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Opportunities abound for home buyers and sellers, but brokers say “don’t delay”

KIRKLAND, Washington (August 6, 2020) – Brokers added the largest monthly number of new listings during July since May 2019, but pent-up demand from homebuyers meant inventory remained tight, according to Northwest Multiple Listing Service (NWMLS) representatives who commented on the latest housing activity report.

The Northwest MLS report for July, which covers 23 counties in Washington state, shows brokers added 12,514 new listings during July, up from the year-ago total of 11,193 for a gain of 11.8%. Pending sales jumped nearly 14%, while inventory remained well below year-ago levels (down about 39%). Measured by months of inventory, the system-wide supply slipped to about a month (1.04 months).

MLS member-brokers reported 9,840 closed sales during July, up slightly more than 3% from a year ago and the highest volume since June 2018 when they notched 10,072 completed transactions. Overall prices on those sales, which include single family homes and condominiums, jumped 12.8% from twelve months ago, rising from \$429,900 to \$484,995. Prices on single family homes (excluding condos) surged 13.6% (to \$499,950), while year-over-year (YOY) condo prices rose about 8.6% (to \$380,000).

“Opportunities abound for both buyers and sellers if they’re willing to act quickly,” said Mike Grady, president and COO of Coldwell Banker Bain in Bellevue. Interest rates at historical lows means those who are looking to purchase their first or even their second home can get much more for their money, he explained. He mentioned a broker in their Kirkland office reported her first-time homebuyer client obtained a 30-year, fixed-rate FHA secured loan “at an incredible rate of 2.25%!”

Conversely, Grady acknowledged, depleted inventory means “We are seeing multiple offers in just about every market and at every price point.” He estimates there is only about 24 days of inventory in the major population centers in King, Kitsap, Pierce, and Snohomish counties.

“We’ve seen an uptick in the number of listings in King and Snohomish counties, but it’s still well below what we need to meet the volume of buyers right now,” emphasized Matthew Gardner, chief economist at Windermere Real Estate.

NWMLS director John Deely characterized the market as being in “high gear” during July, with pent-up demand and the need for housing outweighing fears of the coronavirus. “Although new listings of single family homes in King County jumped more than 24% from a year ago, the total available inventory dropped to a 10-year low for the month,” he remarked. “Single family listings priced at or below market are receiving multiple offers with one recent Seattle listing attracting 40 offers,” reported Deely, the principal managing broker at Coldwell Bank Bain in Seattle.

“I see a lot of people who I think would otherwise be content to stay in their homes now rushing to get their homes on the market. Likewise, for buyers – particularly first-timers. It’s the fear of missing out,” stated Mike Larson, president/designated broker at ALLEN Realtors and a director at NWMLS.

J. Lennox Scott, chairman and CEO of John L. Scott Real Estate, noted that last month’s pending sales in King, Snohomish, Pierce and Kitsap Counties were the best-ever for the month of July. “Sellers benefit from the highest median home prices, while buyers are taking advantage of the lowest interest rates on record. The combination of the huge backlog of home buyers and being virtually sold out of inventory makes it feel like it’s a multiple-offer everything,” he exclaimed, saying, “This is a historic moment in residential real estate.”

An unprecedented eight counties in the NWMLS report had less than one month’s supply of homes and condominiums for sale at the end of July. They included Clark, Cowlitz, Island, Kitsap, Mason, Pierce, Snohomish, and Thurston.

“Kitsap County continues to be attractive to East Puget Sound buyers as well as stay-at-home professionals,” said Frank Leach, broker/owner at RE/MAX Platinum Services in Silverdale. Residents are now enjoying the speedy open-access fiber-optic connections that Kitsap PUD started installing years ago, initially to serve rural areas that lacked broadband access, according to Leach. “High speed internet access has become a definite selling point for many homes and building sites,” stated Leach, who also serves as a director at NWMLS.

Leach noted July’s 527 pending sales of single family homes in Kitsap County outgained new listings (508), contributing to a 37% YOY deficit in active listings (382 last month versus 606 a year ago). “As market demand continues, the median value jumped 11.7% from a year ago.” MLS figures show the median price on that county’s single family home sales rose from \$383,500 to \$428,193. “Buyers are frustrated with the low inventory but elated to see interest rates continuing to drop. We are seeing offers coming in well over the list price, but this may not last long as inventory continues to inch up.”

“Suburban lifestyle continues to draw buyers,” agreed Dean Rebhuhn, owner at Village Homes and Properties in Woodinville. “July sales suggest homes may be underpriced. With record low interest rates under 3%, buyers have increased purchasing power, but with low inventory prices continue to increase,” he observed.

Economist Gardner suggested the double-digit home price growth in Pierce County “might point to the theory that there’s a COVID-induced flight from more urban markets,” adding, “This also supports my forecast that home prices in Pierce County in 2020 will rise a significant 10.6% compared to 2019.”

Grady suggested the median price increases of around 20% or more in counties outside of the metro job centers, including Cowlitz, Grays Harbor, Lewis, and Okanogan “show that remote work practices are having an effect, and people can now move to more rural areas and work from home.”

James Young, director at the Washington Center for Real Estate Research, also commented on increased activity in areas outside of King County. “Outer areas continue to outperform. There not only appears to be a continued move to value in areas outside the Seattle region, there also appears to be a move outside the main cities.”

“Everyone is buying now,” Young remarked. “With the virus and increased home working, people are able to move to suburbs and outer areas in search of value and lower population density,” he added, pointing to dwindling supply in several outlying areas. “Demand will continue to far outstrip supply for a quite a while,” he predicts, adding, “When you can work from home, why pay a premium to be close to the office?”

Median prices area-wide rose 12.8% from a year ago, with only two counties (Jefferson and Pacific) reporting small declines. Fourteen of the 23 counties in the report had double-digit price increases.

Gardner predicts 2020 home prices will rise by 5.4% in King County and 5.8% in Snohomish County compared to 2019 due to the continued shortage of homes for sale and market demand.

King County continues to have the highest median price for homes and condos at \$670,000 (up 7.2% from a year ago), but a look at that county’s 29 map areas covered in the report shows price changes ranging from an increase of 21.6% in North Seattle to a 17.4% decrease in the Bellevue area west of I-405.

