

MARKET INSIGHTS



A look at the current real estate market.
An information source provided by RE/MAX Alliance.



“A pessimist sees the difficulty in every opportunity; an optimist sees the opportunity in every difficulty.”

- Winston Churchill

This well-known Winston Churchill quote applies aptly to our current real estate marketplace.

Depending on the perspective from which you are viewing the market, you could find reason to be pessimistic. However, taken as a whole, the picture that's been painted over the last 8 months is by and large a positive one.

Most of the activity we've seen in this almost three quarters of 2016 offers plenty of cause to view the market in an optimistic light.

Nationwide, new home sales have risen almost 32% year over year and are at the highest peak they've seen in the last 9 years. Month over month sales are up more than 12% in most areas.

New home builders have responded to consumer demand by picking up the pace and, according to The National Association of Home Builders Chairman, Ed Brady "... conditions have been improving. As existing home inventory remains flat, we should see more consumers turning to new construction."

While inventory levels aren't quite where we'd like to see them, flat may be a slight exaggeration.

Most importantly, the biggest building surge we're seeing has been in lower end, affordable single family housing as opposed to high end, condo or multi-family units. This is important to the market because right now, the greatest demand is for single family homes.

That's great news for the many buyers in this marketplace that are feeling the squeeze of those anemic inventory levels.

While many of these buyers have been creatively resourceful about getting their desire for a home met, the surge in new home builds is a welcome boon to those most interested in move in ready dwellings.

Speaking of move in ready properties, resale numbers consisting of residential single family and condominiums surged somewhat in the August selling market.

And speaking of the August market, in **Boulder County**, of the **783** active homes offered for sale, **453** experienced new ownership. Compared to August 2015 numbers of **852** active with **524** sales we easily hold onto that optimist outlook.

Happy sellers used the opportunity of a sharp increase in median sale price of **\$455,000** from August 2015 median of **\$394,350** to their advantage. Days on Market average of **55** compared to last year at this time of **52** isn't enough of a gap to be concerned over.

We continue to see increases overall in equity, increases in sale price and increases in sale numbers over last year's figures. Those stable economic forecasts and continuing historic low interest rates positively impact perception of home ownership as an affordable alternative to paying ever increasing rental costs.

Stat Check

2015 2016

Active

852 | 783

Number of Units Sold

524 | 453

AVG Days on Market

52 | 55

Median Price

\$394,350 | \$455,000