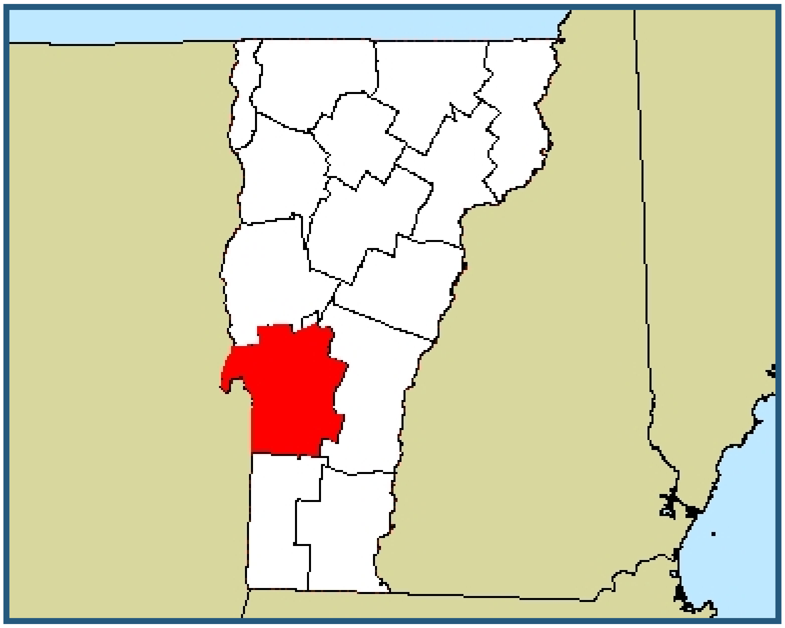
Rutland County

Housing Needs Assessment



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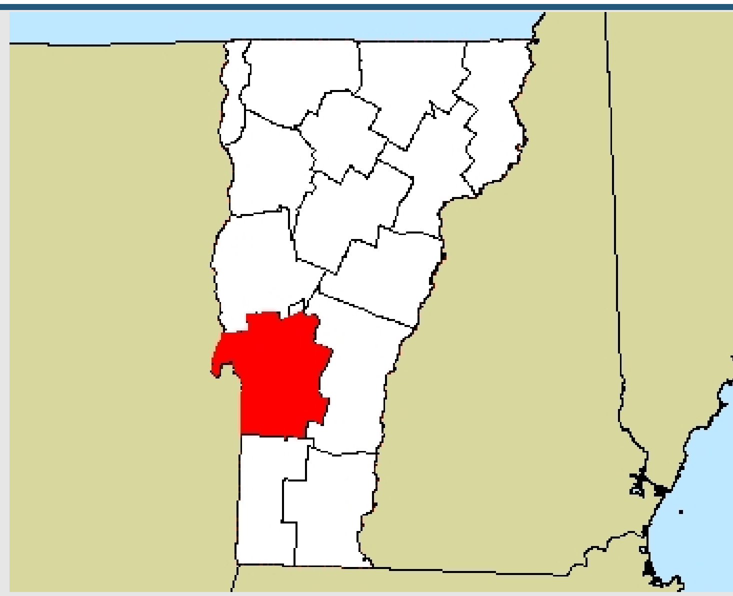
Bowen National Research

Rutland County: County Overview

Introduction - Rutland County is located within the western portion of the state. It encompasses a total of 932 square miles, making it the 2nd largest county (based on geographic area) in the state. The county had a 2010 total population of 61,642 (2nd largest in the state) and 33,768 total households (3rd largest in the state). The city of Rutland, with a 2010 population of 16,495, is the largest community in the county. Other notable communities in Rutland County, along with their corresponding 2010 population numbers in parenthesis, include Castletown (4,717), the town of Rutland (4,054), and Brandon (3,966). The primary employment sectors and their corresponding shares of the county's total employment are Retail Trade (14.0%) and Health Care & Social Assistance (12.8%).



Highlights

Population – Between 2015 and 2020, projected population decline of 527 (0.9%).

Households – Between 2015 and 2020, projected household decline of 36 (0.1%).

Household Heads by Age – It is projected that by 2015, the largest share (23.3%) of households by age in Rutland County will be within the 55 to 64 age cohort.

Rental Housing – Rutland County has an overall vacancy rate of 0.8% for all identified and surveyed rental housing.

Owner Housing (for-sale) – As of October 2014, there are a total of 1,022 available for-sale homes in the county, with a median price of $199,250.

Mobile Home Parks – As of 2013, mobile home parks in the county reported an overall 5.1% vacancy rate.

Senior Care Facilities – Senior housing reported an overall vacancy rate of 10.1%

Additional demographic and housing supply data is included on the following pages these facts sheets.

Housing Supply

Based on surveys of housing conducted by Bowen National Research and secondary data sources, a total of 28 multifamily rental properties, 28 mobile home parks, 369 recently sold housing units (1,022 available), and 9 senior care facilities were identified and analyzed in the county.

Housing Supply Overview

Housing Type	Vacancy	Rents-Prices
Apartment Rentals	0.8%	$373-$1,390
Mobile Home Parks	5.1%	$268-$895
Owner Housing (For-Sale)	-	$13,900-$3,900,000
Senior Care Facilities	12.0%-RC N/A-AL 8.9%-NH	$686-$4,380 - $9,885-$10,190

RC-Residential Care; AL-Assisted living; NH-Nursing Home

Housing Needs Estimates (Units) by Tenure and % AMHI

Household Income	Rental Units		Owner Units		Senior Care*
	Family	Senior	Family	Senior	
<30%	1,433	775	2,130	1,763	
30%-50%	1,004	441	1,954	1,512	
50%-80%	114	91	1,196	830	
80%-95%	38	41	317	230	
95%-120%	89	61	381	331	
Total	**2,678**	**1,409**	**5,978**	**4,666**	

*Senior care demand not calculated on a county level

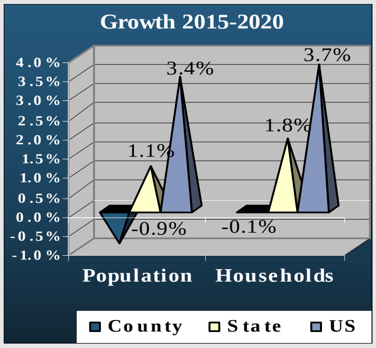
Note: Primary data sources include U.S. Census Bureau, American Community Survey (ACS) and ESRI. All other data sources are cited within the full report.

Rutland County: Demographics & Economics

US Census, ESRI & Claritas Estimates	Total Population	Total Households	Renter Households	Owner Households
2000 Census	63,406	25,680	7,581	18,099
2010 Census	61,648	25,986	7,837	18,149
Change 2000-2010	-1,758	306	256	50
Percent Change 2000-2010	-2.8%	1.2%	3.4%	0.3%
2015 Projected	61,620	26,164	7,770	18,394
Change 2010-2015	-28	178	-67	245
Percent Change 2010-2015	0.0%	0.7%	-0.9%	1.3%
2020 Projected	61,093	26,128	7,789	18,339
Change 2015-2020	-527	-36	19	-55
Percent Change 2015-2020	-0.9%	-0.1%	0.2%	-0.3%

While Rutland County's population declined between 2000 and 2010, its number of households increased during this time. These trends are projected to continue but at a slower rate between 2010 and 2015, when the population is projected to decrease by only 28 (less than 0.1%) and households are projected to increase by 178 (0.7%). It is projected that between 2015 and 2020, the total population in the county will decline by 527 (0.9%) and households will decline by 36 (0.1%).

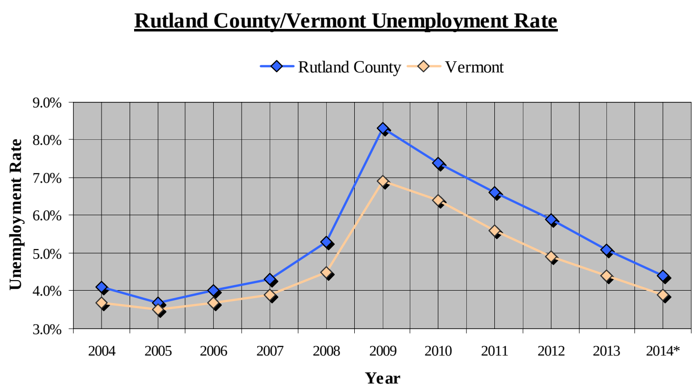
Within the county, the share of owner-occupied household was approximately 70% in 2000 and 2010, while the share of renter-occupied households has been around 30%. It is projected that in 2015 and 2020 that the shares of households by tenure will generally remain the same.

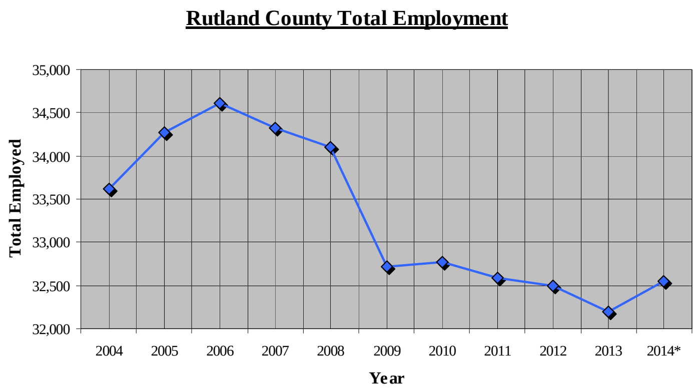


Year	Household Heads by Age						
	<25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+
2010	1,001 (3.9%)	2,713 (10.4%)	3,884 (14.9%)	5,866 (22.6%)	5,740 (22.1%)	3,573 (13.8%)	3,207 (12.3%)
2015	896 (3.4%)	2,856 (10.9%)	3,517 (13.4%)	5,170 (19.8%)	6,093 (23.3%)	4,359 (16.7%)	3,271 (12.5%)
2020	808 (3.1%)	2,856 (10.9%)	3,295 (12.6%)	4,455 (17.1%)	6,127 (23.5%)	5,147 (19.7%)	3,438 (13.2%)
Change 2015-2020	**-88 (-9.8%)**	**0 (0.0%)**	**-222 (-6.3%)**	**-715 (-13.8%)**	**34 (0.6%)**	**788 (18.1%)**	**167 (5.1%)**

It is projected that by 2015, the largest share (23.3%) of households by age in Rutland County will be within the 55 to 64 age cohort.

2013 County Unemployment (Rank in State)	Employment Change (2010-2013)	Top Three Industry Sectors
5.1% (11th)	-564 (-1.8%)	1. Retail Trade (14.0%)
		2. Health Care & Social Assistance (12.8%)
		3. Manufacturing (12.0%)



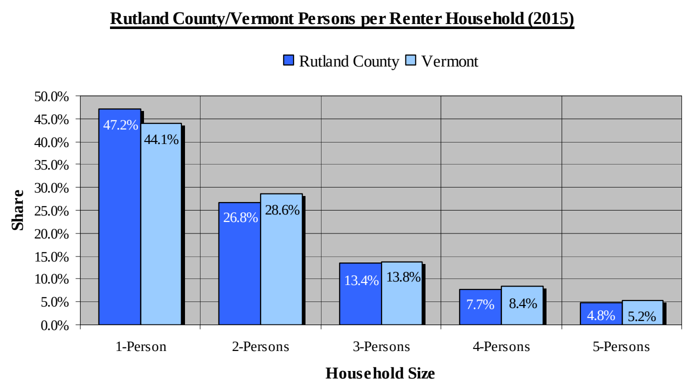


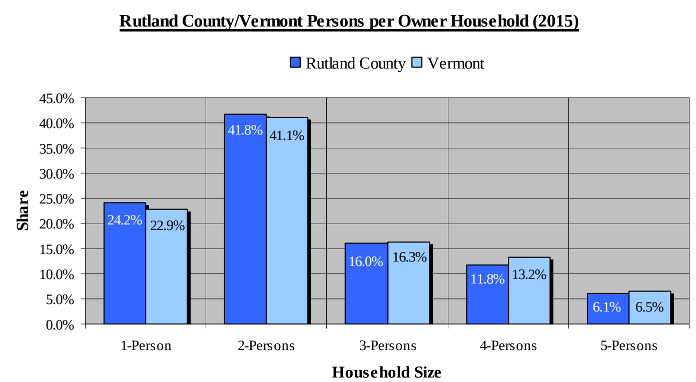
Rutland County: Demographics & Economics

Tenure	Year	Persons Per Household						
		1-Person	2-Person	3-Person	4-Person	5-Person	Total	Median H.H. Size
Renter	2010	3,619 (46.2%)	2,137 (27.3%)	1,056 (13.5%)	624 (8.0%)	401 (5.1%)	7,837 (100.0%)	1.28
	2015	3,667 (47.2%)	2,085 (26.8%)	1,041 (13.4%)	600 (7.7%)	376 (4.8%)	7,770 (100.0%)	1.21
	2020	3,748 (48.1%)	2,064 (26.5%)	1,035 (13.3%)	583 (7.5%)	359 (4.6%)	7,789 (100.0%)	1.14
Owner	2010	4,225 (23.3%)	7,652 (42.2%)	2,895 (16.0%)	2,206 (12.2%)	1,171 (6.5%)	18,149 (100.0%)	2.27
	2015	4,454 (24.2%)	7,697 (41.8%)	2,940 (16.0%)	2,174 (11.8%)	1,129 (6.1%)	18,394 (100.0%)	2.23
	2020	4,568 (24.9%)	7,625 (41.6%)	2,938 (16.0%)	2,123 (11.6%)	1,085 (5.9%)	18,339 (100.0%)	2.21

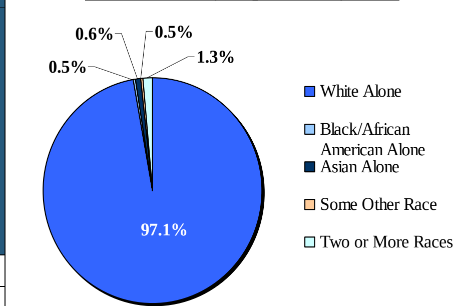
The median renter household size in 2015 will be 1.21 while owner households will be 2.23. These sizes are expected to decline very little by 2020.

Single person households will represent 47.2% of all renter households and 24.2% of all owner households in the county in 2015. Large family households (4+ persons) will represent 12.5% of renter households and 17.9% of owner households in 2015.





Metric	Population by Race					
	White Alone	Black/African American Alone	Asian Alone	Some Other Race Alone	Two or More Races	Total
Number	59,835	334	370	310	799	61,648
Percent	97.1%	0.5%	0.6%	0.5%	1.3%	100.0%



Rutland County: Housing Supply Overview

Surveyed Housing Supply Overview (Represents Sample Survey of Housing)						
Housing Type	**Projects**	**Units**	**Vacant Units**	**Vacancy**	**Price Range***	**Median Price**
Apartment Rentals	28	1,062	9	0.8%	$373-$1,390	$595-$995
Non-Conventional Rentals	19	19	-	-	$650-$4,500	$1,100
Mobile Home Parks	28	452	23	5.1%	$268-$895	-
Owner Housing (For-Sale)**	-	1,022	-	-	$13,900-$3,900,000	$199,250
Senior Care Facilities	RC-7	166	20	12.0%-RC	$686-$4,380	$3,194
	AL-0	0	-	N/A-AL	-	-
	NH-2	248	43	8.9%-NH	$9,885-$10,190	$9,885

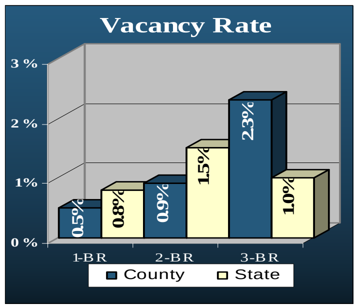
RC-Residential Care; AL-Assisted living; NH-Nursing Home

*Price range illustrates the lowest to highest, regardless of bedroom type; Mobile Home Park price range is the base lot rent (2013) to the highest rent identified for a mobile home unit

**Units is the total number of active listings

Apartment Rentals

Total Surveyed Properties	Vacancy Rates	
28	Overall	0.8%
	Market-Rate	1.2%
Total Units Surveyed	Tax Credit	0.0%
1,062	Subsidized	1.0%



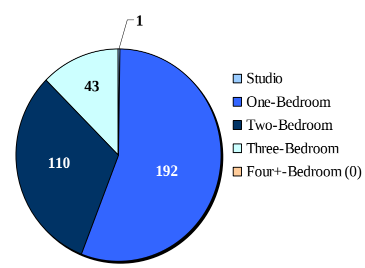
Subsidized Housing

Type	Count	Wait List
Public Housing Units	218	1 Year
Other Subsidized Units	663	2-30 H.H.
Housing Choice Vouchers	392*	400 H.H.* 2 Yrs.

