



# DECEMBER 2013 MARKET REPORT

## Included:

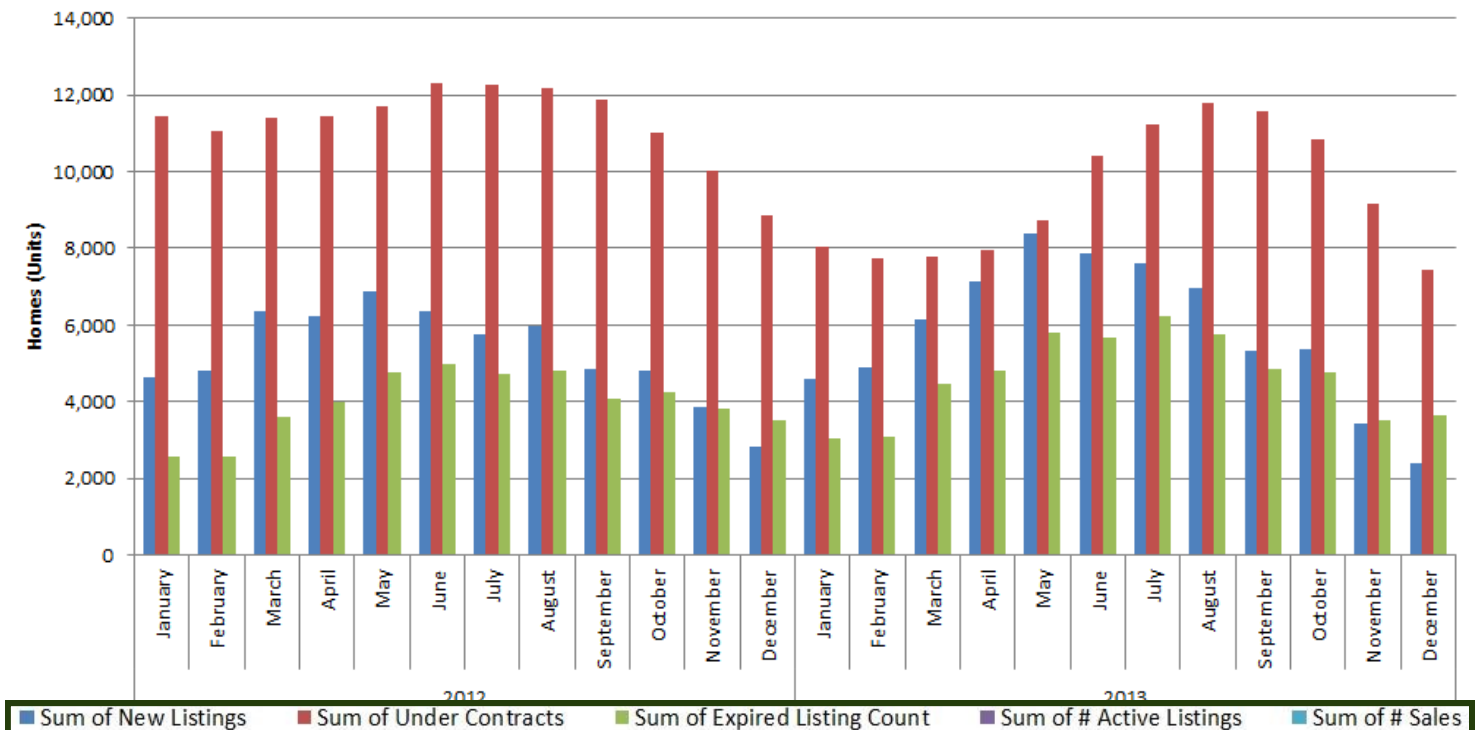
Metro Denver Residential Monthly Market Stats YTD  
Inventory Movement  
Interest Rate Averages  
Metro Denver Vacancy Rates & Rental Rates  
Case Shiller Index Graphs  
FHFA HPI (Home Price Index) Graphs  
Market News  
Kentwood Real Estate vs. MLS  
Luxury Market Statistics  
Market Report Wrap-Up Infographic





