Rising Foreclosures in Greater KCMO

Money Smart Day at the Fed

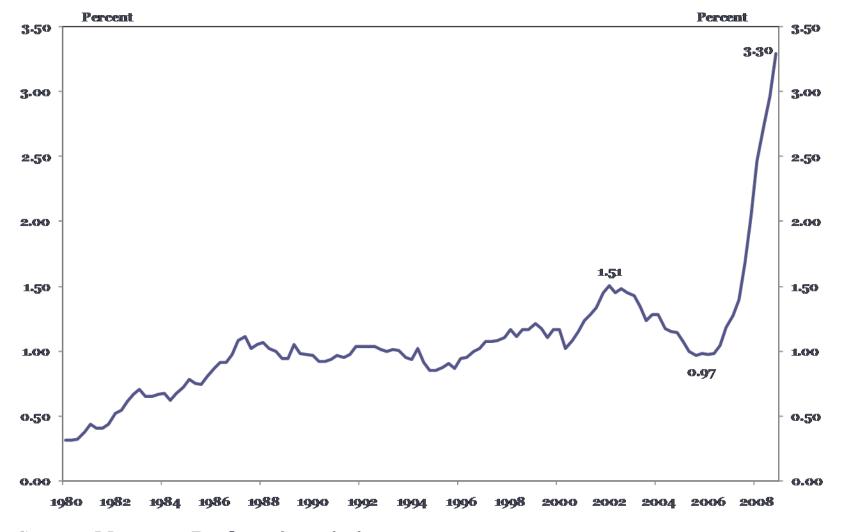
Kelly D. Edmiston April 23, 2009



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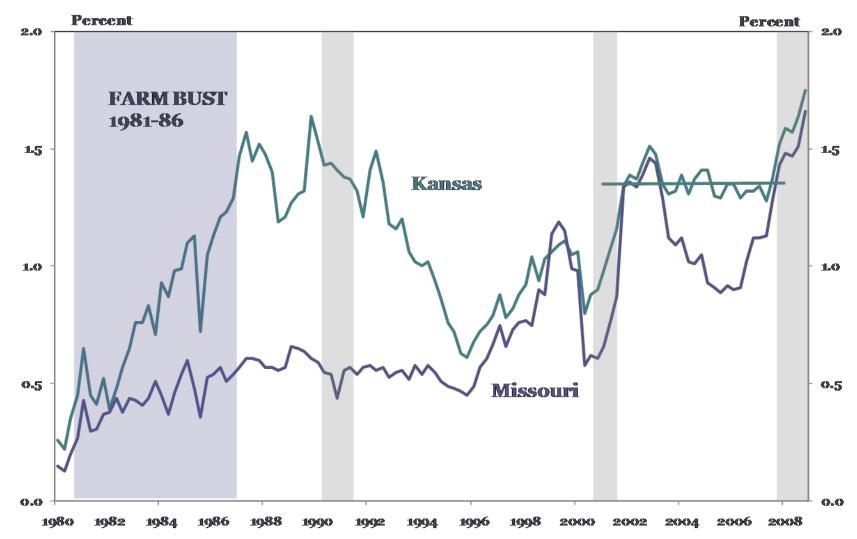
U.S. Foreclosure Rate

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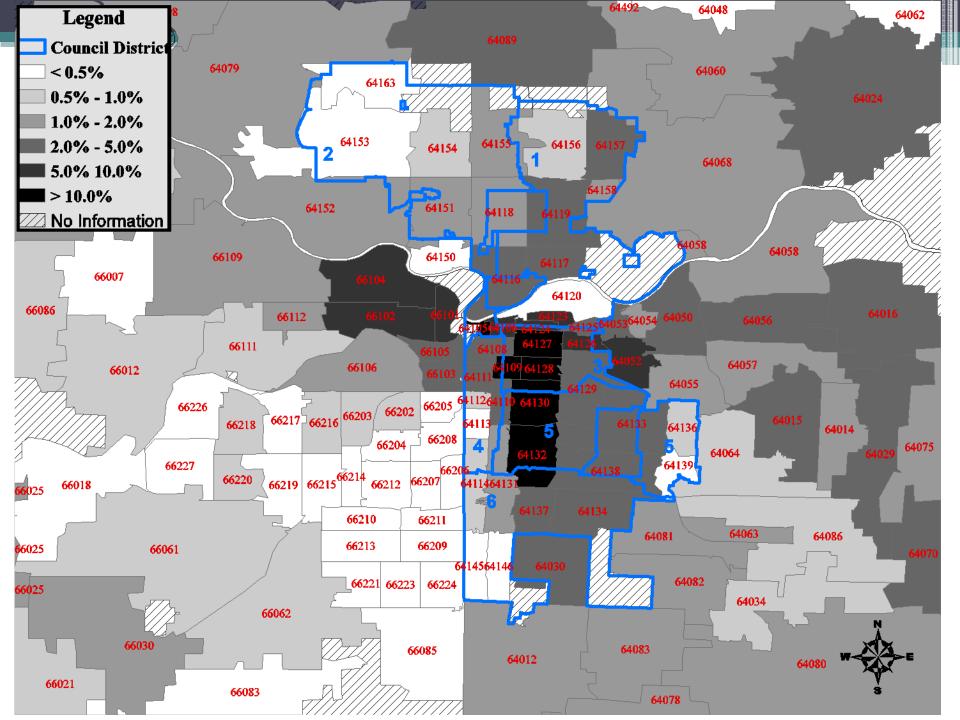


