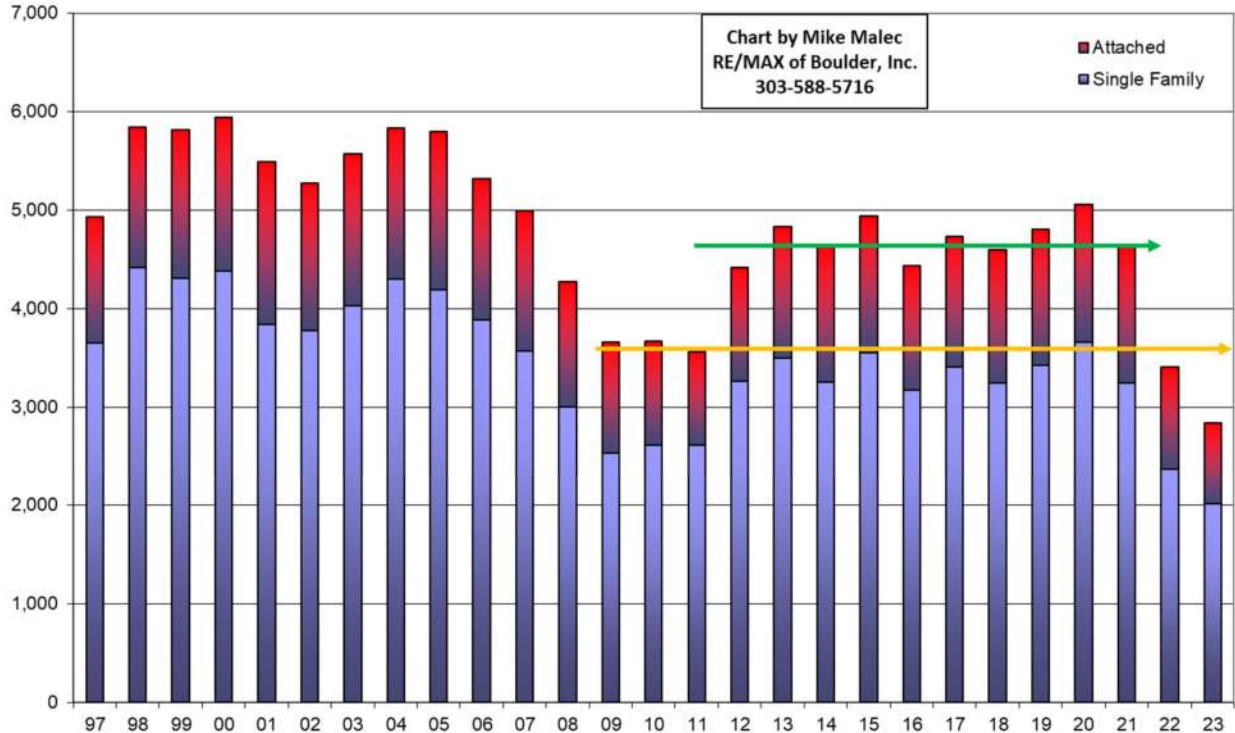


I've downloaded and massaged the year end numbers and this will be the first of several articles talking about how the 2023 Boulder County real estate market performed. As is usual, these stats are IRES data only and may miss sales only attributed in REColorado and any sales not reported to an MLS system. Due to the duplication problems between the MLS systems and the lack of REColorado sold data going back more than 3 years in IRES, I still don't feel comfortable including REColorado data. I remain hopeful that someday we'll have figured out a way to easily report all sales for our area.

