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UNION STATION

Brokerage offers cash, free parking spots to spark sales in cooling condo market

The broker, who runs Iconique Real Estate, is offering \$5,000 to buyers who purchase one of eight condos she's listing in The Coloradan in Union Station.

The buyers can use the \$5,000, which Chong pays from the sale commission, as they wish, although she markets it as a free vacation anywhere in the world.

"In this segment, a lot are buying in cash, so an interest rate buydown or covering closing costs lands on deaf ears. I wanted to devise a different way to catch people's attention," Chong said.

The reason for the extra incentive: cooling condo sales, down 35% since 2020. *

According to statistics compiled by the Denver Metro Association of Realtors, sales of attached properties have consistently declined since their pandemic peak in 2021. Through October, the metro area recorded 9,016 closed sales, a decrease from 10,833 for that period in 2022, 13,679 in 2021 and 16,546 in 2020.

Buyers who close by the end of the year on designated units in The Coloradan, at 1750 Wewatta St. next to Union Station, will also receive incentives from the sellers — bonuses such as a year of HOA dues, free parking or both. Parking spots cost \$230 a month. In some cases, seller bonuses range from \$10,000 to \$17,000.

The Coloradan has 334 units, including 294 market-rate studios and one-, two- and three-bedroom apartments; 33 income-restricted units and seven penthouses.

Chong, who was traveling in Korea when she came up with the promotion idea, wanted to offer something that would capture prospective buyers' attention.

"People are under a lot of stress. This is a way to call to people's desire to take a break," she said. *

Chong's promotion is unusual because she's paying the buyers. Traditionally, sellers might offer assistance with closing costs or to help buy down points on the mortgage.

With new construction, builders offer deals involving design packages, upgrades or closing costs.

According to MLS data compiled by REcolorado, 12 units in the Coloradan have sold since May, with an average list price of \$551,204 and an average close price of \$539,335.

Chong said eight units at the building were part of the promotion, with a sale pending for one of them. The average list price for those units is \$920,000.

Chong said the units she's selling appeal to second-home buyers, many of whom live in the mountains. Others have primary residences in other states but have a family connection to Colorado, such as children attending college at the University of Colorado in Boulder.

Chong said living downtown appeals to these buyers because it provides easy access to health care, the airport, shopping, Denver's sports teams, dining, shopping and other conveniences.

