



REAL ESTATE MARKET UPDATE

An Information Service of Chris Ermold, RE/MAX Alliance/Boulder Valley

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Here we are again, on the brink of a bright new spring. For those of us still standing, 2008 will be remembered as one of those years that was overflowing with change. Not that most of us were in favor of the change we experienced from an economic perspective. As the golf god says: "He giveth and he taketh away." Our economic god mostly took this past year. But, like all things in life, this too shall pass. Time will slowly move us forward in a positive direction and we will be left to deal with other elements of change in our lives.

Since this *Market Update* is intended to be about real estate and not solely economics, let's take a look at change as it relates to the local real estate market. Below is a chart provided by IRES, the Northern Colorado Multiple Listing Service detailing listing and sales activity for the past five years for residential properties in *Boulder County*.

Here are a few observations about the chart.

- The inventory of new listings coming into the marketplace begins to increase in late winter and then starts to decline in late summer. Sales follow a similar pattern. It's called the *bell curve* concept of real estate.
- The inventory of new listings peaked in 2007. Since then we have seen a reduction each of the past two years in new listings. That pattern should continue this year with less new construction occurring and the rental market being reasonably healthy.
- Overall sales activity has continued to decline the past two years. One of the major reasons for a reduction in the number of sold properties is the lack of a *domino effect* i.e. I need to sell my home before I can buy your home.
- From 2004 through 2007, the Boulder County real estate market was somewhat stable. Sold properties as a percentage of available listings remained relatively balanced.

**Boulder County
Residential: Active vs. Sold & Average Days to Sale
January 2004 - December 2008**

