



# Mortgage Performance Summary

QUARTERLY UPDATE

## Housing Market and Mortgage Performance in North Carolina

**3<sup>rd</sup> Quarter, 2013**

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## **An Update on Housing Market and Mortgage Performance in North Carolina 3<sup>rd</sup> Quarter, 2013 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**

- Foreclosure and delinquency rates—in the prime and subprime markets—continued to decrease in North Carolina in the quarter and over the year, with housing markets in the state exhibiting signs of a sustained recovery.
- The foreclosure rate in North Carolina declined from 2.6 percent in September 2012 to 1.4 percent in September 2013. Over the year, the share of North Carolina mortgages with payments more than 90 days past due edged from 2.9 percent to 2.7 percent. (Table 7)
- Since September 2012, North Carolina's prime foreclosure rate decreased 1.1 percentage point to 1.3 percent. The state's prime 90+ day delinquency rate edged down 0.1 percentage point to 2.6 percent over the same period. (Table 8)
- The subprime foreclosure rate in North Carolina dropped from 9.4 percent in September 2012 to 3.4 percent in September 2013 while the 90+ day delinquency rate fell from 9.8 percent to 7.7 percent. (Table 9)
- In the third quarter of 2013, the subprime share of the foreclosure inventory in North Carolina increased to 27.8 percent from 26.1 percent in the third quarter of 2012. (Figure 2)
- Subprime mortgages made up only 7.5 percent of all mortgages in the third quarter of 2013. North Carolina ranks 32<sup>nd</sup> in the nation in its share of subprime loans. (Table 4)

### **Metro Area Highlights**

- In September 2013, Jacksonville and Rocky Mount both reported the highest metro-level foreclosure rate of 1.8 percent and Hickory-Lenoir followed closely with 1.7 percent of loans in foreclosure. Rocky Mount continued to post the highest 90+ day delinquency rate (4.1 percent) in North Carolina by a large margin. (Table 7)
- Kill Devil Hills continued to have the highest share of interest only mortgages of all MSAs in North Carolina (5.1 percent) while Jacksonville reported the highest share of adjustable rate mortgages in the state (12.3 percent). (Table 6)

### **State Economic Conditions and Looking Forward**

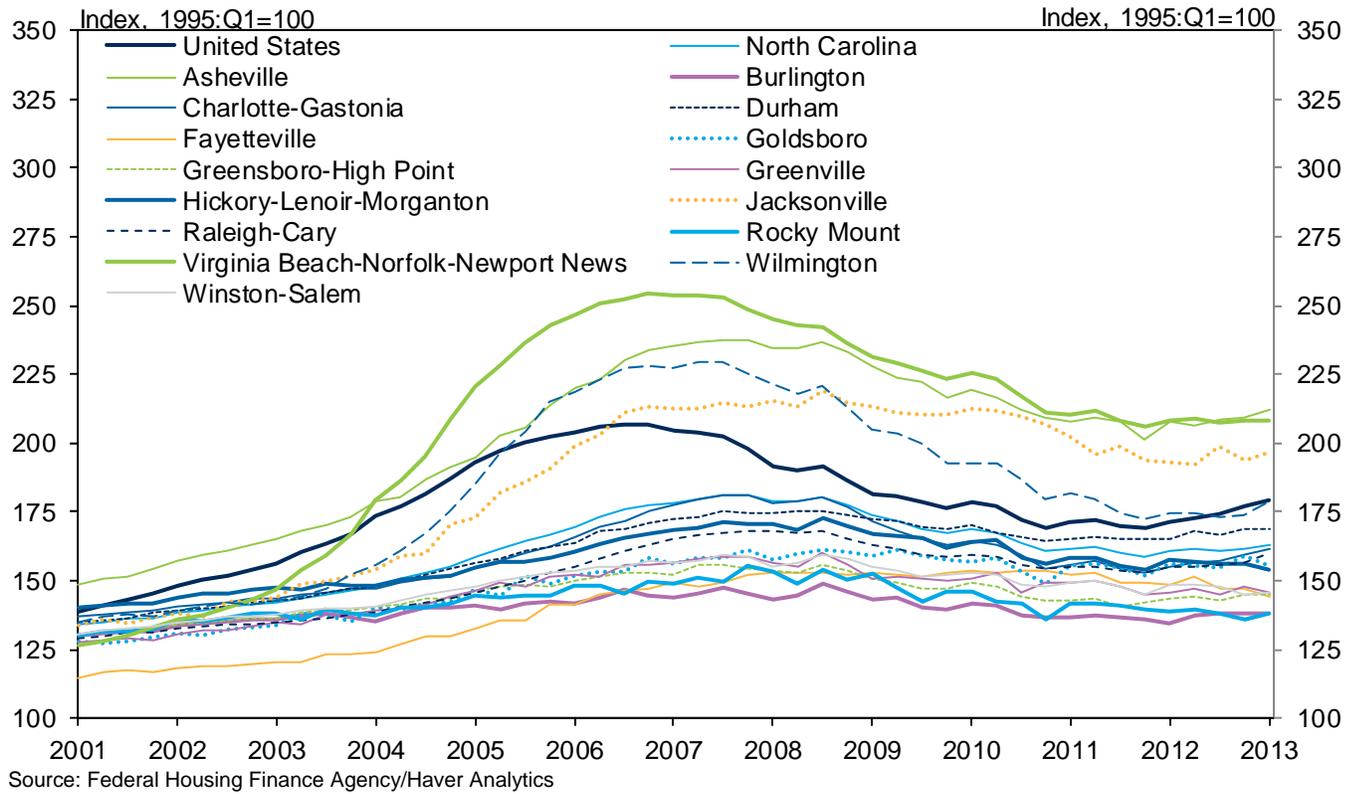
- Rising house prices can help to reduce the possibility of mortgage delinquency or foreclosure because a household can sell the house instead of entering default. According to the Federal Housing Finance Agency, house prices in North Carolina increased 0.5 percent in the third quarter of 2013 and 1.4 percent on a year-over-year basis.
- Lower rates of unemployment can also reduce the likelihood of mortgage delinquency since the loss of a job can affect a household's ability to repay. The North Carolina unemployment rate (NSA) fell from 8.9 percent in September 2012 to 7.6 percent in September 2013. (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)

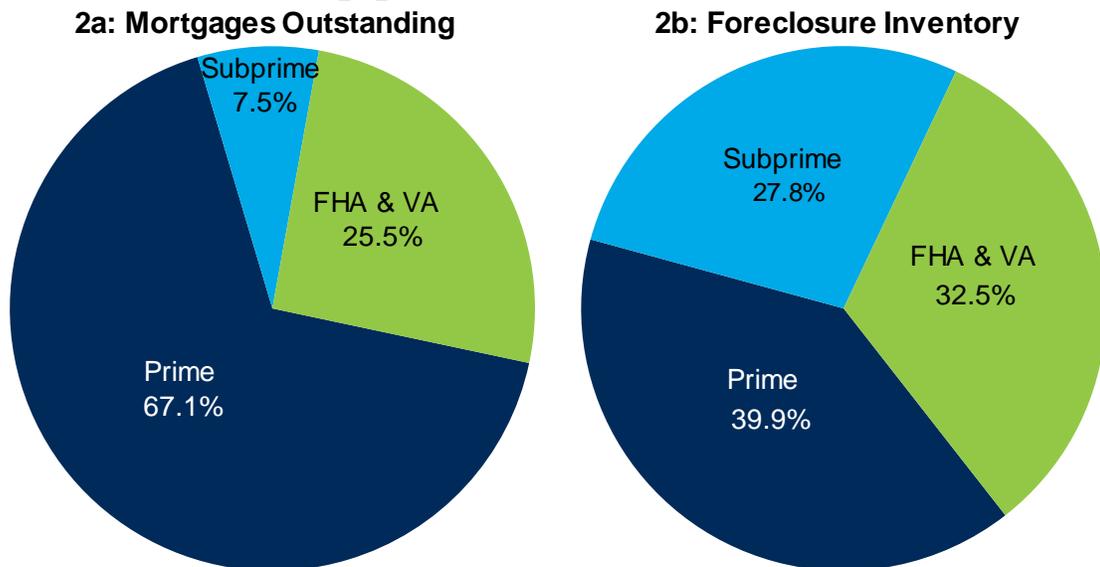
*The views expressed in this article are those of the authors and do not necessarily reflect the views of the Federal Reserve Bank of Richmond or the Federal Reserve System.*

