

Real Estate
News from...

Merri Ann Simonson



San Juan Islands, Inc.

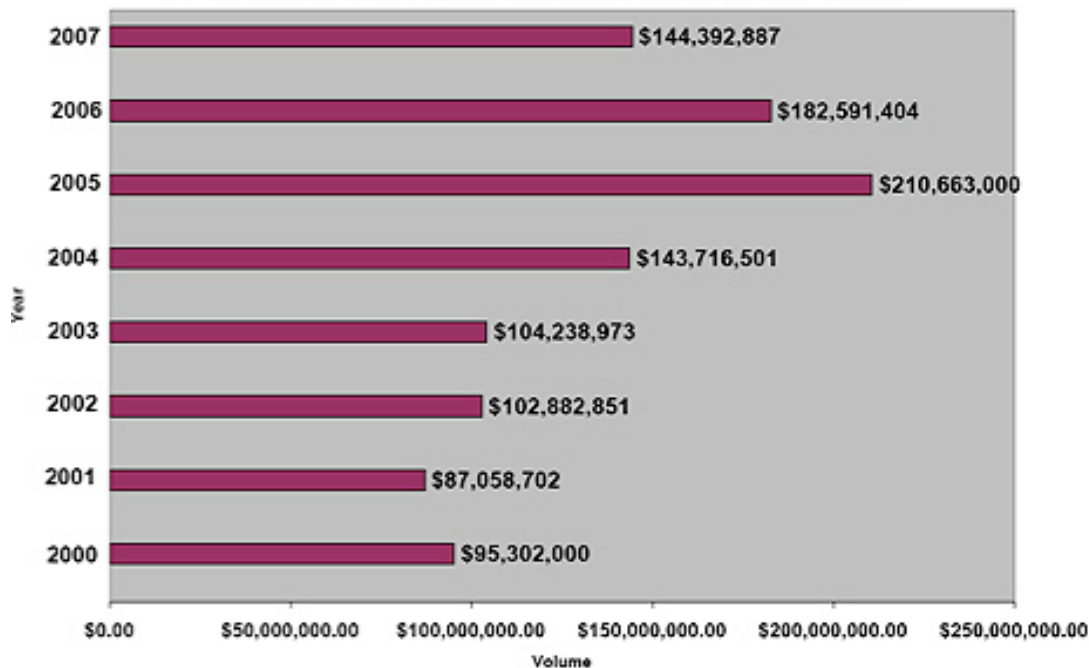
Winter 2008

SAN JUAN ISLAND REAL ESTATE MARKET SUMMARY

It was predicted that our 2007 real estate market would conclude as the third or fourth best year ever. We closed out the year with the third best year ever!

In reviewing the year-end results, the sales volume for the real estate market on San Juan Island was less active when compared to year 2006 but very similar to 2004. The volume lags 2006 by \$38,198,517 or 21%. On San Juan, we closed an average of 21.5 transactions per month which is down from the 29 a month in 2006. The median price for a previously owned home on less than 5 acres for year 2007 was \$480,000 which is very close to the median price in 2006 which was \$479,000. Decreased volume or averages doesn't necessarily equate to reduced property values in our homes.

San Juan Island Real Estate Dollar Volume



Per the Real Market Data LLC report, the 2007 median lot sales price was \$167,500. This is down 20% from the median price of \$210,000 for land in 2006. This large decrease is a correction in our market and may be attributed to how quickly land prices increased in years 2005 and 2006. The increase for that period in land was 54.5% which was not sustainable. Median is defined as a typical market price where half of the homes or lots sold for more and half sold for less. One should also note that the figures include all types of residential properties from cabins to luxury homes.



Predictions for the real estate market in 2008 for the northwest region are all positive. According to a recent article in Washington REALTOR® news, the Puget Sound region will add jobs at a rate double the national average for at least the next three years. This should translate into an active market for the coming years in the San Juan Islands.

Current listing inventory for San Juan is 311 which includes land, commercial, residential, condominium, manufactured homes and business. Of the 311 listings, 31 or 10% are in escrow and headed towards closing.

Although the inventory level is up from the 161 listings we had at the beginning of 2006, it is closer to the historical "norm" as 161 was one of the all time lows. Our average days on market for the year 2007 was 135 for all types of property on San Juan, which is down considerable from the 166 days during 2006. This indicates that sellers who are listing now are pricing closer to market as they are taking into consideration the level of competition. Properties that are newly listed and priced at market are generally selling within 45-60 days versus the ones that make up a large portion of our inventory that have been on the market much longer. This also indicates that we have buyers on the side lines that are able, ready and willing to purchase when properties are priced at market and a good value is perceived. Many of the price reductions that sellers are processing now are on properties that have been listed for quite some time and are necessary to adjust the price to meet current market levels as apposed to future pricing that some of our sellers elected at the time of origination. These price adjustments are not an indication of price reductions across the board, depreciation or falling values.

The number of listings has created a "buyer's market" which offers a good selection of properties to choose from.

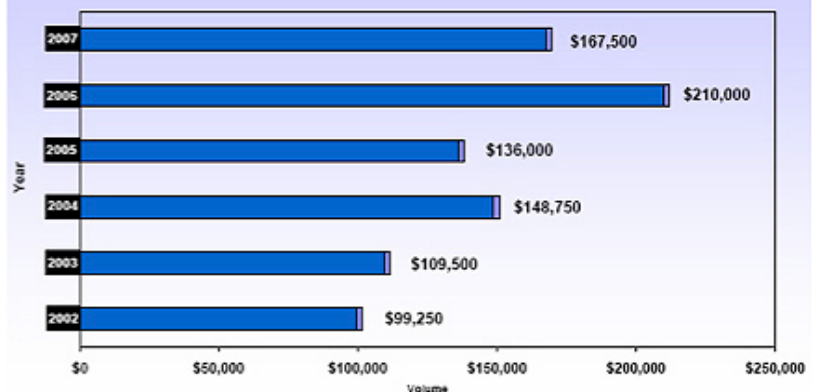
The Coldwell Banker's annual showcase of listing is publishing soon. This is an excellent marketing tool for sellers. Be sure to contact me prior to the deadline of March 19, 2008.

If you would like to receive this newsletter via an email transmission, please be sure to email your address to simonson@sanjuanislands.com or contact me at 800-451-9054.

San Juan Island Median Sales Price for a Previously Owned Single Family Home on Less Than 5 Acres



San Juan Island Median Sales Price for Land and Platted Lots



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 Real Market Data LLC.
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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