

House Prices and Mortgage Performance in Jefferson County

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These comments reflect my own views, not necessarily those of the Federal Reserve Bank of St. Louis or the Federal Reserve System.

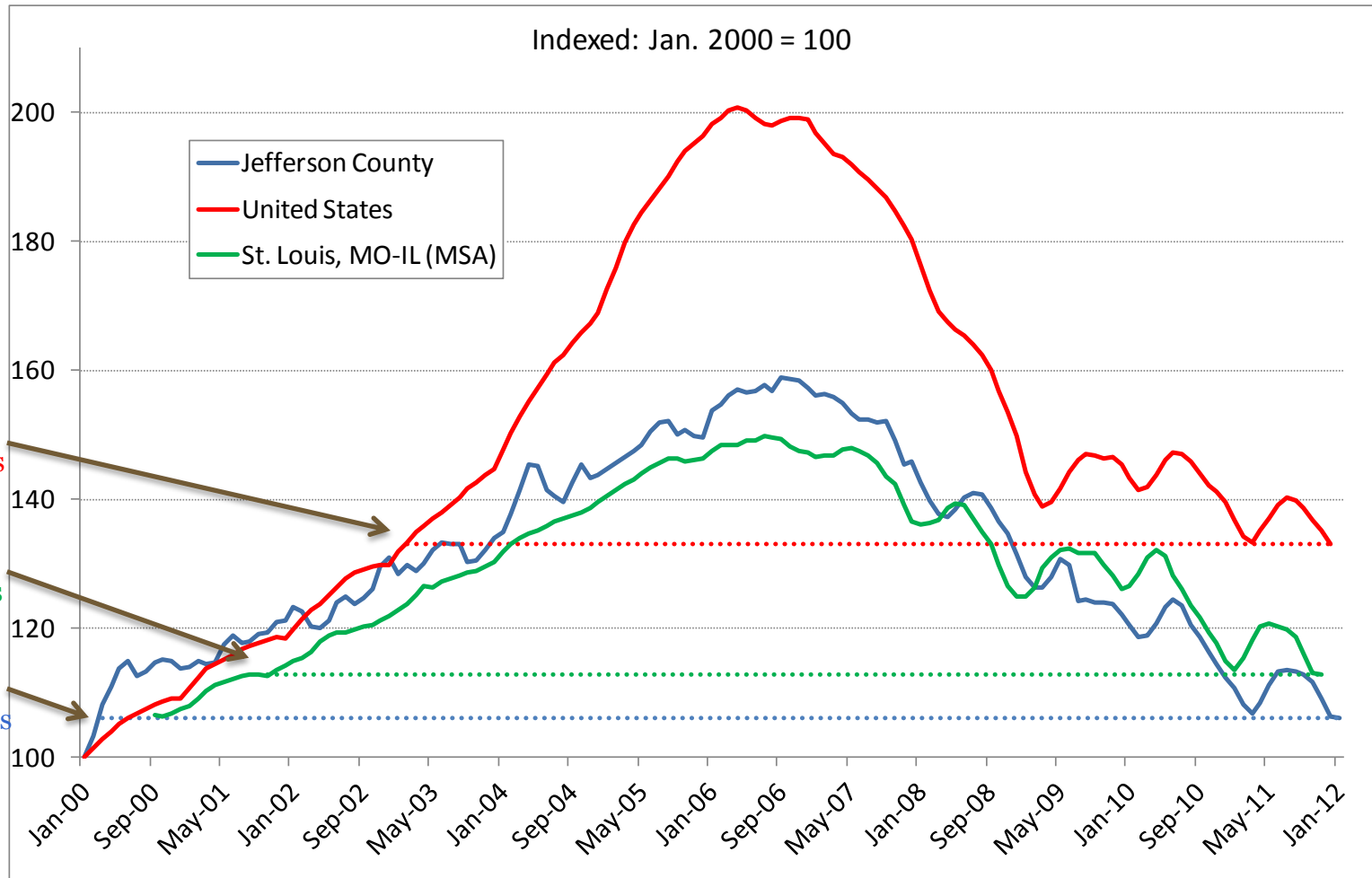
Goal

- Provide an overview of the evolution and current conditions of house prices and mortgage performance in Jefferson County
- Compare Jefferson County with the St. Louis MSA and the nation.

House Prices

House Prices

the boom, the bust and where we are today



Source: CoreLogic

House prices in Jefferson County:

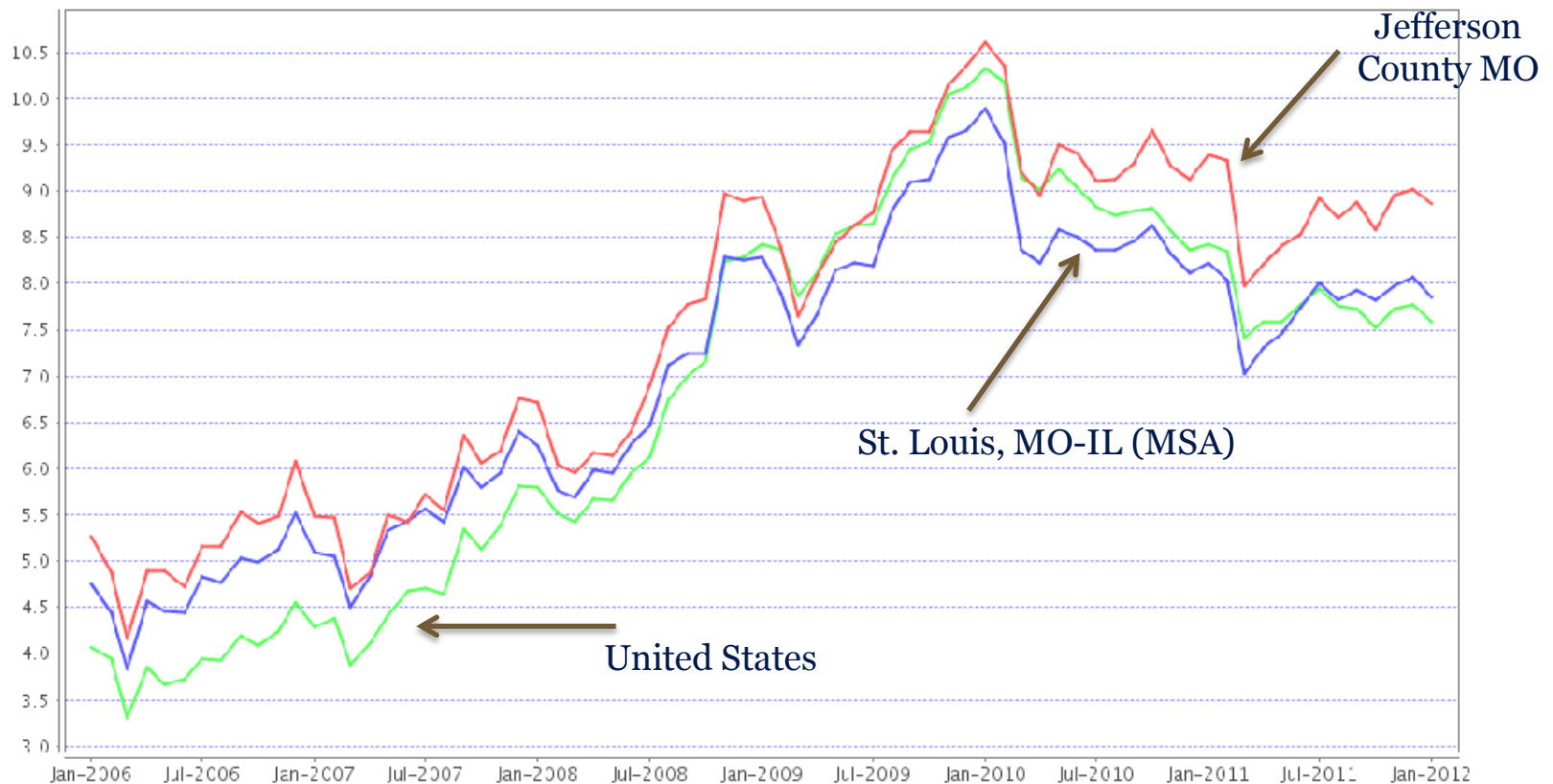
- Increased less during the boom but fell just as much during the bust as in the U.S.
- Are currently at levels not seen since March 2000

