



NW REporter

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Would-be homebuyers have more buying power, but also more competition for meager inventory

KIRKLAND, Washington (September 4, 2020) – Extremely low interest rates mean would-be home buyers have more buying power, but sparse inventory and increasing home prices in many parts of Washington state are leaving many buyers unable to take advantage of these attractive rates, reported broker Frank Wilson upon reviewing the latest statistical report from Northwest Multiple Listing Service.

The August report from Northwest MLS, which covers 23 counties, shows pending sales surged nearly 25% from a year ago, rising from 10,602 mutually accepted offers to last month's total of 13,224. Within the four-county Puget Sound region encompassing King, Kitsap, Pierce and Snohomish counties, brokers reported 9,179 pending sales. A review of MLS records dating to January 2002 shows that volume was surpassed only once, in May 2017 when brokers notched 9,188 pending sales.

“In order for buyers to be successful in purchasing a home in today's climate, they have to do some pretty illogical things,” remarked Wilson, the Kitsap regional manager and branch managing broker at John L. Scott Real Estate in Poulsbo. As examples, he listed waiving inspections, paying more than the house is worth, or agreeing to pay the difference in cash between the lower appraised value and the sales price. “These are counterintuitive to what we used to see with a negotiation process,” he lamented.

“The lowest number of homes for sale in more than 20 years combined with the lowest mortgage rates on record are resulting in the perfect storm of frustration for buyers – but they are still out in force,” stated Windermere Chief Economist Matthew Gardner. “The few homes that are on the market are being snapped up quickly, and this excess of demand is causing record-high prices for single family homes in the Puget Sound area.” He also noted rising demand for lower density housing in outer suburbs.

Brokers added 11,943 new listings to inventory during August, down from July, when they listed 12,514 homes and condominiums, but up from the 10,488 properties they listed during the same month a year ago. Commenting on the dwindling supply, J. Lennox Scott, chairman and CEO of John L. Scott Real Estate, said “For the greatest selection and availability, the next two months of September and October will be the best months until next March.”

At the end of August, the Northwest MLS database included 9,591 total active listings, down almost 43% from a year ago when the selection totaled 16,697 listings. With pending sales (13,224) outpacing new listings (11,943), the months of inventory continues to shrink. Area-wide there is less than one month of inventory (0.97). Nine counties had under a month's supply. Four-to-six months is a common indicator of a balanced market, according to industry experts.

“The housing inventory deficit continues in Kitsap County with 558 new listings coming on the market during August and 664 going under contract, leading to an ever-declining number of available homes to purchase,” said Wilson. NWMLS statistics show there is 0.81 months of supply in that county. “There currently seems to be no path back to a ‘normal’ market of 1,400 to 1,600 homes available, which has historically been a balanced market in Kitsap County,” he added.

“Kitsap County continues to have a competitive market,” agreed Frank Leach, broker/owner at RE/MAX Platinum Services in Silverdale. He noted buyers from eastern Puget Sound and South Sound are among those who are competing for the depleted inventory.

“Many buyers are bidding up their offers. We are also seeing some of the highest historical numbers of contingent offers,” added Leach, a member of the Northwest MLS board of directors. He also noted builders are scrambling to get projects approved. “Builders were looking for some relief from the COVID shutdown and a quick startup only to be faced with runaway prices on building materials and supplies which has caused delays in delivering new homes on time.”

With an insufficient supply, prices are appreciating at double-digit rates in most counties in the NWMLS report. Systemwide, for last month's closed sales, prices increased nearly 14% compared with a year ago. Member-brokers reported 9,847 closed sales, up more than 4.8% from a year ago. That volume was the highest since June 2018 when there were 10,072 completed transactions.

In the four-county Puget Sound region year-over-year (YOY) prices jumped 17%, from \$500,000 to \$585,000.

Commenting on prices, James Young, director at the Washington Center for Real Estate Research, noted prices all along the I-5 corridor and the Puget Sound increased by double digits. “As people continue to seek housing outside the urban centers and within a two-hour drive of Seattle, the expected seasonal increases in prices in areas such as Island and San Juan counties have been extraordinary,” he remarked. NWMLS reports show San Juan County experienced the most notable spike at 43.6%. Island County prices increased nearly 22% from twelve months ago. Also noteworthy was Jefferson County where YOY prices jumped 27.9%.

