

# DENVER METRO MARKET WATCH

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

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# Highlights

## December 2022

- The rate of home price appreciation continued to slow in December. The median closed price for Denver Metro homes increased 3% compared to last year but decreased from November. Interest rate hikes, along with rising home prices kept affordability top of mind for home shoppers.
- The market continued to see a decline in home shopping and buying activity compared to last year as home shoppers consider affordability and wait for the right combination of price and interest rates. The number of closings was 41% lower than a year ago and there were 26% fewer listings pending sale.
- The number of new listings sellers brought to the market was 33% lower than last year. Existing homeowners may be waiting to list their properties, since many have already locked in lower mortgage rates, creating minimal incentive to sell and buy again until rates are more favorable.
- Homes were on the market, available for sale, a median of 26 days longer than they were last year at this time as home shoppers take their time making decisions. Additionally, there is 4 times more standing inventory to explore.

**2,781**  
Closed Listings

**\$554,950**  
Median Closed Price

**31**  
Median Days In MLS

**2,335**  
Pending Listings

**\$633,407**  
Average Closed Price

**44**  
Average Days In MLS

**1,739**  
New Listings

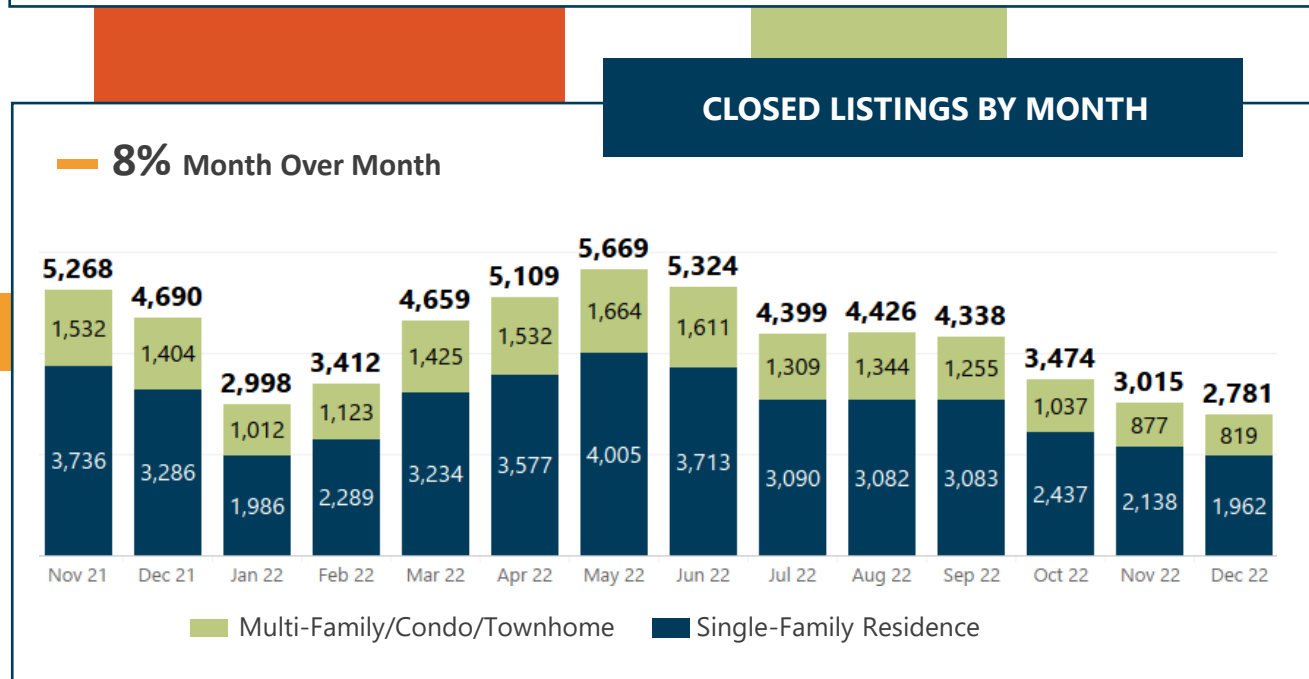
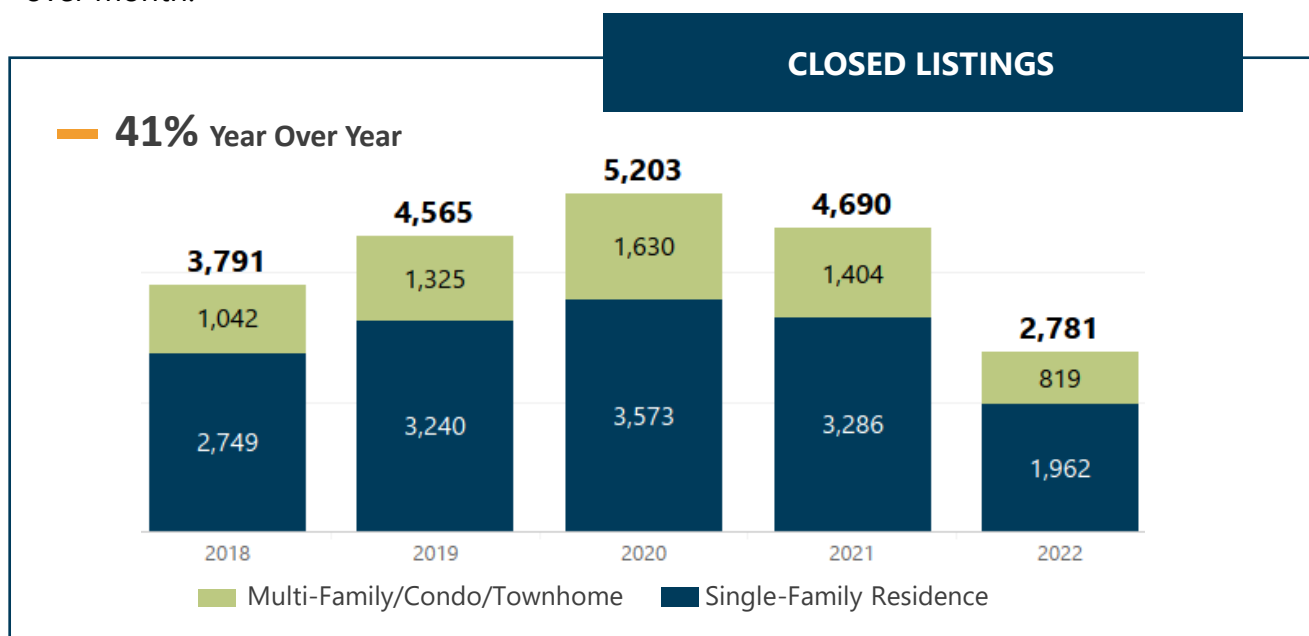
**4,729**  
Active Listings

