

The Kearney Report

Boulder County Real Estate Report



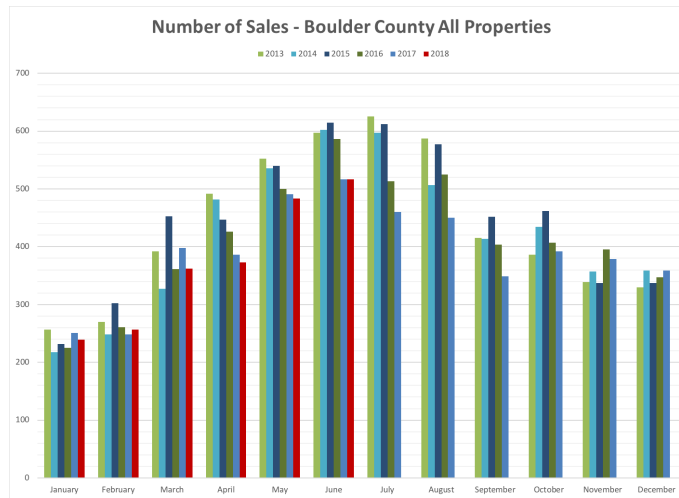
Second Quarter 2018

Neil Kearney

Real Estate Market Update

During the second quarter of 2018 the Boulder area real estate market continued to be a strong seller's market.

During the second quarter of 2018 there were 1,452 sales in Boulder County which is roughly the same as it was a year ago. The median sales price during the quarter was \$535,550 which is 7.1% higher than it was a year ago during the same time frame. Inventory this year has not improved. A trend of fewer homes on the market has continued to keep the pressure on buyers to act quickly and pay top dollar for homes.

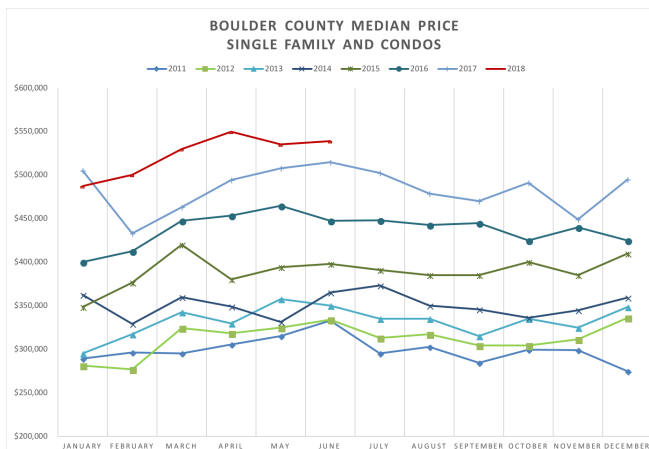
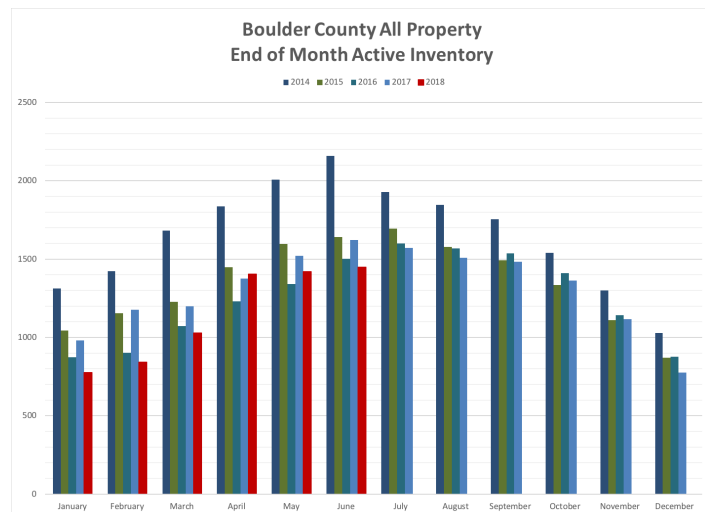


Overall the market is good! We again had a very active spring market. Overall sales are down 3% from a year ago. Homes are still selling quickly but there have been fewer multiple offers. When there have been multiple offers the premiums paid are not quite as high (3.5% rather than over 4% on average). This is the time of year when we see some slowing prior to school starting. Here are some graphs that show the trends in the market.

This first graph shows residential sales in Boulder County by month over the past five years. Red bars indicate 2018 sales. Like all other years we

are following the basic pattern of sales that peaks in June or July and then tapers off. Subtract 30-45 days for when the contracts were actually written.

