.48	5	2.32	24
North Carolina	2.14	22	1.70	37
South Carolina	2.34	17	2.87	14
Virginia	1.96	29	1.41	44
West Virginia	1.77	37	1.55	38
United States	2.97	--	3.46	--

Source: Mortgage Bankers Association (2010:Q3)/Haver Analytics

Table 3
Subprime Share of All Loans: Fifth District

Geographic Area	Percent Subprime	National Rank
District of Columbia	7.41	35
Maryland	9.40	22
North Carolina	8.06	30
South Carolina	9.56	18
Virginia	6.98	39
West Virginia	10.16	14
United States	9.76	--

Source: Mortgage Bankers Association (2010:Q3)/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	13.52	23	12.12	20
Maryland	17.18	3	12.16	18
North Carolina	12.84	26	7.30	43
South Carolina	12.43	31	10.46	30
Virginia	13.21	25	7.56	42
West Virginia	11.82	36	6.51	48
United States	13.92	--	13.73	--

Source: Mortgage Bankers Association (2010:Q3)/Haver Analytics

Table 5
General Housing Statistics: Virginia

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				
Blacksburg	70,637	9,733	60,904	35,808	21,779	95.38	4.62	4.67	1.29
Charlottesville	87,659	11,649	76,010	50,415	33,859	96.18	3.82	10.59	5.86
Danville	52,513	7,477	45,036	30,049	18,839	86.93	13.07	4.71	0.63
Harrisonburg	48,881	3,779	45,102	27,250	17,364	95.12	4.88	4.71	2.07
Kingsport-Bristol									
Entire MSA	146,985	16,366	130,619	94,506	51,446				
Virginia Portion	-	-	-	-	-	91.44	8.56	4.28	1.26
Lynchburg	111,213	14,390	96,823	70,804	44,696	93.00	7.00	5.49	2.20
Richmond	518,519	50,443	468,076	322,975	241,225	91.50	8.50	9.09	4.44
Roanoke	140,088	15,215	124,873	85,653	56,836	93.16	6.84	5.61	1.75
Virginia Beach-Norfolk	691,619	64,999	626,620	395,767	305,473	91.35	8.65	10.22	5.54
District of Columbia									
Entire MSA	2,158,165	171,408	1,986,757	1,311,525	1,084,194				
Virginia Portion	-	-	-	-	-	92.67	7.33	21.57	15.12
Winchester	55,333	6,569	48,764	34,018	23,135	91.77	8.23	12.61	8.73
Virginia	3,330,481	358,992	2,971,489	2,024,529	1,475,470	93.02	6.98	14.35	9.08
Fifth District	13,193,677	1,752,942	11,440,735	7,787,066	5,370,756	91.71	8.29	11.96	6.68

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

Source: Housing units are 2009 estimates from the Census Bureau. Mortgage estimates are Federal Reserve Bank of Richmond calculations using data from Lender Processing Services (LPS) Applied Analytics (September 2010) and Mortgage Bankers Association (2010:Q3)/Haver Analytics. Definitions of the metropolitan areas are provided later in the document.

