

TITLE RESOURCE GROUP 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**
May 17, 2010

- **Presented by Title Resource Group**
TRGC Colorado
anthony_aknight@yahoo.com
303.475.8075



TRG

Title
Resource
Group

This Week

- The median list price in LONGMONT, CO this week is \$286,950. The 116 properties have been on the market for an average of 129 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		Trend
Median List Price	\$ 286,950	↓↓
Average List Price	\$ 595,084	
Asking Price Per Square Foot	\$ 149	↑↑
Average Days on Market (DoM)	129	↓↓
Inventory of Properties Listed	116	↓↓
Most Expensive Listing	\$ 6,900,000	
Least Expensive Listing	\$ 28,000	
Average Age of Listing	29	
Percent of Properties with Price Decrease	33 %	
Percent Relisted (reset DOM)	3 %	
Percent Flip (price increased)	3 %	
Median House Size (sq ft)	2176	
Median Lot Size	0.25 - 0.50 acre	
Median Number of Bedrooms	4.0	
Median Number of Bathrooms	3.0	

Altos Research Value Statistics		
Market Action Index	Strong Buyer's	20.1 ↑↑

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.

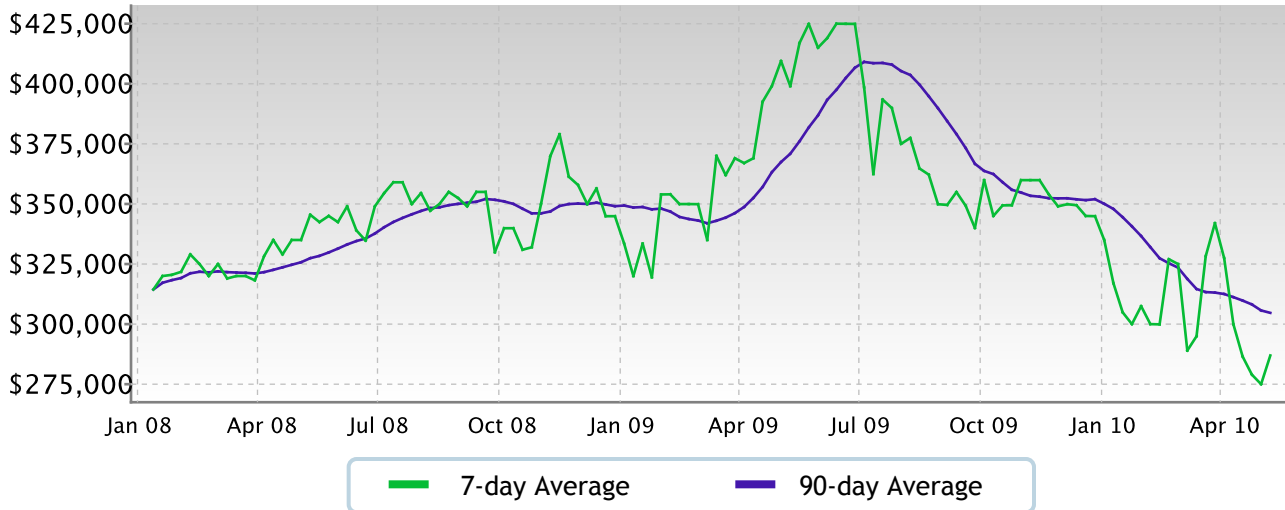
Trend Key: ↑↑ Strong upward trend ↓↓ Strong downward trend
 ↔ No change ↑ Slight upward trend ↓ Slight downward trend

Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM	
Top/First	\$ 1,249,000	4728	0.50 - 1.0 acre	5.0	4.0	14	29	2	0	243	Most expensive 25% of properties
Upper/Second	\$ 399,950	2669	0.25 - 0.50 acre	4.0	3.0	12	29	2	4	102	Upper-middle 25% of properties
Lower/Third	\$ 239,900	1868	6,501 - 8,000 sqft	3.0	3.0	18	29	2	5	88	Lower-middle 25% of properties
Bottom/Fourth	\$ 159,000	1324	6,501 - 8,000 sqft	3.0	2.0	41	29	4	4	81	Least expensive 25% of properties

