

During the first quarter of 2019, the Central Oregon housing market saw a downward shift in home sales volume that was greater than typically slow first quarter sales. Bend, Jefferson County, and Redmond markets all saw decreases in home sales volumes of over 15% from the same quarter in 2018. Despite the decrease in overall sales, most home markets saw stable home prices. Only Jefferson County and Sunriver saw notable decreases in median home sales prices.

Here are some recent economic highlights from the region:

- A bill that will allow **Redmond to join Bend** in adding affordable housing units into a fast-tracked UGB expansion was signed into law by Governor Kate Brown in April. Passage of the bill allows the development of Skyline Village to move forward. The future development will contain 485 homes with a 50/50 split between affordable and market rate homes.
- In 2018, the **City of Madras** and ECONorthwest finished a housing policy project that identified a need for the City to incent new housing development. Currently, the City is working with developers to encourage construction of

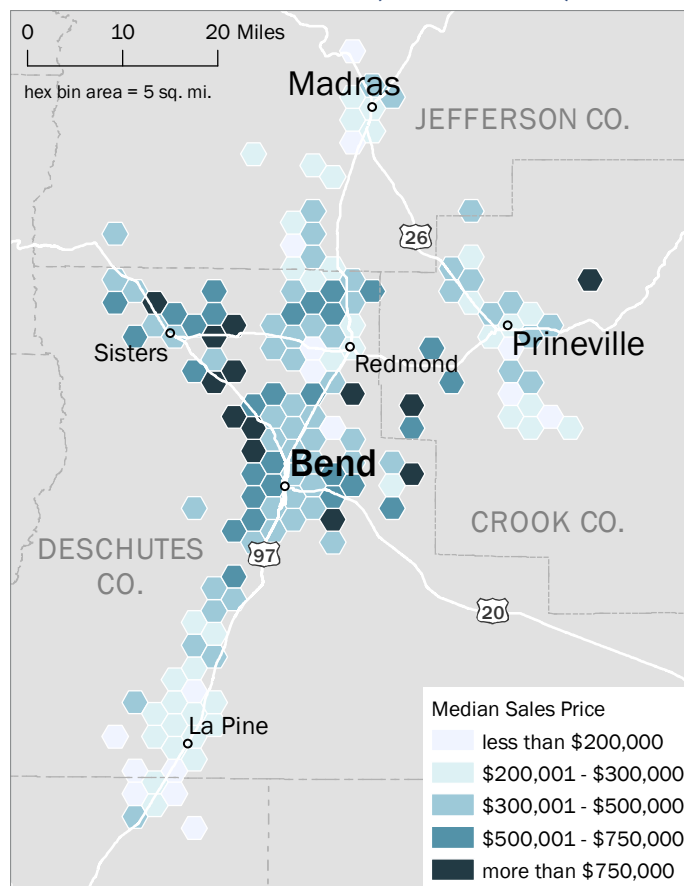
MEDIAN SALES PRICE AND SALES VOLUME (2019 QUARTER 1)

Submarket	Price	Volume
Bend	\$441,000	516
Crook County	\$264,900	109
Jefferson County	\$187,250	38
La Pine/Three Rivers South	\$259,595	116
Redmond/Terrebonne/ Crooked River Ranch	\$310,000	230
Sisters	\$410,000	55
Sunriver	\$382,000	50

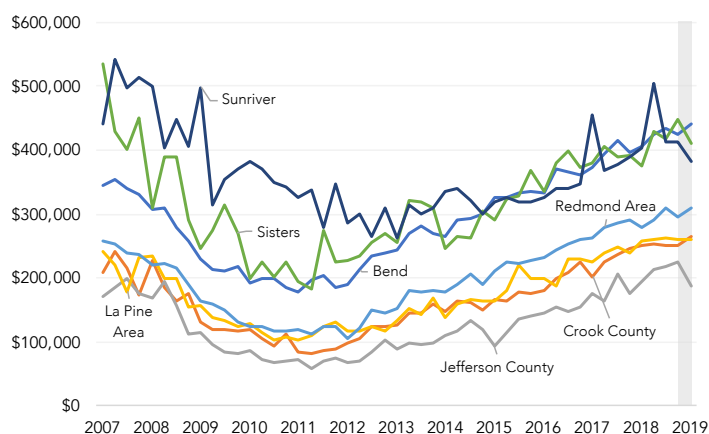
MEDIAN SALES PRICE AND SALES VOLUME BY SUBMARKET FOR ALL SUBMARKETS (2019 QUARTER 1)

	Change, 2018Q4 to 2019Q1	Change, 2018Q1 to 2019Q1
Units Sold	↓ -28.08%	↓ -16.18%
Median Price	↑ 2.43%	↑ 3.92%

MEDIAN REGIONAL SALES PRICE (2019 QUARTER 1)



SUBMARKET COMPARISON—MEDIAN HOME SOLD PRICES (QUARTERLY, 2007–2019)



About the data used in this report:

To produce this report, ECONorthwest compiled and organized data from COAR's MLS database. All questions related to data accuracy and verification should be directed to COAR.

Summary cont.

new housing to meet demand across a range of incomes. Of several steps that the City is taking, they have decided to lower system development charges to help spur new housing development.

- The **City of Bend** has approved \$32 million in transportation projects to redesign dangerous intersections, calm busy roundabouts, and tackle deteriorating street conditions. Further, the Cityside Transportation Advisory Committee will soon release a draft citywide Transportation System Plan.
- **Crook County** is nearing completion of a development code update that is designed to make navigation of the county code easier for residents. The changes will help explain what uses are allowed in different zones.
- The Planning Commission for the **City of Sisters** approved Hayden Homes’ master plan for McKenzie Village Meadows—a 200 unit housing development on the west side of the city.
- Business and property owners in **La Pine** have until May 1 to apply for matching funds for beautification improvements as part of the City’s work to improve the walkability and vitality of downtown.

