
Housing Market Analysis

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Median Home Values of Existing Detached Homes			
	U.S.	West	Portland Metro Area
February 2009 Median Sales Price	\$ 168,200	\$ 269,000	\$ 265,000
February 2010 Median Sales Price	\$ 165,100	\$ 257,700	\$ 239,000
% Change in Median Sales Price	-1.8%	-4.2%	-9.8%
% Change in Number of Sales Feb 2009-2010	7.0%	3.4%	11.5%

Source: National Association of Realtors (February 2010) and RMLS (February 2010)

Once again the housing market statistics reflect a decrease in value from the prior year. Median home prices were down 1.8% annually in February, and 4.2% from \$269,000 to \$257,700 for the western part of the nation.

According to the National Association of Realtors, the metropolitan areas with the greatest annual depreciation rates are Las Vegas (-23.3%) and Chicago (-12.1%) while San Francisco (13.2%) and Denver (11.2%) experienced the most significant increases in value.

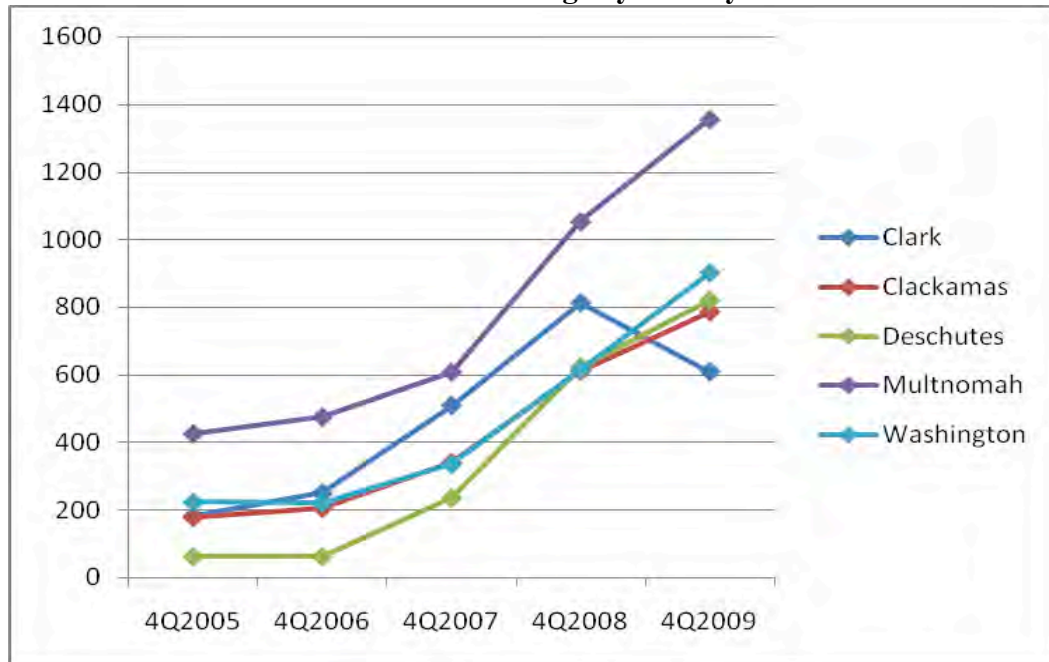
However, prices are still substantially higher than they were before the housing bubble. For Portland, according to the Standard and Poor's Case Shiller Index, a home valued at \$100,000 in 2000 stood at \$147,290 at the end of January 2010.

The number of building permits issued was down 37% nationally, with an increase of 64% in Oregon.

Foreclosures in the Portland metropolitan area, including Clark County are up 20% annually and 120% since 2007. According to RealtyTrac, there are currently 7,152 foreclosures on the market in Multnomah County. Meanwhile, Washington County has 5,301 foreclosures on the market, Clackamas County has 4,802, Clark County has 3,204 and Deschutes County has 6,042.

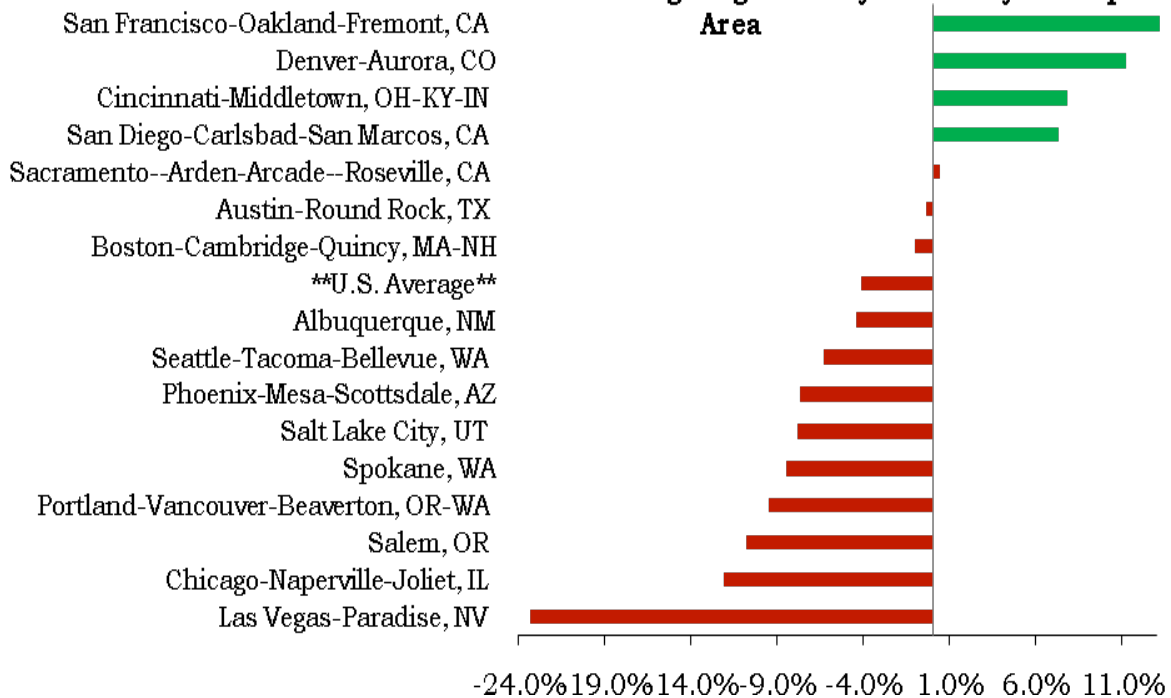
According to these various counties' recorders offices, Washington (46.2%), Deschutes (31.6%), Multnomah (28.7%) and Clackamas (28.6%) counties experienced increasing annual foreclosure rates, while Clark County (-25.1%) experienced a decrease in foreclosure filings from the previous year.