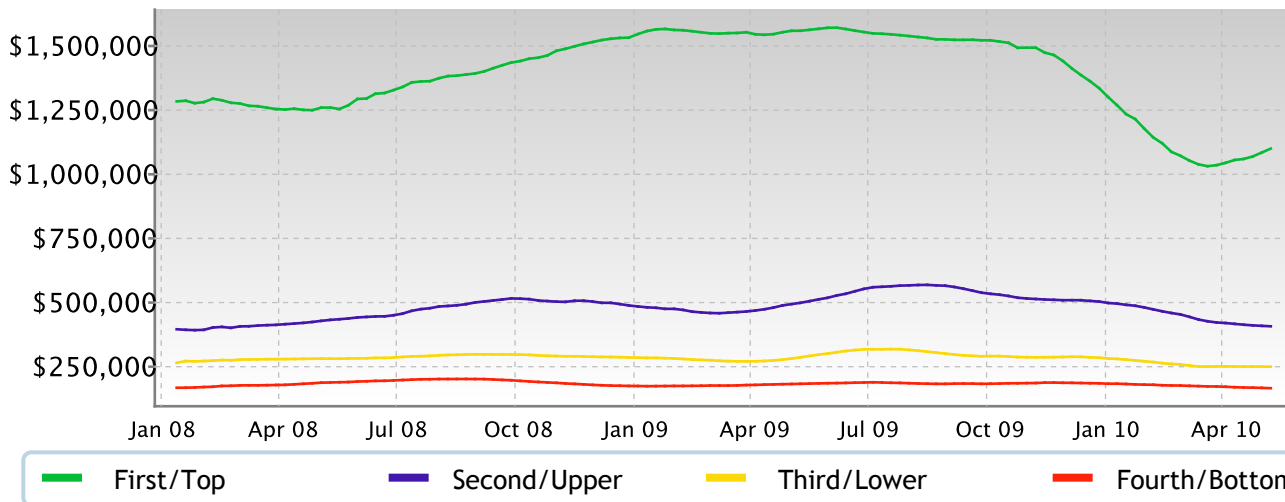
Median Price

This week prices bumped up a bit but the trend of recent weeks is generally downward. A pickup in demand will be reflected in the Market Action Index, so watch that chart to try to identify a change in the market.



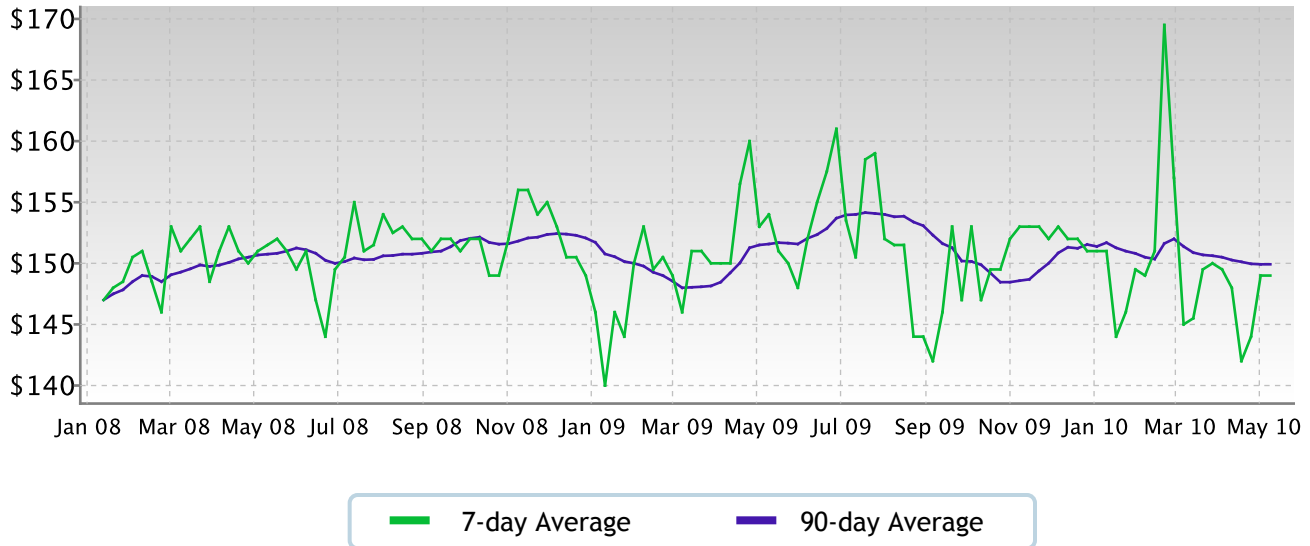
Quartile Prices

Most of the market segments are showing price weakness lately. Notice however, that Quartile 4 at the low-end of the market is still on an up-trend. Often this condition happens in markets where demand has fallen (for example, due to micro-location variables) but supply is still relatively short. Buyers are focusing on the lowest price homes in the area.



