

Northwest MLS brokers report gains in number and dollar volume of home sales for 2010 compared to 2009

KIRKLAND, Wash. (Jan. 21, 2011) – Members of Northwest Multiple Listing Service tallied 52,408 closed sales of single family homes and condominiums during 2010, edging out 2009 by 303 transactions for a .058 percent gain.

Last year's transactions included 45,746 single value homes (up about 1.2 percent from 2009's total) and 6,662 condominiums (a drop of 3.2 percent from 2009). Together, these sales were valued at more than \$17.6 billion, about \$600 million more than the previous year.

Despite the increase in volume, median price for all sales across the 21 counties in the Northwest MLS service area declined. Last year's median price for closed sales of single family homes and condominiums combined was \$262,000, down about 4.7 percent from the previous year when the area-wide median price was \$275,000.

Prices vary widely across the counties served by Northwest MLS, ranging from a median price of \$127,000 for homes that sold in Pacific County to \$409,750 for closed sales in San Juan County. In King County, which accounted for nearly 40 percent of last year's sales, the median selling price was \$349,000, down just \$1,000 compared to 2009).

In its annual statistical summary report for members, the multiple listing service showed brokers added 116,699 new listings of single family homes and condominiums to inventory during 2010. The number of active listings offered for sale each month averaged 39,488.

The comprehensive report provides a snapshot of both listing and sales activity, comparing months and areas.

One section compares last year's selling price of a 3-bedroom home. For an existing home (built in 2008 or earlier), the median price was \$242,000. Homes in San Juan County fetched the highest median price at \$402,000, while homes that sold in Grays Harbor County were found to be the least costly (\$143,400).

Condominiums also reflected a wide array of prices. For the 6,662 condominiums that sold last year the median price was just under \$222,000. Prices ranged from \$7,000 for a 1-bedroom condo at Copalis Beach in Grays Harbor County to nearly \$7.2 million for a 2-bedroom condo in the Four Seasons Private Residences, a downtown Seattle high rise.

A total of 433 condominiums sold for a half-million dollars or more. That's up from 2009 when brokers reported 392 high end sales. Of last year's \$500,000-plus closed sales, nearly 86 percent were located in King County. Approximately 62 percent of all condos that sold last year were in King County.

The Northwest MLS report also shows improvement on the number of high end sales of single family homes when comparing last year with 2009. During 2010, members reported 987 sales that commanded \$1 million or more, an increase of about 23 percent from the previous year when there were 802 such sales. (In addition, 83 condominiums sold for \$1 million or more.)

Among other highlights in the NORTHWEST MLS statistical summary:

- Single family homes accounted for about 87 percent of the volume, both measured by number of units and dollars.
- Of the million dollar-plus sales of single family, the highest number (147) was located in the MLS map area encompassing the western part of Bellevue, including the waterfront communities collectively known as the Gold Coast (Beaux Arts Village, Clyde Hill, Hunts Point, Medina and Yarrow Point).
- A comparison of median prices of home sales within school districts in the MLS market areas shows the most expensive homes are situated in the Mercer Island School District (\$834,500), followed by Bellevue (\$570,000) and Bainbridge Island (\$542,000). The least expensive homes, based on a comparison of school districts, were in the Lake Washington District (\$3,000 for an "as is" manufactured home), the North Mason School District (for an "as is" manufactured home) and in the Aberdeen District (for an "as is" single family home).

- The median sales price of \$375,000 for a single family home that sold last year in King County is up almost \$100,000 since 2002, a gain of nearly 35 percent.
- MLS members reported 73,349 pending sales (mutually accepted offers) during 2010. That marked a decline of about 2.6 percent from 2009 when members logged 75,336 pending sales, but an increase from 2008. The 2010 total outgained 2008 by 8,477 transactions for a gain of about 13 percent.
- The highest volume of pending sales took place during the first quarter of 2010, which accounted for more than 28 percent of the year's activity. In 2009, the third quarter had the highest volume, with nearly 30 percent of the year's total.
- The pace of sales as measured by "months supply" (an estimate of how long it would take for all inventory of active listings to sell at the current pace assuming no new inventory is added) showed a system-wide total of 6.42 months, up slightly from 2009 when it was 6.25 months. In King County there was a 5.26 months supply, about the same as 2009's figure of 5.22. (Economists consider a supply of 3-to-6 months to be a balanced market, meaning the market favors neither buyers nor sellers.)

Northwest Multiple Listing Service, owned by its member brokers, is the largest full-service MLS in the Northwest. Its membership includes more than 22,000 brokers and agents. The organization, based in Kirkland, currently serves 21 counties in Western and Central Washington, which together encompass approximately 80 percent of the state's population.

📌 Motivated buyers returning to the housing market

KIRKLAND, Wash. (Feb. 3, 2011) – Dramatic increases in open house activity and shrinking inventory are fueling optimism among members of the Northwest Multiple Listing Service. Commenting on the just-released MLS report on January's housing activity, one director stated, "There is a strong belief in the industry that the worst is behind us and we can look forward with confidence."

Darin Stenvers, managing broker at John L. Scott in Bellingham, who made that comment, also noted consumers are gaining confidence and buyers may be seeing what they believe is the bottoming of the market. "I'm very optimistic about the housing market for 2011 and the buyers and sellers should be as well," he exclaimed.

Year-over-year pending sales were down somewhat, the volume of new listings declined more than 23 percent, sales prices continued to slip, but the number of closed sales increased slightly across the 21 counties in the Northwest MLS service area.

Last month's pending sales lagged totals for the same month a year ago, but only by 186 units system-wide, a decline of about 3.3 percent. Northwest MLS director Matt Deasy, the broker at Windermere Real Estate/East in Bellevue, said he considered anything within 5 percent of a year ago when tax incentives were boosting sales a "home run."

Members reported 5,393 pending sales (mutually accepted offers) of single family homes and condominiums during January. That compares to 5,579 pending sales for the same period a year ago, and marked a big gain from both January 2009 (4,353 pending sales) and January 2008 (4,499 pending sales).

"I expect sales to be soft through April when compared to last year since first quarter sales volume was artificially inflated by the rush to take advantage of the tax credit that expired on April 30," said OB Jacobi, president of Windermere Real Estate Company. "A more apples-to-apples assessment of sales will be to compare first quarter this year with first quarter 2009," he suggested.

