

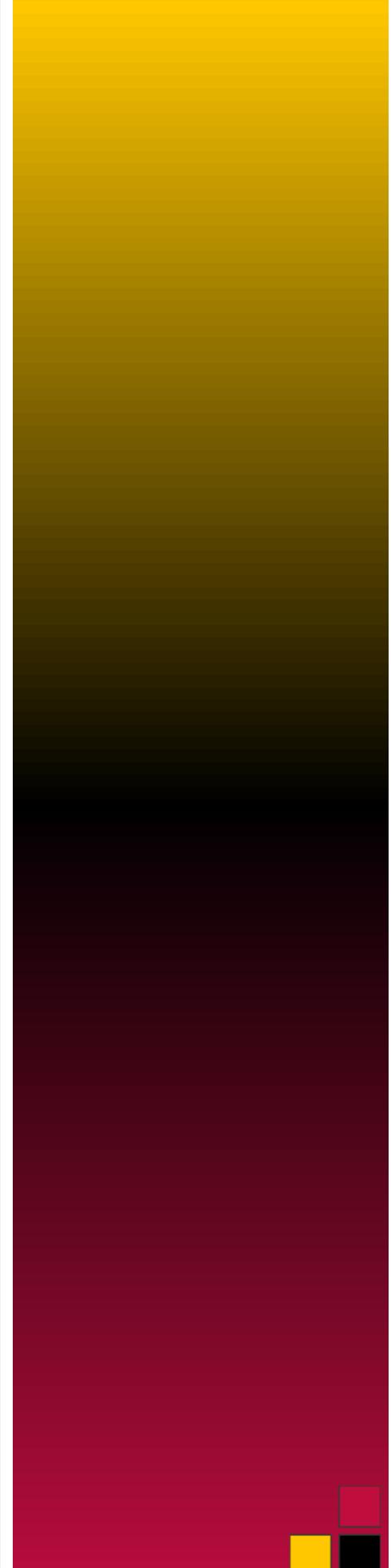


Foreclosure Hot Spots in Maryland

First Quarter 2024

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Executive Summary:

Foreclosure Hot Spots Analysis

First Quarter 2024

A foreclosure *hot spot* is defined as a community that has had more than 10 foreclosure events in each quarter and has recorded a foreclosure concentration ratio of greater than 100. The concentration ratio, in turn, is measured by a *foreclosure index*. The index measures the extent to which a community's foreclosure rate exceeds or falls below the state average foreclosure rate.

For instance, the Franklin community in Baltimore City (ZIP Code 21223) recorded a total of 28 foreclosure events in the first quarter, resulting in a foreclosure rate of 158 homeowner households per foreclosure and a corresponding foreclosure index of 379. As a result, the foreclosure concentration in Franklin is 279 percent above the state average index of 100.

This comprehensive report analyzes the Hot Spots in the state for the first quarter of 2024, focusing on 3 broad categories: “High,” “Very high,” and “Severe”. *High* foreclosure communities post foreclosure indices that fall between 100 and 200. The *Very High* group includes areas that post foreclosure indices between 200 and 300. The *severe* foreclosure group consists of communities with foreclosure indices above three hundred.

The foreclosure landscape in Maryland presents a multifaceted challenge (Exhibit I – Statewide Foreclosure Hotspot Map) . Through comprehensive analysis, this report provides insights into the distribution, characteristics, and impacts of foreclosure hot spots across various areas and communities within the state.

Foreclosure Hot Spots Overview

Key Findings:

- Overall, a total of 1,411 foreclosure events—accounting for 56.3 percent of all foreclosures in the first quarter—occurred in 59 hot spot communities across Maryland (Table 1).
- These communities recorded an average foreclosure rate of 314 homeowner households per foreclosure and an average foreclosure index of 190 (Table 1).
- There were 609 High, 583 Very High, and 219 Severe Hot Spots communities (Chart 1).

Characteristics of Foreclosure Hot Spots in Maryland:

Table 1. Foreclosure Events in Maryland and U.S.

