



**By  
Susan Marthens**

# Moving to Portland™

**June 2004 Newsletter**

<http://www.movingtoportland.net>

**Voice 503.497.2984 ♦ FAX 503.221.0011**  
[susan@movingtoportland.net](mailto:susan@movingtoportland.net)

---

## In This Issue

- Portland Home Market
- Cost of Residential Homes in the Portland Metro Area
- Long-Term Mortgage Rates
- Portland Weather
- Your Visit to Portland
- Portland Events

Moving to Portland mailing list addresses are *never sold, rented, leased, traded, swapped, exchanged, or bartered* to anyone. We don't like to receive junk mail and know you don't either.

## Unsubscribe

To unsubscribe to the monthly Moving to Portland newsletter, please send an e-mail to [webmaster@movingtoportland.net](mailto:webmaster@movingtoportland.net) with the word "UNSUBSCRIBE" in the subject line.

---

## Portland Home Market

### April Residential Highlights

In April, the Portland metro area's residential inventory fell to its lowest recorded measure. The 8,165 residential listings that were active at month's end would last only another three months at April's rate of closed sales. Factors of the reduced inventory include an increase in closed sales (up 19.9% from April 2003), an increase in pending sales (up 24.5%), and a less-than-equivalent rise in new listings (up 6.6%).

### Year-to-Date Trends

Statistics show a 6.5% increase in closed sales, a 10.5% increase in pending sales, and a 2.0% decrease in new listings when comparing this year to date to the same period in 2003.

### Appreciation

The area's average sale price for the last twelve months was \$228,700—up 6.7% from the \$214,400 average for the twelve months prior. Similarly, the area's median sale price is exhibiting appreciation of 5.6% (\$190,000 v. \$180,000).

### Affordability

At the end of the first quarter of 2004, a family making the area's median income made 62% more than necessary to afford the area's median-priced home (\$192,900), based on a National Association of Realtors' formula. The formula requires a 20% down payment and a 30 year fixed rate mortgage at Freddie Mac's reported 5.45% interest rate. HUD identifies the median family annual income as \$67,900.

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

**For Period April 2004**

Area	Current Month <sup>2</sup>	Year-to-Date <sup>2</sup> For Period Ended April 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	\$235,300	\$230,500	\$192,500	6.7%
<b>Portland</b>				
North	\$169,100	\$165,200	\$153,100	9.6%
Northeast	218,200	214,400	190,000	7.6%
Southeast	194,600	188,500	167,500	7.1%
West (Includes SW and NW Portland and parts of eastern Washington County)	341,900	325,500	262,000	5.0%
<b>Other Areas</b>				
Corbett, Gresham, Sandy, Troutdale	\$205,200	\$194,100	\$175,000	6.3%
Clackamas, Milwaukie, Gladstone, Sunnyside	242,000	237,100	201,300	9.1%
Canby, Beavercreek, Molalla, Mulino, Oregon City	218,600	222,400	204,500	9.7%
Lake Oswego and West Linn	348,100	341,000	287,500	10.1%
Northwest Washington County & Sauvie Island	324,500	319,600	271,300	6.5%
Beaverton and Aloha	207,300	207,300	183,500	5.7%
Tigard, Tualatin, Sherwood, Wilsonville	253,700	250,300	229,500	4.8%
Hillsboro and Forest Grove	208,800	197,800	181,000	3.1%
Mt. Hood: Brightwood, Government Camp, Rhododendron, Welches, Wemme, ZigZag	163,300	159,400	148,500	9.9%
Clark County (Vancouver, Washington)	218,400	212,900	179,900	9.8%
<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 April 2004 with April 2003. The Year-to-Date section compares year-to-date statistics from April 2004 with year-to-date statistic from April 2003. <sup>3</sup> Appreciation percents based on a comparison of average price for the last 12 months (5/1/03-4/30/04 ) with 12 months before (5/1/02-4/30/03)				

Source: Regional Market Listing Service (RMLS™).

