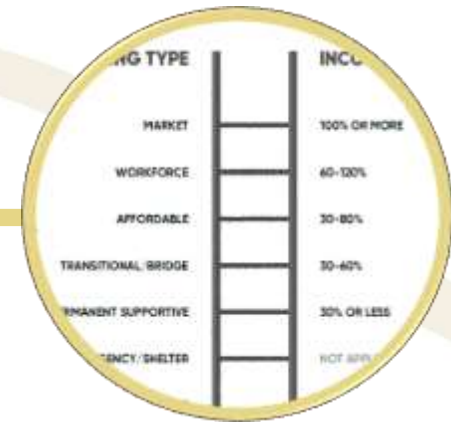


Greeley Housing Affordability and G-HOPE Update

July 26, 2022

Benjamin Snow, CEcD
Director, Economic Health & Housing
City of Greeley
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Purpose

- **Update Council on Housing Affordability:**
 - Market Update
 - Current Projects
 - Greeley Programs, including G-HOPE



The Current National Market

- Sales of new homes in the U.S. fell in April for the fourth month
- Report is sometimes quite volatile.
- Suggests that both high inflation and higher interest rates are dampening growth



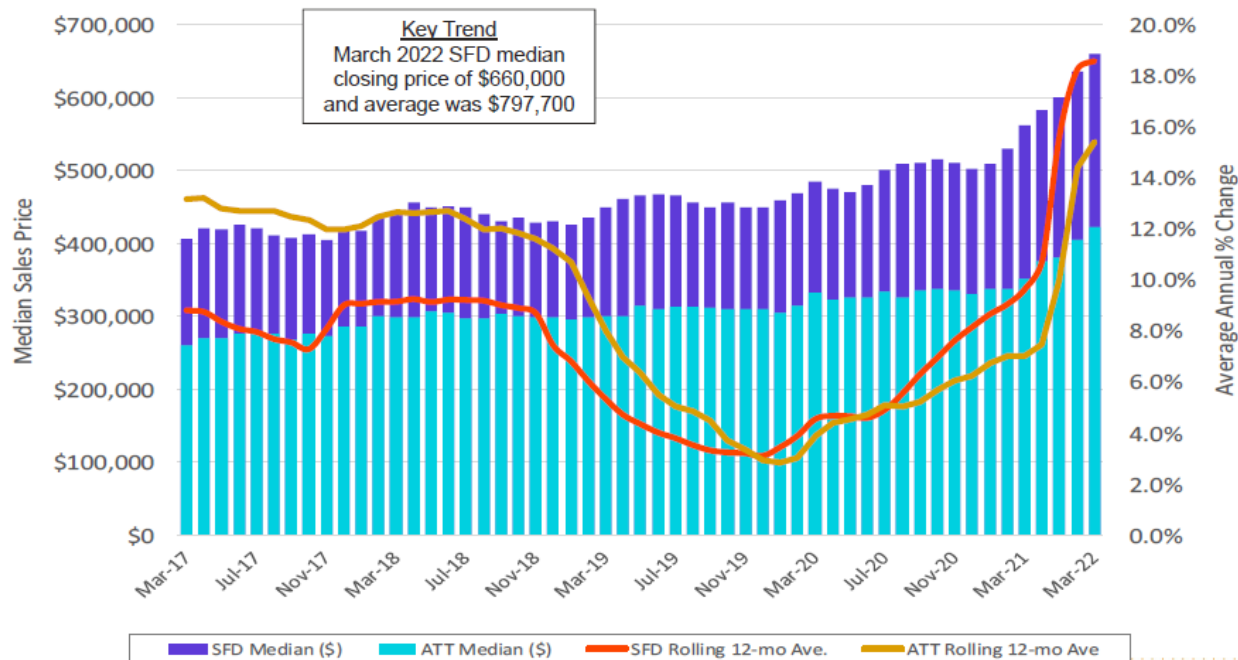
"With mortgage rates surging and home prices sky-high, affordability has deteriorated considerably. It would be reasonable to expect some softening in housing demand," said chief economist Stephen Stanley of Amherst Pierpont Securities. "It will be important to watch housing data, as this sector could be the canary in the coalmine that offers an early read on how sensitive the economy will be to higher interest rates."



The Current Metro Denver Market

% Zonda.

Existing Home Prices Continue to Hit New Records



Source: Denver Metro Association of Realtors

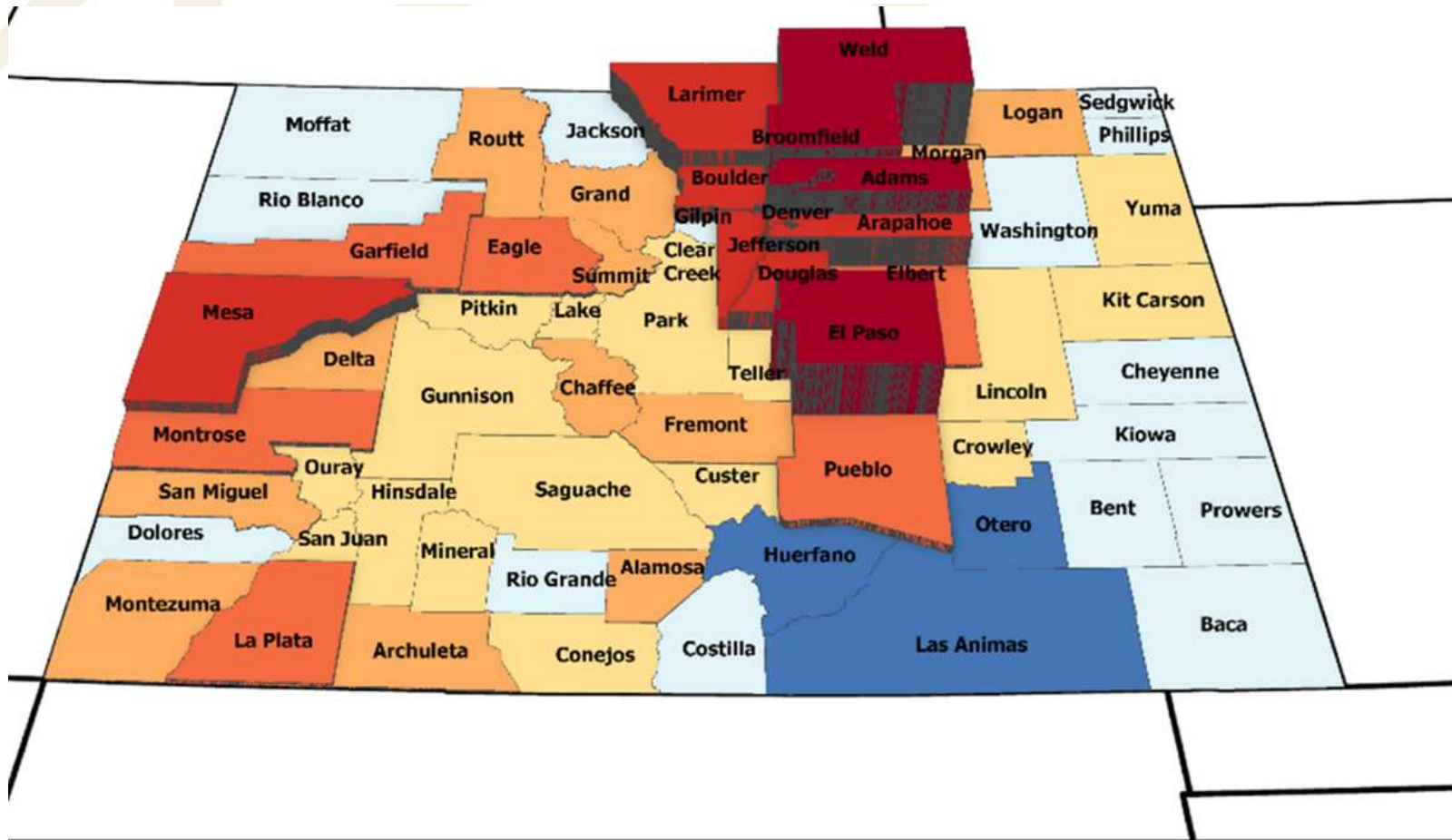
% Zonda.

- Price increases and rate hikes
- Early year comparisons to 2021 appear alarming
- Lot availability, cycle times and builder capacity
- Rate locks, equity rollover, and continued economic recovery
- 2022 a year for buyer 'recalibration'

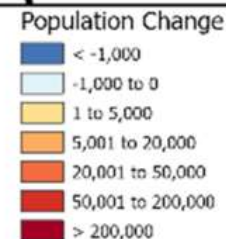


Population Forecast 2050

7.5 million



Projected Population Change
2020 - 2050



Change 2020-2050

State: 1.8 million

Front Range: 1.6M

Western Slope: 190K

Central Mtns: 1K

San Luis Valley: -2K

Eastern Plains: 7K

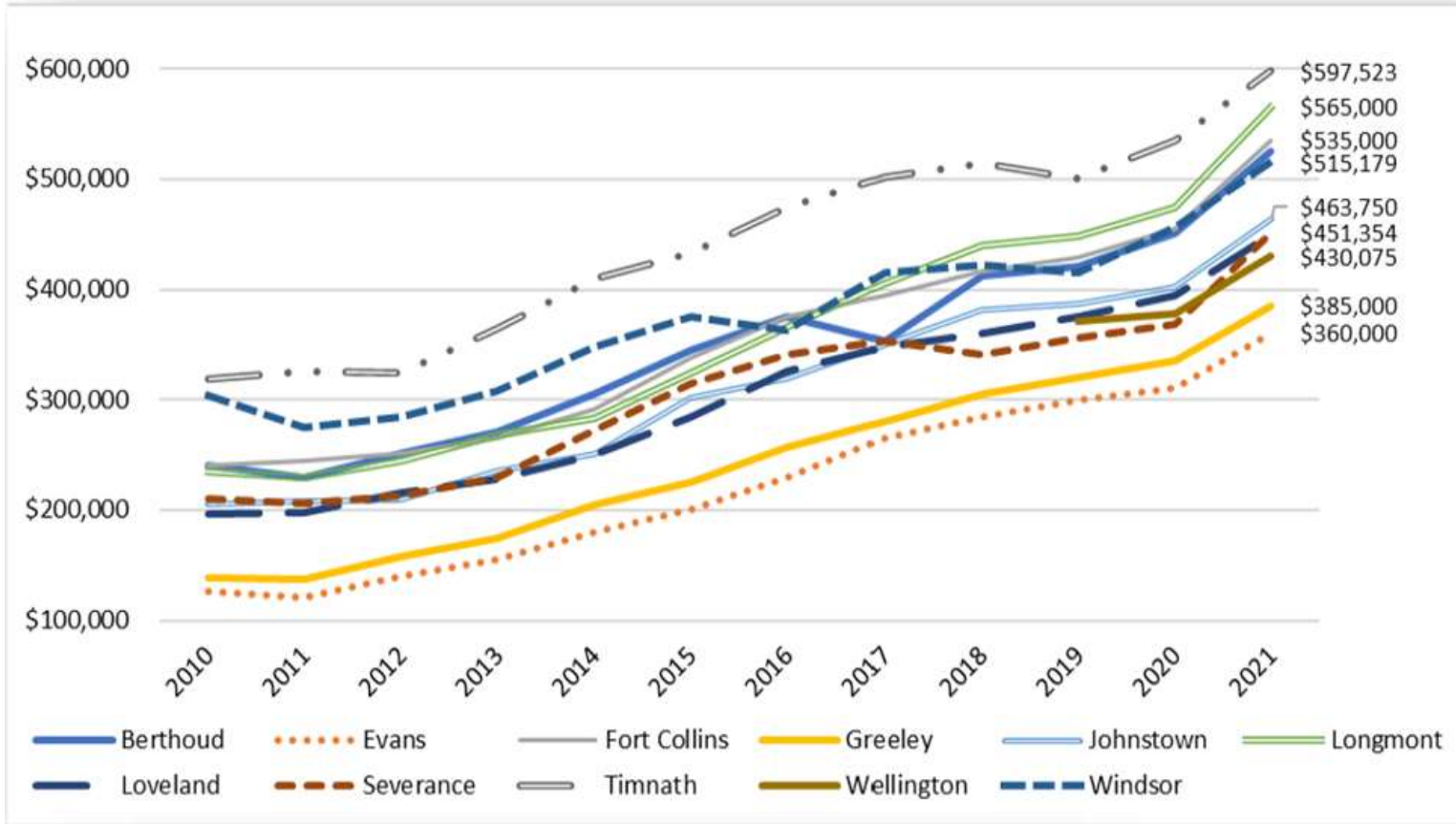
	Growth 2020-2050
FRONT RANGE	1,566,692
Denver-Bldr Region	834,020
North Front Range	439,622
Fort Collins MSA	151,179
Greeley MSA	288,443
Colo. Springs MSA	266,922
Pueblo MSA	26,129



Comparative Market Metrics



Figure 9: Northern Colorado Annual Median Home Sales Price, 2010-2021



KEY TRENDS

1. BOULDER still highest priced
2. GREELEY still lowest priced
3. Median Sales Prices are UP
4. Number of Sales Transactions are UP
5. Number of Listings is DOWN
6. Average Days on Market are DOWN
7. SUPPLY not keeping pace with DEMAND
8. Market remains TIGHT



Current Projects



Affordable Housing Project Pipeline Filling Up

1

Immaculata Plaza (54)

- Now Under Planning/Development
- \$28M PAB → \$115M in projects
- Nearly 700 new affordable units

2

Copper Platte (224)