H.H. – Households; Yrs. – Years

*Includes multiple counties and/or housing authorities

Distribution of Units Non-Subsidized

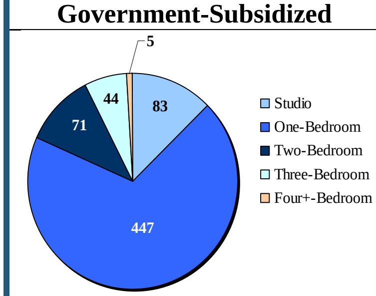


Non-Subsidized Rental Distribution

Unit Type	Total Units	Vacancy Rate	Collected Rents Low	Collected Rents High	Collected Rents Median*
Studio	1	0.0%	$595	$595	$595
One-Bedroom	192	0.5%	$373	$1,065	$690-$700
Two-Bedroom	110	0.9%	$625	$1,390	$826-$830
Three-Bedroom	43	2.3%	$750	$995	$826-$995
Four+-Bedroom	-	-	-	-	-

*Rent range based on number of bathrooms

Government-Subsidized



Government-Subsidized Rental Distribution

Unit Type	Total Units	Vacancy Rate
Studio	83	0.0%
One-Bedroom	447	1.1%
Two-Bedroom	71	2.8%
Three-Bedroom	44	0.0%
Four+-Bedroom	5	0.0%

Mobile Home Parks	
Number of Projects/Parks	28
Total Lots	452
Leased Lots	429
Vacant Lots	23
Vacancy Rate	5.1%
Median Base Lot Rent (2013)	$268

The largest share of mobile home parks were established between 1960 and 1979. No parks have been established in Rutland County since 1999. According to data provided by DHCD's Housing Division, there are a total of 23 vacant lots, yielding an overall vacancy rate of 5.1%. Median base lot rents within mobile home parks in Rutland County have trended upward on a limited base, increasing from $260 to $268 between 2009 and 2013.

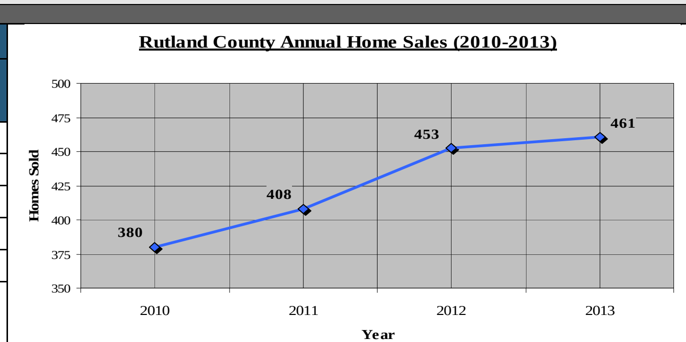
Rutland County: Housing Supply Overview

Senior Care Facilities					
Housing Type	Total Projects	Units/Beds	Vacancy Rate	Wait List	Median Base Rent
Residential Care	7	166	12.0%	2-5 Households	$3,194
Assisted Living	0	0	-	-	-
Nursing Homes	2	248	8.9%	None	$9,885
Total	9	414	10.1%	-	-

There were 21 senior care facilities identified in the county with a total of 793 beds. Of these projects, we were able to survey nine. These nine projects have a total of 414 units, of which 42 are vacant. This yields an overall vacancy rate of 10.1%. Base monthly fees for residential care housing start at around $3,194 a month and nursing care has a base monthly fee starting near $9,885 (using a daily fee).

Owner Housing (For-Sale) by Year Sold				
Year Sold	Units Sold	Change	Median Price	Change
2010	380	-	$164,500	-
2011	408	7.4%	$154,450	-6.1%
2012	453	11.0%	$159,900	3.5%
2013	461	1.8%	$155,000	-3.1%
2014*	369	-	$155,000	-

Sales data is through October 2014

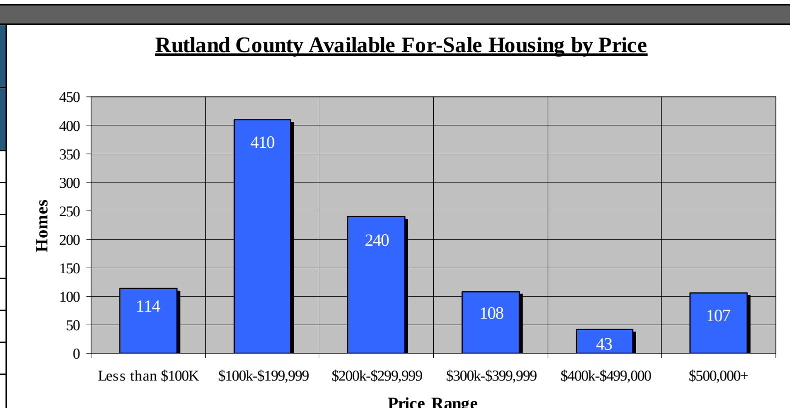


Overall Available Owner Housing (For-Sale)				
Number of Homes Listed	Price Range	Average List Price	Median List Price	Average Days on Market
1,022	$13,900-$3,900,000	$283,520	$199,250	215

As of October 2014

Available Owner (For-Sale) Housing by Price			
List Price	Median Price	Units	Share
<$100,000	$79,900	114	11.1%
$100,000 - $199,999	$153,500	410	40.1%
$200,000 - $299,999	$249,900	240	23.5%
$300,000 - $399,999	$359,000	108	10.6%
$400,000 - $499,999	$450,000	43	4.2%
$500,000+	$750,000	107	10.5%
	Total	**1,022**	**100.0%**

As of October 2014



Excluding the number of households potentially impacted by lead based paint, the greatest housing issue facing residents appears to be associated with cost burden. The high share of cost burdened households indicates that many area residents are paying a disproportionately high share of their income towards housing costs, which is likely due to a lack of affordable housing.

Housing Issues by Tenure				
	Renter-Occupied		Owner-Occupied	
Housing Issue	Number	Percent	Number	Percent
Cost Burdened	3,424	43.3%	6,102	33.0%
Severely Cost Burdened	1,524	19.3%	2,354	12.7%
Overcrowded	96	1.2%	101	0.5%
Severely Overcrowded	32	0.4%	34	0.2%
Substandard*	181	2.3%	318	1.7%
Lead Paint	6,464	81.7%	12,562	67.9%

Notes: Some housing issues overlap with other issues; Lead Paint estimates are based on year built
*Incomplete Kitchen and Incomplete Bath have been added together

A detailed analysis of the county's demographics, economics, and housing supply is included in the Housing Needs Assessment.

Rutland County: Special Needs & Homeless

Special Needs Populations			
Special Needs Group	**Persons**	**Special Needs Group**	**Persons**
HIV/AIDS	36	Persons with Disabilities (PD)	9.336
Victims of Domestic Violence (VDV)	888	Elderly (Age 62+) (E62)	12,931
Persons with Substance Abuse (PSA)	909	Frail Elderly (Age 62+) (FE62)	957
Adults with Severe Mental Illness (SMI)	267	Ex-offenders (Parole/Probation) (EOP)	212
Co-Occurring Disorders (COD)	N/A	Unaccompanied Youth (UY)	41
New Immigrants/Refugees (NIR)	N/A	Migrant Farm Workers	7

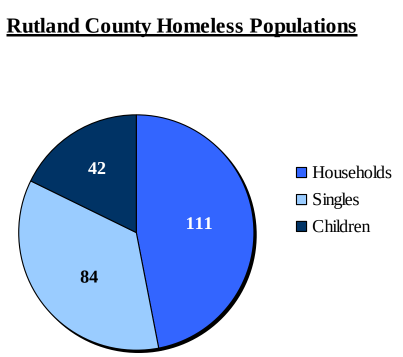
Note: Data sources cited in full report

Excluding the homeless population, the largest number of special needs persons is among those with disabilities, elderly, frail elderly, victims of domestic violence, and persons with substance abuse. According to our interviews with area stakeholders, housing alternatives that meet the distinct demands of the special needs population are limited. Notable facilities are provided by Dismas House, Rutland County Housing Coalition, Rutland County Youth in Transition, Rutland County Women's Network, Rutland Mental Health Services, PATH, various nursing homes/ residential care facilities and Community Action in Southwestern Vermont which serve the needs of persons with substance abuse, ex-offenders, unaccompanied youth, victims of domestic violence, elderly, and persons with mental illness/disabilities. According to area service providers knowledgeable about housing for various homeless and special needs groups in Rutland County, the most needed housing was permanent supportive housing for homeless persons and persons with disabilities/mental illness.

Homeless Population						
Total Homeless Persons	**Chronically Homeless**	**Motel Vouchers**	**Unsheltered**	**Households**	**Singles**	**Children**
162	22	79	19	111	84	42

Homeless Housing Inventory

Project Type	Beds by Population Category					Seasonal Beds	Overflow Beds	Total Beds
	Single Male/ Female and Households w/ Children	Single Male & Female	Veteran	Chronically Homeless	Youth			
Emergency Shelter	18	24	0	0	0	0	79	121
Transitional Housing	5	25	0	10	0	0	0	40
Permanent Supportive Housing	17	0	14	14	0	0	0	45
Rapid Re-housing	14	0	0	0	0	0	0	14
Total Beds By Population	54	49	14	24	0	0	79	220



Based on the Vermont Coalition to End Homelessness, there are approximately 162 persons classified as homeless within Rutland County. Based on the Vermont Coalition to End Homelessness - 2014 Housing Inventory Count, the utilization (occupancy) rate for homeless housing beds in the county is 91.2%. This utilization rate and the fact that 19 persons remain unsheltered on a given night indicate that there still remains a need for housing that meets the special needs of the homeless population.

Rutland County

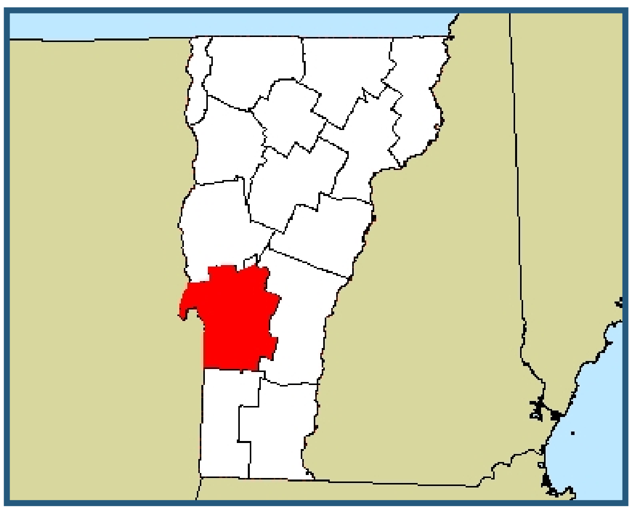
A. Introduction

The focus of this analysis is to assess the market characteristics of, and to determine the housing needs for, Rutland County. To accomplish this task, Bowen National Research evaluated various socio-economic characteristics, inventoried and analyzed the housing supply (rental and owner/for-sale product), conducted stakeholder interviews, evaluated special needs populations and provided overall conclusions as to the housing needs of the county.

To provide a base of comparison, various metrics of Rutland County were compared with overall statewide numbers. A comparison of the subject county in relation with other counties in the state is provided in the Statewide portion of the Vermont Housing Needs Assessment.

B. County Overview

Rutland County is located within the western portion of the state. It encompasses a total of 932 square miles, making it the 2nd largest county (based on geographic area) in the state. Primary thoroughfares within the county include U.S. Routes 4 and 7. Notable natural landmarks and public attractions include Rutland City Forest and Bomoseen State Park. The county had a 2010 total population of 61,642 (2nd largest in the state) and 33,768 total households (3rd largest in the state). The city of Rutland, with a 2010 population of 16,495, is the largest community in the county. Other notable communities in Rutland County, along with their corresponding 2010 population numbers in parenthesis, include Castletown (4,717), the town of Rutland (4,054), and Brandon (3,966). The primary employment sectors and their corresponding shares of the county's total employment are Retail Trade (14.0%), Health Care & Social Assistance (12.8%) and Manufacturing (12.0%). Additional details regarding demographics, economics, housing, and other pertinent research and findings are included on the following pages.



C. Demographics

This section of the report evaluates key demographic characteristics for Rutland County. Through this analysis, unfolding trends and unique conditions are revealed regarding populations and households residing in the county. Demographic comparisons provide insights into the human composition of housing markets.

This section is comprised of two major parts: population characteristics and household characteristics. Population characteristics describe the qualities of individual people, while household characteristics describe the qualities of people living together in one residence.

It is important to note that 2000 and 2010 demographics are based on U.S. Census data (actual count), while 2015 and 2020 data are based on calculated projections provided by ESRI, a nationally recognized demography firm. The accuracy of these projections depends on the realization of certain assumptions:

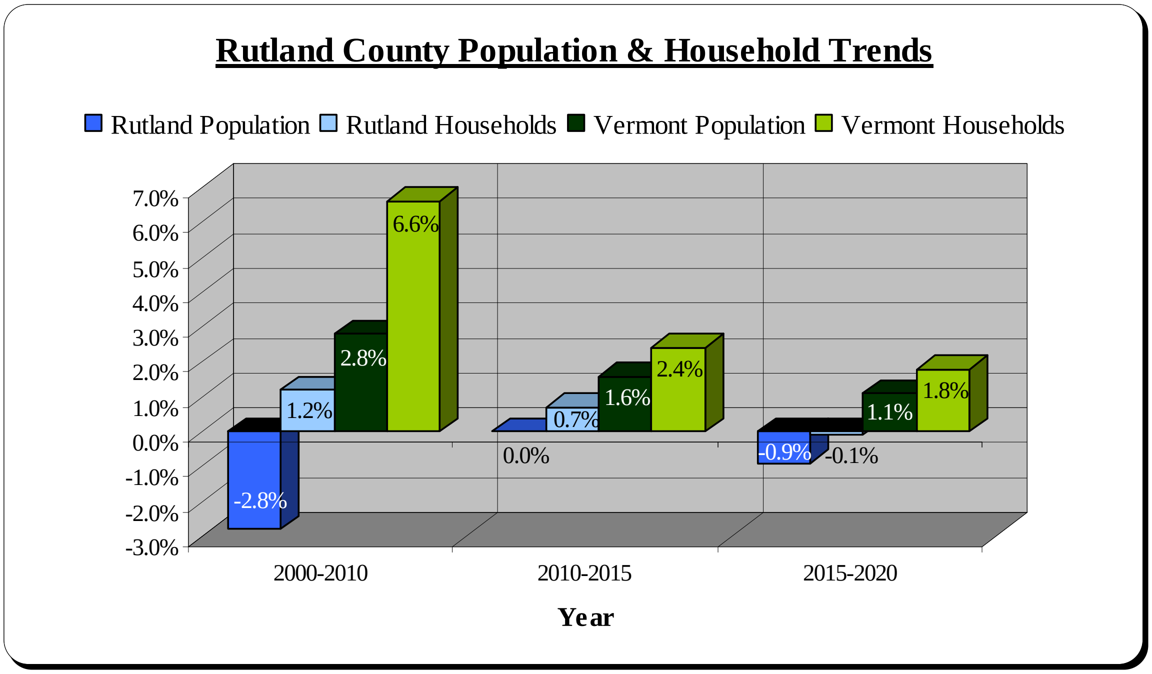
- Economic projections made by secondary sources materialize;
- Governmental policies with respect to residential development remain consistent;
- Availability of financing for residential development (i.e. mortgages, commercial loans, subsidies, Tax Credits, etc.) remains consistent;
- Sufficient housing and infrastructure is provided to support projected population and household growth.

Significant unforeseen changes or fluctuations among any of the preceding assumptions could have an impact on demographic projections.

Population and household numbers for selected years within Rutland County and Vermont are shown in the following table:

	Total Population		Total Households	
	Rutland County	Vermont	Rutland County	Vermont
2000 Census	63,406	608,826	25,680	240,634
2010 Census	61,648	625,740	25,986	256,442
Change 2000-2010	-1,758	16,914	306	15,808
Percent Change 2000-2010	-2.8%	2.8%	1.2%	6.6%
2015 Projected	61,620	635,440	26,164	262,502
Change 2010-2015	-28	9,700	178	6,060
Percent Change 2010-2015	0.0%	1.6%	0.7%	2.4%
2020 Projected	61,093	642,480	26,128	267,270
Change 2015-2020	-527	7,040	-36	4,768
Percent Change 2015-2020	-0.9%	1.1%	-0.1%	1.8%

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research



While Rutland County's population declined between 2000 and 2010, its number of households increased during this time. These trends are projected to continue but at a slower rate between 2010 and 2015, when the population is projected to decrease by only 28 (less than 0.1%) and households are projected to increase by 178 (0.7%). It is projected that between 2015 and 2020, the total population in the county will decline by 527 (0.9%) and households will decline by 36 (0.1%).

Median household income for selected years is shown in the following table:

	Median Income	
	Rutland County	Vermont
2000 Census	$36,778	$40,820
2010 Census	$47,308	$52,733
Percent Change 2000-2010	28.6%	29.2%
2015 Projected	$47,446	$50,968
Percent Change 2010-2015	0.3%	-3.3%
2020 Projected	$48,633	$51,980
Percent Change 2015-2020	2.5%	2.0%

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

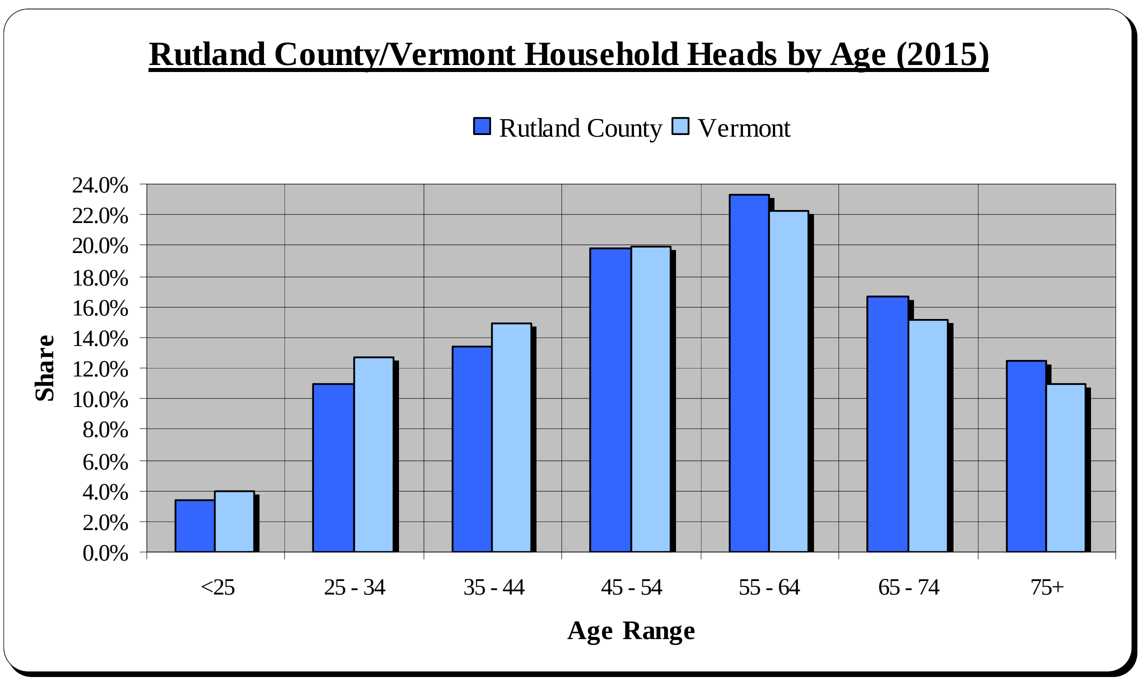
Rutland County had an estimated median household income of $47,308 in 2010. It is projected to remain generally unchanged at $47,446, an increase 0.3%. It is projected that the county's median household income will increase faster between 2015 and 2020 and reach $48,633.