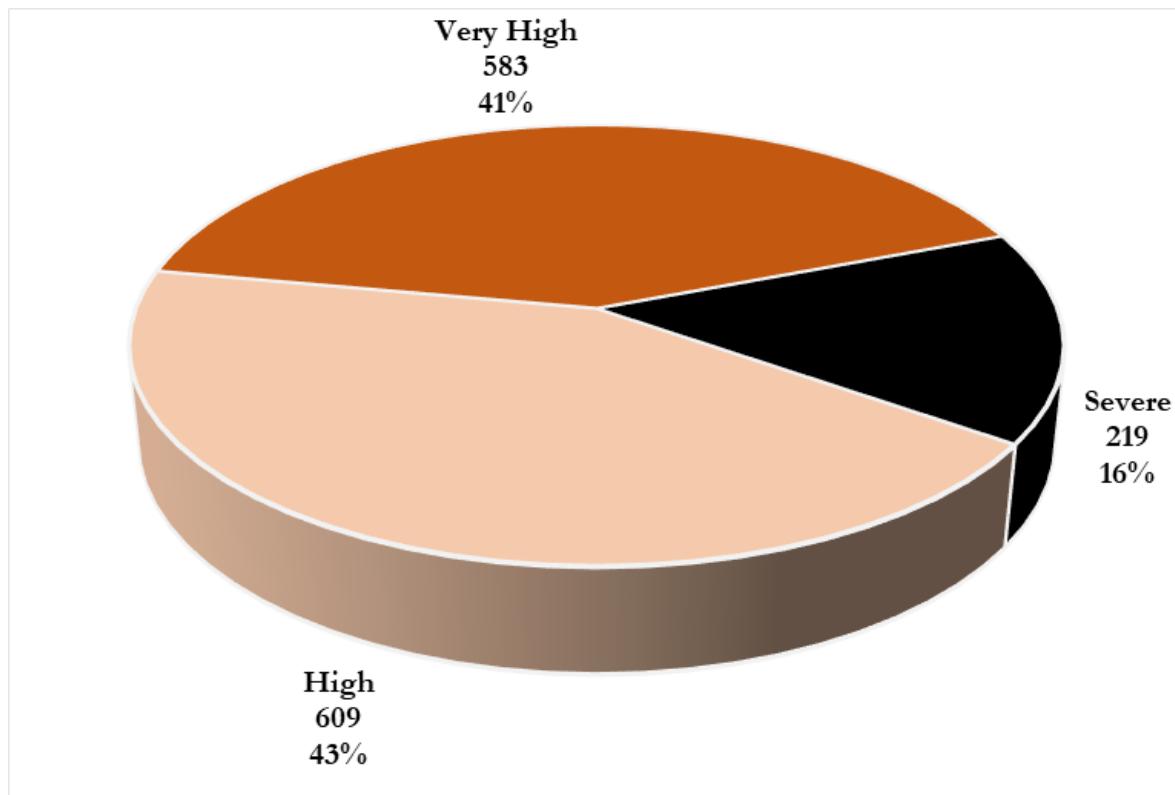
First Quarter 2024

Category	High	Very High	Severe	All Hot Spots Communities
Number of Communities	33	18	8	59
% of Hot Spots Communities	55.9%	30.5%	13.6%	100.0%
% of All Communities	6.4%	3.5%	1.5%	11.4%
Foreclosures	609	583	219	1,411
% of Hot Spots Communities	43.2%	41.3%	15.6%	100.0%
% of All Communities	24.3%	23.2%	8.8%	56.3%
Average Foreclosure Rate	427	246	182	314
Average Foreclosure Index	140	242	328	190
Number of Households	259,878	143,342	39,858	443,078
% of Hot Spots Communities	58.7%	32.4%	9.0%	100.0%
% of All Communities	17.4%	9.6%	2.7%	29.6%

