

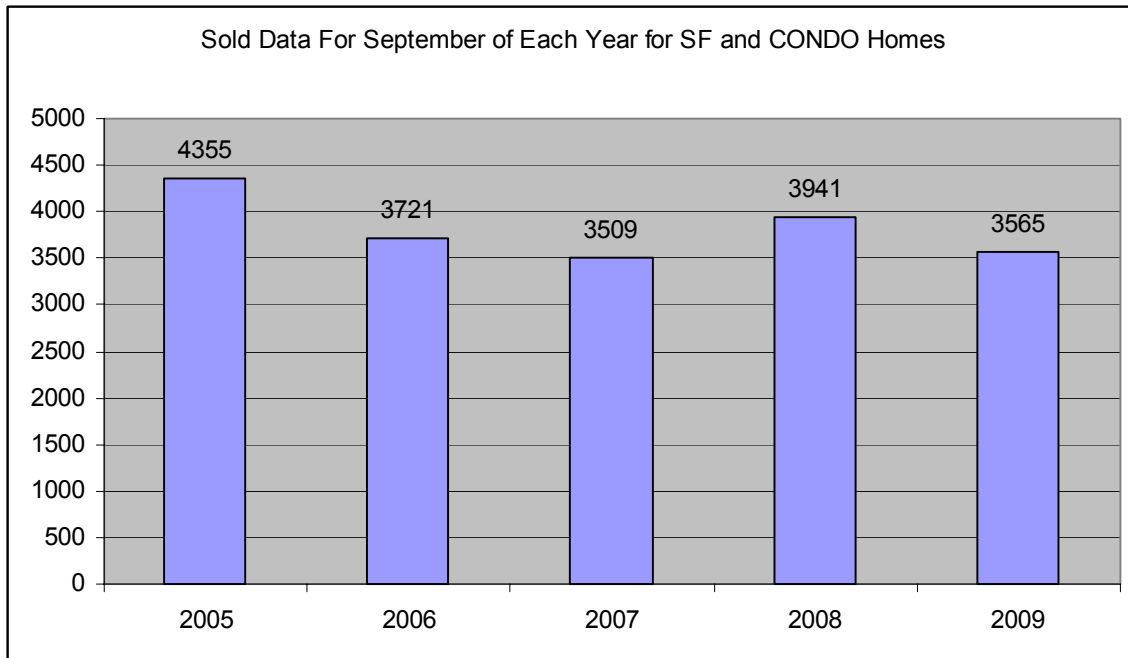


RESOURCES IN
REAL ESTATE

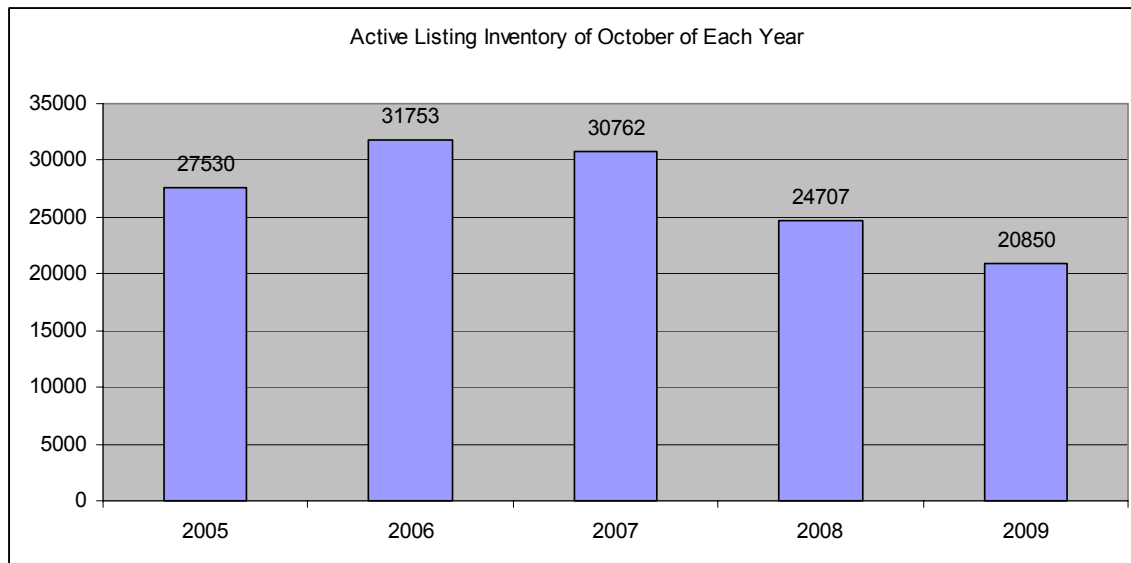
So, How's the Market, October 2009

All data taken from Metrolist, Inc. on October 5, 2009

When was the last time Denver real estate had a sold month that outperformed a previous month in the last 4 years? Well it happened in September of 2009. September of 2007 had 3509 homes that closed that month. Many analysts suggest that 9-2007 was the 12th month of the housing downturn in the Denver market that started in mid 2006. September of 2009 had 3565 homes closed or 54 more than September of 2007. Future months will start to show this trend against 2008 sold data, so the turnaround is now happening to Denver real estate that you can prove with numbers.



