



Colorado Real Estate Industry- Snapshot

The Colorado Real Estate market is expected to rebound slowly with the help of the most attractive 30-year fixed rate conventional mortgages in 40 years (until the Federal Reserve concludes its purchase program and begins to sell its securities); and the homebuyer stimulus tax credit which expires April 30, 2010. Even with these attractions, painful job losses and home prices fluctuating continues to make it tough on homeowners who can refinance their mortgage and for those who want to take advantage and finance a new home.

The following is a snapshot of Colorado's housing market:

- I. Nearly three quarters of 4.9 million Colorado residents are homeowners.
 - II. Housing costs are a primary factor in determining whether a state can effectively attract and retain employees and businesses. A lack of affordable housing can hinder business relocation and expansion.
 - III. CARHOF (Colorado Association of REALTORS® Housing Opportunity Foundation) gave \$300,000 in 2009 to non-profit housing agencies across Colorado totaling 6.8 million since 1990.
- IV. When a Home is sold in Colorado...**
- a. Income generated from real estate related industries is: \$21,429
 - b. Additional expenditure on consumer items such as on furniture, appliances, and paint service is: \$5,331
 - c. It generates economic multiplier impact. There is a greater spending at restaurants, sports games, and charity events. The size of this "multiplier" effect is estimated to be: \$12,845
 - d. Additional home sales induce additional home production. Typically one new home is constructed for every eight existing home sales. Therefore, for each existing home sale, 1/8 of new home value is added to the economy which is estimate in the state to be: \$29,763
 - e. Total Income Derived from a Sale of a Home: \$69,368
- V. Homes Sold by Colorado REALTORS® in 2009**
- a. 59,156 Single Family Units were sold in 2009, a decrease of 12 percent compared to 2008. 13,258 Condos/Townhomes in 2009 were sold, a decrease of 13 percent compared to 2008.
 - b. The median price for single family homes was \$214,584 for 2009, a five percent decrease in 2008. The median price for condos/townhomes was \$150,333 for 2009, an 18 percent decrease from 2008.
- VI. Who were the Buyers?**
- a. Thirty-nine percent of recent home buyers were first-time buyers.
 - b. The typical first-time home buyer was 29 years old, while the typical repeat buyer was 47 years old.
 - c. The median income was \$58,200 among first-time buyers and \$83,900 among repeat buyers.
 - d. Twenty-one percent of recent home buyers were single females, and 9 percent were single males.
 - e. When considering the purchase of a home, commuting costs were considered very or somewhat important by 77 percent of buyers.
- VII. Foreclosures**
- a. The foreclosure rate has been a major issue in Colorado for the last five years. Blighted properties, lost tax revenues and displaced families have left both physical and emotional scars across the state.
 - b. Colorado's foreclosure filings dropped from 39,607 in 2007 to 39,143 in 2008. The preliminary numbers for 2009 foreclosure filings are up 2.37 percent reaching 40,070 according to Realty Trac. Many are anticipating for 2010 to rise slightly.
 - c. Colorado Association of REALTORS® in conjunction with CBS4 and the Colorado Foreclosure Hotline has started a Foreclosure Prevention Campaign to educate and help consumers choose the best option for their families when faced with this issue. The campaign also includes useful home buying and selling tips. Information can be found at www.CBS4.com/homehelp.