



NEWSLETTER

FOCUS OF THE MONTH: BUY VS RENT | JULY 2023

Navigating The Tides: A Closer Look at The Buoyant US Housing Market

In the dynamic real estate landscape, the US housing market has emerged as quite resilient amidst a sea of economic changes. With the Federal Reserve raising interest rates since March 2022, some might have expected choppy waters ahead. However, the market has not only steadied the ship but is catching a fair wind. Let's break down what's keeping this ship afloat.

Resilience Amid Rate Hikes: The S&P/Case-Shiller Home Price Index, a reliable barometer of housing prices, has witnessed a 1.6% increase since its January dip. Meanwhile, housebuilders are riding the wave, with their share prices outpacing the overall stock market by a two-fold margin. This resilience is remarkable, and market watchers are taking note. JPMorgan Chase analysts suggest that the housing sector's drag on US GDP growth should be nominal moving forward.

A Stable Financial Climate: What's equally impressive is the market's financial stability. Remember the tumultuous ripples from the 2008 crisis? Well, this time it's different. The American housing market has dodged the financial contagion bullet that often accompanies a dip in house prices. Delinquencies on single-family mortgages in the US are enjoying a post-financial-crisis low. This speaks volumes about the stronger household financial health and more prudent banking practices in recent times.

Sailing on Three W inds: Now, what's behind this resilience? It seems the market is sailing forward on three main winds - migration, robust household finances, and evolving housing preferences.

Migration: There has been a notable influx of people looking for their place to call home. This migration has spurred demand, acting as a tailwind for the housing market.

Strong Household Finances: During the pandemic, many households upped their savings game. With a nest egg to buffer against higher mortgage rates, the market remains stable.

Changing Tides in Preferences: The pandemic has been a game-changer in how we view our living spaces. A surge in the demand for home offices and spacious abodes is contributing to the housing market's vigor.

The US housing market has proven to be a resilient and evolving entity, successfully navigating the tides of economic changes. With migration trends, strong household finances, and changing consumer preferences acting as sturdy sails, the market looks poised to continue its buoyant journey. Keeping

MESSAGE OF THE MARKET



As of May 30th 2023, the median list price for King County, WA is \$1,250,000 with the market action index hovering around 59. This is less than last month's market action index of 60. Inventory has held steady at or around 1,667.



As of May 30th 2023, the median list price for Pierce County, WA is \$691,950 with the market action index hovering around 59. This is less than last month's market action index of 63. Inventory has held steady at or around 965.



As of May 30th 2023, the median list price for Kitsap County, WA is \$669,375 with the market action index hovering around 50. This is less than last month's market action index of 55. Inventory has held steady at or around 402.

Title Tip: Listing Broker or Selling Broker?

What to Look for in a Title Report

Did you know buyers and sellers have different concerns regarding the content of a title report? Below is a general guideline in helping you review a title report with your clients.

In addition, please know our team of local Title Officer experts are always here to help answer any questions you and/or your clients may have.

For a Buyer:

- Exhibit A - Legal Description: Check the legal description to verify it is the correct property (a best practice is to compare w/the deed and w/plat map to verify they match).
- Easements: Check for any shared driveways/special access and/or accessibility for specific use(s).
- CC&R's: Review this document carefully. Depending on the neighborhood restrictions, owners may find themselves unable to fully use the property as they intend. Some examples are:
 - Can it be used as farm property?
 - Are there limits as to the type or quantity of animals allowed?
 - Can RVs and/or boats be stored in view of the street?
 - Are there limits on visibility for a home business, etc.?
- Is the property in Open Space and will you be continuing the current use?

For a Seller:

- Exhibit A - Legal Description: Check the legal description to verify it is the correct property (A best practice is to compare w/the deed and w/plat map to verify they match).
- Monetary Encumbrances: Are there Mortgages, judgments, liens, any monies owed? Or has something been paid but not showing paid?

When working with Chicago Title, please take advantage of our LiveLOOK "red flag" review where you can access the title report, legal description, plat map, exception documents/hyperlinks and an easy-to-use color-coded summary.

In fact, the Chicago Title School of Real Estate offers a 3-clock hour class, The Yellow and Red Flags of Title. Contact me today to schedule in your office, or for a one-on-one title review.

Monthly Homeownership Tip: Breath of Fresh Air

While the weather may be warm and inviting outside, it's important to keep the air inside your home fresh and clean. Here are a few tips:

- **Dust and vacuum regularly:** Dust tends to accumulate more quickly during the dry summer months. Regularly dust and vacuum your home, paying special attention to hard-to-reach areas like ceiling fans, vents, and corners. This reduces the amount of dust and allergens in your living space.
- **Maintain humidity levels:** Washington state can experience dry summers. Use a humidifier to add moisture to the air if needed, especially if you notice dryness or discomfort. Conversely, if your home feels too humid, use a dehumidifier to keep humidity levels in check and prevent mold growth.
- **Keep windows and doors sealed:** Ensure that windows and doors are properly sealed to prevent outdoor pollutants, dust, and allergens from entering your home. This also helps maintain a more consistent indoor temperature, reducing the strain on your cooling system.

By focusing on indoor air quality, you can create a healthier and more comfortable living environment for you and your family during the summer months in Washington state.



Tip On One of Our Tools: ChicagoAgentONE

Imagine having all the calculators you need to complete your net sheets and closing costs in just one place...plus free calculators for Monthly PITI payment, Multiple Offers Comparison, Refinance, CD Timelines, Transfer Tax Lookup, Loan Balance, etc.

ChicagoAgent One App comes with almost everything you need in order to be successful in today's highly competitive real estate environment.

