

Fall Newsletter

Nov 15, 2023



President's Message - Fall 2023

by [Lisa Wright](#)

2023 has indeed been an interesting year. As we discussed at our VALA conference this year, I believe Vermont Listers and Assessors, and VALA itself, is in the midst of an existential crisis. Rumors abound throughout Vermont that Listers may be extinct within the next 5 years.

I believe the solution to continued relevance for our locally elected and appointed Listers and Assessors is to evolve in our professional practice and to educate other municipal and state officials of the important role we currently serve for our towns, and for the state as a whole.

There is a delicate balance between embracing new technology and the efficiencies it can create and preserve “old school” due diligence and local knowledge of the

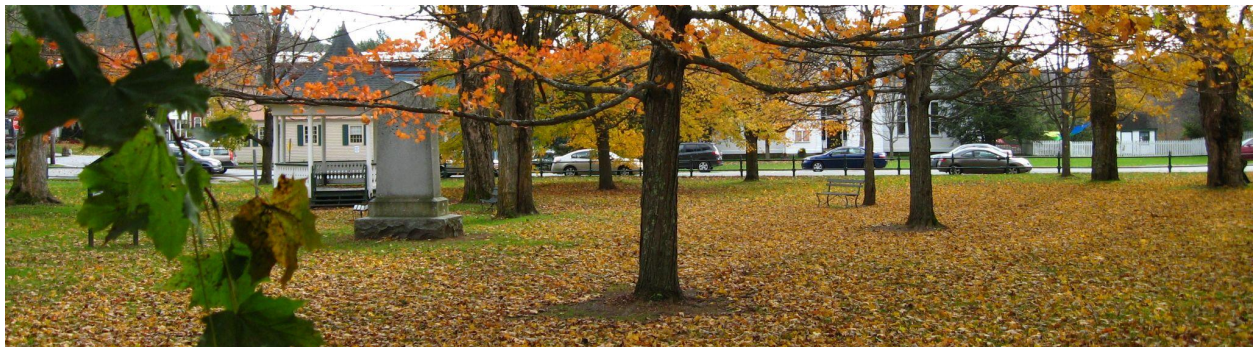
inventory and nuances of the real estate markets in our towns. I can't mince words on this – if we fail to embrace change and new technology, we will be left behind and we will become irrelevant. We also need to embrace the concept that our own little towns are not islands that are so unique that we cannot share data between those towns. Any competent reappraisal project for a small town must consider market data from a broader database than just that town. The nuances of “neighborhoods” and specific factors that may impact certain properties are the value added we can provide as local professionals. That said, any opinions of these factors must be defensible and not simply anecdotal.

H-480 presents not only an opportunity, but an imperative, to define the skills needed to do our work successfully and professionally. We need to promote the VPA certification program and the large number of our members who have attained this certification.

Along with standards for the education and experience required for professionals in our industry, I believe we need more clear standards for assessing in Vermont. Collecting the same data points, using similar definitions for land versus improvement values could go a long way towards professionalizing our work and making it both understandable by the public and making the process of teaching new assessors more “standardized” as well. I am not necessarily advocating a state supported CAMA system, and I do not have any stake in that decision; however, I think standards required by the state would be helpful. Even within towns that I serve that have the same CAMA system, implementation of the database is just different enough in those towns to make translation a bit complicated.

H-480 (or Act 68 of 2023) is very vague on many points and this presents an opportunity for VALA, as a stakeholder, to interact with the study and to work with PVR on recommendations for implementation of this bill. I recommend we all keep our minds open to change and provide thoughtful and professional feedback during this process. I look forward to further informed conversations with you all.

Lisa Wright
President, VALA



Note From The Editor

The president's message expresses well the critical times we find ourselves in. Related to this, please read the VALA Legislative Committee report on page 5.

We also have had a "changing of the guard" at VALA with Elizabeth Curran stepping down and Mimi Burstein and others stepping up to start filling the void.

I think it is fair to say, we will greatly miss Elizabeth and will all do our best to build on the work she has so excellently done. The late publish date is partially because of what I just stated - but it is still Fall (I am told).

We have much relevant content - and some fun stuff in this edition. I hope you will find it helpful and maybe a little entertaining!

Bob Quaderer
Editor

Introductions

Mimi Burstein - VALA's new Education and Membership Coordinator

Mimi is currently an Assessor/Listener for Randolph, in Orange County.

In her own words: I am excited to work with and get to know the Assessors and Listers throughout our diverse state in my new role at VALA.

I truly believe in the importance of our organization, and I will continue to help offer access to training and education resources, networking opportunities with other assessors and listers, or on advocacy for issues related to Grand List management.

I am also eager to know what other classes and educational opportunities VALA members would like to see offered that could help with our day-to-day jobs in Grand List management, organization, and dealing with the public.

Some suggestions I have are:

- Best ways to communicate with difficult people
- Safety tips for when you have to do property inspections alone

I look forward to hearing your ideas on what educational opportunities you think would help your office.

My new VALA email is: vtassessorsandlisters@gmail.com

Bob Quaderer - VALA's New Website Coordinator

Bob is currently a Lister in Hartland, Windsor County

Bob has been a part-time Lister for almost 3 years with a recently acquired VPA-I certification.

Prior to becoming a Lister, Bob has had over 20 years experience in IT and specifically supported websites for many businesses. His last commercial website work was supporting the Simon Pearce website online sales.

His new VALA email is: web.coordinator@valavt.org

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2024 VALA Annual Conference at Lake Morey Resort!



VALA Legislative Committee Update

Since this spring when Act 68 (2023) was signed into law, VALA's Legislative Committee members have been working on ways to ensure that VALA members, municipal officials and assessment industry officials have a "seat at the table" and a hand in the process of reshaping the future of property reappraisal for tax purposes in Vermont. Their committee meeting in October resulted in 4 action items to be taken:

- 1) Asking PVR about VALA inclusion in the study committee.
- 2) Request Legislature to amend the Bill to include specific committee language.
- 3) Create a VALA position statement for members to discuss with their legislators.
- 4) Provide members with talking points to discuss the law with their municipal officials.

On this last item, the Committee has crafted the "[VALA Call to Action](#)" letter to be shared with your municipal officials and leaders, co-listers and assessing officers, and anyone else you feel needs to hear this important message. On the next page is a printable version of this letter. For a link to a PDF Version, please click [HERE](#). It's important that we get this message out **now** so that we can succeed in our campaign to amend Act 68 and guarantee we are included in the study committee. Thank you!

To: Vermont Municipal Government Officials

Date: 11/08/2023

From: Vermont Assessors & Listers Association (VALA)

SUBJECT: Municipal Reappraisals and Act 68 (House Bill H.480)

Act 68 (formerly known as House bill H.480), as signed into law, is an assault on local control of your Grand List - local control being the basis of Vermont governance - the Grand List being the foundation of your local tax base.

Act No. 68 contains a \$50,000 appropriation to conduct a study on removing the Grand List from local municipal control and transferring that control instead to the State level via a single statewide reappraisal system overseen and run by the Vermont Department of Taxes.

V.S.A 32 §4041a REAPPRAISAL, Section 4-(b)(1)-A - reads in part "a detailed implementation proposal for creating a statewide system to conduct reappraisals of municipal and statewide education grand lists...."

Language contained within the House passed version of H.480 indicates "Upon completion of a reappraisal pursuant to this subsection, the property values set by the Commissioner shall be binding on the municipality and the municipality's municipal and statewide education grand lists."

Having the Grand List values set by the State and be "binding" on the municipal Grand List is particularly concerning! No local knowledge. No local review. No local Control. Unforeseen consequences for the towns, cities, and property owners - including the true costs involved -- are yet to be realized.

How can the municipalities protect themselves?

Language in the bill indicates the study is to be "in consultation with relevant stakeholders," with "stakeholders" left undefined.

Municipalities are major stakeholders with the Grand List being the foundation for local budgets and the local tax rate. Listers and Assessors are without doubt stakeholders as the local guardians of the Grand List with vital local knowledge. VALA is a stakeholder as a Legislative watch dog protecting local municipal interests and Lister & Assessor statutory obligations.

