

METROPOLIST

MAGAZINE

2023 | SUMMER

BY THE NUMBERS



POWER UP WITH METROPOLIST...

AT METROPOLIST, WE BELIEVE KNOWLEDGE IS POWER...

That's why we're committed to providing our clients with the tools and resources they need to help them make informed and strategic decisions about real estate.

Here are some of the key trends we're seeing right now:

CONTINUED DEMAND: Despite the ongoing pandemic landscape and the talk of recession, high demand continues for real estate in 2023. Higher interest rates have slowed buyer interest, but there is an ongoing shortage of inventory and sellers are benefitting from the market conditions.

INCREASED COMPETITION: Competition for properties is likely to continue to be fierce through 2023 and into 2024. This means that buyers will need to act quickly and make strong offers to secure their desired properties.

EMPHASIS ON TECHNOLOGY: The real estate industry has been rapidly evolving in recent years. Buyers and sellers can expect to see more technology-driven solutions that make the buying and selling process more efficient and convenient.



📷 : Diwas Photography

FOCUS ON SUSTAINABILITY: As environmental concerns continue to grow; more clients are placing an emphasis on sustainability in their real estate transactions. This could include a focus on energy efficiency, green building materials, and other eco-friendly features.

At Metropolist, we are committed to staying up to date with the latest trends and developments in the real estate market. This magazine only scratches the surface of the kind of detailed data and education buyers and sellers need right now to be successful. Your Metropolist broker is your guide to help better understand the nuances of the market.

So we encourage you to reach out. By reconnecting with your broker, you will gain a better understanding of the current state of the market and how it may affect your real estate goals. Your broker can help you navigate any challenges that may arise and provide guidance on how to achieve your objectives in this ever-changing landscape.

We're in this together,

CHAD ZINDA
DESIGNATED BROKER

DOMENICA LOVAGLIA
DIRECTOR OF MARKETING

COMMUNITY PARTNER

We are proud of our ongoing
partnership with

EVERGREEN TREATMENT SERVICES



Evergreen
Treatment
Services



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The REACH program of
Evergreen Treatment Services improves the lives
of more than 3,500 King County residents each year.



DIWAS Photography

Whether it's a visit to a doctor, a warm meal,
or getting into substance use treatment,
their work changes lives.

We look forward to continuing to work closely with Evergreen Treatment Services and their REACH team by donating 25% of our profit, elevating their voice on our channels, and taking part in activities and events that support their work.

METROPOLIST



INSIDER INSIGHTS



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Broker



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Broker



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Broker



STEVIE REED
Broker

SELLERS ARE AFFECTED BY RATES AS MUCH AS BUYERS

S.P. There are fewer buyers in the market due to higher interest rates pricing them out or forcing them to move to different areas in order to buy. Therefore sellers are seeing fewer offers on their homes. Higher rates have pushed those remaining buyers in our market to tighten their budgets or into lower price ranges so they are not willing or able to escalate as high as they previously might have.

S.G.C. Right now, most sellers are living in homes that have a much lower interest rate than they could currently get. If a seller wants to move because they are antsy, want another bathroom, or another reason that is fairly minor, it doesn't pencil. They would essentially have to purchase a home in a completely different area in order to affordably upgrade from what they have now. The sellers I am working with are moving because of big life changes like estates, divorces, or relocations. Otherwise, folks are staying put and problem-solving in other creative ways.

E.A. of A&M When interest rates spiked, we saw many buyers drop out of the running for home purchases because they lost quite a bit of their borrowing potential. Many of our sellers saw downward adjustments in home values from the peak, but it appears prices have leveled off, and in many cases, sellers are getting multiple offers on their homes. It's still a supply issue, and sellers continue to be in the driver's seat.

EVEN NOW, OPPORTUNITY KNOCKS. ANSWER THE DOOR

K.P. Even if a buyer is getting bid out I advise they keep trying. You have to be willing to lose out because you can't know when the timing will be right. But there will be a weekend when things slow down and they'll get a property without bidding too high.

A.P. If sellers make the right improvements focused on curb appeal and making their homes move-in ready, hire a skilled stager and team up with the right broker to market their home, they will stand out and receive top dollar right now.

S.R. I think the opportunity for buyers is in new construction, especially new or first-time home buyers. There is less competition typically and a buyer can get a property without sacrificing the location of their choosing.

