

DENVER METRO MARKET WATCH

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Greater Denver Metro Counties: Adams, Arapahoe,
Boulder, Broomfield, Clear Creek, Denver, Douglas,
Elbert, Gilpin, Jefferson, and Park

Highlights

July 2022

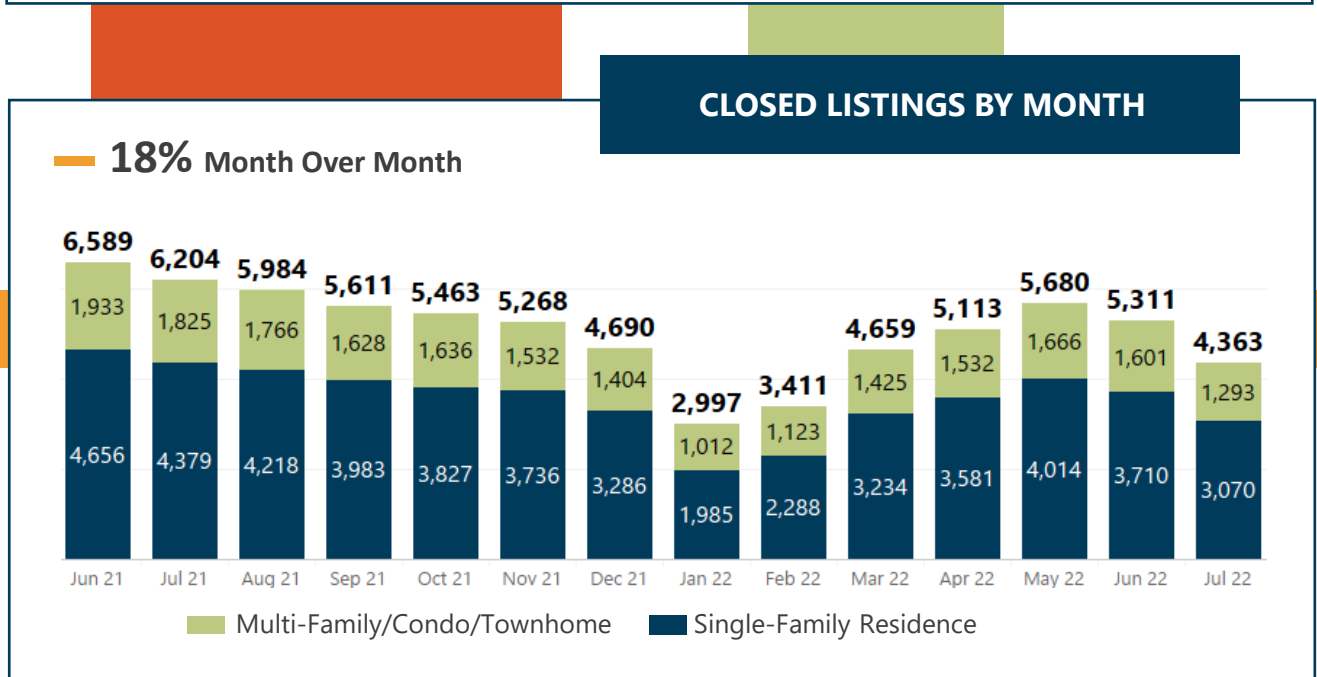
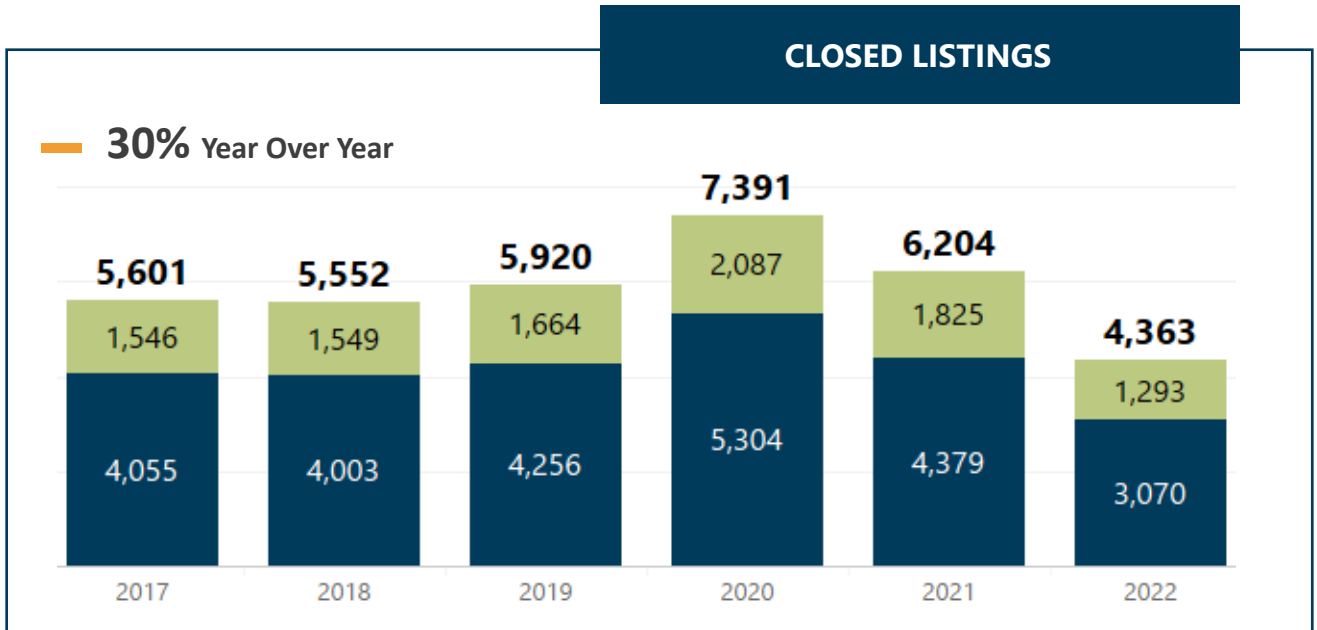
- July metrics show a market that has shifted. Demand has dipped due to high prices and rising interest rates. As a result, prices have stabilized, and homes are staying on the market a bit longer.
- Colorado's economy is strong, home prices remain high, and inventory levels remain constrained keeping sellers in a great position. The key to securing the best offer is to list properties with competitive pricing.
- There is quite a bit of uncertainty in the Denver housing market right now with home sellers and home buyers adjusting to new realities. The days of feverish demand are behind us as buyers reevaluate their home buying goals given today's home prices and higher interest rates.
- Are buyers backing out of contracts as a result of market conditions? This July, 12% of listings in Pending status moved back to Active, which is 3% more than we saw last July.

