

Housing in Colorado and its Rural Resort regions

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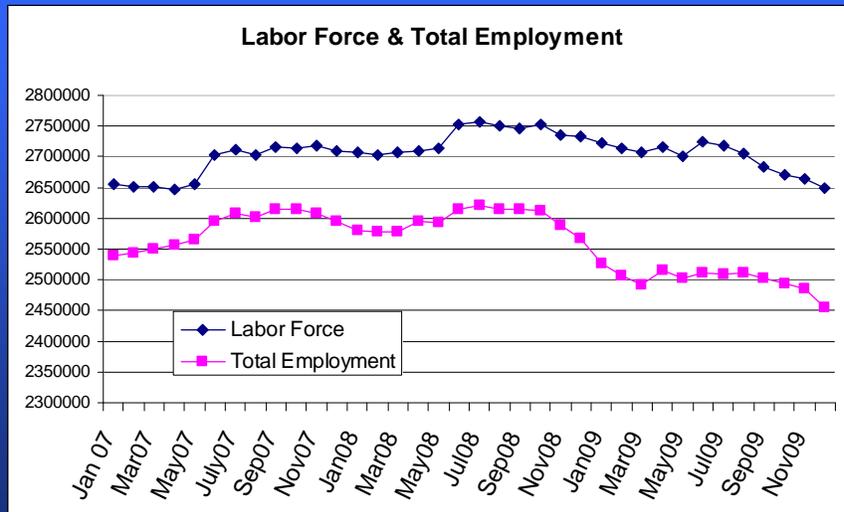
- 1. How are wages and job growth affecting housing demand in Colorado?
- 2. How is the second-home market affecting foreclosures and home values in Colorado?
- 3. Will financing become more accessible in 2010?
- 4. What areas of the state are most impacted by foreclosures right now?
- 5. What is expected with foreclosures in Colorado in 2010?



How are wages and job growth affecting housing demand in Colorado?



The unemployment rate has been kept low by a shrinking workforce. Job losses continue.

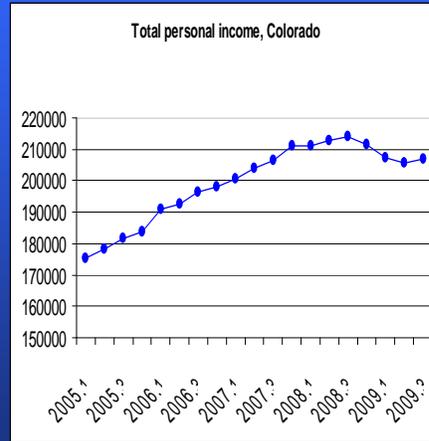
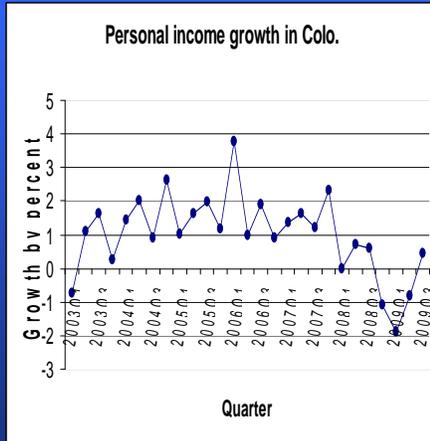


