











Market Snapshot | Central Oregon

Washington Trust Bank

A pulse check on the Bend economy.

To support the decision making of local businesses, the Washington Trust Bank team in Bend examined various economic metrics of Central Oregon.

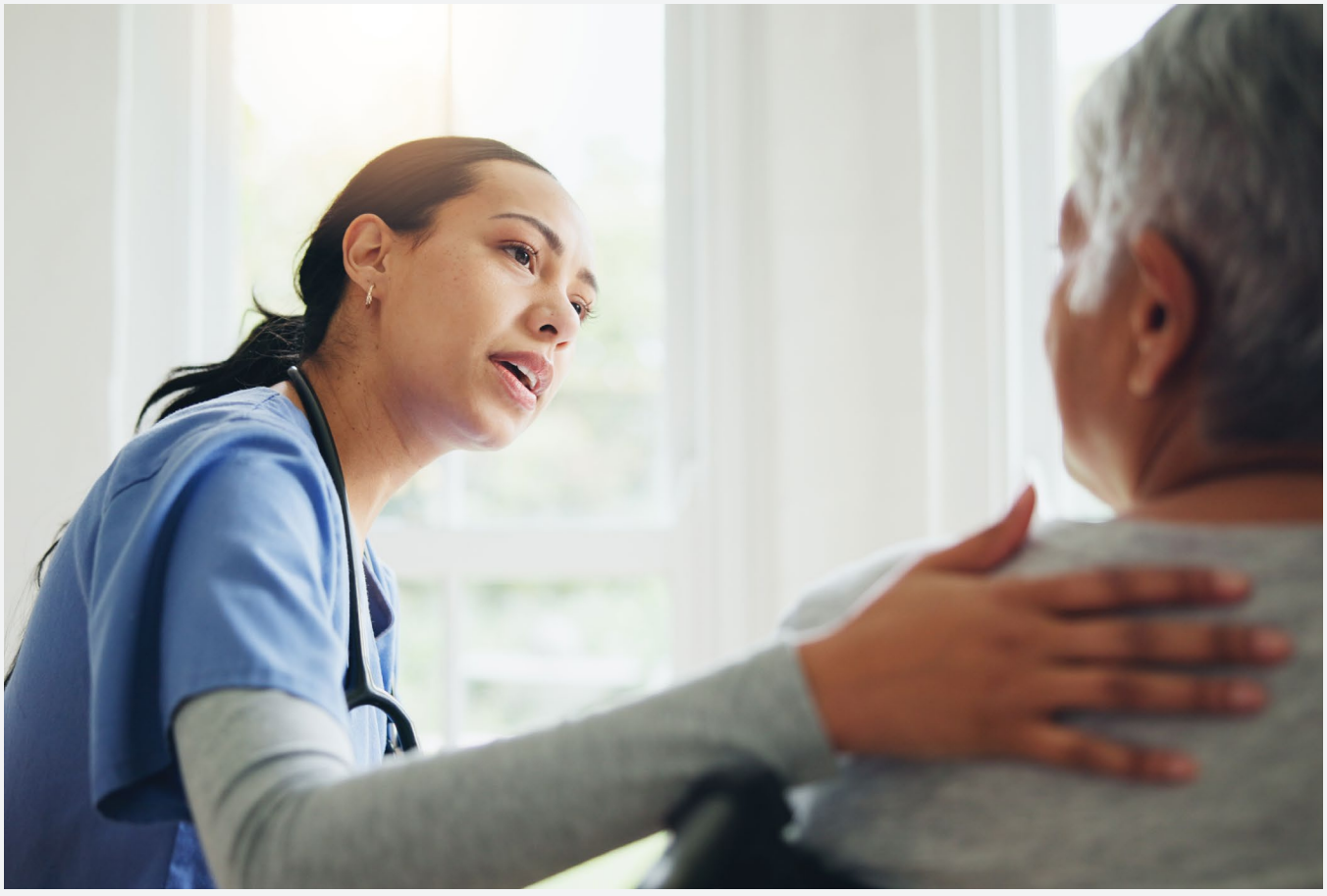
As 2025 unfolds, the impacts of federal policies — or potentially lack thereof — will become clearer. But as it stands now, Central Oregon's resilient local economy, bolstered by a thriving small business sector and strong entrepreneurial spirit, helps insulate the region from major national fluctuations. And while our region is not without its challenges, such as housing affordability and industry-wide job gains, steady growth is occurring.

