

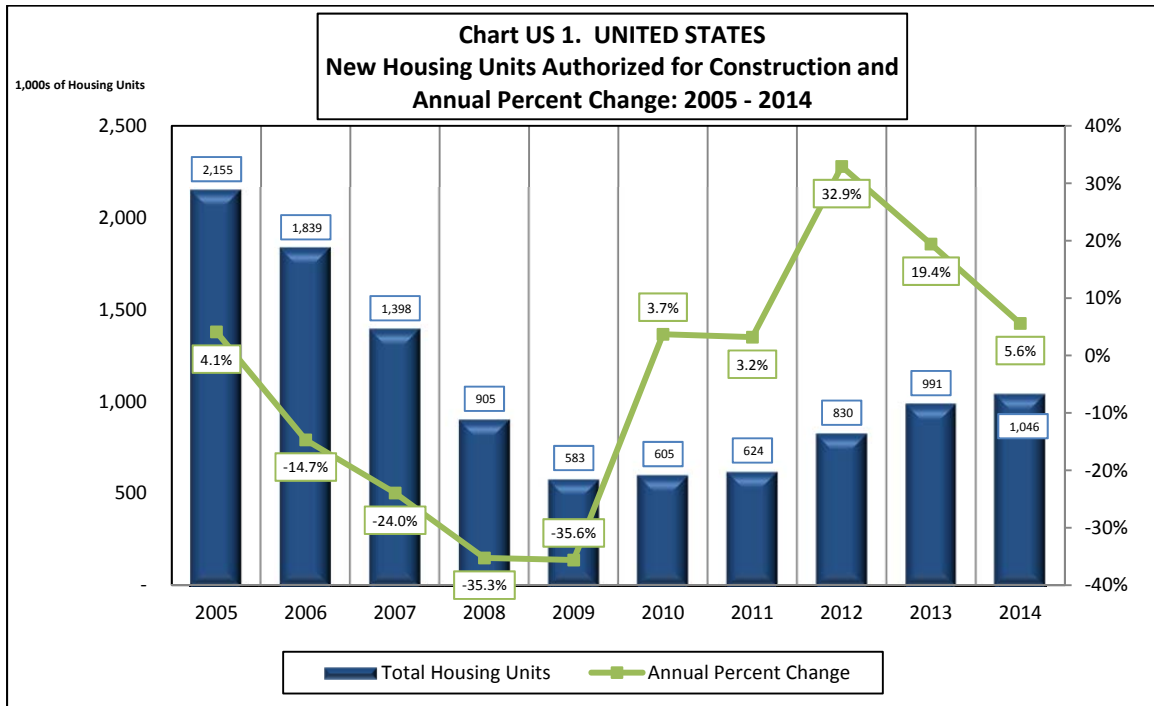
**NEW HOUSING UNITS AUTHORIZED  
FOR CONSTRUCTION BY BUILDING PERMITS: 2014**

***Summary of Findings***

Maryland, permit issuing places authorized 16,331 new housing units during 2014. This is the second highest number of new housing units authorized for construction since 2007. The number of those new housing classified as single family homes (one unit in structure, attached or detached), is relatively unchanged from the previous year, however there has been a substantial slow - down in the production of new multi - family housing.

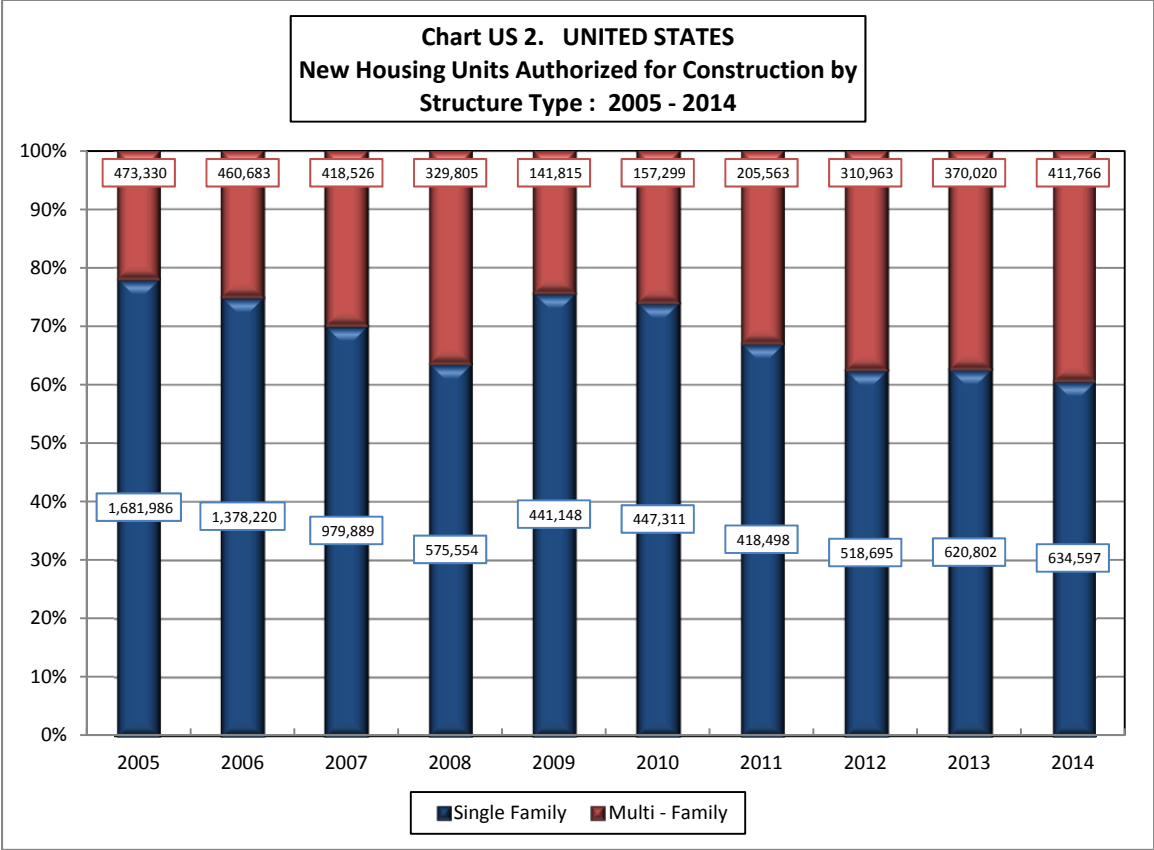
***United States: 2014<sup>1</sup>***

In 2014, over one million housing units were authorized for construction by building permits in the United States. Nationally new housing production nationally has increased five consecutive years since the Great Recession low of 583,000 new housing was reported in 2009.



<sup>1</sup> SOURCE: Residential Construction Branch, Economic Indicators Division, U.S. Census Bureau. Annual Reports. See also [Table 1. UNITED STATES, REGIONS AND STATES NEW HOUSING UNITS AUTHORIZED FOR CONSTRUCTION BY BUILDING PERMITS: 2014 Buildings, Structure Type and Value](#); and [Table 2. UNITED STATES, REGIONS AND STATES NEW HOUSING UNITS AUTHORIZED FOR CONSTRUCTION BY BUILDING PERMITS: 2013 Buildings, Structure Type and Value](#).

During the year United State permit issuing places authorized 1,046,363 new housing units for construction. This is an increase of 55,541 units (six - percent), over the 990,882 new housing units authorized during 2013. This is the fifth consecutive year that new residential construction has increased. (See Chart US 1. *UNITED STATES New Housing Units Authorized for Construction and Annual Percent Change: 2005 – 2014.*)

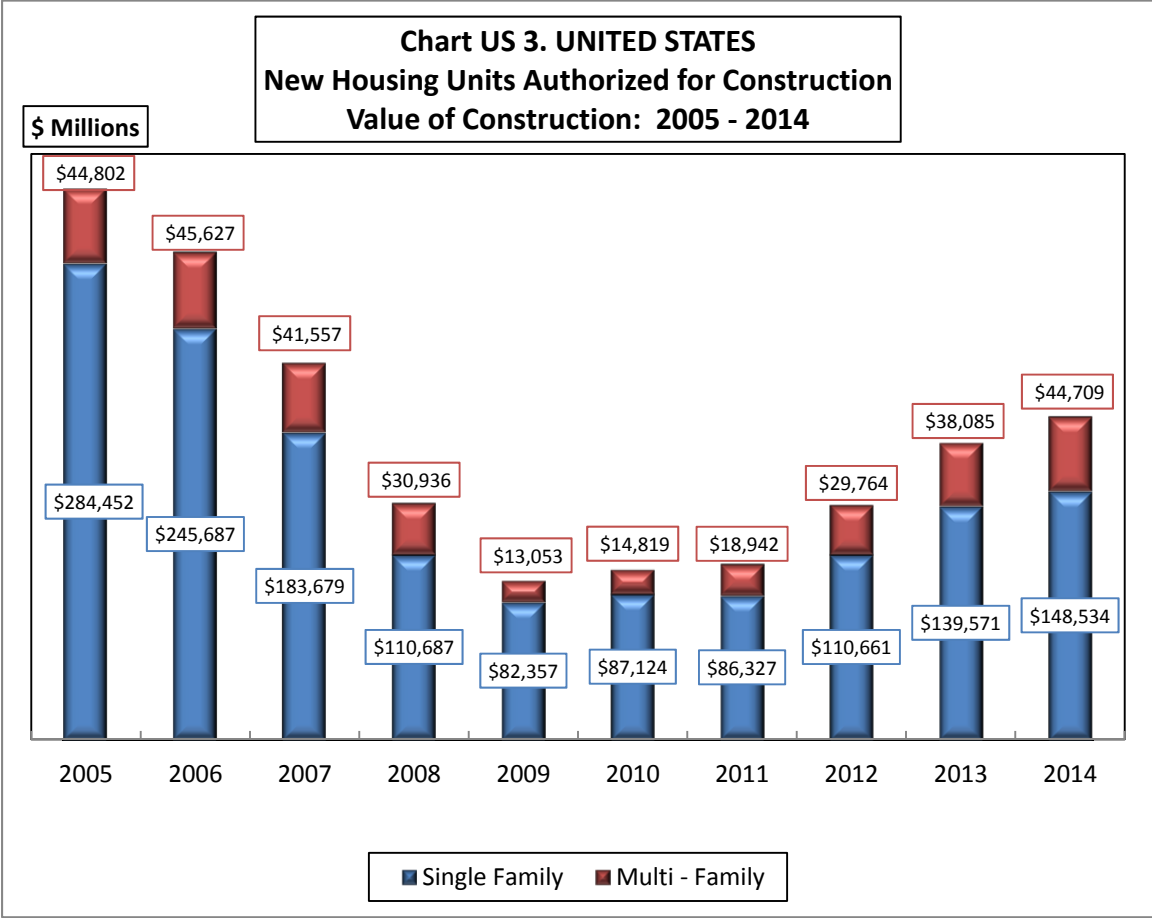


Contributing to the overall net increase in total annual housing production is strong multi-family housing development activity, however while the net number of new units has increased, the rate of increase in new residential construction activity has fallen two years in a row. This may be attributable to a falloff in single family home construction.

The increase in new single family home construction has flattened since rising 20 percent or more from 2011 through 2013. During 2014, permit issuing places authorized the construction of 634,597 new single family homes. This is an increase of just two percent from the previous year. This suggests the residential construction industry’s recovery from the Recession of 2007 is stable but remains delicate. (See Chart US 2. *UNITED STATES New Housing Units Authorized for Construction by Structure Type: 2005 – 2014.*)

During the year United States permit issuing places authorized 411,766 new multi – family housing units for construction. This is an increase of 41,746 units or 11 percent. Multi – family housing units are units built in structures containing two or more housing

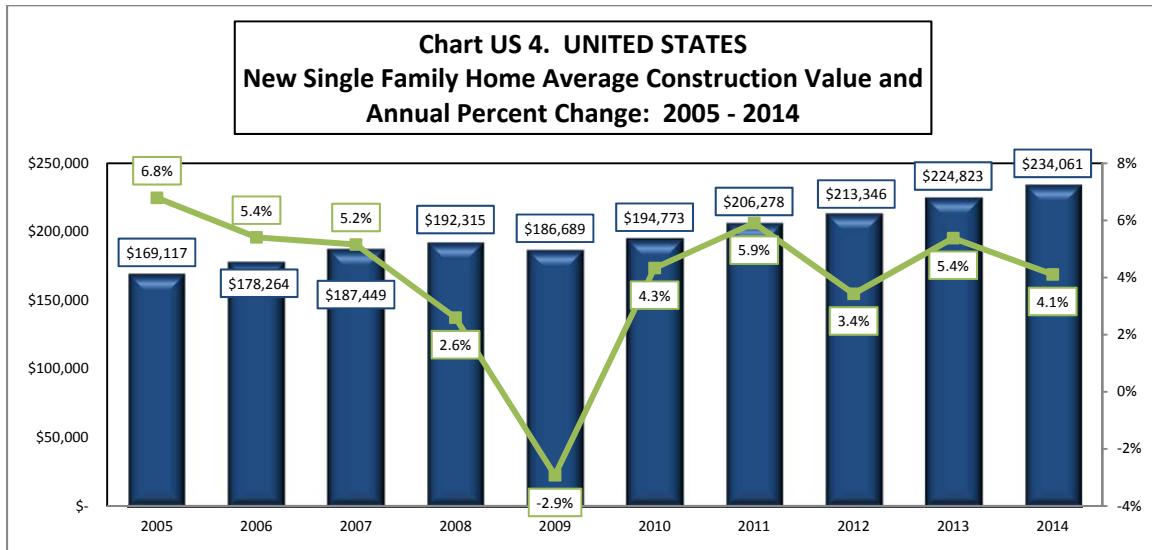
units. The overwhelming majority of new multi-family housing (381,965 units or 93 percent) is in apartment and condominium buildings containing five or more units.



New multi-family housing has risen as a proportion of total new residential housing construction. In 2006, before the recession, multi-family residential developments accounted for 25 percent of all new housing construction. Currently the share of new multi-family housing construction accounts for nearly 40 percent of the nation’s new housing inventory.

The 2014 value of the Nation’s new housing construction is placed at \$193.2 billion. This is nine percent higher than 2013, when the value of construction was reported at \$177.7 billion.

The current value of new single family home construction is placed at \$148.5 billion. The 2014 average construction cost for a new single family home is \$234,061. This is four percent higher than the average cost in 2013. (See Chart US 3. *UNITED STATES New Housing Units Authorized for Construction Value of Construction by Structure Type: 2005 – 2014*; and Chart US 4. *UNITED STATES New Single Family Home Average Construction Value and Annual Percent Change: 2005 - 2014*.)



Nationally the 2014 value of new multi-family housing construction is placed at \$44.7 billion. This is an increase of 17 percent (\$6.6 billion) over the \$38.1 billion construction value of multi-family housing units authorized for construction in 2013. The construction value of new apartment and condominium buildings containing five or more units increased from \$34.7 billion to \$41.1 billion (\$6.4 billion or 18 percent) over the period.

***U. S. Regions: 2014<sup>2</sup>***

The number of new housing units authorized for construction during 2014 increased in all four major geographic regions of the United States from 2013. Housing production in the Northeast Region experienced an increase of over 10 percent. New housing units in the Midwest, South and West Regions increased about five percent each from 2013.

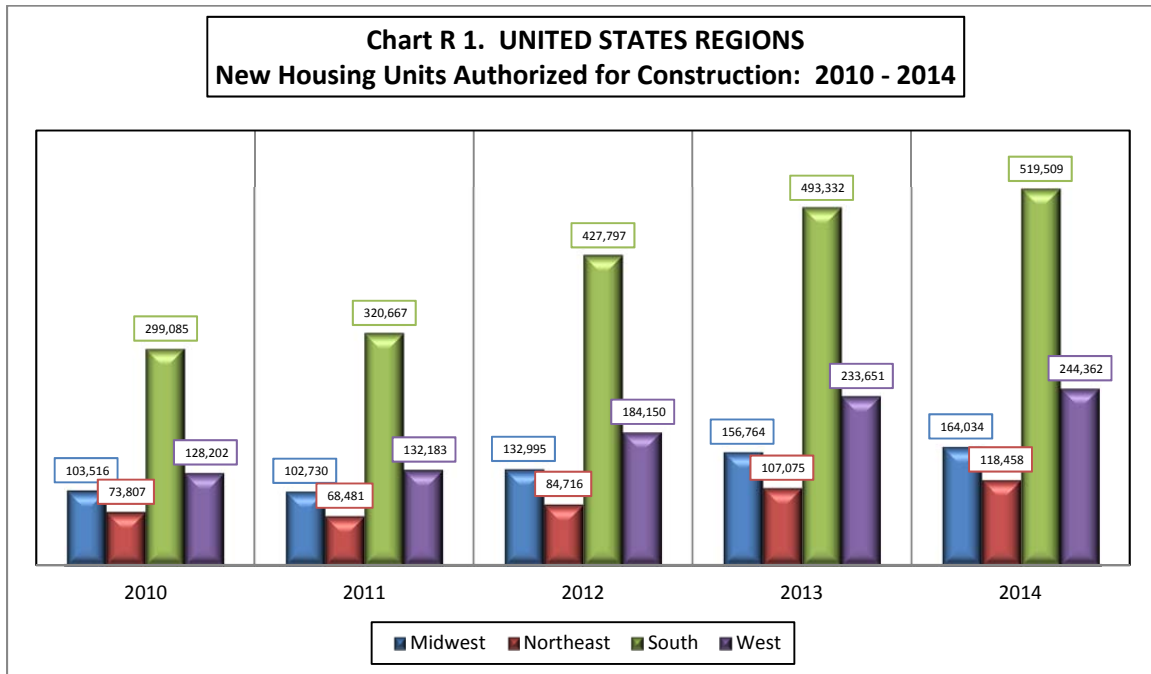
***The Midwest Region***

Twelve states comprise the Midwest Region. During 2014, permit issuing places in these states authorized the construction of 164,034 new housing units, or 16 percent of the Nation’s new housing stock. This is an increase of nearly five percent over 156,764 new housing units authorized for construction during 2013. (See also Chart R 1. UNITED STATES REGIONS New Housing Units Authorized for Construction: 2010 – 2014.)

Midwest States reporting the highest number of new housing units include; Illinois (20,578 units), Ohio (19,872 units), Indiana (17,816 units), Minnesota (16,990 units) and Missouri (16,003 units). Nationally, these areas rank 15th, 16th, 17th, 19<sup>th</sup>, and 22nd,

<sup>2</sup> See **Table 1. UNITED STATES, REGIONS AND STATES NEW HOUSING UNITS AUTHORIZED FOR CONSTRUCTION BY BUILDING PERMITS: 2014 Buildings, Structure Type and Value;** and **Table 2. UNITED STATES, REGIONS AND STATES NEW HOUSING UNITS AUTHORIZED FOR CONSTRUCTION BY BUILDING PERMITS: 2013 Buildings, Structure Type and Value.**

respectively in new housing production. For perspective, our State would rank among this region’s top five in housing production. Maryland’s housing production ranks 21<sup>st</sup> among the 50 states and the District of Columbia in 2014.



Jurisdictions in the Midwest Region reporting the lowest number of new housing units include; South Dakota ranked 41<sup>st</sup> nationally with 4,722 units, Kansas ranked 36<sup>th</sup> with 7,459 units, Nebraska ranked 35<sup>th</sup> with 7,605 units, Iowa ranked 31<sup>st</sup> with 10,265 units, and North Dakota ranked 30<sup>th</sup> with 12,178 units.

The 2014 annual value of new housing unit construction in the Midwest Region is placed at \$30.3 billion. This is 16 percent of the construction value for new housing units in the United States. It is also a nine percent increase over the \$27.9 billion value of new construction in 2013. (See also Chart R 2. UNITED STATES REGIONS New Housing Units Authorized for Construction Value of Construction: 2010 – 2014.)

There are 99,888 new single family housing units authorized for construction in the Midwest Region. This is a decrease of 1,950 units (two percent), from 2013. Single family construction accounts for 61 percent of the Region’s new housing in 2014 compared to 65 percent the previous year. Currently, new Midwest Region single family homes account for 16 percent of the new single family houses built in the country. (See also Chart R 3. UNITED STATES REGIONS New Housing Units Authorized for Construction by Structure Type: 2014.)

