

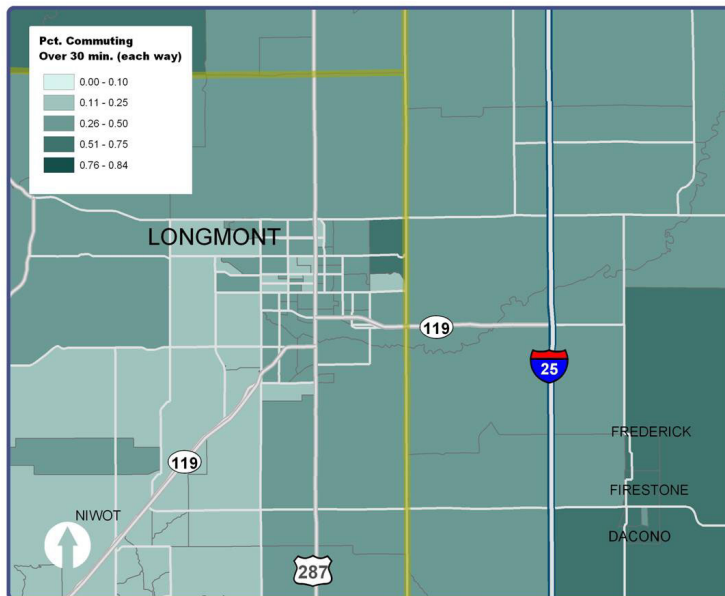
Table 11

Works by Travel Time to Work (2004)

City of Longmont, Southwest Weld and Boulder Counties, Colorado

	City of Longmont	Southwest Weld County	Boulder County
Did not Work at Home	95.6%	93.5%	93.5%
Less than 5 minutes	2.8%	2.2%	2.6%
5 to 9 minutes	13.7%	6.4%	12.2%
10 to 19 minutes	31.3%	23.1%	34.9%
20 to 24 minutes	12.9%	15.4%	13.7%
25 to 34 minutes	18.6%	20.6%	14.3%
35 to 44 minutes	5.9%	11.8%	5.1%
45 to 59 minutes	5.4%	8.5%	5.6%
60 to 89 minutes	3.6%	3.4%	3.6%
90 or more minutes	1.5%	2.1%	1.3%
Worked at Home	4.4%	6.5%	6.5%
Avg Travel Time to Work (in min.)	22.7	28.2	22.1

Source: U.S. Census Bureau; ESRI-BIS; and LCG.



Housing Stock

Residential building activity in the City peaked in the late 1990s, but declined in the last three years. Over the ten-year period since 1995, annual permit activity has averaged 693 for single family units and 276 for multifamily units. The single family attached market has shown steady increases over the past few years and has averaged

255 units annually. Overall, the age of the City’s housing stock is similar to that for Boulder County as a whole, with approximately 58 percent of the housing units being older than 20 years.

Table 12
Building Permits (1995 to 2004)
 City of Longmont, Colorado

Year	Single Family	Multi-Family	Condo - TH other ³	Total
1995	449	419	n.a.	868
1996	553	63	n.a.	616
1997	953	366	n.a.	1,358
1998	840	592	156	1,588
1999	724	232	286	1,242
2000	838	204	465	1,507
2001	793	656	192	1,641
2002	675	133	175	983
2003	579	42	245	866
2004	536	49	258	843
Annual Average	693	276	255	1,151

Source: City of Longmont, Colorado.

Table 13
Household Units by Year Built (as of 2000)
 City of Longmont, Southwest Weld and Boulder Counties, Colorado

	City of Longmont	Southwest Weld County	Boulder County
1999 to March 2000	5.0%	11.6%	4.5%
1995 to 1998	13.9%	24.7%	11.5%
1990 to 1994	7.1%	7.8%	9.0%
1980 to 1989	16.8%	10.9%	17.4%
1970 to 1979	30.3%	17.4%	26.4%
1969 or Earlier	27.0%	27.7%	31.5%
Median	1978	1985	1977

Source: U.S. Census Bureau; ESRI-BIS; and LCG.

³ Figures represent the combined total of all attached ownership products (condominiums, townhomes and duplexes).