Price Index—2018 Quarter 4

Figure 1 is a repeat sales price index. This shows the relative value of a home through time. This index is created by comparing the difference in sale price of the same home between two sales. That price change is then divided by the number of years between sales to create an annualized change in value. As shown in the index, prices have steadily risen since 2012 signaling a strong performance since the Great Recession.

Figure 2 compares the repeated sales price index approach to that of an average price change approach. The repeated sales price index is a preferable method of calculating the change in the average market value of homes. This is because it is not biased by the higher sales price of new construction and is comparing the actual change in market value of the same homes through time. As shown on the chart, the average price change approach has more dramatic estimates, with increases as high as 20% in 2013, followed by increases of 6.5% in 2014. This is in contrast to the repeated sales index methodology, where there was an 8% increase in prices in 2013 and a 11% increase in prices in 2014. It is interesting to note that in the last three years the repeated sales index has reported larger price increases than the average price change approach.

Figure 1

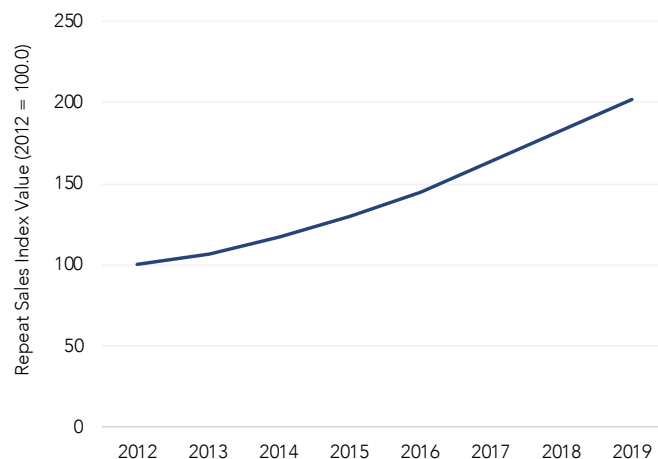
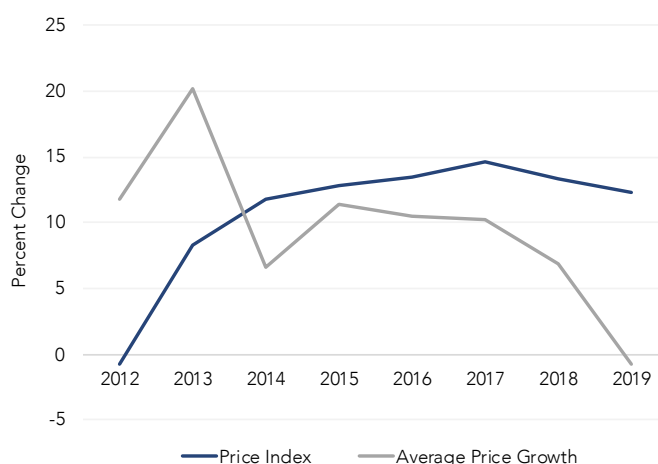


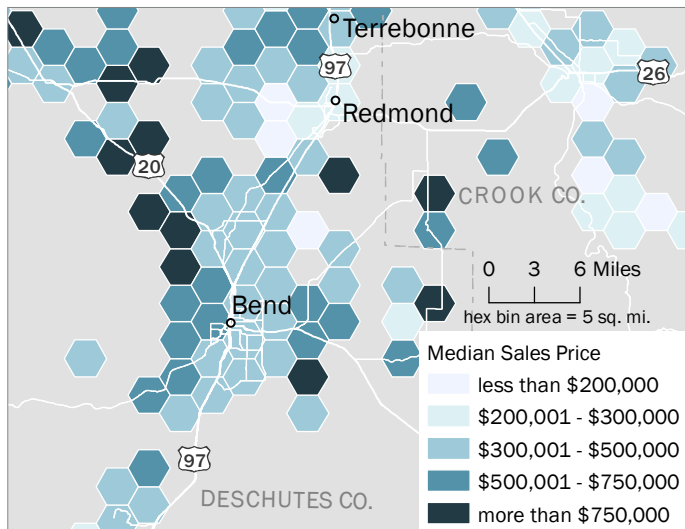
Figure 2



Bend—2019 Quarter 1

The Bend housing market showed some interesting data in the first quarter of 2019. Sales volume is down by over 25% from the first quarter of 2018. At the same time, home prices continue to inch upwards. Notably, the price premium for newly constructed homes rose above zero—a first in over a year.

MEDIAN SALES PRICE



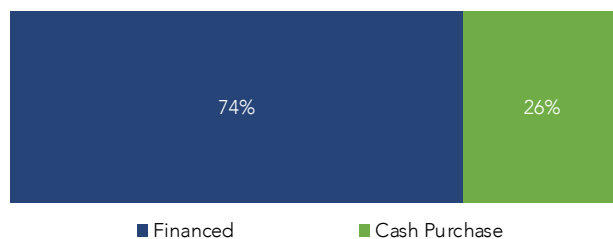
HOME PRICING

Existing	New	New Construction Premium (per sf)
\$429,500	\$469,900	2.22%

NEW CONSTRUCTION SALES

New Units Sold	New Units as a % of Total Units
99	19.19%

HOME FINANCING



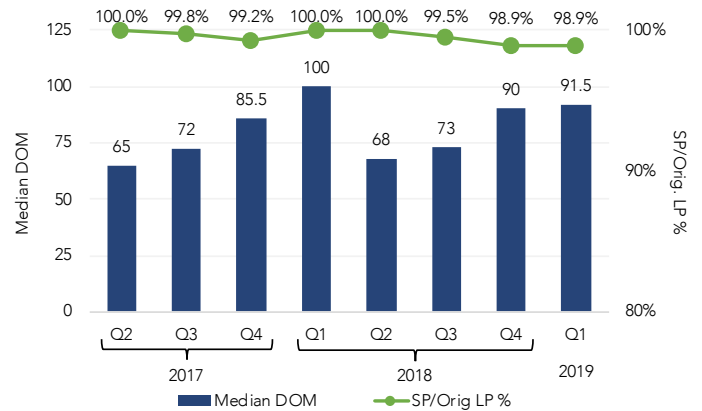
Data includes all residential sales, including sales of single family homes, manufactured homes, mobile homes, condos, deeded share, townhomes, and timeshares.

