



PROPERTY FORECLOSURE EVENTS IN MARYLAND

FIRST QUARTER 2023

MARCH 2023

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Property Foreclosure Events in Maryland
FIRST QUARTER 2023

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Property Foreclosure Events in Maryland

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Executive Summary

First quarter Attom (formerly Realty Trac) Data shows that property foreclosure filings (or events) in the U.S., which includes notices of default; notices of foreclosure sales or auctions; and lender purchases (REO) of foreclosed properties, inched up by 4.7 percent to 95,712 events from the preceding quarter. Compared with year ago levels, foreclosures increased by 19.4 percent (Exhibit 1) as foreclosure filings grow gradually to pre-pandemic levels after foreclosure related restrictions are no longer in place.

The U.S. foreclosure rate, defined as the number of foreclosures per 10,000 households, rose from 6.9 in the previous quarter to 7.2 in the current quarter. Nationally, foreclosure activity grew in 33 states including the District of Columbia (The District) but fell in the other 18. Events increased 13 percent in the District of Columbia. On a year over year basis, foreclosure events grew in 42 states and in the District, were unchanged in Florida and Wisconsin, but declined in Alabama, Arizona, Maine, Missouri, New Jersey, Ohio and South Carolina. The top five quarterly increases were in Michigan (34%), Maryland (29%), New Hampshire (26%), Oklahoma (25%), and Tennessee (21%). The largest declines were recorded in Alabama, Maine, Massachusetts, Montana, and North Dakota.

In the first quarter of 2023, Maryland foreclosure activity rose 29.2 percent from the prior quarter to 2,806 events. Foreclosure activity increased for all three property filing events since last quarter. Activity also rose 65.7 percent when compared to year-ago levels. We expect foreclosure events to grow steadily for the next few quarters as the market adjusts to interest rate hikes and other inflationary factors that continue to impact Maryland households and the nation at large.

New notices of default filings increased 22.2 percent to 1,371 in the first quarter and rose 65.0 percent above the same period last year. Foreclosure sales increased by 35.3 percent to 1,047, compared with the same period last year foreclosure sales grew 111.1 percent. Lender purchases increased from the prior quarter to 440 properties, a 38.4 percent rise from fourth quarter of 2022 and increased annually by 8.4 percent. Growth in property foreclosure activity in Maryland is expected to gradually return to pre-pandemic levels as filings in the pipeline are now being processed with the expiration of the government's moratorium.

Maryland's foreclosure rate increased this quarter, from 9.1 in the fourth quarter of 2022 to 11.7 foreclosures per 10,000 households in the first quarter of 2023. Maryland's foreclosure ranking rose into the top five states with the highest foreclosure rates nationwide, along with Illinois, Delaware, New Jersey, and Nevada. The state's foreclosure rate was 4.5 percent higher than the U.S. rate of 7.2 in the first quarter.

Among the neighboring states, Delaware maintained the 2nd highest ranking; Pennsylvania fell from 19th rank to the 21st; Virginia's ranking also moved one spot to the 27th rank in the fourth 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.

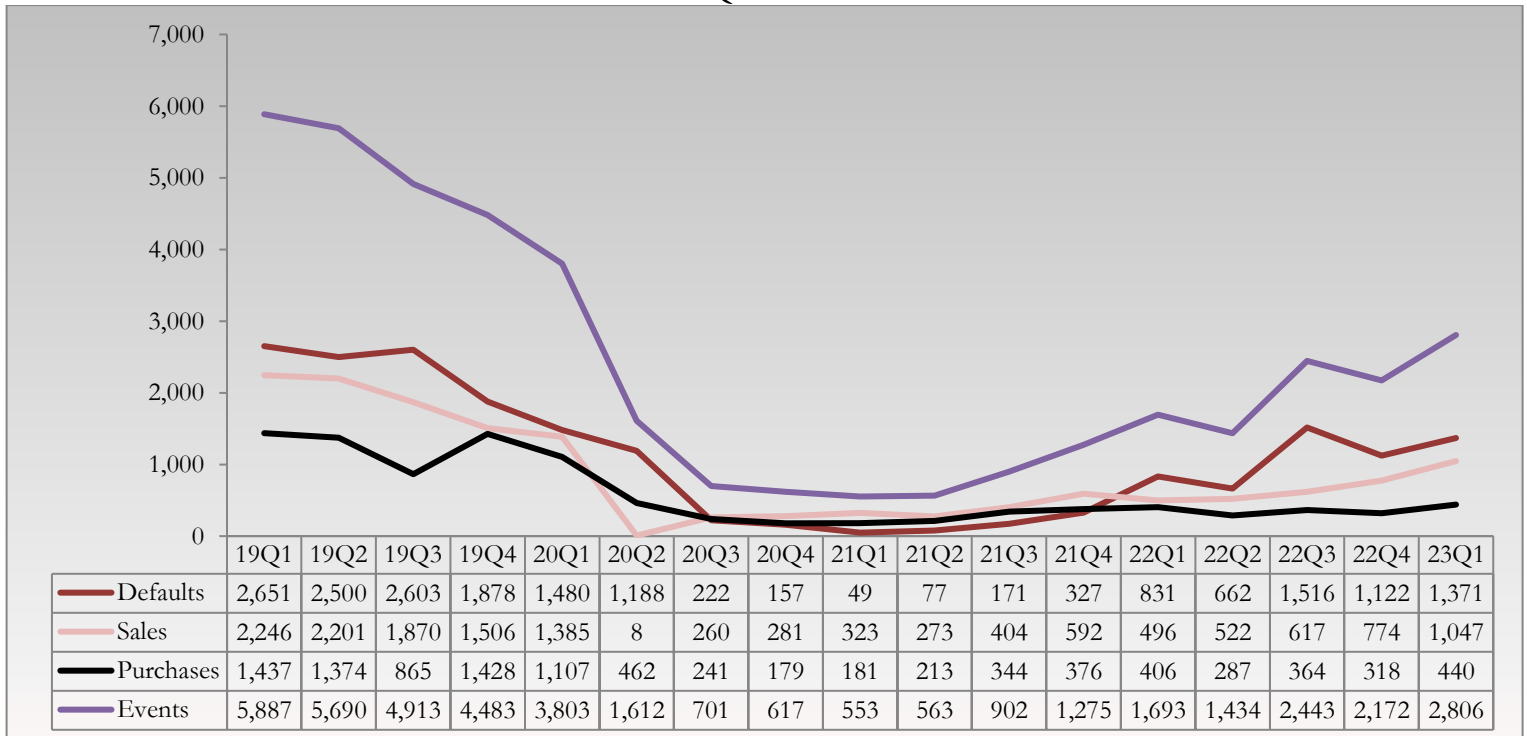
EXHIBIT 1. FORECLOSURES IN MARYLAND AND U.S.
FIRST QUARTER 2023