Commenting on prices, Deely said properties with aggressive (over-market) pricing “are sitting idle as the current pool of savvy buyers waits for price reductions or for properly priced, new listings.”

“July was great month,” Grady concluded. “The trend we’re seeing foretells stronger results going forward for the next three months, especially in the context of the slowdown we experienced in April and May.”

Scott agreed but expects robust activity to continue for a longer period. “We anticipate the market will remain this way until at least April 2021. At that time, we believe normal seasonal patterns will emerge.”

Leach reported builders are frustrated at not having the inventory to meet current demand and “tradespeople are strained to meet the construction needs.” He also noted more and more buyers are making buying decisions based on virtual tours and cautioned buyers, “If you see something that piques your interest, don’t delay!”

Northwest Multiple Listing Service is a not-for-profit, member-owned organization that facilitates cooperation among its member real estate firms. With more than 2,300 member firm offices and 30,000 brokers across Washington state, NWMLS (www.nwmls.com) is the largest full-service MLS in the Northwest. While based in Kirkland, Washington, its service area spans 23 counties and it operates 20 local service centers.

Next page: statistical charts

For more news, visit nwmls.com and select “News & Information,” (includes latest press release, statistics and *Northwest Reporter*), plus the online NWMLS Media Kit.

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	4,680	3,877	4,277	3,420	\$807,178	\$670,000	1.13	1.75
Snohomish	1,817	1,095	1,930	1,504	\$580,727	\$546,450	0.73	1.57
Pierce	1,977	1,287	2,053	1,527	\$467,210	\$420,000	0.84	1.32
Kitsap	540	415	557	497	\$540,520	\$425,000	0.84	1.36
Mason	183	149	192	166	\$371,509	\$330,000	0.90	1.69
Skagit	266	255	296	215	\$470,852	\$415,000	1.19	2.02
Grays Harbor	195	232	261	147	\$285,948	\$264,900	1.58	3.13
Lewis	171	175	208	139	\$330,069	\$321,000	1.26	2.30
Cowlitz	169	132	184	137	\$336,557	\$317,500	0.96	2.14
Grant	172	170	176	127	\$283,126	\$262,364	1.34	2.03
Thurston	667	345	674	577	\$415,451	\$380,000	0.60	0.98
San Juan	55	166	66	46	\$788,199	\$639,625	3.61	10.08
Island	209	162	244	183	\$501,248	\$421,000	0.89	2.06
Kittitas	139	155	125	111	\$506,266	\$396,450	1.40	2.44
Jefferson	82	121	80	63	\$448,182	\$420,000	1.92	2.25
Okanogan	78	148	85	55	\$310,777	\$300,000	2.69	5.68
Whatcom	473	575	533	376	\$466,854	\$422,500	1.53	1.95
Clark	114	115	125	118	\$428,563	\$387,500	0.97	2.07
Pacific	90	134	100	73	\$264,032	\$205,000	1.84	3.19
Ferry	10	32	10	7	\$194,286	\$155,000	4.57	7.71
Clallam	122	158	139	107	\$365,512	\$334,500	1.48	2.69
Chelan	148	156	182	133	\$510,334	\$425,000	1.17	3.89
Douglas	80	73	97	66	\$427,633	\$380,900	1.11	2.05
Others	77	132	88	46	\$324,307	\$276,000	2.87	4.51
Total	12,514	10,259	12,682	9,840	\$590,956	\$484,995	1.04	1.76

4-county Puget Sound Region Pending Sales (SFH + Condo combined)

(totals include King, Snohomish, Pierce & Kitsap counties)

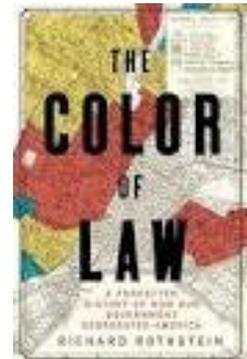
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2002	4293	4735	5569	5436	6131	5212	5525	6215	5394	5777	4966	4153
2003	4746	5290	6889	6837	7148	7202	7673	7135	6698	6552	4904	4454
2004	4521	6284	8073	7910	7888	8186	7583	7464	6984	6761	6228	5195
2005	5426	6833	8801	8420	8610	8896	8207	8784	7561	7157	6188	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	7345	6896	6797	5788	4183
2020	5352	6078	6477	5066	7297	8335	8817					

Book recounts government role in housing discrimination

Although published in 2017, *"The Color of Law: A Forgotten History of How Our Government Segregated America"* is being rediscovered in the wake of campaign rhetoric and protests focused on social justice.

Author Richard Rothstein's widely acclaimed book delves into "a forgotten history of how federal, state, and local policy explicitly segregated metropolitan areas nationwide, creating racially homogenous neighborhoods in patterns that violate the Constitution and require remediation." From his years documenting evidence, he concluded that "government not merely ignored discriminatory practices in the residential sphere but *promoted* them."



Bill Gates included the book on his list of "amazing books" he read in 2017, saying he's been trying to learn more about the forces preventing economic mobility in the U.S. "It helped me understand the role federal policies have played in creating racial segregation in American cities," he stated.

Among numerous accolades the book was a *New York Times* bestseller, notable book of the year, and editor's choice selection. Publishers Weekly and NPR both picked it as one of the Best Books of the Year.

In Searchworks, Stanford Libraries' official online search tool for books, media, journals, databases, government documents and more, *The Color of Law* is described as "groundbreaking history of the modern American metropolis that explores the myth that America's cities came to be racially divided through de facto segregation -- through individual prejudices, income differences or the actions of private institutions like banks and real estate agencies." Continuing, the Searchworks entry says the book "incontrovertibly makes clear that it was de jure segregation -- the laws and policy decisions passed by local, state, and federal governments that actually promoted the discriminatory patterns that continue to this day."



Author Richard Rothstein

In an interview in May 2017 shortly after the book's publication, Rothstein reminded listeners of NPR's *All Things Considered* program that all the Fair Housing Act could do was prohibit future discrimination. "By the time the Fair Housing Act was passed, the patterns of segregation had been firmly established," he remarked.

Rothstein also discussed two important policies the federal government pursued in the mid-20th century that segregated metropolitan areas. These policies worked together "to segregate metropolitan areas in ways that they otherwise would never have been segregated," he stated.