SALES VOLUME

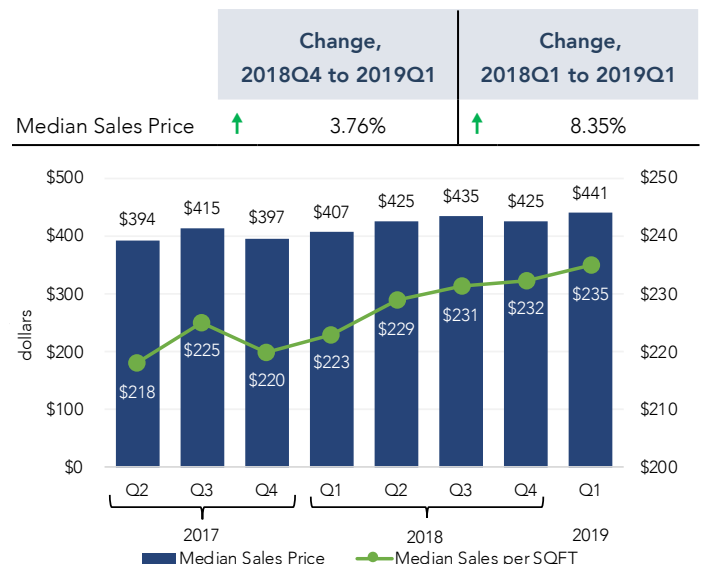


MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2018Q4 to 2019Q1	Change, 2018Q1 to 2019Q1
DOM	↑ 1.67%	↓ -8.50%
Sold/Orig LP Diff. %	↓ -0.07%	↓ -1.14%



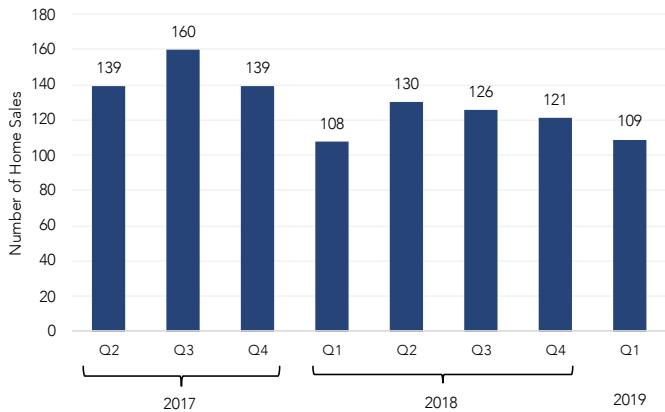
MEDIAN SALES PRICE & MEDIAN SALES PER SQFT



Home sales volume in Crook County remains almost unchanged from Q1 2018 to Q1 2019. At the same time, days on market has increased by almost 20%. Home sale prices in the county continue to increase. The first quarter of 2019 saw the highest median home sale prices in the county over the past two years.

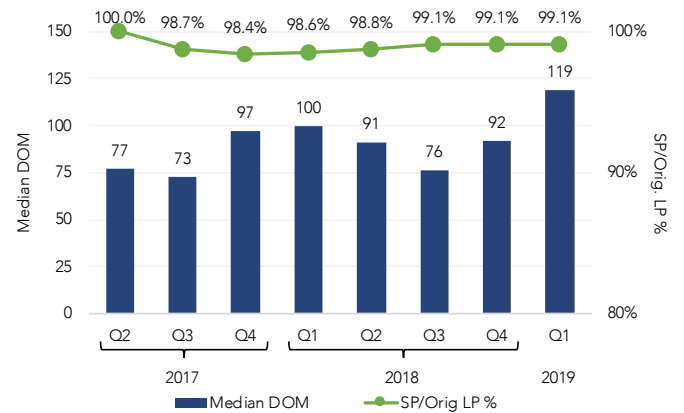
SALES VOLUME

	Change, 2018Q4 to 2019Q1	Change, 2018Q1 to 2019Q1
Homes Sold	↓ -9.92%	↑ 0.93%



MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2018Q4 to 2019Q1	Change, 2018Q1 to 2019Q1
DOM	↑ 29.35%	↑ 19.00%
Sold/Orig LP Diff. %	↑ 0.05%	↑ 0.58%

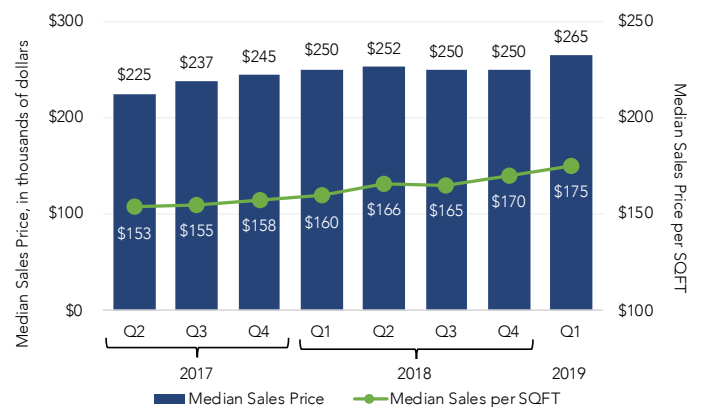


HOME PRICING

Existing	New	New Construction Premium (per sf)
\$255,000	\$301,200	1.17%

MEDIAN SALES PRICE & MEDIAN SALES PER SQFT

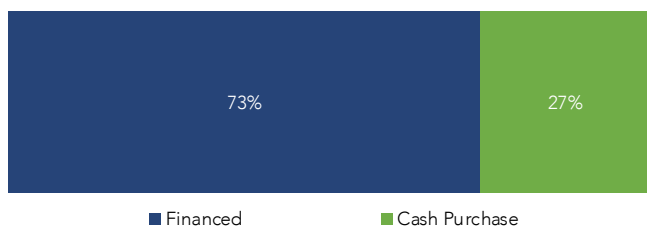
	Change, 2018Q4 to 2019Q1	Change, 2018Q1 to 2019Q1
Median Sales Price	↑ 5.96%	↑ 5.77%



