

November 2009 RMLS Market Action Recap

Sales up, but in comparison to a dismal month last November

The big highlight this month for many areas is a large jump in closed sales compared to last November. Curry County posted a 141.7% increase and Portland and Clark County set records for percentage increases in same-month sales at 72.4% and 70.5%, respectively.



While these stats are obviously a good sign for market activity, continue to keep in mind that last year we were at the height of the economic crisis and we hit some of the lowest points in sales totals in recent years. So, yes, sales are way up compared to last year, but remember that we're comparing it to unusually low sales totals.

Has the winter slowdown arrived?

Closed sales had been on the rise in many key areas month-to-month through October, but it appears that the winter slowdown has arrived. Compared to this October, pending and closed sales were down in most areas, including Columbia Basin, Douglas County, Lane County, the Mid-Columbia region, Portland and Clark County.

Inventory up

Inventory ticked up in every area except Curry County and Union County, however, most areas are well below last year's inventory levels thanks to fewer listings entering the market and higher sales totals. For example, Portland's inventory stands at 7.1 months – 53% less than last November's 15 months of inventory.

Supra Lockbox Activity – Updated Through December 6

House Hunters Hit the Pavement After The Holiday

When comparing the week of November 30 through December 6 with the week prior, the number of times an RMLS™ subscriber opened a Supra lockbox increased 32.6% in Washington and 35.4% in Oregon.



Click the chart for a larger view

Archive

View an archive of the Supra lockbox statistical reports on Flickr.

FHA Loans Make Up 28% of Sales in Portland Metro Area

Will new restrictions slow the increase in FHA popularity?

We all know that FHA Loans have increased in the past few years with the changing market, but how much? I recently ran some numbers on financial terms, a required field in RMLSweb, that may shed some light. These numbers are for the Portland metro area (Clackamas, Columbia, Multnomah, Washington and

Yamhill counties).



As you can see, sold listings with the financial terms “FHA” have increased in the RMLS Portland market area from just 1.2% in 2007 to 28.1% of sales through October 2009. These numbers are closely in line with national levels; a recent report stated that FHA loans are up to 30% this year from 3% in 2006.

Do you think we’ll continue to see FHA loans grow in popularity, or will it change if plans to make some FHA loans require a down payment higher than 3.5% go through? Realtors, let us know what you’re seeing out in the field – leave a comment below.

Lockbox Activity Down Over Holiday

House Hunters Take Break for Thanksgiving

When comparing the week of November 23-29 with the week prior, the number of times an RMLS™ subscriber opened a Supra lockbox decreased 24.8% in Washington and 31.7% in Oregon.



Click the chart for a larger view (Oregon, top; Washington, bottom)

Archive

View an archive of the Supra lockbox statistical reports on Flickr.

Distressed Property Update for Portland & Clark County

21.9% of listings distressed in PDX, 31.7% in Clark County

The latest report from the Mortgage Bankers Association indicated that the rate of foreclosure for people with fixed rate loans and good credit is on the rise.

The AP reports that homeowners' inability to keep up with payments is now more due to unemployment, rather than the subprime loans that contributed to the initial increase in foreclosures.

A quick search on RMLSweb reveals that in the Portland Metro area, distressed properties currently make up 21.9% of active residential listings (this number takes into account listings that require third-party approval, as this typically indicates a short sale and those that are marked as bank-owned).



In Clark County, 31.7% of residential listings are distressed.



RMLS Market Action Recap – October 2009

Same-month sales up nearly across the board in Oregon & Southern Washington

Sales activity continued to outpace levels from the same month last year in the latest RMLS™ Market Action report. Inventory was also down in several areas, including Lane County, Portland and Clark County.

Sales Activity:

Both pending and closed sales increased in 9 out of 10 of the regions that we cover when compared to the same month in 2008. The Portland metro area saw its largest increase in closed sales since January 2005 , which was also the highest total of closed sales since August 2007. Clark County set a record for pending sales, with an increase of 56.9% compared to last October. Here's a recap of each region's same-month sales activity:



It will be interesting to see if this trend of increased sales activity will continue this fall and winter season. The percentage increases were not surprising this month, given the recent strength in sales and considering that last year we saw sales begin to drop in October, kicking off a stretch of slow sales activity that would extend into the first quarter of 2009.

Inventory:

Housing inventory levels dropped in several key areas, including Lane County (6.2 months), Portland (6.5 months, lowest since August 2007) and Clark County (6.4 months, lowest since September 2006). This is somewhat counterintuitive, as inventory levels have often increased as we head into the

slower fall and winter seasons. But, considering the following factors, it's no surprise:

- Low interest rates
- New listings continue to drop in most areas, reducing the supply of homes available
- The perceived tax credit deadline (which has since been extended)
- Lower home prices

What do you think?

