

Important information related to the impacts of the COVID-19 pandemic

The Central Oregon housing market ended 2019 with a strong showing. Early in the first quarter of 2020, the market appeared to be following a similar seasonal trend with lower sales volumes in the winter months that gradually start to increase as the “buying season” begins.

Since early March, the nation has seen unemployment claims surpass all recent recessions, on par with what was observed in the Great Depression. Oregon’s Office of Economic Analysis is expecting unemployment to peak at around 21% statewide in the coming months, then rebound along with the reopening of the economy to approximately 12% by the end of 2020.

COVID-19 impacts on the Central Oregon housing market are affecting buyers and sellers, brokers and bankers, and many others in significant ways. We are starting to see early data quantifying the daily

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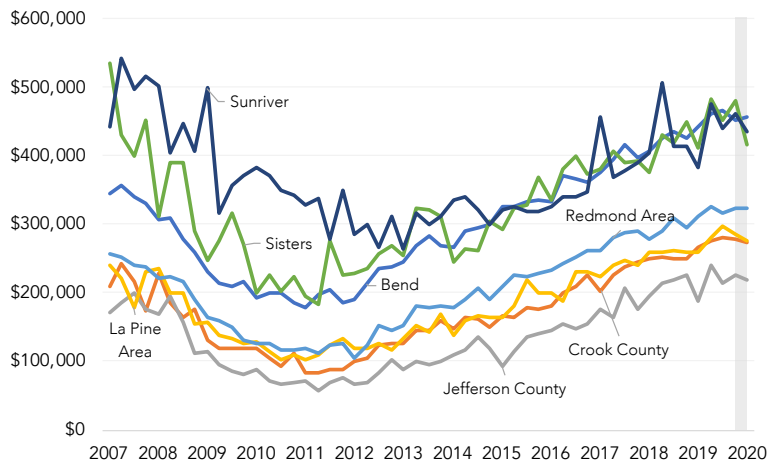
MEDIAN SALES PRICE AND SALES VOLUME (2020 QUARTER 1)

Submarket	Price	Volume
Bend	\$454,800	614
Crook County	\$273,000	88
Jefferson County	\$219,100	56
La Pine/Three Rivers South	\$274,900	105
Redmond/Terrebonne/ Crooked River Ranch	\$323,700	318
Sisters	\$415,000	59
Sunriver	\$435,000	46

MEDIAN SALES PRICE AND SALES VOLUME BY SUBMARKET FOR ALL SUBMARKETS (2020 QUARTER 1)

	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
Units Sold	↓ -22.53%	↑ 15.44%
Median Price	↓ 2.66%	↑ 7.36%

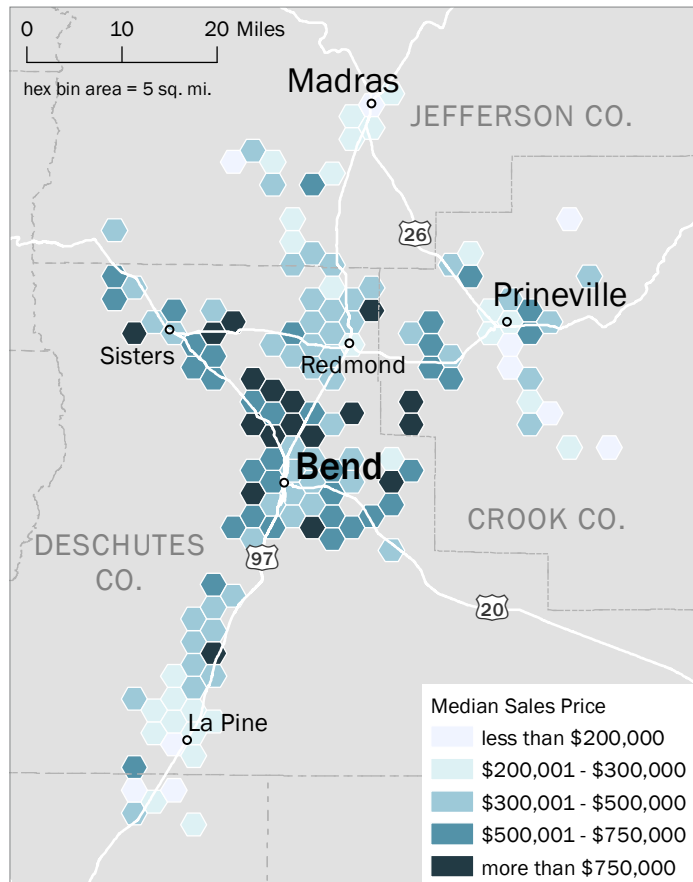
SUBMARKET COMPARISON—MEDIAN HOME SOLD PRICES (QUARTERLY, 2007–2020)



About the data used in this report:

To produce this report, ECONorthwest compiled and organized data from COAR’s MLS database. All questions related to data accuracy and verification should be directed to COAR.

MEDIAN REGIONAL SALES PRICE (2019)



reality for those most affected. Over 18,000 people have filed initial claims for unemployment insurance in Central Oregon over a 7-week period beginning in late March. A statewide claims processing backlog limits our understanding of specific geographies and industries impacted. It is clear, however, that the number of claims has decreased in recent weeks, and we are nearing the worst of the immediate employment crisis. The industries most severely impacted by initial unemployment claims in Central Oregon are accommodation and food services (4,400), retail (2,200), manufacturing (2,200), and construction (1,700). The real estate, rental, and leasing sector has seen 300 claims to date, accounting for 2% of total claims in Central Oregon.

