Jobs, Demographic Forces Key to Housing Recovery

"Things are positive for the long run, though clearly there's going to be a period of turmoil," remarked Eric Belsky, managing director of the Joint Center for Housing Studies, in an interview coinciding with the release of the Center's 2010 report titled "The State of the Nation's Housing."

Among factors causing concern are elevated vacancy rates, record foreclosures, and continued high unemployment.

Over the coming decade and once employment stages a convincing comeback, demographic forces should lift currently depressed levels of household growth and spur increased construction and sales, according to JCHS representatives. The annual report analyzes current home ownership trends and examines how federal government policies are affecting the marketplace.

Bolstered by immigrants, the echo-boom generation is already larger than the baby boom generation, and the baby-bust generation (born 1966-1985) is nearly as large. If immigration matches the pace projected by the Census Bureau and headship rates (ratio of households to the population) by age and race hold steady, household growth should come close to 15 million from 2010 to 2020, the researchers reported. Even if it falls to half the projected pace, household growth should equal the 12.5 million growth from 1995-2005.

Both housing policy challenges and opportunities will abound in the years ahead, the report concludes.

A brightening personal-income picture, a willingness by more local banks to make home loans, reports that investors are returning to the housing market and that housing is the most affordable it has been in decades are encouraging signs of a real estate rebound. Nevertheless, the Harvard researchers say big changes are afoot in residential real estate, pointing to shifting demographics.

Among six demographic drivers with implications for housing are:

1. **Slowdown in household growth**
   A sharp drop in immigration, attributed to broad job losses, and a doubling up among economically stressed families have played major parts in decelerating household growth. During the first half of the decade, household growth was 1.2-1.4 million annually, but fell to less than 1.0 million per year in the subsequent years (2005-2009).

2. **Reduced mobility**
   Overall mobility rates fell by about 12.6 percent in the period 2005-2008 before stabilizing in 2009. Homeowners experienced the steepest declines, "likely because the housing crash left so many underwater (or nearly so) on the mortgages, making it difficult to move," the researchers suggested. Mobility rates among older owners posted the sharpest drop as many seniors deferred retiring and moving to a different home because the financial crisis depressed their home equity and reduced their retirement accounts.

3. **A lost decade for household income**
   For the first time since at least 1970, median household incomes for all age groups in each income quartile are likely to end the decade lower than they began. Households under age 25 in the lowest income quartile were hardest hit, but no group was spared from the declines.

   "These dismal figures predate the heavy employment losses in 2009," the report cautions, noting housing demand must therefore build upon a lower real income base than a decade ago. If incomes do not bounce back quickly, "Americans will have to choose whether to cut back on the size and features of their homes or allocate larger shares of their incomes to housing. "

4. **Household wealth reversals**
   Household wealth went through a sharp boom-and-bust cycle over the last decade, while household mortgage debt exploded. On a per household basis, in the span of a decade, real household wealth actually fell from $526,000 in 1999 to $486,600 in 2009. Mortgage debt soared, rising from less than $6 trillion to more than $10 trillion in inflation-adjusted dollars. A resulting drop in home equity was described as "startling" in the JCHS

report, which noted, "Aggregate real home equity has not been this low since 1985 when there were far fewer homeowners than today."

5. **Growing diversity of demand**
   "Regardless of what happens in the future, immigration since 1980 has already reshaped the nation's demographic profile, particularly in terms of racial and ethnic diversity," wrote the authors of The State of the Nation's Housing 2010.

Throughout the current housing cycle, the numbers of immigrant and minority households outgrew those of native-born white households, accounting for 74 percent of net household growth between 2003 and 2009. Those rising numbers mean an increased presence of these sectors in home buying, remodeling, and rental markets. "Future expansion of housing investment and the growth in the broader economy will depend on reducing the significant income and wealth disparities between whites and minorities," the authors advised.

