

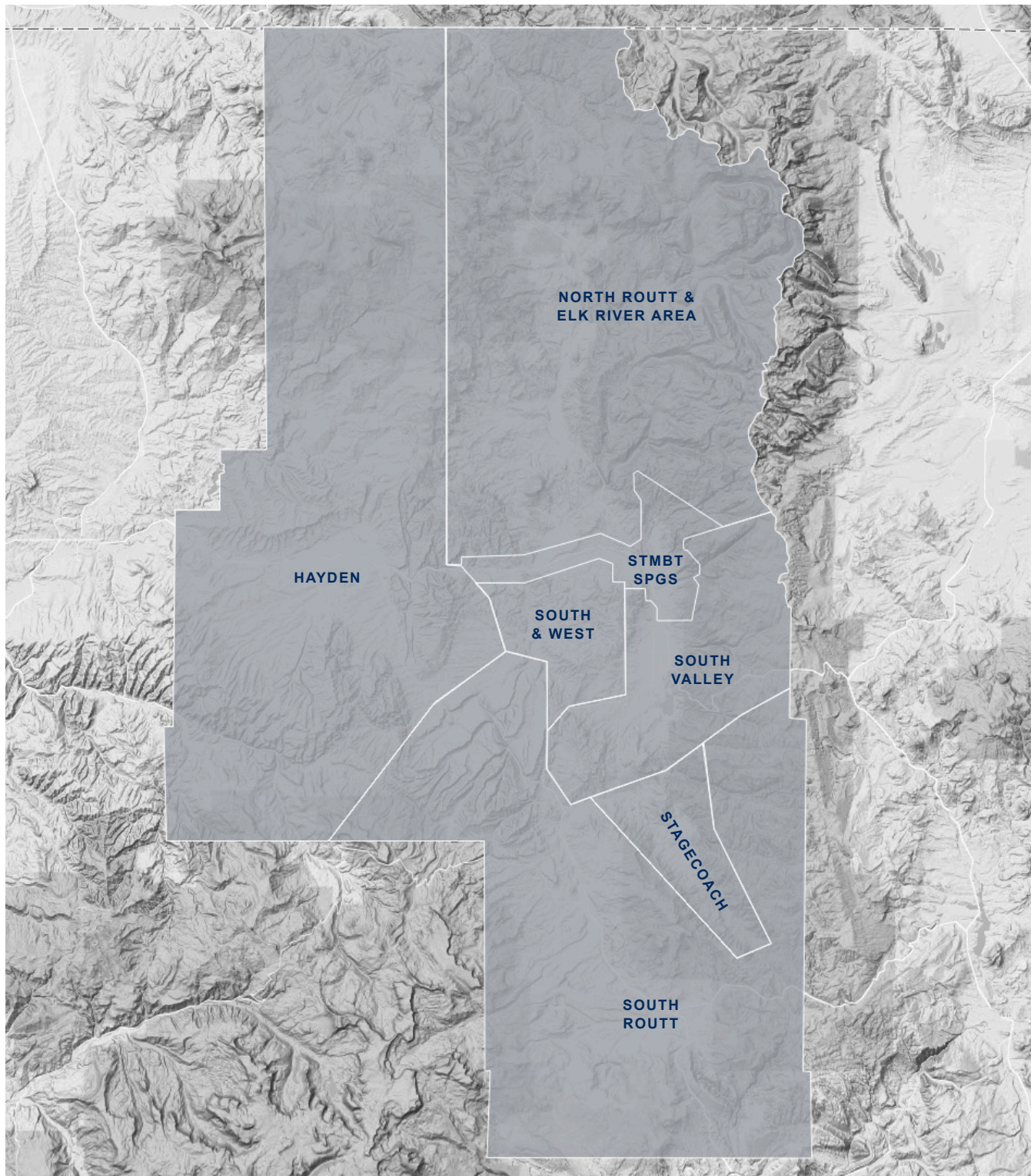


MICRO MARKET REPORT

MID-YEAR 2018

Steamboat | Sotheby's
INTERNATIONAL REALTY

STEAMBOAT SPRINGS & SURROUNDING AREAS





HOW'S THE MARKET?