Indicator	Notices of Default	Notices of Sales	Lender Purchases	Properties with Foreclosure Filings*
<i>Maryland</i>				
Number of Events	1,371	1,047	440	2,806
Change (Last Quarter)	22.2%	35.3%	38.4%	29.2%
Change (Last Year)	65.0%	111.1%	8.4%	65.7%
<i>U.S.</i>				
Number of Events	40,567	45,617	13,242	95,712
Change (Last Quarter)	-0.2%	9.5%	14.3%	4.7%
Change (Last Year)	28.3%	17.2%	12.0%	19.4%

*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.

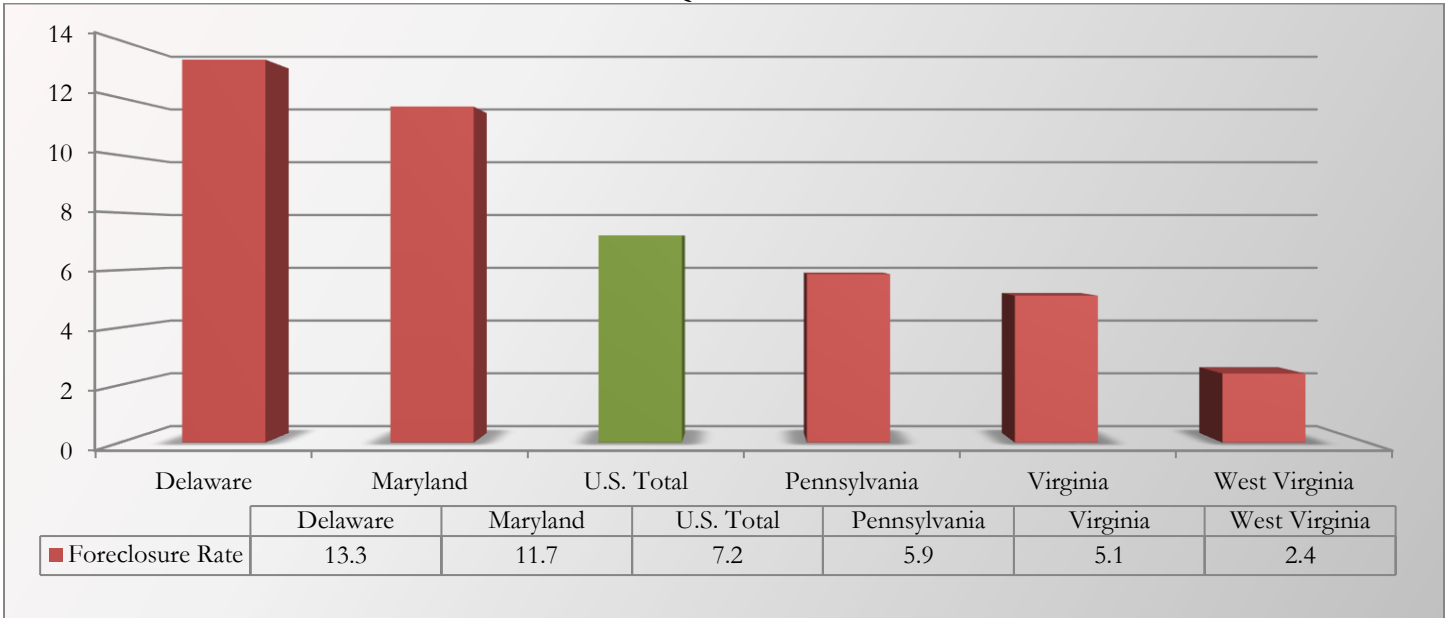
Source: Attom Data and DHCD, Housing and Economic Research Office