It is important to act now. Here is what you can do to help protect local control of your municipal Grand List:

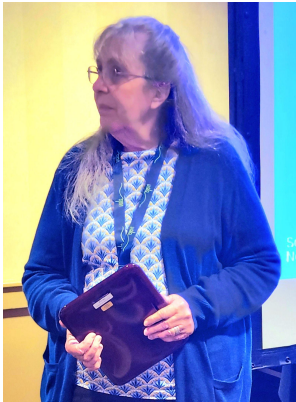
- Review Act 68 (H.480) as enacted.
(<https://legislature.vermont.gov/Documents/2024/Docs/ACTS/ACT068/ACT068%20As%20Enacted.pdf>)
- Discuss the potential impacts of Act 68(H.480) with your Listers or Assessor.
- Contact your local Representative requesting an amendment to Act 68 (H.480) in the 2024 legislative session - specifically defining "stakeholders" as including representation from municipalities and VALA.
- Contact State of Vermont Tax Department – through the Property Valuation and Review division (PVR), requesting representation as a "stakeholder" in the reappraisal study due December 15,2024.
- Contact Vermont League of Cities and Towns (VLCT) asking for active representation in this matter. Solicit guidance in protecting this local municipal concern along with updates on the progression of this study.

We must band together to protect continued local control of our municipalities and to protect that crucial municipal asset - our Grand Lists.

Sincerely, Vermont Assessors & Listers Association (VALA)

VALA 2023 Fall Conference Awards

Ed. Note: To view the Schedule of the Fall 2023 Conference, click [HERE!](#)



Lister of the Year

Victoria Young received the Michael P. Cyprian Lister of the Year Award in recognition of outstanding excellence in the assessment profession. Much was said about her willingness to “go the extra mile” to assist the people she serves.



Rising Star Award

The Steven Jeffrey “Rising Star Award” is presented to individuals who have demonstrated a commitment to excellence in the profession of valuation of real property in the state of Vermont.

Receiving the award is Stacey Bradley, Mimi Burstein and Christina Tardie (not present)

VALA Presence At Town Officer Education Conference in South Burlington



Mimi Burstein and Linda Sherman hosted the VALA table at the town officer education conference in South Burlington.

They had the most brilliant booth! They also had very good lighting! 😊

“The Times Gone By” Department

Jed Rubin, a Lister in Rupert from 1988-1995 and again since 2010 passes this along:

“The Listers in Rupert have a copy of the first hand book for Listers that the State ever published, in March 1958.”

He indicates goals of the handbook;

”This Handbook is issued with the hope that it will provide a guide for those Listers who wish to better themselves. If its use removes from Vermont practice the habit of setting down values without first viewing property as has been the custom in many of our towns; if it appreciably lessens the inequity that occurs in our Grand Lists; and if it gives to town officers other than listers some concept of the monumental task which faces our local listing board, we in the Tax Department will feel that we have been sufficiently repaid”.

He shares a task that today Listers are not responsible for:

“A real headache for Listers was applying the poll tax, everyone in town between the age of 21-70 had to be listed, this included aliens and transients if they are here on April first and not being taxed in another town. It took 5 full pages to list all of the exceptions and rules for applying the poll tax.”

Jed Adds: “It hasn’t been gone too long, I had to pay it a few years when I first started voting.”

Another Lister task he indicates:

“The Personal Property tax which applied to everyone at that time. There was a \$3,000 exemption for personal property in your home but as it says in the handbook. However, there are large estates and ‘super homes’ where the fair market value of home furnishings will exceed the \$3,000 exemption. In one instance, it was learned that a taxpayer had furnishings that were worth over \$20,000 that had never been listed and taxed.” On top of it all the Listers had to decide what the values were for all of this stuff.”

“Tips for Listers” Department

by Christie Wright, PVR Field Director

Why are grand list categories important and why is it important to get them right?

The grand list categories are separated into 15 options and the intention of the category designation is meant to be highest & best use. In other words what use would be the most likely and profitable return to that property. Because the category is based on highest and best use, the category should not change with ownership. This is crucially important to understand!

For equalization we are attempting to take a snapshot of the parcel that sold and what the listed value was for that exact same parcel as well as the category at time of sale. It is also important to remember that part of the equalization process is to measure the listing practices of the town, of which categorization is one of those elements.

We often don't spend enough time making sure our categories are correct and it is very important in the equalization analysis and here is why. The equalization process is set up based on assigned ratios for each category in the grand list. Assuming that we are statistically confident in the ratio for a category, that is the ratio that will be used to equalize the entire 411 value for that category. You can imagine with the types of ratios we have been seeing recently how a few miscategorized properties that sold could skew a ratio and therefore the equalization of a category for your town. In the big picture, equalization drives the dollar figure for education, your town's education liability and funding and the need for a reappraisal of the town.

PVR can help you to run reports to spot check for category errors or you can export to excel and do some checks that way. Food for thought and maybe a good January project!

Questions raised about reports of widespread assessing regressivity

By Ron Rakow

Several recent academic studies have found widespread regressivity in assessments using assessment and sales information from national datasets.

Regressive assessments occur when lower-priced properties are assessed at a higher level when compared with sale prices, than are higher-priced properties.

As a result, the studies claim that owners of lower priced properties are paying more than their fair share of property tax, an outcome that raises great concern.

The study that has received the most attention is Reassessing the Property Tax by Christopher Berry at the Harris School of Public Policy at the University of Chicago (Berry Study).

It has been the subject of several media accounts, including a lengthy editorial in the New York Times.

Relying on its review of the Berry paper, the editorial stated that “Americans expect to pay property taxes at the same rates as their neighbors. But across most of the United States, flat-rate property taxation is a sham... In the average year, 90% of those counties failed to meet a basic industry standard for accuracy and equity.”

The editorial concluded, “The inequities that researchers have put on public display are galling not just because they have come at the expense of those who can least afford it, but because it’s clear that it would be relatively easy for local governments to address these problems.”

Strong words indeed. Should assessors be concerned about the findings of these studies? I believe all would agree that the answer to this question is an unequivocal YES.

Producing and maintaining equitable assessments is at the core of the assessor’s mission and multiple IAAO industry standards stress the importance of vertical and horizontal equity.

These national academic studies are challenging for the assessing profession to evaluate because of their enormous size and scope.

Fortunately, the University of Chicago has a Property Tax Fairness web site that provides the same analysis that the Berry Study performed for many counties and large cities.

This allows local jurisdictions to conduct assessment sales ratio studies using their own data and compare the results with those in the Berry Study.

I went through this exercise for Suffolk County, Massachusetts, and the results were recently published in the Journal of Property Tax Assessment & Administration.

This analysis of Suffolk County confirms some of the trends identified in the Berry Study, but to a lesser degree.

In fact, my own analysis demonstrates that Suffolk County does meet the industry standard for accuracy and equity.

More importantly, it also revealed several issues with the Berry analysis that led to an incorrect finding of overall property tax regressivity by failing to account for exemption programs that actually result in a progressive tax incidence.

I am concerned that the findings in these national studies, in the absence of any evidence to the contrary, have been largely accepted in academia as evidence that the property tax is extremely regressive.

My colleagues and I at the Lincoln Institute of Land Policy have observed this firsthand in various academic forums.

The unquestioning acceptance in the academic world of these findings of extreme regressivity in assessments poses a real threat to the future policy direction of the property tax.

If governors, legislators, and regulatory bodies become convinced that the property tax is regressive, these studies may provide fodder for proposals to cut, cap, or even eliminate property taxes.

Such an outcome would be unfortunate since the property tax has many virtues.

Among its most important qualities is that the property tax is both visible and transparent. Not only do taxpayers know what they are paying, but it is also relatively easy for them to observe what their neighbors and local businesses are paying to ensure all are contributing an equitable share.

The property tax also provides a stable revenue stream to support local government services that taxpayers require, while allowing a measure of local control over public service levels and preferences.

And property taxes are equitable in well-managed assessment systems that accurately reflect the market value of property, especially when augmented by programs that target relief to those who need assistance.

As was so well stated in my colleague Joan Youngman's appropriately titled book on the subject, the property tax is "A Good Tax."

My analysis of the Suffolk County equity statistics demonstrates the difficulties in performing ASR studies on a national basis.

I encourage other jurisdictions to consider performing their own equity review and compare the results to those provided on the Property Tax Fairness website.

ASR studies performed at the local or state level by assessment professionals familiar with the property tax structure and real estate market in their jurisdictions can provide a more accurate evaluation of assessment equity in a community.