## Graphs and Charts

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

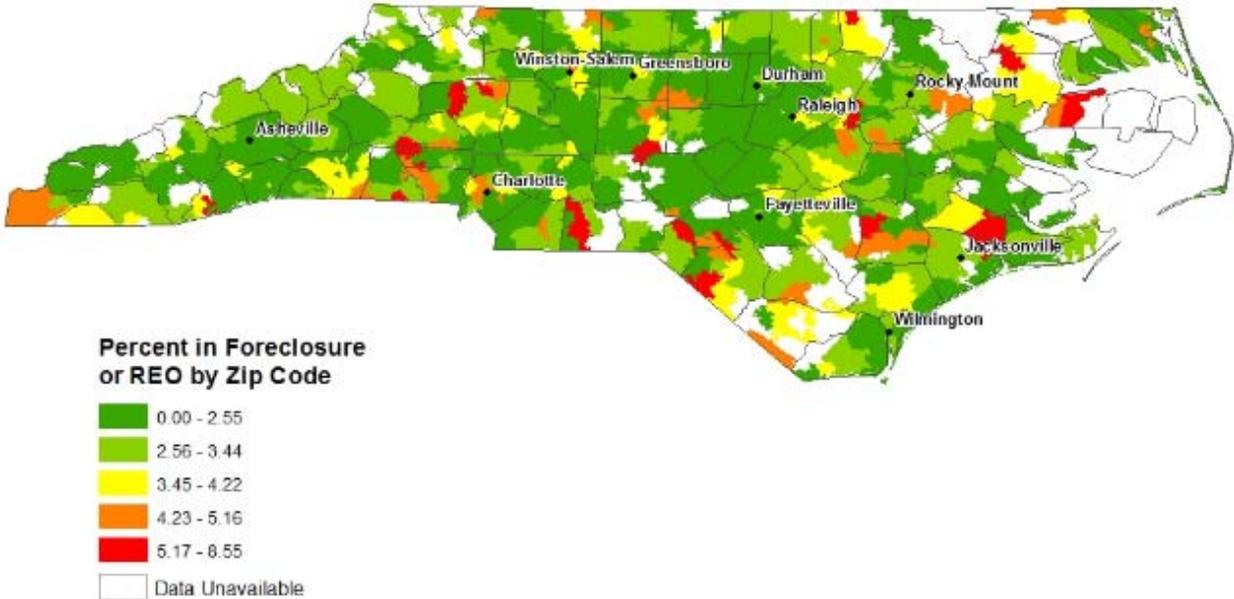


**Figure 2**  
**Mortgage Distribution: North Carolina**



Source: Mortgage Bankers Association (2013:Q3)/Haver Analytics. Percentages may not sum to 100 due to rounding.

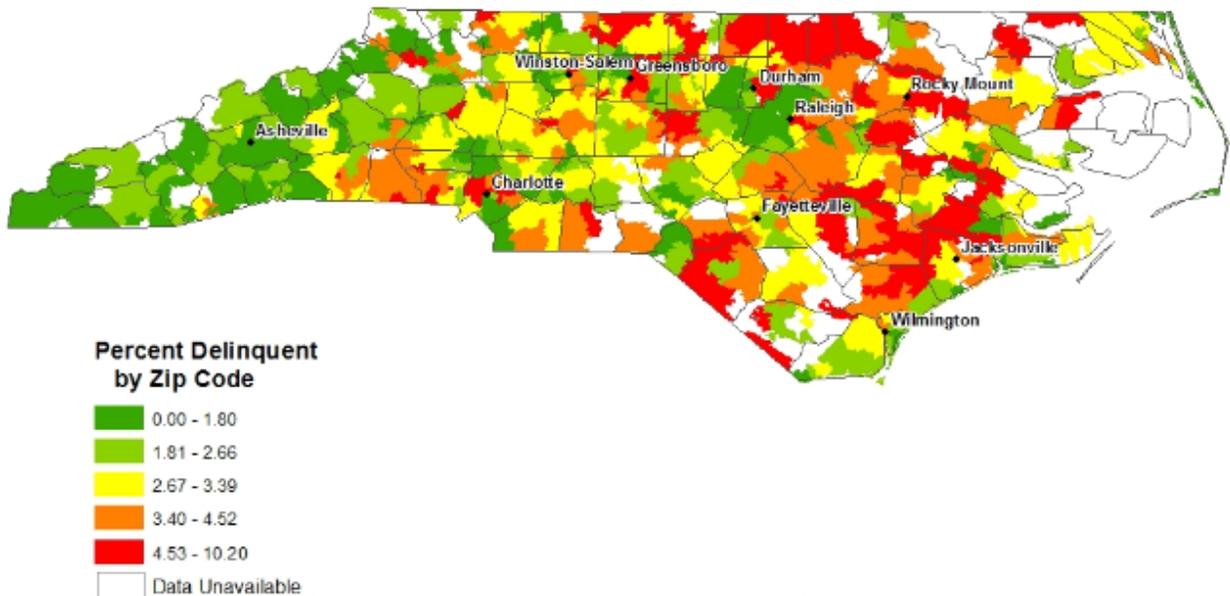
**Figure 3**  
**Percentage of Owner-Occupied Loans in Foreclosure or REO<sup>1</sup>:**  
**North Carolina**



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

Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

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

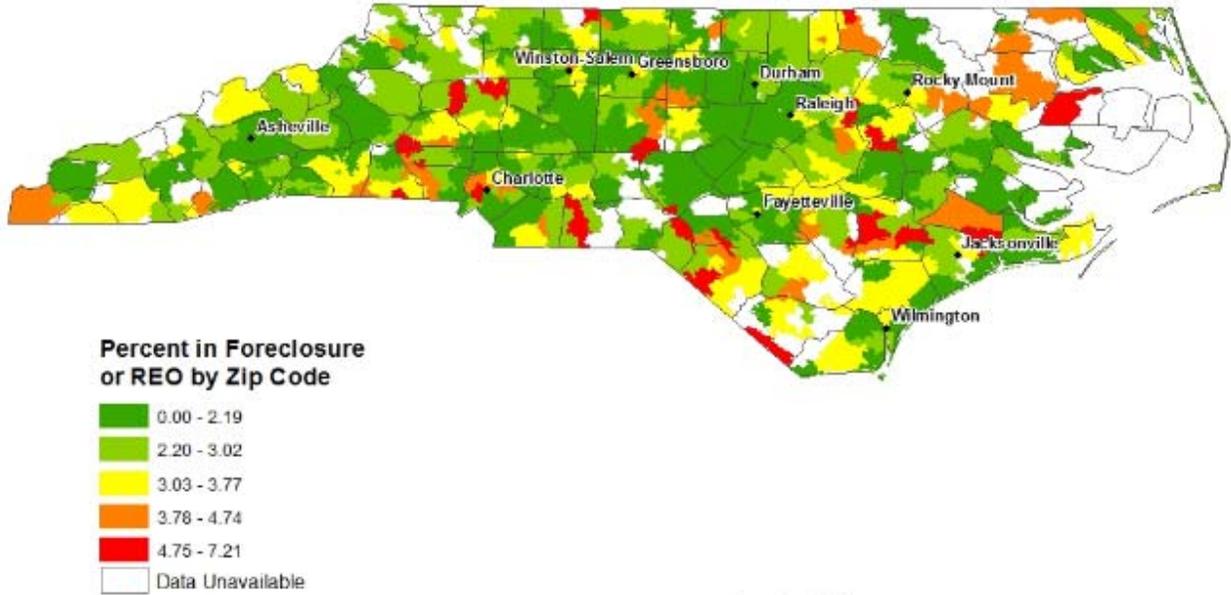


Notes: FHA and VA loans are included in the count of prime loans. Uncategorized zip codes have fewer than 100 total loans or no data available.

Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

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

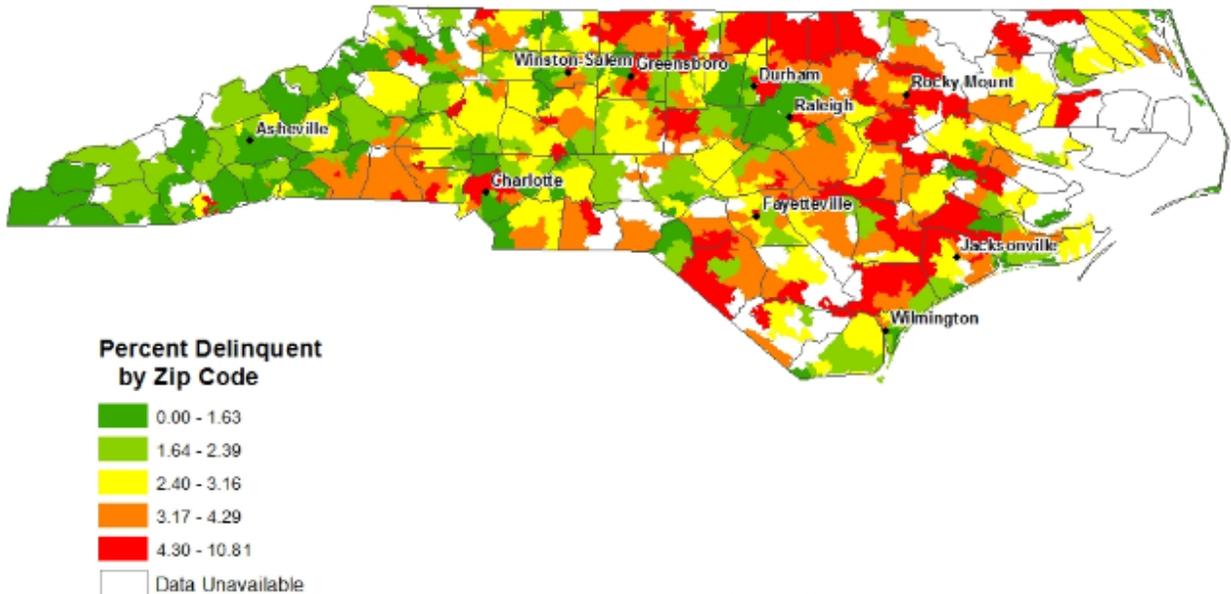
**Figure 5**  
**Percentage of Owner-Occupied Prime Loans in Foreclosure or REO<sup>2</sup>:**  
**North Carolina**