Table 6
Owner-Occupied Prime Loan Statistics: Virginia

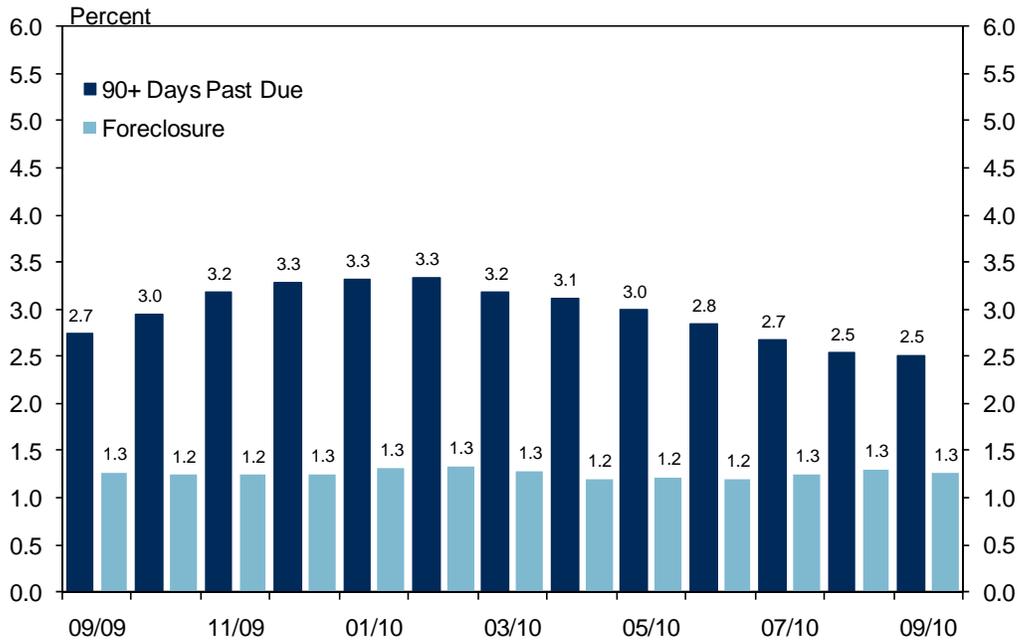
Geographic Area	September 2009			September 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Blacksburg	1.61	0.49	0.34	1.38	0.74	0.31
Charlottesville	1.61	0.57	0.22	1.50	0.78	0.36
Danville	3.22	0.97	0.41	2.82	1.07	0.48
Harrisonburg	1.68	0.62	0.21	1.69	0.70	0.21
Bristol*	1.91	0.65	0.31	1.76	1.01	0.37
Lynchburg	2.34	0.76	0.32	2.27	0.80	0.37
Richmond	2.90	0.88	0.36	2.95	1.09	0.53
Roanoke	2.16	0.61	0.24	2.06	0.93	0.34
Virginia Beach-Norfolk	2.61	1.02	0.41	2.55	1.20	0.62
Northern Virginia**	2.83	1.70	0.70	2.46	1.45	0.59
Winchester	4.28	1.77	1.08	2.98	1.76	1.24
Virginia	2.73	1.27	0.53	2.51	1.26	0.58
Fifth District	3.21	1.50	0.51	3.13	1.77	0.68

*Only the Virginia portion of these MSAs is included here. ** Definition provided later in the document.

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 2010)

Figure 9
Owner-Occupied Prime Loan Statistics: Virginia



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 2010)

