



September 2021 Market View® Commentary

Residential Overview

The number of new residential listings in September was again subdued with 153 added units for the entire local market (Aspen to Parachute) compared to 193 last month and 177 in September of last year. On only two occasions this year were there fewer. This comes at a time when sales (closings) are traditionally the highest as evidenced by 215 closed transactions in September according to the Aspen Glenwood MLS. There were 196 transactions closed last month and 269 in September of 2020. The results again produced an inverted listings-to-sales ratio of **.71:1** or about 70 new listings for every 100 homes sold. That's not sustainable.

Predictably, this trend further eroded current inventory which stood at just 688 total available residential units for sale for the overall local market, *including* those under contract but not yet closed. This compares to 977 available units one year ago (**-30%**). The results produced an Absorption Rate of just over a 3-month supply. A six-month supply of housing inventory is generally considered desirable, yet that hasn't been the case locally since June of 2020. Of the homes available for sale, only **13%** were priced under \$400,000. To put this in context, based on current (record low) interest rates and depending on several factors including down payment, loan program, taxes and insurance, a home costing \$400,000 would require annual income of about \$55,000 and would consume around 40% of total income before state and federal taxes, food, clothing, utilities, savings, etc.

As we round third base heading for year-end, totals through the first nine months reflect the supply/demand imbalance with 1,551 listings YTD compared to 1,599 sales (**0.97:1**). The totals through September of last year were 1,648 listings against 1,338 sales for a Balance Ratio reflecting a more normalized market of 1.23 listings for each sale. Results for individual local markets follow on the pages below.

Commercial

Commercial activity for September was about on par with last year having 13 listings and 10 sales compared to 15 listings and 9 sales in September of last year. Year to date results, however, are displaying similar trends to that of the residential market and for much the same reasons. Growing demand with very limited new construction for the past several years is putting the squeeze on existing and available commercial buildings and increasingly, on undeveloped land.

YTD, there have been 112 new added commercial listings against 105 sales for a Balance Ratio of 1.07:1. Contrast that with last year at this time when there were 127 listings compared to just 53 sales for a ratio of 2.40:1, more than double that of this year. The times they are a-changin'.

Summary

The current imbalance within the local real estate market is approaching extreme and the question naturally arises as to when it will end or what may cause it to change. The one thing that we can count on is that at some point, it will. Markets *always* find balance over time though predicting how they will be challenging and when



they will be is even more difficult based on the many variables that affect housing. That being said, at the end of the day, it's still about seeking balance between supply and demand. Demand is being driven by population growth (organic/local and national), area desirability, and to a lesser extent, dislocations from major metro areas. The first two drivers are nothing new and are unlikely to change anytime soon. Moderating demand will likely follow increasing costs as a result of higher interest rates that will further exacerbate affordability challenges, along with growth restrictions by local municipalities, already a topic of conversation and debate.

Without question, limits on the supply side have been the primary culprit of the imbalance. Since the crash of 2008 and the resulting loss of a significant portion of the local construction work force, finding available resources has been a challenge and where they are available, are largely consumed by housing and development projects in the resort markets where higher wages can be commanded without jeopardizing the economic viability of a project that more adversely impacts areas with lower market values. Add to this challenge a worldwide pandemic that brought most businesses to a standstill and derailed many (most?) construction projects for an extended period of time and with it, significant disruptions to the supply chain for lumber, steel, electrical wiring, paint, and many other materials and components needed to construct and furnish homes, a condition that exists to this day.

But alas, markets find solutions and with them comes balance. Perhaps you've observed the increased frequency with which trains are rolling through town loaded with flatbeds of lumber or of semis rolling down I-70 and Highway 82 with a load of roof trusses. All at a price, of course, as featured in a prior edition of Market View® but available nonetheless, which is a step in the right direction. The situation is also fueling alternative and untraditional housing solutions in form of tiny homes, manufactured housing and even converted storage crates!

Barring any more unforeseen national or international calamities, the future for local real estate in the years ahead looks bright in terms of both supply and demand. Topography alone will constrain growth to some extent in the Roaring Fork Valley and consequently, is likely to continue to drive demand (and prices) on existing homes. There remains a plentiful supply of land ripe for development along Interstate 70 and the Colorado River Valley where a substantial supply of the unrelenting demand for local housing is likely to be satisfied and for those in the housing profession, a growing number of transactions.