E.S. The city of Tacoma has been making improvements in many neighborhoods. Purchasing now while the pricing is more affordable for both primary homes and investment properties is smart. Especially in areas such as Lincoln District or Summit Waller area. Tacoma is up and coming, and a beautiful place to call home.

V.F.D. Buyers who have run out of things to look at in their price range or are fatigued from losing competitions should focus on the stale bread. Listings that have been on the market for over 30 days are unlikely to have multiple offers and the sellers should be getting motivated to take less than their listing price.



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Broker



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MISTAKES CAN BE MADE, SO WHAT ARE THEY?

J.B. WAITING. Waiting to buy because they hope interest rates will drop or the supply will change. People have been saying they were going to wait until prices level off for decades but look where Seattle is today. If you had purchased a home 10 years ago, today it would be worth more than double what you paid. Get your foot in the door as soon as you can. Start growing that equity.

L.N. Buying a home is both a significant life event and the biggest purchase most people will ever make. Not having a clear needs vs wants list (both sticking to it, but also being flexible) from the get-go is a mistake. Browsing listings is fun and necessary, but it's easy to lose perspective after looking at dozens of picture-perfect remodels when you revisit your "needs" list. And secondly, buyer fatigue. The market is heating up and desirable homes will have multiple offers. This may mean a buyer loses out multiple times, and that's discouraging! It's a good time to go back to the needs vs wants list, hone in and potentially cast a wider net.

G.S. Many buyers think that the market has really slowed down and they can take all the time in the world to decide which house to make an offer on. That is not true! The number of sales may be down, but that is because there are fewer homes listed, not because buyers are not buying. A good home that is priced well will not only sell quickly, but will get multiple offers. My buyers have been competing on nearly every house.

WITH ADVICE, MISTAKES CAN BE AVOIDED

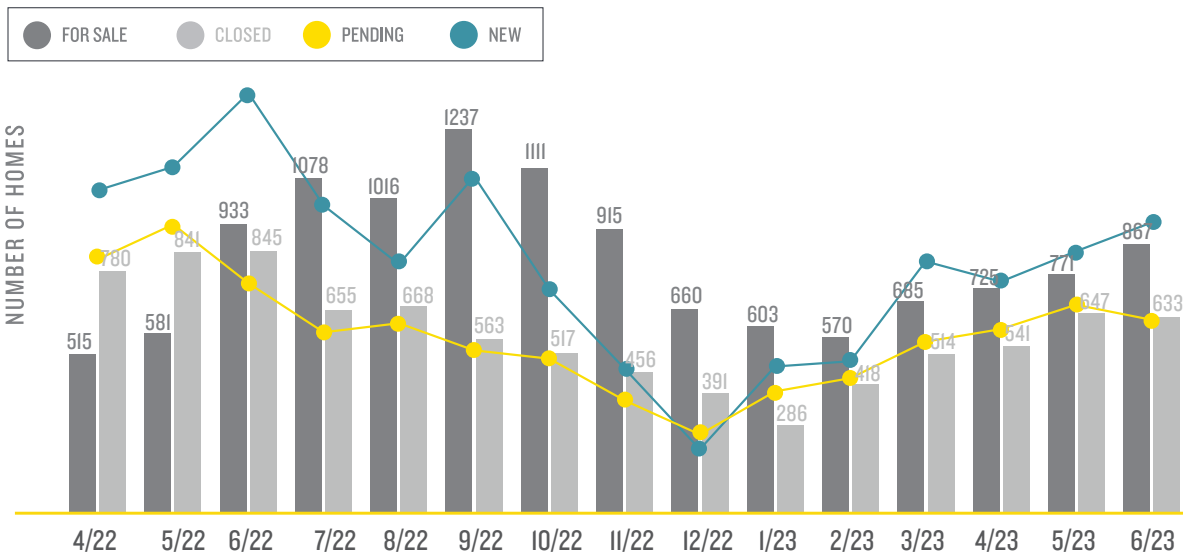
N.B. Don't give up too soon if you lose a couple of competitions. Build a good team with a strong broker and lender. They can pull together data that will show you what is actually doable for you and put a game plan in place so you know where to look and how to put in winning offers. Feeling priced out is a real thing, but prices will continue to rise. The sooner you can get into the market to build equity the better for your long-term wealth building.