Foreclosure Filings by County



SOURCE: Clark, Clackamas, Deschutes, Multnomah and Washington county recorders' offices

Median Sales Prices of Existing Single Family Homes By Metropolitan Area



Source: <http://www.realtor.org/Research.nsf/Pages/MetroPrice>

Building Permits Issued

Year to Date

	SINGLE-FAMILY			MULTIFAMILY		
	Feb-10	Feb-09	PCT CHG	Feb-10	Feb-09	PCT CHG
UNITED STATES	65.8	47.9	37%	17.7	26.4	-33%
OREGON	0.93	0.57	64%	0.11	0.89	-87%
Bend OR	0.07	0.04	90%	-	-	-
Corvallis OR	0.01	0.01	-11%	-	-	-
Eugene-Springfield OR	0.08	0.04	77%	0.00	0.01	-86%
Medford OR	0.04	0.04	5%	0.02	0.00	750%
Portland-Vancouver-Beaverton OR-WA	0.59	0.31	94%	0.05	0.23	-77%
Salem OR	0.07	0.04	74%	0.03	0.02	32%

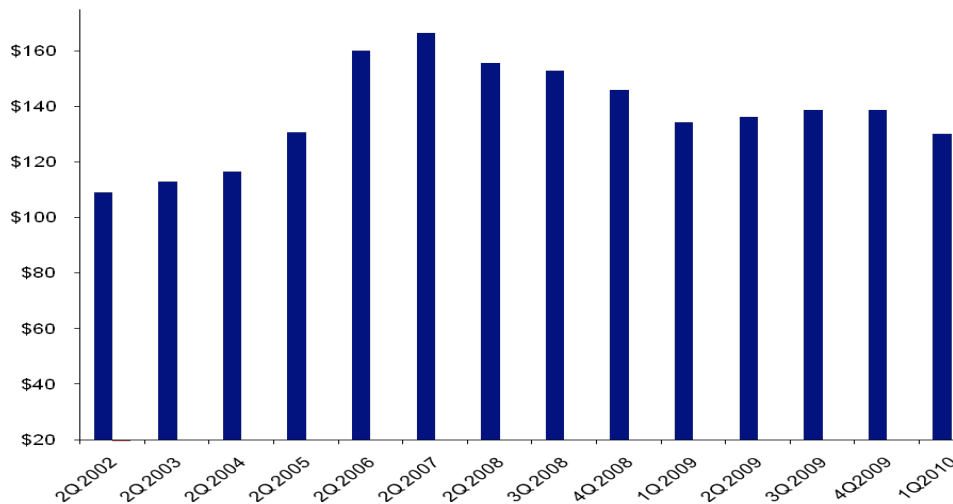
Source: National Association of Home Builders (November 2009)

Portland

The number of Portland metropolitan area home sales decreased by 28.28% over the first quarter, as buyers closed purchases on 2,805 existing homes. However, this represents an increase of 40.53% over the previous year.

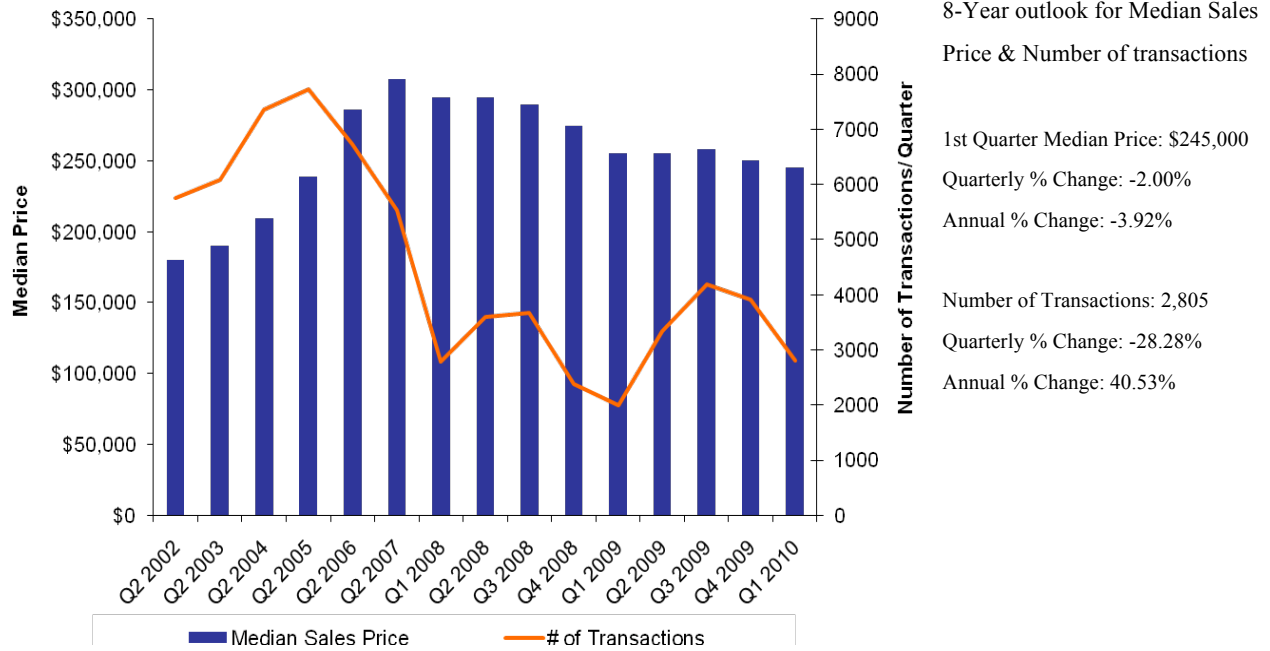
Median prices for the first quarter were at \$245,000, a 2% decrease over the previous quarter, and a 3.92% reduction annually. Prices are still being marked down, with average sales taking place at 90.89% of the original list price, 0.84% less than the previous year. Sellers in the Portland area, on average, have their homes on the market for 84 days before closing, reflecting a three day decrease from 2009. Price per-square-foot values dropped to \$130, a 6.47% decrease from the previous quarter. This reflects a 2.93% decrease annually.

Single Family Price/SqFt - Portland Metro



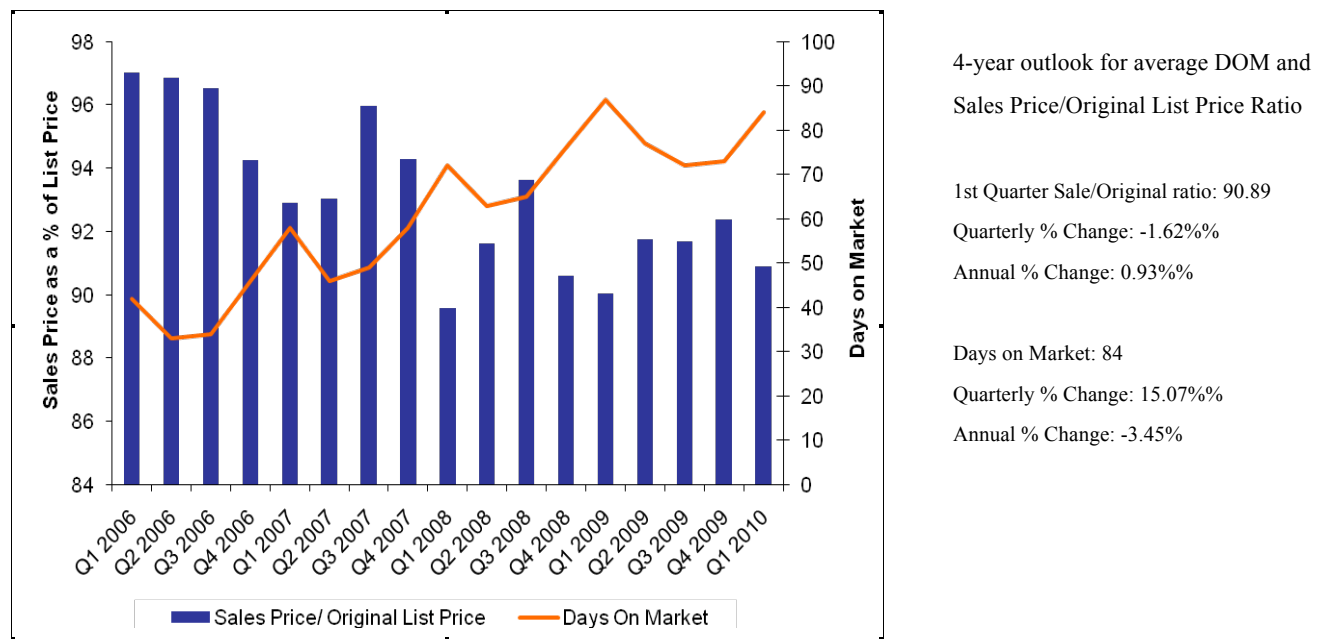
Median Sales Price & Number of Transactions – Existing Detached Homes

