



# HOUSING SNAPSHOT

INSIDE THIS ISSUE:

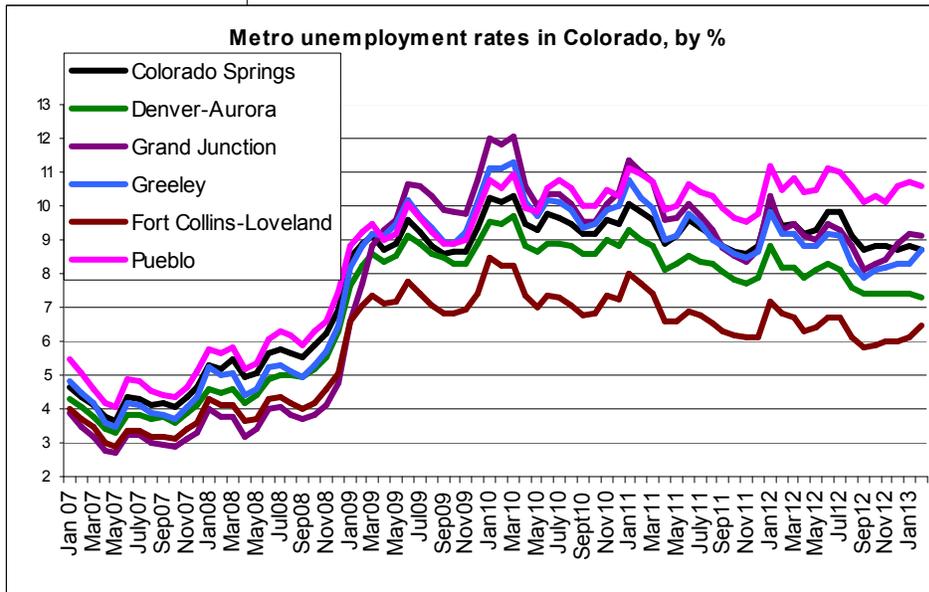
<i>Employment</i>	1
<i>Home Prices</i>	1,3
<i>Bldg. Permits</i>	2
<i>Foreclosures</i>	3
<i>Per Cap Income</i>	4
<i>Summary</i>	4

## EMPLOYMENT SITUATION IMPROVES MOST IN CENTRAL, NORTHERN COLORADO

Total employment growth in Colorado in February continued at a solid pace during February according to the most recent employment data. Employment trends in various regions of the state differ, however. The regional unemployment

rates (not seasonally adjusted) for February 2013 are: Colorado Springs, 8.7%; Denver-Springs, 8.7%; Denver-Aurora, 7.4%; Fort Collins-Loveland, 6.5%; Grand Junction, 9.1%; Greeley, 8.7%; Pueblo, 10.6%; Statewide, 7.6%. Since mid-2009, The Fort Collins-Loveland

area has consistently shown one of the lowest unemployment rates while Pueblo's unemployment rate has been above ten percent for over a year now. Over the past year, however, The Colorado Springs unemployment rate has stalled above 8 percent, and the Grand Junction unemployment rate had been heading up since fall 2012, but fell slightly in February. All areas have shown declines in the unemployment rate from February 2012 to February 2013, though. Recent revisions to the employment data also pushed up the February 2012 unemployment rate in most metros from what had been previously reported.



## A FULL YEAR OF GROWTH FOR HOME PRICES

Colorado's House Price (Expanded-Data) Index (HPI), measured by the Federal Housing and Finance Agency (FHFA), rose 3.1 percent from the fourth quarter of 2011 to the fourth quar-

ter of 2012. According to the fourth-quarter 2012 HPI, released last month by FHFA, the home price index for Colorado, in year-over-year comparisons, has risen for the fourth time

