



## Headline News

### Maryland Home Sales, Compared To January 2014, Were Up

Compared to January 2014, the Maryland housing market showed strength as home sales, pending home sales, and active inventory were up by double digits, while median home sales price and the months' supply of homes available for sales declined. Compared to December 2014, home sales and median home sales price declined while Maryland housing affordability indices for the repeat- and first-time buyers increased.

The volume of property foreclosure activity in Maryland decreased in January due to a significant decline in new foreclosure filings. Notices of foreclosure sales and lender purchases of foreclosed properties both increased as moderate declines in median home sale price and historically low mortgage rates brought potential new homeowners and investors returned to the market. Compared to last year, Maryland foreclosure activity declined due to decreases in notices of default and notices of foreclosure sales. Nationally, foreclosure events increased in January due to a rise in notices of foreclosure sales and lender purchases of foreclosed properties. In January, foreclosure activity declined in 26 states, and increased in the remaining 25 states and in the District of Columbia. Compared to January 2014, foreclosure events declined in 30 states and increased in the remaining 19 states and in the District of Columbia, and remained unchanged in North Dakota. Among the neighboring states, Delaware's foreclosure ranking improved from the 45th lowest (6th highest in the nation) in December 2014 to the 42th lowest (9th highest) in January, Virginia's ranking deteriorated from the 14th lowest (36th highest) in December 2014 to the 22nd lowest (29th highest) in January, and Pennsylvania's ranking improved from the 38th lowest (13th highest) in December 2014 to the 32nd lowest (19th highest) in January.

\* Housing market observations contained in this report reflect statistical data as of January 2015.

## Key Events

### NEW HOUSING SECRETARY INTRODUCED



Maryland's new housing policy will reflect the Hogan-Rutherford administration's focus on balancing the budget, but not at the expense of DHCD's mission to help people, said Secretary-designate Kenneth C. Holt, speaking during the annual Maryland Housing Day.

### RENTAL HOUSING FUNDS AWARDED



Eleven affordable rental housing projects throughout Maryland will receive more than \$19.1 million in Rental Housing Funds and \$11 million in Low Income Housing Tax Credits in the latest competitive funding round, DHCD announced.

### HEALTHY FOODS INITIATIVE LAUNCHED



Maryland's Fresh Food Financing Initiative provides flexible financing for the start-up, rehabilitation or expansion of businesses and nonprofits in designated food desert or sustainable communities with an emphasis on using Maryland farmers. The goal is to invest in lending partners that will in turn support the development of food-related enterprises within designated Food Deserts and Sustainable Communities.

# Key January Statistics

- ✓ Existing home sales decreased by 33.7 percent to 3,869 units in January. Sales were up 12.3 percent above last year, posting the sixth consecutive year-over-year growth.
- ✓ The median home sales price declined by 7.2 percent to 232,348 in January. Furthermore, median home sales price was down for the fourth consecutive month below last year by 1.5 percent.
- ✓ Inventory of homes available for sale declined by 3.1 percent in January to 25,506 units. Nevertheless, inventory was up 11.5 percent above last year, recording the 17th consecutive month of year-over-year increases.
- ✓ The seasonally adjusted months' supply of homes for sale increased by 7.5 percent from its eight years' low of 4.0 percent to 4.3 percent, in January. The month's supply was down 2.3 percent below last year.
- ✓ Time on the market increased by three days, or 3.5 percent, in January to 89 days. Days on the market increased by 10 days or 12.7 percent above the last year's mark.
- ✓ The volume of foreclosure activity in Maryland decreased 11.5 percent in January to 3,910 events. On an annual basis, total foreclosure activities declined by 10.7 percent.
- ✓ Maryland Notices of default decreased 46.6 percent to 1,372 filings, the lowest level since January 2013. Compared to last year, default notices were down 41.9 percent, marking the third consecutive months of declines.
- ✓ Notices of foreclosure sales in Maryland increased 51.4 percent to 1,517 filings. Foreclosure sales were up 0.7 percent over last year.
- ✓ Lender purchases increased by 20.5 percent to 1,021 properties and were up, for the 4th consecutive month by 99.8 percent over last year.

