

NWMLS MARKET UPDATE**Spring market "not waiting for tulips" but limited inventory frustrates homebuyers**

Home sales this super bowl season outpaced a year ago as sidelined buyers emerged to compete for limited inventory, according to brokers who commented on January activity.

New figures from Northwest Multiple Listing Service show year-over-year increases in pending sales, closed sales, and prices, while inventory fell by double digits.

"The current inventory of homes available for sale has never been lower in my 22 years as a real estate broker," lamented MLS director George Moorhead, designated broker and owner at Bentley Properties.

The number of active listings of single family homes and condominiums fell from the year-ago figure of 19,195 to 17,082 at the end of January, a decline of 11 percent. Twelve of the 23 counties in the MLS system reported double-digit drops. For the four-county Puget Sound region, the selection was down 12 percent.

When measured by months of supply (the ratio of sales to listings), Northwest MLS figures show it has dipped below four months. In King County, there is only about two months of supply. In general, brokers say four to six months is considered to be healthy balance between supply and demand.

Blame brisk sales, as the number of pending sales, at 7,658, surpassed the number of new listings, which totaled 6,989. A comparison of figures for the four-county region for the past 15 years indicate January's pending sales exceeded any of the prior years (see chart).

"We saw sales at a higher pace this super bowl season than last year," remarked J. Lennox Scott, chairman and CEO of John L. Scott Real Estate.

Closed sales increased more than 3.7 percent compared to a year ago, rising from 4,306 completed transactions area-wide to last month's total of 4,467.

Scott said multiple offers of most new listings are common. "We are entering February with a severe shortage of homes for sale in the neighborhoods close to the job centers, and we expect that shortage to continue throughout the spring market," he stated. Buyers need to be "buyer ready" so they can react quickly. Brokers recommend getting preapproved for a mortgage, which can give potential buyers an edge in a fast-moving market.

Home prices for single family homes and condos are also tracking ahead of the year-ago pace. The median price on last month's closed sales was \$279,000 system-wide, up about 9.4 percent from the year-ago price of \$255,055. King County reported the highest median price at \$390,000, up 6.9 percent from twelve months ago.

For the 3,880 single family home sales that closed last month, the median price was \$288,000, about 8.7 percent higher than a year ago when the price was \$264,995. Scott said a 4 percent increase is the historical norm.

Condo prices spiked more than 13 percent, rising from \$194,000 area-wide to \$219,900. In King County, which accounted for nearly six of every 10 condo sales, prices rose 6 percent, from \$225,000 to \$238,500.

Moorhead believes inventory shortages are due in part to hesitant sellers. "Sellers who would like to enter the market are holding off for two main reasons," he suggested, adding, "Either they cannot find the next home to move up/down to, or they purchased between 2005 and 2007 and may still be underwater." Sellers who were foreclosed or completed a short sale during the Great Recession are becoming eligible to purchase a home again, Moorhead noted. "This will bring an altogether new segment of buyers who are more savvy and cautious" so they won't repeat past mistakes.

Moorhead also credits new loan programs, revised loan programs, and a general easing of guidelines for buyers with making home buying more attainable. "The only holdback is inventory or credit scores," he suggested.

Northwest MLS director Frank Wilson echoed that notion. "It's almost the perfect storm: low interest rates, low inventory, pent up demand, and a pipeline of sidelines buyers who could not buy because of a past short sale or foreclosure." Their two year to three year waiting period is up and they are looking again, he reported.

Wilson, branch managing broker at John L. Scott in Poulsbo, said the spring market is not waiting for the tulips this year - "spring has already sprung. We are seeing an increase in traffic at our open houses with more buyers out looking at our limited inventory."

Wilson also said brokers in Kitsap County are starting to hear murmurs of the second home market. "We have buyers looking for second homes along Hood Canal, and we fit the parameters of many Puget Sounders not wanting to drive more than three hours to reach their getaway house."

