

METRO DISTRICTS IN COLORADO



A metro district is a governmental entity that issues debt and collects property taxes to repay that outstanding debt. Simply put, developers leverage the metro district to obtain bonds that cover infrastructure (e.g. roads, water) for new housing developments. Homeowners then pay back the bonds through their property taxes.

In January 2021, Anderson Economic Group (AEG) was commissioned to analyze the impact of metro districts during the home buying and home selling process in Colorado, a state that has seen 70% growth in the use of metro districts in the last decade.

IN A METRO DISTRICT

(Percentages are averages based on the AEG report data)



LOWER DOWN PAYMENTS

Down payments reduced
by an average of 4%



HIGHER PROPERTY TAXES LONG TERM

Property tax increased by
2% over 30 years



LARGE INITIAL TAX INCREASES

10% annual increase in
property taxes during the
first four years of
homeownership

LOW SALES = HIGHER COSTS

If homes are not built or sold as quickly as planned, housing costs will be 7% higher on average than if those homes were built outside a metro district.



**NO DECREASE IN
HOME APPRECIATION**

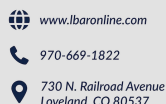


**NO INCREASE IN
FORECLOSURES**

Read the full report to learn more and educate your clients about the pros and cons of metro districts in Colorado at:

<https://ires-net.com/what-is-a-metro-district>

Report commissioned by the Fort Collins Board of REALTORS®, the Greeley Area REALTOR® Association, the Longmont Association of REALTORS® and the Loveland-Berthoud Association of REALTORS®



Data provided by:

