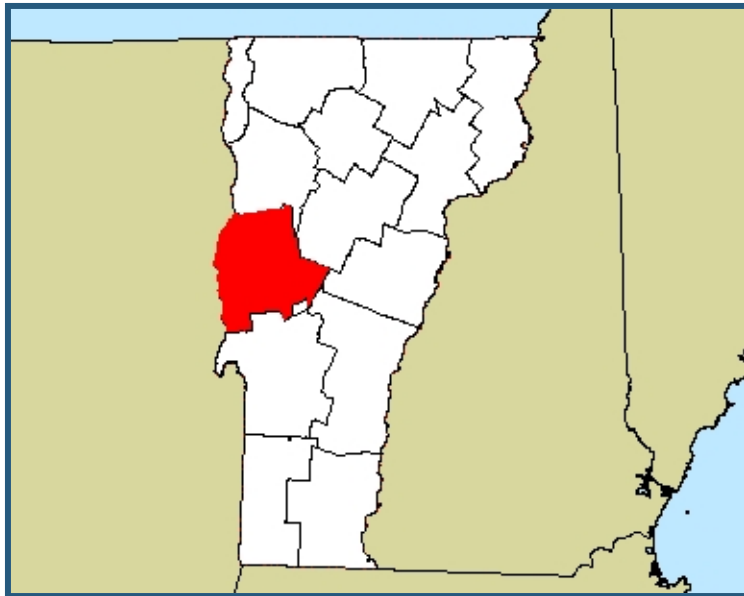


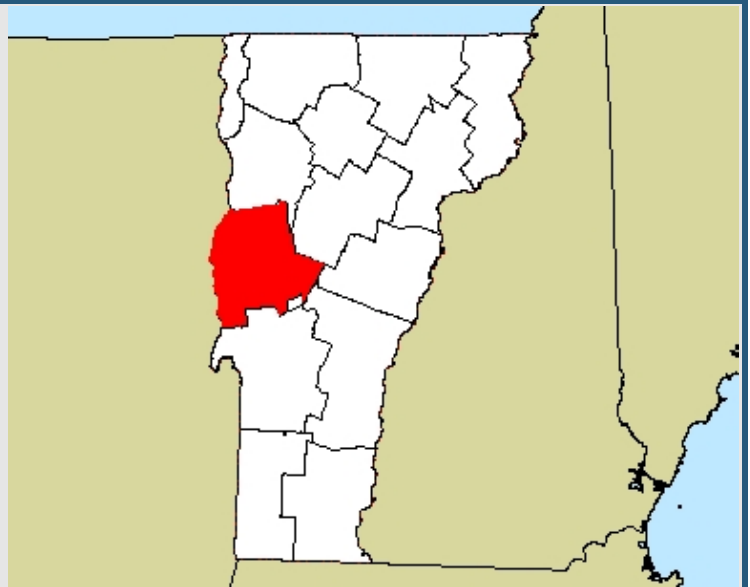
Addison County

Housing Needs Assessment



Addison County: County Overview

Introduction - Addison County is located within the western portion of the state. It encompasses a total of 808 square miles, making it the 4th largest county (based on geographic area) in the state. The county had a 2010 total population of 36,821 (8th largest in the state) and 16,760 total households (8th largest in the state). Middlebury, with a 2010 population of 8,496, is the largest community in the county. Other notable communities in Addison County, along with their corresponding 2010 population numbers in parenthesis, include Bristol (3,894), Ferrisburgh (2,775), and Vergennes (2,588). The primary employment sectors and their corresponding shares of the county's total employment are Retail Trade (13.8%) and Educational Services (12.4%).



Highlights

Population – Between 2015 and 2020, projected population growth of 374 (1.0%).

Households – Between 2015 and 2020, projected household growth of 291 (2.0%).

Household Heads by Age – Addison County will add a projected 719 (9.8%) households age 55 and older between 2015 and 2020.

Rental Housing – Addison County has an overall vacancy rate of 0.2% for all identified and surveyed rental housing.

Owner Housing (for-sale) – As of October 2014, there are a total of 425 available for-sale homes in the county, with a median price of \$269,000.

Mobile Home Parks – As of 2013, mobile home parks in the county reported an overall 2.1% vacancy rate.

Senior Care Facilities – Senior housing reported an overall vacancy rate of 6.9%.

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 19 multifamily rental properties, 15 mobile home parks, 223 recently sold housing units (425 available), and 4 senior care facilities were identified and analyzed in the county.

Housing Supply Overview

Housing Type	Vacancy	Rents-Prices
Apartment Rentals	0.2%	\$525-\$1,015
Mobile Home Parks	2.1%	\$256-\$895
Owner Housing (For-Sale)	-	\$40,000-\$2,650,000
Senior Care Facilities	0.0%-RC 14.5%-AL N/A-NC	\$4,258-\$6,790 \$5,400-\$7,000 -

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%	615	334	1,406	1,047	
30%-50%	500	131	1,341	1,005	
50%-80%	113	50	1,023	641	
80%-95%	13	7	296	226	
95%-120%	33	20	486	308	
Total	1,274	542	4,552	3,227	

*Senior care demand not calculated on a county level

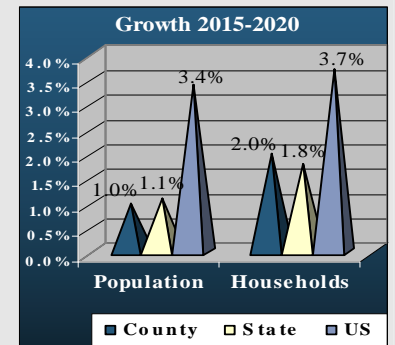
Note: Primary data sources include U.S. Census Bureau, American Community Survey (ACS) and ESRI. All other data sources are cited within the full report.

Addison County: Demographics & Economics

US Census, ESRI & Claritas Estimates	Total Population	Total Households	Renter Households	Owner Households
2000 Census	35,944	13,058	3,027	10,031
2010 Census	36,793	14,074	3,421	10,653
Change 2000-2010	849	1,016	394	622
Percent Change 2000-2010	2.4%	7.8%	13.0%	6.2%
2015 Projected	37,494	14,495	3,439	11,056
Change 2010-2015	701	421	18	403
Percent Change 2010-2015	1.9%	3.0%	0.5%	3.8%
2020 Projected	37,868	14,786	3,472	11,314
Change 2015-2020	374	291	33	258
Percent Change 2015-2020	1.0%	2.0%	1.0%	2.3%

Addison County experienced an increase in both population and households between 2000 and 2010. They are projected to increase by 701 (1.9%) and 421 (3.0%), respectively, between 2010 and 2015. Between 2015 and 2020, it is projected that they will increase by 374 (1.0%) and 291 (2.0%), respectively. These positive projected demographic trends are expected to be generally similar to the projected trends within the state of Vermont.

Within the county, the share of owner-occupied households was over 75% in 2000 and 2010, while the share of renter-occupied households has been under 25%. It is projected that in 2015 and 2020, the share of owner-occupied households will be over 76% and the share of renter-occupied households will be over 23%.

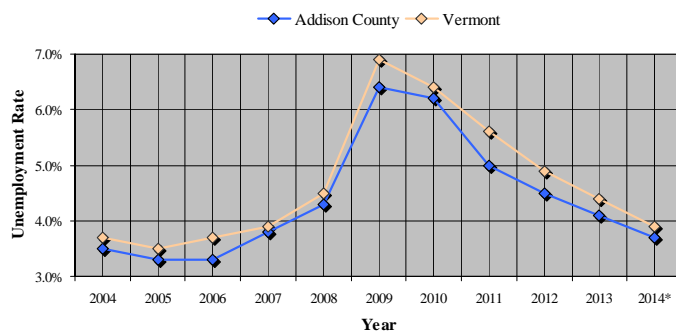


Year	Household Heads by Age						
	<25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+
2010	405 (2.9%)	1,484 (10.5%)	2,383 (16.9%)	3,377 (24.0%)	3,160 (22.4%)	1,765 (12.5%)	1,502 (10.7%)
2015	402 (2.8%)	1,538 (10.6%)	2,149 (14.8%)	3,081 (21.3%)	3,395 (23.4%)	2,345 (16.2%)	1,585 (10.9%)
2020	375 (2.5%)	1,576 (10.7%)	2,020 (13.7%)	2,770 (18.7%)	3,421 (23.1%)	2,907 (19.7%)	1,716 (11.6%)
Change 2015-2020	-27 (-6.7%)	38 (2.5%)	-129 (-6.0%)	-311 (-10.1%)	26 (0.8%)	562 (24.0%)	131 (8.3%)

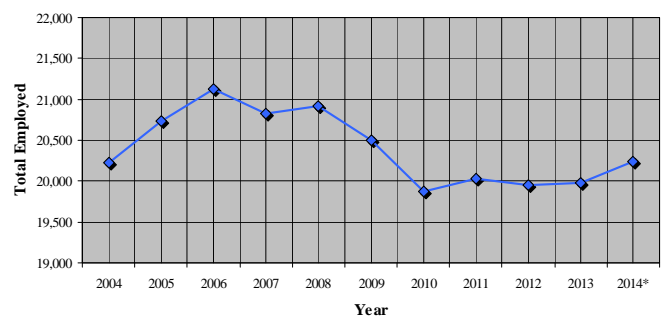
Overall, Addison County will add a projected 719 (9.8%) households age 55 and older between 2015 and 2020.

2013 County Unemployment (Rank in State)	Employment Change (2010-2013)	Top Three Industry Sectors
4.1% (3rd)	108 (0.5%)	1. Retail Trade (13.8%) 2. Educational Services (12.4%) 3. Health Care & Social Assistance (10.8%)

Addison County/Vermont Unemployment Rate



Addison County Total Employment



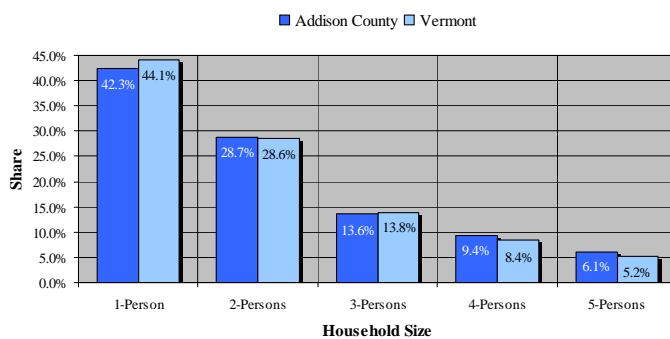
Addison County: Demographics & Economics

Tenure	Year	Persons Per Household						Median H.H. Size
		1-Person	2-Person	3-Person	4-Person	5-Person	Total	
Renter	2010	1,405 (41.1%)	996 (29.1%)	464 (13.6%)	336 (9.8%)	220 (6.4%)	3,421 (100.0%)	1.61
	2015	1,456 (42.3%)	986 (28.7%)	467 (13.6%)	322 (9.4%)	208 (6.1%)	3,439 (100.0%)	1.53
	2020	1,510 (43.5%)	981 (28.2%)	469 (13.5%)	316 (9.1%)	196 (5.7%)	3,472 (100.0%)	1.46
Owner	2010	2,195 (20.6%)	4,458 (41.8%)	1,699 (15.9%)	1,522 (14.3%)	779 (7.3%)	10,653 (100.0%)	2.40
	2015	2,397 (21.7%)	4,585 (41.5%)	1,782 (16.1%)	1,526 (13.8%)	768 (6.9%)	11,056 (100.0%)	2.37
	2020	2,549 (22.5%)	4,657 (41.2%)	1,838 (16.2%)	1,516 (13.4%)	754 (6.7%)	11,314 (100.0%)	2.33

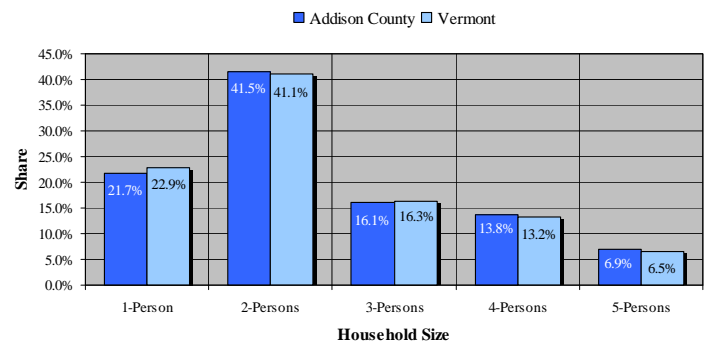
The median renter household size in 2015 will be 1.53 while owner households will be 2.37. These sizes are expected to increase very little by 2020.

Single person households will represent 42.3% of all renter households and 21.7% of all owner households in the county in 2015. Large family households (4+ persons) will represent 15.5% of renter households and 20.7% of owner households in 2015.

