

ANTHONY KNIGHT MARKET UPDATE

LONGMONT, 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

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TRG National Title
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TRG

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Services**

This Week

- The median list price in LONGMONT, CO this week is \$300,000. The 135 properties have been on the market for an average of 215 days.

The Market Action Index has been climbing lately while days-on-market are trending down, these point to a positive near-term outlook for the market.

Supply and Demand

- Home sales have been exceeding new inventory for several weeks. However because of excess inventory, prices have not yet stopped falling. Should the sales trend continue, expect prices to level off soon and potentially to resume their climb from there. Watch prices as the market transitions from a Buyer's market to a Seller's market.

Real-Time Market Profile

		Trend
Median List Price	\$ 300,000	↓↓
Average List Price	\$ 607,768	
Asking Price Per Square Foot	\$ 146	↓↓
Average Days on Market (DoM)	215	↓↓
Inventory of Properties Listed	135	↔
Most Expensive Listing	\$ 9,850,000	
Least Expensive Listing	\$ 89,900	
Average Age of Listing	29	
Percent of Properties with Price Decrease	40 %	
Percent Relisted (reset DOM)	9 %	
Percent Flip (price increased)	4 %	
Median House Size (sq ft)	2327	
Median Lot Size	8,001 - 10,000 sqft	
Median Number of Bedrooms	3.0	
Median Number of Bathrooms	3.0	

Altos Research Value Statistics

Market Action Index Strong Buyer's 16.4 ↑↑

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	\$ 1,049,000	4642	0.50 - 1.0 acre	4.0	4.0	10	33	1	2	423
Upper/Second	\$ 433,500	2818	0.25 - 0.50 acre	4.0	3.0	12	34	1	2	223
Lower/Third	\$ 242,450	1838	6,501 - 8,000 sqft	3.0	3.0	16	34	1	4	148
Bottom/Fourth	\$ 165,450	1388	6,501 - 8,000 sqft	3.0	2.0	36	34	6	8	74

Most expensive 25% of properties

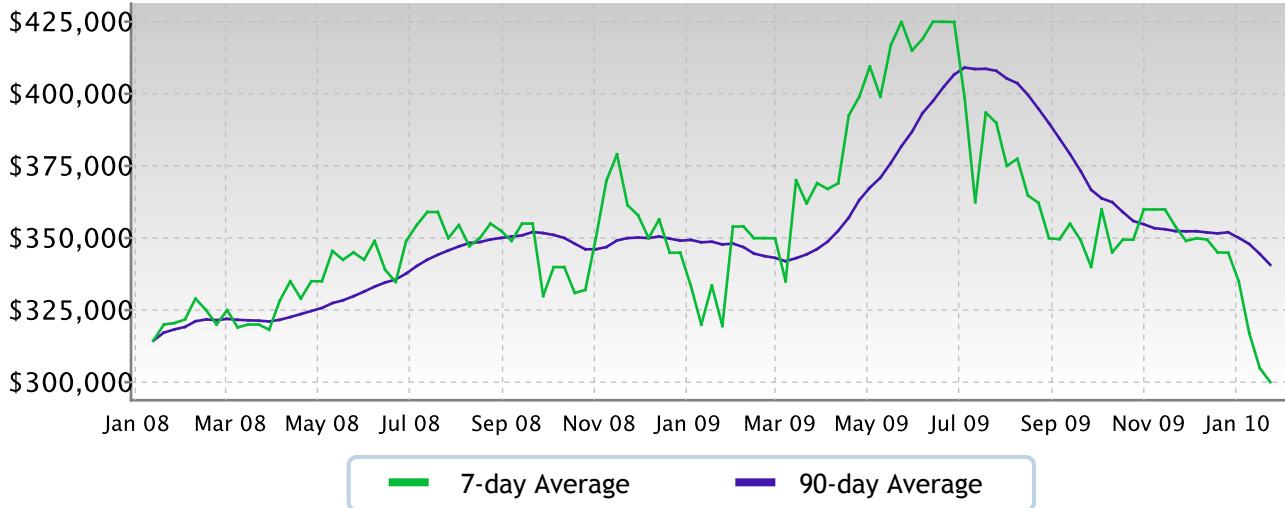
Upper-middle 25% of properties

Lower-middle 25% of properties

Least expensive 25% of properties

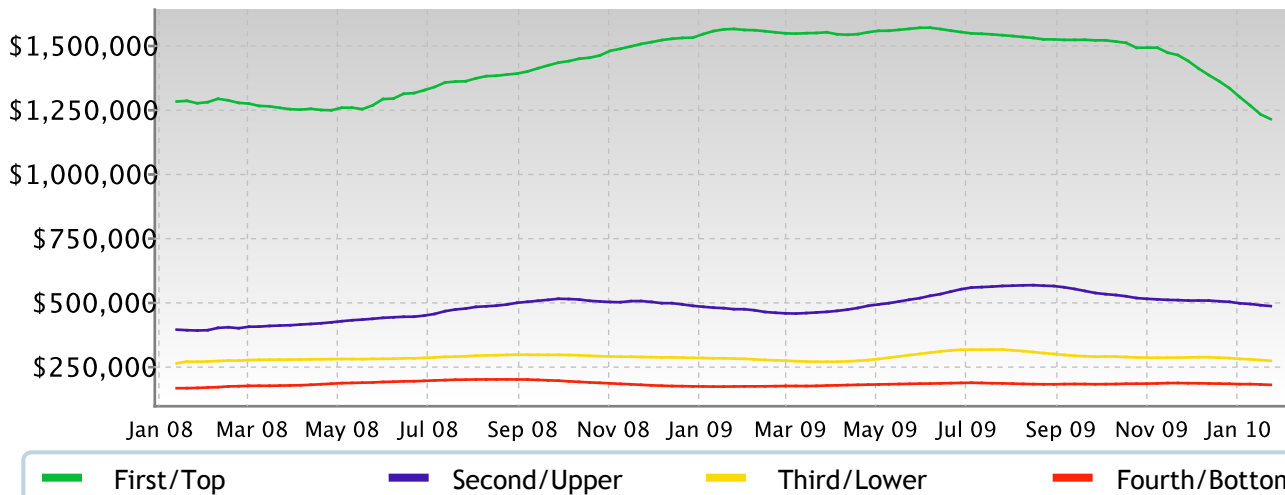
Median Price

Again this week we see a downward notch for prices. Pricing has been weak in recent weeks and versus their absolute-high levels. The Market Action Index is a good leading indicator for the durability of this trend.



