

# Housing Background Information

*Vibrant, well-maintained residential neighborhoods are one of the most important assets of any community. Good housing not only creates a sound base for future investment, but also assures that residents are living in an environment that is conducive to a healthful and satisfactory day-to-day life.*

## Introduction

The quality and condition of housing is extremely important to the growth and prosperity of Cumberland County and its municipalities. Substandard or deteriorated housing requires public and private action to first prevent the worsening of these conditions, and then to improve these areas beyond their current state. By analyzing and evaluating existing housing characteristics, those areas of the County which require such attention can be identified and recommendations for appropriate actions can be made.

The key conclusions from the data and analysis that follows are:

- Cumberland County has enjoyed strong population growth, especially when compared to the region. It is forecasted to continue to grow over the next 30 years.
- Growth has not and will not occur only in larger, more urban municipalities, but also in more rural areas.
- The housing inventory is predominantly single-family, but multi-family units in large complexes are also expanding quickly.
- There is an undersupply of small units (i.e. units with two or fewer bedrooms).
- Home values and rents have been increasing while incomes have remained flat, effectively increasing the cost of housing and leading to unmet demand for affordable housing; nearly half of all renters in Cumberland County cannot afford the Fair Market Rent for a two-bedroom unit.
- Home sales have been recovering from 2008-2011 lows. It is still unclear if sales prices will follow.
- Based on building permit activity and median home values, housing market strength varies considerably throughout the County. Areas with little building permit activity and low median home values may require targeted assistance using local, state, and federal funds to reverse trends of disinvestment.
- Based on residential vacancy, the owner-occupied housing market is relatively tight.

## Neighborhood Character

In general, there are three types of housing common throughout the County:

1. Dense townhouses/multifamily and mixed-use buildings, typical of downtown areas

2. High- to mid-density single family homes on individual lots, found closer to urban fringes or in smaller hamlets
3. Low-density rural residential, frequently also with agricultural uses

The most influential characteristic of the East, Central, and West Regions of the County is the proportion and application of each of these neighborhood types. For instance, the East Region is primarily mid-density single family homes in more suburban-style neighborhoods, with high-density, attached/multifamily units and mixed-use in commercial centers, particularly Mechanicsburg.

The Central Region has high-density townhouses/multifamily and mixed-use in and around downtown Carlisle; mid-density neighborhoods at the periphery of Carlisle and in smaller towns like Mt. Holly Springs and Boiling Springs and low-density rural residential in the remainder of the region.

The majority of the West Region is made up of agricultural land with independent homesteads; small towns like Newville, Newburg; and Shippensburg, which, as the largest and most urban population center in the Region, has some pockets of higher-density housing.

## **Housing Inventory**

The first step in establishing a basic understanding of housing in Cumberland County is to evaluate the composition and condition of the physical housing units. Considerations such as tenure (owner- vs. renter-occupied), size, year of construction, and even simple increases or decreases to the inventory convey a great deal of useful data about the trends and issues happening in the County.

### ***Growth***

The housing stock (total units) in the Tri-County Region has grown since 2000, closely matched by growth of households (occupied units as place of residence) growth. Cumberland County had the largest percentage growth in housing stock (16.6%) and households (15.4%) between 2000 and 2015. The effect is similar, although smaller, in neighboring Dauphin (9.4% and 6.2%) and Perry Counties (8.3%).

For Cumberland, the largest percentage growth has occurred among multi-family buildings (i.e. residential buildings containing units built one on top of another and those built side-by-side which do not have a ground-to-roof wall and/or have common facilities) with 10 or more units. Single-family homes experienced the second highest growth, followed by multi-family structures with 2-9 units. By almost every measure, Cumberland County's housing stock has increased at a higher percentage than Dauphin and Perry Counties. The number of mobile homes and "other" types of residences has decreased in all counties in the region.

## Units in Structure

	2000	2010*	2015**	Change '00-'15
<b>Cumberland County</b>				
Households	83,015	93,943	95,950	15.6%
Total housing units	86,951	97,874	102,046	17.4%
Single-family	64,257	73,135	78,059	21.5%
Multi-family, 2-9 units	11,161	12,533	11,327	1.5%
Multi-family, 10 or more units	5,375	6,647	7,742	44.0%
Mobile Homes	6,126	5,554	4,902	-20.0%
Other (Boats, RVs, Vans, etc.)	32	5	16	-50.0%
<b>Dauphin County</b>				
Households	102,670	110,435	109,027	6.2%
Total housing units	111,133	119,264	121,546	9.4%
Single-family	77,361	86,626	87,784	13.5%
Multi-family, 2-9 units	17,771	17,116	17,792	0.1%
Multi-family, 10 or more units	12,042	12,179	12,428	3.2%
Mobile Homes	3,917	3,332	3,637	-7.1%
Other (Boats, RVs, Vans, etc.)	42	21	17	-59.5%
<b>Perry County</b>				
Households	16,695	17,903	18,085	8.3%
Total housing units	18,941	20,291	20,513	8.3%
Single-family	14,436	15,931	16,147	11.9%
Multi-family, 2-9 units	1481	1461	1,521	2.7%
Multi-family, 10 or more units	257	286	291	13.2%
Mobile Homes	2,733	2,613	2,548	-6.8%
Other (Boats, RVs, Vans, etc.)	34	0	6	-82.4%

Source: Census 2000 (SF3-H030), \*2006-2010 ACS (DP04), \*\*2011-2015 ACS (DP04)

Four municipalities in Cumberland County lost housing units between 2000 and 2015 – Camp Hill Borough, Mount Holly Springs Borough, Newburg Borough, and Shiremanstown Borough. The largest raw growth occurred in Hampden Township, which added over 2,200 housing units. Of the eight municipalities with the largest housing inventory in 2000, all but Carlisle Borough grew by more than 10%. The reason for the small growth rate in Carlisle is because the majority of the Borough is already built out.

Cumberland County's overall growth in housing units has occurred in both large and small municipalities. Hampden and East Pennsboro Townships, the first and second largest housing inventories, grew by 22.4% and 14%, respectively. Although growth in the County's less-populated communities was smaller in terms of actual housing units added, the percentage increase was substantial. For example, the County's second smallest municipality, Cooke Township, experienced the highest growth in terms of percentage points at 393%. Similarly, Shippensburg Township experienced a 80.4% growth in units by adding 751 units from 2000-2015.

