



Foreclosed Properties in Massachusetts

Early Responses

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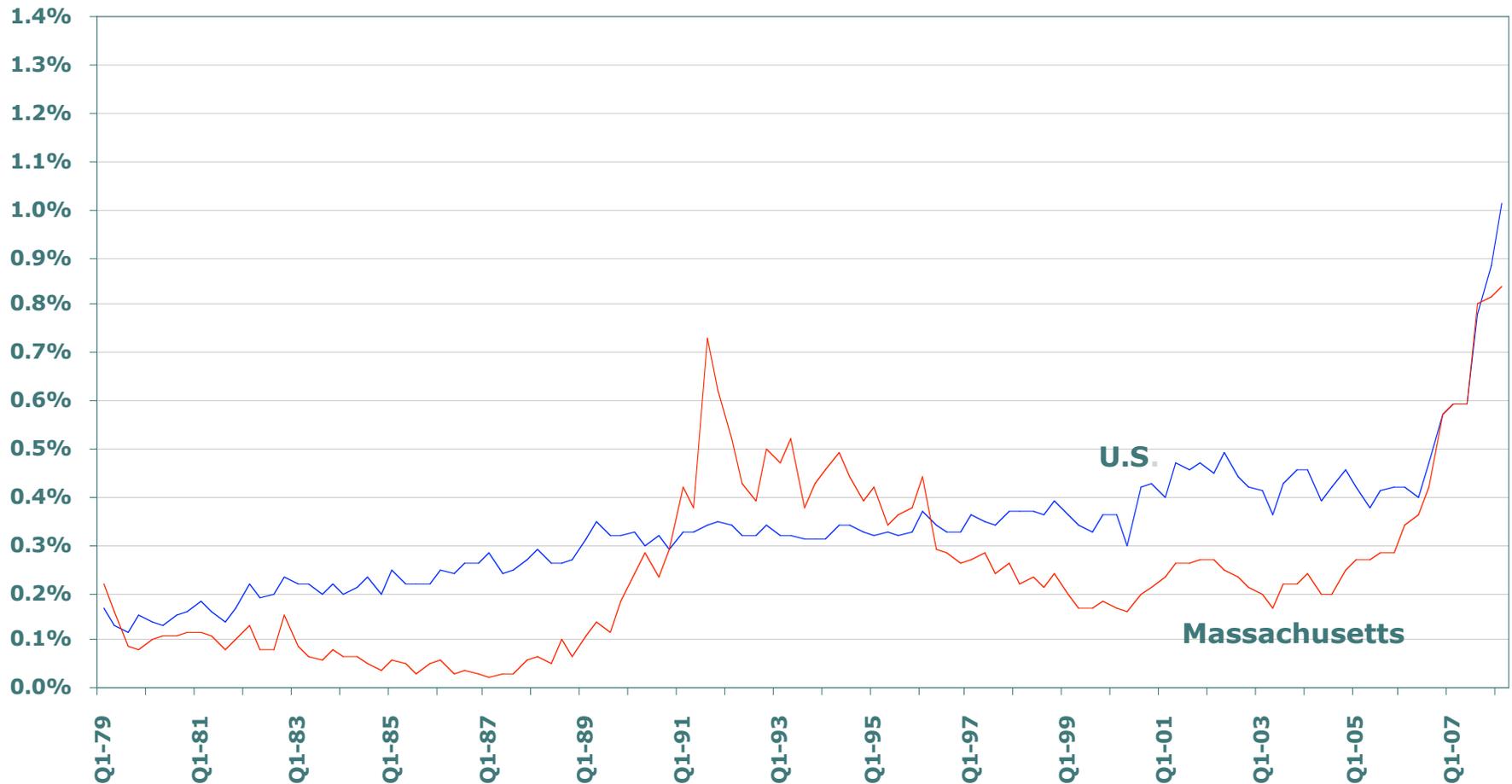
Federal Reserve Bank of Boston

October 20, 2008

Recovery, Renewal, Rebuilding Series

Foreclosure Rates for United States and Massachusetts (1979-2008 Q1)

