Baltimore City's 2005 Housing Market Typology

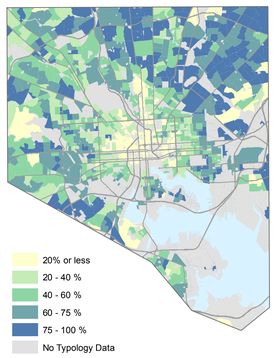
Purpose and Methodology

The typology was developed to assist the City in developing neighborhood strategies that better match available public resources to neighborhood housing market conditions. In addition, the typology can inform neighborhood planning efforts by helping neighborhood residents understand the housing market forces impacting their communities. The financial and resource tools the City uses to intervene in the housing market are to be applied appropriately to the conditions in the neighborhoods. Some tools, such as demolition, may be unnecessary in competitive markets and applied selectively in stable markets. In distressed markets, demolition should be applied to bring about change in whole blocks.

The typology is a classification scheme based on quantitative data using a statistical process called "Cluster Analysis." Cluster analysis is a class of statistical techniques that can be applied to data that exhibits "natural" groupings. Cluster analysis sorts through the raw data and groups them into clusters. A cluster is a group of relatively homogeneous cases or observations. Objects in a cluster are similar to each other. They are also dissimilar to objects outside the cluster, particularly objects in other clusters. The eight data about the city's housing market (see below) was aggregated to the census block group level, allowing for a detailed analysis within the traditional City neighborhoods.

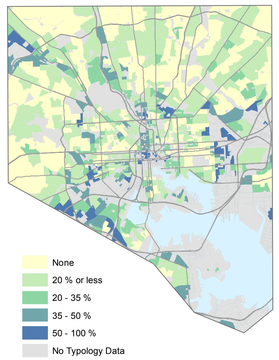
Variable Maps

Percent Home Ownership



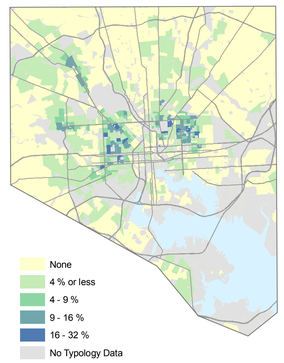
Derived from US Census Bureau 2000 Census data

Percent Commercial Properties



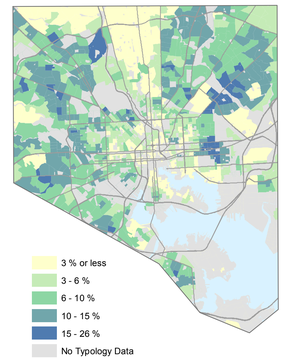
Based on 2005 Baltimore City Land Use map

Percent Vacant Lots



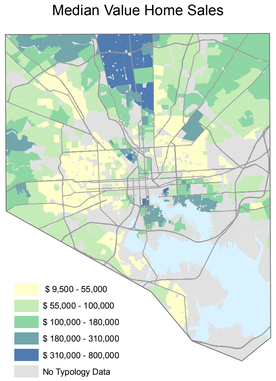
Calculated from Baltimore Housing's 2005 database

Percent Foreclosures



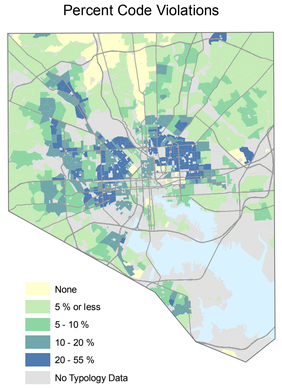
Derived from Baltimore Circuit Court foreclosure filings

Median Value Home Sales



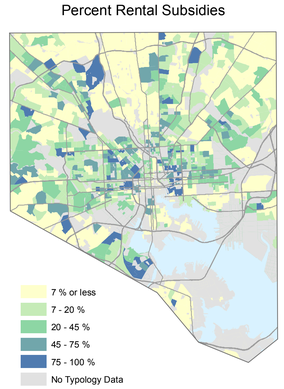
Based on 2003- July 2005 Baltimore City real estate transactions

Percent Code Violations



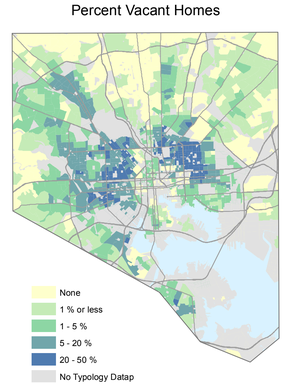
Calculated from Baltimore Housing's 2005 database

Percent Rental Subsidies



Derived from Baltimore Housings 2005 database

Percent Vacant Homes



Based on 2005 Baltimore Housings database

Cluster Descriptions

Competitive
Neighborhoods in this category, like Federal Hill, Hunting Ridge and Mt.Washington, have robust housing markets with high owner-occupancy rates and high property values. The housing stock is well maintained and vacancy and abandonment rates are very low. While densities do vary single family detached homes predominate and these areas typically don't have a mix of housing types. This cluster has the highest percent of households headed by seniors and only about 1/3 of school age children attend public schools.

Emerging
Neighborhoods in the "Emerging" category, such as Hunting Ridge, Locust Point and Original Northwood, have homeownership rates slightly above the citywide average. Median sales price is above $150,000. The foreclosure rate is half the City rate of 8% and there are very few vacant houses. Close to 70% of school age children attend public schools. There is more variety in housing types and more commercial areas than in the competitive cluster.