NEW CONSTRUCTION SALES

New Units Sold	New Units as a % of Total Units
22	20.18%

HOME FINANCING

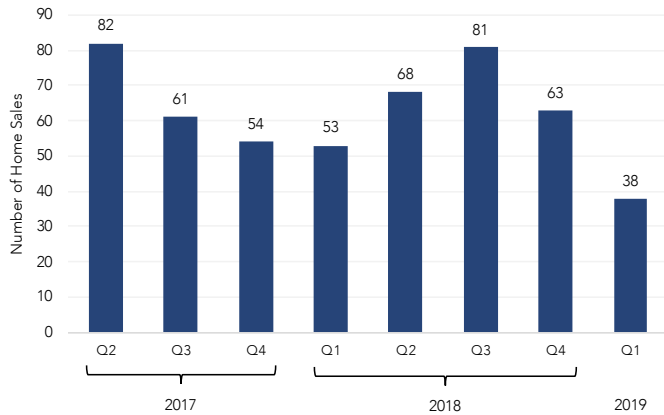


Data includes all residential sales, including sales of single family homes, manufactured homes, mobile homes, condos, deeded share, townhomes, and timeshares.

Jefferson County saw a large decrease in home sales volume in the first quarter of 2019. Home sales are down by over 28% from the first quarter of 2018. Home sale pricing also decreased. The median home sale price in Jefferson County is down by almost 17% from the fourth quarter of 2018 and by almost 4% since the first quarter of 2018.

SALES VOLUME

	Change, 2018Q4 to 2019Q1	Change, 2018Q1 to 2019Q1
Homes Sold	↓ -39.68%	↓ -28.30%



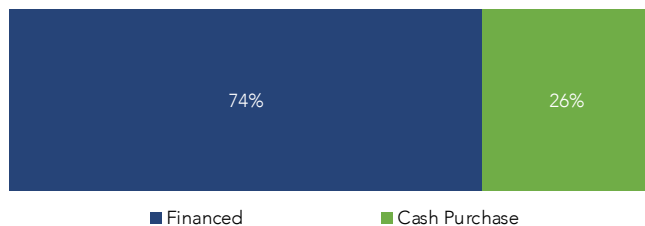
HOME PRICING

Existing	New	New Construction Premium (per sf)
\$166,000	\$264,250	17.16%

NEW CONSTRUCTION SALES

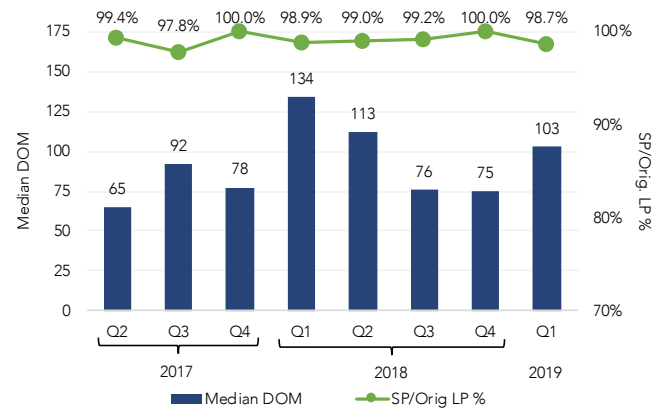
New Units Sold	New Units as a % of Total Units
6	15.79%

HOME FINANCING



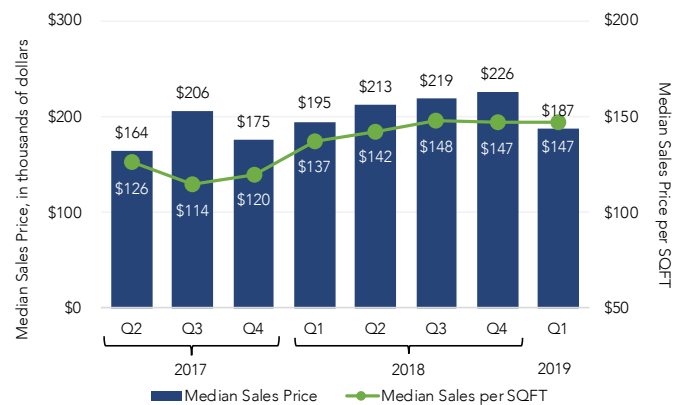
MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2018Q4 to 2019Q1	Change, 2018Q1 to 2019Q1
DOM	↑ 37.33%	↓ -23.13%
Sold/Orig LP Diff. %	↓ -1.30%	↓ -0.24%



MEDIAN SALES PRICE & MEDIAN SALES PER SQFT

	Change, 2018Q4 to 2019Q1	Change, 2018Q1 to 2019Q1
Median Sales Price	↓ -16.96%	↓ -3.97%



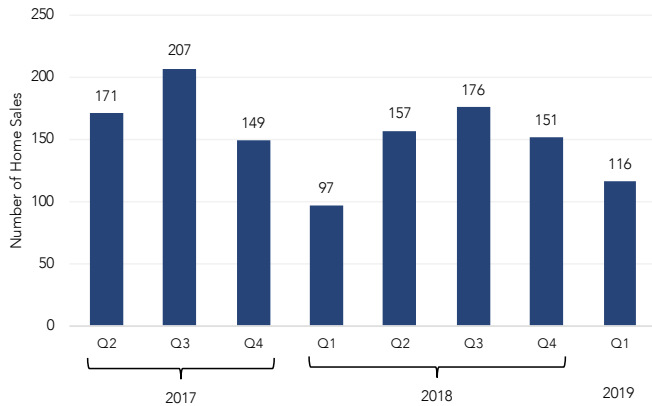
Data includes all residential sales, including sales of single family homes, manufactured homes, mobile homes, condos, deeded share, townhomes, and timeshares.

