



# NOVEMBER 2013 MARKET REPORT

## Included:

Metro Denver Residential Monthly Market Stats YTD

Inventory Movement

Interest Rate Averages

Metro Denver Vacancy Rates & Rental Rates

Case Shiller Index Graphs

FHFA HPI (Home Price Index) Graphs


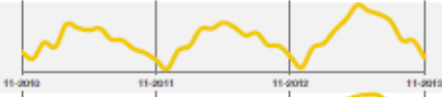
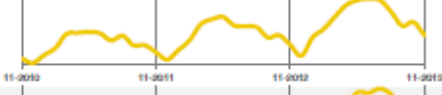





Market News

Kentwood Real Estate vs. MLS

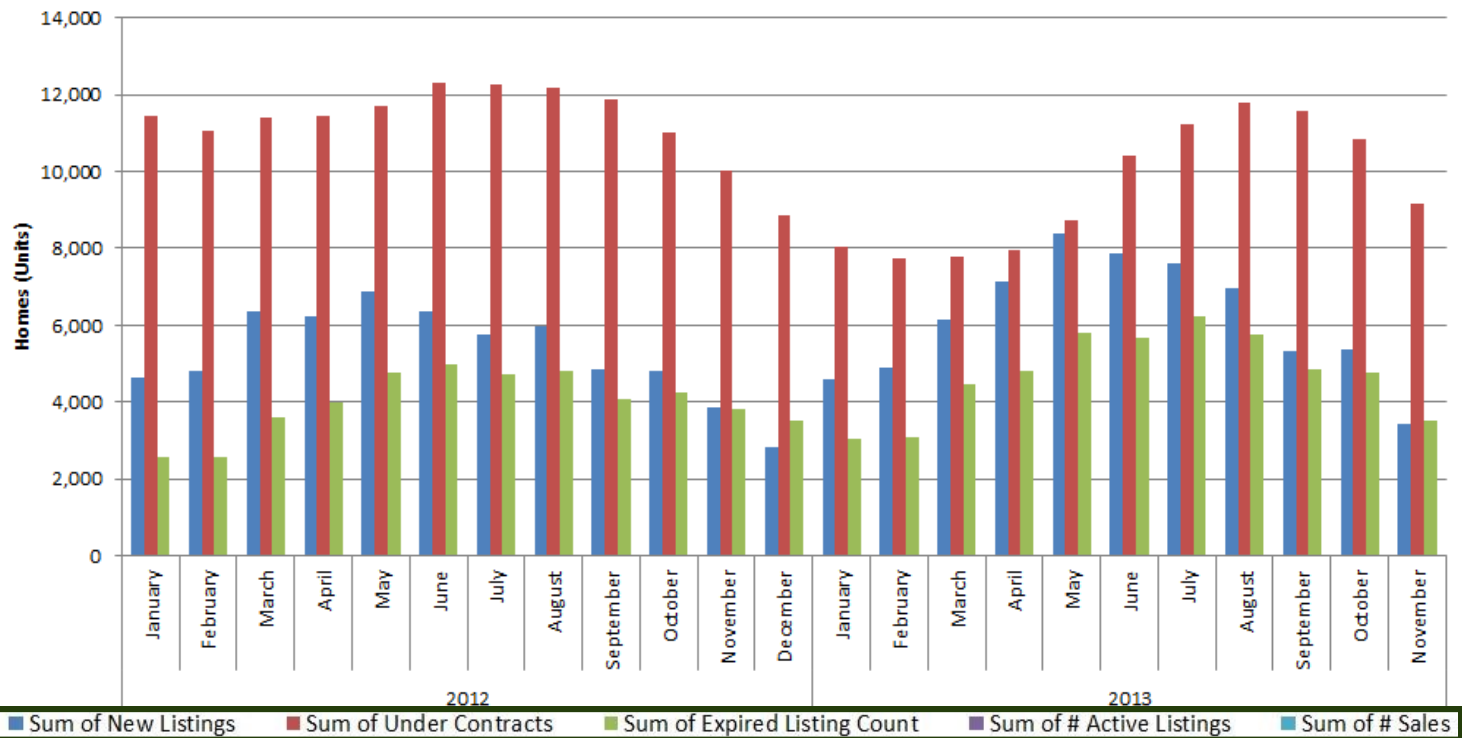
Luxury Market Statistics

Market Report Wrap-Up Infographic



Key Metrics	Historical Sparklines	11-2012	11-2013	+ / -	Last Year YTD	This Year YTD	+ / -
Active Listings		7,446	9,159	+ 23.0%	--	--	--
Under Contract Listings		3,570	4,192	+ 17.4%	48,847	59,617	+ 22.0%
New Listings		3,569	3,441	- 3.6%	56,547	64,246	+ 13.6%
Sold Listings		3,812	3,506	- 8.0%	43,862	51,325	+ 17.0%
Total Days on Market		62	48	- 22.3%	68	45	- 33.1%
Median Sold Price*		\$232,000	\$250,000	+ 7.8%	\$232,000	\$254,900	+ 9.9%
Average Sold Price*		\$282,909	\$304,696	+ 7.7%	\$279,534	\$305,264	+ 9.2%
Percent of Sold Price to List Price**		98.4%	98.4%	0.0%	98.3%	99.0%	+ 0.8%