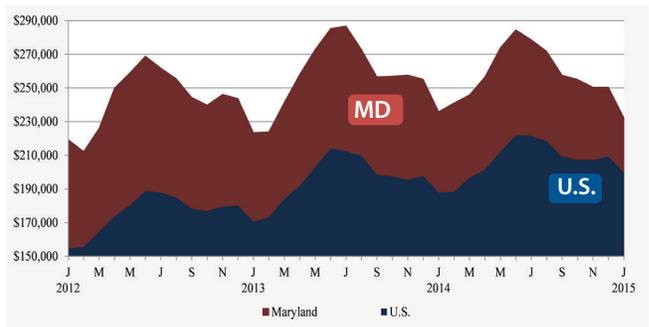
# Home Prices

## Median Home Sales Price Weakened in January

In January state-wide median home sales price weakened further, declining by 7.2 percent to \$232,348. Furthermore, median home sales price declined, for the fourth consecutive month of year-over-year, by 1.5 percent below last year. The national median home sales price was \$199,600 in January, down 4.1 percent below last month, but was up 6.2 percent over last year, posting the 34th consecutive month of year-over-year price appreciation.

## Median Home Sales Price in Maryland and the U.S.

Maryland Median Home Sales Price Declined in January

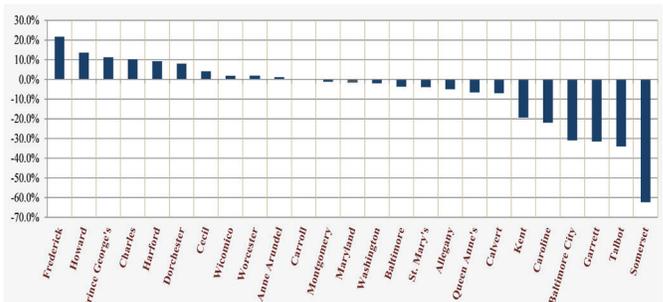


Sources: National Association of Realtors and Maryland Association of Realtors

Compared to last year, median home sales price increased in 10 Maryland jurisdictions, and decreased in the remaining 14. Frederick, Howard, Prince George's, and Charles counties posted double-digit price appreciation rates, while median home sales prices declined by the largest annual rate in Somerset County (62.3 percent), Talbot County (34.0 percent), Garrett County (31.5 percent), and in Baltimore City (31.0 percent).

## Year-Over-Year Changes in Median Home Sales Price

January Home Prices Remained Weak in Majority of Maryland Jurisdictions



Sources: Maryland Association of Realtors

# Home Sales

## Home Sales Declined in January

After increasing during the previous month, existing home sales declined by 33.7 percent to 3,869 units in January. Home sales increased by 12.3 percent above last year's volume, posting the sixth consecutive month of year-over-year increases. National home sales declined 31.7 percent to 282,000 units in January but were up 0.4 percent above year ago levels.

### Maryland Existing Home Sales: Volume and Annual Growth

Home Sales Declined in January

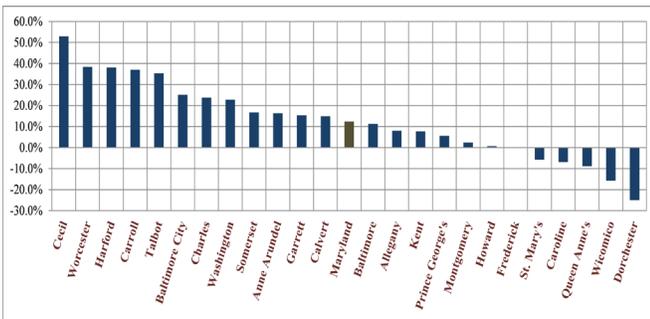


Source: Maryland Association of Realtors and National Association of Realtors

Compared to year ago, home sales increased in 18 Maryland jurisdictions in January, declined in five, and remained unchanged in Fredrick County.

### Year-Over-Year Change in Home Sales

Home Sales Up in 18 Maryland Jurisdictions



Sources: Maryland Association of Realtors

# Pending Sales Index

## January Pending Sales Index Points to Strong Home Sales

Maryland Pending Home Sales Index (PHSI), a leading indicator of home sales activity during the next two months based on contract signings, rose 18.1 percent to 78.4 in January. On an annual basis, Maryland PHSI increased 16.6 percent, posting the 9th consecutive month of year-over-year increases. The U.S. PHSI up 1.7 percent to 104.2 in January and was up 8.4 percent above last year.



