



## THIS MONTH

### Bend median residential sale price in May rides 12.5% above same month last year

The median sale price for homes in the Bend area held steady in May, equaling the April figure of \$380,000. This flattened out a three-month climb from a low of \$330,000 in January, a 15.1% gain. The April-May tie claimed high ground for the year, representing an increase of 12.4% over May 2015. May sales this year were 16.0% above April. The average price for May increased 7.5% over April.

The median sale price in Redmond for the month of May inched above April by 1.2% and was the highest monthly level for the year with the exception of a peak in January. The May median of \$253,000 was 2.0% above May 2015.

Counting the number of homes sold in Bend during May produces a total very close to the May 2015 figure. Home sales have charted a sharp increase since a low point in February, climbing 89.0% during that time. The number of sales in Redmond increased 30.5% in May over April and after an up-and-down monthly course remained at 17.5% above May 2015.

Figures are for single-family homes on lots under one acre. Charts depicting monthly market data for Bend and Redmond may be viewed on Page 4 of this newsletter.

## YEAR TO DATE

### Bend market shows continued gains

The Bend area housing market continues to outpace year-ago sales levels. Comparing totals for the year to date shows a healthy gain in the number of sales as well as prices. Only the number of active residential listings was down on the snapshot date early in June, reflecting a continuing tight housing inventory.

The average sale price through the year so far climbed 7.6% above the same period in 2015. The number of sales YTD registered a 6.1% gain over the same period in 2015. New construction sales increased 13.7%. New homes represented 26.5% of all sales in the Bend area, surging upward from last month's YTD share of 20%.

Pending sales create a firm foundation for increased sale numbers once the transactions close. Homes under contract on June 7 totaled 525, up 3.3% from the same date a year ago.

The low number of homes on the market continues to obstruct sales. The inventory of active residential listings on June 7 was 8.1% below the year-ago figure. This calculates to an inventory rate of 2.7 months, compared with 3.2 months a year ago. Six months is considered the line between a buyer's and seller's market.

The ebb and flow of new home completions in NorthWest Crossing makes it difficult to calculate comparative figures. For the year to date, total sales edged up. New construction sales were even yet represented 32.4% of new homes and resales combined. Average sale price levels were nearly the same.

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## HIGHLIGHTS



*May vs. April*

**Bend Home Sales:**

**16.0%**

**Redmond Home Sales:**

**30.5%**

*2015 vs. 2014*

**Bend Population**

**3.4%**

*2015 vs. 2010*

**Bend Population**

**13.5%**



*Bend Area, 2016 vs. 2015*

**Active Listings June 7:**

**-8.1%**

## PROJECTS

### Low-income housing planned for area

Housing Works will break ground this summer on multi-family apartment developments in Bend and Redmond that qualify as affordable housing. Both are scheduled for completion next year. Tenants must meet income

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restrictions. Housing Works is the local housing authority for Central Oregon.

The workforce housing project in northeast Bend will consist of 53 two- and three-bedroom townhomes in two adjacent communities, Daggett Townhomes and Moonlight Townhomes. They will be served by a community building and fitness center.

In Redmond, Housing Works will build a 48-unit apartment community serving senior tenants. Cook Crossing will be a four-story building with commercial space on the ground floor. The project moved forward in May when the Redmond city council approved a zone change to allow higher density on the 1.23-acre site. Tenants must be aged 55 or older.

Funding comes from state and city sources.

### Science Station plans new building

The nonprofit Bend Science Station will move from a Central Oregon Community College satellite campus upon completion of a new 3,750-sq ft building on the Oregon State University-Cascades campus. The new building will contain two science labs, a multi-purpose room and offices and cost an estimated \$2.1 million. Ground-breaking should occur in October with completion in time for the 2017-2018 school year.

The Science Station web site describes it as a learning laboratory which provides science education for Central Oregon K-12 students and inquiry-based training for their teachers.

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<b>Bend area residential</b>	<b>2016</b>	<b>2015</b>	<b>Gain (loss)</b>
(Year to date, except as noted)			
Active residential listings 6/7/16	501	545	(8.1%)
Number of residential sales	973	917	6.1%
New construction sales	258	227	13.7%
Average sale price	\$409,008	\$380,005	7.6%
Average price per sq. ft.	\$205	\$190	7.9%
<b>NorthWest Crossing</b>	<b>2016</b>	<b>2015</b>	<b>Gain (loss)</b>
(Year to date, except as noted)			
Active residential listings 6/7/16	30	37	(18.9%)
Number of residential sales	37	36	2.8%
New construction sales	12	12	-
Average sale price	\$586,098	\$602,619	(2.7%)
Average price per sq. ft.	\$289	\$288	(0.3%)

Figures above are based on Central Oregon Multiple Listing Service data. They represent single-family detached homes on less than one acre in the greater Bend area extending from Tumalo to Alfalfa.