La Pine/Three Rivers South—2019 Quarter 1

One hundred and sixteen homes were sold in the La Pine/Three Rivers South submarket in the first quarter of 2019—an increase of almost 20% from the same quarter in 2018. Home sale prices have been remarkably similar over the past year. The median home sale price for this market has hovered around \$260,000 since the first quarter of 2018.

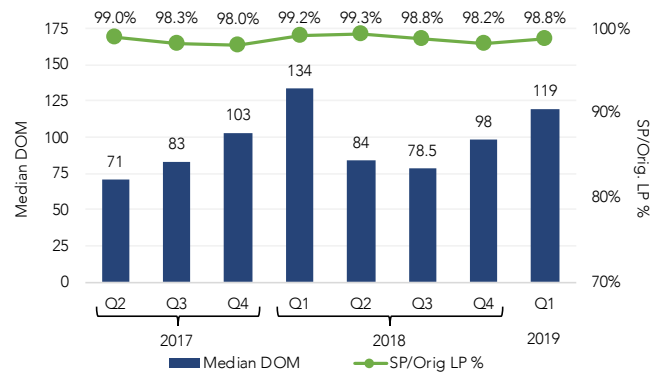
SALES VOLUME

	Change, 2018Q4 to 2019Q1	Change, 2018Q1 to 2019Q1
Homes Sold	↓ -23.18%	↑ 19.59%



MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2018Q4 to 2019Q1	Change, 2018Q1 to 2019Q1
DOM	↑ 21.43%	↓ -11.19%
Sold/Orig LP Diff. %	↑ 0.55%	↓ -0.44%

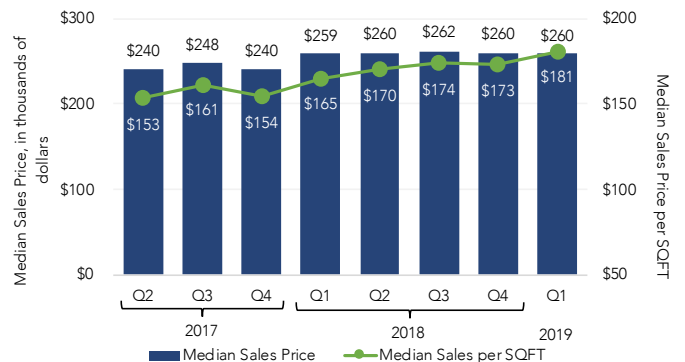


HOME PRICING

Existing	New	New Construction Premium (per sf)
\$259,690	\$245,000	-3.64%

MEDIAN SALES PRICE & MEDIAN SALES PER SQFT

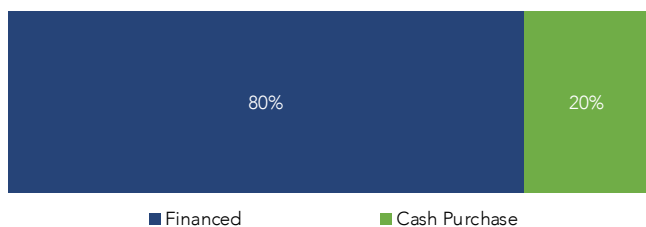
	Change, 2018Q4 to 2019Q1	Change, 2018Q1 to 2019Q1
Median Sales Price	↓ -0.12%	↑ 0.23%



NEW CONSTRUCTION SALES

New Units Sold	New Units as a % of Total Units
7	6.03%

HOME FINANCING

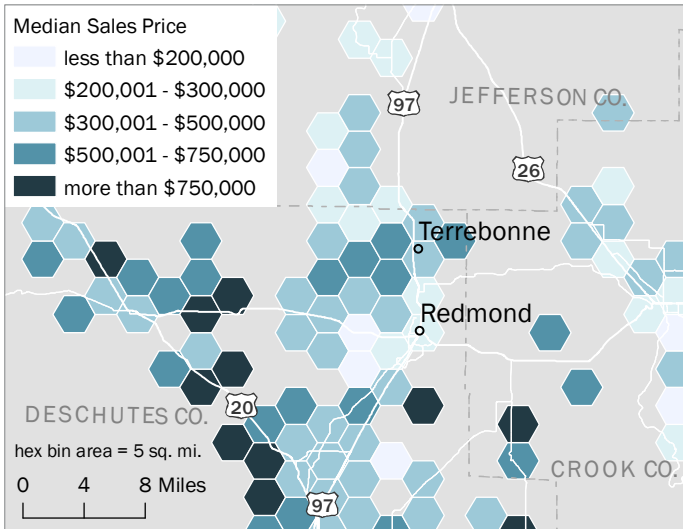


Data includes all residential sales, including sales of single family homes, manufactured homes, mobile homes, condos, deeded share, townhomes, and timeshares.

Redmond/Terrebonne/Crooked River Ranch—2019 Quarter 1

Home sales volume in the Redmond/Terrebonne market is down by almost 15% from the same quarter last year. Over the same time period, days on market has increased by almost 20%. However, home sale prices have continued to increase. The median home sale price in this market is up over 10% from the same quarter last year.

