

Estes Park Real Estate Newsletter

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How's the Market?



The market of 2007 is back. The last time this number of properties sold was in 2007 and that was for an entire year. We still have one more quarter of sales in this year and the market shows no signs of letting up, unlike the Denver market which is showing signs of slowing a bit. What is also interesting to note is that the average and median sales prices for the year so far are also at about the 2007 level. This is a bit unusual as those prices have shown a slight gain during the previous two quarters in 2015.

What is very encouraging about this report is the number of vacant lots that have been sold in the market area. This indicates a positive trend for the construction sector of our economy which has been severely curtailed since 2008. Twenty-seven of those are in the 80517 zip code.

The condo market continues to be strong, showing an increase in both average and median prices. These units are also popular as second homes.

In the 80517 zip code the average time on the market remains in the relatively the same with 130 days from listing to offer and another 45 days to closing generally for loan processing and inspection.

Sold Data	Q1-3 2014	Q1-3 2015	% Change from 2014
Residential - Units Sold	167	264	36.74%
Average Price	\$393,422	\$358,989	-9.59%
Median Price	\$345,000	\$335,500	-2.83%
Condos - Units Sold	86	124	30.65%
Average Price	\$251,219	\$265,669	5.44%
Median Price	\$246,000	\$265,375	7.30%
Vacant Land - Units Sold	38	58	34.48%
Average Price	\$186,913	\$120,999	-54.47%
Median Price	\$150,750	\$86,250	-74.78%

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A Little Bit More about the Market

It is always interesting to dig a little deeper into the numbers when looking at these quarterly figures. For example, the average sale-to-list-price average of a single family home is 96.66%; for condominiums 97.61%; and for vacant land 91.92%. This tells me is that there is generally a bit of negotiating room in the actual sales price, but the days of deep discounts are gone. Properties appear to be priced close to market value and buyers seem to be willing to pay market price.

Inventory for residential properties continue to shrink. Currently there are 173 active listings for single family homes as opposed to 231 this time in 2014; condominiums - - 50 active versus 98 last year; and vacant land continues at about the same level at 175. All this will lead to a very tight “Sellers market” with increasing prices and multiple offers on existing properties when they are listed.

Just to repeat the good news from the vacant land sales. These sales should lead to an increase in the building of single family homes, increase in the number of skilled construction workers in town and a renewed interest in development. Those are good things in a healthy economy.

Housing Needs Assessment

Beginning October 26th and continuing for the following month to six weeks employers, employees and residents living and/or working in the Estes Park area will have the opportunity to participate in an on-line survey designed to assess the current and future housing needs in the Estes area. This is the 4th study conducted since 1990. Each study is relevant for about eight to ten years.

The consultants will also gather information about where employees live; the needs of employers to fill future jobs; the cost of housing for both renters and owners; demographic data; the needs of commuters both traveling into and out of Town for employment; and other data related to living and working in Estes Park.

These studies predict current and future housing needs in Estes, provide a basis for financing, help in planning re-development, and educate the community about housing needs. Each past study provided valuable information for the community to develop housing types to meet the needs of its citizens.

The Estes Park Community Center

On November 3, 2015 voters in the Estes Park Recreation and Parks District will have the opportunity to vote on two ballot initiatives for funding and operating a long-awaited community center. After nearly 2 years of community input and research, the Recreation and Park District is presenting a plan to the community which is well thought out, manageable, and in the best interest of the members of the district which includes citizens from Pinewood Springs, Glen Haven, Estes Park, and Allenspark. Registered voters from these areas will all get to participate in the election.

This facility will provide services to all age ranges from very young to our senior citizens and young families in between. This truly is an multi-generational facility and will increase the quality of life for the citizens of Estes Park. As promised, the Town of Estes Park will be contributing funds from the 1% sales tax initiative passed by the voters two years ago, and will continue operational funding to support senior center services.

I urge voters to say yes on ballot initiative 4C which will fund the operations of the community center for 10 years, and 4D which will provide construction funding through general obligation bond. These two initiatives will provide a much-needed facility and services to the Estes area community.

New financial disclosure rules take effect in October

Beginning October 2, 2015 new loan disclosure rules took effect for all residential real estate transactions involving commercial financing. Brought to the marketplace by the Federal Consumer Financial Protection Bureau, this rule consolidates four existing disclosures required by the Truth In Lending Act (TILA) and the Real Estate Settlement Practices Act (RESPA).

There is a Loan Estimate form that must be delivered or placed in the mail no later than the third business day after receiving loan application, and Closing Disclosure that must be provided to the consumer at least three business days prior to consummation of the transaction.

Lenders, real estate brokers and title companies see these disclosures as a simplification for the consumer, but they will cause delays in closing a transaction in some cases.

For example, if a change is made in the loan terms, interest rate increases or a pre-payment penalty is added, the three day clock starts all over again. It is believed that the 30 day loan closing is a thing of the past.

The industry will be much more in tune with these regulations six months from now and will be able to better judge their effectiveness.



✧ Odds and Ends ✧

- ✓ Consumer Reports in its October issue says that if your washing machine is older than 10 years it is probably costing you \$180 more per year to operate than the newer Energy Star models.
- ✓ The Estes Park Shuttle System served its 500,000 rider this past summer. It has been in operation each summer since 2006.
- ✓ The parks department won several national and international awards for its work with flowers and various other plantings.
- ✓ Remember October 31st. Estes Park will once again hold its downtown Halloween celebration. Closing Elkhorn Avenue. It is a fun event for people of all ages.
- ✓ Superintendent of Rocky Mountain National Park Vaughn Baker has retired after 42 years of service to the National Park Service.
- ✓ The November 3rd election is a mail only ballot, so watch your mail boxes in the next couple of weeks for that to arrive.
- ✓ Reported in the Fall edition of the Town Bugle, the Streets Department has repaired 1,799 pot holes, wide cracks and edge breaks since June. This was accomplished by the pothole repair spray patcher purchased through funds supplied by the 1% sales tax increase.
- ✓ Kiewit Infrastructure, Inc. has been selected to rebuild Highway 34 from Loveland to Estes Park. Design work has begun. Construction is expected to start before the end of the year.



Do you have real estate needs or questions? Give me a call. Thanks for your continued support. It is through your good will that my business continues to be successful.

When experience matters - it really matters.

Serving Estes Park Real Estate customers since 1986.

Eric