

## **Competition among home buyers “still fierce;” rising interest rates adding to fury**

KIRKLAND, Wash. (June 5, 2013) – Well-priced homes continue to draw multiple offers and sell at a brisk pace around Western Washington as buyers react to increases in interest rates and asking prices.

Northwest Multiple Listing Service reported double-digit gains in several key indicators it tracks for the 21 counties in its service area. Compared to a year ago, the number of new listings climbed 16 percent, pending sales increased about 10 percent, closed sales jumped nearly 22 percent, and prices rose more than 13 percent. Despite gains in listing activity, inventory remains tight.

Commenting on the latest report, brokers said the fast pace is frustrating some buyers -- and surprising sellers with unrealistic expectations. One broker cautioned against an overheated market. “We do not want a market that escalates too fast and topples again,” commented Frank Wilson, Kitsap district manager at John L. Scott Real Estate and branch managing broker for its Poulsbo/Kingston office.

“Overly aggressive sellers find themselves disappointed when no or low offers are presented,” remarked Northwest MLS director Kathy Estey, the managing broker at John L. Scott in downtown Bellevue.

With inventory apparently improving, some would-be buyers are staying on the sidelines. The increased inventory is “cooling some buyers,” reported George Moorhead, managing broker at Bentley Properties in Mill Creek and a member of the MLS board of directors. “We also have buyers who are stepping back as they are frustrated with current inventory and multiple offers going well above asking price,” he added.

Inventory showed signs of improving with the addition of 11,445 new listings during May, the highest number since April 2010. May’s total outgained the year-ago figure of 9,861 new listings for a 16 percent gain.

“It has been refreshing to see more listings coming on the market, but with overall inventory remaining low the competition among buyers is still fierce for homes that are priced properly,” commented Estey.

At month end, there were 21,943 total active listings in the Northwest MLS database, a drop of 4,248 from the same time a year ago for a decline of more than 16 percent.

Buyers looking for condominiums will find slim pickings. Condos currently account for only about 10 percent of the available inventory. The area-wide selection, which numbers 2,253 listings, is down more than 26 percent from a year ago.

Brokers reported nearly as many pending sales system-wide (10,045) as new listings (11,445). Nine counties reported year-over-year gains in pending sales that exceeded 30 percent (Clallam, Cowlitz, Ferry, Grant, Grays Harbor, Island, Kitsap, Lewis, and Okanogan).

Most metro area counties had more modest gains in pending sales: King (up 6 percent) Snohomish (down 5.8 percent) and Pierce (up 10.6 percent).

Closed sales continue to track well ahead of a year ago. During May, members tallied 7,349 completed transactions, outpacing the year ago total of 6,027 by nearly 22 percent.

Prices jumped 13.4 percent from twelve months ago, rising from an area-wide median selling price of \$242,500 to last month’s price of \$275,000. The median price for homes and condos that sold in both King County and San Juan County was \$375,000 (\$100,000 higher than the area-wide figure). In King County, that represented a gain of 15.4 percent, while for San Juan County prices edged up only about 1.8 percent compared to a year ago.

“We’re seeing the trajectory of home prices beginning to soften and the number of days on the market decline,” observed Mike Grady, president and COO of Coldwell Banker Bain, adding, “The trends suggest inventory levels

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are slightly more sustainable, but we're still clearly in a seller's market. For the foreseeable future, buyers will continue to pay more the longer they wait to purchase a home.”

Frank Wilson, who is also a board member for Northwest MLS, said recent market activity is affecting home values. In Kitsap County, where his office is located, brokers added 575 new listings to inventory during May, improving on the year-ago total of 515. During the same period, MLS members reported 567 pending sales to soar past the year ago figure of 414 sales for an increase of nearly 40 percent. Median selling prices in Kitsap County rose 5.3 percent, from the year-ago figure of \$228,000 to \$240,000.

“Slow and steady is the key here,” Wilson cautioned, while also raising concern about low appraisals, which he described as the “inchworm effect” of the market. “As prices begin to appreciate we will continue to see challenges with low appraisals,” he predicted.

