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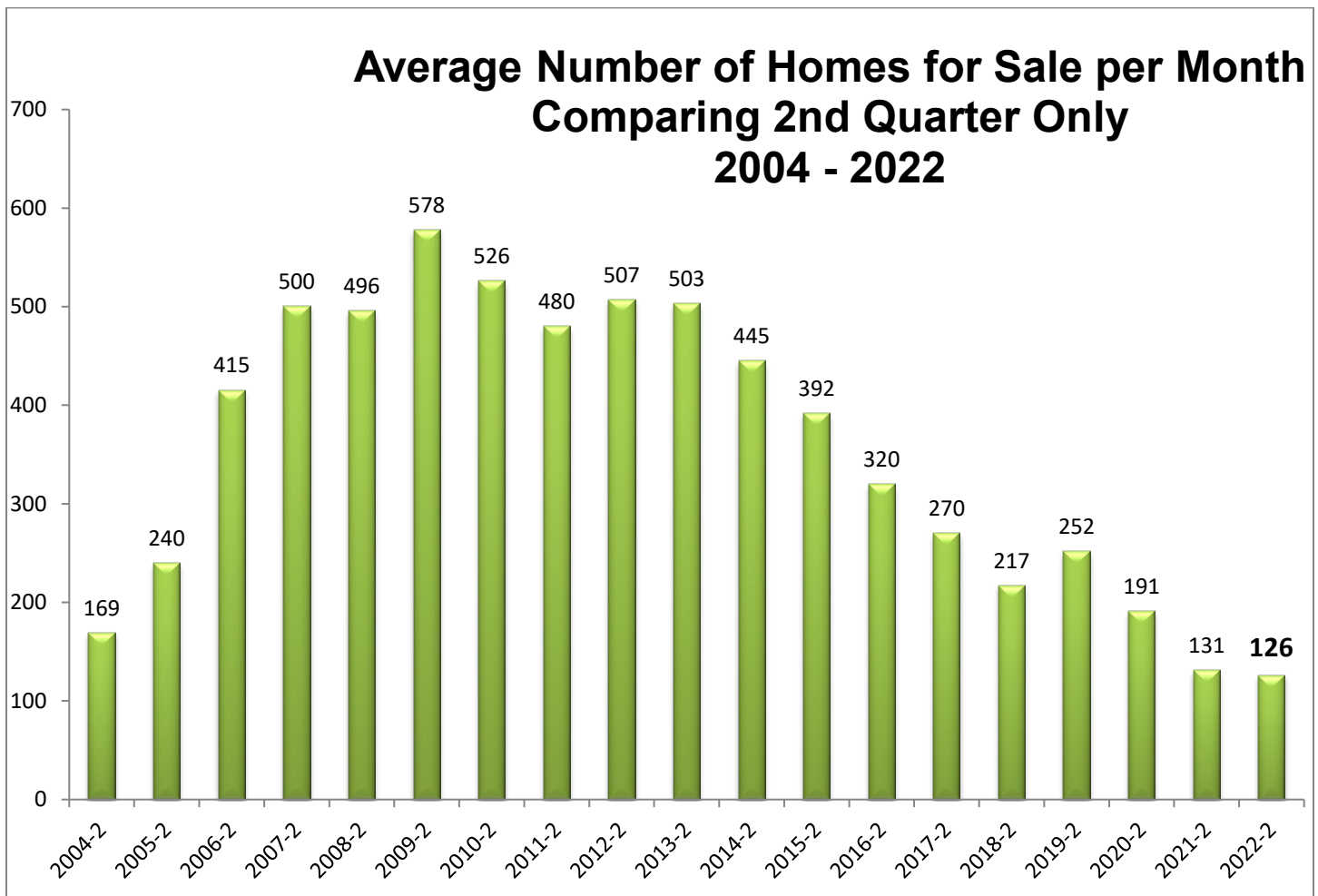
## 2nd Quarter 2022 Sequim Real Estate Report

