



NEWSLETTER

FOCUS OF THE MONTH: INVESTOR INSIGHTS | APRIL 2023

1031 Exchange Trends for 2023 We Are Anticipating:

In the coming year, the 1031 exchange industry is poised for growth and innovation as investors seek out new opportunities to maximize their wealth and minimize their tax liabilities. According to a recent article by IPX1031, several key trends are likely to shape the industry in 2023.

One of the most notable trends is the growing popularity of Delaware Statutory Trusts (DSTs) as a replacement property option. DSTs offer investors the chance to own fractional shares of institutional-grade properties, such as office buildings, shopping centers, and multifamily apartments, without the responsibilities of active management. This allows for greater diversification of investment portfolios, mitigating the risk of concentrating assets in a single property or location. As such, the demand for DSTs is expected to continue to rise in 2023.

Another important trend in the 1031 exchange industry is the increasing use of technology to streamline the exchange process. Many exchange companies are adopting online platforms to facilitate property searches, document signing, and funds transfers. This not only saves time and money for investors, but also enhances transparency and security throughout the transaction process. With digital tools now widely available, the 1031 exchange industry is set to become even more accessible and efficient in 2023.

Although the new law limits the use of 1031 exchanges to real property, it remains a powerful tool for investors looking to defer taxes and maximize their financial gains. We advise investors to consult with tax and legal professionals to ensure they are taking full advantage of the benefits offered by the 1031 exchange in the post-tax reform era.

MESSAGE OF THE MARKET

- “The median single-family home sale price on the Eastside was down 21% year over year in February, according to data the Northwest Multiple Listing Service (MLS) released Monday. Prices were down elsewhere in King County, ranging from 4.7% North King to 11.3% in Southeast King. Seattle's annual decline was 10.8%. The median price fell 6.7% across King. Snohomish and Kitsap counties saw declines of 7.4% and 4.8%, respectively, while Pierce County logged a 1% decrease.” – Puget Sound Business Journal
- “At its first meeting of 2023 in February, the Fed raised its benchmark lending rate by another 25 basis points, its eighth increase in less than a year. That pushed the central bank's key rate to a range of 4.5% to 4.75%, its highest level in 15 years. Many economists expect at least three more increases before the end of the year.” – Matt Ott, The Associated Press
- “Washington state mortgage holders saw their home equity fall by an average of \$18,900 last quarter from the year prior... The loss was the second highest in the country behind Idaho.” - CoreLogic
- “48 percent of mortgaged residential properties in the United States were considered equity-rich in the fourth quarter, meaning that the combined estimated amount of loan balances secured by those properties was no more than 50 percent of their estimated market values.” - ATTOM

Monthly Homeownership Tip: Here Comes The Sun

As the weather warms up, use the opportunity to continue sprucing up your outdoor space and preparing for the warmer months. Here are a few recommendations.

- **Plant a Garden:** April is the perfect time to start planting your garden. Whether you're planting vegetables, herbs, or flowers, gardening is a great way to beautify your home and improve your health by spending time outdoors.
- **Review Your Insurance:** Take some time to review your homeowner's insurance policy to make sure you have adequate coverage. Consider any changes in your home or property that may require additional coverage or adjustments to your policy.

By following these tips, you can help keep your home in top shape and enjoy the spring season to its fullest.



Tip On One of Our Tools: Trustee Sales Report

Includes ALL property types in the following counties:

- King
- Pierce
- Snohomish
- Whatcom
- Skagit
- Island
- Thurston
- Kitsap
- Jefferson
- Lewis
- Kittitas
- Mason

You'll receive all 12 counties in 1 email every Thursday in the following formats:

- Label format
- Report format
- Excel format

Monthly Subscription: \$5.00
Annual Subscription: \$50.00

SAMPLE

<p>Rec # : 1) Property Address : 1227 DANIELS CT BREMERTON, WA 98312-5961 County : KITSAP Parcel ID : 4548-008-004-03-00 Owner Occupied : Y Foreclosure Information : Recent Added Date : 08/09/2021 Doc Type : NOTICE OF TRUSTEE'S SALE Recording Date : 08/09/2021 Doc # : 202108060183 Lender Name : CHAMPION MTG Lender Address : 8900 CYPRESS WATERS BLVD COPPELL TX 75019-4820 Lender Phone : Attorney Name : Attorney Phone : Trustee Name : MTC FINANCIAL INC Trustee Address : 808 W GOVVE ST KENT WA 98032-6744 Trustee Phone : Auction Date : 12/17/2021 Auction Address : 618 DIVISION ST</p>	<p>Owner Information : E'GRACE LENSCH PO BOX 253 KINGSTON WA 98346 - 0253</p> <p>Fore Effective : 08/09/2021 Lien position : 1 CLTV Ratio : Current Value : Orig Rec. Date : 04/23/2007 Original Doc # : 200704203306 Orig Lender : WELLS FARGO BK NA Orig Mfg Amt : \$427 Default Amt : \$7.4 Unpaid Balance : \$200 Case # : Plaintiff : Estimated Min. Bid : Auction Time : Auction City : PORT ORCHARD</p>
<p>Rec # : 2) Property Address : 2127 162ND PL SE MILL CREEK, WA 98012-8049 County : SNOHOMISH Parcel ID : 007907-000-029-00 Owner Occupied : Y Foreclosure Information : Recent Added Date : 05/27/2021 Doc Type : NOTICE OF SALE Recording Date : 08/11/2021 Doc # : Lender Name : NO LENDER ON DOCUMENT Lender Address : Lender Phone : Attorney Name : Attorney Phone : Trustee Name : NORTH STAR LLC (TE) Trustee Address : 8100 219TH ST SW #480 MOUNTLAKE TERR WA 98003-2222 Trustee Phone : Auction Date : 10/08/2021 Auction Address : 3000 ROCKEFELLER AVE</p>	<p>Owner Information : LISA A MARTIN 2127 162ND PL SE MILL CREEK WA 98012 - 8049</p> <p>Fore Effective : Lien position : CLTV Ratio : Current Value : \$387,799 Orig Rec. Date : Original Doc # : Orig Lender : Orig Mfg Amt : Default Amt : Unpaid Balance : Case # : Plaintiff : Estimated Min. Bid : \$529,424 Auction Time : 10:00 Auction City : EVERETT</p>
<p>Rec # : 3) Property Address : 13329 SE 151ST ST RENTON, WA 98058-2899 County : KING Parcel ID : 222305-9143 Owner Occupied : Y Foreclosure Information : Recent Added Date : 08/22/2021 Doc Type : NOTICE OF TRUSTEE'S SALE Recording Date : 08/22/2021 Doc # : 202 Lender Name : VRMTG ASSET TRUST Lender Address : Lender Phone : Attorney Name : Attorney Phone : Trustee Name : QUALITY LOAN SERVICE CORP OF W Trustee Address : 108 1ST AVE S #202 SEATTLE WA 98104-2538 Trustee Phone : Auction Date : 12/17/2021 Auction Address : 800 4TH AVE</p>	<p>Owner Information : ROBERT R FINNUGAN & CHRISTINE FINNUGAN 13329 SE 151ST ST RENTON WA 98058 - 2899</p> <p>Fore Effective : 08/11/2021 Lien position : 1 CLTV Ratio : Current Value : Orig Rec. Date : 05/13/2002 Original Doc # : 200205131537 Orig Lender : SELECT CAP MTG CO Orig Mfg Amt : \$230,000 Default Amt : \$19,188.48 Unpaid Balance : \$186,859.64 Case # : Plaintiff : Estimated Min. Bid : Auction Time : 10:00 Auction City : SEATTLE</p>