Table 7
Owner-Occupied Subprime Loan Statistics: Virginia

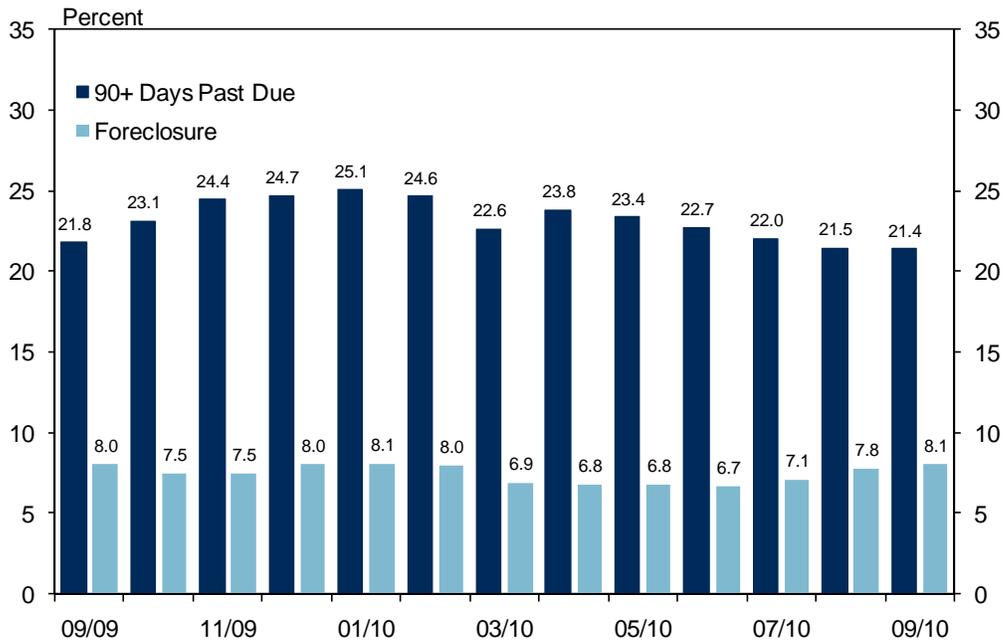
Geographic Area	September 2009			September 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Blacksburg	17.28	6.79	1.23	15.94	5.80	2.90
Charlottesville	21.71	6.91	2.96	27.05	6.56	2.05
Danville	16.60	4.15	1.51	13.30	2.58	2.15
Harrisonburg	20.00	6.67	3.33	21.74	6.09	2.61
Bristol*	17.97	7.03	0.78	11.82	5.45	3.64
Lynchburg	20.52	5.18	3.02	21.32	6.09	2.79
Richmond	23.38	7.33	1.94	24.40	7.57	1.81
Roanoke	17.66	6.36	1.95	19.18	7.61	2.13
Virginia Beach-Norfolk	21.55	7.20	2.81	21.58	8.02	2.88
Northern Virginia**	21.80	9.63	4.13	20.18	8.76	3.35
Winchester	24.63	9.20	7.46	22.41	11.38	3.10
Virginia	21.78	8.05	3.08	21.37	8.05	2.67
Fifth District	21.80	9.39	3.08	22.15	9.21	3.06

*Only the Virginia portion of these MSAs is included here. ** Definition provided later in the document.

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 2010)

Figure 10
Owner-Occupied Subprime Loan Statistics: Virginia



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 2010)

Table 8
Owner-Occupied Interest Only Loan Statistics: Virginia

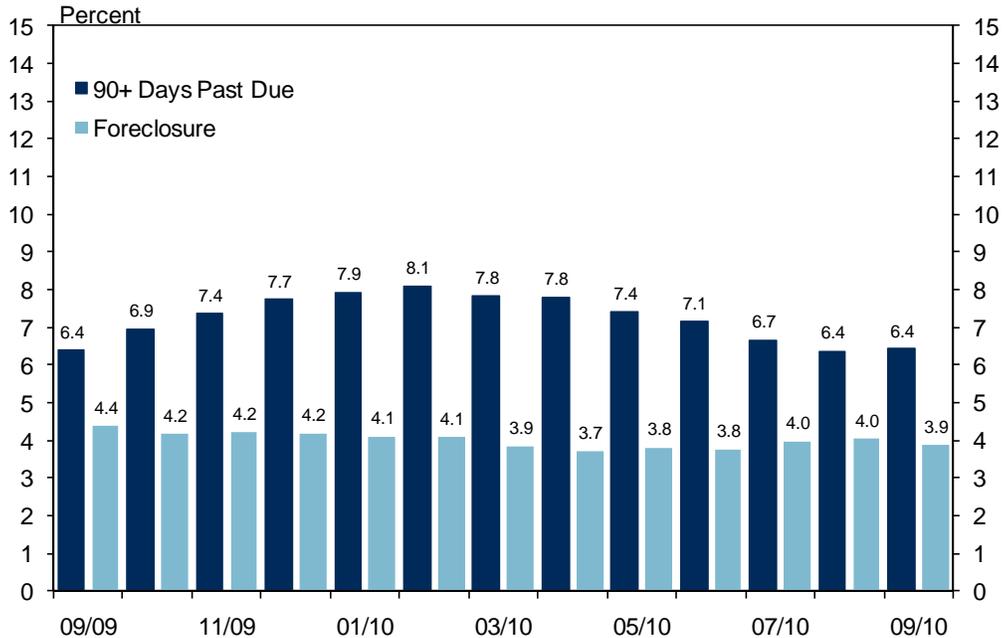
Geographic Area	September 2009			September 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Blacksburg	3.68	2.21	0.74	5.45	1.82	0.00
Charlottesville	3.12	1.87	0.94	4.09	2.14	1.12
Danville	N/A	N/A	N/A	N/A	N/A	N/A
Harrisonburg	8.47	3.39	1.13	8.63	2.16	0.72
Bristol*	N/A	N/A	N/A	N/A	N/A	N/A
Lynchburg	6.16	2.51	1.83	8.60	2.87	2.29
Richmond	6.24	3.39	1.29	7.32	3.32	2.14
Roanoke	3.19	2.12	1.06	4.85	2.32	0.84
Virginia Beach-Norfolk	5.84	3.06	1.31	6.42	3.72	2.09
Northern Virginia**	6.40	4.75	1.93	6.18	3.96	1.73
Winchester	11.89	5.62	4.49	9.39	4.93	3.67
Virginia	6.38	4.38	1.83	6.41	3.87	1.85
Fifth District	6.84	4.91	1.81	7.56	4.91	2.24

