



Market Insights

A look at the current real estate market; provided by RE/MAX ALLIANCE

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Here's a question in keeping with the arrival of spring and the birth of a new baseball season. What's the most expensive baseball card ever sold? Is it the Tulowitzki rookie card? Not! You'd have to go back over a hundred years for the card that sold in 2007 at auction for \$2.8 million to Ken Kendrick, owner of the Arizona Diamondbacks. It's the Honus Wagner T206 card produced by the American Tobacco Company between 1909 and 1911.

With that bit of baseball trivia, let's segue from baseball to real estate and the concept of scarcity. What made the Honus Wagner card so valuable was the fact there were so few cards distributed – only forty to the public. What has made home values increase over the course of the past few years across the Boulder Valley and Front Range is too few homes available for sale. As an example of appreciation, the average sales price of a single family home in the City of Boulder in 2011 (when the real estate market bottomed out) was \$664,620. The average sales price of a single family home in the City of Boulder in 2014 was \$823,550. That's a collective increase of 23.91% over that period of time.

That same pattern of appreciation has transpired in the various municipalities surrounding the City of Boulder. Once identified as bedroom communities, towns and cities like Superior, Louisville, Lafayette, Erie, Broomfield, and the mountain areas have grown-up over time. They haven't reached the same level of average sales value as the City of Boulder, but home values have continued to increase throughout the Boulder Valley fostered by new construction and lack of inventory.

Let's see how these previous bedroom communities did compared to the City of Boulder. Below are **single family** average sales prices for 2011 and 2014 for various geographic areas throughout the Boulder Valley. Information is courtesy of IRES (the Northern Colorado MLS).

<u>Area</u>	<u>2011 Average Sales Price</u>	<u>2014 Average Sales Price</u>	<u>% Change</u>
Boulder	\$664,620	\$823,550	+23.91%
Superior	\$423,885	\$509,950	+20.30%
Louisville	\$412,121	\$537,124	+30.33%
Lafayette	\$372,445	\$433,416	+16.37%
Longmont	\$244,774	\$306,144	+25.07%
Suburban Plains	\$551,819	\$618,848	+12.14%
Suburban Mountains	\$398,398	\$477,272	+19.79%

As the City of Boulder gets built out (filled in), look for growth to the east. Superior, Louisville and Lafayette are mostly in an in-fill status. Erie continues to cultivate new home subdivisions and will eventually be larger in terms of both number of residents and acreage than any of the three communities just noted.