

Q1
2018

PACIFIC NORTHWEST MARKET REPORT

PUGET SOUND | SOUTHWEST WASHINGTON | OREGON



Coldwell Banker Bain is the #1 Coldwell Banker affiliate in the world with over \$6 billion in volume in 2017, and has been helping people buy and sell homes in the Pacific Northwest since 1972. With 1,100+ brokers in 32 offices throughout Washington and Oregon, the company provides the full spectrum of services to buyers and sellers, with special expertise in the luxury realm. Additionally, the company has once again earned the national Coldwell Banker Chairman's Circle designation for outstanding

performance in volume for 2017, ranking as a No. 1 network affiliate out of 3,000 offices in 48 countries. The company also provides services in property management, commercial real estate and real estate investment, and relocation management. Coldwell Banker Bain consistently ranks among the Top 20 Real Estate Companies in the nation as cited by Real Trends and RISMedia's Real Estate. For more information, visit coldwellbankerbain.com.





BELLEVUE, Wash. (April 17, 2018) – Coldwell Banker Bain, a leading provider of real estate brokerage services throughout Washington and Oregon, and a market leader in home sales in 2017,* releases its first-quarter market report providing a variety of statistics for the sale of homes in neighborhoods and counties throughout the Puget Sound region, as well as for segments including luxury and condos. The first-quarter report reflects activity between Jan. 1, 2018 and March 31, 2018.*

Reflecting on the first quarter numbers and feedback from brokers, **Mike Grady**, CB

Bain president and COO, said he expects another "spring frenzy." "We simply continue on a breakneck pace with demand exceeding supply, and prices continuing to climb," he said. "Although in King County there is a bit more inventory than at this same time last year, steep price appreciation continues to push home buyers outside of the county and inventories in Snohomish, Pierce and other counties continue to be in the red as people search for affordable options. Given that the region's job market doesn't appear to be slowing anytime soon, we expect another hectic spring."



“Eastsiders saw a spike in new listings but brisk sales have triggered predictions of the market intensifying for a real spring frenzy,” said **Thadine Bak**, Principal Managing Broker of the CB Bain of Bellevue office. “The average single-family home price – across all Eastside communities – surpassed \$1 million for the first quarter \$1,045,136. This represented a 16.5% increase over Q1 2017.

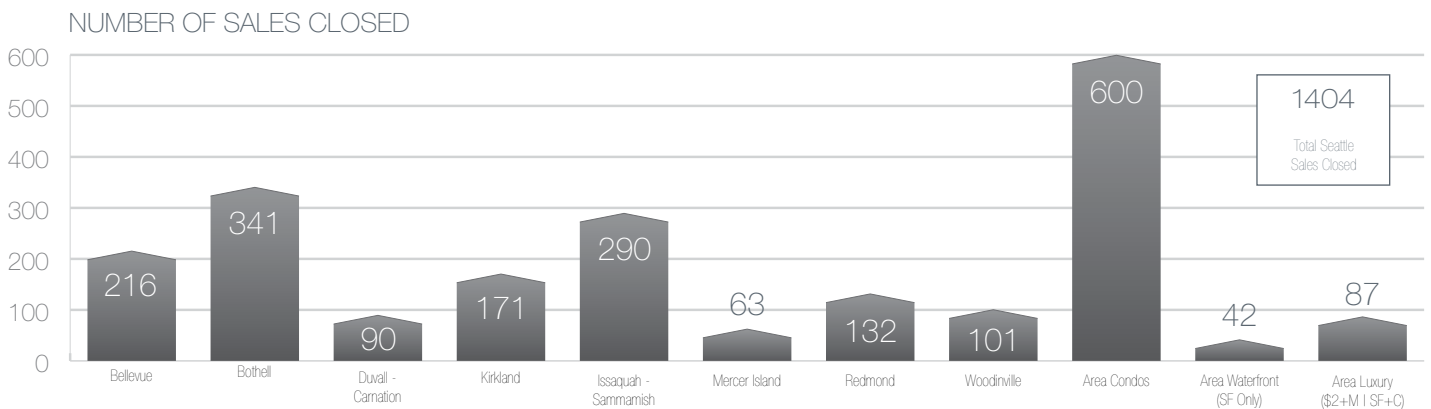
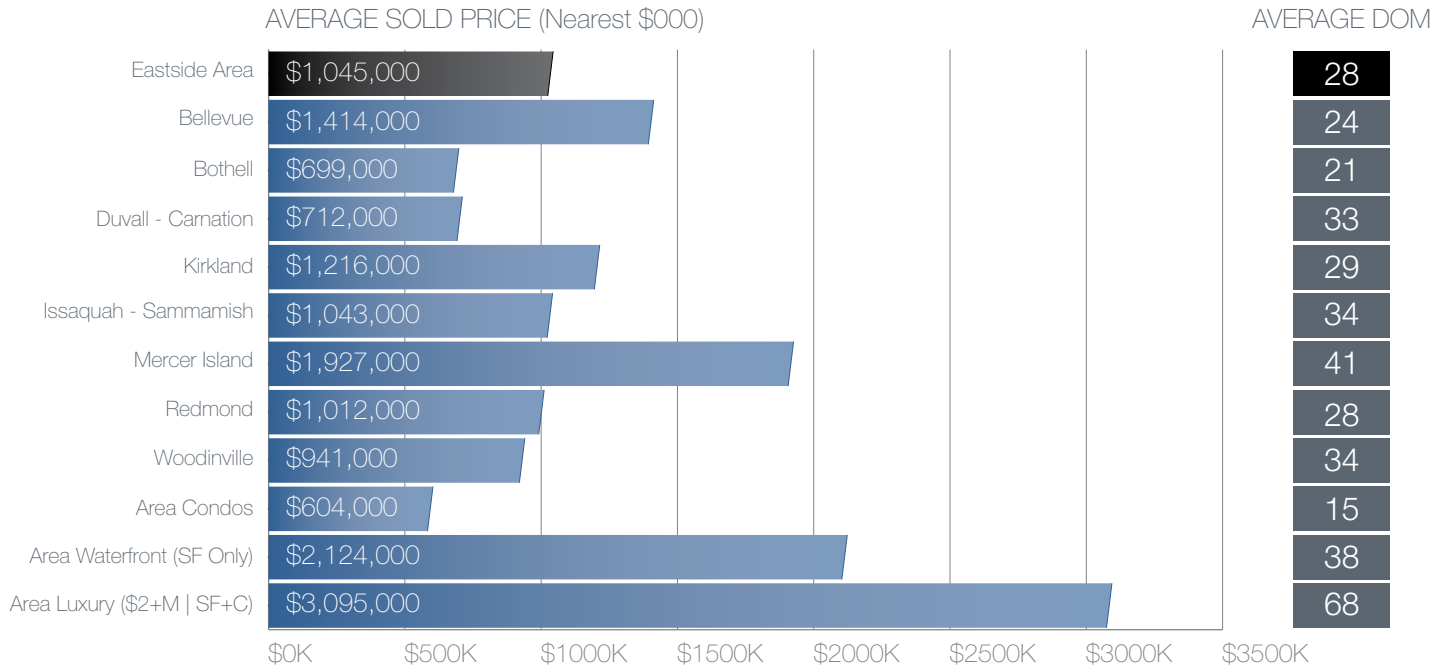
Because supply never matched buyer demand, Eastside unit sales were down 9.4% for Q1 2018 (1,570 homes sold vs. 1,732 in 2017). Homes sold 18% faster in 2018. The average Eastside condominium price shot up 25.4% to \$562,038. Eastside job growth and an uptick in mortgage interest rates have continued to fuel the frenzy.”

