

Vermont's Housing-Related Indicators

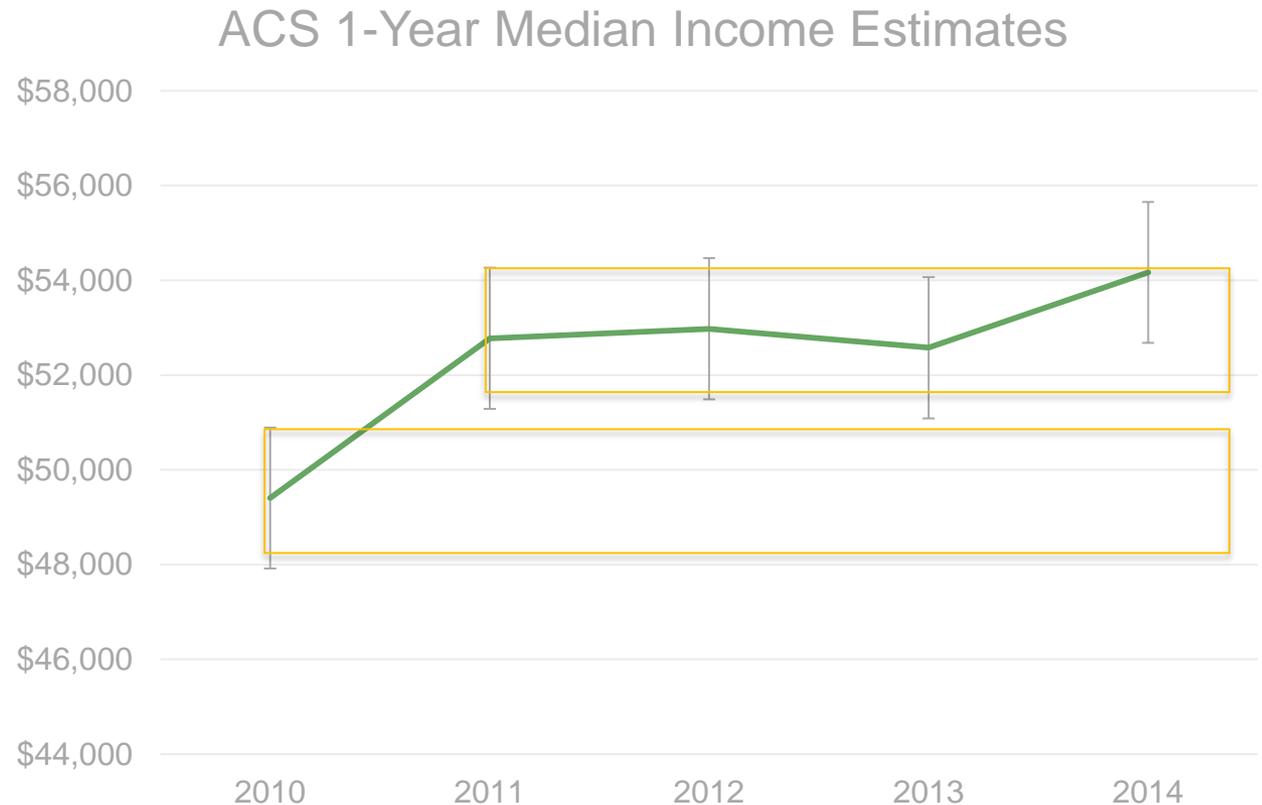
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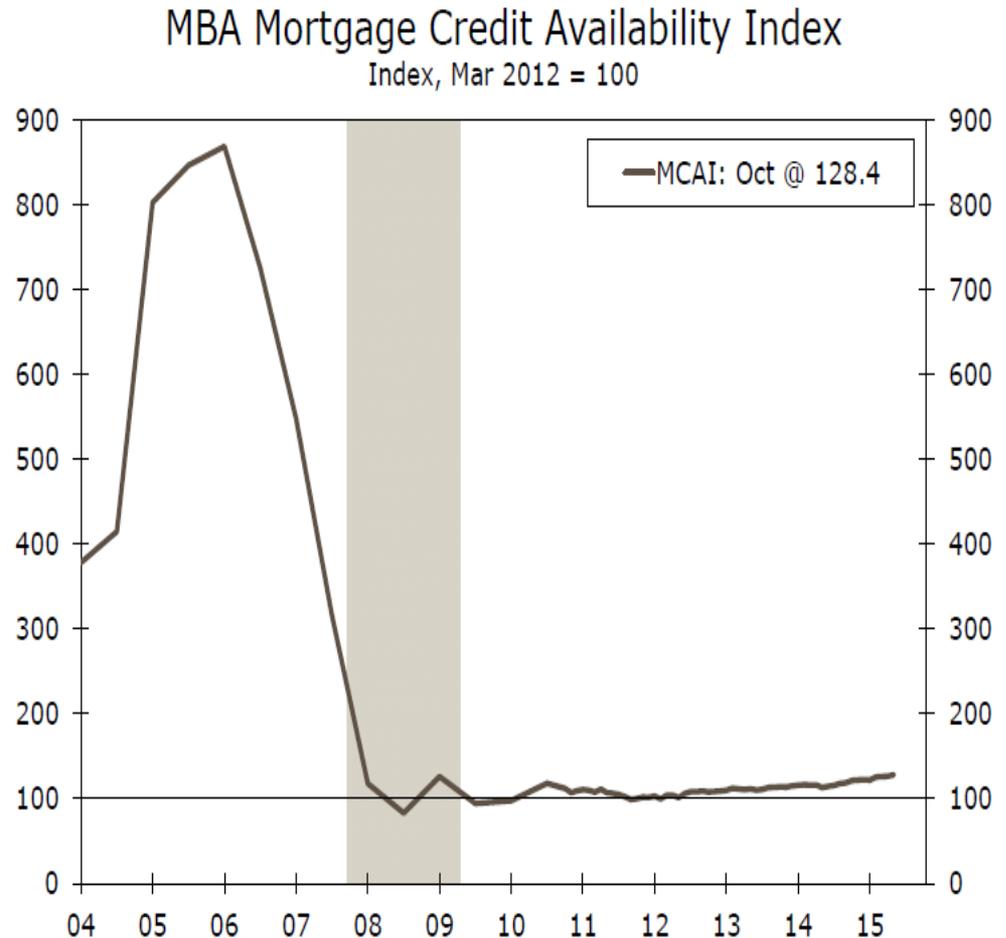
Beware of any American Community Survey Estimates from the Census

