



PROPERTY FORECLOSURE EVENTS IN MARYLAND

THIRD QUARTER 2023

SEPTEMBER 2023

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
HOUSING AND ECONOMIC RESEARCH OFFICE
7800 HARKINS ROAD
LANHAM, MD 20706
WWW.DHCD.MARYLAND.GOV

WES MOORE GOVERNOR
ARUNA MILLER, LT. GOVERNOR
JAKE DAY, ACTING SECRETARY
JULIA GLANZ, DEPUTY SECRETARY



Property Foreclosure Events in Maryland
THIRD QUARTER 2023

Table of Contents

EXECUTIVE SUMMARY.....1
NOTICES OF MORTGAGE LOAN DEFAULT.....5
NOTICES OF FORECLOSURE SALES.....7
LENDER PURCHASES OF FORECLOSED PROPERTIES9

Property Foreclosure Events in Maryland

THIRD QUARTER 2023

Executive Summary

Attom Data (formerly Realty Trac) reported a total of 101,350 property foreclosure filings (or events) in the U.S., which includes notices of default; notices of foreclosure sales or auctions; and lender purchases of foreclosed properties (REO). This reflects an increase of 1.6 percent from the preceding quarter. Compared with year ago levels, foreclosures increased by 7.0 percent (Exhibit 1) as activity inches closer to pre-pandemic levels.

The U.S. foreclosure rate, defined as the number of foreclosures per 10,000 households, was virtually unchanged from 7.5 in the previous quarter to 7.6 in the current quarter. Nationally, foreclosure activity grew in 28 states but fell in the other 22 states and in the District of Columbia (The District) which saw events decline by 3.0 percent. States with the top five quarterly increases were (from high to low) Kentucky, Massachusetts, Nevada, North Dakota and South Dakota. The largest declines were recorded in Illinois, Maine, Maryland, Nebraska, and Vermont. On a year over year basis, foreclosure events grew in 35 states including the District but declined in the remaining 15 states.

In Maryland foreclosure events declined 12.2 percent from the second quarter of 2023 to 3,083 events (Exhibit 2 & Chart 2). Compared to the same quarter last year, Maryland's foreclosure activity rose 26.2 percent. Foreclosures continued to trend upwards, creeping towards pre-pandemic levels, at 37.2 percent below the third quarter of 2019 and 18.9 percent below fourth quarter 2019.

New foreclosure filings in Maryland fell 12.5 percent to 1,608 in the third quarter, a 6.1 percent increase compared with third quarter 2022 levels. Foreclosure sales decreased by 10.9 percent from the prior quarter but rose from the same quarter last year, up significantly by 106.3 percent. Lender purchases declined by 18.2 percent from the second quarter of 2023. When compared to the third quarter of 2022, purchases dropped by 3.6 percent. Despite fluctuating filings, activity is expected to grow gradually and reach pre-pandemic levels as lenders continue to clear their pipelines.

Maryland's foreclosure rate declined this quarter, from 14.6 in the second quarter of 2023 to 12.8 foreclosures per 10,000 households in the third quarter of 2023. Maryland's fell to the fourth highest foreclosure ranking this quarter behind New Jersey, Nevada, and South Carolina in that order. The state's foreclosure rate was 5.2 percent higher than the U.S. rate of 7.6 in the third quarter (Chart 1).

Among the neighboring states, Delaware held the 5th highest ranking; Pennsylvania fell to 15th rank; Virginia's ranking also moved one spot to the 27th rank in the third quarter.

Attom's methodology reports total number of filings in these stages of foreclosure. As a result, the sum of the stages of foreclosure during a quarter may exceed the actual number of foreclosed properties as properties are moved from one stage of the process to the other during the quarter. To eliminate multiple counting of foreclosure events, the total number of foreclosures in this report represents the number of unique properties only. "Events," "properties," and "filings" are used interchangeably in this report.

