

Aspen RETT collections dropped in 2023

Aspen Daily News Staff Report
Jan 29, 2024



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Aspen Daily News file

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Real estate transfer tax collections in 2023 hit their lowest total since 2019, according to city of Aspen financial reports.

The RETT, as it's called, brought in \$22.9 million last year, down from \$25.9 million in 2022, a record amount of \$31.9 million in 2021 and \$27.1 million in 2020. The amount was \$12.9 million in 2019, according to city records.

Though RETT collections declined 12% in 2023 from 2022, they still exceeded the city's forecast of \$15 million by 152%.

Buyers of free-market properties in Aspen must pay a 1.5% RETT at closing. One percent of the sale price goes to the city's housing fund and the Wheeler Opera House fund collects 0.5% through the RETT.

Aspen voters in November 2021 authorized removing the \$100,000 cap on the amount of RETT funds the city could grant to arts and culture organizations through the Wheeler portion of the tax. The expansion of the Wheeler RETT has benefited the Red Brick Center for the Arts, which the city owns, and other arts organizations.

The RETT is one gauge used to assess Aspen's real estate market: When RETT collections are down, property sales are down.

In Aspen proper, sales of free-market residential properties totaled nearly \$1.9 billion, a 21% drop-off from the \$2.4 billion in 2022, according to the most recent Estin Report, a real estate property analysis produced by Aspen broker Tim Estin.

In Aspen alone, the average sales price of a single-family home in 2023 was \$15.6 million and the median was \$13 million, according to data on the Aspen Board of Realtors' website. Aspen townhomes last year sold at an average of \$4.8 million and the median price was \$3.2 million, according to the website.

“For 2023, Aspen sales continued their slowing pace compared to the peak year 2021. Dollar volume remains quite strong due to high prices but unit sales have slowed. Reasons: Inventory remains exceptionally tight, buyers have less choice and prices are higher than ever,” the Estin Report said, noting that with stock markets now “exceptionally strong,” there is a sense of optimism that activity will pick up in 2024. “And in election years, the typical pattern is a rise in activity up to the election, then some flattening and a decline towards the beginning of the year.”

RETT collections in Snowmass Village, meanwhile, held their own in 2023. Though year-to-date totals are not available yet, the first 11 months of 2023 yielded \$5.8 million in RETT collections for the town, compared to year-end totals of \$5.1 million in 2022, \$8.3 million in 2021, \$6.9 million in 2020 and \$3.9 million in 2019, according to town financial reports. Buyers of free-market properties in Snowmass pay a 1% RETT at closing.

Overall free-market residential real estate sales in Snowmass Village amounted to \$595.1 million in 2023, up from \$482.3 million in 2022, according to the latest market report from Chris Klug Properties.

The average sale price for a single-family home in Snowmass Village was \$7.2 million and the median price was \$5.5 million, according to Aspen Board of Realtors’ data. Townhomes sold for an average of \$2.1 million and the median sale price was \$1.8 million, according to the data.