E.S. Take a close look at your finances and determine if there are any areas where you can cut expenses or save more money. Increasing your monthly housing budget & down payment or reducing your debt can improve your financial position and make it easier to afford a home. Consider different property types. If what you envisioned is out of your price range, explore other property types such as condos, townhouses, or smaller homes. These options may be more affordable and still provide you with homeownership opportunities

E.M. of A&M There are 3 areas that need to line up for buyers. What they want, where they want it, and how much they can pay. If a buyer is not able to increase the amount they can pay, they will need to adjust one (or both) of the others. Maybe it means settling for fewer bathrooms, or a little longer commute. Figure out a way if you can, because homes are not likely to become more affordable any time soon. You can use the purchase now to start building equity that can fund a more ideal home down the road.

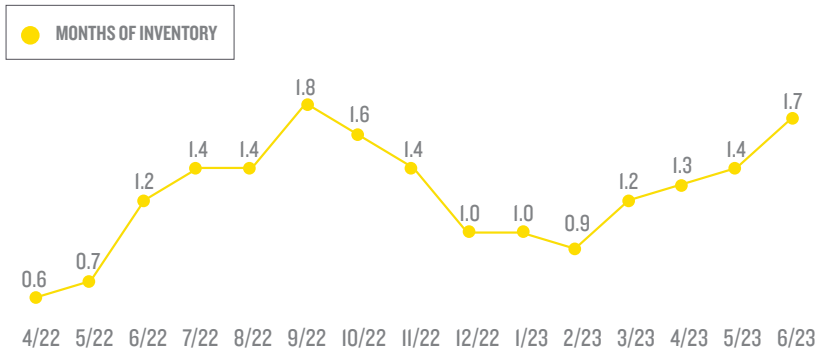
SINGLE FAMILY HOMES

We witnessed a gradual return of buyers in the first half of 2023, while the number of sellers reentering into the market has been slower in comparison. After experiencing a significant decline in listings, sales, and prices during the second half of 2022, the resurgence of buyers' demand has been both encouraging and necessary. However, the limited influx of properties for sale has led to a gradual but steady increase in prices, partially recovering from the losses incurred in late last year. It is worth noting that the strikingly low sales volume over the past year indicates a substantial pent-up supply and demand, with many potential buyers and sellers patiently observing from the sidelines, awaiting more favorable conditions. When these conditions eventually improve, we anticipate a notable upswing in all aspects of the market. - Eric Martin, Metropolist



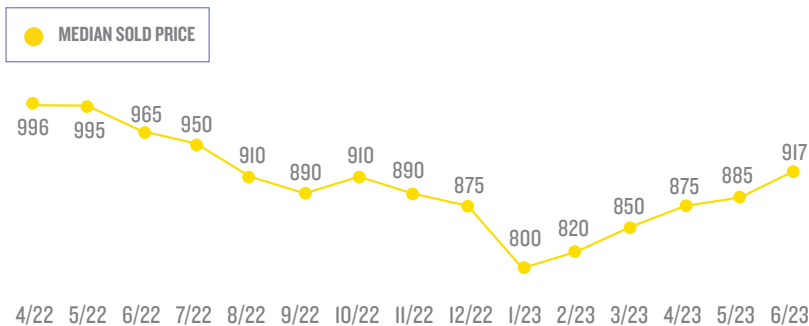
MONTHS OF INVENTORY

A healthy, balanced market is between 4 and 6 months of inventory. For the past few years, we have seen a strong single family market below two months of inventory. The condo market at 3 months of inventory is approaching balance.



WHAT'S NEXT?

