

2021 Q2 — MARKET REPORT

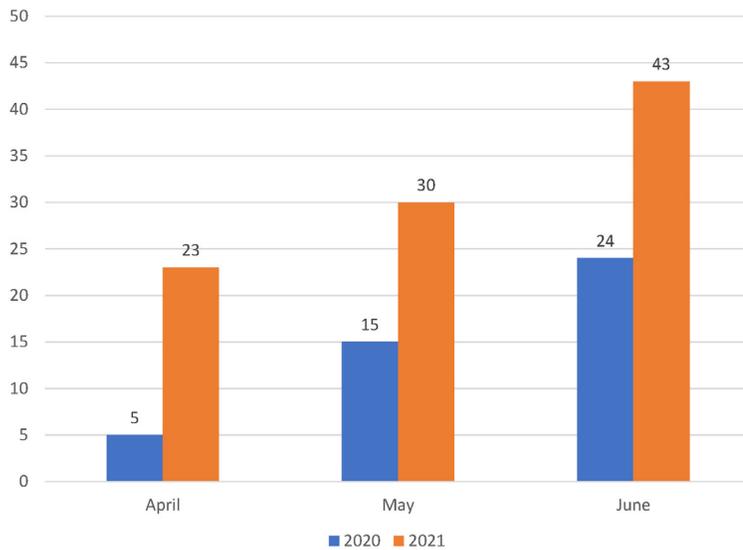


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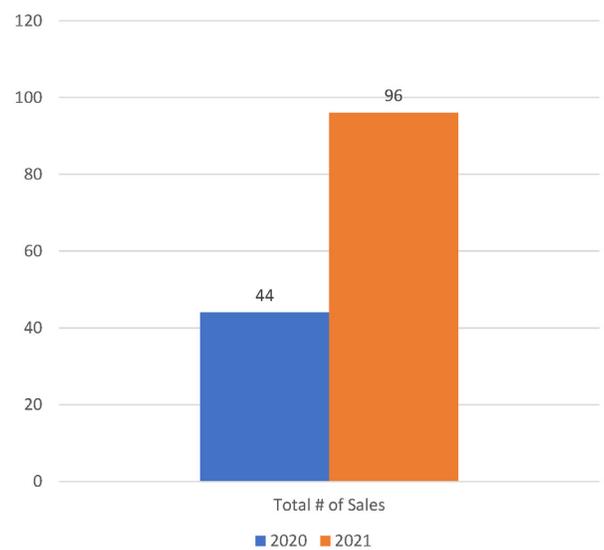
The speed of this market is unbelievable! As with many locations around the States inventory is selling very quickly and often at or above the listed price. The average days on market on San Juan Island from the first quarter of 2021, which was 220 days, to the second quarter has dropped to 136 days. That is a 38% decrease in a matter of months! Only data from San Juan Island was used, but you could imagine the story is most likely similar elsewhere.

Our market is experiencing higher sales prices and more closed transactions compared to last year, but that is not surprising due to the pandemic. It is still an interesting set of numbers to see, the second quarter of 2020 all but came to a stand still in April, then slowly started to pick up and has not slowed down since. As you can see 2021 has been a very robust spring in terms of sales.

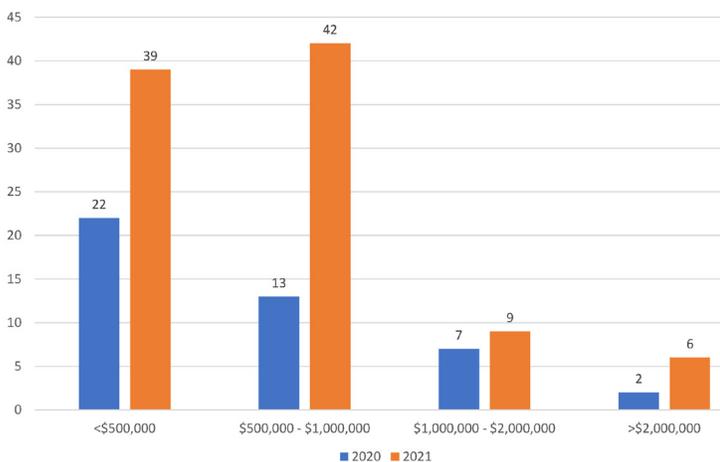
TOTAL CLOSED SALES | 2nd Qtr Only



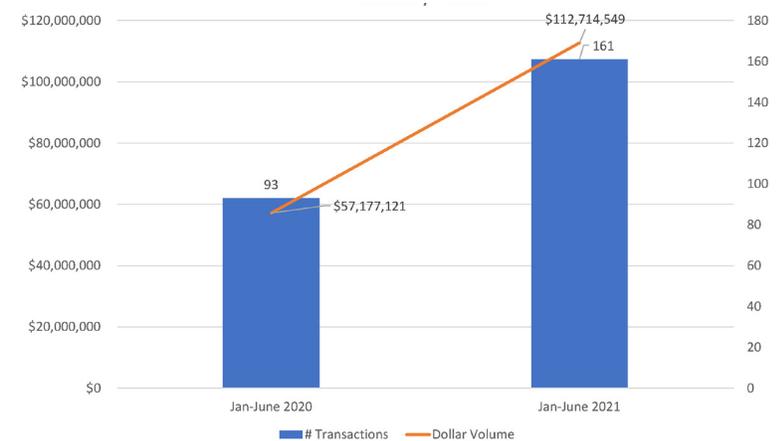
TOTAL # OF SALES | 2nd Qtr Only



2ND QTR SALES



TOTAL CLOSED SALES | January - June



This amazing increase in our market is due to a variety of factors including the pandemic, the recent ability of many to be able to work remotely; Seattle has one of the best job markets in the nation and is causing an influx of buyers to our area. Further, more people are coming to the San Juans from other states, the continued low interest rate, people from the Baby Boom generation retiring to beautiful areas such as this and simply the unique and desirable offerings we have in the San Juan Islands to name just a few.

