

# RESIDENTIAL MARKET ANALYSIS

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For the past few years, the Spring quarter has been represented by significantly more transactions, higher prices, and sales within very few days—a quick paced, cut-throat market where if a house had been for sale longer than a day it was likely already gone. Whether due to the continued increase in cost of construction, higher cost of land, a higher number of rental units available, or a mixture of all three, the market appears to be slowing a bit.

The costs to build single family homes have increased over the past few years, and even more so recently. Tariffs on lumber from Canada in and of themselves are responsible for an estimated \$9,000 in additional costs for single-family homes throughout the United States, according to the National Association of Homebuilders. Outside of hard costs of construction, land prices have also continued to increase. Mike Tharp, associate vice president for Colliers Portland, has seen these land prices trend upwards for the last 24 months, with prices being between eight and ten percent higher now than this time last year. Lastly, with the construction of multi-family units within the market, rents increases have begun to slow, which may have given renters time to breath and press pause on their search for a home.

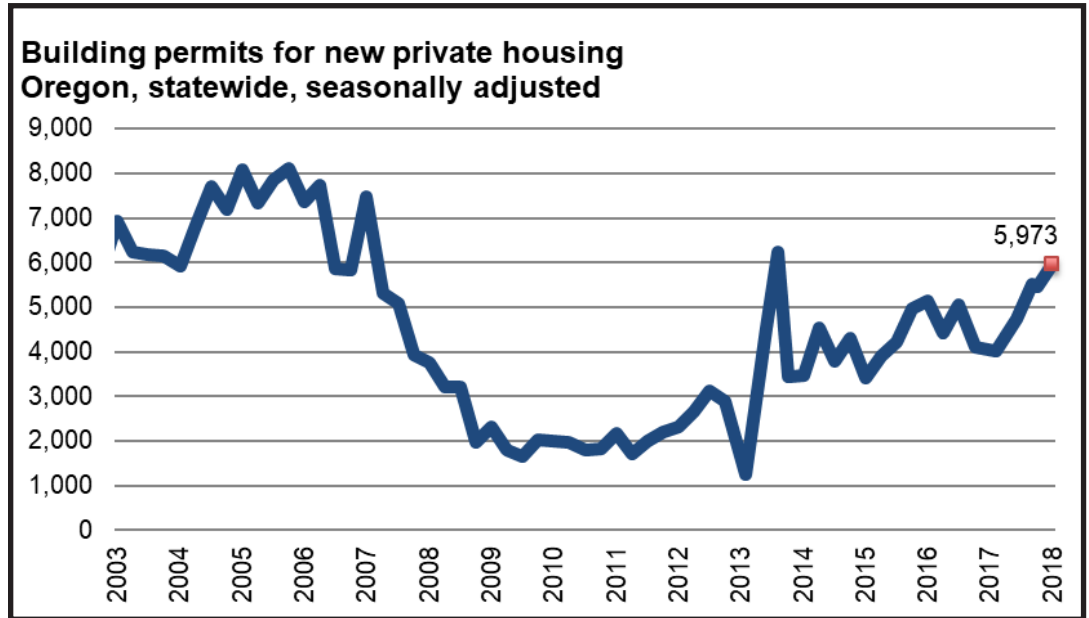
In all, Portland, Vancouver, Salem and Eugene have all seen rising prices but significantly fewer transactions this quarter than in years past. Some have speculated that prices have grown beyond what potential homebuyers can afford.



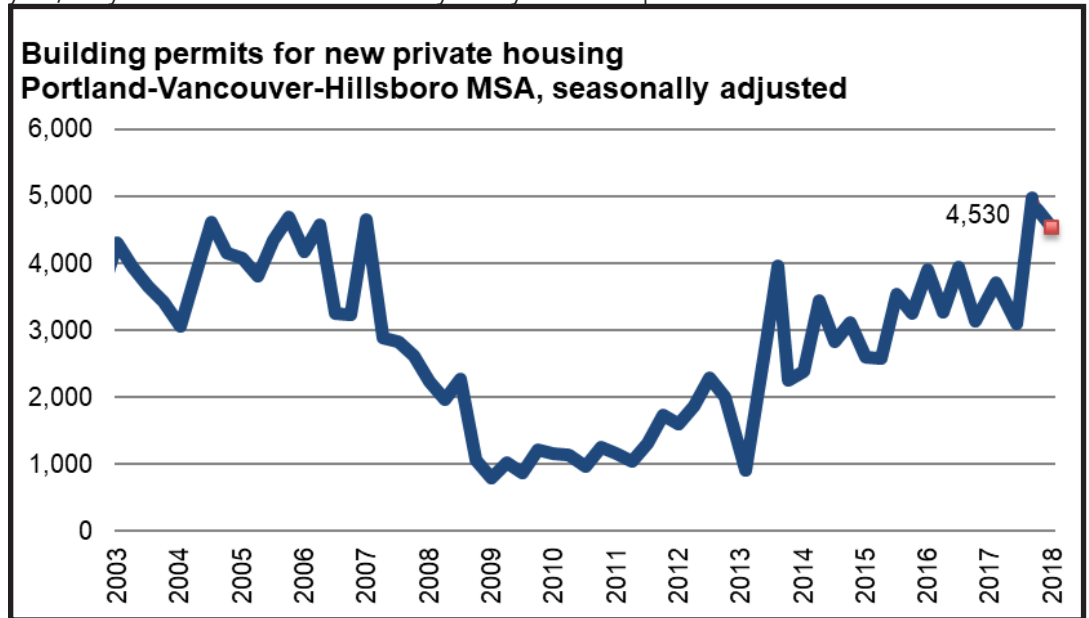
Jennifer Volbeda is a candidate for the Masters in Real Estate Development degree and currently works as a tenant coordinator/project engineer for Harsch Investment Properties within the retail portfolio. Any errors of omissions are the author's responsibility. Any opinions are those of the author solely and do not represent the opinions of any other person of entity.

LOCAL PERMITTING

For the month of April 2018, a total of 1,648 permits were authorized for new private housing within the state of Oregon, while May saw 1,360 permits authorized. When compared to last year, April saw an increase of 55 percent, while May was cooler, by 21



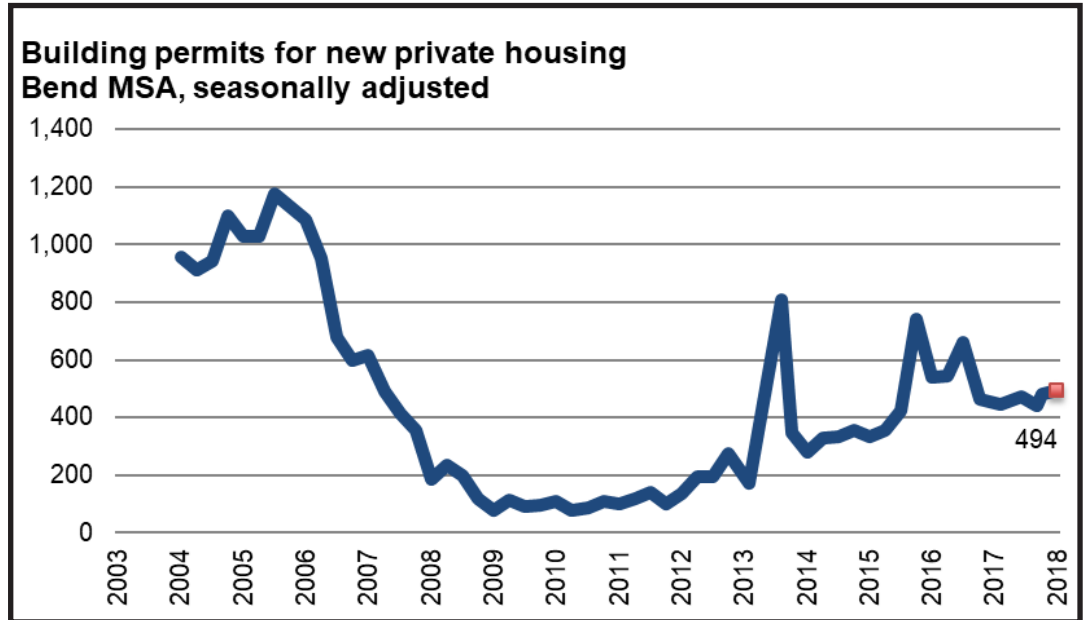
The Portland-Vancouver-Hillsboro metropolitan area had 1,360 building permits for new private housing authorized throughout the month of April, as well as 861 permits throughout the month of May. While this reflects a 56 percent increase from April of last year, May 2018 was cooler than last year by over 730 permits.



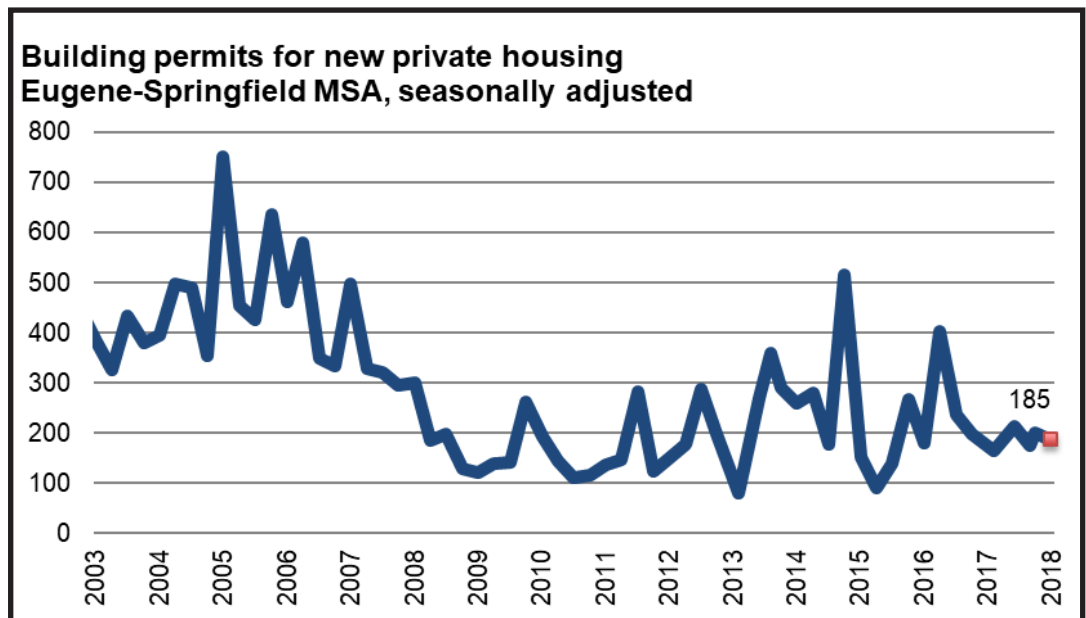
## RESIDENTIAL MARKET ANALYSIS

### LOCAL PERMITTING

The first two months of the second quarter of 2018 in Bend had a total of 307 permits authorized for new private housing. Much like the city of Portland, April saw a nine percent increase in authorized permits than in April of 2017, whereas May was cooler by three percent.



