

Buyer Activity Slows Down, But Only Somewhat, as Fall Arrives

By JIM SMITH, Realtor®

People are under the impression that real estate is seasonal — that spring and summer are the selling seasons for real estate. The fact is that while more homes sell during those times of year, people are buying homes year-round.

I remember when Rita and I got married in June 2004, we decided to take our honeymoon in November. That was the slowest summer of my real estate career, and when we went to Paris in November, I was smart enough to take a Vonage phone with me, and to forward my cell phone to it. We had our days free to explore Paris, and in the evening — daytime in Denver — my phone was ringing off the proverbial hook. I listed one home and sold another during those two weeks, which more than paid for the honeymoon, much less the Vonage phone!

The chart at right shows the past year's "seasonality," if you can call it

| | Percentage of Inventory Under Contract by County or Area | | | | | | | | | | | | |
|--------------------------------------|--|-------|-------|-------|------|------|------|------|------|------|------|------|------|
| | 2012 | | | | | | 2013 | | | | | | |
| | 9/30 | 10/31 | 11/30 | 12/31 | 1/31 | 2/28 | 3/31 | 4/30 | 5/31 | 6/30 | 7/31 | 8/31 | 9/30 |
| Denver Northeast | 55.3 | 55.9 | 56.7 | 54.7 | 60.2 | 64.4 | 71.4 | 70.5 | 63.7 | 58.3 | 53.3 | 52.7 | 47.5 |
| Denver Southeast | 38.9 | 39.8 | 42.5 | 39.9 | 44.9 | 51.9 | 54.7 | 55.0 | 54.8 | 49.9 | 46.9 | 44.1 | 42.8 |
| Denver Northwest | 41.6 | 44.7 | 50.6 | 50.3 | 57.2 | 61.8 | 66.1 | 64.5 | 61.2 | 55.0 | 51.4 | 44.8 | 45.5 |
| Denver Southwest | 51.9 | 55.1 | 52.5 | 56.8 | 58.2 | 66.3 | 67.1 | 70.6 | 66.2 | 63.3 | 58.3 | 52.0 | 52.6 |
| Downtown Denver | 21.9 | 24.0 | 22.9 | 18.0 | 26.9 | 27.6 | 29.0 | 31.1 | 33.8 | 30.4 | 31.3 | 28.6 | 27.9 |
| Denver City & County | 44.0 | 45.6 | 47.4 | 46.2 | 51.3 | 56.6 | 60.9 | 60.6 | 58.1 | 53.2 | 49.4 | 46.3 | 44.7 |
| Jefferson County (Non-Foothills) ... | 47.5 | 47.4 | 47.2 | 48.0 | 55.1 | 59.9 | 61.9 | 64.8 | 63.0 | 58.8 | 52.6 | 50.0 | 48.3 |
| Jefferson County (Foothills) | 25.1 | 22.8 | 20.7 | 19.8 | 26.2 | 31.6 | 36.5 | 36.5 | 31.4 | 24.9 | 20.0 | 22.5 | 22.0 |
| Adams County | 54.0 | 51.5 | 53.0 | 50.4 | 55.8 | 60.9 | 65.6 | 65.9 | 64.6 | 60.4 | 55.9 | 52.5 | 52.7 |
| Arapahoe County | 53.3 | 53.1 | 53.7 | 54.0 | 59.4 | 63.5 | 64.7 | 66.8 | 64.5 | 59.9 | 53.6 | 50.9 | 48.7 |
| City of Aurora | 60.2 | 58.8 | 60.4 | 60.3 | 65.0 | 67.9 | 70.4 | 70.3 | 69.9 | 63.0 | 57.6 | 55.7 | 53.7 |
| Douglas County | 40.5 | 41.7 | 42.7 | 41.7 | 47.2 | 52.3 | 55.6 | 56.3 | 55.3 | 50.9 | 45.2 | 41.4 | 37.5 |
| Broomfield | 48.1 | 49.6 | 51.7 | 47.7 | 48.6 | 57.6 | 59.7 | 60.7 | 62.3 | 61.2 | 54.1 | 48.8 | 46.5 |
| Boulder County | 33.9 | 37.6 | 37.8 | 37.1 | 40.4 | 48.5 | 54.3 | 55.2 | 53.4 | 48.7 | 45.3 | 42.0 | 39.4 |
| Clear Creek County | 24.7 | 25.5 | 23.9 | 25.0 | 31.5 | 40.5 | 37.6 | 34.2 | 29.3 | 15.8 | 16.8 | 16.7 | 21.1 |
| Gilpin County | 23.6 | 24.2 | 23.7 | 26.5 | 36.0 | 31.0 | 37.1 | 29.4 | 18.0 | 26.2 | 25.5 | 26.5 | 28.9 |
| Elbert County | 32.1 | 32.8 | 31.0 | 30.0 | 40.4 | 40.9 | 40.0 | 45.7 | 42.3 | 35.0 | 33.9 | 36.8 | 33.3 |
| El Paso County | 27.3 | 27.5 | 28.2 | 28.3 | 30.5 | 33.8 | 36.5 | 37.0 | 35.5 | 32.7 | 30.4 | 26.1 | 26.7 |
| Larimer County | 31.7 | 31.6 | 30.8 | 32.5 | 36.7 | 39.8 | 44.7 | 47.6 | 46.6 | 44.2 | 39.5 | 36.5 | 34.2 |
| Weld County | 38.1 | 38.0 | 37.2 | 36.7 | 41.1 | 45.9 | 49.7 | 52.5 | 51.4 | 50.4 | 45.7 | 43.4 | 41.5 |
| Total MLS | 37.8 | 38.4 | 38.6 | 38.2 | 42.7 | 47.2 | 50.4 | 51.8 | 50.1 | 46.5 | 42.0 | 39.1 | 37.8 |

