



MONTHLY REAL ESTATE REPORT

March 2010



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Denver housing industry in much better shape than a year ago

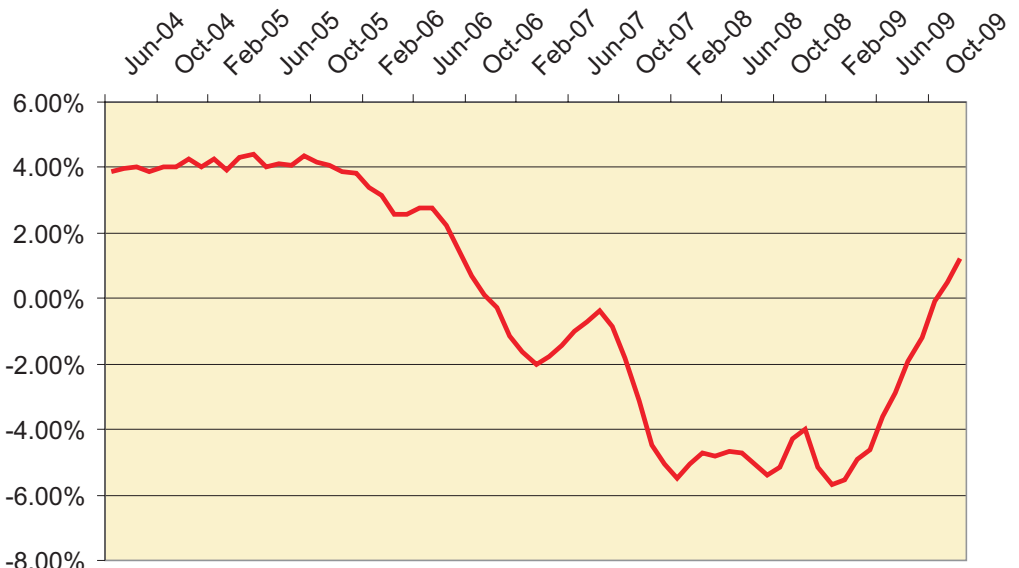
During December 2008, the Denver housing market was flooded with excessive inventory, prices were headed to their lowest level, and buyers were scared to even think about entering the market. The fourth quarter of 2009 ended on a much different note. Prices are coming back up, inventory levels are balancing out, and the extension and expansion of the First-Time Home Buyer Tax Credit seems to have stirred up some activity. Banks willingness to negotiate short sales instead of allowing homes to foreclose has also impacted recent sales. The hope is that these improvements become a trend throughout the year. Let's look at Denver's sales prices, inventory, and buying activity.

Denver sales prices

According to the Standard & Poor's/Case-Shiller Home-Price Index, Denver's yearly change in home values improved for the eleventh consecutive month. Denver's index increased 1.2 percent between December 2008 and December 2009. Denver recorded the third highest improvement behind Dallas and Washington with improvements of 3.0 percent and 1.9 percent respectively. Below is a chart of the yearly change in home price values for Denver since January 2004, illustrating how it's improved over the last year.

Statistics from the National Association of Realtors on page 3 also show that Denver sales prices rose in the fourth quarter of 2009. *(continued on page 2)*

Yearly % change in home price values - Denver, CO



Inside the Adviser

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Source for the chart: S&P/Case-Shiller Home Price Indices. More information can be found at: www.standardandpoors.com



Information By the numbers

\$238,155 - The average sold price of residential homes and condominiums in the Metro Denver area for January 2010, which is 11.6 percent above the average sold price in January 2009. In January 2009, the average sold price was \$213,330. - www.MyMLS.com

89 - The average days on market for residential homes and condominiums in the Metro Denver area, according to the Denver Metrolist, during January 2010. January 2010's average is 11.9 percent below the 101 average days on market during January 2009. - www.MyMLS.com

11.5% - The increase in existing-home sales, including single-family, townhomes, condominiums, and co-ops in the nation between January 2009 and January 2010. The 5.05 million-unit level in January 2010 was 7.2 percent below the 5.44 million-unit level in December 2009. - www.Realtor.org

0.5% - The decrease in the nation's total housing inventory from December 2009 to January 2010. At the end of January 2010, there were 3.27 million existing homes available for sale. This represents a 7.8-month supply at the current sales pace. - www.Realtor.org

\$164,700 - The national median existing-home price for all housing types in January 2010. The median price is unchanged from January 2009. - www.Realtor.org

Housing Sales Market Review

Denver's housing market is much improved (Continued from page 1)

