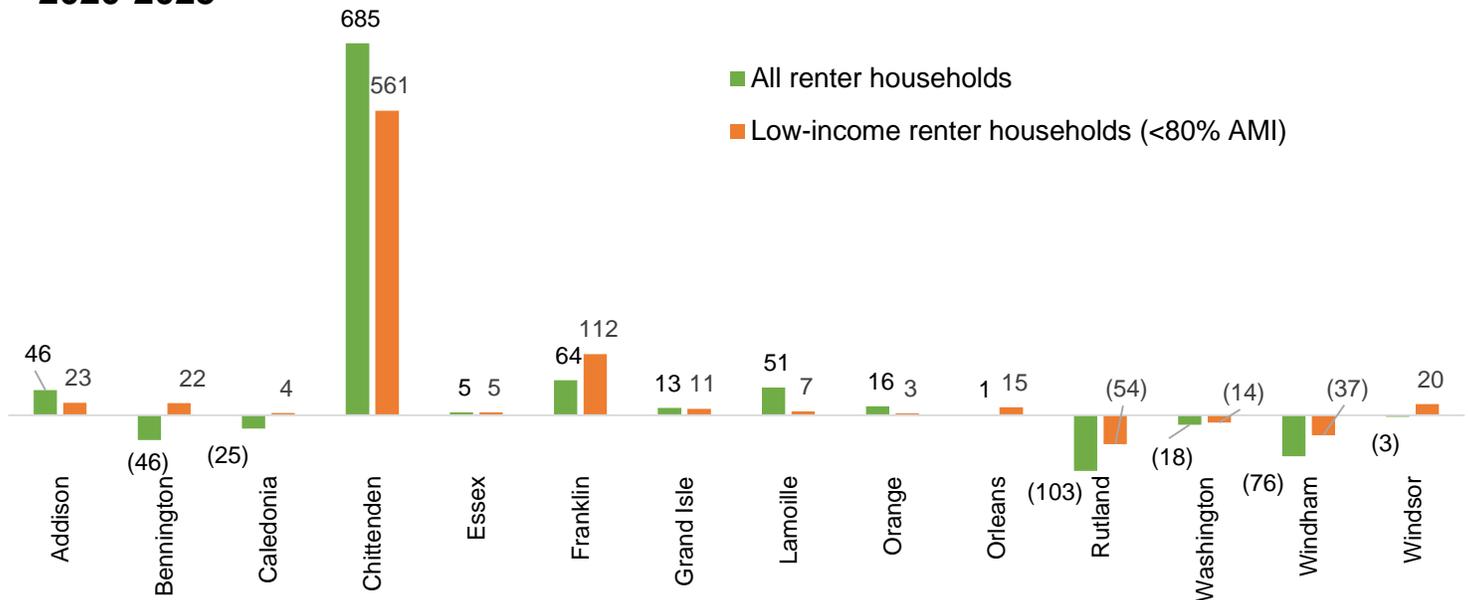


Vermont Housing Needs Assessment: Renters

Statewide, the number of Vermont renter households is projected to increase modestly, with an additional 610 households expected between 2020 and 2025. Most of these additional renters will be located in Chittenden County, with others in nearby Addison, Lamoille, Franklin and Grand Isle counties and a small number to the east in Essex, Orange and Orleans counties. Total expansion of renter households in these counties is projected at 881. However, renter households in the remaining counties are expected to decline by 271 between 2020 and 2025. The number of renter households with incomes less than 80% of the area median is expected to change fairly similarly to the number of all renters, regardless of income. The total number of low-income renter households is expected to increase between 2020 and 2025 in every county except Rutland, Washington and Windham.

Projected net change in renter households, 2020-2025

Source: Claritas.

