



SEPTEMBER 2009

# Market Report

The September 2009 numbers are in for the Thurston County Real Estate Market. Although these numbers are not great news, they are good news! We are seeing activity in the market place but its very cautious activity. August saw better numbers then July and activity in September actually looks better than August. We did see new troops at Fort Lewis in August. Our guess is that this activity was a combination of the new troops at Fort Lewis, as well as pent up demand utilizing the tax credit.

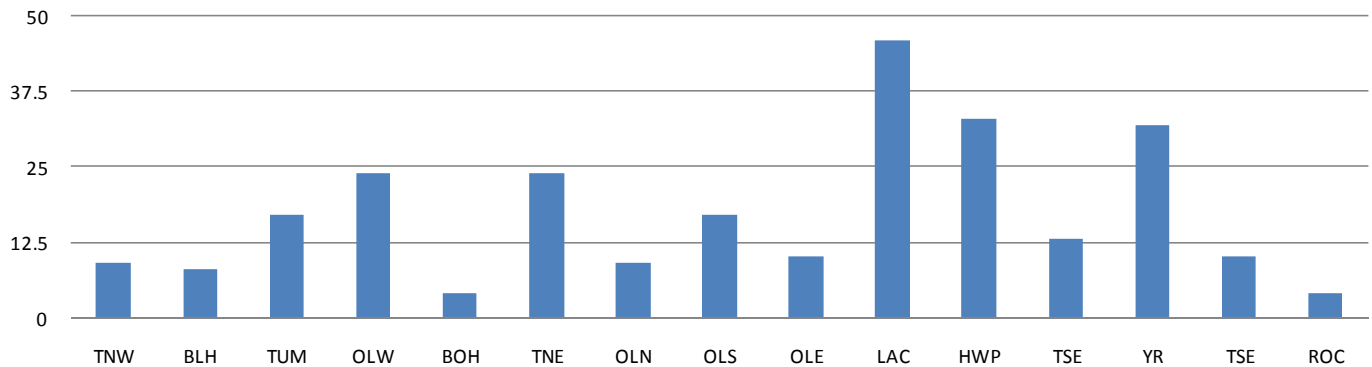
The following statistics show that the important market indicators are only down about 2.5 - 3.0% on average from September of 2008.

Please give us a call if you have any questions regarding these statistics.

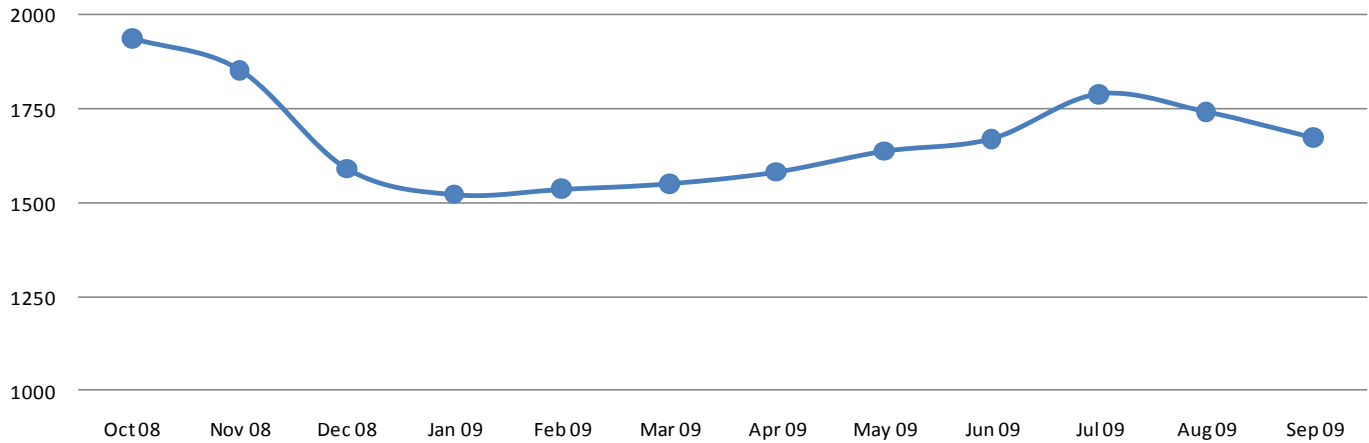
TNW—Thurston NW    OLW—Olympia Westside    OLN—Olympia North    LAC—Lacey    YR—Yelm Rainier  
 BLH—Black Hills    BOH—Boston Harbor    OLS—Olympia South    HWP—Hawk's Prairie    THS—Thurston South  
 TUM—Tumwater    TNE—Thurston NE    OLE—Olympia East    TSE—Thurston SE    ROC—Rochester

Sold Listings is a measure of all of the home sales by area, by month as reported by the Northwest Multiple Listing Service. This is an important statistic as it shows us where we are in relation to both available properties as well as historic seasonal patterns. Additionally, we break this number into sales by specific MLS areas. This help us get a sense for what areas are heating up or cooling down.

