



Moving to Portland™

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<http://www.movingtoportland.net>

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Portland Home Market

January 2004 Residential Highlights

The ice and snow that hit the Portland metro area during January 2004 took days to thaw, and so did the residential real estate market. By January's end, new listings reached a total that was 15.2% below January 2003. Similarly, pending sales were down by 15.1%, and closed sales fell by 13.5%.

Affordability

The area's affordability measure in December of 2003 was 152. The NAR-formulated measure indicates that a family making the median annual income (\$65,800 per HUD) made 52% more than necessary to afford a median-priced home (\$190,900) with a 20% down payment and a 30-year, 5.88% (per Freddie Mac), fixed-rate mortgage.

Average Price by County, 2003

County	Average Sales Price	Change 2002-2003
Clackamas	\$257,300	5.5%
Columbia	\$159,900	4.5%
Multnomah	\$214,700	6.3%
Washington	\$225,600	5.0%
Yamhill	\$180,500	4.2%

Source: Regional Market Listing Service (RMLS™).

New Construction in 2003

In 2003, 4,177 properties were listed as proposed, under construction, or new construction—up 3.4% from 2002 (4,041). Their average sale price rose 5.7% (\$249,600 v. \$236,100) while median sale price rose 5.0% (\$198,800 v. \$189,400).

Cost of Residential Homes¹ in the Portland Metro Area

For Period January 2003

Area	Current Month ²	Year-to-Date ² For Period Ended January 2004		
	Average Sales Price	Average Sales Price	Median Sale Price	Percent Appreciation ³
Portland Metro Area				
Includes Portland, surrounding communities, and Vancouver, Washington area	\$221,000	\$221,000	\$185,000	
Portland				
North	\$156,500	\$156,500	\$151,400	8.5%
Northeast	192,400	192,400	175,000	7.8%
Southeast	178,100	178,100	158,000	7.7%
West (Includes SW and NW Portland and part of Washington County)	334,900	334,900	300,700	4.4%
Other Areas				
Corbett, Gresham, Sandy, Troutdale	\$178,000	\$178,100	\$174,000	5.1%
Clackamas, Milwaukie, Gladstone, Sunnyside	224,800	224,800	199,200	6.2%
Canby, Beavercreek, Molalla, Mulino, Oregon City	213,500	213,500	193,500	7.7%
Lake Oswego and West Linn	406,600	406,600	298,000	4.9%
Northwest Washington County & Sauvie Island	349,100	339,100	301,100	5.4%
Beaverton and Aloha	187,000	187,000	165,200	4.2%
Tigard, Tualatin, Sherwood, Wilsonville	235,800	235,800	210,400	5.7%
Hillsboro and Forest Grove	180,200	180,200	170,400	3.5%
Mt. Hood: Brightwood, Government Camp, Rhododendron, Welches, Wemme, ZigZag	158,300	158,300	138,000	9.6%

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

² The Current Month section compares January 2004 with January 2003. The Year-to-Date section compares year-to-date statistics from January 2004 with year-to-date statistic from January 2003.

³ Appreciation percents based on a comparison of average price for the last 12 months (2/1/03-1/31/04) with 12 months before (2/1/02-1/31/03)

Source: Regional Market Listing Service (RMLS™).

Low Mortgage Rates Keep Housing Activity Robust

February 27, 2004

In Freddie Mac's (<http://www.freddie.mac.com>) Primary Mortgage Market Survey, the 30-year fixed-rate mortgage (FRM) averaged 5.58 percent, with an average 0.7 point, for the week ending February 26, 2004. Last year at this time, the 30-year FRM averaged 5.79 percent.

The average for the 15-year FRM this week is 4.89 percent, with an average 0.7 point, up very slightly from last week's average of 4.87 percent. A year ago, the 15-year FRM averaged 5.14 percent.

One-year Treasury-indexed adjustable-rate mortgages (ARMs) averaged 3.50 percent this week, with an average 0.7 point, down from 3.53 percent last week. At this time last year, the one-year ARM averaged 3.83 percent. This is the lowest the one-year ARM has been since the week ending July 4, 2003, when it averaged 3.49 percent.

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

Lean Home Inventory Means Home Demand Continues

"Financial markets seem to have locked into this level of mortgage rates. There was very little movement either way this week," said Frank Nothaft, Freddie Mac chief economist. "And it looks like consumers are taking advantage of the low level of mortgage rates, as applications for home purchases and refinancing are up for the last two weeks."

"New and existing home sales were down in January, but that reflected a drop in applications in late November and into December. Inventories, however, remain lean suggesting that demand continues to be high."

Portland Area Mortgage Rates

In late February, Washington Mutual Bank (<http://www.wamuhomeloans.com>) was offering 5.75 percent for a 30-year FRM (APR of 5.798 percent) with zero points. Another lender, US Bank's rate was 5.75 for a 30-year FRM (APR OF 5.89 percent). Both of these rates are for a \$200,000 loan with 20% down. Many mortgage brokers in the area were advertising rates from 5.25 % - 5.50%.

You can learn more about mortgages by visiting Professor Guttentag website at <http://www.mtgprofessor.com>. To check on local mortgage rates go to Bankrate (<http://www.bankrate.com>).

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.

Water Year (Oct 1 - Sep 30)	Average Precipitation In Inches	Actual Precipitation in Inches
Year-to-Date	23.59	23.13
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	
April	2.64	
May	2.38	
June	1.59	
July	.70	
August	.89	
September	1.65	
Year Average	37.15	

Normal Water Year

What a normal rainfall year! Every time we check the morning paper and compare the "actual" to the "average," we note only a fraction of an inch difference. Except for the late December and early January snow storms we are experiencing a normal winter.

