

Inside find articles on:

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For all of your real estate needs, give us a call and let our years of experience go to work for you. We appreciate your continuing business.

Please visit our websites for more information on Denver neighborhoods, previous stats, maps and things you never thought of!!

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- www.buyselldenverhomes.com
- www.denver-mls-search.com
- www.denverdwellings.com
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Curious about what houses are selling for in your neighborhood or across town? Give us a call for a market update.

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Sources for articles - Rocky Mountain News



Real Estate & Economic News



May 2005

Colorado has cracked America's Top 10 in job growth just a year after ranking near the bottom – a performance called “a remarkable turnaround” by federal bank regulators. The FDIC (Federal Deposit Insurance Corp.) tracks state and regional economies as it monitors the health of banks whose deposits it insures. Colorado's year-over-year gain in employment in 2004's fourth quarter was 2.1 percent, while jobs nationally grew by 1.6 percent. Colorado ranked 10th, while one year ago, it ranked 45th in job growth. The state's gain represented about 44,000 more jobs than in 2003. That's a big change from before, when Colorado underperformed the nation in job creation – sometimes severely - for 10 consecutive quarters from late 2001 to early 2004. In nine of those quarters, Colorado posted job losses, not gains. This belated rebound is in line with many economists' views that Colorado's recovery would trail that of the national economy by six to twelve months. Accelerating job growth means the state might set an all-time record for total employment by the end of this year according to Alan Bush, a Dallas-based regional manager for the FDIC.

Mortgage rates dropped to 5.91% for 30-year note. The average U.S. rate on a 30-year, fixed-rate mortgage fell for the second straight week, dropping to 5.91 percent from 5.93 percent, **Freddie Mac** reported on April 14th. The 15-year fixed rate fell to 5.46 percent from 5.48 percent. The one-year adjustable rate rose to 4.3 percent from 4.23 percent.

Builders pulled 3,181 permits for homes, condos and apartments in the Denver area in the first two months of the year, about 35 percent more than the 2,348 issued through February of 2004. This is the biggest percentage gain for the two-month period in about a decade as reported in a study released by the Home Builders Association of Metro Denver. Roger Reinhardt, executive vice president of the Denver home builders group, said the increase in building permits is great news for the economy. The HBA, working with the Genesis Group, tracks permits in Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, Elbert and Jefferson counties. He said the increase in construction activity is consistent with the report from the Federal Deposit Insurance Corp. that shows Colorado is now one of the 10 fastest-growing job markets in the nation. He further added that the market remains fairly robust because mortgage rates are still relatively low, consumer confidence is returning and there is job growth.

Fireworks at high noon celebrated the partial completion of the long-delayed Hyatt Regency Hotel, across the street from the recently completed Colorado Convention Center. The hotel isn't scheduled to open until December, a full year after the 2004 debut of the \$310 million addition to the adjacent convention arena but officials attending the “topping out” ceremony say the \$355 million hotel project already has helped the city book lots of new business for coming years. Denver's Mayor John Hickenlooper said, “It's a pathway to future economic expansion.” The 1,100-room hotel, the first high-rise built in downtown Denver in 25 years, will be topped by a 10-story beacon of light between its two towers.

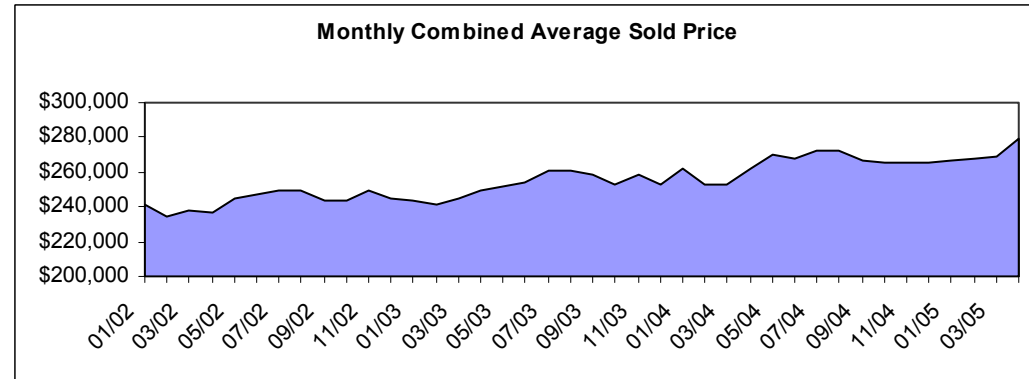


		<i>As of May 1st</i>	
<i>30 year fixed rate:</i>	<i>9.75%</i>	<i>Homes on the Market:</i>	<i>16,886</i>
<i>15 year fixed rate:</i>	<i>5.31%</i>	<i>Condos on the Market:</i>	<i>7,278</i>
<i>5 year ARM's:</i>	<i>5.16%</i>		

DENVER MARKET UPDATE FOR APRIL 2005

• Metro Denver Prices:

Single Family Average Price: (Detached Dwelling)	Apr 2005 - \$307,308 Mar 2005 - \$292,046 Apr 2004 - \$282,853
Condo Average Price: (Attached Dwelling)	Apr 2005 - \$181,873 Mar 2005 - \$184,409 Apr 2004 - \$183,529