**Residential Report** – Home Sales in the Sequim Area\* compiled from the Olympic Listing Service.

### Quarterly Median Sold Price Residences in Sequim 2005 - 2022



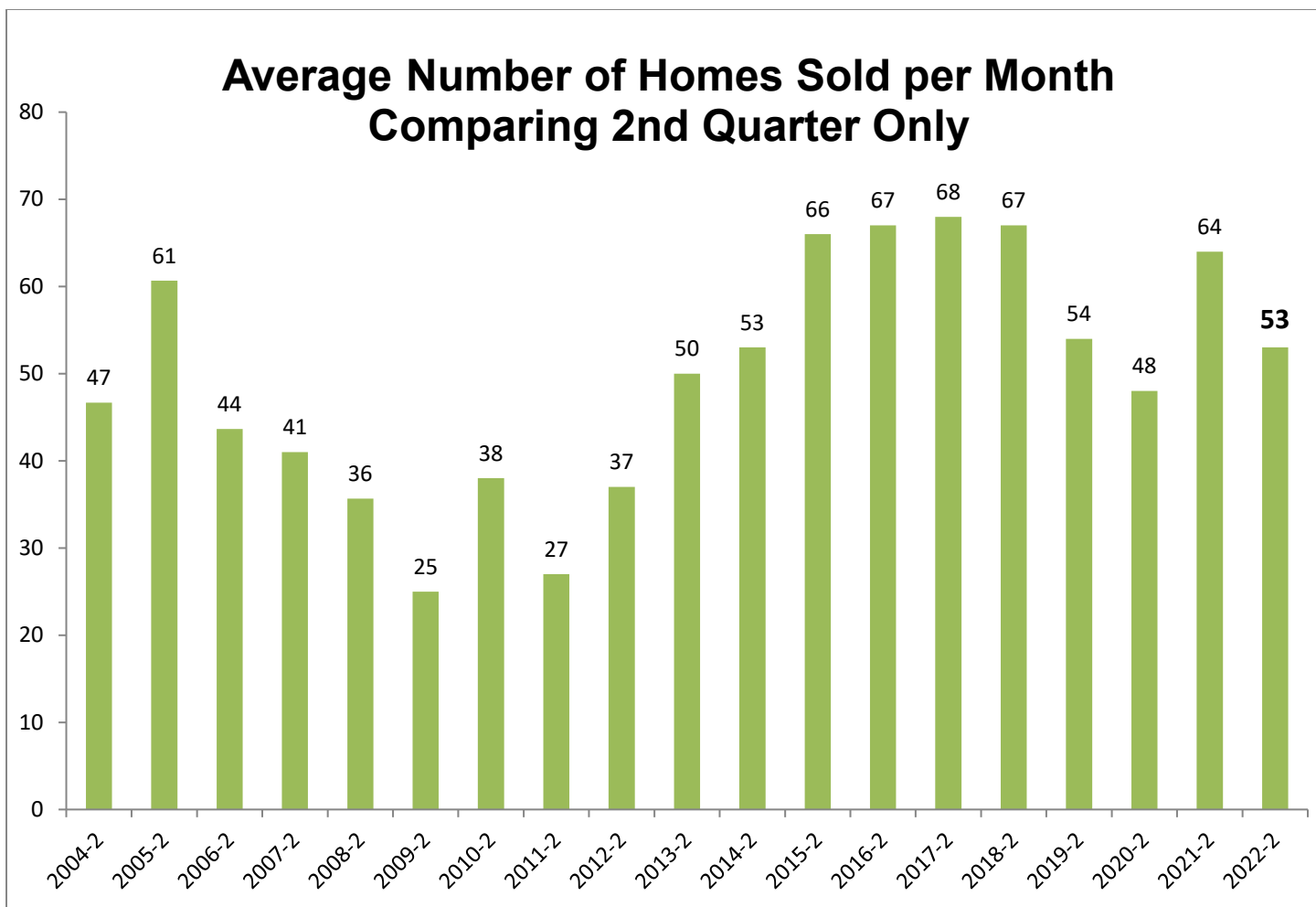
**Median Price** - The median sale price for the 2nd quarter rose to a record high \$575K from last quarter's all-time high of \$559K. That is a 15% increase over the past year. The median sale profile was: asking price of \$562K, 1781 SF on 0.38 acres, built in 1999, on the market for five days, sold at \$314/SF and at 102% of the last asking price. NOTE: Just three years ago the median price was \$349K; last quarter only 11 of the 160 home sales were under \$349K and only one of those was a site-built, single-family home. Also, the median sale price for the 54 home sales in June, the last month of the quarter, was \$552K, compared to April and May where the 106 sales went for a median price of \$578K. Small sample size? Yes. Likely market turn? Also, yes.