*Only the Virginia portion of these MSAs is included here ** Definition provided later in the document.

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 2010)

Figure 11
Owner-Occupied Interest Only Loan Statistics: Virginia



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 2010)

Table 9
Unemployment Rates: Virginia

Geographic Area	Unemployment Rate	Percentage Point
		Change from June 2009
Blacksburg	7.2	-0.8
Charlottesville	5.4	-0.3
Danville	11.1	-0.1
Harrisonburg	6.0	0.0
Kingsport-Bristol	8.2	-1.1
Lynchburg	7.5	0.2
Richmond	7.5	-0.3
Roanoke	7.0	-0.2
Virginia Beach-Norfolk	7.0	0.0
Washington, D.C.	5.9	-0.3
Winchester	7.0	-0.4
Virginia	6.5	-0.2
Fifth District	8.3	-0.6

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

Table 10
Owner-Occupied Prime Loan Statistics
Richmond MSA

Geographic Area	September 2009			September 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Caroline County	5.45	2.27	1.39	4.75	2.25	1.22
Chesterfield County	2.74	0.82	0.25	2.79	1.00	0.49
Colonial Heights City	2.67	0.50	0.50	3.11	0.43	0.43
Hanover County	1.75	0.55	0.19	1.98	0.84	0.24
Henrico County	2.23	0.68	0.25	2.26	0.87	0.36
Louisa County	3.10	1.81	0.61	2.73	1.69	1.00
Petersburg City	5.29	1.46	0.77	5.23	1.68	0.80
Powhatan County	2.33	0.57	0.36	2.46	0.59	0.44
Richmond City	4.81	1.45	0.67	4.90	1.81	0.92

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 2010)

Table 11
Owner-Occupied Prime Loan Statistics
Virginia Beach-Norfolk MSA

Geographic Area	September 2009			September 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Chesapeake City	2.77	0.98	0.34	2.78	1.46	0.59
Gloucester County	2.13	1.05	0.26	2.38	0.69	0.50
Hampton City	2.85	1.02	0.37	2.83	0.99	0.52
Isle of Wight County	1.93	0.73	0.11	1.87	0.90	0.43
James City County	1.42	0.66	0.23	1.48	0.71	0.32
Mathews County	2.39	0.32	0.16	2.47	1.15	0.33
Newport News City	2.75	0.97	0.45	2.75	1.10	0.69
Virginia Beach City	2.28	0.96	0.36	2.30	1.08	0.60
York County	0.90	0.35	0.14	1.06	0.18	0.23

