



DOUG LABOR
ABR, ABRM, CEBA, CRS, GRI, e-PRO, RRP

970.846.0661
dlabor@buysteamboat.com



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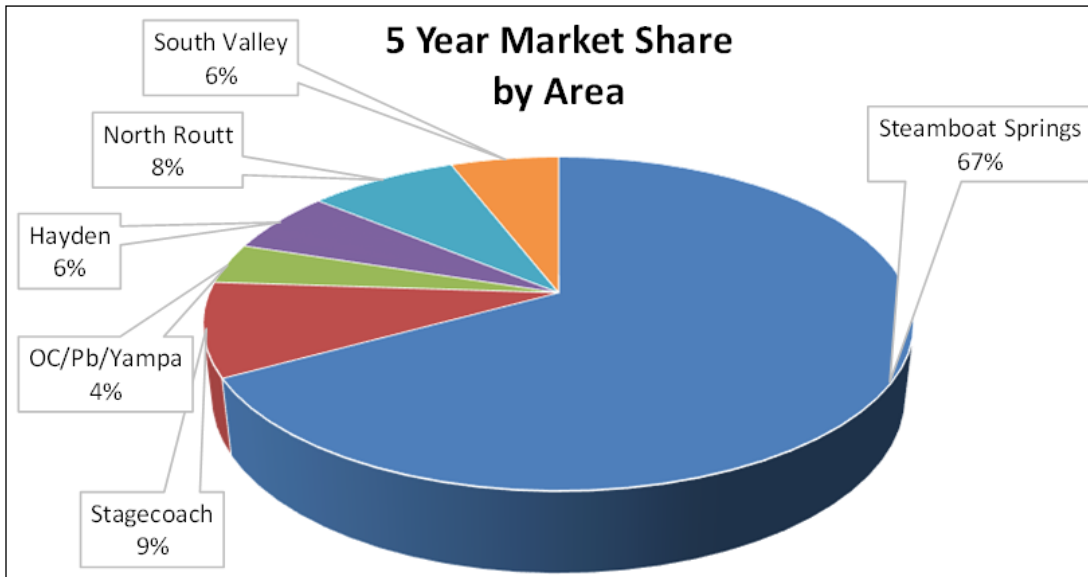
Opportunities Abound Beyond Steamboat

From February through May of 2020, real estate markets throughout the country, along with other financial sectors, were in a deep freeze from the COVID 19 Pandemic. Then literally overnight real estate demand went from freezing to boiling point on June 1.

Locally, the COVID pandemic accelerated what already was a market seeing increased demand and low inventory. And with the Steamboat Ski Area recently announcing a \$180 million renovation of the base area and mountain expansion that will make the resort the second largest in Colorado, demand will continue to grow.



Over the past year real estate within the town limits of Steamboat Springs has seen a phenomenal increase in activity and appreciation, one must wonder what is happening in the communities surrounding Steamboat? Have single family homes fared better or worse? There are surprising results...



The Steamboat Springs Multiple Listing Service, which primarily covers Routt County, uses several geographic regions to help categorize market activity. Steamboat Springs typically captures two-thirds of the MLS market every year. Five other areas collectively capture the remaining amount (33%), which are: 1) South Valley (6%); 2) Stagecoach (9%); 3) Collectively, the South Routt towns of Oak Creek, Yampa Phippsburg and Toponas (4%); 4) North

Routt including the consolidated areas along the Elk River and around Steamboat Lake, which includes the hamlets of Clark, Columbine and Hahns Peak Village (8%); and 5) The town of Hayden (6%).