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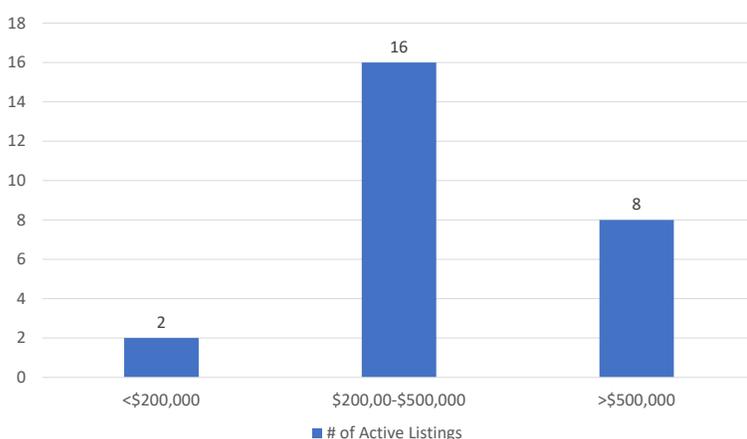
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We are seeing a market that not only moves quickly but speaks loudly—as a seller if you list your property/home and you do not have an offer within a short time frame then the market is telling you that the price is not appropriate for what is being offered. Of course, there are instances when this is not the case as very specialized properties may need time to find the right buyer. Many Sellers who may have had plans to sell a few years down the road are taking advantage of this high demand and are able to get top dollar on a sale.

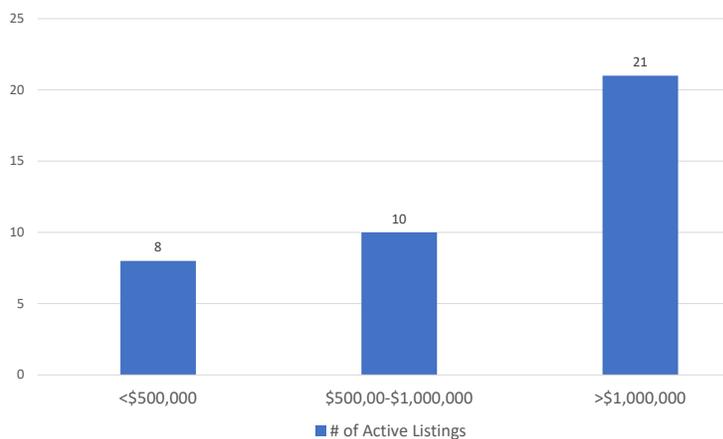
Buyers are having to be well prepared, often times with cash in hand, in order to secure a property. Many buyers are having to try more than once to secure a contract because of how often multiple offer situations are occurring. For the first time in a long time offers that are submitted in a multiple offer situation include an escalation clause which is what is causing sales to often be above the listed price. For now, buyers in this market are having to look at a property for its potential and really determine for themselves what they can live with and maybe change one day, and what is a deal breaker. The good news is this, on average nationally 1 in 6 owners wants to sell in the next 12 months. That is future inventory, future possibility, your future home/land. Patience coupled with clarity on what you want will ultimately get you into the right home/land.

While the number of active homes and land is not overwhelming, the fact is that there is inventory. One simply needs to be diligent about watching the market for what fits their needs and be prepared to jump on it!

LAND LISTINGS ON SAN JUAN ISLAND | 26 TOTAL



RESIDENTIAL / CONDO LISTINGS ON SAN JUAN ISLAND | 39 TOTAL



There are also a variety of business opportunities, Residential Commercial Condominiums (vacation rentals allowed) in Friday Harbor as well as Commercial Condominiums ready for retail available. Reach out and let us give you the details!

Looking forward, the question is should you move on a purchase now or wait? This is commonly discussed and you may hear people saying that they are going to wait for the next “big crash” and buy then, hoping and planning for another crash like what was experienced in 2007/2008. Many in the financial world do not feel that this is in our near future. The reason is that in 2007/08 there were many homeowners who had no equity in their homes, therefore they did not have an asset to sell that had enough value in that market and the equity, to satisfy their mortgage. Homeowner's options at that point were limited: negotiate a deed in lieu, negotiate a short sale, or foreclose. Most homeowners today DO have equity in their homes, 96% as quoted by Black Knight, which gives them the best option which is to sell if they are feeling the financial crunch and need to liquidate. That is not to say that some may have to foreclose and those may be the properties that come on the market at lower prices and create opportunity for buyers. But those opportunities may not be commonplace.

Time will tell if this strong market will continue. In the meantime, if you are looking to buy keep in mind that with the interest rates remaining historically low, you have more buying power. A monthly mortgage amount with rates in the 3%-3.5% range allows you to buy more home (higher prices) than if the mortgage rate were 4%-5%. If you are looking to sell, don't wait to take advantage of the demand for inventory.

Coldwell Banker San Juan Islands, Inc. has the highest producing group of Realtors in the local market, as a team Coldwell Banker San Juan Islands, Inc. was the **TOP producing brokerage in **ALL** of San Juan County in 2020! In the first half of 2021 Coldwell Banker brokers closed **over 43%** of the total business on San Juan!**

Contact your preferred broker today to see how they can be of service to you.

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