



## THIS MONTH

### Bend sales, prices remain steady, Redmond figures gain in August

Bend area residential median sale prices have been coasting along on a more or less level path for the past five months, dipping a moderate 2% in August over the month before. The median sale price of \$377,000 this August was 7.7% higher than August 2015, however. Over the course of the year, median prices charted monthly variations from a low of \$330,000 in January to a high of \$383,000 in July.

Median sale prices in Redmond have climbed the past two months, reaching \$288,000 in August, a monthly high for the past year. This was a gain of 7.1% over July and 15.2% over June. The August 2016 median was 28% above August 2015. The Redmond market experienced some ups and downs during the year, with low points in December and February, but posted generally upward movement over the 12-month period.

The number of closed sales in the Bend area remained fairly steady over the past four months after climbing out of a deep wintertime trough. The August figure was 94.5% above the year's low point in February; 3.6% above August 2015. Sales in Redmond fluctuated during the year. The August level gained 16.8% over July and was about the same as the previous August.

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

### Figures so far this year show steady improvement

Year-to-date statistics for homes in the Bend area, compiled September 13, continue to show steady gains over the same period last year. The number of residential sales increased by 9.2% and within that total the number of new construction sales increased by 19.0%. New homes represented 24.7% of total residential sales.

There were 460 pending sales in the Central Oregon MLS system on Sept 13, compared with 411 on the same date last year. This is a gain of 11.9%.

The number of active listings continues to slide, reflecting a prolonged inventory shortage. As this survey shows, the number was 3.0% below the same date in 2015. This translates to the equivalent of 2.6 months of inventory, down slightly from 2.7 at this time last year.

The average sale price for homes in NorthWest Crossing year-to-date increased 4.6% and was 47.5% higher than Bend as a whole. This is partially because the housing stock is newer when compared with citywide listings but is also reflective of the market strength demonstrated by this showcase planned community.

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## HIGHLIGHTS



**Aug. 2016 vs. Aug. 2015**

**Bend Median Sale Price**

**7.7%**

**Redmond Median Price**

**28.0%**

**July 2016 vs. July 2015**

**New Deschutes Co. jobs**

**5.4%**



**Bend Area, 2016 vs. 2015**

**Active Listings Sept. 13**

**-3.0%**

## PROJECTS

### Retail, restaurant complex planned

Plans are under way for development of Robal Road Village, a retail and restaurant complex on 6.42 acres in Bend's north end that will bring two national restaurant chains to town.

According to the city, Cracker Barrel will occupy a 9,113-sq ft restaurant and gift shop with a 1,284-sq ft covered porch. Chick-fil-A will occupy a 4,998-sq ft storefront site. The development,

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Projects (continued)

facing Highway 97 near Cascade Village Shopping Center, will also contain 14 retail storefronts and a third restaurant. No date has been set for work to commence.

**Hotel going up at Pronghorn**

Pronghorn Resort is adding a three-story hotel to its resort complex north of Bend. Scheduled for completion in 2017, the 104-room Huntington Lodge provides total floor space of 68,757 sq ft. Rooms are situated to take advantage of mountain and golf course views. Architecture is described as a balance between rustic and modern. News reports place cost of building the lodge at \$10.4 million.

**Private school plans expansion**

Cascades Academy is expanding its campus near Bend with a \$4.5 million addition containing four new high school classrooms and dedicated music and drama classrooms. The K-12 private school moved into a new \$10 million campus in 2013 and is nearing capacity for high school students.

**University dedicates first new building**

Oregon State University-Cascades formally opened the first building on its new southwest Bend campus August 13. Tykeson Hall is a three-story academic building that will share the 10-acre site with a residence hall and dining center with capacity of 300 students.

The 10-acre site will eventually accommodate 1,890 students, faculty and staff. OSU-Cascades is planning for 3,000 to 5,000 by 2025. A 46-acre former pumice

(Continued on Page 4)

Year to Date (continued)

<b>Bend area residential</b>	<b>2016</b>	<b>2015</b>	<b>Gain (loss)</b>
<i>(Year to date, except as noted)</i>			
Active residential listings 9/13/16	600	618	(3.0%)
Number of residential sales	1779	1629	9.2%
New construction sales	439	369	19.0%
Average sale price	\$417,201	\$385,156	8.3%
Average price per sq. ft.	\$208	\$193	7.8%
<b>NorthWest Crossing</b>	<b>2016</b>	<b>2015</b>	<b>Gain (loss)</b>
<i>(Year to date, except as noted)</i>			
Active residential listings 9/13/16	33	45	(26.7%)
Number of residential sales	70	68	2.9%
New construction sales	23	30	(23.3%)
Average sale price	\$615,129	\$588,081	4.6%
Average price per sq. ft.	\$290	\$285	1.7%

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**

**Central Oregon work force grows**

A growing labor force in Central Oregon produces not only higher job numbers but ticks the unemployment rate up, according to the Oregon Employment Department. July saw 510 jobs added in Deschutes County, bringing the total added since the previous July to 4,410. This was a gain of 5.4%. The unemployment rate in Deschutes County rose to 5.4% in July, compared with 5.1% in June.

