



COLORADO GROUP REALTY

# INSIDER

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## How's the Market?

We'll get to the market report in a moment, but the big news this week is the Steamboat Springs City Council's vote on short-term rentals. Just recently, City Council voted in an emergency meeting to enact a six-month moratorium on vacation home rental permit applications. Council called the special meeting because of the impact that short-term rentals have on the long-term rental pool, community character, and neighborhood disruptions caused by guests.

The ban only relates to single-family homes and duplexes in certain zone districts. Condos will not be affected by the ordinance nor will those who have existing permits. The next public hearing will be on July 5. Reach out to the Steamboat Springs City Council to have your voice heard.

The market across Routt County continues its hot streak. In spite of lower inventory, there have been 64% more closings than this time last year. This is not surprising, given last year's pandemic-related closures. However, when compared to the 481 closings that happened in December 2020, the hottest month of last year, the 553 closings in May 2021 shows that there is still a huge appetite for Routt County real estate.

With such demand and limited supply, prices also continue to rise. The average single family home price in Routt County dropped ever-so-slightly over the last month, but is still up 22% year-over-year. The City of Steamboat saw a 31% increase in single family home prices as compared to this time last year. Condos and townhomes appreciated similarly, increasing 28%.

As the number of active listings continues to drop during a time inventory normally builds, it will be interesting to see how the standing inventory changes this summer. In recent years, inventory peaked to over 500 active listings (all property types) during the summer months. Currently, the market is sitting at less than 100 listings in the city. Property is selling so quickly that standing inventory isn't increasing at all.

If you're buying, it is crucial to have an experienced buyer's agent to separate your offer from the multitude of other offers. If you're selling, having an experienced seller's agent can ensure you get the highest offer that is most likely to close. Colorado Group Realty has both. Give us a call to see how we can help you with your situation today.

### Year to Date Stats



**Single Family  
Home Stats**  
2020 vs. 2021

#### Sold Single Family Homes

62 vs. 93  
+50%

#### Median Days in MLS

54 vs. 11  
-80%

#### Median Close Price

\$883K vs. \$1.7M  
+93%



**Condo/  
Townhome Stats**  
2020 vs. 2021

#### Sold Condos/Townhomes

104 vs. 204  
+96%

#### Median Days in MLS

32 vs. 5  
-84%

#### Median Close Price

\$413K vs. \$648K  
+57%

Source: REcolorado Market Statistics for zip code 80487 (Steamboat Springs) through 6/14/21

# Steamboat Resort's \$135M Redevelopment Project

The crashing sound of demolition may not be a welcome noise to some but for employees at Steamboat Resort, it signals new and exciting times ahead. The demolition phase marks the start of the resort's three-year, \$135 million redevelopment plan. Onlookers, including former ski area president Hans Geier, felt a sense of nostalgia as the gondola and ski school buildings were brought down. "It's definitely time for change," Geier said regarding the facilities he was instrumental in developing back in the 80's.

Phase One, which is scheduled to be completed by ski season 2021/22, will lay the foundations for the major base area and on-mountain improvements. Primary additions include construction of an escalator for the Gold Walk from the transit center into Gondola Square, and the relocation of the Steamboat Gondola base terminal. Future plans include a dedicated learning center in the current Bashor area, 550 acres of new terrain, and an apres ski plaza.

Maren Franciosi, Communications Manager for Steamboat Resort Corp, expresses her excitement about the redevelopment. "It's full steam ahead on a project that has been a long time coming for Steamboat. We are really excited about sharing this new experience with our community and guests from all over the world, and elevating their time with us to another level."



## 2021 SUMMER

Demolition of the Gondola & Snowsports buildings  
 .....  
 Steamboat Gondola base terminal relocation  
 .....  
 Escalators installed  
 .....  
 Base area features installed  
 .....  
 Greenhorn Ranch learning terrain graded

## 2021/22 WINTER

New Kids Vacation Center location opens  
 .....  
 Underplaza Promenade Building Completion

## 2022 SUMMER

Wild Blue Gondola construction  
 .....  
 New shops & restaurants built  
 .....  
 Greenhorn Ranch magic carpets & lunch center installed  
 .....  
 Relocation of Christie Peak Express Chairlift base terminal  
 .....  
 New Arrival Center opens

## 2022/23 WINTER

Ice Rink Opens  
 .....  
 Greenhorn Ranch Learning Center opens  
 .....  
 Wild Blue Gondola opens

## 2023 SUMMER

Pioneer Ridge/ Fish Creek Canyon expansion and lift installed



# Skyrocketing Building Costs Impacting Home Prices



**R**eal estate sales have hit record highs across much of the nation, but unfortunately for builders and home buyers, so have the cost of materials. The National Association of Home Builders ("NAHB") reported an average increase of 27% in building material costs in just the last 12 months, dwarfing the previous largest increase of 6% in 2017.

What does this mean for buyers looking at land with plans to build, or anyone considering a remodel? "Proactively plan and budget in a contingency for price increases," said Brett Shaw, owner of Timberline Contracting. Timberline, like other local construction firms, is setting placeholders

on future jobs to ensure they don't break ground without materials in hand. Lead times of over two years are becoming commonplace.

"The phone is ringing every week with people looking to renovate, or out-of-town clients wanting to build," remarked Shaw. "We want to meet everyone's needs but on top of material shortages, the labor pool right now is not very deep."

According to the Bureau of Labor Statistics, there were 344,000 unfilled positions in the construction sector, up over 4% since last year. Finding subcontractors to work on sites in mountain towns like Steamboat is a challenge.

