

# 2023 BOULDER VALLEY REAL ESTATE REPORT



STATISTICS

TRENDS

FORECAST

# A FUTURE SHINING BRIGHT

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## MEET HANNAH

Sparkling twelve-year-old Hannah loves to play the piano. “I feel like it brings so much harmony into my life,” she says. But when Hannah was 8 years old, she experienced recurring episodes of numbness in her hands and face, which interfered with piano and other activities. The condition caused serious concerns for Hannah and her family, especially when she became unable to move her fingers or smile. After many appointments and no answers from her local family doctor, Hannah and her mother, Hao, were referred to a neurologist at Children’s Hospital Colorado.

The neurologist ordered a series of tests including an EKG, MRI, and various blood tests, and diagnosed Hannah with Moyamoya disease — a chronic and progressive condition of the brain arteries. Hannah’s brain lacked oxygen, which caused the numbness.

In 2019, Hannah received her first brain surgery and recovered smoothly and quickly. She received a second surgery six months later — and the numbness stopped.

Hannah’s zest for piano, sports, and school returned in full force. She excelled in school, with two honors classes and earning the Challenge Foundation Scholarship to fund the rest of her academic career. Hannah also plays competitive volleyball, takes piano lessons from her mom, and just began voice lessons. Hannah’s experience at Children’s Colorado inspired her to pursue a career as a neurosurgeon. “I really want to help other people,” Hannah says.

We are grateful to Children’s Colorado and are proud to support their work to advance lifesaving patient care, education, and research throughout the state.



RE/MAX of Boulder and RE/MAX Elevate  
are proud to be Miracle Offices  
**DONATING \$15,000 IN 2022**

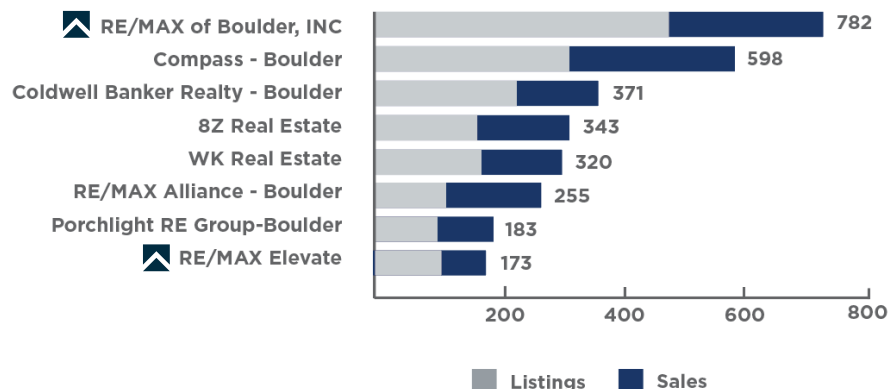
Please join us in supporting  
Children’s Hospital Colorado  
[supportchildrenscolorado.org](https://supportchildrenscolorado.org)



# ENDURING VALUE EXCEPTIONAL HEART

## THE DIFFERENCE IS DRAMATIC

ALL PRICE POINTS • BOULDER & BROOMFIELD COUNTIES



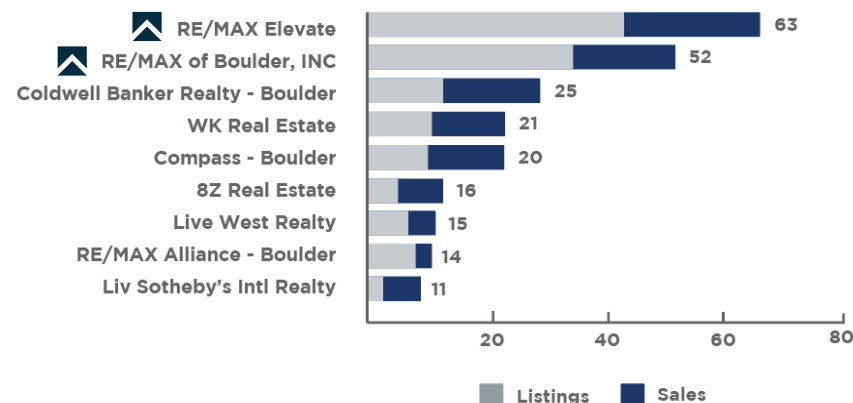
In the tenth issue of the Real Estate Report, we reflect on what a difference a year makes.

This year revealed the impact of inflation and rising interest rates on real estate nationwide. Our analysis of 2022 statistics, trends, and forecasts, shows Boulder Valley real estate's enduring strength.

We're so fortunate to live in a real estate market that holds its value over time and a community with exceptional heart. We honor the resilience shown by our neighbors and colleagues and the meaningfulness of supporting their recovery from the devastating December 2021 Marshall Fire.

As Realtors, we celebrate the joy of serving the Boulder Valley community for 45 years and remain committed to providing deep expertise and attentive care in your journey.

ALL PRICE POINTS • LOUISVILLE



The source for data in this report is the IRES MLS on Jan. 5, 2023, for the time period Jan. 1, 2022, through Dec. 31, 2022.  
\*Broomfield and Erie are using both Metrolist and IRES data this year.

