

The **Kearney** Report

Boulder County Real Estate Report

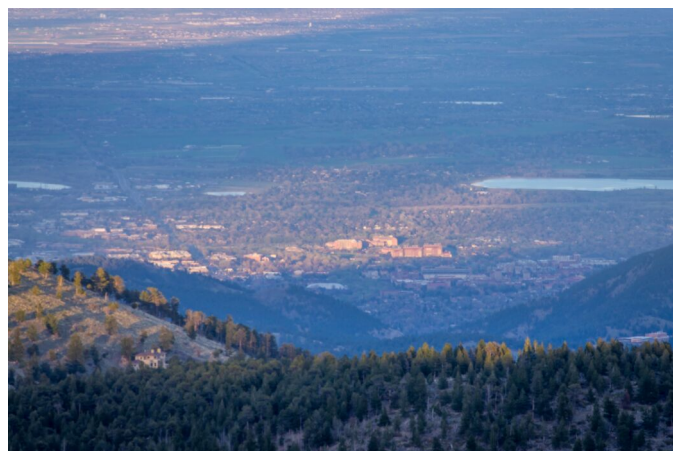


Second Quarter 2019



Neil Kearney

Real Estate Market Update



The market is changing. It's taking longer to sell homes, there is more negotiation between buyers and sellers, there are more price reductions, inventory is rising, on average, there are fewer showings for any given listing. But the idea that the market is weak or that the market has drastically changed just isn't true. Price appreciation is still positive, it's just more gradual than we have been seeing in recent years. We are seeing fewer multiple offer situations resulting in above asking price sales, but the overall negotiation off of list price is just 1.3%. We are entering a more balanced market.

During the second quarter of 2019 it took on average 33 days for a house to find a buyer. This is ten days longer than it was a year ago. This statistic only includes successful sales, not those who eventually pull their homes from the market. The expected time on the market changes with the price of the home. During the quarter, homes that sold for \$500,000 and less went under contract in an average of 30 days. Those priced between \$500,000 and \$1,000,000 took 34 days. And those priced \$1,000,000 and more took 42 days.

Another statistic that I have been watching closely is the percentage of homes that are under contract at the end of a month. I have been tracking this for the past five years and each month in 2019 is lower than each of the corresponding months since 2015. This shows that there are more choices in the market. You may have been noticing more "for sale" signs in your neighborhood, for me it means that when I'm showing buyers properties we can set a number of showings at once instead of just one at a time. Having options is definitely a nice thing for buyers. It leads to good decisions.

For sellers it's important to have realistic expectations coming into the selling process. Selling your home for over full price in one day isn't happening very often these days. Buyers are also very picky in terms of condition and upgrades. Unless your home is ready for a magazine buyers will have a critical eye and may very quickly move on to the next option. Price your home realistically, not the price you wish you could get.

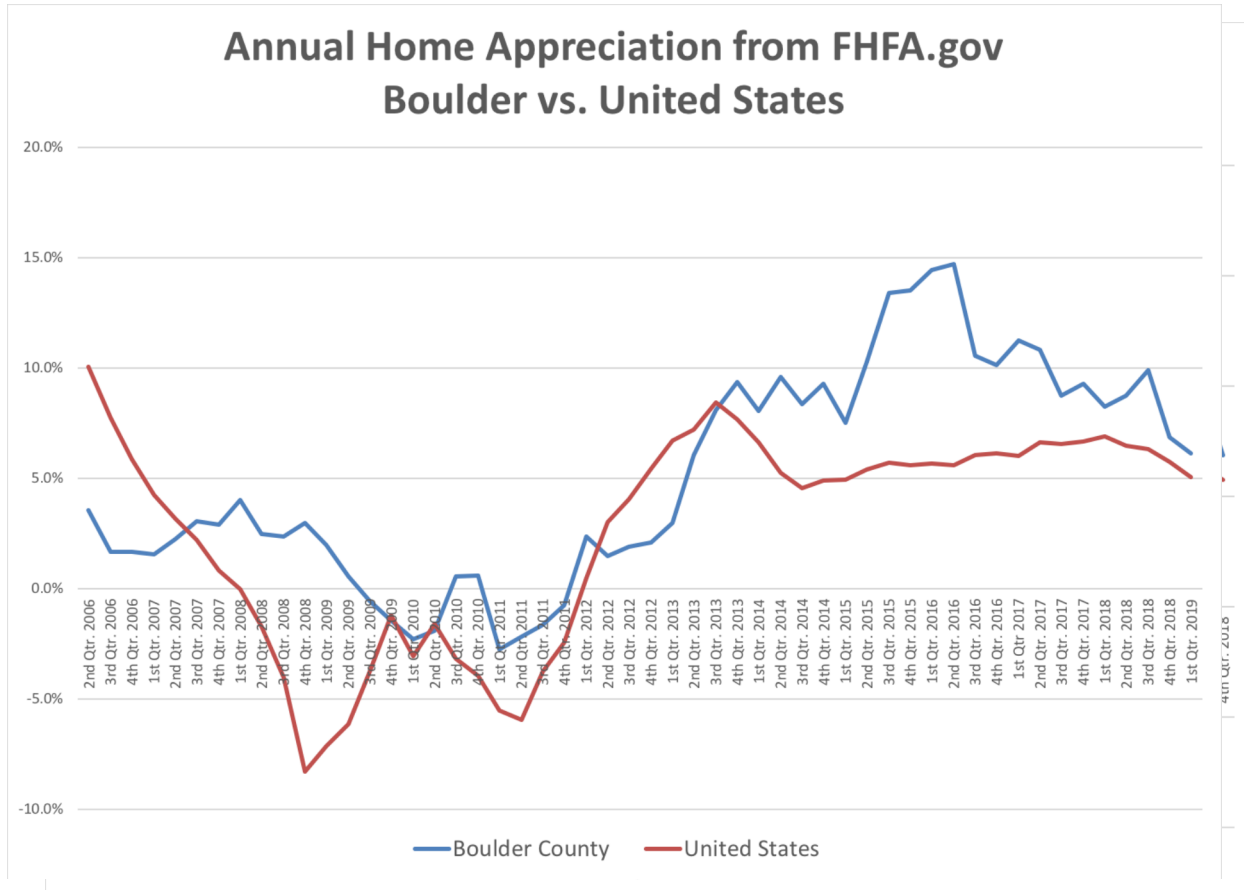
Buyers are feeling more empowered now than anytime within the last four years. There are choices in the market and they are not feeling the time pressure that comes with multiple offers. As prices continue to rise, albeit more slowly, buyers are feeling affordability pressure. Interest rates continue to remain low and that has been a help in sustaining demand.

Homes continue to sell and as always I'm actively helping buyers and sellers successfully close transactions. I'm always happy to be of service. Enjoy the report!

Unless otherwise noted, all data used in this report is from IRES MLS and is deemed reliable but isn't guaranteed as exhaustive.
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Boulder County Price Trends

The graph below shows the median price for both Boulder County (blue line) and the United States (red line) since the second quarter of 2006. Each data point shows one year appreciation on a quarterly basis. The most recent quarter Boulder's four-quarter appreciation was 6.14% which ranked it 91st out of 245 areas in the study. Over the past five years our cumulative home appreciation has been 57.83% which ranks 15th best in the nation.



