

SUMMIT COUNTY HOUSING NEEDS ASSESSMENT

**Final Report
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Prepared for: The Summit County Housing Authority

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SECTION 1 INTRODUCTION

The Summit County Housing Authority sponsored this Housing Needs Assessment in order to update information from the Needs Assessment completed in June of 2001. The purpose is to understand any changes and trends since the last needs assessment with respect to local housing problems and needs. This study provides information on current and future housing needs and the available supply of housing to address these needs.

Purpose of the Study

A Housing Needs Assessment provides baseline information from which policy decisions, local housing goals and objectives and program options can be evaluated. This information is intended to inform decisions, as well as suggest program and policy options for local governments to consider when addressing community housing needs and opportunities. Ideally, Summit County will have a mix of housing that supports current and future residents as their housing needs and conditions change. Further, having a balance of housing that is affordable and suitable for different employment levels plays a supportive role in economic development as well.

This report identifies and quantifies housing issues in Summit County as a whole and does not identify specific needs within each community or region in Summit County. It provides guidance needed to conceptually plan housing projects and suggests programs to address these identified needs. At the direction of the Housing Authority, the update focuses primarily on ownership housing; however an overview of changes in the rental market based on publicly available information is also provided. Specifically, this information can be used to:

- Evaluate and potentially modify public policies and housing programs including land use regulations, affordable housing incentives and development codes;
- Facilitate partnerships between public- and private-sector organizations to create developments that include housing that is suitable and affordable to different population groups;
- Obtain financing for housing projects. Most private, federal and state lending institutions require demographic and housing cost information to support loan or grant applications. Often information presented in a housing needs assessment may be used to support a proposed development with different funding agencies. This information can also be used when a financial institution requires market studies (for example, rental units financed with Low Income Housing Tax Credits);
- Assess the distribution of housing throughout Summit County, particularly in the context of employment;
- Establish baseline information from which progress toward meeting goals can be evaluated;
- Plan for future housing needs and demand connected with anticipated commercial and residential growth; and
- Understand economic, housing and demographic trends in the area.

This report does not provide all of the information that would be desirable to have when finalizing designs for the construction of specific projects. However, when residential projects are being planned in the future, data generated as part of this study can be extrapolated to prepare site- and project-specific market analysis reports with general design recommendations.

Organization of the Report

This report is divided into eight sections. Each section begins with an introduction to the items covered as presented below:

Key Findings and Recommendations This section provides an overview of key findings and conclusions of the report, along with recommendations for suggested programs and options for meeting current and future housing needs of residents and employees of Summit County.

Population and Demographics Profile – Describes the population, households, income, age distribution, primary language, and length of residence and tenure of those living in Summit County. This information was derived from the 2000 Census and provides a context for understanding housing demand and supply in the community. This section also provides population projections through 2005 and estimated households by Area Median Income.

Employment and Commuting – A review of employment patterns in Summit County, including the number of jobs and employees, employment by type of industry, wages, seasonality, projected changes in employment and commuting. A list of pending and proposed commercial development in the county is also provided.

Housing Inventory – A detailed review of the existing housing stock. This section of the report addresses the number and location of units, growth rates, ownership by primary residents and second homeowners, tenure, unit type, value of owner housing, rental rates and occupancies and an assessment of existing employee-restricted ownership and rental units and pending projects.

Housing Sales – A summary of housing sales between 2001 and September 2004, plus an overview of current properties for sale. Sales by type of unit, residency of the purchaser and price of unit are evaluated. This section also compares new versus existing unit sales by price and residency of owner, as well as an overview of restricted employee unit sales. Current properties available are evaluated based on type and price of unit, location and AMI affordability. This section helps identify the types of units purchased by locals and competition with non-resident buyers for housing, as well as the range of units presently available on the market.

Demand and Gap Analysis – An analysis of households by AMI category that are likely to be the focus of public-sector efforts to provide affordable housing. This section identifies the likely current and future demand for housing and estimates where local housing programs may need to be focused (by AMI group) to improve the affordability of local housing to Summit County residents.

Key Housing Indicators Identifies primary housing indicators that can be updated and tracked to extend the effectiveness of this report. Indicators can also be used to assess the progress of the county toward meeting housing goals.

Methodology and Data Sources

This update used primarily publicly available information. Where public information was not available, information from the household and employer surveys conducted as part of the 2001 Housing Needs Assessment was used. Primary information was collected through interviews with community and county planning staff regarding development since the last study and pending future development in Summit County.

It is important to note that results from the 2000 Census became available at the conclusion of the 2001 Housing Needs Assessment study. The current update uses the 2000 Census as a base for information. Therefore, general demographics and household characteristics may differ from those reflected in the 2001 study. These differences will be particularly apparent with respect to lower-income households and estimates of households by tenure, given that lower income households and renters are often underrepresented through household mailback surveys (which was recognized in the 2001 study). Where actual trends have changed since the 2001 study, these changes are noted.

Data sources used in this study include:

- 2000 US Census – population and demographic information
- Department of Local Affairs – population and job projections
- Center for Business and Economic Forecasting – Quarterly Census of Employment and Wages
- Summit County Assessor data – ownership and property information and sales trends
- Department of Housing and Urban Development – area median incomes
- Multiple Listing Service – current available for-sale units
- 2001 Summit County Housing Needs Assessment and related household and employer surveys
- Local planning department interviews – development since 2001 and pending projects

Definitions

The following definitions are applicable for the terms used in this report.

Affordable Housing -- when the amount spent on rent or mortgage payments (excluding utilities) does not exceed 30% of the combined gross income of all household members. There is no single amount that is “affordable.” The term is not synonymous with low-income housing, where, under most Federal programs for low-income housing, occupants pay 30 percent of their gross income for rent and utilities.

Cost Burdened when a household or individual spends more than 30% of gross income on rent or mortgage payments.

Substandard Housing -- a unit that lacks complete kitchen and /or plumbing facilities.

Overcrowded Conditions – the standard definition is where more than one person *per room* resides within a dwelling unit. For example, six people living in a five-room home would be living in overcrowded conditions.

Mean -- the average of a group of numbers. It is obtained by adding all the data values and dividing them by the number of items.

Median - the middle point in a data set.

Certificate of Occupancy the official document issued by the City to a developer or general contractor upon completion of a dwelling unit, signifying the construction conforms to safety standards, such as the Uniform Building Code, as well as other applicable local standards, such as land use regulations and zoning.

Income Limits – most communities establish income limits for the programs they administer based on the area median income (AMI) for the area according to household size, which are adjusted annually by the Department of Housing and Urban Development (HUD). Four different income categories are defined for various programs and policies. The dollar amounts associated with each household size are provided in the Very Low, Low, Moderate and Middle Income section of this report:

1. *Very low income*, which is less than 30% of the median family income;
2. *Low income*, which is between 30% and 49% of the median family income;
3. *Moderate income*, which is between 50% and 79% of the median family income; and,
4. *Middle Income*, which is between 80% and 120% of the median family income.

Section 8 Rent Subsidy - the Section 8 Housing Assistance Payment program is offered through the U.S. Department of Housing and Urban Development (HUD). This program pays the difference between 30% of monthly household income and the Fair Market Rent (FMR) established by HUD for the Denver Metro area. There are two types of Section 8 assistance: 1) project based where vouchers are attached to specific properties, or 2) vouchers -- households using Section 8 assistance find market rate housing where the landlord is willing to participate in the program.

SECTION 2 KEY FINDINGS AND RECOMMENDATIONS

Since the last Housing Needs Assessment, housing conditions have improved according to some measurements but have worsened in other ways. The lagging economy during post-9/11 created new housing opportunities, but also fueled housing demand in other respects. Recent and projected trends in the economy, however, indicate that many trends seen during the late 1990's have the potential to recur in the coming decade.

Current Condition

Less Housing Pressure: Population growth in Summit County between 2000 and 2005 slowed to an average annual rate of increase of about 3.7 percent, compared to 6.2 percent annually between 1990 and 2000. Available jobs in the County decreased between the years 2000 and 2002 and are estimated to be just above year 2000 levels in 2005. These slower growth rates and fewer available jobs, combined with a slower economy throughout the nation, relieved pressure on the for-sale housing and rental market during this period.

Potential cost-burdened relief for owners: In 2000, about 28 percent of owner households in Summit County were cost-burdened (1,800 total). About 128 employee restricted purchase units have been added since 2000, potentially reducing this cost-burdened population. Further, the reduced loan rates and flexible loan options that arose in 2002 and 2003 have most likely permitted some owners to purchase units that were previously unaffordable.

Increased ratio of higher-paying jobs: Jobs between 1990 and 2002 generally show the lower paying jobs of retail, accommodation and food services declining as a percentage of all jobs in the county, with higher paying jobs such as construction and finance, insurance and real estate (FIRE) increasing. *If this trend continues*, this shift in industries may result in higher average incomes in the county among locals, increasing their threshold of affordability.

More moderate change in sales prices; single-family homes still unaffordable: Median sale prices of single-family homes increased at about half the rate between 2001 and 2004 (6.4 percent per year) as recorded between 1990 and 2000 (13.2 percent per year). Further, median sale prices of condominiums actually *decreased* an average of 1.8 percent per year between 2001 and 2004, compared to a yearly increase of 9.7 percent per year between 1990 and 2000. Single family homes continued to outpace the yearly increase in median family incomes over the past four years (which increased about 4.7 percent per year on average), however, median sale prices of condominiums became more affordable to locals during this period.

Continuing competition from second homeowners: Locals face much competition for units in Summit County. Between 2001 and 2004, locals purchased about 31 percent of units sold, 37 percent were purchased by Colorado Front Range residents and another 30 percent were purchased by out-of-state/country buyers. Of potential concern is that, between 2001 and 2004, the percentage of units sold to locals and priced under \$150,000 declined from 58 percent to 44 percent. Second homeowners in Summit County compete for similarly priced units as locals, which is not typically the case in resort communities. Despite the crossover in demand by price, however, second homeowners in Summit County tend to be more focused on condominium and attached units than locals, whereas locals are more likely to purchase single-family homes in the affordable price ranges.

Cost-burdened relief for some renters: In 2000, about 34 percent of renters were cost-burdened in the county (about 1,500 total). Most of these households (87 percent) earned under 80% of the AMI. It is expected that the percentage of cost-burdened renters has declined since 2000 given that median household incomes have increased at a faster rate (26 percent) than rents (15 percent) during this period.

High rental vacancies: Rental vacancy rates remain high in 2004 (7.4 percent during the first quarter and 14.5 percent during the third quarter). During boom times in 1999, vacancy rates fell to 1.0 percent during the first-quarter and 3.2 percent during the third quarter. Typically vacancy rates around 5 percent suggest some equilibrium in the market, meaning that there is sufficient supply to provide renters with a choice of product. Although rental vacancy rates suggest an oversupply at this time, as the economy continues to improve, the rental market has the potential to return to 1999 levels of demand.

Additional seasonal housing: Seasonal housing projects in Keystone and Copper have been completed since the last study (Tenderfoot Housing and Club Med renovation). These projects should relieve pressure on the rental market and provide more year-round stability to projects suited for full time occupancy. The higher vacancy rates reported over the past few years are likely a combination of a softer renter market overall and availability of seasonal housing. However, the increase in rental vacancy rates in the county during the non-peak season indicates that seasonal employee housing captures only part of this market.

Future Condition

Job growth at historic rates; slower population growth: It is estimated that jobs will increase at the same yearly rate between 2005 and 2010 as occurred between 1990 and 2000 (5.3 percent). In comparison, the local population is projected to increase about 2.6 percent per year during this period; slower than the yearly 6.2 percent rate between 1990 and 2000. All areas of the county are projected to grow through 2010; however, the most growth is expected to occur in the towns of Breckenridge, Frisco and Silverthorne.

Increased housing pressure; in-commuters: As the population and jobs increase, so will the pressure on housing for locals. Given the higher projected growth rate of jobs compared to the population, in-commuting is also projected to increase from about 13 percent of the workforce in 2005 to 20 percent in 2010. Finally, as the economy continues to improve, for-sale housing prices and rents are likely to increase in response to increased demand.

Some communities approaching build-out: Some communities in Summit County will be limited in their potential for future development. Discussions with the Towns of Breckenridge, Dillon and Frisco indicated that these communities have limited vacant acreage left within the communities. Future development efforts will be focused more on redevelopment of existing properties, upgrades and infill rather than new development projects.

Importance of goal/priority setting: Breckenridge has recognized their pending “build-out” and has placed employee housing among the forefront of objectives they would like to achieve while still able. As land becomes more limited in other areas of the county, it becomes more critical to establish goals and priorities such as these to ensure future livability and quality of life in the county. The ratio between commercial development and local resident housing for workers becomes a more critical part of the equation as available land becomes scarcer.

Projected Demand

Current demand for housing units is estimated to be for between 533 and 884 units. This is a combination of units needed to house in-commuters that would prefer to live in Summit County and to relieve the overcrowding problem. In addition to the existing deficit in housing, it is estimated that another 2,867 to 3,040 housing units will be needed to meet the demand from employees that will be filling new jobs by 2010.

Estimated Demand for Housing Units in Summit County: 2005 and 2010

2005 Demand from:	Housing Units
In-Commuters	351 to 702
Overcrowding	182
TOTAL 2005	533 to 884
New Jobs (2010)	2,867 to 3,040

About 64 percent of the units demanded (2,169 to 2,503) will need to be priced for households earning 120 percent or less of the AMI, provided resident incomes remain at similar ratios as in 2000. Further, if current owner/renter ratios are to be maintained, about 51 percent of the households earning under 120% AMI will be renters (1,114 to 1,285 total) and 49 percent will be owners (1,055 to 1,218).

Total Demand By AMI

AMI distribution	Renters		Owners		Total	
	%	#	%	#	%	#
<50%	28.6%	399 to 461	9.3%	186 to 214	17.2%	585 to 675
50-80%	19.3%	270 to 311	12.3%	246 to 284	15.2%	516 to 595
80-100%	21.1%	295 to 341	17.9%	358 to 414	19.2%	654 to 754
100-120%	10.7%	149 to 173	13.2%	265 to 306	12.2%	415 to 479
120%+	20.2%	283 to 326	47.3%	949 to 1,095	36.2%	1,231 to 1,421
TOTAL	100.0%	1,396 to 1,611	100.0%	2,004 to 2,313	100.0%	3,400 to 3,924

Provision of Housing

Homeownership

The current gap analysis indicates that ownership units priced between 50 and 120% AMI are in short supply compared to local resident needs, which was similar to the findings reported in the 2001 Housing Needs Assessment study. These units would be priced between about \$112,000 and \$267,400 and would offer opportunities for first-time homeowners. It is estimated that between 1,055 and 1,218 homes priced under 120% AMI will be needed by 2010.

About 50 percent of condominium units presently listed on the MLS are priced for households earning 120% AMI or less (about 300 units), compared to about 2 percent of single-family homes (about 6 units). Considerations to be made regarding condominiums are affordability of

HOA fees and the percentage of units owned by second homeowners. Complexes that are largely owned by non-residents may be unattractive for permanent residents due to overstuffed (and priced) amenities, resulting in high HOA fees and high vacancy rates for much of the year providing no sense of community in the complex. A prevalence of units that are rented for weekend use by their out-of-region owners could also be undesirable neighbors, as well as make it more difficult to acquire financing to purchase a unit in the complex. Methods to improve local occupancy of condominium complexes and control homeowners association fees may make condominium properties more attractive to locals. Local acquisition and renovation of older condominiums are effective for achieving this purpose.

Wellington Phase II in Breckenridge would provide about 72 ownership units priced for households earning less than 120% AMI, including 15 units for households earning under 80% AMI, as presently proposed. High quality projects of this type, which offer a range of housing prices for locals with a mix of housing options, have proved to be in demand from and serve the employee market. Given the general preference of single-family homes by locals, methods for providing affordable single-family homes through private developer incentives, public-private partnerships and other means are encouraged to fill this gap in the market.

Finally, given that housing demand will be largely fueled by employment growth in the future, inclusionary zoning programs (regulations which link employee housing generation to new commercial job growth) are effective tools for ensuring that employee housing is available for the employees generated by new commercial growth.

Rental Housing

The distribution of rents compared to incomes shows that there should be sufficient units to serve the local population earning less than 80 percent AMI (the primary renter market). However, given that many renters are cost-burdened (87 percent of which earn less than 80% of the AMI), this indicates that higher income households are pushing lower income households into higher-priced unaffordable units. It is very likely that competition for lower-priced rentals includes not only locals, but also Front Range and other Colorado residents that prefer to rent (rather than purchase) a unit for recreational use.

Current high vacancy rates indicate that construction of additional rental units at this time may not be warranted. However, as the economy improves and vacancies again approach 1999 levels, programs for providing rentals for households earning 80% or less of the AMI may need to be considered. These would include options for reducing competition from higher income households for lower priced units and for reducing competition from Front Range households. This could be achieved, for example, through employee occupancy restrictions, AMI restrictions, public-private partnerships and, when warranted, tax-credit projects. Caution with restricted rental projects needs to be exercised given Colorado's recent regulations regarding rent controls.

Seasonal Worker Housing

It is estimated that seasonal workers have fluctuated between about 3,300 and 3,600 since 1995. Housing for seasonal workers has not been as much of a problem the past few years, given the completion of seasonal housing projects in Keystone and Copper and the high rental vacancy rates in the county. However, as the economy improves and demand for workers increases, it is important to track this trend and ensure their needs continue to be met.

