

Market Update: June 2021

Update: Colorado's HOT Market

If you are anything like me you constantly hear the variety of real estate advertisements all with the tag line of how HOT the Colorado real estate market is RIGHT NOW. As I drove to work again this morning, listening to the same advertisement for the umpteenth time, I was amazed at how broad and bold statement that really is. While it can be encouraging to know that home are selling for big bucks, or that the market is HOT but in what way and to what extent? I spent most of the afternoon yesterday compiling statistics of our local, county, and Denver metro area to find the answer to this very question.

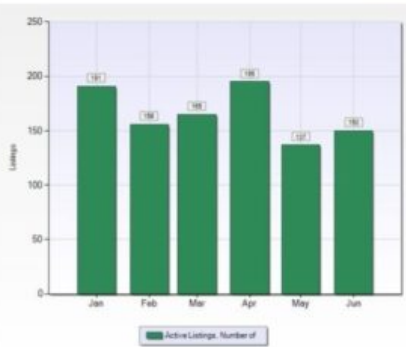
HOT for whom?

I think "Hot" is all relative depending on what side of the conversation you are on. Buyers who want to stay local are somewhat hesitant due to the fact that in most cases it would be a lateral move financially speaking. Sellers, on the other hand, are seeing an average of 5-10% closed price over asking. If you are still curious take a look below at some of the data we compiled on just how HOT the market is for a seller.

Overall three markets, the trends almost mirror each other. At the Denver metro area market, the data is a little bit more balanced, but that also may be due to the larger sample size.

Parker, Colorado - June

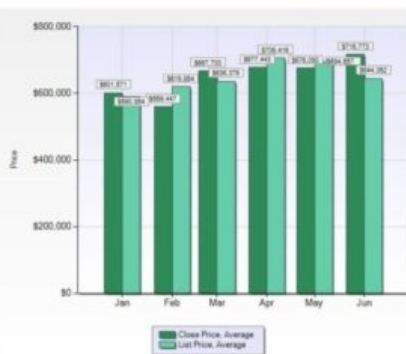
Active Listings



Month	Active Listings, Number of
Jan	191
Feb	156
Mar	165
Apr	195
May	137
Jun	150

We are still seeing historically low inventory, not only in Parker but statewide. Simple supply and demand, very little supply, and high demand.

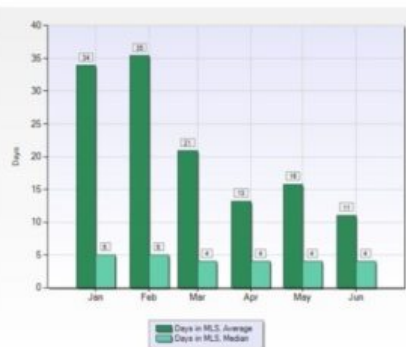
Closed Price



Month	Close Price, Average	List Price, Average
Jan	\$601,571	\$590,854
Feb	\$559,447	\$619,854
Mar	\$667,700	\$636,379
Apr	\$677,443	\$706,416
May	\$676,090	\$694,657
Jun	\$716,773	\$644,352

When comparing closed price versus list price we see an 11% increase. Again, more buyers competing for fewer homes. To be competitive, buyers are being very aggressive in offer price.

Days on Market

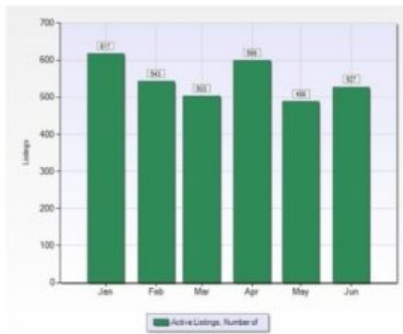


Month	Days in MLS, Average	Days in MLS, Median
Jan	34	5
Feb	35	5
Mar	21	4
Apr	13	4
May	16	4
Jun	11	4

Even though the average days on market are low compared to previous years, there are still outliers in the luxury market (+\$1MM). The median average is the true middle of the range.