165,400 jobs lost since the peak in July 2008

But the labor force has shed 106,000 jobs

Colorado has 1.9 million households

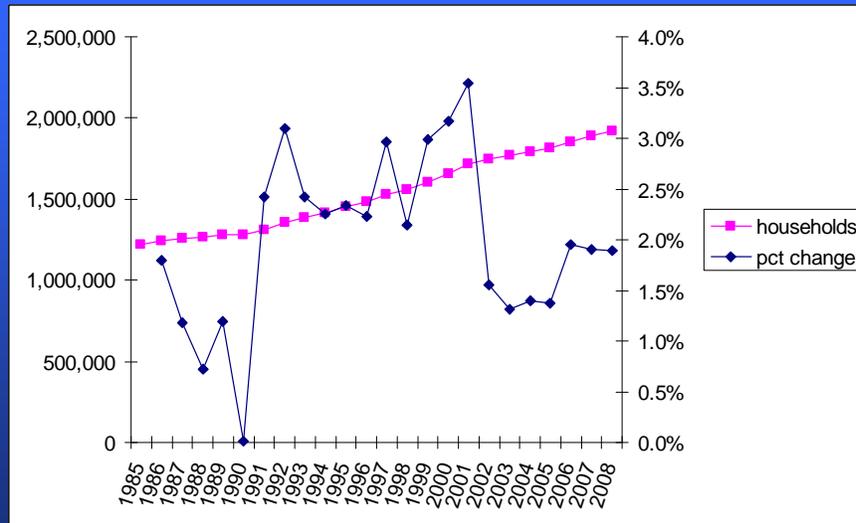
Personal income has been close to zero or negative in recent quarters.



Personal income growth negative for 4thQ08-2ndQ09

Total income growth moves downward. Approximately 7 billion \$ in income lost since the peak.

Household formation in Colorado

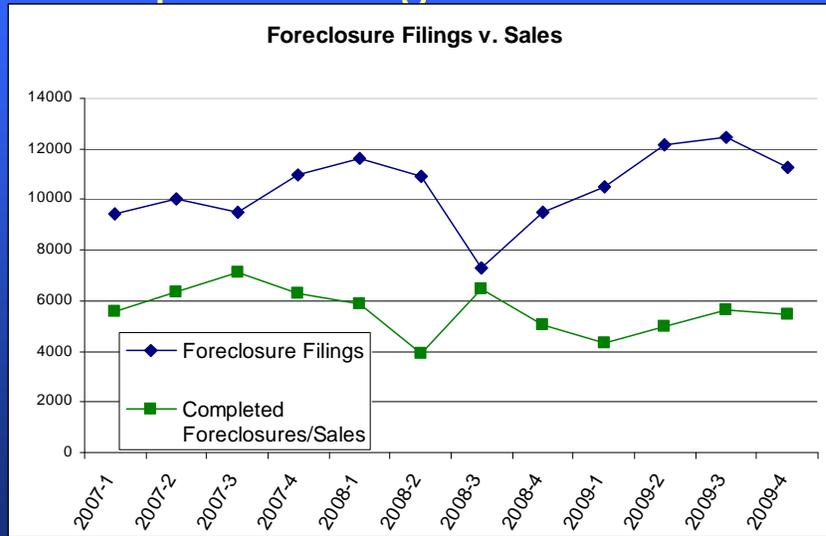


About 35K new households each year. This has an effect on overall demand for housing in spite of no job growth.

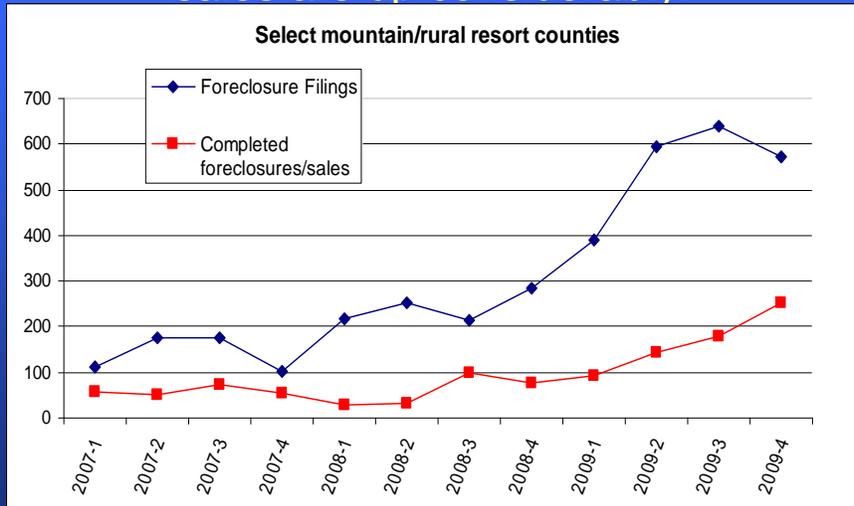
How is the second-home market
affecting foreclosures and home
values in Colorado?