Source: Mortgage Bankers Association

KS/MO Foreclosure Rates



Source: Mortgage Bankers Association



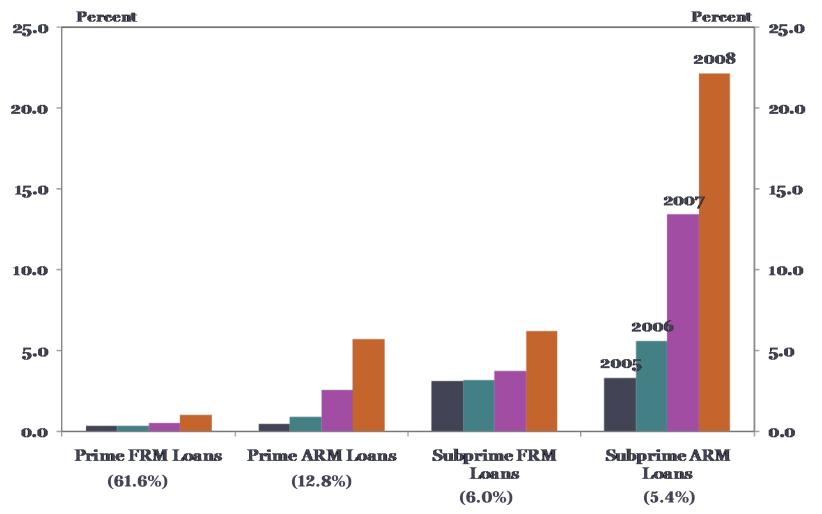
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Defining the Problem

- "Nonprime" Mortgage Share
 - Subprime Mortgages
 - Alt-A Mortgages
- Payment Shock for Non-Traditional Mortgages
 - Adjustable-Rate Mortgages (ARMs)
 - Interest-Only Mortgages
 - Payment Option ARMs
- Adverse Equity Position
 - Declining Home Price Appreciation (or Depreciation)
 - High LTV originations
 - Cash-Out Refinancing

Foreclosure Rate by Mortgage Type

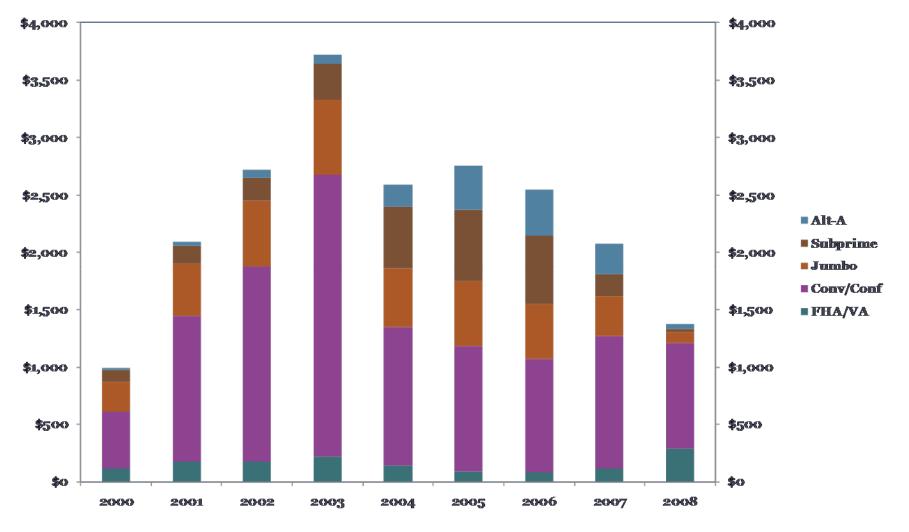
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Source: Mortgage Bankers Association

