Buyers Market Comes to Bend

by K_Guice

Bend may be booming, but like many parts of the country the housing market seems to have hit a soft spot.

It is something Aaron Callahan and his family have discovered in recent weeks.

They put their new 3,400 square-foot home at 99 NE Telma Ln. on the market using Craigslist.org over two weeks ago and they have yet to have any interest.

â€œIt is a dream house at a good price,â€• Callahan said. For $549,000, buyers can get a home nestled on a quarter of an acre, surrounded by a common area and trees.

It boasts five bedrooms, an office, bonus room, upgraded stainless steal appliances, a three car garage and much, much more. So, why arenâ€™t buyers biting?

That is the same question Greg, the homeowner of a three bedroom, two-bath home at 63313 Stonewood Dr., is asking.

â€œWeâ€™ve had our home on the market using sites like Craigslist for about two weeks and weâ€™ve only had about four or five calls,â€• he said.

His family is planning to relocate to California, but may not go if they canâ€™t sell their 2,030 square-foot home for close to their $439,000 asking price.

â€œWe have done our homework as best we can and compared to what we have seen,â€• Greg said. â€œWe feel like we are competitive or under from what weâ€™ve seen in the area.â€•

In both cases, the homeowners are anxious to sell their homes quickly and negotiate within reason.

However, Kent Vander Kamp, a principal real estate and mortgage broker at Oracle Funding Corporation in Bend, says sellers will have to be patient.

Central Oregon Association of Realtors offers the same advice. According to a staff member of the association, the market is correcting itself.

Overall, the association reports seeing more inventory, but prices are remaining high.

The figures back that. The number of homes for sale in Bend has risen 249 percent since the beginning of the year, overwhelming a flow of buyers that has been strong through most of the year.

According to the Central Oregon Multiple Listing Service (MLS), month-to-month sales slipped in July from Juneâ€™s numbers. Bend posted 162 sales, down 32.5 percent from June.

Despite how grim that sounds; those numbers are still good enough to keep the region's year-to-date sales on

track to beat the pace of 2004, which was a record year at the time.

The numbers do fall far behind the torrid pace of 2005. â€œYou canâ€™t compare anything to 2005,â€• Vander Kamp said. â€œI think what we experienced was exuberant growth and it is coming back down to normal.â€•

While normal is good news for buyers, it is leaving many sellers frustrated. Callahan says his work situation has changed and he simply has to sell the house sooner rather than later.

â€œI am going to try to sell it on my own for the next month and if I canâ€™t then I am going to bring a realtor in,â€• he said.

Working in the mortgage business, he is no stranger to how the housing market works, but after unsuccessfully trying to also sell a condo in southern California for five months, he doesnâ€™t have a lot of time or patience.

On a good note for sellers, while sales have decreased, prices are continuing to climb.

Of the 162 home sales that closed in July, Bend's median reached $354,000, according to the MLS.

That is up 22.3 percent from July 2005 and up from the $343,950 median for the first six months of the year.

Overall, the Central Oregon Association of Realtors reports 2006 and 2007 are expected to be good years, but selling a home may take a little more time.

Vander Kamp says there are a few key things that sellers can do to potentially make their home more attractive to buyers.

â€œMake your home unique with upgrades and things that are going to be beneficial to a buyer,â€• he said.

For example, he said improving kitchen and bathrooms tend to bring the most return for a homeownerâ€™s dollar.

For buyers, he advises that they look at all of their choices and take advantage of the deals that can be had.

â€œDonâ€™t be afraid to ask for deals or amenities,â€• he said. â€œFor example, people can ask a seller to pay their closing cost or buy down their interest rate.â€•

With sellers more hungry, Vander Kamp says buyers never know what they might be able to negotiate.

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