



GREENWOOD + ESTATES

INTEGRITY & EXPERTISE

2016 Q1 Real Estate Market Update

GENERAL

The magic number is \$500,000, which is the clear dividing line between homes that are flying off the shelves and homes that are slightly more balanced between buyer and seller markets.

While rental rates are cooling across the metro area, the sales market is as hot as it's ever been and will most likely continue the trend until later this summer.

Average Sold Price

Denver Metro Single Family: \$436,000 (up 8.8% from last year)
Denver Metro Multifamily: \$287,000 (up 11.6% from last year)

Average Days on Market

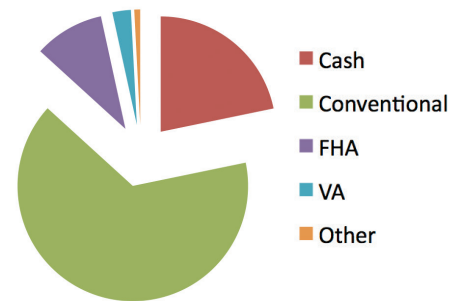
Denver Metro Single Family: 39 days (2.5% fewer days from last year)
Denver Metro Multifamily: 36 days (2.7% fewer days from last year)



INTERESTING TRENDS

- Cash buyers continue gobbling up more than 1 out of every 5 homes sold in Denver during March with FHA and VA loans only accounting for a combined 13% (historically this is much higher)
- Historically new home construction takes 5-6 months to build, however due to labor and material shortages, it is currently taking 7-10 months
- Millennials are entering the marketplace more than any other age group, some of whom are taking out loans from parents and grandparents to compete against cash buyers in the marketplace
- The 2 year trend continues as multifamily continues to outsell single family homes at a faster rate of time. The historical norm is that single family homes sell faster than multifamily.

Financing Type	%
Cash	22%
Conventional	65%
FHA	10%
VA	2%
Other	1%
	100%



LUXURY MARKET

The luxury market, which I define as home selling over \$1M, is a more balanced market, however it is trending towards sellers. The number of luxury homes sold through the first quarter is up 19% from 2015 and a whopping 78% from 2014. As a rarity, homes sold for 100.34% of list price through March, whereas historically this figure is about 95%-96%. It should be noted that neighborhoods are very specific and it is difficult to compare one luxury neighborhood to another. On the whole, luxury neighborhoods in Denver are selling faster and at a higher % of list price than homes in the suburbs and beyond.

INTEREST RATE WATCH

- Mortgage rates remain near historical May 2013 lows, but many expect these to increase when the Fed meets in June.

NOTES

Above statistics are based on information from Metrolist for the period 1/1/2015 - 4/5/16. 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.



Bryan K Zerr, Realtor & CPA
Greenwood + Estates Team | Equity Colorado Real Estate
bkzerr@gmail.com | 720.334.6465 | www.bryansellsdenver.com

Bryan is a licensed Associate Broker and Certified Public Accountant in the State of Colorado. He resides in Greenwood Village where he passionately follows the Denver Metro Area real estate market. His interests include local politics, staying physically fit, and volunteering at his alma mater, Regis Jesuit High School, in various capacities including coaching wrestling and as a member of the Ignatian Identity Committee.