### Inventory Movement Residential Homes

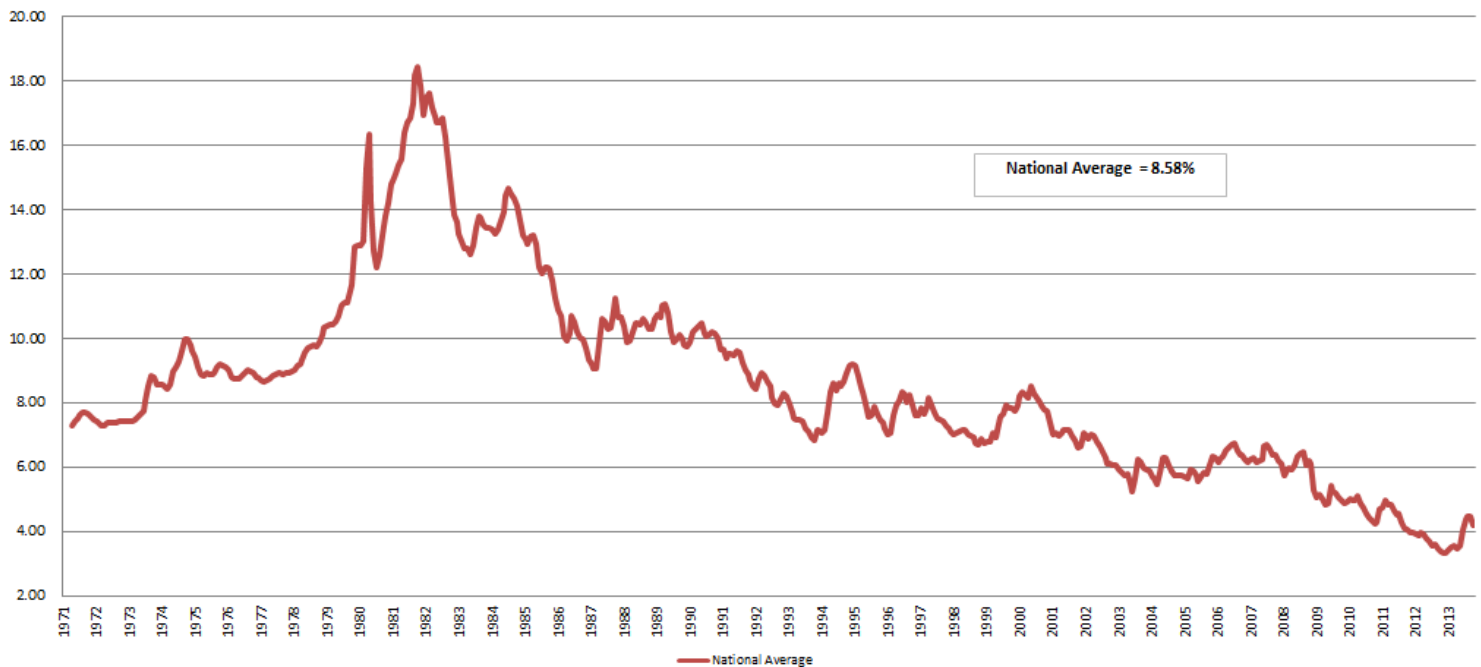


SOURCE: DENVER METROLIST

Average Interest Rate by Month	
November 2013	4.26%
October 2013	4.19%
September 2013	4.49%
August 2013	4.46%
July 2013	4.37%
June 2013	4.07%
May 2013	3.54%

Average Interest Rate by Month	
April 2013	3.45%
March 2013	3.57%
February 2013	3.53%
January 2013	3.41%
December 2012	3.35%
November 2012	3.35%
October 2012	3.38%

## 30-YEAR FIXED RATE MORTGAGES SINCE 1971



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SOURCE: FREDDIE MAC PRIMARY MORTGAGE MARKET SURVEY (PMMS)

