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TEDDY
ERRICO
Telluride, Colorado



2022

THIRD QUARTER

TELLURIDE REAL ESTATE MARKET REPORT

TRANSFER TELLURIDE | 215 SAN JUAN AVENUE C3 | TELLURIDE, COLORADO

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MARKET HIGHLIGHTS

2022 VS 2021

QUARTER 3

▲
-16%

TOTAL DOLLAR
VOLUME

▼
-34%

OF TRANSACTIONS



YEAR TO DATE (SEPTEMBER 30)

▲
+9%

TOTAL DOLLAR
VOLUME

▲
-31%

OF TRANSACTIONS

2022 QUARTER 3

HIGHLIGHTS

40

TRANSACTIONS
BETWEEN
\$1-\$3 MILLION

33

TRANSACTIONS
OVER
\$3 MILLION

\$15M

HIGHEST SALE IN
SAN MIGUEL
COUNTY

MAJOR TELLURIDE SUBMARKET STATISTICS

SEPTEMBER 2022

TELLURIDE SINGLE FAMILY

ABSORPTION RATE	9.6 MONTHS
AVERAGE LIST/SALE PRICE	\$7,514,000 / \$2,500,000
AVERAGE DAYS ON MARKET	93
NUMBER OF LISTINGS	YEAR TO DATE » DOWN 10% » COMPARED TO 2021

TELLURIDE CONDOMINIUM

ABSORPTION RATE	3 MONTHS
AVERAGE LIST/SALE PRICE	\$3,560,000 / \$1,231,109
AVERAGE DAYS ON MARKET	88
NUMBER OF LISTINGS	YEAR TO DATE » DOWN 12% » COMPARED TO 2021

MOUNTAIN VILLAGE SINGLE FAMILY

ABSORPTION RATE	4.6 MONTHS
AVERAGE LIST/SALE PRICE	\$13,691,875 / \$7,497,500
AVERAGE DAYS ON MARKET	86
NUMBER OF LISTINGS	YEAR TO DATE » DOWN 18% » COMPARED TO 2021

MOUNTAIN VILLAGE CONDOMINIUM

ABSORPTION RATE	2.9 MONTHS
AVERAGE LIST/SALE PRICE	\$2,118,917 / \$2,934,500
AVERAGE DAYS ON MARKET	65
NUMBER OF LISTINGS	YEAR TO DATE » DOWN 36% » COMPARED TO 2021

2022 3RD QUARTER

TELLURIDE REAL ESTATE

Back to normal? Wait? What is normal? With my experience as a Telluride Real Estate Broker since 1999, normal feels like a traditional, pre COVID marketplace. It feels like the crazy pace of the last 2 years has subsided.

ARE WE UP OR DOWN AND WHY?

Overall Telluride Real Estate Numbers are down in Quarter Three. We are off slightly in dollar volume and have dropped by almost 1/3 in the number of sales. The good news is that September numbers saw the smallest drop of the summer months and was only off 7% in dollar volume. This all adds up to a steadier, less frantic and sustainable pace.

What is the Inventory like? Despite what we are seeing in the real world, inventories remain down in all four major market segments in Mountain Village and Telluride as compared to a year ago. **So, what is the feeling on Telluride Real Estate?** We are definitely down, but not as drastic as many of the real-world real estate markets. Telluride still remains a hot place for people to be and many Buyers are not affected here by the increase in interest rates because they are cash or portfolio Buyers, and the purchase is a lifestyle decision. **Are Prices Dropping?** No. They are still going up, actually. What we are seeing is a reduction in the Number of Transactions and that seems about right with the steep increases in the values of Telluride Real Estate. Personally, my experience leads me to believe that the slight drop off in dollar volume is due to Sellers being a little greedy and not just happy with setting records. They want to squeeze every dime out of a sale. Will that strategy work? Not unless it's the perfect property. And it doesn't take a lot to move the needle up or down with the Number of Sales we have in any given month. Keep in mind the year-to-date dollar volume still has on track to be the second-best Real Estate year in the history of the Telluride region. **How Much Did Sales Prices Increase?** Year to Date average sales prices in Telluride are up 12% and Mountain Village is up an astonishing 38%. The only segment that is flat are sales in the \$5 million plus market.

EARLY WINTER 2022 FORECAST

Forecasting remains a challenge when the factors influencing the United States economy are still there and we determine how insulated the Telluride economy is from that. But right now? We are still fighting off these indicators. The luxury traveler is still coming to Telluride. I could see it in the restaurants and walking around town. But certainly, we were slower than the COVID years for the short-term rental business, but I would estimate not on the high end. Just like in real estate, the greedy landlords are taking the hit, but the luxury Buyers are here. They just might not have pulled the trigger yet. But in addition to the demand to attend the major Telluride Festivals? The destination wedding business and leaf peepers are here in full effect.