**7**  
Weeks of Inventory

# Closed Listings

## December 2022

Home sales continued to decline in December as buyer activity remains dampened by mortgage rates that are approximately twice what they were a year ago. The number of home closings in the Denver Metro area is 41% lower than last year and down 8% month over month.



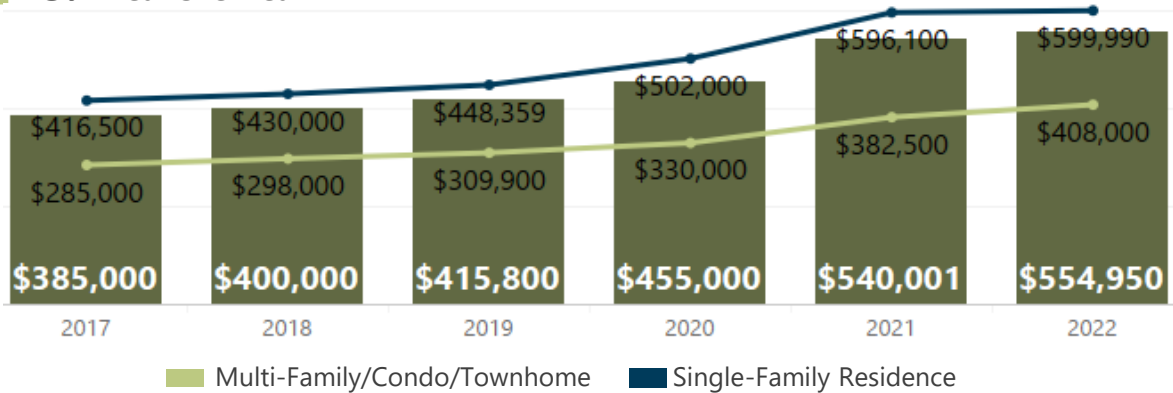
# Closed Prices

December 2022

Home price growth continued to decelerate in December. The median closed price for a Denver Metro area home was \$554,950, 3% more than last year and 1% lower than last month. Buyers are exercising their negotiating power, which led to closing prices that were 4.4% below the original list price.

