

Residential Real Estate Buyers & Sellers, California & Colorado

Completed March 18, 2019



Fidelman & Co.

—



Residential Real Estate Buyers & Sellers: California & Colorado	3
METHODOLOGY	3
CALIFORNIA RESIDENTIAL REAL ESTATE BUYERS AND SELLERS	4
COLORADO RESIDENTIAL REAL ESTATE BUYERS AND SELLERS	4
ADDITIONAL INSIGHTS	4
SOURCES	
Sources	5

Residential Real Estate Buyers & Sellers: California & Colorado

The number of homes sold in California in January 2019 was [357,730 units](#). In addition, by January 2019, a total of 116,942 units were sold in Colorado. Also, the estimated represented home sales in California was 336,266 units while the estimated represented home sales in Colorado was 100,570 units.

METHODOLOGY

In our search for information on the number of homes sold/bought with or without representation in California and Colorado, we began by focusing on the official realtor associations of both states. These organizations provide market updates for the transactions that take place in the residential housing industries of each state. Through this strategy, we found a significant amount of information on the 2018 and 2019 residential real estate sales of both states.

To address the "with or without representation" part of the research criteria, we looked for information on the segmentation of real estate sales in California and Colorado in survey and statistical resources. With this strategy, we were able to find the percentage of represented home sales in California and calculate the number of homes sold through the use of agents in the state.

For Colorado, we were not able to find data on the use of representation in residential real estate transactions. We, therefore, widened our scope to the national level. After going through the National Association of Realtors website in search of consumer profiles and reports, we were able to [find a report](#) that contained a breakdown of subregions and because additional data points were unavailable, we used the information presented in the report as a proxy. The Mountain subregion includes Colorado so we assumed that the data that was presented for this region would also represent the Colorado home buyers and sellers profiles. With the percentage of represented home sales, which we assumed represented the use of agents in home buying, we calculated the estimated numbers of represented home sales in both states as follows:

*** California Represented Home Sales = Annual Number of Sales x Percentage of Home Buyers Who Used Agents

*** California Represented Home Sales = 357,730 units x 94% = 336,266 units.

Therefore, a total of 336,266 home units were sold in California through agents.

*** Colorado Represented Home Sales = Annual Number of Sales x Percentage of Home Buyers Who Used Agents

*** Colorado Represented Home Sales = (112,474 units + 4,468 units) x 86% = 100,570 units.

Therefore, a total of 100,570 home units were sold in Colorado through agents.

CALIFORNIA RESIDENTIAL REAL ESTATE BUYERS AND SELLERS

In January 2019, there were [357,730](#) single family home units sold in California. Additionally, in 2018, [94%](#) of home buyers in California used a real estate agent and [85%](#) of the people who sold their homes in the last 18 months also used a real estate agent.

From the calculations presented in the methodology section above, which featured the [percentage of home buyers](#) who used an agent to buy a home, we estimated the number of represented home sales in California to be a total of 336,266 units in 2018.

COLORADO RESIDENTIAL REAL ESTATE BUYERS AND SELLERS

According to the Colorado Association of [Realtors Housing Report](#), in 2018, a total of [112,474](#) home units were sold. In January 2019, an additional [4,468](#) units were sold while in February 2019, a total of [6,505](#) units were sold where [4,893](#) were single family units and [1,587](#) were townhouse-condo units.

In addition, in the Colorado subregion, [86%](#) of home buyers [used agents to purchase homes](#) while [89%](#) of home sellers used agents to sell homes.

Adding the latest figures of residential real estate buying and selling in Colorado i.e. up to January 2019 to match the figures presented for California brings the total of units sold to 116,942 units.

From the calculations presented in the methodology section above, which featured the [percentage of home buyers](#) who used an agent to buy a home, we estimated the number of represented home sales in Colorado to be a total of 100,570 units from 2018 to early 2019.

ADDITIONAL INSIGHTS

According to Zillow, a total of [6,207](#) home units were sold in Colorado in the [past 30 days](#) while a total of [484,824](#) home units were sold in California in the [past 12 months](#).

Sources

1) Current Sales & Price Statistics

<https://www.car.org/marketdata/data/countysalesactivity>

2) 2018 State of the Consumer

<https://www.car.org/-/media/CAR/Documents/Industry-360/PDF/CAR-REACT18.pdf?la=en&hash=4A46D02A1459BFA35009CDA7229E656D4B7AD011>

- “While the internet provides useful information to make decisions throughout the home-buying process, buyers continue to rely on real estate professionals to help them navigate through the sales transaction, evidenced by 94 percent using an agent”
- “While the internet is very resourceful for sellers in the home selling process, many still rely on their real estate agent to carry them through the complicated process. In fact, 85 percent of those who sold in the past 18 months used a real estate agent. Sellers could use an agent’s assistance in many different ways, but half of all sellers needed help from their agent with either price/term of sale negotiation or determining listing price/strategy”

3) Recently sold home in California for the past 12 months

https://www.zillow.com/captchaPerimeterX/?url=%2fhomes%2frecently_sold%2fCA%2f9_rid%2f12m_days%2fglobalrelevanceex_sort%2f47.174778%2c-102.875977%2c29

4) Statewide Report Single Family and Townhouse-Condo

<http://car-co.stats.showingtime.com/docs/mmi/x/Statewide?src=page>

5) Recently sold homes in Colorado for the past 30 days

https://www.zillow.com/captchaPerimeterX/?url=%2fhomes%2frecently_sold%2fCO%2f10_rid%2f30_days%2fglobalrelevanceex_sort%2f41.224118%2c-101.821289%2c36.7

6) Colorado - Buyer and seller profiles

<https://www.nar.realtor/sites/default/files/documents/2017-profile-of-home-buyers-and-sellers-in-sub-regions.pdf>

7) Single Family and Townhouse-Condo December 2018

<http://car-co.stats.showingtime.com/docs/mmi/2018-12/x/Statewide?src=page>

8) Single Family Market Overview - January 2019

<http://car-co.stats.showingtime.com/docs/mmi/2019-01/x/Statewide?src=page>