- Long form of the Census – 17%
- 2014 ACS – 1.45%
- Margins of error are key.



Median House Price

- Good to use Property Transfer Data
- Not all about prices and incomes, but it's a good start



Source: <https://www08.wellsfargomedia.com/assets/pdf/commercial/insights/economics/real-estate-and-housing/housing-chartbook-20151204.pdf>

Incomes to House Prices

- Good target to not have home prices outpace incomes
- Percent change in incomes 2010-2014 is **+10%**
 - or **+6% to +13%**
- Percent change in median home prices 2010-2014 is **-1%**
- Since 2000:
 - Median incomes **+28%**
 - Median home prices **+62%**

Percent of residents living in affordable housing

- Goal: 65.2% who can afford their housing
 - Rental and homeownership rates are always very different
 - Our homeownership rate is much higher than the US, and homeowners can more often afford their home, so this will skew our data
- Owner occupied homes paying less than 30% of income for housing: **68%**
- Renter occupied homes paying less than 30% of income for housing: **47.5%**

Housing Indicators

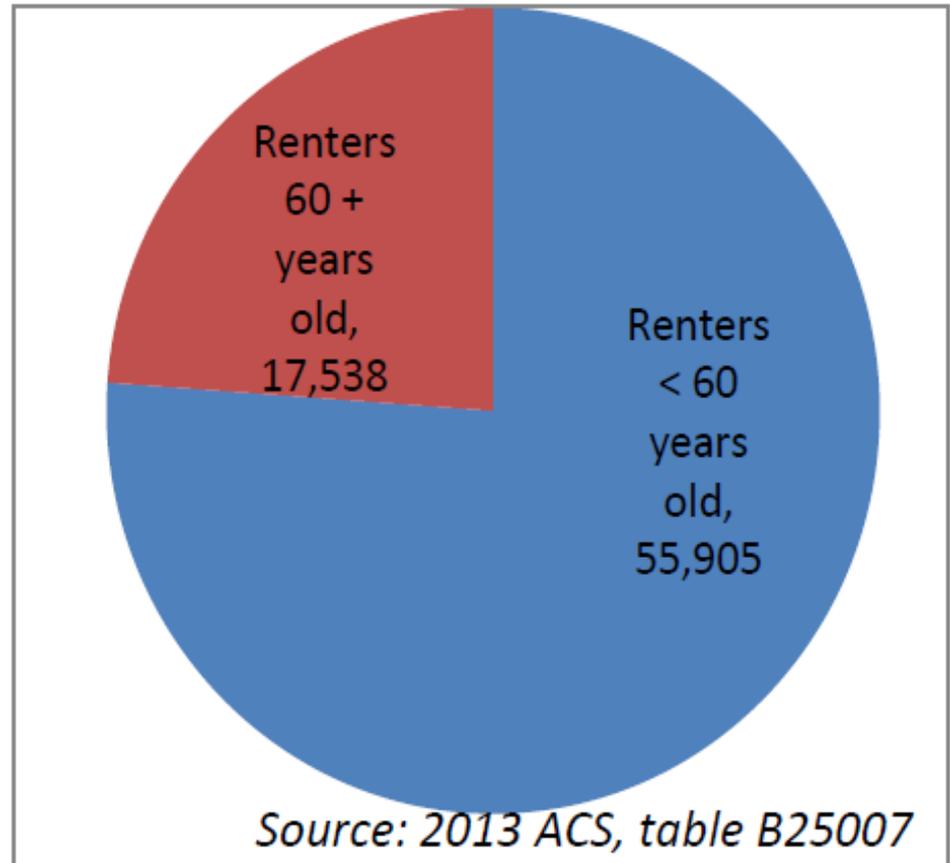
- Measuring the housing needs of today:
 - “Cost burden” (% of those paying >30% income for housing)
- Measuring the housing needs of tomorrow:
 1. More renter households (esp smaller, lower income)
 2. More overall need for non-age restricted housing.
 - But, the aging population with housing needs are more frail elders
 3. Growing demand for permanent supportive housing for people who are homeless and/or disabled
 4. Millennials are delaying home buying, but not giving up entirely

1. Rental housing demand

- 44,264 renter households need affordable housing. Of those:
 - 87% earned less than 50% Area Median Income
 - 87% were living in unaffordable rental housing, while 13% of the need was for new construction to accommodate household growth and replacing deteriorating stock.
 - 31% of households with housing needs were elderly (55+), while 69% were younger (<55) households.