Moorhead said increased activity is very noticeable, with mixed outcomes. “We are seeing multiple offers at 5-to-12 percent over list price in highly sought-after areas,” he reported, but also noted “there are other homes on the market that are not selling with no real reason why.”

Some brokers also commented on rising interest rates.

Wilson said the biggest effect of the upswing in the real estate market has been the erosion of a buyer’s buying power. In May alone, interest rates jumped almost 0.75 percent, he noted, which reduces a buyer’s ability to purchase a \$350,000 home by almost \$31,000. Coupled with an increase in price, he said it “creates a compounding affect, which will frustrate buyers in today’s market.”

Estey said interest rate increases are “adding fury to the already frenzied buyers who must finance their purchase.” A one-half percentage point increase in interest rates reduces buying power by 5 percent, she explained, adding, “so as prices increase about a percentage a month, the feeling of urgency mounts too.”

Commenting on the challenges buyers are encountering, Estey said, “The joy of buying a home in today’s market is in the long-term result of settling in, but the competitive process is sometimes not so joyful! Hiring the right broker who can add some fun elements and insights while wisely guiding buyers through the decision process can make a huge difference,” she suggests.

Federal officials are downplaying rising interest rates. In a recent interview, Frank Nothaft, Freddie Mac’s chief economist, commented on the latest rise that marked three consecutive weeks of increases. “While this may slow some of the refinance momentum, rates are nonetheless low and home-buyer affordability high, which should further aid home sales and construction in coming weeks,” he remarked, adding, “The rates are also lower today than they were a year ago at this time.”

Northwest Multiple Listing Service, owned by its member real estate firms, is the largest full-service MLS in the Northwest. Its membership includes more than 21,000 real estate brokers. The organization, based in Kirkland, Wash., currently serves 21 counties in Washington State.

*Sources quoted and statistical summary follow.*

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## **█ Feds extend mortgage modification program for two more years**



Distressed homeowners will have two more years to get mortgage modifications and avoid foreclosure under an extension of a mortgage-modification program President Obama introduced in early 2009.

Officials from the U.S. Department of the Treasury and the U.S. Department of Housing and Urban Development (HUD)

announced an extension of the Administration's Making Home Affordable Program on May 30. The program, which was set to lapse at year end, is extended through Dec. 31, 2015.

The Making Home Affordable Program provides relief and protections for families at risk of foreclosure while helping the housing market recover from a historic crisis. Since its launch, about 1.6 million actions have been taken through the program to provide relief to homeowners and nearly 1.3 million homeowners have been helped directly by the program.

The two-year extension was coordinated with the Federal Housing Finance Agency (FHFA) so deadlines on various relief initiatives are aligned. These other programs include the Home Affordable Refinance Program (HARP) and the Streamlined Modification Initiative for homeowners with loans owned or guaranteed by Fannie Mae and Freddie Mac.

"The housing market is gaining steam, but many homeowners are still struggling," said Treasury Secretary Jacob J. Lew. "Helping responsible homeowners avoid foreclosure is part of our wide-ranging efforts to strengthen the middle class, and Making Home Affordable offers homeowners some of the deepest and most dependable assistance available to prevent foreclosure. Extending the program for two years will benefit many additional families while maintaining clear standards and accountability for an important part of the mortgage industry."

Along with protections for homeowners, MHAP aims to create standards for the mortgage servicing industry. The benchmarks include requirements for mortgage servicers regarding clear and timely communications with homeowners and protections to ensure that homeowners are evaluated for assistance before being referred to foreclosure.

Through March 2013, more than 1.1 million homeowners have received a permanent modification of their mortgage through HAMP, with a median savings of \$546 every month – or 38 percent of their previous payment. Data from the Office of the Comptroller of the Currency (OCC) shows that the median savings for homeowners in HAMP is higher than the median savings for homeowners in private industry modifications, which has helped homeowners in HAMP sustain their mortgage payments at higher rates. Government reports show HAMP modifications exhibit lower delinquency and re-default rates than industry modifications.

