



HOUSING SNAPSHOT

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SINGLE-FAMILY BUILDING PERMITS DOWN 76 PERCENT FROM 2005 PEAK

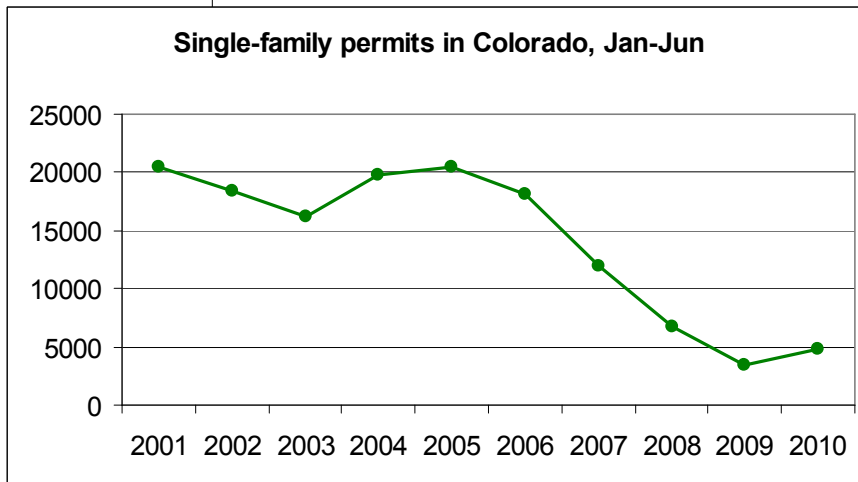
Single-family building permits rose 37 percent from the first half of 2009 to the first half of this year, but total permits for the year remain 76 percent below 2005's peak in single-family permits issued. 20,534 single-family permits were pulled during the first half of

2005, but began a four-year slide in 2006 with total permits pulled in the first half of the year falling 83 percent to a trough of 3,491 in 2009. 4800 permits were issued in the first half of 2010. For the month of June alone in Colorado, the number of new single-

family permits was largely unchanged with a slight increase in from 829 during June 2009 to 855 during June 2010.

Multifamily permit activity has fallen significantly as well. Multifamily permits issued for the first half of the year have fallen 85 percent since 2001's peak in activity.

According to the Census Bureau, sales of newly constructed homes were down 45 percent in the Western United States from June 2009 to June 2010. Nationwide, new home sales declines 16.6 percent during the same period. 



HOUSING PRICES FALL 0.1 PERCENT IN WESTERN U.S., INCLUDING COLORADO

The "West" region of the United States, which includes Colorado, consumer prices rose 0.1 percent from June to July, and rose 0.8 percent year over year from

July 2009 to July 2010. According to the Mountain-Plains CPI Blue Card, Housing prices in the West rose 0.1 percent from June to

July, and they fell 1.3 percent year over year for July. The largest year-over-year increases were **CONTINUED on pg 3**

VACANCY RATES FALL ACROSS COLORADO, SIGNAL A FUTURE TIGHT MARKET

Apartment vacancies fell across Colorado as rents rose during the second quarter of 2010, signaling a surprising amount of growth in demand for housing in spite of limited wage and job growth. From the second quarter of 2009 to the second quarter of this year, vacancies fell in seven of the eight metropolitan areas of the state measured by the survey, including Fort Collins, Loveland, Greeley and Colorado Springs. Only Grand Junction and Pueblo reported a rise in the vacancy rate.

The largest drop in the vacancy rate was found in Colorado Springs where, year-over-year, the rate fell from 9.8 percent to 5.8 percent.

In Grand Junction, vacancies rose year-over-year from 4.5 percent to 8.9 percent, and in Pueblo, they rose from 8.5 percent to 10.4 percent during the same period.

The metro Denver vacancy rate also fell year-over-year from 9.0 percent to 6.1 percent.

