NW REporter

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LATEST NEWS RELEASE

Northwest MLS brokers report mixed activity during July, as volume of closed sales reaches 12-month high

KIRKLAND, Washington (August 5, 2019) – July provided mixed messages on housing activity, noted one industry veteran when commenting on the latest report from Northwest Multiple Listing Service. The newly released MLS figures show last month's closed sales reached a 12-month high. Member-brokers also reported the number of new listings (11,193) nearly matched pending sales (11,139).

A closer look at new listing activity shows last month's total was down from both the previous month.

(-6.7%) and the same month a year ago (-8.2%). The total number of active listings of single family homes and condos, at 16,787, was about the same as June's inventory (16,680) and the selection of a year ago (16,773 listings). A comparison of the 23 counties in the Northwest MLS report shows about half the counties have more inventory than a year ago, and half have less.

System-wide there is 1.76 months of inventory, with King, Kitsap, Mason, Pierce, Snohomish and Whatcom counties all reporting less than two months of supply.

Pending sales declined slightly from June (11,139 versus 11,573) but showed a 1.6 % gain on the year-ago total of 10,965 mutually accepted offers.

Closed sales were up from both the previous month and the same month a year ago. Northwest MLS brokers tallied 9,540 closed sales last month – the highest volume since June 2018 when they reported 10,072 completed transactions.

Year-over-year (YOY) prices rose nearly 3.6%, but declined about 2.9% from June. The area-wide median price for July's completed transactions was $429,900; a year ago it was $415,000. Eighteen of the 23 counties in the latest report showed year-over-year price appreciation.

The median price of a single family home (excluding condos) that sold last month was $440,000, up 3.5% from twelve months ago. Only four counties reported year-over-year price drops, including King County where prices were down 2.7%. Condo prices also sagged compared to a year ago, but by less than one percent. The area-wide median price for condo sales that closed during July was $350,000.

MLS director John Deely, principal managing broker at Coldwell Banker Bain in Seattle, described King County's residential market as "balanced on a fulcrum between growth, stagnation, and decline." New listings of single family homes (excluding condos) in King County dropped year-over-year and when compared to last month, he noted. Total active listings and pending sales both improved from a year ago, but slipped from June's totals.

King County's median sales price for single family homes and condos was down slightly (-0.64%); for single family homes only (excluding condos), the median price dropped 2.7%. "Increased listing inventory from prior months put pressure on pricing," Deely suggested.

“Lower prices brought out the buyers, causing July sales activity to end with a bang,” exclaimed Dean Rebhuhn, the owner of Village Homes and Properties in Woodinville. Continuing low interest rates are also propelling activity, he suggested.

“Buyers are seeing increased selection at good prices. Well-priced homes continue to sell quickly in market hot spots, often resulting in multiple offers,” Rebhuhn reported, noting several parts of South King County are hot spots. He expects brisk activity through September.

“The lazy days of summer do not apply to home sales,” said J. Lennox Scott, chairman and CEO of John L. Scott Real Estate. “Each summer, the highest numbers of homes go under contract per month. However it may feel slower because the greatest numbers of new listings also come on the market. This creates disbursed buyer energy,” he stated. Looking ahead, he expects “strong numbers” due to “interest rates in the upper threes, strong local job growth and sunny weather.”

“Kitsap County continues to be a draw for those looking for affordability and economy,” stated Frank Leach, broker/owner at RE/MAX Platinum Services in Silverdale. Inventory is tight and new construction continues to be strong countywide as builders work to keep up with demand, he reported, adding, “Building permits for both single family and multi-family housing units are at a 10-year high.” Builders’ inventory is selling very rapidly, he noted.

Leach, a member of the Northwest MLS board of directors, described condominium sales as “very healthy,” as inventory improves. Year-over-year condo sales in Kitsap County surged nearly 39%, with prices jumping nearly 21%. Additionally, Kitsap is growing its rental market, notably on Bainbridge Island and Winslow, according to Leach.

“With interest rates holding at below 4% we anticipate the market will be running very strong and fast through the winter of 2019 and into 2020. Now is the time to buy, sell, move up or move down, but be realistic about where the values are,” Leach said, adding the “bulk of well priced homes are selling in less than 30 days.”