“Home prices continue to increase, suggesting that now is a good time to buy,” stated Dean Rebhuhn, broker-owner at Village Homes and Properties in Woodinville. He described low inventory as “problematic,” adding “Based on current low inventory and low interest rates, I expect the real estate market will continue to be robust into 2021.”

“We continue to see a flurry of activity in a market that has not allowed the pandemic to have a continued effect,” observed Mike Grady, president and COO at Coldwell Banker Bain. “Case in point: in January, the median sales price for the entire NWMLS was \$422,750 and it is now \$490,000 – a 15.9% surge in eight months. At the same time, we have nearly half as many months of inventory now than April – just four months ago (0.97 vs. 1.75). “The competition for buyers continues to be relentless, but luckily, much lower interest rates offer some relief.”

Scott said one area of note is luxury sales. “We’re seeing strong luxury activity in all areas locally. August brought strong and at times record luxury sales numbers in many areas.”

John Deely, principal managing broker at Coldwell Banker Bain, agreed, saying his analysis indicated the luxury market of residential properties priced at \$2 million or more reached all-time highs in several areas during August. “The number of both pending sales and closed sales over \$2 million hit new records in August. The number of new listings coming to market in the \$2 million-plus range also set records.”

Deely also reported seeing “many more low appraisals with the rapid price increases and bid up prices due to the low inventory.”

Another metric cited by one of the Northwest MLS representatives was the “sale fail rate,” which tracks the percentage of failed transactions as a part of total written transactions. “What’s interesting is that it hasn’t changed through this entire year,” according to Grady in referencing Coldwell Banker Bain’s experience. “This seems to indicate that brokers are able to quickly move and successfully close a high number of sales. COVID conditions have had little or no effect on buyers and sellers closing transactions.”

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	4,628	4,010	4,420	3,456	\$833,821	\$680,000	1.16	1.74
Snohomish	1,766	1,024	2,001	1,492	\$582,433	\$534,999	0.69	1.47
Pierce	1,780	1,110	2,094	1,597	\$469,338	\$425,000	0.70	1.34
Kitsap	558	366	664	452	\$546,165	\$435,000	0.81	1.33
Mason	143	105	215	145	\$363,462	\$312,500	0.72	2.41
Skagit	265	216	330	227	\$490,976	\$435,000	0.95	2.15
Grays Harbor	195	206	262	180	\$285,748	\$262,950	1.14	3.55
Lewis	166	162	202	159	\$338,551	\$319,000	1.02	2.65
Cowlitz	166	132	182	153	\$352,396	\$318,035	0.86	1.61
Grant	163	161	169	113	\$271,820	\$257,000	1.42	2.56
Thurston	558	247	732	538	\$424,214	\$388,250	0.46	1.04
San Juan	51	138	83	46	\$903,152	\$790,000	3.00	8.31
Island	189	126	239	195	\$549,612	\$484,000	0.65	2.12
Kittitas	101	127	139	87	\$525,882	\$425,000	1.46	3.04
Jefferson	71	99	104	63	\$495,416	\$475,750	1.57	2.42
Okanogan	78	149	82	63	\$323,377	\$275,000	2.37	6.40
Whatcom	426	458	553	424	\$484,332	\$429,625	1.08	2.22
Clark	160	125	170	84	\$490,005	\$415,950	1.49	2.02
Pacific	69	112	108	55	\$244,740	\$232,000	2.04	4.75
Ferry	5	32	7	8	\$266,438	\$164,500	4.00	9.80
Clallam	145	151	167	91	\$392,409	\$348,000	1.66	2.46
Chelan	135	147	155	113	\$574,776	\$469,000	1.30	3.71
Douglas	55	60	68	64	\$431,411	\$380,200	0.94	1.86
Others	70	128	78	42	\$332,473	\$305,000	3.05	4.39
Total	11,943	9,591	13,224	9,847	\$607,266	\$490,000	0.97	1.78

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	9179				

Virtual tours proving popular among Northwest MLS brokers and their clients

Conducting business virtually “has been quite a shift for us,” admitted Frank Leach, a director at Northwest Multiple Listing Service. Now, he added, “I don’t see it reverting to what we had done in the past. Even our broker tours are now done virtually.”

