



Denver Metro Real Estate Market Update


August, 2014

www.dmarealtors.com


Market Metrics:


According to recent data provided by the Denver Metro Association of REALTORS® Market Trends Committee, the July market transactions encompassing the 11 Counties of the Denver Metro Area* are:

Residential (Single Family plus Condo):

Active Inventory: **8,297**  **6.49%** prior month

Sold Homes: **5,478**  **-4.65%** prior month

Average Price: **\$336,141**  **-0.04%** prior month

Median Sold Price: **\$284,000**  **-0.35%** prior month


Average Days on Market: **28** **=** 0.00% prior month

Single Family:

Active Inventory: **6,657**  **5.89%** prior month


Sold Homes: **4,012**  **-5.24%** prior month

Average Price: **\$376,955**  **0.30%** prior month


Median Sold Price: **\$315,000**  **0.01%** prior month

Average Days on Market: **29** **=** 0.00% prior month

Condo:

Active Inventory: **1,640**  **9.04%** prior month

Sold Homes: **1,466**  **-2.98%** prior month

Average Price: **\$224,421**  **-0.45%** prior month

Median Sold Price: **\$187,000**  **2.75%** prior month

Average Days on Market: **26**  **4.00%** prior month

* Adams, Arapahoe, Boulder, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, and Park.

Market Insights:



- ✓ The traditional prime "selling season" is wrapping up - yet the pent-up demand for housing remains very strong and does not appear to be cooling off as we head into fall.
- ✓ Unfortunately, with only three weeks of inventory in the \$100,000 to \$300,000 price ranges –which typically represents the first-time buyer market – finding enough to choose from continues to be a major challenge for buyers & brokers alike.
- ✓ The Median and Average SOLD prices for Single Family Homes remained unchanged from June.
- ✓ The Condo market saw a slight uptick in Median price, while the average price remained unchanged during that same period.
- ✓ Interest rates remained stable in July – hovering in the low-to mid 4% range for a 30-year fixed loan.
- ✓ First-time home buyers are lining up to get into the market and new household formations are happening.
- ✓ Our [month-over-month market comparison](#) of Single Family Homes showed a sharp drop in actual sales for all price points except the luxury market from the \$1,000,000 to \$1,999,999 range which saw a 15.7% spike from the previous month. The Condo market showed improvement in the number of sales in the \$200,000 to \$299,999 and \$400,000 to \$499,999 ranges respectively.
- ✓ Our [year-over-year market comparison](#) of Single Family Homes showed significant drops in actual SOLD properties from \$0 to \$299,999, but improvements across the board over \$300,000 and an astounding 17% rise in properties over \$2,000,000. The Condo market showed improvement in the number of SOLD units in every price range – in particular the \$500,000 to \$699,999 range where SOLD units have skyrocketed 161% year-over-year. The exception to the strong condo market is in the under \$99,999 range, but that can be attributed to the fact that prices are increasing, and therefore it's becoming more and more challenging to find condos in this price range.

Expert Opinion:



"The Denver Metro real estate market remains strong as it continues to march towards a record setting year in total sales volume.

More and more sellers are contemplating whether to list their property now or wait for a more balanced market, with promising prospects of finding a replacement home. At this point, it's critical, for sellers to honestly ask themselves: "what am I actually waiting for?" Simply hoping for

prices to increase can be a double-edge sword. When they sell at the peak of the market they'll likely end up buying at the peak as well, so it becomes a relative point.

Both sellers and buyers are influenced by the incessant media buzz about Denver's "hot" real estate market, including stories of multiple offers, lack of inventory, lack of move-up possibility, etc. In my opinion, the Denver market is still strong and sellers need to note that homes that are priced right and show well, sell quickly (sometimes even within days). Also, buyers should be reminded that they should be patient with, quite possibly, the biggest transaction of their life. It's high time to feel inspired by the potential that Denver holds, as one of the fastest growing cities and economies in the country.

A big challenge for REALTORS® is to manage seller's expectations by providing creative and effective ways to list/sell their property, while simultaneously putting the seller in a good position to become a strong contingent buyer. In order to facilitate a smooth transition into a replacement home, it's ideal for sellers to have backup offers in place on their current home, in case the first buyer drops out. Open communication between the listing agent, selling agent, and mortgage lender is vital to holding these types of "domino" transactions together.