Key Metrics	Historical Sparklines	12-2012	12-2013	+ / -	Last Year YTD	This Year YTD	+ / -
Active Listings		6,514	7,418	+ 13.9%	--	--	--
Under Contract Listings		2,871	3,346	+ 16.5%	51,718	62,955	+ 21.7%
New Listings		2,585	2,379	- 8.0%	59,133	66,669	+ 12.7%
Sold Listings		3,387	3,632	+ 7.2%	47,252	55,157	+ 16.7%
Total Days on Market		68	53	- 21.7%	68	46	- 32.4%
Median Sold Price*		\$234,000	\$252,000	+ 7.7%	\$232,500	\$254,073	+ 9.3%
Average Sold Price*		\$289,900	\$307,987	+ 6.2%	\$280,270	\$305,304	+ 8.9%
Percent of Sold Price to List Price**		98.3%	98.3%	0.0%	98.3%	99.0%	+ 0.7%

### Inventory Movement Residential Homes

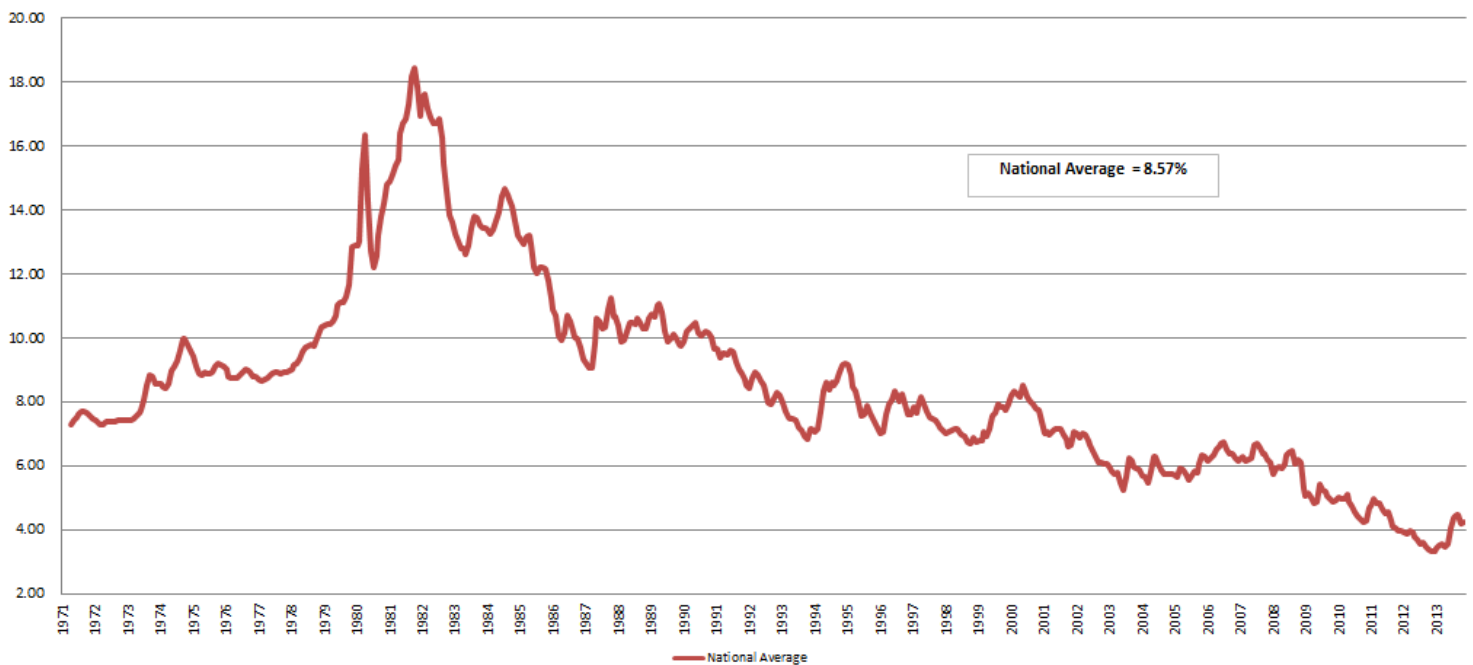


SOURCE: DENVER METROLIST

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

Average Interest Rate by Month	
May 2013	3.54%
April 2013	3.45%
March 2013	3.57%
February 2013	3.53%
January 2013	3.41%
December 2012	3.35%
November 2012	3.35%

