

Residential Real Estate

Dave Retter

Retter &
Company

Sotheby's
INTERNATIONAL REALTY

Building the Tri-Cities

Statistics You Need To Know

Current Tri-Cities Real Estate Statistics as of 01/30/2016

Active Residential Listings 497

Last Year This Time 603

This Time In 2014 843

Contracts Written (U/C, SOLD) Information

Total Contracts Written YTD 4403

Last Year This Time 4214

This Time In 2014 3529

Sold/Closed Information

Number of Residential Sales YTD 4372

Compared to Last Year YTD 4126

2014 YTD 3486

Average/Median Sold SalesPrice \$245,693/\$225,429

Compared to Last Year YTD \$225,733/\$205,000

2014 YTD \$214,082/\$190,000

Average SOLD Days on Market 38

Compared to Last Year YTD 51

2014 YTD 70

New Construction Information

Active New Construction 155

Last Year This Time 156

This Time In 2014 169

Total New Construction Sales YTD 897

Last Year This Time 777

This Time In 2014 716

Average/Median Sold Price for New Const. \$312,823/\$298,000

Last Year This Time \$288,883/\$273,500

This Time In 2014 \$277,709/\$272,465

Date	LISTINGS							TL CONTRACTS						
	11	12	13	14	15	16	17	11	12	13	14	15	16	17
15-Jan	949	1115	1213	1108	765	574	476	114	84	112	97	109	110	113
	-203	-232	-255	-228	-163	-154	-161							
29-Jan	977	1128	1211	1120	857	566	429	188	171	224	218	219	274	247
New Construction	-204	-244	-261	-218	-174	-167	-156							
12-Feb	962	1141	1189	1120	881	556		291	306	327	330	371	423	
	-203	-242												
26-Feb	990	1131												
	-204	-239												
11-Mar	990	1181												
	-201	-239												
25-Mar	1004	1211												
	-204	-233												
8-Apr	1074	1241												
	-216	-229												
22-Apr	1112	1291												
	-217	-223												
6-May	1140	1291												
	-231	-219												
20-May	1181	1331												
	-234	-222												
3-Jun	1207	1391												
	-229	-233												
17-Jun	1216	1431												
	-222	-239												
1-Jul	1230	1391												
	-222	-230												
15-Jul	1355	1461												
	-265	-240												
29-Jul	1409	1471												
	-286	-234												
12-Aug	1421	1491												
	-286	-241												
26-Aug	1400	1481												
	-285	-251												
9-Sep	1393	1441												
	-280	-249												
23-Sep	1367	1451												
	-279	-244												
7-Oct	1332	1421												
	-278	-244												
21-Oct	1308	1421												
	-271	-242												
4-Nov	1247	1391												
	-248	-235	-247	-174	-156	-133								
18-Nov	1249	1367	1302	1097	733	578		2576	2717	2996	3212	3889	4037	
	-254	-246	-240	-181	-164	-132								
2-Dec	1183	1322	1240	1013	688	551		2662	2796	3078	3330	4019	4160	
	-240	-230	-229	-180	-159	-136								
16-Dec	1147	1293	1164	980	662	537		2753	2879	3191	3432	4116	4281	
	-241	-240	-222	-183	-166	-147								
30-Dec	1095	1239	1094	843	603	497		2832	2939	3244	3529	4214	4403	
	-226	-242	-219	-169	-156	-155								

Year-to-Date MLS Comparison on January 29th of Each Year



Source: PACMLS

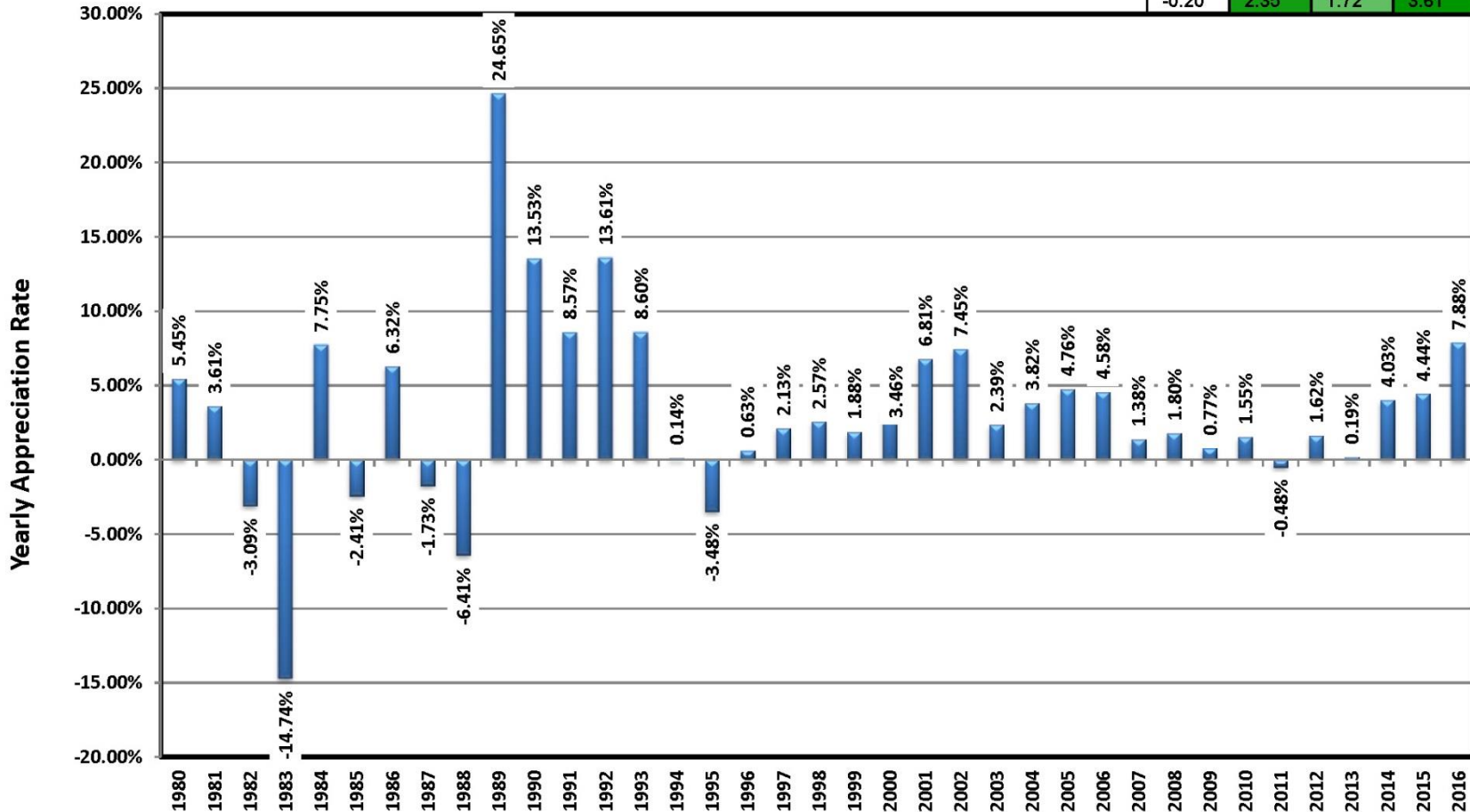


Annual Appreciation: Kennewick-Richland, WA

1980 - 2016 Home Price Index
(*Note: 2016 Appreciation Rates based on Jan-Sep data)

