



LeeAnn Pack,
CRS, GRI
Owner/Principal Broker
503.708.0940
Homes4U@PackFirst.com

Housing Bubble???

The warning signs look familiar. "Are we in a housing bubble?"

HOUSING SUPPLY: Unlike the Housing Bubble years of the mid-2000s, the major factor driving up home values is that we're in a dire inventory shortage. The biggest driver of price appreciation is simply a case of supply and demand.

HOUSING DEMAND: The mid-2000s offered a frenzy that contributed to the market collapse which was fueled by a country-wide case of FOMO (fear of missing out). Lending standards were loose, fancy free and offered to people who barely could afford them. They have become much tighter since then. Plus escalating rentals markets make purchasing a home today a good financial decision. So, not only is the demand very real, it's also very smart.

EQUITY: Most will agree that the equity gained in the mid-2000's was used to cash out funds to entertain the finer things in life. That created negative equity, which then resulted in foreclosures and short sales, then depreciation. Cash-out refinance volume is less than one-third that of the mid-2000's. This, plus escalating appreciation, results in a stronger equity position and creates a much stronger housing market.



4660 NE Belknap Court
Suite 101-D
Hillsboro, OR 97124

Office: 503.648.3000

PackFirst.com

Home Energy Scores Come to Hillsboro

Hillsboro joins Portland and Milwaukie by now mandating all sellers of residential, single-family homes within the City of Hillsboro to have a Home Energy Score (HES) before publicly listing the home for sale.

A home energy score (HES) is a numerical energy efficiency rating for a single-family residence. It accounts for the home's physical properties, heating and cooling systems, and other features. The Report provides information about a home's annual energy use and cost, the home's carbon footprint and suggested energy efficiency upgrades to help lower energy use and cost.

The benefit is to provide transparency and consumer protection. It is a standard method to compare energy efficiency and energy costs between homes and it identifies optional upgrades to reduce energy use and cost.

All home sellers who are within the Hillsboro City boundary are required to obtain an HES. This would include new construction; a detached single-dwelling unit on its own lot; an attached unit, such as a row house, duplex, condominium or a townhouse (stacked units are currently exempt). An exemption for this score would be if the sale of the home is due to a situation indicative of financial distress.

The average cost is between \$125 and \$250 depending on the size of the home. Schedule an assessment through an authorized, licensed home energy assessor. One source is: EarthAdvantage.org/resources/HES-assessors.html.

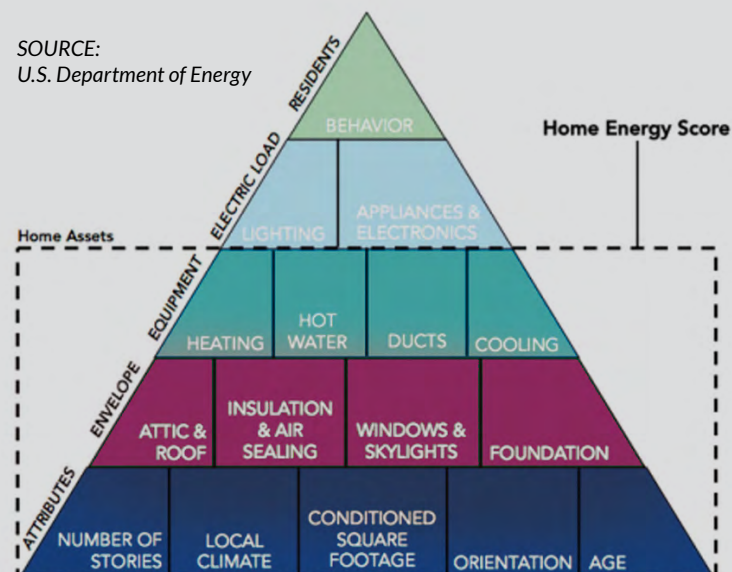
Next, prepare for the assessment by clearing items that may block access to your attic and crawl spaces. And then, once the assessment is complete, download the home energy score report at: US.GreenBuildingRegistry.com.

Home Energy Scores are good for eight years, unless significant energy efficiency upgrades or modifications are made to the home after the report is issued. At that time, a new assessment and report would be required.

While you are not required to make upgrades to your home, those who choose to may be eligible for incentives to help reduce the costs. Visit: Hillsboro-Oregon.gov/EnergyScore for more information.

For more information about your Home Energy Score, the process and other resources, please contact LeeAnn Pack at 503-708-0940 or homes4u@packfirst.com.

SOURCE:
U.S. Department of Energy



Good News for Buyers

INVENTORY. This one word has a big impact on pretty much every factor of the real estate market. In the past year, inventory has continued its trend of record low numbers, driving up demand, home prices and buyer frustration along with it.

There are **three reasons** we may see more real estate activity soon.

1) Pent-up demand among sellers.

For the past 10 years, people have been living in their homes longer than the historical average. Since 2010, the average tenure in a home has been about 10 years. However, we are now seeing that shift.

- 65%** have just listed (19%) or plan to list this year
- 93%** have already taken steps toward listing their home, including working with an agent (28%)
- 36%** have researched the value of their home and others in the neighborhood

2) Homeowners are sitting on record levels of equity.

The average homeowner gained about \$56,700 in equity over the past year. That's a big incentive for many homeowners to make a move into a home that better fits their needs, larger or smaller.

3) Home has taken on a new meaning.

There's no questioning it. Life today looks a lot different than it did in January 2020. The top reasons seller want to move are:

- 33%** have realized they want different home features
- 37%** say their home no longer meets their family's needs
- 32%** want to move closer to friends and family
- 23%** are looking for a home office

When to Sell?

Anyone thinking of putting their home on the market shouldn't wait. A seller will always negotiate the best deal when demand is high and supply is limited. That's exactly the type of situation in the real estate market today.

Later this year, inventory (and by extension, your competition) will increase as many homeowners are waiting to put their homes on the market in spring and early summer.

Per Freddie Mac spokesperson:
"Housing starts start off 2022 strong, just edging out 2021 for the most in January since 2006".

As these newly built homes are completed, they will also become competition for your house. This gives you a tremendous opportunity right now. Don't wait for that increase in competition in your area. If you want to sell in 2022 and are ready to start the process, now is the time to list your house.

Bottom line.

Call LeeAnn Pack to get your house on the market during this optimal time of selling.

Real Estate Highlights

Below are the 12 month appreciation figures for your area during February 2021 to February 2022.

N Portland	10.9%	Beaverton/Aloha	16.5%	Lake Oswego/West Linn	20.7%
NE Portland	10.0%	Tigard/Wilsonville	15.8%	NW Washington Co.	17.3%
SE Portland	12.0%	Gresham/Troutdale	19.9%	Hillsboro/Forest Grove	15.4%
W Portland	11.4%	Milwaukie/Clackamas	14.7%	Columbia County	17.9%
Mt. Hood	32.6%	Oregon City/Canby	19.6%	Yamhill County	15.2%

♥ *Do you know someone who is buying or selling? We love referrals!* ♥



Are you planning to sell?
Call 503.648.3000 or visit PackFirst.com
for a FREE MARKET EVALUATION!