The average construction value of a new single family home in the Midwest Region is \$234,729. This is the second lowest average cost for a new home among the four United States Regions, and just slightly higher than the national average cost of building

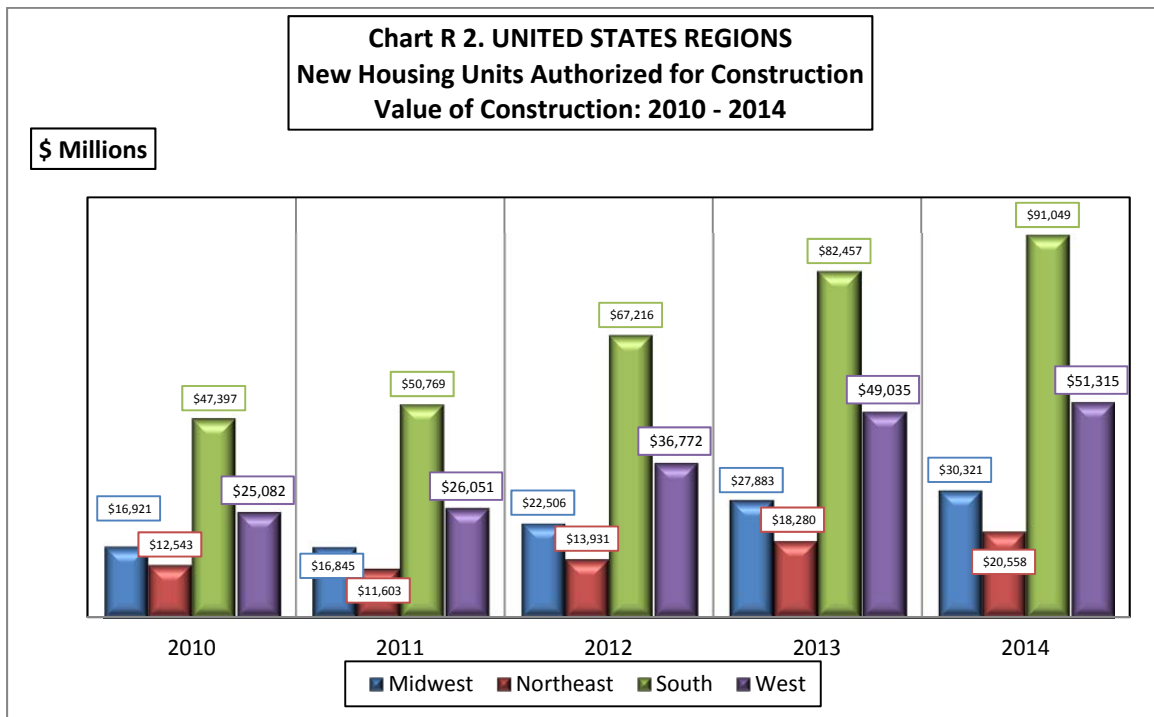
a house (\$234,061). (See also Chart R 4. UNITED STATES AND U. S. REGIONS New Single Family Home Average Construction Value: 2014.)

Midwest Region permit issuing places authorized the construction of 64,146 new multi-family housing units during 2014. This is an increase of 9,220 units (17 percent) over the 54,926 multi – family units built in 2013. The value of new Midwest Region multi-family housing jumped to \$6.9 billion, an increase of 36 percent from \$5.1 billion reported for 2013.

During 2014, 90 percent (57,945 units) of the multi-family developments are in 2,459 buildings containing five or more housing units. These buildings have a construction value placed at \$6.2 billion or 90 percent of the value of all new multi-family housing unit construction.

**The Northeast Region**

The Northeast Region is the smallest U. S. Region, composed of seven States and two Commonwealths (Massachusetts and Pennsylvania). Permit issuing places in these jurisdictions authorized the construction of 118,458 new housing units. This is an increase of nearly 11 percent over the 107,075 new housing units authorized in the Northeast during 2013.



As in 2013, the Northeast Region accounts for 11 percent of all new housing units built in the United States during 2014. Most new housing units are built in New York (36,286

units) followed by New Jersey (28,155 units), the Commonwealths of Pennsylvania (25,059 units) and Massachusetts (14,486 units), and Connecticut (5,329 units). Nationally these jurisdictions rank sixth, 10<sup>th</sup>, 14<sup>th</sup>, 26<sup>th</sup> and 38<sup>th</sup>, respectively in new housing production. Maryland would rank among this region's top four in housing production, placing 21<sup>st</sup> among the 50 states and the District of Columbia in 2014.

Jurisdictions in the Northeast Region reporting the lowest number of new housing units include Rhode Island (952 units), Vermont (1,546 units), Maine (3,242 units) and New Hampshire (3,403 units). Nationally these areas are ranked 51<sup>st</sup>, 49<sup>th</sup>, 45<sup>th</sup> and 44<sup>th</sup> respectively.

The value of construction, or the construction cost of these units is placed at \$20.6 billion. This is 12 percent higher than the previous year's annual value of new housing unit construction reported at \$18.3 billion.

Forty-six percent of the new housing units built in the Northeast (54,541 dwellings) during 2014 are single family dwellings. These homes account for nine percent of all new single family homes authorized for construction Nationwide. New single family home construction in 2014 is four percent higher (1,911 houses) than it was in 2013.

The 2014 value of new single family home construction is placed at almost \$13.4 billion, or \$1.2 billion higher than the 2013 value of \$12.1 billion. The average construction value of a new single family housing unit in the Northeast Region is \$244,952.

This is the second highest average cost to build a new home among the four United States Regions. It is five percent higher than the national average construction cost (\$234,061).

There are 63,917 new multi - family housing units authorized for construction during 2014. This is an increase of nearly 11 percent from the 54,445 multi - family housing units authorized for construction during 2013.

Fifty – four percent of all new housing in the Northeast Region is in multi – family buildings. This is the only United States Region that authorizes more multi - family housing units for construction than single family housing units.

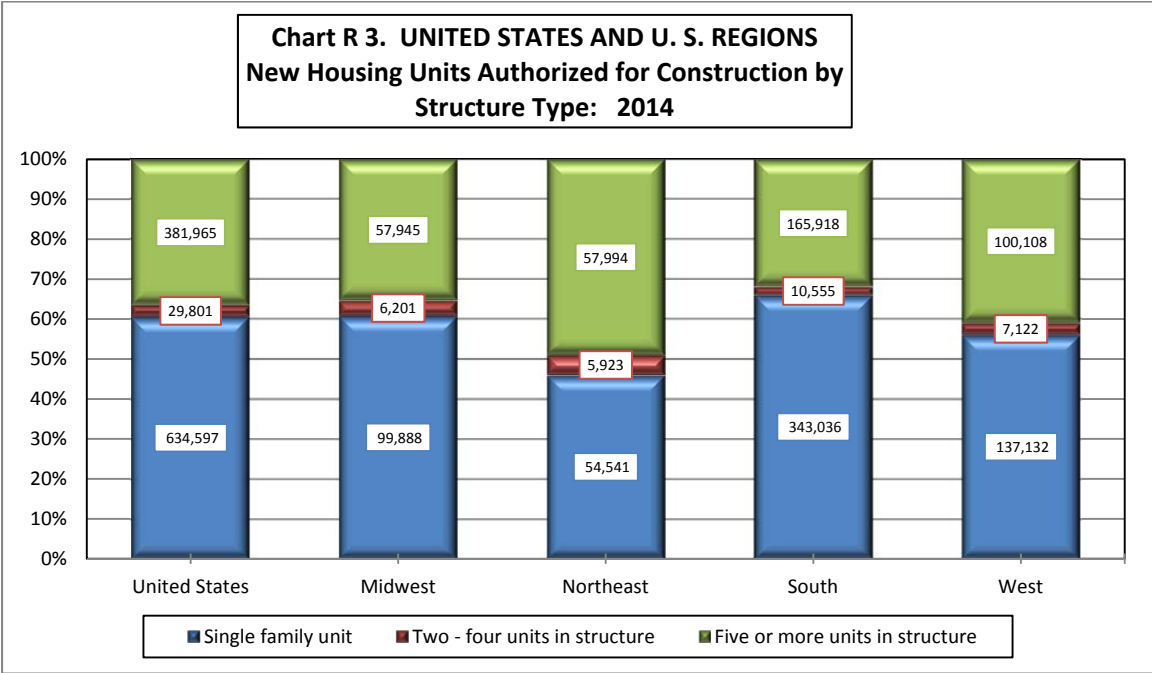
The 2014 value of new multi - family residential development in the Northeast is \$7.2 billion. Most of the dwelling units in these developments (57,945 units or 91 percent), will be built in 4,712 buildings containing five or more housing units.

**The South Region**

The Nation’s largest region and home builder is the South Region. Fourteen states (including Maryland), two Commonwealths (Kentucky and Virginia), and the District of Columbia comprise the South Region of the United States.

The South Region accounts for 50 percent of all new housing units built in the United States during 2014. Permit issuing places in these jurisdictions authorized the construction of 519,509 new housing units. This is an increase of five percent over the 493,332 new housing units authorized for construction during 2013.

Southern jurisdictions reporting the highest number of new housing units include; Texas (166,982 units), Florida (84,075 units), North Carolina (49,911 units), Georgia (39,423 units) and the Commonwealth of Virginia (28,682 units). Nationally these areas rank first, second, fourth, fifth and ninth, respectively in new housing production. Maryland, with 16,331 units, is among the Region’s top ten. The State ranks 21<sup>st</sup> among the 50 States and the District of Columbia.



Southern jurisdictions reporting the lowest number of new housing units authorized for construction include; West Virginia (2,677 units), the District of Columbia (4,189 units), Delaware (5,194 units), Mississippi (6,871 units) and Arkansas (7,666 units). Nationally these areas are ranked 47<sup>th</sup>, 42<sup>nd</sup>, 39<sup>th</sup>, 37<sup>th</sup>, and 34<sup>th</sup>, respectively.

The value of new housing unit construction in the South Region is 47 percent of the total value of new residential construction across the United States. In 2014 that value is



placed at \$91 billion, or 10 percent higher than the \$82.5 billion construction value for new housing reported in 2013.

Two – thirds of the South’s new housing units (343,036 dwellings) are single family dwellings. Authorizations for single family home construction increased by 13,008 units (four percent) over the 330,028 new units authorized during 2013. New single family homes built in the South account for 54 percent of all new houses built Nationwide.

The value of construction for a new single family home in the South is placed at \$74.6 billion. This is an eight percent increase from the 2013 value of new single family home construction placed at \$69 billion.

The average construction value of a new single family housing unit authorized for construction in the South Region is \$217,519. This is the lowest average building cost for a new home among the four United States Regions. It is eight percent lower than the national average cost of a new single family house (\$234,061).

Permit issuing places in the South Region authorized the construction of 176,473 new multi - family housing units during 2014. This is an increase of 13,169 new units (eight percent) over the previous year report. Of the new units delivered, 94 percent (165,918 units) will be built in 5,874 buildings containing five or more housing units.

## ***The West Region***

The West Region is the second largest U. S. Region and is composed of 13 States. Permit issuing places in the West authorized the construction of 244,362 new housing units during 2014. This is an increase of nearly five percent over the 233,651 new housing units authorized for construction during 2013.

The highest number of new housing units are built in California (83,645 units), followed by Washington (33,898 units), Colorado (28,686 units), Arizona (26,997 units) and Utah (17,510 units). Nationally these jurisdictions rank third, seventh, eighth, 13<sup>th</sup>, and 18<sup>th</sup>, respectively in new housing production. Maryland’s new housing production (ranked 21<sup>st</sup> nationally), would rank sixth among this region’s 13 States in 2014.

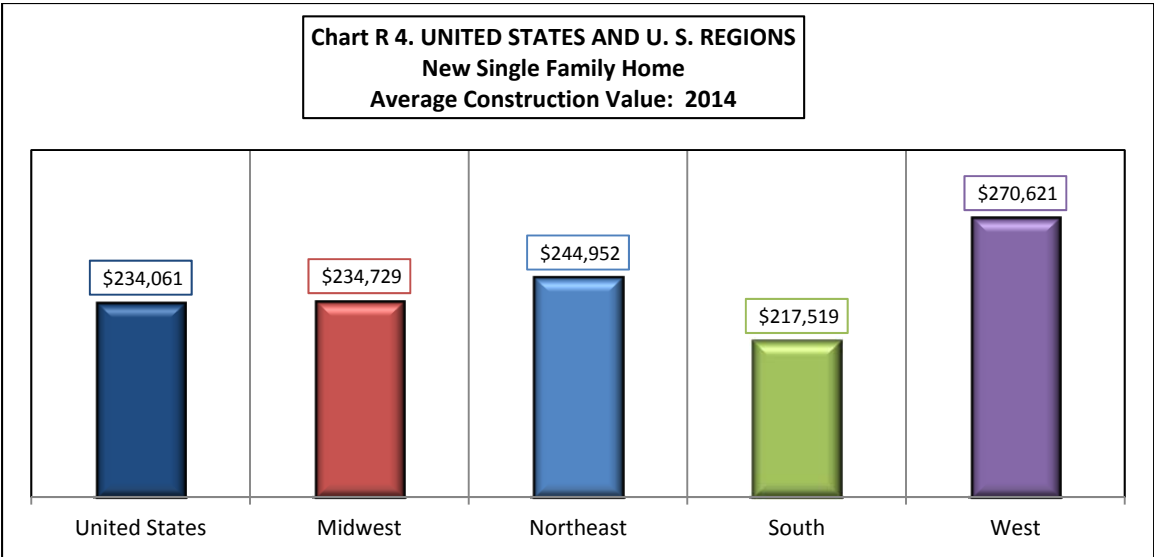
Jurisdictions in the West Region reporting the lowest number of new housing units include Alaska (1,518 units), Wyoming (1,901 units), Hawaii (3,066 units), Montana (3,884 units) and New Mexico (4,799 units). These States rank 50<sup>th</sup>, 48<sup>th</sup>, 46<sup>th</sup>, 43<sup>rd</sup> and 40<sup>th</sup> respectively.

These States account for 23 percent of all new housing units built in the United States and have a construction value of \$51.3 billion in 2014. This is 27 percent of the value of

new housing unit construction across the United States, and five percent higher than the \$49 billion value of new housing construction reported in 2013.

Fifty-six percent (137,132 dwellings) of all new housing units built in the West Region are single family dwellings. They represent 22 percent of all new single family homes authorized for construction Nationwide.

The 2014 value of single family home construction in 2014 is placed at \$37.1 billion. This is four percent higher than the \$35.6 billion value of new single family home construction reported in 2013.



The 2014 annual average value of construction for a new single family housing unit authorized for construction in Western States is \$270,621. This is the highest average cost for a new home among the four United States Regions. It is 16 percent higher than the national average cost of a new single family house (\$234,061).

There are 107,230 new multi - family housing units authorized for construction in the region. This is a 10 percent increase over the 97,345 multi - family housing units authorized for construction in 2013. Of the new units authorized in 2014, 100,108 units or 93 percent will be built in 3,710 buildings containing five or more housing units.

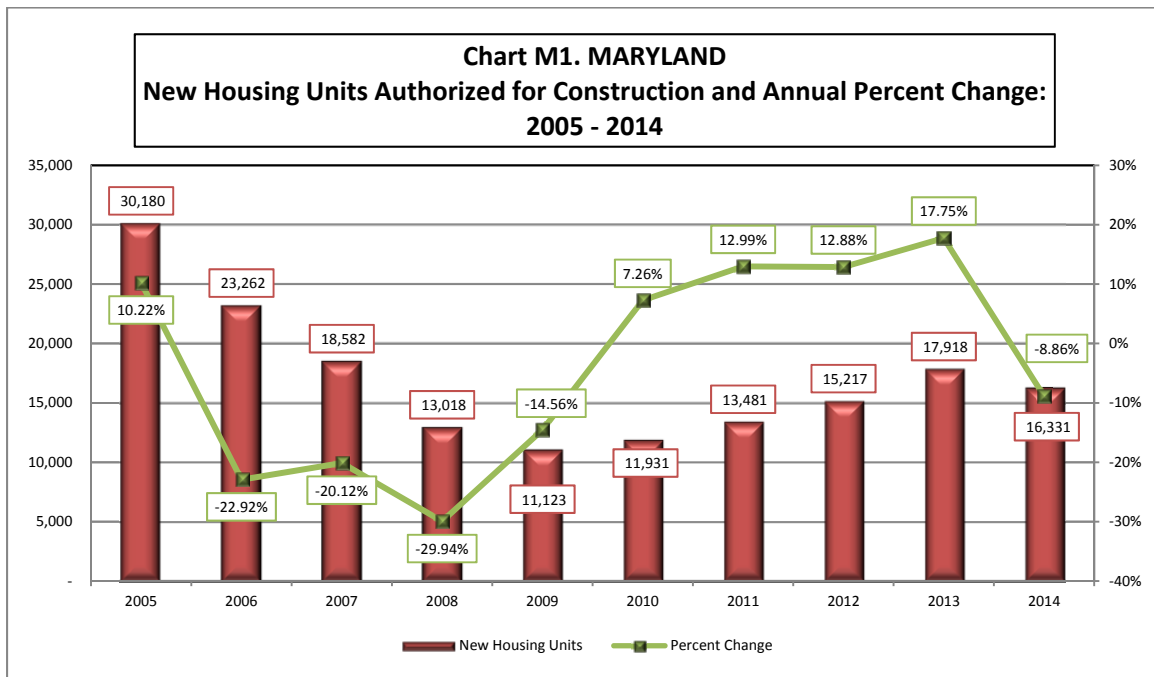
The 2014 construction value of new multi - family development in the West Region is placed at \$14.2 billion, an increase of over \$800 million from the \$13.4 billion spent building multi - family developments in 2013.

**State of Maryland: 2014<sup>3</sup>**

During 2014, building permit offices in the State authorized the construction of 16,331 new housing units. This is a substantial decline in housing production compared to the level reported in 2013. It is down 1,587 units (nine percent) from the 17,918 new housing units authorized for construction during 2013. (See also Chart M1. **MARYLAND New Housing Units Authorized for Construction and Percent Change: 2005 – 2014.**)

Before 2014, State permit issuing places reported five consecutive years of increasing new home construction. Maryland’s housing production in 2014 still represents the second highest number of new housing units authorized for construction this decade.

The 2014 value of this construction is placed at \$2.9 billion. While this represents a gain of three percent or \$78 million compared to the value of new housing units authorized for construction in 2013, the 2014 housing unit production numbers retreat must be looked at as an indication that the State’s home building industry still struggles to return to full vigor from the national recession starting at the end of 2007.



Looking at the year’s new housing production by structure type, it is apparent that a decline in multi - family housing development activity factors heavily in the State’s total decrease in housing production. Multi - family housing are buildings designed to house

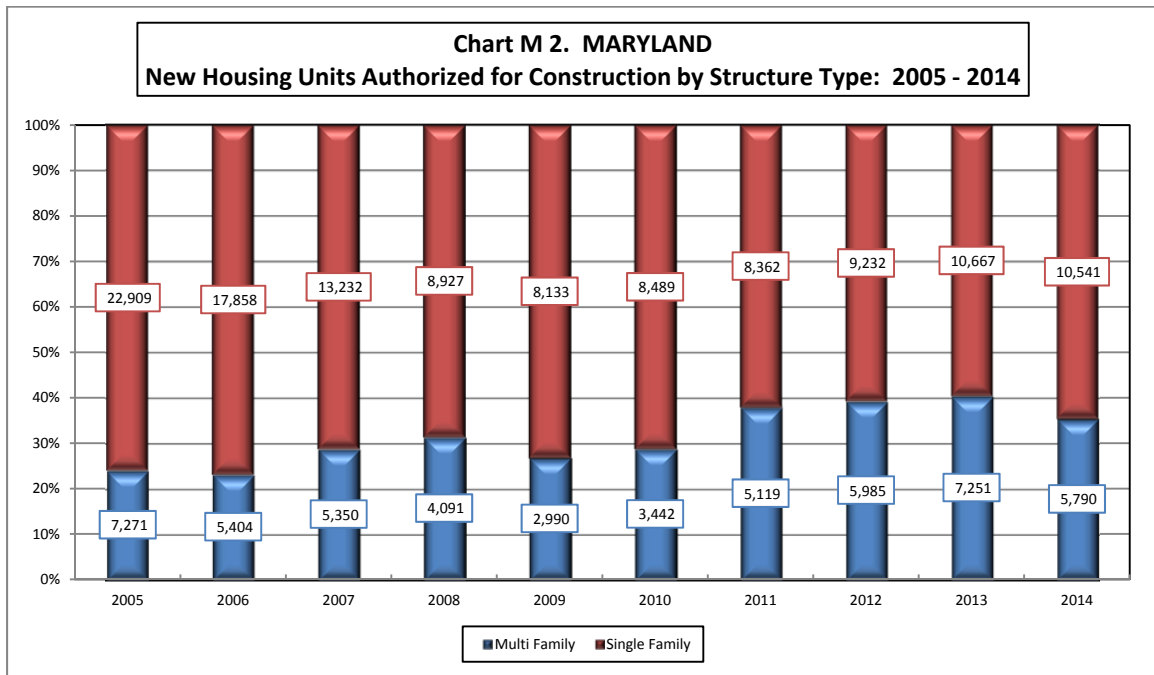
<sup>3</sup> See **Table 3.** MARYLAND, REGION AND COUNTY GROUP New Housing Units Authorized for Construction by Building Permits: 2014 Building, Units, Structure Type and Value; and See **Table 4.** MARYLAND, REGION AND COUNTY GROUP New Housing Units Authorized for Construction by Building Permits: 2013 Building, Units, Structure Type and Value.

several different families in separate housing units. The most common type of multi-family housing is the garden style or hi-rise apartment or condominium building. (See also Chart M2. **MARYLAND New Housing Units Authorized for Construction by Structure Type: 2005 – 2014.**

In 2014, permit issuing places in Maryland authorized 10,541 new single-family units for construction. It is the first net decrease in the single family sector since 2011, when single family home construction also dipped from 2010. These are signs that the single-family market is improving, but remains weak. Still this is roughly equivalent to the previous year when 10,667 new single family homes were permitted (just 126 fewer units).

