

Waterfront Reflections

Dear Salt Waterfront Owners:

2015 has dawned, and there are lots of reasons to be happy and hopeful! I hope that you enjoy receiving this silver anniversary addition of Waterfront Reflections. Last year the waterfront market continued to get stronger for sellers. The promising signs we saw in 2013 continued to improve further, and culminated in the highest number of sales in almost a decade. The 88 sales in 2014 represented an increase of 20% over the year prior, and we are now witnessing a decade-low in available inventory - which will undoubtedly result in a gradual increase in sales prices if conditions remain. However, I anticipate the ascending prices to be less of a “whoosh,” and more of a “creep.”

Although 71% of the 83 home sales were for “affordable” waterfront at 700K or less, there was one huge change over years past. In 2012 there were three sales for over a million dollars; in 2013 there were only two. Last year alone there were four-teen!

One trend continues: sales of raw waterfront parcels continue to decrease on a year-over-year basis. There were only 5 in 2014. I expect this sluggish trend to continue as buyers continue to favor “tweaking” existing residences versus taking on the headaches associated with developing in a climate of increasing shoreline setback restrictions, and regulations in general which make developing raw land more time-consuming, expensive, and risky.

The average home sale price in 2014 was up significantly on all four of our peninsulas versus 2013, due in part to the aforementioned burgeoning seven-figure market.

At the time of this writing, there are only 52 homes for sale on all four of our peninsulas... down significantly from the same season in 2013. And of those 52 homes, nineteen of them were in pending sales status --- the truest sign of current buying activity!

I believe that inventory levels will continue to be very tight throughout 2015. The typical seasonal onslaught of homes that come on market in the spring will likely be absorbed quickly given pent-up demand.

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 - 2010	18	12	15	10	55
Sales - 2011	26	11	8	6	51
Sales - 2012	18	14	18	15	65
Sales - 2013	28	22	15	8	73
Sales - 2014	29	25	21	13	88
Totals Sales the last five years	119	84	77	52	332

2014 Salt Waterfront Sales by Range of Sale -- HOMES ONLY

	Steamboat Island	Cooper Point	Boston Harbor	Johnson Point	Totals
Under \$700,000	25	15	10	9	59
\$700-799,999	0	0	2	1	3
\$800-899,999	0	4	1	0	5
\$900-999,999	0	0	2	0	2
\$1-2 Million	3	6	3	1	13
2-3 Million	0	0	1	0	1
Totals	28	25	19	11	83
2012 Avg Home Sale Price	\$359,778	\$695,108	\$595,166	\$401,875	
2013 Avg Home Sale Price	\$439,798	\$632,940	\$458,745	\$380,887	
2014 Avg Home Sale Price	\$474,389	\$688,624	\$741,185	\$567,246	

Please 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. It is a fantastic time to be a waterfront seller. The only downside is that if you sell, you move. And you'll be giving up the “lifestyle” to which you've become accustomed.

Enjoy life on the bay!



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