That is the million dollar question. While it is true that the Denver Metro area is experiencing a very hot seller's market, other areas around the country, such as some cities in the Pacific Northwest, report that the market is showing some signs of cooling off. So what is happening in Steamboat Springs and Routt County? The answer may not be as cut-and-dry as one would think. In a rural market and more importantly, a resort market (of which Steamboat Springs and Routt County are both), the answer depends on many factors that cannot be considered or evaluated by looking at basic statistics or isolated sales data. One segment of the market may be very "hot"—a full-blown seller's market—whereas other segments may be slow, stagnant, or possibly declining. So it is too simple a statement to say that Routt County's real estate market is "hot."

Generally speaking, Routt County is experiencing a very active market that is preferential to sellers in most categories. This is especially true in the single family home market, and for properties priced under \$1M. The median sales price for single family homes in Steamboat increased 12.1% in the first half of 2018 when compared to the same time period in 2017 – from \$681,000 to \$775,000. In fact, the median sales price for single family homes in every area around Routt County has increased when compared to 2017. However, for homes priced over \$1M, there are more listings and fewer sales – more supply than demand. So while we see values continuing to increase at a nominal rate with each sale that occurs, the absorption rate, or number of months that it will take for every property currently listed to be sold, is much higher for properties in the higher price ranges.

With property values increasing and accompanying inventory being depleted across most categories, there has been an

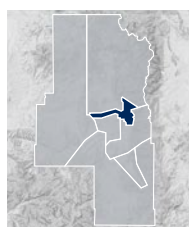
increased interest in vacant land properties. In Steamboat Springs, the median sales price for vacant land went from \$260,000 in January–June 2017, to \$325,000 in 2018—an increase of 20%. We saw similar trends throughout most of Routt County, with median sales price in the South Valley Area increasing from \$325,000 to \$397,000 (+18.1%), and in the Elk River and North Routt areas from \$160,750 to \$219,000 (+26.6%). Building costs are running approximately \$350/sf to \$500/sf, depending on quality, location and design.

The condo and townhome markets have stayed relatively flat in Steamboat Springs, showing an increase in median sales price of 4.2% for condos, and 1.9% for town- homes. However, the average days on market for condos and townhomes has decreased substantially, down 38.5% for condos in the first half of 2018 when compared to 2017.

Unlike more urban areas where there are many transactions and a property's value can be fairly easily determined by looking at recent sales in the neighborhood/subdivision, the types of properties within a certain subdivision or area in Routt County can vary widely. Property type, location and condition, as well as comparable properties, motivation of the seller to sell, and price point all influence value. With relatively few transactions in a given month, these variables and lack of sales can have a significant impact on the market value of the property.

The information presented in these micro market reports will better help tell the story of current real estate market conditions in Steamboat Springs and Routt County, but there is no general answer to the question: "How's the market?" Accurate analysis requires the skill and knowledge of a professional who is well-versed in all of the intricacies and nuances that exist in a rural and resort market like ours.

STEAMBOAT SPRINGS



Imagine living your best life and enjoying everything that you love about Steamboat Springs right out your front door, or within a short bike ride. Steamboat Springs encompasses the areas known as the Mountain, Fish Creek, Downtown, Strawberry Park and West Steamboat, stretching from Walton Creek Road on the south side of town to Steamboat II and Heritage Park on the west end. While each different area boasts its own unique “personality,” they all offer Steamboat’s eclectic mix of ski town atmosphere and community,

CONDOS

JANUARY – JUNE	2017	2018	% Change
Median Sales Price	\$330,500	\$345,000	4.2%
Average \$/SF	\$312	\$335	6.9%
Average DOM	151	109	-38.5%
Highest Price	\$3,500,000	\$2,400,000	-45.8%
# Properties Sold	188	171	-9.9%
% Sold Price to List Price	96.4%	97.0%	0.6%

↓ 38.5%

Average Days on Market for
Condos in Steamboat was down
38.5%, from 151 in Jan–Jun
2017, to 109 in Jan–Jun 2018

