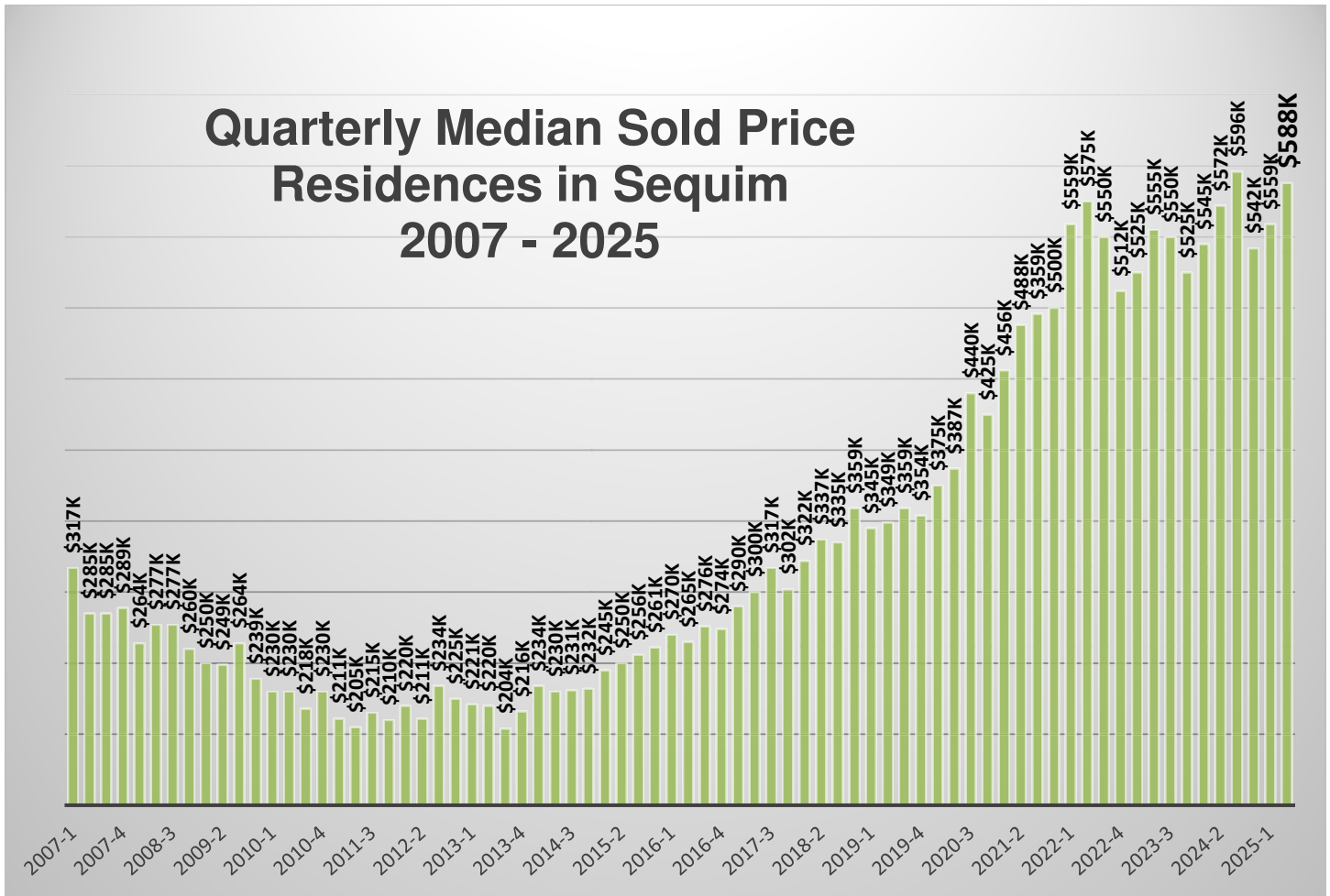




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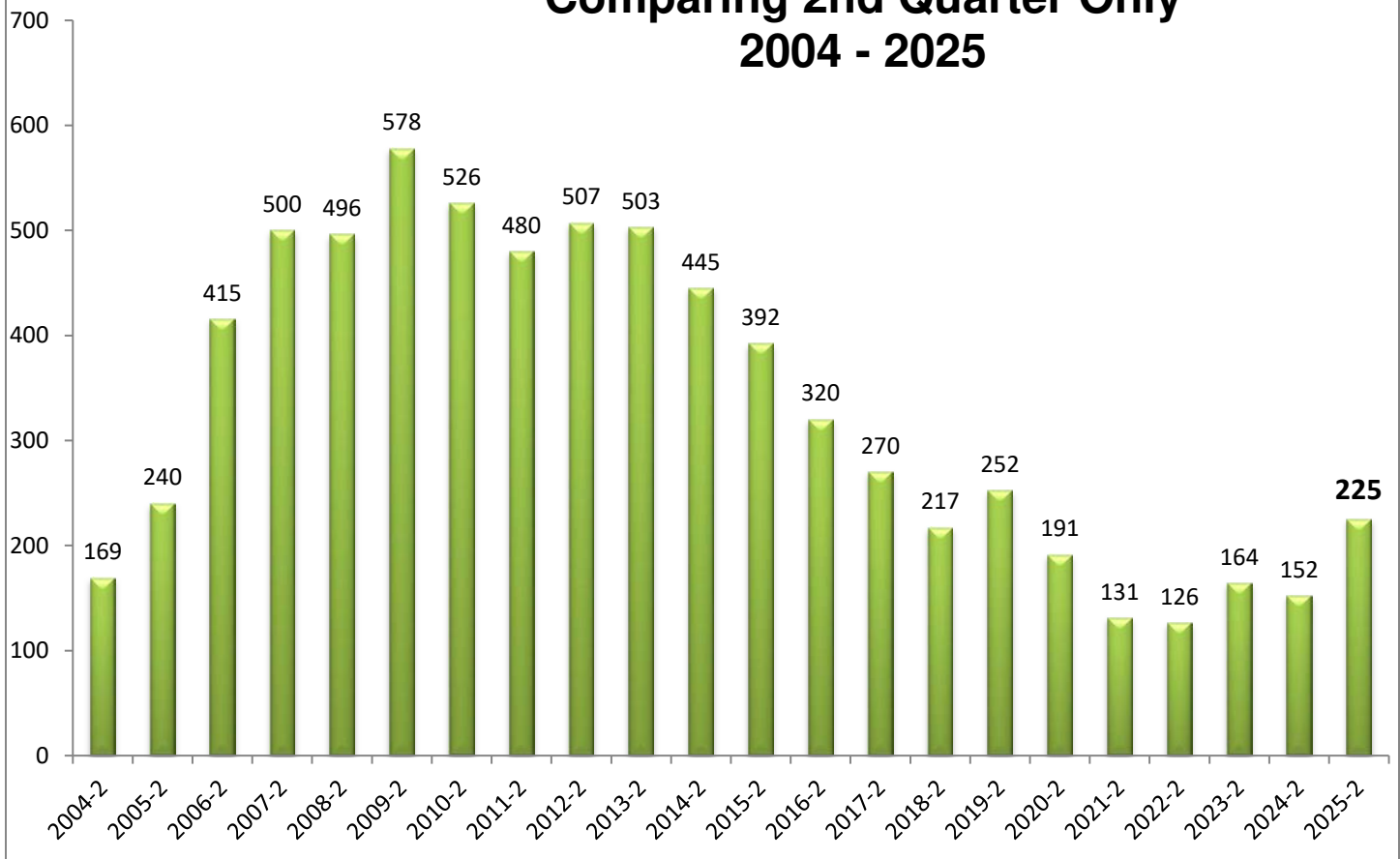
2nd Quarter 2025 Sequim Real Estate Report

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



Median Price - The median sale price for the 2nd quarter rose to \$588K, a 5% increase over the sales from the first quarter and the second highest ever recorded in Sequim. The median sale profile for those 142 home sales was: asking price of \$599K, 1784 SF on 0.62 acres, built in 1997, on the market for 10 days, sold at \$329/SF & at 98% of the last asking price. Last year 33% of the purchases of homes in the USA were paid with CASH, up from the 27% nationwide average from 2010 to 2020. In Sequim, over this past second quarter, a whopping 44% of the buyers paid cash.