Fastest Appreciating Markets - Last 12 Months

- Boise City, ID 15.62%
- Chico, CA 14.91%
- Idaho Falls, ID 13.34%
- Las Vegas, NV 12.77%
- Wenatchee, WA 12.66%
- Coeur d'Alene, ID 12.10%
- Spokane, WA 12.03%
- Chapel Hill, NC 11.00%
- St. George, UT 10.87%
- Richland, WA 10.79%

Slowest Appreciating Markets - Last 12 Months

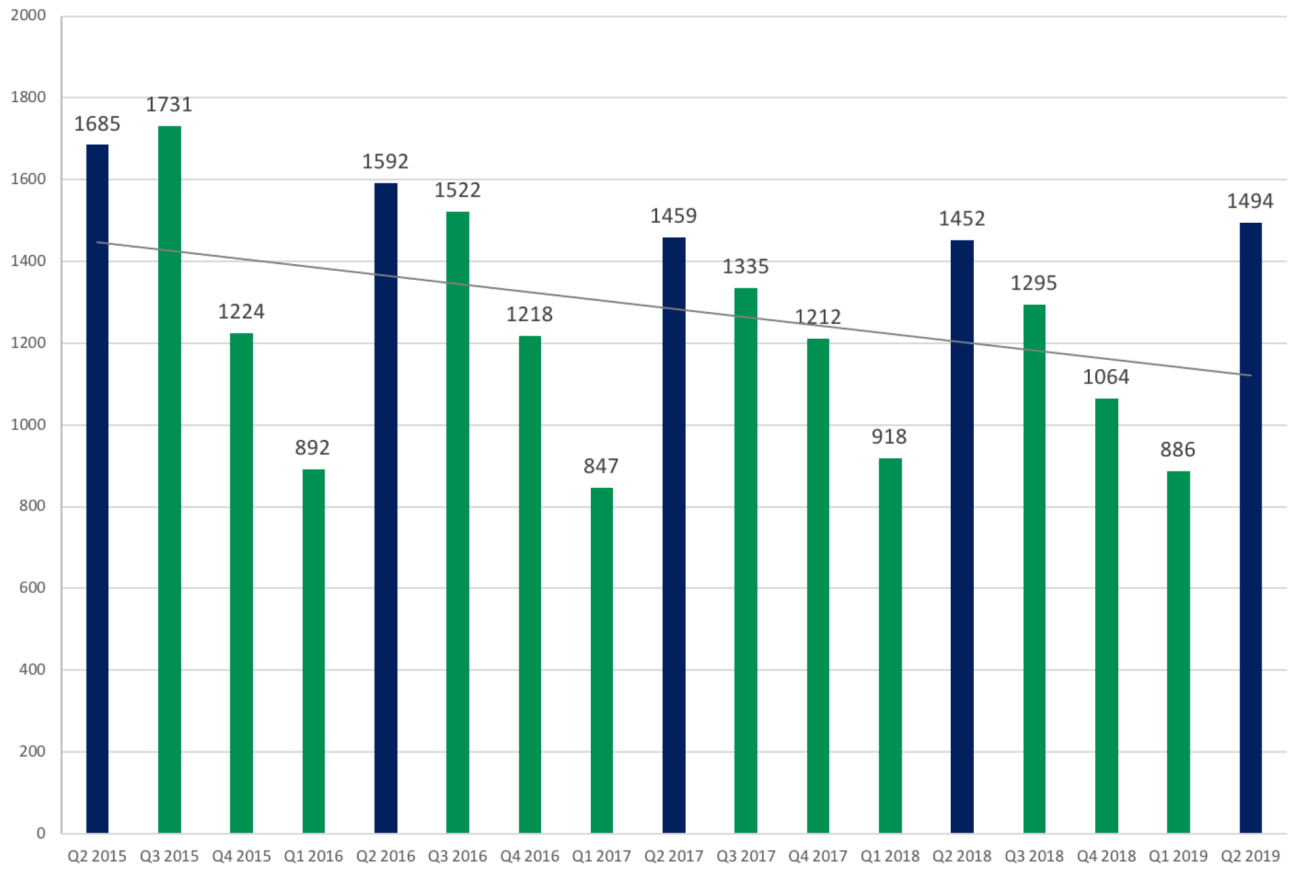
- Bismark, ND -2.46%
- Bloomington, IL -1.38%
- Lafayette, LA -1.23%
- Hagerstown, MD -1.04%
- Trenton, NJ -.86%
- Shreveport, LA -.40%
- Springfield, IL -.33%
- Augusta, GA -.25%
- Norwich, CT -.11%
- Fayetteville, NC .87%

**Boulder, CO 6.14%

Source FHFA.gov

Boulder County Sales Activity

Five Year Trend of Sales Activity - Boulder County

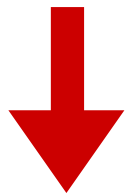


Boulder County Market Snapshot



Total Sales

Comparing 2nd qtr. 2019 to 2nd qtr. 2018 sales increased by 42 sales or 2.9%. April and May had sales higher than the previous year's sales and June was lower than a year ago.



Median Price

A year ago the median price for sales in the 2nd quarter was \$535,500, this year it was down slightly to \$532,500. Overall, the rate of appreciation has slowed, but it is still positive.



Days to Contract

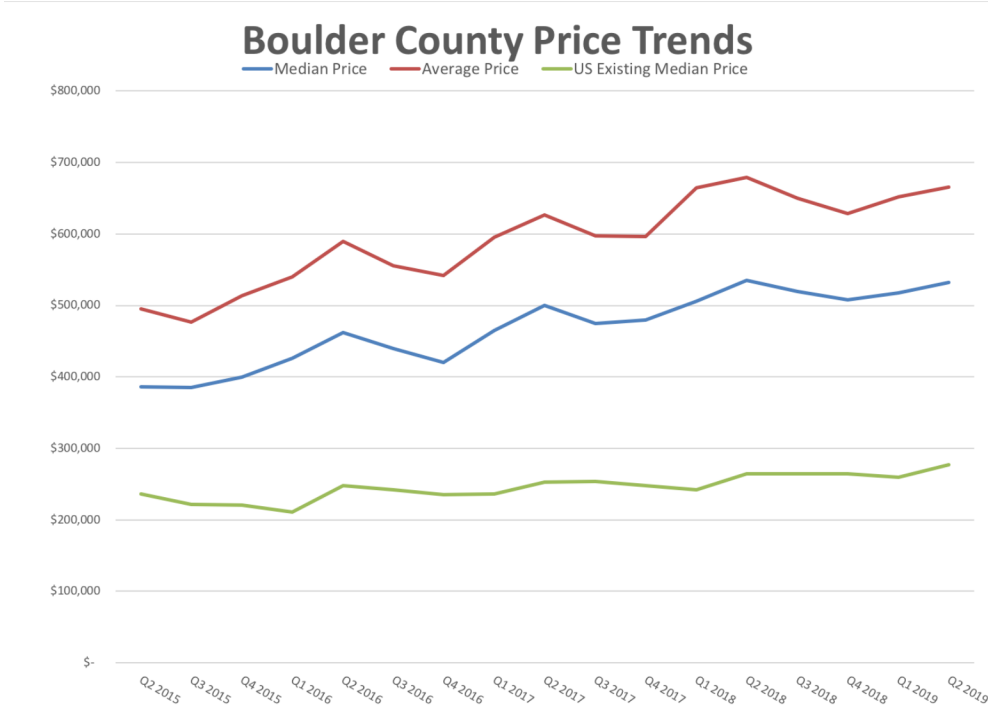
On average it took 33 days for a home to go under contract. This is ten days longer than it took during the second quarter of last year.