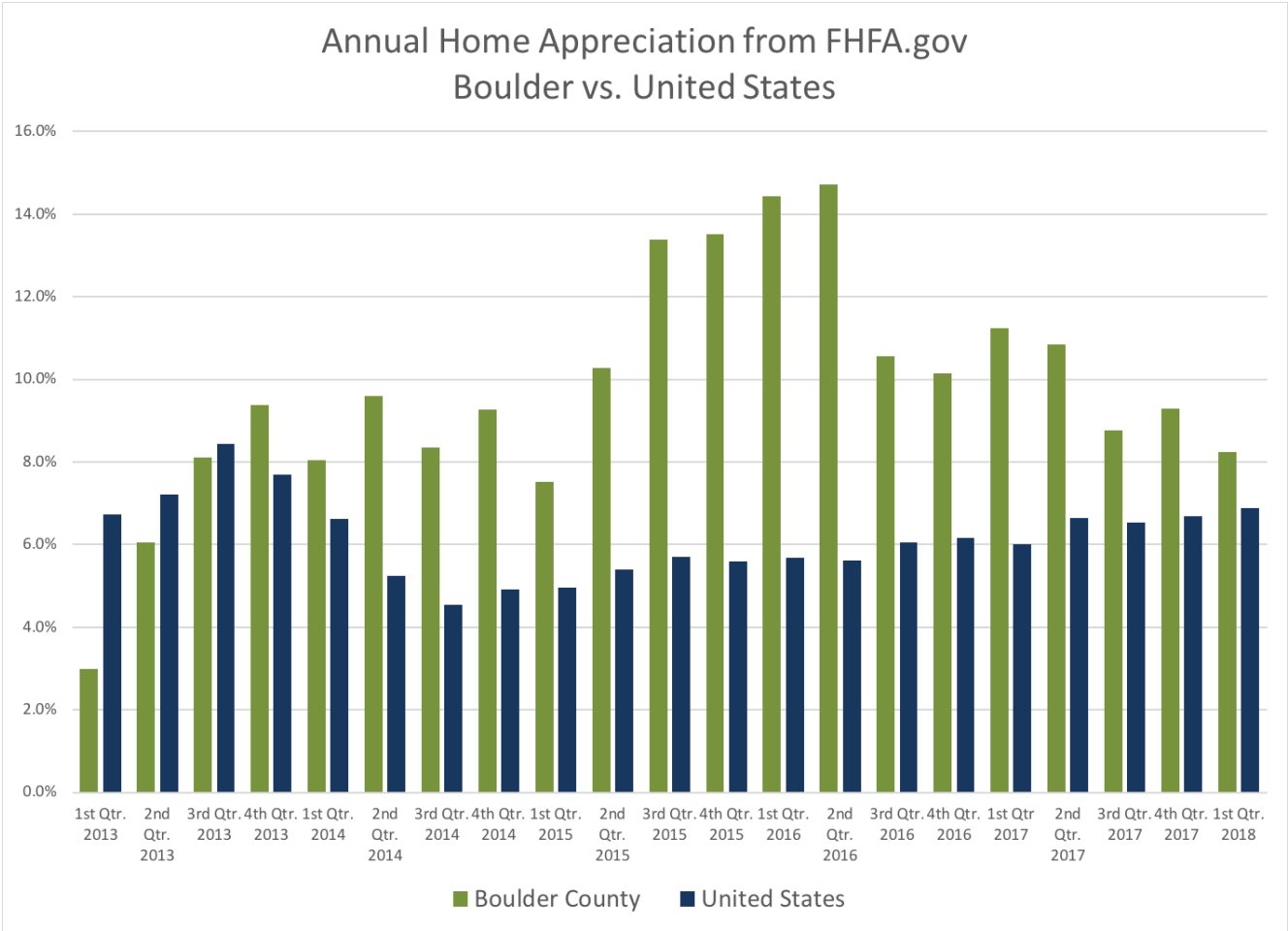
The second graph shows the inventory of active homes at the end of each month over the past five years. 2014 (the tall bar) shows a historical more normal level for active homes. Our low inventory over the past four years corresponds directly to very high appreciation. Low inventory also inhibits sales because there are a large number of buyers trolling around waiting for "the house" to come on the market.



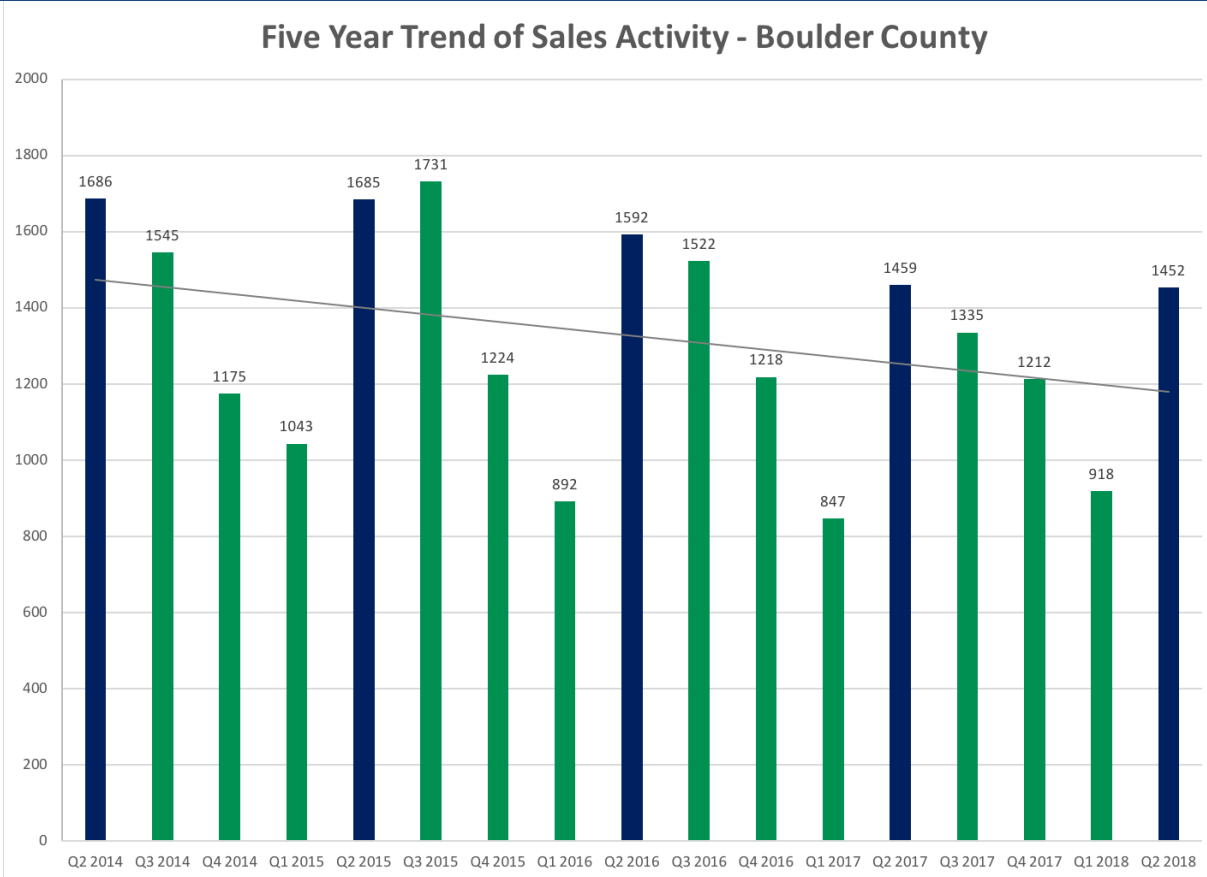
The graph to the left shows median prices by month over the past over the past eight years. The steady growth looks like a layer cake with each year higher than the one before. In summary, inventory continues to be low, sales are similar to where they were a year ago and prices continue to rise. Enjoy the report!

