

## Property Assessments Are Up In Mesa, Boulder And Across Colorado

Some Coloradans are getting big surprises in their mailboxes this month. County assessors are busy sending out new appraisals to homeowners, as they do every two years.

The new assessments mean tax bills will go up next year across the state, with property values climbing from Pueblo to Denver to Mesa County. The moves range from 1 percent to 20 percent.

The median value of homes in eight Denver-area counties jumped anywhere from 6 to 11 percent. Boulder County had the biggest increase among that group. In Mesa County, the median increase was 20 percent, according to county assessor Ken Brownlee. That's about double the increase the last time reappraisal notices went out in 2019, Brownlee said.

The large increase could lead more homeowners to appeal the decision, he said. Homeowners across the state can appeal between now and June 1. "People are going to go – my house couldn't have gone up that much," Brownlee said.

Values in El Paso County saw similar increases of between 15 and 20 percent, according to county assessor Steve Shleiker.

Assessments homeowners are getting in the mail now don't even include the runaway rise in home prices over the last 10 months. The appraisal period ran from January 2019 through June 2020. In the Denver metro, median property values are up more than 17 percent since last June, according to the realtor association, which would be on top of assessments arriving in mailboxes this month.

Low interest rates and a shortage of homes for sale is driving price gains across the U.S. In Colorado, the number of homes on the market has been at record lows since last summer, leading to bidding wars and locking a growing number of would-be first-time homebuyers out of the market.

The booming housing market wasn't what experts forecasted when COVID-19 shut down the economy last March. Physical distancing protocols and financial uncertainty brought real estate deals to a standstill in the early days of the pandemic. But that changed after just a few months. "I didn't think people would be out and about buying houses and going crazy the way they are," said Pueblo County Assessor Frank Beltran. "It doesn't seem to be slowing down right now... We've still got a lot of people paying top dollar."

The rise in home prices was smaller in Pueblo than in some other counties. Still, it's a big enough jump that some people will be unpleasantly surprised, especially if they thought the brief slowdown when the pandemic hit last spring would put a stop to the rise in values. Pueblo's median increase was 1.25 percent, up from 1.19 percent in 2019, Beltran said.

The plunge in oil prices at the start of last year appears to have slowed appreciation in some areas. In Weld County, the epicenter of Colorado's energy business, the median increase for residential properties in the new assessments was 8 percent, down from 15 percent during the last reappraisal period, according to county assessor Brenda Dones.

County assessors base their calculation on sales of similar homes nearby.

*Sarah Mulholland - CPR - 2021-05-10*



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PRESORTED  
STANDARD  
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80301  
Permit No. 426



**1325 N. Teal Court  
Boulder - \$1,440,000**

Stunning! 4 bedroom, 3.5 bathroom plus study in this home in the Reserve with a soaring foyer filled with light. Refinished hardwood flooring and many updates.



**801 Mulberry Street  
Louisville - \$1,075,000**

We received **6** over asking price offers on this home and it ended up selling for over **13%** over asking price! Completely remodeled and backs to open space!



**5526 W 72nd Drive  
Arvada - \$420,000**

We received **14** over asking price offers on this home and it ended up selling for almost **8%** over asking price! Nicely updated with wood floor entire main floor.



**1530 Turin Drive  
Longmont - \$900,000**

View location looking out across Blue Skies park at Longs Peak. Vaulted great room with a wall of windows, a three-sided fireplace & double-sided staircase.

## Trend Report

The typical spring market has definitely been frenzied in 2021!. Very strong showing and offer activity is being felt by most, but curiously, not all properties. Attached homes remain a softer spot and the very upper end of most areas can be a touch slower. Pricing at or slightly below market seems to be the best strategy as that draws more interest and multiple buyers fighting against each other is what is driving up the competition, the offer prices and the array of contingency waivers we've seen.

As you can see below, top left, showing activity is in an area of my chart we've never been in before. Almost 3 times higher than the five year average for this time of the year. 4 of the 6 highest ever individual showing days in the office, 200+ showings per day have occurred in the last month. All of that activity on just 46 showings in the last week. There is such high showing demand on many listings the first weekend that it can be difficult to schedule showings on multiple properties and hit the short showing windows and find open showings spots.

Many clients are asking me if this frenzy is due to a lack of sellers or an overabundance of buyers. We really don't have an objective measure of buyers, no central place where I have to register the people I'm showing homes to, so I have to rely on buyer proxies like showing activity and the number of homes under contract. Looking at those proxies and at the exceedingly low inventory levels, I believe this current frenzy is due to a slightly higher number of buyers and a very much lower number of sellers than typical. I also do not see any immediate change to this dynamic. I'm not meeting many sellers who have plans to sell later this year, most are moving their plans forward to take advantage of the current frenzy and not postponing any sale plans. The one slackening in the frenzy I see possibly coming has to do with the virus and people's plans for summer. Spring break 2021 was the first time I've seen large numbers of people leave town and travel on vacations. If we see a similar or even greater number of people decide to have real summer vacations and leave town, I could see that group of people taking a break causing some temporary lessening of the buyer demand out there.

As you can see below, top right, we're really not building up the options out there for buyers to look at. So far, any uptick in the number of homes coming onto the market is met by an uptick in the number of homes going under contract and overall, the replacement rate remains in the static to negative territory meaning we're just moving sideways. For this market frenzy to make a substantial change, we'll need to see far more homes come onto the market, more homes than the current demand can absorb, and then supply start to build beyond demand. I'm not sure we'll see that big a change anytime soon!

Be well and enjoy the start of better weather in Colorado!

*Mike Malec*

