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TO: James Simmons
DATE: 7 December 2010
SUBJ: Data tables for NSP 2 neighborhoods

Attached are tables with foreclosure-related data for the three NSP2 neighborhoods, their component census tracts, and the city total (as a comparison). All data are for single-family homes and condominium units in the areas indicated.

We've produced data for four separate years. The 2007-2009 data are for the entire year; the 2010 data are current only through the first half of the year (the latest data we have).

To explain the indicators we have included:

REO Inventory – Number of properties in REO as of the date specified. Includes properties owned by banks, Fannie Mae, and Freddie Mac.

New Foreclosure Starts – Number of new foreclosure starts during the year (half year in 2010), that is, properties receiving a notice of foreclosure sale for the first time.

Foreclosure Sales – Properties going to foreclosure sale during the year (half year in 2010). This includes all properties with a Notice of Trustee Deed Sale.

Distressed Sales – Properties sold by the owner while in foreclosure during the year (half year in 2010). Includes deed-in-lieu and short sales.

Foreclosures Avoided – Properties that were in foreclosure but were not sold or did not enter REO for one year following the last notice of foreclosure sale received.

In Foreclosure – Properties that remain in the foreclosure process as of the date indicated. All of these properties have received a notice of foreclosure sale within the past year.

The left side of each table shows the number of properties, while the right side shows the indicators expressed as a rate per 1,000 existing properties.

Residential Foreclosures by Neighborhood, Washington, D.C., 2007-2010*

	No. of S.F. Homes/Condo. Units							Rate per 1,000 Existing S.F. Homes/Condo Units											
	REO Inventory (Dec. 30)	New Foreclosure Starts	Foreclosure Sales	Distressed Sales	Foreclosures Avoided	In Foreclosure (Dec. 30)	REO Inventory (Dec. 30)	New Foreclosure Starts	Foreclosure Sales	Distressed Sales	Foreclosures Avoided	In Foreclosure (Dec. 30)	REO Inventory (Dec. 30)	New Foreclosure Starts	Foreclosure Sales	Distressed Sales	Foreclosures Avoided	In Foreclosure (Dec. 30)	
Washington, D.C. Total																			
2007	256	1,528	393	276	355	1,406	1.9	11.1	2.9	2.0	2.6	10.2	1.9	11.1	2.9	2.0	2.6	10.2	
2008	742	2,370	948	296	346	2,184	5.3	16.9	6.8	2.1	2.5	15.6	5.3	16.9	6.8	2.1	2.5	15.6	
2009	815	3,197	1,039	390	983	2,981	5.8	22.6	7.3	2.8	7.0	21.1	5.8	22.6	7.3	2.8	7.0	21.1	
2010	749	1,610	568	425	1,709	1,879	5.3	11.3	4.0	3.0	12.0	13.2	5.3	11.3	4.0	3.0	12.0	13.2	
Combined Target Market																			
2007	55	328	82	48	45	289	4.9	29.2	7.3	4.3	4.0	25.7	4.9	29.2	7.3	4.3	4.0	25.7	
2008	176	435	232	51	59	382	15.3	37.8	20.2	4.4	5.1	33.2	15.3	37.8	20.2	4.4	5.1	33.2	
2009	173	487	207	59	81	523	14.3	40.4	17.2	4.9	6.7	43.4	14.3	40.4	17.2	4.9	6.7	43.4	
2010	175	659	117	166	281	617	14.4	54.4	9.7	13.7	23.2	50.9	14.4	54.4	9.7	13.7	23.2	50.9	
Deanwood																			
2007	21	165	29	21	16	156	4.2	33.0	5.8	4.2	3.2	31.2	4.2	33.0	5.8	4.2	3.2	31.2	
2008	88	209	133	16	27	189	17.1	40.5	25.8	3.1	5.2	36.6	17.1	40.5	25.8	3.1	5.2	36.6	
2009	88	237	97	27	43	260	17.0	45.8	18.8	5.2	8.3	50.3	17.0	45.8	18.8	5.2	8.3	50.3	
2010	100	93	62	37	122	131	19.2	17.8	11.9	7.1	23.4	25.1	19.2	17.8	11.9	7.1	23.4	25.1	
Historic Anacostia																			
2007	12	47	13	8	12	38	6.4	25.1	7.0	4.3	6.4	20.3	6.4	25.1	7.0	4.3	6.4	20.3	
2008	20	62	20	9	12	59	10.4	32.3	10.4	4.7	6.2	30.7	10.4	32.3	10.4	4.7	6.2	30.7	
2009	34	75	34	8	15	77	17.6	38.9	17.6	4.1	7.8	39.9	17.6	38.9	17.6	4.1	7.8	39.9	
2010	27	44	19	9	43	50	14.0	22.8	9.9	4.7	22.3	25.9	14.0	22.8	9.9	4.7	22.3	25.9	
Ivy City/Trinidad																			
2007	22	116	40	19	17	95	5.0	26.6	9.2	4.4	3.9	21.8	5.0	26.6	9.2	4.4	3.9	21.8	
2008	68	164	79	26	20	134	15.4	37.1	17.9	5.9	4.5	30.3	15.4	37.1	17.9	5.9	4.5	30.3	
2009	51	175	76	24	23	186	10.3	35.3	15.3	4.8	4.6	37.5	10.3	35.3	15.3	4.8	4.6	37.5	
2010	48	522	36	120	116	436	9.6	104.9	7.2	24.1	23.3	87.6	9.6	104.9	7.2	24.1	23.3	87.6	

* As of 2nd Quarter 2010

Residential Foreclosures by Ward and Advisory Neighborhood Commissions, Washington, D.C., 2007

