Baltimore City's 2014 Housing Market Typology
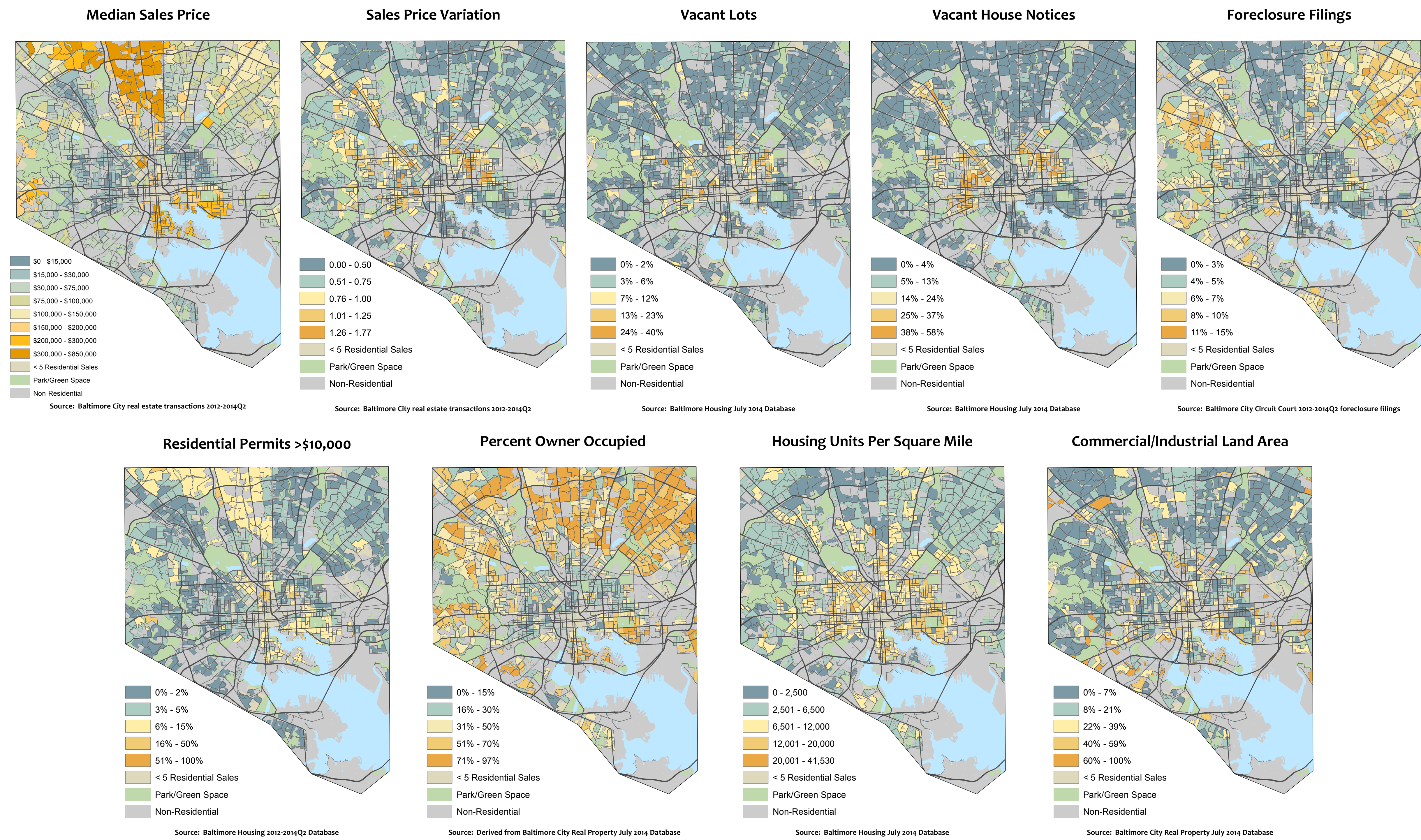
Purpose of Methodology

Baltimore's housing market typology was developed to assist the City in its efforts to strategically match available public resources to neighborhood housing market conditions. The typology is a critical tool used by the Department of Housing's Vacants to Value program to address city-wide vacant housing challenges. The typology is also used by the Housing Code Enforcement Division to tailor market interventions and strategies to neighborhood conditions. For example, some activities, such as demolition, may be necessary in distressed markets to bring about change in whole blocks. These activities may be applied more selectively in stable markets on properties that are in danger of slipping into the distressed category without such intervention. The typology is also used to inform local neighborhood planning by helping neighborhood residents understand the housing market forces impacting their communities.

The typology is a housing market classification scheme based on quantitative data and a statistical process called "Cluster Analysis." Cluster analysis is a statistical technique that is applied to data that exhibit "natural" groupings or clusters. A cluster is a group of relatively similar cases or observations. Cluster analysis sorts through the raw data and groups cases with similar data characteristics. "Subjects" in a cluster are relatively similar to each other while collectively being dissimilar to those outside the cluster. The ten variables which define the City's housing market (see below) were aggregated to the census block group level, allowing for a detailed analysis within traditional City neighborhoods.