Overall, fewer foreclosures are proceeding to sale.



But in mountain counties, both filings and sales are up considerably.



This is based on the following counties:

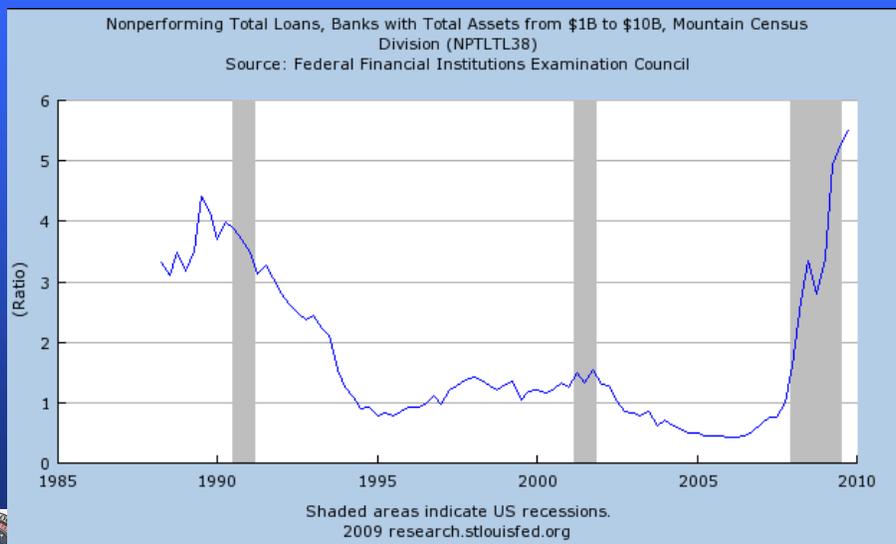
Chaffee, Grand, Routt, Pitkin, Eagle, Summit, LaPlata

This is designed to be descriptive of rural-resort and similar counties.

Will financing become more
accessible in 2010?

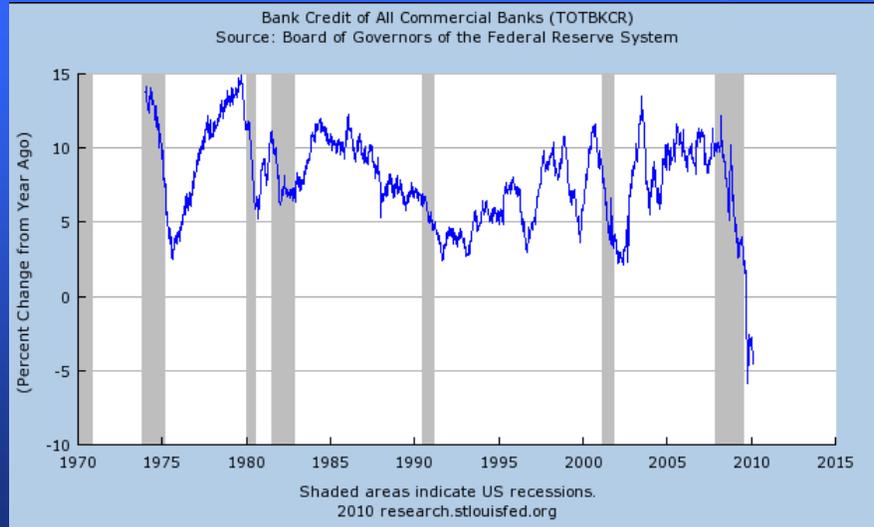


Banks have many nonperforming loans to deal with.