TOWNHOMES

JANUARY – JUNE	2017	2018	% Change
Median Sales Price	\$595,000	\$606,250	1.9%
Average \$/SF	\$317	\$318	0.3%
Average DOM	99	96	-3.1%
Highest Price	\$2,300,000	\$1,705,000	-34.9%
# Properties Sold	69	81	14.8%
% Sold Price to List Price	98.2%	97.7%	-0.5%





coupled with Western heritage and a lower, more laid-back way of life. World famous powder and tree skiing, the world's oldest Winter Carnival, the nation's best small town rodeo, over 75 restaurants and bars, and the friendliest people you will find anywhere in the world – these are just a handful of the things that make Steamboat Springs such a special place. No matter what activities you enjoy, Steamboat Springs will have something for you. Your best life starts with a home that inspires you, and there is no better place to call home than Steamboat Springs, Colorado.

↑ 12.1%

Median Sales Price for SF Homes in Steamboat was up 12.1%, from \$681K in Jan–Jun 2017, to \$775K in Jan–Jun 2018

SINGLE FAMILY HOMES

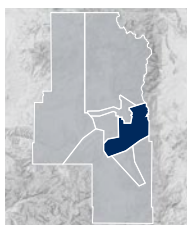
JANUARY – JUNE	2017	2018	% Change
Median Sales Price	\$681,000	\$775,000	12.1%
Average \$/SF	\$333	\$368	9.5%
Average DOM	85	88	3.4%
Highest Price	\$2,450,000	\$3,265,000	25.0%
# Properties Sold	89	81	-9.9%
% Sold Price to List Price	96.2%	96.0%	-0.2%



LAND

JANUARY – JUNE	2017	2018	% Change
Median Sales Price	\$260,000	\$325,000	20.0%
Average DOM	446	277	-61.0%
Highest Price	\$650,000	\$822,500	21.0%
# Properties Sold	24	36	33.3%
% Sold Price to List Price	95.1%	96.8%	1.7%

THE SOUTH VALLEY



The South Valley stretches south of Steamboat Springs, generally along the Highway 131 corridor and along the Yampa River from the tailwaters of Stagecoach Reservoir to Steamboat. Beautiful and picturesque, this area boasts high-end developments with low-density living. Some of the developments are LPS's (Land Preservation Subdivisions) and many of the ranches are under conservation easements, ensuring that the area will maintain its vast open spaces and will preserve the abundant wildlife.

SINGLE FAMILY HOMES

JANUARY – JUNE	2017	2018	% Change
Median Sales Price	\$1,062,000	\$1,295,000	18.0%
Average \$/SF	\$362	\$493	26.6%
Average DOM	188	250	24.8%
Highest Price	\$9,000,000	\$5,150,000	-74.8%
# Properties Sold	12	13	7.7%
% Sold Price to List Price	92.0%	94.4%	2.4%



LAND

JANUARY – JUNE	2017	2018	% Change
Median Sales Price	\$325,000	\$397,000	18.1%
Average DOM	283	187	-51.3%
Highest Price	\$750,000	\$1,015,000	26.1%
# Properties Sold	6	8	25.0%
% Sold Price to List Price	93.4%	93.8%	0.4%

↓ 51.3%

Avg Days on Market for
Land in the South Valley
was down 51.3%, from 283
days in Jan-Jun 2017, to
187 in Jan-Jun 2018

ELK RIVER & NORTH ROUTT

The Elk River area is located northwest of downtown and follows the Elk River to the town of Clark. The area known as North Routt continues north past Pearl Lake, Steamboat Lake and Hahn's Peak to Columbine. This area is an outdoorsman's paradise for fishing, hunting, snowmobiling, trail riding and more. If you like to be close to Steamboat Springs but also want a sense of privacy and seclusion, the Elk River Area or North Routt may be the spot for you.