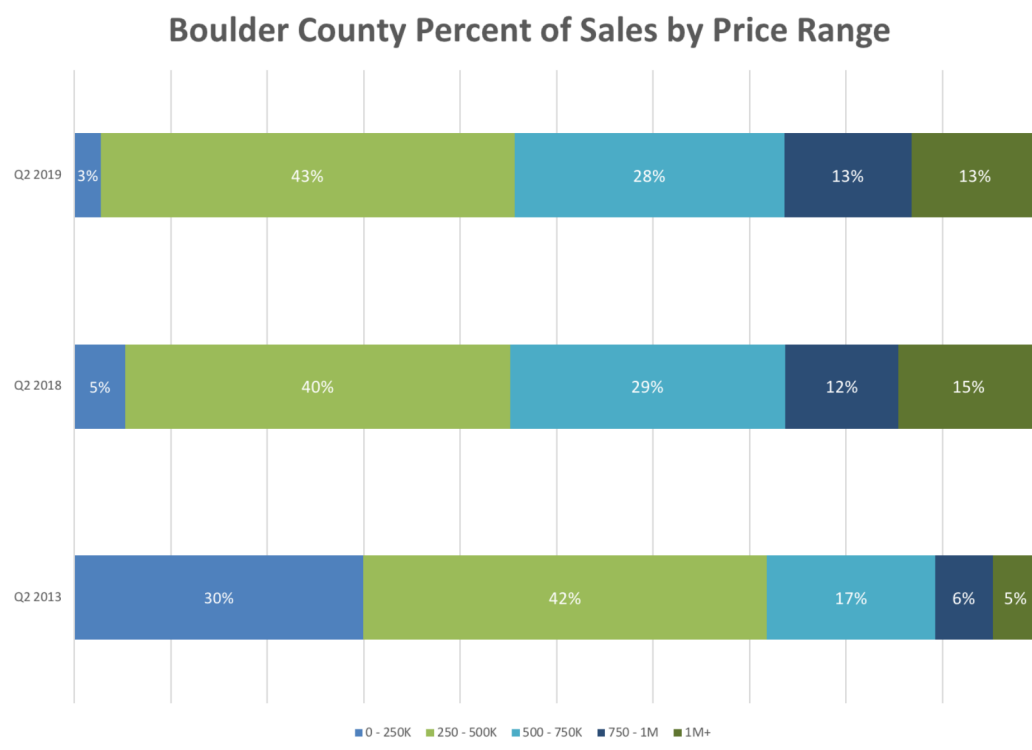
Months of Inventory

At the end of the quarter if sales kept up the current pace it would have taken 3.5 months to sell all of the listings if no new listings were added. Last year at this time it was 3.9 months.

Boulder County Price Trends



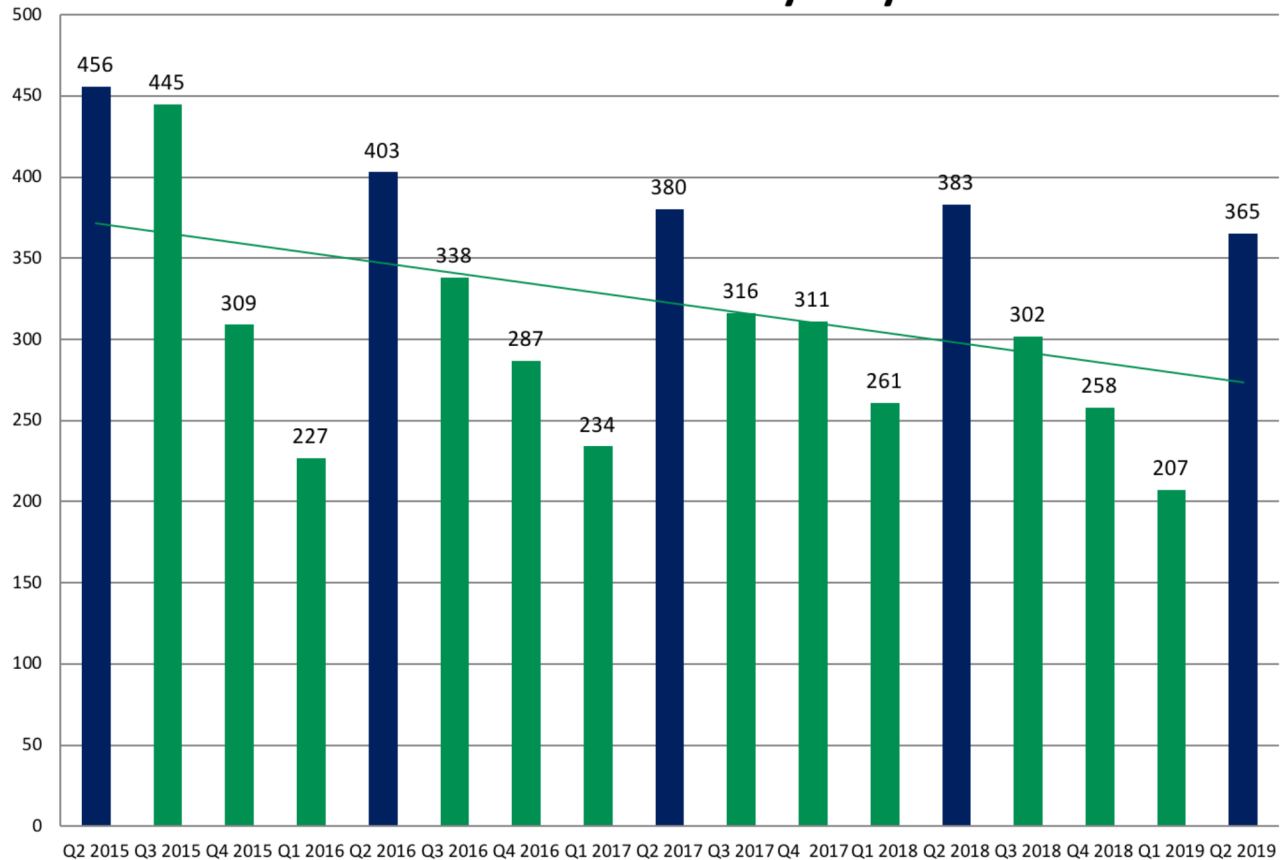
The top graph shows the price trends in Boulder County over the past five years. The red line is the average price (\$665,844) and the blue line is the median price (\$532,500) in the County. Although the pace of appreciation is slowing FHFA.gov reported the appreciation in the 1st quarter to be 1.25%.



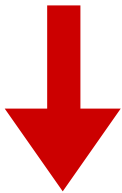
The bottom graph shows the sales which occurred in each price range during the quarter. The top bar is the most recent quarter, the middle bar is the 2nd quarter a year ago. The bottom bar for comparison represents the sales mix during the 2nd quarter in 2013. This graph is a good representation of how prices have increased, the entry level has shifted considerably to the right and the luxury market has grown.