Source: Attom Data and DHCD, Office of Research and Compliance

Chart 1. Foreclosure Hot Spots

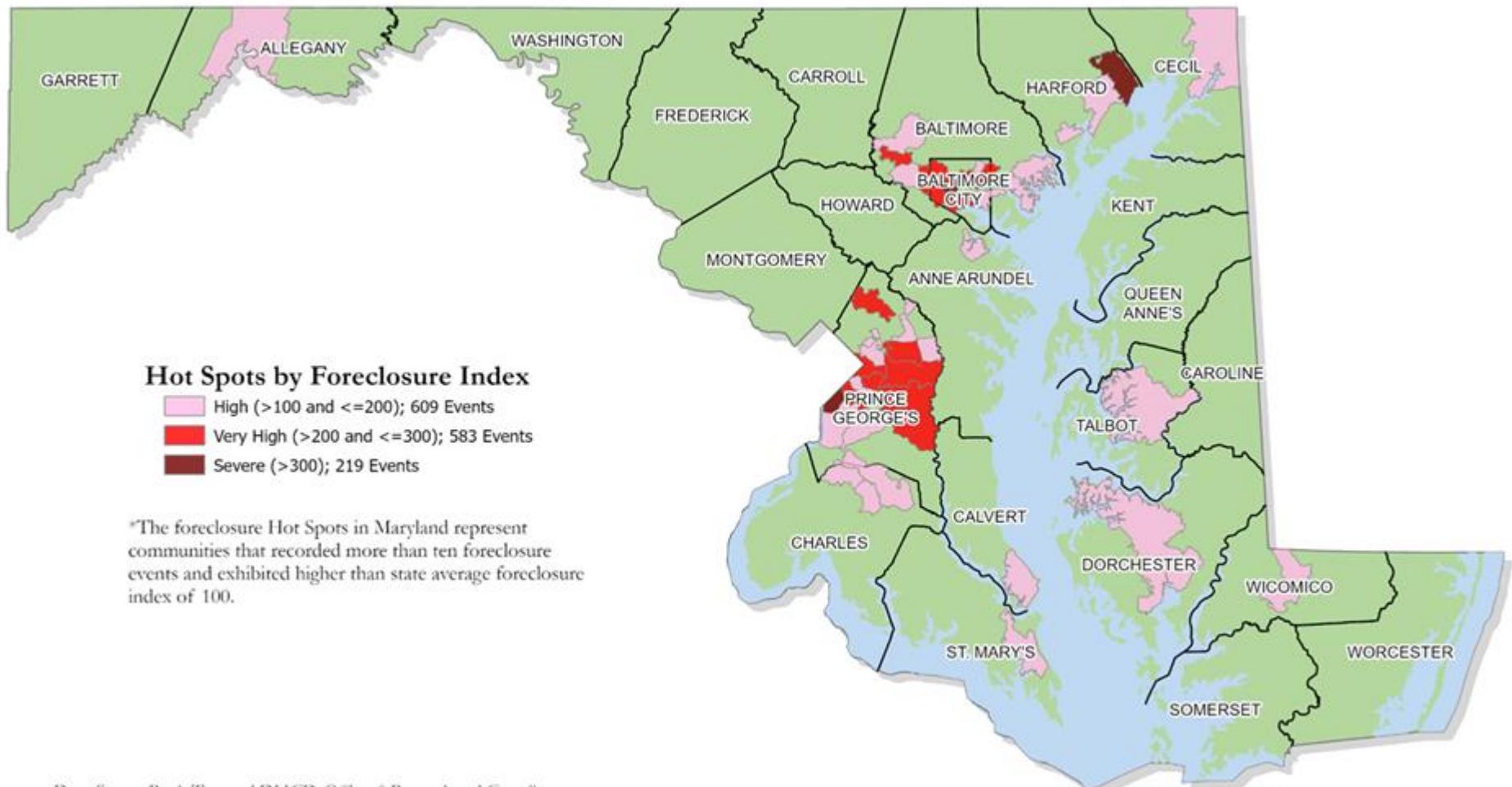
First Quarter 2024



Source: Attom Data and DHCD, Office of Research and Compliance

Foreclosure Hot Spots in Maryland (Exhibit I)

First Quarter 2024



Data Source: RealtyTrac and DHCD, Office of Research and Compliance

Hot Spots Analysis by Category

Severe Hot Spots (Table 1, Table 2, Chart 2)

- Across 8 Severe foreclosure communities 219 foreclosure events were recorded, representing 15.6 percent of foreclosures across all hot spots and 8.8 percent of foreclosures in Maryland.
- Severe foreclosures had an average rate of 182 and an average index of 328.
- Baltimore City, Harford, and Prince George's Counties are identified as severe foreclosure hot spots, each facing unique challenges with concentrated foreclosure issues.
- Communities like Walbrook, Clifton, Franklin, and Capitol Druid in Baltimore City are facing significant foreclosure challenges, affecting 24,264 households.