Portland Metro (Excluding Clark County)



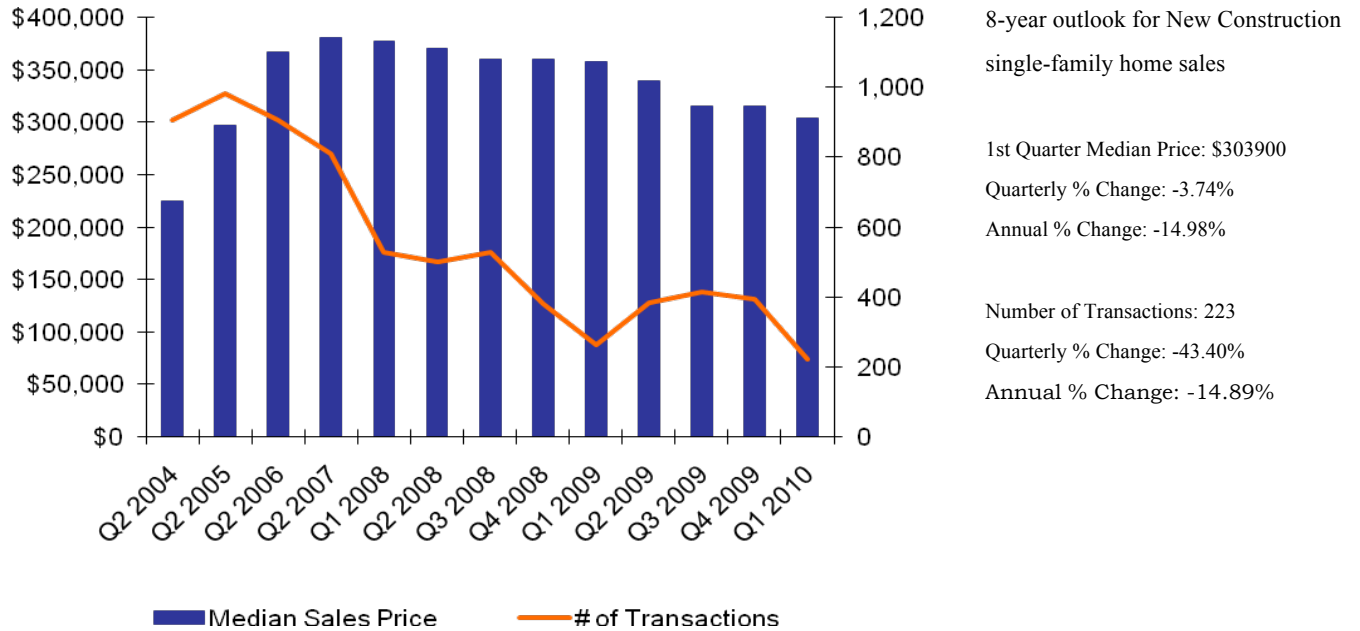
Sale Price/Original List Price & Average Days on Market – Existing Detached Homes

Portland Metro (Excluding Clark County)



Median Sales Price & Number of Transactions – New Detached Homes

Portland Metro (Excluding Clark County)



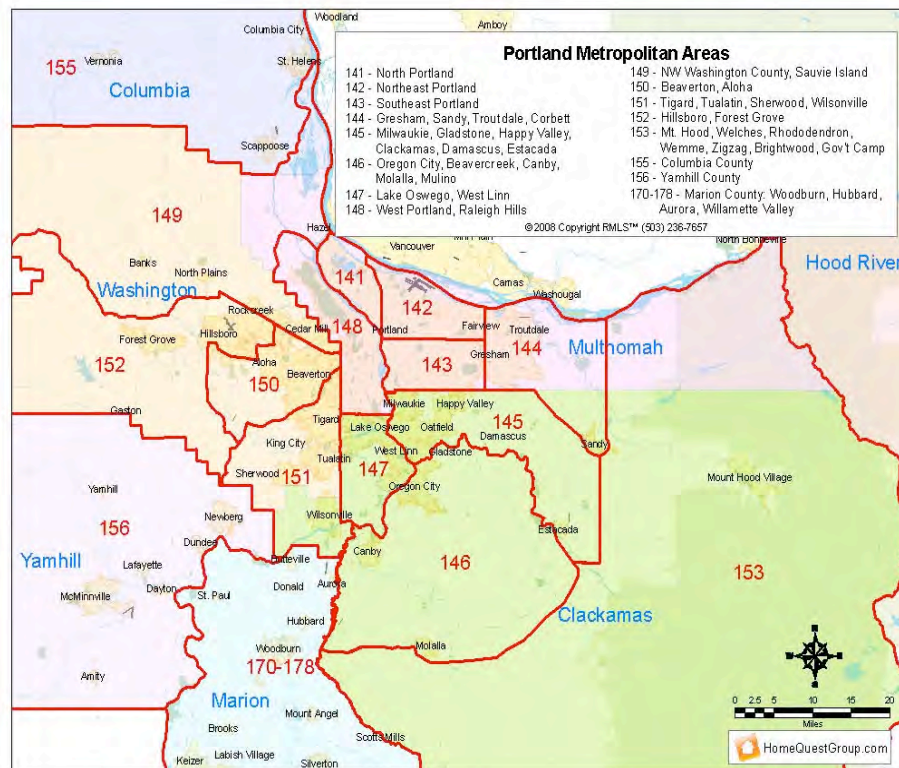
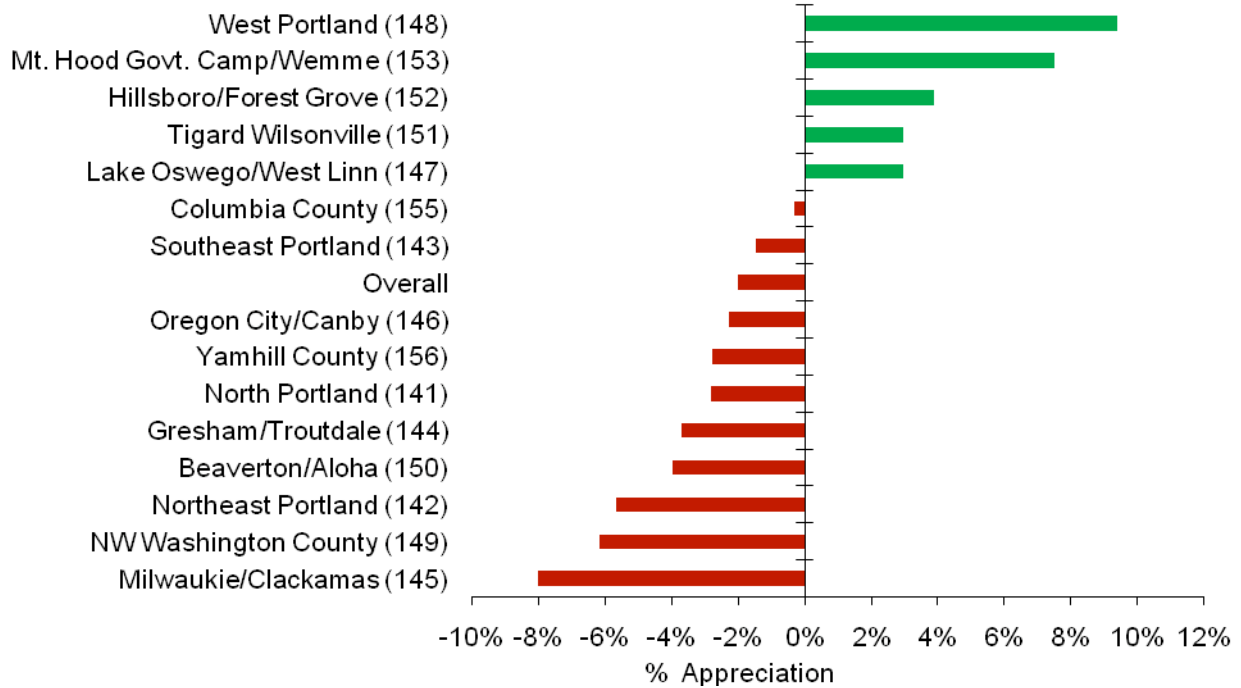
Five of the submarkets listed below experienced quarterly price appreciation. The other submarkets experienced a decline in value. West Portland home prices increased the most at 9.40% followed by Mt. Hood Government Camp at 7.50%, Hillsboro/Forest Grove at 3.89%, Tigard/Wilsonville at 2.98% and Lake Oswego/West Linn at 2.96%.