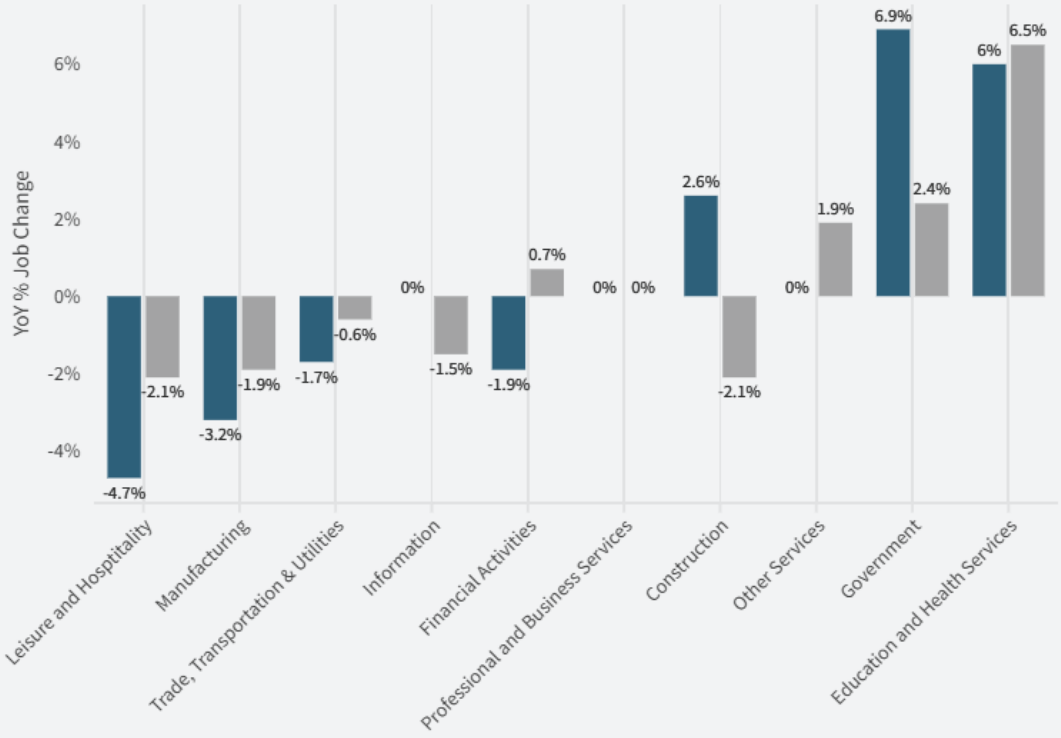
We hope you find this report helpful as you assess and plan for the near and long term. Connect with our local team anytime at **watrust.com/CentralOregon**.



Jobs and labor force.

Over the last year the Bend-Redmond Metropolitan Statistical Area (MSA) saw almost all of its job growth occur in education, health services, and government. Since education and health services include substantial government involvement and funding, most of the new jobs were driven by the public sector. Even though this mirrors what happened at the state level, this is a trend to monitor. Even without cuts to federal agency budgets and employment, having a regional economy's job growth predominately driven by the public sector isn't healthy long term.





