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Seattle's first high-rise condo since 2012 set to break ground by year-end

Developers plan to break ground by year-end on Seattle's first downtown condominium high-rise since 2012. Unit reservations in the 40-story tower at 1200 Howell Street are now being accepted, with the first wave of occupancy forecast for 2019.

Called NEXUS, it will be the first of several "significant" projects the Burrard Group is planning for the Seattle area, according to Christian Chan, executive vice president at the Vancouver, BC-based real estate development firm.

Artist's rendering of NEXUS condo

The Burrard Group expects downsizing empty-nesters, second home buyers and international investors to be among the purchasers of homes at NEXUS.

Prices at NEXUS are expected to start in the $300,000s for small one-bedroom units. At the other end of the spectrum, fewer than 20 penthouse and high-end "sky terrace" units are planned, according to Chan. He said prices for these larger options (up to three bedrooms) in the 403-unit "next generation" condo have not been set, but the company plans to offer low down payment options and mortgage payments that are comparable to prevailing rents.

"We view downtown as a fundamentally strong housing market and believe trending will increasingly favor homeownership as home values grow, interest rates remain low and thousands of renters contemplate the benefits of homeownership," Chan stated in an announcement about the project.

"Prices are rising quickly in downtown Seattle and NEXUS will offer owners the potential for capital appreciation, unlike rent which only benefits the landlord" said Brian O'Connor, principal of O'Connor Consulting Group, which provides market and feasibility reports to various clients. Developers also promise low down payment options and mortgage payments that are comparable to prevailing rents.

Commenting on the April 15 date for the project's announcement, O'Connor said, "This debut is well-timed with IRS Tax Day. I believe renters of those newer apartment buildings built since 2011 have missed an estimated $40 million in income tax deductions in 2015. Sellers of principal residences also enjoy tax free capital gains up to $250,000 for single owners or up to $500,000 for married couples."

O'Connor also believes NEXUS will meet pent up demand for "attainably-priced homes" as nearby condominiums in downtown Seattle's urban core have all but sold out of inventory below $900,000. (As of May 1, a search of Northwest Multiple Listing Service data reveals about 50 condo listings priced under $900,000 in the downtown/Belltown map area.)

Chan points to Seattle-area rents, which have grown by 35-percent in the last five years as the city now ranks among the top ten most expensive apartment markets in the U.S., according to CNN Money, even though nearly 10,000 new apartments that have been built in the downtown submarket since 2011. Condominium values and corresponding supply are also making a comeback with 22-percent median home price increases year-over-year during the first quarter of 2016, according to research conducted by Realogics Sotheby's International Realty ("RSIR") and O'Connor Consulting Group. They project 17,000 new housing units in the pipeline could deliver over the next five years but 85-percent of them are expected to be rentals.

Developers say the condo project will feature multiple levels of amenities, including a service-oriented retail and lobby level, a 7th level with co-working space, fitness center, dog run/lounge, great room, media facility and outdoor patio. Also planned is a rooftop-level Sky Club with social spaces, an exhibition kitchen, private dining, sky bar, recreation room, view terrace with open air kitchen and fireside lounge with views of downtown Seattle, Lake Union and Capitol Hill. Owners will also be able to reserve in-building guest suites and have flexible parking options, business center amenities and other services.

A virtual tour of NEXUS and Seattle's future skyline called "Cityscape 2020" showcases the burgeoning neighborhood in 2020 after more than two dozen projects including residential towers, hotels, office buildings and the Washington State Trade and Convention Center expansion are set to open.

Burrard estimates the project will cost $200 million to develop, with the general contractor not yet named. Seattle architecture firm Weber Thompson designed Nexus, which is named for the building's interconnecting cubes and the project's location between the South Lake Union, downtown and Capitol Hill neighborhoods.

Founded in Vancouver in 1987, Burrard has a diverse portfolio of successful master-planned communities, multifamily developments, high-end single family residences and resort lodging properties.

Other current projects include Cypress Place in Whistler, B.C., Makali'I in Wailea, HI., and 1288 Howard, a 125-unit mixed-use residential, office, and retail development in San Francisco.

Housing inventory improves, but market still favors sellers

KIRKLAND, Washington (May 5, 2016) – Northwest Multiple Listing Service reported strong gains in the volume of new listings its members added during April (up 13.6 percent from March), but inventory remained well below the supply needed for a more balanced market. MLS leaders say the lopsided market is prompting some anxious buyers to take ill-advised risks.

Prices showed some signs of moderating with a 5.5 percent year-over-year increase across the MLS 23-county market area. That's the lowest YOY gain since December 2014 when it was 5.45 percent.

In its latest statistics with summaries of April activity, the MLS reported 11,407 pending sales during the month, about the same as a year ago when brokers reported 11,384 mutually accepted offers.

For the four-county Puget Sound region, pending sales totaled 8,332, making last month the third strongest April in the past 16 years. Compared with prior Aprils, last month's volume was surpassed only in 2015 and 2005.

"Our market is near historically low levels of absorption. This has things weighted in sellers' favor," remarked Ken Anderson, president/owner of Coldwell Banker Evergreen Olympic Realty and a former Northwest MLS director. "Successful buyers are working closely with their brokers to study the market, choose great lenders, and make smart choices in composing compelling but not careless offers," he added.

Area-wide, members added 11,939 new listings to the MLS database during April, a modest improvement from a year ago when they logged in 11,495 homes and condos. With last month's additions, total inventory at the end of April included 14,235 active listings, a sharp drop (down 21.5 percent) from twelve months ago when the selection included 18,132 residences.

J. Lennox Scott, chairman and CEO of John L. Scott, Inc. described April as "another grand slam month for housing," adding, "The market is more intense than a year ago. We are still seeing 80 percent of the homes coming on the market sell within the first 30 days."

Scott said "virtually all new listings are selling, many with multiple offers in all the market areas in King, Snohomish, Pierce and Kitsap counties in the price ranges where 90 percent of the sales activity is happening." Heavy open house traffic and multiple offer situations are keeping brokers extremely busy, he added.

"Low inventory and low interest rates are still putting upward pressure on prices, but hopefully last month's bump in new listings is the start of a longer term trend, and will lead us towards a more balanced market," said OB Jacobi, president of Windermere Real Estate. Saying the number of homes for sale is still well below where it needs to be, he expressed happiness "that the long awaited spring market finally sprung."

Across the 23-county market area, there is 1.85 months of supply, a slight improvement from March when there was 1.79 months of supply, but down from the year-ago level of 2.36 months of supply. King County continues to have the scarcest inventory, with only about 1.1 months of supply.