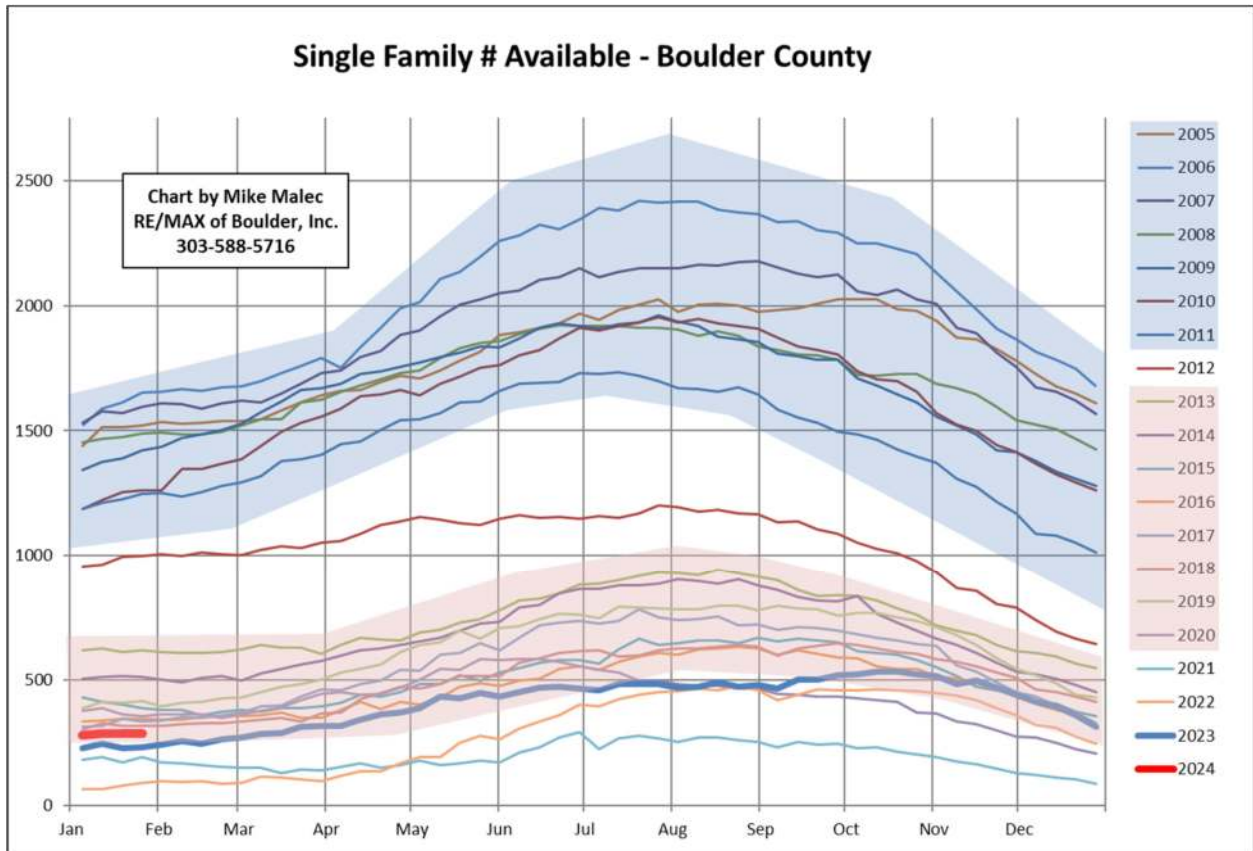
The 2023 market continued the trend of fewer sales than we saw the year before. Thankfully the percentage drop in sales wasn't as large as the year before, but to have under 2,900 reported home sales across the entire county is impressively slim, especially when you consider we had 5,938 sales back in 2000 and 5,058 sales back in 2020. Here's the history over the last 5 years. This is the lowest level of home sales since I've started tracking Boulder County stats in 1997.

	Single Family Sales	Attached Sales	Total Sales
2019	3,427	1,382	4,809
2020	3,665	1,393	5,058
2021	3,248	1,405	4,653
2022	2,377	1,030	3,407
2023	2,017 (-15.15%)	829 (-19.51%)	2,846 (-16.47%)

