

The **Kearney** Report

Boulder County Real Estate Report



Second Quarter 2020



Neil Kearney

Real Estate Market Update

We have all been on a wild ride this year! As we started 2020 none of us could have predicted how flexible we would need to be as the world has changed the world changed around us. Face coverings, social distancing, Zoom meetings, cancellations, working from home,... these have all become a part of our year. We have seen some businesses adjust and thrive, and others close for good. We have seen the stock market tank and then rebound. Unemployment climb to record high levels and interest rates fall to all time lows. Real estate sales have been on a big pendulum as well. Low sales in April and May reflected the stay-at-home orders announced in March but have rebounded strongly this summer.



Everyone needs a place to live, and when we are forced to stay in our house for weeks on end it leads to decisions stemmed from change. Change is what drives the real estate market. As younger home buyers take advantage of low interest rates, we have seen especially strong sales of the lower priced homes in our market. It's taking a bit longer for the sales to trickle all of the way up to the luxury market, but it is happening. One thing we are seeing, is people being drawn to our beautiful and less crowded area from the big cities. Some who have the financial means to move away from the big city are looking into a change of lifestyle . A few weeks ago I got back to back calls from potential buyers from Miami who inquired about land in our area. This could be a trend that fuels our market into the future.

This is a strange year for statistics. Of course sales were down for the second quarter. We were all staying at home and taking family walks for two months instead of looking at real estate. But the graphs seen in this report do show that we had a very strong start to the year and have had a very strong rebound. The first part of the rebound was made up of buyers and sellers who were planning to buy or sell just as the pandemic hit. After all, March, April and May are our busiest months of the year. Those transactions were pushed back a few months. Now we are seeing another wave of activity fueled by low interest rates, a recovery in the stock market and people feeling more stable in their jobs. With those foundation points in place, people are able to dream of a different place to live that fits their needs better than where they are now.

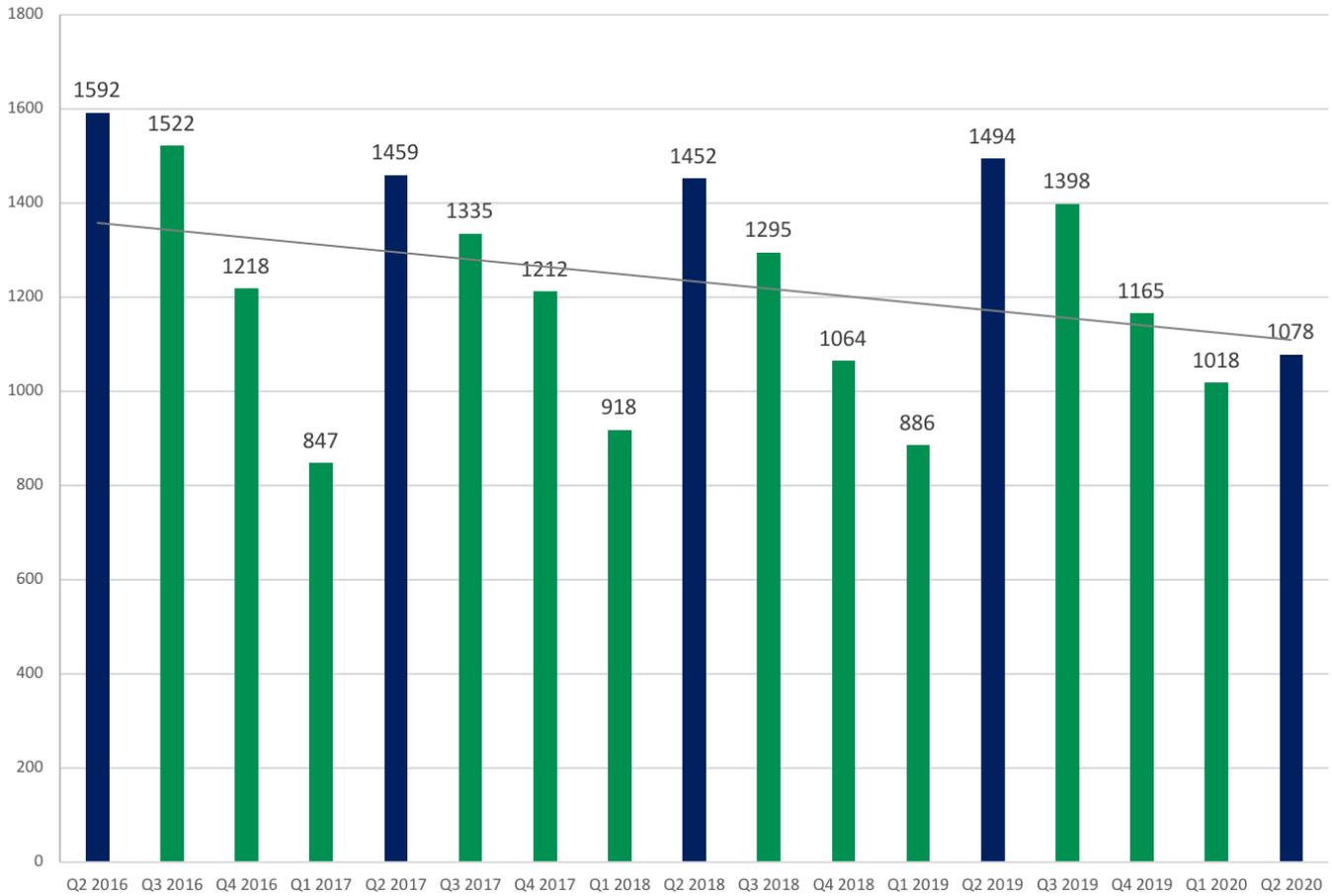
Obviously it's not a clear path ahead. This is an election year (different than any I have been a part of) and we are still trying to balance getting back to work and keeping our population safe. How this will affect small business, higher education (a big deal in our community), and commercial real estate are just three of the upcoming unknowns that may have large repercussions. We will all need to be flexible as we make plans based on past assumptions that may not hold into the future.

