

LATEST NEWS RELEASE

Housing market back to “pressure cooker situation,” but brokers remind sellers “pricing is still important”

KIRKLAND, Washington (April 5, 2018) – Job growth and a recent run-up in mortgage rates has created an “extremely intense market for each new listing,” stated J. Lennox Scott, chairman and CEO of John L. Scott Real Estate in commenting on the latest statistics from Northwest Multiple Listing Service.

MLS figures for March show a surge in both new listings and pending sales compared to February as the spring market heats up. Compared to a month ago, pending sales climbed more than 29 percent (from 7,980 in February to 10,311 in March), while the volume of new listings jumped more than 45 percent from February to March.

“What used to be a quick action market for buyers is now, once again, an instant response market, and this has been the case since the first of the year,” remarked Scott, adding “This is especially true in the more affordable and mid-price ranges in all markets, and also pertains to luxury properties close to the job centers.”

Whether defined as \$1 million or more or \$2 million-plus, Northwest MLS figures confirm sales of luxury homes are surging. A comparison of first quarters show the year-over-year volume of sales of homes priced at \$2 million or more is up 30 percent. Members reported 136 such sales during first quarter 2017; this year, the number is 177. For homes priced at \$1 million or more, sales rose from 941 during first quarter last year to 1,204 this year, a gain of nearly 28 percent.

Prices overall are up about 13.2 percent from a year ago, and even more so in the four-county Puget Sound region. Among these four counties, Kitsap had the largest year-over-year increase at 19 percent, but King County homes are still the priciest. The median price for last month’s sales of single family homes and condos combined in King County is \$625,000, up 17.9 percent from a year ago. For single family homes, excluding condos, the median price for last month’s sales was \$689,950.

Year-over-year prices are up more than 18 percent in Pierce County and about 14.3 percent in Snohomish County.

Commenting on rising prices, veteran broker Mike Grady said “The market continues to trend hot” with no apparent end in sight. The slight rise in mortgage interest rates since January 1 could mean “some minor impact on non-cash first-time homebuyers,” he suggested, adding, “Only time will tell.” Grady, the president and COO of Coldwell Banker Bain, said his company’s tracking and analysis based on average prices (instead of median prices) shows that “along the I-5 corridor, our average sales price is tracking slightly higher than what the NWMLS median sales prices show.”

Northwest MLS member brokers continue to scramble to replenish supply. They added 10,595 new listings during March, slightly more than a year ago when they added 10,321 properties to the selection. Last month's additions marked a big gain from February when 7,284 new listings were added.

As has been the pattern, pending sales nearly equaled the number of new listings. Brokers reported 10,311 pending sales last month, a slight drop from the year-ago figure of 10,415. Tight inventory may be to blame as the number of total active listings stood at 8,825 at month end, down nearly 9.7 percent from the year-ago total of 9,772. Fourteen of the 23 counties in the Northwest MLS market area reported drops in pending sales.

"We have returned to an extremely intense market for each new listing due to extremely strong job growth and eager buyers who want to purchase before interest rates go higher," Scott reported. "The housing market is back to a pressure cooker situation and we are witnessing high levels of sales activity intensity for each new listing coming on the market," he commented.

Dick Beeson, principal managing broker at RE/MAX Professionals in Tacoma, commented on the frustration many would-be homebuyers are experiencing. "I think this last quarter especially, many buyers are feeling like they brought a knife to a gunfight, there's been so much competition to buy a home."

The tri-county area comprised of King, Snohomish and Pierce counties added essentially the same number of new listings during first quarter 2018 as the same period a year ago, Beeson noted, while the actual number of sales dropped slightly. "Why? Because there are too few properties for sale and rental rates are through the roof. People are desperate to find a home," he stated. He likened the situation to Nordstrom not being able to keep their clothing racks filled because customers storm the store each day buying everything that's available.

Housing inventory remains well below "normal" ranges based on a level of 4-to-6 months of supply used as an indicator of a balanced market. Area-wide, Northwest MLS figures show there is about 1.2 months of supply, with four counties reporting less than a month's supply. Snohomish has the sparsest selection at 0.67 months, followed by King (0.83 months), Kitsap (0.95 months), and Pierce (0.99 months).

"Despite the low inventory and sellers' market, proper pricing is still important," emphasized John Deely, principal managing broker at Coldwell Banker Bain in Seattle.

"In March we saw more listings where sellers pushed the price envelope causing the property to go past their offer review date with no offers in hand," Deely reported. "It is not uncommon for buyers to consider a property on the market over 10 days as having something wrong with it," he added.