In Snohomish County, where closed sales jumped 11.5 percent from a year ago and prices surged more than 17 percent, broker Diedre Haines reported, "We have buyers in all price ranges out looking and anxious to buy." She credits low interest rates, strong employment and economic conditions and "reasonable as opposed to exorbitant" appreciation with spurring activity.

Despite all the favorable indicators, pending sales in Snohomish County rose only 3.5 percent compared to a year ago, noted Haines, principal managing broker in South Snohomish County at Coldwell Banker Bain. "Why?" she asked rhetorically. "Simple answer: We need more inventory."

"The Seattle housing market is going gangbusters, but we're still starving for inventory," said OB Jacobi, president of Windermere Real Estate. "If open house traffic is any indication, there are LOTS of buyers out there looking for homes, so my message to would-be sellers is: If you're on the fence, it's time to jump off. The market conditions are so much in your favor right now."

Haines agreed. "Potential sellers should talk to their real estate broker and find out if now is the right time for them to sell," she suggested.

Northwest Multiple Listing Service, owned by its member real estate firms, is the largest full-service MLS in the Northwest. Its membership includes more than 21,000 real estate brokers. The organization, based in Kirkland, Wash., currently serves 23 counties in Washington state.

Next page: summary statistics

Statistical Summary by Counties: Market Activity Summary – January 2015**

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	2,518	3,536	2,788	1,688	\$487,745	\$390,000	2.09	2.46
Snohomish	1,083	1,918	1,237	686	\$341,735	\$315,000	2.80	3.50
Pierce	1,210	2,903	1,363	756	\$246,027	\$217,250	3.84	4.33
Kitsap	334	843	403	225	\$252,146	\$225,000	3.75	5.20
Mason	93	443	97	55	\$166,870	\$150,000	8.05	9.55
Skagit	171	494	179	104	\$257,970	\$233,250	4.75	8.28
Grays Harbor	118	576	92	57	\$96,469	\$79,000	10.11	10.51
Lewis	89	521	90	60	\$163,545	\$153,450	8.68	12.10
Cowlitz	113	399	115	76	\$183,134	\$163,125	5.25	6.32
Grant	79	413	67	41	\$173,468	\$160,001	10.07	9.67
Thurston	375	1,028	379	227	\$255,542	\$236,900	4.53	4.55
San Juan	16	258	22	15	\$462,148	\$326,700	17.20	13.55
Island	121	444	153	88	\$293,249	\$238,750	5.05	6.37
Kittitas	58	364	65	31	\$269,864	\$225,000	11.74	8.66
Jefferson	41	295	52	34	\$224,071	\$202,500	8.68	11.30
Okanogan	28	349	26	31	\$152,670	\$135,000	11.26	17.89
Whatcom	269	960	275	165	\$273,051	\$254,000	5.82	7.45
Clark	48	129	59	30	\$314,133	\$220,450	4.30	5.90
Pacific	40	307	38	19	\$99,963	\$88,500	16.16	18.22
Ferry	2	66	2	2	\$78,950	\$78,950	33.00	17.67
Clallam	52	304	42	29	\$248,990	\$227,000	10.48	7.14
Chelan	68	237	49	17	\$302,321	\$245,000	13.94	11.17
Douglas	26	83	28	17	\$219,232	\$220,000	4.88	6.75
Others	37	212	37	14	\$149,558	\$104,900	15.14	9.86
MLS TOTAL	6,989	17,082	7,658	4,467	\$349,001	\$279,000	3.82	4.46

**Please note: 1) Starting this month, statistics for Chelan and Douglas counties appear on separate lines, instead of being part of the "Others" data. 2) Months of inventory are calculated using active listings/closed sales.

(continued)

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

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

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

NWMLS 2014 ANNUAL REPORT

Despite tight inventory, Northwest MLS brokers complete more than 77,000 sales valued at nearly \$28 billion during 2014

Members of Northwest Multiple Listing Service reported 77,276 closed sales during 2014 to outgain the prior year's volume by 1,759 transactions for a 2.3 percent increase.