What does this mean for mortgage performance?

Delinquencies

Delinquencies fell in early 2011, but have increased again

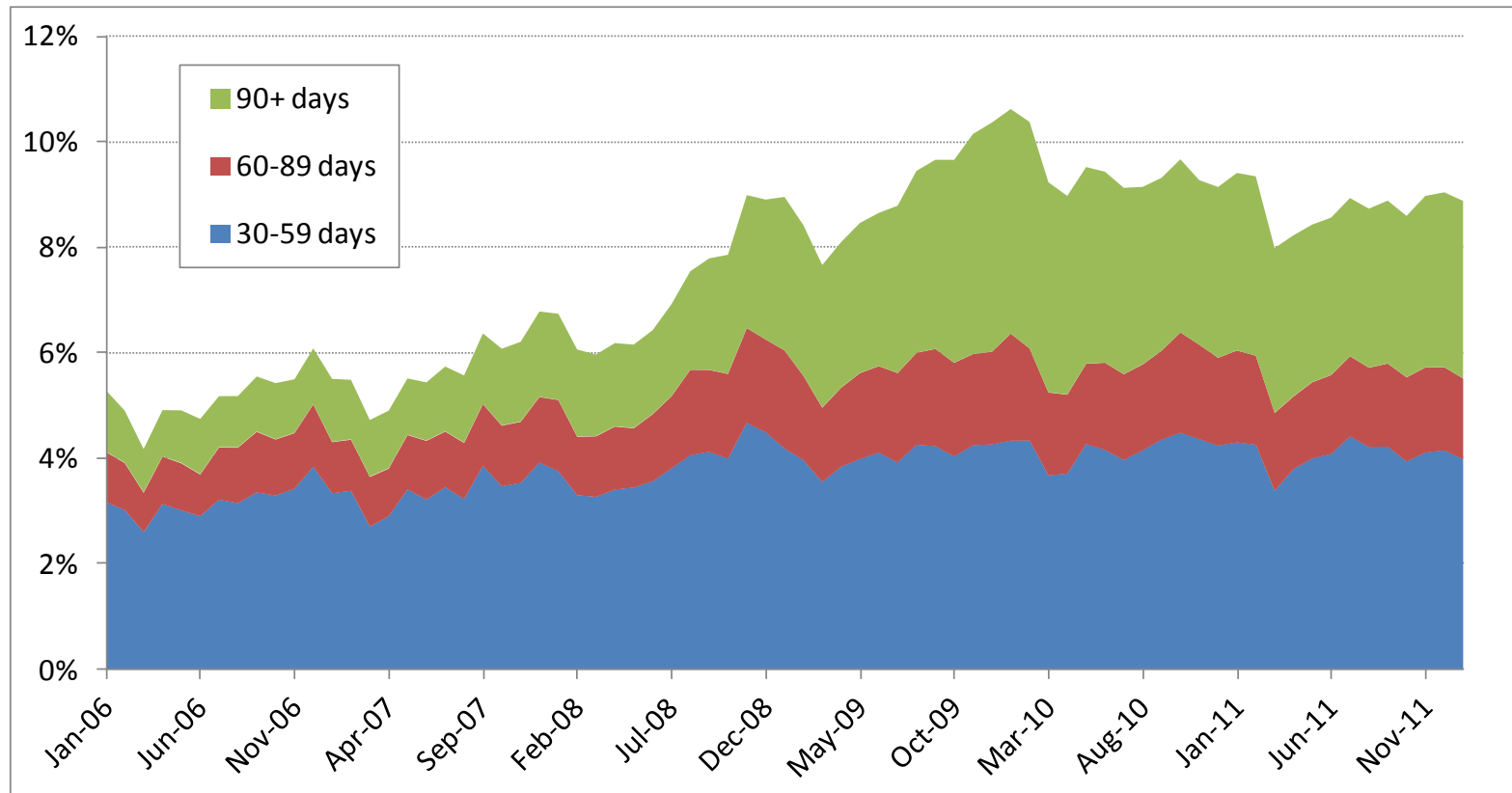
Share of mortgages delinquent 30+ days



Source: Lender Processing Services (LPS)

Seriously delinquent loans increased in early 2009 and have remained high

Share of Jefferson Co. mortgages at various stages of delinquency :
Jan. 2006 – Jan. 2012

