



SPOTLIGHT:

Colorado Springs Realtors on 'being Santa all year long'

BY PATTY TOMSKY, PATTY.TOMSKY@GAZETTE.COM

As a real estate editor for the weekend Marketplace, I have met some amazing people in the Colorado Springs real estate industry who put the needs of their communities first — and not just during the holidays. We have discussed the nonprofits and causes that are near to their hearts — and what it feels like to help a family settle into a home to find comfort and solace

in these challenging times. As an end of year special report, we met with a few of our community's philanthropic-minded Realtors to shine a spotlight on the charities they support and to find out how it feels to give the gift of a homecoming all year long.

FIRST TO RESPOND

Justin Hermes of the Hermes team

told us that the joy of finding a home for someone is really something special. "After all, it's where many memories are created such as birthdays, Christmas, Thanksgiving or even a child losing his first tooth," he said. He also has some reflections about the importance of family and of giving thanks for the many blessings we share:

"As Americans we can easily get

focused on having bigger and better things. We must remind ourselves, especially this time of year to be thankful for things we have, the blessings that have been bestowed upon us. The true quality and comfort of a home is made by those inside it. The granite counters, the stainless steel appliances and all the latest styles will all fade in time. But it is the memories

of your home that will last forever," Hermes said.

The Hermes team also contributes often to first responders. These "everyday heroes" including healthcare workers, have received free lunches and other meals from Hermes and his team throughout the pandemic.

"From the firefighters who saved so many homes in Skyway just weeks ago

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FEATURED HOME OF THE WEEK

EXCLUSIVE HOMESITE WITH PHENOMENAL VIEWS



LIV | Sotheby's
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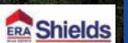
583 Tessa View Lane, Castle Rock
\$1,700,000

Agent / Company: Elaine Stucky,
LIV Sotheby's International Realty, 720-881-5718
www.583TessaViewLane.com

A beyond phenomenal home site in one of Douglas County's most pristine gated communities. 36 sprawling acres are exquisitely set atop a mesa where mountain views dominate the horizon from Longs Peak all the way to Pikes Peak. Build your ultimate Colorado retreat, don't let this exclusive opportunity pass you by! Access to I-25 is quick for easy commuting to Denver or Colorado Springs, and the community is only two miles northwest of the historic town of Castle Rock.

FEATURED HOME OF THE WEEK

THE RESIDENCE AT GOVERNORS POINT



4530 Governors Point 80906 | \$6,800,000

Neighborhood: Broadmoor Resort Community

Bianca Taylor, 719-229-6488 ERA Shields

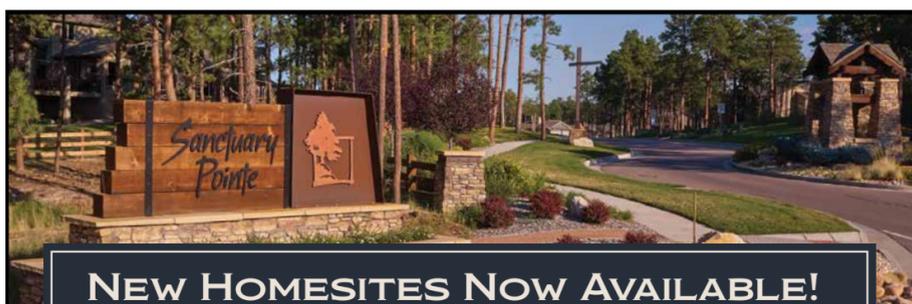
Call for a private showing

4530governors.com

7 bedrooms, 12 bathrooms, 8 fireplaces, 6 garage spaces

4 acres, 22,000 sq feet

Nestled beneath Cheyenne Mountain in the Broadmoor Resort Community, this craftsman style home connects the raw beauty of nature with human warmth and ingenuity. Winning the 2005 AIA award of distinction and praised by the judges "as capturing the spirit-embodiment of the myth-of Colorado", this home is both expansive and understated with intimate private spaces set amongst the pines. It is a warm, welcoming home that invites one into a feeling of being on a permanent vacation. A private office and client accommodations is in the entrepreneurial wing on the north side of the home. The family/entertainment wing is on the south side of the home and is complete with a fabulous work study room for students, exercise room, media room, music room, dining room, kitchen and family room. The finishes used in the home come from around the world, and the details are timeless. This estate has a dignity that usually comes with age.



NEW HOMESITES NOW AVAILABLE!