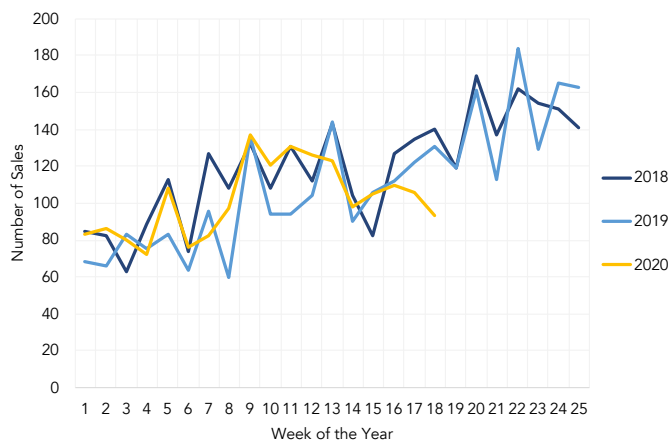
The nature of this recession is markedly different than the Great Recession of 2008, and economists are expecting real estate values will be more stable. According to Zillow, new listings nationwide are down 39% from the same period in 2019. Listings in the highest quintile of price are down 46%, while listings in the lowest quintile of price are down 36% from a year ago. As a result of the change in the distribution of new listings, median prices are expected to slightly decrease in most markets. A key distinction to note: median prices dropping in this particular market context does not mean that the price level (index) is also going to decrease.

The balance between the number of listings and the number of sales is a strong predictor of price change. Nationally the volume of sales has decreased by 20% from last year. If this trend continues, it should stabilize market prices as the supply of listings (absorption) decreases as new listings drop faster than sales volume.

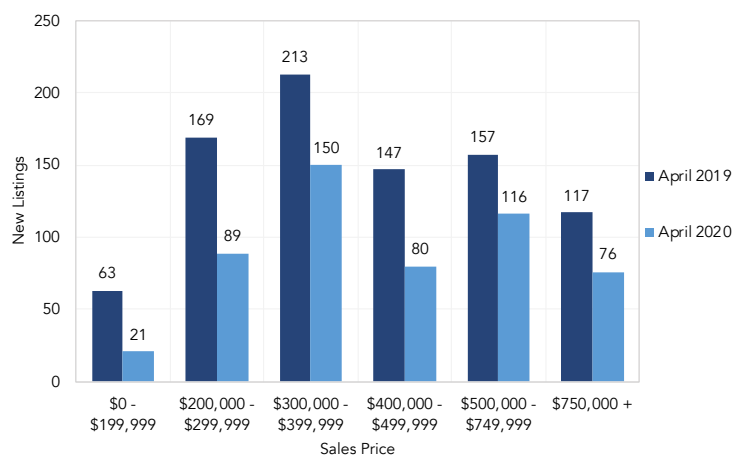
Central Oregon has largely followed national trends—although the decrease in sales volume over the last six weeks has been 10%, compared to 20% nationally. The volume of new listings decreased by 39% in April compared to 2019, but doesn't follow the national pattern of listing price impacts. In Central Oregon, the lowest priced homes have seen the largest reduction in listing activity (50+%) compared to 2019, which is the opposite of the national trend where the highest priced homes had the largest reduction in listing activity.

As the economy begins reopening over the next several months, the number of months of inventory (absorption) will be an important leading indicator for prices for the remainder of the year.

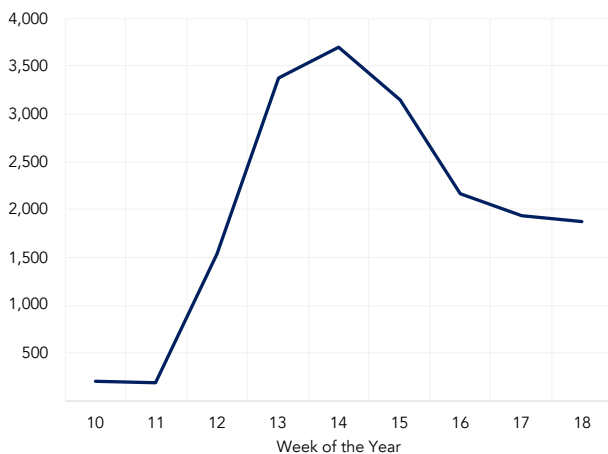
SALES BY WEEK – CENTRAL OREGON



LISTINGS BY PRICE RANGE – CENTRAL OREGON



UNEMPLOYMENT CLAIMS BY WEEK – CENTRAL OREGON



Price Index—2020 Quarter 1

The price index for Central Oregon increased at an annual rate of 10.8% in the first quarter of 2020. The measure of the index is now 199, representing a 99% increase in market prices since 2012. Since late 2018, median price growth in the market has slowed more than the price index. Price growth measured by the index peaked in early 2018 at 13.2% and has steadily slowed to the current rate of 10.8%--the price index has increased at nearly double the rate of the median sales price over the last 12 months. This is indicative of fewer higher price homes selling, rather than a reduction in the rate of market appreciation.

The price index will be an important metric to track the impact of the COVID-19 pandemic, as we are already seeing slowing transaction and listing volumes. It is possible that median sales prices will decrease during the coming months. The price index is not responsive to changes in the distribution of listing prices and will be a better measure of market performance on a quarterly basis.

WHAT IS A PRICE INDEX?

A price index tracks repeat sales of the same property to measure the change in market price over time.

WHY A PRICE INDEX?

A price index uses repeat sales and is the most accurate way to track changes in price over time. Median or average sales prices are responsive to new construction prices that are generally higher than the market average, as well as trends in listings. In order to most accurately measure how prices in a market are changing over time, tracking individual properties that sell multiple times allows for an apples to apples comparison of change over time.

