

# JANUARY MONTHLY TALKING POINTS

SEATTLE (BASED ON RESIDENTIAL REPORT):

Interest rates continue to drive the real estate market.

Comparing Jan 2022 to Jan 2023:

- Interest rates are up from 3.55% to 6.09%.
- Closed median sales price are up 2% from \$790,000 to \$803,750.
- **Even with the modest price increase, the payments have increased 41% from \$3,525 to \$4,959.**
- Homes sold above list price dropped from 35% in 2022 to 13% in 2023.
- Homes that had a price change before sale went from 21% in 2022 to 51% in 2023.

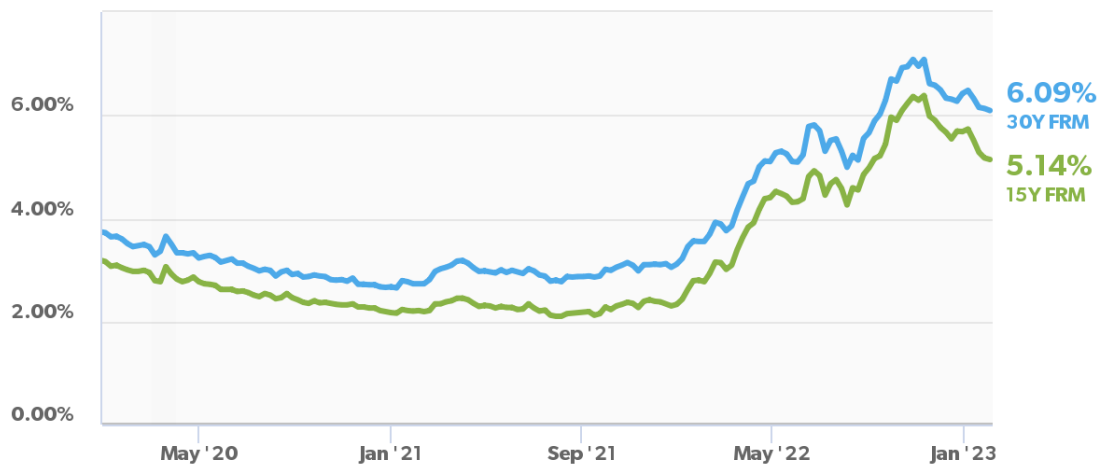
Seattle	Jan-22	Jan-23
Median Sold Price	\$790,000	\$803,750
Principal and Interest payment	\$3,525	\$4,959
Homes Sold above List	35%	13%
Amount Above List Price (Median)	7%	2%
Price Change Before Sale	21%	51%
% of homes sold in 15 days or less	61%	37%
Months of Inventory Available	0.4	1.3

Interest rates peaked at 7.08% on November 10, 2022 and have dropped to 6.09% as of February 2, 2023. Months supply of inventory was 1.3 in January, down from ~2 months where it held from Sept – Dec, and is the lowest level since June 22 (1.2).

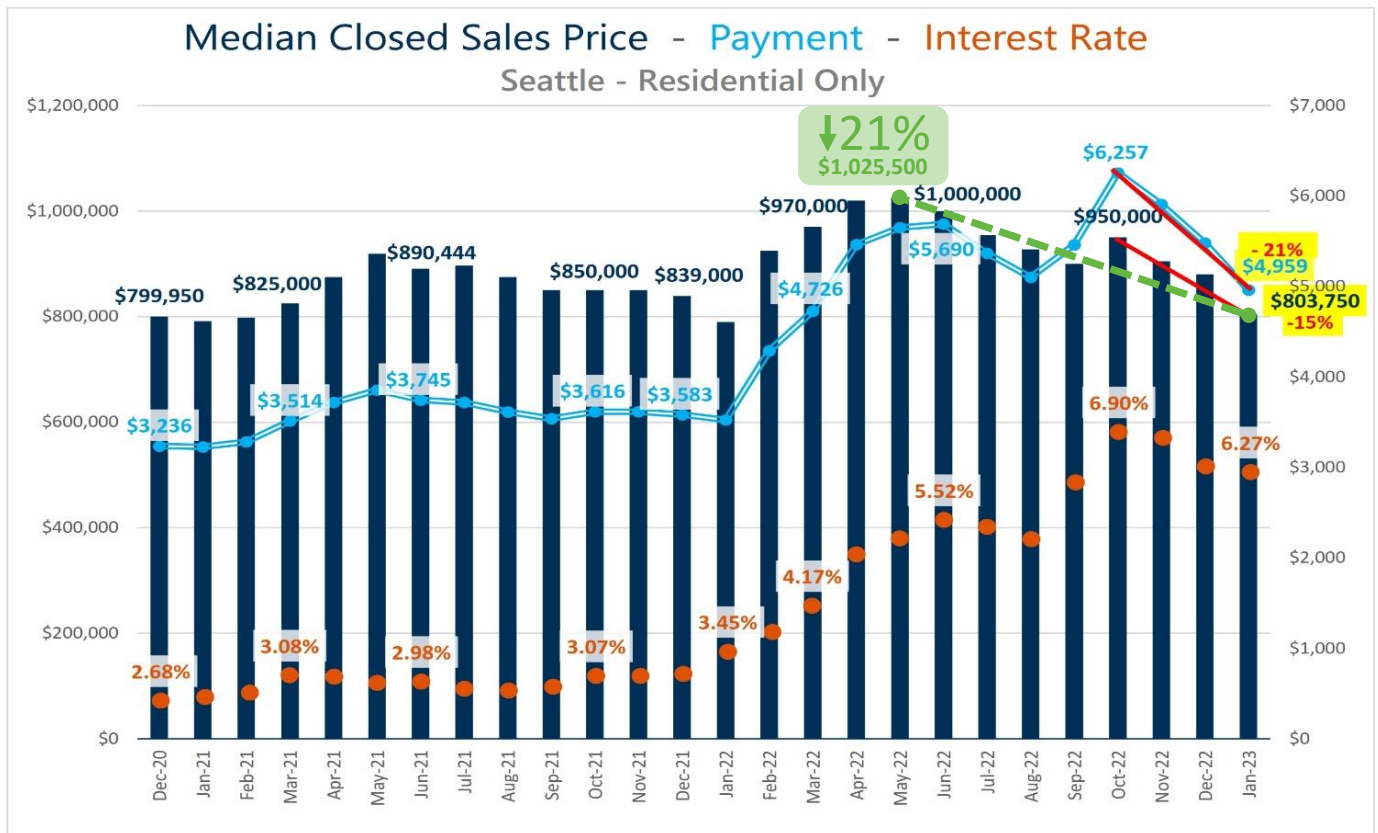


## Primary Mortgage Market Survey®

U.S. weekly average mortgage rates as of 02/02/2023



The chart below shows that the payment based on a 30-year fixed has decreased 21% (from the high in Oct) which is more than the price drop change which is down only 15% from October. Though prices from the peak in May (\$1,025,500) have dropped 21%.



As stated, interest rates will continue to drive the real estate market. However, jobs and new listings taken will be secondary factors. The major technology companies (Amazon, Microsoft, Google, Meta) have all announced layoffs.

Lower interest rates will increase demand and prices. The lack of inventory push prices higher. These two factors will be offset by concerns about job security, fewer new jobs, and affordability.

Outside of financial factors, life drives sellers and buyers. There will enough sales to meet your goals. Your mindset, skillsets, and actions will equal your success.

JANUARY 2023

# % OF LISTINGS SOLD ABOVE LIST PRICE



## SEATTLE RESIDENTIAL