Nevertheless, Deely said many buyers are returning from taking a break during the winter after having lost out on several attempts to win in the multiple offer competition. "Throwing caution to the wind, these seasoned veterans of the multiple offer bidding wars are pulling out all the stops (contingencies) to win."

Rising interest rates and keen competition are motivating some buyers to make compromises, according to George Moorhead, designated broker at Bentley Properties.

“I was asked recently why some communities are seeing a higher sales volume than last year,” Moorhead stated. “I explained this was simple logic with buyers in that instead of competing at their maximum price point in closer in communities and losing out on the perfect home, they compete in a lesser priced area where they can be more aggressive on the better homes in those areas. They may compromise on schools, public services, and commute times, but the opportunity of ownership increases significantly. The second key reason is that 30-year mortgage interest rates have increased .5% since the beginning of the year which erodes home affordability and pushes some buyers out of market places.”

Commenting on the uptick in interest rates, the president of a mortgage firm who trains brokers around the country recently noted, “While \$100 a month might not sound like too much, it might adjust a client’s debt-to-loan ratio, which could push the size of a house they can afford down by \$40,000 or \$50,000.”

Moorhead dismissed “chatter about a looming real estate bubble” based on prices and what used to be the norm. “The key is to understand the normal cyclical pattern of our real estate market. A healthy market has corrections and booms with a mix of flattening cycles,” he stated, noting “Markets without these healthy cycles have catastrophic events much like we experienced in 2007 to 2011.”

Instead of competing in today’s market, some current owners are opting to remodel. “We are getting more and more requests for quality contractors for current homeowners looking to make updates to their home, instead of trying to move up to a better home or community,” Moorhead said. “Just in the last 30 days we know of 12 homeowners starting home improvements in the \$100,000 and up range, more out of sheer frustration that they cannot find or secure a move-up home to purchase. What this means on the larger scale is a continued lack of inventory coming on the market to feed the voracious appetite of the buyers in our marketplace.”

Northwest Multiple Listing Service, owned by its member real estate firms, is the largest full-service MLS in the Northwest. Its membership of more than 2,200 member offices includes more than 28,000 real estate professionals. The organization, based in Kirkland, Wash., currently serves 23 counties in the state.

Statistical tables follow

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	3,885	2,060	3,465	2,479	\$740,509	\$625,000	0.83	0.78
Snohomish	1,576	783	1,578	1,166	\$492,117	\$452,450	0.67	0.76
Pierce	1,767	1,350	1,856	1,369	\$374,384	\$342,500	0.99	1.13
Kitsap	422	354	474	372	\$411,674	\$339,225	0.95	1.36
Mason	153	199	150	91	\$265,493	\$240,000	2.19	2.82
Skagit	235	301	240	157	\$397,172	\$346,150	1.92	1.77
Grays Harbor	186	360	181	103	\$200,782	\$189,000	3.50	4.04
Lewis	119	211	138	105	\$241,515	\$225,000	2.01	2.18
Cowlitz	135	154	159	110	\$261,565	\$242,500	1.40	1.39
Grant	133	239	140	90	\$212,801	\$198,475	2.66	4.85
Thurston	569	469	582	415	\$316,207	\$300,000	1.13	1.38
San Juan	48	175	30	21	\$639,135	\$500,000	8.33	8.50
Island	207	272	207	138	\$403,213	\$339,700	1.97	1.78
Kittitas	107	146	83	59	\$381,566	\$345,000	2.47	3.13
Jefferson	80	139	76	47	\$380,531	\$310,000	2.96	2.92
Okanogan	46	214	25	26	\$246,900	\$216,700	8.23	13.11
Whatcom	390	497	401	277	\$357,489	\$345,000	1.79	1.93
Clark	93	97	81	53	\$369,249	\$339,000	1.83	1.41
Pacific	70	185	61	35	\$179,477	\$155,000	5.29	4.49
Ferry	6	38	8	3	\$230,000	\$190,000	12.67	12.50
Clallam	130	177	130	104	\$320,715	\$283,547	1.70	2.44
Chelan	121	195	109	71	\$379,390	\$325,500	2.75	4.70
Douglas	56	84	70	35	\$363,006	\$342,500	2.40	3.05
Others	61	126	67	34	\$200,253	\$190,950	3.71	4.86
Total	10,595	8,825	10,311	7,360	\$503,827	\$401,761	1.20	1.30

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	9153	8869	8545	8628	7729	7487	6115	4727
2017	5710	6024	7592	7621	9188	9042	8514	8637	7441	7740	6094	4460
2018	5484	5725	7373									


Homeownership is top component in household wealth

Homeownership – more than any other financial asset – is key to household wealth, accounting for nearly one-fourth of all assets held by households in 2016. The Survey of Consumer Finances (SCR) valued assets made up of primary residences at \$24.2 trillion.