Addison County/Vermont Persons per Renter Household (2015)



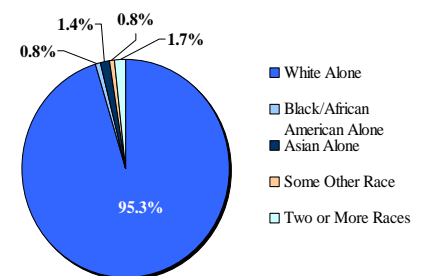
Addison County/Vermont Persons per Owner Household (2015)



Population by Race

Metric	White Alone	Black/African American Alone	Asian Alone	Some Other Race Alone	Two or More Races	Total
Number	35,051	283	532	296	632	36,794
Percent	95.3%	0.8%	1.4%	0.8%	1.7%	100.0%

Addison County Population by Race



Addison 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	19	457	1	0.2%	\$525-\$1,015	\$525-\$995
Non-Conventional Rentals	13	13	-	-	\$450-\$1,500	\$1,000
Mobile Home Parks	15	389	8	2.1%	\$256-\$895	-
Owner Housing (For-Sale)**	-	425	-	-	\$40,000-\$2,650,000	\$269,000
Senior Care Facilities	RC-3	68	0	0.0%-RC	\$4,258-\$6,790	\$5,171
	AL-1	62	9	14.5%-AL	\$5,400-\$7,000	\$5,400
	NH-0	0	-	N/A-NH	-	-

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

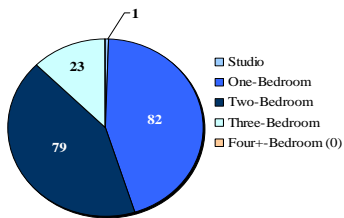
**Units is the total number of active listings

Apartment Rentals

Total Surveved Properties	Vacancy Rates		Subsidized Housing			
19	Overall		0.2%	Type	Count	Wait List
	Market-Rate		0.0%	Public Housing Units	0	0
Total Units Surveved	Tax Credit		0.0%	Other Subsidized Units	272	5-197 H.H.
	Subsidized	0.4%	Housing Choice Vouchers	110	400*	

H.H. – Households
*Includes multiple counties

Distribution of Units Non-Subsidized

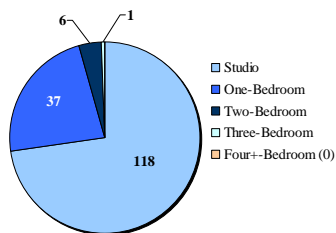


Non-Subsidized Rental Distribution

Unit Type	Total Units	Vacancy Rate	Collected Rents		
			Low	High	Median*
Studio	1	0.0%	\$525	\$525	\$525
One-Bedroom	82	0.0%	\$523	\$850	\$665-\$825
Two-Bedroom	79	0.0%	\$515	\$1,000	\$743-\$975
Three-Bedroom	23	0.0%	\$601	\$1,015	\$733-\$995
Four+-Bedroom	-	-	-	-	-

*Rent range based on number of bathrooms

Government-Subsidized



Government-Subsidized Rental Distribution

Unit Type	Total Units	Vacancy Rate
Studio	118	0.8%
One-Bedroom	37	0.0%
Two-Bedroom	6	0.0%
Three-Bedroom	1	0.0%
Four+-Bedroom	-	-

Mobile Home Parks

Number of Projects/Parks	15
Total Lots	389
Leased Lots	381
Vacant Lots	8
Vacancy Rate	2.1%
Median Base Lot Rent (2013)	\$256

The largest share of mobile home parks were established between 1960 and 1969. No parks have been established in Addison County since 1989. According to data provided by DHCD's Housing Division, there are a total of 8 vacant lots, yielding an overall vacancy rate of 2.1%. Median base lot rents within mobile home parks in Addison County have generally trended upward, increasing from \$247 to \$256 between 2009 and 2013.

Addison County: Housing Supply Overview

Senior Care Facilities

Housing Type	Total Projects	Units/Beds	Vacancy Rate	Wait List	Median Base Rent
Residential Care	3	68	0.0%	2-90 Households	\$5,171
Assisted Living	1	62	14.5%	None	\$5,400
Nursing Homes	0	0	-	-	-
Total	4	130	6.9%	-	-

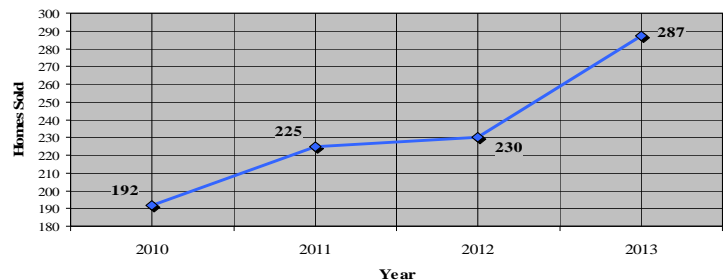
There were 10 senior care facilities identified in the county with a total of 353 beds. Of these projects, we were able to survey four. These four projects have a total of 130 units, of which only nine are vacant. This yields an overall vacancy rate of 6.9%. Base monthly fees for assisted living start at around \$5,400 a month and residential care facilities have a base monthly fee starting near \$4,258.

Owner Housing (For-Sale) by Year Sold

Year Sold	Units Sold	Change	Median Price	Change
2010	192	-	\$214,500	-
2011	225	32.8%	\$231,173	7.8%
2012	230	2.2%	\$220,000	-4.8%
2013	287	24.8%	\$225,000	2.3%
2014*	223	-	\$214,000	-

Sales data is through October 2014

Addison County Annual Home Sales (2010-2013)



Overall Available Owner Housing (For-Sale)

Number of Homes Listed	Price Range	Average List Price	Median List Price	Average Days on Market
425	\$40,000-\$2,650,000	\$354,715	\$269,000	203

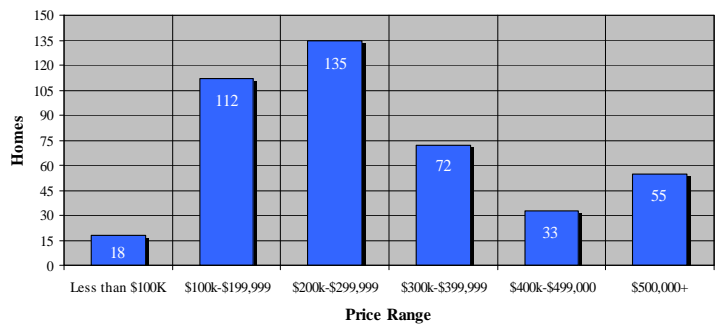
As of October 2014

Available Owner (For-Sale) Housing by Price

List Price	Median Price	Units	Share
<\$100,000	\$81,450	18	4.2%
\$100,000 - \$199,999	\$173,200	112	26.4%
\$200,000 - \$299,999	\$259,000	135	31.8%
\$300,000 - \$399,999	\$349,900	72	16.9%
\$400,000 - \$499,999	\$450,000	33	7.8%
\$500,000+	\$849,500	55	12.9%
Total		425	100.0%

As of October 2014

Addison County Available For-Sale Housing by Price



Housing Issues by Tenure

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 Issue	Renter-Occupied		Owner-Occupied	
	Number	Percent	Number	Percent
Cost Burdened	1,531	44.7%	3,422	32.2%
Severely Cost Burdened	754	22.0%	1,143	10.7%
Overcrowded	112	3.3%	80	0.8%
Severely Overcrowded	21	0.6%	12	0.1%
Substandard*	133	3.8%	175	1.6%
Lead Paint	2,372	69.2%	6,142	57.7%

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.

Addison County: Special Needs & Homeless

Special Needs Populations

Special Needs Group	Persons	Special Needs Group	Persons
HIV/AIDS	20	Persons with Disabilities (PD)	4,495
Victims of Domestic Violence (VDV)	233	Elderly (Age 62+) (E62)	6,602
Persons with Substance Abuse (PSA)	254	Frail Elderly (Age 62+) (FE62)	482
Adults with Severe Mental Illness (SMI)	182	Ex-offenders (Parole/Probation) (EOP)	69
Co-Occurring Disorders (COD)	N/A	Unaccompanied Youth (UY)	41
New Immigrants/Refugees (NIR)	N/A	Migrant Farm Workers	213

Note: Data sources cited in full report

Excluding the homeless population, the largest number of special needs persons is among those with disabilities, and elderly persons. According to our interviews with area stakeholders, housing alternatives that meet the distinct demands of the special needs population are limited. Notable facilities are offered by WomenSafe, Counseling Services of Addison County, Addison Youth in Transition, John Graham Shelter, and various nursing and residential care homes which meet the needs of victims of domestic violence, persons with substance abuse, persons with a mental illness, disabled persons, ex-offenders, unaccompanied youth, and elderly persons. According to various services provides knowledgeable about housing for various homeless and special needs groups in Addison County the most needed was permanent supportive housing and single-room occupancy. It was also noted that housing for persons with disabilities and mental illnesses was underserved.

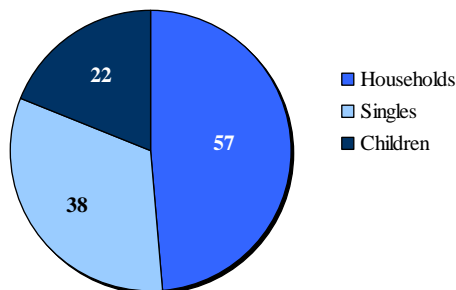
Homeless Population

Total Homeless Persons	Chronically Homeless	Motel Vouchers	Unsheltered	Households	Singles	Children
87	10	20	5	57	38	22

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	25	10	0	0	0	4	20	59
Transitional Housing	23	7	0	0	0	0	0	30
Permanent Supportive Housing	38	0	1	1	0	0	0	40
Rapid Re-housing	18	0	0	0	0	0	0	18
Total Beds By Population	104	17	1	1	0	4	20	147

Addison County Homeless Populations



Based on the Vermont Coalition to End Homelessness, there are approximately 87 persons classified as homeless within Addison 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 95.2%. This utilization rate and the fact that 5 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.

Addison County

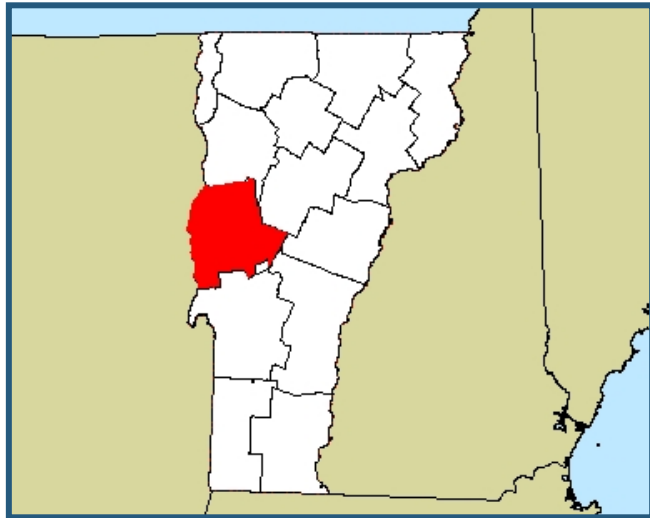
A. Introduction

The focus of this analysis is to assess the market characteristics of, and to determine the housing needs for, Addison 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 Addison 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 Overview portion of the Vermont Housing Needs Assessment.

B. County Overview

Addison County is located within the western portion of the state. It encompasses a total of 808 square miles, making it the 4th largest county (based on geographic area) in the state. Primary thoroughfares within the county include U.S. Route 7, and State Routes 17 and 22A. Notable natural landmarks and public attractions include Ferrisburg Municipal Forest, Branbury State Park, and Mount Independence. The county had a 2010 total population of 36,821 (8th largest in the state) and 16,760 total households (8th largest in the state). Middlebury, with a 2010 population of 8,496, is the largest community in the county. Other notable communities in Addison County, along with their corresponding 2010 population numbers in parenthesis, include Bristol (3,894), Ferrisburgh (2,775), and Vergennes (2,588).



The primary employment sectors and their corresponding shares of the county's total employment are Retail Trade (13.8%) and Educational Services (12.4%). 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 Addison 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 three major parts: population characteristics, household characteristics, and demographic theme maps. 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.