Psychographics

Psychographics is a term which describes peoples' psychological, as distinct from physical, characteristics. Psychographic analyses identify personality characteristics and attitudes that affect a person's lifestyle and purchasing behavior. Commercial retail developers, in particular, are interested in understanding a community's psychographic profile, as this is an indication of its resident's propensity to spend across select retail categories. Residential developers are also interested in understanding this profile as it tends to suggest preferences for certain housing products. The source for this information is Community Tapestry, an information set of Environmental Systems Research Institute – Business Information Solutions (ESRI-BIS), an on-line data source. Tapestry is one of only a few sources for this increasingly popular profile information.

While residents of the City of Longmont fall within 27 of the 66 categories which Tapestry defines, the majority of households, over 70 percent, fall within the following ten psychographic clusters: *Up and Coming Families; Main Street USA; In Style; Boomburbs; Milk and Cookies; Enterprising Professionals; Aspiring Young Families; International Market Place; Suburban Splendor; and, Midlife Junction.* (See table below.) A description of each is presented in the discussion which follows. The table below shows real numbers of households and residents by segment along with the local index relative to the United States (U.S. Index). The numbers presented in the U.S. Index column represent the “percent” of households and/or population over a U.S. index of 100. For example, *Up and Coming Families* has an index of 420 over the U.S. index of 100 therefore representing 4.2 times as many residents in that category as the national average.

Based on a review of the following profiles of Longmont residents, it appears that there is a potential audience (consumers) for a variety of experience retail venues (particularly for families and children) and housing products including ownership attached, rental and low-maintenance options such as zero-lot line and / or patio homes. This information will be of particular importance as the consultant team and Advisory Committee prepare development programs for catalyst sites within the study area and then present them to private sector investor audiences for consideration.

Up and Coming Families represents the second highest growth segments—and the youngest of the affluent family segments. These days, residents are more Generation Xers than baby boomers. Despite the cohort turnover, the profile for *Up and Coming Families* neighborhoods remains young affluent families with young children. Because family and home priorities dictate the consumer purchases of *Up and Coming Families* residents, they frequently shop for baby and children's products and home and garden improvement equipment. When they can squeeze leisure time into their busy lives, they visit the zoo, attend ball games, and take adult education classes.

Table 14
Top Psychographic / Lifestyle Segments (2004)
 City of Longmont, Colorado

	Households		Population	
	City of Longmont	Index to U.S.	City of Longmont	Index to U.S.
Up and Coming Families	3,586	420	10,060	397
Main Street, USA	3,388	528	8,798	535
In Style	3,268	470	8,174	471
Boomburbs	2,727	472	8,291	463
Milk and Cookies	1,931	324	5,818	324
Enterprising Professionals	1,926	411	4,732	442
Aspiring Young Families	1,618	244	4,221	245
International Marketplace	1,470	424	4,071	372
Suburban Splendor	1,407	286	4,042	267
Midlife Junction	1,051	139	2,525	141

Source: ESRI-BIS, and LCG.

Main Street USA residents profile the American population. They are families with a growing mix of single households (household size of 2.51), have a median age of 36 years, have a comfortable middle income, and are homeowners (64 percent) living in older single-family homes. They are suburbanites who live in smaller metropolitan U.S. cities. Active members of the community, *Main Street USA* residents participate in fund-raising and volunteer programs. They enjoy taking day trips to the beach, visiting a theme park or the zoo, or occasionally taking a domestic vacation. They invest in tools bought at Home Depot or Lowe's to complete small home improvement and remodeling projects. They rely on the Yellow Pages over the Internet for information about restaurants, stores, and contractors.

In Style residents live in the affluent neighborhoods of metropolitan areas. More suburban than urban, these households nevertheless embrace an urban lifestyle, favoring townhomes over traditional single-family houses. Professional couples are predominant in these neighborhoods. Labor force participation is high and most households have fewer children than the U.S. average. Their median age is approximately 38 years. Technologically savvy, *In Style* residents own cell phones, PDAs, and fully equipped PCs. Home remodeling and yard work are contracted out. Physical fitness is integral to their lives; they subscribe to Weight Watchers for diet control, work out in regular exercise programs, and take vitamins.

Boomburbs are the newest additions to the suburbs. These communities are home to younger families with a busy, upscale lifestyle. Most households have two workers and two vehicles. Growth is characteristic of the communities and these families. These affluent families, who recently moved to their homes, focus their attention on upgrades, furnishing and landscaping. *Boomburbs* residents spend on family, leisure, and other activities too. They are one of the top markets for sport utility vehicles. They participate in golf, tennis, and swimming and own an array of electronic equipment.