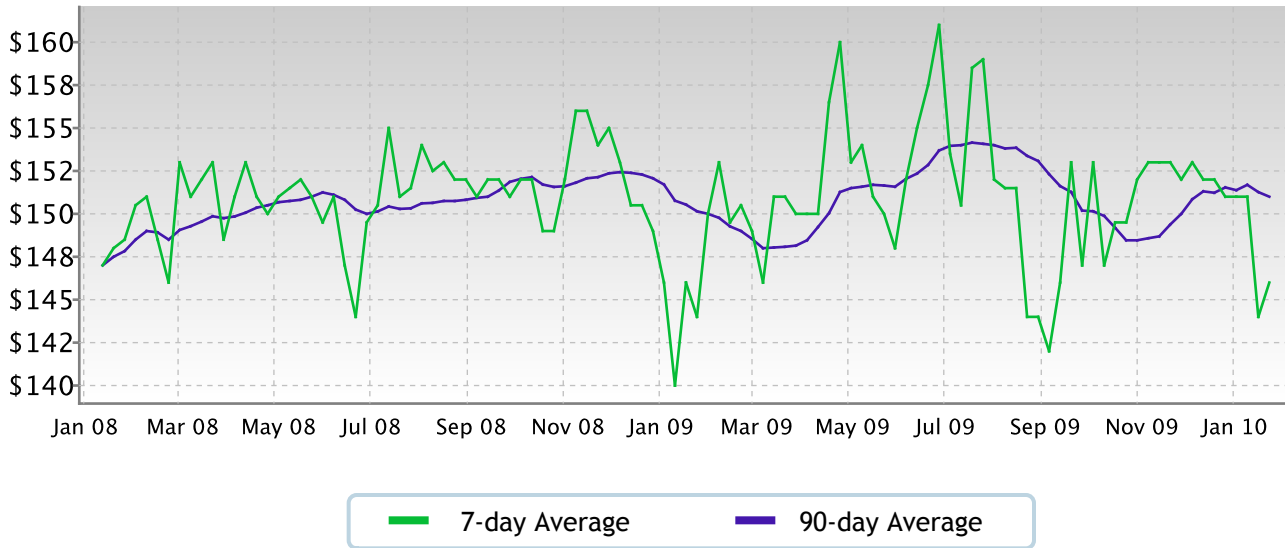
Quartile Prices

Price weakness is evident across the board. All four quartiles have been in price decline in recent weeks. Look to the Market Action Index as a leading indicator of the bottom of the market.



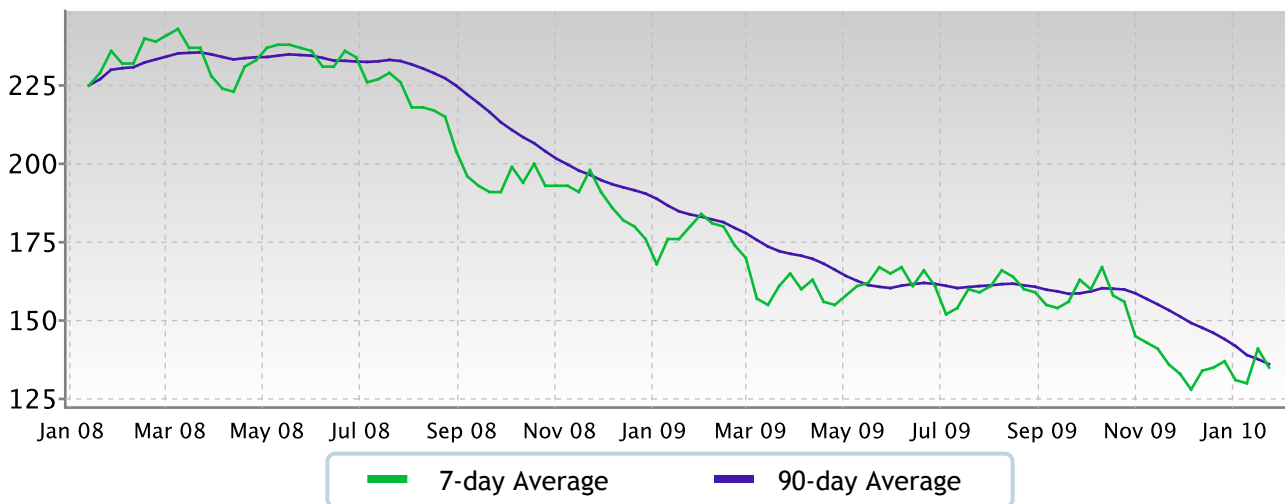
Price per Square Foot

The market's downward trends are shared across both price and value. People are recently placing less value on homes (you can see the recent declines in price per square foot as evidence.) Look for significant changes in the Market Action Index as a precursor to price and value changes, possibly as inflection points for good investment opportunities.



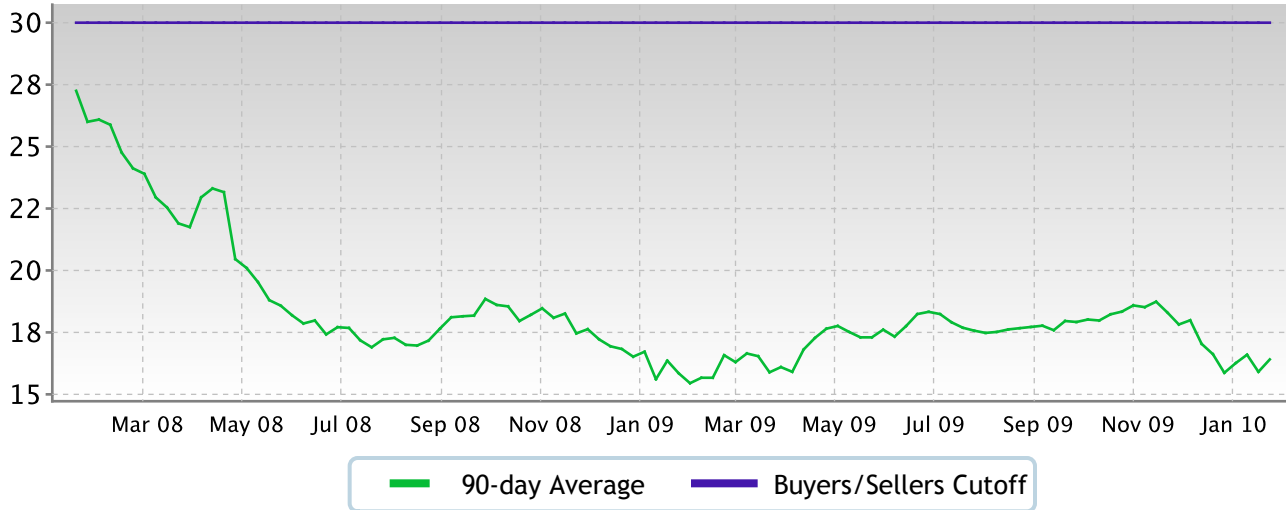
Inventory of Properties Listed for Sale

Inventory has been relatively steady around these levels in recent weeks.