6. **Residential development and the environment**

Acknowledging a "growing chorus" is calling for more compact forms of residential development to reduce vehicle miles traveled (VMT), and consequently, carbon emissions and energy consumption, the researchers reviewed various studies and arguments by proponents. They observed:

1) In most communities, achieving compact development would require changes to local zoning laws, which today often discourage higher densities along with mixed commercial and residential land uses.
2) Compact development would, at best, reduce VMT and related carbon emissions relative to a 2000 baseline between 11 percent (as estimated by the National Research Council) and 18 percent (the Urban Land Institutes estimate) by 2050.
3) More compact development patterns would help make public transportation more economical.
4) While having public transit in the area increases the share of commuters that use it, access does not necessarily mean high ridership. In fact, less than 25 percent of households with at least one commuter report using public transport regularly.

The Outlook

The aging echo-boom generation, augmented by immigration, will increasingly drive household growth over the next 15 years. The number of echo boomers is expected to swell to 92.9 million by 2025. Immigration is expected to grow to 86.5 million. "This highly diverse generation will give demand for apartments and smaller start homes a lift over the next 15 years," the report stated.

Second-generation Americans (children born in the US to immigrant parents) among the echo boomers will be important in shaping the characteristics of future households since those aged 25-64 typically have higher household incomes than both foreign-born and other native-born households of all races and ethnicities.

Baby boomers will boost demand for senior housing. JCHS researchers say the units built over the next 10-20 years that intentionally cater to older Americans will be the housing available for generations to come. They expect senior housing issues will gain more urgency during the coming decade as a result of limited federal support for senior housing and the current funding system that encourages expensive trips to skilled nursing facilities rather than lower-cost, less institutional assisted living options and programs.

"*The State of the Nation's Housing*," released annually by the Joint Center for Housing Studies, provides a periodic assessment of the nation's housing outlook and summarizes important trends in the economics and demographics of housing. The report continues to earn national recognition as a source of information regularly utilized by housing researchers, industry analysts, policy makers, and the business community.

The complete 44-page report on The State of the Nation's Housing 2010 may be viewed and downloaded at http://www.jchs.harvard.edu/publications/markets/son2010/

February housing activity yields “reason for optimism”

KIRKLAND, Wash. (March 3, 2011) – Housing activity during February continued to reflect the downside of distressed properties with fewer sales and lower prices than a year ago. Nevertheless, brokers believe there are reasons for optimism when taking a closer look at the numbers in the latest report from Northwest Multiple Listing Service.

NWMLS members reported 5,986 pending sales of single family homes and condominiums in its market area, which covers 21 counties in Western and Central Washington. That total is down about 9.2 percent from a year ago, but it rose 11 percent from January. Last month’s volume of pending sales (mutually accepted offers) was the highest in six months, falling slightly below the August 2010 total of 6,037.

“I'm anticipating sales to be soft through April as compared to last year when a rush of buyers came into the market to take advantage of the tax credit, which expired April 30, 2010,” said OB Jacobi, president of Windermere Real Estate Company and a member of the Northwest MLS board of directors.

Noting a new year usually means new inventory, Jacobi commented on the smaller selection. Both the total number of new listings added to inventory and the total number of active listings are down from year-ago figures.

The number of new listings shrunk nearly 27 percent from a year ago, while the total number of active listings at month end was off 9.4 percent compared to twelve months ago.

Jacobi attributes the drops to distressed properties and the influence they are having on sellers. Sellers are reluctant to compete with the prices of distressed properties, he explained, and are holding off on putting their homes on the market. As a result, buyer choices have shrunk. That could bode well for some.

Some sellers of non-distressed properties are experiencing a stronger demand. “It’s not unusual for sellers in neighborhoods close to the city to get multiple offers,” Jacobi remarked. He cited the example of a home in Ballard with an asking price of more than $800,000 that drew seven offers last month, and sold for more than the asking price.

Overall, the median price for homes and condos that sold last month was $240,000, down about 7.7 percent from a year ago when the median selling price was $260,000. Five counties reported increases, with three of them – Grant, Kittitas and Jefferson – reporting double-digit gains.

In King County, the median selling price for last month’s completed transactions was $320,000, down about 6.8 percent from a year ago. For the four-county Puget Sound region, last month’s median price for single family homes and condos that sold during February was $262,250.