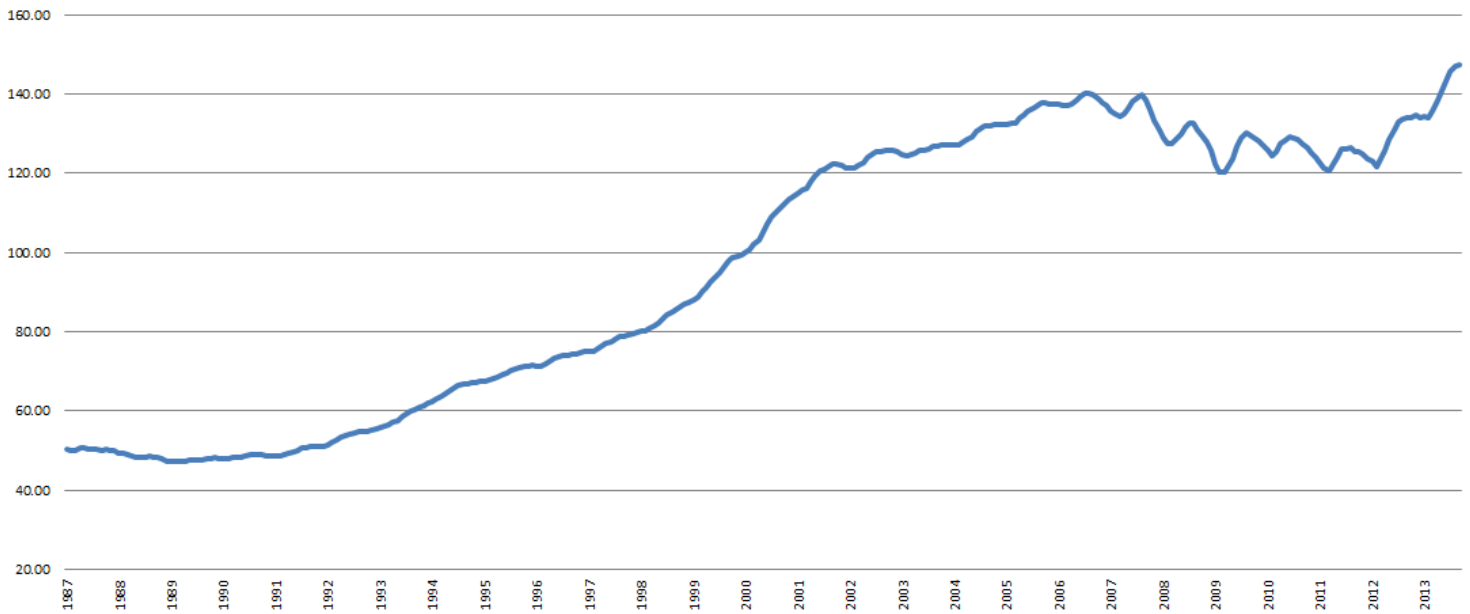
Vacancy Rate (Prior 2 Years)	
3rd Quarter 2013	2.9%
2nd Quarter 2013	2.2%
1st Quarter 2013	0.9%
4th Quarter 2012	1.7%
3rd Quarter 2012	2.3%
2nd Quarter 2012	2.0%
1st Quarter 2012	1.6%
4th Quarter 2011	2.1%
3rd Quarter 2011	3.4%

Average Rental Rates (Prior 2 Years)	
3rd Quarter 2013	\$1,140
2nd Quarter 2013	\$1,123
1st Quarter 2013	\$1,089
4th Quarter 2012	\$1,084
3rd Quarter 2012	\$1,090
2nd Quarter 2012	\$1,060
1st Quarter 2012	\$1,056
4th Quarter 2011	\$1,062
3rd Quarter 2011	\$1,049

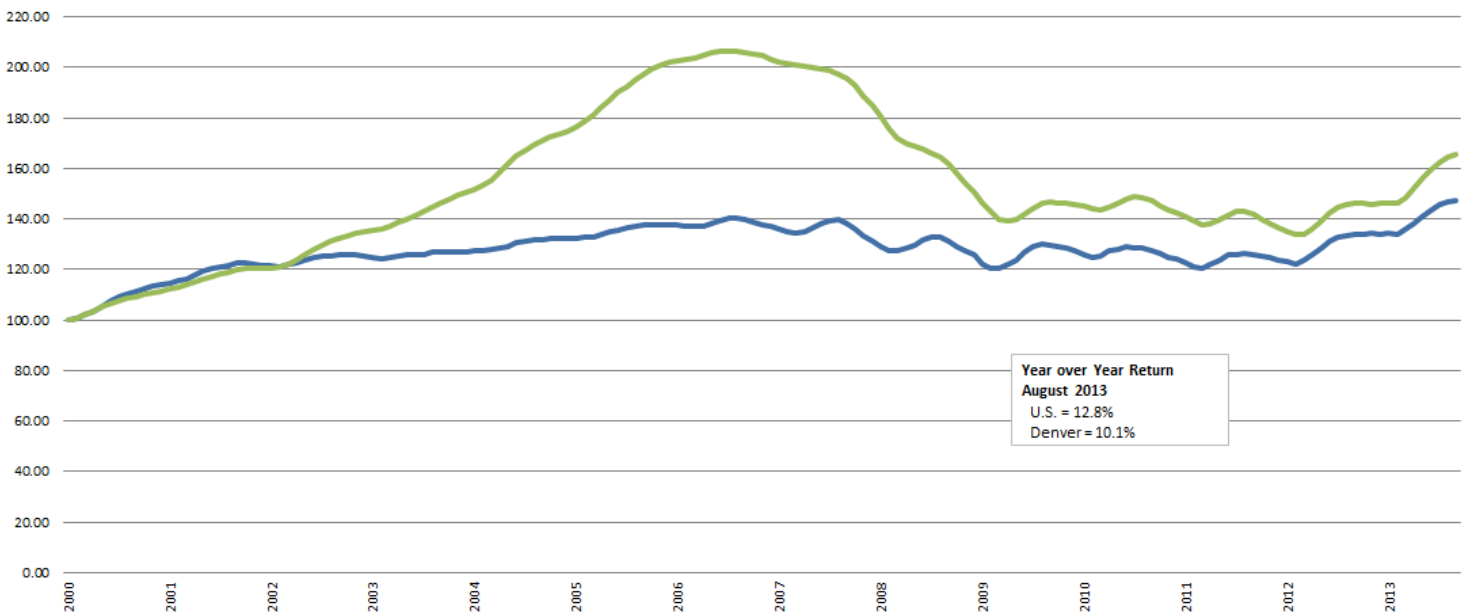
Vacancy Rate By County (Q2 2013 vs. Q3 2013)		
Adams County	Q2 = 1.6%	Q3 = 1.8%
Arapahoe County	Q2 = 1.3%	Q3 = 1.3%
Boulder/Broomfield County	Q2 = 2.6%	Q3 = 2.6%
Denver County	Q2 = 3.2%	Q3 = 3.8%
Douglas County	Q2 = 1.7%	Q3 = 1.2%
Jefferson County	Q2 = 2.3%	Q3 = 2.7%