Homes continue to sell and as always I'm actively helping buyers and sellers successfully close transactions. I'm always here for you to be of service. Enjoy the report and stay in touch!

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 Sales Activity

Five Year Trend of Sales Activity - Boulder County

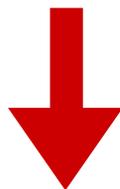


Boulder County Market Snapshot



Total Sales

Due to the slowdown caused by the pandemic, sales were down considerably during the second quarter of 2020. Sales are rebounding strong in the third quarter.



Median Price

A year ago the median price for sales in the 1st quarter was \$532,000, this year it was \$530,000. The lower end of the price spectrum is still seeing good price gains.



Days to Contract

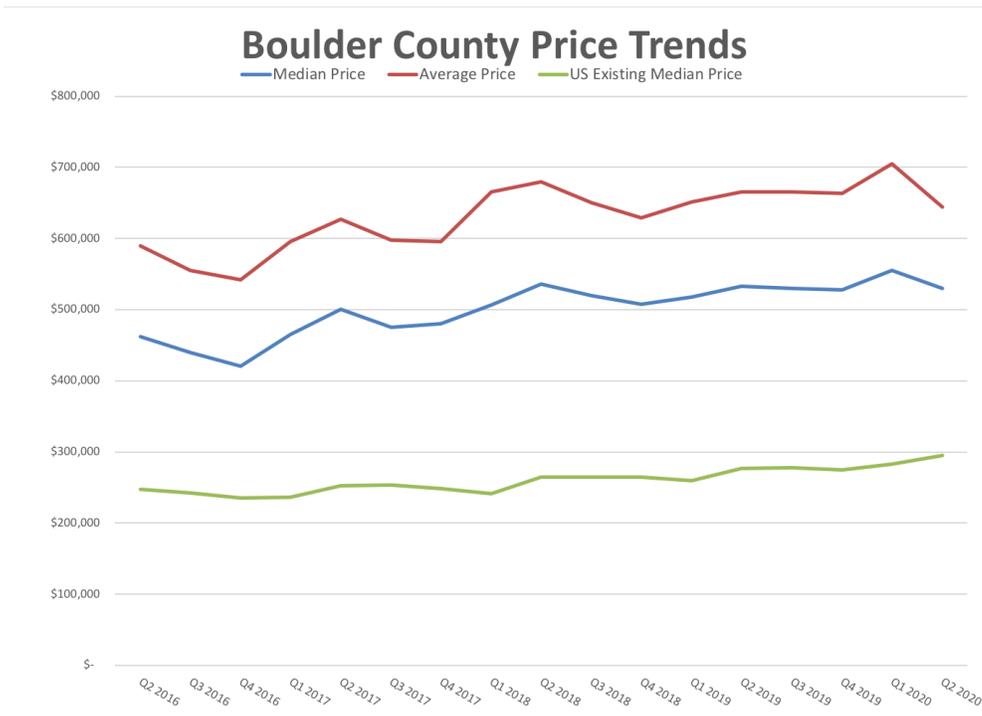
This past quarter it took 28 days on average for a house (that sold) to go under contract. The volume was less and the houses that sold were the top of the heap. This is a few days shorter than last year.



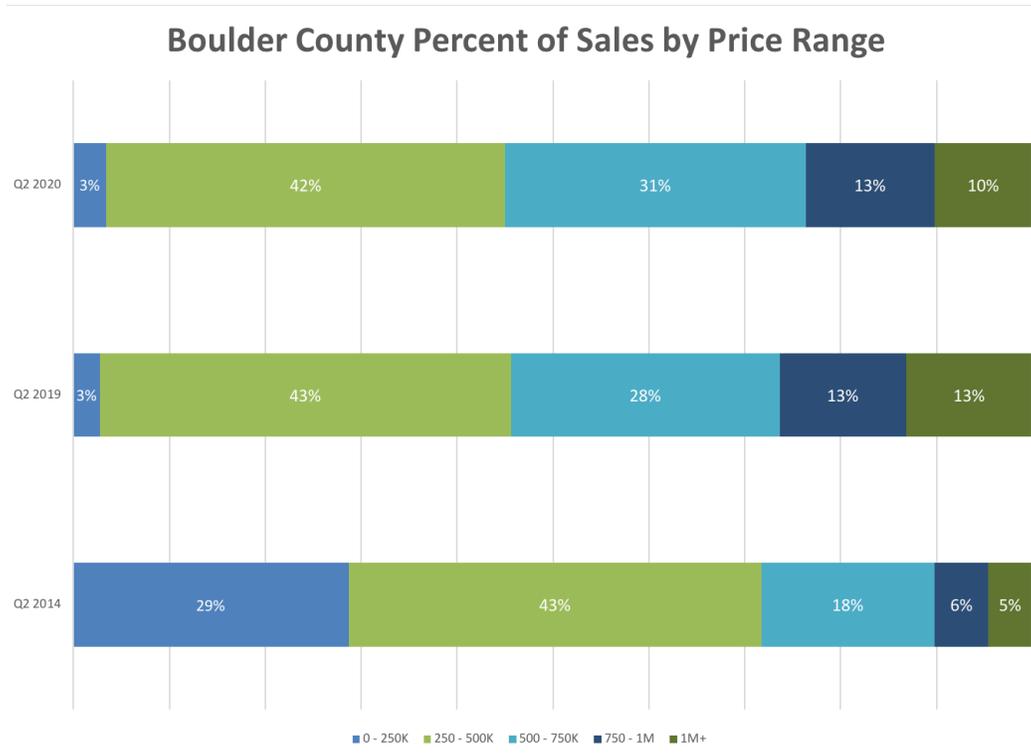
Months of Inventory

At the end of the quarter if sales kept up the current pace it would have taken 4.5 months to sell all of the listings if no new listings were added. This is more than a year ago. The increase is more of a function of lower sales than high inventory.