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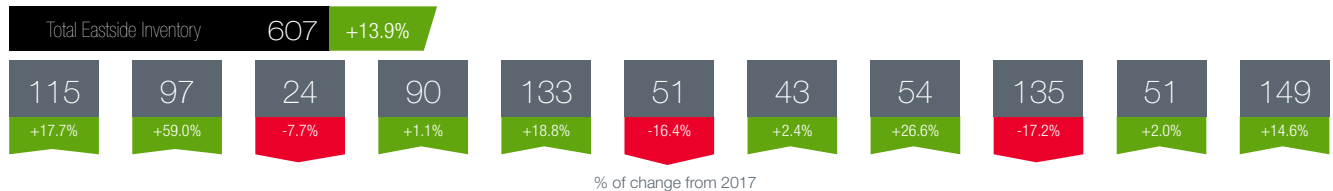
EASTSIDE AREA

Bellevue | Bothell | Duvall - Carnation | Kirkland | Issaquah - Sammamish | Mercer Island
Redmond | Woodinville

SINGLE FAMILY (SF), CONDO, WATERFRONT & LUXURY



INVENTORY IN UNITS - 3/31/2018



John Deely, Principal Managing Broker for CB Bain's Lake Union office, stressed how important pricing is, saying that buyers are becoming more savvy and annoyed by overpricing. "Despite the low inventory and sellers' market, proper pricing is still important. In the first quarter we had more listings where sellers pushed the price envelope causing the property to go past their offer review date with no offers in hand. It is not uncommon for buyers to consider a property on the market over 10 days as being overpriced. With average prices near \$1 million, buyers are leery of aging listings."

"We are seeing many buyers that lost out on several attempts in a multiple offer competition from last year who are returning from taking a break during the winter. As seasoned veterans of the multiple offer bidding wars, they are throwing caution to the wind, and pulling out all the stops (contingencies) to win."

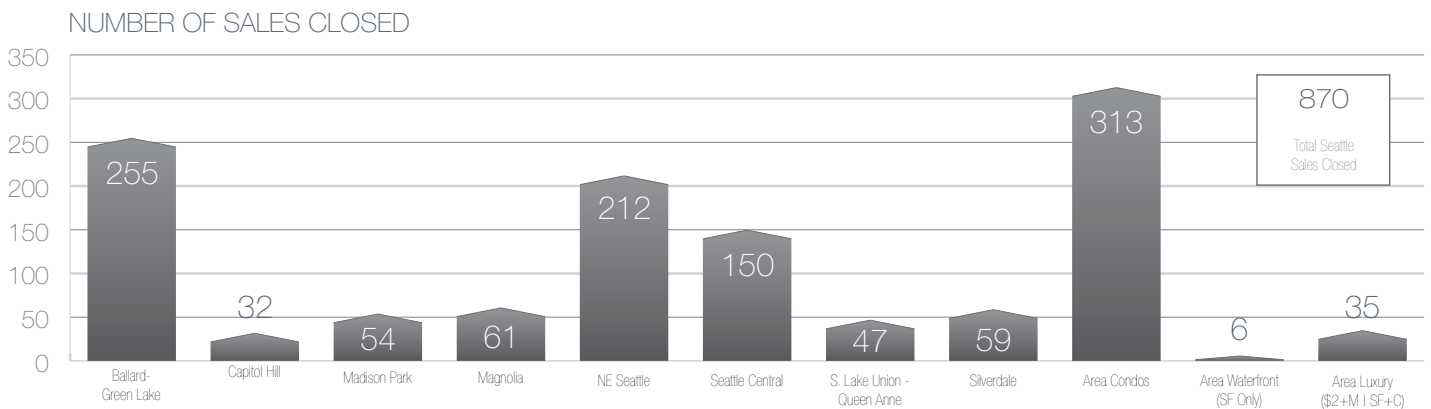
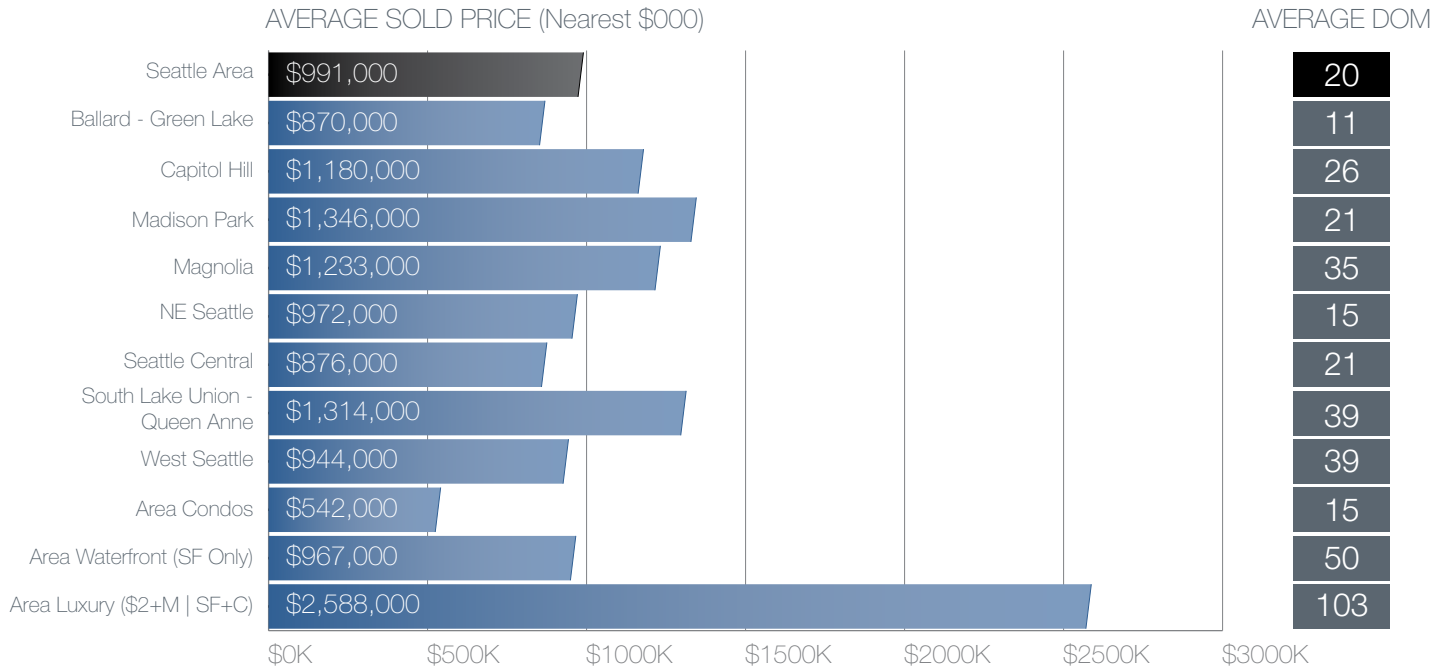


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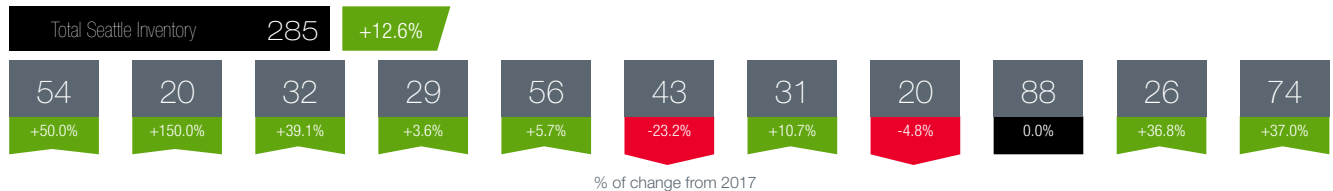
SEATTLE AREA