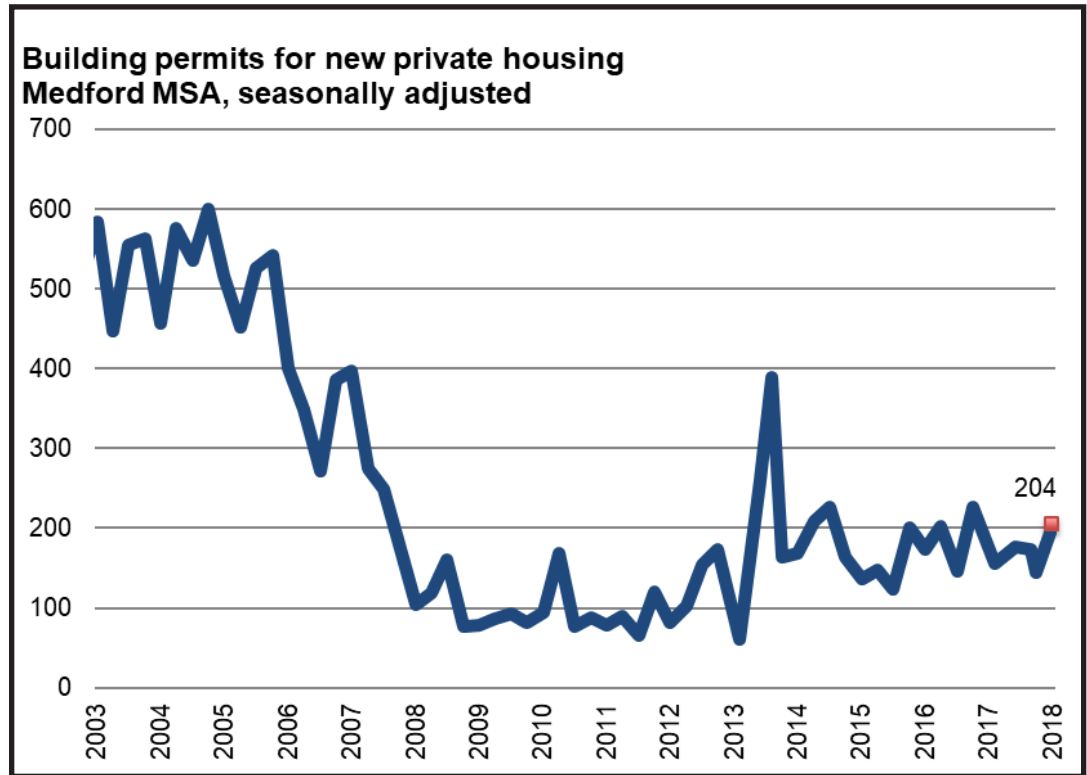
Eugene had a total of 126 permits authorized within April and May of 2018. April saw 57 permits issued, a 30 percent increase from the 44 that were authorized April of last year. There were 69 permits authorized within May of 2018, which reflects about a nine percent decrease from May of 2017.



## RESIDENTIAL MARKET ANALYSIS

### LOCAL PERMITTING

Medford had fewer permits authorized in both April and May of 2018 than were in 2017. With about 18 fewer permits in April, and 16 fewer in May, both months are hovering around a 30 percent decrease year-over-year.



### PORTLAND TRANSACTIONS

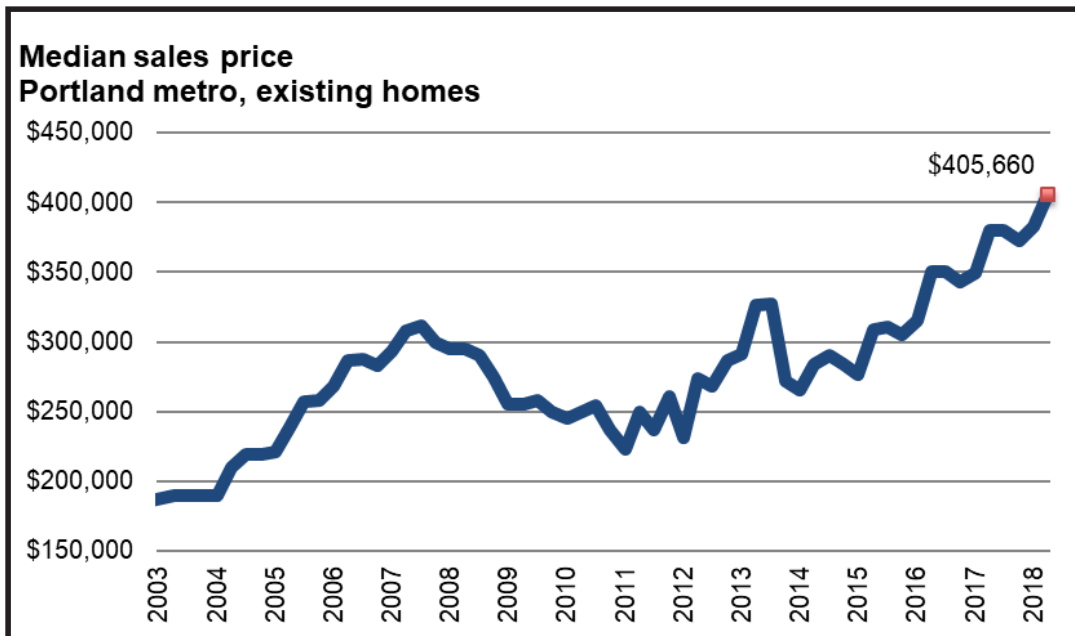
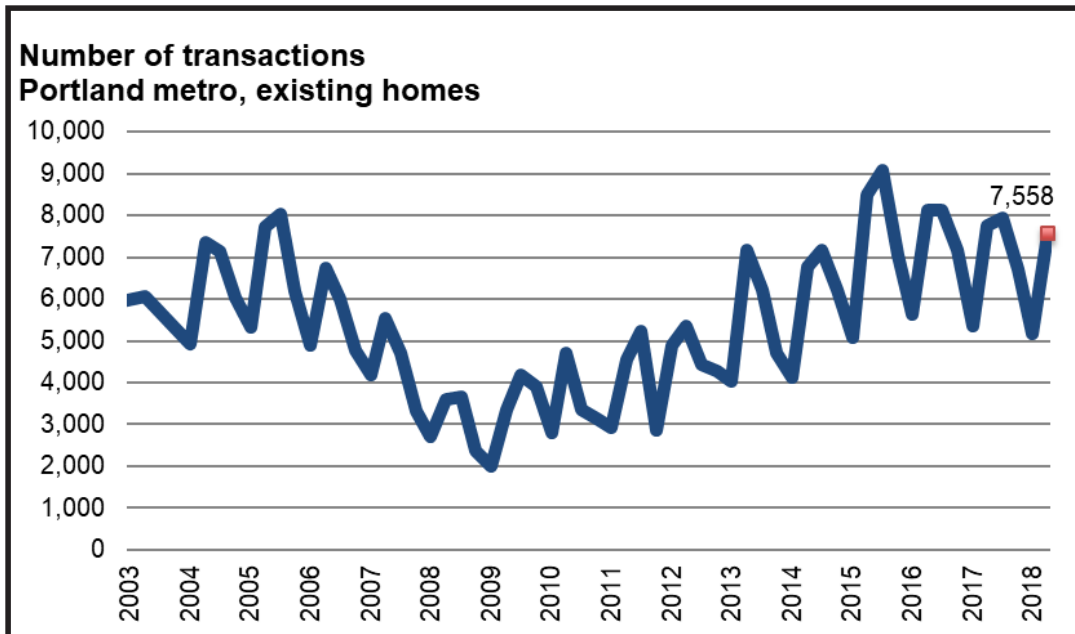
Information provided by RMLS indicates the second quarter showed signs of a slightly cooling market within the Portland metro. There were 7,558 transactions of existing homes within the Portland metro, a 46 percent increase from the first quarter of 2018. While an increase compared to last quarter, this reflects a 2.6 percent decrease from the same period last year, and an even more sizable seven percent decrease from the second quarter of 2016.

Similar to the last few quarters, the sales price of existing homes within the Portland Metro area continue to rise while the number of transactions cooled slightly. Portland metro saw the median sales price increase by 6.8 percent from the second quarter of 2017, landing at \$405,660 for 2018. When compared to 2016, this increase reflects nearly a 16 percent increase in price.

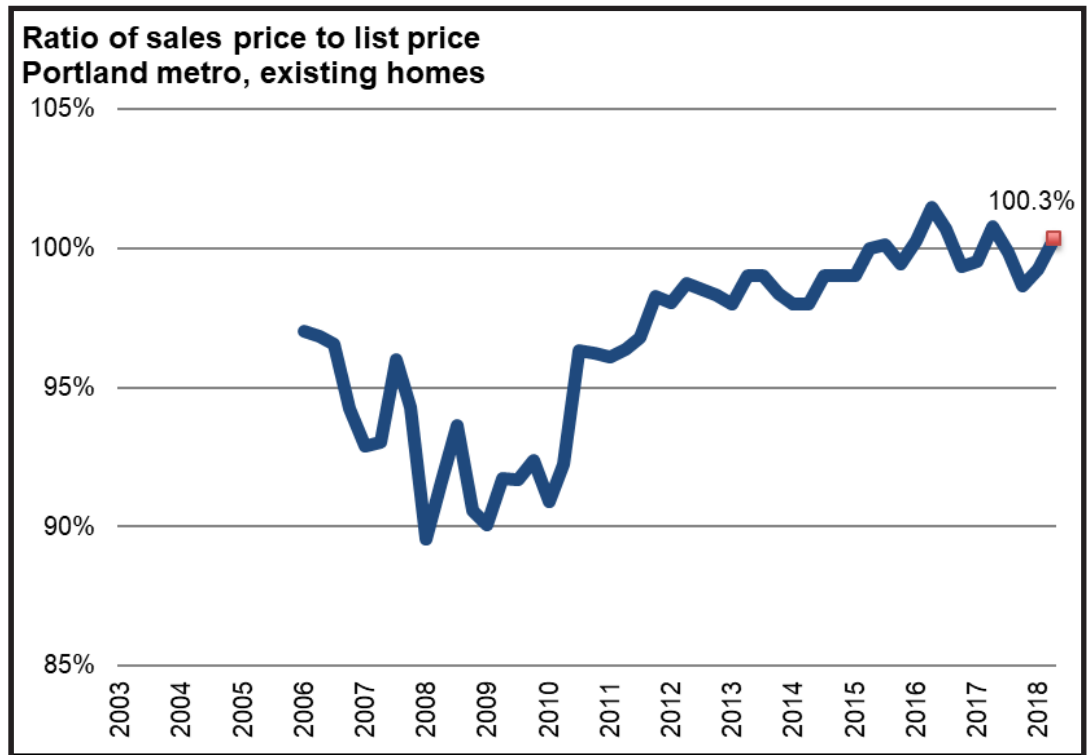
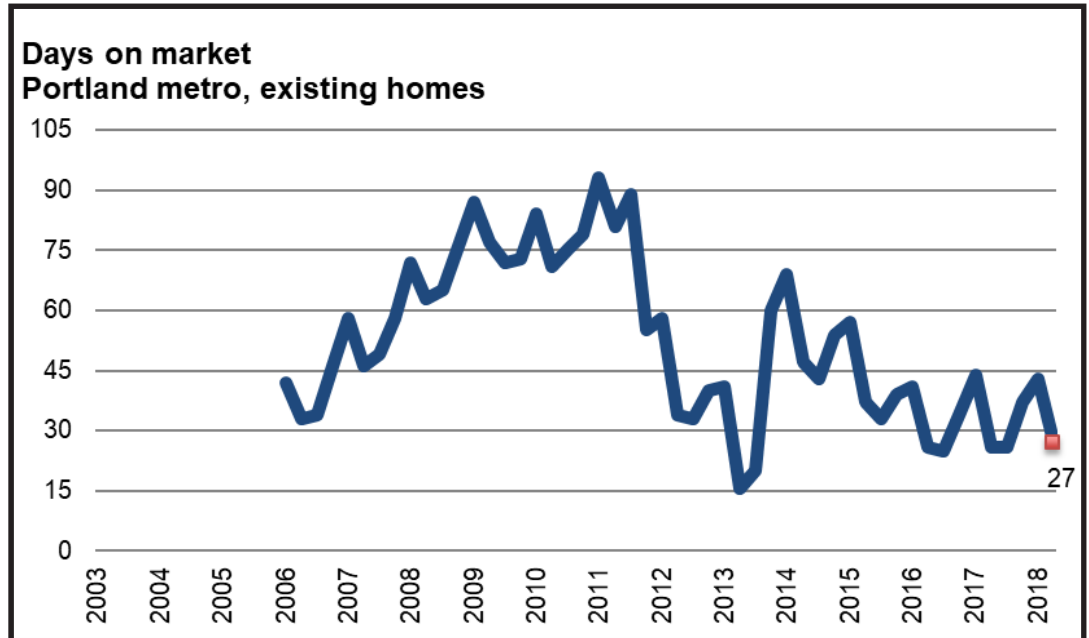
Typically seen during the second quarter are higher transaction counts, higher prices, with fewer days on the market. This quarter was no different. With an average of 27 days on market, the Portland metro existing housing market is in line with the past couple of years.