Best Regards,

Joe Carpenter

markettrends@earthlink.net

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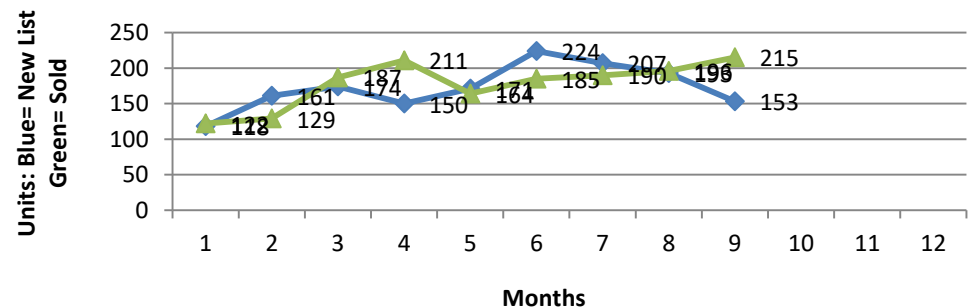
2021 Market Metrics - ALL RESIDENTIAL PROPERTIES (Includes municipalities from Aspen to Parachute)

(Excludes Out of Area properties, fractional interests and modular's)

	New Inventory		Sold		Balance Ratio New Listings to Sold		Total Month-end Inventory		Total Inventory under \$400,000		Absorption Rate (in Mo's)	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Jan	118	123	122	96	0.97:1	1.28:1	663	917	95	130	5.43	9.55
Feb	161	113	129	88	1.25:1	1.28:1	709	916	99	129	5.50	10.41
Mar	174	131	187	112	0.93:1	1.17:1	704	884	99	143	3.76	7.89
Apr	150	95	211	97	0.71:1	0.98:1	667	834	90	151	3.16	8.60
May	171	181	164	48	1.04:1	3.77:1	666	925	87	173	4.06	19.27
June	224	260	185	147	1.21:1	1.77:1	714	984	71	175	3.86	6.69
July	207	288	190	219	1.09:1	1.32:1	773	1060	79	168	4.07	4.84
Aug	193	280	196	262	0.98:1	1.07:1	759	1060	96	170	3.87	4.05
Sept	153	177	215	269	0.71:1	0.66:1	688	977	90	155	3.20	3.63
Oct		185		262		0.71:1		873		140		3.33
Nov		151		189		0.80:1		799		149		4.23
Dec		114		187		0.61:1		723		124		3.87
YTD Avg	172	183	178	149	0.97:1	1.23:1	705	951	90	155	4.10	8.33
YTD Sum	1551	1648	1599	1338								

September	Listings	Sold
1-7	31	39
8-14	37	43
15-22	38	68
23-30	47	65
Total	153	215
Balance Ratio:		0.71

Residential Supply & Demand



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2021 Market Metrics - Residential properties in ASPEN, OLD SNOWMASS SNOWMASS, SNOWMASS VILLAGE , WOODY CREEK

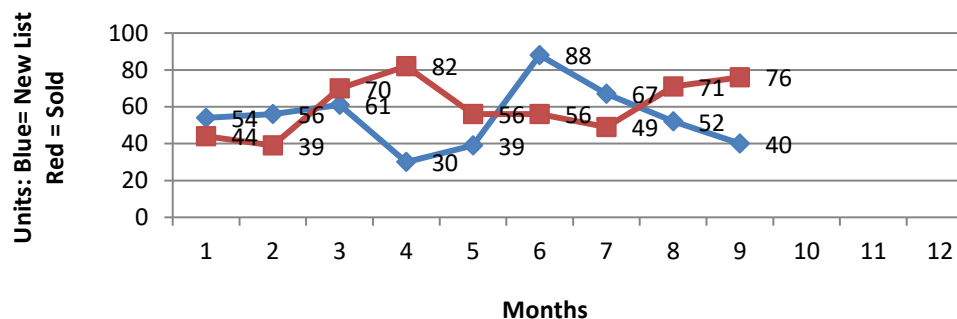
(Excludes Out of Area properties, fractional interests and modular's)