Saddletree
Homes



VANTAGE
HOMES



Sanctuary Pointe

Located in beautiful Monument, Colorado, Sanctuary Pointe is situated among the trees along the western edge of the Black Forest at Sanctuary Rim Drive and Baptist Rd.

SANCTUARYPOINTECOLORADO.COM



SPOTLIGHT: LOCAL REALTORS GIVE BACK

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Justin Hermes, The Hermes Team, RE/MAX Properties, Inc.



Becky Glorid, The Becky Glorid Partners



Joe Clement, The Joe Clement Team, RE/MAX Properties, Inc



Cherise Selley, Selley Group Real Estate, LLC, Peak Producers

to the police officers who so courageously keep us safe day in and day out to the health care workers who are constantly stepping into harm's way to ensure we all receive the best healthcare possible, these heroes in our community make this a great place to call home," Hermes said. "Remember to give them a big 'thank you' when you see them."

Hermes gives back to Springs Rescue Mission, TwoCor, Shield 616, Big Brothers & Big Sisters, Colorado Springs Rising Professionals and Junior Achievement, to name just a few of the nonprofits he and his team support.

THE HEART OF TOWN

Becky Glorid and her husband Jack have been long standing members of the Colorado Springs community and have thrown themselves into veterans' services philanthropy and helping food banks and other charities across the region for almost 40 years. The St. George Anglican Church, a wonderful landmark in the heart of Colorado Springs has been the focus of the Glorid's charitable activities for decades; in turn,

that organization supports Mercy's Gate, which provides crisis support services to our neighbors; The Life Network and AIDS orphan support in Tanzania, among many more. Jack's heart for the vets comes from his experience as a West Point cadet; his service in Vietnam; and from his long and distinguished military career; at the time of his retirement he was the Commander of an artillery brigade.

"We're always here for our neighbors in need, whether they're in our church family or part of the wider community," Becky said. "It's a privilege to help."

TWO EMAILS AND \$10,000 LATER

The RE/MAX team of about 200 Realtors contributes time and money to "hundreds if not thousands of charities," said real estate professional Joe Clement. One instance this November illustrates what Clement calls "the bigheartedness of my colleagues." Clement ran into Lynne Telford, President and CEO from Care and Share Food Bank a few weeks before Thanksgiving. She told him the

nonprofit really needed help to fill their shelves, due to so many families in need. Two emails one early afternoon from Clement and a company \$2,000 pledge for Care and Share with a \$2,000 match from Clement himself began the deluge of generosity. Within 48 hours, \$10,000 was pledged to Care and Share to feed Colorado Springs this holiday season.

Clement shares that real estate as a profession also comes with built-in giving moments all year long.

"It's the best when in this market you help some first time homeowner who has been having a tough time winning a bid with starter homes so thin on the ground this year," Clement said. "They're so grateful and relieved that they found something they'll love for years to come. It's so fun to be a part of that."

The company also contributes regularly to Children's Miracle Network, St. Jude's Children's Hospital and Children's Hospital among so many more. Clement wanted to make sure to give props to the Colorado Association of Realtors and the Pikes Peak Association of Realtors for their leadership and example in giving back, as well.

IT STARTS AT HOME

Cherise Selley, Past President and current board member at Peak Producers said, "There has never been a better year that our group has come together in these tough circumstances to truly make a difference in our community."

The group has raised \$107,650 for Springs Rescue Mission and Mary's Home this year — and they're still collecting. Selley shares that she treats her clients like family; a broker since 1997, Selley said that the rewards of helping a family into a new home are amazing.

Active also in raising money for Restore Innocence, a nonprofit that helps those rescued from human trafficking, Selley said, "I feel blessed to be able to do my part and bring hope and restoration into a dark world." She also expressed her pride in Colorado Springs' wider real estate community: "Even when we are experiencing hard times personally, strength is found when we band together for the good of our community." ■

BOLD 2021 PREDICTIONS:**A stronger housing market across the board**

BY JEFF TUCKER, ZILLOW.COM

The for-sale housing market showed incredible strength in 2020, and we expect 2021 will be even stronger.

Demand continues to stay high and is expected to surge in cities as economies reopen. Annual home sales growth is expected to be the highest in almost 40 years as life and financial certainty brings more sellers into the market to meet the heavy demand and technology allows for faster connections with interested buyers. Even so, home prices, mortgage rates and rents are likely to rise, bringing affordability challenges that must be faced.