**BOULDER RANKS #2 BEST PLACE TO LIVE FOR QUALITY OF LIFE IN THE NATION**

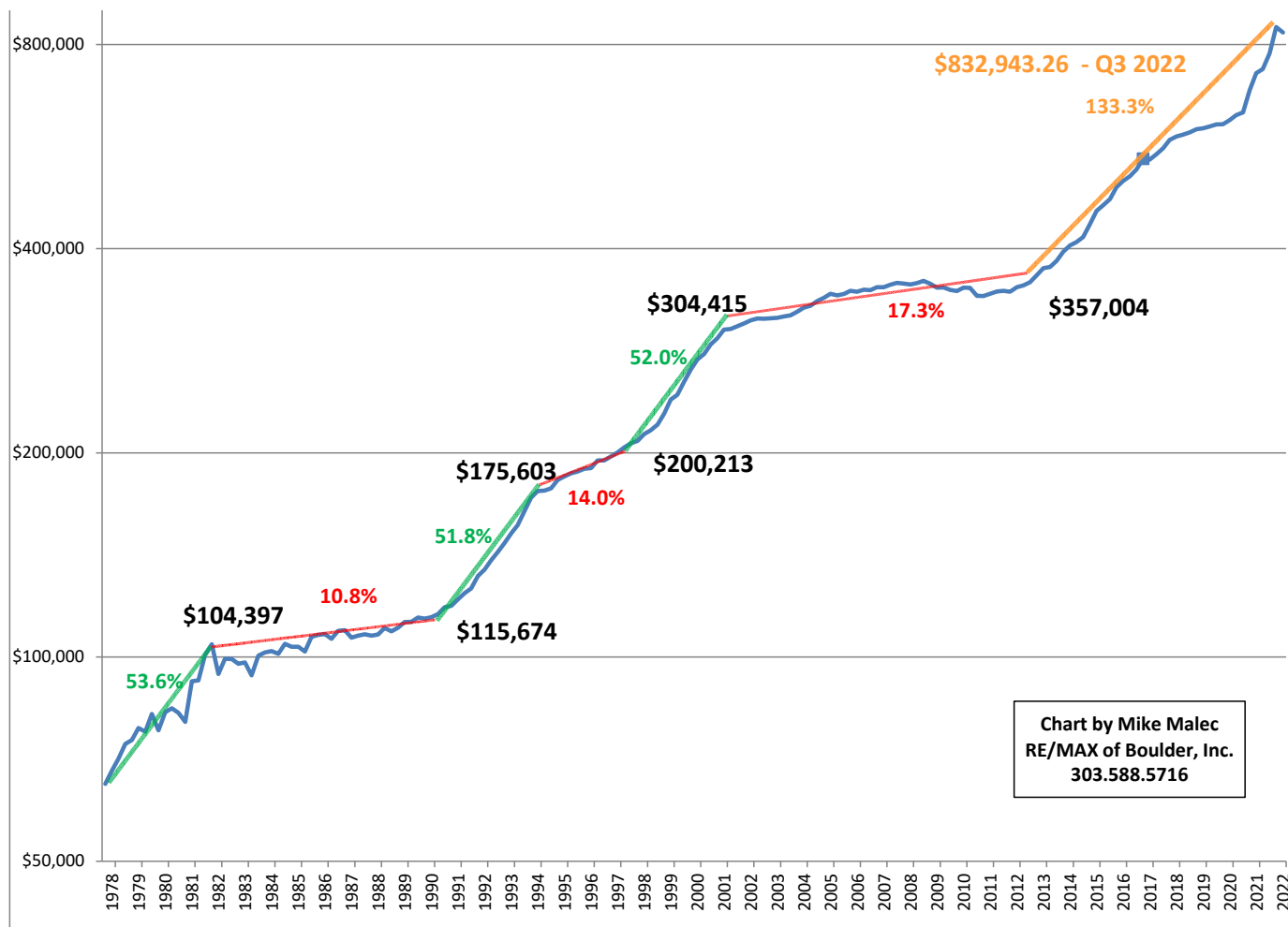
— U.S. News & World Report, 2022-2023



# REAL ESTATE PEAKS & PLATEAUS

It is said that it is impossible to “time the market,” and for the most part that is probably true. Consider though, a time when you know the market is low — like it is now — and likely to be low for a while as you wait for the perfect moment.

The gamble of timing comes with guessing how low it will go, and how long you should wait. When do you make a move laterally, and when do you use a 1031 exchange to build on your portfolio? Consider the graph below.



Boulder County is a very special place to find opportunity. Note that the appreciation of homes here offers peaks, but the peaks are punctuated by “plateaus,” as opposed to the “valleys” found in many markets. Purchases in the Boulder market tend to be fairly stable and relatively risk free.

The graph, created by RE/MAX of Boulder’s Mike Malec, is a visual translation of the Federal Housing Finance Agency appreciation data. The blue line follows the appreciation of a home worth \$65,000 in Q2 1978 and shows today’s value. The red and green lines guide you through the appreciation and stall of our marketplace over those times, including the remarkable economic expansion represented by the yellow line.

Let’s assume an investment was made in 2007 in Boulder County, just before the Great Recession. Looking back, that investment, or any other in this market, would be enviable.

# FINDING SAFETY IN NUMBERS

Common wisdom professes higher numbers mean greater safety. But regarding Boulder County inventory, safety likely lies in fewer numbers.