Avg. Rental Rates By County (Q2 2013 vs. Q3 2013)		
Adams County	Q2 = \$1,181	Q3 = \$1,162
Arapahoe County	Q2 = \$1,063	Q3 = \$1,042
Boulder/Broomfield County	Q2 = \$1,645	Q3 = \$1,662
Denver County	Q2 = \$1,052	Q3 = \$1,068
Douglas County	Q2 = \$1,504	Q3 = \$1,529
Jefferson County	Q2 = \$1,079	Q3 = \$1,144

## Case-Shiller Metro Denver Index (1987 - SEPTEMBER 2013)



## Case-Shiller Metro Denver Index vs 20 City Composite Index (2000 - SEPTEMBER 2013)

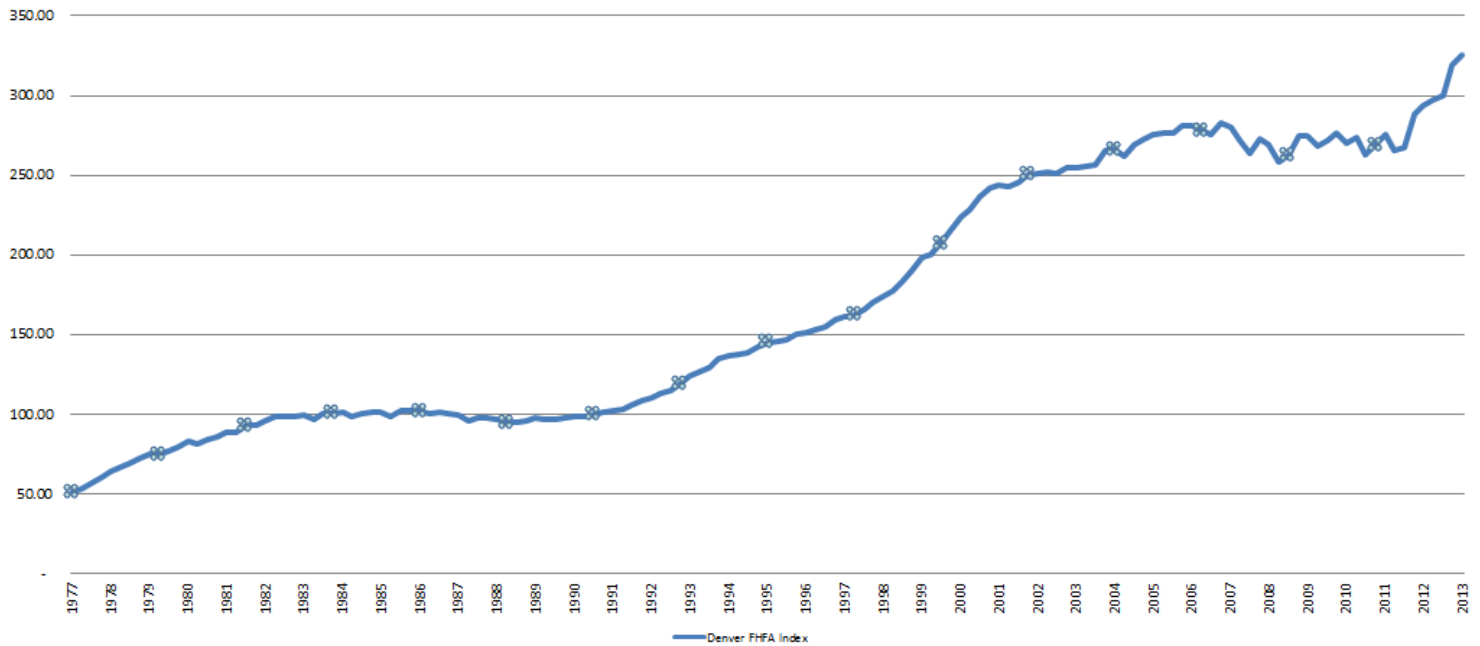


The Case-Shiller Index is one of the most closely watched housing price reports. It is comprised of 20 city indices that calculate data based on repeat sales of single-family homes (excluding condos and town homes), an approach developed by economists Karl Case, Robert Shiller and Allan Weiss. Case developed a method for comparing repeat sales of the same homes in an effort to study home pricing trends.

