







GENERAL

As mentioned in our previous quarterly newsletter, inventory levels across the metro area are increasing, hitting a 5-year high last September at 8,800 homes for sale. We expect September of this year to establish a new 5-year high around 10,000 homes, which will soften appreciation during the second half of the year and into 2020. The all-time record high for inventory was February of 2008 at 25,500. With a 40-year historical average of 15,000, inventory levels remain historically low.



Inventory

Denver Metro Single Family: 4,100 homes (up 36% from last year) 
Denver Metro Multifamily: 1,920 homes (up 79% from last year) 

Average Sold Price

Denver Metro Single Family: \$512,000 (up .4% from last year) 
Denver Metro Multifamily: \$350,000 (up .2% from last year) 

Average Days on Market

Denver Metro Single Family: 41 days (21% more than last year) 
Denver Metro Multifamily: 34 days (17% more than last year) 



2019 OUTLOOK & INTERESTING TRENDS

- The “fall out rate” for properties under contract that go back on the market remains steady at 20%.
- Custom home builders are paying on average \$500K-\$600K for scrape and build lots, while prices in excess of \$800K can be seen for prime Denver locations and \$1M+ in Cherry Hills/Greenwood Village.
- There has been a rise of independent lenders (non-banks) over the past 10 years. In 2008, banks accounted for 2/3 of all loans and now account for only 1/4.
- The fix and flip industry is cooling nationwide and locally – more competitors, higher materials and labor costs, and online buying firms who compete on volume have decreased margins.
- With affordability an issue, manufactured homes are a growing industry; the biggest challenges? Zoning and NIMBY’s (“not in my backyard” community activists). Stapleton and Englewood both have new manufactured home communities for sale.
- The hottest areas in Colorado for 2019: Gilpin County, Clear Creek, and El Paso (all are expected to experience double digit price appreciation).

INTEREST RATE UPDATE

- In late March, the Federal Reserve took many by surprise when they announced they would be keeping interest rates unchanged and that there were no plans to hike rates for the rest of the year. This was a big change from December, when the Fed announced 2 or more rate hikes in 2019. The Fed’s announcement is big news for the real estate industry, especially buyers looking to finance purchases this year.

NOTES: Above statistics are based on information from REColorado for the period 1/1/2018 - 3/31/2019. The representations herein are based in whole or in part on content supplied by REColorado which does not guarantee nor is in any way responsible for its accuracy. Content may not reflect all market activity.



Bryan K Zerr, Realtor & CPA
Greenwood + Estates Realty

bryan@greenwoodestatesrealty.com | 720.334.6465 | www.greenwoodestatesrealty.com

Bryan is a licensed Managing Broker and Certified Public Accountant in the State of Colorado. He resides in the Denver Tech Center where he passionately follows the Denver Metro Area real estate market. His interests include local politics, staying physically fit, and volunteering at his alma mater, Regis Jesuit High School, in various capacities including coaching wrestling and as a member of the Ignatian Identity Committee.