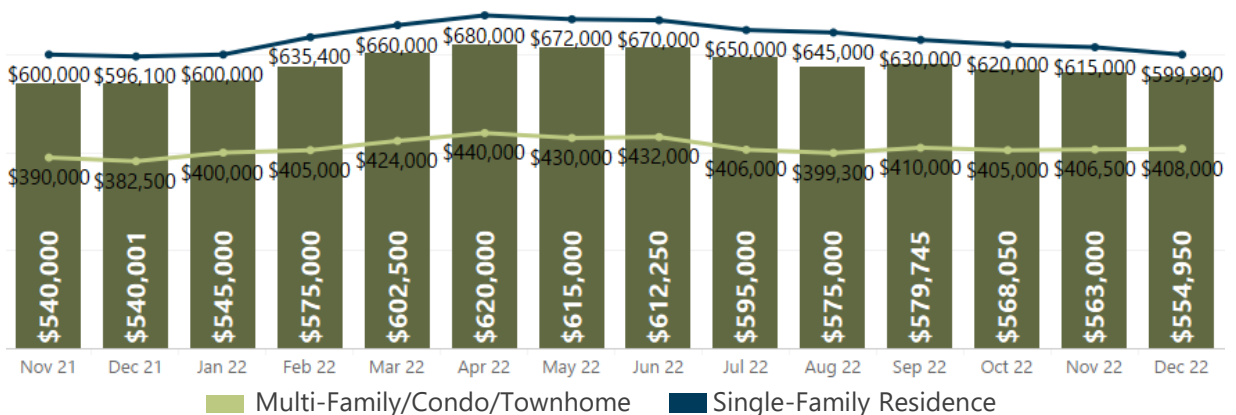
## MEDIAN CLOSED PRICE

+ 3% Year Over Year



## MEDIAN CLOSED PRICE BY MONTH

— 1% Month Over Month



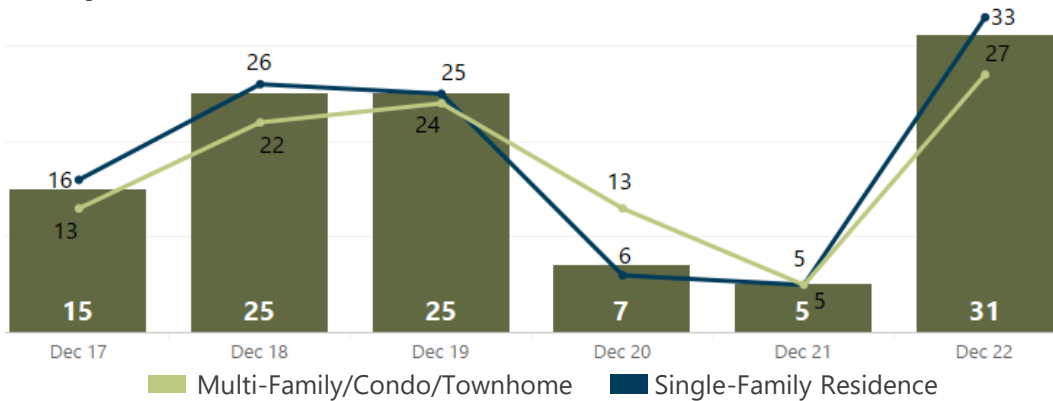
# Days In MLS

December 2022

The metric for Days in MLS, which is the number of days it takes a listing to go from Active to Pending, shows home shoppers are taking six times longer than they did a year ago to execute a contract on a home.