The ratio of sales price to list price continues to increase during the second quarter compared with the rest of the year. For the past four years, the second quarter has had a ratio of sales price to list price at or over 100 percent. At 100.3 percent this quarter, the pattern continues.

PORTLAND  
TRANSACTIONS

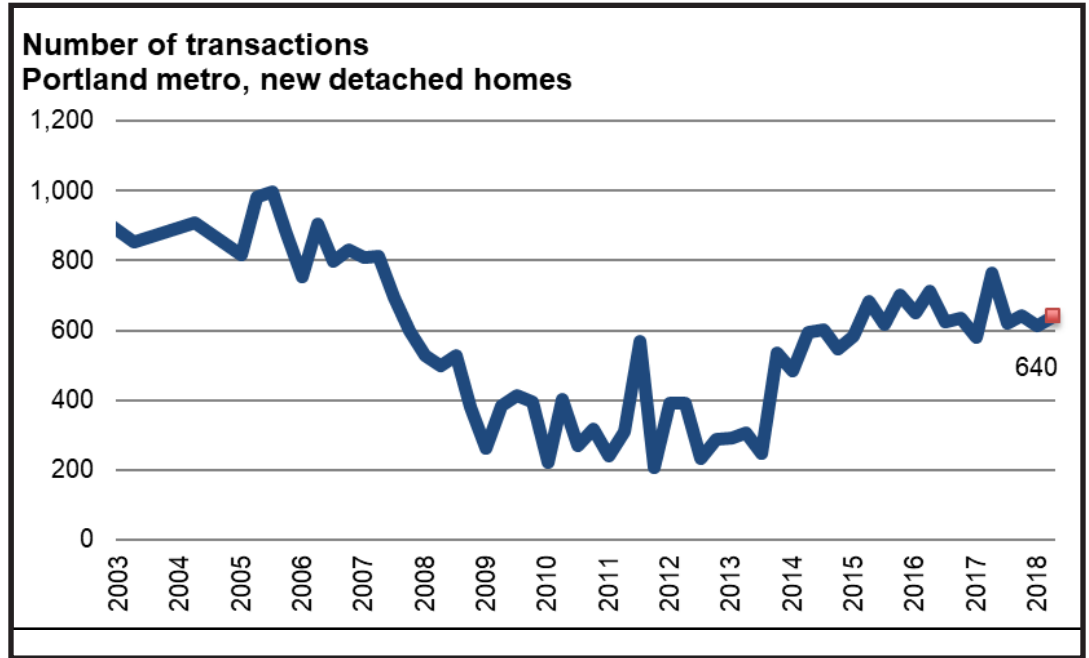


**PORTLAND  
TRANSACTIONS**



The second quarter of 2018 concluded with 640 transactions of new detached homes within the Portland metro area. This number represents a 16.5 percent decrease from the number of new homes that were sold in the same quarter of 2017. While the count of transactions were significantly fewer than the same quarters of years past, the median sales price rose seven percent from the second quarter of 2017 to \$528,615.

**PORTLAND  
TRANSACTIONS**



**VANCOUVER AND  
CLARK COUNTY  
TRANSACTIONS**

Vancouver had 1,140 transactions of existing homes during the second quarter of 2018; more than eight percent fewer transactions than in the same quarter of 2017. The median sales price for existing homes in Vancouver continue to rise; reflected by an 8.9 percent increase from the second quarter of 2017, the median sales price this quarter has risen to \$326,750.

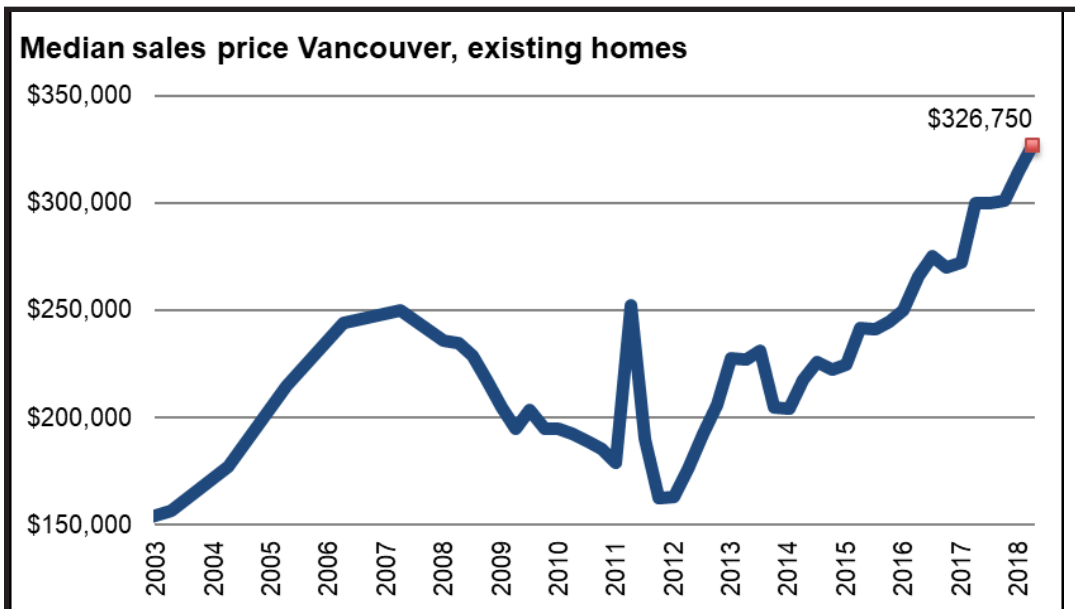
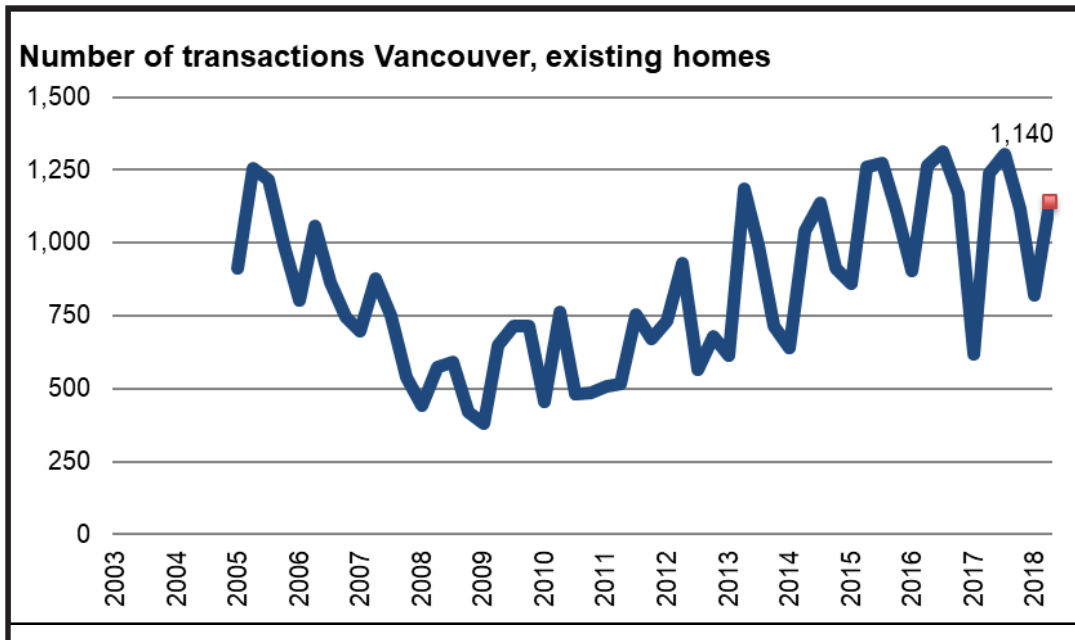
Vancouver existing houses continue selling as fast as ever, with the days on market hitting a low of only 21 days. Since PSU records began in 2005, the average days on market has never been so low. Existing housing during the second quarter of 2018 remains on market for an average of 21 days, a 12.5 percent decrease from 2017 and 22 percent decrease from 2016.

In contrast to both Portland and Vancouver, Clark County saw an increase in both transactions and sales price in the second quarter of 2018 compared with the same quarter of last year. With 942 transactions, the quarter saw a five percent increase from the same period last year. Median sales price within Clark County rose 9.5 percent over the past year, landing at \$380,000.

While housing stayed on the market for fewer days in the second quarter than in the first, when compared to same quarter of 2017, Clark County saw a 5.7 percent increase, or two days longer. Clark County housing remained on the market for an average of 38 days during the second quarter.

