



FOR IMMEDIATE RELEASE

March 6, 2019

Heavy snowfall ices February housing activity around Western Washington

KIRKLAND, Washington (March 6, 2019) – Seattle’s snowiest month in 50 years had an obvious chilling effect on February’s housing activity, agreed officials with Northwest Multiple Listing Service. Statistics for last month show pending sales dropped nearly 14 percent compared to the same month a year ago.

“The winter weather brought the market to a halt,” stated John Deely, principal managing broker at Coldwell Banker Bain. He said last month’s series of snowstorms and frigid temperatures had a negative impact on the typical momentum that builds at the beginning of the year.

“Showing activity dropped more than 41 percent the week of the heaviest snow, and weekend keybox activity was down 80 percent,” Deely reported. “The end of the month picked up as cabin fever weary buyers unleashed themselves on the burgeoning inventory,” he added.

Despite the weather disruptions, brokers added 6,247 new listings to inventory during the month, 1,037 fewer than a year ago. At month end, Northwest MLS members reported 11,275 total active listings, a robust 42.3 percent jump from twelve months ago. Thirteen of the 23 counties served by the MLS reported year-over-year increases in inventory.

Dean Rebhuhn, owner of Village Homes and Properties, described February listings and sales as “very good,” pointing to low interest rates, new jobs, and lifestyle changes as market drivers. “New sales continue to absorb new listings,” he noted.

Northwest MLS figures show about 2.2 months of inventory system-wide, with four counties (Kitsap, Pierce, Snohomish, and Thurston) having less than two months of supply. King County was slightly above two months (2.09).

“Snowmageddon notwithstanding, we saw nearly as many homes go pending (6,878) as came on the market (6,247) in February,” noted Mike Grady, president and COO of Coldwell Banker Bain. “In Snohomish and Pierce counties, the activity was even more impressive for this time of year, with our offices pointing to an uptick in the market.”

It seemed determined buyers were undeterred by nearly inaccessible neighborhoods, based on examples Grady cited.

“A Ballard listing priced at \$635,000 went on the market on a Friday and drew a whopping 132 groups previewing it that weekend, yielding 14 offers by Monday. The home sold for 22 percent above listing price,” Grady said. “In Kirkland, we heard about five new listings over \$1 million coming on the market during Snowmageddon week two, and all were sold that same week,” prompting him to declare he continues to be bullish on a continued strong market for 2019.

As February temperatures plunged, prices in most counties started heating up, rising from a year ago as well as when compared to January.

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Area-wide median prices for the 5,145 sales of single family homes and condos that closed last month were up 5.7 percent from a year ago, rising from \$385,000 to \$407,000. Compared to January, prices increased 6.6 percent. Single family home prices increased 7.44 percent, while condo prices were nearly flat (up about 1.3 percent).

In King County, brokers reported a price gain of nearly 2.4 percent from a year ago. The median selling price jumped \$14,000 from a year ago, from \$590,000 to \$604,000. The comparison to January shows a price increase of 6.9 percent.

J. Lennox Scott, chairman and CEO of John L. Scott Real Estate commented on the return of the multiple-offer market. “While the snow in February created a short distraction, the housing market is back on hot as we head into spring,” he remarked, reporting “Dedicated buyers braved the snow. The market is on track for a strong spring.”

“Between January and February, home prices in the tri-county King/Snohomish/Pierce area rose significantly, ending the month-over-month declines that started last May,” remarked OB Jacobi, president of Windermere Real Estate. He called the increase “pretty unexpected and likely a result of the drop in interest rates we saw in December.” Jacobi believes it’s too early to know if this is the start of a trend, but added “It might suggest that the slowing in prices that began last summer has come to an end.”

James Young, director of the Washington Center for Real Estate Research at the University of Washington, said last month’s weather made it difficult to comment on activity, but detected some patterns on prices. “Similar to previous months, prices are moving upwards the most consistently in exurban areas along the I-5 corridor. Look for prices outside the major urban areas to continue rising as the weather improves and the main selling season arrives.”

Areas outside the main Puget Sound urban regions continue to perform well, Young suggested, in part because older households continue to cash out of more expensive markets and move to the outskirts of the cities to areas that still offer good amenities for retirement and lifestyle.

Prices appear to have bottomed out to around year-ago levels, agreed Matt Deasy. Discussions with buyers who are back in the market suggest they believe prices are no longer going down and some feel like interest rates are on sale. House-hunters also seem to be encouraged by the growing selection, he remarked.

Frank Wilson, Kitsap regional manager and branch managing broker at John L. Scott’s Poulsbo office, said the market there has slowed considerably compared to last year when the spring market perked up before the more typical March and April timeframe.

“The reality is we still have low inventory, homes are going under contract faster than they are coming on the market, we are still seeing strong traffic at open houses, and we are still seeing multiple offers on correctly priced homes that are new on the market.” Wilson commented. “Waterfront homes are still at a premium on the Kitsap mainland,” he continued. “As we continue into the spring market, I think we’ll see a bump in buyers who are enjoying the continued low interest rates, although some may still be frustrated with the limited choices.”

