



Foreclosure Counseling: Areas of Greatest Need

CRL Research Brief
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Six years into the foreclosure crisis, borrowers across the country are still struggling with their mortgage payments, and are seeking out the help of housing counselors to help them manage their finances and guide them through the loan modification process. Between 2008 and 2013, the National Foreclosure Mitigation Counseling Program assisted more than 1.4 million homeowners with foreclosure counseling, and provided mortgage-related legal assistance to more than 39,000 homeowners.¹ Below, we provide an analysis of “Areas of Greatest Need,” based on the methodology used in previous rounds of the National Foreclosure Mitigation Counseling Program.² The goal of this analysis is to help identify which metropolitan and rural areas have been hardest hit by the foreclosure crisis and remain areas of greatest need for additional foreclosure counseling resources.

Determination of Areas of Greatest Need

The following criteria were used to determine areas of greatest need:

| Non-Prime, Owner Occupied Loans | Prime, Owner Occupied Loans |
|--------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| Number of non-prime loans that are 30-90 days delinquent | Number of prime loans that are 30-90 days delinquent |
| Percent of non-prime loans that are 30-90 days delinquent | Percent of prime loans that are 30-90 days delinquent |
| Percent of non-prime loans that are in the foreclosure process or REO | Percent of prime loans that are in the foreclosure process or REO |
| Percent of loans originated between 2004 and 2006 that were higher-priced (subprime) | |

Metropolitan and micropolitan areas were separately ranked in each category. In the first part of the analysis, every metropolitan area that was in the top quintile for at least one of the criteria was considered an area of greatest need. For rural areas, states where half or more of the micropolitan areas met at least one criterion were considered areas of greatest need. In the second part of the analysis, we limit areas of greatest need as follows: every metropolitan area that was in the top quintile for at least two of the criteria, and for rural areas, states where half or more of the micropolitan areas met at least two criteria.

The percent of higher-priced loans comes from the Home Mortgage Disclosure Act (HMDA), and reflect the percent of owner-occupied loans originated between 2004 and 2006 that were higher-priced, a proxy for subprime. Higher-priced loans are defined as those with rates three or more percentage points higher than the comparable Treasury rate.

Data for non-prime loans comes from BlackBox, which covers over 90% of non-agency pools, including jumbo, subprime and Alt-A mortgages. BlackBox coverage of the U.S. market includes nearly 7,600 deals, over 5,700 of which are active. Loan performance was measured in January of 2013.³ Data for prime loans comes from Lender Processing Services Analytics Inc. (LPS), which collects loan-level data from servicers. Estimates suggest that LPS has extensive coverage, equal to 66 percent of the first-lien mortgages reported to federal regulators in HMDA data from 2005 through 2008. Non-prime loans in LPS were removed from the analysis. Loan performance was measured in January of 2013.

Overall, data was analyzed for 366 metropolitan and 576 micropolitan areas.⁴

Metropolitan Areas Defined as Areas of Greatest Need

| Metropolitan Statistical Area | State | Worst Quintile for at least 1 Measure | Worst Quintile for at least 2 Measures |
|--------------------------------------|-------|---------------------------------------|----------------------------------------|
| Anniston-Oxford | AL | X | X |
| Birmingham-Hoover | AL | X | X |
| Decatur | AL | X | X |
| Dothan | AL | X | |
| Gadsden | AL | X | X |
| Mobile | AL | X | X |
| Montgomery | AL | X | X |
| Tuscaloosa | AL | X | |
| Fort Smith | AR | X | X |
| Jonesboro | AR | X | X |
| Little Rock-North Little Rock-Conway | AR | X | X |
| Pine Bluff | AR | X | X |
| Lake Havasu City-Kingman | AZ | X | |
| Phoenix-Mesa-Glendale | AZ | X | X |
| Prescott | AZ | X | |
| Tucson | AZ | X | X |
| Bakersfield-Delano | CA | X | X |
| El Centro | CA | X | X |
| Fresno | CA | X | X |
| Hanford-Corcoran | CA | X | |
| Los Angeles-Long Beach-Santa Ana | CA | X | X |
| Madera-Chowchilla | CA | X | X |
| Merced | CA | X | X |
| Modesto | CA | X | X |
| Oxnard-Thousand Oaks-Ventura | CA | X | X |
| Riverside-San Bernardino-Ontario | CA | X | X |
| Sacramento--Arden-Arcade--Roseville | CA | X | X |
| Salinas | CA | X | X |
| San Diego-Carlsbad-San Marcos | CA | X | X |
| San Francisco-Oakland-Fremont | CA | X | X |
| San Jose-Sunnyvale-Santa Clara | CA | X | X |
| Santa Rosa-Petaluma | CA | X | |