Conversely, the Milwaukie/Clackamas area experienced the highest depreciation rate at (-8.01%), followed by NW Washington County (-6.98%) and Northeast Portland (-5.66%).

Annual results are negative for all but three Portland area submarkets. Lake Oswego/West Linn (4.25%), Columbia County (2.50%) and West Portland (1.63%) are the only submarkets that experienced an increase in value from the previous year.

Conversely, Yamhill County (-12.33%) and Mt. Hood/Government Camp/Wemme (-10.42%) home values depreciated the most on an annual basis since the first quarter of 2009.

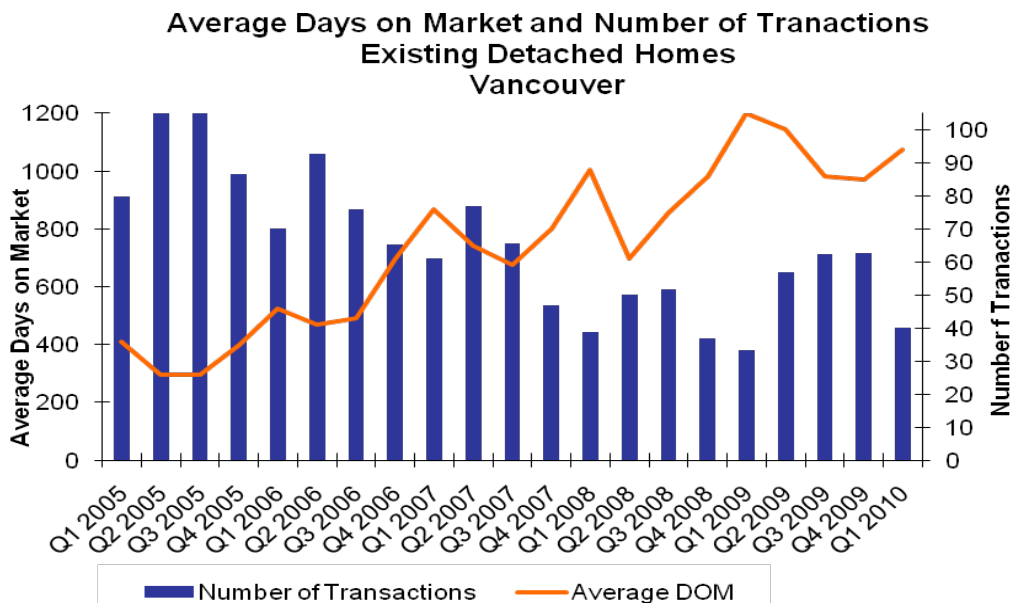
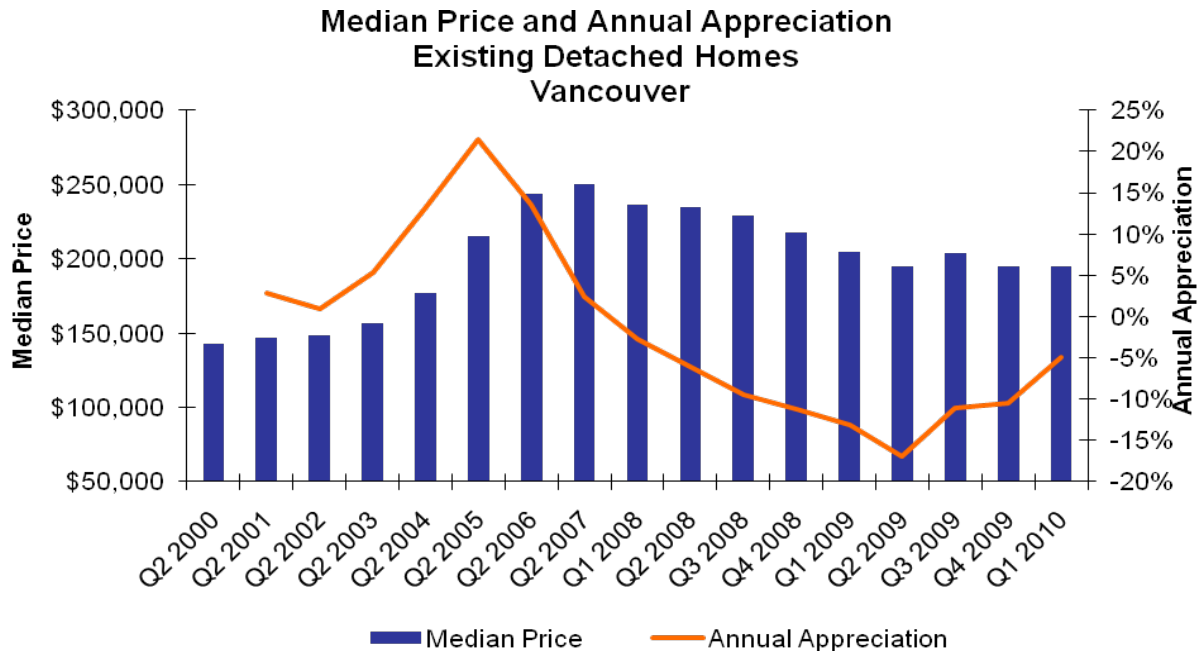
Appreciation Rates of Existing Detached Homes - Portland Sub-Market Q4 2009- Q1 2010