This 2014 update of the City's Housing Market Typology was jointly developed by the Baltimore City Planning Department, the Department of Housing and Community Development (HCD), and The Reinvestment Fund.

Cluster Descriptions cont.

Middle Market

Neighborhoods in the Middle Market category, such as Bayview, Eastwood, Greenmount West, Heritage Crossing, Kenilworth Park, & Woodbourne Heights, have median sale values of $91,000 (above the City's average of $65,000) as well as high homeownership rates. These markets experienced higher foreclosure rates when compared to more competitive markets, with slight population loss. Neighborhood stabilization and aggressive marketing of vacant houses should be considered in this category. Diligent housing code enforcement is also essential to maintain the existing housing stock.

Middle Market Stressed

Neighborhoods in the Middle Market Stressed category, such as Belair-Edison, Dundalk, Garwyn Oaks, Lakeland, Union Square, & Winston-Govans have slightly lower home sale values than the City's average, and have not shown significant sale price appreciation. Vacancies and foreclosure rates are high, and the rate of population loss has increased in this market type, according to the 2010 Census data. Based on these market conditions, intervention strategies should support homeowners who may be facing economic hardships due to adverse changes in the national economy.

Stressed

Neighborhoods in the Distressed Market category, such as Broadway East, Franklin Square, Gay Street, Penn-North, Rosemont, & Shipley Hill have experienced significant deterioration of the housing stock. This market category contains the highest vacancy rates and the lowest homeownership rates, compared to the other market types. Neighborhoods in this category have also experienced the most substantial population losses in the City during the past decade. Comprehensive housing market inventions should be targeted in this market category, including site assembly, tax increment financing, and concentrated demolitions to create potential for greater public safety and new green amenities.

Variable Maps

Median Sales Price
Source: Baltimore City real estate transactions 2012-2014Q3

$0 - $15,000
$15,000 - $30,000
$30,000 - $75,000
$75,000 - $100,000
$100,000 - $150,000
$150,000 - $200,000
$200,000 - $300,000
$300,000 - $850,000
< 5 Residential Sales
Park/Green Space
Non-Residential

Sales Price Variation
Source: Baltimore City real estate transactions 2012-2014Q1

0.00 - 0.50
0.51 - 0.75
0.76 - 1.00
1.01 - 1.25
1.26 - 1.77
< 5 Residential Sales
Park/Green Space
Non-Residential

Vacant Lots
Source: Baltimore Housing July 2014 Database

0% - 2%
3% - 6%
7% - 12%
13% - 23%
24% - 40%
< 5 Residential Sales
Park/Green Space
Non-Residential

Vacant House Notices
Source: Baltimore Housing July 2014 Database

0% - 4%
5% - 13%
14% - 24%
25% - 37%
38% - 58%
< 5 Residential Sales
Park/Green Space
Non-Residential

Foreclosure Filings
Source: Baltimore City Circuit Court 2012-2014Q3 foreclosure filings

0% - 3%
4% - 5%
6% - 7%
8% - 10%
11% - 15%
< 5 Residential Sales
Park/Green Space
Non-Residential

Residential Permits >$10,000
Source: Baltimore Housing 2012-2014Q3 Database

0% - 2%
3% - 5%
6% - 15%
16% - 50%
51% - 100%
< 5 Residential Sales
Park/Green Space
Non-Residential

Percent Owner Occupied
Source: Derived from Baltimore City Real Property July 2014 Database

0% - 15%
16% - 30%
31% - 50%
51% - 70%
71% - 97%
< 5 Residential Sales
Park/Green Space
Non-Residential

Housing Units Per Square Mile
Source: Baltimore Housing July 2014 Database

0 - 2,500
2,501 - 6,500
6,501 - 12,000
12,001 - 20,000
20,001 - 41,530
< 5 Residential Sales
Park/Green Space
Non-Residential

Commercial/Industrial Land Area
Source: Baltimore City Real Property July 2014 Database

0% - 7%
8% - 21%
22% - 39%
40% - 59%
60% - 100%
< 5 Residential Sales
Park/Green Space
Non-Residential

Cluster Descriptions

Regional Choice

Neighborhoods in the Regional Choice category, such as Bellona-Gittings, Cedarcroft, Evergreen, Guilford, Homeland, Keswick, & Locust Point represent competitive housing markets with high owner-occupancy rates and property values in comparison to all other market types. Foreclosure, vacancy and abandonment rates are low. Substantial market interventions are not necessary in the Regional Choice category. Basic municipal services such as street maintenance are essential to maintaining these markets.

Middle Market Choice

Neighborhoods in the Middle Market Choice category, such as Brewers Hill, Dickeyville, East Arlington, Hampden, Lauraville, Ridgely's Delight, Ten Hills, & Upper Fells Point, have housing prices above the City's average with strong ownership rates, and low vacancies. However, these neighborhoods show slightly increased foreclosure rates. Modest incentives and strong neighborhood marketing should be used to keep these communities healthy, with the potential for growth.

Residential Market Clusters

A — Regional Choice
B C — Middle Market Choice
D — Middle Market
E F — Middle Market Stressed
G H — Stressed
< 5 Residential Sales
Commercial/Industrial
Institutional
Green Space