

# Seattle's nation-leading streak in home-price increases now tied for 2nd longest on record

Since Seattle launched its run as the country's hottest home market 20 months ago, home prices have grown about \$200,000.

By Mike Rosenberg  
*Seattle Times real estate reporter*

Greater Seattle has now led the nation in home price increases for 20 months in a row, tied for the second-longest streak.

The cost of a single-family home across the metro area grew 13.1 percent in April compared to a year ago, according to the monthly Case-Shiller home-price index, released Tuesday. It's about the same growth the region has experienced consistently for a while, month after month after agonizing month for buyers.

The increase barely outpaced Las Vegas, where prices grew 12.7 percent, and San Francisco, where home values rose nearly 11 percent.

## Fastest-rising home prices

1. Seattle +13.1 percent
2. Las Vegas +12.7 percent
3. San Francisco +10.9 percent
4. Denver +8.6 percent
5. Los Angeles +8.3 percent

Seattle has been the hottest housing market in the country since September 2016. Since then, home prices here have grown about \$200,000 — about eight times the national average.

At the beginning of the streak, the typical house cost \$625,000 in Seattle and \$768,000 on the Eastside. Now median-priced homes are selling for \$830,000 in Seattle and \$960,000 on the Eastside.

The stretch is not normal. Only two other metro areas have experienced anything like this since the Case-Shiller data began in 1987.

San Francisco also led the country in home-price increases for 20 months during the dot-com bubble, between 1999 and 2001, while Portland did so for 23 months from 1990 to 1992.

Affordability continues to worsen for homebuyers, as it has for years. Last week, the Employment Security Department announced that wages for workers statewide grew last year at their fastest rate since 2007. It was good news for workers whose incomes have been slow to rebound since the recession.

And yet the 5 percent increase in pay for Washington's workforce amounted to less than half the statewide increase in home prices. (Washington also leads all states in home-price growth, as it has for about two years.) King County wages grew 6 percent last year, also half the rate of home-price increases.

Seattle's annual gain in home values is twice the national average. But looking at the last month, prices are up 2.7 percent, also leading the nation and nearly three times the national average. It was the largest monthly increase on record for the month of April in Seattle.

Home prices here had grown pretty evenly across all price points for a while, but the cheapest homes in the region are seeing the biggest percentage increases – rising 16 percent a year – while the most expensive homes are seeing slightly smaller gains, at 12 percent. Since the index covers the full metro area, that generally means houses on the farthest edges of the region, like Tacoma and Everett, are experiencing the biggest jumps in prices.

And those relative bargains on the outer edges of the region aren't what they used to be. The median house sells for \$500,000 in Snohomish County, \$360,000 in Kitsap County and \$355,000 in Pierce County.

The Seattle area is one of three regions covered on the Case-Shiller list — along with Dallas and Denver — where home prices are actually above their bubble high from a decade ago when adjusted for inflation. Unadjusted prices are up 31 percent over their pre-recession peak, and have skyrocketed 95 percent since their 2012 low.

If there is any positive sign for buyers, it's that the number of homes for sale has started to tick up after years of steep declines. The for-sale inventory remains very low by historical standards, however, and the trend

would have to continue for many more years before the market returns to anything resembling healthy for buyers.