City of Boulder Sales Activity

Five Year Trend of Sales Activity City of Boulder



City of Boulder Market Snapshot



Total Sales

Comparing 2nd qtr. 2019 to 2nd qtr. 2018 sales decreased by 18 sales or 4.7%. 26% of the sales in the County happened within the City of Boulder.



Median Price

Within the City of Boulder, the median price decreased by \$3,050 to \$532,500. This included both homes and condos. The average price for a single family home in Boulder was \$920,166



Days to Contract

On average it took 33 days for a home to go under contract. Last year during the 2nd quarter it took 19 days. Properties are definitely staying on the market longer than in the last few years.

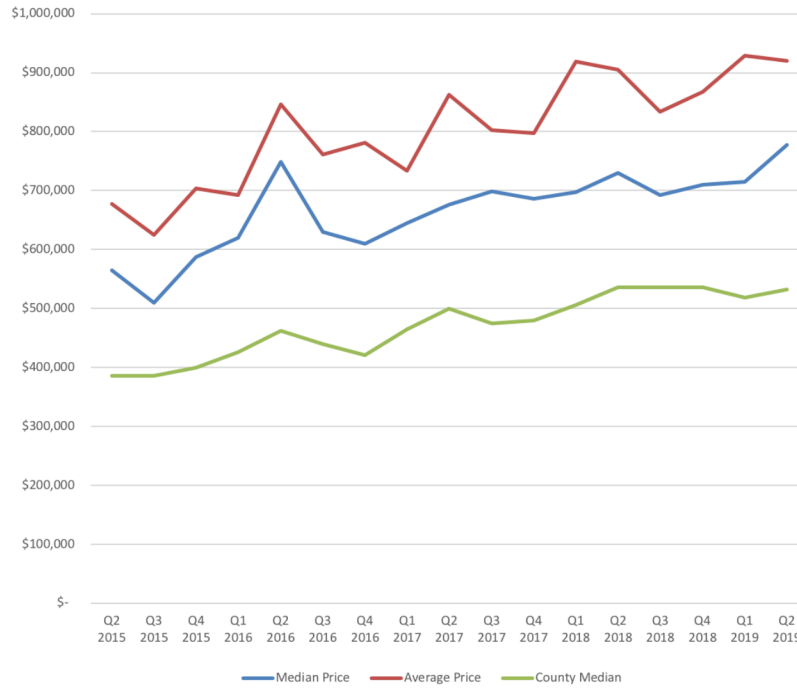


Months of Inventory

At the end of the quarter if sales kept up the current pace it would have taken 3.95 months to sell all of the listings if no new listings were added. This is less than it was a year ago.

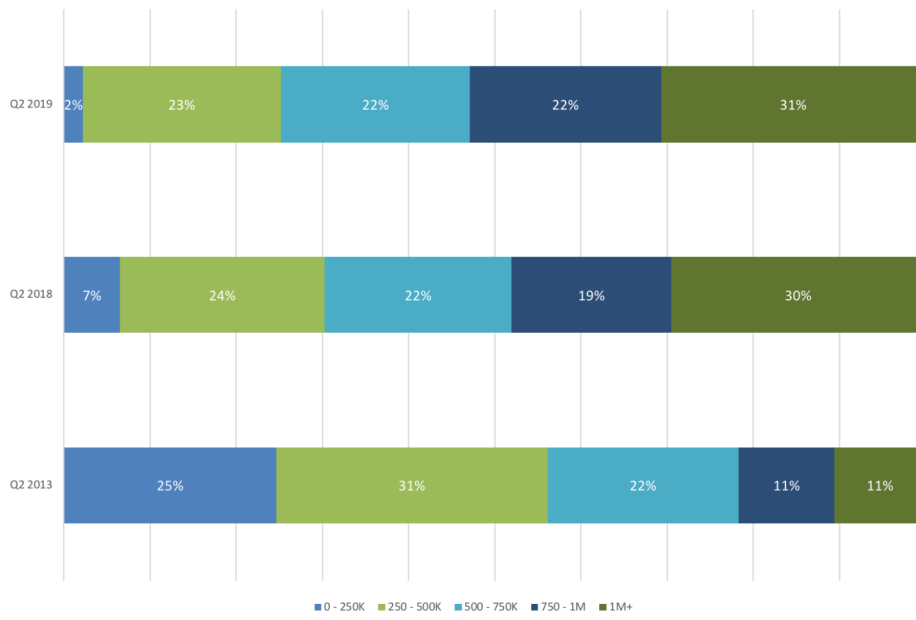
City of Boulder Price Trends

City of Boulder Price Trends



The top graph shows the price trends in the City of Boulder over the past five years. The red line is the average price (\$920,166) and the blue line is the median price (\$777,000) within the City. The most recent quarter showed a slowing in appreciation, although overall appreciation for the year is positive. For reference the green line is the median price for Boulder County.

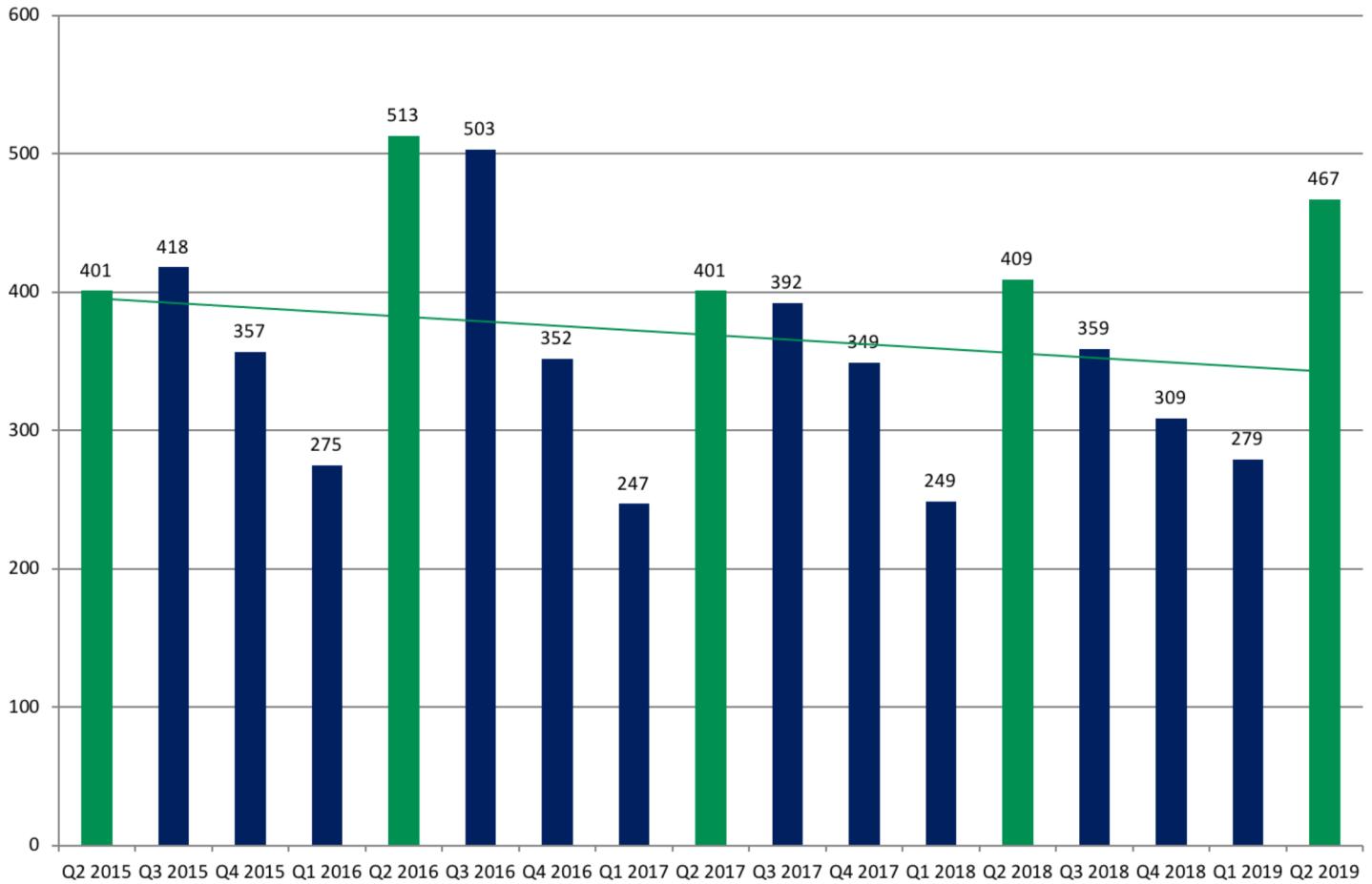
City of Boulder Percent of Sales by Price Range