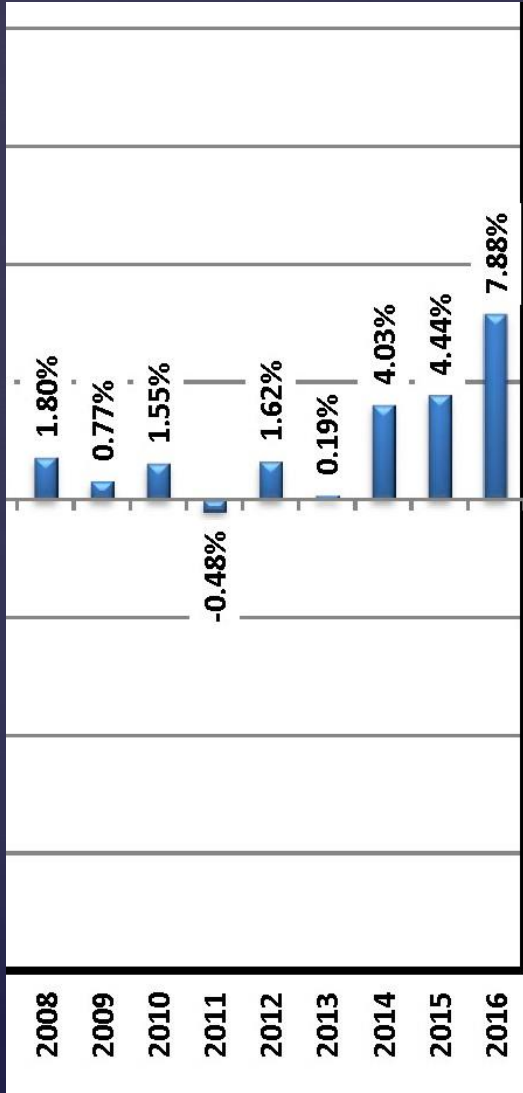
Recent Quarter Appreciation

4Q'15	1Q'16	2Q'16	3Q'16
-0.20	2.35	1.72	3.61

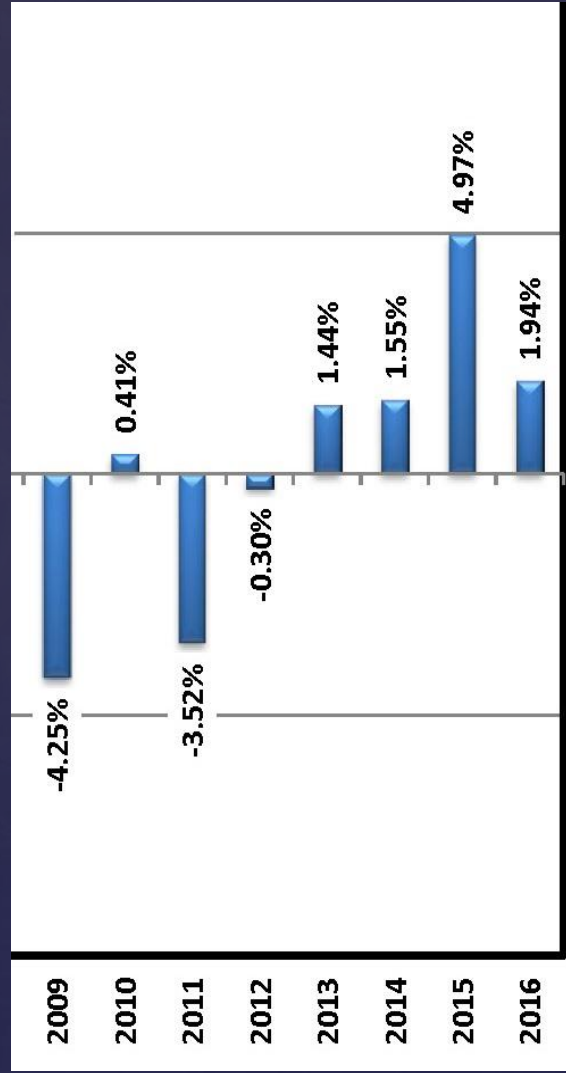


Data Reported: 12/3/2016, source: www.fhfa.gov

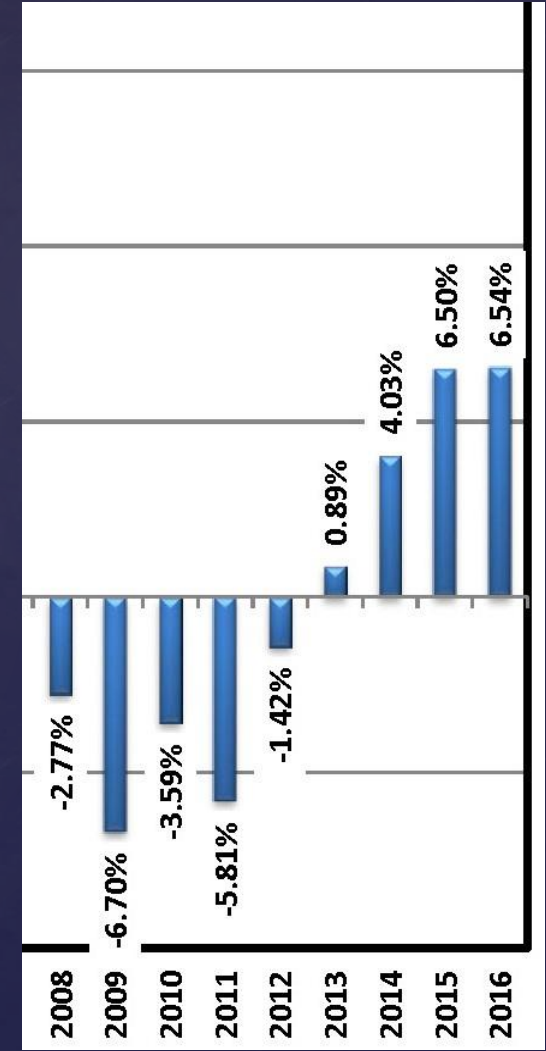
Kennewick-Richland, WA



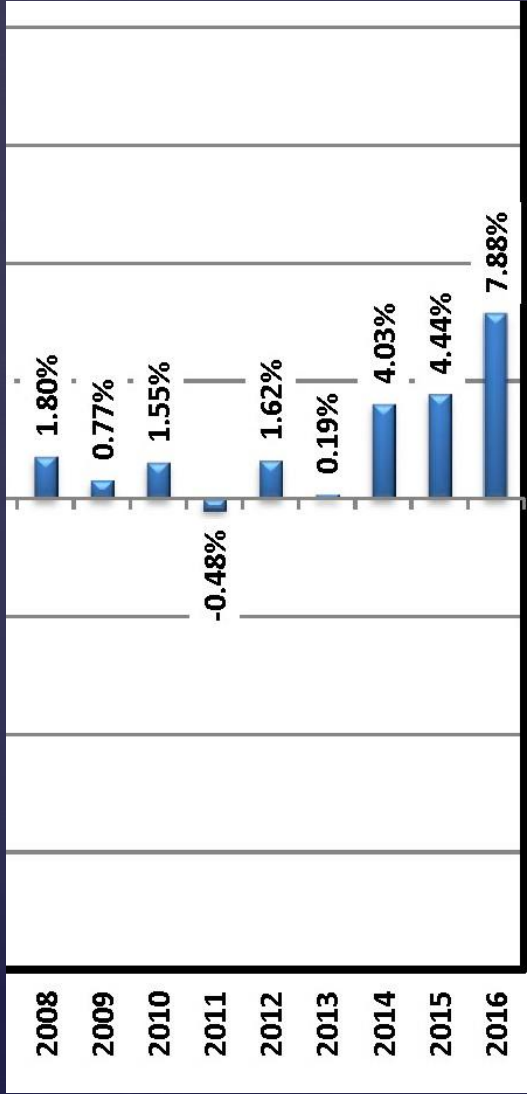
Yakima, WA



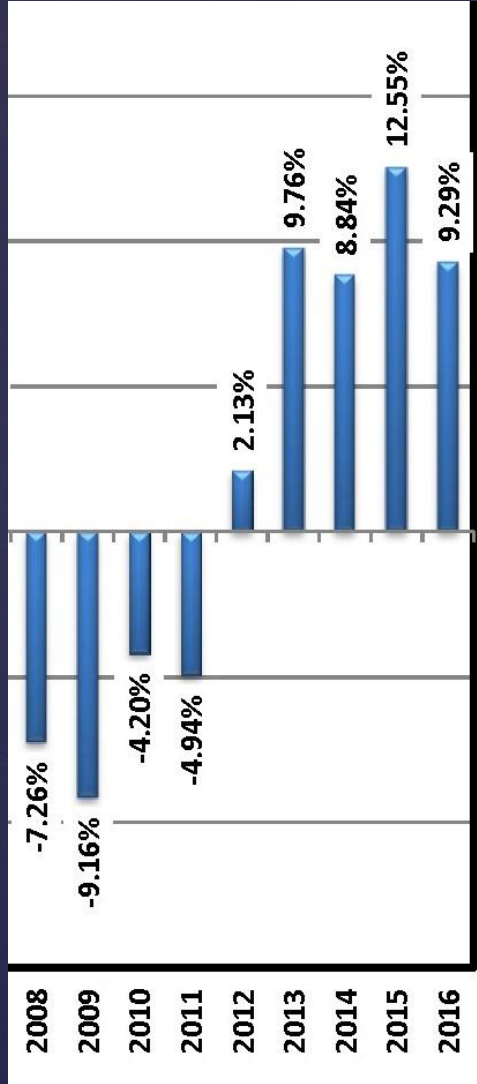
Spokane-Spokane Valley, WA



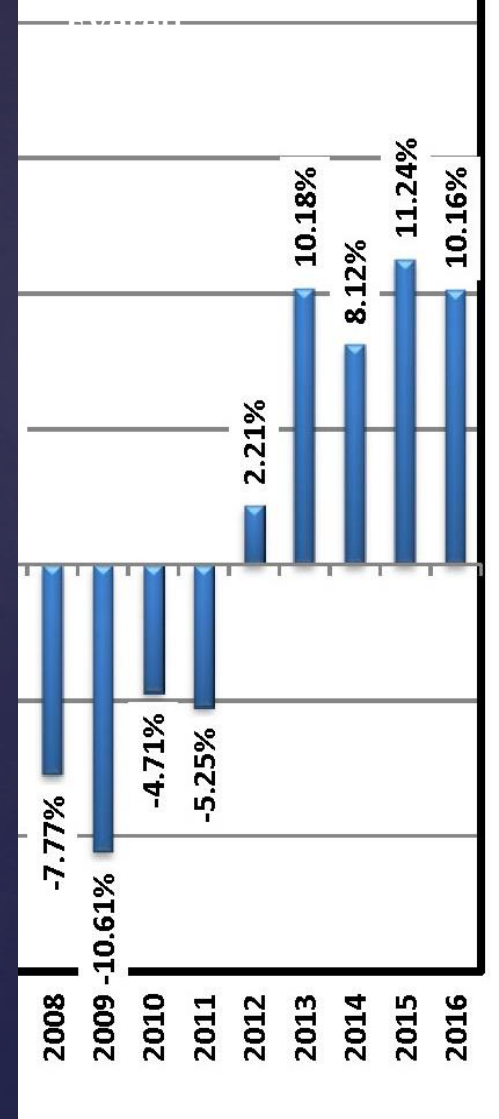
Kennewick-Richland, WA



Portland-Vancouver-Hillsboro, OR-WA



Seattle-Bellevue-



Trends for 2017

Chad Shriner

Marketplace Sotheby's Intl Rty

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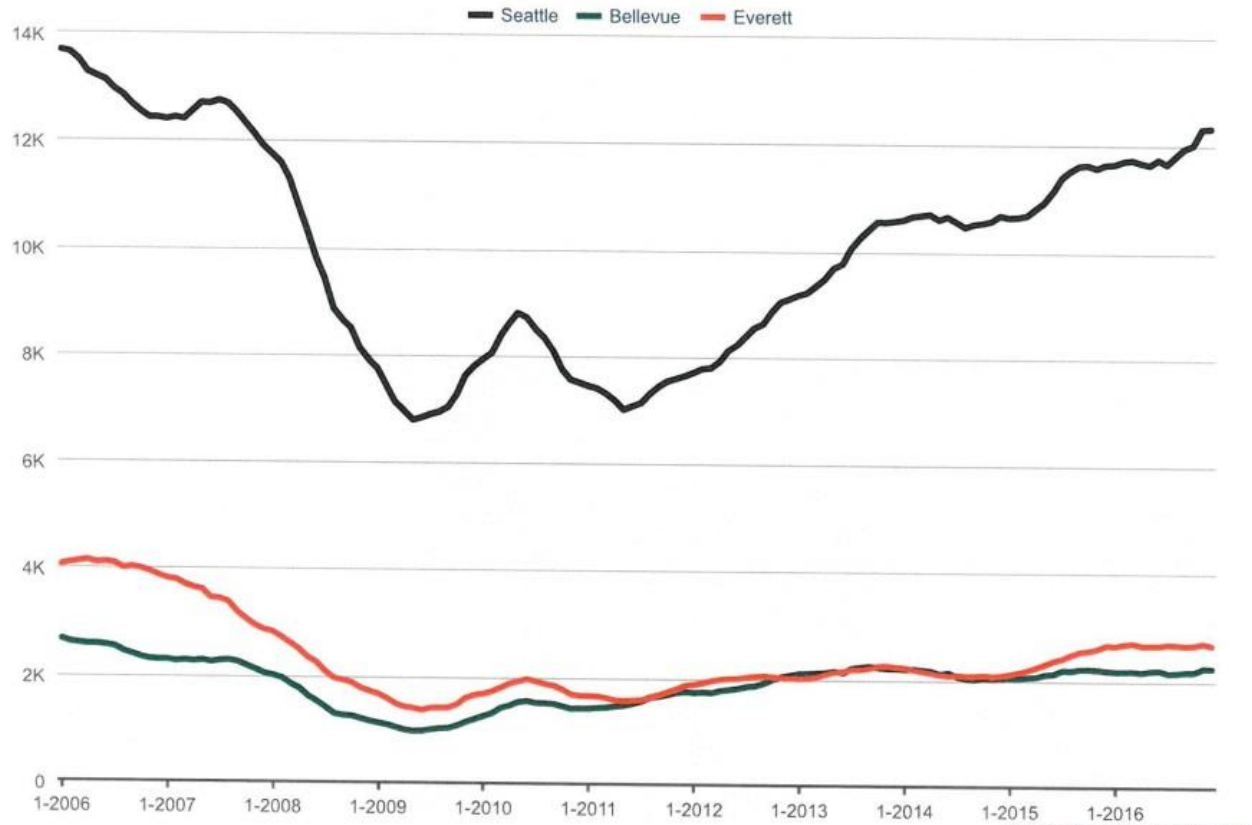
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Closed Sales



Each data point is 12 months of activity. Data is from January 31, 2017.

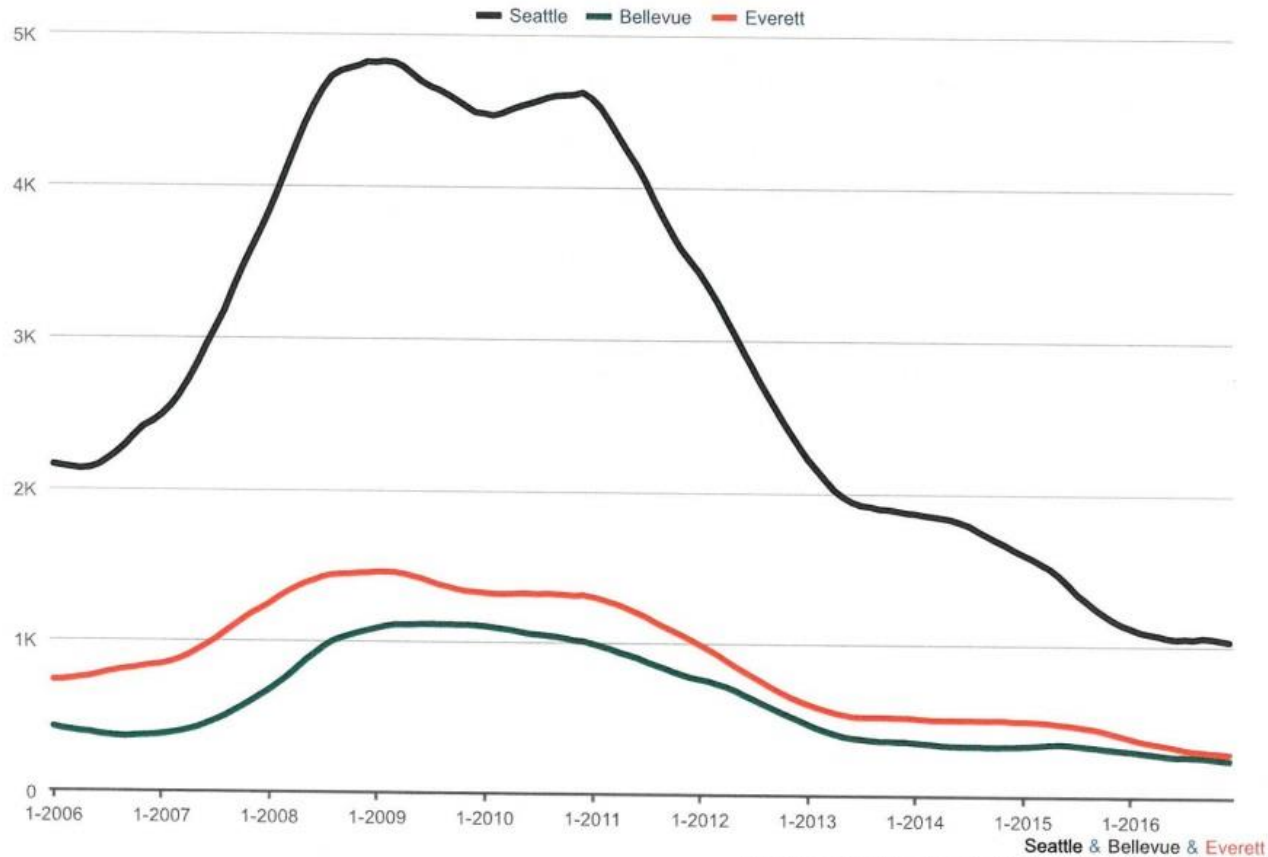
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Homes for Sale



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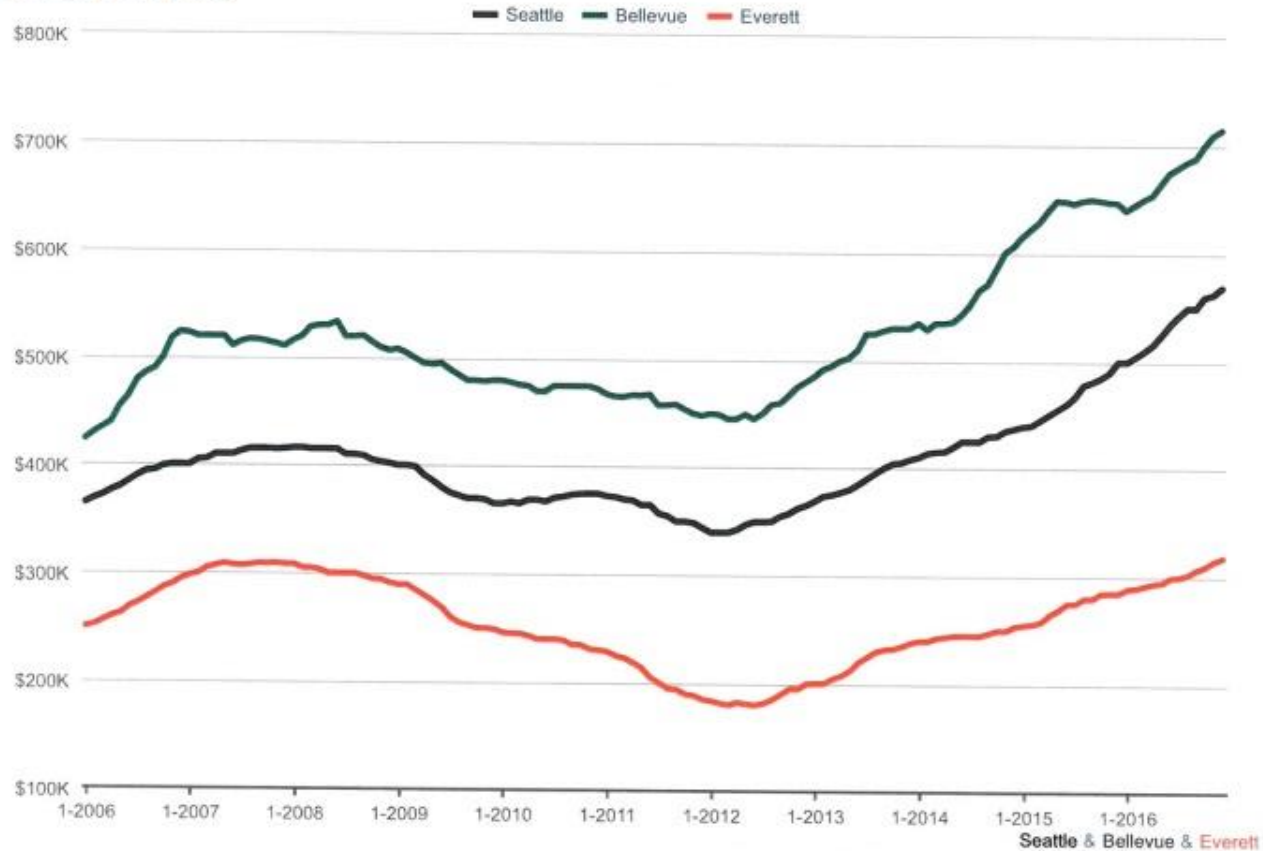
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Median Sales Price



Each data point is 12 months of activity. Data is from January 31, 2017.