| | | | |
|------------------------------------------|----|---|---|
| Stockton | CA | X | X |
| Vallejo-Fairfield | CA | X | X |
| Visalia-Porterville | CA | X | X |
| Yuba City | CA | X | |
| Denver-Aurora-Broomfield | CO | X | X |
| Pueblo | CO | X | |
| Bridgeport-Stamford-Norwalk | CT | X | X |
| Hartford-West Hartford-East Hartford | CT | X | X |
| New Haven-Milford | CT | X | X |
| Norwich-New London | CT | X | |
| Washington-Arlington-Alexandria | DC | X | X |
| Dover | DE | X | X |
| Cape Coral-Fort Myers | FL | X | X |
| Crestview-Fort Walton Beach-Destin | FL | X | X |
| Deltona-Daytona Beach-Ormond Beach | FL | X | X |
| Gainesville | FL | X | X |
| Jacksonville | FL | X | X |
| Lakeland-Winter Haven | FL | X | X |
| Miami-Fort Lauderdale-Pompano Beach | FL | X | X |
| Naples-Marco Island | FL | X | X |
| North Port-Bradenton-Sarasota | FL | X | X |
| Ocala | FL | X | X |
| Orlando-Kissimmee-Sanford | FL | X | X |
| Palm Bay-Melbourne-Titusville | FL | X | X |
| Palm Coast | FL | X | X |
| Panama City-Lynn Haven-Panama City Beach | FL | X | X |
| Pensacola-Ferry Pass-Brent | FL | X | X |
| Port St. Lucie | FL | X | X |
| Punta Gorda | FL | X | X |
| Sebastian-Vero Beach | FL | X | X |
| Tallahassee | FL | X | X |
| Tampa-St. Petersburg-Clearwater | FL | X | X |
| Albany | GA | X | X |
| Atlanta-Sandy Springs-Marietta | GA | X | X |
| Columbus | GA | X | |
| Dalton | GA | X | X |
| Gainesville | GA | X | |
| Hinesville-Fort Stewart | GA | X | X |
| Macon | GA | X | X |
| Rome | GA | X | X |
| Savannah | GA | X | |
| Champaign-Urbana | IL | X | |
| Chicago-Joliet-Naperville | IL | X | X |
| Danville | IL | X | X |
| Decatur | IL | X | |
| Kankakee-Bradley | IL | X | X |
| Rockford | IL | X | X |
| Anderson | IN | X | |
| Elkhart-Goshen | IN | X | |
| Indianapolis-Carmel | IN | X | X |
| Kokomo | IN | X | X |