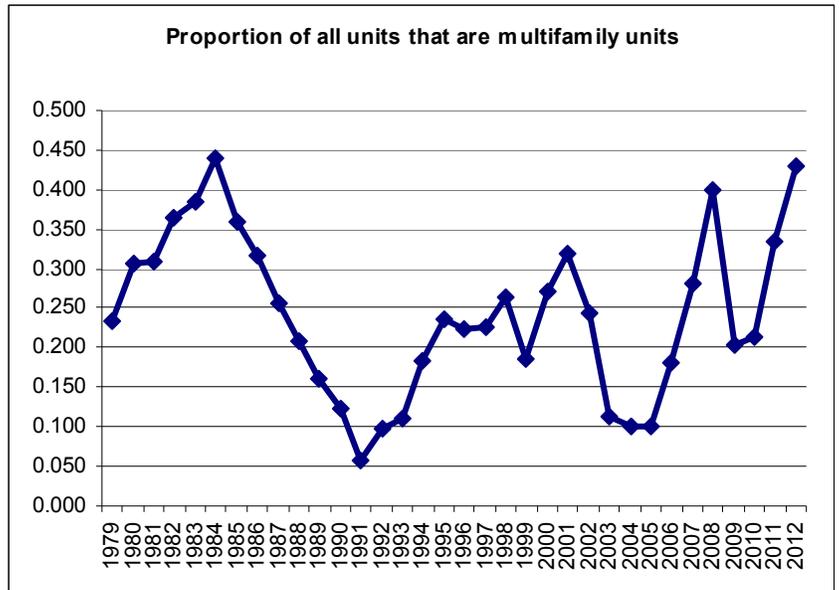
in a row, and has shown the strongest year over year growth in a decade. The Colorado HPI is now down 6.8 percent from the peak in the state's HPI which was reached during the third quarter of 2006.

**MORE on page 3**

## MULTIFAM PERMITS VS. SINGLEFAM PERMITS: MULTIFAM AT 30-YEAR HIGH IN 2012

*During 2012, the proportion of permit activity that was multifamily surged to 43 percent.*

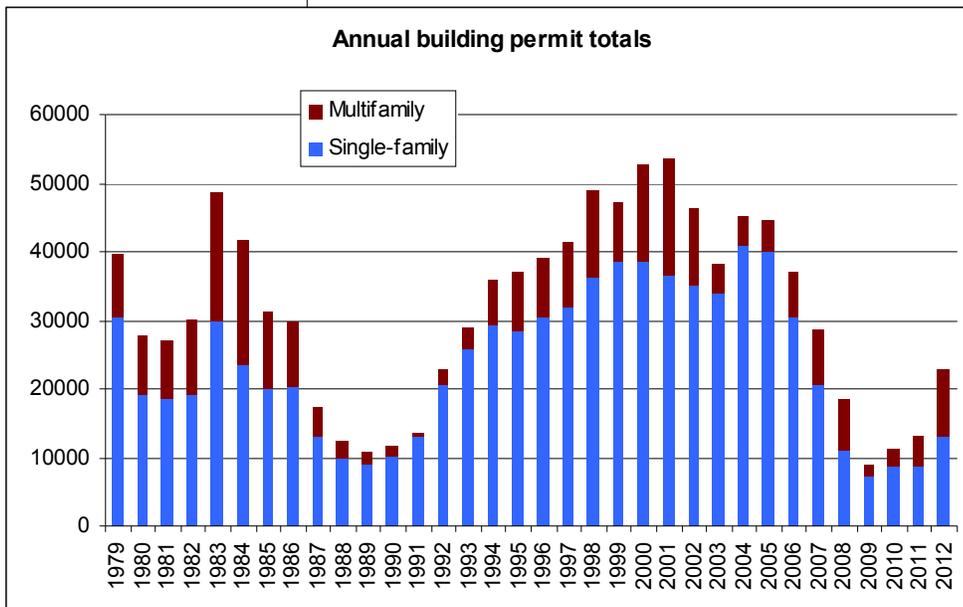
The amount of new permit activity that is devoted to multifamily permits reached a 30-year high during 2012. The bottom graph shows the total number of permits issued in each year. Obviously, there are far more single-family permits than multifamily permits in almost every year, and since the 1990s, we see that when big growth occurs in the total number of permits issued, single-family permits tend to dominate. In some periods, however, multifamily per-



mits become a sizable portion of the total number of permits being issued. Back in 1984, the proportion of all units that were multifamily units hit a very-high 44 percent. Back then, it wasn't just apartments, though, as there was a lot of

condo activity going on during the early 80s boom in Colorado. That all came to an end soon after, though, and the number of multifamily units crashed along with the economy.