“Coastal counties and counties surrounding the Puget Sound (outside of Seattle) continue to see strong price increases,” remarked James Young, director of the Washington Center for Real Estate Research (WCRER) at the University of Washington. “There seems to be a lot of out-of-state interest in these markets given changes in tax laws that make Washington a relatively good place to retire, especially compared to California.”

Commenting on YOY price increases in three counties -- Jefferson (up 26.4%), Mason (up 19.3%), and Pacific (up 20.1%) – Young said there is “massive interest from out of state buyers and Seattle residents looking to trade down.”

Young believes the rising number of condominium listings in King County (up 39% YOY) “point to increased regulatory uncertainty in Seattle surrounding rental properties and the possible outcome of upcoming elections. Many are calculating that it is better to sell while the market is strong rather than take a chance on new ordinances that threaten their investment returns,” he stated.

Also somewhat concerning to some industry experts is the market’s “muted” response to cheaper mortgages compared to previous periods when rates fell.

An analyst with Moody’s (a credit ratings and financial services company) observed the sharp drop in mortgage rates has not provided “much of a lift” in sales in many parts of the country. “In general what we’ve had is just not enough lower-priced homes and sort of a vicious cycle where that limited supply has continued pushing prices up,” explained Jody Shenn, who covers the housing and mortgage industry for Moody’s.

Nonetheless, in an interview with The New York Times, Shenn stated, “It’s not that the decline in interest rates doesn’t matter at all." The drop since late 2018 to 3.75% has knocked about $160 off a monthly mortgage payment on a $286,000 home – the median price of existing single family homes in June, according to the National Association of Realtors, she explained.

Analysts have acknowledged applications to buy homes and refinance mortgages seem to be rebounding somewhat since last year's slump, while noting it is possible the drop in mortgage rates might simply need more time to influence activity.

Northwest Multiple Listing Service, owned by its member real estate firms, is the largest full-service MLS in the Northwest. Its membership of around 2,300 member offices includes more than 29,000 real estate professionals. The organization, based in Kirkland, Wash., currently serves 23 counties in the state.

July 2019 activity

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	3,740	5,725	3,661	3,280	$754,344	$625,000	1.75	1.57
Snohomish	1,698	2,164	1,707	1,376	$517,368	$480,000	1.57	1.45
Pierce	1,773	2,107	1,870	1,591	$407,491	$370,000	1.32	1.50
Kitsap	504	649	535	476	$455,694	$380,000	1.36	1.28
Mason	180	267	189	158	$312,777	$280,300	1.69	2.11
Skagit	293	477	290	236	$408,166	$360,000	2.02	2.30
Grays Harbor	221	435	199	139	$242,806	$220,500	3.13	3.44
Lewis	145	274	153	119	$268,801	$250,000	2.30	2.67
Cowlitz	168	240	175	112	$292,526	$266,750	2.14	1.91
Grant	130	260	133	128	$256,641	$235,000	2.03	3.07
Thurston	631	589	666	603	$366,802	$335,000	0.98	1.55
San Juan	52	262	37	26	$696,106	$570,625	10.08	7.97
Island	241	401	216	195	$437,789	$395,000	2.06	1.80
Kittitas	117	254	128	104	$419,896	$339,997	2.44	2.84
Jefferson	62	135	76	60	$456,129	$427,250	2.25	2.72
Okanogan	60	284	63	50	$282,454	$248,000	5.68	9.67
Whatcom	445	758	425	388	$423,501	$385,000	1.95	2.04
Clark	133	209	117	101	$395,701	$374,000	2.07	2.25
Pacific	86	233	69	73	$251,858	$210,000	3.19	4.18
Ferry	10	54	6	7	$205,557	$145,000	7.71	12.00
Clallam	159	318	148	118	$361,233	$319,500	2.69	2.90
Chelan	188	342	145	88	$489,730	$377,000	3.89	3.61
Douglas	81	129	68	63	$381,351	$349,900	2.05	2.43
Others	76	221	63	49	$316,330	$310,000	4.51	4.80
Total	**11,193**	**16,787**	**11,139**	**9,540**	**$533,295**	**$429,900**	**1.76**	**1.79**

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
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	7565	8742	8052	7612	6893	6235	6367	5328	4037
2019	5472	4910	7588	8090	8597	8231	**7773**					

iOi Summit returns to Seattle

Real estate brokers and industry leaders will join global tech vendors and venture capitalists in August for a two-day event focused on Innovation, Opportunity & Investment ("iOi"). The iOi Summit, a production of the National Association of REALTORS®, is set for August 21-22 at the Hyatt Regency Seattle.