Measured by dollars, last year's sales of single family homes and condominiums were valued at nearly \$28 billion. Compared to 2013, that dollar volume represents a 9.4 percent gain.

The sales activity reflects the work of more than 22,000 brokers across 21 counties in the member-owned Northwest MLS.

Last year's completed sales included 66,716 single family homes (about 86 percent of the total) and 10,560 condominiums. The total units and dollar volume are the best since 2007 when members registered 82,197 sales valued at \$32.3 billion.

The area-wide median price for last year's sales of single family homes and condominiums was \$285,000, improving on the previous year's figure of \$270,000 (up nearly 5.6 percent). A comparison by county shows median sales prices ranged from \$119,900 in Pacific County to \$399,750 in King County.

Prices for single family homes (excluding condominiums) rose about 5 percent from 2013, increasing from \$281,000 to \$295,000. Condo prices jumped 11.4 percent, rising from the 2013 figure of \$202,000 to last year's median selling price of \$225,000.

Home buyers who shopped during 2014 often had lots of company – and competition. Brokers notched more than 102,000 pending sales (mutually accepted offers) during 2014, while adding 107,722 new listings to inventory. Brokers said depleted inventory led to bidding wars for homes in the most desirable areas, and led to disappointment for indecisive or unprepared bidders.

During 2014, the average area-wide supply, as measured by months of inventory, fell below 3.5 months. King County had the lowest level, averaging only 1.9 months of supply. Industry insiders tend to use a 4-to-6 month range as an indicator of a balanced market, favoring neither buyers nor sellers.

Further evidence of a housing recovery is reflected in high-end sales. Northwest MLS members reported 2,069 sales of single family homes priced at \$1 million or more, up nearly 28 percent from the 2013 total of 1,621 “luxury” sales. Condos priced at \$1 million and up accounted for another 152 sales. A total of 878 condos commanded sales prices of \$500,000 or more, up 20 percent from the figure for 2013.

The highest-priced single family home that sold during 2014 by a member of Northwest MLS was a property in Medina that commanded \$11.3 million. Topping the chart of high-priced condominiums was one in a downtown Seattle high-rise that sold for \$6.1 million.

2015 SEATTLE KING COUNTY REALTORS® NEW PRESIDENT INSTALLATION

Without REALTOR® Vigilance, Where Would We Be?

“You help fulfill a fundamental need of every American family – that of shelter,” Tyler McKenzie told his colleagues during remarks following his installation as 2015 president of SEATTLE King County REALTORS®.

During a sold-out banquet that also recognized members' special achievements during 2014, McKenzie, a managing broker at John L. Scott Real Estate in Seattle, stated, “It is with perspective that I accept with the deepest appreciation and honor this opportunity to be of service to you.”

As he reflected on his path to the presidency, McKenzie credited several individuals who influenced his involvement in SKCR, starting with Karen Lavallee, a past president.

“I invited Karen Lavallee to install me this year, because of her mentorship,” McKenzie told the audience, adding, “Without her inspiration and guidance, I wouldn't be standing here tonight.”

He recounted a time years ago when he was in her office “waving my annual Realtor dues bill, asking why I needed to be a member.” After smiling knowingly, she invited him to sit, and then proceeded to share her experience as SKCR's 1991 president.

“She explained that giving back to our profession and association served only to better her knowledge and skills.” Furthermore, he recalled, “she said her business had never thrived so much as it did when she served as a volunteer,” and suggested calling the association to ask about volunteering. “I did -- and I haven't looked back,” he reported.

McKenzie also singled out Steve Brown, 2014 president of the National Association of Realtors. He credited Brown with shaping his understanding and appreciation of the roles Realtors play. During what McKenzie described was a spirited dinner conversation, he asked Brown to discuss the experience he enjoyed most as president.

Without hesitation, Brown said being reminded of how important the work we do really is, and how much that work truly is in the national interest.

