

METROPOLIST

MAGAZINE

2020 | VOLUME IV | ISSUE I

BY THE NUMBERS



2020: ON ROBOTS, REAL ESTATE AND THE ART AND SCIENCE OF PREDICTIONS

According to “expert” predictions in the 1950s, by 2020, robots would assume many of our everyday jobs, including that of the real estate broker.

CAN YOU IMAGINE?

A robot broker shows up in a driverless car to pick up clients to tour houses that float 20 feet in the air. The client pushes a button on the chest of the robot and a flyer ticker-tapes out, along with a one-sheet of neighborhood stats. It’s really quite comical.

WHAT EXACTLY IS A PREDICTION ANYWAY?

Wikipedia says a prediction is a statement about a future event. Often, but not always, based upon experience or knowledge.

As we look ahead into 2020, many are taking guesses at what to expect in the Seattle housing market.

What we know for sure is that Seattle’s market continues to be one of the hottest and most desirable in the nation, for people moving here to be a part of our growing economy and real estate investors.

WHAT THE CRYSTAL BALL IS TELLING US...

If we take a broad look at these predictions, the market forecast for Seattle will include fewer housing opportunities for buyers, but there may be less competition for the opportunities they will have. As a result the area’s housing prices are predicted to stay relatively stable.

LOOK (AND LEARN) BEFORE YOU LEAP

As you consider jumping into the real estate market, be sure that predictions and guesses aren’t the only way you’re making a buying or selling decision. As the definition indicates, a prediction is not always based based on experience or knowledge.



Diwas Photography

Left to right: Domenica Lovaglia, Chad Zinda, Jennifer Nelson

Ask your Metropolist broker (never a robot) to help. You can count on them to have done the homework to deeply understand the trends, opportunities and predictions. They can give you everything you need to make the most informed decision for you and your family. Their approach to your real estate dreams remains knowledge-based and personal to you.

No matter the predictions or educated guesses, we remain committed to giving you our best - from practical expertise to exceptional service, we take your next moves in the market very seriously.

We predict you’ll love this approach and the results we’ll get you.

Here’s to a great 2020!

CHAD ZINDA
DESIGNATED BROKER

DOMENICA LOVAGLIA
DIRECTOR OF MARKETING

JENNIFER NELSON
DIRECTOR OF EDUCATION

58 couples got married at Metropolist in 2019

58

Pike Place Market opened in August 1907, making it the oldest continually operating farmer's market in America

1907

Seattle is second only to Murano Italy in most glass blowing studios of any city in the world

Seattle's population has increased faster than any other big city in the country, growing by 18.7 percent since 2010

18.7

At last count Seattle has 66 coffee shops per capita

66

Metropolist donated space to 31 nonprofit organizations in 2019

Metropolist donated \$55,000 to local and national nonprofit organizations in 2019

\$55K

Seattle has nearly 500 houseboats, more than anywhere else in the U.S.

500

Metropolist brokers volunteered 955 hours to local and national nonprofit organizations in 2019

955

Seattle has 409 parks

409

Metropolist brokers donated \$89,500 to local and national nonprofit organizations in 2019

\$89.5K

Elliott Bay is the deepest bay in America. If you sank Queen Anne hill in it, you would still have 135 feet from the tip of the hill to the surface of the water

135

2019 ended with the median price of Single Family Homes at \$720,000, just under average for the year

\$720K

At last count 80% of Seattle adults hold a library card, highest per capita in the country

80

In 2019 Seattle had 33.88 inches of rainfall; not even in the top 50 rainiest cities in the US

33.88

37

Millennials make up 37% of all home purchases

INSIDER INSIGHTS



AUSTIN & MARTIN
Broker Team



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Managing Broker



HOUSE & GALE
Broker Team



SARAH GEORGER-CLARK
Broker



ALY TIBBETTS
Broker

2020 & BEYOND

A&M One word for the 2020 market; Brisk! The same old song of inventory shortages adds to buyer frustration as the region continues to boom. Buyers are savvy and won't play this game long. They are just as apt to sit it out and wait. Multiple offers and escalations will continue. Pierce and Snohomish counties will experience big gains as many buyers are willing to drive farther to get more house for their money.

Seattle will continue to struggle with expansion and housing affordability issues. If Seattle doesn't come up with a solution to affordable housing the affordability gap will become vast, forcing lower earners farther and farther outside of the city and increasing homelessness. San Francisco here we come!

D.W. It's going to be another tight year for home sales. Overall sales numbers will be slightly down due to fewer homes on the market, but demand will remain strong. Home prices will climb 5-6% in Seattle and the Eastside; with double-digit values possible in areas of Snohomish and Pierce counties as buyers get pushed out looking for affordability.