## 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%

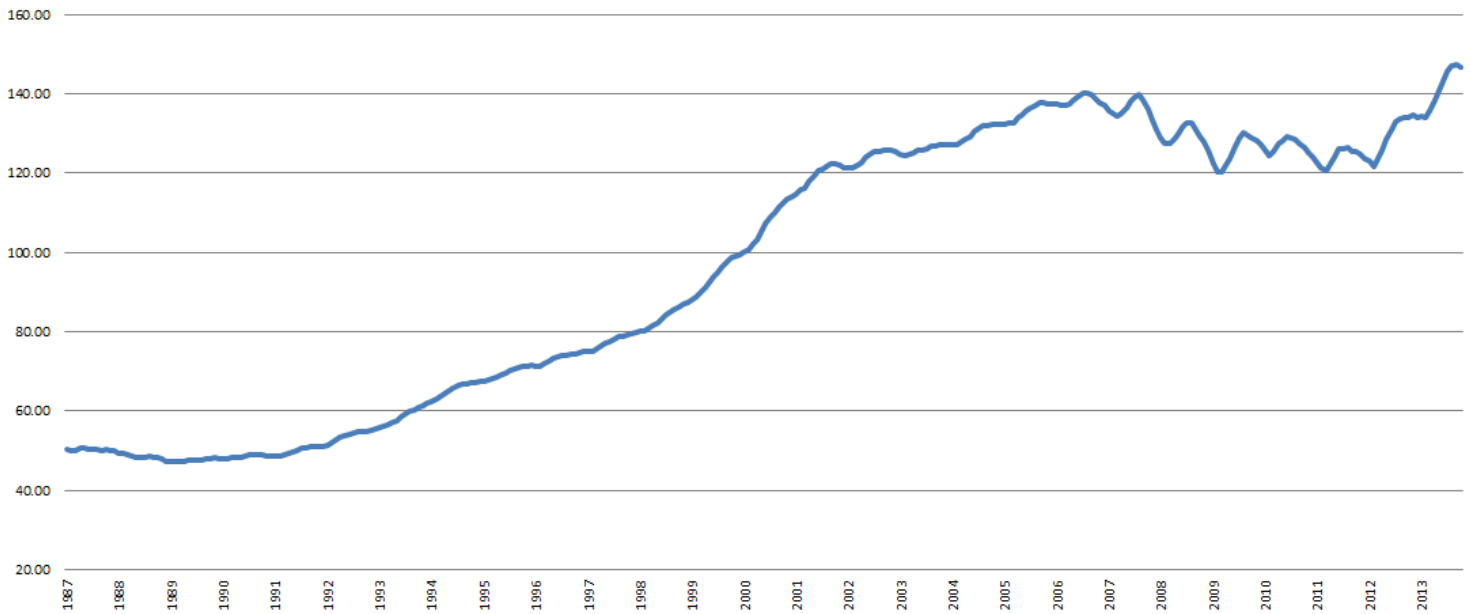
Average Rental Rates (Prior 2 Years)	
3rd Quarter 2013	\$1,140
2nd Quarter 2013	\$1,123
1st Quarter 2013	\$1,089
4th Quarter 2012	\$1,084
3rd Quarter 2012	\$1,090
2nd Quarter 2012	\$1,060
1st Quarter 2012	\$1,056
4th Quarter 2011	\$1,062
3rd Quarter 2011	\$1,049

