

**COLDWELL
BANKER** 

**HICKOK & BOARDMAN
REALTY**

Spring 2017

MARKET REPORT

*First Quarter 2017 market results & trends to watch in
Chittenden, Addison, Franklin & Grand Isle Counties.*

VermontMarketReport.com



South Burlington



Monkton



South Hero



Pride of ownership shows throughout this architecturally designed home in Williston. MLS# 4628113

W E L C O M E

Please take a moment to look at our Early Spring 2017 Market Report. We are providing a recap of the 1st quarter results for the 4 counties that comprise northwest Vermont. Our skilled Realtors will also be able to assist you with in-depth views on specific towns and regions. Given our market-leading position, we are committed to providing unparalleled services to our clients.

Front Cover Main Photo: *Treasured views & private access to Lake Champlain from this custom built home in Charlotte. MLS# 4493321*

Bottom Photos from left to right: MLS # 4629162, MLS # 4627500, MLS# 4516055

The Coldwell Banker Hickok & Boardman Vermont Market Report is based on data collected by the Northern New England Real Estate Network from January through March 2017 and does not represent privately negotiated transactions unless so noted. All material herein is designed for information purposes only and has been drawn from sources deemed reliable. Though the data is believed to be correct, it is presented subject to omissions, errors, changes or withdrawal without notice. The report is not designed to solicit property already listed. Coldwell Banker is a registered trademark licensed to Coldwell Banker Real Estate LLC. An Equal Opportunity Company. Equal Housing Opportunity. All Offices Are Independently Owned and Operated. © 2017 Coldwell Banker Hickok & Boardman Realty.



NORTHWEST VERMONT EXECUTIVE SUMMARY

Historically the first three months of the year represent the slowest period for real estate sales in Northwest Vermont. As the landscape changes with the arrival of spring and summer, so might real estate trends as more sellers and buyers enter the market. Stronger than normal sales in the 1st quarter of 2016 coupled with tight inventory continuing into 2017 have resulted in a decline in year over year sales for the first quarter of 2017.

SINGLE-FAMILY

MEDIAN SALE PRICE:	AVERAGE SALE PRICE:	UNITS SOLD:	NEWLY LISTED:	DAYS ON MARKET:
\$249,500 (+3.2%)	\$282,469 (+1.6%)	350 (-10%)	652 (-19%)	110 (-6%)

CONDO

MEDIAN SALE PRICE:	AVERAGE SALE PRICE:	UNITS SOLD:	NEWLY LISTED:	DAYS ON MARKET:
\$247,650 (+20.8%)	\$280,063 (+21.2%)	120 (-5.5%)	159 (-5.9%)	117 (+30%)

NORTHWEST VERMONT EXECUTIVE SUMMARY

Tight inventory levels still continue to put pressure on the real estate market in Northwest Vermont. In the first quarter, fewer homeowners have chosen to put their homes on the market. Buyers may have fewer choices especially in the sweet spot of housing - the mid-priced range of \$200,000- \$400,000. In addition, the National Association of Realtors reports the median tenure for sellers living in their home has increased to 10 years from a historical median of 5 to 7 years.

Over the past 3 years the number of single family homes available for sale during the first 3 months of the year has declined from 2256 to 1680 - a 26% decline - while closed sales have increased 15% during the same period. The results are homes being on the market for fewer days and, in many cases, multiple offers driving the prices up with both the median and average prices showing increases during the first quarter. Our Realtors advise buyers to be well prepared to make strong offers, with their financing in order. In some circumstances, Agents are advising their buyers to look at homes priced lower than their threshold in the event of a multiple offer situation. In a fast paced market, Sellers need the expertise of their Agent to help them navigate the incredibly complicated process of lining up a contract for a purchase as well as the contract for a sale of their current home.

While both the median and average sold prices are showing increases, single family home prices appear to be more stable than the healthy increases demonstrated in the sold prices of condos. In general, the increase in prices of condos comes from new construction projects that have come on the market versus appreciation of existing inventory.

