

# News on the Sequim Real Estate Market

2/1/2010

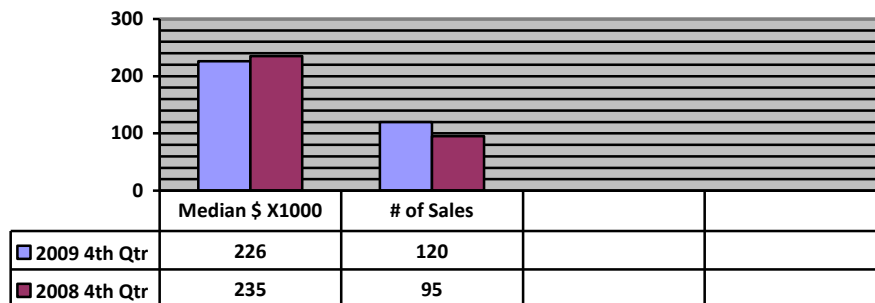
## *Sequim Real Estate, 2009 in Review*

As 2009 ended we said goodbye to a year that few in real estate or related industries will miss. It was a terrible year for sales overall, but we saw sales rise steadily throughout most of the second half. While there is no question that it was the worst year yet in Sequim real estate history, it ended on a positive note. Sales were up considerably in the last quarter over the same time period in the previous year. That had not happened for four years! Buyers in large numbers were taking advantage of the homebuyer's credit, record low interest rates, and low prices.

### *Housing*

Housing sales started off terrible in 2009, but recovery grew stronger throughout the second half of the year, ending on a high note in the fourth quarter. Median sales price was down 9.6 % for the year ending at \$235,000. Time on market was up 14% for the year, at an average of 144 days per sold listing.

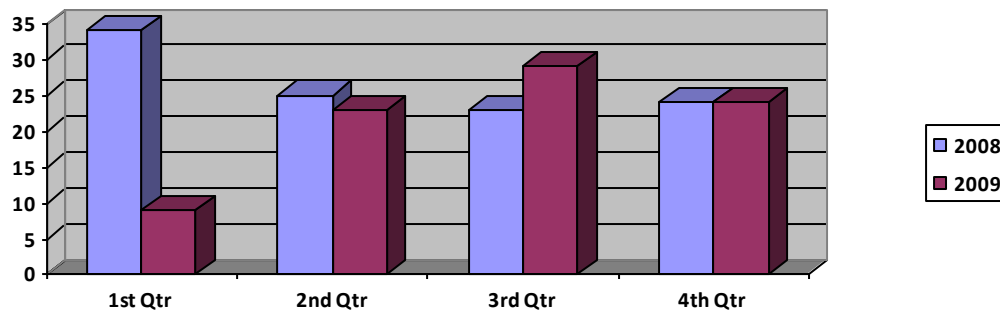
By comparison in the fourth quarter sales were up 26% over the fourth quarter of the previous year. While median sales prices were down over the previous year, they were only down \$9000.00 over the previous year's fourth quarter. This is the smallest year over year decrease in price and the ONLY year over year increase in number of sales since 2005.



## *Land*

Land sales were down again considerably for 2009. The number of properties sold dropped from 106 to 85, though in the third quarter they were up and in the fourth quarter they were the same as the fourth quarter of last year. What was really quite remarkable though was the change in land prices: Median sales price was down by \$51,000! Primarily this resulted from four different influences:

1. Land loans were very difficult to find, and many lenders totally discontinued them; the meant land buyers often had to buy with cash only.
2. Construction loans were very difficult to secure and increasingly difficult to qualify for.
3. Homes were plentiful, and interest rates and tax incentives favored home purchases from a purely financial standpoint.
4. Land in the city was devalued by the increased cost to hook-up to city utilities under the current regime in the city council. The created a financial situation where the builder or homeowner had to pay less for the property to come out the same.



## *Commercial*

Commercial property was slow both for leasing and sales in 2009. Vacancy seemed to be around 12% overall with variation among the different classes. While prices in this category are hard to track, it seems as though they were down 10% in 2009 from 2008 in both sales and leasing. There was also only 55% of the number of transactions in 2009 that we had in 2008, according to the OLS. While the number of transactions has been affected by financing changes and the economy, we expect to see an increasing number of leases in 2010 and a decreasing number of sales until the financing of commercial property begin to loosen up again.

## *Looking forward*

At the time I am writing this we are just heading into February 2010. In January of 2010 we closed *an amazing 50% more transactions* in Sequim than we did in January 2009. There do seem to be some indications that the market is picking up.

## ***Brody Broker in 2009***

In 2009 I had a very successful year. I averaged 1 transaction side about every 6 days. This meant at the end of the year I had closed sixty sale sides. This was far more than any other agent in the county, with the number two agent closing 37 sale sides. I am thankful both to God and to many loyal clients that made me successful in a tough market.

If I can help you accomplish your goals in Sequim or Port Angeles real estate or just answer questions, fell free to give me a call.

*Brody Broker*

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