The bottom graph shows the sales which occurred in each price range during the quarter. The top bar is the most recent quarter, the middle bar is the 2nd quarter a year ago. The bottom bar for comparison represents the sales mix during the 2nd quarter in 2013. In 2013, 25% of sales were \$250,000 and below, that price range represented just 2% this past quarter and most if not all of those properties were deed restricted.

Erie, Lafayette, Louisville, Superior Sales Activity

Five Year Trend of Sales Activity East County Communities



Total Sales

Comparing 2nd qtr. 2019 to 2nd qtr. 2018 sales increased by 58 sales or 14%. Note that not all new construction sales are included in this total. Only those listed in the MLS.



Median Price

A year ago the median price for sales in the 1st quarter was \$556,000, last year it was \$534,000 an increase of 4.1%.



Days to Contract

On average it took 30 days for a home to go under contract. This is 6days slower than last year.



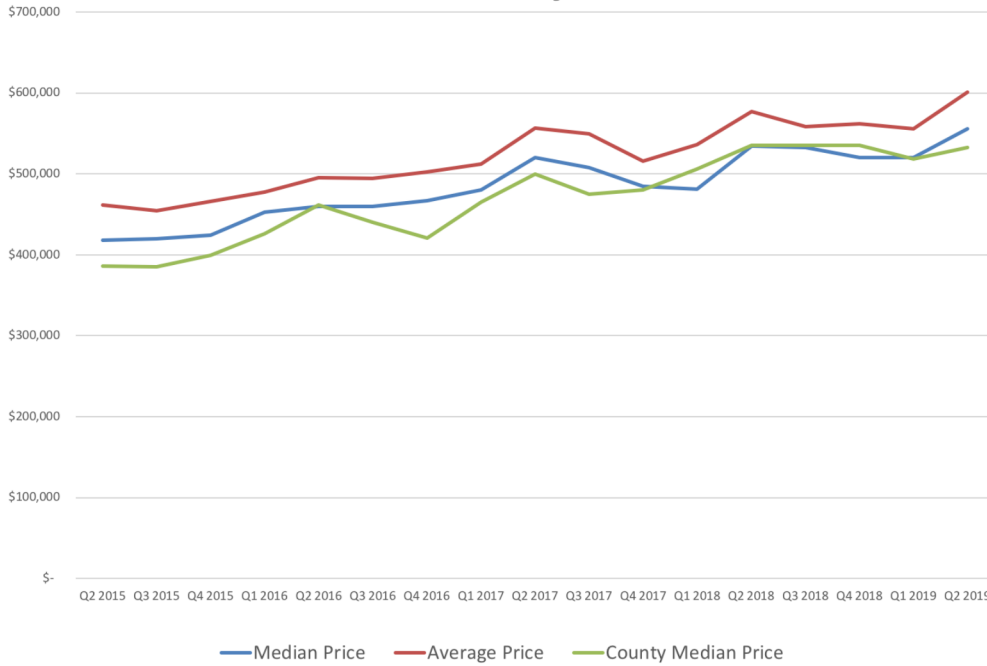
Months of Inventory

At the end of the quarter if sales kept up the current pace it would have taken 2.91 months to sell all of the listings if no new listings were added. This is less time than a year ago.

Note: The East Boulder County data includes the Weld County sales in Erie that are in the IRES MLS system

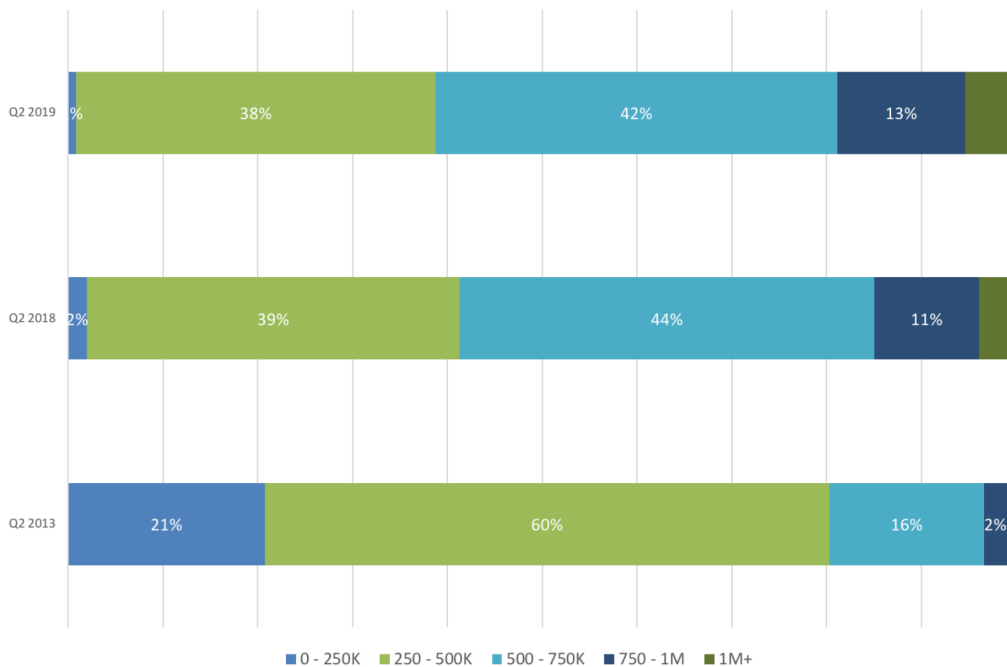
Erie, Lafayette, Louisville, Superior Price Trends

East Boulder County Price Trends



The top graph shows the price trends in the east county communities over the past five years. The red line is the average price (\$600,820) and the blue line is the median price (\$556,000). These communities showed more appreciation during the second quarter than did the overall Boulder County market.

