



Real estate terminology has a tendency to change over time. In the old days, title to property was transferred by a handshake and displayed in written form in an abstract. An abstract was a historical record of a property passed from owner to owner. Then came along legal contracts and title insurance, and the abstract, like the handshake, became a thing of the past.

Today, more than ever before, terms like short sale and bank foreclosure dominate the real estate landscape. They are not kind terms. They are terms that have surfaced as the result of a global economy that has created havoc with many people's lives. They are terms that have dominated the business media for the past two plus years. They are terms that have become part of the educational process of the real estate industry. But, like the handshake and the abstract, they will eventually work their way out of the mindset of the public and become something to look back on with regret for some and with delight for others; for even in the most difficult times, there are opportunities to be had.

Now we are meandering our way through the first part of a new decade. One comprised of change, but also riddled with hope. There appears to be, on the surface, this renewed sense of optimism about the future; this feeling of calm; this time of settling; this time of reflection. People, by their innate nature, are resilient. They have the ability to reconfigure their lives, make positive changes, and once again begin the process of moving forward. That's where we are now as a nation, a state, a community, and a family.

In that regard, the **Boulder County** real estate market has begun the process of moving forward on a positive path. For the **first two months** of 2010, there were 246 single family homes sold and 108 attached units sold in **Boulder County**. That compares to 2009 figures of 247 single family homes sold and 83 attached units sold; slightly over a seven percent increase. Although sales are still significantly below the high water mark of 2005 for the first **two months** (516 single family homes sold; 163 attached units sold), this is the first time since 2005 sales have gone up. (All figures noted above are from IRES, the Northern Colorado MLS.)

As we enter the spring, when people and things have a tendency to perk-up, what are the prospects for the **Boulder Valley** real estate market? Where to start? How about financing?

- **Mortgages:** There shouldn't be any significant changes here. Mortgage interest rates should continue to be in the five percent plus or minus range for the traditional thirty-year fixed rate mortgage. Adjustable Rate Mortgages are available today below five percent. Lenders will continue to require more detailed information from borrowers. Appraisers will continue to be extremely conservative in their appraisals.
- **Inventory Levels:** As always, the number of homes for sale will trend-up in the spring and peak by mid-summer. Look for inventory levels to top 2009 figures as some degree of pent-up-demand on the part of prospective buyers will bring more seller's into the marketplace. But, don't look for hordes of new inventory on the market, especially in the upper price ranges where buyers are few and far between.
- **New Construction:** In certain geographic areas, production builders have already begun the process of building more new home inventory. Expect that to continue for entry level homes. Custom homes will be mainly on a presale basis only. Custom spec home construction will be limited due to the lack of bank financing and most builders' unwillingness to take a risk. But, if you are a buyer, it is a great time to look into building a custom home.