

BOULDER VALLEY REAL ESTATE REPORT

Statistics, Trends & Outlook



Celebrating 40 Years as Trusted Community Experts



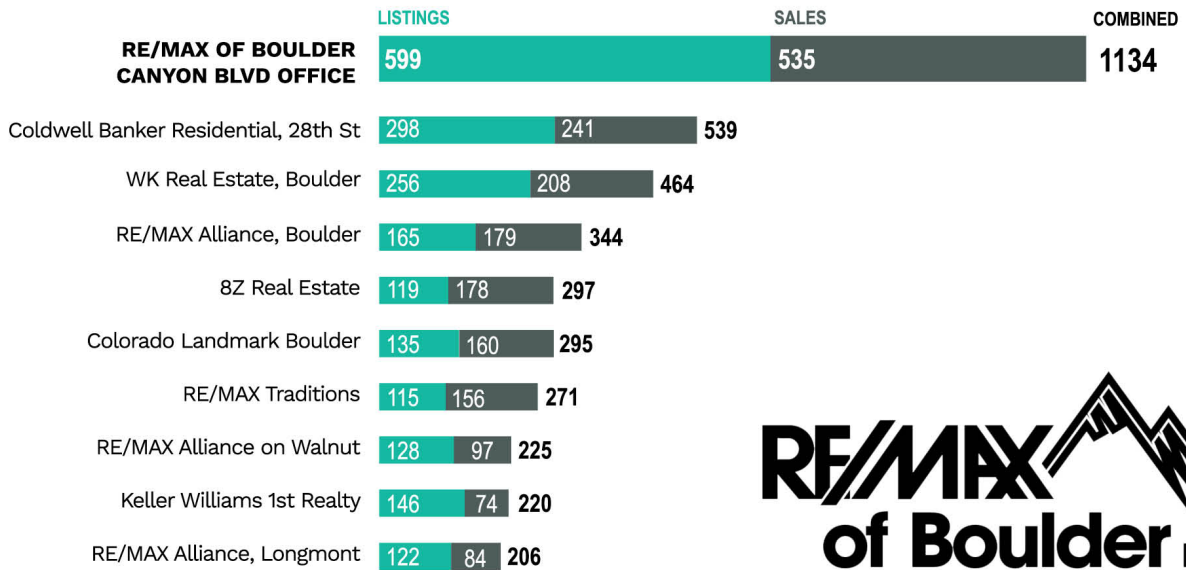
The Market Continues to Climb

A Rising Luxury Portfolio

2017 Outlook

THE DIFFERENCE IS DRAMATIC

Top 10 offices: Residential Broomfield & Boulder Counties



Data from IRES MLS, January 6, 2017, for time period January 1, 2016 – December 31, 2016. Residential listings sold are single family and condos/townhomes. May or may not reflect all real estate activity in the market.

Thank you, Boulder Valley, for 40 fabulous years.

#1

**RE/MAX OFFICE
IN THE UNITED STATES
7 TIMES**

1976

\$51,543

2016

\$1,071,554

**AVERAGE HOME PRICES
IN BOULDER**

336.44%

**BOULDER METROPOLITAN STATISTICAL AREA
APPRECIATION SINCE 1991**

*FHFA.gov

8.7%

**THE START
1977**

18.6%

**THE HIGH
1981**

3.3%

**THE LOW
2012**

*Freddie Mac

30-YEAR FIXED INTEREST RATES

INFINITE GRATITUDE

**TO THE COMMUNITIES WE SERVE,
THE NONPROFITS AND LOCAL BUSINESSES
WHO MAKE THIS PLACE GREAT!**

Cultivating Community

December 2016. Excerpted with permission from the Boulder Daily Camera, AT HOME. Story by L.L. Charles, AT HOME

When we think of a city, we tend to think of its geography, amenities and commerce. But it's the connections between people that make communities truly strong.

"We stand for community," says Owner and Founder of RE/MAX of Boulder (RMB) Tom Kalinski. "It's a guiding principle of our company and we are committed to making a local impact."



Photo by Bob Truemper

they care deeply by digging in and truly participating in as many ways as they can across our community." Community leaders agree.

"There With Care is honored to partner with RE/MAX of Boulder to support the families and children we serve who are facing critical illness," says Dana Bacardi, vice president of development for There With Care.

"RE/MAX of Boulder is an integral part of our mission to help local seniors stay safe and live more independently," says the communications director for Boulder County CareConnect.

"RE/MAX of Boulder has been a wonderful partner. They realize the vital need for supporting vulnerable populations in our community," says Claire Clurman, executive director, Attention Homes.