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%

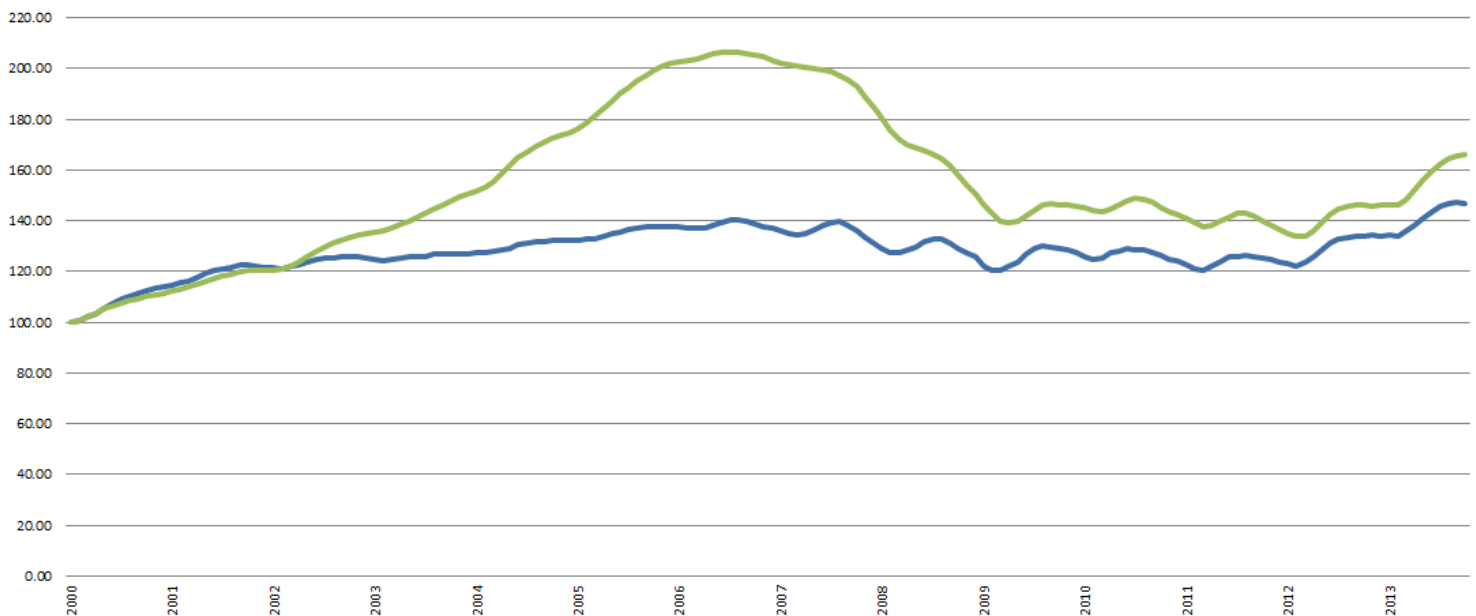
Avg. Rental Rates By County (Q2 2013 vs. Q3 2013)		
Adams County	Q2 = \$1,181	Q3 = \$1,162
Arapahoe County	Q2 = \$1,063	Q3 = \$1,042
Boulder/Broomfield County	Q2 = \$1,645	Q3 = \$1,662
Denver County	Q2 = \$1,052	Q3 = \$1,068
Douglas County	Q2 = \$1,504	Q3 = \$1,529
Jefferson County	Q2 = \$1,079	Q3 =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

\* data for the 4th Quarter of 2013 has not been released as of this market report date

