



**Your Home Sold
GUARANTEED
Or I'll Pay You
\$5000***

CASTLE PINES



Real Estate News ~ 1st Quarter 2023

Serving Castle Pines Since 2004

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3 REASONS WHY SELLERS HIRE THE DOUG HUTCHINS TEAM TO SELL THEIR HOME

1. MORE MONEY

The Hutchins Team sells Castle Pines homes for 3.3% more money than the average agent. This equates to \$35,000 more money for your home!

2. FASTER SALE

The Hutchins Team sells Castle Pines homes 1.6 times faster than the average agent!

3. BEST IN CUSTOMER SERVICE 13 YEARS STRAIGHT!

Rated by Five Star Professionals from 2010 to 2022 as one of Denver's top agents based on past client satisfaction. Less than 0.4% of real estate professionals have won this award 13 years in a row!

Castle Pines MLS Data - 1/1/22-12/31/22
Excludes New Construction

* Doug and Seller must agree on price and closing date.

Why I am Still Bullish on Housing!

I continue to read news articles talking about the impending doom and implosion that will happen in the housing market. Yes, home prices have fallen year over year, but prices have remained relatively stable in metro Denver since August and have actually risen slightly in the past few months. Doom sells newspapers and gets you to click on headlines, but I have yet to see any data that supports a housing collapse. In fact, I think housing will continue to be a strong investment over the next five to 10 years due to underbuilt housing and household formation in the U.S.

There have been several studies that have been released in the past three years providing an in-depth analysis of housing supply in the U.S. The most credible study (in my opinion) was done by Freddie Mac, one of two major purchasers of mortgages in the U.S. Freddie Mac forecasted in 2020 that the housing supply in the U.S. was underbuilt by almost 4,000,000 units. This was because of the slow down in housing construction during and after the 2008 housing crisis. From

2008 to 2021, housing starts in the U.S. only averaged 1.03M units per year. To keep up with population growth and household formations during this time frame, between 1.2M and 1.4M housing units needed to be built each year. The 170,000 to 400,000 unit shortfall each year added up to the current 4,000,000 unit shortfall. These household growth numbers are backed by a separate analysis by the Joint Center for Housing Studies at Harvard.

Household growth consists of two components. The first component is population growth, which is driven by immigration and birth rates. The second component is household formation, which is driven by younger people moving out of the family home and living on their own. According to the Joint Center for Housing Studies at Harvard, between 2011 and 2021 the annual population growth increased household growth by between 1.1M households and 1.3M households per year. On top of population growth, household formations increased household growth 640,000 households per year between 2016 and 2021 thanks to

the Millennials continuing to move out of the family home and starting to live independently. In total, household growth was between 1.7M and 1.9M households per year during 2016 to 2021. This growth was substantially above the actual housing units being built during the same time period.

Housing starts did reach 1.55M units in 2022, but this rate will fall back substantially in 2023 and 2024 as builders slow down construction due to high interest rates and concerns about a recession. Household formations will start to slow as Millennials continue to age, but this slow-down will not start to happen for another 3 to 5 years. Housing starts would need to reach 1.6M to 1.7M units for 7 to 9 years in a row to eliminate the current housing deficit. It is unlikely builders will reach this level of starts until at least 2025, keeping a housing deficit in place until 2031 to 2033. Housing is cyclical, so despite a housing deficit, home prices can fall in the short term. However, long term price growth should continue to be positive because of the housing deficit.

27 Valuable Tips to Sell Your Castle Pines Home Fast and For Top Dollar

Because your home may well be your largest asset, selling it is probably one of the most important decisions you will make in your life. Once you have made that decision, you'll want to sell your home for the highest price in the shortest time possible without compromising your sanity. Before you place your home on the market, here's a way to help you be as prepared as possible.

To assist home sellers, an industry report was created "27 Valuable Tips That You Should Know to Get Your Home Sold Fast and for Top Dollar." This report tackles the

important issues you need to know to make your home competitive in today's aggressive market place.

Through these 27 tips you will discover how to protect and capitalize on your most important investment, reduce stress, be in control of your situation and make the best profit possible. In this report you will discover how to avoid financial disappointment or worse, a financial disaster, when selling your home. Using a common-sense approach, you will get the straight facts about what

can make or break the sale of your home.

You owe it to yourself to learn how these important tips will give you the competitive edge to get your home sold fast and for the most amount of money.

Order your free report today! To hear a brief recorded message about how to order your FREE copy of this report, call toll-free 1-800-318-7541 and enter 1023. You can call any time, 24 hours a day, 7 days a week.

www.DISCOVERCASTLEPINES.com



A FEW OF THE HUTCHINS TEAM SALES AND LISTINGS



**7233 Winter Berry Lane
Castle Pines**
4 Beds, 5 Baths, 4,070 finished sq. ft. Professionally Finished Basement. Awesome Outdoor Space with Firepit!



**6788 Wellington Place
Castle Pines**
Backs to Open Space! 4 Beds, 5 Baths. Main Floor Master! Finished Walkout Basement! Wine Cellar!