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

Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

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

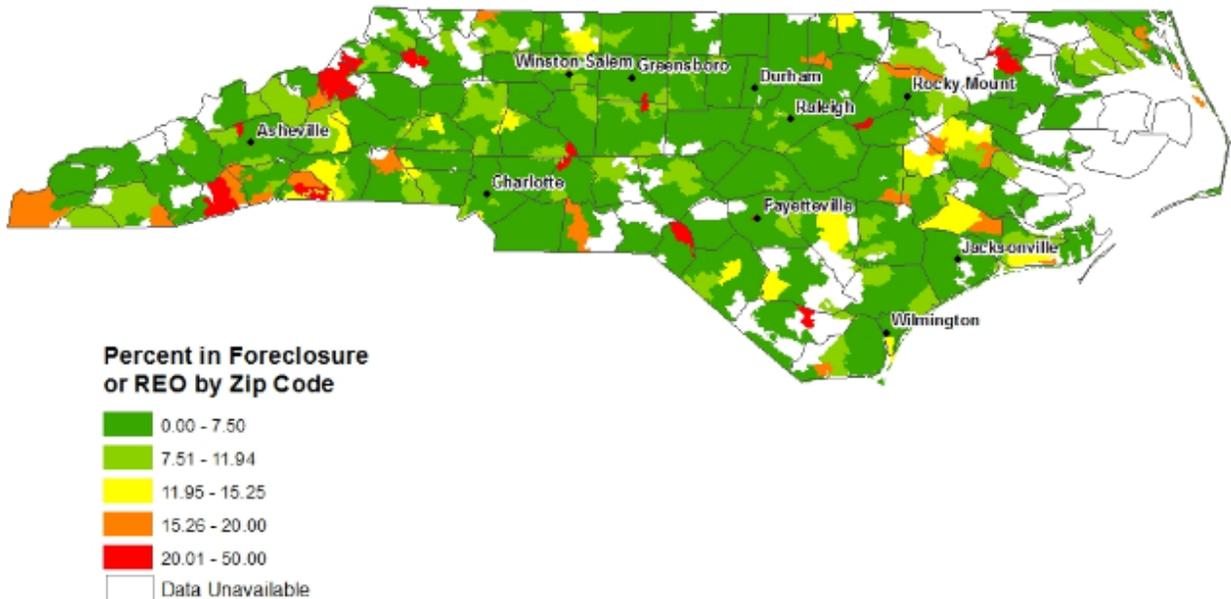


Notes: FHA and VA loans are included in the count of prime loans. Uncategorized zip codes have fewer than 100 total loans or no data available.

Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

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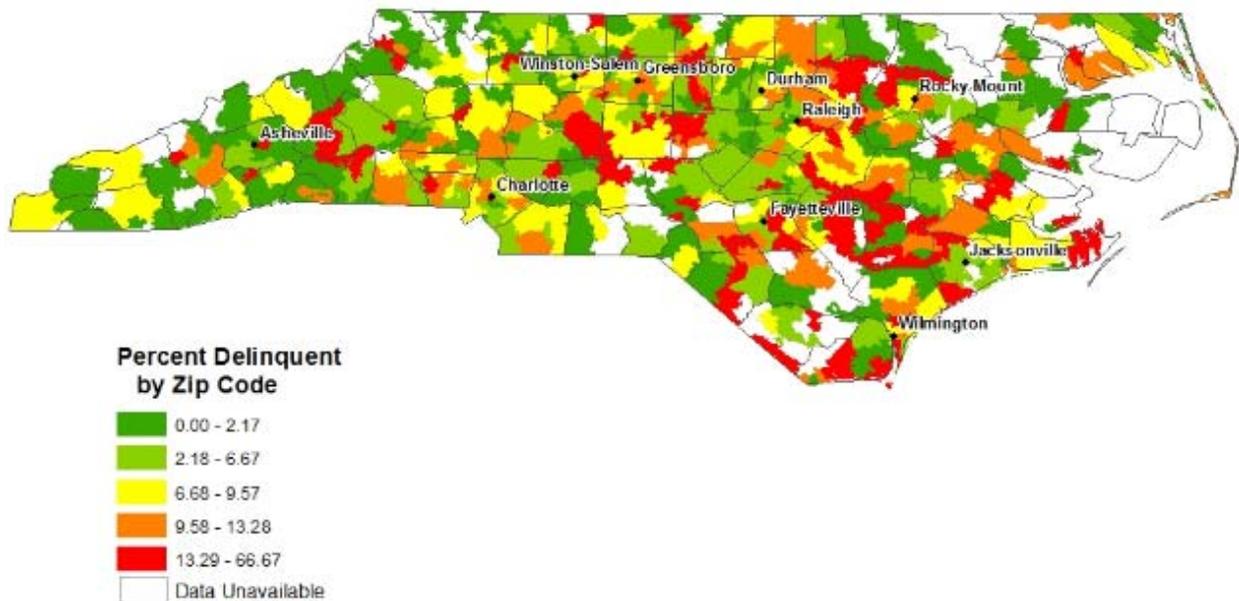
**Figure 7**  
**Percentage of Owner-Occupied Subprime Loans in Foreclosure or REO:**  
**North Carolina**



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

Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

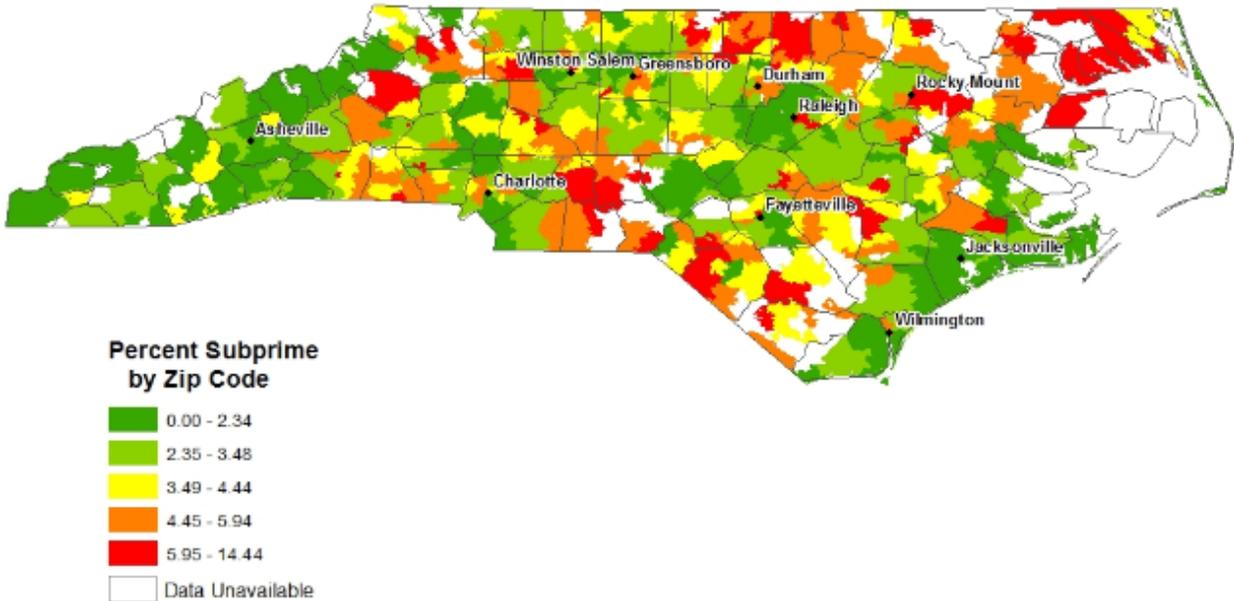
**Figure 8**  
**Percentage of Owner-Occupied Subprime Loans in with 90+ Day Delinquency:**  
**North Carolina**