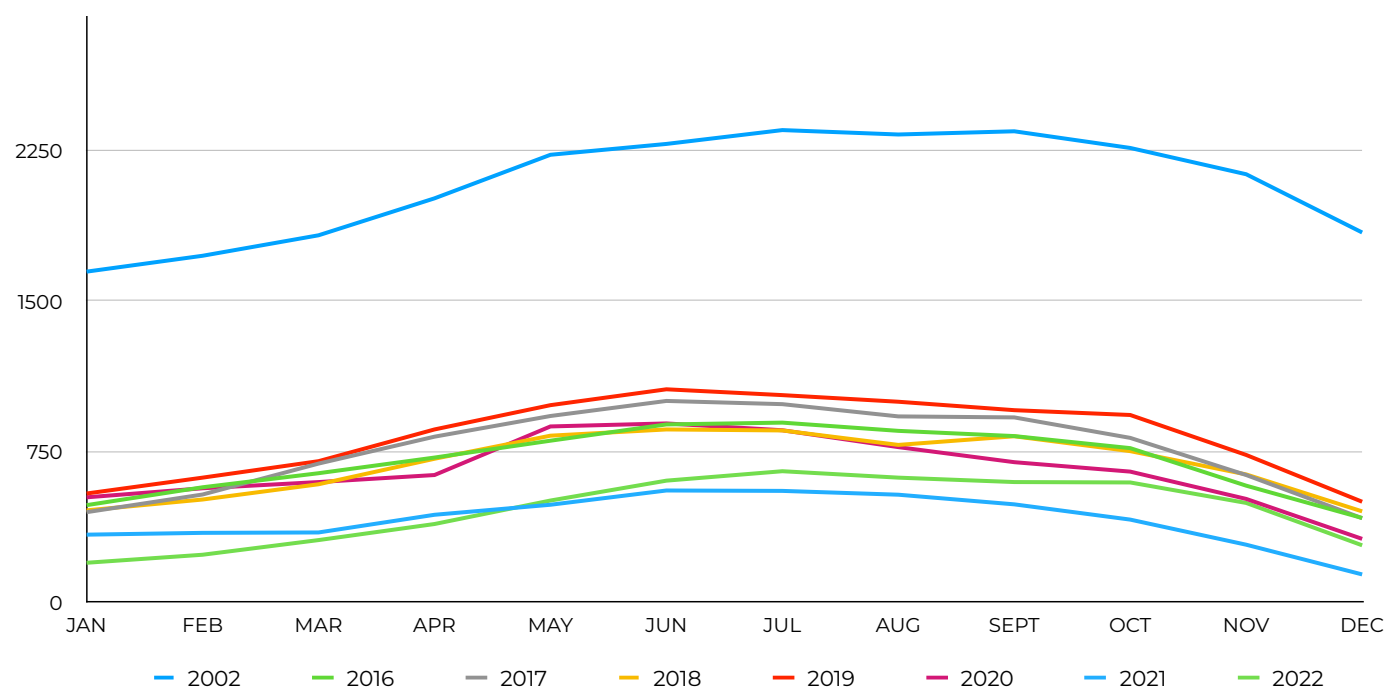
Overbuilding is historically one of the precursors of stalls or corrections in the housing market. In strong economic times, the supply of homes grows to match demand. But during economic contraction, buyers pull back and home builders often struggle to sell their current developments, which leaves a surplus of product.

Boulder County’s inventory — marked by the graph’s red line — shows not only relatively low, but also historically low inventory over the last few years. For example, two decades ago at Q4 2002 end, 1,839 single-family homes were for sale. Compare this to a staggeringly low inventory 20 years later with 281 homes on the market at Q4 2022 end.

According to Freddie Mac, home builders nationally were providing roughly 2.1M homes per year just prior to the Great Recession that occurred from late 2007 into 2009. During this period, the number dipped significantly to fewer than 500,000 homes built per year. Only recently has the number of homes constructed crossed the 1.8M mark. All the while, our nation’s population has continued its demand for housing.

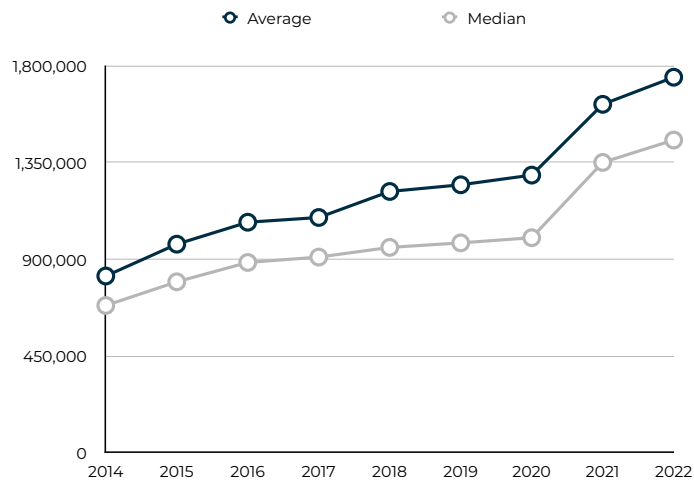
The implications for our local market are positive. While we may slide into recession as higher interest rates are deployed to slow inflation and housing demand, Boulder County’s consistently low inventory should pacify volatility in our marketplace.

SINGLE FAMILY INVENTORY • BOULDER COUNTY



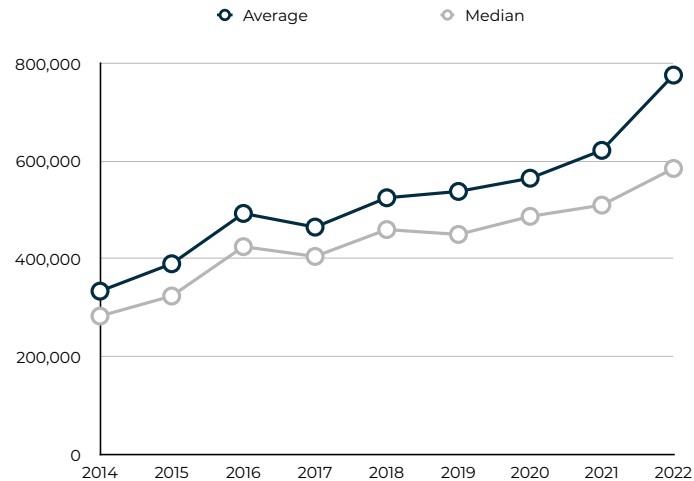
# BOULDER

## SINGLE FAMILY PRICES



Inventory rose 82.1% in 2022. The median and average appreciation remained strong at 7.7% and 7.8% while sales plummeted 28.4%. A weakened market was marked by the low 31% under contract to end the year.

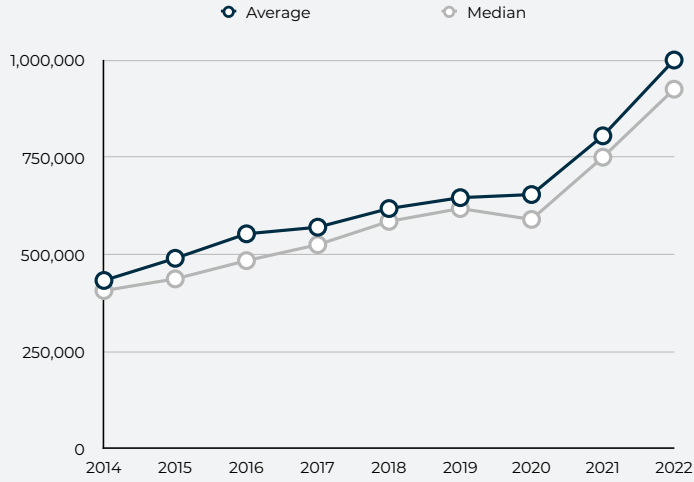
## ATTACHED DWELLING PRICES



Inventory dropped significantly in 2022, down 39.4%. Appreciation was strong with median and average prices up 14.7% and 24.9% over 2021. Attached-homes shared the Boulder single-family year end low of about 32% under contract.