Closed sales rose a modest 2.1 percent from a year ago, increasing from 3,142 transactions to 3,207 sales. Prices on those completed sales were down about 6.3 percent. The overall median price for last month's closed sales of single family homes and condominiums was \$243,500, which compares to the year-ago selling price of \$259,903. For single family homes (excluding condominiums) the median selling price was \$250,000, down about 5 percent

from a year ago; for condos, last month's sales had a median price of \$200,000, down 16.7 percent from twelve months ago.

Only four counties (Clallam, Cowlitz, Kitsap, and Okanogan) reported year-over-year price gains.

In King County, the median sales price on last month's sales was \$333,500, a drop of 4.7 percent from twelve months ago when it was \$350,000.

Brokers attribute part of the price drop to sales of distressed homes (in general, meaning homes under foreclosure or impending foreclosure).

"Distressed properties are making up an increasingly greater share of sales than a year ago, and that trend is expected to continue," observed Jacobi. Noting the sales price for distressed properties could be 20-to-30 percent less than for normal sales, he said "it's no surprise that a greater percentage of low-priced distressed properties is pulling down the median price."

Whether considering a property classified as distressed or a conventional listing, house-hunters can choose from 32,647 active listings in the Northwest MLS system at the end of January. That selection is 4.7 percent smaller than a year ago when there were 34,256 properties listed with member-brokers.

Not nearly as many newly listed homes were offered for sale last month compared to twelve months ago. MLS members recorded 8,556 new listings, which included 7,167 single family homes and 1,389 condominiums. The combined total is down nearly 24 percent from the same month a year ago when members added 11,206 new listings to inventory.

MLS director Bobbie Petrone Chipman said overall, January was a positive month around Pierce County, where her office is located. Noting that area experienced a 27 percent reduction of new listings, a 2.4 percent increase in pending sales and a 10.8 percent jump in closed sales, Petrone Chipman, co-managing principal broker at Coldwell Banker Bain Tacoma/Puyallup, said the month reflected "a bit more balance as we dip our toe into the new year."

Deasy also expects more balance, with sales more evenly distributed during the year, unlike 2010 when sixty percent of their sales occurred in the first half of the year. He also predicts closed sales will increase year over year, while at the same time pending sales might decrease year over year. This is the result of a higher percentage of pending sales actually closing, he explained, citing various factors. "Banks are better at short sales, brokers are better at short sales, appraisal issues are less frequent, and lending standards are becoming more stable."

Based on anecdotal reports of open house traffic, brokers are hopeful of upticks in sales.

"The buyer activity at open houses in the close in Seattle neighborhoods has increased dramatically in the past month, said Northwest MLS director Mike Skahen. "If there were more good new listings coming on the market there would be more sales," he suggested.

Skahen, the owner/broker at Lake & Co. Real Estate in Seattle, believes the shortage of new listings is causing an increase in multiple offers. As an example, he said a small Green Lake townhouse project that had been on the market for more than four months with no offers finally had one unit sell a few weeks ago. Last weekend four offers came in on another unit. "I have not seen buyers this motivated in three years," he remarked, adding, "Sellers should not wait for spring flowers to bloom to put their homes on the market as they usually do because there is much less competition now than there will be soon."

Industry leaders have recommendations to benefit both sellers and buyers.

Accurate pricing is paramount. "Sellers are learning there is a small window of opportunity to have consumers see their home before ruling it out and moving on," suggested Stenvers.

"My advice to buyers in today's market is to get pre-approved prior to starting their home search in order to avoid any delays that might result from the new lending standards process," said J. Lennox Scott, chairman and CEO of John L. Scott Real Estate. "This way," he explained, "buyers are ready to act quickly when they do find a home on which to make an offer."

As for sellers, Scott said pricing and presentation have never been more important. "Pricing must be comparable with the other properties that have recently sold in their local area and the home must be in pristine show condition from day one."

MLS director Pat Grimm, owner/broker at Windermere Real Estate/Capitol Hill, detected some hesitancy to list properties now. Distressed properties sell for less, but buyers face uncertainty and a long timeframe, he explained, noting the large percentage of distressed properties on the market has resulted in an interesting side effect: sellers of non-distressed properties are having an advantage.

"On one hand, I'm seeing sellers that are hesitant to bring their listings onto the market and compete with the price of short sale properties," Grimm commented. On the other hand, he said buyers are looking at all the inventory and, because of the complications of purchasing distressed properties, are favoring properties that are not short sales or bank owned.

In Seattle, Grimm said the sweet spot is homes priced \$400,000-500,000, in good shape that are not distressed. "They appeal to both first-time buyers and downsizers," he reported, citing two examples:

A Capitol Hill home went on the market at \$450,000, received seven offers and sold in a week for significantly more than asking price. In the second example, a View Ridge listing priced at \$499,000 had 25 groups through an open house in a two-hour span. It has a view and a great location above the Burke-Gilman trail. "Both homes were in the \$400-\$500,000 price range, well maintained, and not distressed."

Several other NWMLS directors commented on the impact of distressed properties:

- "We still have the better part of the next five years to work through short sales and bank owned property but this is a start," commented Frank Wilson, branch managing broker at John L. Scott Real Estate in Poulsbo. He described January 2010 as an anomaly due to the tax credit, and said even though last month was down in many respects compared to last year, it better reflects the true market. "It is good to start a new year off without any government incentives and is hopefully the start of returning to normal."
- Some owners are opting to rent their homes as the market recovers. As demand increases and rents rise, investors are returning, said Stenvers. Also emerging is a new group of renters – past owners who lost their home to foreclosure or short sale, he noted, adding, "These renters are willing to sign long-term contracts so they can get their credit rating repaired." For example, Stenvers said his office recently listed a rental. The renters were a professional couple in the midst of a short sale in Florida. "They are looking at a very long term commitment to renting to help them save money and recover from their loss."
- "Buyers are reluctant to look at distressed properties not because of the characteristics of the property, but because of the process," said Grimm. He called the long delays with lenders regarding the sale of distressed properties "a major choke point." Grimm acknowledged there has been significant progress with the banks trying to figure out the situation, but stated, "We're still a long way from making it buyer-friendly."

Figures from the National Association of Realtors® show distressed homes rose to 36 percent of sales of existing homes in December, up from 33 percent in November and 32 percent a year ago. Such homes are typically discounted by 10 to 15 percent, according to NAR research.

Commenting on the volume of distressed homes on the market, Windermere's Jacobi said, "Hopefully new regulations requiring banks to speed up the sales process for distressed homes will help move that inventory more quickly."