The distribution of households by age for Rutland County is compared with overall Vermont in the table below.

		Household Heads by Age						
		<25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+
Rutland County	2010	1,001 (3.9%)	2,713 (10.4%)	3,884 (14.9%)	5,866 (22.6%)	5,740 (22.1%)	3,573 (13.8%)	3,207 (12.3%)
	2015	896 (3.4%)	2,856 (10.9%)	3,517 (13.4%)	5,170 (19.8%)	6,093 (23.3%)	4,359 (16.7%)	3,271 (12.5%)
	2020	808 (3.1%)	2,856 (10.9%)	3,295 (12.6%)	4,455 (17.1%)	6,127 (23.5%)	5,147 (19.7%)	3,438 (13.2%)
	Change 2015-2020	-88 (-9.8%)	0 (0.0%)	-222 (-6.3%)	-715 (-13.8%)	34 (0.6%)	788 (18.1%)	167 (5.1%)
Vermont	2010	10,985 (4.3%)	32,492 (12.7%)	42,017 (16.4%)	57,987 (22.6%)	53,734 (21.0%)	31,424 (12.3%)	27,803 (10.8%)
	2015	10,505 (4.0%)	33,451 (12.7%)	39,129 (14.9%)	52,129 (19.9%)	58,571 (22.3%)	39,763 (15.1%)	28,947 (11.0%)
	2020	9,777 (3.7%)	34,033 (12.7%)	37,721 (14.1%)	46,382 (17.4%)	60,278 (22.6%)	48,166 (18.0%)	30,906 (11.6%)
	Change 2015-2020	-728 (-6.9%)	582 (1.7%)	-1,408 (-3.6%)	-5,747 (-11.0%)	1,707 (2.9%)	8,403 (21.1%)	1,959 (6.8%)

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

It is projected that by 2015, the largest share (23.3%) of households by age in Rutland County will be within the 55 to 64 age cohort. Between 2015 and 2020, it is projected that households between the ages of 65 and 74 will increase the most, increasing by 788 (18.1%) households. The decline in households under the age of 55 and the increase in households age 55 and older are attributed to households aging in place.



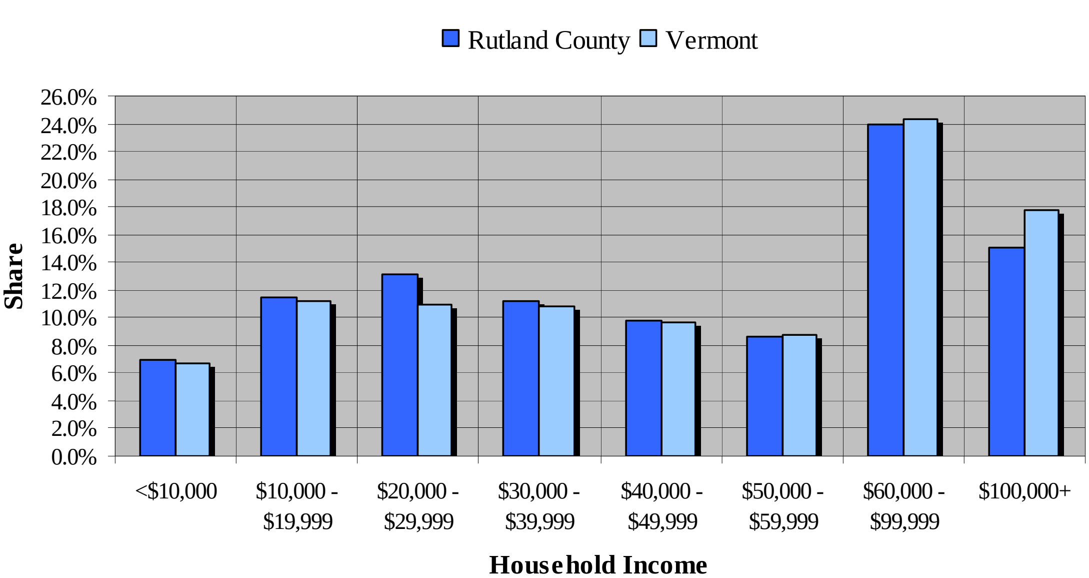
Households by income for selected years are shown in the following table:

		Households by Income							
		<$10,000	$10,000 - $19,999	$20,000 - $29,999	$30,000 - $39,999	$40,000 - $49,999	$50,000 - $59,999	$60,000 - $99,999	$100,000+
Rutland County	2010	1,567 (6.0%)	3,057 (11.8%)	3,361 (12.9%)	3,063 (11.8%)	2,661 (10.2%)	2,409 (9.3%)	6,031 (23.2%)	3,837 (14.8%)
	2015	1,817 (6.9%)	2,989 (11.4%)	3,429 (13.1%)	2,939 (11.2%)	2,562 (9.8%)	2,243 (8.6%)	6,247 (23.9%)	3,938 (15.1%)
	2020	1,772 (6.8%)	2,891 (11.1%)	3,338 (12.8%)	2,878 (11.0%)	2,531 (9.7%)	2,225 (8.5%)	6,206 (23.8%)	4,287 (16.4%)
	Change 2015-2020	-45 (-2.5%)	-98 (-3.3%)	-91 (-2.7%)	-60 (-2.1%)	-32 (-1.2%)	-18 (-0.8%)	-41 (-0.7%)	349 (8.9%)
Vermont	2010	15,148 (5.9%)	27,596 (10.8%)	27,220 (10.6%)	26,485 (10.3%)	25,431 (9.9%)	23,203 (9.0%)	64,909 (25.3%)	46,451 (18.1%)
	2015	17,628 (6.7%)	29,311 (11.2%)	28,668 (10.9%)	28,272 (10.8%)	25,143 (9.6%)	23,022 (8.8%)	63,862 (24.3%)	46,596 (17.8%)
	2020	17,717 (6.6%)	29,150 (10.9%)	28,665 (10.7%)	28,307 (10.6%)	25,307 (9.5%)	22,673 (8.5%)	64,356 (24.1%)	51,095 (19.1%)
	Change 2015-2020	90 (0.5%)	-162 (-0.6%)	-3 (0.0%)	35 (0.1%)	163 (0.6%)	-348 (-1.5%)	494 (0.8%)	4,499 (9.7%)

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2015, over 31.4% of Rutland County households will have annual incomes below $30,000. Less than 30% of all households in Rutland County will have incomes between $30,000 and $59,999, while the remaining third will have incomes above $60,000. It is projected that between 2015 and 2020, with the exception of households making over $100,000, all household income segments are projected to decline.

Rutland County/Vermont Households by Income (2015)



Bowen National Research

Households by income and tenure for selected years are shown below:

		Renter Households by Income							
		<$10,000	$10,000 - $19,999	$20,000 - $29,999	$30,000 - $39,999	$40,000 - $49,999	$50,000 - $59,999	$60,000 - $99,999	$100,000+
Rutland County	2010	849 (10.8%)	1,496 (19.1%)	1,609 (20.5%)	1,142 (14.6%)	845 (10.8%)	636 (8.1%)	890 (11.4%)	370 (4.7%)
	2015	975 (12.5%)	1,406 (18.1%)	1,619 (20.8%)	1,035 (13.3%)	791 (10.2%)	600 (7.7%)	933 (12.0%)	411 (5.3%)
	2020	963 (12.4%)	1,353 (17.4%)	1,562 (20.1%)	1,011 (13.0%)	802 (10.3%)	607 (7.8%)	1,001 (12.9%)	490 (6.3%)
	Change 2015-2020	-12 (-1.2%)	-53 (-3.8%)	-57 (-3.5%)	-24 (-2.3%)	12 (1.5%)	7 (1.1%)	68 (7.3%)	79 (19.2%)
Vermont	2010	8,672 (11.6%)	13,748 (18.3%)	11,898 (15.9%)	10,467 (14.0%)	7,623 (10.2%)	6,209 (8.3%)	11,320 (15.1%)	5,097 (6.8%)
	2015	10,145 (13.4%)	14,446 (19.1%)	12,051 (15.9%)	10,459 (13.8%)	7,183 (9.5%)	5,848 (7.7%)	10,718 (14.1%)	4,933 (6.5%)
	2020	10,128 (13.1%)	14,375 (18.7%)	11,837 (15.4%)	10,338 (13.4%)	7,379 (9.6%)	5,841 (7.6%)	11,345 (14.7%)	5,810 (7.5%)
	Change 2015-2020	-17 (-0.2%)	-71 (-0.5%)	-215 (-1.8%)	-122 (-1.2%)	196 (2.7%)	-8 (-0.1%)	626 (5.8%)	877 (17.8%)

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

		Owner Households by Income							
		<$10,000	$10,000 - $19,999	$20,000 - $29,999	$30,000 - $39,999	$40,000 - $49,999	$50,000 - $59,999	$60,000 - $99,999	$100,000+
Rutland County	2010	718 (4.0%)	1,561 (8.6%)	1,752 (9.7%)	1,921 (10.6%)	1,816 (10.0%)	1,773 (9.8%)	5,141 (28.3%)	3,467 (19.1%)
	2015	842 (4.6%)	1,583 (8.6%)	1,811 (9.8%)	1,904 (10.3%)	1,772 (9.6%)	1,643 (8.9%)	5,314 (28.9%)	3,527 (19.2%)
	2020	809 (4.4%)	1,538 (8.4%)	1,776 (9.7%)	1,868 (10.2%)	1,728 (9.4%)	1,618 (8.8%)	5,205 (28.4%)	3,797 (20.7%)
	Change 2015-2020	-33 (-3.9%)	-45 (-2.9%)	-35 (-1.9%)	-36 (-1.9%)	-43 (-2.4%)	-24 (-1.5%)	-109 (-2.0%)	270 (7.7%)
Vermont	2010	6,475 (3.6%)	13,848 (7.6%)	15,322 (8.4%)	16,017 (8.8%)	17,808 (9.8%)	16,994 (9.4%)	53,588 (29.5%)	41,354 (22.8%)
	2015	7,483 (4.0%)	14,866 (8.0%)	16,616 (8.9%)	17,813 (9.5%)	17,960 (9.6%)	17,173 (9.2%)	53,144 (28.5%)	41,663 (22.3%)
	2020	7,589 (4.0%)	14,775 (7.8%)	16,829 (8.8%)	17,969 (9.4%)	17,928 (9.4%)	16,833 (8.8%)	53,012 (27.9%)	45,285 (23.8%)
	Change 2015-2020	106 (1.4%)	-91 (-0.6%)	212 (1.3%)	157 (0.9%)	-33 (-0.2%)	-341 (-2.0%)	-132 (-0.2%)	3,622 (8.7%)

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The largest share (20.8%) of renter households in 2015 is projected to be among households with incomes between $20,000 and $29,999, while the largest share (28.9%) of owner-occupied households at this same time will be among those with incomes between $60,000 and $99,999. Between 2015 and 2020, the greatest renter and owner household growth is projected to occur among households with incomes of $100,000 and higher.

Population by race for 2010 (latest race data available) is shown below:

		Population by Race					
		White Alone	Black or African American Alone	Asian Alone	Some Other Race Alone	Two or More Races	Total
Rutland County	Number	59,835	334	370	310	799	61,648
	Percent	97.1%	0.5%	0.6%	0.5%	1.3%	100.0%
Vermont	Number	596,291	6,277	7,947	4,472	10,753	625,740
	Percent	95.3%	1.0%	1.3%	0.7%	1.7%	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The largest share of population by race within the county is among the "White Alone" segment, which represents 97.1% of the city's population. "Two or More Races" represents the next largest share in the county at 1.3%.

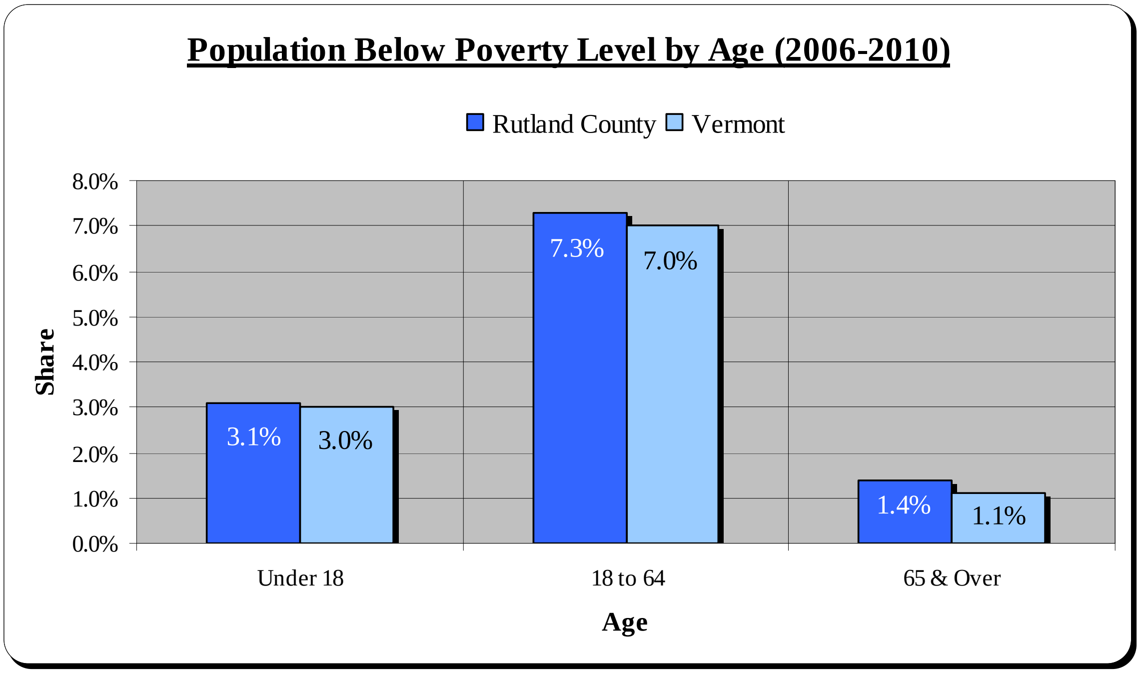
Population by poverty status for the county is shown in the following table:

		Population by Poverty Status						
		Income below poverty level:			Income at or above poverty level:			
		<18	18 to 64	65+	<18	18 to 64	65+	Total
Rutland County	Number	1,900	4,528	839	10,585	34,795	9,002	61,648
	Percent	3.1%	7.3%	1.4%	17.2%	56.4%	14.6%	100.0%
Vermont	Number	18,492	44,076	7,007	116,645	359,152	80,367	625,740
	Percent	3.0%	7.0%	1.1%	18.6%	57.4%	12.8%	100.0%

Source: U.S. Census Bureau, 2006-2010 American Community Survey; Urban Decision Group; Bowen National Research

Approximately 11.8% of the county's population lives in poverty. Roughly one in six children (under the age of 18) within the county live in poverty. Approximately 7.3% of the county's population is between the ages of 18 and 64 and lives in poverty, while only 1.4% consists of seniors age 65 and older live that in poverty.