Three additional categories accounted for another 55 percent of a household's balance sheet:

1. Other financial assets (\$20.2 trillion; 20 percent), described as including loans from the household to someone else, future proceeds, royalties, futures, non-public stock, deferred compensation, oil/gas/mineral investments, and cash, not elsewhere classified;

3. Business interests (\$20.2 trillion; 20 percent); and
4. Retirement accounts (\$15 trillion; 15 percent)

The remaining assets, with a combined value of about \$20.1 trillion, included stocks and bonds (7 percent); vehicles and other non-financial assets (7 percent); and other residential real estate (6 percent).

Researchers with SCF noted the distribution of major assets on household balance sheets varies by age group. For example, in households whose members are under age 55, the aggregate value of the primary residences was the largest asset category on the balance sheet. Among households between ages 55 and 64, business interests and other financial assets were the largest categories, with the primary residence in third place. For households aged 65-plus the primary residence became the second largest asset category (behind other financial assets) as business interests shrank.

The Survey of Consumer Finances (SCF) with family-level data, is published every three years by the Board of Governors of the Federal Reserve System. A different survey, the quarterly Financial Accounts of the United States (previously known as the Flow of Funds Accounts), provides aggregate information on household balance [sheets](#).

Buyers reveal “essential features” when house-hunting

Having a living room is essential to most prospective home buyers, with 61 percent of first-time buyers listing that feature as their top requirement. Among shoppers who are looking for their second or subsequent home, 72 percent said a laundry room was their top must-have feature.

The poll results were among findings the National Association of Home Builders reported at this year’s International Builders’ Show in Orlando, Florida.

In addition to a living room, first-time buyers ranked a laundry room as their second highest priority, followed by a dining room, garage storage, and a walk-in closet in the master bedroom. Rounding out the list, with at least 40 percent of respondents ranking the feature as essential, were both a shower stall/tub in the master bedroom, a front porch, a great room, a two-car garage, and a double sink in the kitchen.

Second-time+ buyers had an expanded list that included most of the same items as first-timers but in a somewhat different order of preference. Their list of 14 essential features excluded the front porch and added five other features. The additional items that garnered mentions by at least 40 percent of the shoppers included a patio, table space for eating in the kitchen, hardwood floors on the main level, Energy-Star appliances, and granite countertops in the kitchen.

NAHB conducts regular polls of American adults and home buyers to better understand emerging trends and preferences. The organization’s Economics & Housing Policy Group also shared findings of research on tiny homes, driverless cars, and time devoted to home searching.

Millennials lead all homebuyers

Millennials accounted for 36 percent of all home purchases last year, retaining their ranking as the most active generation of buyers for the fifth consecutive year, and improving on the previous year's figure of 34 percent. Despite that feat, the chief economist at the National Association of Realtors® said the overall share of millennial buyers remains at an underperforming level.

Those findings were reported in NAR's 2018 [Home Buyer and Seller Generational Trends](#) study, a 144-page evaluation of the generational differences of recent home buyers and sellers.

Inventory constraints and rising housing costs are faulted for keeping overall activity among millennials subdued and "preventing some from leaving the more affordable confines of the Gen X and baby boomer parents' homes."

Gen X buyers were runners-up to millennials in home buying, but slipped from 28 percent in 2017 to 26 percent in this year's report. Older baby boomers (born between 1945 and 1954) made up 14 percent, followed by the Silent Generation (born between 1925 and 1945), at 6 percent (declining from 8 percent in 2017).

NAR chief economist Lawrence Yun said this year's survey reveals what it takes to be a successful millennial buyer in today's housing market. He noted even though sales to millennials reached an all-time survey high, "stubbornly low inventory conditions pushed home prices out of reach for many."

The latest trends report also noted millennials had more year-over-year purchasing power, but they also had higher student debt balances, with slightly more in this group said saving for a down payment was the most difficult task in buying a home.

"Realtors® throughout the country have noticed both the notable upturn in buyer interest from young adults over the past year, as well as mounting frustration once they begin actively searching for a home to buy," said Yun. "Prices keep rising for the limited number of listings on the market they can afford, which is creating stark competition, speedy price growth and the need to save more in order to buy."