### Total Housing Units

Municipality	2000	2010*	2015**	# Change '00-'15	% Change '00-'15
Camp Hill Borough	3,529	3,599	3,510	-19	-0.5%
Carlisle Borough	8,032	8,266	8,189	157	2.0%
Cooke Township	57	121	281	224	393.0%
Dickinson Township	1,836	2,123	2,017	181	9.9%
East Pennsboro Township	7,784	8,287	8,870	1,086	14.0%
Hampden Township	9,990	11,790	12,230	2,240	22.4%
Hopewell Township	713	786	859	146	20.5%
Lemoyne Borough	2,027	2,383	2,394	367	18.1%
Lower Allen Township	6,520	7,126	7,517	997	15.3%
Lower Frankford Township	703	713	763	60	8.5%
Lower Mifflin Township	622	697	746	124	19.9%
Mechanicsburg Borough	4,169	4,550	4,224	55	1.3%
Middlesex Township	2,392	3,002	2,623	231	9.7%
Monroe Township	2,165	2,341	2,397	232	10.7%
Mount Holly Springs Borough	918	981	876	-42	-4.6%
New Cumberland Borough	3,417	3,418	3,651	234	6.8%
Newburg Borough	145	145	137	-8	-5.5%
Newville Borough	620	653	627	7	1.1%
North Middleton Township	4,213	4,366	4,698	485	11.5%
North Newton Township	785	845	894	109	13.9%
Penn Township	989	1,151	1,172	183	18.5%
Shippensburg Borough	2,094	2,265	2,378	284	13.6%
Shippensburg Township	934	1,010	1,685	751	80.4%
Shiremanstown Borough	746	770	721	-25	-3.4%
Silver Spring Township	4,185	5,424	6,384	2,199	52.5%
South Middleton Township	5,310	6,068	6,244	934	17.6%
South Newton Township	491	523	521	30	6.1%
Southampton Township	1,747	2,579	2,861	1,114	63.8%
Upper Allen Township	5,198	6,571	7,219	2,021	38.9%
Upper Frankford Township	728	882	848	120	16.5%
Upper Mifflin Township	458	514	508	50	10.9%
West Pennsboro Township	2,015	2,305	2,383	368	18.3%
Wormleysburg Borough	1,419	1,620	1,619	200	14.1%

Source: Census 2000 (SF3-H030), \*2006-2010 ACS (DP04), \*\*2011-2015 ACS (DP04)

## Tenure

The housing units within the Tri-County Region are primarily single-family and owner-occupied.

	Single Family Units - 2015	Owner Occupied units - 2015
Cumberland County	76%	71%
Dauphin County	72%	63%
Perry County	79%	79%

*Source: 2011-2015 American Community Survey, U.S. Census*

However, the renter-occupied inventory grew more than the owner-occupied inventory in all three counties. In Cumberland County, the growth rate of renter-occupied units was twice the owner-occupied rate, which should be expected given the growth in multifamily housing.

## Households by Tenure

	Owner-occupied				Renter-occupied			
	2000	2010	2015*	Change '00-'15	2000	2010	2015*	Change '00-'15
<b>Cumberland County</b>	60,645	67,606	67,813	11.82%	22,370	26,337	28,137	25.78%
<b>Dauphin County</b>	67,136	71,491	69,586	3.65%	35,534	38,944	40,037	12.67%
<b>Perry County</b>	13,326	14,210	14,254	6.96%	3,369	3,693	3,831	13.71%

*Source: 2000 Census SF1-QTH2, 2010 Census (SF1-DP-1), \*2011-2015 ACS (DP04)*

## Age of Housing

Older housing typically requires more frequent and complex maintenance. In the absence of routine maintenance, older housing can quickly become substandard. A common age threshold used to signal a potential deficiency is 50 years or more.

Overall, Cumberland County's housing stock is slightly newer than the Tri-County Region's as a whole. Nearly 33% of the housing in the County was built prior to 1960, compared to 44% for Dauphin County and 36% for Perry County. Older housing is concentrated in Carlisle, Mechanicsburg, and New Cumberland. However, municipalities on the outskirts of both Carlisle and Mechanicsburg are home to some of the County's newest and fastest growing supply of housing stock.

*Age of Housing Units (2015)*

<b>Year Structure Built</b>	<b>Cumberland County</b>	<b>Dauphin County</b>	<b>Perry County</b>
Total housing units	102,046	121,546	20,513
Built 2010 or later	2.1%	1.1%	1.5%
Built 2000 to 2009	12.9%	8.2%	9.3%
Built 1990 to 1999	13.1%	11.4%	13.6%
Built 1980 to 1989	12.8%	10.7%	14.7%
Built 1970 to 1979	15.0%	13.7%	17.6%
Built 1960 to 1969	11.2%	10.7%	7.3%
Built 1950 to 1959	11.3%	14.9%	7.4%
Built 1940 to 1949	5.0%	6.3%	3.9%
Built 1939 or earlier	16.5%	23.0%	24.7%

Source: American Community Survey 2011-2015, U.S. Census

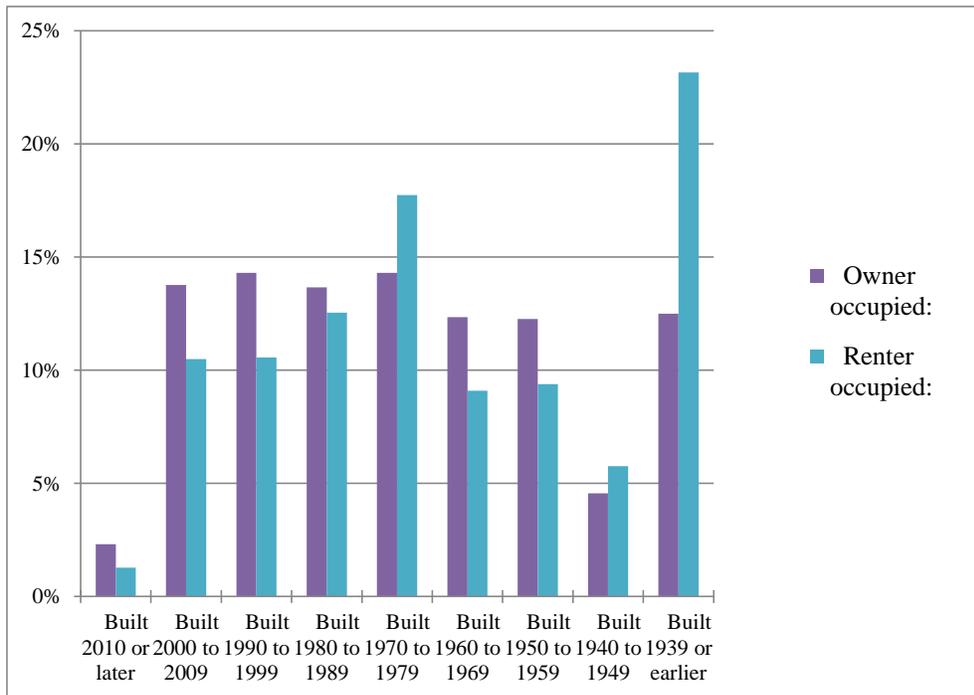
There is a measurable difference in age when accounting for tenure. In Cumberland County, the median year owner-occupied structures were built is 1975; 1970 for renter-occupied structures. This means that renters are somewhat more likely to live in homes that require extra maintenance or more substantial improvements.