Although “shelter in place” directives, bans on group gatherings, office closures, and other mandates prompted by the coronavirus pandemic were disruptive to the housing market when first implemented, Northwest MLS data and members indicate home sellers, buyers, and real estate brokers have pivoted to various forms of virtual tools and are routinely using software and apps to manage tours and transactions.

“ShowingTime has been a huge success. Utilization of tools within it continues to multiply as more and more agents realize the flexibility of the system,” reported Leach, broker/owner of RE/MAX Platinum Services in Silverdale. (ShowingTime, an online home showing scheduling and management tool, is used by more than 250 multiple listing organizations in the U.S. and Canada.)

Northwest MLS records show impressive year-over-year surges in the number of showing appointments. In June 2019 member-brokers logged 20,998 appointments. For the same month this year the volume increased eightfold, to 168,546. Similar jumps occurred in July when ShowingTime appointments increased from 20,246 a year ago to last month’s total of 189,832.

Before scheduling an onsite tour of a listing, house-hunters can preview properties and neighborhoods from the comfort of their homes, phones, or mobile devices.

In May, NWMLS enabled listing brokers to input up to three links for touring choices on each of their listings, including options such as 3-D tours, recordings of video walk-through tours of the home, or photo reels.

On June 1, only about 2% of listings with virtual tours had two or more links, according to Northwest MLS statistics. By July 27, more than 12% of the listings (including active, contingent and pending) featured two or more touring options.

Leach said the response to adding multiple options “has been incredible from both brokers and consumers. Our clients are finding they can cover a lot of ground by using virtual tours and Live Stream Open Houses. The Live Stream Open House option enables agents to set up chats with prospective buyers and interact with them live on various platforms.”

Matterport videos and imagery are well received, Leach stated, in part because they allow visitors to walk through a house and see more details, such as floor-to-ceiling and fully immersive 3D floor plan views.

“The viewer can fully control their experience of the home and its surroundings,” Leach continued, adding, “Many folks from the east side of Puget Sound preview properties using Matterport videos before traveling to Kitsap County and booking an in-person tour.”

House hunters can tour properties anytime, from almost anywhere, and with an assortment of devices. “It’s like holding a 24-hour open house,” remarked one broker.

Member-brokers at NWMLS can also showcase their listings at specific times using the Live Stream Open House option. Viewers can interact with the listing broker in real time while adhering to social distancing guidelines. No driving required!

Live streaming is also used by affiliated services such as home stagers and inspectors who can exchange information with the listing broker and provide feedback before the broker holds open houses for the public or other brokers.

Renee Vanous, a luxury marketing specialist and founder of The Vanous Group at Windermere Real Estate/East in Bellevue, said she and her team use both Live Stream Open Houses and live virtual tours on her listings and other “unique listings.” In addition to generating “great feedback,” she believes these guided tours give her team an edge over brokers who don’t do them.

Vanous’ team produces video tours for all their listings. Facebook and Instagram are among tools they use to attract viewers. The videos have proven to be a successful tool, even though Vanous readily admits the quality is not perfect. “Some people have said that’s why they like it. It is authentic and true to who we are,” she stated.

Virtual tours are increasingly popular with NWMLS members. That previewing option is offered on more than 10,000 listings in the MLS database (including active, contingent, and pending listings).

RAREnorthwest, a group of women at Windermere that works as a team, has embraced virtual open houses for their listings. Team member Trish Englund said they use Facebook Live to stream their videos. “Our video tours, Facetime and YouTube channel are a hit with many of our clients who prefer that option for previewing during COVID,” reports Englund.

The Milkovich Team at John L. Scott adopted virtual open houses on Facebook Live at the beginning of the COVID-19 shutdown. They use Facebook Live to promote open houses, then boost their posts afterward to targeted audiences, and send the link of the recording using BombBomb (a video email marketing platform) to their database. “We may even coach the seller to use the video on their own social media platforms,” added Kristine Milkovich.

Unlike traditional open houses, virtual open houses are accessible to thousands of viewers – more than could possibly tour a traditional open house, explained Lisa Milkovich. Additionally, she noted clear messaging about the property comes from the listing broker “and it can be shared and distributed in a number of different ways.”

“We have experienced tremendous traction and social media engagement on these videos,” they reported.