Sold Listings



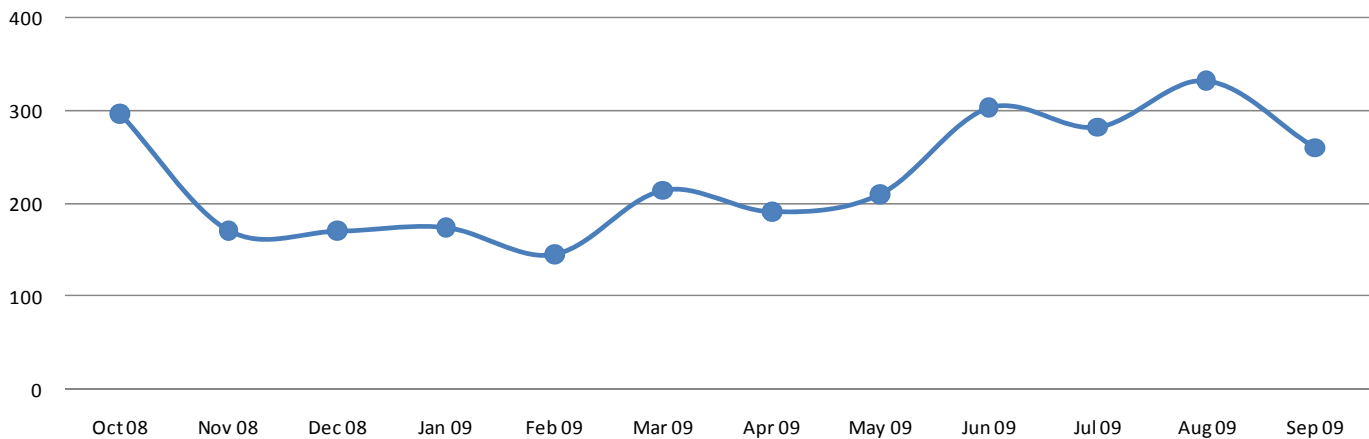
**Total Active Listings in NWMLS**



Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sep 09
1936	1853	1591	1522	1536	1551	1582	1637	1670	1789	1742	1673

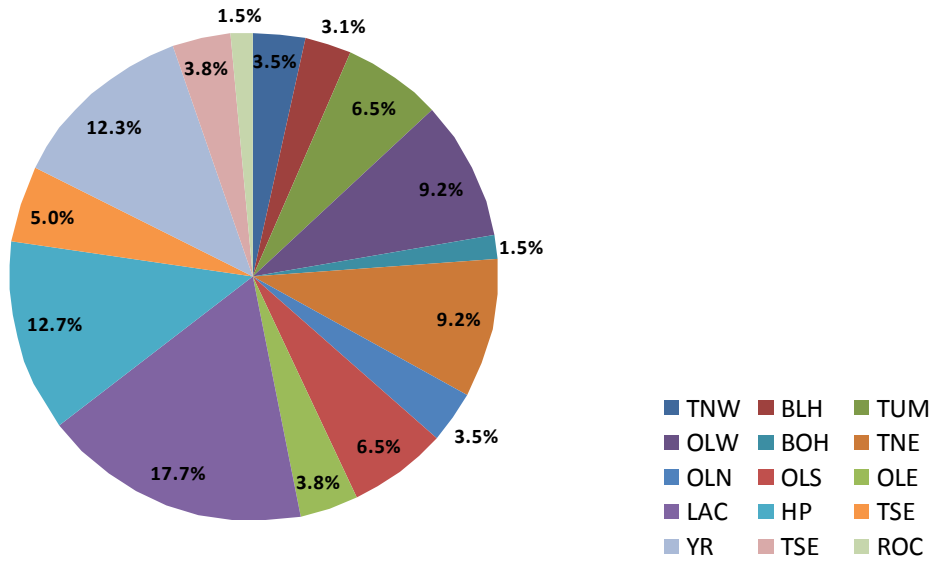
**Total Active Listings** is a measure of all of the available Single Family, Existing Homes currently available for sale in Thurston County through the Northwest Multiple Listing Service. It is important to note that this number contains many but not all "By Owner" offerings. Real Estate markets experience seasonal trends. We generally expect to see a greater volume of available property during the Spring and Summer months. Conversely, we see those numbers drop in the late summer and through the Fall and Winter months as buyers absorb the existing inventory of homes. Therefore, this statistic is an important indicator of market health, we watch for abnormal spikes or trends in active properties to point to changes in the market.