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 2010)

Table 12
Owner-Occupied Prime Loan Statistics
Washington, D.C. MSA

Geographic Area	September 2009			September 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Alexandria City	1.36	0.87	0.30	1.21	0.92	0.33
Arlington County	0.79	0.61	0.20	0.80	0.53	0.15
Fairfax City	2.51	1.48	0.39	2.00	1.32	0.47
Fairfax County	2.24	1.43	0.54	2.06	1.26	0.46
Falls Church City	0.66	0.71	0.38	0.60	0.45	0.30
Fredericksburg City	3.88	1.94	0.73	3.54	1.62	0.90
Loudoun County	2.92	1.85	0.81	2.50	1.56	0.64
Manassas City	5.14	3.16	1.83	3.78	2.44	1.10
Prince William County	4.75	2.76	1.18	3.86	2.15	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 receive an N/A.

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

Table 13
Owner-Occupied Subprime Loan Statistics
Richmond MSA

Geographic Area	September 2009			September 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Caroline County	30.36	11.90	4.76	25.58	15.50	3.88
Chesterfield County	24.30	9.17	1.49	25.02	8.73	1.55
Colonial Heights City	17.71	4.17	1.04	19.23	2.56	1.28
Hanover County	26.03	4.55	1.65	21.74	7.73	1.93
Henrico County	22.86	7.58	1.73	25.16	6.42	0.90
Louisa County	21.26	11.02	1.57	30.91	9.09	0.91
Petersburg City	21.85	5.19	1.85	20.35	5.19	1.30
Powhatan County	11.39	8.86	5.06	25.00	3.33	1.67
Richmond City	22.95	6.30	1.66	25.96	7.24	2.60

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 2010)

Table 14
Owner-Occupied Subprime Loan Statistics
Virginia Beach-Norfolk MSA

Geographic Area	September 2009			September 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Chesapeake City	24.04	8.88	2.13	23.29	9.59	3.15
Gloucester County	15.32	7.21	5.41	21.11	8.89	2.22
Hampton City	18.53	7.04	3.59	16.89	6.86	5.02
Isle of Wight County	22.94	8.26	0.92	22.83	10.87	1.09
James City County	16.42	2.99	1.49	17.09	3.80	0.00
Mathews County	N/A.	N/A.	N/A.	N/A.	N/A.	N/A.
Newport News City	17.98	5.17	3.88	19.81	6.04	3.87
Virginia Beach City	23.31	8.28	2.12	24.04	8.96	1.96
York County	7.26	3.23	2.42	5.77	3.85	0.96

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 2010)

Table 15
Owner-Occupied Subprime Loan Statistics
Washington, D.C. MSA

Geographic Area	September 2009			September 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Alexandria City	12.15	8.88	2.34	9.83	8.09	3.47
Arlington County	8.41	7.94	1.40	12.43	4.73	1.78
Fairfax City	20.27	9.46	4.05	14.52	11.29	4.84
Fairfax County	18.70	8.56	3.83	17.49	7.76	3.08
Falls Church City	N./A.	N./A.	N./A.	N./A.	N./A.	N./A.
Fredericksburg City	N./A.	N./A.	N./A.	N./A.	N./A.	N./A.
Loudoun County	17.87	10.53	4.39	16.47	9.30	3.59
Manassas City	21.69	15.87	8.99	17.14	10.71	8.57
Prince William County	26.70	10.59	5.24	24.86	9.08	3.89

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 2010)