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New Home Trends – The Monthly Monitor



January Monthly Monitor

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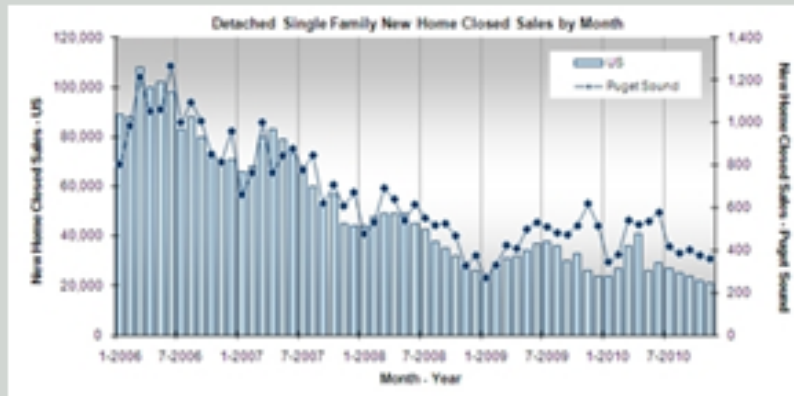
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The Monthly Monitor

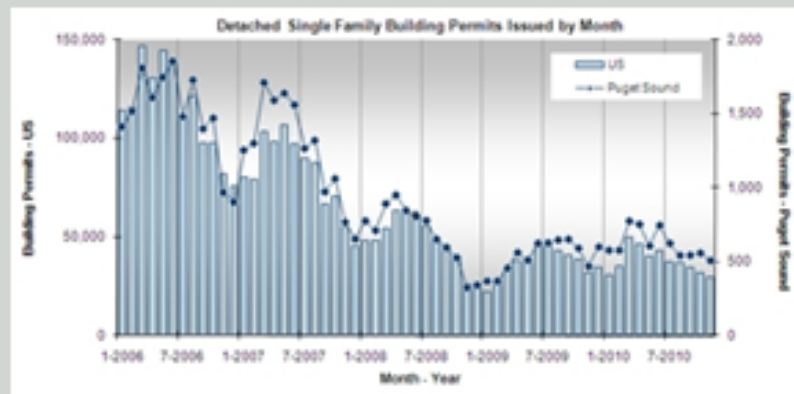
The Monthly Monitor is an overview of the new single-family home market and the economic indicators that drive the housing industry. The report is available for Puget Sound, Portland Metro, Spokane, and Boise. Regional reports are available free of charge on our website at NewHomeTrends. County level Monthly Monitor reports can be purchased for \$45. [Contact Cory](#) to learn more or place an order.

Puget Sound vs. U.S. New Construction Home Closings



Leaving behind the volatile market created in the first half of 2010, by government sponsored home buyer incentive programs, the second half of the year saw a stabilization in new construction sales, both locally and on a national level.

Puget Sound vs. U.S. Single Family Building Permits Issued



Both locally and nationally, single family building permit activity increased in 2010 over the lows seen in late 2008 and 2009. During the last half of 2010, Puget Sound area building permit activity leveled out slightly.

Assessor Aims to Demystify Property Valuations

Like most county assessors – and real estate licensees – King County Assessor Lloyd Hara is quizzed about fluctuating real estate values and their relationship to property taxes.

Hara, a veteran public official who was elected Assessor in November 2009, met with members of the Governmental and Public Affairs Committee of the SEATTLE *KingCounty* REALTORS® last month. Along with providing an update on valuations and the services of the Department of Assessments, he fielded questions. His motto is “a new way of doing business,” with the website being an integral part of that endeavor (kingcounty.gov/assessor).

More than 660,000 residential and commercial properties in King County are valued by the Department’s staff of accredited real estate appraisers each year. In addition, personal property staff assessed more than 44,000 accounts in 2009.

At a minimum, real property must be revalued on four-year cycles. These valuations generate thousands of appeals. In 2009, more than 13,000 appeals were received, with about 11,000 of them resolved to date.

Hara noted the Board of Equalization, an independent body whose function is to adjudicate appeals, is comprised of seven citizen members. These are political appointments, a process he would like to see modified to require some minimum qualifications.

Hara discussed several service enhancements for property research, including e-Real Property, an online database with parcel characteristics, values, sale history and photos, and e-Sales Search, which allows searches of sold properties by parcel numbers and area.

In the past, the system would reveal three “comps,” but the capability has been expanded to yield dozens of properties to view for comparisons. Hara said 182 elements are used to determine values to supplement physical inspections, which, by law, are conducted every six years. He also noted sales of foreclosed properties are now part of the mix.

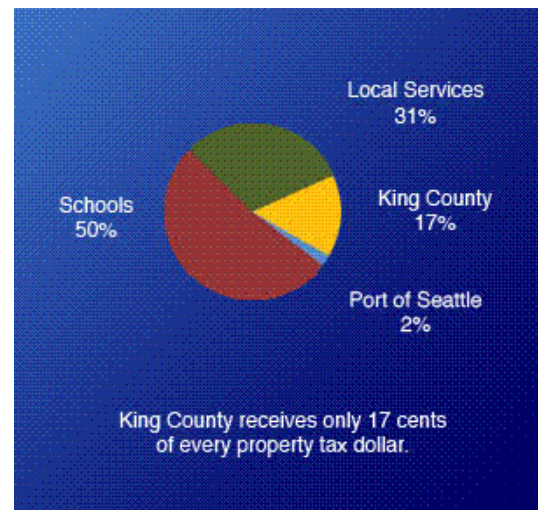
One of the most frequently asked questions the assessor hears is why a tax bill increases when an assessed value goes down. Hara explained only 17 cents of every property tax dollar supports the King County General Fund. The remaining 83 cents are divided between the state, cities and other local jurisdictions; more than half the tax tab is based on voter approved measures.

With 165 local tax districts, King County ranks second behind Cook County, Illinois in having the highest number of such districts in the country.

The amount due depends on the cost of state and local government, including schools, roads, parks, libraries, hospitals, city and county government, as well as your local taxing districts such as port district, fire districts and sewer districts, Hara explained. A large part of each property tax dollar goes to pay off construction bonds for school buildings and other public projects, he emphasized.

In response to another question on whether a property could be reassessed if the view changes, Hara said absolutely, and invited affected owners to contact his office. He also noted it may not be necessary to go through the entire review/appeals process.

Hara hopes to update the Department of Assessments website every six months and welcomed feedback from Realtors. In striving to achieve “fair, equitable and understandable property valuations, Hara said the goal is “we don’t want anyone to pay any more – or any less – than they should.”



