

ANTHONY KNIGHT MARKET UPDATE

LAFAYETTE, CO

- **Current Real Estate Market Conditions for Single Family Homes**
- **Trends in Pricing**
- **Current Levels of Supply and Demand**
- **Value Metrics**

- **Report for the week of**
February 01, 2010

- Presented by Anthony Knight
TRG National Title
[www.positiveangles.wordpress.com /](http://www.positiveangles.wordpress.com/)
303.594.2013



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This Week

- The median list price in LAFAYETTE, CO this week is \$435,000. The 57 properties have been on the market for an average of 242 days.

Inventory and days-on-market are both trending higher recently. However, the improving Market Action Index implies some increased demand will temper the negative trends.

Supply and Demand

- The market has shown some evidence of slowing recently. Both prices and inventory levels are relatively unchanged in recent weeks. Watch the Market Action Index for changes as it can be a leading indicator for price changes.

Real-Time Market Profile

Median List Price	\$ 435,000	↑↑
Average List Price	\$ 511,849	
Asking Price Per Square Foot	\$ 182	↓↓
Average Days on Market (DoM)	242	↑↑
Inventory of Properties Listed	57	↑↑
Most Expensive Listing	\$ 2,500,000	
Least Expensive Listing	\$ 172,000	
Average Age of Listing	19	
Percent of Properties with Price Decrease	23 %	
Percent Relisted (reset DOM)	9 %	
Percent Flip (price increased)	4 %	
Median House Size (sq ft)	2269	
Median Lot Size	8,001 - 10,000 sqft	
Median Number of Bedrooms	3.0	
Median Number of Bathrooms	3.0	

Trend

Altos Research Value Statistics

Market Action Index Strong Buyer's 18.0 ↑↑

The Market Action Index answers the question "How's the Market?" By measuring the current rate of sale versus the amount of the inventory. Index above 30 implies a seller's advantage. Below 30, conditions give the advantage to the buyer.

Trend Key:

↑↑ Strong upward trend ↓↓ Strong downward trend
 ↔ No change ↑ Slight upward trend ↓ Slight downward trend

Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM
Top/First	\$ 794,500	4092	0.25 - 0.50 acre	5.0	4.0	10	14	1	0	176
Upper/Second	\$ 507,000	2776	8,001 - 10,000 sqft	4.0	4.0	2	14	0	1	495
Lower/Third	\$ 312,450	1876	8,001 - 10,000 sqft	3.0	3.0	14	14	2	1	209
Bottom/Fourth	\$ 229,000	1379	6,501 - 8,000 sqft	3.0	2.0	28	15	1	0	99