Brokers point to distressed properties as a major reason for depressed prices.

Jacobi said his company’s tracking showed distressed properties accounted for 37 percent of single family home sales in King County in February as compared to 30 percent a year ago. Most of that growth was from sales of bank owned properties, he noted.

Distressed properties continue to drag down home prices, Jacobi remarked. “Since they can sell for 30-to-40 percent less than non-distressed homes, we expected a price drop. In Windermere’s analysis, if you take out the distressed sales for February, the median home price jumps from $334,000 to $390,000.”

Mike Grady, president and COO of Coldwell Banker Bain, said while any foreclosures or distressed properties are unwelcome, the impact is minimal in some areas. In West Bellevue, for example, his check showed only seven bank-owned single family homes on the market. On Mercer Island, there was only a single home in that category.

Jacobi also cited a “bright spot” in the distressed properties market. He said one of their agents had a new 2-bedroom modern townhouse in Columbia City that closed last month for $130,000, less than half the original asking price. “While buying a distressed property requires a little patience, the payoff can be big,” he commented.

Northwest MLS members reported 3,080 closed sales during February, a decline of around 4.2 percent from a year ago. The closings included 2,676 single family homes and 404 condominiums.

Brokers say they are optimistic, pointing to various indicators:

Frank Wilson, branch managing broker at John L. Scott Real Estate in Poulsbo and a Northwest MLS director, said their web traffic could be a harbinger of things to come. “Almost across the board we are seeing more consumers checking out our listings on the web, with traffic counts in some cases being three or four times what they were 30 or 60 days ago,” he stated.

Grady noted in many Seattle neighborhoods, there are fewer than two homes currently available for sale for every home already under contract (pending). “That is a very healthy ratio, and is surprisingly close to what it was at the peak of the market,” he observed.

Industry insiders say last week’s announcement of The Boeing Company win on the Air Force tanker contract, this week’s news from the state Employment Security Department that February marked Washington’s strongest month of job growth in more than three years, and several positive earnings reports from local corporations are all encouraging indicators for the housing market.

With this recent good news, “there is reason for optimism as we approach the busiest time of the year for home sales,” Grady proclaimed.

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.

Statistical Summary by Counties: Market Activity Summary- **February 2011**

Single Fam. Homes + Condos	LISTINGS		PENDING SALES	CLOSED SALES		
	New Listings	Total Active	# Pending Sales	# Closings	Avg. Price	Median Price
King	3,049	10,411	2,440	1,244	$401,339	$320,000
Snohomish	1,245	4,729	1,046	494	$256,621	$228,250
Pierce	1,227	5,155	997	488	$224,108	$202,782
Kitsap	319	1,522	284	146	$287,035	$252,700
Mason	119	680	52	35	$183,118	$158,900
Skagit	173	1,012	119	71	$241,211	$198,000
Grays Harbor	144	828	77	41	$130,951	$126,900
Lewis	83	677	60	28	$123,463	$105,500
Cowlitz	105	578	68	43	$155,488	$146,700
Grant	79	500	53	35	$183,593	$165,000
Thurston	358	1,512	293	151	$221,366	$217,600
San Juan	33	338	14	9	$896,667	$425,000
Island	128	833	86	47	$278,118	$237,500
Kittitas	80	424	34	24	$306,800	$297,000
Jefferson	61	431	21	23	$335,896	$310,000
Okanogan	39	338	13	10	$174,040	$160,000
Whatcom	299	1,487	191	109	$255,554	$234,990
Clark	46	252	37	19	$231,347	$184,000
Pacific	35	311	28	24	$143,865	$130,000
Ferry	3	51	4	1	$49,250	$49,250
Clallam	56	372	24	20	$195,404	$152,000
Others	112	481	45	18	$223,494	$127,250
MLS TOTAL	**7,793**	**32,922**	**5,986**	**3,080**	**$304,501**	**$240,000**

