June 2018

Mariners are Hot! The Market is Not!

The Seattle Mariners haven't looked this good this late in the season since I was in high school. And I'm no spring chicken. 20-7 since Cano was suspended, we are winning games and in first place in the division. And it feels good.

The real estate market, on the other hand, is slowing way down. I see three factors:

1. Interest rates have risen 1% this year. Look at it like this: In January, a $3,000 mortgage payment would get you a $765,000 home. Now, it gets you $680,000. That's a big deal.

2. Seasonality – typically there is a slow down after the very hectic spring season. There was a frenzied atmosphere to February, March and April. It is normal for inventory to increase in May and June. In West Seattle there are twice as many homes on the market now as there were in the spring.

3. Affordability – prices have simply elevated to a point where many people have been priced out of the market and the number of buyers is getting smaller. I mean Amazon employs a lot of people. But the pool of 200k earners isn't infinite.

My advice: Panic. Everybody should just panic. Sell your homes ASAP for whatever anyone will give you. And just take off. Try and find a cult somewhere. Because, oh my goodness, Seattle real estate isn't moving up 1% every month forever. Just kidding. You should continue on. Live your life. Eat good food. And go to a Mariners game.