

## Loveland-Fort Collins apartment market still pricey

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Apartment hunters in Loveland and Fort Collins continue to face one of the tightest and most expensive markets in the state, a new state report says.

But at least Loveland's average rent has dropped 5 percent in the past three months, according to statistics released Wednesday by the Colorado Division of Housing.

The third-quarter report also shows that average monthly rents statewide for all sizes of apartments broke \$1,000 for the first time.

The statewide average, which has climbed every quarter for the past several years, hit \$1,000.98 - up 2.4 percent from the second quarter of 2013 and 26.3 percent from 10 years ago.

In Loveland, rents stood at an average of \$990.40 in the third quarter, down from \$1,042.98 in the second quarter but up from \$944.18 a year ago, according to the report.

For the overall Loveland-Fort Collins area, the average was \$1,043.17, which trailed only Aspen (\$1,068.51) and Denver (\$1,048).

In Fort Collins, which had an average rent of \$1,055.62 overall, the most affordable area was the northeast part of the city, where the average was dramatically lower at \$793.10, although the report also said the vacancy rate there was zero.

Not only are apartments increasingly expensive, but the report shows that they're harder to find.

Statewide, the apartment vacancy rate was 4.5 percent, according to the report; a rate below 5 percent is considered a tight market.

The Loveland-Fort Collins area registered a much tighter 2.8 percent vacancy rate.

Loveland's vacancies were 2.4 percent, tighter than the second quarter's 3.2 percent but slightly looser than the 2.1 percent rate recorded a year ago.

The most dramatic change in vacancy rates in Northern Colorado showed up in Greeley, where vacancies stood above 5 percent in the first half of last year before beginning to tighten up. In the third quarter of 2013, the rate was 1.3 percent, the report said.

"As usual, employment is a major driver in all metros, as is the fact that new multifamily construction has only recently begun to pick up in Greeley," Division of Housing economist Ryan McMaken said in a press release accompanying the report.

Led by growth in the oil and gas industry, unemployment in Greeley fell to 7.4 percent in August from a Great Recession high of 13.1 percent in March 2010, according to the U.S. Bureau of Labor Statistics.

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