

Mixed activity during July reported, as volume of closed sales reaches 12-month high

July provided mixed messages on housing activity, noted one industry veteran when commenting on the latest report from Northwest Multiple Listing Service. The newly released MLS figures show last month's closed sales reached a 12-month high. Member-brokers also reported the number of new listings (11,193) nearly matched pending sales (11,139).

A closer look at new listing activity shows last month's total was down from both the previous month (-6.7%) and the same month a year ago (-8.2%). The total number of active listings of single family homes and condos, at 16,787, was about the same as June's inventory (16,680) and the selection of a year ago (16,773 listings). A comparison of the 23 counties in the Northwest MLS report shows about half the counties have more inventory than a year ago, and half have less.

System-wide there is 1.76 months of inventory, with King, Kitsap, Mason, Pierce, Snohomish and Whatcom counties all reporting less than two months of supply.

Pending sales declined slightly from June (11,139 versus 11,573) but showed a 1.6 % gain on the year-ago total of 10,965 mutually accepted offers.

Closed sales were up from both the previous month and the same month a year ago. Northwest MLS brokers tallied 9,540 closed sales last month-the highest volume since June 2018 when they reported 10,072 completed transactions.

Year-over-year (YOY) prices rose nearly 3.6%, but declined about 2.9% from June. The area-wide median price for July's completed transactions was \$429,900; a year ago it was \$415,000. Eighteen of the 23 counties in the latest report showed year-over-year price appreciation.

The median price of a single family home (excluding condos) that sold last month was \$440,000, up 3.5% from twelve months ago. Only four counties reported year-over-year price drops, including King County where prices were down 2.7%. Condo prices also sagged compared to a year ago, but by less than one percent. The area-wide median price for condo sales that closed during July was \$350,000.

"The lazy days of summer do not apply to home sales," said J. Lennox Scott, chairman and CEO of John L. Scott Real Estate. "Each summer, the highest numbers of homes go under contract per month. However it may feel slower because the greatest numbers of new listings also come on the market. This creates disbursed buyer energy," he stated. Looking ahead, he expects "strong numbers" due to "interest rates in the upper threes, strong local job growth and sunny weather."

Market Activity Summary for July 2019						
Single Family Homes & Condos	Listings		Pending	Closing Sales		
	New Listings	Total Active		# of Closings	Average Price	Median Price
King	3,740	5,725	3,661	3,280	\$754,344	\$625,000
Snohomish	1,698	2,164	1,707	1,376	\$517,368	\$480,000
Pierce	1,773	2,107	1,870	1,591	\$407,491	\$370,000
Total	7,211	9,996	7,238	6,247	\$559,734	\$491,667

Air travel in the region continues to grow

A new study underway by the Puget Sound Regional Council (PSRC) shows that continuing demand for air travel in the region shows no signs of slowing down. The report points to recent population, employment, and income growth as driving regional aviation demand. Regional demand for passenger boardings is expected to grow from 24.0 million in 2018 to between 49.3 million and 55.6 million by 2050.

Sea-Tac Airport is investing in its facilities, now and over the next decade to accommodate this growth, and a statewide commission is in the process of evaluating sites for a second commercial airport that will meet long-term future needs. The Port supported the recently created statewide commission which will review options for future aviation facilities.

Breakouts! – Residential SOLD Average

July 2019 (King/Snohomish/Pierce County) SOLD Average			
Area (Area Code)	Average \$	Average \$	2019 VS
	July 2019	July 2018	2018
Auburn-Federal Way (110-310)	\$ 447,927	\$ 420,534	6.51%
Kent-Maple Valley (320-340)	\$ 516,936	\$ 510,068	1.35%
West Seattle (140)	\$ 689,772	\$ 717,036	-3.80%
SODO-Beacon Hill (380-385)	\$ 735,118	\$ 692,208	6.20%
E.lake-Madison-Capital Hill (390)	\$ 1,147,823	\$ 1,288,031	-10.89%
Queen Anne-Magnolia (700)	\$ 1,177,057	\$ 1,239,040	-5.00%
*Belltown-Downtown Seattle(701)	\$ 931,429	\$ 784,748	18.69%
Ballard-Greenlake (705)	\$ 830,938	\$ 845,104	-1.68%
North Seattle (710)	\$ 940,741	\$ 926,224	1.57%
Shoreline/Richmond Beach (715)	\$ 792,252	\$ 896,056	-11.58%
Bellevue Downtown (520)	\$ 2,580,996	\$ 3,698,086	-30.21%
Mercer Island (510)	\$ 1,977,917	\$ 1,913,575	3.36%
Bellevue South-Newcastle (500)	\$ 1,113,368	\$ 1,161,394	-4.14%
Renton Highlands-Downtown (350)	\$ 642,072	\$ 660,660	-2.81%
Microsoft-Bellevue East (530)	\$ 1,137,264	\$ 1,018,023	11.71%
Kirkland Downtown (560)	\$ 1,497,805	\$ 1,421,702	5.35%
Redmond (550)	\$ 1,023,656	\$ 1,003,567	2.00%
Issaquah-Sammamish (540)	\$ 960,918	\$ 983,335	-2.28%
Juanita-Bothell-Woodinville (600)	\$ 909,965	\$ 896,324	1.52%
Bothell North-Mill Creek (610)	\$ 717,283	\$ 748,278	-4.14%
Edmonds-Lynnwood (730)	\$ 617,654	\$ 618,338	-0.11%
Everett-Mukilteo-Snohomish (740)	\$ 546,913	\$ 524,662	4.24%

*Condominium SOLD Average

Americans have never felt better about buying a house than they do right now

In July, housing confidence increased 2.2 points as more Americans reported now is a good time to buy and sell, according to Fannie Mae's latest Home Purchase Sentiment Index. Fannie Mae Senior Vice President and Chief Economist Doug Duncan said despite ongoing housing supply and affordability challenges, the HPSI reached a new high thanks to strong job confidence and favorable mortgage rate expectations.

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Weekly Primary Mortgage Market Survey® (PMMS®)				
August 15, 2019	30-Yr	30-Yr	15-Yr	5/1
Regional Breakdown	FNMA	FHA	FNMA	ARM
Average Rates	3.25%	2.875%	2.875%	3.75%
Fees & Points	*All loans are with a one point origination fee.			
APR	3.387%	3.784%	3.121%	3.893%

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