



Homeowners

Constrained Supply of Owner Homes

There were an estimated 196,446 owner-occupied households in Vermont in 2022. The owner-occupied housing stock is dominated by single-family detached homes, with the home type making up 84% of all owner-occupied homes in the state.

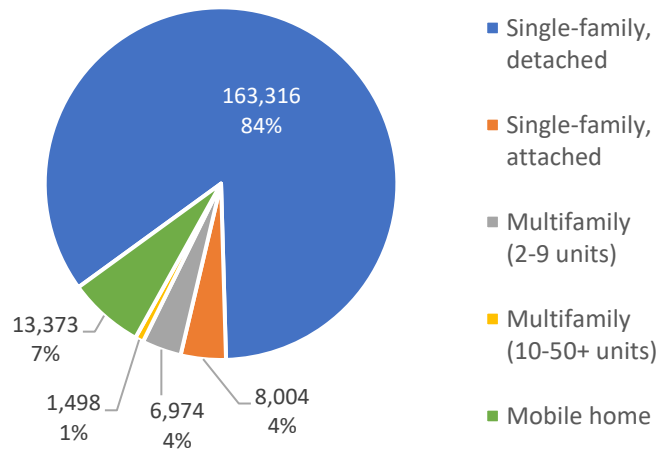
From 2010 to 2020, Vermont’s owner-occupied primary housing stock grew by an average of just 0.5% per year or an average of 900 homes per year. Vermont’s housing growth rate has declined considerably since the 1980s, when it was increasing at about 2% each year. The effect of this decline in construction is reflected in Vermont’s low vacancy rates. Without increased construction, Vermont’s home sale market will continue to grow tighter, with prices likely to continue to increase.

The availability of for-sale homes became uniquely constrained in 2023. The number of homes sold in 2023 is the lowest annual total in Vermont since 2012, when the housing market was still dealing with the impacts of the Great Recession. The annual number of primary homes sold has decreased each year since 2020. About 6,000 homes were sold in 2023, 2,000 fewer than the prior year and 3,000 fewer than each year between 2019 and 2021.¹

The number of days between when a home is listed for sale and when an offer is accepted is referred to as the number of “days on market.” The median days on the market have been steadily decreasing across all home types in Vermont, indicating increasing demand for available homes. The fastest-selling homes were priced in the \$200,000-\$400,000 range.²

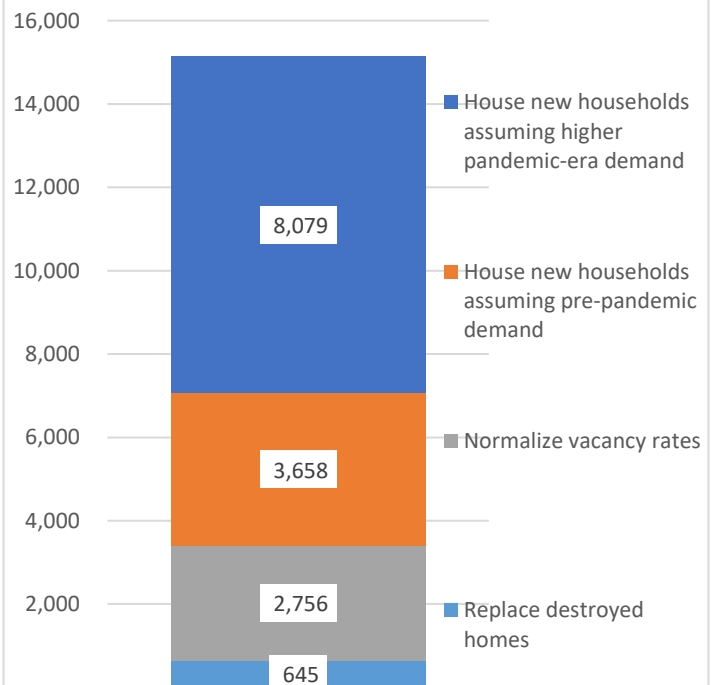
The number of Vermont owner households is projected to increase by 8,000-12,000 in 2025-2029. To accommodate this demand, normalize vacancy rates, and replace homes that leave the stock, Vermont is likely to need 16,000 more owner homes during this period.³ Most of these additional homeowners will be located in Chittenden County, with Rutland, Lamoille, and Washington counties also projected to receive larger percentages of new homeowner households. Growth in the owner households expected in Vermont by 2029 will likely be among small households with two or fewer members.