| | | | |
|-----------------------------------|----|---|---|
| Michigan City-La Porte | IN | X | X |
| Muncie | IN | X | X |
| South Bend-Mishawaka | IN | X | |
| Terre Haute | IN | X | X |
| Louisville/Jefferson County | KY | X | X |
| Owensboro | KY | X | |
| Alexandria | LA | X | X |
| Baton Rouge | LA | X | X |
| Houma-Bayou Cane-Thibodaux | LA | X | X |
| Lake Charles | LA | X | X |
| Monroe | LA | X | X |
| New Orleans-Metairie-Kenner | LA | X | X |
| Shreveport-Bossier City | LA | X | X |
| Boston-Cambridge-Quincy | MA | X | X |
| Pittsfield | MA | X | |
| Springfield | MA | X | X |
| Worcester | MA | X | X |
| Baltimore-Towson | MD | X | X |
| Cumberland | MD | X | X |
| Hagerstown-Martinsburg | MD | X | |
| Salisbury | MD | X | X |
| Bangor | ME | X | |
| Lewiston-Auburn | ME | X | X |
| Portland-South Portland-Biddeford | ME | X | |
| Battle Creek | MI | X | X |
| Detroit-Warren-Livonia | MI | X | X |
| Flint | MI | X | X |
| Jackson | MI | X | X |
| Lansing-East Lansing | MI | X | |
| Monroe | MI | X | |
| Muskegon-Norton Shores | MI | X | X |
| Saginaw-Saginaw Township North | MI | X | |
| Minneapolis-St. Paul-Bloomington | MN | X | X |
| Joplin | MO | X | |
| Kansas City | MO | X | X |
| St. Joseph | MO | X | |
| St. Louis | MO | X | X |
| Gulfport-Biloxi | MS | X | X |
| Hattiesburg | MS | X | X |
| Jackson | MS | X | X |
| Pascagoula | MS | X | X |
| Burlington | NC | X | |
| Charlotte-Gastonia-Rock Hill | NC | X | X |
| Fayetteville | NC | X | |
| Goldsboro | NC | X | X |
| Greensboro-High Point | NC | X | |
| Greenville | NC | X | |
| Raleigh-Cary | NC | X | X |
| Rocky Mount | NC | X | X |
| Atlantic City-Hammonton | NJ | X | X |
| Ocean City | NJ | X | |

| | | | |
|------------------------------------------|----|---|---|
| Trenton-Ewing | NJ | X | X |
| Vineland-Millville-Bridgeton | NJ | X | X |
| Albuquerque | NM | X | |
| Las Vegas-Paradise | NV | X | X |
| Reno-Sparks | NV | X | X |
| Albany-Schenectady-Troy | NY | X | |
| Binghamton | NY | X | X |
| Buffalo-Niagara Falls | NY | X | X |
| Elmira | NY | X | X |
| Glens Falls | NY | X | X |
| Ithaca | NY | X | |
| Kingston | NY | X | X |
| New York-Northern New Jersey-Long Island | NY | X | X |
| Poughkeepsie-Newburgh-Middletown | NY | X | X |
| Rochester | NY | X | X |
| Syracuse | NY | X | X |
| Utica-Rome | NY | X | X |
| Akron | OH | X | X |
| Cincinnati-Middletown | OH | X | X |
| Cleveland-Elyria-Mentor | OH | X | X |
| Columbus | OH | X | X |
| Dayton | OH | X | |
| Lima | OH | X | X |
| Mansfield | OH | X | X |
| Sandusky | OH | X | X |
| Springfield | OH | X | X |
| Steubenville-Weirton | OH | X | X |
| Toledo | OH | X | X |
| Youngstown-Warren-Boardman | OH | X | X |
| Oklahoma City | OK | X | X |
| Tulsa | OK | X | |
| Bend | OR | X | |
| Medford | OR | X | X |
| Portland-Vancouver-Hillsboro | OR | X | X |
| Allentown-Bethlehem-Easton | PA | X | X |
| Erie | PA | X | |
| Johnstown | PA | X | |
| Lebanon | PA | X | |
| Philadelphia-Camden-Wilmington | PA | X | X |
| Pittsburgh | PA | X | X |
| Reading | PA | X | |
| Scranton--Wilkes-Barre | PA | X | X |
| York-Hanover | PA | X | |
| Providence-New Bedford-Fall River | RI | X | X |
| Charleston-North Charleston-Summerville | SC | X | X |
| Columbia | SC | X | X |
| Florence | SC | X | X |
| Myrtle Beach-North Myrtle Beach-Conway | SC | X | X |
| Spartanburg | SC | X | |
| Sumter | SC | X | X |
| Chattanooga | TN | X | X |