Average Number of Homes for Sale per Month Comparing 2nd Quarter Only 2004 - 2025

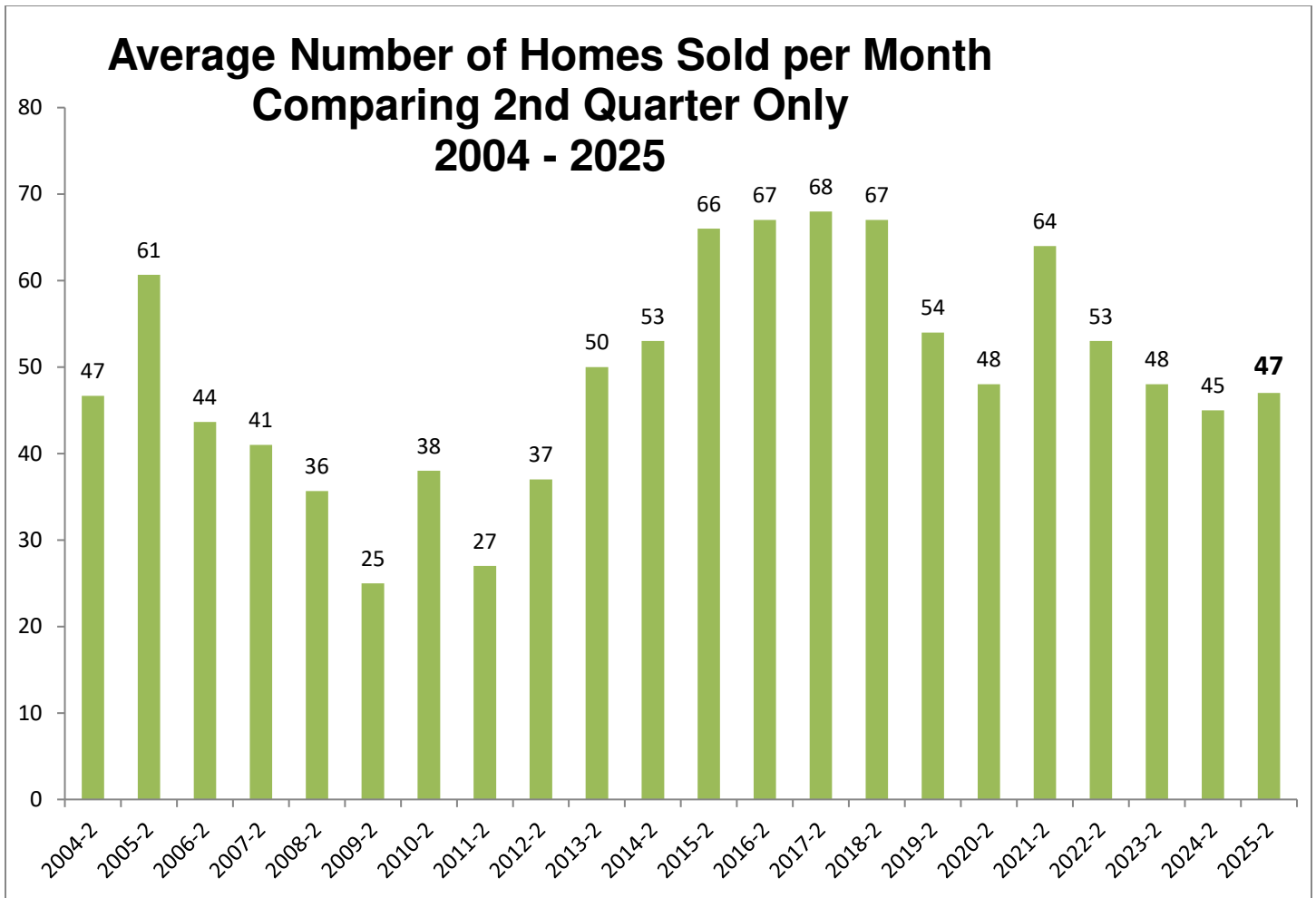


Housing Inventory – Like most markets, Sequim’s housing market follows seasonal trends: more inventory and sales in the warmer months and fewer when it gets colder. Because of this we like to compare like quarters in terms of inventory and volume. The rise in the number of homes for sale is the story of Q2 2025 with a 32% increase in homes for sale compared to Q2 2024.