"It's this lack of inventory (both new construction and resale) that's causing prices to escalate so quickly," agreed Mike Grady, president and COO of Coldwell Banker Bain. He notes almost all multi-family developments in past few years are apartments, rather than condominiums, which he believes is due to construction defect litigation. "Multi-family developers are now making the business decision not to create condominiums and thus avoid such litigation," he stated, while suggesting a need for legislative reform.

Commenting on low inventory and high demand, Grady remarked, “We must ask when will apartment projects that were (or are being built) to condominium standards be converted to condos?”

Brokers say the shrinking supply of condos is likely contributing to fewer sales and escalating prices. Inventory is down nearly 28 percent from a year ago, pending sales fell 5.8 percent, and prices for condos jumped 14 percent, rising from $250,000 to $285,000. In King County, where more than 62 percent of the sales occurred and supply is at 0.86 months, year-over-year prices surged nearly 19 percent, rising from $272,000 to $323,500.

For single family homes only (excluding condos), inventory dropped about 21 percent, pending sales were about even with twelve months ago (up 1.2 percent), and year-over-year prices rose about 4.7 percent, from $320,000 to $335,000. King County’s single family home prices shot up 12.5 percent, to $540,000.

Brokers believe the frenzied market is altering some buyers’ behavior – and not all of it is prudent, they suggest.

Anderson, a former MLS director whose office is in Olympia, said “buyers are back in a big way.” In choosing to buy now, they’re showing a good deal of confidence, he believes.

Diedre Haines, a former chairman of the Northwest MLS board of directors, reports there are growing signs “of buyers’ fatigue, and game-playing at its finest.” Pre-inspections are being conducted as the “new normal,” and/or buyers are waiving many of their rights with regard to inspections, title reviews, neighborhood reviews, and financing contingences, according to Haines, Coldwell Banker Bain’s principal managing broker for South Snohomish County.

“In my opinion, this is risky behavior for both buyers and sellers,” Haines commented, adding, “Buyers need to perform their due diligence investigations, and sellers should be cautioned about the wisdom, or lack thereof, in thinking these waivers strengthen the offer, are good for them, or that they create a ‘no hassle’ quick-close transaction.” She urged parties to a transaction to think through the potential consequences of taking such risks.

“Buyers are severely limited in the negotiating process and are paying prices for properties they wouldn’t have a few years ago,” said Dick Beeson, principal managing broker at RE/MAX Professionals in Tacoma. He likened the market to a fine violin that’s playing the tune of sellers.

Beeson, one of the current directors of Northwest MLS, noted the number of bank-owned properties sold in King County dropped from a high of almost 14 percent of all homes sold in 2011 to under 3 percent so far this year. His analysis also indicates the percentage of all-cash sales has remained fairly constant -- near 15 percent -- during the same period.

“Buyers are being forced to make large down payments or pay all cash at the same or higher rates than previously because of tighter loan requirements and seller requirements that buyers pay the difference between the appraised value of a home and the purchase price." He said this is becoming an expectation in King County and has filtered its way south into Pierce and Thurston counties.

Director George Moorhead said both buyers and sellers are feeling the pinch with a lack of inventory. This is "increasing the level of concessions on offers regardless of the warnings given by brokers," he reported. He also noted an increasing number of cash offers are occurring as buyers turn to family members for short-term loans and assistance with down payments.

"Sellers are still holding off as they too cannot find the home to upgrade or downsize. Even though many sellers are willing to sell, then rent until the right home comes up, many are still wary they would be buying in a bubble and fear the loss of value," stated Moorhead, the designated broker at Bentley Properties in Bothell.

MLS vice chairman John Deely pointed to "tech transplants from California where urban housing is much more expensive" as fueling bidding wars. "Even though this relocating buyer is sometimes paying 20 to 30 percent over list price in our market, the size, quality and location are superior to what they owned or could have bought in the California market. These buyers are bringing cash . . .and cash offers still dominate the successful winners in the multiple offer competition," stated Deely, principal managing broker at Coldwell Banker Bain in Seattle.

Deely also expressed concern around buyer concessions. "Buyers are forgoing the protective investigations of properties and waiving the escape-type contingencies to strengthen their offers, he noted. "Waiving financing is of particular risk when combined with bidding wars as we have seen an increase in low appraisals."

Looking ahead, Anderson said given the lack of new home construction and the huge pent-up demand, the seller's market will likely continue for some time. "This means prices will rise higher than normal – which means today's buyers will be happy they purchased when they did."

Pricing is more important than ever, Deely emphasized. "Some sellers are missing the mark as they aggressively price their properties and they end up languishing on the market. Sellers with above average time on the market are cause for concern – and in most cases will ensure an offer at less than list price."

Scott agreed. "We will continue to see price appreciation and a shortage of supply through the summer. To win a home, buyers need to have all the bases covered."

Northwest Multiple Listing Service, owned by its member real estate firms, is the largest full-service MLS in the Northwest. Its membership of nearly 2,100 member offices includes more than 25,000 real estate professionals. The organization, based in Kirkland, Wash., currently serves 23 counties in Washington state.

Statistical Tables Follow.

Statistical Summary by Counties: Market Activity Summary – **April 2016**

Single Fam. Homes + Condos	LISTINGS		PENDING SALES	CLOSED SALES			*Months of Inventory	
	New Listings	Total Active	# Pending Sales	# Closings	Avg. Price	Median Price	This month	Same mo., year ago
King	4,236	3,232	3,925	2,886	$575,039	$475,000	1.12	1.30
Snohomish	1,813	1,462	1,836	1,213	$386,276	$357,000	1.21	1.52
Pierce	1,939	2,050	1,987	1,346	$289,749	$264,000	1.52	2.14
Kitsap	568	655	584	357	$336,170	$270,000	1.83	2.38
Mason	173	388	148	105	$190,232	$170,000	3.70	5.10
Skagit	287	458	270	220	$313,991	$268,725	2.08	2.89
Grays Harbor	198	551	171	81	$139,312	$134,262	6.80	6.83
Lewis	136	393	153	80	$168,081	$169,750	4.91	7.75
Cowlitz	171	214	181	100	$209,115	$199,950	2.14	3.50
Grant	141	391	113	78	$166,483	$159,500	5.01	6.19
Thurston	640	820	642	396	$273,574	$259,450	2.07	3.31
San Juan	87	304	39	17	$751,412	$435,000	17.88	19.06
Island	281	428	242	132	$330,292	$281,000	3.24	3.89
Kittitas	116	265	93	64	$281,335	$211,500	4.14	6.70
Jefferson	107	242	93	55	$319,495	$280,000	4.40	6.47
Okanogan	92	335	36	20	$164,451	$160,000	16.75	11.71
Whatcom	493	904	492	315	$325,330	$295,000	2.87	3.76
Clark	59	72	46	37	$331,645	$319,000	1.95	2.67
Pacific	82	261	72	32	$162,734	$142,000	8.16	11.17
Ferry	17	63	4	4	$175,225	$223,000	15.75	19.67
Clallam	96	228	102	55	$252,777	$245,000	4.15	5.94
Chelan	118	269	94	63	$355,683	$274,900	4.27	5.09
Douglas	44	103	38	21	$288,427	$217,500	4.90	5.13
Others	45	147	46	28	$178,139	$145,250	5.25	8.65
MLS TOTAL	**11,939**	**14,235**	**11,407**	**7,705**	**$409,786**	**$325,990**	**1.85**	**2.36**