**Sold Listings - By Date**



Oct 08	Nov 08	Dec 08	Jan 09	Feb 09	Mar 09	Apr 09	May 09	Jun 09	Jul 09	Aug 09	Sep 09
297	171	170	174	145	214	191	210	303	282	332	260

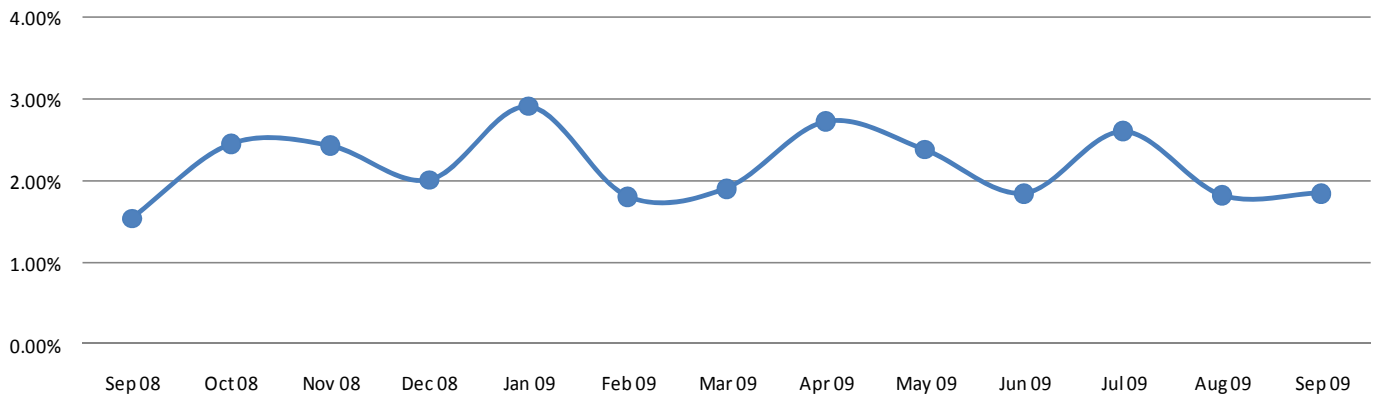
Active Listings By Area



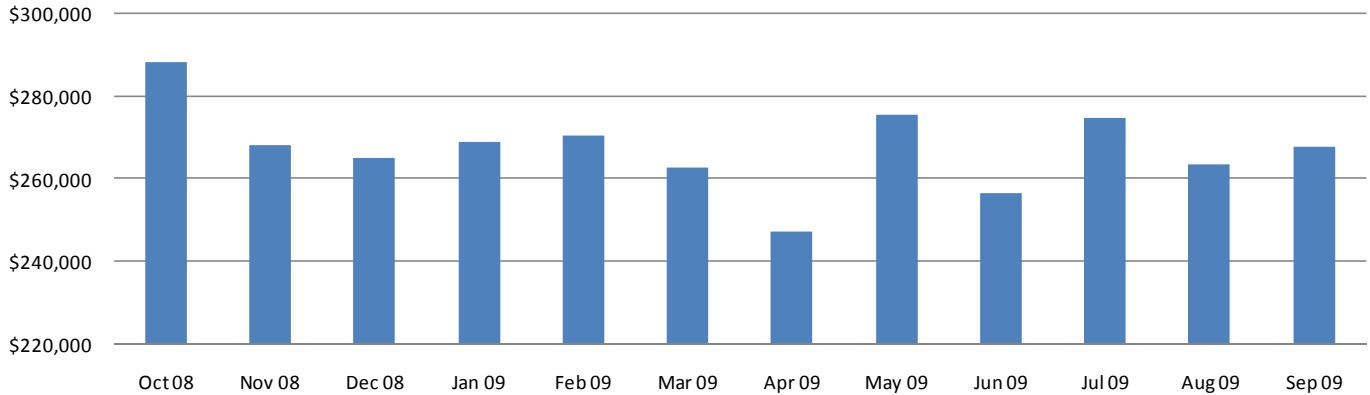
TNW	OLW	OLN	LAC	YR	BLH	BOH	OLS	HWP	THS	TUM	TNE	OLE	TSE	ROC
80	66	170	154	43	172	55	108	54	179	119	88	293	101	107