Ballard - Green Lake | Capitol Hill | Madison Park | Magnolia | NE Seattle | Seattle Central
South Lake Union - Queen Anne | West Seattle

SINGLE FAMILY (SF), CONDO, WATERFRONT & LUXURY



INVENTORY IN UNITS - 3/31/2018





Cristian Koch, the newly appointed Principal Managing Broker of CB Bain's Bainbridge Island office, said, "We are entering the spring market with the full effect of the laws of supply and demand. Our inventory is down by 50% from this time last year yet the demand is soaring. We are seeing buyers from Seattle more than willing to experience the pleasant 30-minute

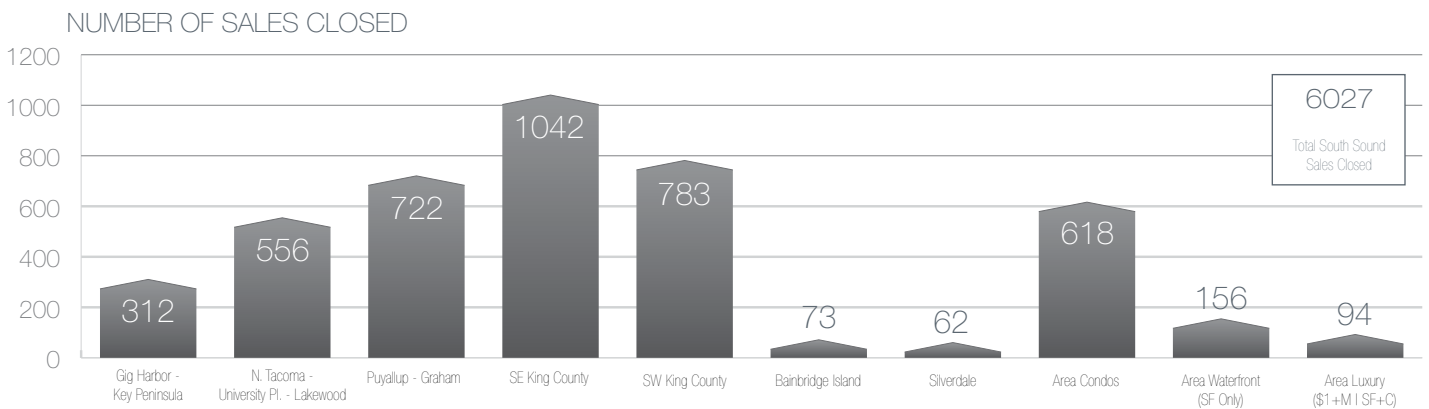
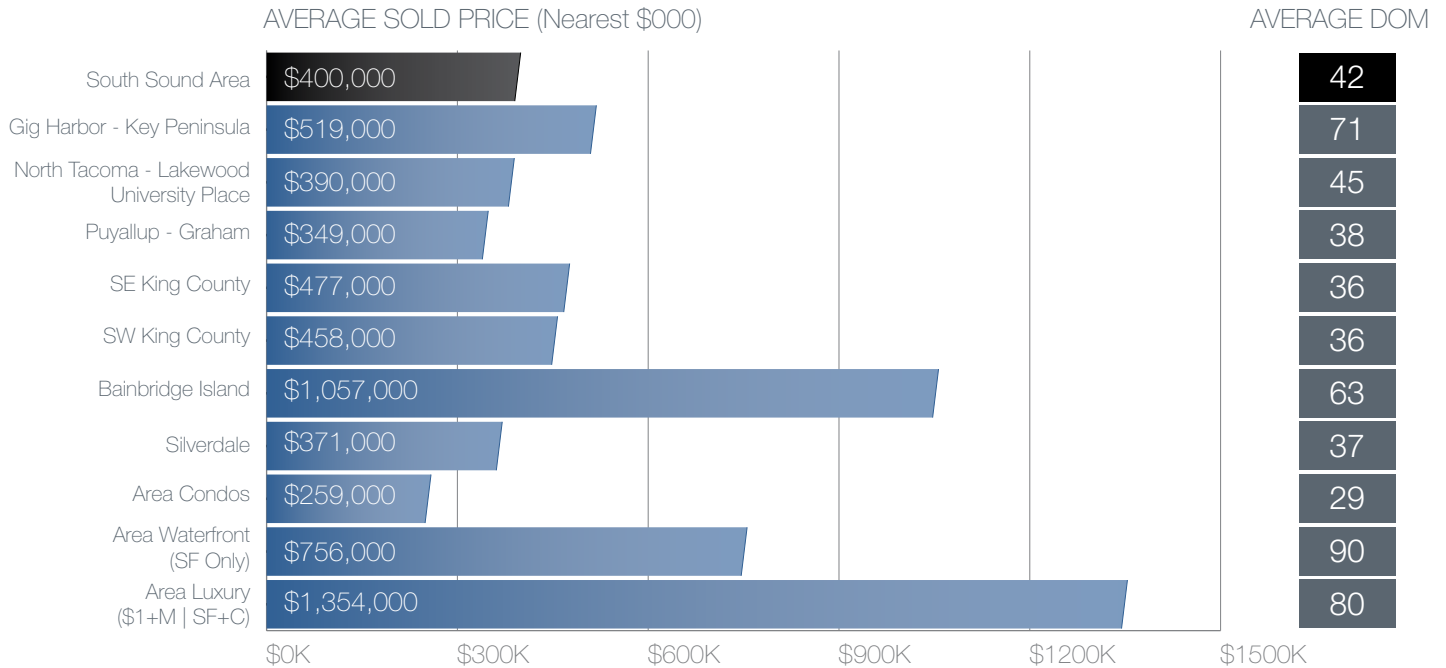
ferry commute versus the sometimes agonizing highway commutes to the Seattle suburbs. Bainbridge Island and points north like Silverdale and Kingston have also seen a significant rise in both values and demand along with decreasing inventories as we continue to experience an amazing 2018."

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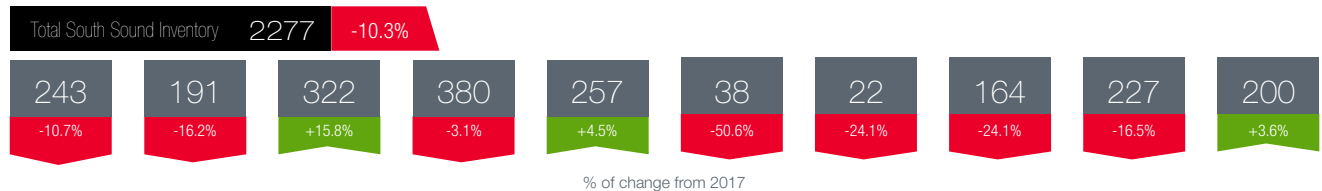
SOUTH SOUND AREA

Gig Harbor - Key Peninsula | North Tacoma - Lakewood - University Place | Puyallup - Graham
SE King County | SW King County | Bainbridge Island | Silverdale

SINGLE FAMILY (SF), CONDO, WATERFRONT & LUXURY



INVENTORY IN UNITS - 3/31/2018





Michelle Van Tassell, Principal Managing Broker for CB Bain's Edmonds and Lynnwood offices, notes that Snohomish County has quickly become a targeted area for buyers planning ahead for transit solutions, as well as more affordable options to King County. "We're advising that sellers keep in mind that it is in their interest to close their property with a clean and clear break from the transaction, and therefore encourages sellers to embrace buyers' due diligence efforts. Buyers should continue to keep

in mind their own appetite for risk, and work with a broker who has a deep understanding of how to structure a competitive offer while protecting their client's interests."