Home Builders Forecast Improving Market



Housing will see gradual improvements in activity this year as the nation's economy and job market continue to move to higher ground, according to representatives of the National Association of Home Builders. Speaking at the NAHB International Builders' Show in Orlando last month, economists said they expect the momentum will lead to more considerable gains in 2012.

"This year's spring selling season will be better than last year's," said NAHB Chief Economist David Crowe, who noted job growth is providing a stronger stimulus in the housing market than last year's tax credits for home buyers.

Crowe forecasted 575,000 single-family home starts in 2011, a 21 percent climb over an estimated 475,000 units started in 2010, which in turn showed a 7 percent gain from the 442,000 homes started in 2009.

Multifamily, which is poised to profit from a disproportionate number of Gen Y members moving into the housing market, has seen the bottom of the cycle, Crowe stated. NAHB expects starts will rise 16 percent this year to 133,000 units, with a further 53 percent increase in 2012 to 203,000 units.

Builders' access to the credit they need to start new homes remains the fragile component of the NAHB forecast, Crowe said. So far, small builders have experienced extreme difficulty in obtaining financing, and rectifying the situation as soon as possible is the top priority of the association.

More encouraging is a rebound in the confidence of consumers, who in mid-2010 "froze in place, faced with a lot of uncertainty," he reported. A recent pickup in durable purchases for such items as automobiles and furniture indicates that consumers are less afraid today of losing jobs and income.

The U.S. economy will receive a boost from the massive tax package enacted at the end of last year, including more income going into the pockets of wage earners thanks to a one-year 2 percent reduction in Social Security taxes. Crowe expects this will contribute to the gross domestic product strengthening from the 2.5 percent range to 3.5 percent to 3.8 percent by year's end.

New-home sales, Crowe projected, "will struggle" but begin following employment gains, reaching 405,000 for the year, up from an estimate of about 320,000 for 2010.

The housing recovery will start up slowly this year, he said, because it will be driven by the relatively low housing production Plains states, with Texas the most powerful of the bunch. Traditional bulwarks of housing activity such as California and Florida, on the other hand, will not be among the states whose housing markets recover the fastest.

In addition to stimulative fiscal and monetary policy, Freddie Mac Chief Economist Frank Nothaft said that housing affordability and demographic trends will help support growing housing demand.

Citing research from the Harvard Joint Center for Housing Studies, Nothaft said that households should be growing at an average annual rate of 1.2 million to 1.5 million over the next five to 10 years, suggesting the need for a sharp increase in housing production; half of the 500,000 to 600,000 starts of the past two years were needed just to replace the number of homes being removed from the housing stock.

While there will continue to be supply overhangs in some important large markets, by and large the housing price slump should bottom out by the middle of this year, Nothaft said, noting price increases are already occurring in some local areas. He believes that should attract prospective buyers who have been procrastinating until they see prices hit bottom.

"Potential buyers who have resources to buy but want to buy at the bottom are likely to start coming into the market in the springtime," he said, which for fence sitters will be "the time to come into the market."

Freddie Mac's chief economist expects fixed-rate mortgages will move up from their current 4.75 percent to the 5.75 percent range by the end of this year. This will push total single-family mortgage originations down about 30 percent below the 2010 level as refinancing falls sharply in the face of rising mortgage rates.

While a 20 percent increase in housing production in 2011 is good news for housing, to put things in perspective, Nothaft said that this gain is from an extremely low level, with single-family production declining about 80 percent from peak to trough.

NAHB is a Washington, DC-based trade association representing more than 160,000 members involved in home building, remodeling, multifamily construction, property management, subcontracting, design, housing finance, building product manufacturing and other aspects of residential and light commercial construction.

The 3.8 Percent Tax: Impact on Real Estate Licensees & their Clients

Beginning January 1, 2013, a new 3.8 percent tax on *some* investment income will take effect. Since this new tax will affect some real estate transactions, it is important for real estate licensees to clearly understand the tax and how it could impact your clients. It's a complicated tax, so you won't be able to predict how it will affect every buyer or seller.

The new 3.8 percent tax was passed by the U.S. Congress in 2010 with the intent to generate an estimated \$210 billion to help fund health care and Medicare overhaul plans.

Please understand that this tax WILL NOT be imposed on all real estate transactions, which is a common misconception. When the legislation becomes effective in 2013, it may impose a 3.8 percent tax on some (but not all) income from interest, dividends, rents (less expenses) and capital gains (less capital losses). The tax will fall only on individuals with an adjusted gross income (AGI) above \$200,000 and couples filing a joint return with more than \$250,000.

For additional information, please visit www.realtor.org and click on Government Affairs.

2011 Top Public Policy Priorities

During the 2010 REALTORS® Conference & Expo in New Orleans, NAR asked the members of its 12 policy-making committees to identify and rank the top federal policy issues which they believed would be of critical importance to the real estate industry in 2011.

The committees reported to the Public Policy Coordinating Committee (PPCC), that 37 issues had been identified. Using the issues identified by the committees, the PPCC ranked its top issues for 2011.

Having identified the priority issues, PPCC commissioned NAR's Research Division to develop an all-member survey to poll members on which issues they felt would be of critical importance to the industry in 2011. On February 2nd, NAR will hold its 2011 Policy Conference and Town Hall Meeting in Washington, D.C., where results of the PPCC survey and the all-member survey will be analyzed and discussed.

The issues that will be discussed at the conference can be categorized into five areas and a brief summary of some, but not all, of the key issues are highlighted below with NAR's current position:

Taxation

Significant federal income tax legislation is inevitable in the next few years and a variety of tax laws, including those affected by commercial and residential real estate, could be reviewed with a focus on raising revenue.

- Mortgage Interest Deduction - NAR opposes any changes that would limit or undermine current law.
- Capital Gains Exemption - NAR opposes any changes to the capital gains exemption on the sale of a home.

Real Estate Finance

Delinquencies are surging, home prices remain flat or in decline, and foreclosure rates continue to rise. Federal policy makers are poised to take action weighing a number of proposals aimed at laying the groundwork for healthier housing and mortgage markets in the future.

- Government-Sponsored Enterprises (GSEs) - NAR is recommending that Fannie Mae and Freddie Mac be converted into government-chartered, non-shareholder owned authorities that are subject to tighter regulations on product, revenue generation and usage, and retained portfolio practices in a way that ensures the accomplishment of their mission and protection of the tax payer.
- Mortgage Loan Limits - NAR supports making the current higher loan limits and formula permanent.
- NAR Credit Policy - NAR is calling on the credit and lending industries and federal regulators to reassess the entire mortgage lending policy structure and look for ways to increase the availability of credit to qualified borrowers with good credit risks.