Most assessing offices perform ASR studies on a regular basis, often annually. Local or state level assessors can provide information on assessment equity by posting the results of locally prepared ASR studies rather than relying on findings generated from national datasets.

The national studies that found regressivity in property tax assessments raise serious concerns.

If left unrebutted, their findings will likely influence any debate related to changes to property tax policies and laws.

In my opinion, assessment professionals, who are the most familiar with the property tax structure and real estate market in their jurisdictions, guided by IAAO Standards, are the best source of information regarding assessment and property tax equity.

If lower-valued properties present special assessment challenges that are inherent to real estate markets, assessing professionals can work with policymakers to implement tax policy tools such as homestead and other targeted exemptions to redress any imbalance.

Our ability to collaborate and focus on the important equity issues raised in the national assessment equity studies is critical to ensuring that property taxes remain an equitable and productive revenue source for local government.

RON RAKOW is a Fellow at the Lincoln Institute of Land Policy and is the former Commissioner of the City of Boston Assessing Department.

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Special thanks to Karen Lemnah for recommending we seek permission to reprint this article.

IAAO Membership Announcement

IAAO membership renewals for 2024 are due by December 31, 2023. An invoice will be emailed or payment can be made online. Annual membership dues are \$240 and are based on the calendar year from January 1 – December 31.

Benefits include reduced course and webinar costs, Fair+Equitable monthly magazine, the bi-annual Journal of Property Tax Assessment and Administration, and access to the Paul V. Corusy Memorial Library.

If you have questions about IAAO membership you can contact Edgar Clodfelter, VMPA at ed@nemrc.com.

Your resource for all things property

- ✓ Equalization study
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- ✓ Lister and assessor training
- ✓ Web-based applications: VTPIE, eCuse, and myVTax



(802) 828-5860



tax.pvr@vermont.gov



tax.vermont.gov

Recent VPA Certifications (Since 2020)

Ed Note: Many current Listers/Assessors are not shown here - they received their last VPA certification(s) before 2020.

Name	Town	VPA I Date	VPA II Date	VPA III Date	VMPA
Bosley, Amanda	Underhill	04/09/2018	12/22/2020		
Burnell, Jenepher		12/05/2017	09/13/2022	04/18/2023	
Chute, Aileen	Brattleboro	10/13/2020			
Coonradt, Alfred J.	Baltimore	08/27/2013	09/15/2014	12/22/2020	11/01/2023
Couture, Amy L.	Milton	09/30/2019	02/12/2021		
Dattilo, Cassandra	NEMRC	01/04/2023			
Eberhardt, Meg	Marshfield	01/12/2021	10/17/2023		
Esty, Lynnette	Weathersfield	04/06/2021			
Evans, Christine A	Westmore		05/01/2020		
Fike, John B	Reading	07/08/2015	07/08/2015	07/22/2015	07/22/2015
Gildersleeve, Teri	State of VT	09/15/2014	09/15/2014	12/22/2020	
Grassi, Kevin	NEMRC	11/22/2022			
Gulrajani, Susan	Huntington	09/05/2023			
Hayward, Phyllis	Chelsea	12/22/2020	12/22/2020	11/01/2023	
Landin, Christopher	Brattleboro				08/24/2021
Latimer, Cheyenne	Hartland	07/05/2023			
LeBlanc, Robert Todd	NEMRC			05/01/2020	06/14/2022
Lemnah, Karen					08/09/2023
Mitchell, Benton J.	PVR			08/22/2023	
Myers, Jennifer	PVR~DA	03/01/2023			
Quaderer, Robert	Hartland	10/25/2023			
Salazar, Francesca	Andover	08/22/2023			
Schaub	Tyler	09/06/2023			
Shannon, Nahoami	PVR		05/01/2020		
Stevens, Jonathan	Andover				
Stoddard, Jacob P.	NEMRC	08/30/2022			
Stoddard, Nathan	NEMRC	04/06/2021	05/10/2023		
Sund, Jeremiah	Londonderry			10/05/2021	10/10/2023
Tardie, Cristina	Hartford	04/08/2019	11/10/2021		
Teetor, Mary Jo	Poultney	09/16/2013	08/31/2015	11/14/2016	01/15/2021

Tolliver, Trena M	Woodstock	06/16/2021			
Tudhope, Cheryl S.	Orwell		04/21/2017	04/18/2019	12/22/2020
Waring, Cayle Erik	Kirby	5/11, 2022			
Waring, Marla	Kirby	04/05/2021			
Wilson, Jean	Charleston			10/01/2019	01/18/2022
Wright, Lisa	West Rutland				12/22/2020

Course Information

Offered directly through IAAO

November [Course 151: National USPAP](#)

December [Course 851: RES Case Study Review Workshop](#)

These IAAO direct courses are eligible for [PVR Grant Funding](#)

VALA Sponsored IAAO Training

Please note: VALA registration fees are not reimbursed through the State Grant Agreement.

IAAO 101 Fundamentals of Real Property Appraisal

IAAO 102 Fundamentals of the Income Approach to Valuation

IAAO 112 The Income Approach to Valuation II

IAAO 155 Depreciation Workshop

IAAO 158 Highest and Best Use

IAAO 171 Standards of Professional Practice & Ethics

IAAO 300 Fundamentals of Mass Appraisal

IAAO 311 Residential Modeling

IAAO 452 Fundamentals of Ratio Studies



Was It I-Buyers or Pandemic Prices?

Christopher Landin CAE, RES, CPRPA, GSI, VMPPA

landinassessment@gmail.com

It was very nice to see so many familiar faces at the VALA annual conference. I overheard many conversations in the hallways that blamed the real property market on “Pandemic Pricing.” In my professional reading, there was a large discussion on the influence of Institutional Buyers (I-Buyers) on the national market. That gave me the question: Was it the I-Buyers or immigration to the State which caused inflation within the real property market? I conducted a high-level examination to see which case had more of an influence.

The term I-Buyer was coined to describe large capital firms and/or Real Estate Investment Trusts (REITs) that are competing in the residential housing market. They have the ability to bring capital from Wall Street to bear against the average small investors and everyday homebuyers. It is typical for the I-Buyers to pay cash for the properties with little to no contingencies. Their motivation tends to be twofold: 1) Convert the property into a rental for cash flow, and 2) Leverage equity within the home. With the tenant paying the mortgage, the leveraged equity is tax-free cash that the company can spend anyway that they choose.

In *Are I-Buyers Manipulating the Housing Market?*, written by Marketplace, they mention the impact of I-Buyers on US markets. “DelPrete said that I-Buyers are paying above-market prices and they’re able to resell those homes for more than in the past. He found that the median price appreciation for I-Buyer transactions in 2021 is 8.1% – up from 4.7% in 2020. However, he’s said, there’s no conspiracy to push prices up.”

In Stateline’s article, *Investors Bought a Quarter of Homes Sold Last Year, Driving Up Rents*, the author claims that 24% of national home sales were bought by investors in 2021. “Investor purchases doubled or more in Florida, Nevada, Vermont, and Washington state from 2020 to 2021. In Vermont, they grew from 7% of sales in 2020 to 17% last year...” This investment strategy has driven rents higher in the US market as a whole. Approximately half of investment purchases of residential markets are split between I-Buyers and small investors.

Real property markets and impacts of I-Buyers were discussed and presented at the 2022 IAAO Annual Boston Conference by presenting assessors as well as the Lincoln Institute of Land Management. As an example, the Assessors from Boise, Idaho, discussed the explosive growth with their assessment district due to out of state buyers.

According to the National Association of Realtors from their May 2022 report, “Using deed records, we also found that the median price of properties purchased by institutional buyers in 2021 was typically 26% lower than the state median prices. The difference could be due to differences in quality of homes being purchased, as suggested by the NAR survey where 42% of respondents reported that institutional investors were purchasing homes that needed repair.”

Analysis

For statistical modeling and academic study, I obtained the entire sales study records from 4/1/2016 to 3/31/2021. With this dataset, we can examine the lead up to and transition to 2021. I am currently waiting for the 4/1/2021 to 3/31/2023 records. Once I receive them, I will update my findings. According to the Case-Shiller Index, it showed a 40% increase in residential sales prices from June 2020 to June 2022. This is comprised of the 12 largest metropolitan markets and is a three-month lagging indicator. Granted, Vermont isn't included, but these markets impact monetary policy and lending requirements, which can have an effect on Vermont's real property market.