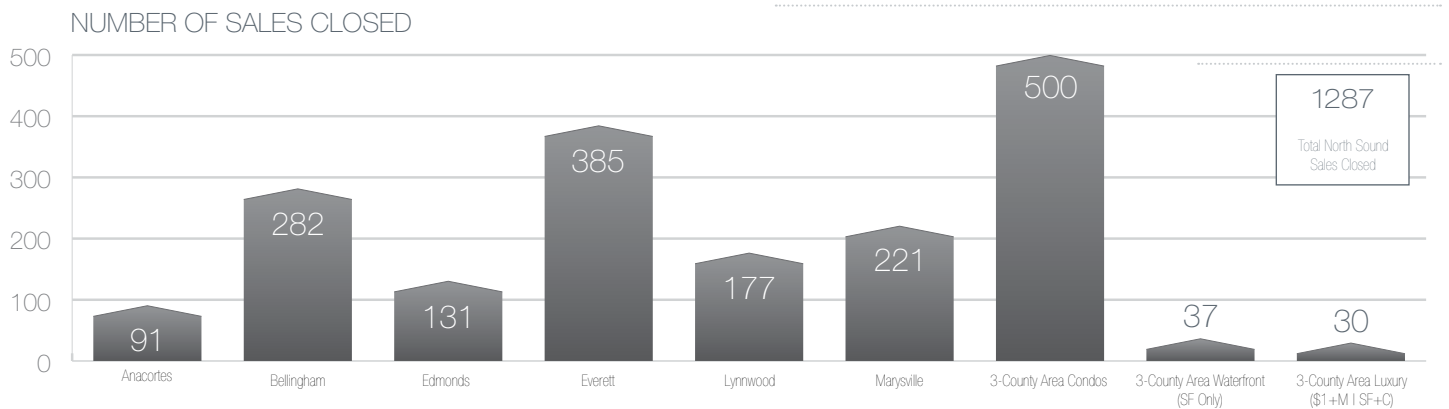
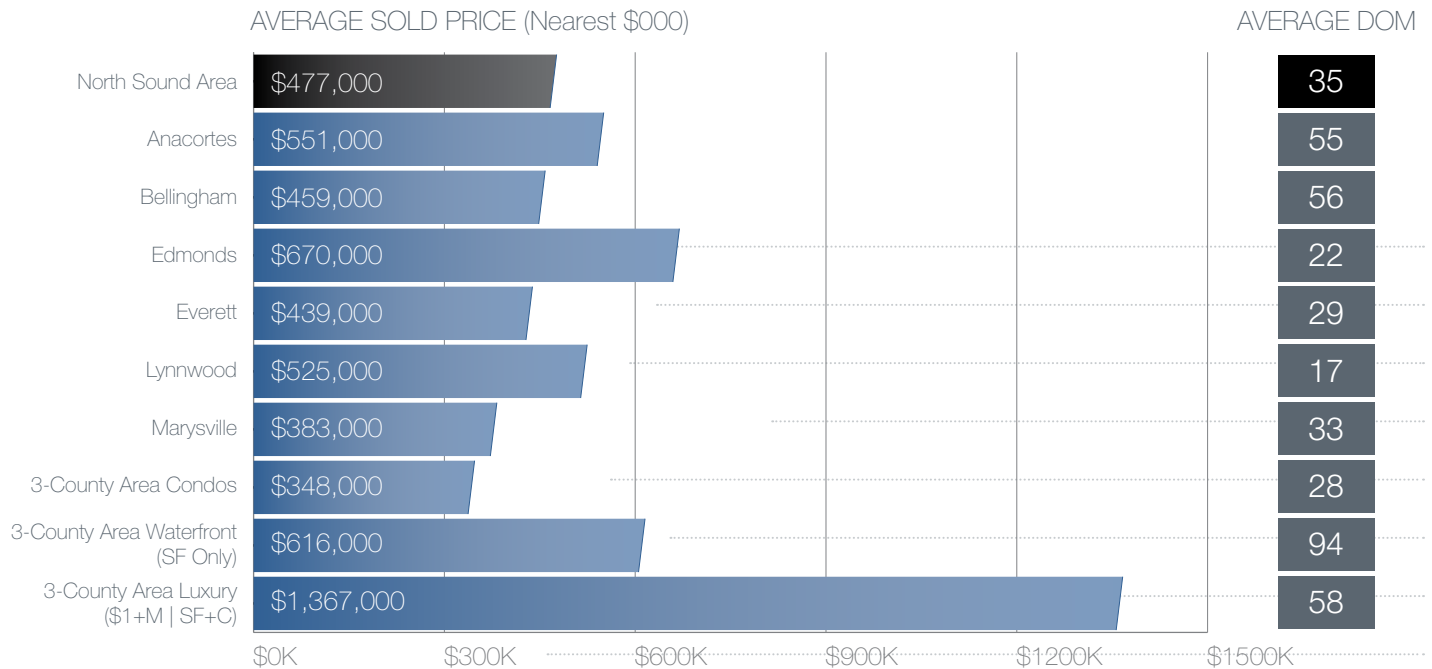
"Regarding low appraisals, savvy buyers make offers well within their affordability range, and may include proof of funds for the increased down payment and maintain reserves for the inevitable maintenance costs associated with home ownership."

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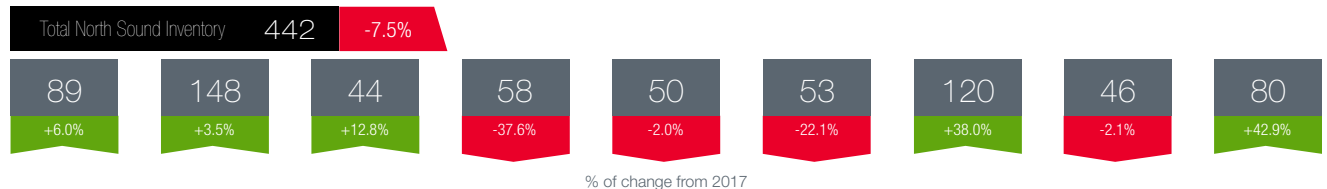
NORTH SOUND AREA (Snohomish, Skagit, Whatcom)

Bellingham | Edmonds | Everett | Lynnwood

SINGLE FAMILY (SF), CONDO, WATERFRONT & LUXURY



INVENTORY IN UNITS - 3/31/2018



John Speer, Principal Managing Broker at the CB Bain of Everett office, adds that a low inventory seller's market now persists. "Buyers are becoming much more geographically flexible, hoping to find available and affordable homes to purchase. The best approach for buyers to succeed in a multiple-offer scenario is to work with their real estate broker to prepare and present a well-prepared and complete offer that depicts their wherewithal to finance their home purchase."

"Buyers should collaborate with their real estate professionals to assess the risk of low appraisals when the sales price exceeds market value. While financed buyers may be willing to pay more than market value, they should note that contracts now often include provisions where the buyer agrees to increase their down payment to make up the difference between the high selling price and the low appraised value."



Stephanie Callen, Broker in CB Bain's Puyallup office, said, "The time change in March has prompted a spurt in new listings and Pierce County is still on the rise! The average sale in the county at the end of March was just shy of \$350,000. Tacoma's median single-family home price is \$325,000, with just a little over a month in inventory. Gig Harbor remains the top dog for Pierce County in terms of price. The median price there is \$465,000. This is 15% higher than last year. Buyers looking for a Pierce County bargain should check out South Tacoma. The median price there in February was \$224,225, up \$24,225 from last year. The biggest price increases were in Fife, Milton, Edgewood and

Sumner where homes were up by over \$100,000 to a median price of \$438,000."