Table 2. Severe Foreclosure Hot Spots by Jurisdiction

First Quarter 2024

Jurisdiction	Foreclosure Events: Zip Codes	Foreclosure Events: Number	Foreclosure Events: % of Total	Average Foreclosure Rate	Average Foreclosure Index	Homeowner Households
Baltimore City	4	138	62.9%	176	343	24,264
Harford	1	25	11.4%	189	316	4,716
Prince George's	3	56	25.7%	193	311	10,878
Maryland	8	219	100.0%	182	328	39,858

Source: Attom Data and DHCD, Office of Research and Compliance

Very High Hot Spots (Table 1, Table 3, Chart 3)

- Locations with a Very High foreclosure recorded 583 events across 18 communities, representing 41.3 percent of foreclosures across all hot spots and 23.2 percent of foreclosures statewide.
- These communities had an average foreclosure rate of 246 and an average foreclosure index of 242.
- Baltimore City and Prince George's County emerge as primary areas with numerous zip codes classified as Very High foreclosure hot spots.
- Communities within these areas, such as Arlington, Upper Marlboro, Carroll, and Capitol Heights, demonstrate high foreclosure rates and indices, impacting thousands of households.

Table 3. Very High Foreclosure Hot Spots by Jurisdiction

First Quarter 2024

Jurisdiction	Foreclosure Events: Zip Codes	Foreclosure Events: Number	Foreclosure Events: % of Total	Average Foreclosure Rate	Average Foreclosure Index	Homeowner Households
Baltimore	3	79	13.5%	253	237	19,919
Baltimore City	8	242	41.5%	242	250	58,527
Prince George's	7	262	45.0%	248	238	64,896
Maryland	18	583	100.0%	246	242	143,342

Source: Attom Data and DHCD, Office of Research and Compliance

High Hot Spots (Table 1, Table 4, Chart 4)

- There were 609 high foreclosure events recorded across 33, representing 43.2 percent of foreclosures across all hot spots and 24.3 percent of foreclosures statewide.
- These communities had an average foreclosure rate of 427 and an average foreclosure index of 140.
- High foreclosure hot spots are prevalent across diverse areas and communities, reflecting a widespread challenge statewide.
- Urban and suburban regions, such as Fort Washington, Dundalk, Owings Mills, Cumberland, and Elkton, are experiencing significant foreclosure challenges that affect many households.

Table 4. High Foreclosure Hot Spots by Jurisdiction

First Quarter 2024

Jurisdiction	Foreclosure Events: Zip Codes	Foreclosure Events: Number	Foreclosure Events: % of Total	Average Foreclosure Rate	Average Foreclosure Index	Homeowner Households
Allegany	1	25	4.1%	486	123	12,147
Anne Arundel	2	30	4.9%	404	153	12,062
Baltimore	7	155	25.5%	469	129	72,663
Baltimore City	2	40	6.6%	378	160	15,252
Calvert	1	18	3.0%	334	179	6,006
Cecil	1	23	3.8%	521	114	11,985
Charles	3	43	7.0%	429	140	18,304
Dorchester	1	11	1.8%	429	139	4,719
Harford	2	31	5.1%	395	151	12,248
Prince George's	9	180	29.5%	388	154	69,657
St. Mary's	2	26	4.3%	429	145	11,281
Talbot	1	12	2.0%	553	108	6,640
Wicomico	1	15	2.5%	461	129	6,913
Maryland	33	609	100.0%	427	140	259,878

Source: Attom Data and DHCD, Office of Research and Compliance

Conclusion

The first-quarter report on Maryland's foreclosure hot spots shows a significant impact in particular communities, with 1,411 foreclosure events making up 56.3 percent of the state's total foreclosures. These events are spread over 59 designated hot spot communities, classified into Severe, Very High, and High categories. The foreclosure crisis in Maryland is notably concentrated in these hot spots, with Baltimore City and Prince George's County emerging as areas of high risk.

