

A nxiety among home buyers “incredibly high” as they vie for unprecedented shortage of homes across much of Washington state

“Finding and buying a home today is more difficult than at any time in the past 40 years of my career,” was how broker Dick Beeson summed up the latest statistics from Northwest Multiple Listing Service.

The Northwest MLS report recapping October activity showed a 40% drop in active listings compared to the same month a year ago, an increase of 16% in pending sales (mutually accepted offers), and a year-over-year (YOY) jump of nearly 30% in closed sales.

Beeson, the managing broker at REMAX Northwest in Tacoma-Gig Harbor, said he has never seen so many buyers needing to write multiple offers before securing a home. “Interest rates are incredibly low. Inventory is incredibly low. And anxiety is incredibly high among buyers,” he remarked.

NWMLS members added 10,428 new listings to the supply during the month, improving on the year-ago total of 8,394 for a gain of 24%. In keeping with the pattern of previous months, October’s 11,039 pending sales surpassed the number of new listings.

“Yet again, the four-county area of King, Snohomish, Pierce, and Kitsap counties broke the record for the month of October for the number of homes going under contract,” stated J. Lennox Scott, chairman and CEO of John L. Scott Real Estate. The MLS reported 7,934 pending sales for the four-county region. A comparison of October pending sales dating to 2002 shows the previous high of 7,740 occurred in 2017.

Area-wide the median price for last month’s sales of single family homes (excluding condos) was \$515,000, a 20.2% jump from a year ago. For single family homes and condos combined, prices rose by double digits in 21 of the 23 counties in the MLS market area.

Scott noted the luxury market in the Puget Sound region also had record-breaking sales for the month. Last month, NWMLS brokers notched 1,004 sales priced at \$1 million or more in the tri-county area of King, Kitsap and Snohomish. That volume easily surpassed the previous high of 553 luxury sales in 2019.

Condo shoppers are less pressured in some parts of the market. System-wide, inventory is up about 5.4% compared to twelve months ago, aided in part by the addition of 1,589 new listings during the month – a healthy 37.6% YOY improvement. At month end there was about 1.5 months of supply.

Pending sales of condos jumped nearly 35%, while area-wide closings nearly doubled from a year ago, rising from 950 transactions to 1,414. Prices were up slightly more than 14%. The overall median price on last month’s sales was \$395,000. In King County, which accounted for nearly six of every 10 sales (58.7%), the median price was \$459,970, which reflects a 19.5% increase from this time a year ago.

Market Activity Summary for October 2020						
Single Family Homes & Condos	Listings		Pending	Closing Sales		
	New Listings	Total Active		# of Closings	Average Price	Median Price
King	3,971	3,806	3,833	3,857	\$853,099	\$685,000
Snohomish	1,626	844	1,761	1,734	\$589,989	\$549,994
Pierce	1,614	986	1,786	1,619	\$473,143	\$425,000
Total	7,211	5,636	7,380	7,210	\$638,744	\$553,331

Seattle price increase and fast selling Tacoma

Home prices skyrocketed in September by more than 18% in Seattle, and Tacoma was the fastest-selling real estate market in the nation for the third month in a row, a new analysis shows. The study, by real estate

company Redfin, also found that average home prices shot up by more than 14% nationwide in September over the same month last year - the steepest increase ever recorded. In Seattle, the median home sales price in September rose by 18.5% over the same month last year to \$640,000. For the third month in a row, Tacoma also was the fastest market in the nation, with half of all homes pending sale in just six days, down from 16 days a year earlier.

Breakouts! – Residential SOLD Average

Area (Area Code)	Average \$		2020 VS 2019
	October 2020	October 2019	
Auburn-Federal Way (110-310)	\$ 508,158	\$ 440,789	15.28%
Kent-Maple Valley (320-340)	\$ 583,247	\$ 518,578	12.47%
West Seattle (140)	\$ 752,556	\$ 695,920	8.14%
SODO-Beacon Hill (380-385)	\$ 741,794	\$ 709,606	4.54%
E.lake-Madison-Capitol Hill (390)	\$ 1,212,188	\$ 1,231,858	-1.60%
Queen Anne-Magnolia (700)	\$ 1,152,588	\$ 1,360,246	-15.27%
*Belltown-Downtown Seattle(701)	\$ 1,095,660	\$ 988,234	10.87%
Ballard-Greenlake (705)	\$ 908,648	\$ 832,493	9.15%
North Seattle (710)	\$ 1,017,949	\$ 1,000,663	1.73%
Shoreline/Richmond Beach (715)	\$ 770,707	\$ 664,909	15.91%
Bellevue Downtown (520)	\$ 3,010,183	\$ 3,032,062	-0.72%
Mercer Island (510)	\$ 2,122,288	\$ 1,834,254	15.70%
Bellevue South-Newcastle (500)	\$ 1,147,295	\$ 1,038,906	10.43%
Renton Highlands-Downtown (350)	\$ 744,974	\$ 594,789	25.25%
Microsoft-Bellevue East (530)	\$ 1,276,920	\$ 1,098,097	16.28%
Kirkland Downtown (560)	\$ 1,739,164	\$ 1,389,706	25.15%
Redmond (550)	\$ 1,143,973	\$ 957,114	19.52%
Issaquah-Sammamish (540)	\$ 1,109,582	\$ 961,458	15.41%
Juanita-Bothell-Woodinville (600)	\$ 979,418	\$ 838,141	16.86%
Bothell North-Mill Creek (610)	\$ 826,029	\$ 712,418	15.95%
Edmonds-Lynnwood (730)	\$ 701,972	\$ 640,113	9.66%
Everett-Mukilteo-Snohomish (740)	\$ 599,054	\$ 534,593	12.06%

*Condominium SOLD Median

Record high delinquencies

Extremely serious delinquencies, those loans 150 days or more past due, reached historically high levels in August. Five months into the COVID-19 crisis, CoreLogic said the rate of delinquencies among those loans spiked to 1.2 percent, the highest level since at least January 1999, which we assume is the limit of the company’s records. CoreLogic said this surge was likely due to large volumes of delinquencies moving in tandem through the pipeline.

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Weekly Primary Mortgage Market Survey® (PMMS®)				
November 12, 2020	30-Yr FNMA	30-Yr FHA	15-Yr FNMA	5/1 ARM
Regional Breakdown	2.50%	2.75%	2.125%	-
Average Rates	*All loans are with a one point origination fee.			
Fees & Points	2.637%	3.016%	2.375%	-
APR				

**** 5/1 ARM's are not pricing right now due to liquidity issues with the Forbearance due to COVID 19
 ** Owner Occupied / Single Family Residence
 740 credit score and 20% down payment for conventional