



John L. Scott | REAL ESTATE

2018 Housing
Forecast

Market Insights
on 2018
+ **J. Lennox Scott,**
Chairman & CEO

BELLINGHAM

Housing streak will continue in Bellingham in 2018

Similar to 2017, the Bellingham housing market is poised for another year of strong sales activity for new listings.

Buyers will be hungry immediately after the calendar turns, yet the number of new listings coming on the market will be relatively low until March. This will result in the continuation of multiple offer situations, especially for homes priced under \$300k.

We anticipate good home price appreciation in the more affordable and mid price ranges. Moving into spring, the number of new listings will grow and this will continue through the summer months. As the buyer pool gains access to a greater number of homes available for sale each month, we will experience dispersed buyer energy, which will flatten out price appreciation the second half of the year.



J. Lennox Scott

Chairman & CEO
John L. Scott Real Estate



Job growth and population growth

In 2017, job growth in Bellingham was 2.2% and 2018 predictions indicate that job growth will continue to be above the national average of 1.4%. With Western Washington University and proximity to Mount Baker, Bellingham is both affordable and attractive to outdoor recreationalists.¹ For new jobs, the fastest growing industry is the service sector.



Home interest rates to remain historically low

Interest rates are currently in the low 4s, and are being predicted to average in the mid 4s in 2018.² While this is a slight increase, interest rates will remain at historically low levels and this will preserve the purchasing power of buyers.



Tax Reform

In the more affordable and mid price ranges, impact is minimal. For the luxury market, please review your circumstances with a tax professional.

¹ Bureau of Labor Statistics, Bellingham, Wash.

² Interest rate data is from Lawrence Yun, Chief Economist and Senior Vice President of Research at National Association of REALTORS®.

Buyers

The housing market will continue to be challenging for buyers looking for homes in high demand areas and price ranges.

In order to compete with other qualified buyers, buyers need to position themselves to be leaders in the pack. The best strategy buyers can employ is to be Buyer-Ready, Day-One™. That means either being fully underwritten for a mortgage and/or leveraging your buying power with cash.

Sellers

During the winter market, the sales activity to new listings ratio is at its highest.

After the first of the year, the seasonal price appreciation boost kicks in. Whatever the season – as long as you are both buying and selling within the same market timing – the result is often the same net seller equity.

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