Map Courtesy of the RMLS

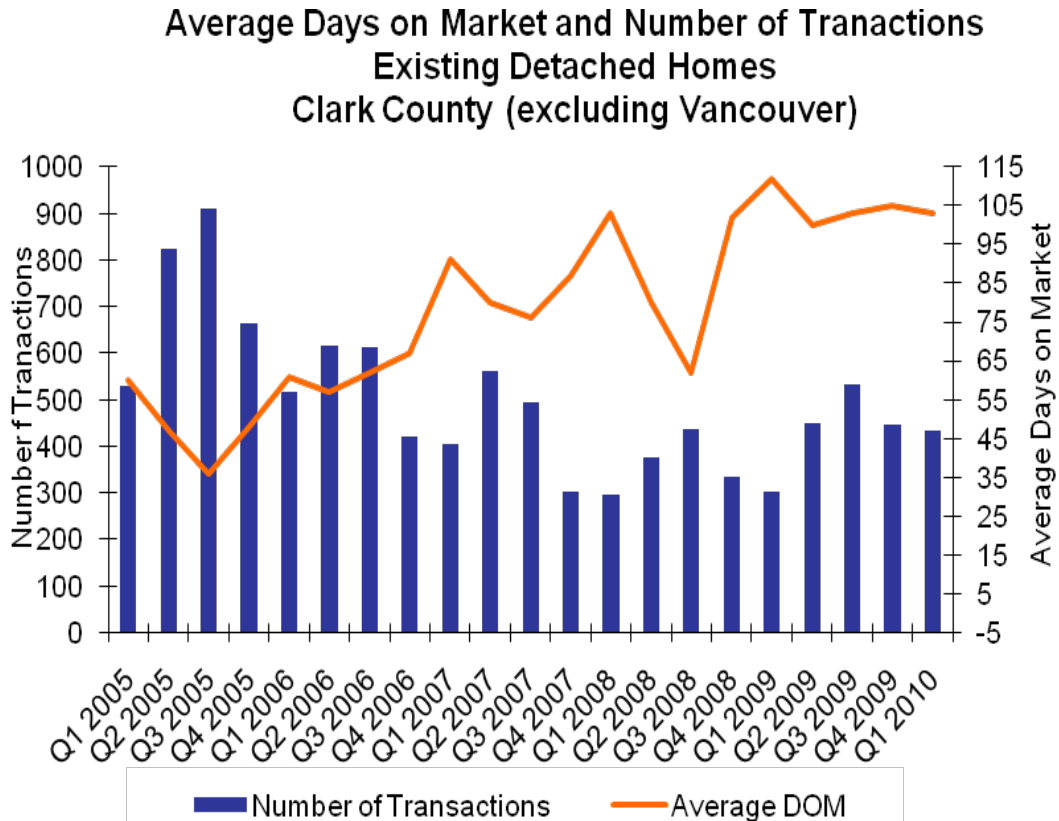
Vancouver

Vancouver’s median home price was \$195,000 resulting in a quarterly increase (0.13%) and an annual decrease (-4.7%) in home values. Clark County’s unemployment rate was at 14.8% at the end of the last quarter. The number of homes sold throughout the first quarter decreased to 457, down 36.0% quarterly but up 20.6% annually. The number of days on the market is down to 94, a 10.5% decrease from 2009.



In the suburbs of Clark County, home prices have dropped to \$232,000, a 2.5% drop from the previous quarter’s median price. An annual outlook indicates that home prices are down -5.5% from 2009.

The number of home transactions in the Clark County suburbs is down 3.4% for the quarter but up 43.1% annually. The number of days on the market has increased 8.0% annually and is up to 103.



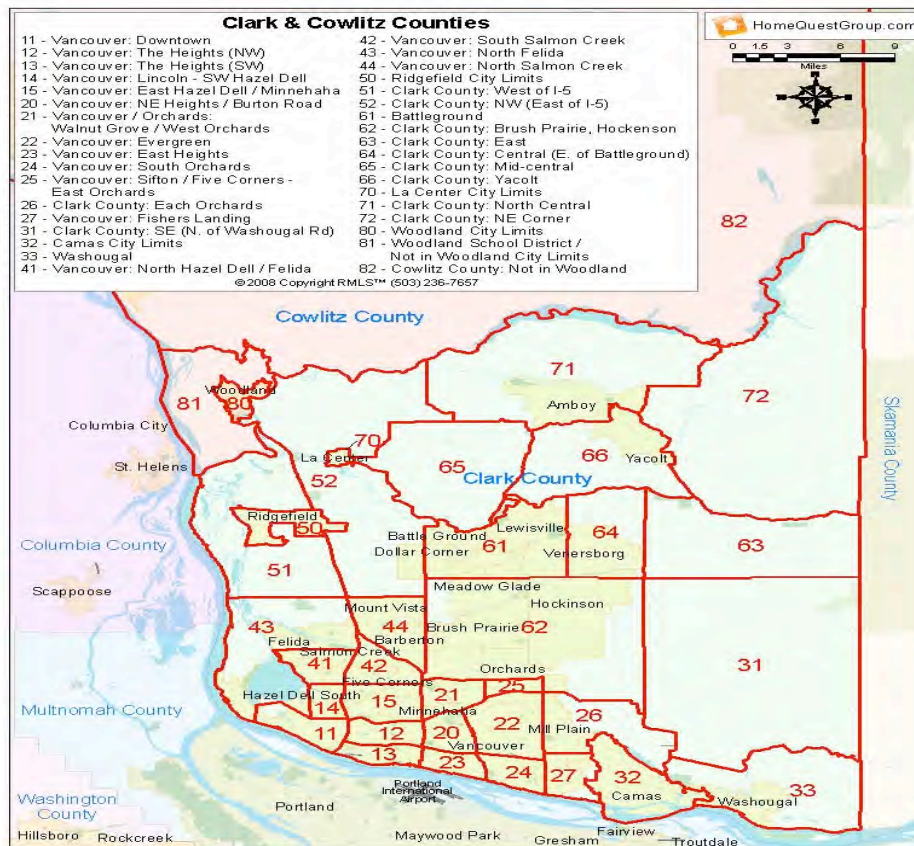
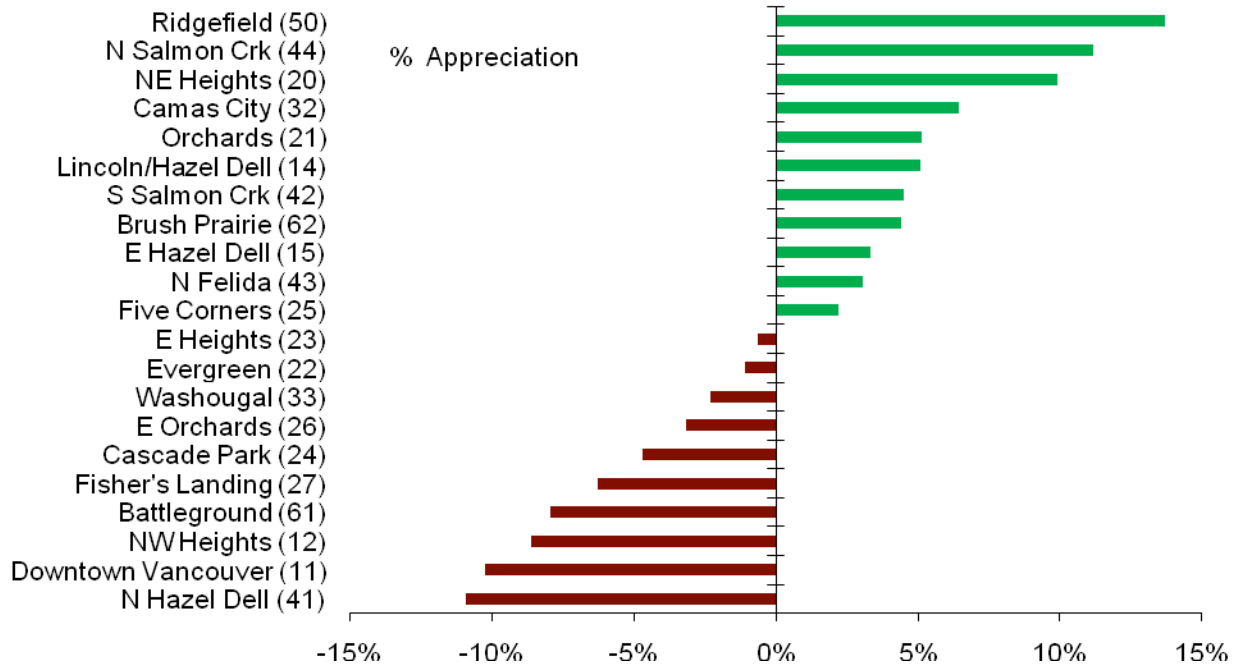
Eleven Vancouver/Clark County submarkets experienced price appreciation for the quarter. The Ridgefield area had the strongest quarter with an appreciation rate of 13.69% followed by North Salmon Creek (11.19%) and Northeast Heights (9.94%).