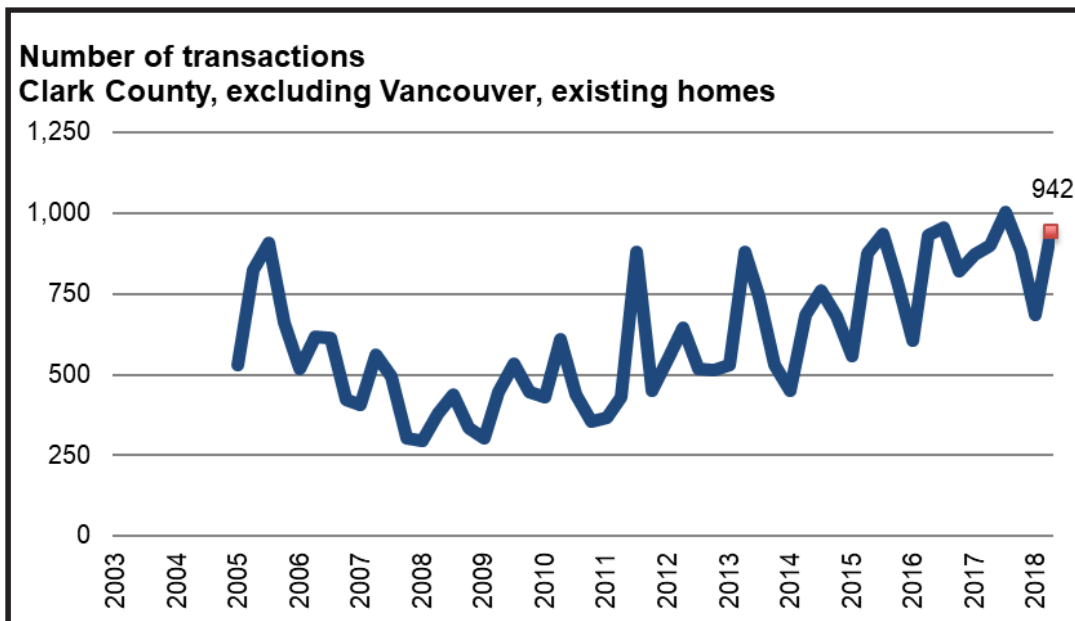
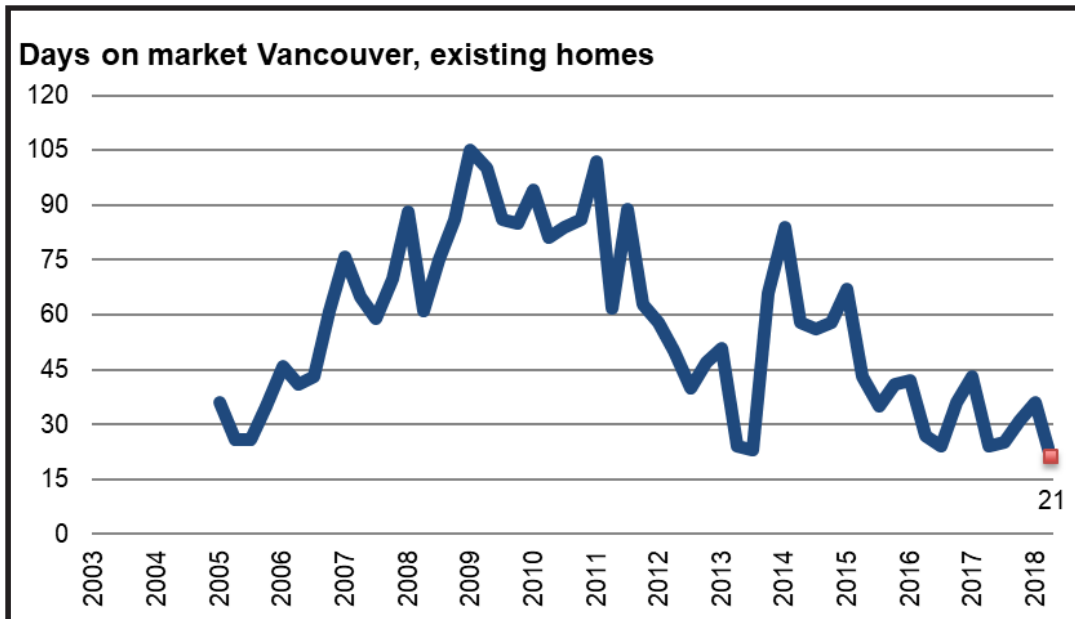
# RESIDENTIAL MARKET ANALYSIS

## VANCOUVER AND CLARK COUNTY TRANSACTIONS

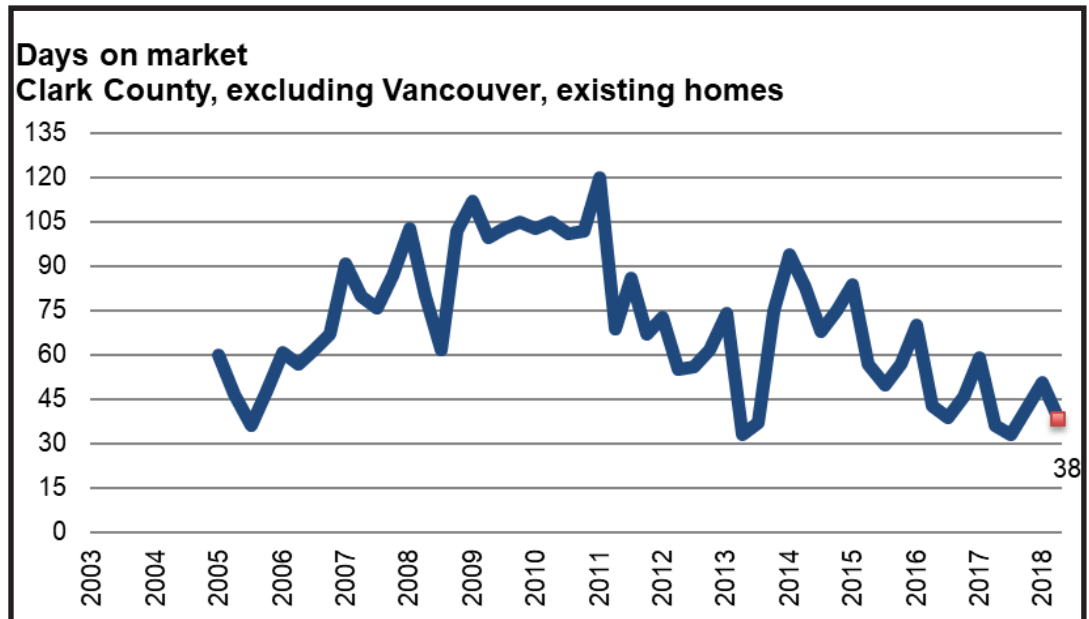
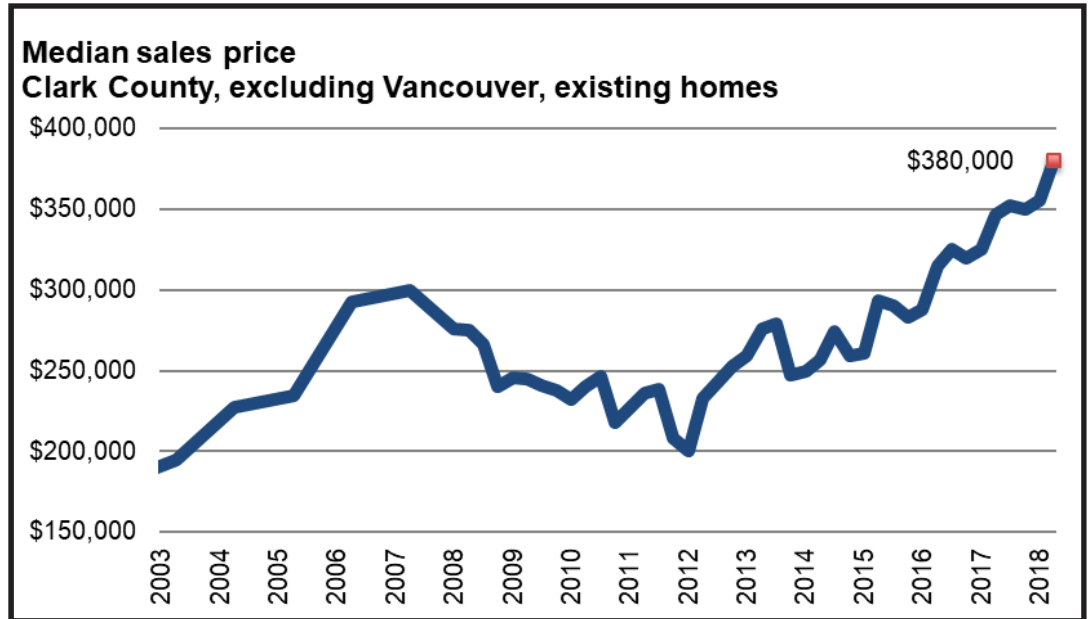




VANCOUVER AND CLARK COUNTY TRANSACTIONS



**VANCOUVER AND CLARK COUNTY TRANSACTIONS**



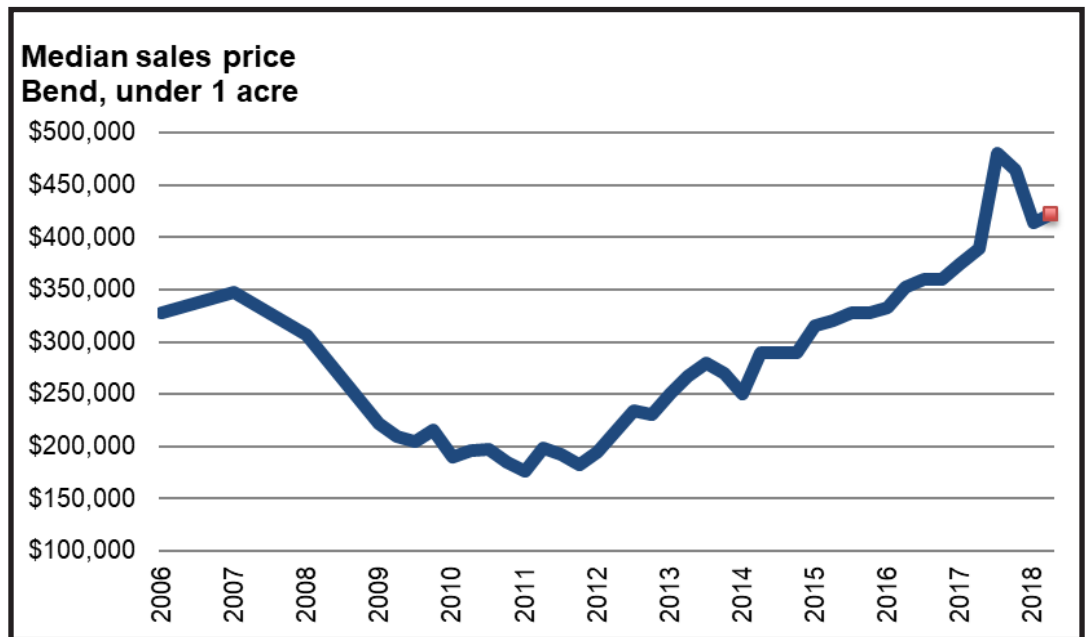
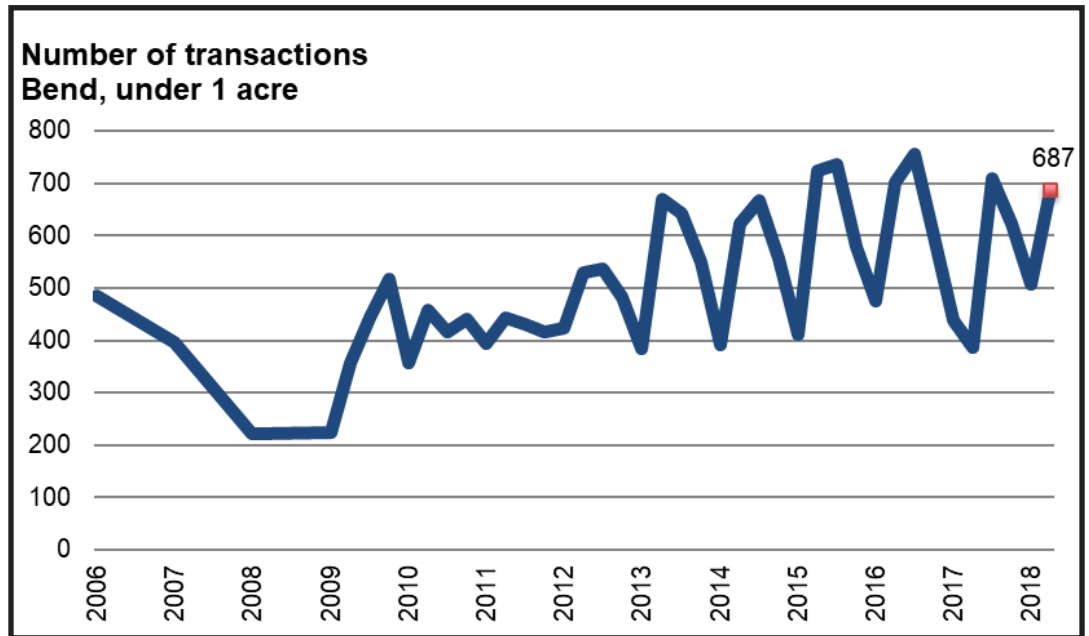
**CENTRAL OREGON TRANSACTIONS**