*Age of Housing Units by Tenure (2015)*

<b>Age Of Owner/Rental Occupied Units</b>		
Total Housing Units	95,950	Percent of Total
Total Owner Occupied:	67,813	Owner occupied:
Built 2010 or later	1,569	2%
Built 2000 to 2009	9,332	14%
Built 1990 to 1999	9,698	14%
Built 1980 to 1989	9,259	14%
Built 1970 to 1979	9,700	14%
Built 1960 to 1969	8,373	12%
Built 1950 to 1959	8,314	12%
Built 1940 to 1949	3,093	5%
Built 1939 or earlier	8,475	12%
Total Renter Occupied:	28,137	Renter Occupied
Built 2010 or later	571	2%
Built 2000 to 2009	3,089	11%
Built 1990 to 1999	3,148	11%
Built 1980 to 1989	3,247	12%
Built 1970 to 1979	4,907	17%
Built 1960 to 1969	2,436	9%
Built 1950 to 1959	2,635	9%
Built 1940 to 1949	1,623	6%
Built 1939 or earlier	6,481	23%

Source: American Community Survey 2011-2015, U.S. Census

***Year Structure Built by Tenure (Cumberland County, 2015)***



Source: American Community Survey 2011-2015, U.S. Census

***Household Size & Unit Size***

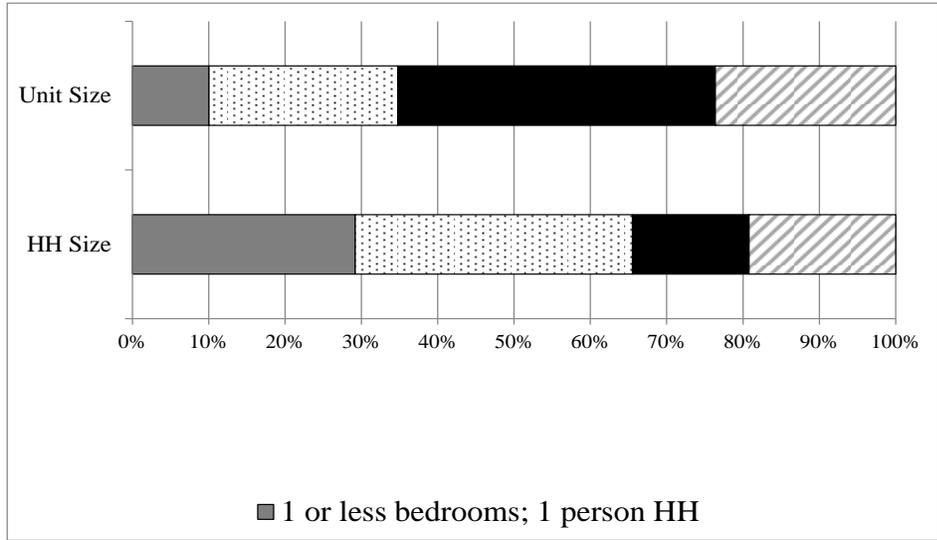
One way to measure whether housing stock is suited to the local population is to compare household sizes to number of bedrooms. To understand this dynamic, suppose that each household lives in the smallest unit it comfortably can. For example, a single person lives in a one-bedroom or studio apartment, two people live in a one- or two-bedroom home, and so on.

The amount of single person households in Cumberland County is greater than the number of studio and one bedroom units. This shortage means that many individuals are forced into units with two or more bedrooms simply because there are not enough small units to meet demand. In turn, the supply of one- and two-bedroom units available for two-person households is reduced, forcing these households into even larger units. This effect trickles up through the entire spectrum of housing demand.

In Cumberland County’s case, the mismatch between housing unit size and household size occurs primarily for the smallest households. There are enough three and four or more bedroom units to accommodate the County’s three and four or more person households. However, studios, one and two-bedrooms are not as well matched to small households. Ultimately, small households face tough competition for the County’s inventory of small units, and large families

that require large units have to reckon with forced demand from smaller families. Some households may not be able to choose homes strictly based on size but merely on availability.

***Household Size vs Unit Size (Cumberland County, 2015)***



Source: American Community Survey 2011-2015, U.S. Census

The average household size in the Tri-County Region has decreased slightly over the past 15 years, falling from 2.41 to 2.38 persons in Cumberland County. If this trend continues, the shortage of small housing units relative to household size will become more significant.

Average Household Size	2000	2010	2015
United States	2.59	2.58	2.64
Pennsylvania	2.48	2.45	2.49
Cumberland County	2.41	2.37	2.38
Dauphin County	2.39	2.37	2.41
Perry County	2.58	2.53	2.50

*Source: U.S. Census Bureau; 2000 SF1; 2010 SF1; ACS 2011-2015*

## Housing Market

The second component necessary to construct a working model of a housing market is an analysis of recent short-term activity. More fluid market features such as home sales, applications for building permits, and vacancy status are good indicators of the immediate health of the local market.

### *Home Values*

The median value of all homes in Cumberland County in 2015 was \$188,400, compared to \$120,500 in 2000. This represents an inflation-adjusted increase of 13.6%, according to the U.S. Department of Bureau's Consumer Price Index (CPI) Inflation Calculator. This is the smallest increase in the Tri-County Region, with the median value of homes in Dauphin and Perry Counties rising 15.8% and 20.4%, respectively. For context, the rate of change for Pennsylvania was 19.6%, and only 8.5% for the US.