Conversely, the North Hazel Dell area had the highest depreciation rate at (-10.91%) followed by downtown Vancouver (-10.24%) and Northwest Heights (-8.61%).

Annual changes show that only North Salmon Creek (15.6%), Brush Prairie (11.6%) and Orchards (7.2%) increased in value.

Most of the submarket depreciated, however, led by North Hazel Dell (-16.6%) and Lincoln/Hazel Dell (-15.7%).

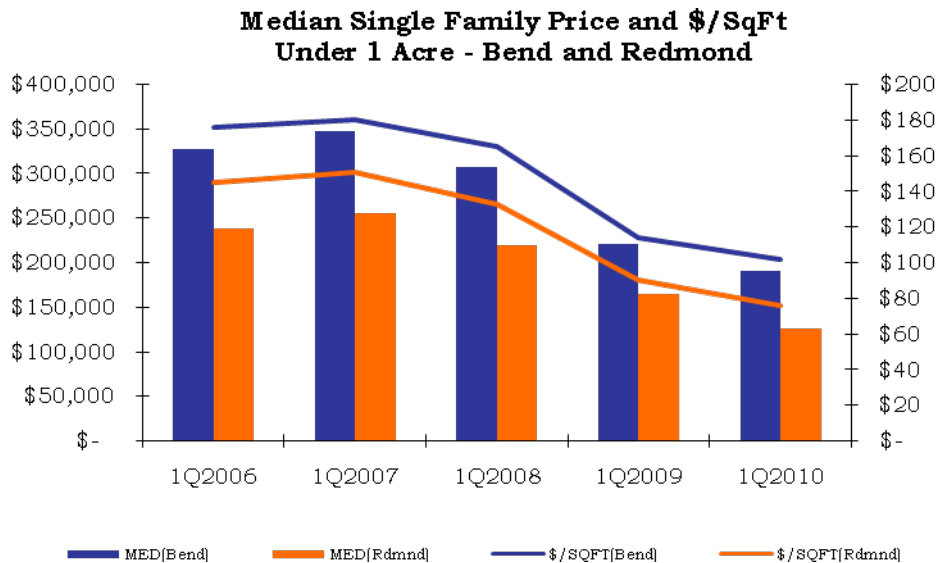
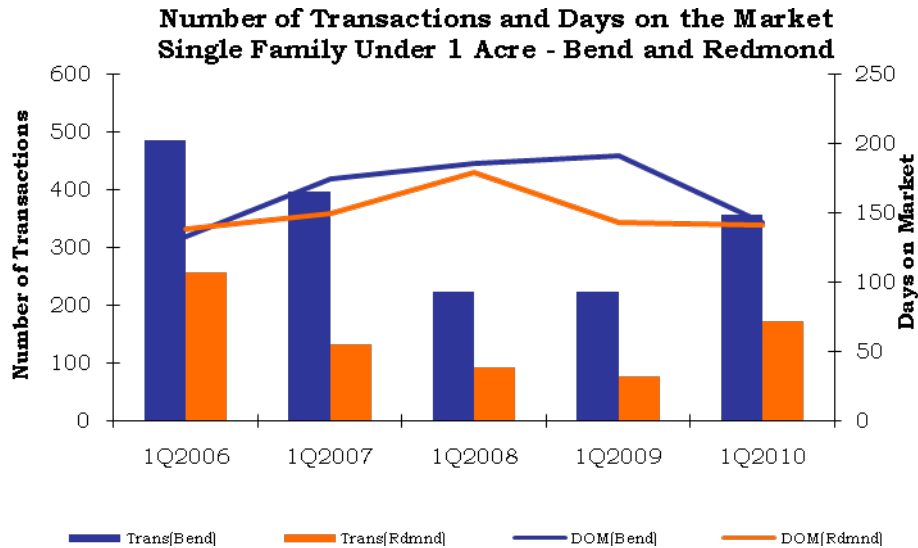
Appreciation Rates of Existing Detached Homes Vancouver and Clark County Sub Market - Q4 2009 - Q1 2010



Map Courtesy of the RMLS

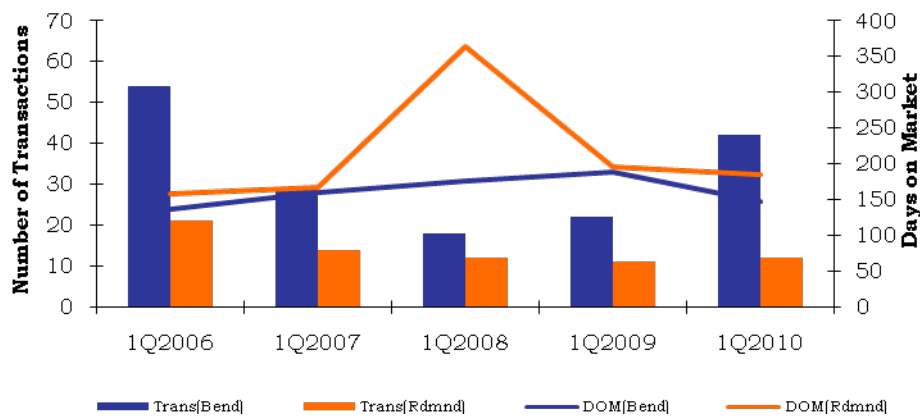
Central Oregon

Both Bend and Redmond experienced significant increases from the previous year with respect to the number of homes sold. Bend home sales are up 59% to 357 while Redmond's increased 125% to 171. The number of days on the market dropped to 143 for Bend and 141 for Redmond. But the median home prices declined significantly for both Central Oregon submarkets. Bend home prices dropped (-14%) to \$190,000 while Redmond prices plummeted (-24%) to \$125,730. Price-per-square-foot numbers also declined significantly for Bend and Redmond at \$102 and \$76.