High Energy Bills?  
Home that is  
too hot or cold?

**WE CAN HELP!**

Call the EmPOWER Maryland  
Low Income Energy Efficiency Program.

**1-855-583-8976**

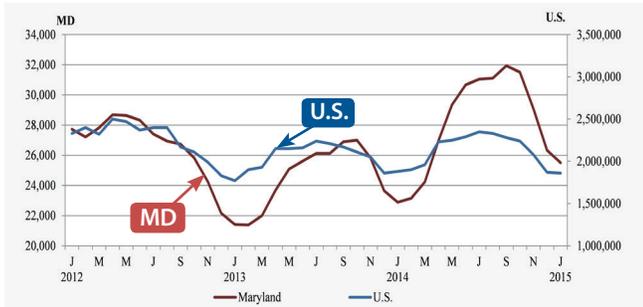
# Housing Inventory

## Housing Inventory further Declined in January

Inventory of homes available for sales declined for the fourth consecutive month by 3.1 percent to 25,506 units in January. However, the inventory was up 11.5 percent above last year's volume, recording the 17th consecutive month of year-over-year increases. National housing inventory declined by 0.5 percent to 1,860,000 units in January, and was down 1.1 percent below year ago levels.

### Inventory of Existing Homes for Sale: Maryland & the U.S.

Inventory of Homes for Sales Declined in January

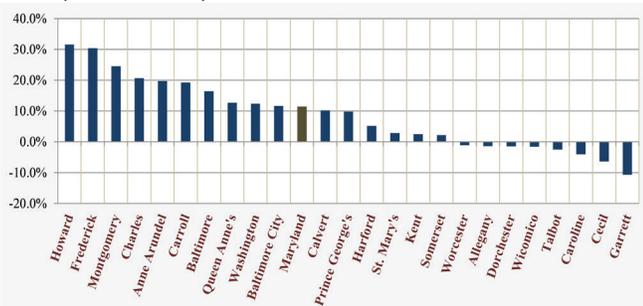


Sources: National Association of Realtors and Maryland Association of Realtors

On a year-over-year basis, inventory of homes for sales increased in 16 Maryland jurisdictions and declined in the remaining eight. Inventory of homes available for sale grew by the largest annual rate in Howard County (31.6 percent), Frederick County (30.4 percent), and in Montgomery County (24.5 percent).

### Year-Over-Year Change in Housing Inventory

Inventory Increased in 16 Maryland Jurisdictions



Sources: Maryland Association of Realtors

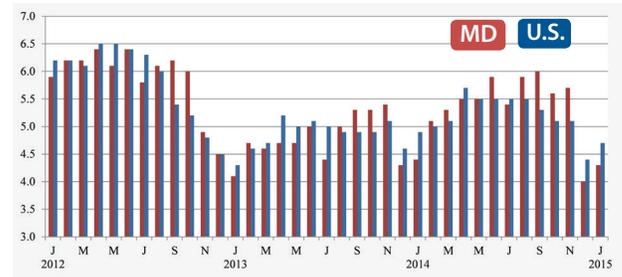
# Months' Supply of Homes

## January Supply of Homes Increased

The seasonally adjusted months' supply of homes for sale increased by 7.5 percent from its eight years' low of 4.0 percent to 4.3 percent in January. The month's supply was down 2.3 percent below last year. Nationally, the supply of homes increased by 6.8 percent in January to 4.7 months, but was down 4.1 percent below last year.

### Months' Supply of Existing Homes for Sale: Maryland and the U.S.

January Supply of Homes Up in January

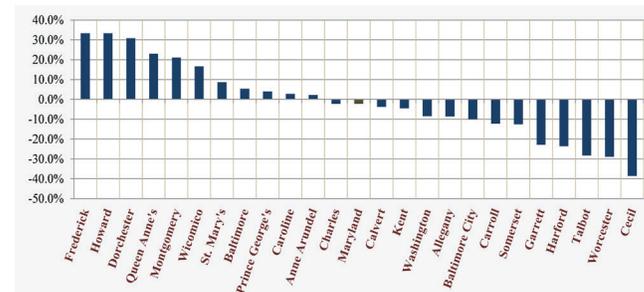


Sources: Maryland Association of Realtors, National Association of Realtors and DHCD, Office of Policy, Planning and Research

On a year-over-year basis, months' supply declined in 13 Maryland jurisdictions, and increased in the remaining 11. Months' supply declined by the largest annual rate in Cecil County (38.6 percent), Worcester County (28.9 percent), Talbot County (28.3 percent), and in Harford County (23.6 percent).