Yun expects challenging market conditions will continue. Unless more Gen Xers decide to sell, and entry-level home construction picks up significantly, he believes many aspiring millennial buyers will continue renting.

The NAR survey examined other generational trends, including multi-generational home purchasing (most prevalent among younger boomers), factors that matter most when buying a home (friends and family), and the types of homes various generations prefer.

Survey respondents were also asked about using a real estate agent. Regardless of age, most buyers and sellers reported working with an agent. At least 84 percent in every generation worked with an agent to close their sale. At 90 percent, millennials were the most likely to purchase a home through a real estate agent, with help in understanding the buying process cited as the top benefit the agent provided.

Nearly 8,000 recent home buyers took part in the study. NAR mailed a 131-question survey to a geographic representation of 145,800 buyers. Respondents had the option to participate via hard copy or online, and could choose English or Spanish.

Labor costs, availability and building material prices lead list of biggest concerns builders cite for 2018

Labor costs and availability plus prices for building materials lead a list of major concerns builders cite as factors for the construction shortfall and items that concern them most. The same concerns topped the list for 2017.

Builders identified 10 significant problems they expect to face in 2018 as part of the National Association of Home Builders and Wells Fargo Housing Market Index.

Since being identified as a concern in 2011 when 13 percent of builders identified it as a significant concern, the cost and availability of labor is now rated as a big concern by 84 percent of respondents.

Equally concerning to NAHB builders are building materials prices.

Rounding out the top five concerns for builders in 2018 are the cost/availability of developed lots (62%), impact/hook-up/inspection or other fees (60%) and inaccurate appraisals (42%).

The remaining concerns for 2018 on the builders' "top 10" list were:

- #6. Federal environmental regulations and policies (42%)
- #7. Local/state environmental regulations and policies (45%)
- #8. Difficulty obtaining zoning/permit approval (42%)
- #9. Gridlock/uncertainty in Washington making buyers cautious (42%)
- #10. Development standards (parking, setbacks, etc.) (38%)

In releasing the findings of its poll, NAHB said two emerging issues for builders are attempts to limit the mortgage interest deduction and related support for housing, and high interest rates. Nearly half the builders (49 percent) expect the issue around housing tax incentives to be a problem in 2018, up from 31 percent who said it was a problem in 2017. The share who expect high interest rates to be a concern is still relatively low at 18 percent, but up sharply from the 4 percent who said it was a problem last year.

The Housing Market Index (HMI) is based on a monthly survey of NAHB members designed to take the pulse of the single-family housing market.

Judge overturns Seattle's first-in-time rental law

Property owners claimed victory while proponents of a Seattle law known as “first in time,” a law meant to regulate landlords and fight implicit bias against certain renters, vowed to appeal a judge’s ruling siding with landlords. The law had required landlords to rent to the first qualified applicant.

Late last month, King County Superior Court Judge Suzanne Parisien sided with landlords and their right to choose their own tenants. The decision stemmed from an action brought by Pacific Legal Foundation on behalf of several small landlords.

The trial court held that Seattle violated four constitutional guarantees, including property, free speech and due process rights.

In her ruling, King County Superior Court Judge Suzanne Parisien called eliminating implicit bias a “laudable” goal, but struck down the law as “an unreasonable means of pursuing anti-discrimination because of its sweeping overbreadth.”

The rule on leasing practices was enacted by the Seattle City Council in 2016; it had required landlords to rent to the first qualified tenant to apply for an opening. The regulation, supported by The Tenants Union of Washington, Washington Community Action Network (CAN) and other tenant advocates, was part of a package of protections dubbed the tenants’ bill of rights.

During a hearing in February one of the plaintiffs, Kelly Lyles an artist who rents out a house in West Seattle, said two of her tenants wouldn’t have qualified under her usual rules because of poor credit, but she rented to them anyway because she liked them. “It’s just shocking to me they’re telling us we don’t have the right to trust our gut,” she stated.

Following last month’s ruling by Judge Parisien, landlord Lyles hailed the ruling, saying the law was well-intentioned but caused some landlords to stop advertising or to sell or convert properties into vacation rentals. “Some sanity is being restored after the council’s overreach,” she remarked.

Landlords filed their lawsuit to overturn the regulation last year, arguing they have a constitutional right to choose their renters. An attorney for the city of Seattle argued such choices sometimes amounts to exclusion of certain people, but Judge Parisien differed.

“What the plaintiffs want is a right to choose. They want to be able to have their gut check that we use all the time in the real world,” said the judge, an owner of rental property.