One was the first civilian public housing program which frequently demolished integrated neighborhoods in order to create segregated public housing. "The second program that the federal government pursued was to subsidize the development of suburbs on a condition that they be only sold to white families and that the homes in those suburbs had deeds that prohibited resale to African-Americans," he explained.

Rothstein is considered a leading authority on race, housing policy, and educational segregation. He is a senior fellow at the Haas Institute at the University of California, Berkeley School of Law, a distinguished fellow of the Economic Policy Institute, and a senior fellow, emeritus at the Thurgood Marshall Institute of the NAACP Legal Defense Fund. The former columnist for the *New York Times* spent a decade (2007-2017) documenting evidence that government not merely ignored discriminatory practices in the residential sphere but *promoted* them.

Other books by Rothstein include *Class and Schools: Using Social, Economic and Educational Reform to Close the Black-White Achievement Gap* and *Grading Education: Getting Accountability Right*.

Planning Council surveys displaced residents to better understand factors prompting moves

About one of every four households that moved in the past five years within King, Kitsap, Pierce, and Snohomish counties said they relocated for one or more negative reasons. By far, the cost of housing was the top reason, according to findings in the 2019 PSRC Household Travel Survey, a program of the Puget Sound Regional Council (PSRC).

Other negative reasons displaced survey respondents cited for forcing their move included financial instability/change in income, or loss of community/redevelopment.

Researchers found people of color were displaced at a higher rate than non-Hispanic whites. Disparities were most pronounced for African Americans, American Indians, Hispanics, Pacific Islanders, and multi-racial households.

Whites were more likely to give positive reasons for moving, notably more space (the No. 1 reason), better schools, or to live in an area with less crime.

PSRC found gaps along racial lines when analyzing the top reasons for moving. While close to half (46%) of white people said that gaining more space was a factor in their last move, only around 30% of people of color cited more space as a factor.

Brian Lee, principal planner at the PSRC, said displacement spans the four-county area. “It’s not just a Seattle problem or a King County problem,” he stated.

PSRC developed a [Displacement Risk Index tool](#) in 2018, which was used in its VISION 2050 plan. It is a composite of five indicators of displacement risks: socio-demographics, transportation qualities, neighborhood characteristics, housing, and civic engagement. PSRC applied the data to create mapping within the region’s census tracts that shows varying levels of displacement risk.

Lee said the primary focus of the Household Travel Survey is transportation, but the displacement questions were added to help PSRC better understand who is being displaced and from where. The survey is intended to help PSRC and communities regionwide make planning decisions.

More than 3,000 households took part in the [2019 travel survey](#). They represented a cross section of the region’s demographics and income levels. The spring 2019 survey is part of a six-year program for three waves (two-year survey cycles). Earlier surveys were done in 2017, 2014, and 2006, with the final save planned for 2021.

Startup aims to increase supply of long-term rentals within Seattle’s single family zoning

With backing from some prominent business executives, an architect and founder of a systems-design consultancy launched a new company to increase housing options and help solve Seattle’s affordability challenges.

Citing King County data indicating it needs 244,000 units of affordable housing over the next decade to align supply with demand, the founder-CEO of [Hatchback Cottages](#) believes his company can provide Seattle homeowners with a turnkey solution for backyard cottages. The venture-backed company secured a second round of funding in late July.

"We're helping thousands of homeowners access the hidden value of their existing properties — all while participating in the housing economy," said Shannon Loew, CEO at Hatchback Cottages. "It's double-bottom-line real estate — increasing rental supply while stabilizing homeowners and communities."

Single-family zoning makes up two-third of Seattle's land area, but an estimated 95,000 of the city's homeowners could add a cottage under current code, according to Loew. The process is difficult due to barriers to entry that include complicated financing, cost overruns, and the complexity of managing construction.

Hatchback addresses such barriers with a robust web application that helps homeowners understand the economics, aligns financing, and offers an array of designs that complement the character of Seattle's various neighborhoods. Additionally, the company handles the entire permitting and construction process.

The company is currently working on six projects with plans to break ground on the first one in September.

Adding a Detached Accessory Dwelling Unit (DADU) to a homeowner's backyard is a powerful way to unlock a property's potential, according to Hatchback's website, which shows various scenarios for generating cashflow and equity.

Based on a homeowner's goals, the app can help build a tailored financial forecast to help clients decide whether to build a cottage to rent out. The company's analytics suggest the average homeowner who rents a Hatchback Cottage could reduce their housing costs by 20% and grow equity 50% faster.

The company has relationships with various lenders, enabling customers to consider different debt products.

"This is a disruptive solution that will have significant impact on our region's housing supply problem, responding to the new ways we are all thinking about our homes given the current context," stated Peter Orser, former CEO at Weyerhaeuser Real Estate, and one of Hatchback's backers.

Hatchback currently offers three styles of cottages, each with two sizes. Sizes range from around 500 to 1,000 square feet. All solar-ready designs can accommodate flexible uses over time and promise sustainability with 75-year construction quality that meets Built Green 4-Star standards.



The "Rhodi" features an open galley kitchen, walk-in pantry, and laundry room, 13' ceiling, garage, and exterior shingle cement siding. Rendering courtesy of Hatchback Cottages

Base cost of the cottages is estimated to range from \$225,000 to \$299,000 (excluding taxes and fees).

"In total, homeowners have that complete turnkey delivered solution with all that intelligence and the work done for them for somewhere between \$325,000 and \$399,000," Loew stated in a recent interview with a reporter from *Puget Sound Business Journal*.

In addition to Orser, other backers include Ron Sher, who redeveloped Crossroads Shopping Center, Dale Sperling, former CEO at Unico Properties and founder of OneBuild, social impact investor Pete Miller, former Microsoft attorney, and Nathan Every, M.D., general partner at Frazier Healthcare Partners.

"What I love about this business is how easy it makes the process for the homeowner," offers Ron Sher. "In seconds, Hatchback shows them the financial benefits and construction feasibility. And then handles the whole construction process with no aggravation or hassle."

Loew spun Hatchback out of FIX Impact Development, which he founded in 2008 "to solve complex urban challenges with place-based solutions." He has worked with leading organizations and designers in Europe and Africa. The Seattle resident has chaired the Seattle Design Commission and was an Affiliate-Fellow of the UW Runstad Center for Real Estate, among numerous affiliations.