4,363 Closed Listings	\$595,000 Median Closed Price	6 Median Days In MLS
4,496 Pending Listings	\$687,342 Average Closed Price	14 Average Days In MLS
6,334 New Listings	7,177 Active Listings	7 Weeks of Inventory

Closed Listings

July 2022

According to REcolorado metrics, July saw a decrease in the number of closings as compared to both last month and last year as home buyers heard the news of rising interest rates. The number of closings was lower than we've seen in the month of July since 2011.



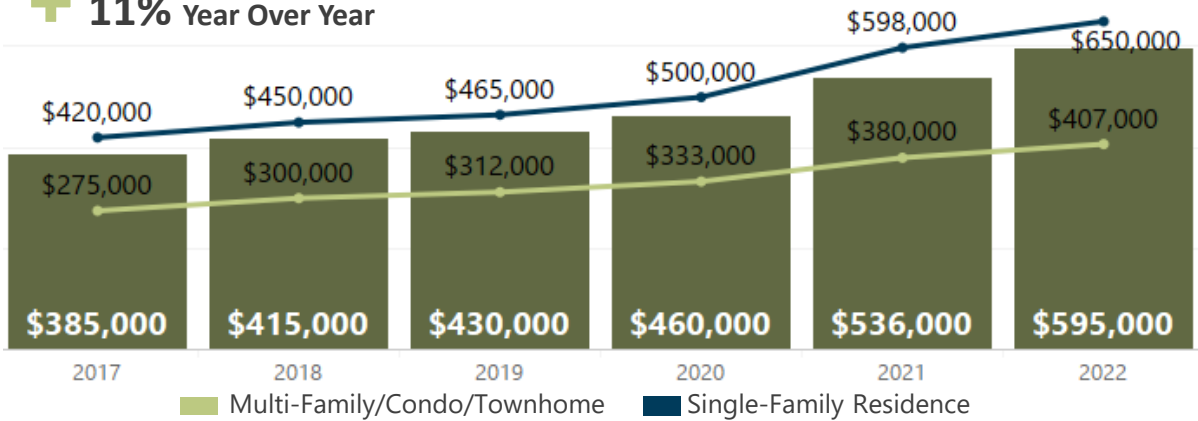
Closed Prices

July 2022

Price appreciation has continued to slow in the face of rising mortgage rates. In July, the median price of homes was 11% higher than last year. However, from a month-to-month perspective, prices are tapering with July bringing the third consecutive month of declines in the median price of a closed home. According to REcolorado data, 4% of listings saw a price decrease from the original list price, which is the same as July 2021.

