

Dana Bratton's Real Estate Picks of 2008

If you've decided you're ready to enter the local real estate market, where should you invest your money this year? Appraiser/investment-property specialist Dana Bratton has the following recommendations:

1. **Buy homes in Bend and Redmond.**
2. **Buy residential lots.** We're seeing entry-level lots priced in the \$75,000-\$79,000 range. You can buy a lot at that price point, build a home and deliver it for under \$200,000. And there's no reason for lots to go any lower. If you look at Bend's urban growth boundary map, we're at least two years away before we have additional land. So we're going to run out of it. Eventually, lots will come back in, and we'll see increases. But you've got to have staying power to buy lots.
3. **Sell office and industrial buildings and buy houses.** And you'll have a lot of fun.
4. **Hold office-zoned land in Bend.** If you have it, hang onto it if you can because it's going to be very scarce. And we'll see taller buildings, we'll see infill, we'll see buildings torn down. You'll be surprised because you thought, 'Gee, that's a pretty nice building.' Well, it's a one-story building; they tore it down to build a four-story building. If you buy an office in Bend, you've got something that's valuable.
5. **Buy residential zone and path-of-progress land in Bend.** Prices are way off on that. And, again, we won't be making any more of it for a while.
6. **Buy commercial land in Redmond.** I like retail ranch land along the highway. We're going to see retail expansion coming up there.
7. **Buy existing apartment buildings in Bend, Redmond and Prineville.** You'll enjoy good demand, rising rents, a very stable place to put your money.
8. **Refinance anything.** It's a great time to borrow money.
9. **Buy an office condo.**