**Listing Discount is the average of difference between List Price and Sales Price, Expressed as a percentage. This statistic is helpful in predicting trends in the average and median, list and sales prices. Wide swings in either direction of this statistic indicate bad news for either Buyers or Sellers, we generally want this statistic to travel more like a tug boat then a white water raft.**

Listing Discount



Average Sales Price

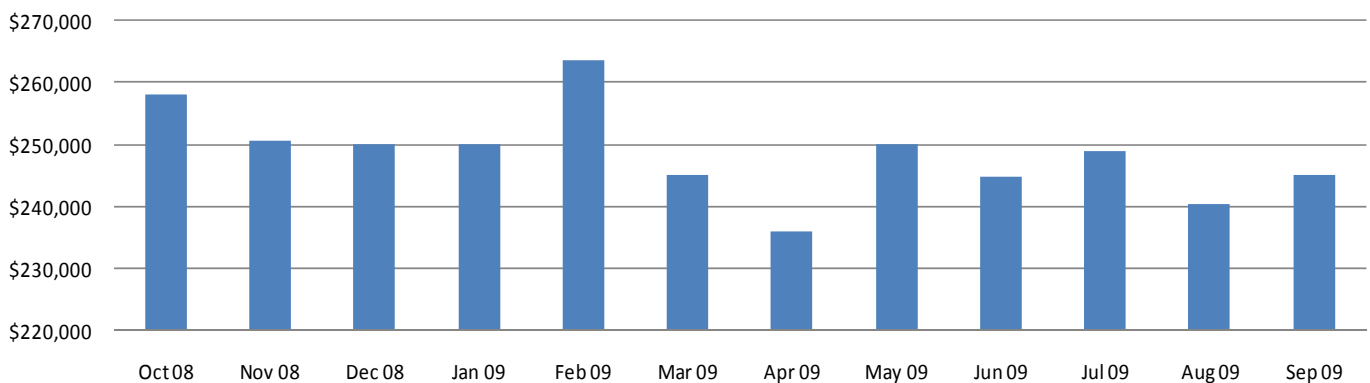


Median List Price is a valuable statistic for spotting market trends. Median list price reflects the median (middle) results of the most recently listed homes in the Northwest MLS. Listing prices are usually determined by examining recent sales history within the subject area, so a change in the median list price is generally a reflection of the overall market trend.

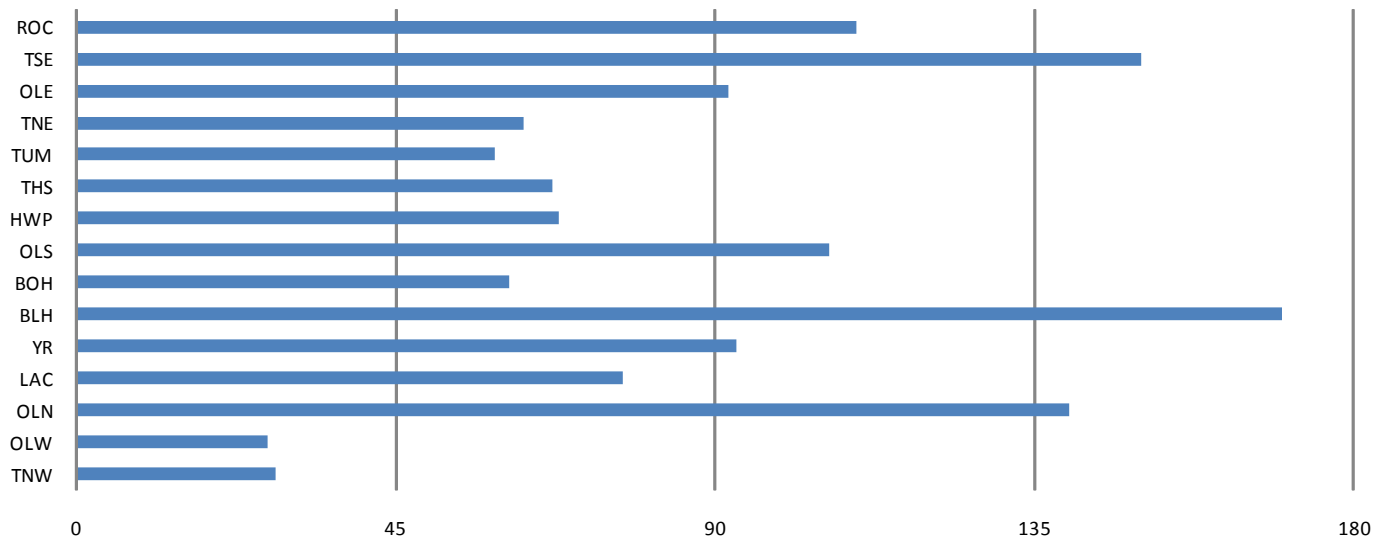
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Average sales price is a bellwether market indicator that gives us a sense of overall valuation trends as well as points to what price ranges are experience demand . We also track average sales prices, by MLS area, in order to help buyers get a sense of what areas fall within their budgets.