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

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

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2000	3706	4778	5903	5116	5490	5079	4928	5432	4569	4675	4126	3166
2001	4334	5056	5722	5399	5631	5568	5434	5544	4040	4387	4155	3430
2002	4293	4735	5569	5436	6131	5212	5525	6215	5394	5777	4966	4153
2003	4746	5290	6889	6837	7148	7202	7673	7135	6698	6552	4904	4454
2004	4521	6284	8073	7910	7888	8186	7583	7464	6984	6761	6228	5195
2005	5426	6833	8801	8420	8610	8896	8207	8784	7561	7157	6188	4837
2006	5275	6032	8174	7651	8411	8094	7121	7692	6216	6403	5292	4346
2007	4869	6239	7192	6974	7311	6876	6371	5580	4153	4447	3896	2975
2008	3291	4167	4520	4624	4526	4765	4580	4584	4445	3346	2841	2432
2009	3250	3407	4262	5372	5498	5963	5551	5764	5825	5702	3829	3440
2010	4381	5211	6821	7368	4058	4239	4306	4520	4350	4376	3938	3474
2011	4272	4,767										

(Note: A distressed property is a dwelling that is in danger of foreclosure or that is in the process of being foreclosed due to a default under the terms of a mortgage.)

Financial concerns becoming more important to "mature movers"

Buyers in the 55+ segment are becoming more practical when searching for a new home in the wake of the recession, with design considerations becoming less important. Instead, according to a recent study, financial concerns are becoming more prominent among "mature movers."

While design, amenities and appearance of both the residence and the community remain important, those considerations are diminishing in the post-recession era.

The evolving preferences of the growing 55+ demographic were revealed in a joint study by the 50+ Housing Council of the National Association of Home Builders (NAHB) and the MetLife Mature Market Institute.

In contrast to previous studies, fewer 55+ buyers are depending on home sale proceeds to finance a new purchase.

The study, "Housing Trends Update for the 55+ Market," explores housing data from the Census Bureau's 2009 American Housing Survey (AHS). Researchers focused on households living in active adult communities, either age-qualified active adult communities where at least one resident must be age 55+, other non-age-qualified 55+ owner-occupied communities (not explicitly restricted to 55+ households but nevertheless occupied primarily by people age 55+), or age-restricted rental communities.

In 2009, only 55 percent of new age-qualified active adult home buyers reported their down payment came from a previous home sale, significantly down from 100 percent of respondents in 2005 and 92 percent in 2007. In 2005 and 2007, no active adult community buyers reported having to tap cash or savings for a down payment. That changed significantly in 2009 when 45 percent of the average buyer's down payment came from cash or savings.

“By the year 2020, as Baby Boomers move into this age bracket, almost 45 percent of all U.S. households will include someone at least 55 years old,” said David Crowe, NAHB’s chief economist. That translates to a dramatic rise in the number of households seeking housing better suited to changing, he noted.

Relatively modest production of such housing is on the horizon, according to NAHB data. Abut 54,000 housing starts are projected in 55+ communities this year. That reflects a 30 percent jump from estimated 2010 levels. A more robust 79,000 housing starts in 55+ communities are anticipated in 2012.

Prices remain lower than 2005, when prices peaked. The analysis showed a big difference between buyers in age-qualified active adult communities and other 55+ community buyers. Average prices for 55+ homes dropped in 2007, but partially rebounded in 2009. Prices for age-qualified communities more than bounced back: they set a record with an average price of $319,000. Researchers found buyers in this group were more affluent, with average annual incomes of more than $80,000. More than one-fourth (27 percent) reported earning at least $100,000, a jump from fewer than 5 percent of such buyers in 2001.

“Most 55+ consumers—those who chose to move and those who stay in their homes—report they are happy with their homes and communities,” said Sandra Timmermann, Ed.D., director of the MetLife Mature Market Institute. She said those who moved to an age-qualified community reported the greatest satisfaction, rating their homes and communities at nine on a 10-point scale.

The desire to be near family and friends is the mature mover’s overwhelming motivation, the report noted. Buyers who fall into the 55+ age range that are moving into rental homes, both multi-family and single-family, cited a desire for less expensive housing as second in importance to living near friends and family.

Those who are able to buy are getting much more for less. In 2009, more than half the 55+ buyers said they were moving into better homes, but fewer than half reported their new homes cost more than the old ones.