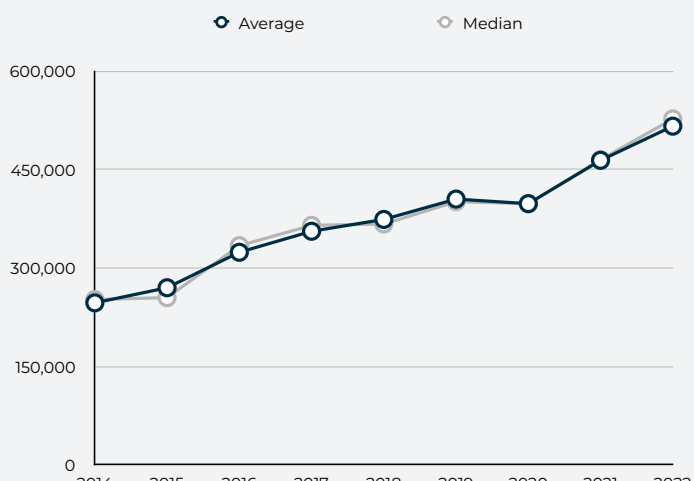
# LAFAYETTE

## SINGLE FAMILY PRICES



Inventory rose 38.1% as median and average prices enjoyed strong appreciation of 23.3% and 24.1%, respectively. Signs of future strength are evidenced by a high 59% of homes-for-sale under contract entering 2023.

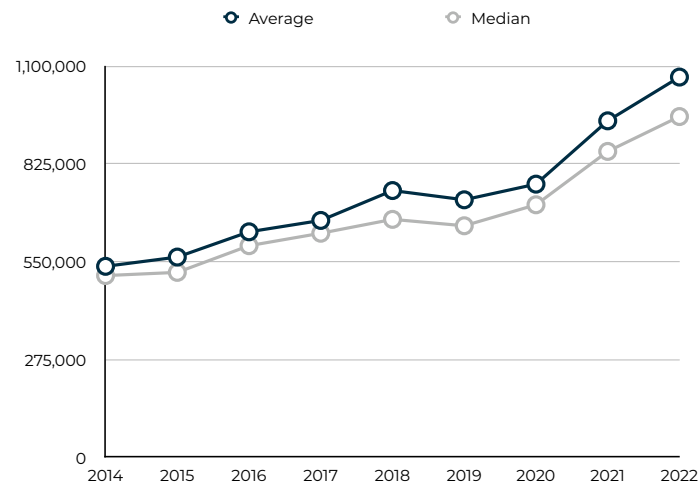
## ATTACHED DWELLING PRICES



This is one of the only areas where inventory decreased, dipping 34.8% as sales volume dropped 36.6%. Median and average prices gained 13.3% and 11.2%, respectively, as demand continued at year end with 47% under contract.

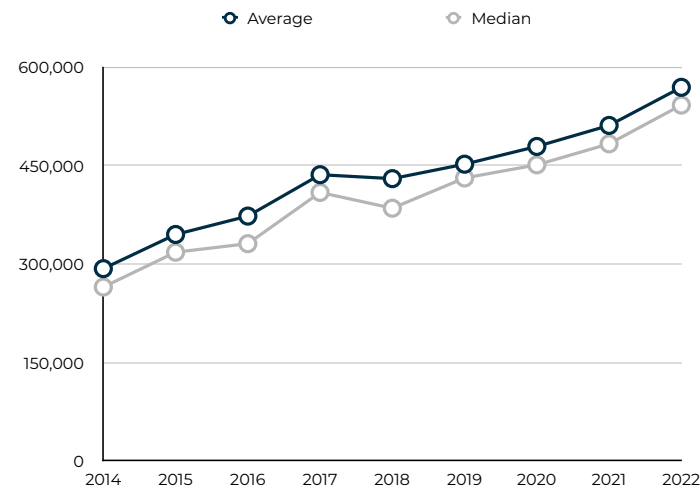
# LOUISVILLE

## SINGLE FAMILY PRICES



Inventory rose 45.5% at the end of 2022 with only 13% under contract. Median and average prices held with increases of 11.4% and 13.0%, respectively. Sales dipped only 16.4% in 2022.

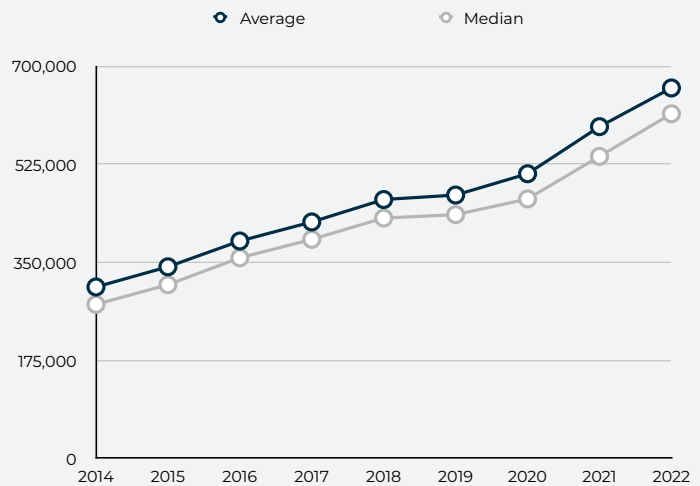
## ATTACHED DWELLING PRICES



Inventory rose from two units at 2021-end to four units to end 2022, while sales dropped 36.2% through the year. Starting 2023, 25% of the four units for sale were under contract.