Median List Price

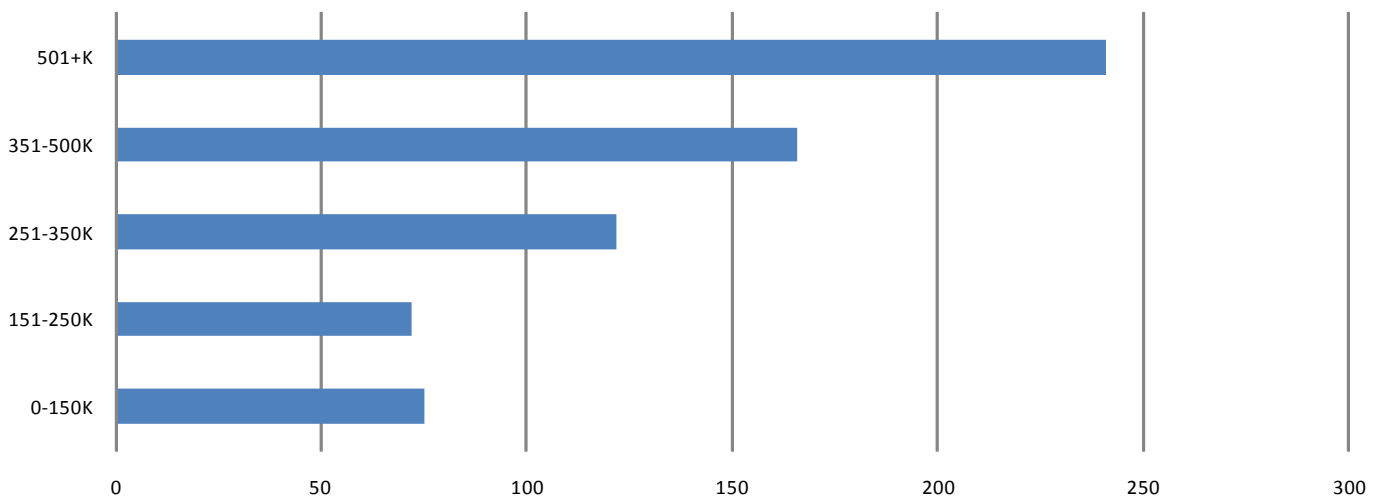


**Average Days on Market**

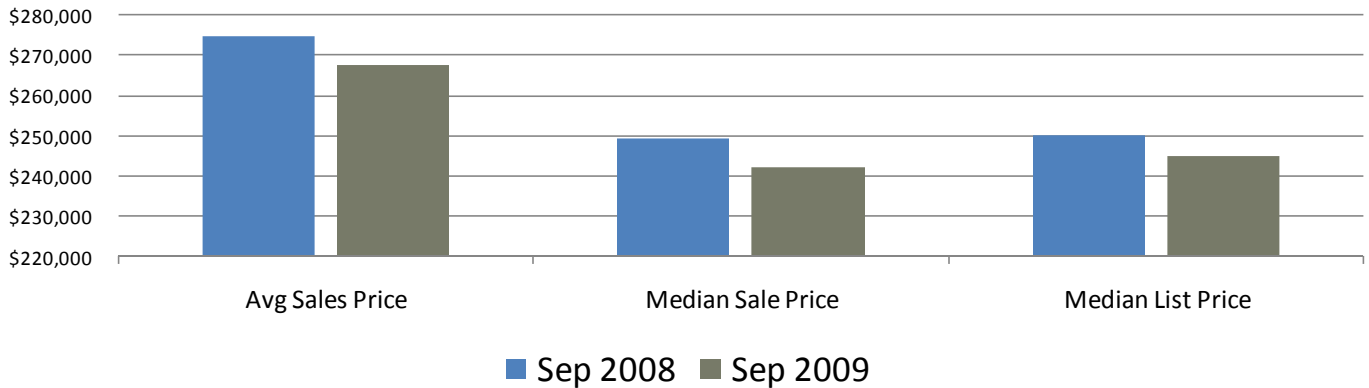


**Average Days on Market is a measure of the average number of days homes that sold in a particular month, were on the market before they went under contract. This statistic does not take into account those homes that are currently “Active” or “Under Contract”. This is a great statistic for getting a sense of what type of market we are in, higher numbers in this category point to a buyers market. Sellers can use this number in conjunction with the Median List Price trends statistic to get a sense of how well their home is priced.**