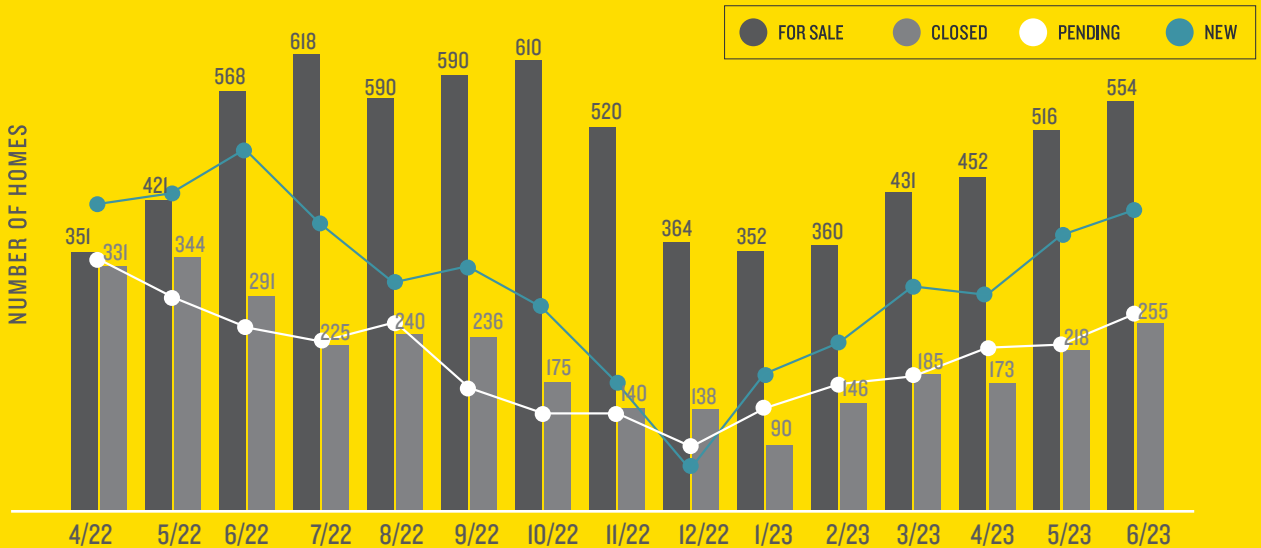
Prices are expected to flatten as the typical summer slowdown meets high interest rates. When rate do lower there will be a flood of buyers and prices are likely to accelerate again rapidly.



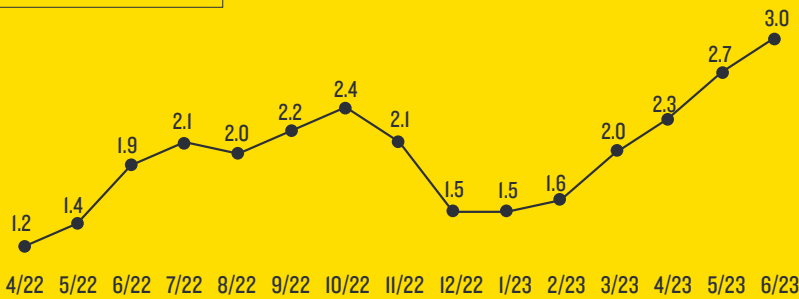
All figures are based on single family home sales, which include townhomes and exclude condos. Graphs were created by METROPOLIST using NWMLS data, but information was not verified or published by NWMLS. Data reflects all new and resale single-family residences sold.

CONDOS

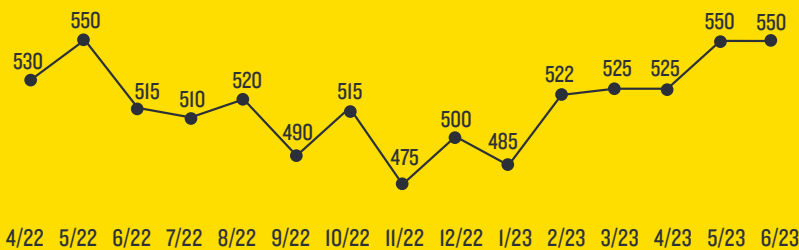
The Seattle condo market has faced challenges in finding stable ground during the first half of 2023. While there has been some improvement in prices compared to the lows experienced last year, the condo market's recovery has been less pronounced and steady than that of the single-family home market. Specific areas, like downtown Seattle, have been notably affected, with sales moving at a very sluggish pace. The future prospect of the downtown residential scene largely depends on how the return-to-work trend, along with improving interest and market conditions, can potentially revive the condo market in that area. Monitoring these developments will be crucial in understanding the trajectory of the condo market moving forward. - Eric Martin, Metropolist



● MONTHS OF INVENTORY



● MEDIAN SOLD PRICE



WHAT ABOUT THE MARKET?

It looks like the Fed may actually be pulling off a “soft landing”. Inflation is down markedly while the job market is exceptionally strong. Given this trajectory, a lowering of interest rates seems likely at some point toward the end of this year or early in 2024. Once that happens, we suspect the market will heat up significantly.

BOTTOM LINE

At a fundamental level the dynamic in Seattle’s housing market is the same as it has been for the past decade; more buyers than there are homes to purchase. That dynamic will not change unless we find a way to build more houses, but it will take years to restore a sense of balance to the market.

All figures are based on condo sales. Graphs were created by METROPOLIST using NWMLS data, 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.

