

# HOUSING The Portland Observer

## January Homes Sales Show Strong Selling Year Ahead

Despite near catastrophic weather conditions in many parts of the country, sales of previously owned homes showed continued strength during January, setting the stage for what is expected to be a strong selling year, according to the National Association of Realtors. Healthy activity was posted in all regions.

The association recorded a seasonally adjusted annual sales rate\* of 4.22 million existing single-family homes in January, up 12.3 percent from the same month a year ago, when the resale rate was 3.74 million units. The January rate marks the second highest rate on record, 3 percent below the December 1993 all-time high of 4.35 million resale units.

According to NAR President Robert H. Elrod, the resale increase in January compared to a year ago reaffirms predictions that 1994 will be an active year of selling. "Despite poor weather conditions and the recent uptick in interest rates, strong demand in the market and some of the best affordability conditions in years have enticed many who had been on the fence about buying a home, to jump on the purchase side," Elrod added.

Activity in the resale market is being generated by both first-time and move-up buyers, Elrod noted. "Buyers are seeing that they can afford to own and that in many cases, they can get more house for their dollar. Even with the recent rise, interest rates still remain nearly a point lower than they were a year ago, Elrod said.

The Federal Home Loan Mortgage Corp. reported that the national average commitment rate for 30-year, conventional, fixed-rate mortgages was 7.07 percent in January, down from 7.17 percent the previous month, and down from 8.00 percent a year ago.

January's national median existing single-family home price was \$107,900, which was 4.9 percent higher than one year earlier, when the price was \$102,900. The median is the midpoint in the price range -- half the home sold cost more, half cost

less. NAR Chief Economist John A. Tuccillo attributed the slight drop in home sales experienced between December 1993 and January 1994 to the bad weather conditions that have plagued most of the country, and to the recent bump upward in interest rates. Still, Tuccillo said, 1994 has the potential to be a record-breaking year for home sales.

"Strong demand in the housing market has outwitted bad weather and a small jump in rates. We could see a slow down in activity in February though, as the effect of continued adverse weather and the recent earthquake in the West are felt, Tuccillo added. "However, what we lose in terms of activity now, we'll make up later in the year," he noted.

On a regional basis, the West posted the greatest gain in resales. That region recorded a rate of 940,000 units in January, up 17.5 percent from the pace one year earlier. The region's median price was \$144,300 last month, up 2.1 percent from one year earlier.

Ranking second was the South, which posted a resale pace of 1.57 million units, up 15.4 percent from January 1993. The median price for existing single-family homes in the South was \$95,800 last month, up 6.9 percent from one year earlier.

The Midwest also experienced strong gains with a resale rate of 1.07 million units in January, up 9.2 percent from one year earlier. The median price in the Midwest was \$86,000, up 4.1 percent from January 1993.

In the Northeast, the resale rate was 640,000 million units in January 1994, 6.7 percent higher than the previous January. The median price in the Northeast was \$138,800 in January, up 3.5 percent from the same month one year ago.

Currently, NAR is predicting existing single-family home sales to total 3.99 million units in 1994, representing a 4.8 percent increase from the 1993 total, and essentially trying the record set in 1978. The median

price for existing single-family homes is expected to be \$110,400, rising 3.4 percent above the price for last year.

The National Association of Realtors, "The Voice for Real Estate," is the nation's largest trade association, representing nearly 750,000 members involved in all aspects of the real estate industry.

## Santiam Realty Opens

Santiam homes has officially opened the doors on its newest venture, a full service real estate brokerage. Santiam Homes is a distributor of manufactured homes and has locations in Aumsville and Woodburn. The move to real estate operations now enables Santiam Homes to not only list properties for its clients, but also help to locate properties all over Oregon for the manufactured homes that they sell. Long time Stayton resident, Rick Gomes, has been named to run Santiam Realty. Formally with Ron Bentz and Associates in Stayton, Mr. Gomes has over a decade of experience in the fields of real estate and manufactured housing.

Santiam Realty will operate out of the Santiam Homes corporate headquarters in Aumsville.

## Construction Management Training For NonProfit Housing Developers

The Neighborhood Partnership Fund (NPF) continues its commitment to revitalizing Portland' low-income neighborhoods by sponsoring training on "The Role of Construction Management" on April 27 & 28, 1994 for non profit housing developers from around Oregon at Steamers (at the Quality Inn), 8303 NE Sandy Blvd, Portland, Oregon. The cost is \$75 per person for non-profit organizations, and \$150 for other interested individuals. Space is limited to 30 participants and registrations open until April 22, 1994.

The Role of Construction Management will be lead by Bob Santucci and Kent Buhl of The Enterprise Foundation. It will teach nonprofit housing developers proven systems for managing

renovations and new construction projects. Participants will learn how to develop specifications and prepare bid documents, how to recruit and select the best contractors for the project and how to control costs during construction. This course will also explain the difference between managing small and large projects. Most of all, this course will show nonprofit developers simple ways to lower costs and increase production.

The Role of Construction Management is one in a continuing series of course in NPF's From the Ground Up: A Training Series for Nonprofit Housing Developers. In June, 1994 NPF will sponsor the next course titled Financing Affordable Housing. These course are designed to combine

technical information with practical case studies that can be readily applied to new housing projects or project already in the works. It's a start-to-finish study of the challenges and solution in in developing and managing affordable housing.

The Neighborhood Partnership Fund (NPF) is a fund of The Oregon Community Foundation Created in 1990 to help reverse the deterioration of Portland's low-income neighborhoods, NPF provides grants, training, technical assistance and low-interest loans to Community-based Development Corporations (CDCs). NPF's programs are a collaborative effort between government, local corporations, national foundations and the philanthropic sector.

## Young Children At Highest Risk To Misuse Lighters

Children set hundreds of fires each year in the City of Portland. Most of the fires are set with matches and lighters. Overall, lighters are the tool of choice with children. Matches follow very close behind and are most popular among children ages 6 to 13.

Perhaps of greatest concern are the youngest group of children ages 1 through 5. These children cause many fires each year and are at great

est risk for dying in fires. Since January 1986, sixteen people have died because of juvenile set fires. Of those sixteen, thirteen have been children under the age of 6.

The consumer Product Safety commission has just released a recall notice for a lighter that closely resemble a toy truck. To small children, this can be very confusing. In fact, most young children have a difficult

enough time recognizing ordinary disposable lighters from toys. They are small, bright colored, and often convenient.

Solving The Lighter Problem  
Questions about home fire safety can be directed to the Portland Fire Bureau at 823-3700 or your local fire agency.

## DREAMS FOR SALE.



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