After much thought, McKenzie said he came to a clear understanding of what Brown meant. In McKenzie's words:

- Whether you write a purchase and sale agreement, list a property for sale, or originate a loan you help fulfill a fundamental need of every American family – that of shelter. Each of those acts supports that need and underscores the fundamental right to own property.
- REALTORS®, and our partners in the housing industry, promote this right every day. Our communities are built upon home ownership. Without our vigilance, where would we be?
- Ask yourselves the bigger question: “How important is an individual’s right to property ownership”? To me, the answer is very simple. That right lays the foundation for a functioning, civil society. It can only exist where the rule of law exists.
- Absent the rule of law, there are no guarantees that property rights may remain intact. Your right to own property correlates directly to someone else’s -- an individual, legal entity or government agency’s -- right or ability to take it away.

McKenzie then cited a number of challenges Realtors will face during 2015 at the local, state and national levels. Among two he noted were:

- 1) Several of King County’s 39 municipalities are considering raising B&O taxes and other legislation that could be detrimental to members and small business owners.
- 2) Various proposals Seattle’s City Council is considering, including one that would impose a low income housing linkage fee for new development, another that would require point of sale energy audits, and the challenge of creating more housing options in an urban environment.

McKenzie also commented on Seattle’s forthcoming change affecting elections. Starting this year, city council members will be elected by districts. Other items that concern him are the middle class being “priced out of our city,” and, at the state level, “the perennial conversation about a sales tax on our services.”

“Realtors have an opportunity to engage candidates at a grassroots level and effect real policy change,” McKenzie reminded his fellow members. “What we do is really important,” he emphasized. “Without us there is no trade organization protecting property rights. There is no association protecting our ability to earn a worthy living. There is no association to ensure how we earn that living is also ethical and based on common, core principles of business practice. We are the gatekeepers.”

SKCR’s new president believes with every buyer put in a home, a thread is woven into the fabric of our communities. “Our job is to ensure these threads do not unravel,” he emphasized.

Millennials Want Smaller, Smarter Houses



National Association of Home Builders

Younger, first-time buyers are expected to enter the housing market, but they'll want smaller, more affordable and smarter homes, predicted a building official during the International Builders' Show held in January in Las Vegas.

Laundry rooms will be essential and home technology will become increasingly prevalent, according to speakers.

Rose Quint, assistant vice president of research at the National Association of Home Builders, unveiled the results of two surveys and cited encouraging economic data during a panel discussion and press conference on buyer and building trends.

Job growth and favorable financing bode well for builders, Quint said. She noted 3 million new jobs were created in 2014, the most since 1999. She believes that fact, combined with reduced downpayment requirements for first-time buyers and only moderate increases in home prices will spur activity.

"All these events lead me to believe that more people will come into the market, and as younger, first-time buyers, they will demand smaller, more affordable homes," Quint said. "Builders will build whatever demand calls out for."

One survey polled builders on what features they are most likely to include in a typical new home this year. The second survey asked millennials what features would most likely affect their home buying decisions.

Of the Top 10 features mentioned by home builders, four pertained to energy efficiency: Low-E windows, Energy Star-rated appliances and windows, and programmable thermostats. Topping the list were a master bedroom walk-in closet and a separate laundry room.

Less appealing were high-end outdoor kitchens with plumbing and appliances and two-story foyers and family rooms. "Consumers don't like them anymore, so builders aren't going to build them," Quint said.

When researchers asked millennials to prioritize features on their shopping list, a separate laundry room topped the ranking. Fifty-five percent of respondents said they would not buy a new home that didn't have one.

Storage is also popular among this cohort, with linen closets, a walk-in pantry and garage storage making the Top 10. Energy Star certifications joined the list, with respondents indicating they would be willing to pay a small premium (2-to-3 percent more) for energy efficiency that would yield lower power bills.

Asked what they would sacrifice if a first home seemed unaffordable, respondents mentioned finished space and a willingness to drive a little farther to work, shops and schools. They are unwilling to compromise with less expensive materials.