Price Appreciation

The graph below shows the price appreciation trend since the 2nd quarter of 2013 in both Boulder County (green) and the United States as a whole (Blue). Boulder's most recent annual appreciation rate of 8.25% was 68th highest in the nation (out of 245 Metropolitan Statistical Areas). Boulder County's cumulative home price appreciation over the past 5 years according to FHFA.gov has been 62.57% which ranks us 25th in the nation for



Boulder County Sales Activity




BOULDER COUNTY MARKET SNAPSHOT

 **.5%**


TOTAL SALES

There were 1452 sales in Q2 2018 compared to 1459 total sales in Q2 2017.

 **\$535,550**

MEDIAN SALES PRICE

The median sales price in Q2 2018 was \$535,550 compared to \$500,000 in Q2 2017. This represents an increase of 7.1%.

 **1,450**

TOTAL INVENTORY

There were 1,450 homes for sale in Boulder County at the end of Q2 compared to 1,623 at the same time the previous year. This represents an decrease of 11%

 **24**

DAYS TO CONTRACT

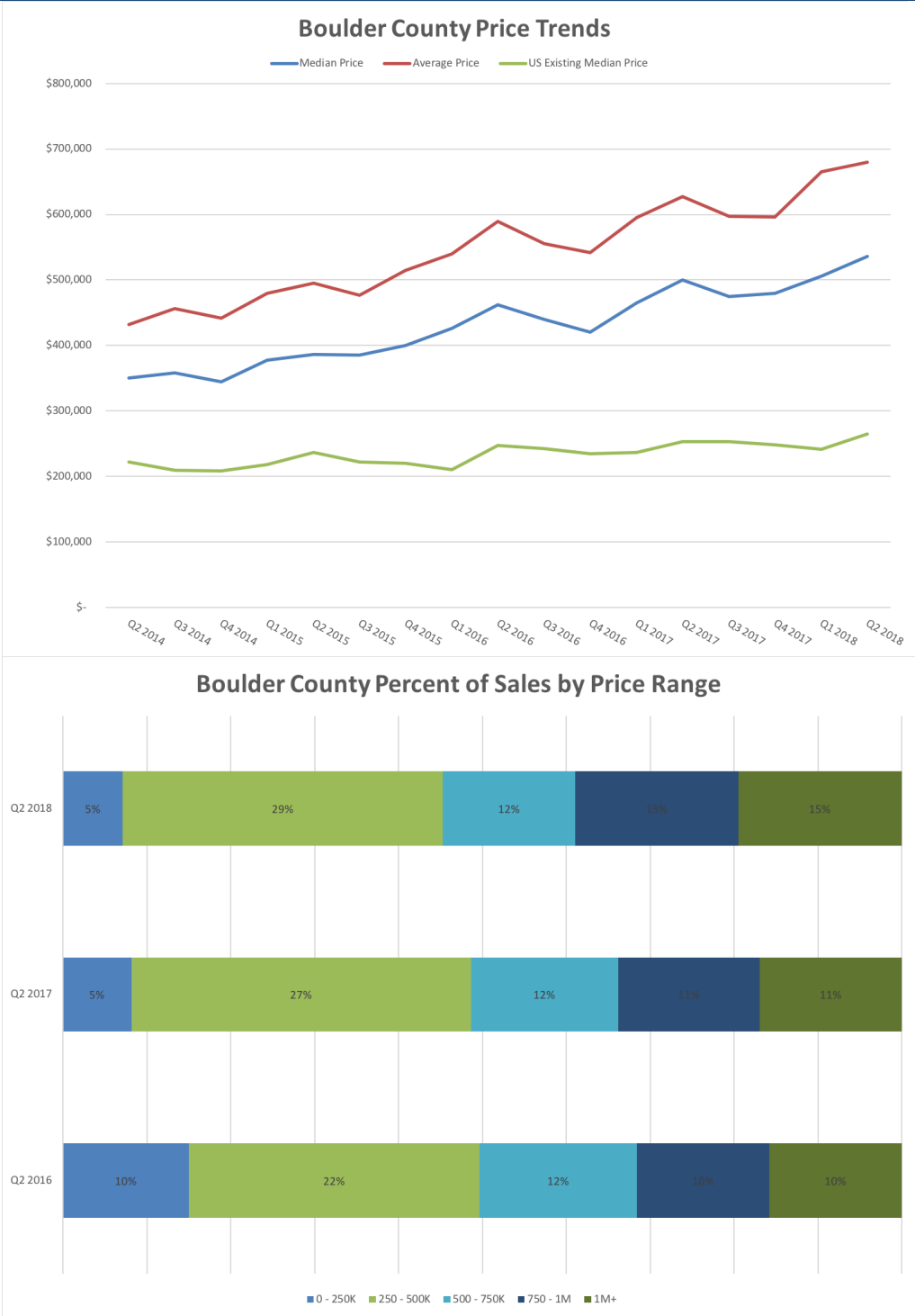
On average it took 24 days for a house to go under contract in Q2 2018. In Q2 of 2017 it was 27 days.

3.9

MONTHS OF INVENTORY

Inventory is falling again. Currently there are 3.9 months of available listings on the market. However, roughly 45% are already under contract so the effective inventory rate is roughly half of this number.

