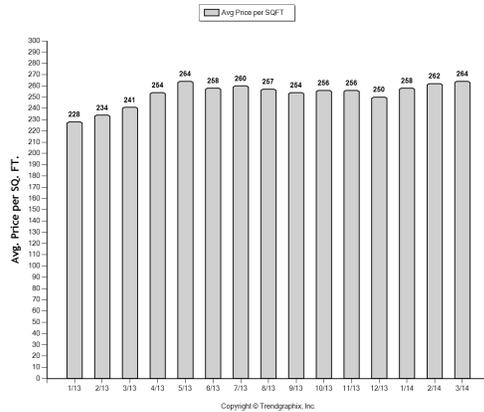


Metro Seattle Real Estate Market Update | Residential April 2014

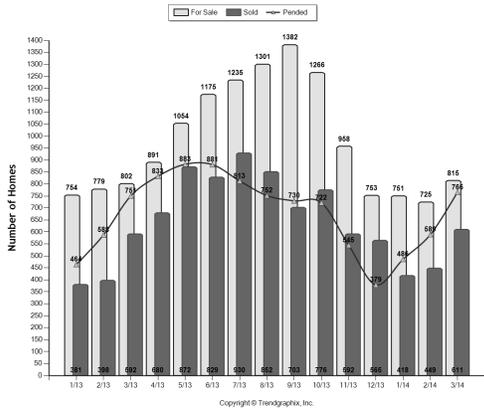
Windermere tracks key performance indicators to determine the current state of the market and to anticipate trends within Metro Seattle from West Seattle to Lake Washington and north to Shoreline & Kenmore. We trust that this data, combined with our expertise will help you to make sound decisions.

PRICE TRENDS



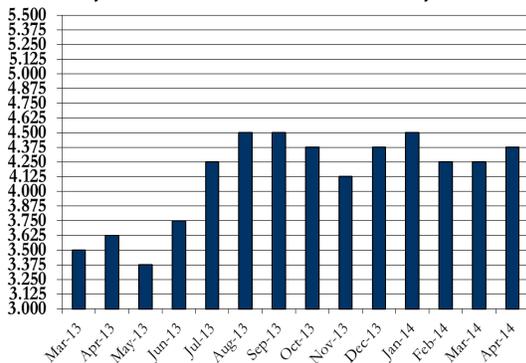
Prices, on a per square foot basis are up 9.4% from the same time last year, with the average sold price at \$535K, compared to \$501K for this time last year. First time buyers, relocation buyers as well as investors are competing to capitalize on housing affordability and favorable interest rates. Windermere brokers indicate clients' frustration with lack of inventory. Absorption rates are up 13.1% compared to the previous month, and up 1.2% compared to a year ago, confirming a tightening residential market.

MARKET ACTIVITY



The number of homes in pending status increased to 766 at the end of March, a bigger than 30% jump from the previous month. There are 1.1 months of housing inventory on the market, the same as for March last year based on pending sales. Average cumulative days on market for new listings was 39 days, down from 44 days for the same time period last year. The continued strong local employment market and new hiring for firms in the Metro area may be responsible for the high level of demand for housing.

Interest Rates: Rolling 13 Month 30 year fixed interest rate shown as of 1st business day of month



FINANCIAL MARKET TRENDS

Interest rates ticked up 125 basis points from March to 4.375%, after staying flat for the previous two months. The continued favorable employment data and the rising stock market also contribute to a positive economic outlook. If rates and prices continue to increase, Seattle's housing affordability index will be adversely affected. With the strong local economy, expect further pressure on housing as job seekers continue to relocate to Metro Seattle.