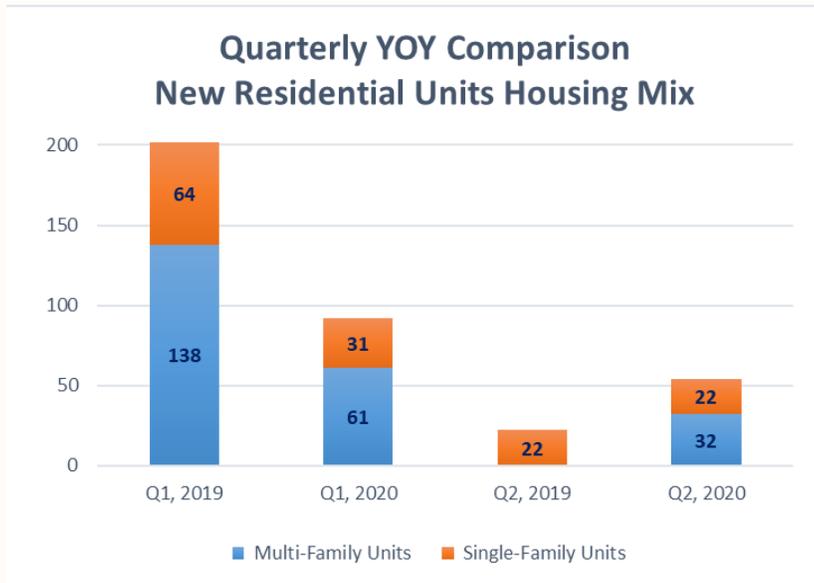


# 2020 Midyear Growth & Development Projections Report



Figure 1.0



Quarterly year-over-year (YOY) comparison shows that the total number of units permitted in Q1 to Q2 decreased by 89% in 2019 and decreased by 41% in 2020.

And although the total number of units decreased significantly from Q1 to Q2, there is also a noticeable increase in the number of units permitted this year compared to last year's Q2, 145% (percent change) more units than last year (see Figure 1.0).

The quarterly YOY comparison percent of housing mix indicates that multi-family housing is still in demand, even though Q2, 2019, shows zero multifamily units permitted.

Figure 1.1

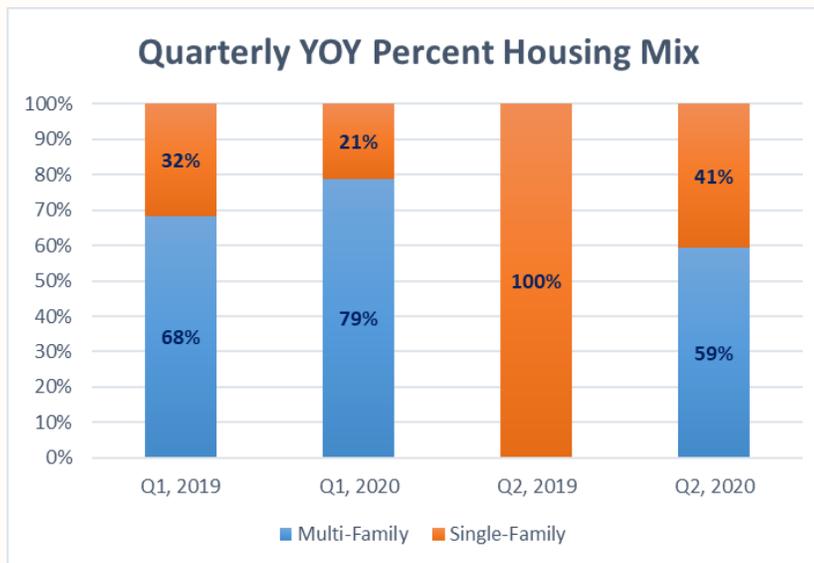
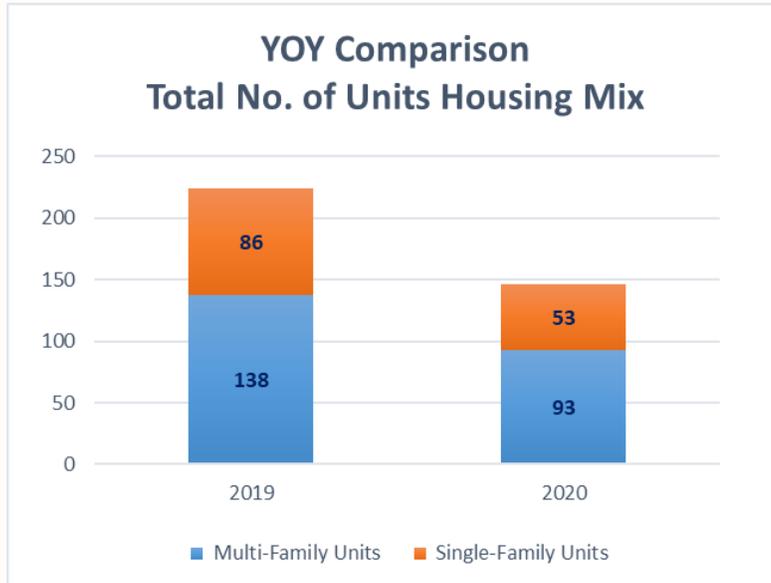