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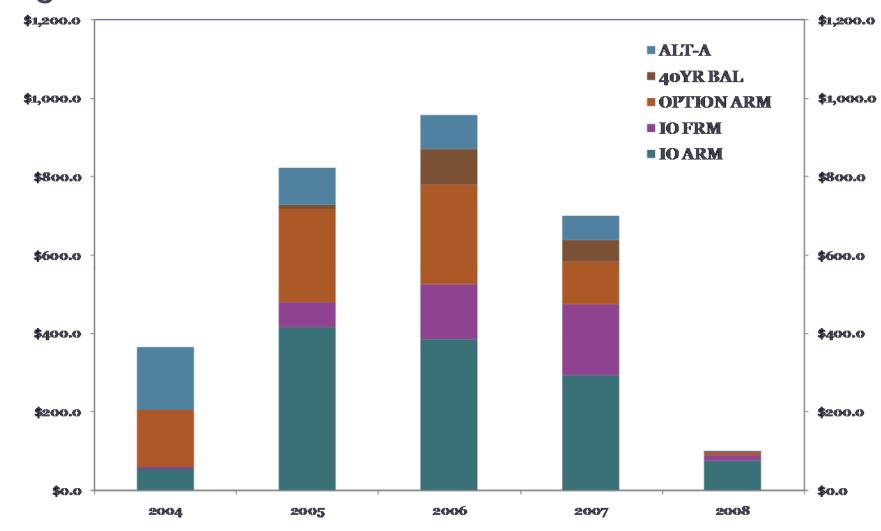
Originations by Type



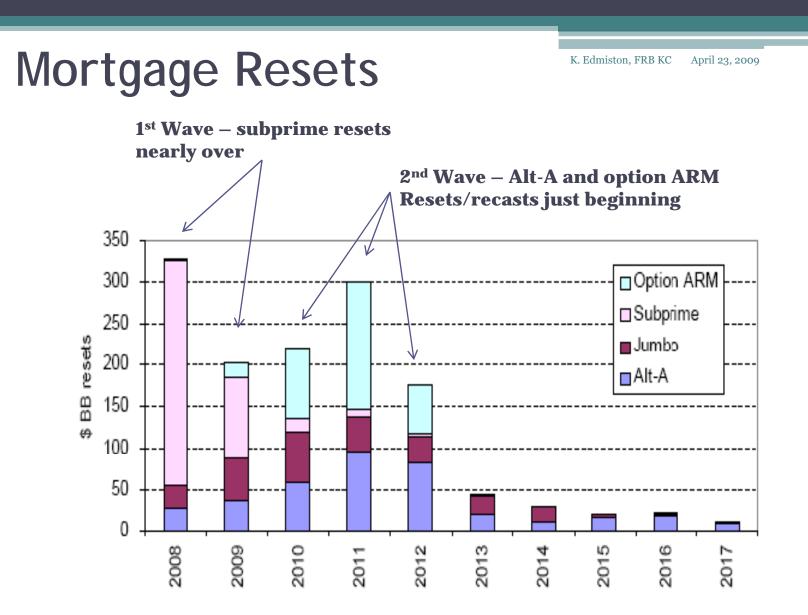
Source: Inside Mortgage Finance

Non-Traditional Mortgage Originations

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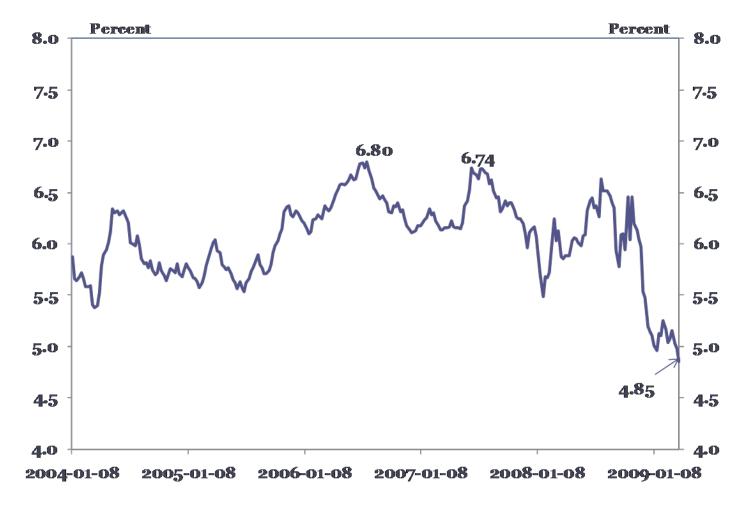


