

What's in Store for the Market in 2017?

What does the future hold for the housing market in 2017?

Experts have weighed in and one thing is for sure: The housing market is set to heat up this year!

PRICES ARE ALMOST AT PRE-RECESSION HIGHS

Nationally, the market is expected to normalize with healthy sales and moderate price growth.¹

However, some experts predict modest price declines because wages aren't keeping up with home prices.

The median home price has increased **43%** from 2010, while wages have only increased **5%**.²

Sources: 1. The Mortgage Reports
2. Dun & Bradstreet
3. NAR
4. Keeping Current Matters
5. REALTOR Magazine
6. BusinessWire

HOME SALES ARE EXPECTED TO INCREASE

Existing home sales are expected to reach **6 million**, up from **5.8 million** in 2016.³

Projections for total single family home sales for 2017⁴

- National Association of Realtors **6 million**
- Fannie Mae **6.2 million**
- Freddie Mac **6.2 million**
- Mortgage Bankers Association **6.5 million**

HOUSING APPRECIATION IS UP

Most markets report an increase in home appreciation, with the increases hitting near **10%** in the hottest markets, which have growing populations and tight supply.⁵

Top 3 Markets for Home Appreciation⁶

- Seattle, WA (up **11.2%**)
- Portland, OR (up **11.1%**)
- Denver, CO (up **9.9%**)

MAKE WAY FOR FIRST-TIME BUYERS

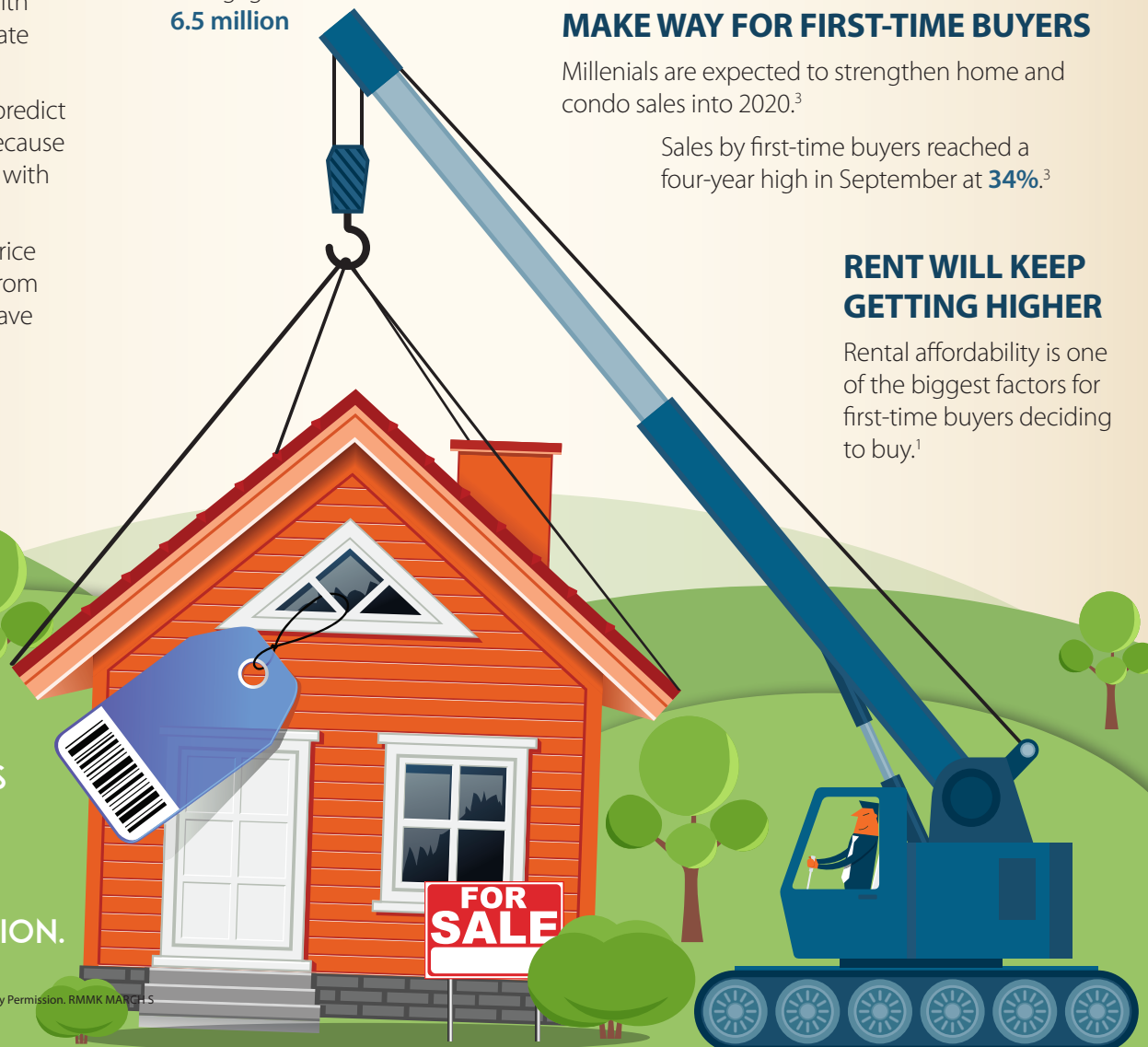
Millenials are expected to strengthen home and condo sales into 2020.³