Ward Advisory Neighborhood Commissions	No. of S.F. Homes/Condo. Units				Rate per 1,000 Existing S.F. Homes/Condo Units					
	REO Inventory (Dec 31)	New Foreclosure Starts	Foreclosure Sales	In Foreclosure (Dec 31)	REO Inventory (Dec 31)	New Foreclosure Starts	Foreclosure Sales	In Foreclosure (Dec 31)		
Washington, D.C. Total	256	1,528	393	1,406	1.9	11.1	2.9	2.0	2.6	10.2
Deanwood	21	165	29	156	4.2	33.0	5.8	4.2	3.2	31.2
Tract 78.03	1	20	2	23	1.1	22.4	2.2	3.4	5.6	25.7
Tract 78.06	2	12	2	11	3.5	20.8	3.5	10.4	5.2	19.1
Tract 78.07	4	21	6	18	8.0	42.2	12.0	10.0	0.0	36.1
Tract 78.08	2	25	4	0	2.4	29.6	4.7	0.0	0.0	29.6
Tract 78.09	8	24	7	3	8.9	26.7	7.8	3.3	6.7	21.1
Tract 89.04	0	6	1	0	0.0	17.4	2.9	0.0	0.0	17.4
Tract 99.05	2	43	2	41	3.5	75.8	3.5	5.3	1.8	72.3
Tract 99.06	2	14	5	13	5.4	37.6	13.4	2.7	2.7	34.9
Historic Anacostia	12	47	13	38	6.4	25.1	7.0	4.3	6.4	20.3
Tract 75.03	3	13	5	10	6.7	29.0	11.1	2.2	11.1	22.3
Tract 75.04	5	12	6	7	14.6	35.1	17.5	5.8	2.9	20.5
Tract 76.01	4	22	2	21	3.7	20.4	1.9	4.6	5.6	19.5
Ivy City/Trinidad	22	116	40	95	5.0	26.6	9.2	4.4	3.9	21.8
Tract 79.01	2	17	3	17	2.7	23.0	4.1	4.1	4.1	23.0
Tract 79.03	4	25	8	21	6.5	40.5	13.0	6.5	3.2	34.0
Tract 85	1	28	7	21	1.0	29.2	7.3	4.2	5.2	21.9
Tract 88.02	5	21	9	16	5.0	21.0	9.0	5.0	3.0	16.0
Tract 88.03	3	2	2	1	34.9	23.3	23.3	0.0	0.0	11.6
Tract 88.04	2	10	7	6	6.2	30.9	21.6	0.0	3.1	18.5
Tract 89.03	3	11	2	10	6.7	24.7	4.5	4.5	4.5	22.4
Tract 89.04	2	2	2	3	10.1	10.1	10.1	5.1	5.1	15.2

Source: D.C. Recorder of Deeds and Real Property data tabulated by NeighborhoodInfo DC.

Residential Foreclosures by Ward and Advisory Neighborhood Commissions, Washington, D.C., 2008

Ward Advisory Neighborhood Commissions	No. of S.F. Homes/Condo. Units						Rate per 1,000 Existing S.F. Homes/Condo Units					
	REO Inventory (Dec 31)	New Foreclosure Starts	Foreclosure Sales	Distressed Sales	Foreclosures Avoided	In Foreclosure (Dec 31)	REO Inventory (Dec 31)	New Foreclosure Starts	Foreclosure Sales	Distressed Sales	Foreclosures Avoided	In Foreclosure (Dec 31)
Washington, D.C. Total	742	2,370	948	296	346	2,184	5.3	16.9	6.8	2.1	2.5	15.6
Deanwood	88	209	133	16	27	189	17.1	40.5	25.8	3.1	5.2	36.6
Tract 78.03	9	40	16	5	4	38	9.9	44.1	17.6	5.5	4.4	41.9
Tract 78.06	10	27	8	5	3	22	17.3	46.6	13.8	8.6	5.2	38.0
Tract 78.07	11	22	12	3	5	20	22.1	44.2	24.1	6.0	10.0	40.2
Tract 78.08	15	33	20	0	8	30	17.6	38.6	23.4	0.0	9.4	35.1
Tract 78.09	26	46	24	0	2	39	28.9	51.1	26.6	0.0	2.2	43.3
Tract 99.04	4	14	6	0	1	13	9.9	34.6	14.8	0.0	2.5	32.1
Tract 99.05	7	21	41	2	2	17	11.5	34.5	67.4	3.3	3.3	28.0
Tract 99.06	6	6	6	1	2	10	14.7	14.7	14.7	2.4	4.9	24.4
Historic Anacostia	20	62	20	9	12	59	10.4	32.3	10.4	4.7	6.2	30.7
Tract 75.03	5	27	6	5	3	23	10.3	55.7	12.4	10.3	6.2	47.4
Tract 75.04	8	12	7	1	0	11	22.7	34.0	19.8	2.8	0.0	31.2
Tract 76.01	7	23	7	3	9	25	6.5	21.2	6.5	2.8	8.3	23.1
Ivy City/Trinidad	68	164	79	26	20	134	15.4	37.1	17.9	5.9	4.5	30.3
Tract 79.01	13	34	18	2	2	29	17.4	45.4	24.0	2.7	2.7	38.7
Tract 79.03	16	24	17	1	7	20	25.9	38.9	27.6	1.6	11.3	32.4
Tract 85	6	27	13	9	4	22	6.2	27.8	13.4	9.3	4.1	22.7
Tract 88.02	11	42	9	8	3	38	11.0	41.8	9.0	8.0	3.0	37.8
Tract 88.03	4	5	1	2	0	3	44.4	55.6	11.1	22.2	0.0	33.3
Tract 88.04	7	12	8	0	1	9	20.5	35.1	23.4	0.0	2.9	26.3
Tract 89.03	9	13	9	4	2	8	20.0	28.9	20.0	8.9	4.4	17.8
Tract 89.04	2	7	4	0	1	5	10.1	35.4	20.2	0.0	5.1	25.3

Source: D.C. Recorder of Deeds and Real Property data tabulated by NeighborhoodInfo DC.