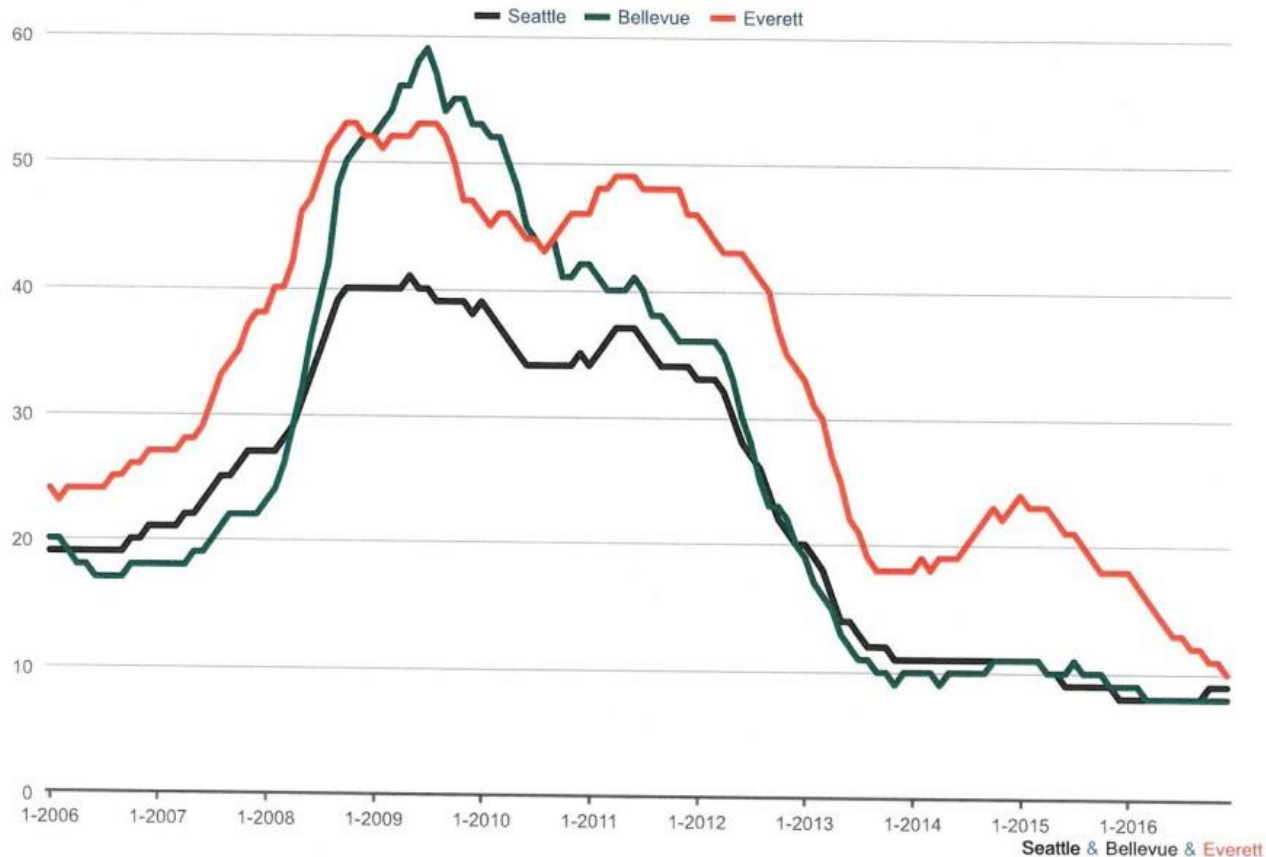
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Median Days on Market



Each data point is 12 months of activity. Data is from January 31, 2017.

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New Neighborhoods

Industry Challenges

Online Valuation Analysis

Sold Listings

Address	Sold Date	Sold Price	Zestimate	Difference
550 Ferrara Ln	12/30/16	\$502,950	<u>\$600,607</u>	19.4%
102616 N 1007 PR NW	12/2/16	\$520,000		
3010 E Lattin Road	12/5/16	\$527,500	<u>\$605,106</u>	14.7%
3500 W 42nd Ave	1/27/17	\$555,000	<u>\$657,254</u>	18.4%
1616 Verona Lane	12/9/16	\$567,790		
290 Riverwood Street	12/20/16	\$579,000	<u>\$732,175</u>	26.5%
175711 Rivers Edge Drive	12/9/16	\$643,380	<u>\$255,154</u>	-60.3%
1646 Salerno Lane	1/23/17	\$665,361		
17121 Snake River Route	8/15/17	\$695,000	<u>\$196,540</u>	-71.7%
76633 Country Heights Drive	1/12/17	\$784,500	<u>\$769,255</u>	-1.9%

Source: PACMLS

Provided by
 Zillow

Online Valuation Analysis

Sold Listings

Address	Sold Date	Sold Price	Zestimate	Difference
4206 Stafford Dr	1/20/17	\$303,416	<u>\$283,916</u>	-6.4%
1377 Cortland Ave.	1/26/17	\$318,000	<u>\$375,472</u>	18.1%
330 NW Terre View Dr.	1/20/17	\$320,000	<u>\$339,443</u>	6.1%
1004 Jacob Dr	1/25/17	\$327,500	<u>\$333,040</u>	1.7%
4705 W 19th Ave	1/17/17	\$331,000	<u>\$414,301</u>	25.2%
4813 Bighorn Drive	1/27/17	\$333,230	<u>\$317,187</u>	-4.8%
2688 Grayhawk Loop	3/1/17	\$361,083		
2972 Crosswater Lp	1/20/17	\$376,000	<u>\$412,625</u>	9.7%
11516 Easton Drive	1/18/17	\$386,302		
8802 W 6th Ave.	1/17/17	\$396,900	<u>\$464,918</u>	17.1%

Source: PACMLS

Provided by
 Zillow

Online Valuation Analysis

Sold Listings

Address	Sold Date	Sold Price	Zestimate	Difference
8411 Studebaker Dr.	1/26/17	\$200,000	<u>\$183,592</u>	-8.2%
1961 Pine St.	1/25/17	\$212,500	<u>\$268,891</u>	26.5%
3003 Hermandt Ct.	1/20/17	\$227,000	<u>\$262,822</u>	15.8%
6317 W Marie Street	1/27/17	\$237,600	<u>\$248,205</u>	4.5%
525 N Road 39	1/25/17	\$240,000	<u>\$245,965</u>	2.5%
2103 Diamond Head Way	1/25/17	\$251,500	<u>\$254,698</u>	1.3%
218 Timmerman Drive	1/20/17	\$255,000	<u>\$290,242</u>	13.8%
509 Buckboard Ct.	1/25/17	\$267,000	<u>\$297,176</u>	11.3%
2719 Chelan Loop	1/19/17	\$274,227	<u>\$339,544</u>	23.8%
1860 Liberty Rd	1/25/17	\$282,250	<u>\$349,079</u>	23.7%
1030 SW Marcia Dr.	1/23/17	\$299,000		

Source: PACMLS

Provided by
 Zillow

Online Valuation Analysis

Sold Listings

Address	Sold Date	Sold Price	Zestimate	Difference
602 E 8th ave	1/20/17	\$115,000	<u>\$117,699</u>	2.3%
624 N Cedar Avenue	1/17/17	\$134,900	<u>\$140,337</u>	4.0%
615 S Hawthorne Place	1/17/17	\$149,900	<u>\$157,954</u>	5.4%
7205 N Road 44	1/26/17	\$155,000	<u>\$245,929</u>	58.7%
206 Davenport Street	1/17/17	\$160,000	<u>\$172,654</u>	7.9%
509 Birch Ave.	1/24/17	\$171,000	<u>\$182,617</u>	6.8%
6121 W Park St	1/27/17	\$189,900	<u>\$193,807</u>	2.1%
913 S Buchanan Street	1/30/17	\$195,000	<u>\$233,924</u>	20.0%
5614 Westport Ln	1/27/17	\$199,000	<u>\$196,274</u>	-1.4%
5707 Belmont Dr	1/20/17	\$200,000	<u>\$204,135</u>	2.1%

Source: PACMLS

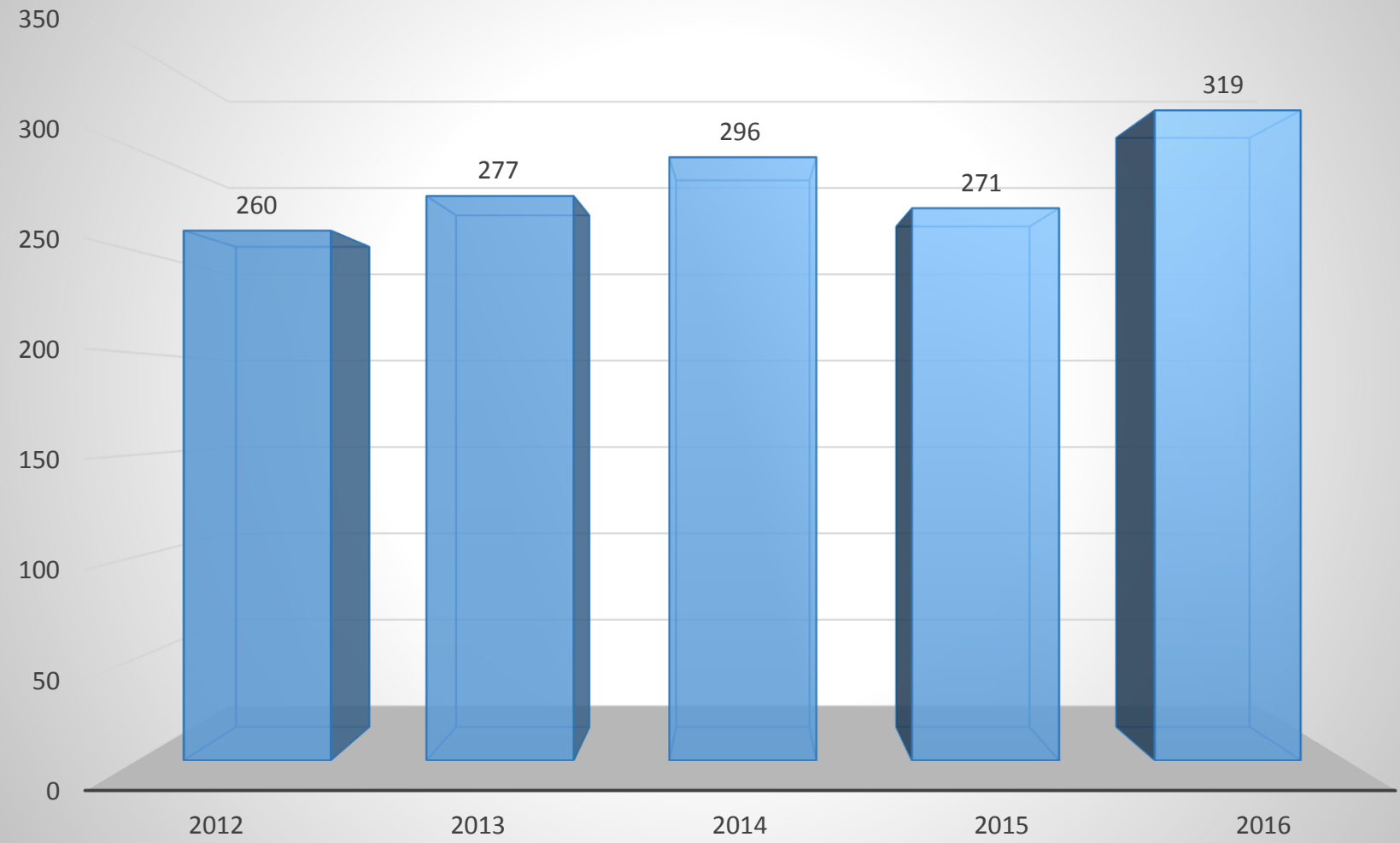
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Population Compared to Number of Transactions

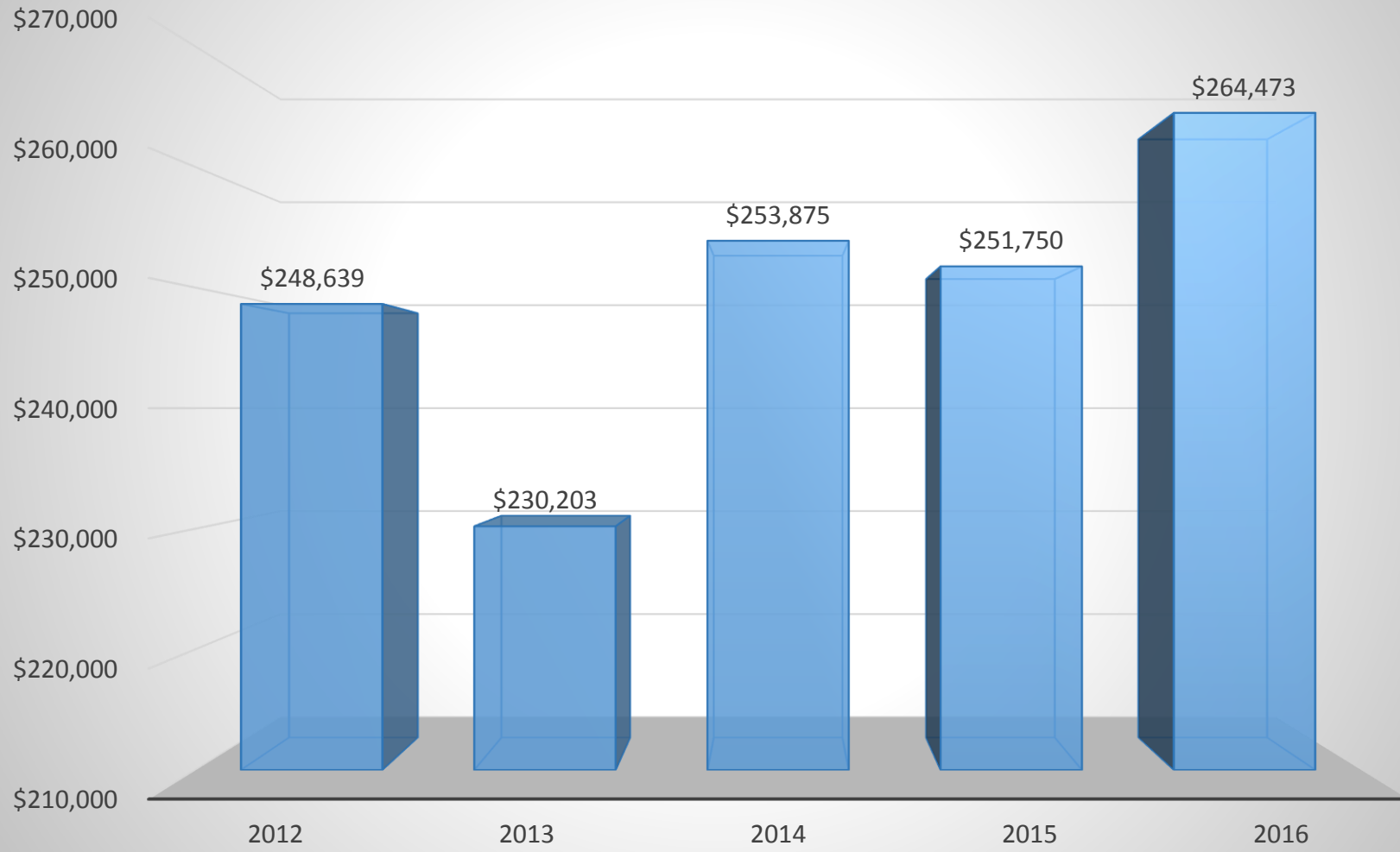
Year	Listings on 12-31	Closings/ Year	Population	% Closing of Population
1991	347	1730	152,961	.0113%
2007	1174	3697	234,678	.0158%
2016	473	4372	279,170	.0157%

The biggest challenge facing real estate professionals in 2017 will be a lack of inventory at a time when buyer demand will be rapidly increasing.

