

## INVALESCO: THE BURRELL PRE-SALES HAVE STARTED



After much anticipation, The Burrell pre-sales have started! In collaboration with Elevation Community Land Trust and developed by Shanahan Development, this unique, permanently affordable homeownership opportunity is unlike any other in Denver. The building is slated to be completed in January 2024 with units ranging between \$205,000 - \$315,000. There are one, two, and three bedroom units available for households earning under 80% of the Area Median Income.

The Burrell brings to Denver 49 affordable condos nestled in the vibrant heart of Five Points bordered by the South Platte River. The project is Inspired by legendary musician Charles Burrell, an influential jazz musician, and an indelible figure in the history of American music. Burrell's remarkable talent and dedication to his craft led him to become one of the most prominent bassists of his time.

Affordable housing is more important than ever. Denver's growth over the last decade has led to increased home prices, which in turn has priced residents out of neighborhoods and made homeownership out of reach for many as wage growth has not increased at the same pace. Invalesco understands the need to continue to help bring affordable living options to the residents of Denver and continues to partner with ECLT, whose mission is to provide opportunities for Colorado families to remain in their communities for generations using the community land trust model.

To learn more, check out: [TheBurrellDenver.com](http://TheBurrellDenver.com).

## INVESTOR: DENVER'S LATEST MIXED-USE PROJECT BREAKS GROUND

Denver's largest infill project, Denargo Market, will cover 3 million square feet of an undeveloped segment of land just north of Downtown Denver that has been vacant for years. Once completed, the project will create a stronger link between the South Platte River and the Brighton Boulevard corridor, and will boast the tallest buildings in the River North Art District. The project is slated to feature a blend of world-class public spaces, retail, offices, and residential space on 17 acres of prime South Platte riverfront.

Denargo Market has a budget of \$1.5 billion, approximately 10% of which is projected to be spent on the project's public sections. What's more, the developer has promised to ensure that 15% of the housing units that the project will include are affordable. The project's affordable housing program will be open to households that earn between 60% and 80% of the area's median income. In addition, the developers have committed to building a 56-unit building exclusively for young people leaving foster care.



## LOCAL: THE WEST DENVER HOUSING POLICY PROGRAM CELEBRATES ITS FIRST ACCESSORY DWELLING UNIT

The Denver Housing Authority just celebrated the opening of its first accessory dwelling unit built as part of an innovative pilot program that aims to provide more affordable housing in this increasingly expensive region. For those wondering what an accessory dwelling unit is, it is a self-contained living space that is located on the premises of an existing property.

The ADU Pilot Program was launched by West Denver Renaissance Collaborative (WDRC) and the Denver Housing Authority in 2021. Thus far, the Program has seen the 15 ADUs completed, and plans to begin construction on at least another 15 next year.

Thanks to partners like Habitat for Humanity, the first completed ADU boasted three bedrooms and cost only \$275,000 to complete. On average the 15 existing ADUs cost merely \$800 per month to rent; a price far below the current Denver median rent for a three-bedroom unit.

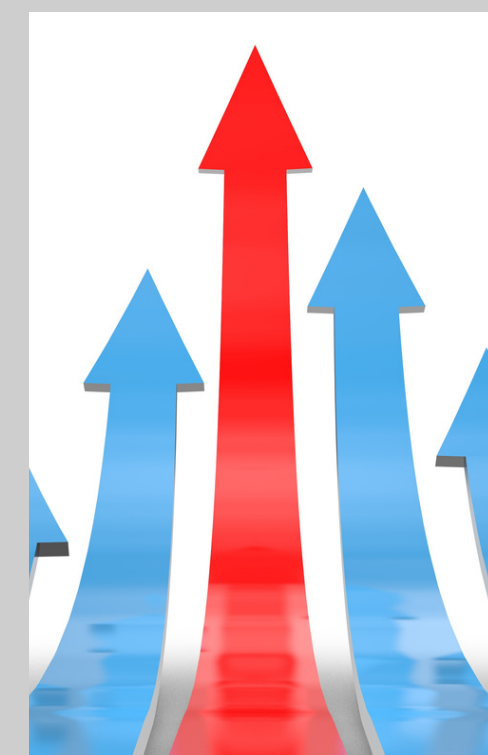


## NATIONAL: RATES ON 30-YEAR MORTGAGES ARE AT THE HIGHEST IN MORE THAN TWO DECADES

Mortgage rates are currently at the highest level they've been at since 2000. According to data released by Freddie Mac, the interest rate for a 30-year conventional loan currently sits at 7.5%. The yield on 10-year treasury bonds, a benchmark for the pricing of 30-year loans, similarly reached a 16-year high of 4.8%. High mortgage rates have been attributed to several causative factors, including inflation, the job market, and the current unpredictability of the Federal Reserve.

According to data from the Mortgage Bankers Association's Weekly Mortgage Applications Survey, for the week ending Sept. 29, mortgage applications fell 6% in just one week, and 22% year over year. Just one year ago the 30-year fixed-rate mortgage averaged an interest rate of just 6.6%.

As a result of high interest rates, the rate of mortgage applications lenders are seeing is lower than it has been since 1996. Prospective homebuyers continue to sit on the sidelines as the purchase market hits lows it hasn't seen since 1995.





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# INSIGHTS

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### SOLD Listings

2022: 16,601  
2023: 12,717

### New Listings

2022: 21,428  
2023: 15,587

### Avg Sold Price

2022: \$718k  
2023: \$696k

### Days on Market

2022: 4 days  
2023: 7 days

In September, we saw the anticipated seasonal slowdown, as both the number of closed homes and total sales volume declined by nearly 21% month over month. Meanwhile, our months of inventory grew 47% to 2.4 months, and we continue to approach a more balanced market. New listings were down 5.89%, with only 4,589 new listings in September, but overall active inventory increased by 11.24%, with 7,629 listings at month's end and 3,272 homes under contract during the month. This was a positive development, as typically our active inventory remains relatively flat from August to September. Though home values have remained steady, buyers now have more options and higher expectations, including the expectation that the home they will purchase will require little to no improvements, that most issues will be addressed by sellers post-inspection, and that they will receive interest rate buydowns.

DMAR advises sellers planning to list their homes during the winter months to obtain pre-inspections on roofs, air conditioning units, and sprinkler systems before the cold sets in. Inspections can offer peace of mind to buyers who cannot inspect these systems themselves in the winter, and the ability to speak to the results of these inspections may make your home stand out. Additionally, it is important that sellers price their homes right from the get-go so that their listings don't sit on the market and raise questions. Sellers should work closely with their advisors to ensure that their pricing aligns with current market conditions rather than past trends.

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