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

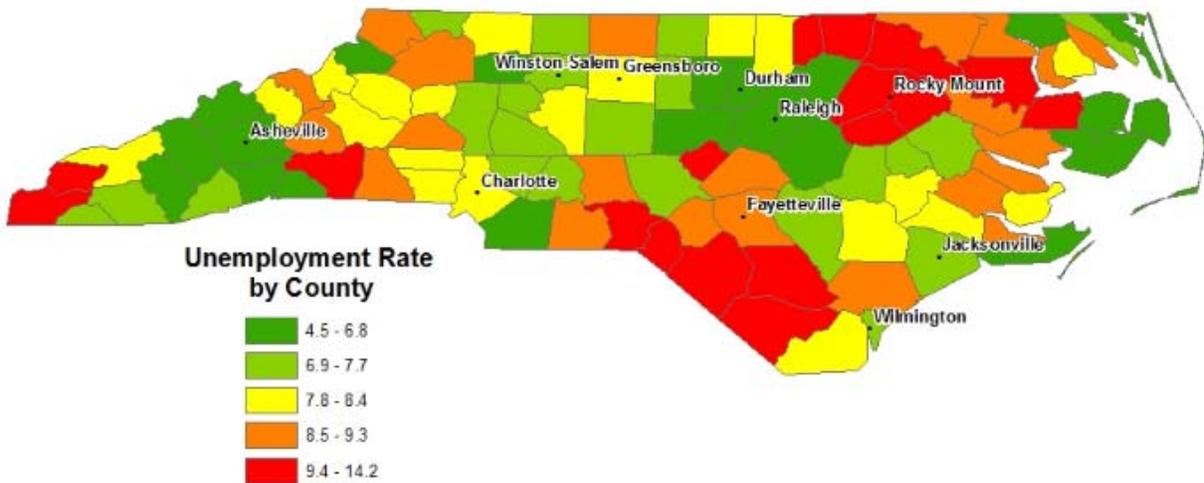
Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

**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 total loans or have no data available.  
 Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

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



Notes: Unemployment Rate in September 2013  
 Source: Bureau of Labor Statistics/Haver Analytics

**Table 1**  
**Foreclosure Rates by Mortgage Type: North Carolina**

| Loan Type                | North Carolina         |               | United States          |
|--------------------------|------------------------|---------------|------------------------|
|                          | Percent in Foreclosure | National Rank | Percent in Foreclosure |
| Total                    | 1.85                   | 31            | 3.08                   |
| Prime Total              | 1.10                   | 31            | 2.03                   |
| Prime Fixed-Rate         | 1.01                   | 31            | 1.72                   |
| Prime Adjustable-Rate    | 1.95                   | 35            | 4.54                   |
| Subprime Total           | 6.91                   | 32            | 11.20                  |
| Subprime Fixed-Rate      | 6.32                   | 30            | 8.99                   |
| Subprime Adjustable-Rate | 8.53                   | 32            | 16.45                  |

Source: Mortgage Bankers Association (2013: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 | 3.03                       | 11            | 2.61                   | 21            |
| Maryland             | 3.57                       | 4             | 3.96                   | 9             |
| North Carolina       | 2.54                       | 21            | 1.85                   | 31            |
| South Carolina       | 2.25                       | 28            | 3.10                   | 17            |
| Virginia             | 2.14                       | 31            | 1.06                   | 47            |
| West Virginia        | 2.03                       | 36            | 1.45                   | 38            |
| Fifth District       | 2.61                       | -             | 2.26                   | -             |
| United States        | 2.57                       | -             | 3.08                   | -             |

Source: Mortgage Bankers Association (2013: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 | 1.86                       | 6             | 1.78                   | 19            |
| Maryland             | 1.84                       | 7             | 2.67                   | 9             |
| North Carolina       | 1.22                       | 25            | 1.10                   | 31            |
| South Carolina       | 1.18                       | 27            | 2.00                   | 16            |
| Virginia             | 1.02                       | 33            | 0.61                   | 46            |
| West Virginia        | 1.04                       | 31            | 0.93                   | 37            |
| Fifth District       | 1.31                       | -             | 1.44                   | -             |
| United States        | 1.39                       | -             | 2.03                   | -             |

Source: Mortgage Bankers Association (2013:Q3)/Haver Analytics

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

| <u>Geographic Area</u> | <u>Percent Subprime</u> | <u>National Rank</u> |
|------------------------|-------------------------|----------------------|
| District of Columbia   | 7.09                    | 35                   |
| Maryland               | 9.52                    | 13                   |
| North Carolina         | 7.45                    | 32                   |
| South Carolina         | 9.26                    | 15                   |
| Virginia               | 6.79                    | 38                   |
| West Virginia          | 8.25                    | 26                   |
| Fifth District         | 7.98                    | -                    |
| United States          | 9.03                    | -                    |

Source: Mortgage Bankers Association (2013:Q3)/Haver Analytics

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

| <u>Geographic Area</u> | <u>Percent 90 + Days Past Due</u> | <u>National Rank</u> | <u>Percent in Foreclosure</u> | <u>National Rank</u> |
|------------------------|-----------------------------------|----------------------|-------------------------------|----------------------|
| District of Columbia   | 13.57                             | 3                    | 11.91                         | 14                   |
| Maryland               | 12.74                             | 5                    | 13.02                         | 10                   |
| North Carolina         | 10.07                             | 16                   | 6.91                          | 32                   |
| South Carolina         | 7.85                              | 34                   | 11.01                         | 19                   |
| Virginia               | 9.87                              | 18                   | 4.41                          | 42                   |
| West Virginia          | 9.29                              | 24                   | 4.99                          | 39                   |
| Fifth District         | 10.42                             | -                    | 8.60                          | -                    |
| United States          | 9.24                              | -                    | 11.20                         | -                    |

Source: Mortgage Bankers Association (2013:Q3)/Haver Analytics

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

| Geographic Area    | Housing Units |            |             | Percent of Owner-Occupied Mortgages With: |                 |            |               |                 |               |
|--------------------|---------------|------------|-------------|---|-----------------|------------|---------------|-----------------|---------------|
|                    | Total         | Vacant     | Occupied    | Owner-Occupied                            |                 | Prime Loan | Subprime Loan | Adjustable Rate | Interest Only |
|                    |               |            |             | Total                                     | With a Mortgage |            |               |                 |               |
| Asheville          | 213,637       | 33,720     | 179,917     | 125,590                                   | 76,295          | 97.94      | 2.06          | 6.71            | 1.84          |
| Burlington         | 66,576        | 6,616      | 59,960      | 40,104                                    | 27,247          | 96.33      | 3.67          | 6.35            | 0.94          |
| Charlotte-Gastonia | 737,775       | 66,546     | 671,229     | 445,815                                   | 356,468         | 97.37      | 2.63          | 10.93           | 2.66          |
| Durham             | 222,760       | 20,284     | 202,476     | 121,650                                   | 91,562          | 96.10      | 3.90          | 12.02           | 1.79          |
| Fayetteville       | 153,735       | 14,772     | 138,963     | 80,053                                    | 61,421          | 96.30      | 3.70          | 9.18            | 0.29          |
| Goldsboro          | 52,949        | 5,118      | 47,831      | 29,828                                    | 19,525          | 96.77      | 3.23          | 10.20           | 0.38          |
| Greensboro         | 322,754       | 32,060     | 290,694     | 186,999                                   | 134,353         | 96.99      | 3.01          | 8.11            | 1.13          |
| Greenville         | 83,203        | 8,313      | 74,890      | 41,985                                    | 30,013          | 97.17      | 2.83          | 7.34            | 0.78          |
| Hickory-Lenoir     | 162,613       | 18,109     | 144,504     | 103,966                                   | 66,104          | 96.33      | 3.67          | 6.05            | 0.74          |
| Jacksonville       | 68,226        | 8,134      | 60,092      | 34,332                                    | 25,865          | 98.38      | 1.62          | 12.25           | 0.56          |
| Kill Devil Hills   | 33,492        | 19,157     | 14,335      | 10,118                                    | 7,214           | 98.42      | 1.58          | 10.74           | 5.08          |
| Raleigh-Cary       | 466,095       | 35,518     | 430,577     | 287,501                                   | 234,196         | 97.80      | 2.20          | 10.11           | 1.76          |
| Rocky Mount        | 67,124        | 7,662      | 59,462      | 37,967                                    | 24,892          | 95.72      | 4.28          | 7.29            | 0.60          |
| Wilmington         | 205,642       | 52,966     | 152,676     | 102,867                                   | 72,689          | 98.14      | 1.86          | 8.09            | 2.40          |
| Winston-Salem      | 214,375       | 22,065     | 192,310     | 130,315                                   | 91,204          | 97.06      | 2.94          | 8.03            | 0.99          |
| North Carolina     | 4,327,528     | 582,373    | 3,745,155   | 2,497,900                                 | 1,741,905       | 97.13      | 2.87          | 9.18            | 1.66          |
| Fifth District     | 13,387,600    | 1,598,257  | 11,789,343  | 7,930,734                                 | 5,632,033       | 96.93      | 3.07          | 10.68           | 3.45          |
| United States      | 131,704,730   | 14,988,438 | 116,716,292 | 75,986,074                                | 51,208,208*     | 97.34      | 2.66          | 10.30           | 3.28          |

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 2013).