	New Inventory		Sold		Balance Ratio New Listings to Sold		Total Month-end Inventory		Total Inventory under \$10,000,000		Absorption Rate (in Mo's)	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Jan	54	35	44	35	1.23:1	1.00:1	364	494	51	390	8.27	14.11
Feb	56	26	39	19	1.44:1	1.37:1	377	493	298	394	9.67	25.95
Mar	61	24	70	29	0.87:1	0.83:1	369	446	289	363	5.27	15.38
Apr	30	18	82	17	0.37:1	1.06:1	322	410	254	331	3.93	24.12
May	39	46	56	7	0.70:1	6.57:1	305	435	239	353	5.45	62.14
June	88	93	56	22	1.57:1	4.23:1	347	474	271	379	6.20	21.55
July	67	132	49	47	1.37:1	2.81:1	366	554	282	437	7.47	11.79
Aug	52	115	71	97	0.73:1	1.19:1	328	564	248	442	4.62	5.81
Sept	40	69	76	117	0.53:1	0.59:1	295	516	229	404	3.88	4.41
Oct		61		98		0.62:1		449		354		4.58
Nov		46		82		0.56:1		408		322		4.98
Dec		51		79		0.65:1		370		285		4.68
YTD Avg	49	62	54	43	0.91:1	1.44:1	307	487	216	388	5.48	20.58
YTD Sum	487	558	543	390								

Sept

Sub-Area	Listings	Sales	Balance Ratio
Aspen	15	43	0.35:1
Old Snowmass	3	4	0.75:1
Snowmass Vill.	21	28	0.75:1
Woody Creek	1	1	1.00:1
Aspen Total:	40	76	0.53

Residential Supply & Demand



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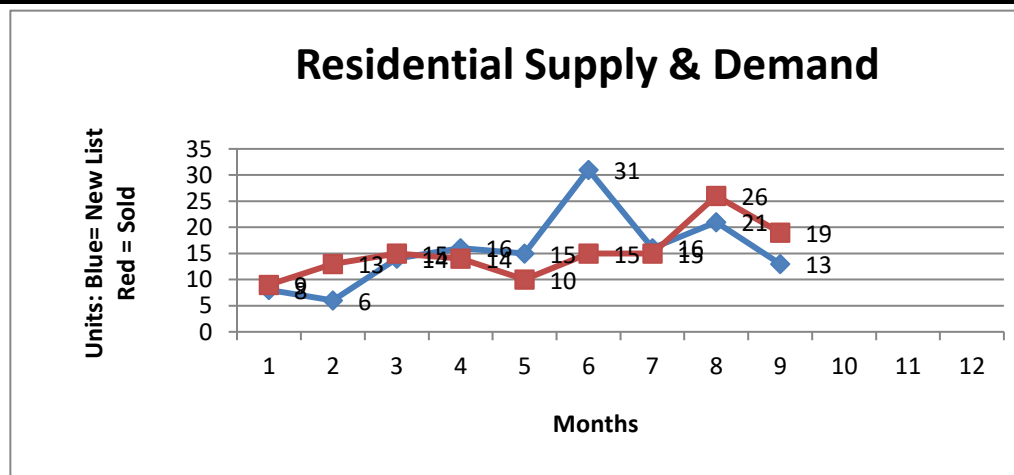
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2021 Market Metrics - Residential properties in **BASALT**

(Excludes Out of Area properties, fractional interests and modular's)

	New Inventory		Sold		Balance Ratio New Listings to Sold		Total Month-end Inventory		Total Inventory under \$400,000		Absorption Rate (in Mo's)	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Jan	8	17	9	12	0.89:1	1.42:1	38	103	2	1	4.22	8.58
Feb	6	3	13	9	0.46:1	1.33:1	38	104	1	2	2.92	11.56
Mar	14	8	15	10	0.93:1	0.80:1	40	103	0	2	2.67	10.30
Apr	16	7	14	10	1.14:1	.070:1	47	96	0	1	3.36	9.60
May	15	24	10	5	1.50:1	4.80:1	48	108	1	2	4.80	21.60
June	31	26	15	19	2.07:1	1.37:1	64	110	2	3	4.27	5.79
July	16	23	15	19	1.07:1	1.21:1	74	112	0	4	4.93	5.89
Aug	21	21	26	19	0.81:1	1.11:1	72	113	0	3	2.77	5.95
Sept	13	36	19	35	0.68:1	0.54:1	60	101	0	2	3.16	2.89
Oct		6		42		0.14:1		64		2		1.52
Nov		8		17		0.47:1		51		1		3.00
Dec		6		15		0.40:1		44		2		2.93
YTD Avg	16	18	15	15	1.07:1	1.20:1	53	106	1	2	3.68	9.13
YTD Sum	140	165	136	138								