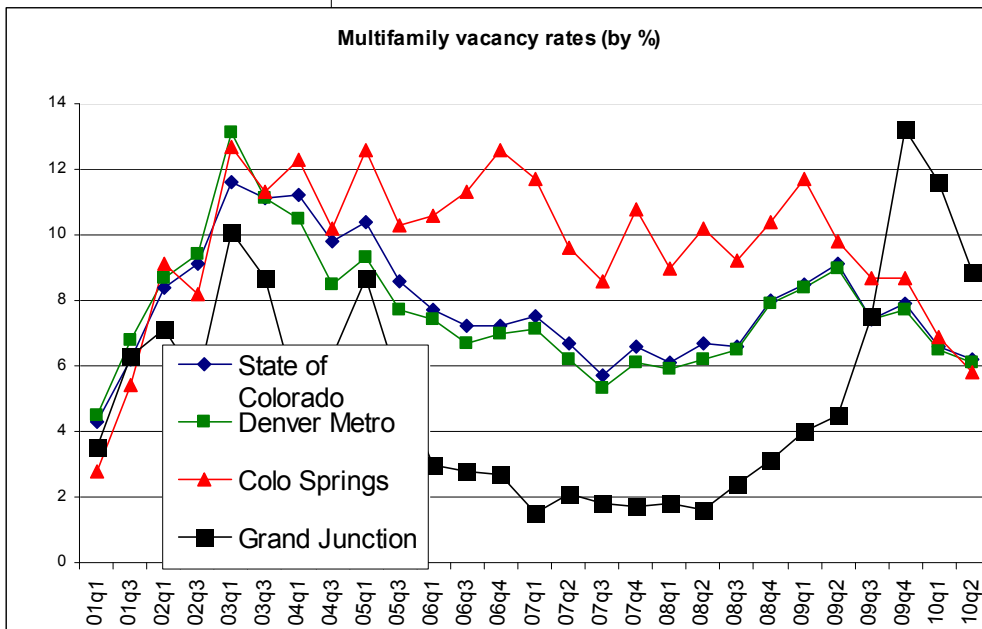
Vacancy rates in all metropolitan areas were Metro Denver, 6.1; Colorado Springs, 5.8 percent; Ft. Collins/Loveland, 6.8 percent; Grand Junction, 8.9 percent; Greeley, 6.3 percent; Pueblo, 10.4 percent.

Average rents rose across the state as vacancies fell. Among the state's metropolitan areas, average rents rose

in all areas except Greeley. The largest increase was found in the Ft. Collins/Loveland region where the average rent increased from \$825.03 to \$885.29 from the second quarter of last year to the second quarter of this year. In Greeley, the average rent fell from \$629.01 to \$618.29, year-over-year.

Average rents in all metropolitan areas measured were Metro Denver, \$899.97; Colorado Springs, \$719.22, Ft. Collins/Loveland, \$885.29; Grand Jct., \$634.48; Greeley, \$618.29; Pueblo, \$541.78.

With so little new production in multifamily housing (see page 1 of this newsletter) and with continued population increases throughout Colorado, rent growth is likely to continue in the short- and mid-term. With such limited supply in multifamily rental housing, vacancies have continued to decline in spite of job losses and stagnant wages have put downward pressure on rents. But a sustained period of job growth under current supply conditions would be likely to produce a very tight market for renters.



COLORADO ADDS JOBS IN JULY, BUT STATE HASN'T RECLAIMED JOBS LOST SINCE 2008

Colorado added 14,882 jobs in July, and the unemployment rate fell slightly to 8.0 from June's rate of 8.2 percent. According to the most recent employment data released by the Colorado Department of Labor and Employment, total employment in July, not seasonally adjusted, rose to 2,465,190 jobs.

More than 11,600 people joined the work force during the month, marking the first time since April 2010 that more jobs were added than there were new workers in the labor force.

From July 2009 to July 2010, total employment fell 1.8 percent, contracting by 45,000 jobs, while the labor force shrank 1.9 percent, shedding more than 52,000 workers. The total labor force in July included 2,680,934 workers during July of this year as compared to 2,733,143,000 during July of last year.

Employment totals are still more than 155,000 below the peak levels experienced during July 2008, when there were 2,621,081 employed workers. Since the peak of the labor market in July 2008, the labor force is still down by more than 75,000.

Among Colorado metropolitan areas, Pueblo showed the highest unemployment rate at 9.8 percent, while the Boulder-Longmont and Fort Collins-Loveland areas showed the lowest rates as 6.4 percent and 6.6 percent, respectively.

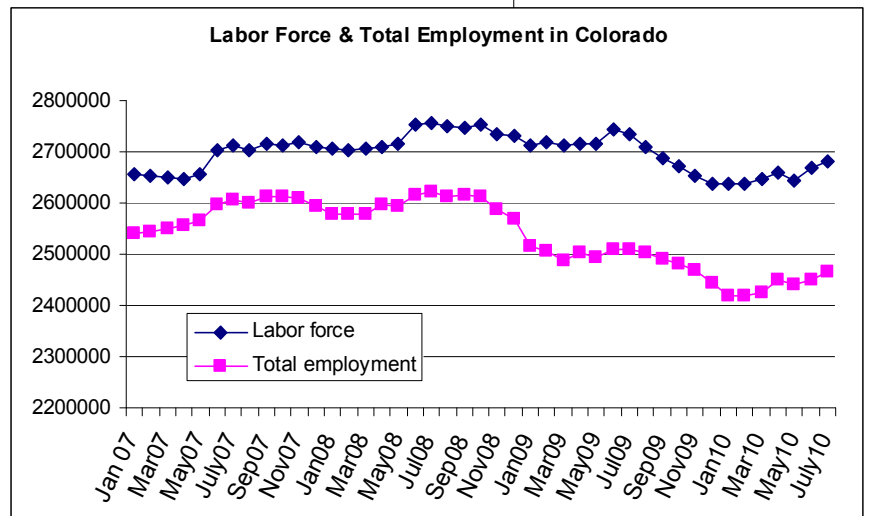
All metropolitan areas in Colorado, except Greeley and the Denver-Aurora area, experienced job declines from June to July, and all metro

areas lost jobs from July 2009 to July 2010.