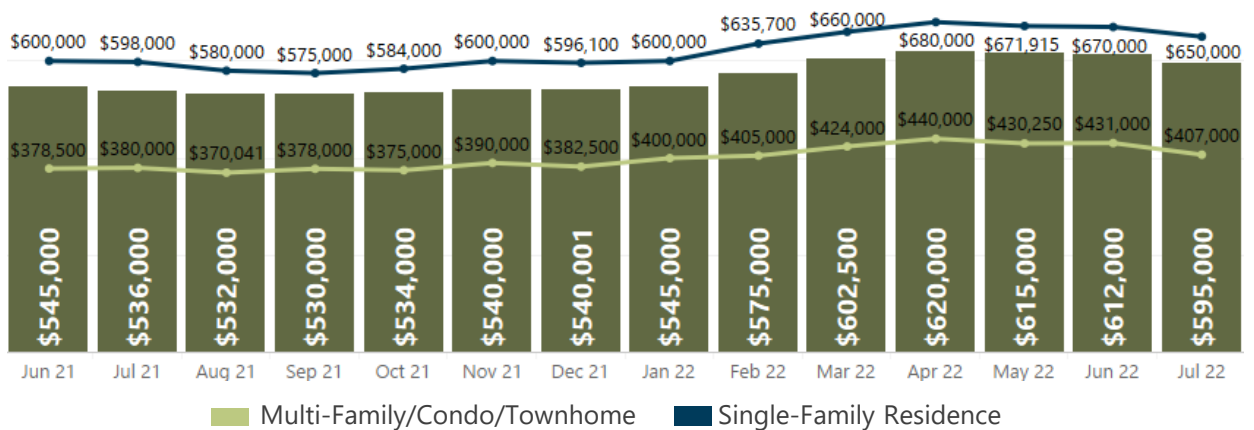
MEDIAN CLOSED PRICE

+ 11% Year Over Year



MEDIAN CLOSED PRICE BY MONTH

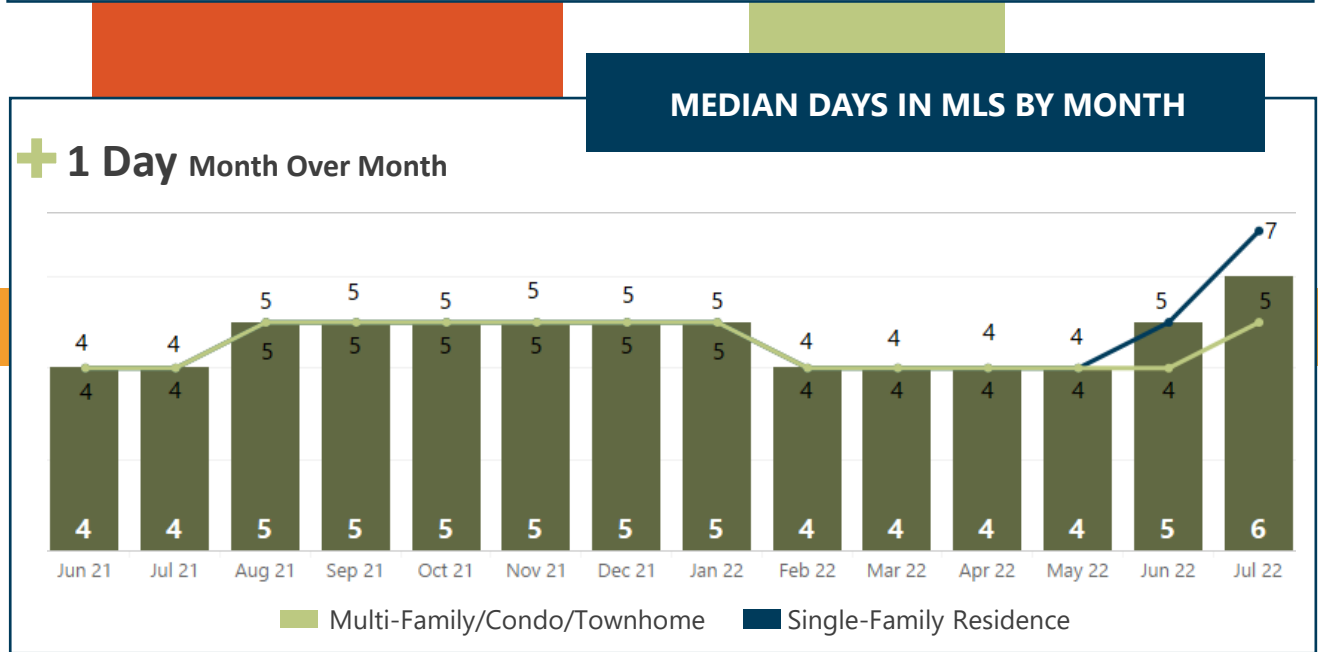
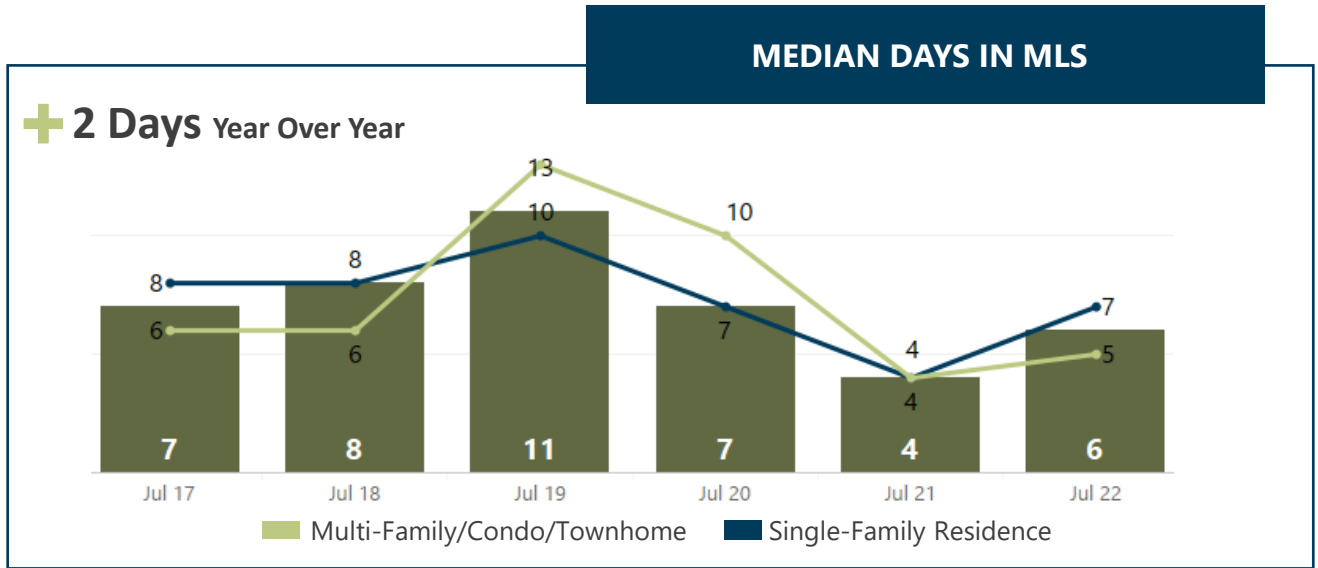
- 3% Month Over Month



