Chapter 2: Demographic Trends

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Demographic Trends

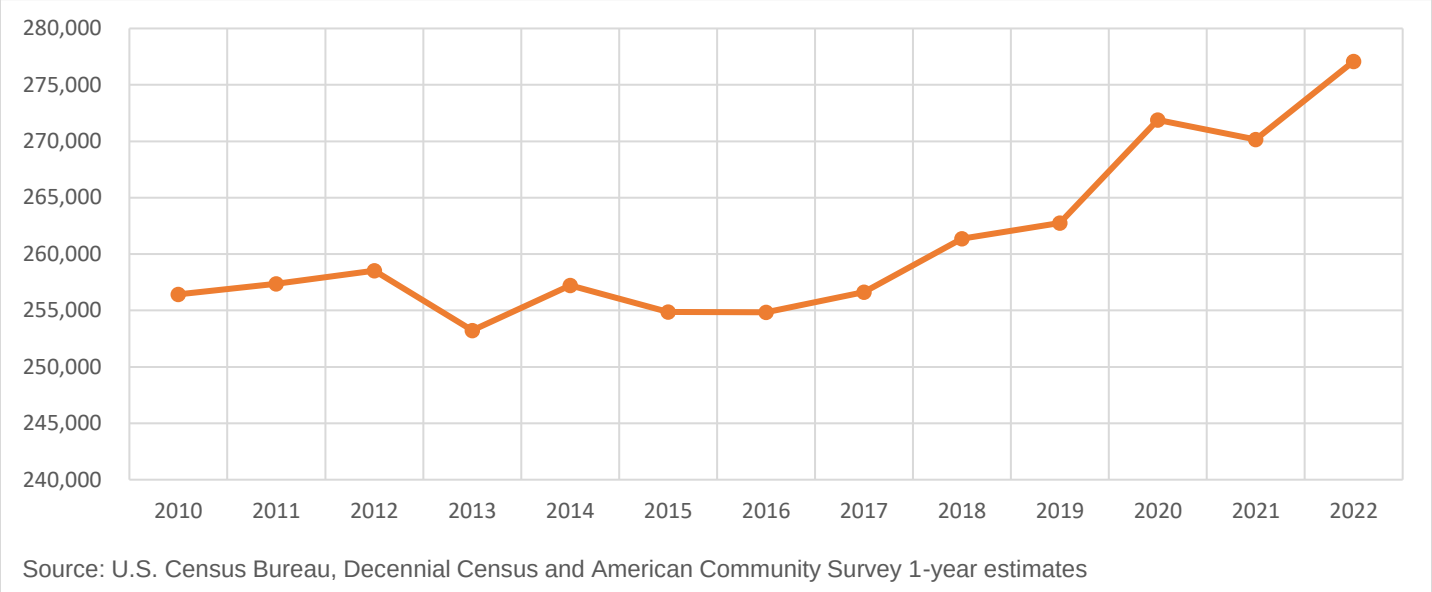
After two decades of very slow growth, demand to live in Vermont year-round began to increase in 2017 with the largest increases occurring in 2020. Between 2000 and 2020, the number of year-round Vermont households increased at an average annual pace of less than 1%, or about 1,500 households each year.

The fastest growing groups of households in Vermont in the past decade have been renters, single-person households, people aged 65-74 and people who identify as two more races.

Pace of Growth in Households Increases in 2017

The number of year-round households in Vermont was stagnant between 2010 and 2017. In 2017, a sustained increase began, with the greatest jumps occurring after the pandemic began in 2020.

Figure 2-1 Year-round households in Vermont, 2010-2022



Source: U.S. Census Bureau, Decennial Census and American Community Survey 1-year estimates

During the three years prior to the pandemic, Vermont's year-round households grew by an average rate of 1%. During the pandemic, this increased to 1.8%. Although more than Vermont had been experiencing, Vermont's pace of growth during the pandemic was lower than the national average rate of 1.9%.[16]

The increase since 2017 in Vermont year-round households has been due largely to households who own their homes. (Estimates of renters in 2017 and 2022 are not significantly different due to the potential for sampling error). Although additional rental homes have been built since 2017 in Vermont, some homes formerly used as rentals have converted to year-round owner occupancy or other purposes. In addition, some buildings formerly used for rental homes may be removed from the housing stock entirely if they fall into significant disrepair or are otherwise unavailable as housing.