Milk and Cookies residents are young, affluent married couples who are starting their families. Many already have young children. Residents of these neighborhoods favor single-family homes in suburban areas largely in the South and West, especially Texas. Families with more than two workers, more than one child, and more than three vehicles are the norm for *Milk and Cookies* neighborhoods. Focused on family life and their future, *Milk and Cookies* residents buy baby and children's products, build their investment portfolios, and purchase insurance policies. Leisure time is spent with their children visiting the zoo, going to the movies, and visiting theme parks. To accommodate their busy lifestyle, residents buy time-saving products such as fast food and instant breakfasts.

Enterprising Professionals include young, highly educated working professionals. Single or recently married, they prefer newer neighborhoods with townhomes or apartments. Typically found in cities, these residents would rather rent than own. Their lifestyle reflects their youth, mobility and growing consumer clout. To keep in touch, *Enterprising Professionals* residents rely on cell phones, PDAs, and PCs. They use the Internet to search for a job or a place to live, track their

investments, or shop. Enterprising Professionals residents travel for business and pleasure. They practice yoga, take aerobic classes and jog to stay physically fit.

Aspiring Young Families residents are attracted to the large, growing metropolitan areas in the South and West, with the highest concentrations in California, Florida, and Texas. These residents are mainly young, start-up families, married couples, or single parents with children. Although young with a median age of 30 years, almost half of them have already purchased start-up homes, with a high percent of townhouses. Half of them are renters who live in newer multi-unit buildings. Residents spend much of their discretionary income on their children and homes. They buy baby and children's products and toys, bedroom and dining room furniture, cameras, and VHS/DVD players. For leisure, families enjoy dining out, going to the movies, playing baseball or basketball. They spend time online visiting chat rooms, searching for employment, playing games, researching information about real estate, and making travel plans.

International Marketplace neighborhoods represent the cutting edge of immigration, one of the major demographic trends shaping the U.S. future. This developing urban market presents a blend of cultures and household types. With a median age of only 30 years, the population is young. Married-couple and single-parent families with children comprise 45 percent of the households. Most rent apartments in multiunit buildings; however, more than 30 percent have purchased a home. This market is located primarily in coastal gateway states. Home and hearth products are not the top purchases for this young segment; family is their priority. They buy medical insurance, groceries, children's clothing, and diapers. Limited income dictates careful expenditures at stores such as Target, Wal-Mart, and Kmart. For convenience, they also frequently shop at 7-Eleven and other similar stores. International Marketplace residents are loyal listeners of contemporary hit, Hispanic, and urban radio programming.

Suburban Splendor are suburbanites are the epitome of upward mobility, just a couple of rungs below the top and situated recently in growing neighborhoods of affluent homes. Most are two-income families with children. The household population is younger (median age of 40 years) well educated and well employed. *Suburban Splendor* homes feature the latest amenities and home design. Residents are more likely to hire home services than undertake do-it-yourself projects. They place importance on family time and travel. They purchase time-saving gadgets and

equipment. They are proactive in financial planning, actively investing and owning life insurance policies.

Midlife Junction residents are somewhere between the child rearing years and retirement. Few households still have children. Most of the labor force is still employed but approaching retirement. Approximately one-third of these residents already draw retirement income. Most still own their homes, but many have eschewed home ownership responsibilities and moved into multiunit apartment buildings. The housing market is a mix of single family homes and low-density apartments, somewhere between urban and rural. *Midlife Junction* residents have a median age of 40 years. They live quiet, settled lives. They spend their money prudently and do not succumb to fads. They are comfortable shopping online or by phone. Dining out on the weekends at full-service restaurants is a favorite activity; they also patronize fast-food establishments. They enjoy gardening, watching television, and reading books and the newspaper.

Real Estate Market Supply

An analysis of the performance of real estate products within a market, as well as competitive projects within a trade area, provide an indication of whether an area may be ready for new development. It also helps to identify potential gaps in the market -- niches that new development could fill. The information which follows presents a summary of current conditions for competitive commercial, office and residential properties within defined submarket areas with which the Study Area will compete.