### EMPLOYMENT

### Deschutes job count revised upward

Oregon Employment Department figures for April show much better job performance in Central Oregon that earlier predictions indicated. According to regional economist Damon Runberg’s monthly report released in late May:

“Recent revisions revealed much stronger hiring than initially estimated for much of Central Oregon. In particular, payroll tax records showed that employment estimates in Crook and Deschutes counties were too low. Crook County overcame wood product manufacturing losses, adding 130 jobs since last April.”

Deschutes County added 5,140 new jobs since last April, a gain of 7.1%. More than 2,080 jobs were added in April 2016, over twice the typical number. “There was typical monthly hiring from our seasonal industries such as construction, leisure and retail trade,” Runberg stated. “However, the strong job growth in April was primarily due to hiring in less seasonal industries such as professional and business services and manufacturing.”

The April unemployment rate in Deschutes County was essentially unchanged at 4.6% and well below the April 2015 figure of 6.1%.

Crook County’s unemployment rate dropped to 6.9% in April from 7.2% in March. It was 8.7% in April 2015. Construction and leisure and hospitality sectors added a significant number of jobs since last April, Runberg noted.

The unemployment rate in Jefferson County remained essentially unchanged at 6.4 in April, down from 7.3% in April 2015. Employment figures were depressed by closure of the Warm Springs Forest Products Industries sawmill, which news reports indicated had a work force of 85 at the time.

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	Unemployment*			Non-farm jobs		
	Apr	Mar	Apr 2015	Apr	Mar	Apr 2015
Deschutes County	4.6%	4.7%	6.1%	77,670	75,590	72,530
Crook County	6.9%	7.2%	8.7%	5,620	5,510	5,490
Jefferson County	6.4%	6.5%	7.3%	6,220	6,180	6,190

\*Seasonally adjusted unemployment rate

**GROWTH**

**Local population growth continues**

Central Oregon population continues to increase at a measured pace. In May, the U.S. Census Bureau released 2015 population estimates for municipalities showing Bend with 87,014 inhabitants, up 3.4% from 2014. This is a 13.5% increase from the 2010 U.S. Census figure.

Other incorporated cities in the three Central Oregon counties produced population increases as well, most clustered between 2% and 3%. The outlier was Sisters with a 5.4% growth rate from 2014 to 2015 and 21.3% from 2010 to 2015.

Numbers are shown in the accompanying table. The Census Bureau released 2015 estimates for counties earlier in the year, appearing in the April issue of this newsletter. They are repeated for reference as part of the table shown here.

Where is this growth coming from? Other states, by and large. According to *Business Insider*, which crunched Census Bureau numbers, the Bend-Redmond Metropolitan Statistical Area (Deschutes County) ranked seventh among urban destinations for relocation and the only one in the top 10 not in Florida or Myrtle Beach.

Central Oregon Population Estimates					
	2015	2014	Gain	2010	Gain
<b>Cities</b>					
Bend	87,014	84,131	3.4%	76,639	13.5%
Redmond	28,654	27,921	2.6%	26,215	9.3%
Prineville	9,530	9,299	2.5%	9,253	3.0%
Madras	6,662	6,562	1.5%	6,046	10.2%
Sisters	2,472	2,345	5.4%	2,038	21.3%
Culver	1,442	1,401	2.9%	1,357	6.3%
Metolius	743	726	2.3%	710	4.6%
La Pine	1,777	1,737	2.3%	1,653	7.5%
<b>Counties</b>					
Deschutes	175,268	170,398	2.9%	157,733	11.1%
Crook	21,630	21,039	2.8%	20,978	8.0%
Jefferson	22,666	22,283	1.7%	21,720	4.3%

Source: U.S. Census Bureau  
City estimates released May 19, 2016, county estimates March 24, 2006  
2010 Data: 2010 Census, April 1, 2010  
Other Data: U.S. Census Bureau Population Estimates, July 1, 2014 and 2015

**TOURISM**

**Tourist dollars continue to flow**

Tourism continues to be a major economic engine for Central Oregon and the rest of the state. A statewide study commissioned by Travel Oregon shows direct spending by visitors to Central Oregon in 2015 at \$791 million, up 6.0% from 2014. The average annual rate of growth between 2000 and 2015 was 5.2%. Total direct employment attributed to tourism was 8,910 jobs in 2015, 6.8% above the year before.

Deschutes County’s share amounted to \$660.2 million in 2015, a gain of 6.3% over 2014. The job count was 6,680, up 6.9% from the year before.

Spending by tourists throughout Oregon reached a record \$10.8 billion in 2015, a gain of 4.8% over 2014. The study was conducted by Dean Runyan Associates of Portland.

**MEDIA KUDOS**

**Bend among top mountain towns**

Bend was listed among nine Best Mountain Towns in America by *Thrillist*, an on-line travel journal.

“The sheer variety of natural wonders surrounding Bend is what sets this Central Oregon town apart,” wrote author Jay Gentile.

Beyond scenic attractions, he also noted the Les Schwab Amphitheater, Deschutes Brewery, Bend Brewfest and Bend Ale Trail. In compiling the list, “we took into account scenery, activities, mountain ‘feel’ and the bar/restaurant scene,” Gentile wrote.

