

THE WINDERMERE REPORT

WINDERMERE REAL ESTATE | DENVER

DECEMBER 2019

TRACKING PRICES

What are prices doing?

BUBBLE TALK

The 4 Reasons

RATES TO STAY LOW

Expect low rates for 18 months

THE NEXT RECESSION

Matthew Gardner's Take

RSVP NOW

Market Forecast in January



WindermereColorado.com

AFFORDABILITY

The National Association of Homebuilders tracks housing affordability in 237 markets every quarter. They rank the markets by the percentage of homes that could be purchased with the median wage.

#1 Monroe, MI = 95% (most affordable market)

126 Colorado Springs = 71%

188 Denver = 55%

189 Boulder = 55%

190 Fort Collins = 54%

193 Greeley = 53%

237 San Francisco, CA = 8% (least affordable market)

TRACKING PRICES

Our clients are very curious to know what prices are doing. As people sense the market cooling off a bit, we are often asked if prices have been falling. The answer is "no." Overall, prices are still up over last year, but the pace of increase has slowed down.

	Average Price Single-Family Home	Average Price Multi-Family Home	Price Increase Compared to Last Year
DENVER	\$536,962	\$364,449	2.5%

Source: DMAR



BUBBLE TALK

Here are the 4 key reasons why we don't see a housing bubble forming like 2006:

1. Buyers today have great credit. The average FICO score for all buyers last month was 745.
2. There are very few people getting Adjustable Rate Mortgages. Only 4% today versus 35% in 2006.
3. Buyers today have much larger down payments compared to 2006.
4. Overall homeowner equity is very high. It has now reached \$15.8 Trillion nationally.

RATES TO STAY LOW

According to our Chief Economist Matthew Gardner, mortgage rates will stay low for the foreseeable future. He believes the 30-year rate will stay under 4% until at least early 2021. This is mostly driven by a weakening global economy and our trade wars with China.



MATTHEW GARDNER

Chief Economist
Windermere Real Estate

RSVP NOW!

It's time to save your seat for the annual Windermere Forecast. Join us at the Wellshire Inn on Wednesday January 15th at 5:30 pm. Get interesting insights and valuable takeaways as we provide clarity on the past, present and future of our market. Sign up at www.DenverForecast.com.



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