Survey Reveals More Americans Seek Smaller Homes in the Suburbs

McMansions are rapidly becoming the housing equivalent of “harvest gold” or “avocado green” appliances as more Americans are opting for smaller residential footprints, according to a new Relocation.com consumer lifestyle survey.

Nearly half the respondents of the survey said their ideal home size would range from 1,000-1,999 square feet. Nearly three of every ten buyers (29 percent) prefer homes that are 2,000 to 2,999 square feet. Only 2 percent reported a home would have to be larger than 5,000 square feet to match their ideal residence.

Five years ago, the average home’s size was 2,400 square feet -- about 400 square feet larger than what is desired today -- according to the National Association of Homebuilders (NAHB).

Relocation.com conducted the survey to gauge lifestyle factors that drive moving and relocation decisions in the U.S.

Its latest research found many Americans are still attracted to a suburban lifestyle. Fifty-four percent indicated a preference for living in a suburban neighborhood. About one-quarter of those polled (24 percent) said they prefer an urban setting, while 22 percent desired a rural neighborhood.

When asked about commuting, 27 percent of the respondents indicated they wanted to live less than 10 miles from their work place, while another 45 percent reported that they wanted to live within 11 to 30 miles of their workplace. Only 10 percent said they would like to live more than 30 miles away from where they worked, while 18 percent said that it did not matter, since they worked from their home and had no commute to worry about.

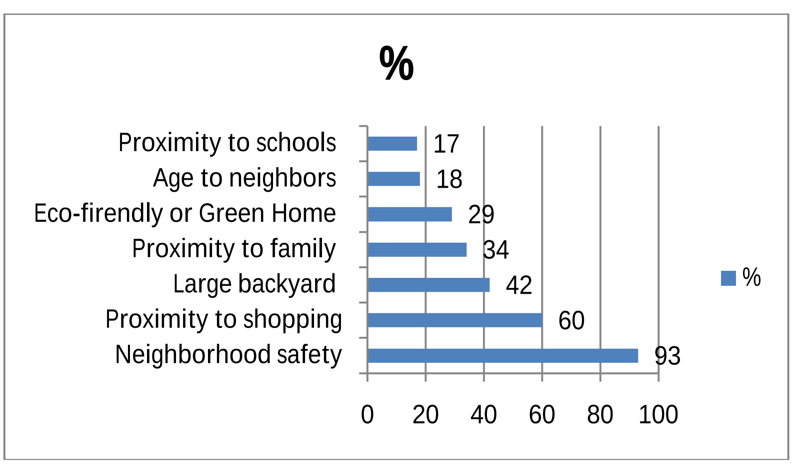
Survey sponsors said a surprising finding was that the cost of a residence is not the main deciding factor when purchasing a home: only 29 percent of respondents stated living costs were the most important reason when considering a move. Sixty-one percent said it was somewhat important; 10 percent said it was not important.

"We're definitely seeing more Americans downsizing due to the current state of the economy," said Relocation.com chairman and founder Sharon Asher. "But as more homeowners rethink how much space they need, I think we'll continue to see more innovative approaches to living well and sustainably within a smaller footprint."

Researchers also asked participants to compare household amenities or features, and to rank factors they deemed to be most important in determining a neighborhood’s safety.

Survey respondents were also asked to rate the importance of various factors in their moving decisions. By a wide margin, “neighborhood safety” outranked all other factors:

Top 2* Importance Rating % Comparisons



Ratings of 4 or 5 on a 5 point Importance Scale

More than half the sample (55 percent) rated the safety of the neighborhood as Very Important (a 5 on a 5-point scale). When asked to evaluate various safety factors, upkeep and reputation scored highest:

Most important factors in determining a neighborhood's safety

Safety Factor	% of Sample	Rank
Upkeep of homes and front lawns	75%	1
Word of mouth reputation	74%	2
Local crime reports and statistics	67%	3
An Active Neighborhood Watch program	38%	4
Newspaper and TV reports of crime	35%	5
Speed limit on streets	31%	6
Proximity to local police and fire stations	25%	7
Gated community with security patrols	24%	8

The Relocation.com survey, conducted in mid-October 2010, polled 1,500 home owners and buyers.

