

Seeing Where Tenants May Be Involved in Foreclosure

For the “Impact of Foreclosures on Renters” Webinar

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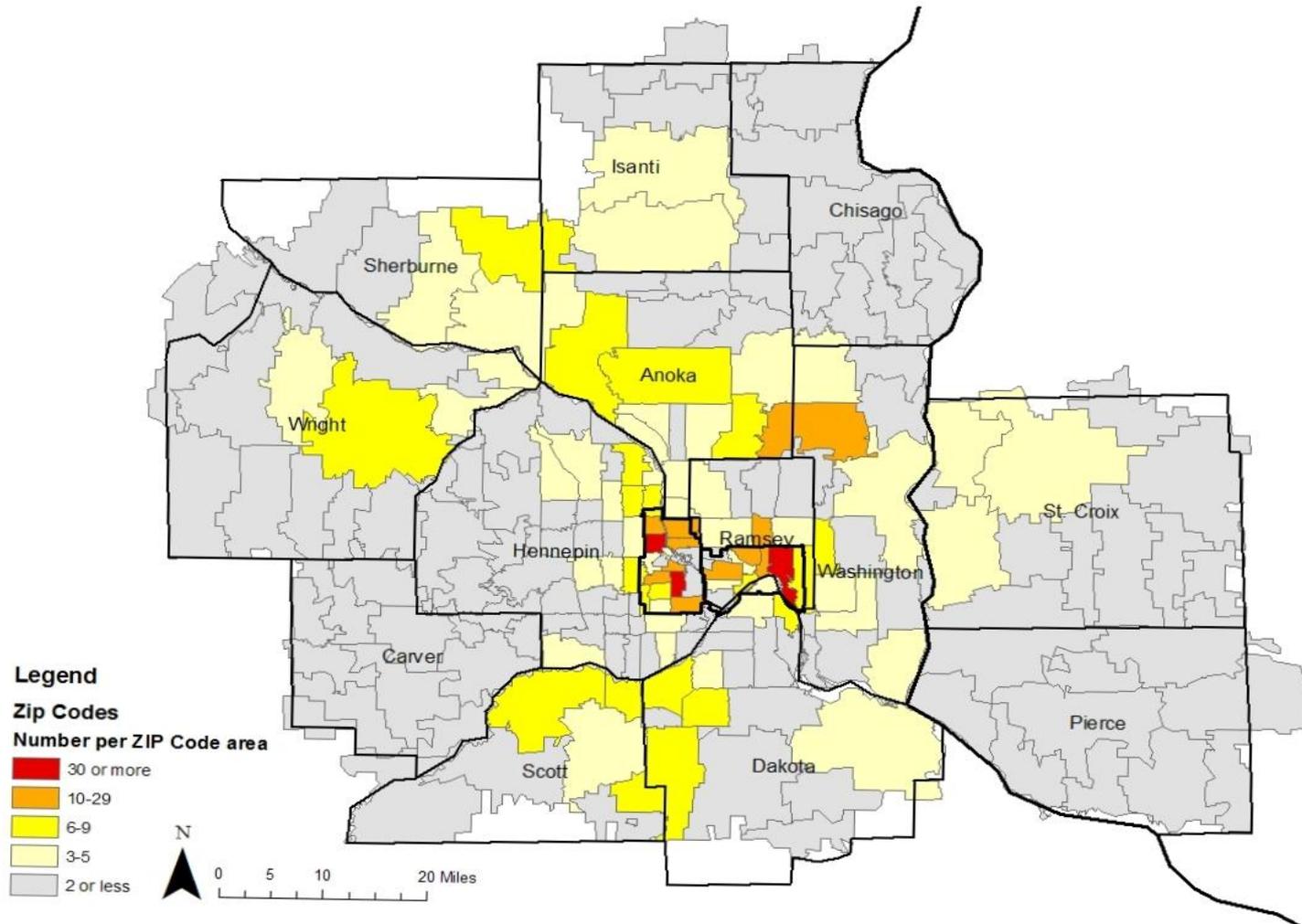
Summary

- Background
 - **Loan** data from mortgage servicers (via LPS)
 - Covers only **1- to 4-unit buildings!!!**
 - Investor-owned plus 2-4 unit owner-occupied
 - As of June 2010
 - Want your feedback and suggestions
- Findings for the Twin Cities area
 - Tenants at risk across much of the area, but highest concentrations in core neighborhoods
 - Owner-occupied are 25% of the loans involved
- Only isolated areas in rest of Ninth District