By a wide margin, this group prefers single family homes. Seventy-five percent want a single family dwelling, and 66 percent of them prefer to live in the suburbs. Only 10 percent expressed a desire to stay in the central city. Compared to older generations, millennials are most likely to want to live downtown, but Quint emphasized it is still a small minority.

Panelist Jill Waage, editorial director for home content at *Better Homes and Gardens*, discussed millennials' twin desires for outdoor living and a seamless use of technology, and how both trends influence home buying and home renovation decisions.

Noting millennials tend to have less ready cash and less free time compared to older home owners, Waage said they seek less expensive, low-maintenance choices like a brightly painted front door, strings of garden lights and landscaping that needs less watering and mowing.

This age group is also very comfortable with the smart phones and tablets, Waage remarked. Increasingly, they're seeking ways to use their phones to control their heating, air-conditioning, security and lighting, along with electronics like televisions and sound systems. "They want to use their brains for other things, not for remembering whether they adjusted the heat or closed the garage door," she explained.

Builders' latest show declared best since economic downturn

An estimated 125,000 housing industry professionals descended on Las Vegas in January for a mega-event that combined Design & Construction Week™ with the National Association of Home Builders' International Builders' Show (IBS), the Kitchen and Bath Industry Show, the International Window Coverings Expo, The International Surface Event and the Las Vegas Market.

The event drew more than 3,700 exhibitors spread across 4.7 million square feet of exhibit space. The one-stop extravaganza featured everything from millwork and marketing services to vendors who showcased the latest in kitchen and bath designs.

Show officials said participants were eager to learn about technologies that didn't exist five years ago, such as smart phone-controlled home automation systems that had only been available for high priced, high-end custom homes.

More than 100 education sessions were offered, along with demonstrations, tech forums and celebrity appearances. The show also marked the 32nd edition of the New American Home, NAHB's show home. This year's design demonstrated how the most cutting-edge building technology, products and materials can be integrated into a production community.

This year's show home concept created by Blue Heron, the design build team, is intended to be sold and built with various structural and finish options. Show literature described it as "a collection of ideas for the industry to take away— in large pieces, or bit-by bit—and put into millions of homes at any price point across the country."

The shows return to Vegas next year.

BROKERAGE DESIGN

Are You Prepared to Launch Your Flight to Quality

By Jeremy Conaway

It is at best a bizarre situation. As this article is being prepared the American residential real estate industry is but 213 days from an event that many experts believe may be the industry's seminal moment for the decade. The centerpiece and stimulus for all of this activity is the Consumer Financial Protection Bureau (CFPB). The 1,888-page RESPA-TILA (Truth in Lending Act) Integrated Mortgage Disclosures Rule issued in 2014 by the Consumer Financial Protection Bureau will probably not end the residential real estate business as we know it, but it will certainly change the way it currently operates.



When the RESPA-TILA rule takes effect (currently slated to take effect in August of 2015) it will integrate information currently provided to consumers in four separate documents to satisfy the Real Estate Settlement Procedures Act (RESPA) and the Truth in Lending Act (TILA), boiling it down to two documents: a loan estimate and closing disclosure.

As most of our readers already know, the Dodd Frank Wall Street Reform and Consumer Protection Act created the CFPB during the 2010 congressional session. The agency began operations in 2011. It hit the ground running with a campaign directed at debugging the national student loan act.

Its noteworthy and unfettered staff includes an unusual number of young “go getters,” many fresh out of college, without the “industry” baggage that has crippled so many prior efforts to “make a regulatory difference.” During those first few years it managed to find the time to draft, approve and implement thousands of pages of new procedures, rules and regulatory edicts. Even when assaulted by constant political attacks regarding the Bureau’s purpose and methodologies, it quickly became an effective regulator and attacked some of the country’s most outrageous consumer traps. The agency next went after the credit card, automobile loan and mortgage industries. One of its current targets is the residential real estate industry.