Current Inventory – As of the date of this report, there are 248 homes on the market in Sequim (up 31% compared to the home inventory this time last year) with a median asking price of \$604K – a 12% decrease from the median asking price of \$685K at this time last year. The average Days on Market for our inventory is 71 days and the median is 49. Currently, 30% of our inventory (75 of the 249 homes) are either under contract or are pending sales. 48% of the current active homes on the market have lowered their asking price over the course of the listing.

*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.

Average Number of Homes Sold per Month Comparing 2nd Quarter Only 2004 - 2025



2nd Quarter Home Sale Volume: There was an average of 47 home sales/month (142 total) over the second quarter of 2025. That was a 4% increase in sales volume compared to Q2 of 2024 but the 2nd lowest for a second quarter since Q2 of 2012. That modest 4% increase in sales volume is very interesting considering there were 32% more homes on the market to choose from comparing Q2 of 2025 to Q2 of 2024.

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**What your money could buy in 2007 (the previous high),
2011 (the low), and Q2 of 2025 ***

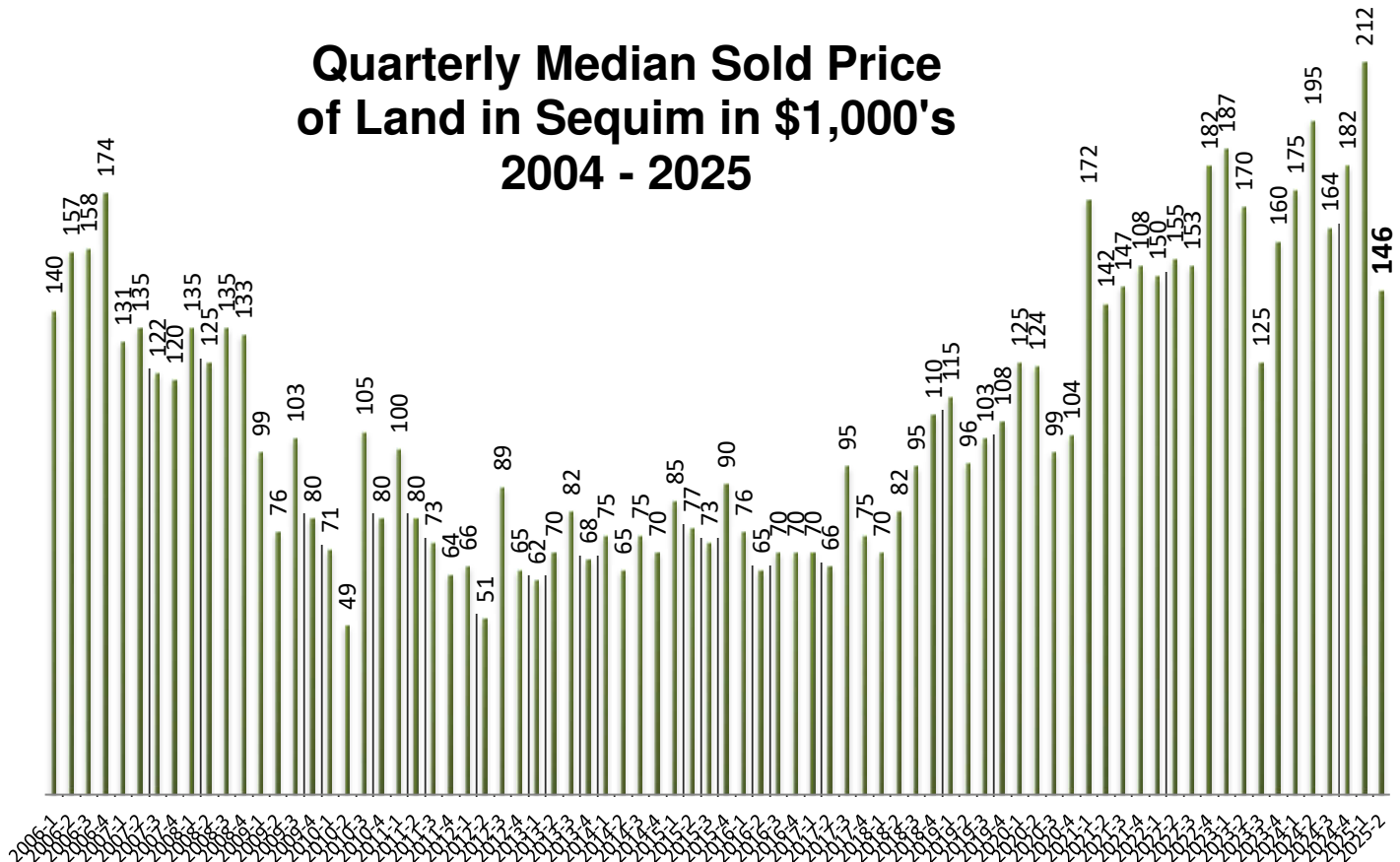
Sale price and year	Square Feet	Lot Size	Year Built	View
\$250K in 2007	1510 sf	0.26 acre	1993	No View
\$250K in 2011	1892 sf	0.46 acre	1985	Mtn. View
\$250K in 2025	990 sf**	0.94 acre	1976	No View
\$500K in 2007	2471 sf	1.23 acre	1995	S.W. View
\$500K in 2011	3172 sf	1.64 acre	1997	S.W. View
\$500K in 2025	1562 sf	0.26 acre	1996	Mtn. 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 2025	2243 sf	1.68 acres	2001	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.