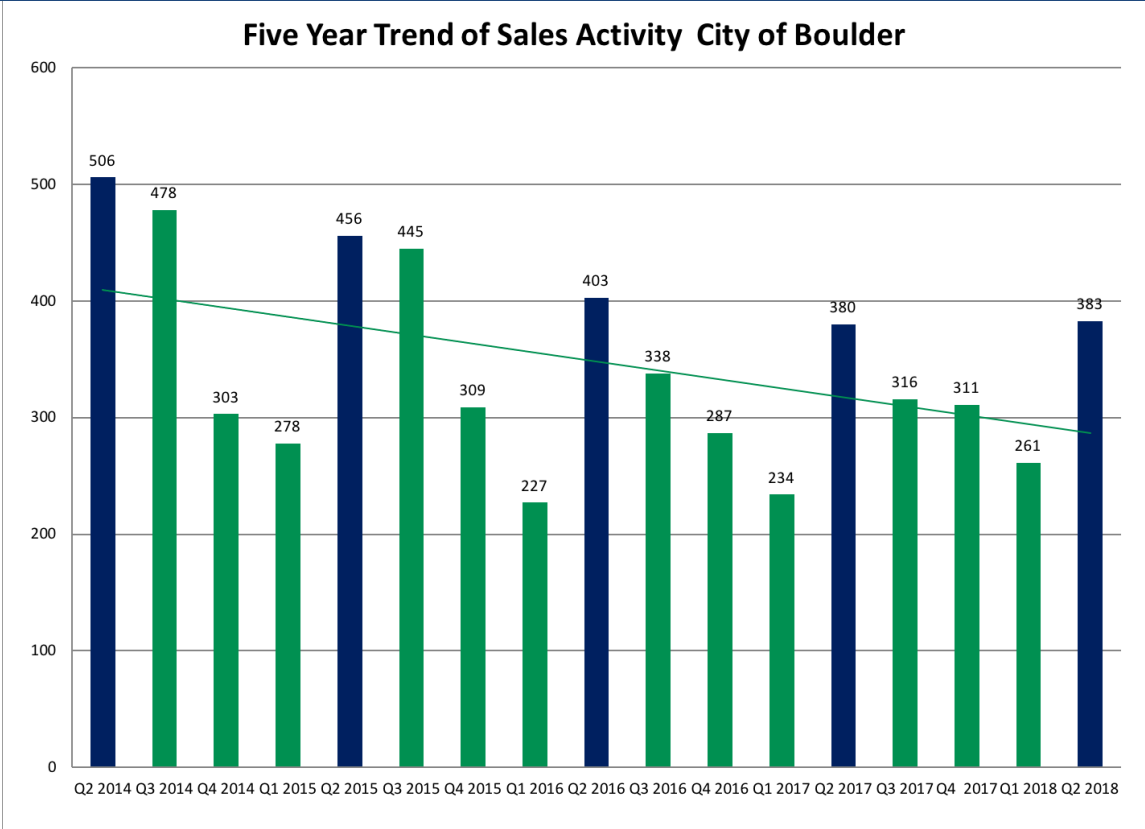
Boulder County Price Trends



The top graph shows the increase in prices in Boulder County compared to the national average. Average prices in Boulder County have increased by 62% in five years!

The bottom chart on this page shows the price breakdown of sales in Boulder County in the 2nd quarter over the past three years. There are now more homes that sell for more than \$1 million in Boulder County than less than \$250,000. Nearly 1/3 of the sales in the county fall between \$250,000 and \$500,000. This includes condos and townhomes.

City of Boulder Sales Activity



CITY OF BOULDER MARKET SNAPSHOT

= 383

TOTAL SALES
There were 383 sales in Q2 2018 compared to 380 total sales in Q2 2017. This represents a slight increase.



100%

SALES PRICE TO LIST PRICE RATIO
In Q2 2018 properties in the City of Boulder sold for on average 100% of the list price. Last year in Q2 the SP:LP ratio was 99.17%.



\$730,000

MEDIAN SALES PRICE
The median sales price in Q2 2018 in the City of Boulder was \$730,000 compared to \$676,000 in Q2 2017. This represents an increase of 8%.



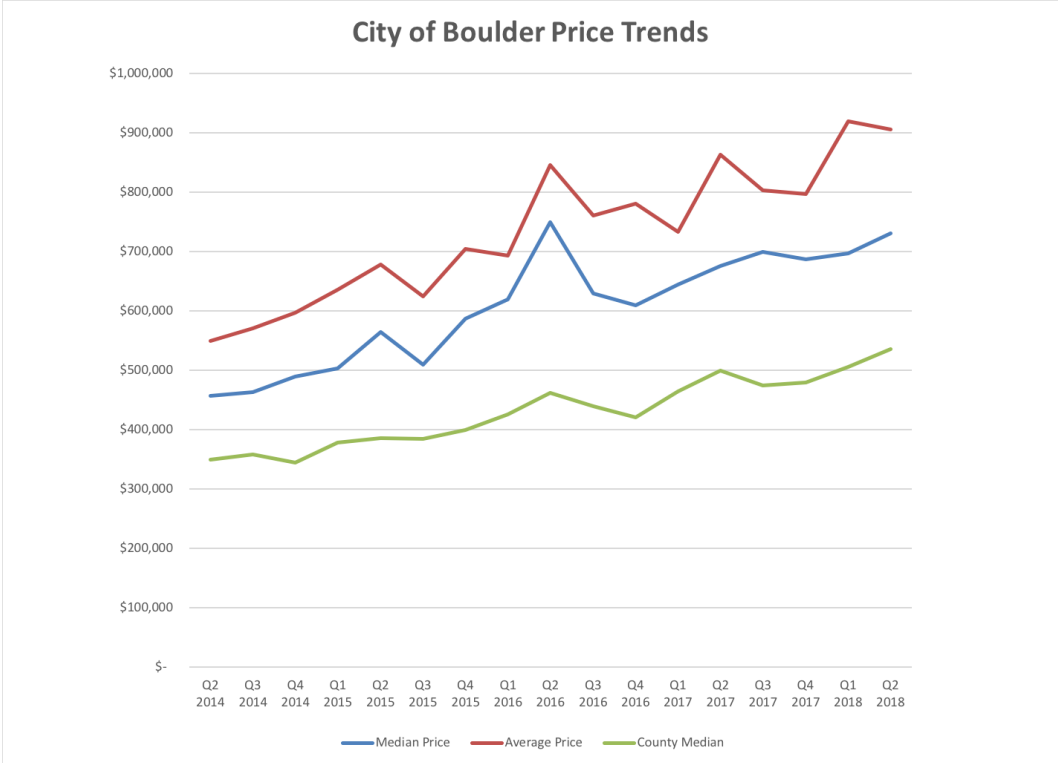
19

DAYS TO CONTRACT
On average it took 19 days for a house to go under contract in the second quarter. Last year during the same time frame it took on average 21 days to find a buyer.