As examples, a video tour of a listing in a gated community in Mukilteo has drawn around 500 views and another video of a home in Redmond’s Grass Lawn Park neighborhood has attracted more than 1,000 views.

Leigh Buchan Harvey, managing broker and branch manager at Windermere Real Estate/M2, LLC, in Lynnwood, has mixed opinions on virtual open houses based on early experiences in her office. “The process of doing virtual open houses is pretty intense,” she stated, citing various steps to attract viewers. She suggested more efforts may be needed to broaden the reach and increase public awareness of this option, adding she intends to continue experimenting with promotional tools.

Harvey believes virtual open houses are a viable option, saying, “They provide great opportunities to interact with the listing broker or broker hosting the event” but also noted the “timing to keep the home on the market until the advertising concludes can add to the tension.” Many of the brokers in her office “are more seasoned veterans” who are not doing virtual opens “because they don’t have to” in the current fast-paced market.

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Realtors partner with U.S. Chamber, other groups to advance Equality of Opportunity Initiative

Realtors are among the initial partners of the Equality of Opportunity Initiative launched in June by the U.S. Chamber of Commerce. In announcing the nationwide effort to address systemic racism and to advance economic inclusion, more than 500 chambers and associations, including the National Association of Realtors, will focus on four initial issues: education, employment, entrepreneurship, and criminal justice.

“NAR has spent recent years examining how our 1.4 million members can best lead the fight against discrimination, bigotry and injustice,” said Bob Goldberg, CEO of NAR. “We believe that building a better future in America begins with equal access to housing opportunity. With ongoing residential segregation contributing to many problems in our society, NAR recognizes that this nation cannot achieve true economic equality without first achieving true equality in housing. Our commitment to this cause and to fair housing has only strengthened in response to recent tragedies in America.”

As part of its longstanding mission and purpose to help businesses grow the economy and create jobs, the U.S. Chamber said the Equality of Opportunity Initiative is the latest in a series of activities the Chamber has undertaken to promote a more just and equal society.



U.S. Chamber of Commerce

“As our nation undertakes a necessary conversation about systemic racism, we will listen thoughtfully and lead solutions to help ensure Black Americans and people of color have greater opportunities to succeed in the American enterprise system,” said Suzanne P. Clark, president of the U.S. Chamber of Commerce. “We know what a job means to an individual, to a family and to a community. It means personal dignity, financial security, better health outcomes, opportunities to advance and grow, and hope for the future.”

“Far too often, the opportunity to obtain an education, secure a job, start a business, or provide for your family is determined by the color of your skin. These systemic inequalities hurt individuals, communities, our economy, and our society,” the Chamber states on a [website](#) dedicated to the initiative.

Under the Chamber’s leadership, the private sector partners vow to develop and advance data-driven business and policy solutions to bridge opportunity gaps and ensure that Black Americans and people of color have greater opportunities to succeed. The U.S. Chamber of Commerce is the largest lobbying organization in the nation. It represents companies of all sizes across every sector of the economy.

The Equality of Opportunity Agenda devotes a page with proposed solutions for each of the four race-based opportunity gaps. Authors say the inequities in these areas “perpetuate broader inequalities in our society, hold back individual and business success, and hinder economic growth.” Conversations with business, government, academic, and civic leaders helped develop the Agenda.

As part of its effort, NAR began circulating a 50-minute [implicit bias training video](#) for its members and association staff in June. Produced in cooperation with the Perception Institute, which provides training to courtrooms, boardrooms, schools, and hospitals, the video provides strategies to override biases to ensure fairness, convey respect, and improve business relationships. The video draws upon recent research to illustrate how the human brain makes instant, automatic associations between stereotypes and particular groups – “associations that can cause people to treat those different from them unfairly.” The scientific evidence further suggests implicit biases persist in spite of people’s good intentions, and often without their conscious awareness.

NAR is also encouraging state and local associations to consider revising their new-member orientations and other mandatory education courses to highlight the delivery of equal services.

“Fair housing, equality and inclusion are among NAR’s most cherished values. Realtors follow a strict code of ethics that not only defines us as professionals, but explicitly prohibits discrimination on the basis of race, gender, national origin or sexual orientation,” said Vince Malta, NAR president. “We are committed to leading the way on policies that address racial injustice and build communities where people of every color feel safe to pursue their own American Dream. This training video is a small part of an ongoing education campaign that will position realtors to lead in the fight against racial discrimination.”

