

Real Estate  
News from...

**Merri Ann Simonson**



San Juan Islands, Inc.

**Winter 2004**

## SAN JUAN ISLAND REAL ESTATE MARKET SUMMARY

In reviewing the year-end results for 2003, the real estate market volume on San Juan Island exceeded last years volume only 1%. We closed 343 transactions for a total of \$104,238,973. The number of transactions was slightly lower than 2002 which is attributable to higher sale prices which equates to appreciation.

We have averaged 28.5 transactions per month for the year as compared to the 29 per month closed in 2002.

During the year 2003, the average sales price for a used single family home on less than 5 acres was \$384,652. and the average lot sales price was \$149,990. Both average prices are up over the prices in 2002 when the average home and lot was \$369,004. and \$136,975. respectively.

PERIOD		NO. OF TRANSACTIONS	DOLLAR VOLUME
First Quarter	2003	80	\$ 21,329,283.00
Second Quarter	2003	89	\$ 25,412,394.00
Third Quarter	2003	111	\$ 37,456,476.00
Fourth Quarter	2004	63	\$ 20,039,820.00
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
TOTAL	1998	431	\$ 88,754,026.00

The assessor reviews properties that were sold twice in the three year assessment period. Their public quote for San Juan this year is 7% for land and 5% for improved property. They typically take a conservative approach to interpreting their study results.

According to the Northwest MLS service for San Juan Island, we have a total of 231 listings, of which 28 are already placed under contract and in escrow. Coldwell Banker represents 109 of the listings or 47%. The current number of listings represents a 34% decrease from the peak of our season in July of 2003 when we had 310 listings. This decrease is due to a very active fall and winter selling market which was fueled by the low interest rates and strong market conditions.

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

The inventory will build during the next few months as the brokerage firms launch their annual catalog of listings which offers sellers a great marketing tool. Coldwell Banker's catalog deadline is March 20, 2004.

Listings are also originated as the weather improves as owners are able to finalize their maintenance projects and access to the outer island properties improves.



## MARKET RECAP

The low interest rates in 2003 encouraged a tremendous number of property owners to process a refinance or purchase additional real estate. For the year ending 2003, in San Juan County, 2477 loans were funded for a total volume of \$542,381,398. which is a 33% increase over the \$406,511,556. volume in 2002.

Looking towards 2004, the National Association of REALTORS' chief economist expects low inflation will maintain the low level of mortgage interest rates throughout the year 2004. He expects the 30-year fixed mortgage rate to average 6.7% during 2004. He felt the modest increase over 2003 is favorable by historic standards and should not have a significant impact on the housing market. Due to the increasing level of housing starts in the second half of 2003, the low interest rate environment, the declining unemployment rate and economic growth, he has stated that 2004 shall be the third best year for housing.

The trickle down of the national economic conditions should have a positive impact on the real estate market in San Juan County.

## Interest Rates

The rates as of January 21 are listed below:

	<b>30 YEAR FIXED</b>	<b>15 YEAR FIXED</b>	<b>3/1 ARM</b>
Interest Rate	5.75%	5.125%	3.50%
Loan Fees	0 point	0 point	1 point

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 360-370-5303.

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.

## CONTACT INFORMATION FOR MERRI ANN SIMONSON

e-mail: [simonson@sanjuanislands.com](mailto:simonson@sanjuanislands.com)  
web site: [www.sanjuanrealproperty.com](http://www.sanjuanrealproperty.com)

1-800-451-9054    WORK  
360-378-2101    WORK  
360-378-6665    HOME  
360-317-8668    CELL