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## **LUXURY CONDOMINIUM SALES ABOVE \$1 MILLION RISE 177% IN KING COUNTY DURING Q1-2011**

### ***Increased Liquidity, Improving Consumer Confidence and Positive In-Migration Propels Trend***

**SEATTLE, WA. (April 5, 2011)** – Principals at Realogics Sotheby's International Realty released analysis today that illustrates a significant rise in condominium sales valued at more than \$1 million in King County. According to data obtained from the Northwest Multiple Listing Service, buyers closed on 23 such homes during the first three months of 2011 compared with just 13 in 2010. This volume of luxury condominium sales nearly matches the rate in 2007 when the housing market peaked in Seattle. Further analysis indicates another 13 homes are currently pending – a signal that a trend for luxury sales may actually be accelerating, suggests Dean Jones, Owner of Realogics Sotheby's International Realty.

“There's greater liquidity in the market now because contingent homebuyers that needed to sell a home to buy a condo are finding success, mortgage financing has loosened up for qualified buyers and an improving economic outlook has brought many buyers back from the sidelines,” says Jones. “There's also an increase in demand from out-of-state buyers who are purchasing for business, for lifestyle or both.”

Jones says he noticed a pick-up in demand almost immediately following the failure of I-1098, which would have imposed a state income tax in Washington. He also feels the extension of the Bush-era tax cuts further stoked confidence. “Buyers are starting to see the glass as half full, especially when considering the more unique properties that are in limited supply,” adds Jones. “It's having a thawing effect on the luxury home market and it's trickling down to other price points.”

The Washington State Department of Licensing reports a 25% increase in registrations for a Washington State drivers licenses as of March 2011 compared with the prior year (based upon a rolling 12-month period). A third of the 12,200 in-migrating residents relocated to King County, according to the report. California continues to represent the greatest net in-migration, comprising about 20% of the total new households in King County. Since 1982, nearly 800,000 Californians have cited Washington as their new principal address, followed by Oregon State at approximately 450,000 relocations.

“It’s really more than a trend - it’s a movement,” says Julie McAvoy, a Community Sales Director at Olive 8 who has also sold communities in Southern California and Arizona. “As baby-boomers retire we’ll see increased demand from buyers downsizing to condominiums and spending time in multiple homes in different states. They’re doing the math – no income taxes, sharpened prices, record low rates and a lock-and-leave lifestyle. Seattle is definitely on their radar.”

While demand has increased, supply has decreased. To be sure, no high-rise condominium has broken ground since 2007 when the housing market peaked and the global credit crunch deferred or canceled more than a dozen condominium projects in the pipeline. Currently 65 condominiums are listed for sale in King County that are priced over \$1 million.

“It’s safe to say Seattle was saved from overbuilding,” adds Jim Stroupe, a co-founding director of Realogics Sotheby’s International Realty and a top producing broker of The Stroupe Group, which specializes in condominiums. “The majority of the most premier, view-oriented units have been quietly absorbed. Inventories at the most preferred properties are finite and prices are firming up.”

By example, Fifteen Twenty-One Second Avenue, a 143-unit tower that averages nearly \$2 million per unit is now 77% sold with seven new sales pending during the past 45 days alone. Stroupe says the trend is evident at other luxury condo projects too. “Olive 8 has sold 19 homes since the New Year with only a few of the coveted northwest corner units remaining,” said Stroupe. “Likewise, Escala has effectively sold out of its larger west facing plans and 200 West Highland reportedly has just two of the 17 homes left. There’s a flight to quality and sales occur where the value is present.”

Signaling a potential shift in demographics, the top real estate sale in Seattle in 2010 was a “shell” penthouse condominium at The Four Seasons Private Residences, which sold for \$7.25 Million last October. This purchase generated a lot of attention because few sales above \$5 million have occurred in King County since the economic downturn, especially for a condominium.

“It was a spectacular transaction but it’s a spectacular property and always will be,” says Scott Wasner of Realogics Sotheby’s International Realty, the Sales Director of The Four Seasons Private Residences. “A truly distinctive condominium in the city is a lot like waterfront. Buyers are focused on securing the best properties because they’re not making any more of either.”

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**About Realogics Sotheby’s International Realty:** Representing a significant volume of new construction and resale property closings in the greater Seattle area, Realogics Brokerage, LLC (DBA Realogics Sotheby’s International Realty) has emerged as a leading sales and marketing company in the urban core with a fast growing resale network. The Realogics Group of Companies owns a long-term franchise within the Sotheby’s International Realty® network. Realogics Sotheby’s International Realty is independently owned and operated by Realogics, Inc. [www.RealogicsSothebysRealty.com](http://www.RealogicsSothebysRealty.com).

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**EDITORS NOTE:** Photography of projects and/or portraits of representatives referenced above is available upon request – please contact Michelle Poitevin at 206.448.5752.