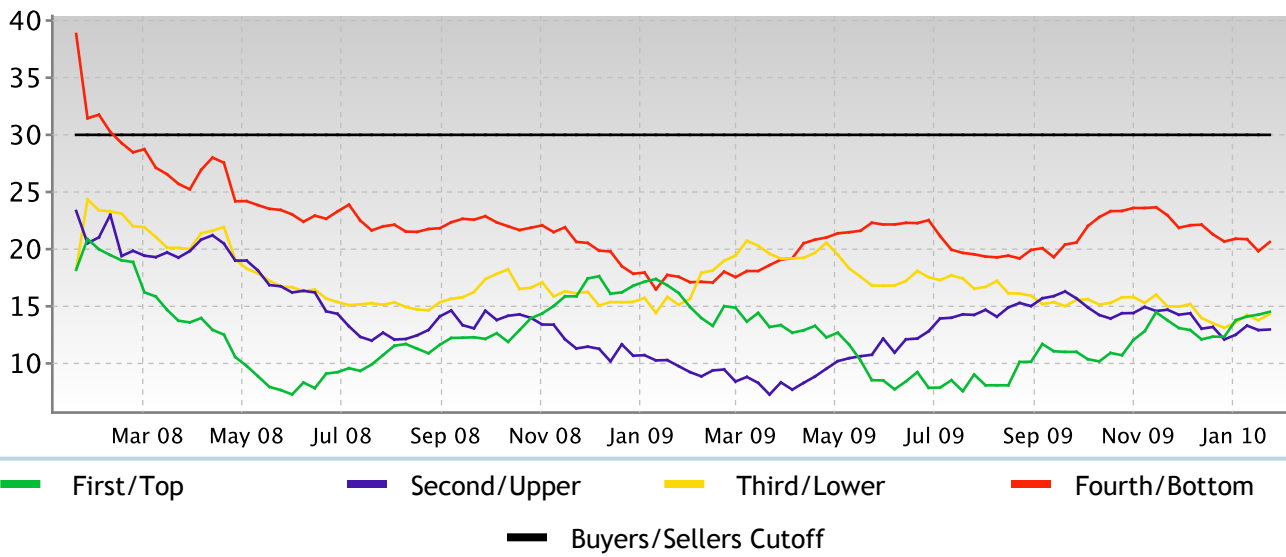
Market Action Index

The LONGMONT market is currently quite strongly in the Buyer's Advantage zone (below 30). The 90-day Market Action Index stands at 16.41. 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

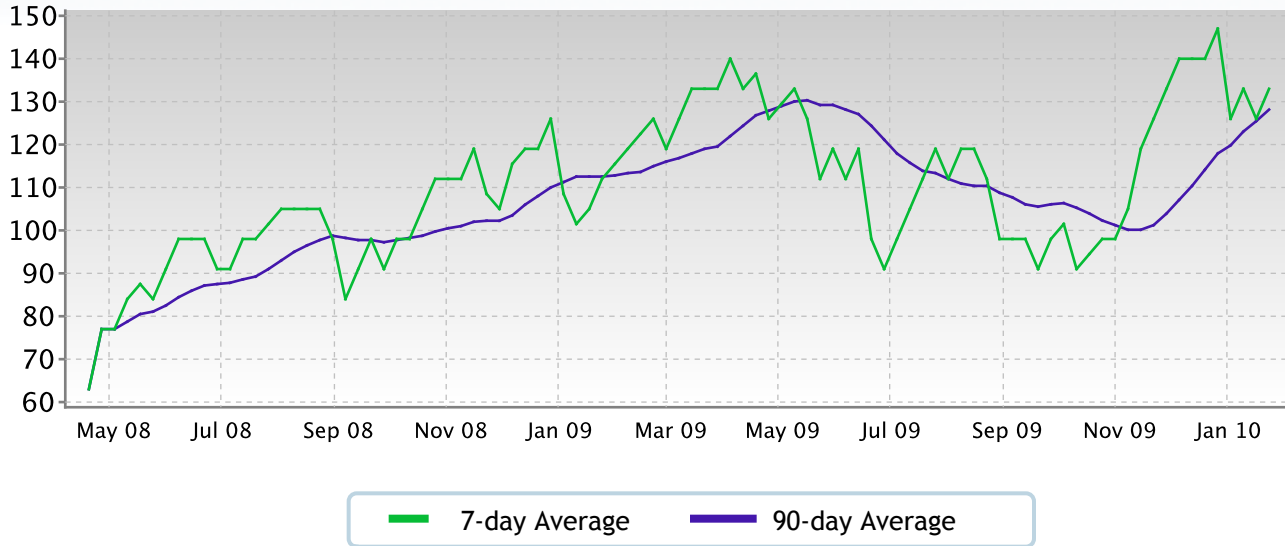


Residential house prices are a function of supply and demand, and market conditions can be characterized by analyzing those factors. Watch this index for sustained changes: if the index falls into the Buyer's Advantage zone (below 30) for a long period, prices are likely in for a downward correction.

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.

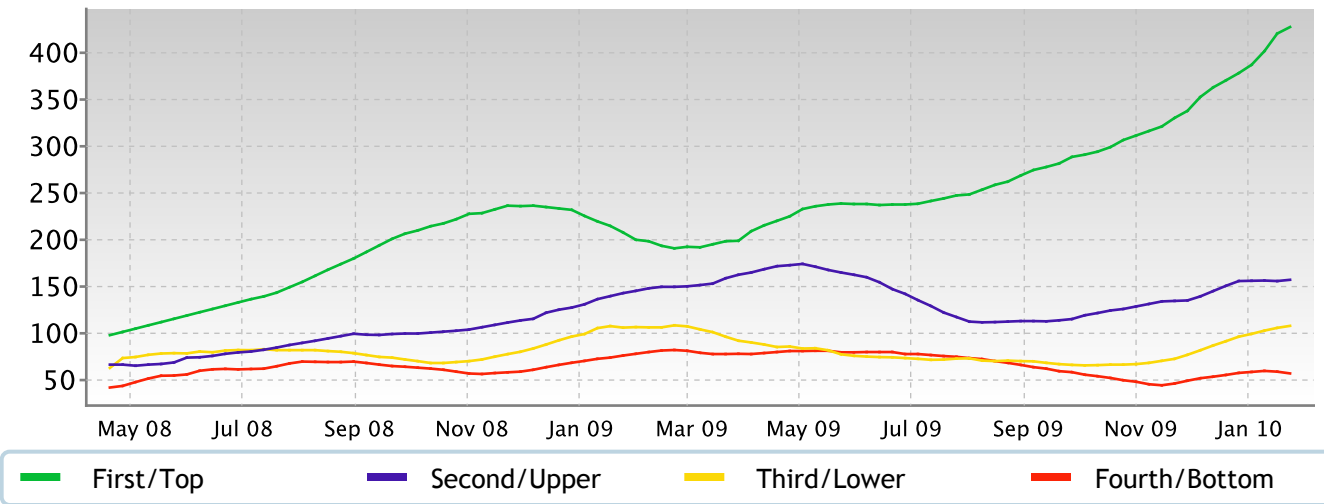
Days on Market

The properties have been on the market for an average of 215 days. Half of the listings have come newly on the market in the past 133 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.



This Week

- The median list price in LONGMONT, CO 80501 this week is \$220,000. The 61 properties have been on the market for an average of 158 days.

The Market Action Index has been climbing lately while days-on-market are trending down, these point to a positive near-term outlook for the market.

Supply and Demand

- The market has settled in at a relative stasis in inventory and sales conditions. It's a Buyer's market that has seen prices trend lower. Expect that consistent up trends in demand will be required before price trends change significantly.