Loew said prefab construction is a future goal. He also envisions expanding elsewhere in the Puget Sound region "pretty quickly" and believes the concept can be rolled out nationally.

Home improvement projects popular during pandemic lockdowns

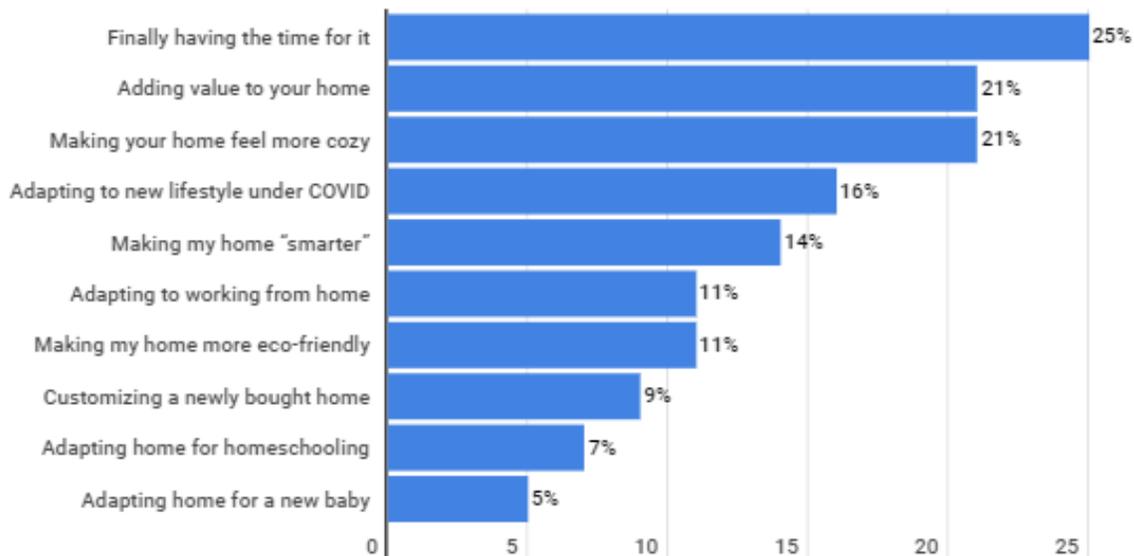
Three-fourths (76%) of U.S. homeowners have embarked on at least one home improvement project during the coronavirus pandemic, according to a survey by [Porch Research](#). Slightly more (78%) plan to undertake some sort of home improvement project during the next 12 months.

With COVID-19 outbreaks keeping scores of employees working from home (or furloughed or laid off), and learning from home, homeowners across generations have turned their attention to a wide assortment of upgrades both indoors and out.

Porch surveyed more than 1,000 homeowners in early July and found 82% of Millennials and Gen Z, 79% of Gen X, and 56% of Baby Boomers reported making at least one improvement to their home.

When asked what prompted them to undertake a project, the most common reason was finally having time:

What drove Americans to improve their homes during the pandemic



Courtesy of Porch.com

Exterior projects edged out interior renovations, 64% to 58%. "Introducing new home tech" was the project of choice for 44% of the survey respondents, followed by "making their home more eco-friendly," favored by 34% of the participants.

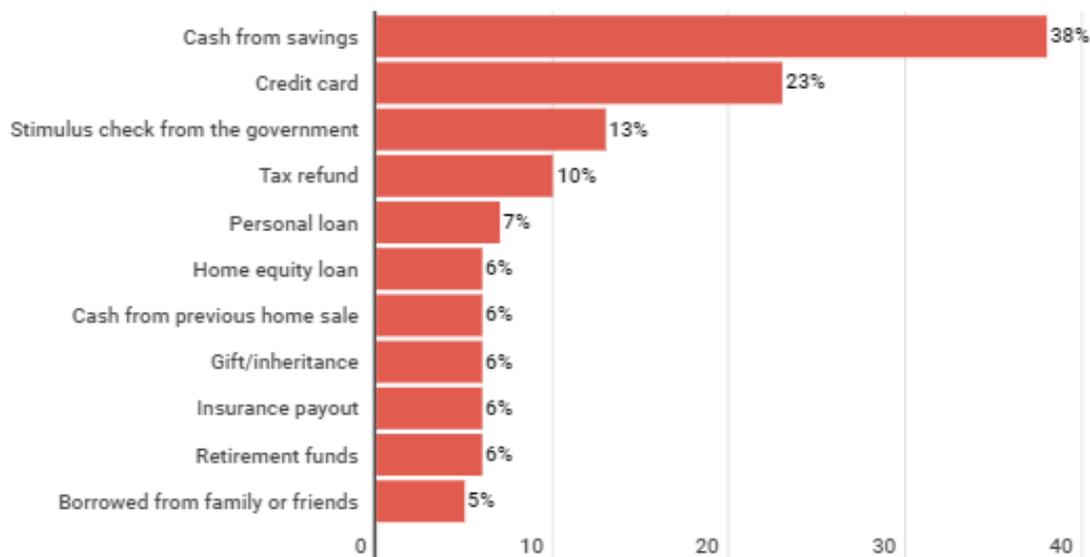
Garden landscaping, repainting interiors, improving high-speed internet, fixing/adding a lawn, and installing security cameras were also popular improvements. Outdoor pools, a home office or a home gym were also listed as a completed or anticipated project.

Despite money being tight during the COVID-induced economic downturn, homeowners spent a median amount of \$17,140 on improvements since the start of the pandemic. On average, homeowners reported five projects per household.

Asked how they financed their projects, 38% dipped into savings, 23% swiped a credit card and around 13% used their government stimulus check to cover the costs.

Cash, Credit and COVID Checks

Key sources of funding for home improvements in the last 3 months



Courtesy of Porch.com

For the millions who lost jobs or had hours or pay cut during the pandemic home improvement projects are not a priority. About half those who were surveyed told Porch inadequate funds kept them from making improvements to their homes.

Porch researchers said the statistics suggest homeowners want to ensure their homes can serve multiple purposes by acting as offices for their work, classrooms for their school-aged children, and fitness centers for their leisure.

Calling it an “interesting emerging trend” the data analysts noted more people are planning to make their home more environmentally friendly. Solar panels, smart lighting to lower electricity use, installing eco-friendly appliances, starting a compost heap and adding solar water heating were the top five

“green intentions” projects. Overall, 40% of U.S. homeowners are planning to make their dwelling better for the environment.

