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HOUSING MARKET TRENDS

Key Housing Market Trends Findings

Home sales prices surged over the past decade

Nationwide, the cost of purchasing a home increased substantially over the 2012 to 2022 timeframe. In the City of Keene, single family home prices increased 73% during the ten-year period. With prices climbing several times faster than local incomes, local buyers have certainly found closing a deal increasingly difficult. Pandemic related price impacts resulted in a 47% increase in the median home sale price in the City from just 2019-2022 in the City.

Low availability and declining time on market indicate very strong housing market

Common indicators of supply/demand imbalances include a steady downward trend in the number of homes available for sale at any given time and a shortening in the length of time homes remain on the market before being sold. The average days on the market for homes dropped nearly 45% over the last five years.

Keene has experienced tight rental market for years

Nationwide, concerns are being raised about the limited availability of rental housing. One symptom of this problem has been a steady decline in vacancy rates over the past decade or more. For the US this measure fell to 5.9% in 2021 while New Hampshire witnessed a decline to 3.9%. The City of Keene has not seen vacancies above 4% in over a decade indicating a generally tight rental market.

Rents, traditionally stable, have accelerated upward

Rental rates grew by 41% from 2012 to 2022. The most significant increases have been seen in recent years with a nearly 22% increase in average rents over the past five years.

HOME SALES PRICES

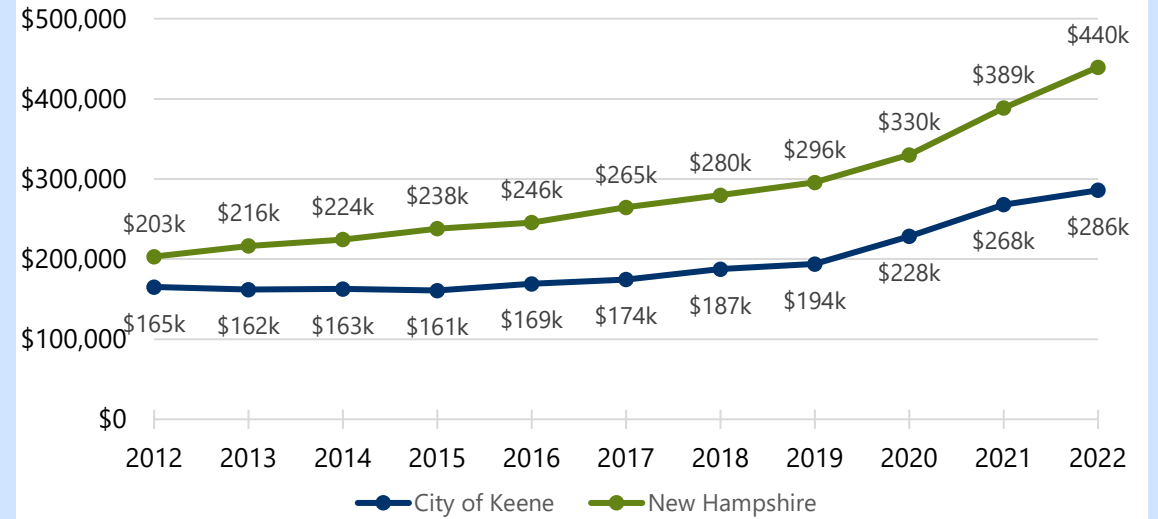
Single-family home prices surged throughout the pandemic.

Data from Redfin shows strong acceleration in single-family home prices over the past three years while the number of units sold also jumped considerably compared to recent history.

The result has been an overall rise in prices of 73% over the past decade (2012 to 2022), pricing many would-be buyers out of the market. The 2019-2022 period saw particularly sharp price increases with the median home sale price jumping approximately \$92,000 or 47% from \$194,000 to \$286,000.

The price increases in Keene followed a similar pattern at the state level. The State of New Hampshire saw an increase of 117% from 2012 to 2022. The median price for the state now stands 54% above the value recorded in Keene but ten years ago that difference was a much more modest 23%.