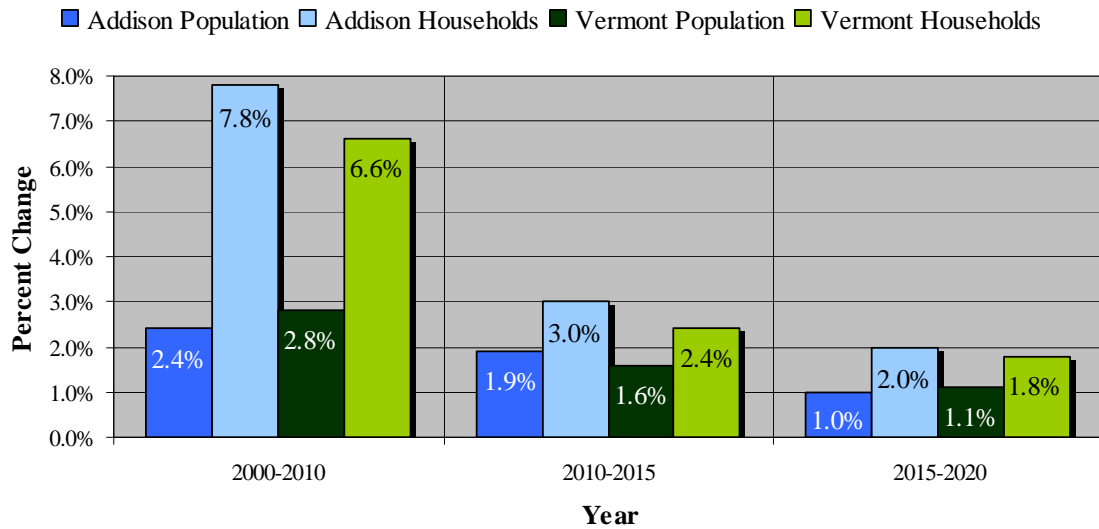
Significant unforeseen changes or fluctuations among any of the preceding assumptions could have an impact on demographic projections.

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

	Total Population		Total Households	
	Addison County	Vermont	Addison County	Vermont
2000 Census	35,944	608,826	13,058	240,634
2010 Census	36,793	625,740	14,074	256,442
Change 2000-2010	849	16,914	1,016	15,808
Percent Change 2000-2010	2.4%	2.8%	7.8%	6.6%
2015 Projected	37,494	635,440	14,495	262,502
Change 2010-2015	701	9,700	421	6,060
Percent Change 2010-2015	1.9%	1.6%	3.0%	2.4%
2020 Projected	37,868	642,480	14,786	267,270
Change 2015-2020	374	7,040	291	4,768
Percent Change 2015-2020	1.0%	1.1%	2.0%	1.8%

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

Addison County/Vermont Population & Household Trends



Addison County experienced an increase in both population and households between 2000 and 2010. They are projected to increase by 701 (1.9%) and 421 (3.0%), respectively, between 2010 and 2015. Between 2015 and 2020, it is projected that they will increase by 374 (1.0%) and 291 (2.0%), respectively. These positive projected demographic trends are expected to be generally similar to the projected trends within the state of Vermont.

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

	Median Income	
	Addison County	Vermont
2000 Census	\$43,177	\$40,820
2010 Census	\$57,937	\$52,733
Percent Change 2000-2010	34.2%	29.2%
2015 Projected	\$51,138	\$50,968
Percent Change 2010-2015	-11.7%	-3.3%
2020 Projected	\$49,587	\$51,980
Percent Change 2015-2020	-3.0%	2.0%

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

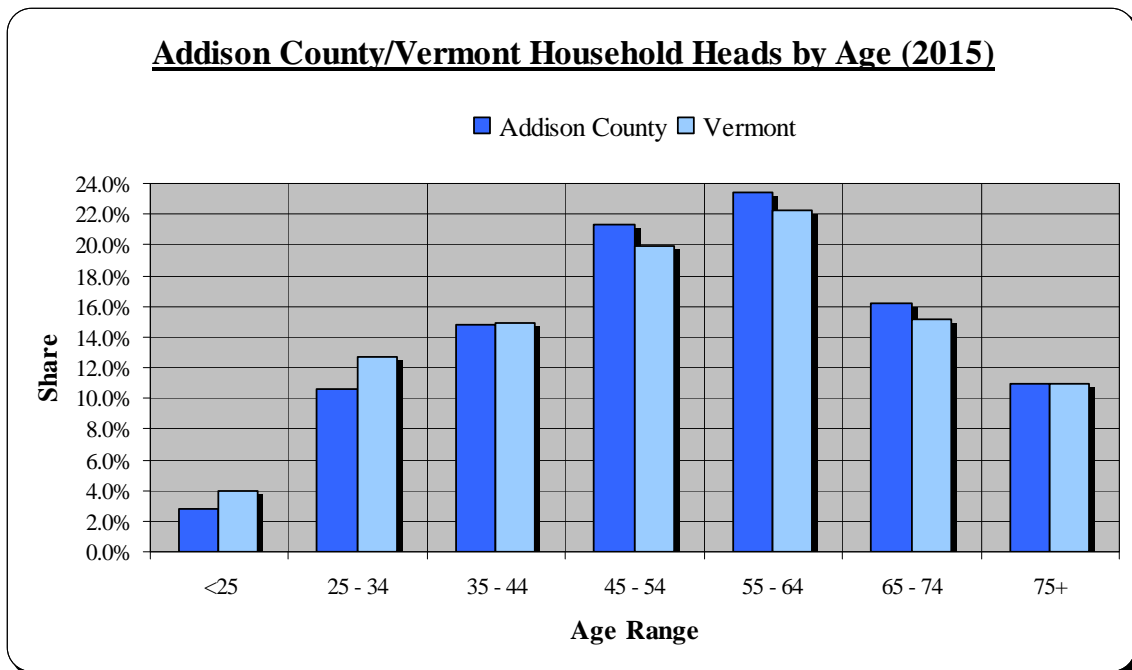
Addison County had an estimated median household income of \$57,937 in 2010. It is projected to decline to \$51,138, or 11.7%, by 2015. This projected decline is likely influenced by several factors including 1.) Residual effects of the national recession, 2.) Reduced incomes of baby boomers retiring, and 3.) Growth among low-income households due to immigration and new household formations. It is projected that the county's median household income will decline to \$49,587, or 3.0%, by 2020.

The distribution of households by age for Addison 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+
Addison County	2010	405 (2.9%)	1,484 (10.5%)	2,383 (16.9%)	3,377 (24.0%)	3,160 (22.4%)	1,765 (12.5%)	1,502 (10.7%)
	2015	402 (2.8%)	1,538 (10.6%)	2,149 (14.8%)	3,081 (21.3%)	3,395 (23.4%)	2,345 (16.2%)	1,585 (10.9%)
	2020	375 (2.5%)	1,576 (10.7%)	2,020 (13.7%)	2,770 (18.7%)	3,421 (23.1%)	2,907 (19.7%)	1,716 (11.6%)
	Change 2015-2020	-27 (-6.7%)	38 (2.5%)	-129 (-6.0%)	-311 (-10.1%)	26 (0.8%)	562 (24.0%)	131 (8.3%)
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 (23.4%) of households by age in Addison County will be within the 55 to 64 age cohort. Between 2015 and 2020, it is projected that households under the age of 55 will decline by 429 (6.0%), while the number of households between the ages of 65 and 74 will increase the most, adding 562 (24.0%) households during this time. Overall, Addison County will add a projected 719 (9.8%) households age 55 and older between 2015 and 2020.

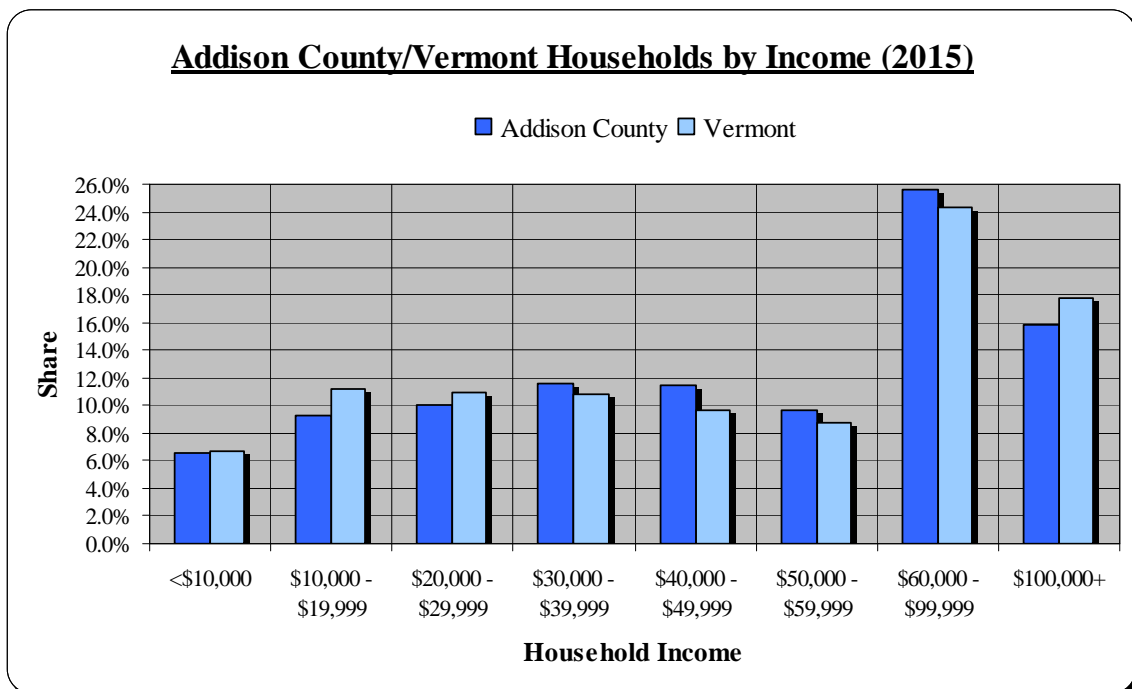


Households by income for selected years are shown in the following table:

		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+
Addison County	2010	791 (5.6%)	1,078 (7.7%)	1,310 (9.3%)	1,373 (9.8%)	1,519 (10.8%)	1,217 (8.7%)	3,983 (28.3%)	2,803 (19.9%)
	2015	950 (6.6%)	1,353 (9.3%)	1,446 (10.0%)	1,687 (11.6%)	1,653 (11.4%)	1,403 (9.7%)	3,714 (25.6%)	2,291 (15.8%)
	2020	1,013 (6.9%)	1,430 (9.7%)	1,533 (10.4%)	1,810 (12.2%)	1,675 (11.3%)	1,444 (9.8%)	3,688 (24.9%)	2,192 (14.8%)
	Change 2015-2020	64 (6.7%)	77 (5.7%)	87 (6.0%)	124 (7.3%)	22 (1.4%)	42 (3.0%)	-25 (-0.7%)	-100 (-4.3%)
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, it is projected that nearly 26% of Addison County households will have annual incomes below \$30,000; 27% projected in 2020. It is projected that between 2015 and 2020, the greatest increase in households by income level in Addison County will be among those with incomes between \$30,000 and \$40,000. As such, not only does the Addison County market have a significant share of low-income households but this segment is also projected to experience the greatest growth, adding to the need for affordable housing.



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+
Addison County	2010	364 (10.6%)	414 (12.1%)	553 (16.2%)	499 (14.6%)	291 (8.5%)	328 (9.6%)	636 (18.6%)	336 (9.8%)
	2015	407 (11.8%)	496 (14.4%)	565 (16.4%)	545 (15.8%)	305 (8.9%)	315 (9.2%)	538 (15.6%)	268 (7.8%)
	2020	413 (11.9%)	519 (14.9%)	582 (16.8%)	546 (15.7%)	309 (8.9%)	330 (9.5%)	521 (15.0%)	253 (7.3%)
	Change 2015-2020	6 (1.5%)	23 (4.6%)	17 (3.0%)	1 (0.2%)	4 (1.2%)	15 (4.7%)	-17 (-3.2%)	-15 (-5.5%)
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+
Addison County	2010	427 (4.0%)	664 (6.2%)	756 (7.1%)	874 (8.2%)	1,228 (11.5%)	889 (8.3%)	3,347 (31.4%)	2,467 (23.2%)
	2015	543 (4.9%)	857 (7.7%)	881 (8.0%)	1,142 (10.3%)	1,348 (12.2%)	1,087 (9.8%)	3,176 (28.7%)	2,023 (18.3%)
	2020	601 (5.3%)	911 (8.1%)	951 (8.4%)	1,265 (11.2%)	1,367 (12.1%)	1,114 (9.8%)	3,168 (28.0%)	1,938 (17.1%)
	Change 2015-2020	58 (10.6%)	55 (6.4%)	70 (7.9%)	123 (10.8%)	19 (1.4%)	27 (2.5%)	-8 (-0.3%)	-85 (-4.2%)
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 (16.4%) of renter households in 2015 is projected to be among households with incomes between \$20,000 and \$30,000 while the largest share (28.7%) of owner-occupied households at this same time will be among those with incomes between \$60,000 and \$100,000. Between 2015 and 2020, the greatest renter household growth is projected to occur among households with incomes between \$50,000 and \$60,000 and among homeowners with incomes between \$30,000 and \$40,000.

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

		Population by Race						Total
		White Alone	Black or African American Alone	Asian Alone	Some Other Race Alone	Two or More Races		
Addison County	Number	35,051	283	532	296	632	36,794	
	Percent	95.3%	0.8%	1.4%	0.8%	1.7%	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 95.3% of the county’s population. “Two or More Races” represents the next largest share in the county at 1.7%.