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



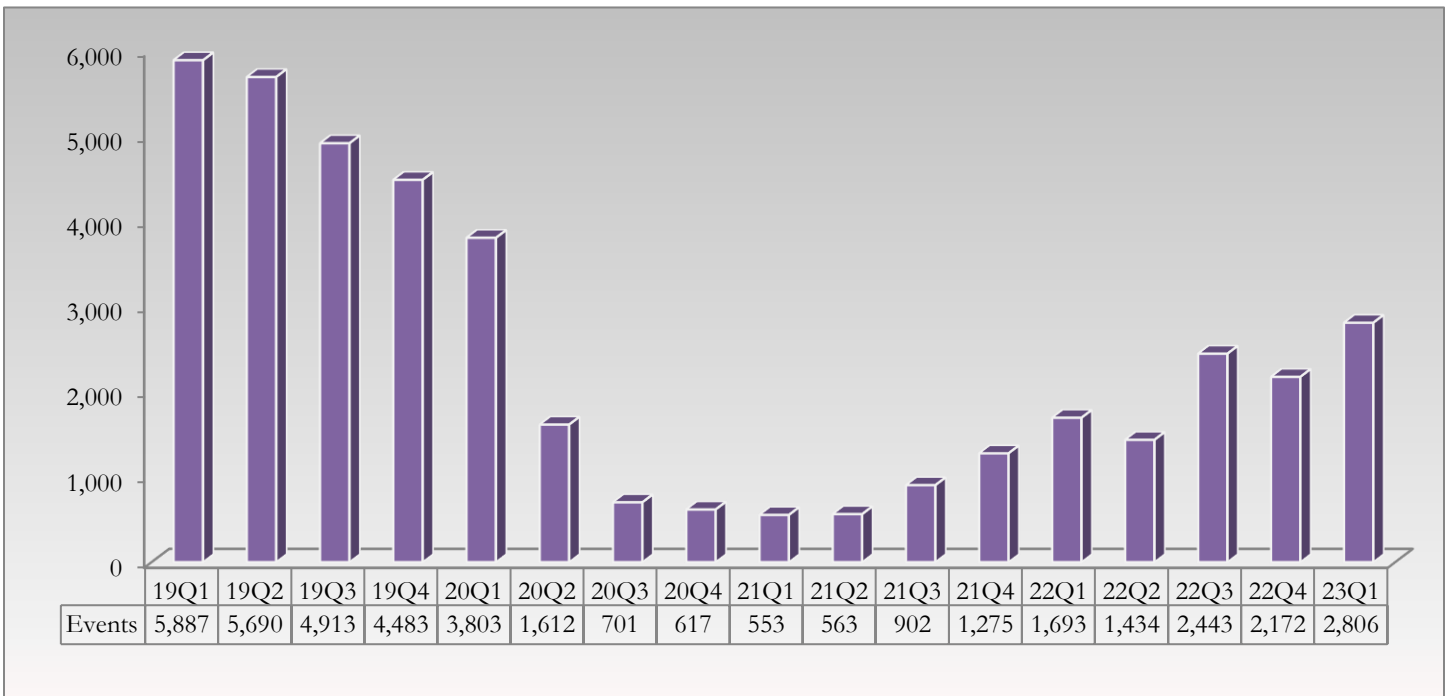
Source: Attom Data and DHCD, Housing and Economic Research Office

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



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

CHART 2. TOTAL FORECLOSURE ACTIVITY
 FIRST QUARTER 2023



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

Data distribution in Table 1 show the breakdown of first quarter foreclosure events in Maryland. Compared to the preceding quarter, foreclosure events increased in 20 jurisdictions but fell in Caroline, Somerset, St. Mary's, and Talbot County. Calvert County had the highest quarterly growth (75.2 percent) followed by Anne Arundel County which increased by 72.6 percent; Prince George's County rose 56.3 percent; Kent with 47.4 percent and Garrett County with 44.3 percent. When compared to levels a year ago, foreclosure activity grew in all jurisdictions, except Somerset County. The jurisdiction with the biggest year-over-year increase was also Calvert County at 160.2 percent.

Prince George's County had the largest share of foreclosures statewide with 628 events accounting for 22.4 percent of the total. Foreclosure activity in the County increased by 56.3 percent from the fourth quarter of 2022 and significantly by 110.0 percent above year-ago levels. Baltimore County had the second largest share of foreclosures—14.8 percent—at 414 events, an increase of 19.6 percent since the preceding quarter and up 26.5 percent from year-ago levels. Baltimore City with 345 events, or 12.3 percent of total, had the third-highest share in Maryland; foreclosures in the City rose 9.6 percent above last quarter and by 21.3 percent above year-ago levels.

Three other jurisdictions had relatively large shares (greater than 100 events) of foreclosure events. Anne Arundel had 323 events (or 11.5 percent of the total). Montgomery had 205 events (or 7.3 percent of the total). Charles followed with 125 events (or 4.4 percent). These jurisdictions represent 72.7 percent of all foreclosure events in Maryland.