Tables continue on next page

4-county Puget Sound Region Pending Sales (SFH + Condo combined)
(totals include King, Snohomish, Pierce & Kitsap counties)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2000	3706	4778	5903	5116	5490	5079	4928	5432	4569	4675	4126	3166
2001	4334	5056	5722	5399	5631	5568	5434	5544	4040	4387	4155	3430
2002	4293	4735	5569	5436	6131	5212	5525	6215	5394	5777	4966	4153
2003	4746	5290	6889	6837	7148	7202	7673	7135	6698	6552	4904	4454
2004	4521	6284	8073	7910	7888	8186	7583	7464	6984	6761	6228	5195
2005	5426	6833	8801	8420	8610	8896	8207	8784	7561	7157	6188	4837
2006	5275	6032	8174	7651	8411	8094	7121	7692	6216	6403	5292	4346
2007	4869	6239	7192	6974	7311	6876	6371	5580	4153	4447	3896	2975
2008	3291	4167	4520	4624	4526	4765	4580	4584	4445	3346	2841	2432
2009	3250	3407	4262	5372	5498	5963	5551	5764	5825	5702	3829	3440
2010	4381	5211	6821	7368	4058	4239	4306	4520	4350	4376	3938	3474
2011	4272	4767	6049	5732	5963	5868	5657	5944	5299	5384	4814	4197
2012	4921	6069	7386	7015	7295	6733	6489	6341	5871	6453	5188	4181
2013	5548	6095	7400	7462	7743	7374	7264	6916	5951	6222	5083	3957
2014	5406	5587	7099	7325	8055	7546	7169	6959	6661	6469	5220	4410
2015	5791	6541	8648	8671	8620	8608	8248	7792	7179	6977	5703	4475
2016	5420	6703	8130	8332								

Seattle area first-time homebuyers say cost, neighborhood are priorities

More Seattle metro area first-time buyers are motivated by emotional factors (78 percent) than financial factors (69 percent) when making the decision to buy a home, according to the inaugural *Bank of America Homebuyer Insights Report*, released last month.

“One thing rings clear — the dream of homeownership is alive and well,” wrote D. Steve Boland, consumer lending executive with the bank, in a report of the findings.

The “Insights Report” explored the attitudes, behaviors and preferences of the modern homebuyer in Seattle and nine other metro markets.

Research analysts concluded today's buyers value the emotional benefits of homeownership as much as the financial ones. These buyers also believe saving for a home is as important as saving for retirement.

First-time buyers know sacrifices come with their dream: 95 percent said they are willing to make sacrifices to become a homeownership.

When asked why they want to purchase a home, 58 percent of Seattle respondents said they want a place to call their own and nearly as many, 54 percent, indicated owning a home was something they've always wanted to do. About one-third (31 percent) said they wanted a place to put down roots. Other reasons cited included "a place to make memories," and "the money spent on rent would be better spent toward a mortgage."

When considering a prospective home, cost (83 percent) and neighborhood (65 percent) are extremely important to Seattle area buyers, outweighing other considerations. Fifty-three percent rate the floor plan and layout as very important. Cost also ranked highest among key factors for buyers in other markets.

A single-family home in the suburbs remains the most common goal across the 10 metros. Seventy-eight percent of homebuyers in Seattle are interested in buying a single-family home, but local respondents had the least interest in buying a suburban home when compared with buyers elsewhere.

Aspiring Seattle area homeowners differed from their counterparts elsewhere in several respects:

- More Seattle homebuyers who set aside savings for their home did so because they believe it will take a long time to save enough for a down payment (66 percent), compared to homebuyers nationally (50 percent) and any other market surveyed.

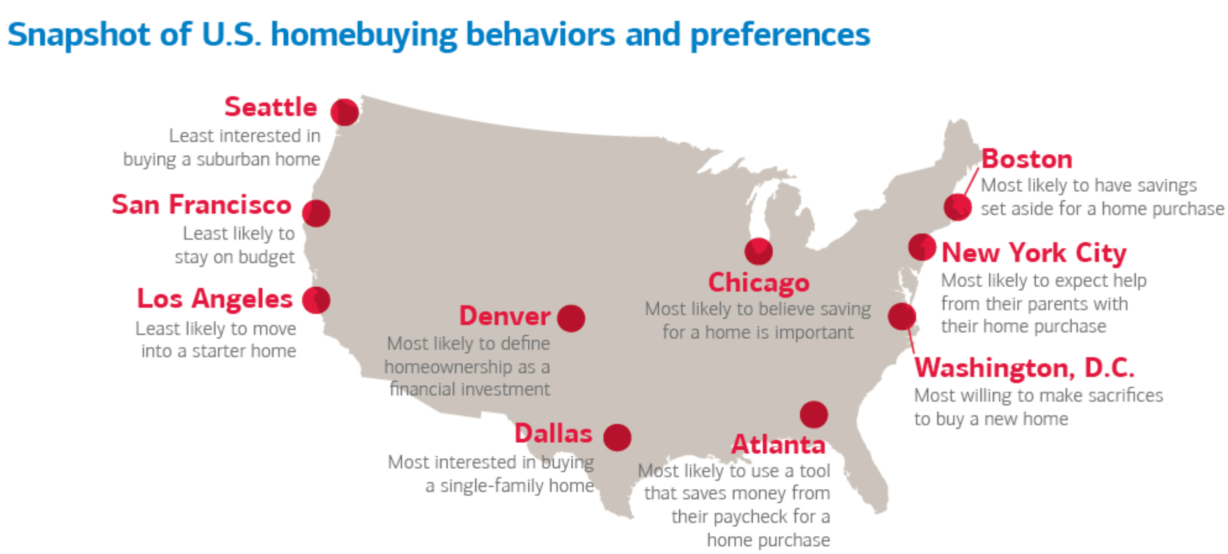
- Seventy-one percent of local first-time buyers have not purchased a home before now because they did not think they could afford a home or the type of home they would like to buy. That's higher than the national average of 56 percent.
- Seventy-seven percent of experienced Seattle homebuyers sacrificed something the last time they purchased a home.