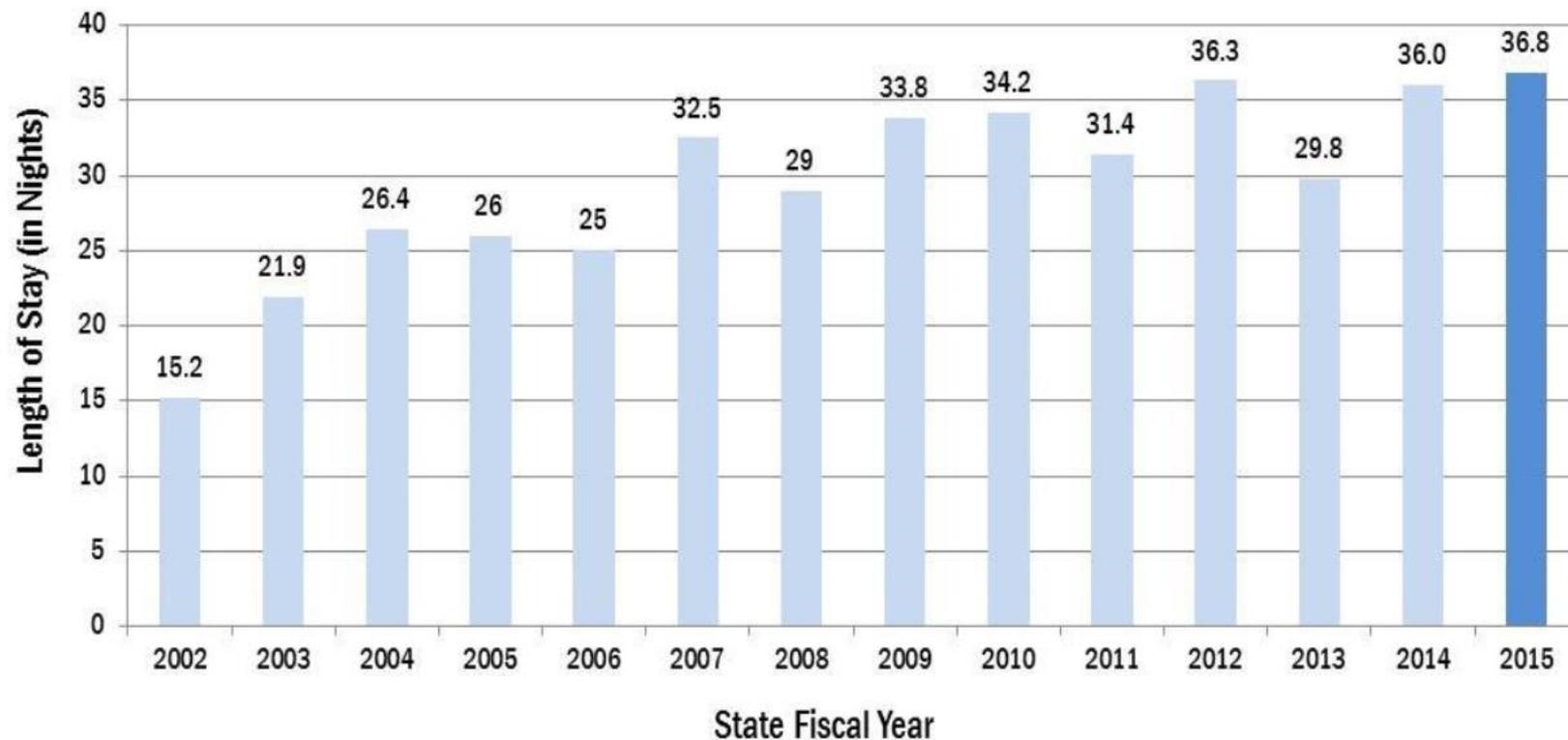
2. # of elders are growing faster, but more younger renters overall

- As all of us age, we can expect in the next 5 years
 - The number of householders younger than 55 will shrink by 5.4%
 - The number of householders 55+ will grow by 9.5%



