



Seller's Market Thriving

In June and July 2020, aided by 30 year home loan rates below 3%, buyers continued to absorb housing inventory like hungry wolves.

At the date of writing this article there are 558 homes on the market in the Municipality of Anchorage per MLS. 400 sold and closed in the last 30 days. That is, there is less than 2 months of inventory to meet demand!

This firmly fits the definition of a sellers' market. I recently listed a family home around the \$300,000 mark and received multiple offers immediately, resulting in a sale in excess of 2% above list price. The hot price range for single family homes is \$300,000 to \$600,000 and Realtors just cannot find enough people willing to put their property on the market.

You may well ask why this phenomenon, given the health issue restraining employment and activities at this time. The answer is that those who do have employ-

ment and reliable income are the shoppers.

Can we expect this to last? No. According to AEDC (Anchorage Economic Development Corporation) 10,000 jobs will be lost in 2020 and this will inevitably cause a downturn in economic activity. Many small businesses will go under and the ripple effect will be felt by all. Although the State is supported by a stable military presence, continued awesome freight movement through the airport, and a growing healthcare industry, Alaska will not be untouched by the world health crisis.

Both the stock market and the U.S. population at large is still bathing in the largesse of Federal money being printed and handed out to all and sundry, but the National Credit Card being used for such cash advances has to be paid for by increased taxes in future years. Who pays these taxes will depend on the political balance in Washington D.C. However, do prepare yourself for 3 years of necessary State budget cuts,

job losses and a sluggishness in real estate values. But don't worry, Alaskans are never shaken up for too long.

Dave

Windsor

A stylized, handwritten flourish or signature mark consisting of a single, continuous, sweeping line that curves upwards and then downwards.