Charts

Severe Foreclosure Hot Spots in Maryland

Severe Foreclosure Hot Spots by Jurisdiction:

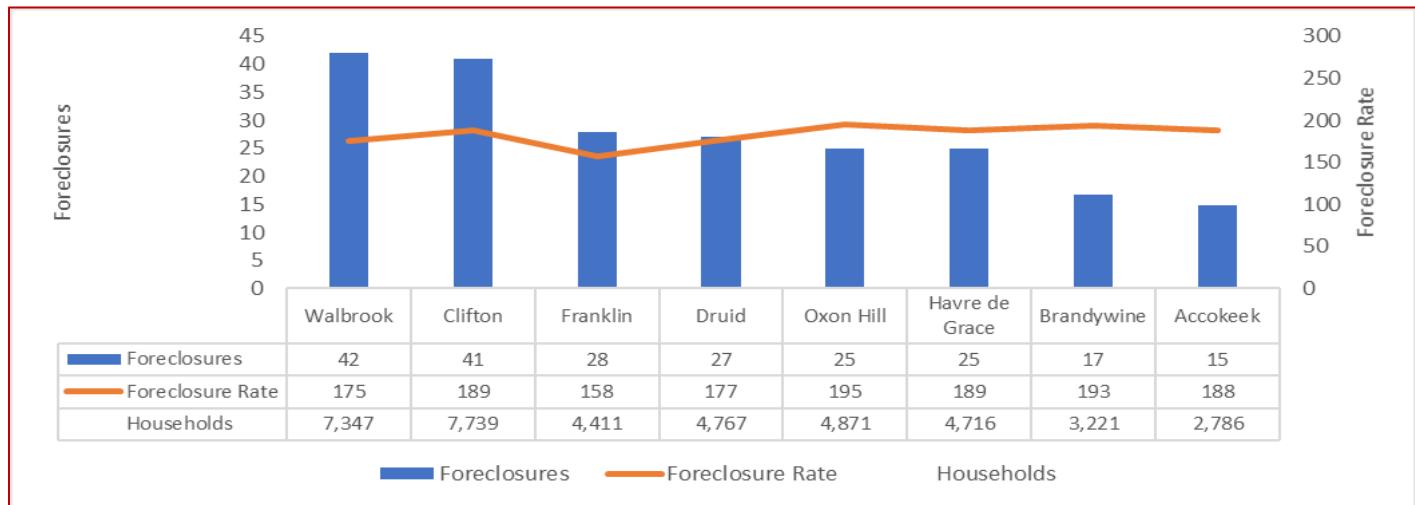
- **Baltimore City, Harford, and Prince George's Counties** emerge as severe foreclosure hot spots, each facing unique challenges.
- **Baltimore City** demonstrates a concentrated foreclosure problem with a notably high foreclosure rate of 138, impacting over 24,000 households.
- **Hartford County**, despite fewer zip codes in the severe category, shows a localized but severe foreclosure issue, affecting over 4,700 households.
- **Prince George's County** faces significant challenges with 3 zip codes in the severe category, impacting over 10,000 households.

Severe Foreclosure Hot Spots by Community:

- **Baltimore City and Prince George's County** communities such as Walbrook, Clifton, and Oxon Hill stand out with high foreclosure rates and indices.
- **Baltimore City's Walbrook and Clifton** communities exhibit particularly concentrated foreclosure problems, impacting over 7,000 households each.
- **Prince George's County's Oxon Hill** community faces a severe foreclosure challenge, affecting nearly 5,000 households.

Chart 2. Property Foreclosures in Severe Hot Spots Communities

First Quarter 2024



Source: Altom Data and DHCD, Office of Research and Compliance

To summarize, Baltimore City, along with Harford and Prince George's Counties, are experiencing significant foreclosure issues, each with distinct challenges. Baltimore City has a notable foreclosure rate of 138, impacting more than 24,000 households. Harford County, despite having fewer affected zip codes, still sees over 4,700 households facing foreclosure. In Prince George's County, 3 zip codes are particularly hard-hit, affecting upwards of 10,000 households. Within these areas, communities such as Walbrook and Clifton in Baltimore City, and Oxon Hill in Prince George's County, are notably affected, with over 7,000 and nearly 5,000 households in distress, respectively.

