

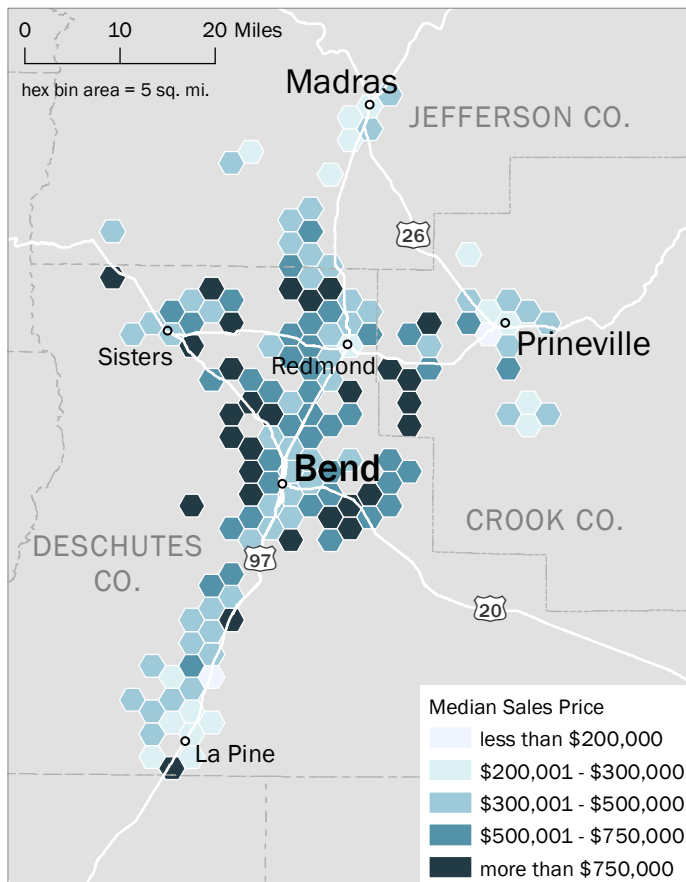
### Important information related to the impacts of the COVID-19 pandemic

At the time of the first quarter report we were in the early stages of the COVID-19 pandemic with an increasing rate of unemployment, uncertainty about how quickly the virus would spread, and importantly, how it would impact the real estate market. While many questions remain, we now have a better understanding on current state of the economy and how the real estate market is being impacted.

It appears as if the peak of the COVID related employment impacts are behind us. As of April, the Oregon Office of Economic Analysis was forecasting statewide unemployment would peak around 21%. Thankfully that never materialized, with continuing unemployment claims peaking statewide in early May around 310,000 which is about a 17% unemployment rate. Through the end of July, the unemployment rate decreased to about 11% statewide (191k continuing claims). In Central

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### MEDIAN REGIONAL SALES PRICE (2019)



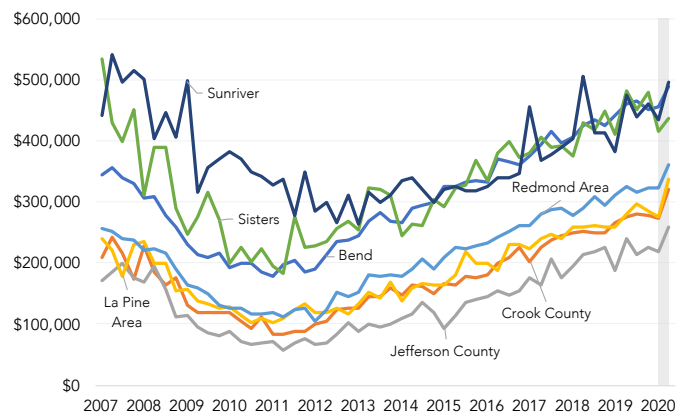
### MEDIAN SALES PRICE AND SALES VOLUME (2020 QUARTER 2)

Submarket	Price	Volume
Bend	\$489,000	647
Crook County	\$320,000	105
Jefferson County	\$260,000	55
La Pine/Three Rivers South	\$336,500	68
Redmond/Terrebonne/Crooked River Ranch	\$359,935	310
Sisters	\$437,250	54
Sunriver	\$496,900	52

### MEDIAN SALES PRICE AND SALES VOLUME BY SUBMARKET FOR ALL SUBMARKETS (2020 QUARTER 2)

	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
Units Sold	↑ 0.39%	↓ -26.40%
Median Price	↑ 7.31%	↑ 7.06%

### SUBMARKET COMPARISON – MEDIAN HOME SOLD PRICES (QUARTERLY, Q2 2007-2020)



#### 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.

Oregon, unemployment claims peaked in April at 13,348 and decreased to 9,031 in June. The real estate industry has experienced very few unemployment claims in Central Oregon, peaking at approximately 300 in April and decreasing to about 200 at the end of June.

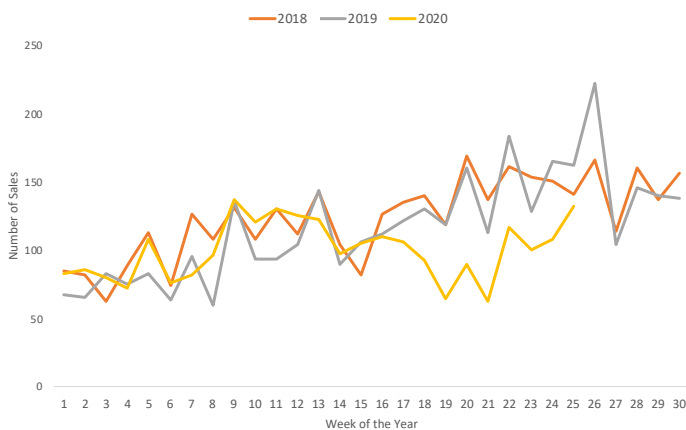
Certainly the current economic climate shouldn't be construed as a positive — if we squint hard enough we do have a glimmer of good news. We have turned the corner and begun the long road to economic recovery. In the Great Recession of 2008, it took two years of job losses before the recovery began in Oregon, and over six years to regain all of the jobs lost. It appears as if we have reached maximum job losses over the course of three months and have now begun the recovery. Estimates of the amount of time it will take to recover the jobs lost vary, but the emerging consensus is that it will be quicker than the Great Recession. Uncertainty remains about the rate of spread of the virus along with the amount of time before a treatment or vaccine is broadly available. Until then, the trajectory of the virus will largely dictate the economic recovery as various elements of social distancing and required shutdowns impact consumer behavior.