Annual # of Boulder County Home Sales



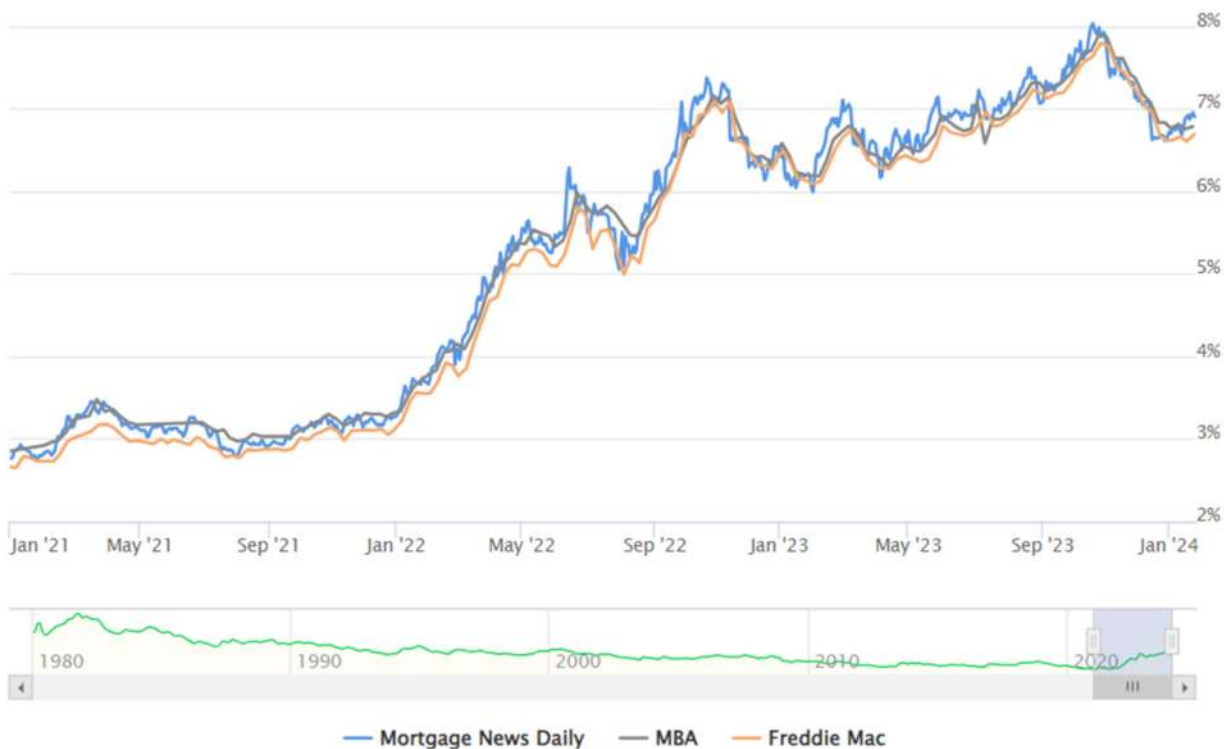
After coming out of the Great recession in 2012, we've bounced around 4,800 annual sales for 10 years (green line above). 2022 broke that trend and 2023 continued the new downward movement to hit a new low level well below the lows we saw during the Great Recession (orange line above). With sales this low, I'm hearing of and seeing ancillary effects with reductions in the staffing levels of many service providers necessary to the market like lenders, title companies, home inspectors, etc.



We are seeing a slight increase in the number of homes available for sale in Boulder County here at the very start of 2024 and we can hope that having more homes available for sale will help increase the sales numbers. I think sales numbers though, have been more tied to mortgage rates than home supply. We saw some improvement in mortgage rates in Dec., but January brought us increasing rates. Several governmental economic reports will be hitting at the end of January and we may have a better feel for the rate forecast as we move into February. Here is a chart from Mortgage Daily News showing the rate on a 30-year fixed mortgage over the last 3 years. Looking at this chart you can see why 2022 and 2023 were so different than previous years.

Zoom 1YR 5YR MAX

Jan 1, 2021 → Jan 26, 2024



What will 2024 be like? A loaded question for sure. The industry is facing an ever-increasing litany of large class action lawsuits, it's an especially fraught election year, inflation is better but not vanquished, and interest rates remain higher than they have been since the late 1990's. Making accurate long-term forecasts in this environment feels ambitious. I think I can safely say that 2024 will be another year of variability. We'll see conflicting metrics and trends. We'll see price points and areas that are hot one month or week, be cool the next and hot again the next. I think for those lucky sellers that enter the market when there is a waiting pod of buyers, multiple offers may still occur. For other unlucky sellers, hitting the market at the right price with a well-presented home may generate less than expected interest if there aren't any buyers currently looking at their price point and area. Patchiness may be the most consistent trend we see in 2024. Of course, as recent events have shown, you never know what may be coming around the bend that may change this outlook for the better or the worse. Here's hoping for a good surprise in 2024!



Mike Malec - RE/MAX of Boulder, Inc. - 303-588-5716