Senior Housing

Although seniors comprise only 5 percent of Summit County's population (about 600 total households), this was a very fast-growing segment of the population in the 1990's, increasing by 146 percent. There is also evidence that increasing numbers of second homeowners are choosing to retire in Summit County. These residents are making their Summit County residence their only, or primary, home and, in turn, placing new demands on a variety of services desired by the senior population. Finally, job projections estimate that household basic jobs (base jobs attributed to retirees or other expenditures of outside income from property, pensions or government payments) will grow faster than other types of jobs in the county, indicating continued growth in this segment of the population. As a result, this population should continue to be monitored in the event additional housing suitable for seniors will be needed in the future.

SECTION 3 POPULATION AND DEMOGRAPHICS

This section of the report provides a general overview of county households and demographics as determined from the 2000 US Census, plus population estimates for 2005 to understand present demand in the county. This section sets the stage for understanding past trends in the population and housing needs and current population demand. This information helps provide some guidance when evaluating housing programs that would best serve the community.

Population and Household Profile

This section highlights some observations and trends identified from the 1990 and 2000 Census to provide a base assessment of the current condition of the housing stock, resident characteristics, household incomes, housing values and rents and other factors. Primary observations include:

Population and Housing Growth:

- The population of Summit County increased about 83 percent (+10,700 persons) between 1990 and 2000, whereas the number of housing units increased only 42 percent (+7,110 units). This difference in growth rates contributed to higher unit occupancies by residents in 2000 (38 percent) than in 1990 (31 percent).
- The majority of units in Summit County are multi-family units (69 percent). Another 29 percent are single-family homes and 2 percent are mobile homes. In 1990, about 70 percent of units were multi-family, 26 percent were single-family and 3 percent were mobile homes, indicating a faster rate of growth of single-family homes than other types of units during this period.

Housing Costs And Income:

- In resort communities with a high incidence of second homeowner interest and demand, housing costs typically escalate at a faster rate than local resident incomes. In Summit County, it is likely that the demand for units from the growing population also contributed to higher housing costs. The value of single-family homes in Summit County increased 161 percent between 1990 and 2000, whereas household incomes increased only 61 percent and the per capita income increased 65 percent. Rents also outpaced incomes, increasing about 66 percent during this same decade.

Housing Problems:

- About 31 percent of Summit County households were cost-burdened in 2000 (28 percent of owners; 34 percent of renters). The percentage of cost-burdened households was similar in 1990 (30 percent). However, the number of cost-burdened households increased about 58 percent, from 1,361 total in 1990 to 2,144 in 2000.
- Overcrowded units increased from 3.8 percent of households in 1990 (203 total) to 4.9 percent in 2000 (444 total) – a 119% increase.
- About 2 percent of occupied units in Summit County are considered substandard (lack complete kitchen and/or plumbing facilities).

Household Characteristics:

- The homeownership rate in Summit County was about 59 percent in 2000, increasing 11 percentage points since 1990. However, the ownership rate remains low compared to the state of Colorado as a whole (67 percent).
- About 48 percent of Summit County households are non-family households, with 52 percent classified as “family” households. Only 25 percent of all households have children under 18.
- The percentage of senior households (households headed by a person of age 65 or older) increased from about 3.7 percent in 1990 (197 total) to 5.3 percent in 2000 (484 total) – a rate of increase of 146 percent.
- About 8 percent of households in Summit County are single-parent households. This includes 7 percent of owners and 10 percent of renters.
- About 74 percent of households moved into their current residence between 1995 and March 2000, including 93 percent of renters and 62 percent of owners. The largest percentage of owners moved into their current unit between 1995 and 1998 (42 percent); 65 percent of renters moved into their current unit between 1999 and March 2000.

Summit County Pop. 23,548

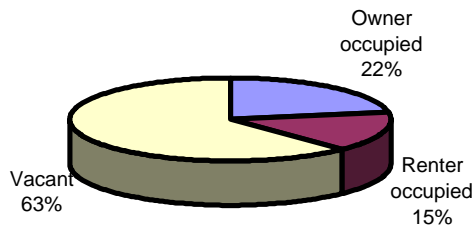
Housing Unit Estimates and Physical Characteristics

Use/Tenure

	#	%
Housing Units	24,201	100.0%
Occupied as primary home	9,120	37.7%
Owners*	5,375	58.9%
Renters*	3,745	41.1%
Vacant	15,081	62.3%
Seasonal/recreational use	13,235	54.7%

* Percent of occupied units, not total units.

Occupancy



Type of Structure

	#	%
Single-Family	6,930	28.6%
Multi-Family	16,672	68.9%
Mobile Homes	568	2.3%

Units in Structure

	#	%
1-unit, detached	6,930	28.6%
1-unit, attached	2,441	10.1%
2 units	707	2.9%
3 or 4 units	1,168	4.8%
5 to 9 units	2,165	8.9%
10 to 19 units	3,100	12.8%
20 or more units	7,091	29.3%
Mobile home	568	2.3%
Boat, RV, van, etc.	31	0.1%

Overcrowding/Occupants per Room

	#	%
1.00 or less	8,676	95.1%
1.01 to 1.50	222	2.4%
1.51 or more	222	2.4%
Overcrowded	444	4.9%

Kitchen and Plumbing Facilities

	#	%
Complete Kitchen	23,753	98.1%
Complete Plumbing	24,114	99.6%
Incomplete Kitchen	448	1.9%
Incomplete Plumbing	87	0.4%
Substandard Units	535	2.2%

Year Structure Built

	#	%
1999 to March 2000	2,316	9.6%
1995 to 1998	3,914	16.2%
1990 to 1994	1,781	7.4%
1980 to 1989	5,748	23.8%
1970 to 1979	8,748	36.1%
1960 to 1969	1,125	4.6%
1940 to 1959	189	0.8%
1939 or earlier	380	1.6%
Built since 1990	8,011	33.1%

Year Moved Into Current Residence

	#	%
1999 to March 2000	3,484	38.2%
1995 to 1998	3,320	36.4%
1990 to 1994	1,279	14.0%
1980 to 1989	816	8.9%
1970 to 1979	162	1.8%
1969 or earlier	59	0.6%

Household Demographics

Household Size

	Total	Owners	Renters
Avg. Persons/Unit	2.48	2.49	2.46

Persons Per Unit

	Owners		Renters	
	#	%	#	%
1-person	1,033	19.2%	936	25.0%
2-person	2,262	42.1%	1,358	36.3%
3-person	926	17.2%	733	19.6%
4-person	849	15.8%	453	12.1%
5-person	214	4.0%	158	4.2%
6-person	61	1.1%	53	1.4%
7+ person	30	0.6%	54	1.4%
Total	5,375	100.0%	3,745	100.0%

Bedrooms Per Housing Unit

	#	%
No bedroom	1,344	5.6%
1 bedroom	3,804	15.7%
2 bedrooms	9,127	37.7%
3 bedrooms	6,920	28.6%
4 bedrooms	2,428	10.0%
5 or more bedrooms	578	2.4%

Senior Households

Age of Householder	Owners	Renters	Total
65 to 74 years	335	49	384
75 to 84 years	76	9	85
85 years and over	12	3	15
Total	423	61	484
% of Households	7.9%	1.6%	5.3%

Households with Children

	#	%
Total Households	9,120	100.0%
With one or more persons <18	2,304	25.3%
Married-couple family	1,781	19.5%
Single parent family	494	5.4%
Nonfamily households	29	0.3%

Race/Ethnicity

	#	%
White	8,596	94.3%
Black or African Amer.	36	0.4%
Am. Indian/Alaska Native	39	0.4%
Asian	51	0.6%
Hawaiian/ Pacific Islander	4	0.0%
Some other race	237	2.6%
Two or more races	157	1.7%
Hispanic or Latino	533	5.8%

Household Type

	Owners	Renters	Total	%
Total	5,375	3,745	9,120	100.0%
Family households	3,538	1,230	4,768	52.3%
Married-couple	3,158	855	4,013	44.0%
Male householder/ no wife	164	193	357	3.9%
Female householder/ no husband	216	182	398	4.4%
Nonfamily households	1,837	2,515	4,352	47.7%
Male householder	1,173	1,775	2,948	32.3%
Living alone	640	643	1,283	14.1%
Not living alone	533	1,132	1,665	18.3%
Female householder	664	740	1,404	15.4%
Living alone	393	293	686	7.5%
Not living alone	271	447	718	7.9%

Age Distribution

Age of Householder	Owners	Renters	Total	%
15 to 24 years	132	923	1,055	11.6%
25 to 34 years	1,102	1,488	2,590	28.4%
35 to 44 years	1,637	753	2,390	26.2%
45 to 54 years	1,380	391	1,771	19.4%
55 to 64 years	701	129	830	9.1%
65 to 74 years	335	49	384	4.2%
75 to 84 years	76	9	85	0.9%
85 years and over	12	3	15	0.2%

Income, Housing Costs and Affordability

1999 Median Incomes

	Median in 1999
Household Income	\$56,587
Owner Households	\$66,467
Renter Households	\$42,807
Family Income	\$66,914
Per Capita Income	\$28,676

2004 Median Family Income Summit County (HUD)

	50%	80%	100%
1 person	\$26,650	\$40,250	\$53,300
2 person	\$30,450	\$46,000	\$60,900
3 person	\$34,250	\$51,750	\$68,500
4 person	\$38,050	\$57,500	\$76,100
5 person	\$41,100	\$62,100	\$82,200
6 person	\$44,150	\$66,700	\$88,300

Change - Median Family Income, 1999 2004 (HUD)

1999	2004	% Change
\$60,400	\$76,100	26.0%

Income Distribution

	Owners	Renter	Total	%
Less than \$5,000	68	125	193	2.1%
\$5,000 to \$9,999	38	55	93	1.0%
\$10,000 to \$14,999	93	220	313	3.4%
\$15,000 to \$19,999	81	200	281	3.1%
\$20,000 to \$24,999	153	322	475	5.2%
\$25,000 to \$34,999	408	530	938	10.3%
\$35,000 to \$49,999	817	777	1594	17.5%
\$50,000 to \$74,999	1422	783	2205	24.2%
\$75,000 to \$99,999	885	371	1256	13.8%
\$100,000 - \$149,999	835	265	1100	12.1%
\$150,000 or more	582	90	672	7.4%

Percent of Income Spent on Housing

	Owners	Renters	Total
<15%	970	643	1,613
15 to 19%	532	617	1,149
20 to 24%	493	529	1,022
25 to 29%	319	427	746
30 to 34%	214	346	560
35+%	684	900	1,584
Not computed	20	244	264
% Cost Burdened	27.8%	33.6%	30.9%
# Cost Burdened	898	1,246	2,144

Median Housing Prices/Costs

	2000
Value Owner Occupied (SF)	\$317,500
Value Owner Occupied (all)	\$268,800
Mortgage	\$1,492
Gross Rent	\$874
Contract Rent	\$818

Value of Owner-Occupied Units

	SF #	SF %
Less than \$50,000	3	0.1%
\$50,000 to \$99,999	21	0.6%
\$100,000 to \$149,999	85	2.6%
\$150,000 to \$199,999	243	7.5%
\$200,000 to \$299,999	1145	35.4%
\$300,000 to \$499,999	1065	33.0%
\$500,000 to \$999,999	584	18.1%
\$1,000,000 or more	86	2.7%

Mortgage Amount

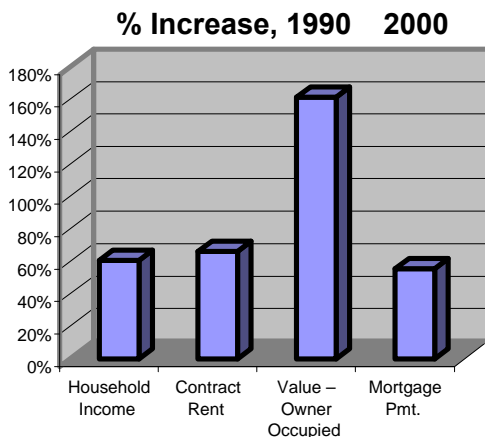
	SF #	SF %
Less than \$300	0	0.0%
\$300 to \$499	14	0.4%
\$500 to \$699	79	2.4%
\$700 to \$999	294	9.1%
\$1,000 to \$1,499	994	30.8%
\$1,500 to \$1,999	783	24.2%
\$2,000 or more	573	17.7%
With a mortgage	2,737	84.7%
Not mortgaged	495	15.3%

Gross Rent

	#	%
Less than \$200	31	0.8%
\$200 to \$299	31	0.8%
\$300 to \$499	431	11.6%
\$500 to \$749	818	22.1%
\$750 to \$999	855	23.1%
\$1,000 to \$1,499	937	25.3%
\$1,500 or more	421	11.4%
No cash rent	182	4.9%

Trends and Comparisons

	1990	2000	% Change
Population	12,881	23,548	82.8%
Housing Units & Households			
# Housing Units	17,091	24,201	41.6%
# Occupied Housing Units	5,295	9,120	72.2%
Recreational	9,392	13,235	40.9%
Total Vacant	11,796	15,081	27.8%
Homeownership Rate	48.2%	58.9%	22.3%
Household Size			
Renters	2.25	2.46	9.3%
Owners	2.61	2.49	-4.6%
Overcrowded Units	203	444	118.7%
Affordability			
Cost Burdened Households #	1,361	2,144	57.5%
Cost Burdened Households %	30.2%	30.9%	2.3%
Median Incomes			
Household Income	\$35,229	\$56,587	60.6%
Family Income	\$41,709	\$66,914	60.4%
Per Capita Income	\$17,400	\$28,676	64.8%
Median Housing Costs			
Contract Rent	\$492	\$818	66.3%
Value Owner Occupied (SF)	\$121,500	317,500	161.3%
Mortgage Pmt. (SF)	\$960	\$1,492	55.4%



Comparison to State of Colorado

	State of Colorado	Summit County
Owner Occupied Units	67.3%	58.9%
Renter Occupied Units	32.7%	41.1%
Value Owner Occupied	\$160,100	\$317,500
Mortgage, Median	\$1,197	\$1,492
Contract Rent, Median	\$611	\$818
Household Income	\$47,203	\$56,587
Family Income	\$55,883	\$66,914
Change in Household Income, 1990 - 2000	56.6%	60.6%
% Cost Burdened	29.3%	30.9%
Residential Growth Rate, 1990 - 2000	22.4%	41.6%

Population Estimates (2005)

According to the US Census Bureau, there were 23,548 persons living in Summit County as of April 2000. The population in the county is shown by jurisdiction in the table below. Silverthorne is the largest town, with about 13 percent of the county's population, followed by Breckenridge (11 percent) and Frisco (10 percent). The unincorporated area has the largest share of residents, with nearly 60 percent of the population.

By 2005, Summit County's population is estimated to increase about 15 percent (4,711 persons) to about 28,259 persons. The Colorado Department of Local Affairs estimates that Breckenridge and Silverthorne will increase their share of the County's population slightly by 2005, to reach about 12 percent and 14 percent, respectively. The unincorporated county and remaining communities will, correspondingly, have a slightly lower percentage of the County's population than in 2000. In other words, growth pressure on Breckenridge and Silverthorne will be slightly greater than in other areas of the County.

Summit County Population: 2000 and 2005

Town	2000		2005 (est.)	
	#	%	#	%
COUNTY TOTAL	23,548	100.0%	28,259	100%
Blue River	631	2.7%	762	2.7%
Breckenridge	2,601	11.0%	3,408	12.1%
Dillon	739	3.1%	818	2.9%
Frisco	2,402	10.2%	2,697	9.5%
Montezuma	39	0.2%	46	0.2%
Silverthorne	3,057	13.0%	3,934	13.9%
Unincorporated Area	14,080	59.8%	16,603	58.8%

Source: 2000 US Census; Department of Local Affairs; RRC Associates, Inc.

Household Area Median Income (AMI)

The following table shows 2004 income limits for households earning 30% AMI, 50% AMI, 60% AMI, 80% AMI, 100% AMI and 120% AMI. Limits are based on the median family income for Summit County, which is \$76,100 in 2004, as determined by the US Department of Housing and Urban Development (HUD). Typically, these income guidelines will be used to establish housing targets and thresholds for different local housing efforts. These income guidelines are used for Private Activity Bond Allocations, Low Income Housing Tax Credits, Section 8 Rent Subsidy and related housing programs. The income limits are adjusted annually.

Area Median Income Limits By Household Size, 2004

	1-person	2-persons	3-persons	4-persons	5-persons
30% AMI	\$16,000	\$18,250	\$20,550	\$22,850	\$24,650
50% AMI	\$26,650	\$30,450	\$34,250	\$38,050	\$41,100
60% AMI	\$31,980	\$36,540	\$41,100	\$45,660	\$49,320
80% AMI	\$40,250	\$46,000	\$51,750	\$57,500	\$62,100
100% AMI	\$53,300	\$60,900	\$68,500	\$76,100	\$82,200
120% AMI	\$63,960	\$73,080	\$82,200	\$91,320	\$98,640

Source: Department of Housing and Urban Development; RRC Associates, Inc.