**Housing Inventory** – Like most markets, Sequim’s housing market follows seasonal trends: more inventory and sales in the warmer months and fewer when it gets colder. Because of this we like to compare like quarters in terms of inventory and volume. The record low inventory of 126 homes was down another 4% compared to the 131 homes for sale in Q2 of 2021. Will the inventory increase? That will be very interesting to track.

**Current Inventory** – As of the date of this report, there are 143 homes on the market in Sequim (up five homes compared to this time last year) with a median asking price of \$625K – a 15% increase over the median asking price of \$529K at this time last year. The average Days on Market for our inventory is 43 days and the median is 20. Currently, 53 of those 143 homes on the market are either under contract or are pending sales, leaving 90 homes to sell.

\*Sequim area is roughly defined as the Sequim School District boundaries stretching east just past the Jefferson County line and west to Blue Mountain and Lewis Rd., excluding homes on leased land. Data is collected from the Olympic Listing Service.



**2<sup>nd</sup> Quarter Home Sale Volume:** There were an average of 53 home sales/month over the second quarter of 2022, a 17% decrease in volume compared to Q2 of 2021. Even with the decrease, considering the historically low inventory, the sales volume numbers were still impressive.

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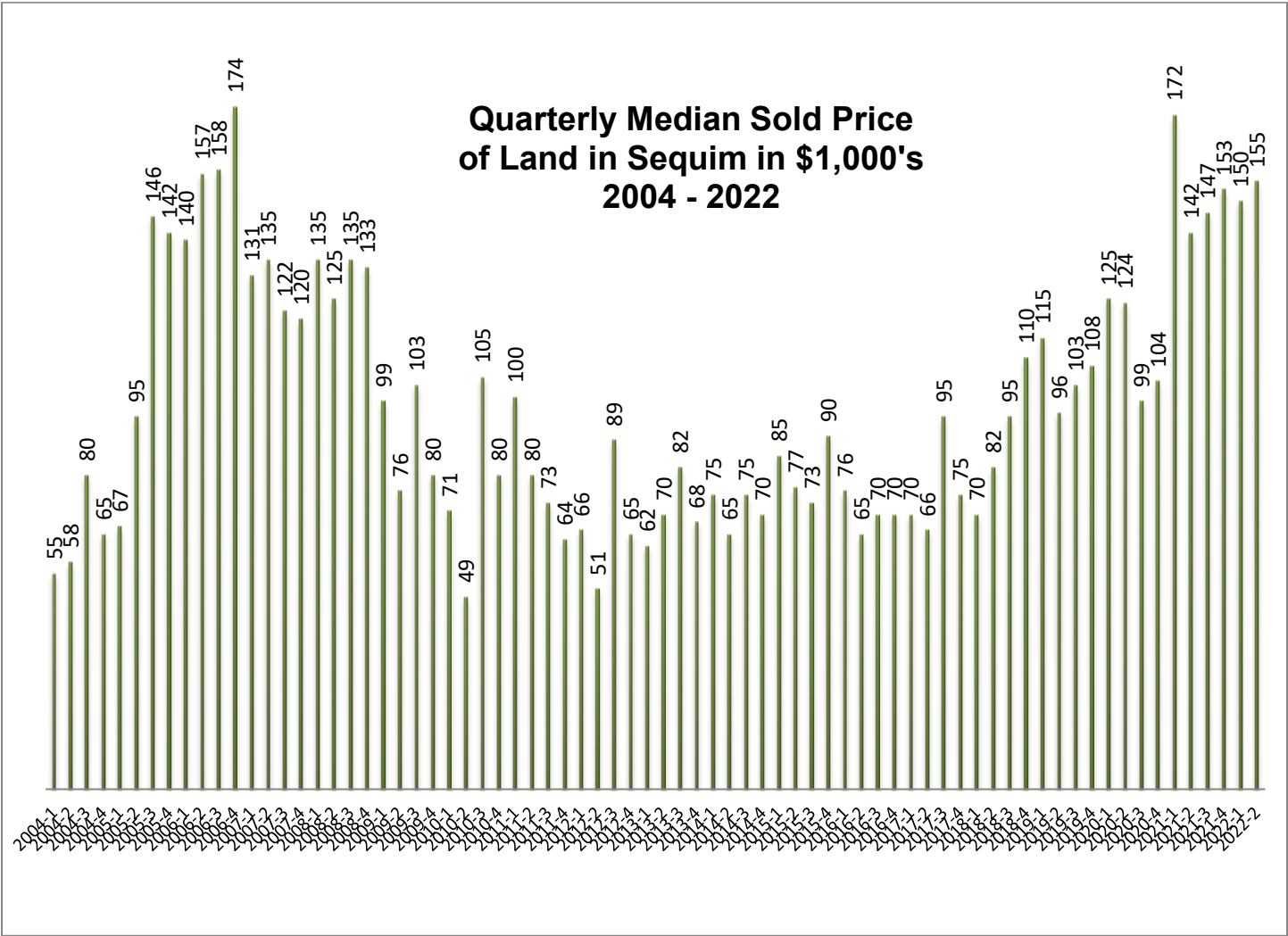
**What your money could buy in 2007 (the previous high),  
2011 (the low), and Q2 of 2022 (the new high) \***