During 2012, the proportion of permit activity that was multifamily surged to 43 percent. It seems that anything around 40 percent or above is a very high number for multifamily activity, and 2012 was certainly one of the biggest years for multifamily as it eclipsed singlefamily permit activity. Indeed, multifamily permit activity grew 125 percent from 2011 to 2012 and single-fam activity rose only 50 percent.



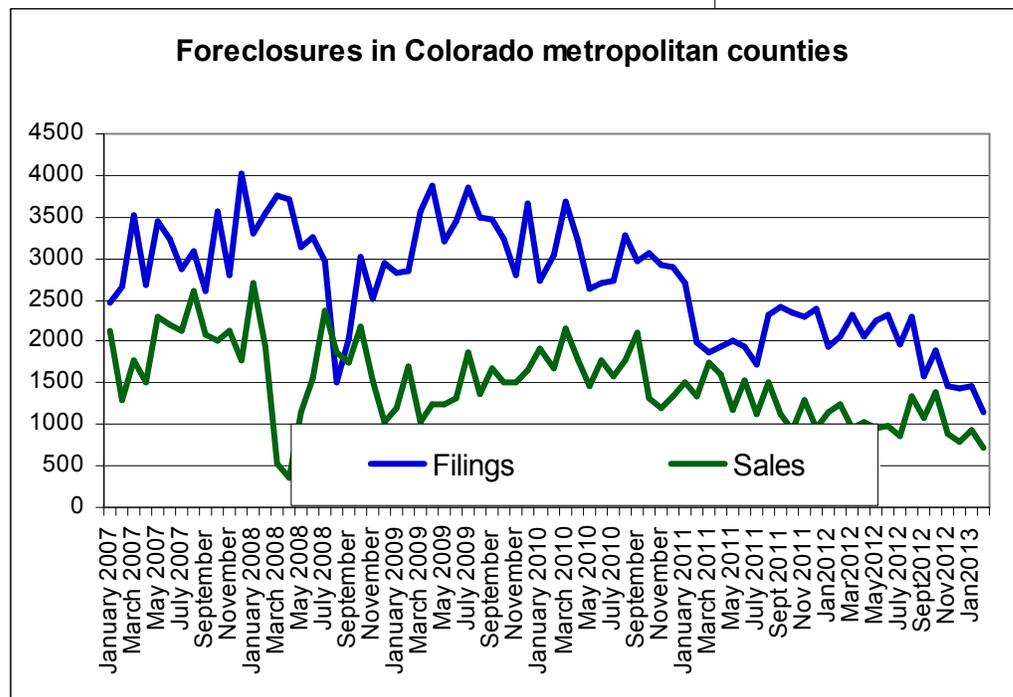
## FORECLOSURES CONTINUE TO FALL IN 2013

Foreclosure filings in metro counties were down 43.6 percent in Colorado metro counties during February 2013, falling year over year to the lowest level recorded in any month since the Division of Housing began collecting monthly totals in 2007. According to the most recent foreclosure data for metro counties in Colorado, auction sales were down 41.9 percent in February this year compared to February of last year, falling from 1,248 to 725. Over the same period, foreclosure filings dropped from 2,056 to 1,160. For the first two months of the year combined, from January through February, foreclosure filings were down 34.5 percent in 2013 when compared to the same period last year. Foreclosure auction sales were down 31.0 per-

cent over the same period. Comparing foreclosures through February this year to the same period last year, the counties with the largest drops in foreclosure filings were Douglas and Larimer counties where filings decreased by 44.5 per-

cent and 41.2 percent, respectively. Broomfield County, on the other hand, reported a 6.1 percent increase in foreclosure filings over the same period. Broomfield County was the only county surveyed to report an increase in foreclosure filings.

