

Homebuilding is on the rise in Loveland

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LOVELAND -- Springtime has come to the homebuilding industry in Loveland after the long winter of the Great Recession and its housing-market crash.

City of Loveland officials are seeing growth in the number of lots being developed and building permits issued, and residents are noticing the framing of homes rising in new developments.

"We were behind on inventory; we have pent-up demand," said Greg Miedema, executive officer of the Home Builders Association of Northern Colorado. "We certainly hear that our members are getting busier and are more and more satisfied with the business climate."

The recession led to suppressed household formation, Miedema said. People who wanted to buy homes but couldn't afford to were forced to keep living in apartments or their parents' basements, he said.

"In a healthy economy, to keep up with our population growth, we should be building about a million homes a year (nationwide)," he said, but that hasn't happened since 2006 or 2007. "We have a lot to catch up with."

In Northern Colorado, homebuilders who want to get back to work are facing some limiting factors, Miedema said.

One is the loss of experienced workers in the industry. During the recession, when almost no one was building houses, many contractors switched careers or retired, he said.

"We're not getting any younger, and we're not doing a good enough job of attracting young people to the industry," he said.

The other obstacle is a dearth of buildable lots.

That situation is turning around in Loveland, according to Greg George, development services director for the city of Loveland.

George produced a graph showing the number of building permits the city issued for single-family homes over the past eight years. As the economy faltered, that number dropped from 364 in 2006 to 217 the next year to the bottom of only 66 in 2009.

As the economy and the homebuilding industry climbed out of the recession, the city issued 245 permits in 2012 and 231 last year, his statistics show.

For a company to build a home, it needs a lot that has been platted and released for a building permit. The number of lots ready for a permit fell from a high in recent years of 1,120 in April 2008 to only 518 in April last year.

This month, the number of lots released for building permits is back up to 654, with another 717

anticipated to be released by this summer, George said.

That building will be going on in subdivisions such as Wintergreen west of the north Walmart — 141 lots; Millennium Southwest 10th south of Lowe's — 175 lots; and smaller subdivisions such as Millennium Southwest Ninth near Corvus Drive, Tulip Creek north of East Fifth Street and Dakota Glen in northwest Loveland, with another 220 lots between them.

The biggest new development, however, is one that has sat on the back burner since the mid-2000s.

East-Loveland developer McWhinney announced this week that it has started moving dirt for the Lakes at Centerra, a 791-home development east of North Boyd Lake Avenue and west of Equalizer Lake and Houts Reservoir.

Construction is starting now on the first 223 lots, and the first residents could move in by the third quarter of this year, according to Kim Perry, vice president of community design for McWhinney.

The entire project could take about five years to be completed, she said. When it's finished, it will consist of 150 townhomes, 124 "lifestyle" patio homes, 76 luxury patio homes and 441 detached single-family houses, she said.

The project's four regional and national builders still are finalizing their prices, she said, but the homes will range from the \$200,000s to the \$500,000s.

The only price point not available in the Lakes at Centerra is starter homes, she said.

"The location here is absolutely fantastic for anybody who works anyplace in Northern Colorado, even commuting down to Denver," Perry said.

"And having new houses close to our commercial development will help us attract new employers here to Centerra," she added, and ideally an east-Loveland grocery store.

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