East County - Percent of Sales by Price Range

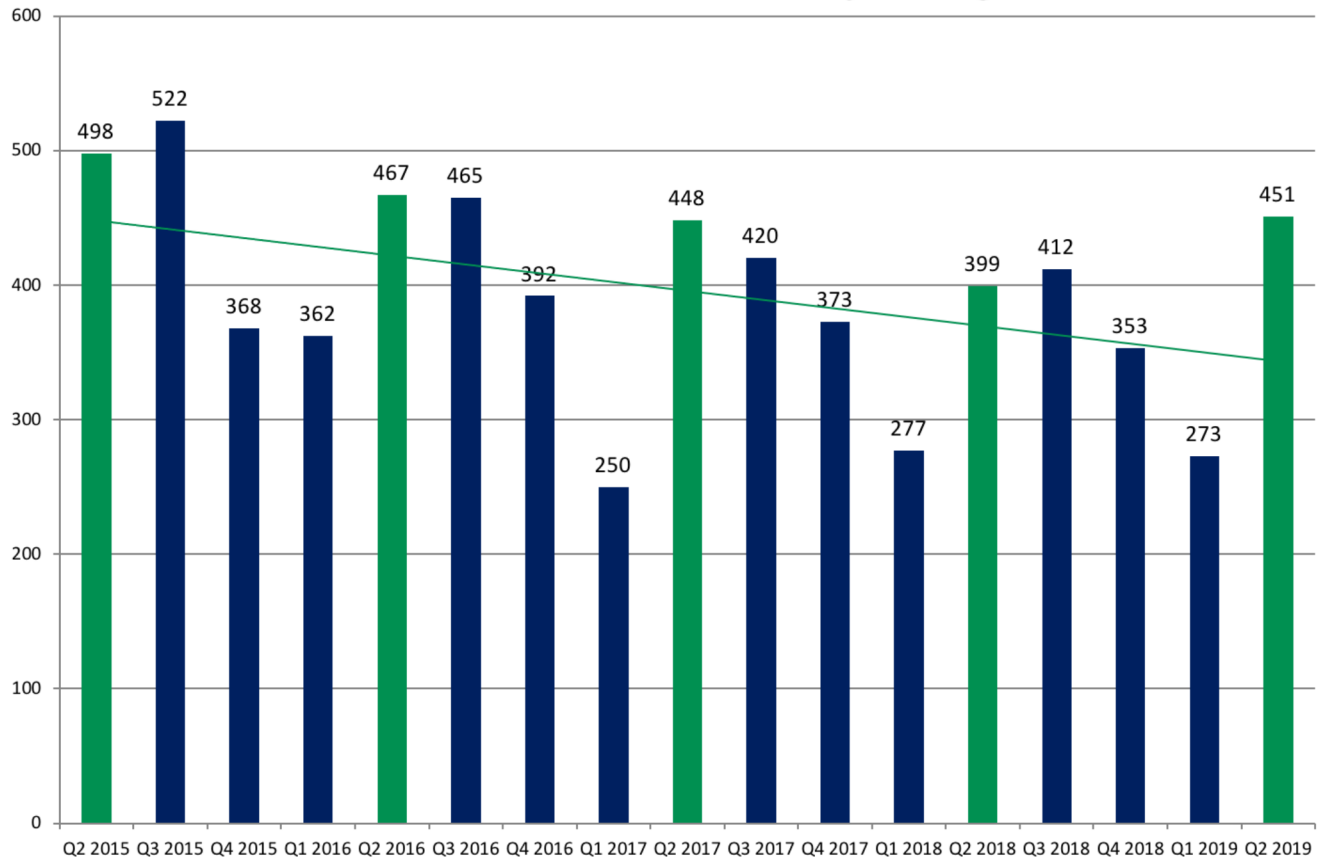


The bottom graph shows the sales which occurred in each price range during the quarter. The top bar is the most recent quarter, the middle bar is the 2nd quarter a year ago. The bottom bar for comparison represents the sales mix during the 2nd quarter in 2013. In 2013, 21% of sales were \$250,000 and below, that price range represented just 1% this past quarter.

Note: The East Boulder County data includes the Weld County sales in Erie that are in the IRES MLS system

City of Longmont Sales Activity

Five Year Trend of Sales Activity - Longmont



City of Longmont Market Snapshot



Total Sales

Comparing 2nd qtr. 2019 to 2nd qtr. 2018 sales decreased by 52 sales or 13%. Longmont had more sales than any other city in Boulder County, and represented 31% of the overall market.



Median Price

A year ago the median price for sales in the 1st quarter was \$402,500, this year it was \$405,000 a slight increase.



Days to Contract

On average it took 35 days for a home to go under contract in Longmont. This is 16 days slower than last year during the same quarter.

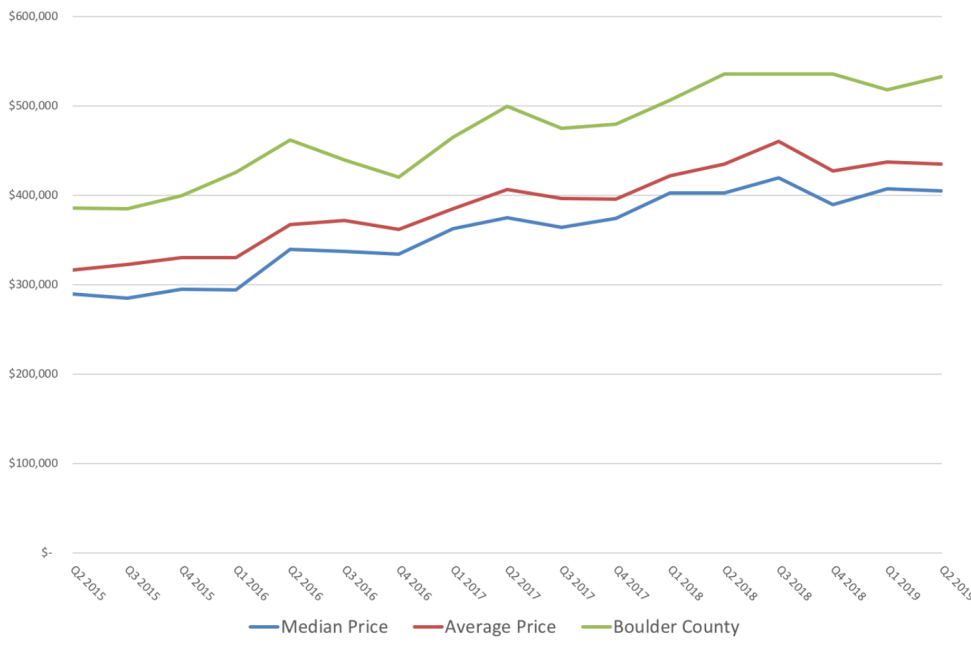


Months of Inventory

At the end of the quarter if sales kept up the current pace it would have taken 3.15 months to sell all of the listings if no new listings were added. This is slightly less time than a year ago.