Urban infill with higher residential density zoning is the only solution we have to a growing area with limited land available. Urban village areas will continue to grow both outward geographically and upward in building height. Seattle may end up being a city of renters.

H&G There is a distinct lack of inventory and a strong need for housing so pressure on the in-city market will remain high and prices will continue to rise in 2020.

Over the next decade Seattle will remain a high demand city. But I see faster appreciation in the outlying areas over time. Specifically, I think Tacoma is where you will see prices rise faster than Seattle prices. Tacoma feels like Wallingford or Phinney Ridge in the '90s.

S.G.C. My prediction for 2020 is a vibrant and busy real estate market, throughout Western Washington.

Over the next decade of continuing appreciation the suburbs will be more of a consideration for buyers. I see Des Moines, in particular, becoming the next exciting area to live because of the proximity to the water, views, parks, and accessibility. Tacoma will become a playground for these residents on weekends and Seattle will be the place to go to work, via light rail, and other creative ways to get into the city.

A.T. I think the last decade served as a mid-life crisis for the city of Seattle. A city that was largely inhabited by working-class people, artists and musicians suddenly found itself the epicenter of high-paying tech jobs and the constant development that quite literally reshaped downtown and many neighborhoods. In the 2020s I think Seattle will settle into a new identity as a dense urban environment with progressive social values, expanding transit options and a commitment to mitigate climate change.



KELLY BARRETT
Broker



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Broker



JENNIE BARTZ
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CORNELIA & BEAVERS
Broker Team



GRETCHEN SCHMIDT
Managing Broker



JIM BARRETT
Broker

LESSONS FROM THE TRENCHES

K.B. Here's a good tip I've learned from buying my own home: Make sure your car will fit in the garage before you buy it! I was told by my agent at the time, "You have a standard-sized car, it will fit." Closed on my home and guess what... my car didn't fit.

S.P. Handle everyone with patience and understanding. Buying a home can be one of the biggest financial decisions of your life and it's important to keep that front of mind with clients. I understand what that can be like.

J.B. As a buyer, I learned that, just like my clients, even if several of my checklist items are there, ultimately, I want to feel like I'm getting a good value for my purchase. I wanted to be able to have a seat at the negotiation table.

C&B Watch and wait and be patient. In the last 28 years we have bought and sold 17 homes. I have always known immediately when I walked into a house if it was the house for me- if it was the house we were going to live in for a while or a house with great bones that would be fun to transform into a beautiful home. My clients may have a different process or experience when they walk into a house and I respect their process. Asking questions and being patient and letting them go through their own process is what I have learned from my own experience with buying a house.

STRANGER THINGS

G.S. Being greeted by a resident parrot, flying around the house that had apparently been uncaged for 2 years. And the house showed it. I managed to coach the clients to cage the bird and hired industrial cleaners to scrape the floors. I staged the house nicely including a wine rack which I stocked with a case of "\$2 Buck Chuck." Apparently the bird being caged caused a lot of stress because the wine was gone by the time the house sold!

S.G.C. Reports of a friendly ghost residing in the bedroom of a listing. She was from the 18th century, wore a white gown, and had long brown hair. The whole family of 4 had met her and were perfectly ok with sightings. The home was over 100 years old. Since then, I've believed in ghosts.

J.B. An old workhorse of a furnace named Harold. Evidenced by a large nametag (a sign attached to the furnace. Otherwise known in the industry as a "Silent Talker").