"The Making Home Affordable Program has provided help and hope to America's homeowners," said HUD Secretary Shaun Donovan. "Families across the country have used its tools to reduce their principal, modify their mortgages, fight off foreclosure and stay in their homes – helping further stimulate our housing market recovery. And with this extension, we ensure that the program keeps supporting communities for years to come."

Homeowners can visit [MakingHomeAffordable.gov](http://MakingHomeAffordable.gov) for more information about free resources or call 1-888-995-HOPE (4673). There is no fee to apply for assistance.

## **Realtors provide candidates with “Healthy Housing Checklist”**

Candidates for elected office and other public officials who attended the annual Housing Issues Briefing presented by SEATTLE *KingCounty* REALTORS® received a checklist for creating and sustaining a healthy housing segment.

The list covers six primary areas of concern to Realtors, with detailed bullet points under each.

1. Ensure an adequate supply of housing (including specific recommendations for zoning, densities, a variety of property types/home styles and reasonable regulations).
2. Allow the housing market to recover (with reminders about the negative impact of new taxes, fees and regulations).
3. “Think carrots rather than sticks” (suggesting incentives be explored before mandates and penalties).
4. Streamline the regulatory process (with ideas for exemptions, plus ways to make permitting and plan reviews faster and more efficient).
5. Ease the cost of housing (through deferred impact fees, sales tax refunds, a small business assistance programs, and low impact development credits).
6. Leadership (focus on two futures: housing and economic vitality, being mindful of housing supply, affordability and regulations).

Along with the checklist, the document included an invitation for Briefing participants to connect with SKCR’s housing specialists for “details, best practices ideas and help.”

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## **Economic Update (May 7) Set to Verse**

Economist John Mitchell, the keynote speaker for the 19<sup>th</sup> annual Housing Issues Briefing presented by SEATTLE *KingCounty* REALTORS®, delighted the audience with his much-anticipated economic update set to verse. Dr. Mitchell, a member of the Western Blue Chip Forecast Panel and a popular columnist and speaker, graciously granted permission to reprint it in *NW Reporter*.

Washington grew fast with the CPS at the core.  
In the aerospace race Boeing sold more.  
Amazon gobbled space to the builder’s delight,  
And farm income soared out of most people’s sight

Liquor flowed from the end of a prohibition shackle.  
McCleary meant legislators had fund issues to tackle.  
Cannabis is legal for good or for ill,  
An experiment is underway at the people’s will.

2013 will see state growth that is even faster,  
Assuming that there is no national policy disaster.  
The tech sector booms in a dynamic cluster,  
While battery issues do aerospace fluster.

Home prices are rising-those underwater do decline.  
Inventories are down and some buyers wait in line.  
Jay Inslee took over facing problems of old  
Kings almost turned to Sonics had the NBA rolled.



*Editor’s Note: Dr. Mitchell’s verse only applicable to his economic update given on May 7, 2013.*

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## **█ Sustainability survey reveals Americans feel most guilty about wasting food**

Of all the things “un-green” that Americans could feel guilty about – not recycling, forgetting to bring reusable bags to the store, leaving the lights on when leaving a room – they feel the most guilt about wasting food, according to recent survey. At the other end of the spectrum, Americans feel very little guilt about using chemical fertilizers and being careless about watering their lawns.

Considering the average household tosses about 470 pounds of food every year, making it the largest component in the nation’s landfills, “We have plenty to feel guilty about,” remarked Suzanne Shelton, founder and CEO of Shelton Group, which conducted the nationwide “Eco Pulse™” survey.

Citing government studies, Shelton said Americans waste about 27 percent of food available for consumption, costing the average family of four about \$600 annually. She noted food waste in the U.S. has grown 50 percent since 1974, accounting for more than a quarter of total freshwater use and roughly 300 million barrels of oil a year.

“We all have the best of intentions,” Shelton said. “We fill our grocery baskets with healthy meats, fruits and fresh vegetables, with big plans for a week’s worth of home-cooked meals. Then, we get swamped at work, or have to get our kids to various activities and we find ourselves picking up a pizza on the way home. By the end of the week, we’re throwing out the spoiled food from our refrigerators.”