Only residential properties were considered: Categories 1, 2, and 13. Our starting dataset was 61,749 transactions. It was trimmed for duplicate sales and any sales less than \$10,000, which could indicate a less than an arm's length transaction. That leaves 59,025 transactions which is plenty for analysis. Using a key word search on the buyer names, I searched for words and phrases that are commonly used for business purposes: INC, LLC, LLP, CORP, LIMIT, PARTNER, APARTM, PROPERT, HOLDING, VENTURE, INVESTM, MANAGEM, RENTAL, CAPIT. If one of these keywords or phrases is contained in the Buyer variable, but TRUST is not included, it was considered to be a business for purposes of this analysis. To be able to show market strata, transformation of a "Condo" was made if there was "0.00" Acreage. This along with R-1 and R-2 should give a reasonable look at strata in the market. The majority of the analysis includes "0.00" acreage records within R-1.

Figure 1 of the Appendix contains a histogram of all the sale prices in Vermont. This graph shows 99.7% (+/- 3 standard deviation) of the sales. There is a pronounced skew to the right since the maximum sale price during this time was approximately \$6.7 million. This is from all sales in the five-year period, 4/1/2016 to 3/31/2021. Figures 2 and 3 are Median Sales Price and Sales Volume. In the period of 48 to 60 months there is a significant increase in the state's market in median sales price and volume compared to previous months. Figure 4 is the Year-Over-Year Change within the market. The first three years peaked at approximately -5% to +10% growth in median sales price in the last year it peaked at -2% to +20%, which could indicate a market shift.

Now we will switch to R-1s & R-2s that businesses have purchased. I cannot speak to the intent for each individual purchase. They can range from rental income, rehabilitation, consolidation, subdivision, and/or holding for future use. All of these choices involve the economic principle of anticipation for future gain. This analysis is not drawing a conclusion that the purchase was for rental and rental alone. This can possibly indicate a change in highest and best use. One of the limitations in this analysis is the buyer who uses their name or a trust and not a business entity to purchase the property. This could lead to short-term/long-term rentals or just a second home.

Around month 50 is where the largest impact to the market occurs, which could be attributed to the COVID-19 pandemic. Figures 5 and 6 are Median Sales Price and Sales Volume. Median Sales Price peaked at \$290,000 and sale volume increased over time except for month 49 due to the COVID-19 pandemic. Figure 7 is the percentage of business purchases to the total R-1 and R-2 market, which is between 4% to 10%. This supports the claim in Stateline's article. If you look at months 49 to 55, business only made up 5% to 6% of the sales volume, and this would be the peak in Figure 2. This was only 20-25 more sales per month in volume. Figures 8 and 9 compare the median sales price paid by businesses versus the median sales price for the whole market. The range is approximately from +10% to -45% and it is approximately centered on -21%. This supports the claim of the Realtor's

findings. Figures 10 through 12 look at different strata of the market: Condo, R-1, & R-2. Approximately 60% of the market was R-1, and Condo and R-2 comprised about 40%. This changed after month 50, when R-1 began to decline and Condo and R-2 shifted in demand.

Population

According to the US Census Bureau and the Legislative Joint Fiscal Office of Vermont, Vermont's population was in decline from 2010 to 2019. In 2020 there was 3.05% increase of population. This corroborates the increase in median sale price and volume. We have to keep in mind that not all of the close to 20,000 new Vermonters needed housing. Some could have occupied an existing second home. Figures 13, 14, and 15 involve population data generated by the US Census Bureau.

Vermont Population		
Year	Population	Change
2019	624,046	
2020	643,085	3.05%
2021	645,570	0.39%
2022	647,064	0.23%

Conclusions

A 3% increase in population could support the increase in the real property market. With an increase in demand, the price may rise within the market. Vermont may still be suffering from a lag in its supply. The increased cost of materials and higher demand for skilled labor could affect affordability in new construction.

Business purchases of R-1 and R-2 properties between approximately 4% to 10%, which is consistent over time. During the keyword search, with a cursory examination of the records, I did not see a significant number of records under Buyers with I-Buyer company names such as Opendoor, Offerpad, Flyhomes, Homeward, Orchard, and ExpressOffers. At this point in time, the Vermont real property market may not have been considered a viable market for I-Buyer company purchasing guidelines. In Stateline's article, it was mentioned that business buyers grew from 7% in 2020 to 17% in 2021. Since the data set ends at 3/31/2021 it may not have captured more current change in the market as of yet.

The inflation in sales prices in the residential real property market looks to be driven by the population for this time frame. It appears a natural part of the market and our assessment models need to be updated to better capture this data. I cannot conclude that I-Buyers will not have an effect on the market in the future. This may change with additional data from 4/1/2021 to 3/31/2023. The reader should remember that this is a high-level analysis and due diligence is always required. This is not an appraisal but a state-level market research analysis.

Sample Months 4/1/2016 to 3/31/2021									
Month & Year	Sample Month	Month & Year	Sample Month	Month & Year	Sample Month	Month & Year	Sample Month	Month & Year	Sample Month
April-16	1	April-17	13	April-18	25	April-19	37	April-20	49
May-16	2	May-17	14	May-18	26	May-19	38	May-20	50
June-16	3	June-17	15	June-18	27	June-19	39	June-20	51
July-16	4	July-17	16	July-18	28	July-19	40	July-20	52
August-16	5	August-17	17	August-18	29	August-19	41	August-20	53
September-16	6	September-17	18	September-18	30	September-19	42	September-20	54
October-16	7	October-17	19	October-18	31	October-19	43	October-20	55
November-16	8	November-17	20	November-18	32	November-19	44	November-20	56
December-16	9	December-17	21	December-18	33	December-19	45	December-20	57
January-17	10	January-18	22	January-19	34	January-20	46	January-21	58
February-17	11	February-18	23	February-19	35	February-20	47	February-21	59
March-17	12	March-18	24	March-19	36	March-20	48	March-21	60

