



PRUDENTIAL NORTHWEST REALTY ASSOCIATES

# The Good News In Real Estate

*The Seattle Times—May 28, 2013*

**Economic Gains Lift U.S. Confidence...** Home prices are surging. Job growth is strengthening. And stocks are setting record highs. All of which explains why Americans are more hopeful about the economy than at any other point in five years. Investors celebrated the latest buoyant reports on consumer confidence and housing prices, which together suggest growth could accelerate in the second half of 2013. Greater confidence could spur people to spend more and help offset tax increases and federal spending cuts. And the fastest rise in home prices in seven years might lead more Americans to put houses on the market, easing supply shortages that have kept the housing recovery from taking off. A report from the Conference Board, a private research group, showed that consumer confidence jumped in May to a reading of 76.2, up from 69 in April. That's the highest level since February 2008.

*MyNorthwest.com—May 28, 2013*

**Single-Women Buyer Segment Continues to Grow...** Single women make up the second largest segment of home purchases, with one out of every five homes purchased by a single woman, according to the National Association of Realtors. With more than 25 million single women over the age of 45—whether never married, divorced, or widowed—it is a growing demographic. Some builders are reportedly adding two master bedrooms to help accommodate the 40% of single women who choose to have non-romantic roommates, according to AARP.

*The Seattle Times—May 28, 2013*

**Seattle Home Prices up 10.6% in 12 Months...** Home prices in Seattle rose faster between February and March than in 18 of the 19 other cities tracked in a national index, but the region's 12-month increase was in line with the national average. Seattle prices rose 3% for the month, and 10.5 for the year, according to the Standard & Poor's/Case-Shiller home-price index. The monthly increase was the biggest since **April 1990**, and the 12-month increase the biggest since January 2007. Average home prices in the 20-city index are back to late 2003 levels. The index shows that average prices in the Seattle market have returned to where they were in the spring of 2005. The index also showed that all 20 cities measured by the report posted annual gains for the third straight month.

*HousingWire.com—May 25, 2013*

**Housing Will Re-Accelerate Economic Growth...** Housing is expected to act as a tailwind for the economy throughout the year and into 2014, even though there may be a few hiccups in overall economic activity. "Our May forecast predicts that the second half of 2013 will be a little stronger than the first half, despite the slowdown during the past couple of months," Doug Duncan, chief economist for Fannie Mae. He added that employment numbers are getting better, albeit at a relatively slow pace, and the April employment picture should help boost consumer sentiment toward the economy. Residential investment contributed to economic growth for the eighth consecutive quarter, adding 0.3% points during the first quarter of 2013.

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