

LOCAL

# Strong 2014 real estate sales fill city coffers

## Large increases in real estate transfer taxes seen in February and April

By Carolyn Sackariason

Aspen Daily News Staff Writer

Strong real estate sales in the first four months of 2014 have given momentum to the city of Aspen's affordable housing fund.

Housing real estate transfer tax (RETT) collections for this past April were up a whopping 146 percent from 2013. That year, the city collected \$449,666 in RETT dollars in April. This past April, that figure was \$1.1 million.

In February, RETT collections were 255 percent higher than the same month last year. In February 2013, the city collected \$175,650. This past February, that figure was \$623,282.

Year to date, RETT collections are up 86 percent. But City Finance Director Don Taylor said he doesn't expect that percentage to remain throughout the year, and noted that fluctuations in real estate are the norm.

"I really expect that to drift down," he said, but also acknowledging that the real estate market is improving slightly.

He said he expected that the upcoming months will  
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**"Last year wasn't bad, it's just that this April was a whole lot better."**

**Tim Estlin,**  
*Aspen real estate broker*



**Construction continues in the next phase of Burlingame Ranch, a city affordable housing project that is funded primarily by real estate transfer taxes.**

Brett Friel/Special to the Aspen Daily News



# First four months of 2014 show strength in real estate

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likely average out and bring the numbers back to some normal trend.

Year to date, 2014 RETT revenue is outpacing the last six years. So far, \$2.4 million has been collected. The last time year-to-date collections through April were that close was in 2009 at \$2.1 million.

The money collected from the RETT goes into an enterprise fund that the city uses to build affordable housing. It is a 1 percent tax on all real estate transactions above \$100,000. Nearly all of the money collected is currently being used to build out the city's affordable housing neighborhood at Buringame Ranch. A 0.5 percent tax is levied on real estate transactions that fund the Wheeler Opera House.

For the past four or five years, the city has collected between \$5.5 million and 6.5 million in housing RETT, and the average month is around \$400,000 in collections, Taylor said.

In April, that figure was more than twice the average.

"It was a big month," Taylor said. "Obviously there were some big wind-fall transactions."

His department doesn't track the real estate market in-depth to determine why some months spike.

"If every month was up a ton, I'd be interested," he said.

Local real estate agent Tim Estin,

who tracks the market on his blog, the Estin Report, said there were a handful of transactions that were in the \$10 million and \$11 million range in April.

"April was an exceptional month," he said, noting that sales in Aspen are 94 percent higher for April compared to the same month last year.

"Last year wasn't bad, it's just that this April was a whole lot better," Estin said.

In April alone, \$131.7 million in dollar volume was sold in Aspen, compared to the same month last year, which brought \$67.8 million in real estate sales, according to Estin.

Aspen sales in February were 188 percent up over the same month last year; \$68.5 million in transaction were recorded in 2014 and \$23.8 million was brought in for the same month last year.

Units sold for both of those months were significantly higher as well. In February of 2013, 16 units were sold; this year, 29 — an 81 percent increase, according to Estin. In April of 2013, 24 units were sold; this year, 51 — a 113 percent increase.

Year-to-date, dollar volume for real estate sales in Aspen is 50 percent higher than last year and units sold is seeing a 57 percent increase.

"At present, the numbers are strong," Estin said.

sack@aspendailynews.com