



Brokers Report Some Good News For Home Buyers, But Still Expect Puget Sound's "Frantic Market" to Continue

Home buyers may be cheered by an uptick in inventory, but the improving supply is unlikely to reverse rising prices, suggest industry leaders from Northwest Multiple Listing Service.

Commenting on just-released figures for April, which showed the highest level of active listings since August, OB Jacobi, president of Windermere Real Estate said, "For the first time in a long time we had good news for buyers." Noting supply is still lower than year-ago levels (down 5.6 percent), it jumped 14 percent from March, which Jacobi said "is a pretty significant increase even for this time of year."

Northwest MLS brokers added 11,271 new listings to inventory during April, a gain of 6.3 percent when compared to March, and up nearly 5.9 percent versus a year ago. April's pending sales (mutually accepted offers) totaled 10,574, improving on the same month a year ago and the previous month.

At month end, the active listings selection included 10,079 single family homes and condos, eclipsing the total of 8,825 listings at the end of March. The condo segment grew 10.9 percent from March.

Prices are still climbing at double-digit rates in most counties. Year-over-year prices for single family homes and condos combined jumped about 15.3 percent overall, from \$360,000 to \$415,000. Within the four-county Puget Sound region, King County notched the biggest gain at nearly 18.2 percent. Prices there rose \$100,000 from a year ago, from \$550,000 to \$650,000.

J. Lennox Scott, chairman and CEO of John L. Scott, joined the chorus of brokers who believe better times are ahead for home buyers. "Eventually, higher interest rates will moderate the rapid home price appreciation," he stated, but added, "We have not yet arrived at that tipping point." He expects the Seattle metro area to probably tie and maybe break the 20-month home price appreciation record for the Case-Shiller index. (The latest S&P CoreLogic Case-Shiller Home Price Indices, released late last month for February, shows Seattle's 12.7 percent increase led the list of 20 cities it compares.)

Commenting on April's report showing more new listings than pending sales area-wide, Scott said that pattern is consistent with the annual housing cycle. "New listings will continue to spike, providing slight relief for the backlog of home buyers."

Market Activity Summary for April 2018

	Listings		Pending	Closing Sales		
	New	Total		# of	Average	Median
Single Family	Listings	Active	Closings	Price	Price	
King	3,977	2,281	3,464	2,764	\$768,410	\$650,000
Snohomish	1,716	1,004	1,603	1,185	\$512,467	\$475,000
Pierce	1,875	1,604	1,977	1,343	\$375,600	\$337,950
Total	7,568	4,889	7,044	5,292	\$552,159	\$487,650

Millennials lead all homebuyers

Millennials accounted for 36 percent of all home purchases last year, retaining their ranking as the most active generation of buyers for the fifth consecutive year, and improving on the previous year's figure of 34 percent. Despite that feat, the chief economist at the National Association of Realtors® said the overall share of millennial buyers remains at an underperforming level.

Breakouts! – Residential SOLD Average

Area (Area Code)	April 2018 (King/Snohomish/Pierce County) SOLD Average		
	Average \$ Apr. 2018	Average \$ Apr. 2017	2018 VS 2017
Auburn-Federal Way (110-310)	\$ 407,054	\$ 410,156	-0.76%
Kent-Maple Valley (320-340)	\$ 509,831	\$ 444,113	14.80%
West Seattle (140)	\$ 719,274	\$ 633,205	13.59%
SODO-Beacon Hill (380-385)	\$ 725,057	\$ 630,924	14.92%
E.lake-Madison-Capital Hill (390)	\$ 1,270,565	\$ 1,037,553	22.46%
Queen Anne-Magnolia (700)	\$ 1,150,017	\$ 1,143,434	0.58%
*Belltown-Downtown Seattle(701)	\$ 792,177	\$ 677,832	16.87%
Ballard-Greenlake (705)	\$ 938,213	\$ 804,182	16.67%
North Seattle (710)	\$ 1,055,825	\$ 903,900	16.81%
Shoreline/Richmond Beach (715)	\$ 711,662	\$ 643,038	10.67%
Bellevue Downtown (520)	\$ 2,983,424	\$ 2,267,219	31.59%
Mercer Island (510)	\$ 2,175,032	\$ 1,745,543	24.60%
Bellevue South-Newcastle (500)	\$ 1,124,529	\$ 1,046,757	7.43%
Renton Highlands-Downtown (350)	\$ 649,727	\$ 562,747	15.46%
Microsoft-Bellevue East (530)	\$ 1,090,434	\$ 1,037,812	5.07%
Kirkland Downtown (560)	\$ 1,395,958	\$ 1,162,191	20.11%
Redmond (550)	\$ 937,060	\$ 853,677	9.77%
Issaquah-Sammamish (540)	\$ 989,425	\$ 888,291	11.39%
Juanita-Bothell-Woodinville (600)	\$ 890,718	\$ 746,832	19.27%
Bothell North-Mill Creek (610)	\$ 738,154	\$ 666,580	10.74%
Edmonds-Lynnwood (730)	\$ 653,291	\$ 569,085	14.80%
Everett-Mukilteo-Snohomish (740)	\$ 527,410	\$ 457,780	15.21%

*Condominium SOLD Average

Seattle buyers facing the biggest gains

Real estate prices posted an annual gain of 6.3% in February, according to the latest S&P CoreLogic Case-Shiller Indices.

On a national level, home prices are up 6.7% from their peak in July 2006 and have been rising continuously for the past 70 months.

It's getting increasingly difficult to be a buyer," said Keith Gumbinger, vice president of HSH.com.

Home buyers in Seattle, Las Vegas and San Francisco are facing the biggest gains.

Seattle prices rose the most with a 12.7% year-over-year price increase, while Las Vegas prices jumped 11.6%.

But so far exploding price increases haven't stopped home buyers. Homes are still flying off the shelves.

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Weekly Primary Mortgage Market Survey® (PMMS®)				
May 11, 2018	30-Yr FNMA	30-Yr FHA	15-Yr FNMA	5/1 ARM
Average Rates	4.375%	4.00%	3.875%	4.00%
Fees & Points	*All loans are with a one point origination fee.			
APR	4.439%	5.564%	3.978%	3.962%

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