Boulder County Price Trends



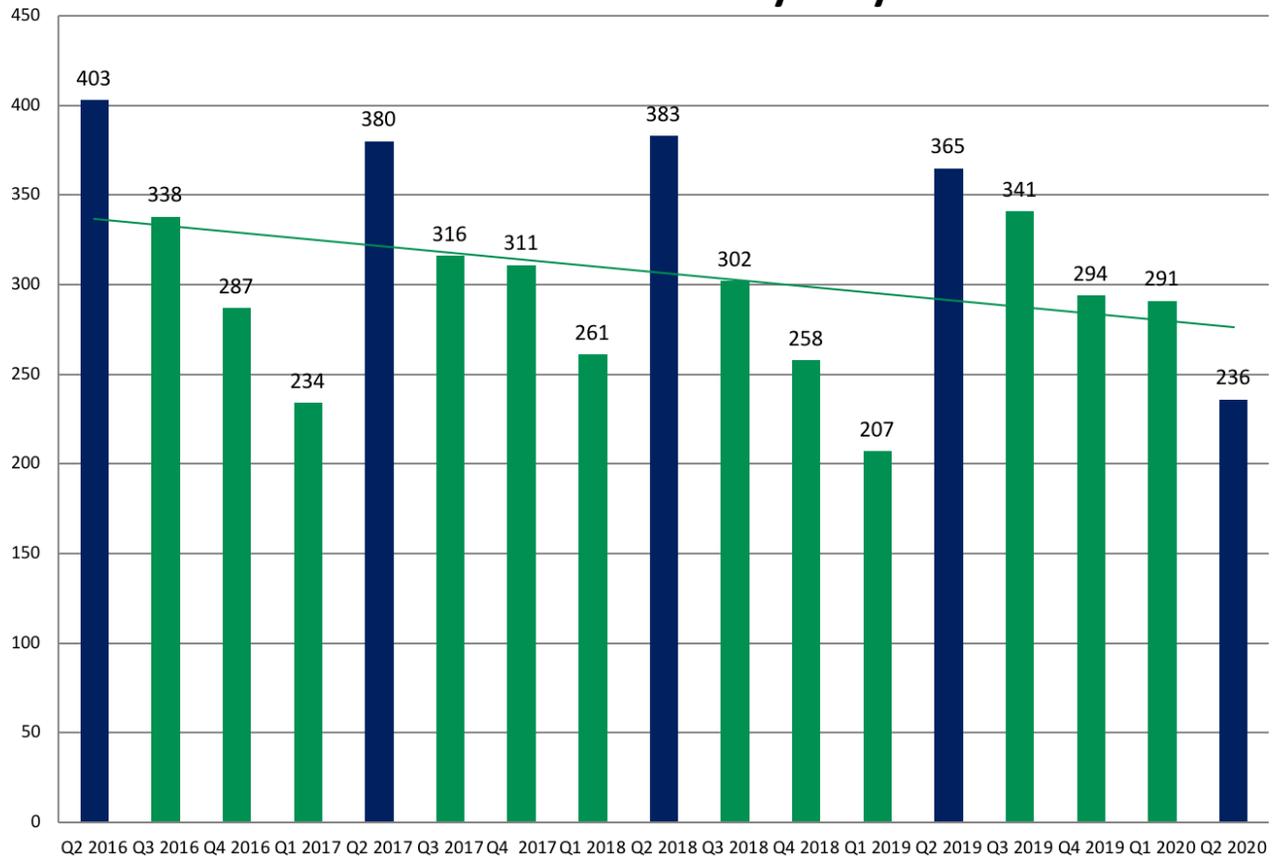
The top graph shows the price trends in Boulder County over the past five years. The red line is the average price (\$694,522) and the blue line is the median price (\$530,000) in the County. The most recent quarter showed a slowing in appreciation after a bump in the first quarter.



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 1st quarter a year ago. The bottom bar for comparison represents the sales mix during the 2nd quarter in 2014. 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. 2020 to 2nd qtr. 2019 sales decreased by 129 sales or 35%. This is not a surprising number given that we couldn't show properties until mid-May.



Median Price

Within the City of Boulder, the median price decreased by \$27,000 to \$750,500. This included both homes and condos. Lower priced condos and homes were still selling during the pandemic.



Days to Contract

On average it took 30 days for a home to go under contract. Last year during the 1st quarter it took 33 days. Still very fast! We didn't see as many new listings during the quarter.

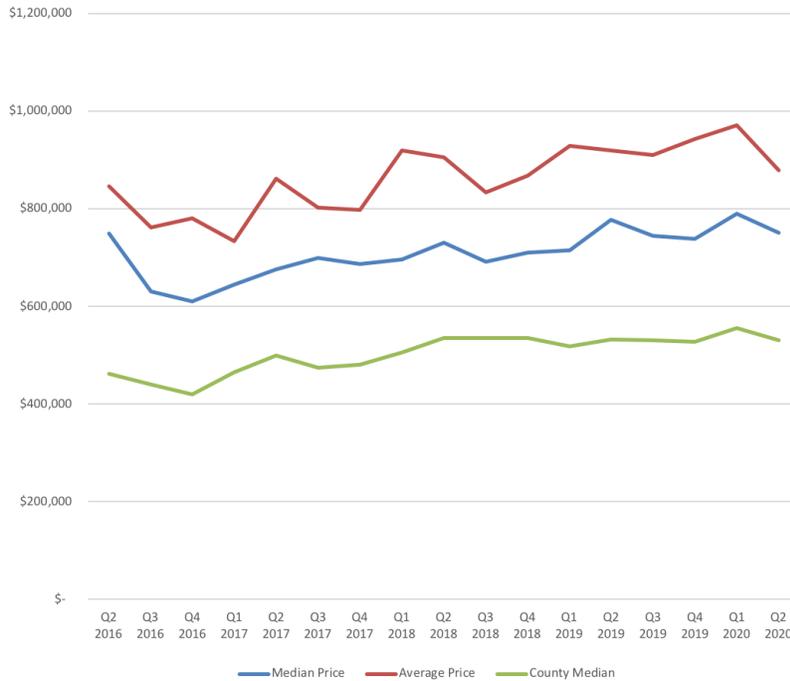


Months of Inventory

At the end of the quarter if sales kept up the current pace it would have taken 6.5 months to sell all of the listings in Boulder if no new listings were added. This is higher due to the lack of lower sales during the quarter and the new listings added by the end of the quarter.