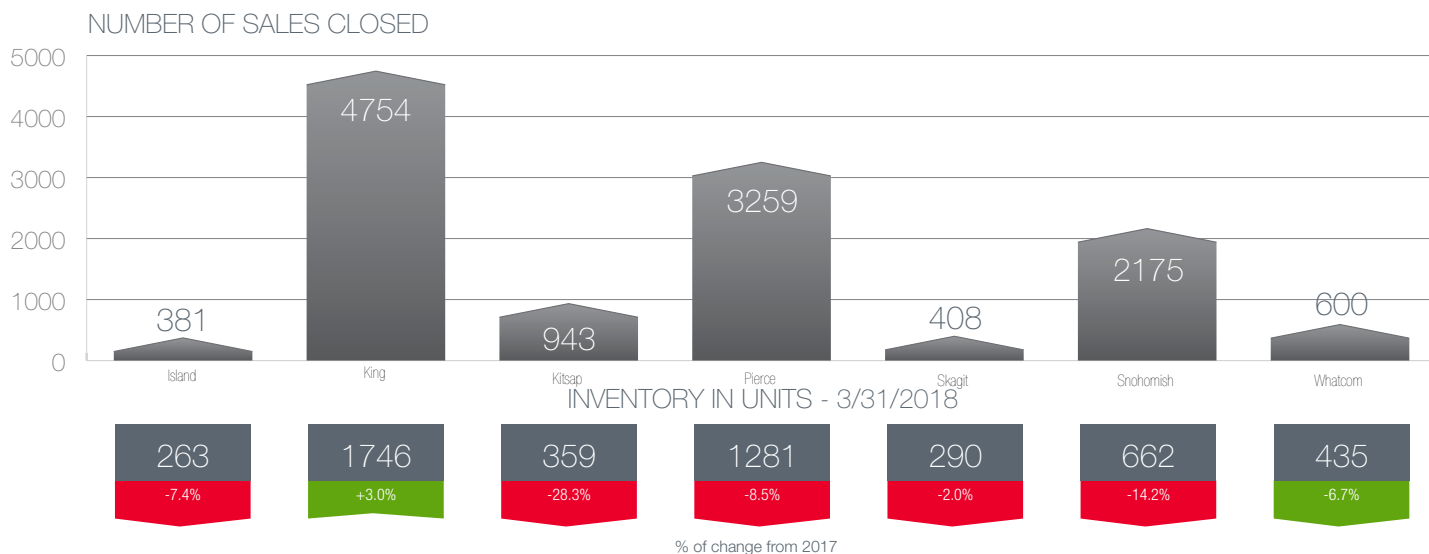
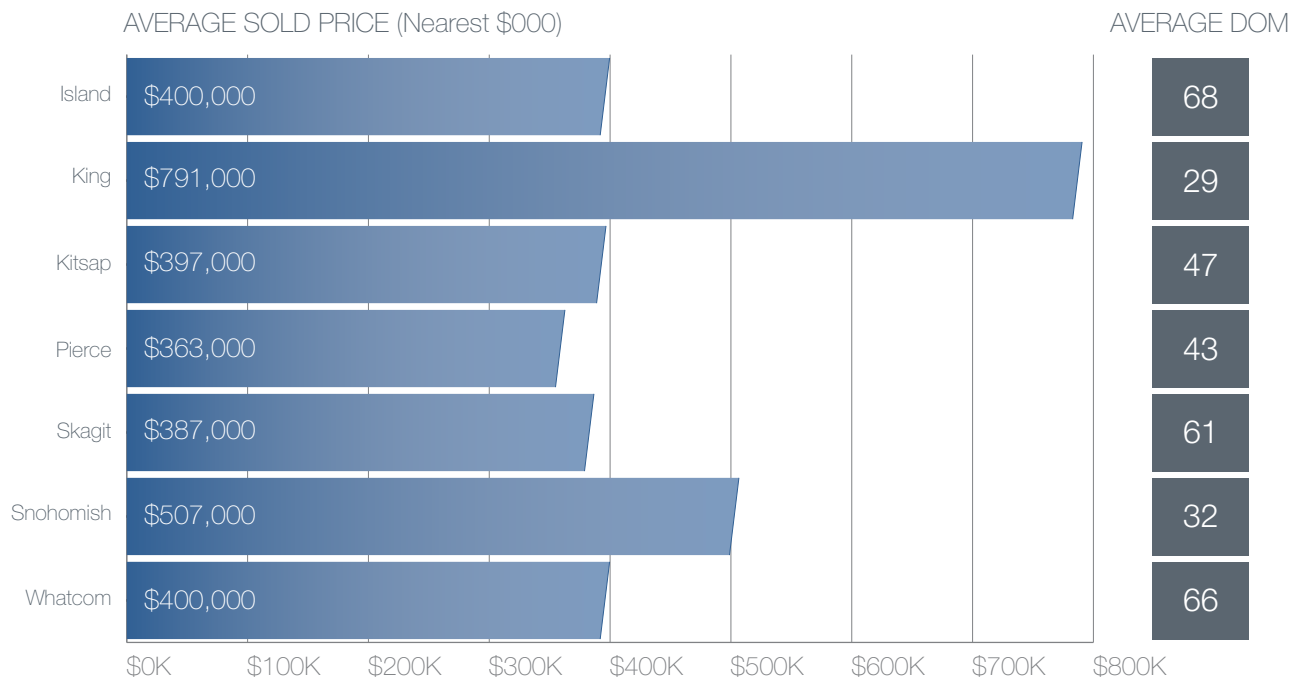
"It is becoming more difficult everywhere for first-time home buyers to enter the market and Pierce County is no exception. Sellers are also more and more reluctant to accept FHA and VA loan products from buyers when they are getting cash and conventional offers. This is putting a strain on the military contingent in the area. It is also worth mentioning that RentCafe's February report stated that 'Downtown Tacoma is one of the fastest-gentrified ZIP codes nationwide since 2000, one of only two on the West Coast.' "