#### *Median Housing Value (2015)*

	2000	2010	2015	Change '00-'15 (inflation-adjusted)
<b>Cumberland County</b>	\$120,500	\$174,600	\$188,400	13.6%
<b>Dauphin County</b>	\$99,900	\$153,100	\$159,200	15.8%
<b>Perry County</b>	\$96,500	\$144,800	\$159,900	20.4%
<b>Pennsylvania</b>	\$97,000	\$159,300	\$166,000	19.6%
<b>US</b>	\$119,600	\$188,400	\$178,600	8.5%

*Source: 2000 Census (SF4-DP04), 2006-2010 ACS (DP04), 2011-2015 ACS (DP04), 2015 U.S. Bureau of Labor Statistics CPI Inflation Calculator.*

During the same time period, inflation-adjusted median incomes fell for every geography. Cumberland County, despite still having the highest median income in the Tri-County Region, saw median incomes fall by 3.7%.

#### *Median Household Income (2015)*

	2000	2010	2015	Change '00-'15 (inflation-adjusted)
<b>Cumberland County</b>	\$46,628	\$60,219	\$61,820	-3.7%
<b>Dauphin County</b>	\$41,496	\$52,371	\$53,754	-5.9%
<b>Perry County</b>	\$41,817	\$52,659	\$57,117	-0.8%
<b>Pennsylvania</b>	\$39,987	\$50,398	\$53,599	-2.6%
<b>US</b>	\$41,851	\$51,914	\$53,889	-6.4%

*Source: 2000 Census (SF3-HCT012), 2006-2010 ACS (S1903), 2011-2015 ACS (S1903), 2015 U.S. Bureau of Labor Statistics CPI Inflation Calculator.*

These two trends indicate that, even though home values in the County and the region have weathered the 2008-2009 national housing market crisis, and increased over the past decade, homes are effectively more expensive due to stagnant household incomes.

Between 2000 and 2015, median home values for all municipalities of Cumberland County increased by an average 12% (\$21,433), after adjusting for inflation. The three largest percentage increases in value were in the western part of Cumberland County – Shippensburg Township, Penn Township, and South Newton Township. These three municipalities also had some of the lowest median values in 2000, however, making their absolute increases in total dollars on par with the rest of the County.

**Median Housing Value (2015 dollars)**

	2000	2010	2015	# Change '00-'15	% Change '00-'15
Camp Hill Borough	\$170,862	\$208,113	\$204,400	\$33,538	19.63%
Carlisle Borough	\$140,965	\$176,490	\$165,900	\$24,935	17.69%
Cooke Township	\$193,861	\$221,681	\$228,900	\$35,039	18.07%
Dickinson Township	\$170,186	\$222,856	\$229,200	\$59,014	34.68%
East Pennsboro Township	\$153,546	\$173,178	\$175,700	\$22,154	14.43%
Hampden Township	\$198,460	\$244,116	\$252,800	\$54,340	27.38%
Hopewell Township	\$153,005	\$191,126	\$206,300	\$53,295	34.83%
Lemoyne Borough	\$123,784	\$136,427	\$146,400	\$22,616	18.27%
Lower Allen Township	\$150,435	\$172,537	\$168,900	\$18,465	12.27%
Lower Frankford Township	\$141,235	\$179,802	\$180,300	\$39,065	27.66%
Lower Mifflin Township	\$120,537	\$157,366	\$152,800	\$32,263	26.77%
Mechanicsburg Borough	\$148,270	\$171,362	\$165,400	\$17,130	11.55%
Middlesex Township	\$144,212	\$164,631	\$187,100	\$42,888	29.74%
Monroe Township	\$182,226	\$221,467	\$226,500	\$44,274	24.30%
Mount Holly Springs Borough	\$114,044	\$127,132	\$132,400	\$18,356	16.10%
Newburg Borough	\$118,102	\$162,495	\$155,400	\$37,298	31.58%
New Cumberland Borough	\$147,594	\$160,465	\$166,200	\$18,606	12.61%
Newville Borough	\$112,150	\$131,940	\$120,800	\$8,650	7.71%
North Middleton Township	\$134,877	\$170,934	\$167,000	\$32,123	23.82%
North Newton Township	\$152,870	\$194,652	\$180,200	\$27,330	17.88%
Penn Township	\$144,076	\$172,216	\$204,200	\$60,124	41.73%
Shippensburg Borough	\$111,338	\$137,602	\$147,600	\$36,262	32.57%
Shippensburg Township	\$45,320	\$50,746	\$88,800	\$43,480	95.94%
Shiremanstown Borough	\$148,000	\$172,216	\$159,600	\$11,600	7.84%
Silver Spring Township	\$180,738	\$217,407	\$218,700	\$37,962	21.00%
Southampton Township	\$127,437	\$177,024	\$175,400	\$47,963	37.64%
South Middleton Township	\$160,446	\$193,370	\$197,100	\$36,654	22.85%
South Newton Township	\$141,235	\$166,234	\$196,700	\$55,465	39.27%
Upper Allen Township	\$179,250	\$199,886	\$194,800	\$15,550	8.68%
Upper Frankford Township	\$129,466	\$126,812	\$155,500	\$26,034	20.11%
Upper Mifflin Township	\$140,424	\$166,020	\$165,900	\$25,476	18.14%
West Pennsboro Township	\$152,464	\$170,507	\$207,600	\$55,136	36.16%
Wormleysburg Borough	\$156,928	\$162,174	\$158,900	\$1,972	1.26%

Source: Census 2000 (SF3-H085), 2006-2010 ACS (B25077), 2011-2015 ACS (B25077)