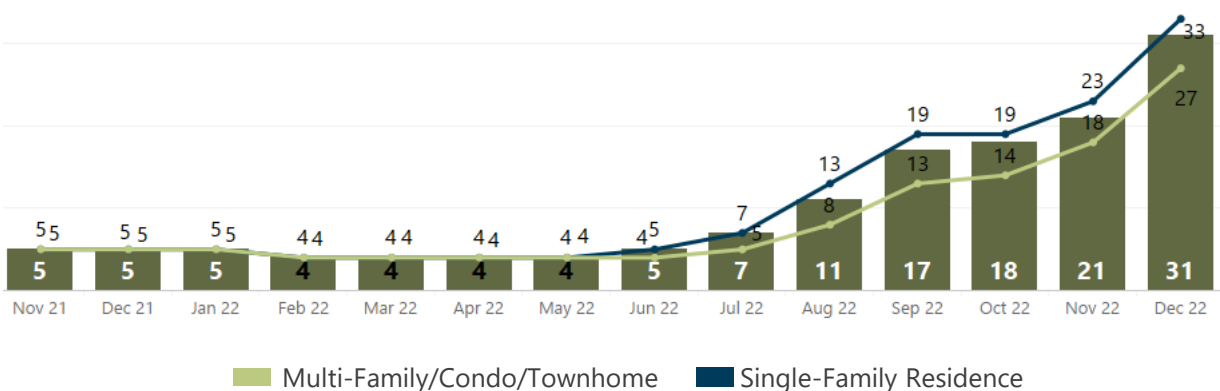
## MEDIAN DAYS IN MLS

**+ 26 Days** Year Over Year



## MEDIAN DAYS IN MLS BY