**Average Days on Market**



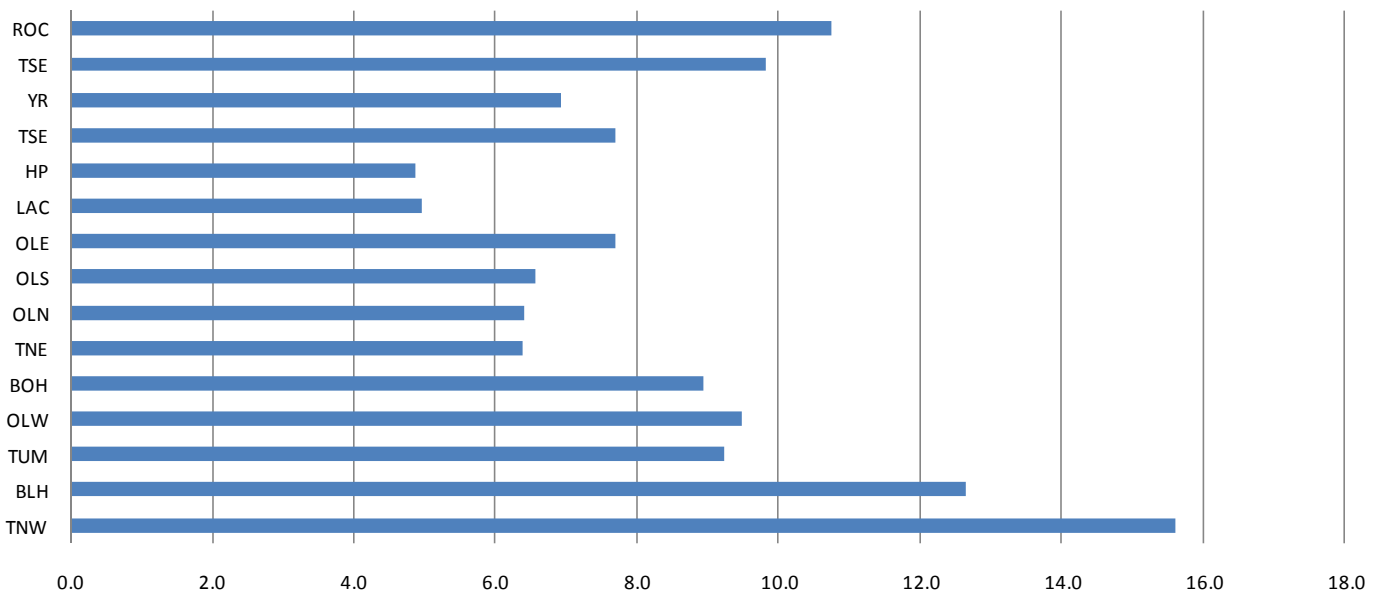
2008 vs. 2009

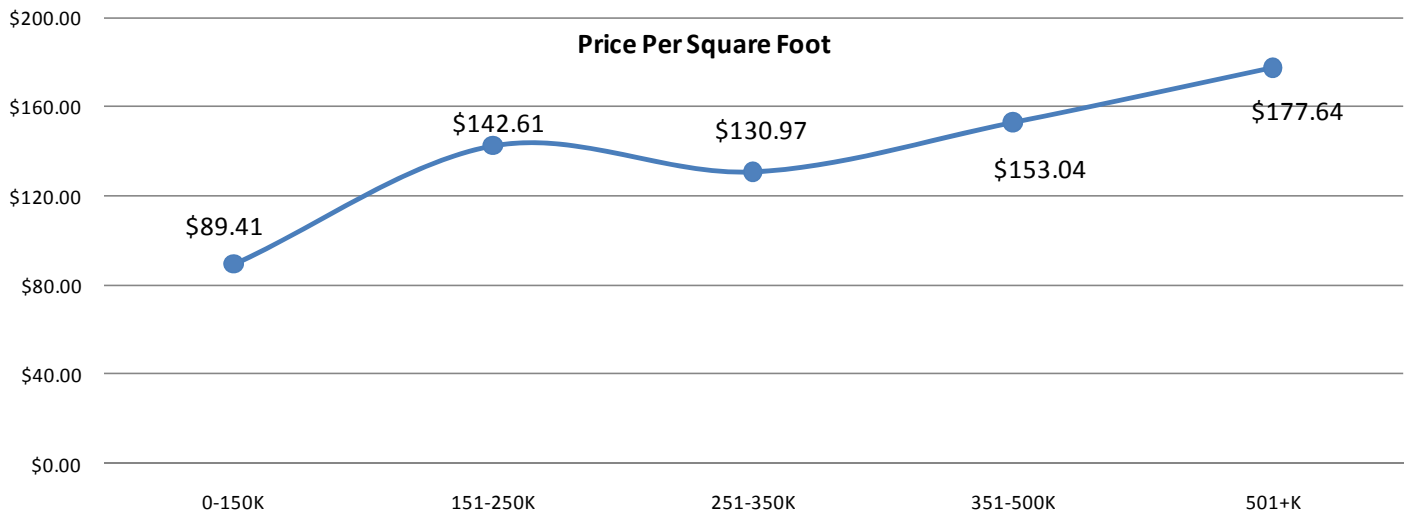


The numbers in September compared to a year ago show that struggles in the housing market continue. Sales prices and list prices are down, showing the market still leaning more towards a buyers market. We may also see the market continue to weaken in the short term depending on whether or not the First Time Homebuyers Tax Credit is renewed by congress.

Months of Inventory is a statistic calculated to measure the number of months it will take to sell all of the total active listings in a given region. We calculate this number by taking the total active listings in a region and dividing by the average sold per month (over the last year) within that region. This statistic is a pretty solid representation of which areas are “hotter” than others. It is also an extremely informative statistic for sellers to get a decent idea of what kind of wait they can expect while selling their homes.

Months of Inventory





Price per square foot is a difficult number to use, especially when looking at from an entire county's perspective. This measurement is most effective when doing an Apples to Apples comparison. Anyone that lives in Thurston County knows what a wide range of views, topography, vegetation and amenities this area has to offer. Since so much of the location factor is subjective, we really can't attach a price per square foot allowance to those types of attributes. Having said that, price per square foot is a good number to use for identifying those particular properties the might fall outside of a "acceptable" range. For example, if the average price per square foot in a neighborhood is \$78.00 and we find a home with a \$120.00 per square foot price tag, we are forced to do further investigation, the home might be truly exceptional or just, really overpriced for the square footage.

*On a Personal Note:*

*I hope you've found value in this report and that it can help give you confidence in any real estate decisions you choose or have to make. I truly believe life is a series of decisions and events that at the end of it all add up to our own absolutely unique experience, shared by many but exclusive to you. Sometimes the things that seem so small at the time end up being extraordinary and life changing in a way we couldn't and didn't imagine. Others, that seem so big, ultimately are but a stitch in time. One such decision will be whether or not you choose to use the services of my company. And, if you do, what you'll do with the money you save by doing so. It might be a trip to a distant country, a weekend trip to San Francisco with amazing hotels and food, maybe the beginning of a college fund. Whatever that decision is, one thing is for sure, you will indeed be able to make such a decision. That is why I started my company and that is my personal promise to you.*

*Nathan Peppin*