

# THE WINDERMERE REPORT

WINDERMERE REAL ESTATE | DENVER

MAY 2017

## MARKET FACTS

The vital signs for Denver & Douglas

## THE RENTAL MARKET

Average rents dip slightly

## REFORMED

Construction defects reform passes

## CASH ON TAP

Millennials tapping home equity

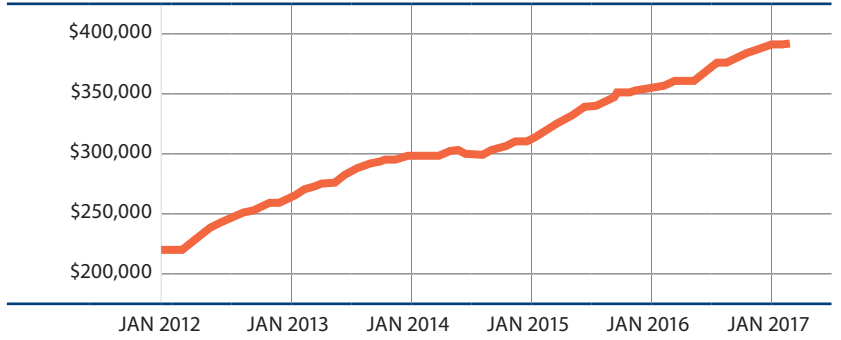
## CLIENT RESOURCE

The Gardner Report is now available

## MEDIAN SALES PRICE

Home prices in Denver have jumped in the last 5 years:

**SINGLE-FAMILY HOMES** Rolling 12-Month Calculation



Source: DMAR



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## DENVER COUNTY MARKET FACTS

### SINGLE-FAMILY HOMES

KEY METRICS	YEAR-TO-DATE	1-YEAR CHANGE
Average Sales Price	\$493,367	9.6%
New Listings	1,988	1.5%
Homes Sold	1,450	-7.1%
Months of Supply	0.9	-30.8%
Days on Market	23	-14.8%

## DOUGLAS COUNTY MARKET FACTS

### SINGLE-FAMILY HOMES

KEY METRICS	YEAR-TO-DATE	1-YEAR CHANGE
Average Sales Price	\$521,579	6.3%
New Listings	1,910	7.8%
Homes Sold	1,247	6.1%
Months of Supply	1.7	-15.0%
Days on Market	36	-14.3%

Source: Colorado Assoc. of Realtors

## THE RENTAL MARKET

Here is what is happening in the Metro Denver rental market according to the latest report from the Colorado Division of Housing:

### VACANCY RATE



### AVERAGE RENT



## CASH ON TAP

Fast-rising home prices gave homeowners more equity than many expected, and they are now tapping that equity at the fastest rate in eight years. Homeowners gained a collective \$570 billion throughout 2016, bringing the number of homeowners with "tappable" equity up to 39.5 million, according to Black Knight Financial Services. Those borrowers have at least 20 percent equity in their homes. Millennials are leading the pack to cash in. More millennials are using their home's equity than Gen-Xers or baby boomers, according to a survey by TD Bank. In fact, more than a third of millennials said they are considering applying for a home equity loan in the next 18 months, which is more than twice the rate as Gen-Xers and nine times that of baby boomers.

Source: CNBC

## REFORMED

After four years of failed negotiations, business leaders and legislators finally have reached an agreement to move forward a bill that will reform construction-defects law with the aim of jump-starting what is largely a non-existent condominium construction market. Since 2010, builders and developers have been faced with increased risk of lawsuits from homeowners making it more challenging and expensive to build condominiums. Insurance premiums for builders on condo projects are 25% to 45% higher in Colorado compared to other states for comparable products. Current laws have drastically decreased this vital component of the real estate market commonly purchased by first-time buyers. Condominium construction typically represents about 20% of all new housing starts. Today, condominiums are less than 5% of the overall new housing activity along the Front Range.

## CLIENT RESOURCE

Our Chief Economist has just completed his latest quarterly report for our market. The Gardner Report is a valuable resource with the latest stats and facts about Metro Denver. Contact us today to receive a copy!



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