The second annual event is expected to draw over 50 technology companies and leading experts from the industry to share ideas and insights and showcase products and services for the ever-changing real estate technology landscape.

Attendees will include brokers, CTOs, CIOs, IT directors, venture capitalists, mortgage lenders, government officials, title officers, startup founders, and technology vendors. Organizers describe it as "a must-attend event for anyone wanting to embrace, leverage, and be part of the change that surrounds real estate technology both residential and commercial."

"The iOi summit is the best place to hear from industry leaders about where technology will lead the brokerage and MLS business in the future," said Sam DeBord, CEO of RESO and 2017 president of Seattle King County REALTORS®.

Chris Bashinelli, host of "Bridge the Gap" TV series on PBS and the National Geographic Channel and a moderator for the United Nations, will keynote Wednesday's luncheon with a talk on "Change Your Mind, Change Your World.

Among the two dozen other featured speakers are visionary thought leader Stefan Swanepoel, chairman and CEO of T3 Sixty; journalist/publisher/entrepreneur Brad Inman; Marilyn Wilson, managing partner and founder of WAV Group, Bob Goldberg, NAR's CEO, and experts from Facebook, Google, and DocuSign.

The NAR is handling registrations for the iOi Summit.

Land costs far outpacing inflation, driving up home prices

Land values for single family housing in the United States rose nearly four times faster than inflation between 2012 and 2017. The run-up in values resulted in a 27 percent jump in the median price per acre, according to the 2019 *State of the Nation's Housing* report, a publication of the Harvard Joint Center for Housing Studies.

Commenting on the escalation, Alexander Hermann, a research analyst with JCHS, noted construction costs vary somewhat from one location to another, but said "the real driver of home prices is often the varying value of land."

The JCHS analysis showed the median price per acre of land increased from $159,800 in 2012 to $203,200 in 2017. (Prices per acre are for land occupied by single family homes.)

Both King and Snohomish counties experienced gains of around 87 percent during the same time period. In Snohomish County, prices rose from $382,200 in 2012 to $714,600. King County, prices jumped $592,900, from $685,900 in 2012 to $1,278,800 in 2017.

FHFA's data show the median price per acre of land increased in 80 percent of U.S. counties during the 2012-2017 timeframe. Among regions, the West had the most counties (92 percent) reporting jumps in land prices.

Authors of the report described differences within metropolitan areas as "striking," noting price increases were especially sharp in the core counties of metros with over a million residents. Prices in the suburban counties of the large metros increased by 37 percent and were even more modest (up 17 percent) in metros with fewer than a million people and in non-metro areas (up 4 percent).

Hermann said FHFA figures show the median price per acre of land tops $500,000 in one of every ten counties in the U.S. Areas with such prices include most of coastal California, much of the Northwest, as well as parts of the metro areas around Seattle, Portland (Oregon), Honolulu, Denver and Miami.

"Since land represents a large share of the value of homes in much of the country, these rapidly rising land values are a key driver of recent home price increases—along with labor constraints, building materials costs, and undue regulatory burdens," stated Hermann, adding, "Combined, these factors make it increasingly difficult for homebuilders to construct new modest-cost housing, which could accommodate the growing demand for starter homes by millennials aging into peak homebuying years.

Analysts at JCHS believe finding ways to slow the rise in land prices "will be an important part of any effort to address the continued challenge of making housing affordable for more people."

FHFA's dataset used by the Harvard researchers is based on 16 million appraisals of single-family homes in counties containing 835 percent of the nation's population. Some of their findings were used to create an interactive map that compares changes in residential land prices since 2012.

The Harvard Joint Center for Housing Studies, through its research, education, and public outreach programs, helps leaders in government, business, and the civic sectors understand housing issues and make decisions that address the needs of cities and communities.