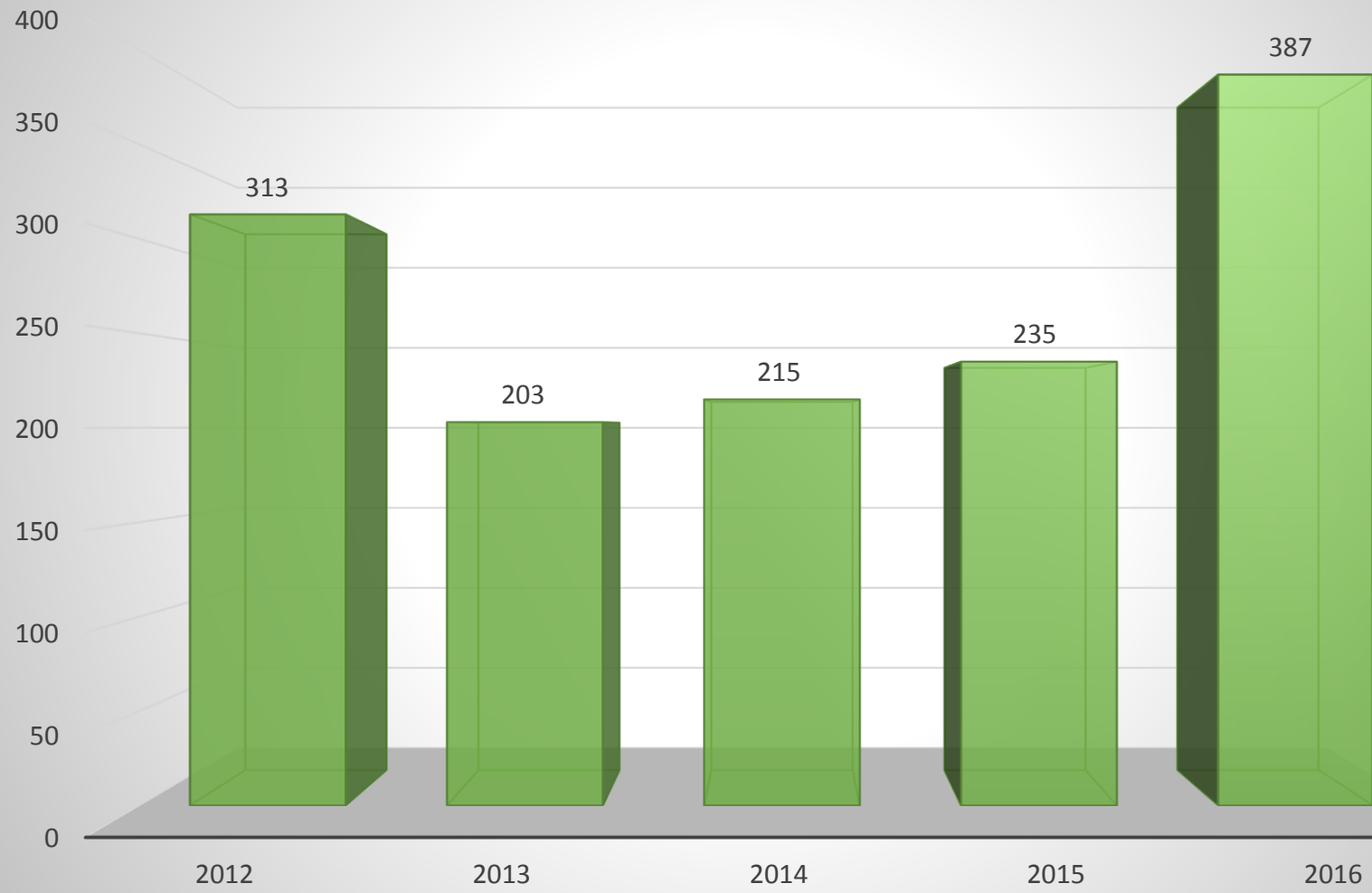
SFR Permits - Kennewick



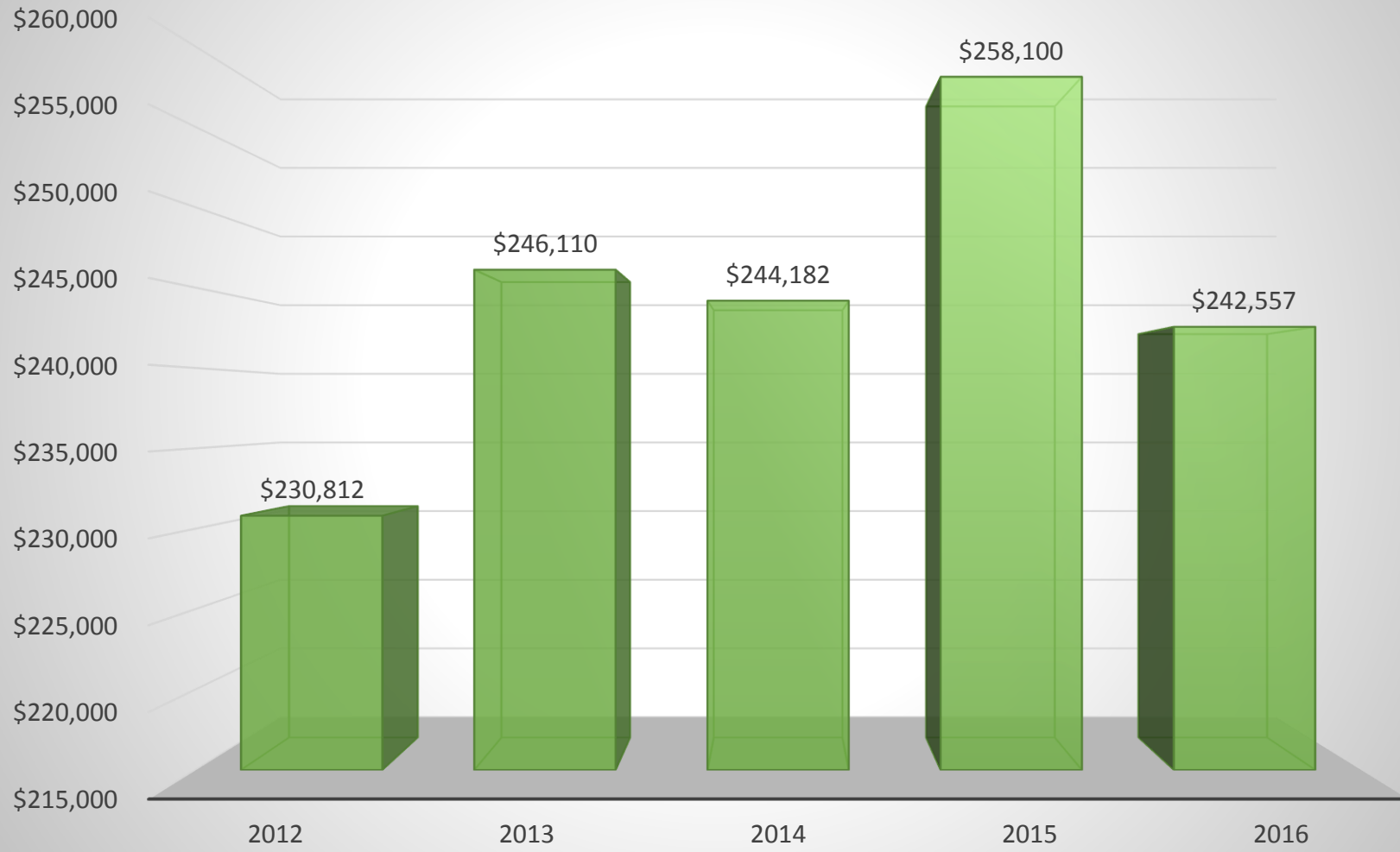
Average Value - Kennewick



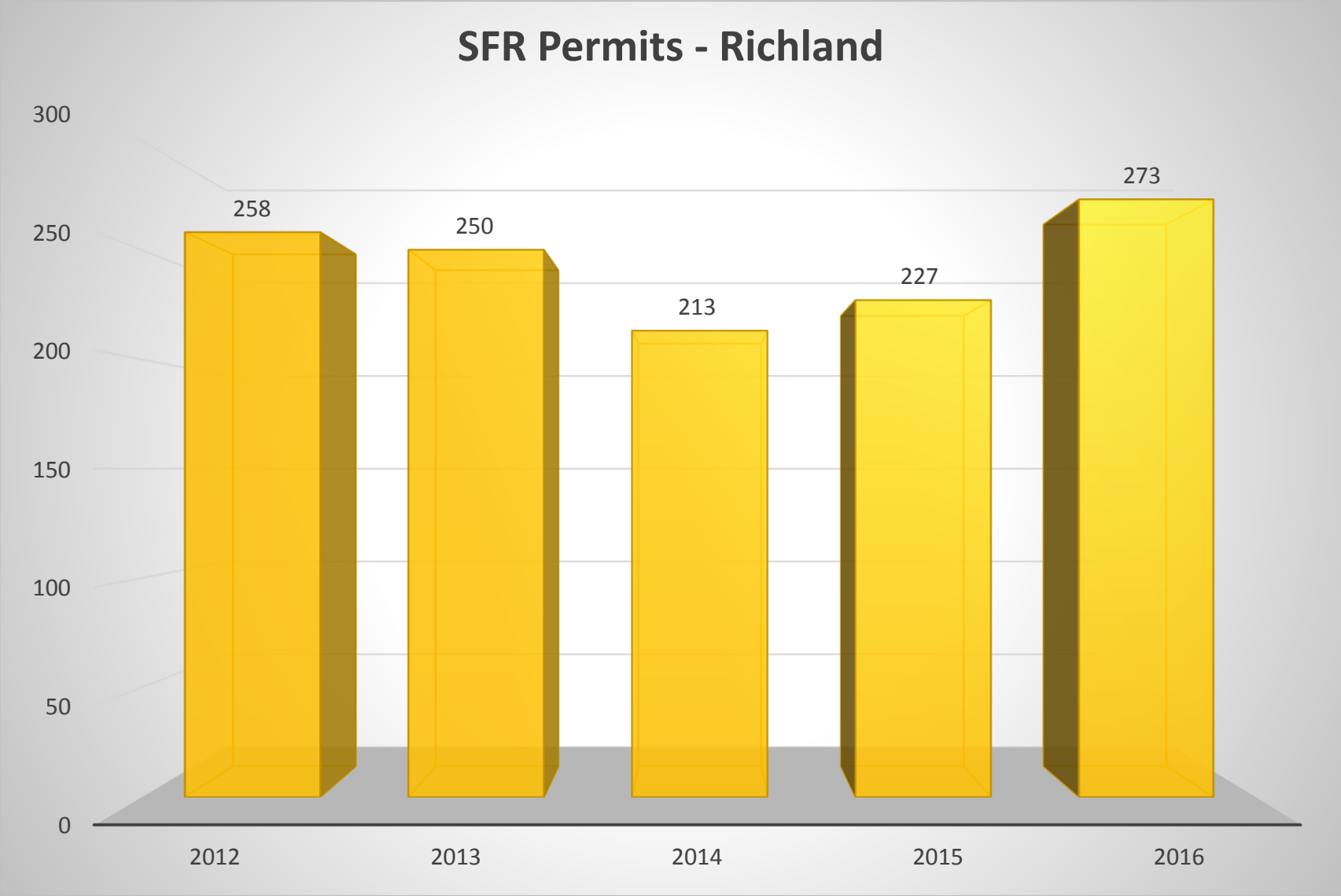
SFR Permits - Pasco



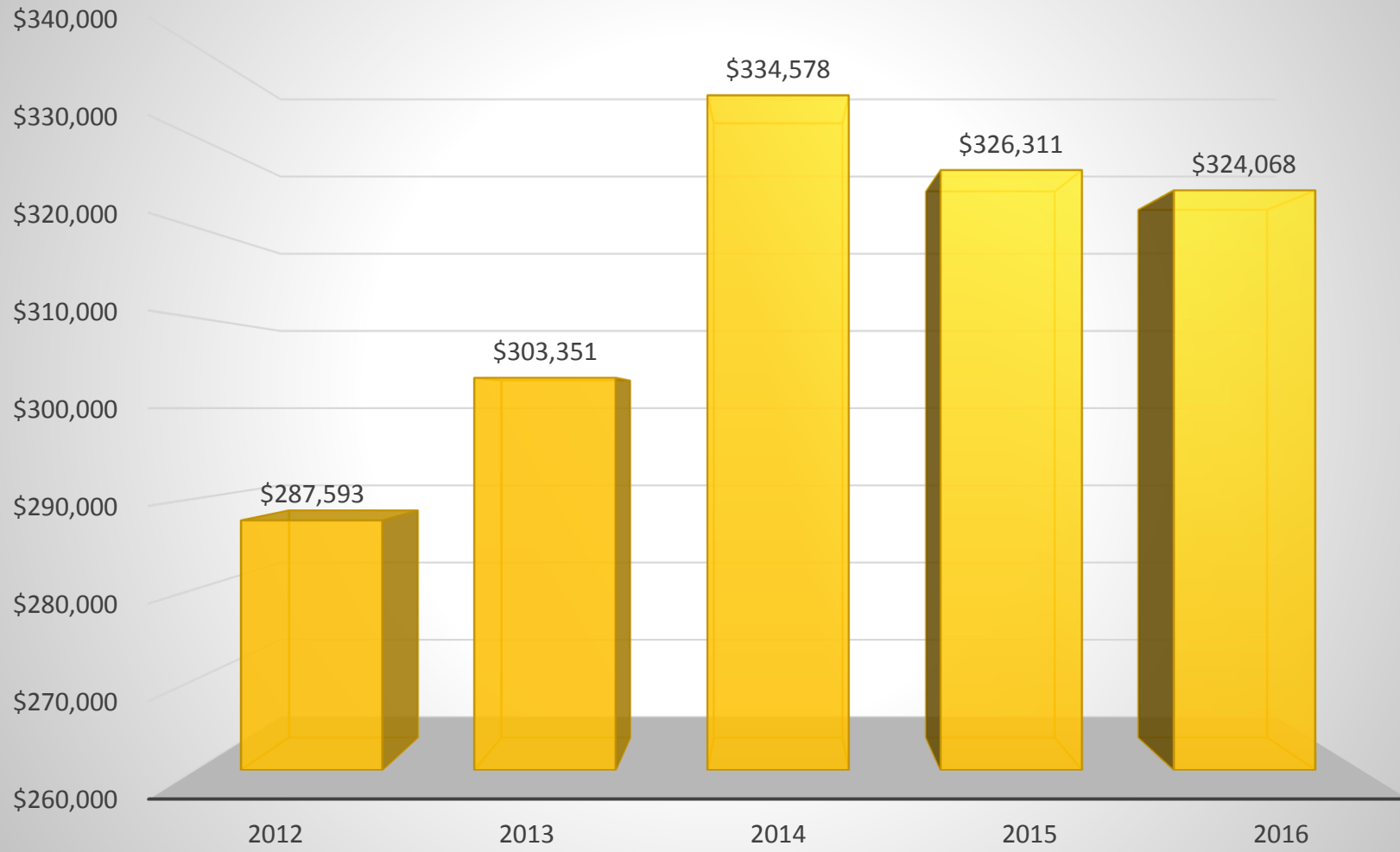
Average Value - Pasco



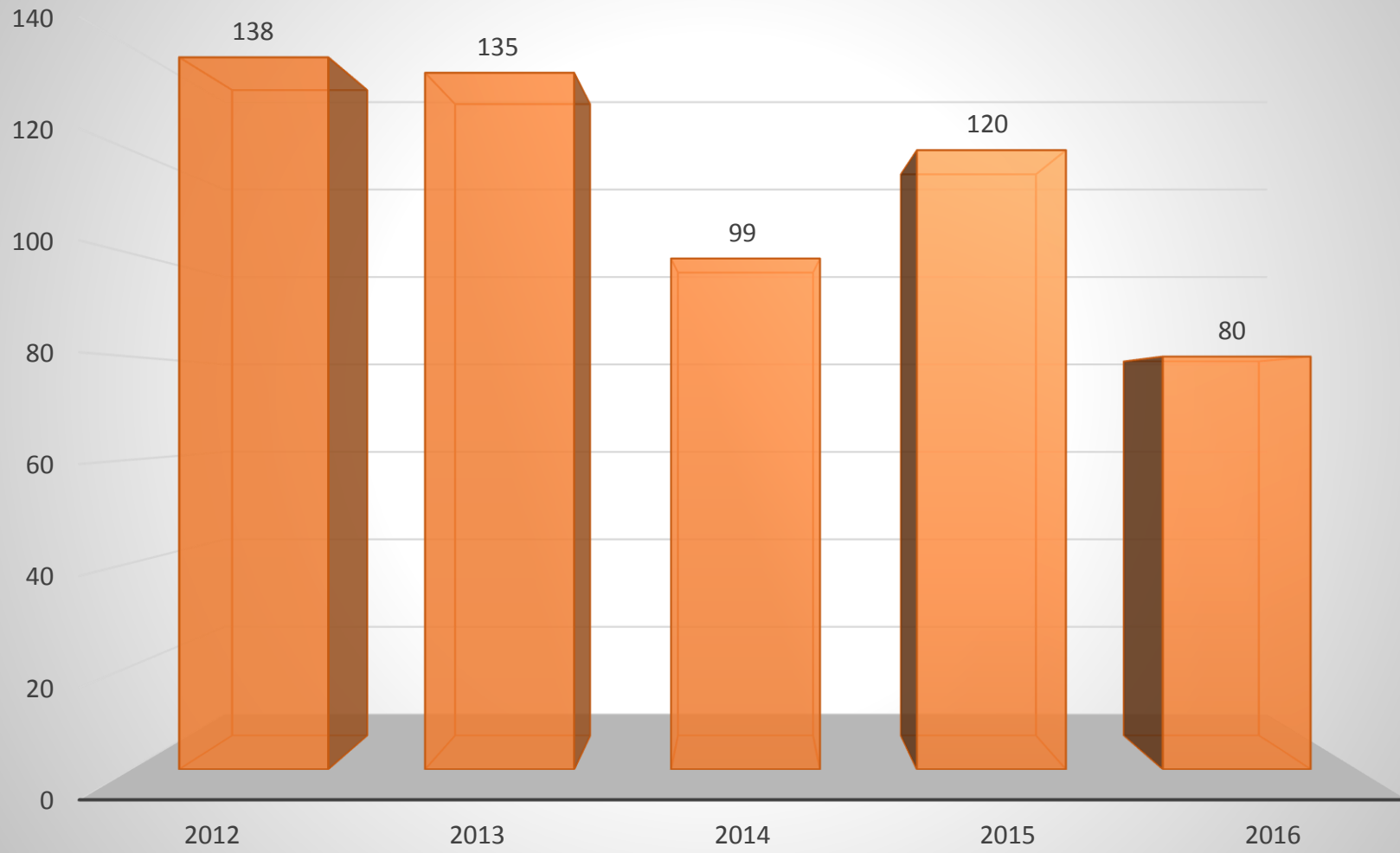
SFR Permits - Richland



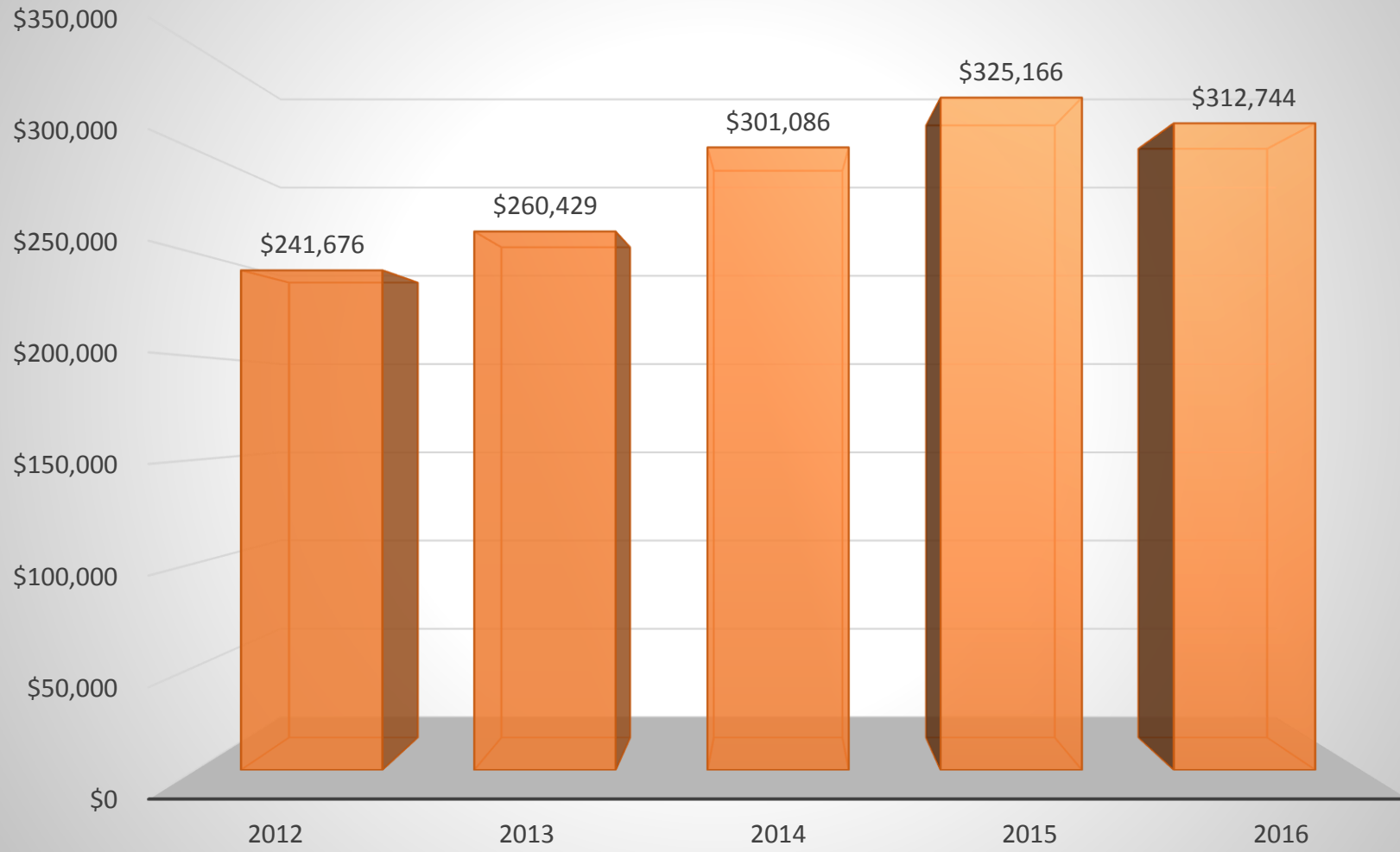
Average Value - Richland



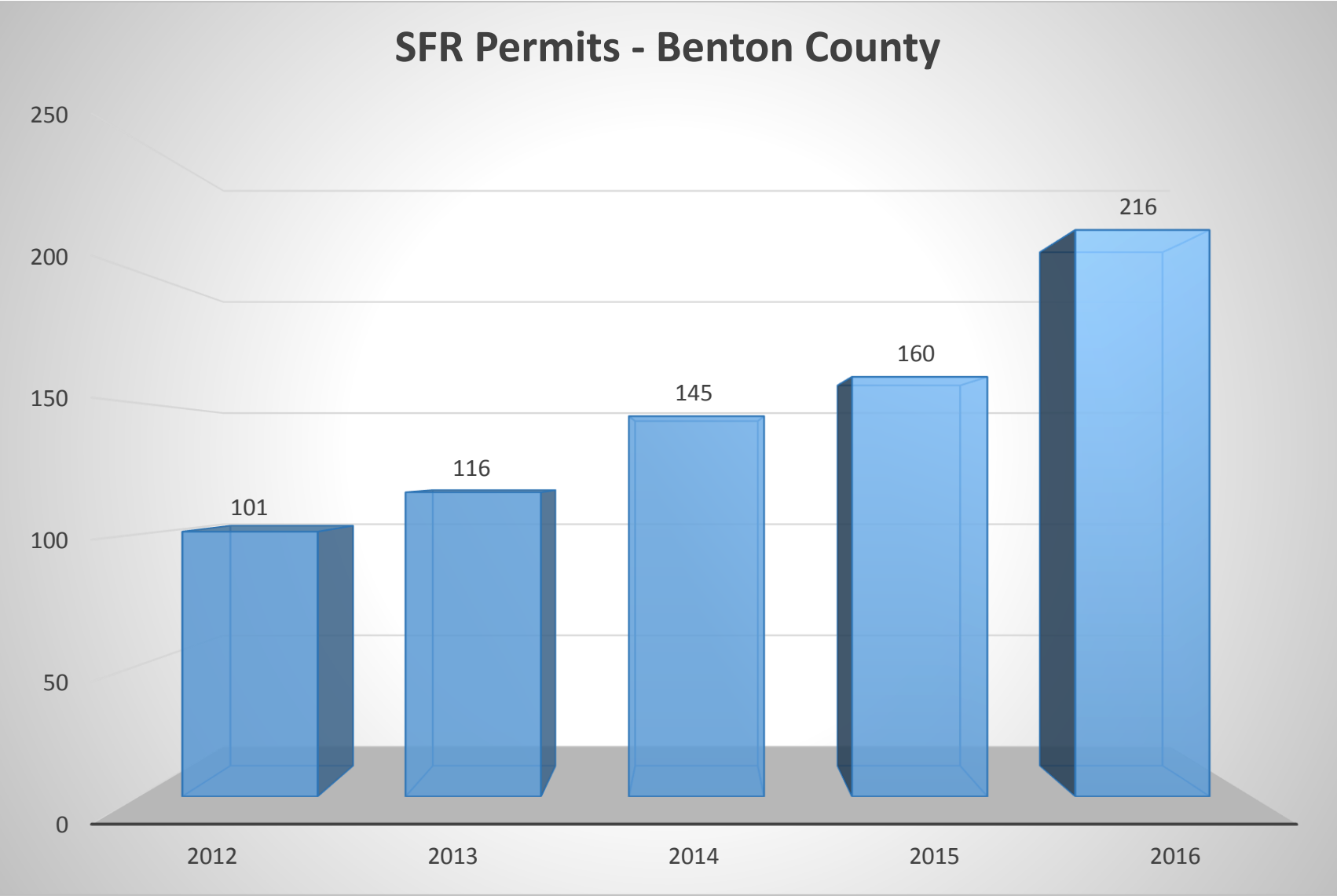