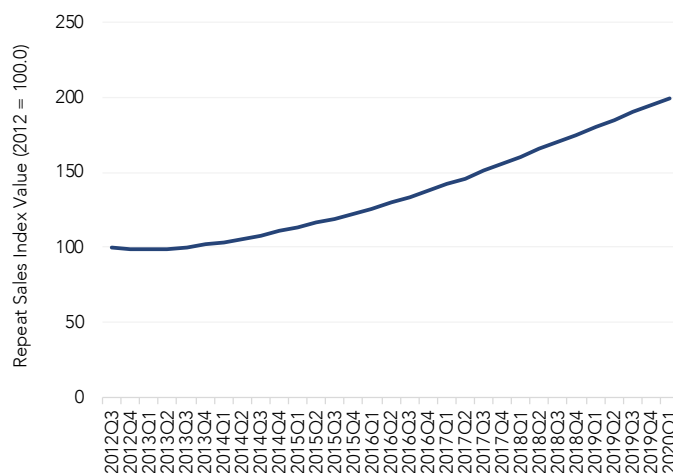
HOW DO WE CALCULATE A PRICE INDEX?

The price index is calculated using home sales data from 2007 up to the last quarter (Q1 2020). Repeat home sales are identified by matching sales based on addresses. Once homes that have been sold more than once are identified, the duration between the sales and the change in sale price are measured.

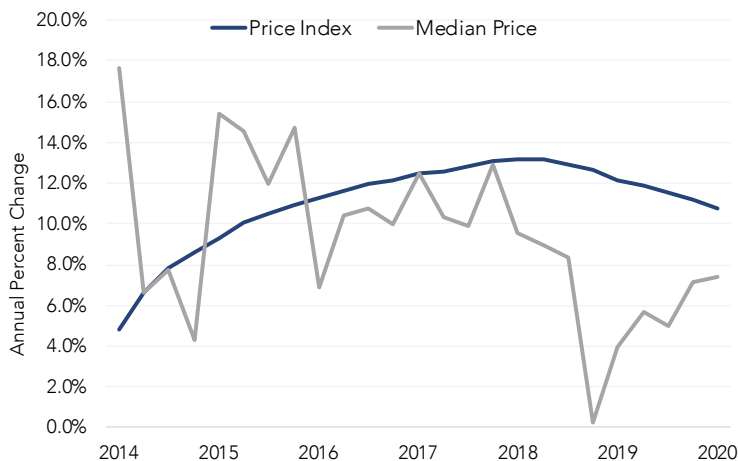
We have applied filters to the dataset to account for outliers and other transactions not representative of normal market conditions, such as flipping or substantial renovations.

The repeat sale price index is calculated on a quarterly basis starting in the fourth quarter of 2012. Starting in the fourth quarter of 2012, the median sale price over the previous four quarters is calculated and used as the anchor price (100). For each following quarter, the median price appreciation for homes sold within the last four quarters is calculated, and this price appreciation is applied to the index.

Repeat Sales Price Index

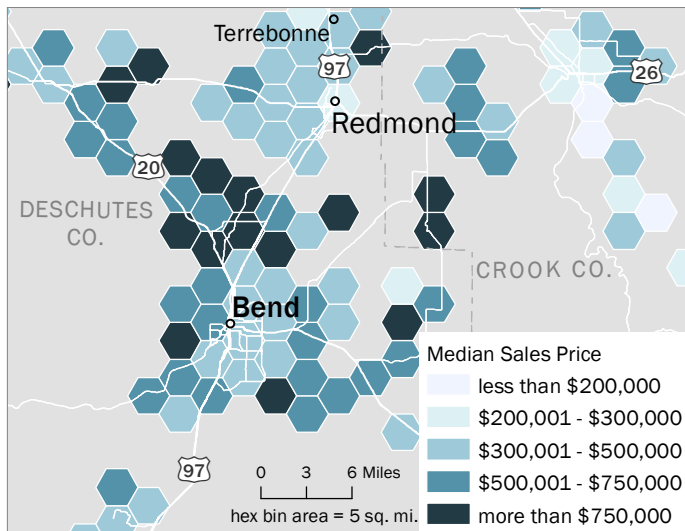


Repeat Sales Price Index vs. Median Price Change



Bend's housing market slowed relative to the previous quarter with home sales volume falling nearly 22% from the fourth quarter of 2019 to the first quarter of 2020. Homes also sold more slowly in the first quarter of 2020 relative to the previous quarter with the median days on market (DOM) increasing about 19%. However, home sales volume was about 19% higher in the first quarter of 2020 than it was this same time last year.

MEDIAN SALES PRICE



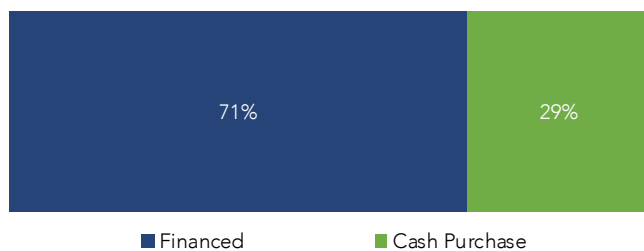
HOME PRICING

Existing	New	New Construction Premium (per sf)
\$451,000	\$464,950	0.40%

NEW CONSTRUCTION SALES

New Units Sold	New Units as a % of Total Units
124	20.20%

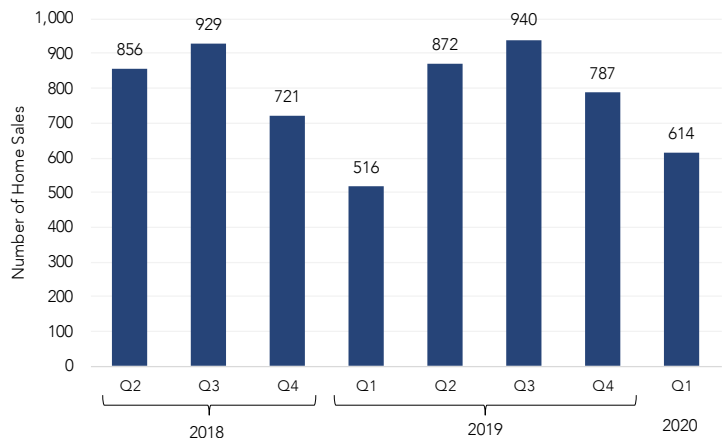
HOME FINANCING



Data includes all residential sales, including sales of single-family homes, manufactured homes, mobile homes, condos, deeded share, townhomes, and timeshares.

