



Cautious market optimism as seasonal changes take shape

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Market Recap

The real estate market has remained slow in accordance with typical seasonal patterns, with expected increases in activity as winter transitions into spring. Interest rates have increased by a quarter percent over the past month to 6.94%, continuing to inhibit prospective buyers' purchasing power as well as prospective sellers' willingness to give up low rate mortgages. For the Washington counties covered by NWMLS, February 2024 saw a nearly 2% decrease in closed sales transactions year-over-year, although median prices have continued to rise with a year-over-year increase of nearly 6%.

Important takeaways from February's data:

- The median sales price of homes increased in 19 out of 26 counties and decreased in 7 counties relative to February 2023. The three counties with the highest median sale prices were King (\$820,000), Snohomish (\$715,000) and San Juan (\$671,000). The three counties with the lowest median sale prices were Grant (\$300,425), Pacific (\$236,025) and Columbia (\$174,500).
- The number of homes on the market increased throughout Washington with 17 out of 26 counties seeing a year-over-year increase. Overall, there was a nearly 4% year-over-year increase in active property listings in Washington counties covered by NWMLS.
- Ten of the 26 counties included in the report saw an increase in the number of homes sold year-over-year, while 14 counties saw a decrease in the number of homes sold year-over-year. Two counties, King and Pacific, saw relatively no change in the number of year-over-year sales transactions.
- Condominium sales continue to show strong growth throughout the NWMLS service areas, with 636 units sold in February 2024, which is a year-over-year increase of more than 9%. The median sale price of

condominiums increased more than 15% year-over-year, from \$430,000 at the end of February 2023 to \$496,500 in February 2024.

“Although seller reluctance has continued to stifle inventory levels, year-over-year inventory levels have improved slightly – an increase of 4% – relative to February 2023,” said Mason Virant, associate director of the Washington Center for Real Estate Research at The University of Washington. “Despite the year-over-year transaction volume decline of 2% over February 2023, low levels of for-sale inventory have led to increased competition amongst buyers, producing a nearly 6% year-over-year increase in median home prices across the Washington counties covered by NWMLS.”

Months of Inventory

A balanced market is considered to be 4 to 6 months by most industry experts. At the current rate of sales, it would take less than two months to sell every home that is active in the NWMLS inventory. The four counties with the lowest months of inventory in February 2024 were Snohomish (0.88), King (1.47), Pierce (1.60), and Thurston (1.71).

February 2024 Available Inventory



Months of Inventory

A balanced market is considered to be 4 to 6 months by most industry experts

At the current rate of sales, it would take **almost two months** to sell every home that is active in the NWMLS inventory

February 2023	1.70
February 2024	1.79

+5.3%
from February 2023



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