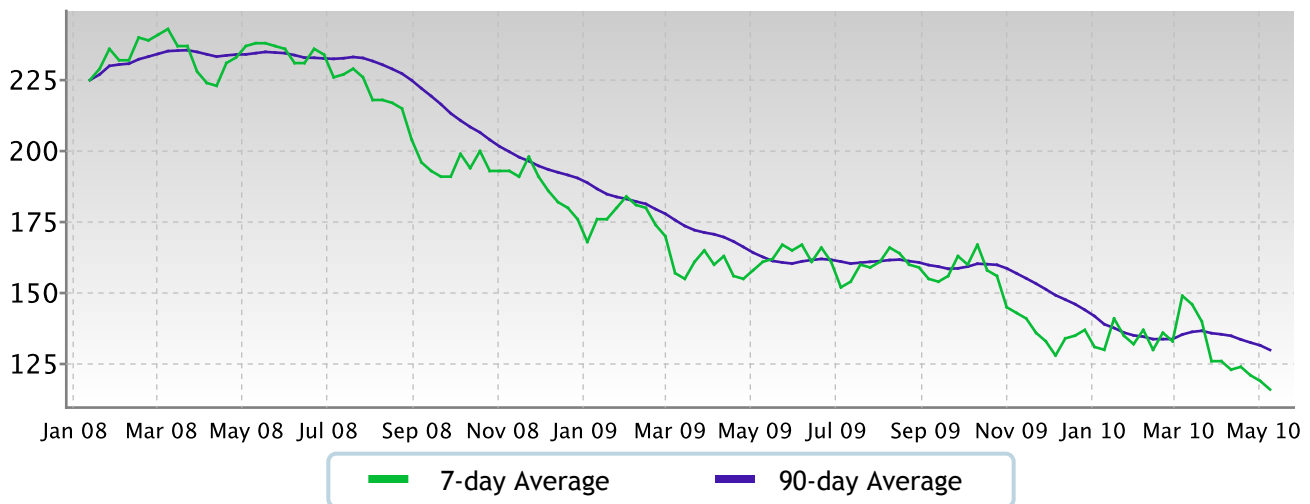
Price per Square Foot

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.



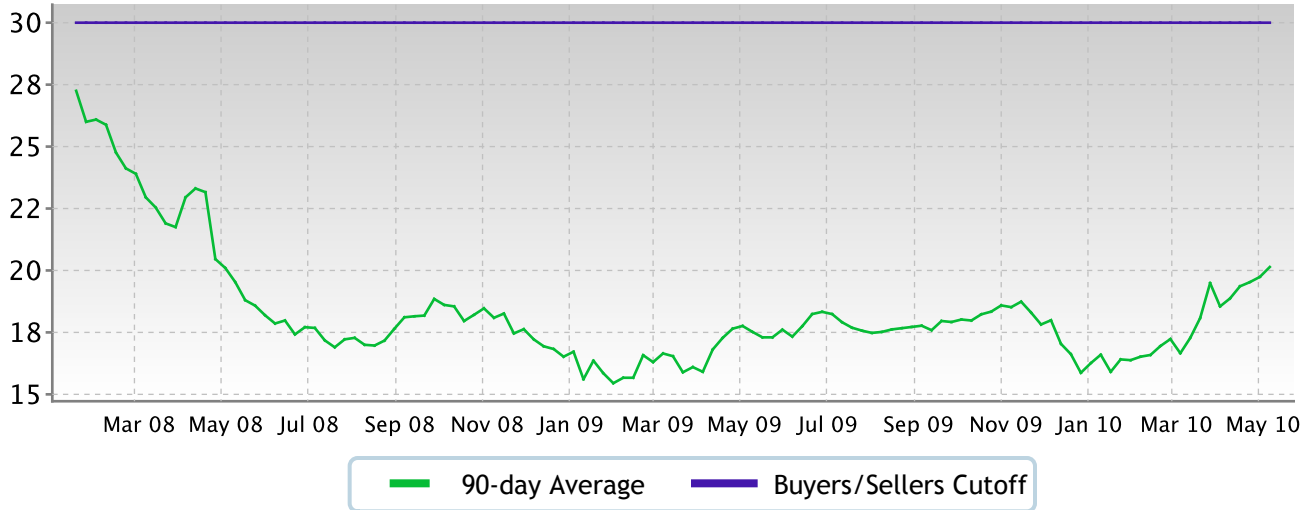
Inventory of Properties Listed for Sale

Inventory has been 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.