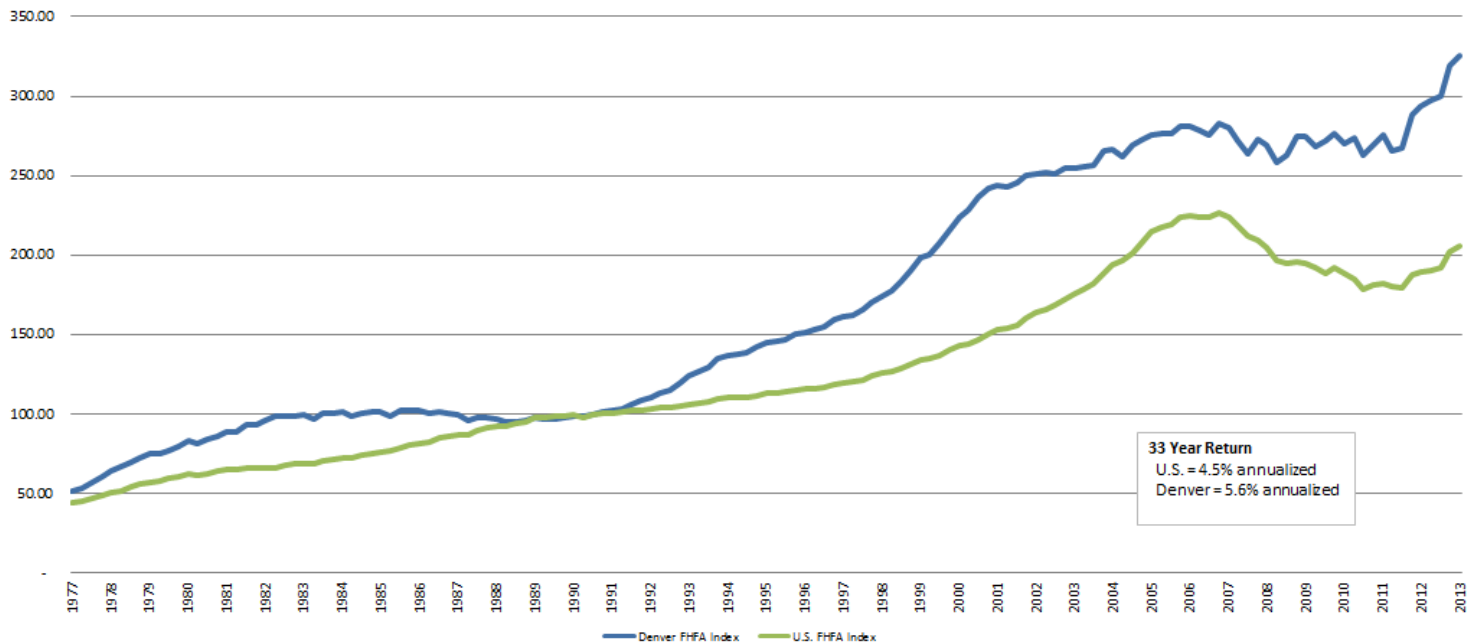
Cities included in the 20 City Composite are: Phoenix (AZ) | Los Angeles (CA) | San Diego (CA) | San Francisco (CA) | Denver (CO) | Washington (DC) | Miami (FL) | Tampa (FL) | Atlanta (GA) | Chicago (IL) | Boston (MA) | Detroit (MI) | Minneapolis (MN) | Charlotte (NC) | Las Vegas (NV) | New York (NY) | Cleveland (OH) | Portland (OR) | Dallas (TX) | Seattle (WA)

SOURCE: STANDARD & POOR'S/CASE-SHILLER INDEX

## FHFA Home Price Index (HPI) Denver (1977 - Q3 2013)



## FHFA Home Price Index (HPI) Denver vs U.S. Index (1977 - Q3 2013)



The HPI is a broad measure of the movement of single-family house prices. The HPI is a weighted, repeat-sales index, meaning that it measures average price changes in repeat sales or refinancings on the same properties. This information is obtained by reviewing repeat mortgage transactions on single-family properties whose mortgages have been purchased or securitized by Fannie Mae or Freddie Mac since January 1975.

SOURCE: FEDERAL HOUSING FINANCE AGENCY HOME PRICE INDEX (HPI)



## Market News

The Denver-area housing market has been on a tear.