Special tabulations of the 2000 US Census data (CHAS) were used to determine the number and percentage of Summit County households within each AMI category shown above. For purposes of this analysis, it was assumed that the percentage distribution of households in 2005 across all AMI categories remained the same as that in 2000. As shown in the following table, about 32 percent of Summit County's households earn less than 80% AMI, 31 percent earn between 80 and 120% AMI and 36 percent earn over 120% AMI. This varies by tenure, where renters are more likely than owners to earn under 80% AMI (48 percent of renters; 22 percent of owners).

**Income Distribution Of Summit County Households By Tenure:
2005 Estimates**

	Renters		Owners		Total	
	#	%	#	%	#	%
30% AMI or less	554	12.1%	246	3.7%	800	7.2%
30.1-50% AMI	759	16.5%	365	5.5%	1,124	10.1%
50.1-60% AMI	188	4.1%	163	2.5%	351	3.1%
60.1-80% AMI	699	15.2%	646	9.8%	1,345	12.0%
80.1-100% AMI	971	21.1%	1,179	17.9%	2,150	19.2%
100.1-120% AMI	492	10.7%	873	13.2%	1,365	12.2%
120.1% AMI or more	930	20.2%	3,121	47.3%	4,049	36.2%
TOTAL	4,593	100%	6,592	100%	11,186	100%

Source: U.S. Census Bureau; CHAS; Colorado Department of Local Affairs; RRC Associates, Inc.

Housing Bridge

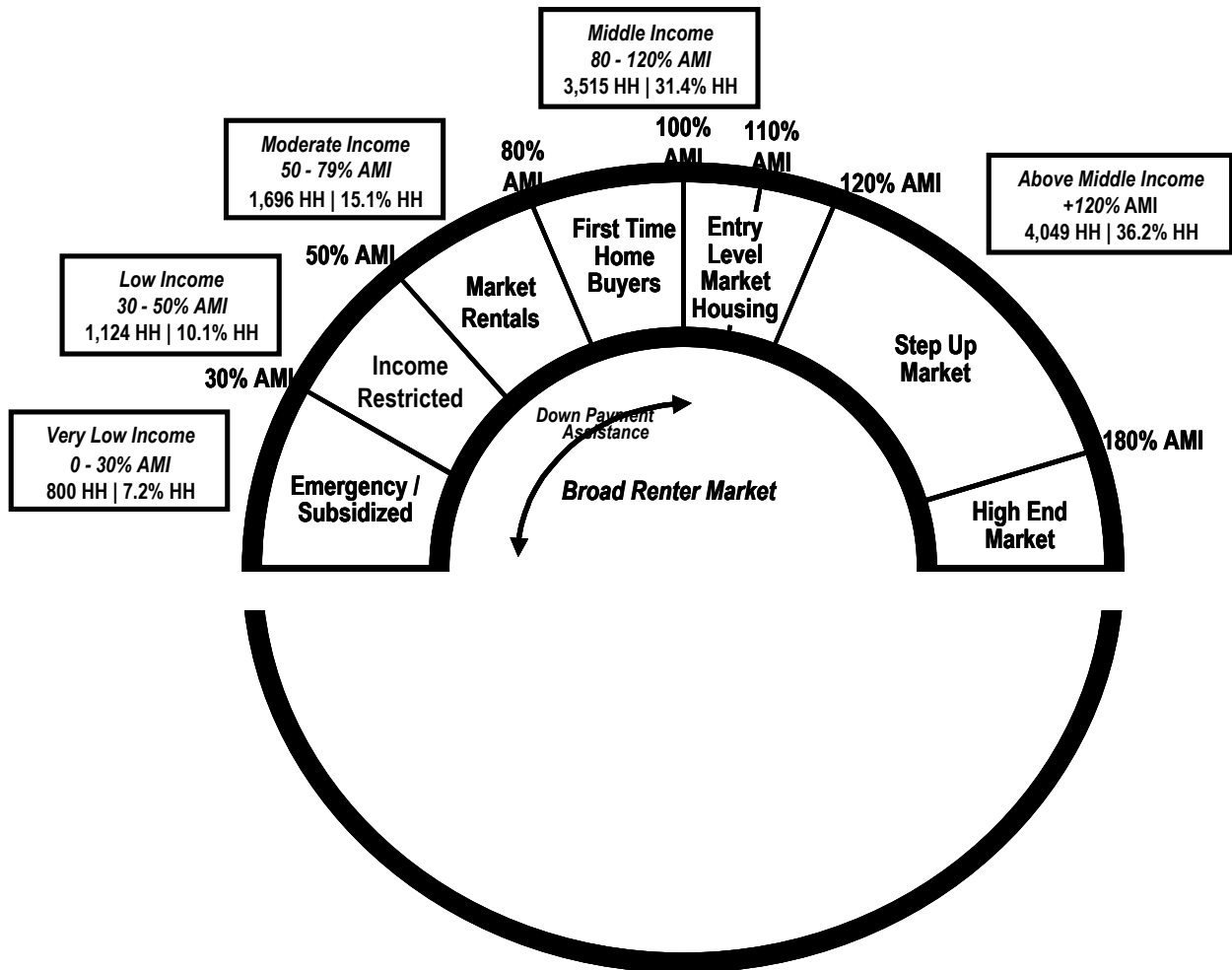
The Housing Bridge, illustrated below, can be helpful in moving from aggregate estimates of housing units needed (as shown above) to specific programs and policies that target the housing needs within the community. The Bridge shows the percentage and number of households in Summit County that fall into each AMI category, based on 2005 household estimates, along with a spectrum of housing that is affordable and most likely to be sought out by households in each AMI group. The Housing Bridge depicts what may be ideal for most communities – the availability of housing that is affordable to all households and options for changing life circumstances. What is key in this approach is that there are opportunities for households to buy or rent at different economic levels, thus supporting an economically balanced community. As shown:

- At the lowest income levels, homelessness and the threat of homelessness are important issues. Additionally, special populations who are unable to work (E.g., seniors and the disabled) may require assistance at the lower income levels. Affordability problems, especially for renters, may also be present among the working poor. As shown, about 17 percent of households in Summit County earn less than 50% of the AMI and 15 percent earn moderate incomes (50 to 80% AMI). These households often earn roughly \$8 to \$15 per hour and are typically households who would be eligible for different forms of housing assistance.
- As incomes near the median, households begin to approach the point where they can buy their first home (80 to 120% AMI). Policies at this level are typically designed to help bring homeownership within reach, including down payment assistance, first-time

homebuyer loans and deed restricted housing. Approximately 31% of Summit County households fall within this income range.

- Finally, at the highest levels, upper income groups fuel the market for step-up and high-end housing, where about 36 percent of Summit County households are included in this income level.

Housing Bridge - 2005



SECTION 4 EMPLOYMENT AND COMMUTING

This section of the report describes employment patterns in Summit County. Employment is examined because it is directly related to housing demand. This section discusses the following topics:

- Number and location of jobs;
- Employment by type of industry;
- Wages by location and industry;
- Seasonality of employment;
- Past and future change in employment;
- Jobs:space ratios;
- Commuting; and
- Pending/Approved projects.

Number and Location of Jobs

Based on estimates from the Department of Local Affairs (DOLA), Summit County will have about 21,845 jobs in 2005, about 890 more jobs than in 2002 (4.2 percent increase). Based on analysis of the Quarterly Census of Employment and Wages (QCEW), the largest percentage of jobs in 2002 were concentrated in Breckenridge (34 percent), followed by Silverthorne (18 percent) and Frisco (16 percent). Between 1995, both Frisco and Silverthorne increased their percentage share of jobs in Summit County by about 2 percentage points each, indicating faster growth in these towns than other areas of the county during this period.

Distribution of Summit County Jobs: 1995, 2002 and 2005

Region	Job distribution (CQEW)		Number of Jobs (DOLA)	
	1995	2002	2002	2005
TOTAL Summit County	100%	100%	20,956	21,845
Blue River	0.2%	0.1%	15	15
Breckenridge	35.3%	34.4%	7,206	7,512
Copper	8.9%	7.1%	1,489	1,552
Dillon	8.7%	8.5%	1,784	1,860
Frisco	14.5%	16.3%	3,425	3,570
Keystone	13.4%	13.6%	2,857	2,978
Montezuma	0.0%	0.0%	5	5
Silverthorne	15.9%	17.8%	3,720	3,878
Other/Not known	3.2%	2.2%	456	475

Source: US Bureau of Economic Analysis (QCEW); Department of Local Affairs (DOLA)

Employment by Industry

Summit County's workforce is fairly typical of resort communities. Analysis of QCEW information from the US Bureau of Economic Analysis shows that almost one-half of jobs (49 percent) in 2002 were in accommodation and food services and retail. This information does not include self-employed persons, however, so may under represent industries such as construction and real estate.

Trends since 1990 generally show accommodation and food services and, to a lesser extent, retail declining as a percentage of total jobs, with finance, insurance and real estates (FIRE), public administration and services showing moderate increase. Construction was at its peak in 2000, at 10 percent of jobs, and declined to just under 9 percent in 2002.

Employment by Industrial Sector: 1990 to 2002

	1990 (%)	1995 (%)	2000 (%)	2002 (%)	Total Jobs (2002)
SUMMIT COUNTY OVERALL	100.0%	100.0%	100.0%	100.0%	20,956
Accommodation / food services	45.7%	40.1%	36.5%	35.9%	7,515
Retail Trade	15.5%	16.2%	14.3%	14.3%	2,987
Finance, insurance, real estate (FIRE)	7.0%	8.2%	8.5%	8.8%	1,845
Arts, entertainment, recreation	5.2%	5.1%	5.3%	5.2%	1,085
Public administration	5.1%	5.7%	6.2%	7.0%	1,474
Construction	4.4%	7.3%	10.0%	8.8%	1,847
Educational services	2.9%	2.6%	2.9%	3.4%	723
Administrative and waste services	2.6%	3.1%	3.4%	3.7%	785
Other services, except public administration	2.1%	1.7%	1.9%	2.0%	417
Professional and technical services	2.0%	2.5%	3.0%	3.1%	657
Health care and social assistance	1.9%	2.0%	2.1%	2.6%	550
Information	1.7%	1.3%	1.6%	1.1%	230
Wholesale trade	1.2%	1.1%	0.9%	0.8%	171
Transportation and Warehousing	1.1%	1.3%	1.7%	1.7%	351
Manufacturing	0.7%	0.7%	0.7%	0.6%	134
Utilities	0.3%	0.6%	0.4%	0.4%	90
Mining	0.2%	0.2%	0.3%	0.3%	61
Management of companies and enterprises	0.1%	0.1%	0.1%	0.1%	20
Agriculture, forestry, fishing and hunting	0.1%	0.0%	0.0%	0.1%	14
Unclassified establishments	0.0%	0.0%	0.0%	0.0%	0

Source: US Bureau of Economic Analysis (QCEW); Department of Local Affairs (DOLA)

Wages

The average yearly wage in 2002 in Summit County was \$26,811. Wages increased on average about 5.9 percent per year between 1995 and 2000 and slowed to an average 3.1 percent increase for each year between 2000 and 2002. If the 3.1 percent increase per year continues, employees will earn an average yearly wage of about \$29,420 in 2005.

Evaluating employee wages by community in 2002, employees in Blue River, Dillon and Silverthorne earn higher wages, on average, than in the county as a whole. Breckenridge and Frisco employees earn close to the average, at \$26,655 and \$25,729 per year, respectively.

Average Yearly Wage By Community: 2002

	Average Wage (2002)
TOTAL Summit County	\$26,811
Blue River	\$30,950
Breckenridge	\$26,655
Copper	\$21,420
Dillon	\$29,046
Frisco	\$25,729
Keystone	\$24,227
Montezuma	\$24,041
Silverthorne	\$28,563
Other/Not known	\$48,064

Source: US Bureau of Economic Analysis (QCEW)

As is typically seen in resort communities, accommodation and food services and retail comprise the largest percentage of jobs, but generally pay among the lowest wages of other industries. In Summit County, arts, entertainment and recreation; accommodation and food services and retail trade pay the lowest wages and comprise about 55 percent of jobs. Management of companies and enterprises, utilities and mining pay the highest average wages and comprise less than 1 percent of jobs. Construction (8.8 percent of jobs), FIRE (8.8 percent of jobs) and public administration (7.0 percent of jobs) are among the more prominent industries in the county that pay higher than average wages. These industries pay between \$33,000 and \$41,000 per year on average.

Average Yearly Wage By Industry: 2002

	2002 (%)	Total Jobs (2002)	Average Wage (2002)
SUMMIT COUNTY OVERALL	100.0%	20,956	\$26,813
Accommodation / food services	35.9%	7,515	\$19,590
Retail Trade	14.3%	2,987	\$23,518
FIRE	8.8%	1,845	\$33,674
Arts, entertainment, recreation	5.2%	1,085	\$18,193
Public administration	7.0%	1,474	\$33,158
Construction	8.8%	1,847	\$40,620
Educational services	3.4%	723	\$27,749
Administrative and waste services	3.7%	785	\$27,157
Other services, except public administration	2.0%	417	\$24,465
Professional and technical services	3.1%	657	\$45,132
Health care and social assistance	2.6%	550	\$26,049
Information	1.1%	230	\$42,489
Wholesale trade	0.8%	171	\$47,127
Transportation and Warehousing	1.7%	351	\$33,004
Manufacturing	0.6%	134	\$28,376
Utilities	0.4%	90	\$54,361
Mining	0.3%	61	\$50,241
Management of companies and enterprises	0.1%	20	\$79,157

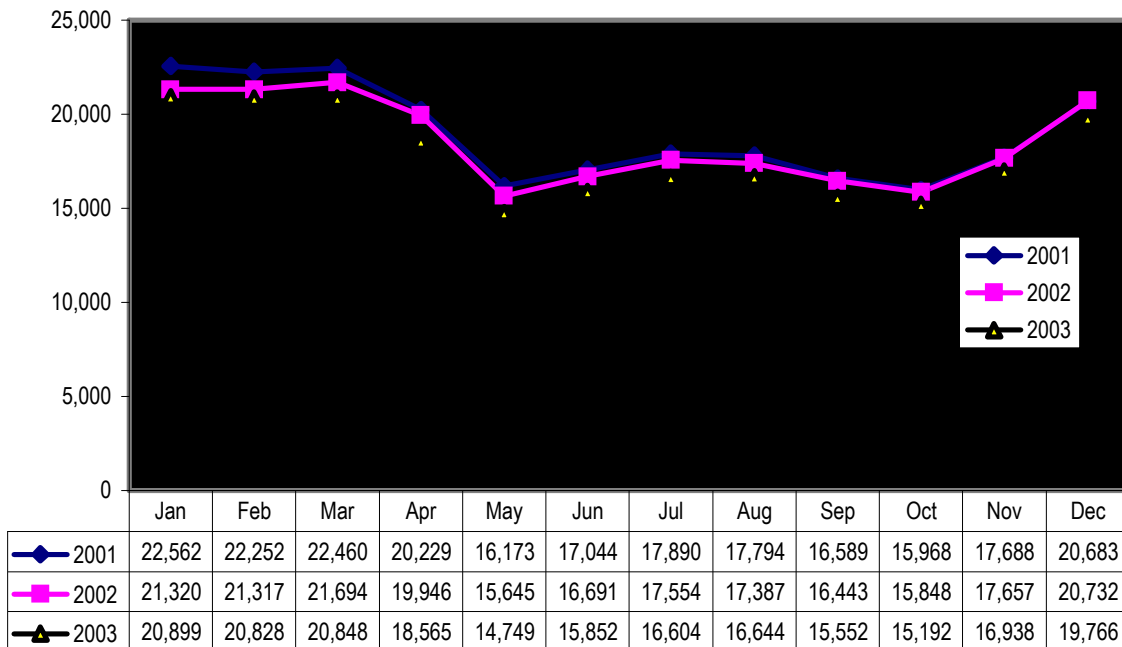
Agriculture, forestry, fishing and hunting	0.1%	14	\$24,149
Unclassified establishments	0.0%	0	\$22,500

Source: US Bureau of Economic Analysis (QCEW); Department of Local Affairs (DOLA)

Seasonality of Employment

The following graph compares employment by month for 2001, 2002 and 2003. Apparent in this graph is the seasonal fluctuation of employment in Summit County. The highest levels of employment are reached during the winter months, with somewhat lower peaks in the summer months. The lowest employment levels are reached in the spring and fall seasons and are generally used as indicators of year-round employment. The seasonal trend is very similar for each of the three years, but shows a slight decline in overall employment for each year since 2001. Summit County lost about 6.6 percent of jobs between 2001 and 2003 compared to a 3.8 percent loss of jobs in the state of Colorado as a whole.

Monthly Employment, 2001 to 2003



Source: Colorado Department of Labor and Employment (QCEW)

Seasonal employment can be estimated from monthly QCEW data. May and October employment levels generally denote full-time year-round workers in an area. However, many seasonally employed persons actually live in the area year round, but hold different seasonal jobs in the winter and summer. In order to account for seasonally employed year-round residents, the average employment over the period from May through October was used to denote “base” employment, which includes summer seasonal workers. By subtracting the May through October average employment from peak season employment in December through April, it is estimated that there were about 4,405 seasonal winter jobs in Summit County in 2003. This figure has remained between 4,400 and 4,700 since 1995.