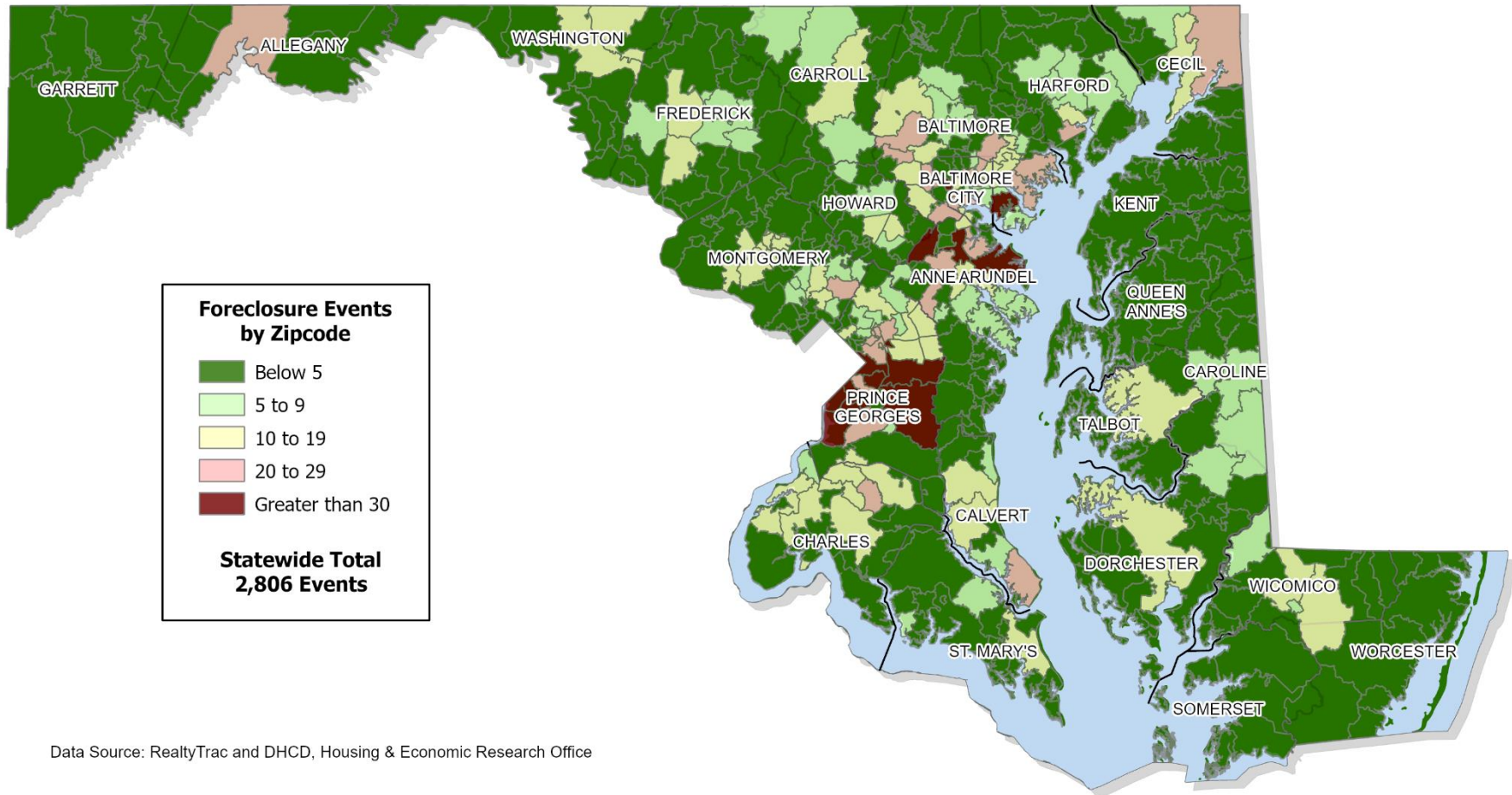
TABLE 1. PROPERTY FORECLOSURE EVENTS
FIRST QUARTER 2023