MONTH

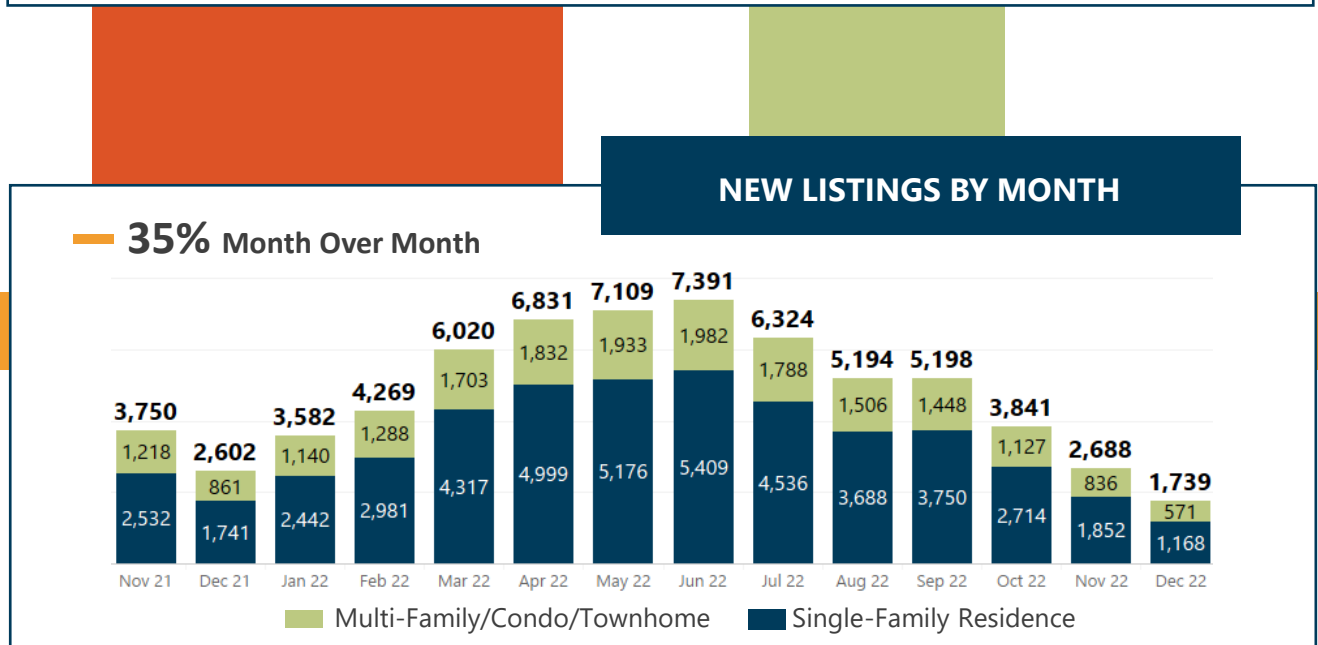
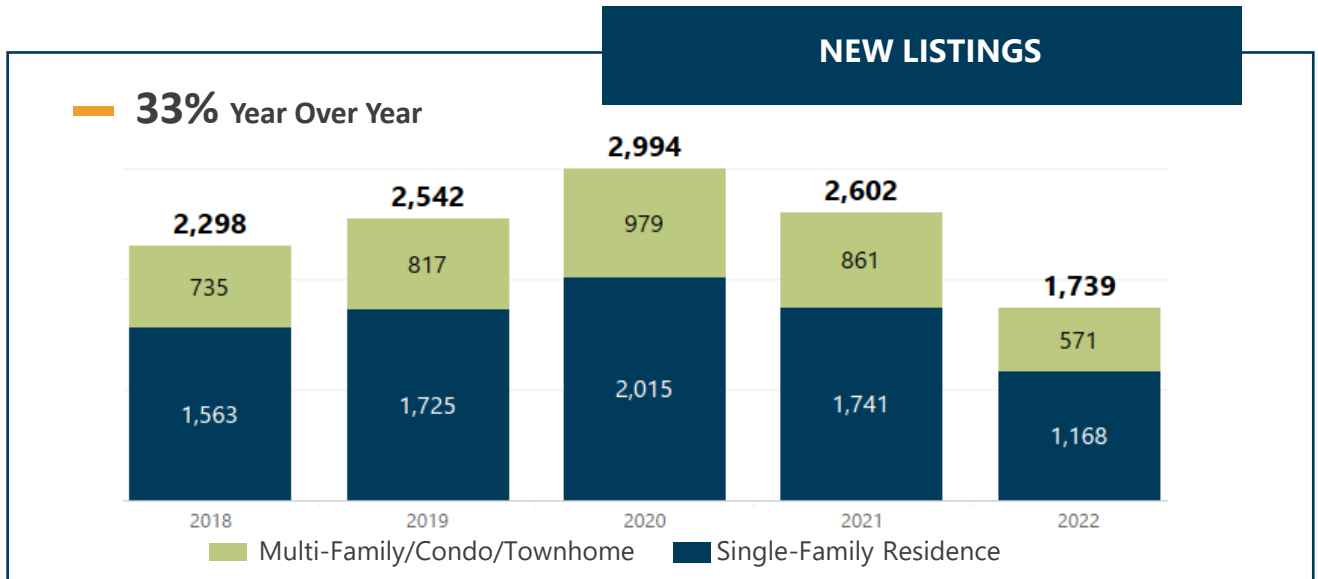
**+ 10 Days** Month Over Month