A large majority of first-time buyers would prefer to bypass the starter home. About three-fourths of respondents here and nationally are looking for a home they can grow into, rather than one that fits their needs today.

Two-thirds (66 percent) of first-time millennial buyers still expect some type of help from their parents, according to the bank's research. Topping the wish list is help moving in (36 percent), followed by deciding which home to buy, money for a down payment, furnishing the home, and money for monthly mortgage payments.

When thinking back to the first time they purchased a home, experienced buyers said they wish they would have known about the pride (52 percent), sense of accomplishment (46 percent) and joy (46 percent) of owning a home. The top piece of advice they'd give their younger selves about purchasing a home is to start saving early (52 percent).

The research also uncovered some interesting differences across the country when comparing homebuying behaviors and preferences.



Bank of America commissioned an independent research company to conduct the survey. It consisted of an online survey of 1,001 nationally representative consumers, plus more detailed surveys and interviews of millennials in ten markets.

The complete report is available online.

Survey underscores need for more single-family homes

Seventy-five percent of people who took part in a recent survey believe now is a good time to purchase a home, and about the same ratio of households would buy a single-family home if they were to buy in the next six months.

Those were among findings in a new quarterly survey from the National Association of REALTORS®. Its Housing Opportunities and Market Experience (HOME) survey also revealed that confidence about now being a good time to buy is waning among renters, particularly in the West where prices continue to rise.

Asked about location preferences, nearly eight in 10 renters (79 percent) would choose to buy outside an urban area. Consumers have an overwhelming preference for single-family homes in suburban areas, with 85 percent of current owners and 75 percent of renters saying they prefer that style.

Lawrence Yun, NAR chief economist, said the survey findings underscore a glaring need for more single-family homes.

"The American Dream for most consumers is not a cramped, 500-square-foot condo in the middle of the city, but instead a larger home within close proximity to the jobs and entertainment an urban area provides," Yun suggested, adding, "While this is not a new discovery, supply and demand imbalances and unhealthy levels of price growth in several metro areas have made buying an affordable home an onerous task for far too many first-time buyers and middle-class families."

In discussing the latest survey results, Yun urged homebuilders to double their focus on building single-family homes. With increasing numbers of millennials moving to the suburbs, as NAR recently reported, he said tight inventory and affordability concerns will likely worsen without significant increases in housing starts relative to job creation.

The survey also uncovered changing attitudes about ideal times to sell. Fewer current homeowners (56 percent) believe now is a good time to sell. That represents a drop from fourth quarter 2015 when 61 percent thought that was a good time to sell. Amidst steep prices increases and tight supply respondents in the West were the most likely to think now is a good time to sell, while also being the least likely to think now is a good time to buy.

Heading into the spring buying season, NAR's survey found that about the same share of homeowners (82 percent) believe now is a good time to buy, but optimism among renters dropped from 68 percent last quarter to 62 percent.

NAR's first quarter HOME survey also queried respondents about other expectations and preferences. Findings included:

- Four in five people who currently own a home, those over 65 years of age, those with incomes over $50,000, and those in the Midwest believe now is a good time to buy a home;
- More than one-third of buyers of all ages would prefer to live in a close-in suburb. For those between ages 55 and 64, rural settings are also attractive.
- Younger respondents and those who are renters and live with someone else are more likely than others to consider buying in an urban area.

When asked about location preferences if they were to buy in the next six months, most respondents said they would stay in an area similar to their current living situation. More than two-thirds of those currently living in rural areas and 75 percent of those living in suburban areas would buy in a similar area. Only those living in an urban area would be more likely to move elsewhere. Most respondents in this group said they'd choose a suburban area within 20 miles of the city as their preferred destination.

NAR's survey is conducted by TechnoMetrica Market Intelligence, a full-service, independent firm. New questions are added each quarter to reflect timely topics affecting the real estate marketplace. The next release is scheduled for mid-June.

BY LESLIE A. LARSON

A Boomer to Millennials: Lessons I've Learned, and Lessons I'd Offer

There's no question that the generation gap between baby boomers and millennials is dramatic. It includes a vast array of personal and professional differences that cannot be simply dismissed as so many boomers would like to do. I can't even count the number of conversations I've had with boomer colleagues who complain about the millennials' "work ethic," and how difficult it is to manage them effectively.

In *US News'* 5 Workplace Stereotypes About Millennials That Aren't True, writer Alison Green says, "If you're over the age of 30, you've probably witnessed your share of complaining and eye rolling about millennial workers: They're entitled and expect to get great jobs without paying their dues; they don't understand how office hierarchy works; they're high-maintenance; they're job hoppers – the list goes on and on."

Green goes on to cite that in reality, while there are certainly differences between every generation, most stereotypes that get lobbed at millennial employees just aren't true. Here are the five of the biggest stereotypes, and why you shouldn't believe them:

1. Millennials are entitled and don't want to pay their dues. On the contrary, this generation graduated into one of the worst job markets in recent history. They have staggering student loan debt for degrees that were supposed to give them job security but didn't, and many studies show that their lifetime earnings will never equal that of their parents. Adding injury to insult, many millennials have been unemployed or underemployed since graduating and now must compete against waves of more recent graduates whose skills seem fresher.

2. Millennials need special hand-holding at work and are high-maintenance. We're told that millennials want a constant stream of praise, that they break under criticism and that they require more guidance than generations before them. The reality? They're far from the first generation to need some adjusting when transitioning into the workforce, and they're not the first to find the work world harsher than expected after the more nurturing approach of academia. Having a learning curve when it comes to figuring out how workplaces work is pretty normal; it was true of 20-somethings several decades ago, too.

3. All millennials are great at social media. It's easy to think that because they grew up with Facebook, Instagram and Twitter, all millennials are great with technology and social media. It can be easy for managers to think that their millennial hires would do a good job managing the company's Twitter strategy. Perhaps they will, but making those assignments based on age is as wrongheaded as making them based on, say, what cars the employees drive or where they grew up.

Even millennials who are truly skilled at social media often won't have the maturity or judgment to figure out the best content to use, how to frame it, how to handle sticky dynamics with misbehaving followers and other higher-level issues. Millennials are no more inherently equipped to excel at your social media work than they are at your public relations or accounting work. They need training.