The following graph compares the share of population by age group with incomes below the poverty level for the county and state based on the ACS five-year (2006-2010) rolling average:



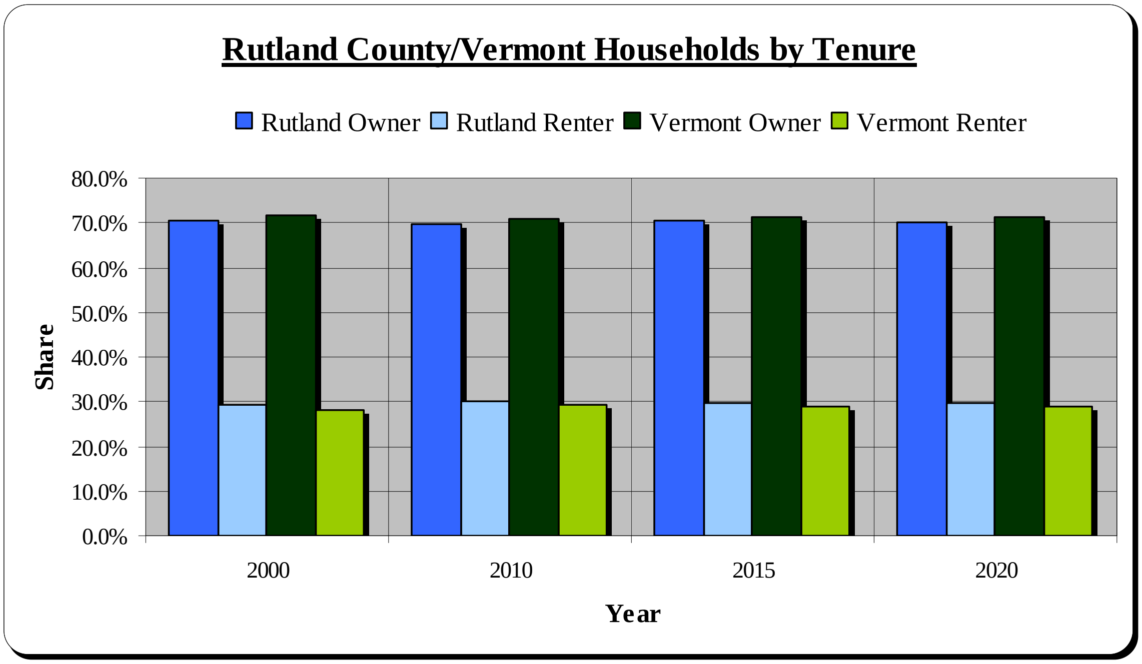
Households by tenure for selected years for the county and state are shown in the following table:

	Households by Tenure								
		2000		2010		2015		2020	
	Household Type	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Rutland County	Owner-Occupied	18,099	70.5%	18,149	69.8%	18,394	70.3%	18,339	70.2%
	Renter-Occupied	7,581	29.5%	7,837	30.2%	7,770	29.7%	7,789	29.8%
	Total	25,680	100.0%	25,986	100.0%	26,164	100.0%	26,128	100.0%
Vermont	Owner-Occupied	172,467	71.7%	181,407	70.7%	186,718	71.1%	190,219	71.2%
	Renter-Occupied	68,167	28.3%	75,035	29.3%	75,784	28.9%	77,051	28.8%
	Total	240,634	100.0%	256,442	100.0%	262,502	100.0%	267,270	100.0%

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Within the county, the share of owner-occupied household was approximately 70% in 2000 and 2010, while the share of renter-occupied households has been around 30%. It is projected that in 2015 and 2020 that the shares of households by tenure will generally remain the same.

The following graph compares household tenure shares for 2000, 2010, 2015 and 2020:



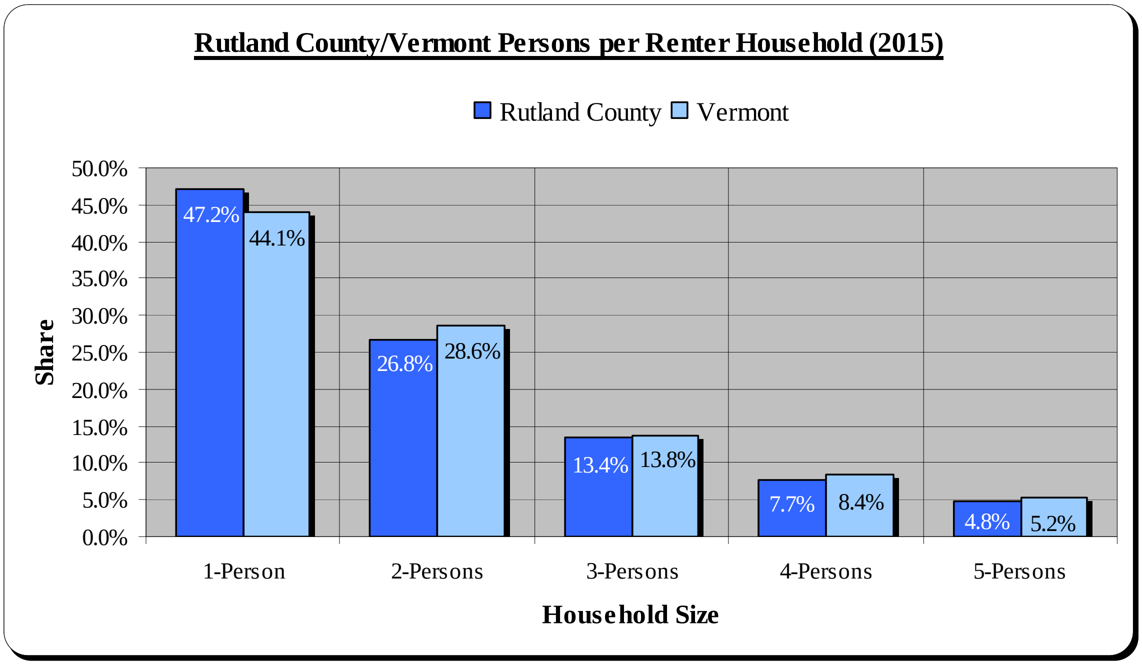
Renter households by size for selected years are shown in the following table:

		Persons Per Renter Household						
		1-Person	2-Person	3-Person	4-Person	5-Person	Total	Median Household Size
Rutland County	2010	3,619 (46.2%)	2,137 (27.3%)	1,056 (13.5%)	624 (8.0%)	401 (5.1%)	7,837 (100.0%)	1.28
	2015	3,667 (47.2%)	2,085 (26.8%)	1,041 (13.4%)	600 (7.7%)	376 (4.8%)	7,770 (100.0%)	1.21
	2020	3,748 (48.1%)	2,064 (26.5%)	1,035 (13.3%)	583 (7.5%)	359 (4.6%)	7,789 (100.0%)	1.14
Vermont	2010	32,279 (43.0%)	21,756 (29.0%)	10,358 (13.8%)	6,530 (8.7%)	4,112 (5.5%)	75,035 (100.0%)	1.48
	2015	33,397 (44.1%)	21,645 (28.6%)	10,436 (13.8%)	6,369 (8.4%)	3,937 (5.2%)	75,784 (100.0%)	1.42
	2020	34,567 (44.9%)	21,768 (28.3%)	10,566 (13.7%)	6,302 (8.2%)	3,847 (5.0%)	77,051 (100.0%)	1.36

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2010, the share of county renter households with one- and two-persons was nearly 75%, while three-person or larger renter households represent over one quarter of the total renter households. Generally, the shares of renter households by household size are not projected to change much in 2015 and 2020. The county's median household size of 1.28 in 2010 is projected to decline slightly to 1.14 in 2020.

The following graph compares renter household size shares for the county and state in 2015:



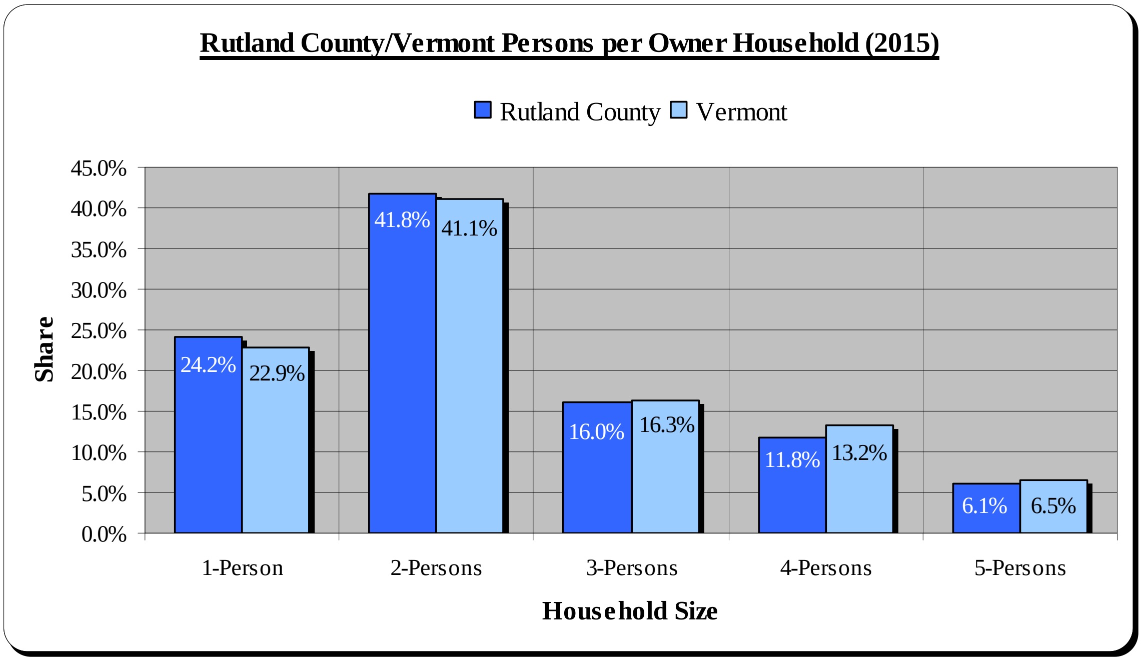
Owner households by size for selected years are shown on the following table:

		Persons Per Owner Household						
		1-Person	2-Person	3-Person	4-Person	5-Person	Total	Median Household Size
Rutland County	2010	4,225 (23.3%)	7,652 (42.2%)	2,895 (16.0%)	2,206 (12.2%)	1,171 (6.5%)	18,149 (100.0%)	2.27
	2015	4,454 (24.2%)	7,697 (41.8%)	2,940 (16.0%)	2,174 (11.8%)	1,129 (6.1%)	18,394 (100.0%)	2.23
	2020	4,568 (24.9%)	7,625 (41.6%)	2,938 (16.0%)	2,123 (11.6%)	1,085 (5.9%)	18,339 (100.0%)	2.21
Vermont	2010	39,956 (22.0%)	75,130 (41.4%)	29,356 (16.2%)	24,662 (13.6%)	12,302 (6.8%)	181,407 (100.0%)	2.35
	2015	42,730 (22.9%)	76,706 (41.1%)	30,376 (16.3%)	24,712 (13.2%)	12,194 (6.5%)	186,718 (100.0%)	2.32
	2020	44,759 (23.5%)	77,662 (40.8%)	31,076 (16.3%)	24,667 (13.0%)	12,055 (6.3%)	190,219 (100.0%)	2.30

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National

Generally, in 2010, one- and two-person owner-occupied households represent nearly two-thirds of the owner-occupied household base within the county. The county's share of owner households by size and median household sizes are very comparable to state averages. These share not expected to change much through 2020.

The following graph compares owner household size shares for the county and state in 2015:



Residents of the county face a variety of housing issues that include such things as lacking complete kitchen and/or indoor plumbing, overcrowding (1.01 or more persons per room), severe overcrowding (1.51 or more persons per room), cost burdened (paying over 30% of their income towards housing costs), severe cost burdened (paying over 50% of their income towards housing costs), and potentially containing lead paint (units typically built prior to 1980).

The following table summarizes the housing issues by tenure for Rutland County. It is important to note that some occupied housing units have more than one housing issue.

Housing Issues by Tenure				
	Renter-Occupied		Owner-Occupied	
Housing Issue	Number	Percent	Number	Percent
Cost Burdened	3,424	43.3%	6,102	33.0%
Severely Cost Burdened	1,524	19.3%	2,354	12.7%
Overcrowded	96	1.2%	101	0.5%
Severely Overcrowded	32	0.4%	34	0.2%
Substandard*	181	2.3%	318	1.7%
Lead Paint	6,464	81.7%	12,562	67.9%

Sources: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National
Notes: Some housing issues overlap with other issues; Lead Paint estimates are based on year built
*Incomplete Kitchen and Incomplete Bath have been added together

As illustrated in the preceding table, excluding the number of households potentially impacted by lead based paint, the greatest housing issue facing residents appears to be associated with cost burden. The high share of cost burdened households indicates that many area residents are paying a disproportionately high share of their income towards housing costs, which is likely due to a lack of affordable housing.

D. Economics

As economic conditions and trends can influence the need for housing within a particular market, the following is an overview of various economic characteristics and trends within Rutland County.

The distribution of employment by industry sector in Rutland County is compared with Vermont in the following table.

	Employment by Industry (Employees)			
	Rutland County		Vermont	
NAICS Group	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing & Hunting	439	1.7%	4,769	1.7%
Mining	88	0.3%	877	0.3%
Utilities	162	0.6%	999	0.4%
Construction	1,579	6.0%	16,858	6.1%
Manufacturing	3,143	12.0%	23,068	8.3%
Wholesale Trade	927	3.5%	9,861	3.6%
Retail Trade	3,664	14.0%	34,918	12.6%
Transportation & Warehousing	549	2.1%	7,800	2.8%
Information	597	2.3%	8,913	3.2%
Finance & Insurance	642	2.5%	7,077	2.6%
Real Estate & Rental & Leasing	542	2.1%	5,106	1.8%
Professional, Scientific & Technical Services	1,366	5.2%	17,093	6.2%
Management of Companies & Enterprises	13	0.0%	170	0.1%
Administrative, Support, Waste Management & Remediation Services	2,061	7.9%	16,245	5.9%
Educational Services	1,724	6.6%	25,947	9.4%
Health Care & Social Assistance	3,348	12.8%	37,197	13.4%
Arts, Entertainment & Recreation	410	1.6%	4,798	1.7%
Accommodation & Food Services	2,364	9.0%	17,636	6.4%
Other Services (Except Public Administration)	1,371	5.2%	14,090	5.1%
Public Administration	1,214	4.6%	23,180	8.4%
Total	26,203	100.0%	276,602	100.0%

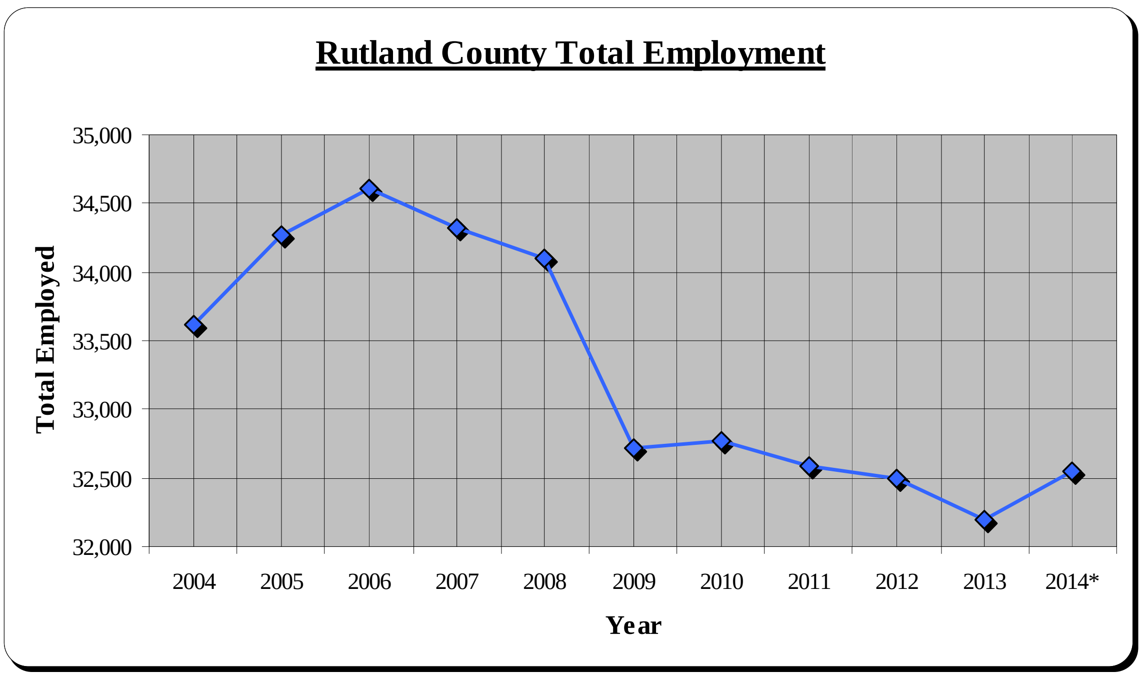
*Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research
E.P.E. - Average Employees Per Establishment
Note: Since this survey is conducted of establishments and not of residents, some employees may not live within the County. These employees, however, are included in our labor force calculations because their places of employment are located within the County.

The labor force within the county is very diversified and balanced with no industry sector representing more than 14.0% of the overall county's employment base. The largest employment sectors in the county are within Retail Trade (14.0%), Health Care & Social Assistance (12.8%) and Manufacturing (12.0%). Combined, these three industry sectors represent over 10,000 jobs, with nearly 40% of the county's entire job base.

The following illustrates the total employment base for Rutland County, Vermont and the United States.