Relocation.com is the largest online marketplace connecting consumers who are moving locally, nationally or internationally with professionals that can best service their needs. The New York-based company, founded in 2000, offers comprehensive information, tools and resources to help consumers compare, connect and learn about products and services from hundreds of relevant providers.

Economic Outlook Brightens According to Fannie Economists

Improvements in consumer spending and consumer confidence, increased demand for goods and services, and falling unemployment claims are all positive factors for a brighter 2011 as the new year gets under way, according to the December 2010 Economic Outlook by Fannie Mae's (FNMA/OTC) Economics & Mortgage Market Analysis Group. Those increases should bode well for home sales, analysts suggest.

Downside risks still exist, however, including a weaker than expected employment report, the ongoing economic turmoil in Europe, and potential inflation problems in China.

For 2011, forecasted growth was upgraded from 2.9 percent to 3.4 percent based on the positives in the recent reports. The forecast anticipates improving labor market conditions, despite the huge disappointment from the November employment report. The housing recovery should gain momentum going into 2011 if the expected stronger labor market materializes.

"Despite rising mortgage rates, our forecast for home sales is stronger than the previous forecast, given our brighter economic growth and labor market outlook," said Fannie Mae Chief Economist Doug Duncan. "We expect modest increases in home sales, despite recent interest rate rises, due in part to modest additional declines in home prices, and we expect people to take advantage of affordability as their employment and income outlook brightens."

An audio synopsis of the December 2010 Economic Outlook, along with several downloadable forecasts and commentaries are available at www.fanniemae.com.

Western Washington home sales nearly equals year-ago levels during December

NWMLS, Kirkland, WA January 5, 2011 – December's volume of pending sales around Western Washington nearly matched the total for the same month a year ago, which was the best December since 2006.

Sellers accepted offers from 4,359 buyers last month, only 40 fewer than a year ago when members of Northwest Multiple Listing Service reported 4,399 pending sales of single family homes and condominiums. In 2008, members notched 3,255 pending sales, down from 2007's total of 3,950 pendings and the 2006 figure of 5,744 mutually accepted offers.

Eight counties had year-over-year increases in pending sales for December, with two others equaling the year-ago totals.

"If you were in any mall in Washington state in December, you got the feeling that the economy is headed in the right direction," said OB Jacobi, president of Windermere Real Estate Company and a member of the board of directors of Northwest Multiple Listing Service. "That increase in consumer confidence is the boost the real estate market needs," he suggested.

Closed sales, another barometer of activity, improved on November's volume, but dipped about 6 percent when compared to figures from twelve months ago. MLS members reported 4,430 closings across its 21-county service area during December. A year ago, brokers logged 4,711 completed transactions.

For 2010, Northwest MLS members tallied 52,408 closed sales of single family homes and condos (combined), up slightly from the previous year when there were 52,105 completed transactions.

"Despite the expiration of the tax credit, King County saw about 3 percent more home sales in 2010 than in 2009," Jacobi noted.

The area-wide median price for last month's closed sales of homes and condos was $255,000, up slightly from November's figure of $250,000, but down about 3.8 percent from a year ago when the median selling price was $265,000. In King County, where 40 percent of last month's closings occurred, the median sales price was $342,400, about 2.2 percent lower than a year ago when it was $350,000.

Listing activity tapered off last month compared to 12 months ago. Northwest MLS members added 5,460 new listings of single family homes and condominiums during December. That's down 7 percent from a year ago when 5,873 sellers listed their homes with a member-broker.

Last month's additions boosted system-wide inventory to 32,171 at month end. That number nearly equals the selection of a year ago when the NWMLS database encompassed 32,152 active listings, although thirteen counties have fewer properties for sale than at this time a year ago.