Figure 1.2



The YOY comparisons in the total number of units housing mix show that there were a total of 224 housing units permitted in 2019 and a total of 146 housing units permitted in 2020. The graph illustrates that a percent change or decrease in single-family units alone was 62%, while multi-family decreased by 48% (see *Figure 1.2*).

The percent housing mix shows that from January to June in both 2019 and 2020, more than 60% of residential units were multi-family in the first half of the year and less than 40% were single-family (see *Figure 1.3*).

Figure 1.3

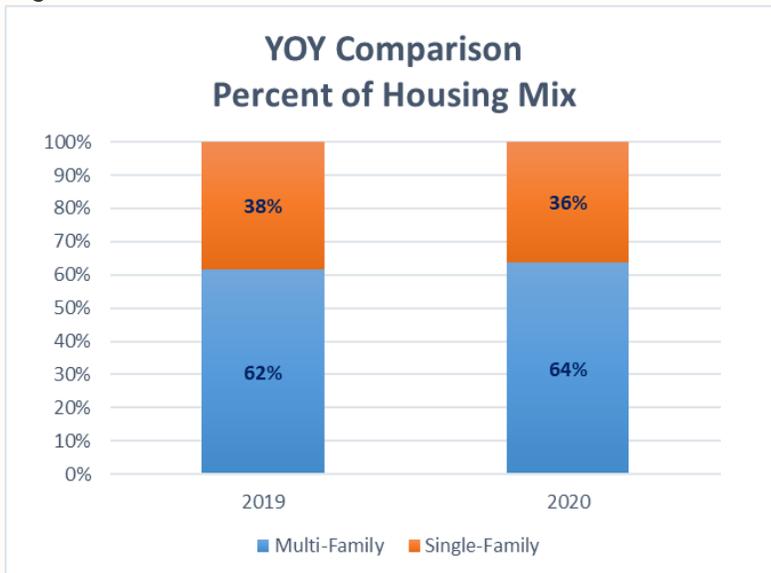
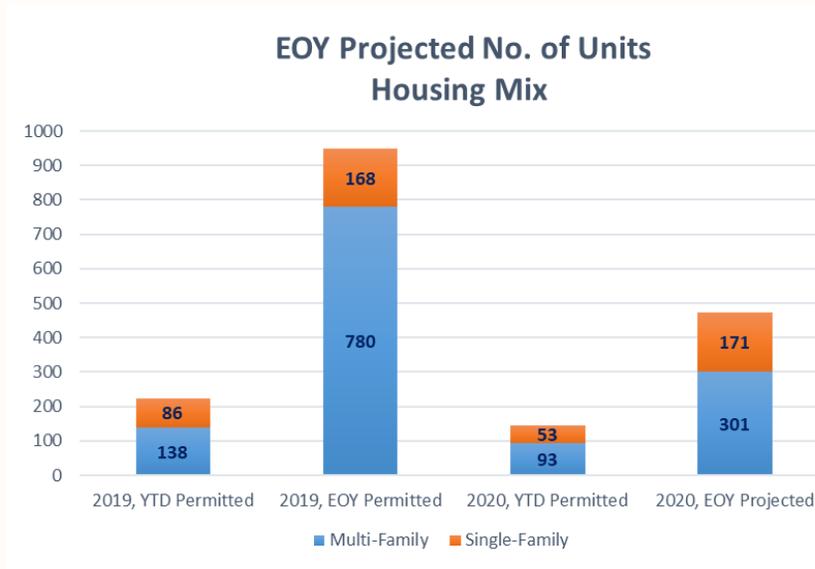


Figure 2.0



Based on current economic conditions the City of Greeley can project a lower number of permitted units by the end-of-year (EOY), with 472 units anticipated compared to the previously projected 999 units. Historically, more units are permitted in the second-half of the year, therefore the City anticipates over 400 units may be permitted in 2020. This number represents more than 300% change by the end of 2020. Other data that supports the notion that more housing units may be permitted by EOY are the current active residential projects shown in the table below, which totals 2,840 units.

