

“November Surprise” brings “plenty of buyers,” uptick in home sales, prices

Brokers with Northwest Multiple Listing Service reported "plenty of buyers" competing for sparse inventory during November, which ended with a 7% year-over-year increase in pending sales. The volume of mutually accepted offers rose even more (9.2%) in the tri-county Puget Sound region consisting of King, Pierce and Snohomish counties, with Snohomish leading that list with a jump of about 12%.

Median sales prices also jumped compared to both a year ago and to October. For November's 7,216 closed sales (which were up 5.5% from a year ago), the area-wide sales price was \$434,900, a gain of about 10% from the same month a year ago. Compared to October, last month's price on sales of single family homes and condos (combined) jumped 3.5%.

November's 7% increase in pending sales was the highest year-over-year gain for November since 2016. In 2017, the YOY figure was a modest 1.6%, while last year's comparison showed a drop of more than 10%.

"New listings added to inventory retreated nearly 15%," Mike Grady, president and COO of Coldwell Banker Bain noted. MLS members added 5,437 new listings system-wide, far fewer than a year ago when they added 6,399 residential properties to the MLS market area that covers 23 counties. The imbalance between new listings and pending sales resulted in supply falling to 1.58 months, the lowest system-wide level since last December.

Brokers reported 11,366 total active listings at month end, down more than 28 percent from twelve months ago when there were 15,830 active listings. November's selection was down about 21 percent from October.

"The housing market is virtually sold out in the more affordable and mid-price ranges where 75 percent of sales activity occurs in each market area," remarked J. Lennox Scott, chairman and CEO of John L. Scott Real Estate. With December typically marking a low point for new listings coming on the market, and the lower level of unsold inventory, Scott said "the pressure is on despite the winter chill." This pressure is sending prices higher in the more affordable and mid-price ranges, according to Scott, who does not expect any easing until spring when new listings begin to increase.

November's listing and sales numbers continue to illustrate that buyers are driving to affordability for their home purchases, according to Dean Rebhuhn, owner of Village Homes and Properties in Woodinville. "Buyers are going north, south and east to find homes that fit their budgets and lifestyles," he remarked.

If mortgage rates stay below 4%, while prices rise and inventory remains tight, Grady says "We could see a real estate market in 2020 that is even stronger than 2019 with homes prices increasing again, perhaps even 7% or more." That's good news for sellers, he stated, adding, "Buyers should think about taking advantage of these record-setting low interest rates now."

Market Activity Summary for November 2019						
	Listings		Pending	Closing Sales		
	New	Total		# of	Average	Median
Single Family	Listings	Active	Closings	Price	Price	
Homes & Condos						
King	1,736	3,487	2,695	2,510	\$744,934	\$612,000
Snohomish	906	1,436	1,299	1,128	\$507,230	\$471,747
Pierce	865	1,326	1,398	1,186	\$418,202	\$373,000
Total	3,507	6,249	5,392	4,824	\$556,789	\$485,582

Safe city in Washington state

Looking for a safe city in Washington to settle down in? Duvall is a top choice, according to a new study. The town of just under 8,000 was named atop the Top 50 safest cities in Washington by Security Baron.

The study analyzed FBI rankings of crime rates in 116 Washington cities that included violent crimes, burglary and thefts, and arson, plus factors like median income and number of residents in law enforcement. Duvall has just 0.51 violent crimes per 1,000 people and 3.94 property crimes per 1,000 people, putting them atop the list. Buckley, Connell, Sammamish and Oak Harbor rounded out the Top 5.

Breakouts! – Residential SOLD Average

Area (Area Code)	December 2019 (King/Snohomish/Pierce County) SOLD Average		2019 VS 2018
	Average \$ Dec. 2019	Average \$ Dec. 2018	
Auburn-Federal Way (110-310)	\$ 433,499	\$ 414,546	4.57%
Kent-Maple Valley (320-340)	\$ 522,392	\$ 507,510	2.93%
West Seattle (140)	\$ 674,903	\$ 721,571	-6.47%
SODO-Beacon Hill (380-385)	\$ 668,681	\$ 636,839	5.00%
E.lake-Madison-Capital Hill (390)	\$ 1,399,976	\$ 1,121,540	24.83%
Queen Anne-Magnolia (700)	\$ 1,150,642	\$ 1,167,452	-1.44%
*Belltown-Downtown Seattle(701)	\$ 718,417	\$ 766,163	-6.23%
Ballard-Greenlake (705)	\$ 817,657	\$ 868,035	-5.80%
North Seattle (710)	\$ 853,598	\$ 913,200	-6.53%
Shoreline/Richmond Beach (715)	\$ 669,531	\$ 810,189	-17.36%
Bellevue Downtown (520)	\$ 2,529,905	\$ 2,550,749	-0.82%
Mercer Island (510)	\$ 2,071,115	\$ 2,158,944	-4.07%
Bellevue South-Newcastle (500)	\$ 984,186	\$ 974,098	1.04%
Renton Highlands-Downtown (350)	\$ 592,768	\$ 630,072	-5.92%
Microsoft-Bellevue East (530)	\$ 1,051,775	\$ 900,892	16.75%
Kirkland Downtown (560)	\$ 1,452,946	\$ 1,387,096	4.75%
Redmond (550)	\$ 1,103,747	\$ 913,860	20.78%
Issaquah-Sammamish (540)	\$ 958,907	\$ 964,350	-0.56%
Juanita-Bothell-Woodinville (600)	\$ 835,295	\$ 877,124	-4.77%
Bothell North-Mill Creek (610)	\$ 686,198	\$ 706,049	-2.81%
Edmonds-Lynnwood (730)	\$ 606,705	\$ 590,301	2.78%
Everett-Mukilteo-Snohomish (740)	\$ 510,745	\$ 484,510	5.41%

*Condominium SOLD Average

2020 Loan Limits have increased:

For King/Snohomish/Pierce
 Single Family \$741,750.00
 2 units: \$949,610.00
 3 units: \$1,147,800.00
 4 units: \$1,426,450.00

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Weekly Primary Mortgage Market Survey® (PMMS®)				
December 9, 2019	30-Yr FNMA	30-Yr FHA	15-Yr FNMA	5/1 ARM
Regional Breakdown				
Average Rates	3.50%	2.875%	3.00%	3.875%
Fees & Points	*All loans are with a one point origination fee.			
APR	3.640%	3.682%	3.247%	3.938%

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