While the economy continues to experience disruptions not seen since the depths of the Great Recession, early indications are that the real estate market appears to be largely insulated, which is in stark contrast to the Great Recession. The National Association of Realtors reported that 93% of mortgage holders in Oregon were able to make their payment in June. This will be an important early indicator of future market distress. Forbearance and other government stimulus programs are helping keep the number of mortgage defaults, and ultimately foreclosures from increasing to date. Going forward, tracking mortgage defaults will allow for a better understanding of how the broader economic downturn is likely to impact the real estate market in the coming months.

Closed sales year to date in Central Oregon are down 9% compared to 2019, however the number listings is also trending lower. There were 11% fewer new listings in June 2020 compared to a year ago — this is occurring due to decreased listing below \$500k, as there are more new listings above \$500k than there were 12 months ago. During the early stages of the pandemic, sales volume dropped by 55% compared to 2019, that rate has recovered to 20% lower in the last week of June compared to 12 months ago. The balance between the number of

listings and the number of sales is a strong predictor of price change. Market absorption (the number of months of market supply) continues to trend down in Central Oregon throughout the pandemic, dropping to 2.3 months in June 2020 compared to 3.9 months a year ago.

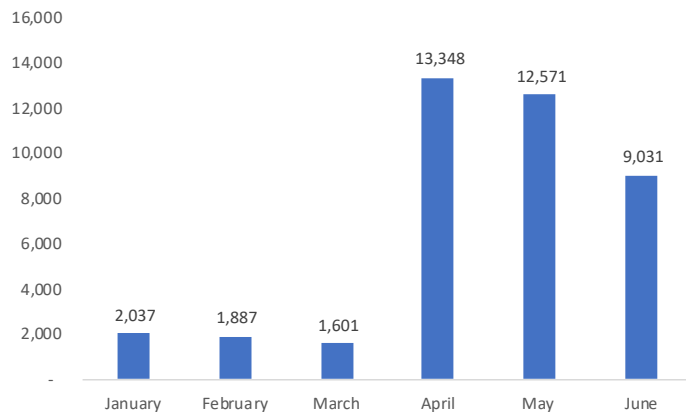
#### SALES BY WEEK – CENTRAL OREGON



#### LISTINGS BY PRICE RANGE – CENTRAL OREGON



#### UNEMPLOYMENT CLAIMS BY MONTH – CENTRAL OREGON



## Price Index—2020 Quarter 2

The price index for Central Oregon increased at an annual rate of 10.4% in the second quarter of 2020. The measure of the index is now 204, representing a 104% increase in market prices since 2012. Price growth using the index continues to increase at a higher rate than the median sales price in the market through the first 4 months of the COVID-19 pandemic. Price growth measured by the index peaked in early 2018 at 13.2% and has steadily slowed to the current rate of 10.3% — the price index has increased by 50% more than the rate of the median sales price over the last 12 months. The gap between the price index and the rate of growth for the median property continues to close, which is more indicative of normal market conditions.

The price index will be an important metric to track the impact of the COVID-19 pandemic, as we are already seeing slowing transaction and listing volumes. It is possible that median sales prices will decrease during the coming months. The price index is not responsive to changes in the distribution of listing prices and will be a better measure of market performance on a quarterly basis.

### WHAT IS A PRICE INDEX?

A price index tracks repeat sales of the same property to measure the change in market price over time.

### WHY A PRICE INDEX?

A price index uses repeat sales and is the most accurate way to track changes in price over time. Median or

average sales prices are responsive to new construction prices that are generally higher than the market average, as well as trends in listings. In order to most accurately measure how prices in a market are changing over time, tracking individual properties that sell multiple times allows for an apples to apples comparison of change over time.

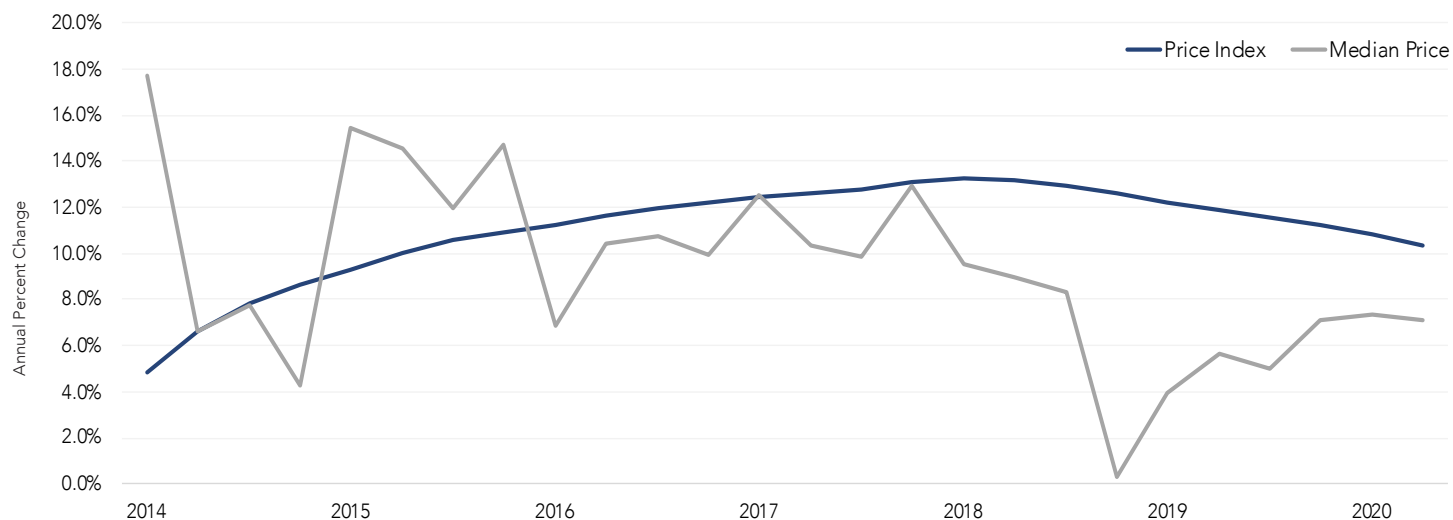
### HOW DO WE CALCULATE A PRICE INDEX?