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

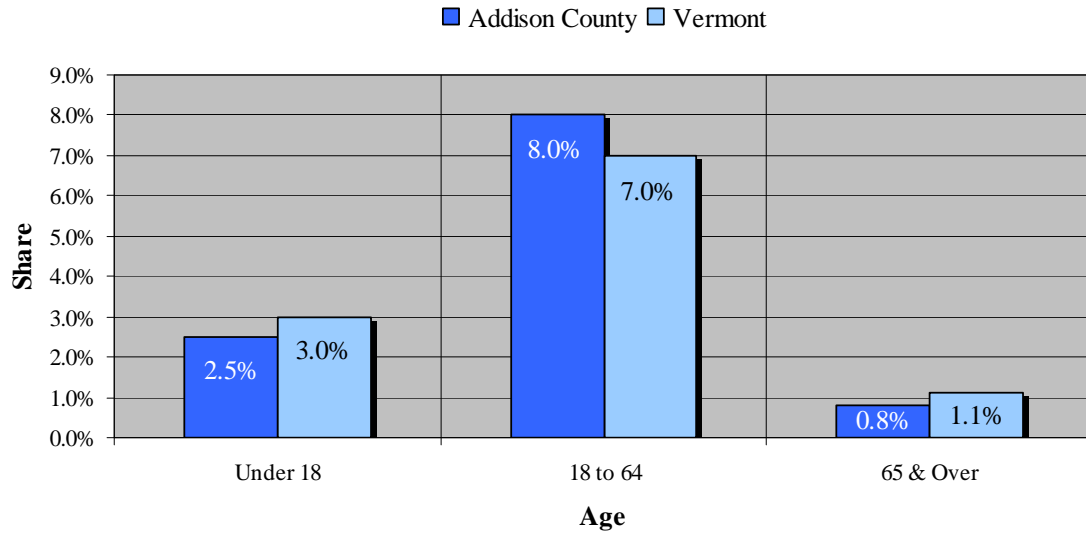
		Population by Poverty Status						Total
		Income below poverty level:			Income at or above poverty level:			
		<18	18 to 64	65+	<18	18 to 64	65+	
Addison County	Number	927	2,926	294	7,216	20,674	4,756	36,793
	Percent	2.5%	8.0%	0.8%	19.6%	56.2%	12.9%	100.0%
Vermont	Number	18,492	44,076	7,007	116,645	359,152	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

Over 11% of the county’s population lives in poverty. One in 40 children (under the age of 18) within the county live in poverty. Approximately 8.0% of the county’s population between the ages of 18 and 64 lives in poverty, while only 0.8% of seniors age 65 and older live 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.

Population Below Poverty Level by Age (2006-2010)



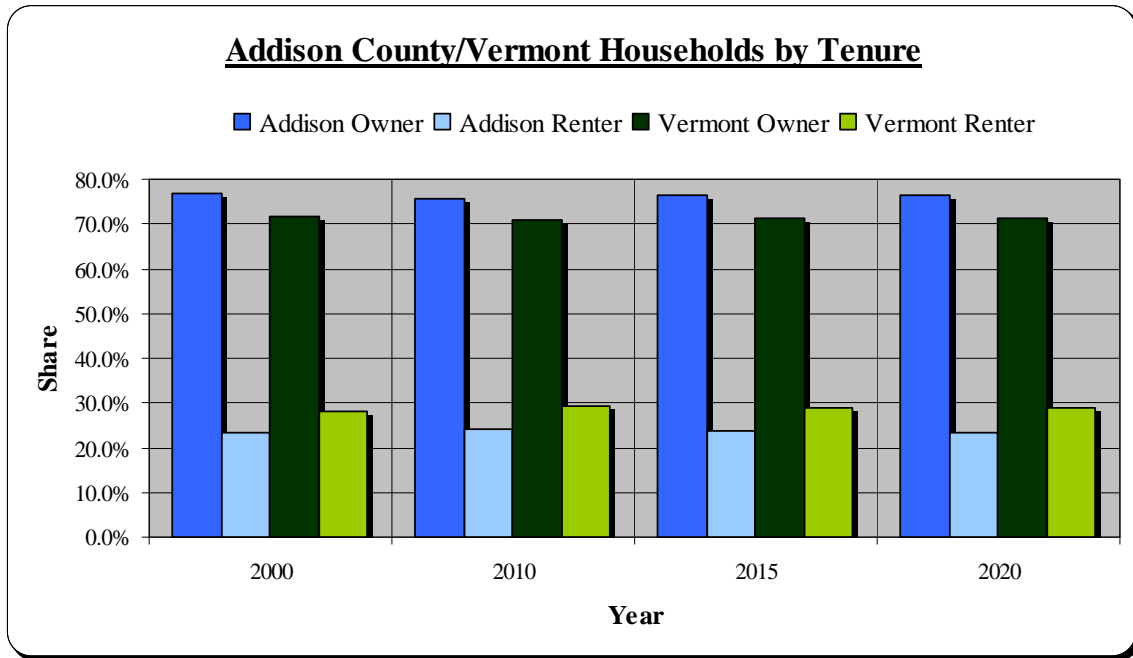
Households by tenure for selected years for the county and state are shown in the following table:

		Households by Tenure							
		2000		2010		2015		2020	
	Household Type	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Addison County	Owner-Occupied	10,031	76.8%	10,653	75.7%	11,056	76.3%	11,314	76.5%
	Renter-Occupied	3,027	23.2%	3,421	24.3%	3,439	23.7%	3,472	23.5%
	Total	13,058	100.0%	14,074	100.0%	14,495	100.0%	14,786	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 households was over 75% in 2000 and 2010, while the share of renter-occupied households has been under 25%. It is projected that in 2015 and 2020, the share of owner-occupied households will be over 76% and the share of renter-occupied households will be over 23%.

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



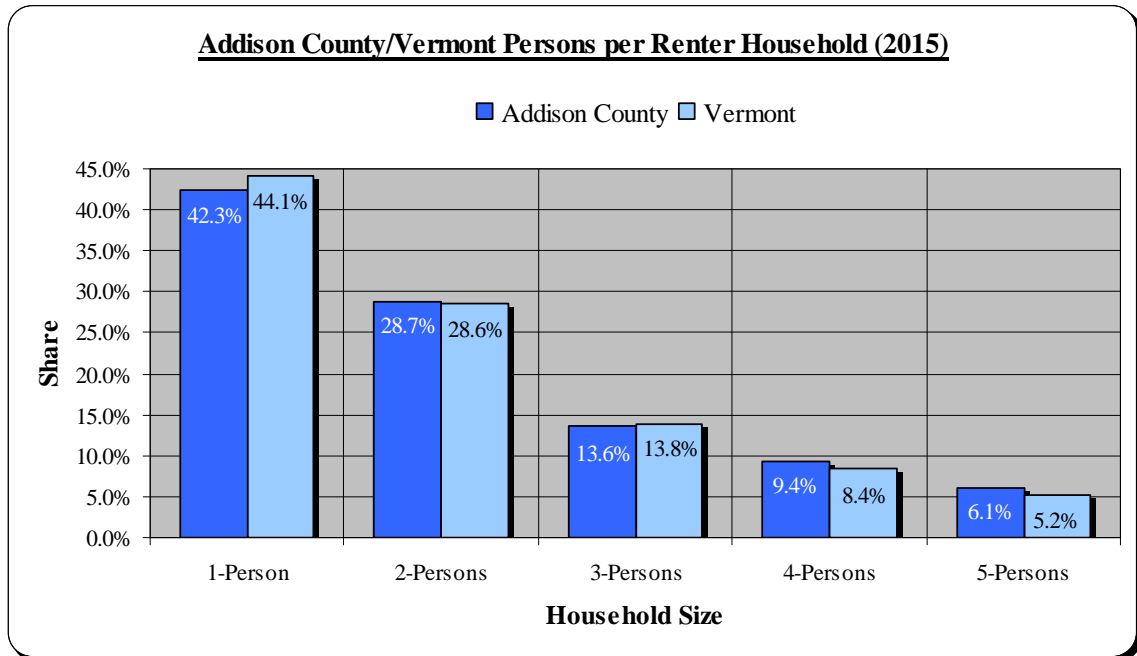
Renter households by size for selected years are shown in the following table:

		Persons Per Renter Household						Median Household Size
		1-Person	2-Person	3-Person	4-Person	5-Person	Total	
Addison County	2010	1,405 (41.1%)	996 (29.1%)	464 (13.6%)	336 (9.8%)	220 (6.4%)	3,421 (100.0%)	1.61
	2015	1,456 (42.3%)	986 (28.7%)	467 (13.6%)	322 (9.4%)	208 (6.1%)	3,439 (100.0%)	1.53
	2020	1,510 (43.5%)	981 (28.2%)	469 (13.5%)	316 (9.1%)	196 (5.7%)	3,472 (100.0%)	1.46
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 just over 70%, while three-person or larger renter households represent nearly 30% of the total renter households. Note that one-person households are projected to experience the greatest growth between 2015 and 2020, increasing by 54, or 3.7%. This coincides with the projected decrease in the median household size from 1.61 in 2010 to 1.46 in 2020.

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



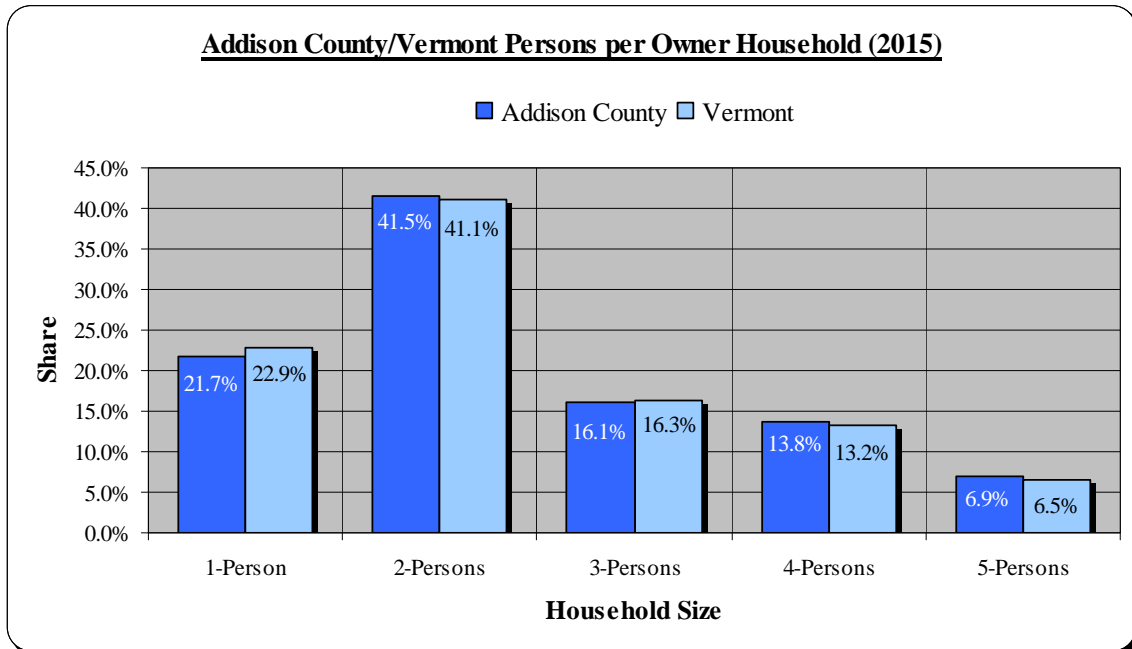
Owner households by size for selected years are shown on the following table:

		Persons Per Owner Household						Median Household Size
		1-Person	2-Person	3-Person	4-Person	5-Person	Total	
Addison County	2010	2,195 (20.6%)	4,458 (41.8%)	1,699 (15.9%)	1,522 (14.3%)	779 (7.3%)	10,653 (100.0%)	2.40
	2015	2,397 (21.7%)	4,585 (41.5%)	1,782 (16.1%)	1,526 (13.8%)	768 (6.9%)	11,056 (100.0%)	2.37
	2020	2,549 (22.5%)	4,657 (41.2%)	1,838 (16.2%)	1,516 (13.4%)	754 (6.7%)	11,314 (100.0%)	2.33
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, one- and two-person owner-occupied households are projected to each represent over three-fifths of the owner-occupied household base within the county. At the same time, approximately 16% of the county's owner-occupied households have consisted of three-persons, over 13% have been four-persons, and over 6% have been five-person or larger. These shares are 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 Addison County. It is important to note that some occupied housing units have more than one housing issue.

Housing Issues by Tenure				
Housing Issue	Renter-Occupied		Owner-Occupied	
	Number	Percent	Number	Percent
Cost Burdened	1,531	44.7%	3,422	32.2%
Severely Cost Burdened	754	22.0%	1,143	10.7%
Overcrowded	112	3.3%	80	0.8%
Severely Overcrowded	21	0.6%	12	0.1%
Substandard*	133	3.8%	175	1.6%
Lead Paint	2,372	69.2%	6,142	57.7%

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 Addison County.