- October Active Listing Inventory is at 15,889 for single family homes.
- The number of Active listings for Condominiums in October is 4961.
- The current 20850 active single family and condominiums is the lowest October inventory in more than 5 years.
- The number of sold properties from Aug to Sept 2009 reduced by 1.4%. A normal September vs. August sold data would see 3-5% reductions.
- The current YTD sold figures are off 14.02% from the number of properties sold in 2008.
- October 2009 Active listing inventory is 34.3% lower today than in September of 2006.
- Average Days on the Market of Single Family homes is 94 days.
- Average Days on the Market for Condo's are 98 days.
- The average sold price in Denver for single family homes is \$273,972.
- The average sold price in Denver for condominiums is \$167,090.
- The average list to sale price in Denver is 96.8% of current list price. This does not reflect price reductions that may have occurred before the new sale happened.



Listing inventory continues to decline as you can see over the last five years. Many predict an increase in single family homes to come on the market in 2010. Normally a seasonal increase will occur in March of 2010, however, we predict that the residential housing inventories for 2010 will be within 3% up or down of where 2009 inventories are for the following factors:

- People are still not secure in their job positions to make a move which will keep resale listing inventories lower
- Although an increase in foreclosed properties will enter the market in 2010 and 2011, these will be priced aggressively and be spread out over a longer period of time to maximize the REO lenders position.
- There has been insufficient equity increases to allow for normal resale of property to occur, hence fewer sellers not committing to sell in the short term.
- The buyer pool is smaller today keeping existing listings on the market longer, which tends to dissuade other sellers from becoming competitors.

Under Contract data is the surprising figure for October 2009.

- The number of properties under contract is at 7495 single family and condo units. That is a 2.4% increase over September 2009
- The number of properties under contract is 980 units higher than 12 months ago. Buyers have taken advantage of the \$8000 first time home buyer credit being offered as an incentive.
- The number of properties under contract in October of 2009 is the highest recorded October in 5 years.
- This increase also shows it is taking longer for homes to close due to the advent of short sales, pre-foreclosure transactions, loan modifications and foreclosed properties dealing with absentee owners.
- In addition, mortgage guidelines have elongated the contract process in both the appraisal system and the funding of a new loan system. Both have new guidelines in the last 90 days making it harder for the process to move quickly.

What should sellers do in this market?

- Is your home an extraordinary home in a terrific price position? If not, revisit your market position and goals as buyers are scrutinizing every home to determine if this is a great deal for them to buy.
- If you, as a seller, were a buyer, what would you pay for your home today? Price does matter to buyers and don't lie to yourself.
- Consider the "Guarantee of a Buy Back". This is a creative tool for those sellers who have the ability to guarantee a sale to the buyer buying their property and get a return on investment. Not for all sellers to use, but a tool to get you top dollar in today's market, if you have the ability.
- Videos are the new rage of marketing homes. Consider this as a marketing option.
- Use a professional stager to make your home sparkle. Buyers want move in condition properties.

What should buyers do in this market?

- Understand the Pricing Model before making an offer. The model includes three components, price, terms and time. Which one is the most important to you to close the transaction?
- Have a game plan for how long you want to be in the home you are buying. Knowing the goals makes it easier to buy a home and get a great deal if you are convicted in your plan.
- Include environmental inspections of Radon, CO2, Lead Based Paint, and Electro Magnetic Field inspections where appropriate.
- Consider

Vital Stats from RE/MAX Professionals:

- RE/MAX Professionals has already closed more than ONE BILLION DOLLARS in sales in Denver for 2009.
- RE/MAX Professionals closed 492 units in September 2009 or a 7% market share for the month and we have 495 brokers or 2.3% of the number of brokers in the Denver market.
- RE/MAX Professionals put 462 homes under contract in September 2009.
- RE/MAX Professionals has 1557 listings as of October 1, 2009 which the average price is \$359,103. This indicates RE/MAX Professionals handles more upper end properties than the average firms in Denver.

Brought to you by-

Rebekah Brock, ASR, CDPE
Broker Associate
R&R Team
RE/MAX Professionals
3000 E. Third Avenue #10
Denver CO 80206
www.randrteam.com
303.831.1160
rbrock@remax.net

Rosann Asselin, GRI, CDPE
Broker Associate
R&R Team
RE/MAX Professionals
3000 E. Third Avenue #10
Denver CO 80206
www.randrteam.com
303.717.7048
rasselin@remax.net

Heather Heuer, ABR, CDPE
Broker Associate
R&R Team
RE/MAX Professionals
3000 E. Third Avenue #10
Denver CO 80206
www.randrteam.com
303.514.9471
heather.heuer@comcast.net