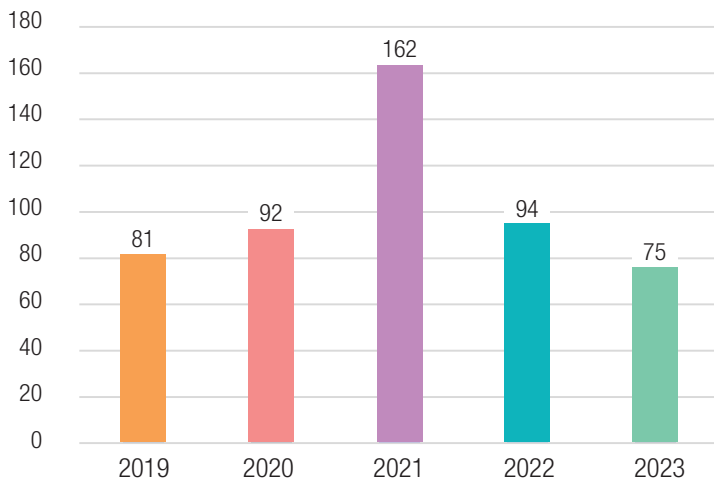


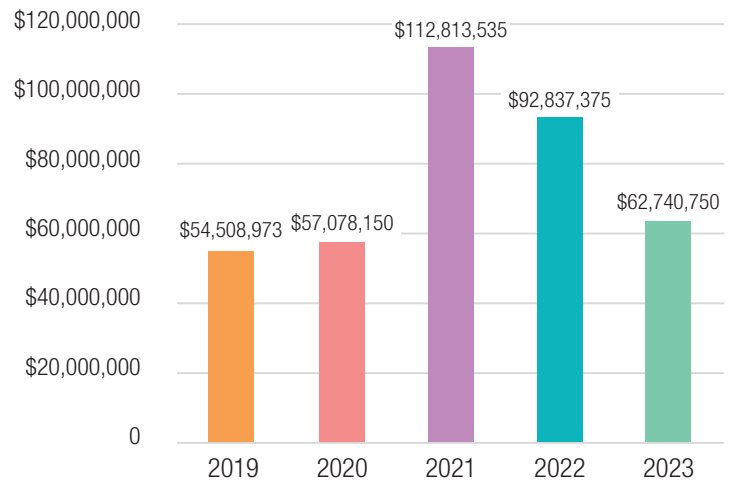
By the end of the 2nd Quarter of 2023, San Juan Island had witnessed a total of 75 real estate transactions, representing a 20% decrease from the 94 transactions recorded during the same period in 2022. The dollar volume of sold properties by the end of the 2nd Quarter of 2023 amounted to \$62,740,750, which is 32% lower than the \$92,837,375 recorded in 2022.

San Juan County experienced 154 real estate transactions in the first half of 2023, down from 207 transactions in the same period of 2022. The dollar volume of sold properties in the county at the end of the 2nd Quarter of 2023 amounted to \$155,252,925, compared to \$208,635,574 in 2022 representing a 26% decrease in both the number of transactions and dollar volume sold.

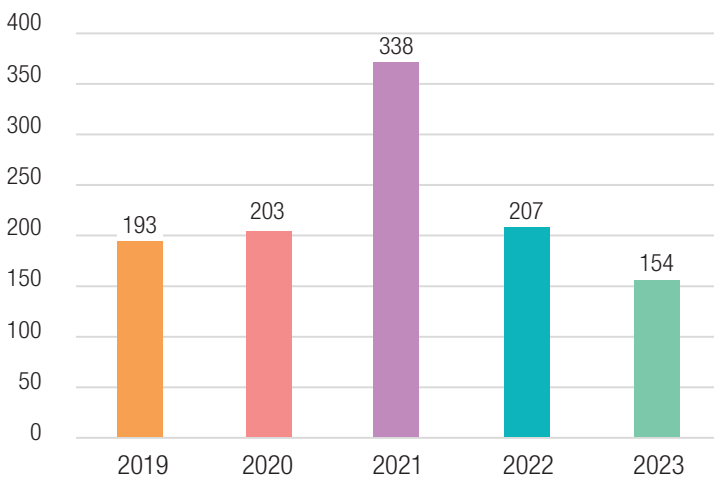
**# of Transactions on San Juan Island - Q2**