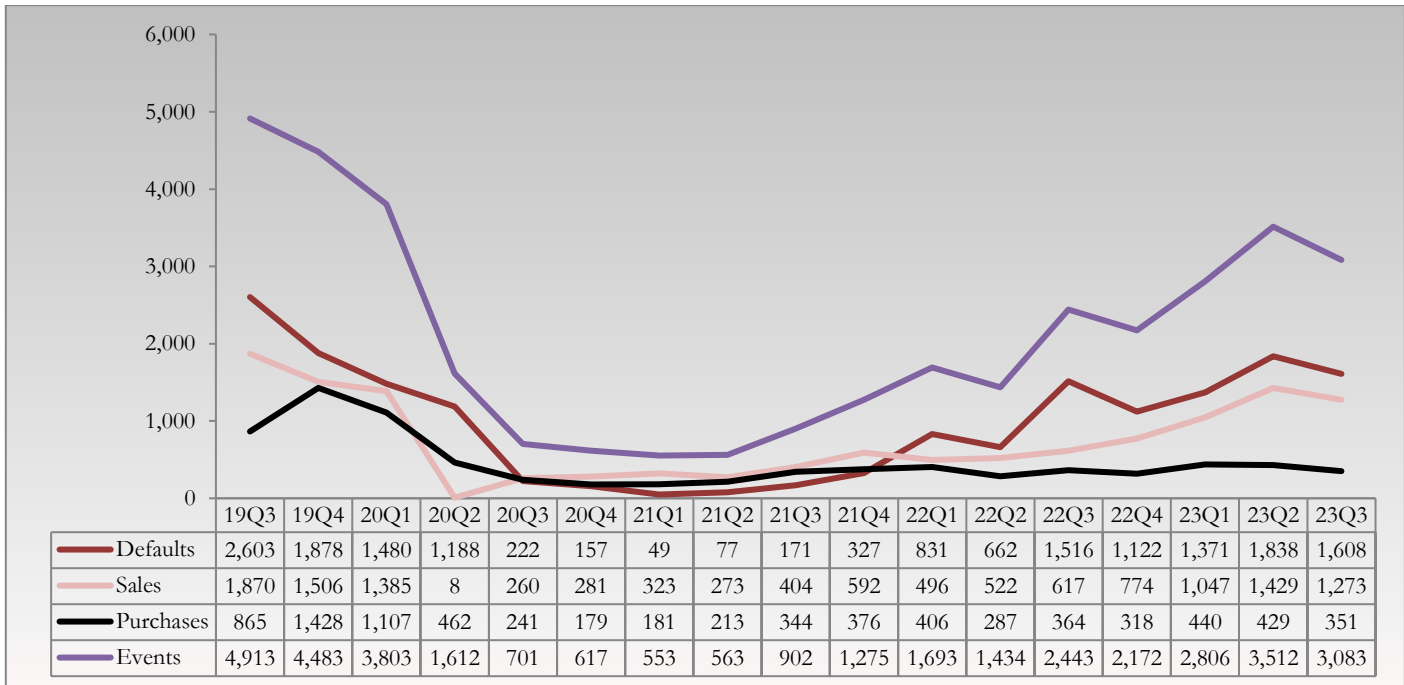
EXHIBIT 1. FORECLOSURES IN MARYLAND AND U.S.
THIRD QUARTER 2023

Indicator	Notices of Default	Notices of Sales	Lender Purchases	Properties with Foreclosure Filings*
<i>Maryland</i>				
Number of Events	1,608	1,273	351	3,083
Change (Last Quarter)	-12.5%	-10.9%	-18.2%	-12.2%
Change (Last Year)	6.1%	106.3%	-3.6%	26.2%
<i>U.S.</i>				
Number of Events	44,001	48,487	11,020	101,350
Change (Last Quarter)	-2.1%	0.6%	8.5%	1.6%
Change (Last Year)	1.7%	12.9%	4.8%	7.0%

*The sum of the three stages of foreclosure may exceed the number of properties. The last column in this table represents the number of unique property foreclosures, hence multiple counting of the events has been eliminated.

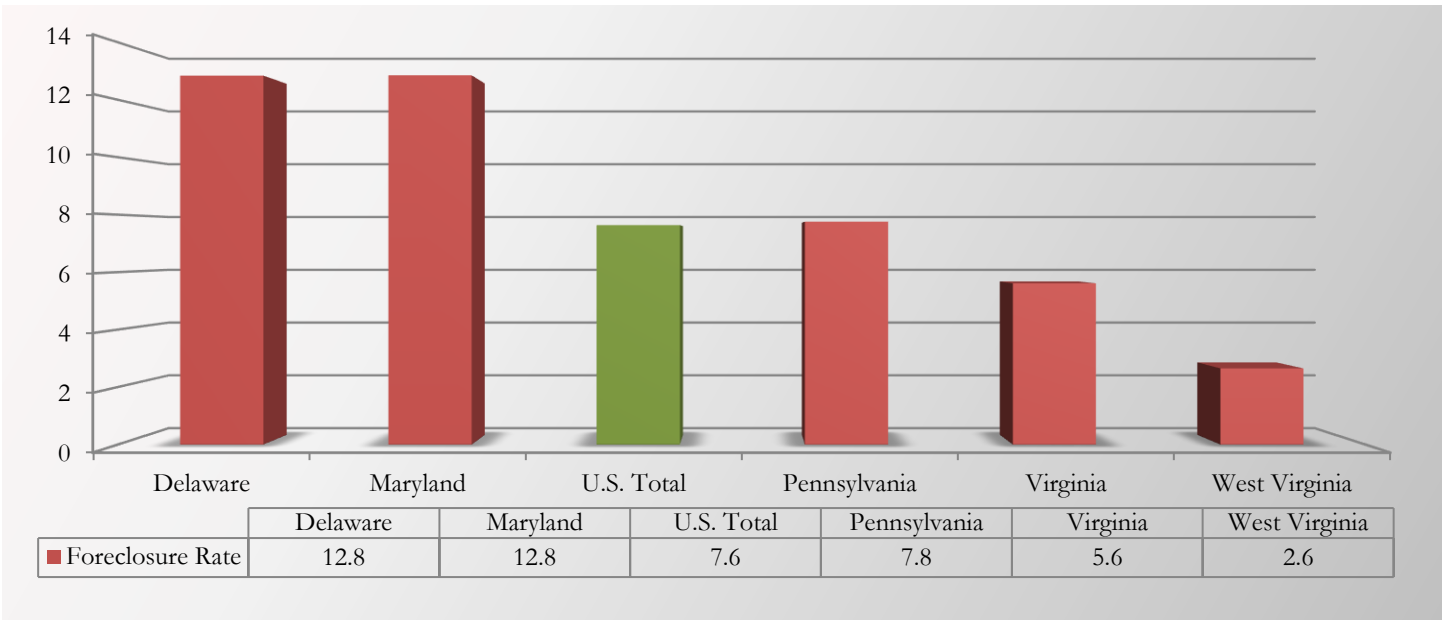
Source: Attom Data and DHCD, Housing and Economic Research Office

