

Experts Differ on What 2023 Holds for the Real Estate & Mortgage Market

Real estate and mortgage professionals are coming to grips with how the market changed in 2022, but they're holding back on predictions for the market in 2023.

On the national level, Lawrence Yun, NAR chief economist, predicts home prices will remain stable and the sales of existing homes will decline by 6.8%. He identified ten markets that will outperform other metro areas, and all ten of them are in the southeast.

"Half of the country may experience small price gains, while the other half may see slight price declines," Yun said.

Here in the Denver market, the Denver Metro Association of Realtors (DMAR) issues a monthly mar-

ket trends report. In its latest report, it pointed out that while there is a steady month-over-month decline in the average sold price, the year-over-year sold prices remain higher.

"Without a doubt, the Denver Metro housing market is changing, but the question on everyone's mind is how long this change will last and what to expect next year," commented Libby Levinson-Katz, Chair of the DMAR Market Trends Committee and a metro Denver Realtor®. "Most of the answers are tied directly to when we will see relief from increasing mortgage rates that have more than doubled since January... While we expect to see the Denver

real estate market continue to change through 2023 due to interest rates and inventory woes, it has continued to show strength and stability."

As I highlighted above, a lot depends on the direction of mortgage rates, and predictions of where rates are headed are few and varied, because there are so many factors.

For example, will the Federal Reserve's increases in the Fed Funds rate continue, and for how long? Will it cause a recession? Will unemployment increase and inflation abate? What's the future of the war in Ukraine and its impact on the US and world economy? What will energy cost in 2023?

Personally, I have no predictions to offer. What I know for sure is that

people will still want to sell, and there will always be buyers ready to buy. We continue to see new listings come on the market. As always, some listings will be priced wisely and will sell quickly, but most will be overpriced and will sit on the market, slowly reducing their prices until they sell, expire, or are withdrawn from the MLS.

There may even be bidding wars on homes that are priced right. For example, I just sold a home in Applewood which we priced at \$895,000 and sold to one of three bidders within a week for over \$900,000. But we're not perfect. Other listings have languished on the market and only sold once we reduced the price sufficiently to attract a buyer.



Revisiting Lessons Learned From the Marshall Fire

The devastating Marshall Fire a year ago inspired several columns in this space about how it could have been prevented or mitigated. My favorite column was the one on Oct. 13, which made an important observation about how vented attics (the most common kind in tract homes) allow wind-blown embers to enter homes.

All these columns can be downloaded at JimSmithColumns.com:

Jan. 6, 2022 — Last Week's Fire Disaster Is a Wake-up Call for Building More Fire-Resistant Homes

Jan. 13, 2022 — Homes Built of Concrete Garner Increased Interest in Wake of the Marshall Fire

Jan. 20, 2022 — Here Are More Examples of Concrete Construction and Fire-Resistant Roofing

Jan. 27, 2022 — The Buying of Homes Has Become More Frantic

Since the Marshall Fire; **Also:** How to Alert Residents About an Approaching Wildfire

Apr. 14, 2022 — AirCrete Is a Lighter, More Climate-Friendly Version of Concrete for Home Construction

May 12, 2022 — Report from the Division of Insurance Details the Extent of Underinsurance in the Marshall Fire

July 14, 2022 — Are You Wondering If Your Home Is Underinsured? One Reader Shares His Research

Oct. 13, 2022 — Homes That Survived the Marshall Fire Were More Airtight and Had Conditioned Attics

I am disappointed not to see any of the insights I shared reflected in recent anniversary articles and television programs.

You're About to Develop a New Habit—Reusable Bags

By now you are probably aware that starting on Jan. 1st, supermarkets and most other retailers must charge 10 cents per plastic or paper bag, as dictated by a state law passed in 2021. Several cities across Colorado, including Denver and Boulder, already banned plastic bags, garnering 60-90% compliance, but this week the 10-cent charge and future ban goes statewide.

Plastic bags won't be banned until a year from now, although Walmart is eliminating plastic and paper bags immediately. This time next year, you'll still have the option of paying 10 cents for a *paper* bag, but plastic bags will not be available at most stores and restaurants. In addition, restaurants will be barred from using polystyrene (aka Styrofoam) containers for carryout food.

King Soopers is preparing its customers for the change by selling bags at its checkout stations. Better ones cost \$5-6, but there's one for 99 cents that I'm keeping in my car so it's not forgotten when I go shopping. Rita has been taking reusable shopping bags with her for months.

Another option is to take your

own cart into the store, instead of using the store's shopping carts. Fill it with your selections, and put your selections back in the cart, bagged or unbagged, after paying for them. In addition to the typical wire cart, Google can show you lots of personal shopping carts or wagons.

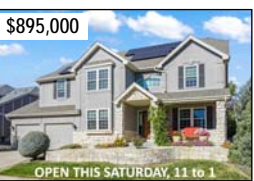
If, like me, you're open to other ways to "save the planet," here are some ideas.

Starbucks stopped filling your own cup or mug for a "personal" drink during the pandemic, but now it's back, and they give you a 10-cent discount.

Recently I was at lunch with a friend who pulled out a Tupperware container to take leftovers home. When I told Rita, we immediately decided to adopt the practice, and she now puts a plastic container in her purse every time we go out to a restaurant.

At Avenida, we enjoy the continental breakfast served six mornings a week, and several residents bring their own coffee mugs and cereal bowls so they don't have to use the provided single-use coffee cups or bowls. Tell me your ideas!

Price Reduced on Solar-Powered Home



You'll enjoy an Xcel Energy bill of \$45 per month, including gas, during the summer and still under \$100 per month in the winter thanks to this home's roof-mounted solar photovoltaic system. The address is 14165 W. Bates Ave., in Hutchinson's Green Mountain Village, which is south of Yale Avenue and north of Bear Creek Lake Park in Lakewood. It has 3 bedrooms, 3½ baths, plus a 14'x16' loft that could be converted into a 4th bedroom with en suite bathroom. It has 2,957 finished square feet plus a basement ready to finish. This home is beautifully landscaped and updated, with hardwood floors on both levels (and even the stairs), a gourmet kitchen, and a fabulous backyard with a free-standing Sunsetter retractable awning! The walk-in closet in the master suite is a gem, which you'll get to see in the narrated video tour at www.JeffcoSolarHomes.com. I'll hold it open Saturday, Jan. 7, 11 to 1.



Congratulations to Our 4th Qtr. Top Producer, David Dlugasch

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