Measured by months supply (the time, in months, that it would take to sell existing inventory at the current rate of sales), there is a supply of less than 7.4 months across the NWMLS market area. (A market with a supply of approximately six months is considered balanced, favoring neither buyers nor sellers.)

Nationwide, the National Association of REALTORS® reported a 9.5-month supply. Both King and Snohomish counties have less than a 6-month supply.

"Buyers are taking their time and looking for the 'perfect' house," Jacobi observed. "One of our agents worked with a couple for over a year before a higher-end home they'd been eying for months had a price drop and they jumped on it," he noted, adding, "Whether it's a starter home or a luxury property, to sell in today's market a great home also needs to have a great price."

Lawrence Yun, NAR chief economist, described continuing gains in home sales as encouraging and believes all the indicator trends are pointing to a gradual housing recovery. "In addition to exceptional affordability conditions, steady improvements in the economy are helping bring buyers into the market," he commented. However, he cautioned, further gains are needed to reach normal levels of sales activity, and home price prospects will vary depending largely upon local job market conditions.

NAR president Ron Phipps, broker-president of Phipps Realty in Warwick, R.I., expects good buying opportunities to continue. The third generation real estate professional noted serious buyers have a lot of opportunities during the winter months since "traditionally there are far fewer buyers competing for properties at this time of year." He believes buyers will enjoy favorable affordability conditions into the new year, even though he expects mortgage rates will gradually rise as 2011 progresses.

Northwest Multiple Listing Service, owned by its member brokers, is the largest full-service MLS in the Northwest. Its membership includes more than 24,000 brokers and agents. The organization, based in Kirkland, currently serves 21 counties in Western and Central Washington.

Please note: A comprehensive summary of 2010 activity will be issued on Wed., Jan. 19.

Statistical Summary by Counties: Market Activity Summary- **December 2010**

Single Fam. Homes + Condos	**LISTINGS**		**PENDING SALES**	**CLOSED SALES**		
	New Listings	Total Active	# Pending Sales	# Closings	Avg. Price	Median Price
King	1,896	10,049	1,719	1,776	$422,008	$342,400
Snohomish	923	4,538	787	684	$273,727	$245,700
Pierce	1,035	5,118	760	701	$234,974	$215,450
Kitsap	241	1,500	208	239	$296,056	$235,000
Mason	76	623	44	46	$204,811	$164,650
Skagit	156	1,023	87	96	$285,461	$228,750
Grays Harbor	86	872	54	53	$166,451	$148,000
Lewis	83	679	53	52	$139,692	$125,250
Cowlitz	89	582	56	58	$159,957	$147,500
Grant	58	480	35	47	$162,040	$151,400
Thurston	244	1,446	201	217	$235,596	$229,000
San Juan	23	336	12	14	$586,929	$562,500
Island	107	836	67	87	$244,823	$230,000
Kittitas	31	374	25	43	$256,454	$205,000
Jefferson	49	437	23	19	$253,448	$218,000
Okanogan	19	337	12	22	$205,523	$189,000
Whatcom	170	1,486	121	162	$307,572	$255,000
Clark	37	243	26	28	$194,437	$187,000
Pacific	22	349	14	15	$110,145	$75,000
Ferry	5	57	0	4	$148,061	$152,000
Clallam	27	370	30	42	$215,380	$205,000
Others	83	436	25	25	$226,093	$189,900
MLS TOTAL	**5,460**	**32,171**	**4,359**	**4,430**	**$319,461**	**$255,000**

<u>4-county Puget Sound Region Pending Sales (SFH + Condo combined)</u>

(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

Fannie Mae Announces Energy Improvement Loan Feature

In an effort to provide assistance to more borrowers seeking financing for energy improvements, Fannie Mae has re-evaluated its energy improvement guidelines in light of current market conditions.

On December 1, 2010, Fannie Mae announced an update to its selling guide that provides a new option to fund energy-efficient home upgrades while maintaining Fannie Mae's principles of borrower sustainability. All Fannie Mae loan products are permitted to include the energy improvement feature excluding certain refinance loans.