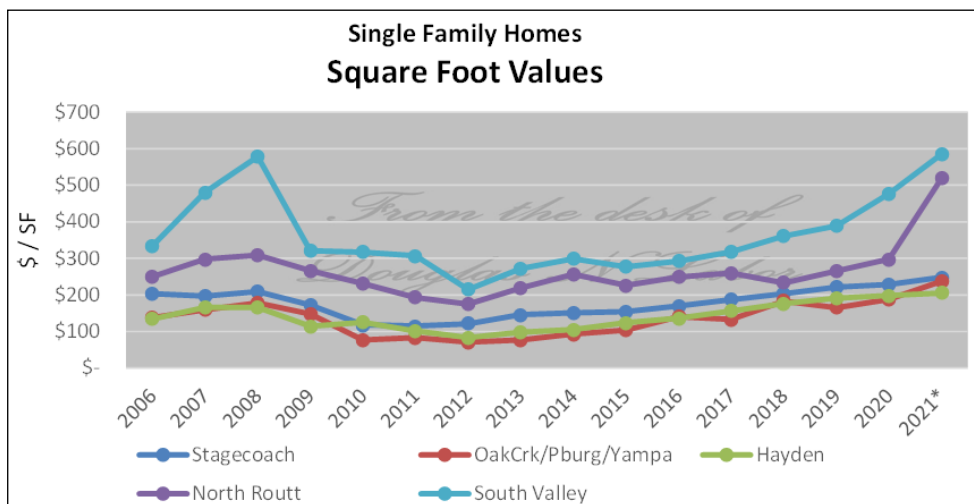
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Dollar-per-square foot is a common denominator used by many real estate practitioners. Because the size of a single-family residence (SFR) varies, this number determines the average value of a SFR on a per square foot basis of the structure.



The graph to the left shows what \$/sf values have done since 2006 and shows SFR's in the South Valley sold for an average of \$477/sf in 2020; a substantial 23% increase from 2019. SFR's in North Routt fetched an average of \$298/sf, or 12% over 2019. Stagecoach, which typically enjoys the second most activity in the MLS, only saw a 4% increase in \$/sf values to \$229/sf, and the four communities in South Routt averaged a 14% increase in \$/sf values to \$188. Hayden, which has seen good activity over the past two years in part from the new

public school being built, saw a mere 4% increase to \$198.

Also represented in this chart are \$/sf values the areas produced for the first five months of 2021. North Routt properties saw an amazing 74% increase in \$/sf values, from \$298 to \$520/sf, where several beautiful properties were sold. The South Valley, home to some of Northwest Colorado's most exclusive developments, enjoyed another 23% annual increase to \$586/sf. Stagecoach had a nice 8% price bump and Hayden had a similar 4% increase from the prior year to \$205/sf.

These up- and down-valley locations are seeing significant demand from the high price Steamboat Springs homes had in 2020 and is continuing in 2021. The 2020 average \$/sf of a Steamboat home increased 11% to \$402, and the first five months of 2021 has posted a 29% increase to \$520/sf and median price of \$1,420,000. At either a quarter of the cost of a Steamboat home or the ability to buy four times the size of a home for the same money, the half-hour drive to Steamboat may not be a bad idea for many to consider. Each community has something special and unique to offer. Hayden has the new public school, wonderful community center (the old school), county fairgrounds and a milder climate. Stagecoach offers a wonderful Reservoir with boating and fishing and a myriad of other summer and winter recreation...and the potential of the resurrection of the Stagecoach Ski Area. Further south, Oak Creek, Phippsburg, Yampa and Toponas offer spectacular views and recreation in the Flattop Wilderness Area and heading to North Routt you have the Zirkel Wilderness Area and Steamboat Lake, offering similar options. For those looking to make the Steamboat Springs area a primary or part-time residence, there are more affordable options to consider.



ABOUT DOUG...

Doug Labor has over 37 years of real estate experience, including executive level positions with some of the largest ski and golf resorts in North America. He is the General Manager of Sotheby's downtown Steamboat Springs office. What he enjoys most in his real estate practice is providing imaginative, yet logical and valuable guidance in helping clients reach their goals.

To receive my monthly e-newsletter (including Best Buys), learn more about the market, or discuss putting me to work by helping you buy or sell, contact me at...

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