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

NAICS Group	Employment by Industry (Employees)			
	Addison County		Vermont	
	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing & Hunting	858	6.5%	4,769	1.7%
Mining	2	0.0%	877	0.3%
Utilities	20	0.2%	999	0.4%
Construction	905	6.8%	16,858	6.1%
Manufacturing	963	7.3%	23,068	8.3%
Wholesale Trade	361	2.7%	9,861	3.6%
Retail Trade	1,820	13.8%	34,918	12.6%
Transportation & Warehousing	482	3.6%	7,800	2.8%
Information	233	1.8%	8,913	3.2%
Finance & Insurance	279	2.1%	7,077	2.6%
Real Estate & Rental & Leasing	222	1.7%	5,106	1.8%
Professional, Scientific & Technical Services	835	6.3%	17,093	6.2%
Management of Companies & Enterprises	13	0.1%	170	0.1%
Administrative, Support, Waste Management & Remediation Services	837	6.3%	16,245	5.9%
Educational Services	1,634	12.4%	25,947	9.4%
Health Care & Social Assistance	1,424	10.8%	37,197	13.4%
Arts, Entertainment & Recreation	198	1.5%	4,798	1.7%
Accommodation & Food Services	656	5.0%	17,636	6.4%
Other Services (Except Public Administration)	667	5.0%	14,090	5.1%
Public Administration	804	6.1%	23,180	8.4%
Total	13,213	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.

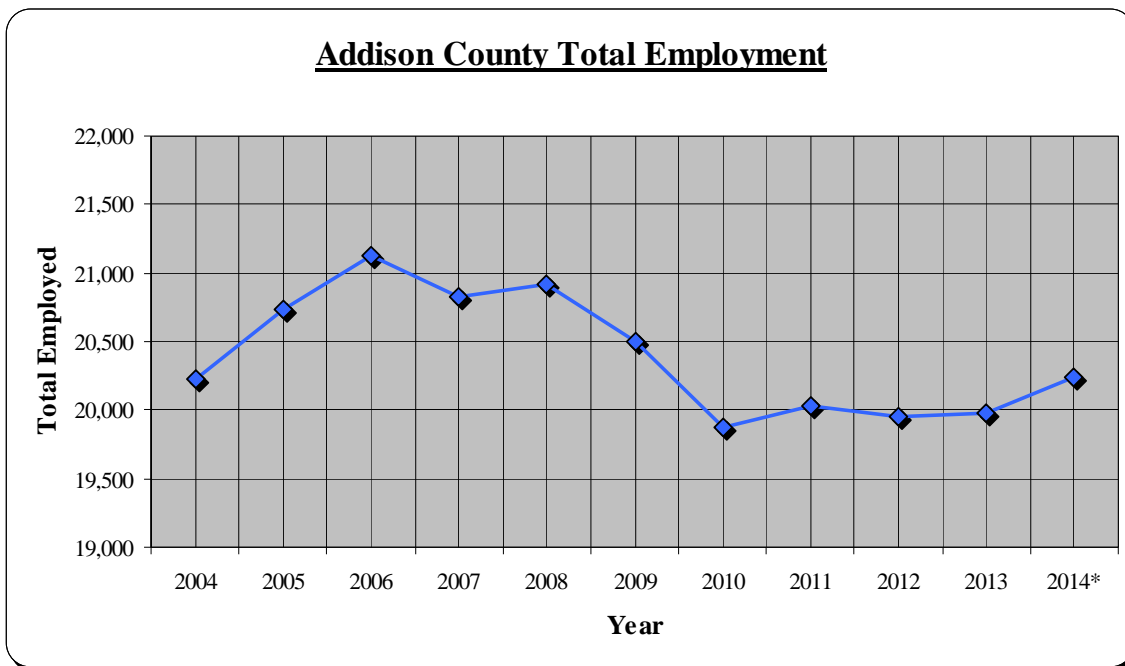
The labor force within the county is very diversified and balanced with no industry sector representing more than 13.8% of the overall county's employment base. The largest employment sectors in the county are within Retail Trade (13.8%) and Educational Services (12.4%). Overall, Addison County has a distribution of employment by job sector that is similar to the state of Vermont.

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

Year	Total Employment					
	Addison County		Vermont		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2004	20,225	-	334,188	-	139,967,126	-
2005	20,734	2.5%	336,583	0.7%	142,299,506	1.7%
2006	21,132	1.9%	343,149	2.0%	145,000,043	1.9%
2007	20,832	-1.4%	341,282	-0.5%	146,388,369	1.0%
2008	20,916	0.4%	341,692	0.1%	146,047,748	-0.2%
2009	20,496	-2.0%	334,922	-2.0%	140,696,560	-3.7%
2010	19,872	-3.0%	336,823	0.6%	140,457,589	-0.2%
2011	20,032	0.8%	338,341	0.5%	141,727,933	0.9%
2012	19,949	-0.4%	338,261	0.0%	143,566,680	1.3%
2013	19,980	0.2%	336,038	-0.7%	144,950,662	1.0%
2014*	20,240	1.3%	337,297	0.4%	146,735,092	1.2%

Source: Department of Labor; Bureau of Labor Statistics

*Through August



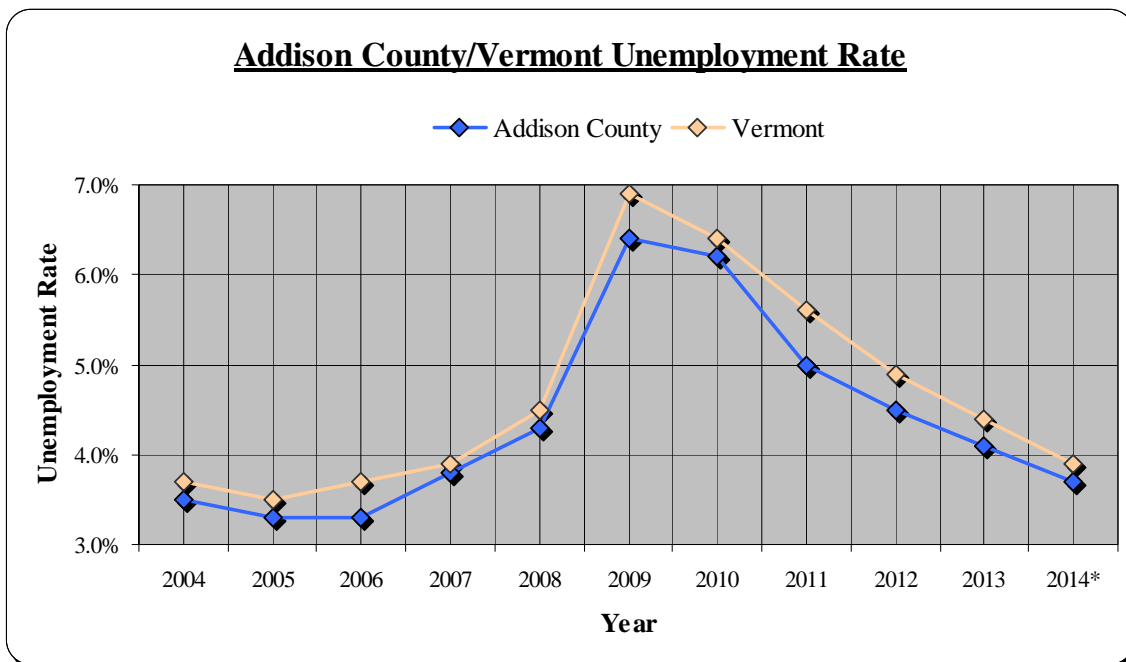
Addison County lost approximately 5.0% of its employment base in 2009 and 2010, which is greater than the decrease experienced in the overall state of Vermont. The county's employment base has increased in three of the past four years, and the 1.3% increase in jobs in 2014 is the largest increase in the county since 2006.

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

Year	Unemployment Rate		
	Addison County	Vermont	United States
2004	3.5%	3.7%	5.6%
2005	3.3%	3.5%	5.2%
2006	3.3%	3.7%	4.7%
2007	3.8%	3.9%	4.7%
2008	4.3%	4.5%	5.8%
2009	6.4%	6.9%	9.3%
2010	6.2%	6.4%	9.7%
2011	5.0%	5.6%	9.0%
2012	4.5%	4.9%	8.1%
2013	4.1%	4.4%	7.4%
2014*	3.7%	3.9%	6.5%

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

The unemployment rate in Addison County has remained between 3.3% and 6.4%, well below the state average since 2004. After reaching a decade high unemployment rate of 6.4% in 2009, the unemployment rate has declined in the county in each of the past five years.



Addison County is a mostly rural county and is considered an agricultural leader in the state, having the most farm acreage in Vermont. Much of the county's economy is anchored in milk and fruit production and Addison is noted for its dairy operations and apple orchards. Also, its forests are sourced for raw materials used in sawmills and wood product manufacturing, thereby contributing to statewide hardwood production.

Addison County's principal towns and communities are Bristol, Middlebury, and Vergennes, with Middlebury being the county's economic core. Major employers, as noted below, include Middlebury College, UTC Aerospace/Goodrich Corporation, and Porter Medical Center. The college, in particular, is a significant economic engine for the county and especially for the Town of Middlebury. A selective liberal arts college, Middlebury is not only the largest employer in Addison, but also a contributor to the local arts and culture scene and an investor in capital improvements. Furthermore, the multiplier effect it has on Addison's economy is noteworthy, as the college spurs much of the activity among other local businesses.

Employer	Primary Location	Industry	Employees
Middlebury College	Middlebury	Education	922
UTC Aerospace (fka Goodrich Corp.)	Vergennes	Manufacturing	700
Porter Medical Center	Middlebury	Health Care	600
Addison Central Supervisory Union	Middlebury	Education	522
Addison Northeast Supervisory Union	Bristol	Education	410
DR Power Equipment	Vergennes	Manufacturing	267
Addison Northwest Supervisory Union	Vergennes	Education	240
Counseling Service of Addison County	Middlebury	Health Care	230
Helen Porter Healthcare & Rehabilitation	Middlebury	Health Care	175
Northlands Job Corps Center	Vergennes	Education	117
Total			4,183

Source: Addison County Chamber of Commerce (2014)

In addition to the businesses and industries noted about, Addison County is home to many light manufacturers, specializing in paper products, beer, cheese, construction materials, and furniture. Also in the county are numerous small retail and service businesses, including magazine and book publishers, artists, advertising agencies, architects, illustrators, designers, writers, and other professionals.

There have been a handful of recent business announcements in Addison County. Toymaker Maple Landmark is expanding its product line. Separately, Whistle Pig Whiskey was approved for a new distillery, while Vermont Hard Cider is building a new \$30 million cidery. Vermont Hard Cider expects the expansion, which will double its capacity, to create 15 to 20 new jobs. Also, Denver-based Xanterra Parks & Resorts will acquire Waterbury-based CW Adventures, a provider of active and immersive travel vacations. It will be operated by Xanterra's Bristol-based VBT Bicycling & Walking Vacations.

Also to note, Working Lands Enterprise Board recently awarded funding to three Addison County businesses. Specifically, Doolittle Farm in Shoreham was granted \$14,203 for egg washing equipment, while Windfall Orchard in Cornwall will receive \$9,750 for cider presses and equipment to expand its business. Furthermore, Green Mountain Hardwood in Ripton was awarded \$9,825 for a portable sawmill and materials for a solar-assisted lumber kiln. The Working Lands Enterprise Board selects businesses in Vermont's agriculture, forestry, and forest products sectors to receive technical assistance and infrastructure. Its goals are to create jobs within these industries and improve the quality of lives for workers.

Finally, there is major infrastructure project in the county worth highlighting. Specifically, The Addison Rutland Natural Gas Project will create a 41-mile pipeline extension to bring natural gas service to Middlebury and Vergennes. Completion of the pipeline will reduce greenhouse gas emissions, lower heating and energy costs, reduce Vermont's reliance on foreign oil sources, increase energy efficiency, enhance economic development opportunities in Addison and Rutland Counties, and reduce truck traffic on Vermont roadways.

Recent layoffs in the county include an announcement in November 2013 of two full-time teaching positions to be eliminated at Addison Central Supervisory Union's Middlebury Union Middle School. Separately, in 2012, UTC Aerospace acquired Goodrich Aerospace and announced the elimination of 24 sales and administration positions in the Vergennes 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 Addison 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.

For the purposes of this analysis, the housing supply information is presented for Addison County and compared with the state of Vermont. 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 estimates included later in this section.

