

## LOCAL: RINO SALVAGE YARD TO BE WALNUT STREET'S NEXT DEVELOPMENT

Construction on the latest development in the RiNo district is set to begin as soon as developers receive city permits. According to the Denver Post, once construction does begin, the Yota Yard project will cost around \$15 million to complete. Yota Yard has been in the making for many years; the developer, Mike Mathieson, bought the property almost a decade ago, but due to setbacks including the pandemic, was unable to get the project underway now. The planning phases for the space picked up speed late last year.



Source: The Denver Post

The project will boast some interesting and unique features: for starters, the space once held an old steel mill, then an old salvage yard. According to Jennifer McDaniel, principal architect at Denver's FLUENCY architecture + design, the vision is for Yota Yard to be an "inside-outside experience, utilizing old bones with new architecture." The developer plans to keep the railroad tracks that currently run through the site, and to undergo extensive efforts to restore the existing structural integrity.

The space is set to be home to a distillery that produces canned cocktails, and a beer garden that will feature live entertainment and outdoor events.

## NATIONAL: U.S. HOME PRICES RISE IN FEBRUARY FOR THE FIRST TIME IN MONTHS

U.S. home prices rose in February for the first time in months. February's 0.16% overall increase in closing prices is a positive sign that the housing market may be stabilizing despite fluctuating interest rates and low inventory. February's increase, while seemingly slight, is the strongest 1-month gain the national market has seen since last May, according to a report released by Black Knight.



Source: Washington Examiner | Black Knight Inc.

The 30 year fixed rate mortgage pulled back a bit from its high in February and ended the month at 6.57%. However, the Fed had another 25 basis point rate hike, stating that achieving the goal of lowering inflation to 2% is still a ways away.

Just over 37% of homes listed for sale lowered their asking prices, a noticeable decrease from November 2022, when 58.4% lowered their prices. This could be a sign that sellers are now adjusting to market realities and pricing their homes better from the outset.

We will continue to keep an eye on how 2023 evolves as the market stabilizes.

## INVALESCO: WINS BIG; TAKES HOME AWARDS

Invalesco Founder and Managing Broker Gilda Zaragoza was recently named one of Denver Business Journal's 40 under 40!

The Denver Business Journal's 40 under 40 recognizes individuals who are innovators, those who bring new ideas and new perspectives to the table and are willing to take risks.

The Invalesco team continues to raise the bar; the team took home 3rd place at the DMAR Excellence Awards for Project Sales - Number of Transactions. The DMAR Excellence

is one of the biggest REALTOR® events in Colorado, and honors those in the industry who excel and who put in the work to do what it takes to be excellent.

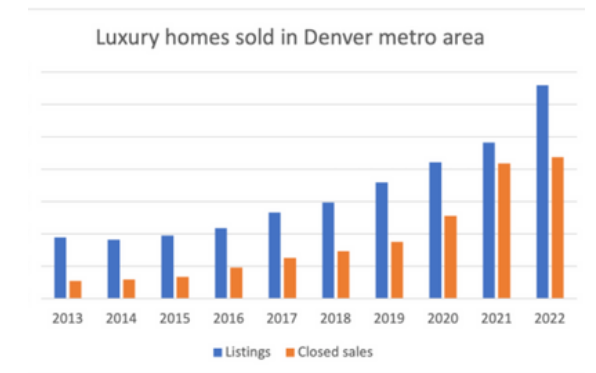
Congratulations to Gilda, our team, and to all of this year's winners!

## INVESTORS: DENVER'S LUXURY REAL ESTATE MARKET EXPERIENCED A 700% SURGE IN THE LAST DECADE

The luxury real estate market in Denver has seen substantial growth over the last decade. Last year alone, 876 properties in the city closed for \$2 million or more. All in all, between 2013 and 2022 Denver's luxury market grew by around 700%.

It's not just the local luxury market seeing substantial growth; over the last ten years the average price for "all homes in the Denver metro area prices have increased by 121 percent from \$306,00 to \$678,000" according to the Denver Post. The growth picked up pace over the decade as well; in 2022, Denver was one of the top 10 fastest growing cities in the United States.

The Denver real estate market isn't showing any signs of slowing down either. If anything, it looks like the city's population will continue to grow thanks to local job opportunities and business incentives, and as quality of life concerns become increasingly important to prospective buyers.



Source: Denver Post | REColorado







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# INSIGHTS

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## MARKET UPDATE




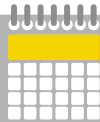
Our spring selling season is off to a strong start. In April 2022, we were coming off the peak of our market. Though we have seen significant volatility since then, year over year we are not seeing a negative story as our market normalizes. Our transactions are down about 26%, but our inventory has increased a bit, and most importantly, our pricing has remained consistent. Though the Denver market is not seeing the intensity we saw at this time last year, our values have not seen a significant decrease.

The six bank failures in March brought back memories of 2008 that spooked the market and resulted in an interest rate rise, but the markets quieted quickly. Because CPI slightly increased, the Federal Reserve raised rates 25 basis points at their March meeting, a middle of the road decision between not raising rates at all and raising a full 50 basis points. The market reactively positively to the news that the Fed may end the rate hikes sooner rather than later. Importantly, we expect to see a decline in inflation in the months of May through July, which should bring down mortgage rates. The 30-year rate is expected to stabilize in the low 5% by the end of summer, which should lead to an increase in buyers reentering the market.

Sellers take note: homes that come on the market at the right price are selling 2.25 times faster than homes that require price reductions. Homes are still selling at over 99% of their list price, and we are seeing multiple offers on properties again. In March, we saw pending home sales increase 22% and closed homes jump up 32% month-over-month, signaling that the spring selling season is indeed here! Many sellers remain hesitant to list their homes as they have locked in mortgage rates at low interest rates; this will continue to put a crunch on our lack of inventory. Historically, March and April are the best times to sell in our market, and we think that holds true this year as well!

Source: REColorado, DMAR  
Data for 11 Counties within the Denver Metro Area

### 1st Quarter YOY Residential Stats

	<b>SOLD Listings</b> 2022: 11,426 2023: 9,042
	<b>Avg Active Listings</b> 2022: 2,752 2023: 4,858
	<b>Avg Sold Price</b> 2022: \$661k 2023: 652k
	<b>Days on Market</b> 2022: 4 days 2023: 19 days