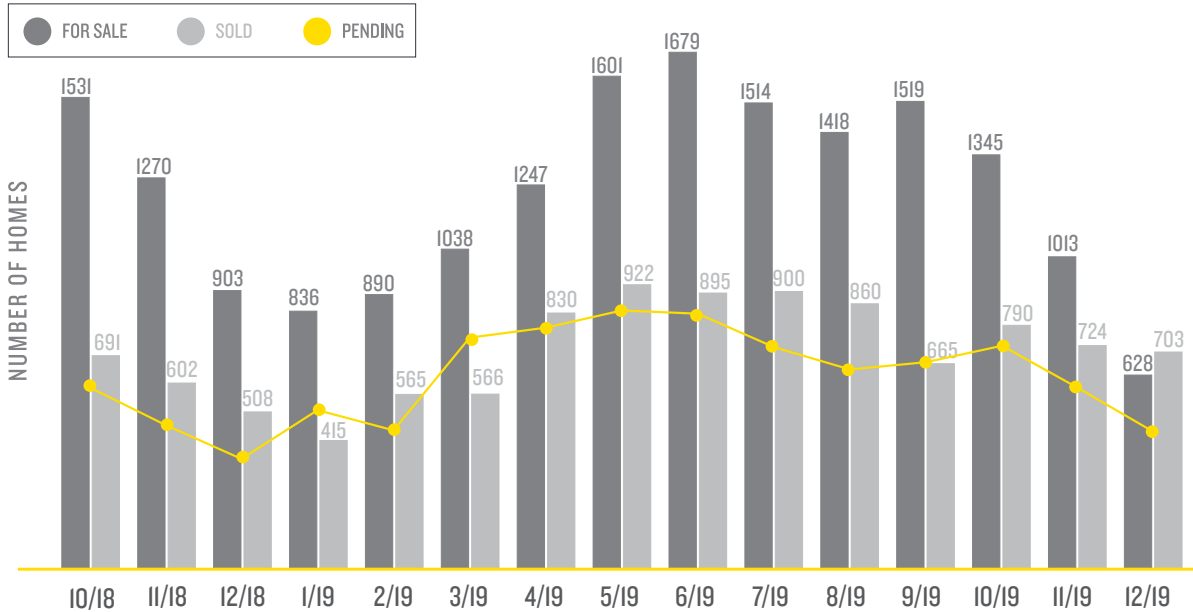


Mitzi Verlinde
Sr. Loan Advisor
NMLS 85333

“Mortgage rates will remain low. Hoorah!!”

SINGLE FAMILY HOMES

For all the talk in the first half of 2019 about a “turning point” in the market and relief for buyers after a long stretch of a tough seller’s market, the year sure ended with a plot twist. We ended December of 2019 with less than one month of available inventory, the lowest number of available homes since spring of 2018. King County has been in a solid seller’s market for many years now overall, but this type of inventory shortage gives good credence to predictions that Seattle buyers could be in for a rough ride in the coming year.



MONTHS OF INVENTORY

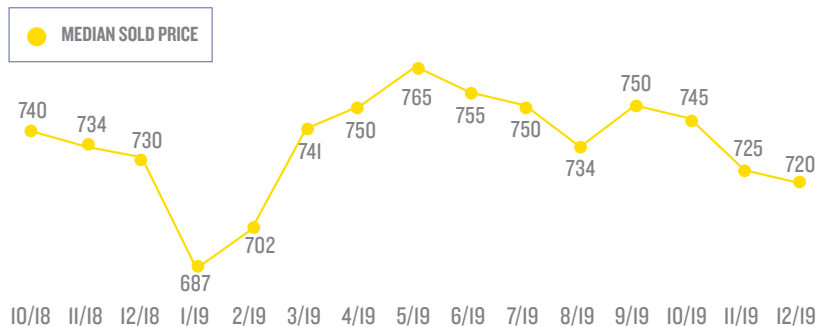
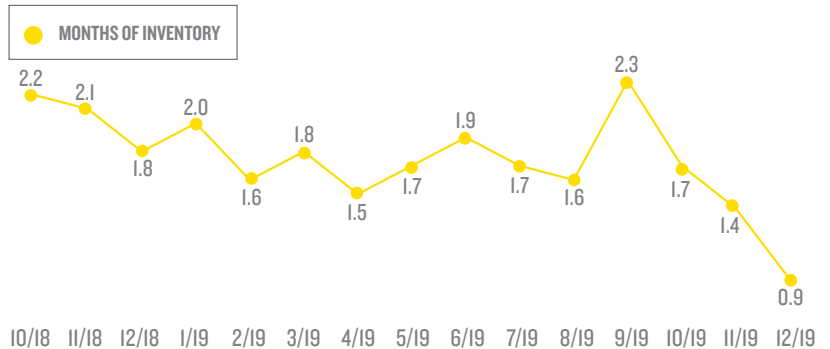
A healthy balanced market is between 4 and 6 months of inventory available. In a brisk market maybe a little less.

HIGHER = BUYER'S MARKET LOWER = SELLER'S MARKET

While the Seattle market still benefits the seller, buyers are holding their own in negotiations.