Energy and the Environment

Development of public policy should be guided by market principles and voluntary incentives, which preserve private property rights, ensure access to affordable property insurance, and maintain housing affordability and availability.

- National Flood Insurance Program (NFIP) - NAR is recommending renewing and strengthening the longterm viability of the federal flood insurance program including comprehensive coverage for non-primary residences (e.g. rental properties and second homes) and reforms to provide "full risk" premiums for most repetitive loss structures in many states.
- Energy Efficiency and Climate Change - NAR supports improving energy efficiency through voluntary incentives in lieu of individual building mandates and educating property owners and consumers about the benefits of energy efficiency.

Commercial Real Estate

Having a sound and well-functioning commercial and multifamily real estate sector is critical to our country's economic growth and development, and to millions of U.S. businesses of all sizes that provide local communities with jobs and services.

- Commercial Real Estate Lending - NAR supports protecting and enhancing the flow of capital to commercial real estate. NAR believes Congress through legislation should increase the cap on credit union member business lending (MBL) and improving lending access through the passage of the Small Business Lending Fund.

Business Issues and Technology

While the business of real estate has traditionally been regulated at the state level, NAR represents the interest of its members to ensure that federal legislation and regulations support or do not needlessly hinder the ability of REALTORS®, realty firms, and REALTOR® associations to conduct business.

- Data Security - REALTORS® strongly support efforts to protect their clients' sensitive personal information but believe that any legislation must not overly burden small firms with limited resources. In addition, any federal data security legislation should not preempt state laws which may offer state residents additional protection.
- Net Neutrality - The business of real estate is increasingly conducted on-line. NAR believes that Internet users should be in control of what Internet content is accessed, the applications used, and the legal devices that they choose to connect to the Internet. In addition, network providers should not be allowed to discriminate among Internet data transmissions on the basis of the source of the transmission as they regulate the flow of network content

To learn more about the issues that will be discussed at the 2011 Policy Conference and Town Hall Meeting, please visit www.realtor.org/government_affairs.

11 Tips for Going Green in 2011

An up-and-coming green-living blogger whose goal is help others "be the best green they can be" marked the New Year by posting 11 tips for going green in 2011.

Lynn Stone, founder of SmilingGreenMom.com who aspires to own an eco-friendly log cabin, boasts 3,000 monthly visitors to her year-old blog, with more fans added each month. She credits the idea to the changes her family made in search of more natural treatments for her son's severe eczema. As she sought alternatives to chemicals and additives, she began sharing her tips.

Stone's site continues to evolve, but currently includes sections on product reviews, healthy recipes, raising green kids, health and wellness, coupons, and archives featuring experts and their beauty, fitness and nutrition advice.

The "Smiling Green Mom's" 11 Tips for Going Green in 2011

1. **Composting:** Building a compost pile is an easy way to add many beneficial ingredients to the soil while reducing garbage volume. It also benefits the community by reducing the nearly 25 percent of compostable landfill waste, according the Environmental Protection Agency (EPA).
2. **Recycle paper and electronics:** Anything from paper and plastics to metals and electronics can be recycled. Doing so can preserve resources, the amount of landfill space being used and energy use. The EPA estimates that only 15-20 percent of e-waste is recycled. The remainder goes directly into landfills and incinerators, causing dangerous heavy metals and toxins to accumulate, along with serious environmental risks. For more info on recycling your electronics,

- see <http://www.digitaltips.org/green/default.asp> (searchable by zip code) and <http://www.terracycle.net/>, which provides free waste collection programs for hard to recycle materials that are then turned into green products
3. **Go Plastic Free:** Eliminate plastics by switching to reusable whenever possible. Start by using reusable stainless steel water bottles and carrying cloth grocery bags anytime you are shopping.
 4. **Plant a garden:** Even with limited outdoor space, a garden can produce a wide variety of nutritious foods. If space is very limited, consider a container garden or small herb garden to enhance your culinary experience.
 5. **Laundry:** Whenever doing laundry, make sure it is a full load and wash clothes in cold water using safe non-toxic laundry soap. Hang clothes to dry.
 6. **Support local farmers and eat in season:** Most food in grocery stores has been picked in the fields, sent to distribution centers, and then shipped thousands of miles before ever hitting store shelves. In contrast, when you purchase from local farmers, you can put a face with your food, and know your food has been picked within a day or two of purchasing. Buying fresh local food has many other advantages including reduced vehicle pollution, little or no and packaging. It may also be organic and pesticide-free. (*Editor's note:* Visit LocalHarvest.org to find farmers' markets, family farms, and other sources of sustainably grown food around the state, <http://www.localharvest.org/search.jsp?st=51&ty=-1&nm=>)
 7. **Unplug and upgrade appliances and electronics:** Unplug electronics and appliances when not needed or in use. Replace broken products with new energy efficient models that have an Energy Star label. Sponsored by the Department of Energy and the EPA, the Energy Star label program denotes compliance with specified energy efficiency requirements. Products with this label offer substantial savings and now include major appliances, office equipment, lighting, home electronics, and more.
 8. **Turn it off!** Turn the water off while brushing teeth and turn off lights every time you leave the room. Consider purchasing low-flow showerheads, faucet aerators and energy efficient CFL or LED light bulbs.
 9. **Use eco-friendly cleaning products:** With just a few common household items, you can make your own cleaning products as needed. (Search the web for recipes.) Homemade cleaning products using ingredients such as vinegar, baking soda, lemon and tea tree oil can save money, time and the packaging required for store-bought brands. Toxic-free homemade cleaners are also safer and healthier.
 10. **Never purchase paper towels or napkins again:** Instead, use old washcloths cut into smaller squares, old socks for dusting, old t-shirts cut up for cleaning and reusable cloth napkins and hand-towels.
 11. **Borrow or Buy Used:** Borrow your books, music and movies from your local library to save money while cutting down on resources needed to manufacture new. Set up online accounts with EBay, freecycle.org or shop thrift stores and garage sales when looking for anything from clothing to furniture

Start Off the New Era with Quick Smart

You can feel it everywhere. In firms and offices across the country, brokers and managers are preparing for the newest chapter in the long history of the American real estate industry. By way of example, new management practices centered on profitability and accountability, new consumer centric value propositions, technologies centered on mobile applications, and a whole new range of online marketing techniques. Most importantly, a framework of new professional relationships is being introduced.

