

Every Industry Is Facing Disruption of Some Kind. How About Real Estate?

I just finished reading a white paper by the founder of Dotloop (part of Zillow Group) with the catchy title, "The End of the Traditional Real Estate Brokerage."

The premise of the document is that unless a brokerage adopts that company's "end-to-end collaborative platform," it is destined to fail. Hmmmm.... Is my successful brokerage, Golden Real Estate, destined to fail?

Basically, the argument is that mobile and digital technology is disrupting every industry and is also disrupting real estate.

"Disrupting," however, implies winners and losers. I prefer to say that technology is *revolutionizing* real estate (as indeed every industry), but I see no end to Golden Real Estate as a small, some say "boutique," brokerage.

In my two decades as a Realtor (i.e., a member of the National Association of Realtors, not merely

a licensed real estate professional), I have seen major transformation of the technologies, tools and software made available to brokers.

REAL ESTATE TODAY



By **JIM SMITH**, Realtor®

When I first got my license and joined the West Office of Coldwell Banker Residential Brokerage in Lakewood, we wrote our contracts on 3-ply NCR forms created for each of the many documents required in a real estate transaction.

We used typewriters to complete them, or pressed firm with ball-point pens.

Nowadays, virtually every agent uses on-line contracts. In our market, CTM eContracts is dominant in providing these contracts, and the integration of documents by agents on both sides of every transaction is impressive and... revolutionary. We love it!

Occasionally I will received a contract from an out-of-area agent,

as I did just last week on one of my listings, that is not on CTM and uses a third-party e-signature program, DocuSign, for signing each document. (CTM has e-signature capability built into it, and it works great.)

Showing service technology has also evolved beautifully. The near-universal vendor in our market is ShowingTime, and it's great how they have simplified the process of setting multiple showings, with well-timed route planning and management of feedback requests.

REcolorado, the Denver MLS, is introducing a replacement showing service called BrokerBay,

which will have some further enhancements (and be included in our MLS fees), but it will have to be spectacular to be better than ShowingTime.

The MLS itself has been radically improved in the quarter century since it became web-based, and, as with their showing service proposal, continues to do the heavy lifting for us brokerages so that we have only the task of learning new ways of operating.

Despite these changes, I don't think the in-person model of working with buyers and sellers is up for displacement, merely rapid and ongoing improvement.

Just Listed: Condo in Denver's Capitol Hill



For the person who wants a rental, this condo at **945 N. Washington St #100** in Denver's Capitol Hill neighborhood comes with a tenant in place and a \$1,695 per month lease through February, 2022. The 1,358-square-foot garden-level unit features two bedrooms and two bathrooms, a storage area and a separate outside entrance. Outside you'll find a large common area backyard with a gazebo. This unit does not come with a parking space, so you'll have to park on the street. The \$294 per month HOA dues cover heat, building insurance, internet, grounds maintenance, exterior maintenance, sewer, trash and water. Call your agent or Chuck Brown at **303-885-7855** for a private showing. Because it is tenant occupied, there will be no open house. Find more information at www.DenverCondo.info.

An Update on the Ongoing Bidding Wars

This is my regular update on the real estate bidding wars. I was planning to do this analysis next week, but I've observed a definite slowing of the market, so I moved my report to this week, analyzing the closings that occurred last **Thursday, July 1st**, to see how the bidding wars have evolved since my last report. To my surprise, this analysis shows only a slight slowing, likely because those listings went under contract 30-45 days earlier.

As I did in previous months, I limited my analysis to sales within a 15-mile radius of downtown Denver. I limited my search to homes, condos and townhouses that were on the MLS at least one day but not more than 6 days before going under contract, since those are the homes with bidding wars. Once again I divided the results into listings which sold for up to \$500,000 and those that sold for more.

On **July 1st** there were 33 closings *up to \$500,000*, compared to 40 such closings on June 10th. The median home sold for **5.9%** over its asking price, compared to 6.3% on June 10th. *The highest ratio this time was 20% for a bungalow in Aurora compared to 19.6% on June 10th for a condo in Golden. Four*

listings sold for the asking price, and three sold for less than listing price, compared to none on June 10th.

There were 44 homes that closed on July 1st for *more than \$500,000*, compared to 37 homes on June 10th. The median home in that group sold for **7.4%** over its listing price, compared to 7.7% on June 10th. Only one sold for the listing price, and not one home sold for less than the listing price. *The highest overbid was 29.7% for a contemporary 1969 home on Lookout Mountain, compared to 20.9% on June 10th.*

To have a statistically significant number of closings over \$1 million, I analyzed the **123** closings between June 16th and July 1st. The median closing for those high-end homes was **5.7%** over listing price, compared to 6.1% from June 1-13. Fifteen homes sold for the listing price and 9 homes sold for less than the listing price. *The highest overbid was for a 1985 home in "The Ridge" south of downtown Littleton which was listed at \$900,000 and sold in five days for \$1,200,000, 33.3% over listing price.*

Note: 27 of the 123 homes that sold for over \$1 million were listed for under \$1 million.

Price Reduced on Sun Valley Estates Ranch

Sun Valley Estates is a beautiful and quiet Lakewood subdivision of 1960s homes, including brick ranches like this one at **9566 W. Kentucky Drive**. This home has been owned by the seller for 31 years, during which time it has been well maintained and improved. You'll love the family room addition with its fireplace and included artwork. The eat-in kitchen has a unique wall-mounted table with four included chairs. Kentucky Drive is on a snow route and gets priority plowing in the winter. The house is well insulated with 16 inches of blown-in insulation in the attic. All main-level windows are newer low-E vinyl windows. It is convenient to the Federal Center light rail station. Take a narrated video tour at www.LakewoodHome.info, then call your agent or **Jim Smith at 303-525-1851** to set a showing. **Open this Saturday, 11 to 2.**



GOLDEN REAL ESTATE

Every element of this ad is also posted at GoldenREblog.com

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