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# CASTLE PINES



## Real Estate News ~ 4th Quarter 2023

Serving Castle Pines Since 2004

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—ABR, CRS, GRI, MBA—

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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 4.4% more money than the average agent. This equates to \$45,000 more money for your home!

### 2. FASTER SALE

The Hutchins Team sells Castle Pines homes 2.1 times faster than the average agent!

### 3. BEST IN CUSTOMER SERVICE 14 YEARS STRAIGHT!

Rated by Five Star Professionals from 2010 to 2023 as one of Denver's top agents based on past client satisfaction. Less than 0.3% of real estate professionals have won this award 14 years in a row!

Castle Pines MLS Data - 1/1/22-12/31/23  
Single Family - Excludes New Construction

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

## The Experts 2024 Real Estate Forecast

2024 is going to be a year of sensational and outrageous headlines thanks to being a presidential election year. Regardless of which side of the political aisle you sit, the end of the world as we know it will be predicted by both sides. Despite the sensational headlines you might read, 2024 should be a "normal" year for residential real estate. I have included a graph showing the forecasted national home price appreciation by 8 different businesses and trade groups tied to the real estate industry. The estimates range from a 4.1% annual increase to a 1.7% decrease in home prices nationally, with the average of all 8 forecasts being a 1.5% increase.

MBA (Mortgage Bankers Association), Fannie Mae and Freddie Mac are all mortgage related companies. HPES is the Home Price Expectation Survey, which is a poll of over 100 real estate industry experts. Goldman Sachs is the investment bank powerhouse. NAR (National Association of Realtors), Zillow and Realtor.com are all residential real estate focused companies. It's interesting that the 3 companies most closely related to residential real estate sales are forecasting the lowest price appreciation for 2024.

Real estate is local, so national price forecasts are not applicable to each individual market. However, these national forecasts do show that experts are expecting the residential real estate market to return to a more normal cyclical pattern with slight price increases in 2024. Experts do not see any concerning signs in the economic data that would lead to a significant fall in residential real estate prices.

Despite the slower pace of home sales due to high interest rates, the inventory of homes available for

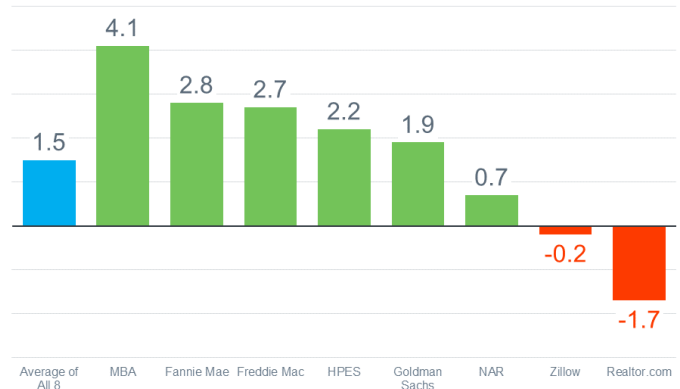
sale continues to stay low. Low inventory supports home prices, therefore the experts are not forecasting a substantial fall in home prices. This national trend of low inventory is also the trend in metro Denver and Castle Pines.

Looking even further into the future, HPES has forecasted home price appreciation for the next 5 years. The graph detailing the HPES year by year expectation is also shown below. I am the first to ad-

mit the "experts" track record of predicting price changes beyond a year is not great, but this 5 year forecast does show that most experts continue to see residential housing doing well in the foreseeable future. Of course things can change quickly as was seen during the COVID pandemic, but it is nice to know that despite the craziness that will occur during this election year, your home value falling substantially should not be a major concern or worry.