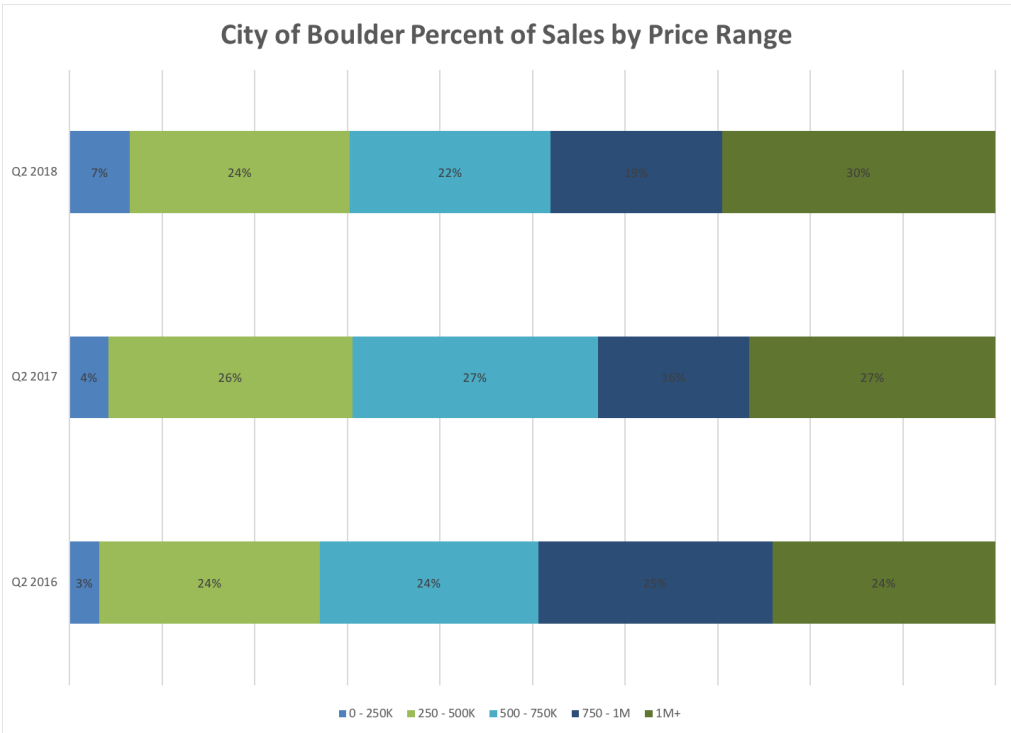
3.53

MONTHS OF INVENTORY
Inventory continues to be low. Currently there are 3.53 months of available listings on the market. This is just below what it was a year ago. If no new listings came on the market in Boulder it would take 3.53 months to sell all of the listings.

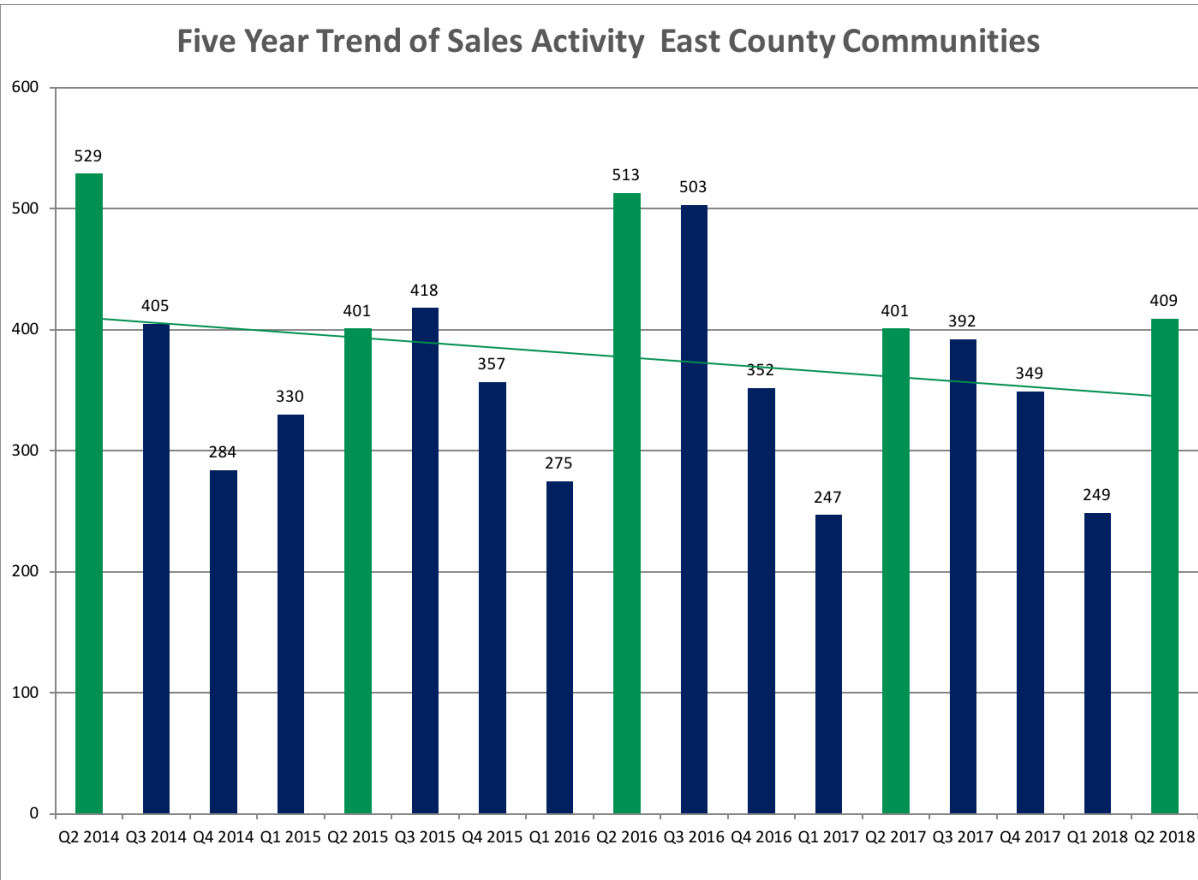
City of Boulder Price Trends




The top chart shows the increase of prices in the City of Boulder over the past five years. It has been a steady increase over the past five years. The bottom chart divides the sales in Boulder by price range in the 2nd quarter of each of the last three years. The number of condos that sold under \$250,000 increased by a few percentage points. So did the number of sales over \$1 million. That price range now accounts for nearly 1/3 of all sales within the City of Boulder.





