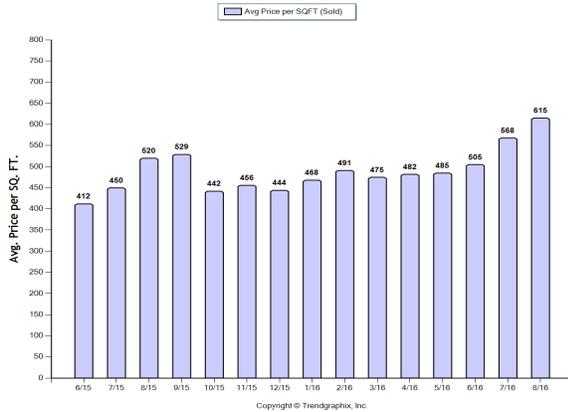


Metro Seattle Real Estate Market Update | Condominium August 2016

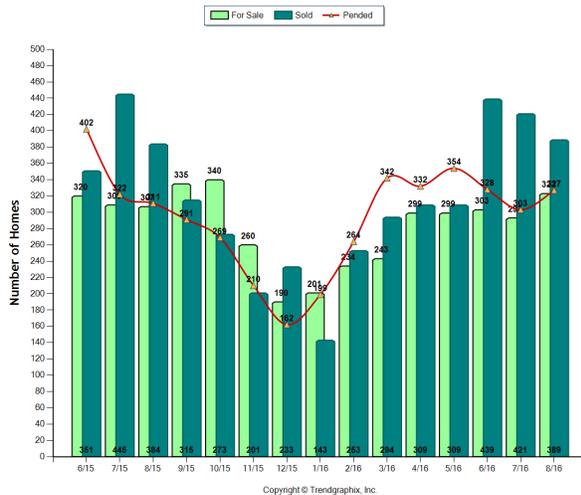
Windermere tracks key performance indicators to determine the current state of the market and to anticipate trends. This report looks at Metro Seattle from West Seattle to Lake Washington and north to Shoreline & Kenmore. We trust that this data combined with our expertise will help you to make sound decisions.

PRICE TRENDS



Seattle area condo prices held steady, with the average price per-square-foot in August of \$615, up from \$520 in August of 2015. Supply was flat from a month earlier. Residential buildings under construction are primarily designed for the apartment market, where rents for new construction are in excess of \$3/SF per month. We are now seeing dedicated condo construction again in the Seattle area. These developments continue to be concentrated in the higher density neighborhoods.

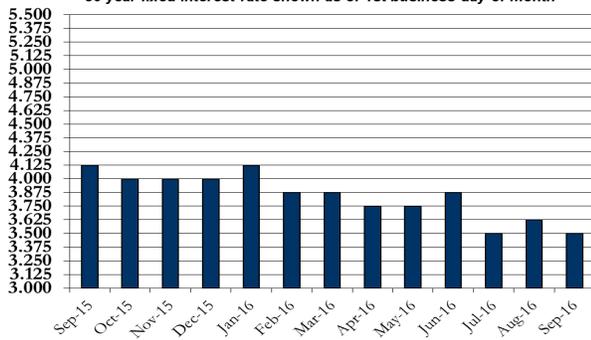
MARKET ACTIVITY



Sellers continue to profit from the market. The number of condos for sale increased by 5% and those placed under contract also increased by 5% when compared to August 2015. These factors leave one month of condominium inventory on the market (based on pending sales), flat from last year. Average cumulative days on market is down 10% compared to last year, to 18 days. The average list price for the City's condos decreased year on year to \$808K, and the average sold price increased to \$618K.

Interest Rates: Rolling 13 Month

30 year fixed interest rate shown as of 1st business day of month



FINANCIAL MARKET TRENDS

Although remaining very competitive, mortgage rates are in a vulnerable position right now. Europe is considering slowing its purchase of treasuries and the Federal Reserve is now thinking about raising rates earlier than many anticipated. This "one-two" punch has disturbed the market and allowed rates to spike.

These represent the biggest threats we've seen to the low, narrow rate range that has been in place for the past 2 months. The only safe bet here is to plan for rates to continue to move higher until, and unless, they prove they can do otherwise.