



GREATER METROPOLITAN DENVER MARKET UPDATE DECEMBER, 2011

Market Metrics:

The inventory of active listings at November month end hit another new low at 12,634 units, a decline of 11% month over month and 37% year over year.

Buyer demand continues at a seasonally adjusted rate for the holiday season. Declining inventory could become a good news situation.

Monthly Market Recap:

Single Family:

Active Inventory is **10,213** units at month end
Sold units is 2,468
Average Days on Market is 99
Median Sold Price is \$230,300
Average Sold Price is \$275,951

Condos:

Active Inventory is **2,421** units at month end
Sold units is 600
Average Days on Market is 105
Median Sold Price is \$125,000
Average Sold Price is \$153,526

November Year-to-Date Market Recap (2011 versus 2010):

Single Family:

Active Inventory 10,213 versus 15,232 (↓33%)
Sold Units 28,906 versus 28,355 (↑2%)
Median Price \$229,900 vs \$230,250 (↔)
Average Price \$280,230 vs \$282,717 (↓1%)
Sales Volume \$8.1B versus \$8.0B (↑1%)
Days on Market 105 versus 89 (↑18%)



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Condos:

Active Inventory 2,421 versus 4,649 (↓48%)

Sold Units 7,325 versus 7,439 (↓2%)

Median Price \$125,000 vs \$133,000 (↓6%)

Average Price \$158,520 vs \$160,533 (↓1%)

Sales Volume \$1.1B versus \$1.1B (↔)

Days on Market 117 versus 95 (↑23%)

Average Price versus Median Price:

By definition, Average price is derived by adding all of the individual home sales prices to get a total sales volume (\$) for the period. The total sales volume (\$) is then divided by the number of sales transactions which results in the Average Price.

By definition, Median Price is derived by ranking the highest individual home sales price to the lowest individual home sales price. The point where one half of the transactions are either above or below this price is known as the Median Price.

Advice to Sellers:

The holiday season is upon us and traditionally the home owner takes his or her home off the market due to the holiday season, busy schedules, and personal or family time. One must ask if the holiday season is a good time to sell.

In a recent survey conducted by the National Association of Realtors®, 60% of Real Estate Professionals advise sellers to list a home during the holidays unless they have a preferred strategy going into the new year. The holiday season brings out more serious buyers, the inventory of active listings is low and thus the competition from other properties is less, and cold weather is a benefit in making the home feel cozy.

If you do have your home on the market for the holiday season, you need to keep two items in mind. One point is that the home must be kept in “ready to show” condition and the second point is that more interior photos are needed for marketing to prospective Buyers.

Advice to Buyers:

The number of active listings, those homes available for sale, is the lowest it has been in years and here we are at the holiday season. Therefore the Buyers will have fewer homes to choose from. Traditionally Sellers take homes off the market for the holidays. If a home remains on the market over the holidays, you may have a motivated Seller. What does this mean to you? Talk to a RE/MAX Professional to obtain an understanding of the home market at the holiday season.

Rents continue to rise in the Denver market and home prices continue to stabilize.

Talk to your RE/MAX Professional today about your Lifestyle preferences, the benefits of home ownership, and home affordability.