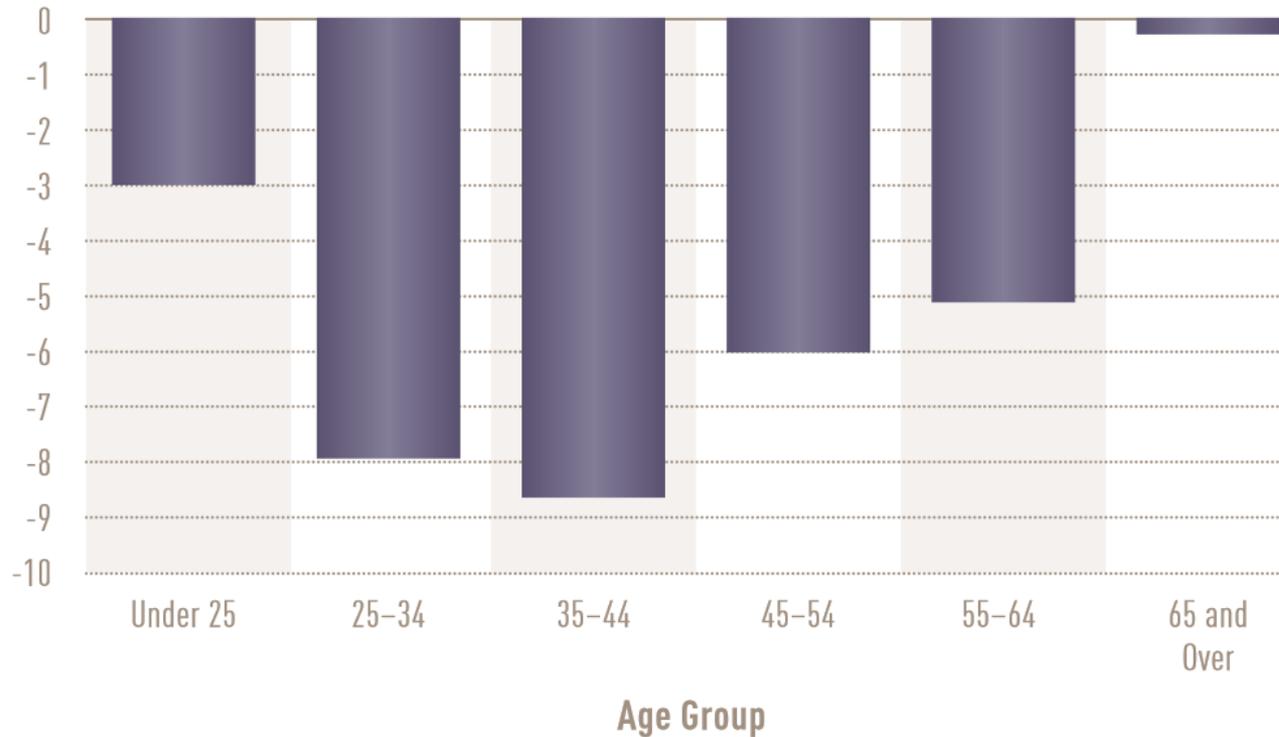
3. Increased demand for permanent supportive housing for people who are homeless and/or disabled

Average Length of Vermont's ESG Shelter Stay (2002-2015)