Most expensive 25% of properties

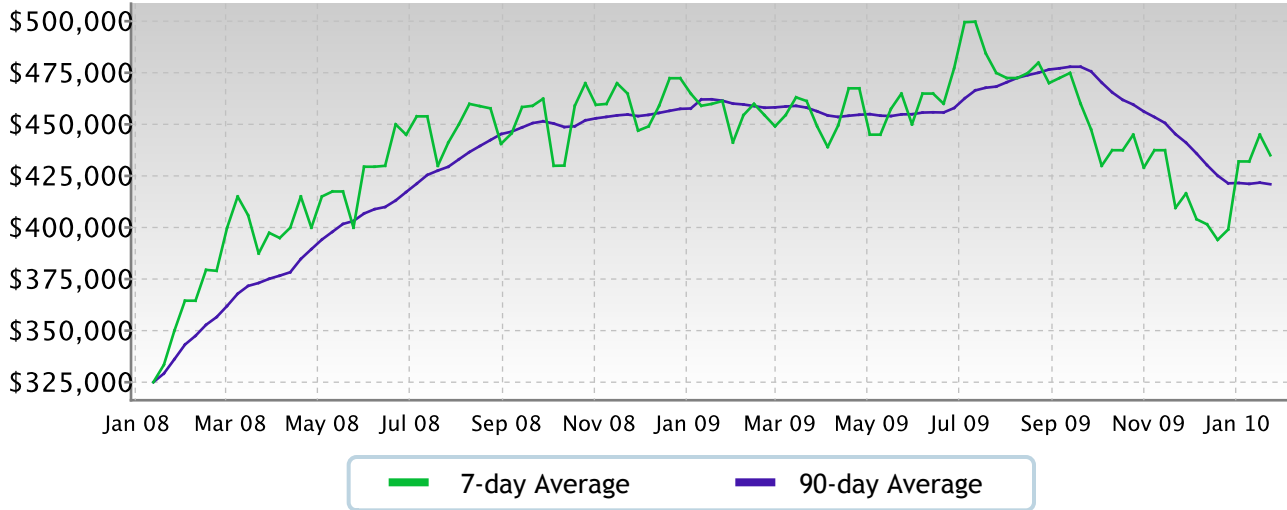
Upper-middle 25% of properties

Lower-middle 25% of properties

Least expensive 25% of properties

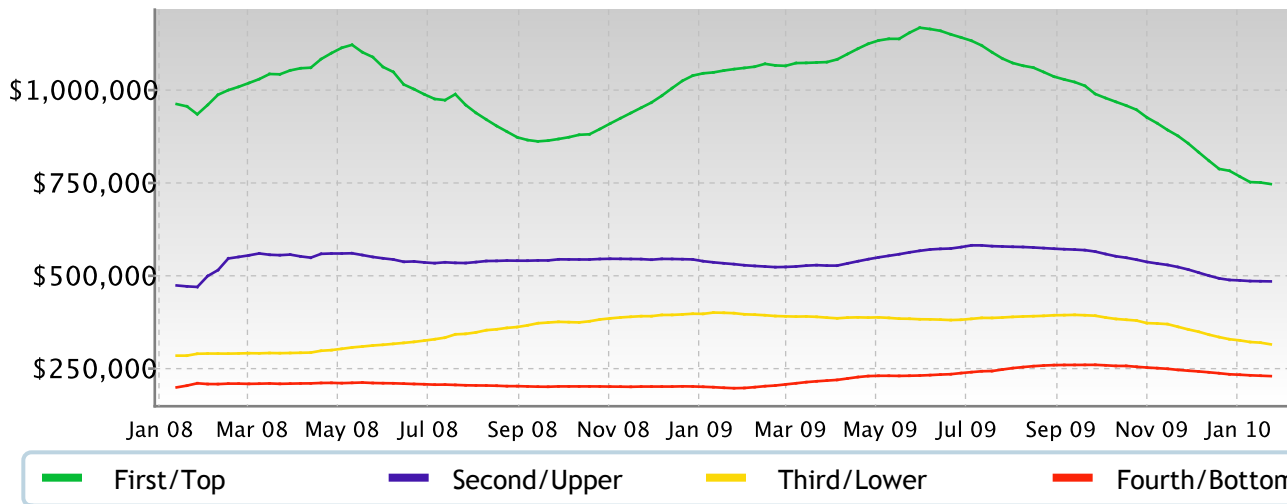
Median Price

Despite this week's down tic, price trends have generally been moving up lately.