Residential Foreclosures by Ward and Advisory Neighborhood Commissions, Washington, D.C., 2009

Ward Advisory Neighborhood Commissions	No. of S.F. Homes/Condo. Units				Rate per 1,000 Existing S.F. Homes/Condo Units							
	REO Inventory (Dec 31)	New Foreclosure Starts	Foreclosure Sales	Distressed Sales	Foreclosures Avoided	In Foreclosure (Dec 31)	REO Inventory (Dec 31)	New Foreclosure Starts	Foreclosure Sales	Distressed Sales	Foreclosures Avoided	In Foreclosure (Dec 31)
Washington, D.C. Total	815	3,197	1,039	390	983	2,981	5.8	22.6	7.3	2.8	7.0	21.1
Deanwood	88	237	97	27	43	260	17.0	45.8	18.8	5.2	8.3	50.3
Tract 78.03	13	38	26	6	6	39	14.3	41.9	28.7	6.6	6.6	43.0
Tract 78.06	12	22	10	3	6	25	20.8	38.1	17.3	5.2	10.4	43.3
Tract 78.07	9	25	7	2	4	32	18.1	50.2	14.1	4.0	8.0	64.3
Tract 78.08	15	33	13	6	7	37	17.6	38.6	15.2	7.0	8.2	43.3
Tract 78.09	26	47	23	5	9	49	28.9	52.3	25.6	5.6	10.0	54.5
Tract 99.04	2	22	5	0	3	27	4.8	52.3	11.9	0.0	7.1	64.1
Tract 99.05	8	30	8	5	5	29	13.2	49.3	13.2	8.2	8.2	47.7
Tract 99.06	3	20	5	0	3	22	7.3	48.9	12.2	0.0	7.3	53.8
Historic Anacostia	34	75	34	8	15	77	17.6	38.9	17.6	4.1	7.8	39.9
Tract 75.03	11	30	16	2	4	31	22.7	61.9	33.0	4.1	8.2	63.9
Tract 75.04	11	15	8	1	2	15	31.2	42.5	22.7	2.8	5.7	42.5
Tract 76.01	12	30	10	5	9	31	11.0	27.5	9.2	4.6	8.2	28.4
Ivy City/Trinidad	51	175	76	24	23	186	10.3	35.3	15.3	4.8	4.6	37.5
Tract 79.01	17	28	19	7	3	28	22.5	37.0	25.1	9.2	4.0	37.0
Tract 79.03	7	26	13	2	4	27	11.3	41.9	20.9	3.2	6.4	43.5
Tract 85	8	26	13	7	2	26	5.5	17.9	8.9	4.8	1.4	17.9
Tract 88.02	2	44	15	5	7	55	2.0	43.5	14.8	4.9	6.9	54.4
Tract 88.03	5	6	4	1	0	4	45.5	54.5	36.4	9.1	0.0	36.4
Tract 88.04	6	20	4	2	3	20	17.3	57.6	11.5	5.8	8.6	57.6
Tract 89.03	3	18	5	0	2	19	6.6	39.5	11.0	0.0	4.4	41.7
Tract 89.04	3	7	3	0	2	7	15.2	35.4	15.2	0.0	10.1	35.4

Source: D.C. Recorder of Deeds and Real Property data tabulated by NeighborhoodInfo DC.

Residential Foreclosures by Ward and Advisory Neighborhood Commissions, Washington, D.C., 2010*

Ward Advisory Neighborhood Commissions	REO Inventory (June 30)				No. of S.F. Homes/Condo. Units				Rate per 1,000 Existing S.F. Homes/Condo Units					
	REO Inventory (June 30)	New Foreclosure Starts	Foreclosure Sales	In Foreclosure (June 30)	Foreclosure Starts	Distressed Sales	Foreclosures Avoided	In Foreclosure (June 30)	REO Inventory (June 30)	New Foreclosure Starts	Foreclosure Sales	Distressed Sales	Foreclosures Avoided	In Foreclosure (June 30)
Washington, D.C. Total	749	1,610	568	1,879	1,709	425	1,709	1,879	5.3	11.3	4.0	3.0	12.0	13.2
Deanwood	100	93	62	131	122	37	122	131	19.2	17.8	11.9	7.1	23.4	25.1
Tract 78.03	15	15	6	4	25	4	25	18	16.6	16.6	6.6	4.4	27.6	19.9
Tract 78.06	13	12	10	10	10	4	10	13	22.5	20.8	17.3	6.9	17.3	22.5
Tract 78.07	10	13	8	3	16	3	16	18	20.1	26.2	16.1	6.0	32.2	36.2
Tract 78.08	17	8	12	14	14	5	14	14	19.9	9.4	14.1	5.9	16.4	16.4
Tract 78.09	28	15	12	2	28	15	28	22	31.1	16.7	13.3	2.2	31.1	24.5
Tract 99.04	3	9	3	5	5	15	5	13	6.5	19.5	6.5	32.5	10.8	28.1
Tract 99.05	11	10	7	2	13	2	13	17	18.1	16.5	11.5	3.3	21.4	28.0
Tract 99.06	3	11	4	2	11	2	11	16	7.3	26.9	9.8	4.9	26.9	39.1
Historic Anacostia	27	44	19	9	43	9	43	50	14.0	22.8	9.9	4.7	22.3	25.9
Tract 75.03	11	9	8	3	16	3	16	13	22.7	18.6	16.5	6.2	33.0	26.8
Tract 75.04	7	15	7	1	7	1	7	15	19.8	42.5	19.8	2.8	19.8	42.5
Tract 76.01	9	20	4	5	20	5	20	22	8.3	18.3	3.7	4.6	18.3	20.2
Ivy City/Trinidad	48	522	36	120	116	120	116	436	9.6	104.9	7.2	24.1	23.3	87.6
Tract 79.01	16	10	7	2	17	2	17	12	21.2	13.3	9.3	2.7	22.6	15.9
Tract 79.03	6	11	5	2	20	2	20	11	9.7	17.7	8.1	3.2	32.2	17.7
Tract 85*	5	450	4	103	16	103	16	353	3.4	309.5	2.8	70.8	11.0	242.8
Tract 88.02	6	28	11	10	30	10	30	32	5.9	27.7	10.9	9.9	29.7	31.7
Tract 88.03	3	2	0	0	3	0	3	3	26.5	17.7	0.0	0.0	26.5	26.5
Tract 88.04	5	7	3	1	13	1	13	10	14.2	19.9	8.5	2.8	37.0	28.5
Tract 89.03	4	11	5	1	11	1	11	13	8.4	23.2	10.5	2.1	23.2	27.4
Tract 89.04	3	3	1	1	6	1	6	2	15.2	15.2	5.1	5.1	30.3	10.1

* As of 2nd Quarter 2010

** The large number of foreclosures in this tract are due to one condominium development with more than 400 units entering foreclosure and subsequently being sold in 2010.