Erie, Lafayette, Louisville and Superior Sales Activity



LAFAYETTE, LOUISVILLE, SUPERIOR, ERIE - MARKET SNAPSHOT

 **2%**
TOTAL SALES
There were 409 sales in Q2 2017 compared to 401 total sales in Q2 2017. This represents an increase of 2%.

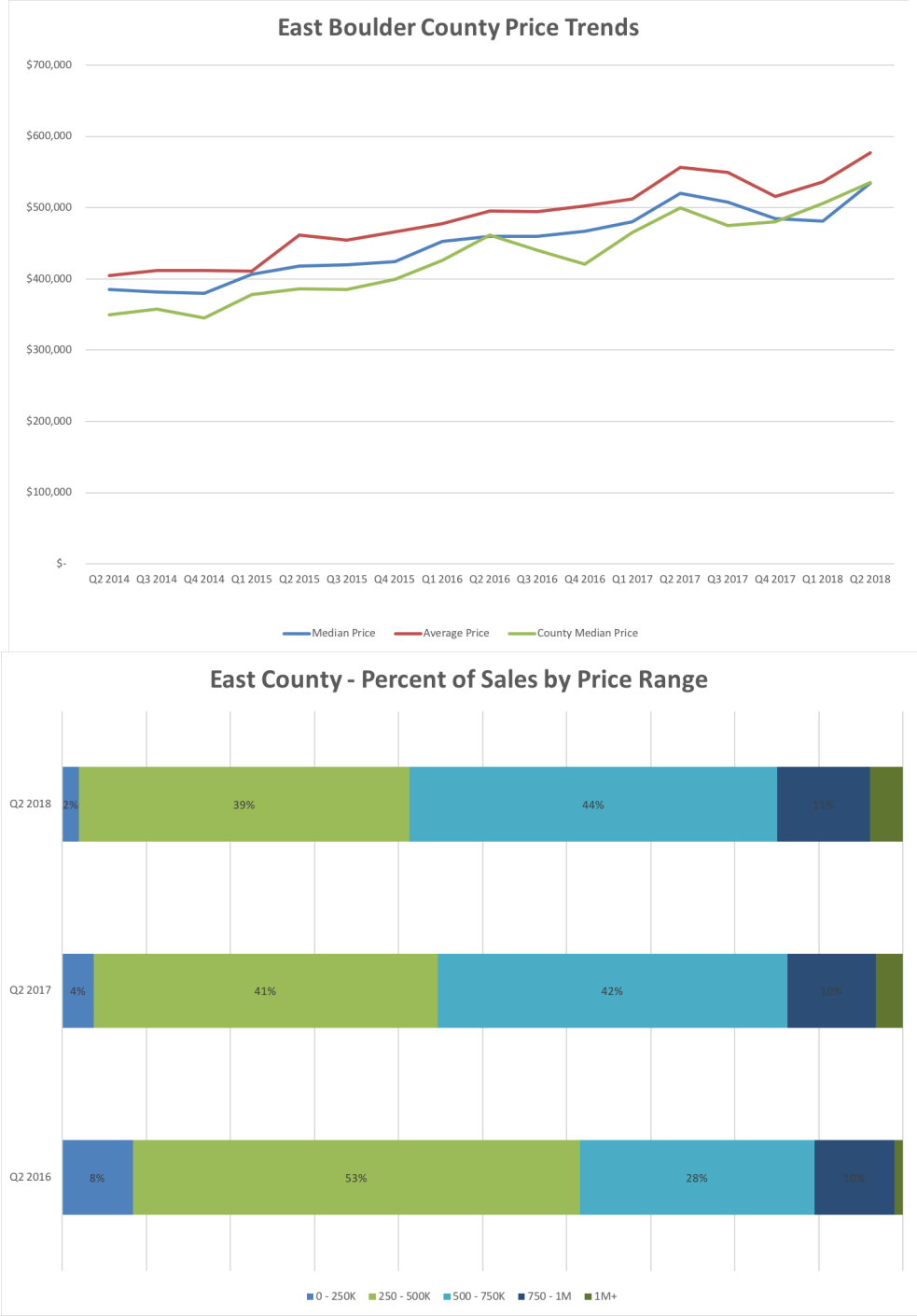
 **\$534,000**
MEDIAN SALES PRICE
The median sales price in Q2 2018 was \$534,000 compared to \$520,000 in Q2 2017. This represents an increase of 2.6%.

 **100.2%**
SALES PRICE TO LIST PRICE RATIO
In Q2 2017 properties in East Boulder County sold for on average 100.2% of the list price. This was nearly equivalent to what we had last year at this same time.

 **24**
DAYS TO CONTRACT
On average it took 24 days for a house to go under contract in the second quarter. This is exactly the same as a year ago.