YEAR-OVER-YEAR JOB CHANGE | DECEMBER 2023 - DECEMBER 2024

Source: Bureau of Labor Statistics

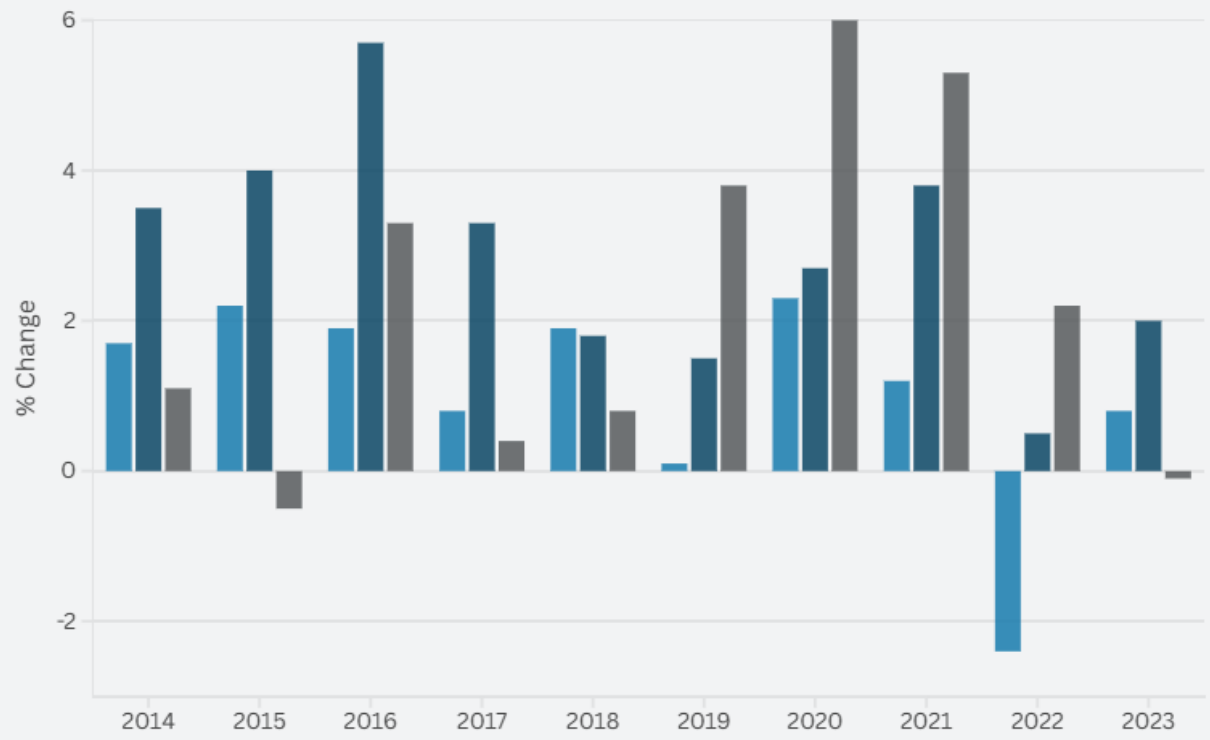
OREGON **BEND-REDMOND**

"As a leading economic indicator, the growth in construction jobs in 2024 is encouraging. Last year, the region saw a spike in residential building permits as people continued to see Central Oregon as a great place to live and work. If market and federal policy uncertainties can be navigated moving forward, jobs in other sectors have the potential to follow in construction's wake."



Cory Allen
SVP / COMMERCIAL BANKING TEAM LEADER

Short of 2022 when Jefferson County saw a noticeable drop, Central Oregon has largely seen its labor force grow over the last decade. While often perceived as a retirement destination, this is encouraging as it signifies that new entrants to the region are working age and the region is retaining talent.