Commercial Retail Supply Characteristics

Summary retail supply characteristics for the Boulder County Longmont Submarket⁴ as defined by Frederick Ross Company are presented as follows (See Tables 15 and 16):

- The Boulder County retail market, as defined by Frederick Ross,⁵ is comprised of approximately 5.9 million square feet of space, of which 8.7 percent was vacant as of year-end 2004. In comparison, the Boulder County Longmont Submarket is comprised of

⁴ Longmont Submarket for retail and office includes that area generally east of 75th Street, south of Ute Road, west of 119th Street, and north of Pike Road and the Longmont Diagonal.

⁵ Boulder market is largely Boulder County including the Longmont, Gunbarrel, North, Downtown, Central, East and South Submarkets.

approximately 2.0 million square feet of space, or 35 percent of the Boulder market. Boulder County Longmont Submarket's vacancy rate at year-end 2004 was 8.6 percent.

- New retail construction in Boulder County totaled 65,000 square feet in 2004, 24,000 square feet of which occurred in the Boulder County Longmont Submarket.
- Retail rents in the Boulder County Longmont Submarket generally range from \$7.00 to \$18.00 per square foot, and are at the low end of the range for other Boulder County submarkets.
- The Boulder County retail market as a whole experienced net negative absorption of approximately 237,000 square feet during 2004. The Boulder County Longmont Submarket experienced only slightly negative absorption of 900 square feet.

Table 15

Retail Market Detail

Boulder County Longmont Submarket and Boulder Market

	# of Buildings		Total Square Feet		Vacant Sq Feet		Vacancy Percent		Absorp
	Year 04	Year 03	Year 04	Year 03	Year 04	Year 03	Year 04	Year 03	
BLM	30	29	2.0 million	2.0 million	174,700	150,100	8.6%	7.5%	(921)
Total	99	96	5.9 million	6.0 million	514,700	409,200	8.7%	6.8%	(236.7K)

Table 16

Retail Class Comparison

Boulder County Longmont Submarket and Boulder Market

	# of Buildings		Total Square Feet		Vacant Sq Feet		Vacancy Percent		Absorp
	Year 04	Year 03	Year 04	Year 03	Year 04	Year 03	Year 04	Year 03	
Large Strip	20	20	2.0 m	2.0 m	174.7K	150.1K	8.6%	7.5%	(921)
Small Strip	60	57	1.6 m	1.5 m	220.6K	184.9K	14.0%	12.2%	25.2K
Regional Malls	3	3	943K	1.2 m	20K	20K	2.1%	1.8%	(194.8K)
Single									

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Tenant	16	16	627K	627K	53.2K	56.1K	8.5%	9.0%	2.9K
Total	99	96	5.9 m	6.0 m	491.3K	409.2K	8.3%	6.8%	(216.0K)

Source: Frederick Ross Research and LCG.

Absorp = Absorption BLM = Boulder County Longmont Submarket

Office Supply Characteristics

Summary office supply characteristics for the Boulder County Longmont Submarket are presented as follows (See Table 17):

- The Boulder County office market is comprised of approximately 7.6 million square feet of space, of which 18.4 percent was vacant as of year-end 2004. In comparison, the Boulder County Longmont Submarket is comprised of approximately 725,000 square feet of space, or 10% of the Boulder market. Longmont’s vacancy rate at year-end 2004 was 15.2 percent.
- New office construction in Boulder County totaled 75,000 square feet in 2004, 14,000 square feet of which occurred in the Boulder County Longmont Submarket.
- Office rents in Boulder County Longmont Submarket generally range from \$9.50 to \$14.50 per square foot, and are in the middle of the range for other Boulder County submarkets.
- The Boulder County office market as a whole experienced net positive absorption of approximately 148,000 square feet during 2004. The Boulder County Longmont Submarket accounted for one-third of this positive absorption (49,000 square feet).

Table 17

Office Market Detail

Boulder County Longmont Submarket and Boulder Market

	# of Buildings		Total Square Feet		Vacant Sq Feet		Vacancy Percent		Absorp
	Year 04	Year 03	Year 04	Year 03	Year 04	Year 03	Year 04	Year 03	
BLM	36	35	724.5K	710.7K	110K	145K	15.2%	20.4%	48.6K
Total	256	262	7.6 m	7.5 m	1.4 m	1.5 m	18.4%	20.0%	148K

Source: Frederick Ross Research and LCG.