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



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

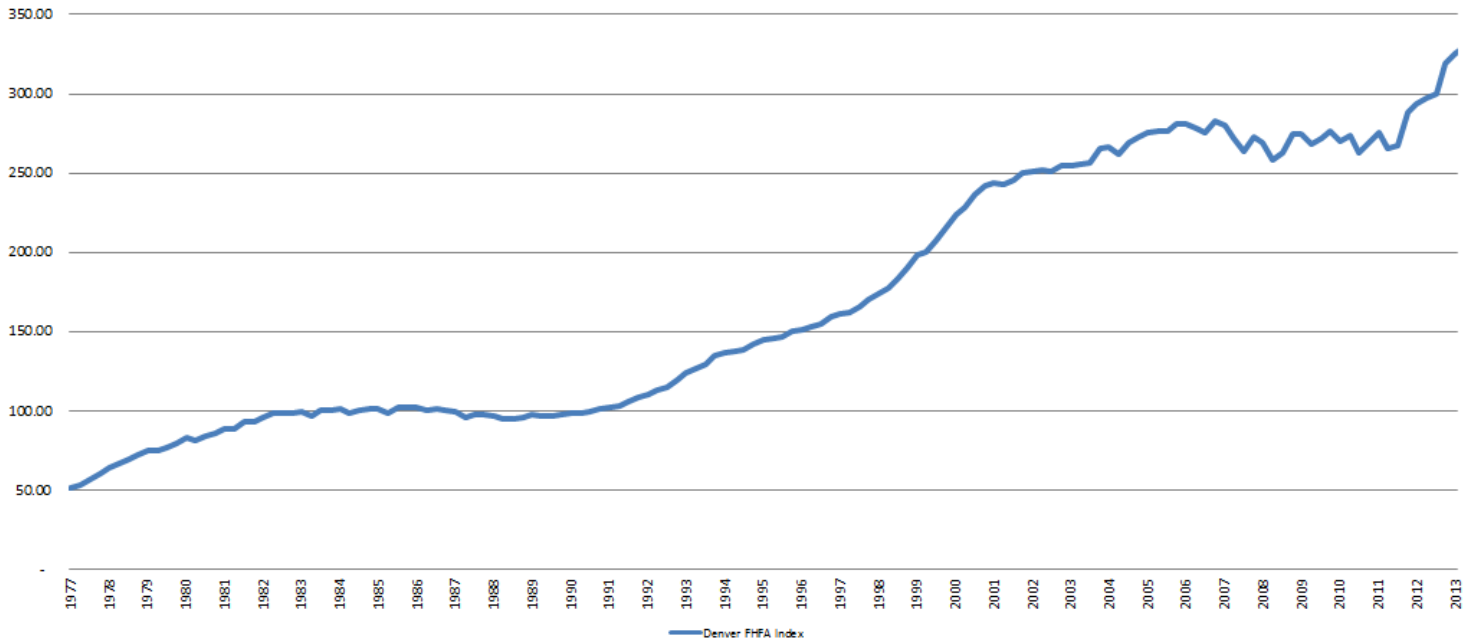


The Case-Shiller Index is one of the most closely watched housing price reports. It is comprised of 20 city indices that calculate data based on repeat sales of single-family homes (excluding condos and town homes), an approach developed by economists Karl Case, Robert Shiller and Allan Weiss. Case developed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

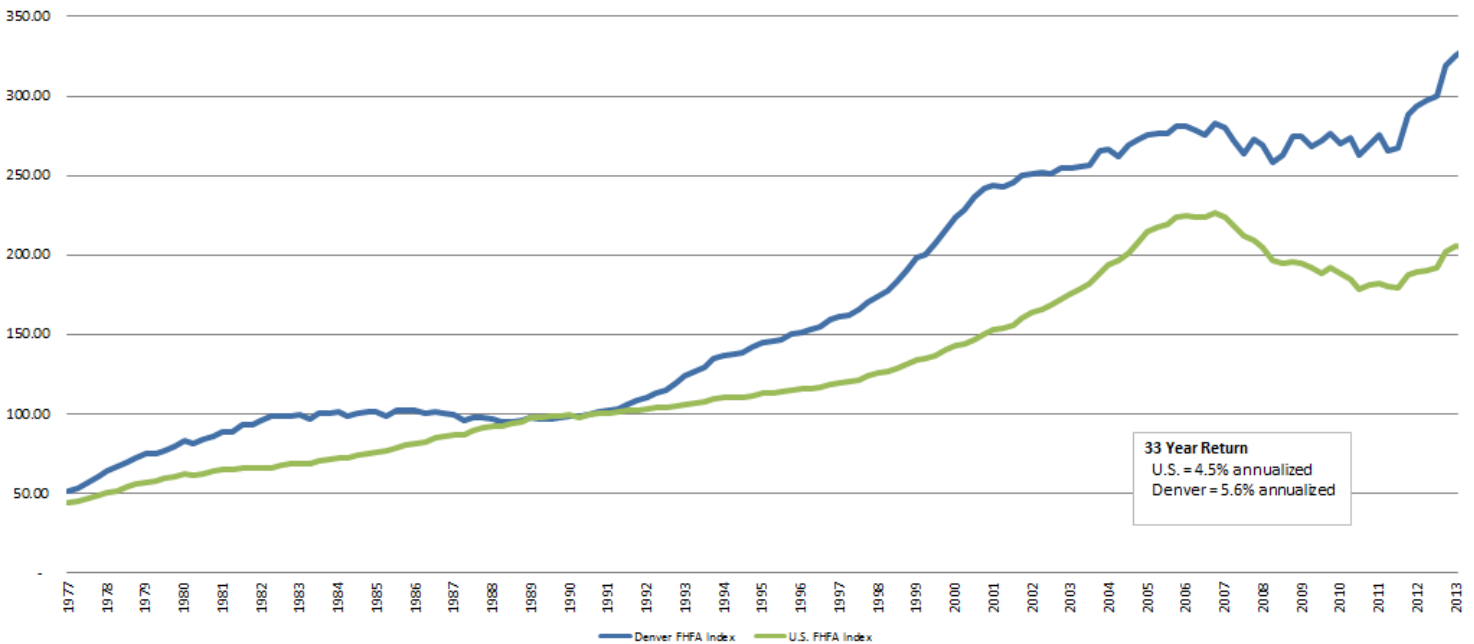
Cities included in the 20 City Composite are: Phoenix (AZ) | Los Angeles (CA) | San Diego (CA) | San Francisco (CA) | Denver (CO) | Washington (DC) | Miami (FL) | Tampa (FL) | Atlanta (GA) | Chicago (IL) | Boston (MA) | Detroit (MI) | Minneapolis (MN) | Charlotte (NC) | Las Vegas (NV) | New York (NY)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