CIVILIAN LABOR FORCE - CHANGE FROM PREVIOUS YEAR | 2014 - 2023

Source: U.S. Bureau of Labor Statistics

CROOK **JEFFERSON** **DESCHUTES**

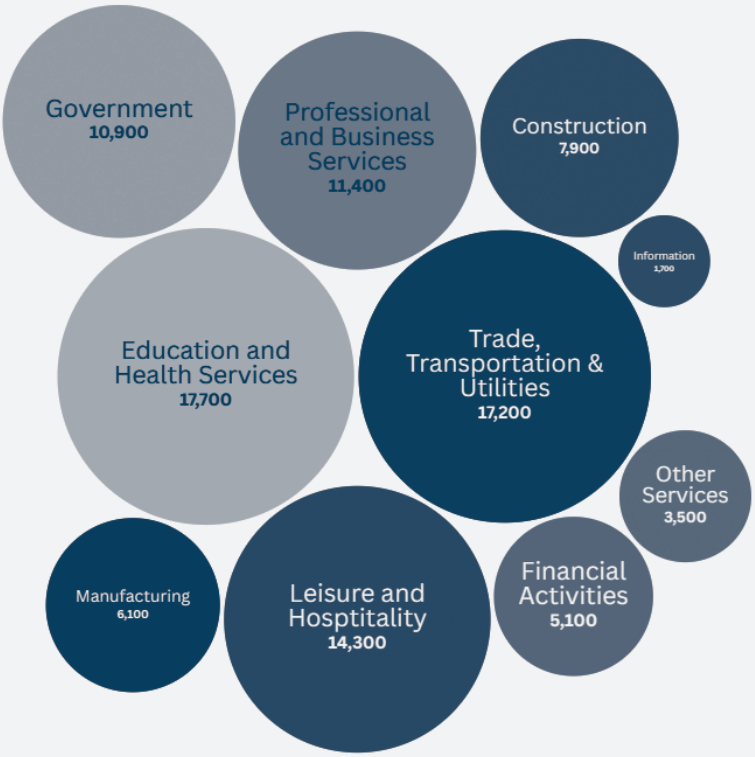
While the most recent year saw most job growth come from the public sector, the industries of trade, transportation, and utilities; leisure and hospitality; and professional and business services are larger by number of jobs.

"Central Oregon has done an excellent job over the last few decades of diversifying its employment mix with significant gains in bioscience, aviation, brewing, technology, and outdoor products. The region's high quality of life has made it an attractive place for remote workers seeking a balance between work and leisure."



Paul MacMillan

VP / COMMERCIAL BANKING RELATIONSHIP MANAGER



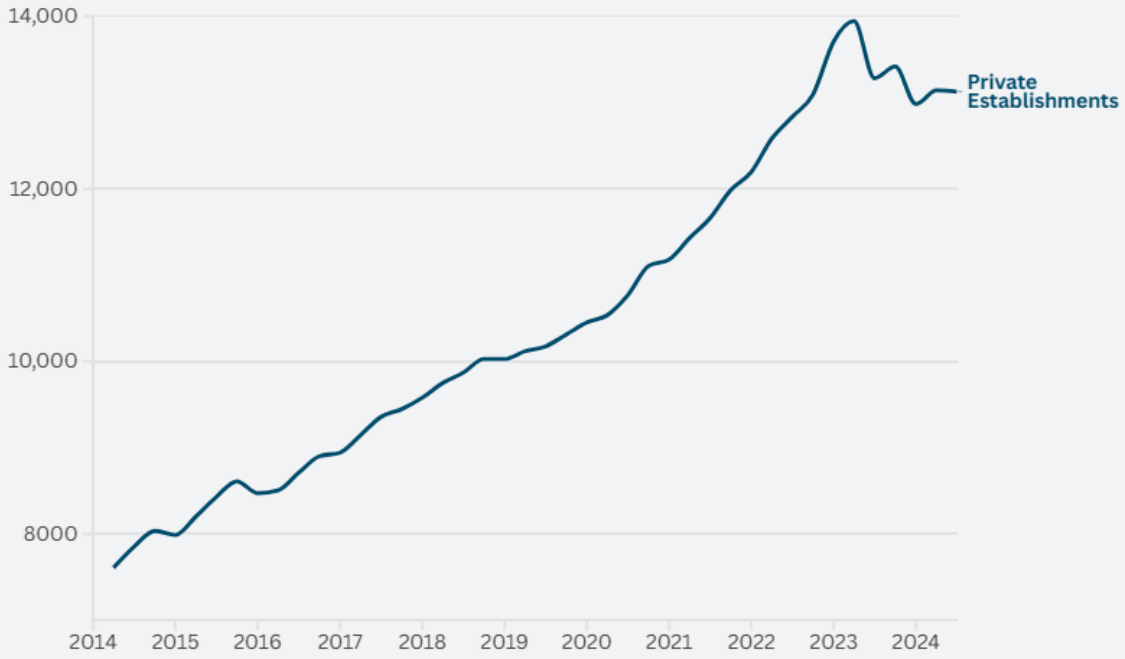
TOTAL JOBS BY INDUSTRY | BEND-REDMOND MSA, 2024