As a provision of the updated guidelines, eligible borrowers will be allowed to use loan proceeds to finance energy improvements up to 10 percent of the "as completed" appraised value of the property. Loans that include energy improvements are subject to applicable loan-to-value eligibility ratios. Some of the additional requirements include:

1. Borrower must obtain an energy report prepared by a Home Energy Rating Systems (HERS) energy rater. Fannie Mae is providing lenders with loan level pricing adjustment credit of $250 (to be passed on to the borrower) for loans with the energy improvement feature. The $250 credit is intended to provide a borrower incentive that will help to offset the costs associated with the required energy audit report.
2. All mortgage loans with energy improvement features require an appraisal based on an interior and exterior property inspection.

The EI (Energy Improvement) feature can be used with most standard products for transactions that include funding for energy improvements to the financed property.

Additional information can be found on Fannie Mae's website (https://www.e**fanniemae**.com/sf/mortgageproducts/pdf/ei**feature**facts.pdf)

Americans Still Aspire to Homeownership

Extensive research confirms what real estate professionals hear every day: most Americans strongly aspire to own a home and to maintain homeownership.

That finding, from the Fannie Mae 2010 Own-Rent Analysis, was tempered by an increased willingness to rent, which researchers attribute to demographic trends, “life events,” and financial caution among consumers.

The recently released Own-Rent Analysis is based on extensive primary research with homeowners and renters, U.S. Census Bureau data, and micro- and macro-economic parameters.

According to study findings, 51 percent of those surveyed reported the housing crisis had little or no impact on their intentions to buy or rent, versus 27 percent who said they are more likely to buy and 19 percent who said they are more likely to rent.

The substantial majority of homeowners (89 percent), as well as nearly half of renters (44 percent) believe they would be better off owning their homes, given their current financial situations.

However, the researchers noted, while homeownership aspirations are high for the long term, Americans have near-term doubts about buying.

One-third of Americans (33 percent) would be more likely to rent their next home than buy, according to Fannie Mae’s National Housing Survey third quarter results. That figure is up from January 2010 when 30 percent expressed a likelihood to rent their next home.

Among renters, 59 percent said they would continue to rent in their next move, compared to 54 percent in January 2010.

Among other key findings in the latest survey:

- Lifestyle considerations are more likely to influence consumers' decision to buy a home, while the decision to rent is driven primarily by financial considerations.
- More than half (57 percent) of renters believe financial benefits are the best reason for renting a home. Based solely on current household finances, 52 percent believe they are better off renting, compared to 24 percent among the population at large.
- Per Fannie Mae calculations, 64 percent of renters who do not plan to own and half (50 percent) of those who do plan to own probably do not have sufficient income to qualify for the mortgage on a median-priced home.
- Single (unmarried) respondents are least likely to own and report the lowest level of satisfaction with their housing choices. After controlling for age, income, wealth and a number of other factors, regression analysis indicates that married/partnered couples are 2.5 times more likely to own than other respondents.
- Americans 50 and older are more likely to believe they are better off owning than renting than any other age group, and are increasingly able to realize homeownership aspirations as they age. A person age 65-74 is 3.5 times more likely to own than a person under 25.
- The housing crisis has had the greatest impact on younger Americans. Since the housing crisis, homeownership for those 25 to 29 years has declined 11 percent since peak rates, compared with a decline of 5 percent among those 35 to 44 and less for those 45 and older.
- Married couples, statistically most likely to own a home, represent a shrinking portion of the population — 50 percent of households in 2009, compared with 56 percent in 1990.
- The percentage of families with children is declining overall, and reached an all-time low of 45 percent in 2009.
- Homeownership rates increase with age, and the U.S. population is experiencing an aging trend fueled by the baby boomers. Thirty-eight percent of households were headed by someone 55 or older in 2009, versus 35 percent in 1990.

