

Q1 2016



REAL ESTATE MARKET QUARTERLY ANALYSIS FOR BOULDER COUNTY

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This report was developed with data gathered from several sources. It is deemed reliable but not guaranteed.

Introduction

I am pleased to share with you Stellar Properties' real estate market analysis for the First Quarter of 2016. This report is intended to be an in-depth analysis of Boulder County. In conjunction with this report, please reference the resources on the following page.

I aim to keep my clients informed on the state of the market by regularly analyzing data available to me. I hope that this report will provide you with valuable information, whether you are an investor, a homeowner or a prospective buyer.

There are fantastic opportunities in the Boulder County market. It is important to work with a real estate professional that is experienced in various local markets and understands market trends. Given my experience assisting buyers and sellers throughout Boulder County, I am in a unique position to understand the opportunities in our marketplace.

Please let me know if you have any questions regarding the value of your property or if you know anyone who may need assistance with their real estate needs.

Regards,



Tony Martinez

Broker/Owner

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Stellar Service, Stellar Results!

The highest compliment I can receive is the referral of friends, family, and business associates.

Thank you for your trust.



Market Statistics

Provided by the Boulder Area Realtor Association

January

[Boulder](#)

[Broomfield](#)

[Erie](#)

[Lafayette](#)

[Longmont](#)

[Louisville](#)

[Lyons](#)

[Nederland](#)

[Niwot](#)

[Superior](#)

[January Statistics](#) | [Monthly Indicators](#)

February

[Boulder](#)

[Broomfield](#)

[Erie](#)

[Lafayette](#)

[Longmont](#)

[Louisville](#)

[Lyons](#)

[Nederland](#)

[Niwot](#)

[Superior](#)

[February Statistics](#) | [Monthly Indicators](#)

March

[Boulder](#)

[Broomfield](#)

[Erie](#)

[Lafayette](#)

[Longmont](#)

[Louisville](#)

[Lyons](#)

[Nederland](#)

[Niwot](#)

[Superior](#)

[March Statistics](#) | [Monthly Indicators](#)



Quarterly Analysis

Sales are down 15 percent on single family homes and 25 percent for attached dwellings; inventory is significantly constrained; average and median price points increased in almost every community.

Single Family Homes

Single Family Home sales decreased by 15 percent compared to the totals through the year at the end of the fourth quarter (879 in 2015 vs. 750 in 2016).

- Total sales decreased by over 15 percent in Erie, the Plains and Louisville, while doubling in Lyons.
- Average Sales Price increased over 10 percent in Erie while increasing over 25 percent in Superior.
- Average Days to Contract is down over 30 percent in Lyons, Lafayette and Superior while Niwot experienced a 25 percent increase.
- Median prices increased in every community except for Lyons and the Mountains which experienced decreases of 10 percent and 5 percent respectively.

Attached Dwellings

Attached Dwelling sales decreased significantly compared to the same period the prior year (334 in 2015 vs 251 in 2016).

- Total sales were down by over 30 percent in Boulder, Longmont, Niwot and the Plains with a 50 percent increase in Lafayette and a 20 percent increase in Superior.
- Average sales prices increased in every community—led by 45 percent in Lafayette and over 25 percent in the Plains.
- Average Days to Contract decreased by over 20 percent in Erie, Niwot and the Plains, while Lafayette experienced an increase of over 60 percent.
- Median prices rose by over 20 percent in every community except for Louisville that experienced a decrease of 7 percent. Superior and Lafayette had over 50 percent increases.



Conclusion

Our local market continues to experience constrained inventory. Although many real estate experts and economists predicted that inventory shortages would ease up this year, we have not yet experienced this. And, as the aforementioned analysis shows, the detached and attached housing inventory has significantly decreased from last year.

Builders cite that a key reason for a shortage of new builds is a lack of skilled workers. However, a recent [CNBC article](#) suggests that while this may have been a key contributor in the past, there are now two other issues at play: permitting delays and land scarcity. Due to new environmental regulations, homes are becoming more expensive to build.

My takeaway from this article is that new builds are not going to solve the affordable housing challenge and builders will be slow to catch up to the increasing demand. I am often asked whether we're in a housing bubble and I don't believe we are. With the amount of people relocating to the Denver/Boulder area, the strength of our local employment sectors, and the fact that builders' projects are being hampered, I feel confident that home prices will continue to rise in the near future.

Read more: ["Homebuilder blues: Don't blame labor shortage," by Diana Olick](#)



Summary

Given the lack of inventory in the Boulder County markets, more of my clients are seeking properties in the outlying areas between Boulder County and Denver such as Broomfield, Westminster, Arvada, Frederick, Firestone, Brighton, Thornton, and surrounding areas. There are wonderful neighborhoods in these communities and I am often amazed at the amount of home that clients can get for their money.

While I can't provide detailed statistics for all of these areas each quarter, I am gaining a strong understanding of the neighborhoods in these communities. For example, I've been showing a lot of properties in Arvada recently. Olde Town Arvada has a great blend of walkable restaurants and shops and is a wonderful place to live. The upcoming light rail linking Arvada to Denver will be a boon to home values in this area.

The views in Frederick and Firestone are phenomenal and the infrastructure in these areas is booming. There are new schools, recreation centers, and shopping areas popping up all over the area.

Furthermore, Broomfield and Superior have a number of favorable attached dwellings that live like detached homes. This is especially important for some of my buyers moving from a detached home to an attached home.

In summary, with more buyers looking to consider the suburbs for housing options, it helps to have a Realtor that works consistently in these various communities. For over 13 years I have worked throughout Boulder County, Broomfield County, Weld County, Adams County, and Jefferson County. It helps to have a Realtor that can help compare and contrast these various communities. The right Realtor makes all the difference!

Accompanying data includes: Boulder Area Realtor Association market statistics, Realtor.com, CNBC.com, Goldman Sachs, and John Burns Real Estate Consulting.

Please note that some builders' home sales, new construction and private sales will not be reflected in this report if the parties do not list their homes for sale in the MLS. Not all communities in Boulder County are represented in this market report since the MLS system groups the overall data into distinct subareas.

This market report is deemed reliable but not guaranteed. Although this report was carefully prepared, there may be errors in the data or calculations. There are no guarantees with real estate investments, as the myriad of real estate and economic conditions can change quickly. The author's opinion and perspective in this market report subject to change. It is wise to speak with your financial advisor before making financial decisions about real estate. This market report is not intended to be a solicitation for people already working with a real estate agent.