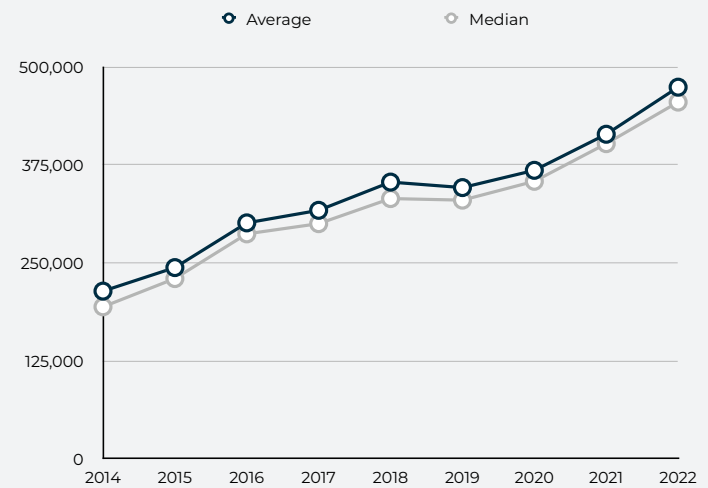
# LONGMONT

## SINGLE FAMILY PRICES



Inventory rose 37%, while the number sold dropped 30.1% in 2022. Median and average prices rose 14.2% and 11.6%, respectively, over last year and a low 33% were under contract at year end.

## ATTACHED DWELLING PRICES



Inventory showed the largest increase in Boulder County, up 550.0% in 2022. Meanwhile unit sales dropped 21.6%. Median and average prices rose 13.2% and 14.5%, respectively, and a fairly strong 45% started 2023 under contract.

# CELEBRATING 45 YEARS WITH TOP HONORS



## OUTSTANDING BROKERAGE OF THE YEAR

AWARDED TO RE/MAX OF BOULDER &  
RE/MAX ELEVATE

Left: Tom Kalinski, Todd Gullette,  
Jay Kalinski, and Lisa Wade

Credit: Jonathan Castner / Daily Camera

### COMMUNITY AND PASSION PROPEL SUCCESS

Boulder County residents now have one more “best” to take pride in: RE/MAX of Boulder and sister office RE/MAX Elevate were together named Outstanding RE/MAX Brokerage of the Year by global real estate company RE/MAX International.

The firms stood out among approximately 9,000 offices and 140,000 agents worldwide that make up RE/MAX International, a leader in real estate industry productivity. Awarded for their combined record-setting \$1.8 billion in sales and leadership performance in 2022, the notable success is not based on sales volume alone. Key intangibles count, such as leadership, integrity, brand ambassadorship, and community involvement.

“Our success and strength are the result of the people who make our company what we are and who we will be in the future,” says Tom Kalinski, founder and broker/owner of RE/MAX of Boulder.

### BUILDING A FAMILY LEGACY AND ALL-STAR MANAGEMENT TEAM

Exceptional leaders guide these top-performing companies. Tom’s son, Jay Kalinski, is RE/MAX of Boulder’s co-owner and broker/owner of RE/MAX of Boulder’s sister company, RE/MAX Elevate, founded in 2019 in downtown Louisville. Jay shares his father’s belief in people and community. “Dedication to clients, strong team spirit, and community lie at the heart of our outstanding RE/MAX Elevate Realtors,” Jay says.

Accomplished and award-winning Realtors round out the leadership team, including RE/MAX of Boulder’s Managing Broker Todd Gullette, leveraging his extensive experience as broker, accountant, property manager, and land developer; Realtor Lisa Wade, serving as a company mentor and leader for the company’s nonprofit involvement; and long-time Realtor, instructor, and author Duane Duggan. The team is supported by a knowledgeable administrative staff, cutting-edge technology, and education.



## A STORIED HISTORY

RE/MAX of Boulder's long history began in 1977 when Broker/Owner Tom Kalinski acted on a pioneering vision and opened the third RE/MAX office in the entire global franchise.

Today, as home to more than 100 award-winning Realtors, RE/MAX of Boulder has received numerous people's choice awards, including this year's Best Real Estate Group in the Boulder Weekly's Best of Boulder County and Colorado Daily's CU & Boulder's Best. It has been named a Top 10 Best Residential Real Estate Brokerage by Denver Business Journal and the No. 1 RE/MAX office in the U.S. eight times — and now Outstanding Brokerage of the Year.

"We are so proud to be a part of this community," RE/MAX of Boulder Managing Broker Todd Gullette says. "We began as a mom-and-pop shop with big local roots and still carry that small brokerage family culture."



RE/MAX of Boulder Broker/Owner Tom Kalinski (right) and BizWest Editor & Publisher Chris Wood (left) together at the Boulder Valley real estate conference they co-founded 15 years ago.

## COMMUNITY AND GIVING BACK LIE AT OUR HEART

Realtors at both firms have a long tradition as nonprofit supporters, including RE/MAX of Boulder's designation as a "Miracle Office" in the Children's Miracle Network for supporting Children's Hospital Colorado through donations from each home sale. From 2017-2021, RE/MAX of Boulder and RE/MAX Elevate Realtors donated nearly \$100,000.

"In our hearts, we are still that same small business started 45 years ago," adds Gullette. "Our tradition of excellence and culture of care can't be bought or replaced by an app, which our clients really appreciate."

## TOM KALINSKI, AN ICON OF BOULDER VALLEY

Recognized as one of the individuals who has most influenced the Boulder Valley economy over the past 40 years, Broker/Owner of RE/MAX of Boulder Tom Kalinski was named an Icon of Boulder Valley by leading business publication, BizWest.

Tom is a pillar in Boulder Valley real estate, honored in 2016 with his induction into Boulder County's Business Hall of Fame. He has vast knowledge of local residential and commercial real estate and an impressive 45-year background — though he has never lost his humble manner.