Researchers find gentrification yields some important benefits

Gentrification creates “some important benefits for original resident adults and children and few observable harms,” was one somewhat surprising conclusion in a first-of-its-kind report from the Federal Reserve Bank of Philadelphia.

Authors of the just-released report found the process of gentrification reduces children’s exposure to poverty while increasing exposure to college-educated adults, which “could provide role models, information or networks.” Additionally, children gain more experience of better education and employment conditions, “all of which have been shown to be correlated with greater economic opportunity,” stated co-authors Quentin Brummet and Davin Reed, whose research spanned three years.

Based on their research, the authors concluded that gentrification had no discernible effect on income, employment or commuting distance for lower-income original residents, both those who were displaced and those who remained.

Some questions remain unresolved, the researchers note; nonetheless, they said their results “have important implications for how policymakers should respond to concerns about gentrification.” In their report they write, “Our results suggest that accommodative policies, such as increasing the supply of housing in high-demand urban areas, could increase the opportunity benefits we find, reduce out-migration pressure, and promote long-term affordability.”

Despite the upsides revealed by the research, some housing advocates remained skeptical.

Sarah Treuhaft, managing director at PolicyLink, a national research and action institute advancing racial and economic equity, called the report’s longitudinal data “novel,” and something her organization and other researchers have been anxious to obtain, yet she seemed reluctant to laud the findings. (Editor’s note: PolicyLink participates in campaigns around anti-displacement and rent control policies.)

Even though the study concludes the outmigration effects of gentrification are smaller than what might have been assumed, Treuhaft said “it confirms that gentrification does cause some displacement, especially for low-income people.” She also stated, “We cannot think of gentrification as good when we know it leads to increased displacement of lower-wealth residents and the erosion of cultural diversity and vitality.”

Brummet and Reed analyzed central city neighborhoods in the 100 largest U.S. metropolitan areas between the 200 Census and the American Community Survey of 2010-2014. In their 57-page working paper titled “The Effects of Gentrification on the Well-Being and Opportunity of Original Resident Adults and Children,” they defined gentrification as the process of college-educated individuals moving into low-income central city neighborhoods that previously housed few residents with advanced degrees.

Davin Reed is community development economic adviser at the Philadelphia Fed. Brummet is senior research methodologist in the Statistics and Methodology department at NORC (National Opinion Research Center) at the University of Chicago.

NW REporter

August 2019

Seattle mayor rolls out plans to "bend the arc" so more people can live in the city

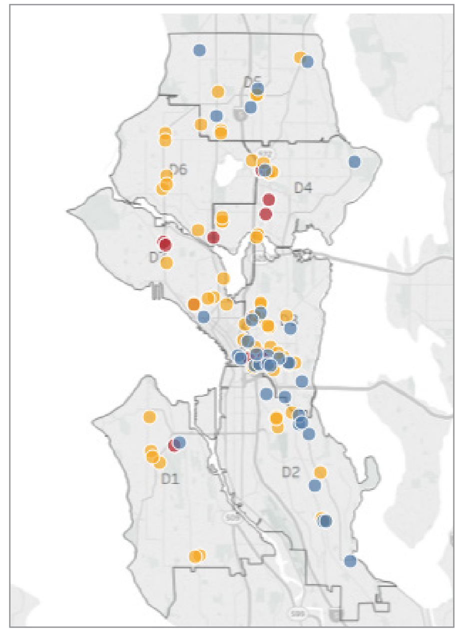
"We have a generational opportunity before us to bend the arc so more people can live in Seattle," proclaimed Seattle Mayor Jenny Durkan as she outlined her vision for addressing Seattle's housing crisis. She also announced an ambitious plan called "Housing Seattle Now" for investing in housing for low- and middle-income families.

"The lack of affordable housing is helping fuel our homelessness crisis," stated the mayor last month during remarks at a community event on Capitol Hill.

Durkan also emphasized "a sense of urgency" as she pledged to use new tools and to seize new opportunities and collaborations. "We will do it together with community," she vowed.

In unveiling the "Housing Seattle Now" program, Durkan told the gathering, "We have a vision for housing that protects against gentrification and displacement, and makes it possible for families to stay in Seattle."