Design and construction innovations can help contain costs of affordable housing

Innovations in design and construction can reduce the costs of multifamily housing, according to researchers with [Harvard's Joint Center for Housing Studies](#) and [NeighborWorks America](#) (a network of organizations that creates opportunities for people to live in affordable homes, improve their lives and strengthen their communities).

In the fourth and final installment in a series of articles on affordable multifamily housing, author Hannah Hoyt examines how thoughtful design can create high-quality affordable multifamily housing. The four articles were based on a 47-page report titled “More for Less? An Inquiry into Design and Construction Strategies for Addressing Multifamily Housing Costs.”

Hoyt also outlines several hurdles faced by developers who build affordable housing. Among those hurdles are complex subsidy programs, expensive labor and materials, onerous local land use regulations, and community oppositions. “Neighboring residents often worry that low-cost housing will be ugly and comprised of hulking, boxy structures with cheap-looking facades,” she states, but adds, “There are strategies that allow them to build apartments that are visually appealing and offer comfort and convenience to their residents while meeting all the essential requirements of safe, healthy housing.”

The latest article, co-authored by Jenny Schuetz, a fellow at the Metropolitan Policy Program at The Brookings Institution, focused on three building components: façade (exterior shell), interiors, and services.

Inasmuch as the façade (exterior shell) plus windows and doors are a building’s public identity and biggest thermal barrier, the materials used for it need to be durable, visually appealing, and supportive of environmental and performance objectives, the authors emphasize. Collectively, these components account for 25-to-30 percent of total hard costs for a project and there are rarely excesses that can be removed from the shell and structure to reduce costs.

As a cost-saving strategy, Hoyt and Schuetz recommend simplifying facades while still creating variation through big moves (visual shifts), colors, and materials. A second strategy to consider is offsite construction and new materials, but they acknowledge while they may promise big benefits, they are not “silver bullets.”

Building a more efficient and economical interior was the second component the authors examined. “Small changes can make more livable and efficient units,” they stated, but cautioned, “Downgrading finishes and appliances doesn’t save much money and may reduce durability and environmental quality.

Two cost-saving strategies the article recommended were:
Design unit layout and dimensions for flexibility and efficiency; and

Reuse designs, rotate floorplans, and reduce costs.

Tweaks can allow developers to increase usable space and fit more apartments in a given building,” according to the authors.

Building services – elevators, mechanical, electrical, and plumbing -- were the third component of the report. These “unglamorous but essential and expensive” services can incorporate best practices to help control costs. “Selecting systems requires a tradeoff between cost, quality, and environmental performance. The challenge is finding an appropriate set of systems given project costs and priorities,” the authors emphasized.

The strategies they highlighted were “stack, standardize, and simply,” and create long-term savings by investing in environmental performance. As an example of best practices for plumbing to control costs they suggested stacking “wet” walls for kitchens and bathrooms vertically and placing them back-to-back to reduce plumbing complexity and cost.

The report noted many affordable housing nonprofits want to invest in high-performance envelopes, HVAC, and plumbing systems that could reduce long-term operating costs. Such investments could be encouraged with scoring systems used to allocate Low-Income Housing Tax Credits (LIHTC).

Hoyt and Schuetz noted housing developers need more opportunities to share best practices and data on building performance in order to choose the right system for the project.

Based on 30+ interviews Hoyt conducted with developers, contractors, and architects, she identified several factors that can help project teams deliver “high-quality, environmentally responsible apartments at more affordable costs.”

“Close coordination across the project team throughout the process is essential,” Hoyt stated. “Making sure all team members agree on project goals, such as quality of life for tenants, environmental performance, and affordability, keeps the team unified as issues and pressures emerge. Collaboration also sets the stage for sharing best practices on new construction techniques, materials and systems.”

Hoyt also noted that practices that shorten the development timeline translate directly into cost savings. Working frequently with trusted partners, investing in upfront research to anticipate unknowns, and partial offsite fabrication are other ways she outlined for reducing costs without compromising quality.

Despite best efforts by the design and construction team to improve housing affordability, local policies can create unnecessary hurdles. “Policymakers need to better understand how building codes and zoning laws impact apartment design and construction,” Hoyt wrote.