	Total Employment					
	Rutland County		Vermont		United States	
Year	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2004	33,621	-	334,188	-	139,967,126	-
2005	34,264	1.9%	336,583	0.7%	142,299,506	1.7%
2006	34,611	1.0%	343,149	2.0%	145,000,043	1.9%
2007	34,316	-0.9%	341,282	-0.5%	146,388,369	1.0%
2008	34,105	-0.6%	341,692	0.1%	146,047,748	-0.2%
2009	32,716	-4.1%	334,922	-2.0%	140,696,560	-3.7%
2010	32,764	0.1%	336,823	0.6%	140,457,589	-0.2%
2011	32,593	-0.5%	338,341	0.5%	141,727,933	0.9%
2012	32,496	-0.3%	338,261	0.0%	143,566,680	1.3%
2013	32,200	-0.9%	336,038	-0.7%	144,950,662	1.0%
2014*	32,553	1.1%	337,297	0.4%	146,735,092	1.2%

Source: Department of Labor; Bureau of Labor Statistics
*Through August



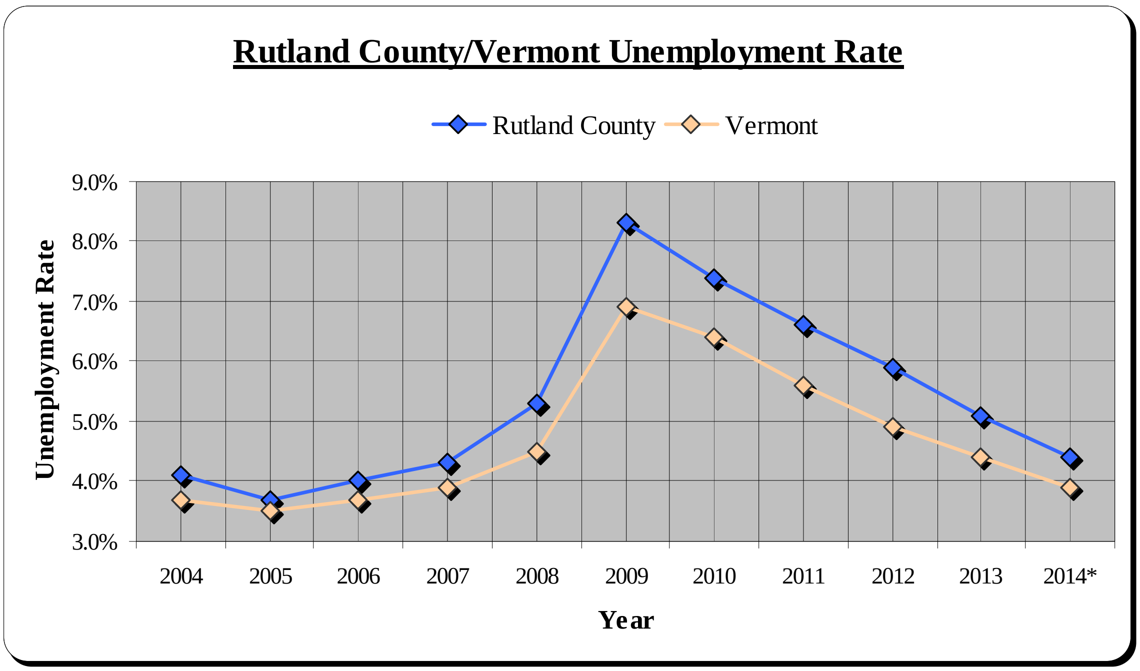
After losing over 5.0% of the employment base during the national recession from 2007 to 2009, Rutland County's employment base has stabilized. The 1.1% growth through August of 2014 is the largest growth in jobs in the county in any one year since 2005.

Unemployment rates for Rutland County, Vermont and the United States are illustrated as follows:

	Unemployment Rate		
Year	**Rutland County**	**Vermont**	**United States**
2004	4.1%	3.7%	5.6%
2005	3.7%	3.5%	5.2%
2006	4.0%	3.7%	4.7%
2007	4.3%	3.9%	4.7%
2008	5.3%	4.5%	5.8%
2009	8.3%	6.9%	9.3%
2010	7.4%	6.4%	9.7%
2011	6.6%	5.6%	9.0%
2012	5.9%	4.9%	8.1%
2013	5.1%	4.4%	7.4%
2014*	4.4%	3.9%	6.5%

Source: Department of Labor, Bureau of Labor Statistics
*Through August

After reaching a decade high unemployment rate of 8.3% in 2009, the county's unemployment rate has declined in each of the past five years. The 4.4% unemployment rate in August of 2014 is the county's lowest since 2007.



Bowen National Research

Rutland County encompasses a 939 square mile area, with a broad valley encircled by tall peaks. It is rich in agricultural fields, orchards, pastures, and meadows and is home to a variety of major employers, including the largest ski resort in the eastern U.S. There are year-round recreational opportunities, supported by 56,000 acres of National Forest Land, state parks, mountains, lakes, and more.

Rutland County's economy is relatively diverse and is illustrated in the table below. Major employers represent the education, health care, hospitality, manufacturing, and retail sectors. GE Aircraft Engines is its largest manufacturer, while Killington is one of the largest ski resorts in the East.

Employer	Primary Location	Industry	Employees
Rutland Regional Medical Center	Rutland	Health Care	1,604
GE Aircraft Engines	Rutland	Jet Engine Parts	950
Killington/Pico Ski Resort Partners	Killington	Resort	800
Casella Waste Systems	Rutland	Waste Management	583
Green Mountain Power	Rutland	Utilities	540
Community Care Network	Rutland	Health Care	374
Vermont Country Store*	North Clarendon	Retail	279
Castleton State College	Castleton	Education	257
Hubbardton Forge Corporation	Castleton	Lighting Products	240
Omya, Inc.	Florence	Industrial Materials	200
		Total	5,827

Source: Rutland Economic Development Corporation
*Reported count for Vermont Country Store represents year-round employees. Seasonal is 558.

Rutland County has been the recipient of several recent positive economic development announcements. Among the most noteworthy have been the investments made by GE Aircraft Engines, Killington Resort, and Castleton State College. In recent years, GE Aircraft Engines has spent $75 million to expand its Rutland Town plant, where it manufactures fan blades and compressors for commercial and military jet engines. The expansion led to the creation of 200 new jobs and the company announced further plans to hire more. GE's growth has led to gains among its subcontractors and in 2012, Ellison Surface Technologies expanded its Rutland Town workforce by 50. As for Killington Resort, $11 million in capital improvements were announced in 2013, following its double-digit growth in ski visits. Enhancements include the $1.3 million Andrea Mead Lawrence Lodge, which is currently under construction. Separately, Castleton State College underwent a $25.7 million expansion, which included a $7.5 million campus center renovation, new dormitory and classroom building developments, and athletic field improvements.

Infrastructure improvements in Rutland County include $2 million in USDA funds to expand municipal sewer and drinking water to parts of West Rutland, a $5.5 million expansion of the Southern Vermont Regional Airport in Rutland (includes the doubling of its runway length), an extension of Vermont Gas' pipeline through Addison County to Rutland with the goal of bringing natural gas service to Rutland by 2020, and an expansion of Poultney Public Library's 1,660 square foot building to accommodate its growing collection and to allow for more programs and services. Separately, earlier this year, Vermont Translines began offering round-trip service between Rutland and Dartmouth Hitchcock Medical Center in New Hampshire, with stops in Mendon, Sherburne, and Killington, as well as location in Vermont's Upper Valley. Also to note, in late 2012, the North Palwet Hills Natural Area, the most visited of the Nature Conservancy's 54 natural areas in Vermont, was expanded by 524 acres.

While Rutland County has been the beneficiary of recent positive business activity, there have been a few negative announcements to note. Among major employers, cuts have been made at Rutland Regional Medical Center, Green Mountain Power, and Hubbardton Forge. In 2013, Rutland Regional Medical Center announced not only a layoff of 100 workers due to a $4 million loss in Medicare reimbursements, but also the elimination of 53 positions jobs following a decision to outsource its IT functions to a firm in Kansas City. In 2012, the medical center announced a $7 million budget shortfall, the closure of a rehabilitation facility, and plans to reduce payroll by $2.3 million. Also in 2012, after merging with Central Vermont Public Service, Green Mountain Power announced 116 cuts, primarily through attrition and retirements over a five-year period. Finally, while not among the county's ten largest employers, Rutland Plywood Corporation's layoff of 170 earlier this year was not insignificant. The company was forced to terminate its employees after a fire destroyed its facility.

E. Housing Supply

This housing supply analysis considers both rental and owner for-sale housing. Understanding the historical trends, market performance, characteristics, composition, and current housing choices provide critical information as to current market conditions and future housing potential. The housing data presented and analyzed in this section includes primary data collected directly by Bowen National Research and from secondary data sources including American Community Survey (ACS), U.S. Census housing information and data provided by various government entities and real estate professionals.

While there are a variety of housing alternatives offered in Rutland County, we focused our analysis on the most common alternatives. The housing structures included in this analysis are:

- **Rental Housing –** Multifamily rentals, typically with three or more units were inventoried and surveyed. Additionally, rentals with fewer than three units, which were classified as non-conventional rentals, were identified and surveyed.

- **Mobile Homes –** Mobile home units located within designated mobile home parks were aggregated and evaluated.

- **Owner For-Sale Housing –** We identified attached and detached for-sale housing, which may be part of a planned development or community, as well as attached multifamily housing such as condominiums. Both historical (homes sold between January of 2010 and October of 2014) and available for-sale homes were evaluated.

- **Senior Care Housing –** Facilities providing housing for seniors requiring some level of care, such as residential care facilities, assisted living facilities and nursing homes, were surveyed and analyzed.

This analysis includes secondary Census housing data, Bowen National Research's survey of area rental alternatives and senior care facilities, and owner for-sale housing data (both historical sales and available housing alternatives) obtained from secondary data sources (Multiple Listing Service, REALTOR.com, and other on-line sources) and mobile home parks (Vermont Department of Housing & Community Development and Bowen National Research). Finally, we contacted local building and planning departments to determine if any residential units of notable scale were currently planned or under review by local government. Any such units were considered in the housing gap/needs estimates included later in this section.

Based on research conducted by Bowen National Research and secondary data sources, a total of 28 multifamily (apartment) rental properties, 19 non-conventional rentals, 28 mobile home parks, 1,022 currently available (for-sale) units, and nine (9) senior care facilities were identified and analyzed in the county.

Housing Supply Overview						
Housing Type	**Projects**	**Units**	**Vacant Units**	**Vacancy**	**Price Range***	**Median Price**
Apartment Rentals	28	1,062	9	0.8%	$373-$1,390	$595-$995
Non-Conventional Rentals	19	19	-	-	$650-$4,500	$1,100
Mobile Home Parks	28	452	23	5.1%	$268-$895	-
Owner Housing (For-Sale)**	-	1,022	-	-	$13,900-$3,900,000	$199,250
Senior Care Facilities	7	166	20	12.0%-RC	$686-$4,380	$3,194
	0	0	-	N/A-AL	-	-
	2	248	43	8.9%-NH	$9,885-$10,190	$9,885

RC-Residential Care; AL-Assisted living; NH-Nursing Home
*Price range illustrates the lowest to highest, regardless of bedroom type; Mobile Home Park price range is the base lot rent (2013) to the highest rent identified for a mobile home unit
**Units is the total number of active listings

Of the 1,533 total rental housing units (multifamily, non-conventional and mobile home parks) surveyed in the county, a total of 32 units were vacant, yielding an overall vacancy rate of 2.1%. The lowest vacancy rate (0.8%) is among the multifamily supply while the highest vacancy (5.1%) is among the mobile home park supply. The rental rates range from $268 among the mobile home park supply to $4,500 among the non-conventional rental supply. Currently available for-sale housing ranges in price from $13,900 to $3,900,000, with a median price of $199,250. Senior care facilities within the county currently report vacancy rates ranging from 8.9% to 12.0% and range in price from $686 to $10,190, depending upon facility type.

a. Rental Housing

Multifamily Rental Housing

From August to October of 2014, Bowen National Research surveyed (both by telephone and in-person) a total of 28 multifamily rental housing properties within Rutland County. Projects identified, inventoried, and surveyed operate as market-rate and under a number of affordable housing programs including the Low-Income Housing Tax Credit (LIHTC) and various HUD programs. Definitions of each housing program are included in *Addendum D: Glossary of the Vermont Housing Needs Assessment.*

Managers and leasing agents for each project were surveyed to collect a variety of property information including vacancies, rental rates, design characteristics, amenities, utility responsibility, and other features. Projects were also rated based on quality and upkeep, and each was mapped as part of this survey.

Bowen National Research identified and personally surveyed 28 multifamily rental housing projects containing a total of 1,062 units within Rutland County. Of these units, 163 of the units are market-rate, 183 are Tax Credit and 716 are government-subsidized. The distribution of surveyed rental housing supply by product type is illustrated in the following table:

Multifamily Rental Housing Supply				
Program Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	4	182	1	99.5%
Market-Rate/Government Sub.	1	121	4	96.7%
Tax Credit/Market-Rate/Govt.-Sub.	2	56	0	100.0%
Tax Credit	1	34	0	100.0%
Tax Credit/Government-Subsidized	4	84	1	98.8%
Government-Subsidized	16	585	3	99.5%
Total	28	1,062	9	99.2%

As the preceding table illustrates, these rentals have a combined occupancy rate of 99.2%. This is an extremely high occupancy rate and an indication that there is very limited availability among larger multifamily apartments in Rutland County. In fact, these projects have wait lists of up to 30 households or one year in duration, which provides evidence that there is pent up demand for multifamily rental housing in the Rutland County area.

The following tables summarize the breakdown of non-subsidized (market-rate and Tax Credit) units surveyed within the county.

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Collected Rent
One-Bedroom	1.0	74	45.4%	0	0.0%	$700
Two-Bedroom	1.0	63	38.7%	1	1.6%	$830
Three-Bedroom	1.5	25	15.3%	1	4.0%	$995
Three-Bedroom	2.0	1	0.6%	0	0.0%	$972
Total Market-rate		**163**	**100.0%**	**2**	**1.2%**	-
Tax Credit, Non-Subsidized						
Bedroom	**Baths**	**Units**	**Distribution**	**Vacancy**	**% Vacant**	**Median Collected Rent**
Studio	1.0	1	0.5%	0	0.0%	$595
One-Bedroom	1.0	118	64.5%	0	0.0%	$690
Two-Bedroom	1.0	47	25.7%	0	0.0%	$826
Three-Bedroom	1.5	7	3.8%	0	0.0%	$915
Three-Bedroom	2.0	10	5.5%	0	0.0%	$826
Total Tax Credit		**183**	**100.0%**	**0**	0.0%	-

Median rents by bedroom type range from $700 to $995 for the market-rate units and from $595 to $915 for Tax Credit units. The multifamily market has a relatively good balance of product by bedroom type.

There are 23 multifamily projects that were surveyed in Rutland County that operate with a government-subsidy. The distribution of units and vacancies by bedroom type among government-subsidized projects (both with and without Tax Credits) in Rutland County is summarized as follows.

Subsidized Tax Credit					
Bedroom	**Baths**	**Units**	**Distribution**	**Vacancy**	**% Vacant**
One-Bedroom	1.0	51	77.3%	0	0.0%
Two-Bedroom	1.0	13	19.7%	0	0.0%
Four-Bedroom	2.0	2	3.0%	0	0.0%
Total Subsidized Tax Credit		**66**	**100.0%**	**0**	**0.0%**
Government-Subsidized					
Bedroom	**Baths**	**Units**	**Distribution**	**Vacancy**	**% Vacant**
Studio	1.0	83	12.8%	0	0.0%
One-Bedroom	1.0	447	68.8%	5	1.1%
Two-Bedroom	1.0	71	10.9%	2	2.8%
Three-Bedroom	1.0	23	3.5%	0	0.0%
Three-Bedroom	1.5	21	3.2%	0	0.0%
Four-Bedroom	2.0	5	0.8%	0	0.0%
Total Subsidized		**650**	**100.0%**	**7**	**1.1%**

The 23 surveyed government-subsidized projects in Rutland County operate under a variety of programs including the HUD Section 8, Public Housing and Rural Development Section 515 programs. Overall, there are only seven vacant units among the 716 government-subsidized units in Rutland County, resulting in a combined 99.0% occupancy rate. This is an extremely high occupancy rate. Of the subsidized projects in the county, 21 maintain waiting lists of up to 30 households and up to one year in duration. As such, there is clear pent-up demand for housing for very low-income households in Rutland County.

According to a representative with the Rutland County Housing Authority, there are approximately 193 Housing Choice Voucher holders within the housing authority’s jurisdiction and 147 people currently on the waiting list for additional Vouchers. This reflects the continuing need for Housing Choice Voucher assistance. The waiting list is closed and it is unknown when it will open again. Annual turnover of persons in the Voucher program is estimated at 19 households. Overall, demand for affordable rental housing is very high and the available affordable rental alternatives are limited within Rutland County.

The following is a distribution of multifamily rental projects and units surveyed by year built for Rutland County:

Year Built	Projects	Units	Vacancy Rate
Before 1970	1	60	0.0%
1970 to 1979	9	369	1.9%
1980 to 1989	8	299	0.3%
1990 to 1999	5	152	0.0%
2000 to 2004	2	66	0.0%
2005 to 2009	1	60	1.7%
2010	0	0	-
2011	1	33	0.0%
2012	0	0	-
2013	1	23	0.0%
2014*	0	0	-

*As of September

A majority of Rutland County's surveyed multifamily product was built between 1970 and 1989. Despite the large number of units developed during this time, the vacancy rate for such product is below 2.0%. A total of 182 units were built in the county since 2000, which represents nearly 20% of all surveyed multifamily product. As such, the county has a good mix of older and newer product.

Representatives of Bowen National Research personally visited each of the surveyed rental projects within Rutland County and rated the quality of each property. We rated each property surveyed on a scale of "A" (highest) through "F" (lowest). All properties were rated based on quality and overall appearance (i.e. aesthetic appeal, building appearance, landscaping and grounds appearance).