Single family home construction is the largest component of new residential development and a leading economic indicator. Increasing new private home building generally foreshadows improving economic conditions.

It will take more time before this sector is fully recovered and contributing to a growing economy, because the current levels, and especially the 2014 level of new single family homes authorized for construction remains a fraction of the annual number of new single family units delivered before the recession.

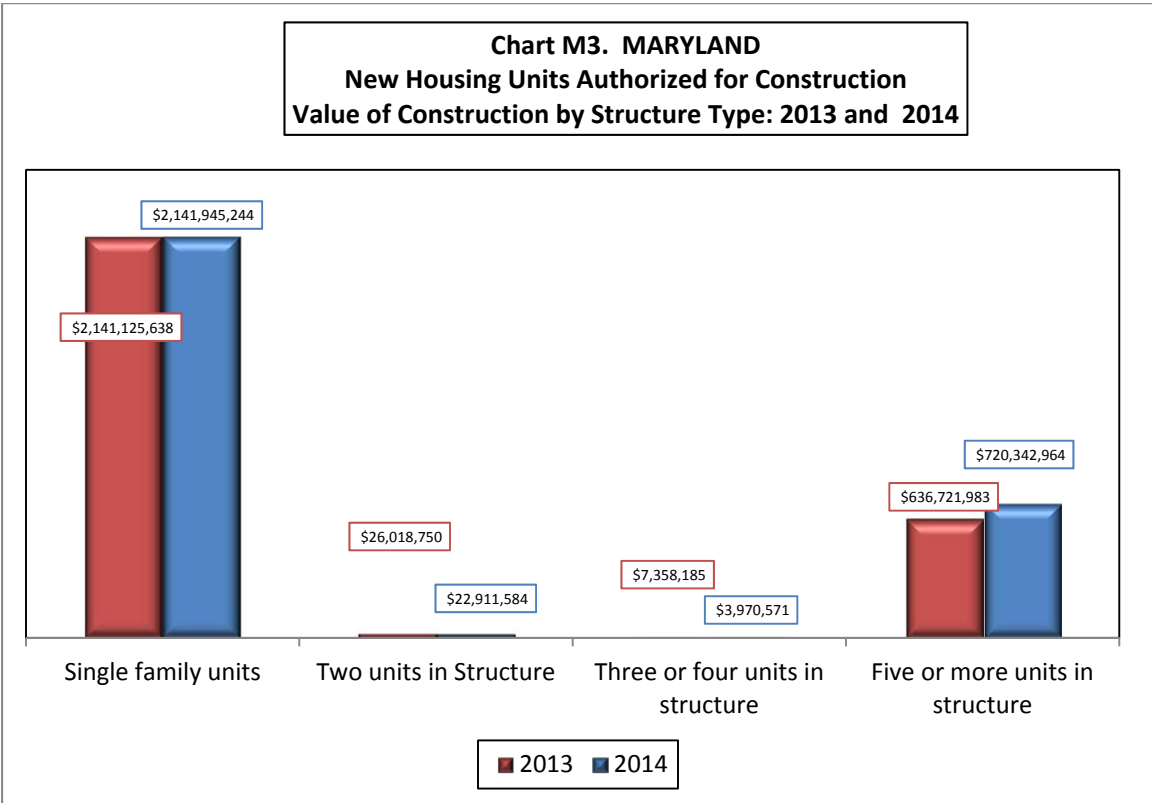


There are 5,790 new multi-family housing units authorized for construction during 2014. This is a 20 percent drop from 2013, when 7,251 new multi-family housing units were authorized for construction, and accounts for most of the overall decline in the State’s housing production from 2013 through 2014. Apartment and condominium

developments account for 96 percent of the new multi housing authorized for construction during 2014. During the year jurisdictions in the State authorized 5,577 new housing units for construction in 140 buildings containing five or more units.

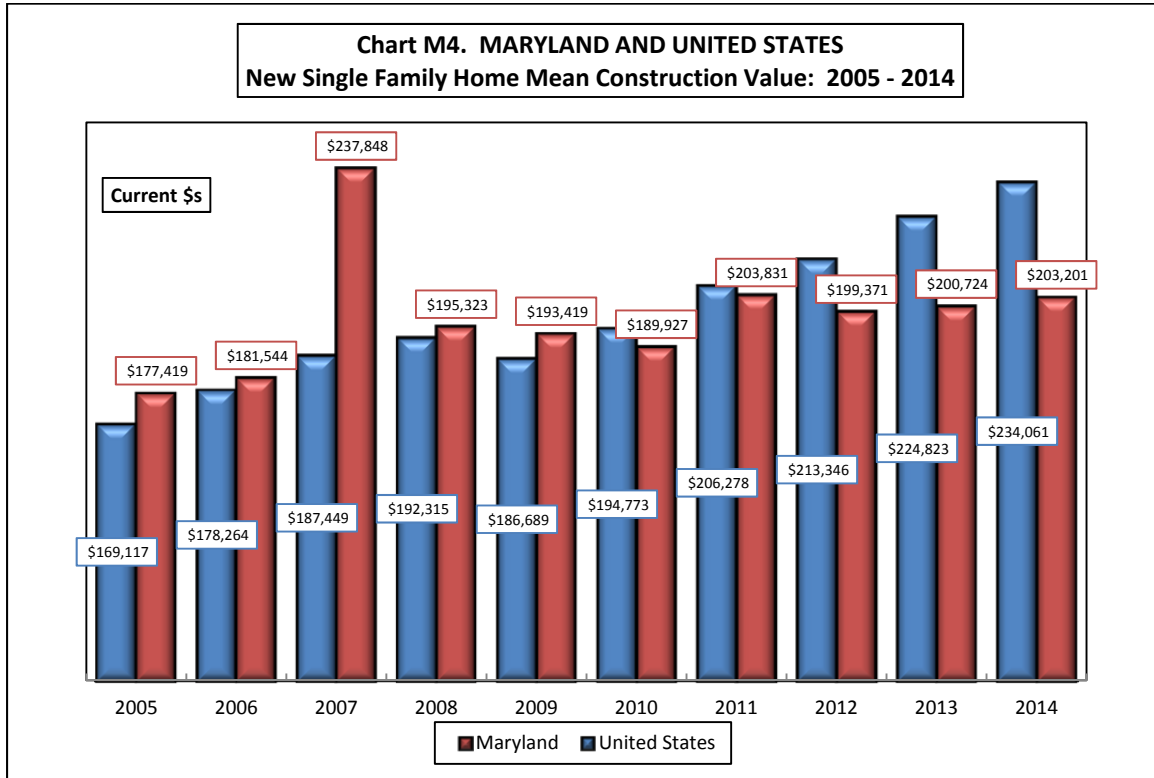
The multifamily construction market weakened during the recent recession, but not to the same extent as the single-family residential construction market. The fact remains that development of multi - family housing during the recession increased while single family home construction continued to labor.

New authorizations in Maryland’s multi - family sector jumped 15 percent from 2009 to 2010, increasing its share of the State’s new housing inventory from less than 27 percent in 2009, to over 40 percent by 2013. From 2010 through 2014, Maryland’s five year average share of new multi - family housing to total new housing is 37 percent.



Increasing multi-family housing production is not necessarily a positive long term indicator of improving economic development. Many units are authorized for construction at once, followed by a lull in construction activity as pent up demand is met.

Since multi-family housing production tends to fluctuate, its numbers may not be predictive of a sustainable economic rebound. As the economy gains strength, competition from the single family construction market will increase.



Still, aged multi-family properties must be replaced, and the demand for rental properties remain solid. The recession helped cause a shift of households from homeowners to renters. This increased the demand for rental units.

From the start of 2010 through the end of 2014, the count of renter-occupied households in Maryland increased by 38,000, more than 7,500 a year, according to the American Community Survey. This suggests the multi-family construction sector will be strong but more subdued over the near term, so despite rapid growth over recent years, additional, if slower, growth may be sustainable for multi-family home builders.

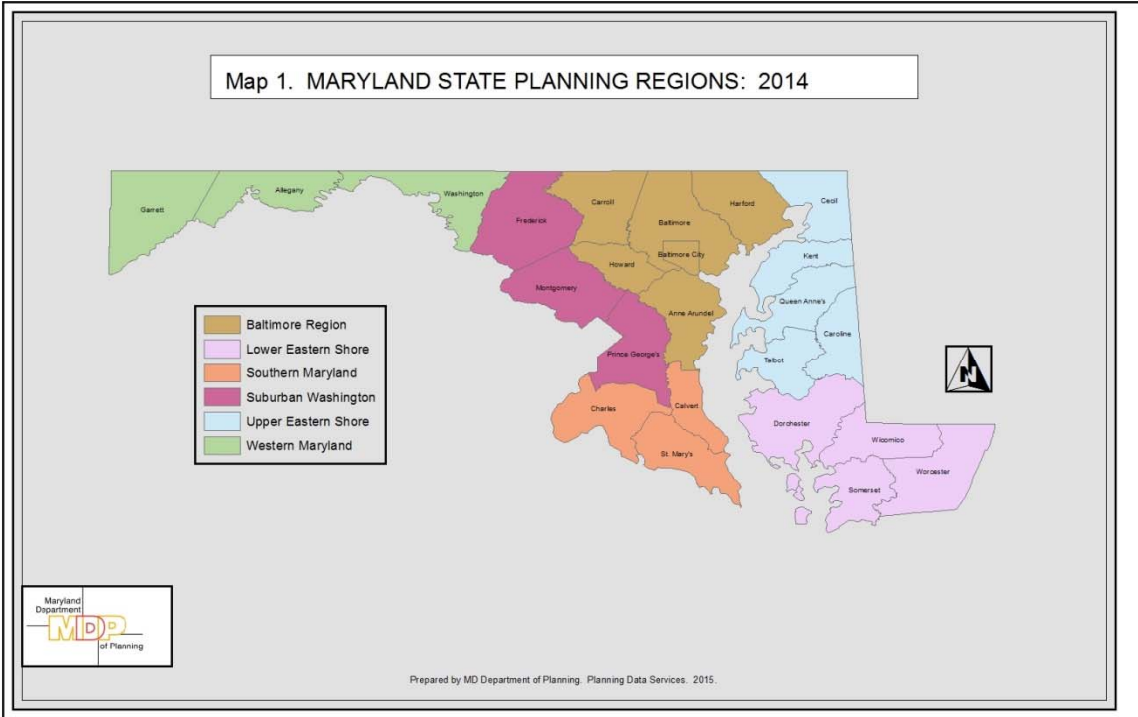
The value of new multi-family housing unit construction is placed at \$747.2 million. This is a substantial increase (12 percent or \$72.1 million) from 2013. (See also Chart M3. **MARYLAND New Housing Units Authorized for Construction Value of Construction by Structure Type: 2013 – 2014.**)

New single family housing units have a construction value placed at \$2.1 billion during 2014, which is about the same as in 2013. It accounts for 74 percent of the value of all new housing unit construction in the State.

The 2014 average cost of building a new single family housing unit in the United States is \$234,061. This is 15 percent higher than the construction cost in Maryland. The average construction cost of a new single family home in the State is \$203,201.

This is slightly higher (just over one percent) than the mean construction value in 2013. Since 2010, Maryland homebuilding costs are considerably lower than the national average. (See also Chart M4. **MARYLAND AND UNITED STATES New Single Family Home Mean Construction Value 2005 – 2014.**)

**State Planning Region: 2014<sup>4</sup>**



There are six State Planning Regions in the State of Maryland. They are the Baltimore Region, the Lower Eastern Shore Region, the Southern Maryland Region, the Suburban Washington Region, the Upper Eastern Shore Region and the Western Maryland Region. The component jurisdictions of each region are displayed on Map 1.

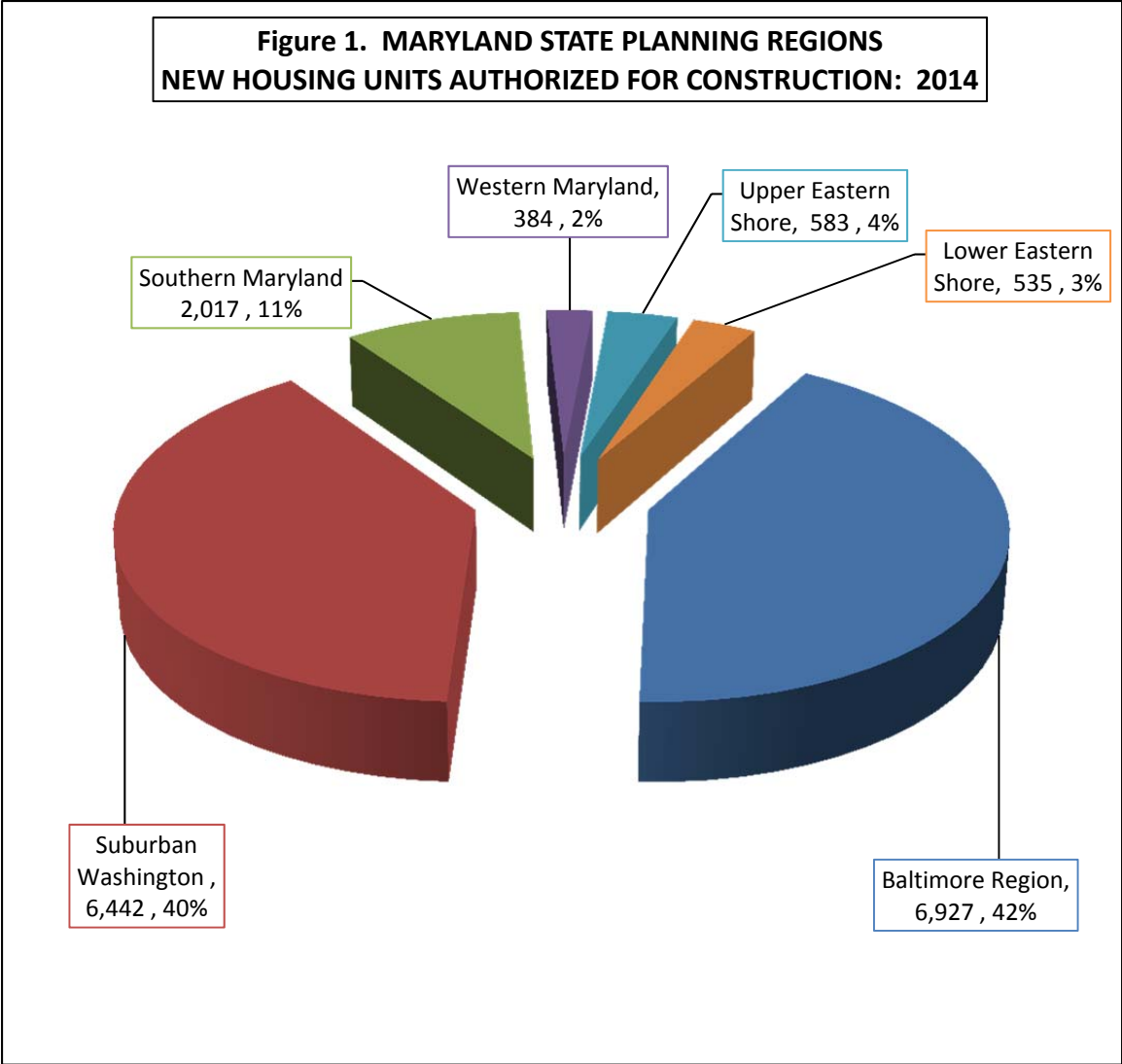
**Baltimore State Planning Region**

Of all Maryland State Planning Regions, the Baltimore Region has the largest population. Comprised of Anne Arundel, Baltimore, Carroll, Harford and Howard Counties and

<sup>4</sup> See **Table 3.** MARYLAND, REGION AND COUNTY GROUP New Housing Units Authorized for Construction by Building Permits: 2014 Building, Units, Structure Type and Value; and See **Table 4.** MARYLAND, REGION AND COUNTY GROUP New Housing Units Authorized for Construction by Building Permits: 2013 Building, Units, Structure Type and Value.

Baltimore City, the Baltimore State Planning Region hosts 2,737,070 residents according to estimates from the U. S. Bureau of the Census’ 2014 Population Estimates. These jurisdictions account for 46 percent of the State’s total population of 5,976,407 persons.

During 2014, Baltimore State Planning Region permit issuing places authorized 6,927 new housing units for construction. (See Figure 1). This is over 42 percent of the State’s new residential construction activity. Construction in 2014 is a decrease of 1,587 units (nine - percent), from the previous year. Anne Arundel and Howard Counties authorized most of the Region’s new housing delivering 2,441 and 1,446 units, respectively.

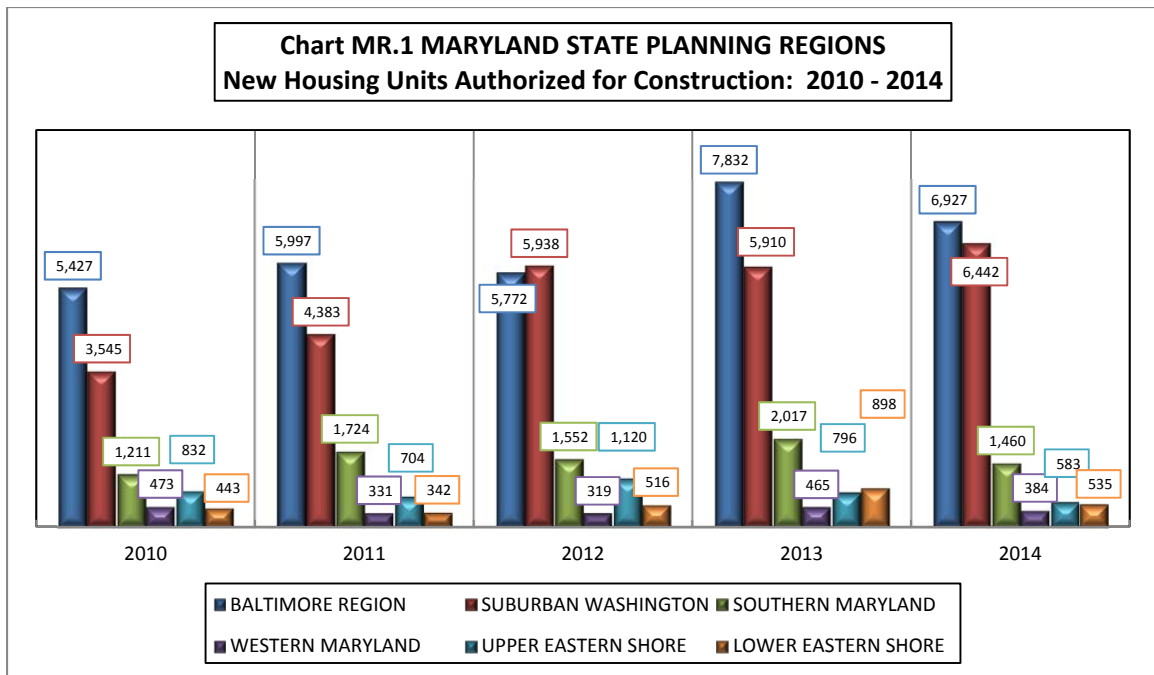


(See also Chart MR.1 **MARYLAND STATE PLANNING REGIONS New Housing Units Authorized for Construction: 2010 – 2014**, and Chart MR.2 **MARYLAND STATE PLANNING REGIONS New Housing Units Authorized for Construction Annual Percent Change: 2010 – 2014.**)



The value of the Region’s new home building is placed at \$1.14 billion. This is the highest total value for new residential construction of any State Planning Region. It represents just over 39 percent of State’s total cost of new residential construction of \$2.9 billion

There are 4,494 new single family housing units authorized for construction during 2014 in the Baltimore State Planning Region. This is an increase of two percent over the 4,014 single family homes built in 2013. (See also Chart MR.3 **MARYLAND STATE PLANNING REGIONS New Housing Units Authorized for Construction by Structure Type: 2014.**)