Inventory

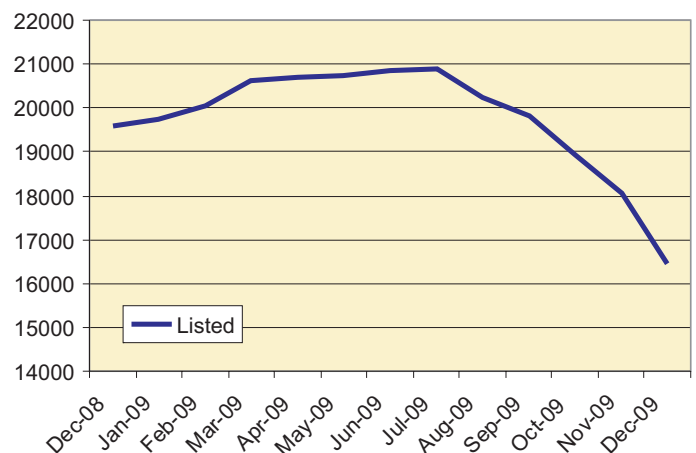
Inventory of residential homes and condominiums in the Metro Denver area has fallen to a much more balanced level since December 2008. According to the Denver Metrolist, inventory fell 16.0 percent between December 2008 and December 2009. The lower inventory levels make for less competition and a market that doesn't favor buyers as heavily. During 2009, inventory levels peaked in July when 20,890 homes were available for sale and then steadily declined throughout the second half of the year. The chart to the right illustrates the change in inventory levels of residential homes and condominiums for sale in the Metro Denver area.

Buying Activity

According to the National Association of Realtors, sales of single-family homes and condominiums increased 10.3 percent between the fourth quarter of 2008 and the fourth quarter of 2009. Many of these sales were attributed to the First-Time Home Buyer Tax Credit. Activity has increased some already during February 2010, in part due to the extension and expansion of the First-Time Home Buyer Credit. According to the Denver Metrolist, sales of residential homes and condominiums in the Denver Metro Area increased 3.5 percent from January 2010 to February 2010.

The Real Estate industry could have a solid recovery this year if that pace continues throughout the year. We'll wait and see what happens when the tax credit expires at the end of April.

Inventory of residential homes and condos for sale - Metro Denver Area



Source of inventory, sales volume and under contract data: Denver Metrolist. Based on Information from Metrolist, Inc. for the period 12-1-2008 through 12-31-2009. NOTE: This representation is based in whole or in part on data supplied by Metrolist, Inc. Metrolist, Inc does not guarantee nor is in any way responsible for its accuracy. Data maintained by Metrolist, Inc. may not reflect all real estate activity in the market.



Information By the numbers

\$163,600 - The national median existing single-family home price in January 2010, 0.4 percent lower than it was in January 2009. - www.Realtor.org

6.9% - The decrease in single-family home sales in the nation from December 2009 to January 2010. Sales fell to a seasonally-adjusted annual rate of 4.43 million - that's 8.6 percent more than the 4.08 million-unit rate in January 2009. - www.Realtor.org

\$172,400 - The national median existing condo price in January 2010, which was 1.4 percent higher than it was in January 2009. - www.Realtor.org

8.1% - The drop in existing condominium and co-op sales for the nation from December 2009 to January 2010. Sales in January 2010 were at a seasonally-adjusted annual rate of 620,000 units; 38.1 percent higher than the 449,000-unit sales pace in January 2009. - www.Realtor.org

7.6% - The increase in existing-home sales in the West from January 2009 to January 2010. Sales in January 2010 were at a seasonally-adjusted annual rate of 1.28 million, 5.2 percent lower than they were in December 2009. - www.Realtor.org

\$203,400 - The median existing-home sales price in the West during January 2010, which was 5.8 percent lower than it was in January 2009. - www.Realtor.org

Housing Sales Market Review

Colorado regions perform well in fourth quarter

Below are the median sales prices for Colorado regions, the West, the US, and the regions with the highest and lowest median sales price percent change over the past year. It also shows the volume of sales for Colorado, the West, the US, and the states with the highest and lowest percent change in sales volume over the past year.