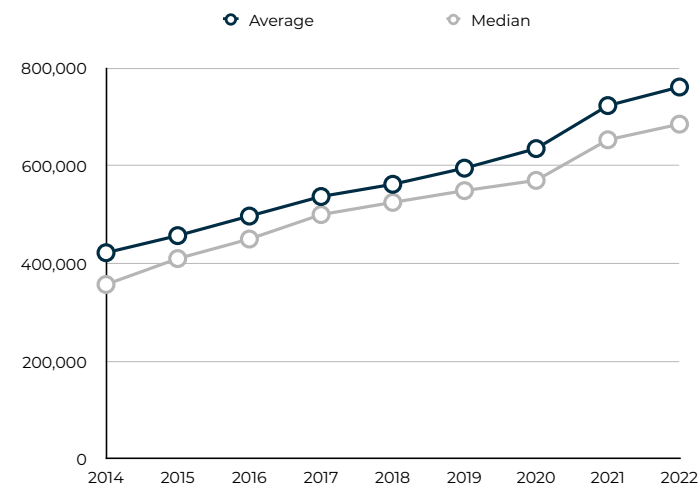
Since 1977, Tom has significantly grown the company, attracted and cultivated top Realtors, and led the company to national, state, and local recognition and awards.

President and CEO of RE/MAX, LLC Nick Bailey noted the agents' passion. "It comes as no surprise that RE/MAX, year after year, continues to outperform competitor brands in the most important ways," he said.

Through his career, Tom has helped clients buy and sell thousands of homes, build hundreds of homes, and founded this thriving, award-winning company.

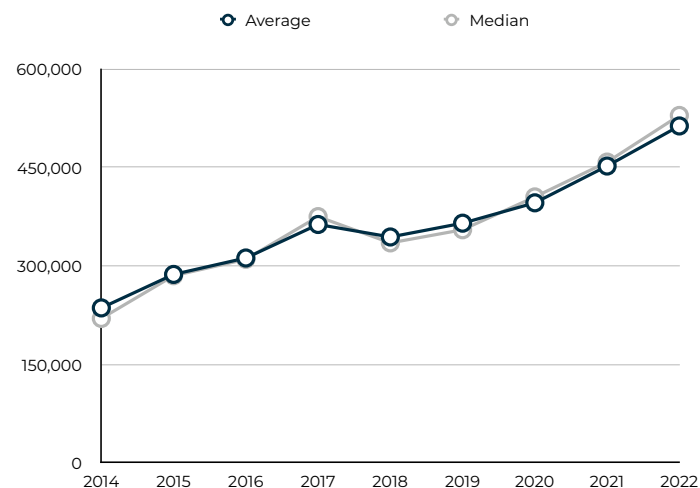
# BROOMFIELD

## SINGLE FAMILY PRICES



Price appreciation was modest in Broomfield showing gains of 5% and 5.2% in median and average prices. At year end, 42% of the inventory was under contract.

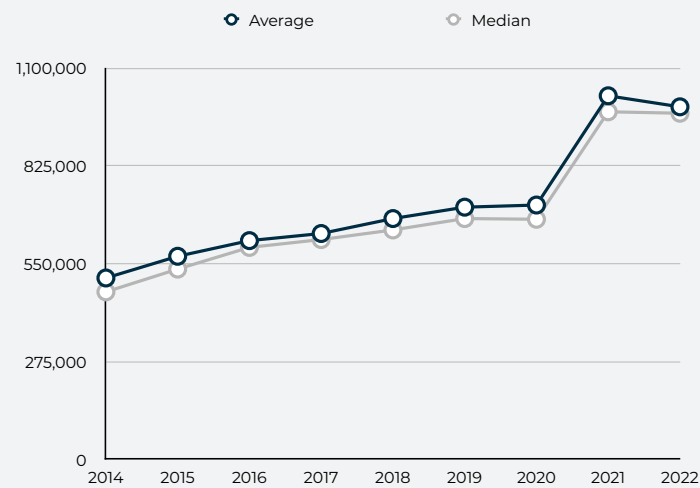
## ATTACHED DWELLING PRICES



Median and average prices gained 15.7% and 13.3%, respectively, as percent of homes under contract remained very high at 54% to end 2022.

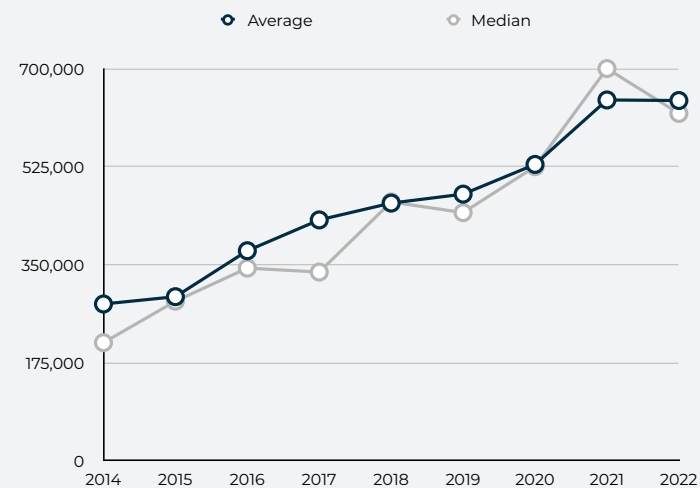
# SUPERIOR

## SINGLE FAMILY PRICES



Modest changes ruled in Superior. Inventory rose only 7.7% and sales dipped 4.7%. Median and average prices decreased 0.4% and 3.0%, respectively. A strong 50% under contract show a better start to 2023.

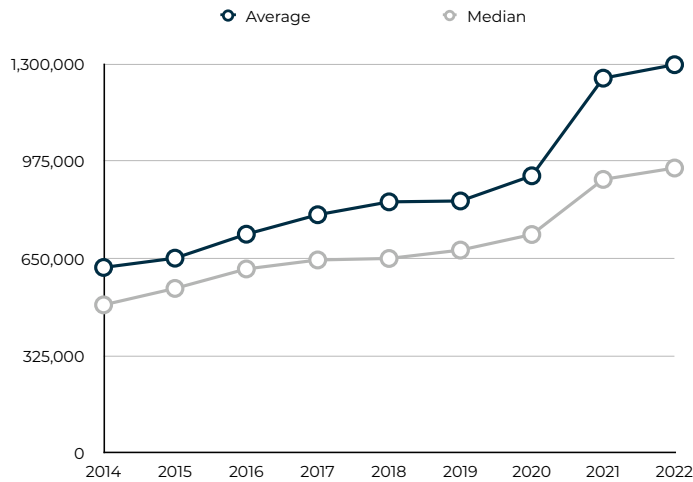
## ATTACHED DWELLING PRICES



Inventory dropped by three units from 2021 and number of sales dropped 30.9%. Median and average sales prices were also down — 11.4% and 0.2%, respectively. Properties under contract ended 2022 at 50%.