MEDIAN HOME PRICES

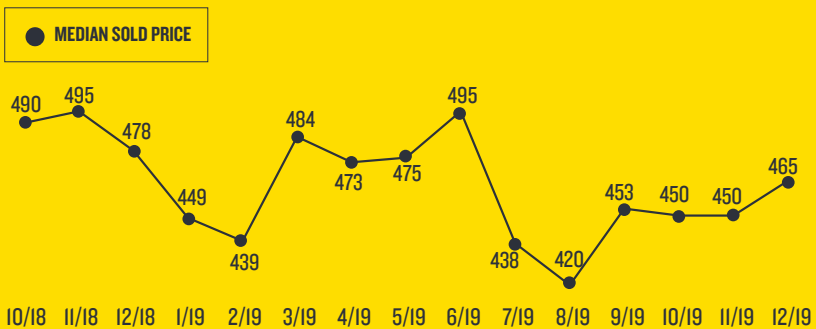
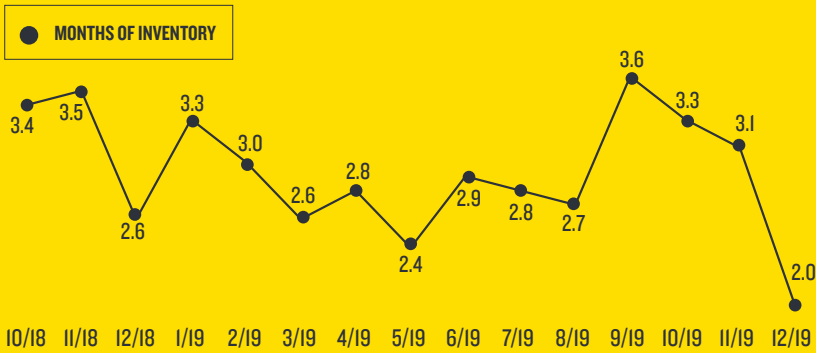
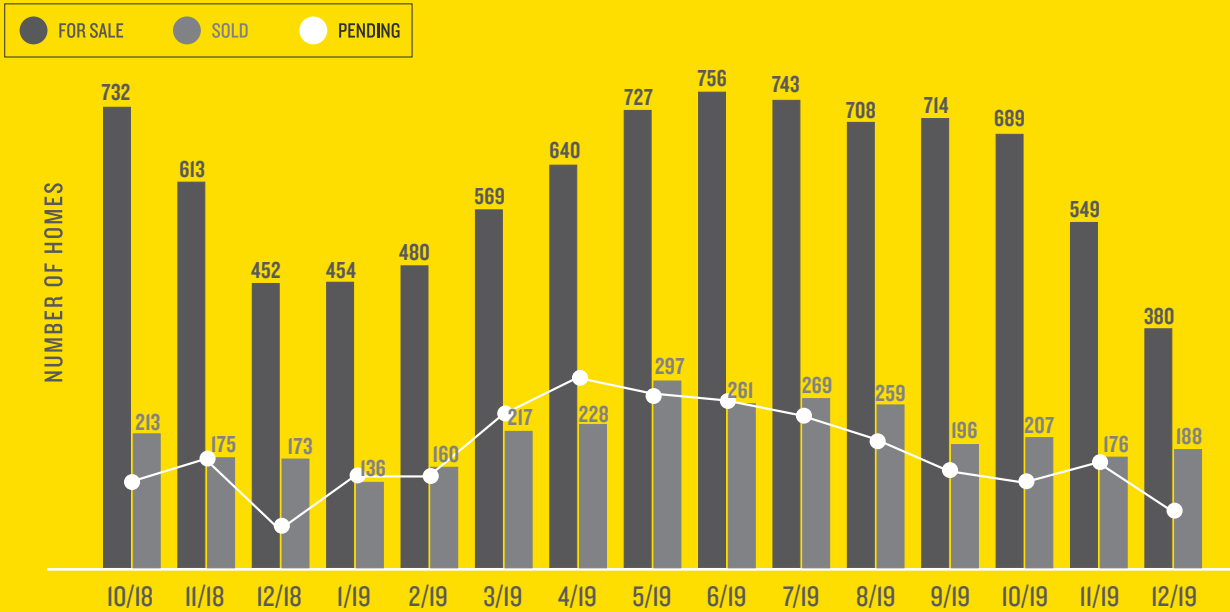
2019 began with a dip in median home price to \$687k. But then popped back up to the \$700's where they had been for much of the previous year, landing in December at \$720k.



All figures are based on single family home sales, which include townhomes and exclude condos. Graphs were created by METROPOLIST using NWMLS data and Trendgraphix, but information was not verified or published by NWMLS. Data reflects all new and resale single-family residences sold.

CONDOS

2019 saw a peak of available condos for sale at numbers we haven't seen since the end of the recession, the result was a softening of the market for sellers. Sales slowed in the latter part of the year but the number of listings also went down significantly over the fall months. The condo market is expected to be stronger again for sellers through 2020. However, it can be more vulnerable to market shifts, so we will be watching inventory carefully to advise clients well.



WHAT ABOUT THE BUBBLE?

Prices were generally steady for a year that at times seemed erratic for sellers. Builders remain unable to keep up with demand and the region continues to be predicted to have chronically low inventory of available homes. This bodes well for a tight seller's market through 2020. But when will this bubble burst you ask?