Source: D.C. Recorder of Deeds and Real Property data tabulated by NeighborhoodInfo DC.

Average Number of Days from Foreclosure Start to Sale from 1999-2009
Washington, D.C.

	Year Foreclosure Started	Number of Properties Going to Foreclosure		Average Time to Foreclosure Sale (Days)	
		Sale	Total	Single-family homes	Condominium units
Washington, D.C.	1999	637	295	294	310
	2000	488	259	255	455
	2001	325	193	190	278
	2002	151	246	236	419
	2003	71	403	402	405
	2004	115	450	453	431
	2005	92	410	396	465
	2006	223	340	337	358
	2007	713	287	295	254
	2008	959	238	238	237
2009*	670	175	177	169	
Deanwood	1999	49	394	394	.
	2000	43	296	296	.
	2001	25	173	173	.
	2002	15	425	425	.
	2003	6	308	308	.
	2004	13	547	472	959
	2005	10	420	456	87
	2006	14	246	269	162
	2007	69	343	334	389
	2008	103	236	244	153
2009*	58	173	175	152	
Historic Anacostia	1999	25	295	306	212
	2000	25	275	262	607
	2001	11	179	179	.
	2002	9	192	110	851
	2003	3	261	261	.
	2004	1	472	.	472
	2005	1	534	.	534
	2006	4	136	136	.
	2007	22	344	355	115
	2008	27	215	216	209
2009*	22	167	166	170	
Ivy City/Trinidad	1999	67	279	279	.
	2000	63	243	243	.
	2001	61	177	177	.
	2002	19	100	100	.
	2003	7	348	348	.
	2004	20	286	286	.
	2005	12	357	357	.
	2006	20	351	286	935
	2007	61	224	226	143
	2008	89	259	262	175
2009*	48	176	172	216	
Rest of City	1999	496	287	286	331
	2000	357	256	252	436
	2001	228	200	196	278
	2002	108	251	244	357
	2003	55	428	436	405
	2004	81	474	501	363
	2005	69	415	395	484
	2006	185	351	353	341
	2007	561	285	296	246
	2008	740	236	234	244
2009*	542	175	179	169	

* Properties entering the foreclosure process in 2009 may not have had sufficient time to complete foreclosure. We would expect the average time to foreclosure to increase for these years as more time passes.

Sources: D.C. Recorder of Deeds and Office of Tax and Revenue data tabulated by NeighborhoodInfo DC.

**Foreclosure Data Analysis of the
Ivy City & Trinidad, Deanwood, and Anacostia Neighborhoods**

THE NATIONAL COMMUNITY REINVESTMENT COALITION

July 2011

The Foreclosure Issue

Owning a home allows an individual or family to become part of the country's economy. A home is capital: it is a source of wealth distinct from income.¹ With a deed and mortgage in hand, homeowners can borrow against their homes and access additional funds for other pursuits—education, home improvements or even a small business purchase. Downplaying the incredible long-term power a home conveys to its owner denies millions of Americans a stepping stone to economic mobility.

By stripping homeowners of what is often their only major asset, foreclosures negatively affect individuals, families and neighborhoods, particularly when they are concentrated in traditionally underserved communities. When a home goes into foreclosure, its owner may not only lose thousands of dollars in equity, but may also lose access to stable, decent housing altogether.

Further, foreclosures can bring down the property values of neighboring homes, as they discourage the formation of social capital and lead to further disinvestment. When homes are abandoned, properties and communities begin to deteriorate. Garbage, un-mowed lawns, pests and dilapidated roofs and porches become eyesores, while increased numbers of abandoned homes can serve as magnets for drugs, crime, and other illicit activities. The combination of these factors, coupled with the potential psychological and emotional costs of losing one's home, lead to a multitude of unforeseen costs that can change the entire atmosphere of a community.

The NSP2 Project

As one of its inaugural projects, the National Community Reinvestment Coalition's Neighborhood Planning and Investment Services has partnered with the DC Department of Housing and Community Development (DHCD) to implement a Neighborhood Stabilization Program, Round 2 (NSP2) grant. The NSP2 project targets three distressed Washington, DC communities - Ivy City and Trinidad in Northeast DC and Historic Anacostia and Deanwood in Southeast DC. All three neighborhoods are currently experiencing high foreclosure rates and have a history of disinvestment.

Through the NSP2 project, DHCD and NCRC took a market-driven, community-led approach to creating a model for comprehensive and sustainable revitalization. One of the fundamental aspects of NSP2 project focuses on improved access to decent, affordable housing. NCRC therefore partnered with the Urban Institute to gain a better understanding of foreclosure issues within Ivy City & Trinidad, Historic Anacostia and Deanwood neighborhoods. This foreclosure data research informed a larger housing assessment through which NCRC sought to identify which properties should be targeted for acquisition, what new construction or rehab could be absorbed by the market, and which housing programs would be successful in these neighborhoods.

¹ De Soto, Hernando. *The Mystery of Capital*. Basic Books, New York. 2000.