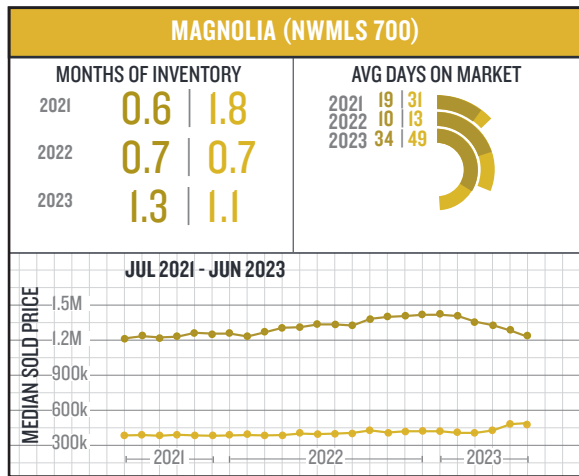
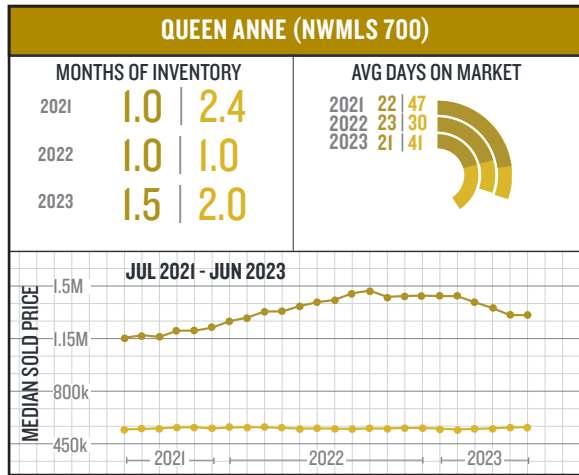
Within these pages you will find all the same information provided in the Seattle Metro section. But here you will see it broken out into color coded Seattle neighborhood areas.