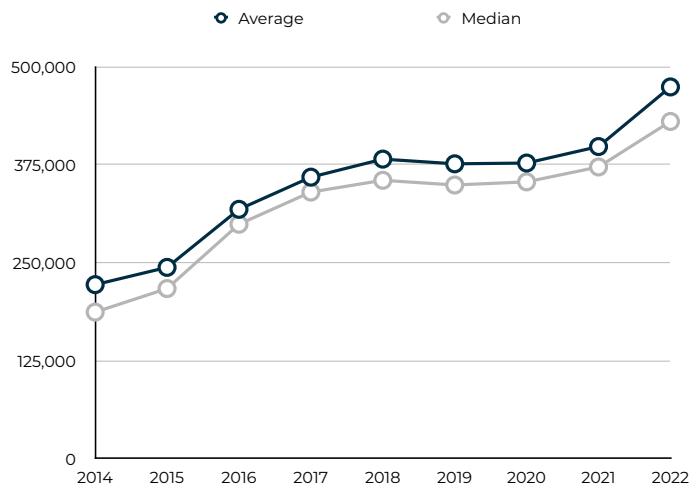
# SUBURBAN PLAINS

## SINGLE FAMILY PRICES



Inventory rose 36.8%, while number of sales dropped 23.0%. The median and average prices experienced small gains of 4.2% and 3.5% over last year. A low 23.0% of homes were under contract to end 2022.

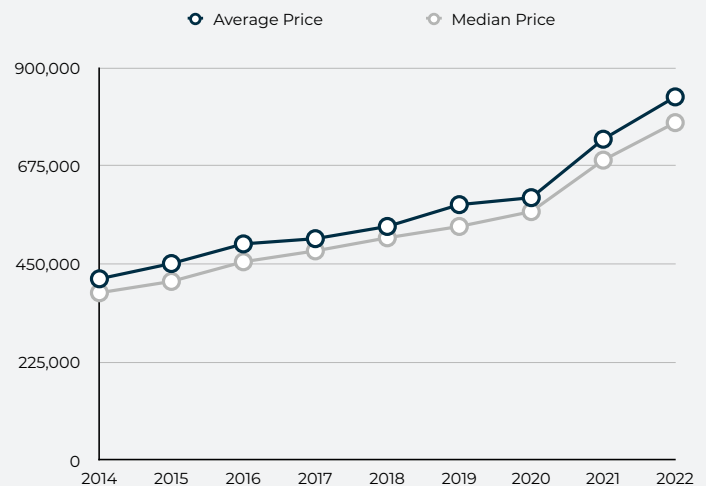
## ATTACHED DWELLING PRICES



Inventory dropped a substantial 30.8% pushing median and average prices up 15.7% and 18.8%, respectively. Sales dropped 36.4%, suffering the decline seen in much of the county. A fairly strong 44% of homes were under contract year-end.

# ERIE

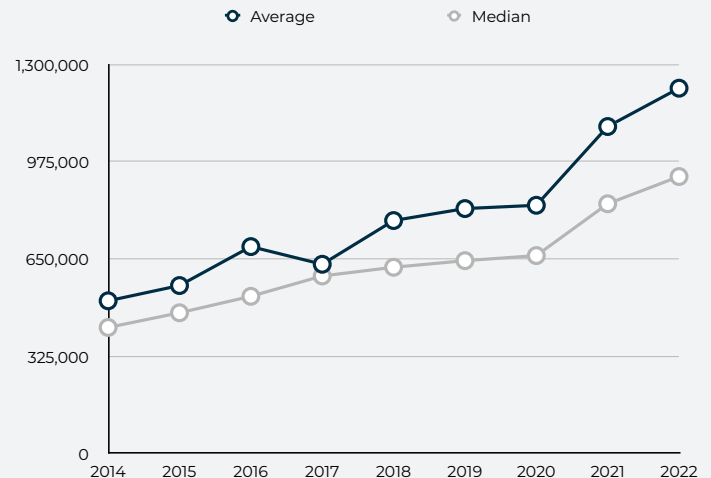
## SINGLE FAMILY PRICES



Median and average prices rose 12.5% and 13.2%, respectively, over last year. Marking a strong start to 2023, 52% of inventory was under contract at end of 2022.

# SUBURBAN MTNS

## SINGLE FAMILY PRICES



Inventory rose significantly this year, up 52%. Sales were typical of 2022, down 34.9% while median and average prices remained positive at 4.7% and 11.8%, respectively. At year end, 32.0% of homes were under contract.

# FINDING VALUE DURING MARKET SHIFTS



If you ask a veteran real estate agent how homes were sold “back in the day,” you will hear stories of fax machines and the legendary weekly MLS book of properties. You may hear of 18% and 20% interest rates in the 1980s and the difficulty of selling a home during the Great Recession. With the changes that fell on the real estate industry over the last half-century, you might wonder if these experiences are still useful or whether a real estate agent earns their commission.

I have good news for you — they do. Even the smoothest deals carry the possibility of disruption and further negotiation. But let’s skip past the typical reasons your agent can save or maximize your return and look at times of shifting markets.

In the most recent market shift in the second half of 2022, Boulder County sellers experienced an uncommonly quick, downward change in demand for their homes. An agent’s job is to assess how that shift will affect your marketing strategy and how to bring you the highest possible proceeds from your sale. The experienced agent advises their sell-side client when and if to lower their home asking price, and skillfully avoids chasing the market.