**Estimated Seasonal Employment:
Seasonal Employment Estimate: 1990 to 2003**

Year	Peak employment (Dec through Apr)	Average spring/summer employment	Estimated seasonal employment
1990	13,713	9,731	3,982
1995	18,355	13,864	4,491
1996	18,929	14,492	4,436
1999	21,058	16,446	4,612
2000	21,458	17,329	4,129
2001	21,637	16,910	4,728
2002	21,002	16,595	4,407
2003	20,185	15,779	4,405

Source: Colorado Department of Labor and Employment (QCEW); RRC Associates, Inc.

Change in Employment

According to the Colorado Department of Labor and Employment (DOLA), employment in Summit County will increase to 21,845 jobs in 2005, surpassing the number of jobs available in the year 2000. DOLA calculations include estimates of self-employed persons otherwise missed by QCEW reporting. DOLA projections indicate that employment will continue to increase through 2010, adding about 6,395 jobs during this period. The distribution of jobs is projected to grow more in household basic jobs (base jobs attributed to retirees or other expenditures of outside income from property, pensions or government payments) and local resident service jobs (indirect jobs formed as a result of residents and workers in the area) than industrial basic jobs (jobs generated by dollars from outside the county). In other words, jobs related to servicing the local population and workers will grow faster than jobs supported by dollars from outside the county.

Total Jobs: 2000 to 2010

	2000	2002	2005	2010	# change (2005-2010)	% change (2005-2010)
Total Jobs (DOLA)	21,673	20,956	21,845	28,240	6,395	29.3%
Industrial Basic Jobs	-	13,960	14,579	17,615	3,036	20.8%
Household Basic Jobs	-	2,348	2,099	3,084	985	46.9%
Local Resident Service Jobs	-	4,649	5,167	7,541	2,374	45.9%

Source: Colorado Department of Labor and Employment

Dividing the number of jobs estimated by DOLA by the total number of workers estimated by the 2000 US Census indicates that there were about 1.16 jobs per worker in 2000. Based on the projected growth in jobs and workers estimated by DOLA, the number of jobs held per worker will fluctuate between about 1.16 and 1.18 through 2010 (which is slightly lower than the 1.2 jobs estimated from the residential survey conducted in 2000). Overall, this equates to about 18,579 employees in Summit County in 2005 and 24,334 in 2010 (an increase of about 5,755 employees).

Total Employment: 2000 to 2010

	2000	2002	2005	2010	# change (2005-2010)	% change (2005-2010)
Total Employees	18,668	17,899	18,579	24,334	5,755	31.0%
Jobs/employee	1.16	1.17	1.18	1.16	-	-

Source: US Census Bureau; Colorado Department of Labor and Employment

The employer survey distributed as part of the 2001 Needs Assessment found that only about 3 percent of employers were expecting to reduce the number of employees within the next year, with 75 percent indicating they expected to stay the same and 22 percent indicating they expected to increase their number of employees. The survey projected as much as a 10 percent increase in employment in 2001 from 2000 levels, although it was noted that this appeared high given past trends. Given that actual employment declined in 2001 and 2002 from the year 2000, it is expected that the then unknown events of September 11, 2001, and the consequential decline of the U.S. economy, adversely affected employer projections expressed in the 2000 survey.

Jobs:Space Ratios

The 2001 Needs Assessment introduced job:space ratios, which evaluates the number of jobs directly generated per 1,000 square feet of space (or per room for lodging and property management). These ratios are relevant when examining housing impacts caused by commercial growth by providing a means to quantify the typical number of jobs required for various commercial uses. Standards can be adopted that require new commercial development to provide housing in proportion to the need created by the new development.

Based on the Summit County employer survey, there are, on average, 2.42 employees per 1,000 square feet and slightly less than one employee per room/unit for hotels/lodging and property management in Summit County. The following table reports these ratios for a merged data set representing the following communities and about 1,600 responses.

- Chaffee County, 1994
- Copper, 2000
- Eagle County, 1990, 1996 and 1999
- Estes Park, 1991 and 1999
- Frisco, 1998
- Grand County, 1992
- Gunnison County, 1992 and 1999
- Keystone, 2000
- Pitkin County, 1991
- Roaring Fork Valley, 1998
- Routt County, 1990
- San Miguel County, 1996 and 1999/2000
- Snowmass Village, 1999
- Summit County, 1990 and 2000
- Telluride, 1993 and 1996
- Blaine County, Idaho, 1990 and 1996

The information on the commercial job generation ratios are the results of research of housing needs conducted through The Housing Collaborative, LLC, over the 10 years between 1990 and 2000, in which employers were asked to provide information about the number of persons they employ and the amount of space they occupy.

Commercial Job Generation Rates Merged Data Set

Type of Use	Jobs/1,000 Square Feet
Restaurant/Bar	7.7
Construction	4.1
Education	1.4
Finance/banking	3.3
Government	1.9
Legal profession	2.6
Medical/professional	3.5
Other prof. services	3.9
Personal services	1.6
Real estate/prop. mgt	6.2
Retail	3.1
Recreation/ski area	5.8
Utilities	1.7
Overall	3.4
Lodging/hotel	.71/room
Property management	.53/unit

Source: RRC Associates, Inc

Commuting

Commuting is examined because the relationship between where employees live and where they work is closely related to housing demand. In other words, jobs create demand for employees, who in turn create demand for housing.

Where Residents Work: Based on the 2000 household survey, almost one-third of Summit County residents who were employed worked in Breckenridge/Farmer’s Corner, while another 19 percent worked in the Keystone/Snake River area and 17 percent in Frisco. Few residents worked in Lower Blue/Heeney. These results closely track the percentage distribution of jobs by community, presented above, indicating the employment ratios identified from the 2000 survey have likely shown little change.

Location of Primary Employment	
Location	%
Breckenridge/Farmer's Corner	31%
Copper Mountain	7%
Dillon	10%
Frisco	17%
Keystone/Snake River area	19%
Lower Blue/Heeney	1%
Silverthorne/Wilderness	15%
Total	100%

Source: Housing Collaborative Residential Survey, 2000

The Bureau of Transportation Statistics compilations of 2000 US Census commute data reports that about 15.7 percent of Summit County residents worked in Silverthorne, which is about the same as that reported by the 2000 survey, above. Because of the limitations of the Census data, information on the other communities was not available (only communities of 2,500 people or more in the year 2000 are represented in the place-to-place commute files). Based on the Census, only about 6 percent of Summit County working residents commute out of the county for employment.

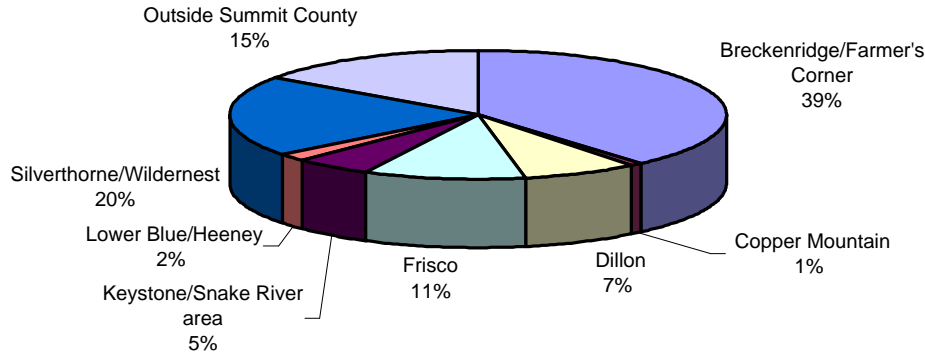
Where Residents Work

	2000	2005	2010	% distribution
Summit County				
Silverthorne	2,510	2,701	3,231	15.7%
Other Summit	12,535	13,490	16,133	78.5%
Eagle County	232	250	299	1.5%
Park County	20	22	26	0.1%
Clear Creek County	30	32	39	0.2%
Lake County	23	25	30	0.1%
Grand County	40	43	51	0.3%
Other Colorado	453	488	583	2.8%
Other state	128	138	165	0.8%
TOTAL	15,971	17,188	20,556	100%

Source: US Census Bureau; Bureau of Transportation Statistics (BTS); Department of Local Affairs

Where Workers Live: A second approach examines where employees live. The employer survey conducted as part of the 2001 Housing Needs Assessment found that approximately 15 percent of employees commuted from outside Summit County.

Residency of Employees, 2000



Source: Housing Collaborative Residential Survey, 2000

Results from the place-to-place commute files (Census and BTS) report that a slightly higher 19 percent of workers commute into Summit County for work. In addition, only about 10 percent of Summit County workers live in Silverthorne, with another 71 percent residing in another area of Summit County. Of workers residing outside of Summit County, about 5 percent each live in neighboring Park and Lake Counties.

Where Workers Live

	2000		2005		2010	
	#	%	#	%	#	%
Summit County						
Silverthorne	1,795	9.6%	1,932	10.4%	2,310	9.5%
Other Summit	13,250	71.0%	14,260	76.8%	17,054	70.1%
Eagle County	122	0.7%	80	0.4%	167	0.7%
Park County	880	4.7%	580	3.1%	1,207	5.0%
Clear Creek County	155	0.8%	102	0.5%	213	0.9%
Lake County	865	4.6%	570	3.1%	1,187	4.9%
Grand County	370	2.0%	244	1.3%	508	2.1%
Other Colorado	899	4.8%	592	3.2%	1,233	5.1%
Other state	332	1.8%	219	1.2%	455	1.9%
TOTAL	18,668	100%	18,579	100%	24,334	100%

Source: US Census Bureau; Bureau of Transportation Statistics (BTS); Department of bcal Affairs

Estimates for 2005 and 2010 in the above table were based on a combination of information from the Census and the Department of Local Affairs. The Department of Local Affairs provides estimates for the total number of workers, number of resident workers and number of jobs per employee for 2005 and 2010. The trends identified by the Department of Local Affairs were applied to known Census 2000 figures to estimate total workers in 2005 and 2010, as well as the number of in-commuters. As shown below, as the number of available jobs declined between 2000 and 2005, locals were more likely to fill these jobs, where the percentage of workers living in Summit County was projected to increase to about 87 percent in 2005 from 81 percent in 2000. Conversely, as the number of jobs increases faster than local population through 2010, it is expected that a higher percentage of jobs will be filled by in-commuters (20 percent), where Summit County residents will hold only about 80 percent of available jobs in 2010.

Change In Demand For In-Commuters: 2000 to 2010

	2000	2005	2010
Total Summit County Workers	18,668	18,579	24,334
In-commuters	3,623	2,387	4,970
% In-commuting	19.4%	12.8%	20.4%
Resident workers	15,045	16,192	19,364

Source: US Census Bureau; Department of Local Affairs

Pending Projects

Summit County and its towns were contacted to develop an inventory of recently approved and pending commercial development. It was noted by the county that commercial property is probably only about 50 percent built-out, but this analysis is difficult to project given the willingness of communities to change zoning to accommodate commercial uses. A recurring theme with many communities is that available vacant land is limited and much of the recent commercial development has been primarily remodels and infill development. Towns are also faced with relatively high commercial vacancy rates in existing projects, reducing the need and desire for additional commercial development in the near future.

Summit County:

- There are presently no large commercial projects proposed in the County for development. It was noted that Keystone is working on acquiring a cornerstone hotel to complete its build-out at River Run, but that no negotiations have been made. Copper Mountain also has an application in to almost double the number of units at the base of the mountain, but this application is still in the preliminary review phase. Finally, the county mentioned that Vail Resorts also has pending applications to build-out the base of Peak 8, but the resort is presently on hold given the current economy and other circumstances.

Breckenridge:

- The town has been approached for discussion regarding a parcel near the north entrance to the town for annexation. Discussion involved a stop-in market/station and multi-family housing. An application has not yet been submitted.
- The town has relatively high commercial space vacancies. As a result, not much new commercial is being built. The town would like to fill what already exists.

Silverthorne:

- Discussion for Phase II of the Town Center has occurred, to potentially include 25,000 square feet of commercial (mixed restaurant and retail uses). Housing will be provided above the commercial, with the potential for employee restrictions. A sketch plan has not yet been submitted.
- A proposal for a new 10,000 square foot Medical Center is under review.
- Zoe Court has been approved and includes 5,000 square feet of commercial. This development will include seven (7) apartment units restricted to occupancy by employees of Summit County.
- Remodeling of Factory Outlet stores is underway and pending.

- Anticipate 72 acres near the center of town to come in for an application. This parcel was proposed to include a Safeway and residential uses, but the application was permitted to expire. This land is not yet annexed into the town.

Frisco:

- Development in Frisco has primarily been redevelopment/infill projects given that there is very little vacant land left. The town has one large commercial parcel vacant. The Housing Authority has been involved with discussions on the potential for this parcel, but formal plans have not been submitted.
- Construction of 10,350 square feet of commercial space at 207 Granite/Sawmill and 4,620 square feet of commercial at Bear's Den have been approved. Construction has not yet begun. The Bear's Den development will also include 17 condominiums with 3 deed-restricted units.
- Building permits have been issued for 14,003 square feet of commercial at Gateway; 927 square feet of commercial as part of Marina Park, Phase II; and 8,418 square feet of commercial that will include a Conoco station and a Wendy's restaurant.

Dillon:

- Dillon has limited vacant land available for development. Only six (6) vacant parcels zoned for commercial remain in the town.
- Remodel of the face of the Dillon Town Center is under approval. This will also include a parking structure and some residential units.
- A 20,000 square foot, 2-story commercial building at Red Mountain Plaza is expected to be available for occupancy in late spring/early summer 2005. The first floor has been rented for retail (ski wear/gear) and the top floor is designed for professional office occupancy (doctor, dentist, etc).
- Blockbuster opened recently in the Village Market Place. The Theatre is also adding two theatres and 250 seats.
- There are presently relatively high vacancy rates in the Dillon Factory Stores and town core commercial. Vacancy rates increased after the Village Market Place opened. The town is looking to revitalize the Factory Stores and town center in the near future to improve occupancy.

SECTION 5 HOUSING INVENTORY

In this section of the report, detailed information about the housing inventory is provided, including:

- Number and location of units;
- Housing growth by community;
- Housing occupancy by community and local ownership rates;
- Tenure;
- Unit type;
- Owner housing values by residency of owner (market rate and employee units);
- Rental housing rates, occupancy and inventory; and
- Pending/Approved projects.

Number And Location Of Units

There were and estimated 24,201 housing units in Summit County in 2000 per the US Census. Based on population estimates from the Department of Local Affairs, it is estimated that the number of housing units increased about 30 percent between 2000 and 2005 for a total of 31,557 units in 2005.¹ Of the total units, about 35.4 percent are estimated to be occupied by residents (11,186 total). Assuming the same owner and renter-occupancy rates as in 2000, about 59 percent of occupied units in 2005 are owner-occupied (6,592 total) and 41 percent are renter-occupied (4,593 total).

Summit County Housing Units: 2000 and 2005

	2000	2005
Housing Units	24,201	31,557
% Occupied	37.7%	35.4%
# Occupied	9,120	11,186
Owners	5,375	6,592
Renters	3,745	4,593

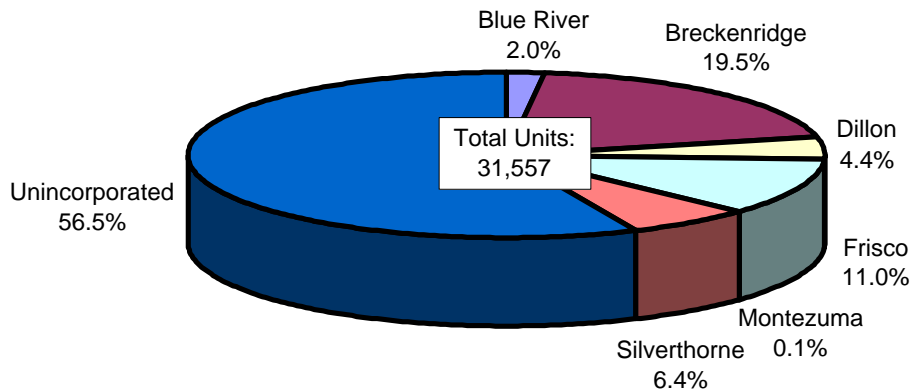
Source: 2000 US Census; Department of Local Affairs; RRC Associates, Inc.

Estimates from the Department of Local Affairs (DOLA) shows that about 56.5 percent of the housing units are in unincorporated Summit County in 2003, with 19.5 percent in Breckenridge and 11 percent in Frisco. The following graph applies housing unit distributions in 2003 to total units in 2005.

DOLA estimates indicate that the percentage of units in Breckenridge increased from 17.6 percent in 2000 to 19.5 percent in 2003; the percentage of units in Dillon decreased from 5.3 in 2000 to 4.4 percent in 2003; and the percentage of units in other areas of the county were largely similar or slightly lower in 2003 compared to 2000. These trends indicate that unit growth has been highest in Breckenridge and lowest in Dillon during this period.

¹ Housing unit estimates for 2005 assume the same percentage of the population resides in households in 2005 as in 2003 (96.6%), that households are the same size as in 2003 (2.44 persons on average) and that the occupancy rate is the same as that in 2003 (35.4 percent). 2003 household size and occupancy estimates were provided by DOLA.

Distribution of Housing Units: Summit County 2005



Source: Department of Local Affairs; RRC Associates, Inc.