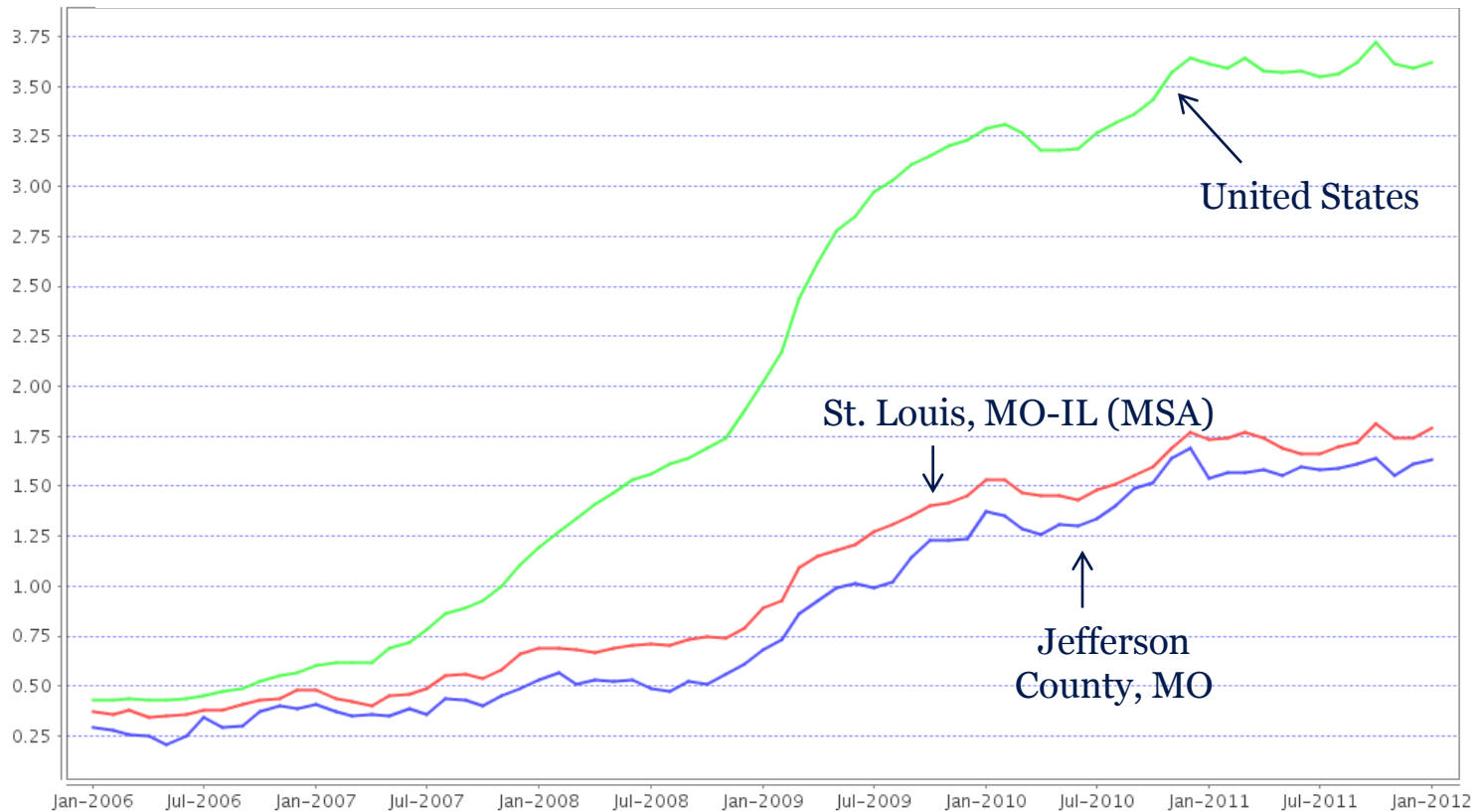


Source: Lender Processing Services (LPS)

Foreclosures

Foreclosures are at peak levels, but much lower than in the U.S.

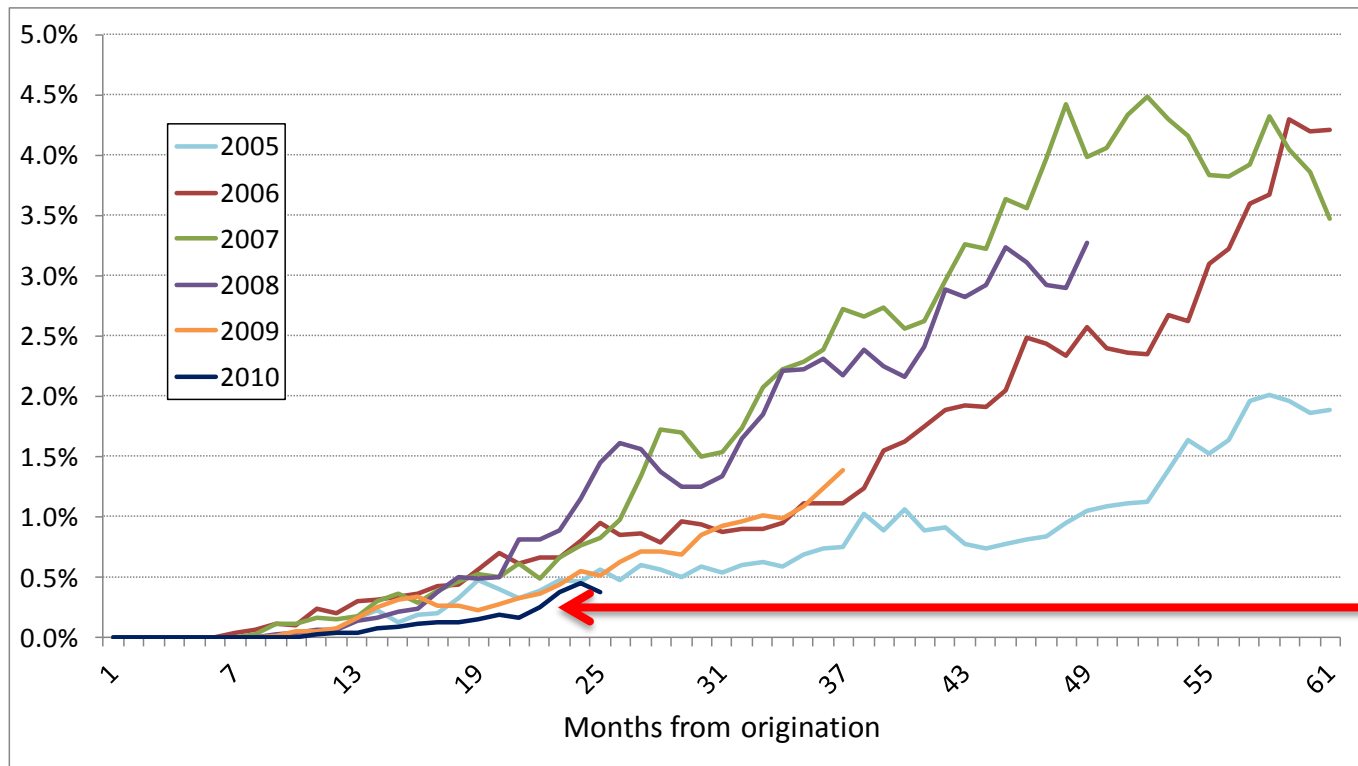
Share of Mortgages in Foreclosure:
Jan. 2006 – Jan. 2012



