

## Eager Home Buyers Were Plentiful in December But Choices Were Meager

"The buyers are out there and are showing up at open houses and making multiple offers on new listings," was how one industry leader summarized December's housing activity involving members of the Northwest Multiple Listing Service.

Newly-released figures from Northwest MLS show inventory at the end of December was down 31% from the same month a year ago, with only 8,469 active listings compared to the year-ago total of 12,275. The figures include single family homes and condominiums across the 23 counties in the MLS service area.

Last month marked the sixth straight month of declining inventory, noted James Young, director of the Washington Center for Real Estate Research. MLS figures show inventory peaked in June when the database had 16,680 active listings about twice as many as December.

The inventory of single family homes (excluding condos) is especially tight in several counties, notably Thurston (-54%), King (-41.4%), Pierce (-40%), Snohomish (-36.1%), and Kitsap (-34.3%).

December's volume of active listings included 3,777 new listings added during the month, but during the same timeframe, 5,943 sellers accepted offers on their properties.

Brokers said December is typically a slow month for home sales with holidays and historically cold, wet weather, but J. Lennox Scott, chairman and CEO of John L. Scott Real Estate commented on last month's surge in activity:

"Historically low interest rates and strong job growth continue to drive the Puget Sound housing market, which is already sizzling as we begin the new decade. In the more affordable and mid-price ranges, many areas are seeing frenzied sales activity with multiple offers on most properties."

Northwest MLS member-brokers recorded 7,093 completed transactions during December, a gain of more than 11% from the 6,374 closed sales of the same month a year ago. Prices on last month's closed sales of single family homes and condos rose 8.75% from a year ago. For the MLS market overall the price was \$435,000 versus the year-ago figure of \$400,000.

In King County, which had the highest volume of sales and the highest prices, the median sales price for last month's closed sales was \$615,000. That was an increase of about 3% from a year ago. Prices in King County peaked in May at \$645,000.

Scott said some relief should be on the way as the weather warms up and sellers choose to put their home on the market, but he also cautioned it's possible the trend of fewer resale listings than usual will continue on the Eastside. He described the Eastside housing market as "particularly hot," adding, "It shows no sign of slowing down anytime soon with recent job growth announcements and an extreme shortage of unsold inventory priced up to \$1 million."

Market Activity Summary for December 2019							
Single Family Homes & Condos	Listings		Pending	Closing Sales			
	New Listings	Total Active		# of Closings	Average Price	Median Price	
King	1,107	2,260	1,898	2,416	\$756,342	\$615,000	
Snohomish	611	1,006	987	1,152	\$532,738	\$495,000	
Pierce	720	1,056	1,020	1,217	\$414,046	\$369,000	
<b>Total</b>	<b>2,438</b>	<b>4,322</b>	<b>3,905</b>	<b>4,785</b>	<b>\$567,709</b>	<b>\$493,000</b>	

## Seattle ranked seventh making green progress

Seattle ranked seventh on a list of the cities across the country making the most progress toward sustainability, according to a new study and reported in the Seattle PI. The study, from by CommercialCafe, ranked

the top 50 U.S. cities making green progress based on a series of metrics including energy-related CO2 emissions reduction, the percentage of commuters walking or biking, air quality improvements and the share of environmentally focused jobs in the city. Seattle's ranking in the top 10 came in part due to the increase in the number of commuters in the city who walk or bike to work.

## Breakouts! – Residential SOLD Average

Area (Area Code)	Average \$		2019 VS 2018
	Dec. 2019	Dec. 2018	
Auburn-Federal Way (110-310)	\$ 472,926	\$ 419,494	12.74%
Kent-Maple Valley (320-340)	\$ 528,320	\$ 507,472	4.11%
West Seattle (140)	\$ 694,482	\$ 706,477	-1.70%
SODO-Beacon Hill (380-385)	\$ 709,149	\$ 625,398	13.39%
E.lake-Madison-Capitol Hill (390)	\$ 1,253,218	\$ 1,234,469	1.52%
Queen Anne-Magnolia (700)	\$ 1,159,718	\$ 1,127,151	2.89%
*Belltown-Downtown Seattle(701)	\$ 816,750	\$ 916,000	-10.84%
Ballard-Greenlake (705)	\$ 807,775	\$ 786,921	2.65%
North Seattle (710)	\$ 887,949	\$ 855,036	3.85%
Shoreline/Richmond Beach (715)	\$ 859,221	\$ 695,650	23.51%
Bellevue Downtown (520)	\$ 2,731,379	\$ 3,253,062	-16.04%
Mercer Island (510)	\$ 1,770,319	\$ 2,994,470	-40.88%
Bellevue South-Newcastle (500)	\$ 1,132,486	\$ 1,127,982	0.40%
Renton Highlands-Downtown (350)	\$ 648,261	\$ 629,166	3.03%
Microsoft-Bellevue East (530)	\$ 1,262,784	\$ 1,269,263	-0.51%
Kirkland Downtown (560)	\$ 1,359,427	\$ 1,375,846	-1.19%
Redmond (550)	\$ 986,002	\$ 985,447	0.06%
Issaquah-Sammamish (540)	\$ 1,015,364	\$ 953,775	6.46%
Juanita-Bothell-Woodinville (600)	\$ 942,938	\$ 929,902	1.40%
Bothell North-Mill Creek (610)	\$ 699,132	\$ 763,640	-8.45%
Edmonds-Lynnwood (730)	\$ 601,283	\$ 598,138	0.53%
Everett-Mukilteo-Snohomish (740)	\$ 537,065	\$ 489,390	9.74%

\*Condominium SOLD Average

## Inventory Declines 12% in December

The month of December saw the largest year over year decline of housing inventory in almost three years, with inventory declining 12%, according to realtor.com.

That decline left the lowest number of homes for sale in the U.S since January 2018, according to the December 2019 Housing Trends Report from realtor.com.

The inventory decline increased among all levels of the housing market, including luxury. "The market is struggling with a large housing undersupply just as 4.8 million millennials are reaching 30-years of age in 2020, a prime age for many to purchase their first home," according to realtor.com Senior Economist, George Ratiu.

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Weekly Primary Mortgage Market Survey® (PMMS®)				
January 14, 2020	30-Yr FNMA	30-Yr FHA	15-Yr FNMA	5/1 ARM
Average Rates	3.375%	2.875%	3.00%	3.75%
Fees & Points	*All loans are with a one point origination fee.			
APR	3.511%	3.583%	3.247%	3.891%

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