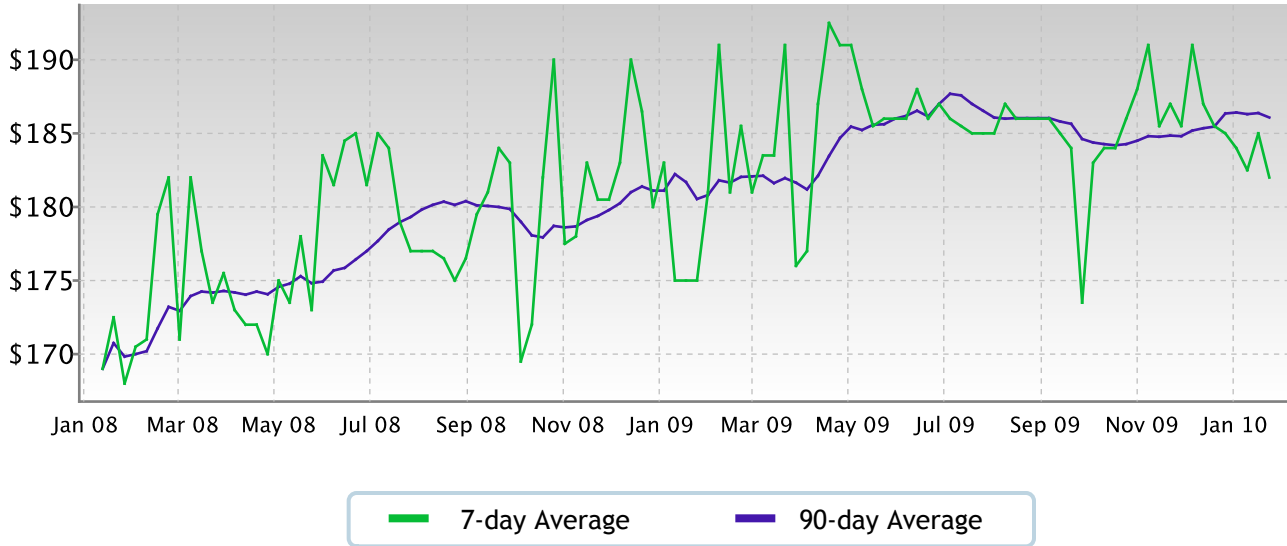
Quartile Prices

Price weakness is evident across the board. Quartiles 1, 2, and 4 have been in price decline in recent weeks, with Quartile 3 remaining basically flat. Look to the Market Action Index as a leading indicator of the bottom of the market.



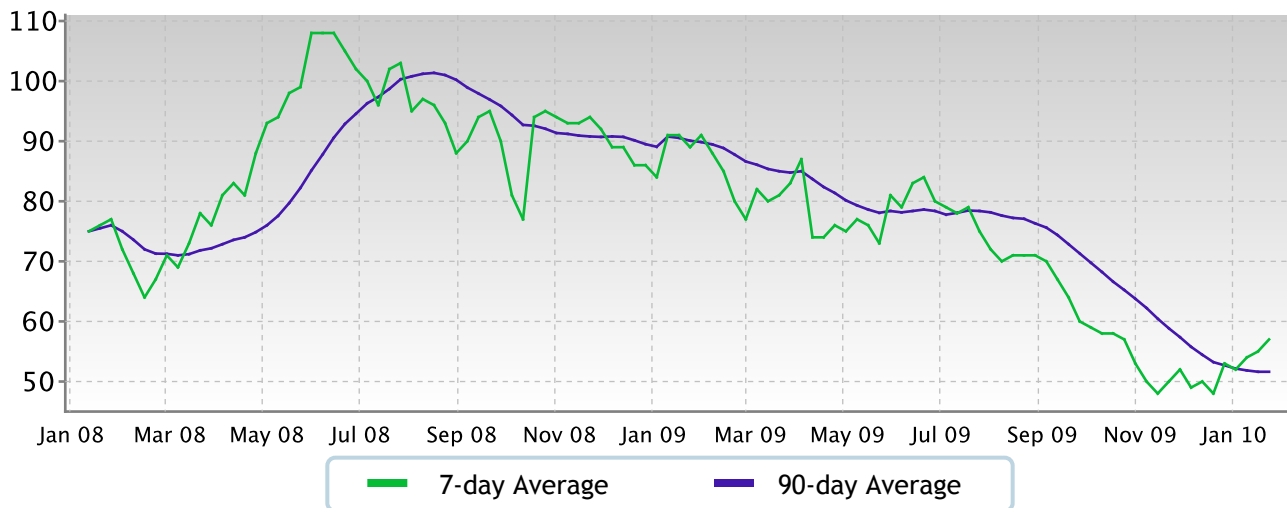
Price per Square Foot

This is a market where watching the value metrics (like price per square foot) can provide insight that you don't get at first glance. Despite the fact that home prices are rising fairly consistently, the price per square foot of homes listed is declining. Often this can be attributed to new and remodeled homes on the market. Buyers in the area are paying more but also getting more for their money.