Owner households by building type, 2022



Source: U. S. Census Bureau, American Community Survey 2018-2022 estimates from housingdata.org.

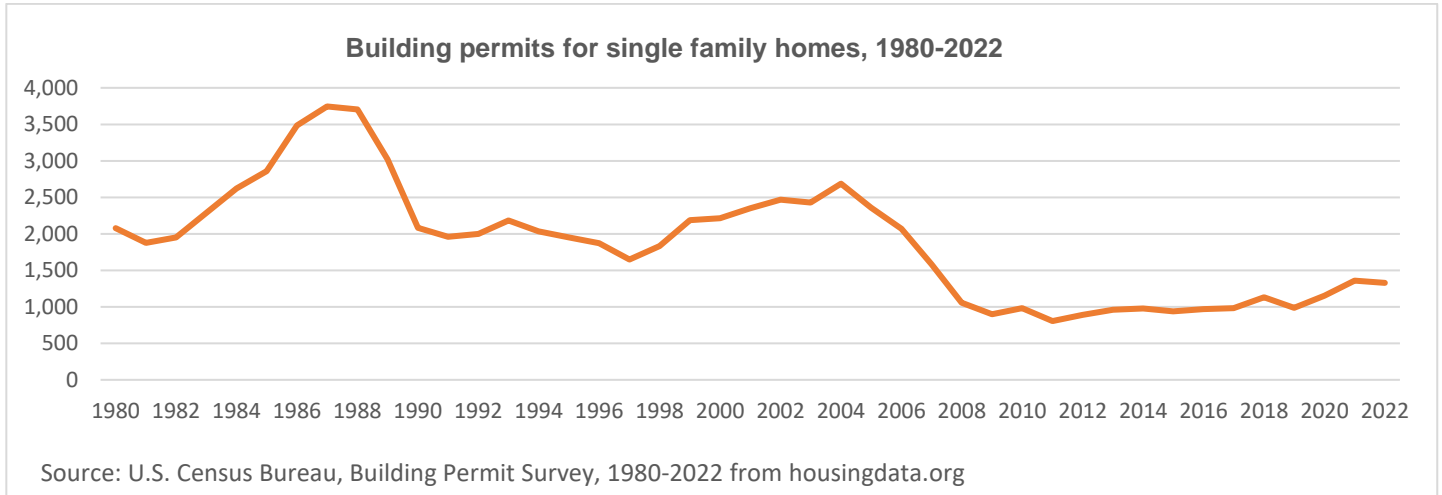
16,000 additional owner homes needed, 2025-2029



Source: Based on data from U.S. Census Bureau 2010 and 2020 Decennial Census and American Community Survey 1-year estimates for 2019-2022.



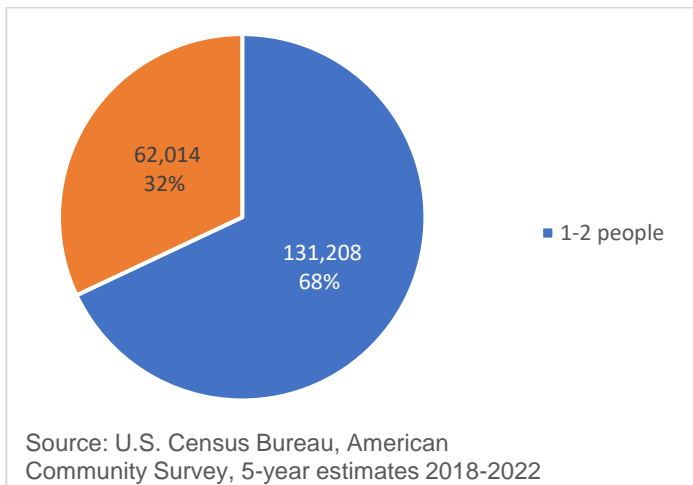
Annual building permits for new single-family homes have averaged just over 1,000 per year for the last decade.