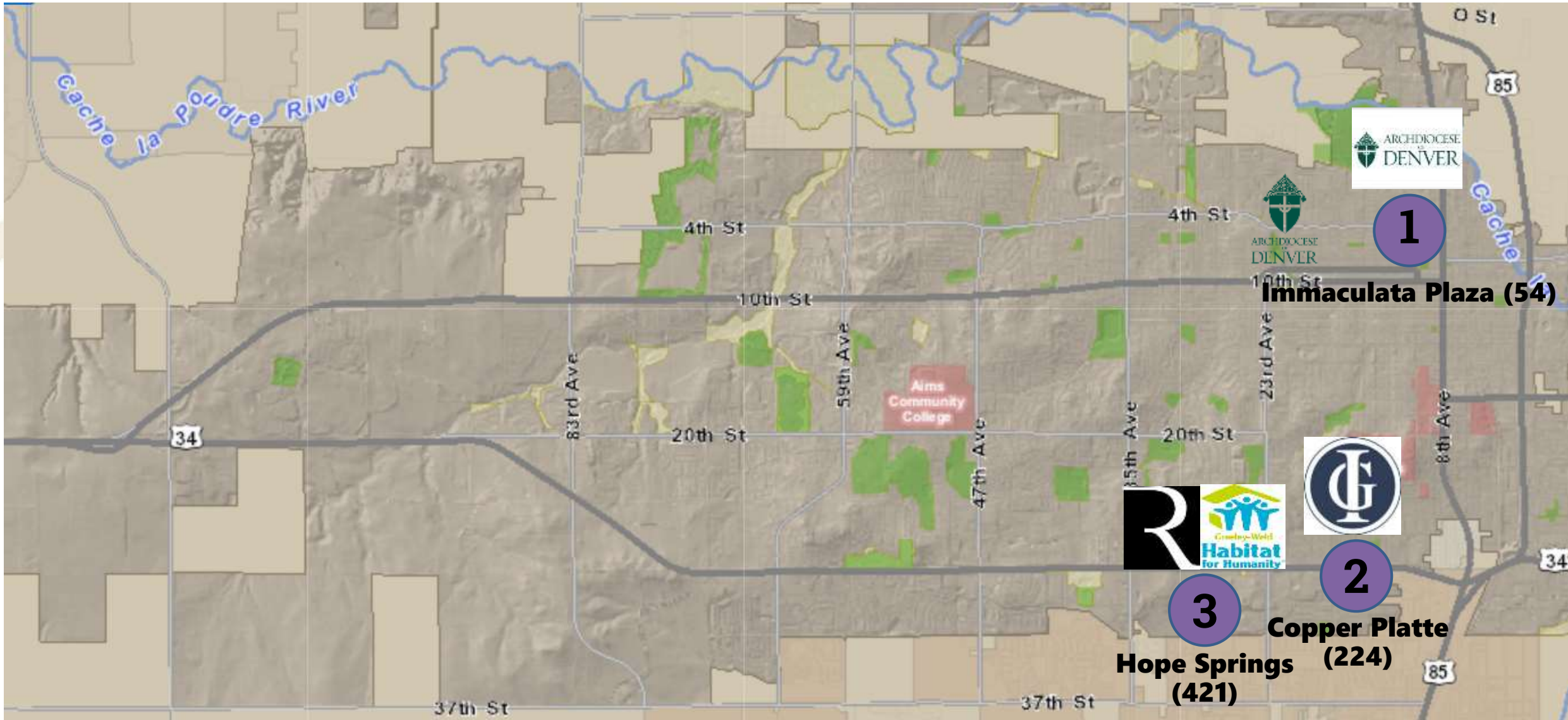
- Families, Seniors, First-Time Homebuyers
- Planned opening in 2022-2024
- Partnerships with Weld County/CHFA

3

Hope Springs (421)



Affordable Housing Projects



G-HOPE



G-HOPE Program Overview

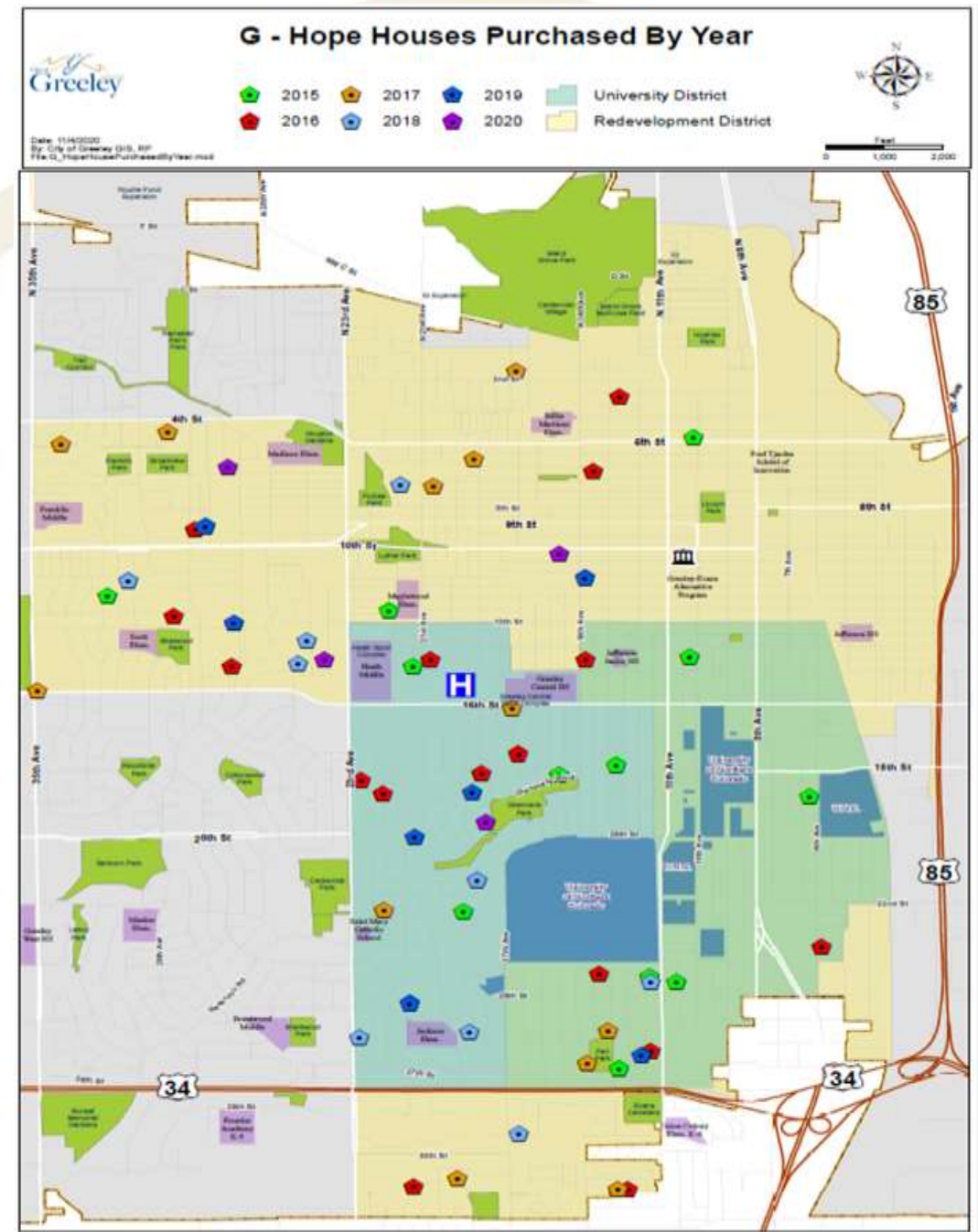


- **Launched in 2015**
- **Capitalized with 2 rounds of \$150K each**
- **Geographic focus has been on Redevelopment and University Districts**
- **Current available balance is approximately \$120K**
- **Administrative Partner is IDF**
- **Meets several community goals**