The price index is calculated using home sales data from 2007 up to the last quarter (Q2 2020). Repeat home sales are identified by matching sales based on addresses. Once homes that have been sold more than once are identified, the duration between the sales and the change in sale price are measured.

We have applied filters to the dataset to account for outliers and other transactions not representative of normal market conditions, such as flipping or substantial renovations.

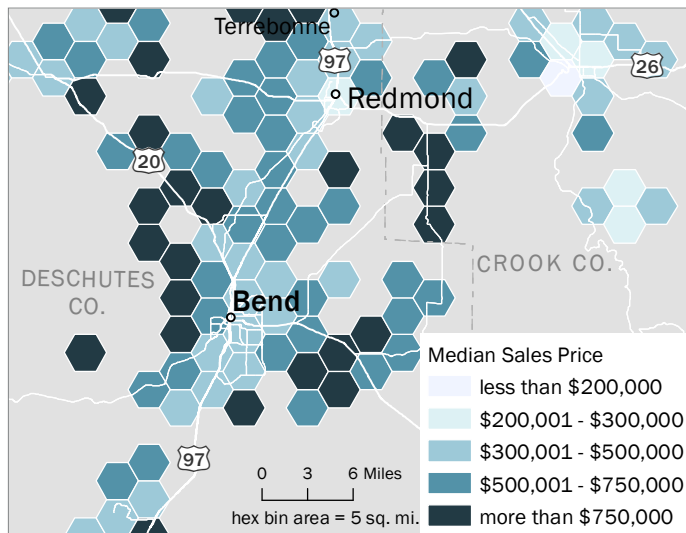
The repeat sale price index is calculated on a quarterly basis starting in the fourth quarter of 2012. Starting in the fourth quarter of 2012, the median sale price over the previous four quarters is calculated and used as the anchor price (100). For each following quarter, the median price appreciation for homes sold within the last four quarters is calculated, and this price appreciation is applied to the index.

### REPEAT SALES PRICE INDEX VS. MEDIAN PRICE CHANGE



Bend's housing market performed better in the second quarter of 2020 than it did in the first quarter with sales volume up 5% and the median days on market (DOM) falling 38%. However, sales volume declined from this same time last year to the second quarter of 2020, falling nearly 26% and the median DOM was 3% higher. The median home sales price in Bend continued to rise, increasing nearly 8% from last quarter and about 6% from this same time last year.

## MEDIAN SALES PRICE



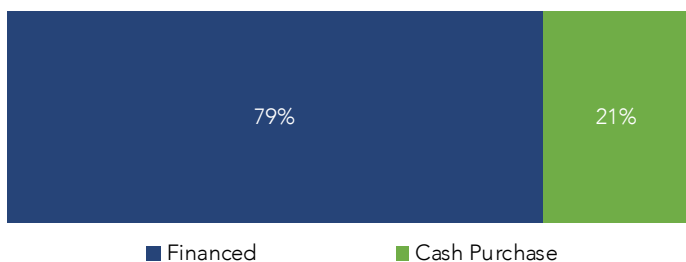
## HOME PRICING

Existing	New	New Construction Premium (per sf)
\$489,000	\$491,450	-7.43%

## NEW CONSTRUCTION SALES

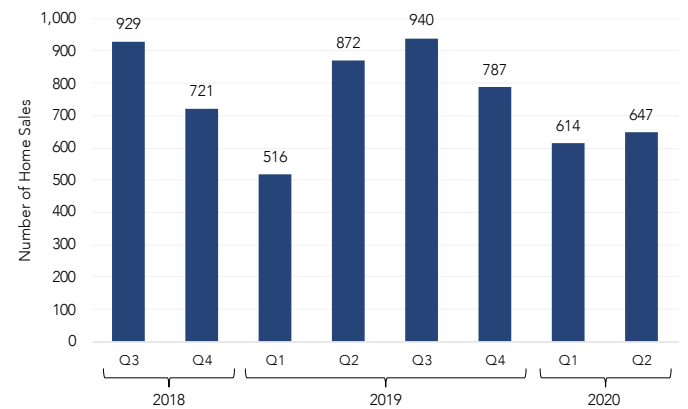
New Units Sold	New Units as a % of Total Units
96	14.84%

## HOME FINANCING



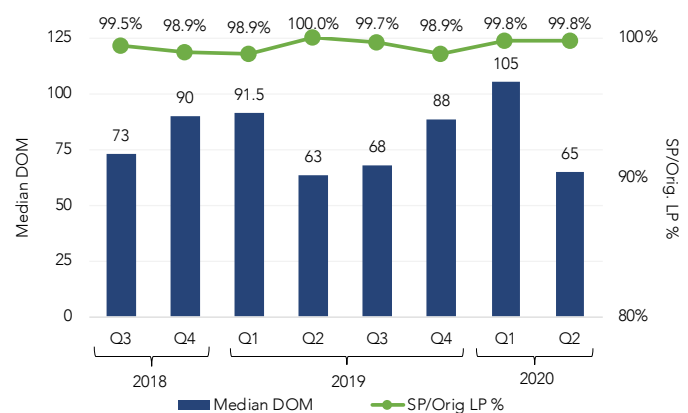
## SALES VOLUME

	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
Homes Sold	↑ 5.37%	↓ -25.80%