EXHIBIT 2. STAGES OF FORECLOSURE ACTIVITY IN MARYLAND
THIRD QUARTER 2023



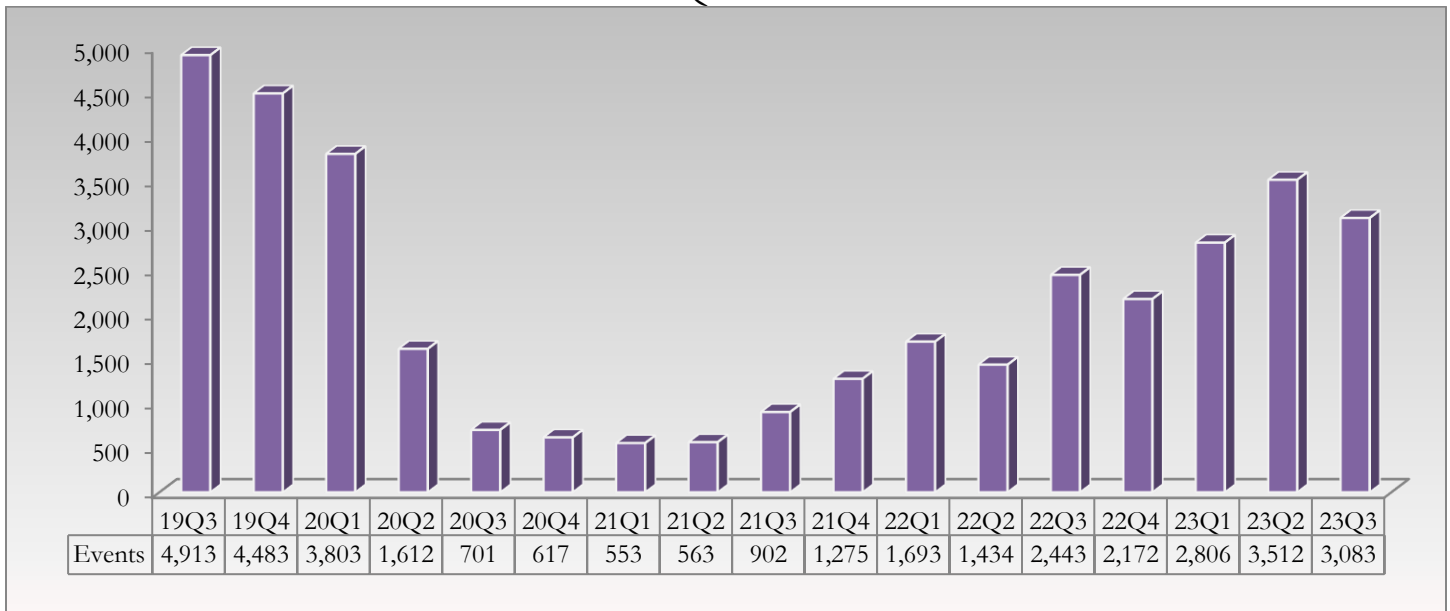
Source: Attom Data and DHCD, Housing and Economic Research Office

CHART 1. FORECLOSURE RATES IN THE REGION
NUMBER OF FORECLOSURES PER 10,000 HOUSEHOLDS
 THIRD QUARTER 2023



Source: Atom Data and DHCD, Housing and Economic Research Office

CHART 2. TOTAL FORECLOSURE ACTIVITY IN MARYLAND
 THIRD QUARTER 2023



Source: Atom Data and DHCD, Housing and Economic Research Office

Data distribution in Table 1 shows the breakdown of third quarter foreclosure events in Maryland. Compared to the preceding quarter, events increased in eight jurisdictions but fell in the remaining 16 jurisdictions. Garrett County had the highest quarterly growth (60.3 percent) followed by Caroline County which increased by 43.5 percent; Somerset County rose 28.7 percent; Talbot County with 22.4 percent and Baltimore City with 21.3 percent. When compared to levels a year ago, foreclosure activity grew in 16 jurisdictions and decreased in eight jurisdictions. The jurisdiction with the biggest year-over-year increase was Kent County at 185.5 percent.

Prince George’s County had the largest share of foreclosures statewide with 686 events accounting for 22.2 percent of the total. Foreclosure activity in the County decreased by 20.3 percent from the second quarter of 2023 and rose 31.9 percent above year-ago levels. Baltimore City had the second largest share of foreclosures—20.2 percent—with 622 events, an increase of 21.3 percent since the preceding quarter and 77.9 percent above year-ago levels. Baltimore County with 460 events, or 14.9 percent of total, had the third-highest share in Maryland; foreclosures in the County fell 8.4 percent below last quarter but rose 26.9 percent above year-ago levels.

