



HOUSING SNAPSHOT

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COMPLETED FORECLOSURES FALL FOR SECOND YEAR

Completed foreclosures in Colorado during 2009 fell 4 percent from 2008's totals, and have fallen 18 percent since 2007. According to DOLA's 2009 statewide foreclosure report, there were 20,437 completed foreclosures in the state during 2009, falling from 2008's total of 21,306. In 2007, completed foreclosures reached 25,056.

While completed foreclosures fell, new foreclosure filings, which begin the foreclosure process for borrowers, increased 18 percent during 2009. During 2009, foreclosure filings rose to 46,394 from 2008's total of 39,333.

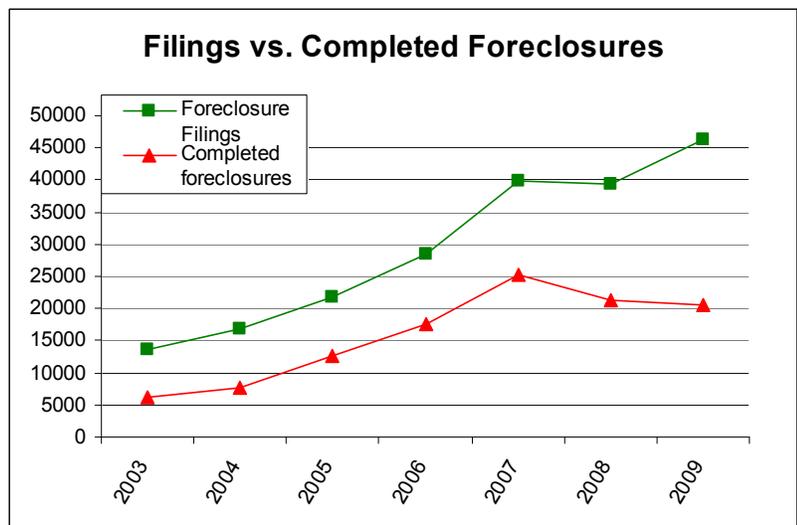
However, since 2007, in spite of increasing totals in new foreclosure filings, the total proportion

of filings that ended in a solution other than foreclosure increased by 51 percent.

In 2007, 37 percent of foreclosure filings ended in a result other than foreclosure such as short sale, loan modification, refinancing or other solution. By 2009, this total had increased to 56 percent. The

result has been fewer completed foreclosures even as new foreclosure filings have increased.

Increasing numbers of new filings remain a concern, however, since filings indicate ongoing issues with delinquencies and household income.



2009 HOME PRICES FALL 5 PERCENT

Last month, the Colorado Association of Realtors released 2009's MLS year-end data on median home prices and transaction totals. For single-family homes, the median home prices

fell 5 percent from \$225,833 to \$214,584. However, comparing the 4th quarter of 2009 to the same period of 2008, the median home price rose 3 percent. Quarterly data for trans-

action totals showed an increase of 7 percent in the number of homes sold during the fourth quarter when compared to the same period of 2008.

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COLORADO 4TH QUARTER VACANCY RATES FALL, GRAND JUNCTION VACANCIES QUADRUPLE

The Colorado statewide apartment vacancy rate for 2009's fourth quarter decreased to 7.9 percent, falling from 2008's fourth quarter rate of 8.0 percent. According to the Divi-

fourth quarter vacancies in the metro Denver area were at 7.7 percent.

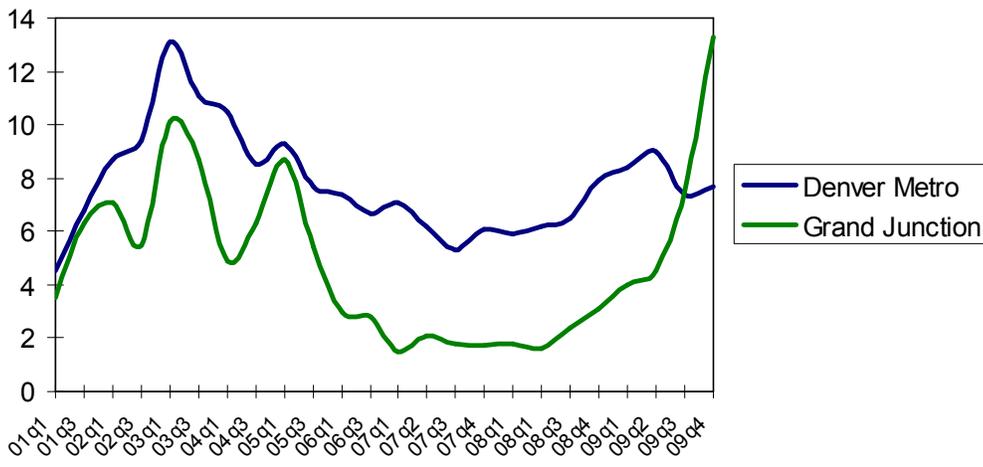
Among large metropolitan areas, Fort Collins and Loveland reported the low-