Median Sales Price for Single-Family Homes



Source: Redfin/Camoin Associates

Single-family Home Sales - City of Keene

Year	Median Price		Units Sold	
	Level	Growth	Level	Growth
2013	\$161,891	-2.0%	200	3.6%
2014	\$162,763	0.5%	183	-8.5%
2015	\$160,801	-1.2%	233	27.3%
2016	\$169,130	5.2%	235	0.9%
2017	\$174,484	3.2%	239	1.7%
2018	\$187,463	7.4%	233	-2.5%
2019	\$193,857	3.4%	260	11.6%
2020	\$228,334	17.8%	243	-6.5%
2021	\$267,880	17.3%	276	13.6%
2022	\$285,904	6.7%	245	-11.2%

Source: Redfin/Camoin Associates

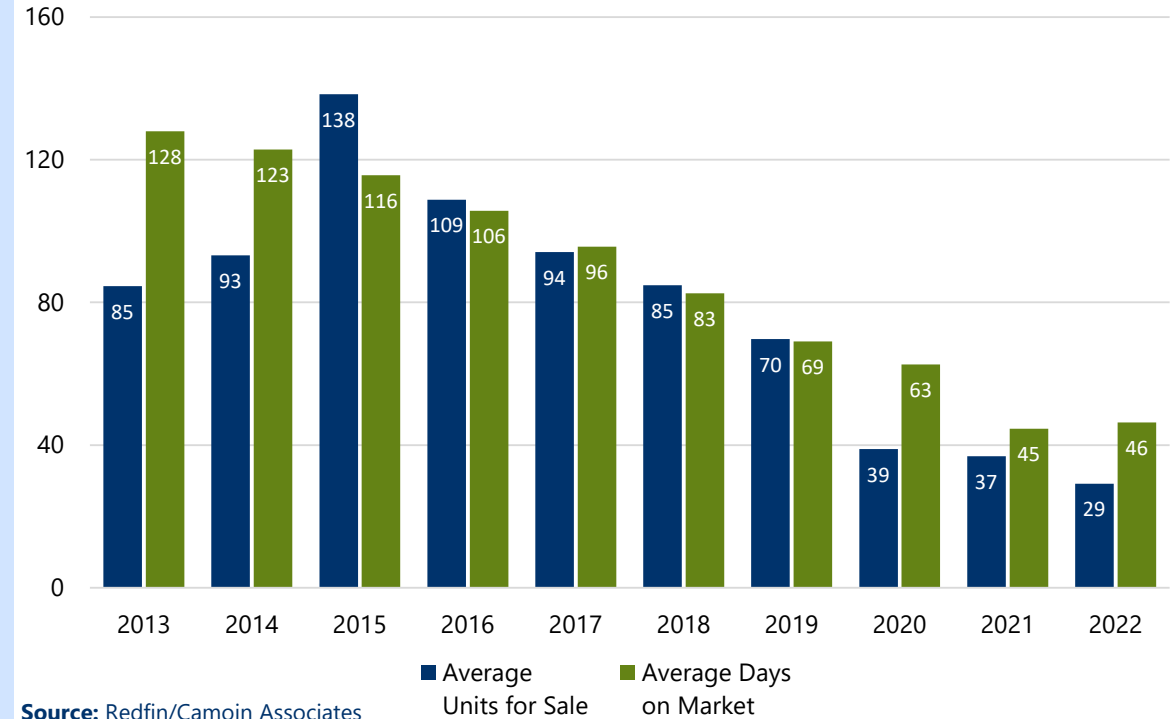
INVENTORY AND TIME ON THE MARKET

Strong demand has left a lean inventory of available units.

Buyers scrambling to close deals not only drove up prices but have also been snatching up homes much more quickly over the past several years.

The amount of time from being listed to final sale fell to 46 days in 2022. This was one-third as long as seen in 2013. Additionally, the number of available units in 2022 tumbled 79% from its 2015 peak, averaging just 29 units in 2022.