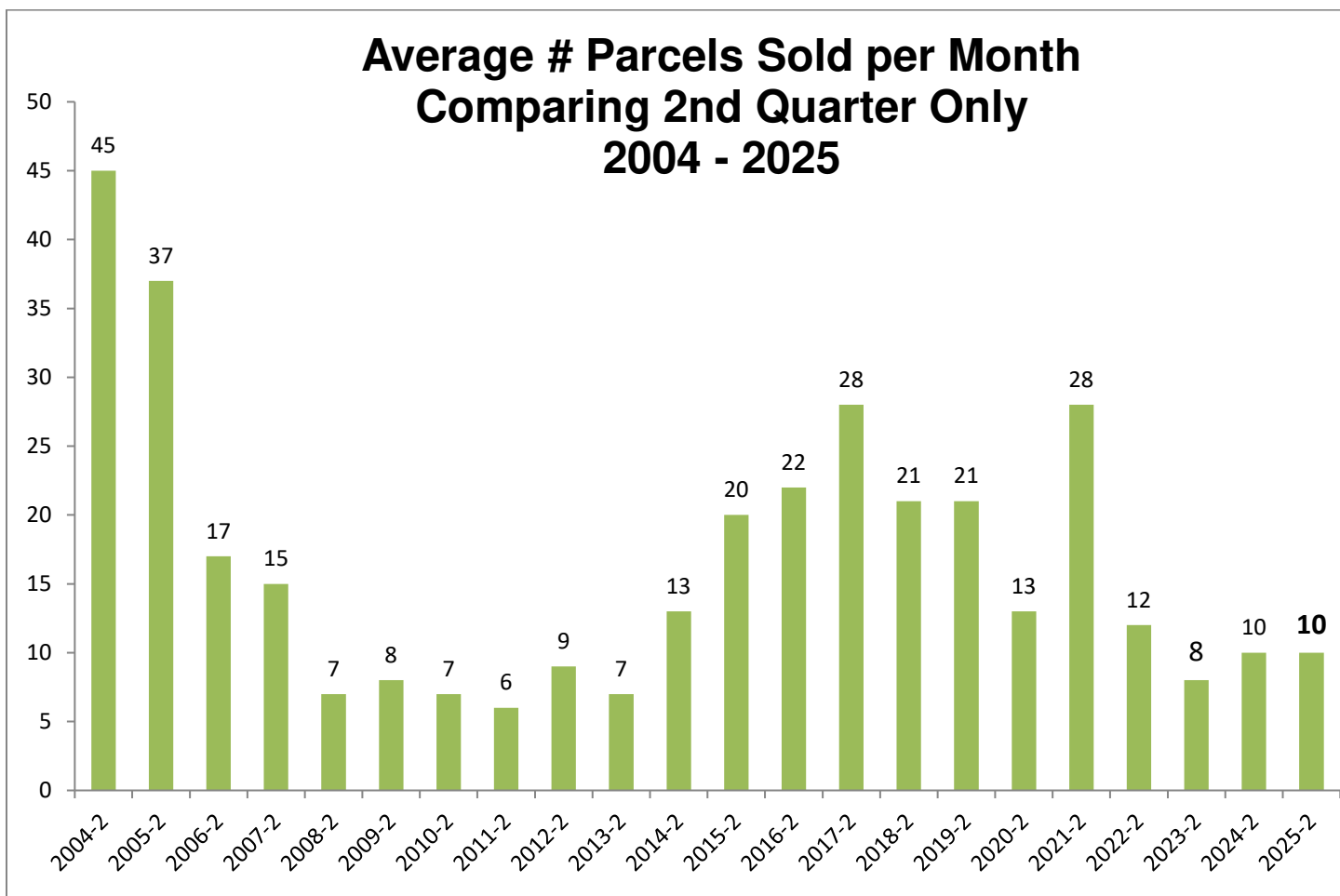
**The FIVE homes that sold between \$75K and \$296K were 3 older mobile homes, a stick-built tear down and a 1983 year-built 990 sf condo.