Sales by first-time buyers reached a four-year high in September at **34%**.³

RENT WILL KEEP GETTING HIGHER

Rental affordability is one of the biggest factors for first-time buyers deciding to buy.¹

THE HOUSING MARKET IN 2017 IS EXPECTED TO BE FUELED BY HIGH DEMAND FOR NEW CONSTRUCTION.



3 Reasons to Take Housing Predictions with a Grain of Salt

At the beginning of the year, it's common to see articles in magazines, in newspapers and online that offer predictions about the national housing market. These forecasts may provide insight to real estate professionals and interested investors; however, to the average person who's thinking of buying or selling, the predictions often don't make a difference in their final decision. Here's why:

- 1. All real estate is local.** What's going on in the national market may not be an accurate reflection of what's going on in our market. If you want to know about our local market and what your home is worth, I'm happy to answer all of your real estate questions.
- 2. The future is uncertain.** Experts estimate future market trends based on current statistics and historical trends. In other words, they use past and current data to find clues as to what might happen next. However, national and global events can have an unforeseen impact on the economy, including the housing market. While experts may predict one thing now, the reality could turn out to be very different.



- 3. Buying and selling is a personal choice.** If you're ready to buy or sell a home, your decision may rely on factors other than the state of the market. For example, family changes and job relocations are two of the most common reasons people move. While it's smart to consider the state of the market when you're thinking of buying or selling, in the end, if you think it's a good time, then it's a good time.

If you're thinking of buying or selling or want an updated comparative market analysis (CMA) of your home, give me a call! I'm here to help you with all of your real estate needs and to answer any questions you have.

Thinking of buying or selling?



Why buy?

- 1. It is part of your financial plan.** You are financially ready and now have the freedom to make the property your home.
- 2. Circumstances are right.** Whether you've relocated for a job or just sold your home, circumstances may have forced your hand to buy.
- 3. There are lots of homes for sale in your desired market.** If your desired home is in a buyer's market, now is a great time to buy if you've been on the fence.



Why sell?

- 1. You've outgrown your home.** If your family is growing or your parents or adult children have moved in, it may be time to sell in favor of a larger home.
- 2. You want to live closer to family or friends.** If you want to spend more time with your loved ones, it may be time to sell and move closer to them.
- 3. You're relocating for a job.** Whether you're transferring within your company or you've found your dream job, a change in work circumstances may cause you to list your home.