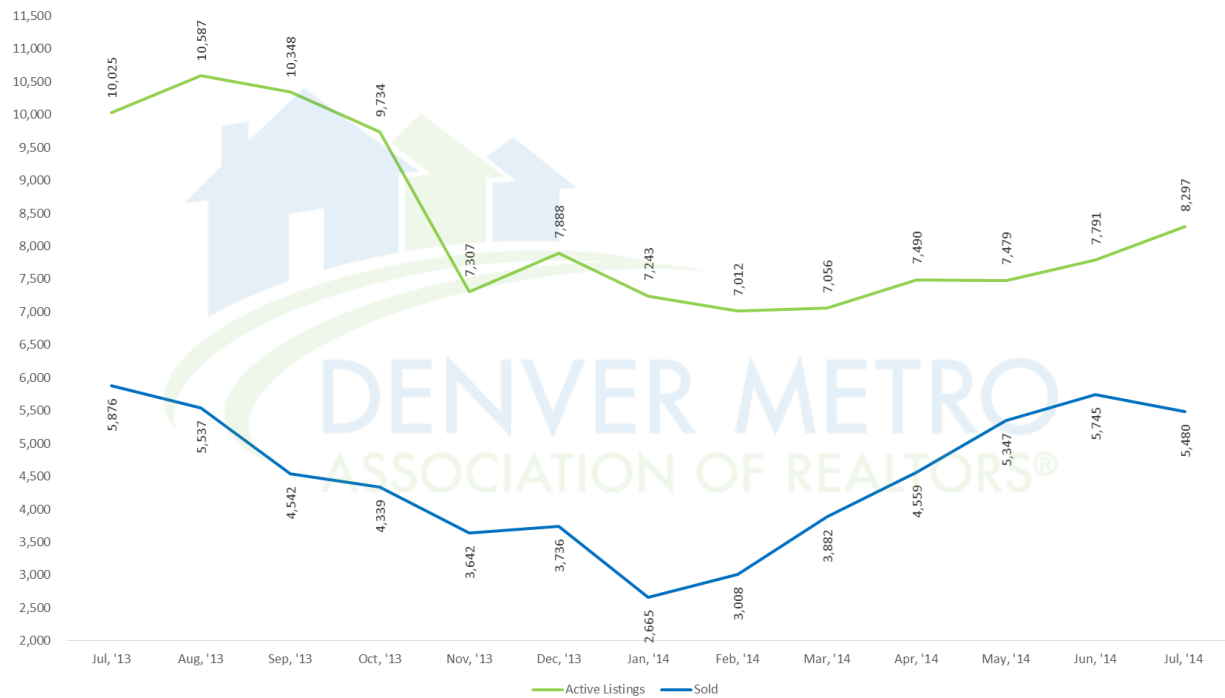
There's a feeling among the DMAR membership that prices will begin to stabilize as a result of gradual increase in inventory returns to the market. We hope to see a healthier and more balanced market for the rest of the year and in 2015."

~**Anthony Rael**, Chairman of the Denver Metro Association of REALTORS® Market Trends Committee

Data at a Glance:

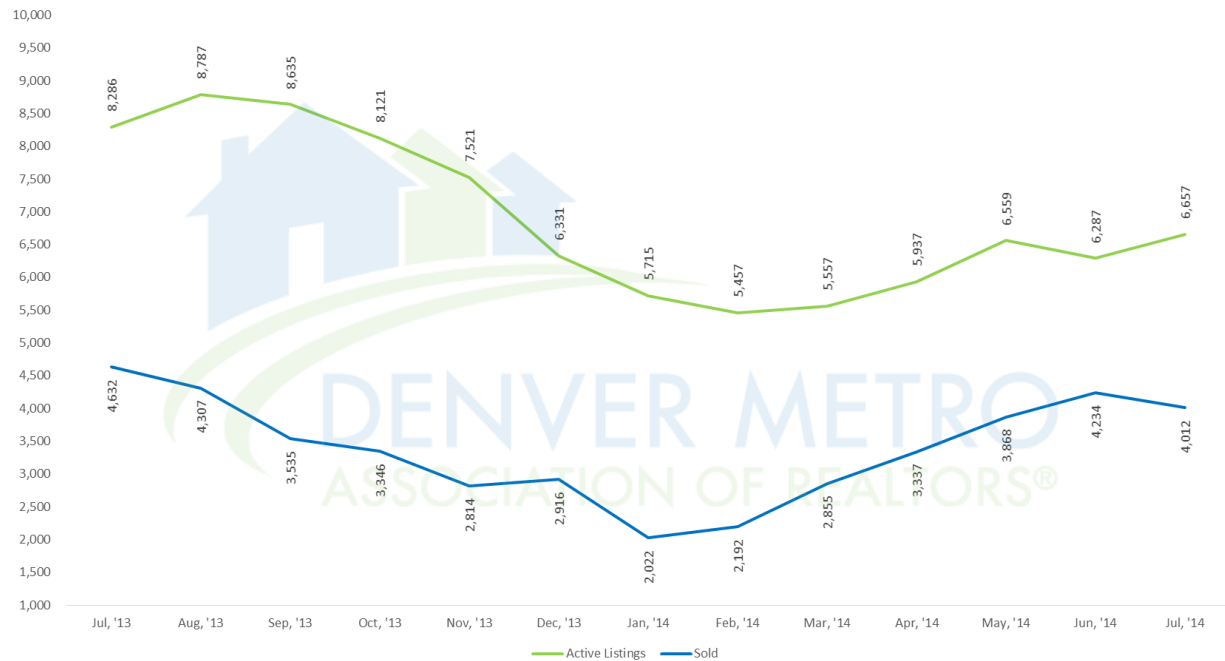
Residential Inventory and Sold

Denver Metro Association of REALTORS® (DMAR)