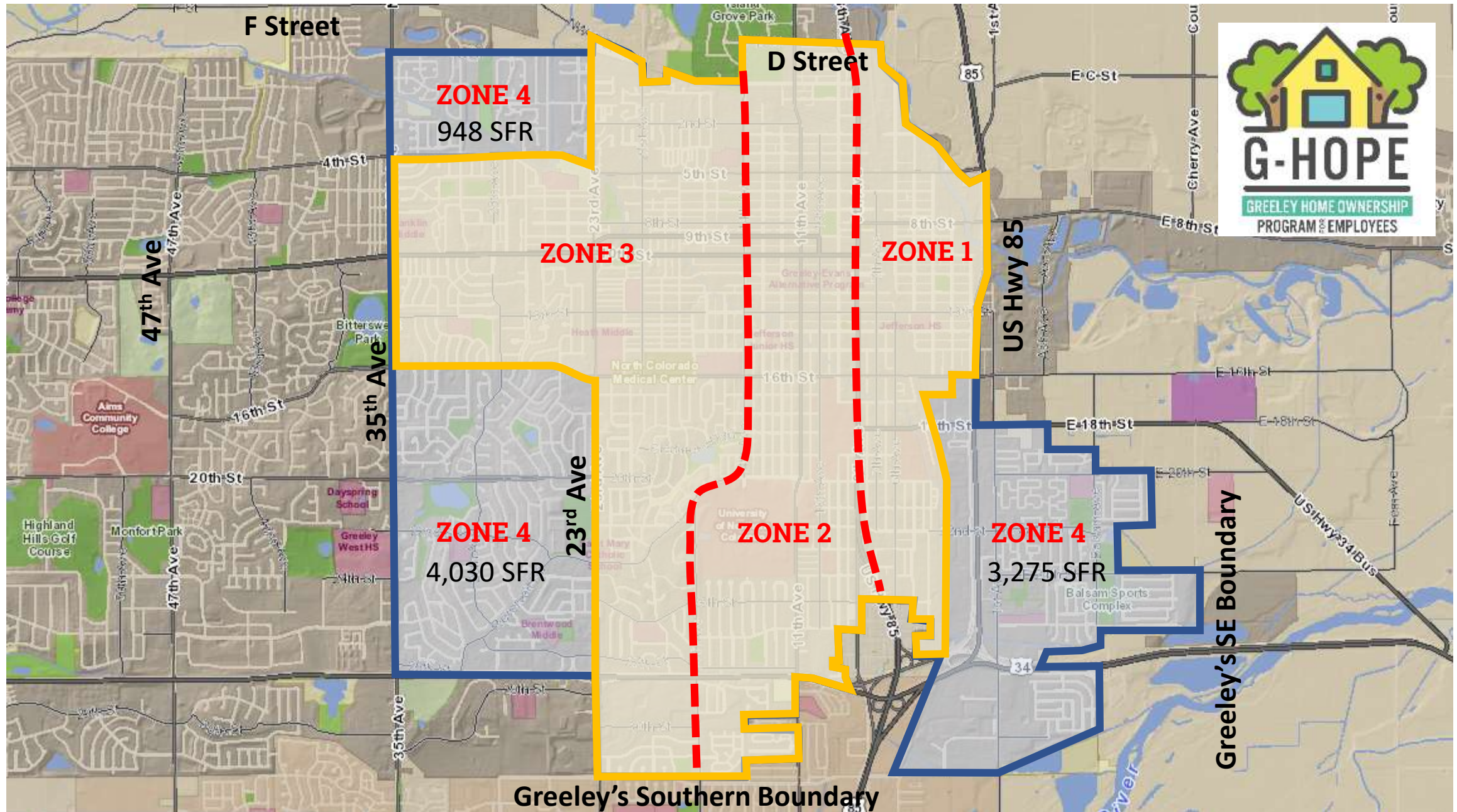
G-HOPE Program

Key Metrics since launch in 2015

- **Total Loans**
 - 67 in 7 years
- **Average Loan**
 - \$2,963
- **Volume has slowed**
 - Market has tightened
 - 1st 3 years = averaged 13 per year
 - Last 3 years averaged 6 per year
- **Demographic Mix**
 - 74% white, 13% Hispanic, 3% Asian, 10% not disclosed
- **AMI Distribution**
 - Split evenly over 3 income ranges
- **Employee Participation**
 - UNC 31%, D6 28%, City 20%, Banner 16%, JBS 2%, HPLD 2%



 6.93 sq mi  10.70 sq mi





Questions and Discussion

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 Director, Economic Health & Housing
 City of Greeley
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END OF FORMAL
PRESENTATION



Appendix



The Current National Market

- Sales of new homes in the U.S. fell in April for the fourth month
- Report is sometimes quite volatile.
- Suggests that both high inflation and higher interest rates are dampening growth

“With mortgage rates surging and home prices sky-high, affordability has deteriorated considerably. It would be reasonable to expect some softening in housing demand,” said chief economist Stephen Stanley of Amherst Pierpont Securities. “It will be important to watch housing data, as this sector could be the canary in the coalmine that offers an early read on how sensitive the economy will be to higher interest rates.”

Economic Report

Builders slow work on new homes as rising mortgage rates temper demand

Last Updated: May 18, 2022 at 9:37 a.m. ET
First Published: May 18, 2022 at 8:43 a.m. ET

REAL ESTATE NEWS

MarketWatch

New Home Sales Plunge as High Prices and Rising U.S. Mortgage Rates Discourage Buyers

By Jeffrey Bartash
May 24, 2022

Share

 **realtor.com**

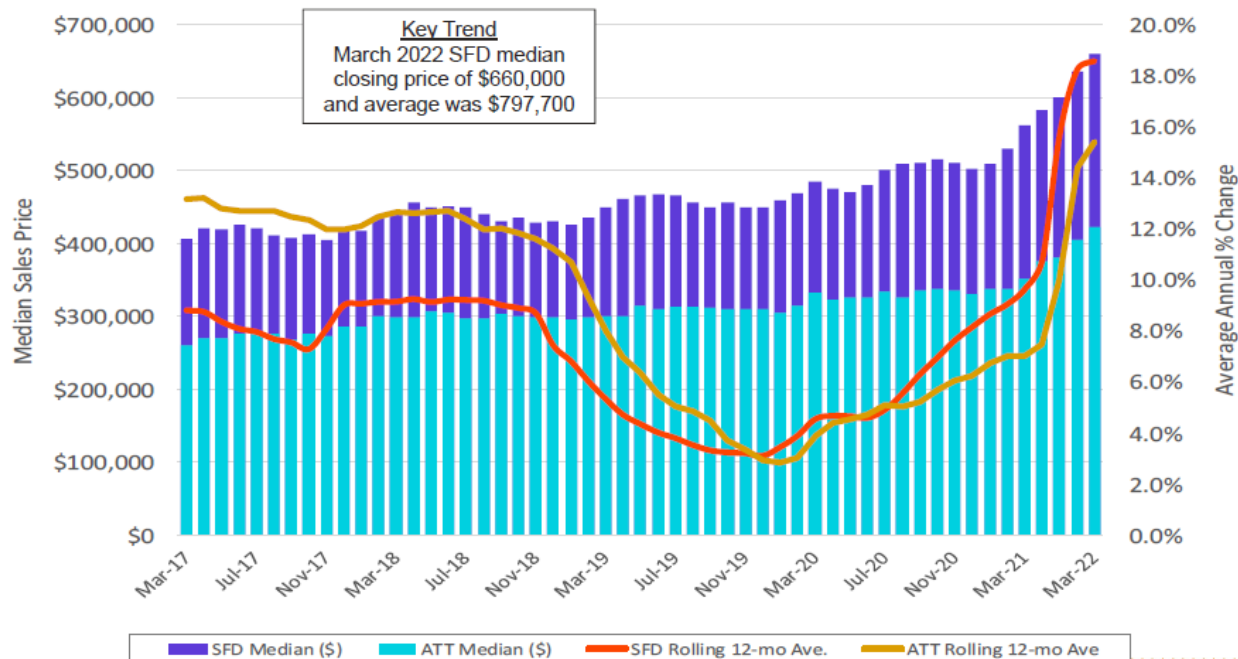
City of

Greeley Colorado

The Current Denver Market

📊 Zonda.