4. Buyers under 45 cut back home buying most

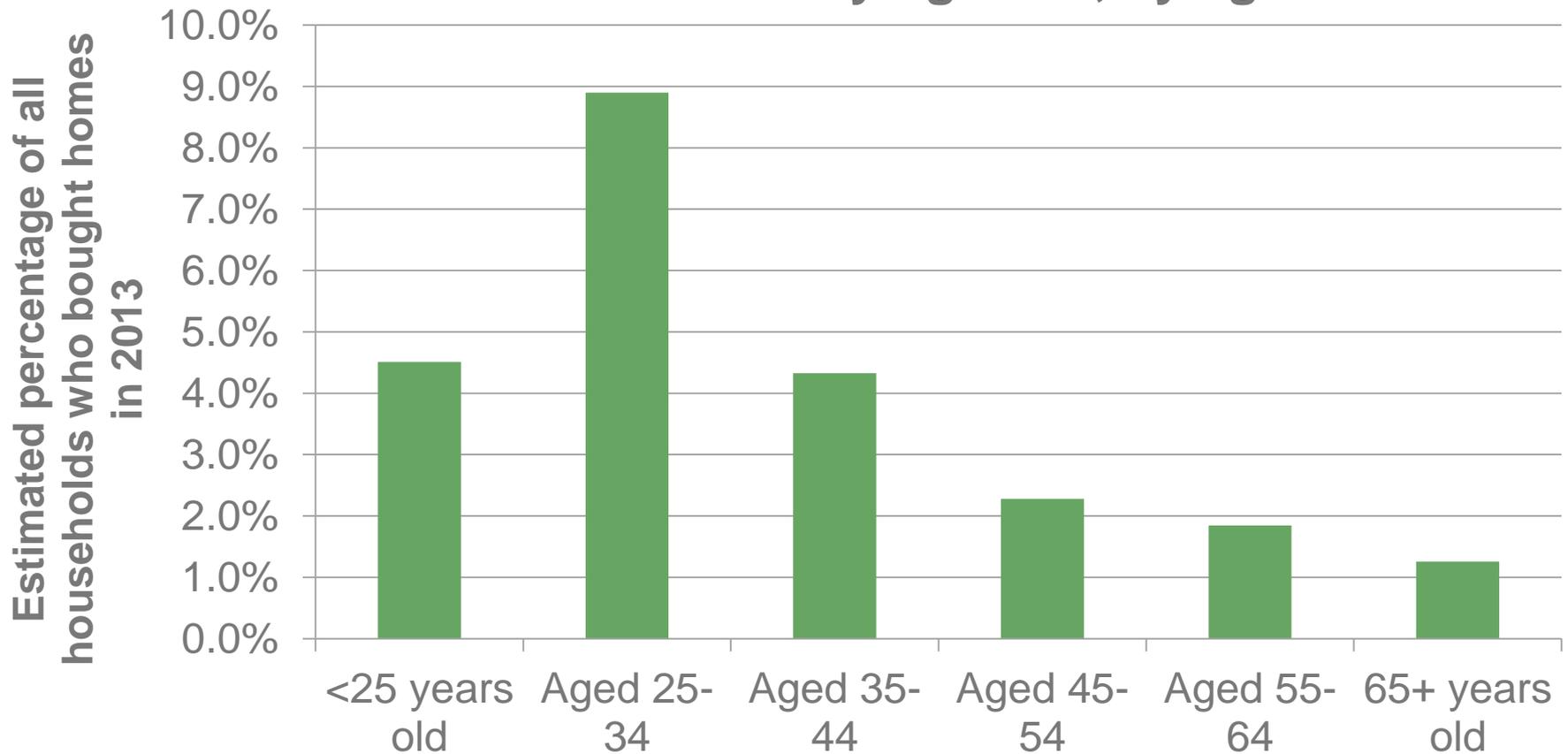
Change in Homeownership Rate, 2004–13 (Percentage points)