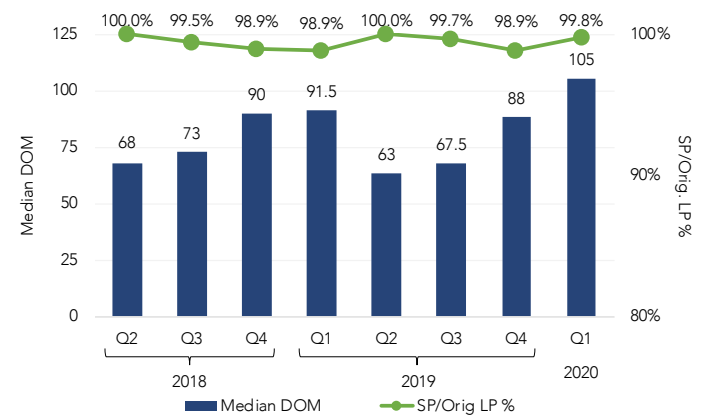
SALES VOLUME

	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
Homes Sold	↓ -21.98%	↑ 18.99%



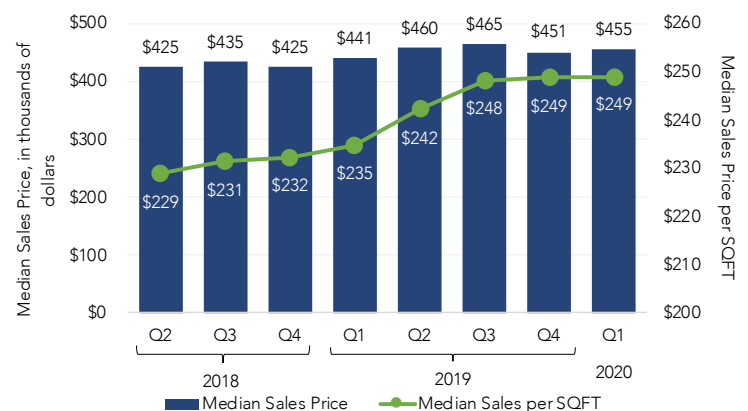
MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
DOM	↑ 19.32%	↑ 14.75%
Sold/Orig LP Diff. %	↑ 0.87%	↑ 0.91%



MEDIAN SALES PRICE & MEDIAN SALES PER SQFT

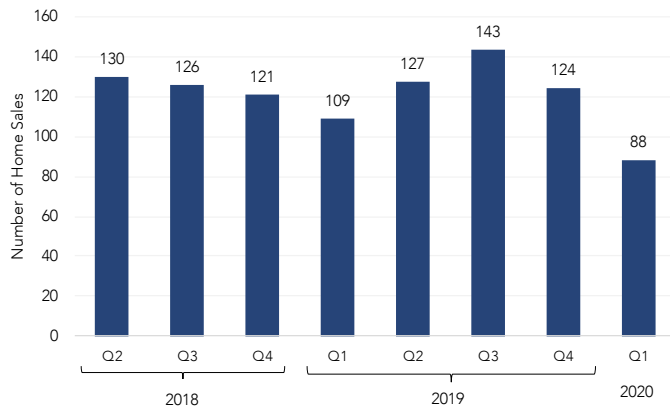
	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
Median Sales Price	↑ 0.84%	↑ 3.13%



Homes sales volume in Crook County fell 29% relative to the previous quarter and 19% relative to this same time last year. In the first quarter of 2020, 88 homes sold in Crook County, which is lower than in any quarter in the past two years. The homes that did sell in Crook County sold more quickly than they did in the previous quarter and in this same time last year. Between the fourth quarter of 2019 and the first quarter of 2020, median days on market (DOM) decreased 6%. From the first quarter of 2019 to the first quarter of 2020, DOM fell nearly 16%. The median home sales price fell slightly by 2% from the previous quarter but rose 3% from this same time last year. The median price per square foot, however, rose from \$178 in the previous quarter to \$191 in the first quarter of 2020.

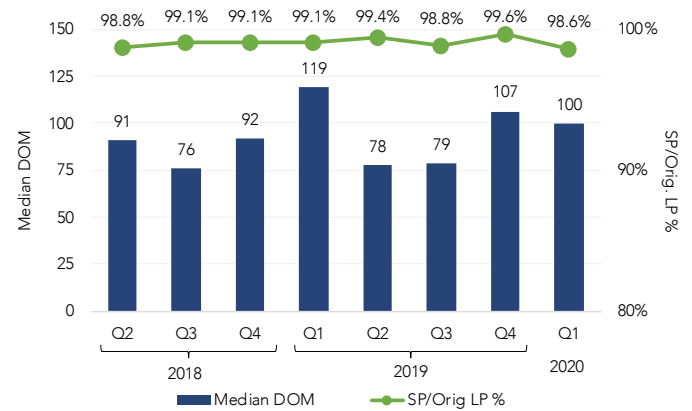
SALES VOLUME

	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
Homes Sold	↓ -29.03%	↓ -19.27%



MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
DOM	↓ -6.10%	↓ -15.97%
Sold/Orig LP Diff. %	↓ -1.02%	↓ -0.53%