Two initial steps to address the city's housing crisis are aimed at yielding measurable results for two key groups:



Online housing dashboard shows upcoming affordable housing projects through 2022.

1. Using new state resources, Durkan and Councilmember Teresa Mosqueda announced legislation to invest at least $50 million in housing for people experiencing homelessness; and,
2. The mayor announced she is transmitting legislation to renew and improve the Multi-Family Tax Exemption (MFTE) program that currently provides affordable rent to 4,500 low- and middle-income households in private apartment buildings in neighborhoods across Seattle.

The first initiative, proposing $50 million, would enable building housing without raising taxes by using a program state lawmakers approved this year. Under those new provisions, local jurisdictions have flexibility to bond against sales tax revenue for capital dollars to build apartments, or to generate operational monies to maintain existing housing, or for a combination of capital and operations. Such funds mean the city could build and support permanent housing units for people experiencing homelessness.

"If we act boldly, we can be the first city in Washington state to take advantage of this new tool," Durkan proclaimed.

The legislation Durkan proposes for bolstering MFTE program could help create 1,300 reduced-rent homes by 2022. If not renewed, that program—which incentivizes developers to set aside a portion of units in their buildings for lower-income households—will expire at year end.

Durkan said four key priorities are the focal points for the "Housing Seattle Now" program:

- Build true educational and economic opportunity;
- Address displacement and help residents stay in their current housing;
- Build more housing for our neighbors experiencing homelessness, for low-income earners, and middle-income earners like teachers, nurses, and construction workers;
- Secure new tools and resources the City can use to address the housing crisis.

As part of the Housing Now initiatives, Seattle's Office of Housing partnered with the Mayor's Office Innovation & Performance Team to launch an innovative housing dashboard. It allows viewers to see the affordable housing projects coming online through 2022.

The dashboard tracks the number of buildings, the total housing units, and the portion of affordable units, and can be filtered by anticipated completion dates. It also segregates activity by program, including city funded, multifamily property tax exemption and affordable units in market rate buildings.

As part of her presentation, Durkan recounted several housing-related accomplishments since she took office 20 months ago. Among achievements she highlighted were "aggressive investments to build more housing."

The mayor credited "generous Seattle voters who were smart enough to pass the Seattle Housing Levy in 2017 and 2018, enabling the City to invest over $710 million with various partners to building more low- and middle-income housing."

Durkan also lauded the implementation of better laws and policies for contributing to progress on creating more housing, notably:

- The Mandatory Housing Affordability law, which she signed on March 20. The ordinance covers Seattle's 27 urban villages and other commercial and multifamily residential areas.
- Approval of redevelopment at Fort Lawton Army Reserve in Magnolia, which will add nearly 250 units of mixed-income affordable dwellings, including supportive housing for seniors and veterans, plus apartments for low-income households, and A law she signed last month that enables the creation of more backyard cottages and in-law apartments.

And, she noted, "I signed an Executive Order to break down even more of the financial and permitting barriers to building these new homes."

While much has been accomplished, the mayor emphasized "there is still so much to do. We have so much catching up to do. We have to surge our investments and try some new things," she told the gathering of community members.

Lawn Love transforming yard care using technology, adds Washington state to its growing network

Homeowners across Washington state who prefer to outsource the care and grooming of their yards and gardens now have a new resource thanks to young entrepreneur who acted on a desire to develop technology for the lawn care industry.

And yes, there's an app for that.

Called Lawn Love, the business strives to streamline all aspects of yard care for both consumers and their service providers. Company founder and CEO Jeremy Yamaguchi applies technology to simplify searching, bidding, scheduling and paying for a variety of lawn-related services.

"We are technologists who also happen to know a lot about lawn care," he explained.

Having mowed his "fair share of lawns over the years" and with some working knowledge of lawn equipment, Yamaguchi said he launched his business to "revolutionize the age-old lawn service business" by combining technology and a commitment to customer service.

Homeowners can obtain bids, and arrange and schedule "satisfaction guaranteed" services remotely with Lawn Love's mobile app or website. Quotes can be generated in just two minutes via the company's combination of high-resolution satellite imaging, data sets, and human assessment.