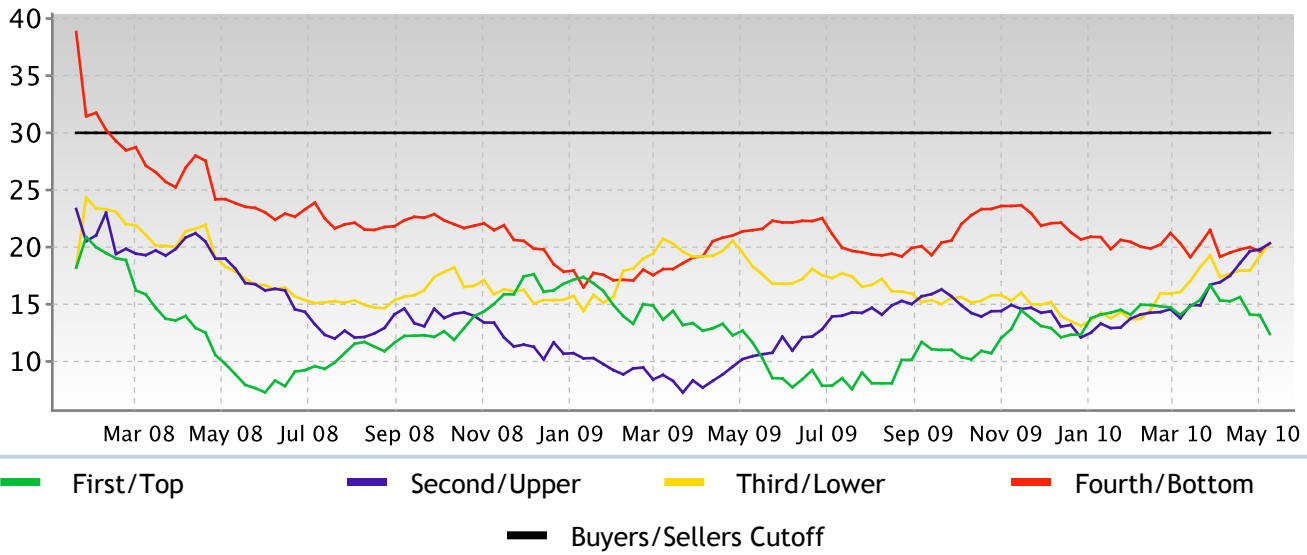
Market Action Index

The LONGMONT market is currently quite strongly in the Buyer's Advantage zone (below 30). The 90-day Market Action Index stands at 20.14. 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

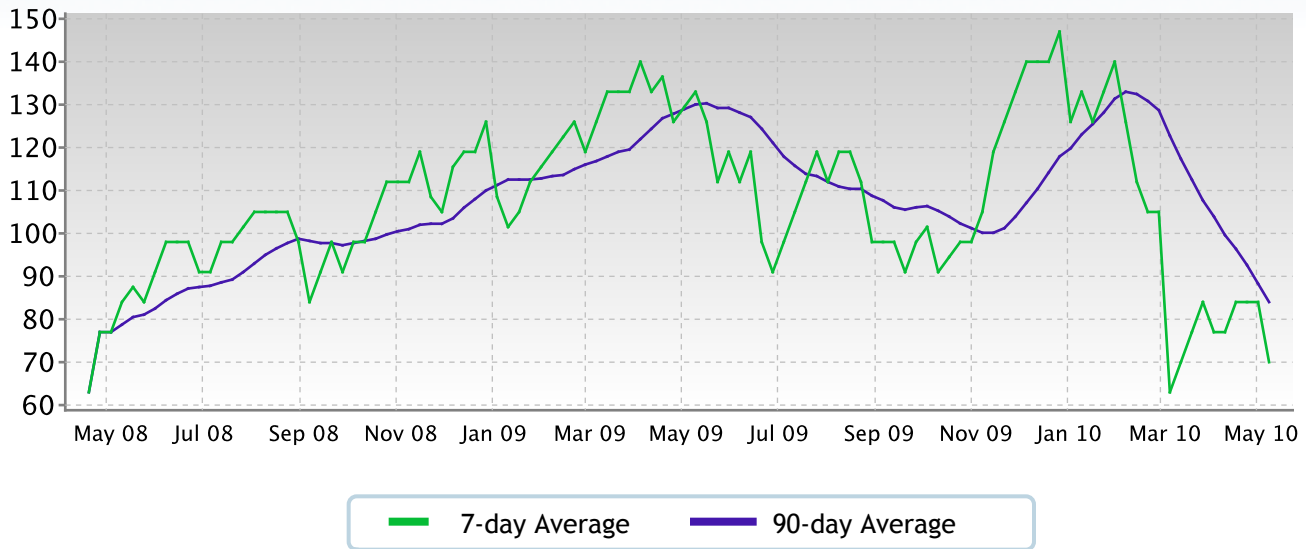


Residential house prices are a function of supply and demand, and market conditions can be characterized by analyzing those factors. Watch this index for sustained changes: if the index falls into the Buyer's Advantage zone (below 30) for a long period, prices are likely in for a downward correction.

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 129 days. Half of the listings have come newly on the market in the past 70 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.