Not surprisingly, *Hardware Retailing* reported home improvement stores experienced a 17% year-over-year increase in sales during June. The stay-at-home mandates contributed to spikes in sales of pools, playsets and outdoor furniture.

“For better or for worse, the COVID pandemic gave Americans time and opportunity to improve their homes to an extent few imagined,” Porch researchers stated in their report.

Porch is a Seattle-based real estate technology venture and home improvement marketplace. Having spent four years renovating its business, it recently announced plans to become publicly traded through a merger with PropTech Acquisition Corp., a special purpose acquisition company.

Growing number of homeowners are part of community associations

Regardless of which metric is used, community associations are on a growth trajectory.

About two-thirds (66%) of new home construction this year will be in a community association, resulting in the creation of 2,500-3,000 new associations.

By year-end, the Foundation for Community Association Research estimates there will be 352,000 to 354,000 U.S. community associations with 73.9 million residents. That means approximately 25-to-27% of this country’s residents are part of a planned community, condominium community or housing cooperative. In 1970, there were only 10,000 associations with around 2.1 million residents.

(A Community Association is defined as a legal entity in which the owners enjoy the protection, enhancement, maintenance, and preservation of their homes and property. Membership is mandatory for all owners and every owner is subject to “mutually binding documents” and mandatory lien-based assessments, often referred to as maintenance fees.)

Washington state ranked 9th in the U.S. in 2018 based on its count of 10,450 associations. An estimated 2,345,000 (about 31% of the state’s population) live in associations, according to the latest Community Association [Fact Book](#).

Measured by market value, the association housing component was valued at approximately \$6.288 trillion as of Q4 2018. Within Washington, the market value is pegged at around \$218.5 billion.

In its Fact Book, the Community Associations Institute also estimates association owners spent around \$250.5 billion on home improvements and maintenance during 2018.

The economic contributions of community associations totaled \$265,688,300,000 in 2018, including the following categories:

Volunteer Leadership and Governance (legal & fiduciary requirements).....	\$2,288,600,000
Homeowner Property Tax Payments.....	\$72,753,700,000
Homeowner improvements within their own unit.....	\$67,646,000,000
Association Housing Services (e.g. major repairs, replacements, capital improvements)	\$123,000,000,000

The Foundation for Community Association Research, created in 1975, provides an array of research-based information for homeowners, association board members, community managers, developers, and others. In addition to Fact Books, the organization publishes a newsletter, Catalyst, and various Best Practices Reports.

The Foundation also supports [Community Associations Institute](#) (CAI), a national organization that provides education and resources to the volunteer homeowners who govern community associations and the professionals who support them. Along with educational offerings, CAI engages in advocacy at both the federal and state levels.

Housing Consortium honors Burien, Kenmore for work on affordable housing

Burien and Kenmore were among this year’s recipients of awards from the Housing Development Consortium. Both cities received Municipal Champion Awards for exceptional contributions to the state of affordable housing.



Burien was recognized for working collaboratively with community leaders to adopt an affordable housing demonstration program, a suite of policies, and an inspection program to ensure healthy housing in the city. Its demonstration program, created on November 4, 2019, allows up to five affordable housing projects within the city, including some that are not currently permitted under existing city regulations.

The demonstration program provides incentives and flexibility for the development of affordable housing over the next three years. City officials indicate they intend to use this as an opportunity to evaluate potential barriers to the construction of affordable housing and make recommendations on changes to development regulations.



Kenmore’s award was for adopting zoning to preserve manufactured housing communities, as well as for work on the Multi-Family Tax Exemption and the mayor’s leadership as co-chair of the Regional Affordable Housing Task Force.

Kenmore’s City Council adopted an ordinance at its September 16, 2019 meeting that authorized a new sales and use tax option for affordable housing. The resolution document indicated 17 percent of households in Kenmore spend more than 50 percent of their income on housing, with 38 percent of the city’s households and 42 percent of renting households paying more than 30 percent of their income on housing.

This year marked the Housing Consortium’s 12th annual awards celebration, which was held virtually due to the coronavirus pandemic.

In addition to the Municipal Champion awards, HDC honored three individuals for being champions of its mission and making important impacts in the affordable housing sector.

HDC has 180 member organizations, including all the major nonprofit housing developers in King County. Other members are financial institutions, consultants, architects, building contractors attorneys, accountants, service providers, local housing authorities, and government agencies.

“Community treasure” Tomio Moriguchi-- known for his lifetime of generosity and inspirational acts that transcend borders and generations-- named 2020 First Citizen

When Tomio Moriguchi retired as chairman and CEO of Uwajimaya at the end of 2017, Jim Wajone, who succeeded him as chairman of the family-owned specialty supermarket, praised him for his strategic leadership and vision. Outside that business, Moriguchi is revered for his volunteerism, generosity, advocacy, and dedication.

Those are among the traits the selection committee for this year's Seattle-King County First Citizen Award cited in naming Tomio Moriguchi and Family as the 82nd honoree. The award will be presented at a civic celebration at a date to be determined.

In announcing this year's recipient, event chair Trish Englund said Moriguchi's remarkable contributions and benevolence have enriched communities not only locally, but also internationally. "He exemplifies all the qualities of a 'First Citizen' in the countless ways he has benefited the greater good," said Englund, a broker at Windermere Real Estate Midtown in Seattle.



Tomio Moriguchi

Selfless community service by the Moriguchis dates to the company's founder (Tomio's father, Fujimatsu) and continues today with the third generation that includes Tomio's daughter, Denise, who became the company's CEO in early 2017.

Whether being praised as a savvy businessman or a passionate philanthropist, 84-year-old Moriguchi is quick to credit his family. "You can't do this without their support," he commented after receiving the 1992 Japanese American of the Biennium Award, the highest public service award given by the Japanese American Citizens League. (Renowned figure skater Kristi Yamaguchi received the same award that year.)

In 1994, Tomio Moriguchi was the subject of a resolution passed by the Washington State House of Representatives. It recognized him for myriad contributions ranging from "caring for the elderly" to being "an exemplary role model for Asian American and Pacific Islander youth."