The authors reiterated three types of regulatory changes that deserve special consideration: Reduce parking requirements. “In cities and neighborhoods with reliable public transportation systems, reduced parking requirements in zoning laws should be a top action item.”

Zoning should not prohibit efficiently sized projects. Some rules, e.g., floor-to-area ratio, often limit a developer's ability to build larger, more economically efficient buildings.

Make the development and project review processes shorter, simpler, and more transparent.

Policy choices by federal, state, and local governments can negatively influence the cost of building affordable housing. "Building safe, healthy, and visually appealing apartments at lower costs is possible – but will require better policies," Hoyt emphasized.

Designer/urbanist Hannah Hoyt is a M.Arch candidate at Harvard University Graduate School of Designer and was a 2019 Gramlich Fellow in Community and Economic Development.

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

NeighborWorks encompasses 240 network organizations in every state, the District of Columbia and Puerto Rico. The congressionally chartered and funded nonpartisan nonprofit supports organizations that provide communities with affordable housing, financial counseling and coaching, training, and resident engagement, along with collaborations in the areas of health, employment, and education.

Flood risk data coming to realtor.com[®]

On August 26, [realtor.com](https://www.realtor.com)[®] launched new flood risk data features which will be available on most for-sale properties on [realtor.com](https://www.realtor.com)[®]. Many of you already heard about this from our outreach last month during our initial testing phase.

What are these features?

At an individual property level, [realtor.com](https://www.realtor.com)[®] will offer insights into Federal Emergency Management Agency (FEMA)-categorized flood zones and a new Flood Factor™ feature, which is the result of a [realtor.com](https://www.realtor.com)[®] data integration with the First Street Foundation, a nonprofit research and technology group. The First Street Foundation Flood Model includes data for more than 142 million homes and properties across the U.S.

Flood Factor™ includes a flood risk score ranging from 1 (minimal risk) to 10 (extreme risk) and an indication of whether that risk is increasing, decreasing, or constant over the next 30 years.

In addition, a graph shows the cumulative risk of flooding for a property over the typical 30-year period of ownership, along with the FEMA-categorized flood zone for the property, and whether flood insurance is required. Flood insurance options, when available, are provided to [realtor.com](https://www.realtor.com)[®] users.

Here are some distinguishing features for both:

Flood Factor™

- Provides accurate, property-level flood risk information
- Incorporates current and future environmental changes
- Maps multiple flood zones and risk levels
- Includes more flood sources such as heavy rainfall
- Nationwide coverage and updated quarterly
- Assesses historic flood patterns and projects future risk

FEMA

- Provides detailed, community-wide flood risk information
- Maps the 100-year flood zone and indicates whether a property is “in or out” of this zone
- Does not provide information specific to individual properties
- Based on site specific, engineering studies but limited to two risks (riverine and storm surge)
- Limited geographic coverage and not updated frequently
- Assesses historic flood patterns
- Used by community regulators, banks and lenders

Flood Factor™ data augments FEMA’s maps, so real estate professionals can use both tools on [realtor.com](https://www.realtor.com)® to:

- Help reduce the number of clients who buy high-risk properties by surprise or list properties before mitigating the risk

- Help reduce flood-related surprises at the closing table by helping their buyer and seller clients perform due diligence and increase confidence in real estate markets particularly where FEMA does not currently map

Agents and brokers can use the feature to provide additional context, guidance and insights to their buyer and seller clients with regard to flood conditions and potential flood risk for properties and communities across the country.

Affordable Housing Week Oct 12-16

Webinars, workshops, online convenings, and even some games/challenges to bring folks into their community are all part of the program agenda for this year’s Affordable Housing Week (AHW) an annual presentation of the Housing Development Consortium. Like many events scheduled during 2020, AHW – scheduled for October 12-16 will be offered in a digital format.

“Know Your Zone” is the theme for this year’s Housing Week. Organizers say it will be an opportunity to apply lessons from online events and learn about housing policies and programs that have an impact on neighbors, businesses, and organizations in participants’ communities.

As in past years, housing advocates will “gather, strategize, and re-energize over new ideas to address King County’s housing crisis.”

Housing advocates are encouraged to host their own event using the [event proposal form](#) on the AHW website. The deadline is September 11. Possibilities suggested by event planners include:

Virtual groundbreaking and grand openings of recently started, completed, or rehabbed buildings.