4. Millennials are job hoppers. Much has been written about millennials' alleged propensity for job hopping. They won't stay at any one job for very long, we're told. And having seen waves of layoffs affect their parents and older siblings, they don't feel any loyalty to their employers or expect much loyalty in return.

However, the reality doesn't back that up at all. In fact, a recent report from Oxford Economics found that millennials are no more likely than non-millennials to leave their jobs in the next six months.

5. Because millennials grew up with the Internet and social media, they have no concept of privacy. On the contrary, the majority of millennials don't splash their private lives all over social media, according to a 2014 study from Communispace and Google Consumer Surveys. The survey found that half of millennials say they keep the majority of their "real" selves private, with nearly one-fifth saying that none of their real selves is reflected in social media.

As a boomer who has managed several millennials, and as a parent of one as well, I must reluctantly admit the very real truth of these stereotypes. My bad.

So what's a boomer to do? Refusing to accept the differences, or attempt to understand what motivates millennials, is not an option. In The 2015 Millennial Majority Workforce study, stats show that as of 2015 millennials comprise the majority of the workplace.

I believe that boomers and millennials have much to learn from one another, and that it benefits both groups to embrace their differences and take advantage of what they each have to offer. Some of the lessons I've learned from millennials include:

Digital Aptitude: Millennials are the first generation to be raised with online media. As young adults, these digital natives quickly adopt new technologies, then adapt them to fit their lifestyles. If something that suits them better comes along, they are quick to move on. Indeed, 24% of respondents in this age group chose “technology use” as the trait that sets them apart from previous generations, according to the Pew Research Center. Cases in point: A millennial staffer showed me a full three years before it was the norm why social media was important to our organization, and then showed me how to set up our Facebook and Twitter accounts. Because of this, we were way out in front on the medium nationally in the industry. And my millennial daughter has taught me many lessons about how to effectively market a business as I watch her use apps to shop online and check in with her pizza maker on the progress he's making on her pizza real-time. Cool stuff.

2. Workplace Development: According to the MTV No Collar Workers survey, a majority of millennials not only want their workplace to be fun, but they also want to make their own hours and eventually be their own boss. Above all, millennials want to be happy at work, so much so that 50 percent would rather be unemployed than work at a job they hate. The most notable misunderstanding for millennials comes regarding the confidence they have in their skills and knowledge. According to the poll, 92 percent of millennials feel their company is lucky to have them as an employee and 76 percent feel their boss can learn a lot from them. "What could be misinterpreted as 'self-importance' is a deeper sense of having many new ideas and wanting to contribute, as well as a desire to have their tech skills and savvy tapped by senior managers," Nick Shore, senior vice president of strategic insights and research at MTV, said in a post on *MediaPost*. This is my experience as well, and any manager should be thrilled with team members who contribute in this way as it serves the best interests of the organization.

3. Continuous Feedback: In *BusinessNewsDaily*, writer David Mielach says, "Millennials also crave feedback and recognition from their bosses. According to the survey, 80 percent want regular feedback and recognition, while 50 percent of workers want feedback at least once a week." So instead of the long-time boomer practice of annual performance reviews, to engage millennials we must instead provide continuous feedback on how they're performing. I wholeheartedly agree with this approach as I remember a long-ago incident in which I was called to task during my annual review for something I had done a full nine months prior. To this day I remember being mortified that I was not told at the time so I could change my behavior immediately. Ever since then I have tried to bring issues to the attention of my staff as they happen so they have the opportunity that I did not.

So millennials do have some great lessons for boomers, but there are also some things that they can do to combat these stereotypes:

1. Lack of Loyalty: Although perhaps not "job hoppers," there is an increased frequency in the number of jobs millennials take which can elevate the level of distrust by their boomer employers about loyalty to the organization. Companies invest significant resources in hiring and training them, and are hoping for their strong performers to continue with the company to maximize this investment.

2. TMI - Total Transparency: There is a lack of awareness around privacy issues with many millennials. We have all heard about issues (and seen the lawsuits) relating to the practice of millennials posting inappropriate information on social media sites. This can be in the form of posting inappropriate personal information on their social media pages that are open to the public or posting personal views when acting on behalf of their employer. These types of activities can not only cause embarrassment and PR problems, but can actually cost the company money. It's understood that millennials have never known anything else but online transparency, but with responsibility must come an understanding of appropriate uses and how too much information can negatively affect a company's brand.

3. Personal Relationships: Because they have been born and raised on technology, communication by millennials via this medium is standard and preferred. In the *Harvard Business Review* article Digital Natives Are Slow to Pick Up Nonverbal Clues, this can be costly for millennials:

> "Other research suggests that excessive, long-term exposure to electronic environments is reconfiguring young people's neural networks and possibly diminishing their ability to develop empathy, interpersonal relations, and nonverbal communication skills. One study indicates that because there's only so much time in the day, face-to-face interaction time drops by nearly 30 minutes for every hour a person spends on a computer. With more time devoted to computers and less to in-person interactions, young people may be understimulating and underdeveloping the neural pathways necessary for honing social skills. Another study shows that after long periods of time on the internet, digital natives display poor eye contact and a reluctance to interact socially."

So, the ability to connect with people on a personal level and build social aptitude is even more important today as it is now a differentiator for hiring managers. Millennials must learn how to communicate effectively both online and face-to-face in order to build professional relationships that are based on trust and credibility.

There's no question that millennials have a lot to offer the workplace, and to engage them should be top of mind for managers. As Rich Hein said in his article for CIO.com's How to Hire, Manage and Even Appreciate

IT Millennial Workers, "The bottom line is if you create a company culture that listens to, educates and values your employees' work and contributions you will find it much easier to attract the talent you need regardless of the generation."

That's a win-win for both boomers and millennials.

Leslie A. Larson is a Seattle-area marketing and communications consultant with 25 years of serving the professional services and nonprofit industries. For more information, visit larsonmarcom.com.

Two former governors, two business leaders will pay tribute to Phyllis Campbell at 78th "First Citizen" civic banquet

Two former governors, a business leader, and a foundation executive will pay tribute to banker-philanthropist Phyllis Campbell when she is honored as the 78th Seattle-King County First Citizen. The Issaquah resident – only the fifth woman to be singled out for the prestigious award – will be saluted at a civic banquet on May 25th.

Reservations for the not-for-profit event, to be held at the Fairmont Olympic Hotel in downtown Seattle, may be made online at seattlefirstcitizen.org.