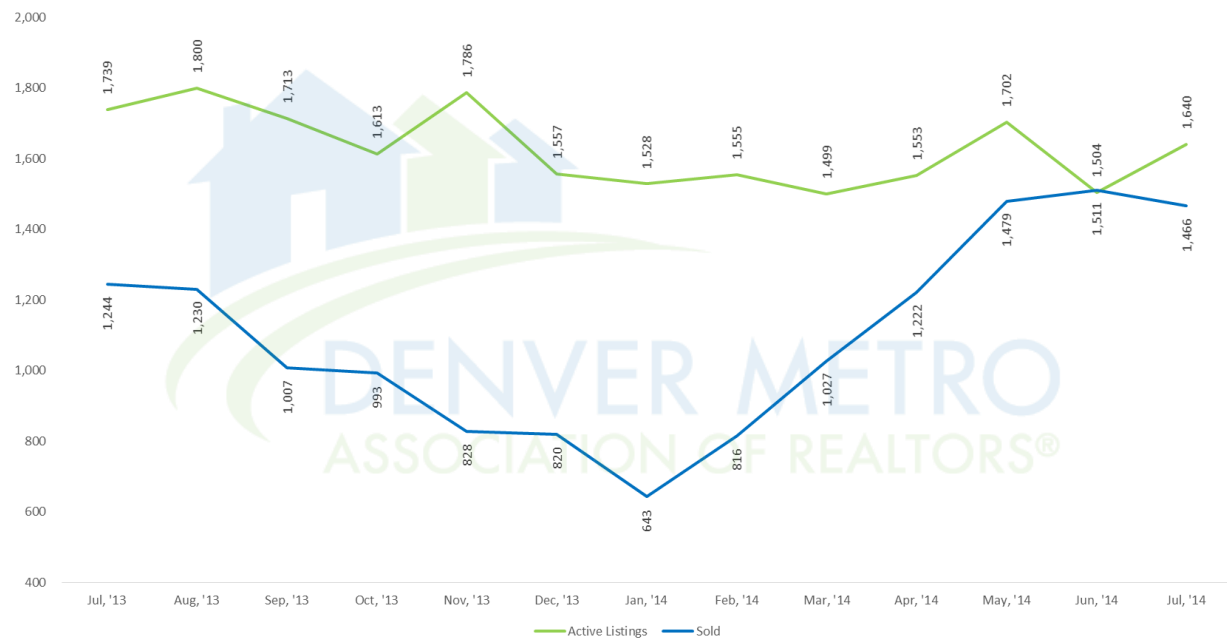
Single Family Inventory and Sold

Denver Metro Association of REALTORS® (DMAR)



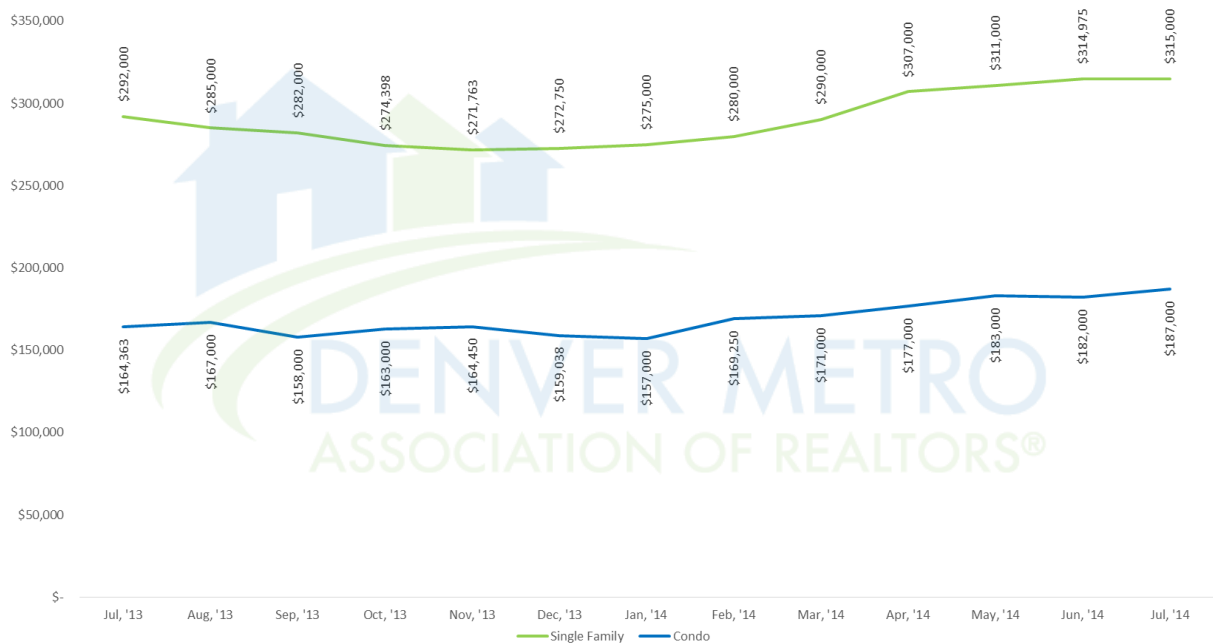
CONDO Inventory and Sold

Denver Metro Association of REALTORS® (DMAR)