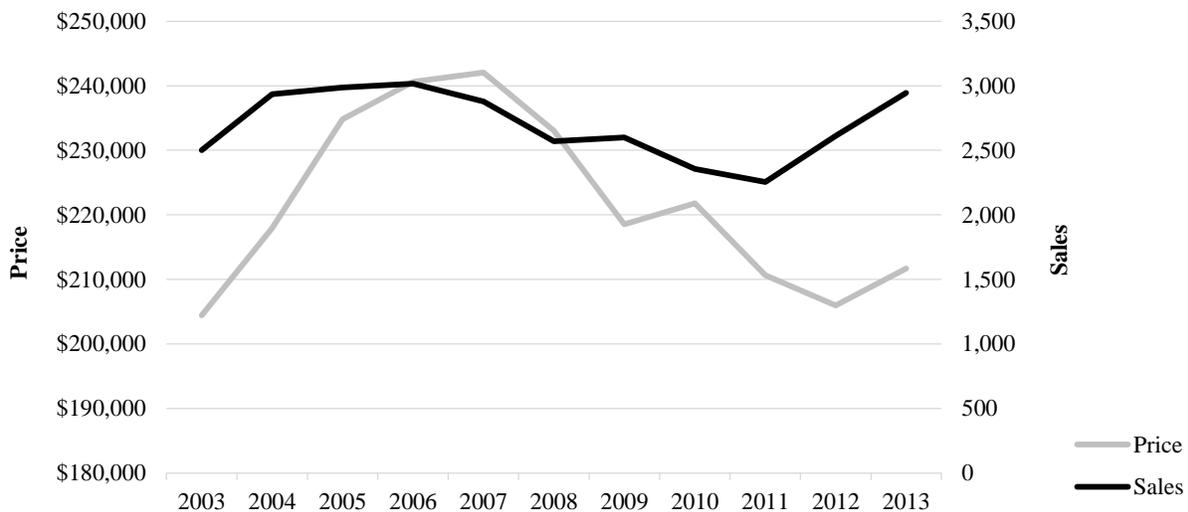
## Home Sales

Although median value as reported in the Census is a useful statistic, it is a representation of what every owner-occupied home in Cumberland County is estimated to be worth. It does not reflect the prices a prospective homebuyer in the County would face. Sales data is a stronger representation of market activity happening today, as it contains real-world information of what prices are like on the open market.

Between 2003 and 2013, the number of sales transactions peaked above 3,000 in 2006 before dropping to under 2,300 in 2011. Since then, the number of transactions has recovered almost to the most recent ten-year high. Median sales price has followed a similar pattern lagging by one year, with a 2007 peak of \$242,000 and a 2012 low of \$206,000 (both in 2013 dollars).

Although the number of recorded sales has been picking up in recent years, market prices have not been keeping pace. It remains to be seen if prices are still simply delayed by one or two years and will rebound as rapidly as sales volume has been recently.

*Number of Sales Transactions vs. Median Sale Price (Cumberland County)*



*Note: Adjusted for inflation to 2013 dollars.*

*Source: 2015 U.S. Bureau of Labor Statistics CPI Inflation Calculator, 2003-2013 MLS.*

### ***Rental Affordability***

As described earlier, median housing value (adjusted to 2015 dollars) increased by 12% across the County between 2000 and 2015, while real median income declined by 3.7%. Median gross rent also climbed 11.7% during the same years. The increase in costs paired with a fall in real income means that it has become comparatively more difficult to afford housing in Cumberland County.

### ***Median Gross Rent (Cumberland County, 2015 dollars)***

<b>Units Renting for:</b>	<b>2000</b>	<b>2015</b>	<b># Change '00-'15</b>	<b>% Change '00-'15 (adjusted for inflation)</b>
Gross Rent	576	886	310	11.7%
<i>Sources: U.S. Census Bureau, Census 2000 (SF3, H063), 2011-2015 ACS (B25063); 2016 U.S. Bureau of Labor Statistics CPI Inflation Calculator</i>				

In order for housing to be affordable, as defined by the U.S. Department of Housing and Urban Development (HUD), housing costs should take up no more than 30% of a household's gross income. The number of rental units priced at \$500 or below can be used as a proxy to demonstrate the amount of potential housing options a low-income household may have in an area.

In Cumberland County, the number of units renting for less than \$500 per month fell by about 69% between 2000 and 2015. During the same time, the number of units renting for more than \$1,000 increased by 826%. While the lowest-cost units formerly outnumbered the most expensive more than sixfold, as of 2015 the highest-cost units more than tripled the lowest-cost.

It is important to note that this data does not provide a distinction between units that were physically lost from the inventory (through demolition, deterioration, or other reasons) and those for which rents were increased. This data should also be analyzed with an understanding that \$500 was worth more in 2000 than in 2015, due to inflation. Due to the categorical nature of the variables, however, these figures cannot be adjusted for inflation.

### ***Rental Housing Units (Cumberland County)***

<b>Units Renting for:</b>	<b>2000</b>	<b>2015</b>	<b># Change</b>	<b>% Change</b>
Less than \$500	7,197	2,251	-4,946	-69%
\$500 to \$699	8,134	4,620	-3,514	-43%
\$700 to \$999	4,557	10,240	5,683	125%
\$1,000 or more	1,047	9,696	8,649	826%
<i>Sources: U.S. Census Bureau, Census 2000 (SF3, H062), 2011-2015 ACS (B25063)</i>				

The National Low Income Housing Coalition (NLIHC) provides annual information on the Fair Market Rent (FMR) and affordability of rental housing in counties and cities in the U.S. In 2015

in Cumberland County, the FMR for a two-bedroom apartment was \$866, compared to \$780 in 2000 (adjusted for inflation)

In order to afford this level of rent and utilities without paying more than 30% of income on housing, a household must earn \$2,886 monthly or \$34,640 annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into a housing wage of \$16.65 per hour. In Cumberland County, a minimum-wage worker earns \$7.25 per hour. In order to afford the FMR for a two-bedroom apartment, a minimum-wage earner must work 90 hours per week, 52 weeks per year.

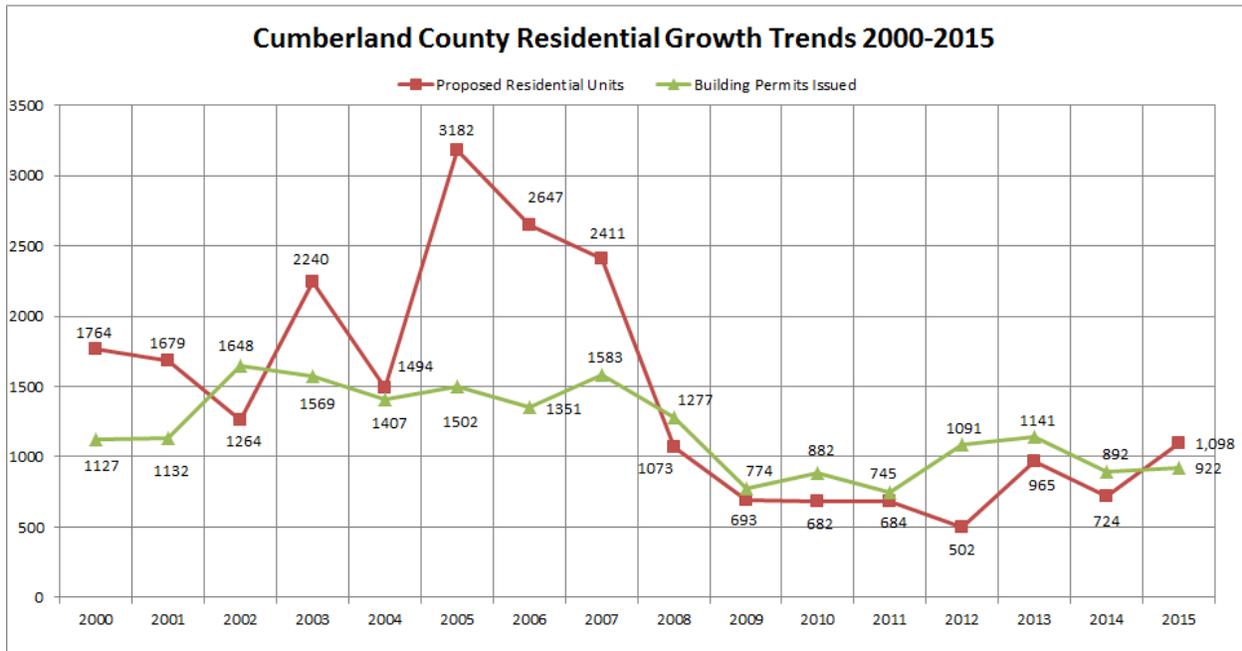
The NLIHC estimates that 46% of Cumberland County renters are currently unable to afford the two-bedroom FMR.