"I cannot say enough about the generosity and support we have received from RE/MAX of Boulder," says Jean Wood, RMB administrative assistant and the spearhead of The Lost Boys of Sudan, an organization that has helped Sudanese refugees settle in Boulder over the past 16 years. "I am so honored to be affiliated with such a caring group of Realtors. They truly are family."

Curious about RMB's community involvement, or have an idea we should consider? Contact our Director of Community Relations Dana Leventhal at 303.449.7000. Read about the innovative businesses and nonprofits we're excited about on our community news website, **BoulderSource.com**.

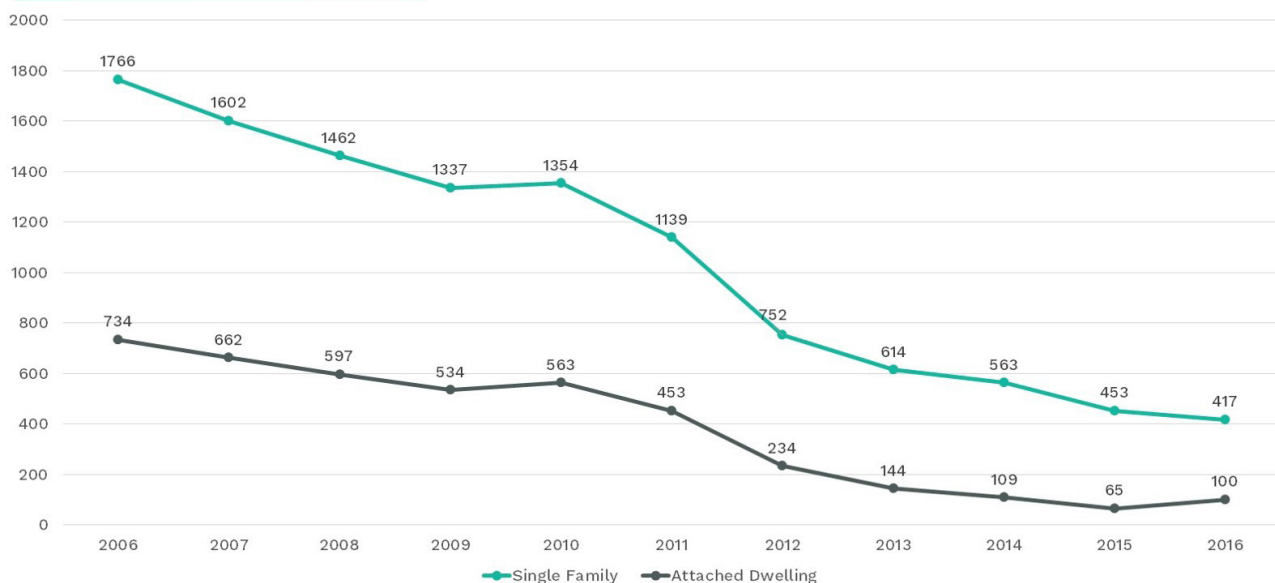
A Legacy of Caring Stewardship

This is active giving. RMB Realtors regularly roll up their sleeves as board members and volunteers for organizations across the community, like Share-A-Gift, YMCA of Boulder Valley, There With Care, Attention Homes, Community Food Share, Boulder County Connect Care and many others.

Broker Owner Jay Kalinski says, "Our Realtors have proven that

Inventory of Homes for Sale in Boulder County

Homes for Sale in Boulder County



The Market Continues to Climb

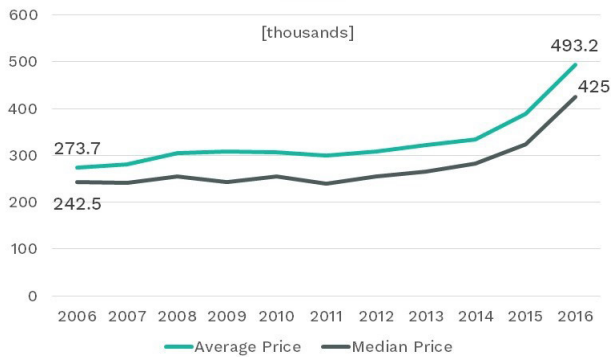
A Persistent Challenge: High Demand and Low Inventory