Unemployment rates in all metro areas for July 2010 were Boulder-Longmont, 6.4 percent; Denver-Aurora, 8.1 percent; Greeley, 9.3 percent; Fort Collins-Loveland, 6.6 percent; Grand Junction, 9.5 percent; Pueblo, 9.8 percent.

The national jobless rate, seasonally adjusted, remains at 9.5 percent.

Employment totals are still more than 155,000 below the peak levels experienced during July 2008, when there were 2,621,081 employed workers.



REGIONAL PRICES INCREASE, CONT. FROM PAGE 1

found in medical care and transportation which increased 3.4 percent and 5.6 percent, respectively.

The largest drops were in housing and apparel, which fell 1.3 percent and 0.1 percent, respectively.

States like California and Arizona, which have

been heavily impacted by large numbers of foreclosures, are included in the West, and have impacted overall housing costs as reflected in the regional CPI. Region-wide however, the notable drop of 1.3 percent also reflects generally stable home prices and very stable or falling rent levels, in many areas.

Nationally, The overall CPI in the United States fell 0.3 percent from June to July this year, and has increased 1.2 percent over the last 12 months.

For the 12 month period ending in July, consumer prices for gasoline rose 7.4 percent, while energy prices overall rose 5.2 percent.



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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: September 14, 2010

This year, the Housing Colorado Conference will feature a detailed economics panel moderated by the Division of Housing in Vail on October 13.

Housing Snapshot is written by Ryan McMaken

FORECLOSURE FILINGS CONTINUE DOWNWARD SLIDE IN COLORADO

New foreclosure filings fell to 10,233 in Colorado during 2010's second quarter, falling 15.7 percent from 2009's second-quarter total of 12,135. 2010's second quarter filings were also down 8.1 percent from 2010's first-quarter total of 11,136.

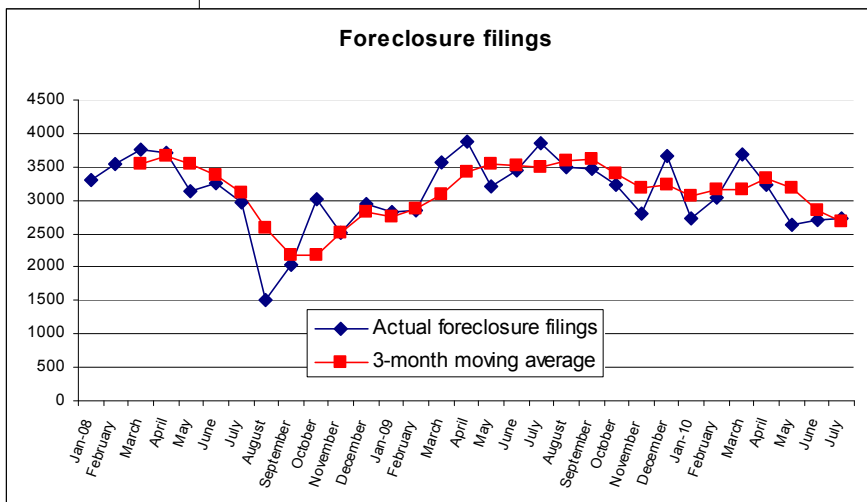
Foreclosure filings fell for the third quarter in a row

with foreclosure filings now down 18 percent from the recent peak in filings activity experienced during the third quarter of 2009 when total filings hit 12,468.

Foreclosure sales at auction, the event that completes the foreclosure process, increased 17.7 percent from the second quarter of 2009 to the

same period this year, rising from 4,999 to 5,885. However, foreclosure sales fell 12.0 percent from the first quarter's total of 6,686 to the second quarter of this year.

The State's quarterly foreclosure data reflects complete foreclosure counts from all Colorado counties. 3rd quarter data will be available in November.



Initial data from the third quarter also shows continued declines in foreclosure activity. July foreclosure counts for the state's 12 metropolitan counties show continued downward trends in foreclosure activity. Foreclosure filings for July (see graph at left) remain near 18-month lows.