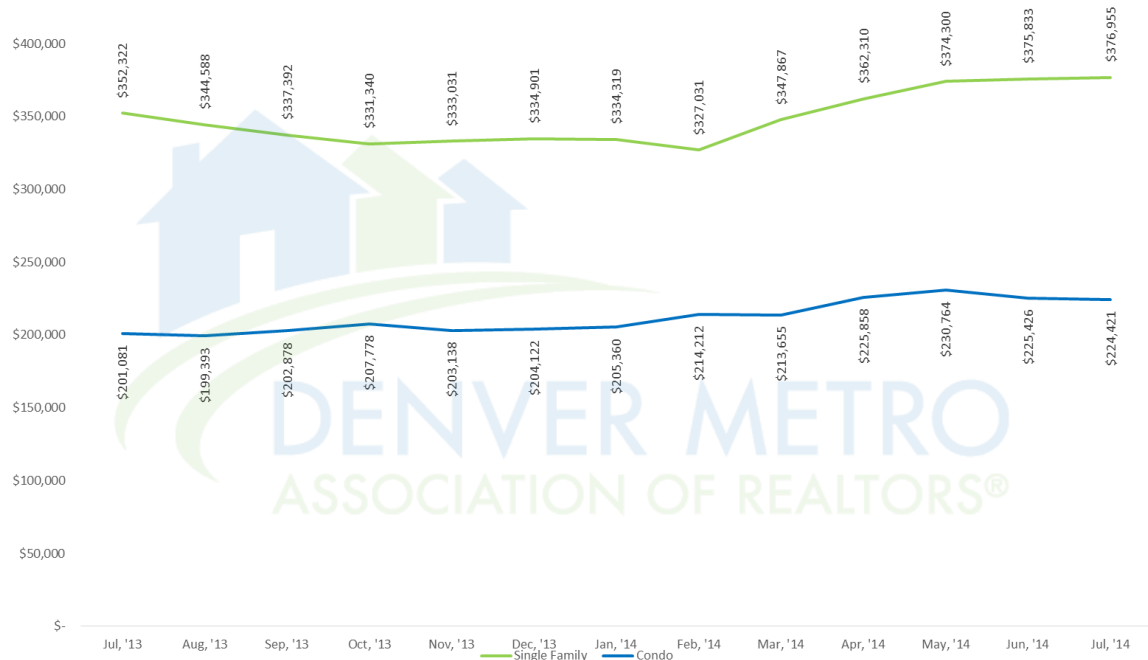
Median Sales Price

Denver Metro Association of REALTORS® (DMAR)



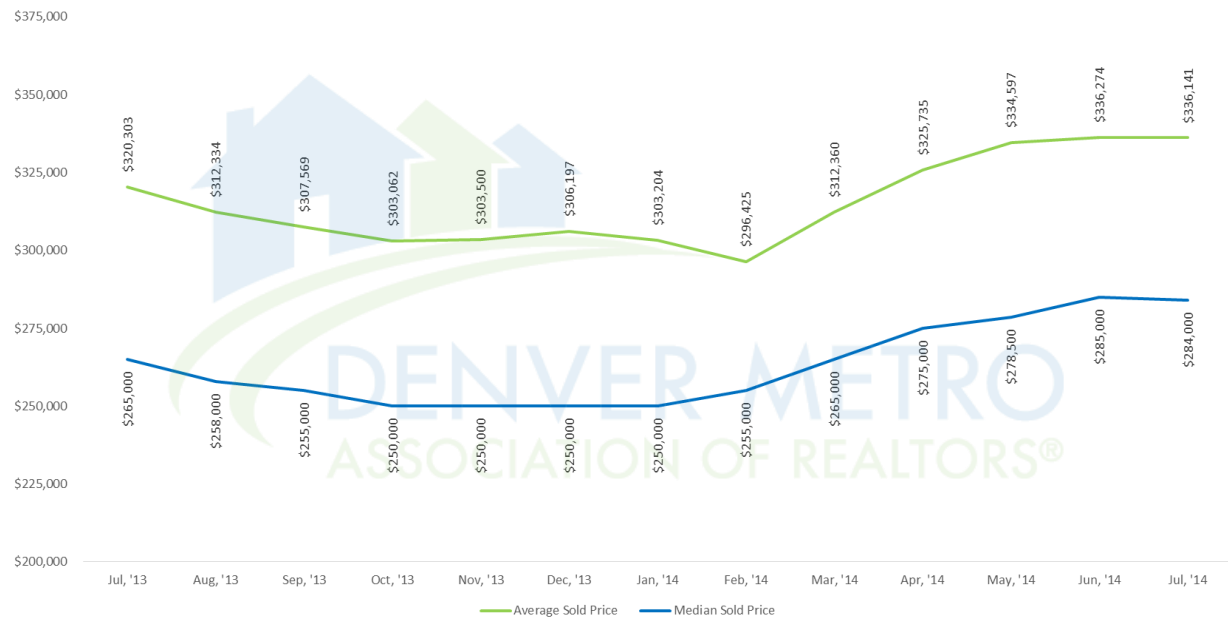
Average Sales Price

Denver Metro Association of REALTORS® (DMAR)