Cities, towns and developers have increased density in their planning and zoning strategies in order to preserve open green spaces. These Planned Unit Developments (PUDs), including condos and single family homes, are becoming more popular as homeowners look to “right size” their lifestyle with housing options that provide ease of maintenance and, in some cases, affordability. New construction can be more energy efficient and many new communities offer amenities such as community gardens, walking trails, parks, and proximity to conveniences.



3 bedroom, 3 bath Townhome overlooking Vermont National golf course. MLS# 4618773

Since 2015 the number of single family homes available for sale during the first 3 months of the year has declined from 2256 to 1680 – a 26% decline – while closed sales have increased 15% during the same period.

Mortgage rates are being watched closely. After a climb in late 2016 and some volatility during the first 2 months of 2017 - many predictions are that the rates will remain steady for the remainder of the year. Changes to mortgage rates can affect buying power when affordability remains an issue. For example, an increase of .5% (one-half percent) in interest rate may reduce purchasing power by 4-5%. So, even though prices are rising slightly and inventory is limited, buyers who are serious about realizing their goal of homeownership this year should be ready to make an offer sooner - with the advice of their Agent.

As always, it remains that both sellers and buyers need to reflect on their personal situation. Utilizing the local knowledge within this report and the advice of your Agent - you can make an informed decision about your next move.



Chittenden County

1st Quarter

South Village, a neighborhood of single-family homes and Townhomes in the heart of Vermont's beautiful Champlain Valley. SouthVillage.com

SINGLE-FAMILY

MEDIAN SALE PRICE:	AVERAGE SALE PRICE:	UNITS SOLD:	NEWLY LISTED:	DAYS ON MARKET:
\$289,000 (+1%)	\$332,990 (-1.3%)	178 (-10.1)	333 (-14.6%)	80 (-46.7%)

CONDO

MEDIAN SALE PRICE:	AVERAGE SALE PRICE:	UNITS SOLD:	NEWLY LISTED:	DAYS ON MARKET:
\$252,200 (+19.2%)	\$287,334 (+22%)	102 (-14.3%)	143 (-5.3%)	105 (-18.6%)

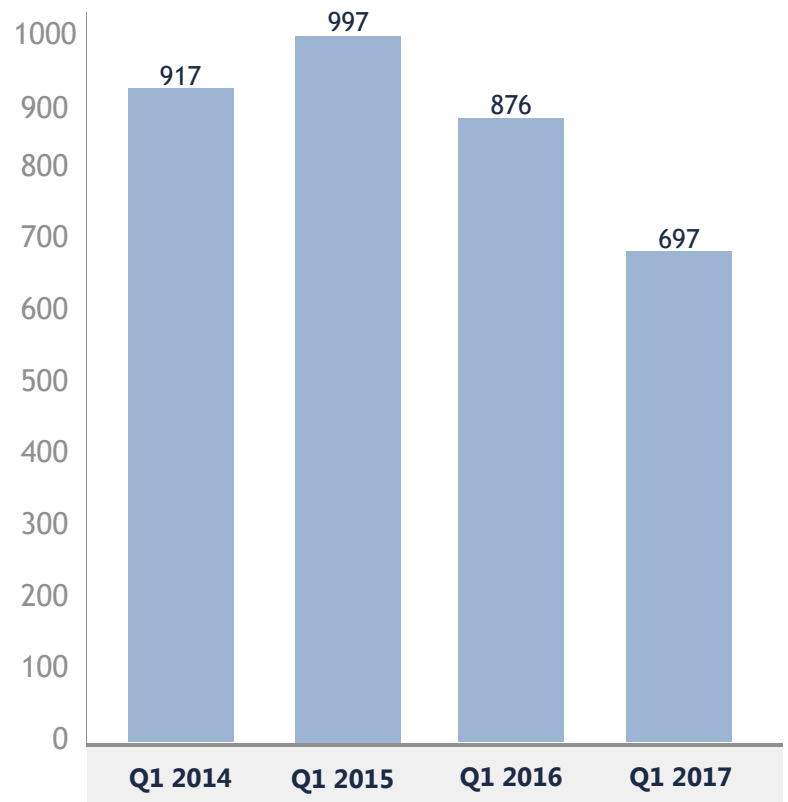
The residential property market in Chittenden County continues to see strong demand from buyers while inventory remains extremely tight especially for single family homes.

The pace of the market is reflected in the "Days on the Market until Sale" which has dropped from 150 days to 80 days for single family homes during the first quarter of 2017. Sellers and Buyers alike need to be prepared to act when they decide to enter the real estate market.

The median and average sale prices for condominiums showed healthy gains due to new construction and higher priced units selling rather than increases in the prices of existing units.

With residential sales flat in 2016 and the continuing decline in inventory in early 2017, the median sale price for single family homes may rise more than the 1% we've seen in the first quarter.

Chittenden County
Single Family Homes For Sale
JANUARY-MARCH 2014-2017



As reported by NEREN-MLS



Addison County

1st Quarter

Custom post and beam home with Easterly Mountain Views in Monkton | MLS# 4627500

SINGLE-FAMILY

MEDIAN SALE PRICE:	AVERAGE SALE PRICE:	UNITS SOLD:	NEWLY LISTED:	DAYS ON MARKET:
\$232,000 (+14.3%)	\$259,481 (+6.4%)	51 (-8.9%)	111 (-16.5%)	135 (-38.6%)

CONDO

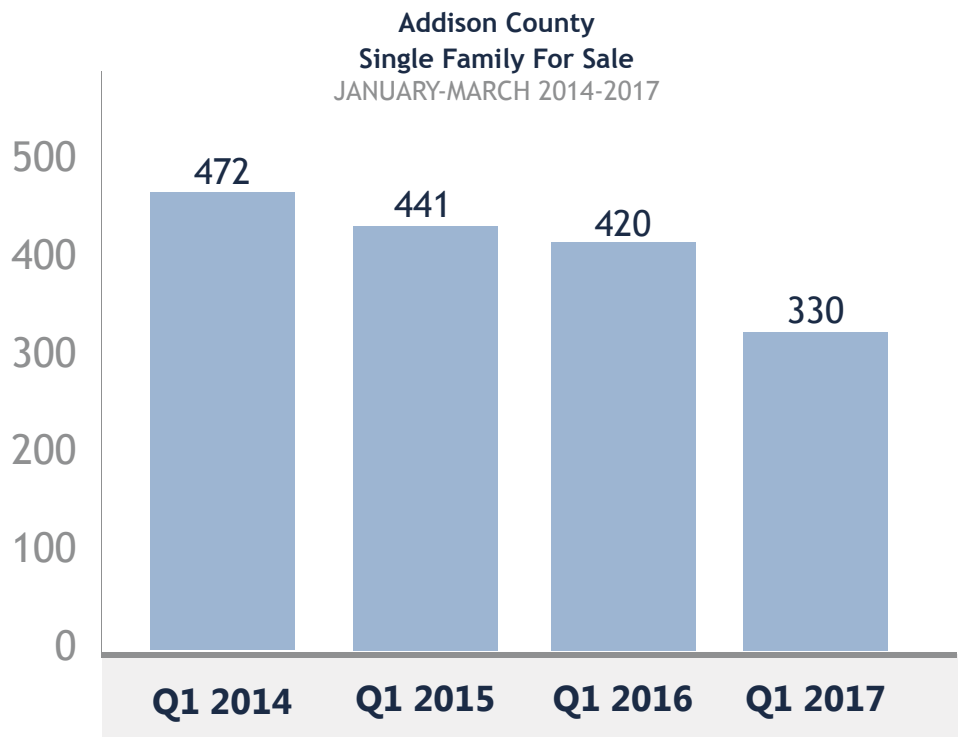
MEDIAN SALE PRICE:	AVERAGE SALE PRICE:	UNITS SOLD:	NEWLY LISTED:	DAYS ON MARKET:
\$194,500 (+28%)	\$269,321 (+57%)	7 (+133%)	1 (-85%)	113 (-9.6%)

The growth in the median and average sold price for residential property in Addison County continued into the first quarter of 2017.

The majority of residential sales in Addison County is single family homes; therefore a small change in the number of sales on condominiums can have a large impact on the data.