The first half of 2016 saw fierce buying competition throughout the Boulder Valley. The simple reason, of course, is that demand far exceeded the supply of available homes, townhomes and condos on the market. There are many contributing factors, including a seemingly relentless in-migration to Colorado, particularly along the Front Range where 96% of Colorado newcomers settle, according to the State Demographer's office. This influx of new household formations, combined with a relatively low rate of housing development for several years running, has had a particularly intense effect on the real estate markets of Boulder, Louisville and Superior. The exception is Longmont, where many new developments came online. Appreciation and continued low interest rates are magnifiers, motivating every kind of real estate investor – from new buyers to upsizers, downsizers and income seekers – to compete for a stake in the market. The first half of the year we saw exceedingly low inventory of attached dwellings, which led to multiple-offer situations and drove high appreciation rates for townhomes and condos throughout Boulder Valley. Thankfully as the year progressed, we saw more inventory materialize. However, because of its relative affordability, demand and price appreciation continued unabated. The attached dwellings under construction now are at a significantly higher price point, and we continue to be concerned about affordability, particularly with interest rates edging up.

The average sales price for a single family home in Boulder County increased by almost 49% over the last 5 years.

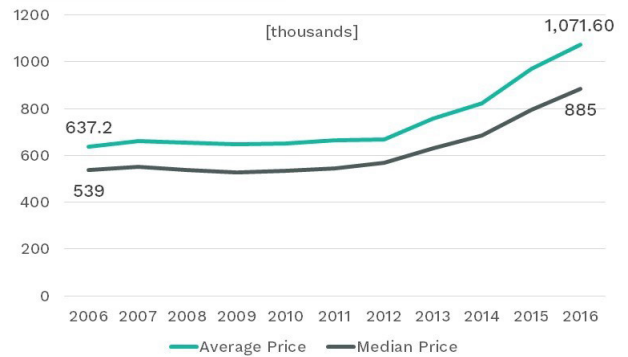
City of Boulder

Attached Dwelling Prices



The average price for an attached dwelling (condos & townhomes) in the city of Boulder increased 26% in 2016 and is up 47.5% in the last two years. The number of sales declined 21% from a year ago, due to a lack of available properties. Sales price to list price was 100.7% in 2016.

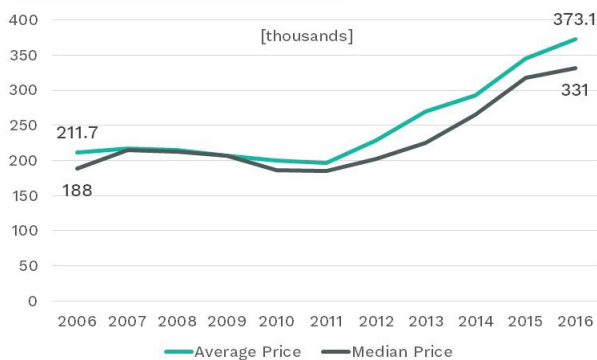
Single Family Prices



The city of Boulder crossed the \$1 million threshold for average sales price in 2016. During the Great Recession (2006-2012), appreciation in Boulder was still a positive 4.9% in average price. Since then prices have risen 60% with last year rising 10.5%. The number of sales declined almost 10% due to a lack of inventory in 2016.

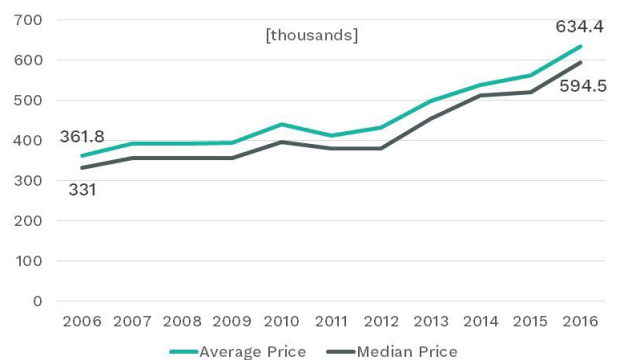
City of Louisville

Attached Dwelling Prices



From 2006 to 2011 the average price of condos and townhomes dropped 7.2%. Since 2011, the average price has risen 90%, in part due to new construction at a higher price point. The good news for buyers is that inventory is rising and there is now 5.6 months of inventory. Sales price to list price is still very strong at 101.5%.

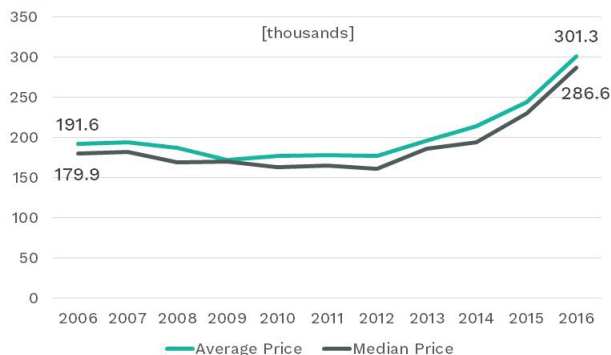
Single Family Prices



The average price of a single family home rose another 12.7%, making for an almost 75% gain in the last 10 years. Median price is up almost 80% in that time frame. Inventory is still tight and a drop of 11% in the total number of sales reflects this. Sales price to list price is 100.2%. There is just 1.9 months of inventory.

