



Mariko Mitsui

New listings continue to outpace sales as inventory builds

The real estate market continued to experience significant growth in housing inventory across NWMLS's coverage area. While buyer activity showed some signs of seasonal strength, it continued to lag behind the surge in new and active listings. Buyers may be slow to accepting what may be a new normal, with mortgage rates continuing to hover close to 7% and construction costs hampering new developments.

Still, May brought some encouraging signs for buyers. The number of active listings reached 18,310, marking the highest level of inventory since September 2018 when there were 19,256 homes on the market. In addition, prices showed signs of stabilizing: the median home price declined 1% year-over-year and edged up less than 1% from April, indicating a slowdown in price growth. This increase in supply gives buyers more options and may help ease some competitive pressure.

Consumer activity reflected this renewed interest. Keyboxes at listed properties were accessed 179,613 times, up 16.7% from April and 9.9% year-over-year. Scheduled showings also rose, up 13.9% from the previous month and 2.8% from May 2024, based on appointments made through NWMLS-provided software.

-NWMLS

King County (May)	2024	2025
New Listings	2,974	3,701
Pending Sales	1,823	1,995
Closed Sales	1,968	1,649
Days on Market	16	17
Average Price	1,288,068	1,247,956
% of List Price Received	103.20%	101.40%
Inventory of Homes	2,550	4,115

Homeowners Face a Stiff Penalty for Staying in Their Homes Too Long- a Hidden Home Equity Tax

Millions of American homeowners are sitting on a hidden tax burden they never planned for—one that threatens their hard-earned home equity and, at the same time, is tightening the nation's already strained housing supply.

Today, roughly 1 in 3 homeowners—nearly 29 million households—have built up more home equity than the federal capital gains tax exclusion for single filers protects when they sell their primary home, according to a recent analysis by the National Association of Realtors®. By 2030, that number is expected to grow to 56% of homeowners.

Most people don't think of their home as a taxable investment. It's their nest egg, future college fund, or inheritance for their kids. But an outdated federal rule, left unchanged since 1997, means the longer you stay and the more your home appreciates, the more likely the IRS will claim a cut when you finally sell.

This home equity tax has big consequences. It erodes family wealth right when people need it most. It discourages older owners from downsizing or moving closer to care. And it keeps larger, family-sized homes off the market, fueling the inventory crunch that's driving up prices for everyone.

—Realtor.com

Breakouts! – Residential SOLD Average

May 2025 (King/Snohomish County) SOLD Average

Area (Area Code)	Average \$		2025 VS 2024
	May 2025	May 2024	
Auburn-Federal Way (110-310)	\$ 655,895	\$ 668,695	-1.91%
Kent-Maple Valley (320-340)	\$ 814,702	\$ 806,005	1.08%
West Seattle (140)	\$ 902,999	\$ 968,849	-6.80%
SODO-Beacon Hill (380-385)	\$ 888,196	\$ 882,500	0.65%
E.lake-Madison-Capital Hill (390)	\$ 1,636,670	\$ 1,483,810	10.30%
Queen Anne-Magnolia (700)	\$ 1,598,895	\$ 1,524,975	4.85%
*Belltown-Downtown Seattle(701)	\$ 715,733	\$ 743,105	-3.68%
Ballard-Greenlake (705)	\$ 1,155,126	\$ 1,011,458	14.20%
North Seattle (710)	\$ 1,229,415	\$ 1,230,067	-0.05%
Shoreline/Richmond Beach (715)	\$ 1,046,288	\$ 1,041,306	0.48%
Bellevue Downtown (520)	\$ 3,845,079	\$ 3,996,900	-3.80%
Mercer Island (510)	\$ 3,079,250	\$ 2,990,479	2.97%
Bellevue South-Newcastle (500)	\$ 1,867,063	\$ 1,932,121	-3.37%
Renton Highlands-Downtown (350)	\$ 926,357	\$ 965,028	-4.01%
Microsoft-Bellevue East (530)	\$ 2,156,009	\$ 1,937,549	11.28%
Kirkland Downtown (560)	\$ 2,344,336	\$ 2,181,015	7.49%
Redmond (550)	\$ 1,449,925	\$ 1,854,544	-21.82%
Issaquah-Sammamish (540)	\$ 1,644,783	\$ 1,674,177	-1.76%
Juanita-Bothell-Woodinville (600)	\$ 1,384,102	\$ 1,490,187	-7.12%
Bothell North-Mill Creek (610)	\$ 1,260,985	\$ 1,250,523	0.84%
Edmonds-Lynnwood (730)	\$ 1,019,066	\$ 1,049,122	-2.86%
Everett-Mukilteo-Snohomish (740)	\$ 883,024	\$ 896,964	-1.55%

*Condominium SOLD Average

Mortgage Minute

Mortgage rates have remained rangebound as the Fed has left the fed funds rate unchanged. The Federal Reserve is more focused on inflation than they are on the employment sector. As such, we are back to data-watching and global events to look for any movement in mortgage rates. Often bad news for the economy will be good news for mortgage rates.

—Melissa Cohn

*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®)					
	24-Jun-25	30-Yr	30-Yr	15-Yr	5/1
Regional Breakdown		FNMA	FHA	FNMA	ARM
Average Rates		6.41%	5.75%	5.44%	-
Fees & Points	*All loans have a one-point origination fee.				
APR		6.580%	6.667%	5.700%	-

** Owner Occupied / Single Family Residence All loans are with a one-point origination fee 740 credit score and 20% down payment for conventional