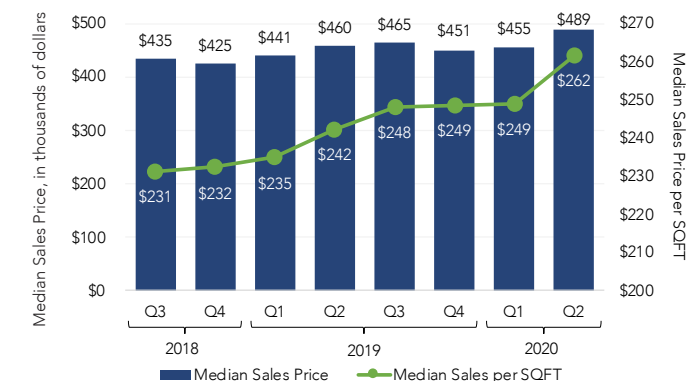
## MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
DOM	↓ -38.10%	↑ 3.17%
Sold/Orig LP Diff. %	↑ 0.04%	↓ -0.21%



## MEDIAN SALES PRICE & MEDIAN SALES PER SQFT

	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
Median Sales Price	↑ 7.52%	↑ 6.33%

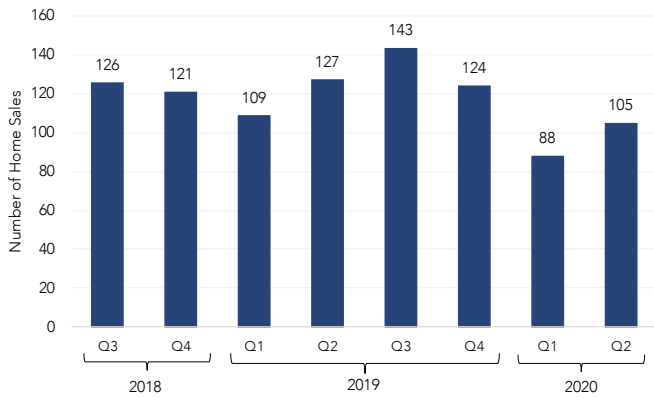


Data includes all residential sales, including sales of single-family homes, manufactured homes, mobile homes, condos, deeded share, townhomes, and timeshares.

In Crook County, sales volume increased from last quarter by 19%, but fell 17% relative to this same time last year. In the second quarter of 2020, 105 homes sold in Crook County. Homes sold more quickly than they did in the previous quarter with the median days on market (DOM) falling 14%. The median home sales price rose substantially in Crook County relative last quarter and this same time this year, increasing by 17% and 16%, respectively. In the first quarter of 2020, the median home sales price was \$273,000. In the second quarter of 2020, the median home sales price rose to \$320,000.

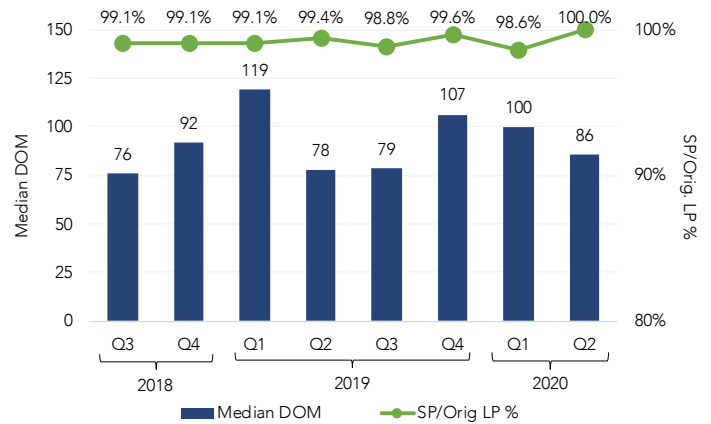
## SALES VOLUME

	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
Homes Sold	↑ 19.32%	↓ -17.32%



## MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
DOM	↓ -14.00%	↑ 10.26%
Sold/Orig LP Diff. %	↑ 1.41%	↑ 0.57%

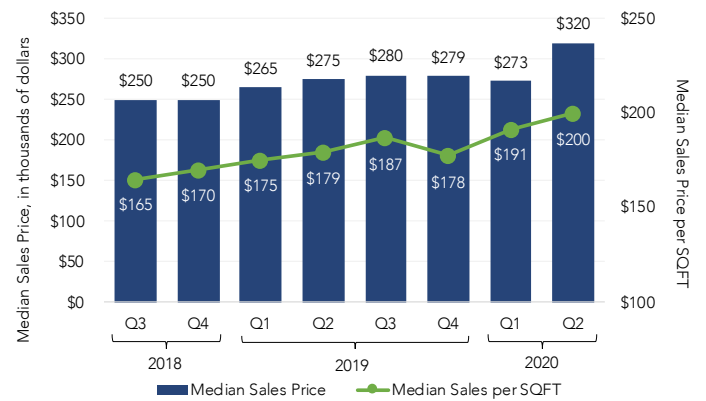


## HOME PRICING

Existing	New	New Construction Premium (per sf)
\$311,000	\$335,000	0.50%

## MEDIAN SALES PRICE & MEDIAN SALES PER SQFT

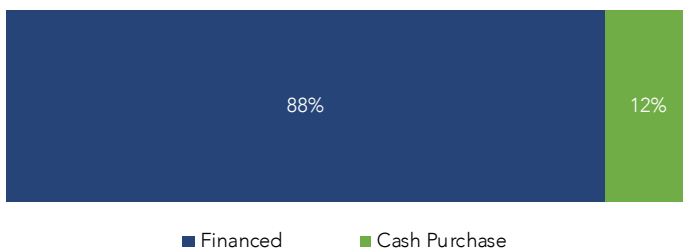
	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
Median Sales Price	↑ 17.22%	↑ 16.36%