The speakers, who share Campbell's dedication to community involvement with their own impressive records of service, include:

Martha Choe, former CAO at the Bill & Melinda Gates Foundation and a former director of the Washington State Department of Community, Trade and Economic Development (CTED);

Steve Davis, president and CEO of PATH, and a social innovator with a lifelong commitment to human rights and global development;

Gov. Chris Gregoire, former two-term governor of the State of Washington, former three-term attorney general for Washington state, and current CEO of Challenge Seattle, of which Campbell is a member;

Gov. Gary Locke, former two-term governor of the State of Washington, former U.S. Secretary of Commerce, and leader in the areas of education, employment, trade, health care, human rights, immigration reform, privacy, and the environment.

78th Annual Seattle-King County First Citizen Banquet honoring

Phyllis J. Campbell

Wednesday, May 25

Reception 6 p.m.| Program: 7 p.m.

Fairmont Olympic Hotel

411 University Street, Seattle

Tickets: $125

Reservations required:

www.seattlefirstcitizen.org

The four speakers will be joined by Seattle University President **Stephen V. Sundborg, S.J**., who will deliver the invocation, and emcee **Steve Raible**, KIRO 7 news anchor and "voice of the Seattle Seahawks."

In addition to the speakers, the program will feature a musical salute by **Shannon Cassady**, an 11th grade honors student at Interlake High School's Gifted International Baccalaureate program and one of the featured pianists at the 2015 and 2016 "Ten Grands Seattle" concerts at Benaroya Hall.

Campbell, an accomplished business leader and current chairman, Pacific Northwest for JPMorgan Chase & Co., is being recognized in part for her multi-decade roles as a mentor, volunteer, philanthropist, and civic leader. The Issaquah resident has a proven track record of board service in both the for-profit and not-for-profit sectors. Her nonprofit boards include PATH, the U.S.-Japan Council, and the global advisory board of Women Corporate Directors (WCD). She also serves as one of seven members of Toyota's North American Diversity Advisory Board.

The announcement naming Campbell as the 78th recipient of the First Citizen Award cited her devotion to countless civic activities, with a focus on education and human services issues. She served as CEO of the Seattle Foundation for six years, on the Board of Trustees at Seattle University, and on the Board of Regents for Washington State University.

In the business arena, she has chaired the boards of the Greater Seattle Chamber of Commerce and the Association of Washington Business, and serves on the boards of Alaska Air Group and Nordstrom.

Campbell holds an MBA from the University of Washington's Executive MBA Program, a bachelor's degree in business administration from Washington State University, and is a graduate of the Pacific Coast Banking School at the University of Washington, and Stanford University's Executive Management Program. Campbell also holds honorary doctorates from Whitworth College and Gonzaga University. WSU award her the 36th Regents' Distinguished Alumnus Award in 2006.

About the First Citizen Award

The Seattle-King County First Citizen Award dates to 1939 when leaders from the Seattle Realty Board (now Seattle King County REALTORS®) organized a civic event to commemorate positive community work taking place during the recovery from the Great Depression. The award and civic banquet, believed to be this region's oldest such recognition, has no fund-raising expectation, but instead is designed solely as a not-for-profit celebration of community involvement.

Since inception, the event has recognized individuals and organizations that enhance the area's quality of life through visionary leadership, civic engagement, and dedication to building healthy communities through volunteerism and philanthropy.

The first recipient of the prestigious First Citizen Award was Dr. Richard Eugene Fuller, founder (with his mother) of the Seattle Art Museum. He also served as the Museum's unsalaried president for 40 years.

Several former First Citizens are expected to attend the celebration. Recent recipients include Ted Baseler (2015) president and CEO of Ste. Michelle Wine Estates; Norman B. Rice (2014), former mayor of Seattle and past president and CEO of The Seattle Foundation; former NBA coach and player Lenny Wilkens (2013); Rotary International District 5030 (2012); Karen Moyer and former Seattle Mariners pitcher Jamie Moyer of The Moyer Foundation (2011); and former U.S. Senator Slade Gorton (2010).

Over the years, the First Citizen inductees have represented humanitarian organizations, charitable, health and educational institutions, arts groups, environmental causes and various civic endeavors. *(See complete list at SeattleFirstCitizen.org)*

Starting this year, three real estate companies are partnering with SKCR to present the award. Organized as the Seattle First Citizen Foundation, the founding partners include John L. Scott Real Estate, RE/MAX and Windermere Real Estate.

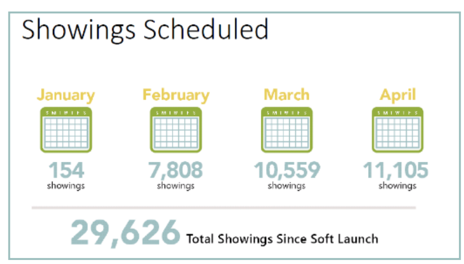
Event sponsors include JPMorgan Chase & Co., Alaska Airlines, PATH, WGU Washington, and Washington State University.

About the Seattle King County REALTORS®

The Seattle King County REALTORS® is a nonprofit professional trade association whose goals include promoting ethical business practices and supporting policies that preserve and expand real property rights and housing affordability. Based in Bellevue, SKCR has around 6,000 members and is a local board of the National Association of REALTORS®. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the NATIONAL ASSOCIATION OF REALTORS® and subscribes to its strict Code of Ethics.

NWMLS MEMBER MEETING

NWMLS Members log 30,000 showings since soft launch of ShowingTime



Since the ShowingTime™ tool was unveiled in early February, Northwest MLS members have scheduled nearly 30,000 showings on-line. That statistic was among updates provided to member brokers and branch managers at the May member meetings.

Along with an overview on ShowingTime, the agenda included staff presentations on a forthcoming new version of Transaction Desk, policies affecting unlisted sales, new procedures for verifying Billing Verification Reports, new compliance software to improve the quality and accuracy of listing data, a preview of INRIX Drive Time software, and reminders on training opportunities and upcoming events. On a lighter note, Tom Hurdelbrink, Northwest MLS president and CEO, shared several fun facts about Washington.

In addition to allowing brokers to schedule and manage showings from any listing in Matrix, the web-based tool called ShowingTime may be used to communicate with clients and other brokers, view showing feedback, generate reports and save time. Since its introduction, the program has experienced steady growth.

NWMLS chairman Michael Connolly of Windermere Real Estate Central in Kirkland welcomes members to the May meeting in Bellevue.

An informal poll at the member meeting in Bellevue revealed about one-third of the audience is using the program. For those who have yet to try the time-saving tool, described by the Chicago company that founded it as the industry's "first web-based real estate lead capture, calendaring and notification engine," the MLS offers a preview video, intro webinar, user guides, tutorials, and FAQs.

