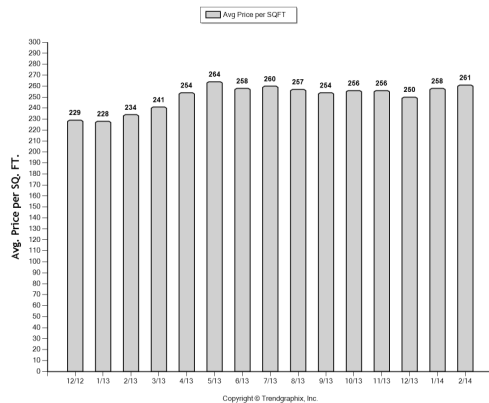


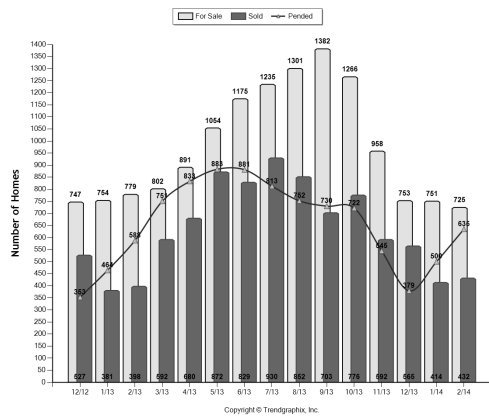
## Metro Seattle Real Estate Market Update | Residential March 2014

Windermere tracks key performance indicators to determine the current state of the market and to anticipate trends within Metro Seattle from West Seattle to Lake Washington and north to Shoreline & Kenmore. We trust that this data, combined with our expertise will help you to make sound decisions.



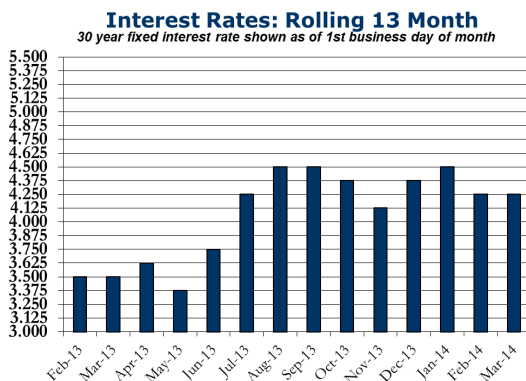
### PRICE TRENDS

Prices are up over 13% from the same time last year, with the average sold price at \$526K, compared to \$463K for this time last year. First time buyers, relocation buyers as well as investors are competing to capitalize on housing affordability and favorable interest rates. Windermere brokers indicate client's frustration with lack of inventory. Absorption rates are up 4.5% compared to the previous month, and up 8.5% compared to a year ago, confirming a tightening residential market.



### MARKET ACTIVITY

The number of homes in pending status increased to 635 at the end of February, a 27% jump from the previous month. There are 1.1 months of housing inventory on the market, down slightly from 1.3 months for the same time period last year based on pending sales. Cumulative market time for new listings was 50 days, identical to the same time period last year. The continued strong local employment market and new hiring for firms in the Metro area may be responsible for the



### FINANCIAL MARKET TRENDS

Interest rates stayed flat from February at 4.25%, after dropping from a 12 month high in January. The favorable employment data and the rising stock market also contribute to a positive economic outlook. If rates and prices continue to increase, Seattle's housing affordability index will be adversely affected. With the strong local economy, expect further pressure on housing as job seekers continue to relocate to Metro Seattle.