SFR Permits - West Richland



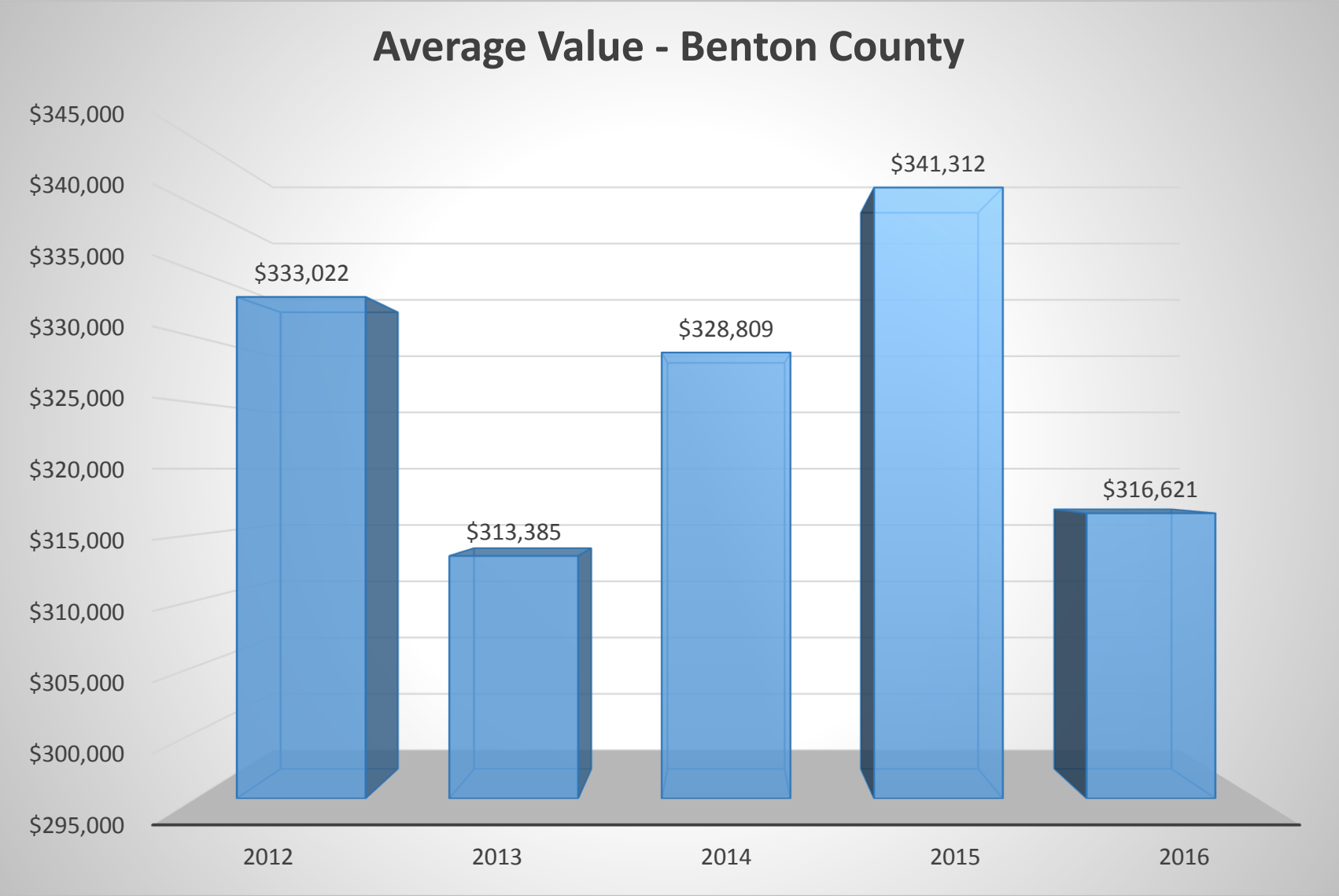
Average Value - West Richland



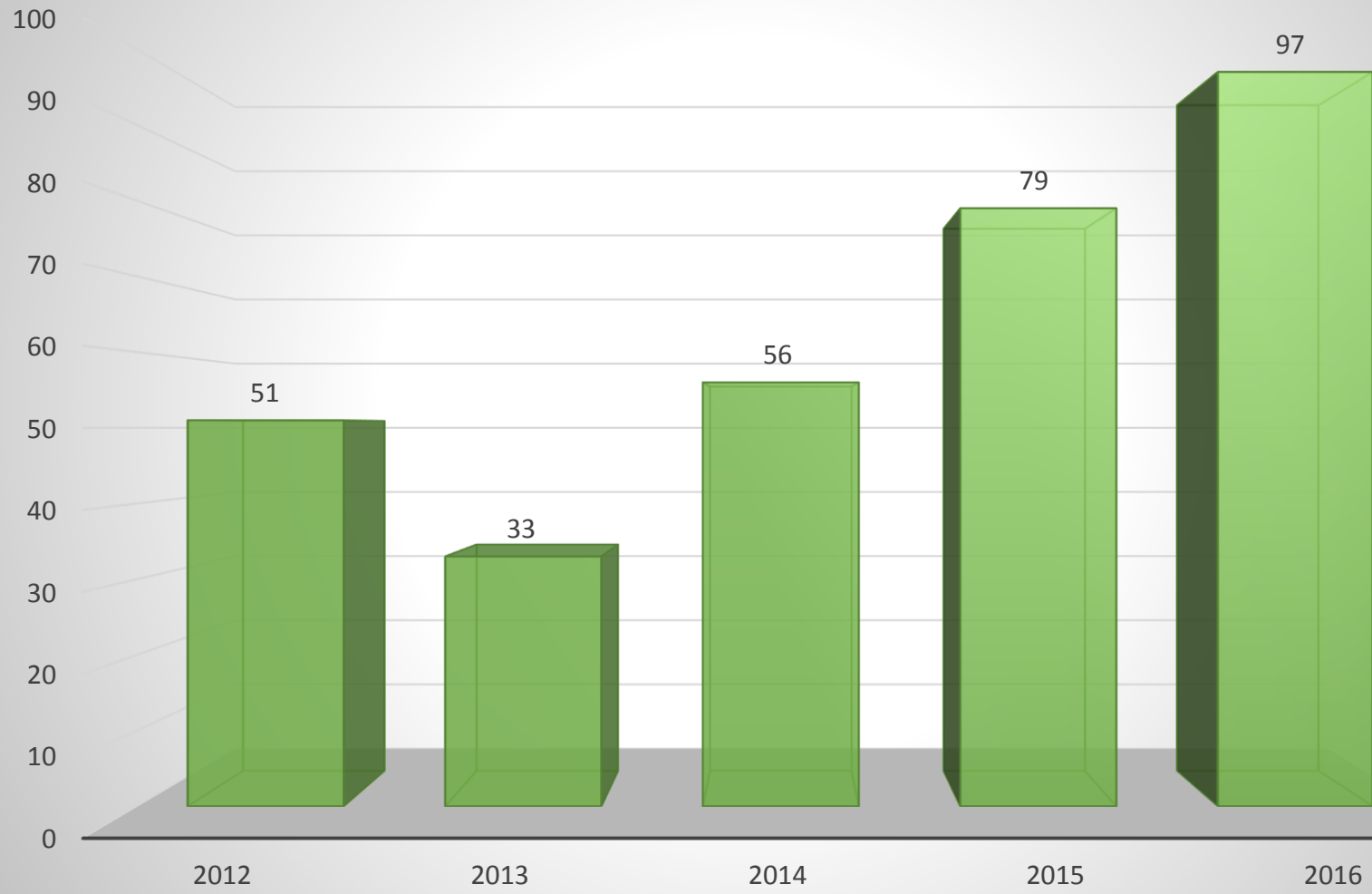
SFR Permits - Benton County



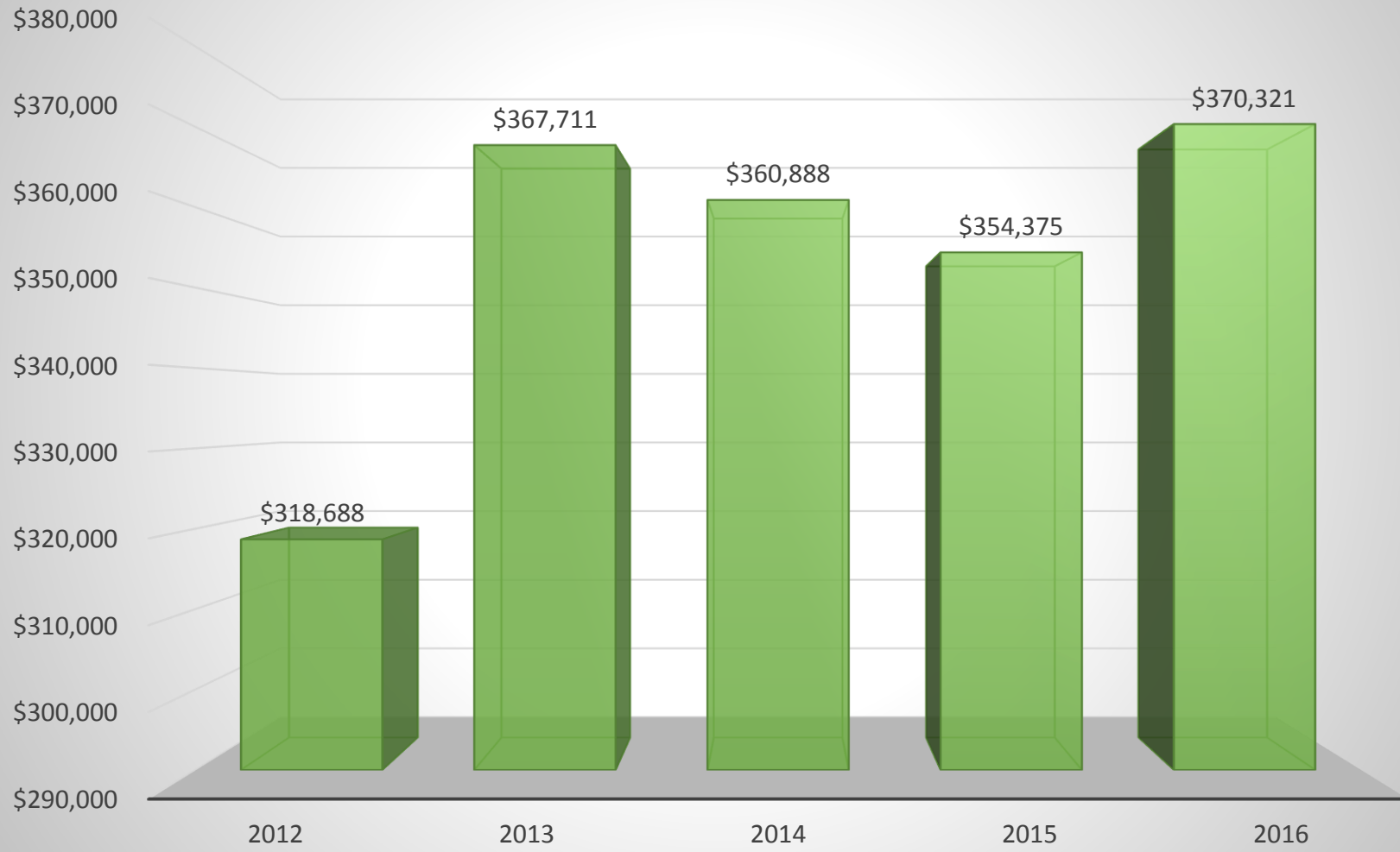
Average Value - Benton County



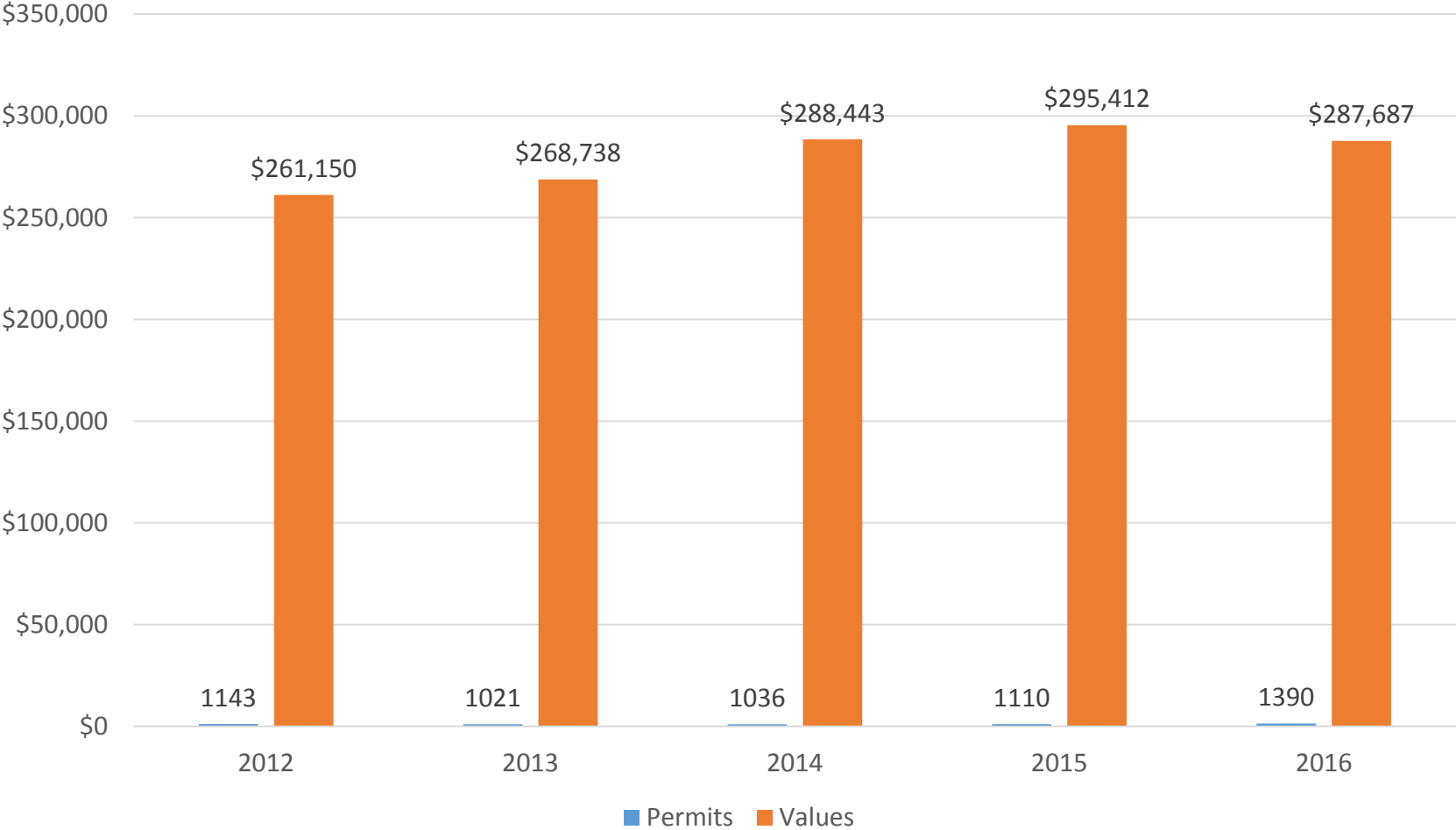
SFR Permits - Franklin County



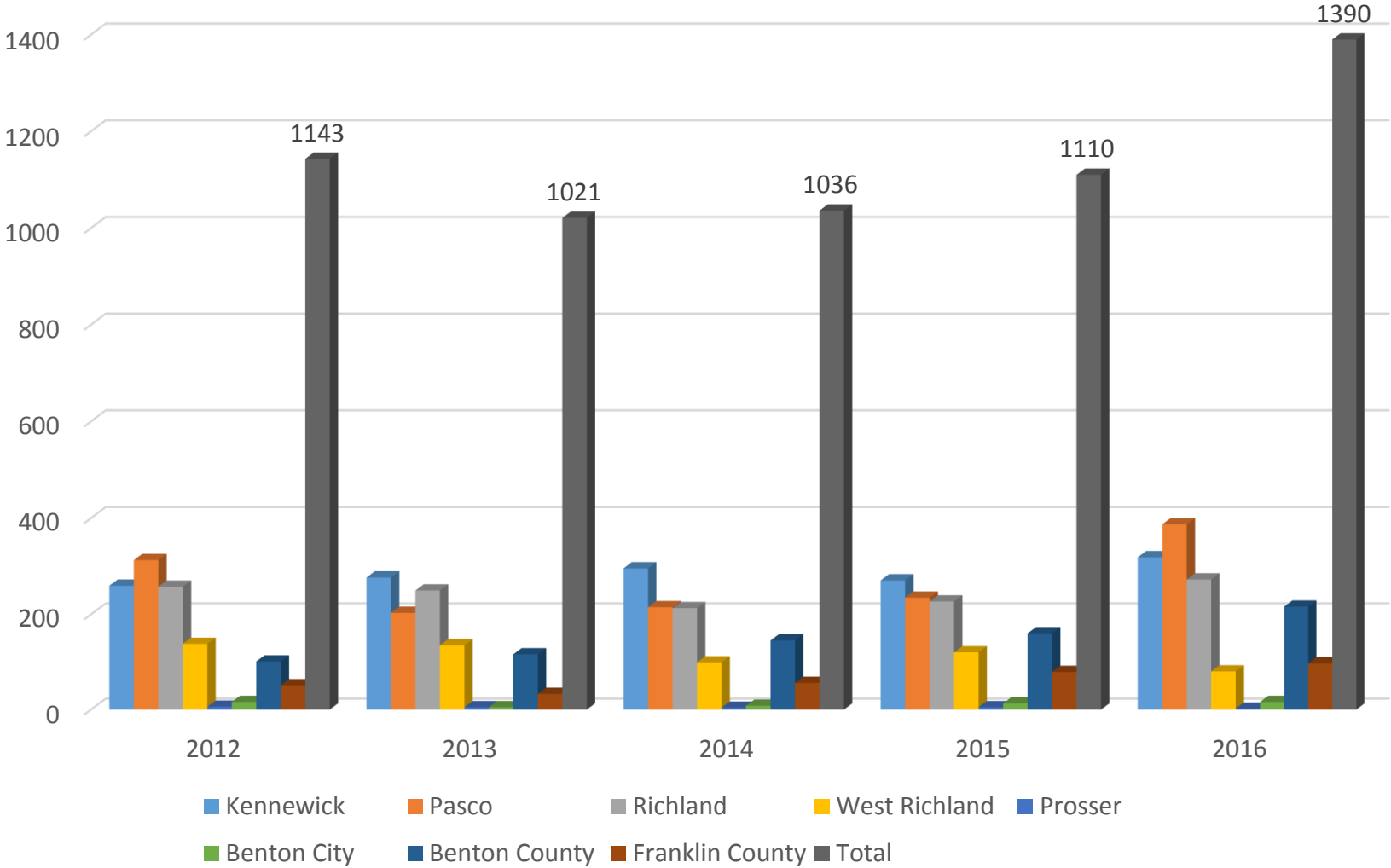
Average Value - Franklin County



SFR Total Permits and Average Values 2012-2016