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PUGET SOUND AREA COUNTIES

Island | King | Kitsap | Pierce | Skagit | Snohomish | Whatcom

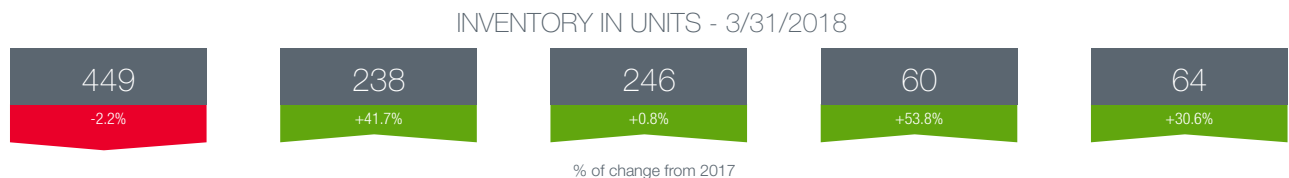
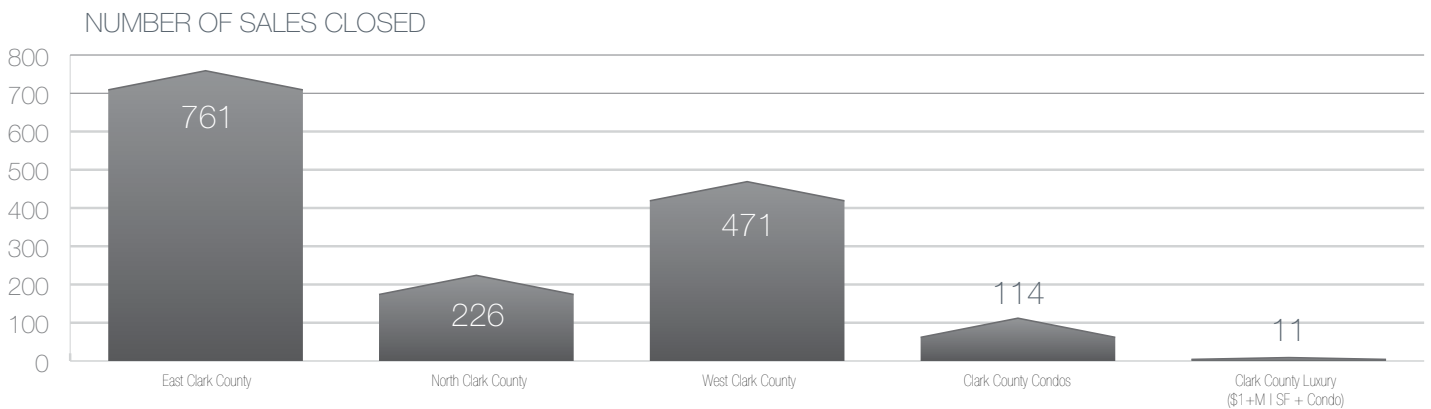
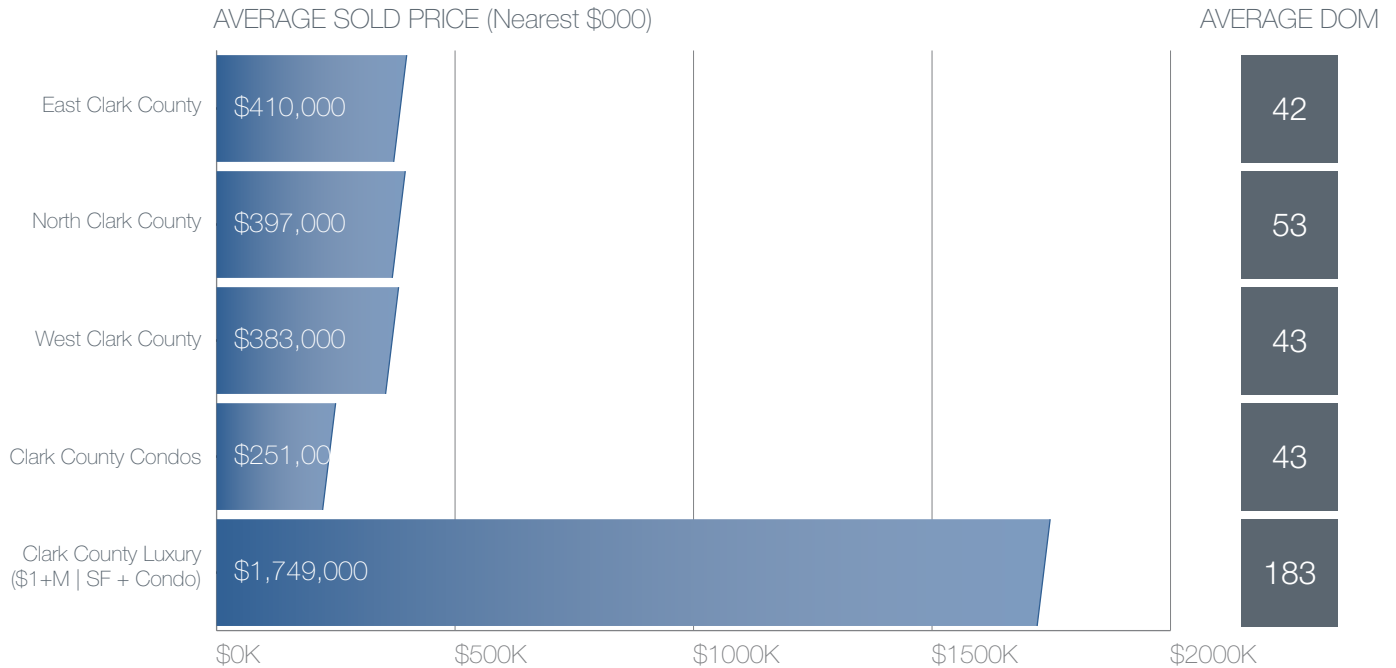
SINGLE FAMILY (SF), CONDO



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SOUTHWEST WASHINGTON



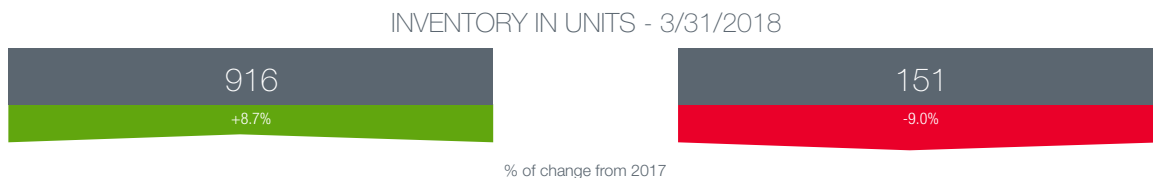
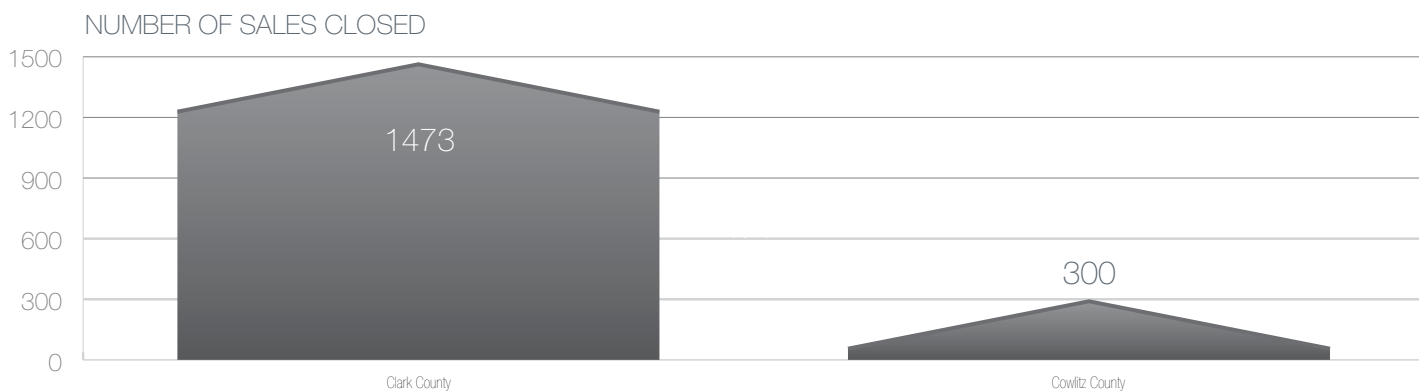
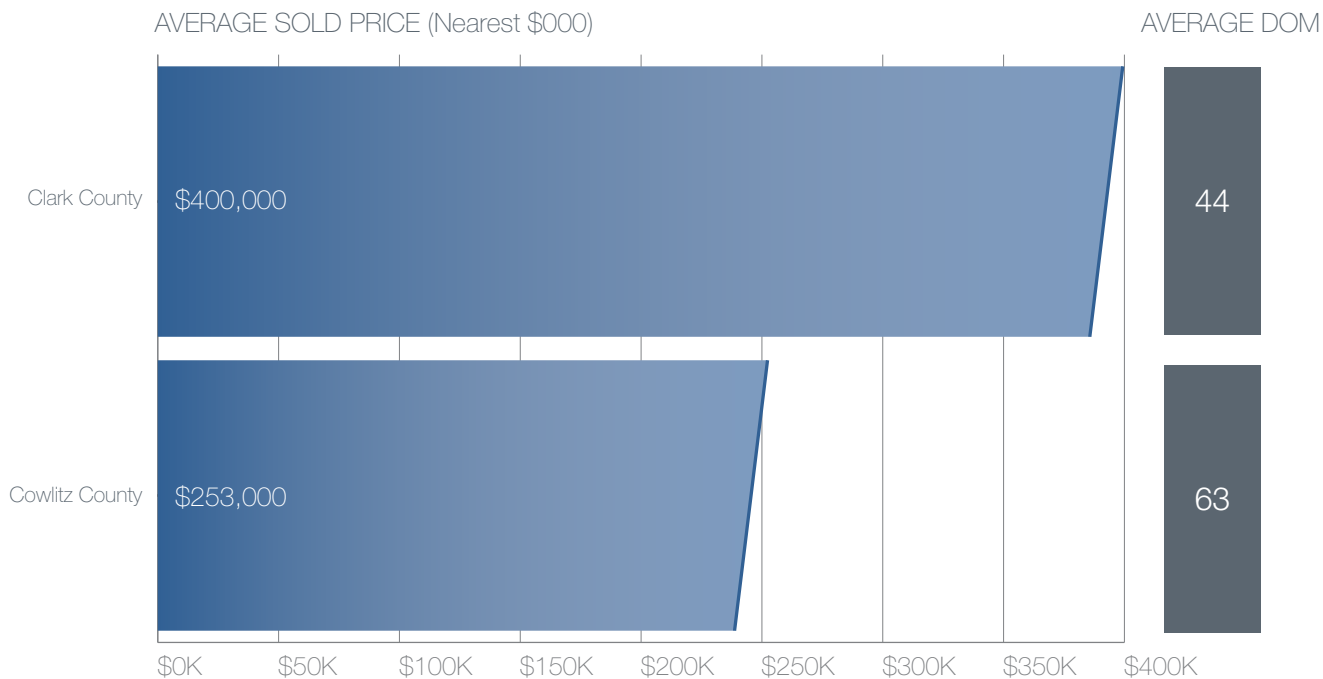