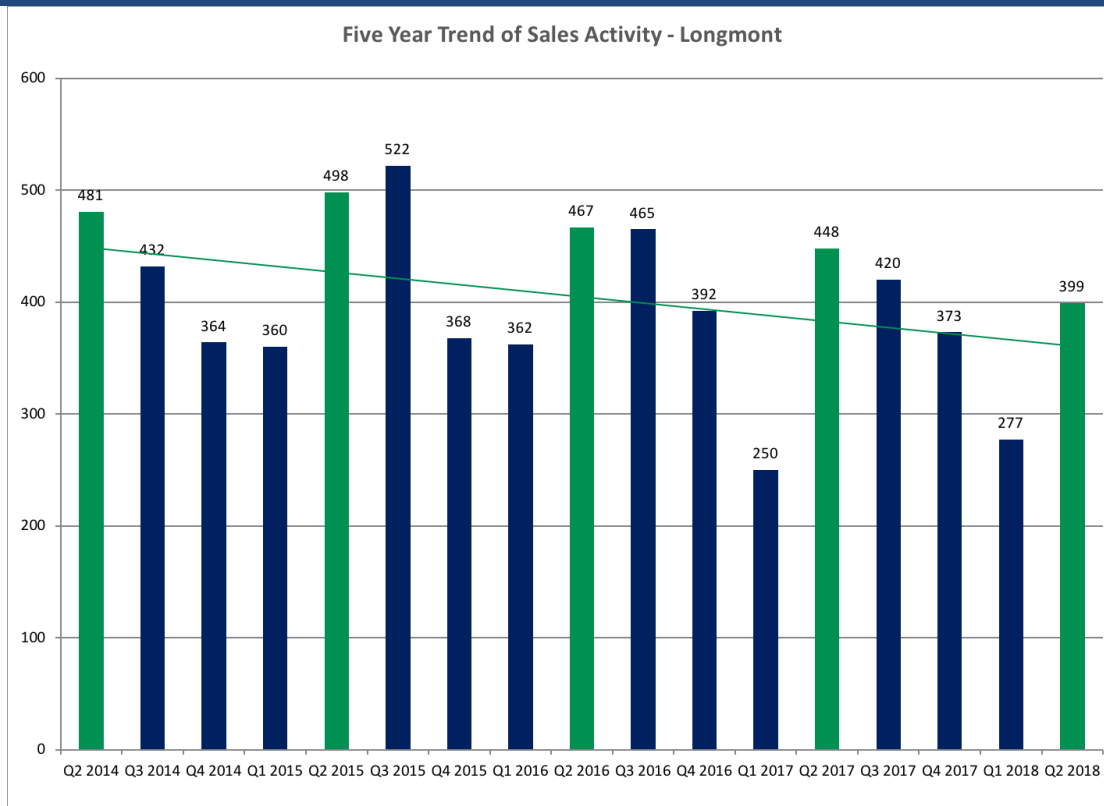
 **3.76**
MONTHS OF INVENTORY
Currently there are 3.76 months of available listings on the market. Last year at this same time there were 4.14 months of inventory on the market. This indicates a seller's market.

Erie, Lafayette, Louisville and Superior Price Trends



The starter home in Louisville, Lafayette, Erie and Superior has basically disappeared over the past three years. There are not as many condos in these areas and single family homes have really increased in value. Prices in these areas track closely to the county average.

Longmont Sales Activity



LONGMONT - MARKET SNAPSHOT



11%

TOTAL SALES

There were 399 sales in Q2 2018 compared to 448 total sales last year during the same quarter last year. This represents a decrease of 11%



\$402,000

MEDIAN SALES PRICE

The median sales price in Q2 2018 was \$402,000 compared to \$375,000 in Q2 2017. This represents an increase of 7.2%.



101%

SALES PRICE TO LIST PRICE RATIO

In Q2 2018 properties in Longmont sold for on average 101% of the list price. This represents a slight uptick from a year ago.



19

DAYS TO CONTRACT

On average it took 19 days for a house to go under contract in Q2 2018. In Q2 of 2017 it was 18 days.



3.48

MONTHS OF INVENTORY

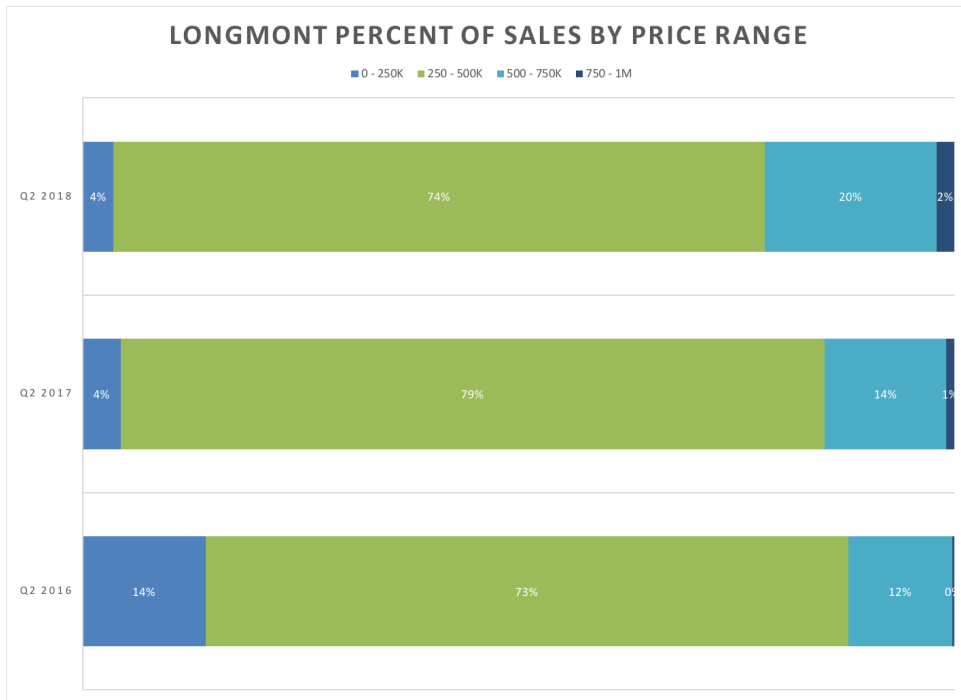
There are currently 3.48 months of inventory on the market in Longmont. A balanced market is around 6 months of inventory. This shows a strong seller's market.