### Year-Over-Year Change in Months' Supply

January Supply of Homes Declined in 13 Maryland Jurisdictions



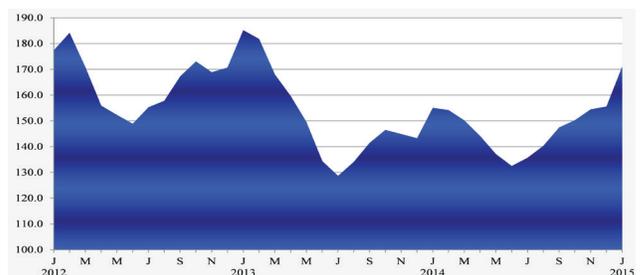
Sources: Maryland Association of Realtors, DHCD, Office of Policy, Planning and Research

# Days on the Market

## January Time on Market Reached its Highest Mark in Eleven Months

Time on the market increased 3.5 percent in January to 89 days, up three days above the December mark and recording the highest mark in eleven months. On an annual basis, days on market were up by 12.7 percent, recording the sixth consecutive months of year-over-year increases. Nationally, days on the market increased by three days in January to 69 days and were up two days above last year.

### Days on Market Increased in Maryland in January



Sources: Maryland Association of Realtors and DHCD, Office of Policy, Planning and Research

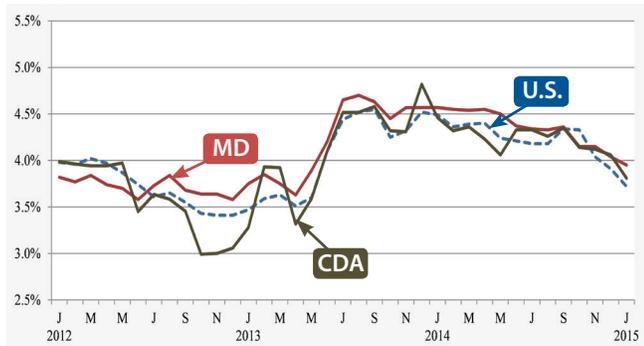
# Mortgage Rates

## Mortgage Rates Declined in January

Freddie Mac's national average 30-year fixed effective mortgage rate decreased 19 basis points to 3.72 percent in January. The national effective rate, which accounts for variations in points, was down 85 basis points below last year. Maryland's average 30-year fixed effective mortgage rate declined by nine basis points to 3.95 percent in January, and was down 62 basis points below last year. The Maryland effective rate exceeded the national average rate by 23 basis points. The effective, 30-year fixed mortgage rate of Community Development Administration (CDA) decreased 25 basis points to 3.81 percent in January, and was down 66 basis points below last year. The CDA rate was 14 basis points below average effective mortgage rate in Maryland.

### 30-Year Fixed Average Effective Mortgage Rates

Mortgage Rates Decreased in January



Sources: Freddie Mac and DHCD, Office of Policy, Planning and Research

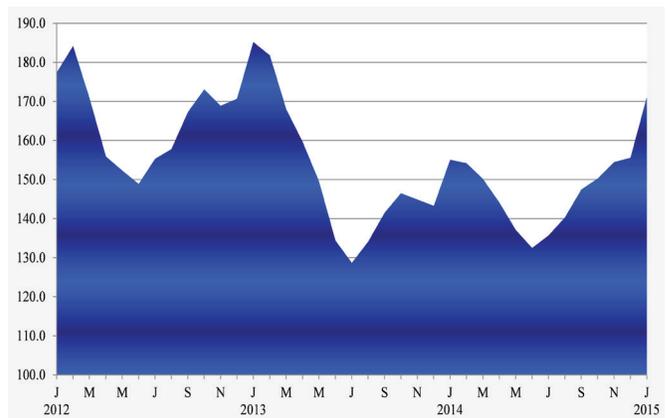
# Housing Affordability

## January Indices of Housing Affordability Increased as Mortgage Rates and Median Home Prices Declined

Maryland indices of housing affordability for both repeat and first-time homebuyers increased for the 4th consecutive month in October as home prices continued to decline. The October indices for repeat and first-time buyers rose 1.9 percent to 150.3 and 96.3, respectively. Similarly, the affordability indices were up 2.6 percent above last year's mark, posting the 4th consecutive month of year-over-year increases. A repeat buyer index with a value of 100 portrays an average household with the exact median income to qualify for a mortgage on a median priced home. By comparison, an index with a value above 100 signifies a household with more than enough income to qualify for a mortgage loan on a median priced home.