### ***Building Permits***

The number of proposed residential units and the number of building permit issued in a municipality can be used to predict residential growth in Cumberland County. Proposed residential units are those residential developments that have been shown on recorded final subdivision or land development plans. Such units have not been constructed, but are planned for construction at some point in the future. When those proposed units move forward to construction, a building permit will be issued. However, the issuance of a permit does not guarantee that a project will be built during that year, or even that it will be built at all. Collectively, proposed residential units and building permit applications are reasonable metrics to gauge the activity and prosperity of homebuilders. It also can signal an increased level of confidence in the market as banks will approve construction loans only when demand can be demonstrated.

In general, building permits have followed a trend similar to home sales, although with less dramatic peaks and valleys. The significant dip that occurred between 2007 and 2009 appears to have stabilized over the past four years.

**Proposed Residential Units and Building Permits 2000-2015(Cumberland County)**



Source: Cumberland County Annual Report (2015).

By examining proposed residential units and building permits at the municipal level, growth trends can be identified in various regions of the County. The following table summarizes the building permits and proposed residential units by municipality since 2000.

***Proposed Residential Units and Building Permits 2000-2015 by Municipality***

<b>Municipality</b>	<b>Proposed Units</b>	<b>Building Permits Issued</b>
Camp Hill Borough	105	85
Carlisle Borough	678	898
Cooke Township	5	31
Dickinson Township	259	413
East Pennsboro Township	1247	1491
Hampden Township	4177	2859
Hopewell Township	93	109
Lemoyne Borough	319	190
Lower Allen Township	1452	1271
Lower Frankford Township	49	81
Lower Mifflin Township	88	127
Mechanicsburg Borough	55	94
Middlesex Township	647	453
Monroe Township	533	352
Mount Holly Springs Borough	46	46
New Cumberland Borough	29	65
Newburg Borough	0	4
Newville Borough	14	36
North Middleton Township	1291	937
North Newton Township	294	172
Penn Township	126	187
Shippensburg Borough	187	185
Shippensburg Township	336	447
Shiremanstown Borough	13	16
Silver Spring Township	3705	3017
South Middleton Township	1438	1358
South Newton Township	36	53
Southampton Township	2038	1184
Upper Allen Township	3157	2250
Upper Frankford Township	303	216
Upper Mifflin Township	36	91
West Pennsboro Township	236	298
Wormleysburg Borough	110	27
<i>Source: Cumberland County Annual Building Permit Survey</i>		

Since 2000, 8 municipalities (Silver Spring, Hampden, Upper Allen, East Pennsboro, South Middleton, Lower Allen, Southampton, and North Middleton Townships) have accounted for 80% of the proposed residential units in the County. Those same 8 municipalities have accounted for 75% of the building permits issued in the County since 2000 as well. Hampden

Township and Silver Spring Township have issued the most building permits since 2000 and have the highest residential growth potential in the future through residential units proposed on recorded final plans.

### ***Vacancy***

Housing market analysts often use 5% as a “natural” vacancy rate. This is the vacancy rate that indicates a balance between housing supply and demand. Vacancy rates lower than 5% may indicate that new construction is insufficient to satisfy demand; higher rates imply an over-supply of housing.

In 2015, Cumberland County’s overall vacancy rate was 5.97%, the lowest in the Tri-County region and close to the standard natural rate. This means that Cumberland’s housing inventory is reasonably suited to housing demand. Dauphin and Perry Counties, on the other hand, may be experiencing an oversupply.

When accounting for tenure, the vacancy rates for renter- and owner-occupied housing units in Cumberland County were 3.8% and 1.3%, respectively. In general, these rates indicate that mobility is easier in the rental market than the home sales market, and that there is a comparatively tight market for owner-occupied homes in which prices are made higher by the limited supply.

### ***Vacancy Rates 2015***

	<b>Cumberland</b>	<b>Dauphin</b>	<b>Perry</b>
<b>Total Units</b>			
Total Units	102,046	121,546	20,513
Vacant Units	6,096	11,923	2,428
Vacancy Rate	5.97%	9.81%	11.84%
<b>Renter-occupied Units</b>			
Total Units	28,137	38,752	3,731
Vacant Units	1,069	2,829	224
Vacancy Rate	3.80%	7.30%	6.00%
<b>Owner-occupied Units</b>			
Total Units	67,813	70,079	14,442
Vacant Units	882	1542	116
Vacancy Rate	1.30%	2.20%	0.80%
<i>Source: 2011-2015 ACS (B25004, DP04)</i>			