Percent of loans with foreclosure initiation in quarter

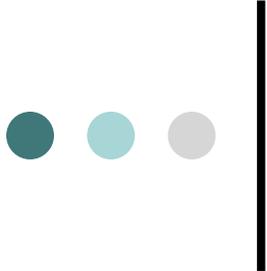




More complications

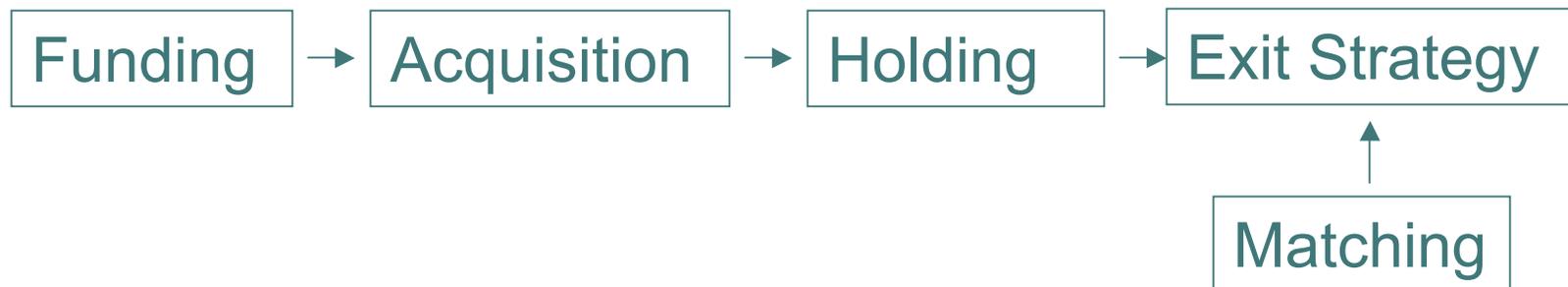
- National house price declines, not regional
- Subprime borrowers
- Multifamily problem, not condos
- Servicers handling properties, not FDIC or Resolution Trust Corporation

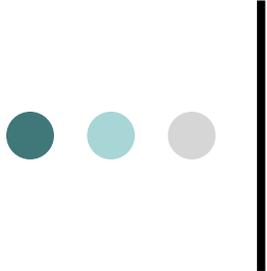
For a full discussion, see “Subprime Facts: What (We Think) We Know about the Subprime Crisis and What We Don’t” by Foote, Gerardi, Goette, and Willen at www.bos.frb.org



MA Foreclosed Property Task Force (Jan-Aug '08)

- Convened by Urban Land Institute and Mass Assoc. of CDC's
- Co-chaired by Citizen Housing and Planning Authority (CHAPA) and Mass Housing Partnership
- Funded by Mass Housing Partnership, The Boston Foundation, and MassHousing
- Five Subcommittees:





Task Force Accomplishments

- Creation of \$20 million revolving loan fund, including state commitment of \$60,000 in rehab. Expected to finance acq. and rehab of 250-500 units.
- Guidelines and models for stabilization strategies
- Web-based clearinghouse and on-line property database
- Capacity-building grants for test communities
- Model to help locate foreclosure-trained brokers to assist with REO sales

Source: CHAPA report on Mass. Foreclosed Property Task Force Sept 24, 2008 See www.chapa.org



Slow progress and major challenges

- As of September '08, 14 properties purchased by test communities
- Communities spending weeks identifying web of mortgage holders, lenders, and REO broker contacts
- Pooled sales (or short sales) not yet successful
- Unable to achieve sale due to high estimates of market value by the seller, given the rehab needs



Future Prospects

- Preliminary data in MA show some REO sales on the rise
- Without resolving access and price, difficult to use the HUD stabilization money. Further industry standardization or ASF guidelines could help here
- Code enforcement and receivership model may be more cost-effective
- Collaboration is key to be ready to apply for and use funds effectively

Mass Foreclosures - Microsoft Internet Explorer

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Massachusetts Foreclosure Data

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Your property list includes properties from the following municipalities: **Chelsea, Boston**

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All Properties within your municipalities are shown below.

Boston	Bedrooms	Property Use	Assessed Value	Foreclosure Status
3 Avery St	2	Condominium	\$729,400	Foreclosure Auction - Auction Status
22 Batchelder St	2	Condominium	\$231,100	Foreclosure Auction - Auction Status
169 Beacon St	1	Condominium	\$335,300	Foreclosure Auction - Auction Status
341 Beacon St	1	Condominium	\$537,600	Foreclosure Auction - Auction Status
396 Beacon St	1	Condominium	\$398,200	Foreclosure Auction - Auction Status
103-107 Broad St	0	Gen Office	\$2,619,500	Foreclosure Auction - Auction Status
46 Cedar Lane Way	4	3-Fam Res	\$1,023,456	Foreclosure Auction - Auction Status
35 Channel Center St	0	Condominium	\$362,300	Foreclosure Auction - Auction Status
127 Charles St	2	Condominium	\$481,700	Foreclosure Auction - Auction Status
47 Commercial Wharf	1	Condominium	\$704,800	Foreclosure Auction - Auction Status
41 Commonwealth Ave	1	Condominium	\$561,000	Foreclosure Auction - Auction Status
26 Dartmouth St	1	Condominium	\$391,500	Foreclosure Auction - Auction Status
57 Hancock St	3	3-Fam Res	\$1,794,078	Foreclosure Auction - Auction Status
10 Huntington Ave	0	Hotel	\$189,441,500	Foreclosure Auction - Auction Status
75 Montross St	1	Condominium	\$227,000	Foreclosure Auction - Auction Status

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Drive-by Date *format: mm/dd/yyyy*

Who did Drive By?

Pursue

Brief Description

Notes *(will be appended to those shown below)*

Existing Notes

(No notes have been saved for this property yet)

Contacts *(will be appended to those shown below)*