It Starting to Bloom



This is the time of year when you hear people exclaim "the mountain is out." This means it's a beautiful day, and you can actually see Mt. Hood and maybe two or three other mountains. You begin to note that some people are starting to wear scandals (with socks, of course) and even a few brave souls will wear what my husband's relatives on the farm called "city pants" (shorts).

The crocuses are out and the other bulb plants are beginning to "poke their heads" out of the ground. One of the first shrubs to bloom is the camellia. They come in a variety of colors, red being the most popular. Best place for viewing is on the winding drive up to the Washington Park Rose Garden. Most of these camellias are 10'-15' tall.

Prices of Older Homes in Portland



In a report released in late February, the U.S. Census Bureau says that nationally houses built before 1920 offer "financial attractions for people with lower incomes." But not in Portland. Older homes here are a hot property. Bucking the national trend, they sell for top dollar to a demanding demographic versed in architecture and savvy about location.

The census report, culled from the 2001 American Housing Survey National Sample, says that the 4.5 million houses built nationwide before 1920 have a median value of \$98,794. According to that same survey, Portland's median value of single-family dwellings pre-1920 is \$173,990.

"We don't fit the trend," says Carl J. Abbott of Portland State University's College of Urban and Public Affairs. Most Portland houses built before 1920 are in the inner east side and in Northwest, he says, neighborhoods that have attracted reinvestment. "They're not a cheap buy. "The strength of downtown and compact growth makes the inner ring of neighborhoods a desirable place to live,"

Abbott says.

He points to the urban-growth boundary as one of the tools that has kept the city compact and coveted. Fifteen years ago, he says, the pre-'20s stock in neighborhoods such as Eliot in Northeast may have fit the census report. But no longer.

Sidewalks, Walk to Stores and Restaurants, Safe Neighborhoods, and Quality Schools

We think that older homes in Portland offer people what the public really wants: sidewalks, ability to walk to stores and restaurants, safe neighborhoods, and quality schools. In most cities in the USA, people have departed the city for the suburbs because of schools and safety. Take away these two elements, add sidewalks and walks to stores, and you have a formula for livability. Plus you don't end up behind the wheel of your vehicle for hours every week.

World Affairs Council of Oregon

Lest you think that living out here on the "edge" we Oregonians are immune from worldly events, you are dead wrong. And to prove it, we have the World Affairs Council of Oregon (<http://www.worldoregon.org>). The 2003-2004 International Speakers Series has featured the following: Shimon Peres (former Prime Minister of Israel) along with Nabeel Shaath (Palestinian Authority Minister of Foreign Affairs). Mr. Peres appear on the same platform with Mr. Shaath.

On February 4, Richard Holbrooke, former U.S. Ambassador to the United Nations, departed from his scheduled talk entitled, *Unlikely Adversaries: Europe, the U.S., and the U.N.*, and spoke about the Iraq war.

Coming March 11 is Dr. Gro Harlem Brundtland, Director General of the World Health Organization and former Prime Minister of Norway. Fareed Zakaria, Editor of Newsweek International, will be the final speaker in this year's series.

2003-2004 Speakers



Shimon Peres and Nabeel
Shaath



Richard Holbrooke



Dr. Gro Harlem
Brundtland



Fareed Zakaria

The speaker series programs are held at the Arlene Schnitzer Concert Hall, the same place where the Oregon Symphony performs, and it's usually a full house.

Ongoing events throughout the year include the noontime forums. In February, Helen Clark Dageville, Visiting E.U. Fellow, Center for West European Studies, University of Washington, will speak on the topic of *Europe and the U.S.: the Changing Relationship*. This event was held Thursday, February 26, 2004, at the Governor Hotel in downtown Portland.

Events



Wooden Shoe Tulip Festival

Each spring, the fields of Woodburn, just south of Portland, look more like the Dutch countryside. During the Wooden Shoe Tulip Festival (<http://www.woodenshoe.com>) held March 20-April 20, visitors enter a wonderland of color. Stroll through 30 acres of spectacular tulips and daffodils in full bloom, enjoy wine tasting, children's activities and cut flowers.

Cooking Wild Salmon

Catch the fresh facts about cooking wild Oregon salmon on the Food Network's (<http://www.foodtv.com>) hit show "Tyler's Ultimate." Traveling chef Tyler Florence recently visited Oregon and California, filming segments for the upcoming "ultimate salmon" episode. Airtimes: March 19 at 9 p.m.; March 20 at 1 a.m.; and March 22 at 7:30 p.m. (All times Eastern and Pacific Standard; subject to change).

In case they don't reveal the best way to cook salmon (also the simplest), I'll share my husband's recipe. We use the broiler for cooking salmon because it is quick, and it leaves the salmon moist. Start the broiler and place a rack about 6" from the burner. Prepare the salmon by placing it in a broiler safe pan (metal). Add a squeeze of lemon, some olive oil, and just a few sprinkles of kosher salt. Place in the broiler for 5-7 minutes depending upon thickness of cut (steaks are usually thicker than fillets). Turn off the broiler when the time is up but do not open the oven door. Let the salmon continue cooking from the heat in the oven another 6-8 minutes.

You may have to adjust the timing depending upon the heat your broiler generates. Also, some people like their salmon slightly raw in the center. Let us know what you think of the recipe.