Source: U.S. Bureau of Labor Statistics

Private business and income.

In government dataspeak, an establishment is an economic unit, such as a factory, store, or office that produces goods or services. It generally is at a single location and is engaged predominantly in one type of economic activity.

Following a near decade-long rise of private establishments in Central Oregon, a peak occurred in 2023 followed by a slight decline in 2024. This drop could perhaps be credited to the inflationary environment and high interest rates in 2022 and 2023. Still, from 2014 to 2024 the region's private establishments grew from 7,608 to 13,127 — a 73 percent increase.



PRIVATE ESTABLISHMENTS | DESCHUTES, CROOK, AND JEFFERSON COUNTY

Source: Federal Reserve Bank of St. Louis; U.S. Bureau of Labor Statistics

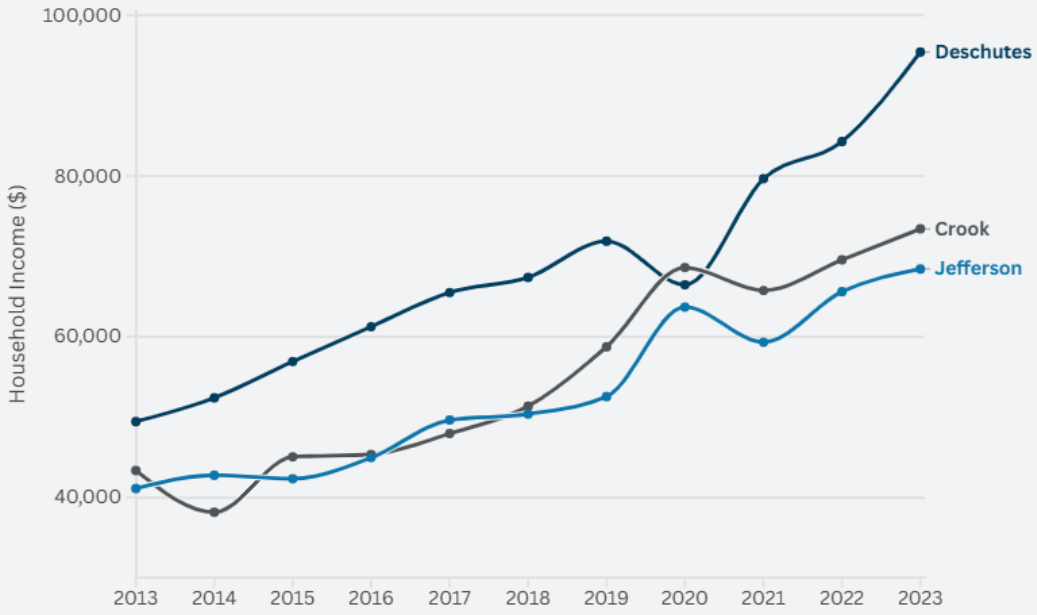
With that private establishment growth, each of Deschutes, Crook, and Jefferson County have seen median household incomes rise. From 2013 to 2023 Deschutes County saw a 93 percent median household income rise, with a majority of that ground gained during and following the COVID-19 pandemic. Crook and Jefferson County rose by 69 percent and 66 percent, respectively.