August	Listings	Sold
1-7	3	3
8-14	4	2
15-22	2	5
23-30	4	9
Total	13	19
Balance ratio:		0.68



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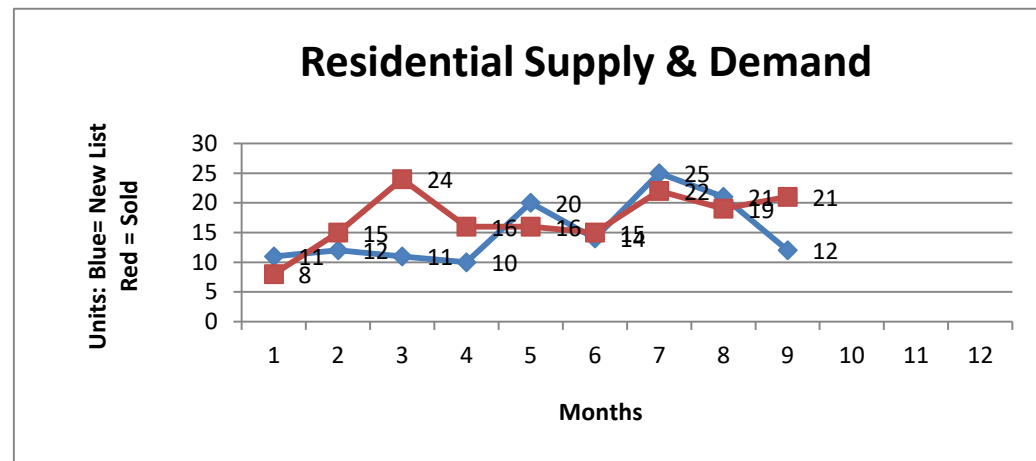


2021 Market Metrics - Residential properties in **CARBONDALE**

(Excludes Out of Area properties, fractional interests and modular's)

	New Inventory		Sold		Balance Ratio New Listings to Sold		Total Month-end Inventory		Total Inventory under \$400,000		Absorption Rate (in Mo's)	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Jan	11	9	8	4	1.38:1	2.25:1	73	95	4	5	9.13	23.75
Feb	12	9	15	13	0.80:1	0.69:1	69	93	4	5	4.60	7.15
Mar	11	15	24	13	0.46:1	1.15:1	58	87	1	2	2.42	6.69
Apr	10	8	16	6	0.63:1	1.33:1	55	79	0	6	3.44	13.17
May	20	26	16	11	1.25:1	2.36:1	62	95	0	8	3.88	8.64
June	14	17	15	26	0.93:1	0.65:1	63	89	0	6	4.20	3.42
July	25	22	22	29	1.14:1	0.76:1	69	88	0	3	3.14	3.03
Aug	21	28	19	24	1.11:1	1.17:1	79	94	1	6	4.16	3.92
Sept	12	14	21	23	0.57:1	0.61:1	69	81	2	5	3.29	3.52
Oct		25		21		1.19:1		90		4		4.29
Nov		11		22		0.50:1		72		4		3.27
Dec		13		14		0.93:1		74		4		5.29
YTD Avg	15	16	17	17	0.88:1	0.94:1	66	89	1	5	4.25	8.14
YTD Sum	136	148	156	149								

September	Listings	Sold
1-7	3	4
8-14	4	3
15-22	3	6
23-30	2	8
Total	12	21
Balance Ratio:		0.57



