



Puget Sound area home sales, prices still strong

Home prices have "clearly recovered" in King County and a few other areas served by Northwest Multiple Listing Service. Many member-brokers say prices are likely to keep rising as a backlog of buyers competes for depleted inventory.

Selling prices for single family homes and condominiums that sold across the Northwest MLS 23-county service area surged 8.6 percent from a year ago, rising from \$290,000 to \$315,000. The price of a single family home (excluding condos) that sold in King County during December jumped nearly 15.5 percent, from \$440,000 to \$508,000, prompting OB Jacobi, president of Windermere Real Estate to comment, "If December told us one thing, it's that home prices have clearly recovered in King County. Last month the median price for single family homes broke the pre-recession record of \$481,000 that was set in July 2007."

Another industry leader, J. Lennox Scott, chairman and CEO of John L. Scott, noted the 9.2 percent drop in King County's pending sales during December, saying "The only reason pending sales dropped in King County was due to a lack of inventory." MLS figures show active listings in King County were down 39 percent (about 1,400 fewer properties) from 12 months ago.

Area-wide, inventory was off 29 percent from a year ago, plunging from 17,659 active listings to 12,522. That total includes 4,041 new listings the MLS brokers added during December, which was down from 4,367 the members added during the same month a year ago.

Pending sales system-wide, which totaled 5,970 during December, clearly outpaced the brokers' ability to replenish inventory. The sales volume was up 3 percent from a year ago when members reported 5,794 mutually accepted offers. Measured another way, last month's pending sales outnumbered new listings by a wide margin - a differential of 1,929 units.

"With the backlog of buyers waiting in the wings, any new inventory that comes on the market will be snapped up immediately," predicts Northwest MLS director Frank Wilson. He expects 2016 may be "very stressful" for some buyers, citing low inventory, increasing prices, rising interest rates, plus a growing pipeline of qualified buyers as sources of house-hunter anxiety.

Lennox Scott also foresees a fast-paced, "intense" market, with prices escalating in areas where inventory is low. "The lack of inventory near job centers persists," he remarked. Buyers come out in big numbers beginning January 1, he noted, but new listings come later, typically toward the end of February.

Market Activity Summary for December 2015						
	Listings		Pending	Closing Sales		
	New Listings	Total Active		# of Closings	Average Price	Median Price
Single Family						
Homes & Condos						
King	1,314	2,196	1,934	2,612	\$547,700	\$450,000
Snohomish	685	1,345	1,067	1,189	\$365,530	\$337,500
Pierce	717	2,129	1,172	1,209	\$278,660	\$249,950
Total	2,716	629	4,173	5,010	\$397,297	\$345,817

Forty eight percent profit in King County

King County home sellers are seeing an average of a 48 percent profit since purchase, according to RealtyTrac's October 2015 U.S. Home Sales Report. King County was tied for seventh in the poll with Travis County, Texas; and Contra Costa County, California. Six of the top 10 spots were

held by California markets. Seattle's median home prices rose 10 percent from a year ago in October, according to RealtyTrac. Here are RealtyTrac's top 3 counties where sellers, on average, sold for the largest percentage profit since purchase:

1. Alameda County, California: 75 percent gain
2. Santa Clara County, California: 61 percent gain
3. San Mateo County, California: 58 percent gain

Breakouts! – Residential SOLD Average

December 2015 (King/Snohomish/Pierce County) SOLD Average			
Area (Area Code)	Average \$	Average \$	2015 VS 2014
	Dec. 2015	Dec. 2014	
Auburn-Federal Way (110-310)	\$ 332,391	\$ 295,199	12.60%
Kent-Maple Valley (320-340)	\$ 358,711	\$ 331,372	8.25%
West Seattle (140)	\$ 558,046	\$ 459,362	21.48%
SODO-Beacon Hill (380-385)	\$ 498,106	\$ 452,705	10.03%
E.lake-Madison-Capital Hill (390)	\$ 866,317	\$ 926,350	-6.48%
Queen Anne-Magnolia (700)	\$ 930,317	\$ 820,593	13.37%
*Belltown-Downtown Seattle(701)	\$ 723,646	\$ 499,480	44.88%
Ballard-Greenlake (705)	\$ 638,011	\$ 559,658	14.00%
North Seattle (710)	\$ 753,237	\$ 610,347	23.41%
Shoreline/Richmond Beach (715)	\$ 569,441	\$ 477,099	19.35%
Bellevue Downtown (520)	\$ 1,783,473	\$ 1,423,963	25.25%
Mercer Island (510)	\$ 1,384,194	\$ 1,231,458	12.40%
Bellevue South-Newcastle (500)	\$ 829,679	\$ 820,787	1.08%
Renton Highlands-Downtown (350)	\$ 490,617	\$ 453,831	8.11%
Microsoft-Bellevue East (530)	\$ 717,343	\$ 708,925	1.19%
Kirkland Downtown (560)	\$ 927,197	\$ 935,066	-0.84%
Redmond (550)	\$ 705,848	\$ 694,325	1.66%
Issaquah-Sammamish (540)	\$ 706,250	\$ 666,482	5.97%
Juanita-Bothell-Woodinville (600)	\$ 638,493	\$ 540,644	18.10%
Bothell North-Mill Creek (610)	\$ 538,104	\$ 491,140	0.00%
Edmonds-Lynnwood (730)	\$ 455,730	\$ 398,116	14.47%
Everett-Mukilteo-Snohomish (740)	\$ 370,633	\$ 346,665	6.91%

*Condominium SOLD Average

Don't Let Winter Chill Your Home Sale

Most areas see a downturn to sales in the winter months; usually fewer homes are on the market. Makes it a great time to sell as competition is low and could provide an edge to sellers. Make your home look like a haven from the gloomy weather.

Keep it Clean. Keep leaves, snow and debris out of the walk ways.

Make it warm and cozy. Turn up the heat, light a fire or use flameless candles.

Lighten up. Turn on the lights, open the blinds. No one likes a dark house.

Add some ambience. Add pillows and a throw. Make the home inviting.

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Weekly Primary Mortgage Market Survey® (PMMS®)				
January 2, 2016	30-Yr	30-Yr	15-Yr	5/1
Regional Breakdown	FNMA	FHA	FNMA	ARM
Average Rates	3.750%	3.250%	2.875%	2.875%
Fees & Points	*All loans are with a one point origination fee.			
APR	3.879%	4.218%	3.099%	2.997%

740 credit score and 20% down payment for conventional
640 credit score and 3.50% down payment for FHA