Shelton believes the finding about food waste signals a new avenue for engaging the public in sustainability efforts. There clearly is an opportunity to help people find ways to minimize food waste, she stated. “All of us could be better at shopping, cooking and using up leftovers,” Shelton said. “Keeping food from going to waste will benefit our wallets as well as the environment. And we’ll all feel a lot less guilty.”

The annual survey asked respondents: “Which (if any) of these things do you feel guilty about?”

### **Americans’ top answers:**

Wasting food .....	39 percent
Leaving the lights on when I leave a room .....	27 percent
Wasting water.....	27 percent
Not unplugging chargers/electronics when not in use .....	22 percent
Not recycling things .....	21 percent
Forgetting to bring reusable bags to the store .....	20 percent
Letting the water run while brushing teeth, washing dishes, etc.....	20 percent

### **Americans’ bottom answers on the “guilt scale”:**

Running the dishwasher or clothes washer when it isn’t completely full .....	10 percent
Not making energy-efficient home improvements.....	10 percent
Washing clothes or dishes on the hottest setting .....	9 percent
Not buying CFLs or LEDs .....	9 percent
Not sticking to an energy-efficient thermostat setting .....	7 percent
Using chemical lawn or plant fertilizers.....	6 percent
Not being careful about how long/when I water the grass .....	6 percent

Shelton Group’s fifth annual Eco Pulse survey polled 1,013 Americans and had a margin of error of 3.09 percent.

Among other important consumer trends researchers found were:

- Thirty percent of respondents said a company’s Corporate Social Responsibility (CSR) activities influenced their green purchase decisions somewhat or very much. In fact, local CSR activities that benefit the consumers’ communities, such as stocking a community food pantry, were the strongest type of initiative

tested. Consumers said those activities were more believable and could actually motivate them to choose one product over another.

- An increasing number of Americans say they know a product is green because it's made by a company with a strong environmental reputation. That number has grown from 23 percent in 2010 to 31 percent this year.
- Asked, "How truthful do you think most companies are when making green claims?" 71 percent of respondents said that companies are often or always truthful, while only 29 percent said they are rarely or never truthful. Analysts concluded this shows that most consumers are at least willing to listen to companies' green claims – and many will give them the benefit of the doubt.

#### About Shelton Group

Shelton Group studies Americans on an ongoing basis and tracks their shifting attitudes and motivations around all things green. The marketing communications firm uses those insights to help some companies define and leverage their sustainability stories to gain a market advantage.

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### Take the Greener IT Challenge

Not all electronic devices are the same when it comes to their impact on the planet.

For example, some scientists estimate two-thirds of the environmental footprint of these devices comes from the manufacturing process, not the use.

Microsoft and other partners invite individuals and organizations to go greener when choosing, using and disposing of IT equipment like PCs. By using tools developed through a collaboration of shareholders from business, advocacy, government and academic arenas, this partnership suggests several benefits can be enjoyed:

1. Better choices
2. Improved data security
3. Money savings, and
4. Reduced environmental impact

Working with the ICT (information and communications technologies) industry, the authors of the Greener IT Challenge believe the environmental impact of electronics can be reduced while improving the environmental sustainability of the electronics we all use.

Specifically, businesses and individuals are challenged to include environmental certification in decision process, configure PCs to use less electrical power, and dispose of electronics to reduce harm to people, the planet, and potentially, your privacy. :

One widely-used resource for going greener is EPEAT (Electronic Product Environmental Assessment Tool), a rating tool, global registry and easy-to-use database of environmentally preferable products. EPTAT-registered products are manufactured with fewer toxins (like mercury), and are designed for easy recycling. Nearly 500 million EPEAT-registered products have been purchased since the system began in July 2006. Forty eight participating manufacturers currently register over 2800 'greener' PC and display products across 42 covered countries.

#### Go Greener:

Do you and your company:

- **Buy smart:** purchase only certified PCs that have been manufactured in more environmentally sustainable ways?
- **Use smart:** understand power options so your PC uses less electricity.
- **Dispose safely:** disposed of used electronics so they can be reused and recycled and cause minimal harm to the environment.