## NEW CONSTRUCTION SALES

New Units Sold	New Units as a % of Total Units
17	16.19%

## HOME FINANCING

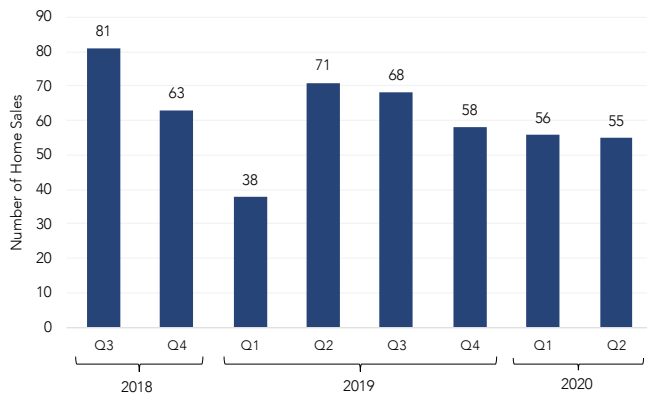


# Jefferson County—2020 Quarter 2

Home sales volume fell slightly in Jefferson County relative to last quarter, declining by about 2%, and was substantially down from this same time last year, falling almost 23%. Homes sold more quickly than they did in the previous quarter and in this same time last year with median days on market (DOM) falling 18% and 6%, respectively. As with most submarkets in the region, the median home sales price in Jefferson County continued on an upward trend, climbing to \$260,000, a nearly 19% increase from last quarter and an 8% increase from this same time last year.

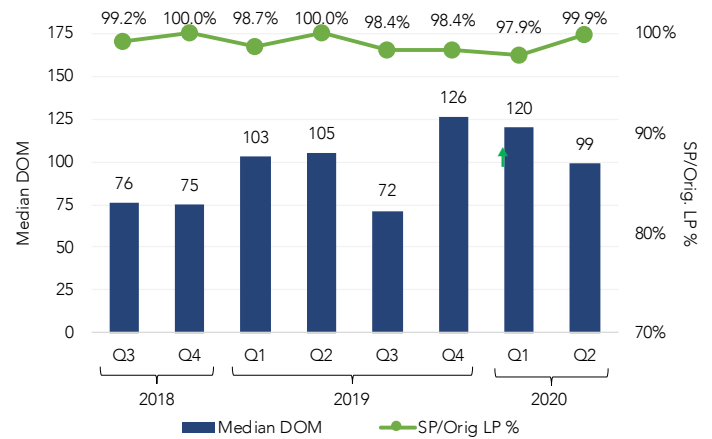
## SALES VOLUME

	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
Homes Sold	↓ -1.79%	↓ -22.54%



## MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
DOM	↓ -17.50%	↓ -5.71%
Sold/Orig LP Diff. %	↑ 2.06%	↓ -0.10%

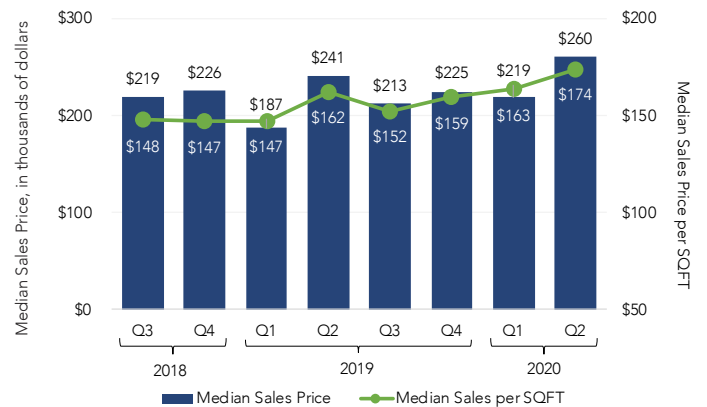


## HOME PRICING

Existing	New	New Construction Premium (per sf)
\$256,000	\$269,000	1.52%

## MEDIAN SALES PRICE & MEDIAN SALES PER SQFT

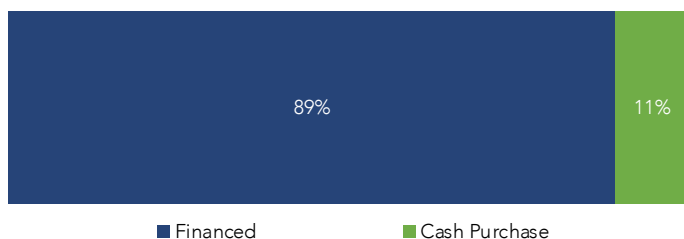
	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
Median Sales Price	↑ 18.67%	↑ 7.93%



## NEW CONSTRUCTION SALES

New Units Sold	New Units as a % of Total Units
11	20.00%

## HOME FINANCING

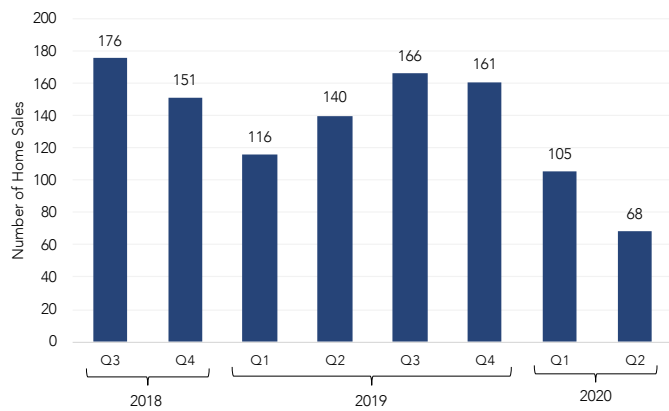


# La Pine/Three Rivers South—2020 Quarter 2

Home sales volume was substantially down in La Pine/Three Rivers South. Last quarter, 105 homes sold in the area. In the second quarter of 2020, 68 homes sold, a 35% decline from the previous quarter and a 51% decline from this same time last year. Homes sold more quickly than they did in the previous quarter with the median days on market (DOM) falling 25%. However, homes sold far slower than they did this same time last year with median DOM increasing 49%. Although sales volume declined, the median home sales price increased 22% relative to last quarter and 20% relative to this same time last year.

