



Holiday shoppers include homebuyers, but inventory is still a challenge

"Normal seasonal slowdowns" are reported by some real estate leaders with Northwest Multiple Listing Service, but other brokers say this holiday season is still drawing crowds at open houses along with competitive bidding in some neighborhoods.

MLS members reported 8,304 pending sales of single family homes and condos, a slight (1.6 percent) gain over the year-ago figure of 8,173. Last month's mutually accepted offers surpassed the number of new listings (6,098) by 2,206 properties to keep supply tight.

"Until we see a balanced rate of 4-to-5 months of supply, instead of hovering around one month, we're not likely to see much change," remarked George Moorhead, designated broker at Bentley Properties. "However," he added, "since we have seen these low inventory levels since 2013, maybe this is going to be the new normal."

Moorhead, a member of the Northwest MLS board of directors, also said this time of year is actually one of the best times to find a home. "There is less competition and sellers who list their homes at this time are usually motivated to make their move. Some of the best pricing can be attained from December through early February," he indicated.

J. Lennox Scott, chairman and CEO of John L. Scott Real Estate, described sales activity for new listings as "extremely strong." Despite lower overall volumes of new listings and sales, Scott said the majority of new listings are selling within their first 30 days on the market. He calculated November's pending sales of single family homes outgained new listings by nearly 41 percent.

Despite improvements in new listings, brisk sales kept inventory well below year-ago levels.

Measured by months of supply, there is about 1.4 months of inventory overall. In King County, supply has dwindled to 0.79 months, and only slightly better, at 0.89 months, in Snohomish County.

Home values continue to escalate across the region. The system-wide median price of \$379,000 was up 10.8 percent from a year ago, with 15 counties reporting even sharper gains.

In King County the median price for single family homes and condos combined jumped 15.6 percent, from \$497,254 to \$575,000. For single family homes (excluding condos), the median price was \$630,750, up nearly 14.7 percent from last year. Condo prices surged 17.1 percent, due to a combination of depleted inventory (down 28 percent from a year ago) and higher prices for new condos. (In King County, the condo component classified as new construction that sold during November had a median price of \$873,490.)

Market Activity Summary for November 2017						
	Listings		Pending	Closing Sales		
	New	Total		# of	Average	Median
Single Family	Listings	Active	Closings	Price	Price	
Homes & Condos						
King	2,102	2,234	2,831	2,821	\$678,388	\$575,000
Snohomish	924	1,100	1,332	1,237	\$468,411	\$429,950
Pierce	1,035	1,830	1,478	1,385	\$342,173	\$301,900
Total	4,061	5,164	5,641	5,443	\$496,324	\$435,617

Seattle home price increase highest in U.S.

U.S. home prices rose at the fastest pace in more than three years in September, lifted by a record-low supply of houses for sale. Seattle posted the highest year-over-year increase, topping all other cities by

a hefty margin. Seattle, Las Vegas and San Diego reported the highest year-over-year gains. Home prices jumped 12.9 percent in Seattle, 9 percent in Las Vegas and 8.2 percent in San Diego.

Breakouts! – Residential SOLD Average

November 2017 (King/Snohomish/Pierce County) SOLD Average			
Area (Area Code)	Average \$	Average \$	2017 VS
	Nov. 2017	Nov. 2016	2016
Auburn-Federal Way (110-310)	\$ 386,547	\$ 347,836	11.13%
Kent-Maple Valley (320-340)	\$ 449,100	\$ 397,517	12.98%
West Seattle (140)	\$ 654,225	\$ 530,088	23.42%
SODO-Beacon Hill (380-385)	\$ 643,569	\$ 538,651	19.48%
E.lake-Madison-Capital Hill (390)	\$ 1,160,775	\$ 886,002	31.01%
Queen Anne-Magnolia (700)	\$ 1,213,018	\$ 1,042,710	16.33%
*Belltown-Downtown Seattle(701)	\$ 887,020	\$ 887,046	0.00%
Ballard-Greenlake (705)	\$ 838,067	\$ 687,176	21.96%
North Seattle (710)	\$ 855,682	\$ 718,917	19.02%
Shoreline/Richmond Beach (715)	\$ 714,450	\$ 589,255	21.25%
Bellevue Downtown (520)	\$ 2,518,427	\$ 2,430,206	3.63%
Mercer Island (510)	\$ 1,670,306	\$ 1,738,560	-3.93%
Bellevue South-Newcastle (500)	\$ 1,046,140	\$ 839,860	24.56%
Renton Highlands-Downtown (350)	\$ 623,478	\$ 523,642	19.07%
Microsoft-Bellevue East (530)	\$ 1,062,681	\$ 995,780	6.72%
Kirkland Downtown (560)	\$ 1,157,836	\$ 976,370	18.59%
Redmond (550)	\$ 827,965	\$ 828,106	-0.02%
Issaquah-Sammamish (540)	\$ 857,248	\$ 800,919	7.03%
Juanita-Bothell-Woodinville (600)	\$ 799,613	\$ 698,482	14.48%
Bothell North-Mill Creek (610)	\$ 695,474	\$ 582,693	19.36%
Edmonds-Lynnwood (730)	\$ 553,282	\$ 494,079	11.98%
Everett-Mukilteo-Snohomish (740)	\$ 478,372	\$ 415,149	15.23%

*Condominium SOLD Average

Low Inventory and Rising Prices Slow National Home Sales

Existing-home sales improved slightly in September, rising month over month 0.7 percent to 5.39 million. However, year-over-year sales are down (1.5 percent) for the first time in the past year. According to Lawrence Yun, chief economist for NAR, "Home sales in recent months remain at their lowest level of the year and are unable to break through despite considerable buyer interest in most parts of the country." Sales growth is being restricted by the same two factors that have been plaguing the housing market since the start of the year: low inventory and rising prices.

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Weekly Primary Mortgage Market Survey® (PMMS®)				
December 11, 2017	30-Yr	30-Yr	5-Yr	5/1
Regional Breakdown	FNMA	FHA	FNMA	ARM
Average Rates	3.875%	3.375%	3.25%	3.50%
Fees & Points	*All loans are with a one point origination fee.			
APR	4.005%	4.867%	3.447%	3.626%

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

