

DECEMBER 2024 – Seattle 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.
 - June: New listings hit their annual peak.
 - September: Active inventory levels are at their highest.
 - Prices: From December to April, prices generally experience notable growth.

December 2024: Insights and Implications

- Caution: December active listings (EOM) 536 is 24% higher than December 10-year average of 433.
- Normal / balanced market:
 - Months of inventory has been steady, and slightly dropping since July.
 - July 2.0, Aug 2.0, Sept 1.9, Oct 1.8, Nov 1.8, Dec 1.8
 - Month v Month median closed sales price appreciation for last six months is moderate.

MONTH	APPRECIATION
Dec 23 - Dec 24	6%
Nov 23 - Nov 24	3%
Oct 23 - Oct 24	8%
Sept 23 - Sept 24	1%
Aug 23 - Aug 24	3%
July 23 - July 24	8%
Average for last 6 months	4.8%

What to Watch in 2025

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

- **More Listings Than 2024:** Expect increased sales activity (pending and closed transactions) but slower price appreciation compared to prior trends.

or

- **Fewer Listings Than 2024:** Brace for fewer sales and sharper price appreciation as demand outstrips supply.

The table below 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 **five** years:

Year	Jan 1st *	April	Difference	% Increase
2025	\$898,900 (December 2024 Median Price)	\$1,006,768 (projected at 12% appreciation)	\$107,868 or \$26,967 per month	12% (projected)
2024	\$850,000	\$997,900	\$147,900	17%
2023	\$879,975	\$886,000	6,025	1%
2022	\$839,000	\$1,019,950	\$180,950	22%
2021	\$799,950	\$815,000	\$75,050	9%
2020	\$727,000	\$815,000	\$88,000	12%
Average	For the Last	Five Years	\$99,585	12%

*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.