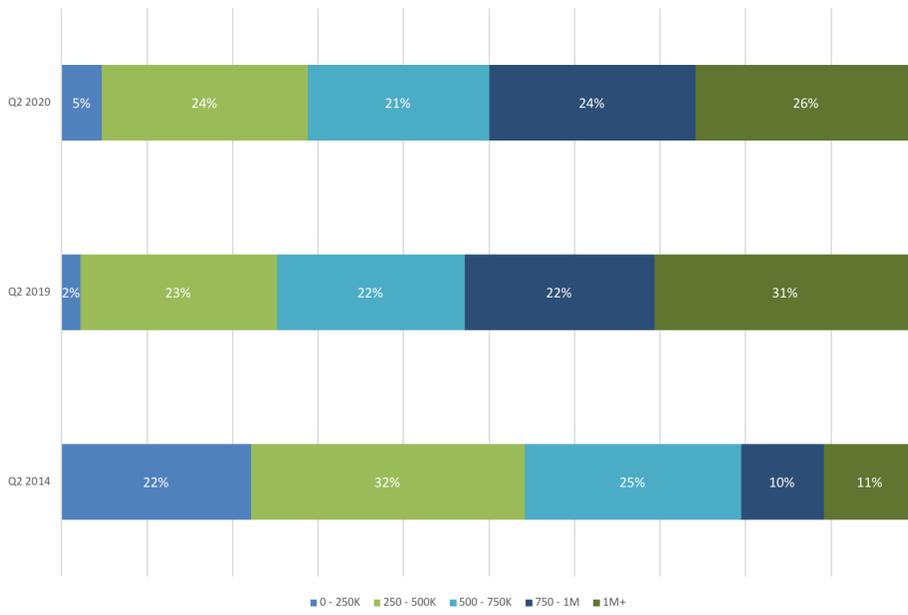
City of Boulder Price Trends

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 (\$879,480) and the blue line is the median price (\$750,500) within the City. The statistical prices dropped during the second quarter. It's too early to call that a trend, especially in a strange time period.

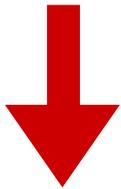
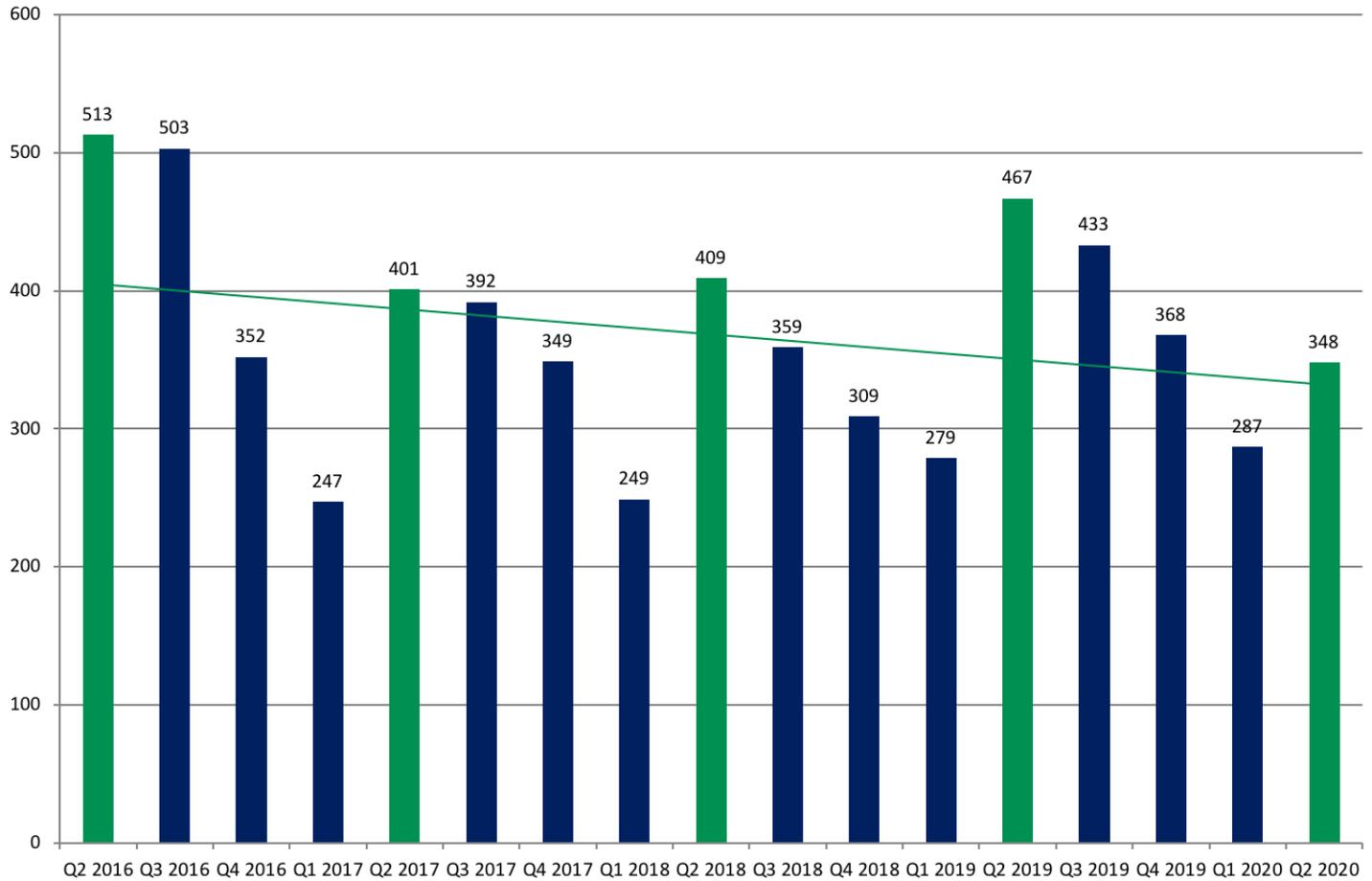
City of Boulder Percent of Sales by Price Range



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 2014. In 2014, 22% of sales were \$250,000 and below, that price range represented just 5% this past quarter and many of those sales were deed restricted.