Real-Time Market Profile

		Trend
Median List Price	\$ 220,000	↓↓
Average List Price	\$ 255,443	
Asking Price Per Square Foot	\$ 123	↑↑
Average Days on Market (DoM)	158	↓↓
Inventory of Properties Listed	61	↔
Most Expensive Listing	\$ 940,500	
Least Expensive Listing	\$ 89,900	
Average Age of Listing	43	
Percent of Properties with Price Decrease	43 %	
Percent Relisted (reset DOM)	10 %	
Percent Flip (price increased)	5 %	
Median House Size (sq ft)	1670	
Median Lot Size	6,501 - 8,000 sqft	
Median Number of Bedrooms	3.0	
Median Number of Bathrooms	2.0	

Altos Research Value Statistics

Market Action Index Strong Buyer's 17.8 ↑↑

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	\$ 345,000	2416	8,001 - 10,000 sqft	3.0	3.0	13	15	0	1	312
Upper/Second	\$ 255,000	2192	6,501 - 8,000 sqft	3.0	3.0	16	15	1	2	154
Lower/Third	\$ 200,000	1376	6,501 - 8,000 sqft	3.0	2.0	41	15	1	3	102
Bottom/Fourth	\$ 151,200	1344	6,501 - 8,000 sqft	3.0	2.0	44	16	5	5	70

Most expensive 25% of properties

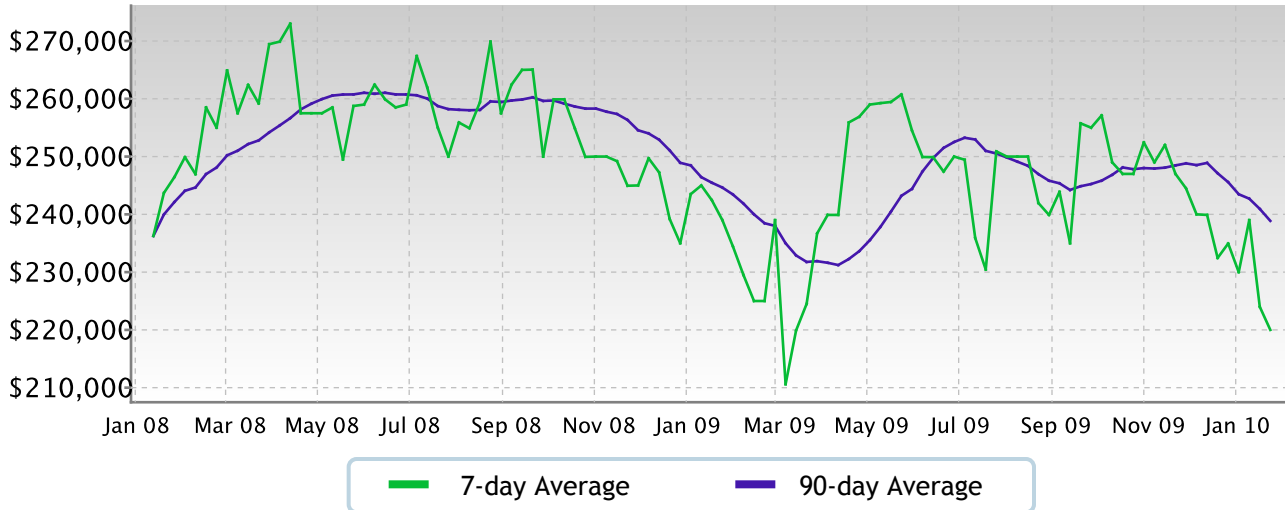
Upper-middle 25% of properties

Lower-middle 25% of properties

Least expensive 25% of properties

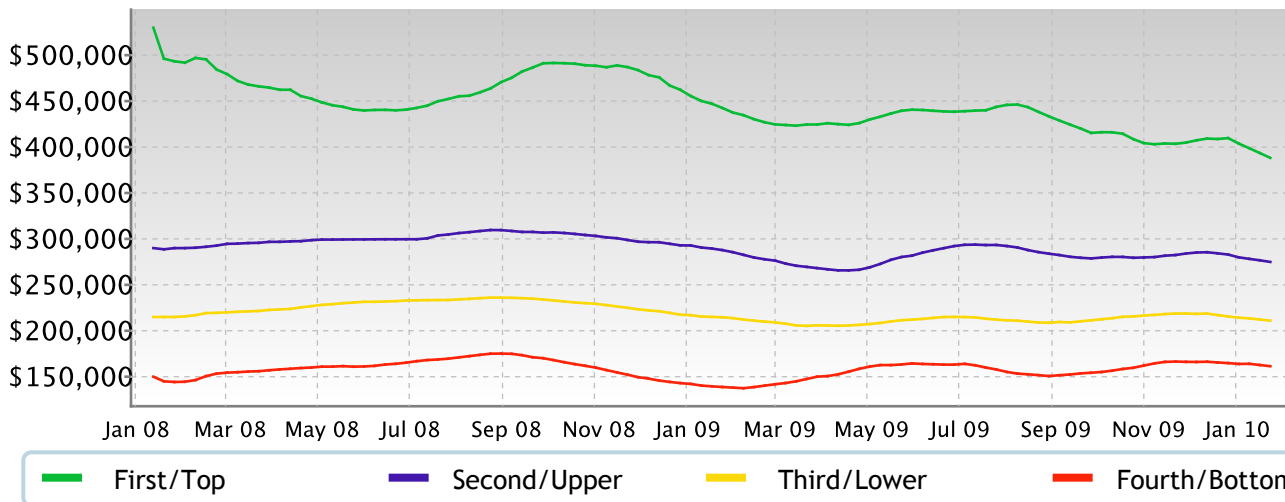
Median Price

Again this week in this zip code we see a downward notch for prices. Pricing has been weak in recent weeks and versus their absolute-high level. At this point, we will be looking for a persistent upward shift in the Market Action Index as a leading indicator for a trough in prices.



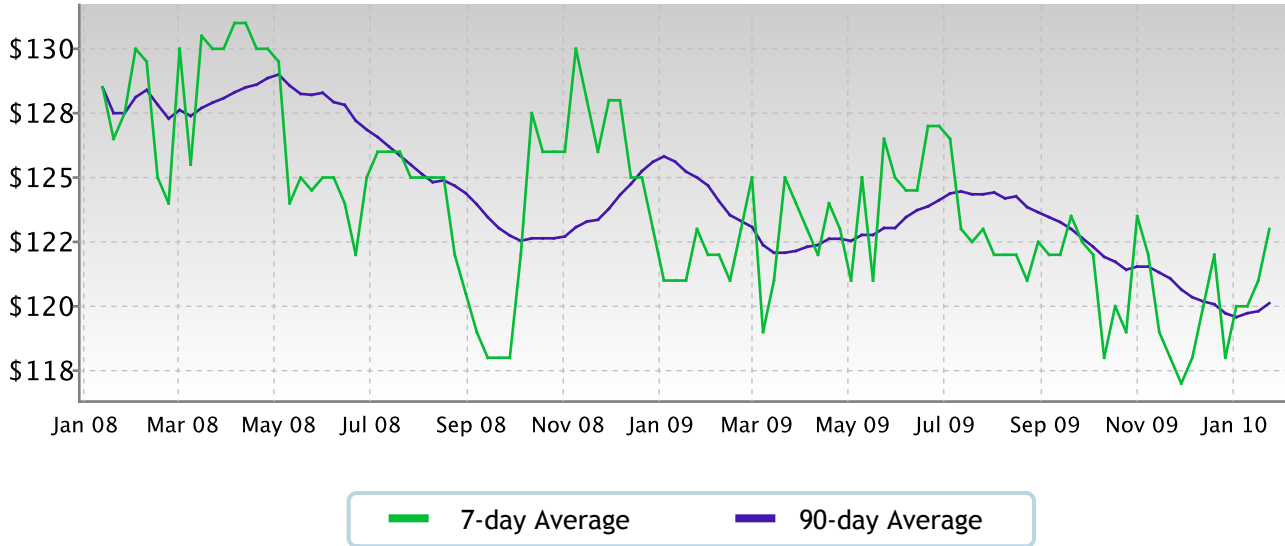
Quartile Prices

In the quartile market segments, we see the market's price weakness evident across the board. All four quartiles have been in price decline in recent weeks. Look to the Market Action Index as a leading indicator of the bottom of the market.



