



## How's The Market – October 2010

Welcome to the October edition of “**How's The Market?**” All data has been supplied by MetroList, Inc. There is a great deal of information here. Some of you may just want a quick snapshot of the market compared to last month and last year. The **Executive Summary** (p.1) is for you. If you want more in depth analysis, see the **Supporting Data** (p. 2-4) with graphs and commentary. And if you are asking, “**What Should I do Now?**” turn to Page 5.

### Executive Summary

#### **Sold Properties**

Number of Sold Properties in October 2010 was **DOWN 4%** from September and **DOWN 28%** from October 2009.

#### **Active Inventory**

Active Inventory in October was **DOWN 7%** from September and **UP 13%** from October 2009.

#### **Under Contract**

Properties Under-Contract in October were **UP 2%** from September 2010 and **DOWN 25%** from October 2009.

#### **Average Sales Price**

Average Sales Price in October was **FLAT** from September 2010 and **UP 10%** from October 2009.

#### **Buyers Market / Sellers Market**

It is a Seller's market at the low end price points (\$0-250k), balanced at the \$250k-500k range and a Buyer's market at the higher price points (\$500k-750k, \$750k-1m and \$1m+). The good news is that the Southwest quadrant of Denver remains significantly healthier than the whole of Metro Denver.



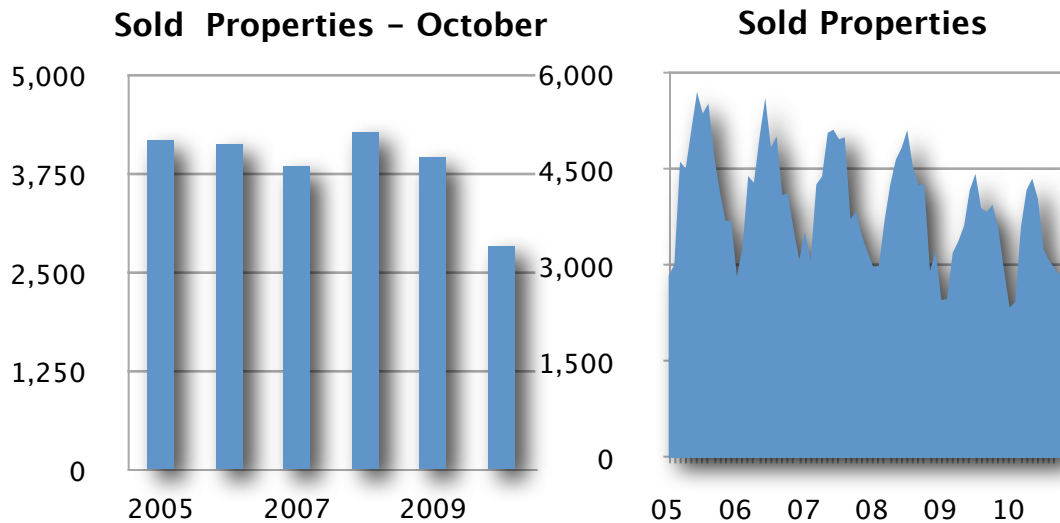
# Wade Perry Properties

Representing buyers and sellers in the Denver, Littleton, Englewood, Greenwood Village and Bow Mar Neighborhoods.

## Supporting Data Summary

### Sold Properties

Through June of this year, SOLDs were **up 10%** over the same 6 months of '09. However, we now sit **down 7%** through 10 months versus 2009. This is proof of the positive impact of the Tax Credit. In addition, SOLDs are **down 21% and 23%** from the 9 month periods in '08 and '07 respectively. This is due in large part to the lending industry returning to more prudent and conventional practices. Buyers no longer have the ability to borrow with no money down and no longer are they able borrow on interest only loans. This means the pool of qualified buyers has shrunk by on fifth.



### Active Inventory

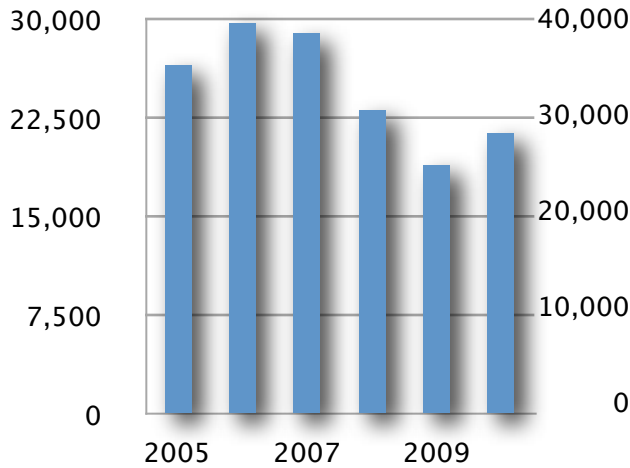
While Active Inventory is down from its peak in July as seasonally expected, it is up 13% from October 2009. There are several potential factors to this increase. There are many properties still on the market which were not sold during the Tax Credit frenzy of April-June. In fact, the Average Days On Market has increased by 37%. And, a smaller pool of buyers equates to fewer properties being sold which translates into more properties remaining on the market.