BOTTOM LINE

Denise Lones, a well respected real estate industry expert was quoted recently as saying this. "There is no such thing as a crash in a market where there is a deficiency in inventory". If that's not the bottom line we don't know what is.

All figures are based on condo sales. Graphs were created by METROPOLIST using NWMLS data and Trendgraphix, but information was not verified or published by NWMLS. Data reflects all new and resale condos sold.



BUT LET'S TALK ABOUT YOU!

Not everyone wants to look at the big picture. Maybe you already own your home and want to get a pulse on your value and how it has changed. Or maybe you are curious what it would look like if you wanted to sell.

It's also possible you are a buyer looking to focus in on a particular neighborhood and can use this information to help choose your target area, or strategize within an already identified perfect fit.

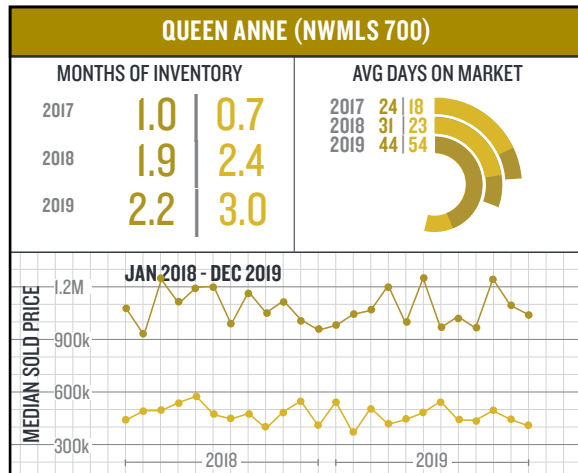
Within these pages you will find all the same information provided in the Seattle Metro section. But here you will see it broken out into color coded Seattle neighborhood areas.

These areas are still pretty wide. If you really want to get down to the detail of your home or your target area this is a great time to reach out to your broker. They can pull data for your exact location or desired neighborhood, focused on the micro locale, to help you learn exactly what your home is worth and what your competition might look like.

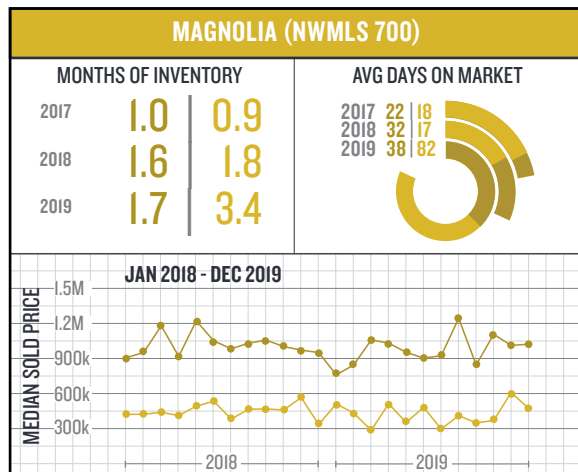
LEGEND | SEATTLE METRO AREA AS DEFINED BY THE NWMLS



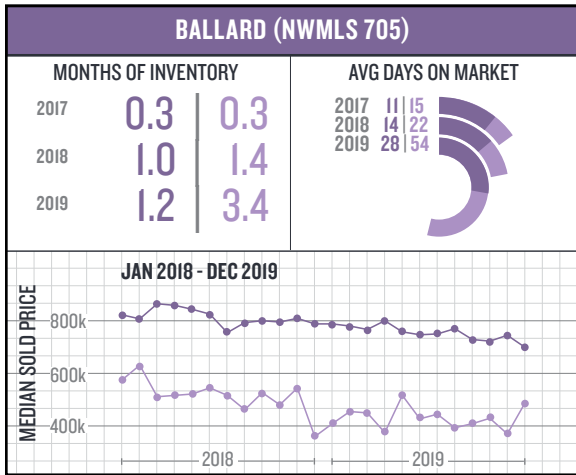
- Ballard | Greenlake | Wallingford (NWMLS 705)
- Ravenna | U District | Laurelhurst (NWMLS 710)
- Queen Anne | Magnolia (NWMLS 700)
- Capitol Hill | Central District | Madison Park (NWMLS 390)
- Downtown/Belltown (NWMLS 701)
- Beacon Hill | Rainier Valley (NWMLS 385)
- West Seattle (NWMLS 140)
- Mt. Baker | Leschi | Madrona (NWMLS 380)