<u>Metropolitan Area/Region</u>	<u>4Q 2008</u>	<u>1Q 2009</u>	<u>2Q 2009</u>	<u>3Q 2009</u>	<u>4Q 2009</u>	<u>Change Past Year</u>
Median Sales Price of Existing Single-Family Homes						
Boulder, CO	\$324,700	\$328,400	\$373,300	\$358,300	\$335,100	3.2%
Colorado Springs, CO	\$187,000	\$180,000	\$189,000	\$195,100	\$189,800	1.5%
Denver-Aurora, CO	\$200,800	\$192,900	\$223,700	\$229,100	\$223,200	11.2%
Ocala, FL	\$121,700	\$108,600	\$110,200	\$102,700	\$93,200	-23.4%
Saginaw-Saginaw Township North, MI	\$43,900	\$30,300	\$55,700	\$61,400	\$67,400	53.5%
West	\$249,300	\$229,200	\$214,200	\$225,600	\$227,200	-8.9%
US	\$180,200	\$167,300	\$174,200	\$178,200	\$172,900	-4.1%

Median Sales Price of Existing Apartment Condo-Coops Homes

Boulder, CO	\$204,800	\$205,500	\$204,000	\$207,000	\$194,100	-5.2%
Colorado Springs, CO	\$140,000	\$132,300	\$142,500	\$129,200	\$134,800	-3.7%
Reno-Sparks, NV	\$114,100	\$112,200	\$103,100	\$81,300	\$74,900	-34.4%
San Diego-Carlsbad-San Marcos, CA	\$190,100	\$178,100	\$205,500	\$215,100	\$214,300	12.7%
West	\$178,500	\$167,500	\$162,700	\$166,900	\$169,200	-5.2%
US	\$186,200	\$170,800	\$176,600	\$178,400	\$177,300	-4.8%

Total Sales: Single-Family, Apartment Condos and Co-ops

California	563,600	515,200	469,200	517,200	524,400	-7.0%
Colorado	96,800	94,000	88,000	92,800	106,800	10.3%
Florida	273,200	307,600	327,600	353,600	435,200	59.3%
Oklahoma	82,800	76,000	80,000	86,800	90,400	9.2%
Vermont	8,800	8,400	9,600	11,200	14,800	68.2%
West	1,170,000	1,160,000	1,130,000	1,190,000	1,383,000	18.2%
US	4,740,000	4,583,000	4,757,000	5,290,000	6,027,000	27.2%

Source: National Association of Realtors. More information can be found at: www.Realtor.org



Adviser VITAL SIGNS

Mortgage Rates

3/4/10	4.97%
3/5/09	5.15%
3/6/08	6.03%

Highlands

Existing Home Sales	Aurora	Castle Rock	Denver	Englewood	Ranch	Littleton	Lone Tree	Parker
January 2010	289	68	562	41	78	107	9	64
January 2009	414	47	694	33	40	101	7	62
January 2008	465	94	739	43	71	180	11	85

Highlands

Avg Single-Family Sales Price	Aurora	Castle Rock	Denver	Englewood	Ranch	Littleton	Lone Tree	Parker
January 2010	\$164,139	\$351,766	\$253,849	\$195,664	\$308,692	\$250,055	\$412,795	\$281,986
January 2009	\$155,194	\$393,188	\$182,233	\$312,073	\$363,419	\$230,686	\$550,154	\$320,898
January 2008	\$169,561	\$360,846	\$243,703	\$240,856	\$339,781	\$290,261	\$590,055	\$401,382

Average Days on Market

Highlands

Market	Aurora	Castle Rock	Denver	Englewood	Ranch	Littleton	Lone Tree	Parker
January 2010	93.9	144.2	88.1	72.2	93.7	90.0	97.8	87.8
January 2009	84.2	148.3	81.0	71.1	76.0	76.7	75.4	103.1
January 2008	88.6	112.8	90.8	85.5	64.1	96.1	176.1	98.6

Boulder-Colorado

Employment	Colorado	Adams	Arapahoe	Longmont	Springs	Denver	Douglas	Jefferson
Dec-09	2,455,650	202,015	281,926	162,536	278,682	289,854	144,208	280,764
Nov-09	2,485,572	204,712	285,690	164,436	282,743	293,724	146,133	284,513
Dec-08	2,567,210	210,409	293,642	170,154	291,426	301,899	150,200	292,431

Boulder-Colorado

Unemployment	Colorado	Adams	Arapahoe	Longmont	Springs	Denver	Douglas	Jefferson
Dec-09	7.3	8.8	7.2	5.7	7.9	8.3	5.9	7.0
Nov-09	6.7	7.8	6.7	5.4	7.2	7.4	5.6	6.5
Dec-08	6.0	7.2	6.2	4.9	7.0	7.1	5.1	5.9

Sources: Denver Metrolist, Freddie Mac, Colorado Department of Labor and Employment

Based on Information from Metrolist, Inc. for the period 1-1-2008 through 1-31-2010. NOTE: This representation is based in whole or in part on data supplied by Metrolist, Inc. Metrolist, Inc. does not guarantee nor is in any way responsible for its accuracy. Data maintained by Metrolist, Inc. may not reflect all real estate activity in the market."



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