New homes coming on the market continue to decline, with demand increasing as buyers are extending their searches to Addison County because of Chittenden County's shrinking inventory and higher prices.

After a number of years of little to no growth in the median and average sales price for single family homes, Addison County saw an increase in 2016 and is continuing that trend into 2017.



As reported by NEREN-MLS



Large bright rooms in this lovely Ranch style home in St Albans Town. | MLS# 4627983

SINGLE-FAMILY

MEDIAN SALE PRICE:	AVERAGE SALE PRICE:	UNITS SOLD:	NEWLY LISTED:	DAYS ON MARKET:
\$194,500 (+2.4%)	\$207,945 (+8.1%)	100 (-17.9%)	144 (-29.8%)	110 (-32.9%)

CONDO

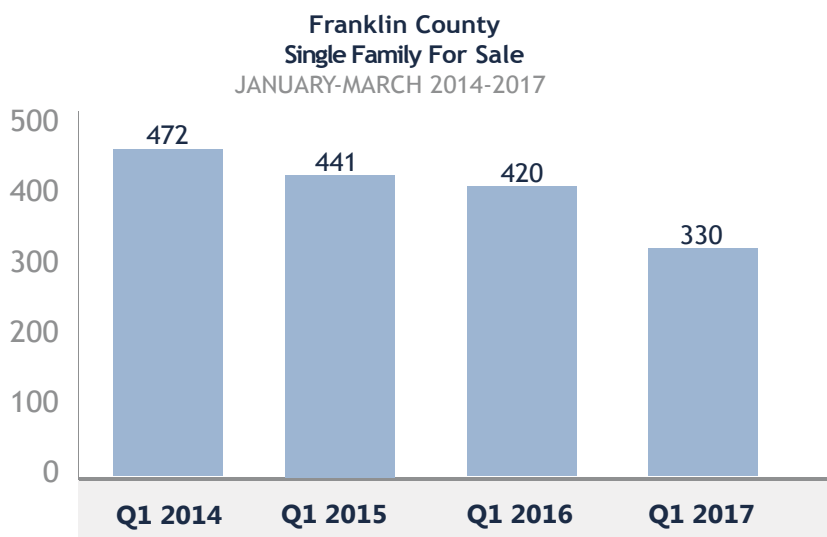
MEDIAN SALE PRICE:	AVERAGE SALE PRICE:	UNITS SOLD:	NEWLY LISTED:	DAYS ON MARKET:
\$235,000 (+20.7%)	\$259,481 (+17.3%)	11 (+83%)	14 (-40%)	147 (-32.3%)

Because Franklin County has the lowest average and median sale prices in Northwest Vermont, some homebuyers have been turning to the county over the past year as they seek more value for their money.

After a surge in home sales during the first quarter of 2016, with a 37% increase and 18% increase for the year overall, the decline in single family home sales at the start of 2017 may be viewed as a “normalizing” of the market versus a decrease in buyer interest.

The pace of the market is reflected in the “Days on the Market until Sale” which has dropped from 164 days to 110 days for single family homes during the first quarter of 2017. Sellers and Buyers alike need to be prepared to act when they decide to enter the real estate market.

Condo sales rose - but a change in the small number of transactions can have a large impact in the percentages.



As reported by NEREN-MLS



Beautiful Lakefront Contemporary Farmhouse on the shores of South Hero. | MLS# 4624624

SINGLE-FAMILY

MEDIAN SALE PRICE:	AVERAGE SALE PRICE:	UNITS SOLD:	NEWLY LISTED:	DAYS ON MARKET:
\$210,00 (-32.3%)	\$253,703 (-19.6%)	25 (+56%)	58 (-1.7%)	161 (-25.5%)