Prior to a hearing she disclosed such ownership, saying, “I believe I can decide this matter fair and impartially but wish to apprise the parties in the event I am asked to recuse myself,” she wrote. The city made no such motion.

“I think her status as a landlord helped her understand the underlying issues well, but I don’t think it prejudiced her,” said Ethan Blevins, an attorney with the Pacific Legal Foundation who represented the landlords. He

called the ruling "a victory for property rights, common sense, and our courageous clients, who can once again make basic judgment calls over who will live on their property."

A spokesman for the Rental Housing Association of Washington also lauded the decision. The organization's interim executive director, Sean Martin, said he's "pleased that the court recognized the rights of rental housing owners to decide how to lawfully operate their private property." The ruling "restores the ability for rental housing owners to provide opportunities for under-qualified renters who would otherwise have difficulty with being first in line to apply for a rental unit or meeting higher screening criteria standards," he said in a statement.

Supporters of the law had a different reaction. They argue bias can be hard to prove and say landlords sometimes discriminate unconsciously.

Renters' rights advocates also cited findings from a 2015 sting conducted by the city's Office for Civil Rights (OCR), which submitted applications 97 times focused on three different groups protected by Seattle housing law.

The office reported finding evidence of different treatment due to a disability in 64 percent of their tests. About the same number, 63 percent, revealed differences due to a Section 8 voucher, while 31 percent experienced differences due to a familial status. Similar tests, conducted in 2014, found different treatment based on race, national origin, and sexual orientation around two-thirds of the time for each group.

"We're very disappointed in the ruling and hope there's an appeal," said Merf Ehman, executive director of Columbia Legal Services, which pushed for the City Council to adopt the law in 2016. By allowing landlords to "go with their gut," Wednesday's ruling restores opportunities for discrimination and hurts "people who are low-income, people of color, people with disabilities, people who are gay, lesbian, transgender and bisexual," Ehman said.

Ehman believes the judge failed to understand the impact of discrimination on people and to sufficiently consider "the social science and how our brains work." The former staff attorney in the Institutions Project at Columbia Legal Services (CLS) noted "People don't like to think of themselves as discriminatory, but our gut instincts can be discriminatory. We know good people discriminate even when they don't intend to."

"This was supposed to cut down on what I call cherry picking," said Gina Owens, a renter and advocate with Washington Community Action Network. "When you have the conscience that allows you to turn one person away even though they're qualified ... you're telling them, 'I have a preconceived notion of who you are and I don't want you in my building.'"

Councilmembers Lisa Herbold and Teresa Mosqueda want the city to appeal.

"The City Attorney's office and I disagree with today's ruling," Herbold stated. "First in time is good policy that helps landlords screen tenants and avoid claims of fair housing violations. If landlords won't screen tenant[s] in a way that intentionally addresses bias, we have no recourse but to increase fair housing law

enforcement because the reality is that, intentionally or not, far too many landlords are discriminating in the practices they use to select renters.”

A spokesperson for the Seattle City Attorney’s Office said, “We disagree with the court’s ruling, and we’re studying it to determine our next steps.”

Deputy City Attorney John Schochet said the city is evaluating an appeal and what to tell landlords and renters to do. Attorney Ethan Blevins, representing the landlords, said he believes the city can no longer enforce the law.

King County broker tapped to chair Northwest MLS Board

Jason Wall, president and designated broker at Lake & Company Real Estate in Seattle, has been elected chairman of the Northwest Multiple Listing Service (NWMLS) board of directors. Other new officers for 2018 include **Kevin Campbell**, vice chairman; **Robert Wasser**, treasurer, and **Randall Fisher**, secretary.

Joining the officers on the 15-member board are five newly elected directors for the member-owned organization. They include:

- **Keith C. Bruce**, designated broker and co-founder of Sound Point Real Estate in Seattle;
- **Stuart Heath**, president and designated broker at Bellmark Real Estate in Bellevue;
- **David Maider**, designated broker/owner at Windermere Real Estate M2 in Everett;
- **Mike Larson**, president and designated broker at ALLEN Realtors in Lakewood; and
- **Keith Wells**, owner and designated broker at Windermere Real Estate Southeast with offices in Woodinville, Monroe and Chelan.



Jason Wall

Jason Wall

Wall, the new board chairman, has been affiliated with Lake & Company since 1995, following work as a mortgage banker. His experience in real estate spans nearly 30 years and includes owning and rehabilitating rental housing, serving on the board at Seattle King County Realtors®, and serving as president of the Northwest Independent Brokers Association. The Seattle native who “grew up in a real estate family” assumed the role of designated broker/owner in 2013 when company founder Michael Skahen retired.