Very High Foreclosure Hot Spots in Maryland

Very High Foreclosure Hot Spots by Jurisdiction:

- **Baltimore City and Prince George's County** emerge as the primary areas with numerous zip codes classified as Very High foreclosure hot spots.
- Baltimore City exhibits eight such zip codes, indicating a significant localized foreclosure issue, impacting over 58,000 households.
- Prince George's County follows closely with 7 zip codes in the Very High category, affecting approximately 65,000 households.
- Maryland's overall foreclosure landscape includes 18 zip codes categorized as Very High hot spots, reflecting a statewide challenge with over 143,000 households impacted.

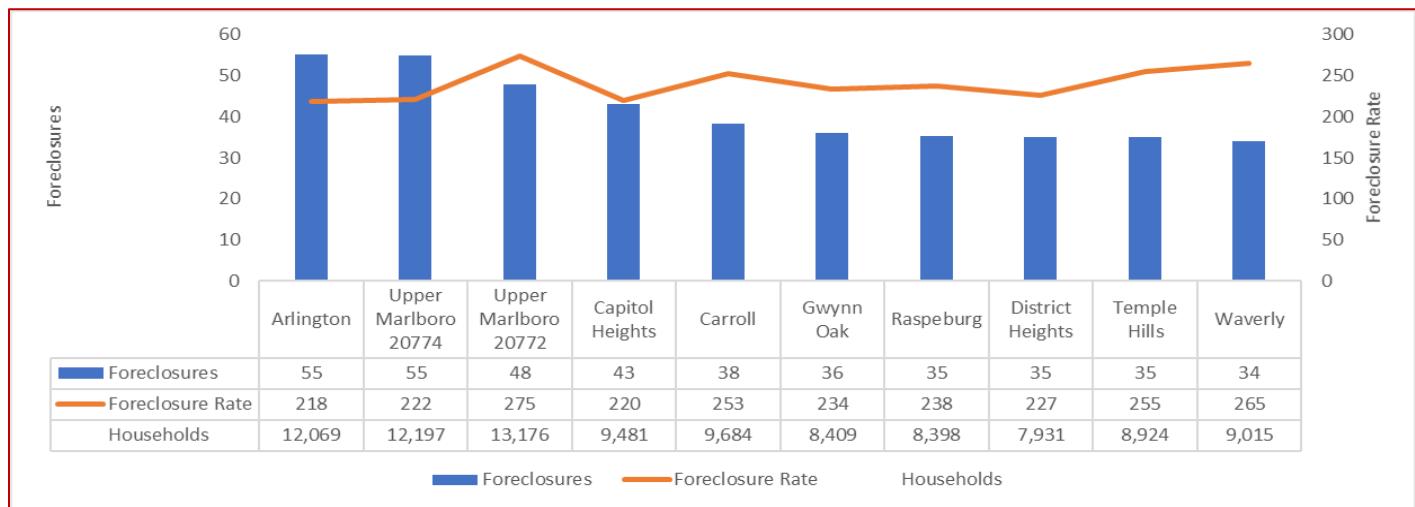
Very High Foreclosure Hot Spots by Community:

- **Baltimore City and Prince George's County Communities** such as Arlington, Carroll, Upper Marlboro, and Capitol Heights demonstrate notably high foreclosure rates and indices.
- These communities exhibit concentrated foreclosure issues, impacting thousands of households within their area.
- Some communities, like Upper Marlboro, show fluctuating foreclosure rates and indices, suggesting localized but severe foreclosure challenges .

Chart 3. Property Foreclosures in Very High Hot Spots Communities

First Quarter 2024

Top 10 Communities



Source: Attom Data and DHCD, Office of Research and Compliance

In summary, Baltimore City and Prince George's County are the main areas with very high foreclosure hot spots. Baltimore City encompasses 8 affected zip codes, impacting over 58,000 households, while Prince George's County includes 7, affecting approximately 65,000 households. Across the state, there are 18 zip codes identified as very high foreclosure hot spots, affecting over 143,000 households in total. Areas such as Arlington, Carroll, Upper Marlboro, and Capitol Heights experience high foreclosure rates and indices. Notably, Upper Marlboro exhibits fluctuating rates, signaling severe and inconsistent foreclosure challenges.