Permits Issued by Jurisdiction – 2012-2016



nerdwallet

#1, #3, #6 & #9
**Best Places to Invest in
Real Estate in WA State**

TIME

#12
**Best Places to
Find a New Job**

Kiplinger

#2
**10 Best Cities to
Raise a Family**

Forbes

#11

Geekiest City in the US

#17

**2011 Best Small
Cities for Job Growth**

newgeography



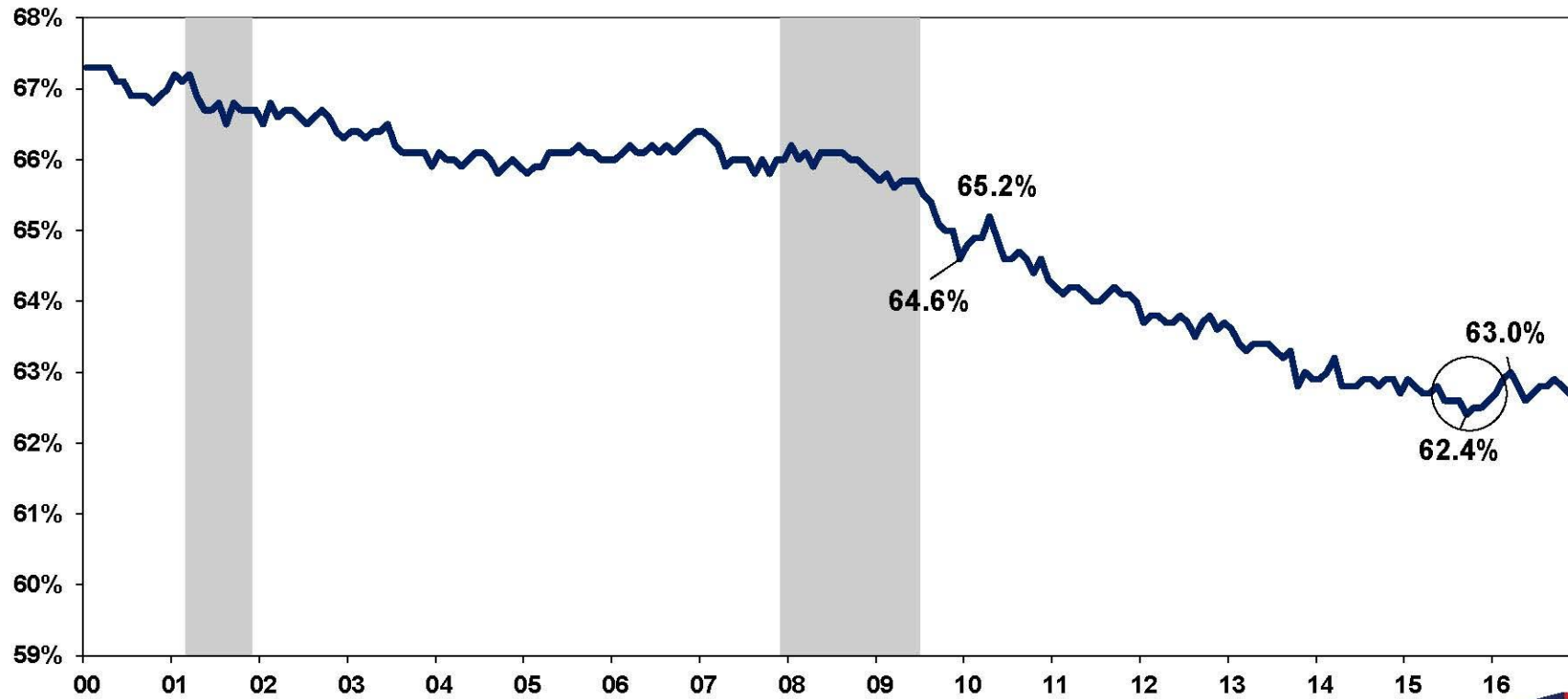
THE FISCAL TIMES

#1

**Top 10 US Cities People
are Moving To**