Four other jurisdictions had relatively large shares (greater than 100 events) of foreclosure events. Anne Arundel had 228 events (or 7.4 percent of the total). Montgomery had 176 events (or 5.7 percent of the total). Charles followed with 125 events (or 4.0 percent). Harford had 114 events (or 3.7% of the total). These jurisdictions represent 78.2 percent of all foreclosure events in Maryland.

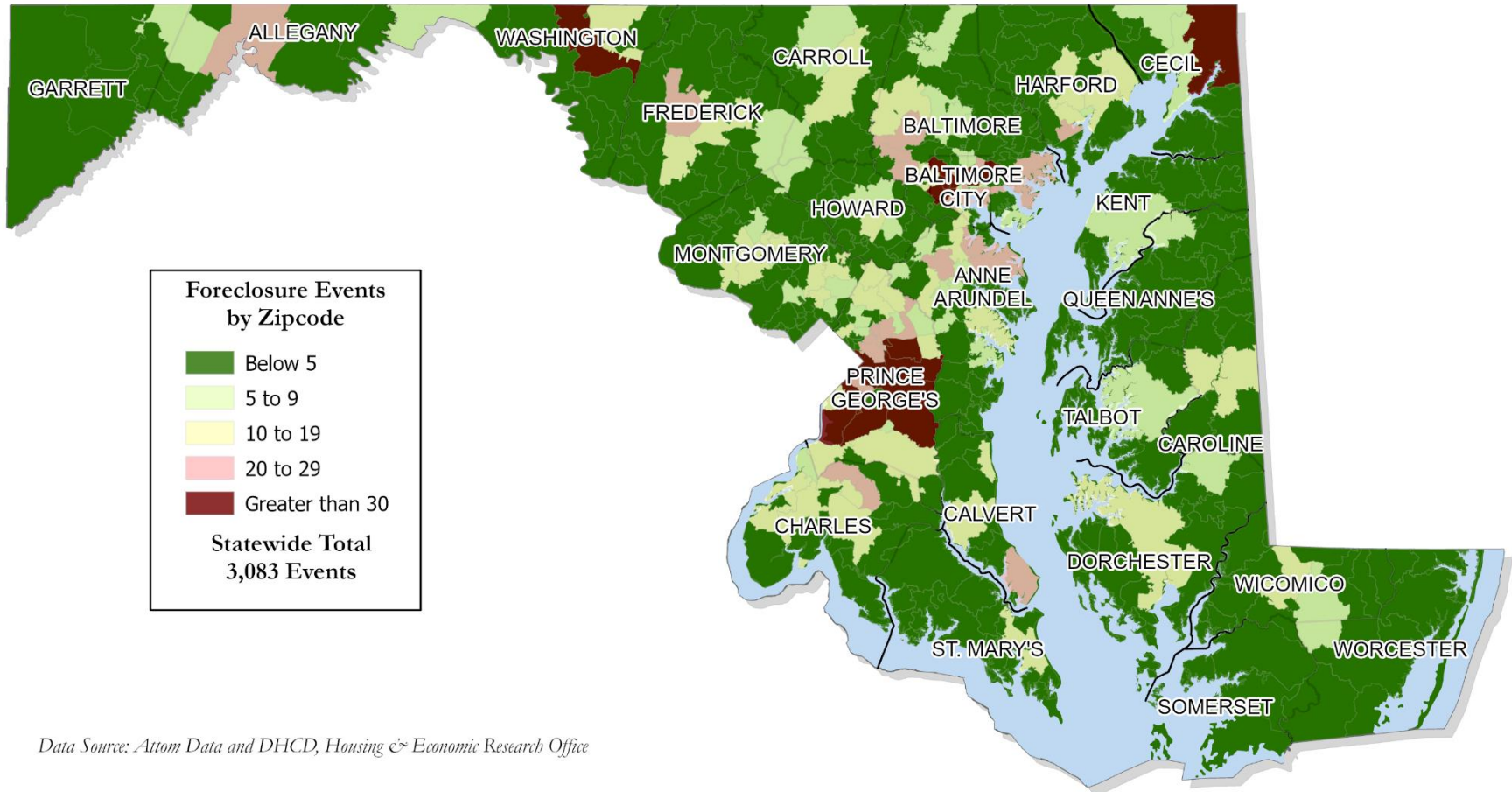
TABLE 1. PROPERTY FORECLOSURE EVENTS IN MARYLAND
THIRD QUARTER 2023

Jurisdiction	Notices of Default	Notices of Sales	Lender Purchases (REO)	Total*			
				Number	County Share	% Change from	
						2023 Q2	2022 Q3
Allegany	22	6	9	36	1.2%	0.1%	-5.3%
Anne Arundel	120	91	30	228	7.4%	-18.0%	2.8%
Baltimore	212	240	46	460	14.9%	-8.4%	26.9%
Baltimore City	328	286	74	622	20.2%	21.3%	77.9%
Calvert	28	31	9	68	2.2%	-12.7%	80.7%
Caroline	9	17	3	28	0.9%	43.5%	99.0%
Carroll	20	20	3	43	1.4%	-32.0%	-0.4%
Cecil	24	32	6	63	2.0%	-7.4%	16.7%
Charles	58	46	21	125	4.0%	-24.7%	-0.5%
Dorchester	12	16	2	32	1.0%	8.3%	112.5%
Frederick	40	26	21	84	2.7%	-18.6%	11.2%
Garrett	8	6	4	19	0.6%	60.3%	48.5%
Harford	49	53	14	114	3.7%	-28.3%	25.2%
Howard	27	24	13	64	2.1%	-27.4%	-4.5%
Kent	4	11	4	19	0.6%	1.1%	185.5%
Montgomery	96	77	8	176	5.7%	-31.9%	-8.1%
Prince George's	465	201	38	686	22.2%	-20.3%	31.9%
Queen Anne's	9	12	3	23	0.7%	-19.1%	-22.0%