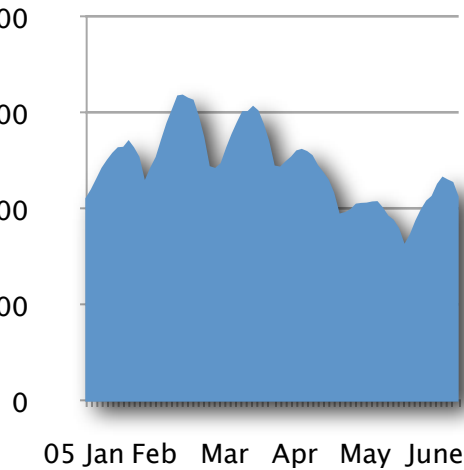
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### Active Inventory - October



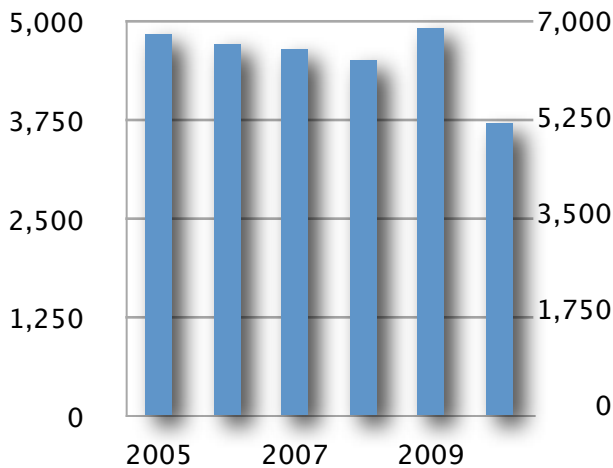
### Active Inventory



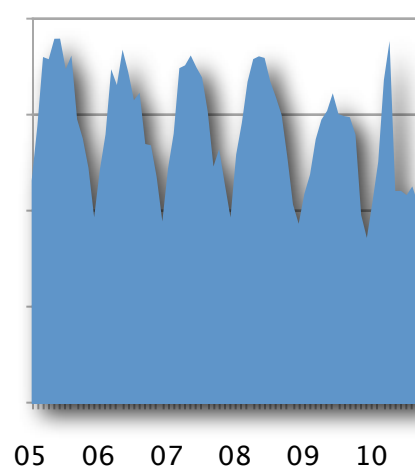
### Under Contract

The number of properties Under Contract took an expected huge drop in July. That is the undeniable impact of the Tax Credit. In May, there were 6,616 properties Under Contract which was the highest monthly reading since June '05. Since the expiration, the readings have been in the 3,800 - 3,900 range. In October, there were only 3,706 Under Contract. Again, the return to prudent lending standards are having an effect here.

### Under Contract - October



### Under Contract



### Average Sales Price

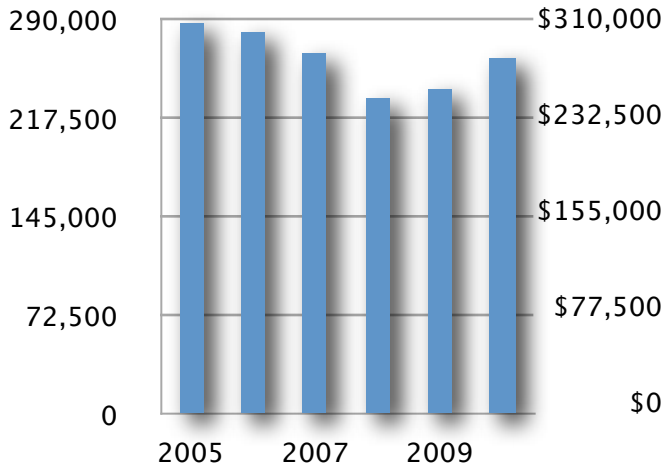
While Average Sales Price was FLAT from September 2010, it was **UP 10%** from October 2009. *In addition, this makes it 14 straight months of gains from a year prior.*