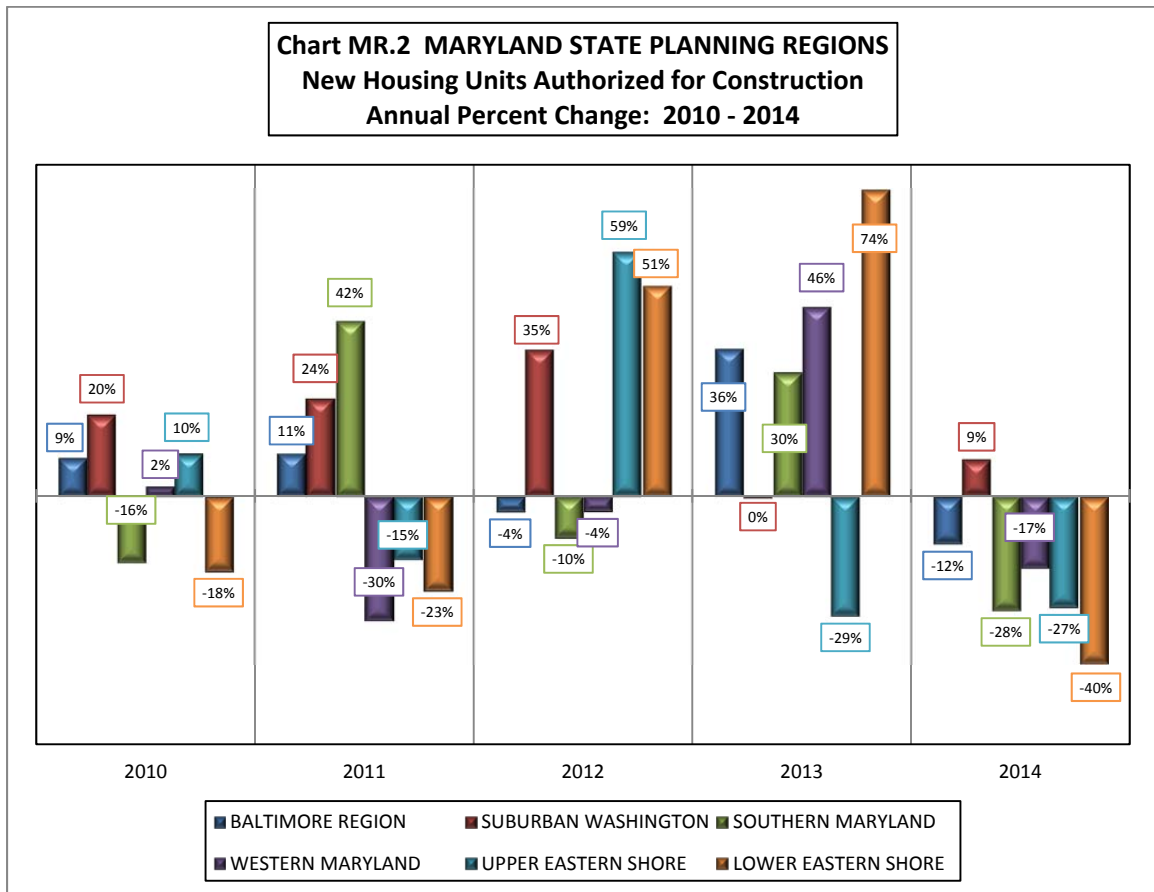
Single family housing accounts for 65 percent of the Region’s new housing. The value of new single family home construction in the Baltimore Region is \$851.9 million. The highest number of new single family homes are built in Anne Arundel (1,678 new houses) and Howard (931 new houses). (See also Chart MR.4 **MARYLAND STATE PLANNING REGIONS Change in New Single Family Home Construction: 2010 - 2014.**)

The average construction value of a new single-family home is \$189,569. This is about seven percent lower than the mean cost Statewide (\$203,201), and ranks fifth among the six State Planning Regions. (See also Chart MR.5 **MARYLAND AND STATE PLANNING REGIONS New Single Family Home Average Construction Value: 2013 and 2014.**)

New multi – family housing units accounts for 35 percent of all new housing construction in the Baltimore State Planning region. Permit issuing places in the Region authorized 2,433 new multi-family housing units for construction in 92 buildings during

2014. This is a substantial decrease (29 – percent) from the 3,418 new multi - family housing units authorized for construction during 2013.

The value of multi-family housing construction is placed at \$291,874,243 or 39 percent of the State’s new multi–family housing unit construction value. Nearly 97 percent of these units (2,349 dwellings) are in buildings containing five or more units.



For the year multi - family housing construction in the Baltimore State Planning Region accounts for 42 percent of all new multi-family units Statewide. Anne Arundel (763 units) and Baltimore City (580 units) authorized the highest number of multi-family housing units. (See also Chart MR.6a **MARYLAND AND SPECIFIED PLANNING REGIONS New Multi - Family Housing Units Authorized for Construction: 2010 - 2014.**)

***Suburban Washington State Planning Region***

The population living in the Suburban Washington State Planning Region is the second highest among State regions with 2,178,552 residents according to 2014 population estimates from the U. S. Bureau of the Census. Consisting of Frederick, Montgomery

and Prince George's Counties, the region contains 36 percent of the State's total population.

The Suburban Washington Region is the only State planning region to report an increase in the number of new housing units authorized for construction from the previous year.

Permit issuing places in Suburban Washington authorized 6,442 new housing units for construction during 2014, accounting for 39 percent of the State's new residential construction activity. The 2014 value of the Region's new residential construction is placed at \$1.1 billion or 38 percent of the State's aggregate value of new residential construction. Most of these new dwellings (3,839 housing units) will be built in Montgomery County.

Suburban Washington's 2014 housing construction is an increase of 532 units (nine percent) over 2013 totals. Almost 55 percent of the new housing units authorized for construction in Suburban Washington (3,539 new homes) are single family housing units. This accounts for one-third of the State's new single family housing units during 2014.

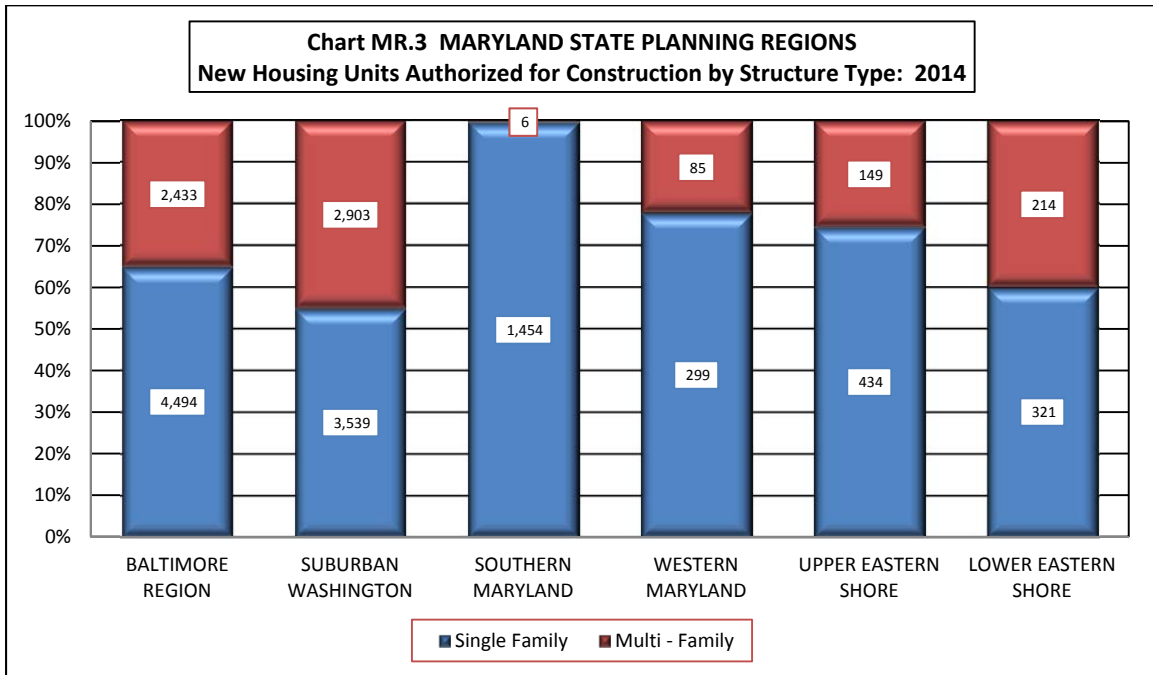
New single family housing construction in the Suburban Washington State Planning Region declined slightly from 2013 through 2014. The number reported in 2014 is down less than one percent from the 3,550 new homes reported the previous year.

The average construction cost for a new single-family home in Suburban Washington is \$207,318. This is the third highest average construction cost for a new single family house among the State's six state Planning regions, and is two percent higher than the State average of \$203,201.

There is a high level of multi-family housing construction activity reported by permit issuing places in the Suburban Washington State Planning Region. It accounts for more than half of the 5,790 new multi-family housing units authorized for construction Statewide. The Region's 2,903 new multi-family housing units is an increase of 23 percent over the 2,360 new multi-family housing units authorized in 2013.

The value of new multi-family housing unit construction in the Suburban Washington State Planning Region is placed at \$366 million. This is 49 percent of the State's total construction value of \$747 million reported for new multi-family developments.

Most of Suburban Washington's new multi-family construction activity takes place in Montgomery County. Eight of 10 new multi-family units built in the region are placed in Montgomery (2,399 new dwellings). Nearly all of which (97 percent or 2,805 new dwellings), will be in buildings containing five or more units.



In Frederick all 504 new multi-family housing units are in buildings containing five or more units. Prince George’s County did not report any new multi-family housing units authorized for construction during 2014.

***Southern Maryland State Planning Region***

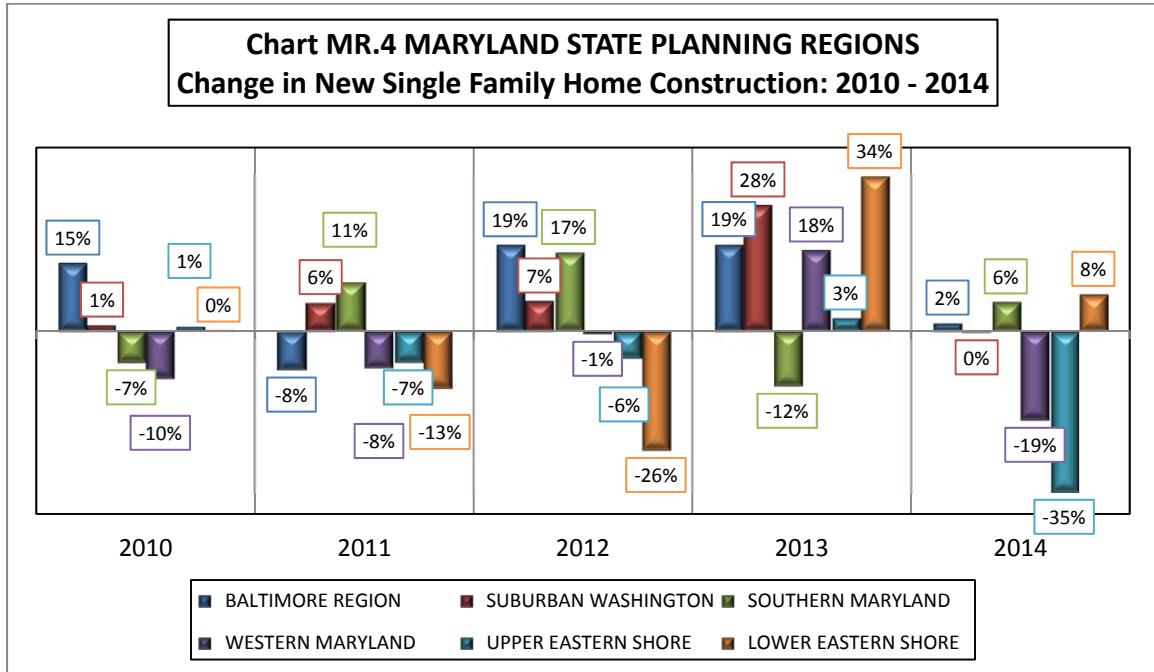
The Southern Maryland State Planning Region comprises Calvert, Charles and St. Mary’s Counties. According to 2014 population estimates from the U. S. Bureau of the Census, the Region is home to 355,742 persons, accounting for six percent of the State’s total population of 5,976,407 persons.

Southern Maryland accounts for nearly nine percent of the State’s total new housing construction activity in 2014. During the year the Region’s permit issuing places authorized 1,460 new housing units for construction.

This is 557 fewer units than the 2,017 units authorized during 2013, a decrease of almost 28 percent. Most of the Region’s new housing (54 percent) will be built in Charles County, where permit issuing places authorized 790 new housing units.

The value of new housing construction in the Region is placed at \$337 million. This is 12 percent of the State’s \$2.9 billion value of new residential construction. Practically all of Southern Maryland’s new residential construction (1,454 of 1,460 new housing units) is made up of single family homes.

New single family housing construction in the Southern Maryland State Planning Region increased substantially slightly from 2013 through 2014. The number reported in 2014 is up six percent from the 1,366 new homes reported the previous year.



The average value of construction for a new single family home in the Southern Maryland State Planning region is placed at \$230,991. This ranks second among the State’s six planning regions, and nearly 14 percent higher than the statewide average cost of \$203,201.

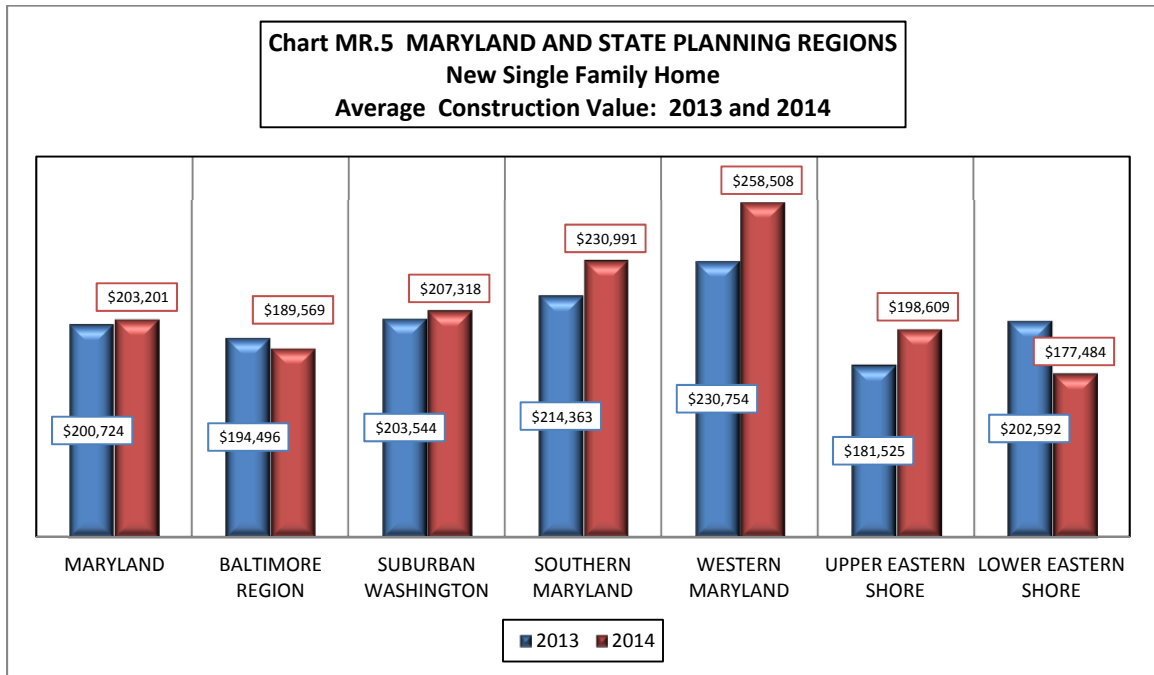
Very little multi - family housing construction took place in Southern Maryland in 2014. Charles County authorized the construction of one residential development that contained six multi - family housing units. This is the Region’s only new multi – family building. The construction value of this building is placed at \$1.1 million. (See also Chart MR.6b **MARYLAND AND SPECIFIED PLANNING REGIONS New Multi - Family Housing Units Authorized for Construction: 2010 - 2014.**)

***Western Maryland State Planning Region***

The Western Maryland State Planning Region is composed of Allegany, Garrett and Washington Counties. These counties contain 252,204 persons, or four percent of the State’s population according to 2014 population estimates from the U. S. Bureau of the Census.

Permit issuing places in these jurisdictions authorized 384 new housing units during 2014. This is just over two percent of the State’s new housing construction. Seven of 10

new housing units authorized for construction in Western Maryland are being built in Washington County (274 dwellings).



Western Maryland’s 2014 housing production is a decrease of 81 units (17 percent), compared to the number of housing units authorized for construction in 2013. Single family home construction accounts for 78 – percent of the new residential development in the Western Maryland State Planning region. During 2014 there were 299 single family housing units authorized for construction.

The 2014 value of new residential construction in the region is placed at \$84.8 million. This is three percent of the State’s new housing unit construction value. Western Maryland’s 2014 value of new residential construction is nine percent less than the value of construction reported during 2013 (\$93.7 million).

New single family housing construction in the Western Maryland State Planning Region decreased substantially from 2013 through 2014. The number reported in 2014 is a reduction of 19 - percent from 371 new homes reported the previous year.

The average cost for building a new single family home in the Western Maryland Region is \$258,508. This is the highest among State Planning Regions. It is 27 percent higher than the State’s average construction cost of \$203,201

Garrett County has the State’s highest new single family home average value of construction. New homes in Garrett, on average, cost \$368,990 to build. The high value

of Garrett’s single family construction is most likely tied to the construction of vacation homes in the vicinity of Deep Creek Lake.

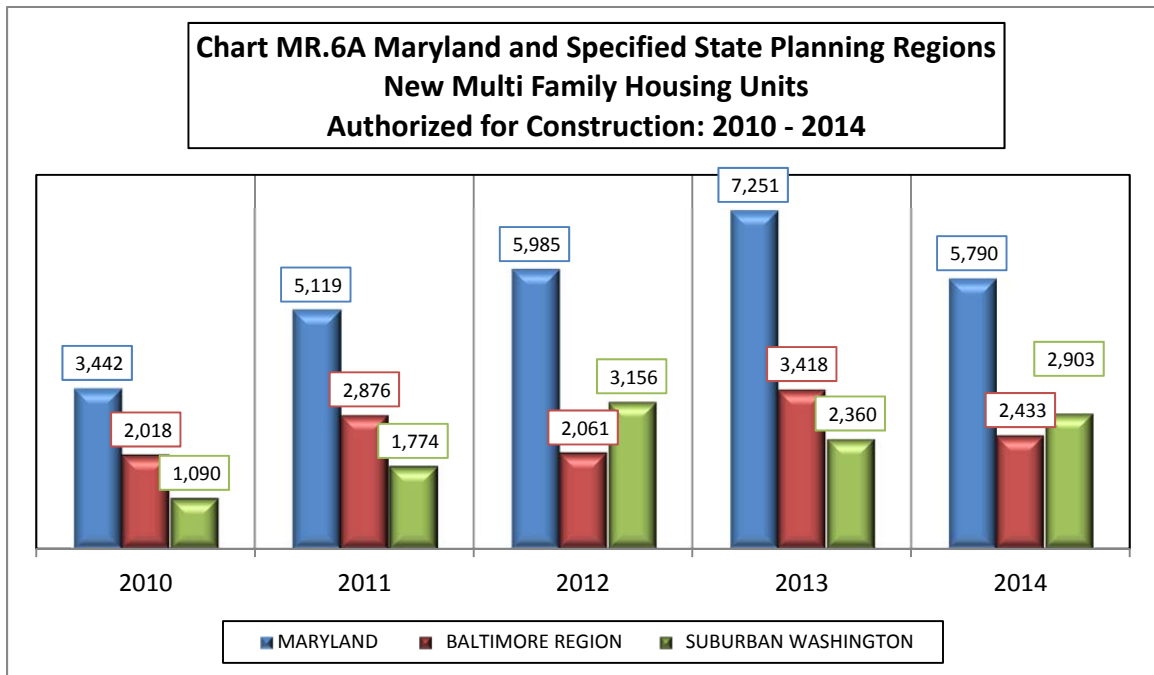
Relative to the rest of the State, little multi - family housing construction takes place in Western Maryland. During 2014, five new buildings containing 85 multi-family housing units were authorized for construction by building permit issuing places in the Region.