The [Greener IT Challenge](#) website features a six-minute video, a 5-question multiple-choice test, links to useful websites and other information. To see an infographic of the eco benefits of purchasing greener EPEAT-registered products, [click here](#).

<http://microsoft.greeneritchallenge.org/> (click link for more details and to view video)

Infographic: 2012 [EcoBenefits of Purchasing Greener EPEAT-Registered Products infographic](#)

<http://www.epeat.net/wp-content/uploads/2012/11/EPEATIG2012.pdf>

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## **Deadline for Green Washington Awards Moved to July 10**

Are you or your company keeping the environment clean? You have a few more weeks to enter an awards program.

The deadline for entries into the 2013 Green Washington Awards has been extended to **Wednesday, July 10**. Businesses, nonprofits and government agencies operating in Washington state are invited to vie for an award. The program, presented by *Seattle Business* magazine, recognizes companies and individuals who are leading the way in sustainability and green business practices.

Accomplishments in 10 categories will be recognized:

1. Agriculture/Natural Resources (includes Fishing, Forestry and Viticulture)
2. Building (Construction and Architecture)
3. Government/Academia
4. Health Care
5. Manufacturing
6. Nonprofit
7. Retail
8. Services
9. Technology (including Clean Tech)
10. Other

Finalists and those companies named to the 2013 Green 50 list will be honored at an awards banquet in October 2013 and will appear in the November 2013 Green Washington Awards feature issue.

[Entry forms](#) are available online.

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## Giving Back

Like many REALTORS®, Dennis Brown had a career in a different profession and now uses that experience to support various nonprofit causes. In May, his volunteer work was showcased at Seattle's Benaroya Hall.

Brown, the executive managing broker for SASH Realty and a past president of SEATTLE KingCounty REALTORS®, worked as a floral designer and manager of chain of floral and gift shops, and taught the craft for many years,



including service for a hotel chain in Hawaii. Since

switching to real estate, his creations have been featured at the annual Seattle-King County First Citizen Banquet.

In May, Brown accepted an invitation to prepare the stage flowers and VIP reception bouquets for the annual Ten Grands Seattle concert, a benefit for music education.



Over the course of several hours, Brown arranged 1,500 long-stemmed roses with assorted greens to create bouquets that surrounded the multi-tiered ten grand pianos. In addition to being a signature item at the sold-out concert, the dramatically lit arrangements are re-purposed for another worthy cause.

Following the concert, Brown and a few other volunteers deconstructed the bouquets, carefully packing them into plastic bins for transport to Veterans' Memorial Cemetery at Evergreen Washelli Memorial Park in Seattle. The following morning, volunteers from the University of Washington ROTC program placed a rose on the headstones of fallen heroes.

Brown has already volunteered to be the floral designer for the seventh annual "Ten Grands Seattle" concert, scheduled for April 4, 2014. The event, which features both professional pianists and young musicians, is presented in partnership with the Seattle Symphony.

Bravo to Dennis and other REALTORS® who volunteer for the greater good!

*Editor's note:* We invite real estate professionals who volunteer for charitable causes to submit stories for consideration as features in future editions of Northwest REporter. Suggestions may be sent to [dcrowell@nwrealtor.com](mailto:dcrowell@nwrealtor.com). Please include "Realtors who give back" on the subject line.



## **Because Mr. Wynn Doesn't Want You to Smell Smoke**

By Jeremy Conaway



Participating in a recent industry conference in Las Vegas brought with it the requirement to take the semi-annual walking tour of the famous Las Vegas strip. The center piece of this amazing architectural, cultural, and, OK, tacky, destination is a mile or so of astounding structures, blazing lights along with hundreds of men and women each of whom seems to have ordained themselves “sexy,” no matter what. Something about the environment draws many, including this non-drinking, non-gambling tourist at least into the periphery of many of two dozen casinos, each one clogged with tobacco smoke and strangely dressed folks that have their own system to beat the game.

