



Economic Snapshot

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

September/2014

Over the years the Boulder Valley real estate market has been somewhat insulated from the dramatic ups and downs in real estate values that other parts of the country have experienced. Some of this can be attributed to the quality of life, scenic beauty, and the almost mystic aura the Boulder Valley embodies by being nestled against the Rocky Mountains.

In September of 1976, Boulder Councilman Paul Danish proposed a slow growth ordinance limiting the annual increase in the annual population to 1.5% to 2% per year by regulating the number of building permits. Come to be known as the Danish Plan, the response from developers, Realtors, and the Chamber of Commerce was less than supportive.

What does the Danish Plan have to do with the impact on home values across the Boulder Valley?

By its design the Danish Plan hindered rampant growth that was and is exhibited in many other parts of the country. It took an educated look at the availability of public services and facilities, the impact on the environment and schools, and the need for low and moderate income housing. It created a model, adopted by surrounding communities, to focus on open space corridors, site design and relation to surroundings.

Thirty-eight years later we can drive a car from Boulder to Denver and still get a sense that we're in the country. That open spaces abound. That this is a wonderful place to live.

Below is a brief overview of average *single family* home values for the **Boulder Valley** area for the past two years. (Information is from IRES, the Northern Colorado MLS.)

<u>Area</u>	<u>2013 (Thru August)</u> <u>Average Sales Price</u>	<u>2014 (Thru August)</u> <u>Average Sales Price</u>	<u>% Change</u>
Boulder	\$746,217	\$808,686	+8.37%
Superior	\$461,820	\$515,832	+11.69%
Louisville	\$502,808	\$532,374	+5.88%
Lafayette	\$417,037	\$431,324	+3.42%
Longmont	\$284,193	\$308,322	+8.49%
Suburban Plains	\$582,954	\$621,930	+6.68%
Suburban Mountains	\$456,585	\$485,040	+6.23%
Broomfield	\$398,040	\$415,472	+4.37%
	=====	=====	=====
Average ...	\$481,343	\$509,147	+5.77%

A few brief notes about Boulder County sales activity thus far this year versus last. Through August/2014 single family home sales are trailing through August/2013 by about 10% (2,263 vs. 2,512). Attached unit sales are down not quite 3% for the same time periods (951 vs. 979). Available inventory of single family homes is almost identical at the end of August for each year (1,253/2014 vs. 1,256/2013). The year-to-date Absorption Rate at the end of August/2014 was 134 days. In August/2013 that number was 122 days. A relatively stable real estate market these days, with sales values continuing to improve, homes selling in a reasonable amount of time, and controlled, not rampant, growth on the part of new home builders.