Sale price and year	Square Feet	Lot Size	Year Built	View
\$250K in 2007	1510 sf	0.26 acre	1993	No View
\$250K in 2011	1892 sf	0.46 acre	1985	Mtn. View
\$250K in 2022	1062 sf**	0.29 acre	1971	No View
\$500K in 2007	2471 sf	1.23 acre	1995	S.W. View
\$500K in 2011	3172 sf	1.64 acre	1997	S.W. View
\$500K in 2022	1637 sf	0.28 acre	1997	No View
\$750K in 2007	3740 sf	2.75 acres	1996	S.W. View
\$750K in 2011	3848 sf	5 acres	1999	S.W. View
\$750K in 2022	2441 sf	0.75 acre	2002	Mtn. View

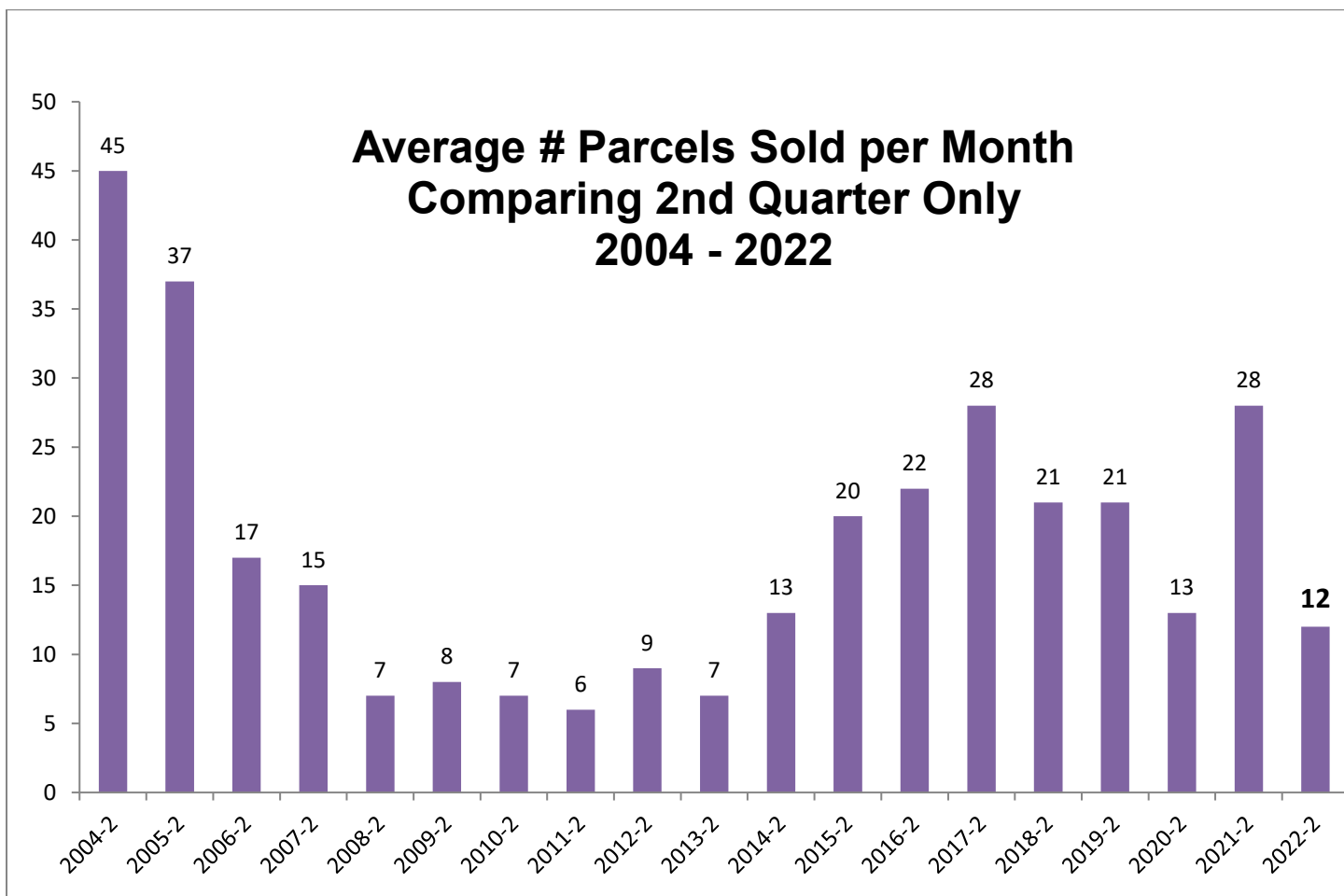
\*We examined a range of 15 – 20 home sales hovering above and below a median sales price of \$250K, \$500K, and \$750K over those 3 time periods.

\*\*The TWO homes that sold around \$250K in 2022 were pre '76 manufactured homes.