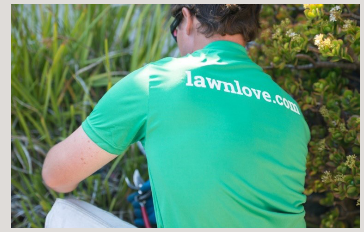
As Yamaguchi told one journalist, "I realized I could build a solution that would be much better for the end consumer and deliver a more modern, delightful experience." Lawn Love's software includes job-clustering and routing optimization tools.

Lawn Love partners with local, independent lawn care technicians who are vetted and screened by Lawn Love to assess their level of relevant experience. The companies must have the requisite equipment.

Yamaguchi said his company's business model is designed around partnering with the best lawn care companies out there and helping them thrive.

The selected landscaping pros receive Lawn Love's software that transforms scheduling, job routing, and payment, thereby enabling them to better manage and grow their own business. Lawn Love handles the back office work, customer support and accounting.

Although the landscapers may be experts in lawn care, Yamaguchi said many lack marketing or computer skills, noting the average lawn care company in the U.S. has only two employees. "We start by providing them with a huge pipeline of customer demand so they can pick up whatever jobs they want and spend more time out in the field. We also give them software to help make them more efficient," he explained in an interview with the editor of *Irrigation & Green Industry*.



Current Services:

- Lawn mowing
- Lawn aeration
- Lawn fertilization
- Lawn seeding
- Christmas light installation
- Gardening
- Gutter cleaning
- Leaf removal
- Snow removal
- Weed Control
- Yard clean-up

Since its founding in 2014 to simplify the outsourcing of yard work for the 80 percent of American households that have a lawn, Lawn Love has completed more than half a million jobs across more than 120 cities in 38 states. Based in San Diego, this "Uber for lawn care" digital marketplace has 150 employees and partners with a network of more than 20,000 independent lawn care contractors.

Yamaguchi says the company's goal is to be transformative and "become the largest lawn care marketplace on Planet Earth."

Puget Sound adding 188 new residents each day

More than 500,000 people have relocated to the four-county Puget Sound region since 2010. In the past year alone, this area welcomed an average of 188 people per day, according to the Washington State Office of Financial Management (OFM).

Collectively, the region is home to 4.2 million residents. The past year's gain of 68,740 people was slightly higher than the 2017-2018 period when 67,860 chose to move here, but well below 2015-2016 when 86,320 people made King, Kitsap, Pierce or Snohomish counties their home.

Pierce County added more residents than Snohomish County for the first time since 2011-2012, and was the only county with an increased growth rate (at 1.8%) when compared with the previous year. That outpaced Snohomish County (up 1.7%), King County (up 1.6%) and Kitsap County (up 1.1%).

The region's total population is now 4.2 million according to OFM. Since 2010, the region has added more than 500,000 new residents.

The four-county central Puget Sound region gained 68,740 people over the last year. The region's total population is now 4.2 million.

News In Brief

- **Job openings and salaries rose across the country in June, but just like the rest of 2019, it was a slow crawl compared to 2018 numbers. In Seattle however, the increases were a bit more robust, according to a Glassdoor jobs report.** Across the city, median pay rose 2.4% to $63,202 a year, while total job openings tallied 109,322, a 4.3% increase. National numbers saw respective 1.7% and 1.4% increases for median pay and job openings. The increase of job openings in Seattle stacked up well against other major U.S. cities as well. Atlanta, Philadelphia and Boston had higher percent gains, but the Emerald City's job openings increase shot past those of Washington, D.C., Chicago, New York, San Francisco, Houston and Los Angeles — the last three of which had less job openings for June 2019 than June 2018. Four out of the top 10 highest paying jobs in the report for Seattle were associated with technology. But in a sign that tech jobs may be leveling off salaries, only one was in the top 10 for most year-over-year growth. Don't count too hard on slowing tech salaries, however, because 11 tech job titles still had positive growth over last year. The most robust growth in Seattle wages was spread across health, finance, food service and sales jobs. But again, a more nuanced look at the data showed that seven of the top 10 jobs with the best pay growth still had a median base pay of under $50,000. Nine out of 10 were under $60,000..