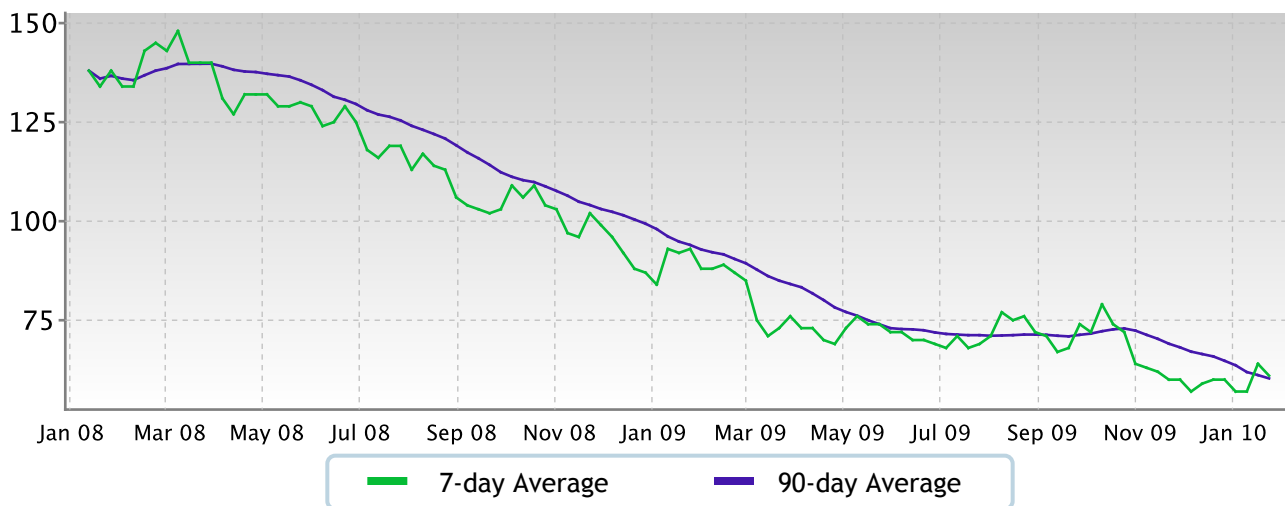
Price per Square Foot

We're seeing fairly unusual market conditions as prices have been in a downward trend but price per square foot is actually increasing. (Buyers are paying less and getting less home for their money.) Anomalies like these can be attributed to micro-location variables.



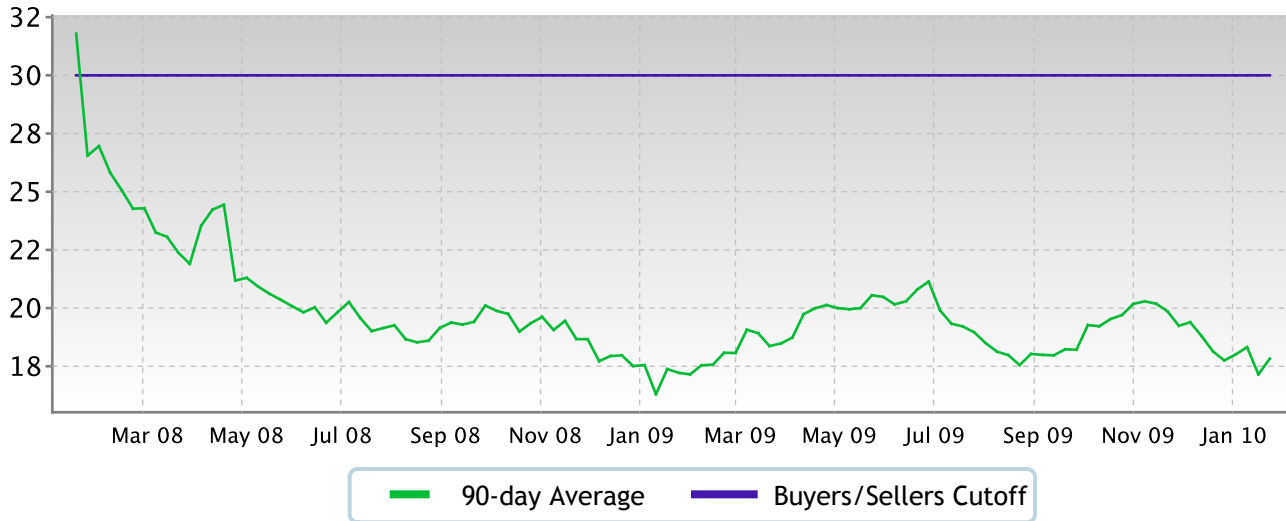
Inventory of Properties Listed for Sale

Inventory has been relatively steady around these levels in recent weeks.



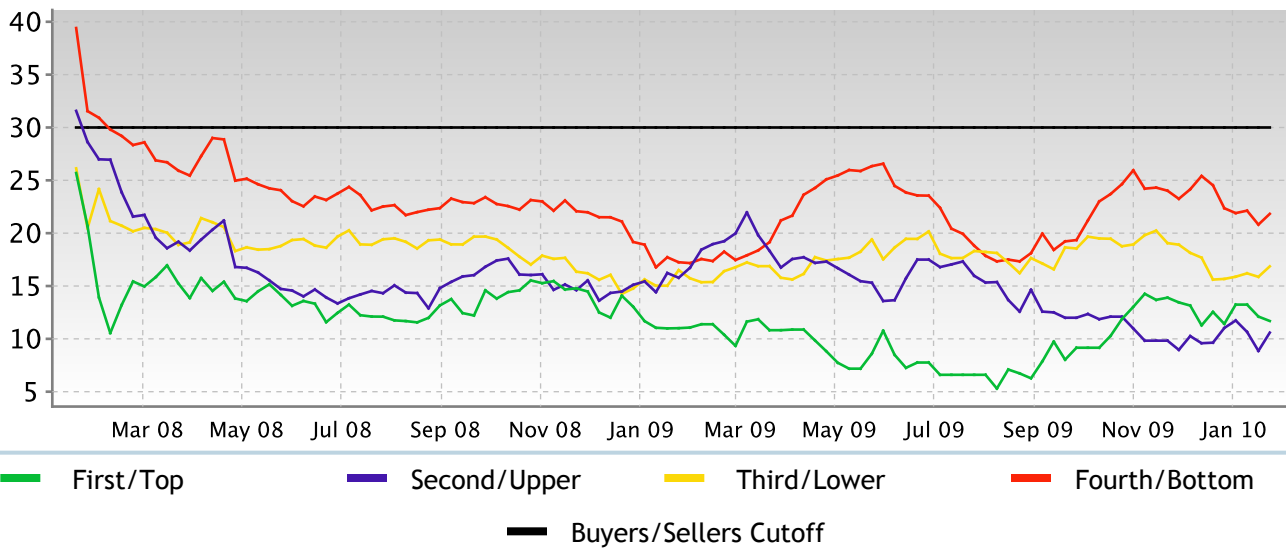
Market Action Index

The LONGMONT, 80501 market is currently quite strongly in the Buyer's Advantage zone (below 30). The 90-day Market Action Index stands at 17.83. With several months of inventory available at the current sales rate, buyers should find ample choice.



Market Action Index per Quartile

Not surprisingly, all quartiles are in the Buyer's Market zone with several months of inventory given the current levels of demand. Watch the quartiles for changes before the overall market shifts.