According to the Central Oregon Association of Realtors, Bend had 687 transactions during the second quarter of 2018, nearly a 78 percent increase than the number of transaction in the same quarter of 2017. The median sales price of existing homes in the area have increased by 8.3 percent from the previous quarter, with a price of \$422,300. With 107 average days on market, Bend saw a slight improvement from the same quarter last year marked by a 1.8 percent decrease.

Redmond continues to mirror Bend for the second quarter regarding the number of transactions, median sales price, and average days on market. The number of transactions increased from the same quarter last year, coming in at 270 total for the second quarter of 2018. Median sales price increased from the same quarter of 2017, by 3.5 percent and came in at \$289,900, and the average days on market decreased 9.5 percent from the second quarter of 2017 to 105 days.

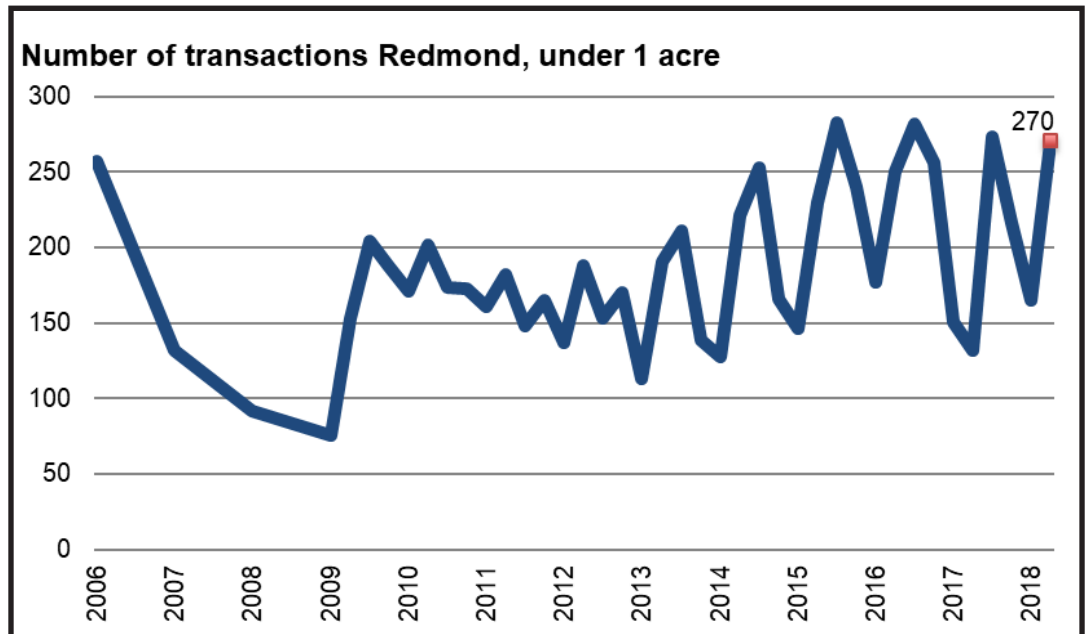
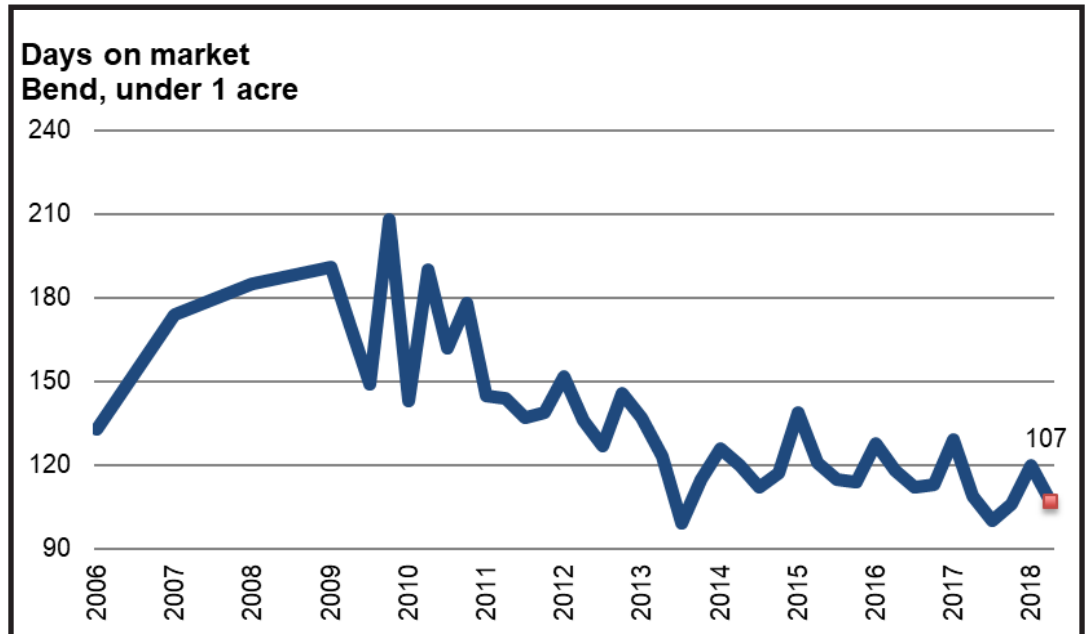
# RESIDENTIAL MARKET ANALYSIS

## CENTRAL OREGON TRANSACTIONS



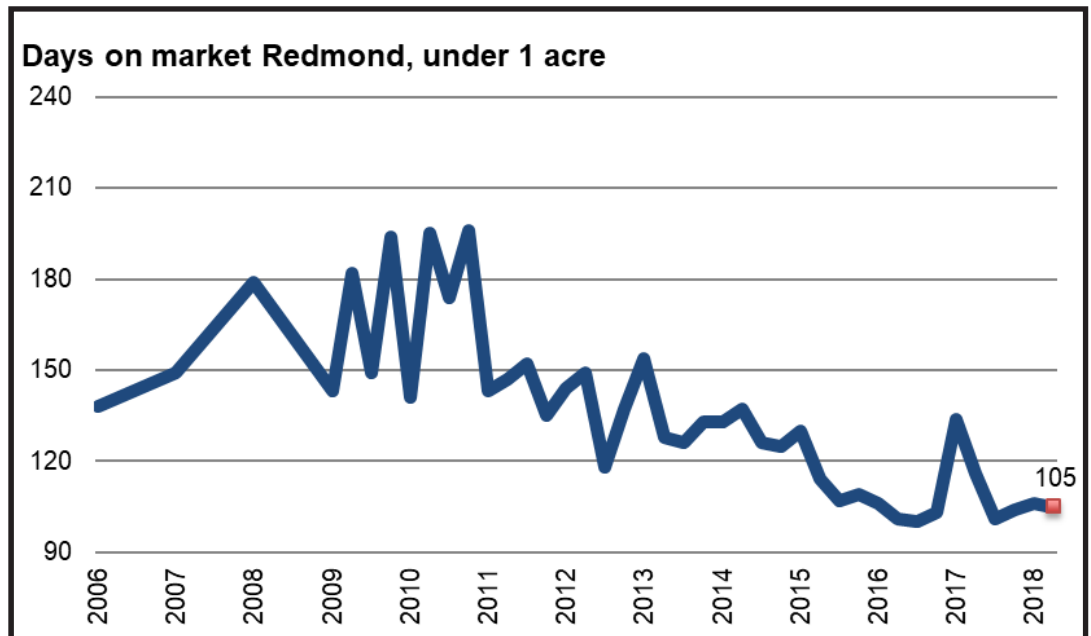
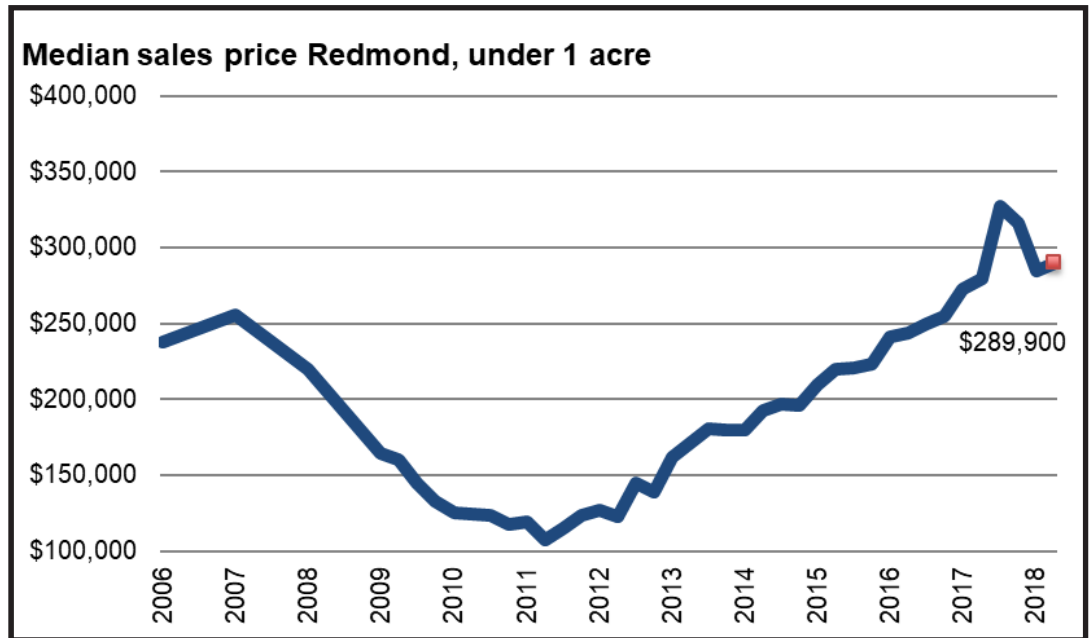
# RESIDENTIAL MARKET ANALYSIS