MEDIAN SALES PRICE



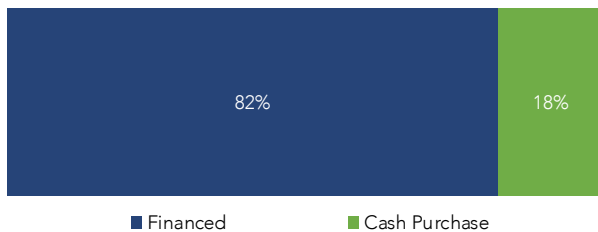
HOME PRICING

Existing	New	New Construction Premium (per sf)
\$303,450	\$323,098	-1.71%

NEW CONSTRUCTION SALES

New Units Sold	New Units as a % of Total Units
56	24.35%

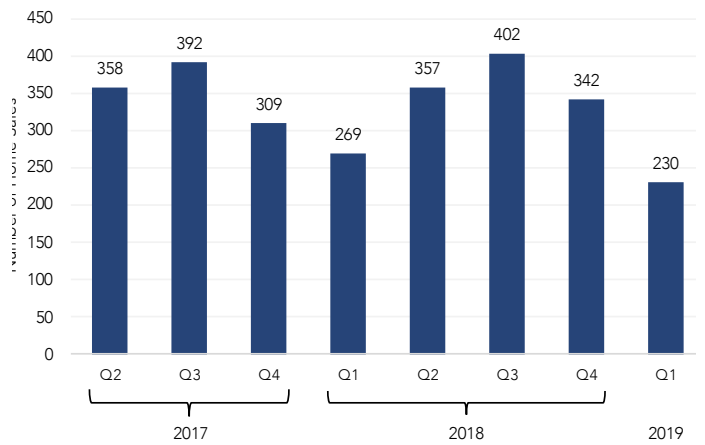
HOME FINANCING



Data includes all residential sales, including sales of single family homes, manufactured homes, mobile homes, condos, deeded share, townhomes, and timeshares.

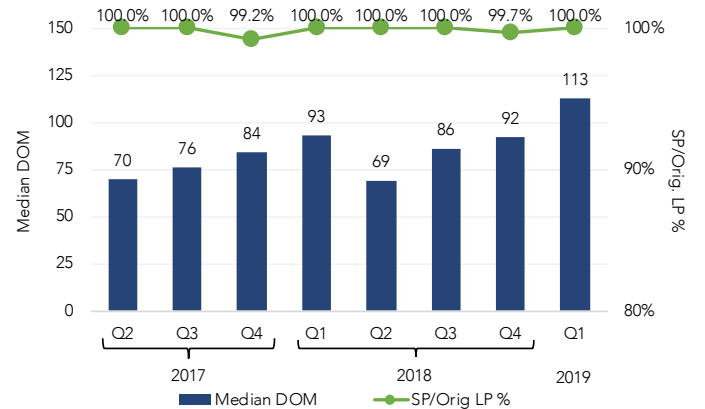
SALES VOLUME

	Change, 2018Q4 to 2019Q1	Change, 2018Q1 to 2019Q1
Homes Sold	↓ -32.75%	↓ -14.50%



MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2018Q4 to 2019Q1	Change, 2018Q1 to 2019Q1
DOM	↑ 22.83%	↑ 21.51%
Sold/Orig LP Diff. %	↑ 0.32%	- 0.00%



MEDIAN SALES PRICE & MEDIAN SALES PER SQFT

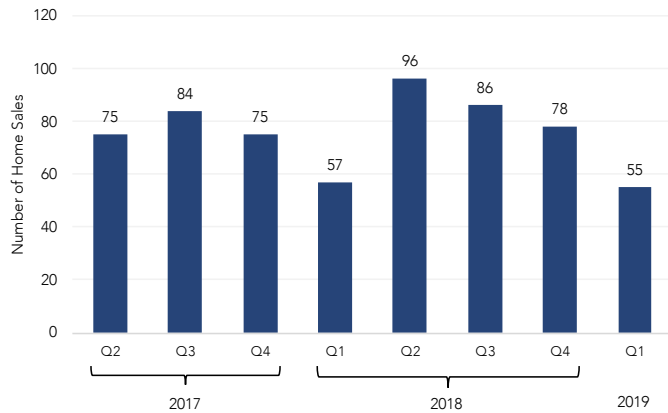
	Change, 2018Q4 to 2019Q1	Change, 2018Q1 to 2019Q1
Median Sales Price	↑ 5.30%	↑ 11.15%



The Sisters home market shows more consistent data from past quarters than many of the other Central Oregon markets. While sales volume is down, the numbers are similar to past quarters. Homes in this market continue to incrementally increase in value. The median home sales price for the Sisters market is up by over 9% from the same quarter last year.

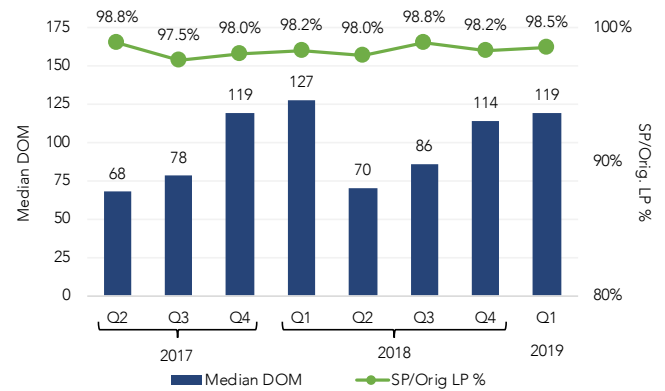
SALES VOLUME

	Change, 2018Q4 to 2019Q1	Change, 2018Q1 to 2019Q1
Homes Sold	↓ -29.49%	↓ -3.51%



MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2018Q4 to 2019Q1	Change, 2018Q1 to 2019Q1
DOM	↑ 4.85%	↓ -6.30%
Sold/Orig LP Diff. %	↑ 0.22%	↑ 0.23%

