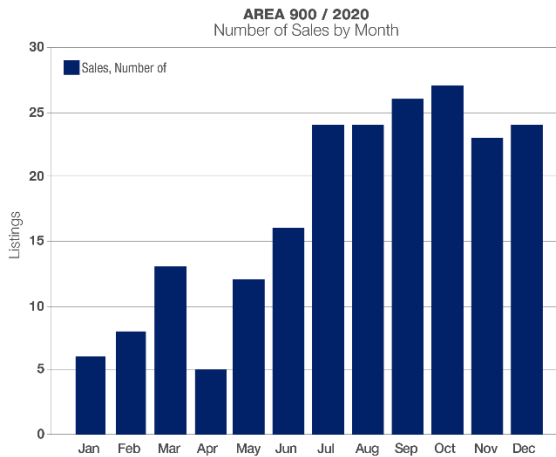


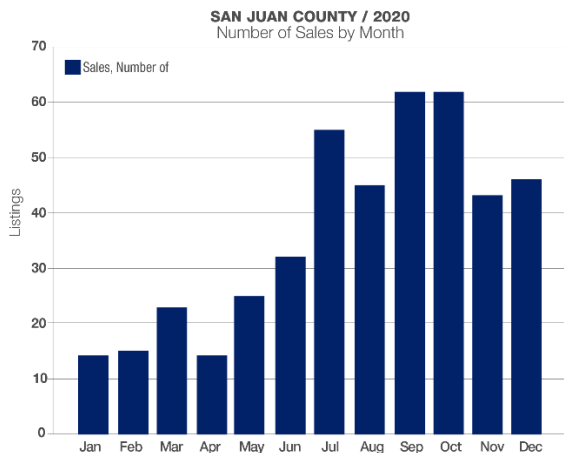


2020 was a year full of surprises to say the least! The housing market was one of the big winners of 2020 with a record number of sales and sales volumes. Records were shattered in many local markets across the state and most likely the country. Although few would have predicted this was going to be the case when the pandemic began. The year ended with a significantly lower level of inventory available for sale and a strong demand from buyers looking to acquire real estate in the San Juan Islands.

The chart below shows sales did not start to escalate on San Juan Island until June and July, although those buyers were writing offers in April and May as many closings take 45-60+ days from when an offer is accepted by a seller and when close of escrow actually occurs. (Charts reflect only residential sales, no vacant land is included)



San Juan County followed the same trend in 2020...





San Juan Island experienced a frenzy of sales in the second half of 2020. With a total of 211 residential sales transactions equaling a sales volume of \$188,753,456 and 94 land sales worth \$24,574,740. The grand total of sales for 2020 on San Juan Island was a staggering 305 transactions equaling \$213,328,196! San Juan County as a whole, saw a total of 436 sales between homes, condos, multi family, etc for a total sales volume of \$388,464,091 and a total of 222 land sales totaling a sales volume of \$68,932,110. This is an increase of over 50% from 2019.

The trend for the past 5 years has been a bit of a roller coaster in terms of number of sales annually. The general picture is that real estate on San Juan Island continues to appreciate, at least the data for the past 5 years indicates this trend.

	Number of Closed Sales	Change from Previous Year	Total Dollar Volume	Change from Previous Year
2015	214		\$ 112,653,526.00	
2016	193	90%	\$ 97,971,720.00	87%
2017	252	131%	\$ 120,999,149.00	124%
2018	223	88%	\$ 113,348,907.00	94%
2019	183	82%	\$ 121,410,132.00	107%
2020	305	166%	\$ 213,328,196.00	174%

The expectation from economists representing Realtor.com and Zillow.com is that 2021 will continue as a win for housing but that the frenzy will die down to a low roar. There continues to be pent up demand from buyers and when there are more buyers than sellers a housing shortage is created. This is good for sellers, simple economics!

Circumstances exist that generate more buyers, including:

Nationally

- Historically low interest rates which increases buyer power
- New generation of home shoppers (millennials)
- Drop in new construction over the past decade

Locally

- The Seattle area housing market is one of the strongest in the nation due to huge growth in their relatively high paying job market. Some of those people selling their homes in the Seattle area are buying in the San Juans



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- There is projected to be approximately 80 million people retiring over the next 15 years in the US. Some of them will choose to retire to our area. Many people buy years ahead of their projected retirement year
- Many are leaving other states due to higher taxes, property costs, environmental issues, politics, etc and are finding our area a better fit
- The newly embraced idea of working remotely has enticed many buyers to do just that from the San Juan Islands. If a property has fiber optics to the home, the property is a more desirable choice from this perspective

Continued high levels of active and motivated buyers and their confidence and drive to acquire real estate will keep inventory levels down and make sales strong again in the months to come.

As a buyer in 2021 you have your work cut out for you! Be prepared to make quick decisions on what is the right property for you and be prepared for a continuing competitive market. There is good news however as interest rates are anticipated to remain low making buying power stronger, at least for a little longer.

As a seller in 2021 you are in a good position. Demand is high and supply is low. It is your time to shine!

Contact one of the qualified and experienced brokers at Coldwell Banker San Juan Islands, Inc. for a free estimate of the value of your home/property and to help you through the process of buying or selling real estate.

Statistics and graphs courtesy of NWMLS as reported Jan 20, 2021