## CENTRAL OREGON TRANSACTIONS



# RESIDENTIAL MARKET ANALYSIS

## CENTRAL OREGON TRANSACTIONS

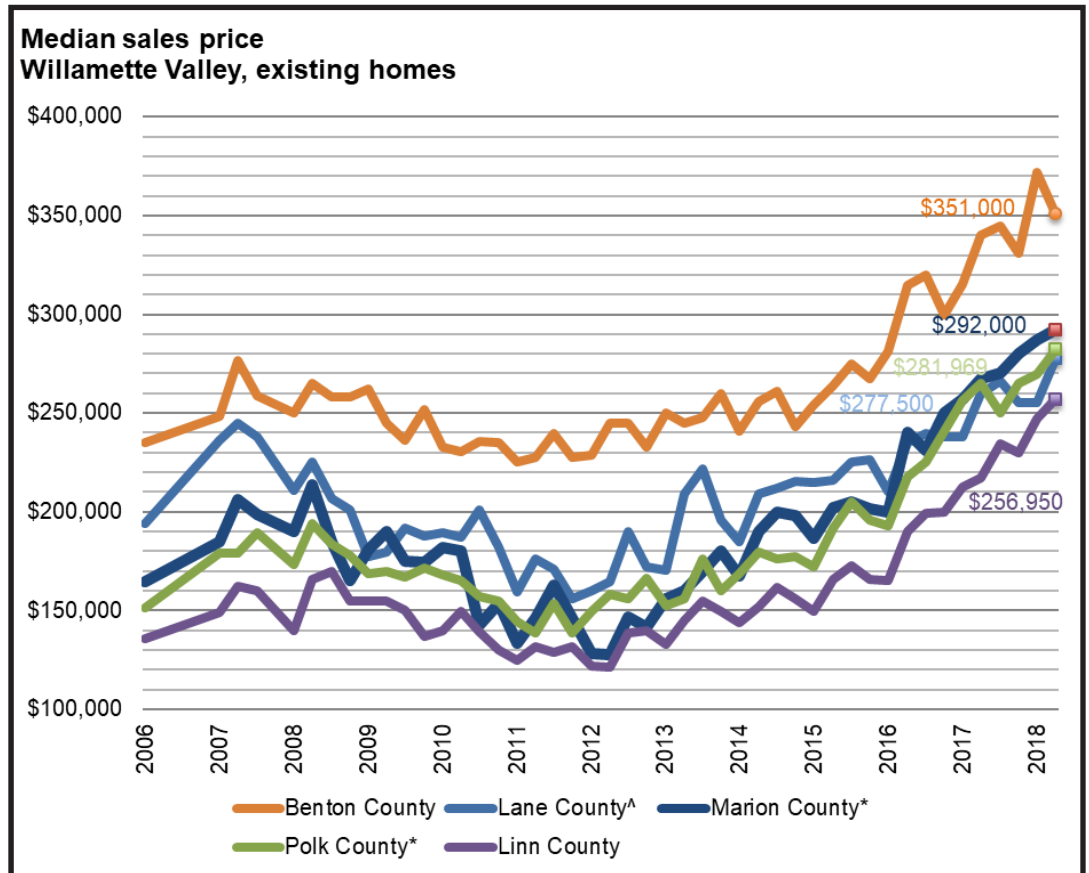


## RESIDENTIAL MARKET ANALYSIS

### WILLAMETTE VALLEY TRANSACTIONS

According to the Willamette Valley Multiple Listing Services, the Willamette Valley saw increased median sales price nearly all around. For Lane County, Marion County, Polk County and Linn County, median sales prices rose from both last quarter as well as the same quarter last year. While the median price for Benton County displayed a 6.7 percent increase from the second quarter of 2017, this was a drop in over eight percent from last quarter.

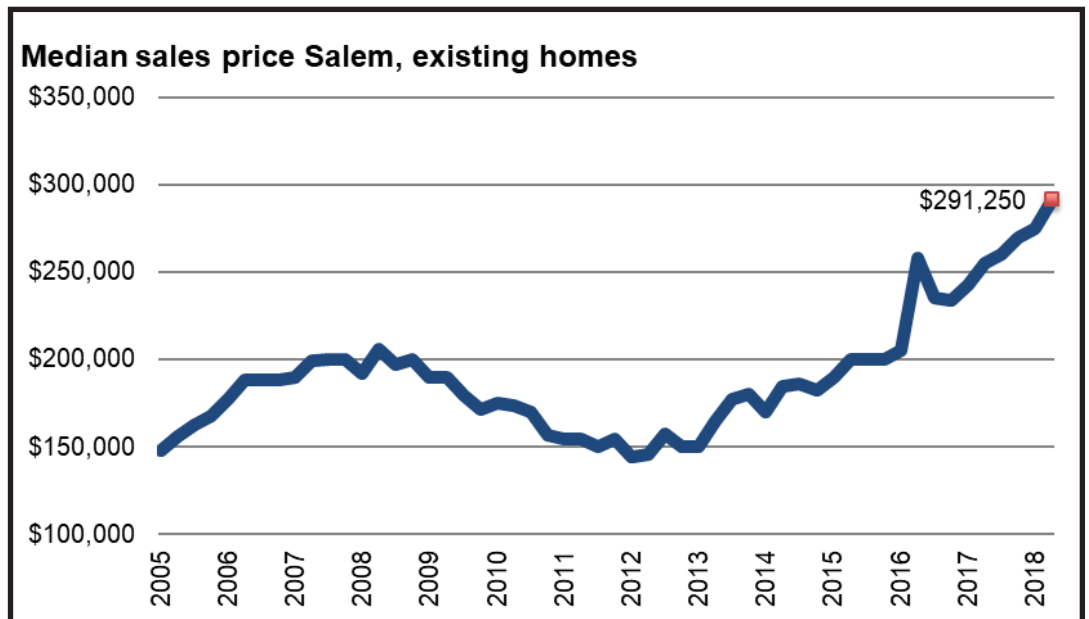
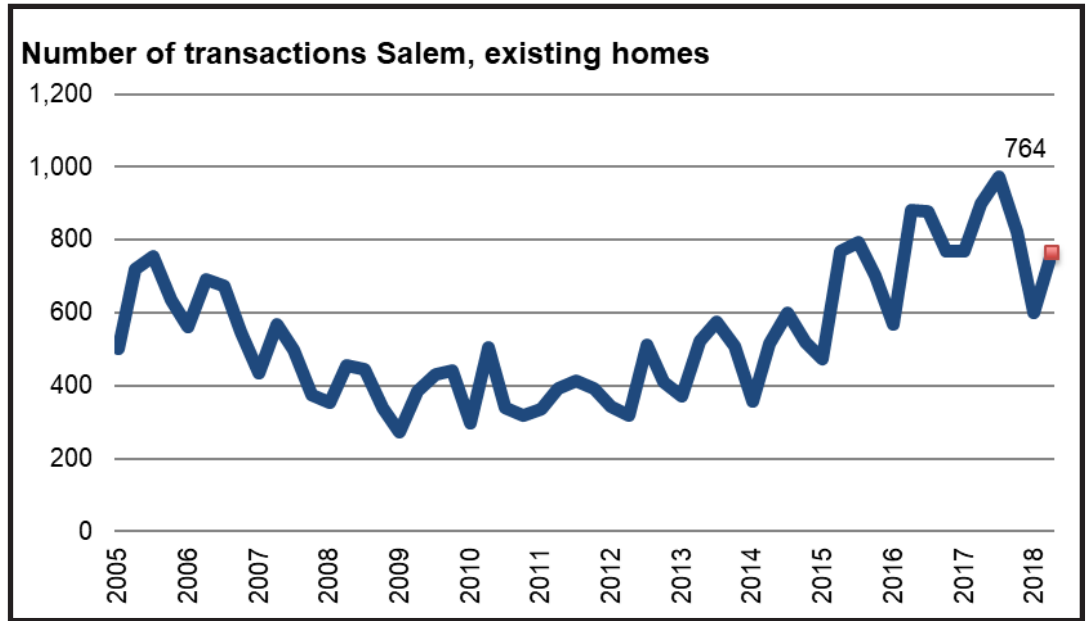
- Benton County: \$351,000 median price, a 5.6 percent decrease from the first quarter and a 3.2 percent increase year-over-year.
- Lane County (excluding Eugene): \$277,500 median price, an 8.8 percent increase from the first quarter, and a 6.7 percent increase year-over-year.
- Marion County (excluding Salem): \$292,000 median price, a 1.8 percent increase from the first quarter, and a 9.3 percent increase year-over-year.
- Polk County (excluding Salem): \$281,969 median price, a 4.6 percent increase from the first quarter, and a 6.4 percent increase year-over-year.
- Linn County: \$256,950 median price, a 4 percent increase from the first quarter, and an 18.4 percent increase year-over-year.



# RESIDENTIAL MARKET ANALYSIS

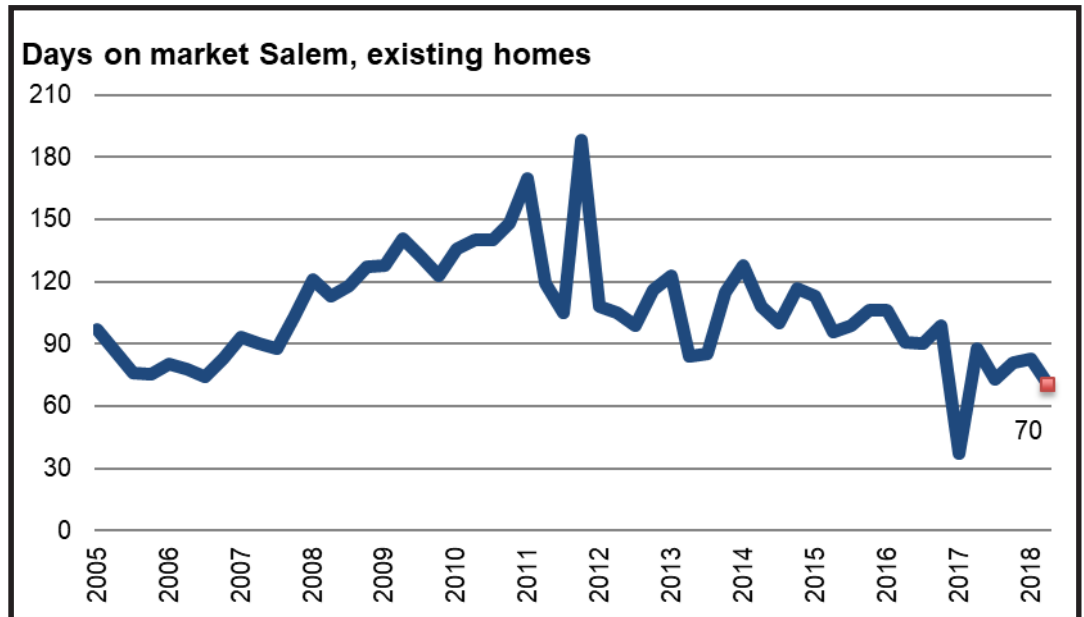
## SALEM TRANSACTIONS

The second quarter of 2018 in Salem had 764 transactions of existing homes, a 15 percent decrease from the second quarter of 2017. The median sales price for existing homes has continued to trend upwards; with a median sales price of \$291,250, second quarter prices are approximately 14 percent higher than those in the same quarter last year. Salem existing homes had an average of 70 days on the market.



