



GREATER METROPOLITAN DENVER MARKET UPDATE JANUARY, 2012

Market Metrics:

Active Listings inventory continues to decline, 13% month over month and 40% year over year. Under Contract activity and Closed transactions activity remained seasonal with a continual decline month over month. The New Year starts with renewed hope that 2012 will be better than 2011. Wishing you and yours a Happy and Prosperous New Year.

Monthly Market Recap:

Single Family:

Active Inventory is only **8,854** units at month end
Sold units is 2,531
Average Days on Market is 107
Median Sold Price is \$230,000
Average Sold Price is \$275,610

Condos:

Active Inventory is only **2,139** units at month end
Sold units is 625
Average Days on Market is 106
Median Sold Price is \$120,700
Average Sold Price is \$166,420

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

Single Family:

Active Inventory 8,854 versus 13,941 (**↓36%**)
Sold Units 31,437 versus 30,777 (**↑2%**)
Median Price \$230,000 vs \$235,000 (**↓2%**)
Average Price \$279,858 vs \$282,080 (**↓1%**)
Sales Volume \$8.8B versus \$8.7B (**↑1%**)
Days on Market 105 versus 90 (**↑17%**)

Condos:

Active Inventory 2,139 versus 4,316 (↓50%)

Sold Units 7,950 versus 8,041 (↓1%)

Median Price \$124,900 vs \$136,000 (↓8%)

Average Price \$159,141 vs \$161,005 (↓1%)

Sales Volume \$1.2B versus \$1.3B (↓2%)

Days on Market 116 versus 98 (↑18%)

Days on Market:

By definition, Days on Market is calculated as the number of elapsed days from the original listing date to the status change date. Therefore if a home is listed for sale on January 2nd and the seller(s) accept an offer on January 22nd, the Days on Market for this property is 21 days at this point in time.

Days on Market is one of several metrics that are used to follow the market trends.

Advice to Sellers:

Welcome to 2012. What changes can one expect in 2012?

The year will start with the lowest inventory of unsold homes in a decade plus. New home builders will have new models emphasizing efficiency, lifestyle, and a smaller footprint. For some sellers, this will be competition that has not been seen for several years. External influences will continue to impact the market; such as, employment, economy, and consumer confidence.

As a home seller, one must keep in mind that with the beginning of 2012:

- Housing will be on the minds of many, because lots of people will be seeking housing.
- Rising rental rates will cause more to look at home ownership.
- Low rental vacancy rates will cause more to look at home ownership.
- Historically low mortgage rates will cause more to look at home ownership.
- Overall, affordable housing prices will cause more to look at home ownership.

It is a great time for your home to be on the market with inventory levels at 10 year lows!

Advice to Buyers:

The number of active listings, those homes available for sale, continues to be the lowest it has been in years. Prioritize your needs and wants and look at what is available in the market.

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.