
THE REAL DEAL

The True State of Durango & La Plata County Real Estate

Durango simply doesn't follow national trends. It's one of the reasons we live here. So it puzzles me when a local article attempts to fit our lovely square peg into the round hole of national real estate turmoil.

Durango and La Plata County are not experiencing real estate turmoil. In fact, as is typical for us, we are bucking the national trend. In this case while much of our nation is experiencing declining values and stymied sales, Durango is not. This is not simply my opinion. This is borne out by hard stats and recent sales.



Overall real estate values in Durango and La Plata County rose 13% in the 1st Quarter of this year compared to the same period in 2007.

In the face of national challenges and epic snow locally, this figure alone is a striking example of the robust health of our area. Need more concrete evidence? Consider these statistics, also from Colorado's Real Estate Network Multiple Listing Report for 1st Quarter 2008:

- The median price of country homes in Durango rose 18%
- The median price of in-town Bayfield homes rose 13%
- The median price of resort property and land each rose by more than 50%
- Sale prices for La Plata County land also rose significantly in the 1st Quarter 2008 compared with 2007

True, the median price of in-town Durango homes declined by 5% compared to the 1st Quarter of 2007. Statistical review requires attention to the details. The highest priced home sold in-town Durango last Quarter was \$645,000, while one year ago the highest priced home sold in the 1st Quarter was \$1.2 million. To say values actually slid is misleading.

Similarly, the median price of Durango condos and townhomes appear to have declined somewhat, but the volume of sales nearly doubled compared to the 1st Quarter of 2007 (44 in Q1 2008 and 26 in Q1 2007 which was notable for a high sales price of \$1 million in this category.) Recent large sales volume in the condo/townhome category is largely thanks to the affordable options offered by Silver Peaks condos which accounted for 10 of those 44 sales with an average price of \$181,412.

Like many real estate experts I believe the national market and credit crunch have impacted our local market by making in- and out-of-town buyers somewhat cautious. Record snowfall had a huge impact on slowing sales volume. However, we are more than holding our own and are poised for strong sales growth. Many of our feeder buying markets such as Texas, Oklahoma and New Mexico continue to experience strong real estate values.

As higher mortgage loan limits and wider access to affordable credit become realities, buyers will again be confident. Sales activity should increase notably this summer and pent-up buyer demand will be unleashed in Durango.

If you think Durango real estate is in a slump, I encourage you to buy now. Whether our prices are low or stable, we are again poised for value growth.

Like it or not, we are in the national spotlight. Durango has gained a national reputation as an undervalued real estate opportunity, setting the stage for continued increases. Oprah raved "I love this place!" on national television. The Robb Report recently called Durango "Where the Smart Money is Buying Real Estate Now." CNBC's Mike on America featured Durango in a segment dubbed "Durango: The New Hot Spot of Real Estate."

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