The Bureau has collected tens of thousands of consumer complaints relative to the above subjects, including real estate related transactions. From its very beginning it has taken the time and effort to form a very solid relationship with the American consumer. Pursuant to its charter, consumer education and assisting the recovery of consumers who have been harmed by predatory practices have been at the top of its “to do” list. With respect to its efforts aimed at the residential real estate experience it currently offers a 90-page document comprised of such complaints and experiences.

When the Bureau’s RESPA-TILA rule takes effect in August, it will integrate information currently provided to consumers in four separate documents (including the famous HUD #1 accounting document) to satisfy the Real Estate Settlement Procedures Act (RESPA) and the Truth in Lending Act (TILA), into two documents: a loan estimate and closing disclosure. While this is easy to say it is, in fact “a giant step forward” for real estate industry regulation.

By and large organized real estate (ORE) has ignored the bureau’s current intuitive approach, apparently relying on Dodd Frank provisions that suggest nothing in the act can impact state licensees working within the scope of their license. The Bureau’s regulatory activities over the past year would seem to cast doubt over ORE’s position.

First of all, the act transferred RESPA jurisdiction from HUD to the Bureau. There are few brokerages in the country that could escape even the most cursory RESPA audit without fault. Secondly the simple fact is that it is quite common for licensees to wander outside of the provisions of state licensure statutes. Only the almost complete lack of state level non-complaint driven enforcement has allowed this situation to go unnoticed.

Those who doubt the potential impact of the current RESPA - TILA initiative on state licensees would do well to examine how other real estate related industries have responded to the upcoming event.

- The American Land Title Industry has invested significant time and energy into creating a document entitled *Title Insurance and Settlement Company Best Practices*. Through these new guidelines it has addressed licensing, escrow accounts, privacy and security, settlement procedures, insurance coverage issues, and a new consumer complaint process.
 - The Signing Professionals Workgroup representing notaries has also established a new set of standards that address significant issues raised by the Bureau.
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- The Appraisal Institute has adopted a new uniform standard of Professional Appraisal Practice that addresses requirements for the development and reporting of a real estate appraisal.
- The Escrow Institute of California has adopted EIC Model Policies and Procedures that address similar matters within the scope of its member's real estate transaction related responsibilities.
- The Mortgage Bankers Association has adopted new standards in the form of a uniform closing dataset requirement intended to work in tandem with the CFPB's Closing Disclosure program.

Prudent brokers ought to consider the following actions:

- Learn about the new integrated disclosures. Even if the broker believes that neither the brokerage nor its agents have liability, the fact remains that effective August 15th their clients are going to be subjected to a closing experience that neither the broker nor the agent can explain. Many consumers are going to find that such convenient ignorance may not be consistent with the consumer value proposition they are expecting.
- Within the new concept there is a requirement that the consumer must receive full disclosure documents a number of days before the scheduled closing. If, during this period there is a substantial change in the number (and when isn't there) the closing must be cancelled and rescheduled. One might think this provision may require some brokerage or agent involvement.
- Brokers should discuss the upcoming events with the mortgage, title and escrow companies with which they commonly work. How do these players anticipate collaborating with the real estate services side (perhaps they don't)?
- Get prepared for what the Bureau refers to as a *"flight to quality" through standards*. Your success with a Bureau audit might depend on how well you can demonstrate efforts made to install standards and best practices within your firm.

It is nonsensical on its face for brokers to assume that August 15th will not be a seminal event with respect to their operations and consumer relationships. Get prepared—there will be no invitation!

REALTOR® Instructor Adds "Hawkitecture" to Portfolio



After the Seahawks beat Green Bay for the NFC championship and a berth in the Super Bowl, an avid fan decided to do a little remodeling by treating his two rescue cats to a Seahawks-themed catio. The wood-framed "outdoor room" was custom-designed, built and installed by Cynthia Chomos, who teaches feng shui and other clock-hour classes to real estate professionals around the state.

Last year, as an extension of her teaching and consulting business, Chomos launched CatioSpaces, a startup that builds safe, outdoor enclosures for cats. Her latest creation, measuring 7'x6'x7' was installed at the Kenmore home of a lifelong fan who was celebrating his first trip to a Super Bowl.