“Proximity to work” was more important than in the past for those relocating to age-qualified, active adult communities. In 2009, twelve percent underscored the trend toward delayed retirement in this age group, up from 2 percent in 2001. . There was also a reported increase in the share of 55+ single-family homeowners who say they work at home, a trend the researchers suggested is noteworthy for home designers.

A small, but growing share of older households is taking advantage of the ability to convert some of their home equity into a reverse mortgage or home equity conversion mortgage. They tend to be older, single-person households with lower household income and longer housing tenure. Those with reverse or home equity conversion mortgages represented more than 241,000 households in 2009, a 54 percent increase since 2007.

The report reflects trends in the American Housing Survey between 2001 and 2009. Characteristics are tabulated by the age of the occupants and structure type, as well as by community type.

“Housing Trends Update for the 55+ Market” can be downloaded from www.MatureMarketInstitute.com or from www.nahb.org/55PlusResearch.

Important News! Starting April 18th, 2011, FHA Loans Are Changing

Effective on all new FHA loans setup (case numbers ordered) on or after April 18, 2011 the FHA monthly Mortgage Insurance Premium (MIP) will be increasing by 25 basis points.

This means that for most FHA transactions (30 year term products and down payments less than 5%) the monthly MIP will be calculated using 1.15% of the base loan amount (currently the monthly MIP factor for these transactions is .90%).

For transactions with a 30 year term and down payments of 5% or more the monthly MIP will be calculated using 1.10% of the base loan amount (currently the monthly MIP for these transactions is .85%).

Example of Monthly Mortgage Insurance Premium Increase (MIP) (Transactions with a 30 Year term product and less than 5% down payment)			
Base Loan Amount	**$150,000**	**$250,000**	**$350,000**
Current Monthly MIP Payment (0.90%) *	$113	$188	$263
New Monthly MIP Payment (1.15%) **	$144	$240	$335
Increase In Monthly Payment	**$31** **($372 per year)**	**$52** **($624 per year)**	**$72** **($864 per year)**
* For case numbers assigned on/before April 17, 2011 ** For case numbers assigned on/after April 18, 2011			

This is the second MIP rate increase made by the Department of Housing and Urban Development (HUD) in the last year. The last increase came in October 2010 when the MIP increased from 0.55% to 0.9% on most FHA transactions, and the Up Front Mortgage Insurance Premium (UFMIP) lowered from 2.25% to 1%. Both of these changes are an effort for Ginnie Mae, the agency that insures FHA loans, to stay solvent and avoid issues faced by Fannie Mae and Freddie Mac.

If buyers plan to obtain a new FHA loan, it could be important that the prospective buyers and their real estate brokers understand these changes to possibly save thousands of dollars over the life of the loan.

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Eye on the Hill
Reforming America's Housing Finance Market

On Friday, February 11, 2011, the Obama Administration released its plan for reforming America's Housing Finance Market. The proposal offers three options for handling the secondary mortgage market participants Fannie Mae and Freddie Mac:

- Full privatization,
- A guarantee mechanism during crisis, and
- Catastrophic re-insurance.

The plan also proposes criteria that would foster increased down payments to 10 percent, lower GSE and FHA loan limits, and raise the GSEs' guarantee fees (g-fees) and FHA premiums significantly, in an effort to level the playing field and bring back the private sector.

NAR welcomes the Obama Administration's call for an orderly transition from the current form of the secondary mortgage market to a new structure that would enable Americans to achieve affordable, sustainable mortgages. NAR **recognizes that the existing system failed and that changes are needed to protect taxpayers from an open-ended bailout.** However, **NAR believes that the new system must involve some government presence, outside of FHA, USDA, and the Department of Veterans Affairs, to provide middle-class families access to affordable mortgages at all times and in all markets.**

NAR recommends the following key points for reforming the GSEs:

- Reforms should ensure a strong, efficient financing environment for homeownership and rental housing.
- The government must clearly, and explicitly, guarantee the issuances of the entities.
- The reformed entities should guarantee or insure a wide range of safe, reliable mortgage products.
- Sound and sensible underwriting standards must be established.
- The entities should price loan products or guarantees based on risk.
- The reformed entities must have a separate legal identity from the federal government but serve a public purpose.
- The GSEs should remain politically independent.
- To increase the use of covered bonds, particularly in the commercial real estate arena, the entities should pilot their use in multifamily housing lending.
- There must be strong oversight of the entities.