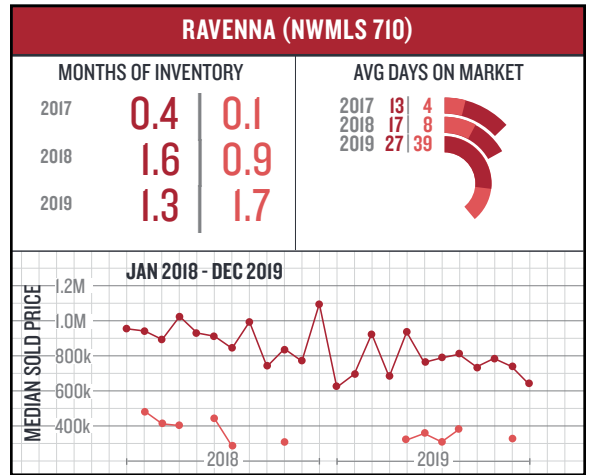
SINGLE FAMILY HOMES | CONDOS



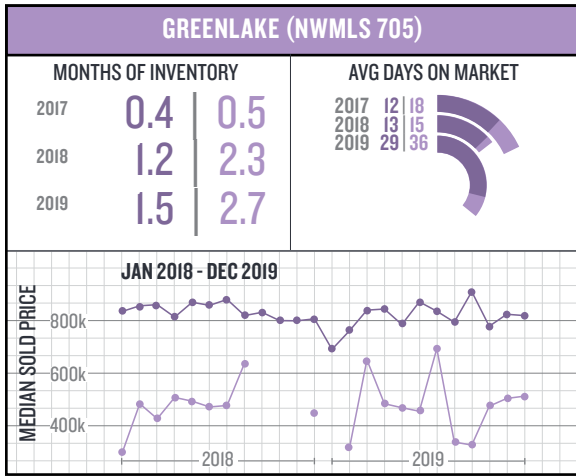
SINGLE FAMILY HOMES | CONDOS



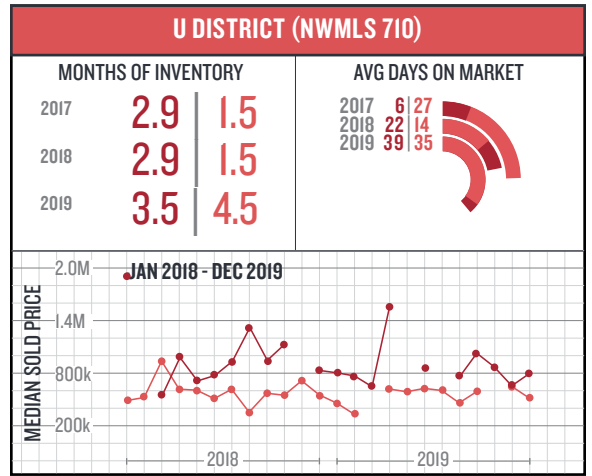
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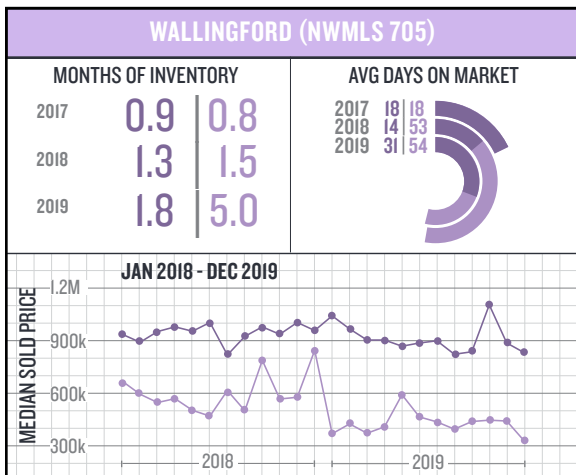
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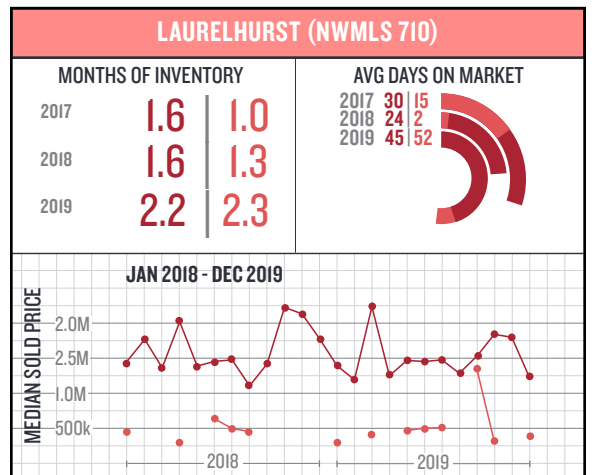
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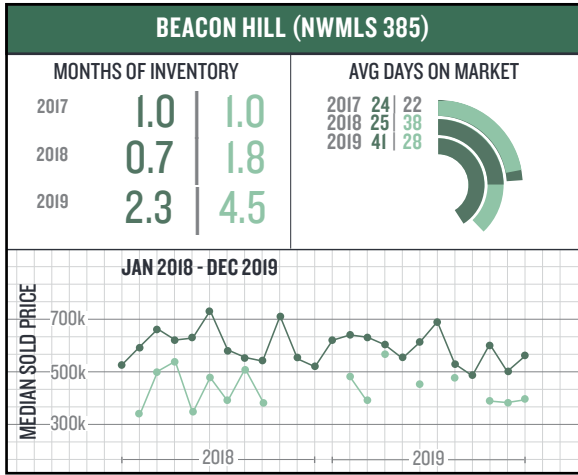


