



**By**  
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# Moving to Portland™

**April 2004 Newsletter**  
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## Portland Home Market

### February 2004 Residential Highlights

What difference does a day make? Perhaps not much, though February's extra day this year could have contributed to the growth in pending sales compared to the 28 days of February 2003. Pending sales increased by 7.9%. The number of closed sales also headed higher, surpassing February 2003 by 2.7%. New listings, however, did no better with the extra day and declined by 1.7%. The discrepancy between new listings and closed sales partially accounts for the low inventory measure. It indicates that the 7,978 residential properties on the market at the end of February would last a mere 4.8 months at February's rate of sales.

### Year-to-Date Trends

February's attempt to bring gains to the area's real estate market could not quite make up for January. Combined for the year-to-date, new listings declined by 8.8%, pending sales dropped by 2.6%, and closed sales fell by 5.0% when compared to the same period in 2003. Of course, January generated some less-than-genial weather, so a mild March will perhaps pull this quarter into positive territory.

### Appreciation

The median sale price for residential properties in the Portland metro area has climbed 5.6% (\$188,500 v. \$178,500). The average sale price for those same properties has risen 6.0% (\$225,500 v. \$212,800). Both measures compare the last 12 months to the 12 immediately prior.

## Cost of Residential Homes<sup>1</sup> in the Portland Metro Area

**For Period February 2003**

| Area  | Current Month <sup>2</sup> | Year-to-Date <sup>2</sup><br>For Period Ended February 2004 |                   |                                   |
|---|----------------------------|---|-------------------|-----------------------------------|
|   | Average Sales Price        | Average Sales Price   | Median Sale Price | Percent Appreciation <sup>3</sup> |
| <b>Portland Metro Area</b>  |                            |   |                   |                                   |
| Includes Portland, surrounding communities, and Vancouver, Washington area  | \$225,600                  | \$223,600   | \$189,500         |                                   |
| <b>Portland</b>   |                            |   |                   |                                   |
| North   | \$176,500                  | \$166,700   | \$154,500         | 9.8%                              |
| Northeast   | 217,800                    | 207,300   | 185,000           | 7.9%                              |
| Southeast   | 185,500                    | 184,000   | 160,000           | 7.4%                              |
| West (Includes SW and NW Portland and part of Washington County)            | 303,300                    | 312,000   | 268,200           | 3.9%                              |
| <b>Other Areas</b>  |                            |   |                   |                                   |
| Corbett, Gresham, Sandy, Troutdale  | \$186,400                  | \$183,800   | \$170,000         | 5.5%                              |
| Clackamas, Milwaukie, Gladstone, Sunnyside                                  | 237,300                    | 230,100   | 204,500           | 7.3%                              |
| Canby, Beavercreek, Molalla, Mulino, Oregon City                            | 228,400                    | 221,500   | 204,700           | 8.6%                              |
| Lake Oswego and West Linn   | 323,500                    | 360,500   | 285,000           | 6.1%                              |
| Northwest Washington County & Sauvie Island                                 | 305,000                    | 328,600   | 268,400           | 6.5%                              |
| Beaverton and Aloha   | 201,400                    | 194,500   | 177,500           | 5.0%                              |
| Tigard, Tualatin, Sherwood, Wilsonville                                     | 245,800                    | 241,800   | 225,000           | 5.0%                              |
| Hillsboro and Forest Grove  | 208,600                    | 195,400   | 176,000           | 3.6%                              |
| Mt. Hood: Brightwood, Government Camp, Rhododendron, Welches, Wemme, ZigZag | 174,300                    | 163,300   | 153,500           | 8.6%                              |
| Clark County (Vancouver, Washington)  | 212,100                    | 206,500   | 175,000           | 9.2%                              |

<sup>1</sup> Residential includes detached single-family houses, townhomes, condos, and plexes with four (4) or less living units.

<sup>2</sup> The Current Month section compares February 2004 with February 2003. The Year-to-Date section compares year-to-date statistics from February 2004 with year-to-date statistic from February 2003.

<sup>3</sup> Appreciation percents based on a comparison of average price for the last 12 months (3/1/03-2/29/04 ) with 12 months before (3/1/02-2/28/03)

Source: Regional Market Listing Service (RMLS™).

## Low Mortgage Rates Keep Housing Activity Robust

**April 1, 2004**

In [Freddie Mac's](#) Primary Mortgage Market Survey, the 30-year fixed-rate mortgage (FRM) averaged 5.52 percent, with an average 0.6 point, for the week ending April 1, 2004, up from last week when it averaged 5.40 percent. Last year at this time, the 30-year FRM averaged 5.79 percent.

The average for the 15-year FRM this week is 4.84 percent, with an average 0.6 point, up from last week when it averaged 4.70 percent. A year ago, the 15-year FRM averaged 5.06 percent.

One-year Treasury-indexed adjustable-rate mortgages (ARMs) averaged 3.46 percent this week, with an average 0.6 point, up from 3.36 percent last week. At this time last year, the one-year ARM averaged 3.82 percent.

(Average commitment rates should be reported along with average fees and points to reflect the total cost of obtaining the mortgage.)