Source: Lender Processing Services (LPS)

Mortgages originated near the peak of prices have worse performance

Share of Jefferson Co. Mortgages in Foreclosure By Origination Vintage:
2005 - 2010

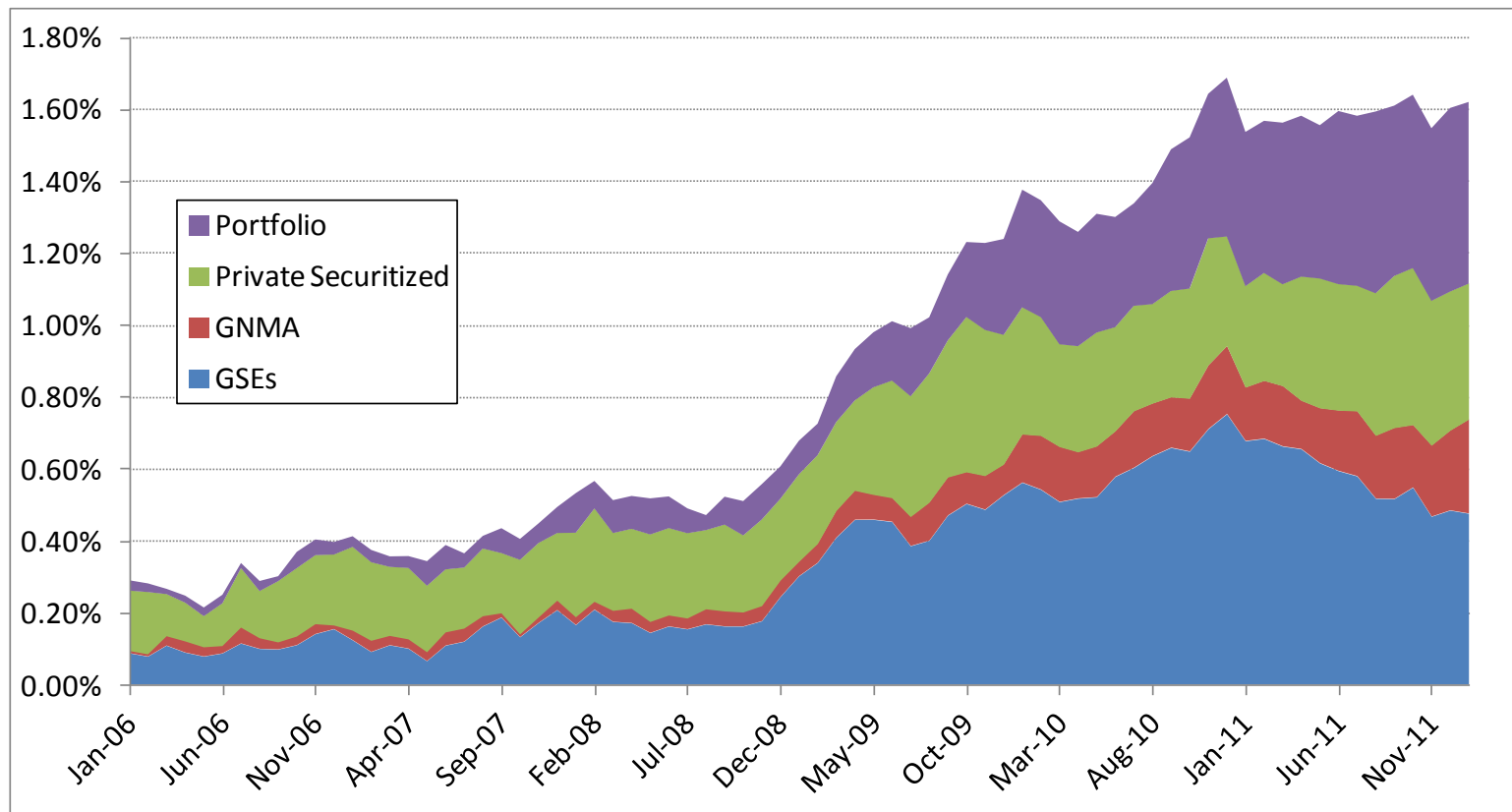


Mortgages
originated in
recent years have
lower foreclosure
rates

Source: Lender Processing Services (LPS)

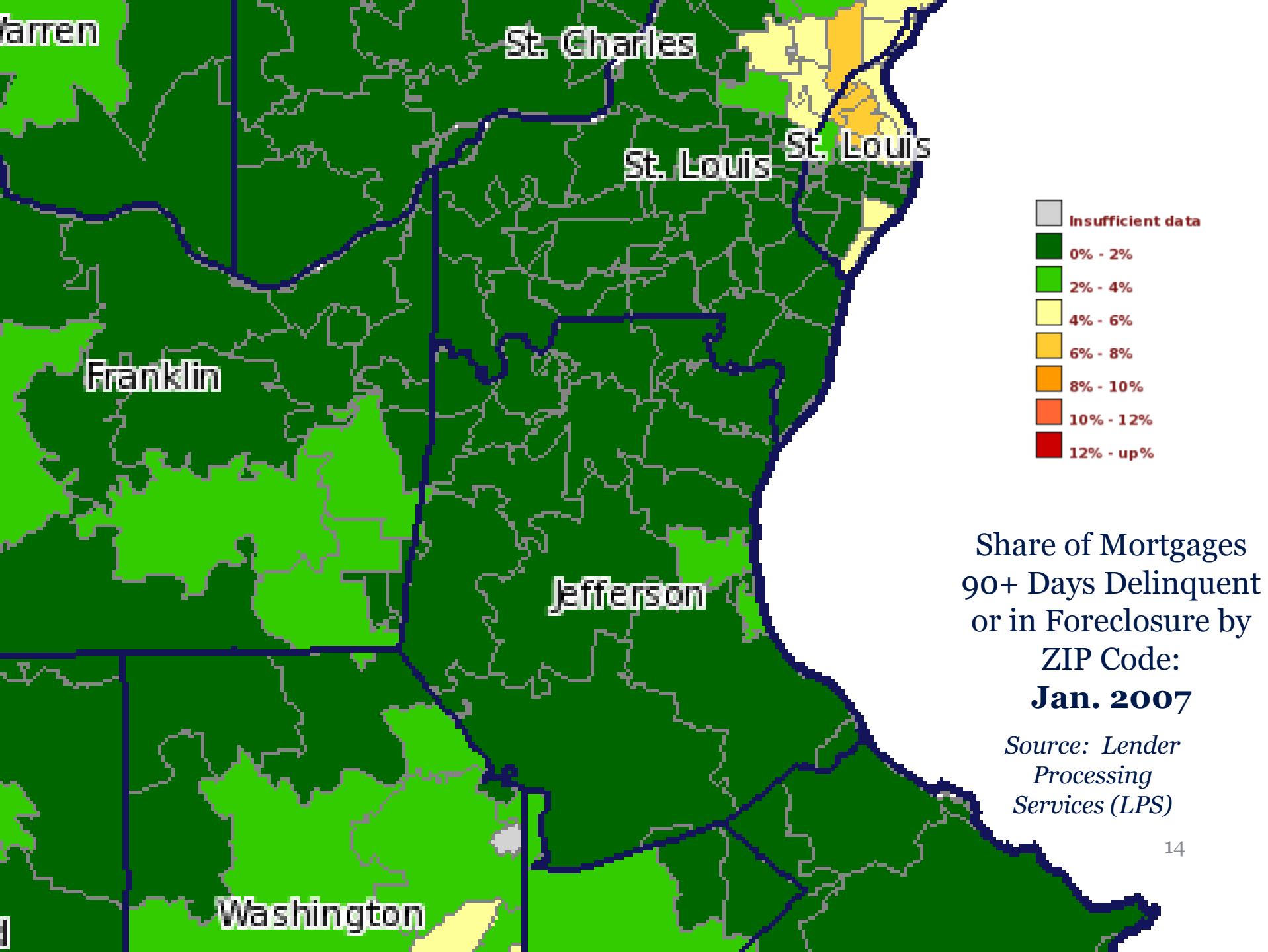
Who owns the mortgages in foreclosure?