Permit issuing places in Washington County authorized four buildings containing 80 new housing units, and Allegany County permit issuing places authorized one building containing five new housing units. Garrett County did not authorize the construction of any new multi – family housing units during the year

The value of multi–family housing construction in Western Maryland is placed at \$7.5 million during 2014. The current value of multi - family housing construction reflects a net decrease from \$8.1 million reported in 2013, when seven multi - family buildings containing 94 housing units were authorized for construction in the region’s permit issuing places.

**Upper Eastern Shore State Planning Region**

Caroline, Cecil, Kent, Queen Anne’s and Talbot Counties comprise the Upper Eastern Shore State Planning Region. According to 2014 population estimates from the U. S. Bureau of the Census, the total population is 241,188 persons, accounting for four percent of the State’s total population of 5,976,407 persons.



During 2014, Upper Shore Region permit issuing places authorized 583 new housing units for construction, a decrease of 213 units (27 percent) from 2013. New housing in the Region accounts for nearly four percent of the State's total new housing construction.

The value of the Region's new residential construction is placed at \$143 million. Most of the construction takes place in Cecil County. The 278 new housing units authorized for construction in Cecil County permit issuing places represent 48 percent of the Region's total.

Permit issuing places on the Upper Eastern Shore Region authorized 434 new single family homes during 2014. Single family home construction accounts for 74 percent of all new housing construction in the five counties.

The Region's new single family housing construction decreased substantially from 2013. The number reported in 2014 is down 35 - percent from the 669 new homes reported the previous year.

The value of new single family home construction is placed at \$86.2 million. The region's average construction value for a new single-family home is \$198,609. This is two percent below the State average of \$203,201 for the cost of constructing a new single family home.

Compared to most of the State, little multi - family housing construction takes place in the Upper Eastern Shore. The value of the Region's new multi-family housing construction is placed at \$56.8 million.

Most of the multi – family housing construction takes place in Cecil County. Cecil permit issuing places authorized 15 buildings containing 144 residential units. One multi - family structure containing five housing units is reported for Queen Anne's County. Caroline, Kent and Talbot Counties did not report any new multi - family housing construction activity during 2014.

### ***Lower Eastern Shore State Planning Region***

Dorchester, Somerset, Wicomico and Worcester Counties comprise the Lower Eastern Shore State Planning Region. The 2014 U. S. Census Bureau population estimate for these jurisdictions is 211,651 persons. The region's population accounts for almost four percent of the State's total population of 5,976,407 persons.

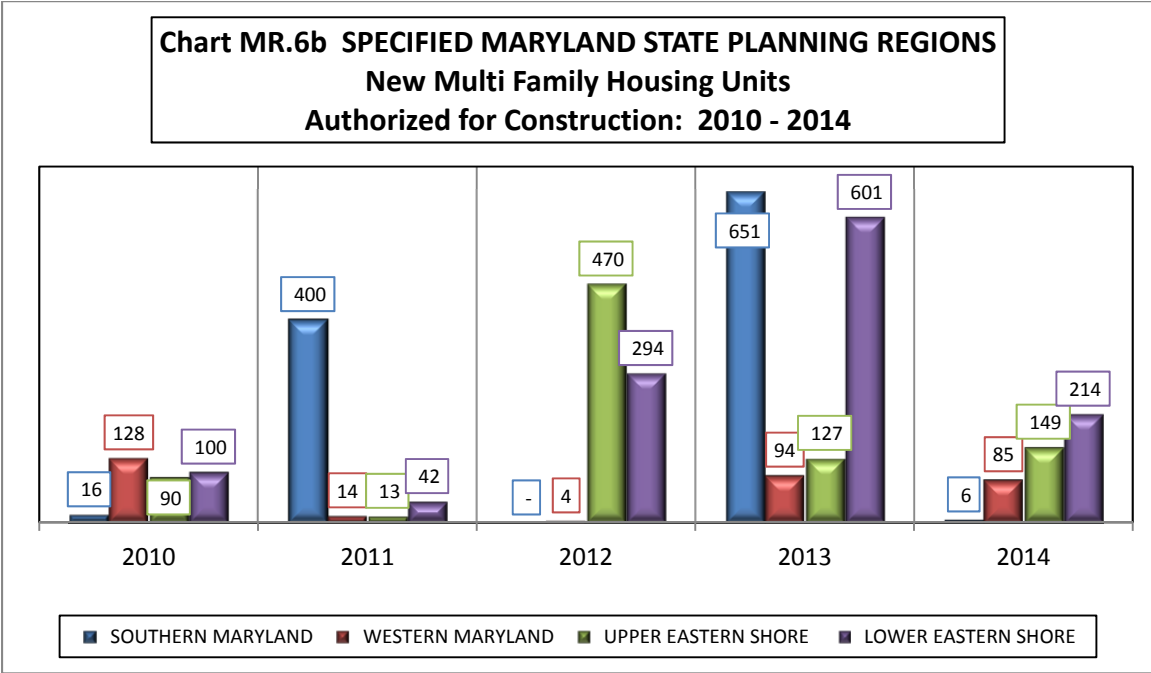
During 2014, permit issuing places in the Lower Eastern Shore Region authorized 535 new housing units for construction. New residential development in the Lower Eastern Shore accounts for three percent of the new residential construction activity in the



State. The value of new home building in the four counties is placed at \$81.3 million. The majority of the new construction takes place in Worcester. Permit issuing places in the County authorized 200 new units for construction. This is 37 percent of the Region’s total.

New residential construction activity in the Lower Eastern Shore State Planning Region during 2014 represents a decrease of 363 units (40 percent), from 2013 when 898 new housing units were authorized for construction. This is the largest percent decrease experienced by any Maryland State Planning Region.

Single family homes account for 60 percent of Lower Eastern Shore new housing (321 dwellings). New single family housing construction during 2014 is eight percent higher than in 2013 when 297 new homes were built.



The average construction value of the Region’s a new single family homes is \$177,484. This is nearly 13 percent lower than the statewide average construction cost of \$203,201.

The Lower Eastern Shore Region authorized the construction of 214 new multi-family housing units during 2014. This is a decrease of over 65 percent from 2013 when 601 new multi - family housing were authorized for construction.

The 2014 value of construction for multi-family dwellings in the Eastern Shore is \$24.3 million. Nearly all of the new multi-family housing is in buildings containing five or more units (183 units or 86 percent).

**Residential Development Areas: 2014<sup>5</sup>**

Most new residential development in the State is moderate density, single-family housing units built on small plots of land. These new housing units are built in counties within commuting distance of major employment centers. The physical geography of this development is categorized by four features related to urbanization (see Map 2). These features are:

- The jurisdiction's geographic proximity to the population cores of Baltimore City or the District of Columbia;
- The jurisdiction's population size;
- The jurisdiction's weighted population density; and
- The jurisdiction's current population trends.
- 

Listed below are the five categories and their component jurisdictions:

1. **Inner Suburban** (Anne Arundel, Baltimore, Montgomery and Prince Georges Counties);
2. **Outer Suburban** (Calvert, Carroll, Cecil, Charles, Frederick, Harford, Howard, Queen Anne's and St. Mary's Counties);
3. **Exurban** (Allegany, Washington and Wicomico Counties);
4. **Non – suburban** (Caroline, Dorchester, Garrett, Kent, Somerset, Talbot and Worcester Counties); and
5. **Urban** (Baltimore City).

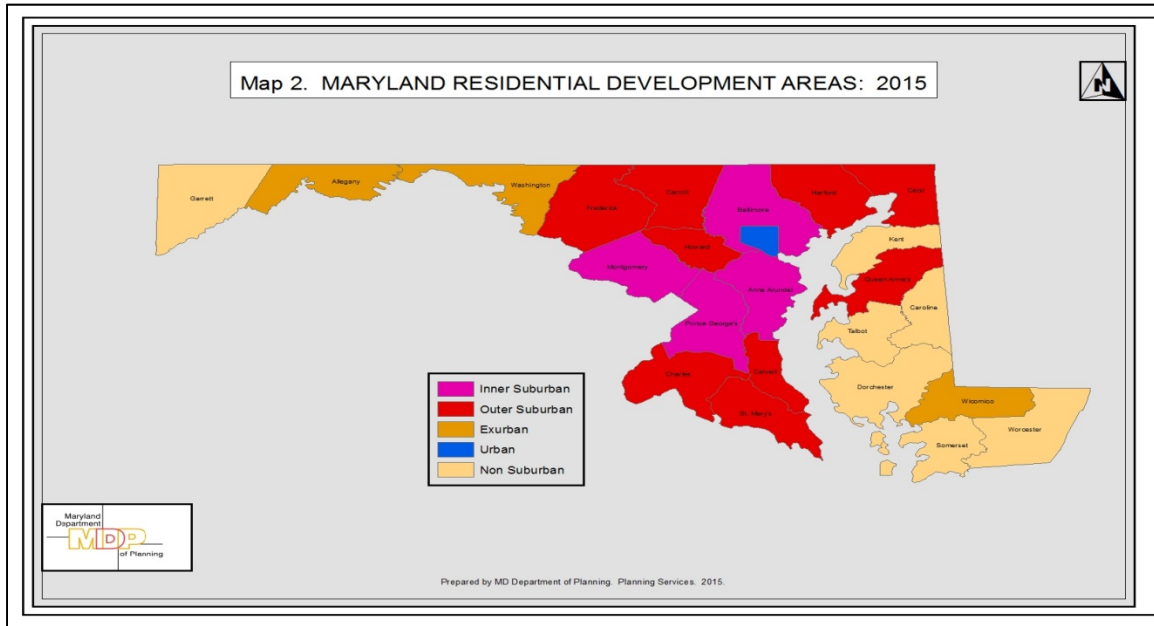
Within the State's 24 primary jurisdictions, over 86 percent of the State's population (5,123,822 of 5,976,407 persons), lives in the 16 jurisdictions classified Suburban; (56 percent live in Inner Suburban jurisdictions, 25 percent live in Outer Suburban jurisdictions, and five percent live in Exurban jurisdictions), according to 2014 population estimates from the U. S. Bureau of the Census.

Ten percent of the State's population lives in Baltimore City, the only primary jurisdiction classified Urban. Four percent of the population lives in primary jurisdictions not classified as suburban or urban.

During 2014, Suburban jurisdictions authorized the construction of 14,296 new housing units. This accounts for 91 percent of the State's total new residential construction. (See Figure 2.)

<sup>5</sup> See **Table 3**. MARYLAND, REGION AND COUNTY GROUP New Housing Units Authorized for Construction by Building Permits: 2014 Building, Units, Structure Type and Value; and See **Table 4**. MARYLAND, REGION AND COUNTY GROUP New Housing Units Authorized for Construction by Building Permits: 2013 Building, Units, Structure Type and Value.

The Suburbs authorized 1,141 fewer housing units in 2014 than in 2013, a decrease of seven percent. This is the first year Suburban housing production declined from the previous year since 2009 when 9,919 units were authorized for construction.

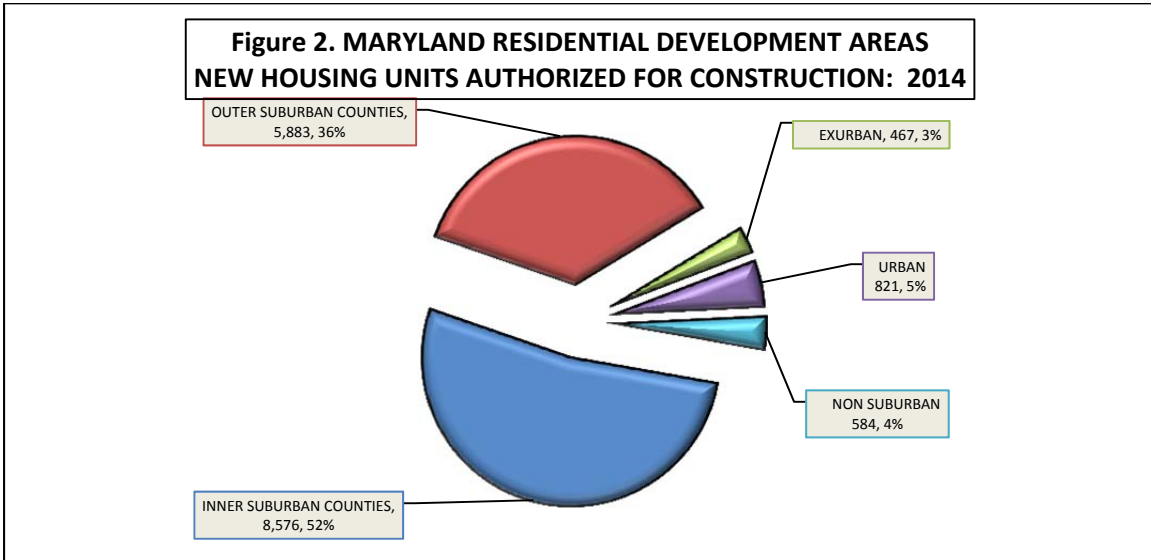


During 2014 suburban areas authorized 9,874 new single family homes for construction. This is 94 percent of the State’s new single family homes. These dwellings have an aggregate construction value placed at \$2.7 billion with an average cost to build of \$202,365 or slightly less than the statewide average of \$203,201. (See also Chart MS.1 **MARYLAND SUBURBAN AREAS New Housing Units Authorized for Construction by Structure Type: 2010 – 2014.**)

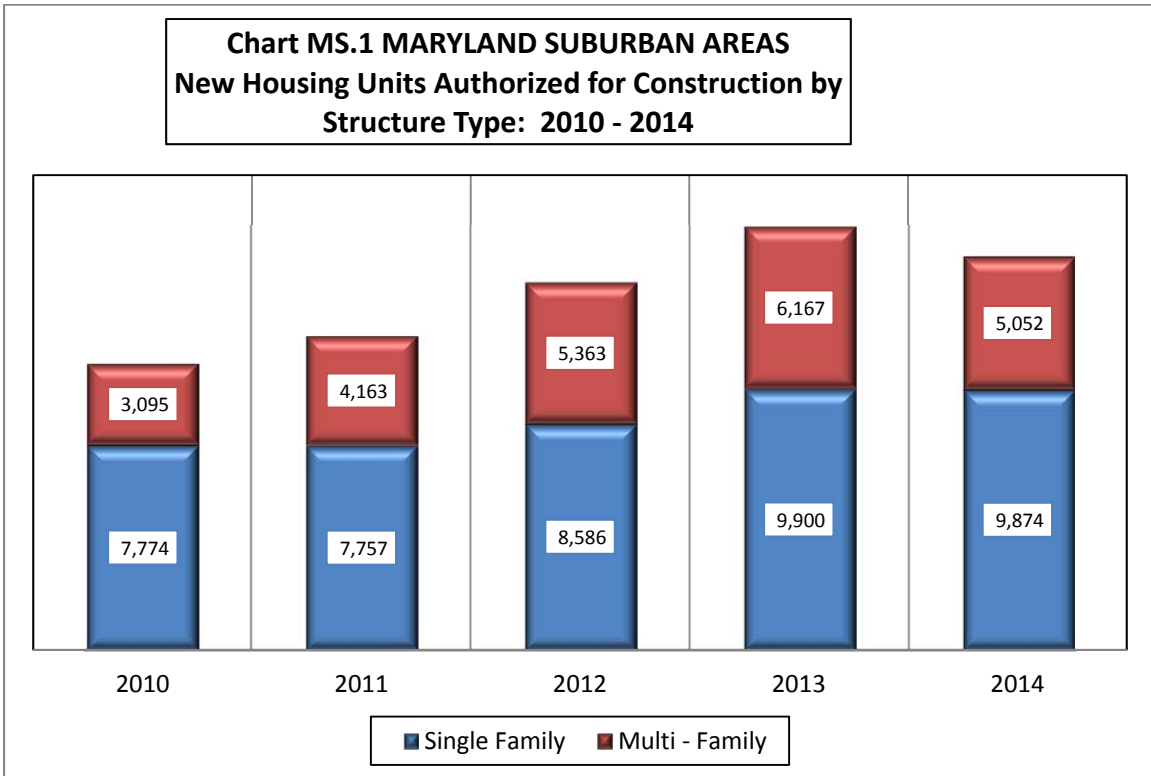
Maryland’s suburban builders produced 5,052 new multi-family housing units during 2014. This is 87 percent of the State’s new multi-family housing unit inventory. The 2014 figure represents a decrease of 18 percent from the 6,167 authorized the previous year.

The number of new multi – family units authorized for construction during 2014 is the lowest number reported for multi-family residential development since 2010. In that year Suburban permit issuing places authorized 3,095 new units in multi - family unit buildings.

The 2014 construction value of multi-family housing construction in Suburban jurisdictions is placed at \$671 million, an increase of 18 percent (\$103 million) over the value of construction reported in 2013.



Most of the new multi-family units are garden style or high rise apartments or condominiums (96 percent or 4,872 units). The value of which is placed at \$649 million or 90 percent of the total value of multi-family housing in the suburbs.



### ***Inner Suburban Counties***

Anne Arundel, Baltimore, Montgomery and Prince George's Counties are the State's Inner Suburban jurisdictions. They share political boundaries with either Baltimore City or Washington, DC, and have longstanding employment and transportation ties to the population cores of one or both of the two cities.

The Inner Suburban Counties contain more than half of the State's population, according to the 2014 Five Year American Community Survey. These jurisdictions contain 3,321,935 persons. This is 56 percent of the State's total population and 65 percent of Maryland's suburban population.

During 2014, Inner Suburban permit issuing places authorized 8,576 new housing units. This accounts for 53 percent of the State's new residential construction. (See Also Chart MD 1. **MARYLAND RESIDENTIAL DEVELOPMENT AREAS New Housing Units Authorized for Construction: 2010 – 2014.**)

It is also the only development area to increase housing production from 2013 to 2014. New housing units authorized for construction increased 933 housing units (12 percent) over what was authorized for construction the previous year. (See Also Chart MD 2. **MARYLAND RESIDENTIAL DEVELOPMENT AREAS Change in New Housing Units Authorized for Construction: 2010 – 2014.**)

Statewide, about one half (5,224) of the State's 10,541 new single family homes are built in these four counties. Single Family home construction during 2014 is an increase of 278 single family housing units from 2013, or nearly six percent.

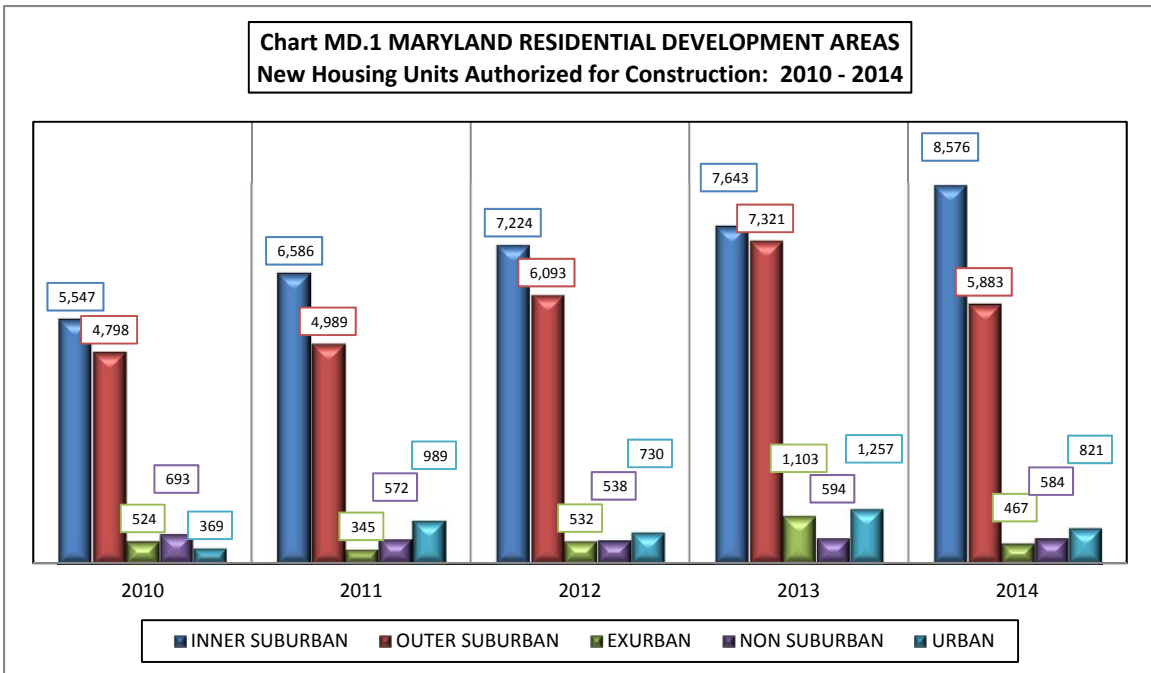
The Inner Suburban counties authorized the construction of 3,352 new multi-family housing units during 2014. This represents an increase of 24 percent from the 2,697 new multi-family housing units authorized for construction the previous year. (See also Chart MD 3. **MARYLAND AND RESIDENTIAL DEVELOPMENT AREAS New Housing Units Authorized for Construction by Structure Type: 2014.**)

The value of new residential construction in the Inner Suburban jurisdictions is placed at \$1.4 billion. This is 54 percent of the State's value of residential construction in the suburbs, and 50 percent of the State's total value of residential construction in 2014. (See also Chart MD 4. **MARYLAND RESIDENTIAL DEVELOPMENT AREAS Value of New Housing Unit Construction: 2013 - 2014.**)

The value of new single family home construction is placed at \$1 billion. The average construction value of an Inner Suburban new single family home is \$193,364. This is one percent higher than the average value of construction for a single family home reported in 2013 (\$191,308). It is almost five percent below the Maryland average construction

value of \$203,201 for a newly built home. (See also Chart MD 5. ***MARYLAND AND RESIDENTIAL DEVELOPMENT AREAS New Single Family Home Average Construction Value: 2013 - 2014.***)

The value of constructing multi-family buildings in the Inner Suburban counties is placed at \$433 million. Nearly 96 percent of the area’s new multi-family construction value is from producing new apartment or condominium buildings. The Inner Suburban permit issuing places authorized the building of 3,198 units in 47 new buildings containing five or more units with a construction cost placed at \$415 million.