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SOUTHWEST WASHINGTON COUNTIES

Clark County | Cowlitz County

SINGLE FAMILY (SF), CONDO





PORTLAND, Oregon (April 17, 2018) – Coldwell Banker Bain, a leading provider of real estate brokerage services throughout Washington and Oregon, and a market leader in home sales in 2017,* releases its first-quarter market report providing a variety of statistics for the sale of homes in neighborhoods and counties in SW Washington and Oregon, as well as for segments including luxury and condos. This first-quarter report reflects activity between Jan. 1, 2018 and March 31, 2018.*

Ward Spears, CB Bain's Oregon Regional Manager, noted that the average prices in Portland continue to climb, saying, "The pace of

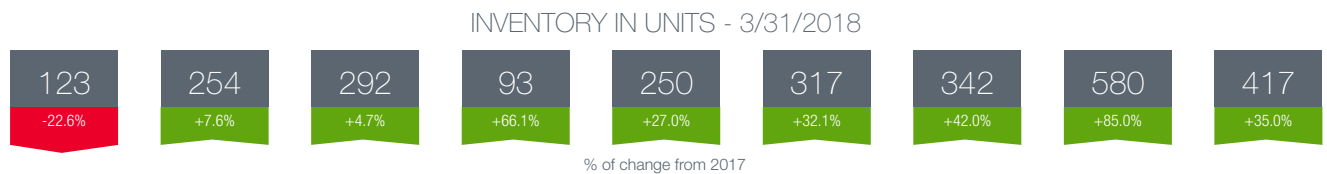
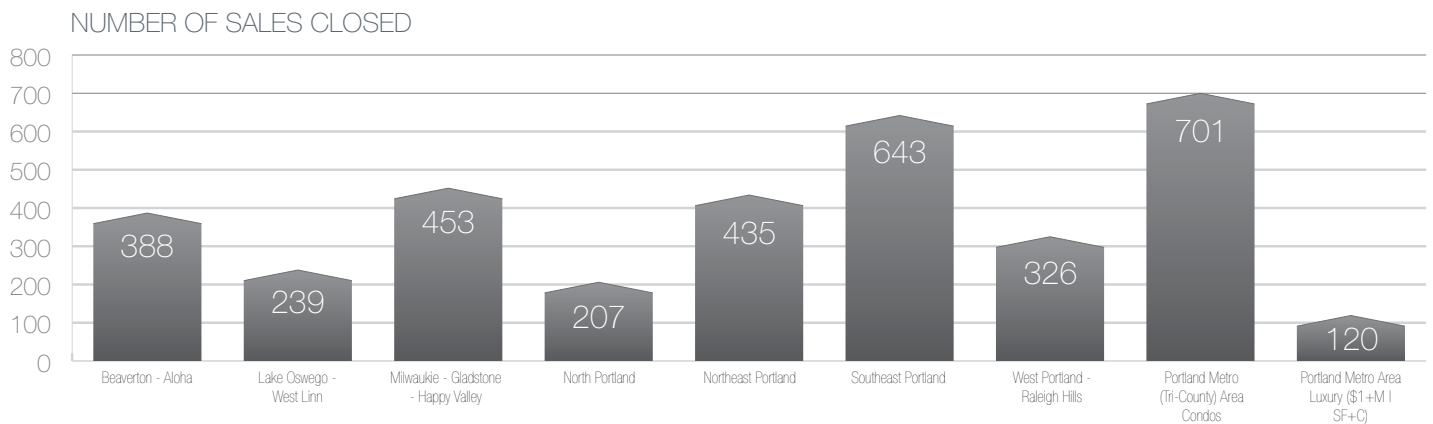
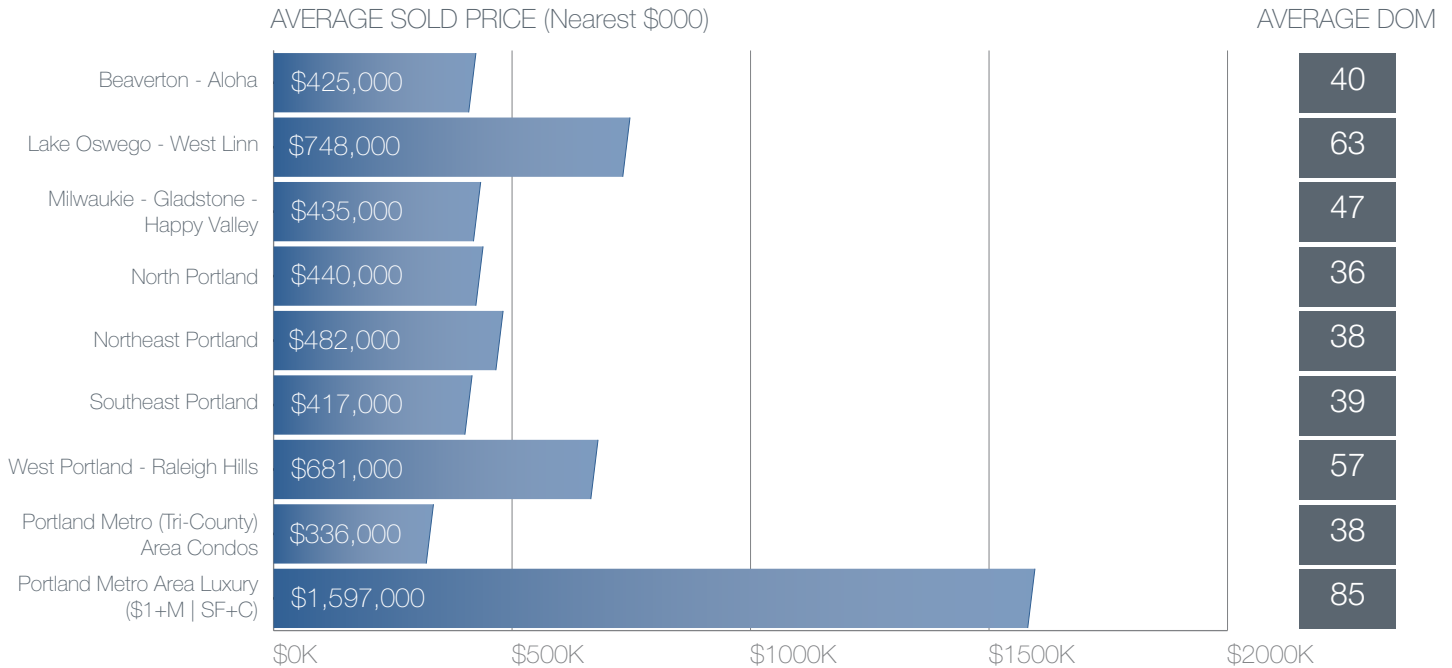
sales is only slightly below the brisk pace we saw last year. In March of 2017 we saw our lowest rates of inventory for the year at only 1.3 months. The level of inventory in March 2018 came in at a rate a touch higher at 1.6 months, which is still at a level that presents a challenge to home buyers looking to find a home. It is important to keep in mind there are many sub-markets within Portland that present much different dynamics to the attentive home buyer. Buyers who are careful to choose the right agent who will work diligently on their behalf will come out ahead in this market."