Erie, Lafayette, Louisville, Superior Sales Activity

Five Year Trend of Sales Activity East County Communities



Total Sales

Comparing 2nd qtr. 2020 to 2nd qtr. 2019 sales decreased 25%. 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 2nd quarter was \$556,000, this year it was \$576,000.



Days to Contract

On average it took 26 days for a home to go under contract. This is 4 days faster than last year.



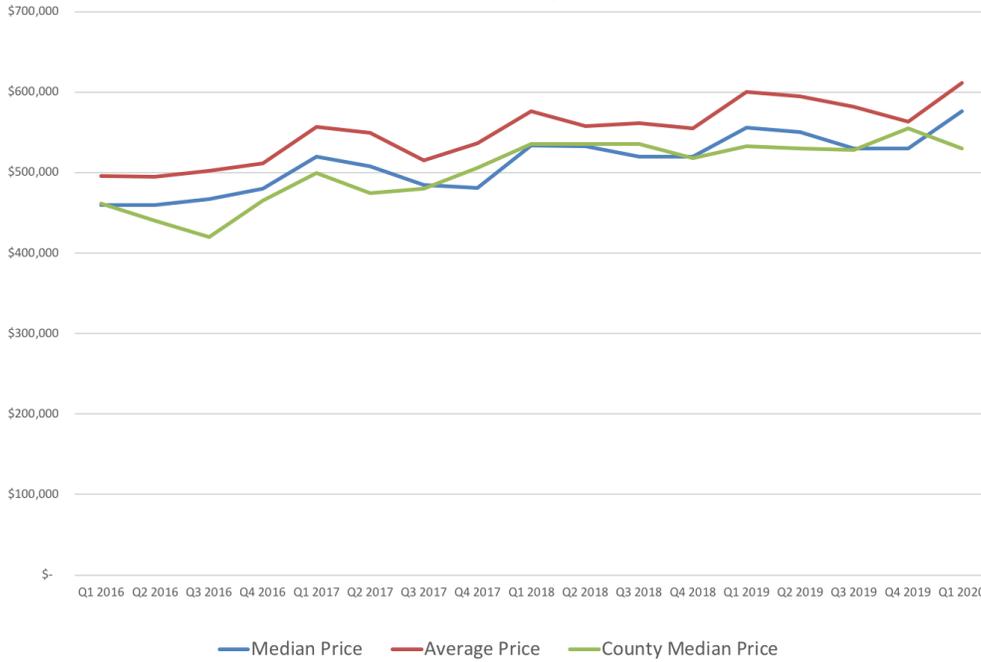
Months of Inventory

At the end of the quarter if sales kept up the current pace it would have taken 3.4 months to sell all of the listings if no new listings were added. This is a bit slower than last year.

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

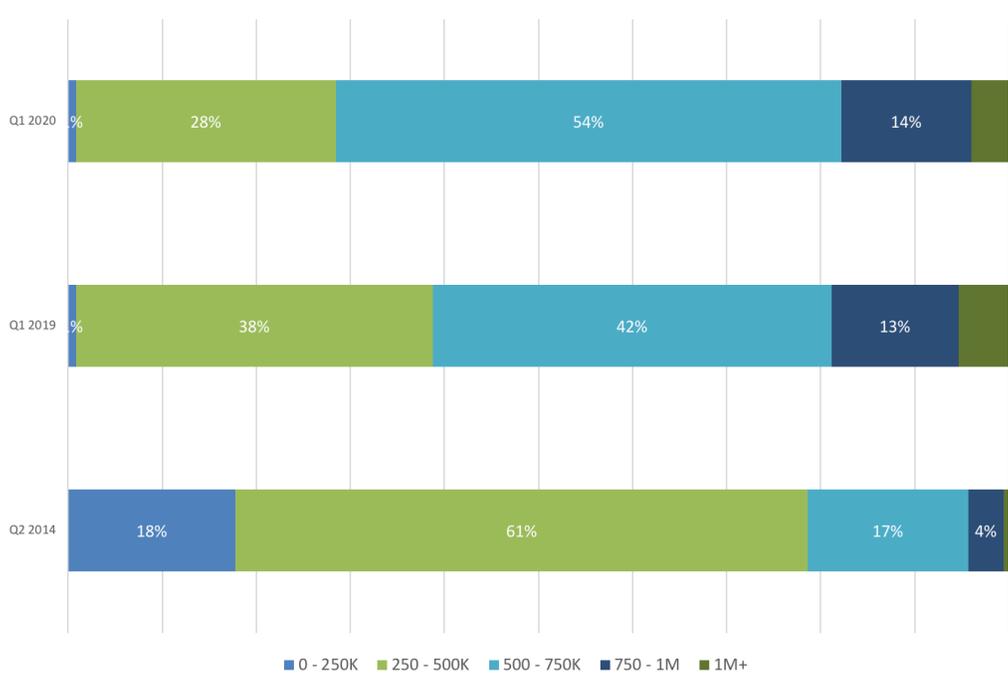
Erie, Lafayette, Louisville, Superior Price Trends

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 (\$611,471) and the blue line is the median price (\$576,000). This area was one of the few in the county showing an uptick in prices during the quarter.