The Fannie Mae survey is an ongoing imitative that examines Americans' attitudes about housing on a monthly basis. The most recent installment of this survey, released in November, showed that aspirations toward homeownership remain strong — well in excess of current homeownership rates — but decisions to buy are tempered by current consumers' cautious attitudes toward home buying in the current financial environment and a more conservative housing finance environment.

"Despite Americans' strong desire to own their homes, our study reveals that life events are greatly influencing families' decision to rent. This trend, coupled with the housing crisis, has caused consumers to approach homeownership with greater caution and thoughtfulness," said Doug Duncan, Fannie Mae Vice President and Chief Economist.

Because shifting U.S. demographic and lifestyle trends correlate to consumers' housing decisions, research findings may have long-term implications for the housing market. As an example, Fannie Mae notes married couples historically have been more likely to own than other households, but traditional married couples are a shrinking portion of the population. Additionally, having children has increased the propensity to own a home, although many families with children (particularly single mothers) currently rent because of financial constraints, and the percentage of households with children is declining overall.

Ken Bacon, executive vice president of Fannie Mae's Multifamily Mortgage Business, said the analysis alights with what is occurring in the market. "More Americans are viewing rental housing as an attractive and sustainable housing option, he noted, adding, "As a result, we remain focused on helping America's working families – many of whom have incomes at or below the median in their communities – live in quality, sustainable, affordable rental housing."

The new study was based on telephone survey interviews with 2,041 members of the United State general population, plus 1,566 additional respondents from geographic areas of interest. The analysis identified four key themes of the "owning versus renting" decision-making process, with results published in a series of themed reports, which may be viewed and downloaded at www.fanniemae.com.

Brokerage Design

Celebrating the Great Real Estate Professionals

By Jeremy Conaway

In *Groundswell*, her 2008 best selling book about social media, Charlene Li taught us that being a critic was one of the favorite activities connected with our contemporary society. She pointed out that, at any given time, only about 18% of individuals interacting through social media channels were engaged in creative and innovative thought while a whopping 25% were focused on being critical.

So it has come to pass in our public dialogue about real estate agents. Whether in attempts at constructive criticism, self-marketing or just plain meanness, it seems as though the majority of what is being written about real estate agents these days is negative and critical.

I recently had an opportunity to witness the gold medal level performance of a world class real estate professional named Judy as she charged and fought her way through an inspiring four-month campaign to market and close on a residential property in our community. This experience, and the amazing competency she demonstrated, serves to remind all of us of two important concepts: 1) the realities of the current marketplace are more than just metrics, statistics and comparisons about how real estate markets used to be, and 2) success in today's complex market requires an exceptional professional with complete skills, tenacity and a courageous heart.

The circumstances of this transaction were not particularly remarkable. The sellers were prime time boomers attempting to escape the growing danger of their waterfront McMansion based lifestyle into what their "Y" generation son called a "sustainable" lifestyle. The property to be listed had represented the zenith of their "Yuppie" existence and had, for over ten years, served to give notice to the world of their relative professional and social success.

Of course the sellers were totally Internet savvy and had, by the onset of the listing, made themselves experts on the contemporary real estate market situation. They were convinced that the listing agent would be a mere formality and that the priceless treasure they offered for sale would be snapped up within days by any one of the many interested and eligible consumers circling the marketplace.

The statistics told a much different story. At the time of listing there were 87 properties listed in the price range of $1 million to $1.5 million. Based upon the existing absorption rate it should have taken almost two years to successfully market the property.

Predictably, client generated problems emerged almost as soon as the listing was penned. The sellers, basking in their self proclaimed expertise, were convinced that the listing agent should be a fountain of new and innovative tricks and creative marketing techniques to reach the hundreds of potential buyers in the marketplace. The fact, gently pointed out by their broker, that only seven such properties had sold in the past year in three counties was lost on these optimists. The sellers became an unending source of new and untested approaches for ads, advertising, receptions and gimmicks all that would certainly sell the property in short order. The seller's frustration grew as each "perfect" solution failed to produce a buyer.