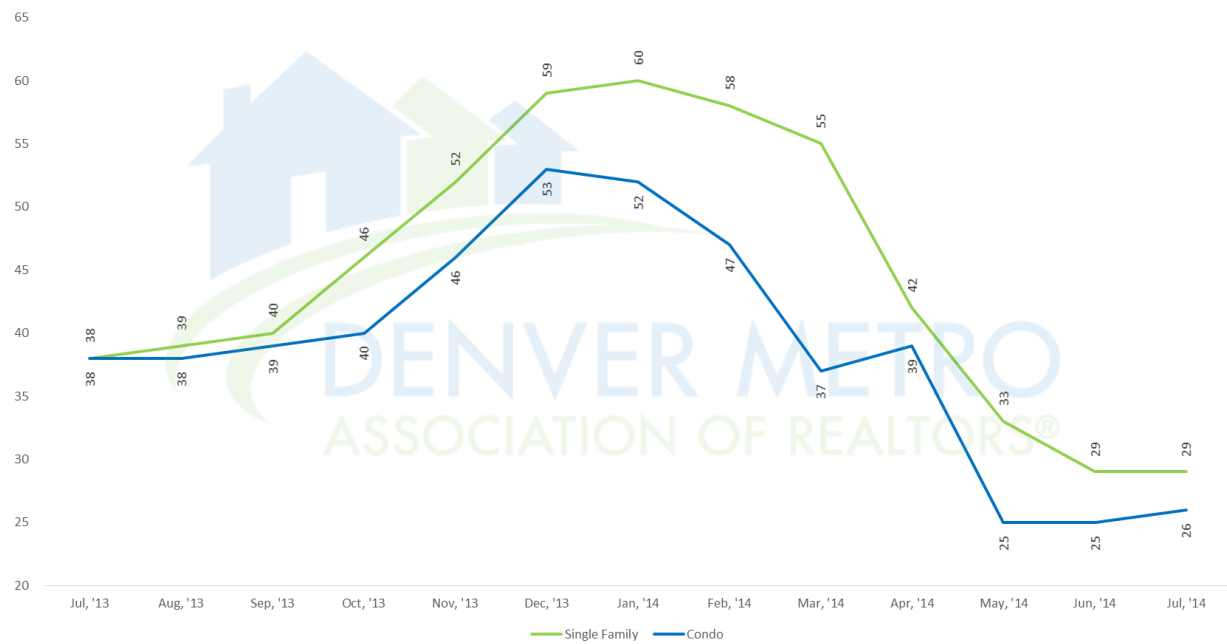
Residential Sold Price

Denver Metro Association of REALTORS® (DMAR)