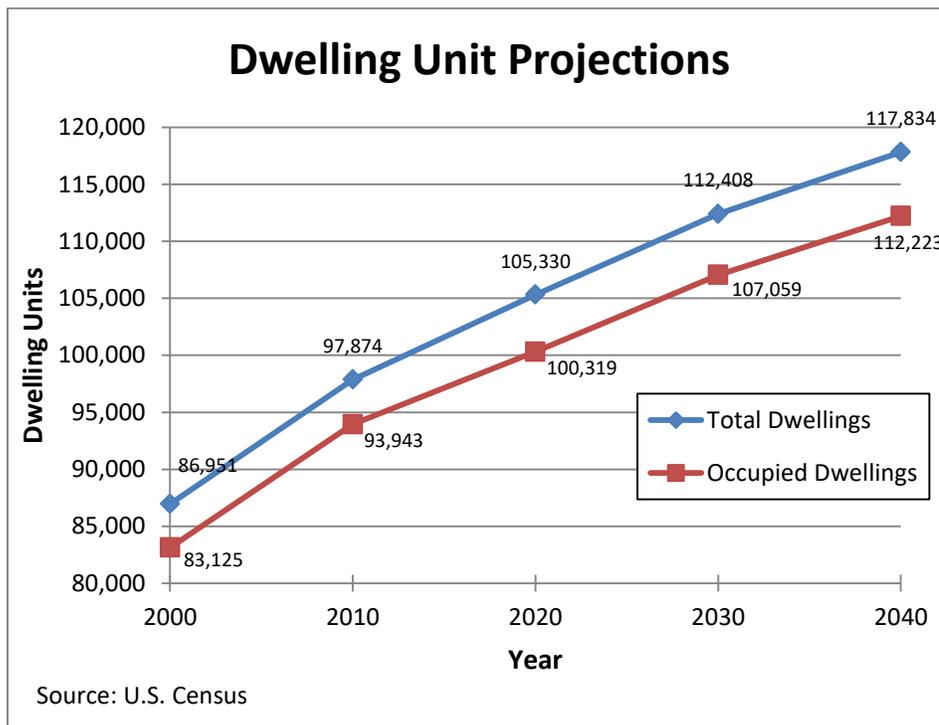
### **Projections**

As Cumberland County’s population continues to grow, it is helpful to project the number of additional dwelling units that will be needed over the next 25 years. Using these estimates, local officials can plan investments over the long-term and track progress toward meeting expected outcomes.

Projections are based on the Pennsylvania State Data Center’s county population projections and population allocations for each municipality calculated by Tri-County Regional Planning Commission, and the 2040 Regional Transportation Plan.

The Household Projections table identifies the number of dwelling units needed to house the projected population. It is estimated an additional 16,273 households (occupied dwelling units) will be established in Cumberland County between 2015 and 2040. This represents a slightly lower, but still significant, growth rate than has occurred in the County since 2000. The number of new households does not necessarily reflect the number of new dwellings to be built. Some of these new households will be established in existing vacant units. Populations in Group Quarters represent residents in nursing homes, university housing, and prisons (i.e. large group quarters populations in Lower Allen and Shippensburg townships include the State Correctional Institution and Shippensburg University).

The Total Dwelling Unit Projections table indicates the projected households and a 5% vacancy rate to maintain a healthy real estate market. The vacancy rate for the County in 2015 was approximately 6.0%. Assuming a 5% vacancy rate for projections, approximately 15,788 housing units will need to be built by the year 2040. The high number of total dwelling units in Cooke Township, compared to its occupied dwelling units, is the result of the high number of vacation cabins in the Township and should not be considered units available for households.



Household growth is expected to occur at different rates throughout the County. The municipalities with the highest anticipated growth in total units are: Hampden Township, Upper Allen Township, South Middleton Township, Silver Spring Township, Lower Allen Township, and East Pennsboro Township. Below that, estimates are more mixed. Notably, no municipality in Cumberland County is projected to lose households by 2040.

## Household Projections (Occupied Dwelling Units)

Municipality	Census*				Projections						2015-2040 Occupied D.U.s	
	2015 Pop.	2015 Pop. Group Quarters	2015 Occupied D.U.s	2015 Pop./HH	2020 Pop.	2020 Occupied D.U.s	2030 Pop.	2030 Occupied D.U.s	2040 Pop.	2040 Occupied D.U.s	# Change	% Change
Camp Hill Borough	7,886	128	3,330	2.33	8,054	3,402	8,218	3,472	8,344	3,526	196	5.9%
Carlisle Borough	18,945	2588	7,467	2.19	19,559	7,749	20,426	8,145	21,090	8,448	981	13.1%
Cooke Township	176	0	76	2.32	200	86	222	96	238	103	27	35.0%
Dickinson Township	5,297	11	1,934	2.73	5,656	2,068	6,083	2,224	6,411	2,344	410	21.2%
East Pennsboro Township	21,092	610	8,388	2.44	21,571	8,591	22,897	9,134	23,914	9,551	1,163	13.9%
Hampden Township	28,619	111	11,789	2.42	30,478	12,548	32,908	13,552	34,793	14,331	2,542	21.6%
Hopewell Township	2,721	0	815	3.34	2,485	744	2,640	790	2,758	826	11	1.3%
Lemoyne Borough	4,614	5	2,149	2.14	4,729	2,207	4,902	2,288	5,035	2,350	201	9.4%
Lower Allen Township	18,497	3,756	7,124	2.07	19,126	7,425	20,200	7,944	20,980	8,321	1,197	16.8%
Lower Frankford Township	1,761	0	739	2.38	1,841	774	1,948	818	2,031	853	114	15.5%
Lower Mifflin Township	1,826	0	699	2.61	1,926	738	2,067	792	2,175	833	134	19.2%
Mechanicsburg Borough	8,984	38	3,994	2.24	9,235	4,106	9,485	4,217	9,677	4,303	309	7.7%
Middlesex Township	7,233	662	2,516	2.61	7,559	2,643	8,072	2,839	8,466	2,990	474	18.8%
Monroe Township	5,952	17	2,297	2.58	6,205	2,398	6,583	2,545	6,872	2,657	360	15.7%
Mt. Holly Springs Borough	1,794	0	783	2.29	2,108	921	2,185	954	2,244	980	197	25.1%
New Cumberland Borough	7,274	6	3,386	2.15	7,402	3,440	7,526	3,498	7,620	3,541	155	4.6%
Newburg Borough	280	0	134	2.09	346	166	356	170	363	174	40	29.6%
Newville Borough	1,358	0	578	2.35	1,353	576	1,379	587	1,400	596	18	3.1%
North Middleton Township	11,344	136	4,467	2.51	11,998	4,726	12,843	5,063	13,491	5,321	854	19.1%
North Newton Township	2,486	0	879	2.83	2,613	923	2,795	988	2,934	1,037	158	17.9%
Penn Township	2,955	10	1,090	2.70	3,148	1,162	3,369	1,244	3,539	1,307	217	19.9%
Shippensburg Borough	4,449	55	2,135	2.06	4,571	2,192	4,724	2,267	4,842	2,324	189	8.8%
Shippensburg Township	5,457	2,196	1,409	2.31	5,876	1,593	6,318	1,784	6,657	1,931	522	37.1%
Shiremanstown Borough	1,533	0	638	2.40	1,569	654	1,569	654	1,569	654	16	2.5%
Silver Spring Township	15,144	29	6,136	2.46	15,187	6,162	16,697	6,776	17,855	7,246	1,110	18.1%
South Middleton Township	14,972	199	5,993	2.47	15,883	6,350	17,089	6,838	18,013	7,212	1,219	20.3%
South Newton Township	1,405	0	501	2.80	1,462	522	1,541	550	1,601	572	71	14.1%
Southampton Township	6,692	0	2,537	2.64	7,247	2,745	8,124	3,077	8,796	3,332	795	31.3%
Upper Allen Township	18,771	2,595	7,005	2.31	19,738	7,421	21,429	8,153	22,747	8,724	1,719	24.5%
Upper Frankford Township	1,932	0	796	2.43	2,191	902	2,375	977	2,516	1,035	239	30.1%
Upper Mifflin Township	1,341	0	482	2.78	1,405	505	1,505	541	1,581	569	87	18.0%
West Pennsboro Township	5,571	89	2,210	2.48	5,960	2,367	6,354	2,526	6,656	2,648	438	19.8%
Wormleysburg Borough	3,066	5	1,474	2.08	3,153	1,513	3,236	1,553	3,299	1,584	110	7.4%
<b>COUNTY TOTALS</b>	<b>241,427</b>	<b>13,246</b>	<b>95,950</b>	<b>2.38</b>	<b>251,834</b>	<b>100,319</b>	<b>268,065</b>	<b>107,059</b>	<b>280,507</b>	<b>112,223</b>	<b>16,273</b>	<b>17.0%</b>