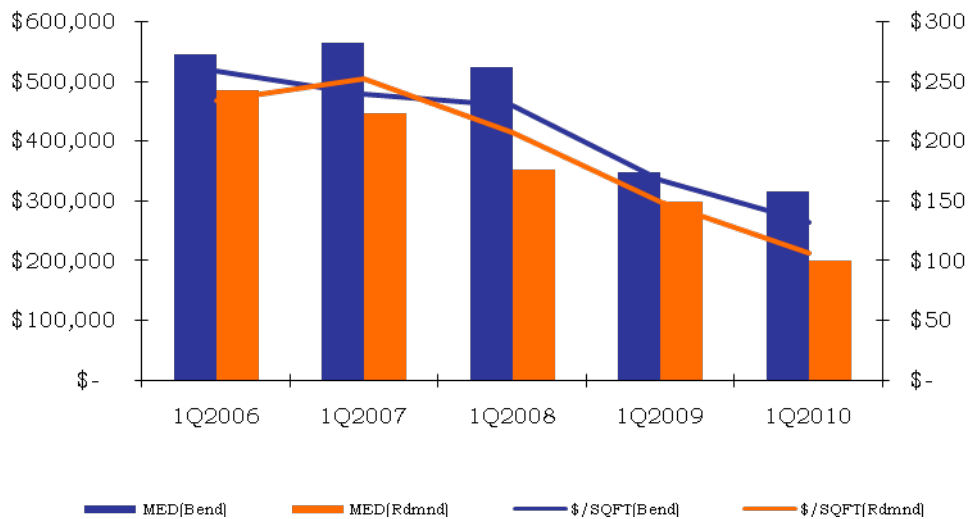


As it is commonly reported in Central Oregon’s reports, the housing stock is separated by lot size, properties under one acre and those between one and five acres. Price per square foot is provided to control for lot size between both categories. Fourth quarter statistics are mixed for Central Oregon homes lying on acreage. Bend transactions increased 91% from 2009 while Redmond experienced an increase of 9%. However, Bend home prices dropped (-9%) to \$314,950 while Redmond prices slipped (-33%) to \$200,000. Price per square foot is down to \$132 for Bend and \$106 for Redmond. The number of days on the market dropped for both areas as Bend is at 147 and Redmond is at 185.

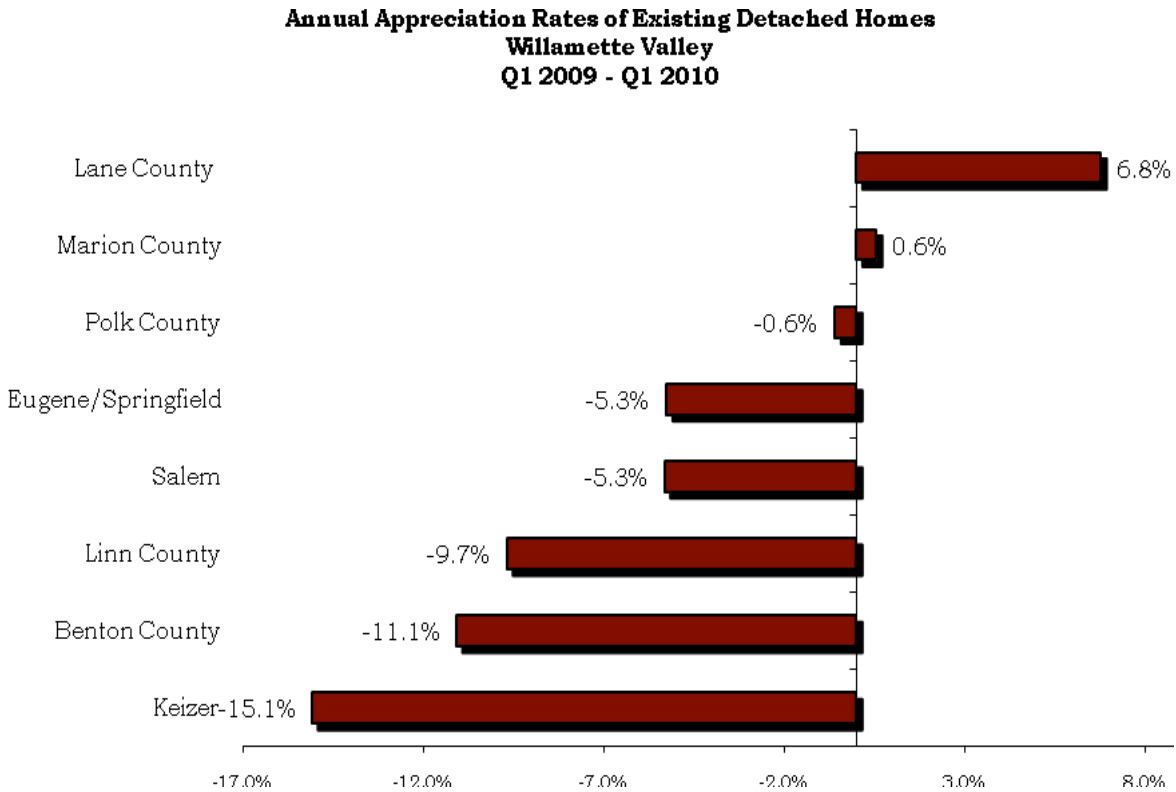
**Number of Transactions and Days on the Market
Single Family 1-5 Acres -Bend and Redmond**