High Foreclosure Hot Spots in Maryland

High Foreclosure Hot Spots by Jurisdiction:

- High foreclosure hot spots are observed across multiple areas, with **Baltimore and Prince George's County** standing out with the highest number of zip codes categorized as High.
- While foreclosure rates vary across areas, all fall within the High category, indicating the prevalence of foreclosure challenges statewide.
- These hot spots collectively impact approximately 259,878 households, underscoring the significant housing market instability.

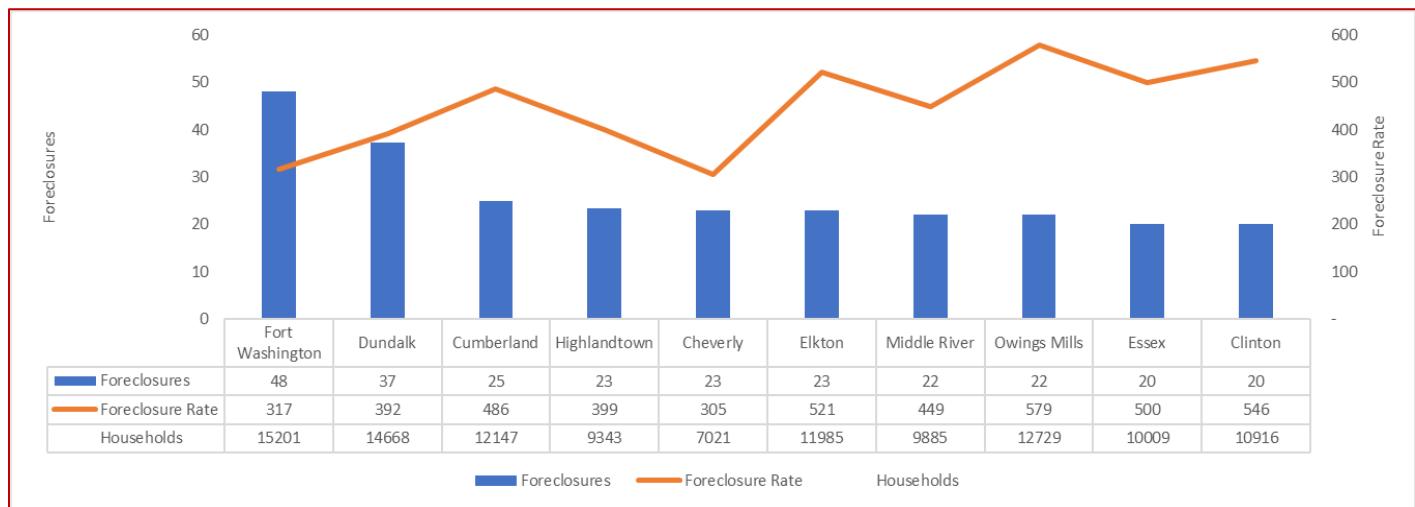
High Foreclosure Hot Spots by Community:

- Communities such as Fort Washington, Dundalk, Owings Mills, Cumberland, and Elkton are experiencing high foreclosure rates, affecting thousands of households with varying degrees of impact across these areas.
- Communities in urban areas, such as Baltimore City, and suburban areas, like Baltimore County, are grappling with significant foreclosure challenges, highlighting the issue's extensive impact.
- While certain communities report relatively low foreclosure rates, others exhibit rates that significantly surpass the state average, highlighting the localized nature of foreclosure challenges within smaller communities.

Chart 4. Property Foreclosures in High Hot Spots Communities

First Quarter 2024

Top 10 Communities



Source: Attom Data and DHCD, Office of Research and Compliance

In summary, Maryland is experiencing high foreclosure rates, especially in areas like Baltimore and Prince George's County, affecting approximately 259,878 households and indicating widespread housing instability. Communities including Fort Washington, Dundalk, Owings Mills, Cumberland, and Elkton are facing elevated foreclosure rates. The issue spans both urban and suburban regions, with Baltimore City and Baltimore County being notably impacted. The extent of the impact differs, with certain communities exhibiting foreclosure rates substantially higher than the state average, underscoring the localized nature of the problem.