Existing Home Prices Continue to Hit New Records



Source: Denver Metro Association of Realtors

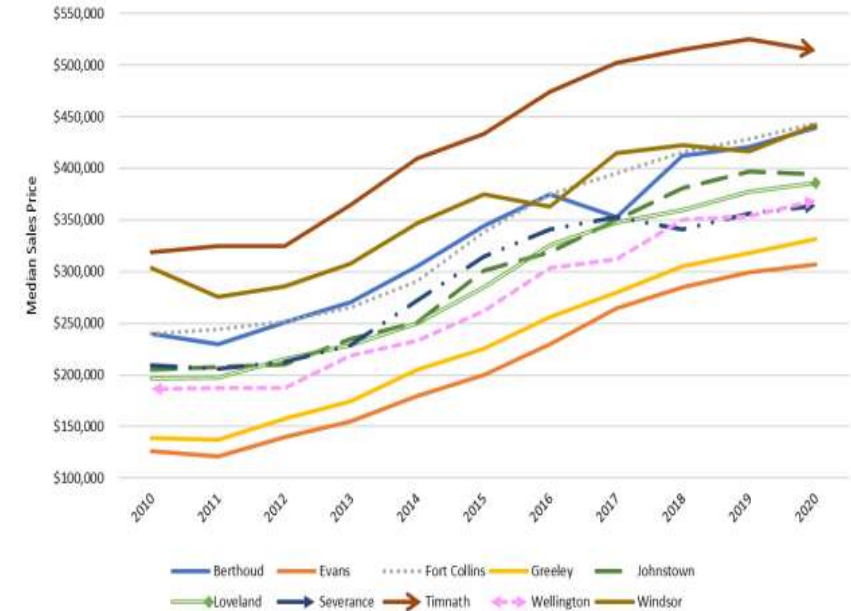
📊 Zonda.

- Price increases and rate hikes
- Early year comparisons to 2021 appear alarming
- Lot availability, cycle times and builder capacity
- Rate locks, equity rollover, and continued economic recovery
- 2022 a year for buyer 'recalibration'



2021 Comparative Market Metrics

BOULDER RESIDENTIAL	Jan	Feb	Mar	Apr
Monthly Active Listing Snapshot	85	104	117	114
Previous Year Active	142	159	147	174
% Difference Previous Yr	-40.1%	-34.6%	-20.4%	-34.5%
Monthly # of Sold Listings	31	43	61	84
Monthly Median Sales Price	\$1,425,000	\$1,237,000	\$1,557,500	\$1,517,500
Previous Year Median	\$912,500	\$1,035,000	\$1,000,049	\$1,125,000
% Difference Previous Yr	56.16%	19.52%	55.74%	34.89%
LONGMONT RESIDENTIAL	Jan	Feb	Mar	Apr
Monthly Active Listing Snapshot	74	78	84	96
Previous Year Active	153	143	149	174
% Difference Previous Yr	-51.6%	-45.5%	-43.6%	-44.8%
Monthly # of Sold Listings	44	63	82	84
Monthly Median Sales Price	\$489,500	\$509,000	\$493,000	\$569,275
Previous Year Median	\$455,000	\$455,000	\$455,950	\$451,000
% Difference Previous Yr	7.6%	11.9%	8.1%	26.2%
FT COLLINS RESIDENTIAL	Jan	Feb	Mar	Apr
Monthly Active Listing Snapshot	262	280	301	361
Previous Year Active	471	478	521	593
% Difference Previous Yr	-44.4%	-41.4%	-42.2%	-39.1%
Monthly # of Sold Listings	162	168	239	256
Monthly Median Sales Price	\$466,250	\$482,500	\$495,000	\$511,450
Previous Year Median	\$420,000	\$420,000	\$425,000	\$445,000
% Difference Previous Yr	11.0%	14.9%	16.5%	14.9%
LOVELAND/BERTHOUD RES	Jan	Feb	Mar	Apr
Monthly Active Listing Snapshot	233	280	248	271
Previous Year Active	368	408	410	429
% Difference Previous Yr	-36.7%	-31.4%	-39.5%	-36.8%
Monthly # of Sold Listings	98	151	225	219
Monthly Median Sales Price	\$442,500	\$425,000	\$430,000	\$435,000
Previous Year Median	\$393,500	\$400,000	\$399,950	\$398,026
% Difference Previous Yr	12.5%	6.3%	7.5%	9.3%
GREELEY/EVANS RESIDENTIAL	Jan	Feb	Mar	Apr
Monthly Active Listing Snapshot	140	144	141	165
Previous Year Active	218	209	255	289
% Difference Previous Yr	-35.8%	-31.1%	-44.7%	-42.9%
Monthly # of Sold Listings	102	118	114	129
Monthly Median Sales Price	\$338,000	\$359,000	\$354,250	\$365,000
Previous Year Median	\$310,000	\$321,550	\$320,000	\$340,000
% Difference Previous Yr	9.0%	11.6%	10.7%	7.4%





2022

ANNUAL GROWTH & DEVELOPMENT PROJECTIONS REPORT

GREELEY AT A GLANCE

- The city of Greeley ended 2021 with an estimated population of 110,787 and, by the end of 2022, expects an estimated population of 112,816.
- In 2021, Greeley issued 915 residential permits:
 - 303 single-family units
 - 612 multi-family units
- An additional 768 housing units are anticipated in 2022.
- Greeley's median-household income in 2019 was \$61,492, compared to the national median household income of \$65,712.
- The median home sales price in 2021 was \$385,000, a 14.6% increase from 2020.
- The total number of jobs was estimated at 49,927 in 2021, compared to 48,722 in 2020 and 51,867 in 2019.



HOUSING GROWTH SCENARIOS & PROJECTED NUMBER OF HOUSING UNITS



Figure 3: Housing Growth Scenarios, 2022-2027 (2021 Base 6-Yr. Est.)

