

Real Estate
News from...

Merri Ann Simonson



San Juan Islands, Inc.

Summer 2003

SAN JUAN ISLAND REAL ESTATE MARKET SUMMARY

In reviewing the first half of 2003, the real estate market volume on San Juan Island exceeded last year's volume for the same period by 16%. The dollar volume during the first quarter was exceptionally high but it leveled off during the second quarter. Both April and May had less activity in showing property and transaction closings, however, June and July have been extremely active. With the arrival of the good weather and a low interest rate environment, all of the activity points towards a strong summer season.

We have averaged 28 transactions per month during the first half as compared to the 29 a month closed in 2002.

PERIOD		NO. OF TRANSACTIONS	DOLLAR VOLUME
First Quarter	2003	80	\$ 21,329,283.00
First Quarter	2002	58	\$ 15,081,100.00
Second Quarter	2002	87	\$ 25,255,400.00
Second Quarter	2003	89	\$ 25,412,394.00
TOTAL	2002	352	\$102,852,851.00
TOTAL	2001	297	\$ 87,058,702.00
TOTAL	2000	361	\$ 95,302,250.00
TOTAL	1999	466	\$113,512,560.00
TOTAL	1998	431	\$ 88,754,026.00

Market Recap

Since June, the inventory has continued to decrease. As per the Multiple Listing Service, San Juan Island has a total of 310 property listings including the number of transactions in escrow. Of the 310 listings, 14% or 44 are currently under contract. As always, Coldwell Banker represents 51% of the total inventory with our closest competitor at 16%.

At Coldwell Banker, our property showings have been strong as reflected by our number of transactions in escrow which are at a very high level. Coldwell Banker is up 46% in closing dollar volume over the same period last year; it is apparent our market share is increasing.

Since January, San Juan has had 21 sales for land and homes in excess of \$500,000 or 13% of the sales. Of the 44 transactions under contract, 15 are in excess of \$500,000 or 34%. As per The Digest, the average lot sale has ranged from \$110,000 in 2002 to the current \$100,000 in March '03. The used home sales has ranged from \$225,000 to the current \$295,000 in March '03. The new home sales has ranged from \$325,000 to the current \$400,000 in March '03. The average figures for March '03 are for a three month term only which is not as reliable as a full year.

The new home average is not surprising as contractors are quoting \$250.00 per foot for homes of standard construction.



Buyer Origin

During the first quarter of 2003, for all of San Juan County, 74% of all buyers had zip codes from within the state of Washington. Of the out-of-state buyers, 12% were from California, 1.8% were from Oregon and Hawaii and approximately 1% from Arizona, Texas, New York and Virginia. The balance of the states were less than 1%.

The high level from Washington State zip codes supports the practice of buyers moving to the islands first then purchasing real estate later. Many buyers want to experience the island community, schools and employment for a period of time prior to making their buying decision. It is also much easier to shop for real estate while living here versus flying up to inspect new listings.

These percentages have remained constant over the last four years.

Interest Rates

Low interest rates have encouraged a tremendous amount of property owners to process a refinance or purchase more real estate.

The rates have been at a 45 year low. The rates as of July 28 are listed below:

	30 YEAR FIXED	15 YEAR FIXED	3/1 ARM
Interest Rate	5.75%	5.125%	3.50%
Loan Fees	2 points	2 points	2 points

The quotes above have been supplied by **Tracy James from Countrywide Home Loans**, Friday Harbor Branch. She offers home and land loans and can be reached at 360-378-7411.

As a prospective purchaser, I thought this information would be of interest. If you would like additional information regarding our market, please be sure to contact me.

If your plans have changed and you no longer desire to purchase property in the San Juans, please be sure to contact me so that I may remove you from my e-mail and other mailing lists.

The information listed above was generated from the Northwest Multiple Listing Service and the San Juan County Digest. It represents listings and closings from all of the brokerage firms on San Juan Island, not just Coldwell Banker San Juan Islands, Inc.

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