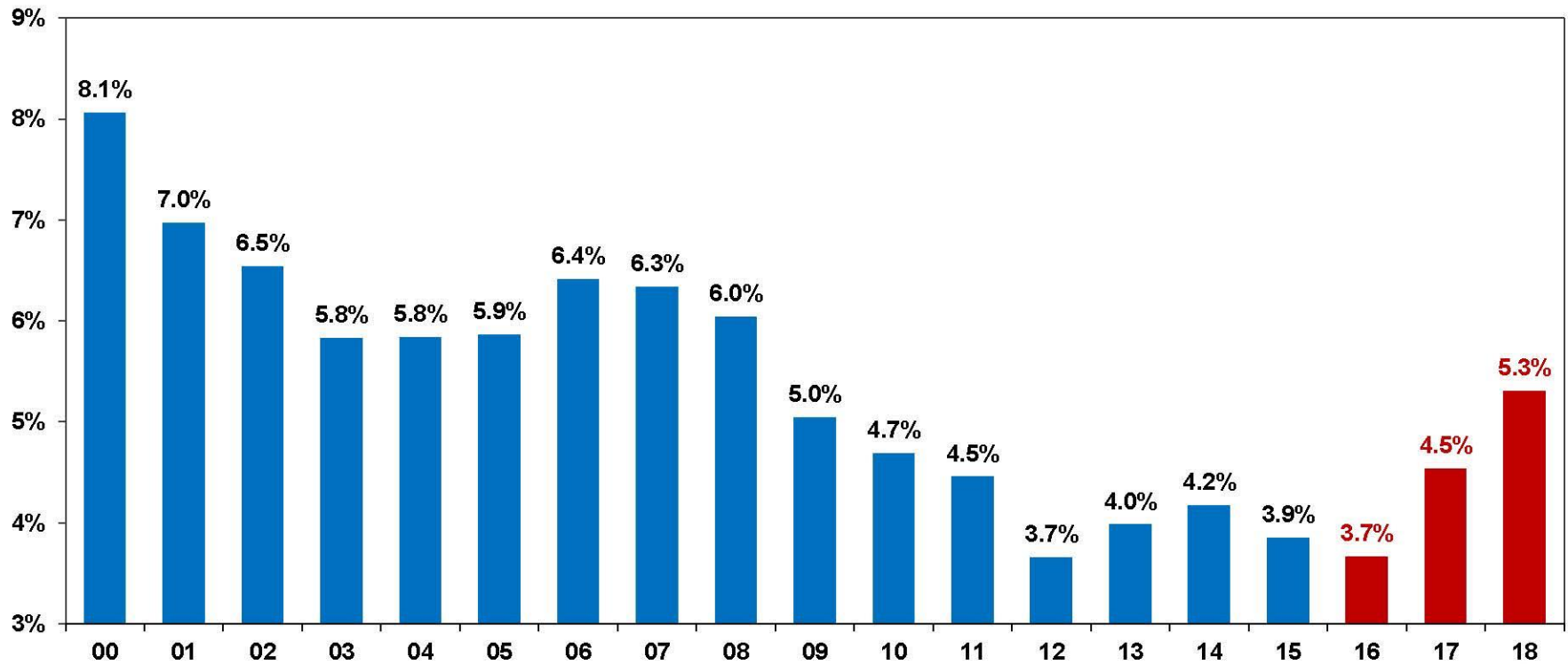
Labor Force Participation Rate

Ten Years Gone



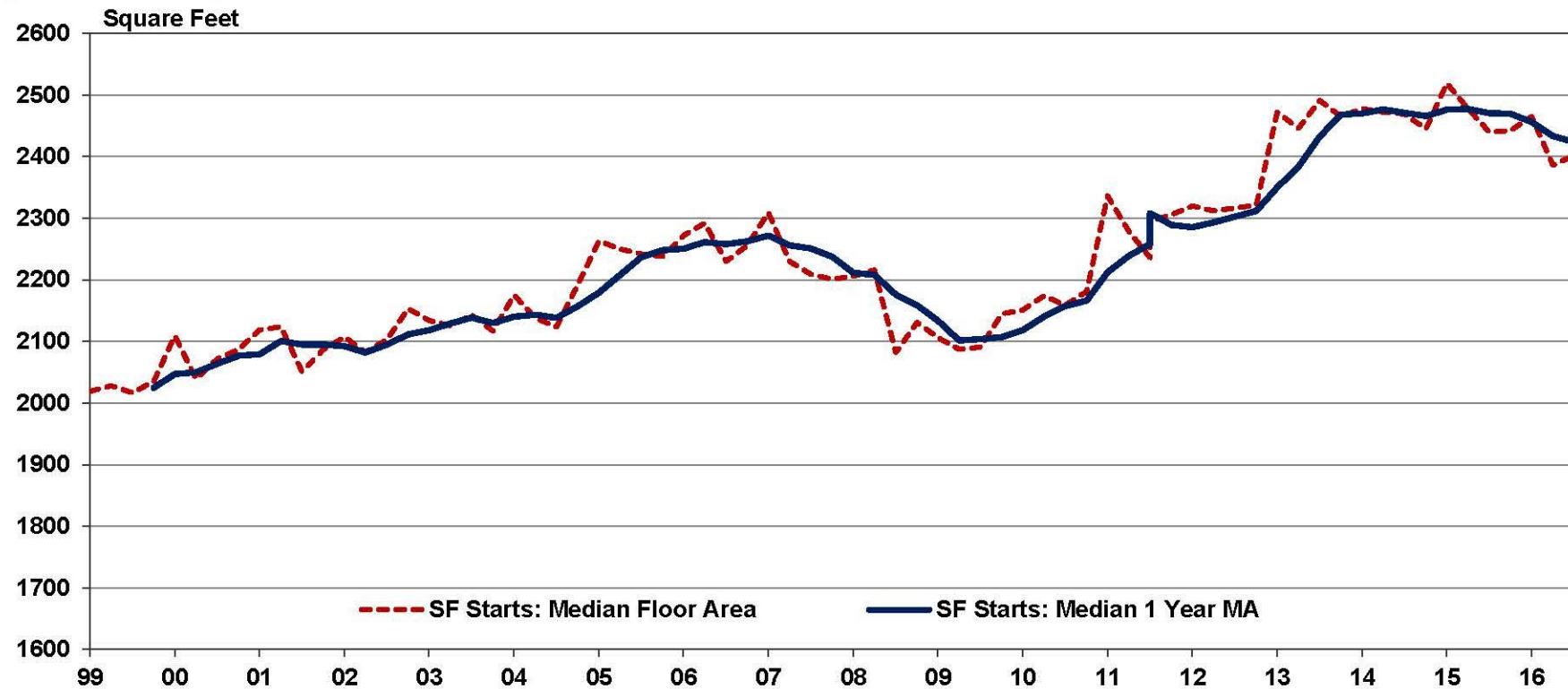
Mortgage Rates are Rising

Monetary policy tightening



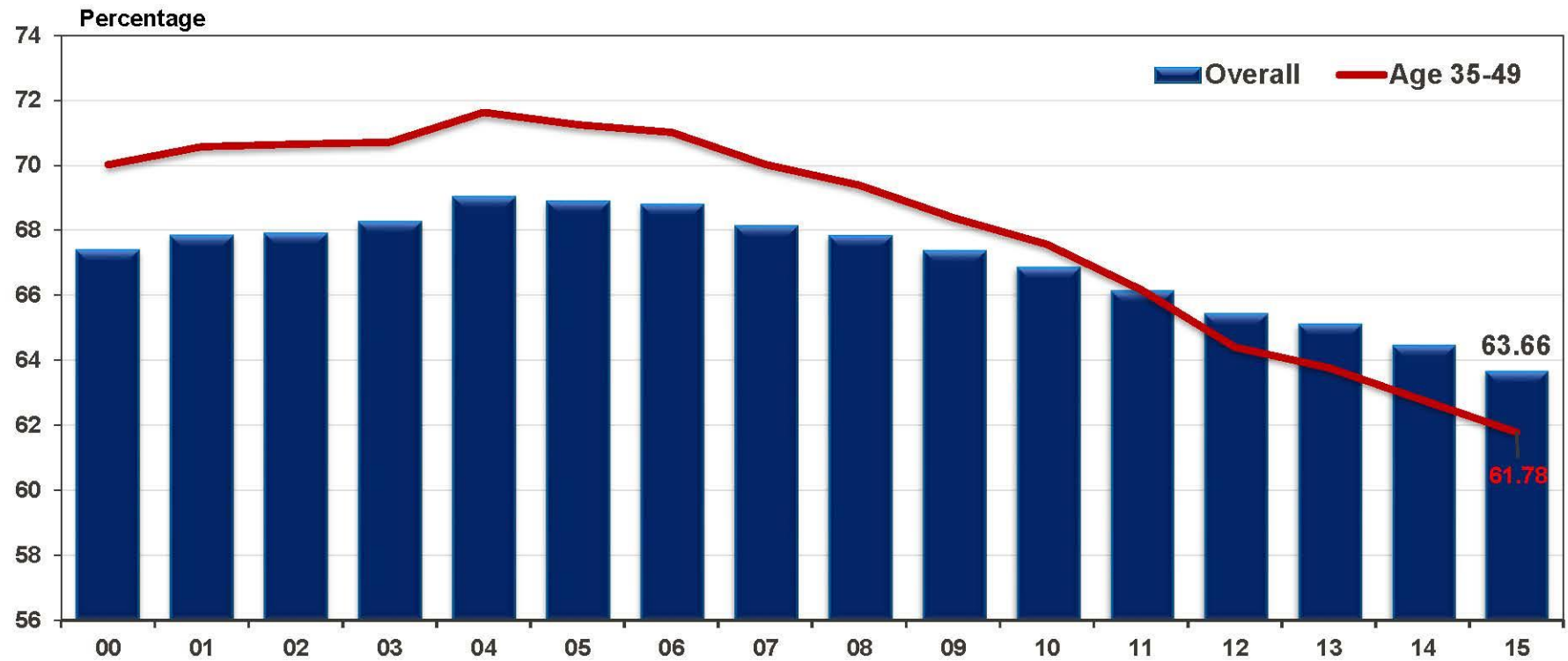
Typical New Home Size

Market shift over



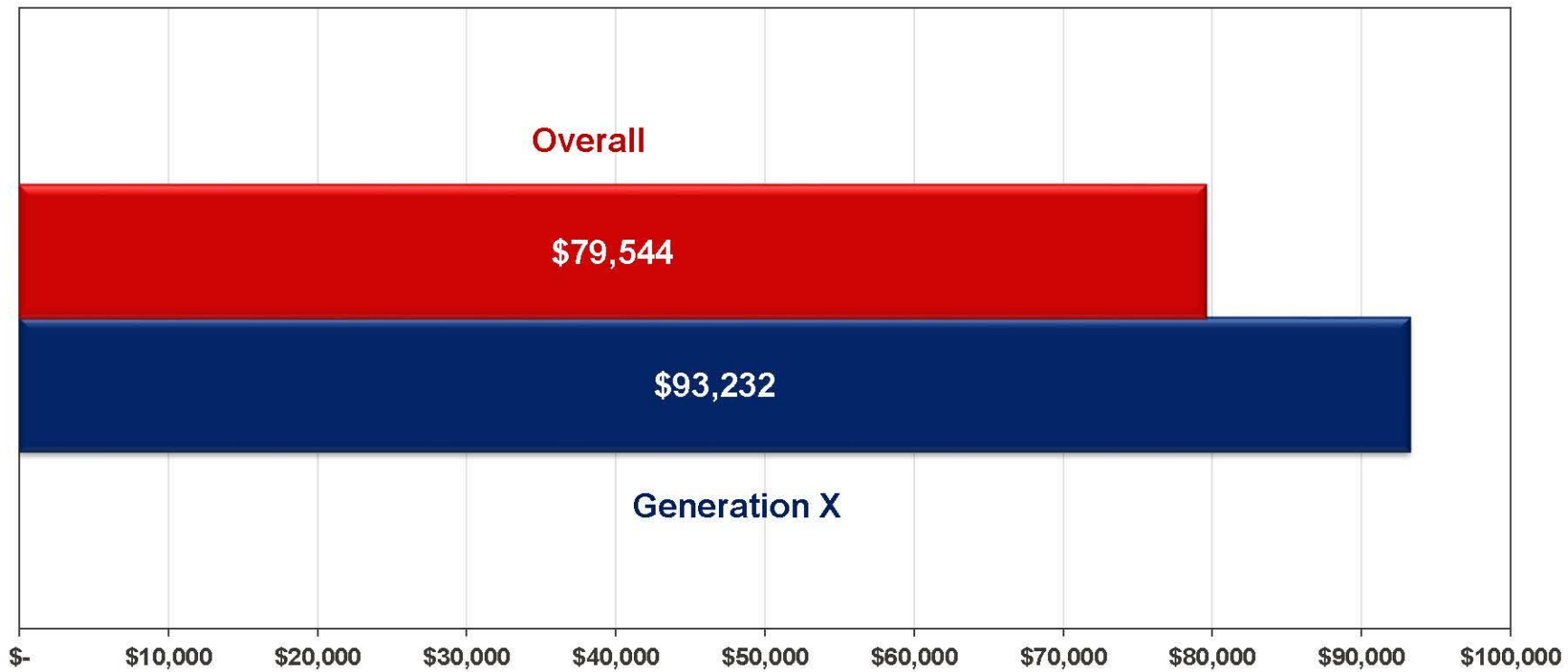
Homeownership

Generation X has lower rate



Source: U.S. Census Bureau (BOC): Housing Vacancies & Homeownership Rates.