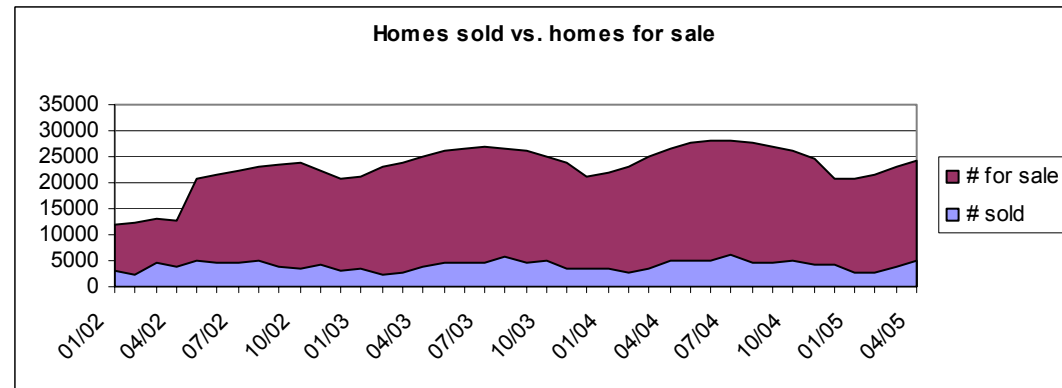


Sold Price

The market continues to show strength, with the average single family price over \$300,000 for the first time.

• Percent of Sales Price Change:

from Apr 2004 to Apr 2005	
Single Family	+7.98%
Condo	-0.90%
Average	+6.63%



Sold vs. For Sale

For Sale properties are increasing gradually this year. That coupled with a strong April sales volume, gave the market a solid 9% decline in available resales.

• Percent of Change in Available Inventory: (Apr 2004 vs Apr 2005)

-9.10%

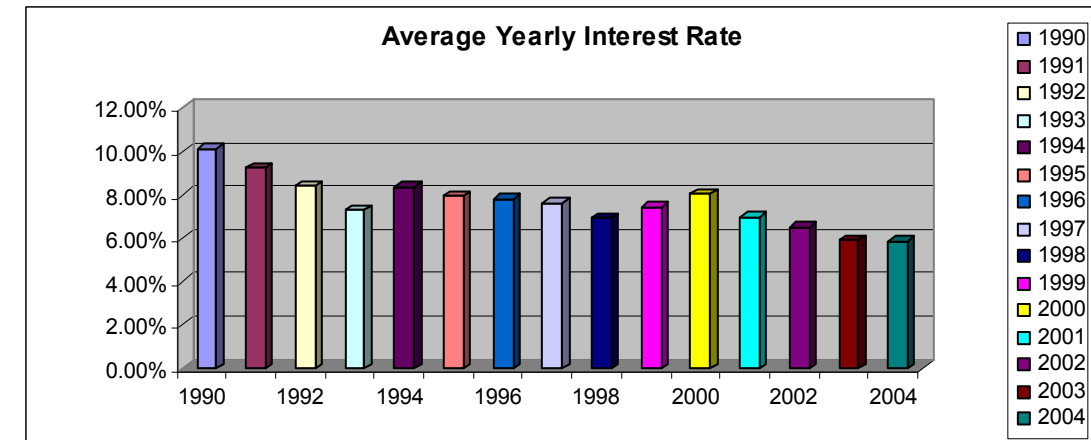
• Average days on Market-Apr 2004 vs Apr 2005: (combined sales)

Apr 2005 - 92.66
Mar 2005 - 99.87
Apr 2004 - 88.60

• Absorption Rate: (number of weeks necessary to sell current combined inventory at current rate of sales)

Apr 2005 - **20.33 weeks**
Mar 2005 - **26.41 weeks**
Apr 2004 - **22.51 weeks**

From data provided by MetroList, Inc., does not include private or builder sales.



Interest Rate

The interest rate for a 30 year fixed rate mortgage at the end of April 2005 was 5.78% - based upon Freddie Mac's nation wide market survey.

El Paso county is spreading its wings. Denver could soon lose bragging rights as Colorado's most populous county, with census figures released Thursday showing that El Paso is hot on its tail. El Paso County's population of 554,574 in 2004 lags behind Denver County's population of 556,835 by only 2,200 people, and its 1.2 percent rate of growth between 2003 and 2004 far outpaces Denver's 0.1 percent. If the trend continues, Denver will slip to second place and down the road that might mean Denverites will lose some political clout to their generally more conservative counterparts to the south. Larry Kallenberg, executive director of Colorado Counties, Inc. said, "Both communities are committed to economic development, I think that they're super-heated down there (in El Paso County)." El Paso County is the home to the Fort Carson Army post, Peterson Air Force Base, the Air Force Academy and other military installations. Everyone does agree that Denver County's main disadvantage is that it is landlocked whereas El Paso County has plenty of undeveloped land.

Comments from the Broker

Elsewhere in this newsletter there is news of improving job growth in Colorado, and a 35% increase in issued building permits in the Metro Denver area over the same time last year. The detached dwelling average price increased 5.4% over the previous month, and almost 8% over April 2004. More importantly, the median price increased almost 6% over April 2004. You can also read about mortgage rates dropping slightly. Even without the rose colored glasses, the local economy and the related housing market are doing well. The great thing about this local recovery is its gradual nature. While April showed unusually strong increases, the improvement has been steady for the past 2 years, and over the long run, gradual improvement is healthy. In general, things are good.

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