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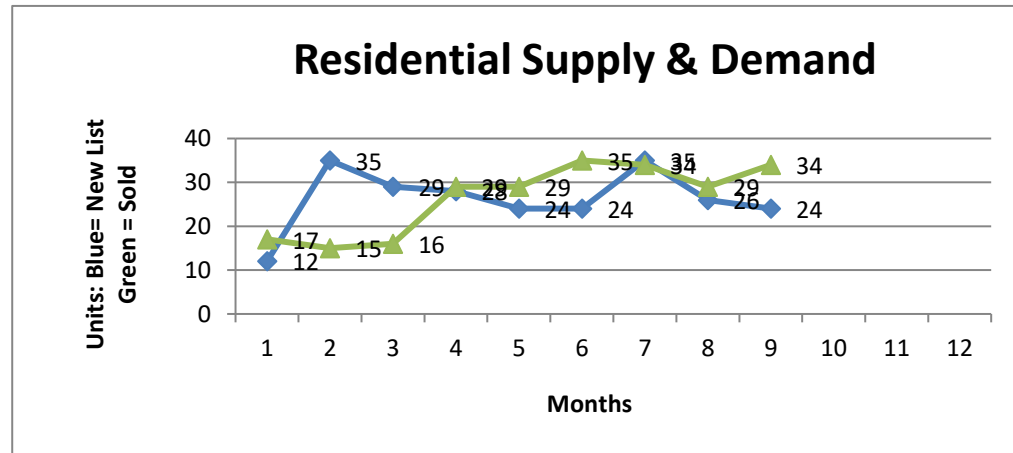
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2021 Market Metrics - Residential properties in City of GLENWOOD SPRINGS

(Excludes Out of Area properties, fractional interests and modular's)

	New Inventory		Sold		Balance Ratio New Listings to Sold		Total Month-end Inventory		Total Inventory under \$400,000		Absorption Rate (in Mo's)	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Jan	12	21	17	18	0.71:1	1.17:1	53	68	7	15	3.12	3.78
Feb	35	23	15	18	2.33:1	1.28:1	80	69	7	15	5.33	3.83
Mar	29	23	16	16	1.81:1	1.44:1	85	73	8	15	5.31	4.56
Apr	28	11	29	17	0.97:1	0.65:1	89	75	8	13	3.07	4.41
May	24	31	29	14	0.83:1	2.21:1	89	89	6	20	3.07	6.36
June	24	39	35	23	0.69:1	1.70:1	67	96	4	18	1.91	4.17
July	35	31	34	43	1.03:1	0.72:1	87	91	11	15	2.56	2.12
August	26	41	29	37	0.90:1	1.11:1	75	89	11	18	2.59	2.41
Sept	24	21	34	32	0.71:1	0.66:1	72	81	6	15	2.12	2.53
Oct		36		32		1.13:1		88		15		2.75
Nov		13		28		0.46:1		66		9		2.36
Dec		13		27		0.48:1		56		6		2.07
YTD Avg	26	27	26	24	1.00:1	1.13:1	77	81	8	16	3.23	3.80
YTD Sum	237	241	238	218								

September	Listings	Sold
1-7	8	6
8-14	8	4
15-22	3	12
23-30	5	12
Total	24	34
Balance Ratio:		0.71



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2021 Market Metrics - Residential properties in COLORADO RIVER VALLEY Includes the municipalities of New Castle/Silt/Rifle/Parachute/Battlement Mesa

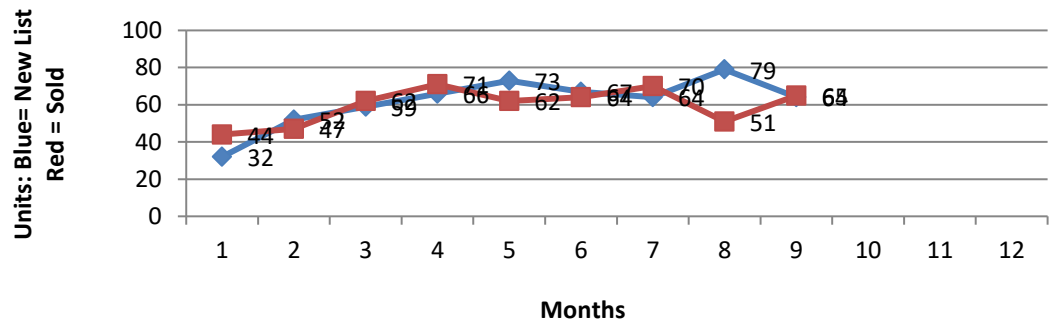
(Excludes Out of Area, fractional interests and modular's)