# New Listings

## December 2022

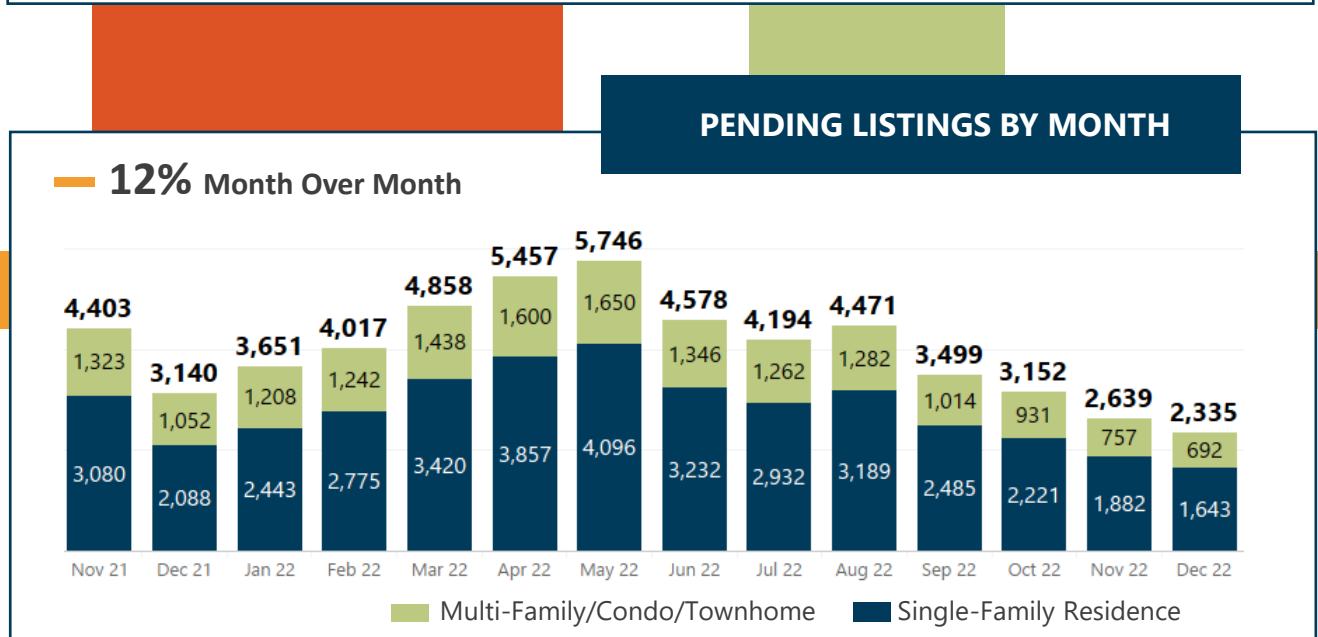
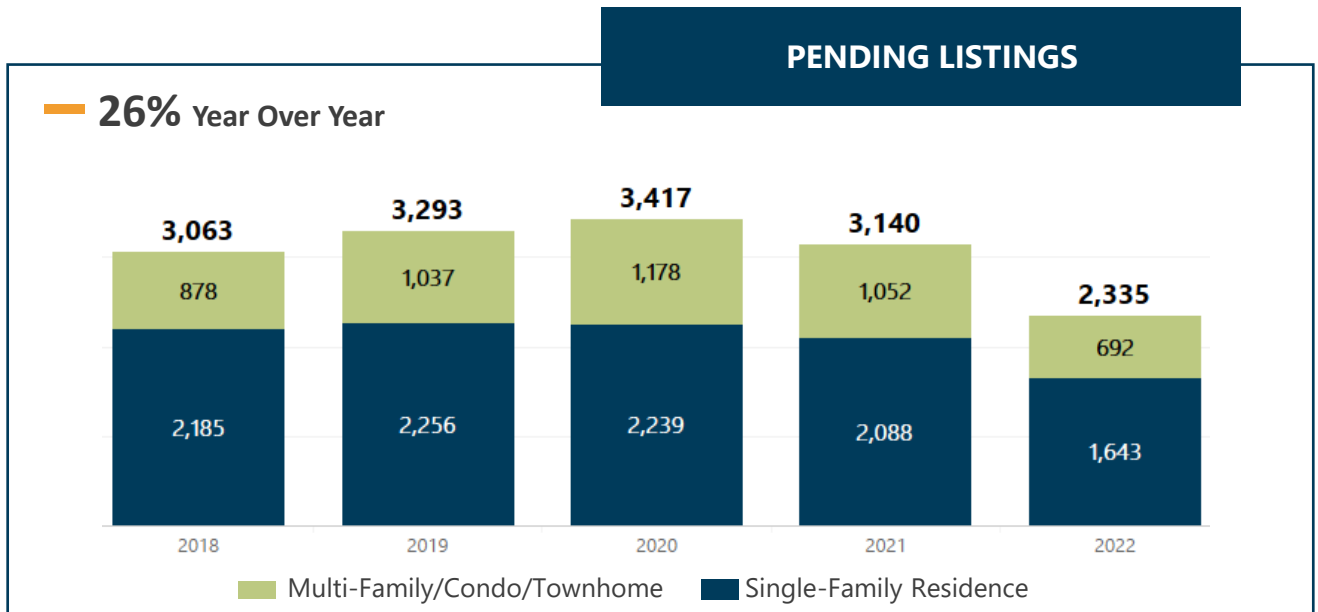
The share of respondents to Fannie Mae's December housing sentiment index who said now is a good time to sell a home dropped in December, while the share saying now is a bad time to sell a home increased. This sentiment is supported by Recolorado data, which shows a 30%+ drop in new listings of homes for sale compared to both last year and last month.



# Pending Listings

December 2022

The number of Pending home listings, which represent signed contracts on existing homes, dropped 26% from last year and 12% from last month, as potential home buyers contemplate with the possibility of future price and mortgage declines.