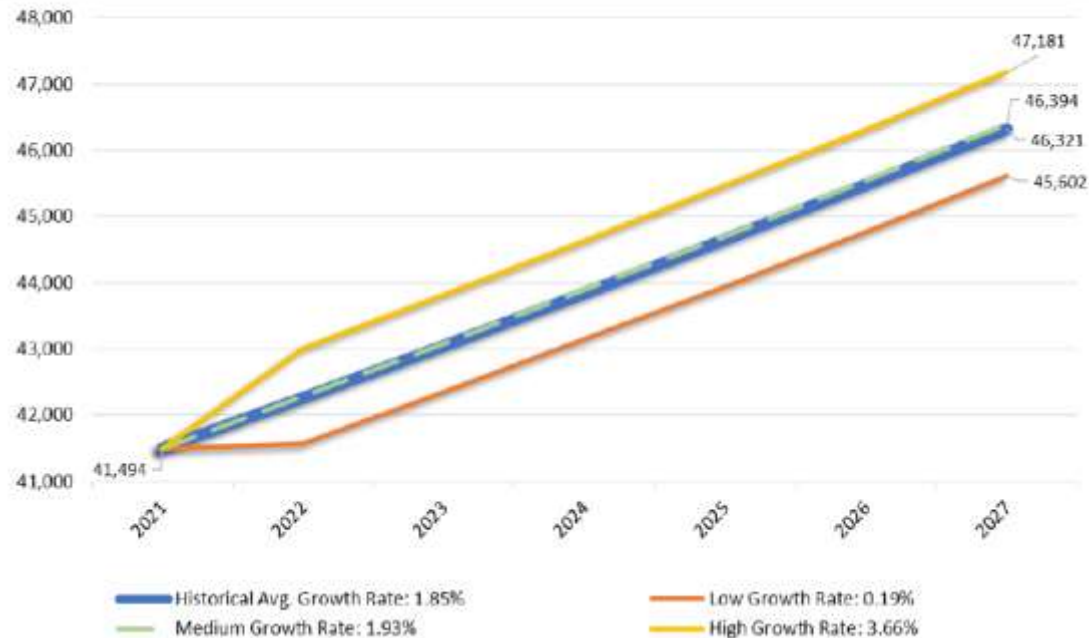
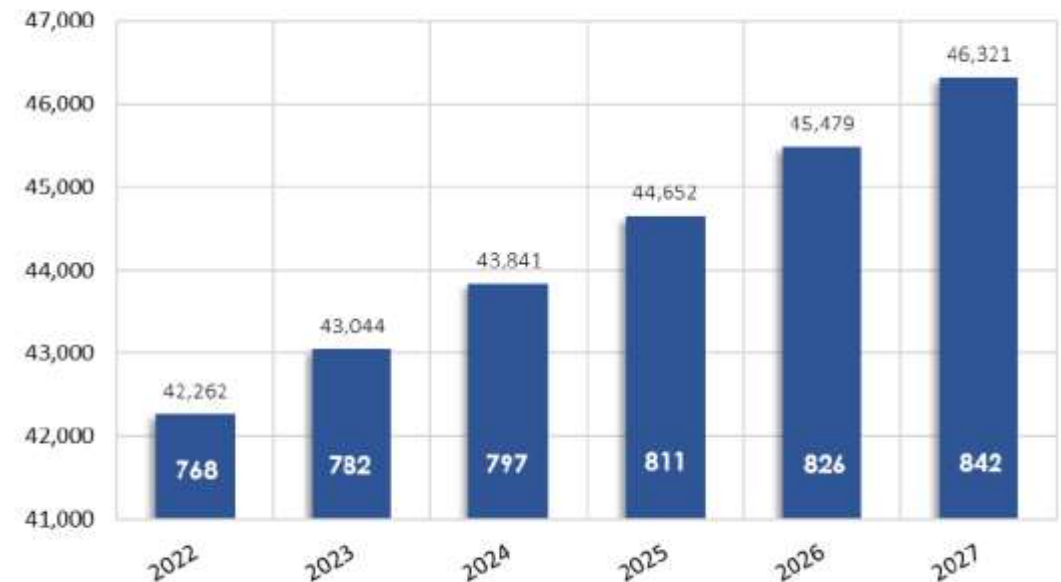


Figure 4: Forecasted Total Number of Housing Units, 2022-2027 (6-Yr. Est.)



NUMBER OF PERMITS ISSUED IN GREELEY & IN NORTHERN COLORADO

Figure 5: Number of Residential Units Permitted, 1991-2021

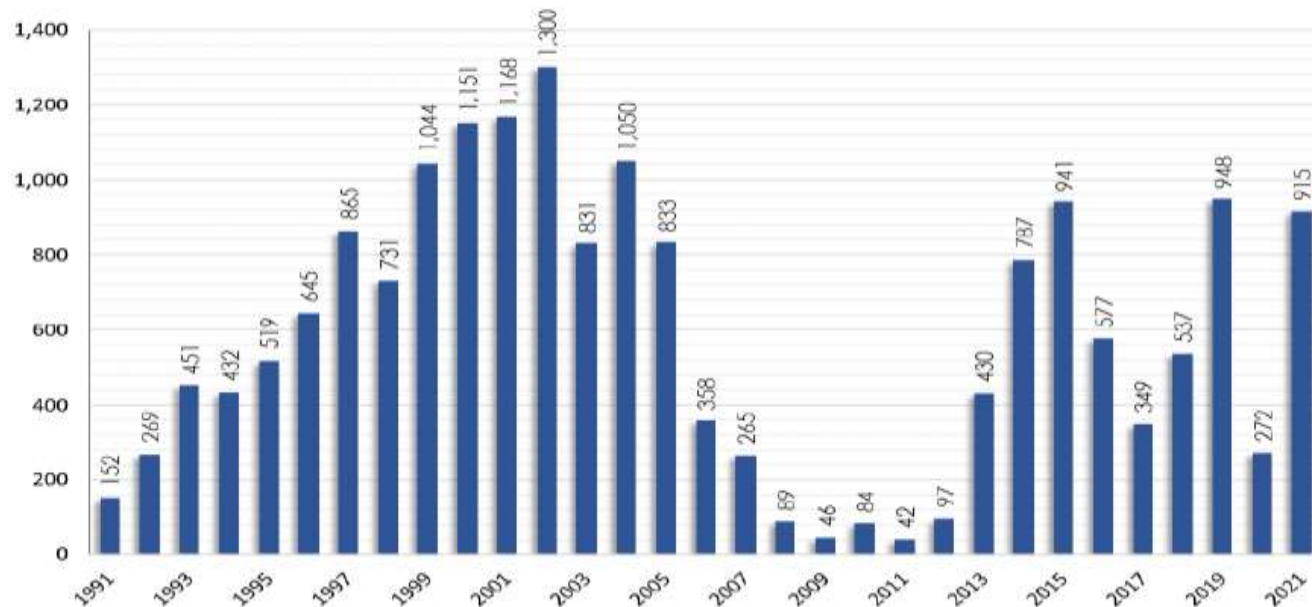


Figure 6: Residential Units Permitted in Northern Colorado, 2021

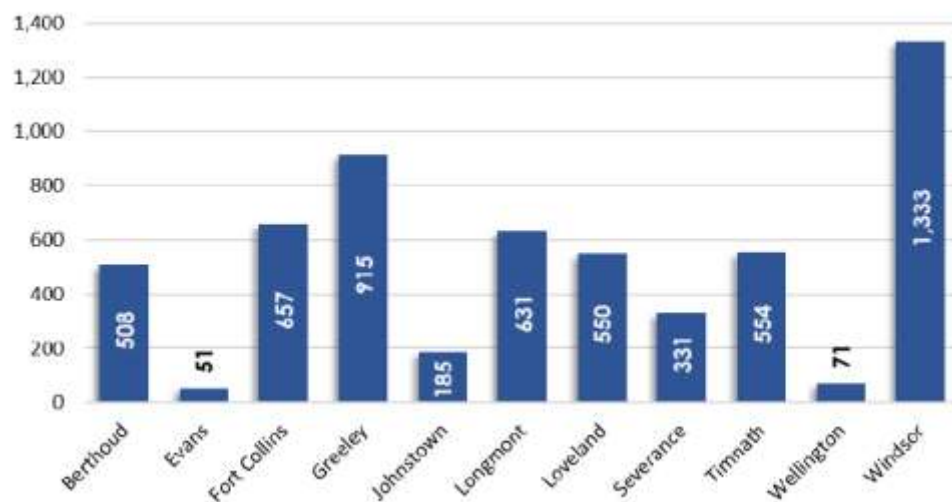
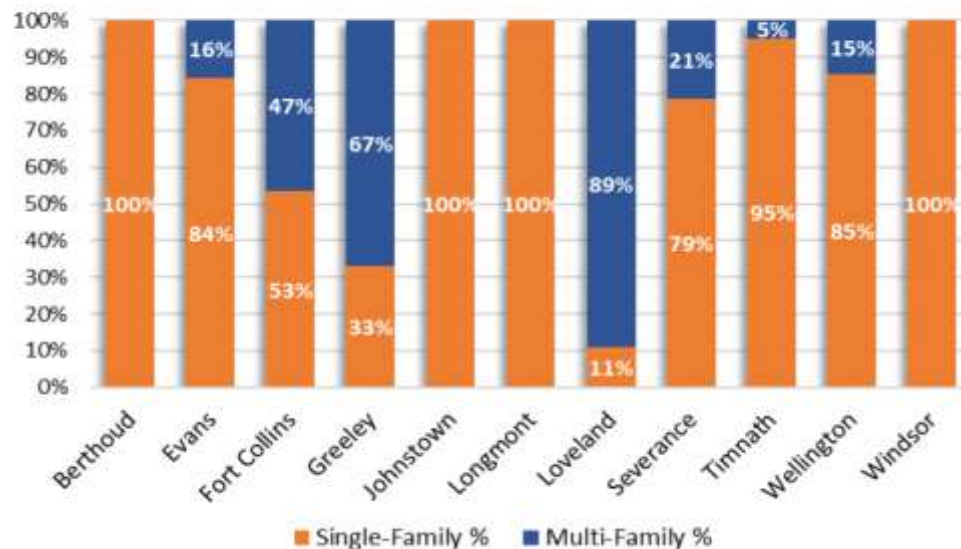


