

The Denver Metro Real Estate Market Is Still Hot, But It Does Vary Somewhat by Price Range

By JIM SMITH, Realtor®

Because some listings take longer to sell than others, I'm asked on occasion whether the market is cooling in a given price range. Below are some charts and tables which I created on September 1st. There may be some closings on August 31st that weren't reported yet, so that statistic may be higher than shown.

Also not reflected in these tables is the number of listings that have sold but not closed. That figure, as of September 1st, is 8,394. That is about 50% higher than the number of closed sales during August, so the trend is clearly continuing upward. Remarkably 561 of those pending sales are listed at \$700,000 or more, considerably higher than the highest number of sales in that price range, which was 407 sales in June 2015.

As you can see from the charts below, the higher priced homes are selling at an increasing pace even though the number of active listings is down. In the under-\$400,000 price range, the number of sales over the last six months has equaled the number of active listings — and there are 5,854 pending sales.

Median days on market are creeping up, as shown in the tables below — more so in the higher price ranges — but they still

remain considerably below previous years.

The best measure of how hot the market is and how hot it will be in coming months is not a statistic that is (or can be) recorded anywhere, and that is the number of offers received on any given listing. When a home sells in 5 days or less, you can expect that there were multiple offers. I know of recent transactions in which more than 10 or even

20 offers were received. Those losing bidders are still looking, and the number of them is an indication of how long this seller's market will last. Another unknown is the number of sales which are not even recorded on the MLS.

Look for even more buyers to get "off the fence" this fall as soon as interest rates start rising. There will be a surge of new buyers

just as soon as the Federal Reserve begins the slow climb away from its policy of near-zero interest rates.

The bottom left chart may surprise some people, because it shows that despite the low inventory of 2014-2015, the number of sales has risen steadily. As I have said before, it's not that inventory is low, it's just that it sells more quickly.

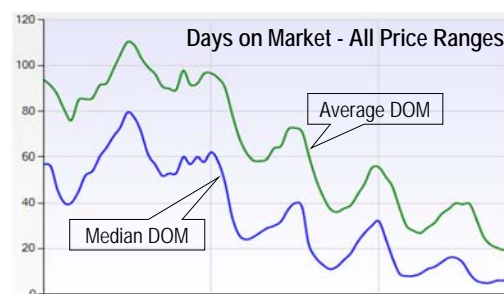
Active vs. Sold Listings — Jan. 2010 to Present, End of Month Totals:



Source: ReColorado

Median Days on Market by Price Range, Jan. 2010 to Present:

UP TO \$200,000						\$200,000 - \$400,000						\$400,000 - \$600,000						\$600,000 & UP									
Month	2010	2011	2012	2013	2014	2015	Month	2010	2011	2012	2013	2014	2015	Month	2010	2011	2012	2013	2014	2015	Month	2010	2011	2012	2013	2014	2015
Jan	40	71	53	34	26	10	Jan	65	84	68	39	29	11	Jan	89	95	83	57	53	41	Jan	175	109	102	93	61	68
Feb	40	64	49	35	17	7	Feb	64	86	65	35	26	6	Feb	101	103	80	42	36	40	Feb	164	128	131	102	60	58
Mar	40	65	40	22	12	5	Mar	46	73	48	20	14	5	Mar	75	75	85	29	30	18	Mar	127	118	117	60	42	32
Apr	40	65	33	19	7	4	Apr	37	54	32	12	7	4	Apr	54	61	38	16	18	10	Apr	124	64	103	31	32	20
May	35	64	25	14	7	5	May	38	49	23	9	7	5	May	60	54	34	18	15	8	May	88	64	44	34	24	20
Jun	41	56	22	14	7	5	Jun	45	47	24	8	7	5	Jun	52	50	28	13	15	10	Jun	84	71	56	21	21	17
Jul	47	53	23	13	7	5	Jul	52	49	23	10	7	5	Jul	55	57	32	15	17	10	Jul	87	62	51	29	23	20
Aug	50	52	25	15	8	6	Aug	55	52	26	13	9	6	Aug	58	63	37	20	22	14	Aug	73	51	60	34	34	28
Sep	55	54	25	18	9		Sep	60	62	27	15	11		Sep	74	70	42	26	33		Sep	97	107	67	38	37	
Oct	59	52	26	21	11		Oct	63	58	29	21	12		Oct	88	73	34	26	29		Oct	89	91	64	48	42	
Nov	65	55	27	23	11		Nov	69	60	32	24	13		Nov	82	78	43	35	35		Nov	106	105	87	49	46	
Dec	69	50	32	22	10		Dec	70	63	35	29	12		Dec	88	73	56	46	40		Dec	133	89	104	61	55	



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