Jurisdiction	Notices of Default	Notices of Sales	Lender Purchases (REO)	Total*			
				Number	County Share	% Change from	
						2022 Q4	2022 Q1
Allegany	12	13	5	30	1.1%	3.1%	78.5%
Anne Arundel	134	89	105	323	11.5%	72.6%	101.6%
Baltimore	220	141	56	414	14.8%	19.6%	26.5%
Baltimore City	142	151	55	345	12.3%	9.6%	21.3%
Calvert	28	42	9	79	2.8%	75.2%	160.2%
Caroline	9	5	5	19	0.7%	-12.9%	29.4%
Carroll	30	26	6	61	2.2%	22.7%	83.1%
Cecil	29	22	7	57	2.0%	9.6%	67.6%
Charles	49	49	26	125	4.4%	9.1%	106.2%
Dorchester	12	13	3	27	1.0%	26.5%	33.3%
Frederick	44	34	10	88	3.2%	21.8%	117.1%
Garrett	5	4	1	10	0.4%	44.3%	61.6%
Harford	59	31	14	103	3.7%	17.7%	64.3%
Howard	21	41	14	75	2.7%	13.0%	154.1%
Kent	5	7	2	12	0.4%	47.4%	37.4%
Montgomery	107	78	22	205	7.3%	26.4%	66.7%
Prince George's	368	231	60	628	22.4%	56.3%	110.0%
Queen Anne's	10	7	3	21	0.7%	31.0%	88.0%
Somerset	2	2	2	6	0.2%	-35.0%	-32.8%
St. Mary's	18	21	11	50	1.8%	42.8%	56.6%
Talbot	7	4	3	14	0.5%	-5.8%	135.5%
Washington	25	13	9	45	1.6%	-15.3%	17.2%
Wicomico	21	18	8	46	1.7%	16.5%	54.8%
Worcester	14	5	4	23	0.8%	34.3%	55.3%
Maryland	1,371	1,047	440	2,806	100.0%	29.2%	65.7%

*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

First Quarter 2023



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

Notices of Mortgage Loan Default

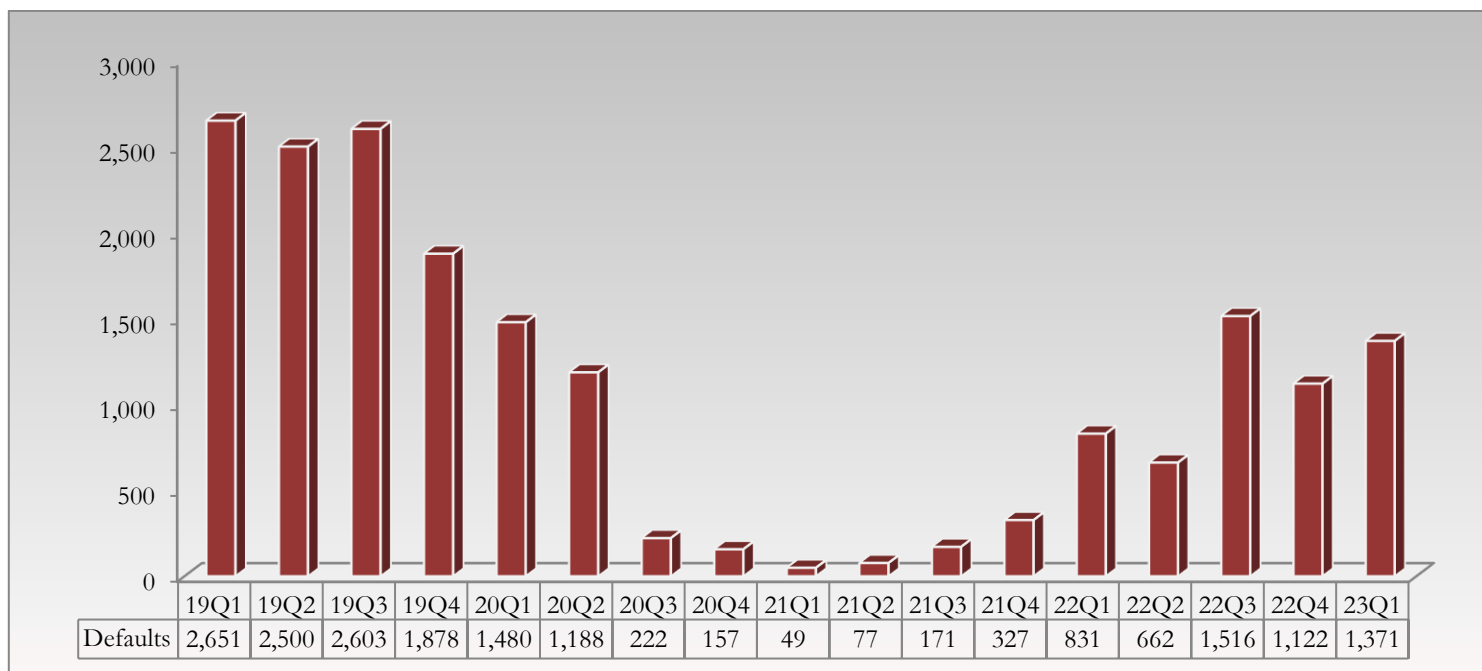
FIRST QUARTER 2023

Default notices (the initial document filed by the lender to state the foreclosure process, also called pre-foreclosure stage) rose to 1,371 filings, a 22.2 percent increase since the fourth quarter of 2022 (Chart 3). This is a 65.0 percent increase from the first quarter of 2022. Over half of Maryland’s jurisdictions experienced an increase in default notices since last quarter. Nearly all jurisdictions reported more than double digit growth from the same period last year due in part to servicers resumption of pre-pandemic filing levels as restrictions are no longer in place.