Based on research conducted by Bowen National Research and secondary data sources, a total of 19 multifamily (apartment) rental properties, 13 non-conventional rentals, 15 mobile home parks, 425 currently available (for-sale) units, and four (4) 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	19	457	1	0.2%	\$525-\$1,015	\$525-\$995
Non-Conventional Rentals	13	13	-	-	\$450-\$1,500	\$1,000
Mobile Home Parks	15	389	8	2.1%	\$256-\$895	-
Owner Housing (For-Sale)**	-	425	-	-	\$40,000-\$2,650,000	\$269,000
Senior Care Facilities	3	68	0	0.0%-RC	\$4,258-\$6,790	\$5,171
	1	62	9	14.5%-AL	\$5,400-\$7,000	\$5,400
	0	0	-	N/A-NC	-	-

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 859 total rental housing units (multifamily, non-conventional and mobile home parks) surveyed in the county, a total of nine (9) units were vacant, yielding an overall vacancy rate of 1.0%. The lowest vacancy rate (0.2%) is among the multifamily supply while the highest vacancy (2.1%) is among the mobile home park supply. The rental rates range from \$256 among the mobile home park supply to \$1,500 among the non-conventional rental supply. Currently available for-sale housing ranges in price from \$40,000 to \$2,650,000, with a median price of \$269,000. Senior care facilities within the county currently report vacancy rates ranging from 0.0% to 14.5% and range in price from \$4,258 to \$7,000, 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 19 multifamily rental housing properties within Addison 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, as well as a combination of program types. 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 19 multifamily rental housing projects containing a total of 457 units within Addison County. Of these units, 56 of the units are market-rate, 129 are Tax Credit and 272 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	1	36	0	100.0%
Market-Rate/Tax Credit	3	75	0	100.0%
Market-Rate/Tax Credit/Gov. Sub.	1	25	0	100.0%
Tax Credit	2	39	0	100.0%
Tax Credit/Government-Subsidized	6	120	0	100.0%
Government-Subsidized	6	162	1	99.4%
Total	19	457	1	99.8%

As the preceding table illustrates, these rentals have a combined occupancy rate of 99.8%. This is an extremely high occupancy rate and an indication that there is very limited availability among larger multifamily apartments in Addison County. In fact, these projects have wait list of up to 197 households, which provides evidence that there is pent up demand for multifamily rental housing in the Addison County area.

The following tables summarize the breakdown of non-subsidized *units* surveyed by program within the county.

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Collected Rent
One-Bedroom	1.0	30	53.6%	0	0.0%	\$825
Two-Bedroom	1.0	24	42.9%	0	0.0%	\$975
Three-Bedroom	1.0	1	1.8%	0	0.0%	\$735
Three-Bedroom	1.5	1	1.8%	0	0.0%	\$975
Total Market-rate		56	100.0%	0	0.0%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Collected Rent
Studio	1.0	1	0.8%	0	0.0%	\$525
One-Bedroom	1.0	52	40.3%	0	0.0%	\$665
Two-Bedroom	1.0	55	42.6%	0	0.0%	\$743
Three-Bedroom	1.0	17	13.2%	0	0.0%	\$995
Three-Bedroom	1.5	4	3.1%	0	0.0%	\$840
Total Tax Credit		129	100.0%	0	0.0%	-

Median collected rents by bedroom type range from \$735 to \$975 for the market-rate units and from \$525 to \$995 for Tax Credit units. It is important to note that none of the identified multifamily projects offered four-bedroom or larger units. As such, there appear to be no multifamily rental options for most family households, particularly larger families, seeking housing within Addison County. As a result, family households seeking four-bedroom rental alternatives in Addison County choose from non-conventional rentals, which typically have higher rents, fewer amenities and are of lower quality than multifamily options.

There are 13 multifamily projects that were surveyed in Addison 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 Addison County is summarized as follows.

Subsidized Tax Credit					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	64	58.2%	0	0.0%
Two-Bedroom	1.0	41	37.3%	0	0.0%
Three-Bedroom	1.0	5	4.5%	0	0.0%
Total Subsidized Tax Credit		110	100.0%	0	0.0%
Government-Subsidized					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	118	72.8%	1	0.8%
Two-Bedroom	1.0	37	22.8%	0	0.0%
Three-Bedroom	1.0	6	3.7%	0	0.0%
Four-Bedroom	1.5	1	0.6%	0	0.0%
Total Subsidized		162	100.0%	1	0.6%

The 13 surveyed government-subsidized projects in Addison County operate under a variety of programs including the HUD Section 8, 202 and 811 programs and the Rural Development Section 515 program. Overall, there is only one vacant unit among the 272 government-subsidized units in Addison County, resulting in a combined 99.6% occupancy rate. This is an extremely high occupancy rate. Of the 13 subsidized projects in the market, nine maintain waiting lists ranging from approximately five to 197 households. As such, there is clear pent-up demand for housing for very low-income households in Addison County.

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

Year Built	Projects	Units	Vacancy Rate
Before 1970	0	0	-
1970 to 1979	1	40	0.0%
1980 to 1989	8	165	0.6%
1990 to 1999	5	140	0.0%
2000 to 2004	2	31	0.0%
2005 to 2009	2	56	0.0%
2010	0	0	-
2011	1	25	0.0%
2012	0	0	-
2013	0	0	-
2014*	0	0	-

*As of September

The largest share of apartments surveyed was built between 1980 and 1989. These older apartments have a vacancy rate of 0.6%. Only 112 conventional apartment units have been added to the market during the past 14 years. As such, the existing rental housing stock is considered to be slightly old. It should be noted that there are no vacancies among the newest projects built in Addison County since 1990. As such, the market has responded well to new rental product.

Representatives of Bowen National Research personally visited each of the surveyed rental projects within Addison 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).

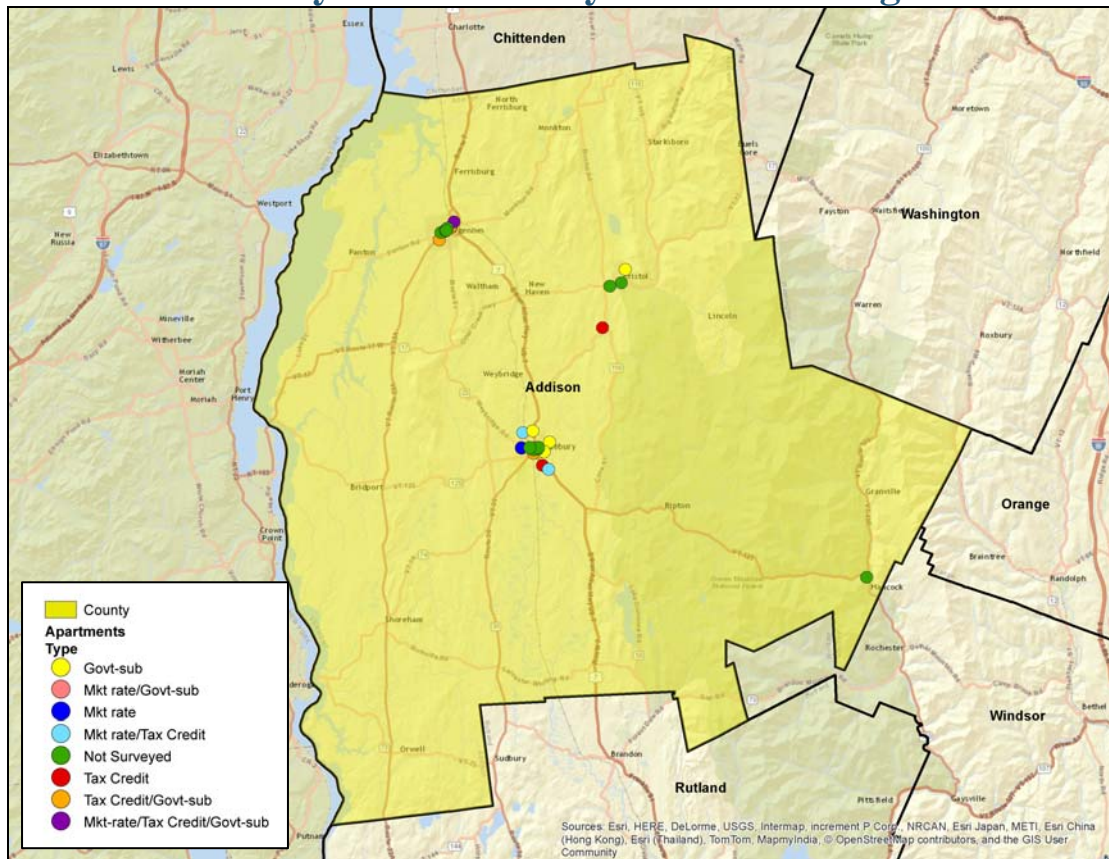
The following is a distribution by quality rating, units, and vacancies for all surveyed rental housing product in Addison County.

Market-Rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A- or Better	1	5	0.0%
B+	1	5	0.0%
B	1	4	0.0%
B-	0	0	-
C+	2	42	0.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
A- or Better	0	0	-
B+	1	25	0.0%
B	1	22	0.0%
B-	1	8	0.0%
C+	3	53	0.0%
C-	1	9	0.0%

Government-Subsidized			
Quality Rating	Projects	Total Units	Vacancy Rate
A	1	8	0.0%
A-	0	0	-
B+	0	0	-
B	2	34	0.0%
B-	2	46	0.0%
C+	2	26	0.0%
C	4	88	0.0%
C-	1	63	0.0%
D+ or Lower	0	0	-
N/A	1	7	14.3%

Vacancies are generally low among all program types and quality levels. More importantly, there does not appear to be a direct correlation between quality level and vacancy rates. This is not unusual in markets with limited available product.

Surveyed Multifamily Rental Housing



Non-Conventional Rental Housing

Addison 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 13 individual 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 13 non-conventional rental units surveyed in Addison County by bedroom type.

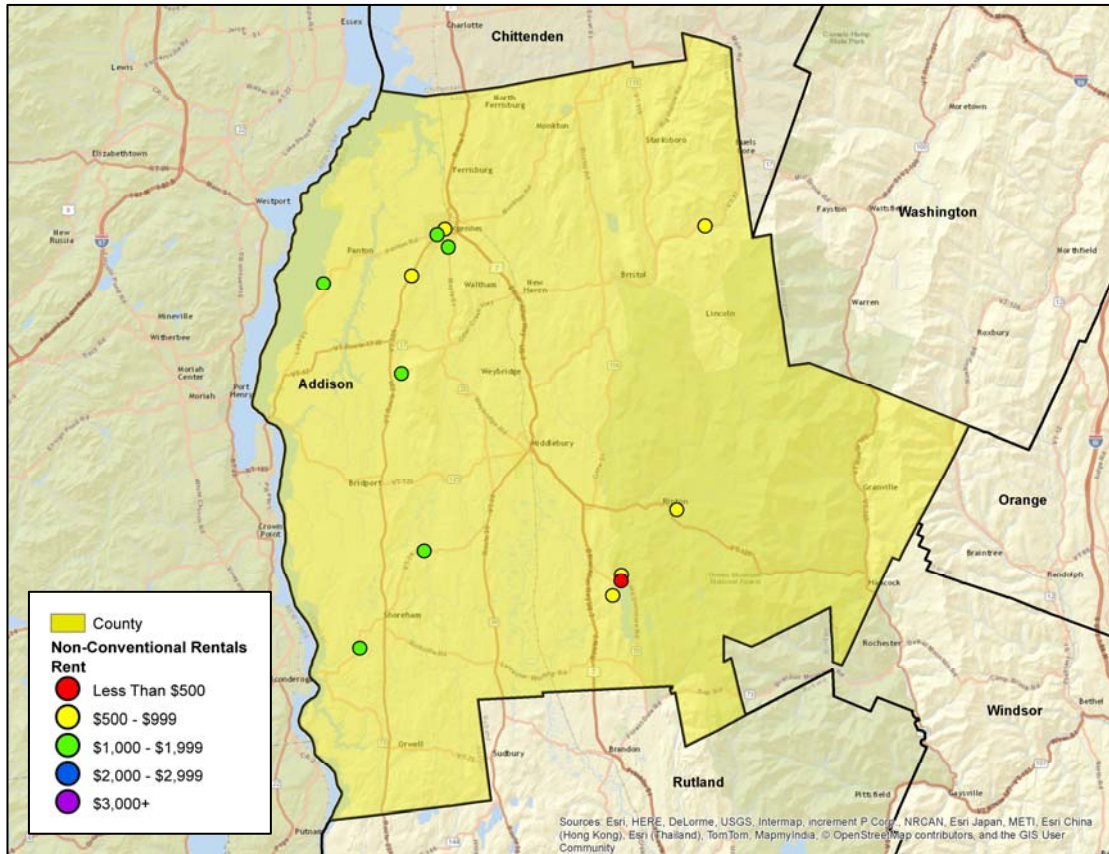
Non-Conventional Rental Supply				
Bedroom	Units	Rent Range	Median Rent	Median Rent Per Square Foot
One-Bedroom	6	\$450 - \$1,250	\$750	\$0.96/ft ²
Two-Bedroom	4	\$950 - \$1,200	\$1,038	\$0.95/ft ²
Three-Bedroom	3	\$1,500	\$1,500	\$0.94/ft ²
Four-Bedroom+	0	N/A	N/A	N/A
Total	13			

As the preceding table illustrates, the rents for non-conventional rentals identified range from \$450 to \$1,500. The median rents were \$750 for a one-bedroom unit, \$1,038 for a two-bedroom unit, \$1,500 for a three-bedroom unit. The median rent per square foot by bedroom type range from \$0.94 to \$0.96.