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

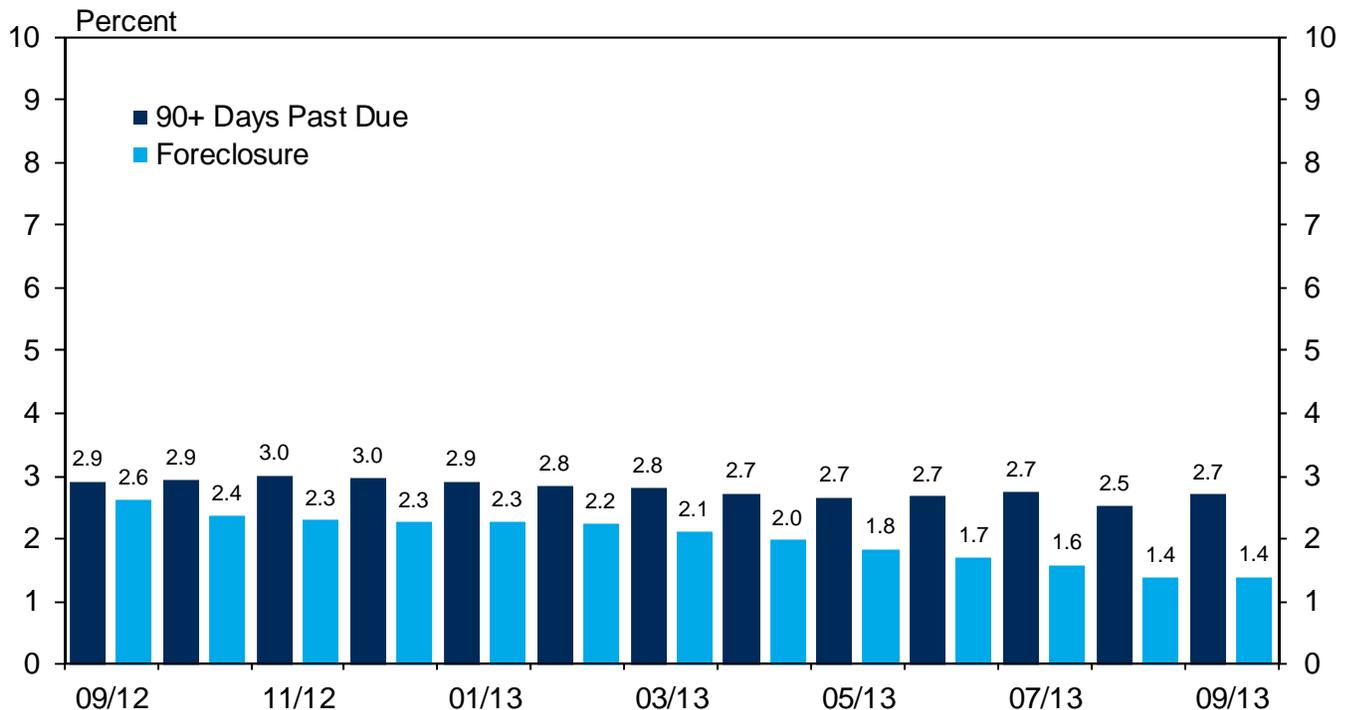
\*The figure for owner-occupied units with a mortgage at the national level is calculated by summing the totals for the states.

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

| Geographic Area    | September 2012            |                        |                | September 2013            |                        |                |
|--------------------|---------------------------|------------------------|----------------|---------------------------|------------------------|----------------|
|                    | Percent 90+ Days Past Due | Percent in Foreclosure | Percent in REO | Percent 90+ Days Past Due | Percent in Foreclosure | Percent in REO |
| Asheville          | 1.78                      | 2.13                   | 0.64           | 1.49                      | 1.17                   | 0.66           |
| Burlington         | 3.25                      | 2.45                   | 0.89           | 3.09                      | 1.37                   | 0.81           |
| Charlotte-Gastonia | 3.05                      | 3.32                   | 0.57           | 2.73                      | 1.63                   | 0.71           |
| Durham             | 2.93                      | 1.83                   | 0.49           | 2.75                      | 1.00                   | 0.50           |
| Fayetteville       | 3.47                      | 2.04                   | 0.42           | 3.46                      | 1.42                   | 0.68           |
| Goldsboro          | 3.67                      | 2.10                   | 0.67           | 3.67                      | 1.51                   | 0.74           |
| Greensboro         | 3.20                      | 2.70                   | 0.69           | 3.03                      | 1.36                   | 0.85           |
| Greenville         | 2.90                      | 2.34                   | 0.65           | 2.84                      | 1.30                   | 0.70           |
| Hickory-Lenoir     | 2.47                      | 2.97                   | 0.76           | 2.32                      | 1.73                   | 1.11           |
| Jacksonville       | 3.44                      | 2.05                   | 0.40           | 3.49                      | 1.83                   | 0.90           |
| Kill Devil Hills   | 1.36                      | 2.50                   | 0.97           | 1.44                      | 1.31                   | 0.77           |
| Raleigh-Cary       | 2.32                      | 1.93                   | 0.42           | 2.09                      | 1.03                   | 0.54           |
| Rocky Mount        | 4.52                      | 3.10                   | 1.00           | 4.05                      | 1.82                   | 1.20           |
| Wilmington         | 2.58                      | 2.81                   | 0.86           | 2.27                      | 1.40                   | 0.77           |
| Winston-Salem      | 2.70                      | 2.76                   | 0.78           | 2.68                      | 1.48                   | 0.88           |
| North Carolina     | 2.92                      | 2.62                   | 0.63           | 2.70                      | 1.39                   | 0.77           |
| Fifth District     | 2.86                      | 2.83                   | 0.54           | 2.64                      | 1.79                   | 0.67           |
| United States      | 3.02                      | 3.58                   | 0.69           | 2.61                      | 2.42                   | 0.68           |

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 total loans receive an N/A.  
Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

**Figure 11  
Owner-Occupied Loan Statistics: North Carolina**



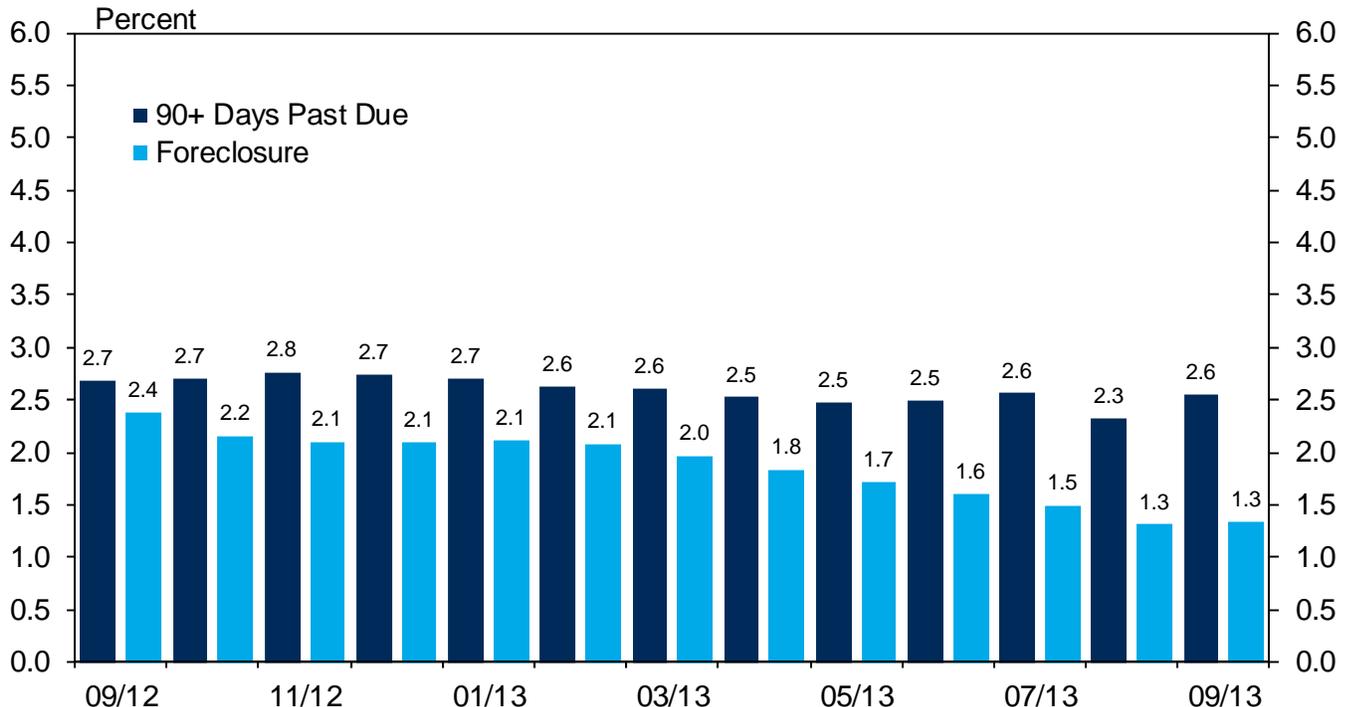
Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans.  
Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