## Mortgage Rates Hover About Six Percent

**May 27, 2004**

In [Freddie Mac's](#) Primary Mortgage Market Survey, the 30-year fixed-rate mortgage (FRM) averaged 6.32 percent, with an average 0.6 point, for the week ending May 27, 2004, up slightly from last week when it averaged 6.30 percent. Last year at this time, the 30-year FRM averaged 5.31 percent.

The average for the 15-year FRM this week is 5.69 percent, with an average 0.6 point, up a little from last week when it averaged 5.67 percent. A year ago, the 15-year FRM averaged 4.73 percent.

One-year Treasury-indexed adjustable-rate mortgages (ARMs) averaged 3.87 percent this week, with an average 0.6 point, down from last week when it averaged 3.99 percent. At this time last year, the one-year ARM averaged 3.63 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

"Although new home sales fell in April, existing home sales rose to the second highest level on record as homebuyers rushed to close in the face of low, but surely rising, mortgage rates," said Frank Nothaft, Freddie Mac vice president and chief economist. "Current mortgage rates are now a full point above where they were last year, and almost half a point higher than they were last month.

"Housing will, however, continue to be a pillar of strength for the economy in the coming years. In fact, we expect demand for housing will require production of about 2 million new housing units per year over the next decade, thus fueling growth in the various industries that support housing."

### Portland Area Mortgage Rates

In late February, [Washington Mutual Bank](#) was offering 6.25 percent for a 30-year FRM (APR of 6.28 percent) with zero points. Another lender, US Bank's rate was 6.13 for a 30-year FRM (APR OF 6.28 percent). Both of these rates are for a \$200,000 loan with 20% down. Many mortgage brokers in the area were advertising rates around 6%. To check on more Portland metro area mortgage rates visit the website for [Bankrate](#).

You can learn more about mortgages by visiting [Professor Guttentag](#) website. Professor Guttentag is Finance Emeritus at the Wharton School of the University of Pennsylvania.

---

## Portland Weather

*Tracking the Moisture and Sun*

### May Continues Dry Spell

Less than two inches of precipitation fell during May and most of the moisture came in the later part of the month. The normal rainfall for May is 2.38 inches. In the next four months (June, July, August, and September) we will receive about five inches of rain. The relative humidity for these months in Portland is just under 50 percent. Temperatures highs are usually in the 70s and low 80s.

In western Oregon thunderstorms take place only 4-5 times per year, mostly in the inland valleys and near the Cascades Mountain Range. Seldom in Portland. Generally they are not severe and produce little damage. Eastern Oregon receives many more thunderstorms (typically 12-18 per year), and they tend to be much more severe, resulting in greater damage to crops and buildings.

---

<b>Water Year (Oct 1 - Sep 30)</b>	<b>Average Precipitation In Inches</b>	<b>Actual Precipitation in Inches</b>
Year-to-Date	32.32	27.69
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	1.44
May	2.38	1.76
June	1.59	
July	.70	
August	.89	
September	1.65	
Year Average	37.15	
Portland's rainfall is measured according to the "water year" which is from October 1 through the end of September. The average precipitation is about 37 inches in the metro area.		

### Summer in Portland

Memorial Day weekend was cool and cloudy with some moisture. We even had the fireplace on one night. No matter how long I live here, I can't get it through my head that summer arrives in Portland in mid June. Summer is when we get consistently warm days. But Portland weather plays tricks on us by being warm for days on end like it did in early May. You get to thinking that it is summer.

### Water and Electricity Rates in the Pacific Northwest

The Bonneville Power Administration (BPA) supplies half the Northwest's electricity from a network of 29 federally owned dams in the Columbia River basin and one nuclear plant near Hanford Washington. BPA produces the power and sells it to approximately 135 publicly owned power companies across the region. The amount of power BPA can produce at any given time depends upon the volume of water flowing down the Columbia Basin rivers.

In the regional energy crunch in 2000/2001, the BPA's wholesale rates jumped from \$22 a megawatt hour to \$32.64 a megawatt hour. This in less than three years. These were drought years and, along with the Enron debacle, consumer electrical rates jumped in the Pacific Northwest.