Other New Officers

The new vice chairman of the NWMLS board, Kevin Campbell, traces his real estate career to 1995, including experience in residential and land sales. He is the designated broker and owner of Windermere offices in Kelso/Longview and Cathlamet, and has served on several other real estate-related boards.

Robert Wasser, who served as 2017 secretary, was elected treasurer for 2018. He is the owner of Prospera Real Estate in Seattle and also serves as president of the Northwest Independent Brokers Association, a nonprofit organization comprised of more than 50 brokerage offices representing 700-plus real estate professionals. Wasser, a University of Washington graduate, has been licensed since 2004. His industry involvement also includes service on the Northwest MLS Disciplinary Review Panel.

Randall (Randy) Fischer of Coldwell Banker Koetje Real Estate in Oak Harbor, where he also resides, has more than two decades of real estate experience. He will serve as this year's secretary. The retired naval officer specializes in military relocations and helping veterans with their real estate needs.

New Board Members

Northwest MLS member-brokers elected four other new directors for three-year terms:

Keith C. Bruce becomes one of five directors representing King County members. He is the designated broker and co-owner of Sound Point Real Estate in Seattle. Upon graduating from the University of Washington, he joined the U.S. Navy, serving three tours of duty in the Persian Gulf. The Certified Military Housing Specialist also serves as an instructor for the Washington State Housing and Finance Commission, on the board of the Northwest Independent Brokers Association, and on various Northwest MLS committees.

Stuart Heath was also elected to represent King County members. During his 25 years in real estate he has consistently ranked among the top one percent of brokers nationwide. Heath is president and designated broker at Bellmark Real Estate in Bellevue and a principal at Elliott Bay Asset Solutions in Seattle. The Bellevue resident is co-vice president of the Northwest Independent Brokers Association and a member of the Commercial Brokers Association and the Rental Housing Association of Washington. Heath is also an attorney and serves on the board of several civic and nonprofit organizations. He is a graduate of Whitman College and Seattle University School of Law.

Members in Pierce and Thurston counties selected Lakewood Realtor Mike Larson to represent them on the Northwest MLS board, a position he also held from 2001- 2008. Larson, a graduate of Pacific Lutheran University, is the president and designated broker at ALLEN Realtors. He has held leadership roles with the Tacoma-Pierce County Association of Realtors, Washington Realtors, and several other industry, business, and civic organizations.

David Maider, re-elected to a three-year term, is owner/broker of the Windermere South Everett office. The Seattle native and U.W. graduate has 26 years of industry experience and is actively involved with the Windermere Foundation and several Snohomish County based charities. He currently chairs the Windermere Standards of Practice Committee for Snohomish County.

New board member Keith Wells started his real estate career in 2003, then interrupted it to attend law school, graduating in 2010. He is the owner of Windermere Real Estate/HLC offices in Woodinville, Monroe and Chelan, and also maintains a law office at the Woodinville location. The Maltby resident is a graduate of Western Washington University and Willamette University College of Law.

Directors of Northwest MLS are elected by district, each district encompassing one or more counties in the MLS service area, currently covering 23 counties.

Six other broker-members also serve on this year's board of directors:

- **Dick Beeson** with RE/MAX Professionals in Gig Harbor
- **Joe Deasy** with Windermere Real Estate/East in Bellevue;
- **John Deely** with Coldwell Banker Bain in Seattle;
- **Chris Millsap** with RE/MAX Advantage in Chelan;
- **Cindy Thuirer** with North Beach Realty OS in Ocean Shores; and
- **Frank Wilson** with John L. Scott, Inc. in Poulsbo

Northwest Multiple Listing Service, a not-for-profit corporation owned by its member real estate firms, is the largest full-service MLS in the Northwest. Its membership of nearly 2,100 companies includes nearly 28,000 real estate professionals. The organization, based in Kirkland, Wash., currently serves 23 counties in Washington state.

Northwest MLS unveils latest tools, services at member meetings

Membership meetings for the broker-owned Northwest Multiple Listing Service promised a full agenda, and it did not disappoint! MLS staff previewed several new and enhanced tools and provided updates on a variety of industry activities and concerns.

Tara Marino, director of communications and training at Northwest MLS, presented an overview of Homesnap, a joint venture partner with Broker Public Portal and an industry-friendly alternative to third party portal websites.