In 2005, this year's First Citizen was recognized by the Japanese government with the awarding of the "Kunsho" medal (Order of the Sacred Treasure). Considered the most widely conferred Japanese order, it recognized his distinguished achievements in bettering cultural relations between the United States and Japan.

This year's First Citizen award recognizes the collective contributions of the Moriguchis in enhancing the quality of life throughout the area. In becoming this year's honorees, they are only the fifth family to receive the prestigious award, joining Mary Gates & Family (1995 recipients), the Bullitt Family (2000), the McCaw Family (2004), and the Pigott Family (2018).

"As a past recipient of this prestigious award, I cannot think of a more worthy 2020 awardee than Tomio," stated Phyllis Campbell, Pacific Northwest chairman of JPMorgan Chase & Co. "He and his family were early pioneers in the specialty grocery business, catering to Asian and Asian American tastes. However, he is mainly deserving because of his lifetime of generosity, giving back to our community in countless ways to make it a better place. He is truly one of the icons in business and is a role model for up-and-coming diverse leaders, as his inspirational acts transcend generations."

“Tomio is such an integral part of our local Japanese and Japanese-American community, and his tireless community involvement, whether in his longtime role as chairman and CEO at Uwajimaya, or his roles with local community newspaper North American Post, or the Japanese American Citizens League,” said Karin Zaugg Black, chair of the Japan-America Society of the State of Washington.

Moriguchi led the board at Uwajimaya for nearly five decades, but he traces his start in the business to his childhood in Tacoma. He recalls sleeping on bags of rice in the back of his dad’s truck as rounds were made to sell fish cakes to Japanese immigrant laborers in railroad, seafood, farming, and lumber camps.

That business, which was named Uwajimaya (“The Store of Uwajima”) after the fishing village where the elder Moriguchi learned his trade, was interrupted by World War II. Like other Japanese families, the Moriguchis, consisting of Tomio’s parents and his three siblings, were sent to Tule Lake Internment Camp in California. During the three sweltering summers and two harsh winters they spent there, the family grew with the birth of three more children.

After the war, in 1945, the family returned to the Northwest, settling in Seattle where Fujimatsu Moriguchi (Tomio’s father) borrowed money from friends and former customers to purchase a 1,200-square-foot storefront in Japantown (as it was then known) near the King Street Station. Several family members worked there while also helping other Japanese Americans return from internment camps by offering meals, work and advice.

The store expanded as the Moriguchis acquired adjacent storefronts and it gained notoriety when it “scored a slot at the 1962 World’s Fair at the Seattle Center.” That same year, Fujimatsu Moriguchi died, leaving the business to his four sons, who then extended ownership to their mother and three sisters.

When Uwajimaya incorporated in 1964, Tomio was selected to be the leader. Before joining the family business in 1962, the 1961 University of Washington graduate in mechanical engineering had been working at Boeing where he envisioned becoming a chief engineer instead of going into the family business.

Under Tomio Moriguchi’s leadership, Uwajimaya grew, both in terms of square footage at its flagship store, and by adding locations and employees. It currently has about 500 employees and four retail locations, plus a wholesale food operation.

With an unwavering commitment to using modern technology and cultural sustainability, plus an adherence to its business philosophy, Uwajimaya evolved from a provider of grocery staples, kitchen utensils and gifts to its stature as a tourist and destination supermarket with an unmatched selection of authentic Asian food and high-quality merchandise.

As the company grew, Tomio Moriguchi deepened his commitment to community service and “giving back.” His numerous leadership roles have encompassed service on several corporate and nonprofit boards.

In the 1960s he helped organize and chair several Chinatown improvement organizations and programs. The list includes: IDEA (International District Economic Development Association), International District Improvement Association, working with Model City SCIDPA (Seattle Chinatown International District Public District Improvement Association), CIDBIA (city-sponsored Business Improvement District), ACRS board (Asian Counseling and Referral Service) and the Denise Louie Child Care Center.

The following decade (1970s), his involvement and leadership roles included the Japanese American Citizens League (JACL), the Japanese American Pride and Shame exhibit at Seattle MOHAI (Museum of History and Industry), the Seattle Chapter of the National Treasure, and the National Council for Japanese American Redress (NCJAR).

In 1975, Moriguchi co-founded and served as president of Issei Concerns, which became Nikkei Concerns, a nonprofit organization dedicated to the health and welfare of the elderly Japanese American Community in the Pacific Northwest.

In 1984, then-Governor John Spellman appointed Moriguchi as an initial member of the Washington State Advisory Council on International Trade Development.

In 1974, he became a supporting member of North American Post Publishing Inc., joining a group to ensure continuation of its newspaper. In 1988, Moriguchi became president and sole owner of North American Post Publishing and publisher of *Hokubei Hochi* (The North American Post). Founded in 1902, it is the largest and oldest Japanese-language newspaper published in the Northwest (although publication was interrupted during World War II and in the 1980s during financial difficulties).

Other key positions Moriguchi has held include:

- 1970 Co-chair, Pride and Shame Exhibit at MOHAI
- 1972 President, Japanese American Citizens League
- 1994 Appointment to the board of directors for the Seattle Branch of the Federal Reserve Bank of San Francisco.
- 2011 Board president and treasurer of Hokubei Hochi Foundation whose mission is to promote and preserve the culture of the Nikkei and Japanese community through educational and cultural projects and activities in the Pacific Northwest.
- 2016-2018 Chair, Japan Overseas Newspaper Association, Tokyo

Moriguchi has also served on several corporate, civic, and nonprofit boards and advisory groups. The list includes American Diabetes Association (Northwest Leadership), Kawabe Memorial House, Museum of History and Industry (MOHAI), National Council for Japanese American Redress (NCJAR), National Japanese American Memorial Foundation, Nikkei Concerns, Pacific Science Center, Puget Sound Energy, Seafirst Bank, and Seattle Foundation.

“I have to smile when I think of Tomio, and I revel in the times he came to a Kobe sister city potluck with sushi, or had fun reflecting on his Garfield High School days, and the warm smile he has for everyone. Tomio is definitely a community treasure,” exclaimed Zaugg Black.

Moriguchi's devotion to his Japanese American heritage is well documented.

In the mid-1970s, he was part of a group known as the "Keiro Magnificent Seven" that committed "time, dollars, blood, sweat and tears" to acquire property and repurpose a building that was initially named Nikkei Concerns (renamed Keiro Northwest in 2016), a nonprofit facility dedicated to the welfare of the local elderly Japanese American community.