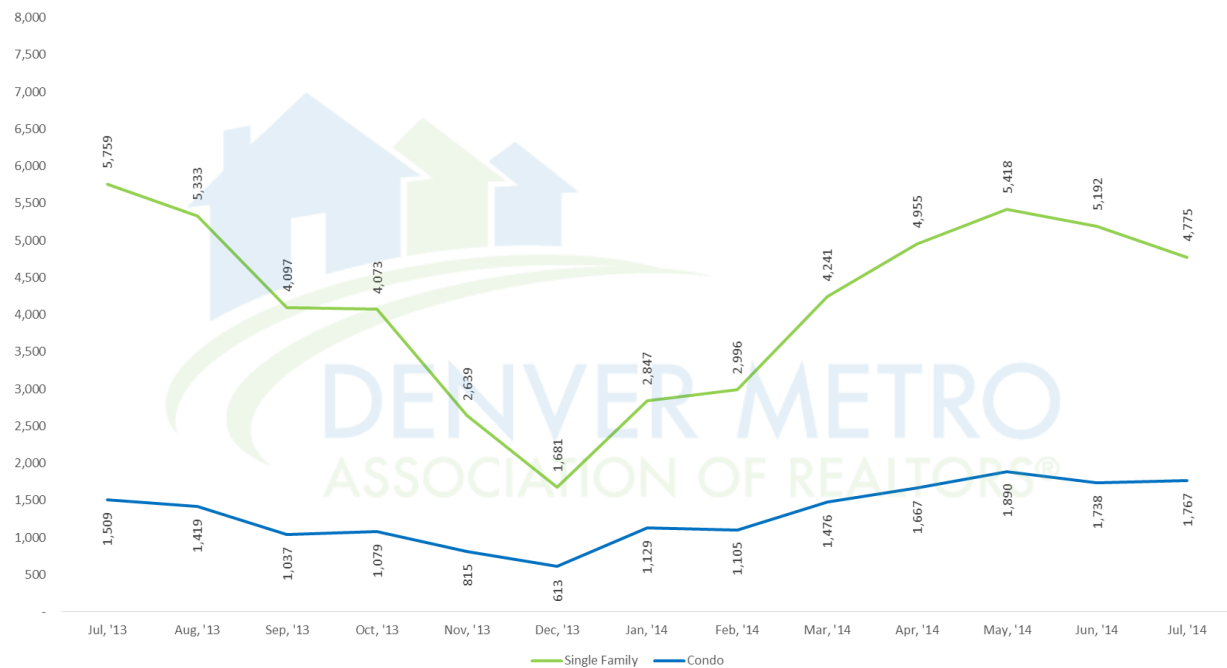
Current Days on Market

Denver Metro Association of REALTORS® (DMAR)

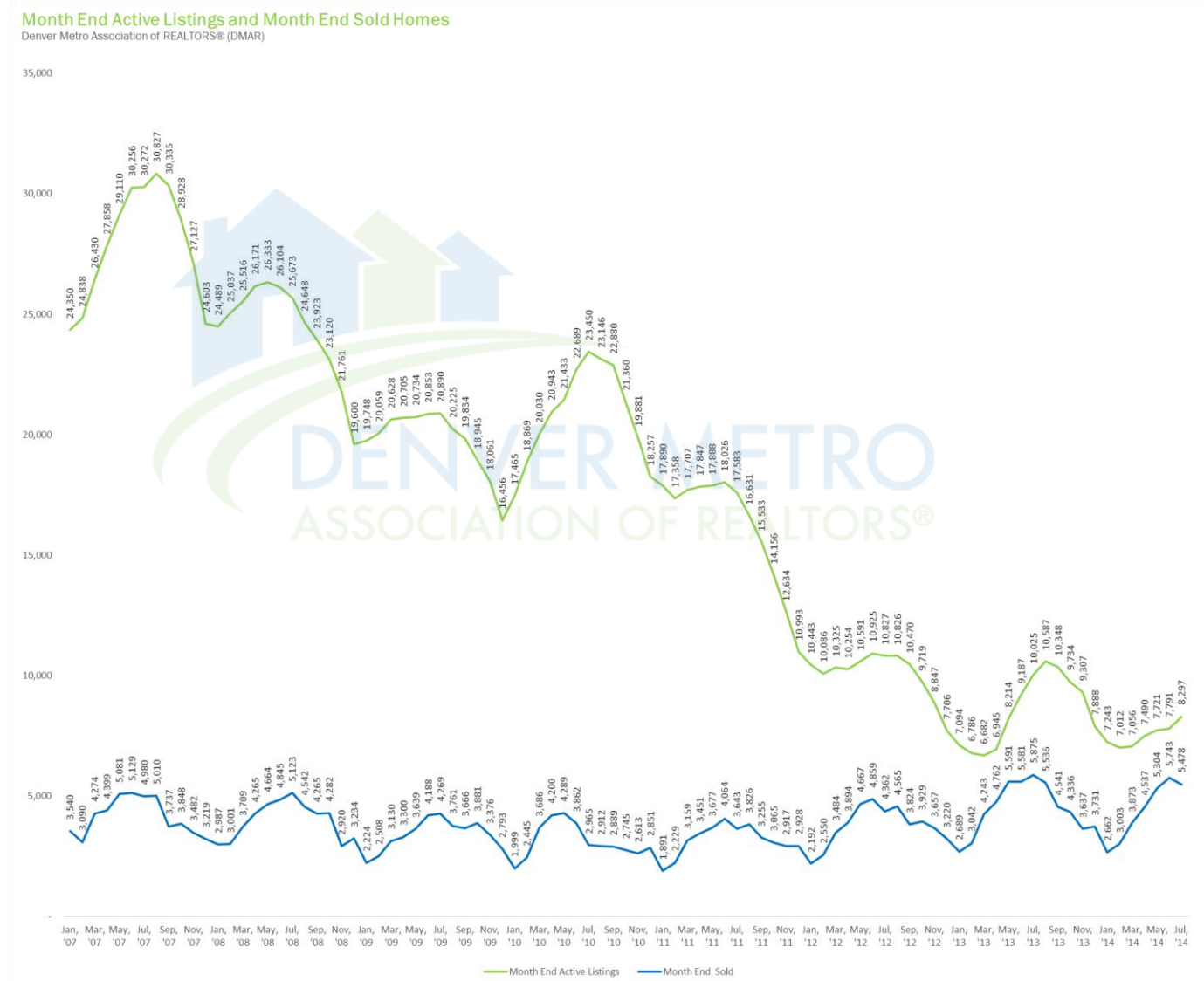


New Listings

Denver Metro Association of REALTORS® (DMAR)