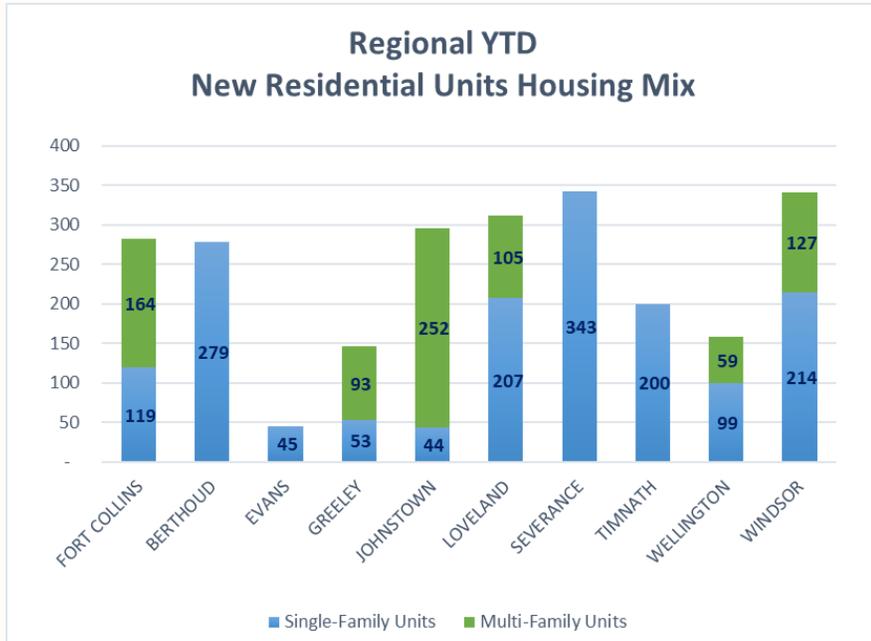
Moreover, the median home sale price and the number of units permitted in the region shape the overall understanding of the current housing situation. The data shows that housing production has decreased, but continues to be stable.

Figure 2.1

	Current/Active Residential Projects	Type	Units Remaining
1	29th Street Apartments	MFR	732
2	Centerplace Drive	MFR	428
3	Centerplace North Filing No. 4 - Homestead	MFR	119
4	City Center West Residential, 2nd Filing	SFR	243
5	City Center West Residential 2nd Filing - Townhome	MFR	124
6	Clark Subdivision, 2nd Filing	MFR	29
7	Clover Meadows, 2nd Replat	SFR	17
8	Grace Point Independent Living	MFR	68
9	Grapevine - Townhome	MFR	64
10	Northridge Estates - (Reactivated)	SFR	230
11	Poudre Trail	MFR	256
12	Rockies Apartments	MFR	50
13	Stoneybrook, Lot 4	SFR	113
14	Trails at Sheep Draw	MFR	336
15	Triple Creek	SFR	31
<b>Total</b>	<i>Note: Not all projects listed have had units permitted.</i>		<b>2,840</b>

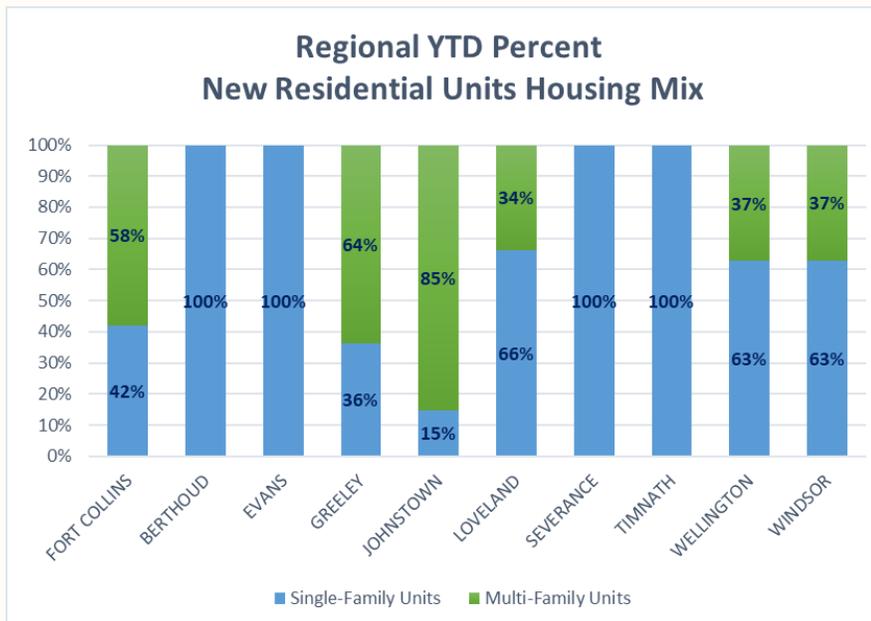


Figure 3.0



The total number of residential units permitted in the region year-to-date (YTD) shows that Greeley, having a total of 146 residential units permitted, ranks second to last in the number of units permitted in the region. There could be numerous variables why Greeley has permitted less than other Cities, but as mentioned previously, there are 15 large residential projects that are active, currently under review and some short of being approved for construction. Yet, there is always a lag period due to process, approval, and paperwork, but Figure 2.1 on page 4, illustrates that more housing may be constructed in the second half of this year or the first half of 2021 (see Figure 3.0).

Figure 3.1

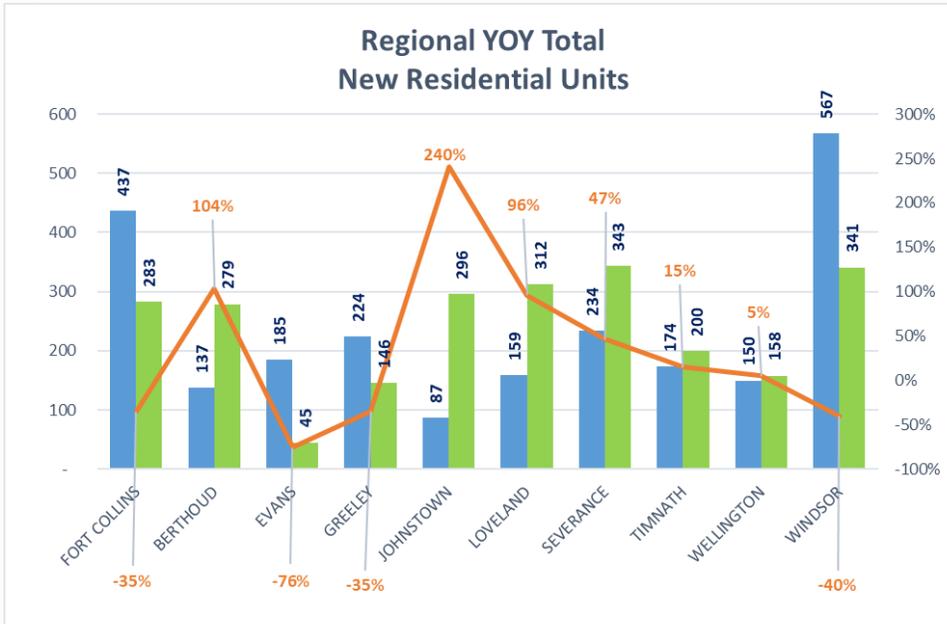


Fort Collins, Greeley, Johnstown have had the most multi-family units permitted YTD. Interestingly, Berthoud, Evans, Severance, and Timnath have had only single-family permits approved YTD. Evans and Severance, alone, lead in the number of single-family units permitted, while Windsor tops in the number of residential units permitted, 341, YTD.

Taking a close look at the percent of housing mix in the region, Greeley and Johnstown have had the highest number of multi-family units permitted, greater than 60%. While at the same time, Johnstown has had the least amount of single-family units permitted, less than 20% overall.



Figure 3.2



The regional year-over-year data shows that most municipalities have had an average increase in 84% of the residential units permitted. While Greeley, Windsor, and Fort Collins, three of the larger communities have had, on average, 30% fewer permits than last year. Evans having the most noticeable decrease at 76%.

Johnstown has had the most considerable increase at 240% units permitted from last year, with Berthoud following, having a 104% increase. These are signs that the housing market is not slowing down in the region, but is steady in some areas, while others are experiencing more growth than previous years.

