



Mariko Mitsui

Market activity is increasing, but affordability remains questionable

Traditionally a quieter month in the winter season, January’s activity continued the year-over-year growth trends observed in market activity over the last twelve months. The number of closed sales increased by 10.8% year-over-year (3,727 in January 2025 compared to 3,364 in January 2024), and NWMLS brokers added 6,693 new listings to the database in January 2025, an increase of 35.1% compared to January 2024 (4,954).

“For-sale inventories are continuing to rise from historical lows, and that’s helping bring some life to housing market activity in the NWMLS area,” said Selma Hepp, chief economist at CoreLogic.

But questions still abound regarding one of the most critical aspects of today’s market – affordability – and the political and economic factors that influence it.

“Both prices and interest rates continued to increase, having a negative effect on affordability,” said Steven Bourassa, director of the Washington Center for Real Estate Research (WCRRER) at the University of Washington. “The median price rose by nearly 4% to \$615,000, while interest rates rose from 6.69% at the end of January 2024 to 6.95% now.”

“Moreover, new immigration policies are expected to have an inflationary impact on home construction costs,” he continued, “And the National Association of Home Builders has warned that tariffs on imports from Canada and Mexico would have a significant impact on materials such as lumber and gypsum, while multiple researchers have documented the possible impact of immigration policy on labor supply for home builders.” “All of this suggests that the affordability of homeownership, which has been declining, will continue to do so,” said Bourassa. -NWMLS

King County	2024	2025
New Listings	1,241	1,654
Pending Sales	1,057	1,226
Closed Sales	752	804
Days on Market	42	45
Average Price	\$1,115,042	\$1,176,736
% of List Price Received	99.70%	99.70%
Inventory of Homes	1,245	1,795

Condominium or single-family home, which is a smarter choice in Seattle?

One of the most often asked questions about residential real estate is: Should I purchase a condominium or a house?

As with many questions in real estate, no answer works perfectly in all situations. There are many reasons a condominium will work better for some, while a single-family home will work better for others. If you want to make things more confusing, there can also be an overlap where both options are best. Here you may want to think in terms of cost and area first. With the Seattle area’s home pricing increasing before one’s eyes, the key is to get into the market to capitalize on this growth.

The top things to consider are lifestyle and cost. If you find yourself walking the large hardware store’s lawn equipment aisle, dreaming of the day you can strap a leaf blower on your back while following behind your new, front-wheel driven lawnmower, condominium life is not going to be fulfilling.

In the same way, if the idea of yardwork horrifies you, a single-family home may not be the best solution. Though highly simplified, one should never underestimate the value of lifestyle. –SeattlePI

Breakouts! – Residential SOLD Average

Jan. 2025 (King/Snohomish County) SOLD Average

Area (Area Code)	Average \$		2025 VS 2024
	Jan. 2025	Jan. 2024	
Auburn-Federal Way (110-310)	\$ 721,321	\$ 640,741	12.58%
Kent-Maple Valley (320-340)	\$ 805,942	\$ 734,994	9.65%
West Seattle (140)	\$ 789,428	\$ 833,221	-5.26%
SODO-Beacon Hill (380-385)	\$ 811,888	\$ 805,223	0.83%
E.lake-Madison-Capital Hill (390)	\$ 1,273,855	\$ 1,758,838	-27.57%
Queen Anne-Magnolia (700)	\$ 1,293,043	\$ 1,270,431	1.78%
*Belltown-Downtown Seattle(701)	\$ 1,068,631	\$ 765,677	39.57%
Ballard-Greenlake (705)	\$ 1,026,681	\$ 983,191	4.42%
North Seattle (710)	\$ 1,216,844	\$ 1,014,604	19.93%
Shoreline/Richmond Beach (715)	\$ 985,757	\$ 895,528	10.08%
Bellevue Downtown (520)	\$ 4,488,875	\$ 3,805,969	17.94%
Mercer Island (510)	\$ 1,871,250	\$ 2,640,555	-29.13%
Bellevue South-Newcastle (500)	\$ 2,159,479	\$ 2,163,430	-0.18%
Renton Highlands-Downtown (350)	\$ 1,003,539	\$ 1,023,104	-1.91%
Microsoft-Bellevue East (530)	\$ 2,336,286	\$ 1,946,170	20.05%
Kirkland Downtown (560)	\$ 2,244,639	\$ 2,351,600	-4.55%
Redmond (550)	\$ 1,187,997	\$ 1,375,252	-13.62%
Issaquah-Sammamish (540)	\$ 1,690,460	\$ 1,582,077	6.85%
Juanita-Bothell-Woodinville (600)	\$ 1,539,343	\$ 1,189,326	29.43%
Bothell North-Mill Creek (610)	\$ 1,262,913	\$ 1,081,144	16.81%
Edmonds-Lynnwood (730)	\$ 926,198	\$ 864,048	7.19%
Everett-Mukilteo-Snohomish (740)	\$ 888,044	\$ 807,219	10.01%

*Condominium SOLD Average

Today’s Mortgage Rates: Is This the New Normal for Mortgage Rates?

Cash sales took a bigger role in the U.S. housing market last year as mortgage rates remained high and buyers competed for a limited number of homes for sale.

The share of houses and condos bought with cash hit an 11-year high, accounting for nearly 39% of all sales, according to data provided by Attom to Scotsman Guide.

Nearly 38% of single-family homes were bought with cash, also the largest share purchased with cash since 2013.

Cash tends to take a bigger role in the market when mortgage rates are high and the stock of homes for sale is low. -Victor Whitman Scotsman Guide

New Conforming Loan Amount Limits for 2025:

KING/PIERCE/SNOHOMISH COUNTY \$806,500.00 High Balance \$977,500.00

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Weekly Primary Mortgage Market Survey® (PMMS®)				
February 17, 2025	30-Yr	30-Yr	15-Yr	5/1
Regional Breakdown	FNMA	FHA	FNMA	ARM
Average Rates	6.500%	5.875%	5.500%	-
Fees & Points	*All loans have a one-point origination fee.			
APR	6.667%	6.732%	5.774%	-

** Owner Occupied / Single Family Residence
740 credit score and 20% down payment for conventional