**Outer Suburban Counties**

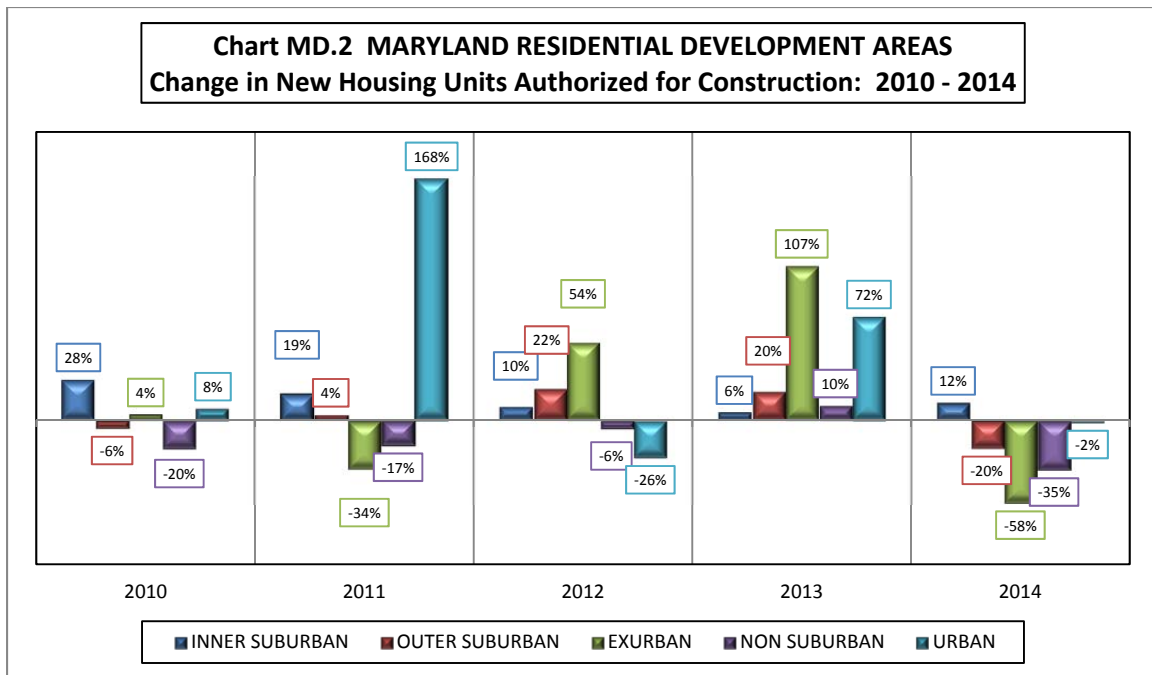
Calvert, Carroll, Cecil, Charles, Frederick, Harford, Howard, Queen Anne’s and St. Mary’s Counties comprise the Outer Suburban Counties. These are counties that neighbor Inner Suburban Counties and are the fastest growing jurisdictions in the immediate vicinity of the Baltimore City and Washington, DC population cores.

These counties contain 1,477,823 persons according to the 2014 population estimates from the U. S. Bureau of the Census. This is 29 percent of the State’s suburban area population of 5,123,822 persons, and 25 percent of the State’s total population of 5,976,407.

During 2014, Outer Suburban Counties authorized 5,883 new housing units for construction. This accounts for 36 percent of the State’s new residential construction during the year.

For the first time since 2010, new housing construction in the Outer Suburban counties is less than the previous year. The 2014 total is a reduction of 1,438 housing units compared to the 7,643 new units authorized during 2013.

The new housing inventory in the Outer Suburban Counties is mostly single family dwellings. About three – quarters (74 percent or 4,324 units) are new single family homes. The number of new single family housing units authorized for construction during 2014 is 215 less than the number of new single family housing units built in 2013 (4,539).



The 2014 value of Outer Suburban housing construction is placed at \$1.15 billion. This is 43 percent of the construction value of all new housing built in the suburbs, and 40 percent of the State’s total new housing construction value.

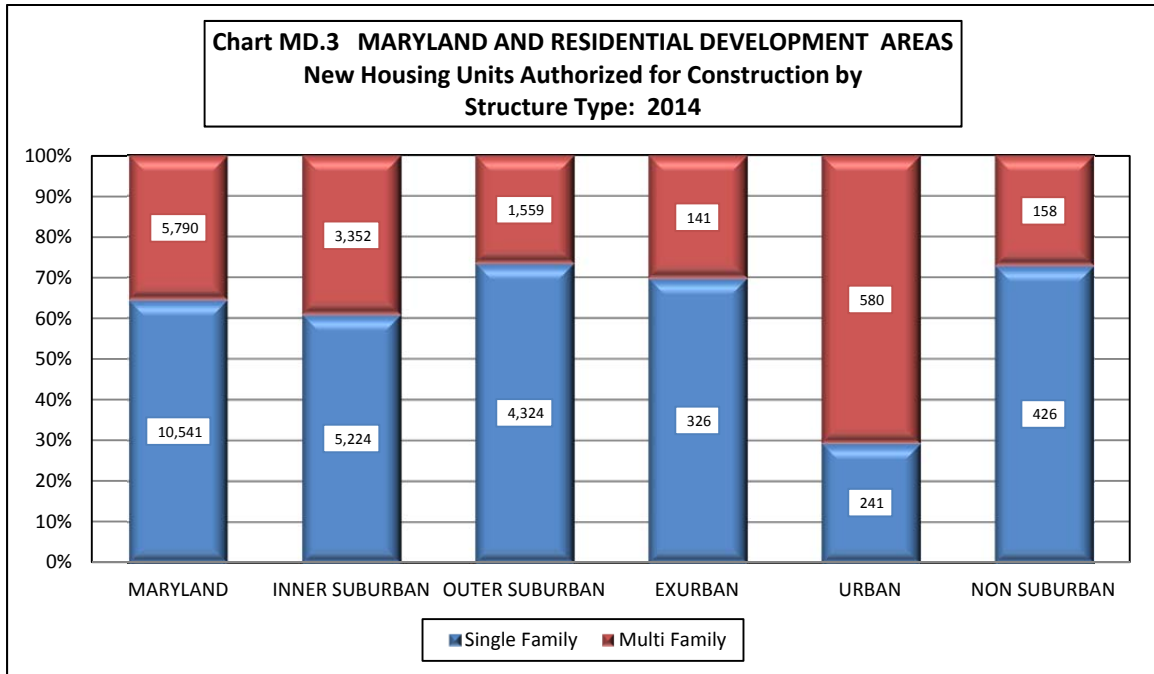
The value of new single family housing construction is placed at \$926 million. It is relatively more expensive to build a new home in the Outer Suburban jurisdictions than other suburban areas in the State.

The average new home construction cost in the Outer suburbs is \$214,318. This is 11 percent higher than the other suburban jurisdictions. It is five percent higher than the State’s 2014 average construction value of \$203,201.

Permit issuing places in Outer Suburban jurisdictions authorized 1,559 new housing units in multi-family developments during 2014. This is 27 percent of the State’s new

multi-family housing unit development activity. It represents a substantial drop (1,223 units or 44 percent) from the 2,782 new multi-family housing units authorized during 2013.

The 2014 construction value of new Outer Suburban multi-family housing units is placed at \$226 million. Nearly all (99 percent) is for the production of apartments and condominiums, as 1,539 of the new units are in buildings containing five or more units.



**Exurban Counties**

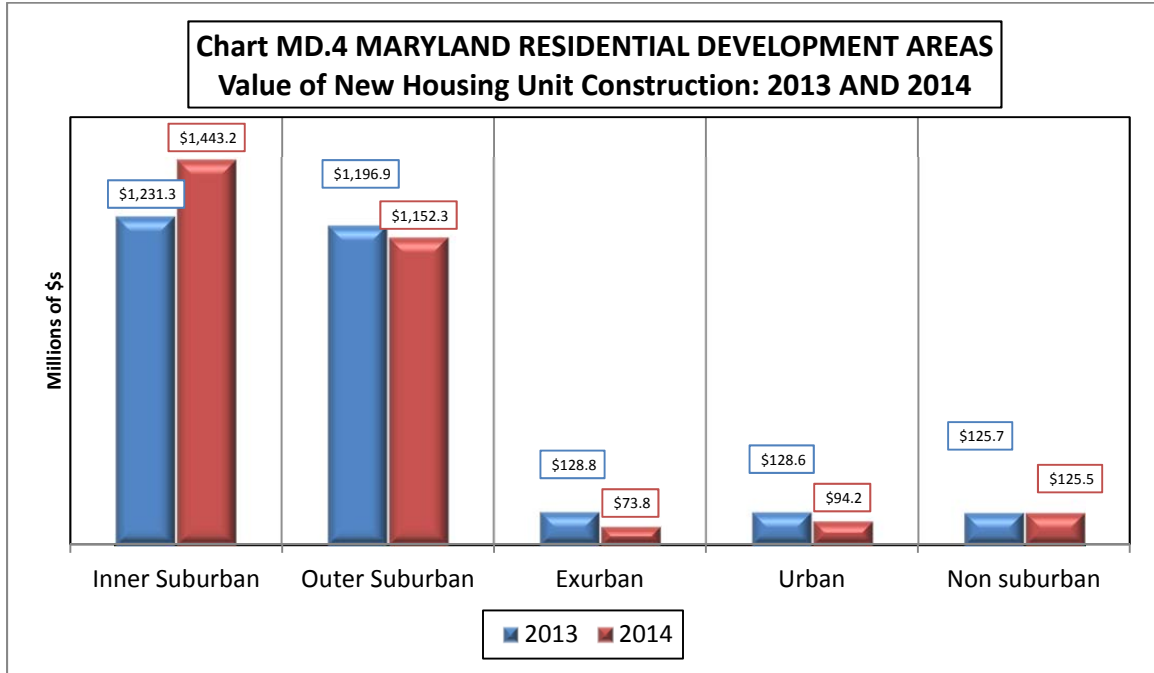
Allegany, Washington and Wicomico are classified Exurban Counties. These jurisdictions are distinct Metropolitan Statistical Area central counties, with large expanses of territory that are lightly populated. Workers from these jurisdictions are generally not a significant part of the Baltimore-Washington, DC employment interchange.

The total population in the three jurisdictions is 324,064 persons according to the 2014 population estimates from the U. S. Census Bureau. This is over five percent of the State’s total population, and over six percent of the State’s suburban population.

During 2014, these jurisdictions authorized 467 new housing units. This is a considerable drop of 636 new homes (58 percent) from the 1,103 new housing units authorized for construction during 2013. New housing construction in Exurban jurisdictions accounts for almost three percent of the State’s new residential construction in 2014.



Allegany, Washington and Wicomico Counties combined to authorize 326 new single family houses in 2014, a decrease of 89 units from the 415 single family homes authorized for construction during 2013. Single family housing accounts for 70 percent of all new housing units authorized for construction by Exurban permit issuing places.

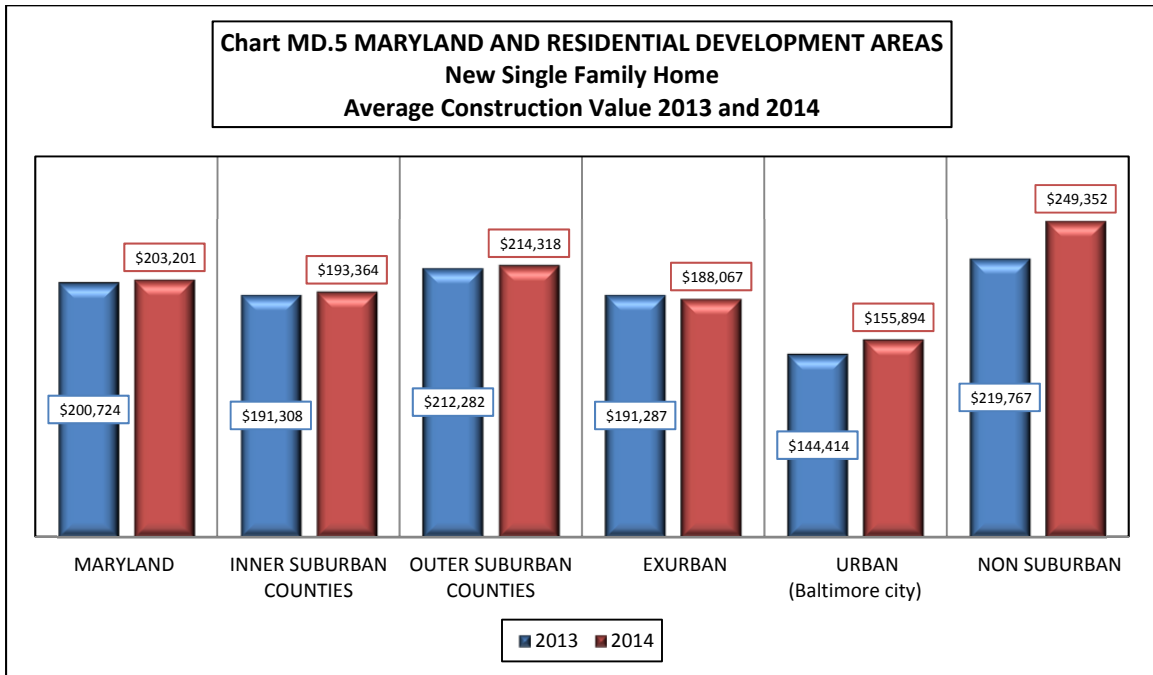


The value of new residential construction in Exurban counties is placed at \$74 million, or just almost three percent of the State’s total value of residential new construction. This is a substantial reduction in expenditures from 2013, when the value of new housing production in Exurban counties was placed at \$129 million.

The 2014 value of new single family housing construction is \$61 million in Exurban counties. The average construction value of new single family homes is \$188,067. This is seven percent below the average cost of a new single family home in Maryland. The 2014 average construction value is two percent lower than the \$191,287 average new home construction value the previous year.

The 2014 total value of multi-family building construction in the Exurbs is placed at \$12.5 million. Total spending on multi-family housing construction dropped 75 percent in Exurban jurisdictions compared to the 2013 value of \$49 million.

Multi - family construction activity in Exurban counties account for two percent of the State’s Suburban multi-family development. Permit issuing places in these jurisdictions authorized 141 new multi-family housing units for construction during 2014. This is a substantial drop from the 688 multi-family housing units authorized in these counties during 2013.



***Non-suburban Non - urban Counties***

During 2014 the State’s seven jurisdictions not classified as suburban or urban (Caroline, Dorchester, Garrett, Kent, Somerset, Talbot and Worcester Counties), authorized 584 new housing units for construction. This is almost four percent of the State’s new residential construction activity.

New residential in these jurisdictions construction in 2014 is slightly less than two percent below the 594 new housing units authorized for construction during 2013. New home building in Non suburban Development Areas of the State has trended downward since the Great Recession. Although housing construction increased from 2012 through 2013, it has, for the most part, declined continuously since 2008

The value of new housing construction in these counties is placed at \$126 million. This is four percent of the total value of State residential construction activity, and reflects a slight decrease from 2013.

There are 426 new single family homes authorized for construction in Non – suburban counties during 2014. This accounts for 73 percent of all the new residential construction. The value of new single family home construction is placed at \$106.2 million.

The 2014 average cost to build a single family home in a Non-suburban jurisdiction is \$249,352. This is higher than any suburban or urban area of the State, and is more than 22 percent higher than the average construction cost of new single family housing units

statewide (\$203,201). This is also an increase of over 13 percent from the average cost of building a new single family home in 2013.

The Non – suburban area total of new multi – family housing units authorized for construction in 2014 is 158 new multi - family housing units. This is a considerable percentage increase in multi - family housing development in Maryland’s non suburban area, representing an increase of 236 percent over the 47 multi - family housing units authorized in 2013.

Just two of the seven Non Suburban jurisdictions authorized new multi - family housing construction during the year. Somerset and Worcester authorized 92 and 66 new multi - family housing units for construction, respectively.

The value of constructing multi-family buildings in the two counties is placed at \$19 million. Of the 158 new multi - family housing units authorized for construction, 133 are in 10 buildings with a value of construction placed at \$15 million.

### **Maryland Jurisdictions<sup>6</sup>**

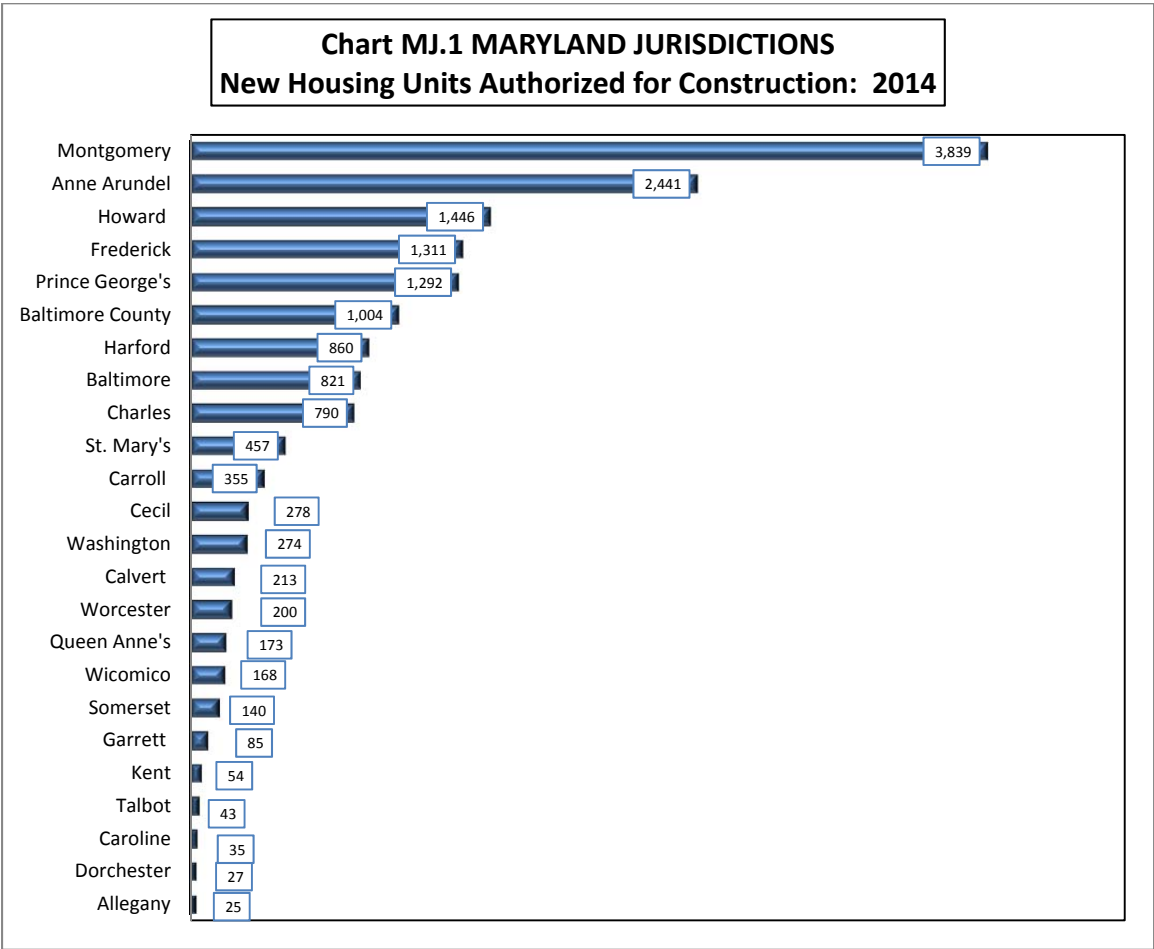
Montgomery County permit issuing places authorized 3,839 new dwellings during 2014. This is more than any jurisdiction in Maryland, and amounts to nearly one in four (24 percent) of the State’s newly built homes.

