

Yes, Our Real Estate Market Is Beginning to Slow. Here's the Evidence.

I've noticed an increasing number of price reductions recently. This is a bit unexpected in our long-running "seller's market," so I did a little research on Denver's MLS, REcolorado.com.

I couldn't study the whole metro area, so I studied the non-builder listings in a middle market city, Lakewood, and performed an in-depth analysis of this summer's sales activity. Here's what I found.

Limiting my analysis to non-builder listings, there are 255 active listings in Lakewood. Over half of them, 185, have been on the market 10 days or longer, more than half of which (109) have reduced their listing prices. Median days on market for all those active listings is 24 versus 11 days for the 232 Lakewood listings that are **under contract**.

Next I analyzed the 772 closings since June 15th of non-builder listings in Lakewood, 293 of which (40%) were on the market 10 days or longer,

100 of those (13%) on the market over 30 days. Forty-two percent of the listings sold for less than full price.

REAL ESTATE TODAY



By JIM SMITH, Realtor®

I looked at how those statistics compared with last summer. During the same period in 2017, there were 741 non-builder Lakewood homes sold, 36% of which were on the market over 10 days, compared to 40% this summer, not much better than this summer. Also, median days on market last summer was the same as this summer — 6 days. **But only 27% of last summer's listings sold for less than their initial asking price, vs. 42% this summer.**

Let's look at the metro area as a whole now. While I can't drill down like I did in my Lakewood analysis, I can run some useful statistical reports on REcolorado.com like the chart above right, which compares this summer with last summer in terms of the ratio of closed price to listing price and median days on market.

Month	Ratio	DOM	Month	Ratio	DOM
Jun-17	100.80%	6	Jun-18	100.60%	6
Jul-17	100.40%	6	Jul-18	100.10%	7
Aug-17	100.10%	7	Aug-18	99.60%	10
Sep-18	99.70%	9	Sep-18	99.50%	10

As you can see above, each month this summer saw homes selling for less of a premium and taking longer to sell than last summer. Given the statistics of the current **active** listings in my Lakewood sample, it's clear that the statistics this fall and winter will keep going in the direction demonstrated above.

If your home is active now or if you are planning to put it on the market soon, you should pay attention to this trend and act appropriately, but what does that look like?

First and foremost, as I wrote last week, it means you should **price your home based on past sales and no higher**. If you price your home above current comparable sales, you're likely going to watch it sit on the market and face lowering the price later on. That would completely rule out the possibil-

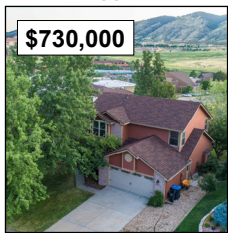
ity of attracting multiple offers, which is where sellers get all their leverage in bidding up their sale price. And remember that it's impossible to underprice a home, because that only draws those multiple offers which, with a strong negotiator on your side, can result in the highest possible price for your home.

Secondly, you need to **present your home in the most appealing light possible** through thoughtful staging, magazine-quality (HDR) photos, a compelling narrated **video** tour of your home on YouTube, and taking full advantage of all the MLS fields, including measurements of each room and descriptions of each room's features — all things which Golden Real Estate does for its listings.

Thirdly, you need to **maximize the exposure of your home** — another of our key strengths. Putting it on the MLS is a start, but we also create a listing website, as you see in all promotions (like below) of our listings.

Price Reductions on 3 Golden Real Estate Listings

This 2383-sq.-ft home at **13214 Braun Road** sits on 0.52 acres, offering secluded open concept living. Sit by a cozy 3-sided fireplace in your custom Applewood home. Now is your chance to get into this highly sought after Golden neighborhood. The seller's high-end remodel left no surface or system untouched. Come take a look today, this ranch style home offers true one-level living. Take a narrated video tour at www.ApplewoodHome.info. Kristi Brunel will hold it open **Saturday 11 to 2**.



At left is **17425 Rimrock Drive** in South Golden's Rimrock neighborhood. Seize the opportunity to own this 3,400-square-foot 4-bedroom, 3-bathroom custom home. It backs to South Table Mountain open space, with views of the foothills! It features an extra-tall garage — tall enough for your large truck — with a mud room and laundry room on the main level. New Champion windows throughout. Take a video tour at www.SouthGoldenHome.com, then

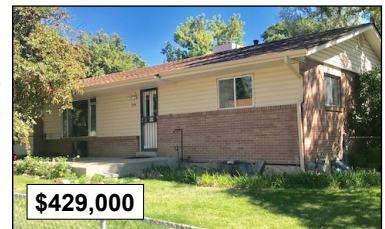
come to an **open house on Friday, 5-7 pm and Sunday, Noon to 3 pm.**

At right is **5737 W. 71st Circle** in Westminster's Patio Subdivision. New windows (installed this month), new deck, and remodeled baths make this home well worth your interest. There is income potential in the fully finished basement with its own kitchen and laundry room. Watch the narrated video tour at www.WestminsterPatioHome.info, then come to an **open house this Friday, 6-8 pm**. The listing agent for these last two listings is **Debbi Hysmith**, who can be reached at **720-936-2443**.



South Golden Ranch Just Listed by Jim Swanson

This home at **1514 Utah Street** was previously overpriced with another brokerage, but is now properly priced to attract buyers. It's a cute ranch home in the quiet subdivision of Southridge in South Golden. New roof, siding and gutters were installed in 2017 after a hail storm in the area. This is a small 4-bedroom brick home that has 1,126 square feet on the main floor, with a full basement that is partially finished. You'll appreciate the hardwood flooring and the kitchen upgraded many years ago. There are 2 bedrooms and a full bath upstairs and 2 non-conforming bedrooms and a 3/4 bath in the basement. This home has a 1-car attached garage and a fenced yard and fruit trees. This home is 3 blocks from the bus route and King Soopers on South Golden Road and one mile from the Golden light rail station. This is your opportunity to live in Golden for a reasonable price. Jim Swanson (**303-929-2727**) will hold it **open Saturday Sept 22nd from 10am to 2pm**. Take a video tour at www.SouthGoldenHome.com.



Get this column in your inbox every Thursday. Send your request to Jim@GoldenRealEstate.com.

Jim Smith
Broker/Owner
Golden Real Estate, Inc.



CALL OR TEXT: **303-525-1851**
OFFICE PHONE: **303-302-3636**
EMAIL: Jim@GoldenRealEstate.com
WEBSITE: www.GoldenRealEstate.com
ARCHIVES: www.JimSmithColumns.com
17695 South Golden Road, Golden 80401