

Waterfront Reflections

Dear Salt Waterfront Owners:

There is hopeful news for imminent salt waterfront sellers! A sluggish market for the past four years has shown signs of recovery. The number of waterfront sales was up almost 15% in 2012 over the year 2011. Nonetheless, it is the "affordable" waterfront market that has been flourishing. Of the 56 home sales which occurred in 2012, a full 88% of them closed at prices not exceeding the 700K threshold. Only three homes sold for more than a million dollars which equaled the tally from the year prior. **In total, there were 65 properties which sold in 2012...the highest amount we've seen since the glory days of 2006!**

Listing inventory numbers were down from 2012 versus 2011. The market is much more balanced, neither favoring buyers nor sellers significantly. I expect that trend to continue in 2013. It is important to note that the waterfront market seems largely non-impacted by the short sales and foreclosures that are devastating other segments of the market, which certainly helps to stabilize waterfront sales prices. The biggest threat to backsliding sales prices is rising interest rates and the lack of availability of "cheap money," although I don't see that as likelihood in 2013.

RE: the average homes sales price in 2012 broken down for all four peninsulas. An interesting tidbit: average prices were significantly down on Steamboat Island and Johnson Point, but significantly up on Boston Harbor/South Bay and Cooper Point. I consider this an aberrant statistic and not a reflection of the desirability factor as buyers evaluate & compare the peninsulas.

There were nine sales of raw land in 2012, which equaled the totals in 2011. Pricing in that arena remains very flat, and likely will continue that way for several years, especially as new and more restrictive shoreline setback regulations are put into place.

Salt Waterfront sales for the Last Five Years -- HOMES AND VACANT LAND

	Steamboat Island	Cooper Point	Boston Harbor	Johnson Point	Totals
Number of Existing Properties	768	473	417	424	2100
Sales - 2008	20	6	8	4	38
Sales - 2009	15	9	11	3	38
Sales - 2010	18	12	15	10	55
Sales - 2011	26	11	8	6	51
Sales - 2012	18	14	18	15	65
Totals Sales the last five years	97	52	60	38	247

2012 Salt Waterfront Sales by Range of Sale -- HOMES ONLY

	Steamboat Island	Cooper Point	Boston Harbor	Johnson Point	Totals
Under \$700,000	16	6	12	12	46
\$700-799,999	0	2	2	0	4
\$800-899,999	0	2	0	0	2
\$900-999,999	0	1	0	0	1
\$1-2 Million	0	2	1	0	3
2-3 Million	0	0	0	0	0
Totals	16	13	15	12	56
2010 Avg Home Sale Price	\$476,342	\$676,636	\$495,307	\$571,742	
2011 Avg Home Sale Price	\$424,695	\$482,957	\$481,571	\$663,000	
2012 Avg Home Sale Price	\$359,778	\$695,108	\$595,166	\$401,875	

ASSESSED VALUES: The relationship between county assessed tax values vs. sales prices appears to be coming more in line.

In 2012, 44% of the properties sold for less than assessed value....a decrease from 57% in 2011. There are many

of you who may still want to formally challenge your tax values with the Assessor's Office. Please don't

hesitate to contact me to help give you the tools to make a successful appeal. Please feel free

to bookmark www.olympiawaterfront.com if you are interested in having market

updates more regularly than with this annual report/newsletter. The website is

updated weekly and provides recent sales as well as a roster of all

currently listed salt waterfront homes and land parcels.