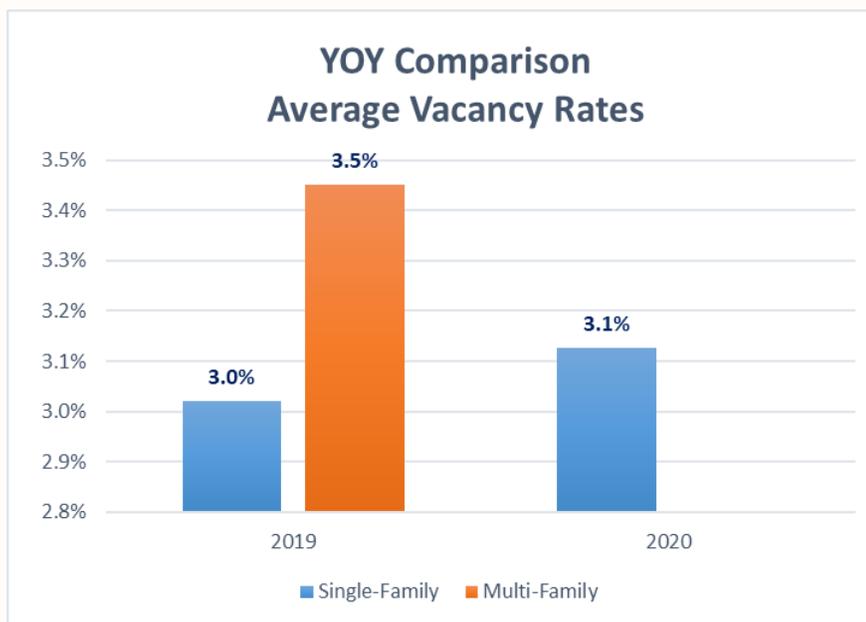


Figure 4.0



Note: Multi-family rates are gathered from the Colorado Multi-Family Housing Vacancy & Rental Survey prepared by Ron Throupe, PH.D. of the University of Denver. Yet, 1Q, & 2Q 2020 vacancy rates are not currently available. Single-Family Residential vacancy rates are obtained from the Water Department's Zero Consumption Data and are updated monthly.

Figure 4.1

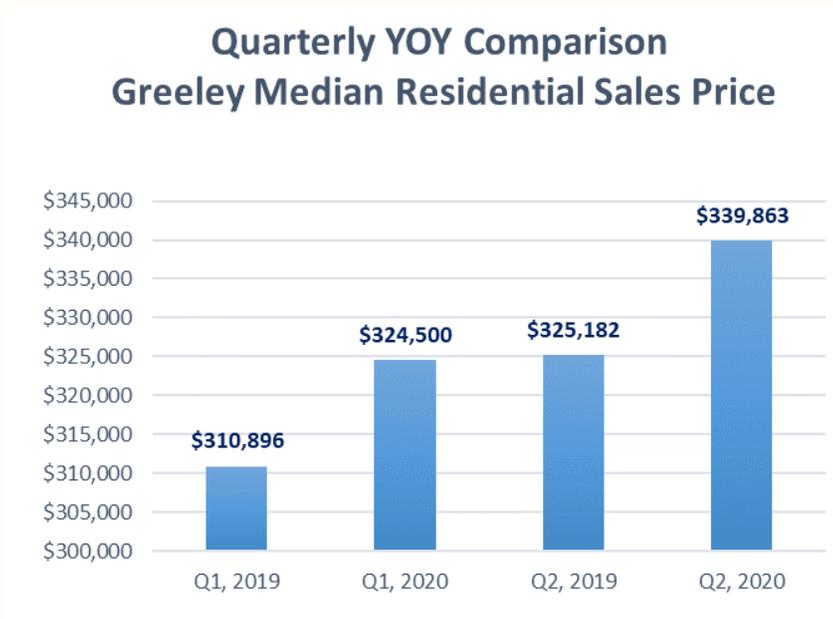


Vacancy rates are one of the critical statistics to judge the health and direction of the housing market. Low single-family (homeowner) and multi-family (renter) vacancy rates are recognized as a sign of a tight housing market, with lower vacancy rates signaling a housing shortage. Greeley tends to have a fluctuating seasonal housing demand, with consistently high turnover in the winter and a tighter housing market during the summer (see Figure 4.0).

Furthermore, Greeley's YOY comparisons of single-family vacancy rates show that Q2, 2020, increased from Q2, 2019, a percent change of 55%. The Department of Local Affairs (DOLA) provides vacancy rates for multi-family housing. However, the report lags almost two months behind Greeley's zero consumption data, making data collection challenging.

Although the single-family vacancy rates rose by 0.1%, the rates are still lower than multi-family vacancy rates.

Figure 4.0



According to Sears Real Estate, the year-over-year (YOY) comparison of median home sale price rose by 3.16% in Greeley, and overall in the region by 2.84%, with a slight skew in Johnstown that showed a decrease in median home sale price by 1.49%. The increase of home sale prices was not principally due to the pandemic, but mainly because the demand is higher than the supply, which has been the case for the last decade or more in Greeley. This increase of home sale prices can be a problem for most families who cannot afford a \$340K home due to price-to-home ratio constraints.

The Greeley/Evans market home sales rose on average by 2.8% demonstrating that the market is stable even though the prices are increasing. Moreover, even when the single-family vacancies have increased slightly, there is always a shortage of homes in more affordable price ranges.

Figure 4.1