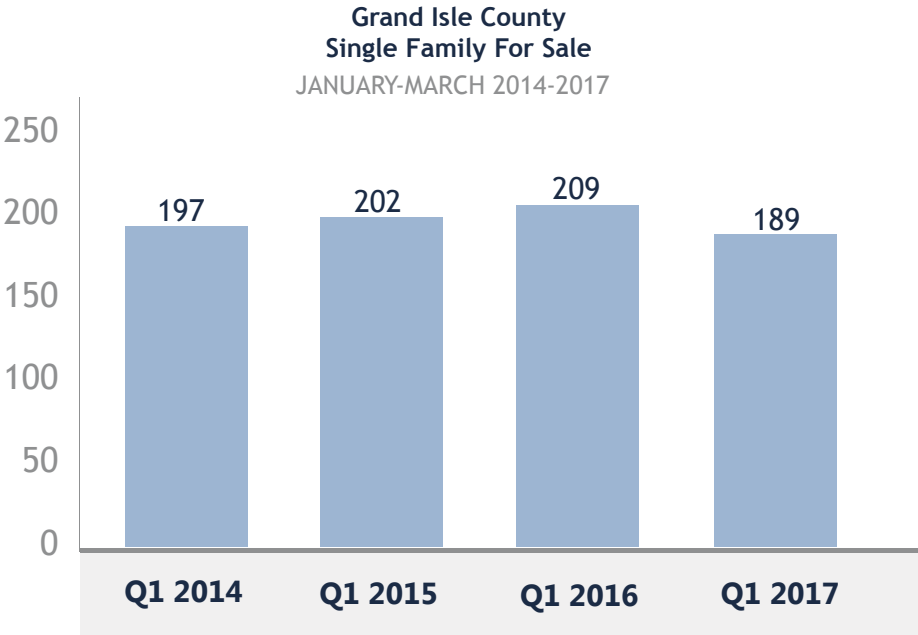
CONDO

No sales to report

Grand Isle had the strongest start in many years likely bolstered by the lack of affordable homes in nearby Chittenden County as reflected by the lower median and average sale price.

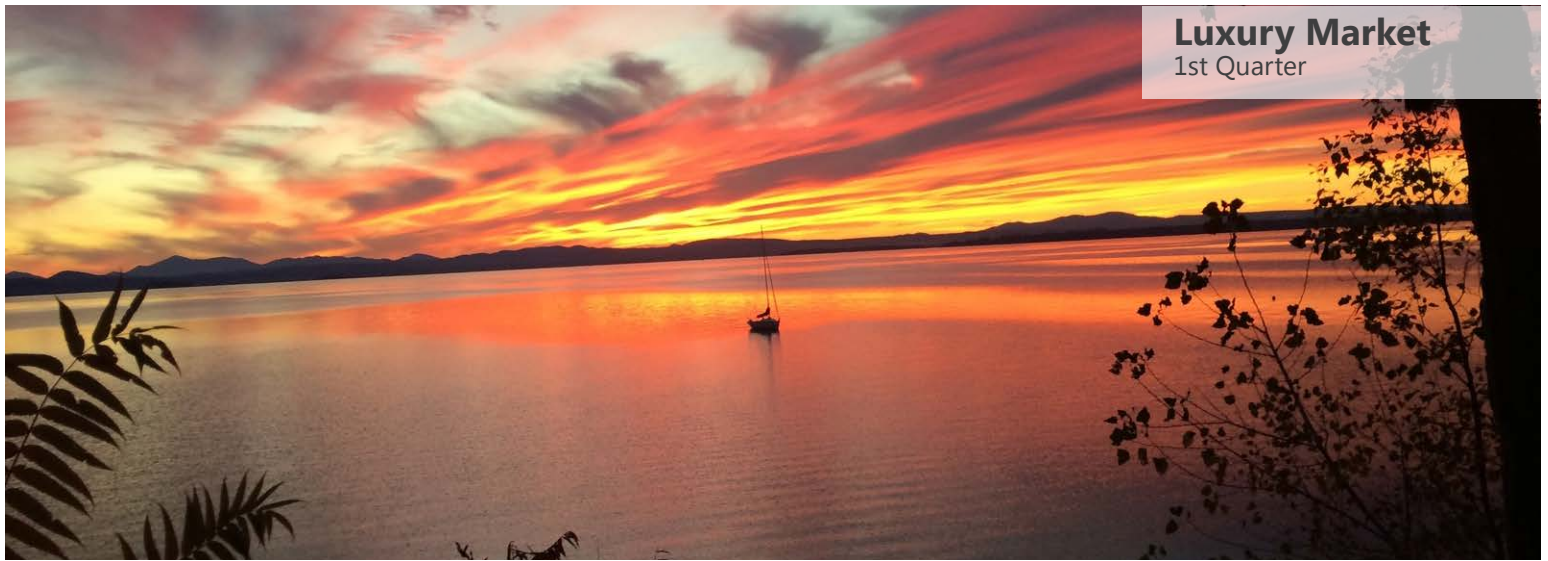
The decline in “Days on Market Until Sale” combined with the decrease in sale price may indicate that buyers are looking for affordable properties in Grand Isle and are ready to act.

