

# COMMERCIAL REAL ESTATE REPORT Q4 2023

## Burlington-South Burlington, VT Metro Area

Select a Metro Area  
Burlington-South Burlington, VT M.

### Demographics and Economy

#### Demographics

0.7%	30.4%	-10.4%	Net Migration in Vermont
population growth (2022)	share of renters (2022)	renter household formation (2022)	2,156 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	2,135 (2022)

#### Economy

8.8%	1,800	1.5%	6.4%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$61,000	1.7%	16.9%	International Migration in Vermont
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	1,312 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	1,009 (2022)

### Commercial Real Estate by Sector

#### 1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	20,145	109,957	1.3%	\$23	6.2%
2022 Q4	-70,026	-22,980	3.4%	\$23	7.3%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	9,616,714	0	0	\$0.00M	10.0%
2022 Q4	9,616,714	0	0	\$2.17M	9.5%

#### 2. Multifamily

Demand for multifamily space is **stronger than nationwide** as this area has a faster absorption of multifamily space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	89	197	5.4%	\$1,813	\$1,807	1.9%
2022 Q4	10	99	4.7%	\$1,721	\$1,715	2.0%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo		Market Cap Rate	
2023 Q4	6,506	94	192		7.4%	
2022 Q4	6,314	0	110		6.8%	

#### 3. Retail

Demand for retail space is **weaker than nationwide** as this area has a slower absorption of retail space. As a result, rents rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-2,191	17,435	3.3%	\$18	2.6%
2022 Q4	-38,003	85,681	3.2%	\$18	2.7%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	10,262,156	7.5%	\$77.00M	\$159	
2022 Q4	10,262,156	7.5%	\$12.09M	\$425	

#### 4. Industrial

Demand for industrial space is **stronger than nationwide** as this area has a faster absorption of industrial space. Despite strong conditions, rent prices rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	53,725	250,675	5.4%	\$12	1.4%
2022 Q4	-76,075	-154,842	8.4%	\$11	3.3%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	12,673,354	2,000	16,200	8.0%	\$0.00M
2022 Q4	12,657,154	0	22,359	7.4%	\$5.95M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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