Virtual Open houses or milestone celebrations of existing buildings.

Socially Distanced neighborhood tours by foot or bicycle that give the wider context of how strong communities and affordable homes fit together.

Virtual panels or discussions linking housing to relevant economic or social trends or to other critical social issues, such as, as racial equity, education, public health, employment etc.

Actions that raise awareness about local/regional affordable housing conditions and need.

For more information about Affordable Housing Week, visit the Housing Development Consortium’s [AHW website](#).

The Housing Development Consortium of Seattle-King County comprises 175+ member organizations who work collaboratively to meet the housing needs of people with limited incomes throughout the region.

At Home with Diversity



Realtors are encouraged to take advantage of a 50% discount for the “At Home with Diversity” online course from the Center for REALTOR® Development. The special price of \$49 is offered through the end of 2020.

The course is presented in six modules. Producers say the course work is designed to enable Realtors to work successfully with and within a rapidly changing multicultural market. It covers diversity sensitivity, how it applies to U.S. fair housing laws for real estate businesses, and ways to develop professional guidelines for working with people in the increasingly diversifying real estate market.

“Fair housing is more than a list of dos and don’ts, rights and penalties, and mandatory continuing education,” states the National Association of REALTORS. “As steward of the right to own, use and transfer private property, fair housing protects our livelihood and business as REALTORS® and depends on a free, open market that embraces equal opportunity.

Participants will gain practical skills and tools for expanding business, risk reduction, and effectively serving all clients, including:

Knowledge of the subtleties of U.S. fair housing laws

Business etiquette for specific cultures

An edge in expanding your business to include international clientele

Credit towards the ABR®, CIPS, and PMN designations

Some states also give continuing education (CE) credit and GRI credit for this course

For registration details, including information on earning diversity certification, click [here](#).

Characteristics of the new American home buyer

[John Burns Real Estate Consulting](#) is predicting “The Great American Move” as states, counties and cities around the country slowly reopen. Home builders can capture pent-up demand from apartment dwellers, in-migrants (including city dwellers moving to suburbs), families wanting more space, and residents relocating to new jobs.

Several factors are expected to contribute to the surge, including safety reasons, financial prospects, life change improvements, personal comfort, and employment. Low mortgage rates, and a hyperawareness about living environment are also factors.

Researchers from Burns identified several characteristics of pandemic purchasers, including

They prefer suburban.

They are serious! They are knowledgeable, tech-savvy, and pre-qualified.

They are impatient. They are choosing ready-to-move-in inventory over to-be-built homes, even in the luxury segment

News In Brief

- **Washington state has the second-best community college system in the U.S., and two of the state's community colleges rank among the nation's top 20, according to a pair of new studies released in August.** The studies, by personal finance website [WalletHub](#), also found that Americans are increasingly reliant on community colleges for their post-secondary education as the pandemic wreaks havoc on the economy and reduces personal income. One study [ranked 698 U.S. community colleges](#) across 18 key indicators of cost and quality, including cost of tuition and fees,

per-student spending, student-faculty ratio, graduation rates and career outcomes. Based on those criteria, two Washington state schools - Shoreline Community College and Pierce College Puyallup - ranked among the top 20 in the nation. Other Washington state schools with high rankings were Everett Community College, Big Bend Community College, South Puget Sound Community College and Bates Technical College. The [second study](#) looked at the quality of statewide community college systems and found that Wyoming has the best in the nation, followed by Washington state at No. 2 and Maryland at No. 3. Hawaii ranked fourth best and Connecticut was fifth best.

