
THE REAL DEAL

Statistical Update on Durango & La Plata County Real Estate

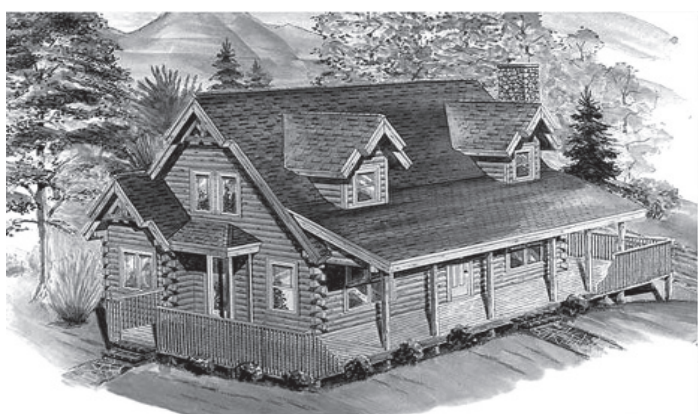
Durango's real estate market continues to benefit from the desirability of our locale.

The Durango Area Association of REALTORS® released today the 2008 3rd Quarter Statistical Information for La Plata County as reported in the Colorado Real Estate Network Multiple Listing Service. I would like to provide some perspective on those statistics.

According to DAAR's statistics for the third quarter of 2008, the median price of a Bayfield in-town home gained 23% compared with third quarter 2007, up to \$320,000. The median price for an in-town Durango home experienced a decline of 14% compared with the same period last year, however, the year to date median price of an in town Durango home is actually up 1% compared with one year ago.

In the third quarter of 2008, the Durango market was directly impacted by national occurrences such as overly stringent lending criteria in the months before the government takeover of Fannie and Freddie.

Year to date median price comparisons encompassing Quarters 1-3 of 2008, show that Durango and La Plata County remain strong. While in-town Durango homes have experienced a modest median price increase of 1% for the year to date, the median price for in-town Bayfield homes has increased 12% year to date. The median price for La Plata County country homes year to date 2008 has also risen 1%. To maintain pricing in this economic environment is impressive



It is important to view all these statistics in light of national trends and realize that Durango is more than holding its own. The drop in median home price for in-town Durango can also be attributed to the amount of activity in the lower vs. upper price ranges. For example, the highest priced home sold in in-town Durango in the third quarter 2008 was \$900,000 compared to \$1.25 million for the highest priced home sold in the third quarter 2007.

Homes at the upper end of the market are either not being offered for sale or not selling at the same rate we saw two years ago. As a result it looks as though home prices are sliding somewhat. From my view the average home price in in-town Durango continues to maintain value. This is borne out by our year to date statistics.

Other DAAR statistics that point toward the Durango market's stability and growth include:

- The median price for Durango country homes has risen 5% in 2008 compared to 2007
- The median price for Bayfield condominiums has risen 5% in 2008 compared to 2007
- Business and income sales remained strong with more than \$8 million in volume in the third quarter 2008

The desirability of our community remains clear, despite fewer total sales resulting from real estate uncertainty in general and slowed sales in our feeder markets. Pending homes sales in our feeder markets are now rising significantly according to the most recent report from the National Association of Realtors®. What makes La Plata County interesting is that prices continue to be strong in all these categories even in the midst of the most challenging economic environment most of us have lived through. We in La Plata County are fortunate that each market is localized.

Mark Donahue
President

Durango Area Association of REALTORS®