Four jurisdictions account for more than one-half of the State’s 16,331 new housing units. Montgomery, when combined with Anne Arundel (2,441 units), Howard (1,446 units) and Frederick (1,311 units), account for 55 percent of Maryland’s 2014 new housing production. (See also Chart MJ.1 **MARYLAND JURISDICTIONS New Housing Units Authorized for Construction: 2014.**)

Although the State of Maryland experienced a substantial decline in housing production from 2013 (nine percent), 10 of the State’s 24 jurisdictions report an increase in new housing construction in 2014. Jurisdictions with the highest net increase in new housing units from 2013 to 2014 are Anne Arundel, Montgomery and Prince George’s Counties. New housing construction activity in each of these jurisdictions exceeded that of the previous year by 590 new units, 553 new units, and 325 new units, respectively.

Somerset County experienced the highest annual percent increase in new housing over the period. The County’s housing production jumped 400 percent (from 28 to 140 new housing units) over the period.

<sup>6</sup> See **Table 3.** MARYLAND, REGION AND COUNTY GROUP New Housing Units Authorized for Construction by Building Permits: 2014 Building, Units, Structure Type and Value; and See **Table 4.** MARYLAND, REGION AND COUNTY GROUP New Housing Units Authorized for Construction by Building Permits: 2013 Building, Units, Structure Type and Value.

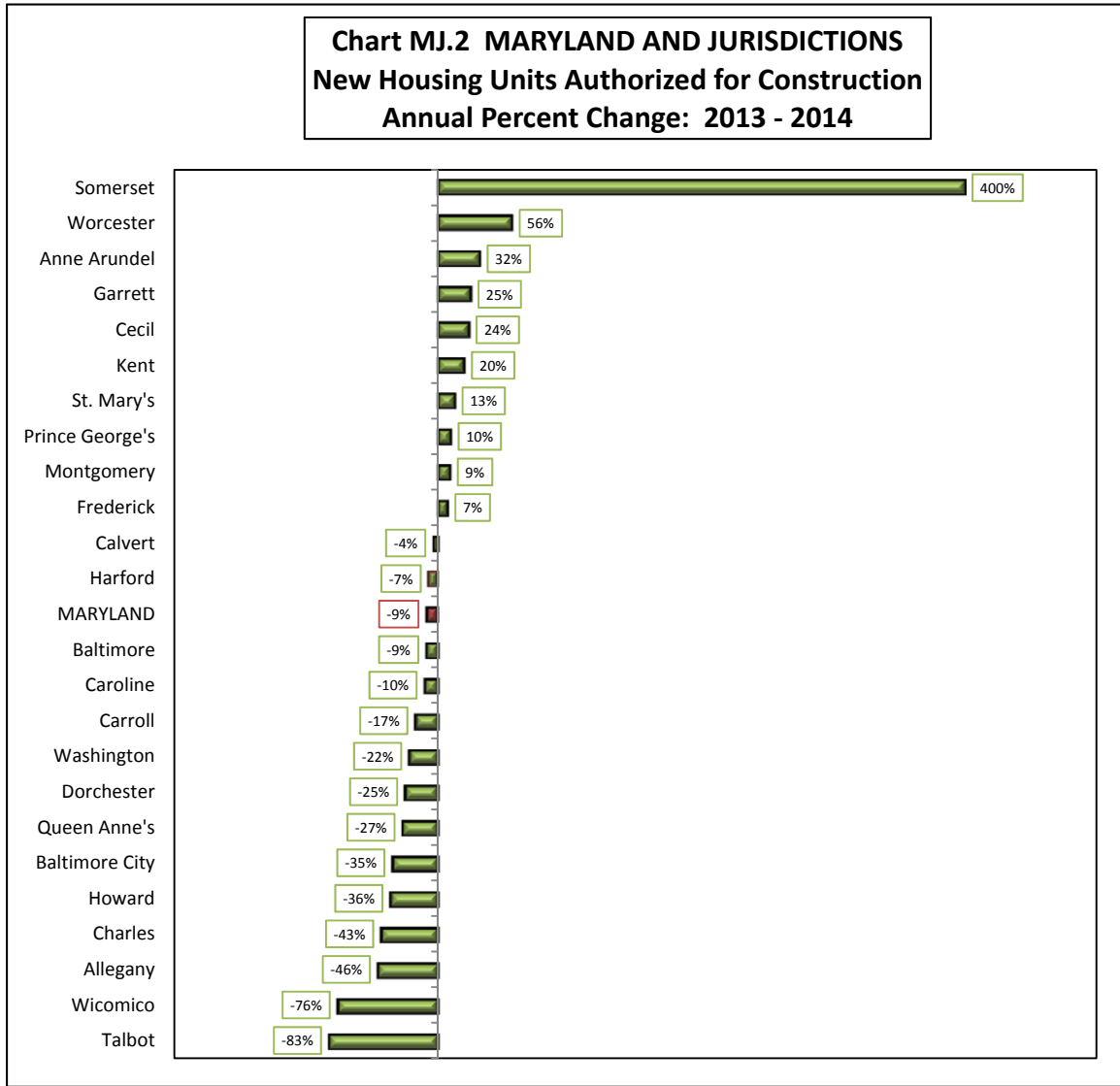


Other jurisdictions with very high percentage increases in new housing units from the previous year include; Worcester (56 percent, an increase of 72 to 200 total new units), Anne Arundel (32 percent, an increase from 1,851 to 2,441 new units), and Garrett (25 percent, an increase of 17 to 85 new units).

Jurisdictions experiencing the largest net reduction in new housing construction from 2013 to 2014 are Howard, Charles and Wicomico Counties. Howard County new home construction dropped from 2,267 new units to 1,446. This is a decline of 821 units or 36 percent. Charles County is down 601 units (43 percent) compared to 1,391 new housing units authorized in 2013. The falloff in new housing construction in Wicomico County is 538 new units (76 percent) from 706 new housing units authorized for construction the previous year.

The largest percentage reduction in new housing construction from 2013 to 2014 occurred in Talbot, Wicomico and Allegany Counties. Talbot County housing production dropped 83 percent from 250 housing units in 2013. In Wicomico County, the falloff in new housing is 76 percent. Allegany County new housing production decreased 46 percent, from 46 new units in 2013, to 25 units during 2014. (See also Chart MJ.2

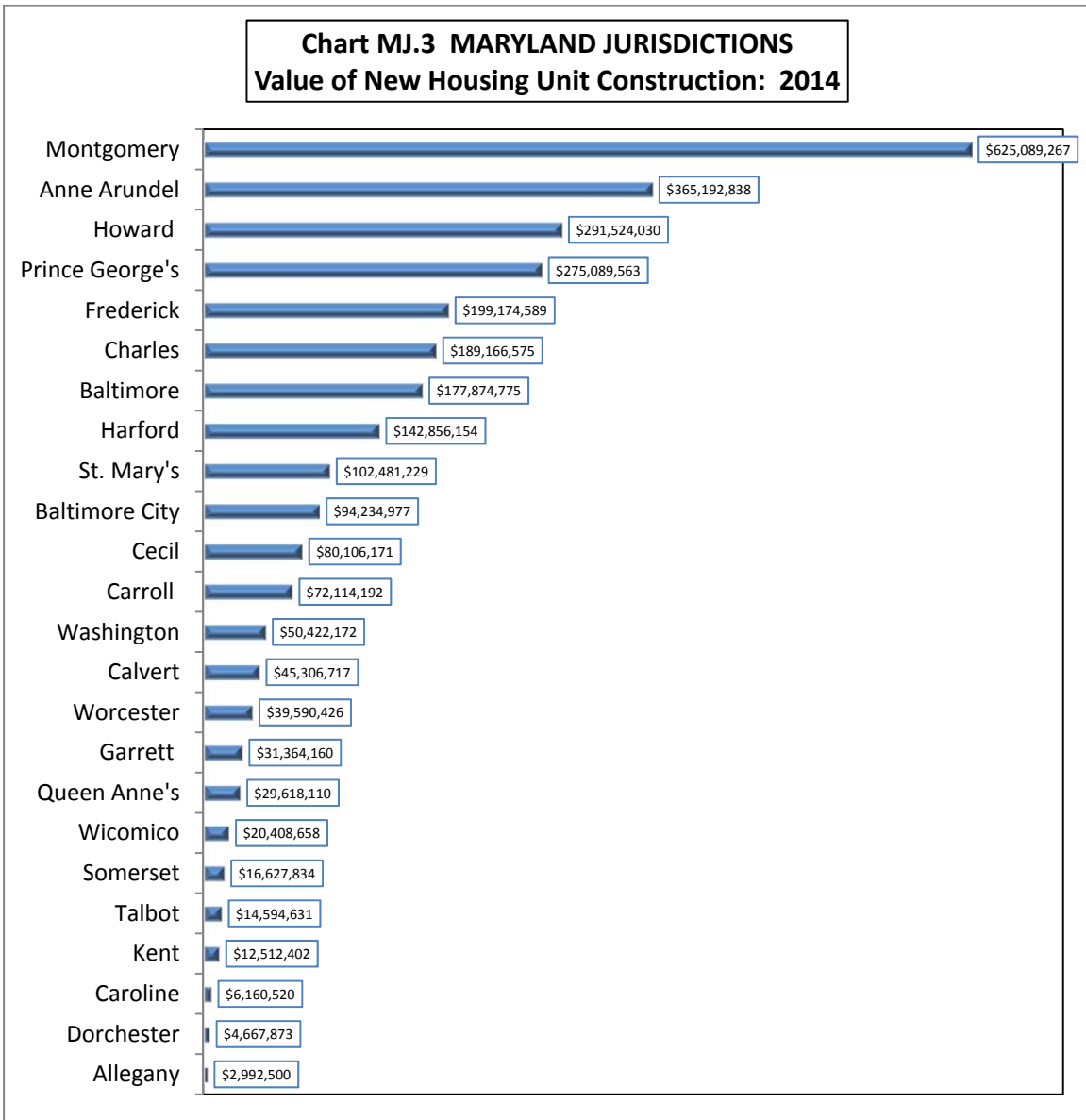
**MARYLAND AND JURISDICTIONS New Housing Units Authorized for Construction Annual Percent Change: 2013 - 2014.**



The Statewide value of new residential construction during 2014 is placed at \$2.89 billion. This is a three percent increase in value compared to 2013 when the annual value of new residential construction was placed at \$2.81 billion. The jurisdiction with the highest reported construction is Montgomery County (\$625 million), followed by Anne Arundel (\$365 million), Howard (\$291 million) and Prince George's Counties (\$275 million). (See also Chart MJ.3 **MARYLAND JURISDICTIONS Value of New Housing Unit Construction: 2014.**)

The lowest 2014 value for new housing construction reported for a jurisdiction is by Allegany County. The value of new housing construction in Allegany is placed at \$3 million. This is followed by Dorchester County with housing production valued at \$4.7

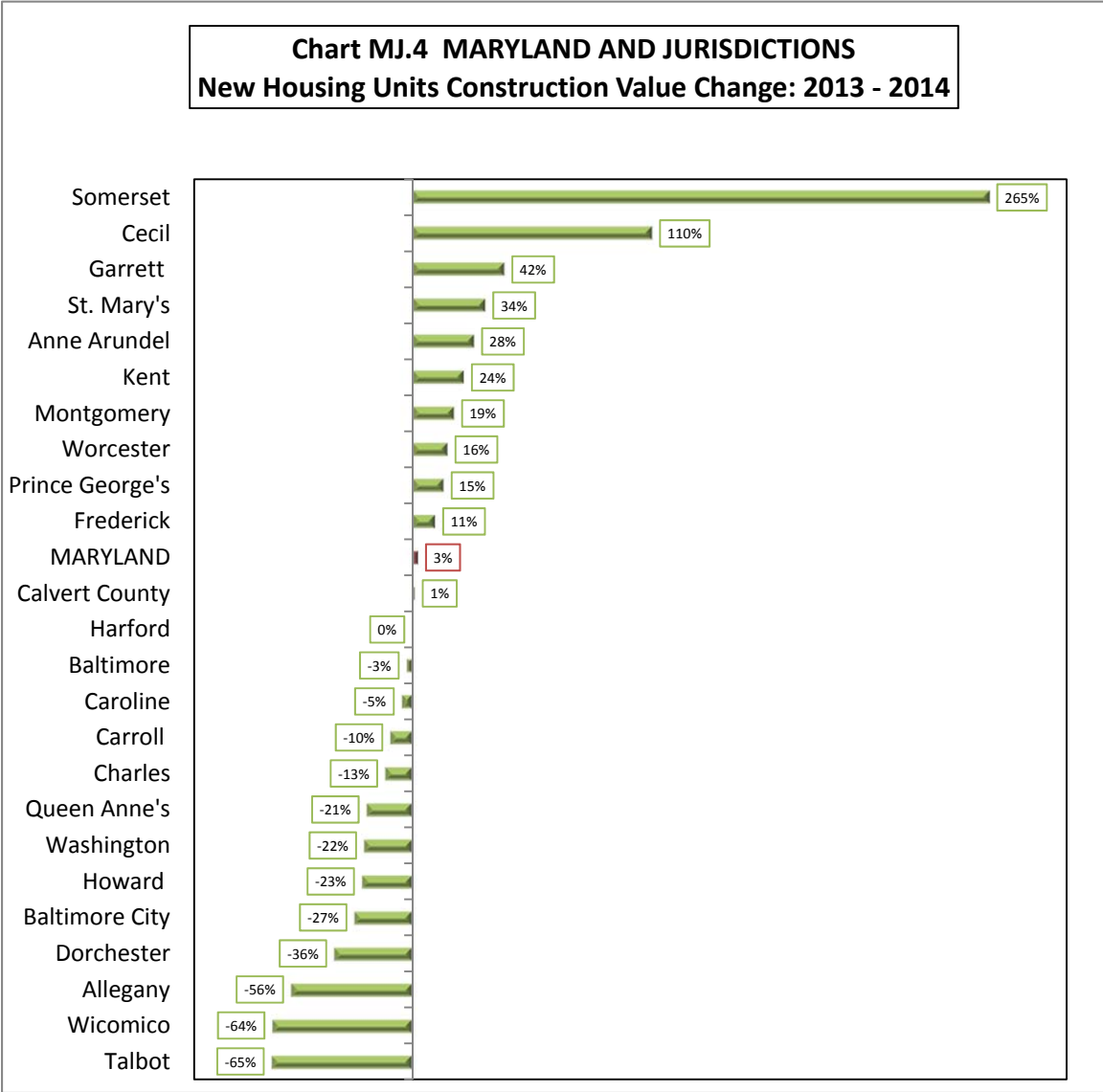
million, Caroline with new home construction activity valued at \$6 million, and Kent with \$12.5 million worth of new residential construction.



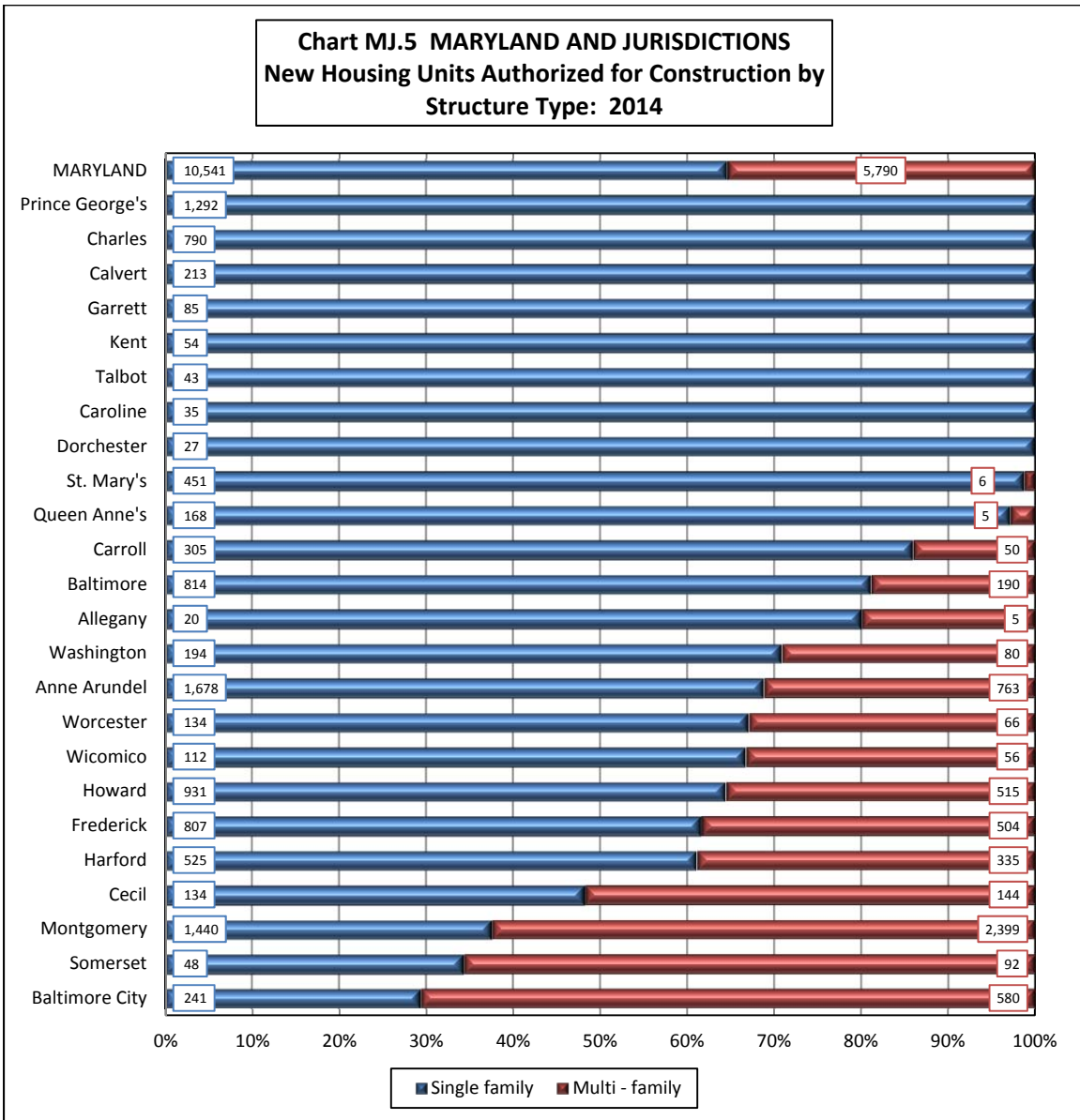
Eleven jurisdictions experienced an increase in the dollar value of new housing construction from 2013 through 2014. The increase is highest in Montgomery County where the value off construction increased by \$101.1 million.

In Anne Arundel the increase in the value of new home construction for the period is \$81 million. Cecil and Prince George's Counties are two other jurisdictions posting very high net increases in the value of new home construction, reporting increases of \$42 million and \$35 million, respectively.

Jurisdictions reporting the highest percent gain in the value of new home building from 2013 include Somerset (with an increase in construction value of 265 percent), Cecil (an increase of 110 percent), Garrett (reporting an increase of 42 percent), and St. Mary’s Counties (an increase of 34 percent).