### **Freddie Mac Chief Economist Predicts Banner Year for Home Sales**

"In advance of what is hoped will be a strong jobs report tomorrow, bond yields rose this week and, predictably, so did mortgage rates," said Frank Nothaft, Freddie Mac chief economist. "The economy has been conducive to job gains for several months, but we have yet to see any significant rise in employment.

"But even with rates slightly higher, the housing industry will continue to be an active, solid sector of the economy going into the spring buying season. We don't foresee any major slowdown in the housing market this year. Quite the contrary, we are confident 2004 will be another banner year for home sales."

### **Portland Area Mortgage Rates**

In late February, [Washington Mutual Bank](#) was offering 5.75 percent for a 30-year FRM (APR of 5.78 percent) with zero points. Another lender, US Bank's rate was 5.50 for a 30-year FRM (APR OF 5.63 percent). Both of these rates are for a \$200,000 loan with 20% down. Many mortgage brokers in the area were advertising rates from 5.50 % - 5.75%.

You can learn more about mortgages by visiting [Professor Guttentag](#) website at. To check on local mortgage rates go to [Bankrate](#).

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## Portland Weather

*Tracking the Moisture and Sun*

Portland's rainfall is measured according to the "water year" which is from October 1 through the end of September. Since we receive only a few inches in the summer months, the rainy months are from October through May. Over half of Portland's annual rainfall falls in the first four months of the water year (October, November, December, and January).

The average precipitation is about 37 inches in the metro area.

| <b>Water Year<br/>(Oct 1 - Sep 30)</b> | <b>Average<br/>Precipitation<br/>In Inches</b> | <b>Actual<br/>Precipitation<br/>in Inches</b> |
|--|--|---|
| Year-to-Date                           | 27.30  | 24.97   |
| October                                | 2.88   | 3.02  |
| November                               | 5.61   | 4.09  |
| December                               | 5.71   | 7.44  |
| January                                | 5.07   | 4.78  |
| February                               | 4.32   | 3.71  |
| March                                  | 3.71   | 1.53  |
| April                                  | 2.64   |   |
| May                                    | 2.38   |   |
| June                                   | 1.59   |   |
| July                                   | .70  |   |
| August                                 | .89  |   |
| September                              | 1.65   |   |
| Year Average                           | 37.15  |   |

### **March is Dry and Warm**

Temperatures in the high 60s and low 70s day after day with sun! I can only recall 6-7 days of rainy weather. But we'll pay the price in April. The drought is over and we have to keep our reputation intact since March gave us less than half of its normal rainfall.

### **Blooming Time**



Every year it seems to get better. We took a hike the last Sunday of March on the Wildwood Trail in Hoyt Arboretum and had never seen so many trilliums. We can only attribute it to the cold weather we had in late December and early January. It seems that plants that had been dormant for years had come to life. Drive anywhere in the Portland metro area, and you'll see all the flowering trees bursting with blossoms.

To help you make the most of the Spring spectacle, here are a few gardens that you may want to visit: [Portland Classical Chinese Garden](#) offers the Qing Ming Festival (April 3-4). At Hoyt Arboretum, stroll among the Magnolias in Bloom. Enjoy Portland's other fine gardens including [Crystal Springs Rhododendron Garden](#), [The Grotto](#) and [Japanese Garden](#). [The Oregon Garden](#) in Silverton is another regional highlight. Oregon's Hood River Valley welcomes you to the [50th Annual Blossom Festival](#) April 17-18. More than 15,000 acres of pear and apple orchards burst with blooms – turning the entire valley floor into a sea of pink and white.

## Portland Monthly's 20 Hottest Neighborhoods



Portland Monthly made its debut in October 2003. In its new May issue has as its cover story "20 Hottest Neighborhoods." When they were researching the story, one of the writers called me and several other realtors and asked me what I thought were some of the noteworthy neighborhoods. Some of my suggestions were included and others were rejected. Overall, the article is worth reading.

The best thing about the article is the table they built of demographic data on 70 Portland neighborhoods and 11 suburban communities. That along is worth the price. The table has the following information: median home prices for 2003, 5-year price growth (%), home ownership (%), average spending per pupil, school rating, population, population density, diversity, violent crimes, residential burglaries, park acres, and commute time to downtown.

All of this data is public information. Portland Monthly arranged it so it's all in one place and easy to read.

### The Hottest Neighborhoods

Covered by full page stories are Beaumont-Wilshire, Corbett-Terwilliger-Lair Hill, Downtown Vancouver, King's Heights, Overlook, Ladd's Addition, The Round in Beaverton, Jamison Square (Pearl District), St. Johns, and Yamhill County (a rural area south of Portland).

Overlook is in North Portland and sits on the bluffs overlooking the Willamette River and the Portland Port Authority (industrial area). Adidas-Salomon built a new corporate headquarters along Greeley Avenue in 2002, and now the Interstate MAX light rail will open in May. Adidas is on the west edge of Overlook. The MAX line is not in Overlook, but about a mile plus to the east of it.

