The housing market continues to experience very strong demand for homes of virtually all styles and sizes. By now, everyone is aware of the potential for bidding wars, particularly in the mid and lower price ranges, virtually everywhere across the country. Ridiculously low interest rates have proven to enhance or magnify buyers’ ability to purchase a better home than even a year or two ago, and that is with the appreciated value over the course of that timeframe.

This is also a time when sellers are enjoying the best market in which to sell a home that we’ve seen over at least the past three decades.

There are some very interesting facts and statistics coming out of this COVID-19-influenced market which is also driven by record low interest rates that may never be seen again in our lifetimes. Research unveiled by Megan Aller of First American Title clearly demonstrates the incredible market benefits for buyers and sellers, while recognizing different challenges apparent to this temporary (1-2 year) new norm. Some of the new factors to consider include:

- The number of listings (YTD) are down a noticeable 37%, compared with 2019 YTD (3,278 vs. 5,266 listings on the market).
- With that number of fewer available listings, the number of YTD homes closed was nearly the same, down just .07%.
- YTD “Days on Market” before selling dropped from 32 days in September of 2019 to 26 days in September of 2020.
- Home values (detached homes) are increasing YTD in 2020, at a rate of 13.3%. This compares to an overall average appreciation rate (YTD) of about 8% annually between 2013 and 2019.
- The current market is beginning to slow down due to rising COVID-19 numbers, weather and the holidays.

Weather and the holiday season are typical factors for this time of the year. Outside of that norm, COVID-19 has essentially changed any usual seasonal trends of the past. In fact, I would dare say that until 2022, seasonal changes will only have to do with the actual weather. So, in 2020, our typical early spring market, which usually got going in February, was delayed until May. And there is no evidence of any fall market slowdown through October.

Historical data is often interesting, however I would suggest focusing on the current market, since trends do not necessarily follow COVID-19 dynamics. It is amazing that in the midst of a pandemic and high unemployment, home values continue to improve – again demonstrating the benefits of great interest rates that support buyer demand. Even while Denver was under the stay-at-home order, internet home searches rose several hundred percent, which is a good possibility in the near future.

Even after the pandemic is behind us, it is likely many people will continue working from home as a large number of employers are making work remotely the standard. Please remember that although we are also in a recession, it was not created by a structural weakness in the economy. This recession was created by public health-mandated shutdowns.

We now realize that homeowners are spending a majority of time in their houses and condos. Whether these are professionals working remotely, homeschooling parents, or a variety of other possibilities, millions of people are exploring how to support and improve this new lifestyle. Over the last few years, we saw a trend in which buyers wanted more condensed manageable spaces. Now, buyers are looking for more square footage, with finished lower levels and greater outdoor and patio living spaces. Built-in outdoor kitchen/BBQ areas are becoming quite popular as well.

Space for exercise has become essential, even in condos – whether it’s for a yoga mat, a set of weights, a bike or a treadmill. Condo amenities are wonderful … when they can become available again. Most home-office areas are built for one, although that may be inadequate with two partners and/or homeschooling, or for high school and college students. Every secluded nook is now being evaluated as a workspace. Extra-large closets can become a phonebooth with a computer table and dining rooms have potential to be office spaces, play areas, or even exercise space.

At whatever point over the next year or two that a current homeowner may choose to improve their current living situation, they will be delighted with the ultimate sales price. I would encourage finding a real estate professional who can potentially provide expert counsel on both processes of buying and selling. There is too much money on the table to not to feel great about the choice of a professional.

Learn more about the real estate market in Denver Metro or contact one of LIV Sotheby’s International Realty’s knowledgeable brokers by calling 303.893.3200 or visiting liveatheseyrealty.com.

LIV Sotheby’s International Realty, the exclusive Board of Regent for the Who’s Who in Luxury Real Estate, has 23 office locations in the Denver Metro and surrounding areas, including Boulder, Castle Rock, Cherry Creek, Denver Tech Center, Downtown Denver, Evergreen, and the resort communities of Breckenridge, Winter Park, Dillon, Crested Butte, Telluride, and the Vail Valley. For more information, call 303.893.3200. To service all of your real estate needs visit www.livsothebysreality.com.

Steve Blank
Cocktail Chattables is a monthly column written by Steve Blank, Vice President, Managing Broker of LIV Sotheby’s International Realty’s Downtown Denver office.