### Maryland Housing Affordability Index for Repeat Homebuyers

Housing Affordability Indexes Strengthened as Mortgage Rates Continued to Decline in January

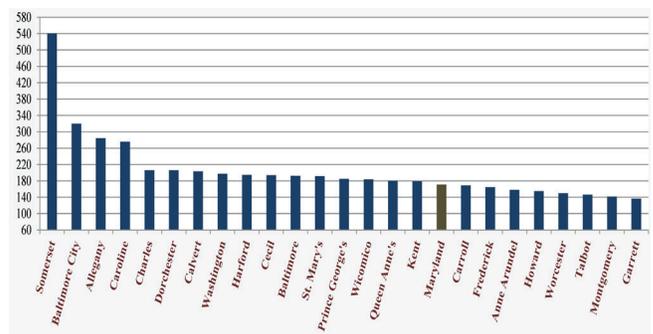


Sources: DHCD, Office of Policy, Planning and Research

The January index of housing affordability exceeded 100 in all Maryland jurisdictions. Somerset County with the index of 540.9, due to a decline of 69.0 percent in median home sales price as reported by Maryland Association of Realtors, was the most affordable jurisdiction in Maryland.

### January Housing Affordability Index by Jurisdiction

Affordability Indices Exceeded 100 in All Maryland Jurisdictions



Source: DHCD, Office of Policy, Planning and Research

## ARE YOU STRUGGLING WITH YOUR MORTGAGE?

**MORTGAGE LATE? DON'T WAIT**

Learn how Maryland's Mediation law and the national foreclosure settlement can help you.

- free housing counseling
- Legal assistance available

CALL **877-462-7555**

VISIT **WWW.MDHOPE.ORG**

Larry Hogan, Governor  
Boyd K. Rutherford, Lt. Governor

Kenneth C. Holt, Secretary

# Residential Construction

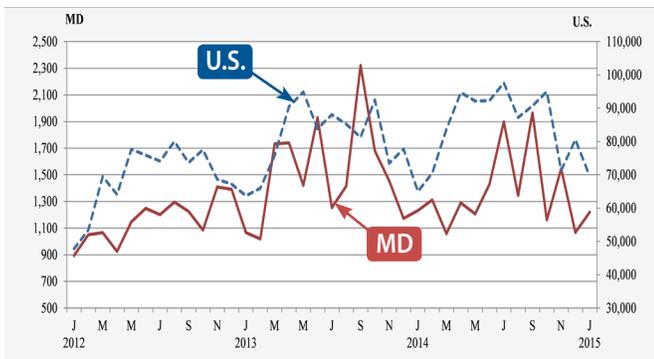
## Residential Building Permits Increased in January

Total residential building permits issued in Maryland, a leading indicator of construction activity, increased 14.2 percent in January to 1,220 units. Building permits declined 1.1 percent below last year. Multifamily building permits increased by 37.7 percent to 493 units, and were up 11.8 percent above last year. Single family permits were up 2.4 percent to 727 units, but were down 8.2 percent below last year.

January building permits issued in the U.S. decreased 16.5 percent to 65,000 units, and were down 0.8 percent below last year. The nation's single family building permits increased 2.2 percent to 41,100 units and were up 1.5 percent above last year. Multifamily building permits decreased 36.4 percent from last month to 23,900 units and were down 4.4 percent below the year ago levels.