Single Family Sales Market Metrics - City of Keene



HOME SALES PATTERNS

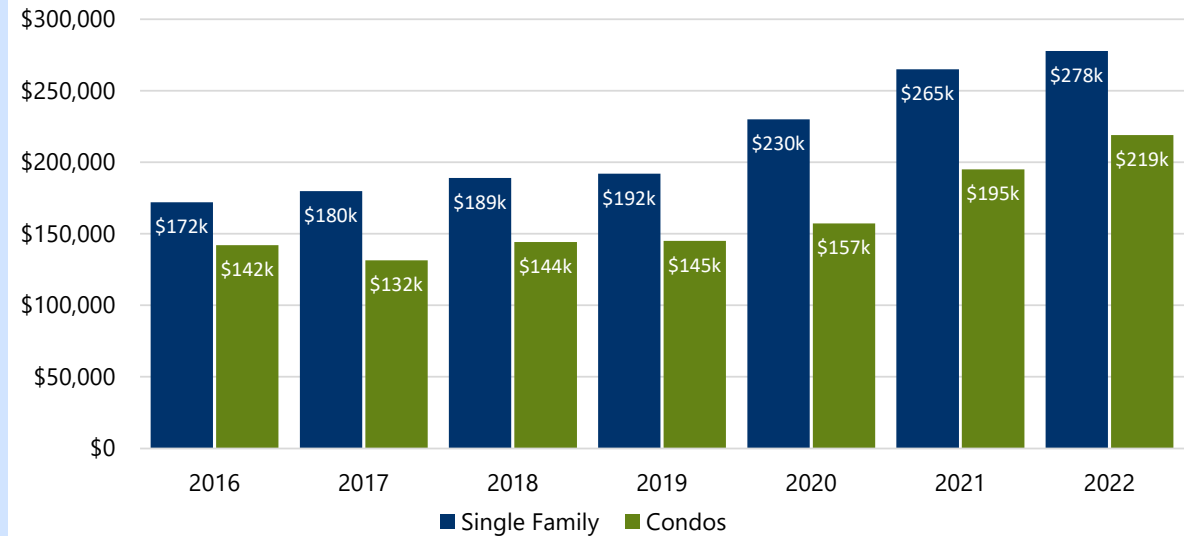
Rapid price increases also reflected in local sales records.

Records of recent sales provided by the City of Keene also reflect an extraordinary rise in prices over the past five years. The largest category, single-family homes, saw prices jump nearly \$100,000 per unit from 2017 to 2022, a 54% increase.

Remarkable price increases have been seen among other dwelling types as well. Two-, three- and four-family structures left 42 to 81% over the five-year period while condominiums were up a striking 67%.

Mobile homes, however, saw the greatest price increases more than doubling from 2017 to 2022 from \$33,750 to \$76,000.

Median Home Prices in Keene



Source: City of Keene/Camoin Associates

Median Home Prices in Keene

Year	Single Family	2-Family	3-Family	4-Family	Condos	Mobile Homes
2016	\$172,000	\$152,000	\$189,000		\$142,000	\$33,900
2017	\$179,900	\$179,950	\$166,500	\$215,000	\$131,500	\$33,750
2018	\$189,000	\$170,000	\$197,500		\$144,250	\$26,250
2019	\$192,000	\$169,900	\$190,000	\$212,450	\$145,000	\$28,500
2020	\$230,000	\$224,500	\$212,250	\$330,000	\$157,250	\$45,600
2021	\$265,000	\$250,000	\$265,000	\$285,000	\$194,950	\$48,000
2022	\$277,700	\$255,000	\$315,000	\$390,000	\$219,000	\$76,000
2017 to 2022						
Growth	54.4%	41.7%	89.2%	81.4%	66.5%	125.2%

Source: City of Keene/Camoin Associates

HOME SALES BY PRICES CLASS

A wide distribution of home prices

The 259 single-family homes sold in 2022 accounted for nearly two-thirds of sales for Keene last year. Almost one quarter (24%) of these were priced above \$400,000 – the most expensive topping out at more than \$900,000. Meanwhile, only 15% sold for less than \$200,000 - another illustration of the modest offerings of affordable homes in Keene.