Jefferson Co. mortgages in foreclosure by investor



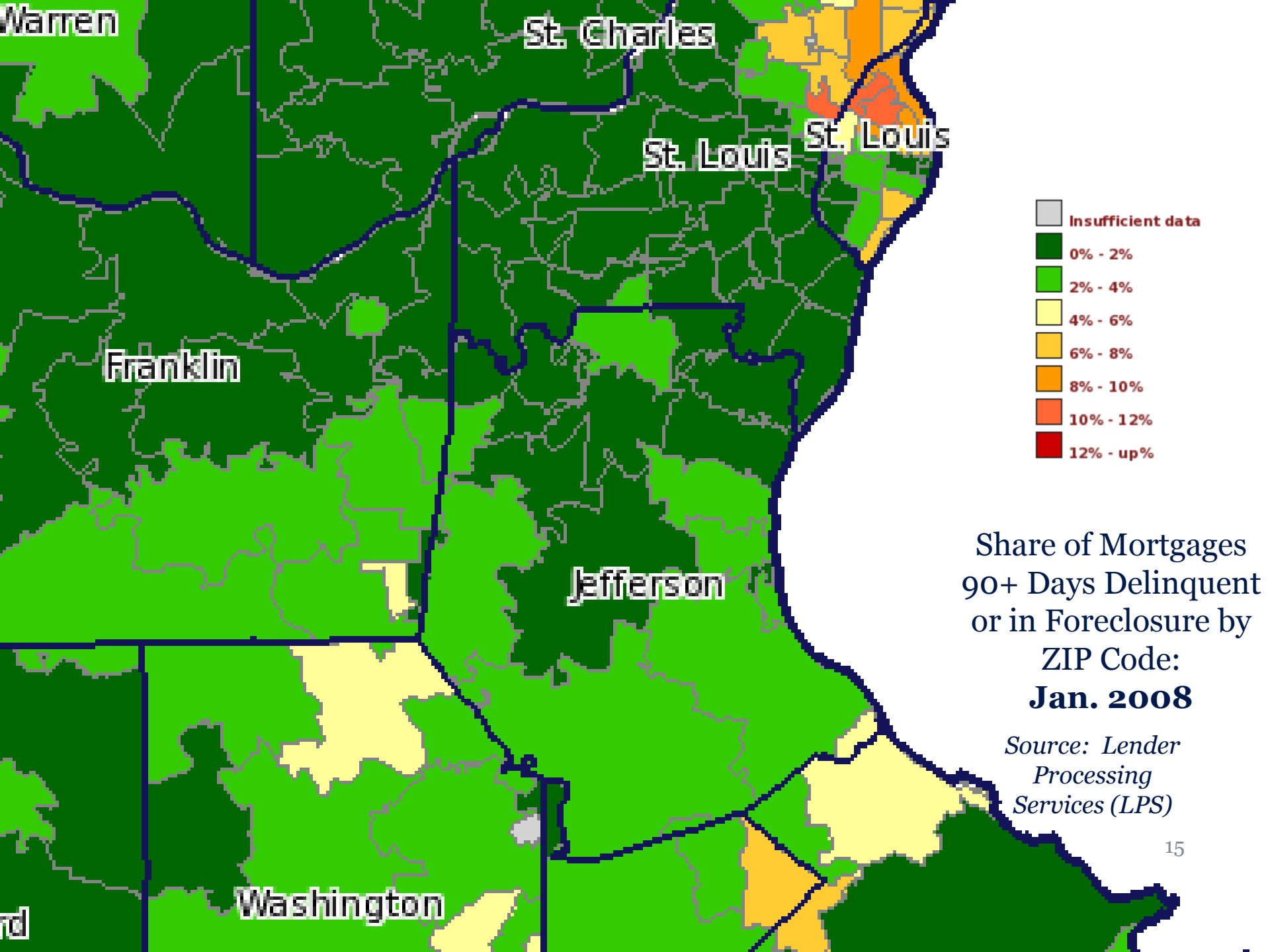
Source: Lender Processing Services (LPS)