It is in this last space that some of the industry's most exciting innovations are occurring. Everyone who reads knows, by now, that today's real estate consumer, especially those within the 60% market share held by the X and Y generation consumers, are demanding to have a satisfying relationship with the professionals with whom they are working. Most of the industry has also studied the results of the excellent research conducted in 2010 by the National Association of REALTORS® and the California Association of REALTORS® relative to current state of affairs between consumers and their real estate agents. Suffice to say, as the industry enters this new era, the consumer agent relationships will be the beneficiary of a significant amount of research and development.

With perfect timing, onto the scene comes the Pinellas REALTOR® Organization (PRO), a ten-year old, new generation REALTOR® association serving the REALTORS® of Pinellas County, (St Petersburg/Clearwater) Florida. From its onset, through merger in 2001, PRO has been committed to a strong research and development department headed by Cindy Farris, a former Price, Waterhouse, Coopers (PWC) executive who had significant responsibilities for setting up PWC's knowledge management division.

Over the past six years PRO and Farris have been using the Florida real estate marketplace as a laboratory to conduct applied research leading to the development of a number of leading edge programs, products and services for the emerging real estate

industry and transaction. “During this period, our R&D team has been focused both on how to create a better transaction and how to bring the REALTOR® into the new era,” says PRO CEO, Ann Guiberson.

PRO has received wide recognition for its work, including being named as one of the top ten industry innovators in NAR’s 2009 Game Changer Competition.

“Over and over, our research led us back to the importance of knowledge and respect based relationships between agents and their customers,” said Guiberson. “Almost every transaction problem or complication could be traced back to a defect or shortcoming in the original relationship between the agent and the consumer.”

With three years of research under its belt, PRO took aim at what it believed were the shortcomings of the traditional real estate industry – new agent training. “While there was a significant amount of new agent training available, almost all of it was aimed at assisting new agents to pass licensure exams, rather than at knowledge and processes necessary to succeed in the field.” Moreover, it became obvious the vast majority of industry managers were of the opinion that agents should be able to sink or swim on their own. Those who demonstrated they could swim would go on to inherit market share and success. The research also suggested this approach matched up perfectly to the “I don’t need no stinking boss” attitude of many boomer generation agents. This reality is out of sync with the fact that today’s more powerful consumer, who began to emerge in 2005, doesn’t agree with either the historic process or the result.

PRO’s answer to this dilemma is called *Quick Smart*. Succinctly put, *Quick Smart* is an online, automated, consistent, interactive learning system based on best practices, accountability, and mentor support.

“Our review of existing new agent training programs revealed their emphasis on examination success. They also covered areas of practice simply not relevant to new agents struggling to start in the field. Our research served to identify four critical areas that, in most cases, made the difference between initial success or failure,” said Guiberson.

These are the critical four areas of *Quick Smart* emphasis:

Developing a Strategic Career Direction – All too often, new agents equate their positions to having a new job rather than accepting the responsibility of managing a career with specific stages and waypoints.

Creating and Maintaining Influencing Relationships - Today’s consumer demands quality relationships and today’s conflicted marketplace demands influencing relationships.

Positioning Properties for Sale – In today’s combative marketplace the time to deal with potential problems and conditions is up front, not after the contracts are written.

Powering the Buying Process – Working with buyers in today’s hostile and distressed marketplace requires specific skills sets and competencies, delivered with force and confidence.

Quick Smart’s four online training modules are focused on creating a competent “real market” agent. But what makes the program an over the hill success is its use of mentors.

“Here again,” said Guiberson, “our research disclosed another basic shortcoming in traditional training programs.” While most firms have some manner of manager available, access to this person was generally limited to a crisis situation rather than on an ongoing coaching or mentoring relationship. The fact is, in today’s world, be it an executive, sports or any performance environment, mentors and coaches are expected and demanded. Research reported in a recent Harvard Business Review further discloses, unlike their boomer predecessors, today’s Generation X and Y new agents expect and demand this level of support. Mentoring relationships do more than assist new agents; they also build powerful marketing cultures within brokerage firms.

One of the things that sets *Quick Smart* apart as a learning system is at every step of the way, the new agent is expected to produce actual tools and materials they will be able to use in the “real market.” Through this requirement the learner is expected to take responsibility and is held accountable for the knowledge taught.

Another important feature designed into the *Quick Smart* system is standards of practice. “It is obvious to us the industry is abandoning its long-standing practice of allowing every agent to choose whatever practices they may favor,” said Guiberson. Company wide standards of practice are not only meeting consumer demands but, more importantly, they are becoming the basis of profitability and accountability.

Quick Smart is an exciting program that can make a huge difference in the success of both new agents and the new brokerage business model. It is easy to incorporate, satisfying to deliver, effortless to administer, motivating to use, and rewarding to experience for both the consumer and the agent.

“Our leadership team believes the REALTOR® association can play an important role in bringing the industry into the new era. *Quick Smart* is just one example of how it can happen,” said Guiberson. “We want to be part of our member’s business solution.”

It seems clear this is exactly what is happening.

Dynamic Duo with Passion for Children Selected as 73rd Seattle-King County First Citizens

One special teenager with a terminal illness is credited with being part of the inspiration for a life-changing foundation.

The founders of this remarkable, Seattle-based nonprofit organization are the recipients of the 2011 Seattle-King County First Citizen Award.

Former Seattle Mariner **Jamie Moyer** and his wife **Karen**, founders of The Moyer Foundation, will be honored at a civic banquet on Thursday, May 19 in Seattle.

In just ten years, their charitable organization has raised in excess of \$20 million to help support more than 225 different programs that provide encouragement, comfort and support to children who are enduring physical, emotional or financial distress.

“As devoted parents, tireless volunteers and generous, hands-on philanthropists, the Moyers exemplify the heart and soul of the First Citizen Award,” said event chair and Realtor Roni Strupat. The award, established in 1939 by the SEATTLE *KingCounty* REALTORS®, was conceived to commemorate positive civic endeavors taking place in the midst of global turmoil and economic hardships.

Since inception, the First Citizen Award continues to celebrate community leadership, volunteerism and public service. Past recipients hail from humanitarian organizations, charitable and educational institutions, arts groups, environmental causes and various civic endeavors.