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 a much larger share 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.

A map illustrating the location of the non-conventional rentals identified in the market are summarized below.

Non-Conventional Rental Housing



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, 9.6% of all housing units in Addison County are mobile homes. Based on data maintained by the Vermont Department of Housing & Community Development’s Housing Division, there are 15 mobile homes parks with a total of 389 mobile home units within Addison County. As such, mobile home parks accommodate 28.7% 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	1	45	2	4.4%
1960-1969	9	311	4	1.3%
1970-1979	3	20	2	10.0%
1980-1989	2	13	0	0.0%
Total	15	389	8	2.1%

Source: DHCD Housing Division and Bowen National Research, LLC

As the preceding table illustrates, the largest share of mobile home parks were established between 1960 and 1969. No parks have been established in Addison County since 1989. According to data provided by DHCD’s Housing Division, there are a total of 8 vacant lots, yielding an overall vacancy rate of 2.1%. Relative to the overall state’s mobile home park vacancy rate of 5.0%, the vacancy level within Addison County is lower.

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

Base Lot Rents by Year		
Year	Median Lot Rent	% Change
2009	\$247	-
2010	\$248	0.4%
2011	\$235	-5.5%
2012	\$250	6.0%
2013	\$256	2.3%

Source: DHCD Housing Division and Bowen National Research, LLC

Median base lot rents within mobile home parks in Addison County have generally trended upward, increasing from \$247 to \$256 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, which typically include a lot, are around \$895.

c. Owner For-Sale Housing

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

There were 1,157 homes sold and 425 homes currently available in Addison County. Approximately, an average of 234 homes is sold each year within Addison County. The 425 available homes in Addison County represent 4.9% of all identified available for sale homes in Vermont. The following table summarizes the available and recently sold (since January 2010) housing stock for Addison 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	425	\$269,000
Sold	1,157	\$221,500

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 Addison County since 2010. It should be noted that the 2014 sales data is only through October of that year.

Addison County				
Owner For-Sale Housing by Year Sold				
Year	Units Sold		Median Price Sold	
	Number	Change	Price	Change
2010	192	-	\$214,500	-
2011	225	32.8%	\$231,173	7.8%
2012	230	2.2%	\$220,000	-4.8%
2013	287	24.8%	\$225,000	2.3%
2014*	223	-	\$214,000	-

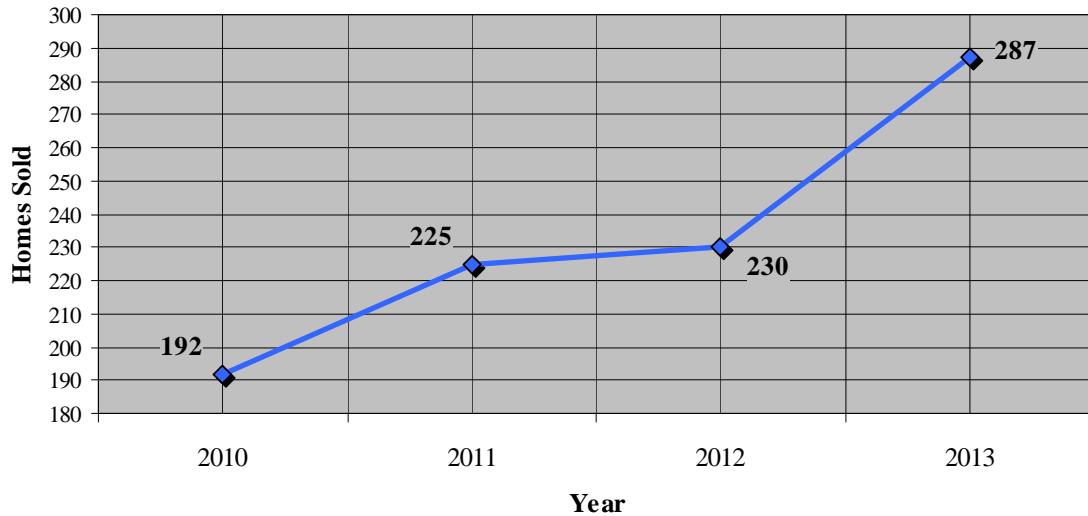
Source: Multiple Listing Service-NNEREN and Bowen National Research, LLC

*Through October

Excluding the partial year of 2014, annual residential for-sales activity within the county has ranged between 192 in 2010 and 287 in 2013. The annual sales activity has grown each of the past three full years. The county is currently on pace to sell approximately 297 residential units for all of 2014. The county has experienced fluctuations in median sales prices over the past three years, but has generally trended upward. The positive trends among sales volume and sales prices, although modest, are good indications of a healthy and stable for-sale housing market in Addison County.

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

Addison County Annual Home Sales (2010-2013)



Addison County Annual Median Sales Price (2010-2013)



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

	Available Owner For-Sale Housing						Average Days On Market
	Total Units	% Share of State	Low List Price	High List Price	Average List Price	Median List Price	
Addison County	425	4.9%	\$40,000	\$2,650,000	\$354,715	\$269,000	203
Vermont	8,691	100.0%	\$7,900	\$12,500,000	\$355,875	\$245,000	208

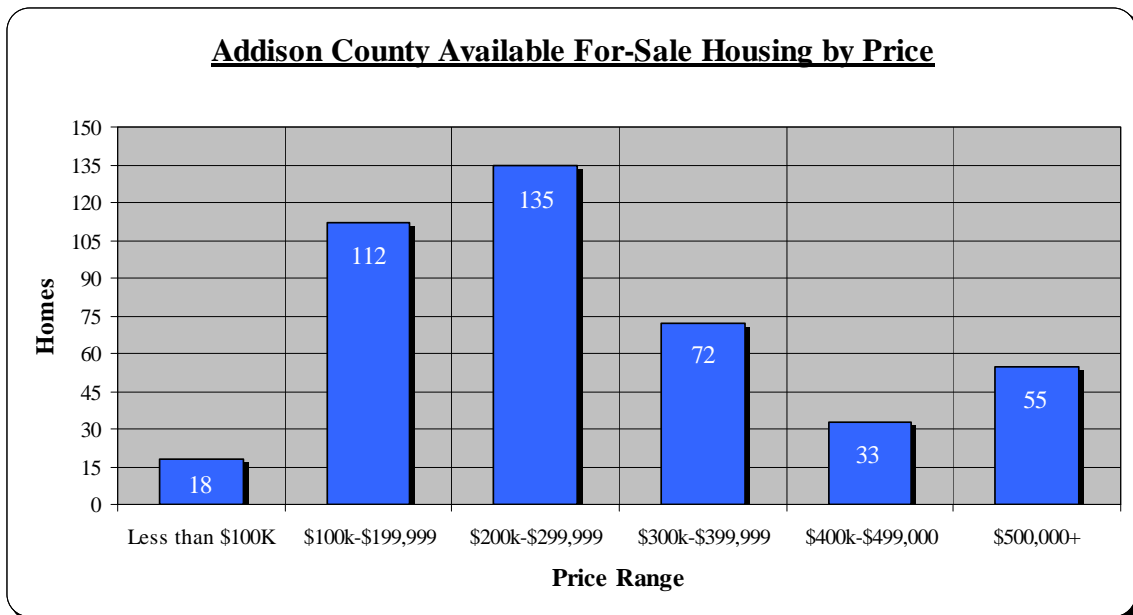
Source: Multiple Listing Service-NNEREN and Bowen National Research, LLC

Within Addison County, the available homes have a median list price of \$269,000, which is more than the Vermont median list price of \$245,000. The average number of days on market for available product in Addison County is 203, 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 Addison County.

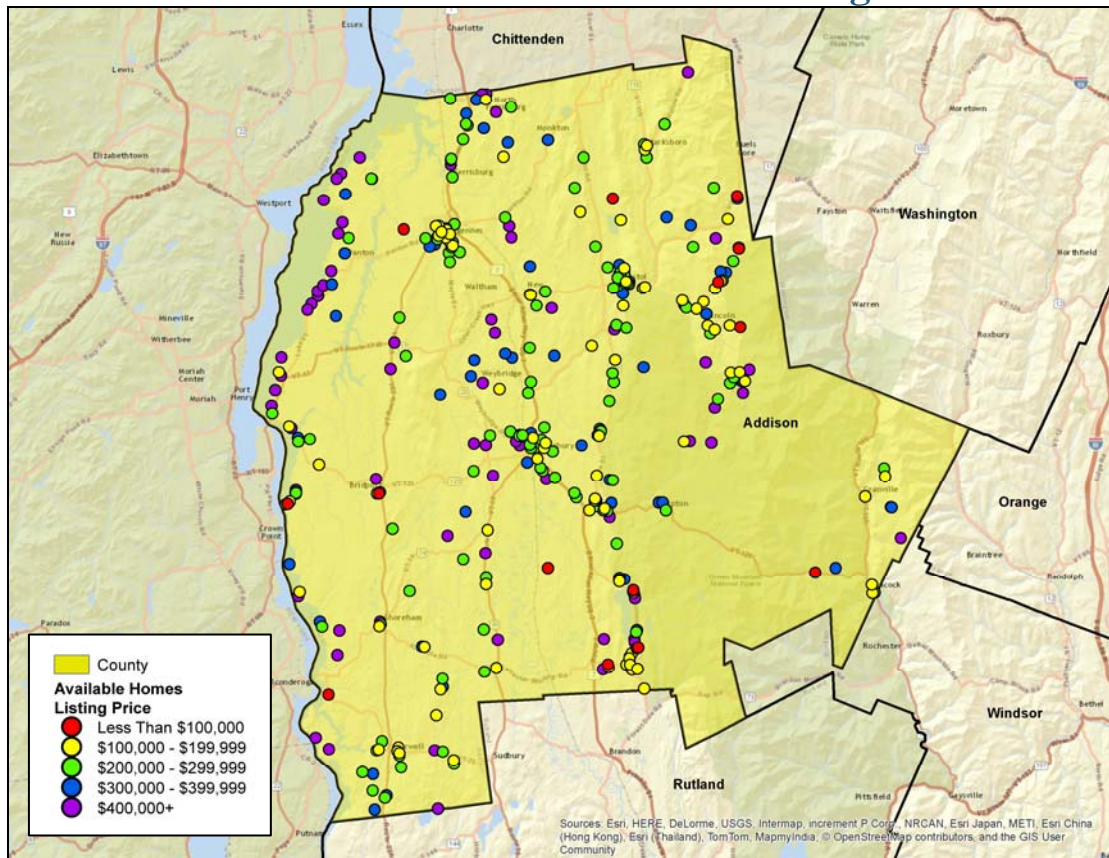
List Price	Available Owner For-Sale Housing by Price Point					
	Addison County			Vermont		
	Median Price	Units	Share	Median Price	Units	Share
<\$100,000	\$81,450	18	4.2%	\$76,750	774	8.9%
\$100,000 - \$199,999	\$173,200	112	26.4%	\$159,000	2,682	30.9%
\$200,000 - \$299,999	\$259,000	135	31.8%	\$249,900	2,142	24.6%
\$300,000 - \$399,999	\$349,900	72	16.9%	\$350,000	1,142	13.1%
\$400,000 - \$499,999	\$450,000	33	7.8%	\$450,000	615	7.1%
\$500,000+	\$849,500	55	12.9%	\$750,000	1,336	15.4%

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



Nearly one-third of the available for-sale supply in Addison County is priced between \$200,000 and \$300,000. These homes would generally be available to households with incomes between \$60,000 and \$100,000. More than a quarter of the available product is priced between \$100,000 and \$200,000, indicating that there is a good base of homes generally affordable to households with incomes between \$30,000 and \$60,000. Only 4.2% 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 1960 and of fair quality. As a result, while it may be deemed that there is some 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.

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 Addison County we identified and surveyed four senior residential facilities. These four facilities represent nearly half of the senior care facilities in the county and are representative of the 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 are representative of typical licensed facilities in the county.

There were 10 senior care facilities identified in the county with a total of 353 beds. Of these projects, we were able to survey four. These four projects have a total of 130 units, of which only nine are vacant. This yields an overall vacancy rate of 6.9%. The surveyed senior care facilities are summarized as follows:

Facility Type	Facilities Surveyed	Total Units/Beds	Vacancy Rates	National Vacancy Rate*
Residential Care	3	68	0.0%	9.1%
Assisted Living	1	62	14.5%	9.1%
Nursing Care	0	0	-	11.0%
Total	4	130	6.9%	

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

The Addison County senior care market is reporting overall vacancy rates between 0.0% (Residential Care) to 14.5% (assisted living). The 0.0% vacancy rate among Residential Care Facilities indicates that there is likely pent-up demand for such housing. The Assisted living vacancy rate is comparable to national averages. As such, the overall demand for senior care housing in the county appears to be strong and indicates that there may be an opportunity to develop additional senior care housing in this market.