Net In-Migration is Primary Driver of Recent Household Growth

The number of year-round households in a location grows when the number of households forming or moving into the location outnumbers households leaving the location, either through death for single-person households or outmigration. Growth in the total number of households in Vermont has occurred in recent years because the state's population has grown and because the number of households has increased for a given number of people, largely due households splitting from one to two. This happens when children move out of their parent's home and when couples separate. Vermont's population growth since 2020 has been entirely due to net migration (rather than to births exceeding deaths of existing residents).

[16] U.S. Census Bureau, American Community Survey, 1-year estimates for 2019-2022.

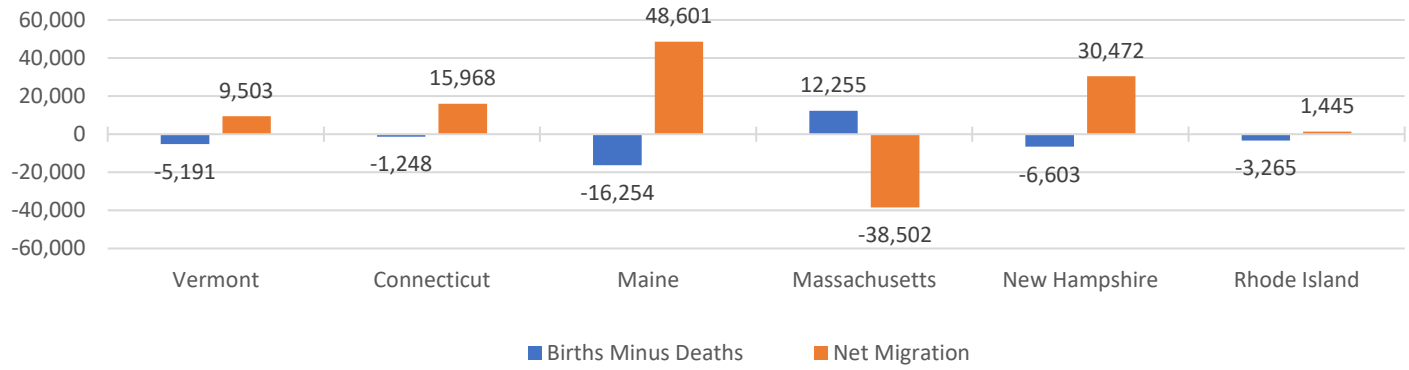
Figure 2-2 Cumulative population change, April 1, 2020 to July 1, 2023

Total Population Change	Vital Events			Net Migration		
	Natural change	Births	Deaths	Total	International	Domestic
4,387	-5,191	16,913	22,104	9,503	2,757	6,746

Source: U.S. Census Bureau, Population Division Annual and Cumulative Estimates of the Components of Resident Population Change for the United States

Several other New England states (Connecticut, Maine and New Hampshire) experienced similar patterns as Vermont of deaths outnumbering births, in-migration outnumbering out-migration and population growth during the period caused exclusively by net migration.

