

HOME SALES AND PRICES CONTINUE TO TREND UPWARD

Statewide and Regional First Quarter 2013 Housing Statistics

www.ColoradoREALTORS.com/HousingStatistics

Sales of single-family, condominium and town homes (taken together) increased 16 percent statewide to 18,343 units during the first quarter 2013 compared to first quarter 2012, according to Quarterly Market Statistical Reports released by the Colorado Association of REALTORS® (CAR).

New listings dropped slightly more than 7 percent statewide, primarily due to drops in the Denver Metro Region and the Mountain Region, while the median sales price rose nearly 15 percent to \$225,000 compared to the first quarter 2012. Days on the market continued downward, dropping 22 percent to 90 days on average. The statewide number of active listings for the first quarter was at 30,114, representing a 4.1-month inventory supply.

“These figures are quite similar to what we reported last quarter and demonstrate consistent patterns that speak to a steadily recovering market in Colorado,” said CAR spokesperson, Michael Welk. “We are seeing more sales, increasing median pricing and fewer days on the market consistently over the last three quarters compared to previous years. In many areas of the state sellers are receiving as much as 98 percent of asking price on average and seeing their homes sell very quickly. Similarly, buyers continue to face significant competition in most areas.”

The Colorado Association of REALTORS® Quarterly Market Statistical Reports are prepared by *10K Research and Marketing*, a Minneapolis-based real estate technology company, and are based on data provided by Multiple Listing Services (MLS) in Colorado. The current Q1 2013 reports represent approximately 90 percent of all MLS-listed residential real estate transactions in the state. The metrics do not include “For Sale by Owner” transactions or all new construction.

Sales of lender-mediated properties (properties owned by banks and other mortgage lenders) declined in all areas of the state, ranging from a drop of 3 percent in the Southeast to 44 percent in the Northwest area. Overall, such sales represented about 22 percent of all transactions in the first quarter 2013. The median sales price for lender-mediated properties increased 10 percent statewide compare to the same period in 2012.

The CAR Housing Affordability Index, a new statistical measure for Colorado’s housing market, dropped about 7 percent to 163 for the state as a whole, declining in each area of the state except the Northwest. An index of 120 means the median household income in that area was 120 percent of what is necessary to qualify for the median-priced home under prevailing interest rates. A higher number is usually interpreted as greater housing affordability. Higher values generally benefit buyers whereas lower values help sellers.

In addition to cumulative statewide statistics, CAR has commissioned six regional reports, using the same measures, whose content is summarized below along with local expert contacts.

Metro Denver Region (Denver, Jefferson, Adams, Arapahoe, Broomfield, Douglas) –

Contact: Michael Welk –303-263-3217 or Anthony Rael- 303-520-3179

Sales in this region rose 18 percent while median sales price jumped more than 16 percent to \$240,000. Prices rose consistently throughout 2012, a trend that continued into the first quarter of this year. One of the consequences of improved prices is that the Affordability Index for Metro Denver has dropped steadily during 2012 and into the first quarter 2013.

Days on the market showed the largest drop of any region in the state (-29 percent) compared to the same quarter in 2012. In addition, this region had less than 9,100 homes available at the end of the quarter, representing a 2.2-month supply and down about 2000 from the previous quarter (Q4 2012).

Mountain Region

(Garfield, Grand, Gunnison, Jackson, Pitkin, Routt, San Miguel, Summit) –

Contact: George Harvey – 970-729-0111 or Andrew Ernemann – 970-379-8125

The median sales price rose 20 percent to \$428,750 in this region, which includes Colorado's ski resort communities, while the number of sales dropped slightly (-4 percent, 422). Days on the market declined nearly 16 percent. With 3,000 active listings, this region has approximately 15 months' supply of inventory which, in these areas of the state, is not unusual. New listings of available properties declined (-13 percent) while the Affordability Index dropped to 93, keeping it as the lowest rating on this scale in the state.