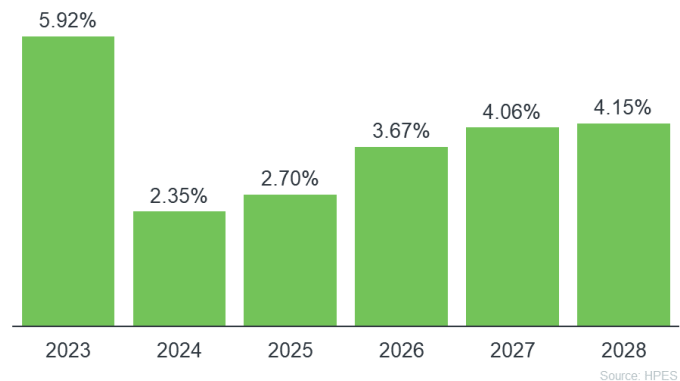
### 2024 Home Price Forecasts

Percent Appreciation/Depreciation as of 11/30/2023



### Estimated Home Price Performance

December to December, as Forecast in Q4 2023



# A FEW OF THE HUTCHINS TEAM SALES AND LISTINGS



SOLD

## 11890 Discovery Circle Parker

3 Beds, 2 Baths, 4,295 sq.ft.  
Outstanding Ranch Home with Spectacular Views backing to Open Space!



SOLD

## 2317 Primo Road Unit B Highlands Ranch

2 Beds, 3 Baths, 2,999 sq. ft.  
Stunning Low Maintenance Townhome with Water and Mountain Views.



SOLD

## 9477 Southern Hills Cir Lone Tree

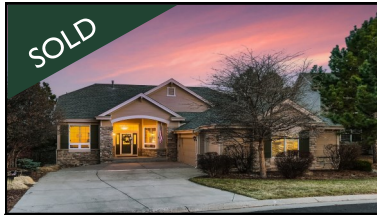
3 Beds, 3 Baths, Beautifully updated maintenance free townhome! Prime Lone Tree Location! Walkout Basement!



SOLD

## 5415 Spring Ridge Trail Castle Rock

5 Beds, 4 Baths, 3,773 sq. ft!  
Awesome home on almost a half acre lot. Professionally landscaped!



SOLD

## 1050 Timbercrest Dr Castle Pines

3 Beds, 3 Baths, 3,840 sq. ft.  
Main level living in coveted Forest Park neighborhood! Beautiful Landscaping!



SOLD

## 7066 Forest Ridge Circle Castle Pines

6 Beds, 6 Baths. Towering Ponderosa Pine Trees! Stunning Remodel! Incredible Basement Bar and Entertaining Area!



SOLD

## 2128 Peralta Loop Castle Rock

4 Beds, 3 Baths, 3,990 sq. ft.  
Extraordinary ranch style home! Backs to Greenbelt! Finished Basement!



SOLD

## 9365 Carmel Court Lone Tree

4 Beds, 4 Baths, 2,981 sq. ft!  
Awesome Lone Tree townhome with private, fenced yard!

## CASTLE PINES MARKET COMMENTARY

### Original Communities

*(neighborhoods built before 2015)*

The big real estate story in the Original Communities is the record low number of homes that sold in 2023. There were only 128 homes that sold in 2023, which is 36% below the prior 10 year average of 201 home sales per year. Despite the slow pace of sales in the Original Communities, only 8 homes were for sale at the end of December, which is 60% below the prior 10 year average of 20 homes for sale at the end of December. Inventory has stayed low despite record slow sales because current homeowners are not wanting to sell their homes. With a locked in low interest rate and high home prices, current homeowners are staying put and not selling. This resulted in only 148 homes coming on the market in the Original Communities in 2023. The prior 10 year average for new listings each year was 249 homes. This is a 41% reduction in new listings, which is roughly in line with the reduction in home sales, thus inventory has stayed low.

The average home price in 2023 of \$1,004,456 is 7.7% below the 2022 average price of \$1,088,088. However, due to the low number of home sales and the wide range of home sizes in Castle Pines, the sales price average can vary upon the product mix sold each year. The average price per square foot helps adjust for this change in product mix and is a better metric to understand

price changes. The average price per square foot fell from \$373 in 2022 to \$360 in 2023, a 3.5% decrease. The \$360 average in 2023 is up 8.8% over the \$331 average recorded in 2021.

On average it took 31 days to sell a home in 2023, which is an increase from the 18 day average in 2022 but 16% below the prior 10 year average of 37 days to sell a home. Based on the sales pace of the last 3 months, there is just over 1 month of inventory available for sale in the Original Communities. Typically, inventory levels less than 3 months indicate rising home prices. However, inventory has been at these low levels for the past year and prices have remained relatively flat. Based on this trend, home prices are expected to stay relatively flat over the next 3 to 6 months in the Original Communities.

### New Communities

*(neighborhoods built after 2015)*

Only 85 home sales were reported in the MLS system in the New Communities in 2023, which is 30% below the 121 home sales reported in 2022. It is important to remember that home builders are driving the majority of sales in the New Communities, but builders do not report all home sales in the MLS system. In 2023, builders reported 38 new construction sales in the MLS system, but builders sold over 200 homes in these communities (based on county records). On

average it took 44 days for a home to sell, which is an increase of 69% from the 26 days it took to sell in 2022.

For the year, the average sales price of \$1,194,519 was 14.5% higher than the 2022 average sales price of \$1,043,344. However, most of this increase in average sales price was driven by more larger homes being sold in 2023 compared to 2022. The average sales price per square foot, which adjusts for size differentials in the homes, was \$406, which was up just 5.5% from \$385 in 2022.

