

Waterfront Reflections

Dear Salt Waterfront Owners:

2017 has dawned, and a very good year for 2016 salt waterfront sellers is now in the rear-view mirror. And 2017 bodes even better if you are thinking of selling your property this year. The overwhelming market theme is the complete lack of available inventory for sale. We are experiencing record-low inventory levels. As of this writing, there are only 20 waterfront homes for sale on all four Thurston County peninsulas in all price ranges --- and of those 20 six are pending sales so are not truly available to purchase. Some perspective to this market condition: this marks a 200% decrease in available inventory over this same time last year! And, as one would expect, with so little from which buyers can choose, there has been a rather significant increase in average sales prices. 2016 saw an increase in average sales prices of 6% over year 2015.

"Affordable" waterfront continues to dominate the purchase market. Approximately 69% of the 2016 sales were for \$700,000 or less. Only six homes cracked the million dollar threshold, and no properties sold for more than 2 million dollars.

As white hot as the waterfront home market has been, the waterfront raw land market - though showing improvement over the two years prior --- is tepid at best. This can largely be attributed to ever-increasing shoreline setback restrictions, and the difficulty in jumping through all of Thurston County's draconian requirements for developing shoreline properties. This segment of the market should remain "soft" going forward.

As spring approaches, I expect the typical seasonal rush of waterfront homes that come on market each year to be quickly absorbed by pent-up demand, thus continuing the static "low inventory levels" story throughout 2017 and well into 2018.

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 - 2014	29	25	21	13	88
Sales - 2015	24	18	20	12	74
Sales - 2016	26	20	10	18	74
Sales - 2017	24	17	17	19	77
Sales - 2018	31	20	19	10	80
Totals Sales the last five years	134	100	86	73	393

2018 Salt Waterfront Sales by Range of Sale -- HOMES ONLY

	Steamboat Island	Cooper Point	Boston Harbor	Johnson Point	Totals
Under \$700,000	21	4	8	3	36
\$700-799,999	1	2	2	2	7
\$800-899,999	3	7	0	0	10
\$900-999,999	0	0	2	3	3
\$1-2 Million	0	5	8	2	15
2-3 Million	0	0	0	0	0
Totals	25	18	18	10	71
2016 Avg Home Sale Price	\$475,130	\$753,330	\$523,100	\$751,807	
2017 Avg Home Sale Price	\$524,527	\$868,687	\$638,887	\$814,738	
2018 Avg Home Sale Price	\$565,508	\$846,327	\$843,984	\$758,128	

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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