As the Administration and Congress begin discussions about reforming the housing finance market**, it is important that America's home buyers and sellers, as well as the housing industry, are well represented and accounted for in this conversation**. To help demonstrate to policymakers and regulators the importance of homeownership, **NAR's Leadership Team will kick off a three-city bus tour beginning in March** to promote the benefits of home ownership. Each stop on the tour, part of the **"Home Ownership Matters"** campaign which was launched in late 2010, will include two events designed to engage REALTORS® and consumers on key issues. The awareness this effort will raise will benefit REALTORS® and home owners nationwide.

To learn more about the activities NAR has, and is, undertaking on reforming the housing finance market, along with more in depth information on its key talking points for GSE reform, please visit www.realtor.org/government_affairs/gapublic/gses.

To learn more about the "Home Ownership Matters" campaign, please visit www.realtor.org/homeownership.

Good To Go! Passes Now Available as SR 520 is Readied for Tolling

Good To Go! passes for upcoming State Route 520 (Evergreen Point Floating Bridge) tolls went on sale February 18 with a special introductory offer. Purchasers who activate an account by April 15 will receive a $10 credit towards SR 520 tolls.

Toll collections begin this spring; rates are pending Legislature approval. Proposed toll rates will vary by time of day, in hopes of encouraging some drivers to use off-peak hours, alternative routes and other modes of travel to reduce traffic congestion on the floating bridge during peak travel times. Tolls will be charged in both directions.

The Good To Go! passes are available online, by phone, at 84 participating Safeway stores, at customer service centers in Seattle, Bellevue and Gig Harbor, or from mobile customer service vans that are visiting communities and AAA offices around the Greater Seattle-Eastside areas.

Five types of passes are available, including movable options. The passes cost from $5 to $12. Once purchased, they may be activated with prepaid toll payments starting at $30. The Washington State Department of Transportation recommends frequent commuters and commercial accounts pre-pay at least one month of tolls on their accounts. Accounts may be set up with automatic replenishments using a bank account or credit card.

Two items are required to set up a Good To Go! account:

1) License Plate Number/Vehicle Make and Model; and
2) Payment method

For drivers without a Good To Go! account, cameras will take photos of the license plate and a bill will be mailed to the registered owner of the vehicle. Under the proposed toll rate schedule, the Good To Go! toll rate might be $3.50 during peak periods, compared to $5 for users who pay by mail.

"Tolling is a critical funding source for replacing the vulnerable 520 bridge," Washington Transportation Secretary Paula Hammond said. "Starting tolling this spring helps keep project costs down while improving the safety and reliability of this vital corridor. The funds help us begin pontoon construction in Grays Harbor for a replacement bridge and improvements on the Eastside starting next month."

Good To Go! is Washington's statewide electronic tolling system. Electronic tolling allows tolls to be collected on all vehicles at highway speeds with no stopping or slowing. The SR 520 floating bridge will be the first bridge in the state to use all-electronic tolling, with no traditional cash collection toll booths.
For more information about Good To Go! including a complete list of retail locations and incentives, visit goodtogo520.org.

Google Adds Biking Directions

March marks the one-year anniversary of the launch of biking directions to Google Maps. (http://maps.google.com/biking)

When unveiled last year at the National Bike Summit in Washington, DC, Google officials said it was the most requested addition to Google Maps. The feature includes step-by-sep bicycling directions, bike trails outlined directly on the map, and a new "Bicycling" layer that indicates bike trails, bike lanes, and bike-friendly roads.

The site provides step-by-step, bike-specific routing suggestions, similar to the directions provided on Google's driving, walking, or public transit modes. Users enter a start point and destination, then select "bicycling" from the drop-down menu to receive a route that is optimized for cycling. Routes take advantage of bike trails, bike lanes, and bike-friendly streets, avoiding hilly terrain whenever possible.