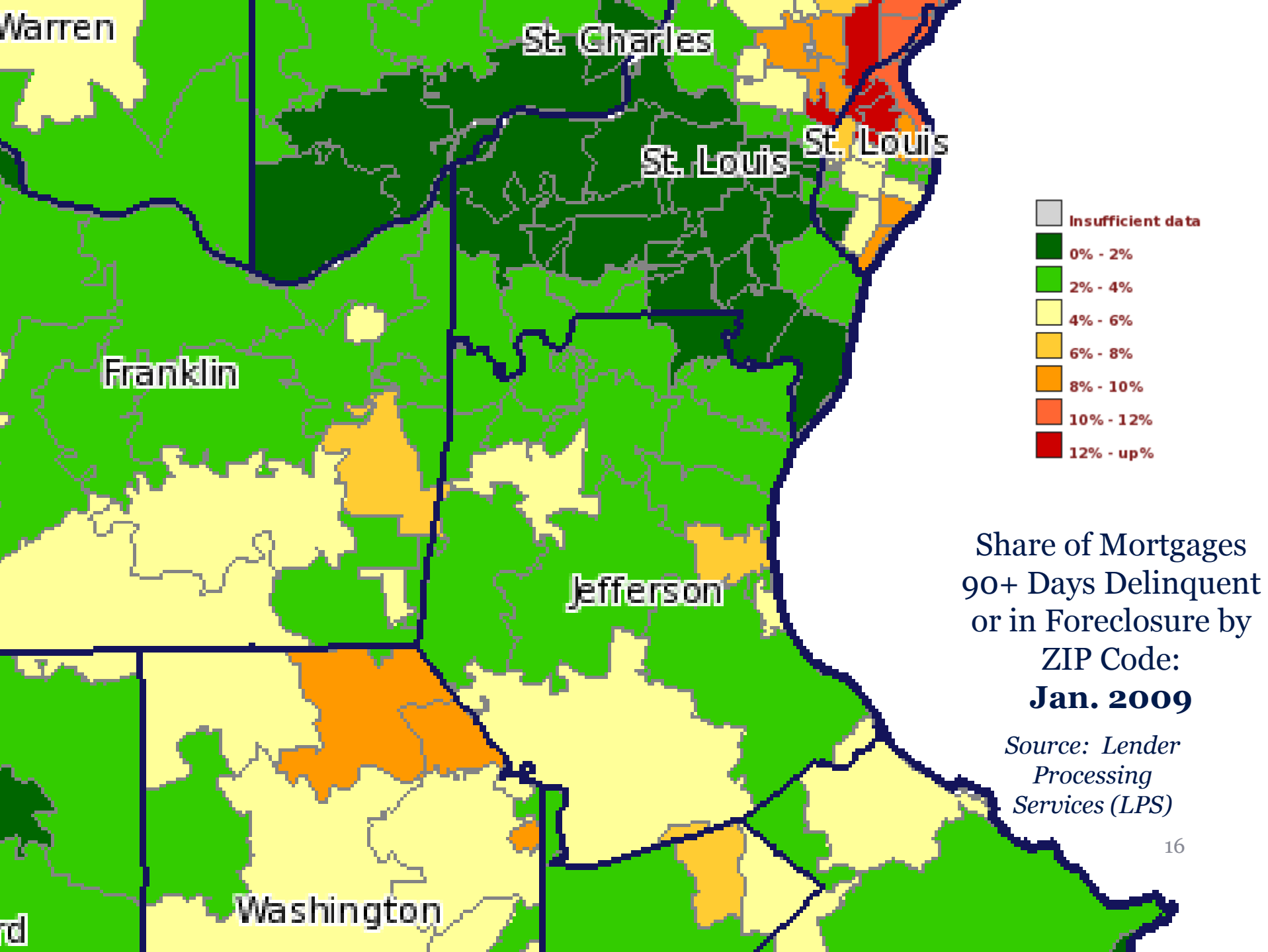
Mortgage performance maps



Share of Mortgages
90+ Days Delinquent
or in Foreclosure by
ZIP Code:
Jan. 2007

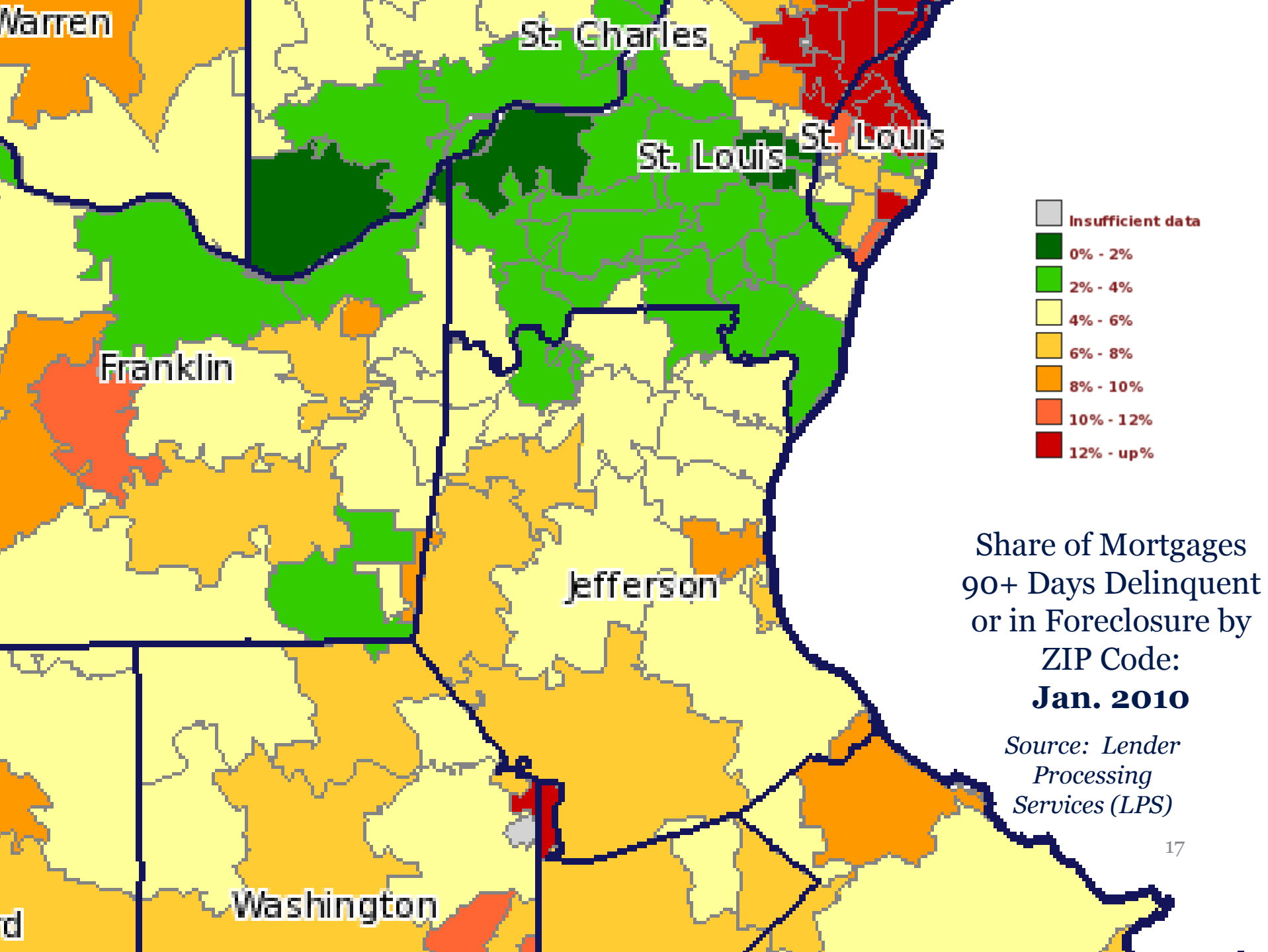
*Source: Lender
Processing
Services (LPS)*