New version of Transaction Desk expected by late summer

Turning to Transaction Desk, the secure online forms platform and document storage service, Bob Gent announced there was "good news and good news." A soft launch of a new version is planned for late summer. Developers say the all new platform "keeps all the best features of the old system in a new, more mobile-friendly look and feel."

The forthcoming enhancements include a customizable dashboard, fewer clicks to access information and forms, new templates, better organization of documents with drag and drop upload, new transaction checklists, and more powerful brokerage tools for online filing and compliance management. Super Users will have easier access to office tools.

Gent, the director of business development and member relations at Northwest MLS, said the powerful new version will run in parallel with the existing one, and that training will be available immediately.

Rules changes affect "unlisted sales"

Justin Haag, corporate counsel for the MLS, updated members on recent changes pertaining to "unlisted sales," which include FSBOs (For Sale by Owner – seller not represented) and transactions involving a Seller Representation Agreement (Form 47).

NWMLS rules were revised in early March to allow members to input unlisted sales that closed between Jan. 1 and March 8, the day before the rule revision became effective. Haag reminded members that "unlisted sales" are different from pocket listings, which are against the rules, and that, since March 9 members must input unlisted sales within three days of closing. (For more information, NWMLS members may access Legal Bulletin 207 - Unlisted Sales and User Guides in the support section of the NWMLS website.)

Haag explained these changes were implemented to assure a more complete data set, and to give brokers credit for permissible unlisted sales. He also noted optional input forms are available and that these sales will be available for IDX display sometime during this year's third quarter.

An analysis of nearly 25,000 closed sales that occurred this year between Jan. 1 and April 30 revealed there were 212 FSBO sales and 244 Seller Representation Agreement sales entered by members; when combined these "unlisted sales" total less than 2 percent of all transactions.

BVRs are going digital!

Haag also provided an update on the April rollout of the transition to an electronic Billing Verification Report (BVR) submittal process and online roster update. A second phase will affect new subscriber procedures. (NWMLS provides BVRs to offices in January, April, July and October.)

Yet another change Haag discussed was new compliance software to improve the quality and accuracy of listing data, as well as compliance communications and tracking. Among the "cool features" he noted were the check listing feature when inputting a listing, and a widget in Matrix to show compliance issues. This new checker is expected to go live in late June or early July.

Brokers can help clients take the guesswork out of commute times

Members can also look forward to INRIX Drive Time™, with a search feature incorporated into a Matrix map tab so members can pre-qualify homes based on a client's desired drive times.

Based in Kirkland, INRIX provides accurate real-time and predictive traffic information. Its robust driver network includes 275 million vehicles, smartphones, cameras, incidents and other sensors with the ability to cover nearly 5 million miles of road, ramp and interchange in more than 40 countries.

The new app from INRIX is designed to take the uncertainty out of commuting time. House hunters can determine drive times between work and a home that is listed in the MLS database based on INRIX's real-time traffic information.

MLS adding webinar version of General Membership Meetings

In response to member feedback, Northwest MLS is adding a live webinar version of its membership meetings for member brokers and branch managers. Registration links are on the NWMLS website.

BROKERAGE DESIGN – BY JEREMY CONAWAY

An Experience Named Eric

Many industry decision makers and leaders believe that the challenge of the century for the contemporary American real estate industry will be its willingness and ability to create and deliver a real estate transactional experience that meets the needs and expectations of the broker, the buyer, and the seller.

Over the past years this column has presented and commented many times on the subject of consumer experiences. It has discussed a wide range of both positive and unsatisfactory consumer real estate experiences. Hence, it is with the greatest of satisfaction that we now get to tell this story of an absolutely spectacular real estate service experience.

What is a real estate service experience? The Merriam-Webster Dictionary describes an experience as something personally encountered, undergone, or lived through. For the purposes of this column the term experience is used to describe the sum total of the elements, both intentional and unintentional, presented to a buyer or a seller as they make their way through a real estate transaction from search to contract, from contract to closing and from closing to ownership.

There are many industry insiders who find the whole subject of real estate service experiences to be a non-subject. These folks believe happenstance, luck and environmental factors rather than professionalism and brand management determine what matter of experience any particular consumer might have on any given day.

There are others however who believe that a perfect real estate experience is the result of a carefully considered series of well planned, properly executed and masterfully managed tasks, interactions and challenges.

With these thoughts in mind it must now be disclosed that the real estate adventure that is the subject of this column is not just any random series of events but rather a very special and unique series of events that this author and his wife went through over the past 90 days.

The adventure began during our annual visit with our son and daughter-in-law, Jared and Edith, who live in Fort Lauderdale. One afternoon our long-standing thoughts about owning a second home suddenly turned into actions as we noticed an open house sign three doors down the street. We met the agent holding the open house and proceeded to make every effort to impress him with how sophisticated and worldly we were.

Since there was no danger that we might be talked into purchasing this particular property we found ourselves feeling safe about engaging the agent with respect to our fantasies about owning a second home. The conversation resulted in a great relationship with the hero of this story, a Better Homes and Gardens real estate agent named Eric.

Marlene and I are, by any standard, an agent's worst case scenario. We believe we are immune to persuasion and influence. We have the bad habit of overvaluing our expertise. Moreover, we are genuinely convinced that we can master any subject within seconds.

Eric appeared to take no notice of this behavior and began what turned out to be a long and detailed explanation of owning second homes in south Florida. Within minutes we were in full learning mode. Images of agent ranking and rating just evaporated as he demonstrated a truly impressive knowledge of, and sensitivity to, the marketplace and our needs. In response to our sense that condos were not our style we spent the next day viewing a number of single-family properties while Eric gently evolved us to an understanding that, heaven forbid, condos were created for people just like us.

The following morning was spent viewing condo units. Within two hours Eric demonstrated that he had been listening to us by finding a unit that didn't just come close but in fact met every single requirement we had been describing through our constant babbling with one exception - the attached boat slip was 38 feet instead of 30.

This is where the real adventure began. It turned out the seller had made a number of tactical errors in his acquisition and improvement of the property during the previous year. He had paid too much, bought the wrong unit and had invested in the wrong improvements. He had compounded his mistakes by selecting a listing agent who had interpreted Christmas in south Florida as the perfect occasion to take a two-week vacation abroad leaving his secretary in charge.