The impact felt by electricity customers from a BPA rate depends on how much electricity a particular utility gets from the agency. The wholesale cost of electricity makes up roughly half the final cost to consumers. If the BPA rate increases ten percent, this might translate into a five percent increase to customers of utilities who get all their power from BPA.

The amount of our electrical bill is highly dependent upon the water flow in the Columbia basin. If the flow is low, BPA charges more for electricity and the power companies push up their rates accordingly. So when the National Weather Service's June forecast predicted that the volume of water running down the Columbia River will be 22 percent below average this year, we assume our electricity bill may be higher. How a 22 percent below average flow translates to the consumer rate may be a good advanced math test question.

## Portland in a Week



A couple of years ago the *New York Times* published an article called *36 Hours in Portland*. It was strictly a guide to doing things in the city. You need more time so we are going to give you a week's worth of activities. Our version is doing the city things, but it will also get you out of town for some day trips and an optional overnight stay at the Oregon coast.

Get a map of Portland and, if you're planning to visit areas outside of Portland, get a map of Oregon. Best source of maps is the [American Automobile Association](#). You can request free Travel Publications from the [Oregon Tourist Commission](#) to include an Oregon state map. The Oregon tourist slogan is "We Love Dreamers" so dream away.

Get a basic guide book. We recommend [Portland's Best Places](#) which is available at [Powell's Books](#) right here in Portland. If you're going to explore beyond Portland consider the *Lonely Planet Pacific Northwest: Oregon & Washington*.

It's possible to get by without a car as public transportation is available in most sections of the city. If you're exploring neighborhoods and taking day trips, it's best to have an automobile. [MAX](#) (light rail) has an east/west route, a north route, and a line to the Portland International Airport. [Portland streetcars](#) started operation on July 20, 2001. The new streetcars link downtown with the Northwest area and Portland State University. You can take the MAX in from the airport and rent a car downtown when you need it.

### Where to Stay

Downtown! If you want to understand Portland, you have to mingle with the Portlanders and downtown is the best spot to see the good as well as the bad. Try the [Portland Oregon Visitors Association](#) hotel reservation system. They have connections to 33 area hotels.

Historic hotels include the Benson, Governor, and Heathman. The downtown area also has numerous hotels chains such as the Embassy Suites, Hilton, and Marriott. Among other, two luxury boutique hotels are the Paramount and Vintage. These are all available for booking at the Portland Visitors Association website.

Our choice is the [Mark Spencer](#). It's reasonable and all rooms feature fully equipped kitchens for convenient in-room dining. Walk out the front door of the Mark Spencer and you can catch a streetcar and it's just a 3-minute walk to Powell's Books.

If you prefer staying in an outlying area, consider the [McMenamins Kennedy School](#) in Northeast Portland. Here you'll find 35 comfy guestrooms fashioned from former classrooms (complete with original chalkboards and cloakrooms, private baths, telephones and modems), a truly unique restaurant, multiple cozy bars, a movie theater, soaking pool, and even a working brewery.

### City Activities

You could spend an entire week in the city and be busy. You will want to spend at least one day just visiting [Washington Park](#). It's just a 5-minute drive from downtown. The #63 bus runs from downtown, and a shuttle bus operates during the summer between all the areas.

The International Rose Garden, the Japanese Gardens, Hoyt Arboretum, World Forestry Center, Children's Museum, Oregon Zoo and Vietnam War Memorial are all located within Washington Park. Recreational opportunities include picnic facilities, a playground, tennis courts, and miles of hiking trails.

After visiting the Japanese Gardens (next to the Rose Garden), get on the arboretum trails above the gardens and hike over to the Hoyt Arboretum Visitors Center (just a mile). If it's a clear day you can walk up to the ridge above the Visitor Center and catch a view of 3-4 mountains (Mt. Adams, Mt. Hood, Mt. Rainier, and Mt. St. Helens). From the Visitors Center, it's just a short walk to the zoo and Children's Museum. You can catch the shuttle bus back to your car at the gardens or take bus #63 back downtown.