There were 170 jobs added in Crook County over the 12-month period (up 3.0%) and 30 jobs in Jefferson County (up 0.5%). July unemployment rates moved up from June in both counties.

	<b>Unemployment*</b>			<b>Non-farm jobs</b>		
	<b>July</b>	<b>Jun</b>	<b>July 2015</b>	<b>July</b>	<b>Jun</b>	<b>July 2015</b>
<b>Deschutes County</b>	5.4%	5.1%	6.0%	80,320	79,810	76,180
<b>Crook County</b>	7.3%	7.0%	8.5%	5,900	5,950	5,730
<b>Jefferson County</b>	7.0%	6.7%	7.4%	6,490	6,600	6,460

\*Seasonally adjusted unemployment rate

**LAND USE**

**Redmond drafts plan for midtown renewal**

The city of Redmond is moving forward with a concept for redeveloping a 2-acre city-owned parcel in the midtown area north of downtown. Officials hope to see mixed-use buildings with retail, restaurant and office space at street level and 30 or more condo units above. Trees, street lamps and public spaces are included.

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**Housing Statistics by Area**

Single family homes on less than 1 acre

	Aug 2016	Aug 2015	Gain (loss)
<b>Northwest Bend</b>			
Homes sold	58	77	(24.7)
Median price	\$542,450	\$495,000	9.6%
Dollars/sq ft	\$268.14	\$258.29	3.8%
Average sq ft	2,272	2,151	
Sale price % of list	98.60%	98.41%	
<b>Southwest Bend</b>			
Homes sold	41	33	24.2%
Median price	\$395,500	\$405,000	(2.3%)
Dollars/sq ft	\$240.06	\$202.75	18.4%
Average sq ft	1,999	2,111	
Sale price % of list	98.40%	98.14%	
<b>Northeast Bend</b>			
Homes sold	96	67	43.3%
Median price	\$299,338	\$280,000	6.9%
Dollars/sq ft	\$193.05	\$172.81	11.7%
Average sq ft	1,709	1,745	
Sale price % of list	99.02%	100.29%	
<b>Southeast Bend</b>			
Homes sold	62	72	(13.9%)
Median price	\$377,500	\$297,850	26.7%
Dollars/sq ft	\$191.59	\$163.33	17.3%
Average sq ft	1,975	1,959	
Sale price % of list	99.19%	99.26%	
<b>Redmond Area</b>			
Homes sold	98	93	5.4%
Median price	\$283,162	\$219,000	28.8%
Dollars/sq ft	\$160.66	\$144.27	11.4%
Average sq ft	1,875	1,686	
Sale price % of list	99.37%	99.48%	
<b>Crook County</b>			
Homes sold	25	19	31.6%
Median price	\$205,000	\$153,900	33.2%
Dollars/sq ft	\$144.39	\$107.84	33.9%
Average sq ft	2,002	1,597	
Sale price % of list	98.59%	99.56%	

Source: Central Oregon MLS

*Land use (continued)*

The city council will seek proposals from private developers to finalize plans and take on the project with the hope that construction can begin in summer 2018. The city will participate financially with incentives from the urban renewal fund.

**Land purchase assures water supply**

The city of Prineville will purchase 460 acres of property in the north end of the IronHorse neighborhood from Brooks Resources Inc. for \$1.2 million. Important to the city’s planning strategy to assure an adequate water supply, the property comes with 305 acres of water rights. Other benefits of the acquisition include future street right-of-way, park development, trails and open space.

**TRANSPORTATION**

**Grants aid local bus, air facilities**

ConnectOregon VI funds were approved for five transportation projects in Central Oregon. The state approved \$4.8 million in lottery-backed bond funding for the region, to be matched by other sources. Recipients and projects:

City of Prineville, \$2 million for Prineville Airport joint use facility. Total cost \$8,859,192.

City of Bend, \$1,100,000 for Bend Airport helicopter operations area. Total cost \$4,873,000.

Central Oregon Intergovernmental Council, \$1,043,813 for Cascades East Transit central bus station and park-and-ride lot in Redmond. Total cost \$1,573,813.