We expect 2021 will be a year unlike any other as the housing market responds to the challenges and changing preferences that emerged in 2020.

Here are our bold predictions for 2021:

HOME SALES GROWTH WILL BE BIGGEST SINCE THE '80S

2020 has been a remarkably strong year for the housing market, with sales on pace to grow almost 6% from 2019 despite essentially pressing 'pause' for a few weeks in the heart of the spring shopping season. Zillow expects that mark will be shattered next year, forecasting 21.9% annual growth for a total of almost 6.9 million homes sold. That would be the biggest annual sales growth since 1983.

The optimistic outlook is due largely to the enduring strength of the market today, even through what is typically a slower season for home sales, and demographic factors that indicate demand will remain strong. Plus, about a third of homeowners considering selling in the next three years cited life and financial uncertainty as reasons they weren't selling this fall. The COVID-19 vaccine rollout and expected subsequent economic recovery should pull many off the sidelines, adding more inventory to meet the heavy demand for homes and thus creating more transactions.

DEMAND FOR CITY LIVING WILL SURGE IN 2021

Dense, urban living got a bad rap this year because of the pandemic, but city living will almost certainly enjoy a renaissance in 2021.

With people pressed into using their homes as offices and classrooms, the age-old tradeoff between more space and proximity to local, urban amenities broke down when those amenities largely shuttered — leading many to believe the demise of cities was imminent. But Zillow research showed that while suburban housing markets did have a slight edge over urban ones, cities were far from dead. Competition for housing was fierce across the board in 2020, with days to pending, list prices and the share of homes selling above list price all rising at a steady clip in both urban and suburban areas.

In 2021, those that may have left cities temporarily during the pandemic will likely return as a vaccine becomes more widely available and local economies begin to open up again. Young adults moved back in with their parents at much higher rates this year than last, with nearly 2

million 18 to 25 years old still living at home in August. The majority of this age cohort tend to be renters and 46% of Gen Z renters tend to rent in urban areas, suggesting that when young people are ready to strike out again they will return to amenity-rich cities.

Rents in urban areas have declined relative to suburban areas, which will also help draw new and returning residents. In some places like New York City and the City of San Francisco, rents fell 12% and 5.1%, respectively. The softening of rents may open up more affordable opportunities for those who left due to deteriorating affordability, or for those who have always wanted to move to the city but shied away due to high rents.

BUYERS WILL HAVE A HARDER TIME AFFORDING HOMES, ESPECIALLY THEIR FIRST ONE

Home price appreciation will reach its fastest pace since the Great Recession, as the inventory crunch continues to pit buyers against each other, competing for a scarce number of homes for sale, and we expect home price appreciation to exceed 10% at points in 2021. Price gains are being driven by the fundamentals of supply and demand: Many would-be sellers are sidelined by anxiety and uncertainty, cumulative new home construction over the last decade has been low, and limited supply is being met by a surge in demand from aging millennials and a wave of other buyers reassessing their housing needs. The pandemic may have accelerated that move for some buyers, but that doesn't mean a vaccine would send the trend into reverse.

Mortgage payments have become more affordable for homeowners over the past two years thanks to ultra-low mortgage rates. But we expect rapid price growth and slightly higher mortgage rates to reverse that trend in 2021. The anticipation of rising economic growth and rebounding inflation in a vaccinated world economy is already helping 10-year Treasury yields begin to rise out of the doldrums, and mortgage rates are likely to follow if that trend continues. Slightly higher rates would make the argument for ownership a little less compelling for some buyers, but in most of the country it will remain true that homeownership is an attractive financial bargain compared to renting. Don't expect a few more basis points on 30-year mortgage rates to bring demand crashing to a halt, but it may end up pricing out some buyers already struggling to get onto the homeownership ladder — especially for first-time buyers who don't have access to funds from the sale of their current home.

ADDRESSING HOUSING VULNERABILITY WILL BE A TOP PRIORITY AS RENT PRICES RISE

We expect a rental market resurgence in 2021, with rents increasing, concessions offered by landlords fading and demand for rental housing strengthening.

The rental market softened in 2020, with rents

effectively unchanged nationwide from January 2020. And in large metropolitan areas like New York, Boston, and San Francisco, rents for the typical renter actually dropped for the first time in recent memory. COVID-driven anxiety about living in large, multifamily housing properties in dense urban centers was a primary driver of the rental market softening, but we expect this trend to reverse in 2021. With a vaccine on the horizon and Gen Z continuing to graduate from college, we expect the cloud of uncertainty to lift and demand for rental units to surge.