Sequim Land Report

Quarterly Median Sold Price of Land in Sequim in \$1,000's 2004 - 2025

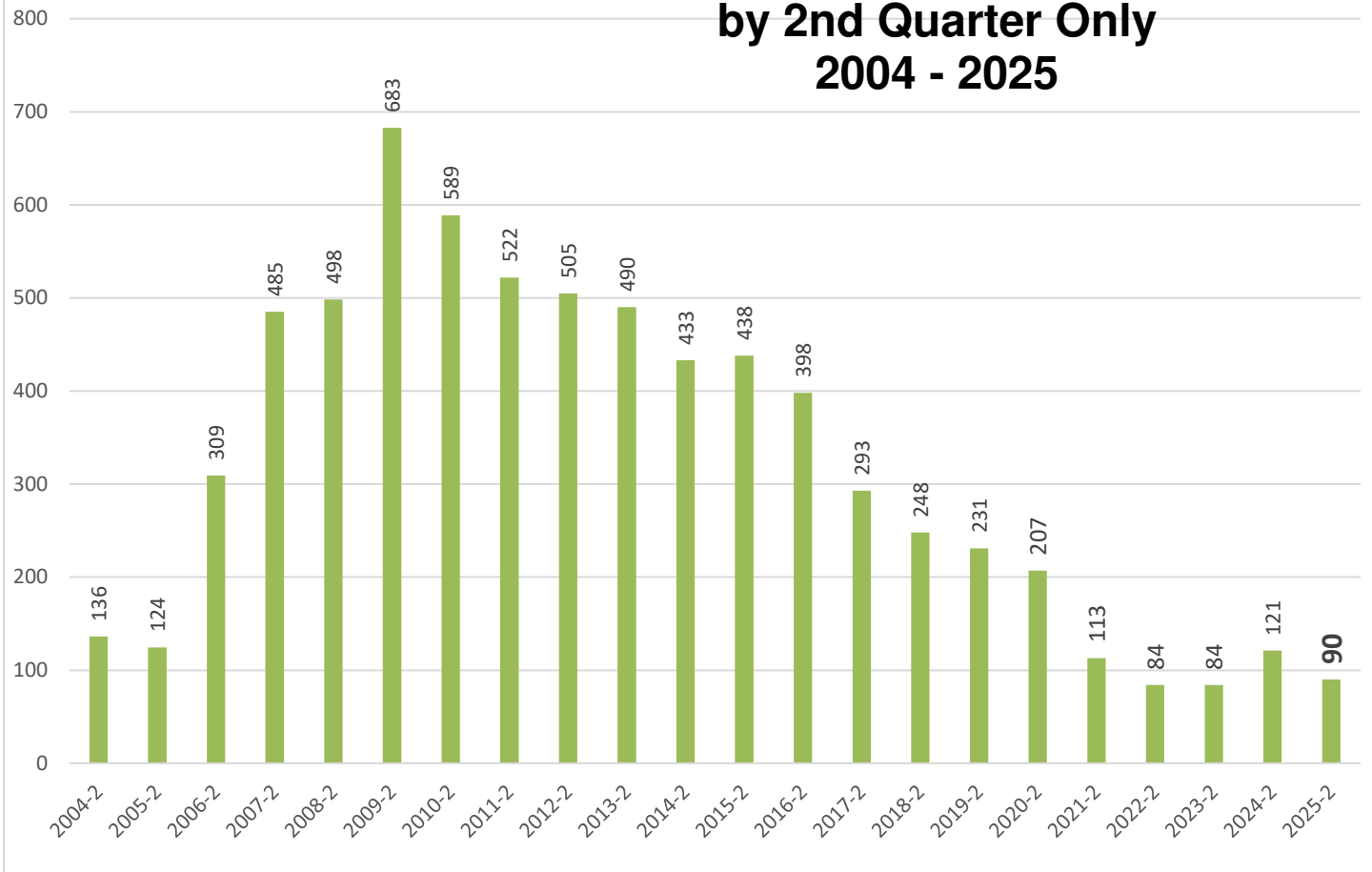


Median Sales Price: The median price for land in Q2 fell to \$146K. The sales volume held steady with 30 total sales. The average parcel sold at 97% of the last asking price. Building prices are still high but so is everything. It's really our lack of vacant land inventory that is keeping the sales volume down. 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 30 land sales in the second quarter, with an average of 10/month. That matches last year's Q2 but is still relatively low. Of those 30 land sales over the 2nd quarter, 23 were in unincorporated Sequim and 7 sales were inside the city limits. The average time on market for those sales was 49 days and the median was 10 days on market.

Average # of Parcels for Sale per Month by 2nd Quarter Only 2004 - 2025



Inventory: The land inventory fell to an average of 90 parcels for sale at the beginning of each month this past quarter. Further, at the time of this report, there are still 90 parcels on the market – 8 of which are either under contract or pending leaving 82 parcels to sell. The current median asking price is \$200K, the median size is 2.06 acres and the median days on market for the active inventory currently sits at 102 days.

Overall Sequim Real Estate Outlook: The 32% increase in the housing inventory comparing the Q2 of 2025 to Q2 of 2024 is a BIG increase but frankly our inventory was at historical lows and perhaps this is just a turn towards a healthier, more balanced market. 48% of our current active listings have lowered their asking price since coming on the market - perhaps that is a sign of something more significant. We'll see.