Appendix

Figure 1 –

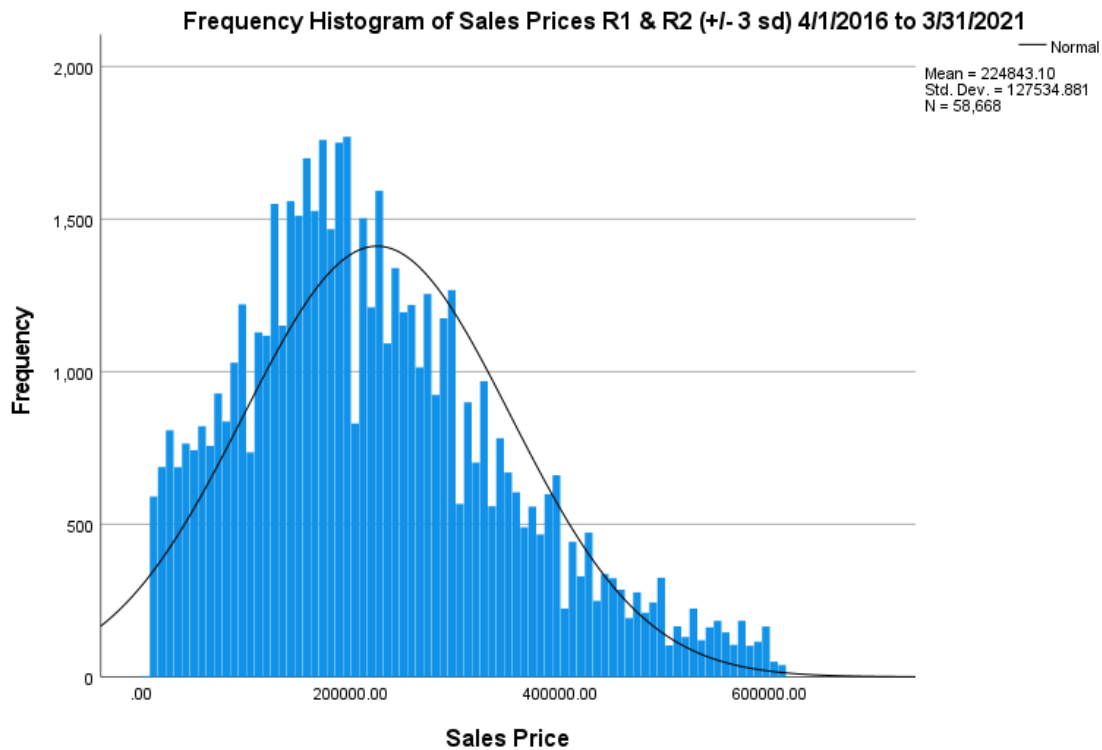


Figure 2 –

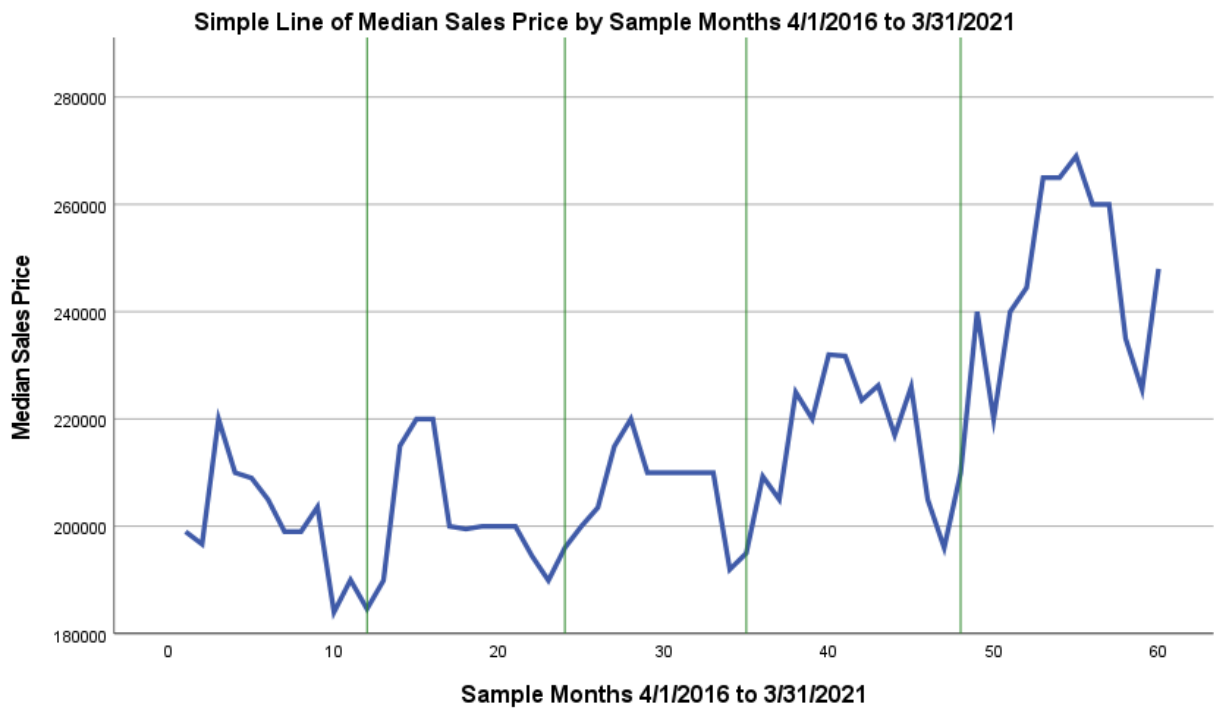


Figure 3 –

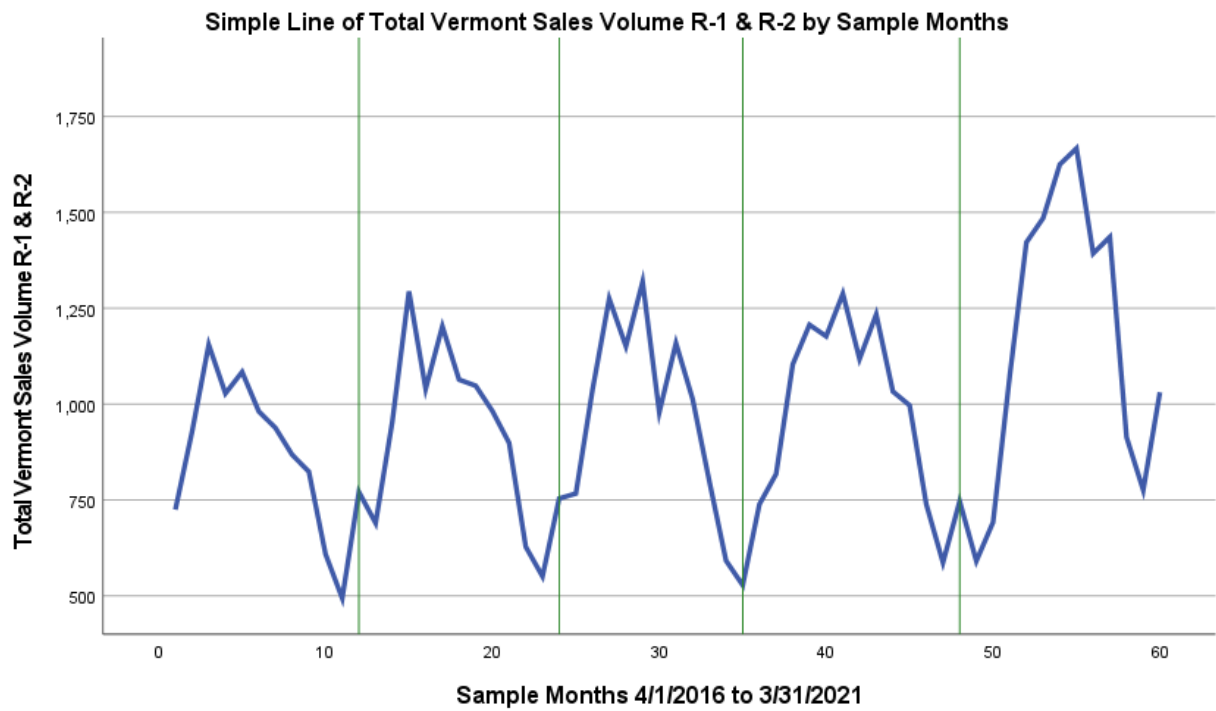


Figure 4 –

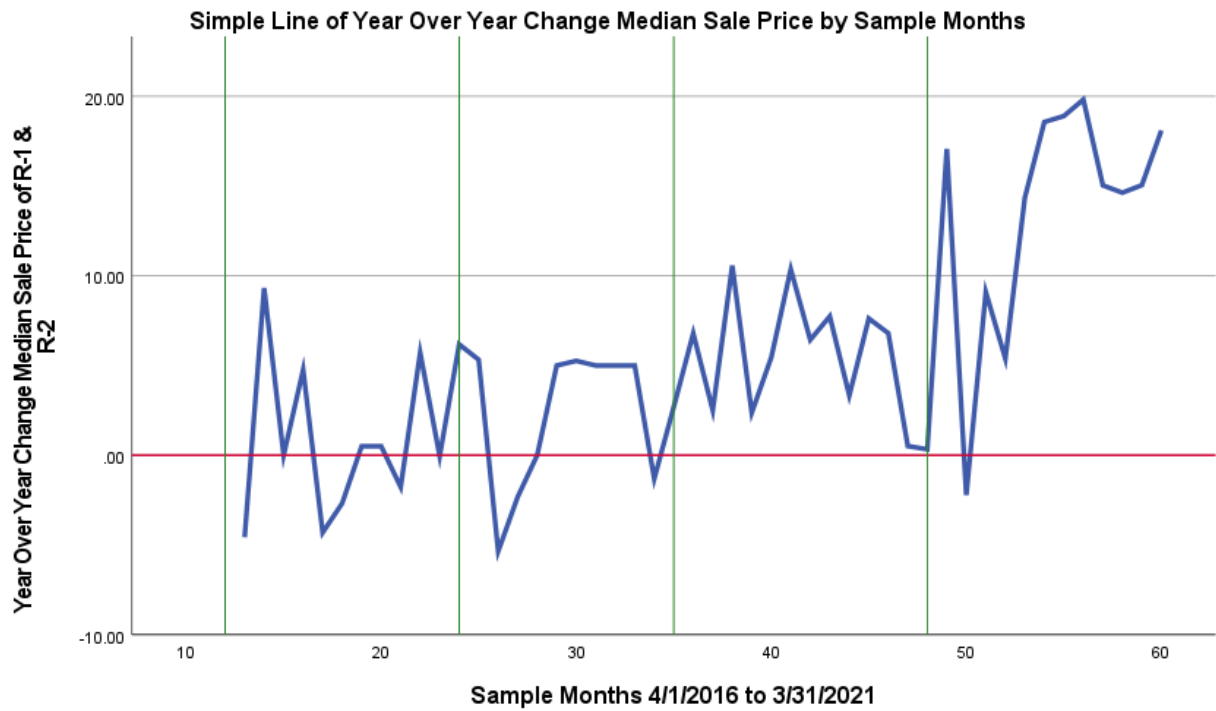


Figure 5 –

Simple Line of Median Sales Price for Business Purchased R-1 & R-2 by Sample Months 4/1/2016 to 3/31/2021

