



# HOUSING

## Will the Housing Bubble Burst?

Growth in prices follow trend

BY SARAH BLOUNT  
THE PORTLAND OBSERVER

Portland real estate is a hot commodity these days, a trend that is tarnishing our reputation as the cheapest major city on the West Coast. But are our homes really that expensive? It depends on how you look at it.

"You need to get outside Portland to have a better perspective," said Brian Pienovi, president of Portland's Realty Trust group. "Until you do you can't understand what's going on here. Our prices are cheap compared to any other else on the West Coast."

The real estate company Coldwell Banker recently studied 300 U.S. markets, revealing the price of a 2,200-square-foot house with four bedrooms, two 1/2 bathrooms, a family room and a two-car garage. These home were in neighborhoods "typical for corporate middle-management transferees".

What they found in Portland costs \$304,650. A Seattle house would be \$386,600, and in San Francisco you've got to spring for \$1.3 million.

"Portland is by no means as volatile as other markets," Pienovi said. "Our market saw a 14 to 15 percent appreciation in 2005, while Seattle saw 30 percent and Las Vegas saw 40."

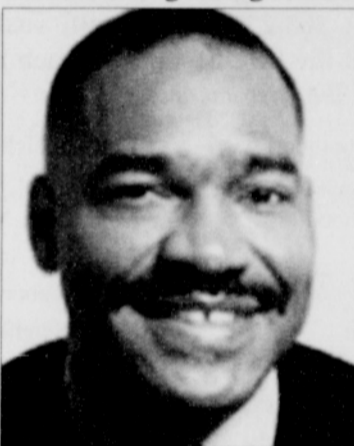
But he admits Portland has always been an anomaly, an eclectic group of people beating to their own drummer, sometimes less likely to follow suit with other markets.

But Portland isn't as "Portland" as it used to be. A large percentage



PHOTO BY MARK WASHINGTON/THE PORTLAND OBSERVER

Homes like this one in north Portland have increased in value, but remain less expensive than markets in neighboring states.



Brian Pienovi

of Oregonians aren't native, which is drastically altering this provincial town.

Pienovi offers an additional cause of the housing boom—a lack of trust in the stock market.

*"People forget there's so much wealth in this country and they have to figure out where to put it."*

"People forget there's so much wealth in this country and they have to figure out where to put it," he said. "Nobody wants to put it into the stock market which is languishing. Until that changes people

will continue to put money into real estate."

Much like the weather, predicting the future of real estate is a gamble best left to the experts who we can easily doubt or blame. Pienovi said CNN indicated that Portland's real estate market would be relatively flat in 2007, where other major markets would see a reduction.

"I think that's a bit of a reach," Pienovi said. "That would suggest people don't want to put their money in real estate."

He added that most cities have already been seen this type of growth mode, therefore Portlanders are in for more intrigue in the exciting world of real estate market.

Until then, don't throw out your crystal ball.

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Jen Matheson

## Connect the Dots to Rent or Buy

Local website offers resources

BY SARAH BLOUNT  
THE PORTLAND OBSERVER

A government sponsored organization makes the first step in renting or buying a home easy with HousingConnections.org, a website that provides resources for renters, homeowners, property management agencies and landlords.

The service covers four counties in the region, and outreach manager Jen Matheson said they



get about 4,000 searches a week. "What's great about Housing Connections is that there's a good cross section of what's out there in the rental market," Matheson said.

For example, prospective renters or buyers can search Section 8 and non-profit housing, as well as private open market housing through property management companies and or landlords. The organization's search engine breaks down information by location, address, school, name, homes for sale and shared housing. An advanced search factors

in facilities, special needs, pets and rental terms.

Users can also search housing service referrals for non-traditional accommodation.

Their housing calculator gives users an idea of how much they should spend on rent or mortgage. The calculator familiarizes users with the median family income, a number that several rental and homeownership programs look at when determining loans.

Housing Connections is closely tied to Ready to Rent, a renter pre-

continued ▼ on page A7

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## Say Howdy, Neighbor!

You can get involved with your neighbors and directly impact the place you live by attending meetings and volunteering in your neighborhood association.

Here is a list of north Portland neighborhood coalitions. Find out more about your own neighborhood at [www.portlandonline.com/oni](http://www.portlandonline.com/oni).

North Portland Neighborhood Services - 2209 N. Schofield, Portland, OR 97217

Phone: 503-823-4524 Fax: 503-285-1614 Email: [npnps@ci.portland.or.us](mailto:npnps@ci.portland.or.us)

Meetings are the first Monday of each month at 7 p.m.

The neighborhood associations in the district:

- Arbor Lodge Neighborhood Association
- Bridgeton Neighborhood Association
- Portsmouth Neighborhood Association
- East Columbia Neighborhood Association
- Friends of Cathedral Park Neighborhood Association
- Hayden Island Neighborhood Network
- Kenton Neighborhood Association
- Overlook Neighborhood Association
- Piedmont Neighborhood Association
- St. Johns Neighborhood Association
- University Park Neighborhood Association