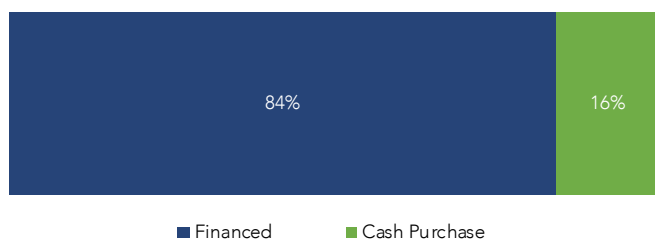
HOME PRICING

Existing	New	New Construction Premium (per sf)
\$273,000	\$289,900	-8.49%

NEW CONSTRUCTION SALES

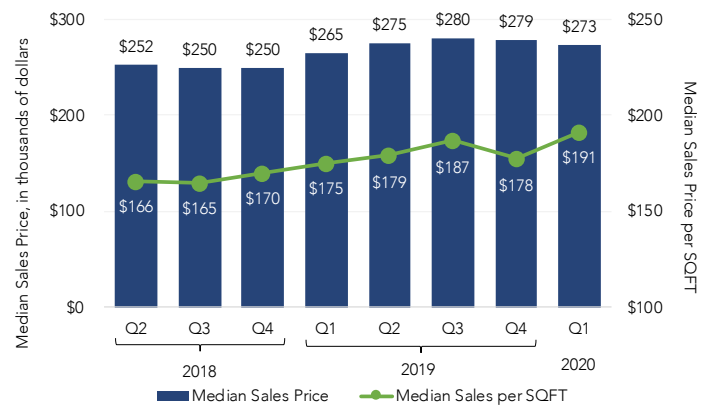
New Units Sold	New Units as a % of Total Units
8	9.09%

HOME FINANCING



MEDIAN SALES PRICE & MEDIAN SALES PER SQFT

	Change, 2019Q4 to 2020Q4	Change, 2019Q1 to 2020Q1
Median Sales Price	↓ -1.99%	↑ 3.06%

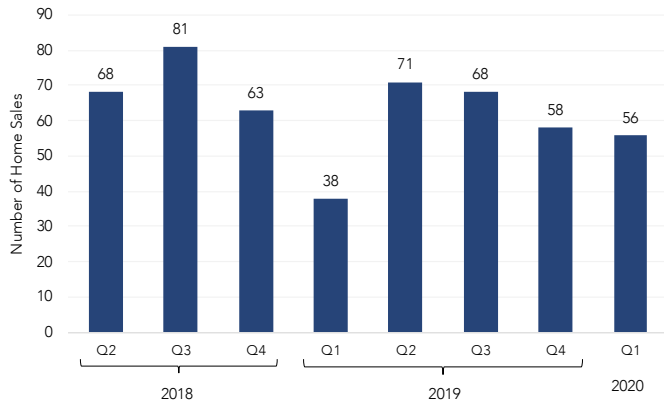


Data includes all residential sales, including sales of single-family homes, manufactured homes, mobile homes, condos, deeded share, townhomes, and timeshares.

Jefferson County's home sales volume declined slightly by about 4% between the first quarter of 2020 and the previous quarter. However, the sales volume in Jefferson County increased dramatically by 47% from this same time last year. Compared to last quarter, the median days on market (DOM) fell about 5% and the median sales price fell nearly 3%. Compared to this same time last year, DOM increased nearly 17% and the median sales price increased 17%.

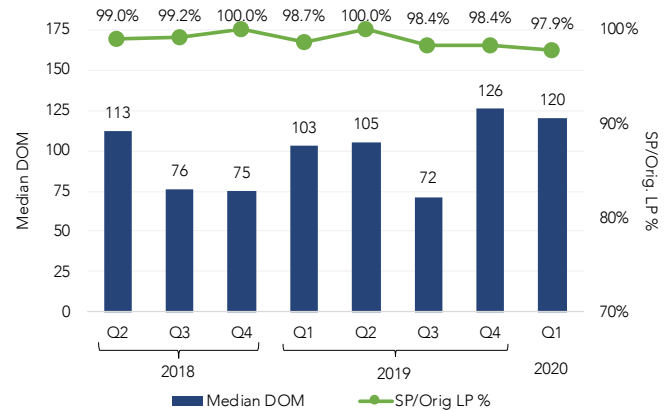
SALES VOLUME

	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
Homes Sold	↓ -3.45%	↑ 47.37%



MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
DOM	↓ -4.76%	↑ 16.50%
Sold/Orig LP Diff. %	↓ -0.55%	↓ -0.84%

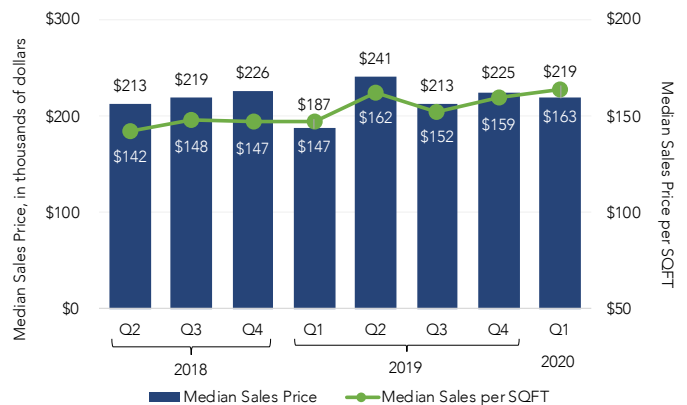


HOME PRICING

Existing	New	New Construction Premium (per sf)
\$215,000	\$250,240	-11.43%

MEDIAN SALES PRICE & MEDIAN SALES PER SQFT

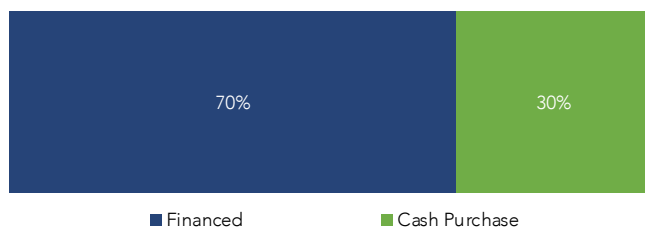
	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
Median Sales Price	↓ -2.60%	↑ 17.01%



NEW CONSTRUCTION SALES

New Units Sold	New Units as a % of Total Units
5	8.93%

HOME FINANCING



La Pine/Three Rivers South—2020 Quarter 1

Like many of the housing markets in the Central Oregon region, the La Pine and Three Rivers South housing market experienced a slowdown in the first quarter of 2020. Home sales volume fell nearly 35% from the previous quarter, median days on market (DOM) increased nearly 18%, and the median sales price fell nearly 4%. Fewer homes sold in the La Pine and Three Rivers South housing market than did in any quarter in the previous two years. Relative to this same time last year, the sales volume was about 9% lower, median DOM remained about the same, and the median sales price increased by nearly 6%.

