The Mortgage Crisis: Economic and Fiscal Implications for Metro Areas

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US Housing Markets Summer 2008
Decline in Housing Starts 2006 to 2008

(Percent change)

-87.1 to -58.1
-58.1 to -51.1
-51.1 to -36.3
-36.2 to -26.3
-26.2 to -2.2
U.S. -51%
Housing Starts Will Hit Bottom in 2008

![Bar chart showing the number of housing starts for single-family and multi-family homes from 1970 to 2015. The chart indicates that housing starts reached a peak in the early 2000s and have since declined significantly. The chart predicts that the bottom will be reached in 2008.](chart.png)
Metro Appreciation 2008q2

DECLINE
> 5% APPRECIATION
0 - 5% APPRECIATION
Largest Home Price Declines

Merced, CA -49.2%
Stockton, CA -46.0%
Modesto, CA -43.8%
Salinas, CA -39.9%
Vallejo, CA -37.3%
Yuba City, CA -36.3%
Sacramento, CA -36.1%
Santa Barbara, CA -36.0%
Port St Lucie-Fort Pierce, FL -33.9%
Cape Coral-Fort Meyers, FL -33.5%
Riverside-San Bernardino, CA -33.3%
Naples, FL -33.0%
Santa Rosa, CA -32.3%
Vero Beach, FL -31.9%
Fresno, CA -31.6%
Punta Gorda, FL -31.6%
Oxnard-Ventura, CA -31.5%
Sarasota, FL -31.0%
San Diego, CA -31.0%
Bakersfield, CA -30.6%
Share of Sub-Prime Loans

0.00 to 4.90
4.90 to 9.80
9.80 to 14.70
14.70 to 19.61
Mortgage Foreclosure Rates in Key States

(Percent of all home mortgage loans entering foreclosure)

Source: Mortgage Bankers Association
The Housing Recession

Florida

Arizona

Nevada

California

Job Growth
Unemployment

percent change year ago

percent change year ago

percent change year ago

percent change year ago
Employment Growth 2009
Thank You!

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