Somerset	7	4	3	14	0.5%	28.7%	39.9%
St. Mary's	18	25	8	49	1.6%	-24.3%	1.7%
Talbot	6	6	5	17	0.6%	22.4%	50.5%
Washington	28	20	15	64	2.1%	-17.5%	-8.7%
Wicomico	12	14	8	34	1.1%	-17.3%	7.5%
Worcester	5	6	4	16	0.5%	-32.6%	-5.0%
Maryland	1,608	1,273	351	3,083	100.0%	-12.2%	26.2%

*The sum of the three stages of foreclosure may exceed the total. Total number of foreclosures represents unique properties.
Source: Attom Data and DHCD, Housing and Economic Research Office

Property Foreclosure Filings in Maryland

Third Quarter 2023



Data Source: Atom Data and DHCD, Housing & Economic Research Office

Notices of Mortgage Loan Default in Maryland

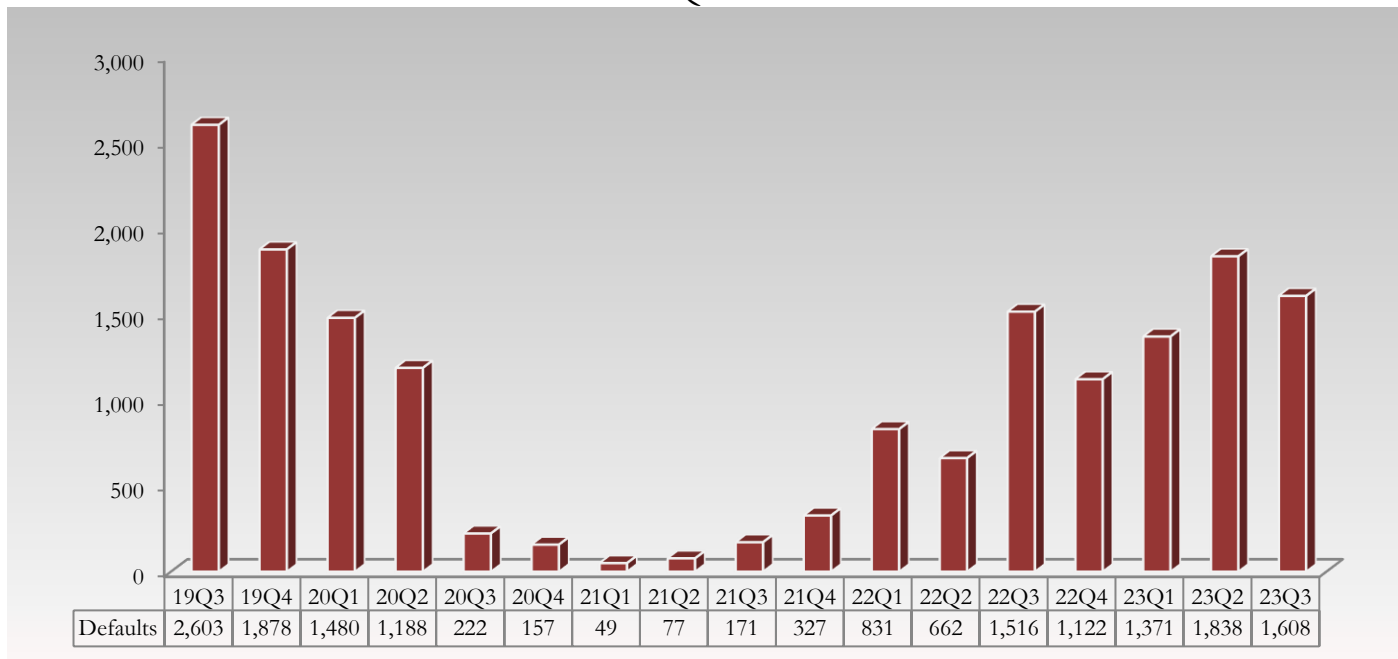
THIRD QUARTER 2023

Default notices (the initial document filed by the lender to start the foreclosure process, also called pre-foreclosure stage) declined to 1,608 filings, a 12.5 percent decrease since the second quarter of 2023 (Chart 3). Compared with the same period a year ago, this reflects a 6.1 percent growth in notices. Over half of Maryland’s jurisdictions recorded quarterly declines, while notices rose in Allegany County, Baltimore City, Garrett County, Somerset County, and Talbot County. Compared to this period last year, 17 jurisdictions recorded year-over-year declines, while seven jurisdictions experienced increases ranging from 17.4 percent to 50.9 percent.

