



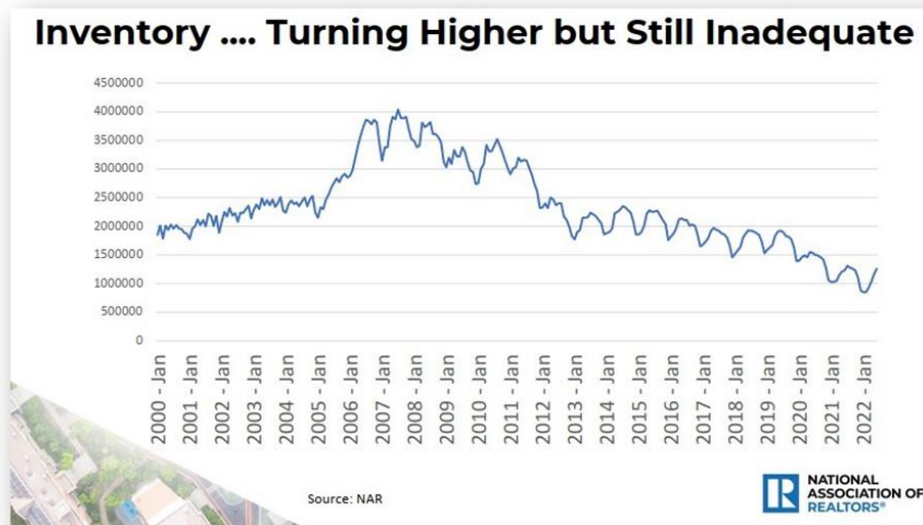
Putting the Changing Real Estate Market Into Perspective

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For those of us that lived through the great recession of 2007-2012, the recent talk of recession is unnerving. Keep in mind there is a significant difference between the time prior to the 2007-2012 recession and now. The chart above shows yearly US housing inventory for the past 20 years. In 2006 we had an excess of residential inventory on the market topping out at nearly 4 million units. There were almost twice as many homes on the market in 2006 as there were only 6 years prior. Fast forward to 2022. It is true that the market is shifting as we adjust to decreased demand due to higher mortgage interest rates and a pull back from investors. Nationally, existing home sales are down 5.9% for July and down 20% from one year ago. However, you can see from the chart above that inventory is still extremely low. There are still fewer homes on the market than at any point between 2000 – 2020. To put things in perspective, a balanced market is considered a 6 month supply of homes. According to the Colorado Association of Realtors, in July, inventory of homes for sale for Larimer County was up a whopping 35.5% but we still only had a 1.7 months supply of homes on the market.

There are some additional factors that will continue to keep inventory low into the future. For millions of Americans who are locked in to a really low interest rate of 2.75% - 3.5%, it will be really hard to give up that low rate and low payments should they sell their current home. I see homeowners considering home improvements such as finishing a basement or adding an addition as an alternative to selling.



The logo for the Kinzli Team RE/MAX Alliance features a stylized house icon with a blue roof and a red base, containing the RE/MAX logo. Below it, the text "KINZLI TEAM" is in red, and "RE/MAX ALLIANCE" is in blue. The phone number "970-568-3600" and the website "www.kinzlirealestate.com" are listed below.

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