By jurisdiction, Prince George’s County accounted for the largest share of defaults with 26.8 percent of all filings statewide or 368 notices (Table 2). The county’s default notices increased 67.5 percent from the previous quarter and by 220.1 percent from year-ago levels - post pandemic when there were 115 defaults. Baltimore County, with 220 default notices (16.0 percent of the total), had the second-highest number of defaults in Maryland. The County’s new defaults grew by 10.3 percent from the preceding quarter and increased 43.6 percent since this time last year. Baltimore City, with 142 default notices, or 10.4 percent of the total, had the third-highest number of notices, but fell 10.5 percent from the prior quarter and by 9.7 percent compared with the same time in 2022.

Anne Arundel County’s 134 default notices were fourth-highest, 9.7 percent share. Montgomery County followed with 107 notices as the fifth-highest, 7.8 percent share. Together, these five jurisdictions represented 70.8 percent of all default notices issued statewide.

CHART 3. NOTICES OF MORTGAGE LOAN DEFAULT
FIRST QUARTER 2023



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

**TABLE 2. NOTICES OF MORTGAGE LOAN DEFAULT
FIRST QUARTER 2023**

Jurisdiction	2023 Q1		% Change from	
	Number	% of Total	2022 Q4	2022 Q1
Allegany	12	0.9%	-29.3%	41.4%
Anne Arundel	134	9.7%	66.5%	89.4%
Baltimore	220	16.0%	10.3%	43.6%
Baltimore City	142	10.4%	-10.5%	-9.7%
Calvert	28	2.1%	-0.8%	105.0%
Caroline	9	0.7%	-15.5%	-13.5%
Carroll	30	2.2%	25.8%	72.4%
Cecil	29	2.1%	11.5%	31.8%
Charles	49	3.6%	-17.1%	67.9%
Dorchester	12	0.9%	95.0%	25.6%
Frederick	44	3.2%	6.8%	79.4%
Garrett	5	0.4%	149.0%	10.7%
Harford	59	4.3%	27.0%	87.0%
Howard	21	1.5%	-28.3%	26.3%
Kent	5	0.4%	-1.2%	-18.0%
Montgomery	107	7.8%	36.0%	66.0%
Prince George's	368	26.8%	67.5%	220.1%
Queen Anne's	10	0.8%	0.7%	102.9%
Somerset	2	0.1%	-51.1%	-68.4%
St. Mary's	18	1.3%	-10.1%	79.3%
Talbot	7	0.5%	0.0%	16.7%
Washington	25	1.8%	40.7%	-8.5%
Wicomico	21	1.5%	-10.1%	50.9%
Worcester	14	1.0%	69.3%	61.1%
Maryland	1,371	100%	22.2%	65.0%