Finally, after 60 days, the joint effort was darkened by the appearance of Mr. Big. Demonstrating one of the most disgusting features of the current market, this dirt gambler roams the marketplace looking for sellers who he deems to be desperate and unstable. Those who meet this description are rewarded with an offer that is suspended half way between insulting and predatory.

The first chapter of this saga came to a dramatic end ninety days after the original listing when, at the seller's request, the broker agreed to terminate the listing so the then manic sellers could rethink, refinance and recommit to the Yuppie dream. It was here however that the real story began.

Four days after the listing was taken off the market, Judy called the sellers to say that an eligible buyer had emerged. Would the sellers entertain a showing? As if by divine intervention, a few days later a purchase agreement was negotiated and the saga was hurtled into its next phase.

A major complication in today's real estate marketplace is the fact that consumers have little or no idea just how complex and downright hostile the current transaction has become. Consequently they have no idea about the wide range of skills and competencies that agents must utilize to successfully close a transaction. Given this situation imagine the impact of the following factors on the course of the transaction:

- Home inspection covered thirty-five pages and disclosed matters that arose from the initial construction of the home
- Buyers demanded a special survey product that cost almost twice the normal service
- Buyers agreed to a price that was only 4% under listing price; the challenge was that they subsequently expected that all matters of concern, no matter how minimal, be resolved in their favor
- Buyers' agent had set a standard of professional performance that made every point of negotiation a matter of personal achievement
- Sellers' commitment to the sale, and a new lifestyle, fell ten degrees short of cooperative behavior on several occasions during the transaction
- Sellers' perception, that theirs was the perfect property, didn't match up to what the out of town buyer's had in mind for their dream recreational property
- Mortgage process remained uncertain until six hours before closing due to the appearance of a shadow tax lien from 1974

It was, perhaps, the perfect setting for greatness to emerge, and that is exactly what happened. Over a three week period agent Judy, like one of the fabled Musketeers of old, stood within a circle of conflict and doubt, parrying each threat and attack on the transaction, with an amazing level of grace and balance. With one hand she maintained control over the sometimes out of control egos of her clients while with the other she worked to maintain an environment of transactional fairness and balance in the face of an aggressive buyer's team. Throughout this period, and apparently with her right foot, she orchestrated a vast cast of closing, appraisal, utility, township, mortgage, contracting, cable, heating, painting, refinishing, plumbing and the myriad other experts and vendors required to close a transaction in today's marketplace.

It was, indeed, a pleasure to watch Judy receive a commission so well earned and deserved.

Oh by the way, where did that buyer come from? It turns out that when she is not otherwise pursuing the details of other transactions, a successful career and a positive personal life, Judy maintains a tight network of contacts among other agents in the marketplace that deal with high value properties and affluent consumers. It was a result of this practice, just one more amazing skill set, that the buyer was located and attracted.

If this article sounds like a tribute to great real estate agents, it has been. Thank you Judy for reminding us all about the fact that great real estate professionals are unique, valuable and irreplaceable. May 2011 be a year of wonder for each of you.

Governmental Affairs Reporter December 2011

A quarterly report from your Seattle-King County Association of REALTORS®

Period Covered: October - December 2010

Your Seattle-King County Association of REALTORS® (SKCAR) is involved on these issues on your behalf...

The Governmental Affairs Reporter is a separate 12-page PDF.

The REALTOR® Governmental Affairs Reporter is a quarterly publication produced by SKCAR to inform members about current issues and successes within your Governmental Affairs Department. Our next publication will be released in January 2009. The 2008 VP of Governmental & Public Affairs is Jim Dierst jimdi@johnlscott.com, VP-elect of Governmental & Public Affairs is Kristen Greenlaw Kristen@kirstengreenlaw.com, staff director is David Crowell dcrowell@nwrealtor.com, and our local legislative housing advocates are Sam Pace sampace@concentric.net, Todd Woosley todd@woosleyproperties.com and Randy Bannecker wrbann@seanet.com Please call David Crowell at (425) 974-1011 ext. 704 if there are any local legislative issues that need SKCAR's attention.