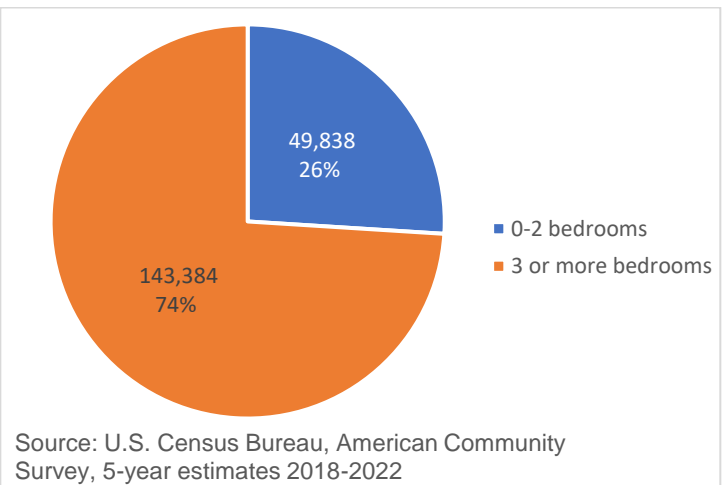
Household Size

The available housing supply is not only constrained but also mismatched to homeowner needs. The number of people per household has been shrinking over the past few decades. The median year of construction for Vermont’s homes is 1975, with 23% of homes constructed prior to 1940. These homes were built at a time when households were larger and needed more bedrooms than today’s smaller households require.

Owner homes by household size, 2022

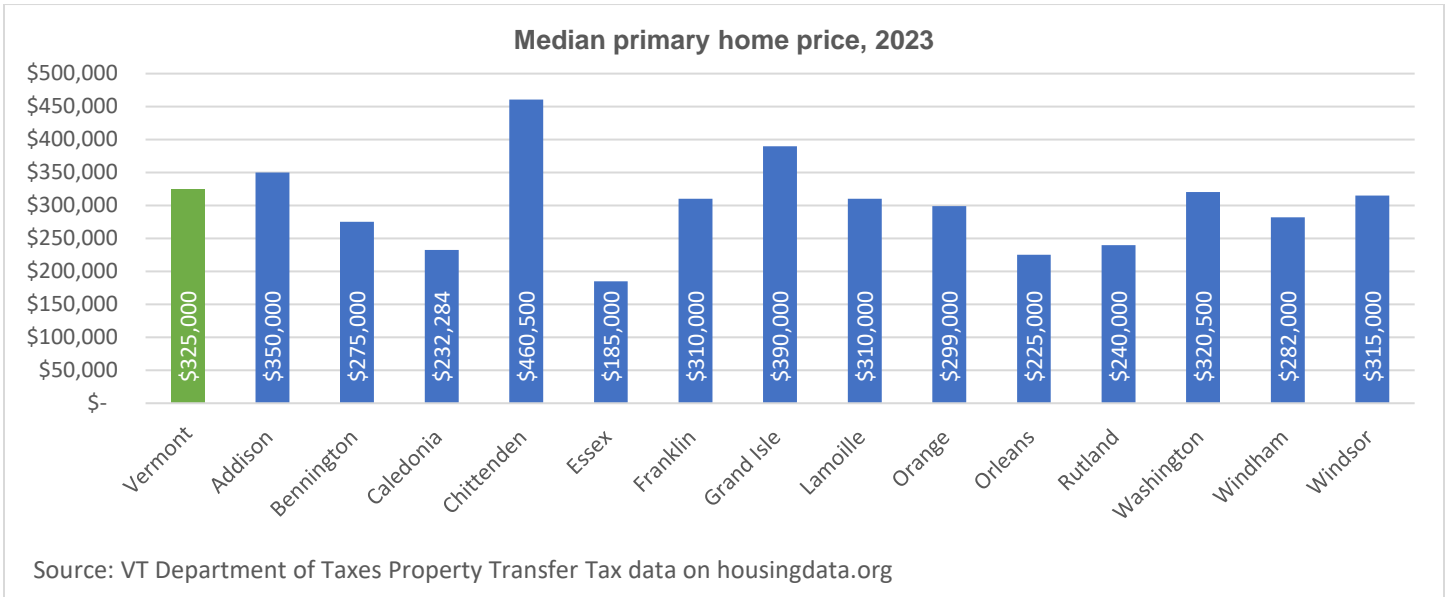


Owner homes by number of bedrooms, 2022



Home Sale Prices Varied Greatly by Location

The median priced primary home in Vermont sold for \$325,000 in 2023. Condominiums commanded the highest prices, with a median price of \$326,500, while the median priced single-family home sold for \$325,000, and the median priced mobile home with land sold for \$130,000. Home prices vary considerably between counties. The median primary home price in Chittenden County was over twice the median price of homes in Caledonia, Orleans, and Rutland counties and three times the median price in Essex County.