East County - Percent of Sales by Price Range

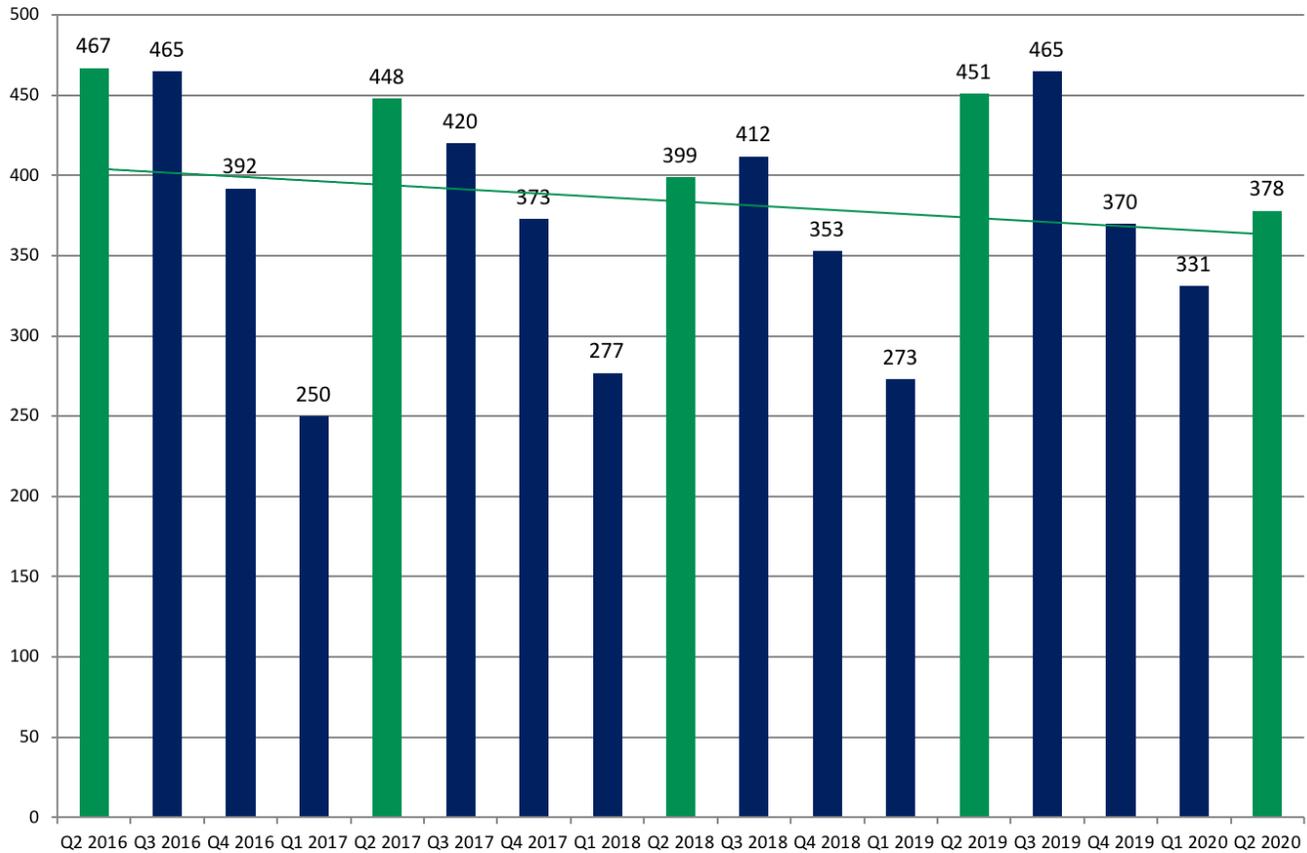


The bottom graph shows the sales which occurred in each price range during the quarter. The top bar is the most recent quarter, the middle bar is the 2nd quarter a year ago. The bottom bar for comparison represents the sales mix during the 2nd quarter in 2014. In 2014, 18% of sales were \$250,000 and 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. 2020 to 2nd qtr. 2019 sales decreased by 73 sales or 16%. Longmont had more sales than any other city in Boulder County.



Median Price

A year ago the median price for sales in the 2nd quarter was \$405,000, this year it was \$425,850 an increase of 5%.



Days to Contract

Of the properties that sold, it took on average 26 days for it to go under contract in Longmont. This is a few days shorter than last year.

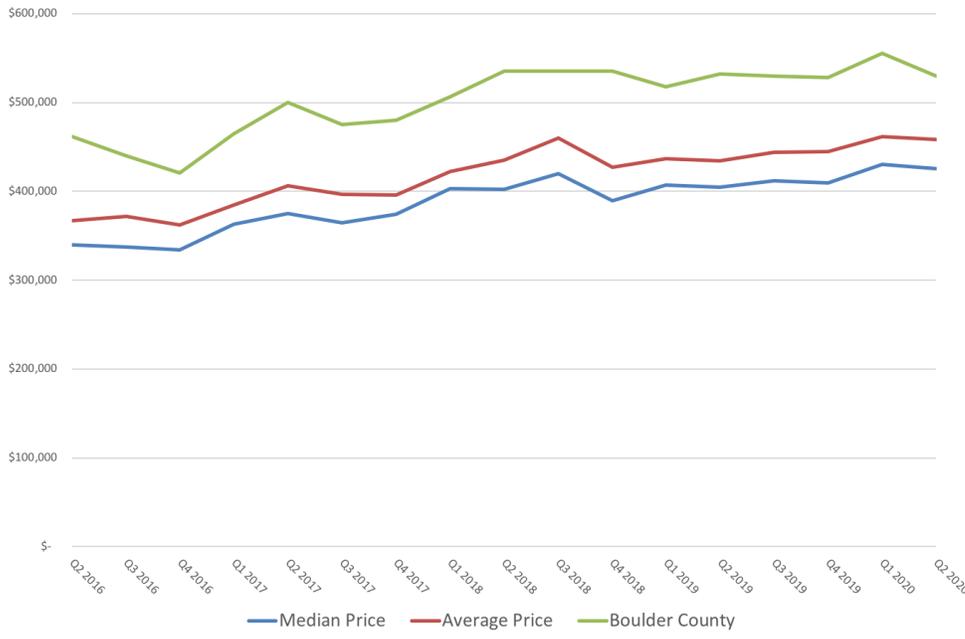


Months of Inventory

At the end of the quarter if sales kept up the current pace it would have taken 2.6 months to sell all of the listings if no new listings were added. This indicates a bit more activity in the market this year.