Second home buyers, core to the Grand Isle market, are historically not active in the market during the first three months of the year.



As reported by NEREN-MLS





Right on Lake Champlain with stunning southern views, this 4 bedroom updated house has it all! | MLS# 4630482

MEDIAN SALE PRICE:
\$940,000 (-30.2%)

AVERAGE SALE PRICE:
\$1,057,178 (-31%)

UNITS SOLD:
7 (+40%)

DAYS ON MARKET:
86 *

Of the 7 properties that sold during the 1st quarter of 2017, 6 were located in Chittenden County and 1 property was in Addison County.

A country home with mountain views, luxury condominiums, a contemporary lakefront dwelling near downtown Burlington and an antique lakefront home in Ferrisburgh are just some of the sales that closed in early 2017.

With more than 90 properties for sale, the Luxury market in Northwest Vermont provides plenty of options for

buyers in the \$850,000 and higher range. Sellers have grown more flexible in their expectations on prices and negotiations.

* The "Days on the Market" until sale for the 4 properties actively marketed through the multiple listing service may reflect the pent up Buyer demand for well priced, unique properties close to amenities.

<i>Address</i>	<i>Town</i>	<i>County</i>	<i>Sale Price</i>
52 Sunset Cliff	Burlington	Chittenden	\$900,000
40 College Street	Burlington	Chittenden	\$907,000 *
451 Golf Course Road	South Burlington	Chittenden	\$922,500 *
162 Skunk Hollow Road	Jericho	Chittenden	\$940,000 *
335 Morgan Drive	Shelburne	Chittenden	\$1,068,750 *
27 Lakeview Terrace	Burlington	Chittenden	\$1,287,000
375 Bay View Road	Ferrisburgh	Addison	\$1,375,000

As reported by NEREN-MLS



Northwest VT Multi-Family 1st Quarter

Prime Burlington Hill Section - 11 Units. Rare chance to invest in one of the strongest rental markets in New England. | MLS# 4615430

MEDIAN SALE PRICE:	AVERAGE SALE PRICE:	UNITS SOLD:	NEWLY LISTED:	DAYS ON MARKET:
\$285,000 (-18.9%)	\$296,039 (-24.3%)	27(-3.6%)	50	64 (-27%)

The Multi-Family market, largely driven by Chittenden County, is experiencing similar trends as the residential real estate market: steady buyer demand, tempered by lower inventory levels.

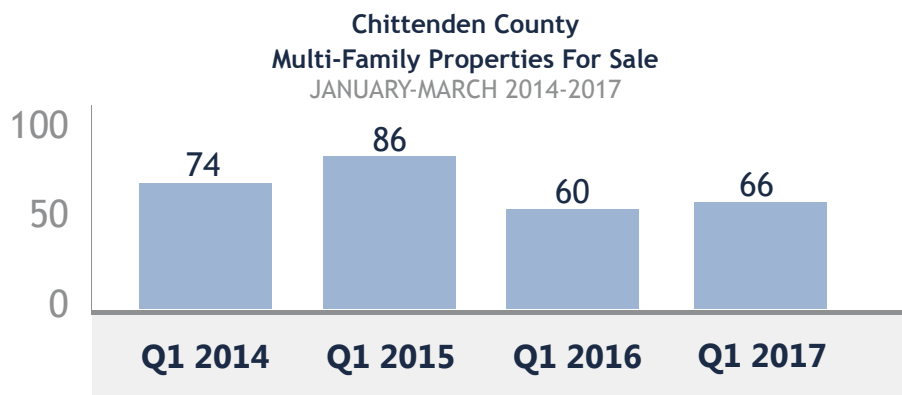
Over the past year, the historically low vacancy rate has eased a bit, however Investors continue to show strong demand for multi-family properties given favorable trends such as a diverse professional base, consistent hiring by local institutions and businesses, and the delay of millennial buyers saddled with student loan debt to purchase their first home.