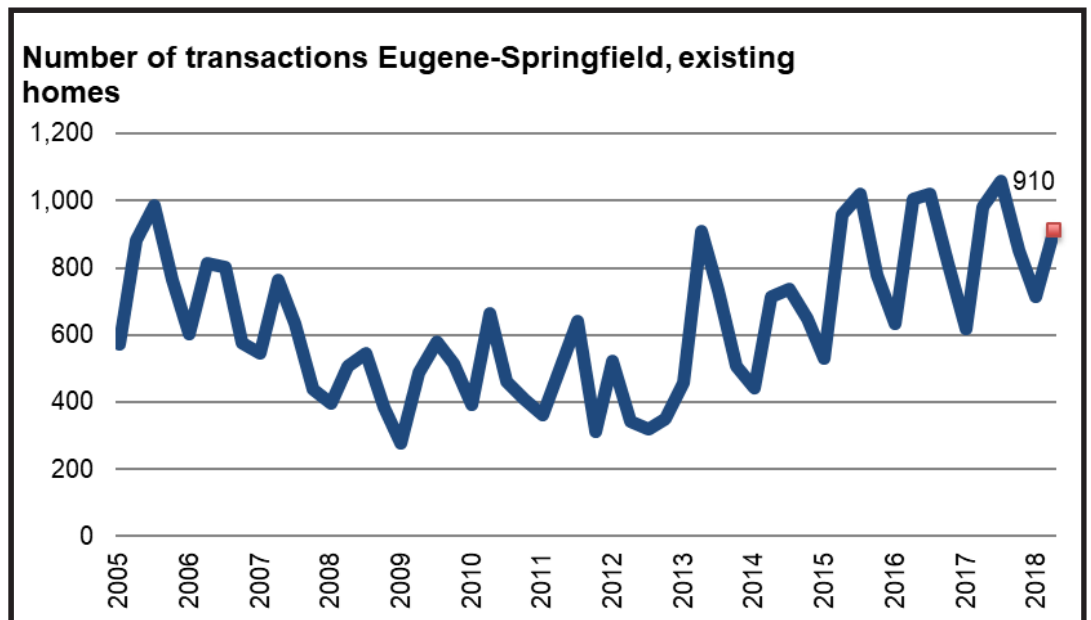
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## SALEM TRANSACTIONS



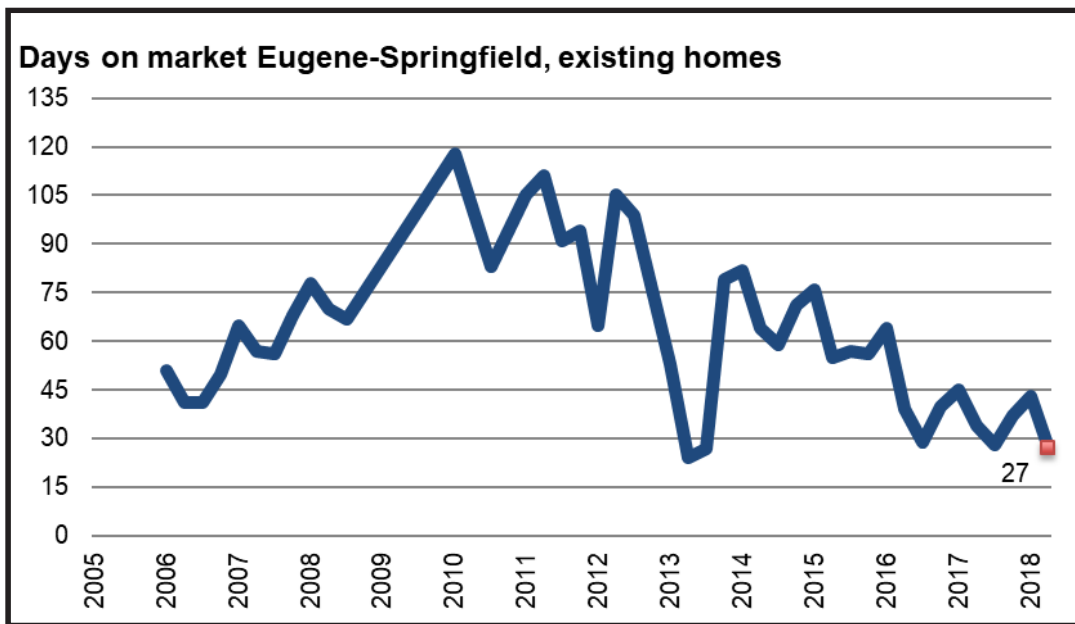
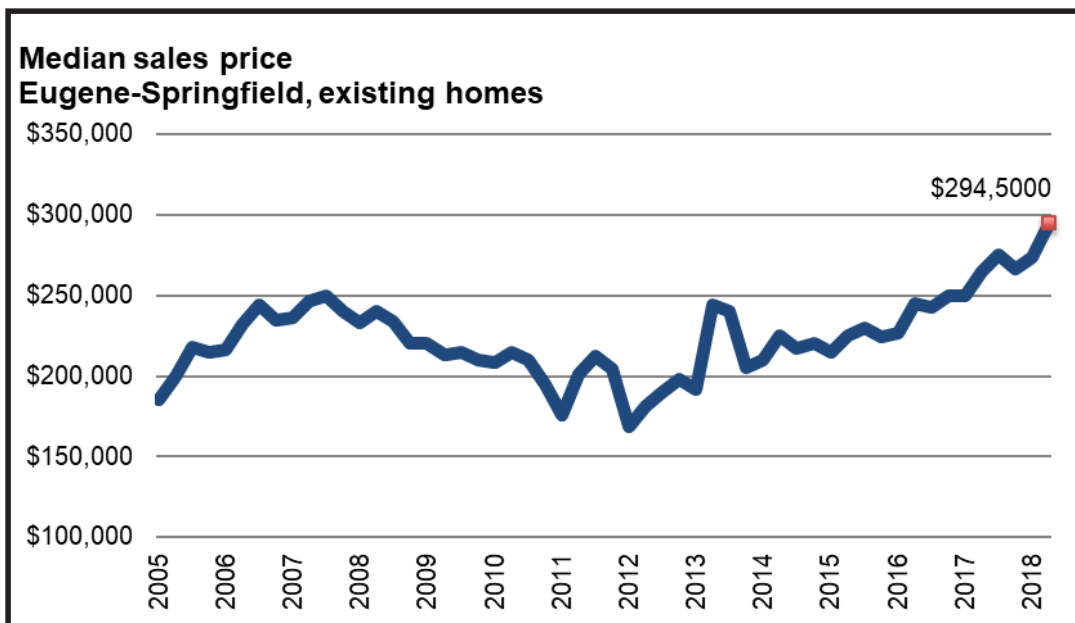
## EUGENE TRANSACTIONS

Eugene had 910 transactions throughout the second quarter of 2018. While an increase of 195 days from the previous quarter, this is reflective of downward trend over the past few quarters in transaction count. While the transaction count trends down, the median sales price continues its upward swing; at \$294,500, an 11 percent increase from the same quarter last year, and over a 20 percent increase from 2016. Housing remained on the market for 27 days, a decrease of 16 days from the first quarter of 2018, which is also a week shorter than the average from the second quarter of 2017.