The Urban Institute Data

This report includes an overview of parcel-level foreclosure-related data provided by the Urban Institute for the NSP2 target neighborhoods, as compared to the overall foreclosure prevalence throughout the entire District of Columbia from 2007 to 2010. Foreclosure trends were examined considering:

- **New Foreclosure Starts** – Number of new foreclosure starts during the designated year, but only properties receiving a notice of foreclosure sale for the first time.
- **Foreclosure Sales** – Properties going to foreclosure sale during the designated year, including all properties with a Notice of Trustee Deed Sale.
- **Distressed Sales** – Properties sold by the owner while in foreclosure during the year, including deed-in-lieu and short sales.
- **REO Inventory** – The number of properties in REO as of the date specified, including properties owned by banks, Fannie Mae, and Freddie Mac. The properties may have entered REO status through a foreclosure sale or distressed sale.
- **Foreclosures Avoided** – Properties that were in foreclosure but were not sold, or did not enter REO for one year following the last notice of foreclosure sale received.

The Financial Services Context

In the past decade, many US cities have experienced substantial growth in foreclosures, with an especially large increase during the recent economic recession. These increases have been particularly steep in low- and moderate income and minority neighborhoods, due in part to disparate access to affordable mortgage products and other financial services.

Having access to financial services such as credit and savings means that individuals are able to store funds safely, invest them productively, or use them when needed as a means of exchange for goods and services. A lack of access to these services in underserved communities can result in social exclusion, as it becomes a hindrance to home ownership, business development and job creation. Communities with increased access to financial services have greater opportunities for economic growth and improved wealth distribution, which subsequently reduces poverty.

Providing access to sustainable mortgage products is paramount to addressing the foreclosure crisis. NCRC has performed a substantial amount of research on access to financial services in the three NSP2 neighborhoods of Ivy City & Trinidad, Deanwood, and Historic Anacostia. This research is detailed in a separate report titled “Access to Mortgage Financing in Deanwood, Historic Anacostia and Ivy City/Trinidad – Washington, DC” and draws on Home Mortgage Disclosure Act (HMDA) data collected between 2007 and 2009. NCRC concluded through this research that NSP2 target neighborhoods received a disproportionate rate of high-cost lending throughout the assessment period.

The NCRC report documents that “while 13 percent of all prime conventional loans made to owner-occupied housing units District-wide were high-cost in 2007, this figure was 26 percent in Historic Anacostia, 27 percent in Deanwood and 23 percent in Ivy City/Trinidad.²” As the market for high cost mortgage products evaporated in 2009, prime lending remained relatively stable for the District of Columbia as a whole. However, prime traditional lending decreased in

² Access to Mortgage Financing in Deanwood, Historic Anacostia and Ivy City/Trinidad – Washington, DC.

the NSP2 target neighborhoods. This decrease in prime lending coincided with an increase in Federal Housing Administration (FHA) loans, which carry higher insurance costs than traditional prime mortgages.

These recent lending patterns have had a direct impact on the foreclosure rates highlighted through Urban Institute's foreclosure data and other studies. The immediate impacts of the neighborhoods' disproportionate rates of high-cost lending in 2007, as well as the disproportionate decline in prime lending in 2009 are evidenced in the foreclosure patterns, REO inventory and distressed sales outlined below. The long-term negative implications of these disparities will have an even greater effect on the physical and emotional well-being of these three neighborhoods.

Foreclosures in Washington, DC

City-to-city foreclosure comparisons are most often measured by the percentage of homes that are currently in foreclosure. According to the Washington, DC Metropolitan Area Foreclosure Monitor³, the regional foreclosure rate for 2010 was 2.9%, with 34,200 loans in foreclosure during December 2009. According to data from *RealtyTrac*, the Washington, DC, metro region finished 2010 with the nation's 78th-highest foreclosure rate among metropolitan areas. With one filing per 49 households, the rate was down 22 percent from 2009, which was the largest decrease in foreclosure activity among the nation's 20 largest metro areas. This rate was higher than Baltimore, Philadelphia, Hagerstown, Charlotte, and New York. However, the housing market in the District of Columbia remains healthier than the national average.

Between the periods of 2007 to 2010, an average number of 2,113 District of Columbia parcels were involved in a foreclosure filing each year. Overall rates of new foreclosure starts, foreclosure sales, distressed sales and REO inventory were significantly lower throughout the entire District from 2007 to 2010, compared to the neighborhoods within the target market area.

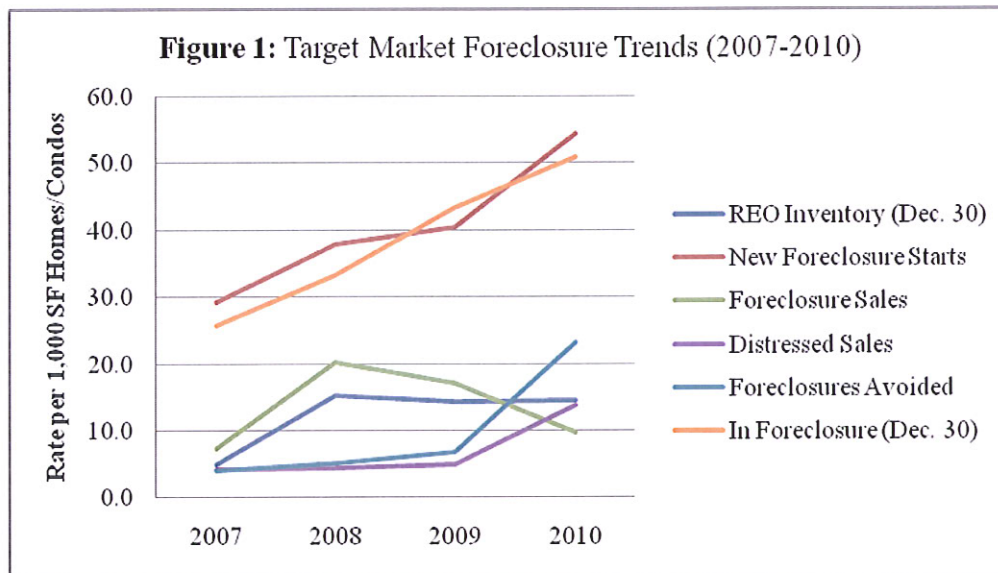
Although recent analysis shows signs of improvement, the under-served communities of the nation's capital continue to struggle. The neighborhoods of Trinidad and Historic Anacostia have the two highest Intra-Metro Foreclosure Risk Scores in the District of Columbia, with 49.06 and 36.29, respectively. Comparatively, a more stabilized neighborhood such as Woodley Park has a risk score of 0.18.⁴

³ Titian, Peter. "Washington, DC Metropolitan Area Foreclosure Monitor - Spring 2010." *The Urban Institute | Research of Record*. Web. 18 July 2011. <<http://www.urban.org/publications/412119.html>>.