Table 16
Owner-Occupied Interest Only Loan Statistics
Richmond MSA

Geographic Area	September 2009			September 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Caroline County	13.69	6.84	3.80	10.90	5.21	4.27
Chesterfield County	5.91	3.40	0.74	7.90	3.40	1.81
Colonial Heights City**	4.48	2.99	2.99	8.20	0.00	1.64
Hanover County	6.61	2.61	0.80	7.73	3.38	1.45
Henrico County	5.20	2.67	1.20	6.43	3.13	1.57
Louisa County	3.82	8.28	2.55	6.56	4.10	2.46
Petersburg City**	10.23	3.41	1.14	11.76	2.94	2.94
Powhatan County**	2.50	1.67	2.50	4.08	1.02	3.06
Richmond City	7.16	4.13	1.79	7.91	3.64	3.32

** County has fewer than 100 interest only loans

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 2010)

Table 17
Owner-Occupied Interest Only Loan Statistics
Virginia Beach-Norfolk MSA

Geographic Area	September 2009			September 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Chesapeake City	7.71	2.81	1.17	7.73	4.76	2.72
Gloucester County**	6.09	4.35	0.87	2.17	1.09	3.26
Hampton City	6.87	4.98	0.95	6.16	4.11	2.05
Isle of Wight County	5.28	4.07	0.41	6.57	3.03	1.01
James City County	2.35	2.35	0.63	3.38	2.07	0.94
Mathews County	N/A	N/A	N/A	N/A	N/A	N/A
Newport News City	5.90	3.14	0.92	9.23	2.25	1.58
Virginia Beach City	5.40	2.79	1.10	5.91	3.57	1.78
York County	2.84	1.06	0.35	4.59	1.83	0.46

Notes: FHA and VA 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 2010)

Table 18
Owner-Occupied Interest Only Loan Statistics
Washington, D.C. MSA

Geographic Area	September 2009			September 2010		
	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO	Percent 90+ Days Past Due	Percent in Foreclosure	Percent in REO
Alexandria City	2.87	2.34	0.78	2.88	2.12	1.08
Arlington County	1.41	1.91	0.58	2.31	1.65	0.53
Fairfax City	5.92	3.57	1.22	5.62	4.08	1.54
Fairfax County	5.65	4.27	1.54	5.78	3.80	1.49
Falls Church City	2.21	2.21	1.85	2.38	1.90	0.95
Fredericksburg City	8.77	5.85	2.05	9.54	4.24	1.77
Loudoun County	5.59	4.33	1.78	5.52	3.66	1.52
Manassas City	13.46	10.00	5.64	9.22	7.68	3.24
Prince William County	9.93	7.18	3.04	8.68	5.49	2.45

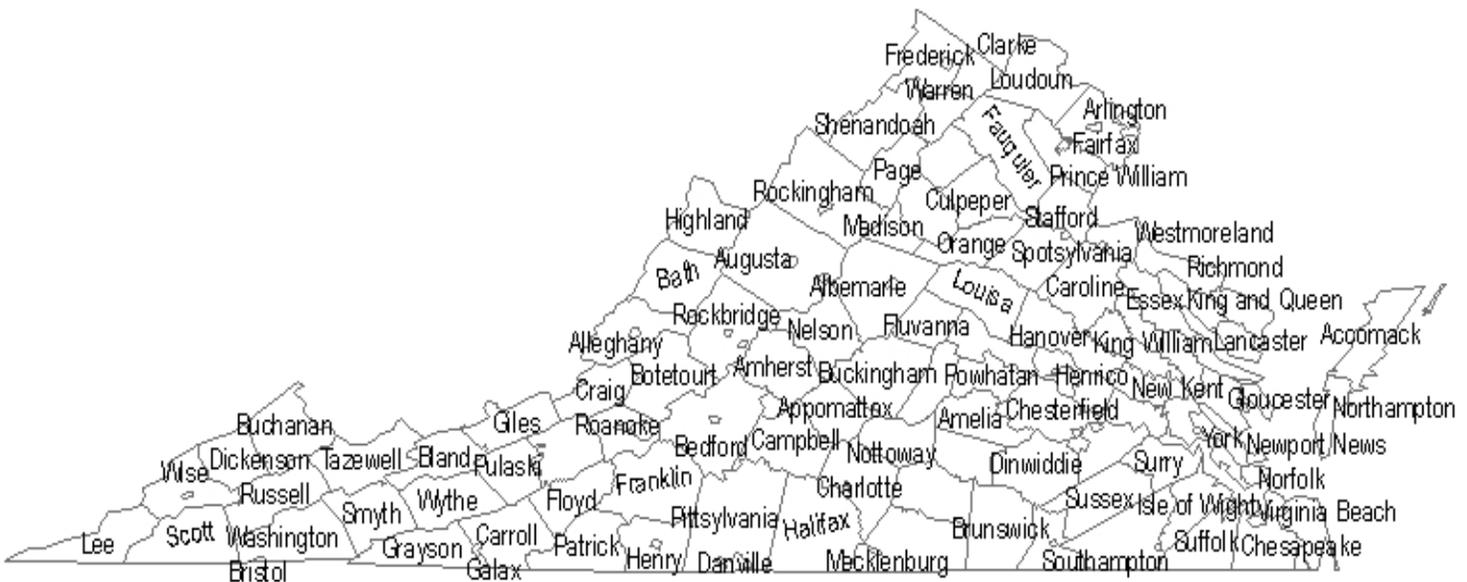
Notes: FHA and VA loans are included in the count of prime loans. Areas with fewer than 100 raw loans and/or fewer than 50 raw interest only loans receive an N/A.