"Green Your Mail"

Approximately 24 percent of all mail is incorrectly addressed, according to the U.S. Postal Service. That means more than six million trees and 300 million pounds of paper are wasted each year on undeliverable-as-addressed (UAA) Standard Class mail.

Stated another way, each year, undeliverable mail totals around 4 to 6 billion pieces and costs USPS nearly $2 billion annually to process it.

For direct mailers, the cost of undeliverable mail is even more starting – a whopping $6 billion a year.

Postmaster General Jack Potter aspires to reduce UAA mail by 50 percent as part of a green initiative to decrease global warming and unnecessary environmental waste.

In support of the postmaster's mission, Greg Brown, marketing director at Melissa Data, a developer of data quality and address management solutions, outlined 10 steps to save money and "green your mailings" by improving deliverability:

- Correct your mailing. Mail preparation software is available that will reduce errors due to missing or incorrect directionals, incorrect street names, missing or incorrect suffixes, incorrect ZIP® codes, and more.
- Update your mailing. You can submit your mailing list or database records to USPS approved vendors for NCOA^Link processing to match your addresses to the change-of-address records on file with the USPS.
- Dedupe your mailing. Find and remove duplicates.
- Suppress your mailing. Use a data service provider to process your mailing list and suppress names of recipients who are deceased, on the DMA's Do-Not-Mail List, or recipients who are prison inmates.
- Target your mailing. Use geocoding, the process of assigning geographic locations (latitude and longitude) to the ZIP+4™ level of addresses in a database to help identify profitable areas for mailing and the best prospects for increased business.
- TransPromo your mailing. Piggyback promotion or even advertising onto existing transaction-related documents.
- Connect your mailing. Combining direct mail with the Web via pURLs, short for "personalized URLs", allows you to provide relevant messages to each customer or prospect.
- Downsize your mailing. Designing mail that is compatible with USPS mail automation systems to get the most favorable rates.
- Sustain your mailing. Ensure your piece represents your commitment to sustainability by using paper, ink and finishings that are earth-friendly.

- Recycle your mailing. Only about 30 percent of “mixed paper” is recycled annually in the U.S. Promote the recycling of “mixed paper” to your customers and prospects by adding the DMA’s “Recycle Please” logo to your and mail pieces.

State’s recycling rate holds steady

Washington’s recycling rate stayed level in 2009, at 45 percent, according to a recent report from the Washington Department of Ecology (Ecology). A 1989 Washington state law established a statewide recycling goal of 50 percent. The national average was 33 percent in 2008.

The total amount of municipal waste generated by state residents fell by over 700,000 tons in 2009, or about 8 percent from 2008. The recession has affected the amount of waste produced, driving both disposal and recycling down.

Overall waste diverted from disposal rose to the highest amount ever -- 55 percent in 2009. This is because more construction and demolition related materials are being diverted, instead of disposed. Asphalt and concrete accounted for 72 percent of the increase in diversion from landfilling.

Ecology’s data showed that recycling rates increased for organic materials such as food scraps, electronics, and nonferrous metals. Materials disposed from the construction, demolition and organics sectors declined in 2009 by more than 1 million tons.

(*Editor’s note*: Visit http://1800recycle.wa.gov to find locations for recycling numerous categories of materials.)

Recycling in Washington continues to result in important environmental gains. In 2009, recycling materials instead of sending them to landfills helped us avoid emitting 2.8 million tons of greenhouse gases into the atmosphere. Also, recycling saved 132 billion British thermal units of energy. This is equivalent to conserving 1 billion gallons of gasoline – enough to power more than 1 million homes for a year.

While the tons collected in the recycling system is staying steady, a report by Ecology in June 2010 indicates that a certain amount of the residential commingled recycling does not end up being recycled. Between 5 and 20 percent of some materials may not ultimately be recycled into new products. Such materials are either materials that the market cannot recycle yet and are collected anyway, or don’t make it through the sorting system to the appropriate market.