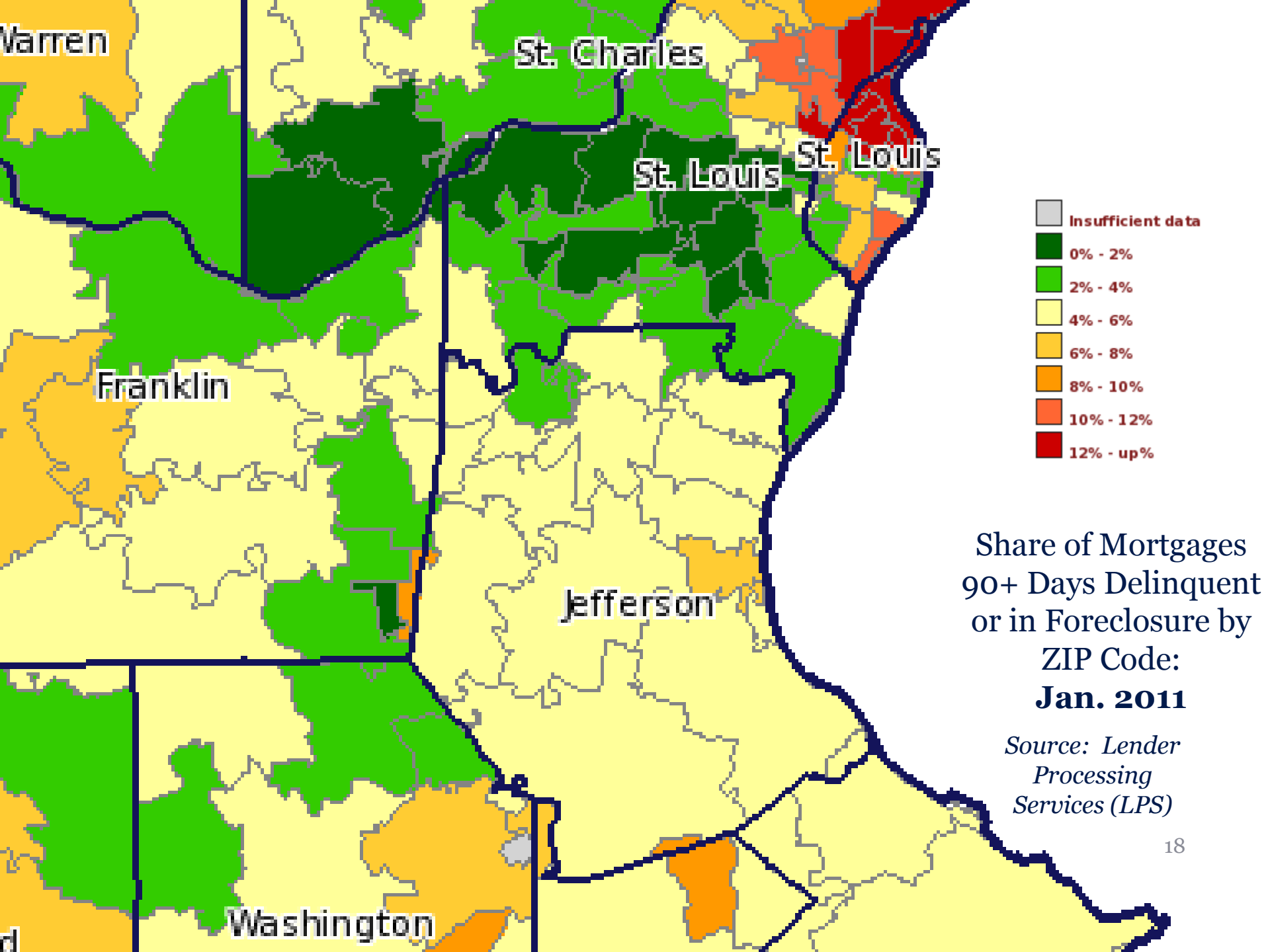
Share of Mortgages
90+ Days Delinquent
or in Foreclosure by
ZIP Code:
Jan. 2009

*Source: Lender
Processing
Services (LPS)*



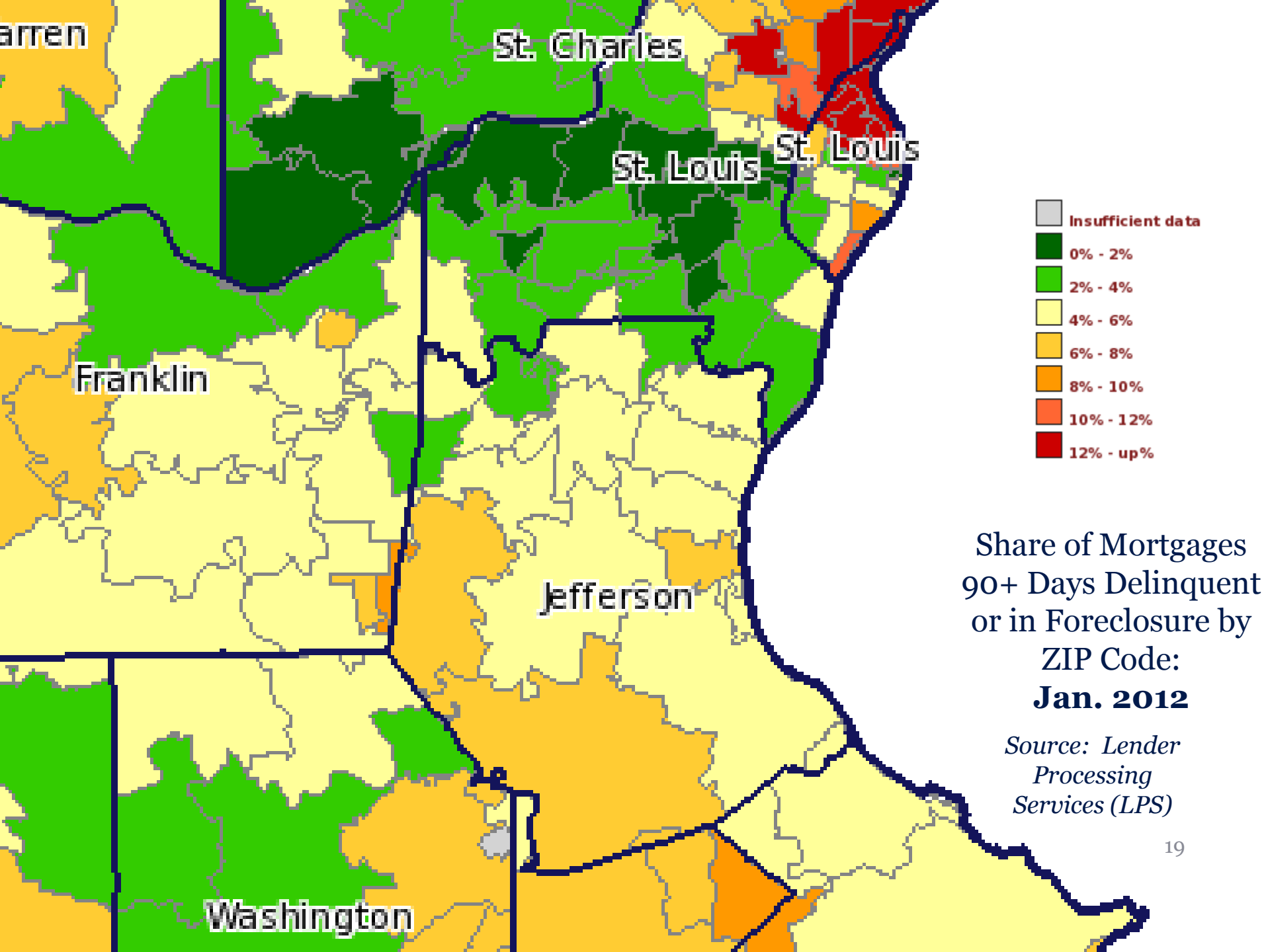
Share of Mortgages
90+ Days Delinquent
or in Foreclosure by
ZIP Code:
Jan. 2010