Figure 7: Percent Housing Mix in Northern Colorado, 2021



HOUSEHOLD INCOME & MEDIAN HOME SALES PRICE



Figure 8: Median Household Income, 2010-2019 (American Community Survey 1-Yr Est.)

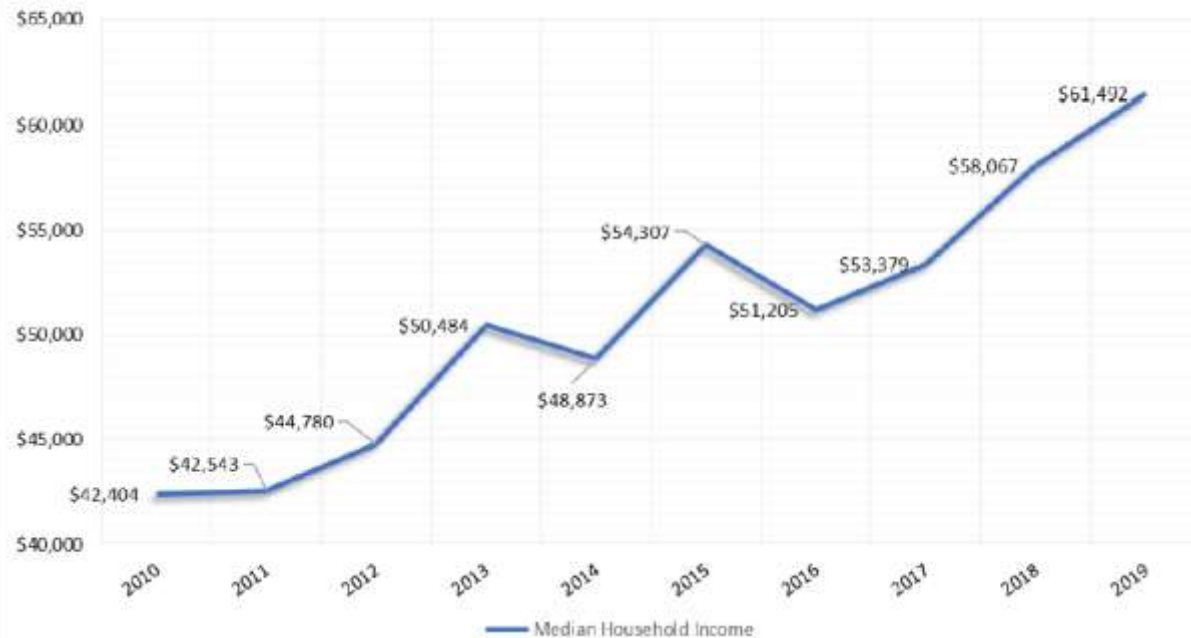
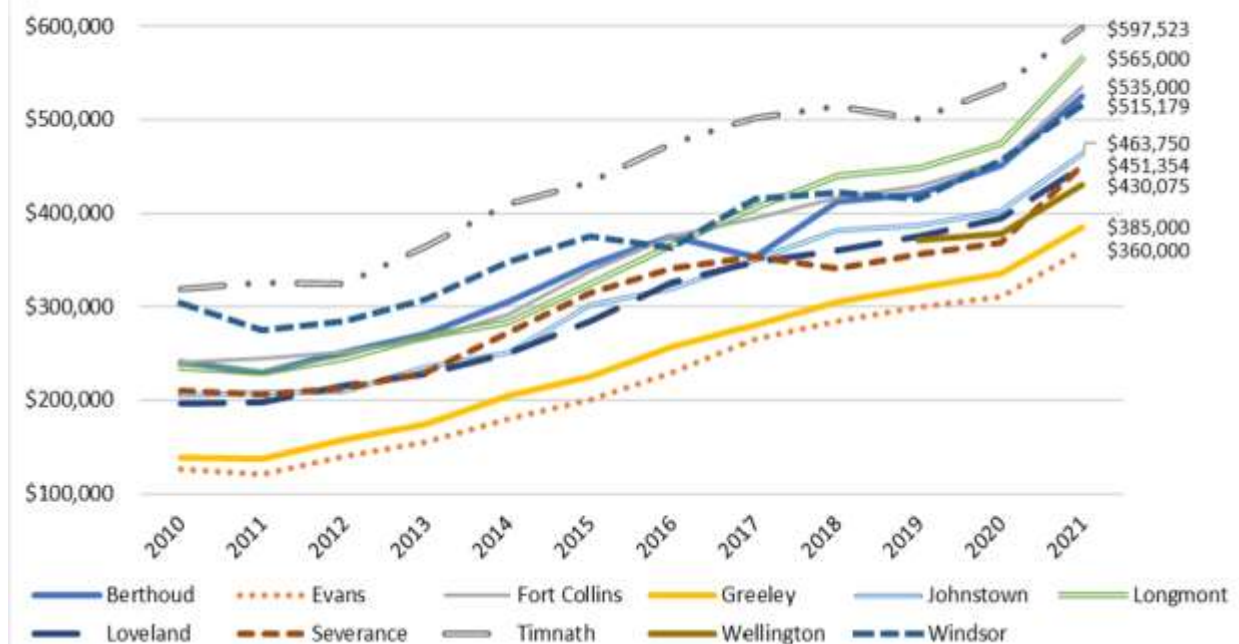


