YOUR CASTLE REAL ESTATE

AUGUST · SEPTEMBER 2024

Newsletter

YOUR CASTLE REAL ESTATE — THE LARGEST INDEPENDENT REAL ESTATE BROKERAGE IN COLORADO



INSIDE THIS EDITION

PAGE ONE Trends in Multigenerational Living in Denver
PAGE TWO Unpredictable Trends and Shifting Dynamics Amid Seasonal Slowdown
PAGE THREE Info For Sellers
Info For Buyers
PAGE FOUR Market Snapshot

In the Denver area, this trend is reshaping the real estate market. Homebuyers are seeking properties with flexible layouts, such as separate living areas or in-law suites.

NEWS

REAL ESTATE NEWS

Trends in Multigenerational Living in Denver

Multigenerational living is on the rise across Colorado, particularly in the Denver metro area, driven by a combination of economic pressures, caregiving needs, and cultural traditions. As the cost of living and housing prices continue to soar, more families are choosing to live together under one roof. According to 2020 Census data, about 3.7% of Colorado households are multigenerational, representing a nearly 40% increase over the last decade.

For many, this living arrangement offers practical benefits. Pooling resources can help families manage the high cost of housing, with the median price of a single-family home in Denver reaching $660,000 in July 2024, up from $290,000 a decade ago. Multigenerational households also provide built-in support systems, making it easier to care for aging parents or young children. This dynamic not only alleviates financial stress but also enhances emotional connections within families.

Cultural factors also play a significant role in the rise of multigenerational living. Communities with strong family-oriented values are more likely to embrace this living arrangement. In these communities, living together is often seen as a way to preserve cultural traditions, language, and close-knit family bonds.

In the Denver area, this trend is reshaping the real estate market. More homebuyers are seeking properties with flexible layouts, such as homes with separate living areas or in-law suites, to accommodate multiple generations comfortably. Developers are responding by designing homes that cater to these needs, making multigenerational living more accessible and appealing.

While multigenerational living can offer many benefits, it also comes with challenges. Families must navigate the complexities of sharing space, managing caregiving

continued on page two...

responsibilities, and maintaining privacy. However, for many, the advantages of this lifestyle outweigh the drawbacks, making it an increasingly popular choice in today's housing market.

As Denver's housing market continues to evolve, multigenerational living is likely to become even more prevalent. For those considering this option, it's essential to understand the dynamics and plan accordingly to create a harmonious and supportive living environment. Whether driven by necessity or choice, multigenerational living is shaping the future of housing in Denver and beyond.

LOCAL MARKET UPDATE

Unpredictable Trends and Shifting Dynamics Amid Seasonal Slowdown



July is the time of year when we historically see the Denver real estate market slowdown. With kids out of school, people on vacation, and others enjoying the city's warm weather and outdoor activities, real estate transactions often take a back seat. However, this year, the market has been as unpredictable as Denver's weather. As the saying goes, if you don't like the weather, wait five minutes—a sentiment that seems equally applicable to the housing market. Sellers may need to exercise patience, as even amazing properties can sit on the market, while less remarkable homes sell quickly, leaving many scratching their heads.

Many local real estate agents feel we are transitioning into a buyer's market. This shift is difficult to define, as the pandemic has upended our traditional understanding of what constitutes a seller's market versus a buyer's market. Statistics suggest we are moving toward a balanced market (4-6 months of inventory), with 2.86 months of inventory steadily increasing throughout the year. However, in certain price ranges and neighborhoods, the market has clearly become a buyer's market due to a wide variety of options. It's important to remember that real estate is hyperlocal, and many factors can influence each home for sale. Beyond the usual aspects like location, size, and condition, factors such as interest rates and the size of the buyer pool can make one home a hot commodity while another sees less interest.

Active listings rose 3.62 percent month over month and an impressive 68.03 percent year over year, reaching 10,584. Year to date, active listings have increased between 44 percent and 161 percent compared to the previous three years. However, to put this in perspective, the average number of active listings for July from 1985 to 2023 is 15,502. The record high for July was in 2006, with 31,989 listings, and the record low was in 2021, with just 4,056 listings. Historically, the average increase in active listings from June to July is 5.41 percent. This July's 3.62 percent increase suggests a slower-than-expected rise, indicating that our seasonal inventory peak may be approaching. Meanwhile, pending sales remained relatively steady with a slight 0.18 percent decrease to 3,896, and closed sales dropped by 5.19 percent to 3,708.