Days In MLS

July 2022

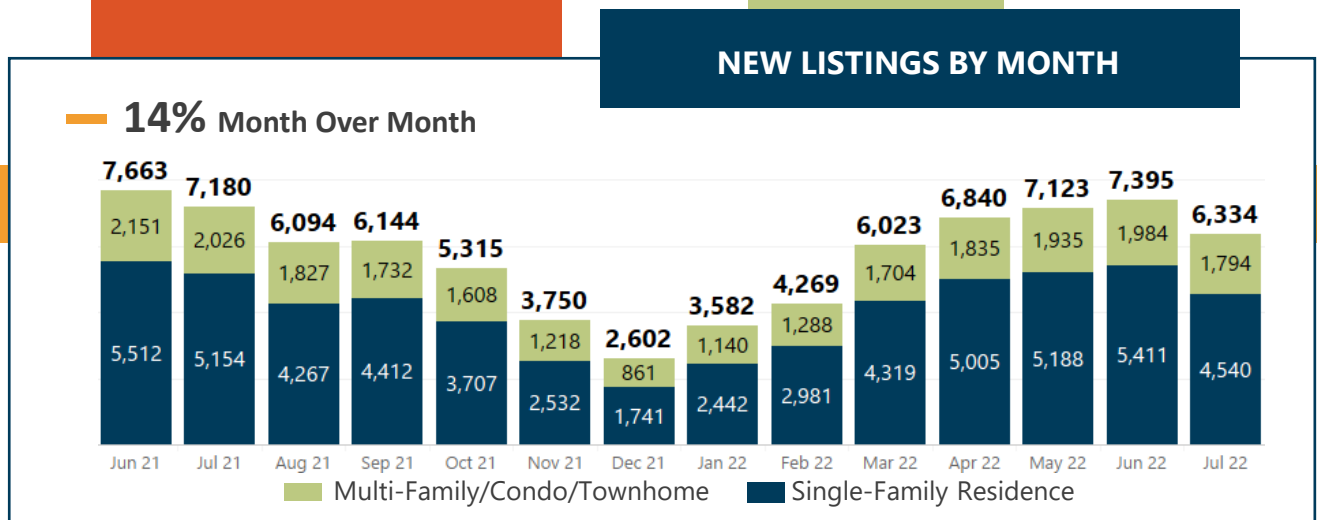
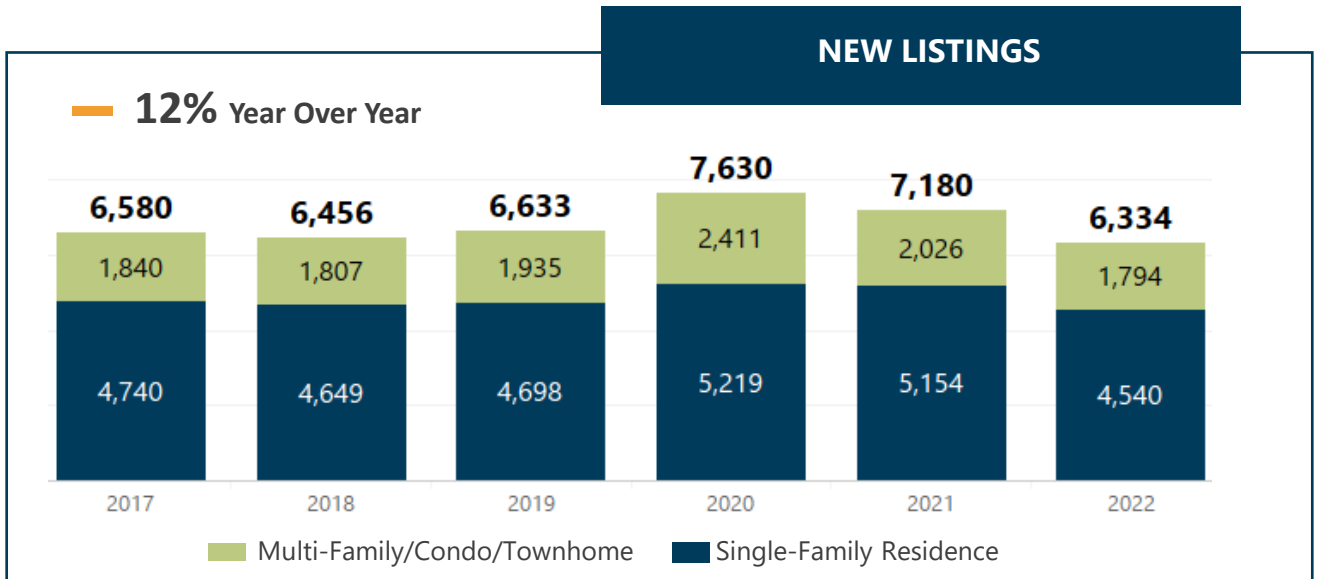
The median number of days it took a listing to move from actively available in the REcolorado MLS to the Pending status crept up in July. With more inventory on the market and less competition, buyers have more time to make decisions. Still, more than half of available homes have a contract written on them in less than a week.



