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What's in Style?

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Home Sales and Prices Still Climbing Around Puget Sound

Home sales around Western Washington outgained new listings again in October, fueling competition for scarce inventory and pushing prices higher. Some seasonal slowdown is still expected - and the Nov. 8 elections may be in play as well, according to brokers at Northwest Multiple Listing Service who commented on last month's activity.

MLS members reported 9,950 pending sales during October, but they added only 7,591 new listings, the lowest number since January. A year-over-year comparison of pending sales shows there were 633 more mutually accepted offers last month than twelve months ago for a gain of 6.8 percent.

Closed sales improved even more, rising from the year-ago total of 7,769 completed transactions to last month's volume of 8,554 (up 10.1 percent).

"The further we move into November, the more we'll start feeling the typical seasonal drop when new listings coming on the market decline by 50 percent on a monthly basis compared to spring and summer months," suggested J. Lennox Scott, chairman and CEO of John L. Scott Real Estate. Buyers are still out there, he emphasized. "We're heading into winter with a repeat of last year's conditions: low inventory, a backlog of buyers, and historically low interest rates." On the heels of the "best October on record" Scott predicts "a strong winter market where the inventory remains tight throughout the season."

System-wide, prices for single family homes and condos (combined) rose nearly 8.2 percent from a year ago, increasing from \$318,000 to \$344,000. In the four-county Puget Sound region, King County claimed the largest increase and the highest prices. Year-over-year prices jumped 14.5 percent, from \$432,750 to \$495,500.

Single family home prices (excluding condos) increased 9.2 percent from a year ago; in King County the gain was nearly 14.6 percent, climbing from \$480,000 to \$550,000. That countywide median price is higher than September (which was \$538,000) but lower than the year-to-date peak of \$573,522 in June.

Mike Grady, president and COO at Coldwell Banker Bain cited solid local economic indicators and the Federal Reserve's decision on Wednesday to hold off on increasing interest rates as signals for a good time for home buyers and sellers to make a move. "It actually could be a great window of opportunity," he stated.

Market Activity Summary for October 2016						
Single Family Homes & Condos	Listings		Pending	Closing Sales		
	New Listings	Total Active		# of Closings	Average Price	Median Price
King	2,746	3,667	3,576	3,272	\$596,900	\$495,500
Snohomish	1,161	1,788	1,561	1,364	\$398,234	\$369,950
Pierce	1,333	2,548	1,779	1,339	\$313,540	\$275,000
Total	5,240	8,003	6,916	5,975	\$436,225	\$380,150

Seattle area employment rate below 4%

According to the *Seattle Times*, the Seattle area unemployment rate has squeaked below 4 percent. September's 3.9 percent unemployment rate for the Seattle-Bellevue-Everett area is down 4.1 percent a month prior, and 4.6 percent a year ago. It marks the first time since June 2008 that the jobless rate was below 4 percent. No other metro area in the state has a jobless rate below 6 percent. In September, the Census Bureau reported that Seattle saw the fastest-growing incomes of any

city in the country. The statewide unemployment rate in September dropped to 5.6 percent. The state added 20,000 jobs in September compared to the month before, the most since the spring of 2000.

Breakouts! – Residential SOLD Average

Area (Area Code)	Average \$		2016 VS 2015
	Oct. 2016	Oct. 2015	
Auburn-Federal Way (110-310)	\$ 366,859	\$ 329,996	11.17%
Kent-Maple Valley (320-340)	\$ 404,168	\$ 353,345	14.38%
West Seattle (140)	\$ 589,918	\$ 486,200	21.33%
SODO-Beacon Hill (380-385)	\$ 525,319	\$ 498,129	5.46%
E.lake-Madison-Capital Hill (390)	\$ 990,258	\$ 882,720	12.18%
Queen Anne-Magnolia (700)	\$ 974,644	\$ 861,186	13.17%
*Belltown-Downtown Seattle(701)	\$ 745,293	\$ 638,984	16.64%
Ballard-Greenlake (705)	\$ 680,011	\$ 629,180	8.08%
North Seattle (710)	\$ 890,268	\$ 702,957	26.65%
Shoreline/Richmond Beach (715)	\$ 518,657	\$ 593,066	-12.55%
Bellevue Downtown (520)	\$ 1,943,662	\$ 2,264,997	-14.19%
Mercer Island (510)	\$ 1,456,932	\$ 1,393,958	4.52%
Bellevue South-Newcastle (500)	\$ 961,575	\$ 814,967	17.99%
Renton Highlands-Downtown (350)	\$ 509,126	\$ 451,819	12.68%
Microsoft-Bellevue East (530)	\$ 830,631	\$ 753,242	10.27%
Kirkland Downtown (560)	\$ 1,059,400	\$ 909,896	16.43%
Redmond (550)	\$ 792,995	\$ 746,725	6.20%
Issaquah-Sammamish (540)	\$ 797,737	\$ 684,540	16.54%
Juanita-Bothell-Woodinville (600)	\$ 691,629	\$ 568,195	21.72%
Bothell North-Mill Creek (610)	\$ 575,151	\$ 504,132	14.09%
Edmonds-Lynnwood (730)	\$ 485,779	\$ 458,571	5.93%
Everett-Mukilteo-Snohomish (740)	\$ 410,997	\$ 405,939	1.25%

*Condominium SOLD Average

The top 10 Rules of Buying a Home

Avoid big headaches if you keep these in mind:

1. Study the purchase agreement carefully
2. Personally inspect the interior and exterior
3. Do a neighborhood check
4. Review the sellers disclosure statement
5. Hire an inspector
6. Read the Pest inspection report, if applicable
7. Contact agencies responsible for roads, public works and zoning
8. Make sure the property has been properly surveyed, no hidden easements
9. Buy title insurance if you are paying cash. It will be required if you are getting a home loan
10. Put all verbal agreements in writing

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Weekly Primary Mortgage Market Survey® (PMMS®)				
November 11, 2016 Regional Breakdown	30-Yr FNMA	30-Yr FHA	15-Yr FNMA	5/1 ARM
Average Rates	3.75%	3.00%	3.00%	2.875%
Fees & Points	*All loans are with a one point origination fee.			
APR	3.879%	4.513%	3.225%	2.99%

** Owner Occupied /Single Family Residence
740 credit score and 20% down payment for conventional
640 credit score and 3.50% down payment for FHA