Loans in Foreclosure, Possibly with Tenants, in the Twin Cities

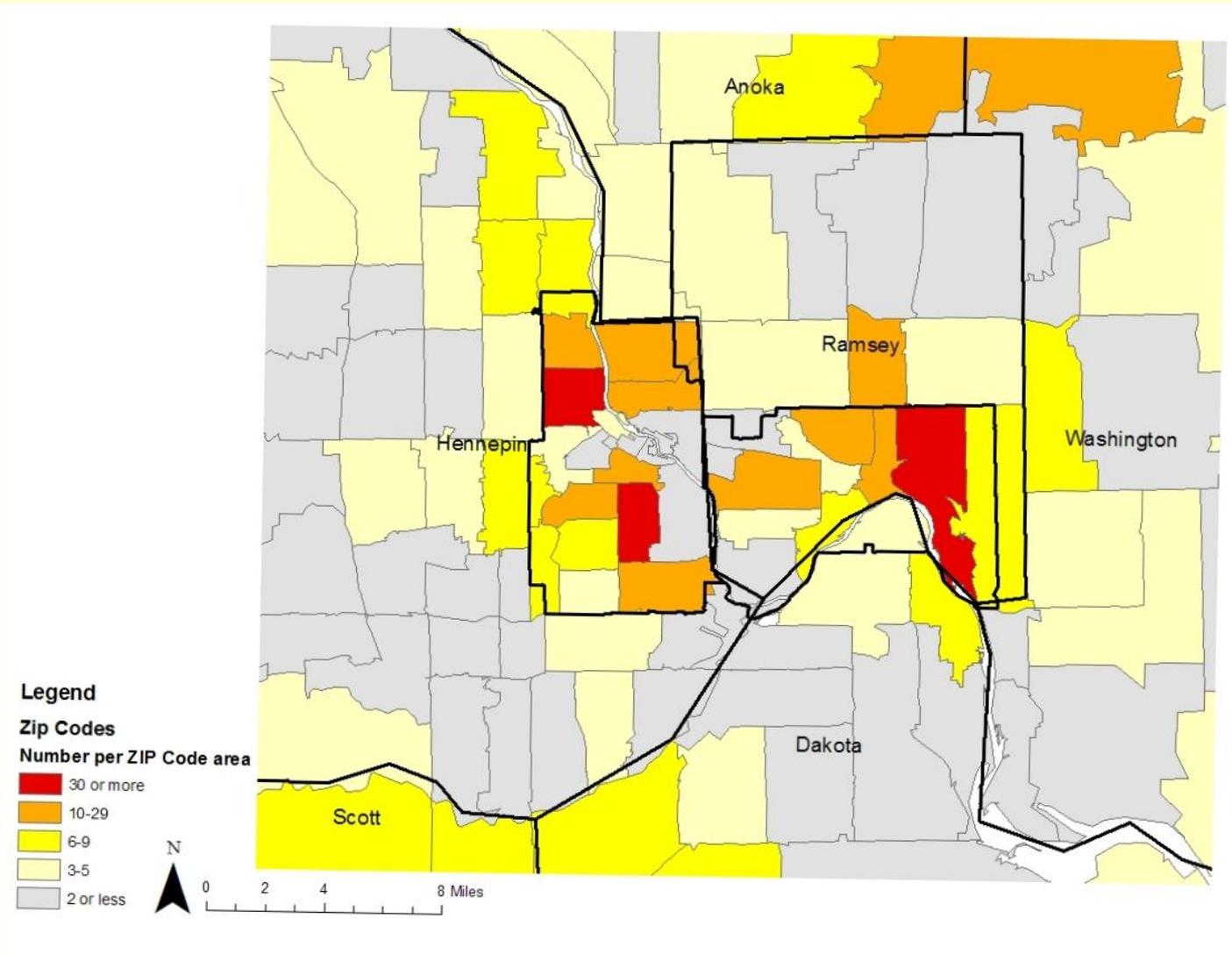
- The number of mortgages in foreclosure with potential rental units equals about 1 of every 2000 housing units
- In a few hard-hit ZIP areas, this ratio reaches 0.2% to 0.4% of housing units
- Overall, 75% of the loans in foreclosure with potential tenants are to investors, but this varies considerably

Foreclosure and Potential Tenants



Number of loans on 1- to 4-unit buildings that are in the foreclosure process, where the property is investor-owned or is owner-occupied but with 2- to 4-units. Data from Loan Processing Services.