percent to 13.2 percent in Grand Junction during the same period.

Vacancy rates in all metropolitan areas were Colorado Springs, 8.7 percent; Ft. Collins/Loveland, 6.3 percent; Grand Junction, 13.2 percent; Greeley, 7.4 percent; Pueblo, 12.2 percent.

Average rent levels were also mixed across the state. As expected, average rents fell in Grand Junction in response to rising vacancies year over year, but remained flat in Colorado Springs in spite of falling vacancies.

Average rents in all metropolitan areas measured were Metro Denver, \$875.39; Colorado Springs, \$711.66, Ft. Collins/Loveland, \$854.10; Grand Junction, \$633.46; Greeley, \$636.86; Pueblo, \$541.44.



Among large metropolitan areas, Fort Collins and Loveland reported the lowest vacancy rates at 6.3 percent and 6.6 percent, respectively.

sion of Housing's 4th quarter vacancy and rent reports. Several local markets reported rising vacancies with Pueblo and Grand Junction reporting the largest increases with vacancies now at 12.2 percent and 13.2 percent, respectively.

est vacancy rates at 6.3 percent and 6.6 percent, respectively. All other metro areas measured in the survey reported vacancy rates above 7 percent. In Pueblo, rates rose from 7.2 percent to 12.2 percent year over year, while they rose from 3.1

HOME PRICES FALL IN ALL METRO AREAS BUT PUEBLO

However, the number of units sold fell 12 percent when comparing the full year of 2009 to 2008.

Among Metro areas in Colorado, the only area reporting an increase was Pueblo where me-

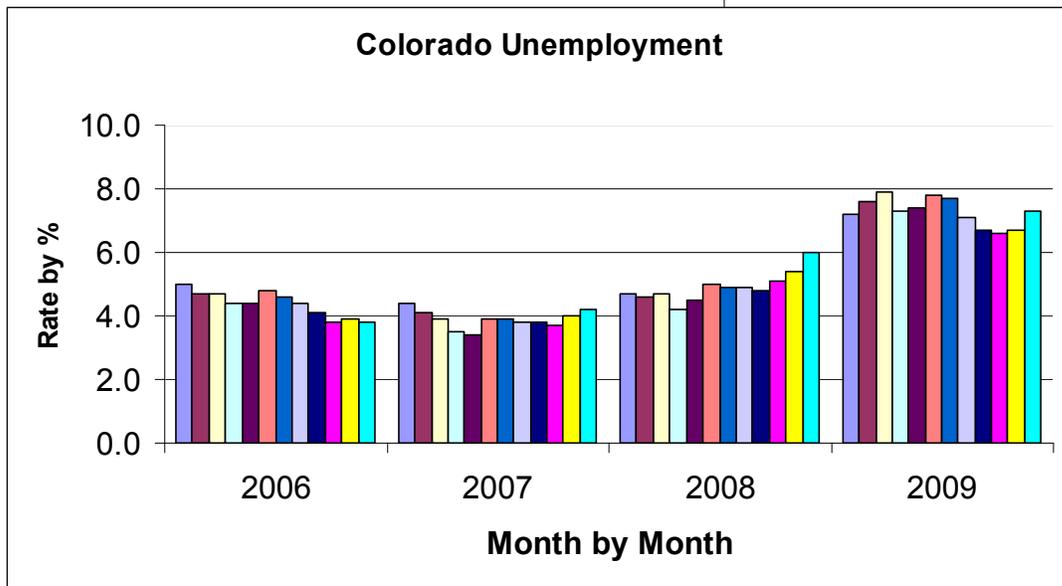
dian home prices increased 3 percent. All other areas reported decreases in median home prices with Grand Junction, Greeley, and the Pikes Peak region all reporting declines of 6 percent. In metro Denver, median home prices

fell 5 percent from \$226,667 to \$214,584 from 2008 to 2009. Prices and transaction totals during the 3rd and 4th quarters were buoyed by the home purchase tax credit, which has been expanded and extended to April.



