



## Pending home sales reach highest in six months

By Robinson Newspapers Staff

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[2009 sales charts.xls](#)



[2009 King County sales chart.xls](#)



Pending sales around Western Washington for the month of March reached the highest level in six months, according to the latest figures from Northwest Multiple Listing Service.

Compared to February, last month's pending sales (offers made and accepted, but not yet closed) surged 25 percent, rising from 4,559 transactions to 5,701. Last month's volume was down 5.6 percent when compared to a year ago, but it was the highest monthly total since September when brokers reported 5,982 pending sales.

Inventory fell sharply from a year ago (down more than 14 percent), in part due to fewer new listings being added to the supply, according to the listing service. Member brokers added 10,252 new listings during March, compared with 13,274 for the same month a year ago, for a drop of nearly 23 percent.

At month-end, there were 39,825 active listings of single family homes and condominiums in the listing service database, a decline of 14.1 percent from the year-ago total of 46,358 listings. The total includes 33,083 single family homes and 6,742 condominiums in 19 counties.

Northwest Multiple Listing Service Director Dick Beeson believes continued reduction in inventory will spur buyer activity.

"Well priced and well conditioned properties will generally be the first ones purchased," Beeson, the broker/owner of Windermere Commencement Associates in Tacoma, predicted.

Beeson said open house traffic and calls from "for sale" signs have increased twofold in recent weeks. Buyers are scouring the Internet before calling or visiting open houses so they tend to be knowledgeable about options in their price range, he remarked, while noting they're still seeking assistance from people in the real estate industry in navigating the negotiation and closing process.

Prices for last month's completed sales fell about 14 percent area-wide from a year ago, reflecting a combination of factors, including a lingering imbalance between supply (inventory) and demand (buyers), creating a favorable market for buyers. Also, although not quantified in the Northwest Multiple Listing Service report, a sizable number of foreclosed homes and short sales are included in the monthly tallies so those deeply-discounted properties tend to drag down prices overall.

"As expected, the numbers reflected in the March report continue to show year over year declines," said Ron Sparks, managing vice president of Coldwell Banker Bain. "However, these historical comparisons fail to tell the story of the real-time market, which is beginning to show true signs of improvement in many areas."

Sparks said his company's Tacoma regional offices reported tripling sales in March, driven in part by lower prices, exceptionally low interest rates and incentives such as the \$8,000 first-time homebuyer tax credit. The incentives are also credited with spurring increased buyer activity and competition for "starter" homes in many Seattle neighborhoods.

Pending sales in the MLS map areas that make up most of Seattle surged 35.4 percent in March compared to February. The southwest part of King County also registered robust month-to-month gains – 39.3 percent -- while sales on the Eastside rose more than 32 percent last month compared to February.

Seven of the 19 counties in the listing service system reported gains of 30 percent or more when comparing last month's pending sales to February totals. Those counties were Grant, Island, Lewis, San Juan, Skagit, Snohomish and Whatcom.

A comparison of price changes for last month's closed sales shows a 15.4 percent drop in the median price of a single family home compared to 12 months ago and a 2.8 percent decline from February. Of the 19 counties in the report, 11 reported price increases from February.

Condominium prices are down about 8 percent from a year ago and 2.5 percent from a month ago. About half the counties that reported closed sales of condominiums during March showed price increases when compared to February.

Brokers report growing awareness and use of the \$8,000 tax credit for first-time buyers, but are less certain of the impact of federal programs for helping distressed homeowners.

"The congressional stimulus package for housing refinances to help distressed homeowners by reducing their mortgage interest rates has not really benefited as many as was hoped," according to Beeson. "Few, if any, banks seem willing to participate."

J. Lennox Scott, chairman and chief executive officer of John L. Scott Real Estate, believes more can be done at the national level to stimulate the housing market. In testimony before a U.S. Senate committee last week, he urged support for a number of measures proposed by the National Association of Realtors.

The proposals include allowing a home buyer to use tax credit funds toward a down payment and encouraging FHA to use its authority to increase loan limits in communities that have exceptionally high home prices.

Encouraged by some of the positive indicators in the latest report, Sparks acknowledged "we're not out of the woods quite yet, but market improvement must begin somewhere."

Beeson agreed.

"All in all, we are seeing generally increased interest at all levels of the market, high and low end," he said. "We may not soon see 2005 or 2006 levels of sales numbers, but we're holding our own and progressing steadily in the right direction."

*Northwest Multiple Listing Service, owned by its member brokers, is the largest full-service listing service in the Northwest. Its membership includes approximately 28,000 brokers and agents. The organization, based in Kirkland, currently serves 19 counties in western and central Washington.*

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