City of Redmond, \$467,053 for Homestead Canal Trail phase 2. Total cost \$1,197,053. Also \$259,375 for Roberts Field taxiway B rehabilitation project. Total cost \$4,150,000.

ConnectOregon grants may cover up to 70% of a project’s cost. Only non-highway projects qualify.

**COMPANIES**

**Lululemon Athletics**, a retailer of yoga clothes and running gear, is adding an outlet in Bend’s Old Mill District.

The landmark Riverside Market in Bend is being remodeled and will reopen under new ownership as the **French Market** bistro.

Eugene-based **Tactics**, retailer of snowboards, skateboards, surfboard and clothing, has opened a Bend branch downtown.

**BlueBird Strategies** of Bend has been acquired by Square 2 Marketing of Conshohocken, Pa.

Projects (continued)

mine next door is being purchased to accommodate the next phase of future construction.

The Oregon Higher Education Coordinating Commission has approved a 2017-19 budget plan including \$10 million for a student success center, \$39 million for a second academic building and \$20 million for restoration of the mine site. This will go to the governor for approval.

**Air dispatch center moving to Redmond**

Construction of a new Central Oregon Interagency Dispatch Center has begun at Roberts Field in Redmond. The city is building the 7,000-sq ft facility for the U.S. Forest Service, which will occupy it under a 20-year lease. The center is currently located at Prineville Municipal Airport.

Cost of the Redmond facility, which will adjoin the current Redmond Air Center, is placed at \$3.17 million. It will make

Redmond Air Center one of the largest USFS firefighting bases in the country, according to Redmond airport manager Zachary Bass. Since 2000, the city of Redmond has invested \$5 million in build-to-suit and leased USFS facilities on airport property.

**New look along Galveston Ave.**

SP Canyon LLC is moving forward with plans to redevelop a two-lot parcel on NW Galveston Ave. on Bend's west side. Plans call for a two-story building and clock tower with retail tenants on the ground floor and two market-rate apartments upstairs. The parcel has been cleared in advance of construction.

**Center grows, changes name**

The Bend Park & Recreation District will expand and rename the Bend Senior Center in the southeast part of town.

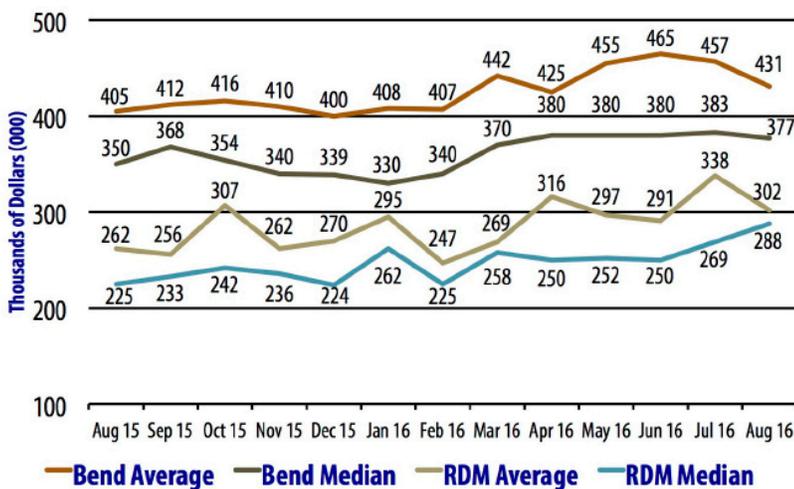
While retaining facilities and programs aimed at seniors, the enlarged facility will house a warm water pool, multipurpose gymnasium and indoor track, plus a lobby and gathering area. Currently embracing 14,000 sq ft, the rechristened Larkspur Center will grow to 53,000 sq ft. Cost is estimated at \$16.5 million. The park board recently approved a \$1.58 million contract for design and construction management.

**Academy opens new middle school**

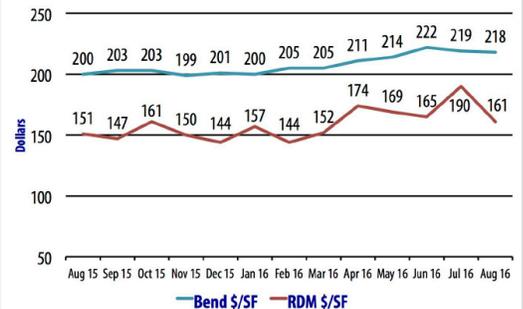
Redmond Proficiency Academy's new 24,000-sq ft middle school building was complete in time for the beginning of the fall term. The charter school financed the \$6.7 million project with a bond issue. RPA is a middle and high school academy focusing on college prep and individually-tailored curricula.

**MARKET WATCH**

**Bend, Redmond Area Residential Sale Prices**



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



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