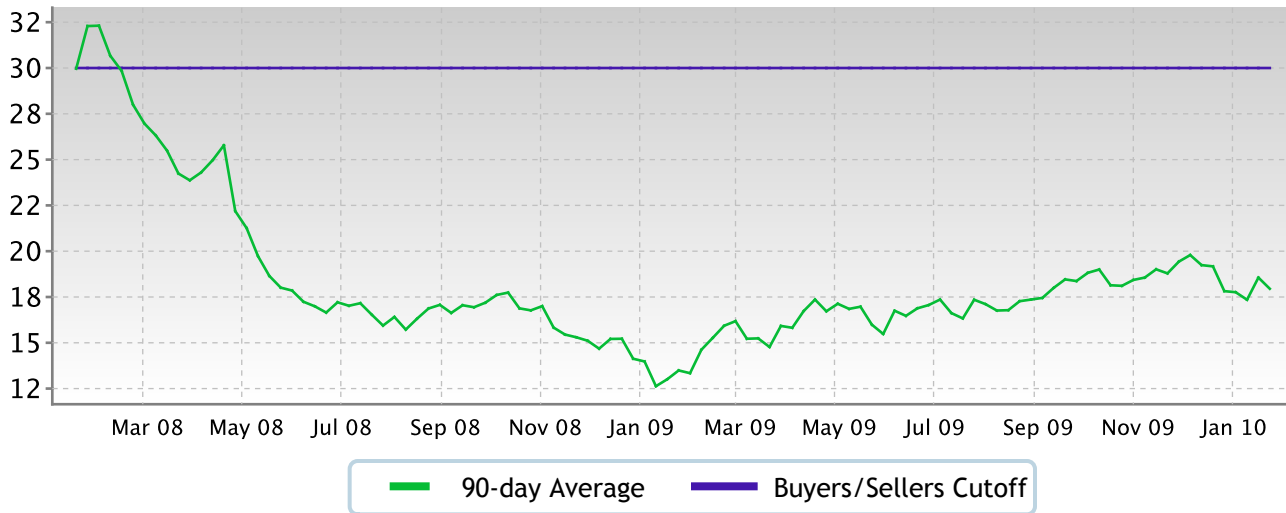
Inventory of Properties Listed for Sale

Inventory has been climbing lately. Note that rising inventory alone does not signal a weakening market. Look to the Market Action Index and Days on Market trends to gauge whether buyer interest is keeping up with available supply.