Source: Inside Mortgage Finance



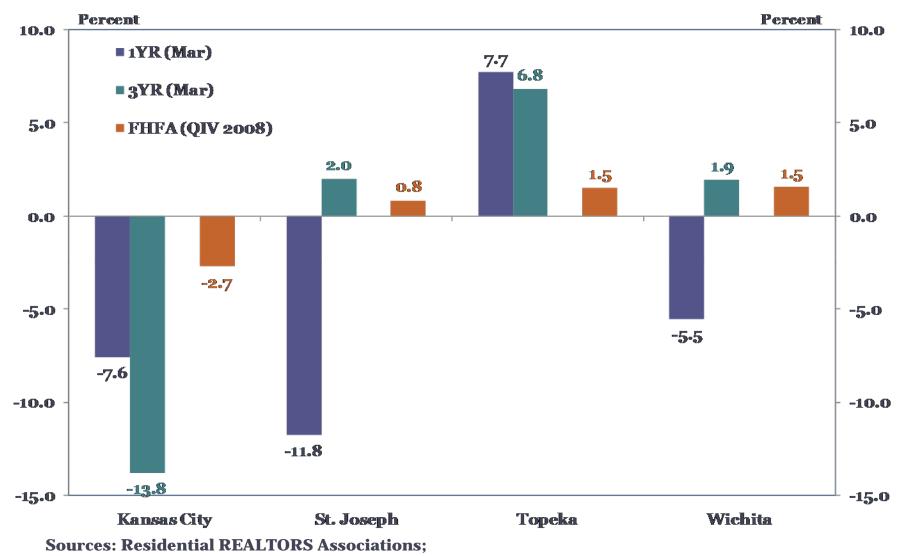
Average Mortgage Interest Rates (30-Yr FRM)

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Source: Federal Reserve Board of Governors

Property Values

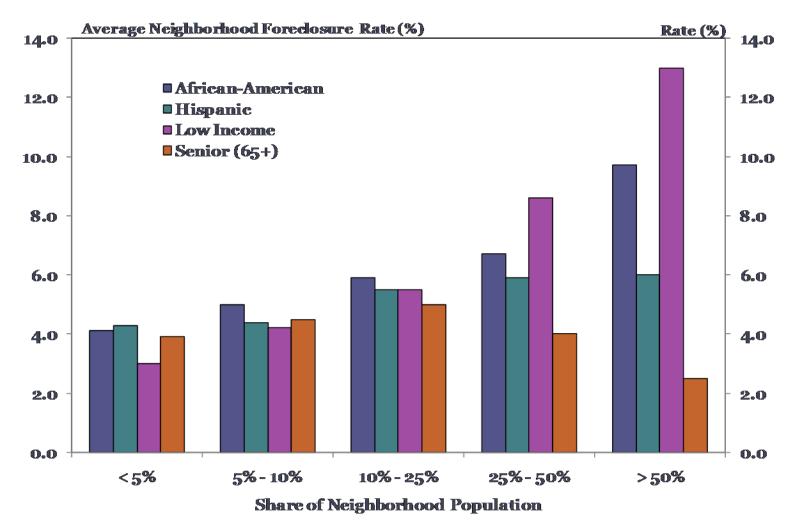


Federal Housing Finance Authority

Characteristics of High Foreclosure Neighborhoods

- Income / Race / Ethnicity/Age
- Property Conditions
 - Home Value Appreciation
 - Vacancy Rates
 - Owner-Occupancy Rates
- Economic Conditions
 - Unemployment Rates
 - Self-Employment Rates

Characteristics of High Foreclosure Neighborhoods



Sources: U.S. Census Bureau; RealtyTrac

Excelsior Springs ivenworth Platte Ray Clay Liberty Gladstone Leavenworth Wyandott Independence City Merria Blue Springs Lafavette Shawkee **Raytown**Jackson **Prairie Village** Lenexa Overland Park Leawood Lee's Summit Grandview Johnson Legend Counties Belton Raymore No Information Available 0 1.5 3 9 12 Low Income Miles Cas: Moderate Income Middle Income Miami High Income