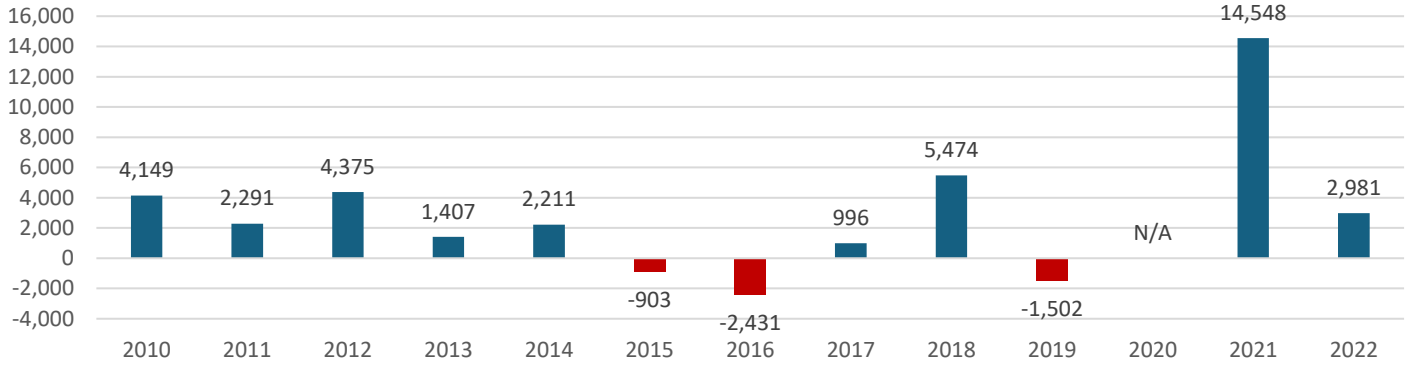
Figure 2-3 Population change by state, 2020-2023



Source: U.S. Census Bureau, Population Division Annual and Cumulative Estimates of the Components of Resident Population Change for the United States

The rate of net migration into Vermont surged in 2021 to such an extent that the state's population growth due to net inbound migration in 2021-2022 was more than the prior 10 years combined, according to a recent analysis by the state Office of the State Treasurer. The top five "sending" states for people moving to Vermont were all in the Northeast (Massachusetts, New York, New Hampshire, New Jersey and Connecticut).[17] Vermont's population increased by 2,981 from net inbound migration from other states in 2021 and 2022.

Figure 2-4 Net migration flow into Vermont by year, 2010-2022



Source: U.S. Census Bureau State-to-State Migration Flows

[17] Vermont Office of the State Treasurer, *U.S. Census Bureau: State-to-State Migration Flows 2022 Analysis of Population Movement In and Out of Vermont*, November 2023.

Characteristics of Vermont Households (2010-2029)

The portion of Vermont households that own their homes remained fairly constant in 2010-2020 at 70-72%. In 2020, when the COVID-19 pandemic started, these figures shifted slightly but are expected to return to near historical averages by 2029.

Figure 2-5 Projected year-round households by tenure, 2025 and 2029

			High ("pandemic-era") growth scenario			*Low ("pre-pandemic") Growth scenario*	
	2010	2020	2025 (projected)	2029 (projected)		2025 (projected)	2029 (projected)
Total	256,442	271,890	292,055	313,272		285,652	297,481
Owners	181,407	190,041	212,032	221,231		207,383	210,079
Renters	75,035	81,849	80,023	92,041		78,269	87,402
% Owners	71%	70%	73%	71%		73%	71%

Source: 2010 and 2020 are from U.S. Census Bureau Decennial Census. Projections for 2025 and 2029 assume VT's average annual household growth rate in 2019-2022 of 1.8% for the "pandemic era" scenario and the rate in 2016-2019 of 1.0% for the "pre-pandemic" growth scenario.