At the east end of the “strip” lays a property that is generally recognized as one of the finest examples of a Las Vegas casino. Approaching this property from the street provides a subtle notice that this is not just another casino. Responding to the cues I made my way into the interior of this grand palace and into the casino area. I immediately observed something was wrong. There was absolutely no scent of smoke in the casino.

Habitually the curious one, I approached a well-dressed young fellow and asked the big stupid question that, like similar questions have so often, turned out to be the portal to great knowledge. “Why is there no smoke in this casino,” I asked. His answer was brief and to the point. He said, “Because Mr. Wynn doesn’t want you to smell smoke.” Well how about that.

Well, I quickly learned that Mr. Wynn is Steve Wynn, a virtual global legion in the casino world with ownership of properties from Europe to China. However, what I also learned is that Mr. Wynn personally exercises continuing and exacting care relative to virtually hundreds of details within his operations from sleeping room arrangements and decor, to food and beverage selections and even the birds that sing in his hallways. Apparently it is this appreciation for the details of the perfect guest experience that has made him an icon in his industry and a billionaire a few times over.

What does this have to do with our real estate industry? Well, actually, everything. In the March 2013 edition of the Harvard Business Review writer Jeffrey Rayport published an exceptionally informative article entitled Advertising’s New Medium: the Human Experience. Mr. Rayport’s article makes the point that in a media saturated world (like ours), persuading consumers through interruption and repetition is increasingly and almost completely ineffective. What today’s consumer is responding to is the “experience.” The challenge is for business entities, including real estate brokerages, to understand where and when the consumer will be receptive to having an experience and how to deliver that experience.

Rayport goes on to identify four zones in which this experience receptiveness occurs. He cites public, social, tribal and psychological as key locations. By way of definition the public sphere is where we interact with one another in mass settings. Not much of an experience here. The social sphere is where we interact with one another on person-to-person basis to fulfill our social needs. Not much of an opportunity to create a real estate service experience here unless that friend is a raving fan of your brokerage. The tribal sphere is where we interact for the purposes of establishing our common interests or unique identities. Now this sounds like an opportunity. Finally the psychological sphere is that place in our brain where we associate specific language “slang” with specific situations. This is a long shot with some definite possibilities.

Recognizing that the last paragraph may have taken us too far off the beaten path of real estate, let’s return to the question on each reader’s mind. What does this have to do with the marketing of real estate? Simply put, it is all about the experience. It is about investing our marketing message where the rubber meets the road, where your brokerage actually touches the consumer. Where that isn’t is in a print or Internet ad, a beauty shop restroom, the side of a bus or a yard sign.

Start looking for those places and circumstances where your brokerage actually comes into human and articulated contact with the consumer. The closer you look, the more you will realize that by virtue of both specific events and gross statistics, the primary sphere that you should be focused on is measuring the experience that your firm is delivering when and where your agents have direct personal or conversational contact with the consumer followed by those interactions in which your office staff interacts with consumers.

The first realization at which a brokerage executive might arrive is that, intentionally or not, the prime opportunities to create consumer experiences may have been inadvertently delegated. While there are still a few old fashion practitioners who drop in on closings or make an effort to touch bases with their customers such has become increasingly rare. Executives in larger firms would suggest that it has become impossible. (Not according to Mr. Wynn apparently).

Given this reality, the next question that brokers should ask is whether or not they have provided those to whom the consumer experience has been delegated, adequate instructions relative to how they want the consumer experience handled. Our research suggests that by and large this isn't happening that often. In fact, quite the opposite. While some front office representative training is being delivered, it appears that few brokers are working with their agents to reach some agreement relative to the consumer experience with which the firm will be associated. Moreover there is evidence that suggests that many brokers consider it inappropriate to even raise the issue, let alone negotiate a common agreement.

This situation becomes even more difficult in firms that have taken the position that their customer is the agent and the agent's customer is the consumer. Although, given the situation that many agents have negotiated for themselves, one would surmise that brokers are really good at creating experiences.

What Mr. Wynn and Mr. Rayport are saying carries the exact same message. In today's marketplace, firms that are not controlling, or at least negotiating for and monitoring, the consumer experience for quality and efficacy, are simply not advertising. What then is that awesome figure that appears in the monthly financial statement under marketing costs? Perhaps it would be better to book it under contributions to non-profit entities.