City of Longmont Price Trends

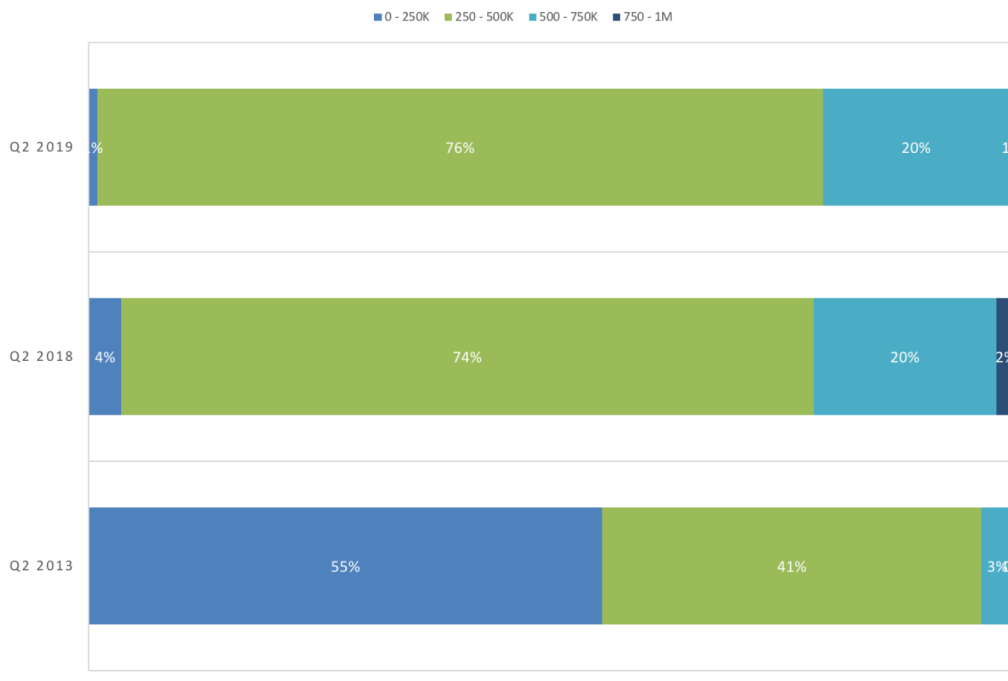
Price Trend in Longmont



The top graph shows the price trends in the east county communities over the past five years. The red line is the average price (\$434,701) and the blue line is the median price (\$405,000).

The most recent quarter showed modest appreciation. For reference the green line is the median price for Boulder County.

LONGMONT PERCENT OF SALES BY PRICE RANGE

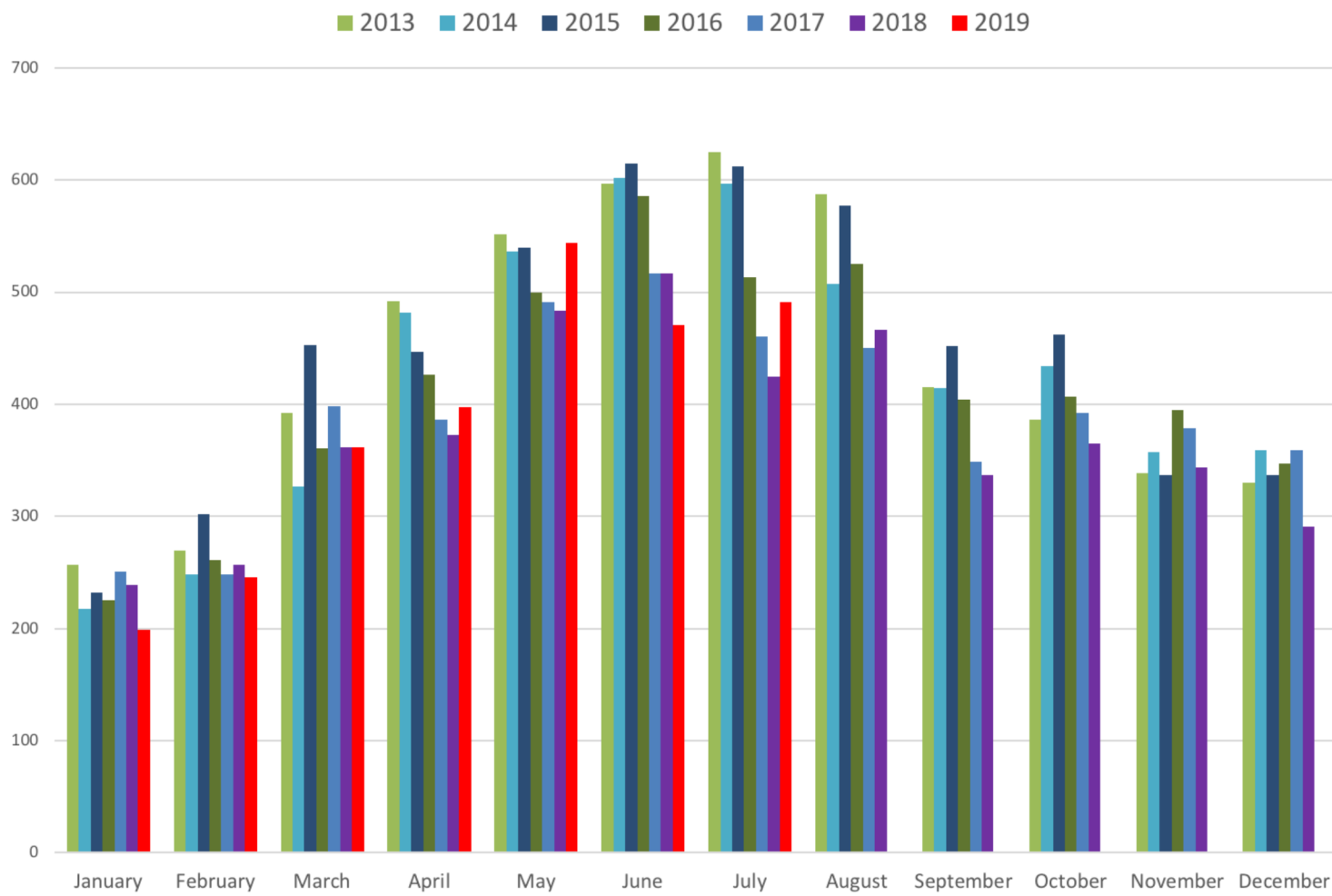


The bottom graph shows the sales which occurred in each price range during the quarter. The top bar is the most recent quarter, the middle bar is the 2nd quarter a year ago. The bottom bar for comparison represents the sales mix during the 2nd quarter in 2013. In 2013 55% of sales were \$250,000 and below, that price range represented just 1% this past quarter.