At the other end of the age spectrum, Moriguchi visited Ehime University in Japan (where his father was born) to discuss student internship programs in the United States.

Moriguchi is a founding member of the Japanese American Chamber of Commerce of Washington State. Since its formation in 1992 the nonprofit organization has promoted increased understanding of Japanese and Japanese American culture and heritage through projects such as the Executive Development Institute and Densho: The Japanese American Legacy Project.

The Moriguchi family received the Tomodachi Award in 2017 for their dedication to positive relations between the U.S. and Japan and for demonstrating a love for Japanese culture and heritage.

Since retiring from the board of Uwajimaya at the end of 2016, Moriguchi has remained active with various organizations and causes. Additionally, he still works on developing the company's real estate holdings. One of his more recent transactions was the sale of a quarter-block parcel where his family's original store in Seattle first stood. That site is being developed as KODA, Condominiums, a 17-story "vertical village" with 200-plus condominiums, a rooftop terrace and club room, a wellness center, Zen garden, meeting rooms, co-working lounge, controlled-access underground parking, and street-level retail.

"We're thrilled to see this development and the range of affordability it provides in a culturally-rich neighborhood," said SKCR President Georgia Stevens, a broker at Compass Washington. In addition to adding to our housing supply and attracting a diverse array of buyers, Stevens said the project is a great example of the outcomes Realtors seek through its global initiatives. "Since 2009 our Global Council has worked to strengthen relationships with organized Japanese real estate through education and exchange programs," she noted, adding, "SKCR also serves as the NAR's Global Alliances Ambassador Association to Japan, whose purpose is to establish business partnerships and referral opportunities."

Reflecting on his heritage and accomplishments, Moriguchi references his Asian Confucius back-ground and the desire to be harmonious. "The challenge in both my business and nonprofit work was, and is still today, to harmoniously accomplish goals while not being confrontational," he stated.

"Tomio's desire to be harmonious is a distinction shared by many of his predecessors as First Citizens," noted Englund. Among examples she listed are Rabbi Raphael Levine (1976), Constance W. Rice, Ph.D. (1993), Jack A. Benaroya (1998), Dan and Nancy Evans (2003), Hon. Slade Gorton (2010), Lenny Wilkens (2013), and Stephen V. Sundborg, S.J. (2019)

About the [First Citizen Award](#)

The Seattle-King County First Citizen Award salutes “giving back” whether by “time, treasure or talent” and civic engagement that enhances the region’s quality of life. Past recipients hail from both the public and private sectors, ranging from humanitarian groups, corporations, charitable, health and educational institutions, to various arts, environmental, and civic organizations. *(see complete list on last page).*

Since its inception in 1939, the First Citizen Award, believed to be this region’s oldest such recognition, continues to celebrate community leadership, volunteerism, and public service.

The civic banquet to honor the annual recipients is a not-for-profit celebration of civic engagement presented by Seattle King County Realtors® and partners from the real estate community. This year’s partners for the forthcoming event are John L. Scott Real Estate and Windermere Real Estate.

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 more than 7,000 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.



PAST RECIPIENTS, SEATTLE-KING COUNTY FIRST CITIZEN AWARD

1939	Richard Eugene Fuller	1980	James M. Ryan
1940	Dr. Wendell Fifield	1981	C.M. “Mike” Berry
1941	William O. McKay	1982	Dr. Dale E. Turner
1942	Kenneth Colman	1983	T.A. Wilson
1943	Phil Johnson	1984	Victor Rosellini
1944	Children’s Orthopedic Hospital	1985	Fredric A. Danz
1945	W. Walter Williams	1986	Robert W. Graham
1946	Royal Brougham	1987	John W. Ellis
1947	John H. Reid	1988	Samuel Stroum
1948	Ernest Skeel	1989	R.C. “Torchy” Torrance
1949	Dr. Raymond Allen	1990	The Rev. Wm. J. Sullivan, S.J.
1950	Thomas M. Pelly	1991	Buster and Nancy Alvord
1951	George Gunn, Jr.	1992	Lester R. Sauvage, M.D.
1952	Henry Broderick	1993	Constance W. Rice, Ph.D.

1953	Frank E. Holman	1994	Phil M. Smart, Sr.
1954	William M. Allen	1995	Mary Gates & Family
1955	Deitrich Schmitz	1996	Stanley O. McNaughton
1956	Rev. A.A. Lemieux	1997	Walter B. Williams
1957	Gordon N. Scott	1998	Jack A. Benaroya
1958	Nat S. Rogers	1999	Paul Brainerd
1959	Mrs. A. Scott Bullitt	2000	The Bullitt Family
1960	Michael Dederer	2001	Herb M. Bridge
1961	Ben E. Ehrlichman	2002	Scott and Laurie Oki
1962	Joseph E. Gandy	2003	Dan and Nancy Evans
1963	George F. Kachlein, Jr.	2004	The McCaw Family
1964	H.W. McCurdy	2005	Jeffrey and Susan Brotman
1965	Edward E. Carlson	2006	Dale Chihuly
1966	Milton Katims	2007	James and Sherry Raisbeck
1967	Mrs. Henry B. Owen	2008	Paul G. Allen
1968	James R. Ellis	2009	Gerard Schwarz
1969	William B. Woods	2010	Hon. Slade Gorton
1970	Norton Clapp	2011	Jamie and Karen Moyer
1971	Glynn Ross	2012	Rotary International Dist. 5030
1972	John D. Ehrlichman	2013	Lenny Wilkens
1973	Dr. Dixy Lee Ray	2014	Hon. Norman B. Rice
1974	Ned and Kayla Skinner	2015	Theodor "Ted" Baseler
1975	Dr. Wm. B. Hutchinson	2016	Phyllis Campbell
1976	Rabbi Raphael Levine	2017	Bill & Jill Ruckelshaus
1977	W.J. "Jerry" Pennington	2018	The Pigott Family
1978	John M. Fluke	2019	Stephen V. Sundborg, SJ
1979	Gordon H. Sweaney		