The Moyers established their foundation in 2000 while he played for the Seattle Mariners. Although the Moyer family now splits their time between Florida and Seattle, and they recently announced plans to add an East Coast office, the national headquarters of The Moyer Foundation will remain in Seattle.

The Moyers, as individuals, as a couple, and as a family, have an extraordinary record of community service that reflects their belief that everyone has “time, talent or treasure” to share in making a better world. Not surprisingly for these parents of eight children, the focus of their foundation’s programs, community partnerships and special projects is on youth.

Karen Moyer, a 1987 graduate of the University of Notre Dame and daughter of legendary men’s college basketball coach Digger Phelps (now a sportscaster with ESPN), serves as a board member for numerous health and children’s organizations. The devoted mother, wife and businesswoman founded Magnolia Baseball Club, a youth baseball organization that uses baseball as a tool for preparing young men ages 13-18 in the areas of teamwork and life.

Jamie Moyer says they’ve “always been involved with charity work as a couple in some way, shape, or form.” They attribute some of their ability to juggle careers, family obligations and caring for others to their faith and religious upbringing. In an interview last year with Catholic Digest.com, they noted their faith as a family was very important.

Like most professional athletes, Jamie Moyer has visited schools, hospitals and community centers throughout his career. One of those visits led to the establishment of The Moyer Foundation’s Camp Erin™ program.

In 1998, Moyer met Erin Metcalf, then 15. While being treated for liver cancer, she asked to meet the Mariners pitching star, a wish that was granted by the Make-A-Wish Foundation. That meeting was the start of an enduring friendship.

When the young Woodinville resident died in 2000, Jamie and Karen Moyer decided to honor her compassionate heart and caring spirit as well as the concern she demonstrated for other young patients and her siblings by establishing and funding Camp Erin. The free bereavement camp program is for children and teenagers ages 6-17 who have experienced the death of someone significant in their lives. Since the first camp was established in Everett, Wash. in 2002, Camp Erin has grown into the largest bereavement camp in the country - with more than 40 camps located in over 25 states.

Camp Mariposa is another initiative The Moyer Foundation created and funds. The first-of-its-kind program operates much like a traditional, fun, multi-day camp, but, in collaboration with Youth Eastside Services (YES), its programs and activities are

designed to help youngsters cope with the effects of substance abuse and addiction in their families, and to help them avoid repeating generational patterns.

In fulfilling its mission to support children and to provide opportunities for enhancing overall wellness, stability and quality of life, The Moyer Foundation encompasses numerous programs and activities beyond Camp Erin and Camp Mariposa. Among its community partnerships and special projects are:

- *Catch a Cure for Cancer*, a community fundraising campaign to raise awareness and funds for early cancer detection research, with proceeds dedicated to The Gregory Fund.
- *Hutch School "What Cancer Cannot Do" Calendar*. The Foundation produces and sells an annual calendar to benefit Hutch School, which serves patients and school aged family members of patients of the Seattle Cancer Care Alliance.
- *Grants*. The Moyer Foundation awards grants to local, grassroots organizations that share in the mission of helping children in distress, whether physical, emotional or financial.
- *Events*, including an annual Super Bowl party and fundraiser with the Moyers and celebrity chefs and athletes, an annual giving luncheon, a celebrity golf classic, an annual Dream Catchers auction, and various other events with partners.

The Seattle-King County First Citizen Award is the latest in a number of prestigious awards and honors bestowed upon Jamie and Karen Moyer for their character, commitment to others, and compassion.

In 2003, Jamie Moyer was named the *Roberto Clemente Award* winner as the player who best exemplifies the game of baseball, sportsmanship, community involvement and dedication to his team. The same year he received the *Hutch Award*, which goes to the major league player who best exemplifies the character, fighting spirit and competitive desire of former baseball player Fred Hutchinson. Also in 2003, he received the *Lou Gehrig Memorial Award*, presented to players who best exemplify its namesakes' character and integrity both on and off the fields. The All-Star pitcher was honored with the *Branch Rickey Award* for exceptional community service in 2004.

Jamie Moyer's stellar career as a Major League pitcher includes 11 seasons with the Seattle Mariners, from 1996 to 2006. He was traded to the Philadelphia Phillies in August 2006, and won his first World Series ring in 2008. After the 2010 season, he went to the Dominican Winter Leagues to pitch where he suffered a serious elbow injury that led to Tommy John surgery in December to repair his ligament. He vows to make a comeback in 2012 after the anticipated 12-to-18 month recovery and rehabilitation period.

About the First Citizen Banquet

The Seattle-King County First Citizen Award and civic banquet, believed to be this region's most senior citation of its kind, has no fund-raising expectation, but instead is designed solely as a not-for-profit celebration of community involvement.

Recent past recipients include former U.S. Senator Slade Gorton (2010), retiring Seattle Symphony conductor Gerard Schwartz (2009), and Microsoft co-founder Paul G. Allen (2008).

The Moyers become the seventh couple to be honored in the 73-year history of the Seattle-King County First Citizen Award. Preceding them are Ned and Kayla Skinner (1974), Buster and Nancy Alvord (1991), Scott and Laurie Oki (2002), Dan and Nancy Evans (2003), Jeffrey and Susan Brotman (2005), and James and Sherry Raisbeck (2007).

The May 19, 2011 event honoring Jamie and Karen Moyer will be held at the Sheraton Seattle Hotel. Tickets for the First Citizen banquet and details on sponsorship options will be available online at www.seattlefirstcitizen.org.

About the SEATTLE KingCounty REALTORS®

The SEATTLE KingCounty REALTORS® is a nonprofit professional trade association whose goals include promoting business practices that reflect a strict code of ethics and supporting policies that preserve and expand real property rights and housing affordability. Based in Bellevue, SKCR has approximately 5,500 members and is one of 1,800 local associations of the National Association of REALTORS®.