Northeast Region (Boulder, Larimer, Logan, Morgan, Weld) –

Contact: Duane Duggan – 303-449-7000 or Kelly Moye – 303-327-6522

This region of Colorado continues its trends from 2012: new listings are up 5 percent (one of four regions showing an increase in this category); sales increased 19 percent, the seventh consecutive quarter of increases; days on the market decreased by 20 percent (surpassed only by Metro Denver). The CAR Affordability Index dropped slightly (-3 percent). The region had nearly 5700 homes available at the end of the quarter, representing a 4-month supply.

Northwest Region (Delta, Hinsdale, Mesa, Moffat, Montrose, Pitkin, Rio Blanca) –

Contact: Sandy Borman – 970-256-9100

This region of our state had a fifth consecutive quarter of increased new listings (over previous years), up 7 percent compared to the first quarter 2012. Sales however, dropped 2 percent, one of only two regions showing a decline (Mountain Region is the other). The median sales price rose 3 percent and days on the market dropped 11 percent. This area of the state experienced the largest drop in lender-mediated sales, down 44 percent and enjoyed the highest Affordability Index at 221, a number that has been steadily rising for three years.

Southeast Region (Baca, Chaffee, Crowley, Custer, El Paso, Fremont, Huerfano, Las Animas, Otero, Pueblo, Teller) – Contact: Jay Gupta – 719-785-4114 or Dave Anderson – 303-327-6522

Southeast Colorado homes sales increased 18 percent to 3,116 during the first quarter of 2013 compared to 2012. Even so, the raw number of homes sold dropped consecutively for the third quarter (despite being improved over the comparable quarters in previous years). Median sales price increased a healthy 15 percent to \$178,000 and days on the market declined by 13 percent. While the CAR Affordability Index showed a decline (-6 percent) the area's score of 198 is the second strongest in the state. At the end of the quarter, this region had nearly 7,700 active listings which represent an inventory that would last about six and a half months. The Southeast Region reports the lowest percentage of sales in the state coming from lender-mediated properties (9 percent).

Southwest Region (Alamosa, Archuleta, Conejos, Costilla, Dolores, Hinsdale, La Plata, Mineral, Montezuma, Saguache, San Juan) – Contact: Don Ricedorff - 970-375-7014

The median sale price in this region continued to trend upward, increasing approximately 12 percent to \$206,500. Number of sales increased modestly (2 percent) and days on the market increased about 6 percent to 219, the highest average in the state. The Affordability Index in this area dropped again (-4 percent) but still remains strong at 175. New listings were up 5 percent and the percent of list price received rose consistently over the last six quarters, now approaching 85 percent.

Conclusion

With median sale prices rising in all regions of the state and days on the market declining everywhere except the Southwest Region, the data indicates that Colorado continues to see strong improvement in the real estate market nearly everywhere.

Spokespersons throughout Colorado are available for interviews or to answer specific regional questions. The reports cited in this press release are available online at

www.ColoradoREALTORS.com/HousingStatistics.

CAR QUARTERLY INDICATORS - KEY METRICS GLOSSARY

New Listings – This is a measure of how much new supply is coming onto the market from sellers. For example, Q3 New Listings are those listings with a system list date from July 1 through September 30.

Pending/Under Contract – This is the most real-time measure possible for homebuyer activity, as it measures signed contracts on sales rather than the actual closed sale. As such, it is called a “leading indicator” of buyer demand.

Sold Listings – This measures how many home sales were actually closed to completion during the report period.

Median Sales Price – This is a basic measurement of home values in a market area and basically states that 50 percent of the homes sold were either higher or lower than the Median Sales Price.

Average Sales Price – This is another basic measurement of home values in a market.

Percent of List Price Received – The mathematical calculation of the percent difference from the list price and the sold price for those listings sold in the reported period.

Days on Market – A way to measure how long it is taking homes to sell.