## SALES VOLUME

	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
Homes Sold	↓ -35.24%	↓ -51.43%



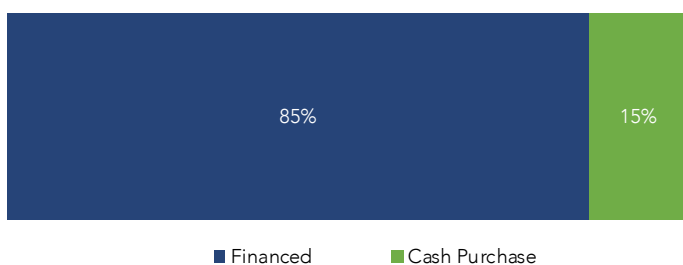
## HOME PRICING

Existing	New	New Construction Premium (per sf)
\$342,625	\$320,000	-14.10%

## NEW CONSTRUCTION SALES

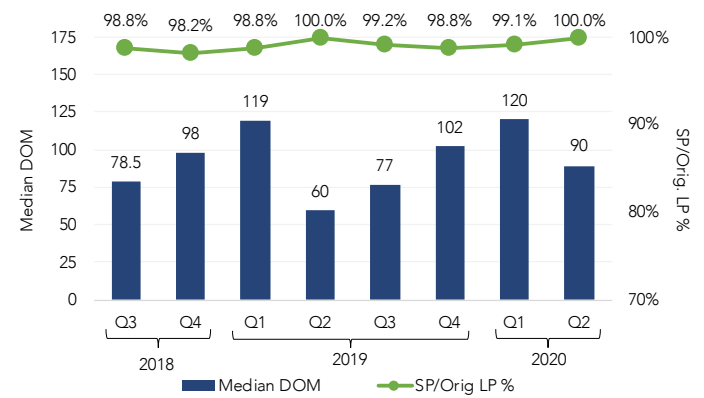
New Units Sold	New Units as a % of Total Units
12	17.65%

## HOME FINANCING



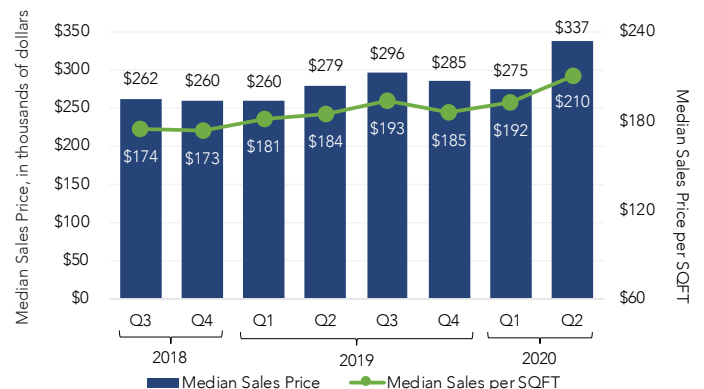
## MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
DOM	↓ -25.42%	↑ 49.17%
Sold/Orig LP Diff. %	↑ 0.95%	-- 0.00%



## MEDIAN SALES PRICE & MEDIAN SALES PER SQFT

	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
Median Sales Price	↑ 22.41%	↑ 20.42%

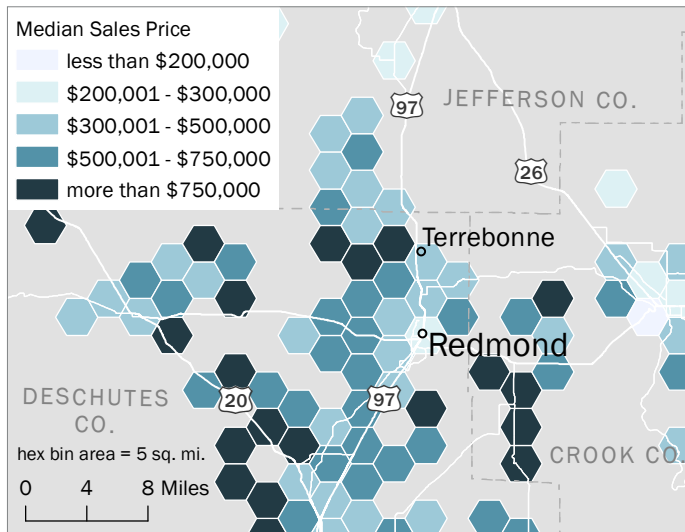




# Redmond/Terrebonne/Crooked River Ranch—2020 Quarter 2

Home sales volume decreased slightly from the previous quarter in Redmond/Terrebonne/Crooked River Ranch by almost 3%. Compared to this same time last year, home sales volume fell more substantially, declining by nearly 23%. Homes sold more quickly than they did in the previous quarter with median days on market (DOM) falling 19%. Compared to this same time last year, however, median DOM rose nearly 7%. Relative to last quarter and to this same time last year, the median home sales price rose 11%.

