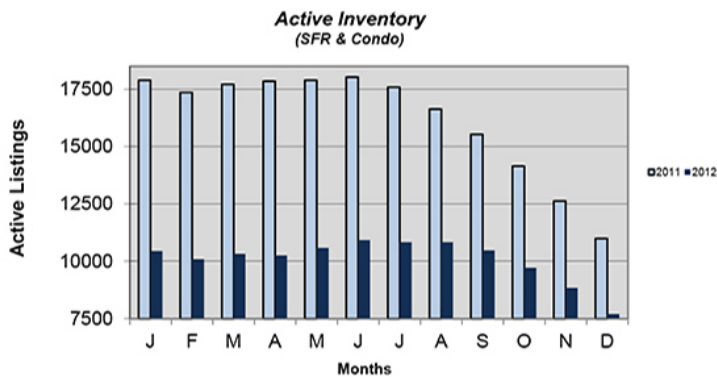


That was then - this is now: Rebound in Housing Market May Mean A Tremendous Opportunity for Home Sellers

As 2013 gets underway, Colorado's housing market is poised to continue the steady recovery that began last year. Home sales and the median sale price rose in most of our markets last year, and industry economists expect more improvement this year. Foreclosures and short sales continue to decline.

The only problem seems to be that many potential sellers don't realize that things have changed so dramatically since the downturn of the housing market, and they're missing out on a tremendous opportunity.



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There's a severe shortage of homes for sale in many areas, which means that homeowners savvy enough to list their home right now are often getting multiple offers – and sometimes at prices we haven't seen in several years!

Available inventory of homes for sale in much of our region is down 50 percent or more just in the past year. Right now, there are more eager buyers out there than homes on the market to meet their demand.

With an imbalance between supply and demand, homebuyers have been fiercely competing with each other, and that's great news for



sellers.

The Denver Metro Area is one of a growing number of metropolitan areas across the country now considered a seller's market, according to Metrolist, the region's multiple listing service. In both November and December, the number of homes sold, under contract or pending settlement outnumbered those available.

Approximately 3,400 homes sold in the region last month, an 8 percent jump from a year ago, and the average sale price climbed even faster, reaching \$289,926, a 14 percent increase over the same month a year ago.

The inventory of single-family homes and condominiums has dropped by more than 50 percent from its high in July of 2010, Metrolist reported. Inventory at the end of December was the lowest it has been since 1998. And the average number of days it took to sell a home has fallen to just two and a half months.

The same trends that we are seeing here in Colorado are occurring in markets across the country, according to the National Association of Realtors.

Home sales nationwide rose to a seasonally adjusted annual rate of 5.04 million in November, the highest level since November 2009, when the annual pace spiked at 5.44 million, NAR reported.

"Momentum continues to build in the housing market from growing jobs and a bursting out of household formation," said Lawrence Yun, NAR's chief economist. "With lower rental vacancy rates and



rising rents, combined with still historically favorable affordability conditions, more people are buying homes.”

Yun said healthy market demand and shortage of listings is driving up prices once again. “A diminishing share of foreclosed property sales is helping home values,” he noted. “Moreover, an acute shortage of inventory in certain markets is leading to multiple biddings and escalating price conditions.”

Total housing inventory at the end of November nationwide fell 3.8 percent to 2.03 million existing homes available for sale, which represents a 4.8-month supply at the current sales pace. It was down from 5.3 months in October and is the lowest housing supply since September of 2005 when it was 4.6 months, NAR reported.

Listed inventory is 22.5 percent below a year ago when there was a 7.1-month supply. Raw unsold inventory is now at the lowest level since December 2001 when there were 1.89 million homes on the market, NAR said.

Compared with a year ago, home listings are down in every price category in each of the nation’s 30 largest housing markets, according to a study by real estate website Zillow.

The tight inventory conditions won’t last forever, of course. In an interview with USA Today, Zillow economist Stan Humphries said tight inventories will push up prices, encouraging more people to list homes.

So where does this all leave you? If you’ve been putting off selling your home, you may want to seriously consider getting back into the market right now. As the new year gets under way, the pendulum has swung back into a seller’s market. But there’s no guarantee how long that will last.

Buyers are out there looking, prices are climbing once again and there just aren’t enough good home listings to go around. With such strong buyer demand and a shortage of listings, this may be the best time to sell your home. I’m ready to help you get started today!