Growth by Community

As indicated above, growth in the number of housing units in the county has been highest in Breckenridge between 2000 and 2005 (44.1 percent) and lowest in Dillon (8.6 percent). The unincorporated county (29.8 percent), Silverthorne (27.8 percent) and Frisco (27.3 percent) showed growth rates most similar to that for the county as a whole (30.4 percent) between 2000 and 2005. Most of the growth in Summit County occurred between 2000 and 2003 (about 6,000 units added), with only about 1,300 units projected to be added between 2003 and 2005.

Change In Housing Units By Community: 1990, 2000 and 2005

	1990	2000	2005	% change (1990-2000)	% change (2000-2005)
Summit County	17,091	24,201	31,557	41.6%	30.4%
Blue River	428	563	635	31.5%	12.7%
Breckenridge	3,316	4,270	6,154	28.8%	44.1%
Dillon	1,087	1,280	1,391	17.8%	8.6%
Frisco	1,628	2,727	3,472	67.5%	27.3%
Montezuma	124	35	40	-71.8%	13.4%
Silverthorne	975	1,582	2,022	62.3%	27.8%
Unincorporated	9,533	13,744	17,843	44.2%	29.8%

Source: US Census Bureau; Department of Local Affairs; RRC Associates, Inc.

Housing Occupancy By Community

Based on estimates from the Department of Local Affairs, about 64.6 percent of the existing housing units in Summit County are vacant much of the year. In other words, about 35.4 percent of units are occupied, which can be used as a measure of resident occupancy in the county. Vacancy rates vary from a high of 75.0 percent in Breckenridge and 72.3 percent in Dillon to a low of 33.7 percent in Silverthorne. This indicates the predominance of second-

homeowners in Breckenridge compared to other areas of the county and the predominance of locals occupying units in Silverthorne (66.3 percent occupancy).

Estimated Housing Units used as Primary Residences, by Community 2005

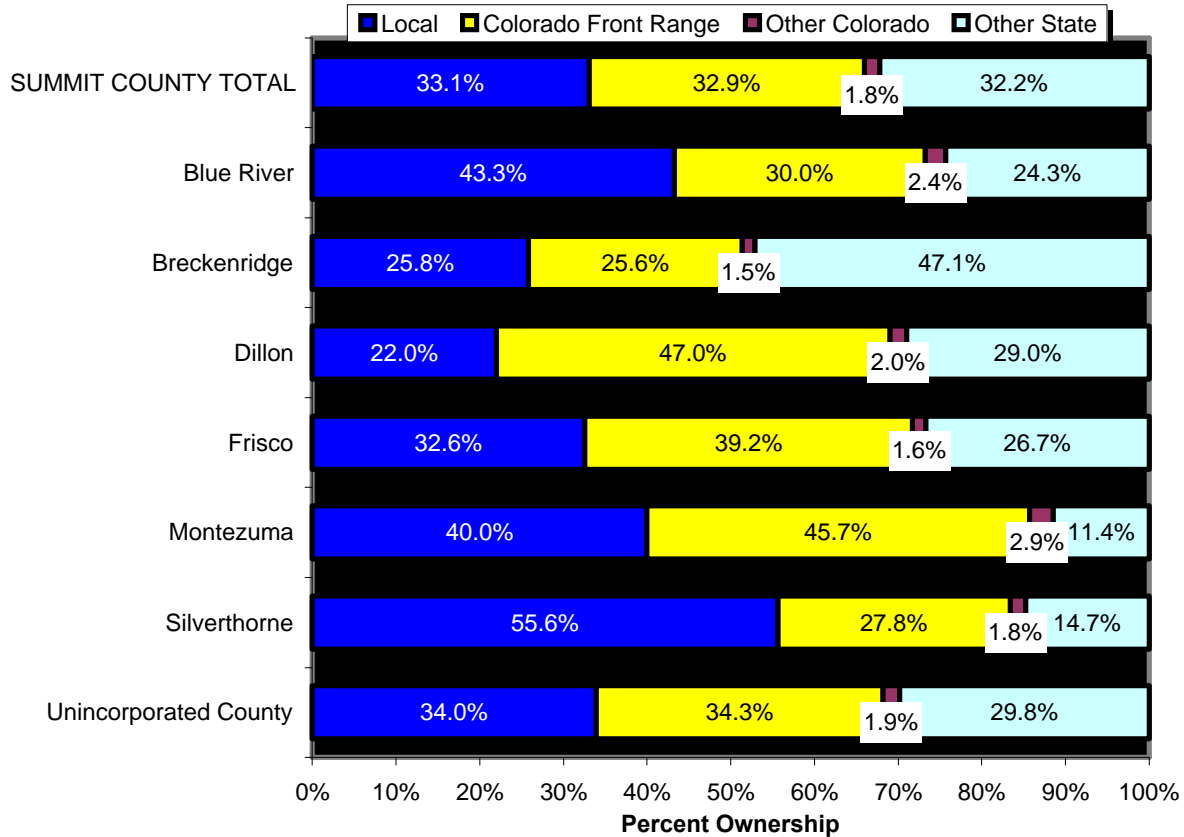
	Housing Units (2005)	Occupied Units (2005)	% Vacant (2003)
SUMMIT COUNTY TOTAL	31,557	11,186	64.6%
Blue River	635	299	53.0%
Breckenridge	6,154	1,572	75.0%
Dillon	1,391	377	72.3%
Frisco	3,472	1,181	65.3%
Montezuma	40	21	47.4%
Silverthorne	2,022	1,365	33.7%
Unincorporated	17,843	6,364	64.1%

Source: Department of Local Affairs; RRC Associates, Inc.

All residential units in the Summit County Assessor database were analyzed based on the mailing address location of their owners. This provides a good indication of the percentage of units available in the County that are owned by Summit County locals and by persons residing in other parts of Colorado or other states. The following graph summarizes these results by community. Overall results are similar to the occupancy rates discussed above. However, assessor data does not reflect occupancy of rentals, only ownership units. As shown in the following chart:

- Ownership of units in Summit County is fairly evenly divided between locals (33 percent), other Colorado residents (34 percent) and out-of-state/country residents (32 percent). The vast majority of “other Colorado residents” are from the Front Range.
- The percentage of units owned by locals is lowest in Dillon (22 percent) and Breckenridge (26 percent).
- The percentage of units owned by locals is highest in Silverthorne (56 percent). Blue River has the second highest percentage of units owned by locals (43 percent).
- Dillon and Montezuma have the highest percentage of Front Range owners (47 percent and 46 percent, respectively). Out-of-state/country owners are highest in Breckenridge (47 percent).

Ownership Of Units, December 2004



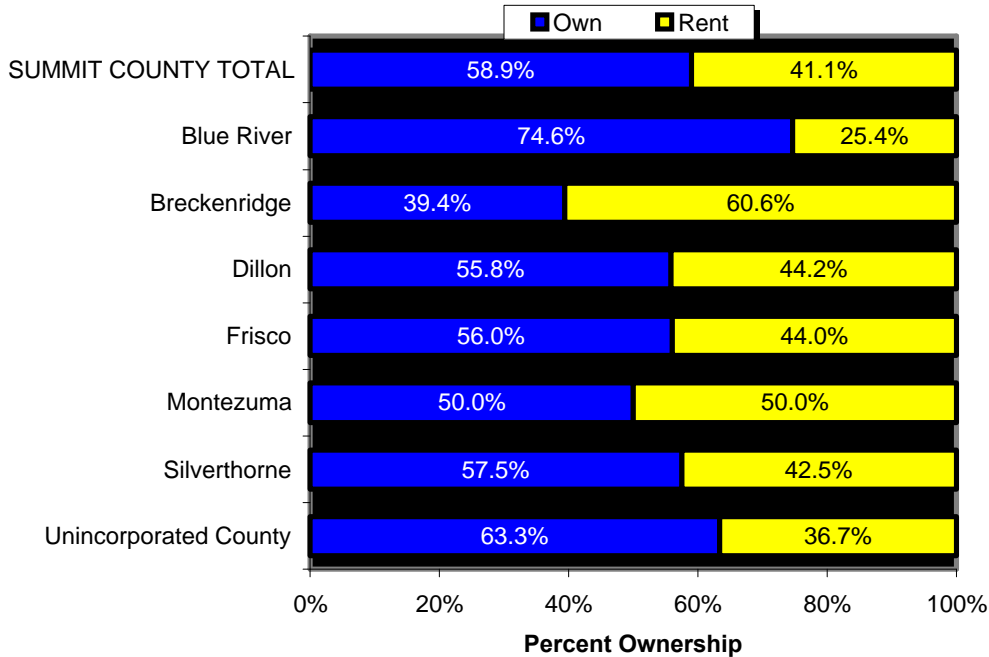
Source: Summit County Assessor Data

Tenure By Community

Based on the 2000 US Census, renters occupy a slightly higher percentage of households than reflected by the 2000 Needs Assessment survey. As shown in the following chart:

- About 59 percent of Summit County residents own their residence.
- Breckenridge is the only community in which less than one-half of residents own their unit (39 percent). Most of the other communities have ownership rates between 50 and 58 percent, with the exception of higher rates in the unincorporated county (63 percent) and Blue River (75 percent).

Tenure By Community



Source: US Census Bureau

Unit Type By Community

Based on the Summit County assessor data, about 31 percent of available housing units in Summit County are single-family units. Blue River and Montezuma have the highest percentage of single-family units (91 and 100 percent, respectively) and Dillon, Breckenridge and Frisco have the lowest percentage (14 to 20 percent). Silverthorne shows the most balance, with 49 percent each of single family and multi-family units. The majority of mobile homes lie in the unincorporated county.

Unit Type By Community: 2005

	Number of Units				Percent of Units			
	SF	MF	MH	TOTAL	SF	MF	MH	TOTAL
SUMMIT COUNTY TOTAL	9,683	21,275	600	31,557	31%	67%	2%	100%
Blue River	572	62	0	635	91%	9%	0%	100%
Breckenridge	1,110	5,044	0	6,154	18%	82%	0%	100%
Dillon	189	1,198	3	1,391	14%	86%	0%	100%
Frisco	677	2,784	11	3,472	20%	80%	0%	100%
Montezuma	40	0	0	40	100%	0%	0%	100%
Silverthorne	983	1,003	36	2,022	49%	49%	2%	100%
Unincorporated County	6,113	11,182	548	17,843	35%	62%	3%	100%

Source: Department of Local Affairs; Summit County Assessor data; RRC Associates, Inc.

Ownership Housing

This section evaluates the values and types of resident and non-resident owned housing units in Summit County as determined from the Summit County Assessor data. This section provides information on the extent of overlap between resident and non-resident purchasers in the county to understand the level of competition between resident and non-resident buyers. Units restricted to occupancy by Summit County employees are also evaluated.

Value Of Units

Based on unit values estimated in the Summit County assessor records, the median value of single-family units (\$417,803) in Summit County is almost twice that of condominiums (\$209,141). Only about 25 percent of single-family homes are valued at under \$300,000, compared to about 77 percent of condominiums. The majority of mobile homes are valued under \$50,000, with the median price being \$17,498.

Value of Home By Unit Type: 2004

	All Units	Single family	Condominiums	Mobile Homes
Less than \$50,000	2.0%	0.1%	0.3%	95.4%
\$50,000 to \$99,999	3.7%	0.6%	6.4%	4.4%
\$100,000 to \$149,999	10.0%	1.5%	17.3%	0.0%
\$150,000 to \$199,999	14.1%	4.0%	22.4%	0.0%
\$200,000 to \$299,999	27.9%	18.7%	31.1%	0.2%
\$300,000 to \$499,999	26.5%	38.5%	17.9%	0.0%
\$500,000 to \$999,999	12.9%	27.7%	4.4%	0.0%
\$1,000,000 or more	2.9%	9.0%	0.2%	0.0%
TOTAL	100%	100%	100%	100%
Mean	\$338,192	\$518,592	\$239,950	\$21,288
Median	\$270,440	\$417,803	\$209,141	\$17,498

Source: Summit County Assessor data

Locals Versus Second Homeowners

The following table shows the value of homes owned by Summit County locals versus other Colorado owners and out-of-state/country owners. As shown, the median value of properties owned shows little variation among the different owners, varying between \$228,566 for “other” Colorado owners and \$288,451 for other state/country owners. The distribution of owned properties by value also shows little variation, with a slightly higher percentage of units owned by locals priced under \$50,000 (primarily mobile homes) than other owners and a slightly higher percentage of properties owned by other state/country residents having properties valued over \$500,000 than other owners. This indicates that Summit County residents may be facing much direct competition for units from buyers that live outside of the area.

Value Of Home By Residence Of Owner: 2004

	Summit County Residents	Colorado Front Range	Other Colorado	Other State/Country
Less than \$50,000	3.5%	1.9%	2.9%	2.3%
\$50,000 to \$99,999	4.5%	4.1%	6.8%	2.1%
\$100,000 to \$149,999	10.7%	11.7%	15.1%	7.2%
\$150,000 to \$199,999	10.4%	17.8%	16.7%	13.8%
\$200,000 to \$299,999	25.4%	29.8%	28.7%	27.9%
\$300,000 to \$499,999	27.5%	24.2%	24.1%	27.4%
\$500,000 to \$999,999	15.0%	8.7%	4.2%	15.3%
\$1,000,000 or more	2.9%	1.9%	1.5%	3.9%
TOTAL	100%	100%	100%	100%
Mean	\$345,525	\$299,729	\$264,874	\$366,653
Median	\$282,077	\$244,917	\$228,566	\$288,451

Source: Summit County Assessor data

The largest percentage of units owned by locals are single-family residences (49 percent), with 27 percent owning condominiums and 21 percent other types of attached units. The largest percentage of units owned by non-Summit County residents are condominiums (57 to 64 percent), followed by single-family homes (20 to 26 percent). This indicates a preference for single-family residences by locals and condominiums by second homeowners.

Type Of Unit By Residence Of Owner (A): 2004

	Summit County Residents	Colorado Front Range	Other Colorado	Other State/Country
Single Family	48.9%	22.8%	26.0%	20.3%
Townhome	8.1%	8.7%	7.0%	8.8%
Condominium	27.2%	60.9%	56.6%	64.4%
Mobile Home	3.0%	1.2%	2.6%	1.4%
Other Multi-family	12.8%	6.4%	7.7%	5.1%
TOTAL	100%	100%	100%	100%

Source: Summit County Assessor data

About 53 percent of all single-family residences and 53 percent of mobile homes in Summit County are owned by locals. Locals own only about 18 percent of condominiums. Condominiums are predominately owned by Colorado Front Range residents (40 percent) and other state/country residents (41 percent).

Type Of Unit By Residence Of Owner (B): 2004

Residence of Owner	Single Family	Townhome	Condominium	Mobile Home	All Units
Summit County	52.8%	31.5%	17.8%	52.5%	33.1%
CO Front Range	24.5%	33.8%	39.5%	21.3%	33.0%
Other Colorado	1.5%	1.5%	2.0%	2.5%	1.8%
Other state/country	21.3%	33.3%	40.7%	23.6%	32.1%
TOTAL	100%	100%	100%	100%	100%

Source: Summit County Assessor data

Employee Ownership Units

Based on Summit County Assessor records, there are about 487 restricted ownership units in Summit County. These are units that are restricted to ownership by Summit County employees, where some units are also restricted to certain AMI ranges and rates of appreciation. As shown below, the largest percentage of units are located in Breckenridge (48 percent) and the unincorporated county (47 percent). Frisco has 3 percent of all restricted units (16 total) and Silverthorne and Dillon combined have about 1.4 percent of all units (7 total).

Number And Location Of Employee-Restricted Units: 2004

	#	%
Breckenridge	233	47.8%
Dillon	3	0.6%
Frisco	16	3.3%
Silverthorne	4	0.8%
Unincorporated County	231	47.4%
TOTAL	487	100%

Source: Summit County Assessor data

Over half of employee units are condominiums (57 percent), with about 16 percent (80 total) being single-family homes. Worth noting is that the median value of restricted single family units (\$265,935) is about 1.6 time lower than the median value of all single family units in the county. Similarly, the median restricted condominium value is 1.8 times lower than the value of all condominium units in the county.

Type And Median Value Of Employee-Restricted Units: 2004

	#	%	Median Value
Single Family	80	16.4%	\$265,935
Townhome	50	10.3%	\$176,108
Condominium	277	56.9%	\$115,728
Other Multi-family	80	16.4%	\$176,599
TOTAL	487	100%	\$138,744

Source: Summit County Assessor data

The value of employee-restricted units were grouped into ranges that would be affordable to the average size Summit County household (2.44 persons) by AMI range. The calculated affordable purchase price assumes a 30-year loan at a rate of 6.5% with 5% down. Prices assume 25% of monthly income pays for principle and interest only, with the other 5% covering taxes and insurance and any utilities and HOA fees. This shows that the majority of units are valued at prices affordable to households earning below 120% AMI (85 percent). However, affordability varies by unit type, where:

- The largest percentage of single family homes are affordable to households earning over 120% AMI (66 percent), which is generally considered the “move-up” housing price range. About 27 total units are affordable to households earning between 50 and 120% AMI, which are typically first-time owners.
- The majority of condominiums are priced for households earning less than 80% AMI (85 percent). However, this does not include monthly homeowner’s association (HOA) dues, which would effectively increase the “price” of the condominium to the owner. Provided HOA fees are and remain reasonable, these units would provide first-purchase opportunities for residents.²

Restricted Units Affordable Within Different AMI Ranges: 2004

	Max Affordable Purchase Price	Single Family		Condominium		All Units*	
		#	%	#	%	#	%
50% AMI or below	\$111,448	-		104	37.5%	118	24.2%
50 to 80% AMI	\$168,375	3	3.8%	132	47.7%	173	35.5%
80 to 100% AMI	\$222,895	10	12.5%	29	10.5%	57	11.7%
100 to 120% AMI	\$267,474	14	17.5%	8	2.9%	65	13.3%
120 to 180% AMI	\$401,211	47	58.8%	3	1.1%	65	13.3%
Over 180%	\$401,212**	6	7.5%	1	0.4%	9	1.8%
TOTAL	-	80	100%	277	100%	487	100%

Source: Summit County Assessor data; Department of Housing and Urban Development; RRC Associates, Inc.