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

| Geographic Area    | September 2012            |                        |                | September 2013            |                        |                |
|--------------------|---------------------------|------------------------|----------------|---------------------------|------------------------|----------------|
|                    | Percent 90+ Days Past Due | Percent in Foreclosure | Percent in REO | Percent 90+ Days Past Due | Percent in Foreclosure | Percent in REO |
| Asheville          | 1.64                      | 1.96                   | 0.59           | 1.44                      | 1.11                   | 0.63           |
| Burlington         | 2.87                      | 2.19                   | 0.84           | 2.84                      | 1.33                   | 0.78           |
| Charlotte-Gastonia | 2.83                      | 3.05                   | 0.54           | 2.61                      | 1.57                   | 0.70           |
| Durham             | 2.62                      | 1.63                   | 0.47           | 2.56                      | 0.93                   | 0.49           |
| Fayetteville       | 3.23                      | 1.81                   | 0.39           | 3.28                      | 1.38                   | 0.65           |
| Goldsboro          | 3.31                      | 1.85                   | 0.65           | 3.42                      | 1.47                   | 0.70           |
| Greensboro         | 2.94                      | 2.45                   | 0.65           | 2.85                      | 1.31                   | 0.84           |
| Greenville         | 2.65                      | 1.94                   | 0.62           | 2.72                      | 1.13                   | 0.63           |
| Hickory-Lenoir     | 2.22                      | 2.72                   | 0.70           | 2.21                      | 1.63                   | 1.07           |
| Jacksonville       | 3.34                      | 1.96                   | 0.38           | 3.41                      | 1.80                   | 0.90           |
| Kill Devil Hills   | 1.26                      | 2.25                   | 0.89           | 1.39                      | 1.25                   | 0.76           |
| Raleigh-Cary       | 2.08                      | 1.73                   | 0.38           | 1.92                      | 0.98                   | 0.51           |
| Rocky Mount        | 4.13                      | 2.89                   | 0.93           | 3.81                      | 1.83                   | 1.13           |
| Wilmington         | 2.39                      | 2.61                   | 0.85           | 2.13                      | 1.36                   | 0.75           |
| Winston-Salem      | 2.49                      | 2.53                   | 0.73           | 2.56                      | 1.42                   | 0.85           |
| North Carolina     | 2.68                      | 2.38                   | 0.59           | 2.56                      | 1.33                   | 0.74           |
| Fifth District     | 2.61                      | 2.57                   | 0.50           | 2.46                      | 1.71                   | 0.64           |
| United States      | 2.76                      | 3.23                   | 0.65           | 2.46                      | 2.30                   | 0.65           |

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 total loans receive an N/A.  
Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

**Figure 12**  
**Owner-Occupied Prime Loan Statistics: North Carolina**



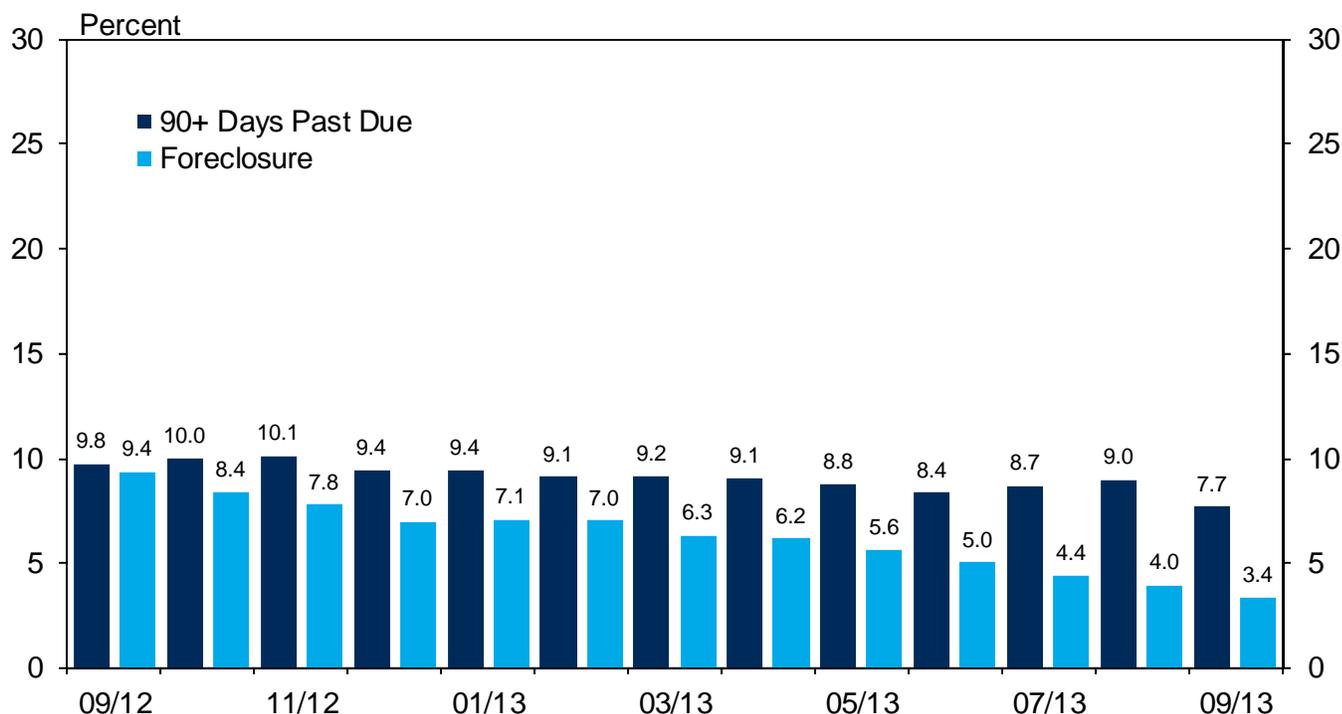
Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans.  
Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

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

| Geographic Area    | September 2012            |                        |                | September 2013            |                        |                |
|--------------------|---------------------------|------------------------|----------------|---------------------------|------------------------|----------------|
|                    | Percent 90+ Days Past Due | Percent in Foreclosure | Percent in REO | Percent 90+ Days Past Due | Percent in Foreclosure | Percent in REO |
| Asheville          | 7.21                      | 8.94                   | 2.79           | 4.19                      | 3.93                   | 1.90           |
| Burlington         | 11.77                     | 8.28                   | 2.03           | 9.79                      | 2.30                   | 1.54           |
| Charlotte-Gastonia | 9.67                      | 11.49                  | 1.63           | 7.26                      | 4.02                   | 1.26           |
| Durham             | 9.68                      | 6.19                   | 1.05           | 7.41                      | 2.70                   | 0.86           |
| Fayetteville       | 8.83                      | 7.26                   | 1.18           | 8.24                      | 2.62                   | 1.41           |
| Goldsboro          | 12.73                     | 8.39                   | 1.24           | 11.07                     | 2.77                   | 1.98           |
| Greensboro         | 10.51                     | 9.79                   | 1.87           | 8.98                      | 3.09                   | 1.26           |
| Greenville         | 10.38                     | 14.41                  | 1.69           | 6.72                      | 7.00                   | 3.08           |
| Hickory-Lenoir     | 7.72                      | 8.18                   | 2.03           | 5.25                      | 4.29                   | 2.04           |
| Jacksonville       | 8.70                      | 6.41                   | 1.37           | 8.16                      | 3.32                   | 0.91           |
| Kill Devil Hills   | 6.25                      | 15.18                  | 4.46           | 5.00                      | 5.00                   | 1.25           |
| Raleigh-Cary       | 11.46                     | 9.64                   | 1.62           | 9.24                      | 3.05                   | 1.75           |
| Rocky Mount        | 12.06                     | 7.11                   | 2.37           | 9.56                      | 1.55                   | 2.58           |
| Wilmington         | 10.87                     | 11.36                  | 1.55           | 9.73                      | 3.76                   | 2.20           |
| Winston-Salem      | 8.22                      | 9.18                   | 2.04           | 6.62                      | 3.50                   | 1.98           |
| North Carolina     | 9.76                      | 9.38                   | 1.79           | 7.69                      | 3.35                   | 1.62           |
| Fifth District     | 9.61                      | 9.83                   | 1.52           | 8.03                      | 4.34                   | 1.54           |
| United States      | 10.73                     | 13.85                  | 2.09           | 8.05                      | 6.89                   | 1.68           |