## MEDIAN SALES PRICE



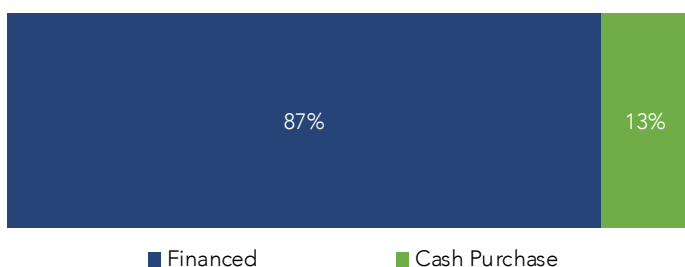
## HOME PRICING

Existing	New	New Construction Premium (per sf)
\$357,000	\$361,623	-1.52%

## NEW CONSTRUCTION SALES

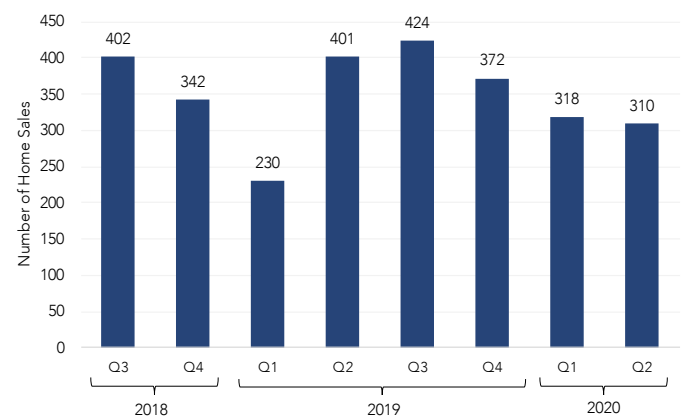
New Units Sold	New Units as a % of Total Units
96	30.97%

## HOME FINANCING



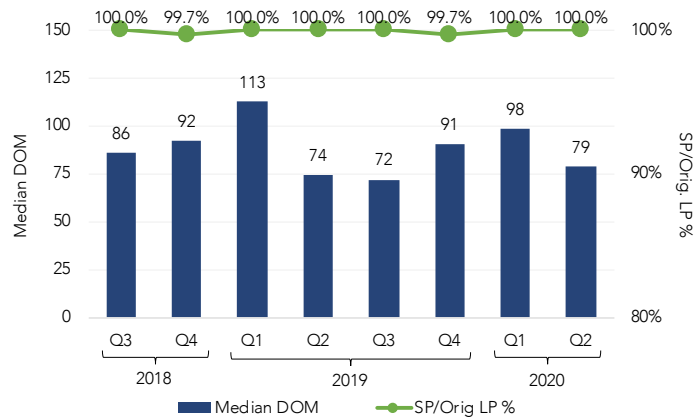
## SALES VOLUME

	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
Homes Sold	↓ -2.52%	↓ -22.69%



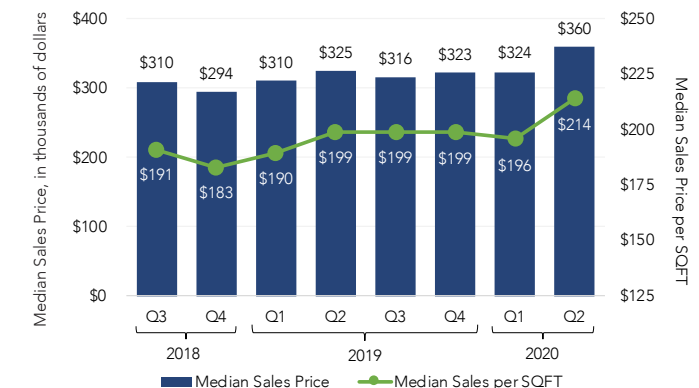
## MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
DOM	↓ -19.39%	↑ 6.75%
Sold/Orig LP Diff. %	-- 0.00%	-- 0.00%



## MEDIAN SALES PRICE & MEDIAN SALES PER SQFT

	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
Median Sales Price	↑ 11.19%	↑ 10.76%

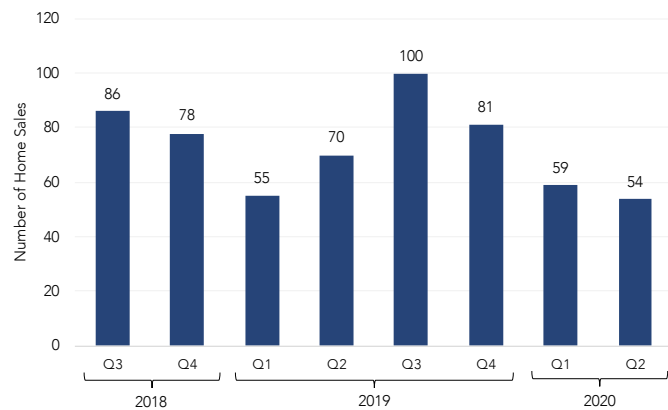




The Sisters housing market saw a decline in home sales volume, both relative to the previous quarter and to this same time last year. Home sales volume declined by just over 8% compared to last quarter and by nearly 23% compared to this same time last year. Homes sold much more quickly than they did in the previous quarter with the median days on market (DOM) falling 38%. Compared to this same time last year though, homes sold more slowly with median DOM rising 23%. Relative to last quarter, Sisters saw a modest 5% increase in its median home sales price, but the median home sales price fell 9% relative to last year.

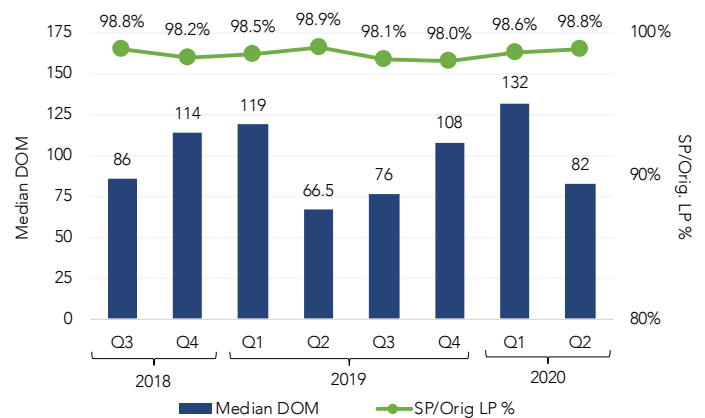
## SALES VOLUME

	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
Homes Sold	↓ -8.47%	↓ -22.86%



## MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
DOM	↓ -37.88%	↑ 23.31%
Sold/Orig LP Diff. %	↑ 0.27%	↓ -0.10%

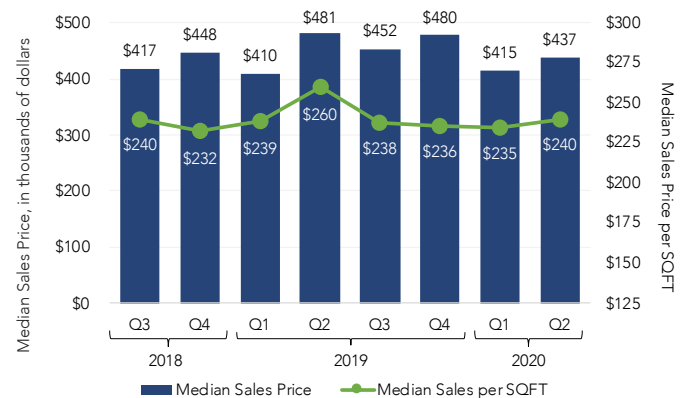


## HOME PRICING

Existing	New	New Construction Premium (per sf)
\$461,000	\$395,929	-0.22%

## MEDIAN SALES PRICE & MEDIAN SALES PER SQFT

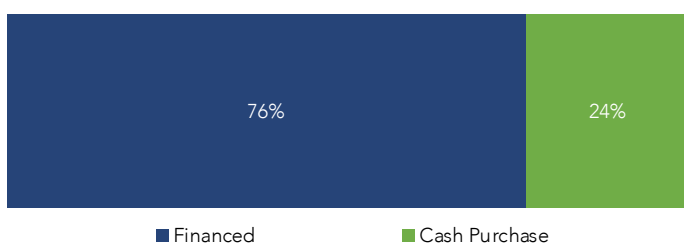
	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
Median Sales Price	↑ 5.36%	↓ -9.09%



## NEW CONSTRUCTION SALES

New Units Sold	New Units as a % of Total Units
9	16.67%

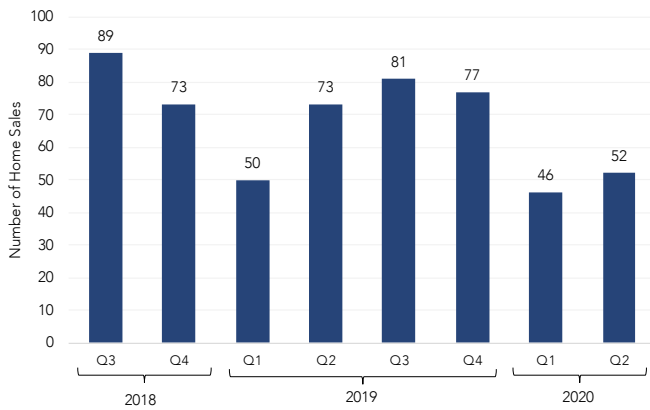
## HOME FINANCING



Unlike many housing submarkets in the region, Sunriver saw an increase in its home sales volume from last quarter. Home sales volume increased 13% relative to last quarter but was still down 29% from this same time last year. Homes sold more slowly than they did relative to the previous quarter and to this same time last year, with the median days on market (DOM) increasing 2% and 50%, respectively. Relative to last quarter, the median home sales price increased 14% and relative to this same time last year, the median home sales price increased nearly 5%.

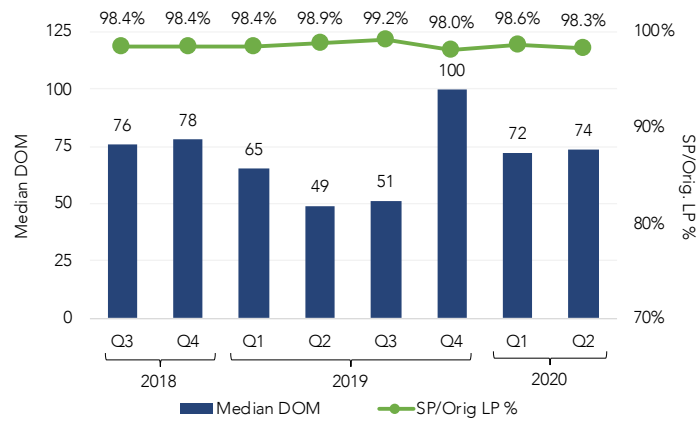
## SALES VOLUME

	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
Homes Sold	↑ 13.04%	↓ -28.77%



## MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
DOM	↑ 2.08%	↑ 50.00%
Sold/Orig LP Diff. %	↓ -0.34%	↓ -0.59%

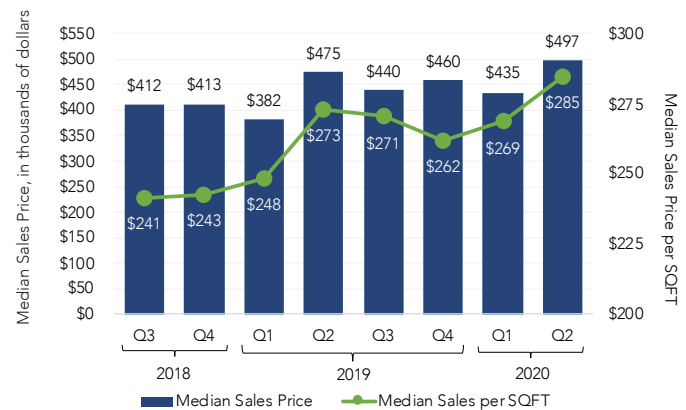


## HOME PRICING

Existing	New	New Construction Premium (per sf)
\$496,900	NA	NA

## MEDIAN SALES PRICE & MEDIAN SALES PER SQFT

	Change, 2020Q1 to 2020Q2	Change, 2019Q2 to 2020Q2
Median Sales Price	↑ 14.23%	↑ 4.61%



## NEW CONSTRUCTION SALES

New Units Sold	New Units as a % of Total Units
0	0.00%

## HOME FINANCING