*all units include Townhomes and other attached units not included under “single family” and “condominium” categories.

**Minimum affordable purchase price to households earning over 180% AMI.

The majority of restricted units have been built since 1996 (60 percent, 291 units), in large part due to the relatively recent recognition of the need for and benefit of affordable housing for locals. Of these, 128 units have been built since the 2001 Needs Assessment and include the following properties.

² NOTE: The 2001 Housing Needs Assessment found that about 27 percent of survey respondents reported costs related to homeowner associations. The average monthly payment was \$167 for these households. Homeowner association fees ranged from \$100 to \$250 per month for more than half (54 percent) of the respondents.

Restricted Employee Units Built Since 2001

	#	%
Wellington Neighborhood Sub	43	33.6%
Gibson Heights Sub	20	15.6%
Gibson Heights Townhomes	20	15.6%
Farmers Grove Sub	15	11.7%
Vista Point Sub	10	7.8%
Monarch Townhomes	7	5.5%
Vista Point Townhomes	6	4.7%
Retreat On The Blue Condo	4	3.1%
Cirque Condo	1	0.8%
Grand Timber Lodge Condo	1	0.8%
Lodge At Riverbend Condo	1	0.8%
TOTAL	128	100%

Source: Summit County Assessor data

The 2001 Housing Needs Assessment indicated several projects were pending as of the date of the report. Among those constructed and shown above include Retreat on the Blue (4 units), Lakeview Commons/Mendez (15 units, renamed to Farmers Grove), Revitt's Run (40 units, renamed to Gibson Heights), Vista Point (16 units) and Drake's Landing (9 units, completed in 2000). In addition, Soda Creek apartments have been renovated into condominiums, with half of the units sold at market rate (20 total) and the other half restricted to employees by AMI. Only four restricted units at Soda Creek remain available and are priced for households earning 100% AMI.

Rental Housing

There are an estimated 4,593 renters in Summit County in 2005. As of the 2000 US Census, 75 percent resided in multi-family units (primarily apartments and condominiums), 22 percent in single-family homes and 2 percent in mobile homes.

Average Rents

Based on survey responses to the "Colorado Division of Housing Multi-Family Vacancy and Rental Survey," rents remained fairly stable between 1999 and 2003, but have increased in 2004. Rents declined in the third quarter of 2000 through the end of 2001, but have generally been increasing since the third quarter of 2001. The largest increase occurred in 2004, showing a 15 percent rise from average rents in 1999.

Average Rent, 1998 to 2003: Summit County

Quarter	1999	2000	2001	2002	2003	2004
First-quarter	\$774.75	\$784.99	\$722.40	\$749.52	\$769.44	\$833.61
Third-quarter	\$780.17	\$742.99	\$734.31	\$805.41	\$770.95	\$921.45

Source: "Colorado Division of Housing Multi-Family Vacancy and Rental Survey."

Average rents for multi-family properties vary by size. The first-quarter of 2003 is the first survey season (e.g. since third-quarter 1996) in which rents for three-bedroom units were in excess of \$1,000 per month. Rents in the third-quarter 2004 have increased for each unit type since the same period in 2003.

**Average Rent by Unit Type:
Summit County**

Apartment Type	2003 Q3	2004 Q1	2004 Q3
Efficiency	\$404.38	\$687.50	-
1-bedroom	\$661.00	\$702.32	\$710.47
2-bedroom/1-bath	\$801.14	\$791.67	\$906.82
2-bedroom/2-bath	\$825.18	\$844.81	\$921.12
3-bedroom	\$1,021.93	\$981.49	\$1,040.00

Source: Colorado Division of Housing "Multi-family Housing Vacancy and Rental Survey".

Vacancy Rates

Vacancy rates provide another measure of the health of the rental market. Typically, vacancy rates around 5 percent suggest some equilibrium in the market, meaning that there is sufficient supply to provide renters with a choice of product. Vacancy rates below this threshold indicate under-supply, whereas rates above this level suggest over-supply of housing. Due to the winter seasonal workforce in Summit County, rental vacancies are expected to be higher in the third quarter of each year (July through September) than during the first quarter of each year (January through March), as shown in the following table.

The 2001 Housing Needs Assessment found that the demand for rental units was very high, given that there were no vacant units as of March 2001 and there were waiting lists for five properties. As a result, this study recommended that additional rental units might be needed. However, current data indicates that vacancy rates since the third quarter 2002 have exceed 5 percent in Summit County, increasing to 7 percent during the first quarter of 2004 and 14.5 percent during the third quarter of 2004. This data indicates a generally weak rental housing market at present. As the economy continues to improve, however, the rental market will move toward 2001 levels of demand.

Vacancy Rates, 1999 to 2004: Summit County

Quarter	1999	2000	2001	2002	2003	2004
First-quarter	1.0%	2.9%	0.3%	0.3%	5.0%	7.4%
Third-quarter	3.2%	1.1%	4.4%	5.3%	7.3%	14.5%

Source: "Colorado Division of Housing Multi-Family Vacancy and Rental Survey."

Employee Rental Units

The following apartment properties offer restricted units for Summit County employees. This list has remained largely unchanged from the 2001 Needs Assessment.

Apartment Properties in Summit County

	Number of Units	Year Built	Location	Income Restriction
Blue River	78	1995	Silverthorne	All ≤60%
Breckenridge Terrace	180	1999- 2000	Breckenridge	36 units ≤80%
Mountain Creek	30	1982	Dillon	All ≤60%
Pinewood Village	74	1996- 1997	Breckenridge	20% ≤50% 20% 50-80% 60% 80-100%
Villa Sierra Madre	60	1994	Silverthorne	All ≤60%

Source: Interviews and Site Visits

A summary of each of the properties is provided below.

- The **Blue River Apartments** are located north of Villa Sierra Madre in Silverthorne. All of the project's 78 units are income restricted under the LIHTC program and must be rented to households earning less than 60% of the AMI. The project was completed in 1995.
- **Breckenridge Terrace** is located on the north side of Breckenridge. The 180-unit project has been developed by Vail Resorts, Inc. (VRI) as employee housing. Thirty-six (36) of the units are restricted for employees earning 80% or less AMI. While VRI employees will be given priority and most of the units will be rented to them, the management will also rent units to local residents employed elsewhere if needed to reach full occupancy. The leases for approximately 70% of the units will be structured for seasonal employees, including terms that coincide with the months of the ski season and rents that are based on the number of roommates. The balance of 30% will be rented on a long-term basis. VRI completed construction on the project in October of 2000.
- **Mountain Creek** is located in Dillon. It is an older 30-unit property financed through Rural Development (formerly the Farmers Home Administration). Rents in this project are based at 60% AMI.
- **Pinewood Village** was the first apartment property constructed in Breckenridge. The project's 74 units were constructed in 1996/97 on land leased from the Town of Breckenridge. Approximately 26 percent of the property's 74 units (19 units) are income restricted under the LIHTC program. About 20 percent of the units are for very low-income households (<50% AMI), another 20 percent for households earning 50 to 80% AMI and the remaining 60 percent for households earning 80 to 100% AMI.
- **Villa Sierra Madre** was built by the Denver Archdiocese in 1994. All of the project's 60 units are income restricted under the Low Income Housing Tax Credit (LIHTC) program. The project primarily serves families.
- **Seasonal Units:** In addition to the flexible lease terms offered at Breckenridge Terrace for Vail Resorts employees, both Keystone Resort and Copper Mountain have dormitory-style housing for their employees, serving primarily seasonal employee housing needs. These units reduce pressure on other rental housing stock in the county and on year-round residents. The Tenderfoot Employee Housing project at Keystone Resort (completed in 2001) is made up of two buildings with 40 units per building. Each unit has three beds and

the project can house up to 240 employees. Copper Mountain has also completed their renovation of Club Med to serve seasonal workers at the resort.

In addition to those projects listed above, there are other scattered employee rental units throughout the county that have been constructed either through the necessity of business owners to attract and keep employees or new construction requirements and negotiations. It was noted that an accurate database of these properties has yet to be completed (NOTE: this assessment was beyond the scope of this study).

Pending Projects

The following residential projects are either under construction or pending approval in Summit County:

Breckenridge:

- Phase II of Wellington is presently under negotiation with the Town of Breckenridge. As presently proposed, Wellington would include 160 total units, including 32 market rate, 15 restricted for local employee households earning less than 80% AMI, 57 restricted to 100-120% AMI households and 8 restricted for 120-150% AMI households.
- Blue Sky Lodge is pending development this summer and will include 5,274 square feet of employee housing as mitigation for the development.
- Phase II of Highland Green Townhomes will include 2,000 square feet of employee housing. This development includes a total of 42 market rate units consisting of 10 triplexes and 6 duplexes.
- The town has been approached for discussion regarding a parcel near the golf course at the south end of town. This is a 5-acre parcel and is zoned for residential. No application has been submitted.

Silverthorne:

- An annexation of Maryland Creek Ranch (355 acres) is proposed. The proposal includes development of 70 single-family, market rate units. Twenty (20) lots are proposed to have the option of constructing a caretaker/mother-in-law unit. This proposal is located North of town along Highway 9.
- Zoe Court has been approved and is pending development. This will be a mixed-use development, including 5,000 square feet of commercial space with five (5) two-bedroom and two (2) one-bedroom apartments restricted to occupancy by employees in Summit County.

Frisco:

- An approval at 207 Granite/Sawmill will result in the loss of eight (8) rental units, which will be replaced with 10,350 square feet of commercial space.
- The approval of Bear's Den will result in the loss of one single-family unit, which will be replaced 4,620 sq ft of commercial and 17 residential condominiums, including 3 deed-restricted units.
- An approval at 4th & Teller will result in the replacement of an existing single-family unit by 4 townhouses (market-rate).
- A 5-unit apartment building has been approved at Union Peak.

- An approval at Frisco Peaks will replace one single family home with 4 townhouses (market-rate).
- A 30-unit condominium building has been approved at Timberline Cove.
- 8 new single-family homes are under construction on previously vacant lots. One parcel has an accessory studio apartment.
- Four townhouses will be built on a previously vacant parcel at Granite Courtyard.
- A vacant parcel at Gateway will be developed with 10 residential condominiums and 14,003 square feet of commercial.
- At both 215 Galena and 216 Frisco a single-family unit was demolished, to be replaced with duplexes.
- A vacant lot at Marina Park Phase II will be constructed with 927 sq ft of commercial and 12 residential condominiums.
- Belford is an affordable housing project consisting of 2 single-family units, 4 townhomes and 4 condominiums that will be restricted to occupancy by local employees. The project is located across the street from the elementary school.

Dillon:

- Forty (40) one- and two-bedroom market-rate townhomes were approved in town, with the approval recently extended to November 2005. The units will be placed on top of The Dillon Center and will include a remodel of the face of the Dillon Center plus a parking structure. The applicant is currently applying to increase the 40' height requirement to 50' in the commercial zone given that present building plans are 44' in height. This would result in a modification to Town Code if approved.

The following table identifies restricted housing developments that are proposed or underway in the Summit County communities:

Town/Project	Units	Restriction	Status
Breckenridge – Wellington Phase II	15 (<80% AMI) 57 (100-120% AMI) 8 (120-150% AMI)	Deed restricted; employee occupancy	Pending approval – mix of attached and single- family
Silverthorne – Zoe Court	7	Employee occupancy	Approved – Apartments in mixed- use development
Frisco – Belford	10	Employee occupancy; price restriction	Under development – 2 single-family; 4 townhomes; 4 condominiums

SECTION 6 HOUSING SALES

This section evaluates housing sales trends as determined from the Summit County Assessor database from 2001 through September 2004. Sales volumes, average and median sale prices, sales by unit type and sales to residents and non-residents are examined. Current MLS listings are also provided to understand the availability of units on the market.

Sales By Type Of Unit

- Total unit sales have been increasing from 2001 through 2003. However, results through September 2004 indicate the number of sales in this year may have been lower than in 2003.
- The percentage of sales comprised of single-family homes has been increasing since 2001, from 23 percent of all sales to 29 percent in 2004. Consequently, condominiums have comprised a slightly lower percentage since 2001 (67 percent in 2001 versus 60 percent in 2004).
- The median sale price of homes declined about 1.7 percent between 2001 and 2002 and remained slightly below 2001 prices in 2003. The median sale price of all units increased in 2004 to \$282,000, which is about 2.7 percent higher than in 2001. In comparison, the 2001 Housing Needs Assessment found that average sale prices between 1990 and 2000 had increased an average of 11 percent per year. The 1990's was a boom period for Colorado in general in terms of housing, whereas the events of September 11, 2001, and the following slump in the economy served to depress the housing market and adversely affect sale values.

Residential Sales By Type: 2001 through September 2004

	2001	2002	2003	2004 (through Sept)
TOTAL SALES	1,837	1,901	2,149	1,066
Single Family	23.0%	23.5%	24.3%	29.0%
Townhome	10.6%	12.8%	12.3%	11.4%
Condominium	66.5%	63.8%	63.3%	59.6%
Mobile Homes	0.0%	0.0%	0.0%	0.0%
Total %	100%	100%	100%	100%
Mean Sale Price	\$346,524	\$329,078	\$330,191	\$357,226
Median Sale Price	\$274,500	\$270,000	\$272,000	\$282,000

Source: Summit County Assessor data

- Evaluating changes in prices by unit type, it is found that the slow market did not affect all properties equally. The median sale price of single-family homes actually increased 20.5 percent between 2001 and 2004 (6.4 percent per year, on average), townhomes increased 7.5 percent and condominium prices *decreased* 5.3 percent. In comparison, the 2001 Needs Assessment found that single-family prices increased at a faster rate of

13.2 percent per year between 1990 and 2000 and condominiums increased about 9.7 percent per year on average.

**Median Price Of Sales By Type Of Unit:
2001 through September 2004**

	2001	2002	2003	2004	% change (01-04)
Single Family	\$379,100	\$403,000	\$438,000	\$457,000	20.5%
Townhome	\$274,750	\$272,000	\$305,000	\$295,250	7.5%
Condominium	\$235,000	\$222,250	\$217,000	\$222,500	-5.3%
TOTAL	\$274,500	\$270,000	\$272,000	\$282,000	2.7%

Source: Summit County Assessor data

Sales By Place Of Residence

This section examines the percentage of homes sold to locals and other buyers between 2001 and September 2004, the price range of units purchased during this period by place of residence and the preferred type of unit purchased by different buyers. This section helps identify the extent to which locals must compete with second homeowners for units.

Percentage Of Sales By Place Of Residence

- Summit County locals purchased about 31 percent of all units sold between 2001 and September 2004. The percentage of sales to locals declined from 32.5 percent in 2001 to 29.6 percent by 2003, and rebounded to 31.8 percent in 2004.
- Colorado Front Range residents purchased about 37 percent of all units sold between 2001 and September 2004. Colorado Front Range investment increased from 34.9 percent in 2001 to 39 percent in 2003, then decreased to 2001 levels in 2004 (34.7 percent). The median price of homes purchased is only slightly higher than that for locals (\$265,000 versus \$240,000, respectively).
- Other Colorado residents comprise only about 2 percent or less of sales each year in Summit County. However, the median purchase price for these buyers is close to that for local residents, indicating this market seeks similarly priced units as locals.
- Other state/country buyers purchased about 30 percent of all units sold between 2001 and September 2004. These buyers follow a similar pattern as locals, decreasing their investment in 2002 and 2003 and increasing again in 2004. Out-of-state/country purchasers tend to purchase higher-end properties than locals and other Colorado buyers, with a median purchase price of \$334,000.