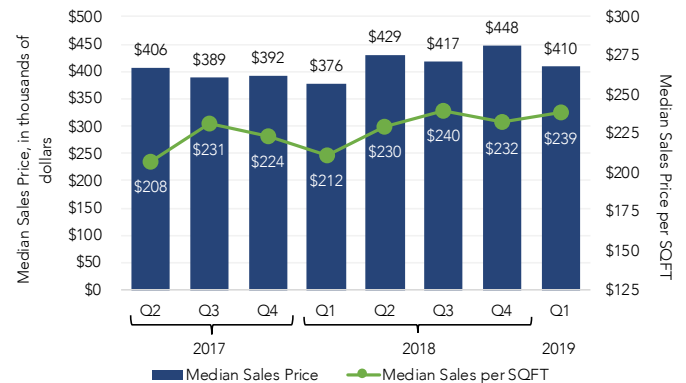


HOME PRICING

Existing	New	New Construction Premium (per sf)
\$439,500	\$372,966	-11.36%

MEDIAN SALES PRICE & MEDIAN SALES PER SQFT

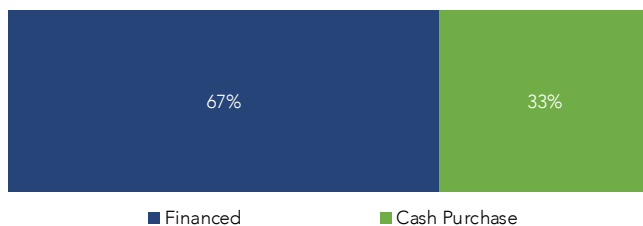
	Change, 2018Q4 to 2019Q1	Change, 2018Q1 to 2019Q1
Median Sales Price	↓ -8.38%	↑ 9.03%



NEW CONSTRUCTION SALES

New Units Sold	New Units as a % of Total Units
8	14.55%

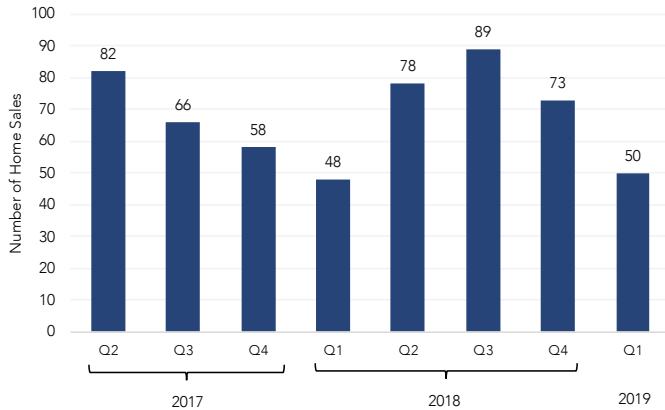
HOME FINANCING



The Sunriver submarket is unique among the Central Oregon home markets; there were no newly constructed homes sold within the market in the first quarter of 2019. Sales volume remains virtually unchanged while home prices in the market took a dip. The median home sale price for this market is down by over 5% from the same quarter last year.

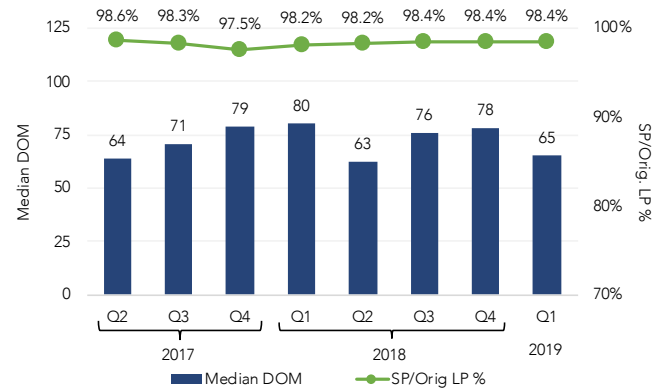
SALES VOLUME

	Change, 2018Q4 to 2019Q1	Change, 2018Q1 to 2019Q1
Homes Sold	↓ -31.51%	↑ 4.17%



MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2018Q4 to 2019Q1	Change, 2018Q1 to 2019Q1
DOM	↓ -16.67%	↓ -18.75%
Sold/Orig LP Diff. %	↑ 0.06%	↑ 0.30%

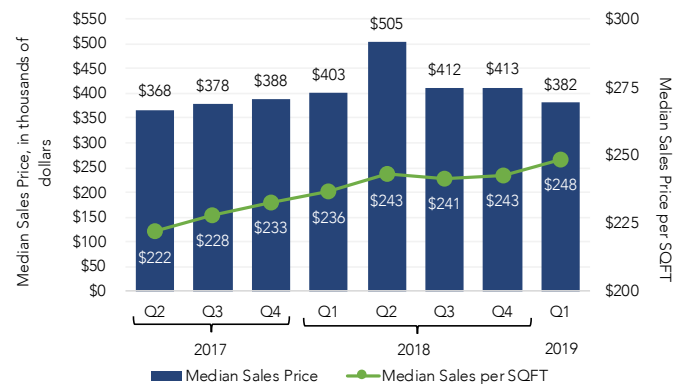


HOME PRICING

Existing	New	New Construction Premium (per sf)
\$382,000	-	-

MEDIAN SALES PRICE & MEDIAN SALES PER SQFT

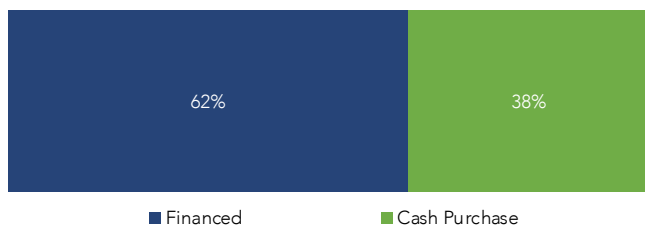
	Change, 2018Q4 to 2019Q1	Change, 2018Q1 to 2019Q1
Median Sales Price	↓ -7.39%	↓ -5.09%