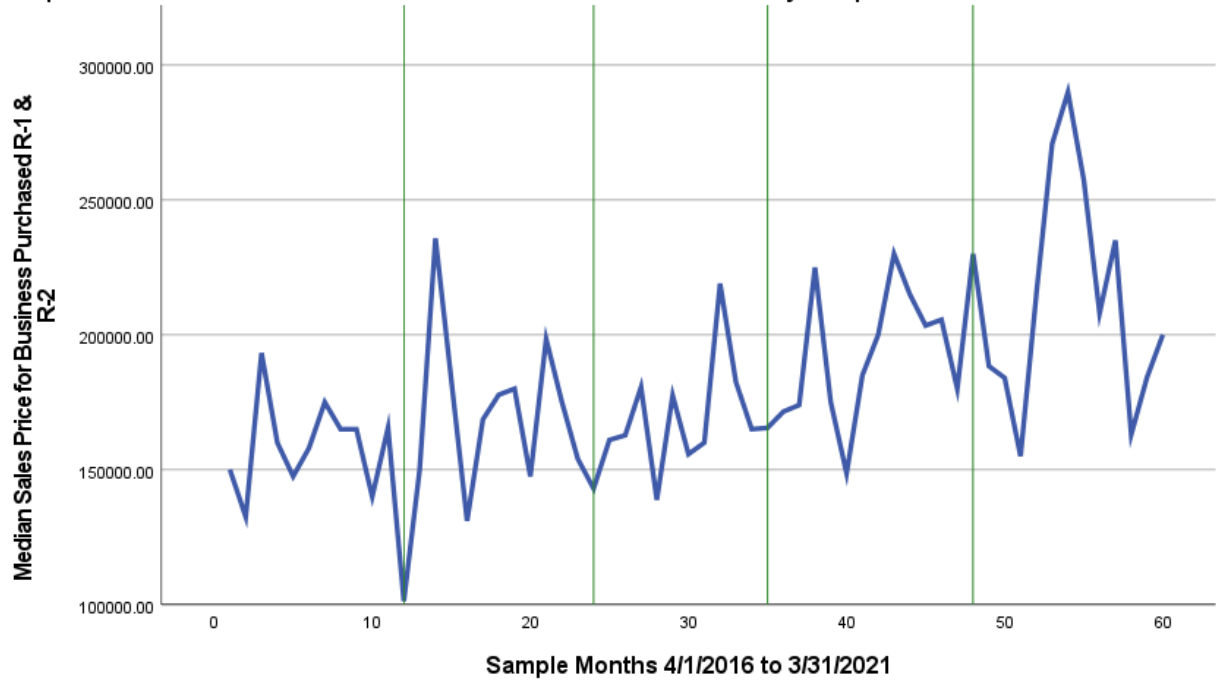


Figure 6 –

Simple Line of Sales Volume of Buisness Purchasers by Sample Months

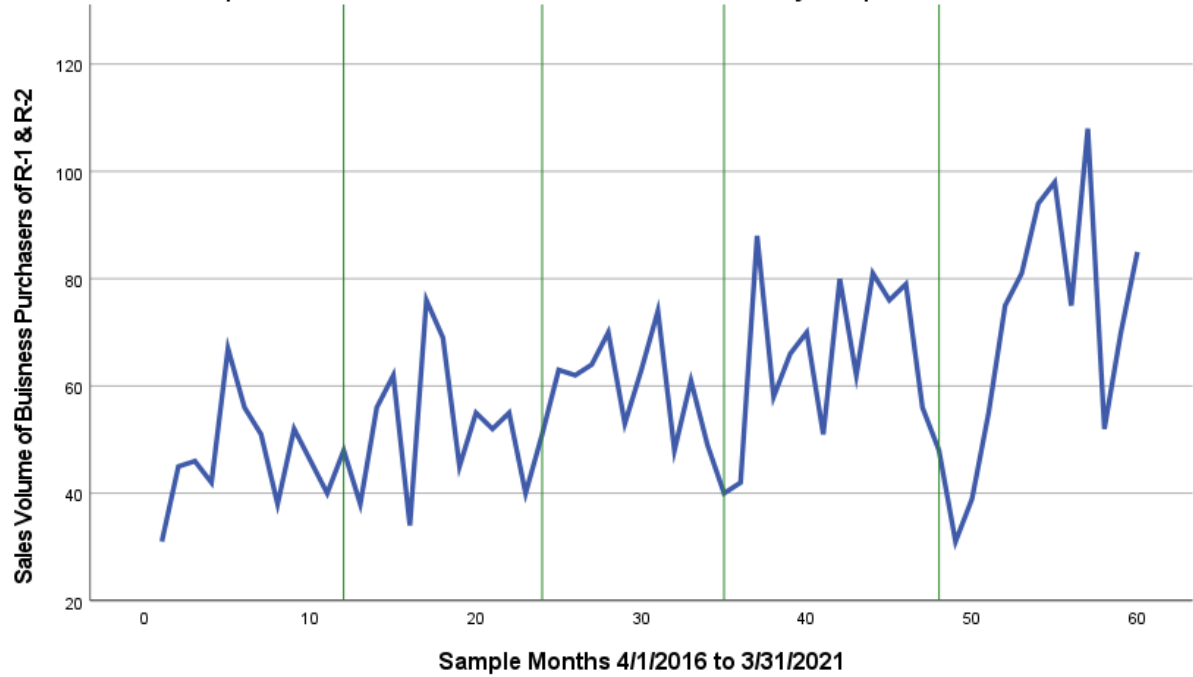


Figure 7 –

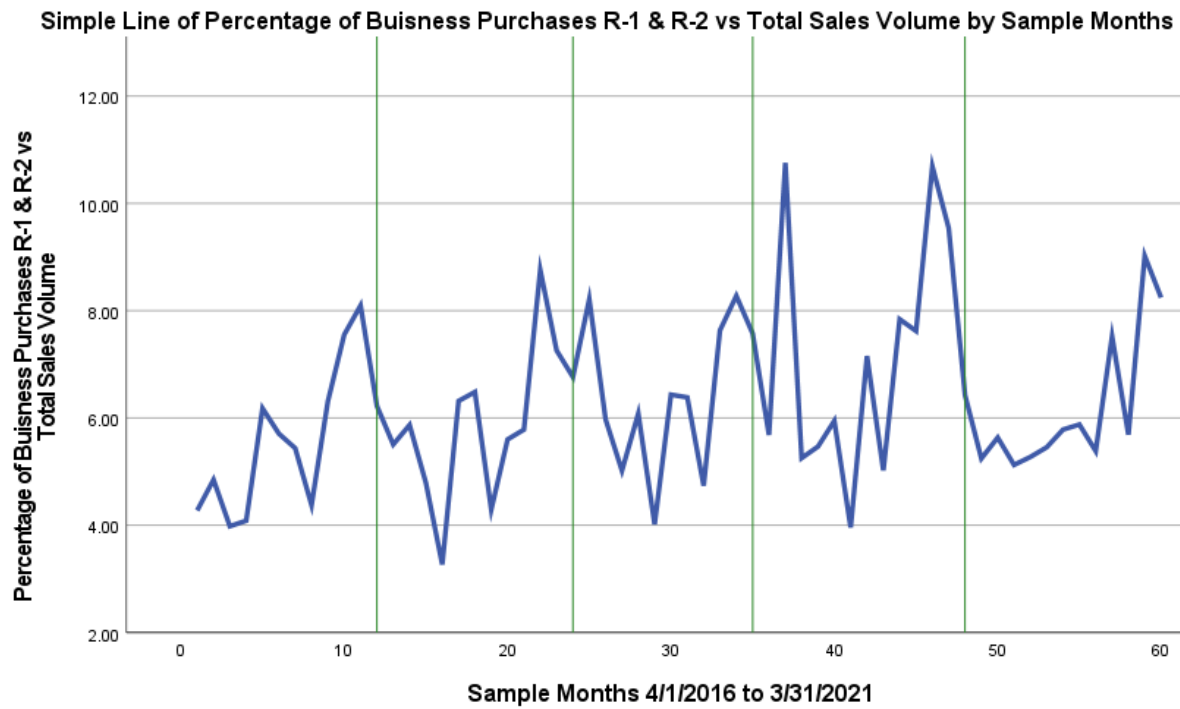


Figure 8 –

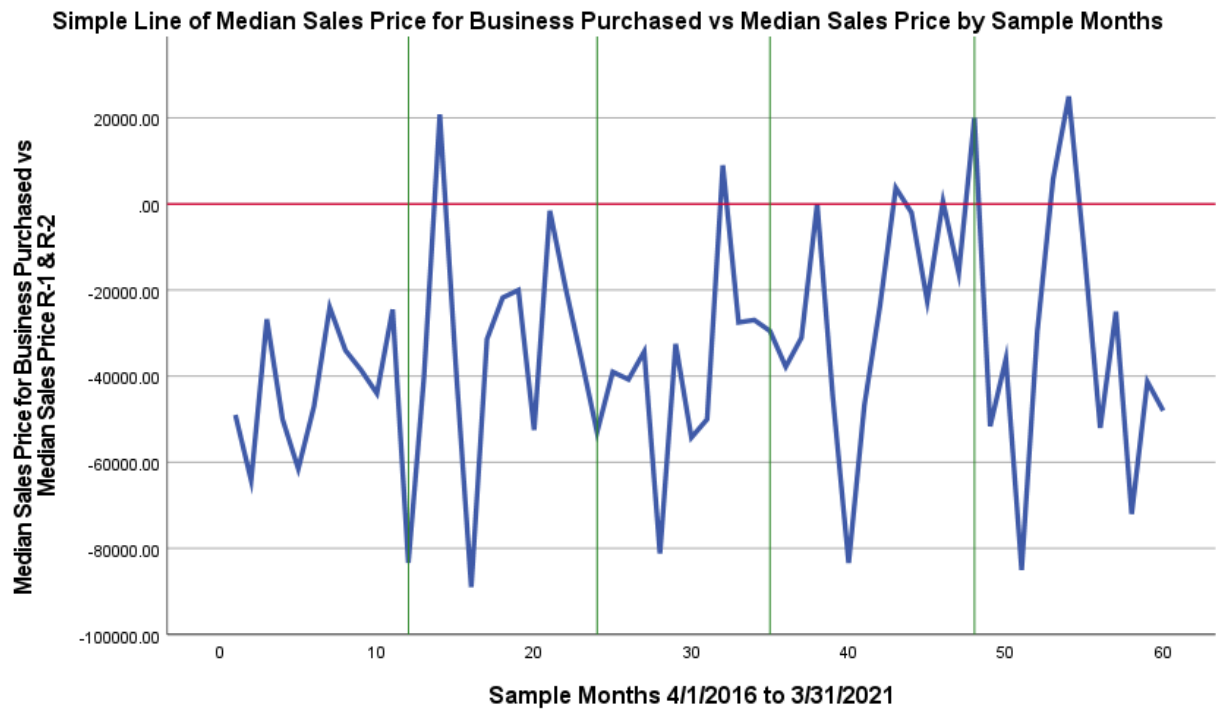


Figure 9 –

Simple Line of Percent Difference of Median Sales Price for Business Purchased & Median Sales Price by Sample Months