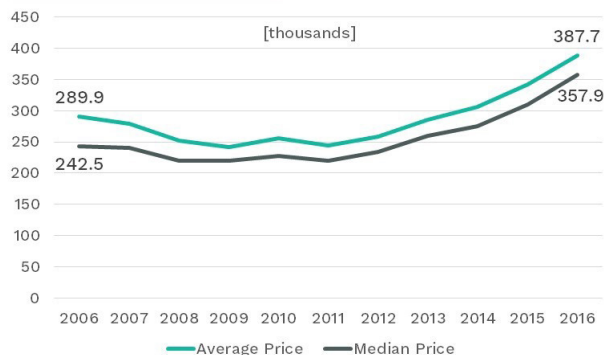
City of Longmont

Attached Dwelling Prices



There was a 23.3% jump in average sales price in 2016, and the median sales price increased almost 25%. There was a slight increase in the number of units sold. Inventory is up 45% but sales are brisk, with sales price to list price at 101.3%. With 2.6 months of inventory, 63% of units on the market are under contract.

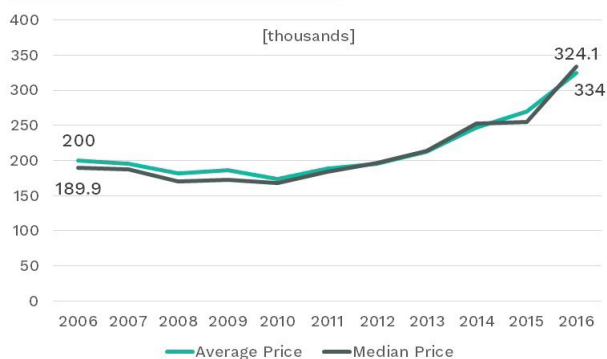
Single Family Prices



The Longmont market was strong in 2016 with the average sales price increasing 13.4%. Median prices were up 15.4%. The market has seen a steady climb over the last five years. There is slightly more inventory than a year ago, but the percent under contract is higher, too, at 52%. There are just 1.6 months of inventory available.

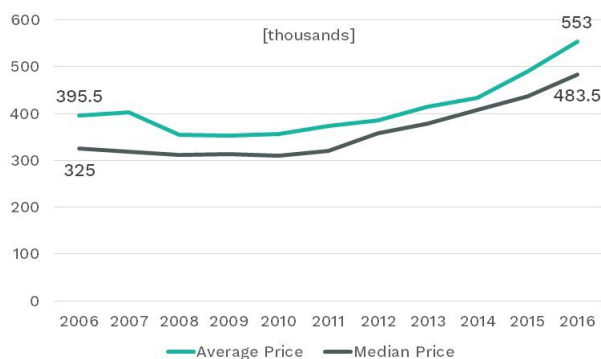
City of Lafayette

Attached Dwelling Prices



In 2016 the average sales price increased over 20% with median prices increasing by 31%. This is due in part to new construction at a higher price point. The number of sales increased by 6.4% even with inventory dropping. Sales price to list price was 102.3%, further demonstrating the strength of the market.

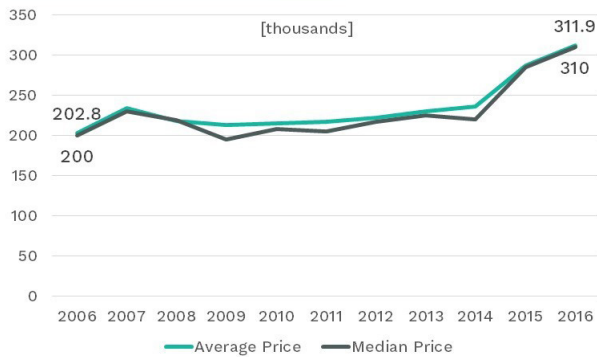
Single Family Prices



In 2016 the average sales price increased almost 13%. Since 2012, it has increased 43.5%. Median prices are up over 51% since 2011. The number of sales in 2016 was down 24% from the year before, though inventory is now starting to rise and some new construction is underway. Currently there is less than 2 months of inventory.