*Source: Lender
Processing
Services (LPS)*



Share of Mortgages
90+ Days Delinquent
or in Foreclosure by
ZIP Code:
Jan. 2011

*Source: Lender
Processing
Services (LPS)*



Geographical Concentration

- Mortgage performance is relatively homogeneous across Jefferson County.
- Southwest and central-east zip codes slightly more stressed than ones in the north.

In Summary:

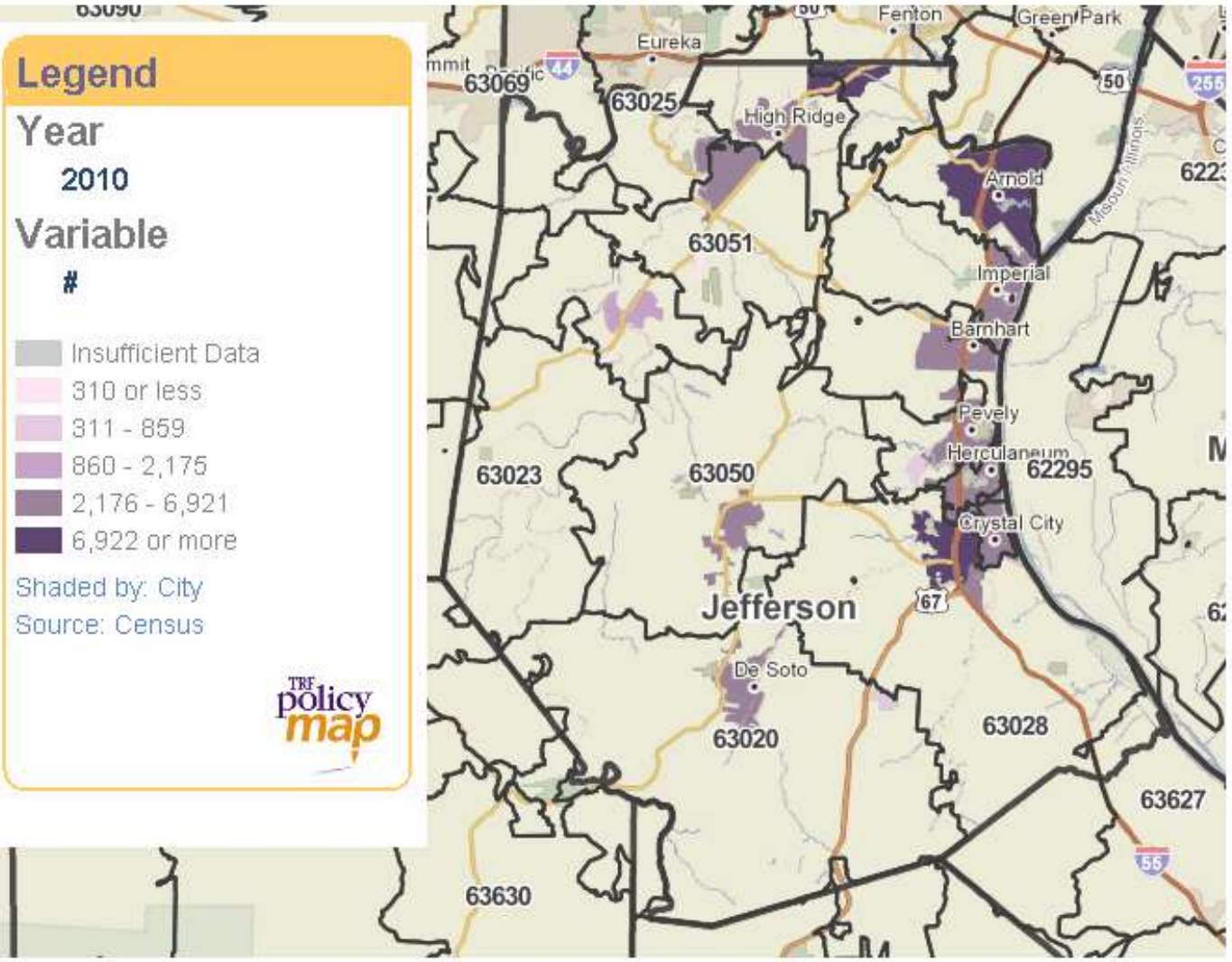
- House prices:
 - Increased less than in the U.S., but fell just as much
 - Current price levels not seen since March 2000

- Foreclosures and delinquencies in Jefferson County remain at very high levels.
 - 1.6% of mortgages are in the foreclosure process.
 - 10.5% of mortgages are in some stage of distress.
 - Although slightly better from two years ago, mortgage distress is widespread across the county—most Jefferson County ZIP codes still have high delinquency rates.

Questions?

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slides, please e-mail me at:

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Jefferson Co. population in 2010

Source:
Census and PolicyMap

Jefferson County unemployment rate is slightly above that of the St. Louis MSA