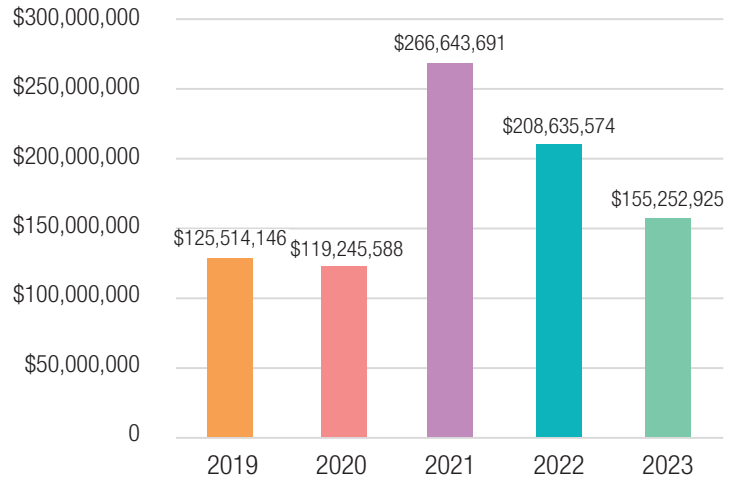
**Dollar Volume Sold on San Juan Island - Q2**



**# of Transactions in San Juan County - Q2**



**Dollar Volume Sold in San Juan County - Q2**



\*DATA COURTESY OF NWMLS

The average sold price of a single-family residence on San Juan Island at the end of the 2nd quarter in 2023 was \$961,375, reflecting a 9% decrease from the average sold price of \$1,053,364 in the 2nd quarter of 2022. This decrease in the average sold price may be attributed to various factors such as changes in market conditions and inventory levels.

At the end of 2022, and during the first half of 2023, mortgage interest rates were on the rise. Their volatility, coupled with other economic uncertainties, had a dampening effect on the real estate market, both nationally and locally. Looking ahead to the 2nd half of 2023, projections do indicate that mortgage rates may still experience a slight upward trend. However, it is anticipated that any potential increases should be gradual and moderate. And, though interest rates feel high currently when compared to the ultra-low, artificial, rates we experienced for a number of years (and the extreme lows during the pandemic), consider that the historical 30-year average for mortgage interest rates has been 7%. Mortgage rates are expected to remain relatively moderate, hovering at or near to the average rate, supporting continued activity in the real estate market, though certainly not activity at the levels we experienced in 2020/2021.

Months of inventory has been on the rise, county wide, increasing to 8 months' supply in June 2023 versus the 6 months' supply we had back in June of the previous year. As of this writing, there are currently 273 listings active in San Juan County and 116 on San Juan Island, presenting potential opportunities for buyers.

This is an unusual market we are in – one where our pool of active buyers is smaller, inventory is increasing and, yet, correctly priced homes (or unique or “special” properties) still get much attention and, at times, multiple offers. Our sellers must recognize, though, that, at this time, in this market, it is about their level of motivation as there are less buyers and more inventory, so it truly comes down to pricing a property properly to receive the activity and attention they desire.

Despite the fluctuations and changes, the San Juan Island and San Juan County real estate markets continue to be sought-after destinations for buyers. The island's natural beauty, serene surroundings, and vibrant community contribute to the long-term value of real estate properties.

If you have been considering buying or selling property in the San Juan Islands, be sure to contact one of your local market experts at Coldwell Banker San Juan Islands, Inc to assist you in your endeavor. In the first half of 2023, Coldwell Banker San Juan Islands, a locally and independently owned real estate brokerage, remains the market leader on San Juan Island with over 47% of the market share as compared to our nearest competitor, Windermere RE San Juan Island, at 29%. With our local market knowledge, exceptional marketing tools, and our unwavering commitment to our customers and clients, it is clear to see why Coldwell Banker San Juan Islands, Inc is the right choice for you!