By jurisdiction, Prince George’s County accounted for the largest share of defaults with 28.9 percent of all filings statewide with 465 notices (Table 2). The county’s default notices decreased 11.9 percent from the previous quarter and rose by 39.6 percent from year-ago levels. Baltimore City, with 328 default notices (20.4 percent shares), had the second-highest number of defaults in Maryland. Baltimore City’s pre-foreclosure filings increased 17.5 percent above the preceding quarter and rose 50.9 percent since this period last year. Baltimore County, with 212 default notices, or 13.2 percent of the total share, had the third-highest number of notices, fell 19.0 percent from the prior quarter and declined 15.7 percent below the same time in 2022.

Anne Arundel County’s 120 default notices were fourth-highest, 7.4 percent share. Montgomery County followed with 96 notices as the fifth-highest, 6.0 percent share. Together, these five jurisdictions represented 75.9 percent of all default notices issued statewide.

CHART 3. NOTICES OF MORTGAGE LOAN DEFAULT IN MARYLAND
THIRD QUARTER 2023



Source: Attom Data and DHCD, Housing and Economic Research Office

**TABLE 2. NOTICES OF MORTGAGE LOAN DEFAULT IN
MARYLAND
THIRD QUARTER 2023**

Jurisdiction	2023 Q3		% Change from	
	Number	% of Total	2023 Q2	2022 Q3
Allegany	22	1.3%	15.8%	-22.9%
Anne Arundel	120	7.4%	-2.0%	-8.5%
Baltimore	212	13.2%	-19.0%	-15.7%
Baltimore City	328	20.4%	17.5%	50.9%
Calvert	28	1.8%	-24.1%	31.3%
Caroline	9	0.6%	-2.6%	18.1%
Carroll	20	1.2%	-23.8%	-31.1%
Cecil	24	1.5%	-11.1%	-29.4%
Charles	58	3.6%	-22.2%	-11.1%
Dorchester	12	0.8%	-5.6%	14.8%
Frederick	40	2.5%	-14.1%	-22.0%
Garrett	8	0.5%	32.4%	20.5%
Harford	49	3.1%	-36.5%	-21.4%
Howard	27	1.7%	-34.2%	-24.4%
Kent	4	0.2%	-67.1%	-16.5%
Montgomery	96	6.0%	-25.5%	-6.0%
Prince George's	465	28.9%	-11.9%	39.6%
Queen Anne's	9	0.5%	-47.5%	-48.3%
Somerset	7	0.4%	36.0%	17.4%
St. Mary's	18	1.1%	-15.1%	-23.3%
Talbot	6	0.4%	20.0%	-26.2%
Washington	28	1.8%	-37.4%	-24.9%
Wicomico	12	0.7%	-48.9%	-43.1%
Worcester	5	0.3%	-56.2%	-48.2%
Maryland	1,608	100%	-12.5%	6.1%

*The sum of notices of foreclosure default may exceed the total. Total number of notices of foreclosure default includes events occurring in partial census tracts.

Source: Attom Data and DHCD, Housing and Economic Research Office

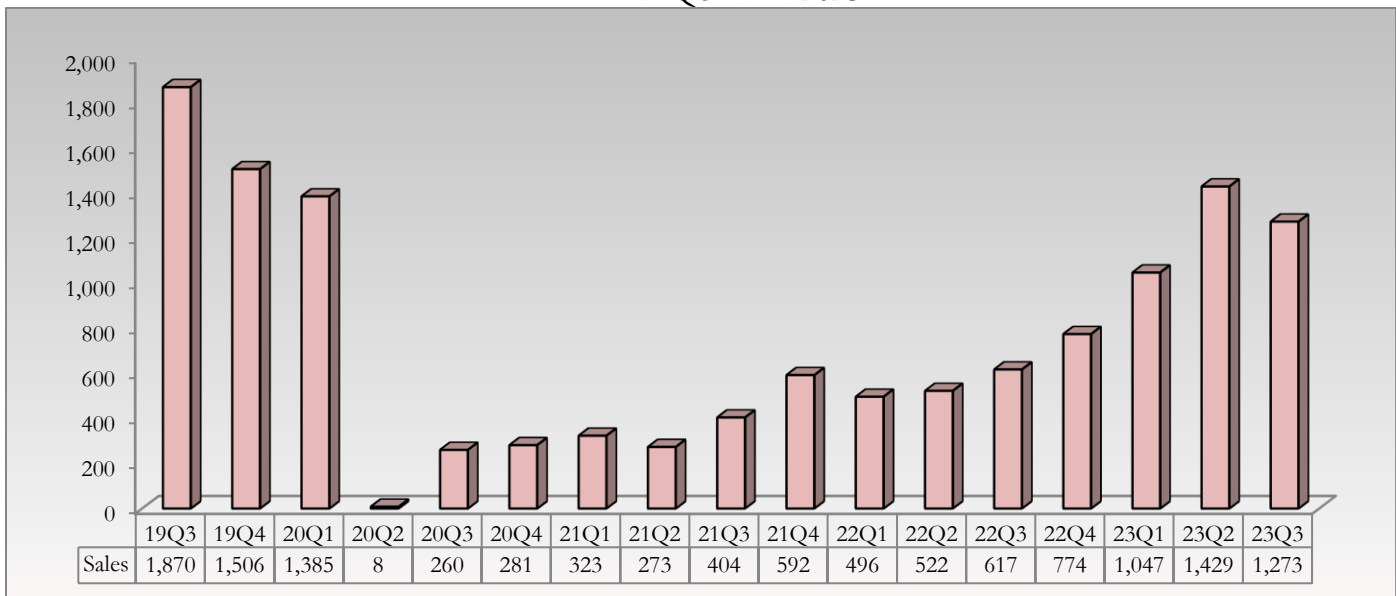
Notices of Foreclosure Sales in Maryland