Since being developed in 2015 as a collaborative venture between real estate brokerages and MLSs, Homesnap has become a top-rated mobile app and ad-free property search website for member-brokers, subscribers, and their clients.

Consumers who have the free app can snap a photo of a home to uncover accurate, real-time data on 90 million homes. In addition to providing instant access to school zones, property lines, property history and more (based on GPS locations), it also has a chat feature, newsfeed and the ability to connect with the user's own agent for a particular property.

Homesnap is powered by listing data supplied directly from more than 120 multiple listing services and 800,000 real estate professionals, providing access to more than 75 percent of currently listings in the U.S.



Tara Marino speaking at the NWMLS member meeting

The Pro version provides broker-only data in addition to the information the tool displays to consumers.

[Homesnap Pro](#) integrates with Showing Time and has the ability to create and send CMAs in 30 seconds. Brokers can also access a safety timer and “walk the line,” a virtual reality tool showing a property’s boundaries. An optional add-on (with discounted introductory rates) is co-branding, which includes lead routing.

To help brokers and subscribers become more familiar with Homesnap, Northwest MLS will be offering live webinars, user guides and other support resources. All Homesnap University videos will also be available.

Another new tool being rolled out to NWMLS members is a new Learning Management System (LMS). Once testing is completed (likely by early summer), the LMS will feature improved class registration and notifications, the ability to enroll in self-paced, online clock hour classes (including a New Subscriber Orientation) and in-person courses, plus access to education history and certificates. Marino said the LMS service will free up trainers for more office visits, custom trainings and Q&A sessions.

Marino also announced the MLS will be utilizing MailChimp® as its email marketing platform. The enhancement will mean an updated look to emails, better targeted communication, plus the ability to send Monday Update emails to all subscribers, with an opt-out feature.

The second speaker, Monica Beck, provided an overview of nationwide MLS issues, including MLS consolidations in several areas around the country, notably the District of Columbia, Pennsylvania, South Florida, Ohio and Colorado. As a result of several consolidations in efforts to increase efficiencies and improve services at lower costs, the number of multiple listing services has shrunk from 900 a few years ago to around 700 today.

Beck, the chief operations officer at NWMLS, said Northwest MLS is in discussions with the Walla Walla Association of Realtors, North Central Washington Association of Realtors (in Wenatchee) and others.

NWMLS is also joining GRID LLC, a network of MLSs organized to establish a consolidated, standardized data point of access and management for members. The goal is one data feed, one license agreement, and one set of display rules, and perhaps ultimately a national IDX.

Beck also previewed Upstream, a comprehensive data management project support by many large franchises. The effort, initiated by Realty Alliance, a group of large franchise firms to help brokers manage and control data, is currently funded by National Association of Realtors.

Several technical and political questions about Upstream are yet-to-be answered, Beck noted. These include who will pay for it once NAR funding ends and how the varying software systems will be coordinated.

On the NAR front, Beck noted America’s largest trade organization hired Bob Goldberg, as its CEO, promoting him from his position as a senior VP. In a cost-cutting move, NAR suspended Advanced Multi-List Platform (AMP), pledged to continue its focus on governmental affairs, and adopted a rule change to enable “MLS of Choice” starting July 1. Since Northwest MLS is not an NAR MLS, the latter change is not expected to have much impact in this area.

The March meeting also included updates on Washington legislation pertaining to key issues affecting the real estate industry, including SB 6091 (commonly referred to as the “Hirst” decision”) concerning water availability for certain development, and revisions to Form 17 (Seller Disclosure Act) pertaining to timber land and oil tanks.

Bob Gent, the third speaker, previewed NWMLS EXPOsed, the organization’s first-ever trade show/convention. Scheduled for Wednesday, June 13 at the Lynnwood Convention Center, the event will include classes throughout the day (“even lunch!”) with clock hours and a showcase of select vendors. Registration, at \$40 per attendee, will open soon.