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 total loans receive an N/A.  
Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

**Figure 13**  
**Owner-Occupied Subprime Loan Statistics: North Carolina**



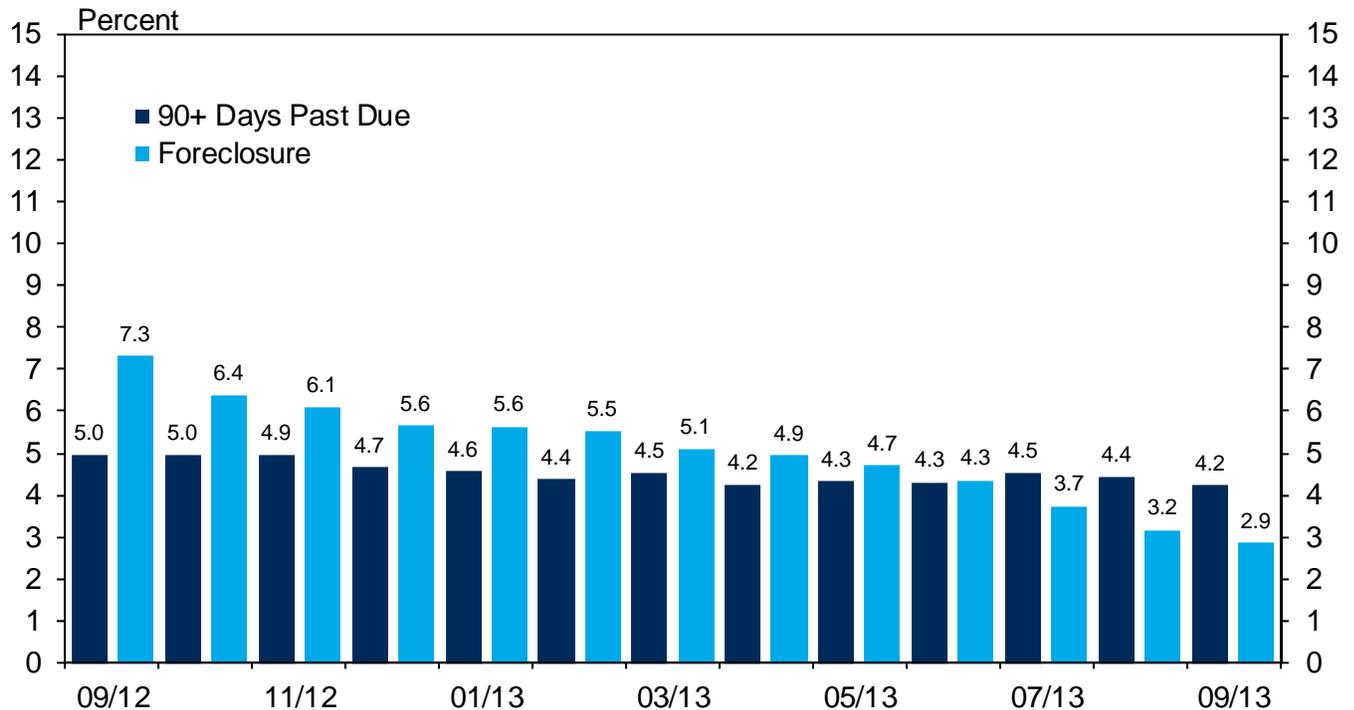
Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans.  
Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

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

| Geographic Area    | September 2012            |                        |                | September 2013            |                        |                |
|--------------------|---------------------------|------------------------|----------------|---------------------------|------------------------|----------------|
|                    | Percent 90+ Days Past Due | Percent in Foreclosure | Percent in REO | Percent 90+ Days Past Due | Percent in Foreclosure | Percent in REO |
| Asheville          | 2.07                      | 7.66                   | 3.00           | 1.71                      | 3.84                   | 1.99           |
| Burlington         | 9.14                      | 5.58                   | 2.03           | 5.26                      | 3.76                   | 0.75           |
| Charlotte-Gastonia | 4.57                      | 7.60                   | 1.62           | 3.85                      | 2.90                   | 1.70           |
| Durham             | 4.77                      | 5.99                   | 1.39           | 4.13                      | 1.77                   | 2.01           |
| Fayetteville       | 5.81                      | 6.98                   | 1.74           | 4.03                      | 0.81                   | 1.61           |
| Goldsboro          | 8.11                      | 10.81                  | 0.00           | 10.00                     | 3.33                   | 3.33           |
| Greensboro         | 5.50                      | 6.31                   | 2.16           | 5.11                      | 3.12                   | 1.00           |
| Greenville         | 4.96                      | 9.22                   | 4.96           | 8.08                      | 1.01                   | 2.02           |
| Hickory-Lenoir     | 3.40                      | 8.68                   | 2.64           | 3.70                      | 2.65                   | 2.65           |
| Jacksonville       | 5.70                      | 6.96                   | 0.63           | 6.96                      | 1.74                   | 5.22           |
| Kill Devil Hills   | 4.14                      | 8.28                   | 3.82           | 3.50                      | 3.11                   | 3.50           |
| Raleigh-Cary       | 5.42                      | 6.30                   | 1.61           | 4.65                      | 2.26                   | 1.63           |
| Rocky Mount        | 7.14                      | 8.33                   | 3.57           | 9.26                      | 1.85                   | 0.00           |
| Wilmington         | 5.42                      | 8.65                   | 3.50           | 4.92                      | 2.91                   | 2.71           |
| Winston-Salem      | 6.03                      | 7.00                   | 1.30           | 6.08                      | 4.28                   | 2.03           |
| North Carolina     | 4.96                      | 7.31                   | 1.96           | 4.22                      | 2.85                   | 2.02           |
| Fifth District     | 5.96                      | 8.17                   | 1.49           | 4.69                      | 4.52                   | 1.64           |
| United States      | 7.17                      | 10.69                  | 1.91           | 5.06                      | 6.19                   | 1.49           |

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 total loans receive an N/A.  
 Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

**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/Lender Processing Services (LPS) Applied Analytics (September 2013)

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

| Geographic Area    | Unemployment Rate | Percentage Point           |
|--------------------|-------------------|----------------------------|
|                    |                   | Change from September 2012 |
| Asheville          | 5.8               | -1.3                       |
| Burlington         | 7.5               | -1.4                       |
| Charlotte-Gastonia | 7.6               | -1.5                       |
| Durham             | 5.7               | -1.2                       |
| Fayetteville       | 8.9               | -0.9                       |
| Goldsboro          | 7.9               | -1.5                       |
| Greensboro         | 7.6               | -1.3                       |
| Greenville         | 7.7               | -1.2                       |
| Hickory-Lenoir     | 8.4               | -1.9                       |
| Jacksonville       | 7.1               | -1.2                       |
| Kill Devil Hills   | 6.4               | -1.1                       |
| Raleigh-Cary       | 6.1               | -1.2                       |
| Rocky Mount        | 10.9              | -1.5                       |
| Wilmington         | 7.7               | -1.3                       |
| Winston-Salem      | 7.0               | -1.5                       |
| North Carolina     | 7.6               | -1.3                       |
| Fifth District     | 6.6               | -0.8                       |

Note: Data are not seasonally adjusted.  
Source: Bureau of Labor Statistics/Haver Analytics (September 2013)

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

| Geographic Area    | September 2012            |                        |                | September 2013            |                        |                |
|--------------------|---------------------------|------------------------|----------------|---------------------------|------------------------|----------------|
|                    | Percent 90+ Days Past Due | Percent in Foreclosure | Percent in REO | Percent 90+ Days Past Due | Percent in Foreclosure | Percent in REO |
| Anson County       | 4.09                      | 4.85                   | 0.89           | 4.68                      | 2.13                   | 1.28           |
| Cabarrus County    | 2.97                      | 3.19                   | 0.64           | 2.63                      | 1.61                   | 0.82           |
| Gaston County      | 3.76                      | 3.40                   | 0.76           | 3.55                      | 1.56                   | 1.16           |
| Mecklenburg County | 3.16                      | 3.41                   | 0.50           | 2.79                      | 1.59                   | 0.69           |
| Union County       | 2.55                      | 2.55                   | 0.66           | 2.22                      | 1.26                   | 0.49           |

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 total loans receive an N/A.  
Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