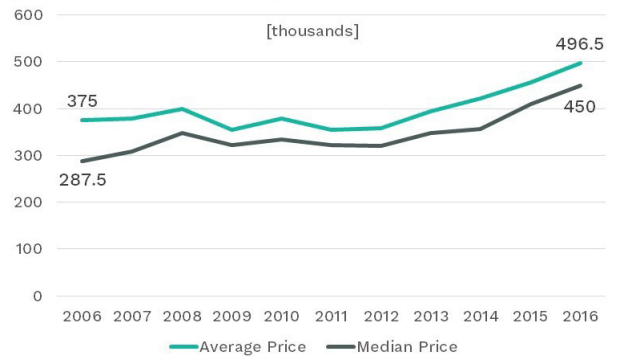
City & County of Broomfield

Attached Dwelling Prices



Both average and median prices rose 8.8% for attached dwellings. The number of sales for the year was up nearly 20%. Currently, very little inventory is available and 88% of active listings are under contract.

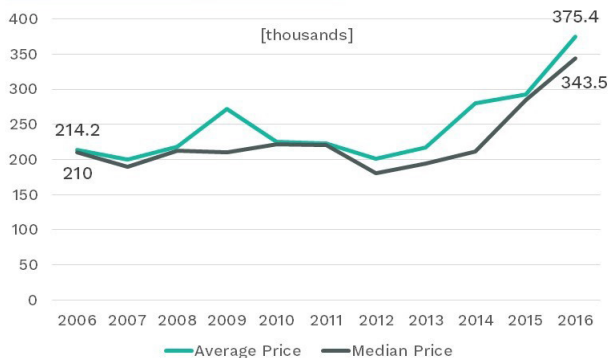
Single Family Prices



The median price of a home increased just under 10% in 2016. The average price increased 8.7%, settling just under \$500,000. Inventory at the end of the year showed a slight increase, but so did the percent under contract at 42%.

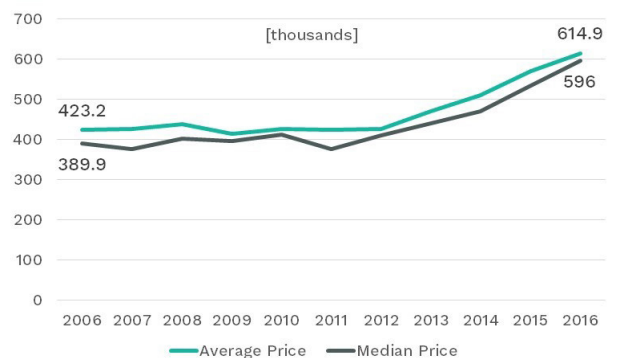
Town of Superior

Attached Dwelling Prices



Superior continues to have very limited inventory and consequently, a small number of sales (39 in all of 2016), making for a very small data point. Additionally, due to new construction in a higher price range, we see average prices up 28% and median up 20.5%.

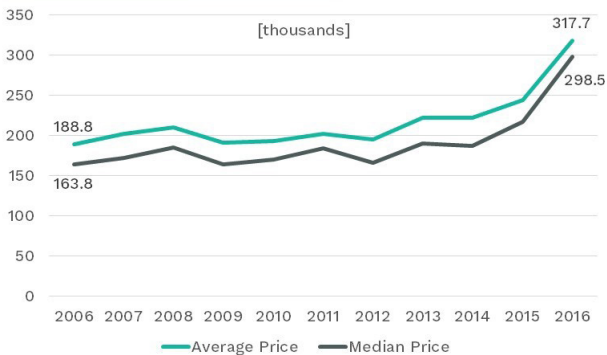
Single Family Prices



In 2016, price appreciation slowed somewhat to just under 8% for average price and 11.4% for median. Extremely low inventory makes this market a challenge for buyers, with less than a one month supply of inventory.

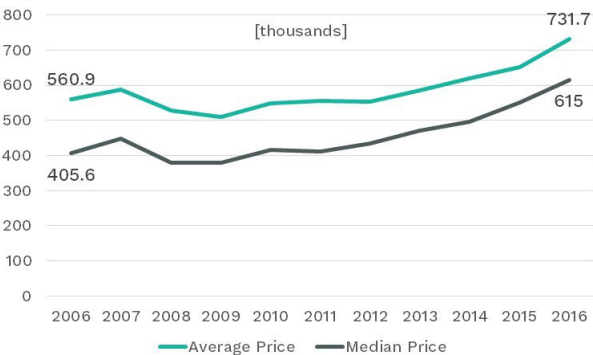
Suburban Plains

Attached Dwelling Prices



The average sales price increased by a whopping 31.7% and median prices increased by 38.8%. The number of sales increased by 17.5%. The sales price to list price ratio was 102.4%, and at year end there were only 1.3 months of inventory.