Base monthly fees for assisted living start fees at around \$5,400 a month and residential care facilities have a base monthly fee starting near \$4,258. These base fees and rents were used to determine the minimum income and/or assets required to live in each senior housing alternative and were incorporated into our demand estimates shown later in this report.

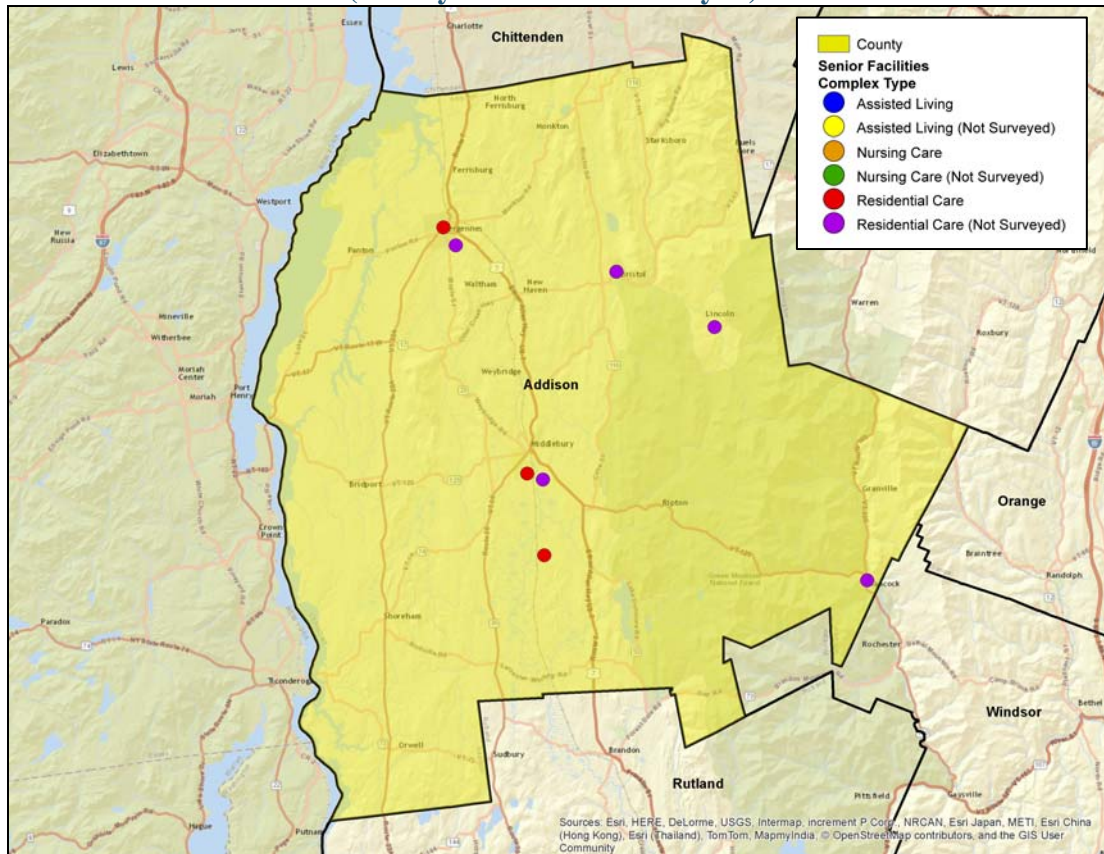
Representatives of Bowen National Research physically visited a majority of Vermont’s senior care facilities and rated each one based on the quality of the facility’s exterior and the quality of its surrounding area/neighborhood separately. Therefore, each facility received two ratings. The facilities 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 that were surveyed and included on the preceding page.

Senior Care Facilities by Quality Ratings		
Quality Rating	Facilities	Surrounding Neighborhood
A	1	0
B	2	4
C	3	2
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 Addison County are considered “fair”, though the balance of facilities are considered “good” or “excellent”. Most of the facilities are located in neighborhoods that were rated “B”, which are considered “good” areas. Overall, senior care facilities in the county are considered to be fair quality and in good neighborhoods.

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 Addison 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 Addison County for the past ten years:

Housing Unit Building Permits for Addison County:										
Permits	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Multifamily Permits	0	34	60	32	16	27	4	15	4	11
Single-Family Permits	187	158	169	135	66	66	80	61	85	82
Total Units	187	192	229	167	82	93	84	76	89	93

Source: SOCDs Building Permits Database at <http://socds.huduser.org/permits/index.html>

Addison County experienced a noticeable drop in residential building permits starting in 2007, which dropped even further in 2008 as the national recession took hold. Since 2008, however, residential building permit activity has remained relatively stable, ranging between 76 and 93 units annually. A large majority of the permit activity has involved single-family home units.

Within Addison County there is currently nothing planned regarding new housing, economic development or infrastructure.

F. Housing Gap/Needs Estimates

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 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 non-senior family 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 tables below summarize 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)	29	18	18	-4	-13
Cost Burdened Households	544	430	66	8	8
Substandard Housing	42	52	29	9	38
Development Pipeline	0	0	0	0	0
Total Housing Needs	615	500	113	13	33

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)	54	23	25	1	6
Cost Burdened Households	260	96	17	3	2
Substandard Housing	20	12	8	3	12
Development Pipeline	0	0	0	0	0
Total Housing Needs	334	131	50	7	20

Owner Housing Needs Analysis

The tables below summarize the *owner* housing needs estimates by the various income segments for family 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)	112	193	46	-2	-6
Cost Burdened Households	1,273	1,118	941	279	415
Substandard Housing	21	30	36	19	77
Development Pipeline	0	0	0	0	0
Total Housing Needs	1,406	1,341	1,023	296	486

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)	104	206	116	39	96
Cost Burdened Households	928	778	506	178	175
Substandard Housing	15	21	19	9	37
Development Pipeline	0	0	0	0	0
Total Housing Needs	1,047	1,005	641	226	308

Rental Housing Gap Analysis

The tables below summarize 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)	29	18	18	-4	-13
Substandard Housing	42	52	29	9	38
Development Pipeline	0	0	0	0	0
Total Housing Gap	71	70	47	5	25

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)	54	23	25	1	6
Substandard Housing	20	12	8	3	12
Development Pipeline	0	0	0	0	0
Total Housing Gap	74	35	33	4	18

Owner Housing Gap Analysis

The tables below summarize the *owner* housing gap estimates by the various income segments for family 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)	113	193	46	-2	-6
Substandard Housing	21	30	36	19	77
Development Pipeline	0	0	0	0	0
Total Housing Gap	134	223	82	17	71

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)	104	206	116	39	96
Substandard Housing	15	21	19	9	37
Development Pipeline	0	0	0	0	0
Total Housing Gap	119	227	135	48	133

As shown in housing gap analysis, the greatest housing gap appears to be among housing that serves renter households with incomes below 50% of Area Median Household Income and among homeowners with incomes below 80% of AMHI.

G. Special Needs Housing

Besides the traditional demographics and housing supply evaluated on the preceding pages of this section, we also identified special needs populations within Addison 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 87 persons classified as homeless within Addison County. The following tables summarize the sheltered and unsheltered homeless population, as well as the homeless housing inventory within the county.

Homeless Population – Addison County						
Total Homeless Persons	Chronically Homeless	Motel Vouchers	Unsheltered	Households	Singles	Children
87	10	20	5	57	38	22

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

Homeless Housing Inventory – Addison County								
Project Type	Beds by Population Category					Seasonal Beds	*Overflow Beds	Total Beds
	Single Male/Female and Households with Children	Single Male & Female	Veteran	Chronically Homeless	Youth			
Emergency Shelter	25	10	0	0	0	4	20	59
Transitional Housing	23	7	0	0	0	0	0	30
Permanent Supportive Housing	38	0	1	1	0	0	0	40
Rapid Re-housing	18	0	0	0	0	0	0	18
Total Beds By Population	104	17	1	1	0	4	20	147

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 95.2%. This utilization rate and the fact that 5 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	20	Persons with Disabilities (PD)	4,495
Victims of Domestic Violence (VDV)	233	Elderly (Age 62+) (E62)	6,602
Persons with Substance Abuse (PSA)	254	Frail Elderly (Age 62+) (FE62)	482
Adults with Severe Mental Illness (SMI)	182	Ex-offenders (Parole/Probation) (EOP)	69
Co-Occurring Disorders (COD)	N/A	Unaccompanied Youth (UY)	41
New Immigrants/Refugees (NIR)	N/A	Migrant Farm Workers	213

Excluding the homeless population, the largest number of special needs persons is among those with disabilities, and elderly persons. According to our interviews with area stakeholders, housing alternatives that meet the distinct demands of the special needs population are limited. Notable facilities are offered by WomenSafe, Counseling Services of Addison County, Addison Youth in Transition, John Graham Shelter, and various nursing and residential care homes which meet the needs of victims of domestic violence, persons with substance abuse, persons with a mental illness, disabled persons, ex-offenders, unaccompanied youth, and elderly persons. As a result, the overall special needs population appears to be well served. According to various services provides knowledgeable about housing for various homeless and special needs groups in Addison County the most needed was permanent supportive housing and single-room occupancy. It was also noted that housing for persons with disabilities and mental illnesses was underserved.

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, 10 stakeholders are with organizations that serve Addison 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. Six of the 10 respondents indicated that there is a great need for housing. Specifically, respondents ranked the following types of housing as having the greatest need: rental, small family (1- and 2-bedroom), single-person/young adult, senior apartments (independent living), special needs and homeless. Respondents indicated that the housing style most needed in the area is apartments, with mobile homes/manufactured housing, duplexes/triplexes/townhomes, condominiums and detached (single-family) homes ranking fairly evenly behind apartments. 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, closely followed by housing for incomes between \$25,000 to \$50,000 and \$50,000 to \$75,000. The most significant housing issues within Addison County, as indicated by respondents, were limited availability and rent burdened/affordability.

Respondents were asked to prioritize funding types that should be utilized or explored in Addison County. Tax Credit financing was given the highest priority, followed by “other” rental housing assistance (such as Vouchers) and project-based rental subsidy. Factors that are considered important as they relate to the proximity to housing development in the county were the proximity to the downtown/village area, walkability, jobs and services. Multiple respondents indicated that senior housing and smaller units such as studios should be considered as part of new housing development in the area. In addition, programs for first-time homebuyer assistance should be considered.

When asked what common barriers or obstacles exist as it relates to housing development in Addison County, the cost of land and the cost of labor and materials were the most commonly cited. Local and state government regulations, as well as lack of infrastructure, transportation and land availability were also cited. Suggestions for overcoming these obstacles included reducing permitting and zoning regulations, increasing state involvement with developers throughout the development process, and creating a landbank.

If a respondent was knowledgeable about homelessness in Addison 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 types of housing to serve the homeless population are Permanent Supportive Housing (PSH) and Single Room Occupancy (SRO) projects. Obstacles to developing homeless housing included zoning regulations, lack of suitable properties in decent neighborhoods, and lack of subsidy to work with overall budgets.

If a respondent was knowledgeable about non-homeless and special needs groups in Addison 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 developmental disabilities and severe mental illness. Respondents believe that group homes and Permanent Supportive Housing (PSH) would best serve these populations. The lack of community support and NIMBYism were cited as the most common obstacles to developing special needs housing. Respondents believe that there should be less zoning restrictions to allow for special needs housing development, and an increase in rental subsidy.

I. Conclusions

Overall demographic trends are projected to be positive within Addison County over the next five years, which is expected to contribute to the continued strength of the housing market within the county during this time period. Some key findings based on our research of Addison County are summarized as follows:

- **Population** – Between 2015 and 2020, projected population growth of 374 (1.0%).
- **Households** – Between 2015 and 2020, projected household growth of 291 (2.0%).
- **Household Heads by Age** – Addison County will add a projected 719 (9.8%) households age 55 and older between 2015 and 2020.
- **Rental Housing** – Addison County has an overall vacancy rate of 0.2% for all identified and surveyed rental housing.
- **Owner Housing (for-sale)** – As of October 2014, there are a total of 425 available for-sale homes in the county, with a median price of \$269,000.
- **Mobile Home Parks** – As of 2013, mobile home parks in the county reported an overall 2.1% vacancy rate.
- **Senior Care Facilities** – Senior housing reported an overall vacancy rate of 6.9%.

As shown in the Housing Gap Analysis, the greatest housing gap appears to be among housing that serves renter households with incomes below 50% of Area Median Household Income and among homeowners with incomes below 80% of AMHI. Priorities for future housing in the county should be focused on housing product and/or programs that meet the needs of these lower income households.

J. Sources

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