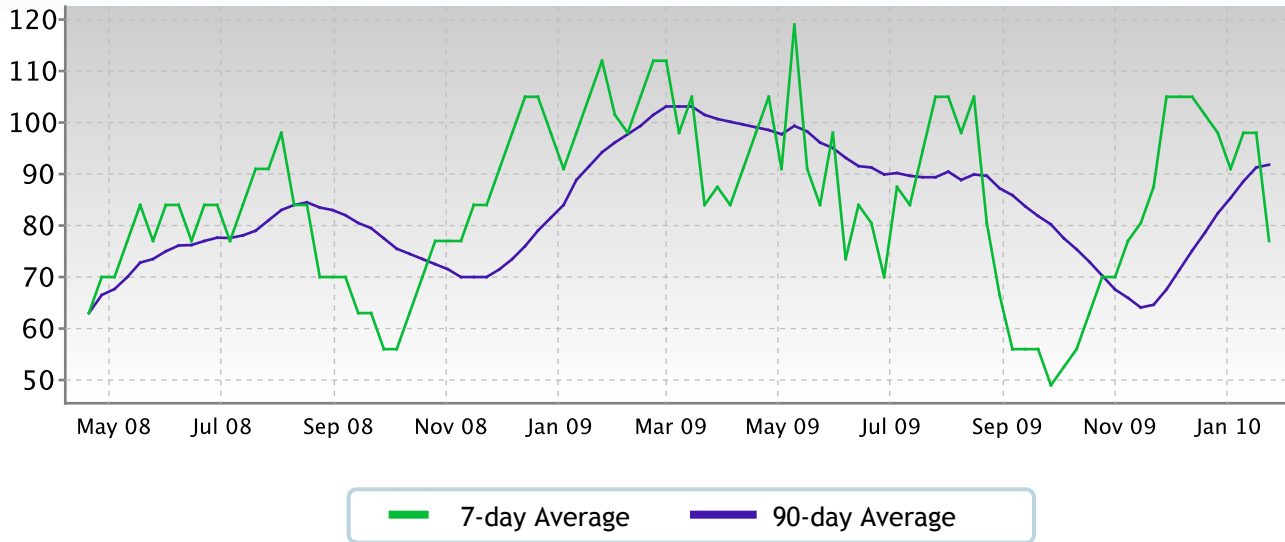


Residential house prices are a function of supply and demand, and market conditions can be characterized by analyzing those factors. Watch this index for sustained changes: if the index falls into the Buyer's Advantage zone (below 30) for a long period, prices are likely in for a downward correction.

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.

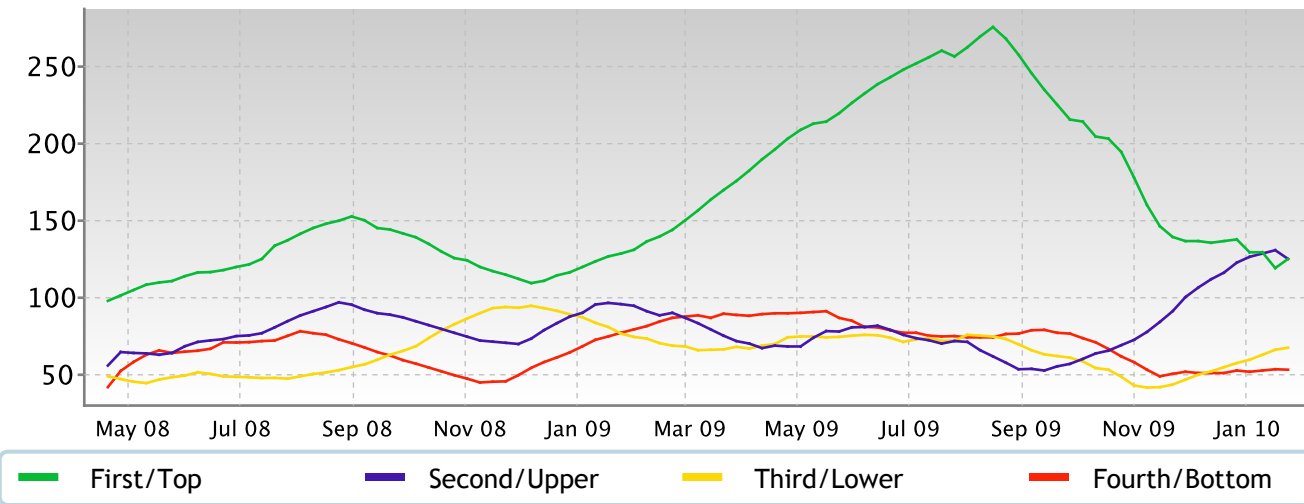
Days on Market

The properties have been on the market for an average of 158 days. Half of the listings have come newly on the market in the past 77 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.



This Week

- The median list price in LONGMONT, CO 80503 this week is \$527,000. The 74 properties have been on the market for an average of 263 days.

Inventory is tightening and days-on-market is falling. The Market Action Index shows demand heating up. These are relatively bullish signs for prices.

Supply and Demand

- Home sales have been exceeding new inventory for several weeks. However because of excess inventory, prices have not yet stopped falling. Should the sales trend continue, expect prices to level off soon and potentially to resume their climb from there. Watch prices as the market transitions from a Buyer's market to a Seller's market.

Real-Time Market Profile

Real-Time Market Profile	Trend
Median List Price	\$ 527,000 ↓↓
Average List Price	\$ 898,198 ↓↓
Asking Price Per Square Foot	\$ 158 ↓↓
Average Days on Market (DoM)	263 ↓↓
Inventory of Properties Listed	74 ↓↓
Most Expensive Listing	\$ 9,850,000
Least Expensive Listing	\$ 124,900
Average Age of Listing	18
Percent of Properties with Price Decrease	38 %
Percent Relisted (reset DOM)	8 %
Percent Flip (price increased)	4 %
Median House Size (sq ft)	3404
Median Lot Size	0.25 - 0.50 acre
Median Number of Bedrooms	4.0
Median Number of Bathrooms	4.0

Altos Research Value Statistics

Market Action Index Strong Buyer's 14.7 ↑↑

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Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM
Top/First	\$ 1,505,000	5396	0.50 - 1.0 acre	4.0	5.0	8	18	0	1	449
Upper/Second	\$ 691,668	3889	1.0 - 2.5 acres	4.0	4.0	13	18	1	1	386
Lower/Third	\$ 425,000	2867	8,001 - 10,000 sqft	4.0	3.0	14	19	1	1	147
Bottom/Fourth	\$ 214,900	1588	4,501 - 6,500 sqft	3.0	3.0	15	19	0	2	84