Note: The East Boulder County data includes the Weld County sales in Erie that are in the IRES MLS system

Boulder County - Monthly Sales Activity

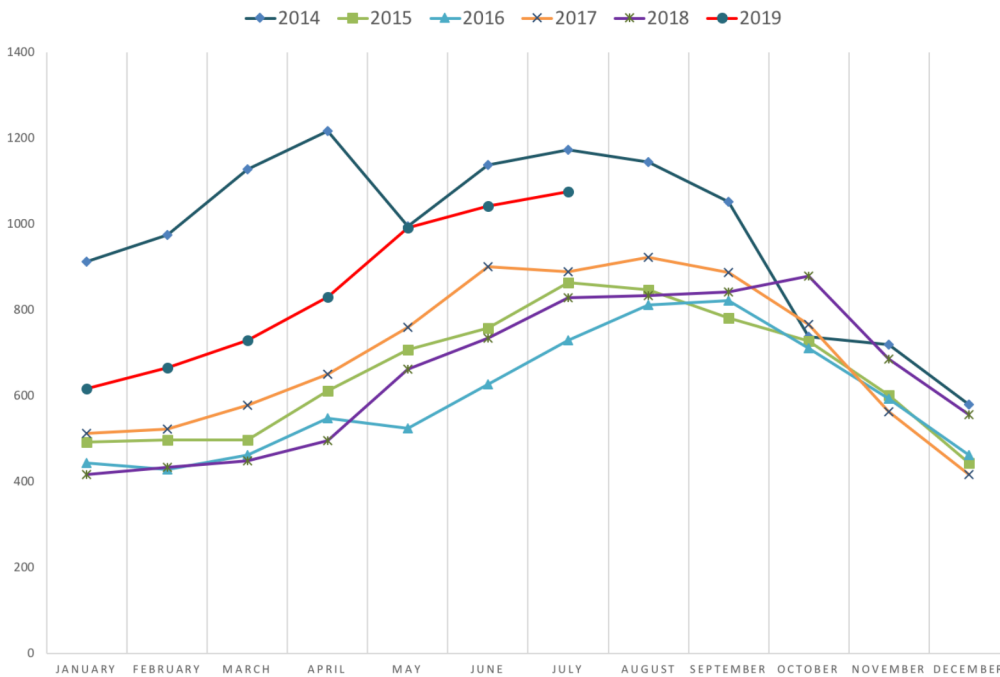
Number of Sales - Boulder County All Properties



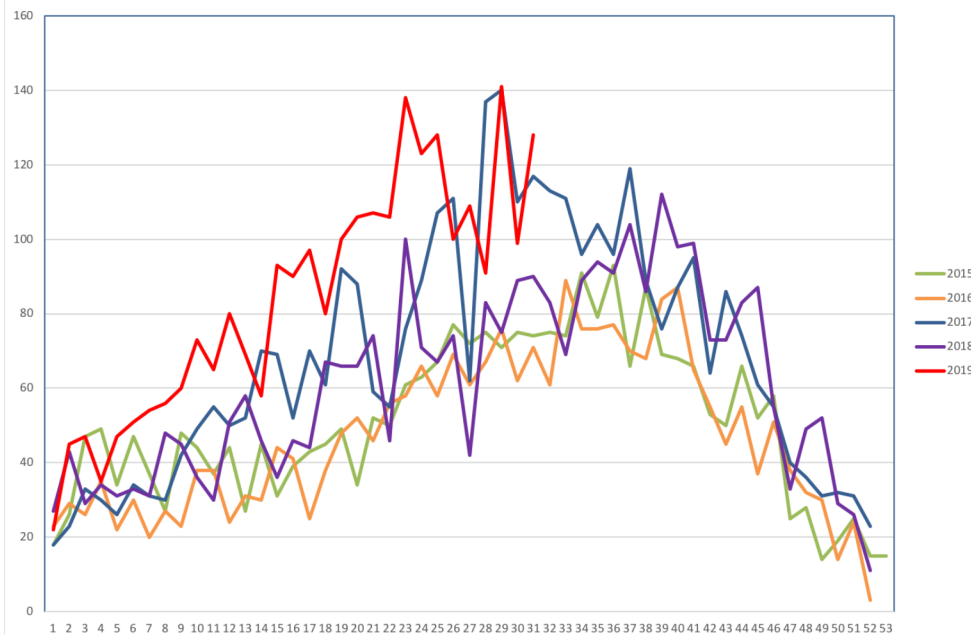
The graph on this page shows the seasonality of real estate sales in Boulder County. Sales over the past seven+ years are arranged by month of the closing. The normal time between contract and closing is 30 to 45 days so in order to get a true sense of the activity in the market roll back the statistics by one month. Our market has been very consistent. The slowest months in terms of closings are January and February and the most active months are May, June and July. Usually in the fall, we see a flattening out of the curve as strong sales occur through December. May and July were strong months in terms of closings when compared to last year. Overall, sales are up 2% from a year ago.

Tracking Under Contract and Inventory

TOTAL INVENTORY EXCLUDING UNDER CONTRACT



Price Reductions



The graphs on this page represent a snapshot of the strength of the market. The top graph shows available inventory on a monthly basis (excluding those homes that are already under contract) since 2014. Following a national trend, our market has seen a significant drop in available properties starting in the later part of 2014. Recently, we have seen a trend toward higher inventory (red line is YTD 2019), trailing only 2014.

The lower graph shows the number of homes that have had a price reduction in Boulder County on a weekly basis over the past four years. This year we are seeing more noticeably more price reductions as the market has softened and houses have stayed on the market for extended periods.

Kearney Realty Co. - Our Core Values

- Integrity and Class - Keeping our word; knowing what's right and doing what's right.
- Selfless Service - Exceeding expectations by focussing on exceptional service.
- Caring - All of our relationships are based on mutual respect, cooperation and consideration.
- Connected - Give back to the profession and the community.
- Innovation - Continually striving to find new and better ways to serve our customers and our associates.



We are proud to support our local community!

Some Recent Testimonials

"I would highly recommend Neil to anyone looking to purchase a home in Boulder. It was refreshing to work with Neil as he is such a down-to-earth, honest, genuine person. With Neil there is no pretense or salesmanship; he presented the homes to us, provided his insight and a detailed assessment of the advantages and disadvantages of each property, and gave us space to discuss and draw our own conclusions. Neil knows the market well and was able to give us information about properties that were not yet listed, which is important in Boulder's fast moving market. He was also flexible with scheduling, which we appreciated as we were coming in from out of town for our house-hunting trips. Neil is very responsive and continued to be so even months after our sale closed when we needed to contact the seller about an unfinished item. We are confident that Neil was the right person to help us with our move to Boulder and we wholeheartedly recommend him to anyone looking to buy here. Carrie Hutchinson

"Neil truly goes above and beyond! You will be absolutely amazed if you work with him. Every time I call Neil always picks up the phone. Every time I email, Neil always responds. When I needed a document emailed on the fly, it gets sent in under 10 min. In other words, Neil really works his magic to take care of his clients. I was contentiously surprised at his remarkable level of customer service.

When it comes to his real estate expertise, Neil is extremely knowledgeable yet, explains things in an incredibly easy to understand manner. His stellar experience, background and willingness to research are truly one of a kind!

I couldn't have picked a better realtor in Boulder! If you're on the search for one, Neil is by far, the best."
Brian C.

"Neil's wealth of knowledge, combined with his relaxed, no-pressure manner, make for a more-than-winning combination. He is completely familiar not only with the benefits and drawbacks of different geographical areas, but he also knows about houses from the inside out! He can explain electrical and plumbing issues; materials; grades and everything else. Neil is a keen observer, often pointing out things we missed. He went above and beyond by creating a special spreadsheet for us when we were stuck on a pricing issue. You never have to wait for a response from Neil either, so important during any real estate experience. Buying or selling a house can be a trying time, but we loved working with Neil, and highly recommend his services."
Suzanne Dingwell

"I can not recommend Neil highly enough! I have dealt with many agents over the years, and working with Neil was an A+ experience. He answered all my dumb questions, and he answered immediately, at all times of day or night. He took care of innumerable details, and went above & beyond, even weeding the property to make it show better! I would not hesitate to recommend him 100%, and I would definitely employ him again. Especially if you have had a bad prior experience with a real estate agent—give Neil a try. His integrity is unimpeachable." Marsha Conway