Month End Active Listings and Month End Sold Homes



Data Snapshot

Snapshot - Month

| | Jul, '14 | Prior Month | Year Ago | Prior Month | Year Ago |
|---|-----------------|-----------------|-----------------|-------------|----------|
| Residential (Single Family plus Condo) | | | | | |
| Active | 8,297 | 7,791 | 10,025 | 6.49% | -17.24% |
| New Listings | 6,542 | 6,930 | 7,268 | -5.60% | -9.99% |
| Under Contract | 5,111 | 5,414 | 7,406 | -5.60% | -30.99% |
| Sold | 5,478 | 5,745 | 5,876 | -4.65% | -6.77% |
| DOM | 28 | 28 | 38 | 0.00% | -26.32% |
| Median Sold Price | \$284,000 | \$285,000 | \$265,000 | -0.35% | 7.17% |
| Avg Sold Price | \$336,141 | \$336,274 | \$320,303 | -0.04% | 4.94% |
| Sales Volume | \$1,841,719,168 | \$1,931,895,024 | \$1,882,101,508 | -4.67% | -2.15% |

Single Family

| | | | | | |
|-------------------|-----------------|-----------------|-----------------|--------|---------|
| Active | 6,657 | 6,287 | 8,286 | 5.89% | -19.66% |
| New Listings | 4,775 | 5,192 | 5,759 | -8.03% | -17.09% |
| Under Contract | 3,707 | 3,969 | 5,752 | -6.60% | -35.55% |
| Sold | 4,012 | 4,234 | 4,632 | -5.24% | -13.39% |
| DOM | 29 | 29 | 38 | 0.00% | -23.68% |
| Median Sold Price | \$315,000 | \$314,975 | \$292,000 | 0.01% | 7.88% |
| Avg Sold Price | \$376,955 | \$375,833 | \$352,322 | 0.30% | 6.99% |
| Sales Volume | \$1,512,715,555 | \$1,591,276,860 | \$1,631,957,021 | -4.94% | -7.31% |

Condo

| | | | | | |
|-------------------|---------------|---------------|---------------|--------|---------|
| Active | 1,640 | 1,504 | 1,739 | 9.04% | -5.69% |
| New Listings | 1,767 | 1,738 | 1,509 | 1.67% | 17.10% |
| Under Contract | 1,404 | 1,445 | 1,654 | -2.84% | -15.11% |
| Sold | 1,466 | 1,511 | 1,244 | -2.98% | 17.85% |
| DOM | 26 | 25 | 38 | 4.00% | -31.58% |
| Median Sold Price | \$187,000 | \$182,000 | \$164,363 | 2.75% | 13.77% |
| Avg Sold Price | \$224,421 | \$225,426 | \$201,081 | -0.45% | 11.61% |
| Sales Volume | \$329,000,613 | \$340,618,164 | \$250,144,487 | -3.41% | 31.52% |

*The above representation includes the counties of Adams, Arapahoe, Boulder, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, and Park. *Active, Under Contract, and Sold presented as # of units. | Avg DOM = Average Days on Market

Snapshot - YTD

| | YTD 2014 | YTD 2013 | YTD 2012 | % Change 14 vs '13 | % Change 14 vs '12 |
|---|-----------------|-----------------|-----------------|-----------------------|-----------------------|
| Residential (Single Family plus Condo) | | | | | |
| Active | 8,297 | 10,025 | 10,827 | -17.24% | -23.37% |
| Sold | 30,686 | 31,789 | 26,008 | -3.47% | 17.99% |
| Avg Sold Price | \$324,578 | \$306,206 | \$278,819 | 6.00% | 16.41% |
| Sales Volume | \$9,960,003,038 | \$9,733,988,696 | \$7,251,530,588 | 2.32% | 37.35% |
| Single Family | | | | | |
| Active | 6,657 | 8,286 | 9,087 | -19.66% | -26.74% |
| Sold | 22,522 | 25,222 | 20,869 | -10.70% | 7.92% |
| Avg Sold Price | \$361,732 | \$335,209 | \$304,128 | 7.91% | 18.94% |
| Sales Volume | \$8,146,918,913 | \$8,454,646,226 | \$6,346,853,928 | -3.64% | 28.36% |
| Condo | | | | | |
| Active | 1,640 | 1,739 | 1,740 | -5.69% | -5.75% |
| Sold | 8,164 | 6,567 | 5,139 | 24.32% | 58.86% |
| Avg Sold Price | \$222,095 | \$194,814 | \$176,041 | 14.00% | 26.16% |
| Sales Volume | \$1,813,184,125 | \$1,279,342,470 | \$904,676,660 | 41.73% | 100.42% |

*The above representation includes the counties of Adams, Arapahoe, Boulder, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, and Park. ***Active, Under Contract, and Sold presented as # of units. | Avg DOM = Average Days on Market**