In addition to increased demand, landlords may also attempt to make up for lost revenue by aggressively raising prices. Renters were disproportionately impacted by pandemic-related job losses and furloughs, and missed rent payments were certainly felt by landlords. In 2021, these payments could be capitalized into existing rental agreements, further goosing rent growth, with landlords increasing prices and effectively serving as private lenders to tenants while they work their way out of COVID rental debt. Almost 12 million renters will owe an average of \$5,850 in back rent by January 2021, according to Moody's Analytics. If landlords allowed renters to repay that debt interest free over a period of 3 years by increasing monthly rents, these 12 million renters would pay an additional \$162.50 in rent each month. Typical renters paid \$1,728 in rent in November 2020, according to the Zillow Observed Rental Index (ZORI). Increasing rents by \$162.50 would represent a 9.4% increase for the typical renter.

Increased cash flow for renters — whether in the form of employment income and/or federal stimulus — is needed to both keep renters in their homes and rental housing affordable. Addressing wide-spread housing vulnerability, rent affordability, and potential evictions will need to be a top housing priority for policymakers in 2021.

MOVING WILL BE A DIGITAL-FIRST EXPERIENCE

New technology rapidly adopted during the pandemic has made buying, selling, renting, and financing not only safer, but easier. We expect consumer demand will make a digital-first experience the new standard for real estate in 2021 and beyond.

Take the home shopping experience: Virtual 3D home tours paired with interactive floor plans are allowing shoppers to winnow down their options without leaving their couch. A Zillow survey finds a vast majority of select Zillow Premier Agents (72%) expect to continue using these virtual tools after the current coronavirus outbreak ends. When it comes time to tour a home in person, self-tour technology allows shoppers to tour a vacant Zillow-owned home on their own schedule.

Selling will also increasingly move online with high-tech options like Zillow Offers. The pandemic prompted 43% of people in a Zillow survey to say they were more likely to sell a home entirely virtually.

"Technology like 3D home tours played a significant role in allowing prospective buyers to see and evaluate homes quickly and safely in fast-moving markets during the pandemic in 2020. Zillow saw virtual tour requests explode in popularity when stay-at-home orders were put in place," said Zillow senior economist Jeff Tucker. "Millennials and Gen Z shoppers have come to rely on virtual tools -- from browsing listings, to applying for mortgages, all the way to notarizing the closing documents -- and the real estate industry is evolving to deliver that digital experience, bringing the home buying process into the 21st century."

Renters will also use pandemic-accelerated technology to search, find, apply for, and lease a home all digitally in a safer, easier, end-to-end online transaction.

THE NEXT HOME SHOPPING SEASON WILL BE THE HOTTEST IN RECENT MEMORY ...

Zillow expects a perfect storm of market conditions to create the hottest spring shopping season in recent memory, with sales happening quickly and often above list price. It's likely COVID-19 vaccine distribution will be well underway in the U.S. by the spring, and local economies and schools should be in the process of opening back up. Many will also have more certainty about whether their jobs will be performed remotely in the long term, adding buyers to the market who had been waiting for that to be settled. Add in expectations for mortgage rates to rise later in the year, and we could see a buyer frenzy as they look to lock in rates as low as possible ... and it could be the last of its kind.

Springtime has historically been the best time to list a home for sale, but homes have continued to sell quickly through the fall and into the winter this year in what could be a signal that typical seasonal trends may be fading somewhat. The increased adoption of real estate technology has given home buyers more tools to shop from the comfort of their home, which can be done just as easily during the warmer spring and summer months as it can in the dead of winter. That's likely to lessen the traditional seasonality of home shopping as it reduces the impact inclement weather can have on things like in-person showings and open houses.

"The 2021 housing market will eclipse 2020 in terms of home price appreciation and sales volume. There is still pent-up demand from buyers who were stymied by a lack of supply in 2020, and those buyers will be joined by a huge number of new 30-somethings looking to buy their first homes," Tucker said. "Many homeowners who hunkered down during the pandemic will come off the sidelines and list their homes for sale, enticed by high prices and quick closing timelines. Sunny Mountain West destinations have been a major draw for movers, and the advent of widespread remote work policies will only make the Front Range more appealing for a range of interested buyers." ■