↑ 30.1%

Average Price/sf for SF Homes in Elk River and North Routt was up 30.1%, from \$311/sf in Jan-Jun 2017, to \$445/sf in Jan-Jun 2018

SINGLE FAMILY HOMES

JANUARY – JUNE	2017	2018	% Change
Median Sales Price	\$590,000	\$645,000	8.5%
Average \$/SF	\$311	\$445	30.1%
Average DOM	206	201	-2.5%
Highest Price	\$9,790,000	\$10,000,000	2.1%
# Properties Sold	24	17	-41.2%
% Sold Price to List Price	94.7%	93.7%	-1.0%

LAND

JANUARY – JUNE	2017	2018	% Change
Median Sales Price	\$160,750	\$219,000	26.6%
Average DOM	307	361	15.0%
Highest Price	\$2,700,000	\$1,500,000	-80.0%
# Properties Sold	10	15	33.3%
% Sold Price to List Price	98.6%	95.2%	-3.4%



STAGECOACH



CONDOS/TOWNHOMES

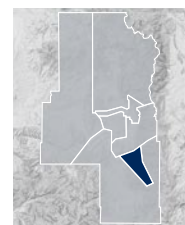
JANUARY – JUNE	2017	2018	% Change
Median Sales Price	\$195,500	\$266,500	26.6%
Average \$/SF	\$148	\$186	20.4%
Average DOM	28	6	-366.7%
Highest Price	\$223,000	\$270,000	17.4%
# Properties Sold	5	6	16.7%
% Sold Price to List Price	95.1%	99.3%	4.2%

↑ 20.4%

Average Price/sf for Condos & Townhomes in Stagecoach was up 20.4%, from \$148/sf in Jan-Jun 2017, to \$186/sf in Jan-Jun 2018



Stagecoach is a residential community located approximately 20 miles from the town of Steamboat Springs, adjacent to Stagecoach Lake State Park. This area offers a myriad of recreational opportunities, including boating, fishing, ice fishing, biking, hiking and more. This is a beautiful area overlooking the Stagecoach Reservoir where several subdivisions include a little bit of everything: condos, townhomes, single family homes, small ranches, “off-grid” properties, rural vacant land, and large acreage parcels.



↓ 46.5%

Average Days on Market for Single Family Homes in Stagecoach was down 46.5%, from 148 in Jan–Jun 2017, to 101 in Jan-Jun 2018

SINGLE FAMILY HOMES

JANUARY – JUNE	2017	2018	% Change
Median Sales Price	\$437,325	\$510,000	14.3%
Average \$/SF	\$286	\$227	-26.0%
Average DOM	148	101	-46.5%
Highest Price	\$1,445,000	\$1,110,000	-30.2%
# Properties Sold	7	9	22.2%
% Sold Price to List Price	99.1%	95.9%	-3.2%



LAND

JANUARY – JUNE	2017	2018	% Change
Median Sales Price	\$16,000	\$23,500	31.9%
Average DOM	337	220	-53.2%
Highest Price	\$275,000	\$148,000	-85.8%
# Properties Sold	36	15	-140.0%
% Sold Price to List Price	91.7%	95.0%	3.3%

SOUTH ROUTT



The South Routt area of the Yampa Valley encompasses Oak Creek, Phippsburg, Yampa, Toponas and the rural properties between. This area begins roughly 25 miles from Steamboat Springs as you head south on Highway 131. These smaller communities have a history and tradition of mining and railroading. National Forest surrounds many of these towns and the Flat Tops Wilderness area and Colorado River are easily accessible offering endless recreation, including hunting, fishing, camping, and river rafting.

SINGLE FAMILY HOMES

JANUARY – JUNE	2017	2018	% Change
Median Sales Price	\$218,750	\$225,000	2.8%
Average \$/SF	\$158	\$187	15.5%
Average DOM	131	102	-28.4%
Highest Price	\$650,000	\$650,000	0.0%
# Properties Sold	19	9	-111.1%
% Sold Price to List Price	95.4%	99.1%	3.7%

99.1%

SF Homes in the South Routt Area sold for 99.1% of Sold Price to List Price, on average, in Jan-Jun 2018

