

H O U S I N G

The
Portland
Observer

Grief recovery returned

A partnership consisting of Gordon Sondland of Dunson Equities, Joseph W. Angel of Pacific Star Corp. and Westin Hotels & Resorts jointly announced today the development of The Westin Portland, a 200-room boutique hotel located in the heart of downtown Portland.

The hotel, to be developed by the Sondland/Angel/Westin partnership, will be managed by Westin Hotels & Resorts. Construction is slated to begin in the next few months and is scheduled for completion in the third quarter of 1998. Construction and permanent financing for the project is being provided by U.S. Bank.

"The Pacific Northwest region has been Westin's home for 67 years and we are committed to maintaining a strong and visible presence here," remarked Juergen Bartels, chairman and chief executive officer for Westin Hotels & Resorts. "We are extremely proud to partner with Gordon and Joe on this new hotel development and to have the Westin name back in Portland after a seven-year absence."

Westin's presence in Portland dates back to the company's first years when it took over management of its 20th property, the Multnomah Hotel, in 1931. Westin managed the hotel until 1964, just one year prior to the hotel's closing. During Westin's relationship with the Multnomah Hotel, a second hotel was added to Westin's Portland collection with The Westin Benson. Westin managed The Westin Benson from 1944 until it was sold in 1990. Currently, Westin has a marketing relationship with The Governor Hotel which began in 1992. This relationship will terminate prior to the opening of the new Westin Portland.

To be built at an estimated cost of \$20 million, the 20-story Westin Portland will be located at the west end of the downtown retail core on the corner of Park Avenue and Alder, half a block from Nordstrom's and one block from the Galleria.

Designed by SERA Architects, P.C., and Kurt Jensen & Associates, the hotel's European traditional design complements the surrounding historic terra cotta buildings in this district. In addition to having all Westin's standard amenities and services, the hotel will offer the following facilities:

- 200 guest rooms and suites, including a number of Westin's Guest Office(R) business-class room products

- Over 5,000 square feet of designed meeting space, totaling between five and seven meeting rooms in the final design

- A 6,800 square foot restaurant and bar

- A full-service business center

- A complete health and fitness club

Joe Angel and I are pleased to have formed this partnership with Westin. We believe that the hotel's intimate design and superb location, coupled with Westin's powerful brand name, will make it an instant success in the Portland market," remarked Gordon Sondland, president and chief executive officer of Dunson Equities.

Other Westin properties in the Pacific Northwest region include The Westin Seattle and The Westin Bayshore in Vancouver. Additionally, Westin has future development projects planned in Seattle as well as Vancouver and Whistler B.C. The 360-room Westin Sea-Tac International Airport is scheduled to begin

construction later this year and the 207-room Westin Grand in Vancouver, will open in January 1999.

Gordon Sondland is president and chief executive officer of Dunson Equities Corp. Dunson's affiliated entities own and/or control significant interests in numerous hotel properties throughout the western United States. Some of the Pacific Northwest properties include The Benson in Portland; The Alexis, The Paramount and The WestCoast Vance hotels in Seattle; and The Sheraton Hotel and the Ridpath in Spokane. Another Dunson affiliate, Dunson NorthCoast L.L.C., is a significant shareholder in NorthCoast Hotels, L.L.C., which, as a primary lessee with Patriot American Hospitality, controls such properties as The Valley River Inn in Eugene and The Roosevelt and Plaza Park Suites in Seattle.

Joseph W. Angel is an investor and property owner who recently sold his interest in Restaurant Management Northwest Inc. where he was owner and operator of 33 Burger King restaurants in the Portland metropolitan area.

Westin Hotels & Resorts owns, manages, franchises and represents 101 hotels and resorts in 23 countries worldwide, with four additional projects under construction in Malta; Jakarta, Indonesia; Kuala Lumpur, Malaysia and San Antonio, Texas.

The company received the highest ranking in the 1997 Frequent Flyer magazine/J.D. Power and Associates "Domestic Hotel Guest Satisfaction Study - Upscale Hotel Chains." Additionally, for the third consecutive year Westin has been recognized as the No. 1 upscale hotel chain by readers of Business Travel News in its "1996 Survey of Top Hotel Chains."

Housing prices unchanged

Housing prices hardly budged last year, according to the latest figures from the Federal Housing Finance Board.

The average price of both new and resale homes in the 31 markets polled by the housing finance board was \$152,100 at year's end, a scant 0.5 percent below the \$152,800 recorded at 1993's close.

Prices were higher in 16 cities, but they fell in the other 15.

The largest increase was recorded in Milwaukee, where the average rose 20.5 percent, from \$111,400 a year ago to \$134,200. But that was offset by a 20.6 percent decline in Pittsburgh, where the average fell from \$116,600 to \$92,600.

The only other double-digit change in either direction over the past 12-month period was here in the Nation's Capital, where the average increased 10.1 percent, from \$194,000 to \$213,600.

The board's numbers are based on a survey of major lenders that are asked to report the terms on all conventional, single-family purchase money mortgages.

The data does not include either government-backed loans or refinancings, which would tend to draw the results lower.

A close look at individual markets shows a mixed bag. They neither increase or decrease. This, by the way, is indicative of greater activity in one end of the price spectrum over another than they are of actual price inflation. At least over the short-term were confined to one region.

Some coastal cities sported increases, others did not. Likewise, markets in the nation's bread basket.

Honolulu continues to lead the country as the most expensive place for housing even as prices fell 5.8 percent, from \$311,200 to \$293,000.

The San Francisco Bay Area also maintained its ranking as the nation's second costliest market housing-wise. Prices there were basically flat, rising only 0.2 percent from \$253,300 to \$253,800.

