STOWE AREA MARKET REPORT

COLDWELL BANKER CARLSON REAL ESTATE
COMPREHENSIVE REAL ESTATE MARKET ANALYSIS

INVENTORY DOWN, NAVIGATING TODAY’S MARKET

As we saw in Q1 low inventory remains the most influential factor affecting sales. When it comes to residential homes in the area, buyers have fewer choices, ultimately resulting in a decreased number of sales.

What has increased, in many cases, is the number of offers on a home. Which has led to increased sale prices in some instances. In fact, the sale price to town assessment ratio for all price ranges, went up for the first time in 7 years. We also saw an increase in the median and average sale prices of residential homes in Stowe for the first 6 months of 2017.

Buyer demand remains high, some of which is presumably tied to the Vail purchase of Stowe Mountain Resort. We’ve had buyers express this as their reasons for choosing to invest in Stowe real estate.

Interest rates are still low and remain steady, although we’ve seen an increase in cash offers since the Q1. The overall health and outlook for the market is good and stable.

Our experience and expertise in this competitive market, has enabled us to help advise our buyers and sellers to reach their goals and achieve the best outcome.

Sincerely,

Peggy, McKee and Maggie
The Smith Macdonald Group
(802) 375-5009 | info@stowere.com | www.stowere.com
STOWE RESIDENTIAL
COMBINED: Q1 & Q2

Median: $475,500
Average: $606,703
Units Sold: 31
Available Units: 68
Months Supply: 13

STOWE RESIDENTIAL
COMBINED Q1 & Q2
Sold Price to Town
Assessment

Under $500K: 5% over
$500K-$1M: 14% over
$1M-$1.5M: 9% over
$1.5M+: 25% over

CURRENT RATES
Conventional 30 Yr
Fixed: 3.990%**
Jumbo 30 Yr Fixed:
4.125%**
FHA 30 Yr Fixed:
3.875% ***

*Rates subject to change
**Conventional & Jumbo Rates assume 20% down
***FHA is with 3.5% Down

STOWE RESIDENTIAL
SALES
HOMES UNDER $500,000 CONTINUE TO DOMINATE MARKET ACTIVITY

Over the past six months 52% of homes sold in Stowe were under $500,000. 35% of the homes sold between $500,000 and $1M. There were only three sales between $1M and $2M, and only one over $2M, at $2,525,000.

Recently, we have seen more activity in the $1M+ price point. There are currently 17 homes under contract, and 7 of those are listed over $1M. CBCRE represents the majority of the 7 homes in contract over $1M.
In Stowe, for the first six months of 2017, the total number of residential sales are down from 45 to 31, as compared to 2016. This is a sharp contrast to last year at this time and is largely due to the lack of inventory. The continued lack of new homes being listed for sale, along with high buyer demand, has affected the ratio of selling price to town assessment.

This is the first time in 7 years that we have seen homes selling over assessed value in all price ranges. Additionally, the sold to list price ratio tightened between $500,000 and $1,500,000.
Navigating the Market: While sales are down and the median price is up, this does not mean a whole market shift to upward pricing. What it does mean, is that homes in certain segments of the market should sell at a faster pace than we’ve seen in the last 7 years. The segments that are moving a bit slower are still seeing benefits of this active market. Expertise in understanding these segments is paramount in determining the best approach to selling your home.
The 50% increase in Stowe condominium sales likely speaks to buyers’ desire to own a second home or investment property at an affordable price. Somewhat maintenance free living and good rental capability add to the features that buyers find beneficial. We have seen a trend of increased condo sales since the news broke about Vail Resorts purchasing Stowe Mountain Resort. Most of the condos that have sold in 2017 are located on the Mountain Road corridor and near Stowe Mountain Resort.

There are 14 condominiums currently under contract, the highest listing price of which is $560,000. As in Q1 of 2017 we continue to see condo sales primarily taking place along the Mountain Road.
Navigating the Market: While condo sales increased there are a number of complexities that factor into which condos make up the increase in these sales and why. Two major factors are the carrying costs, including HOA fees and taxes, and resalability. Analyzing the best condo to meet your overall needs is important to making a strong investment. While resale should always be seriously considered, depending on a buyer’s needs, carrying costs can often be defrayed by renting the unit when it would otherwise go unused.
STOWE LAND SALES

A 22% INCREASE IN LAND SUPPLY FROM 2016 MEANS A 60 MONTH SUPPLY OF LAND.

STOWE LAND COMBINED: Q1 & Q2

Median: $110,000
Average: $125,600
Units Sold: 5
Available Units: 50
Months Supply: 60

Navigating the Market: Raw land is a complex purchase with many unknown factors, utilizing our expertise along with the right team of providers can help realize new home dreams.

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<th>Range</th>
<th>Sold 2016</th>
<th>Sold 2017</th>
<th>On Market</th>
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<tr>
<td>Under $25K</td>
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<td>$250k to $500k</td>
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<tr>
<td>Over $500k</td>
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<tr>
<td>Total</td>
<td>7</td>
<td>5</td>
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Land sales in Stowe have still not seen the same demand as homes and condominiums. There were only 5 land parcels sold in Q2, which was almost 30% lower than last year at this time. This is likely due to buyers continuing to find it easier to purchase a pre-existing property versus taking the time to design and build a new home, not to mention the added expense.

The median sale price per lot in Stowe dropped as much as 66% to $110,000. The highest sale price was $218,000. There are currently 6 land parcels under contract.
**Navigating the Market:** While the market remains stable year over year, the lack of inventory might start to push additional home sales up through the end of the year, if interest rates remain level.

There were 94 home sales in Lamoille County, outside of Stowe, which is slightly lower than 2016. Despite the slight drop, lack of inventory has had a similar effect on sales. The average sale price for homes in Lamoille was up 17%. However, the median price of $201,900 was down slightly, by 2%.

*Above stats are for Lamoille County excluding Stowe.*
**LAMOILLE COUNTY LAND SALES**

(Excluding Stowe)

**LAND SALES IN LAMOILLE COUNTY WERE UP BY 38%**

<table>
<thead>
<tr>
<th>Price Range</th>
<th>Total 2017</th>
<th>Sold 2017</th>
<th>Sold 2016</th>
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<tbody>
<tr>
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<td>Over $200K</td>
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<td>Total</td>
<td>167</td>
<td>21</td>
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Navigating the Market: Although cheaper lots can be more attractive, making sure it’s still suitable to build and resell remains significant.

*Above stats are for Lamoille County excluding Stowe.*

Land sales were up again in the rest of Lamoille County, from 21 to 29, which was a 38% increase. Just as with home sales in this area, affordability plays a factor. The median sale price for a lot in these towns north of Stowe is as low as $62,000.
Waterbury Residential Sales: Jan-Jun 2017

Navigating the Market: Waterbury acts like a more traditional market. Understanding the seasonality of that, and where the buyers are coming from, is ideal in selling your home.

Home sales in Waterbury saw a slight decrease of 4%, as compared to 2016. Compared to Stowe and the rest of Lamoille County, this area has been the most challenged to provide home buyers with choices. With only 38 homes currently on the market there, Waterbury is in need of more inventory. Similar to the rest of the homes in the area, the median and average sales prices both increased due to the lack of options.
There were 4 land sales in Waterbury, which is 3 more than last year. Market supply was up slightly, and both median and average prices were down.

**Navigating the Market:** There are some really nice parcels of land in Waterbury that are ready for development, making sure you choose the right one to invest in will be key to a strong investment. Some factors to consider are location, view and cost to add infrastructure.