Figure 9: Northern Colorado Annual Median Home Sales Price, 2010-2021



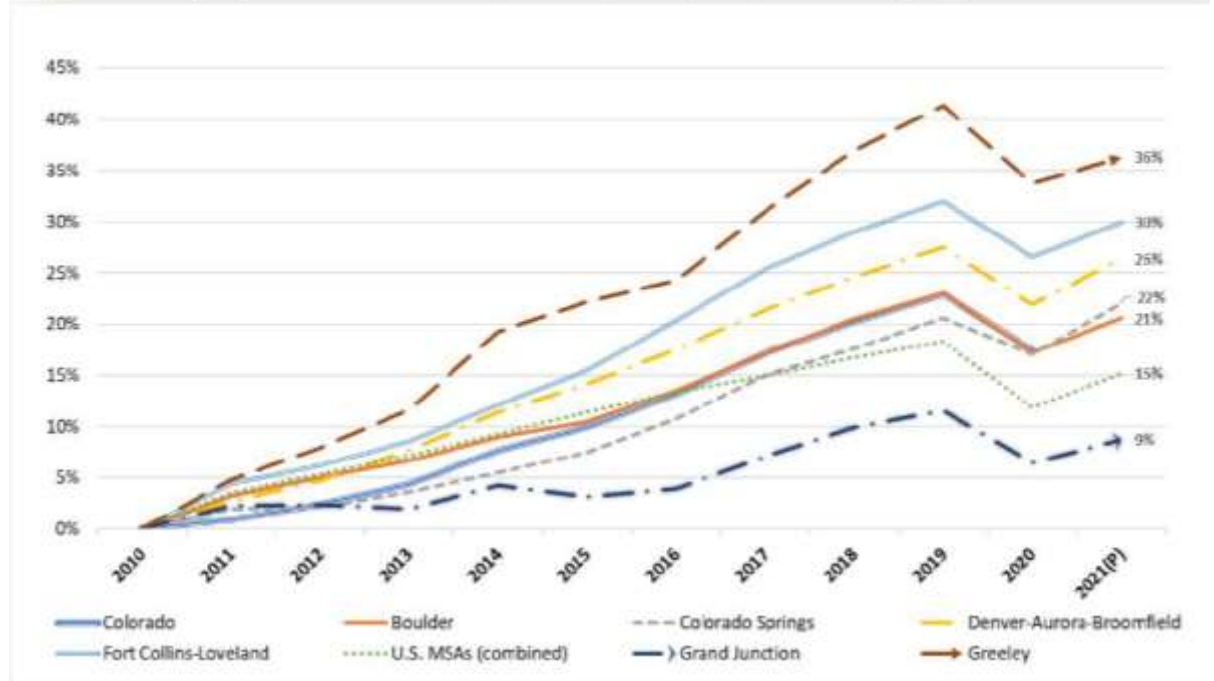
EMPLOYMENT, UNEMPLOYMENT, & JOB GROWTH



Figure 10: Annual Employment & Unemployment Rate, 2009-2021



Figure 11: Employment Growth Index, Greeley MSA, CO., 2010-2021 (BLS)



Greeley Permit Activity 2017-2021



2021 was an incredible 'bounce-back' year for Greeley's permit activity, as show in the chart below.

		YTD 2021	YTD 2020	YTD 2019	YTD 2018	YTD 2017
Single Family	Permits	303	66	170	338	111
	Units	303	66	170	338	111
	Valuation	\$91,785,966	\$16,953,102	\$42,927,644	\$79,816,404	\$27,142,816
Multi-Family	Permits	252	47	47	73	72
	Units	612	206	697	199	238
	Valuation	\$104,820,118	\$22,901,751	\$90,911,971	\$33,169,389	\$42,009,358
Commercial	Permits	26	17	52	25	26
	Valuation	\$149,587,534	\$10,467,742	\$49,477,556	\$50,891,824	\$136,394,237

Greeley Permit Activity

May 2022 YTD



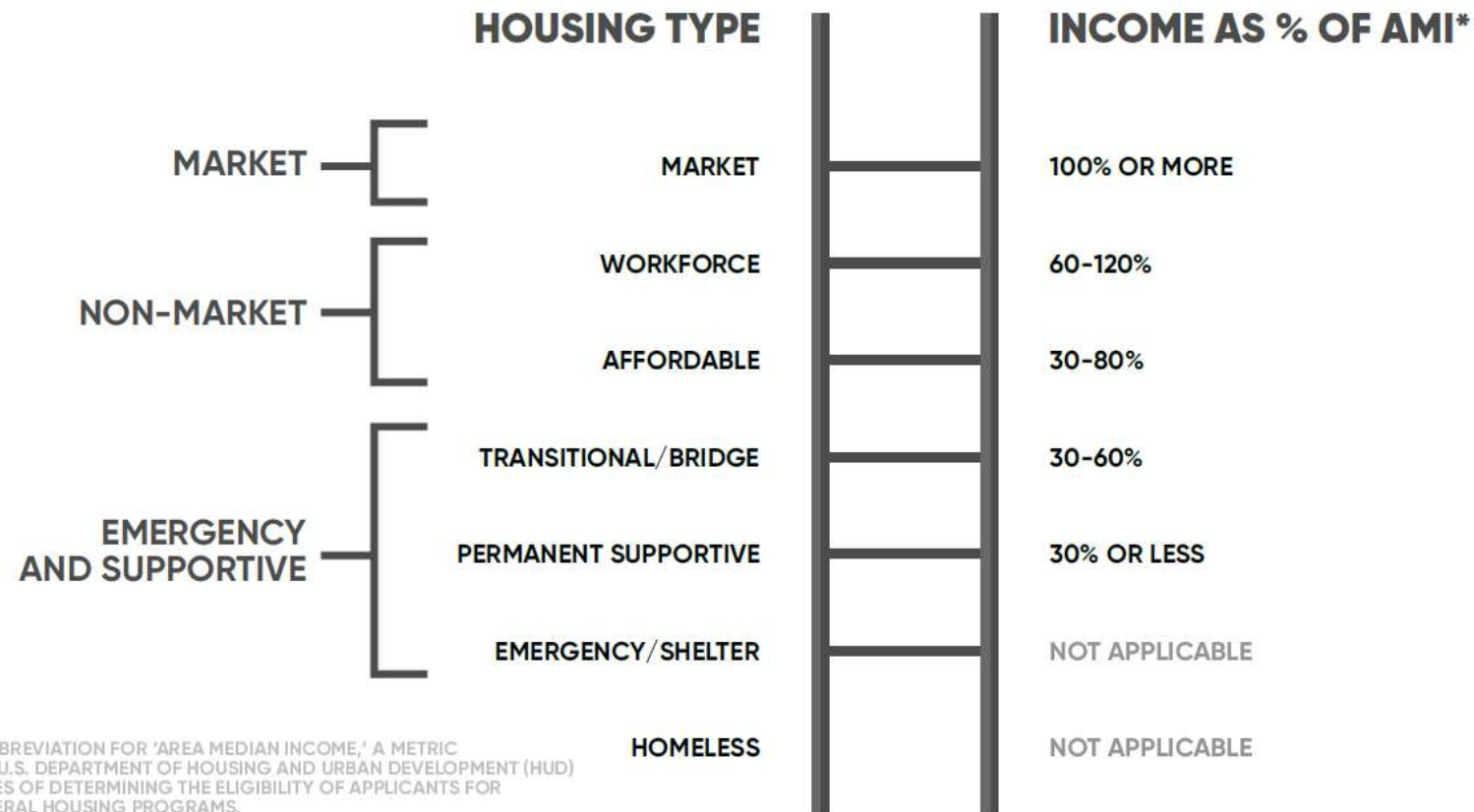
		YTD 2022	YTD 2021	TOTAL FOR 2021	2022 YTD % of 2021 YTD	2022 YTD % of 2021 TOTAL
Single Family	Permits	246	50	303	492%	81%
	Units	246	50	303	492%	81%
	Valuation	\$75,570,838	\$15,015,143	\$91,785,966	503%	82%
Multi-Family	Permits	67	100	252	67%	27%
	Units	1,032	184	612	561%	169%
	Valuation	\$150,479,355	\$35,767,207	\$104,820,118	421%	144%
Commercial	Permits	44	7	26	629%	169%
	Valuation	\$78,442,523	\$90,722,155	\$149,587,534	86%	52%



The Local Housing Market Operates as an Ecosystem



HOUSING LADDER



- **Income-Qualified Focus**
- **Tools Used**
 - Private Activity Bonds
 - CDBG
 - HOME
- **Three projects Identified**

*AMI IS AN ABBREVIATION FOR 'AREA MEDIAN INCOME,' A METRIC USED BY THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) FOR PURPOSES OF DETERMINING THE ELIGIBILITY OF APPLICANTS FOR CERTAIN FEDERAL HOUSING PROGRAMS.