The fact that 44% of our sales this past quarter were paid for with cash is not surprising given the fact that our buyer market is driven by retirees who have had decades to build wealth. According to Lawrence Yun, Chief Economist for the National Association of Realtors, the median net worth of all US homeowners in 1980 was 25X greater than that of renters in the same year. Fast forward to 2025 and the median net worth of homeowners in the US is \$430K compared to \$10K for renters or, 43X greater. That current median net worth for renters today is actually \$400 less than the \$10,400 in 2022. Getting those renters into their first home and onto a path of building wealth seems to be more difficult than ever. Builders can't make the "affordable" home pencil and it is not worth the risk for them. The problem is real and there seems to be no natural market force, nor political will to fix it.

Putting 3% down on a \$588K home (Q2 median price in Sequim) at the current 6.7% interest rate, a borrower would have a monthly payment of \$4,725 including PMI, taxes and insurance. That's not feasible for the vast majority of our younger population given local wages. There are a few developments underway in Sequim, but the price points are around the median price which is out of reach for most of our younger workforce hoping to get into homeownership. If you are reading this and have some ideas on the matter, I encourage you to reach out to your local representatives...or run for office.

We remain grateful for our clients and feel so fortunate to be able to do business in an area as beautiful as ours here on the Olympic Peninsula.

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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