Source: JCHS tabulations of US Census Bureau, Housing Vacancy Surveys.

Young people remain critical to home buying

Likelihood of home buying in VT, by age



Reasons why younger households are not buying homes

- Long-running social and demographic shifts:
 - Delayed marriage
 - Delayed childbearing
 - Increased racial and ethnic diversity
- Short term cyclical changes:
 - Rise in unemployment
 - Decline in household income among young
 - Increased student loan debt burden

How VHFA is addressing future demand for housing

- Between 2010 and 2015, 2,947 units were funded by VHFA, DHCD and VHCB
 - 631 newly constructed units
 - 909 affordable housing units preserved
 - 254 units rehabilitated and 97 adaptively reused
 - 1,414 units targeted to extremely low income and/or homeless
 - 410 special needs units
 - 49% within .25 miles of public transportation
 - 55% in downtown or village center
 - 40% mixed income

How VHFA is addressing future demand for housing

- Aging population who needs intensive services
 - Limit age restricted rental housing funding to service-enriched programs
- Growing demand for permanent supportive housing for people who are homeless and/or disabled
 - Enhanced incentives for developers to set aside 25% of units
- Millennials are delaying home buying, but not giving up entirely
 - New Down Payment Assistance program (launched August 2015)

VHFA's New Down Payment Assistance Program

- Average assistance: \$4,500
- Average income: \$61,000
- Average age: 31
- Average purchase price: \$156,840
- 86% single family, 14% condos
- High demand for program: Since program launched 40% of our reservations requested DPA

Closed Loans:

Addison:	3
Caledonia:	6
Chittenden:	18
Franklin:	6
Lamoille:	2
Orleans:	3
Rutland:	8
Washington:	4
Windham:	7
Windsor:	3

A Sampling of Employers of DPA Recipients

2 in Barre (City of Montpelier and Conti Oil)

1 in Eden (Morrisville Family Health Center)

2 in St. Albans (NW Counseling Center and St. Albans Elementary)

7 in South Burlington (Burlington Housing Authority, Data Innovations, Dept of Homeland Security, 4 Seasons Sothebys, UTC Aerospace, UVM Medical Center)

2 Winooski (East Montpelier Town School)