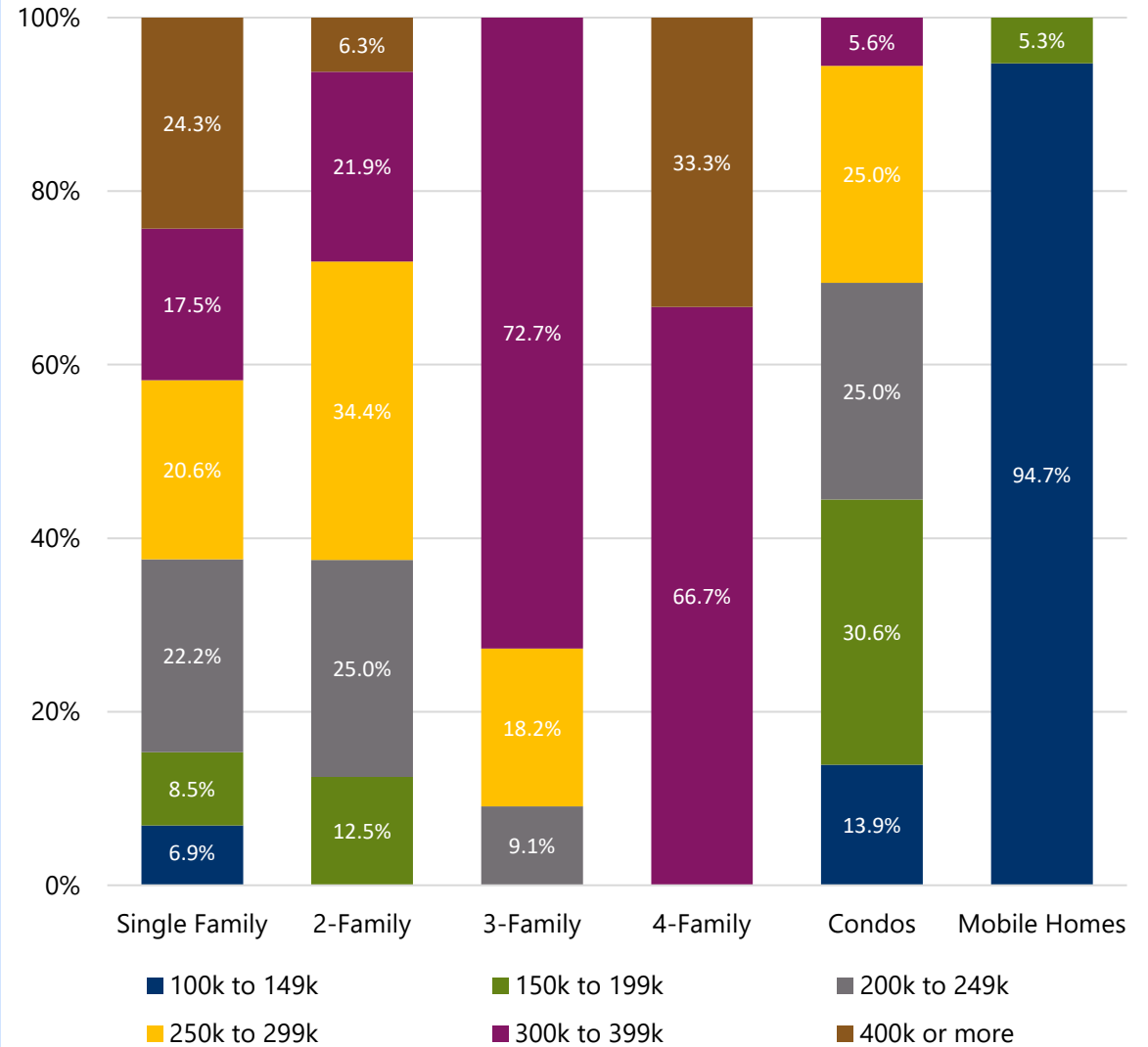
Condominiums, which account for the second largest market segment were weighted much more towards the affordable price classes with those priced below \$200,000 making up closer to half of all sales (44%).

Number of Home Sales by Price Class in Keene - 2022

Price Class	Single Family					Condos	Mobile Homes
	1-Family	2-Family	3-Family	4-Family	5-Family		
0 to 149k	13	0	0	0	0	5	18
150k to 199k	16	4	0	0	0	11	1
200k to 249k	42	8	1	0	0	9	0
250k to 299k	39	11	2	0	0	9	0
300k to 399k	33	7	8	2	0	2	0
400k or more	46	2	0	1	0	0	0
Total	189	32	11	3	0	36	19
Median Price	\$277,700	\$255,000	\$315,000	\$390,000	\$0	\$219,000	\$76,000
Percent Share							
100k to 149k	6.9%	0.0%	0.0%	0.0%	0.0%	13.9%	94.7%
150k to 199k	8.5%	12.5%	0.0%	0.0%	0.0%	30.6%	5.3%
200k to 249k	22.2%	25.0%	9.1%	0.0%	0.0%	25.0%	0.0%
250k to 299k	20.6%	34.4%	18.2%	0.0%	0.0%	25.0%	0.0%
300k to 399k	17.5%	21.9%	72.7%	66.7%	0.0%	5.6%	0.0%
400k or more	24.3%	6.3%	0.0%	33.3%	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: City of Keene/Camoin Associates

