

THE WINDERMERE REPORT

WINDERMERE REAL ESTATE | DENVER

JUNE 2020

NO FALL

Prices aren't falling, here's why

HOW IT'S DONE

The new way of real estate

JUMBO BLUES

Jumbo loans more restricted

OPEN UP

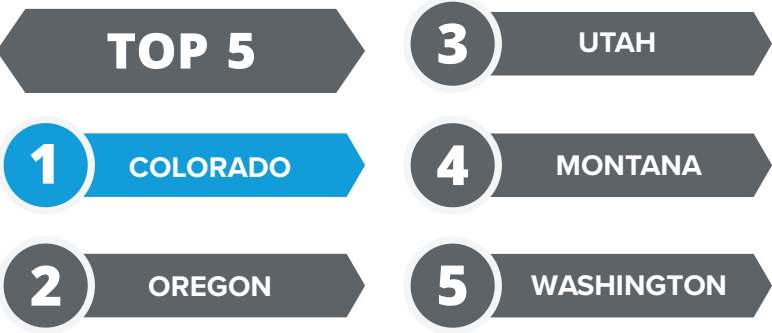
New virtual open house program

IN NEED

Results of our Neighbors in Need program

STATE BY STATE

The highest-performing states for home price appreciation over the last 30 years:



SOURCE: FHFA

PRICES AREN'T FALLING, HERE'S WHY

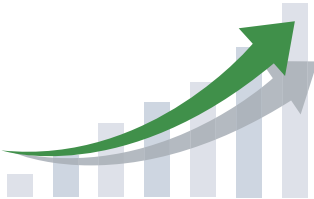
What comes as a big surprise to some is that prices are not falling, and certainly not crashing, in the wake of COVID-19. This is not a surprise to us. We predicted that price would generally stay stable. Here is what the numbers show...

As of the time of this writing, average prices are up between 1% and 4% along the Front Range compared to last year. Properties that are priced right and in good condition are selling quickly. Some homes in certain price ranges and desirable locations even receive multiple offers.

Here's why prices are not falling and are even increasing:

- Low interest rates continue to fuel the market. 30-year rates are almost a full point lower than a year ago.

- Inventory remains tight. Our market is the opposite of over-supplied.
- Our market is resilient to downturns. The Front Range has a history of outperforming the rest of the country.
- Unemployment is mostly affecting renters. The majority of workers who are being laid off right now are renters, not owners of property.



HOW IT'S DONE

This is how real estate is done today:

- Virtual open houses, virtual buyer tours, and 3D renderings allow buyers to narrow their choices before viewing a home in person
- No overlapping showings with multiple parties in a home at the same time
- Gloves, masks and six feet of distancing when viewing homes
- All hard surfaces wiped down before and after showings
- Disclosures sent to all parties to ensure everyone's safety

OPEN UP

Last month we launched a new strategy to help home buyers view our listings virtually. Watch our Windermere Colorado Facebook page each weekend to see our newest virtual open houses complete with 3D tours, high resolution photography, and floorplans.



JUMBO BLUES

Mortgage forbearance has caused some lenders to be less willing to offer jumbo mortgages. A jumbo mortgage is used for higher-end properties when the loan amount would exceed a conforming loan limit. Those limits vary by county but tend to be at \$510,000. Some lenders are concerned about their cash flow and liquidity because of homeowners taking advantage of forbearance. Because these loans are harder to sell on the secondary market and sometimes end up on the bank's balance sheet, lenders have either stopped these loans or they have placed stricter terms on jumbo borrowers.

IN NEED

The final numbers are in. Through the Windermere Foundation, we raised \$690,000 for our local food banks. Many thanks to all our clients who helped us with this achievement!



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