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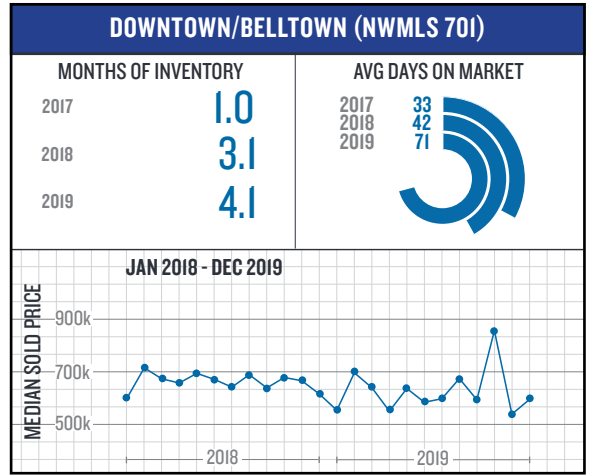


SINGLE FAMILY HOMES | CONDOS

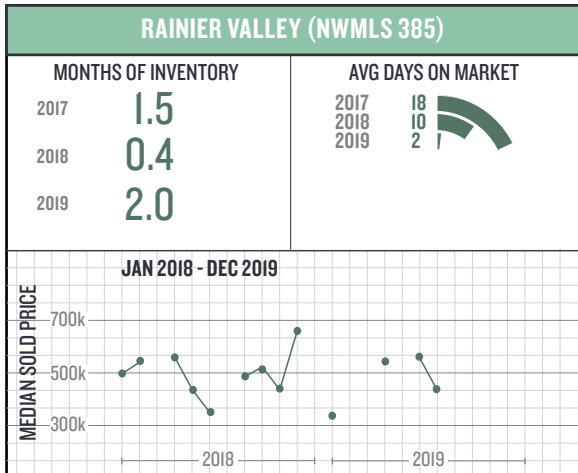
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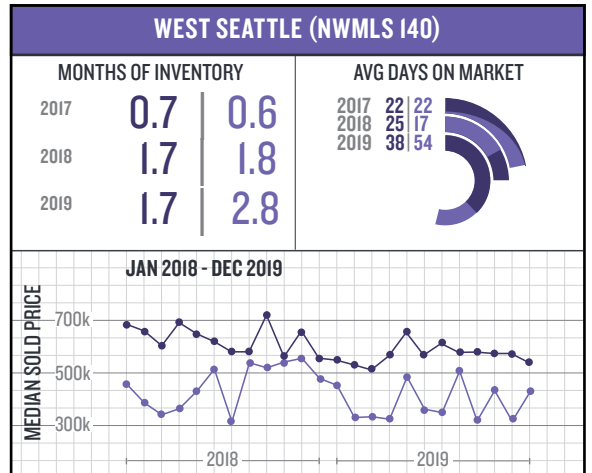
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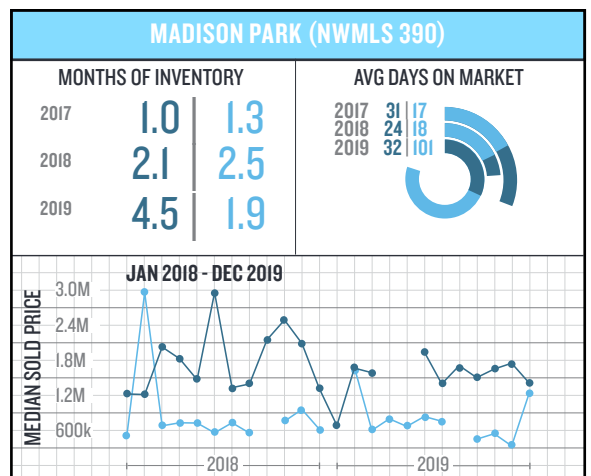