News In Brief

- The Bellingham/Whatcom County area ranks as the ninth-least affordable mid-sized city for homebuyers in the country, according to an AdvisorSmith study released in July.** With a weighted home price of \$410,613 and median household income of \$62,268, the report gave the Bellingham metro area a price-to-income ratio of 6.6. The study factored in average home price data from Zillow, household configurations and household income data from the U.S. Census Bureau, [the report said](#). Using this data, the report created price-to-income ratios for 507 cities to determine their affordability. With this ratio, Bellingham is the 24th-least affordable city overall, well ahead of Seattle, with a ratio of 5.9, that ranked as the 33rd-least affordable city. Seattle also ranked as the seventh-least affordable large city. The study defined mid-sized areas as those with populations between 150,000 and 500,000. Small cities have less than 150,000 and large cities have more than 500,000, according to the report. Whatcom County's population is about 229,000, according to [the most recent estimate from the US](#)

[Census Bureau](#). Among Washington cities, only Bellingham made it into the top 10 least-affordable midsized cities. Oak Harbor, Washington, ranked in as the eighth-least affordable small-sized city with a price-to-income ratio of 6.7. The study ranked Santa Cruz, California, as the least affordable midsized city with a price-to-income ratio of 9.6. San Francisco ranked as the least affordable large city with a 9.7 price-to-income ratio. California cities made up half of the top 10 least-affordable midsized range and seven of the large cities. No Washington city made it into the top 10 most affordable cities for homebuyers, according to the report.

- **Local economists are worried that another surge of COVID-19 cases in the fall could do severe damage to the regional economy, according to KOMO News.** They are warning businesses and individuals to prepare now for a future wave of possible restrictions. UW Professor of Finance and Business Economics Thomas Gilbert expects 20 percent of restaurants and small businesses to close their doors by Dec. 31. He said an additional peak of COVID-19 cases in the fall could bring big losses to already-struggling businesses -- that is, if they even make it through the summer. While some businesses may pull through this pandemic, Professor Gilbert foresees more bankruptcies and a steady rise in unemployment in the months ahead should cases skyrocket this fall. He says low revenues could be crushing for some companies.
- **Washington state has the lowest average energy costs of any state in the nation, according to a newly released report.** The study, by [personal finance website WalletHub](#), found that Washington state residents spend an average of \$219 each month on energy and fuel - less than any other state. The only place in the U.S. with cheaper energy costs is Washington, D.C., where average monthly energy costs are \$199, according to the report.

Washington state's low average energy costs are mainly due to the cheap electricity rates here. The average Washington resident spends \$103 on electricity each month, and average electrical utility rates here are lower than any other state except Louisiana. Washington's comparatively low electrical costs more than make up for the relatively high cost of motor fuel here. Although Washington's motor fuel prices are the third-highest in the nation, residents here drive less and use more energy-efficient vehicles than most other states, bringing down the amount spent on gas and diesel. Here is the breakdown showing average monthly amounts spent on energy in Washington state: electricity, \$103; natural gas, \$26; motor fuel, \$89; and home heating oil, \$2. The WalletHub study also found that residential electrical use has increased nationwide during the pandemic, while commercial and industrial electrical use has decreased. The analysis found that the states with the highest energy costs are Connecticut (\$372 per month), Massachusetts (\$351), Rhode Island (\$335), New Hampshire (\$329) and Alaska (\$325). The states with the lowest energy costs are Washington (\$219 per month), Colorado (\$220), Oregon (\$236), New Mexico (\$238) and Montana (\$242).

- **The housing inventory crunch has sparked a dramatic increase in the number of accessory dwelling units in the U.S., most notably in high-cost areas that have seen growing populations over the last decade,** Freddie Mac reports in [a new study on ADUs](#). Freddie's research identifies 1.4 million ADUs in the U.S., including granny flats, garage apartments, and in-law suites. These ADUs can be either attached or detached from the main residence. Freddie Mac researchers examined 600 million MLS transactions dating back to the late 1990s to study the growth of ADUs in the country. In 2019, 70,000 properties with ADUs were sold, which is 4.2% of homes sold on the MLS, the research shows. In 2000, only 8,000 properties with ADUs were listed and

sold—or 1.1% of the total. ADU demand appears to be highest in the fastest-growing areas of the country, researchers note. For example, Sun Belt states like California, Florida, Texas, and Georgia have half of the 1.4 million ADUs identified. Also, cities like Portland, Ore., Dallas, Seattle, Los Angeles, and Miami have seen some of the largest upticks—with double-digit growth—in ADUs over the last five years.

- U.S. energy consumption plummeted to its lowest level in more than 30 years this spring as the nation's economy largely shut down because of the [coronavirus](#), federal officials reported in late July.** The drop was driven by less demand for coal that is burned for electricity and oil that's refined into gasoline and jet fuel, the [U.S. Energy Information Administration](#) said. The declines were in line with lower energy usage around the globe as the pandemic seized up [economies](#). Those trends are expected to turn around as commercial activity resumes but an annual decline in U.S. and global greenhouse gas emissions is still expected. Overall U.S. energy consumption dropped 14 percent during April compared to a year earlier, the energy administration said. That's the lowest monthly level since 1989 and the largest decrease ever recorded in data that's been collected since 1973. Natural gas usage bucked the trend and increased 15 percent during the April lockdown as residential consumption increased with most of the nation under stay-at-home orders. Petroleum consumption fell to 14.7 million barrels a day in April, down almost a third compared the same period in 2019. Demand already has rebounded some after stay-at-home orders expired and large sectors of the economy started moving again. Coal companies are expected to have a tougher time than petroleum producers recovering from the pandemic, which hit as the coal sector already remained on a fairly steady downward spiral since 2007 despite President Donald Trump's attempts to prop it up. Coal consumption fell 27 percent in April compared to the same period in 2019, to 27 million tons. Most coal produced in the U.S. is used to generate electricity but many utilities have switched to cheaper natural gas and renewable sources like wind and solar. The energy administration projects overall consumption will increase for the rest of 2020 but remain below 2019 levels.

Calendar of Events

DATES	EVENT	TIME	LOCATION	CONTACT
8/20	Planning Committee	9 a.m.-12 p.m.		425-974-1011
8/27	Planning Committee	9 a.m.-12 p.m.		425-974-1011
9/7	Holiday-Office Closed			
9/9	Affiliate Council	10:00 a.m.-11:00 a.m.	Zoom	425-974-1011

SEATTLE King County REALTORS®