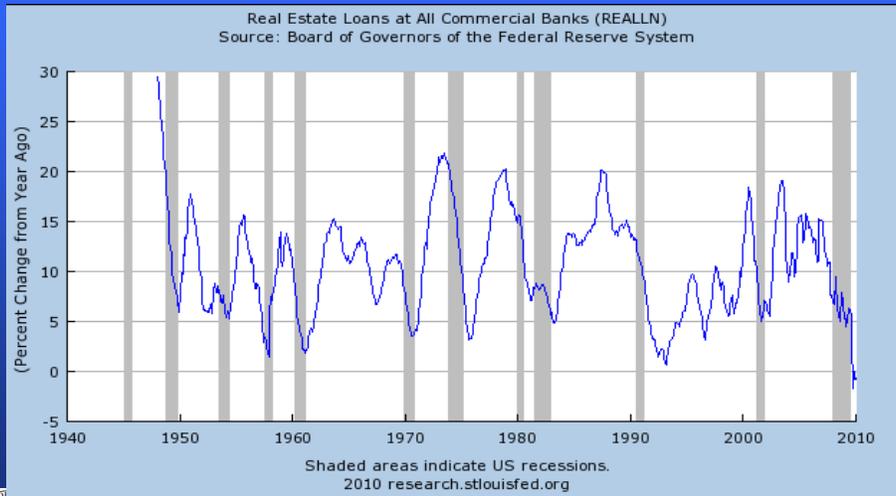
Presented as a ratio.

Credit continues to be tight.



Year-over-year pct change shows negative growth in credit.

Real estate loans show little growth.

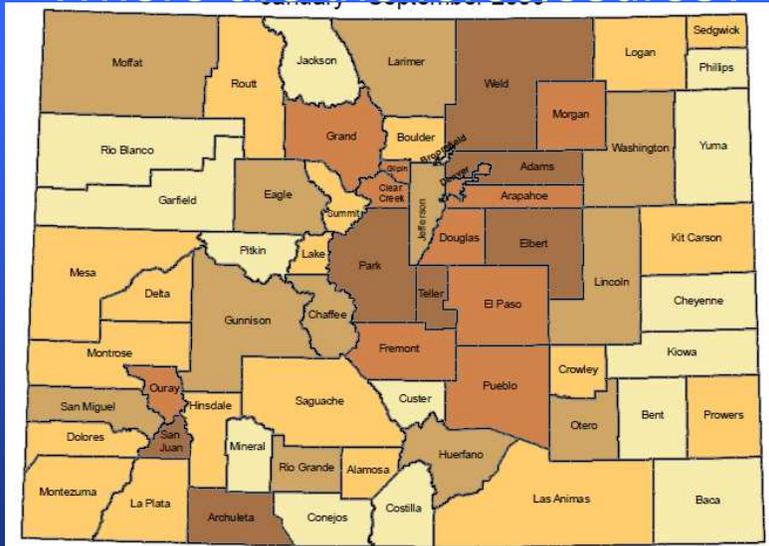


Real estate loans near zero in year-over-year percent change.

What areas of the state are most impacted by foreclosures right now?



Where are the foreclosures?