Low and stable interest rates are particularly important to those closing larger mortgage loans, Young pointed out. “Buyers also appear to be responding to stable interest rates over the past couple of months, particularly in the higher priced areas of the region,” he commented, noting interest rates for jumbo mortgages (balances over \$484,350) decreased to 4.40% from December’s rate of 4.59%.

As the pace of activity picks up, Scott emphasized the importance of buyer preparation to ensure they can secure the home of their choice. “We recommend working with a qualified broker, becoming fully underwritten by a lender, and signing up for text notifications for new listings to find success this spring.”

Northwest Multiple Listing Service, owned by its member real estate firms, is the largest full-service MLS in the Northwest. Its membership of around 2,200 member offices includes more than 29,000 real estate professionals. The organization, based in Kirkland, Wash., currently serves 23 counties in the state.

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Single Fam. Homes + Condos	LISTINGS		PENDING SALES	CLOSED SALES			MONTHS OF INVENTORY	
	New Listings	Total Active	# Pending Sales	# Closings	Avg. Price	Median Price	This month	Same mo., year ago
King	2,381	3,744	2,278	1,795	\$702,378	\$604,000	2.09	0.88
Snohomish	914	1,375	1,029	843	\$493,962	\$454,995	1.63	0.83
Pierce	1,025	1,486	1,290	901	\$388,635	\$350,000	1.65	1.13
Kitsap	251	432	313	224	\$392,232	\$337,969	1.93	1.24
Mason	62	173	91	66	\$290,169	\$261,250	2.62	2.45
Skagit	142	323	133	117	\$361,436	\$317,000	2.76	2.07
Grays Harbor	110	273	137	76	\$216,104	\$209,000	3.59	4.35
Lewis	78	212	90	80	\$266,694	\$250,000	2.65	3.23
Cowlitz	100	171	147	59	\$286,096	\$284,000	2.90	1.62
Grant	78	198	81	61	\$193,424	\$193,200	3.25	5.08
Thurston	329	486	400	301	\$336,786	\$321,900	1.61	1.38
San Juan	14	147	17	13	\$1,154,57	\$407,500	11.31	9.81
Island	136	292	136	81	\$391,759	\$332,500	3.60	1.85
Kittitas	50	147	49	36	\$431,040	\$322,000	4.08	2.53
Jefferson	31	111	41	31	\$372,482	\$335,000	3.58	4.26
Okanogan	35	193	20	21	\$193,024	\$151,850	9.19	10.37
Whatcom	224	510	275	190	\$416,434	\$373,325	2.68	2.19
Clark	64	144	76	52	\$389,804	\$347,450	2.77	1.56
Pacific	37	196	40	33	\$161,997	\$165,400	5.94	9.37
Ferry	8	46	5	1	\$165,000	\$165,000	46.00	10.50
Clallam	56	201	65	54	\$289,509	\$256,250	3.72	2.34
Chelan	56	175	75	43	\$346,508	\$356,000	4.07	3.89
Douglas	31	77	41	30	\$363,593	\$334,900	2.57	3.27
Others	35	163	49	37	\$305,205	\$275,000	4.41	4.03
Total	6,247	11,275	6,878	5,145	\$501,447	\$407,000	2.19	1.43

4-county Puget Sound Region Pending Sales (SFH + Condo combined)

(totals include King, Snohomish, Pierce & Kitsap counties)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2001	4334	5056	5722	5399	5631	5568	5434	5544	4040	4387	4155	3430
2002	4293	4735	5569	5436	6131	5212	5525	6215	5394	5777	4966	4153
2003	4746	5290	6889	6837	7148	7202	7673	7135	6698	6552	4904	4454
2004	4521	6284	8073	7910	7888	8186	7583	7464	6984	6761	6228	5195
2005	5426	6833	8801	8420	8610	8896	8207	8784	7561	7157	6188	4837
2006	5275	6032	8174	7651	8411	8094	7121	7692	6216	6403	5292	4346
2007	4869	6239	7192	6974	7311	6876	6371	5580	4153	4447	3896	2975
2008	3291	4167	4520	4624	4526	4765	4580	4584	4445	3346	2841	2432
2009	3250	3407	4262	5372	5498	5963	5551	5764	5825	5702	3829	3440
2010	4381	5211	6821	7368	4058	4239	4306	4520	4350	4376	3938	3474
2011	4272	4767	6049	5732	5963	5868	5657	5944	5299	5384	4814	4197
2012	4921	6069	7386	7015	7295	6733	6489	6341	5871	6453	5188	4181
2013	5548	6095	7400	7462	7743	7374	7264	6916	5951	6222	5083	3957
2014	5406	5587	7099	7325	8055	7546	7169	6959	6661	6469	5220	4410
2015	5791	6541	8648	8671	8620	8608	8248	7792	7179	6977	5703	4475
2016	5420	6703	8130	8332	9153	8869	8545	8628	7729	7487	6115	4727
2017	5710	6024	7592	7621	9188	9042	8514	8637	7441	7740	6094	4460
2018	5484	5725	7373	7565	8742	8052	7612	6893	6235	6367	5328	4037
2019	5472	4910										

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