Ladd's Addition is actually in the official Portland neighborhood of [Buckman](#) and Portlanders called a section of the Buckman neighborhood Ladd's Addition. Cross the Hawthorne Bridge and drive east a half-mile, and you'll find the neighborhood on your right. Instead of the quadrangle Eastside street grid, Ladd's Addition is a series of mature shade trees that line the diagonal streets. Many of the streets converge in a circle or round-about, and these circles in Ladd's Addition have large plantings of roses.

### Five Neighborhoods on The Rise

They select "five neighborhoods on the rise," and I wonder how they came up with their selection. I am not sure I would have made the same choices. But maybe they know something I don't. The five are Downtown West End, Montavilla, Lents, South Waterfront, and Villebois. The one that has everyone's interests is South Waterfront. Located just south of downtown along the river, it is now a industrial brownfield. In a few years, if the plans come together, it will be an area of biotechnology research, upscale shops, and homes (condos and townhomes).

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## Snowshoeing

We like the sport for a number of reasons. First, it is cheap and virtually everyone is able to do it. You can go practically anywhere on snowshoes. Another reason is our dog enjoys the snow and it's much easier for her to tag along with us on snowshoes then having to follow us on the ski trails. We only can take her on ski trails that permit dogs.

It's something that everyone in the family can do together – kids, parents and grandparents. It's healthy, it doesn't take a lot of expensive lift tickets, or expensive gear; and it doesn't take a lot of coordination or training. People can pick up snowshoes and have fun their first time out. Take 10 steps and you're an expert! You can go out with a group of and talk as you're walking. You're out enjoying nature and enjoying the company. It's an added bonus that you don't get while zooming down an Alpine ski run. You can take your own time and appreciate the surroundings.

### Equipment



Because of advancements in gear, snowshoeing is now a sport for the masses. Modern snowshoes aren't your grandfather's cumbersome old "tennis rackets." Lightweight aluminum, high-tech, easy-on bindings and built-in crampons take away any struggle and get you almost anywhere. Slip snowshoes over the top of waterproof hiking boots and go. If you can walk, you can snowshoe on the modern equipment.

Just about every outdoor store in Portland rents them including the ski shops on the way to Mt. Hood.

Tubbs, one of the leading manufacturers of recreational, running, and mountaineering snowshoes in the United States, sponsored a multi-city snowshoe "Romp to Stomp Out Breast Cancer" at Mount Hood's White River West Sno-park in late February. Snowsports Industries America sponsors special days throughout the country to promote the sport to newcomers, including one on Mount Hood in January that drew 400 people. Manufacturers frequently hold clinics and free demonstration days at ski resorts.

### Where to Snowshoe

Mt. Hood is easy and accessible with hundreds of acres. All you need is snow – the deeper the better. And the season is long it lasts well into May in many parts of the Oregon high country where spring comes slowly.

In the Bend area, snowshoeing has become so popular that the U.S. Forest Service created separate trail markers for snowshoers, in part to address cross country skiers' complaints that snowshoers were messing up their perfect tracks. Blue diamond trail markers at three trails now have a yellow snowshoer on them, said Marv Lang, a recreation forester with the Deschutes National Forest. Skiing trails are marked with a white skier, and snowmobile trails are marked with orange diamonds, he said.

### Clothing and Ski Poles

You'll warm up as you walk or climb. Take breaks, as necessary, to make adjustments to your clothing. Stay dry and avoid the chills. But be prepared for worsening weather, and carry extra warm and waterproof clothing. Ski poles help with balance, especially on slopes, and reduce impact on the knees and ankles.

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## Power Search

Many of you have tried [Power Search](#), our new tool to find homes in the Portland metro area. I have received emails from many of you with your comments and I appreciate your feedback.

### **Advantages of Registering**

By registering, you obtain a user name and password. When you "log in" with your user name and password, each listing will show the address as well as give you access to numerous maps. The maps will help you orient yourself to the city and area. Two more important reasons for registering:

- You can save your favorite listings for later review.
- You can save your requirements (price, size, etc.) you entered on any search to include geographical location. When new listings matching your parameters come on the market, you receive an automatic email notification.

Actually I have a selfish reason for having you all register. It cuts down on my volume of emails. Many people want to know the address of a particular home or the neighborhood location. By registering, you have immediate access to this information.

### **How Your Personal Information is Used**

Like many of you, I am very reluctant to give my personal information online. "Moving to Portland" is not exactly a household name so I can only imagine that you are even more hesitant to provide this information. I can give you my personal assurance that I do not sell, barter, or trade your personal information. My website is too important to my livelihood and business to take such a risk.

The data for Power Search to include registration information resides on the Graphical Data computers, the developer of Power Search. The founder and president, Allan Benson, is a former employee of Windermere (the company with which I am associated with as a realtor). He managed the technical department when he was with Windermere. I cannot vouch for Graphical Data, but they have assured me that they also understand how important your privacy is.

Note that the only data that has to be accurate when registering is a correct email address. You can make up any name, address, if you desire. Consider using a Hotmail or Yahoo email address for online registration. They are free, and it is a common practice.

### **Database of Homes**

Please note that the database of homes is the same one all the realtors in the Portland area use to search for homes for clients. Power Search is updated every fifteen minutes with new listings as well as removal of anything not in active status.