LAND

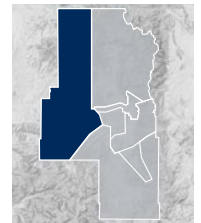
JANUARY – JUNE	2017	2018	% Change
Median Sales Price	\$37,000	\$97,500	62.1%
Average DOM	684	500	-36.8%
Highest Price	\$236,610	\$179,000	-32.2%
# Properties Sold	9	4	-125.0%
% Sold Price to List Price	98.4%	84.8%	-13.6%





HAYDEN

The town of Hayden lies approximately 25 miles west of Steamboat Springs along Highway 40. This wonderful small-town environment offers older homes, smaller acreage parcels, and some subdivisions with newer homes. Hayden High School is located in the center of town, and the Routt County Fairgrounds and Yampa Valley Regional Airport are located here as well. Hayden offers small-town charm with homes that are more affordable than those in Steamboat, while still being close to all of Steamboat's amenities.



\$380K

The highest priced SF Home sale in Hayden in Jan-Jun 2018 was \$380K, demonstrating the relative value in Hayden when compared to Steamboat

SINGLE FAMILY HOMES

JANUARY – JUNE	2017	2018	% Change
Median Sales Price	\$265,000	\$283,500	6.5%
Average \$/SF	\$161	\$187	13.9%
Average DOM	67	93	28.0%
Highest Price	\$322,830	\$380,000	15.0%
# Properties Sold	29	22	-31.8%
% Sold Price to List Price	94.9%	97.8%	2.9%



LAND

JANUARY – JUNE	2017	2018	% Change
Median Sales Price	\$50,000	\$44,500	-12.4%
Average DOM	168	1055	84.1%
Highest Price	\$610,000	\$142,000	-329.6%
# Properties Sold	8	8	0.0%
% Sold Price to List Price	87.5%	100.0%	12.5%

INVENTORY ANALYSIS

ABSORPTION RATE

When analyzing the real estate market, one of the factors that needs to be taken into consideration is absorption rate.

Absorption rate is the number of months it would take to sell the currently listed properties in the market.

STEAMBOAT SPRINGS

SINGLE FAMILY HOMES

STEAMBOAT SPRINGS	Current Listings	Sales Past 12 Months	Absorption Rate
Total	108	194	7 months
Under \$500K	7	33	3 months
\$500K - \$1M	35	104	4 months
\$1M - \$3M	47	53	11 months
Over \$3M	19	4	4.5+ years

CONDOS & TOWNHOMES

STEAMBOAT SPRINGS	Current Listings	Sales Past 12 Months	Absorption Rate
Total	168	502	4 months
Under \$500K	71	325	3 months
\$500K - \$1M	61	150	5 months
\$1M - \$3M	28	26	13 months
Over \$3M	8	1	8 years

LAND

STEAMBOAT SPRINGS	Current Listings	Sales Past 12 Months	Absorption Rate
Total	100	84	14 months
Under \$500K	46	69	8 months
\$500K - \$1M	28	11	2.5 years
\$1M - \$3M	14	1	14 years
Over \$3M	12	3	4 years



Absorption rate is one of the metrics used to attempt to predict home prices and sales activity going forward. The absorption rates noted here indicate how many months it would take for all of the currently listed properties in a particular category to sell, based on the sales activity over the past 12 months.

SINGLE FAMILY HOMES

ROUTT COUNTY	Current Listings	Sales Past 12 Months	Absorption Rate
Total	300	392	9 months
Under \$500K	56	148	5 months
\$500K - \$1M	75	154	6 months
\$1M - \$3M	113	82	17 months
Over \$3M	56	8	7 years

CONDOS & TOWNHOMES

ROUTT COUNTY	Current Listings	Sales Past 12 Months	Absorption Rate
Total	191	532	4 months
Under \$500K	90	353	3 months
\$500K - \$1M	63	151	5 months
\$1M - \$3M	30	27	13 months
Over \$3M	8	1	8 years

LAND

ROUTT COUNTY	Current Listings	Sales Past 12 Months	Absorption Rate
Total	502	233	2+ years
Under \$500K	365	206	21 months
\$500K - \$1M	74	17	4+ years
\$1M - \$3M	47	7	6+ years
Over \$3M	16	3	5+ years

ROUTT CO INCL STEAMBOAT SPRINGS

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