There were 17 homes for sale at the end of December, which is 60% higher than the 3 year December average of 11 homes for sale but in line with the 12 month rolling average of 18 homes for sale at the end of each month.

Based on the December sales pace, there is slightly over 3 months in inventory. Typically, 3 to 4 months of inventory indicates stable home prices. However, because this is a new build community, home prices are driven more by the builder pricing of new construction and not inventory levels. With the current market conditions, builders are holding home prices flat. Market conditions are not expected to change substantially in the next 3 to 6 months, so home prices in the New Communities should stay relatively flat.

## WHAT THEY ARE SAYING ABOUT DOUG AND HIS TEAM



My wife and I were tough customers as we looked at homes for over 8 months. We had a list of wants and priorities but just could not find the right combination. Doug was tireless, persistent, and confident that we would find the right home. After over 50 showings with Doug leading the way, we did find the perfect home.

Our existing home sold the first weekend it was listed and for a price we never thought possible. Thanks to Doug that was a seamless and relatively easy task. Doug never quit and never let us give up and as a result we are happy as can be in our new home. We would highly recommend Doug for any real estate needs you may have. We are positive he will find your perfect home too.

Patrick and Jodi—Highlands Ranch

## NEW!! Monthly Castle Pines Real Estate Updates

Scan the QR Code to see the latest Castle Pines real estate market updates.



## Ready to Sell Your Home But Scared You Won't Find a Home to Buy?

Low home inventory in the metro Denver real estate market has created a serious problem for homeowners wanting to sell their current home and purchase another home. With very few homes to choose from, homeowners are scared to sell their current home because they are unsure if they will be able to find a home to purchase that meets their needs and is within their budget. So instead of selling their current home, they stay and make due even though their current home no longer meets their needs.

The easiest solution to this problem is for a homeowner to purchase their next home before selling their current home. How-

ever, most homeowners need the equity they have in their current home to use as a downpayment on their next home. In addition, most homeowners do not have the monthly income to qualify to carry two home loans at one time (which is necessary if you buy before you sell). This can be a complicated and frustrating dilemma!

During the past few years, several solutions have been created to deal with this specific problem. Here are just a few:

1) **Bridge Financing.** This is a short term loan that allows you to take the equity in your current home and use it for the downpayment in the new

home.

- 2) **Home Equity Loan.** Similar to bridge financing but can be set up on the new or old home. This requires a longer lead time than bridge financing but can be less expensive.
- 3) **Family Financing.** Using downpayment assistance from family members or having a co-borrower to add additional income for loan qualification.

Each situation is unique but there are definitely options available to help you purchase your next home before you sell your current home. Call me today at 303-886-3437 to learn more about these programs and how they can help you make a move in 2024!

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

12/31/23 6.62%

9/30/23 7.31%

6/30/23 6.71%

3/31/23 6.32%

12/31/22 6.42%

## 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— Dec 31	from 2022
Average Sales Price	\$909,778	\$1,043,344	14.7%	\$1,194,519	14.5%
Average Above Ground Square Ft. Sold Homes	2,894	2,757	-4.7%	2,944	6.8%
Average Price/Square Foot Above Ground	\$322	\$385	19.6%	\$406	5.5%
Average Days To Sell	20	26	30.0%	44	69.3%
Number of Homes Sold	112	121	8.0%	85	-29.8%

*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 12/31/2023. 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.

[www.DISCOVERCASTLEPINES.com](http://www.DISCOVERCASTLEPINES.com)



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## **CASTLE PINES REAL ESTATE NEWS** **4th 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— Dec 31	% Change from 2022
Average Sales Price	\$945,622	\$1,088,088	15.1%	\$1,004,456	-7.7%
Average Above Ground Square Ft. Sold Homes	2,860	2,917	2.0%	2,805	-3.8%
Average Price/Square Foot Above Ground	\$331	\$373	12.7%	\$360	-3.5%
Average Days to Sell the Home	14	18	28.6%	31	72.2%
Number of Homes Sold	201	168	-16.4%	128	-23.8%

Based on information from REcolorado®, Inc. for the period 01/01/2021 through 12/31/2023 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.

**CHECK YOUR CURRENT  
CASTLE PINES  
 HOME VALUE HERE**



### **IN THIS ISSUE**

- The 2024 Real Estate Forecast from 8 Top Industry Experts
- Record Low Home Sales in the Original Communities in 2023
- Strategies for Buying Your Next Home Before Selling Your Current Home