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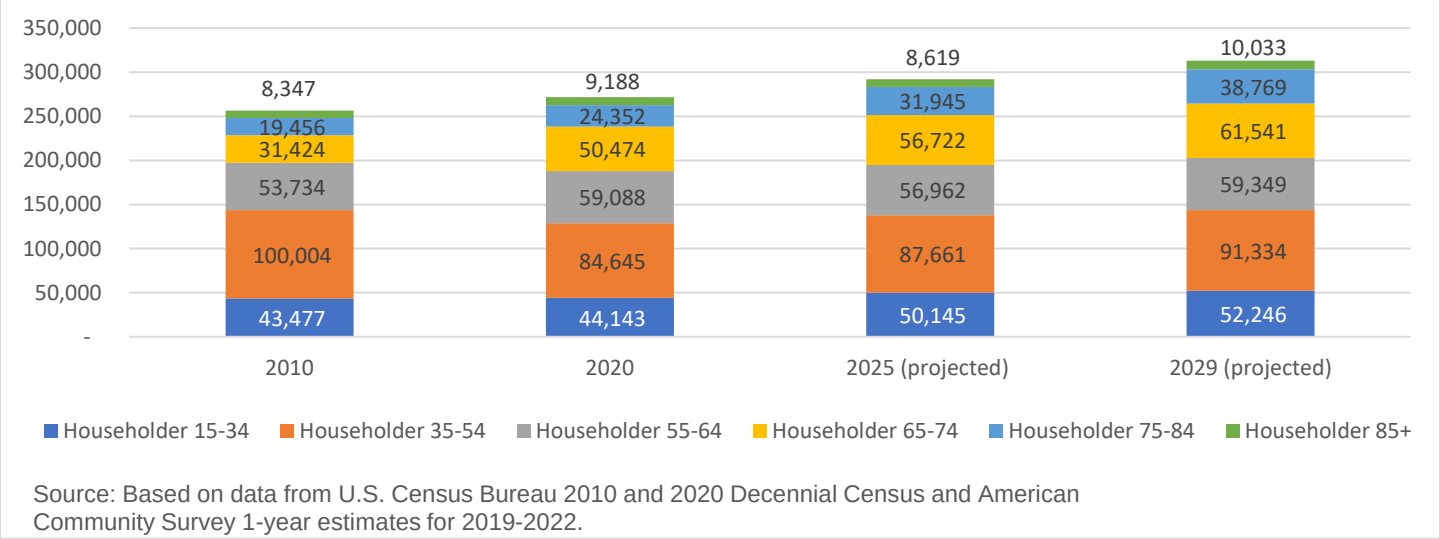
The portion of Vermont households headed by someone who is at least 55 years old has increased steadily, from 44% in 2010 to 53% in 2020. By 2029, 54% of Vermont's households will be headed by someone in this age group.

Figure 2-6 Projected households by age of householder, 2025 and 2029

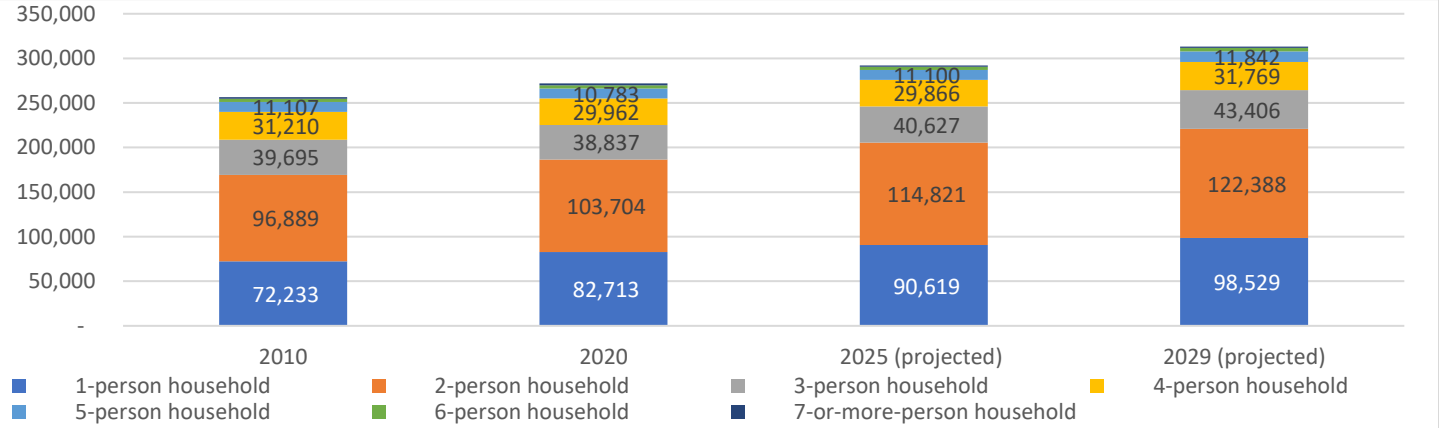


Source: Based on data from U.S. Census Bureau 2010 and 2020 Decennial Census and American Community Survey 1-year estimates for 2019-2022.