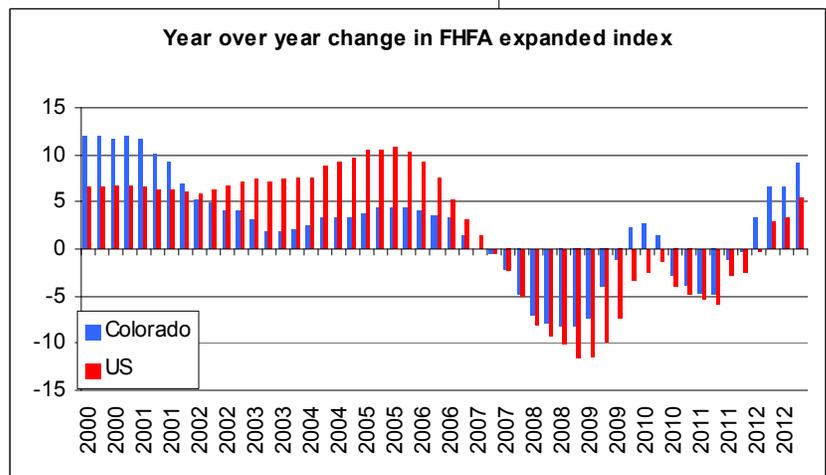
*Foreclosure filings in metro counties were down ...to the lowest level recorded in any month since the Division of Housing began collecting monthly totals in 2007.*



## HOME PRICES IN COLORADO INCREASE AGAIN

(Cont'ued From Page 1)  
 Since the peak period, the US HPI has fallen farther than the Colorado index. The Colorado index turned up significantly during the second quarter of 2012. The national HPI has fallen farther -or increased less- than the Colorado HPI in every quarter since the second quarter of 2007.

The home price index in Colorado has been increasing longer than the US as a whole, although Colorado showed less growth than the nation in the index from 2001-2007.



The Colorado Division of Housing

1313 Sherman Street #500  
Denver, CO 80203  
Dola.colorado.gov/cdh



Visit us on our searchable blog:

[www.Divisionofhousing.com](http://www.Divisionofhousing.com)

## AFFORDABILITY REPORT: FIRST QUARTER 2013

Housing Affordability will continue to be a challenge during 2013, as indicated by increasing rents and also by rising home prices. Rent growth remains strong, and home price increases began to build during 2012. 2013 looks to be another year of growth for home prices. Rent growth is likely to moderate during 2013 as new units begin to open to the public in greater numbers, but the growth rate is still likely to be positive. Foreclosures are likely to continue a downward trend into 2013, although the homeownership rate is likely to continue recent declines as well, as multifamily housing production outpaces single-family housing.

Meanwhile, employment trends do not point to substantial gains in wages and employment right now. Although there is employment growth, employment gains continue to be uneven. Employment in Southern and Western Colorado continues to face challenges, and high unemployment rates persist.

## PER CAPITA PERSONAL INCOME RISES IN COLORADO DURING 2012

Per capita personal income increased from 2011 to 2012 both nationwide and in Colorado. According to 2012 data recently released by the Bureau of Economic Analysis, per capita personal income

nationwide increased 2.7 percent from 2011 to 2012, while it increased 2.4 percent in Colorado. During the 1990s, Colorado frequently outpaced the nation, but that Colo-

rado has outpaced the nation only once during the last seven years.

Since the peak period of 2008, per capita personal income is up 4.2 percent nationwide and 2.2 percent in Colorado. Over the past decade, from 2003-2012, the national per capita personal income is up 32 percent, and it is up 27.8 percent in Colorado. Why is this? Well, some of this is due to the fact that income growth in Colorado has indeed been sluggish since the 1990s dot com boom. But, being a per capita measure, Colorado's penchant to lag the nation is also due to the fact that many young workers (who, being young, have lower incomes) are moving to Colorado in fairly high numbers. Colorado is also experiencing more population growth overall than the nation.

Year-over-year change in Per Capita Personal Income, by %