The market recently wrapped up three quarters of record-breaking housing activity. By a number of metrics, the Denver housing market has surpassed where it was during the same time a year ago; it has even topped where it was during the go-go housing boom days of 2005 and 2006, a distinction only one other city, Dallas, can claim.

While housing markets in cities such as Phoenix and Las Vegas, were crushed during the Great Recession, recently they have been showing year-over-year appreciation north of 20 percent — roughly twice Denver's appreciation.

Yet, those cities have not yet returned to where they were when they peaked seven or eight years ago.

By the numbers, here is a snapshot of some records set in Denver:

- In the first nine months of the year, there have been 56,063 homes placed under on the market — 25 percent more than during the same period in 2012, 42 percent higher than in 2011 and 6.2 percent higher than in 2006.
- Year-to-date, 42,370 homes have sold and closed — 20.2 percent more than during the same time last year, 41.6 percent higher in 2011, and 10.3 percent higher than in 2006.
- The average sales price of a single-family home in the first nine months was \$333,508 — 10.1 percent higher than during the same period in 2012, 18.4 percent more than in 2011 and 4.7 percent higher than in 2006.
- The median, or middle, sales price was \$278,000, 11.2 percent higher than in 2012, 20.9 percent higher than in 2011 and 11.2 percent higher than in 2006.

However, perhaps the most staggering record number in the first three quarters of 2013 was the total dollar volume in sales. Year-to-date, buyers have purchased \$13 billion in homes, 33.4 percent more than in the first nine months of 2012, 64 percent more than in 2011 and 14 percent more than in 2006.

Despite the increase in prices, homes also sold at a faster clip than ever.

Homes spent an average of 51 days on the market in the first three quarters — a 36.4 percent drop from 2012, a 52 percent drop from 2011 and 46.3 percent faster than in 2006. Can this torrid pace last? Certainly, the market is facing a lot of headwinds, from the government shutdown to unrest in the Middle East.

But owning a home is a long-term proposition with most people. Historically, most people have owned their homes for seven years, although many people buying today plan to stay put for an average of 10 years, according to some estimates.

These numbers show that buying a Denver home has been a good deal in the short-term and the long-term, even when the market had weathered the worst housing crisis in memory.

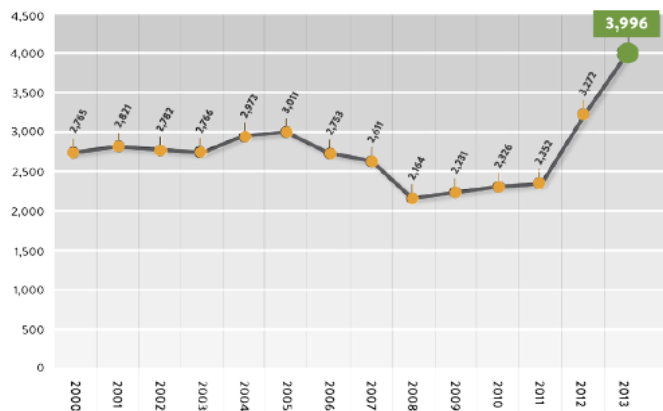
Bottom line, you can't really ask much more from a housing market.

With an average of 20 years of experience per agent and average sales volume of almost \$12 million per agent in 2013, Kentwood Real Estate out-performs their competitors.

