

# THE WINDERMERE REPORT

WINDERMERE REAL ESTATE | DENVER

OCTOBER 2015

## HOME PRICE HISTORY

The latest report from FHFA

## HOW DO WE RANK?

Front Range prices

## WINDERMERE TEAM

Windermere Colorado connects in Keystone

## MICRO HOUSING

The latest trend

## BUBBLE TALK

Is there a bubble?

## COLORADO TOPS THE LIST

According to the latest report from the Federal Housing Finance Authority, Colorado ranks first for year-over-year home price appreciation.

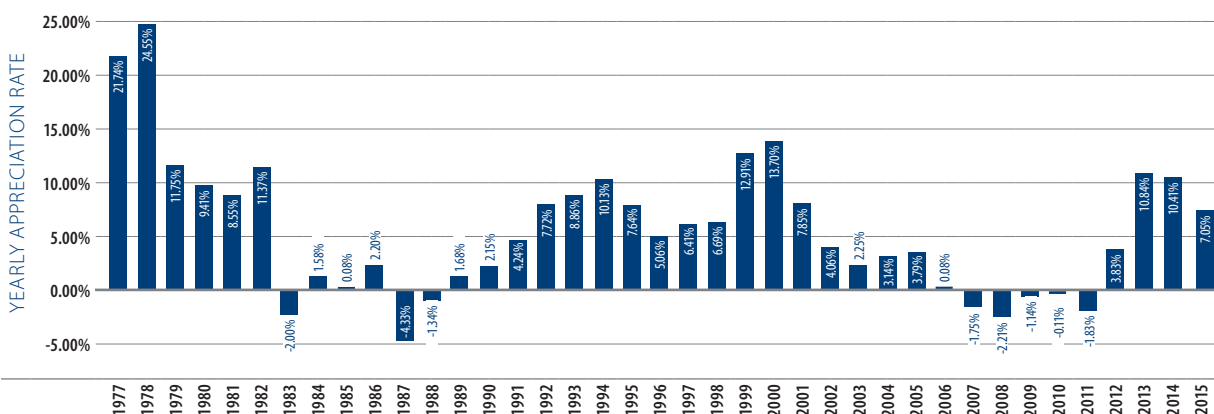
STATE	1-YEAR	5-YEAR
<b>COLORADO</b>	10.6%	34.1%
<b>NEVADA</b>	10.4%	42.3%
<b>FLORIDA</b>	9.7%	30.2%
<b>HAWAII</b>	9.5%	23.3%
<b>WASHINGTON</b>	8.8%	16.0%

## LOCAL PRICES

Here's a historical look at Denver Metro home prices according to the Federal Housing Finance Authority. For a chart of any other city, please contact me.

1977-2015 ANNUAL APPRECIATION: DENVER/AURORA/LAKEWOOD COLORADO

Source: Focus First, LLC



## HOW DO WE RANK?

The Federal Housing Finance Authority (FHFA) is a trusted source which tracks nearly 300 markets all across the country. Each quarter they produce a home price index which is available at [www.fhfa.gov](http://www.fhfa.gov). In their latest report, cities along the front range of Colorado performed very well and all ranked in the top 10 percent of all housing markets in the country.

CITY	NATIONAL RANK	1-YEAR
<b>GREELEY</b>	4	11.88
<b>DENVER</b>	5	11.61
<b>BOULDER</b>	14	10.27
<b>FORT COLLINS</b>	21	9.67

## WINDERMERE TEAM

Several members of the Windermere Colorado team, from both the Fort Collins and Denver offices, recently connected with their colleagues at the annual Colorado Association of Realtors Convention in Keystone. It was a wonderful setting and a valuable event!



## MICRO HOUSING

A trend to watch for is called "Micro Housing." Did you know in 1950, only 30 percent of the world's population lived in cities? Now it's close to 50 percent. By 2050 it is anticipated to be around two-thirds, according to the 2014 United Nations report: World Urbanization Prospects. And did you know between 1973 and today, the average living space per person has almost doubled, according to the 2014 U.S. Census Bureau Report? As people move back to the cities and as construction costs continue to rise, highly cost-effective and efficient housing styles will become a trend. For example, IKEA has created furniture for mocked-up 290 square-foot apartments. The first micro-housing development is now underway in Denver called Turntable Studios. It is a conversion of the old VQ hotel and will feature 335 square-foot studio apartments.

Source: Colorado Real Estate Journal

## BUBBLE TALK

Given the robust activity in our market and the high home appreciation rates, a common question we are getting is "are we in another housing bubble?" A big difference between today's market and the unsustainable market of the early-to-mid-2000s is the credit rating of the buyers. We remember the unbelievable loan products of those days, like the No Income, No Job Verification Loans. Quite simply, back then, people who shouldn't have were getting loans. Here's an interesting fact: the average FICO credit score of a buyer today is 724 (considered excellent). In 2007 it dipped down to 693 and as a result, over 11 percent of all loans were delinquent at the time.