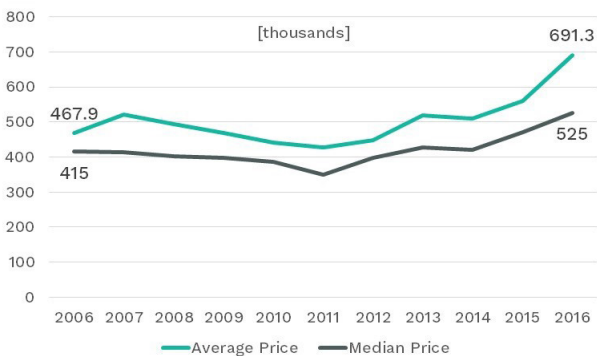
Single Family Prices



The average price of a single family home in unincorporated Boulder County increased 12.2% and the median price also rose just under 12%. The number of available homes declined for the second year in a row and with it, the number of sales was down 4%.

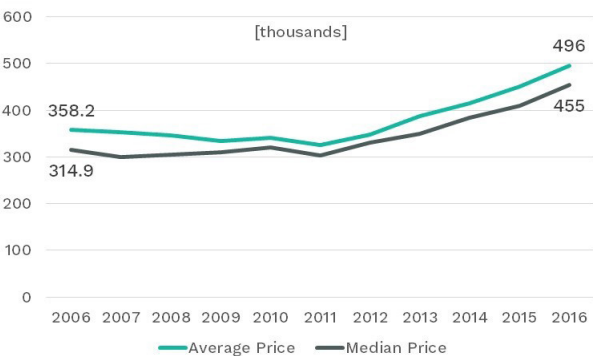
Suburban Mountains | Town of Erie

Single Family Prices



Average prices in the mountains of Boulder County increased 23.2% in 2016 to over \$691,000! Inventory is up slightly over a year ago, but the percentage under contract has grown too. The total number of sales was down over 20%. Still, there are only 3.8 months of inventory.

Single Family Prices



The number of sales in Erie declined 19.5% from 2015, but the average sales price increased 10% and the median price rose 11%. Those same figures over the last 10 years are 38.5% and 44.5% respectively. The sales price to list price ratio was 99%.

10 Vital Statistics

Boulder County | Comparing 2015-2016 & 2011-2016

Below you will see a comparison for Boulder County between 2016 and 2015, as well as a five-year view of the market between 2011 and 2016. These perspectives consider both single family and attached dwelling sales.

| Single Family Homes | 2011 – 2016 | | | 2015 - 2016 | | |
|-----------------------------------|-------------|-----------|----------|-------------|-----------|----------|
| | 2011 | 2016 | % Change | 2015 | 2016 | % Change |
| Total Active Residential Listings | 1139 | 417 | -63.4% | 453 | 417 | -7.9% |
| Median Sales Price | \$355,000 | \$529,000 | +49% | \$465,000 | \$529,000 | +13.8% |
| Average Sales Price | \$438,585 | \$652,214 | +48.7% | \$575,753 | \$652,214 | +13.3% |
| Sales Price to List Price Ratio | 95.7% | 99.3% | +3.8% | 99.2% | 99.3% | +1.1% |
| Average Market Time | 114 | 63 | -44.7% | 64 | 63 | -1.6% |
| Number of Sales YTD | 2600 | 3163 | +21.6% | 3539 | 3163 | -10.6% |
| Number of Expired Listings | 371 | 95 | -74.4% | 122 | 95 | -22.1% |
| Number of Months of Inventory | 5.3 | 1.6 | -69.8% | 1.5 | 1.6 | 6.7% |
| Percentage Under Contract | 22% | 44% | +100% | 47% | 44% | -6.4% |
| 30 year Fixed Rate Mortgage | 3.96% | 4.2% | +6.1% | 3.96% | 4.2% | +6.1% |

What a difference five years make! The average price of a single-family home is up 48.7% in Boulder County, over \$200k in 2016 from 2011. The number of homes for sale is down over 60% and the sales price to list price ratio is an incredible 99.3%. Expired listings (homes that come on the market but never sell) are down 74%. **In looking at 2016 versus 2015**, the average sales price increased 13.3% to more than \$652k for a single family home in Boulder County. Because of low inventory, the number of sales dropped over 10%. While Boulder County is a good market indicator, real estate is hyper local. Please contact a RE/MAX of Boulder Realtor to understand your personal real estate situation.