Categories Are Based On Percentages



Department of Local Affairs

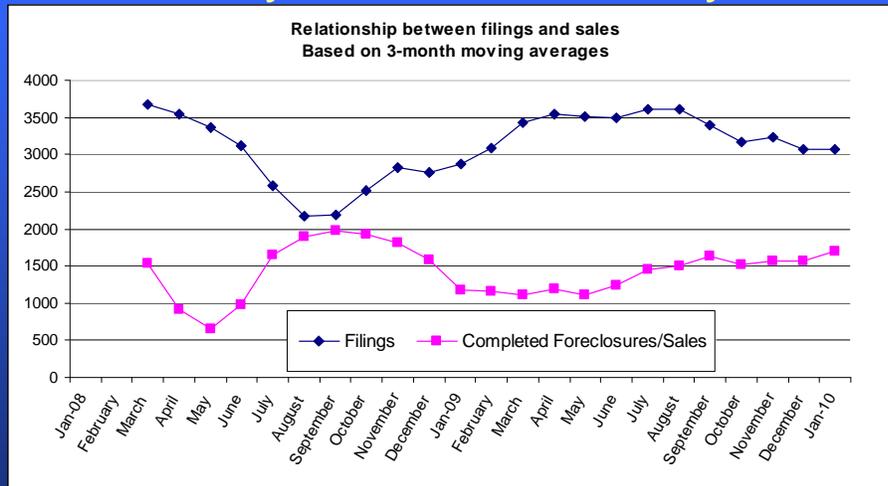
Strengthening Colorado Communities



What is expected with
foreclosures in Colorado in
2010?

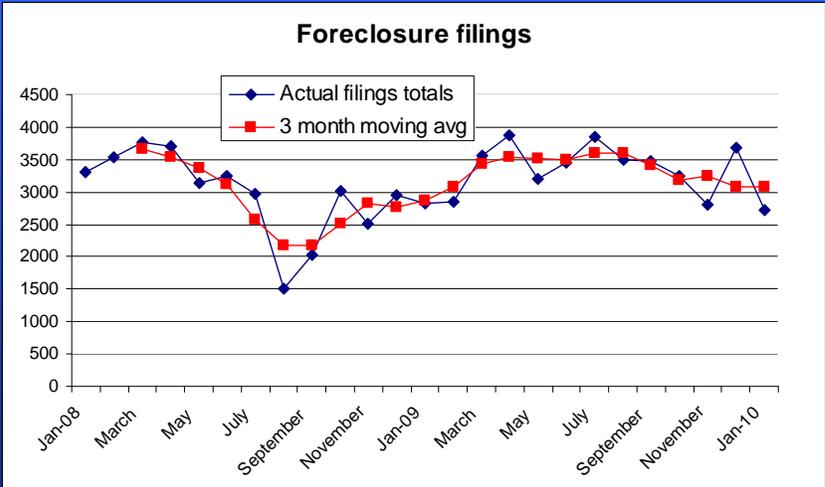


There is a lag between filings activity and sales activity.



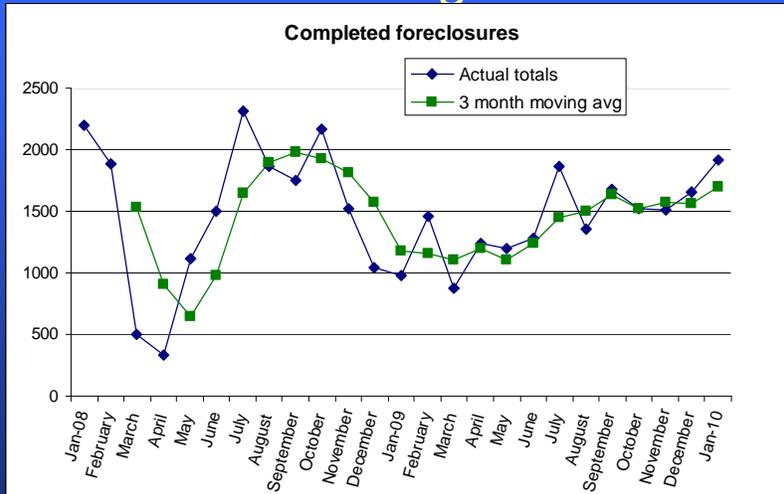
We expect a short-term decline in sales. Note the 6-8 month delay.

Filings with a moving average



Preliminary Feb data shows totals up.

Foreclosure sales with a moving average.



Preliminary Feb. data shown totals down.