"The income growth in Central Oregon is a sign of a healthy regional economy. The rise, even amidst the pandemic, showcases the resilience and adaptability of the region. And the private establishment trend showcases that Central Oregon is an increasingly attractive place to live and start a business."



Heather Martin

SMALL BUSINESS BANKING RELATIONSHIP MANAGER



MEDIAN HOUSEHOLD INCOME | 2013 - 2023

Source: Federal Reserve Bank of St. Louis; U.S. Bureau of Labor Statistics

CROOK **JEFFERSON** **DESCHUTES**

"Over the past decade, Central Oregon has experienced steady economic growth, reflected in rising household incomes and expanding job opportunities across the region. This growth is fueled by a diverse job market, with key industries like technology, healthcare, advanced manufacturing, and outdoor recreation driving employment. As businesses continue to invest and expand, Central Oregon remains a hub for innovation, entrepreneurship, and a strong local workforce."

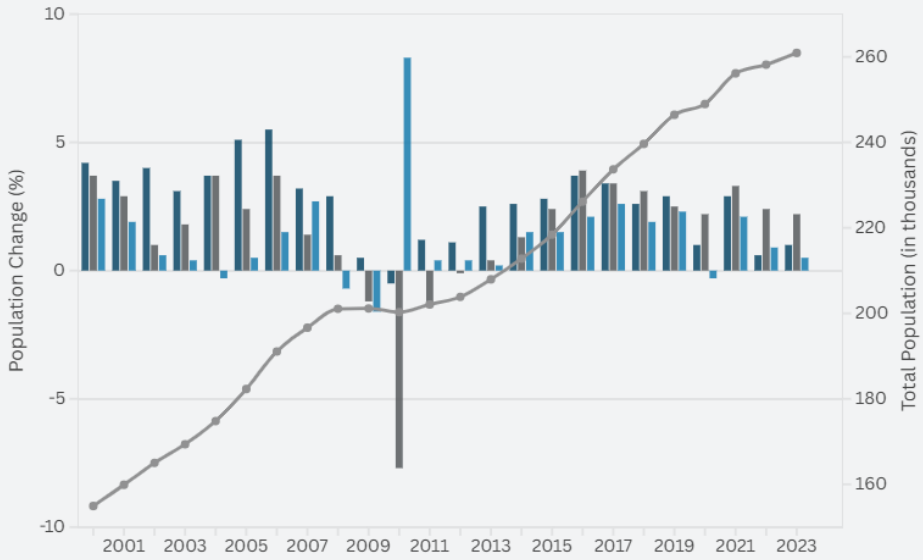


Ashley Mears

VP / COMMERCIAL BANKING RELATIONSHIP MANAGER

Population and housing.

The Global Financial Crisis (GFC) of 2007-2009 resulted in a stagnation of population growth for the region. But beginning in 2013, the population trajectory of Central Oregon returned to what was seen in the decade prior. And while the turmoil of the COVID years didn't have the effect of the GFC, it also didn't spike population with large numbers of city escapees and remote workers, as may have been perceived. The average growth rate from 2000 to 2019 was 2.4 percent while 1.7 percent from 2019 to 2023.



POPULATION CHANGE | 2001 - 2023

Source: U.S. Census Bureau

TOTAL POPULATION | DESCHUTES | CROOK | JEFFERSON

"Central Oregon's changing population is a reminder that growth brings both challenge and opportunity. As new faces join this vibrant community, we are given the chance to blend innovation with tradition, creating a future of growth and opportunity."