Simply put, we are continually seeing new people discover Telluride and new faces from recent purchases. Can this level of wealth sustain and continue our real estate market? We certainly are not seeing any slowdown in the level of construction and many Builders and Architects are booked through 2024. The off-season is just about to hit, but that's a normal trend for us and should not be the reason for any decline.

More airlines are flying into Telluride and Montrose than we have ever seen this winter. We are adding daily service from Atlanta on Delta. Saturday only service from Austin. Daily flights from Phoenix into Telluride on the Denver Air Connection.

My last prediction is that we start to see more normal real estate activity in the \$80-\$90 million per month range this summer and fall, but September 2022 hit \$123 million. I still do not foresee spikes to \$200 million, but unless there are drastic financial changes to the economy, no more drop offs to \$50 million either. So, the Buyers will keep on buying and keeping the Telluride market strong. My best advice is to stay in close contact with me and the market!

WHAT TO DO? (IT'S STILL THE SAME ADVICE!)

It's a simple choice for Buyers. You either love Telluride and the lifestyle it provides, or you don't. You can either afford Telluride or you can't. You either want to be here or you don't. For what I am seeing, it certainly doesn't seem like a time to wait. And don't you want to ski the new Lift 9 this winter and check out the ridiculous new Japanese Restaurant Kazahana?

The choice is simple for Sellers too. You can make money on your investment. But maybe not set a record. But replacing a property here remains a big challenge. You will have to decide if it's just time to move on from Telluride and discover something different?

If you love, it here and are in it for the long haul? Buy! But be prepared to pull the trigger immediately, sight unseen. If you can, purchase with cash, and although bidding wars and multiple offers are now unlikely, properties will still move quickly. Ski season is coming and that will introduce even more new Buyers to the marketplace. Telluride continues to shine and more than almost any other luxury resort in North America, we have managed and protected the lifestyle from the hustle and bustle and overcrowding. If you love Telluride and want an outdoor resort to escape from your real world, then buy. If you are worried about values? Look to markets like Aspen and Hanalei Bay. See what's happening at the Yellowstone Club in Big Sky Montana. There is a new ski resort being built in Utah. Look at what's happening in our major feeder market, Austin, Texas! These markets show that there can be room for us to grow and improve vertically in terms of sales prices.

If you are considering Selling and you are ready to move on from Telluride? Make that decision now and let your Real Estate Agent create the marketing tools prior to hitting the market. Prepare that it might not move as quickly as it would have, but if you come right out of the gate with a strong marketing campaign. That dollar will be maximized

TEDDY ERRICO'S TELLURIDE MARKET REPORT

The office of Broker Associate Teddy Errico utilizes local data sources in addition to his experience as a Local Broker since 1999 to develop a more dynamic and easy to read report that sheds light on the current trends that shape Telluride's dynamic marketplace.

Use this experience with the success of LIV Sotheby's International Realty - Telluride, plus the Global resources the Sotheby's brand offers, and you have an ideal balance of local knowledge with a powerful worldwide reach.

Please do not hesitate to contact Teddy for a personal market analysis or additional real estate information.

* This report is intended to offer an overview of general market conditions, not a detailed analysis.

* All information is deemed reliable, but not guaranteed.

* Market data provided by the Telluride Multiple Listing Service and Telluride Consulting



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LIV SOTHEBY'S INTERNATIONAL REALTY - TELLURIDE

Founded in 1976 to provide independent brokerages with a powerful marketing and referral program for luxury listings, the Sotheby's International Realty network was designed to connect the finest independent real estate companies to the most prestigious clientele in the world. Franchise affiliates also benefit from an association with the venerable Sotheby's auction house, established in 1744.

Colorado has become an international destination. Among our global network of 970 offices, Sotheby's International Realty® has earned a dominant presence in Colorado with 38 offices in 13 key markets and a team of professional brokers who

collectively sell more luxury real estate in Colorado than any other brand. LIV Sotheby's International Realty is ranked as the #1 Sotheby's International Realty Affiliate in the world for sales volume.

Locally, LIV Sotheby's International Realty - Telluride has the Telluride Real Estate Market covered with over 35 Agents and support staff in ten office locations throughout Mountain Village, Downtown Telluride and the majority of Luxury Hotels.



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