Los Angeles reported a 6.1 percent decline but still managed to hold on to the No. 3 position at \$214,300 vs. \$228,200 in 1993.

But the next four markets all recorded increases. After Washington, which is now in fourth place, comes San Diego at \$205,400, up 4.4 percent from \$196,800; New York at \$202,300, up 2.6 percent from \$197,100, and Boston at \$180,400, up 7.3 percent from \$168,200.

Rounding out the dubious top 10, Seattle-Tacoma is the eighth most expensive city in the country at \$166,000, down 0.3 percent from \$166,500, followed by Denver at \$161,300, up 7.8 percent from \$149,600, and Chicago at \$160,700, off 5.2 percent from \$169,600.

On the basis of its 20.6 percent decline, Pittsburgh is at the bottom end of the house-price totem pole. At \$92,600, it also is the only market surveyed where the average price is still quoted in five figures.

You still need to think six figures everywhere else. But compared to the high-cost cities, the prices in some markets seem downright reasonable.

In ascending order, the nation's least-expensive markets are: Tampa-St. Petersburg at \$102,200, up 5.6 percent from \$96,800; Louisville at \$103,600, up 5.7 percent from \$98,000; Houston at \$110,500, up 7.9 percent from \$102,400, and Rochester, N.Y., at \$114,300, down 5.5 percent from \$120,900.

For most of us, our homes represent by far the largest portion of our wealth, such as it is. But taken together, the equity all of us have in our homes is truly staggering.

According to the Census Bureau, aggregate home equity in owner-occupied housing totaled some \$6.4 trillion in 1991, the last year for which figures are available.

That's nearly twice the \$3.3 trillion we hold in financial assets, which represent the second largest share of household net worth. And almost every household has some financial assets, even if it's just a passbook savings account.

Even after subtracting for outstanding mortgage debt on those properties, net home equity equaled \$4.1 trillion and represented 41 percent of the total net worth of all U.S. households (and 45 percent of total net worth for the 65 percent of the nation's households who own homes).

Here's some other food for thought from the Census Bureau: The typical American can expect to move from one residence to another 11.7 times in a lifetime. And if you've moved lately, you know how staggering that statistic can be.

Young adults have the highest moving rate as the move from apartment to apartment. But once they become owners, they tend to stay put longer.

More than one in three persons age 20 to 24 moves every year. Likewise, about a third of all persons living in renter-occupied units in March 1993 moved during the previous year. In contrast, only one in 10 owners moved in the same period.

About 38 percent of all the existing houses which changed hands in Southern California during last year's third quarter were sold for a loss, according to John Karevold, editor of the Southern California Real Estate Observer.

That's down somewhat from 48 percent in September 1993, says Karevold, whose source is Dataquick, a real estate marketing information service. But it's still a staggering percentage.

More shocking yet is that 53 percent of the houses sold in Orange County and 48 percent of those sold in Ventura County went for less than what their owners paid for them. But the median loss was highest — \$36,750 — in Los Angeles County.

To end on a positive note, Karevold also reports that owners selling at a profit "gain more than losers lose," the length of ownership being the key element. "Profit takers typically own their homes longer than loss takers," he points out.

Apartment Blue Book Goes Online

New Website Provides Comprehensive Information On Apartment Homes

Portland, OR January 20, 1997 - Network Publications, Inc. has announced that the Greater Portland/Vancouver Area Apartment Blue Book is now available on the Internet (www.abbonline.com). The site currently features more than 1,200 apartment properties (representing over 100,000 units) in 280+ city areas across the United States.

The "Apartment Blue Book Online" is an electronic consumer's guide to apartment communities.

The service is an easy-to-use resource for consumers: apartment home shoppers begin their search for a community by choosing a state and a city then narrowing it down by choosing number of bedrooms and price range. A color map is included for each city area and each property listing features a color photograph of the community. Information about the community is provided under specific areas: Features/Amenities (washer/dryer, patios, cable TV, pools, exercise facilities, etc.), Floorplans & Prices (number of bedrooms available and square footage

for the units) and FYI (pet policies, move-in specials, fees/deposits, etc.).

The Apartment Blue Book is published periodically by Atlanta-based Network Publications, Inc. More than 1.4 million copies are distributed in 38 markets across the United States every three months. An additional 17,000 are distributed to major corporations and chambers of commerce through a dedicated Relocation Resources program provided by Network Publications, and to consumers who request the book through a toll free number (800-222-3651).

Portland Habitat Announces Collegiate Challenge: Spring Break '97

Portland Habitat for Humanity is a host affiliate for Habitat for Humanity International's Collegiate Challenge program. During the weeks of March 2, 9 and 16, 33 students from Montana State University-Billings, Minot State University and Puget Sound University will live and work with Portland Habitat, building decent, affordable homes with families in need.

Collegiate Challenge: Spring Break '97, an event coordinated by the Campus Chapters and Youth Programs department of Habitat for Humanity International, offers construction experience to students at Habitat affiliates around the country.

This year, more than 6,000 Collegiate Challenge participants will contribute approximately \$500,000 to the work of Habitat for Humanity at participating affiliates.

Habitat for Humanity International is a nonprofit, ecumenical organization dedicated to eliminating poverty housing worldwide. Habitat for Humanity works in partnership with people in need throughout the world building simple, decent shelter that is sold to them at no profit through no-interest loans.

To date, the organization has built more than 50,000 homes worldwide.

The Campus Chapters and Youth Programs department was formed

in 1987 and has provided thousands of students opportunities to become a significant part of Habitat for Humanity's work.

For more information about Habitat for Humanity International

or the Collegiate Challenge program, call HFHI at (912) 924-6935 ext. 448.

For more information about Portland Habitat call, Doreen Roozee at 287-9529.

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