Foreclosure and Potential Tenants (zoom in)

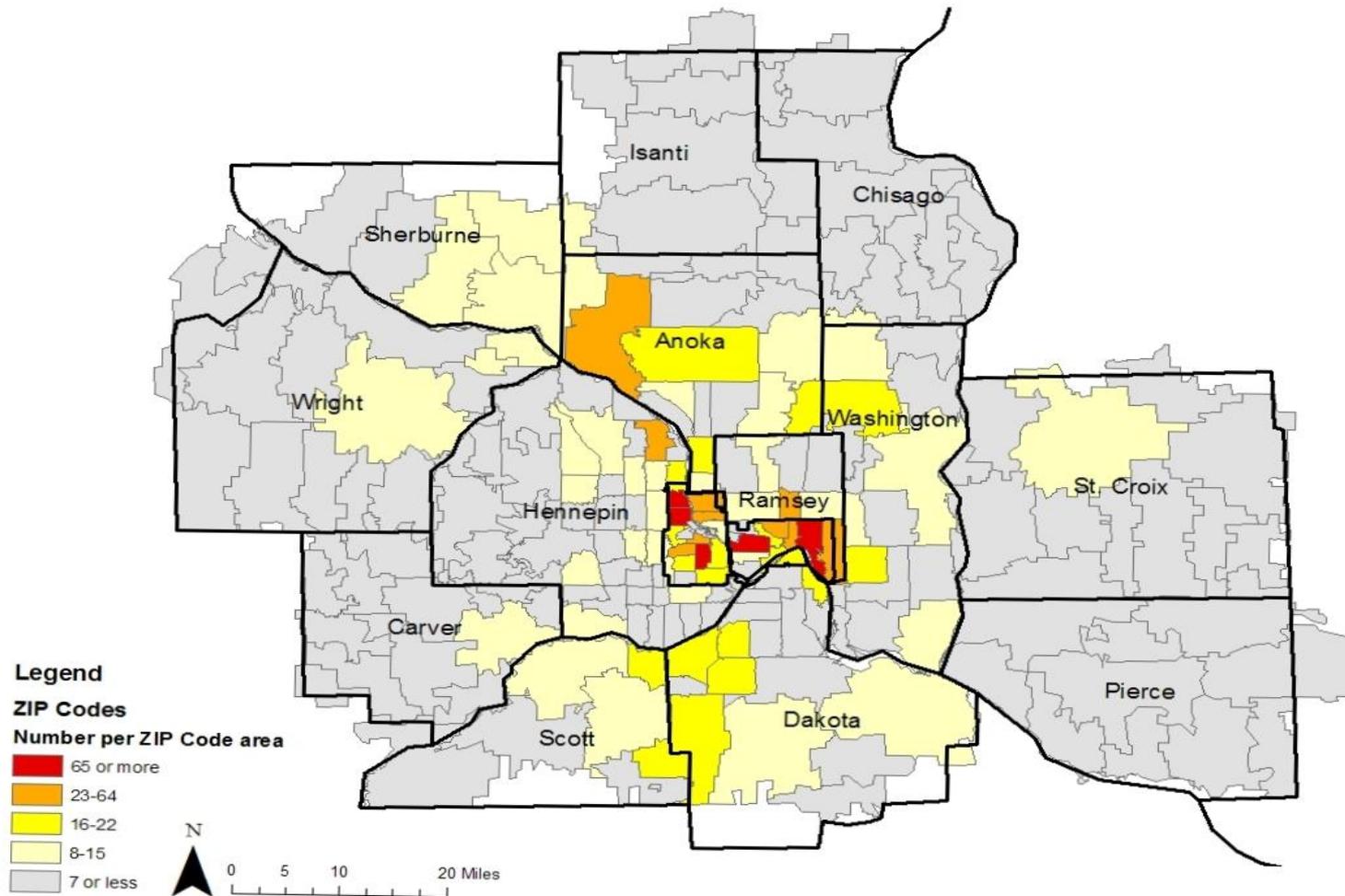


Number of loans on 1- to 4-unit buildings that are in the foreclosure process, where the property is investor-owned or is owner-occupied but with 2- to 4-units. Data from Loan Processing Services.

