

SINGLE-FAMILY BUILDING PERMITS/AVERAGE PRICES

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 (Updated once per Year)

Kitsap County Building Permit Levels:

Statistics for year end 2001 indicate little change in the overall residential housing market trend for the Bremerton/ Kitsap County area. As can be seen in **TABLE #1**, new construction has remained relatively flat over the past five years as total annual building permits have ranged from only 1,423 to 1,546 dwelling units. This is down substantially from peak years 1990 and 1991 when permit levels topped 3,200 units each year. If you average the building permit activity of the last five years, apartment construction fell to an average of 4.8% of total units permitted, while mobile home construction remained more constant at its 18-year average (24.4%). Single-family construction remains the most popular form of development and increased to an average of 70.8% of all units permitted over the past five years.

TABLE 1

RESIDENTIAL BUILDING PERMITS BREMERTON/KITSAP COUNTY AREA							
Year	Single-Family		Multi-Family		Mobile Home		Total #
	#	%	#	%	#	%	
1984	986	47.7%	462	22.4%	617	29.9%	2,065
1985	1,430	57.8%	454	18.3%	591	23.9%	2,475
1986	1,009	58.5%	140	8.1%	576	33.4%	1,725
1987	1,056	45.9%	705	30.7%	538	23.4%	2,299
1988	930	51.7%	384	21.3%	485	27.0%	1,799
1989	1,347	54.0%	526	21.1%	623	25.0%	2,496
1990	1,914	55.2%	718	2.07%	836	24.1%	3,468
1991	1,660	59.9%	839	30.3%	707	25.5%	3,206
1992	1,892	65.3%	290	10.0%	690	23.8%	2,872
1993	1,611	55.6%	667	23.0%	536	18.5%	2,814
1994	1,766	64.5%	573	20.9%	539	19.7%	2,739
1995	1,387	65.8%	274	13.0%	448	21.2%	2,109
1996	1,345	66.1%	250	12.3%	441	21.7%	2,036
1997	1,030	66.8%	65	4.2%	446	28.9%	1,541
1998	970	62.2%	175	11.2%	415	26.6%	1,560
1999	1,132	75.2%	20	1.3%	354	23.5%	1,506
2000	1,107	72.6%	103	6.8%	315	20.7%	1,525
2001	1,069	71.3%	129	8.6%	301	20.1%	1,499
Total	23,667	59.5%	6,667	16.8%	9,457	23.8%	39,791

Source: HUD, Seattle Regional Office (1984-1996); Richards & Associates (1997-2001)

Home Sales At All Time High in 2001:

Much of the new single-family construction appeared to involve custom homes, and the level of "spec" construction was more limited. As can be seen in TABLE #2, home sales volume was at an all time high in 2001 (3,753 units).

TABLE 2

NUMBER OF RESIDENTIAL SALES BY AREA MULTIPLE LISTING SERVICE DATA										
MLS Area	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
1 South Kitsap	764	827	845	739	770	671	819	919	914	1,095
2 West/Central	551	541	580	512	396	382	477	465	480	471
3 W. Bremerton	256	232	237	216	243	240	304	321	359	349
4 E. Bremerton	144	142	155	136	143	131	182	215	232	215
5 East/Central	381	361	290	334	267	288	301	326	331	413
6 North Kitsap	630	622	646	639	581	589	712	814	705	826
7 Bainbridge Island	279	270	322	279	320	359	481	472	418	384
Total Single Family	3,005	2,995	3,075	2,855	2,650	2,660	3,276	3,532	3,439	3,753
Condos	79	85	99	94	88	68	130	160	134	158
Total Residential	3,084	3,080	3,174	2,949	2,738	2,728	3,406	3,692	3,573	3,911

South Kitsap and North Kitsap Experienced the Greatest Sales Volume:

New home sales (see TABLE #3) represent only 16.89% of the total of home sold in 2001. The greatest sales volume occurred in the South Kitsap and North Kitsap market areas where the combined new and used home sales volume totaled 1,095 and 826 homes respectively. This sales activity was consistent with that of previous years.

TABLE 3

NUMBER OF NEW & USED HOME SALES BY AREA MULTIPLE LISTING SERVICE DATA									
MLS Area	1999			2000			2001		
	New	Used	Total	New	Used	Total	New	Used	Total
S. Kitsap	126	793	919	164	750	914	179	916	1,095
Silverdale	54	411	465	38	442	480	51	420	471
W. Bremerton	13	308	321	11	348	359	15	334	349
E. Bremerton	9	206	215	25	207	232	15	200	215
Central Kitsap	16	310	326	50	281	331	99	314	413
N. Kitsap	143	671	814	136	569	705	176	650	826
Bainbridge Island	111	361	472	119	299	418	99	285	384
TOTALS	472 13.36%	3,060 86.64%	3,532 100%	543 15.79%	2,896 84.21%	3,439 100%	634 16.9%	3,119 83.1%	3,753 100.0%

Home Prices Up Almost 3% Over Last Year:

Despite the decline in new construction, prices for both new and used homes throughout most areas of Kitsap County continue to rise (see **TABLE #4**). The average price of a home reached \$191,299, which was an increase of 2.7% over the prior year (see **TABLE #5**). Despite increased price levels, the average number of day (DOM) that it takes to sell these homes continued to decline. In 2000, it took an average of 84 days to sell a home. In 2001, the average dropped to 82 days to sell a home.