Longmont Price Trends



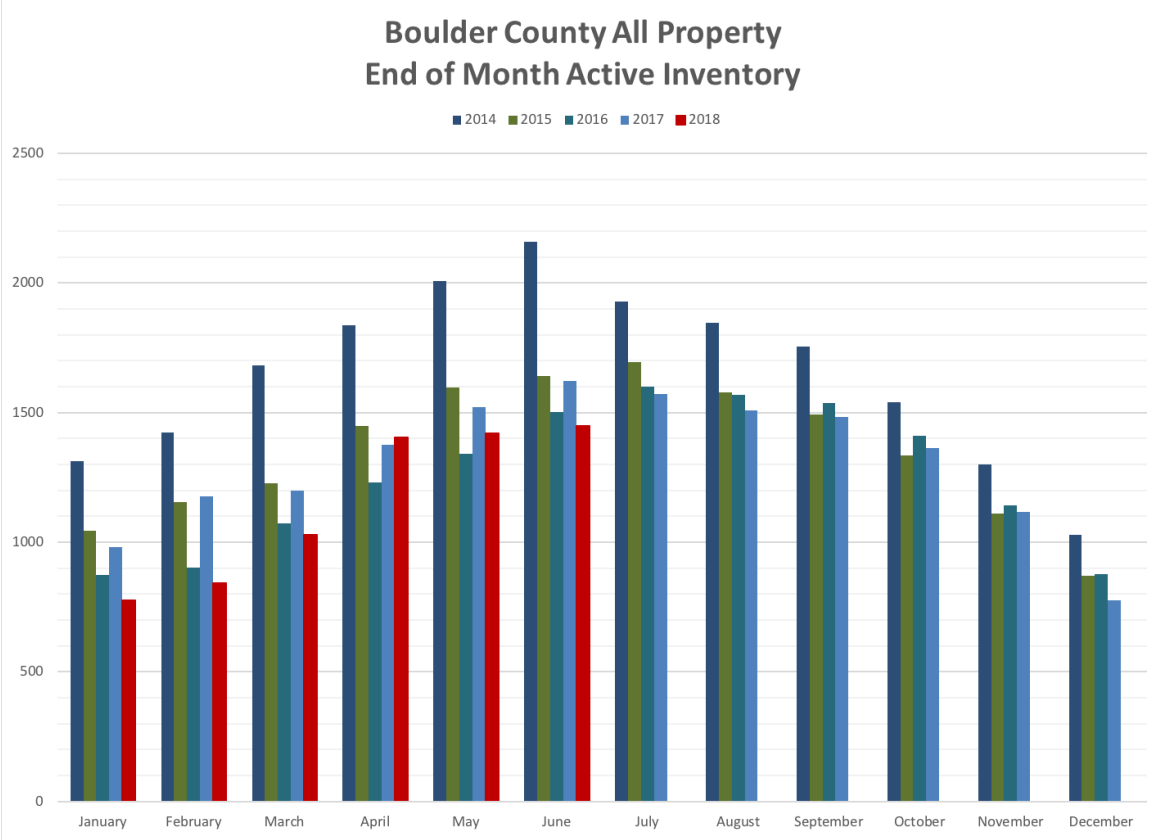
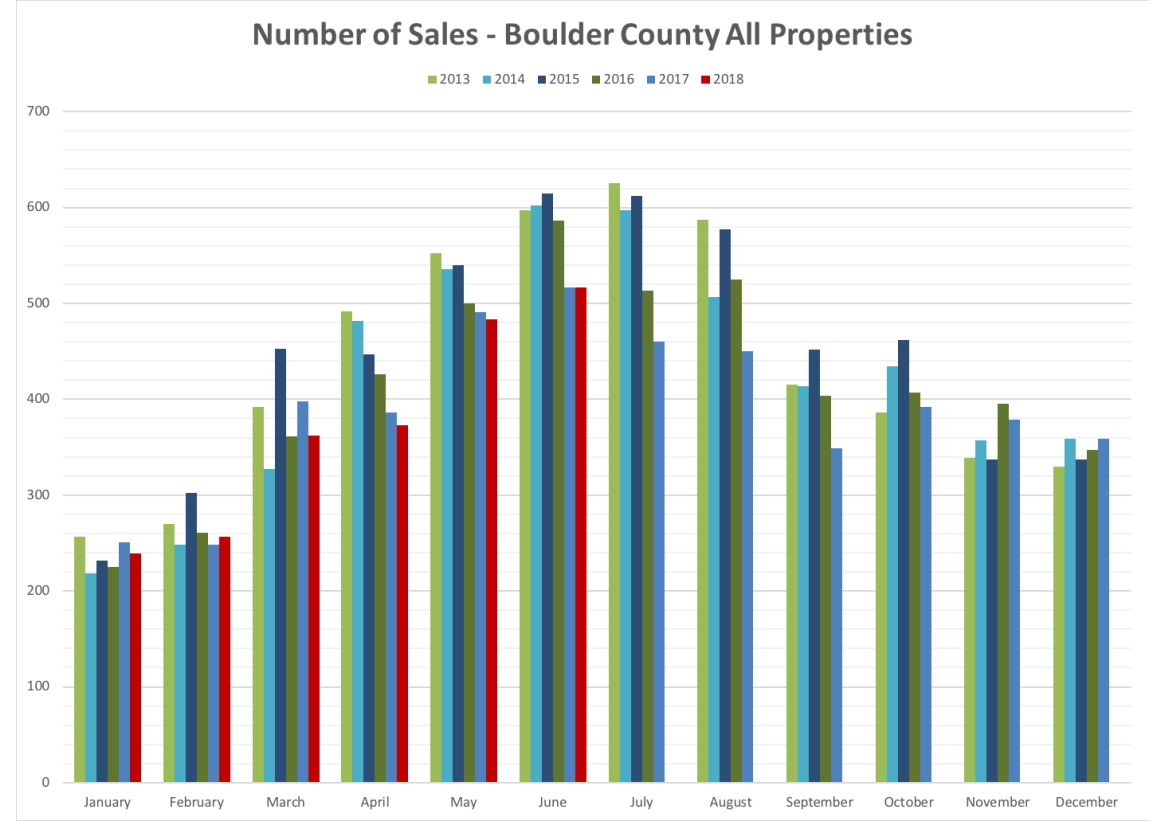
The median price for all sales in Longmont for the quarter was \$402,500. Much lower than the county average of \$535,550. The median price in Longmont was \$215,000 at the end of the second quarter in 2008.

Longmont has long been the affordable option in Boulder area real estate, but the lower chart to the left shows that the price range under \$250,000 is shrinking dramatically. During the most recent quarter just 4% of sales in Longmont were under \$250,000. Compare this to 14% just two years ago and 48% four years ago! Affordable housing in Boulder County is becoming a thing of the past for many hourly wage earners. The other interesting fact gleaned from this chart is the lack of an upper end in Longmont. Just 22% of the sales this past quarter were over \$500,000.



Longmont is the only area where the median and average price are lower than the county average.

Month by Month Sales Activity – Boulder County



Kearney Realty Co. – Our Core Values

1. **Integrity and Class** – Keeping our word; knowing what's right and doing what's right.
2. **Selfless Service** – Exceeding expectations by focusing on exceptional service.
3. **Caring** – All of our relationships are based on mutual respect, cooperation and consideration.
4. **Connected** – Give back to the profession and the community. 5% of company profits are donated to local charities.
5. **Innovation** – Continually striving to find new and better ways to serve our customers and our associates.

