

Central Oregon housing

Surge in rentals tightens market, pushes prices up

BY MICHAEL KOHN
The Bulletin

For people looking to rent a home or apartment in Bend, the first hurdle is just getting a foot in the door. All across the city, rental homes are getting snatched up faster than ever, and the demand is causing price hikes.

"It is crazy right now, much like the housing market," said Lisa Berg, owner of Mt. Bachelor Property Management. "We will post properties for rent and within an hour will have received multiple applications."

Multiple factors are contributing to the surge in rental interest and prices in Bend. In part, it's due to pandemic rental assistance that is keeping renters in their homes, which prevents units from opening up. But the greater factor has been the tidal wave of newcomers arriving from other parts of the country.

Medium-sized rural towns like Bend have become a Mecca for remote workers who no longer need to be tied down to the big city and its high cost of living and crowded conditions. Many of those newcomers have bought property, but those who couldn't close a deal quickly, or just wanted to stay flexible until the

+33%

Increase in prices for two-bedroom apartment in Bend over the past year

pandemic subsidies, are now renting.

Berg said more than half of her new tenants are relocating to Central Oregon from out of the area and many are remote workers. All those new arrivals have put historic high pressure on the housing market.

Apartment rentals are typically leased up within a couple of days after listing, said Berg, and the vacancy rate within her company is 1%.

"Prior to the pandemic, the rental market was still tight, and properties would be rented within a week or two," said Berg. "However, I have been managing rentals in Central Oregon for over 10 years and this is by far the most insane I have ever seen it."

According to Zumper, an apartment listing website, the average rent for a two-bedroom apartment in Bend is \$1,885, a 33% increase compared to a year ago. That price makes Bend just as expensive as Seattle, where a two-

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Average rent for a two-bedroom apartment in Bend, according to Zumper.

bedroom apartment will set you back, on average, \$1,995 a month.

Melissa Gottlieb, owner of Bend Relocation Services said the surge in demand is fueling price increases.

"The supply is incredibly low compared to the demand, giving homeowners a huge advantage," said Gottlieb. "The average three-bedroom, two-bathroom single-family home is \$2,800 compared to \$2,300 a year ago and \$2,000 two years ago."

The huge demand for housing is allowing homeowners to be pickier when it comes to selecting a renter, and many are opting for those without pets.

"Finding a rental that will accept a cat is becoming a rarity and for a city known for having a very strong dog-friendly community, securing a rental with a dog is also becoming increasingly more difficult," said Gottlieb.

Berg said the hot housing market has forced some landlords to cash in

on their rental properties. When that happens it just results in more people forced back into the pool of renters needing housing.

"We try and relocate them to our other properties if we can but it doesn't always work out," said Berg.

The city of Bend is working to alleviate the stress of the housing market by creating affordable housing options. The development of these projects can be one or two years in the making, but some are already coming online.

"I can see the projects growing up out of the ground. Part of it is shock; part of it is relief," said Mayor Sally Russell.

In February, the Bend City Council approved \$1.3 million in funding for the construction of 400 new affordable housing units. Russell said the situation improves day by day as construction companies work furiously to build more units.

"The situation is improving every day; people need to understand that," said Russell. "There is so much inventory that is on the verge of coming online in the city of Bend now."

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◀ A sign advertising apartments and townhomes on NE Ross Road in Bend.
Dean Guernsey/The Bulletin

Workers around the world return to weirder offices

BY TODD GILLESPIE AND JACK SIDDEERS
Bloomberg

Masked, desk-bound and unable to recognize their colleagues in an elevator, people are starting to return to offices in cities around the world where the pandemic is receding. Many will find their offices transformed, too.

In the challenge to make offices both COVID-19-safe and attractive places to work, firms have been experimenting with working arrangements and space while employees toiled at home. Some gave up floor space to adjust to less rigid schedules, others introduced movable walls to create flexible areas. Many installed safety innovations such as touchless lifts and worked to improve air quality.

Lockdowns have provided a "fantastic opportunity to create and recreate a new world for each of us, which may, for each company, be slightly different," said Neil McLocklin, a Knight Frank partner.

Employees of Arcadis, a design and engineering consultancy, will be able to choose one of 20 different types of workspace via an app when they move into new offices in the city of London next month. The company's Building Intelligence app, developed during the pandemic, provides options for meeting spaces, focused work and collaboration, as well as social and well-being areas such as a winter garden.

The app will help monitor the

number of people using different spaces, ensuring capacity limits designed to prevent the spread of infection are never exceeded. The limit will initially be set to about one-third of the company's 1,200 London office users, as it shifts to more work from home. That also means less space is needed: Its London office is about 30% smaller than before.

"The app is the critical enabler," Arcadis' U.K. Chief Executive Officer Mark Cowlard said. "It helps us understand when people are using meeting spaces so they can be cleaned afterward."

At the Lloyd's Building, the iconic home of the 300-year-old insurance market, the externally-clad ventilation

ducts inject fresh air from the ground up and ejects it after it's risen through the floors.

"That way of keeping the air fresh in the space is the best," said Ivan Harbour, senior design partner at Rogers Stirk Harbour + Partners, who cut his teeth on the Lloyd's building project as a young architect in the 1980s. "Our projects since COVID have really brought that home."

But ventilation isn't enough on its own. As the building reopens, face coverings are now a requirement in most of it, underwriters sit at desks bordered by perspex screens and use an app to order their lunch to go.

The importance of making space accessible and interesting to be in

isn't lost on HR departments. Bringing staff back to the office is already a retention issue: almost 30% of people said they'd look for another job if they need to come back to the office five days a week, according to a global McKinsey & Co. survey.

"It's like a Rubik's Cube. You are solving for so many different things at the same time," said Andrea Alexander, associate partner at McKinsey in Houston, who advises some clients to take a team-based approach so employees are only expected to come in when their close colleagues are too. "It requires you to really think through what are those moments that matter that should be in person."

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