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

| Geographic Area | September 2012            |                        |                | September 2013            |                        |                |
|-----------------|---------------------------|------------------------|----------------|---------------------------|------------------------|----------------|
|                 | Percent 90+ Days Past Due | Percent in Foreclosure | Percent in REO | Percent 90+ Days Past Due | Percent in Foreclosure | Percent in REO |
| Franklin County | 3.95                      | 2.97                   | 0.82           | 3.51                      | 1.60                   | 1.10           |
| Johnston County | 3.37                      | 3.08                   | 0.69           | 3.26                      | 1.59                   | 1.12           |
| Wake County     | 2.14                      | 1.76                   | 0.37           | 1.90                      | 0.94                   | 0.45           |

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 total loans receive an N/A.  
Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

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

| Geographic Area    | September 2012               |                           |                   | September 2013               |                           |                   |
|--------------------|------------------------------|---------------------------|-------------------|------------------------------|---------------------------|-------------------|
|                    | Percent 90+<br>Days Past Due | Percent in<br>Foreclosure | Percent<br>in REO | Percent 90+<br>Days Past Due | Percent in<br>Foreclosure | Percent<br>in REO |
| Anson County       | 3.64                         | 4.08                      | 0.87              | 4.62                         | 2.07                      | 1.27              |
| Cabarrus County    | 2.75                         | 2.90                      | 0.60              | 2.53                         | 1.54                      | 0.82              |
| Gaston County      | 3.50                         | 3.15                      | 0.71              | 3.34                         | 1.51                      | 1.12              |
| Mecklenburg County | 2.94                         | 3.16                      | 0.47              | 2.68                         | 1.53                      | 0.68              |
| Union County       | 2.36                         | 2.33                      | 0.61              | 2.09                         | 1.20                      | 0.49              |

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 total loans receive an N/A.  
Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

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

| Geographic Area | September 2012               |                           |                   | September 2013               |                           |                   |
|-----------------|------------------------------|---------------------------|-------------------|------------------------------|---------------------------|-------------------|
|                 | Percent 90+<br>Days Past Due | Percent in<br>Foreclosure | Percent<br>in REO | Percent 90+<br>Days Past Due | Percent in<br>Foreclosure | Percent<br>in REO |
| Franklin County | 3.50                         | 2.74                      | 0.75              | 3.19                         | 1.54                      | 1.05              |
| Johnston County | 3.15                         | 2.86                      | 0.67              | 3.07                         | 1.56                      | 1.07              |
| Wake County     | 1.91                         | 1.56                      | 0.34              | 1.75                         | 0.90                      | 0.43              |

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 total loans receive an N/A.  
Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

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

| Geographic Area    | September 2012               |                           |                   | September 2013               |                           |                   |
|--------------------|------------------------------|---------------------------|-------------------|------------------------------|---------------------------|-------------------|
|                    | Percent 90+<br>Days Past Due | Percent in<br>Foreclosure | Percent<br>in REO | Percent 90+<br>Days Past Due | Percent in<br>Foreclosure | Percent<br>in REO |
| Anson County       | 7.29                         | 10.42                     | 1.04              | 5.19                         | 2.60                      | 1.30              |
| Cabarrus County    | 8.63                         | 11.06                     | 1.77              | 5.82                         | 3.84                      | 0.99              |
| Gaston County      | 9.18                         | 8.53                      | 1.86              | 8.76                         | 2.75                      | 2.00              |
| Mecklenburg County | 10.51                        | 11.97                     | 1.35              | 7.20                         | 3.89                      | 1.11              |
| Union County       | 9.27                         | 10.34                     | 2.62              | 7.55                         | 3.62                      | 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 total loans receive an N/A.  
Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

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

| Geographic Area | September 2012            |                        |                | September 2013            |                        |                |
|-----------------|---------------------------|------------------------|----------------|---------------------------|------------------------|----------------|
|                 | Percent 90+ Days Past Due | Percent in Foreclosure | Percent in REO | Percent 90+ Days Past Due | Percent in Foreclosure | Percent in REO |
| Franklin County | 13.89                     | 7.94                   | 2.38           | 11.50                     | 3.00                   | 2.50           |
| Johnston County | 9.70                      | 9.70                   | 1.21           | 9.94                      | 2.49                   | 2.76           |
| Wake County     | 11.53                     | 9.76                   | 1.62           | 8.97                      | 3.13                   | 1.55           |

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 total loans receive an N/A.  
Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

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

| Geographic Area    | September 2012            |                        |                | September 2013            |                        |                |
|--------------------|---------------------------|------------------------|----------------|---------------------------|------------------------|----------------|
|                    | Percent 90+ Days Past Due | Percent in Foreclosure | Percent in REO | Percent 90+ Days Past Due | Percent in Foreclosure | Percent in REO |
| Anson County       | 0.00                      | 0.00                   | 0.00           | 100.00                    | 0.00                   | 0.00           |
| Cabarrus County    | 5.85                      | 7.86                   | 2.02           | 6.13                      | 3.47                   | 1.33           |
| Gaston County      | 5.96                      | 10.34                  | 2.82           | 5.31                      | 2.21                   | 5.75           |
| Mecklenburg County | 4.28                      | 6.98                   | 1.24           | 3.30                      | 2.63                   | 1.53           |
| Union County       | 5.56                      | 7.57                   | 2.46           | 4.61                      | 2.96                   | 1.77           |

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 total loans receive an N/A.  
Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

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

| Geographic Area | September 2012            |                        |                | September 2013            |                        |                |
|-----------------|---------------------------|------------------------|----------------|---------------------------|------------------------|----------------|
|                 | Percent 90+ Days Past Due | Percent in Foreclosure | Percent in REO | Percent 90+ Days Past Due | Percent in Foreclosure | Percent in REO |
| Franklin County | 7.79                      | 5.19                   | 2.60           | 6.35                      | 1.59                   | 3.17           |
| Johnston County | 5.46                      | 11.48                  | 1.64           | 3.01                      | 2.26                   | 1.50           |
| Wake County     | 5.36                      | 6.02                   | 1.59           | 4.70                      | 2.28                   | 1.59           |

Notes: FHA and VA loans as well as interest only loans are included in the count of prime loans. Areas with fewer than 100 total loans receive an N/A.  
Source: Federal Reserve Bank of Richmond/Lender Processing Services (LPS) Applied Analytics (September 2013)

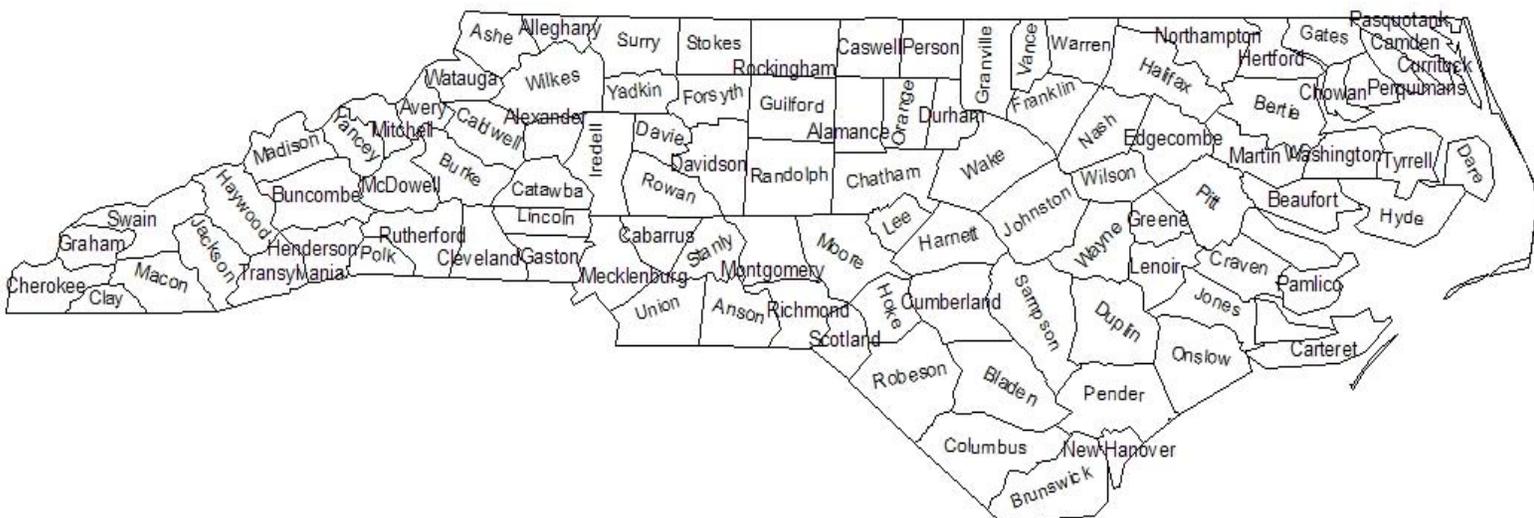
## MSA Definitions

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. periodically enhances the LPS mortgage data by adding servicers. Additional servicers can change past performance numbers. Therefore, rates in this edition of the Mortgage Performance Summaries may differ from those in previous editions.