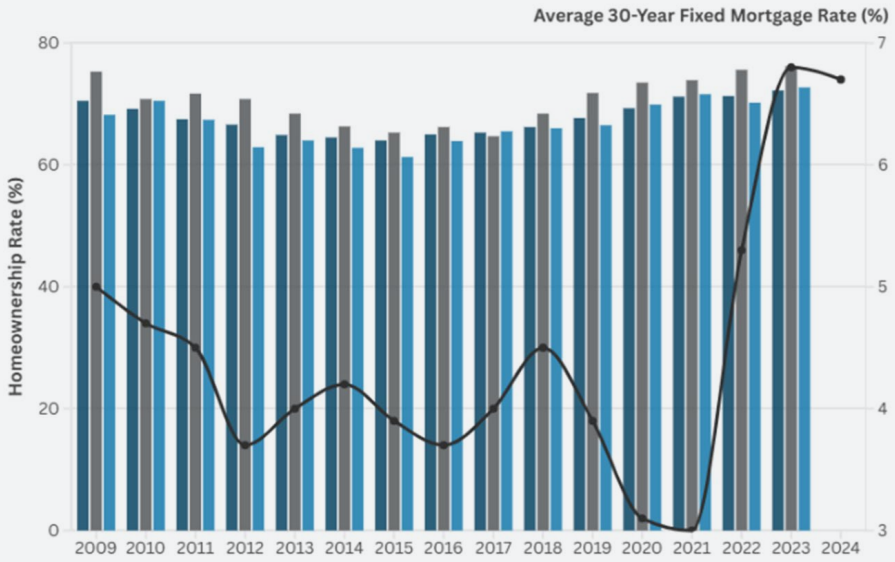


Tony Pendleton

VP / COMMERCIAL BANKING RELATIONSHIP MANAGER

As to be expected, in the years following the GFC the homeownership rate fell across the region, with a trough around 2015. Since then, the rate has been climbing, especially in the COVID years where the average 30-year fixed mortgage rate was extremely low. The average mortgage rate ended 2024 at around 6.72 percent and as of this writing the rate is 6.65 percent. If rates can continue their — albeit slight — decline, and housing supply doesn't meet stiff headwinds such as tariffs on building materials, homeownership should keep inching upward.

Rental rates in the Bend-Redmond MSA area are outpacing peer Oregon communities. The region was closer in rental rates to peer markets prior to 2020, at which point the area's rates accelerated. While that gap has diminished a bit in recent years, it's still notable. Bend-Redmond rentals are higher than Eugene, Medford, and Salem by 17 percent, 22 percent, and 34 percent, respectively.



HOMEOWNERSHIP RATE AND US MORTGAGE RATE | 2009 - 2024

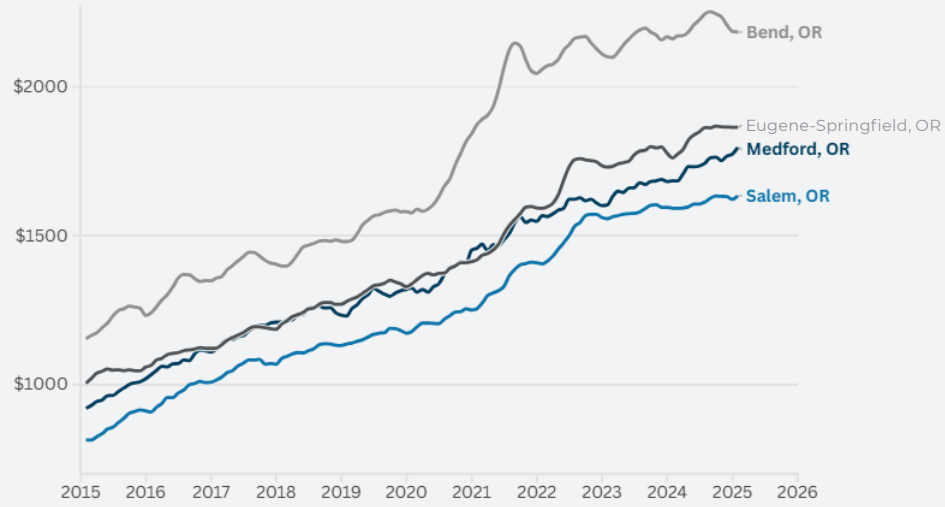
Source: U.S. Census Bureau and Freddie Mac