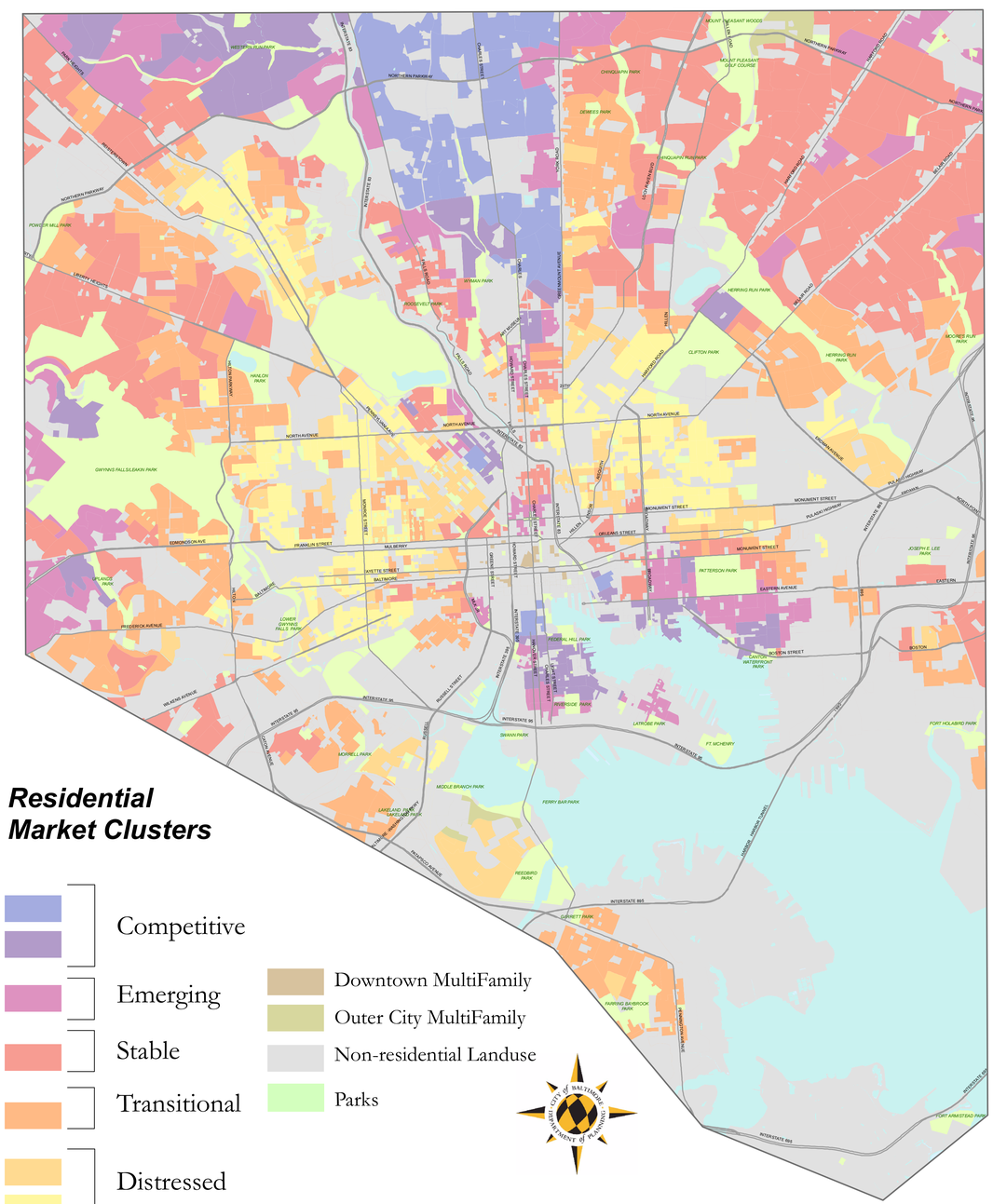
Cluster Descriptions

Stable
This cluster includes neighborhoods such as Howard Park, Lauraville and Violetville and is mostly located in the outer edge of the city. Median sale price is around $100,000 and the rate of foreclosure is just above the city average of 8%. Households are 60% family households and 80% of children in this category attend public schools. Homeownership is still significant at 65%. The housing stock is relatively newer with 35% being built prior to 1939.

Transitional
Neighborhoods in the "reinvestment" category, such as Allendale, Belair Edison and Kenilworth Park, are found typically at the inner edge of the stable neighborhoods. These neighborhoods have moderate real estate values with median sale prices around $60,000. Homeownership rates are over 60% but there are very high foreclosure rates. Code violations are significant here averaging 7%. Vacant houses are not always addressed by the market.

Distressed
These neighborhoods, which include Middle East, Penn North and Westport, have very high levels of vacant homes, high rates of code violations and lower homeownership rates. Sale prices typically range from $25,000 - $35,000. This cluster also has the highest rate of rental subsidy. The typical households here are the largest in the city while few are headed by seniors. This category has the lowest participation in the labor force at 50%. The housing type here is predominately rowhouse.

Housing Market Typology



January 2007

Sheila Dixon
Mayor

Douglas B. McCoach, III
Director of Planning

Paul T. Graziano
Commissioner

The Reinvestment Fund

Map Projection and Datum: Maryland State Plane, North American Datum of 1983 (NAD83) Feet. Typology map scale is 1 inch = 35,000 feet. The scale of the maps series is 1 inch = 6.75 miles.

Developed in partnership between Baltimore Housing, The Reinvestment Fund and the Baltimore City Department of Planning