Realtors – what do you think? Where do you see the market heading? Have you heard increased interest from buyers and sellers since the tax credit extension/expansion? Comment below!

Supra Lockbox Activity – Updated Through Week of October 12-18

Down 5.5% in Washington and Oregon

When comparing the week of October 12 – 18 with the week prior, the number of times an RMLS™ subscriber opened a Supra lockbox decreased 5.5% in Washington and Oregon.



Click the chart for a larger view (Washington, top; Oregon, bottom)

Archive

View an archive of the Supra lockbox statistical reports on

Flickr.

Portland Metro Sales by Price Range – September 2009

Homes below \$400k make up 85% of sales in September

I recently read that in Phoenix, 93% of September Home Sales were below \$400k. The author says that Phoenix is essentially a “tale of two markets”, one where homes in the lower priced spectrum are selling & where high-end homes are sitting.

We’ve looked at similar numbers before to see how the homebuyer tax credit was effecting the Portland market, so I figured it was time to take a look at these numbers again & see how we compare to the Phoenix sales by price range – here’s what I found:

% of Portland Home Sales by Price Range (September 2009)

	Sept. 2009	% of Sales	Sept. 2008	% of Sales
\$0-\$150k	190	10.4%	115	6.6%
\$150-\$200k	383	20.9%	235	13.6%
\$200k-\$250k	416	22.7%	420	24.3%
\$250k-\$400k	569	31.0%	633	36.6%
\$400k-\$500k	142	7.7%	170	9.8%
\$500k-\$750k	96	5.2%	114	6.6%
\$750k – \$1 million +	38	2.1%	44	2.5%

% of Sales by Price Range, Combined (September 2009)

	Sept. 09	Sept. 08
Below \$250k	53.9%	44.5%
Below \$400k	85.0%	81.1%
Above \$500k	7.3%	9.1%

As you can see, not quite as high as Phoenix, but still 85% of sales in Portland were below \$400k, which is up about 4% from last September.

Also note that sales below \$250k are up 9.4% from last September. I suspect a lot of those sales can be attributed to the \$8,000 tax credit (although some investors may also be cashing in on some lower priced homes as well).

The tax credit is set to expire on November 30, and the debate rages on in Washington over its extension. It seems to have given the market here a boost, so it will be interesting to see how the market fares if/when it expires.

If the tax credit does indeed expire, it would still take a lot for things to get worse this winter compared to last year. Last January we saw sales activity drag to the lowest total in the Portland metro area that we had seen since RMLS™ began keeping records in 1992.

What do you think? Did the tax credit help? Should it be extended? Leave a comment, we'd love to hear your opinion!

Portland Metro & Clark County: Top 5 Areas – Inventory

Top 5 Areas with the Lowest Housing Inventory in September, Portland & Clark County

Below are the five MLS areas with the lowest supply of housing inventory for September 2009 for the Clark County and Portland metro areas. Inventory measures how long, in theory, it would take to exhaust the current supply of housing. We arrive at this number by dividing the number active listings by the number of sales for the month.

Clark County

Area	Area #	Actives	Sales	Inventory
Lincoln/Hazel Dell	14	34	10	3.4
Five Corners	25	89	18	4.9
East Orchards	26	90	18	5.0
Cascade Park	24	105	20	5.3
Evergreen	22	276	51	5.4

Portland Metro

Area	Area #	Actives	Sales	Inventory
Beaverton/Aloha	150	1,007	204	4.9
NE Portland	142	1,016	185	5.5
North Portland	141	455	75	6.1

Southeast Portland	143	1,396	228	6.1
Hillsboro/Forest Grove	152	880	142	6.2

RMLS Market Action Recap – September 2009

Residential real estate sales tick up in several areas, inventory down

This month's RMLS™ Market Action report showed a trend of increasing real estate sales & subsequently lower housing inventory in many areas of Oregon & Southwest Washington.

Sales Activity:

Closed sales rose in the following areas this month, compared to the same month in 2008:

Area	Closed Sales
Curry County, Oregon	100%
Columbia Basin, Oregon	36.6%
Lane County, Oregon	23.2%
Clark County, Washington	20.2%
Portland Metro, Oregon	9.8%

Third Quarter Sales Up:

September marked the end of the third quarter and compared to Q3 in 2008, Coos County, Curry County, Douglas County, Lane County, Portland and Clark County all saw sales outpace Q3 in 2008. Clark County led the pack at a clip of 18.7%.

Inventory:

Ten of eleven areas that we cover in the Market Action report saw housing inventory drop from August. This can be attributed to rising sales in several areas and as we head into the slower fall & winter seasons, fewer homes are being listed as well.

Both the Portland and Clark County areas saw inventory drop to 7.6 months. Lane County has the lowest inventory of the areas we cover at 6.8 months.