AVERAGE 30-YEAR FIXED MORTGAGE RATE | DESCHUTES | CROOK | JEFFERSON

"The challenge for the Central Oregon economy is that the continued rise in rents and home prices is now making housing unaffordable for the average worker. The opportunity and challenge for the leaders of Central Oregon is to successfully bring all housing market stakeholders – builders, governments, neighborhoods, buyers, and renters – together to develop solutions to address the affordability challenge."



Steve Scranton
CHIEF ECONOMIST



ALL HOMES PLUS MULTIFAMILY RENTAL RATES | 2015 - 2026

Source: Zillow Observed Rent Index

BEND, OR **MEDFORD, OR** **EUGENE-SPRINGFIELD, OR** **SALEM, OR**

"Like the rest of the country, it's no secret that Central Oregon has a tight housing market. But it's encouraging to see that homeownership is on the rise. With local, dedicated non-profits tackling supply and affordability challenges, I'm optimistic that more individuals and families will achieve their dream of owning a home here."



Brandon Mears

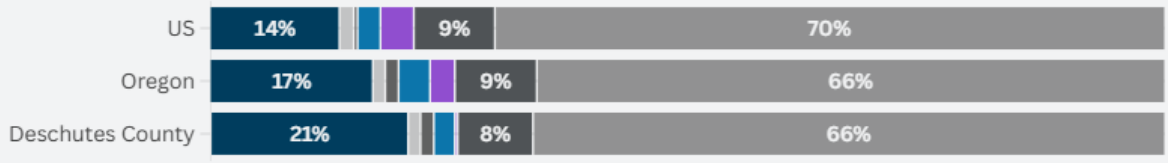
MORTGAGE LOAN OFFICER

Means of transportation data from commuting characteristics can provide a proxy for remote work. Nationally, 14 percent of workers report working from home, and in Oregon, 17 percent. That number is lower in Crook and Jefferson County. But in Deschutes, 21 percent of residents report working from home. A stone's throw from Portland, and situated halfway between San Francisco and Seattle, has undoubtedly become a draw for tech workers seeking to stay in the Pacific time zone while maintaining access to corporate offices in major metros. But as seen above, the downside is the upward pressure that remote workers, often in professional fields with high salaries, put on housing costs.

"Individuals and business owners are coming through our doors excited about new opportunities. Whether it's to buy their first home, expand their business, or start saving for college, people come in optimistic about what's next, regardless of hurdles that may exist."



Noel Faler
BRANCH MANAGER



COMMUTING CHARACTERISTICS | MEANS OF TRANSPORTATION

Source: U.S. Census Bureau

Drove alone · Carpooled · Public transportation (excluding taxicab) · Walked · Bicycle · Taxicab, motorcycle, or other means · Worked from home

Continued optimism.

As we move further into 2025, Central Oregon continues to demonstrate economic resilience and adaptability. While challenges such as housing affordability and a reliance on public sector job growth exist, the region's strong entrepreneurial spirit, rising household incomes, and industry diversification are reason for continued optimism.

The trends outlined in this report highlight a dynamic local economy — one that is evolving in response to shifting market forces while maintaining its appeal as a destination for businesses and talent. Whether through continued investment in key industries, navigating federal policy changes, or addressing housing concerns, Central Oregon's ability to sustain balanced growth will be key in the years ahead.

We appreciate the opportunity to provide this economic pulse check and remain committed to supporting individuals, local businesses, and community leaders. For further insights or assistance, connect with our team at watrust.com/CentralOregon.

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