Biking directions also provide time estimates for routes, taking into account the length of the route, the number of hills, fatigue over time, and other variables.

The bicycling layer for Google Maps, accessible via the "More…" drop down menu at the top of the map, displays an overlay of the various bike-friendly roads and trails around town. The layer is color-coded to show three different types of paths:

- Dark green indicates a dedicated bike-only trail;
- Light green indicates a dedicated bike lane along a road;
- Dotted green indicates roads without bike lanes but are more appropriate for biking, based on factors such as terrain, traffic, and intersections.

Thousands of miles of trails are also featured to help cyclists better plan their routes.

Google partnered with the Rails-to-Trails Conservancy, a nonprofit that creates networks of trails from former rail lines, to provide information on bike trails in more than 150 cities.

Bikers are encouraged to send feedback and route information for inclusion via Google's reporting tool found at the bottom of the map. Biking directions are available on both desktop versions of Google as well as for several mobile devices.

The Google Maps enhancement to add cycling directions was developed by a team of five engineers in its Seattle office who worked full-time for more than five months to get it to a public beta test phase.

Online Classifieds Site Connects Buyers, Sellers, Traders and Donors of Home Improvement Products

Looking for a deal on your next home improvement project, or trying to find an alternative to a landfill for your surplus materials? You might want to check out DiggersList.com.

The free, pioneering online home improvement classifieds site allows homeowners, suppliers, contractors and do-it-yourself (DIY) enthusiasts to buy, sell, trade or donate thousands of excess home improvement and construction materials.

Since launching in 2009, the site now serves about three dozen cities, including Greater Seattle, with plans to reach 224 cities across the country. It offers more than 70 specific categories that divide home improvement products into easily viewed sections, such as appliances, paint, or tools and hardware.

The site, co-founded by brothers Matt Knox and Johnnie Munger, is winning over cost- and eco-conscious homeowners who seek deep discounts (sometimes reaching 50 percent) on pristine or lightly used home improvement materials.

The site has also attracted national media attention, including mentions on The Early Show, Good Morning America, The Huffington Post, The Wall Street Journal, plus a spot on TIME's "10 Neat New Money-Saving Websites Consumers Need to Check Out."

DiggersList works closely with various nonprofits around the U.S. that need donations, including surplus building materials or home improvement items. Partners in the Puget Sound area include Seattle Habitat for Humanity Store and Tacoma/Pierce County Habitat for Humanity Store. Affiliations with Habitat for Humanity ReStores, which sell donated home improvement goods to fund its humanitarian mission, enables DiggersList to offer high-quality fixtures, bathroom sets and kitchen accessories at deep discounts.

The founders say they created DiggersList in response to the national call to reduce the volume of building materials that are overflowing the country's landfills. They cite U.S. Environmental Protection Agency data on waste. An estimated 160 million tons of waste per year is attributed to the construction industry alone, accounting for almost one-third of the nation's solid waste generation and 50 percent of natural resources consumption.

"DiggersList was specifically invented so that homeowners could have a money-making and environmentally conscious alternative to sending their surplus home improvement items to a landfill," said Knox. It might surprise some homeowners, but contractors and do-it-yourselfers are clamoring to get their hands on, and pay cash for, the pile of lumber, stack of tile or extra windows that would otherwise collect dust in a garage or attic, he remarked.

The economic downturn and sluggish housing market are prompting homeowners to postpone moving and instead invest in upgrading their existing home, Knox observed.

Figures from the Home Improvement Research Institute support that observation. The do-it-yourself home improvement industry showed modest growth even in the depths of the recession. Now, with a slow recovery under way, continued growth is forecast. For the period 2011-2015, the expected average annual growth rate is projected to be 5.6% when the total market is expected to reach a level of $341 billion by the year 2015.

"There are only two ways to save money on a home improvement project – your material cost and your labor cost," Knox noted, adding, "If they can save on materials, like they can at DiggersList, they are ahead of the game."