New Listings

July 2022

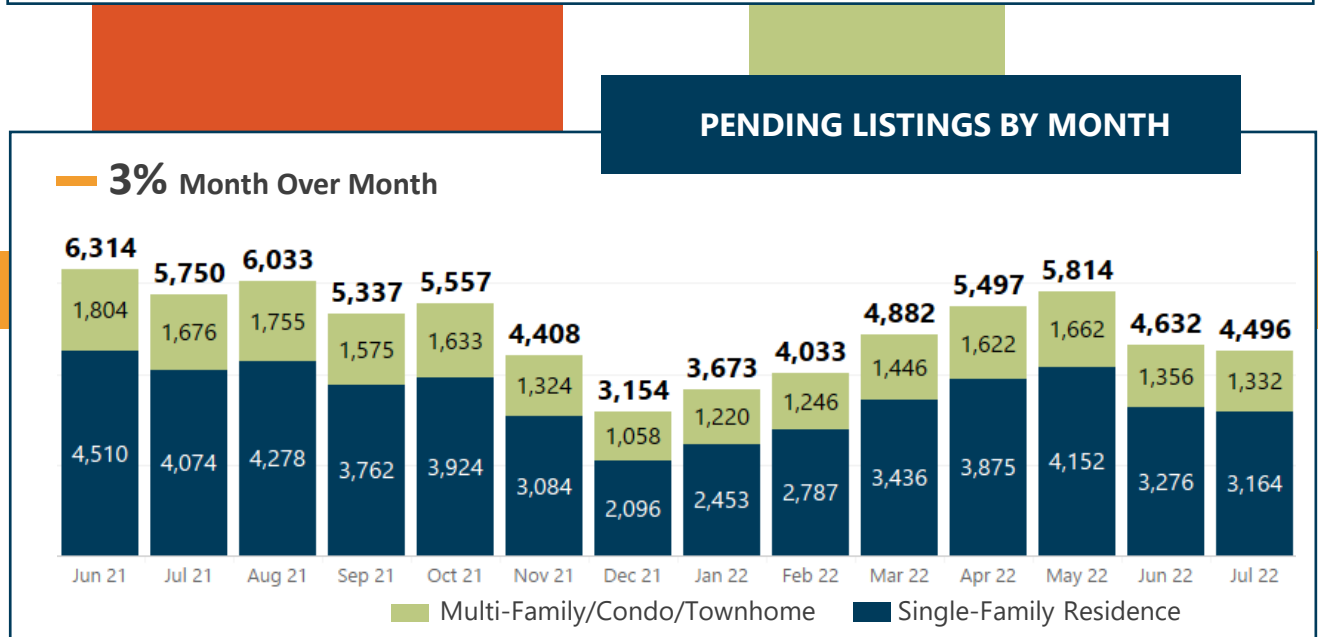
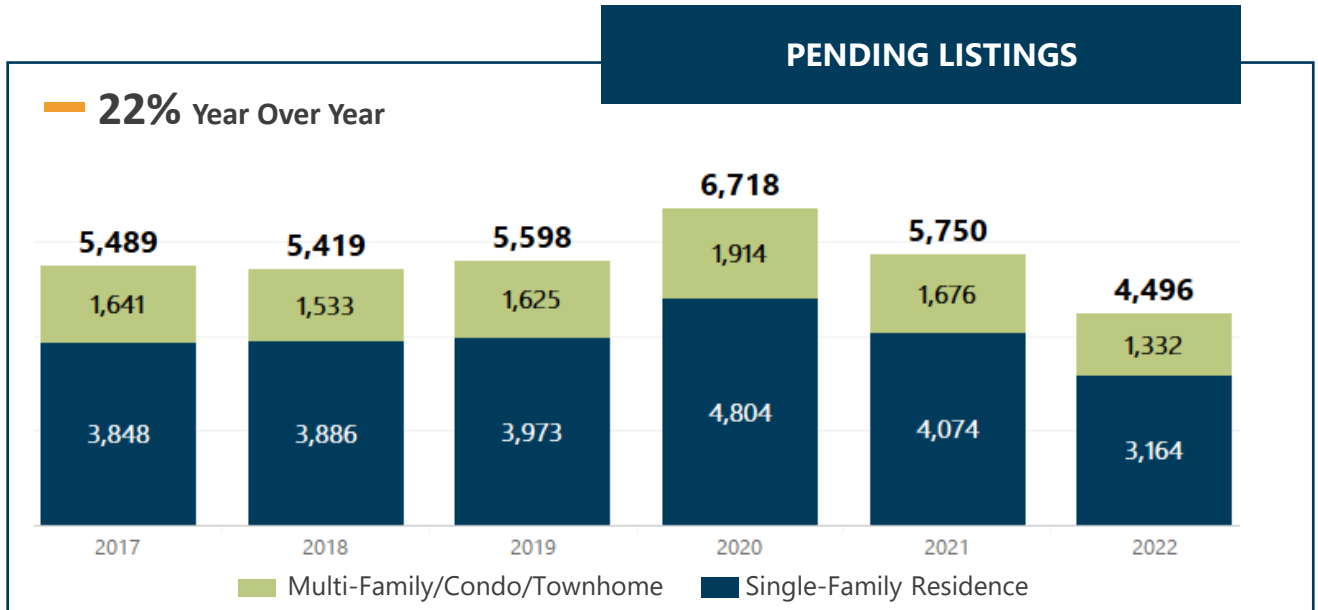
The number of new listings sellers brought to the market decreased from last July as well as last month. The market typically sees a decrease in new listings from June to July due to the July 4th holiday and summer vacations. However, this is the lowest number of new listings we've seen in the month of July since 2021.