Chomos said both Lord Purrcival, the owner's "game day lap cat" and Lady Penelope were smitten by their new home and the opportunities it provides for exercising and exploring.

The colors of Seattle's NFL team are evident throughout the catio's "Hawkitecture," from floor to ceiling. Chomos decorated the interior with various "Spirit of 12" merchandise, including flags, a Seahawks football and game chair, a football field rug and an NFL figurine of Marshawn Lynch, the cat owner's favorite player. An ample supply of "power pellet" Skittles® and a football cat toy add to the enjoyment.

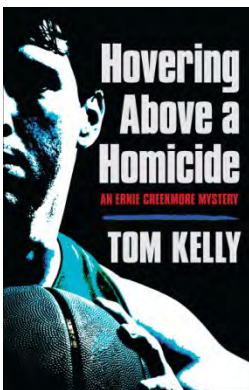
Many of the materials for the Seahawk-themed catio were donated by Ballard area businesses to support the upcoming catio tour. Chomos donated her design/build services and the décor, Limback Lumber in Ballard donated wood and in-kind materials for lead carpenter Jack Poston, Stoneway Hardware in Ballard contributed the wire mesh and Home Depot provided the roofing materials and outdoor carpet.

The "Hawkitecture" catio will be part of a showcase of 10 different styles of cat enclosures that will be featured in Seattle's inaugural [Catio Tour](#), scheduled for Saturday, May 16. The event is sponsored by Catio Spaces, PAWS and the Humane Society of the United States.

Along with her feng shui and teaching credentials, Chomos is a general contractor and member of the Master Builders Association of King and Snohomish Counties. She said she founded Catio Spaces to address the need for safe and aesthetically pleasing outdoor enclosures to enhance a cat's life. She says her greatest joy is witnessing her 4-legged clients enjoy the stimulation of the outdoors while knowing the cat will always be safe.



Real estate writer, radio show pens new novel featuring real estate agent



Tom Kelly, a well-known real estate writer and host of the syndicated radio show, "Real Estate Today," recently published the second book in his Ernie Creekmore series.

This latest work of fiction, *Hovering Above a Homicide*, features the adventures of a legendary high school basketball coach turned real estate agent and amateur sleuth. In "Hovering," the protagonist tries to solve the murder of a "helicopter" parent whose body is discovered in a vacant home for sale.

The first book, *Cold Crossover*, introduced Ernie Creekmore who gets word that his former star player has gone missing from a late-night ferry boat.

Both books are available in print at bookstores and online, and in ebook form. Signed copies may be obtained via tomkelly.com.

Before launching into fiction, Kelly spent 20 years with *The Seattle Times* where he was a sportswriter, then later served as a real estate reporter, columnist and editor. The Bainbridge Island resident has also authored and co-authored books on various real estate topics.

News In Brief

- **One major company in the downtown Seattle commercial area is being fueled by Amazon.com. Its employee capacity will hit 71,500 by 2019** and is planning to make available 10 million square feet of office space within that 5 year period.
- **The West Coast port slowdown has agricultural workers in Washington worry that they will see the backlash for years to come.** Cargo is struggling to get through the nation's largest ports, which handle billions of dollars of goods on an average day. One issue has been the discord between dockworkers at 29 ports from San Diego to Seattle and their employers. Their contract expired in July, and negotiations over a new one turned tough this fall after employers accused dockworkers of slowing down to gain bargaining leverage, according to *The Seattle Times*.
- Zillow reports that in the Seattle metro area, approximately 106,900 – or 16 percent – of mortgages are underwater. According to Zillow, this is an improvement over this same time last year, when the local underwater equity rate was 21.9 percent. At its peak in the first quarter of 2012, 39.6 percent of local mortgages were underwater. **This year Zillow predicts things will improve even more, as it sees the local negative equity rate will drop to 13.3 percent in 2015, beating next year's predicted national average of 15.2 percent.**
- **The Federal Housing Administration is reducing its annual mortgage insurance premiums by 0.5 percentage points in a move to expand responsible lending to creditworthy borrowers.** FHA's mortgage insurance premiums will be reduced from 1.35 percent to 0.85 percent. The reduction in premiums on mortgages could save an average borrower \$1,000 a year on a \$200,000 loan. Current mortgage holders will need to refinance to obtain the lower premium.
- **According to Forbes.com in its "America's Fastest-Growing Cities 2015," Seattle ranked number five among the 100 most populated metro areas in the U.S.** and ranking them on six metrics, including estimated population increases, job growth, economic growth, and the median annual pay for college-educated workers. Seattle has a projected 2015 population growth rate of 1.3%, job growth rate at 3.56% and unemployment at 4.7%.
- **Tom Kelly in mynorthwest.com reports that a seller may be able to boost the value of a home by an additional 12 percent with just a few smart pre-listing repairs,** according to a new survey of 300 residential real estate professionals by the Consumer Reports National Research Center.