| | | | | |
|---------------------------------------------|----|--|---|---|
| Cleveland | TN | | X | |
| Jackson | TN | | X | X |
| Memphis | TN | | X | X |
| Morristown | TN | | X | |
| Nashville-Davidson--Murfreeseboro--Franklin | TN | | X | X |
| Austin-Round Rock-San Marcos | TX | | X | X |
| Beaumont-Port Arthur | TX | | X | X |
| Brownsville-Harlingen | TX | | X | X |
| Corpus Christi | TX | | X | X |
| Dallas-Fort Worth-Arlington | TX | | X | X |
| El Paso | TX | | X | X |
| Houston-Sugar Land-Baytown | TX | | X | X |
| Killeen-Temple-Fort Hood | TX | | X | |
| Laredo | TX | | X | X |
| Longview | TX | | X | X |
| Lubbock | TX | | X | |
| McAllen-Edinburg-Mission | TX | | X | X |
| Odessa | TX | | X | |
| San Angelo | TX | | X | |
| San Antonio-New Braunfels | TX | | X | X |
| Sherman-Denison | TX | | X | X |
| Texarkana | TX | | X | X |
| Tyler | TX | | X | |
| Victoria | TX | | X | |
| Waco | TX | | X | X |
| Wichita Falls | TX | | X | |
| Salt Lake City | UT | | X | X |
| Danville | VA | | X | X |
| Richmond | VA | | X | X |
| Virginia Beach-Norfolk-Newport News | VA | | X | X |
| Seattle-Tacoma-Bellevue | WA | | X | X |
| Janesville | WI | | X | |
| Milwaukee-Waukesha-West Allis | WI | | X | X |
| Charleston | WV | | X | |
| Huntington-Ashland | WV | | X | X |
| Morgantown | WV | | X | |
| Parkersburg-Marietta-Vienna | WV | | X | |
| Wheeling | WV | | X | |

Rural Areas of Greatest Need

| State | Half or more of Micropolitan Areas in Worst Quintile for at least 1 Measure | Half or more of Micropolitan Areas in Worst Quintile for at least 2 Measures |
|----------------|-----------------------------------------------------------------------------|------------------------------------------------------------------------------|
| Alabama | X | X |
| Arkansas | X | X |
| Arizona | X | X |
| California | X | X |
| Connecticut | X | X |
| Delaware | X | X |
| Florida | X | X |
| Georgia | X | X |
| Hawaii | X | X |
| Illinois | X | |
| Indiana | X | |
| Kentucky | X | X |
| Louisiana | X | X |
| Maryland | X | X |
| Maine | X | X |
| Michigan | X | |
| Mississippi | X | X |
| North Carolina | X | |
| Nebraska | X | |
| New Hampshire | X | X |
| Nevada | X | X |
| New York | X | X |
| Ohio | X | X |
| Oklahoma | X | |
| Oregon | X | |
| Pennsylvania | X | X |
| South Carolina | X | |
| Tennessee | X | X |
| Texas | X | |
| Virginia | X | X |
| Vermont | X | |
| Washington | X | X |
| West Virginia | X | |

¹ National Foreclosure Mitigation Counseling Program (NFMC). Eighth Congressional Report, December 10, 2012. Available online at http://www.nw.org/network/foreclosure/nfmc/congressional_reports.asp.

² For details on the previous methodology, see the National Foreclosure Mitigation Counseling Program (NFMC) website's details on previous rounds of funding. The methodology for Round 5 is available online at http://www.nw.org/network/nfmc/documents/AreasofGreatestNeed_000.pdf.

³ For more information on BlackBox, see the providers website at <http://www.bbxlogic.com/bbx-logic-RMBS-expertise.php>.

⁴ Metropolitan and micropolitan statistical areas and components were defined using the December 2009 file from the US Census, available online at <http://www.census.gov/population/metro/data/def.html>. To convert the zip code data to counties, we used the 2010 ZIP Code Tabulation Area (ZCTA) Relationship File, (http://www.census.gov/geo/www/2010census/zcta_rel/zcta_rel_overview.html). Loans were weighted based on the percentage of the housing units within a zip code that falls within the county boundaries. For example, if 20% of a zip code's housing units fall in County A, and 80% in County B, 20% of the loans in that zip code were assigned to County A and 80% to County B.