

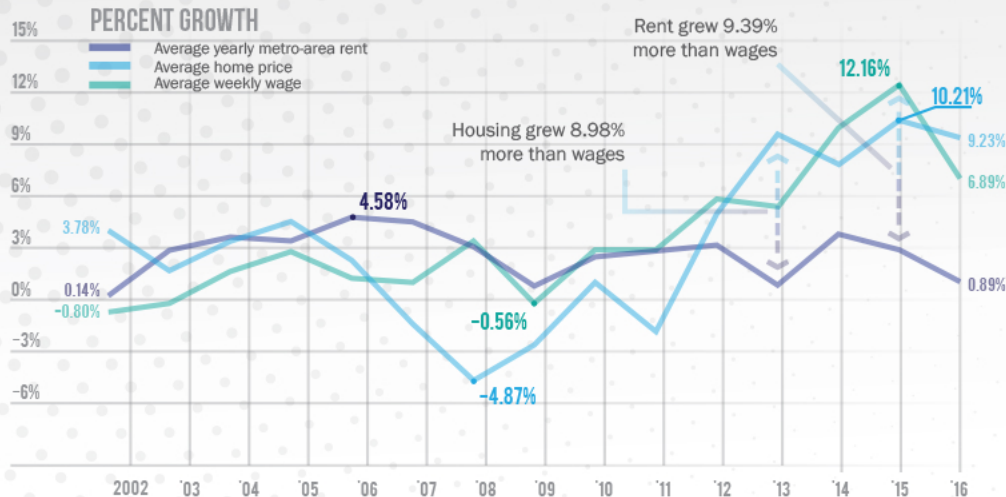
DENVER HOUSING SHORTAGE



Denver's chronic housing shortage may peak this year with deficit of 32,000 homes and apartments

RENTS ARE RISING WHILE WAGE GROWTH IS SLOWING

Home prices and rents in metro Denver have risen much faster than Colorado wages since 2011.



Sources: S&P CoreLogic Case-Shiller Index for Denver, U.S. Bureau of Labor Statistics, Denver Metro Apartment Vacancy and Rent report

“IT COULD TAKE ANOTHER 10 YEARS OR MORE TO CORRECT THE IMBALANCE”

More than a decade after the Great Recession swept through Colorado and decimated an overbuilt real estate market, metro Denver is now experiencing the other extreme: a chronic tight supply of housing that is sending home prices and apartment rents skyward.

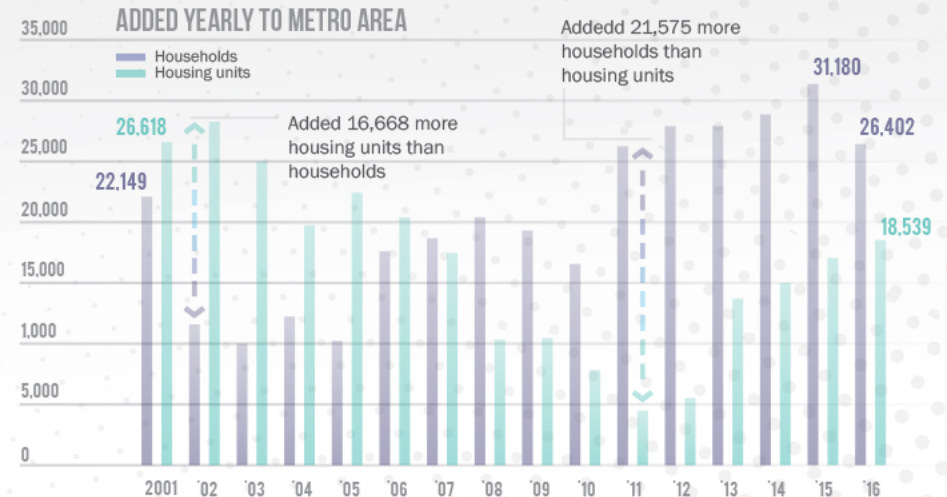
It could take another 10 years or more to correct the imbalance, according to a new report on Denver's housing crunch that points to a complex set of factors confronting metro-area homebuyers and renters, particularly those on the lower end or entry level of the market.

Those include shortages of available land for residential development and workers in certain trades, a backlash against growth, low productivity in the construction business and evolving consumer preferences toward bigger homes with more amenities combined with builders' preference for selling higher-end properties.

The deficit of homes and apartments in the region is expected to peak this year at about 32,000 units, and that will put upward pressure on home prices for years to come even as supply rises to levels not seen since the early 2000s, warned

HOUSING GAP

The Denver area has been adding households at a higher rate than housing units for a decade.



Sources: State Demography Office; Factors Impacting Housing Affordability