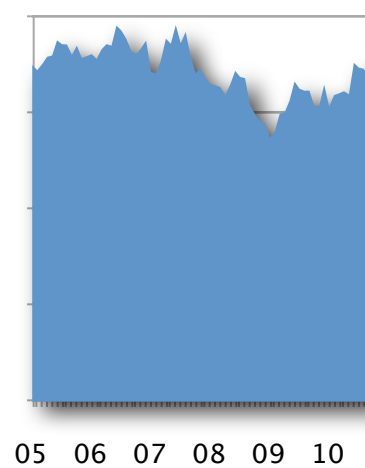
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### Avg Sales Price - October



### Avg Sales Price



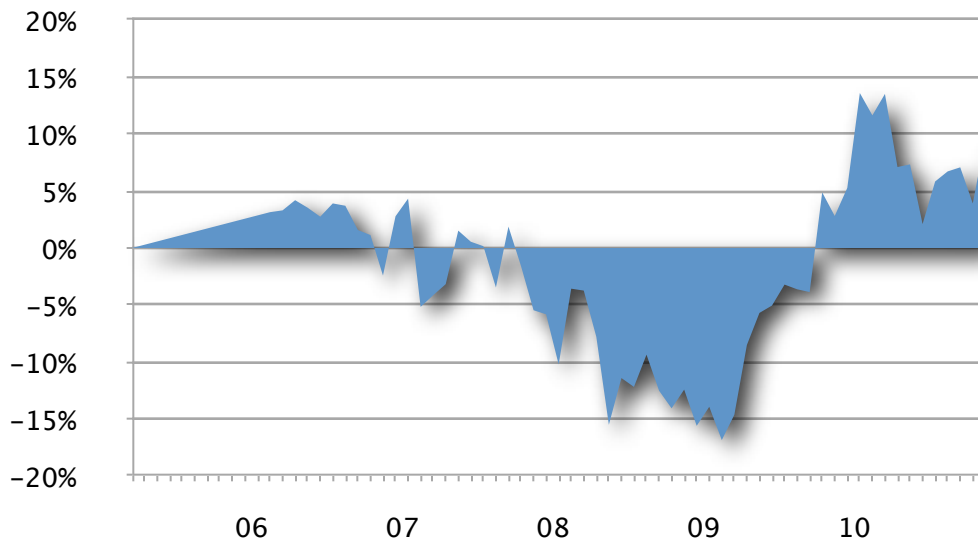
### Buyers Markets / Sellers Markets

The market **up to \$250,000** has **5 months** of inventory slightly favoring the **Seller**.  
 The market from **\$250,000 to \$500,000** is balanced with **6 months** of inventory.  
 The **\$500,000 to \$750,000** range has **9 months** of inventory and still favors the **Buyer**.  
 The **\$750,000 to \$1m** market, at **13 months** of inventory favors the **Buyer**.  
 The **\$1m Plus** market favors the **Buyer** with **18 months** of inventory.

### Putting It All Together

The chart, Year-Over-Year Sold % shows that the Average Sales Price has bottomed and the market is clearly on healthier ground than in past years.

### Year-Over-Year Sold %





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## What should you do now?

1. As previously mentioned, Active Inventory has increased significantly representing more competition to your property. And, the buyer pool is much smaller than in years past due to lenders returning to more traditional terms. So, if you are **considering selling**, your property must be in show condition and your realtor must be an expert in marketing across multiple mediums as well as negotiating.
2. If you are considering a purchase, make sure you work with a full time Realtor who can refer you to a well established lender...one who can customize a loan package to your financial needs and get you pre-qualified.
3. If you have **thoughts of buying**, *now is an incredible time to "move-up"*. Prices in the \$500k - \$1m+ ranges have adjusted downwards significantly over the past 12-18 months. Interest Rates are extremely low. And, any Sellers on the market during the holiday season are SERIOUS about selling.
4. Even if you are not considering a move, *I would encourage everyone to talk to their mortgage lender about refinancing ASAP!* Interest rates remain at very, very low levels. Please contact me if you would like a referral to a truly great mortgage specialist.

The future is bright for the Denver Real Estate market. I look forward to helping you, your family and your friends with their real estate needs and wants. "**How's The Market?**" is published monthly and is available at [www.WadePerryProperties.com](http://www.WadePerryProperties.com). *Please feel free to pass this on to friends and colleagues.*

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