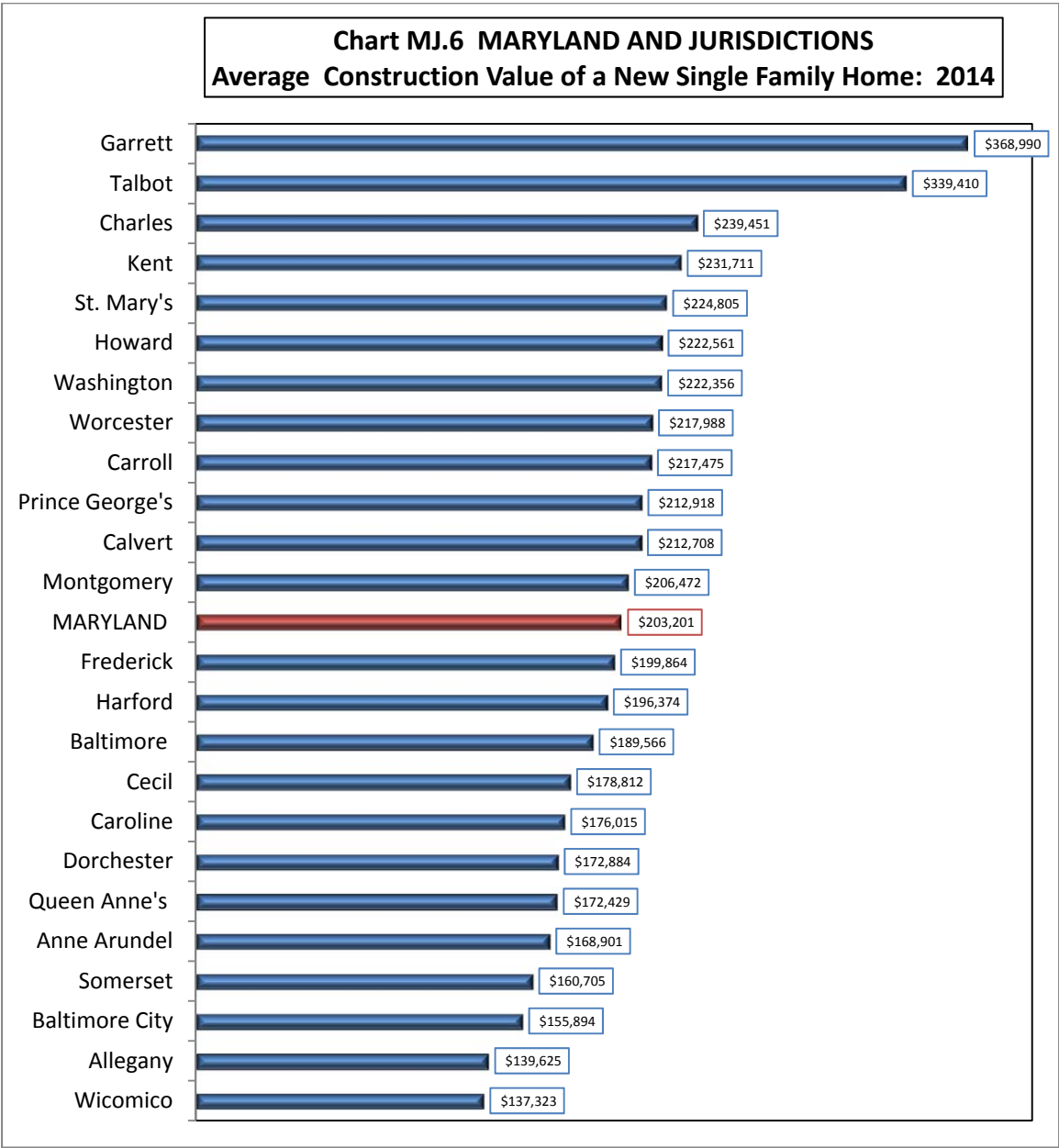
Of the 13 jurisdictions experiencing a net reduction in the value of new housing construction between 2013 and 2014, the falloff was severe in five counties. Howard, Wicomico, Baltimore, Charles and Talbot Counties each report over a \$26 million drop in new housing construction activity.



The net value of construction for new housing units authorized in Howard County fell by \$88.2 million; in Wicomico County the drop is \$36.7 million; in Baltimore County net value of construction is cut by \$34.3 million; while in Charles County the reduction in net value is \$27.3 million. Talbot County's new housing construction value decreased \$26.6 million from 2013 through 2014.

The biggest percent loss in the value of new home building activity from 2013 through 2014 occurred in Talbot (minus 65 percent), followed by Wicomico (minus 64 percent), Allegany (minus 56 percent), and Dorchester (minus 36 percent). (See also Chart MJ.4 ***MARYLAND AND JURISDICTIONS New Housing Units Construction Value Change: 2013 – 2014.***)

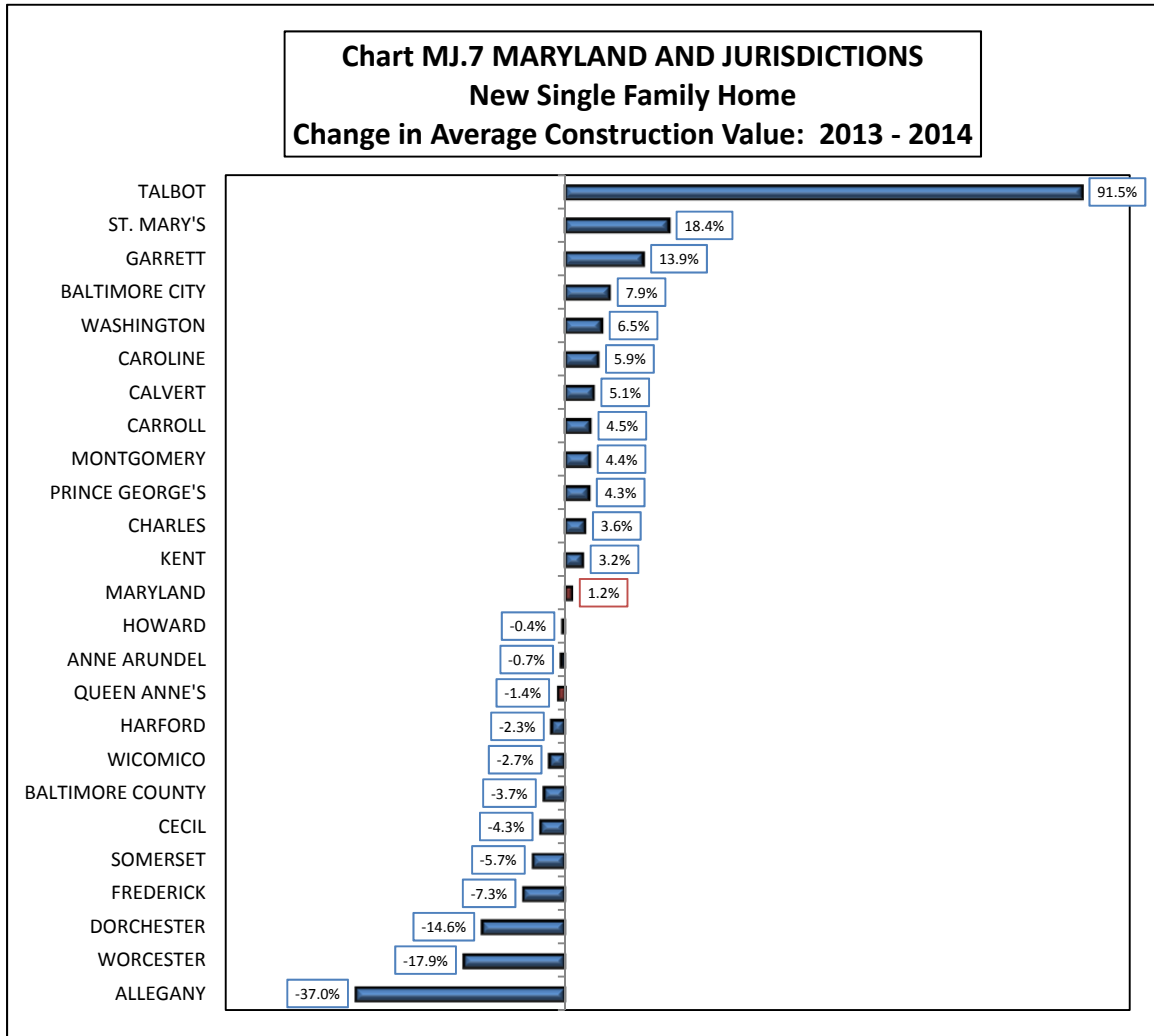




Single family home construction remains the dominant component of Maryland’s new housing. The percentage share of single family housing increased from just below 60 percent in 2013 to 65 percent through 2014. This is the first increase in the share of single family housing relative to total housing construction since 2010 when the share was 71 percent.

All new housing units authorized for construction in Calvert, Charles, Dorchester, Garrett, Caroline, Kent, Prince George’s and Talbot Counties are single family homes.

Jurisdictions building the highest number of new single family housing units during 2014 include; Anne Arundel (1,678 new units), Montgomery (1,440 new units), Prince George’s (1,292 new units), and Howard Counties (931 new units). (See also Chart MJ.5 ***MARYLAND AND JURISDICTIONS New Housing Units Authorized for Construction by Structure Type: 2014.***)



The lowest number of new single family housing units authorized for construction is reported by Allegany (20 new homes), Dorchester (27 new homes), Caroline (35 new homes), and Talbot (43 new homes).

From 2013 through 2014 the highest net increase in new single family home construction occurred in Anne Arundel County (274 additional single family homes), Prince George’s County (116 additional single family homes), and Baltimore County (100 additional single family homes).

Ten jurisdictions faced cutbacks in new single family home construction in 2014. The largest net decreases in new single family home construction over the period occurred in Howard (304 fewer single family homes), Montgomery (212 fewer single family homes), and Talbot (167 fewer single family homes).

The 2014 average cost of building a new single family home in the State is \$203,201. It is highest in Garrett County, where the average value of construction for a new single family home is \$368,990. This is 82 percent higher than the State's average cost. The high value of Garrett's single family construction is most likely tied to the construction of vacation homes in the vicinity of Deep Creek Lake.

Other Jurisdictions with high average construction costs for a new single family home in 2014 are Talbot County (\$339,410), Charles County (\$239,451), Kent County (\$231,711) and St. Mary's County (\$224,805). (See also Chart MJ.6 **MARYLAND AND JURISDICTIONS Average Construction Value of a New Single Family Home: 2014.**)

Talbot County also reports the highest annual percent increase in the average cost of building a new single family home. The County's 2014 average new home cost of \$339,410 is up almost 93 percent (\$162,136) from the 2013 average cost of \$177,224.

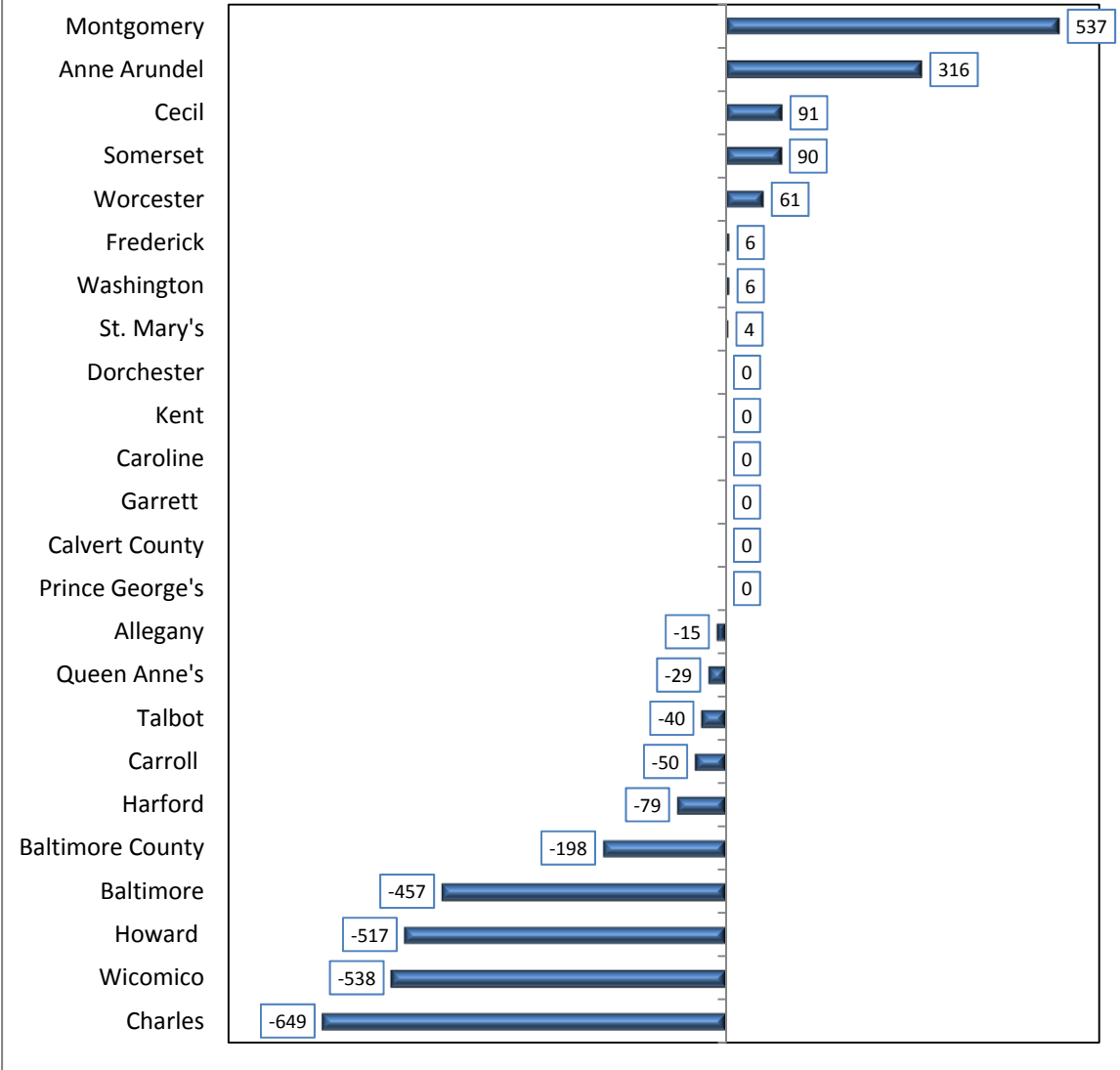
Jurisdictions where the price tag for a new house also increased substantially include St. Mary's County (18 percent), Garrett County (14 percent), Baltimore City (eight percent) and Washington County (seven percent).

Wicomico County has the lowest average value of construction for building a new single family home in 2014 (\$137,323). This is 32 percent lower than the State's average cost of \$203,201. The next lowest average construction costs for new single family housing units are reported for Allegany (\$139,625), Baltimore City (\$155,894) and Somerset (\$160,705).

Allegany also reports the largest percent decrease in the average price of building a new single family house in 2014, having dropped 37 percent (\$81,875) from \$221, 500 in 2013.

Other jurisdictions experiencing substantial cost drops in average single family home construction value include; Worcester (a decrease of 18 percent or \$47,383 from \$265,371; Dorchester (a decrease of 15 percent or \$29,604 from \$202,488), and Frederick (a decrease of seven percent or \$15,791 from \$215,655). (See also Chart MJ.7 **MARYLAND AND JURISDICTIONS New Single Family Home Change in Average Construction Value: 2013 - 2014.**)

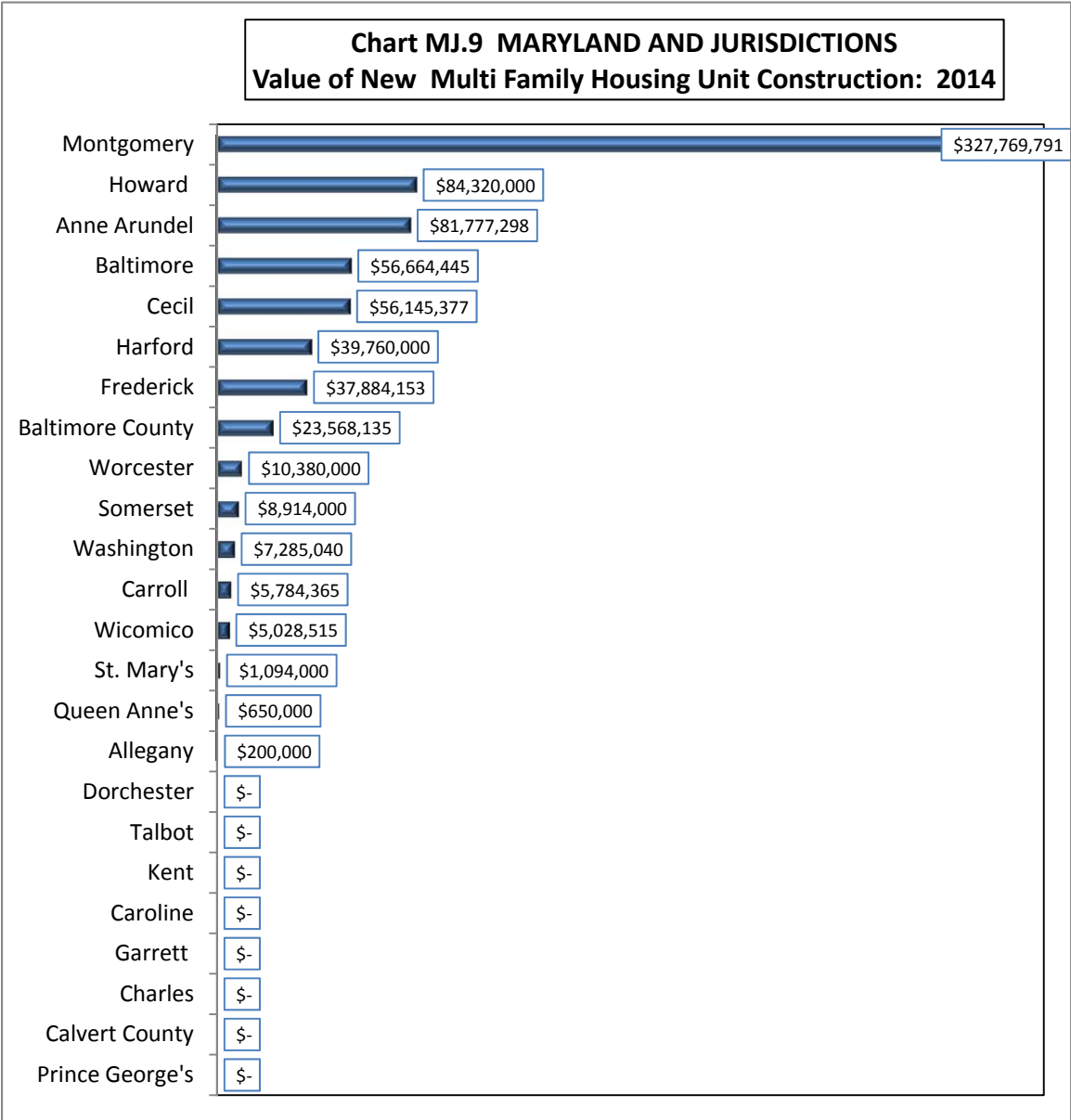
**Chart MJ. 8 MARYLAND JURISDICTIONS  
New Multi Family Housing Units Authorized for Construction  
Net Change: 2013 - 2014**



Statewide, new multi-family housing units accounts for 35 percent of all new residential construction activity in 2014. Seven jurisdictions have a higher share of new multi-family housing units to new single family units relative to the State, and in four jurisdictions new multi-family developments account for the majority of new residential construction.

In Baltimore City (71 percent) and Somerset (66 percent), Montgomery (62 percent) and Cecil Counties (52 percent), most new housing is erected in multi-family dwellings. Additional jurisdictions where new multi-family housing unit construction is a high

share of total residential construction activity are Harford (39 percent), Frederick (38 percent), and Howard Counties (36 percent).



Over 80 percent of the State’s new multi - family housing will be built in five jurisdictions. Most will be constructed in Montgomery County (2,399). The other four jurisdictions with large numbers of new multi – family housing developments authorized for construction during 2014 are Anne Arundel County (763 new units), Baltimore City (580 new units), Howard County (515 new units) and Frederick County (504 new units).

Eight jurisdictions did not authorize any new multi-family housing units for construction during 2014 (Calvert, Caroline, Charles, Dorchester, Garrett, Kent, Prince George's and Talbot Counties).

The highest net change in new multi - family home construction from 2013 through 2014 occurred in Montgomery (537 additional units), Anne Arundel (316 additional units), Cecil (91 additional units) and Somerset Counties (90 additional units).

Four jurisdictions authorized substantially fewer new multi - family housing units for construction in 2014 than in 2013. These jurisdictions are: Charles County authorizing 649 fewer multi - family units; Wicomico authorized 538 fewer multi - family units); Howard (517 fewer multi - family units); and Baltimore City (457 fewer multi - family units). (See also Chart MJ.8 **MARYLAND AND JURISDICTIONS New Multi Family Housing Units Authorized for Construction Net Change: 2013 - 2014.**)

The value of construction for the State's new multi - family housing units is placed at \$747.2 million. Most (41 percent) are authorized in Montgomery County. Permit issuing places there authorized 2,399 new units for construction valued at \$327.8 million or 44 percent of the value of Maryland's total new multi - family development value. (See also Chart MJ.9 **MARYLAND AND JURISDICTIONS Value of New Multi - Family Housing Units Construction: 2014.**)

#### **Data Sources**

**U. S. Department of Commerce, Bureau of the Census, Manufacturing and Construction Statistics Division. Residential Construction Branch. Annual Building Permit Reports. Prepared by MD Department of Planning. Planning Services Division. 2015**

## **Appendix 3. PERMIT ISSUING PLACE Months Reported**

New Housing Units Authorized for Construction by Building Permits: 2014  
Buildings, Units and Construction Value

## **Appendix 4. GEOGRAPHIC AREAS**

Maryland Metropolitan and Micropolitan Statistical Areas, Components and Codes

Maryland Suburban Area Classifications and Component Jurisdictions  
Maryland State Planning Regions