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

## FHFA Home Price Index (HPI) Denver (1977 - Q4 2013)



## FHFA Home Price Index (HPI) Denver vs U.S. Index (1977 - Q4 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

Last year, buyers snapped up a record 54,024 homes in the Denver area!

### So what, you might ask?

Here is another way to look at it: that is almost equal to all of the homes in Littleton and Boulder. When you think that the equivalent of two major cities along the Front Range traded hands in 2013, that is pretty impressive.

The number of sales jumped 16.7 percent from the 46,299 home sales in 2012, but the dollar volume rose by a whopping 28.5 percent. That is similar to the type of returns the stock market made last year, leading to headlines and water cooler chatter about how much money our 401(k)s rose last year.

By the numbers, a record \$16.58 billion in homes sold last year. This not only eclipsed the \$12.9 billion in 2012, but was \$1.6 billion more than the previous record of \$14.94 billion in total sales in 2005, in non-inflation adjusted dollars.

There was a lot of pent-up demand from consumers who wanted to buy their first home or move-up. One of the reasons that prices were so high is that consumers who were more confident with the economy and their own jobs had few homes to choose from last year.

At the end of December, there were only 7,706 homes to choose from. That marked the lowest inventory number for any December in history. Earlier in the year, there were so few homes on the market that bidding wars became an every day event. Homes in some hot neighborhoods were selling for tens of thousands of dollars more than the listing price.

For the sellers, of course, that was great. Especially since a few years earlier, during the Great Recession, no one was beating down their door to pay higher than the asking price. There were so many foreclosures and short sales available they were driving down the prices of homes that had equity.

Some people ended up on the losing end of a bidding war four, five or six times. No doubt some of those people were able to eventually find their dream home, while others took a breather from the frustrating and stressful time. Those in the latter category may very well be back in the market this year. And if the economy continues to pick up in 2014 as most economists and market watchers expect, there will be even more people who want to buy a home. However, if the economy does improve and unemployment continues to drop, it is all but certain that interest rates will rise.

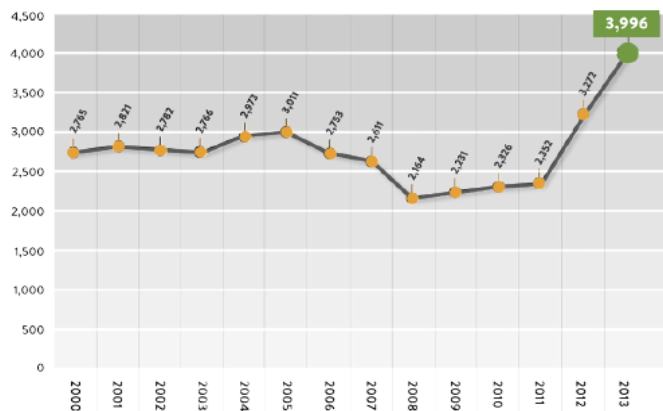
**That means if you are thinking at all to buy a home, don't wait. Call a trusted Realtor and start looking for a home. The longer you wait, the chances are the more you will pay.**

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.