⁴ http://www.foreclosure-response.org/maps_and_data/lisc_data.html#sub2

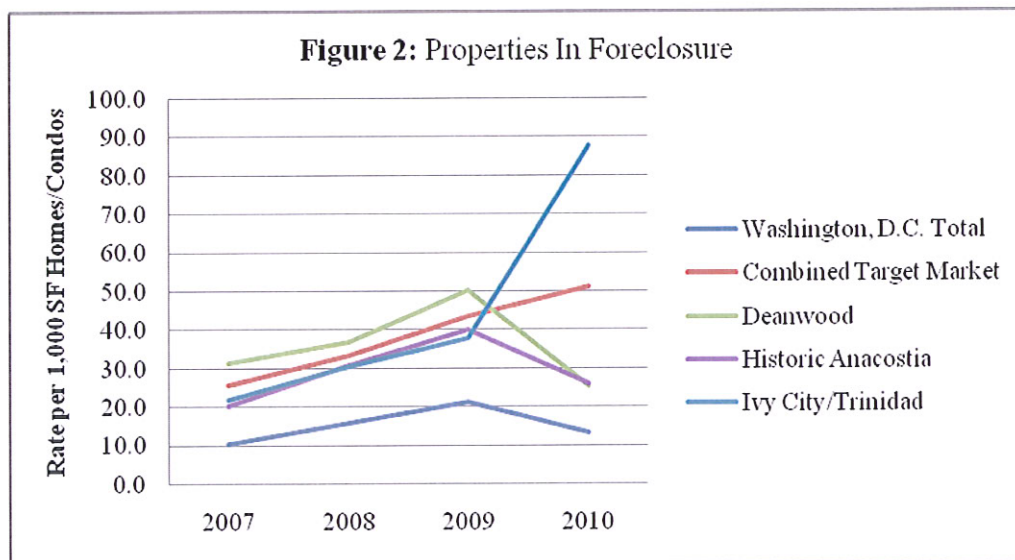
Foreclosures in the NSP2 Target Neighborhoods

The NSP2 target areas of Ivy City and Trinidad, Historic Anacostia and Deanwood have been particularly susceptible to foreclosure issues: in the past four years, these neighborhoods have seen an average rate of 38 foreclosures per 1,000 households. Comparatively, the average rate for the District of Columbia from 2007-2011 was 15 foreclosures per 1,000 households. These three areas constitute approximately 6% of the city's population, yet were responsible for roughly 21% of its foreclosure filings between 2007 and 2010. Foreclosure trends for the combined target market are highlighted below in Figure 1.



In 2010, approximately 11 in every 1,000 District of Columbia households received a notice of foreclosure for the first time. This represented a total of 1,610 homes. This rate was roughly half the rate of the prior year. District of Columbia households received first time foreclosure notices at a rate of over 22 in every 1,000 for a total of 3,197 foreclosure starts in 2009.

As figure 2 illustrates, the rate of homes in foreclosure were significantly higher in the combined NSP2 target market, particularly in Ivy City and Trinidad in 2010. This dramatic spike in Ivy City and Trinidad is primarily due to the foreclosure of an entire condominium building that included over 400 units. Not counting this property, the rate of homes in foreclosure for 2010 would actually be lower than the rate for 2009, and consistent with trends in the other NSP2 neighborhoods and the District as a whole.



As Figure 3 illustrates, the combined target market saw significantly higher rates of REO inventory compared to all of Washington, DC, especially in Deanwood during the year 2010. This could be attributed to the high rate of homes in foreclosure in the Deanwood neighborhood in 2009. Ivy City and Trinidad saw a significant decline in REO inventory in 2009, while the city as a whole managed to maintain a relatively stable inventory from 2008 to 2010.