Tenants and Loans in 60 Days Past Due to REO, in the Twin Cities

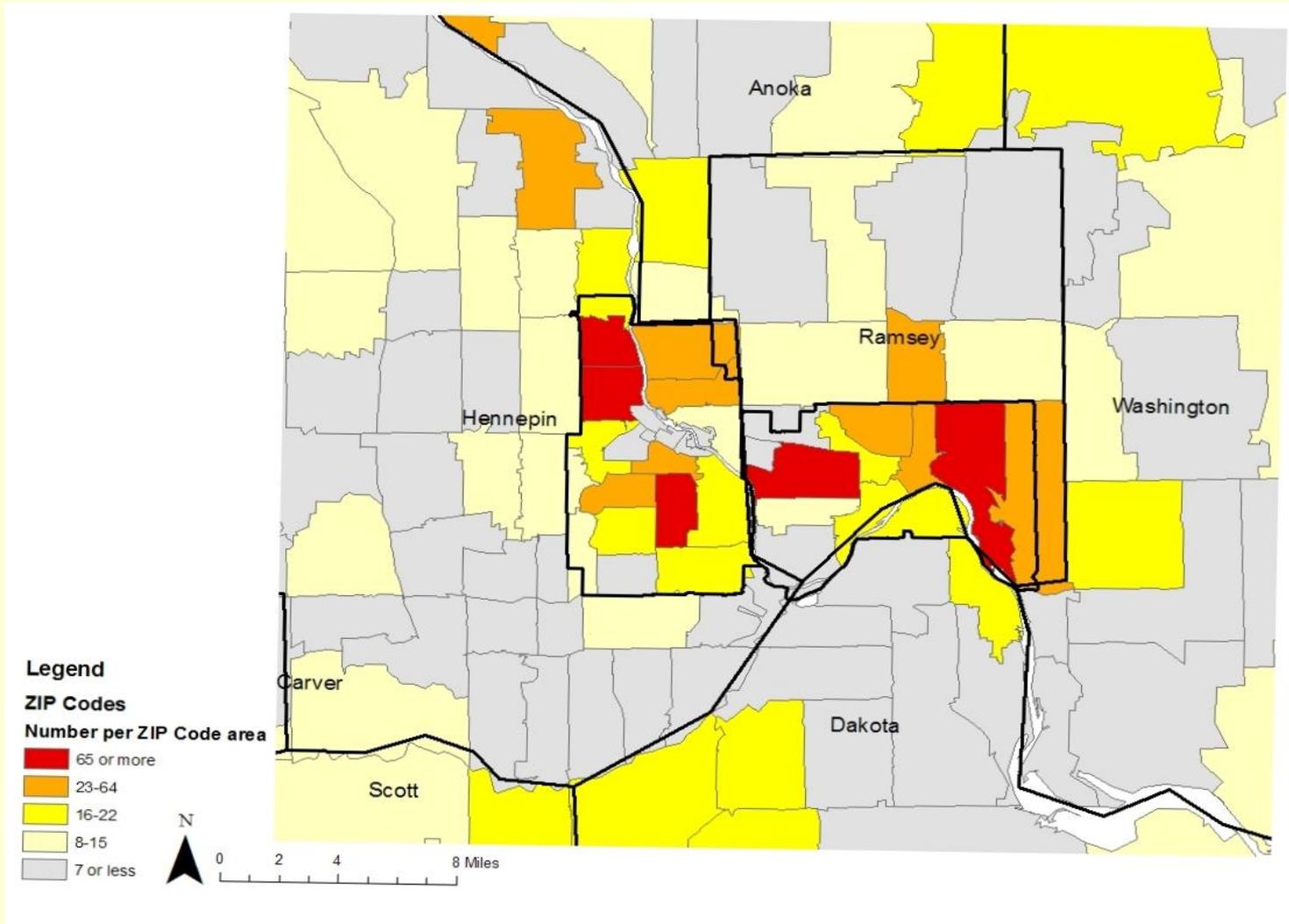
- The number of very distressed loans (60+ days past due, in foreclosure, or REO) with potential rental units equals about 2.8 of every 2000 housing units (0.14%)
- In two ZIP areas, this ratio tops 1%, and it's 0.5% or more in several more
- 74% of these loans are to investors, but this varies considerably

Distressed Loans and Potential Tenants



Number of loans on 1- to 4-unit buildings that are 60 or more days past due, in the foreclosure process, or lender owned (REO), where the property is investor-owned or is owner-occupied but with 2- to 4-units. Data from Loan Processing Services.

Distressed Loans and Potential Tenants (zoom in)



Number of loans on 1- to 4-unit buildings that are 60 or more days past due, in the foreclosure process, or lender owned (REO), where the property is investor-owned or is owner-occupied but with 2- to 4-units. Data from Loan Processing Services.

Beyond the Twin Cities

- Ninth Federal Reserve District
 - Only isolated zip areas show an elevated level of potential tenants in foreclosure
 - Less clear if “investor” properties are for rent
- Around the rest of the nation
 - The incidence of tenant foreclosures appears much higher in other metro areas

Other Zip Areas Affected

- Montana
 - 59901 (Kalispell; 17 loans 60+ past due or worse)
 - 59714 (Belgrade; 13)
 - 59718 (Bozeman, 13)
- North Dakota
 - 58102 (Fargo, 11)
- South Dakota
 - 57104 (Sioux Falls, 11)
 - 57701 (Rapid City, 9)
- WI and MI hit hard, but not in Ninth District
- Nationally, MN in the middle of the pack

Summary

- June loan data on 1- to 4-unit buildings
- Investors or owner-occupied with 2-4 units
- Findings for the Twin Cities area
 - Tenants at risk across much of the area, but highest concentrations in core neighborhoods
 - Owner-occupied are 25% of the loans involved
- Only isolated areas in rest of Ninth District
- Happy to have feedback on whether this information is useful and should be updated periodically or extended to other areas
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