It's a new world out there we can meet this challenge too.

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## News In Brief ~ March 2013

- Seattle home prices rose faster from February to March than in 18 of the other 19 cities tracked in a national index. Seattle prices rose 3 percent for the month (May), and 10.6 percent year-over-year, according to the Standard & Poor's/Case Shiller home price index. U.S. home prices jumped 10.9 percent in March compared to a year ago, the most since April 2006.
  - Skyrocketing home prices in a few markets have some analysts concerned that prices are on the rise too fast and could ultimately hamper the housing recovery, but the Seattle area did not enter the conversation as mentioned in an article by Tom Kelly. "In many markets, fundamentals are improving as unemployment rates continue declining, while low prices and low interest rates have affordability high," according to analysts for Fitch Ratings, a credit rating agency. "However, especially in cities that never fully unwound the mid-2000s bubble, rapidly increasing price levels are a potential cause for concern." Many of the areas of concern are in California, where home prices have posted gains of 13 percent in the past year alone, according to analysts. Limited housing inventories of for-sale homes mixed with rising buyer demand are mostly behind the rising home prices. "We believe this level of housing demand is likely to abate once the pent-up demand is satisfied," Fitch analysts said. "The supply is also artificially low, as recent regulations have limited the pace of foreclosure sales and the large percentage of underwater borrowers continues to hope for future price increases to be able to sell their homes at a profit."
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- Single women make up the second largest segment of home purchases, with one out of every five homes purchases by a single woman, according to the National Association of REALTORS®. With more than 25 million single women over the age of 45 - whether never married, divorced, or widowed - it is making up a growing demographic. Some builders are reportedly adding two master bedrooms to help accommodate the 40 percent of single women who choose to have non-romantic roommates, according to AARP.
- Despite increasing prices, nearly one-third of all Seattle-area homeowners with mortgages owe more than the value of their homes, according to a new survey by Seattle-based Zillow. The local negative equity ("underwater") percentage of 31.2 is greater than the national negative of 25.4 percent of all homeowners with a mortgage. Another 18.2 percent of homeowners with mortgages, while not technically underwater, likely do not have enough equity to afford to move, Zillow reported.

"Reaching positive equity, even barely, is an important milestone," said Stan Humphries, Zillow's chief economist. "But things like real estate agents' fees and a down payment for the next home traditionally come out of the proceeds from the prior home's sale. Without enough equity, these costs will instead have to come out of a homeowner's pocket, leaving many still stuck. "Slightly more than 13 million homeowners with a mortgage were underwater at the end of the first quarter. When including homeowners with less than 20 percent home equity, the "effective" negative equity rate at the end of the first quarter was 43.6 percent, or a total of 22.3 million homeowners. These homeowners likely cannot afford a down payment for a new home, tying them to their current homes and contributing to inventory shortages. A homeowner technically reaches positive equity as soon as the market value of their home exceeds their outstanding loan balance. But listing a home for sale and buying a new one generally requires equity of 20 percent or more to comfortably meet related costs.

**Calendar of Events - Through July 4, 2013**

Dates	Event	Clock Hours	Time	Location	Contact
<b>SEATTLE-King County REALTORS®</b>					
6/14/13	Statewide RPAC Fundraising Day				
6/18/13	Affiliate Council		9 a.m.-10 a.m.	SKCR	(425) 974-1011
6/19/13	SKCR Strategic Planning				(425) 974-1011
6/25/13	Gov't Affairs Committee		10:30 a.m.-1:30 p.m.	SKCR	(425) 974-1011
6/28/13	SKCR Elections Close				(425) 974-1011
7/4/13	Holiday – Office Closed				
For updates visit: <a href="http://www.nwrealtor.com">www.nwrealtor.com</a> and click “events”					
<b>SNOHOMISH COUNTY-CAMANO ASSOCIATION OF REALTORS®</b>					
For updates visit: <a href="http://www.sccar.com">www.sccar.com</a> and click “events”					