Home Sales by Price Class - 2022



Source: City of Keene/Camoin Associates

VACANCIES

Less than one in twenty-five multifamily units vacant on average in Keene

Multifamily vacancies stood at 3.9% in 2021, on par with the overall statewide rate while vacancies in Cheshire County measured significantly lower at 2.4%. These all stood in sharp contrast to the national rate, most recently measuring close to 6%.

Vacancies on owner-occupied properties, however, measure notably lower than rentals with less than 2% unoccupied in the City of Keene – a rate well above the pace seen more broadly.

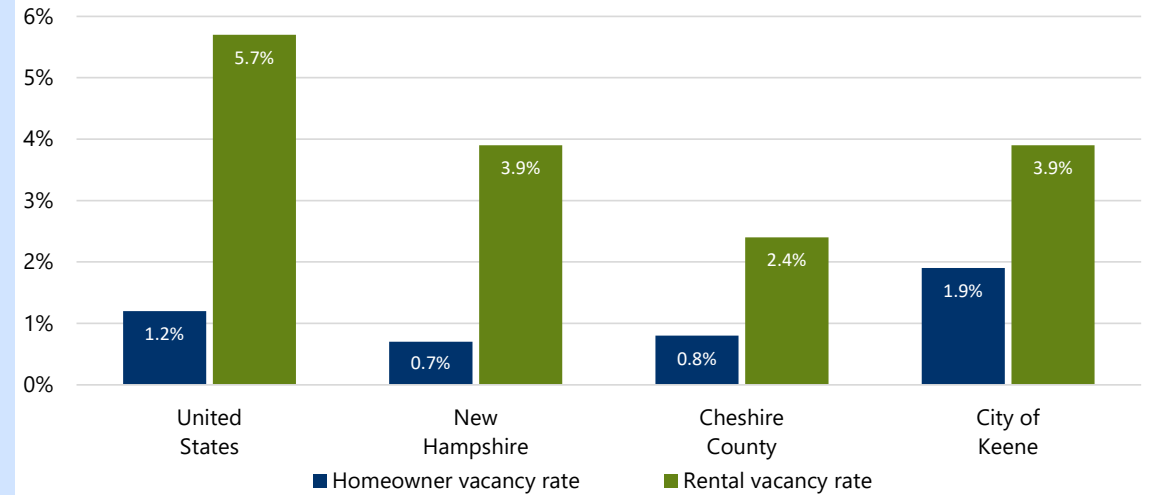
The state and nation see vacancies drop to rates Keene has maintained for the past decade

Great attention has recently been paid to the in-availability of housing within the country and state and this in part is illustrated by the declining vacancy rates seen in New Hampshire and throughout the United States.

In fact, the ten-year downward trend for the state, from 5.5% in 2011 to just 3.9% in 2021, simply brings the rest of the Granite State down to the rate Keene has faced for the past decade.