- **Construction of new U.S. homes surged 22.6% in July as homebuilders bounced back from a lull induced by the coronavirus pandemic.** The Commerce Department reported that new homes were started at an annual pace of nearly 1.5 million in July, highest since February and well above what economists were expecting. Housing starts have now risen three straight months after plunging in March and April as the virus outbreak paralyzed the American economy. Last month's pace of construction was 23.4% above July 2019's. The big gains came from the construction of apartments and condominiums, which soared 56.7%. But single-family home construction ticked up, too, by 8.2%. Construction rose all over — 35.3% in the Northeast, 33.2% in the South, 5.8% in both the Midwest and the West. Applications for building permits, a good indication of future activity, jumped 18.8% from June to an annual rate of 1.5 million, highest since January and up 9.4% from July 2019. The National Association of Home Builders reported Monday that builders' confidence this month matched the record high first reached in December 1998. "Strong demand and a record level of homebuilder confidence will support housing starts in the second half of 2020," economists Nancy Vanden Houten and Gregory Daco of Oxford Economics wrote.
- **A new report has found that Seattle ranks No. 1 for the health of its real estate market among all large cities in the U.S., based on a wide variety of criteria.** The study, by [personal finance website WalletHub](#), also singled out Bellevue, Wash., for being one of the fastest places in the nation to sell real estate, with the average home there remaining on the market for only a few days before it is sold. *This year, the housing market is in a unique situation as mortgage rates have hit record lows at a time when many Americans are struggling financially due to the COVID-19 pandemic," the study's authors write. "For those who have extra cash, buying a home now could be a golden opportunity."* The report ranked the health of real estate markets in U.S. cities based on 24 criteria, from median home-price appreciation to home sales turnover rate to job growth. Based on those criteria, Seattle had a score of 67.77 out of a possible 100 - the highest score of any large city with more than 300,000 population, and the second highest among all cities of all sizes.
- **According to [a study by SmartAsset](#), Seattle ties with Pittsburgh as the 19th-most dog-friendly city in the U.S., with 1.9 dog parks per 100,000 residents, 351 dog-friendly restaurants and four dog-friendly shopping centers.** The four other metrics surveyed were average annual days of precipitation median home value, walk score and concentration of pet stores and veterinary offices. The study was conducted by analyzing data for 100 of the largest cities in the U.S. Six of the top 11 most dog-friendly cities are on the West Coast, with Tucson, Arizona being crowned the most dog-friendly city in the country this year. The rest of the top 10 is as follows: No. 2 Las Vegas, Nevada and Madison, Wisconsin (tie); No. 4 Albuquerque, New Mexico; No. 5 Portland, Oregon; No. 6 Tampa, Florida; No. 7 San Diego, California; No. 8 St. Petersburg, Florida; No. 9 San Francisco, California; No. 10 Austin, Texas and Minneapolis, Minnesota (tie). The city with the most pet-friendly restaurants is Chicago (No. 16) with 558, while Boise, Idaho (No. 17) has the

most dog parks per 100,000 residents with 6. Those who want to take their dog shopping with them will have the most luck in Austin, Texas which has 28 dog-friendly shopping centers. Meanwhile, the best place for dog owners to get the most dry days with their pup is Las Vegas, as the city only has an average of about 14 days of precipitation annually. However, Portland ranked No. 5 despite having an annual average of about 115 days of rain. (In case you're wondering, that category is also where Seattle took the biggest hit with its 107.8 average annual rainy days.) The study also found that vets and pet stores are plentiful throughout the U.S. In Seattle, one can find about 64 pet stores and vet offices per 10,000 establishments. The most can be found in Madison with about 110. [Last year](#), Seattle ranked as the 16th most dog-friendly city in the U.S., a spot now held by Chicago.

- Nearly \$190 million will be awarded from the state's federal stimulus funding to local governments and health districts that did not receive direct distributions under the CARES Act, Gov. Jay Inslee said on August 31.** The new funding includes nearly \$126 million that will be distributed to cities and counties and about \$62 million to local health jurisdictions. The governor's budget office approved the distributions, in consultation with legislative leaders. The new funding for cities and counties comes on top of nearly \$300 million that was distributed last spring to cities and counties with populations under 500,000 that were ineligible to receive direct funding from the federal government under the CARES Act. Specific allocations to cities and counties will be released by the Department of Commerce in the coming days. Each county will receive a minimum distribution of \$300,000 and each city will receive a minimum distribution of \$30,000 from the state.

Calendar of Events

DATES	EVENT	TIME	LOCATION	CONTACT
9/15	GAC Special Mtg.	10:30 a.m. – 12 p.m.	Zoom	425-974-1011
9/16	Board of Directors	10:30 a.m.	Zoom	425-974-1011
9/21-25	WR Fall Conference		Zoom	425-974-1011
10/6	Gov't Affairs Committee	10:30 a.m.-12:30 p.m.	Zoom	425-974-1011

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