"You don't have to spend a ton of money to increase the value of your home," said Dan DiClerico, senior editor for *Consumer Reports*. "Some simple, inexpensive fixes throughout the house can make it more appealing to potential buyers."

Here are some of the fixes that the Consumer Reports survey of real estate professionals uncovered as being the most important:

1. **Declutter** - Cost range: \$0 (do-it-yourself) to \$2,500 (professional). Potential return: 3-5 percent. Clear away any clutter and "depersonalize" the space as much as possible.
2. **Makeover the kitchen** - Cost range: \$300 to \$5,000. Potential return: 3-7 percent. The kitchen was rated as the most important room to have in top shape before selling, according to the survey. Real estate professionals recommend focusing on minor repairs that center on the function of the kitchen first, such as repairing leaky faucets, loose light fixtures, or blemishes on

the countertop. Then, they recommend small enhancements, such as painting the walls, updating the cabinet hardware, adding new curtains, or light fixtures.

3. **Freshen up the bathroom** - Cost range: \$300 to \$1,000. Potential return: 2-3 percent. Make simple improvements, such as caulking the tub or re-grouting the floor or adding new bathroom fixtures to brighten up the space. Updating the mirror and lighting also can have a big impact, the real estate professionals surveyed said.
4. **Paint** - Cost range: \$100 (do-it-yourself) to \$1,000 (pro). Potential return: 1-3 percent. Sixteen percent of the real estate professionals surveyed said that interior painting is an important part in bringing about a sale of a home. But the seller likely doesn't need the entire house repainted, but maybe just a redo of one or two rooms to curb costs. The two prime candidates for being repainted: Kitchens and bathrooms. Paint in whites and off-whites and a neutral palette - such as grays and beiges-help buyers focus on the home's features more than be distracted by bright colors, agents noted.
5. **Exterior touch ups** - Cost range: \$150 to \$7,500. Potential return: 2-5 percent. Agents recommend that their clients concentrate on basic maintenance first, such as to mowing the lawn, trimming overgrown shrubs, and applying a fresh layer of mulch to the garden beds. They also recommend making any minor repairs, such as replacing cracked siding boards or repointing brick walls. The real estate professionals also recommended taking careful note of any repairs needed with the roof: 31 percent of agents surveyed said the roof is one of the most important parts of the home to have in good shape.

Calendar of Events - Through March 11, 2015

Dates	Event	Time	Location	Contact
SEATTLE-King County REALTORS®				
2/16/15	Holiday - Office Closed			
2/17/15	Affiliate Council	9 a.m.-10 a.m.	SKCR	425-974-1011
3/4/15	Affiliate Forum	8 a.m.-12 p.m.	SKCR	425-974-1011
3/4-6/15/15	NAR Region 12		Coeur d'Alene	
3/11/15	Board of Directors	10:30am - 1:30 pm	SKCR	425-974-1011
For updates visit: www.nwrealtor.com and click "events"				