THIRD QUARTER 2023

Foreclosure sales notices or judgment of sales notices, (orders signed by a judge authorizing the sale of a property at a public auction) declined 10.9 percent below the prior quarter to 1,273 filings (Chart 4). Foreclosure sales increased in 11 jurisdictions and declined in the remaining 13 jurisdictions compared to the previous quarter. Compared to this period last year, statewide foreclosure sales rose by 106.3 percent; increasing in 22 jurisdictions with the exception of Allegany County and Washington County which fell by 32.4 percent and 3.2 percent, respectively.

Baltimore City was the jurisdiction with the highest share of foreclosure sales at 286 properties auctioned, or 22.4 percent of all Maryland foreclosure sales (Table 3). Current quarter sales increased by 21.7 percent in the City and rose 194.8 percent since the third quarter of 2022. Baltimore County with 240 auctions, or 18.9 percent of the total, had the second-highest number of foreclosure sales in Maryland. Foreclosure sales in the County increased by 8.1 percent from the preceding quarter but increased by 202.4 percent compared with the same period in 2022. At 201 sales, or 15.8 percent of the total, Prince George’s County had the third-highest number of foreclosure sales. Notices of sales in Prince George’s County fell 31.2 percent below the previous quarter but rose 58.6 percent from the same period last year. The fourth and fifth-highest shares of foreclosure sales this quarter occurred in Anne Arundel County (91 sales or 7.2 percent shares) and Montgomery County (77 sales or 6.1 percent shares). Together, these jurisdictions accounted for 70.4 percent of all notices of sales issued statewide.

CHART 4. NOTICES OF FORECLOSURE SALES IN MARYLAND
THIRD QUARTER 2023



Source: Attom Data and DHCD, Housing and Economic Research Office

TABLE 3. NOTICES OF FORECLOSURE SALES IN MARYLAND
THIRD QUARTER 2023

Jurisdiction	2023 Q3		% Change from	
	Notices of Sales	% of Total	2023 Q2	2022 Q3
Allegany	6	0.5%	36.4%	-32.4%
Anne Arundel	91	7.2%	-31.0%	36.3%
Baltimore	240	18.9%	8.1%	202.4%
Baltimore City	286	22.4%	21.7%	194.8%
Calvert	31	2.4%	-0.5%	242.0%
Caroline	17	1.3%	87.9%	353.0%
Carroll	20	1.6%	-41.0%	88.3%
Cecil	32	2.5%	-20.0%	166.7%
Charles	46	3.6%	-37.1%	69.3%
Dorchester	16	1.2%	4.5%	205.2%
Frederick	26	2.1%	-47.7%	24.2%
Garrett	6	0.5%	130.8%	45.6%
Harford	53	4.2%	-27.0%	158.9%
Howard	24	1.9%	-18.4%	63.8%
Kent	11	0.9%	131.0%	550.6%
Montgomery	77	6.1%	-23.4%	34.3%
Prince George's	201	15.8%	-31.2%	58.6%
Queen Anne's	12	0.9%	20.4%	61.7%
Somerset	4	0.3%	-10.0%	26.3%
St. Mary's	25	2.0%	-17.5%	132.1%
Talbot	6	0.5%	-23.4%	104.3%
Washington	20	1.6%	62.3%	-3.2%
Wicomico	14	1.1%	96.7%	385.1%
Worcester	6	0.5%	1.9%	245.1%
Maryland	1,273	100.0%	-10.9%	106.3%

*The sum of notices of foreclosure sales may exceed the total. Total number of notices of foreclosure sales includes events occurring in partial census tracts.