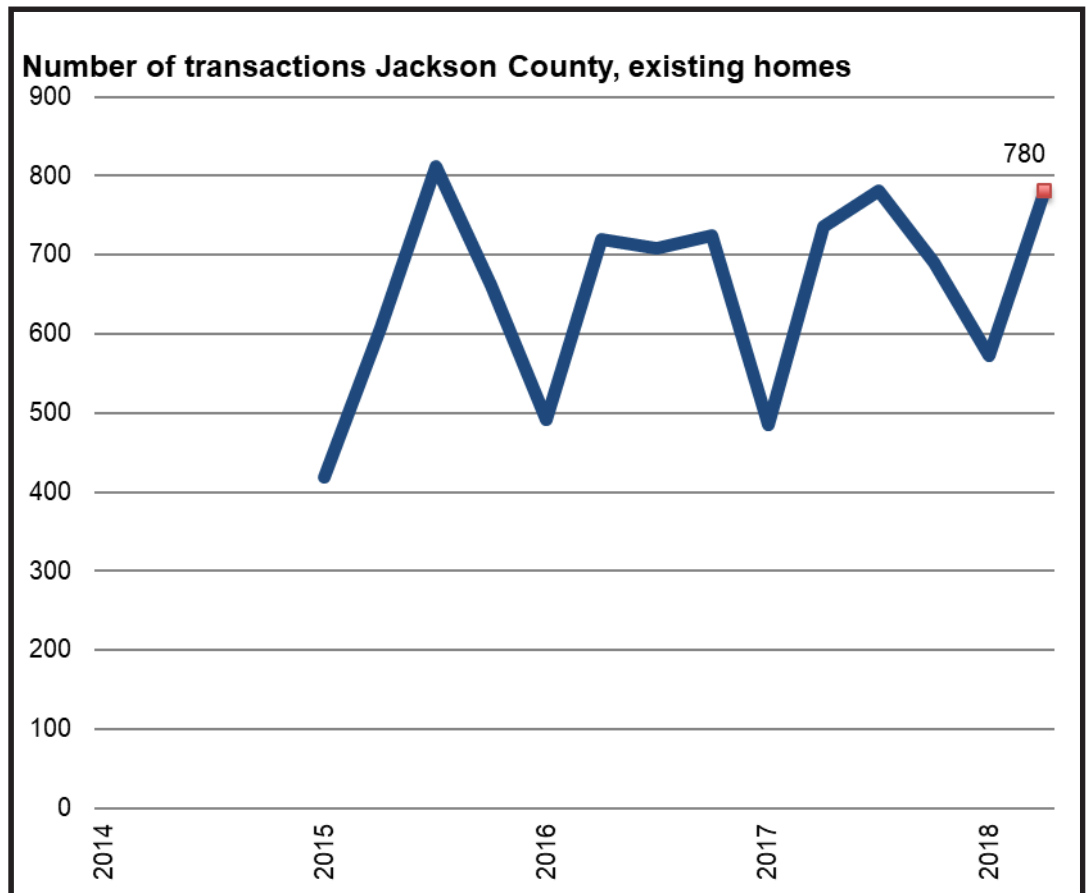
EUGENE  
TRANSACTIONS



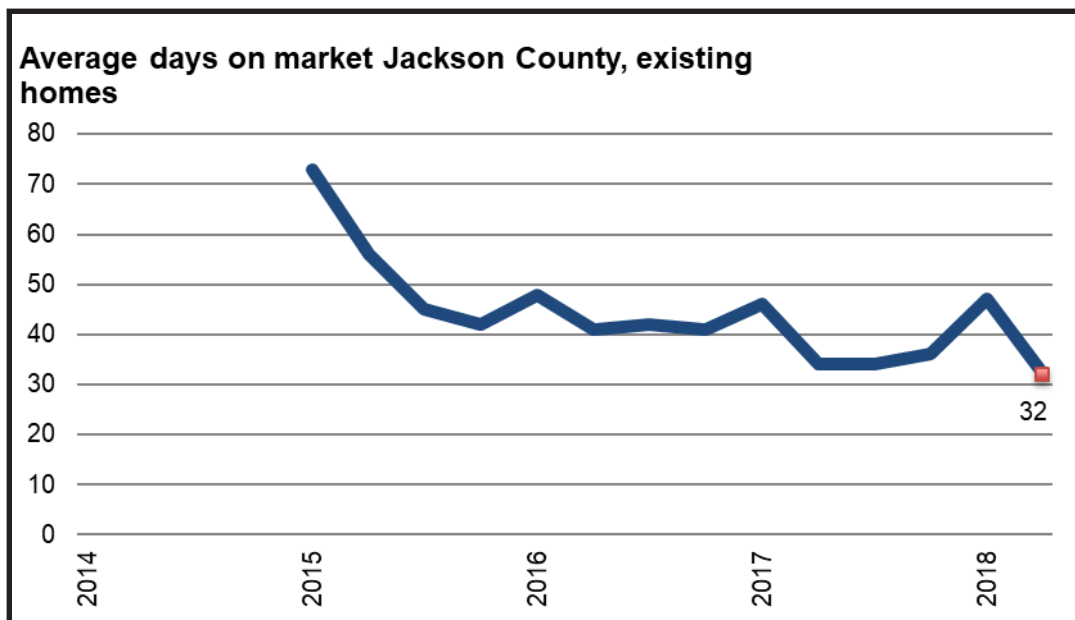
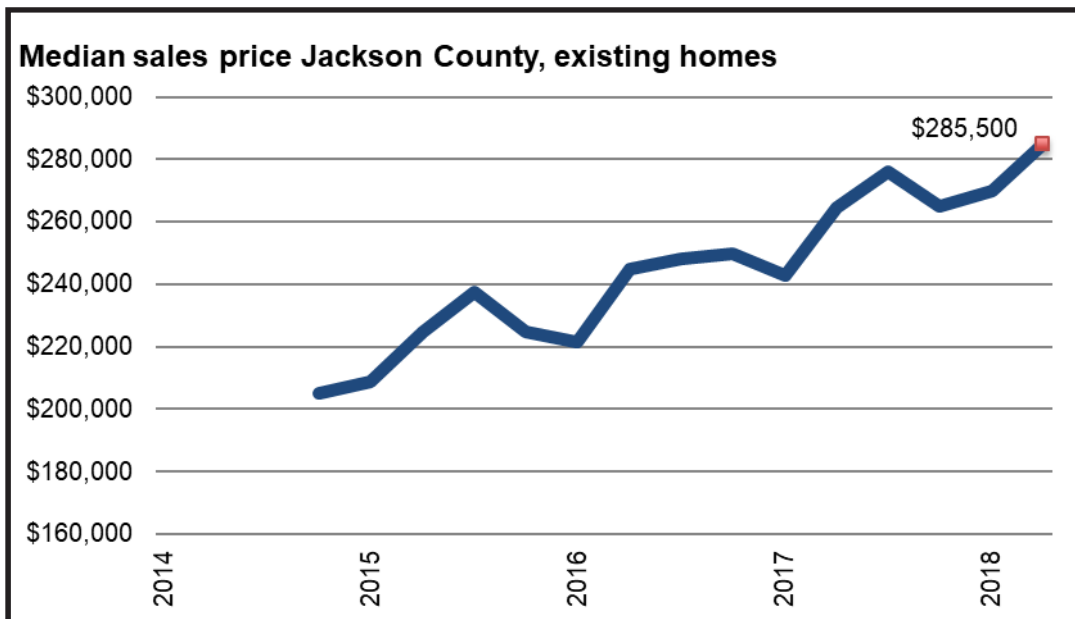
**SOUTHERN OREGON  
TRANSACTIONS**

Consistent with the past few spring seasons within the county, the second quarter in Jackson County saw many more transactions, at higher prices, for a much shorter time. With a 36 percent increase from last quarter, and nearly a six percent increase from last year, Jackson County had 780 transactions of existing single family houses, according to Rogue Valley Realtors. In addition to more transactions, the median sales price increased over 7.7 percent from same quarter last year, landing at \$285,000 for the second quarter of 2018. Average days on market decreased nearly 6 percent, or two days fewer than the second quarter of 2017.

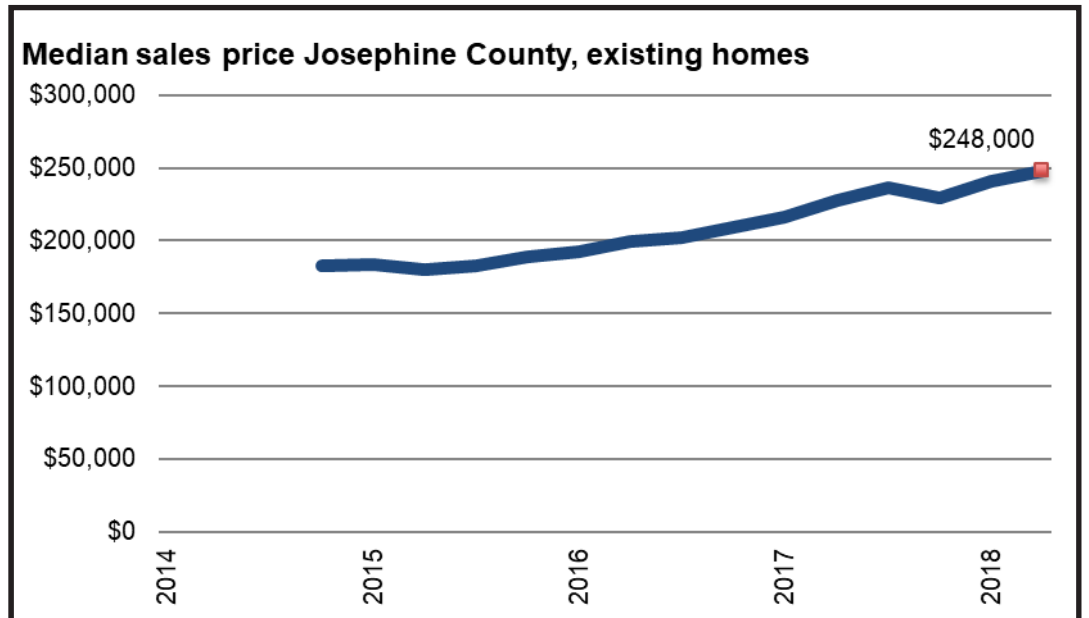
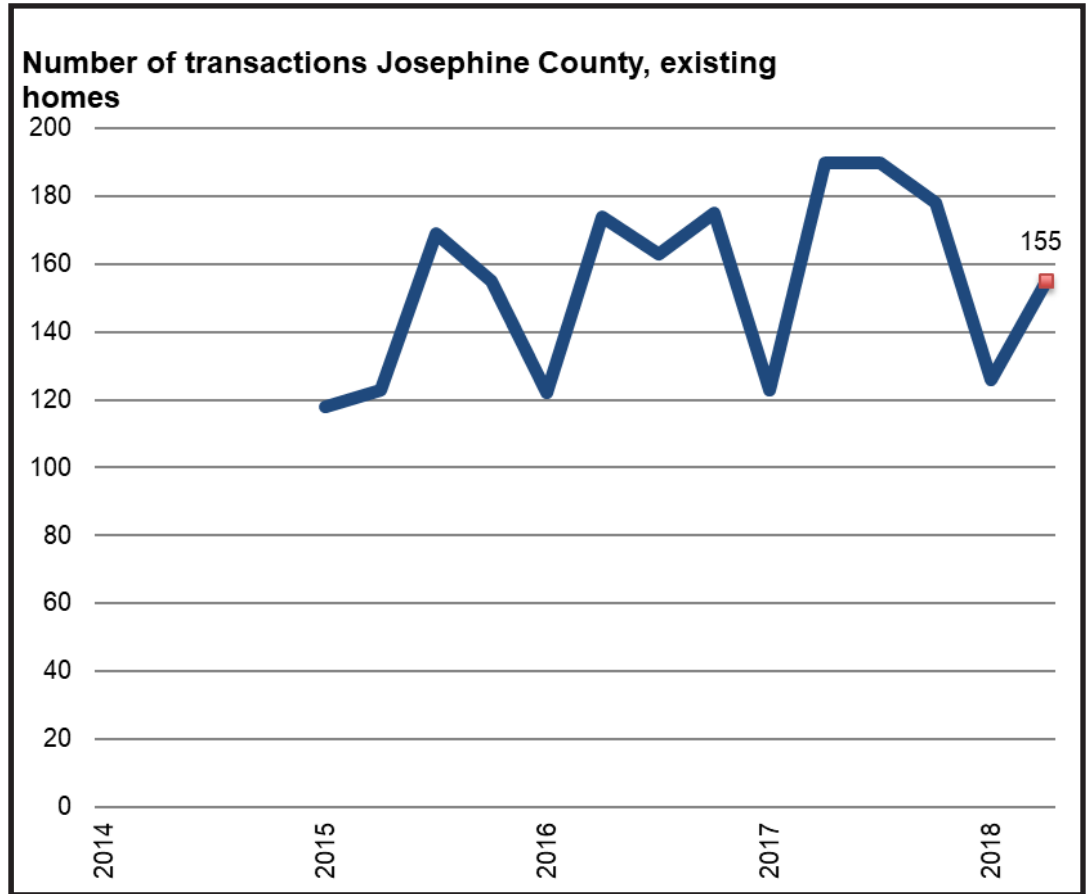
Josephine County had a very similar quarter to Jackson County, with the exception of having fewer transactions than the same quarter of last year. There were 155 transactions of existing houses made during the second quarter, an 18 percent decrease from the same period last year, and nearly an 11 percent decrease from 2016. On the other hand, Josephine County saw a nine percent increase in median sales price, as well as six days fewer on the market for the second quarter.



SOUTHERN OREGON  
TRANSACTIONS



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