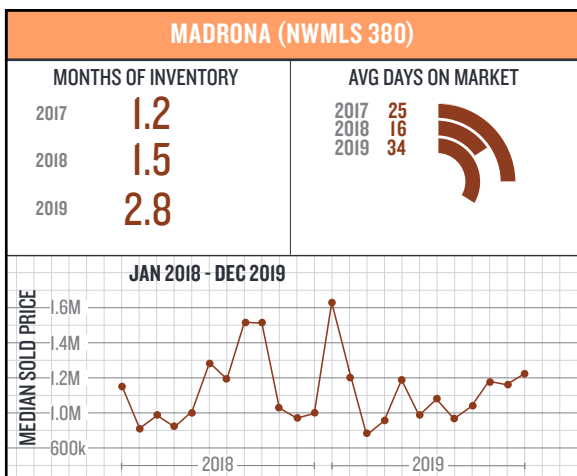
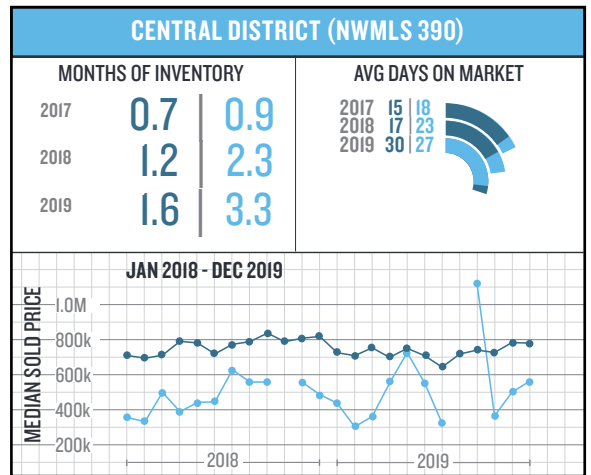
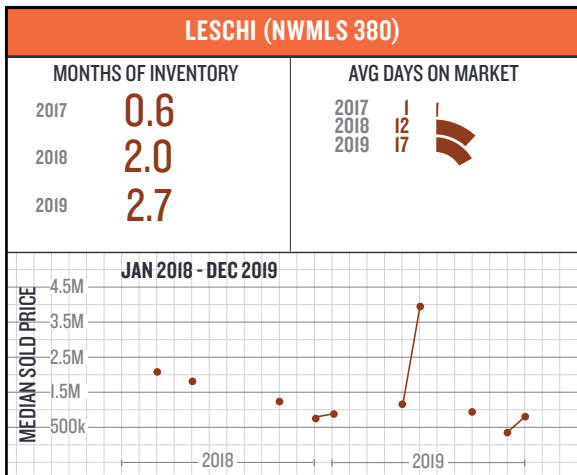
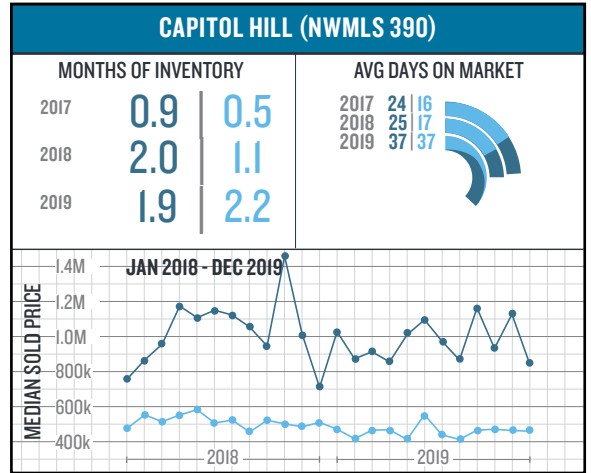
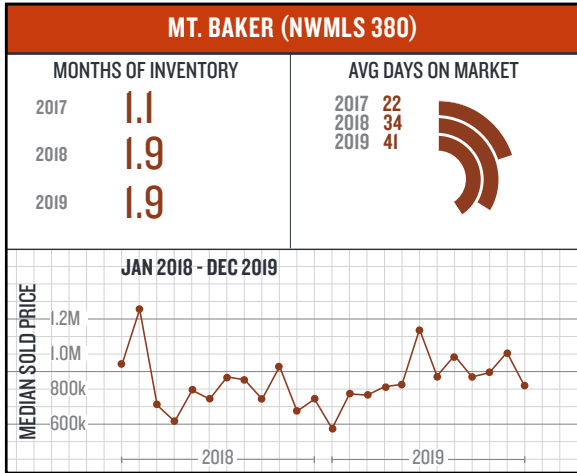
SINGLE FAMILY HOMES | CONDOS

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**A NEW ERA
IN REAL ESTATE**



METROPOLIST

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