The next three days were a nightmare of unavailability, inaccuracy and a general state of unwillingness to face reality. We went through four offer rounds only to be met with increasingly level of resistance. Throughout these long hours Eric was constantly available being very professional, responsive, encouraging and reassuring. Unfortunately our efforts were of no avail. This seller was convinced he could be made whole.

Over the following month Eric stayed in communication providing us with options that all failed to capture the special nature of the initial unit. One afternoon Marlene arrived home and announced that it was time to bang on the seller's head and make the deal happen.

Eric responded with what can only be described as a heroic effort. Three more offer rounds later he got the seller (and his new listing agent) to come to the table. Upon reviewing the seller's closing requirements Eric's superior negotiation skills became very apparent.

But the trauma was still not over. It was during the pre-closing period that Eric demonstrated a whole new array of skills. The seller had demanded a 10-day closing period that no mortgage provider could match. Eric came up with ideas for interim financing, arranged for all the inspections, made us safe and the deal was closed.

After the closing Eric stayed with the project. He arranged relationships with a super mortgage company that actually worked with us on a Sunday night, a dynamic plumber who understood the idiosyncrasies of the south Florida contracting scene and a world-renowned air conditioning contractor who understood that a six-week delay wasn't going to work. Each of these services saved us from costs, delays and hassle.

Nobody had to tell Eric how to create and execute on a superb consumer real estate experience. It was just something that he did. We still believe in rating and wish there was some way we could give Eric a solid ten across the table.

With respect to all of the Eric's out there, we thank you. For those consumers who are just beginning the search, keep in mind that the right agent can make all the difference in the world.

Best Times to post on social media? Answer: It depends!

CoSchedule, a North Dakota company that describes itself as "an ever-evolving content marketing Swiss army knife" compared 16 studies on "best times to post" and built what it claims is the world's only content marketing and social media editorial calendar for WordPress. That tool now claims 10,000 users.

As part of the analysis, Nathan Ellering, content marketing lead at CoSchedule said there are best practices for each social network. After comparing data, he said the studies prove that posting at the best times will generate more traffic, more engagement, and more followers. He even offers tips for factoring in time zones, noting half the U.S. population is in the Eastern Time Zone, and 80 percent of the country's population is in the Eastern and Central zones.

Among Ellerling's recommendations for some of the leading platforms are:

- **Facebook:** The best time to post on Facebook is 1–4 p.m. late into the week and on weekends. He also recommends using Facebook analytics and Fanpage Karma to track data and see when your audience is online.
- **Twitter:** The best time to tweet is noon and 5-7 p.m. on Wednesdays. However, the best day to tweet depends on whether you are business-to-business (B2B) or business-to-customer (B2C).
- **Pinterest:** Saturdays, later at night, are called the best bet.
- **LinkedIn:** Tuesday, Wednesday, and Thursday at 7-8:30 a.m., noon, and 5-6 p.m.
- **Instagram**: Monday and Thursday, at any time other than 3-4 p.m.

Commenting on his findings, which may be viewed in his blog, Ellerling wrote, “As you can see, not everyone agrees as to the best timing for social posts, and when they do, it’s often because they’re referring to the same source.” Even using data doesn’t provide a perfect answer, because he said it doesn’t take into account different industries, different audiences, and/or different goals (e.g., clicks vs. reshares).

News In Brief

- College Choice (http://www.collegechoice.net/), a leading authority in college and university rankings, has published a ranking of the top fifty master of business administration (MBA) programs in the United States available here: http://www.collegechoice.net/rankings/top-mba-programs-2016/ University of Chicago, University of Pennsylvania, Stanford University, University of California Berkeley, and Harvard University occupy the top five spots on the list, which is based on factors such as cost of attendance, each program's reputation in its field, and return on investment. **The University of Washington is ranked in the top fifty MBA programs.** Other schools include University of Wisconsin, MIT, Northwestern University, Texas A&M, and University of Texas at Austin.

- **According to career expert websiteZippia, Snoqualmie, WA is the 4th hardest working small city in the United States.** The website’s staff crunched numbers from the latest American Community Survey, using average hours worked, average commute times, workers per household, labor force participation rates, and adults with college degrees, as criteria to determine the 10 “hardest working” small cities in the country. Small cities ranked ahead of Snoqualmie are: Highland Village, TX, Plainfield, IL and Suwanee, GA.

- **Last month, the U.S. Senate passed S 2012, the U.S. Energy Modernization Act, sponsored by Sen. Lisa Murkowski (R-AK) and Maria Cantwell (D-WA). Two provisions relate specifically to the real estate sector:** (1) The SAVE Act would allow federal mortgage underwriters, such as Fannie Mae and Freddie Mac, to consider the energy savings from efficiency upgrades when determining a homebuyer’s ability to make payments. (2) The bill permanently reauthorizes the Land and Water Conservation fund, which acquires land from willing sellers to create parks, greenways and other outdoor recreational spaces. The provision also reforms the program by redirecting more funds to non-federal and private land acquisition programs. The bill now heads to a conference with the House energy bill, H.R. 8, to reconcile both pieces of legislation before it can get to the President’s desk for a signature.

- ***The Street* recently identified three housing trends emerging this spring as follows: 1) Inventory favors sellers** – buyers are competing for limited inventories, inventories of less expensive “starter homes,” in particular of dropped, which is making it difficult for first-time buyers to break into the market. Home buyers need to act fast. **2) More buyers may consider a new home** – because the inventory of existing homes is small, some home buyers may seek greater alternatives to limited inventories and consider building a home and buying new. **3) Buying is cheaper than renting** – seven in ten respondents of a recent Freddie Mac survey believe it's cheaper to pay rent than a monthly mortgage on a home. Saving for a down payment may be a big hurdle for many prospective home buyers. However, studies show that buying trumps renting in 98 of the largest metros in the nation.

Calendar of Events Through June 2, 2016

Dates	Event	Time	Location	Contact
		SEATTLE—*King County* REALTORS®		
5/9-14/16	NAR Mid-Year mtgs.		WA-DC	425-974-1011
5/17/16	Affiliate Forum	8:30 am – 12:00 pm	SKCR	425-974-1011
4/19/16	Affiliate Council	9:00 am – 10:00 am	SKCR	425-974-1011
5/24/16	Affiliate Forum	8:30 am – 12:00 pm	SKCR	425-974-1011
5/25/16	First Citizen Banquet	6:00 pm – 9:30 pm	SKCR	425-974-1011
5/30/16	Holiday – Office Closed		SKCR	425-974-1011
6/2/16	Housing Issues Briefing	11:30 am – 1:30 pm	Bellevue Westin	425-974-1011
		For updates visit: **www.nwrealtor.com** and click "events"		