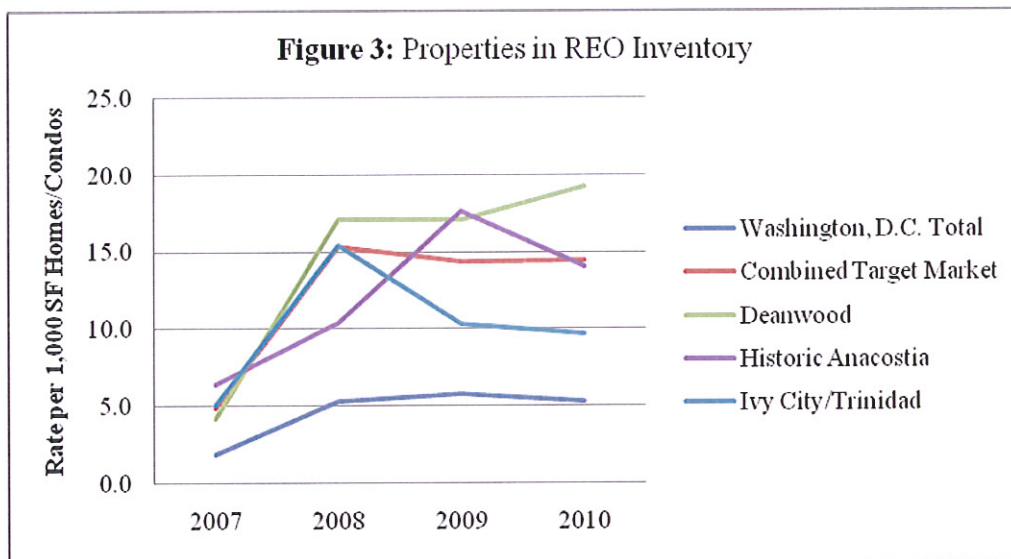
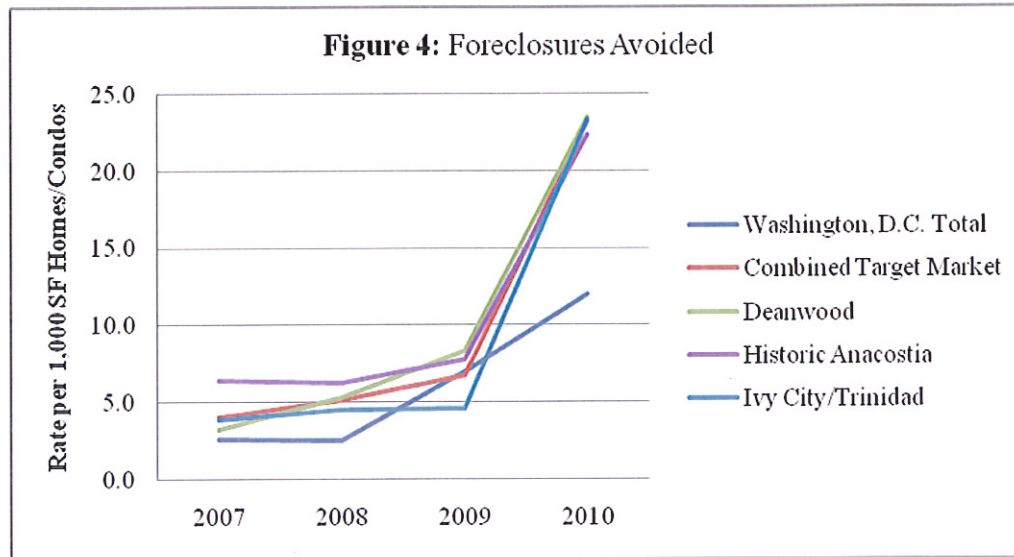


Figure 4 illustrates the substantial increase in rate of foreclosures avoided per 1,000 homes throughout the target market area and the entire Washington, DC region as a whole. All three targeted communities had virtually the same rate of foreclosures avoided in 2010, roughly 23 out of every 1,000 homes. This was a significant increase in the number of foreclosures successfully avoided compared to previous years, with 2010 rates nearly four to five times greater than in 2007.



Foreclosures may be considered avoided through due to a variety of circumstances, such as residents catching up on their payments, getting assistance, or doing a short sale. However, it should be noted that many homes included in these figures have not avoided foreclosure completely, but have simply made it through an entire year since the first foreclosure notice without any sale of the property.

Foreclosures in Ivy City and Trinidad

Ivy City and Trinidad are located in the northeast quadrant of Washington, DC, adjacent to Gallaudet University and the National Arboretum, and easily accessible to downtown and Capitol Hill⁵. According to the 2010 decennial census, these combined neighborhoods had a total population of 23,973 persons, making it the largest by population among the three NSP2 targeted market neighborhoods. The 2010 figure showed a 6 percent increase from the 22,665 persons counted in the 2000 census⁶.

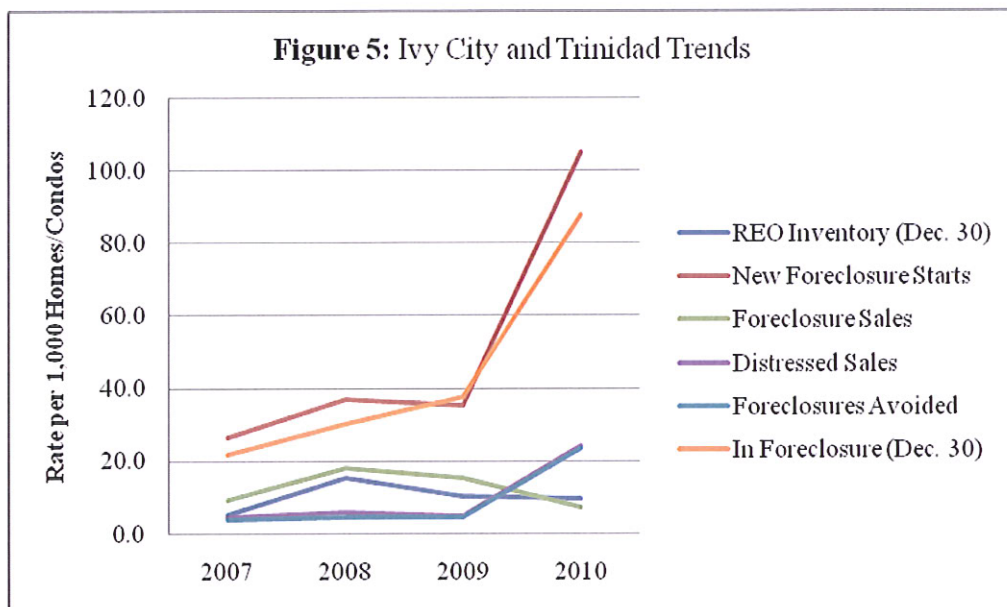
Ivy City and Trinidad had a median household income of \$37,190 in 2010, which is an increase of over \$1,000 annually since 2000. The distribution of households by income is heavily weighted towards lower income brackets, as Ivy City and Trinidad household income is much lower than the District average of \$58,100. Poverty rates in Ivy City and Trinidad have also remained quite high relative to the city average

⁵ "Ivy City and Trinidad Commercial Market Analysis." *Green Door Advisors* (2011). Web. 19 July 2011.

⁶ Tatian, Peter. "Neighborhood Indicators for Historic Anacostia and Ivy City/Trinidad." 27 May 2011. Web. 19 July 2011.