TABLE 4

MLS AVERAGE PRICES DAYS ON THE MARKET (NEW & USED HOMES BY AREA)										
CMLS Area	1997		1998		1999		2000		2001	
	Price	DOM	Price	DOM	Price	DOM	Price	DOM	Price	DOM
1 South Kitsap	\$131,875	146	\$147,924	94	\$149,754	90	\$149,594	82	\$159,104	85
2 West/Central	\$155,853	138	\$159,393	90	\$162,472	82	\$168,894	77	\$177,702	87
3 W. Bremerton	\$100,494	115	\$97,066	83	\$97,810	75	\$108,358	77	\$105,859	63
4 E. Bremerton	\$108,274	119	\$117,846	85	\$115,871	68	\$124,236	81	\$128,923	52
5 East/Central	\$126,502	127	\$132,374	93	\$138,806	65	\$140,272	72	\$149,512	72
6 North Kitsap	\$161,365	149	\$171,771	94	\$188,771	95	\$190,273	87	\$201,808	73
7 Bainbridge Isl.	\$300,480	142	\$339,973	97	\$382,044	93	\$416,975	112	\$434,697	128
County Averages	\$161,212	139	\$175,155	92	\$183,669	85	\$186,214	84	\$191,299	82
Less Bainbridge	\$138,171		\$146,791		\$153,070		\$154,285		\$163,557	

TABLE 5

MLS SINGLE-FAMILY APPRECIATION RATES (AVERAGE PRICES)										
MLS Area	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
1. South Kitsap	16.0%	3.3%	1.9%	2.3%	3.3%	0.8%	12.2%	1.2%	-0.1%	6.4%
2. West/Central	0.3%	1.0%	1.9%	-6.1%	5.3%	6.1%	2.3%	1.9%	4.0%	5.2%
3. W. Bremerton	11.1%	7.6%	3.5%	-6.9%	7.0%	12.9%	-3.4%	0.8%	10.8%	-2.3%
4. E. Bremerton	13.2%	2.4%	2.1%	-2.2%	5.9%	2.8%	8.8%	-1.7%	7.2%	3.8%
5 East/Central	7.5%	0.5%	3.5%	-0.7%	0.5%	6.1%	4.6%	4.9%	1.1%	6.6%
6. North Kitsap	8.9%	7.9%	2.3%	-0.2%	9.2%	3.2%	6.4%	9.9%	0.8%	6.1%
7. Bainbridge Island	5.0%	4.4%	8.4%	8.5%	-1.3%	3.0%	13.1%	12.4%	9.1%	4.3%
County Totals	8.5%	3.8%	5.3%	-0.3%	5.2%	7.0%	8.6%	4.9%	1.4%	2.7%
Less Bainbridge	9.8%	4.1%	2.6%	-1.4%	3.4%	5.1%	6.2%	4.3%	0.8%	6.0%

The Average Price of a New Home Went Up 3.4% Over Last Year:

TABLE #4 above details the average sales price for all home (new & used). **TABLE #6** summarizes new homes only. The average price of a new home in Kitsap County was \$240,117 for year ending 2001. This was a 3.4% increase over the prior year's average price of a new home.

TABLE 6

AVERAGE "NEW HOME" PRICES BASED ON THE DIGEST AND NWMLS DATA									
Digest Area	1992	1993	1994	1995	1996	1998	1999	2000	2001
North Kitsap	\$110,075	\$130,859	\$139,562	\$145,562	\$163,076	\$182,576	\$202,517	\$214,040	\$227,973
Bainbridge Island	\$186,940	\$205,725	\$249,673	\$260,458	\$304,735	\$348,819	\$382,306	\$410,050	\$453,023
Central Kitsap	\$123,100	\$147,284	\$149,333	\$150,264	\$148,161	\$145,979	\$147,269	\$150,782	\$165,656
Bremerton	\$106,100	\$115,014	\$123,596	\$126,331	\$123,303	\$137,049	\$136,048	\$155,137	\$173,459
South Kitsap	\$108,783	\$144,870	\$140,896	\$145,001	\$148,424	\$160,975	\$175,148	\$178,600	\$207,873
County Totals	\$117,413	\$143,078	\$148,880	\$153,131	\$162,651	\$195,219	\$226,200	\$232,136	\$240,117
Less Bainbridge Isl.	\$115,054	\$139,674	\$141,826	\$146,819	\$150,911	\$165,298	\$178,201	\$182,202	\$200,179

For the Fourth Year, Home Inventory Is Declining:

As can be seen in TABLE #7, the average monthly Home Inventory dropped from 1,652 homes in 2000 to 1,498 homes in 2001. This decrease in inventory has been a constant trend which began in 1998. As inventory goes down, usually average sales price goes up.

TABLE 7

MLS SINGLE-FAMILY HOME INVENTORY (MONTHLY AVERAGE)							
MLS Area	1995	1996	1997	1998	1999	2000	2001
1 South Kitsap	586	623	636	532	531	504	421
2 Silverdale	327	327	336	276	233	205	175
3 W. Bremerton	179	162	231	176	163	155	117
4 E. Bremerton	90	123	130	98	93	93	68
5 Central Kitsap	183	220	230	162	137	131	107
6 North Kitsap	425	492	547	419	352	360	376
7 Bainbridge Isl.	269	213	278	227	202	204	234
County Totals	2,059	2,160	2,388	1,890	1,711	1,652	1,498

Pressure For New Home Construction:

As inventories decline, pressure for new home construction and lot development should increase. Platting was up slightly in 2001 (see TABLE #8). However, only 232 new lots were platted in 2001 compared to the eight-year average of 408 lots per year. In addition, lot development is far below the recent level of building permits issued. This low lot development trend will probably lead to continued shortage of home inventory and continued price increases.

TABLE 8

RESIDENTIAL LOTS CREATED		
Year	Plats Recorded	Lots Created
1994	24	723
1995	3	78
1996	25	825
1997	16	373
1998	16	445
1999	17	388
2000	7	196
2001	13	232