July 2014 Trends:

| Price Range | Single Family | | | Condo | | |
|----------------------------|---------------|--------------|-------------|--------------|--------------|-------------|
| | Sold | Active | MOI | Sold | Active | MOI |
| \$0 to \$99,999 | 15 | 39 | 2.60 | 103 | 109 | 1.06 |
| \$100,000 to \$199,999 | 377 | 315 | 0.84 | 707 | 468 | 0.66 |
| \$200,000 to \$299,999 | 1,400 | 1,034 | 0.74 | 382 | 324 | 0.85 |
| \$300,000 to \$399,999 | 1,003 | 1,243 | 1.24 | 149 | 207 | 1.39 |
| \$400,000 to \$499,999 | 568 | 1,131 | 1.99 | 59 | 174 | 2.95 |
| \$500,000 to \$699,999 | 408 | 1,243 | 3.05 | 48 | 186 | 3.88 |
| \$700,000 to \$999,999 | 146 | 782 | 5.36 | 15 | 101 | 6.73 |
| \$1,000,000 to \$1,999,999 | 81 | 629 | 7.77 | 3 | 53 | 17.67 |
| \$2,000,000 and over | 14 | 241 | 17.21 | - | 18 | #DIV/0! |
| TOTALS | 4,012 | 6,657 | 1.66 | 1,466 | 1,640 | 1.12 |

The above representation reflects the monthly sold and month end active listings.

| Price Range | Single Family | | | Condo | | |
|----------------------------|------------------|------------------|---------------|------------------|------------------|---------------|
| | Sold Jul, '14 | Sold Jun, '14 | % Change | Sold Jul, '14 | Sold Jun, '14 | % Change |
| \$0 to \$99,999 | 15 | 27 | -44.44% | 103 | 131 | -21.37% |
| \$100,000 to \$199,999 | 377 | 416 | -9.38% | 707 | 716 | -1.26% |
| \$200,000 to \$299,999 | 1,400 | 1,472 | -4.89% | 382 | 371 | 2.96% |
| \$300,000 to \$399,999 | 1,003 | 1,023 | -1.96% | 149 | 162 | -8.02% |
| \$400,000 to \$499,999 | 568 | 616 | -7.79% | 59 | 54 | 9.26% |
| \$500,000 to \$699,999 | 408 | 416 | -1.92% | 48 | 52 | -7.69% |
| \$700,000 to \$999,999 | 146 | 176 | -17.05% | 15 | 20 | -25.00% |
| \$1,000,000 to \$1,999,999 | 81 | 70 | 15.71% | 3 | 4 | -25.00% |
| \$2,000,000 and over | 14 | 16 | -12.50% | - | 1 | -100.00% |
| TOTALS | 4,012 | 4,232 | -5.20% | 1,466 | 1,511 | -2.98% |

The above representation reflects the monthly month over month sold comparison.

| Price Range | Single Family | | | Condo | | |
|----------------------------|----------------------|----------------------|----------------|----------------------|----------------------|---------------|
| | Sold YTD Jul, '14 | Sold YTD Jul, '13 | % Change | Sold YTD Jul, '14 | Sold YTD Jul, '13 | % Change |
| \$0 to \$99,999 | 153 | 421 | -63.66% | 856 | 1,180 | -27.46% |
| \$100,000 to \$199,999 | 2,858 | 4,961 | -42.39% | 3,922 | 3,166 | 23.88% |
| \$200,000 to \$299,999 | 7,925 | 8,655 | -8.43% | 1,900 | 1,399 | 35.81% |
| \$300,000 to \$399,999 | 5,378 | 5,157 | 4.29% | 775 | 453 | 71.08% |
| \$400,000 to \$499,999 | 2,957 | 2,779 | 6.41% | 291 | 155 | 87.74% |
| \$500,000 to \$699,999 | 2,074 | 2,018 | 2.78% | 285 | 109 | 161.47% |
| \$700,000 to \$999,999 | 787 | 779 | 1.03% | 100 | 72 | 38.89% |
| \$1,000,000 to \$1,999,999 | 384 | 374 | 2.67% | 27 | 27 | 0.00% |
| \$2,000,000 and over | 69 | 59 | 16.95% | 7 | 5 | 40.00% |
| TOTALS | 22,585 | 25,203 | -10.39% | 8,163 | 6,566 | 24.32% |

The above representation reflects the year to date year over year sold comparison. MOI = Month's of Inventory

About DMAR Market Trends Committee:

i The DMAR Market Trends Committee, part of the Denver Metro Association of REALTORS®, provide timely, consistent, and relevant monthly summaries of valuable local real estate market statistical data for both its members and the general public. Statistics from the “Denver Metro Monthly Real Estate Market Update” provide data for the following counties: Adams, Arapahoe, Boulder, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson and Park. Source of the reported data is Metrolist, Inc./REcolorado - powered by Matrix.

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About Denver Metro Association of REALTORS® (DMAR)

i The Denver Metro Association of REALTORS® is a membership-based organization comprised of over 5,000 real estate professionals in the Denver Metropolitan area. The association offers continuing education, advocacy for the real estate community, and is a resource for industry news and market statistics. For more information, visit www.dmarealtors.com or call (303)756 0553.