

# Looking for a Good Deal? Opendoor Is Slashing Prices to Clear Its Inventory

I wrote about Opendoor last week. They're one of the "iBuyer" companies that buys off-MLS listings and flips them for a profit. Or at least that's how it's supposed to work, but too many homes haven't sold, and they drop their listing prices twice each month until they sell. For too many of their listings, that means they will be getting far less than what they paid for them.

As I write this on Sunday evening, there are 446 unsold Opendoor listings on Denver's MLS, and the *median days on the MLS is 58!* It's apparent that they bought many of these listings during those heady days before the market softened and now they can't sell them for a profit or even at the price they paid for them.

To keep it manageable, I studied only the 45 Opendoor listings currently active in Jefferson County. The median days on the MLS for those listings is 75! *That's three times the median days on the MLS for all active listings in Jefferson County.* All but two of those listings have been active for at least 12 days, and all 43 of those have had their prices cut to try to clear the company's inventory. They're going to lose money on most if not all of them. Here are some examples:

They purchased **11022 Trailriders Pass, Littleton**, for \$631,400 on Dec. 2nd and listed it on Feb. 17th for \$820,000. Nine price reductions later, it's now listed at \$643,000 and has yet to go under contract. At the current price, they will pay their usual 2.5% buyer agent commission, netting them about \$5,000 less



than they paid for it. Presumably they also had some repairs, repainting and other expenses during the two months between buying and listing.

Opendoor's oldest listing, **2090 Braun Drive, Golden**, was purchased last September for \$638,300, and is currently listed for \$621,000 after one failed contract and three subsequent price reductions.

**4740 S. Tabor St., Morrison**, was purchased for \$500,500 in December, listed for \$612,000 two months later, and after nine price reductions and no contracts, it's listed at \$527,000. Depending on how much money they spent dressing up that listing during those two months, they might break even.

The box as right lists some of the Jeffco listings on which Opendoor will lose a lot of money.

Of the 177 Opendoor listings (in all counties) which closed in the last 90 days, only 18 sold at or above their original listing price. More than half sold for at least 5% below their original price. In the same 90-day period a year ago, 55% of Opendoor's listings sold at or above their original listing price.

One could argue that the iBuyer model is still valid and that the company just suffered from the abruptness of the change in the real estate market. Meanwhile, it is also reported that although the market has slowed, prices are still increasing, so perhaps there are some bargains to be had among Opendoor's "stale" listings.

Although Opendoor Brokerage is difficult for brokers and buyers to work with (they are managing 446

## Unsold Jeffco listings priced as much as \$50,000 below what Opendoor paid for them:

- 6384 Newland St., Arvada (\$579,000)
- 7076 Parfet Street, Arvada (\$626,000)
- 6975 W. 63rd Ave., Arvada (\$577,000)
- 12463 W. 68th Ave., Arvada (\$693,000)
- 7155 Fenton Circle, Arvada (\$568,000)
- 9010 W. 5th Pl., Lakewood (\$594,000)
- 289 Marshall St., Lakewood (\$657,000)
- 10112 W. Dartmouth Ave., Lakewood (\$379,000)
- 10946 W. Texas Avenue, Lakewood (\$558,000)
- 11266 W. Kentucky Dr., Lakewood (\$575,000)
- 5645 S. Zang Street, Littleton (\$481,000)
- 6309 W. Fair Dr., Littleton (\$649,000)
- 10679 W. Cooper Place, Littleton (\$776,000)
- 7782 W. Alder Dr., Littleton (\$786,000)
- 6230 W. Maplewood Place, Littleton (\$666,000)
- 5683 W. 118th Place, Westminster (\$556,000)
- 11526 Marshall Street, Westminster (\$495,000)
- 10012 Holland Court, Westminster \$464,000)
- 10063 Flower Street, Westminster (\$723,000)
- 9679 Teller Court, Westminster (\$576,000)
- 6280 W. 45th Avenue, Wheat Ridge (\$573,000)

Colorado listings from their office in Tempe, Arizona), my broker associates and I would be happy to show you any of their listings and see if we can get you a good deal!

## Big Gathering of Classic Cars Converted to EVs This Saturday at Red Rocks

Long before there were production EVs like the Nissan Leaf or the Tesla Model S, automotive hobbyists all over the country were playing around with converting gas-powered cars and trucks to electric vehicles, initially with lead acid batteries but more recently with lithium ion batteries obtained from a wrecked EV or from a battery manufacturer.

This Saturday several of those converted classics will be on display at *La Vida Volta!* — an EV expo sponsored in part by Xcel Energy and CDOT. The free, family-friendly event runs from 10 to 3 in the lower North lot at Red Rocks.

The day before there will be a first-of-its-kind "Educational Conference for Performance EV Conversions" at the nearby Origin Hotel Red Rocks. That event is sold out, but you're welcome to attend the car show on Saturday.

The conference and the Saturday car show are produced by a venture with the clever name of **Ohm on the Range**. (If you're not familiar with the word ohm, which rhymes with home, it is a measure of electrical resistance.)

Speakers at that conference include men and women who have converted the following cars from gas-powered drive trains to electric drive trains: a 1999 Jeep Wrangler, a 1980 Subaru Brat (see picture), a 1982 Scrambler, a 1965 Mustang, a 1972 Plymouth Satellite, and a 1996 Toyota Land Cruiser. Those and many other EV conversions will be on display at Saturday's event.

Converting a gas-powered car to



an EV is often done by taking the drive train from a wrecked Tesla, Nissan Leaf or other EV. Alternatively, DIY hobbyists can purchase new electric components from aftermarket companies with names like Electric GT, reVolt Systems and Netgain Motors. Saturday's expo will also feature some of the newest OEM offerings from Lucid, Rivian, Polestar, Ford, Kia, Nissan and Chevrolet.

We've had one or two EV conversions show up for the EV Round-ups which we sponsor each April and October. This event dedicated solely to conversions should be fun!

## Lakewood Home w/ Views & Two Master Suites



This home at **1863 S. Robb Street** is in Lochwood Hills, west of Kipling and north of Jewell. What sets it apart from other homes are the two master suites and the 0.46-acre lot with a fenced vegetable garden, both wild and cultivated flowers, bushes and trees, including multiple kinds of bearing fruit trees. The home's hilltop location gives it mountain views from most windows. The sellers, who have owned this home for 41 years, added a 750-sq.-ft. master suite addition to the main level in 2006 with vaulted ceiling, ensuite bathroom and walk-in closet, barely visible to the right of the tree. The original master suite remains on the upper level above the garage. There's an RV parking space (with electrical outlet) through a gate to the left of the garage. Although in the middle of south Lakewood, this home is in unincorporated Jeffco, saving you on sales tax for big purchases such as a car. You can take a narrated video tour at [www.LakewoodHome.info](http://www.LakewoodHome.info), then call your agent. **Open Saturday, 11 to 1.**



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