Pending Listings

July 2022

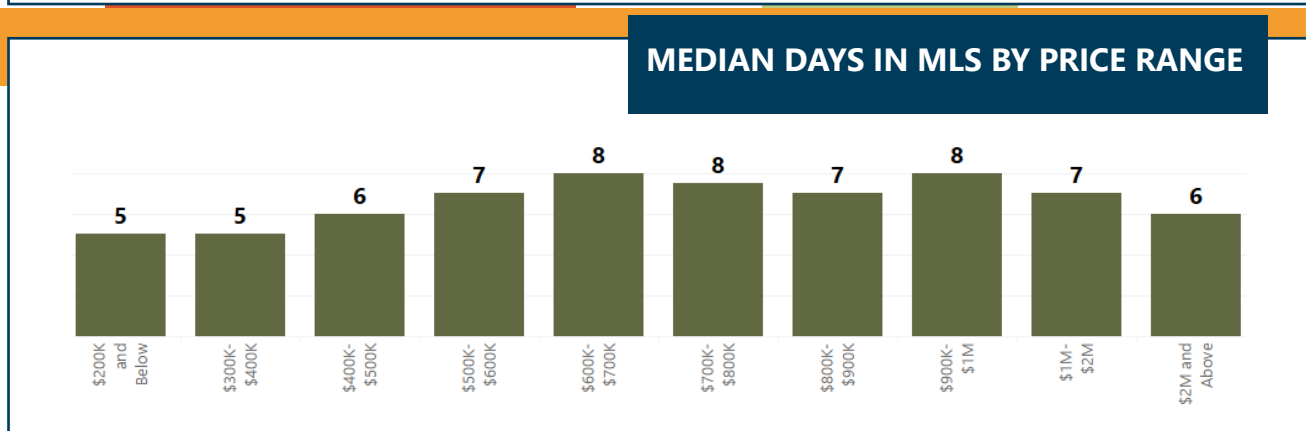
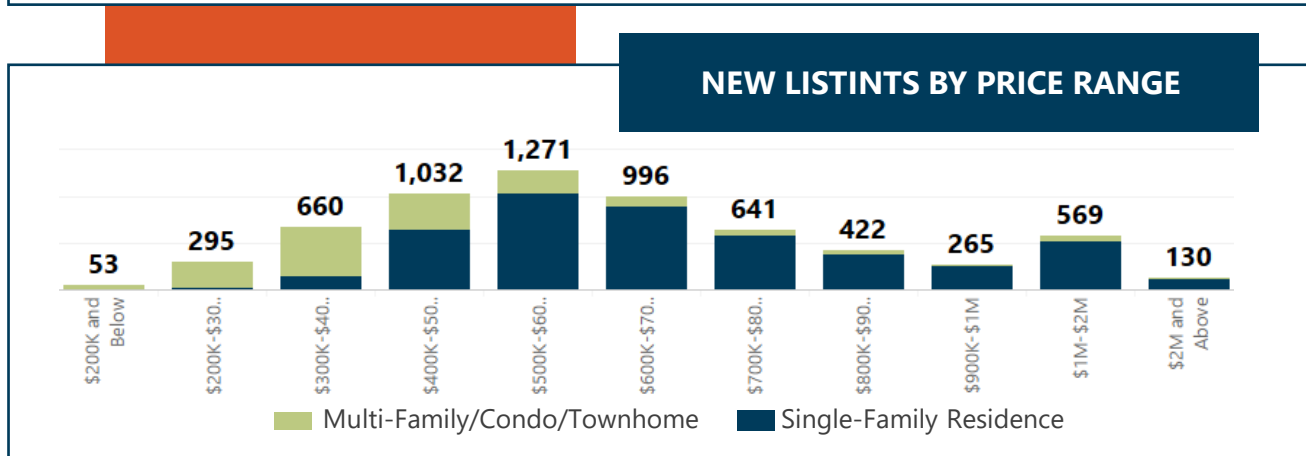
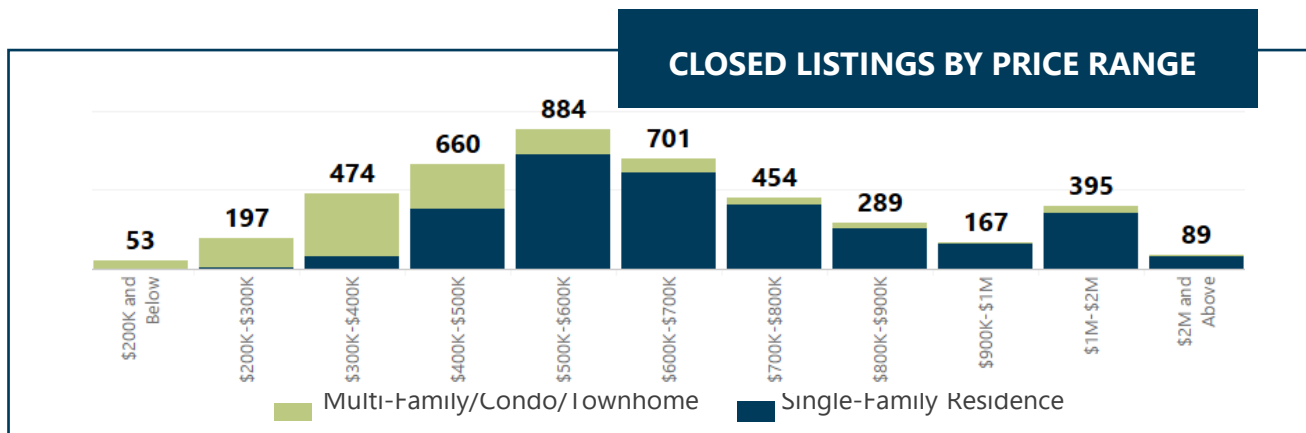
Buyer activity pulled back for the second consecutive month as home buyers reevaluated their finances given today's home prices and higher interest rates. As a result, the number of pending listings, a leading indicator that is used to predict closings in the next month to two months, saw declines from last year and last month. Similar to new listings, it is typical to see a dip in buyer activity in July due to the long July 4th weekend and vacation schedules.



