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What's in Style?

Your Style Your Dream Your Home

Volume 7 2019 Issue

Buyers Getting "Some Relief" as Key Indicators Point to Strong Summer for Housing Market

Inventory, pending sales and prices all increased during June compared to a year ago, according to the latest report from Northwest Multiple Listing Service. The same report, which covers 23 counties in Washington state, shows year-over-year drops area-wide in both the volume of new listings and closed sales.

"Clearly we now see that the market is moderating - that is we're definitely moving from a 'hyper-market' to one where a correction is underway compared to last year," remarked Mike Grady, president and COO of Coldwell Banker Bain. "While it's the best time to buy that we've seen in some time, and buyers are getting some relief, it is still a seller's market," he added, noting some buyers are experiencing multiple offer situations, or considering inspection waivers, or are even forced to consider markets outside King County for affordability.

MLS figures show the median price for single family homes and condos that sold last month in King County was $637,675. In Pierce County it was $372,500, about 58 percent of the King County price, and in Kitsap County it was $387,000, about 60 percent of the sales price in King County.

At midyear, the overall median price was $424,517, which compares to $405,000 for the first six months of 2018, an increase of 4.82 percent.

House hunters had a broader selection to consider as inventory at month end totaled 16,800 active listings, about 9.5 percent larger than at the same time a year ago. Brokers added 11,977 new listings during the month, a drop from both a year ago when they added, 13,153 new listings, and from May, when they added 14,689 new listings.

Northwest MLS figures for King County show there were 5,931 active listings at the end June, the highest for that month since 2012 when the selection totaled 6,500 listings.

"Every summer, we see the highest level of new listings and homes going under contract. After the surge of new listings in May, areas close to the job centers saw listings return to the normal seasonal pattern in June," commented J. Lennox Scott, chairman and CEO of John L. Scott Real Estate.

Commenting on the latest report from Northwest MLS, director of Washington Center for Real Estate Research, James Young said "The perfect storm of low interest rates and falling inventory continues along the I-5 corridor, with double-digit house price increases also continuing."

Market Activity Summary for June 2019

	Listings		Pending	Closing Sales		
Single Family Homes & Condos	New Listings	Total Active		# of Closings	Average Price	Median Price
King	4,381	5,931	3,931	3,357	$780,172	$637,675
Snohomish	1,756	2,163	1,722	1,447	$535,420	$488,950
Pierce	1,892	2,045	2,017	1,622	$412,213	$372,500
Total	8,029	10,139	7,670	6,426	$575,935	$499,708

Wealthy Millennials moving to Washington

More rich millennials are moving to Washington than any other state in the nation except California, according to a newly released analysis. The study, by the financial planning website SmartAsset and based on the latest IRS data available, found a net inflow of 1,920 affluent millennials into Washington state in one year. That breaks down to a total inflow of 5,729 rich millennials and a total outflow of 3,809.

Washington state's increase was second only to California, which had a net inflow of 3,597 wealthy millennials. The analysis defined rich millennials as people under the age of 35 with adjusted gross incomes of at least $100,000.

Breakouts! – Residential SOLD Average

June 2019 (King/Snohomish/Pierce County) SOLD Average

Area (Area Code)	Average $ June 2019	Average $ June 2018	2019 VS 2018
Auburn-Federal Way (110-310)	$ 437,692	$ 432,241	1.26%
Kent-Maple Valley (320-340)	$ 522,852	$ 501,471	4.26%
West Seattle (140)	$ 718,148	$ 713,952	0.59%
SODO-Beacon Hill (380-385)	$ 747,223	$ 756,135	-1.18%
E.lake-Madison-Capital Hill (390)	$ 1,148,024	$ 1,377,678	-16.67%
Queen Anne-Magnolia (700)	$ 1,203,586	$ 1,394,098	-13.67%
*Belltown-Downtown Seattle(701)	$ 797,267	$ 853,853	-6.63%
Ballard-Greenlake (705)	$ 896,758	$ 937,346	-4.33%
North Seattle (710)	$ 915,834	$ 966,517	-5.24%
Shoreline/Richmond Beach (715)	$ 769,825	$ 868,130	-11.32%
Bellevue Downtown (520)	$ 3,573,246	$ 2,845,049	25.60%
Mercer Island (510)	$ 2,236,992	$ 1,946,391	14.93%
Bellevue South-Newcastle (500)	$ 1,168,828	$ 1,143,324	2.23%
Renton Highlands-Downtown (350)	$ 629,642	$ 647,699	-2.79%
Microsoft-Bellevue East (530)	$ 1,180,936	$ 1,240,427	-4.80%
Kirkland Downtown (560)	$ 1,485,252	$ 1,658,358	-10.44%
Redmond (550)	$ 918,961	$ 956,521	-3.93%
Issaquah-Sammamish (540)	$ 935,905	$ 964,385	-2.95%
Juanita-Bothell-Woodinville (600)	$ 909,489	$ 889,131	2.29%
Bothell North-Mill Creek (610)	$ 696,871	$ 723,012	-3.62%
Edmonds-Lynnwood (730)	$ 680,048	$ 616,270	10.35%
Everett-Mukilteo-Snohomish (740)	$ 548,832	$ 524,743	4.59%

*Condominium SOLD Average

Who is buying vacation homes now?

You might think people who buy vacation homes are older, high-net-worth individuals, but a recent survey from Vacasa proves this is not necessarily the case.

In fact, a number of older Millennials and young Gen Xers are looking to buy vacations homes, drawn to their investment potential, with one quarter of prospective buyers in their 20s and 30s.

According to Vacasa's survey of 721 buyers actively looking to purchase a vacation home, these younger buyers are more likely to be motivated by the idea of owning an investment property, while older prospects are looking to buy a second home for personal use.

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Weekly Primary Mortgage Market Survey® (PMMS®)				
July 12, 2019 Regional Breakdown	30-Yr FNMA	30-Yr FHA	15-Yr FNMA	5/1 ARM
Average Rates	3.625%	3.25%	3.125%	3.875%
Fees & Points	*All loans are with a one point origination fee.			
APR	4.689%	4.384%	3.613%	4.009%

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

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