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

MSA Definitions

1. **Blacksburg MSA** – Giles County, Montgomery County, Pulaski County, Radford city
2. **Charlottesville MSA** – Albemarle County, Fluvanna County, Greene County, Nelson County, Charlottesville city
3. **Danville MSA** - Pittsylvania County, Danville city
4. **Harrisonburg MSA** - Rockingham County, Harrisonburg city
5. **Kingsport-Bristol MSA** - Hawkins County, TN; Sullivan County, TN; Scott County, VA; Washington County, VA; Bristol city, VA (Virginia Portion includes only VA counties).
6. **Lynchburg MSA** - Amherst County, Appomattox County, Bedford County, Campbell County, Bedford city, Lynchburg city
7. **Richmond MSA** - Amelia County, Caroline County, Charles City County, Chesterfield County, Cumberland County, Dinwiddie County, Goochland County, Hanover County, Henrico County, King and Queen County, King William County, Louisa County, New Kent County, Powhatan County, Prince George County, Sussex County, Colonial Heights city, Hopewell city, Petersburg city, Richmond city
8. **Roanoke MSA** - Botetourt County, Craig County, Franklin County, Roanoke County, Roanoke city, Salem city
9. **Virginia Beach-Norfolk MSA** - Currituck County, NC; Gloucester County, VA; Isle of Wight County, VA; James City County, VA; Mathews County, VA; Surry County, VA; York County, VA; Chesapeake city, VA; Hampton city, VA; Newport News city, VA; Norfolk city, VA; Poquoson city, VA; Portsmouth city, VA; Suffolk city, VA; Virginia Beach city, VA; Williamsburg city, VA
10. **Washington, D.C. MSA** - District of Columbia, DC; Calvert County, MD; Charles County, MD; Prince George's County, MD; Arlington County, VA; Clarke County, VA; Fairfax County, VA; Fauquier County, VA; Loudoun County, VA; Prince William County, VA; Spotsylvania County, VA; Stafford County, VA; Warren County, VA; Alexandria city, VA; Fairfax city, VA; Falls Church city, VA; Fredericksburg city, VA; Manassas city, VA; Manassas Park city, VA; Jefferson County, WV (Northern Virginia includes all Virginia counties listed here)
11. **Winchester MSA** - Frederick County, VA; Winchester city, VA; Hampshire County, WV

Virginia 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 Virginia. It has no impact on the prime or subprime performance numbers.