

Big Boom in Little Bend

by K_Guice

While the housing market in other parts of the country is cooling down, real estate is reeling in Bend.

According to new numbers from the government, the Bend area jumped to No. 6 in year-to-year housing for the first quarter of 2006, coming in at 34.7 percent.

Bend's 7 percent increase actually topped the nation's hottest market, St. George, Utah in year-to-year figures. The numbers are not based on Bend alone. Since all of Deschutes County is part of the Bend metropolitan statistical area, rural sales, like area resorts, are helping to fuel the stats.

The numbers should come as no surprise. Bend has been grabbing national attention in publications like Inc. Magazine. Bend was 14th on its "Hottest Small Cities" list (cities with less than 150,000 in population). It was 17th overall on its list of "Boomtowns '06" in the magazine's May 2006 issue.

The article summarized the city with the following blurb: "Bend's population has more than tripled, to about 70,000, over the past 15 years, with refugees from Portland and California drawn by a scenic location and low cost of living. The influx has transformed a timber-based economy, bringing in manufacturing, aerospace, and semiconductor firms."

Bobbie Strome, a realtor in Central Oregon since 1986, says it's right on track with what she has seen. "It's been a steady climb since '86 and a major boom since the end of April 2005, i.e. the change in pricing."

"There are a lot of people coming from all over," Strome said. "For the most part they have investigated other areas like Sandpoint, Idaho; and Montana, and found Bend most to their liking."

Building official Robert Mathias came to Bend three years ago for his job and says it seems like the population has doubled in the short time he has lived here. "In 2025, the population of Bend is projected to be double what it is today," he said.

The numbers coming through his office are further proof things are booming. "In the first year I was here, in 2003, we did 1,058 permits. We did 1,663 in 2004. We did 2,050 in '05 and as of April of 2006 we've done 729 so far," stated Mathias. He projects there will be at least 2,187 new home permits total in 2006.

“Portland does a third to half of what we do and they have over half a million people,” said Mathias. He has had to quadruple his staff to meet the ever-growing needs.

“When I first got here we had 17 approved positions in March 2003,” he said. “Now, I have around 65 approved positions and we are looking to fill 17 positions.” Mathias says he has to give kudos to his staff. The way the city is growing, he says, there is no way they would be successful without the city’s employees.

If home prices are a measure of that success, Bend has got it. The area led St. George in its five-year housing appreciation, at 88.4 percent. There are others on the list between the two that have grown even faster since 2001. No. 2 Naples and No. 3 Fort Meyers grew at more than 140 percent in those five years. Phoenix came in at No 4 and Lakeland, Florida rounded out the list at No. 5.

Coeur d’Alene and Boise were the only other top 20 Northwest cities. Portland came in at No. 44, Seattle at No. 57 and Salem at No. 74 of the 275 metro areas on the government’s list.

Across the nation, home prices only rose 2 percent. It is the smallest increase reported by the agency in two years. However, over the year prices were still up 12.5 percent and in some select markets, like Phoenix, prices were up in excess of 30 percent.

Beyond the statistics, Strome says Bend is just a great place to live. “It’s easy to live here. I don’t feel the pressure I felt in back in Los Angeles where I was raised,” she said. “There are a lot of cultural activities that draw people here and our college system is attractive to families with children, especially those with an interest in skiing.”

“I still have a couple of young children and they play soccer, ride horses and play volleyball,” she said. “It is easy to be a parent or grandparent here in comparison to big cities.”

Mathias says it is a multitude of things that all come together. At the heart of it all, he says Bend is ultimately about the people.