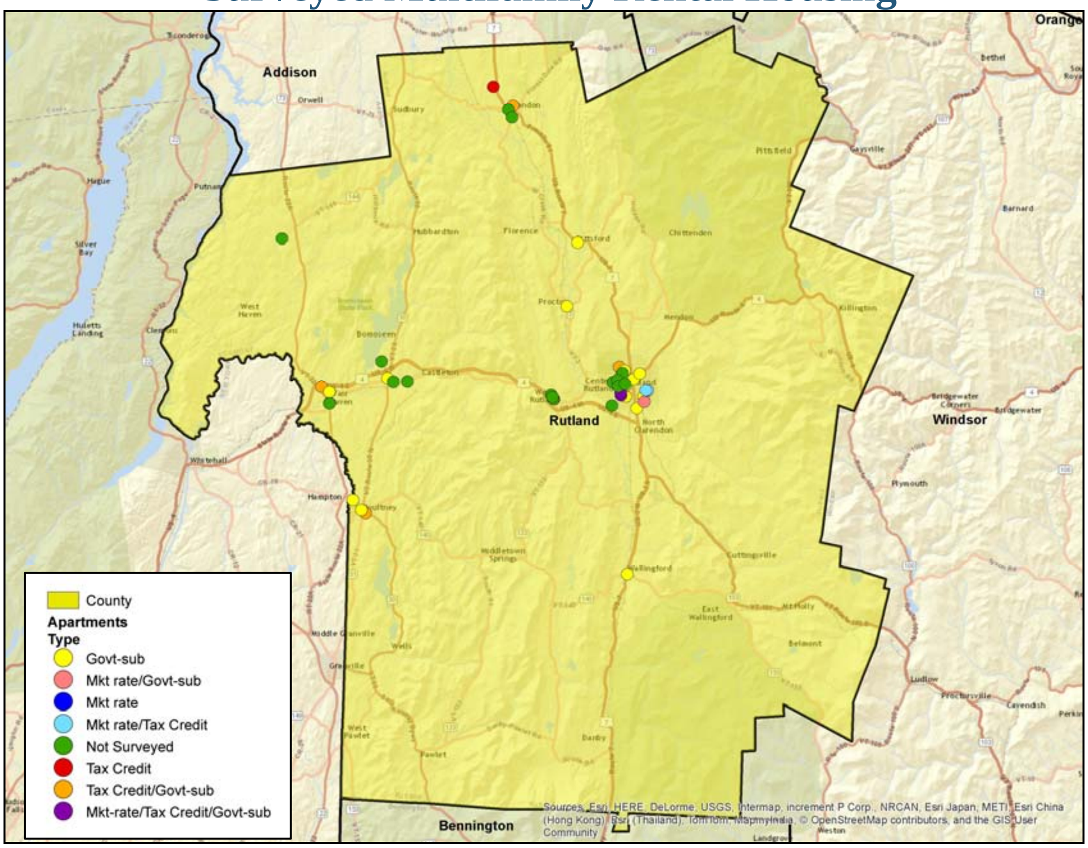
The following is a distribution by quality rating, units, and vacancies for all surveyed rental housing product in Rutland County.

Market-Rate			
Quality Rating	**Projects**	**Total Units**	**Vacancy Rate**
B+ or Better	0	0	-
B	2	13	0.0%
B-	4	74	1.4%
C+	0	0	-
C	1	76	1.3%
C- or Lower	0	0	-
Non-Subsidized Tax Credit			
Quality Rating	**Projects**	**Total Units**	**Vacancy Rate**
B or Better	0	0	-
B-	5	142	0.0%
C+ or Lower	0	0	-
N/A	1	2	0.0%

Government-Subsidized			
Quality Rating	Projects	Total Units	Vacancy Rate
B+ or Better	0	0	-
B	5	151	0.0%
B-	2	37	0.0%
C+	2	36	0.0%
C	7	269	2.2%
C-	3	132	0.0%
D+	1	27	0.0%
D or Lower	0	0	-
N/A	3	64	1.6%

Vacancies are generally low among all program types and quality levels.

Surveyed Multifamily Rental Housing



Non-Conventional Rental Housing

Rutland County has a large number of non-conventional rentals which can come in the form of detached single-family homes, duplexes, units over storefronts, etc. As a result, we have conducted a sample survey of non-conventional rentals within the county. Overall, a total of 19 individual vacant units were identified and surveyed. While this does not include all non-conventional rentals in the market, we believe these properties are representative of the typical non-conventional rental housing alternatives in the market. Information regarding the bedroom/bathroom configuration, year built, amenities, collected rent and total square footage was collected and evaluated when available.

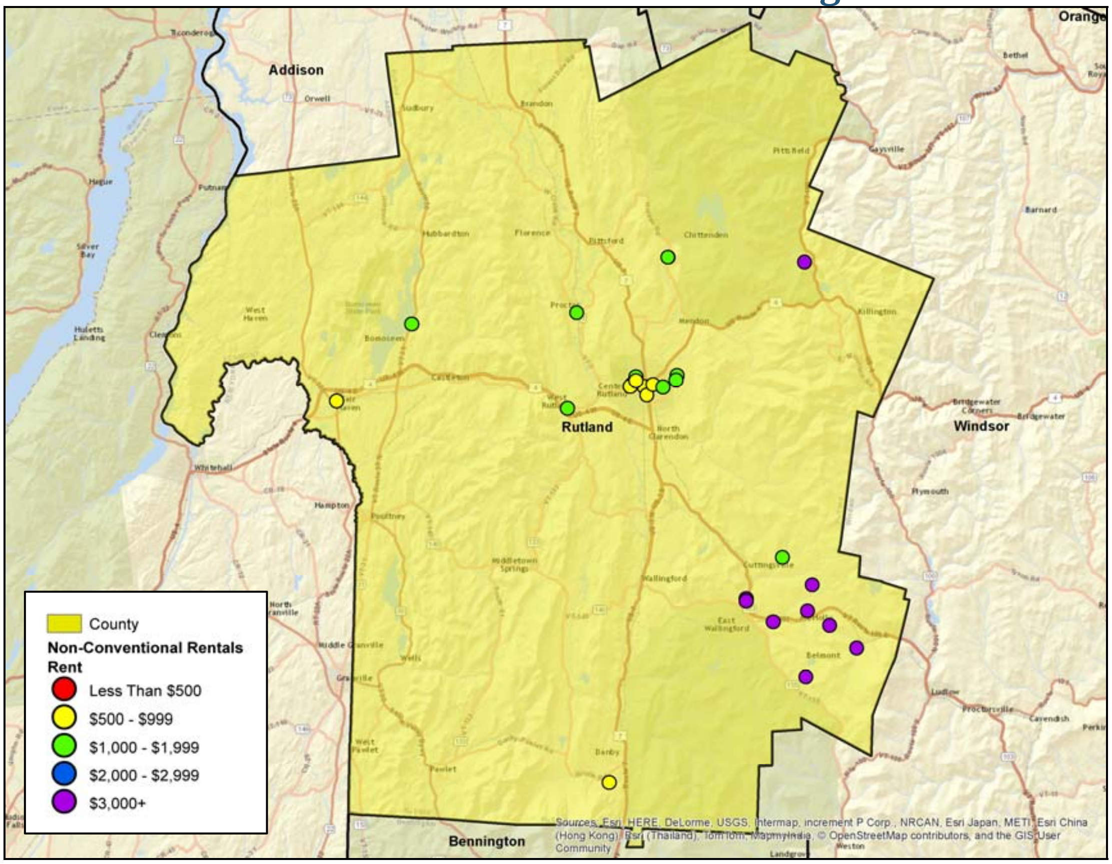
The following table aggregates the 19 vacant non-conventional rental units surveyed in Rutland County by bedroom type.

Non-Conventional Rental Supply				
Bedroom	Units	Rent Range	Median Rent	Median Rent Per Square Foot
One-Bedroom	5	$650 - $750	$725	N/A
Two-Bedroom	5	$675 - $1,275	$1,200	$0.78/ft²
Three-Bedroom	7	$900 - $4,500	$1,100	$0.73/ft²
Four-Bedroom+	2	$1,500 - $1,700	$1,600	N/A
Total	19			

As the preceding table illustrates, the rents for non-conventional rentals identified range from $650 to $4,500. The median rents were $725 for a one-bedroom unit, $1,200 for a two-bedroom unit, $1,100 for a three-bedroom unit and $1,600 for a four-bedroom or larger unit. The median rent per square foot by bedroom type range from $0.73 to $0.78.

The rental rates of non-conventional rentals are generally higher than most market-rate multifamily apartments surveyed in the market. The rent differential is even greater when utilities are considered, as most non-conventional rentals require tenants to pay all utilities. When also considering the facts that much of the non-conventional product was built prior to 1940 and their amenity packages are relatively limited, it would appear the non-conventional rentals represent less of a value than most multifamily apartments in the market. However, given the relatively limited number of vacant units among the more affordable multifamily apartments, many low-income households are likely forced to choose from the non-conventional housing alternatives.

Non-Conventional Rental Housing



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b. *Mobile Home Parks*

Statewide, approximately 7.0% of all housing units are mobile home units. This share is more prominent in the more rural areas of Vermont. According to American Community Survey, 7.9% of all housing units in Rutland County are mobile homes. Based on data maintained by the Vermont Department of Housing & Community Development's Housing Division, there are 28 mobile homes parks with a total of 452 mobile home units within Rutland County. As such, mobile home parks accommodate 22.0% of all mobile homes within the county.

The following table summarizes the mobile homes parks by the year the park was established.

Mobile Home Parks by Year Established				
Year Established	Mobile Home Parks	Total Lots	Vacant Lots	Vacancy Rate
<1960	3	32	4	12.5%
1960-1969	7	178	16	9.0%
1970-1979	10	171	2	1.2%
1980-1989	3	30	0	0.0%
1990-1999	3	20	0	0.0%
N/A	2	21	1	4.8%
Total	28	452	23	5.1%

Source: DHCD Housing Division and Bowen National Research, LLC
N/A – Year Established Not Reported

As the preceding table illustrates, the largest share of mobile home parks were established between 1960 and 1979. No parks have been established in Rutland County since 1999. According to data provided by DHCD's Housing Division, there are a total of 23 vacant lots, yielding an overall vacancy rate of 5.1%. Relative to the overall state's mobile home park vacancy rate of 5.0%, the vacancy level within Rutland County is comparable.

The median base lot rent within mobile home parks for each of the past five years is illustrated in the following table.

Base Lot Rents by Year		
Year	Median Lot Rent	% Change
2009	$260	-
2010	$264	1.5%
2011	$269	1.9%
2012	$268	-0.4%
2013	$268	0.0%

Source: DHCD Housing Division and Bowen National Research, LLC

Median base lot rents within mobile home parks in Rutland County have trended upward on a limited base, increasing from $260 to $268 between 2009 and 2013. These fees only include lot rentals. While many mobile home residents own their homes, rental rates for the actual mobile homes are around $895.

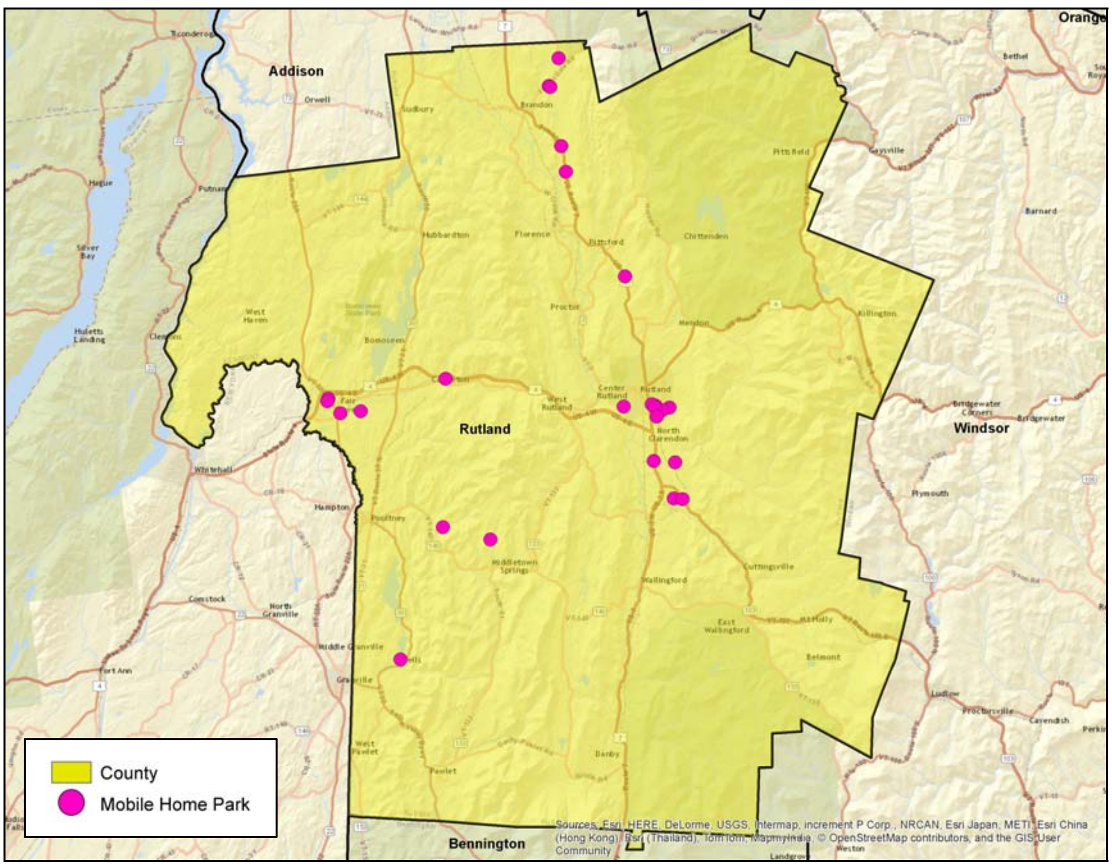
As the quality of mobile home parks and their surrounding area can have an affect on occupancy and rent levels achieved at these properties, representatives of Bowen National Research physically visited a majority of the mobile home parks in Vermont and rated each one based on the quality of the mobile home park and the quality of its surrounding area/neighborhood separately. Therefore, each project received two ratings. The mobile home parks were rated on their general aesthetic appeal, property upkeep, type of surface lots, landscaping and signage, while the surrounding neighborhoods were rated on general appeal and upkeep.

Mobile Home Parks by Quality Ratings		
Quality Rating	Mobile Home Park	Surrounding Neighborhood
A	0	0
B	2	0
C	11	16
D or Lower	3	0

Source: Bowen National Research, LLC

As illustrated above, a majority of the mobile home parks were rated "C" or lower, indicating that the mobile home parks in Rutland County are considered to be in fair to poor quality. All of the parks are located in neighborhoods that were rated "C".

Mobile Home Parks



c. *Owner For-Sale Housing*

Bowen National Research, through a review of the Multiple Listing Service information for Rutland County, identified both historical (sold since 2010) for-sale residential data and currently available for-sale housing stock.

There were 2,071 homes sold since 2010 and 1,022 homes currently available in Rutland County. Approximately, an average of 426 homes is sold each year within Rutland County. The 1,022 available homes in Rutland County represent 11.8% of all identified available for sale homes in Vermont. The following table summarizes the available and recently sold (since January 2010) housing stock for Rutland County. Please note that the statewide average difference between list price and actual sales price is around 6.4%, representing the typical discount in list prices.

Owner For-Sale/Sold Housing Supply		
Type	**Homes**	**Median Price**
Available	1,022	$199,250
Sold	2,071	$159,000

Source: Multiple Listing Service-NNEREN and Bowen National Research, LLC

The historical data includes any home sales that occurred within the county from January 2010 to October 2014. It is our opinion that an evaluation of sales activity after 2009 is representative of true market conditions following the recession.

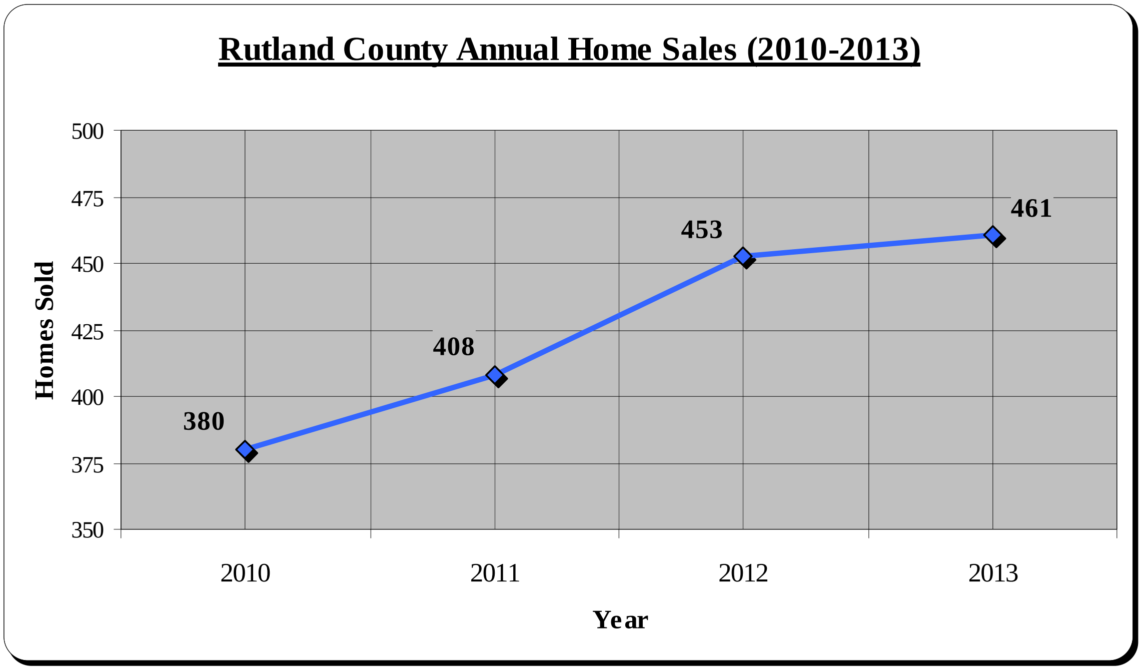
The following table includes a summary of annual for-sale residential transactions that occurred within Rutland County since 2010. It should be noted that the 2014 sales data is only through October of that year.