*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

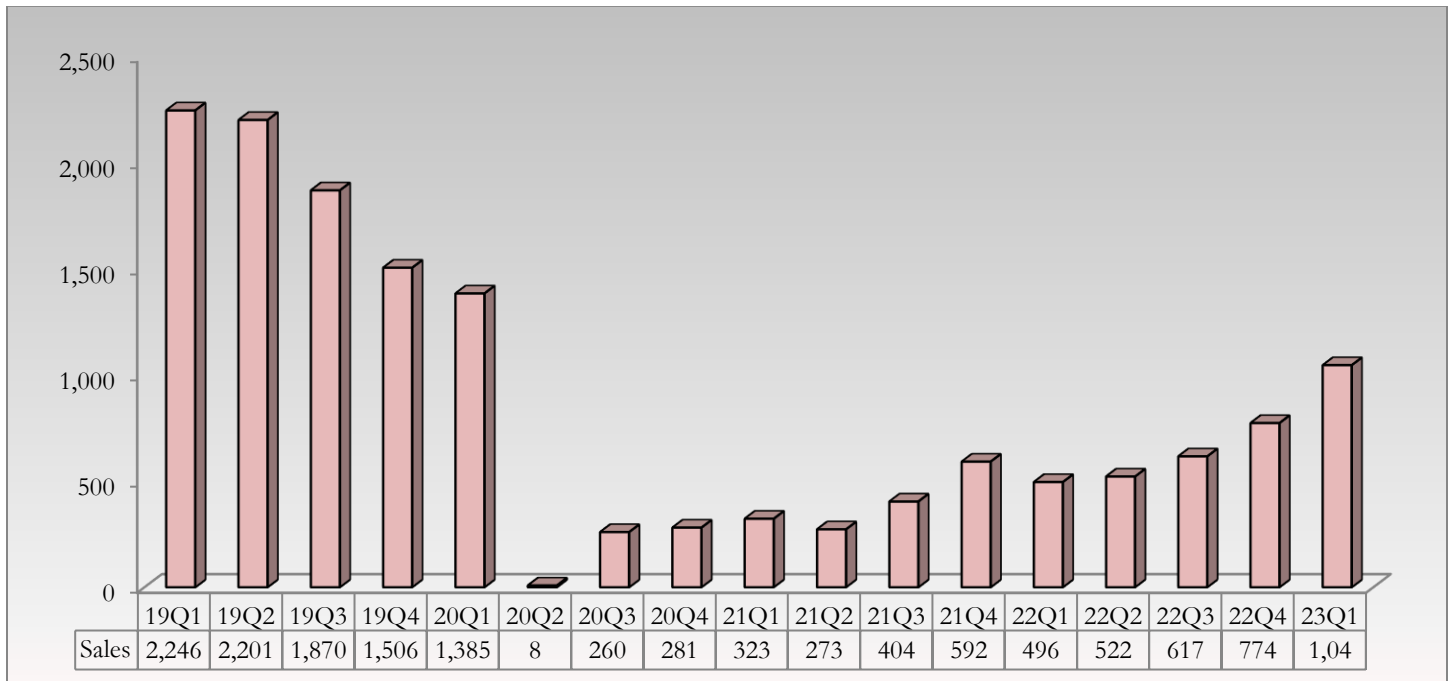
Notices of Foreclosure Sales

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Foreclosure sales notices or judgment of sales notices, (orders signed by a judge authorizing the sale of a property at a public auction) increased 35.3 percent from the prior quarter to 1,047 filings (Chart 4). The steady rise in sales can be attributed to higher home prices along with rising interests as buyers look for bargains in the housing market. Foreclosure sales increased from the previous quarter in 19 jurisdictions and declined in the remaining five jurisdictions. Queen Anne’s County had the most significant quarterly growth of 225.7 percent from the preceding quarter while Washington County experienced the largest drop of 54.1 percent in sales from the preceding quarter. On an annual basis, sales increased 111.1 percent increasing in 22 of Maryland’s jurisdictions, while Somerset and Talbot County had no activity to record a change.

Prince George’s County was the jurisdiction with the highest share of foreclosure sales at 231 properties auctioned, or 22.0 percent of all Maryland foreclosure sales (Table 3). Current quarter sales rose by 55.7 percent in the County and by 113.7 percent since the first quarter of 2022. Baltimore City with 151 notifications, or 14.4 percent of the total, had the second-highest number of foreclosure sales in Maryland. Foreclosure sales in the City increased by 37.1 percent from the preceding quarter and by 50.9 percent compared with the same period in 2022. At 141 sales, or 13.5 percent of the total, Baltimore County had the third-highest number of foreclosure sales. Notices of sales in Baltimore County rose 39.5 percent from the previous quarter and by 71.4 percent from the same period last year. The fourth and fifth-highest shares of foreclosure sales this quarter occurred in Anne Arundel County (89 sales or 8.5 percent) and Montgomery County (78 sales or 7.5 percent). Together, these jurisdictions accounted for 65.9 percent of all notices of sales issued statewide.

CHART 4. NOTICES OF FORECLOSURE SALES
FIRST QUARTER 2023



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

**TABLE 3. NOTICES OF FORECLOSURE SALES
FIRST QUARTER 2023**

Jurisdiction	2023 Q1		% Change from	
	Notices of Sales	% of Total	2022 Q4	2022 Q1
Allegany	13	1.2%	57.9%	674.8%
Anne Arundel	89	8.5%	1.5%	70.3%
Baltimore	141	13.5%	39.5%	71.4%
Baltimore City	151	14.4%	37.1%	50.9%
Calvert	42	4.1%	215.3%	468.5%
Caroline	5	0.5%	-45.3%	92.1%
Carroll	26	2.4%	58.2%	207.7%
Cecil	22	2.1%	37.5%	214.3%
Charles	49	4.7%	34.2%	145.4%
Dorchester	13	1.2%	45.0%	103.5%
Frederick	34	3.3%	41.8%	232.5%
Garrett	4	0.4%	118.5%	84.4%
Harford	31	3.0%	-3.1%	54.6%
Howard	41	3.9%	49.8%	537.7%
Kent	7	0.6%	137.6%	378.7%
Montgomery	78	7.5%	22.1%	130.1%
Prince George's	231	22.0%	55.7%	113.7%
Queen Anne's	7	0.7%	225.7%	58.6%
Somerset	2	0.2%	-19.9%	n/a
St. Mary's	21	2.0%	131.7%	258.4%
Talbot	4	0.4%	-31.2%	n/a
Washington	13	1.2%	-54.1%	117.0%
Wicomico	18	1.7%	33.5%	100.8%
Worcester	5	0.5%	15.3%	3,350.0%
Maryland	1,047	100.0%	35.3%	111.1%