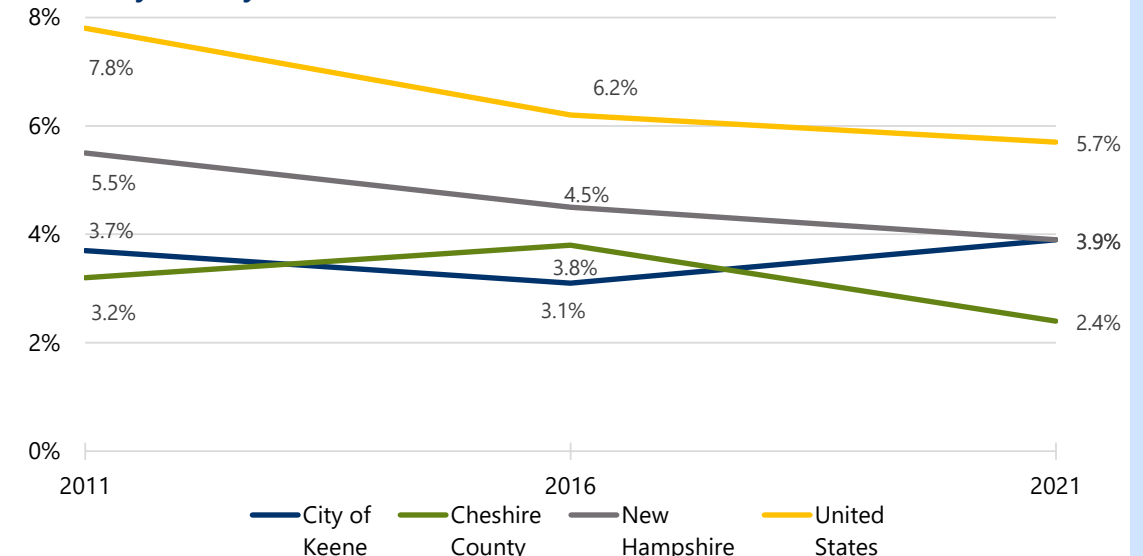
Meanwhile, concerns around availability have heightened nationally while the U.S. renter-occupied vacancy rate continues to register half-again higher than is seen in Keene.

Residential Vacancy Rates - 2021



Source: American Community Survey Report DP04

Multifamily Vacancy Rates



Source: American community Survey report DP04

MULTIFAMILY RENTAL MARKET

Evidence of strong rental market

Data from CoStar, a real estate information service, presents a somewhat different portrait of the Keene rental market. It generally focuses specifically on larger multifamily rental properties such as apartment buildings. These constitute about 30% of all rental units reported by the Census Bureau, excluding single family homes, duplexes and other smaller properties.

CoStar reported a significant jump in vacancies for 2019 following the completion of the 157-unit Washington Park development. Strongly demand growth into 2020, however, allowed for occupancies to climb and vacancies to again step back below 3%, despite the introduction of 89 new units at the Colony Mill property. Most recently, a slight decline in demand again pushed vacancies to 5% in 2022.

Multifamily Market Metrics - City of Keene

Year	Bldgs.	Units	Average Area (sf)	Monthly Rent Per Unit	Vacancy Rate	Occupied Units	Delivered Bldgs.	Delivered Units
2022	33	1,246	775	\$1,504	4.9%	1,185	-	-
2021	33	1,246	775	\$1,436	2.8%	1,210	-	-
2020	33	1,246	775	\$1,341	5.0%	1,184	1	89
2019	32	1,157	755	\$1,264	9.5%	1,047	1	157
2018	31	1,000	730	\$1,235	5.1%	949	-	-
2017	31	1,000	730	\$1,175	5.7%	943	-	-
2016	31	1,000	730	\$1,141	6.9%	931	-	-
2015	31	1,000	730	\$1,120	6.4%	936	-	-
2014	31	1,000	730	\$1,107	6.3%	937	-	-
2013	31	1,000	730	\$1,085	6.5%	935	-	-
2012	31	1,000	730	\$1,069	6.4%	936	-	-

Source: CoStar

MULTIFAMILY RENTAL MARKET

Rents increased significantly over the past decade but lagged statewide growth

For these larger multifamily properties, CoStar shows rental rates topping \$1,500 per month by the end of last year. This comes after posting a 41% increase over the ten-year period from 2012 to 2022 which easily outpaced the 31% rise in household income.

Keene's recent experience is relatively tempered, however, compared to the state as a whole. For all of New Hampshire, CoStar reports residential rental rates climbing by more than 50% over the same ten-year period, reaching \$1,700 in 2022.

With regard to size, CoStar counts a total of 33 multifamily commercial properties in the city. And, although less than one-in-five multifamily rental properties include 80 or more units, these larger developments provide more than half of this type of rental units in Keene (54%).

Multifamily Properties in Keene by Size Class - 2022

Number of Units	Buildings		Units	
	#	%	#	%
2 to 4	10	30.3%	34	2.7%
5 to 12	5	15.2%	41	3.3%
13 to 29	5	15.2%	95	7.6%
30 to 49	3	9.1%	113	9.1%
50 to 79	4	12.1%	291	23.4%
80+	6	18.2%	672	53.9%
Total	33	100.0%	1,246	100.0%

Source: CoStar/Camoin Associates

Average Monthly Rents in Keene and New Hampshire