Most expensive 25% of properties

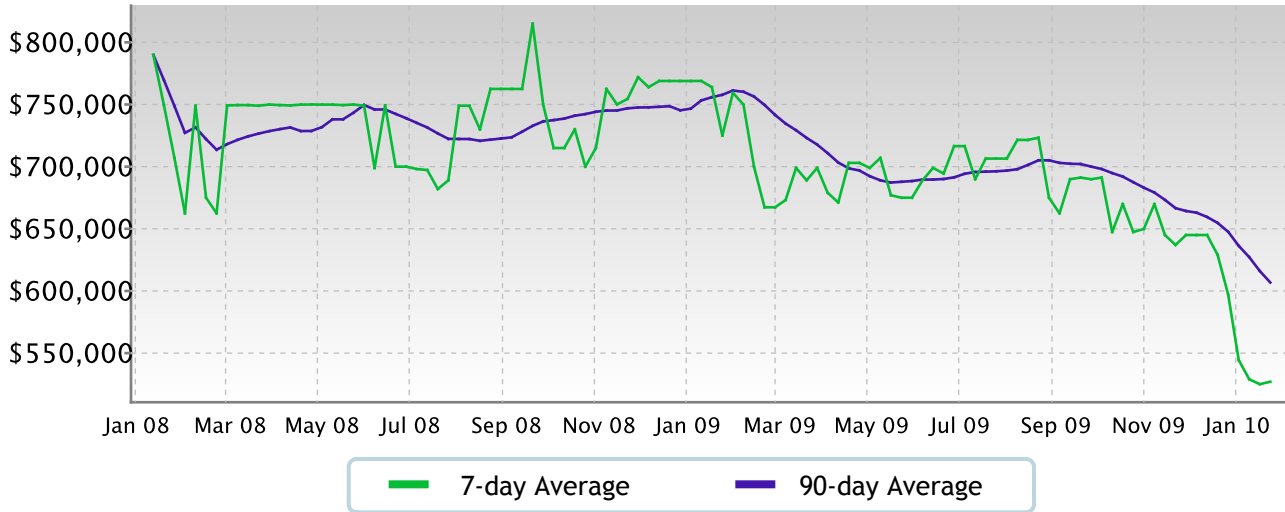
Upper-middle 25% of properties

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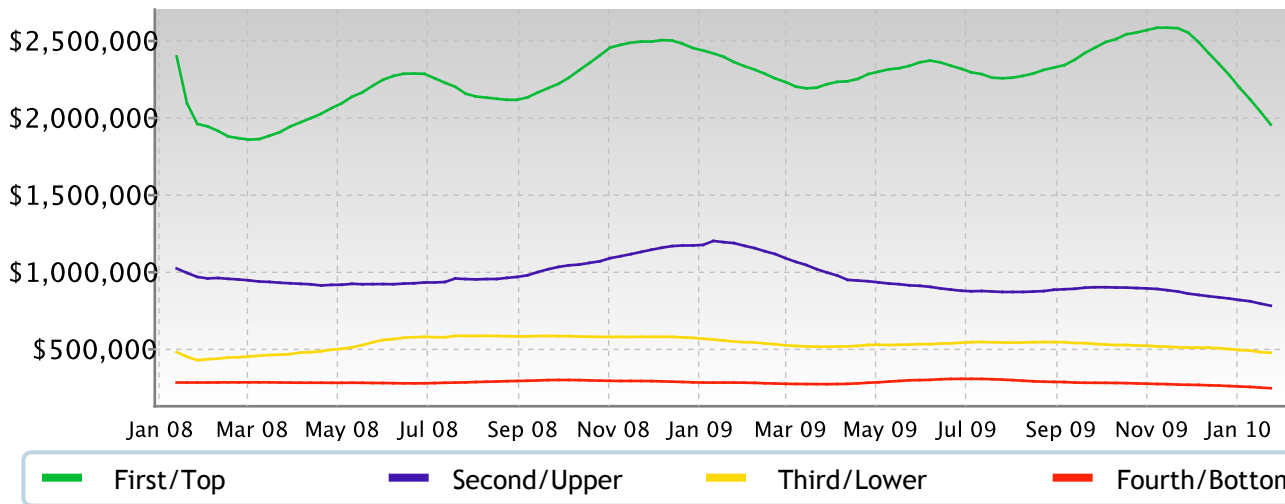
Median Price

Prices in this zip code have been on a downward trend recently and this week, while essentially flat, doesn't break us out of that cycle.



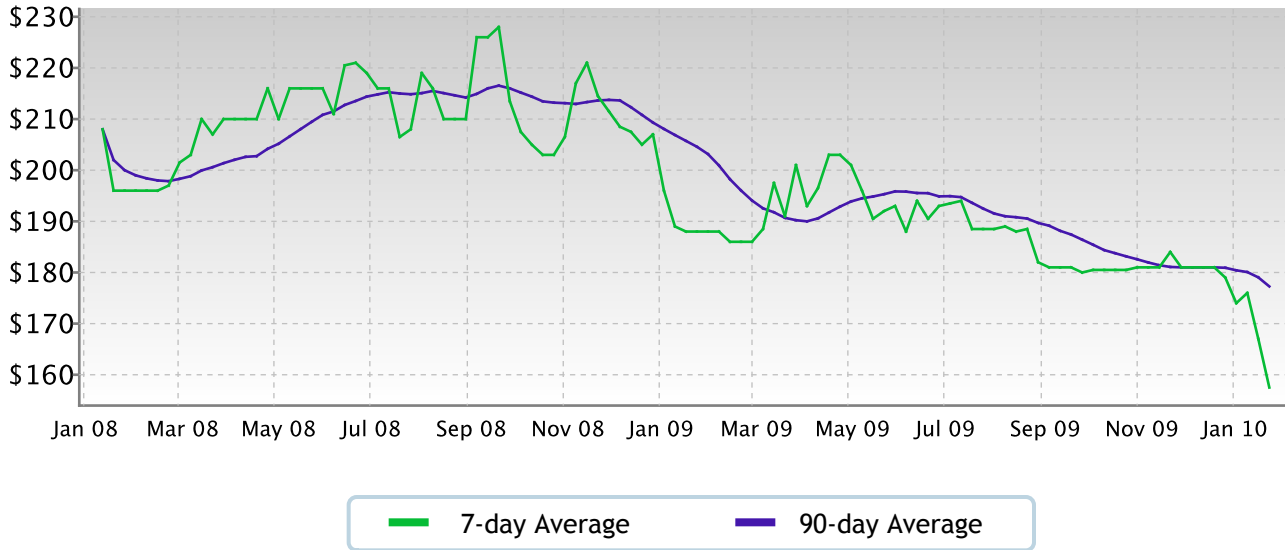
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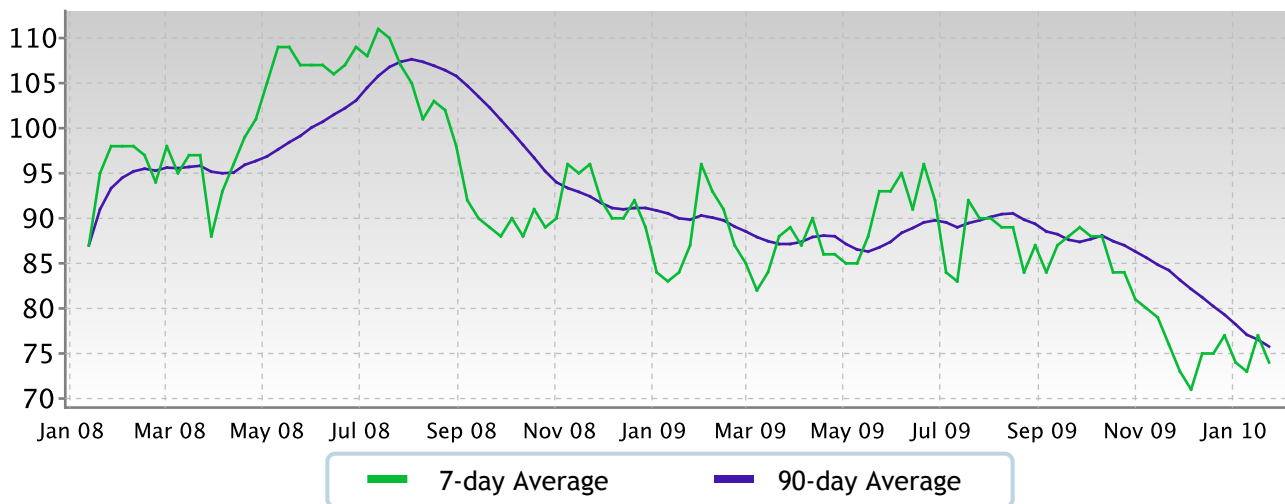
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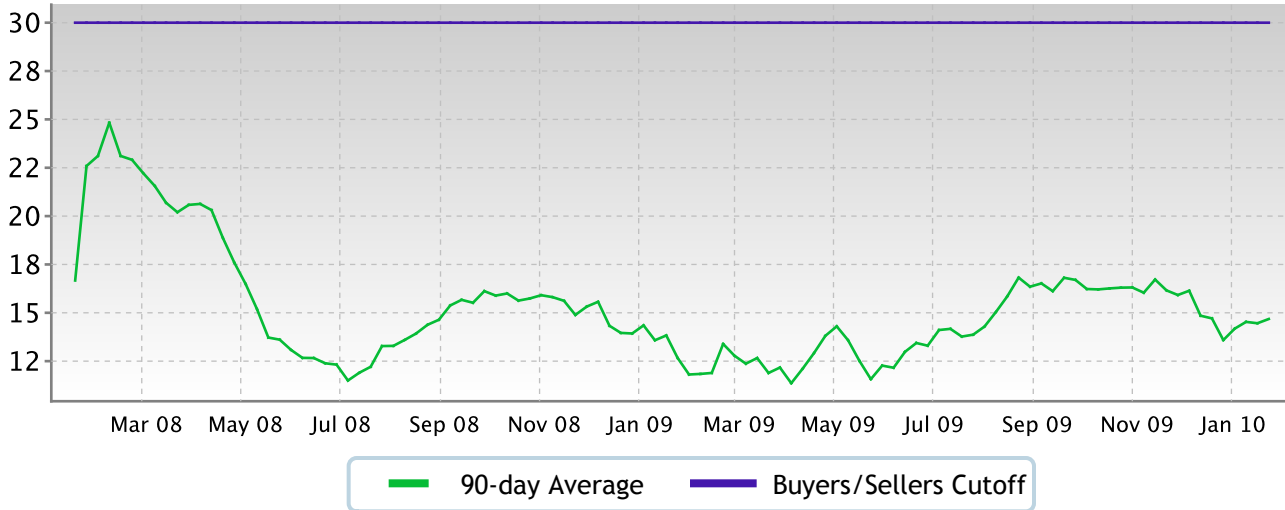
Inventory of Properties Listed for Sale