City of Longmont Price Trends

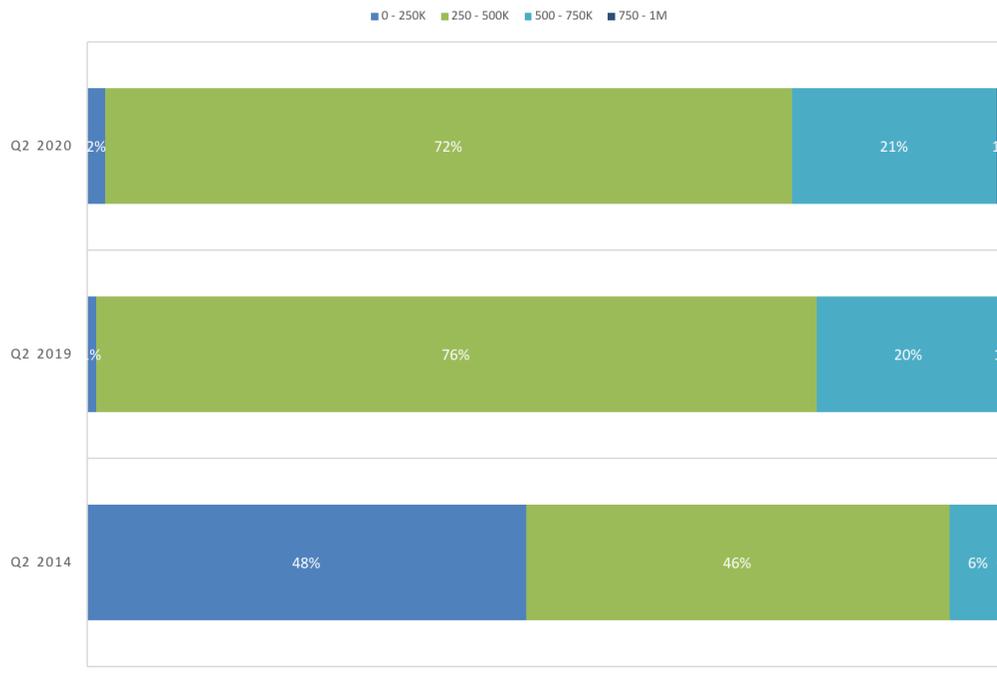
Price Trend in Longmont



The top graph shows the price trends in the Longmont over the past five years. The red line is the average price (\$458,767 and the blue line is the median price (\$425,850).

The most recent quarter showed a decrease in prices. For reference the green line is the median price for Boulder County.

LONGMONT PERCENT OF SALES BY PRICE RANGE



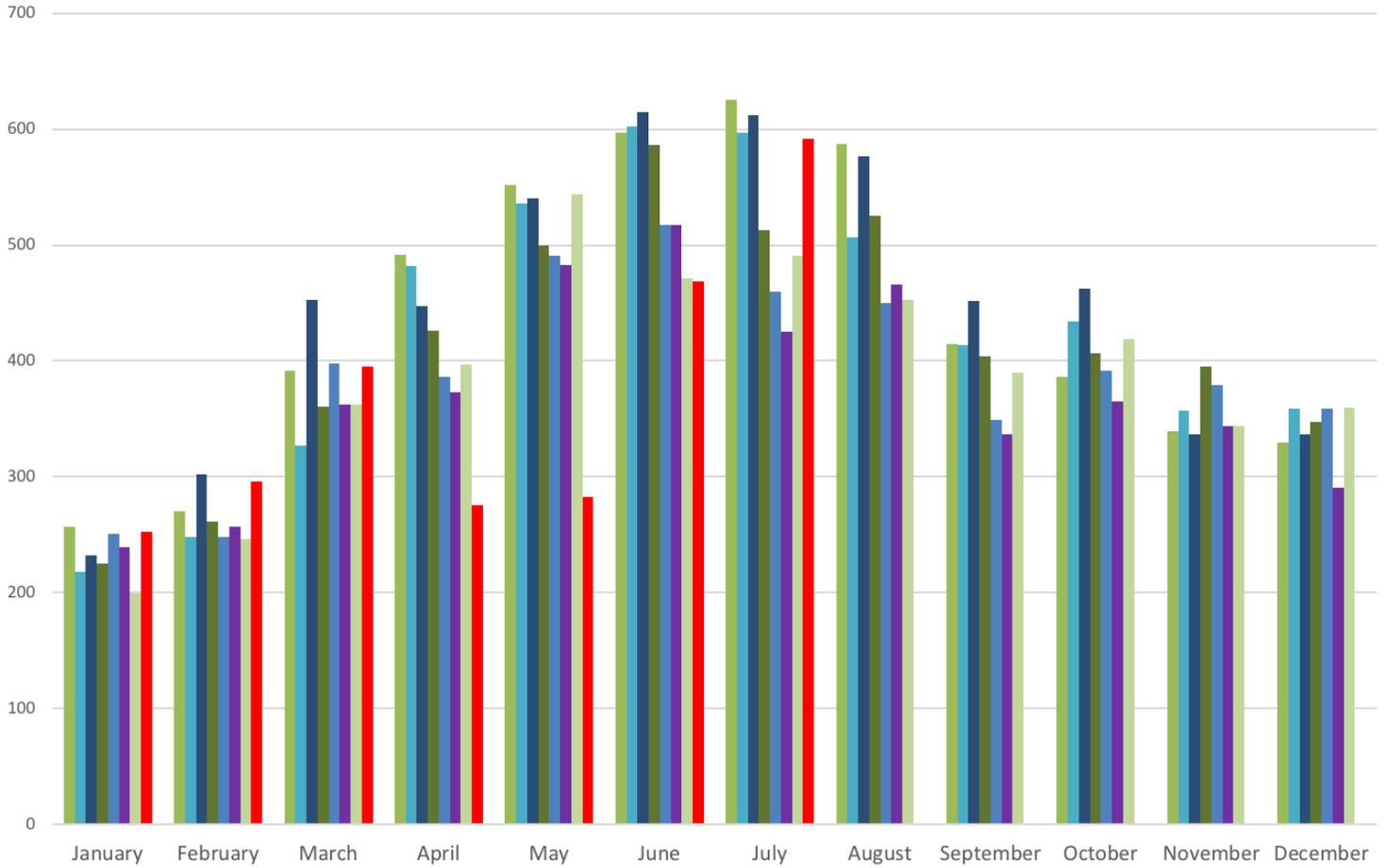
The bottom graph shows the sales which occurred in each price range during the quarter. The top bar is the most recent quarter, the middle bar is the 2nd quarter a year ago. The bottom bar for comparison represents the sales mix during the 2nd quarter in 2014. In 2014 48% of sales were \$250,000 and below, that price range represented just 2% 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