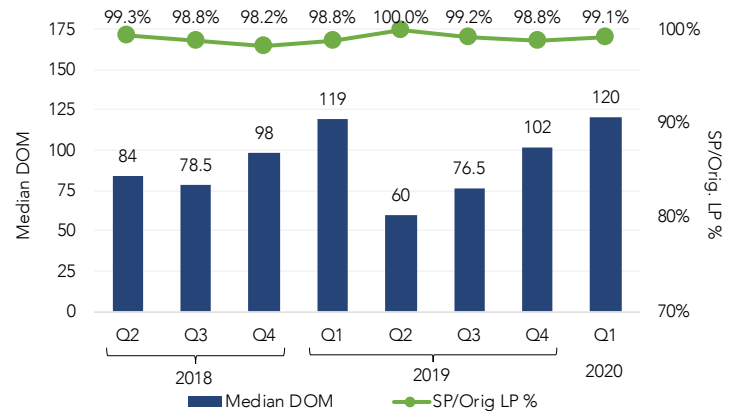
SALES VOLUME

	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
Homes Sold	↓ -34.78%	↓ -9.48%



MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
DOM	↑ 17.65%	↑ 0.84%
Sold/Orig LP Diff. %	↓ 0.23%	↑ 0.29%

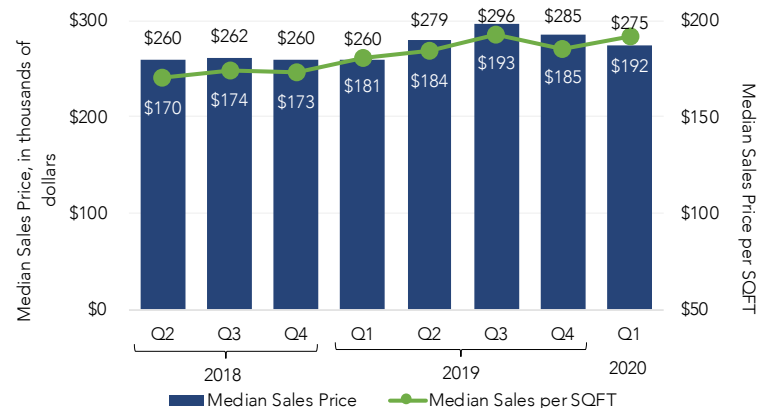


HOME PRICING

Existing	New	New Construction Premium (per sf)
\$270,000	\$307,400	2.65%

MEDIAN SALES PRICE & MEDIAN SALES PER SQFT

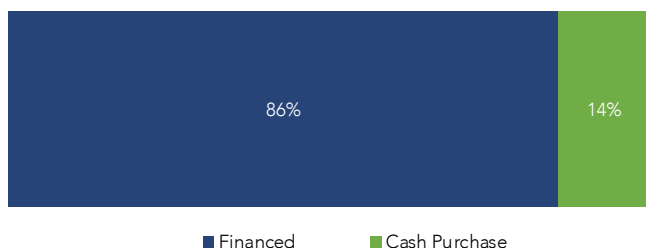
	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
Median Sales Price	↓ -3.65%	↑ 5.90%



NEW CONSTRUCTION SALES

New Units Sold	New Units as a % of Total Units
13	12.38%

HOME FINANCING

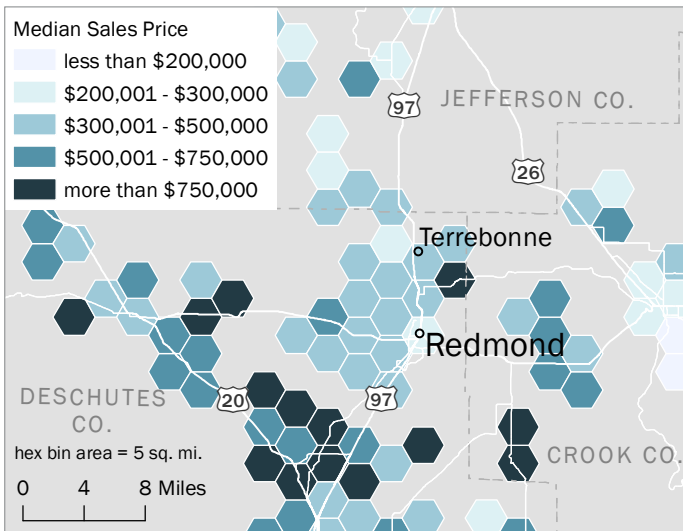


Data includes all residential sales, including sales of single-family homes, manufactured homes, mobile homes, condos, deeded share, townhomes, and timeshares.

Redmond/Terrebonne/Crooked River Ranch—2020 Quarter 1

The Redmond/Terrebonne/Crooked River Ranch housing market saw a slowdown in its housing market with its home sales volume falling nearly 15% from the previous quarter, and its median days on market (DOM) rising about 8%. The median home sales price remained largely stagnant between the fourth quarter of 2019 and the first quarter of 2020. Compared to this time last year, the market saw its median DOM fall 13% and its median sales price rise about 4%.