As we move forward through the current market shift, know that trust in your agent is paramount to your success. Case in point: During the Great Recession, a price reduction of 10% was not uncommon. Agents working on your behalf can cost you far less than this price reduction. Trust that their hard work will pay off. Plug in with an expert and explore your best moves.



# THE ART OF SELLING LUXURY

For a home, the highest compliment is to be considered luxury — at least from a real estate perspective. The word threads visions of pampering baths, elegant finishes, supreme locations, electrifying views, trailhead access or downtown chic.

A luxury home is more than a nice home, it's a lifestyle.

Boulder Valley offers some of the most desirable amenities and locations worldwide. But the mark of luxury is somewhat blurry. As cities age, luxurious properties may lose some functional luster. Homes with supreme locations may lack amenities, which could shift the property out of the luxury category. For example, a home may enjoy exceptional features, but the garage is too small to park in.

To sell luxury, the agent must paint luxury — showing the buyer the rich lifestyle that awaits. Just as important, detractions from that envisioned lifestyle must be overcome. Imagine relaxing in the bath and opening the window only to hear traffic noise and shouting. The luxury buyer will notice this shortcoming and lose interest.

A skilled agent will showcase the home's exceptional qualities, while helping the buyer understand the not-so-luxurious features. For the homeowner selling a luxury property, it's paramount to consult with your agent on how to soften the less enticing features — especially as home prices rise. The charts illustrate prices progressing into the luxury category in the city of Boulder. Since 2017, the number of homes sold for over \$1M and \$2M increased dramatically. In fact, around 80% of single-family homes in the city sold for over \$1M during 2022.



**CITY OF BOULDER SINGLE FAMILY HOMES  
BETWEEN \$1 MILLION AND \$2 MILLION**

	2019	2020	2021	2022
Total Active Listings	34	48	17	34
% Under Contract	26.5%	35.4%	76.5%	26.5%
Number Sold	242	292	364	315
Avg. Days on Market	60	62	48	37

**CITY OF BOULDER SINGLE FAMILY HOMES  
OVER \$2 MILLION**

	2019	2020	2021	2022
Total Active Listings	29	41	16	45
% Under Contract	10.3%	26.8%	25%	24.4%
Number Sold	81	95	175	128
Avg. Days on Market	93	69	68	63



# NEIGHBORS HELPING NEIGHBORS



Since opening its doors in downtown Louisville in 2019, RE/MAX Elevate has raised the standard for real estate offices everywhere. Not only do RE/MAX Elevate's award-winning Realtors offer committed expertise to their clients, but they surpass the prevailing standard for community involvement.

After the devastating Marshall Fire in Louisville and Superior, they organized food, financial, and clothing donations for the survivors. One year later, they also hosted a Holiday Drive to provide holiday decorations for the over 1,000 families who lost so much. The downtown Elevate office is a collection point for the Community Food Share Drive each year and the office participates monthly in the Louisville Art Walk. The Halloween Parade and the Taste of Louisville are community events that find the energetic RE/MAX Elevate Realtors doing all they can to support their neighbors and local businesses.

That's why RE/MAX Elevate's motto is "We Heart Louisville" and we love East Boulder County.

Along with RE/MAX of Boulder, RE/MAX Elevate was proudly named Outstanding Brokerage of the Year by global real estate company RE/MAX International. The award is based on record-setting sales and ongoing leadership performance.

RE/MAX Elevate was also awarded Boulder Weekly's Best of Boulder East County in the annual reader's choice survey in 2019, 2020, 2021, and 2022.

To contact a RE/MAX Elevate Realtor, call 303.974.5005 or go to [elevatedrealestate.com](https://elevatedrealestate.com). Better yet, visit their office at 724 Main Street in downtown Louisville.



**LOUISVILLE IS ONE OF THE TOP 10 PLACES TO  
LIVE IN THE U.S.**

— Money Magazine

# LOOKING AHEAD

## WHAT A DIFFERENCE A YEAR MAKES

Following persistent double-digit price increases and impossibly low inventory, 2023 will unveil new market realities that turn on rising interest rates, which will continue upward until inflation slows — and then only gently ease.



*Credit: V1 Photography*

For the first time in over a decade the market could be balanced, offering five to seven months of inventory. Houses could sit for sale for an average of more than 50 days as the market slows to absorb new listings.

The 27% sales decline experienced in 2022 is expected to stabilize, driven by unavoidable life events like job change, marriage, divorce, death, and family size. Expect a resurgence of owner financing and offers contingent on the buyer selling their own home before closing.

## WHAT DOES THIS MEAN FOR BUYERS AND SELLERS IN 2023?

Many buyers will breathe a sigh of relief, accepting higher interest rates as a better alternative to the recent home-buying-dash that required foregoing the pre-offer due diligence of home inspections and other safety measures. Higher interest rates may also be viewed as more affordable than paying the 10% and 20% over list price needed to purchase many homes in 2021 and 2022.



However, each interest rate increase will further erode buying power. As financing continues to threaten affordability, demand will remain sluggish and the lack of competition should give way to unique opportunities for sophisticated buyers. As multiple offers fade, buyers will find much success negotiating with sellers. Most transactions will include unrestricted property inspections, appraisals, and financing options.

Sellers have heard that the market has changed and will be more prepared for less favorable pricing. Some will choose to hold out until the market improves and many others will stay put to keep their very low interest rate. For sellers who were stalled in recent years simply because they failed to find a replacement property, 2023 should provide a turning point to finally buy their next home.

Todd Gullette (left), Managing Broker, RE/MAX of Boulder

**BOULDER IS THE #2 BEST HOUSING MARKET FOR GROWTH & STABILITY IN THE U.S.  
AND IN THE TOP 3 FOR THE 8<sup>TH</sup> YEAR IN A ROW**

— Smart Asset, 2022





# EXTRAORDINARY LIFESTYLE

*Exceptional Expertise*

*Luxury in Boulder Valley  
isn't an address,  
it's the Colorado life you dream of.*

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2425 CANYON BLVD #110  
BOULDER, CO 80302  
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