

Real Estate
News from...

Merri Ann Simonson



San Juan Islands, Inc.

Winter 2003

SAN JUAN ISLAND REAL ESTATE MARKET SUMMARY

In reviewing the year ending results for 2002, the real estate market volume on San Juan Island exceeded last years volume and was second only to 1999. The increase over 2001 was 18%. We closed 352 transactions for a dollar volume of \$102,852,851.00. We averaged 29 transactions per month which is above the 25 per month average in year 2001.

During the year 2002, the average sales price for a used single family home on less than 5 acres was \$369,004.00 and the average lot sales price was \$136,975.00. Both average prices are up over the prices in year 2001 when the average home and lot was \$355,341.00 and \$118,457.00 respectively.

PERIOD		NO. OF TRANSACTIONS	DOLLAR VOLUME
First Quarter	2002	58	\$ 15,081,100.00
Second Quarter	2002	87	\$ 25,255,400.00
Third Quarter	2002	120	\$ 35,772,157.00
Fourth Quarter	2002	87	\$ 26,744,194.00
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

Due to the small size and lack of detailed demographics for our market, it is difficult to make appreciation calculations that have validity. The average prices include all categories of property; i.e., homes in town, cabins and waterfront estates. Even with the property type mix, it is apparent that appreciation was at good rate for year 2002. Approximately 4% for homes and 15% for lots with a note that the waterfront and water view properties appreciate at the highest rate. The only accurate way to review appreciation is by taking similar properties that were bought and sold during the period, which unfortunately, our records do not offer.

The Assessor's study reviews properties that were sold twice in the three year assessment period. Their public quote this year is 9% for land 6% for improved property. They are taking a conservative approach as their actual study percentages were higher.

I believe the lower home appreciation figure is attributed to the lack of the high-end sales volume which historically has produced a higher average. Per the Digest, only 11 sales were in excess of 1 million Dollars in 2002.

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INVENTORY

As per the Northwest MLS service, for San Juan Island, we have a total of 236 listings and 17 transactions under contract and in escrow. Coldwell Banker represents 115 of the listings or 48%. The current number of listings is down 20% from the total we had in October 2002. This decrease is due to a very active fall selling market which was fueled by the low interest rates. In the fourth quarter of 2002, we closed over 26 million for a total of 87 transactions. In the same period in 2001, we only closed 22 million for a total of 67 transactions. We ended 2002 very strong.

In addition, many sellers remove their homes from active marketing during the holiday season.

The inventory will build during the next few months as the brokerage firms are launching their annual catalog of listings which offers sellers great exposure. Our catalog deadline is March 20, 2003. In addition, as the weather improves, sellers will be comfortable in listing as they have finalized their maintenance projects.

Per the NW MLS in 2002, the average time for a home on San Juan to sell is 200 days. If they are well priced, properties are selling within 30-60 days. It is still a very active market

Interest Rates

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

For the year 2002, for the entire County of San Juan, over \$406,511,556. in loan volume was funded; a total of 2018 loans. The rates have been at a 45 year low. The current rates are listed below:

	30 YEAR FIXED	15 YEAR FIXED	3/1 ARM
Interest Rate	5.65%	5.375%	4%
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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