| Attached Dwellings | 2011 – 2016 | | | 2015 - 2016 | | |
|-----------------------------------|-------------|-----------|----------|-------------|-----------|----------|
| | 2011 | 2016 | % Change | 2015 | 2016 | % Change |
| Total Active Residential Listings | 453 | 100 | -77.9% | 65 | 100 | +53.8% |
| Median Sales Price | \$216,000 | \$345,000 | +59.7% | \$275,000 | \$345,000 | +25.4% |
| Average Sales Price | \$254,579 | \$397,488 | 56.1% | \$326,976 | \$397,488 | +21.6% |
| Sales Price to List Price Ratio | 96.5% | 101.1% | +4.8% | 101.3% | 101.1% | -.2% |
| Average Market Time | 165 | 62 | -62.4% | 49 | 62 | +26.5% |
| Number of Sales YTD | 945 | 1252 | +32.5% | 1377 | 1252 | -9.1% |
| Number of Expired Listings | 137 | 13 | -90.5% | 20 | 13 | -35% |
| Number of Months of Inventory | 5.8 | 1 | -82.8% | .6 | 1 | +66.7% |
| Percentage Under Contract | 19% | 57% | +200% | 65% | 57% | -12.3% |
| 30 year Fixed Rate Mortgage | 3.96% | 4.2% | +6.1% | 3.96% | 4.2% | +6.1% |

In comparing condos and townhomes in 2011 with 2016, a few things stand out. The average sales price is now just under \$400k, 56.1% higher than five years ago. There are vastly fewer properties for sale, but even with substantially lower inventory, the number of sales increased by 32.5%. Finally, the number of days on market is shorter than five years ago. **Between 2015 and 2016**, the average sales price increased by \$70k. The number of active listings increased but is still well below historic norms. Due to extremely low inventory in 2016, the number of sales were down over 9%. Today we have a one-month supply of attached dwellings for sale in all of Boulder County. A market is considered stable with five to seven months of active listings. Clearly, it's still a seller's market.

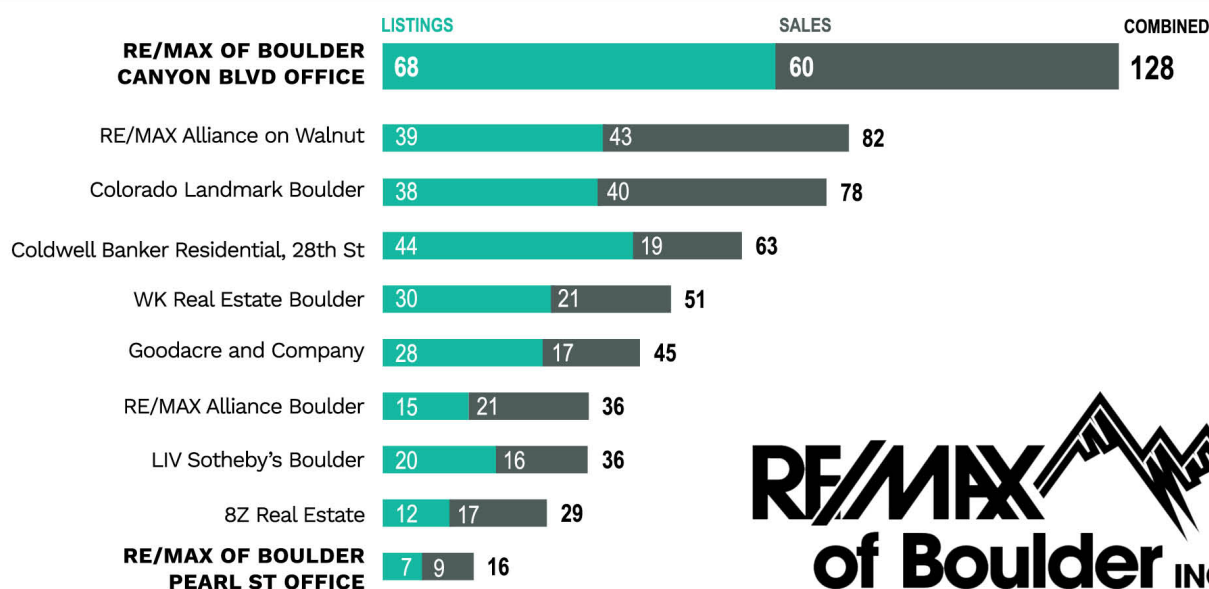
For the second year in a row, RE/MAX of Boulder surpassed the 1 billion dollar mark in sales.