Despite its strategic position, Ivy City and Trinidad has a significant number of vacant and abandoned properties interspersed throughout the neighborhood.⁷ The neighborhood saw an extremely high increase in new foreclosure starts in 2010. According to the Urban Institute study, 522 homes started the foreclosure process in 2010, which was 347 homes greater than the year before. This is the highest among the target market area, with the rates of foreclosure starts increased since 2007. There were 104.9 new foreclosure starts per 1,000 homes in 2010, which was nearly three times greater than the previous year. However, as noted above, this is primarily due to the neighborhood being inundated with over 400 foreclosures associated with a single condominium development.

Foreclosure sales in Ivy City and Trinidad have been declining since 2007, while there was an increase in the number of distressed sales in 2010. There were 120 homes involved in a distressed sale in Ivy City and Trinidad in 2010, which was nearly five times as many as in 2009. Ivy City and Trinidad's REO inventory rate is the lowest among the target market from 2008 to 2010, with 48 properties under REO status in 2010. This is illustrated in Figure 5.



Foreclosures in Historic Anacostia

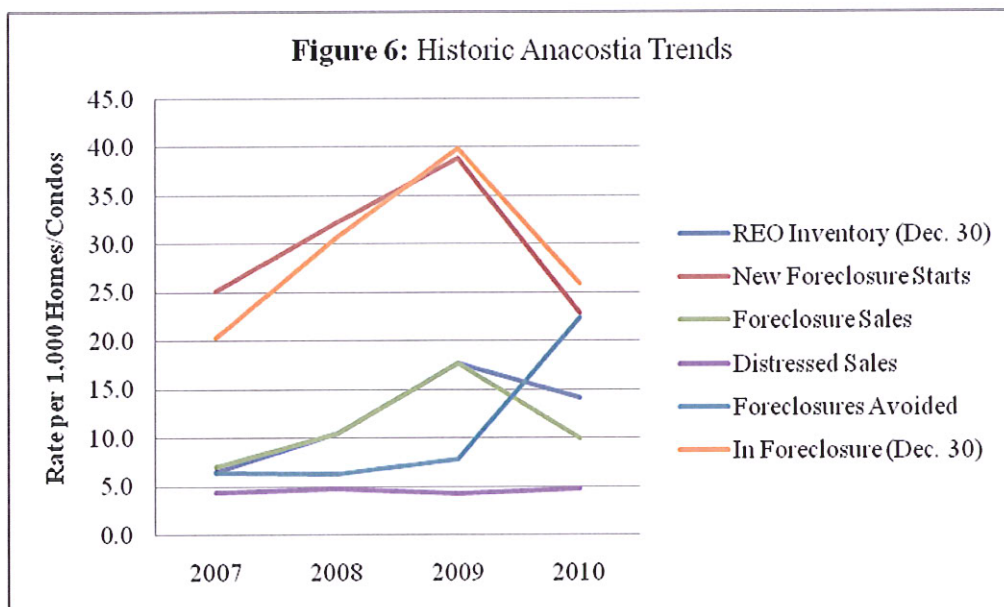
Historic Anacostia is a relatively small neighborhood within District of Columbia and is located east of the Anacostia River. The neighborhood possesses a distinct identity, rich history and unique geography. Poverty rates in Historic Anacostia have remained quite high relative to the city average. In 2000, the Census estimated that about 20 percent of persons in Washington, DC, were below the poverty level, but in Historic Anacostia the poverty rate was almost 30 percent. Median household income in the Historic Anacostia census tracts is estimated at \$29,700, which is considerably lower than the District's median average of \$58,100. Also, less than 10.2 percent of all residents over 25 in Historic Anacostia have a college degree.

⁷ "Ivy City and Trinidad Commercial Market Analysis." *Green Door Advisors* (2011). Web. 19 July 2011.

According to the 2010 decennial census, Historic Anacostia had a total population of 9,231 persons, which is the second-largest among the NSP2 neighborhoods. As of 2010, Historic Anacostia fared relatively well in the foreclosure fight compared to other neighborhoods: The Urban Institute described this area with having the lowest number of distressed sales, homes in REO status, new foreclosure starts the number of Foreclosure Sales of the three NSP2 neighborhoods.

As depicted in Figure 2, foreclosure sales in Historic Anacostia peaked in 2009 with a rate of 38.9 per 1,000, which then dropped to 22.8 the following year. The 44 new foreclosure starts in 2010 was much less than the two previous years.

Historic Anacostia saw 19 foreclosure sales in 2010 and 34 in 2009. Distressed sales remained steady, while REO inventory (Figure 3) peaked in 2009, with a rating of 17.6 per 1,000 homes. Historic Anacostia's rate of foreclosures avoided remained steady throughout 2007 to 2009, and then increased in 2010 to the same level as Ivy City and Trinidad and Deanwood. This is evidenced in figure 4.



Foreclosures in Deanwood

Deanwood is located in the northeast quadrant of Washington, DC, and is the smallest community among the NSP2 group. Fewer than 7,000 residents of the District call Deanwood their home. However, the neighborhood surpasses both other NSP2 neighborhoods in the number of foreclosure sales and REO inventory for the year 2010.

The rate of new foreclosure starts in Deanwood peaked in 2009 with 45.8 homes per 1,000. Foreclosure sales peaked in 2008, with a rate of 25.8 foreclosure sales for every 1,000 Deanwood homes. While the number of new foreclosure starts, properties in foreclosure and foreclosure sales all decreased significantly in Deanwood in 2010, the number of distressed sales and properties in REO inventory continued to rise. This is illustrated in Figure 5, below.

Deanwood had the highest rate of REO inventory among the NSP2 neighborhoods in 2010, accounting for 19.2 in every 1,000 homes. Between 2007 and 2010, the neighborhood saw

an increase of 79 properties in REO inventory. Different census tracts showed varying high and low rates of REO inventory and foreclosure sales, which indicates that the troubled properties are not all concentrated in one area. Like the other NSP2 neighborhoods, Deanwood saw nearly a three-fold increase in the rate of foreclosures avoided per 1,000 in 2010. In the year 2010, 23.4 per 1,000 homes successfully avoided foreclosure, which was nearly seven times as many as in 2007.