### Monthly Volume of Residential Building Permits Issued in Maryland and the U.S.

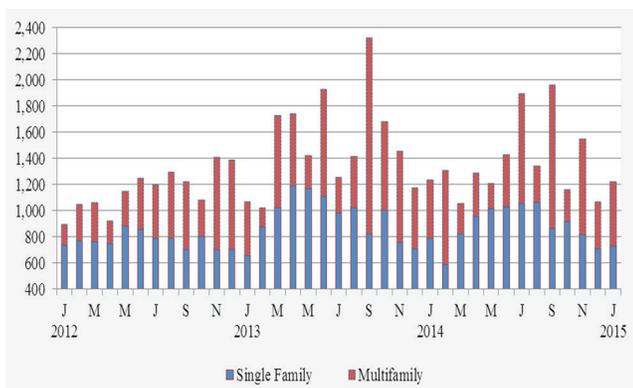
Maryland Residential Permits Increased in January



Source: U.S. Bureau of the Census

### Monthly Volume of Single Family and Multifamily Building Permits Issued in Maryland

Single Family Permits and Multifamily Permits Declined in January



Source: U.S. Bureau of the Census

# Property Foreclosure Filings

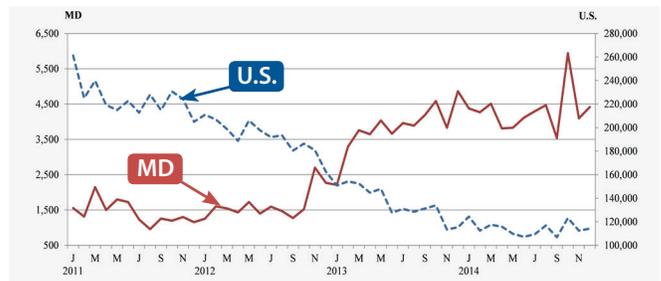
## Maryland Property Foreclosure Events Decreased in January

The volume of foreclosure activity in Maryland decreased 11.5 percent in January to 3,910 events due to a significant decline in new foreclosure filings. On an annual basis, total foreclosure activities declined by 10.7 percent. Notices of foreclosure sales and lender purchases of foreclosed properties both increased as moderate declines in median home sale price and historically low mortgage rates brought potential new homeowners and investors back to the market. Maryland Notices of default decreased 46.6 percent to 1,372 filings, the lowest level since January 2013. Compared to last year, default notices were down 41.9 percent, marking the third consecutive months of declines. Notices of foreclosure sales in Maryland increased 51.4 percent to 1,517 filings. Foreclosure sales were up 0.7 percent over last year. Lender purchases increased by 20.5 percent to 1,021 properties and were up, for the 4th consecutive month by 99.8 percent over last year.

Total foreclosure events in the U.S. increased by 5.0 percent in January due to increases in notices of foreclosure sales and lender purchases of foreclosed properties. Nationally, notices of default declined by 27.4 percent in January to 30,814 and new filings were also down by 19.4 percent below the previous year. Nationwide, notices of foreclosure sales increased 8.4 percent in January to 51,782 filings but were down 7.5 percent below last year. Lender purchases across U.S. increased by 55.4 percent to 37,292 properties, and were up 23.4 percent above last year.

### Property Foreclosure Events in Maryland and the U.S.

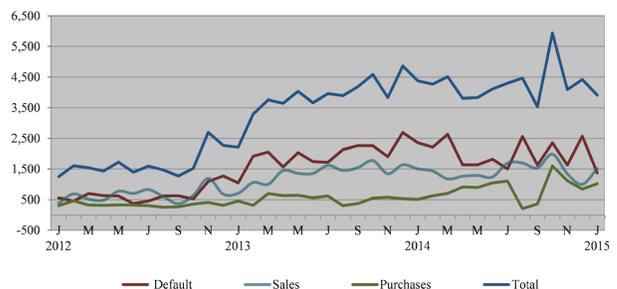
Maryland Foreclosure Events Decreased in January