MEDIAN SALES PRICE



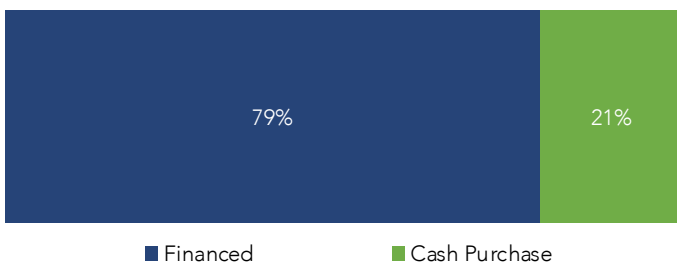
HOME PRICING

Existing	New	New Construction Premium (per sf)
\$314,950	\$339,285	6.39%

NEW CONSTRUCTION SALES

New Units Sold	New Units as a % of Total Units
96	30.19%

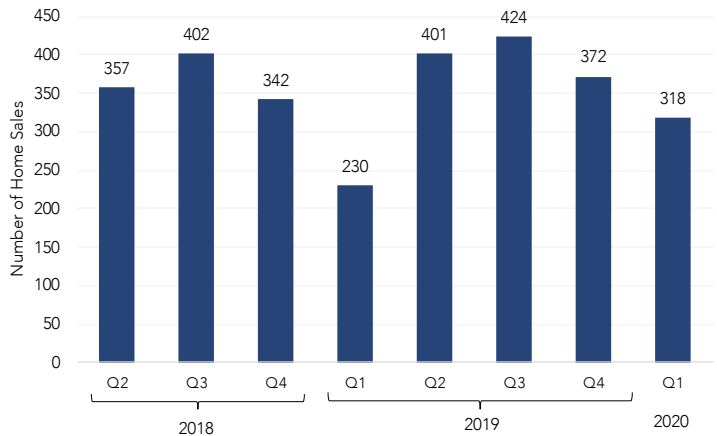
HOME FINANCING



Data includes all residential sales, including sales of single-family homes, manufactured homes, mobile homes, condos, deeded share, townhomes, and timeshares.

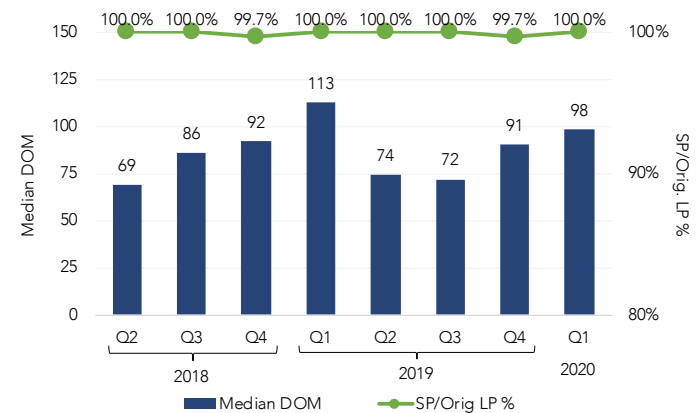
SALES VOLUME

	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
Homes Sold	↓ -14.52%	↑ 0.26%



MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
DOM	↑ 8.29%	↓ -13.27%
Sold/Orig LP Diff. %	↑ 0.30%	-- 0.00%



MEDIAN SALES PRICE & MEDIAN SALES PER SQFT

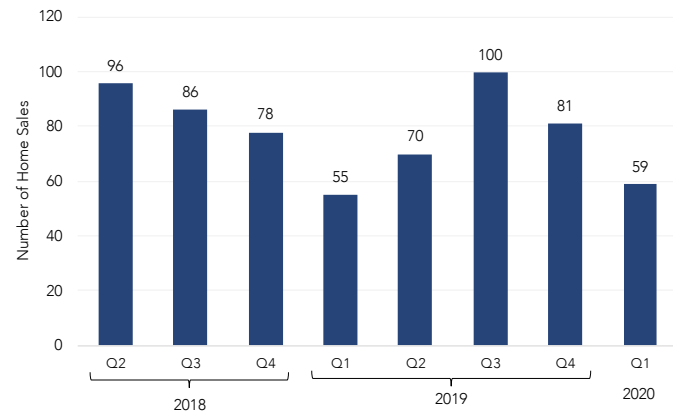
	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
Median Sales Price	↑ 0.35%	↑ 4.42%



The Sisters housing market continued to slow into the first quarter of 2020 with home sales volume falling 27% from the previous quarter, median days on market (DOM) rising 22%, and the median sales price falling nearly 14%. Compared to this same time last year, the market looks a little better with sales volume increasing 7% and the median sales price increasing by around 1%. Homes still sold more slowly relative to this time last year, however, and between the first quarter of 2019 and the first quarter of 2020, median DOM rose nearly 11%.

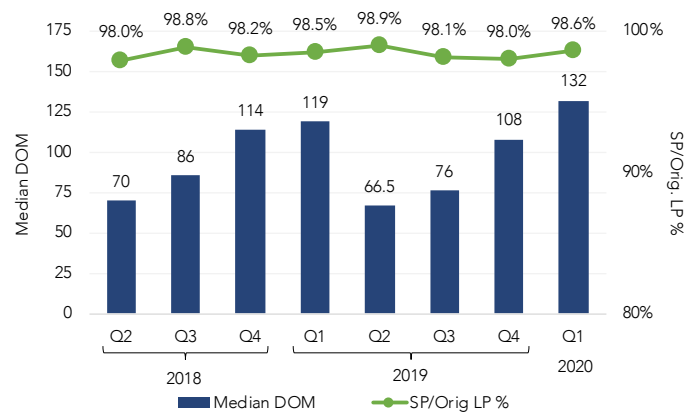
SALES VOLUME

	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
Homes Sold	↓ -27.16%	↑ 7.27%



MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
DOM	↑ 22.22%	↑ 10.92%
Sold/Orig LP Diff. %	↑ 0.58%	↑ 0.11%