# Sequim Land Report

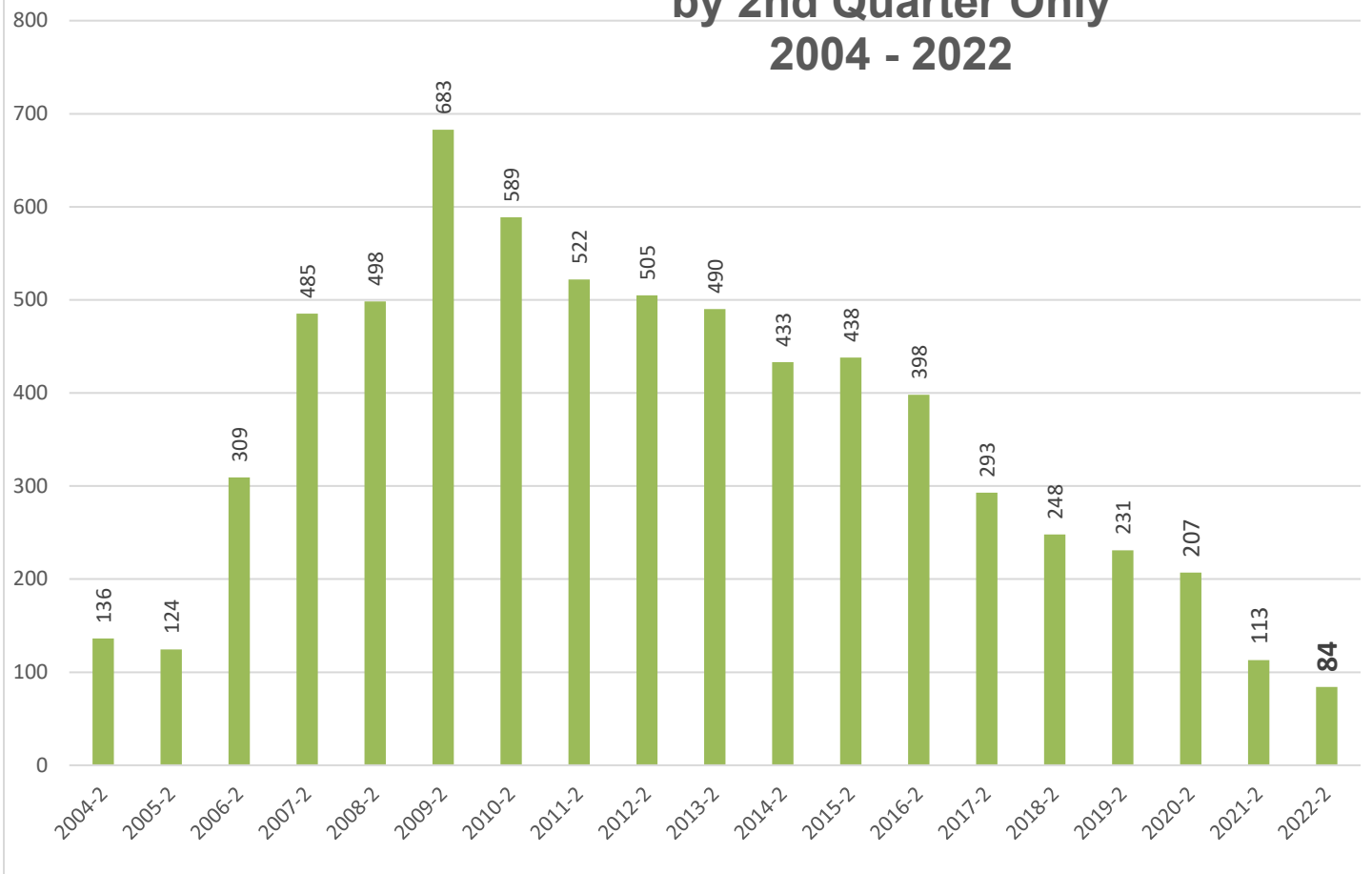


**Median Sales Price:** The median price for land rose to \$155K. That is the 2<sup>nd</sup> highest for a quarter over the past 15 years. The sales volume plummeted however as shown in the following chart. The average parcel sold at 97% of the last asking price. Building prices are still unusually high and a new added twist is that there is an unprecedented shortage of PUD transformer boxes which is having a major impact on new construction. If this shortage continues, it will greatly affect our local economy. Sequim's geography will ultimately limit the long-term supply of buildable lands and people who want to get their piece of Sequim seem motivated to buy before there's little left to choose from.



**Land sales volume:** There were 37 land sales in the second quarter, with an average of just over 12/month. That is the lowest number of land sales for a 2<sup>nd</sup> quarter in nine years. Of those 37 land sales over the 2<sup>nd</sup> quarter, 23 were in unincorporated Sequim and 14 sales were inside the city limits. The average time on market for those sales was 99 days on market and the median was 18 days on market.

## Average # of Parcels for Sale per Month by 2nd Quarter Only 2004 - 2022



**Inventory:** The land Inventory was down 26% with 84 parcels for sale which was the lowest inventory we've seen since Team McAleer began this quarterly report. Further, at the time of this report, there are only 92 parcels on the market – 15 of which are either under contract or pending leaving 77 parcels to sell. The current median asking price is \$175K and the median days on market for the active inventory currently sits at 114 days.

**Overall Sequim Real Estate Outlook:** The appreciation we've experienced over these past years seems to have come to a halt. Anecdotally, we have noticed a decrease in buyer queries for a few months now. The fed's raising of rates to try and curb inflation has certainly had an impact and the stock market tumble has also impacted buyers. What's hard to predict is how all of the above computes along with the record high equity for homeowners (unlike the previous '07 peak), the historically low inventory, and the fact that Sequim is still relatively affordable and incredibly desirable. Sequim's real estate will fair better than other markets in the short term and even more so in the long term in my opinion, but we do not sit on a magic economic island. I will be tracking these next few months closely.

Please call us if you have any questions and know that we are happy to assist you when you need help buying or selling real estate in our beautiful area.



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