Income Distribution

Source: U.S. Census Bureau

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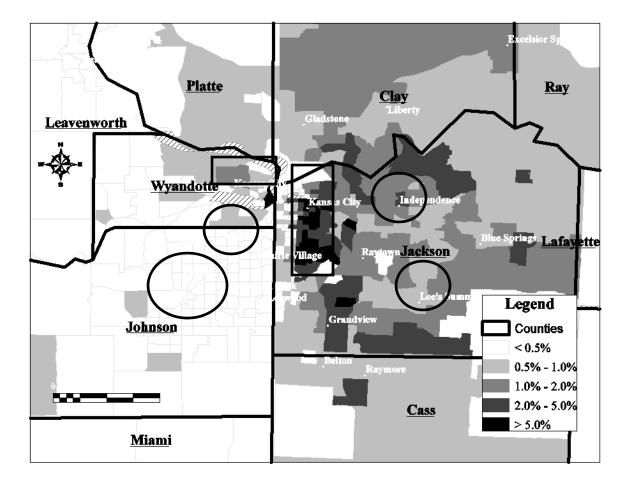
celsior Springs venworth Platte Ray <u>Clay</u> Liberty Gladstone Leavenworth Wyandott Independence itv Merria Blue Springs Lafayette Shaw **Raytown**Jackson rairle Village Leneza **Overland** Par Lee's 3 ummit dview Legend Johnson Counties Belton < 10% Raymore 10% - 25% 0 1.5 3 9 12 Miles 25% - 50% Cass 50% - 75% Miami > 75%

Racial Distribution

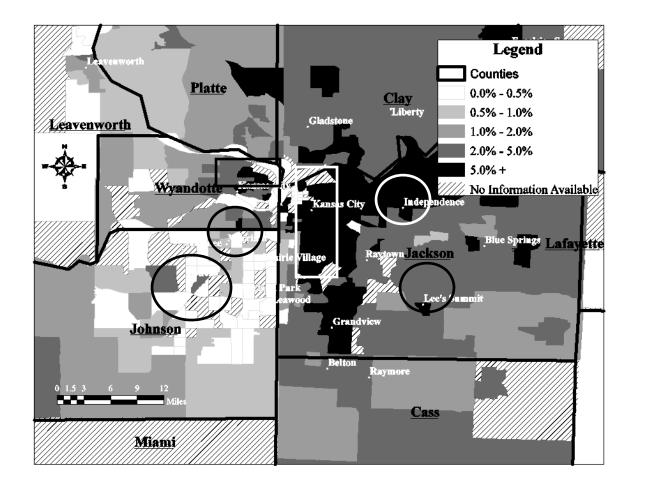
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Source: U.S. Census Bureau