The decline in average and median sold prices is a result of a small number of properties sold in the 1st quarter of the year coupled with a high priced property sold in 2016

which has a strong effect on the data. The decline is not a result of depreciation.

Our Agents report that larger, high priced properties are not coming to market as Investors choose to hold on to those properties.

With well positioned, multi-family units selling quickly - some buyers are considering single family homes in renter friendly neighborhoods as an investment opportunity.





South Village Rental Units in South Burlington. | SouthVillage.com

The rental market in Chittenden County is rapidly changing due to a surge of newly constructed apartment buildings.

With almost 700 newly constructed apartment units coming online in 2016, the rental market is showing more favorable signs for renters. A higher vacancy rate is giving renters more options in their apartment searches, while also prompting some landlords to offer more flexible terms or incentives to attract new tenants.

New rental buildings include Bartlett Brook, a 63-unit building in South Burlington, and the 67-unit Bayberry Commons in Burlington. Both buildings are offering one month of free rent for applicants who sign a lease by March 1, a sign of the type of incentives that are now available.

Our Rental Specialist is forecasting that rent increases will moderate in 2017. Rents may decline on some older apartments that lack the amenities offered by newer buildings. It's likely the pressure on rents will continue throughout the year, given that another 323 apartment units are expected to come on the market in 2017, according to real estate consulting company Allen & Brooks.

Even though the vacancy rate has eased, our Rental Specialist continues to recommend an apartment search no more than 30 to 45 days before a move.

The following are some trends that are impacting the rental market:

A favorable vacancy rate for renters

The vacancy rate jumped to 4.4% in December 2016 from 3% a year earlier, Allen & Brooks found. In the previous decade, the rate rarely rose above 2%.

Wider range of choices

The construction surge means renters have more options than in previous years. The newly constructed buildings typically have higher rents, yet some renters prefer them because of their amenities, such as parking, gyms, recreation trails, storage, pet grooming, and swimming pools.

Minimal rent increases

The new rental inventory and higher vacancy rate will kick off a period of minimal to no rent increases, predicts Allen & Brooks. This comes after average rent increases of almost 3% per year since 2011. A welcomed relief as the rental prices in Chittenden County are high as compared to wage levels.

Because our rental expert has extensive contacts with landlords, Realtors and associations, Coldwell Banker Hickok & Boardman Realty is well positioned to help clients find the most recent properties on the market.



Coldwell Banker Hickok & Boardman Realty

A Leader in Northwest Vermont

Headquartered in Burlington, Vermont and offering a real estate center in St. Albans, Coldwell Banker Hickok & Boardman Realty has a proven track record of providing extraordinary real estate services and cutting-edge technology initiatives to homebuyers and sellers throughout Northwest Vermont.

We understand the questions our customers face when making what may be one of their biggest financial decisions. Through our unique marketing and internet strategies, analysis of market trends, and highly skilled Agents - 1 in 5 sellers and buyers have chosen our agency to represent them. With more than 90 experienced Realtors and staff, we offer a wealth of skills, from marketing luxury homes to assisting professionals relocating in or out of state.

We strive to be the trusted source of innovative real estate solutions, creating exceptional experiences for all we serve. This is illustrated by our consistent ranking as the "Readers Choice" for best real estate agency by *Seven Days* newspaper, the #1 Coldwell Banker office in Vermont, and as a Coldwell Banker Chairman Circle company, an elite standing that recognized the top 50 Coldwell Banker companies - out of more than 3,000 worldwide.

Please contact one of our Agents for their deep knowledge, expert negotiation and marketing experience, and commitment to providing exceptional real estate services to their customers and clients.

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