News In Brief

- **Four years of work remains, but drivers will soon to start to see the fruits of 17 years of construction on I-5 through Tacoma, according to a report in [mynorthwest.com](#).** The new northbound Puyallup River Bridge should open to all drivers in May. That is a huge step forward for the [HOV widening project](#). But it’s not the only change. The horrible, temporary, collector-distributor lane on southbound I-5 that forces drivers to leave the freeway about two miles before the actual exit to Highway 16 will go away in a few weeks. However, the ramp from [eastbound 16 to northbound I-5](#) is going to be reduced to one lane again. That change will happen in early April. It will remain that way until August. Construction continues to move along on the new dedicated HOV to HOV ramps from I-5 to Highway 16. Overnight closures on Tacoma Way began this week as workers began moving girders around. Work to rebuild the McKinley overpass continues too. Next year, construction will begin on the new southbound Puyallup River Bridge. That work will take several years to complete. Construction on this entire HOV project is set to finish in 2022. The projects began in 2001.
- **National Flood Insurance Program (NFIP) premium rates are set to rise an average of 8 percent on April 1.** Although this increase is slightly more than the one implemented last year, it is consistent with the annual 5-10 percent increases that were characteristic of the period prior to the enactment of the 2012 Biggert-Waters Act, which made significant reforms to the insurance program. [Read more](#)
- **A light-rail corridor to Lynnwood gained momentum late March when Congress released a [budget that maintains federal transit grants](#), after President Donald Trump proposed [slashing the program](#).** This likely means Sound Transit’s [proposed 8.5-mile, Northgate-Lynnwood line](#) can qualify for a \$1.2 billion Federal Transit Administration (FTA) grant, to finish construction by mid-2024. An estimated 68,500 daily riders are expected to ride the route, which provides an option to escape some of the [nation’s worst highway delays](#). Trains from Lynnwood would [reach the University of Washington in 20 minutes](#), or downtown Seattle in 28 minutes. Meanwhile, the former \$2.4 billion Lynnwood project estimate has risen to \$3.1 billion, reflecting increased financial risk and strains. Lynnwood isn’t

specifically named in the [“omnibus” House-Senate compromise budget](#) issued late March. But it was a leading contender and approved by the FTA for final engineering. The bill contains \$2.64 billion for major grants nationally, an increase from last year, and is to be spent mostly within two years. It requires that grants be distributed in the usual way, which has delivered more than \$1.3 billion to Sound Transit’s existing network from Husky Stadium to Angle Lake Station in SeaTac. The congressional bill also raises the odds that Seattle will secure another \$25 million for its First Avenue streetcar link, and \$61 million for Madison Street bus-rapid transit. Federal Way light rail is also in line for a possible \$499 million. Meanwhile, the official budget for Lynnwood Link swelled this month to \$3.1 billion — compared to [\\$2.4 billion in 2016](#) as the project started final design. In another change, the project also assumes \$658 million in low interest federal loans. Seattle’s land and construction inflation drove costs up, but Sound Transit and the cities of Seattle, Shoreline, Mountlake Terrace and Lynnwood also caused “scope creep” by requesting more station land for bus and car access, and amenities such as festival plazas. The agency acknowledged a [\\$517 million cost increase](#) last year. Even now, the FTA warns that Sound Transit’s “capital cost estimate is optimistic” and gives Lynnwood a medium-low rating in that category. Sound Transit has the nation’s top credit rating and massive cash flow, while scoring high for local plans to increase housing density around stations.

- **The omnibus appropriations bill passed last month contains important provisions related to housing that Realtors® have been fighting for, including alleviating the weakening of the Low-Income Housing Tax Credit (LIHTC) from the new law, and extending the National Flood Insurance Program (NFIP) through at least mid-summer.** The LIHTC gets a significant increase in funding and a change in the average income test, which should result in hundreds of thousands of new affordable housing units. The NFIP is extended until July 31, 2018. This avoids another lapse and provides several more months for the Senate to act on 5-year reauthorization and reform legislation adopted by the House last November. It also doubles the flood map funding to \$263 million, up from \$177 million in the previous year and more than a 150 percent increase over the Administration’s request this year. Additionally, it maintains funding for the flood mitigation, proofing and elevation of properties (\$175 million), as well as the Office of Flood Insurance Consumer Advocate (\$5 million) to assist homeowners with concerns over flood mapping and/or insurance ratings.


Calendar of Events Through April 3, 2018

Dates	Event	Time	Location	Contact
SEATTLE—King County REALTORS®				
4/13/18	Board of Directors Caucus	11:00 am – 12:30 pm	SKCR	425-974-1011
4/18/18	Affiliate Council	1:30 pm – 2:30 pm	SKCR	425-974-1011
4/18-20/18	WR Spring Conference		SeaTac Marriott	360-943-3100
4/25/18	REALTOR® PAC Auction	5:00 pm – 8:00 pm	Inglewood Golf Club	425-974-1011
5/9/18	Board of Directors	9:30 am – 12:30 pm	SKCR	425-974-1011
For updates visit http://www.nwrealtor.com/events/				