- **A new study underway by the Puget Sound Regional Council (PSRC) shows that continuing demand for air travel in the region shows no signs of slowing down.** The report points to recent population, employment, and income growth as driving regional aviation demand. The multiyear aviation study, designed to provide a picture of aviation activities and needs in the region, projects overall demand today more than doubling in the region by 2050. Regional demand for passenger boardings is expected to grow from 24.0 million in 2018 to between 49.3 million and 55.6 million by 2050. At this point in the work, the study does not make recommendations on specific strategies to accommodate projected growth, but the numbers show that the demand for air travel far exceeds current facilities and operations, and additional investments to accommodate this growth are necessary. Sea-Tac Airport is investing in its facilities, now and over the next decade to accommodate this growth, and a statewide commission is in the process of evaluating sites for a second commercial airport that will meet long-term future needs. The Port supported the recently created statewide commission which will review options for future aviation facilities.

- **The Washington State Supreme Court has upheld Seattle's "democracy vouchers" program, which allows residents to contribute taxpayer money to qualifying political candidates.** The justices issued their unanimous opinion mid-July. The *Seattle Times* reports that under the program approved at the ballot in 2015 and first used in 2017, the city raises $3 million annually in property taxes. Each election cycle, voters receive four $25 vouchers that they can sign over to candidates who abide by certain rules. Dozens of candidates are using the vouchers in this year's City Council elections. Proponents say the vouchers counter big money in politics by involving people who otherwise wouldn't donate and by helping lesser-known candidates compete. Opponents said the voucher system violated their free speech rights by forcing them to support candidates they didn't favor, but the justices disagreed.

- **If you own a business in Seattle, odds are the best in the nation that it's making money.** A new study by LendingTree finds Seattle has the highest rate of profitable businesses in the country. Of the 51,661 total businesses in Seattle surveyed by the U.S. Census Bureau, 36,643 reported making a profit — a whopping 70.93% success rate and the only city in the nation that topped 70%. The rests of the Top 10:

  1. Seattle - 70.93%
  2. Louisville, Ky. - 69.98%
  3. Indianapolis - 69.92%
  4. Portland, Ore. - 69.85%
  5. Denver - 69.37%
  6. Columbus, Ohio - 69.09%
  7. Minneapolis - 69.05%
  8. Milwaukee - 68.44%
  9. Nashville, Tenn. - 68.21%
  10. Charlotte, N.C. - 67.93%

  Of the rest of the firms in Seattle, 16% reported losing money and 13% reported breaking even, researchers found. Small business exits were down in Seattle, with a greater number of startups in the third quarter of 2017, the most recent information available, according to the study. Washington's overall economy grew at 5.8% in the third quarter of 2018, faster than the U.S. national rate of 3.4%. New York City was deemed the city with the fewest profitable businesses, but even then more than half there make money (57.38%). On the other hand, Houston was the unfortunate champion of the unprofitable firm. According to Census Bureau data, 23.37% of firms there report a loss, according to LendingTree.

- **Transportation officials are considering replacing Washington state's gas tax to a system that would charge drivers by the mile, according to KOMO news.** The News Tribune reported that the state Transportation Commission is expected to vote in December on tax recommendations to give the state Legislature. Democratic state Sen. Rebecca Saldana, vice chairwoman of the transportation committee, says the state can't rely long term on gas tax revenue to fund transportation needs because vehicles have become more fuel-efficient. She says if lawmakers support a pay-per-mile system, the tax would need to be phased in over 10 to 25 years. The state Legislature would set the rate people are taxed for the miles they drive as well as how the mileage is reported to the state.

Calendar of Events Through September 11, 2019

DATES	EVENT	TIME	LOCATION	CONTACT
	Seattle—King County REALTORS® For updates visit http://www.nwrealtor.com/events			
8 / 6 / 2019	Government Affairs Committee	10:30 am - 1:30 pm	SKCR	425-974-1011
8 / 14 / 2019	AREAA Board Meeting	10:00 am - 12:00 pm	SKCR	425-974-1011
9 / 2 / 2019	Holiday — Office Closed			
9 / 10 / 2019	Special Gov't Affairs Meeting	1:00 pm - 2:30 pm	SKCR	425-974-1011
9 / 11 / 2019	Board of Directors	9:30 am - 12:30 pm	SKCR	425-974-1011