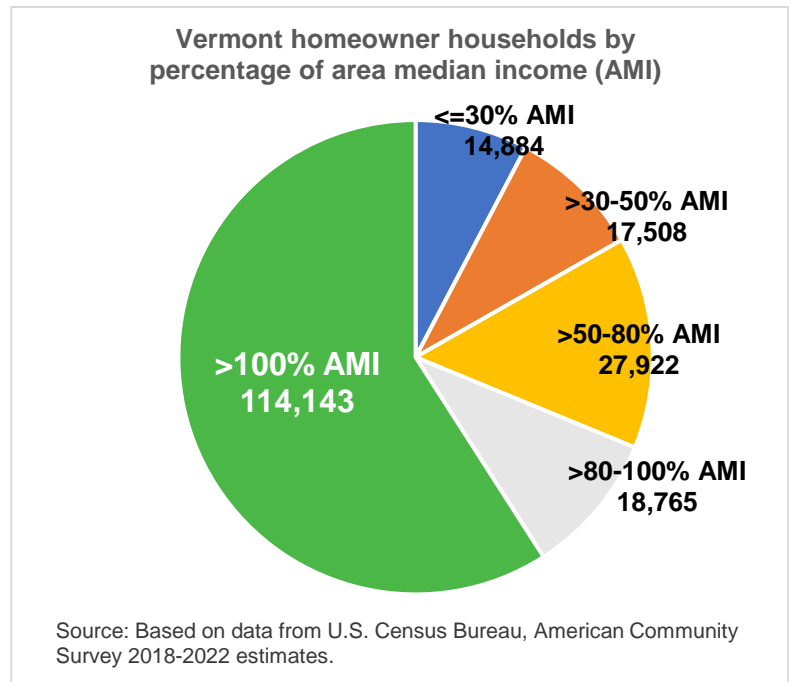
High Housing Costs for Low-Income Homeowners

An estimated 60,000 Vermont homeowners have incomes less than 80% of the median in their area. This number is projected to expand by approximately 3,600 households over the next 5 years.

Given the median home sale price of \$325,000 in 2023 and an average interest rate of 6.4%, a Vermont household would need an annual income of \$103,776 to purchase a median-priced home with an affordable monthly payment (i.e., not greater than 30% of household income).⁴ As of 2022, even the median homeowner income of \$90,311 was well short of the necessary income to afford to purchase a home.

Among new homes sold in 2023, the median price statewide increased by 11% relative to the prior year, up to \$616,500, according to data from the Multiple Listing Service.⁵

About 75% of low-income Vermont homeowners are cost-burdened, spending more than 30% of their income on their housing expenses—the maximum considered affordable enough to leave adequate resources for other necessities. When low-income homeowners have high housing costs relative to their income, they are not likely to have enough funds left to make needed home repairs, further exacerbating their housing problems. An estimated 20,000 Vermont homeowners have severe cost burdens (spending more than half of their income on housing).⁶





Notes

¹ Vermont Property Transfer Tax (PTT) records from housingdata.org

² Multiple Listing Service (MLS), from housingdata.org. Does not include sales made without a real estate agent. In 2018, the median Vermont home was on the market for 111 days. For context, the national median days on the market was 74 days. (Based on median days listed for United States for 2018 on [Zillow.com](https://www.zillow.com).)

³Based on Census Bureau Current Population Survey/Housing Vacancy Survey and American Community. Pre-pandemic demand is based on household increases in 2016-2019 of 1% per year. Pandemic-era demand is based on 2019-2022 household increases of 1.8% per year. Assumes a target vacancy rate of 5% for rental homes and 2% for owner homes and annual housing loss rate of 0.15%. According to U.S Department of Housing and Urban Development ([American Housing Survey Components of Inventory Change: 2015–2017, Table B15](https://www.hud.gov/sites/dfiles/documents/2015-2017-Table-B15.pdf)), 0.15% of the of the nation’s owner-occupied housing stock is lost each year due to destruction, conversion to other usage, or other causes.

⁴ Vermont Property Transfer Tax (PTT) records from housingdata.org

⁵ <https://www.housingdata.org/profile/homeownership-costs/new-home-sales>

⁶ U.S. Census Bureau: American Community Survey 5-year estimates, 2018-2022 (Table B25091) from housingdata.org.

This fact sheet is part of the **Vermont Housing Needs Assessment 2025-2029** completed in June 2024 for the Vermont Department of Housing and Community Development. Related information is available in companion fact sheets and the comprehensive, more detailed report.

Fact Sheets:

- Executive Summary
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- Households with Special Needs & Challenges