Residential Supply Characteristics

Summary housing supply characteristics for the Boulder County Longmont Submarket are presented as follows (See Table 18):

- According to the Meyers Group, there were approximately 590 (net) new single family units sold in 2004 in the Longmont market area⁶. Nearly one-third of these sales were townhome and condominium units.
- In 2004, average monthly sales rate for single family detached developments within the Longmont market area was 2.0 units. Comparatively, townhome and condominium projects experienced average monthly sales rates of 3.0 and 2.6, respectively. For area subdivisions, monthly absorption ranged from a low of 0.04 to a high of 4.93 with an overall average in 2004 of 2.1 units per month.
- Average housing sales prices among product types in the Longmont market area in 2004 were: \$372,000 for single family detached; \$200,000 for townhomes; and \$168,000 for condominiums. Among subdivisions within the market area during this same period, units of all types ranged from \$131,900 to \$759,000.
- At year-end 2004, the Longmont market had an inventory of approximately 1,000 units – 650 single family detached units and 350 townhome/condominium units. At current sales rates, this represents a 20- to 24- month supply of units.

⁶ Meyers Group Longmont market area approximately equals the City of Longmont and immediate areas in Boulder County around the city.

Table 18

Residential Sales Activity

City of Longmont and Boulder County, Colorado

Project Name	Builder	Type	Planned		Overall Sales Rate (monthly)	Price Range (low)	Price Range (high)
			Units (current filings)	Unsold Units			
Fox Meadow/Sunfield	James Co.	TH	168	47	4.93	\$166,900	\$172,900
Fairways at Ute Creek	Centex	SFD	99	24	4.71	\$239,890	\$348,040
Renaissance/Stratford II	Capital Pacific	SFD	172	69	4.38	\$226,900	\$263,900
Meadow Mountain/ Inaug & Anniv.	US Home	SFD	151	41	4.26	\$196,950	\$305,950
Renaissance/Moor Park	Capital Pacific	SFD	100	11	3.79	\$234,900	\$280,900
Sonoma Village at Ute Creek	Chateau Dvlp.	Condo	186	99	3.48	\$153,900	\$210,900
Prairie Village	DR Horton	SFD	125	91	2.95	\$263,450	\$307,950
Meadow View/Townhomes	McStain	TH	80	0	2.42	\$199,900	\$253,900
Fox Meadow/Prairie Song	Engle	SFD	102	5	2.12	\$262,950	\$314,950
Fox Meadows/Fair View Condos	James Co.	Condo	220	197	2.00	\$131,900	\$149,900
Meadow Mountain/Rhapsody	US Home	SFD	150	104	1.91	\$371,950	\$443,450
Golden Bear/ Patio Homes	Metropolitan	SFD	74	9	1.80	\$269,900	\$293,900
Golden Bear/Townhomes	Metropolitan	TH	68	3	1.80	\$195,900	\$207,900
Meadow Mountain/ Chateau	Genesee Co.	SFD	65	30	1.76	\$385,950	\$472,950
Fox Meadow/Summerhawk	Engle	SFD	117	88	1.62	\$248,950	\$299,950
Renaissance/Reserve	Capital Pacific	SFD	54	20	1.45	\$306,640	\$366,640
Golden Bear/Condos	Metropolitan	Condo	48	1	1.30	\$163,900	\$197,900
Fox Meadow/Greybridge	Greybridge	SFD	27	13	0.78	\$589,410	\$759,000
Fox Meadows/Engle	Engle	SFD	25	15	0.56	\$471,950	\$531,950
Ute Creek/Sundance/Genesee	US Home	SFD	24	7	0.55	\$399,900	\$528,609
Ute Creek/Greybridge	Greybridge	SFD	14	0	0.46	\$549,000	\$637,000
Pinnacle at Ute Creek	Chateau Dvlp.	SFD	68	67	0.05	\$389,900	\$512,900
Quail Ridge/Crestone	Crestone	SFD	73	53	0.04	\$279,000	\$292,000
totals/averages			2,210	994		\$291,304	\$354,497
Effective Annual Trade Area Sales Rate					589.4		

Source: Hanley Wood (Meyers Group), and LCG.