Past First Citizens

1939	Richard Eugene Fuller	1964	H.W. McCurdy	1988	Samuel Stroum
1940	Dr. Wendell Fifield	1965	Edward E. Carlson	1989	R.C. "Torchy" Torrance
1941	William O. McKay	1966	Milton Katims	1990	The Rev. Wm. J. Sullivan, S.J.
1942	Kenneth Colman	1967	Mrs. Henry B. Owen	1991	Buster and Nancy Alvord
1943	Phil Johnson	1968	James R. Ellis	1992	Lester R. Sauvage, M.D.
1944	Children's Orthopedic Hospital	1969	William B. Woods	1993	Constance W. Rice, Ph.D.
1945	W. Walter Williams	1970	Norton Clapp	1994	Phil M. Smart, Sr.
1946	Royal Brougham	1971	Glynn Ross	1995	Mary Gates & Family
1947	John H. Reid	1972	John D. Ehrlichman	1996	Stanley O. McNaughton
1948	Ernest Skeel	1973	Dr. Dixy Lee Ray	1997	Walter B. Williams
1949	Dr. Raymond Allen	1974	Ned and Kayla Skinner	1998	Jack A. Benaroya
1950	Thomas M. Pelly	1975	Dr. Wm. B. Hutchinson	1999	Paul Brainerd
1951	George Gunn, Jr.	1976	Rabbi Raphael Levine	2000	The Bullitt Family
1952	Henry Broderick	1977	W.J. "Jerry" Pennington	2001	Herb M. Bridge
1953	Frank E. Holman	1978	John M. Fluke	2002	Scott and Laurie Oki
1954	William M. Allen	1979	Gordon H. Sweaney	2003	Dan and Nancy Evans
1955	Deitrich Schmitz	1980	James M. Ryan	2004	The McCaw Family
1956	Rev. A.A. Lemieux	1981	C.M. "Mike" Berry	2005	Jeffrey and Susan Brotman
1957	Gordon N. Scott	1982	Dr. Dale E. Turner	2006	Dale Chihuly
1958	Nat S. Rogers	1983	T.A. Wilson	2007	James and Sherry Raisbeck
1959	Mrs. A. Scott Bullitt	1984	Victor Rosellini	2008	Paul G. Allen
1960	Michael Dederer	1985	Fredric A. Danz	2009	Gerard Schwarz
1961	Ben E. Ehrlichman	1986	Robert W. Graham	2010	Hon. Slade Gorton
1962	Joseph E. Gandy	1987	John W. Ellis		
1963	George F. Kachlein, Jr.				

News In Brief

- **U.S. Rep. Gary Miller (R--Calif.), along with five other cosponsors, has introduced House Resolution 25, which expresses the “sense of the Congress that the current Federal income tax deduction for interest paid on debt secured by a first or second home should not be further restricted.”** Miller has sent a “Dear Colleague” letter asking other Representatives to cosponsor the resolution. NAR will be working with Miller’s office to seek additional cosponsors by visiting every House member’s office to present the dear colleague letter as well as a letter from NAR requesting additional cosponsors.
- **Wells Fargo say it’s accepting FHA mortgages for borrowers with credit scores as low as 500.** The move comes after NAR and FHA Commissioner David Stevens among others late last year criticized the country’s major banks for requiring credit scores as high as 650 in some cases before making loans. At NAR’s annual conference last year in New Orleans, Stevens said banks’ credit policies were out of sync with FHA and artificially restraining home sales by as much as 20 percent of the potential market. Under its new policy, Wells Fargo will accept borrowers with credit scores of 500-579 if they put down 10 percent (no gifted funds or down payment assistance allowed). For borrowers with credit scores of 580-599, borrowers must put down 5 percent, with the same restriction on gifts and assistance funds. Borrowers with credit scores of 600 or higher can make a 3.5 percent down payment. The new policy took effect January 15.
- **Beginning January 1, 2013, a new 3.8 percent tax on *some* investment income will take effect.** Since this new tax will affect some real estate transactions, it is important for REALTORS® to clearly understand the tax and how it could impact your clients. It’s a complicated tax, so you won’t be able to predict how it will affect every buyer or seller.

The new 3.8 percent tax was passed by the U.S. Congress in 2010 with the intent to generate an estimated \$210 billion to help fund health care and Medicare overhaul plans.

Please understand that this tax WILL NOT be imposed on all real estate transactions, which is a common misconception. When the legislation becomes effective in 2013, it may impose a 3.8 percent tax on some (but not all) income from interest, dividends, rents (less expenses) and capital gains (less capital losses). The tax will fall only on individuals with an adjusted gross income (AGI) above \$200,000 and couples filing a joint return with more than \$250,000. For additional information, please visit www.realtor.org and click on Government Affairs.

- **President Barack Obama talked about the need to reduce the federal deficit and simplify the tax code in his start of the union speech** last on January 25th but in leaving out the specifics of how he would accomplish those goals, he left it unclear whether changes to the mortgage interest deduction (MID) would be part of the mix. Changing MID to a 12 percent tax credit was proposed as part of his deficit reduction commission’s final report late last year, and while Obama in his speech said the commission’s work provided a starting point for deficit reduction, he made it clear he wouldn’t be incorporating all of its recommendations in his proposed budget, which he’s expected to release next month. “I don’t agree with all of their proposals,” he said. What he did say, though, is that the government needs to tackle excessive spending—and that includes “spending through tax breaks and loopholes.” In other points, he wants to ramp up spending on infrastructure, make 80 percent of electricity come from clean energy sources by 2035, and streamline the federal bureaucracy—something that would likely include consolidating the housing function because, he said, “there are at least five different entities that deal with housing policy.”
- **CitiMortgage lenders and servicers should try to act with more transparency and faster decision-making, NAR President Ron Phipps told the bank’s senior executives** in a January 25 meeting. Even if the faster answer is “no,” that is better than months of delay, Phipps said. The meeting was the last in a series with the country’s four largest mortgage lenders and covered originations, appraisals, tight underwriting, condo financing, loan modifications, short sales, foreclosures, REOs, commercial lending, and the future of homeownership. Separately, Phipps and other NAR leaders raised concerns about rigid underwriting policies and increasing fees of Fannie Mae and Freddie Mac in a meeting with Ed DeMarco, acting director of the Federal Housing Finance Agency, and spoke about lenders’ tight credit policies with Jeffrey Goldstein, the U.S. Treasury Department’s under-secretary for domestic finance.

Calendar of Events

Dates	Event	Clock Hours	Time	Location	Contact
SEATTLE-KING COUNTY ASSOCIATION OF REALTORS®					
2/8	New Member Orientation		9:30am-12:30pm	SKCR	(800) 540-3277
2/17	“Employer-Assisted Housing” Class	7.5	8:30am-5pm	SKCR	(800) 540-3277
2/21	Holiday – Office Closed				
2/23-25	NAR Region 12			Seattle Hyatt	(800) 540-3277
3/16	Board of Directors		10:30am-1:30pm	SKCR	(800) 540-3277
For updates visit: www.nwrealtor.com and click “events”					
SNOHOMISH COUNTY-CAMANO ASSOCIATION OF REALTORS®					
For updates visit: www.sccar.com and click “events”					