

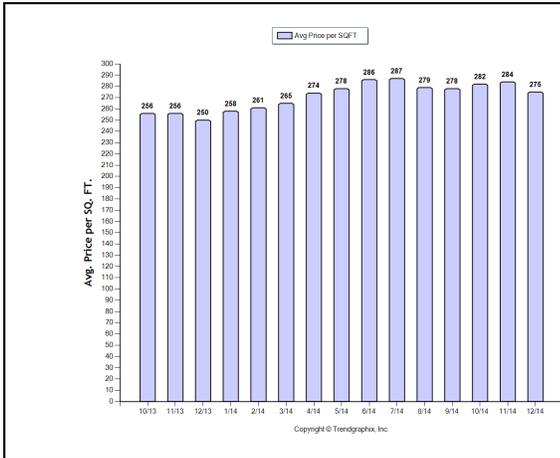


Kim Edwards-Fukei
 206.714.4062
 kefukei@windermere.com
 www.seattlehomesandliving.com



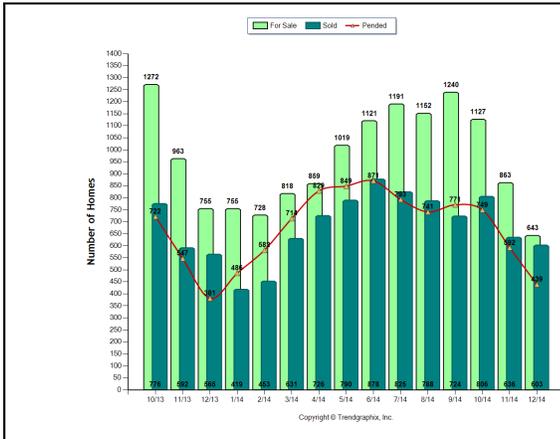
Metro Seattle Real Estate Market Update | Residential January 2015

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.



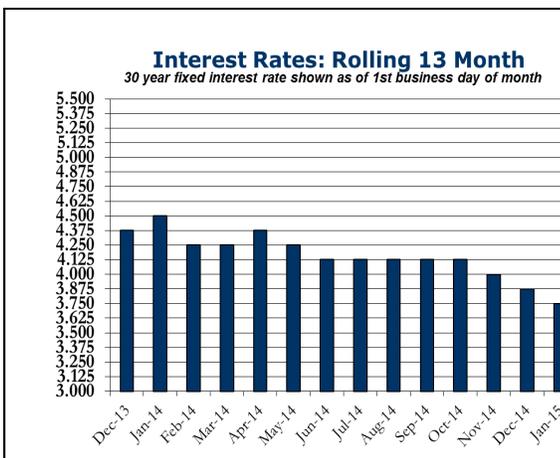
PRICE TRENDS

Prices on a per-square-foot basis are up 10% from the same time last year, with an average sold price of \$603K, compared to \$565K. First time buyers, relocation buyers and investors are competing to capitalize on continued favorable interest rates. Windermere brokers indicate clients' frustration with lack of inventory. Absorption rates increased 27% compared to last month, and increased 25% compared to last year, which points to a potential tightening in the market going forward.



MARKET ACTIVITY

The number of homes in pending status decreased to 439 for December, down from 592 in December of 2013. There are 1.5 months of housing inventory on the market, down 25% from the same time last year based on pending sales. Average cumulative days on market for new listings was 42 days, up from 41 days for the same time period last year. The continued strong local employment market and new hiring by firms in the Seattle Metro area may be responsible for the high level of demand for housing.



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.