



GREENWOOD + ESTATES

INTEGRITY & EXPERTISE

2015 Q1 Real Estate Market Update

GENERAL

The market is accelerating on all cylinders since my last update three months ago. During March, there were 3,904 sold homes and only 4,112 homes available for sale, meaning that there is just over a month's worth of inventory available – something we have not seen for over a decade. This equates to a historic amount of competition for buyers. If we break it down by "price band", we see that homes under \$300,000 are especially in short supply.

Single Family Homes Inventory

Units Available for Sale Decreased 32% from March 2014 to 2015



Days on Market Decreased from 55 days in March 2014 to 40 days in 2015



Multifamily Units

Units Available for Sale Decreased 36% from March 2014 to 2015



Days on Market Stayed the Same at 38 days from March 2014 vs 2015



SUPPLY & DEMAND ON A MICRO-LEVEL

On a micro-level, sellers are having a lot of showings. I recently listed a 2 bed, 1 bath townhome in Greenwood Village for \$177,000. Over a 3 day span, we had 46 showings and 4 offers, of which my clients were able to "cherry pick" the best and, utilizing leverage, used back-up offers as negotiating power.

As competition among buyers has increased, home values have surged tens of thousands of dollars in just a matter of months in some cases. In February, I created a comparable market analysis ("CMA") for a 3 bed, 3 bath house in Littleton, valuing the property at \$300,000. In less than 2 months, my seller and I have seen the price shoot up to \$320,000.

STILL A GOOD TIME TO BE A BUYER

If you're a buyer, don't fret as you have significant advantages

- low interest rates (rates are the lowest they've been in 2 years)
- in most cases it's smarter to buy now than rent (rents have been increasing at about 1% per month)
- market slowdown does not seem to be taking place anytime soon, meaning you have a good chance for appreciation over the next couple years

Educated buyers will bring their patience and eventually find themselves under contract on a great house.

LUXURY SEGMENT

A sign the luxury segment is mirroring the overall market is through the number of speculative \$1M+ homes that are being built in emerging suburban neighborhoods outside of the trendy hotspots of Highlands, Wash Park, and Platte Park. In Q1, we saw multiple multi-million dollar speculative homes being built in Greenwood Village. This is an indicator that builders and investors believe demand will continue its upward trend. Still, the luxury segment continues to lag the overall market by about a year for price gains. Coupled with low jumbo loan rates, it's a good time to move up into a luxury home.

NOTES

Above statistics are based on information from Metrolist for the period 1/1/2014 - 4/7/15. The representations herein are based in whole or in part on content supplied by Metrolist, which does not guarantee nor is in any way responsible for its accuracy. Content may not reflect all market activity.



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