

# MARKET INSIGHTS



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



The data has been tabulated and every indication is showing that first-time home buyers are in the real estate market in some of the strongest numbers since 1999.

These statistics are particularly significant since first-time buyers are an important demographic in revealing the overall health of the housing market.

Typically the first-time home buyer demographic accounts for around 40% of all home sales. For the past several years though, they've been less active for a variety of reasons. These numbers can be viewed as a clear signal about economic growth and future potential since the first-time buyer is such a large sector of the real estate consumer growth numbers.

Demand among current renters who hope to become homeowners largely determine what our real estate market will look like for the next several years. Their entry into the marketplace is key to continued growth.

Any doubt about activity picking up since the summer selling rush is put to rest by the research numbers coming out. Scheduled showings, meaning agent arranged tours of houses on the market for sale, have jumped up slightly more than 10% on average over last year, which is a strong indicator of eager potential buyers aggressively seeking to own a home. Not to mention the number of homes sold in spite of low inventory and fall weather!

**Boulder County** saw **395** of the aforementioned potential buyers become homeowners, after tours of some of the **788** available homes on the market to choose from this October. That number

is up from available homes on the market of **706** in October 2016. Sale prices have also moved up, from a median of **\$425,000** in October 2016 to a median of **\$491,000** this past October.

While certain segments of the real estate market have enjoyed faster growth rates, such as higher end homes and more specifically new construction seeing the better rebound numbers, taking a long view of the market helps put things into perspective.

While many current homeowners are choosing to stay put longer than they have in the past, those that would like to move up or down size should be encouraged. The news is all good.

Buyer demand is strong, prices are strong and steadily moving in an upward direction. That's all very good news for homeowners, along with the fact that in many markets, evidence shows there are more buyers than there are homes for sale!

Of course, that also means home buyers that are looking to buy this season should be prepared to move quickly, as good homes aren't going to stay on the market very long.

So what does this all mean? Thankfully it means that although limited supply will lead to more competition for the entry-level homes that are available, strong demand pushing home prices upward may also push more of our current homeowners to decide to sell their starter homes in search of something bigger. And as we see that happen, home prices will level off leaving more choices for buyers looking for affordable, entry-level homes.

## Stat Check

2016	2017
<u>Active</u>	
706	788
<u>Number of Units Sold</u>	
375	395
<u>AVG Days on Market</u>	
65	64
<u>Median Price</u>	
\$425,000	\$491,000