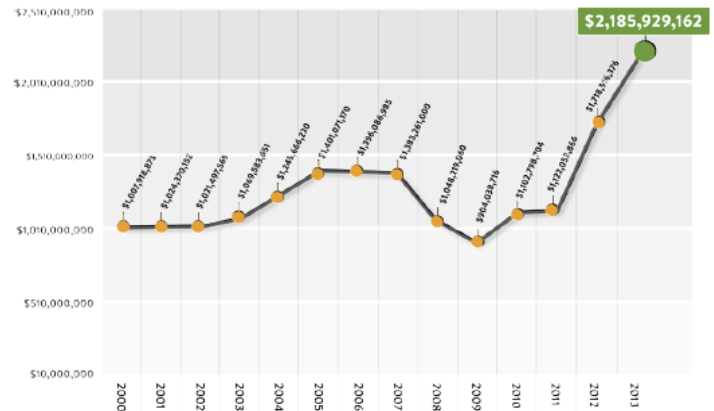


## Top Performing Agents

KENTWOOD REAL ESTATE CLOSED TRANSACTIONS IN 2013

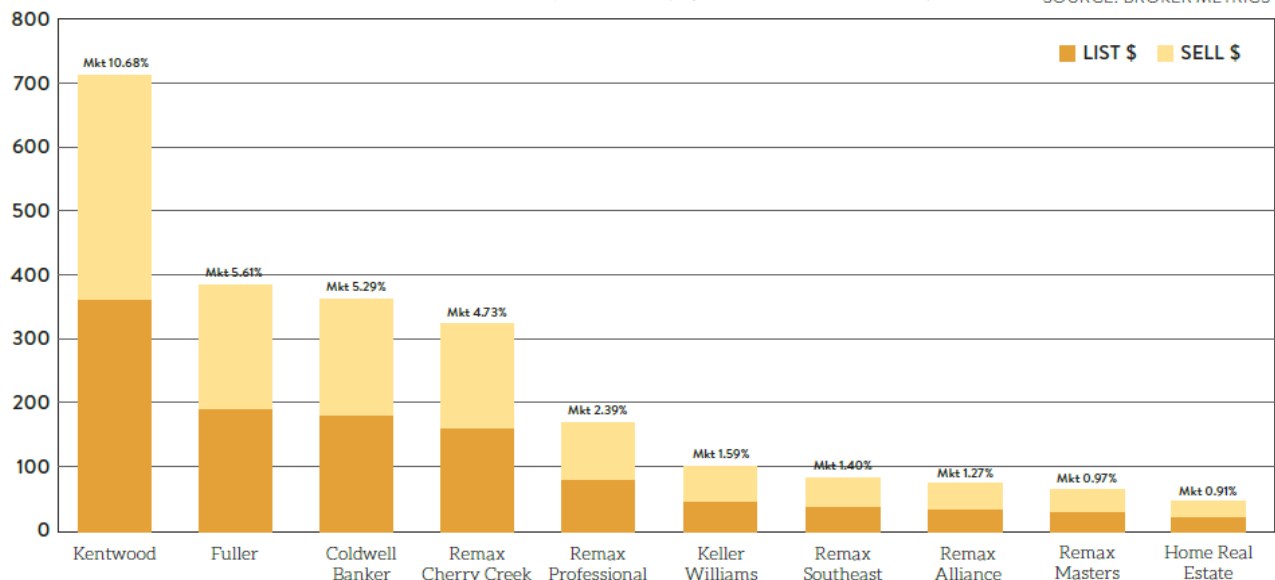


KENTWOOD REAL ESTATE CLOSED SALES VOLUME IN 2013



2013 MARKET SHARE TOTALS Total \$ Volume (By CMS Market Share)

SOURCE: BROKER METRICS





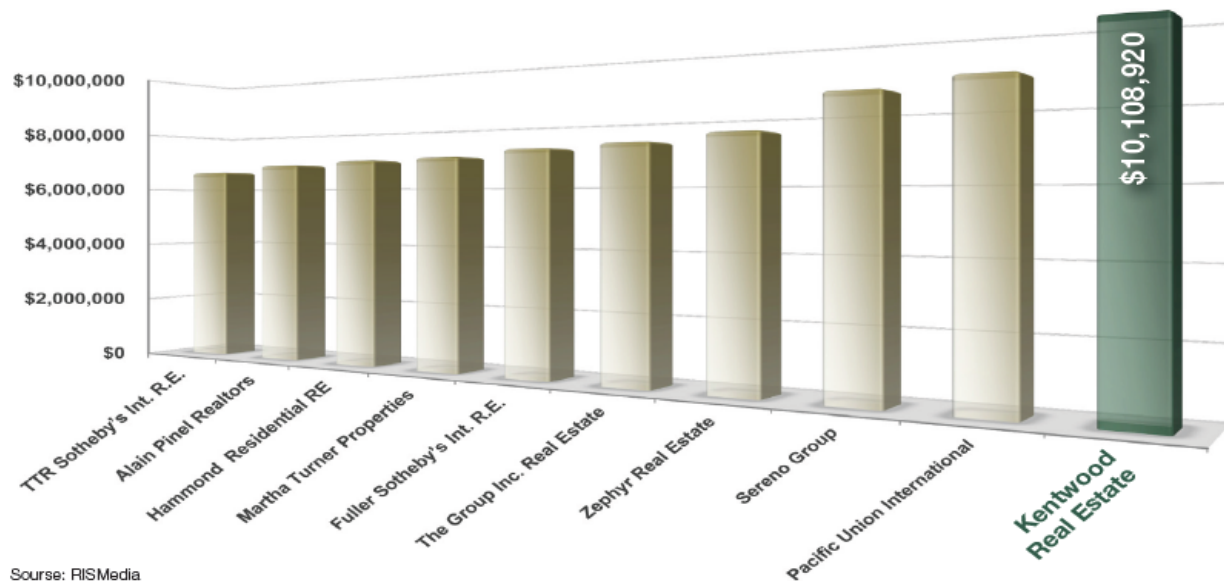
## Kentwood Real Estate Ranks #1 Nationally in Sales Volume per Associate for 2012

According to RISMedia (National Real Estate Media Publishing Company), Kentwood Real Estate ranked #1 as a market leader for highest average volume sold per associate. Kentwood is comprised of three Denver real estate offices, located in Downtown Denver, Cherry Creek and The Denver Tech Center with a total of 170 agents. Kentwood Real Estate's total production for 2012 was a record-breaking \$1,718,516,376 for the company.