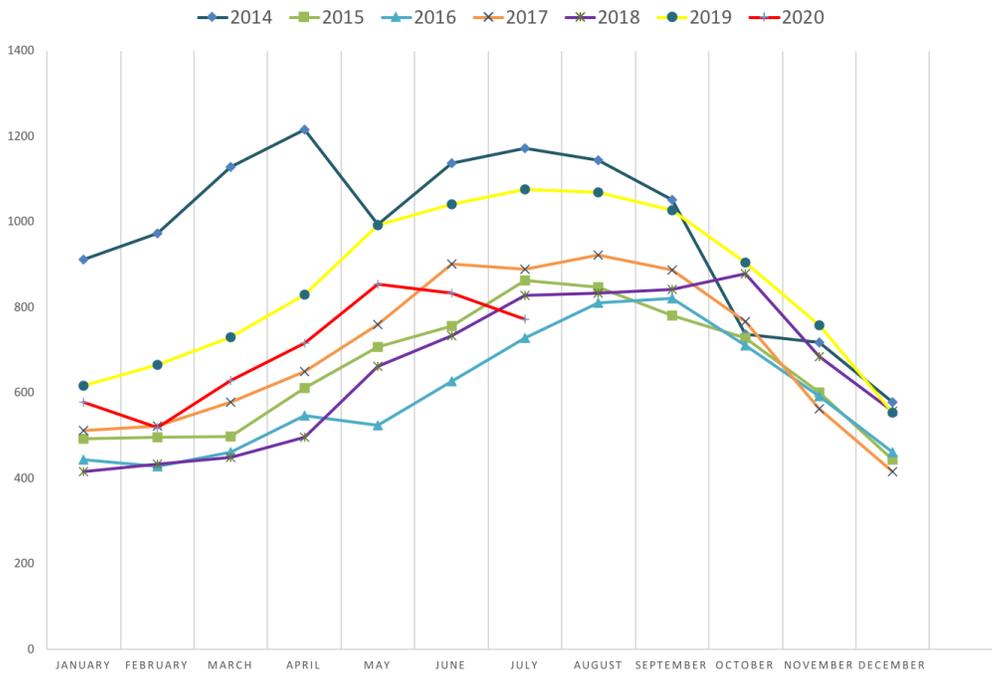
2013 2014 2015 2016 2017 2018 2019 2020



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. We were definitely on track for a very strong year through the first quarter, then the pandemic hit and sales in April and May were very low. We have seen a very strong recovery since showings began again in May.

Tracking Inventory and New Listings

TOTAL INVENTORY EXCLUDING UNDER CONTRACT

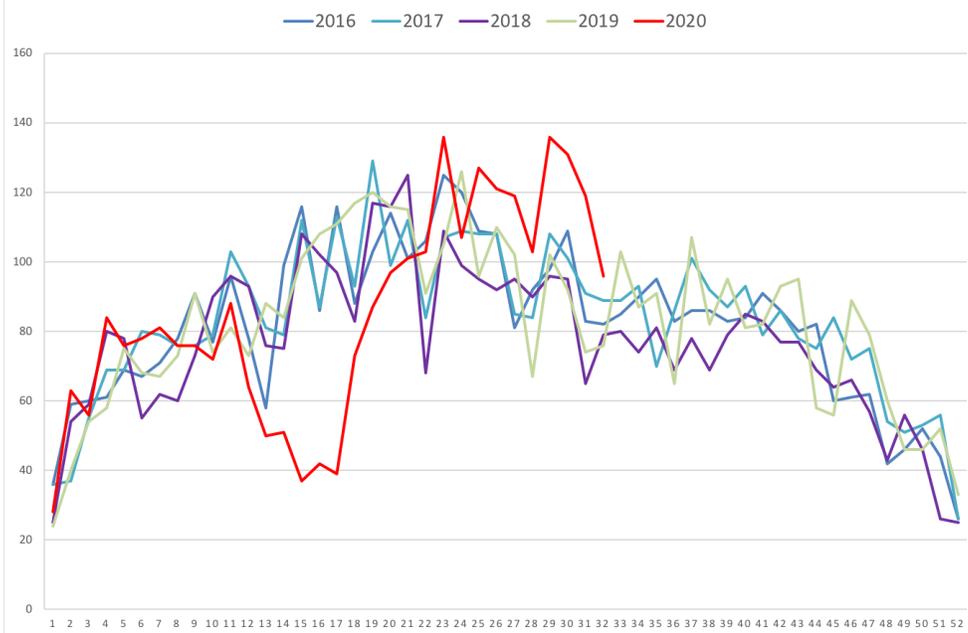


The graphs on this page show the activity in the market.

The top graph shows available inventory on a monthly basis (excluding those homes that are already under contract) since 2014.

The red line shows the inventory so far this year. With roughly 50% of the market under contract the actual available inventory is very low.

WEEKLY UNDER CONTRACT



The lower graph shows the number of properties being listed as going under contract on a weekly basis in Boulder County. You can see the big drop in March and April and then the recovery in early May. Since June, the activity has been very strong!

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