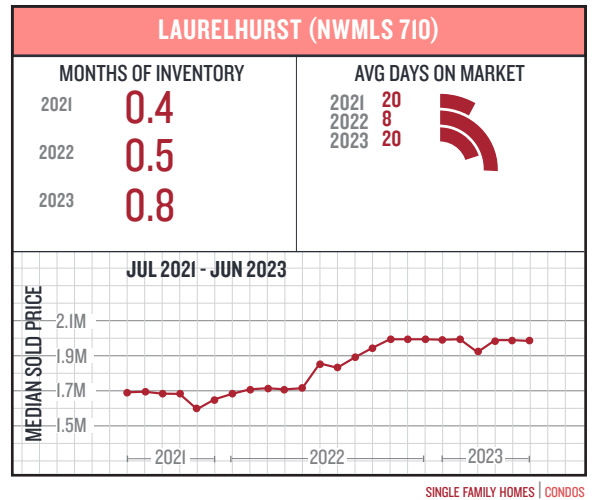
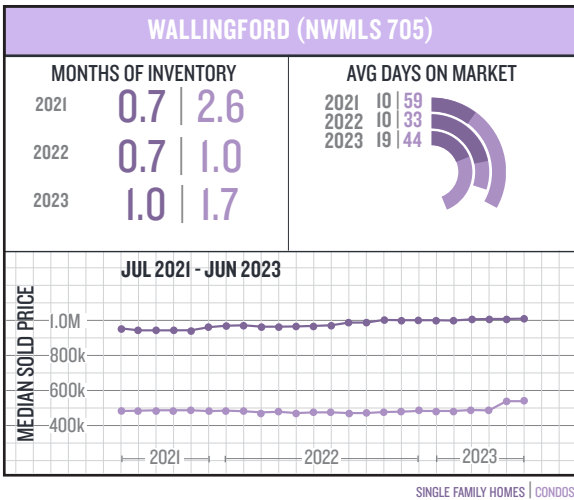
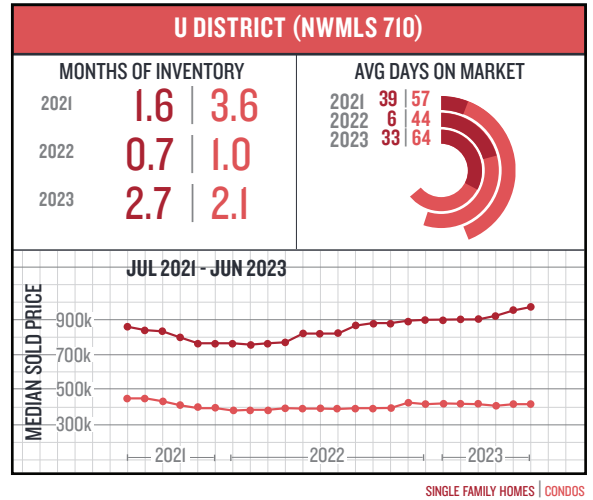
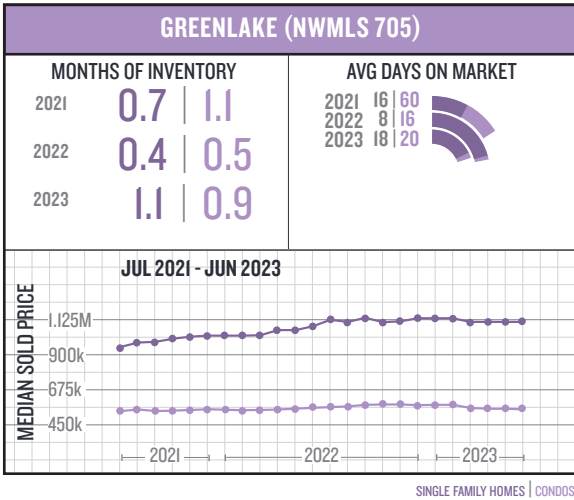
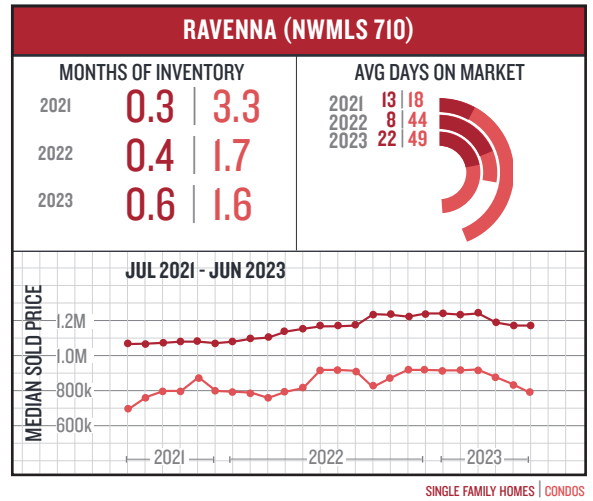
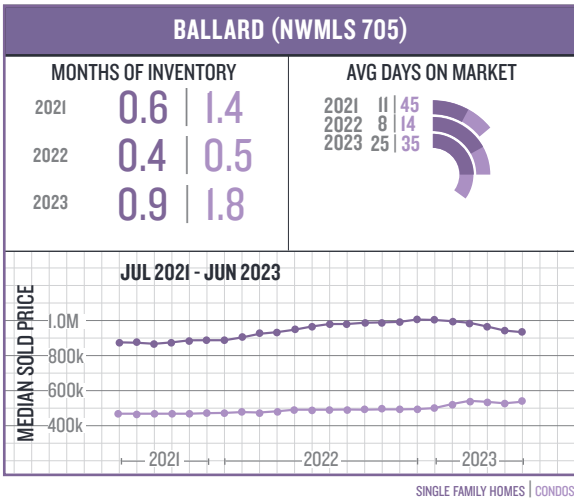
These areas are still pretty wide. If you really want to get down to the detail of your home or your target area this is a great time to reach out to your broker. They can pull data for your exact location or desired neighborhood, focused on the micro locale, to help you learn exactly what your home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