	New Inventory		Sold		Balance Ratio New Listings to Sold		Total Month-end Inventory		Total Inventory under \$400,000		Absorption Rate (in Mo's)	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Jan	32	41	44	28	0.73:1	1.46:1	139	155	66	92	3.16	5.54
Feb	52	44	47	29	1.11:1	1.52:1	145	157	74	95	3.09	5.41
Mar	59	61	62	44	0.95:1	1.39:1	151	175	79	110	2.44	3.98
Apr	66	56	71	47	0.93:1	1.19:1	152	177	71	118	2.14	3.77
May	73	55	62	38	1.18:1	1.45:1	162	213	71	133	2.61	5.61
June	67	85	64	57	1.05:1	1.49:1	167	215	56	130	2.61	3.77
July	64	80	70	81	0.91:1	0.99:1	177	215	60	127	2.53	2.65
Aug	79	75	51	85	1.55:1	0.88:1	198	200	79	120	3.88	2.35
Sept	64	54	65	62	0.98:1	0.87:1	192	198	76	112	2.95	3.19
Oct		57		69		0.83:1		182		99		2.64
Nov		73		41		1.78:1		199		117		4.85
Dec		30		52		0.58:1		175		95		3.37
YTD Avg	62	61	60	52	1.03:1	1.17:1	165	189	70	115	2.82	4.03
YTD Sum	556	551	536	471								

Sept

Sub-Area	Listings	Sales	List:Sold Ratio
New Castle	18	8	2.25:1
Silt	10	16	0.63:1
Rifle	26	26	1.11:1
Parachute/BM	10	15	0.67:1
Totals:	64	65	0.98

Residential Supply & Demand



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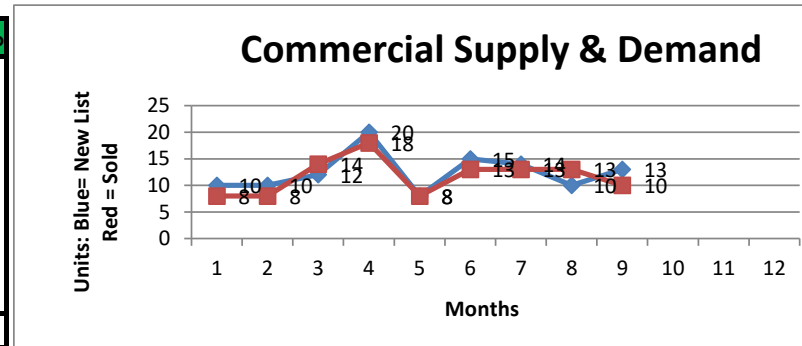
COMMERCIAL PROPERTY SALES

Includes improved and unimproved
Excludes Out of Area, fractional interests, leaseholds

	New Inventory		Sales		Balance Ratio New Listings to Sold		Total Month-end Inventory		Absorption Rate Mo's	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Jan	10	8	8	6	1.25:1	1.33:1	143	146	17.88	24.33
Feb	10	19	8	7	1.25:1	2.71:1	150	158	18.75	22.57
Mar	12	14	14	5	0.86:1	2.80:1	140	169	10.00	33.80
Apr	20	5	18	8	1.11:1	0.63:1	139	150	7.72	18.75
May	8	13	8	2	1.00:1	6.50:1	128	150	16.00	75.00
June	15	20	13	4	1.15:1	5.00:1	126	156	9.69	39.00
July	14	23	13	4	1.08:1	5.75:1	120	169	9.23	42.25
Aug	10	10	13	8	0.77:1	1.25:1	116	166	8.92	20.75
Sept	13	15	10	9	1.30:1	1.67:1	114	165	11.40	18.33
Oct		13		5		2.60:1		159		31.80
Nov		12		10		1.20:1		159		15.9
Dec		8		16		0.50:1		143		8.94
YTD Avg	12	14	12	6	1.00:1	2.33:1	131	159	12.18	32.75
YTD Sum	112	127	105	53						

Sept

Sub-Area	Listings	Sales	List:Sold Ratio
Aspen	1		
Basalt	1	4	
Carbondale	2	2	
Glenwood	4	2	
New Castle		1	
Silt	1		
Rifle	3	1	
Parachute/B.M.	1		
Totals:	13	10	1.30



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