News In Brief

- **The administration's budget request released on February 14th includes a 25 basis-point increase in the annual FHA mortgage insurance premium and proposes to cap itemized deductions for higher-income households at 28 percent, down from 33-35 percent.** More broadly, the budget freezes domestic discretionary spending and makes cuts to some 200 programs, including most of HUD's programs. CDBG, which states and localities use for community development projects, would be cut 7.5 percent. Not in the budget are key recommendations from the president's deficit reduction commission, including the commission's recommendation to change MID into a tax credit. The FHA MIP increase is already authorized, so FHA won't need legislative authority for that. The cap on MID and other itemized deductions is similar to a proposal the administration has made twice before, both times without success.
- **President Obama has announced an initiative to bring 4G wireless Internet access to 98 percent of the country within five years, build a national public safety broadband network, and promote wireless innovation through increased research and development.** 4G wireless technology is already being rolled out by broadband providers in mainly urban areas and the new technology promises speeds 10 times faster than today's high-speed wireless. But rural areas are being left out. The plan will support a one-time investment of $5 billion to build out 4G networks in those areas. At its annual meeting last year, the NAR Board of Directors adopted principles that include the statement that quality telecommunications services should be available at reasonable and affordable rates for all.
- **Good jobs enable people to achieve the American dream of home ownership**. And every time a house is built, bought, or sold, jobs are created—lots of them—right here at home. According to the National Association of REALTORS®:
  - Home sales in this country generate more than 2.5 million private-sector jobs in an average year. For every two homes sold, a job is created.
  - Each home sale touches 80 different occupations.
  - Every home purchased pumps up to $60,000 into the economy over time for furniture, home improvements, and related items.
  - Housing accounts for more than 15% of the Gross Domestic Product, making it a key driver in our national economy.
  - Housing has led this country out of six of the last eight recessions.

- **Washington added more than 830,400 residents during the past decade to become the nation's 13th most populous state.** Washington grew faster than the nation as a whole and two-thirds of the states, according to 2010 census figures released Tuesday. Its population growth gained the state a 10th seat in the U.S. House of Representatives. The state now is home to 6.7 million people, nearly double its population of

40 years ago. Yet, the state's decade-over-decade rate of growth for 2010 was the lowest in 70 years — mirroring a national trend.

- **King County is growing and has a diverse multitude of residents, based on data revealed last week by the U.S. Census Bureau.** The census counted 1,931,249 residents in the county. Based on data collected in April of last year, the county gained just under 200,000 residents, an increase of 11.2 percent, since the last complete census in 2000. King County grew faster than the nation as a whole, which grew at a rate of 9.7 percent nationwide.

  The data also shows the growing diversity of King County's population: persons of color now make up more than one-third of the population. The number of non-Hispanic white persons is slightly smaller than it was in 2000.

  The entire population increase consisted of persons of color. Asian-Americans accounted for nearly half the increase over the decade, and Hispanic or Latino persons accounted for more than one-third. Additionally, there were smaller increases in the African-American, Pacific Islander and Native American populations, and persons who reported more than one race.

  Recent Census Bureau estimates indicate that King County is the nation's 14th most populous county, and is larger than 14 states including Idaho, Montana, Alaska, and West Virginia. The the release of Census 2010 is not yet complete; by mid-March officials will know if the county retains its ranking.

  King County's population growth comprised nearly one-quarter of Washington state's 830,000 increase during the decade. The state increase of 14 percent was enough to gain an additional seat in Congress, the only state outside the Sunbelt to do so in 2010. The Census data released will be used to redraw congressional, legislative and county council district boundaries during 2011.

Calendar of Events

Dates	Event	Clock Hours	Time	Location	Contact
SEATTLE-*King County* REALTORSÒ					
3/16	Board of Directors		10:30am-1:30pm	SKCR	(800) 540-3277
3/23	Washington Transition Course	3	9:30am-12:30pm	SKCR	(800) 540-3277
3/23	New Member Orientation		9:30am-12:30pm	SKCR	(800) 540-3277
4/5	Gov't Affairs Committee		10:30am-1:30pm	SKCR	(800) 540-3277
4/21	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"					