\* American Community Survey 2011-2015

**Total Dwelling Unit Projections (5% Vacancy Rate)**

Municipality	Census*	Projections								
		2020			2030			2040		
		Occupied D.U.s	Total D.U.s 5% Vacancy	Add'l needed with 5% vacancy 2015-2020	Occupied D.U.s	Total D.U.s 5% Vacancy	Add'l needed with 5% vacancy 2015-2030	Occupied D.U.s	Total D.U.s 5% Vacancy	Add'l needed with 5% vacancy 2015-2030
Camp Hill Borough	3,510	3,402	3,572	62	3,472	3,646	136	3,526	3,702	192
Carlisle Borough	8,189	7,749	8,136	-53	8,145	8,552	363	8,448	8,870	681
Cooke Township	281	86	90	-191	96	101	-180	103	108	-173
Dickinson Township	2,017	2,068	2,171	154	2,224	2,335	318	2,344	2,461	444
East Pennsboro Township	8,870	8,591	9,021	151	9,134	9,591	721	9,551	10,029	1,159
Hampden Township	12,230	12,548	13,175	945	13,552	14,230	2,000	14,331	15,048	2,818
Hopewell Township	859	744	781	-78	790	829	-30	826	867	8
Lemoyne Borough	2,394	2,207	2,317	-77	2,288	2,402	8	2,350	2,467	73
Lower Allen Township	7,517	7,425	7,796	279	7,944	8,341	824	8,321	8,737	1,220
Lower Frankford Township	763	774	813	50	818	859	96	853	896	133
Lower Mifflin Township	746	738	775	29	792	832	86	833	875	129
Mechanicsburg Borough	4,224	4,106	4,311	87	4,217	4,428	204	4,303	4,518	294
Middlesex Township	2,623	2,643	2,775	152	2,839	2,981	358	2,990	3,139	516
Monroe Township	2,397	2,398	2,517	120	2,545	2,672	275	2,657	2,790	393
Mt. Holly Springs Borough	876	921	967	91	954	1,002	126	980	1,029	153
New Cumberland Borough	3,651	3,440	3,612	-39	3,498	3,673	22	3,541	3,718	67
Newburg Borough	137	166	174	37	170	178	41	174	183	46
Newville Borough	627	576	605	-22	587	616	-11	596	626	-1
North Middleton Township	4,698	4,726	4,962	264	5,063	5,316	618	5,321	5,587	889
North Newton Township	894	923	969	75	988	1,037	143	1,037	1,089	195
Penn Township	1,172	1,162	1,220	48	1,244	1,306	134	1,307	1,372	200
Shippensburg Borough	2,378	2,192	2,302	-76	2,267	2,380	2	2,324	2,440	62
Shippensburg Township	1,685	1,593	1,673	-12	1,784	1,873	188	1,931	2,028	343
Shiremanstown Borough	721	654	686	-35	654	687	-34	654	687	-34
Silver Spring Township	6,384	6,162	6,470	86	6,776	7,115	731	7,246	7,608	1,224
South Middleton Township	6,244	6,350	6,667	423	6,838	7,180	936	7,212	7,573	1,329
South Newton Township	521	522	548	27	550	577	56	572	601	80
Southampton Township	2,861	2,745	2,882	21	3,077	3,231	370	3,332	3,499	638
Upper Allen Township	7,219	7,421	7,792	573	8,153	8,561	1,342	8,724	9,160	1,941
Upper Frankford Township	848	902	947	99	977	1,026	178	1,035	1,087	239
Upper Mifflin Township	508	505	530	22	541	568	60	569	597	89
West Pennsboro Township	2,383	2,367	2,485	102	2,526	2,652	269	2,648	2,780	397
Wormleysburg Borough	1,619	1,513	1,589	-30	1,553	1,631	12	1,584	1,663	44
<b>COUNTY TOTALS</b>	<b>102,046</b>	<b>100,319</b>	<b>105,330</b>	<b>3,284</b>	<b>107,059</b>	<b>112,408</b>	<b>10,362</b>	<b>112,223</b>	<b>117,834</b>	<b>15,788</b>

\* American Community Survey 2011-2015

## ***Methodology***

To estimate the Household Projections from 2015 to 2040 an assumption was made that the population per household (Pop./HH) and population in group quarters would remain the same over the time period. The changes to persons per household and residents in group quarters are generally minimal and should not significantly affect projected housing needs. The projected number of occupied dwelling units was calculated by subtracting the population in group quarters from the projected population; then dividing that figure by the persons per household.

To estimate the Total Dwelling Unit Projections from 2015 to 2040 the projected occupied dwelling units were used. Total Dwelling Units with 5% Vacancy was calculated by increasing the occupied dwelling units by 5%. The number of additional units needed with 5% vacancy was determined by subtracting the 2015 Total D.U.s from the projected Total Units with 5% Vacancy.