“This economic recession continues to be difficult for our state, and especially those struggling to make ends meet,” Davies said. “However, it has put a new emphasis on thrift, re-use and waste reduction. With continued education and innovative solutions, we hope to capitalize on this momentum, even as the economy improves.”

News In Brief

- Although President Obama’s bipartisan deficit reduction commission didn't receive the 14 votes it needed among the 18 commission members to automatically have its recommendations considered in Congress, some parts of the plan are expected to be included in the administration's budget request. That would put parts of the report on the table for consideration. **Among other things, the plan would change MID into a credit, eliminate the deduction for second homes and home equity loans, and could change other tax laws that reflect the country's historical support of home ownership and the stable communities that come with ownership.** Among the concerns by REALTORS® is that the negative impact on housing markets of MID and other changes could hurt the already weak condition of the country's job market. Last month, U.S. House members received some 20,000 phone calls from REALTORS® to remind them of the country’s historical support of home ownership and its centrality to the American Dream.

- **TransUnion expects the pace of mortgage delinquency to drop to 4.98 percent by the end of next year from 6.21 percent at the end of 2010.** The rate would still top historical levels of 1.5 percent to 2 percent. The firm, which analyzed 27 million randomly selected consumer records, believes the decrease could buoy the economy.

- **Here are the top five issues facing commercial real estate in 2011, according to consultant Deloitte LLP:**
  1. **The market remains uncertain.** The recovery isn’t following previous trends. While there is some indication that the worst may be over, some markets continue to decline.
  2. **Impact of "amend and extend."** Some banks are recognizing that they will never recover full value on some properties and are willing to work with borrowers. This has made it more difficult to tell when the business has hit bottom.
  3. **High maturities remain a challenge.** The high level of maturing debt over the next several years remains a significant barrier to recovery. In addition to commercial mortgage-backed securities (CMBS), loan delinquencies and commercial real estate loan defaults, there is also an increase in strategic defaults as more commercial borrowers make a pragmatic business decision to exit profit-draining investments in order to divert money to performing projects or shareholders.
  4. **The number of deals is increasing.** A good sign.
  5. **The economy is recovering very slowly.** This increases opportunities in distressed properties, but the overall market isn’t in a hurry to pick up.

- 2011 NAR Treasurer Bill Armstrong and other NAR staff recently met with representatives from the U.S. Dept. of Energy (DOE), Division of Energy Efficiency and Renewable Energy.

  The purpose of the meeting was to discuss the DOE's development and implementation of the a software tool to assess energy use in a home (existing or new) and compare it with other homes. The DOE Home Energy Score is a voluntary program developed to provide consumers and homeowners with the tools to assess energy use in their home and information to reduce their home energy use.

  Residential energy scores and labels on existing homes have the potential to stigmatize those residences because they were built to less stringent energy efficiency codes. Energy use labels and scores also raise questions regarding disclosure and property value.

  NAR requested additional information on a series of pilot projects that DOE is developing to test various aspects of the Home Energy Score. NAR also agreed to provide relevant NAR-sponsored research and will continue to provide input and feedback on the Home Energy Score and the larger Recovery Through Retrofit program.

Calendar of Events

Dates	Event	Clock Hours	Time	Location	Contact
SEATTLE-KING COUNTY ASSOCIATION OF REALTORSÒ					
1/11	Board of Directors		10:30am-1:30pm	SKCR	(800) 540-3277
1/17	Holiday – Office Closed				
1/20	Legislative “Hill Day”		9am-8pm	Olympia Red Lion	(800) 562-6024
1/20	“Certified Foreclosure Analyst (CFA) Seminar	6	9am-4pm	SKCR	(800) 540-3277
2/1	Gov’t Affairs Committee		10:30am-1:30pm	SKCR	(800) 540-3277
2/8	New Member Orientation		9:30am-12:30pm	SKCR	(800) 540-3277
For updates visit: www.nwrealtor.com and click “events”					
SNOHOMISH COUNTY-CAMANO ASSOCIATION OF REALTORSÒ					
For updates visit: www.sccar.com and click “events”					