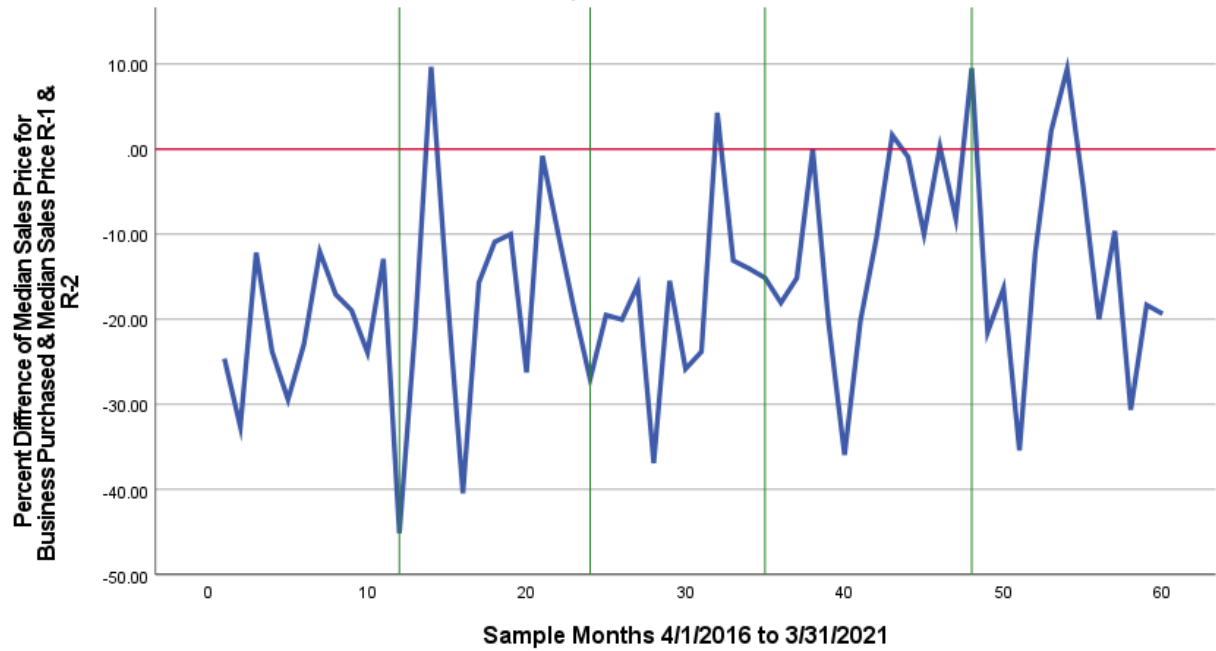


Figure 10 –

Simple Line of Percent of Condo Purchases by Sample Months

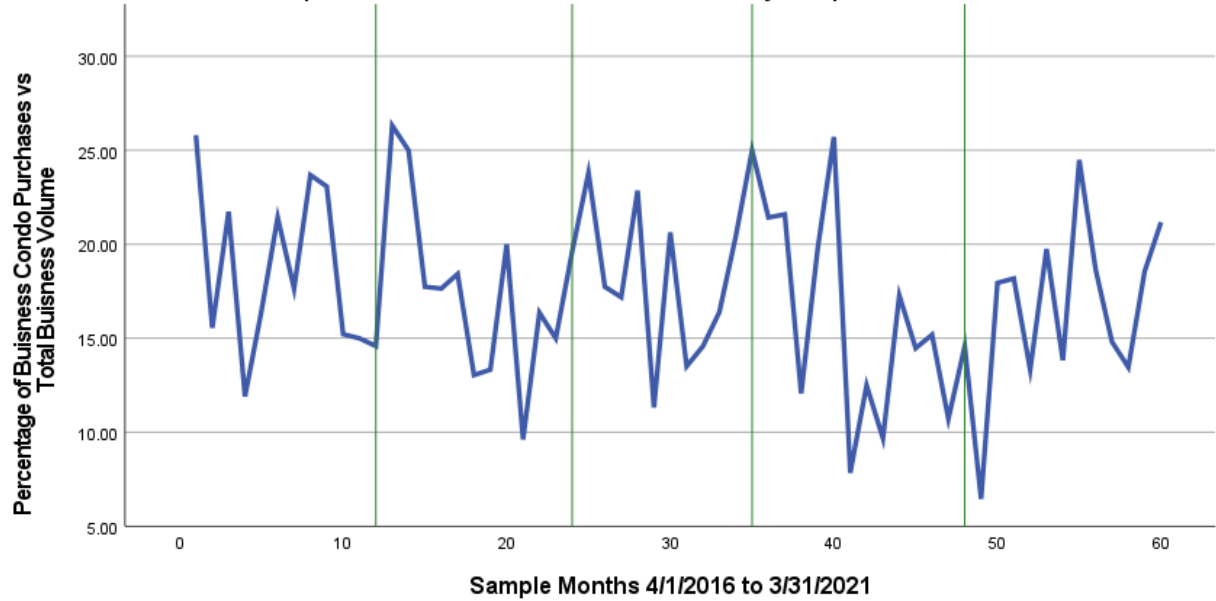


Figure 11 –

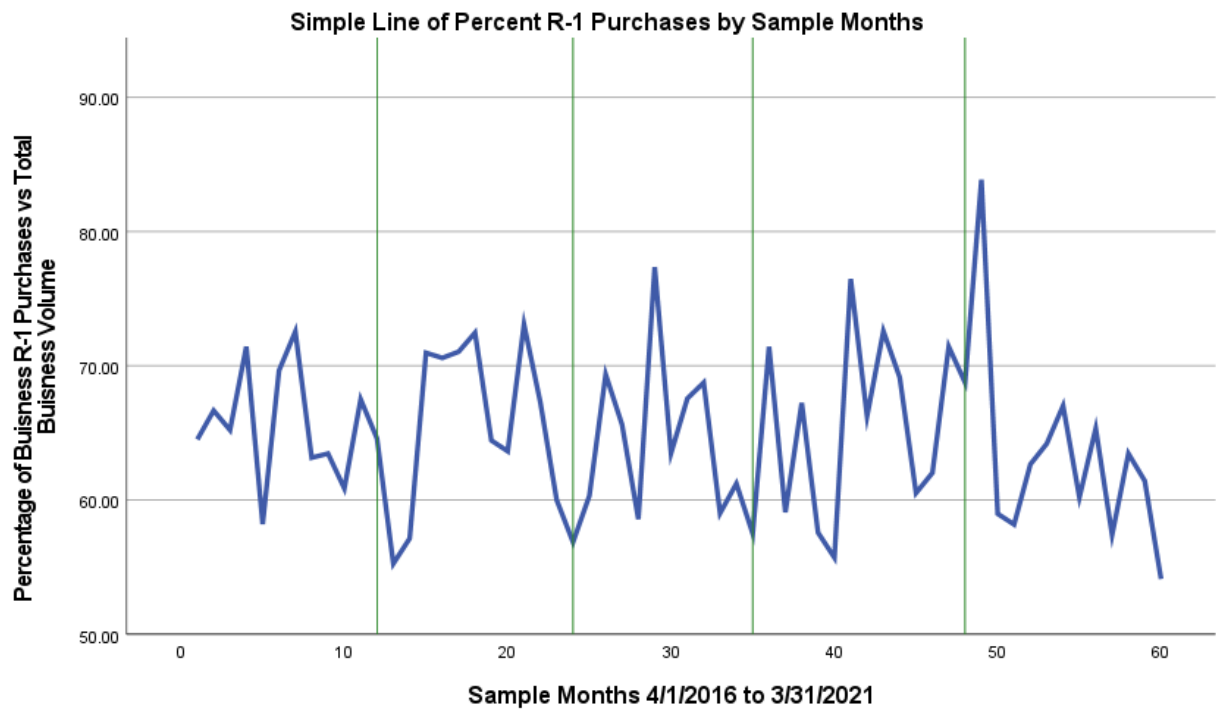


Figure 12 –

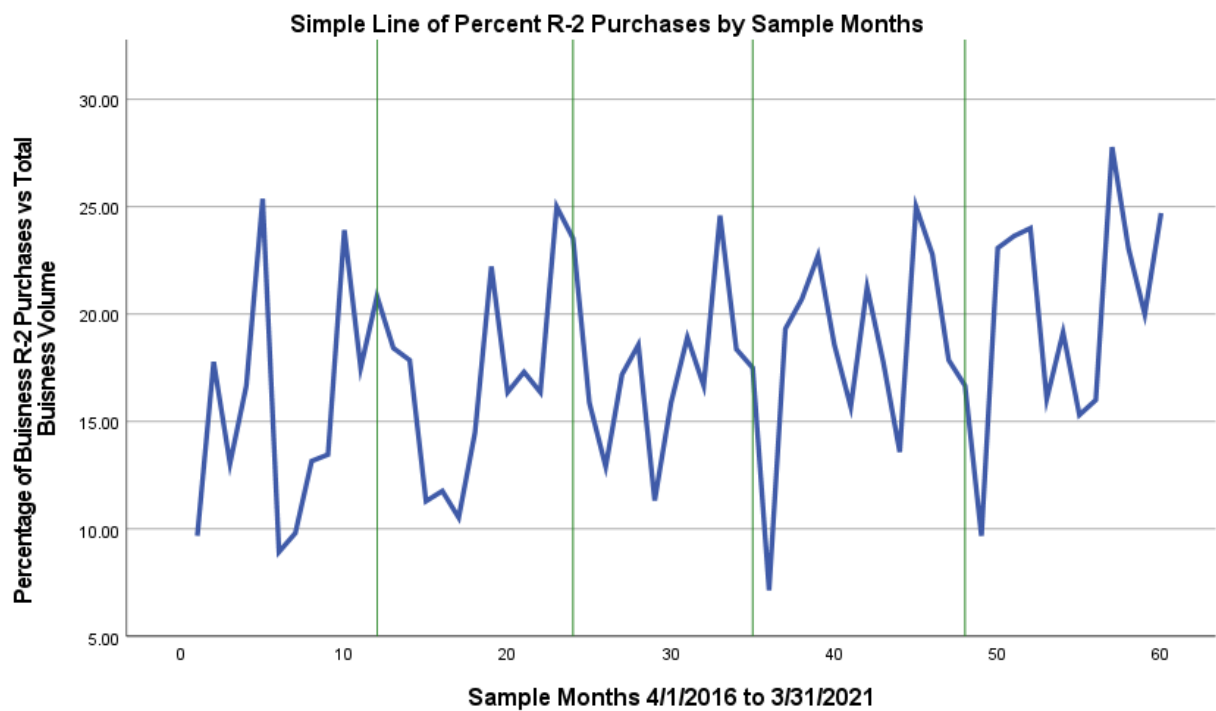
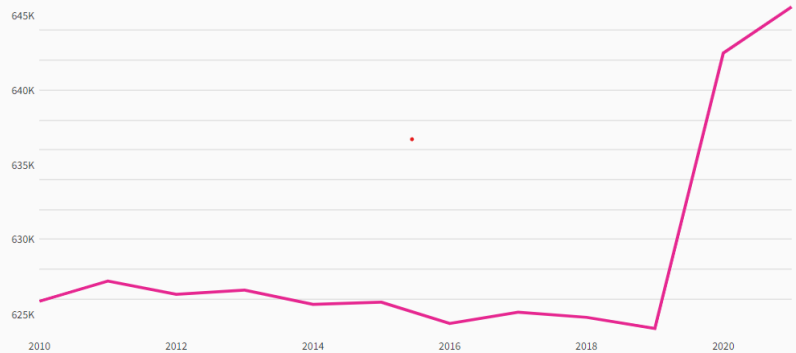


Figure 13 –

How many people live in Vermont?

Vermont's population **grew 3.1%** from the **625,886** people who lived there in **2010**. For comparison, the population in the US **grew 7.3%** during that period.

Population in Vermont



Source: [Census Bureau](#)

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Figure 14 –

PEOPLE	
Population	
Population Estimates, July 1, 2022, (V2022)	647,064
Population estimates base, April 1, 2020, (V2022)	643,085
Population, percent change - April 1, 2020 (estimates base) to July 1, 2022, (V2022)	0.6%
Population, Census, April 1, 2020	643,077
Population, Census, April 1, 2010	625,741

Figure 15 –

Housing	
Housing units, July 1, 2022, (V2022)	339,034
Owner-occupied housing unit rate, 2017-2021	72.1%
Median value of owner-occupied housing units, 2017-2021	\$240,600
Median selected monthly owner costs -with a mortgage, 2017-2021	\$1,701
Median selected monthly owner costs -without a mortgage, 2017-2021	\$724
Median gross rent, 2017-2021	\$1,070
Building permits, 2022	2,302
Families & Living Arrangements	
Households, 2017-2021	262,514
Persons per household, 2017-2021	2.35
Living in same house 1 year ago, percent of persons age 1 year+, 2017-2021	87.1%
Language other than English spoken at home, percent of persons age 5 years+, 2017-2021	5.5%

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