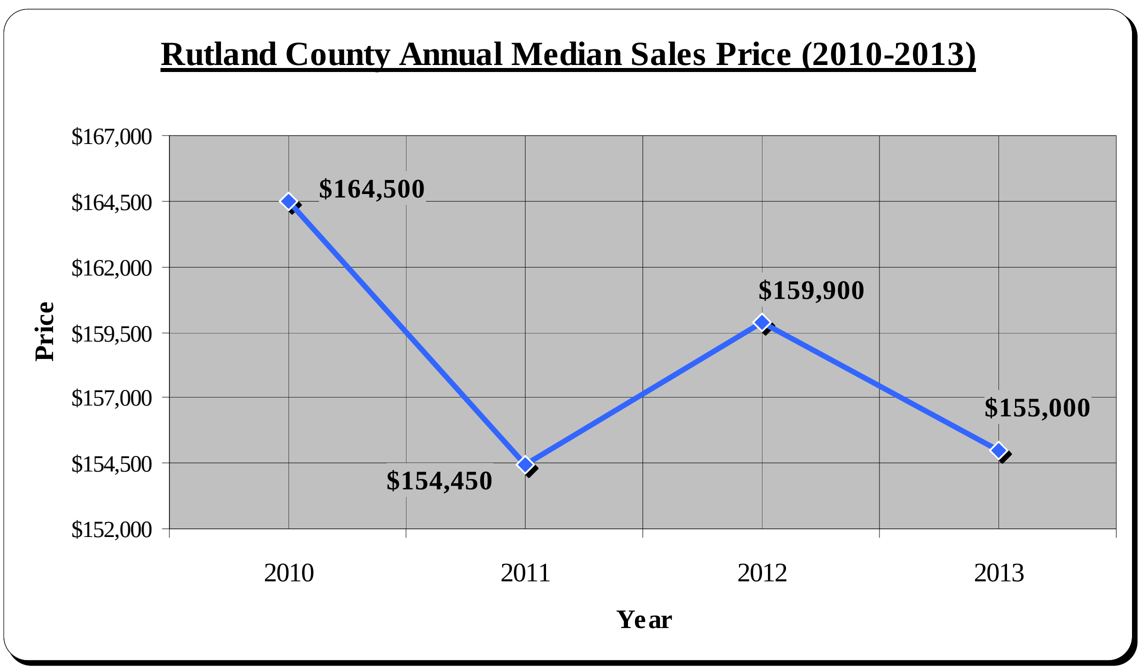
Rutland County Owner For-Sale Housing by Year Sold				
	Units Sold		**Median Price Sold**	
Year	**Number**	**Change**	**Price**	**Change**
2010	380	-	$164,500	-
2011	408	7.4%	$154,450	-6.1%
2012	453	11.0%	$159,900	3.5%
2013	461	1.8%	$155,000	-3.1%
2014*	369	-	$155,000	-

Source: Multiple Listing Service-NNEREN and Bowen National Research, LLC
* Through October

Excluding the partial year of 2014, annual residential for-sales activity within the county has ranged between 380 in 2010 and 461 in 2013. The annual sales activity has grown each of the past three full years. The county is currently on pace to sell approximately 492 residential units for all of 2014. The county has experienced slightly fluctuating sales prices over the past three years. The median annual sales price in 2013 is nearly identical to the median price in 2011. These trends are representative of a generally stable for-sale housing market in Rutland County.

The following graphs illustrate the overall annual number of homes sold and median sales prices over the past four years for Rutland County from 2010 to 2013 (2014 was excluded due to the fact that only partial year data is available):





The following table summarizes the inventory of available for-sale housing in Rutland County and Vermont.

	Available Owner For-Sale Housing						
	Total Units	% Share of State	Low List Price	High List Price	Average List Price	Median List Price	Average Days On Market
Rutland County	1,022	11.8%	$13,900	$3,900,000	$283,520	$199,250	215
Vermont	8,691	100.0%	$7,900	$12,500,000	$355,875	$245,000	208

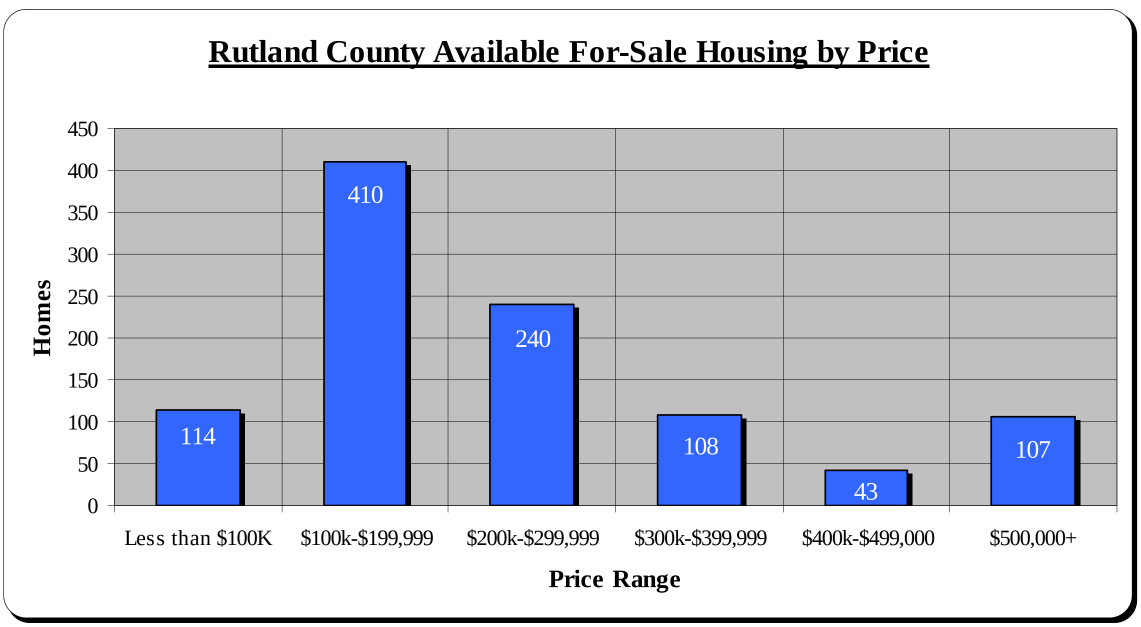
Source: Multiple Listing Service-NNEREN and Bowen National Research, LLC

Within Rutland County, the available homes have a median list price of $199,250, which is much lower than the Vermont median list price of $245,000. The average number of days on market for available product in Rutland County is 215, which is nearly identical to the Vermont average of 208.

The table below summarizes the distribution of available for-sale residential units by price point for Rutland County.

	Available Owner For-Sale Housing by Price Point					
	Rutland County			Vermont		
List Price	Median Price	Units	Share	Median Price	Units	Share
<$100,000	$79,900	114	11.1%	$76,750	774	8.9%
$100,000 - $199,999	$153,500	410	40.1%	$159,000	2,682	30.9%
$200,000 - $299,999	$249,900	240	23.5%	$249,900	2,142	24.6%
$300,000 - $399,999	$359,000	108	10.6%	$350,000	1,142	13.1%
$400,000 - $499,999	$450,000	43	4.2%	$450,000	615	7.1%
$500,000+	$750,000	107	10.5%	$750,000	1,336	15.4%

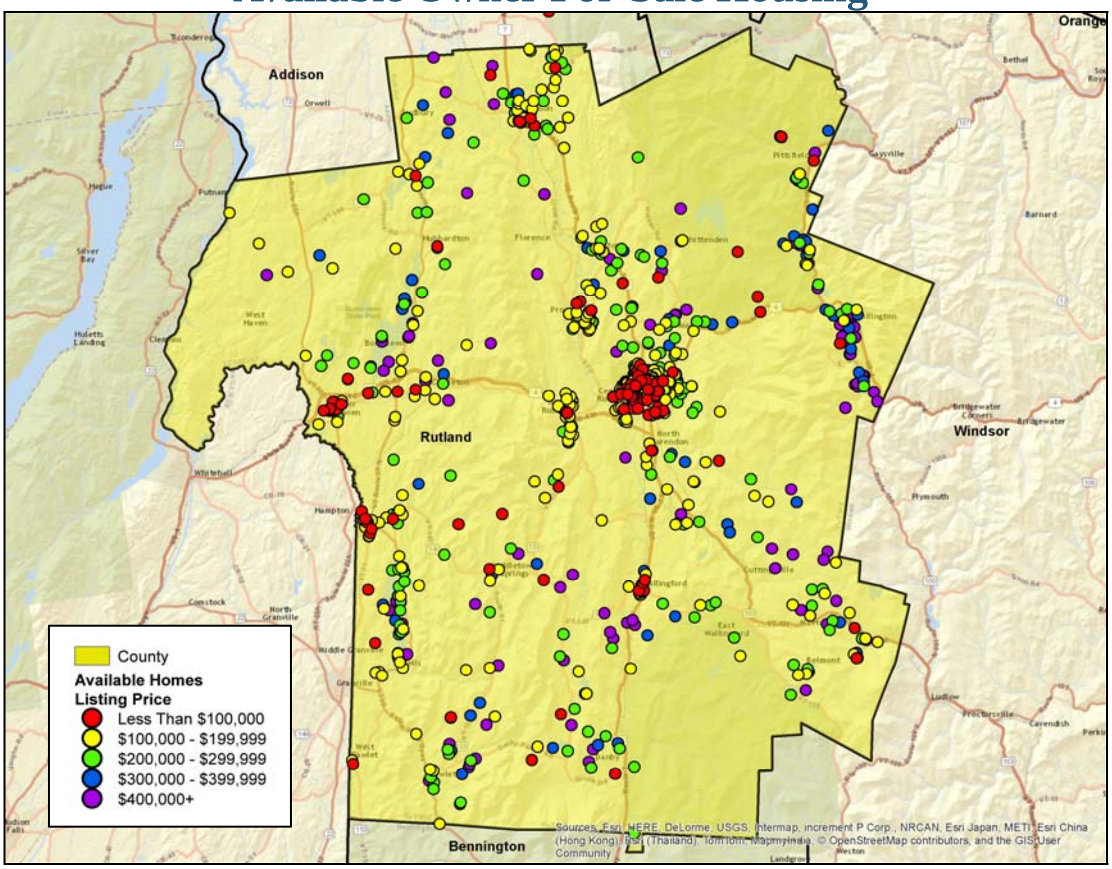
Source: Multiple Listing Service-NNEREN and Bowen National Research, LLC



Bowen National Research

Just over 40% of the available for-sale supply in Rutland County is priced between $100,000 and $200,000. These homes would generally be available to households with incomes between $30,000 and $60,000. An additional 11.1% of all available homes are priced below $100,000, which would be generally affordable to households with incomes under $30,000 Based on our on-site evaluation of the county's housing stock and an analysis of secondary data on such housing, it appears that much of the housing inventory was built prior to 1950 and of fair quality. As a result, while it may be deemed that there is an abundance of for-sale product available to lower-income households, such product likely requires additional costs for repairs, modernization and maintenance, which may be difficult for many low-income households to afford. It is worth noting that nearly a quarter of the available product is priced between $200,000 and $300,000, indicating that there is a good base of homes generally affordable to households with incomes between $60,000 and $100,000.

Available Owner For-Sale Housing



d. *Senior Care Facilities*

Vermont, like states throughout the country, has a large senior population that requires a variety of senior housing alternatives to meet its diverse needs. Among seniors age 75+, some individuals are either seeking a more leisurely lifestyle or need assistance with Activities of Daily Living (ADLs). As part of this analysis, we evaluated three levels of care that typically respond to older adults seeking, or who need, alternatives to their current living environment. They include residential care, assisted living, and nursing care. All of these facilities are licensed by the Vermont Division of Licensing and Protection, Department of Disabilities, Aging & Independent Living. While independent living age-restricted facilities may be offered in some markets, this type of housing was not included in this analysis of senior care facilities.

Residential care homes are state-licensed group living arrangements designed to meet the needs of people who cannot live independently and usually do not require the type of care provided in a nursing home. When needed, help is provided with daily activities such as eating, walking, toileting, bathing, and dressing. Residential care homes may provide nursing home level of care to residents under certain conditions. Daily rates at residential care homes are usually less than rates at nursing homes.

Assisted Living Facilities are state licensed residences that combine housing, health and supportive services to support resident independence and aging in place. While the services and characteristics of an assisted living facility are nearly identical to a residential care home, the primary difference between the two housing alternatives is the physical structure. At a minimum, assisted living residences shall offer, within a homelike setting, a private bedroom, private bath, living space, kitchen capacity, and a lockable door, while residential care facilities provide communal living with shared living and bathroom space. Assisted Living Facilities must meet the Licensing Regulations as well as the Residential Care Home Licensing Regulations which are designed to protect the welfare and rights of residents to ensure that residents receive quality care. These facilities generally offer limited care that is designed for senior citizens who need some assistance with daily activities but do not require nursing care.

Nursing homes provide nursing care and related services for people who need nursing, medical, rehabilitation or other special services. These facilities are licensed by the state and may be certified to participate in the Medicaid and/or Medicare programs. Certain nursing homes may also meet specific standards for sub-acute care or dementia care.

Within Rutland County we identified and surveyed nine senior residential facilities, which represent nearly half of the senior care facilities in the county and are representative of the typical housing choices available to seniors requiring special care housing. We referenced the Medicare.com and Vermont Division of Licensing and Protection websites for all licensed assisted living facilities and cross referenced this list with other senior care facility resources. As such, we believe the identified and surveyed senior care facilities represent a majority of licensed facilities in the county.

There were 21 senior care facilities identified in the county with a total of 793 beds. Of these projects, we were able to survey nine. These nine projects have a total of 414 units, of which 42 are vacant. This yields an overall vacancy rate of 10.1%. The surveyed senior care facilities are summarized as follows:

Facility Type	Facilities Surveyed	Total Units/Beds	Occupancy Rates	National Vacancy Rate*
Residential Care	7	166	12.0%	9.1%
Assisted Living	0	0	-	9.1%
Nursing Care	2	248	8.9%	11.0%
Total	9	414	10.1%	

*Source: American Seniors Housing Assn. *The State of Seniors Housing*

The Rutland County senior care market is reporting overall vacancy rates between 8.9% (nursing care) to 12.0% (residential care). The vacancy rates are near national levels. As such, the overall demand for senior care housing in the county appears to be typical. Base monthly fees for residential care housing start at around $3,194 a month and nursing care has a base monthly fee starting near $9,885 (using a daily fee).

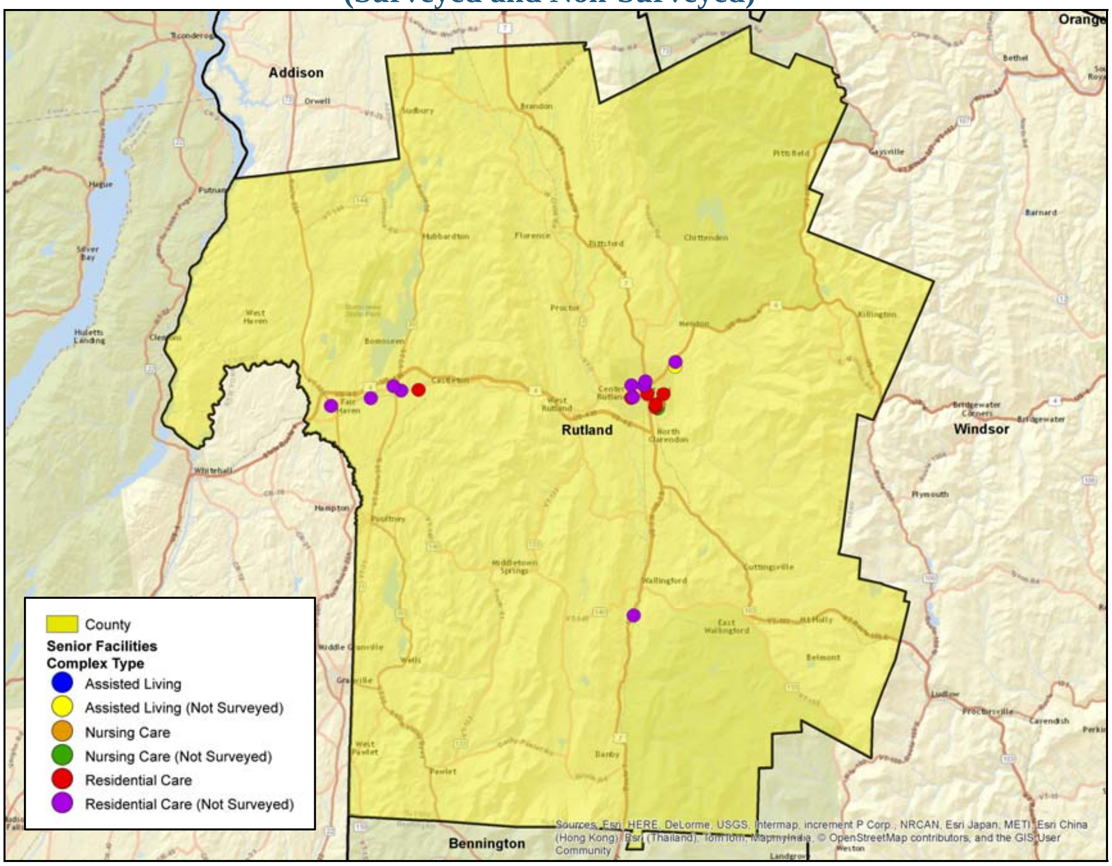
Representatives of Bowen National Research physically visited a majority of Vermont's senior care facilities and rated each one based on the quality of the facility's exterior and the quality of its surrounding area/neighborhood separately. Therefore, each facility received two ratings. The facilities were rated on the general aesthetic appeal of the facility, property upkeep, landscaping and signage, while the surrounding neighborhoods were rated on general appeal and upkeep. The following table summarizes the number of facilities by the two different categories considered in this on-site evaluation. It is important to note that the properties physically evaluated represent only a portion of all senior care facilities inventoried and may not include the same properties that were surveyed and included on the preceding page.