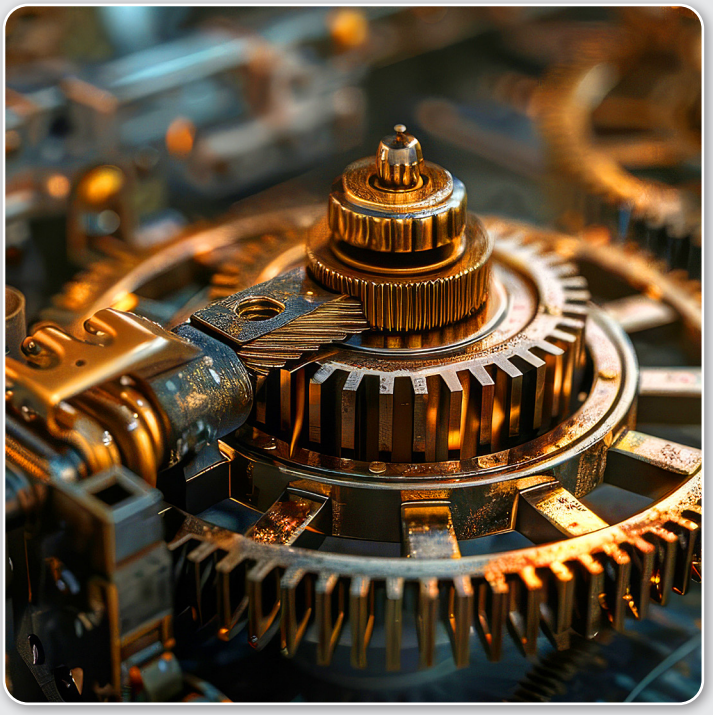
We use reasonable efforts to include accurate and up-to-date information. The real estate market changes often.

INFO FOR SELLERS

Buyers are becoming increasingly practical and discerning, appreciating improvements and upgrades related to energy, water, and space efficiency. In July, many buyers found their dream homes and negotiated fair purchase contracts, as sellers felt the pressure of longer days on the market. With rising inventory levels, buyers have been able to negotiate more favorable deals, resulting in the lowest close-price-to-list-price ratio seen year-to-date since July 2020. Sellers now is the time to highlight the unique features and upgrades of your property and price it competitively to attract discerning buyers. Don't miss the opportunity to stand out in this shifting market!



INFO FOR BUYERS



As the summer selling season winds down in August, the changing marketplace provides an ideal opportunity for buyers. With increased leverage in negotiations, this period offers a prime chance to find a new home before prices potentially rise again. If you're in the market, now is the time to act—take advantage of the favorable conditions and secure the best deal on your new home!

The anticipation of a potential rate cut in September is influencing both sellers and buyers. Buyers are waiting on the sidelines, hoping to capitalize on lower rates, while sellers are holding off on adjusting prices, expecting the market to "improve" once rates drop. This cautious optimism from both sides is shaping the current dynamics, as everyone waits to see how the market will respond to the anticipated change.



BUYERS — TEAM MASSEY IS THE BEST!

Team Massey with Castle & Cooke Mortgage has been the preferred lender for Your Castle Real Estate since 2011, and has helped more than 1,500 Your Castle clients purchase a new property. Call anytime to see how we can help you finance your new primary residence, second home, or investment property.

For more, contact Joe Massey today, or visit LoansByJoeMassey.com

303.809.7769 | JMassey@castlecookemortgage.com

TEAM MASSEY
A KEY PART OF
Castle & Cooke MORTGAGE, LLC

YOUR CASTLE REAL ESTATE

Follow **Your Castle** on social media!

YourCastle.com

MONTHLY MARKET SNAPSHOT (METRO DENVER)

SINGLE FAMILY + CONDO/TOWNHOME (STATS FROM JULY 2024)

	July 2024	June 2024	July 2023	Month Change	Year Change
Active Listings at Month End	10,584	10,214	6,299	3.62%	68.03%
New Listings	5,152	5,827	4,789	-11.58%	7.58%
Pending	3,896	3,903	3,735	-0.18%	4.31%
Closed	3,708	3,911	3,890	-5.19%	-4.68%
Average Sales Price	$708,937	$718,177	$692,715	-1.29%	2.34%
Median Sales Price	$600,000	$601,000	$590,000	-0.17%	1.69%
Average Days in the MLS	30	28	23	7.14%	30.43%
Percent of Sold to List Price	99.04%	99.55%	99.89%	-0.51%	-0.85%

Source: DMAR® (Denver Metro Association of Realtors), Your Castle Real Estate Analysis. "11 County Area" data; Adams, Arapahoe, Boulder, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, and Park Counties.