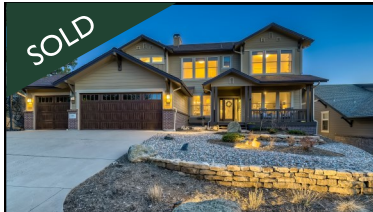
**9477 Southern Hills Cir
Lone Tree**
3 Beds, 3 Baths, Beautifully updated maintenance free townhome! Prime Lone Tree Location! Walkout Basement!



**5415 Spring Ridge Trail
Castle Rock**
5 Beds, 4 Baths, 3,773 sqft! Awesome home on almost a half acre lot. Professionally landscaped!



**1050 Timbercrest Dr
Castle Pines**
3 Beds, 3 Baths, 3,840 sqft! Main level living in coveted Forest Park neighborhood! Beautiful Landscaping!



**7066 Forest Ridge Circle
Castle Pines**
6 Beds, 6 Baths. Towering Ponderosa Pine Trees! Stunning Remodel! Incredible Basement Bar and Entertaining Area!



**2128 Peralta Loop
Castle Rock**
4 Beds, 3 Baths, 3,990 sqft! Extraordinary ranch style home! Backs to Greenbelt! Finished Basement!



**6804 Wellington Pl.
Castle Pines**
4 Beds, 3 Baths, 4,583 Sqft! Immaculately Maintained Home! Quiet cul-de-sac! Backs to Open Space!

CASTLE PINES MARKET COMMENTARY

Original Communities *(neighborhoods built before 2015)*

The 16.1% drop in the average sales price shown in the market statistics table is a scary number for Castle Pines homeowners in the Original Communities. However, because of the small sample size of homes that sold in the 1st quarter, this number is skewed abnormally low due to a larger number of smaller homes selling and not as many custom homes selling in the 1st quarter. Realistically, home prices are down about 10% off the market high in April last year and home prices have stayed relatively consistent since August of 2022.

Prices have been stable since August because inventory continues to remain low. At the end of March, there were only 19 active listings in the Original Communities. This is down 57.5% from the 5 year pre-COVID average (2015-19) of 40 active listings at the end of March. Buyer activity was down 21% during the 1st quarter with only 26 homes closing compared to the 5 year pre-COVID average of 33 homes selling during the 1st quarter.

Inventory is staying low despite the drop in buyer activity because current homeowners are not listing their homes for sale. There were only 40 new listings that came on the market during the 1st quarter, which is down 37.5% from the 5 year pre-COVID average of

64 homes coming on the market during the 1st quarter. The slower buyer activity is being offset by fewer homeowners wanting to sell their homes.

Based on the sales pace in March, there is just under 2 months of inventory available. Home prices will typically rise when there is 3 months or less of inventory. I am expecting home prices in Castle Pines to creep up 2% to 3% during 2023 based upon current inventory levels.

One very interesting stat is that the average days to sell in the Original Communities during March was only 26 days. This is DOWN 49% from the 5 year pre-COVID average of 51 days. The average days to sell in metro Denver has actually INCREASED 30.3% higher than the 5 year pre-COVID average during the month of March. The Original Communities has bucked the overall metro trend of homes taking longer to sell. I believe this statistic supports the fact that Castle Pines continues to be a desirable place to live in metro Denver.

New Communities *(neighborhoods built after 2015)*

The 6.8% increase in the average sales price is a pleasant statistic to see in the New Communities, but just like in the Original Communities this statistic is misleading. With only 25 sales during the 1st quarter, the aver-

ages can be swayed substantially by just a few high dollar sales. This was the case in the 1st quarter with one \$2.8M sale and another \$2.3M sale that skewed up the average sales price. The home prices have stayed more consistent, though, in the New Communities because builders have not been willing to drop home prices. Instead, builders are offering additional incentives for buyers such as interest rate buydowns. These incentives do not show in the sales price of the home.

Of the 25 sales in MLS during the 1st quarter, 9 were resale homes and 16 were new construction. Remember that builders do not report all home sales in MLS so more new construction homes sold than the 16 reported.

Builders have started to build home inventory even though they have slowed down the number of home starts each month. There were 15 homes for sale at the end of March, which is substantially higher than the 5 available at the end of March 2022 and the 3 available at the end of March 2021. I cannot use a 5 year pre-COVID average for comparison as the New Communities did not start substantial construction until 2018.

Home prices should stay relatively stable during 2023 in the New Communities as home builders keep prices stable and inventory continues to stay low.

HOME BUYERS SAVE THOUSANDS

Free Report reveals how to avoid costly errors and save thousands when you buy a home.

www.BuyerSaveThousands.com

Free recorded message
1-800-318-7541
ID# 1014

WHAT THEY ARE SAYING ABOUT DOUG AND HIS TEAM



My wife and I recently sold our home with Doug and his team. We have bought and sold several houses over the years and have been pleased with most of the real estate agents we have hired. But then we met Doug! From the beginning of the process through the closing (and after!), Doug and his team were professional, thorough and considerate.