Here are some other suggestions:

### Downtown

- [Ride the Streetcar](#) Pick it up downtown and ride over to the NW 23<sup>rd</sup> area for a stroll of the shops. Stop for lunch at a sidewalk café.
- [Walking Tours](#) Let David Shargel guide you on a walking tour of Portland. David has three tours: Best of Portland, Portland Architecture, and the Pearl District.
- [Powell's Books](#) Billed as the nation's largest independent bookstore, Powell's occupies an entire city block and requires a map to navigate. Book lovers come to Portland just to spend time (and money) at Powell's Books.
- [Pearl District](#) The Pearl has been likened to warehouse districts in San Francisco and Denver. The difference, however, is that Portland is one of the rare cities to transform a wide swath of former rail yards into high-density housing.
- [Public Gardens](#) This link will take you to a webpage at OregonLive.com which lists all the public gardens in the metro area.
- [Portland Farmers Market](#) If you want to see what Portland eats, visit the farmers market on Wednesdays and Saturdays in the Park Blocks.
- [Portland Chinese Garden](#) An authentic Suzhou-style garden. It grew out of a friendship between Portland and Suzhou, a city renowned for its exquisite gardens. This walled Garden encloses a full city block.
- [Downtown Library](#) Portlanders are proud of their library system, and students of architecture consider the building among the best example of the Georgian Revival style.
- [Portland Art Museum](#) PAM is considered one of the finest art museums in the west. The museum offers a world-class permanent collection of European, American, Native American, and Asian art.
- [Gov. Tom McCall Waterfront Park](#) The Park stretches for 22 blocks along the Willamette River. Always a beautiful place worth visiting, the park hosts a number of festivals and events throughout the summer.
- [Eastbank Esplanade](#) Tucked between Interstate 5 and the Willamette River, the Esplanade is 1.5 miles long, extending from the Hawthorne Bridge to the Steel Bridge with connections to eastside neighborhoods as well as across the river. Primarily a pedestrian/bicycle corridor, it offers unparalleled views of downtown Portland.



### Neighborhoods

- **Sellwood-Moreland** Visit the antiques shops and stroll through this Southeast Portland neighborhood.
- **Northeast Fremont Street** Start at Irvington Park (about NE 7<sup>th</sup> Avenue) and drive/walk down Fremont. Turn off Fremont onto side streets to view homes. By the time you get to NE 60<sup>th</sup> Avenue, you will have been in four different neighborhoods.
- **West Hills** Drive across the Vista Bridge (it goes over US 26) on SW Vista Avenue heading south. Take a sharp right turn onto SW Montgomery and observe the stately homes along the street. Once you get to the end of Montgomery, turn left and head back downtown. You may want to turn onto some side streets to look at more homes.

## Where to Eat

Play in the West and eat in the East! Most of the things you want to do and see are either in the downtown area or in the Washington Park area (both on the Westside). When it comes to eating, we prefer the eastside for a number of reasons. One being it is less expensive and a lot more interesting. Another is the variety and number of eating establishments. The eastside has three times the population of the Westside (within the city limits of Portland) so it stands to reason that you will find more choices across the river.

### Close-in Eastside

- **ClarkLewis** [The Oregonian's](#) 2004 Restaurant of the year. Order their three course \$30 meal and be surprised. Located at 1001 SE Water Avenue in the eastside industrial area. Telephone: (503) 235-2294.
- **Down on the Farm** What a bargain! You can get two entrees, share a salad and dessert, and enjoy a decent bottle of French wine for under \$50. It's in a gingerbread house just one block off East Burnside Street. You can imagine The Farm Cafe once really was a farmhouse, before the pastures got paved and the tattoo parlors moved in. No reservations. Location at 10 SE 7th Avenue. Dinner and Saturday/Sunday brunch. Telephone: (503) 736-3276.

