

Nothing Would Spur the Real Estate Market More Than Relief of Student Debt

A recurring idea among many of the Democratic presidential candidates is the payoff of student debt combined with making public universities and colleges tuition-free.

If that were to be done, I think we'd see an amazing increase in home purchases by those who are currently saddled with tens of thousands of dollars in debt. Freeing them from monthly payments of that debt

could unleash a lot of buying power, and not just for real estate. Dollar-for-dollar, there is probably no investment the government could make of equal scope that would have as great a stimulating effect on the economy.

According to the Center for Responsible Lending, "Student loan debt has topped \$1.5 trillion in recent years, making it the largest type of consumer debt outstanding other than mortgages. The average student loan borrower graduates with nearly \$30,000 in debt."

Moreover, according to the Center, The CFPB estimates that over a quarter of borrowers are delinquent or have defaulted on their student loan debt. Such defaults wreak havoc on the borrower's credit rating, making home financing impossible rather than just difficult.

It's hard to imagine the impact

REAL ESTATE TODAY



By JIM SMITH, Realtor®

of having literally millions of home buyers entering the market if this were to happen. It may, in fact, prove to be too much stimulation of an already tight housing market. Meanwhile, the rental market could have the depressing impact of so many renters vacating rental units to buy their own condos and homes.

Speaking of the economy, I read an article last week that the RV industry is experiencing a 20% decline in sales, and that it's considered a leading indicator of recessions. In my Sept. 5th column I wrote about fears of recession stoking a reduction in home buying activity, although market statistics don't yet show that happening.

However, the article on declining RV sales got me to thinking. What makes it a leading indicator of a coming recession is that RVs are an extreme example of discretionary spending, the kind that is reduced when consumers fear for

their financial future.

Well, real estate purchases are often discretionary, too. People don't always *have* to sell their current home or leave their rental to purchase a home. If they are in fear of economic pain, it's understandable that they would postpone such a purchase.

So, although the statistics don't

yet reflect such a slowdown in real estate activity, I think the prospect of that slowdown is quite real, and I'll be watching for statistical evidence of it.

If indeed a recession is looming, relief of student debt could have a strong countervailing effect on the economy as a whole, and not just the real estate market.

Some Takeaways from Last Saturday's Electric Car Event

This was the 6th year that Golden Real Estate has been the site of a local "Drive Electric Week" event.

This year we got our first glimpse of EVs built to compete with Tesla. I got to drive the new Jaguar I-Pace and ride in Audi's eTron, and they are certainly worthy competition for Tesla in the luxury EV field.

The Jaguar has four electric motors, one in each wheel hub, which is an improvement over Tesla's two motors and is likely to become a favored design for high-end EVs.

The Audi eTron has dual electric motors, like Tesla, centered between the front and rear wheels.

While these are worthy competitors to Tesla in the luxury market (and there will be others), I don't

think Tesla has anything to worry about thanks to its proprietary Supercharger network throughout the U/S. & Canada and worldwide.

ICYMI: Video of EV Roundup

I have posted a 6½-minute video of last Saturday's "Drive Electric Week" event. You can view it at GoldenREblog.com. To find it, scroll past the posts of this week's column and featured listings.

There's a similar event **Thursday, Sept. 19th, 11-2** in Denver's **Civic Center Park**. Dealers will be offering test drives, too, and the first 100 people to request a test drive will get a free lunch! Also, there's another EV roundup **Oct. 5, 4-6 pm** as part of the Metro Denver Green Homes Tour. More next week.

Coming Soon: North Golden Home With Mountain Views

Check back here next week for all the details on **301 Cliff Line Rd.**, a luxury custom ranch with walkout basement within the City of Golden, high up on the western slope of North Table Mountain. For advance info, call listing agent **Kristi Brunel** at **303-525-2520**.

Just Listed: Awesome Home in Hills Above Boulder

Nowadays, it's rare to find a Boulder home this special on the market for less than \$1 million. This fabulous home at **1670 Timber Lane** is located in coveted Pine Brook Hills, 4 miles northwest of downtown Boulder and the Pearl Street mall. It's a 4-bedroom, 3-bath ranch-style home with walk-out basement and 3,793 finished square feet of living space on 1 acre. It has a 2-car attached garage and a ramp making it wheelchair accessible. It was just listed by **Chuck Brown** for **\$998,000**. Enjoy the best of both worlds here — in the wooded foothills but close to the restaurants and nightlife of Boulder. You'll love the view of city lights from the recently rebuilt wraparound deck. Take a narrated video tour of the home at www.Boulder-Home.info, then come to Chuck's **open house this Saturday, Sept. 21st, 11 a.m. to 2 p.m.** Or call Chuck at **303-885-7855** for a private showing.



Big Price Reduction on Golden Horse Property



If you drive Easley Road, perhaps you've seen this banner on the fence of my listing at **16826 W. 57th Ave.** It was originally listed at \$750,000 — a great price, I felt, for a one-acre horse property within 4 miles of downtown Golden. Now, however, the price is reduced to **\$699,000**. Such a deal! In addition to the

half-acre pasture, the property includes a 5-bedroom, 3-bath multi-level home with a 3-car garage. Separate from the pasture is a fenced backyard which is sheltered from any traffic noise. The master bedroom upstairs has a private deck with a view of North Table Mountain. You'll have the experience of being in the country here, close to bridle trails, bike trails and walking paths up the east slope of North Table Mountain. There's no HOA, and you're in unincorporated Jefferson County, so you're free to build another outbuilding as big as you'd like or to use the pasture for storing your cars, RVs and other toys. You can take a narrated video tour at www.JeffcoHorseProperties.com, or call me for a showing. **Open this Saturday, 11am-1pm.**

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