Douglas County - June

Active Listings



Month	Active Listings, Number of
Jan	617
Feb	543
Mar	503
Apr	599
May	488
Jun	527

At the county level, we are seeing historically low inventory. With only 527 active listings in Douglas County, listings are down 66% compared to June 2020.

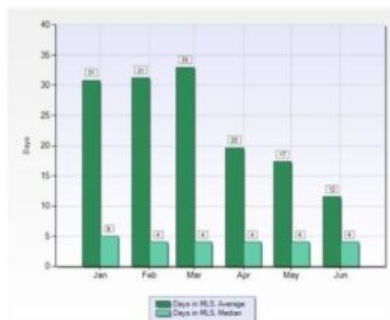
Closed Price



Month	Close Price, Average	List Price, Average
Jan	\$639,894	\$601,185
Feb	\$647,418	\$648,067
Mar	\$670,189	\$707,119
Apr	\$714,666	\$697,714
May	\$700,862	\$709,695
Jun	\$745,241	\$688,531

With a median of \$20K close price over list price, the average close price is 8% over list price. Again a direct reflection of low inventory.

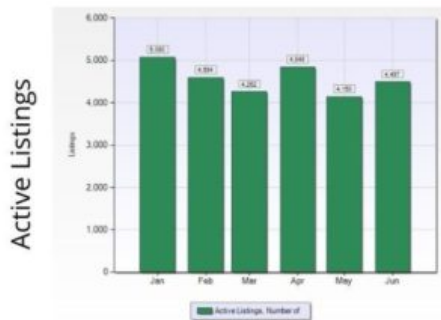
Days on Market



Month	Days in MLS, Average	Days in MLS, Median
Jan	31	5
Feb	31	4
Mar	33	4
Apr	20	4
May	17	4
Jun	12	4

Even though the average days on market are low compared to previous years, there are still outliers in the luxury market (+\$1MM). The median average is the true middle of the range.

Denver Metro Area - June



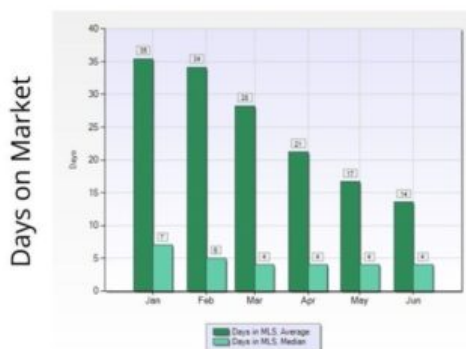
Month	Active Listings, Number of
Jan	5,080
Feb	4,594
Mar	4,262
Apr	4,848
May	4,150
Jun	4,497

Very similar to the Parker and Douglas County markets, the Denver Metro area market has very low inventory. Active listings are down 42% when compared to June 2020.



Month	Close Price, Average	List Price, Average
Jan	\$532,570	\$527,697
Feb	\$536,834	\$557,706
Mar	\$567,124	\$580,159
Apr	\$602,424	\$591,111
May	\$600,561	\$602,949
Jun	\$631,812	\$612,835

Although the average close price is still higher than the average list price, data is much closer than at the county and Parker markets. Consider a much larger sample size.



Month	Days in MLS, Average	Days in MLS, Median
Jan	35	7
Feb	34	5
Mar	28	4
Apr	21	4
May	17	4
Jun	14	4

Again, a reflection of low inventory. "Seller's Market".

Denver Metro Area Countins Denver, Arapahoe, Jefferson, Adams, Douglas, Broomfield, Elbert, Park, Clear Creek, and Gilpin counties.

How is this SELLER'S dream effecting the market?

We are observing many transactions where sellers are coming from out of state and buyers are relocating to other states

while capitalizing on the profits made on the sale of their home in Colorado. Because of our severe inventory deficit, we have a surplus of buyers competing for fewer homes driving prices up. Buyers are having to be very creative during the offer process including appraisal gaps, inspections, and post-occupancy agreements.

If you should have any questions or know any friends and family that have questions or interest in buying or selling, I am more than happy to visit with them and discuss options, values, or planning.



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