Most Vermont households have 1 or 2 members. The portion of Vermont households comprised of one or two people reached 70% in 2022 and the average household size dropped to 2.3 from 2.6 in 1990.[18] This pattern is likely to persist through 2029. Only 16% of Vermont households have four or more people as of 2022 Census Bureau estimates. Large households of 5 or more members will likely comprise about 6% of all Vermont year-round residents by 2029.

[18] U.S. Census Bureau: American Community Survey 5-year estimates, 2018-2022 (Table B25010)

Figure 2-7 Projected households by household size, 2025 and 2029



Source: Based on data from U.S. Census Bureau 2010 and 2020 Decennial Census and American Community Survey 1-year estimates for 2019-2022.

Census data on the number of household heads belonging to each race and ethnicity are indicative of the fact that Vermont is becoming more racially diverse. While the number of white householders is expected to rise by 1% between 2025 and 2029, the number of Black householders is expected to rise by 38%, the number of Asian householders by 36%, and the number of Hispanic households by 25%.

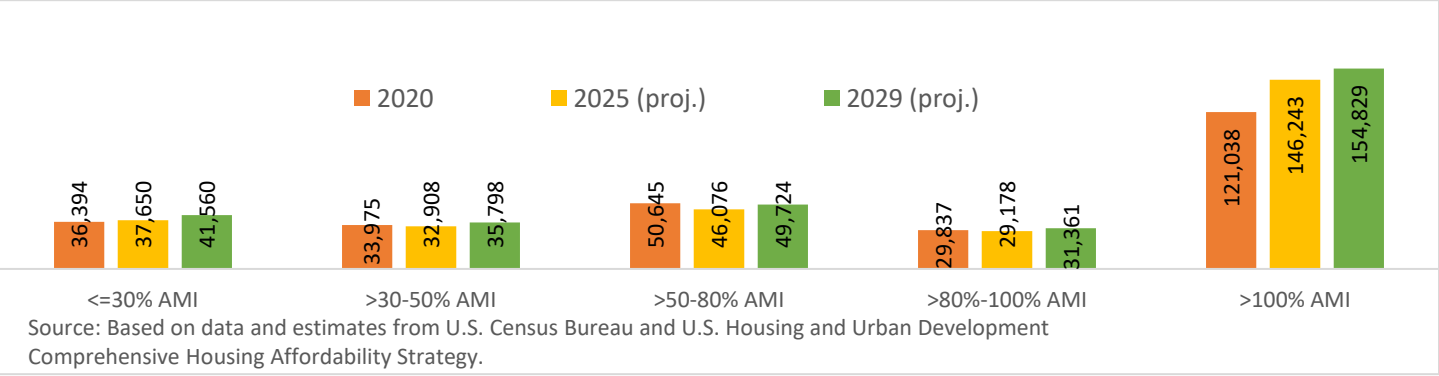
Figure 2-8 Projected households by race and ethnicity, 2025 and 2029

	2010 (actual)	2020 (actual)	2025 (projected)	2029 (projected)
White alone	248,163	250,739	263,966	267,504
Black or African American alone	1,594	2,484	3,207	4,430
Asian alone	2,077	3,224	4,359	5,934
Some Other Race alone*	554	1,746	2,291	4,786
American Indian and Alaska Native alone*	912	981		
Native Hawaiian and Other Pacific Islander alone*	48	94		
Two or more races	3,094	12,622	17,531	30,618
Hispanic householder	2,571	4,636	6,423	8,026

*Source: 2010 and 2020 are from U.S. Census Bureau Decennial Census. 2025 and 2029 assume average VT household growth rate in 2019-2022 of 1.8%. *The small number of these households required aggregation in projections for 2025 and 2029.*

The number of low-income households at or below 80% of the median are expected to increase between 2025 and 2029 by about 13,000. An estimated 9,000 of these additional households will likely be renters.[19]

Figure 2-9 Projected households by income group, 2025 and 2029



Source: Based on data and estimates from U.S. Census Bureau and U.S. Housing and Urban Development Comprehensive Housing Affordability Strategy.

[19] Based on U.S. Census Bureau American Community Survey estimates, expected 1.8% annual average household growth and average Vermont homeownership rates.