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## BUSINESS

THE DENVER POST | DENVERPOST.COM

THURSDAY, JUNE 8, 2006

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### Housing inventory through the roof

Existing homes hit record of 30,457 last month as foreclosures add to glut

Selling has slowed in lower price ranges as the median home price nears \$251,000. One broker predicts a 2007 turnaround.

By Margaret Jackson  
Denver Post Staff Writer

The number of existing houses on the Denver metro-area market is at a record high, fueled by an escalating number of foreclosures in addition to the normal seasonal increase in inventory.

There were 30,457 houses on the market in May, up from 25,198 during the same month last year, according to statistics released Wednesday.

"There is seasonal competition, but the foreclosures are causing things in the lower price ranges to really stop (selling)," said Steve McGuire of Re/Max Professionals in Highlands Ranch.

In May, 6,459 homes were put under contract and 5,010 sales were closed. Both of those measures fell from last year.

Despite slower sales and a higher inventory of homes on the market, the median price for a single-family home rose to \$250,943 in May, up from \$250,000 in April.

"We might be starting to run into the law of supply and demand," McGuire said. "As supply continues to increase and demand is lower than in the past, you're probably going to see an adjustment in prices."

Independent real-estate analyst Gary Bauer said he has noticed activity picking up in June and expects that to continue.

### HOUSES: Median price rose last month

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areas where commuting times are longer," Rinner said.

"People are thinking if they really want to be in a home before school starts, they had better get started," he said. "Showings are up. That's an indication people are still focusing on their plans and their dreams."

High gas prices also are a factor, said Mike Rinner, a real-estate analyst with the Genesis Group in Englewood.

"Supply and demand are more out of whack in neighborhoods that are older and farther from jobs, and in remote

Judy Templeman, president of Metro Brokers, said 2006 "is what we call a cleansing year."

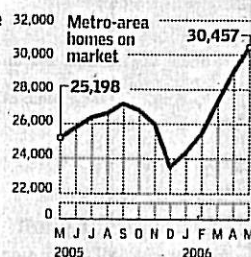
"We've got a lot of foreclosures on the market, and it's kind of been a flat market," she said, "but we really expect to see 2007 turn around again."

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#### Housing spike

The number of homes on the market in the Denver metro area in May reached a record high, rising from a low point in 2005.



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Source: Real estate analyst Garotti D. Bauer

The Denver Post