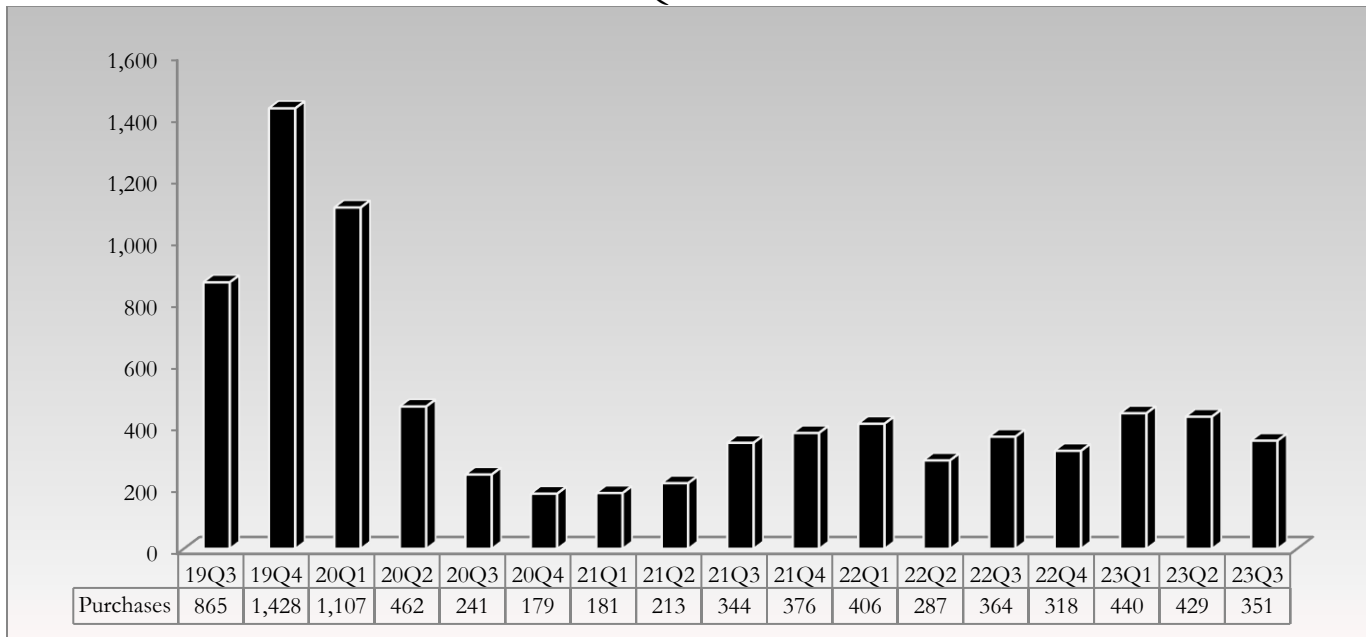
Source: Attom Data and DHCD, Housing and Economic Research Office

Lender Purchases of Foreclosed Properties in Maryland THIRD QUARTER 2023

Lender purchases, or real estate owned (REO) by the lender (the final step in the foreclosure process that conveys property ownership back to lender) is the only activity type recovering at a much slower pace than notices of default and sales or auctions. The slow pace can be attributed to strong home sales, and high median home prices due to low inventory. REOs fell by 18.2 percent since the second quarter of 2023 to 351. Compared to activity in the third quarter of 2022 lender purchases decreased by 3.6 percent. The largest quarterly percentage increase of 200 percent occurred in Cecil County. Year-over-year, Frederick County saw the largest increase in lender purchases rising 386.4 percent.

With relatively low level of activity, by jurisdiction, 74 lender purchases occurred in Baltimore City, representing the largest share with 21.0 percent of all lender purchases statewide (Table 4). The number of purchases in the city rose by 14.1 percent above the preceding quarter and by 67.1 percent above the same period last year. Baltimore County, with 46 lender purchases (13.2 percent of the total) had the second-highest concentration in Maryland. Lender purchases in the county fell 13.4 percent in the third quarter and rose 13.8 percent above this period last year. Prince George’s County, with 38 REOs, recorded the third highest share (10.8 percent of the total) in the third quarter. Anne Arundel County, with 30 lender purchases (8.4 percent of the total), had the fourth highest concentration in Maryland. Lender purchases in Anne Arundel County declined by 1.3 percent from the preceding quarter and by 2.5 percent compared with levels a year ago. Together, these jurisdictions represented over half (53.4 percent) of all lender purchases.

**CHART 5. LENDER PURCHASES OF FORECLOSED PROPERTIES IN MARYLAND
THIRD QUARTER 2023**



Source: Attom Data and DHCD, Housing and Economic Research Office

**TABLE 4. LENDER PURCHASES OF FORECLOSED
PROPERTIES IN MARYLAND
THIRD QUARTER 2023**

Jurisdiction	2023 Q3		% Change from	
	Number	% of Total	2023 Q2	2022 Q3
Allegany	9	2.6%	-35.8%	99.8%
Anne Arundel	30	8.4%	-1.3%	-2.5%
Baltimore	46	13.2%	-13.4%	13.8%
Baltimore City	74	21.0%	14.1%	67.1%
Calvert	9	2.5%	-14.6%	11.8%
Caroline	3	0.8%	179.0%	9.8%
Carroll	3	0.9%	-53.0%	-28.2%
Cecil	6	1.7%	200.0%	-33.3%
Charles	21	6.0%	17.7%	-36.4%
Dorchester	2	0.7%	147.0%	n/a
Frederick	21	6.0%	118.5%	386.4%
Garrett	4	1.1%	44.2%	173.7%
Harford	14	4.0%	-0.7%	27.1%
Howard	13	3.6%	-36.0%	-22.8%
Kent	4	1.1%	57.3%	174.6%
Montgomery	8	2.3%	-78.2%	-76.9%
Prince George's	38	10.8%	-54.3%	-44.7%
Queen Anne's	3	0.9%	-11.9%	-46.5%
Somerset	3	0.8%	113.0%	194.0%
St. Mary's	8	2.2%	-43.6%	-43.9%
Talbot	5	1.4%	150.0%	300.0%
Washington	15	4.4%	-18.5%	13.3%
Wicomico	8	2.3%	-38.0%	-0.4%
Worcester	4	1.1%	-33.4%	-23.0%
Maryland	351	100.0%	-18.2%	-3.6%

*The sum of lender purchases may exceed the total. Total lender purchases include events occurring in partial census tracts.

Source: Attom Data and DHCD, Housing and Economic Research Office