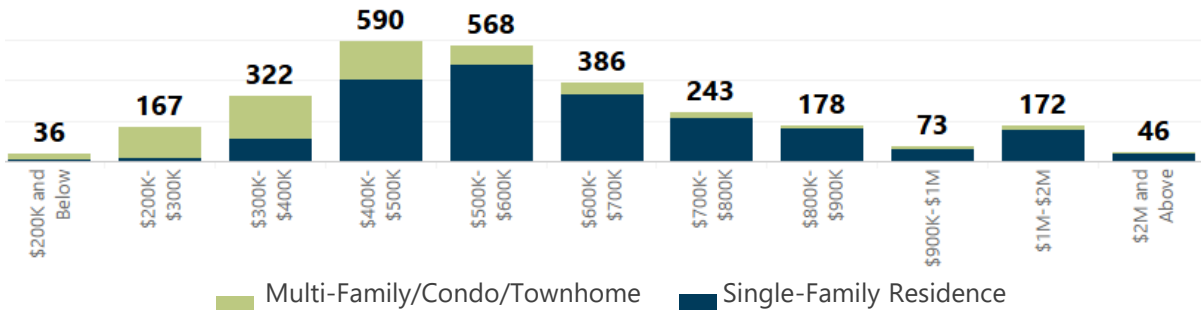


# Activity by Price Range

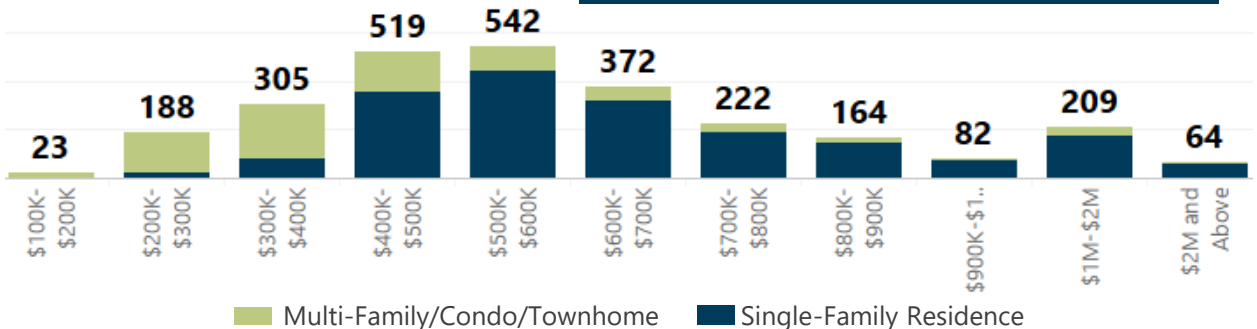
December 2022

More than 40% of December closings were on properties that had a closing price between \$400,000 and \$600,000. Those homes were on the market, actively available for sale, for a median of 32 days. To replenish the properties sold in these price ranges, 1,061 new listings were brought to the market. The \$1-2M price range was also very active with more than 100 closings that were on the market a median of 28 days.