Source: RealtyTrac

### Property Foreclosure Events in Maryland

New Foreclosure Filings Decreased in January



Source: RealtyTrac

# Local Housing Market, January 2015

## Year-Over-Year Percent Change

Jurisdiction	INVENTORY	HOME SALES	MEDIAN HOME SALES PRICE	MONTHS' SUPPLY	HOUSING AFFORDABILITY INDEX
Allegany	-1.4%	8.0%	-5.1%	-8.7%	14.4%
Anne Arundel	19.7%	16.3%	1.2%	2.2%	7.3%
Baltimore	16.4%	11.3%	-3.7%	5.4%	12.8%
Baltimore City	11.6%	25.1%	-31.0%	-10.0%	57.5%
Calvert	10.2%	14.9%	-7.0%	-3.8%	16.9%
Caroline	-4.1%	-6.9%	-22.0%	2.9%	39.3%
Carroll	19.3%	37.0%	-0.2%	-12.2%	8.9%
Cecil	-6.4%	52.9%	4.1%	-38.6%	4.4%
Charles	20.6%	23.8%	10.2%	-2.3%	-1.4%
Dorchester	-1.4%	-25.0%	8.0%	30.8%	0.6%
Frederick	30.4%	0.0%	21.7%	33.3%	-10.7%
Garrett	-10.7%	15.4%	-31.5%	-22.9%	58.7%
Harford	5.2%	38.0%	9.3%	-23.6%	-0.6%
Howard	31.6%	0.6%	13.6%	33.3%	-4.4%
Kent	2.5%	7.7%	-19.4%	-4.5%	34.8%
Montgomery	24.5%	2.4%	-1.2%	21.1%	9.9%
Prince George's	9.8%	5.6%	11.3%	4.0%	-2.4%
Queen Anne's	12.7%	-8.8%	-6.6%	23.0%	16.4%
Somerset	2.2%	16.7%	-62.3%	-12.6%	188.5%
St. Mary's	2.9%	-5.8%	-4.0%	8.7%	13.1%
Talbot	-2.5%	35.3%	-34.0%	-28.3%	64.7%
Washington	12.4%	22.8%	-2.0%	-8.5%	10.9%
Wicomico	-1.6%	-15.7%	1.8%	16.7%	6.7%
Worcester	-1.1%	38.4%	1.7%	-28.9%	6.8%
<b>MARYLAND</b>	<b>11.5%</b>	<b>12.3%</b>	<b>-1.5%</b>	<b>-2.3%</b>	<b>10.3%</b>

Sources: Maryland Association of Realtors and DHCD, Office of Research, Policy, and Legislative Affairs

# Local Housing Market Fact Sheet

## January 2015

JURISDICTION	HOME SALES	MEDIAN HOME SALES PRICE	DAYS ON MARKET	MONTHS' SUPPLY	UNITS PENDING	PENDING SALES INDEX	AFFORDABILITY INDEX	PROPERTY FORECLOSURES
Allegany	27	\$75,000	225	12.6	43	59.9	182.2	30
Anne Arundel	363	\$297,500	98	4.6	649	94.7	101.3	249
Baltimore	464	\$187,750	86	3.9	787	86.9	123.2	719
Baltimore City	513	\$69,000	84	4.5	725	73.2	204.7	672
Calvert	85	\$251,000	121	5.1	105	94.9	130.3	92
Caroline	27	\$121,700	124	7.2	28	74.0	176.7	18
Carroll	111	\$272,000	124	4.3	171	94.4	108.4	74
Cecil	78	\$185,250	149	6.2	76	71.1	124.3	69
Charles	125	\$248,000	121	4.3	199	82.4	132.0	143
Dorchester	15	\$125,000	95	15.7	39	100.6	132.1	21
Frederick	159	\$280,000	85	4.4	302	94.2	105.5	131
Garrett	30	\$182,500	285	8.4	33	80.2	87.5	11
Harford	167	\$225,000	105	4.2	254	79.0	124.8	177
Howard	168	\$375,000	81	3.6	294	86.0	99.4	133
Kent	14	\$167,250	194	14.8	19	88.4	114.8	10
Montgomery	592	\$370,500	74	2.3	833	72.3	90.9	352
Prince George's	509	\$217,000	51	2.6	884	77.0	118.7	638
Queen Anne's	31	\$263,200	276	12.3	56	85.9	115.3	33
St. Mary's	65	\$243,000	130	7.5	120	93.8	122.8	16
Somerset	7	\$42,000	n/a	20.9	18	n/a	346.2	68
Talbot	46	\$231,500	166	6.6	41	74.5	93.7	22
Washington	113	\$147,500	130	5.4	143	101.1	126.7	118
Wicomico	59	\$149,374	n/a	6.3	83	n/a	117.8	62
Worcester	101	\$210,000	n/a	9.1	147	n/a	96.0	52
<b>MARYLAND</b>	<b>3,869</b>	<b>\$232,348</b>	<b>89</b>	<b>4.3</b>	<b>6,049</b>	<b>78.4</b>	<b>109.5</b>	<b>3,910</b>