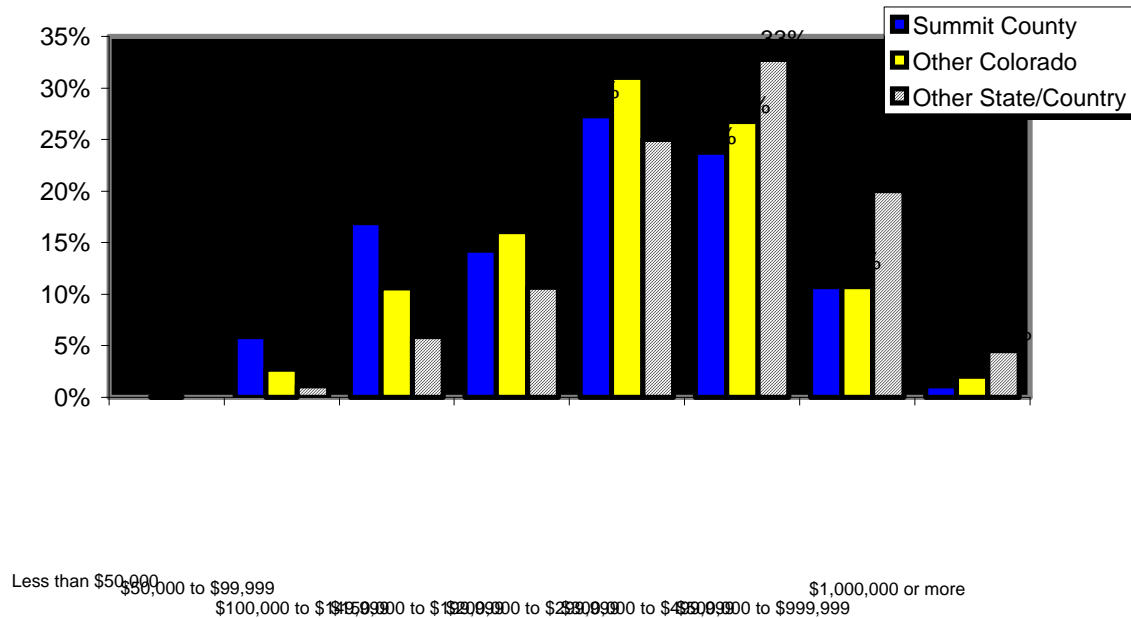
**Percentage Of Home Sales By Residence Of Purchaser:
2001 through September 2004**

	2001	2002	2003	2004	TOTAL	Median Sale Price
Summit County	32.5%	31.4%	29.6%	31.8%	31.1%	\$240,000
CO Front Range	34.9%	37.4%	39.0%	34.7%	36.9%	\$265,000
Other CO	1.6%	2.0%	2.0%	1.1%	1.8%	\$242,500
Other state/country	31.0%	29.2%	29.3%	32.3%	30.2%	\$334,000
TOTAL	100%	100%	100%	100%	100%	\$275,000

Price Of Unit

- The percentage of sales to Summit County locals and other Colorado residents follow a similar pattern when examined by price range, particularly for units priced over \$150,000. This indicates locals and other Colorado residents seek similarly priced units.
- Units purchased by out-of-state/country residents follow a more typical second-homeowner valuation, where the highest percentage of units purchased by these buyers are priced over \$300,000. Often second-home buyers concentrate on a different and higher price market than locals, limiting direct competition for lower-priced units.
- Units priced between \$200,000 and \$299,999 range between 25 percent of out-of-state/country units purchased to 31 percent of “other” Colorado resident purchases. Units in this price range appear to have similar market attraction to all buyers regardless of their place of residence.

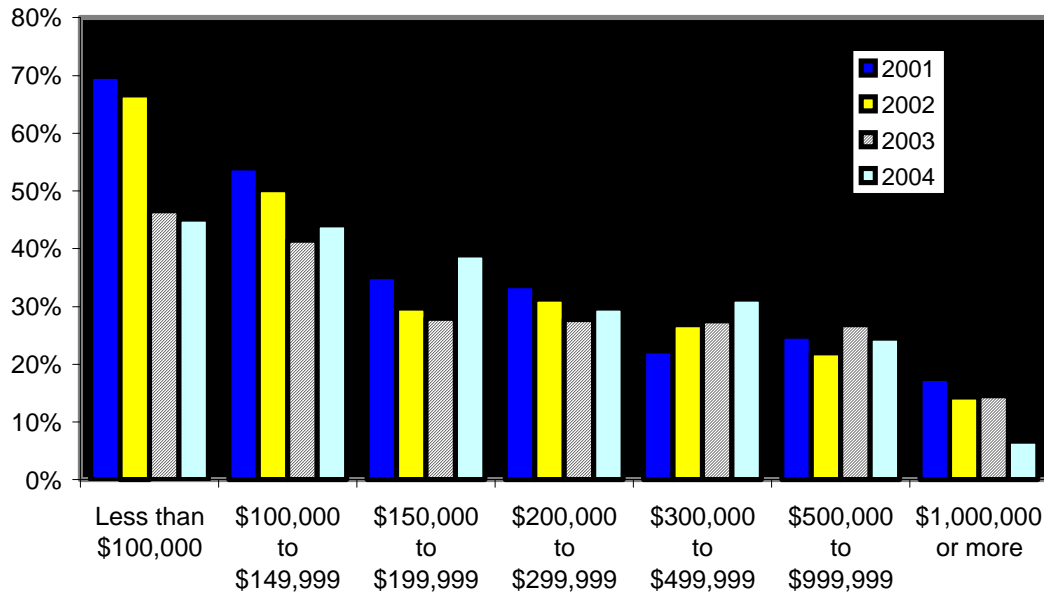
**Sale Price By Residence Of Purchaser:
Sales In 2001 Through Sept. 2004**



Source: Summit County Assessor data

- Of all sales under \$100,000, locals purchased 70 percent of these units in 2001 and only 45 percent of these units in 2004. Similarly, the percentage of units priced between \$100,000 and \$150,000 that went to locals declined from 54 percent in 2001 to 44 percent in 2004. This indicates increasing competition from non-locals during the past couple of years for lower priced units.
- The percentage of units purchased by locals and priced between \$150,000 and \$300,000 declined in 2002 and 2003, but increased again in 2004. This may be a reflection of the increased investment from Front Range buyers during 2002 and 2003.

Percentage Of Sales To Summit County Residents In Each Price Range: Sales In 2001 Through Sept. 2004



Source: Summit County Assessor data

Type Of Unit

- The largest percentage of non-Summit County resident purchases between 2001 and September 2004 were condominiums (65.6 to 69.5 percent). Locals, on the other hand, show more of a split between single-family homes (37.3 percent of purchases) and condominiums (38.4 percent of purchases).
- Over half of all single-family homes sold between 2001 and September 2004 went to locals (52.6 percent), compared to 24.9 percent to Front Range residents and 21.4 percent to out-of-state/country buyers. However, only 21.2 percent of condominiums sold during this period went to locals, 42.2 percent to Front Range residents and 34.6 percent to out-of-state/country buyers.
- These results indicate that, while non-resident Summit County buyers may purchase similarly priced units, they are primarily focused on condominium units, whereas locals are more likely to seek single family homes.

**Type Of Unit Purchased By Residence Of Purchaser (A):
2001 through September 2004**

	Summit County	CO Front Range	Other CO	Other state
Single Family	37.3%	15.8%	14.8%	16.9%
Condominium	38.4%	68.3%	65.6%	69.5%
Other Multi-family	24.3%	15.9%	19.5%	13.6%
TOTAL	100.0%	100.0%	100.0%	100.0%

**Type Of Unit Purchased By Residence Of Purchaser (B):
2001 through September 2004**

	Single Family	Condominium	Total
Summit County	52.6%	21.2%	32.5%
CO Front Range	24.9%	42.2%	36.3%
Other CO	1.2%	2.1%	1.9%
Other state	21.4%	34.6%	29.3%
TOTAL	100.0%	100.0%	100.0%

Source: Summit County Assessor data

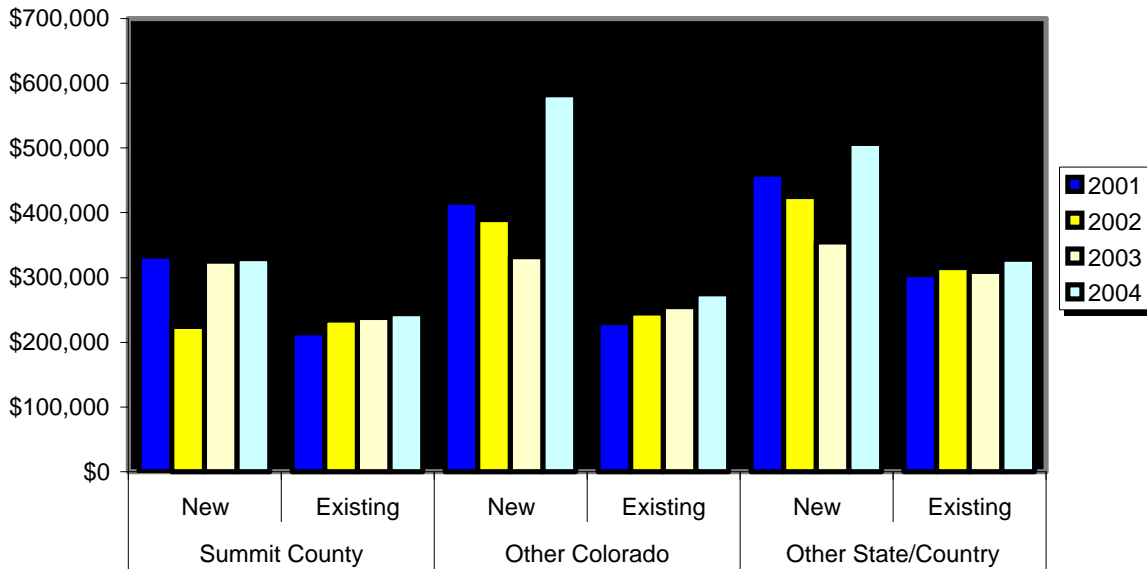
New Versus Existing Unit Sales

Evaluating median sale prices of new versus existing units can help separate what the current market may be supplying to buyers from older units on the market. Typically new unit prices are higher than those for existing units based on many factors, including condition of unit, unit amenities, size of unit and the target market. As shown below:

Locals: The median sale price of new units to locals averaged about 36 percent more than existing units in 2004. The price of existing unit sales increased an average of 4.4 percent per year, whereas the price of new unit sales remained relatively flat during this period. The decline in the median sale price of new units in 2002 was in large part due to sales of employee-restricted units in Gibson Heights, Vista Point and Wellington, which became available for sale in late 2001 and 2002. Units restricted to purchase by employees comprised 33 percent of all single-family sales in 2002.

Other Sales: Sales to "other" Colorado residents and other state/country residents show similar patterns between 2001 and 2004. The median sale price of new units to both markets shows a decline in 2002 and 2003 and a large increase in 2004. The median sale price of existing units increased between 2001 and 2004 for both markets, where sales to "other" Colorado residents increased about 19.6 percent during this period compared to a lower 7.5 percent to out-of-state/country buyers. With the exception of 2004, new and existing units sales to out-of-state/country residents are higher, on average, than sales to "other" Colorado residents.

**Median Sale Price By Purchaser's Place Of Residence:
New vs. Existing Unit Sales In 2001 Through Sept. 2004**



Source: Summit County Assessor data

A higher percentage of new units are sold to “other” Colorado (38 percent) and out-of-state/country buyers (35 percent) than locals (27 percent) between 2001 and September 2004. “Other” Colorado buyers also purchased the highest percentage of existing units during this period (39 percent), followed by locals (32 percent) and out-of-state/country buyers (30 percent).

**Percentage Of New And Existing Units Purchased By
Residence Of Purchaser: 2001 through September 2004**

	<u>New</u>	<u>Existing</u>
Summit County	27.4%	31.6%
Other Colorado	37.7%	38.8%
Other State	34.9%	29.6%
TOTAL	100%	100%

Source: Summit County Assessor data

Employee Unit Sales

Sales of employee units averaged about 8.2 percent of all sales to locals between 2001 and September 2004. The percentage of sales has generally increased from 6.3 percent in 2001 to 9.2 percent in 2004 (through September). This increase is most likely due to increased availability of units over the past few years.

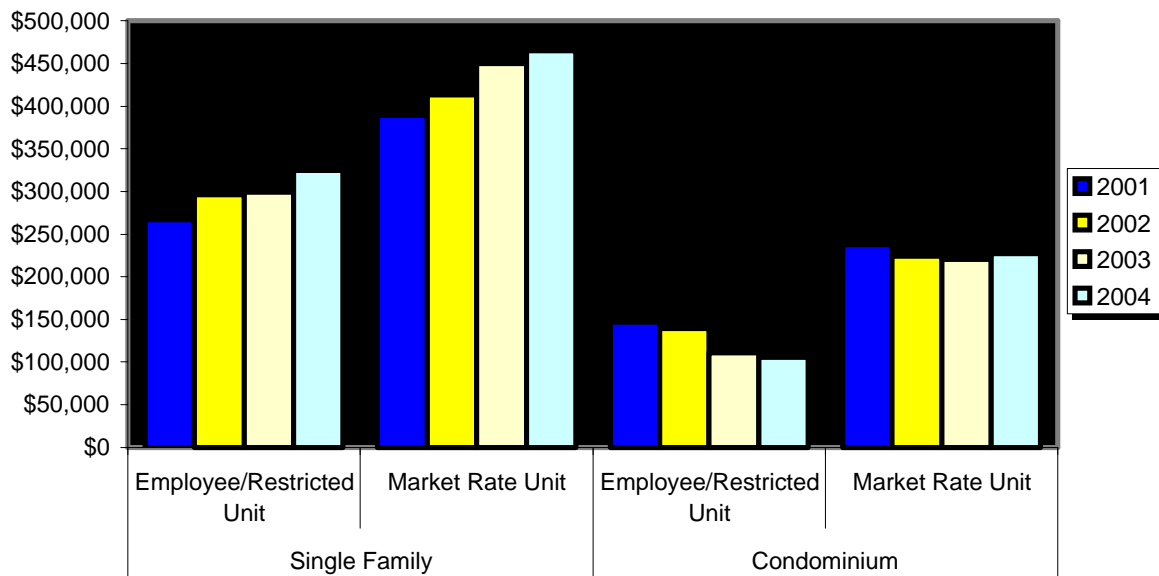
**Percentage of Local Resident Sales By Unit Restriction:
2001 through September 2004**

	2001		2002		2003		2004		TOTAL	
	%	#	%	#	%	#	%	#	%	#
Employee/ Restricted Unit	6.3%	31	8.8%	48	8.7%	54	9.2%	31	8.2%	164
Market Rate Unit	93.7%	462	91.2%	496	91.3%	568	90.8%	307	91.8%	1,833
TOTAL	100%	493	100%	544	100%	622	100%	338	100%	1,997

Source: Summit County Assessor data

Employee units are intended to provide quality living units at a more affordable price than offered by the free market. As shown below, the median sale price of employee restricted single-family homes averaged about 45 percent lower than market rate units between 2001 and September 2004. The median sale price of employee restricted condominiums averaged about 84 percent lower than market rate units during this same period.

**Median Sale Price By Unit Type And Restriction:
2001 Through Sept. 2004**



Source: Summit County Assessor data

Current Listings

The current listings, as of January 2005, are provided to show what types of units are currently available. The following table compares the units available for sale to units sold between 2001 and September 2004 by price. This shows that:

- There are presently 1,123 properties available for sale in Summit County, which, based on historic sales between 2001 and September 2004, is at least 6-months worth of properties.

- Current MLS listings are light in properties priced under \$300,000, where about 55 percent of sales during 2001 through September 2004 were in this price range, compared to about 31 percent of current properties available.
- Current MLS listings are also heavy in properties priced over \$500,000, where about 42 percent of available properties fall in this price range, compared to only 16 percent of sales between 2001 and September 2004.
- Units priced between \$300,000 and \$499,999 show similar ratios between those available for sale (27 percent) and those actually sold between 2001 and September 2004 (28 percent).

**MLS Listings Versus Past Sales By Price
(2001 through September 2004)**

	All Sales	MLS
Less than \$50,000	0.2%	0.4%
\$50,000 to \$99,999	3.0%	1.2%
\$100,000 to \$149,999	10.4%	5.1%
\$150,000 to \$199,999	13.1%	8.6%
\$200,000 to \$299,999	28.9%	16.1%
\$300,000 to \$499,999	28.4%	27.0%
\$500,000 to \$999,999	13.6%	27.2%
\$1,000,000 or more	2.4%	14.3%
TOTAL	6,953	1,123

Of the 1,123 listings, approximately 34 percent are single-family homes, 52 percent are condominiums, 13 percent are duplexes/townhomes and 1 percent are mobile homes.

- About 81 percent of the single-family units are priced at \$500,000 or more. The 2001 study found 65 percent of single-family listings to be \$500,000 or more in March 2001.
- As expected, many of the condominium units are priced lower than the single-family homes, where 54 percent are priced under \$300,000. A similar 50 percent were priced under \$300,000 in 2001.
- Mobile homes are the only units offered under \$50,000. Nine total are offered, with five (5) priced under \$50,000 and four (4) priced between \$150,000 and \$200,000. It is important to note that in addition to purchasing the mobile home, buyers are also responsible for monthly lot rent.

