

DECEMBER 2024 – Eastside TALKING POINTS

Based on Residential only reports

Happy New Year! Let the Rush Begin!

As the holidays wind down, both buyers and sellers gear up for action. Here's what to expect as the market picks up speed:

Market Dynamics and Seasonality

- Buyers: They're ready to make offers as soon as they find the right property.
- Sellers: Typically, it takes 3-6 months to prepare a home for listing.
- Seasonal Trends: Early in the year, demand often outpaces supply, driving prices upward. However, as more sellers list their properties, supply increases, and prices stabilize.
 - March: Historically, the lowest months' supply of inventory.
 - May: New listings hit their annual peak.
 - July: Active inventory levels are at their highest.
 - Prices: From December to April, prices generally experience notable growth.

December 2024: Insights and Implications

- Caution: December's months' supply of inventory (1.6) was the third-highest in the past decade, signaling a potential shift.
- Confidence: A red-hot market persists, with 29% of December closings selling above their original list price, at a median premium of 7%.

What to Watch in 2025

The market's trajectory hinges on supply, with new listings serving as a critical leading indicator:

- More Listings Than 2024: Expect increased sales activity (pending and closed transactions) but slower price appreciation compared to prior trends.
- Fewer Listings Than 2024: Brace for fewer sales and sharper price appreciation as demand outstrips supply.

The table on the next page highlights key historical trends to guide your expectations for the months ahead.

Repeating comment from October 2023 and September 2024 Talking Points updating with December Figures.

Median Closed Sale Price from January 1st to April for the past four years:

Year	Jan 1st *	April	Difference	% Increase
2025	\$1,545,000 (December 2024 Median Price)	\$1,730,400 (projected at 12% appreciation)	\$185,400 or \$46,350 per month	12% (projected)
2024	\$1,440,000	\$1,677,500	\$237,500	16%
2023	\$1,299,000	\$1,450,000	\$151,000	12%
2022	\$1,529,500	\$1,722,500	\$193,000	13%
2021	\$1,113,765	\$1,300,000	\$186,235	17%

*December Median Closed Sales Price

- In the real estate market, both buyers and sellers commonly initiate their processes in January. Buyers can enter the market as soon as they find a property, while sellers often take two to six months to prepare their homes for sale. As a result, the early part of the calendar year typically sees an increase in multiple offers, likely driven by sellers listing their properties in the spring, an influx of motivated buyers, and seasonal market trends. This trend is evident in the graph on page 3.