NEW CONSTRUCTION SALES

New Units Sold	New Units as a % of Total Units
-	-

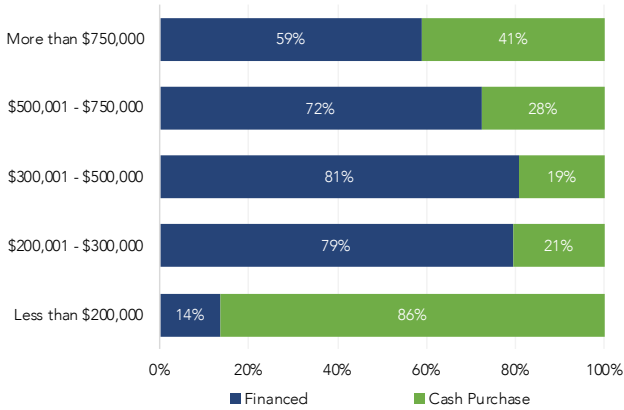
HOME FINANCING



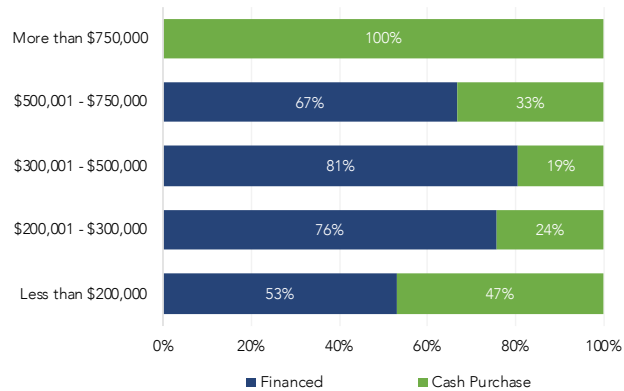
Loan Type by Sales Category—2019 Quarter 1

Here is a comparative look at how homes are being purchased in the Central Oregon region. The charts on this page show the divide between homes that were purchased using a loan and those that were cash purchases. The data is for 2019 first quarter sales and is grouped by price. The data show that there are a sizeable number of all-cash purchases across the region and, proportionally, many all-cash purchases at the higher end of the price range. Overall, Sunriver has the highest percentage of all-cash purchases, while Bend has the highest count of all-cash purchases.

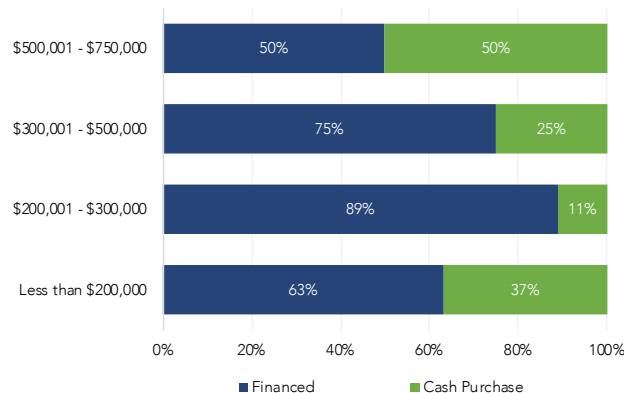
BEND



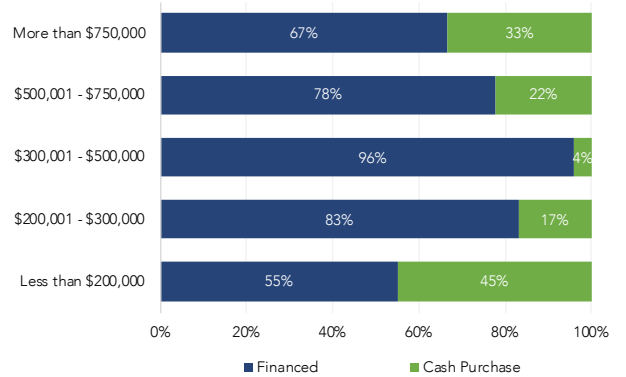
CROOK COUNTY



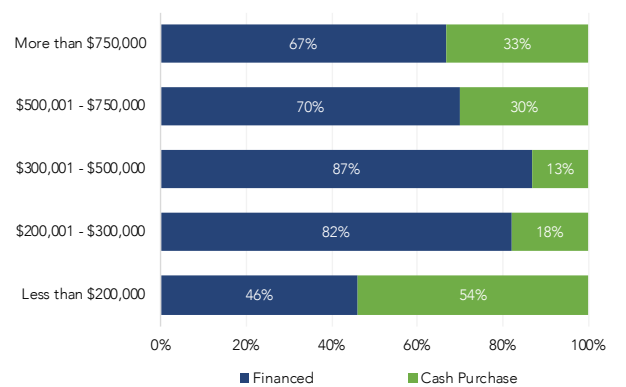
JEFFERSON COUNTY



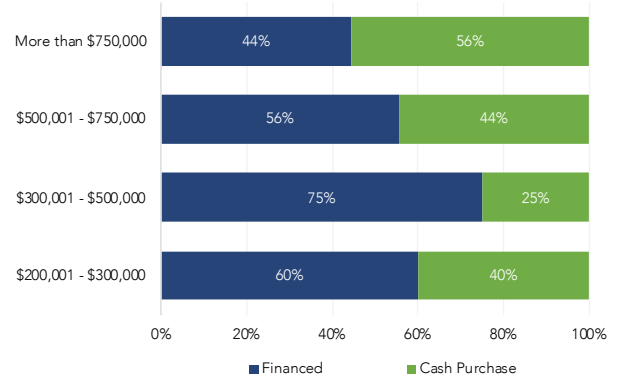
LA PINE/THREE RIVERS SOUTH



REDMOND/TERREBONNE/CROOKED RIVER RANCH



SISTERS



SUNRIVER