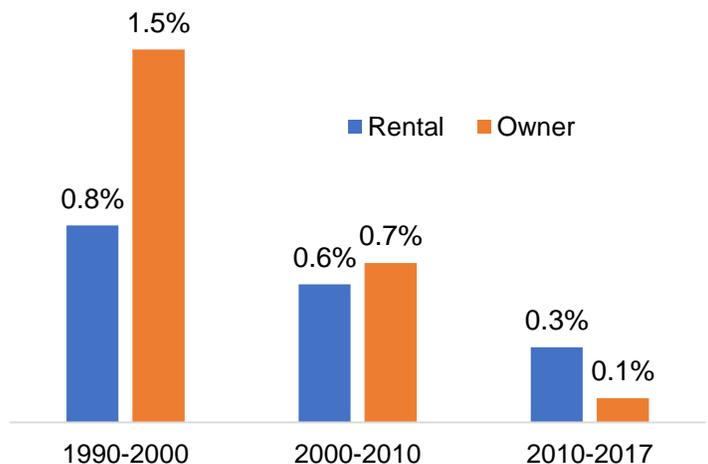


As with owner-occupied Vermont homes, the rate of expansion of Vermont's stock of rental homes has declined each decade since 1990. Nevertheless, the pace of rental housing stock growth since 2010 (0.3%) has surpassed that of owner homes (0.1%) for the first time in the state's recent history.

Housing quality

Although data available on housing quality is limited, analysis of 2017 Census Bureau Public Use Microdata suggests that there were at least 6,960 Vermont renter households living in homes with serious housing quality issues. These households lacked a heat source, lacked complete kitchen facilities, lacked complete plumbing facilities, had coal heat, was a mobile home built before 1979 or was built before 1939 with rent less than \$500 per month.¹ This number almost certainly undercounts the total number of households with housing problems, since many issues such as poor sanitary conditions, inadequate weatherization and poor interior air quality would not necessarily be reflected by the criteria above.

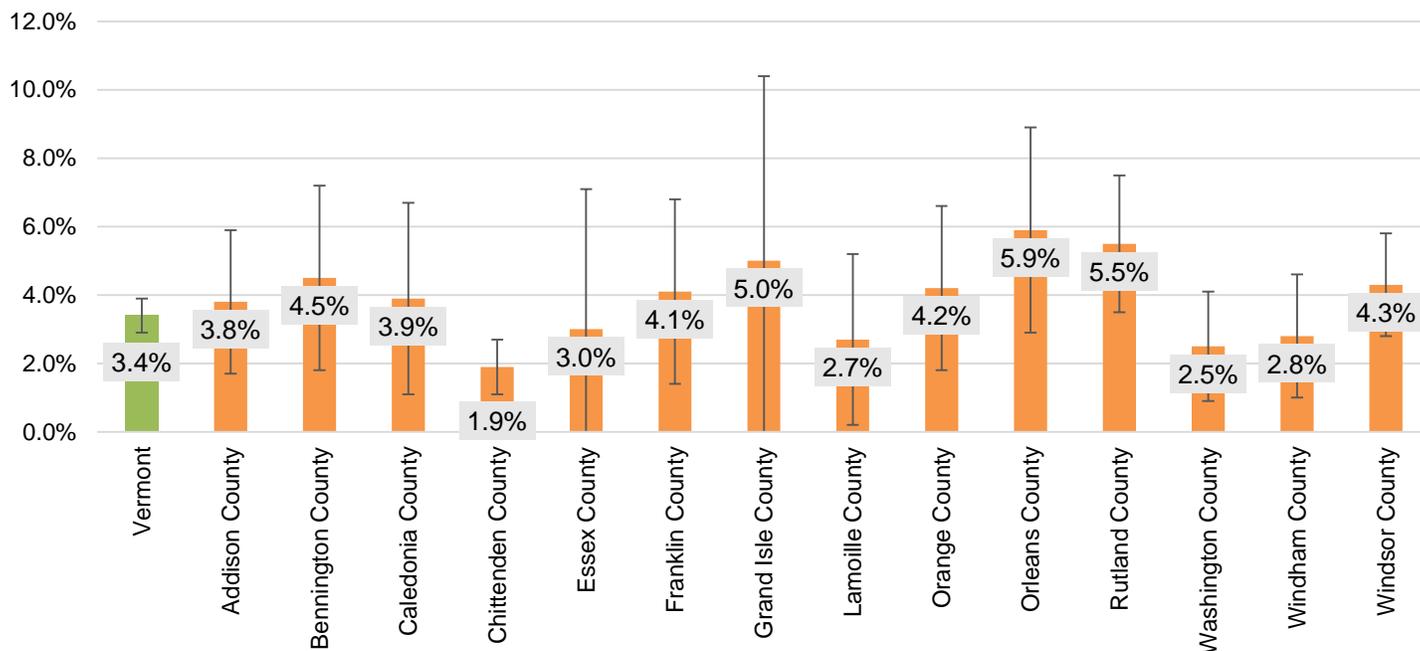
Annual rate of Vermont housing supply growth