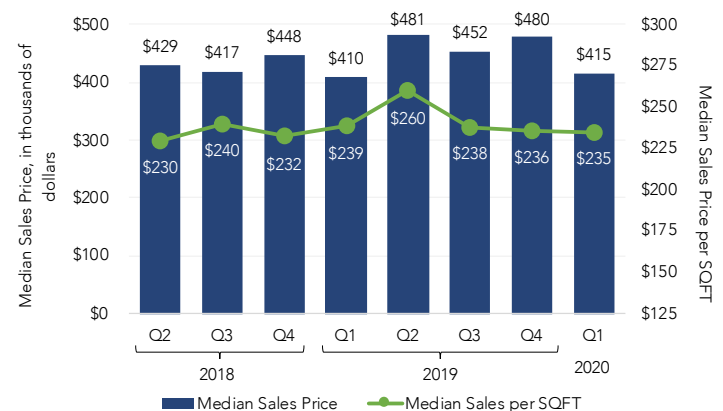


HOME PRICING

Existing	New	New Construction Premium (per sf)
\$420,000	\$391,476	-6.16%

MEDIAN SALES PRICE & MEDIAN SALES PER SQFT

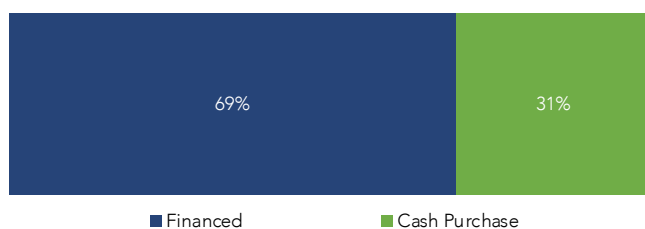
	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
Median Sales Price	↓ -13.54%	↑ 1.22%



NEW CONSTRUCTION SALES

New Units Sold	New Units as a % of Total Units
14	23.73%

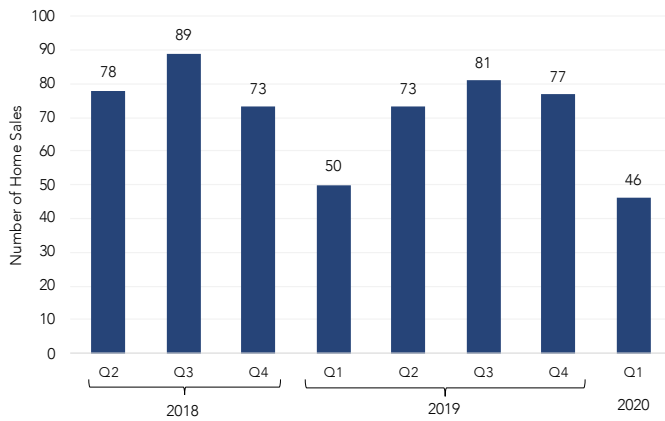
HOME FINANCING



Fewer homes sold in Sunriver than in any quarter in the previous two years. Only 46 homes sold in Sunriver in the first quarter of 2020, compared to 77 in the previous quarter, translating to a 40% drop in home sales volume. The homes that did sell did so more quickly than in the previous quarter, however, with the median days on market (DOM) falling 28%. The median home sales price fell about 5% from the previous quarter. Compared to this same time last year, home sales volume fell 8%, the median DOM rose by nearly 11%, and the median sales price rose by nearly 14%.

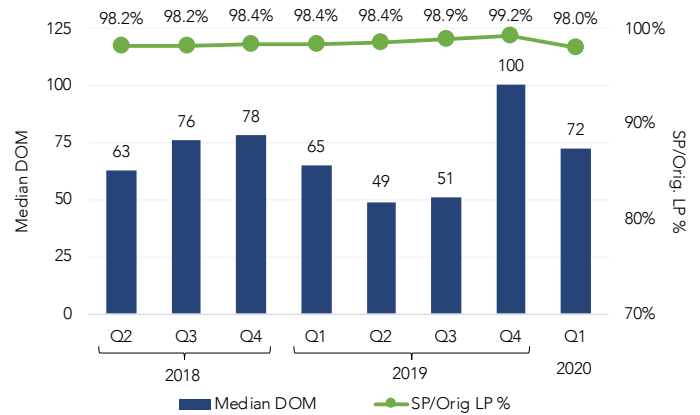
SALES VOLUME

	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
Homes Sold	↓ -40.26%	↓ -8.00%



MEDIAN DOM & SALES PRICE VS. LISTING PRICE

	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
DOM	↓ -28.00%	↑ 10.77%
Sold/Orig LP Diff. %	↑ 0.58%	↑ 0.16%

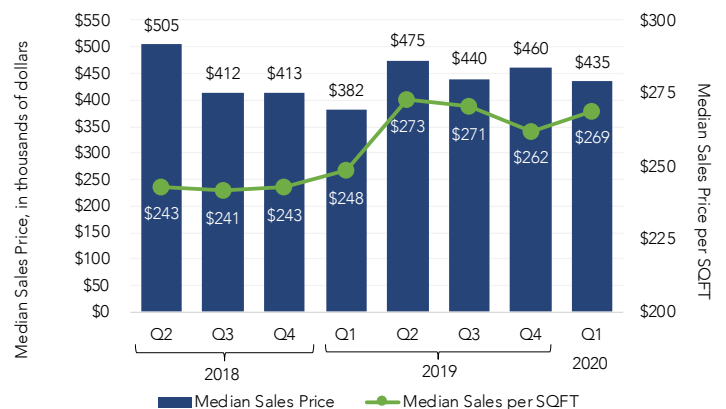


HOME PRICING

Existing	New	New Construction Premium (per sf)
\$435,000	NA	NA

MEDIAN SALES PRICE & MEDIAN SALES PER SQFT

	Change, 2019Q4 to 2020Q1	Change, 2019Q1 to 2020Q1
Median Sales Price	↓ -5.33%	↑ 13.87%



NEW CONSTRUCTION SALES

New Units Sold	New Units as a % of Total Units
NA	NA

HOME FINANCING

