

## Improving supply helps slow escalating home prices in Western Washington

House-hunters in Western Washington can choose from the largest supply of homes in three years, and they are facing fewer bidding wars, according to officials from Northwest Multiple Listing Service.

New statistics from the MLS show prices appear to be moderating (up about 6.7 percent overall), but brokers say they are not bracing for a bubble, or even anticipating a quick shift to a buyers' market.

Area-wide, the number of active listings of single family homes and condos (combined) rose 16.2 percent, but 16 counties reported year-over-year drops in inventory. At month end there were 18,580 active listings, the highest level since September 2015 when buyers could choose from 19,724 listings. Compared to July, inventory was up nearly 11 percent.

The latest numbers from Northwest MLS show wide-ranging changes in the volume of active listings when comparing the 23 counties in the report. In Clark County, inventory doubled from a year ago to lead the list based on percentage gains. King County was runner-up with a 74.3 percent increase, rising from 3,329 active listings a year ago to 5,803 at the end of August.

System-wide there is about two months of supply, but less than that in the four-county Puget Sound region - well below the "balanced market" range of four-to-six months.

"The Puget Sound residential housing market remains positive, though the market has transitioned from a frenzied state to one of strong sales activity," remarked J. Lennox Scott, chairman and CEO of John L. Scott Real Estate. "We are seeing stability in the affordable and mid-price ranges in all market areas," he said, citing "one of the best job growth markets in the nation" and favorable interest rates as contributing factors.

In the four-county Puget Sound region, pending sales were down more than 20 percent, ranging from a 12 percent decline in Pierce County to a drop of more than 23 percent in King County.

For single family homes, the median sales price was \$415,000 overall, a 6.4 percent year-over-year increase. Single family homes in King County continue to command the highest price at \$669,000, up 2.9 percent from the year-ago price of \$650,000, but down from May when a countywide median price of \$726,275 was reached, the highest so far this year.

"Homes that are priced and presented right are still garnering multiple offers, but unlike the past few years, buyers aren't having to waive protections with their offers," Scott said.

Affordability is an ongoing concern, particularly for first-time buyers wanting to live near job centers. In King County, for example, nearly 60 percent of the current inventory of homes and condos has an asking price of \$750,000 or higher. Despite that challenge, brokers are upbeat about what Scott describes as a more "normal pace" with buyers having greater selection and availability.

Market Activity Summary for August 2018						
	Listings		Pending	Closing Sales		
	New Listings	Total Active		# of Closings	Average Price	Median Price
Single Family Homes & Condos						
King	4,090	5,803	3,072	3,028	\$728,030	\$610,000
Snohomish	1,798	2,357	1,437	1,386	\$500,713	\$461,832
Pierce	2,050	2,737	1,867	1,610	\$388,218	\$347,750
<b>Total</b>	<b>7,938</b>	<b>10,897</b>	<b>6,376</b>	<b>6,024</b>	<b>\$538,987</b>	<b>\$473,194</b>

## 300,000 new people in last four years

According to Puget Sound Regional Council, the four-county central Puget Sound region (King, Snohomish, Pierce, Kitsap) gained 67,860 people over the last year as the region's total population reached 4.135 million. Over 380,000 jobs have been added to the region since 2010.

Almost 300,000 new people have been added to the region in the last four years. Since 2010, nearly 60 percent of the population growth has been due to people moving into the region from other parts of the country and world.

## Breakouts! – Residential SOLD Average

Area (Area Code)	August 2018 (King/Snohomish/Pierce County) SOLD Average		2018 VS 2017
	Average \$ August 2018	Average \$ August 2017	
Auburn-Federal Way (110-310)	\$ 410,345	\$ 396,988	3.36%
Kent-Maple Valley (320-340)	\$ 495,111	\$ 464,793	6.52%
West Seattle (140)	\$ 678,974	\$ 636,971	6.59%
SODO-Beacon Hill (380-385)	\$ 668,571	\$ 691,691	-3.34%
E.lake-Madison-Capitol Hill (390)	\$ 1,225,323	\$ 1,134,931	7.96%
Queen Anne-Magnolia (700)	\$ 1,190,585	\$ 1,110,081	7.25%
*Belltown-Downtown Seattle(701)	\$ 767,267	\$ 745,904	2.86%
Ballard-Greenlake (705)	\$ 838,156	\$ 836,866	0.15%
North Seattle (710)	\$ 873,012	\$ 894,845	-2.44%
Shoreline/Richmond Beach (715)	\$ 686,614	\$ 706,741	-2.85%
Bellevue Downtown (520)	\$ 2,735,953	\$ 3,360,915	-18.59%
Mercer Island (510)	\$ 1,870,387	\$ 1,636,662	14.28%
Bellevue South-Newcastle (500)	\$ 1,179,008	\$ 1,030,363	14.43%
Renton Highlands-Downtown (350)	\$ 640,586	\$ 587,418	9.05%
Microsoft-Bellevue East (530)	\$ 1,087,959	\$ 928,223	17.21%
Kirkland Downtown (560)	\$ 1,121,650	\$ 1,180,566	-4.99%
Redmond (550)	\$ 1,013,790	\$ 862,830	17.50%
Issaquah-Sammamish (540)	\$ 956,732	\$ 900,658	6.23%
Juanita-Bothell-Woodinville (600)	\$ 903,432	\$ 772,619	16.93%
Bothell North-Mill Creek (610)	\$ 722,199	\$ 658,471	9.68%
Edmonds-Lynnwood (730)	\$ 616,180	\$ 550,944	11.84%
Everett-Mukilteo-Snohomish (740)	\$ 518,877	\$ 480,308	8.03%

\*Condominium SOLD Average

## Real reason for the housing slowdown

Seattle's housing market has risen to record levels — for better or worse — fueled in part by Amazon's historic success, but the tech giant's hiring has slowed in recent months. At the same time, the region's housing market has cooled, losing its nearly two-year title as the nation's hottest.

But correlation does not necessarily mean causation, and real estate experts interviewed by GeekWire say they don't see a connection between the slowdowns at Amazon and in the housing market. Instead, they say the real reason for the housing slowdown is that for the first time in years there are more than just a handful of houses for sale in any given area.

**Gina Brown (NMLS#115337)**  
Senior Loan Officer  
425-766-5408  
gina@gmgloan.com  
www.loansbygina.com



Weekly Primary Mortgage Market Survey® (PMMS®)				
September 14, 2018	30-Yr	30-Yr	15-Yr	5/1
Regional Breakdown	FNMA	FHA	FNMA	ARM
Average Rates	4.50%	4.125%	3.875%	4.125%
Fees & Points	*All loans are with a one point origination fee.			
APR	4.629%	5.221%	4.097%	4.251%

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