### Real Estate Magazine Top Firms Ranked by Closed Volume Per Sale Associate

Company	State	Sales Associates	Sales Volume	Sales Volume Per Associate
1. Kentwood Real Estate	Colorado	170	\$1,718,516,376	\$10,108,920
2. Pacific Union International	California	450	\$3,897,794,852	\$8,661,766
3. Sereno Group	California	210	\$1,800,000,000	\$8,571,429
4. Zephyr Real Estate	California	200	\$1,511,490,000	\$7,557,450
5. The Group Inc. Real Estate	Colorado	148	\$1,085,011,830	\$7,331,161
6. Fuller Sotheby's Int. Real Estate	Colorado	158	\$1,140,850,092	\$7,220,570
7. Martha Turner Properties	Texas	228	\$1,598,902,635	\$7,012,730
8. Hammond Residential Real Estate	Massachusetts	320	\$2,225,489,698	\$6,954,655
9. Alain Pinel Realtors	California	1288	\$8,816,730,672	\$6,845,288
10. TTR Sotheby's Int. Real Estate	DC	190	\$1,258,553,437	\$6,623,965

### Real Estate Magazine Top Firms Ranked by Closed Volume Per Sales Associate



Source: RISMedia

## 2013 LUXURY MARKET OUTPACES 2012 YEAR TO DATE

Through November 2013, buyers purchased \$970,549,874 in single-family Million Dollar properties comprised of 672 transactions compared to \$770,025,008 in sales and 502 transactions in 2012. This resulted in an increase of 26.0% in volume and an increase of 33.9% in transactions respectively. Year to date in 2013 the highest sold property was \$8,691,000 (April) which is 15.9% more than the 2012 highest priced sale of \$7,500,000 (July). The number of days on the market is now 15.9% less at 159 days versus 189 days in 2012.

## Million Dollar Real Estate Market Recap:

November Year Over Year	2013	2012	% change
Closed Sales	49	45	+ 8.9%
Closed Sales Volume	\$73,986,325	\$73,143,470	+ 1.2%
Average Sales Price	\$1,509,925	\$1,625,410	- 7.1%
Highest Price Sold	\$3,269,000	\$4,000,000	- 18.3%
Average Days on the Market	131	193	- 32.1%

\*Source: Metrolist, Inc. - Denver Metro

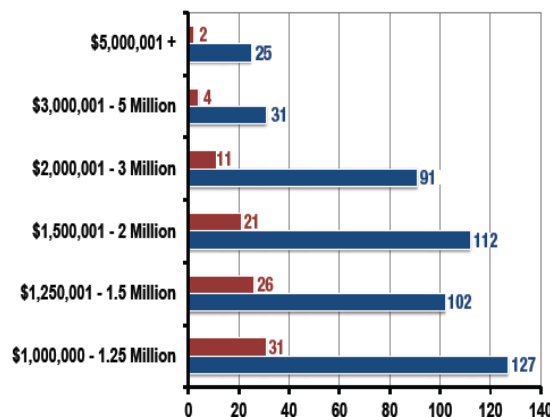
## ACTIVE & UNDER CONTRACT LISTINGS

Active

Under Contract

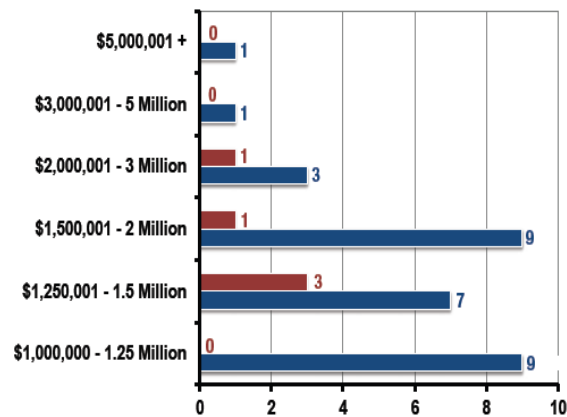
### Residential

Total Active - 488 Total Under Contract - 95



### Condominium

Total Active - 30 Total Under Contract - 5



\*Excludes Land Listings. \*\* Source: Metrolist, Inc.

# NOVEMBER 2013 MARKET REPORT WRAP-UP

(RES + CONDO) |  $\Delta$  CHANGE FROM LAST YEAR



48

AVERAGE  
DAYS ON  
MARKET  
 $\Delta$  -22.3%



9,159

NUMBER OF  
RESIDENTIAL HOMES  
FOR SALE  
 $\Delta$  23.0%



\$304,696

AVERAGE SOLD PRICE  
 $\Delta$  7.7%



7.7%

AVERAGE SOLD PRICE  
INCREASE VS NOVEMBER  
2012



4,192

TOTAL HOMES UNDER  
CONTRACT  
 $\Delta$  17.4%

**SOLD**

3,506

HOMES SOLD IN  
NOVEMBER 2013  
 $\Delta$  -8.0%



## SELLER'S MARKET

DECREASED INVENTORY AND INCREASE IN AVERAGE SALES PRICE

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