Activity by Price Range

July 2022

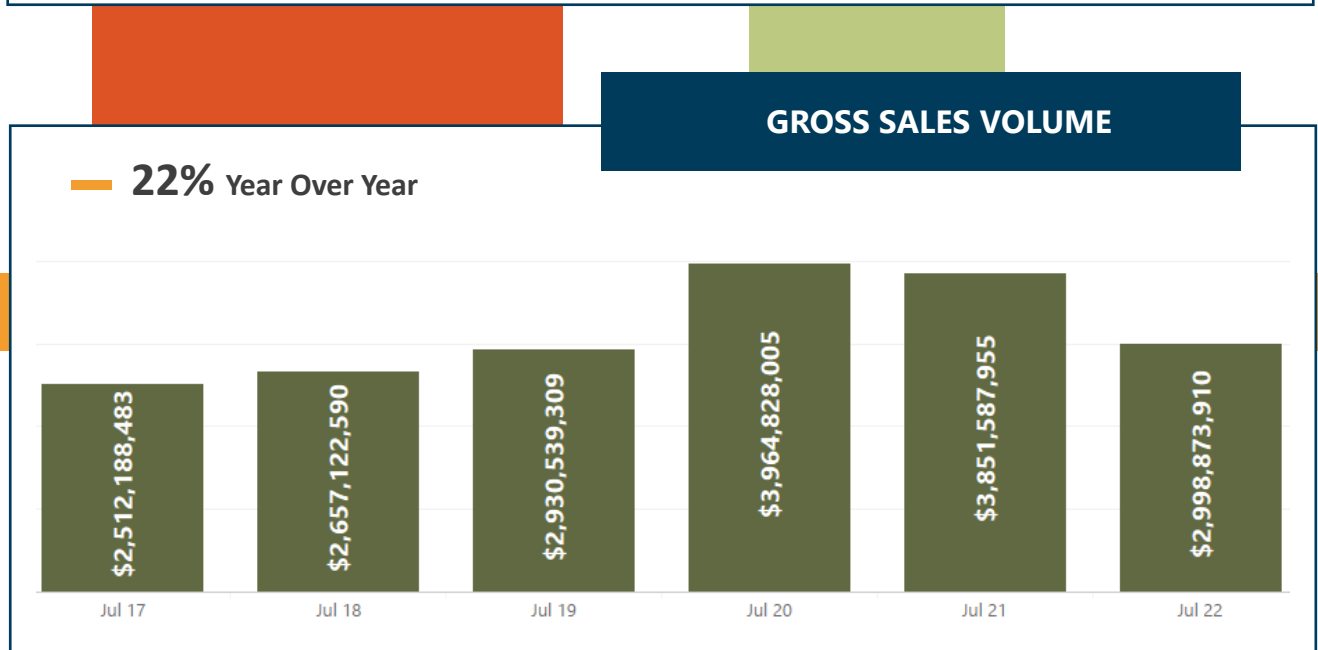
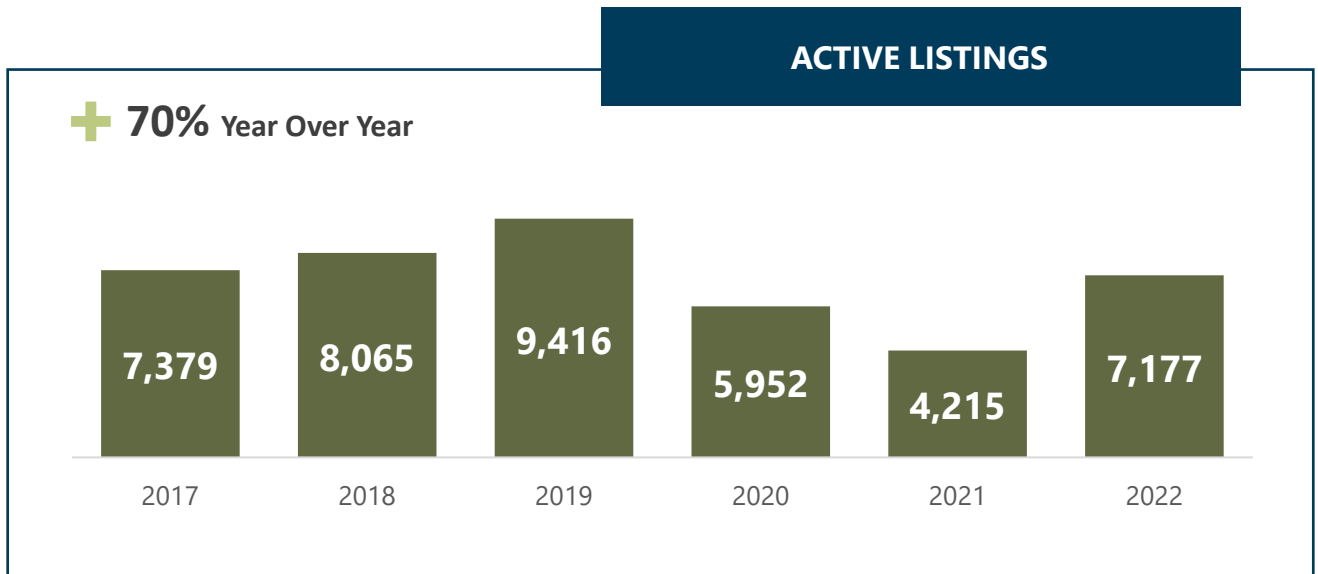
July saw a decrease in the number of closings by price range with the exception of the \$2M+ category where we saw a 19% increase. The number of New Listings that came on the market increased in the ranges of \$600,000 and more. Properties priced below the \$600,000 mark saw decreases in listings. There were 25% more listings brought to the market priced \$2M and above than in July of 2021.



Active Listings and Volume

July 2022

At the end of July, there were nearly twice as many listings actively available on the market than we saw in July of 2021. The number of Active listings, or standing inventory, increased 23% since last month and 351% since January. Gross sales volume for July was lower than July 2021 and 2020, which aligns with the decrease in closings.



Glossary of Terms

MEDIAN

Sort the data points from high to low, count the total number of data points and then find the middle of that total. The median tells us the middle value or, what is most commonly occurring in the market. This metric is preferred because it's not affected by outlying data at the tail ends of the market.

AVERAGE

Add up all data points and then divide by the total number of data points. This metric is not considered the most accurate gauge since outlying data can easily skew the results.

DAYS IN MLS (DIM)

Days in MLS counts the number of days a listing has been in an Active status in REcolorado Matrix. It does not accumulate days while the listing is in Coming Soon, Pending or Withdrawn status.

WEEKS OF INVENTORY

A measure of how long it would hypothetically take to sell through all available homes currently for sale, given current levels of home sales. A balanced market ranges from four to six months of supply. A buyer's market has a higher number, reflecting fewer buyers relative to homes for sale. A Seller's market has a lower number, reflecting more buyers relative to homes for sale.

YEAR-OVER-YEAR

Compares one month of data for the current year as compared to the same month of data one year prior. Example: July 2021 vs July 2020

MONTH-OVER-MONTH

Compares one month of data to the previous month's data. Example: July 2021 vs July 2021

YEAR-TO-DATE

A sum of all data points from the start of the year, July 1, to the current date. This becomes a more reliable metric as the year progresses and there is more data to compare. It is useful when analyzing trend lines from one year to the next.

DENVER METRO AREA

Greater Denver Metro area includes the following counties: Adams, Arapahoe, Boulder, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, and Park.

RESIDENTIAL DATA

Data used for REcolorado Market Watch reports comes from REcolorado Matrix and includes residential listings including single-family residences, condos, townhomes, and multi-family homes.