



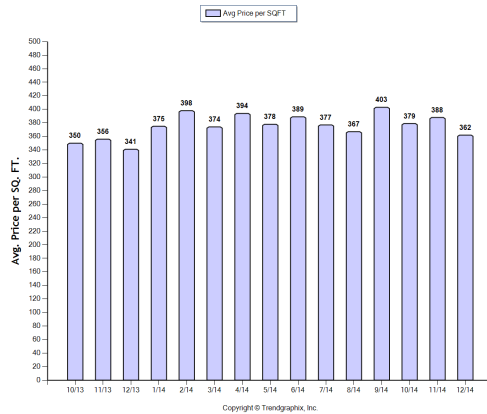
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Metro Seattle Real Estate Market Update | Condominium January 2015

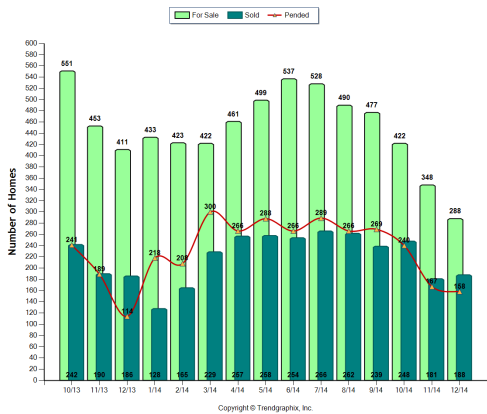
Windermere tracks key performance indicators to determine the current state of the market and to anticipate trends within Metro Seattle from West Seattle to Lake Washington and north to Shoreline & Kenmore. We trust that this data combined with our expertise will help you to make sound decisions.

PRICE TRENDS



Seattle area condo prices continue to increase, with the average price per-square-foot in December of \$362 up 6%, compared to \$341 in December of 2013. Supply decreased 17% from a month earlier. Residential buildings under construction are primarily designed for the apartment market, where rents for new construction are \$2.64/SF per month. We are now seeing dedicated condo construction again in the Seattle area. These are mostly concentrated in the higher density neighborhoods.

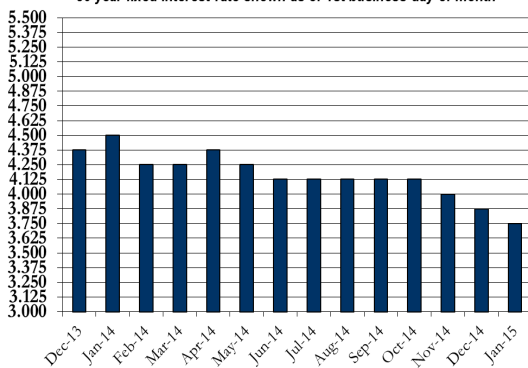
MARKET ACTIVITY



Sellers continue to profit from the market. The number of condos for sale decreased by 30%, while those placed under contract increased by 38% when compared to the same time period last year. These factors leave 1.8 months of condominium inventory on the market (based on pending sales), down 50% compared to last year. Average cumulative days on market is up 14% compared to last year, to 60 days. The lower part of the market is driving the majority of sales, and the impact of the market on price remains neutral. Average list price for the City's condos increased to \$664K, and the average sold price decreased to \$340K.

Interest Rates: Rolling 13 Month

30 year fixed interest rate shown as of 1st business day of month



FINANCIAL MARKET TRENDS

Interest rates declined for the third month in a row to 3.75%. The continued favorable employment data and the rising stock market also contribute to a positive economic outlook. If rates do rise and prices continue to increase, Seattle's housing affordability index will be adversely affected. With the strong local economy, expect further pressure on housing as job seekers continue to relocate to Metro Seattle.