**Current Listings By Type Of Unit:
January 2005**

	Condominium	Single Family	Mobile Home	Duplex/ Townhome	TOTAL
Less than \$50,000	0%	0%	56%	0%	0%
\$50,000 to \$99,999	2%	0%	0%	0%	1%
\$100,000 to \$149,999	10%	0%	0%	0%	5%
\$150,000 to \$199,999	15%	0%	44%	2%	9%
\$200,000 to \$299,999	26%	2%	0%	15%	16%
\$300,000 to \$499,999	32%	17%	0%	34%	27%
\$500,000 to \$999,999	13%	42%	0%	46%	27%
\$1,000,000 or more	2%	39%	0%	3%	14%
TOTAL	584	379	9	151	1,123
Median Price	\$271,950	\$835,000	\$34,900	\$499,500	\$425,000

Source: Summit County Multiple Listing Service

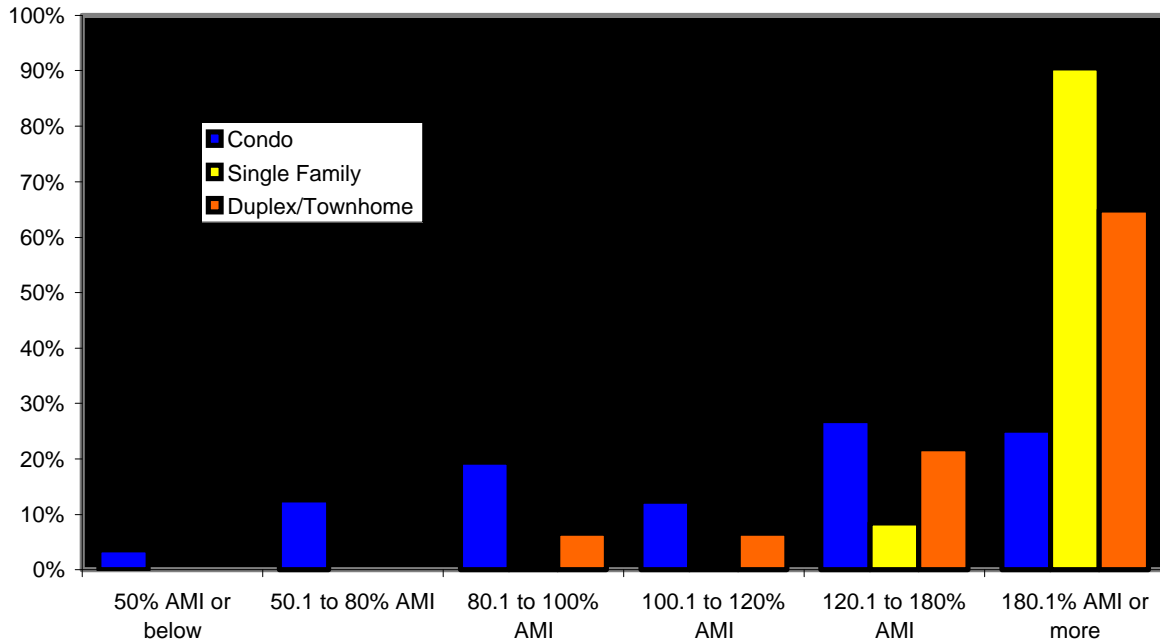
As shown below, over half of the units offered for sale are affordable to households earning 180% AMI or more. About 28 percent (313 total) are affordable for households earning less than 120% AMI, including 1 percent of single family homes that are offered for sale (4 total), 48 percent of condominiums (280 total), 13 percent of duplexes/townhomes (20 total) and all nine (9) mobile homes. In comparison, 45 percent of all sales made between 2001 and September 2004 were affordable to households earning less than 120% AMI.

Current Listings By AMI: January 2005

	%	#	Median Price
50% AMI or below	2.3%	26	\$91,700
50.1 to 80% AMI	6.9%	77	\$144,000
80.1 to 100% AMI	11.1%	125	\$199,500
100.1 to 120% AMI	7.6%	85	\$244,900
120.1 to 180% AMI	19.8%	222	\$347,000
180.1% AMI or more	52.4%	588	\$679,900
TOTAL	100%	1,123	\$425,000

Source: Summit County Multiple Listing Service

**Current Listings By AMI By Property Type:
January 2005**



Source: Summit County Multiple Listing Service

About one-third of the units offered for sale are in Breckenridge, which also offers the highest median price of all areas of the county (\$599,000). Keystone/Wilderness have 21 percent of the units available, which are primarily condominiums (74 percent). The most affordable units based on the median price of units offered are located in Keystone/Wilderness (\$319,450) and Dillon (\$321,900).

Current Listings By Location: January 2005

	%	#	Median Price
Blue River	2%	25	\$550,000
Breckenridge	32%	359	\$599,000
Copper	10%	112	\$339,000
County	16%	178	\$369,000
Dillon	6%	66	\$321,900
Frisco	6%	63	\$469,000
Keystone/Wilderness	21%	232	\$319,450
Silverthorne	8%	88	\$527,000
TOTAL	100%	1,123	\$425,000

Source: Summit County Multiple Listing Service

SECTION 7 DEMAND AND GAP ANALYSIS

This section evaluates housing demand from Summit County residents and in-commuters to the County to estimate the amount of housing that is needed to keep up with the labor force demand in the County. Second, employee incomes are compared to housing costs for an indication of how the additional units should be priced.

Housing Demand

In general, the demand for units is based on the number of in-commuters to Summit County who are likely to move to Summit County given the opportunity; the number of overcrowded households within the County and demand from new jobs.

In-Commuters

For households with at least one employee, it is estimated that there are about 1.7 employees per working household on average.³ Estimates for the percentage of in-commuters that would move to Summit County if provided the opportunity were used from the 2001 Needs Assessment, which was based on previous studies of Summit County and other resorts in Colorado. Applying these estimates to the number of in-commuters into Summit County results in a demand for between 351 and 702 units in 2005.

Demand From In-Commuters (2005)

	2005
# of in-commuting employees	2,387
% that would move to Summit County	25% to 50%
Employees per household	1.7
# of housing units demanded (range)	351 to 702

Source: US Census Bureau; Department of Local Affairs; 2001 Summit County Housing Needs Assessment

Overcrowding

A portion of households in Summit County live in overcrowded conditions. Residents who are not willing to tolerate living in overcrowded conditions, particularly as they grow older, often leave their jobs and the community, creating problems for employers, such as high rates of turnover, unqualified employees and unfilled positions. Additional units are needed in order to address overcrowding.

It is estimated from the 2000 US Census that about 4.9 percent of all households in Summit County live in overcrowded conditions. It has been assumed that demand for additional units to alleviate overcrowding is equal to one-third of the units that are overcrowded. This results in an estimated need of 182 units in 2005.

³ The 2000 US Census provides information on the number of family households with at least one employee and the number of non-family households headed by persons 65 or over. For purposes of this analysis, it was assumed that all non-family households headed by a person age 65 or over contained no employees to account for retired persons and persons otherwise not in the labor force.

Demand From Overcrowded Units (2005)

	2005
# of households	11,186
% overcrowded	4.9%
# overcrowded	545
# of housing units demanded (1/3 of units)	182

Source: US Census Bureau; Department of Local Affairs

New Jobs

By 2010, it is estimated that a total of 24,334 employees will be needed to fill available jobs in Summit County, requiring 5,755 more employees than in 2005. As a result, new jobs are the primary driver of demand for housing in the future in Summit County. With an average of 1.7 employees per working household, this will create demand for between 2,867 to 3,040 additional housing units. Under employee-generated demand, inclusionary housing programs (regulations that link employee housing generation to new commercial job growth) are effective tools for ensuring that employee housing is available for the employees generated by new commercial growth.

Demand From New Jobs (2010)

Summit County Employees (2005)	18,579
Summit County Employees (2010)	24,334
New employee demand in 2010	5,755
Local Employees	4,580
# In-commuting (20.4%)	1,175
# of in-commuters that would live in Summit County (25 to 50%)	294 to 588
New Employees In Summit County (2010)	4,874 to 5,168
Employees per Unit	1.7
Housing Demand Generated (2010)	2,867 to 3,040

Source: US Census Bureau; Department of Local Affairs

Total Demand

Present demand generated by existing in-commuters who would prefer to live in the County and households living in overcrowded conditions is estimated to be for between 532 and 882 additional units in the County. Combined with future demand for employees, it is estimated that another 3,400 to 3,924 housing units will be needed in the County by 2010 to meet employee and household needs.

**Total Demand for Additional Housing Units
In Summit County By 2010**

Demand from:	Summit County
Commuters	351 to 702
Overcrowding	182
New Jobs (2010)	<hr/> 2,867 to 3,040
Total	<hr/> 3,400 to 3,924 <hr/>

The income distribution of new households is anticipated to be similar to existing households. This means, that about 64 percent of the new units demanded by 2010 will need to be priced for households earning 120% AMI or lower (2,169 to 2,503 total). If current owner/renter ratios are to be maintained, about 51 percent of the households earning under 120% AMI will be renters (1,114 to 1,285 total).

AMI distribution	Renters		Owners			Total	
	%	#	%	#	%	#	
<50%	28.6%	399 to 461	9.3%	186 to 214	17.2%	585 to 675	
50-80%	19.3%	270 to 311	12.3%	246 to 284	15.2%	516 to 595	
80-100%	21.1%	295 to 341	17.9%	358 to 414	19.2%	654 to 754	
100-120%	10.7%	149 to 173	13.2%	265 to 306	12.2%	415 to 479	
120%+	20.2%	283 to 326	47.3%	949 to 1,095	36.2%	1,231 to 1,421	
TOTAL	100.0%	1,396 to 1,611	100.0%	2,004 to 2,313	100.0%	3,400 to 3,924	

Source: US Census Bureau (CHAS); Department of Local Affairs; RRC Associates, Inc.

Housing Gap

This section estimates where the existing housing stock may be deficient in meeting the needs of current residents in terms of affordability by different AMI ranges. This information can, therefore, be used to estimate where local housing programs may need to be focused to improve the affordability of local housing to Summit County residents.

Gaps in housing prices for resident owner and renter households were estimated by comparing household incomes to owner-occupied housing values and rents paid.⁴ The following tables compare home values and rents to household incomes in 2004, where owner AMI ranges were estimated based on the average household size of 2.48 persons (2000 US Census). The calculated affordable purchase price assumes a 30-year loan at a rate of 6.5% with 5% down. Prices assume 25% of monthly income pays for principle and interest only, with the other 5% covering taxes and insurance and any utilities and HOA fees. The affordable monthly rent assumes that rent does not exceed 30% of monthly household income.

Ownership Housing

The 2000 US Census reported that about 27.8 percent of households in Summit County were cost burdened (1,800 total). About 128 employee restricted purchase unit have been added since the Census, potentially reducing this cost-burdened population.

The greatest gap in owner occupied housing is among households earning 50% to 120% of the AMI, which was similarly found in the 2001 study. This indicates that there are more households earning incomes between 50% to 120% AMI than housing units available that are

⁴ Housing values were determined from values and sale prices reported in Summit County Assessor records for units owned by Summit County locals (appraised in 2003). Rent distribution was determined from a combination of 2000 US Census information, changes in rents through 2004 as determined from the Colorado Division of Housing surveys and new project development since the Census. Finally, household income distribution across the AMI ranges were assumed to be similar to that reported by the 2000 US Census.

affordable to these households. This forces many of these households to pay more than 30% of their income to reside in more expensive housing (e.g. become cost-burdened).

It is worth noting that HOA fees averaged about \$167 per month per the 2001 Needs Assessment study, with fees typically ranging from \$100 to \$250. About 27 percent of the Housing Collaborative survey respondents that owned homes reported paying these fees. HOA fees, particularly in resort communities, often make otherwise affordably priced units unaffordable for locals. This is because second homeowners often demand additional amenities (hot tubs, spa facilities, pools, etc.) that would otherwise not be as important to locals. Condominium complexes that are heavily owned by second homeowners are most susceptible to higher fees and increasing fees. Factoring these fees into the below table would serve to decrease projected affordability by locals.

**Gaps in Existing Owner-Occupied Housing:
Summit County, 2005**

Income Category	Max Income	% Owner Households	Maximum affordable sales price	% Units Occupied	Difference (or Gap)	# Gap
Low income 50% or less AMI	\$32,122	9.3%	\$111,448	9.8%	0.5%	35
Moderate income 50.1 - 80% AMI	\$48,530	12.3%	\$168,375	11.8%	-0.4%	-28
Middle income 80.1 - 100%	\$64,244	17.9%	\$222,895	12.2%	-5.7%	-374
Middle income 100.1 - 120%	\$77,093	13.2%	\$267,474	11.3%	-1.9%	-125
Step-up/high-end 120.1% or more	\$77,459*	47.3%	\$268,474*	54.8%	7.5%	492

*Represents minimum income and minimum purchase price for households earning 120%+AMI.

Rental Housing

As of the 2000 Census, 33.6 percent of renters were reported to be cost-burdened (about 1,500 households). Most of these households (87 percent) earned less than 80% AMI. It is expected that the percentage of cost-burdened households has declined since the 2000 Census, given that median household incomes have increased at a rate of 26 percent between 1999 and 2004, whereas rents increased at a slower rate of 15 percent. When incomes increase faster than rents, this leads to more affordable rents for the community as a whole, on average.

The distribution of rents compared to incomes generally shows that there should be sufficient units to serve the local population earning less than 80 percent AMI (the primary renter market). However, given that many renters are cost-burdened, this indicates that higher income households are pushing lower income households into higher-priced unaffordable units. It is very likely that competition for lower-priced rentals includes not only locals, but also Front Range and other Colorado residents that prefer to rent (rather than purchase) a unit for recreational use. However, additional research would be needed to determine the extent of this competition (NOTE: this level of research was beyond the identified scope of this study).

Evaluation of rents by unit size also show that households earning less than 50% AMI would only be able to afford the average priced one-bedroom unit. This indicates that low-income

households with more than two persons would either live in overcrowded conditions or face being cost-burdened by payments for a larger unit.

**Gaps in Existing Renter-Occupied Housing:
Summit County, 2005**

Income Category	Max Income	% Owner Households	Maximum affordable monthly rent	% Units Occupied	Difference (or Gap)	# Gap
Low income						
50% or less AMI	\$32,274	28.6%	\$807	31.8%	3.2%	145
Moderate income						
50.1 - 80% AMI	\$48,760	19.3%	\$1,219	34.1%	14.8%	681
Middle income						
80.1 - 100%	\$64,548	21.1%	\$1,614	18.9%	-2.2%	-103
Middle income						
100.1 - 120%	\$77,458	10.7%	\$1,936	6.7%	-4.0%	-185
Step-up/high-end						
120.1% or more	\$77,459*	20.2%	\$1,937*	8.5%	-11.7%	-537

*Represents minimum income and minimum purchase price for households earning 120%+ AMI.

Seasonal Employee Housing

Peak season employment generated demand for about 3,360 workers in 2003.⁵ Seasonal worker housing is provided at Copper Mountain, Keystone Resort and in Breckenridge (Breckenridge Terrace). However, the increase in rental vacancy rates in the county during the non-peak season indicates that provided seasonal employee housing captures only part of this market. This creates a relatively unstable rental market, with scarcity of units over the peak season and increased vacancy rates during the off-season.

**Estimated Seasonal Employment:
1990 to 2003**

Year	Peak employment (Dec through Apr)	Average spring/summer employment	Estimated seasonal employment
1990	13,713	9,731	3,982
1995	18,355	13,864	4,491
1996	18,929	14,492	4,436
1999	21,058	16,446	4,612
2000	21,458	17,329	4,129
2001	21,637	16,910	4,728
2002	21,002	16,595	4,407
2003	20,185	15,779	4,405

Source: Colorado Department of Labor and Employment (QCEW); RRC Associates, Inc.

⁵ About 4,400 more jobs were available during the peak season on average in 2003 than the rest of the year. The 2001 Housing Needs Assessment estimated that winter employees held about 1.31 jobs per worker, on average. This results in demand for about 3,360 additional workers over the peak season.

SECTION 8 KEY HOUSING INDICATORS

To extend the period of effectiveness of this study and assess the county's progress toward meeting housing goals, the following information can be tracked:

- Monitor building permits by housing unit type to see how the supply changes over time. This includes monitoring the development of new price-restricted housing projects (Sources: Census <http://censtats.census.gov/bldg/bldgprmt.shtml>; local building departments; and the Summit County Housing Authority/local planning departments);
- Monitor changes in owner housing prices. Summit County Assessor records are generally the best source of information for tracking median sale prices of units (by type) over time and the percentage of units sold within different price ranges. This data also provides an indication of local versus second homeowner sales;
- Monitor rents, vacancies, and changes in short-term rental units to see how the rental market is shifting (sources: rental property management interviews; Central Reservations (short-term rental properties); Department of Housing "Multi-family Vacancy and Rental Survey" at <http://www.dola.state.co.us/Doh/Publications.htm>);
- Monitor the change in jobs and the local population to estimate change in demand for units. As the number of jobs per person increases, so does the pressure on the housing market (source: Department of Local Affairs population and job projections at <http://dola.colorado.gov/demog/Demog.cfm>);
- Monitor MLS listings to see how many and what type of units offered for sale are affordable to targeted income groups (local realtor offices can help or the information can be self-downloaded at multiple websites, such as <http://summit-county-real-estate.com>). Local realtor interviews can also be conducted to understand the current housing market and any changes over time;
- Get the annual median income numbers (from the Department of Housing and Urban Development <http://www.huduser.org/datasets/il.html>) and compare these to prices of available rentals and for-sale listings to monitor the availability of units affordable to different AMI groups. This exercise can help identify any potential gaps in the housing market; and
- Monitor the change in local wages and personal income as compared to changes in rents and owner housing costs/prices. ES202 wage information by county is available at <http://navigator.cdle.state.co.us/industry/es202.asp>. Personal income estimates and projections from the Bureau of Economic Analysis (BEA) and the Center for Business and Economic Forecasting (CBEF) can be found on-line at <http://www.dola.state.co.us/is/cedishom.htm>. If wages and income are not keeping pace with rents and owner housing costs/prices, this indicates decreased housing affordability for locals.

By using the figures in this report as a base, housing can continue to be monitored in Summit County by tracking the above indicators.