**Median Single Family Price and \$/SqFt
1-5 Acres - Bend and Redmond**



Willamette Valley

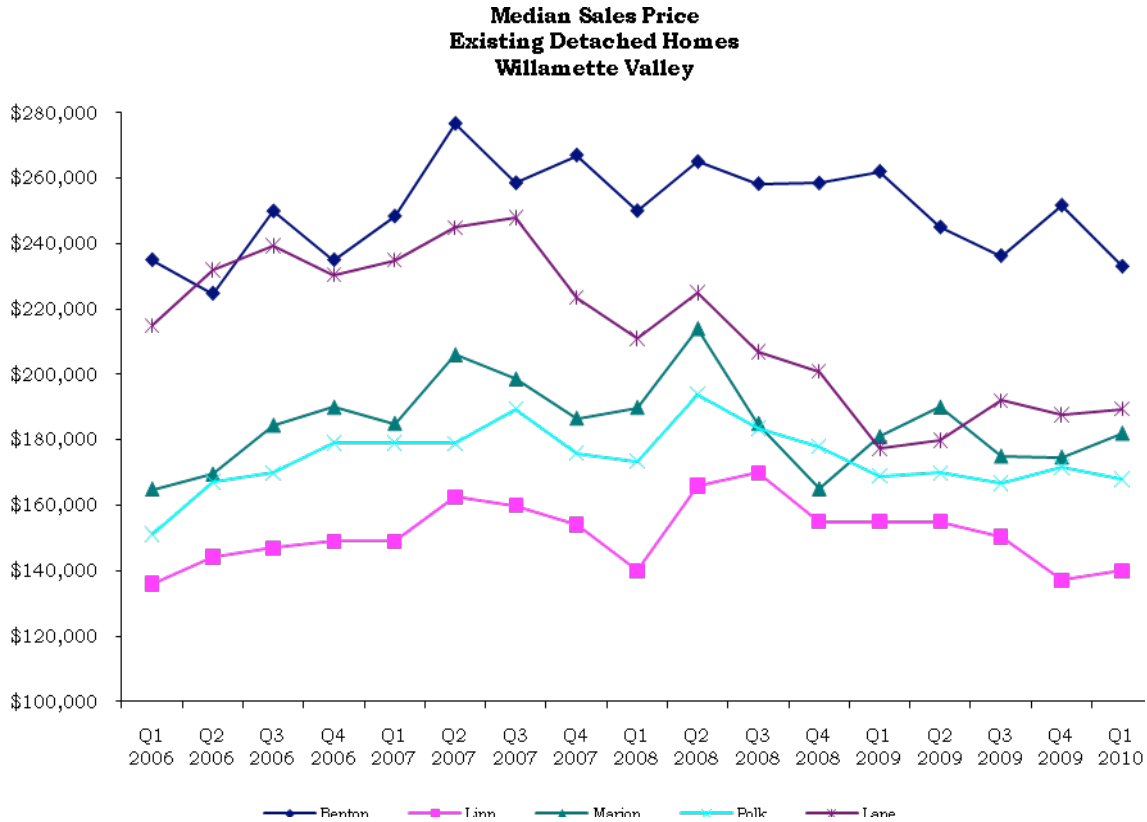


With the exception of Lane County (6.8%) and Marion County (0.6%), all Willamette Valley submarkets experienced annual depreciation on existing home prices.

Keizer suffered the worst year in the valley with declining prices of (-15.1%) followed by Linn County (-11.1%).

The number of transactions over the past year increased annually for all of these areas except for Polk County (-2%) and Keizer (0%). Marion County (57.4%) and Benton County (49.3%) had the highest annual increase in transactions.

The number of days on the market increased for all of these submarkets with the exception of Benton County.

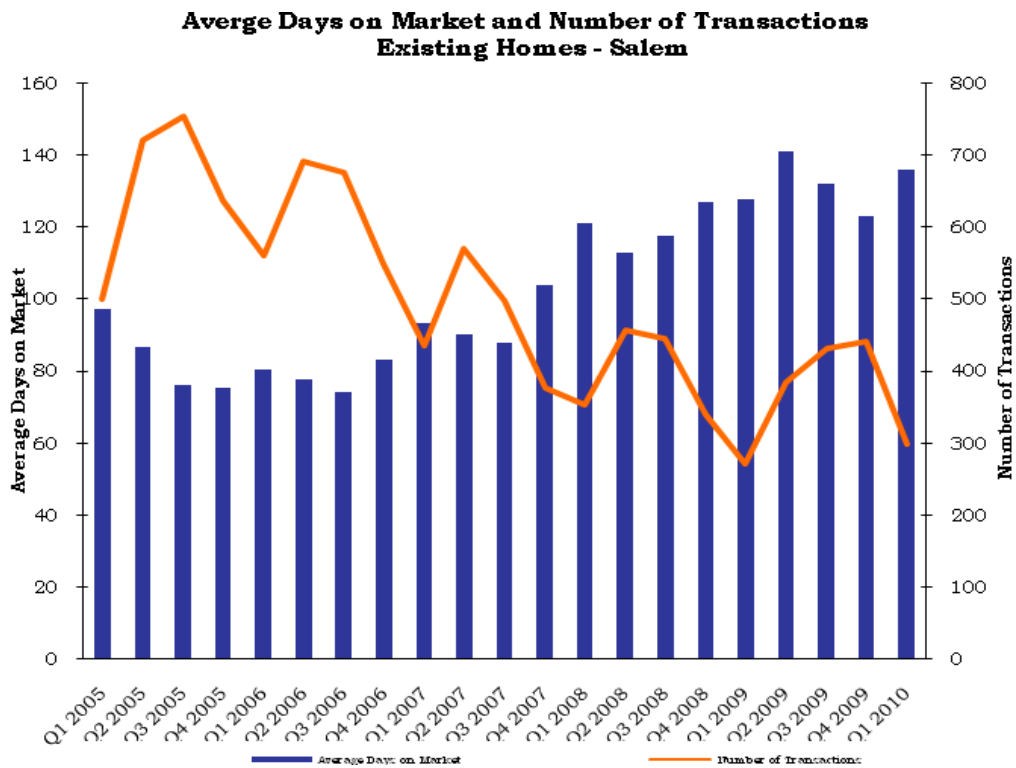
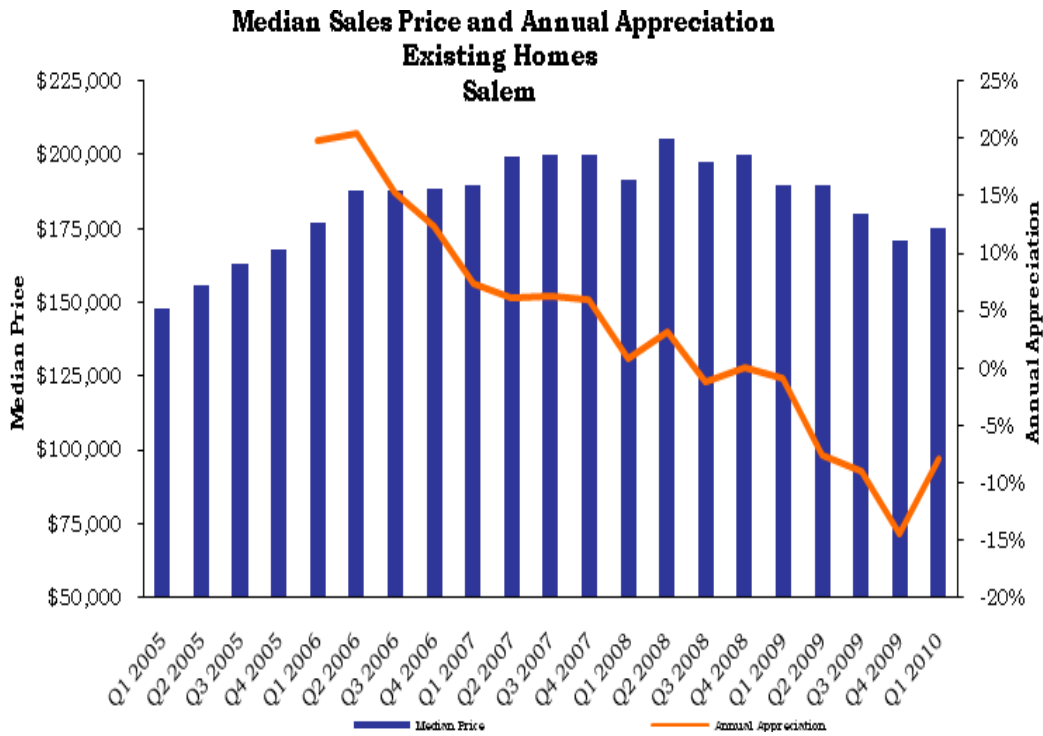


Salem

Salem’s housing market once again experienced annual depreciation while the number of days on the market increased. However, the number of transactions increased from the prior year.

Prices declined (-7.92%) from the previous year to \$174,950. Meanwhile, the number of days on the market increased to 136, approximately four and a half months.

The number of transactions increased (9.96%) from the previous year to 298.



Eugene/Springfield

The Eugene/Springfield area experienced declining home prices relative to the first quarter of 2009. However, the number of transactions rose 40.5% annually to 392. The median price was down 5.3% to \$208,448. Sellers currently have their houses on the market for 88 days before closing and are realizing 90.64% of their original listing price on the sale.