Sources: Maryland Association of Realtors, Realtytrac, and DHCD, Office of Research, Policy, and Legislative Affairs

# Maryland Housing Market Fact Sheet

## January 2015

INDICATOR	CURRENT PERIOD	PREVIOUS PERIOD	YEAR AGO	% CHANGE FROM		SOURCE
				LAST MONTH	LAST YEAR	
<b>Mortgage Rates (30-Yr FRM)</b>						
Freddie Mac	3.72%	3.91%	4.49%	-0.19%	-0.77%	Freddie Mac
Maryland Average	3.95%	4.04%	4.57%	-0.09%	-0.62%	DHCD
CDA	3.81%	4.06%	4.46%	-0.25%	-0.65%	DHCD
<b>Home Sales</b>						
Existing	3,869	5,832	3,444	-33.7%	12.3%	MD Association of Realtors
New	664	668	706	-0.6%	-5.9%	First American Core Logic
Pending Units	6,049	5,122	5,179	18.1%	16.8%	MRIS
Pending Home Sales Index	78.4	66.4	67.3	18.1%	16.6%	DHCD
<b>Housing Supply</b>						
Housing Inventory	25,506	26,334	22,885	-3.1%	11.5%	MD Association of Realtors
Months' Supply	4.3	4.0	4.4	7.5%	-2.3%	DHCD
Days on the Market	89	86	79	3.5%	12.7%	MRIS, DHCD
Median Home Sales Price	\$232,348	\$250,482	\$235,919	-7.2%	-1.5%	MD Association of Realtors
<b>Housing Affordability Index</b>						
Repeat Buyer	171.1	155.6	155.1	10.0%	10.3%	DHCD
First-Time Buyer	109.5	99.7	99.5	9.8%	10.1%	DHCD
<b>Construction</b>						
Housing Permits	1,220	1,068	1,233	14.2%	-1.1%	Census
Housing Starts	358	1,441	465	-75.2%	-23.0%	DHCD
Housing Completions	1,499	1,501	1,358	-0.1%	10.4%	DHCD
<b>Property Foreclosures</b>						
Total	3,910	4,420	4,378	-11.5%	-10.7%	RealtyTrac
Notices of Default	1,372	2,571	2,360	-46.6%	-41.9%	RealtyTrac
Notices of Sales	1,517	1,002	1,507	51.4%	0.7%	RealtyTrac
Lender Purchases	1,021	847	511	20.5%	99.8%	RealtyTrac
<b>Mortgage Delinquency/ Foreclosure Rates</b>						
Overall	6.95%	7.17%	8.11%	-0.22%	-1.16%	Mortgage Bankers Association
Short-term	4.14%	4.08%	4.55%	0.06%	-0.41%	Mortgage Bankers Association
30-59 Days	2.97%	2.94%	3.28%	0.03%	-0.31%	Mortgage Bankers Association
60-89 Days	1.17%	1.14%	1.27%	0.03%	-0.10%	Mortgage Bankers Association
Long-term (90+ Days)	2.81%	3.09%	3.56%	-0.28%	-0.75%	Mortgage Bankers Association
Foreclosure Rate	3.09%	3.36%	3.62%	-0.27%	-0.53%	Mortgage Bankers Association
Serious Delinquencies	5.90%	6.45%	7.18%	-0.55%	-1.28%	Mortgage Bankers Association
Negative Equity Share <sup>4</sup>	13.5%	16.2%	17.3%	-2.7%	-3.8%	First American Core Logic

### Note

1. Current data represent January 2014.
2. The Pending Home Sales Index is based on pending sales of existing homes and provides advance information on future home sales activity. A sale is pending when the contract has been signed but the transaction has not closed. Pending home sales typically close within one or two months of signing. An index of 100 is equal to the average level of pending sales in 2000. Therefore, an index of 100 coincides with a high but healthy level of home sales activity in 2000, prior to five consecutive years of record growth in housing demand.
3. Data represent fourth quarter of 2014.
4. Share of residential properties with mortgages that exceed home values. Data represent third quarter of 2014.