

# Waterfront Reflections

## Dear Salt Waterfront Owners:

I'm sorry this report is coming to you later than normal. That is largely due to a waterfront market which is really showing signs of heating up, and packing my schedule!

The market continues to look more promising for salt waterfront sellers. The number of salt waterfront home sales in 2013 was up almost 15% over the year prior. In a trend consistent with 2012 figures however, it was the "affordable" waterfront home market which was steadiest. Of the 66 home sales in 2013, 89% of the sales were for homes less than 700K. And while there were 3 sales in 2012 for more than a million dollars, there were only 2 in calendar 2013. On a bright note, the 73 total sales (land and homes) which occurred in 2013 were the most we've had since the "crazy" market of 2006.

We are off to a brisk start in 2014. As of this writing, there are 16 "pending" sale transactions which represents the most at any one time in almost a decade. Pending sales are the truest gauge of current activity in the marketplace. And, although we are only a third of the way through the year, we've already recorded 7 sales for over a million dollars (more than the last three whole years combined)! It is truly nice to see the ice-breaking in that segment of the market. Interestingly, many of those sales were subject to multiple offers. Years of pent-up supply now seems to be supplanted by pent-up demand. The waterfront market also seems free of the market price-depression driven by short sales and foreclosure sales. My crystal ball says the waterfront market will continue to gain momentum, unless interest rates continue to climb in a significant fashion.

There were 7 raw land sales in 2013—those numbers were down from even the lows we saw in 2011 and 2012. That market remains sluggish, and even the nicest properties cannot seem to breach the 200K threshold. I expect that market to remain tepid going forward—due to the fact there are better "buying" values in properties with existing structures, and the ever increasing shoreline setback restrictions which make development of raw land more expensive, time-consuming, and risky.

About 62% of our sales occurred on our two westernmost peninsulas (Steamboat Island and Cooper Point), and Steamboat Island was the only peninsula where the average sales price in 2013 exceeded 2012.

See Reverse



**SPENCE WEIGAND** (360) 789-3160  
Broker, Realtor

[www.olympiawaterfront.com](http://www.olympiawaterfront.com)  
[spenceweigand@comcast.net](mailto:spenceweigand@comcast.net)

**Virgil ADAMS**  
**REAL ESTATE**  
Inc.

# Waterfront Reflections

## Salt Waterfront sales for the Last Five Years -- HOMES AND VACANT LAND

	Steamboat Island	Cooper Point	Boston Harbor	Johnson Point	Totals
<b>Number of Existing Properties</b>	<b>768</b>	<b>473</b>	<b>417</b>	<b>424</b>	<b>2182</b>
Sales - 2009	15	9	11	3	38
Sales - 2010	18	12	15	10	55
Sales - 2011	26	11	8	6	51
Sales - 2012	18	14	18	15	65
<b>Sales - 2013</b>	<b>28</b>	<b>21</b>	<b>15</b>	<b>9</b>	<b>73</b>
Totals Sales the last five years	105	67	67	43	282

## 2013 Salt Waterfront Sales by Range of Sale -- HOMES ONLY

	Steamboat Island	Cooper Point	Boston Harbor	Johnson Point	Totals
Under \$700,000	24	14	11	8	57
\$700-799,999	0	2	0	0	2
\$800-899,999	0	1	1	0	2
\$900-999,999	0	1	0	0	1
\$1-2 Million	0	2	0	0	2
2-3 Million	0	0	0	0	0
<b>Totals</b>	<b>24</b>	<b>20</b>	<b>12</b>	<b>8</b>	<b>64</b>

	Steamboat Island	Cooper Point	Boston Harbor	Johnson Point
<b>2011 Avg Home Sale Price</b>	\$424,695	\$482,957	\$481,571	\$663,000
<b>2012 Avg Home Sale Price</b>	\$359,778	\$695,108	\$595,166	\$401,875
<b>2013 Avg Home Sale Price</b>	<b>\$439,798</b>	<b>\$632,087</b>	<b>\$450,412</b>	<b>\$383,475</b>

**ASSESSED VALUES:** The relationship between county assessed values vs. sales prices is returning to more historical norms. In 2013, 31% of the sales were for below assessed value....down from 44% in 2012 and 57% in 2013. This is a key indicator of an improving sellers' market.

**MISCELLANEOUS:** The shellfish farming business continues to increase along South Sound shore-lines. Many owners with tideland rights are leasing their tidelands for commercial shellfish growing and are reaping the financial benefits. These productive ecosystems come at a cost according to many on the water, as the "operations" are considered visually unsightly. Still, it is hard to argue that owners should not be able to execute their property rights.

Please feel free to bookmark [www.olympiawaterfront.com](http://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.

I sincerely hope you enjoying receiving these annual updates. Please don't hesitate to contact me if you would like assistance with appealing tax valuations, estate planning, or in marketing your "lifestyle" property. Enjoy your summer on the bay!