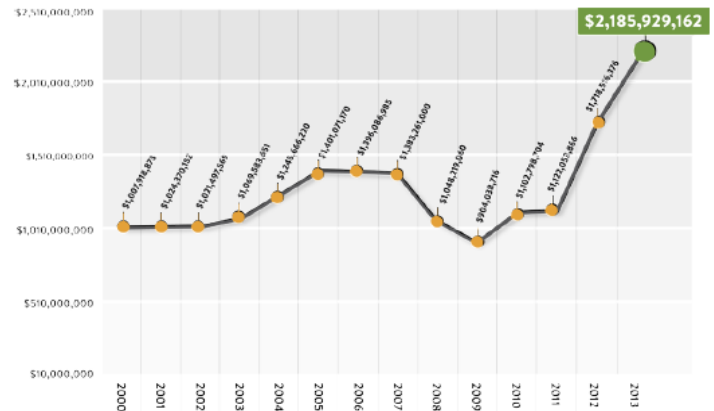


## Top Performing Agents

KENTWOOD REAL ESTATE CLOSED TRANSACTIONS IN 2013

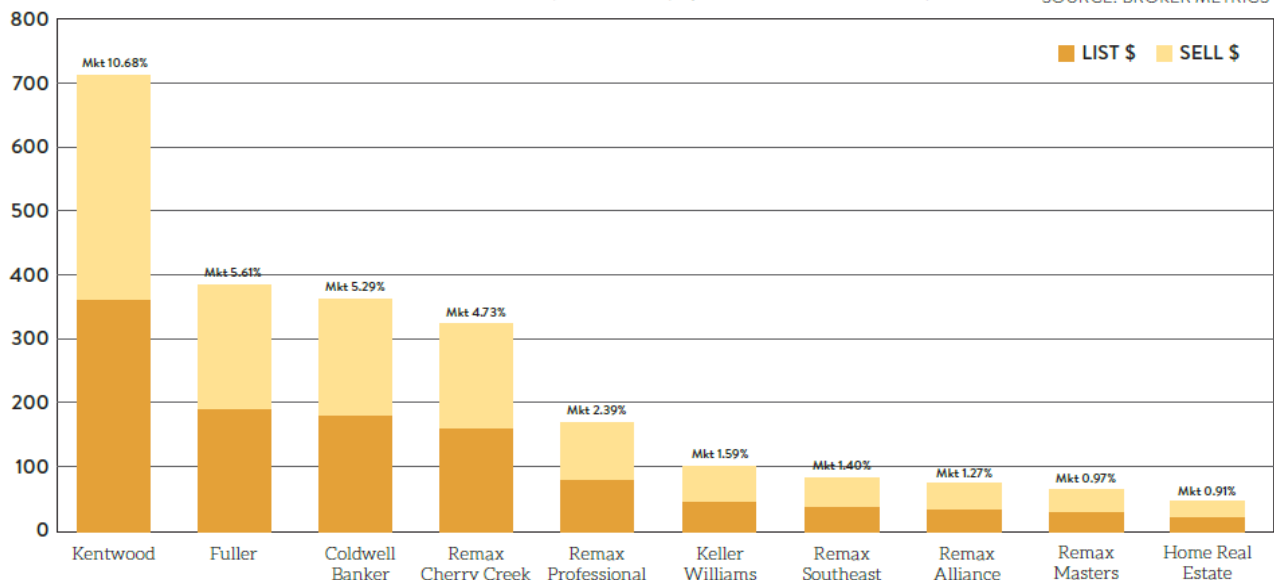


KENTWOOD REAL ESTATE CLOSED SALES VOLUME IN 2013



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

SOURCE: BROKER METRICS





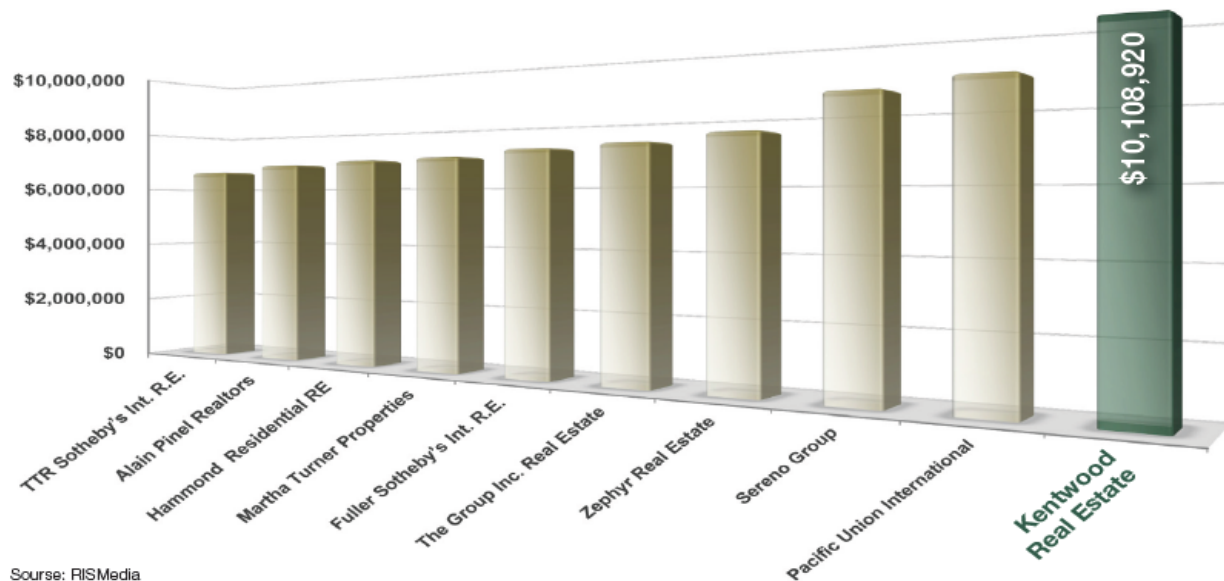
## Kentwood Real Estate Ranks #1 Nationally in Sales Volume per Associate for 2012

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



## 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

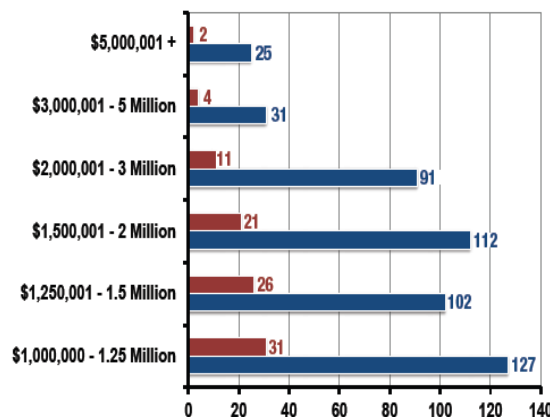
## ACTIVE & UNDER CONTRACT LISTINGS

Active

Under Contract

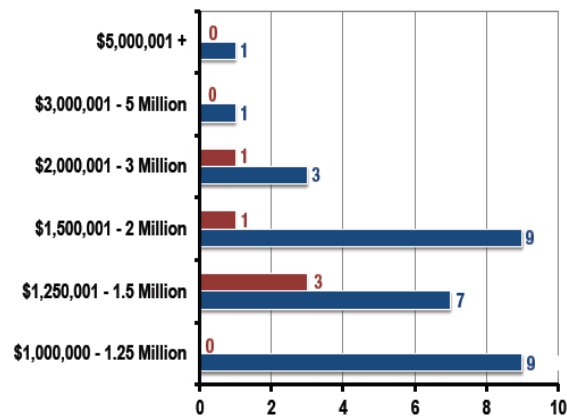
### Residential

Total Active - 488 Total Under Contract - 95



### Condominium

Total Active - 30 Total Under Contract - 5



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

# DECEMBER 2013 MARKET REPORT WRAP-UP

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



53

AVERAGE  
DAYS ON  
MARKET  
 $\Delta$  -21.74%



7,418

NUMBER OF  
RESIDENTIAL HOMES  
FOR SALE  
 $\Delta$  13.9%



\$307,967

AVERAGE SOLD PRICE  
 $\Delta$  6.2%



6.2%

AVERAGE SOLD PRICE  
INCREASE VS DECEMBER 2012



3,346

TOTAL HOMES UNDER  
CONTRACT  
 $\Delta$  16.5%



3,632

HOMES SOLD IN  
DECEMBER 2013  
 $\Delta$  7.2%



## SELLER'S MARKET

DECREASED INVENTORY AND INCREASE IN AVERAGE SALES PRICE

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