Source: U.S. Census Bureau estimates of occupied housing units from [housingdata.org](https://www.housingdata.org).

Vermont's average rental vacancy rate was an estimated 3.4% in 2017, based on Census Bureau American Community Survey estimates,² although rates vary substantially between counties. Among Vermont's publicly subsidized apartments, the vacancy rate is estimated at a much lower 0.8%.³

Rental vacancy rates

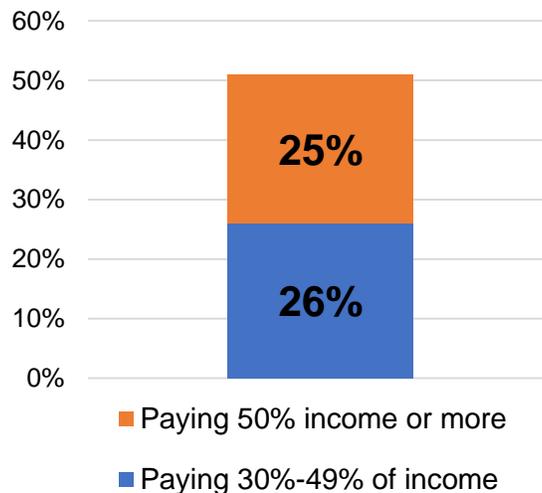


Source: VHFA analysis of U.S. Census Bureau: American Community Survey 5-year estimates, 2013-2017. Margins of error are shown with vertical lines within the bar for each county's point estimate. Reliable vacancy estimates are available for Vermont, Chittenden County, Rutland County and Windsor County. Estimates for other counties should be used with caution. The rate represents the estimated portion of "For Rent" homes that are not seasonal units as a percentage of all estimated occupied and vacant rental homes that are not seasonal. The portion of vacant rental homes that are not seasonal is estimated by assuming the same seasonal home rate as exists for the occupied housing stock.

Over half of the renters in Vermont (about 36,000 households) have housing costs that consume more than 30% of their income--the standard for assessing affordability. When housing costs consume more than this, tenants are less likely to have enough income remaining for other living expenses which can lead to housing instability. One quarter of Vermont's renters (about 18,000 households) spend more than half of their income for housing costs. These renters are at high risk of housing instability which can lead to frequent moves, eviction and even homelessness.

The term "cost burden" is often used to describe the hardship of spending high portions of income for housing. Although cost burden is pervasive among all Vermont counties, Chittenden County has the highest rates in the state of both moderate cost burden (spending 30-50% of income for housing) and severe cost burden (spending more than 50% of income for housing). Interestingly, neighboring Addison and Franklin counties have the lowest rates of cost burden statewide.

More than half of all renter households are cost burdened



Source: U.S. Census Bureau, 2017 American Community Survey 5-year estimates from [housingdata.org](https://www.housingdata.org).

Notes

1. The National Manufactured Housing Construction and Safety Act was passed in 1976 and required basic safety and quality standards for mobile homes. 1979 is the closest year available in Census Bureau Public Use Microdata Sample data. Homes built before 1939 with rent less than \$500 was used to identify rental stock that is more likely to be in poor condition. The gross rent is not impacted by rental assistance. According to the [HUD's](#) "American Housing Survey Components of Inventory Change: 2011–2013", homes built before 1940 and homes where renters paid less than \$600 in rent were more likely to be demolished or condemned, signaling potential poor quality.
2. This source is likely to yield different results than local vacancy rates typically based on local data, such as calling managers of apartment complexes.
3. Vacancies reported on Vermont Directory of Affordable Rental Housing at housingdata.org.