### Southeast

- **Cafe Castagana** 1758 SE Hawthorne Blvd. - Some of the city's best pizza, fat burgers, great Caesar salad, roasted chicken. It's being called "Comfort Food Central."
- **Caprial's Bistro** Serving Pacific Northwest cuisine is located in the Sellwood neighborhood on 7015 SE Milwaukie Avenue. It is popular with Portland residents so make sure you have reservations. Call 503.236.6457.
- **Esparza's Tex Mex Cafe** An upscale Mexican with a festive atmosphere. The tequila list rivals some wine lists. Located at 2725 SE Ankeny Street.
- **Tartine** Gigi, a native of France, opened this small French Bistro in mid-2001 and it was an immediate hit. It's located in the Sellwood neighborhood at 1621 SE By bee Blvd.
- **Three Doors Down Café** Located at 429 SE 37th Street (Hawthorne neighborhood) serving American/Mediterranean cuisine.

### Northeast

- **Fife** Located at 4440 NE Fremont Street. Uncomplicated American cuisine to include everything from crab cakes to rib-eye steaks. Be prepared for a noisy atmosphere.
- **Winterborne** If you're looking for a cozy romantic place to dine, head for 3520 NE 42nd and Fremont. It is a great conversation place and easy on the budget. Seafood only, dinners only, Wednesdays to Saturday only. Telephone: 503.249.8486

**Downtown Eating** Bijou (breakfast and lunch), Higgins Restaurant & Bar, Jake's Famous Crawfish, Mother's Bistro, and Pazzo Ristorante. Visit Portland Grill at 111 SW 5th Avenue (refer to as "Big Pink" by Portlanders) on a clear day for lunch, dinner, or a late night snack. It's on the 30th floor and offers great views of the city and mountains. For a bargain, the [Western Culinary Institute](#) can't be beat. Just remember that these are students learning the food trade.

**NW Nob Hill Area Eating** Our favorite eating places in the Northwest area of Portland (take the streetcar from downtown): Cafe Mingo (Italian), Le Bouchon (French), Pauleys Place (American/Northwest), Ringside Steakhouse, Typhoon (Thai), and Wildwood (Gourmet Magazine *America's Best 50 Restaurants*).



## Day Trips

We are going to suggest three day trips. One in the wine country, another in the Columbia Gorge, and the third is Mt. Hood's Timberline Lodge. If you're into gardening, you may also want to consider the [Oregon Gardens](#) in Silverton. Another is the Mount [St. Helens National Volcanic Monument](#) in Washington State. All of these trips are an hour plus driving from city center.

**Wine Country** Take a look at information provided by the [Oregon Wine Growers](#). It has suggested tours. Oregon Pinot Noir and Pinot Gris are the two wines that made the area famous. With more than 175 wineries in the state, the heart of the wine industry is located southwest of Portland. It's a perfect day trip. Head west on Highway 99 and in a few miles you'll start running across such vineyards as Ponzi, Cooper Mountain, Beran and Oak Knoll. Head out towards Dundee and you'll find such wineries as Rex Hill, Erath, Adelsheim, and Argyle. Towards McMinnville are Sokol Blosser, Chateau Benoit, and Eyrie.

**Columbia Gorge** Start your trip on Highway 84 heading east out of Portland. You can cut south at the city of Mt. Hood and make a run to Timberline Lodge at Mt. Hood for dinner. Consider lunch at the famous [Columbia Gorge Hotel](#) in Mt. Hood and explore the pleasant Hood River downtown area. The 80-mile National Scenic Area [Columbia River Gorge](#) is one of the Northwest's world-class outdoor playgrounds. It's considered the [windsurfing](#) and kite sailing capital of the world it functions like a wind tunnel, generating 30-knot winds as pressure differentials in weather east and west of the Cascades find an outlet in the deep cut of the Gorge.

Hiking to the Gorge's waterfalls is a Portland-area classic day trip, and in late fall and early spring, when the heights of the Cascades are buried beneath deep snow, the Gorge is the number one option for area hikers and mountain bikers. One of our favorite hikes is [Eagle Creek](#) (exit 41 off I-84). With its basalt cliffs and numerous waterfalls, it offers spectacular scenery. If you have limited time, just hike up to Punchbowl Falls (about 2 plus miles).