Most builders will no longer guarantee fixed prices on jobs, which has turned the norm for bids to a cost-plus industry. The NAHB says that rising lumber prices alone have added \$24,000 to the cost to build the average single-family home. In Steamboat, it's likely more than that. Crude oil, which impacts paint, drain pipe, roof shingles and flooring, has rocketed up more than 80% since fall. Copper, which carries water and electricity throughout houses, costs about a third more than it did a few months ago. Inflation in the construction industry is officially here.

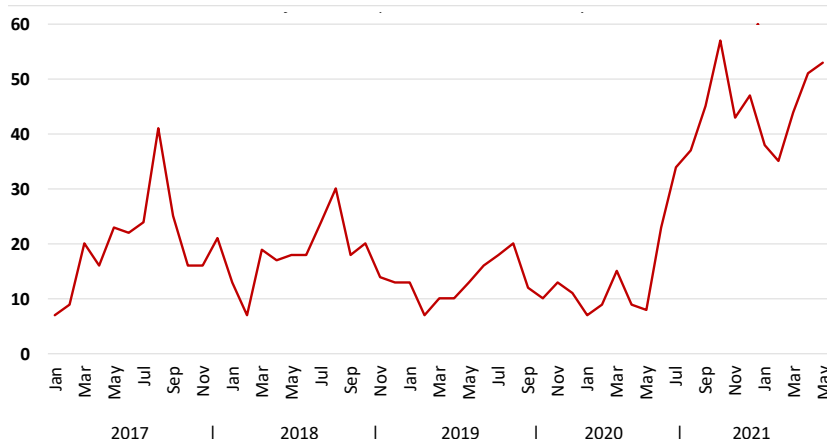
The NAHB reports that appliances, framing lumber, plywood, windows, doors and copper wiring are among the materials with the greatest shortages for the industry. Even paint supplies are limited.

Local construction firms continue to see an increase in calls requesting recycled materials that can be repurposed on other jobs. Homeowners are also looking at alternative materials to combat shortages, such as pre-engineered flooring instead of wood that needs to be finished.

Shaw said they have found ways for clients to ride out the current price increases, with solutions on larger projects such as building a care-taker unit and garage before the main residence. "It allows new owners a chance to enjoy being here and be part of the community, until prices stabilize."

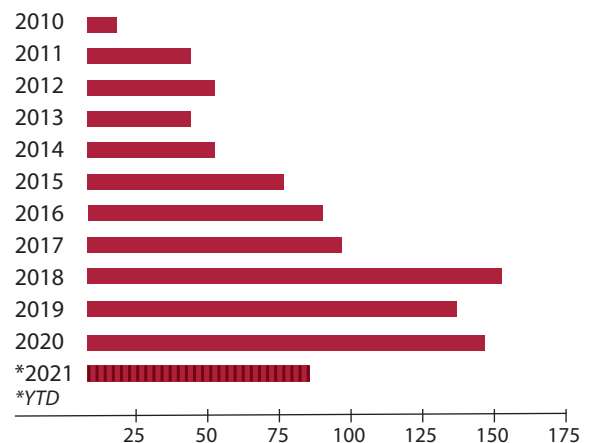
## Sales of Land Spiking

# of land sales per month in Routt County



## Construction On The Rise

Routt County Single Family Home Construction Permits Issued



# The Return of the Farmer's Market

A sense of normalcy returned to downtown Steamboat Springs. Last Saturday marked the first Farmer's Market of the summer, attracting over 4,500 visitors to shop and soak up the atmosphere. Gone are the restrictions of last year, visitors do not have to wear a mask or wait in line to enter. Live music is back on the menu with weekly performances scheduled from 11 a.m. to 1 p.m.

This year's lineup of 150 vendors includes a true touch of the west from local producers and artisan such as Cooking Until the Cows Come Home, Outlaw Apiaries, Alpine Bee Candles, The Goat's Goods, Lost Range CBD and the Scattered Woodpile. Shoppers have a smorgasbord of regionally grown fruits, vegetables, flowers, meats, homewares, clothes, and accessories to choose from. Hungry patrons can grab a bite to eat from a range of food trucks touting flavors from Greece to Greeley.



"I'm really looking forward to a normal market this summer and to seeing all of our friends and visiting with people again," said Lisa Popovich, Executive Director, Main Street Steamboat. "We have a lot of new residents now, and there will be lots of questions and need for conversation."

For the first couple of weeks, there will be a mobile Covid vaccination clinic giving the Johnson and Johnson vaccine to those over 18 years of age.

The market runs every Saturday until Sept. 18 from 9 a.m. to 2 p.m.

Anyone who can't make Saturdays, now has an opportunity to catch up with a handful of vendors at the newly established Hayden Farm Fresh Market on Thursday evenings from 5-8 p.m. on South Walnut Street. The market was started by Colby and Michelle Townsend, local producers who turned food shortages caused by the pandemic into an opportunity. The couple started to find ways of bringing homegrown foods from their farm to their own community. "People were concerned about how many hands had touched their food and how far it had to travel," Colby Townsend said. "The hashtag #knowyourproducer suddenly became a reality in the valley."

Other producers including Mountain Bluebird Farm, a regular fixture at the Steamboat Farmers Market, jumped on board in Hayden too. The Hayden market aims to run until the end of October, giving farmers an extended timeframe to sell seasonal goods locally.

"We are fortunate that people in Routt County enjoy a very healthy lifestyle, and that includes not only physical fitness but what we put in our bodies," Michelle Townsend said. If there is a silver lining for local producers, it is that people are more aware than ever of the home grown produce we have access to in our own backyard.

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