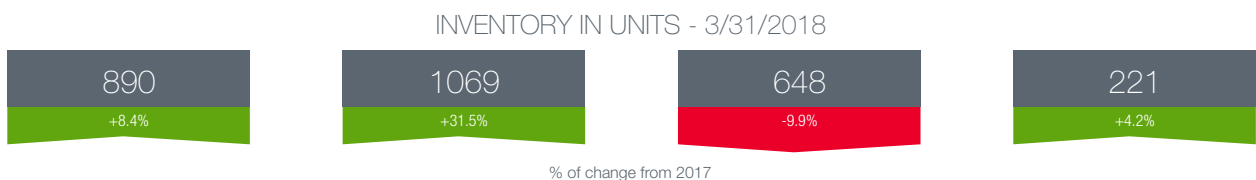
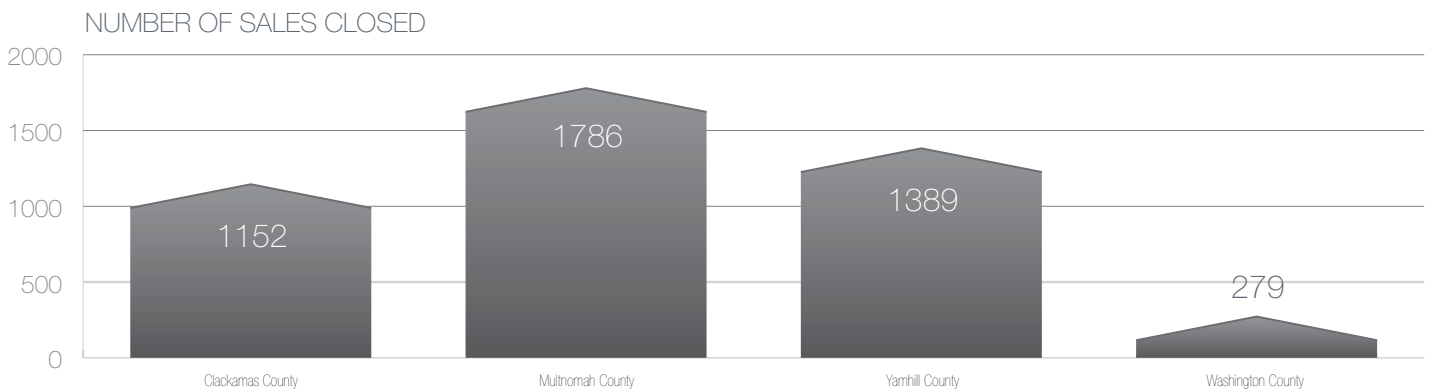
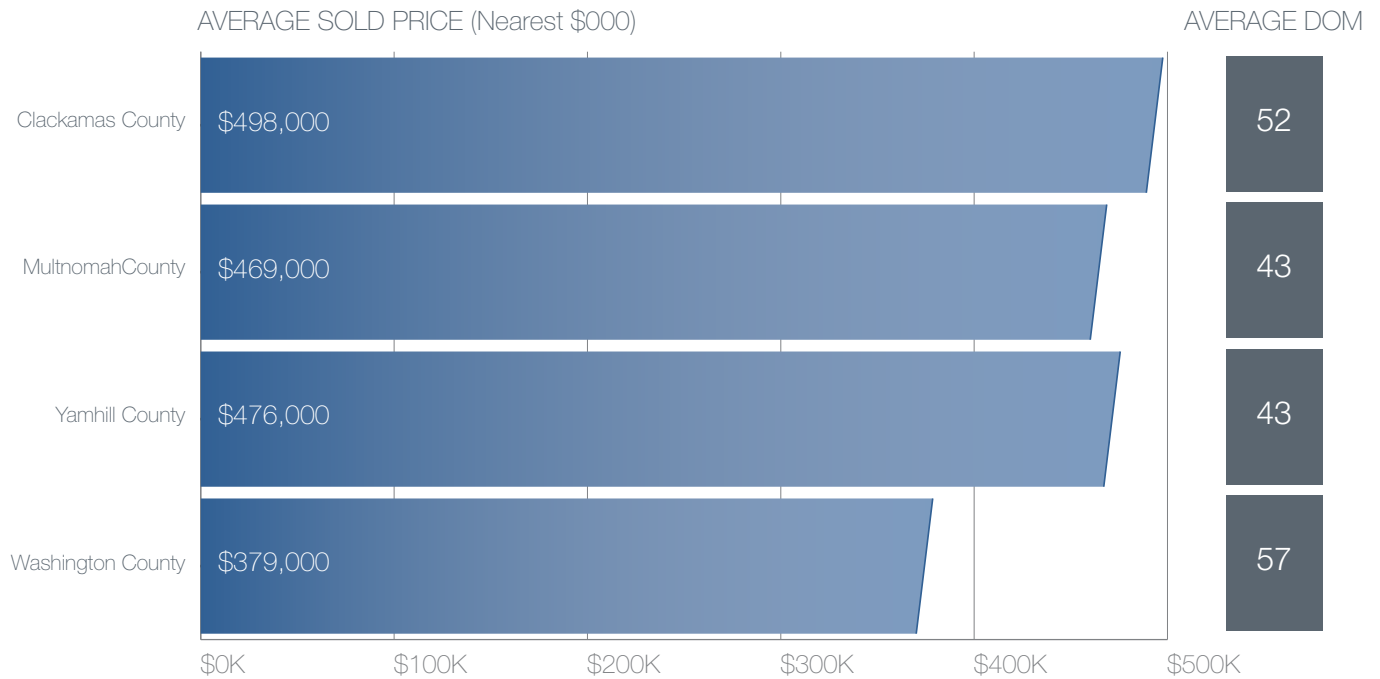
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PORTLAND OREGON REGION

Beaverton - Aloha | Lake Oswego - West Linn | Milwaukie - Gladstone - Happy Valley | North Portland
Northeast Portland | Southeast Portland | West Portland - Raleigh Hills

SINGLE FAMILY (SF), CONDO, & LUXURY







*Information and statistics derived by CB Bain from the Northwest Multiple Listing Service (NWMLS) each quarter. Statistics not compiled or published by the NWMLS.