*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

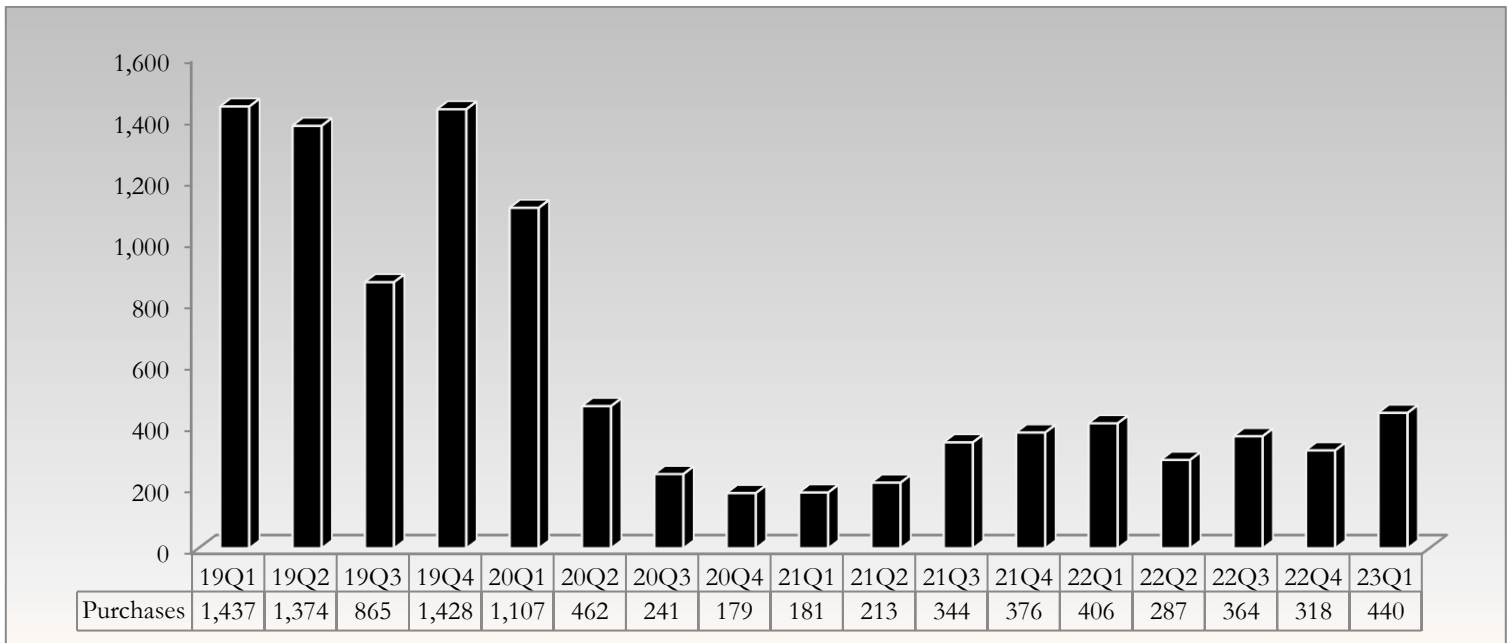
Lender Purchases of Foreclosed Properties

FIRST 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), increased 38.4 percent since the fourth quarter of 2022 to 440. Compared to activity in the first quarter of 2022, lender purchases increased by 8.4 percent. The largest quarterly and year-over-year increases were in Anne Arundel County which rose by 329.9 percent and Queen Anne’s County which rose by 163.5 percent, respectively.

In the current quarter, Anne Arundel County had the highest concentration in Maryland (Table 4) with 105 lender purchases or 23.9 percent of the total. Lender purchases in the county rose 329.9 percent since the fourth quarter of 2022 and by 155.5 percent over last year’s volume. REOs in Prince George’s County, with a total of 60 purchases, accounted for the second-highest concentration at a 13.7 percent share of purchases statewide. Sales in the County increased by 31.3 percent from last quarter but fell by 23.8 percent from year-ago levels. Baltimore County, with 56 REOs, recorded the third highest share (12.6 percent) in the fourth quarter. Baltimore City, with 55 lender purchases (12.6 percent of the total), had the fourth highest concentration in Maryland. Lender purchases in the city increased by 7.3 percent from the preceding quarter and rose 75.0 percent when compared with the levels a year ago. Together, these jurisdictions represented 62.9 percent of all lender purchases.

CHART 5. LENDER PURCHASES OF FORECLOSED PROPERTIES
FIRST QUARTER 2023



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

**TABLE 4. LENDER PURCHASES OF FORECLOSED
PROPERTIES
FIRST QUARTER 2023**

Jurisdiction	2023 Q1		% Change from	
	Number	% of Total	2022 Q4	2022 Q1
Allegany	5	1.2%	31.3%	-27.6%
Anne Arundel	105	23.9%	329.9%	155.5%
Baltimore	56	12.6%	10.3%	-42.8%
Baltimore City	55	12.6%	7.3%	75.0%
Calvert	9	2.0%	200.0%	-18.2%
Caroline	5	1.1%	40.1%	40.1%
Carroll	6	1.3%	-42.2%	-26.2%
Cecil	7	1.6%	-30.0%	-12.5%
Charles	26	5.9%	43.9%	137.4%
Dorchester	3	0.7%	-53.3%	-53.3%
Frederick	10	2.4%	4.5%	30.6%
Garrett	1	0.2%	-75.0%	0.0%
Harford	14	3.2%	27.0%	26.2%
Howard	14	3.2%	27.2%	32.0%
Kent	2	0.4%	n/a	-3.4%
Montgomery	22	4.9%	0.6%	-24.7%
Prince George's	60	13.7%	31.3%	-23.8%
Queen Anne's	3	0.8%	1.8%	163.5%
Somerset	2	0.5%	-37.3%	-45.5%
St. Mary's	11	2.5%	83.0%	-31.9%
Talbot	3	0.7%	-25.0%	n/a
Washington	9	2.0%	19.2%	27.4%
Wicomico	8	1.8%	60.9%	7.2%
Worcester	4	0.9%	-16.6%	-31.4%
Maryland	440	100.0%	38.4%	8.4%

*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