Inventory has been falling in recent weeks. Note that declining inventory alone does not signal a strengthening market. Look to the Market Action Index and Days on Market trends to gauge whether buyer interest is changing with the available supply.



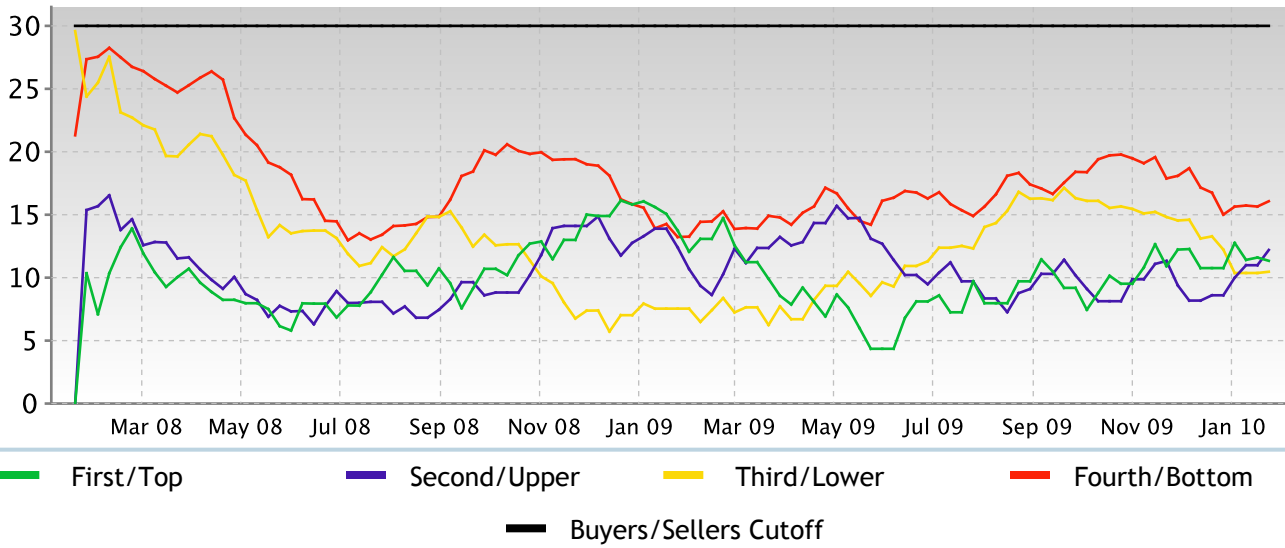
Market Action Index

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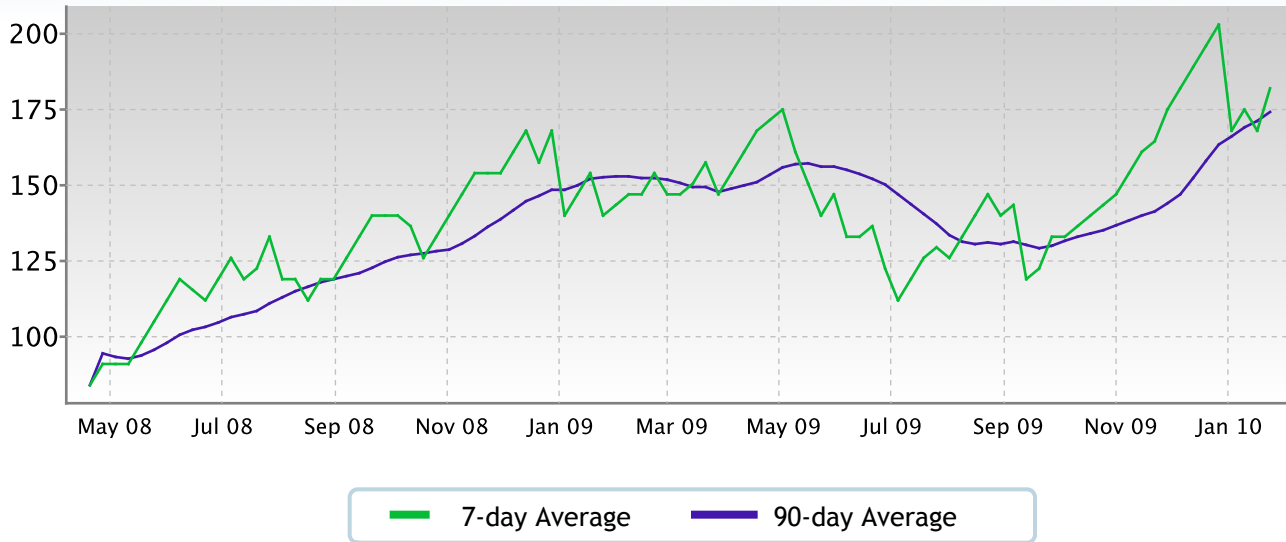


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