

# THE WINDERMERE REPORT

WINDERMERE REAL ESTATE | DENVER

AUGUST 2017

## SIGNS OF CHANGE?

Inventory is up (finally)

### 1031 AT RISK

Tax reform threatens provision

### WORKERS WANTED

Colorado needs construction workers

### MILLENIAL CRUNCH

Millennials want to buy but can't

### INSIDER'S GUIDE

New report helps home sellers

## RENTAL RUNDOWN

	VACANCY RATE	AVERAGE RENT
DENVER METRO	5.7%	\$1,382.00
COLORADO SPRINGS	7.4%	\$1,060.84
FORT COLLINS/LOVELAND	2.9%	\$1,293.25
PUEBLO	1.7%	\$694.84
GRAND JUNCTION	2.1%	\$503.18
GREELEY	4.0%	\$1,004.24

Source: Colorado Division of Housing



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## SIGNS OF CHANGE

The real estate story for the past three years in Metro Denver has been inventory, or more specifically, the lack of inventory. Thankfully for home buyers, there are signs of change and the number of homes for sale is increasing (finally).



Source: DMAR

## 1031 AT RISK

A major tax advantage for the commercial real estate industry may be one of the casualties in a sweeping federal tax reform expected this year. Some lawmakers are eyeing the 1031 exchange provision to get the tax-rate cut they seek. The provision allows sellers of real estate and other assets to defer capital gains taxes by reinvesting any profit in "like-kind" properties. Many real estate professionals believe that any move to get rid of 1031 exchanges would negatively impact the economy. A recent report by Green Street Advisors says that like-kind exchanges are used in 10 to 20 percent of commercial real estate transactions. The House Ways and Means Committee has yet to release a bill on the matter, although *The Wall Street Journal* reports that the chatter on such legislation is growing among lawmakers.

Source: NAR & Wall St. Journal

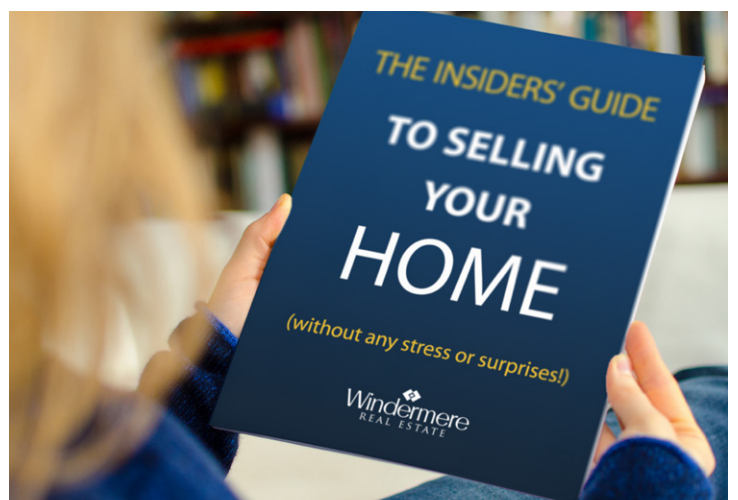
## WORKERS WANTED

Home building and construction officials in Colorado say the shortage of skilled laborers is at a crisis level. They need people now—to build homes, malls, office buildings and roads. In a state with a red-hot real estate market and hundreds of new residents arriving each day, the situation isn't expected to improve anytime soon. Experts at Colorado State University's department of construction management estimate that by 2025, there will be 96,000 vacancies in the construction trades—a 38 percent increase from today.

Source: The Denver Post

## INSIDER'S GUIDE

A valuable resource for home sellers has just been released. Get *The Insider's Guide to Selling Your Home (without any stress or surprises)* by contacting us today.



## MILLENIAL CRUNCH

In a nationwide survey of about 24,000 renters, Apartment List found that the 80 percent of millennial renters want to purchase a house or condo, but face a huge obstacle: affording a home. For some millennials, that means a wait of at least a decade before they can afford to buy a home. Despite the overwhelming desire to own, millennials revealed they are increasingly delaying their plans for homeownership. Based on their current rate of monthly savings, the survey found that millennials in many of the nation's large metros will need at least 10 years to save enough money for a 20 percent down payment on a condo. Even with a smaller down payment of 10 percent, just one-in-three millennials will be able to save the required amount in five years or less.



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