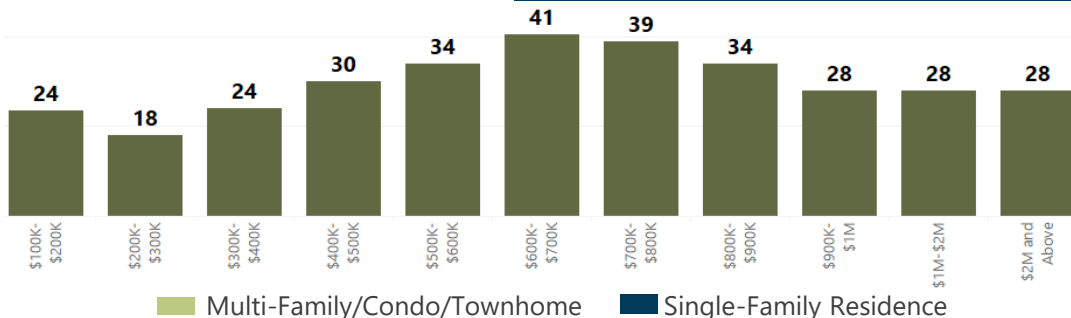
## CLOSED LISTINGS BY PRICE RANGE



## NEW LISTINGS BY PRICE RANGE



## MEDIAN DAYS IN MLS BY PRICE RANGE



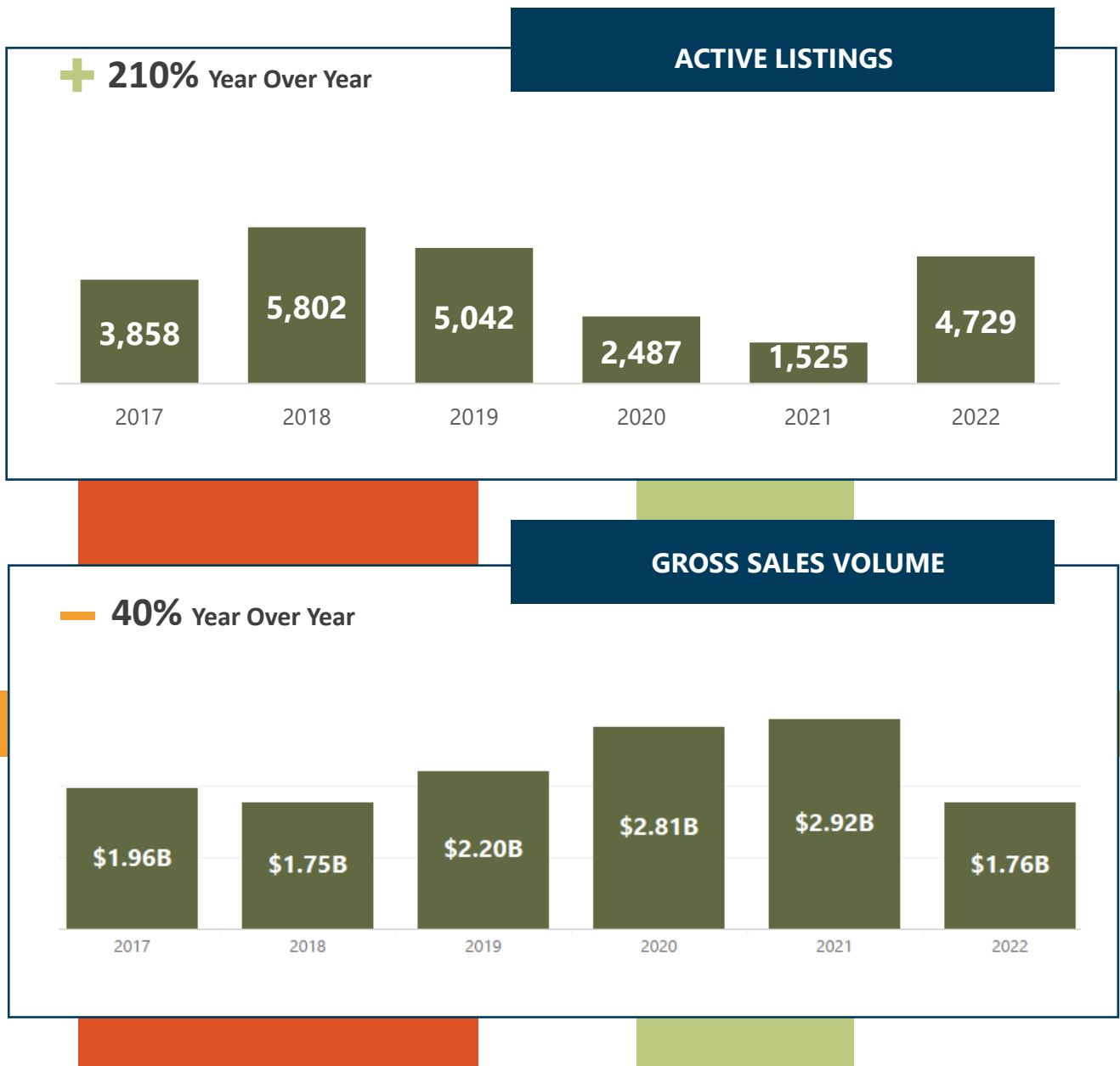


# Active Listings and Volume

December 2022

Standing inventory, or the number of home listings actively available for sale at the end of the month, saw a seasonal month-over-month decrease. As compared to last year, inventory levels are much higher, returning to pre-pandemic levels.

The gross volume of sales in December totaled \$1.7B, which is 40% lower than last year. Volume is lower due to the 41% decrease in the number of closings compared to last December.



# 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: December 2021 vs December 2020

## **MONTH-OVER-MONTH**

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

## **YEAR-TO-DATE**

A sum of all data points from the start of the year, December 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.