

# NAR Economist Yun Declares 'The Housing Recession Is Over'

In a July 27th article on [realtor.com](https://www.realtor.com), the National Association of Realtors' chief economist, Lawrence Yun, was quoted as saying, "The recovery has not taken place, but the housing recession is over. The presence of multiple offers implies that housing demand is not being satisfied due to lack of supply."

"The West—the country's most expensive region—will see reduced prices, while the more affordable Midwest region is likely to see a small positive increase," Yun was quoted as saying in the article.

Yun's analysis was based on June statistics, but I can see some evidence of his statement in my own experience. My newest listing in Lakewood, featured last week for \$700,000, went under contract in three days amid competing offers for \$720,000, leading to cancellation of the open house scheduled for day 4.

Another listing, a \$1,250,000 ranch in north Golden, also went under contract last week for just below its listing price.

The fact remains that the increase in mortgage interest rates has many sellers holding onto their current

home even though they'd like to move. If you had a 2.9% mortgage on your current home, you'd want to stay put rather than give it up and buy a replacement home with a 7% mortgage, right? The industry refers to homeowners in that situation as "rate-locked."

Builders of new homes are benefiting from the low inventory of existing homes for sale. The sale of new homes surged in May and declined in June, but the trend is still upward.

Buyers like buying a new home because, in addition to being new, they can usually be purchased without a bidding war.

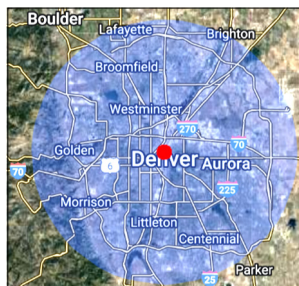
Yun, of course, is quoting national statistics, but you and I know that all real estate is local, so I created the above chart using the tools available to me on REcolorado, Denver's MLS, looking only at listings within 18 miles of downtown Denver, as shown on the map at right.

Current inventory compares favorably with previous years in that chart, although pending

## REAL ESTATE TODAY



By JIM SMITH  
Realtor®



## How This July's Statistics Compare With Previous July Statistics

	July 2018	July 2019	July 2020	July 2021	July 2022	July 2023
Active Listings	6,859	8,330	6,748	4,447	6,964	6,091
Pending Listings	4,414	4,549	5,240	4,725	3,433	3,132
Closed Listings	4,441	4,836	5,870	5,162	3,682	3,110
Expired Listings	748	899	745	444	610	621
Average Days on MLS	18	24	23	10	13	22
Median Days on MLS	7	10	7	4	6	8
Ratio Closing/List	100.00%	100.00%	100.00%	103.30%	100.00%	100.00%
Ratio Closing/Orig.	100.00%	99.10%	100.00%	103.40%	100.00%	100.00%
Average Listing Price	\$450,073	\$465,939	\$520,519	\$575,404	\$627,265	\$660,674
Median Listing Price	\$390,000	\$400,000	\$434,375	\$499,900	\$547,500	\$557,750
Average Sold Price	\$458,939	\$478,601	\$519,899	\$598,799	\$665,848	\$664,941
Median Sold Price	\$400,000	\$417,000	\$446,250	\$525,000	\$573,000	\$565,000
Sold Price/Fin. Sq. Ft.	\$219	\$226	\$239	\$286	\$320	\$316

Source: REcolorado, limited to REcolorado listings within 18-mile radius of downtown Denver

and closed sales are down significantly. Values are still high, with the price per finished square foot near last July's high.

Forecasters, me included, were surprised at the strength of the current real estate market. We thought

a true recession was in the cards, but in fact the market remains quite strong. I can only attribute the market's performance to the large number of buyers still in the market and the continued low unemployment rate.

What will the market be like as

we move into fall and winter? Stay tuned, because I don't want to venture a guess!

Were you a fan of my political column, "Talking Turkey"? I'm now publishing it at <http://jimsmith145.substack.com>.

## Capital Gains Tax Implications of Selling Your Primary Residence

Prior to 1988, you had to reinvest the profits from selling your home into a new home, but that is no longer the case. As long as you have lived in your primary home for two of the last five years at the time of sale, you are exempt from taxation on your capital gain up to \$250,000 (single) or \$500,000 (married).

If your spouse dies, you can still get the \$500,000 exemption if you sell less than two years after his or her death.

In calculating your capital gain, you take the price of the home when purchased plus any capital improvements (not repairs) made to the home plus the cost of selling (commissions, title insurance, etc.) and subtract that from your selling price.

For more details about the rules visit [www.GoldenREblog.com](http://www.GoldenREblog.com).

**Note:** this is my layman's understanding. Always consult a qualified tax advisor to see how these rules apply in your situation.

## Golden Real Estate Exclusives:

- Magazine-Quality HDR Photographs of Your Home
- Narrated Video Tours Produced for All Listings (posted on MLS, YouTube, Realtor.com, Trulia and Zillow)
- We Complete All Fields in the MLS, Not Just the Mandatory Ones
- Listings and Open Houses Advertised on Facebook
- Distinctive Web Addresses for Each Listing
- Free Staging Advice to Make Your Home Show Its Best
- Your Home Featured in Jim Smith's Real Estate Column in Denver Post and 4 Local Newspapers
- Attractive Wooden Yard Signs with Solar Powered Lighting
- Free Moving Truck & Moving Boxes (clients get free ongoing use of truck, subject only to availability)
- Multiple Open Houses, As Client Wishes
- Discount on Listing Commission When We "Double-End" a Transaction

## If the Energy Efficiency of the Home You Buy Matters, Call Us

One of the two value statements on our yard signs (see logo below) is "Promoting and Modeling Environmental Responsibility." If you're a buyer wanting to assess the sustainability of the homes you are considering, you owe it to yourself to hire one of our agents, because we know this topic better than most real estate agents.

In addition to pointing out the good and bad points of the houses we show you, our inspectors "speak green" too, and, as a fall special, we are offering new clients a **Free Energy Audit** after closing.

Call me for details.



Hometown Service Delivered with Integrity  
Promoting and Modeling Environmental Responsibility

## Jim Smith

Broker/Owner, 303-525-1851

[Jim@GoldenRealEstate.com](mailto:Jim@GoldenRealEstate.com)

1214 Washington Ave., Golden

## Broker Associates:

JIM SWANSON, 303-929-2727

CHUCK BROWN, 303-885-7855

DAVID DLUGASCH, 303-908-4835

GREG KRAFT, 720-353-1922

AUSTIN POTTORFF, 970-281-9071

KATHY JONKE, 303-990-7428



"I cannot do all the good the world needs, but the world needs all the good I can do." —Jana Stanfield