**Housing Statistics by Area**

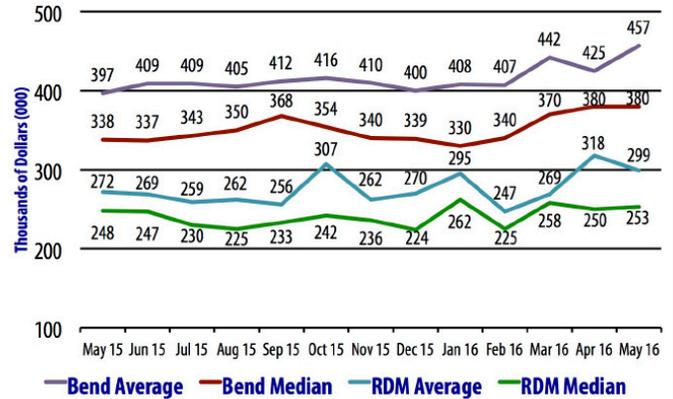
Single family homes on less than 1 acre

	May 2016	May 2015	Gain (loss)
<b>Northwest Bend</b>			
Homes sold	65	66	(1.5%)
Median price	\$599,950	\$489,950	22.5%
Dollars/sq ft	\$262.40	\$252.67	3.8%
Average sq ft	2,443	2,235	
Sale price % of list	98.6%	99.7%	
<b>Southwest Bend</b>			
Homes sold	45	31	45.2%
Median price	\$405,000	\$365,000	11.0%
Dollars/sq ft	\$221.45	\$197.67	12.0%
Average sq ft	2,165	2,106	
Sale price % of list	98.9%	99.8%	
<b>Northeast Bend</b>			
Homes sold	85	76	11.8%
Median price	\$300,000	\$289,495	3.6%
Dollars/sq ft	\$180.10	\$167.48	7.5%
Average sq ft	1,821	1,830	
Sale price % of list	99.5%	99.7%	
<b>Southeast Bend</b>			
Homes sold	47	70	(32.9%)
Median price	\$321,700	\$287,000	12.1%
Dollars/sq ft	\$182.85	\$164.40	11.2%
Average sq ft	1,995	1,911	
Sale price % of list	99.8%	100.2%	
<b>Redmond</b>			
Homes sold	81	72	12.5%
Median price	\$245,000	\$244,950	0.0%
Dollars/sq ft	\$156.55	\$135.48	15.5%
Average sq ft	1,698	1,947	
Sale price % of list	99.7%	99.0%	
<b>Crook County</b>			
Homes sold	27	20	35.0%
Median price	\$165,000	\$144,500	14.2%
Dollars/sq ft	\$130.05	\$108.14	20.3%
Average sq ft	1,633	1,498	
Sale price % of list	99.9%	100.4%	

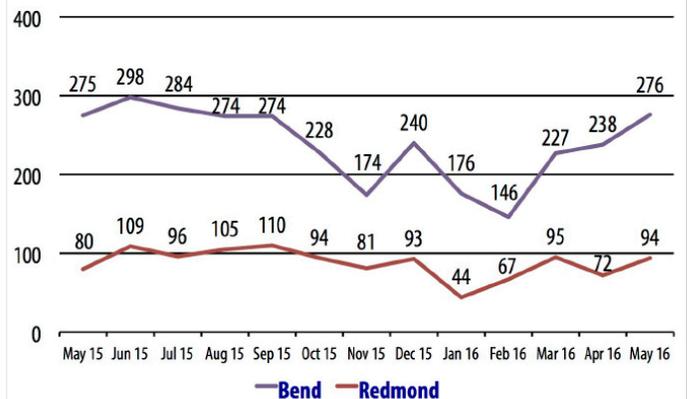
Source: Central Oregon MLS

**MARKET WATCH**

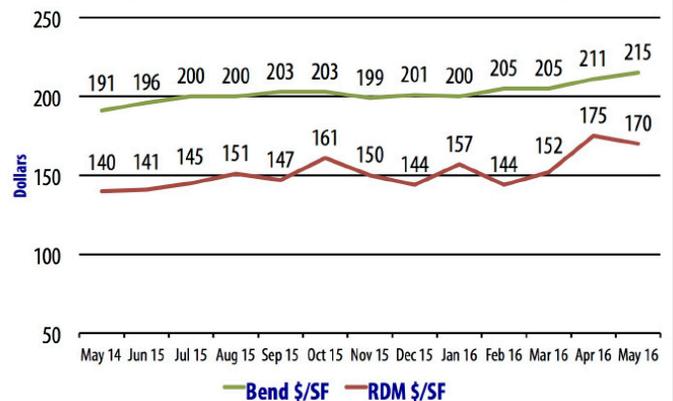
**Bend, Redmond Area Residential Sale Prices**



**Bend, Redmond Area Number of Homes Sold**



**Bend, Redmond Area Residential, Dollars/Sq Ft**



Single-family homes on less than one acre. Charts derived from Central Oregon MLS data. View more at [www.thegarngroup.com](http://www.thegarngroup.com), click Market Watch on the navigation bar.