LEGEND | SEATTLE METRO AREA AS DEFINED BY THE NWMLS

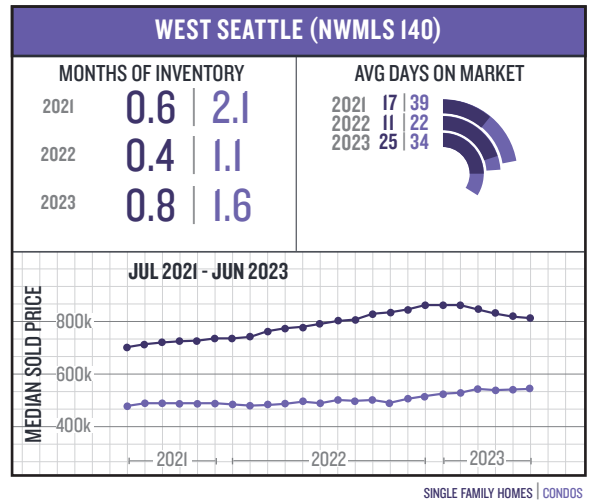
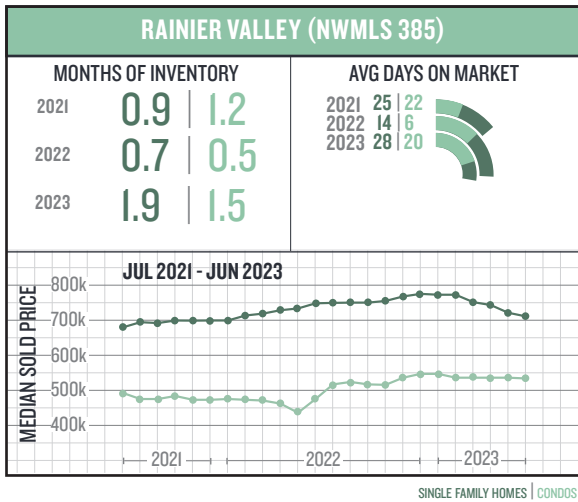
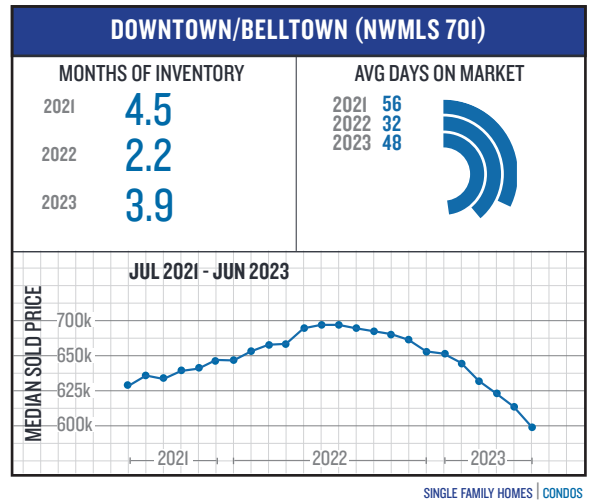
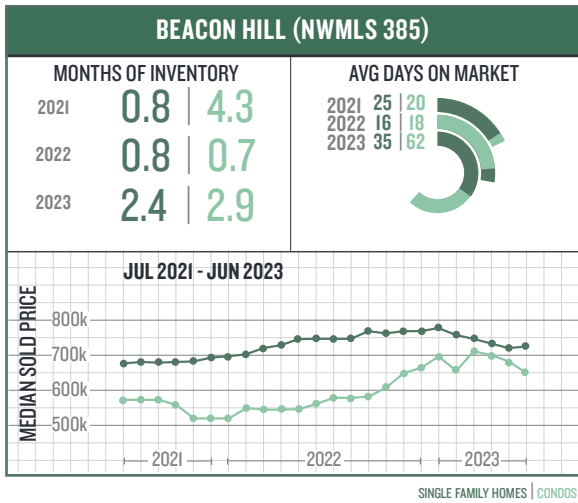


- Ballard | Greenlake | Wallingford (NWMLS 705)
- Ravenna | U District | Laurelhurst (NWMLS 710)
- Queen Anne | Magnolia (NWMLS 700)
- Capitol Hill | Central District | Madison Park (NWMLS 390)
- Downtown/Belltown (NWMLS 701)
- Beacon Hill | Rainier Valley (NWMLS 385)
- West Seattle (NWMLS 140)
- Mt.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