**Mt. Hood Timberline Lodge** On June 11, 1936, at the brutal height of the Great Depression, ground was broken for a project unique in America. [Timberline Lodge](#) was built entirely by hand, inside and out, by unemployed craftspeople hired by the Federal Works Projects Administration. The building is a tribute to their skills and a monument to a government which responded not only to the physical needs of its people in a desperate time, but also to the needs of their spirits.

Tour the lodge and you may want to consider having lunch or dinner at the lodge.

## Overnight at the Coast

Located 80 miles west of Portland, Cannon Beach is a great place to start your coastal journey. Stop along the way at the world tallest [Sitka spruce](#) tree (216 feet high, 52 feet in circumference), located just off highway 26. Cannon Beach has nine miles of accessible beachfront, perfect for kites, castle-builders and beachcombers. [Downtown Cannon Beach](#) is full of shops and places to eat.

Haystack Rock, which juts out from the coastline some 235 feet, is something you don't want to miss. If weather permits, a picnic at the beach is just the thing.

For a pleasant overnight stay, consider [Bella Beach](#) located five miles south of Lincoln City. Bella Beach has vacation homes for rent. From secluded hideaways for two featuring oceanfront hot tubs to larger homes. Every Bella Beach cottage rental is completely furnished to include bedding, linens, towels, dishes, cookware, and more.



## Summer Events

### Portland Rose Festival Starts June 3

Rich in tradition, the [Portland Rose Festival](#) is set to celebrate its 97th year. Highlights include: the Fireworks Spectacular at Waterfront Park (June 4); Waterfront Village (June 3-13); Grand Floral Parade (June 12); Fleet Week (June 9-13); Dragon Boat Races (June 12-13); Portland Arts Festival (June 18-20, see below); and the Champ Car World Series (June 18-20).

### Art and Soul

City founders called the South Park Blocks a “cathedral of trees.” For one weekend each year, the setting becomes a veritable “cathedral of arts” with the [Portland Arts Festival](#). Consistently ranked among the top arts festivals in the nation, the event features 150 juried artists, a culinary courtyard and live music. South Park Blocks at Portland State University. Admission is free.

### Soaring into Summer



Eagles and salmon are the newest attractions at the [Oregon Zoo](#). *Eagle Canyon*, opening May 30, tells the stories of bald eagles and endangered salmon, while stressing the importance of forest streams and rivers. Ride the Washington Park & Zoo Railway and stroll among the acres of roses in the [International Rose Test Garden](#).

### Chamber Music Northwest

Celebrating its 34th summer music festival June 21-July 25, [Chamber Music Northwest](#) this year offers a special focus on the romantic music of Antonín Dvorák (1841-1904). One of the most successful music festivals in the nation, it is set on the beautiful grounds of Reed College and Catlin Gabel School. Pre-concert picnics welcome. Admission charged. 503.294.6400.

### Zoo Concerts

Celebrating its 25<sup>th</sup> anniversary, the [Wells Fargo Summer Concert](#) series opens on Wednesday, June 23 with Mary Chapin Carpenter and Jim Lauderdale. Mary Carpenter’s music is a mix of country, rock, and folk and blues music. In addition to her collection of five Grammy awards, Carpenter has received two “best female vocalist” awards from the Country Music Association. This year’s schedule include 24 evening concerts.

### Waterfront Blues Festival

The 17th annual [Waterfront Blues Festival](#) is on tap for July 2-5. Headliners include Keb Mo, the Holmes Brothers, Canned Heat, Jonny Lang and many more. Choose from 100 performances on four stages. Admission \$5 with two cans of food to benefit the Oregon Food Bank.

---

Susan Marthens  
Real Estate Broker/GRI  
Windermere/Cronin & Caplan Realty Group, Inc.  
6443 SW Beaverton-Hillsdale Hwy, Suite 100  
Portland, Oregon 97221  
Office: (503) 497-2984  
[smarthens@movingtoportland.net](mailto:smarthens@movingtoportland.net)