Senior Care Facilities by Quality Ratings		
Quality Rating	Facilities	Surrounding Neighborhood
A	0	0
B	2	1
C	9	10
D or Lower	0	0

Source: Bowen National Research

As illustrated above, a majority of the senior care facilities were rated "C", indicating that the facilities in Rutland County are considered fair. Most of the facilities are located in neighborhoods that were rated "C", which are considered fair areas.

Senior Care Facilities
(Surveyed and Non-Surveyed)



e. *Planned & Proposed Residential Development*

In order to assess housing development potential, we evaluated recent residential building permit activity and identified residential projects in the development pipeline for Rutland County. Understanding the number of residential units and the type of housing being considered for development in the county can assist in determining how these projects are expected to meet the housing needs of the area.

The following table summarizes the number of residential building permits that were approved in Rutland County for the past ten years:

Housing Unit Building Permits for Rutland County:										
Permits	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Multifamily Permits	14	8	4	2	2	0	2	2	0	0
Single-Family Permits	151	161	119	76	71	43	54	34	49	47
Total Units	165	169	123	78	73	43	56	36	49	47

Source: SOCDS Building Permits Database at http://socds.huduser.org/permits/index.html

Rutland County building permit activity decreased noticeably starting in 2007 as a result of the national recession. Virtually all of the permitted activity has involved single-family units.

Planning officials with Rutland County provided details on two planned or under construction residential projects, summarized below:

- Planned is the Watkins School and Carriage House Apartments in Rutland City. The Vermont Housing Trust was awarded Tax Credits in 2013 to rehab the 1892 Watkins Elementary School into six units and also construct an eight-unit carriage house. The 14 units will be senior restricted. No date was given for the project to break ground.

- Within Rutland Town, the Vermont State Housing Authority (VSHA) has now completed two of three phases of the Forest Park Section 8 Housing transformation in the Hickory Street Neighborhood. With new streets and infrastructure the new Hickory Street Apartments are a mixed-income property offering 56 units ranging from one-bedroom apartments to single-family homes. According to the Housing Authority they have not yet secured funding for phase 3 that will consist of 19 mixed-income units. With two phases now complete, VSHA has been able to demolish two thirds of the Section 8 property formerly known as Forest Park.

F. <u>Housing Gap/Needs Estimates</u>

Pursuant to the State of Vermont's Department of Housing and Community Development's *Request for Proposal*, Bowen National Research conducted housing gap/need analyses for rental and for-sale housing for each county. The **housing needs** estimates include growth, cost burdened households, households living in substandard housing, and units in the development pipeline. These estimates are considered a broad evaluation of the needs of the each county. The **housing gap** analysis includes all of the same metrics used in the housing needs analysis except for cost burdened households. These households are excluded from this analysis as they are considered to have their housing needs met, even though they are paying a disproportionately high share of their income towards housing expenses. These estimates are considered a more conservative representation of the housing shortage in the county and indicative of the more immediate housing requirements of the county. Our estimates consider five income stratifications. These stratifications include households with incomes of up to 30% of Area Median Household Income (AMHI), households with incomes between 31% and 50% of AMHI, between 51% and 80% of AMHI, between 80% and 95% of AMHI, and from 95% to 120% of AMHI. This analysis was conducted for family (all) households and seniors (age 55+) separately. This analysis identifies the housing gap/needs (the number of units that could potentially be supported) for the county between 2015 and 2020.

The demand components included in the housing gap/needs estimates for each of the two housing types (rental and for-sale) are listed as follows:

Housing Gap/Needs Analysis Components	
Rental Housing	**Owner Housing**
• Renter Household Growth	• Owner Household Growth
• Rent Overburdened Households**	• Cost Overburdened Households**
• Overcrowded Housing	• Overcrowded Housing
• Housing Lacking Complete Indoor Plumbing	• Housing Lacking Complete Indoor Plumbing
• Pipeline Development*	• Pipeline Development*

*Units under construction, permitted, planned or proposed
**Included in the housing needs estimates only

The demand factors for each housing segment at the various income stratifications are combined. Any product confirmed to be in the development pipeline is deducted from the various demand estimates, yielding a housing gap/needs estimate. This gap/needs analysis is conducted for both renters and owners, as well as for seniors (age 55+) and family (all) households. These estimates represent the number of new households that may need housing and/or the number of existing households that currently live in housing that needs replaced to relieve occupants of such things as housing cost-burdens, overcrowded or substandard housing conditions. Data used for these various demand components originates from the demographic analysis portion of this study.

Rental Housing Needs Analysis

The table below summarizes the rental housing needs estimates by the various income segments for family and senior households.

Demand Component	Rental Housing Needs Estimates – Family Households Percent Of Median Household Income <30% (<$20,000)	30%-50% ($20,000-$40,000)	50%-80% ($40,000-$60,000)	80%-95% ($60,000-$70,000)	95%-120% ($70,000-$100,000)
New Households (2015-2020)	-65	-81	18	17	51
Cost Burdened Households	1,491	1,049	70	15	13
Substandard Housing	45	50	26	6	25
Development Pipeline	-38	-14	0	0	0
Total Housing Needs	1,433	1,004	114	38	89

Demand Component	Rental Housing Needs Estimates – Senior Households Percent Of Median Household Income <30% (<$20,000)	30%-50% ($20,000-$40,000)	50%-80% ($40,000-$60,000)	80%-95% ($60,000-$70,000)	95%-120% ($70,000-$100,000)
New Households (2015-2020)	57	68	59	30	47
Cost Burdened Households	697	356	23	8	4
Substandard Housing	21	17	9	3	10
Development Pipeline	0	0	0	0	0
Total Housing Needs	775	441	91	41	61

Owner Housing Needs Analysis

The table below summarizes the *owner* housing needs estimates by the various income segments for family and senior households.

Demand Component	Owner Housing Needs Estimates – Family Households Percent Of Median Household Income <30% (<$20,000)	30%-50% ($20,000-$40,000)	50%-80% ($40,000-$60,000)	80%-95% ($60,000-$70,000)	95%-120% ($70,000-$100,000)
New Households (2015-2020)	-78	-71	-68	-27	-82
Cost Burdened Households	2,172	1,969	1,213	311	331
Substandard Housing	36	56	51	33	132
Development Pipeline	0	0	0	0	0
Total Housing Needs	2,130	1,954	1,196	317	381

Demand Component	Owner Housing Needs Estimates – Senior Households Percent Of Median Household Income <30% (<$20,000)	30%-50% ($20,000-$40,000)	50%-80% ($40,000-$60,000)	80%-95% ($60,000-$70,000)	95%-120% ($70,000-$100,000)
New Households (2015-2020)	-17	106	115	62	111
Cost Burdened Households	1,751	1,367	686	152	156
Substandard Housing	29	39	29	16	64
Development Pipeline	0	0	0	0	0
Total Housing Needs	1,763	1,512	830	230	331

Rental Housing Gap Analysis

The table below summarizes the rental housing gap estimates by the various income segments for family and senior households.

Demand Component	Rental Housing Gap Estimates – Family Households Percent Of Median Household Income				
	<30% (<$20,000)	30%-50% ($20,000-$40,000)	50%-80% ($40,000-$60,000)	80%-95% ($60,000-$70,000)	95%-120% ($70,000-$100,000)
New Households (2015-2020)	-65	-81	18	17	51
Substandard Housing	45	50	26	6	25
Development Pipeline	-38	-14	0	0	0
Total Housing Gap	-58	-45	44	23	76

Demand Component	Rental Housing Gap Estimates – Senior Households Percent Of Median Household Income				
	<30% (<$20,000)	30%-50% ($20,000-$40,000)	50%-80% ($40,000-$60,000)	80%-95% ($60,000-$70,000)	95%-120% ($70,000-$100,000)
New Households (2015-2020)	57	68	59	30	47
Substandard Housing	21	17	9	3	10
Development Pipeline	0	0	0	0	0
Total Housing Gap	78	85	68	33	57

Owner Housing Gap Analysis

The table below summarizes the *owner* housing gap estimates by the various income segments for family and senior households.

Demand Component	Owner Housing Gap Estimates – Family Households Percent Of Median Household Income				
	<30% (<$20,000)	30%-50% ($20,000-$40,000)	50%-80% ($40,000-$60,000)	80%-95% ($60,000-$70,000)	95%-120% ($70,000-$100,000)
New Households (2015-2020)	-78	-71	-68	-27	-82
Substandard Housing	36	56	51	33	132
Development Pipeline	0	0	0	0	0
Total Housing Gap	-42	-15	-17	6	50

Demand Component	Owner Housing Gap Estimates – Senior Households Percent Of Median Household Income				
	<30% (<$20,000)	30%-50% ($20,000-$40,000)	50%-80% ($40,000-$60,000)	80%-95% ($60,000-$70,000)	95%-120% ($70,000-$100,000)
New Households (2015-2020)	-17	106	115	62	111
Substandard Housing	29	39	29	16	64
Development Pipeline	0	0	0	0	0
Total Housing Gap	12	145	144	78	175

The greatest housing gap appears to be among housing that serves renter households with incomes between 50% and 120% of Area Median Household Income and among homeowners with incomes between 95% and 120% of AMHI.

G. <u>Special Needs Housing</u>

Besides the traditional demographics and housing supply evaluated on the preceding pages of this section, we also identified special needs populations within Rutland County. This section of the report addresses demographic and housing supply information for the homeless population and the other special needs populations within the county.

The State of Vermont is located within two of HUD's designated Continuums of Care (CoC) area known as *Burlington/Chittenden County CoC and Vermont Balance of the State CoC.* CoCs around the United States are required to collect data for a point-in-time in January of each year. The last published point-in-time surveys were conducted in January 2014. This includes count of persons who are classified as homeless, as well as an inventory of the housing specifically designated for the homeless population. According to the 2014 point-in-time survey for *Burlington/Chittenden County CoC and Vermont Balance of the State CoC*, there are approximately 1,556 persons who are classified as homeless on any given day that are not already housed in permanent supportive housing.

Based on the Vermont Coalition to End Homelessness, there are approximately 162 persons classified as homeless within Rutland County. The following tables summarize the sheltered and unsheltered homeless population, as well as the homeless housing inventory within the county.

Homeless Population – Rutland County						
Total Homeless Persons	Chronically Homeless	Motel Vouchers	Unsheltered	Households	Singles	Children
162	22	79	19	111	84	42

Source: Vermont Coalition to End Homelessness – Vermont 2014 Point-in-Time Annual Statewide Count of Homelessness

Homeless Housing Inventory – Rutland County								
	Beds by Population Category							
Project Type	Single Male/ Female and Households with Children	Single Male & Female	Veteran	Chronically Homeless	Youth	Seasonal Beds	*Overflow Beds	Total Beds
Emergency Shelter	18	24	0	0	0	0	79	121
Transitional Housing	5	25	0	10	0	0	0	40
Permanent Supportive Housing	17	0	14	14	0	0	0	45
Rapid Re-housing	14	0	0	0	0	0	0	14
Total Beds By Population	54	49	14	24	0	0	79	220

Source: Vermont Coalition to End Homelessness – 2014 Housing Inventory Count
**Includes Motel Voucher Beds; Chronically Homeless and Veteran Beds Duplicated*

It is important to note that the total bed count for the subgroups and the grand total likely overstate the actual year-round capacity to house the homeless. For example, some permanent supportive housing beds restricted to veterans are also included in the total for chronically homeless beds, which may result in some duplication in the total beds count. Further the “overflow beds” typically consist of motel vouchers beds, whereby homeless individuals may access motel space, depending upon availability. Therefore, these overflow beds may not always be available to such voucher users, limiting the potential capacity to house the homeless. Additionally, seasonal beds are temporary alternatives that are only available during a segment of the year and do not represent year-round capacity. Based on these reporting methods and the types of homeless housing, the actual number of beds ready for occupancy year-round is likely lower than reported in the preceding table.

Based on the Vermont Coalition to End Homelessness – 2014 Housing Inventory Count, the utilization (occupancy) rate for homeless housing beds in the county is 91.2%. This utilization rate and the fact that 19 persons remain unsheltered on a given night indicate that there still remains a need for housing that meets the special needs of the homeless population.

The following table summarizes the various special needs populations within the county that were considered in this report. It should be noted that county level data was not available for certain special needs groups, which is denoted as “N/A” in the following table.

Special Needs Populations			
Special Needs Group	**Persons**	**Special Needs Group**	**Persons**
HIV/AIDS	36	Persons with Disabilities (PD)	9,336
Victims of Domestic Violence (VDV)	888	Elderly (Age 62+) (E62)	12,931
Persons with Substance Abuse (PSA)	909	Frail Elderly (Age 62+) (FE62)	957
Adults with Severe Mental Illness (SMI)	267	Ex-offenders (Parole/Probation) (EOP)	212
Co-Occurring Disorders (COD)	N/A	Unaccompanied Youth (UY)	41
New Immigrants/Refugees (NIR)	N/A	Migrant Farm Workers	7

Excluding the homeless population, the largest number of special needs persons is among those with disabilities, elderly, frail elderly, victims of domestic violence, and persons with substance abuse. According to our interviews with area stakeholders, housing alternatives that meet the distinct demands of the special needs population are limited. Notable facilities are provided by Dismas House, Rutland County Housing Coalition, Rutland County Youth in Transition, Rutland County Women’s Network, Rutland Mental Health Services, PATH, various nursing homes/ residential care facilities and Community Action in Southwestern Vermont which serve the needs of persons with substance abuse, ex-offenders, unaccompanied youth, victims of domestic violence, elderly, and persons with mental illness/disabilities. According to area service providers knowledgeable about housing for various homeless and special needs groups in Rutland County, the most needed housing was permanent supportive housing for homeless persons and persons with disabilities/mental illness.

H. Stakeholder Survey & Interviews

Associates of Bowen National Research solicited input from nearly 90 stakeholders throughout the state of Vermont. Their input was provided in the form of an online survey and telephone interviews. Among the responses, seven stakeholders are with organizations that serve Rutland County. Considered leaders within their field and active in the community, they represent a wide range of industries. The purpose of these interviews was to gather input regarding the need for the type and styles of housing, the income segments housing should target, and if there is a lack of housing or housing assistance within the county. The following is a summary of the key input gathered.

Stakeholders were asked to rank the degree of overall housing demand in the county. Two of the seven respondents indicated that there is a great need for housing. Specifically, respondents ranked rental, small family (1- and 2-bedrooms), large family (3+ bedrooms), and senior apartments (independent living) as having the greatest need. Respondents indicated that the housing style most needed in the area is apartments, with duplexes/triplexes/townhomes ranked second. Respondents also believe that renovated or revitalized housing should be prioritized over new construction and adaptive reuse. When asked to rank the need for housing for each income level, respondents ranked incomes of less than $25,000 with the greatest need. The most significant housing issues within Rutland County, as indicated by respondents, were rent burdened/affordability, substandard housing and limited availability.

Respondents were asked to prioritize funding types that should be utilized or explored in Rutland County. Tax Credit financing and project-based rental subsidy were given the highest priority. Factors that are considered important as they relate to housing development in the county were the proximity to the downtown/village area, schools, utilities, and the community's walkability. Multiple respondents indicated that there is a need for smaller units, especially for seniors, with one respondent noting that seniors need someone who can care for them through the night in their own home. When asked what common barriers or obstacles exist as it relates to housing development in Rutland County, the cost of land, financing, the cost of labor/materials and community support were the most commonly cited. Respondents offered multiple suggestions for housing development, including first-time homebuyer education, lease-to-purchase housing, and reduced property taxes.

If a respondent was knowledgeable about homelessness in Rutland County, they were asked to rank the need for housing for various homeless groups. The most commonly indicated groups were homeless individuals and families. Respondents indicated that the most needed type of housing to serve the homeless population is Permanent Supportive Housing (PSH). One respondent commented that homeless housing projects and/or service providers should provide increased money-management assistance or financial education in order to ensure the future financial success of the formerly homeless. They believe that community partners should work together to ensure proper assistance to homeless groups.

If a respondent was knowledgeable about non-homeless and special needs groups in Rutland County, they were asked to rank the need for housing for various special needs groups. The most commonly indicated groups were persons with physical and development disabilities and those with severe mental illness. Respondents ranked group homes and Permanent Supportive Housing (PSH) as the types of housing most needed to serve these populations. The lack of community support/NIMBYism was cited as the most common obstacle to developing special needs housing.

I. Conclusions

Overall demographic trends are projected to be slightly negative within Rutland County over the next five years. Some key findings based on our research of Rutland County are summarized as follows:

- **Population –** Between 2015 and 2020, projected population decline of 527 (0.9%).

- **Households –** Between 2015 and 2020, projected household decline of 36 (0.1%).

- **Household Heads by Age –** It is projected that by 2015, the largest share (23.3%) of households by age in Rutland County will be within the 55 to 64 age cohort.

- **Rental Housing –** Rutland County has an overall vacancy rate of 0.8% for all identified and surveyed rental housing.

- **Owner Housing (for-sale) –** As of October 2014, there are a total of 1,022 available for-sale homes in the county, with a median price of $199,250.

- **Mobile Home Parks –** As of 2013, mobile home parks in the county reported an overall 5.1% vacancy rate.

- **Senior Care Facilities –** Senior housing reported an overall vacancy rate of 10.1%

The greatest housing gap appears to be among housing that serves renter households with incomes between 50% and 120% of Area Median Household Income and among homeowners with incomes between 95% and 120% of AMHI. Priorities for future housing in the county should be focused on housing product and/or programs that meet the needs of these households.

J. Sources

See the *Vermont Housing Needs Assessment* for a full listing of all sources used in this report.