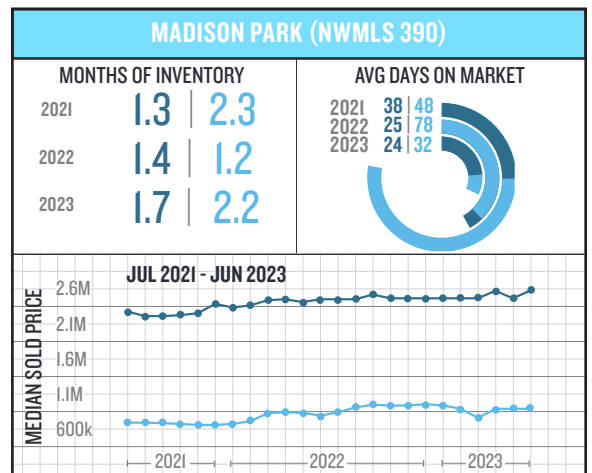
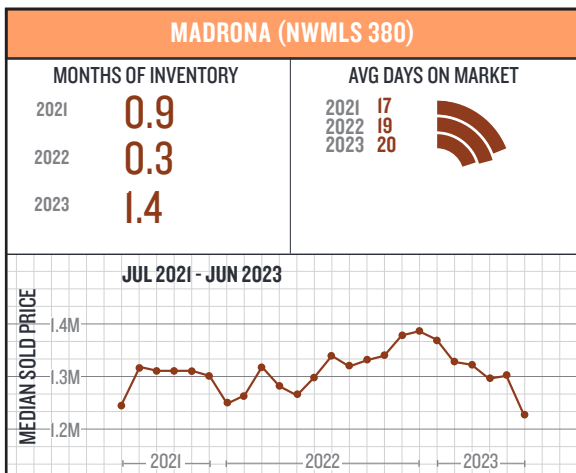
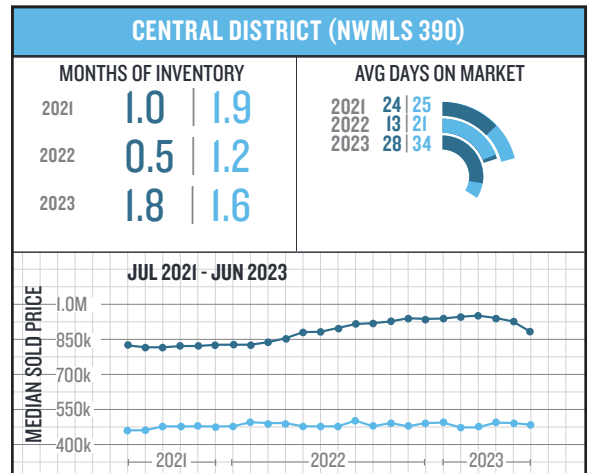
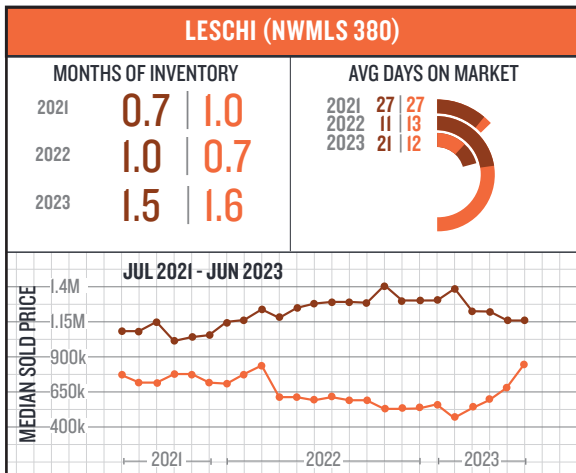
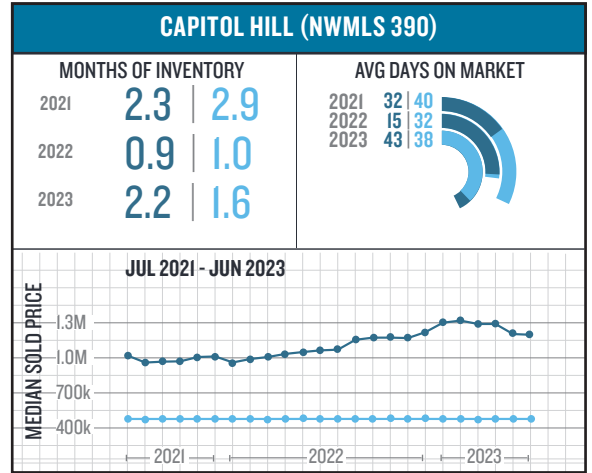
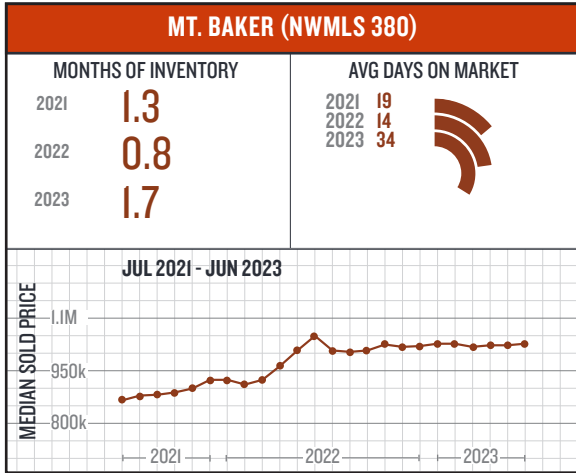




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