Household Income



Source: 2015 American Community Survey (ACS) 1-year estimates.

Buyer Preferences – Generation X: Born 1965-1979



72%
Single-family detached



65%
Suburb



2,315 square feet
Desired home size
(median)



60%
Washer/dryer on 1st floor



86%
Open kitchen/dining room
plan



86%
ENERGY STAR® rated
windows



83%
Hardwood for living spaces
on main floor



85%
Ceiling fan



79%
Central island in the
kitchen



81%
Walk-in pantry



77%
Double sink (side-by-side)



Commercial Development Update

February 1, 2017



Kennewick Opportunity Centers



Area
29 sq miles

Population
79,120

Incorporated
1904



KENNEWICK
WASHINGTON

Leveraging Partnerships

Support the Creation of Sustainable Family Wage Jobs

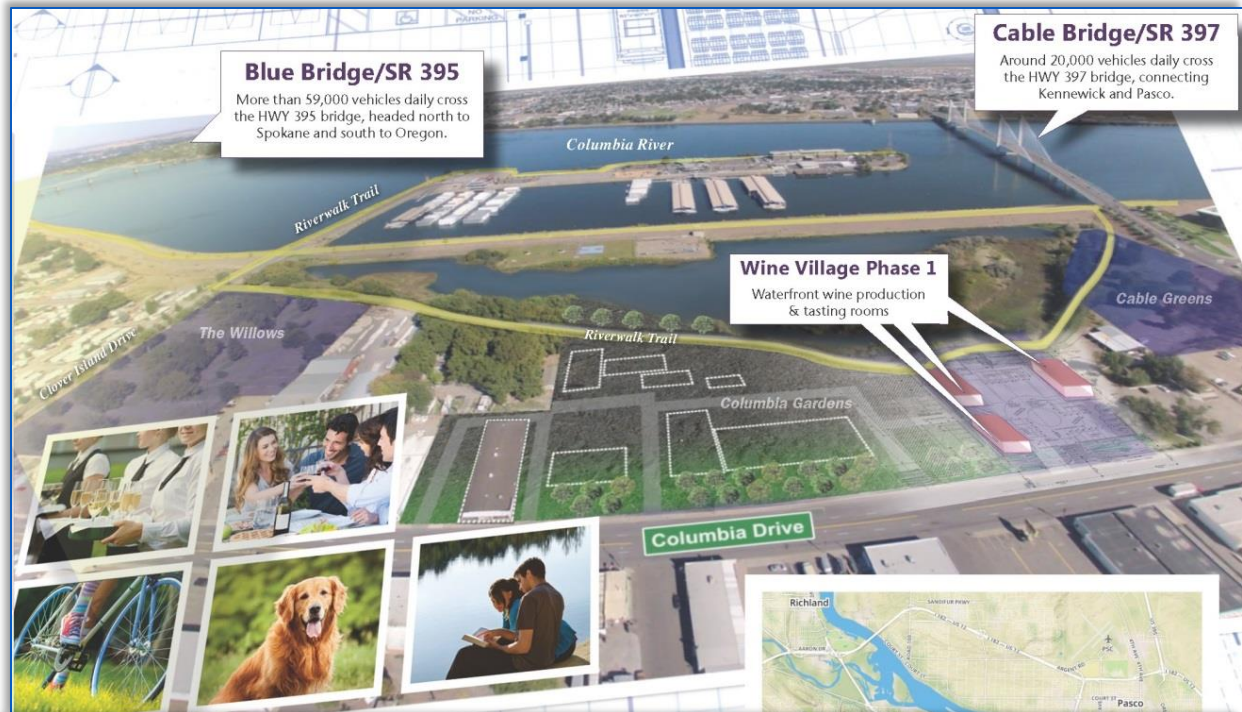
- Development-Friendly
 - Expedited permit review
 - Needs-based targeted recruitment
- Partnerships & Major Projects
 - Transform & connect downtown & waterfront
 - Columbia Gardens & Willows
 - Vista Field infrastructure



KENNEWICK
WASHINGTON

Historic Waterfront & Downtown

- Columbia Gardens Wine Village
- Culinary Institute at the Willows
- Mixed Use Zoning
- Connections to Downtown
- Entrepreneurship
- Recruitment for key properties
- Events



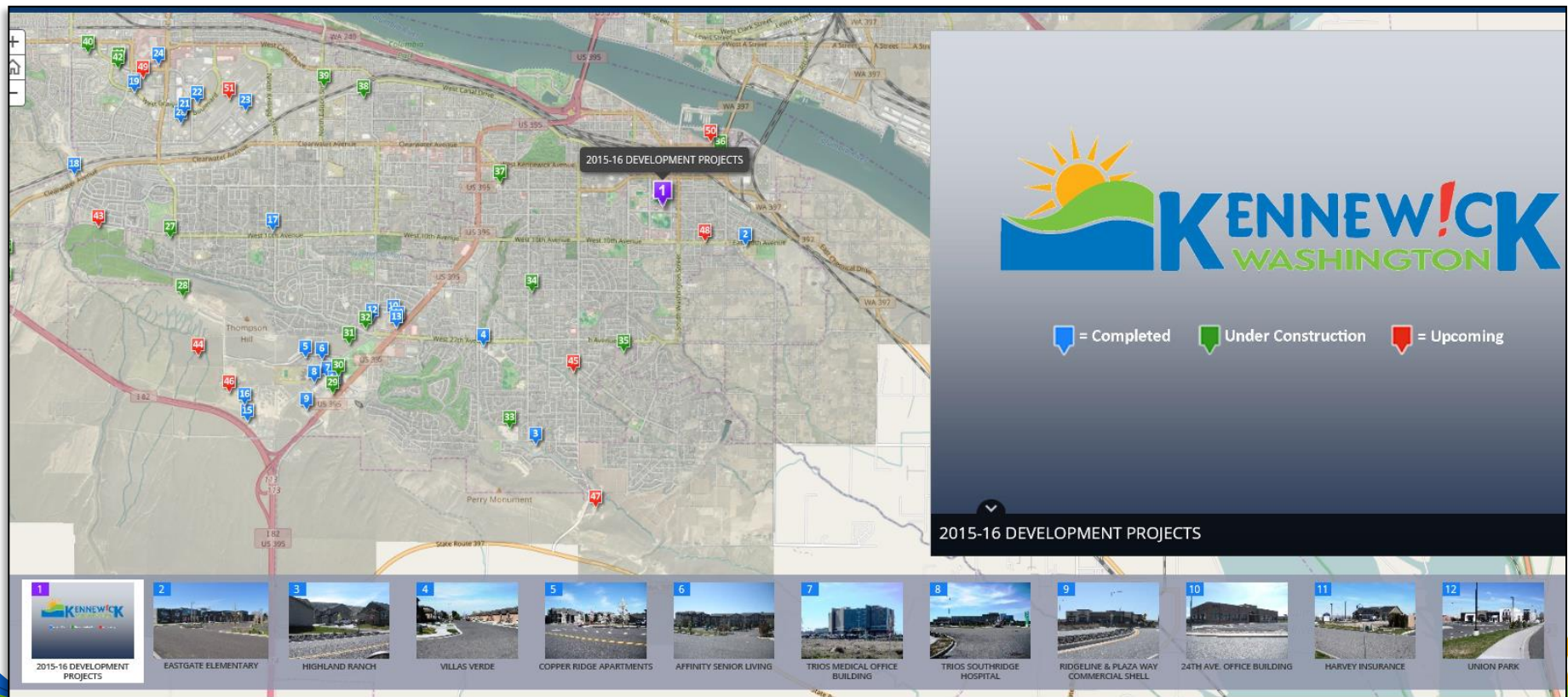
On the Horizon

- On the rise: New Commercial Building Permits and Alterations up 24% in 2016 from 2015
- Steptoe/Bob Olson Parkway Connection at Southridge
- Recruitment
 - Light Manufacturing
 - Craft Beverage
 - Infill
 - Retail
- Vista Field Infrastructure
- Urban Growth Area Realignment
- Columbia Park 60-acre conveyance



Stay Current

Recently completed commercial projects and development in the pipeline at www.Go2Kennewick.com/925





Commercial Update

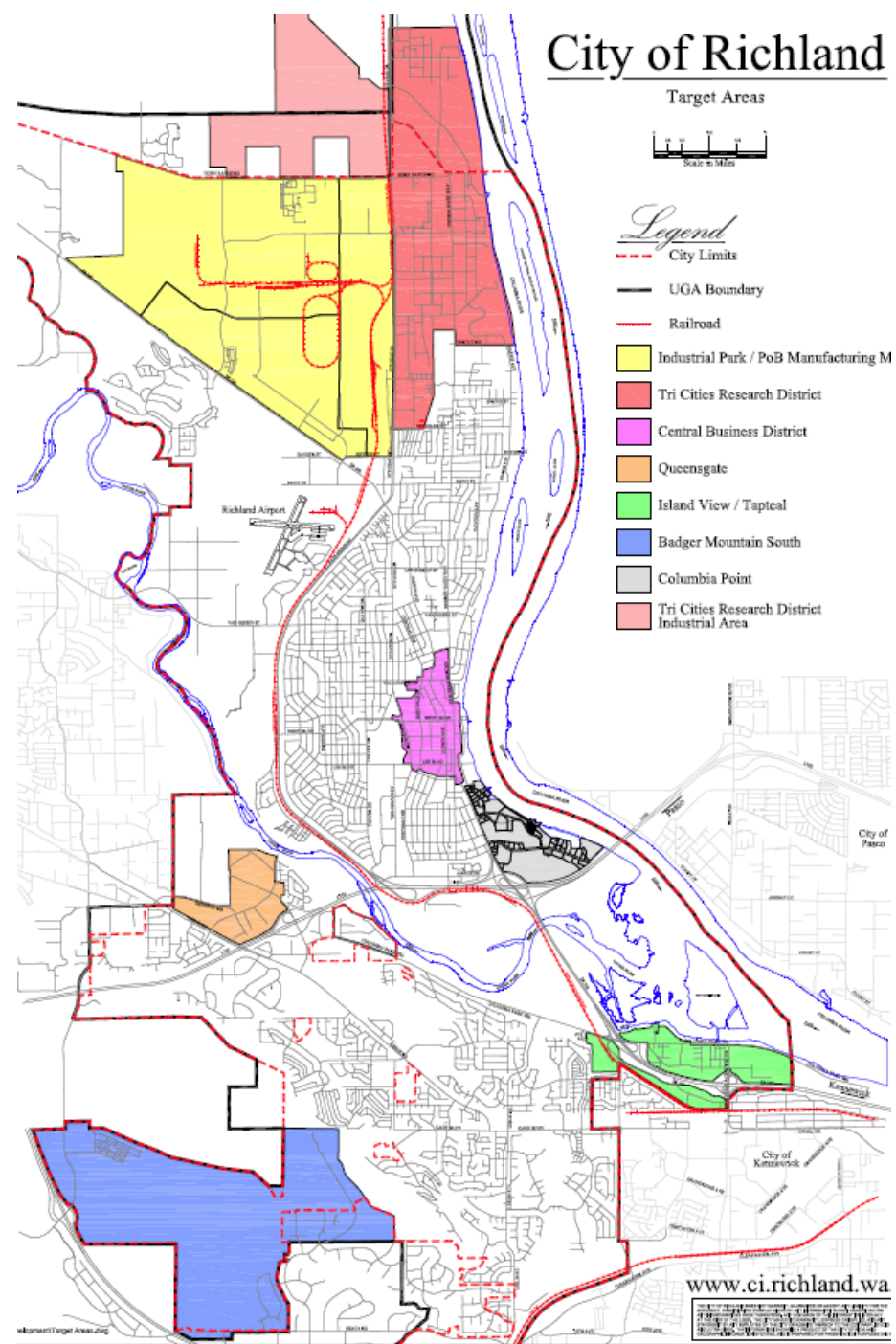
City of Richland

2016-2017



Target Areas

- TCRD
- Horn Rapids
- Central Richland
- Columbia Point
- Queensgate
- South Richland
- Badger Mountain South



2016 Recap and 2017 Openings

- Robust Commercial Growth

KADLEC



**MATTRESS
FIRM**

Marshalls

ULTA
BEAUTY

HOME2
SUITES BY HILTON

Cost Less Carpet

**Party
City**



Richland's Mission

Clearinghouse of Information

Assessment and Management of Programs

Clear, defined mission

- Create Meaningful Employment Opportunities

- Expand the economy to provide stable and growing tax base for public services

- Facilitate growth, diversification, and stability of the Richland economy

Outreach & Cooperation with Regional Partners

- Ports of Benton, Kennewick, and Pasco

- TRIDEC

- City of Kennewick



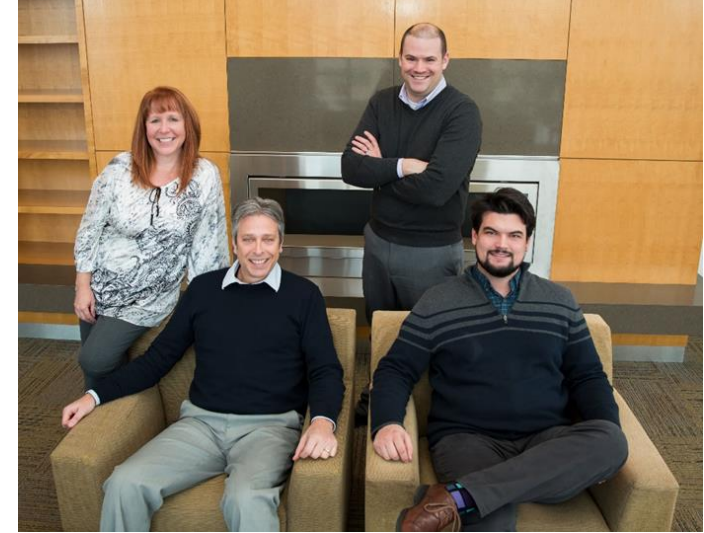
Small Business Programs

- Business License Reserve Fund
 - Open to City Depts., Community groups such as Tri City Regional Chamber, and the Uptown and Parkway Business Districts.
 - Well-utilized
 - Helped fund
 - Sidewalk, park, and trail improvements
 - Tourism Campaign
 - Music at Live at 5, Hapo Stage, and farmers' market
- Commercial Improvement Program
 - \$50k for storefront and façade improvement
 - Open for Applications



Your ONE Source

- Richland Business Portal
 - Plan, Start, Operate, and Grow
 - Link to Opportunities and Programs
 - City Economic Development News
- Our Team is Here to Help!



www.RichlandBusiness.com