Source: Metrolist, Inc.

| | | |
|--------------------------------|-------------------------|--|
| Active: 19,604 | Under Contract = 11,903 | Total Inventory (Active + Under Contract) = 31,507 |
| Last Month: Active: 20,259 | Under Contract = 13,026 | Total Inventory (Active + Under Contract) = 33,285 |
| Previous Month: Active: 19,870 | Under Contract = 14,409 | Total Inventory (Active + Under Contract) = 34,279 |

that. Last March and April saw the metro area. It slowed down as summer progressed. But, even now, homes that are priced right are still selling quickly and often for full price.

How's the Real Estate Market by Price Range?

| | 7/31/13 | 8/31/13 | 9/30/13 |
|-------------------------|---------|---------|---------|
| \$1,000 - \$200,000 | 51.1 | 48.8 | 48.5 |
| \$200,001 - \$300,000 | 47.4 | 44.1 | 42.1 |
| \$300,001 - \$400,000 | 41.9 | 38.9 | 35.6 |
| \$400,001 - \$500,000 | 36.8 | 33.0 | 32.0 |
| \$500,001 - \$600,000 | 28.9 | 26.1 | 24.0 |
| \$600,001 - \$700,000 | 25.7 | 24.1 | 24.4 |
| \$700,001 - \$1 Million | 22.6 | 19.2 | 19.3 |
| \$1 Million + | 14.2 | 12.7 | 12.9 |
| ALL PRICE RANGES | 42.0 | 39.2 | 37.8 |

Source: Metrolist, Inc

In this chart, I calculated the percentage of listings that are under contract by price range. These figures are for the total MLS. Omitted due to space limitations is the breakdown for Jefferson County and for Denver, which are somewhat different from each other and from the full MLS. You can see the full chart on my blog, www.JimSmithBlog.com. I'm impressed that roughly 20% of homes between \$700,000 and \$1 million are under contract..

This Week's Featured New Listing

Washington Park West Bungalow!

Broker associate Jim Swanson has just listed this affordable starter home at 877 S. Sherman Street, Denver. There is a lot to like in this charming brick bungalow with a great central location. It is only five blocks from Lincoln Elementary School. There is easy access to Light Rail, Washington Park, and nearby Whole Foods. This turnkey house has a newer roof, updated electrical, newer furnace and windows as well as a two-car detached garage. It is a very well maintained and lovingly cared for home ready for new owners. Price to sell, \$285,000. Call Jim Swanson at 303-929-2727.



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