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Source: RealtyTrac



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Foreclosure Rates 2008

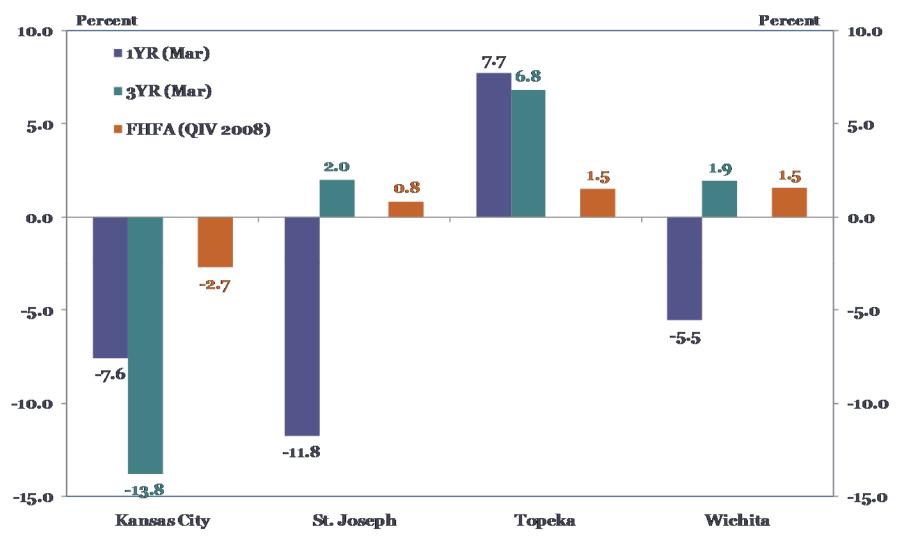
Source: RealtyTrac

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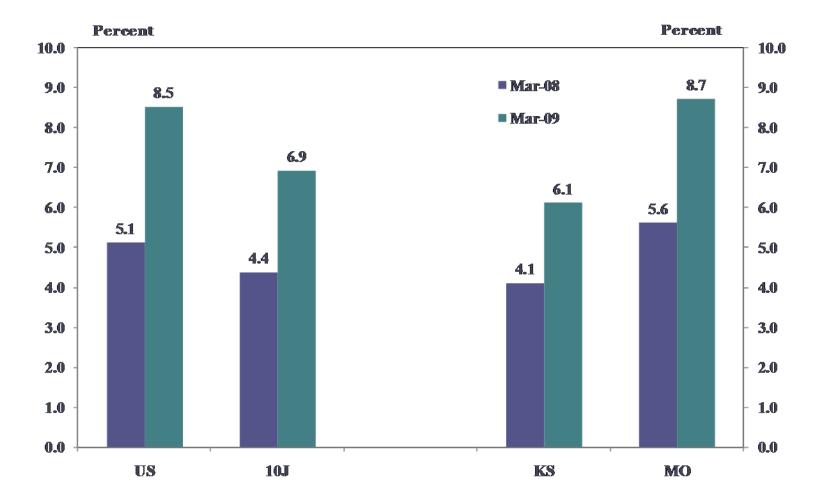
Property Values

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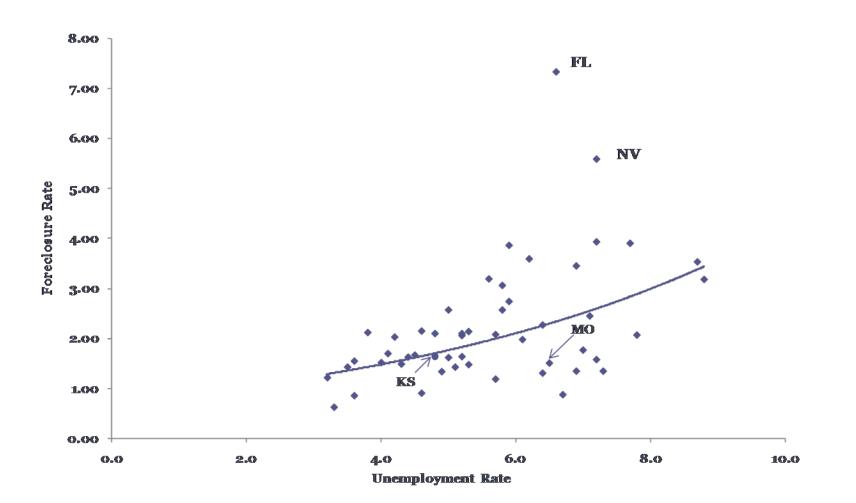
Sources: Residential REALTORS Associations; Federal Housing Finance Authority

Unemployment Rates



Source: U.S. Bureau of Labor Statistics

Unemployment Rates and Foreclosures

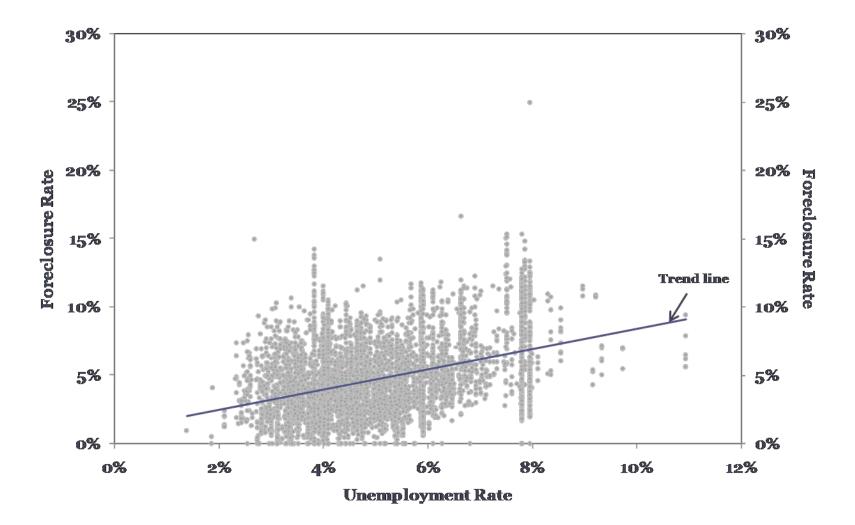


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Sources: U.S. Bureau of Labor Statistics; Mortgage Bankers Association

Unemployment Rates and Foreclosures



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