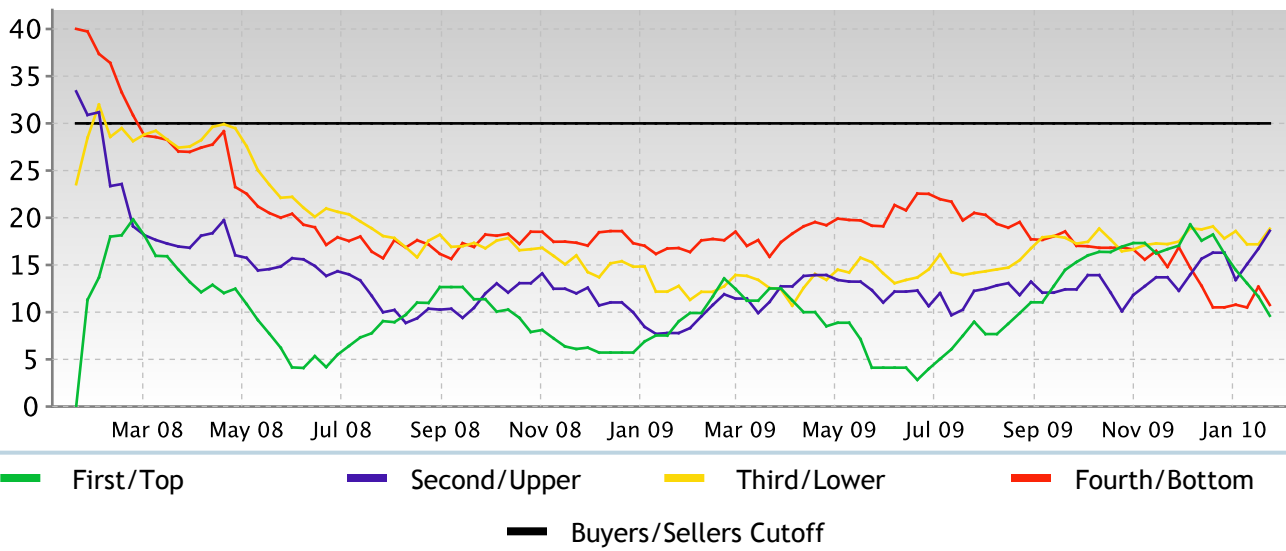
Market Action Index

The LAFAYETTE market is currently quite strongly in the Buyer's Advantage zone (below 30). The 90-day Market Action Index stands at 17.95. With several months of inventory available at the current sales rate, buyers should find ample choice.



Market Action Index per Quartile

Not surprisingly given the overall Market Action Index, all quartiles are in the Buyer's Market zone with several months of inventory given the current rate of demand for homes in the quartile. Watch the quartile for changes before the overall market shifts. Often one end of the market (e.g. the low end) will improve and signal a strengthening market before the whole group

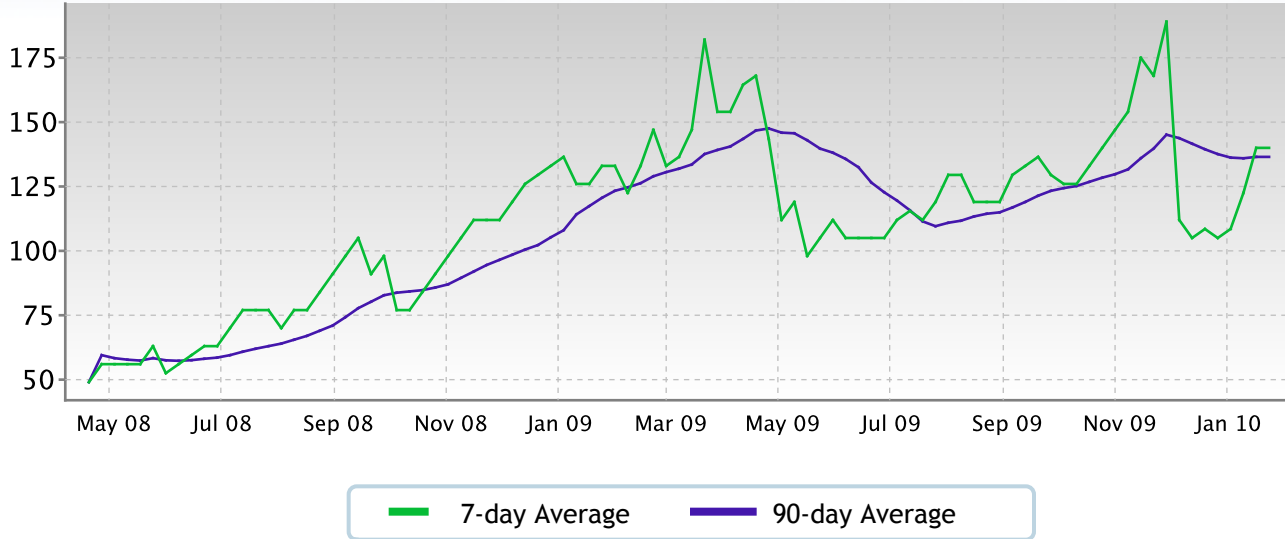


Residential house prices are a function of supply and demand, and market conditions can be characterized by analyzing those factors. Watch this index for sustained changes: if the index falls into the Buyer's Advantage zone (below 30) for a long period, prices are likely in for a downward correction.

The Market Action Index (MAI) illustrates a balance between supply and demand using a statistical function of the current rate of sale versus current inventory.

Days on Market

The properties have been on the market for an average of 242 days. Half of the listings have come newly on the market in the past 140 or so days.



Days on Market per Quartile

It is not uncommon for the higher priced homes in an area to take longer to sell than those in the lower quartiles.