RE/MAX of Boulder continues to lead in Boulder County's luxury real estate category, recording more sales above \$1 million in 2016 than any other firm. With our vast networking circles, we offer buying and selling clients optimum exposure to high-end properties for sale, and potential buyers near and far. Our expert guidance and professional advice provide clients with priceless insight.

Overall, Boulder County saw a record number of sales in 2016 in the luxury category, with a total of 417 sales. This includes both single family homes, condos and townhomes.

LUXURY SALES

Top 10 offices: Home sales above \$1 million in Boulder County



Data from IRES MLS, January 8, 2017, for time period January 1, 2016 – December 31, 2016. Residential listings sold are single family and condos/townhomes.

Unless otherwise noted, the source for data in this Real Estate Report is the IRES MLS between January 6 and January 12, 2017 for the time period January 1, 2016 through December 31, 2016.

Looking Forward: 2017 Market Forecast

By D.B. Wilson, RE/MAX of Boulder Managing Broker

At RE/MAX of Boulder, we consider many sources in making our forecast and we will list some of them below. We believe we will see a continuation of our strong, vibrant housing market for some time. We are often asked whether we are facing a bubble situation. We feel we are not even approaching a bubble, based on what you will see below.

According to the Federal Housing Finance Agency, Colorado is the #4 state in terms of price appreciation over the last year at 10.03% (as of the end of the 3rd quarter). This compares to a national average of 6.05%. During the same time, the Boulder metropolitan statistical area (MSA), which includes all of Boulder County, was ranked #14 out of 271 MSAs, with an annual appreciation rate of 10.56%.

There is a large in-migration to Colorado. According to Dr. Richard Wobbekind of CU Leeds School of Business, Colorado is the 2nd fastest-growing state in terms of percentage growth and is ranked 7th in terms of absolute growth. According to our state demographer's office, 96% of newcomers settle along the Front Range.

Our job market drives that growth. We see robust new business formation here, and we are blessed with skilled and highly educated workers. This dynamic has made one of the nation's fastest-growing sectors – technology – explode in the Boulder Valley. These factors lead to very strong consumer confidence.

Specific to housing, we see the following for 2017:

Continued low inventory with high demand leading to continued appreciation. Ours is a very challenging market for those trying to buy for the first time. There just aren't enough new homes being built in Boulder County to keep up with demand.

It is a great time to sell. In the last five years, the average sales price of a single-family home has increased nearly 48% in Boulder County.

As affordable housing close to city centers grows increasingly scarce, people will move further out. Many of our buyers will end up outside of Boulder County.

There are very few distressed property sales. In fact, foreclosures are at a 30-year low with Boulder County among the very lowest in the state.

At 4%-4.5%, interest rates continue to be well below the 45-year average of 8.5%. The Mortgage Bankers Association does predict that they will rise in 2017, reaching 4.8% in the 4th Quarter. The National Association of Realtors predicts that they will be at 4.5% by the 4th Quarter. Though these predicted increases are modest, they will influence affordability for buyers.

Unemployment in the Boulder Valley is very low. According to the Bureau of Labor Statistics, it stood at 2.2% as of the end of November, well below the national rate of 4.6%.

Trusted Community Experts

2017 marks RE/MAX of Boulder's 40th year serving Boulder Valley. "Trusted Community Experts" is a distinction we've worked hard to earn. We will continue to do our utmost to live up to this commitment in the months and years ahead. Here are just a few of the ways we're investing in our community and connecting with its outstanding people.

MakeBoulderHome.com

Our relocation website has everything visitors and newcomers need to know about living, learning and working in Boulder Valley.

BoulderSource.com

Our community news website highlights the best of Boulder Valley businesses and nonprofits, and stories of the people that make this community so wonderful.

University of Colorado Boulder Athletics

We are the official real estate agency of the AWESOME CU-Boulder Buffaloes athletics program. The Rise is Real!

Mobile App

Our smart phone app for searching Boulder Valley real estate is updated constantly. Download it now, FREE on the App Store and Google Play.

Bands on the Bricks

We sponsor this Wednesday night summer concert series on the world-famous Pearl Street Mall, featuring outstanding live bands, dancing, and drinks.



Proudly serving the Boulder Valley and beyond

Founded 40 years ago, RE/MAX of Boulder has earned its place as Boulder Valley's top-performing real estate company. Over 100 top-producing real estate agents have made it the number one company in transactions for over 30 years. Agents have an average of 14 years of real estate experience and have listed twice as many homes as their next closest competitor.

REAL ESTATE IS HYPER LOCAL

Please contact a RE/MAX of Boulder Realtor to understand your personal real estate situation.