UNEMPLOYMENT RISES, JOB GROWTH STALLS

Colorado's unemployment rate (not seasonally adjusted) increased six-tenths of one percentage point from 6.7 to 7.3 percent in December, according to data released in January by the Colorado Department of Labor and Employment. Nationally, the unemployment rate remained at 10 percent for the second month, according to the Department of Labor's Bureau of Labor Statistics (BLS). December's seasonally adjusted unemployment rate in Colorado was 7.5 percent.



Unemployment rose in both November and December following three months of falling unemployment rates during August, September, and October. However, year-over-year job growth remains negative, and 2009 ended with 111,000 fewer jobs in Colorado than during 2008. In Colorado, employment was at 2.567 million during December of 2008, and was at 2.455 million a year later.

Unemployment rates remained the highest in Grand Junction, Pueblo and Greeley. Grand Junction reported the highest unemployment rate of all metropolitan areas in Colorado with a rate of 9 percent. In a recent report, the U.S. Bureau of Labor Statistics singled out Grand Junction as being among the nation's top

cities with the most job losses during the past year. The strongest metro job markets were found in northern Colorado where the Ft. Collins-Loveland area reported an unemployment rate of 6.1 percent, well below both the national and statewide averages.

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CPI RISES 1.9% IN WEST, HOUSING FALLS

January prices in the West, a region including Colorado and other western states, rose 1.9 percent year-over-year from January 2009, and rose 0.3 percent since December. The Consumer Price Index in the region rose to 219.989 for all items, and rose to 226.228 for Housing.

However, housing prices in the west fell 1.2% from January 2009 to January 2010. Prices fell 0.1 percent from December to January. CPI declines in the region correspond to recent declines in home prices and in average rents in Colorado. According to statewide

data from the Division of Housing, average rents fell 1.4 percent from the fourth quarter 2008 to the fourth quarter 2009, falling from \$851 to \$839. Home re-sale prices fell 5 percent during the same period (see page 1 of this issue of *Housing Snapshot*).

DOLA's Division of Housing

1313 Sherman Street #518
Denver, CO 80203
Dola.colorado.gov/cdh



Visit us on our searchable blog:
Divisionofhousing.blogspot.com

The mission of the Colorado Division of Housing is to ensure that Coloradans live in safe, decent and affordable housing by helping communities meet their housing goals..

DOH is your partner in providing financial assistance and services that increase the availability of housing to residents of Colorado who can least afford it.

Next State Housing Board Meeting: March 9, 2010

Housing Snapshot is written by Ryan McMaken

SINGLE-FAMILY VACANCIES RISE TO 3-YEAR HIGH

Vacancies in for-rent condos, single-family homes, and other small properties across metro Denver rose to a three-year high of 5.5 percent during 2009's fourth quarter. The vacancy rate was 4.9 percent during the fourth quarter of 2008. The last time the metro-wide vacancy rate reached 5.5 per-

cent was during 2006's fourth quarter, when vacancies were also at 5.5 percent.

According to the Division of Housing's 4th quarter single-family report, the number of days on the market for single-family rentals and similar properties increased from 45 days during the fourth

quarter of 2008 to 53 days during the fourth quarter of 2009. Detached single-family rentals in particular faced a two-year high of 62 days.

As with most rental housing, single-family rentals are sensitive

to movements in employment and job growth. However, in spite of recent increases in the unemployment, single-family rentals have remained at historically low rates. Overall, demand for single-family homes is high, and under economic conditions in which financing for new-home purchases are relatively scarce, single-family rentals become more attractive. The vacancy rate has also been kept low by the near-absence of new home construction which has led to a decline in the relative supply of single-family homes. The full report is available online through the Division of Housing's web site.

