

Real Estate  
News from...

**Merri Ann Simonson**



San Juan Islands, Inc.

**Summer 2005**

## SAN JUAN ISLAND REAL ESTATE MARKET SUMMARY

In reviewing the second quarter results for 2005, the real estate market volume year to date on San Juan Island was extremely active and the volume exceeded the same period in 2004 by \$47,002,735. or 187%. We averaged 40.5 transactions per month as compared to the 30.5 per month during the year 2004. San Juan is the most active location in the county; the overall increase county wide is only 147%.

Over 16 transactions closed in excess of \$1,000,000 which has a major impact on the year to date figures. During 2004, 21 sales in excess of \$1,000,000 closed which was considered to be exceptional at the time; however, that number is on track to be surpassed in 2005.

The lowest priced lot on San Juan is \$139,500 for a .62 acre lot in the Gull Cove area and stick built homes are starting around \$300,000. The highest priced home on San Juan is \$4,000,000 for a 8,430 sq. ft. water front home with dock. The highest priced listing represented by San Juan agents is Allan Island which is on the market for \$25,000,000

### TRANSACTION RECAP REPORT

PERIOD	NO. OF TRANSACTIONS	DOLLAR VOLUME
First Quarter 2005	119	\$ 42,425,287.00
Second Quarter 2004	124	\$ 58,216,171.00
First Quarter 2004	68	\$ 19,993,832.00
First Quarter 2004	94	\$ 33,644,891.00
TOTAL 2004	368	\$143,716,501.00
TOTAL 2003	343	\$104,238,973.00
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

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Over the last eight years, the “typical” buyer profile has not changed. The majority of the buyers are between the age of 45-65 and interested in purchasing a second home, investment or property for their future retirement. Most are in or near retirement, very few are using institutional financing; most are paying cash from IRA funds, savings, refinance proceeds or the sale of other property or investments.

Year to date 2005, for San Juan County, 53% of the buyers already lived in the County and have the zip code of 982. 17% of the buyers lived in Washington State and 30% were out of state buyers. Of the out of state buyers, 42% were from California and 10% were from Oregon with the balance from various other states.

The high level of San Juan County buyers supports the practice of buyers moving to the islands first then purchasing real estate later. Many buyers desire 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 as many of the properties are selling in less than 10 days with multiple offers.

The percentages have also remained constant over the last eight years with the exception of an increase in buyers from the California area. This supports the fact that many California buyers are reinvesting their funds in the San Juans as they believe their markets are close to the top.

The only threat to our market is lack of inventory. We have an ample number of ready, willing and qualified buyers; however, we continue to struggle with new listing originations.

As per the Northwest MLS service for San Juan Island, we have a total of 240 listings of which 54 are under contract and are heading towards escrow. Coldwell Banker represents 100 of the listings or 42%. The inventory has increased from the 197 total listings in January 2005; however, not enough to ward off the upward pressure on pricing.

**CONTACT INFORMATION FOR MERRI ANN SIMONSON**

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**Interest Rates  
as of April 20, 2005**

<i>TYPE</i>	<i>RATE</i>	<i>POINTS</i>	<i>APR</i>
<b>CONVENTIONAL LOANS (UNDER \$359,650)</b>			
30 Year Fixed	5.625%	1.00%	5.790%
15 Year Fixed	5.250%	1.00%	5.524%
3 Year ARM	5.000%	1.00%	6.177%
<b>JUMBO LOANS (OVER \$359,650)</b>			
30 Year Fixed	5.750%	1.00%	5.890%
15 Year Fixed	5.250%	1.00%	5.524%
3 Year ARM	5.000%	1.00%	6.169%

The rates continue to remain very attractive. The secondary market recently increased the conforming loan limit to \$359,650.

The quotes above have been supplied by Larry Wikan from First Horizon. 206-691-6918

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.