

Sellers Are Putting Homes on the MLS, But Buyers Are Playing Hard to Get

In this article, I'm going to provide a market analysis that you won't find anywhere else. Using my access to the Denver MLS, I will show you what is happening among listings within a 25-mile radius of downtown Denver that are active, pending and sold between \$550,000 and \$650,000.

I chose the price range because \$600,000 is the median sold price in our market, unchanged from a year ago. I chose the 25-mile radius because that defines the metro area in my opinion. Every other statistical report you'll read analyzes listings in 7 to 10 metro area counties, some of which extend many miles into the mountains (Park county) or out onto the plains (Adams, Arapahoe and Elbert counties). If you live in the Denver metro area as most people define it, my statistics are going to more accurately reflect the reality of our metro market.

Currently, as I write this on Tuesday, there are 1,543 active single family homes listed in that price range and in that 25-mile radius on REcolorado. Only 180 of them have been on the market 7 days or less, so 88.3% of them have been on the MLS over a week without selling. Median days on the MLS is 38.

738 listings are "pending," and 219 of them went under contract within 7 days, so 70.3% of them lingered on the market over a week before selling. Median days on market for the pending listings is 11.

Now let's look at the 561 listings which closed in the last 30 days, not the month of May. Ten of them sold before they were entered on the MLS, and another 224 went under contract in 7 days or less. So, 57.9% of those closed listings lingered on the MLS over a week. Median days on the MLS before going under contract was 11. The median listing sold for its listing price, but 20 sold for between 5 and 14 percent below the listing price.

REAL ESTATE TODAY



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Compare those percentages, which I have put in bold for easy spotting. There's over a 30% difference between the percentage of sold and active listings that have lingered unsold on the MLS for over a week.

Also compare the days on MLS. The median pending and closed listings went under contract in 11 days, but the active listings have a median days on MLS of 38. Any real estate professional will tell you it's pricing. Many active listings may now be at a price that would have sold quickly, but they were overpriced in the beginning and now fail to get buyers' attention.

Of course, many of those active listings which haven't sold will either be withdrawn from the MLS or will expire without selling. Indeed, there are already 87 listings in that price range in that area that were "withdrawn" from the MLS in the last 30 days. That means they are still subject to a listing agreement but have been withdrawn from the MLS for one reason

or another. The median days on the MLS before being withdrawn was 41.

There are 760 listings in that price range and area which "expired" without selling in the last 30 days, with a median days on the MLS of 70. Of them, 51 expired despite price reductions of up to \$125,000.

Of the 100 oldest sold listings (between 68 and 339 days on the MLS) that went under contract in that price range and in that area, all but 9 of them only sold after reducing their listing price at least once. The average price reduction was \$39,000, with the highest being \$251,000.

Among the 100 oldest listings that are still active on REcolorado — ranging from 152 to 979 days on the MLS — 95 have reduced their prices, but not enough to go

under contract yet. Some of those price reductions are pretty dramatic, too. Nine of them have reduced their prices by \$100,000 or more, and one by \$250,000 — and they still haven't gone under contract! As mentioned above, I would wager that if those listings had started out at their current price as new listings, they would have sold quickly and possibly above their current listing price, but they remain active today as stale listings, which are harder to sell at any price.

The bottom line of this analysis should be clear by now. If a home is not priced right in the beginning, it runs the risk of lingering on the market. Price reductions should be considered within a week if there are few showings and no offers. Don't wait a month or longer to reduce the price.

NAR Dilutes Its Rule Against Hate Speech by Realtors

In the aftermath of George Floyd's murder by a cop in May 2020, and the heated rhetoric, much of it racist, which followed, the National Association of Realtors (NAR) enacted a "standard of practice" to go along with Article 10 of the NAR Code of Ethics, which bars Realtors from denying professional services based on "race, color, religion, sex, disability, familial status, national origin, sexual orientation, or gender identity."

The level of discourse, both in person and on social media became far less civil. Pro-Trump and anti-Trump citizens started thinking of each other as the "enemy." In their private, after-hours communications, some Realtors said things that didn't reflect well on NAR and our profession.

Inspired by an unprecedented number of complaints received by NAR relating to discriminatory conduct and language by Realtors as private citizens but still recognized as Realtors, the NAR board of directors approved Standard of Practice (SOP) 10-5 with language that expanded Article 10 to include the prohibition against harassment and hate language generally, not just limited to a Realtor's professional life.

SOP 10-5 was implemented by the NAR Board of Directors on Nov. 13,

2020, and originally read as follows: "Realtors must not use harassing speech, hate speech, epithets, or slurs based on race, color, religion, sex, disability, familial status, national origin, sexual orientation, or gender identity."

Since then, however, NAR members have struck back for freedom of speech. Here's the new language, which no longer applies to members' actions outside their practice of real estate (emphasis added):

"Realtors, in their capacity as real estate professionals, in association with their real estate businesses, or in their real estate-related activities, shall not harass any person or persons based on race, color, religion, sex, disability, familial status, national origin, sexual orientation, or gender identity."

SOP 10-5 continues as follows, defining harassment for the first time:

"As used in this Code of Ethics, harassment is unwelcome behavior directed at an individual or group based on one or more of the above protected characteristics where the purpose or effect of the behavior is to create a hostile, abusive, or intimidating environment which adversely affects their ability to access equal professional services or employment opportunity."

View All our Active & Pending Listings on a Single Website

Instead of having a different website for each listing, we now link them to a single website, www.GRElistings.com. The QR code at right will open that site up on your smartphone. Try it now!

We pride ourselves on the thoroughness of our listings. We complete all the data fields in the MLS, not just the mandatory ones, so you'll find measurements and descriptions for each room, as well as narrated video tours which simulate an actual showing.

Room dimensions and descriptions are not



required by REcolorado, and you'd be amazed how few agents bother to enter that information on their MLS listings.

Of course, narrated video tours are not required either, and most "video tours" you see on other brokerages' listings are really just slide shows with a music track. We have sold many of our own listings, including one that closes next week, to buyers who haven't seen the home in person until they fly in for the inspection. The video tour gives them enough of a sense of what the listing is like to ask me or their agent write an offer and go under contract.

5-BR Home in Golden's Village at Mountain Ridge



Homes in this late '90s subdivision backing to the foothills come on the market rarely and sell quickly. This one at 165 Washington Street is especially sweet, with the most awesome chef's kitchen you've likely ever seen. Beautiful maple hardwood floors grace the main level, with newer carpeting upstairs and in the walk-out basement. The Table Mountain views from every level, but especially from the primary suite, will take your breath away. If you're a soccer fan, the posters and awards in the main-floor study will leave you wishing for autographs! A narrated video walk-through can be viewed online at www.GRElistings.com. Or call Jim Smith at 303-525-1851 to request a showing.

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