We ended up moving shortly after listing our home with Doug but he made sure the property looked great for showings and assisted us from afar with the many nuances that arise in any transaction. Doug and his team were always quick to respond to our phone calls or emails, providing answers and information to help us through the process. I HIGHLY recommend Doug for your next real estate deal. You won't be disappointed.

Steve & Suzanne-Castle Pines

NEW!! Monthly Castle Pines Real Estate Market Update Videos

Obtain the most up-to-date to date Castle Pines Market Information in a monthly video!

www.DiscoverCastlePines.com

9 Buyer Traps And How To Avoid Them

No matter which way you look at it, buying a home is a major investment. But for many homebuyers, it can be an even more expensive process than it needs to be because many fall prey to at least a few of the many common and costly mistakes which trap them into either paying too much for the home they want, or losing their dream home to another buyer, or buying the wrong home for their needs.

There are 9 common and costly mistakes that home buyers often make.

1) Bidding Blind...What price should you offer when you bid on

a home? Is the seller's asking price too high, or does it represent a great deal? If you fail to research the market in order to understand what comparable homes are selling for, making your offer would be like bidding blind. Without this knowledge of market value, you could easily bid too much, or fail to make a competitive offer on an excellent value.

2) Buying the Wrong Home... What are you looking for in a home? A simple enough question, but the answer can be quite complex. More than one buyer has been swept up in the emotion and excitement of the buying process only to find themselves the owner

of a home that is either too big or too small. Maybe they're stuck with a longer than desired commute to work, or a dozen more fix-ups than they really want to deal with now that the excitement has died down.

3) Not Getting Mortgage Pre-approval...Preapproval is fast, easy and free. When you have a pre-approved mortgage, you can shop for your home with a greater sense of freedom and security, knowing that.....

To obtain a FREE copy of the full report and learn all 9 common and costly mistakes, call toll-free 1-800-318-7541 and enter extension 1018.

Monthly Average Historical Interest Rates (30 YR fixed Freddie Mac)

3/31/23 6.32%

12/31/22 6.42%

9/30/22 6.70%

6/30/22 5.70%

3/31/22 4.67%

CASTLE PINES MARKET STATISTICS—New Communities

Single Family Homes	2021	2022	% Change	2023	% Change
	Jan 1—Dec 31	Jan 1— Dec 31	from 2021	Jan 1— Mar 31	from 2022
Average Sales Price	\$909,778	\$1,043,344	14.7%	\$1,114,387	6.8%
Average Above Ground Square Ft. Sold Homes	2,894	2,757	-4.7%	2,745	-0.4%
Average Price/Square Foot Above Ground	\$322	\$385	19.6%	\$403	4.7%
Average Days To Sell	20	26	30.0%	39	50.0%
Number of Homes Sold	112	121	8.0%	25	N/A

New Communities include The Canyons, Castle Valley and Castle Pines Town Center

Sales data for the new communities only includes sales placed in REcolorado® by builders and does not reflect all home sales in the new communities. Based on information from REcolorado®, Inc. for the period 01/01/2021 through 3/31/2023. Not all properties were listed and/or sold by Kentwood Real Estate. Content maintained by REcolorado®, Inc. may not reflect all real estate activity in the market.

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CASTLE PINES REAL ESTATE NEWS **1st Quarter 2023**



If your home is currently listed, please disregard this notice as it is not our intention to solicit other broker's listings. All information deemed reliable but not guaranteed. *Doug and Seller must agree on Price and Closing Date



CASTLE PINES MARKET STATISTICS—Original Communities *Excludes new home communities which are The Canyons, Castle Valley and Castle Pines Town Center*

Single Family Homes	2021 Jan 1—Dec 31	2022 Jan 1—Dec 31	% Change from 2021	2023 Jan 1— Mar 31	% Change from 2022
Average Sales Price	\$945,622	\$1,088,088	15.1%	\$913,059	-16.1%
Average Above Ground Square Ft. Sold Homes	2,860	2,917	2.0%	2,722	-6.7%
Average Price/Square Foot Above Ground	\$331	\$373	12.7%	\$338	-9.4%
Average Days to Sell the Home	14	18	28.6%	39	116.7%
Number of Homes Sold	201	168	-16.4%	26	N/A

Based on information from REcolorado®, Inc. for the period 01/01/2021 through 3/31/2023 for Single Family Homes. Not all properties were listed and/or sold by Kentwood Real Estate. Content maintained by REcolorado®, Inc. may not reflect all real estate activity in the market.

FIND OUT WHAT YOUR CASTLE PINES HOME IS WORTH IN TODAY'S MARKET

For a Free, No Obligation Home Price Valuation
From A Castle Pines Market Expert Visit:

www.CastlePinesHomeEvaluation.com

This is not a computer algorithm valuation. A Castle Pines expert will evaluate sales in your specific neighborhood to provide an accurate estimate of your home value.

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