



SW Idaho Real Estate - Just Hot or Run Amok...?

It seems everybody knows that our local real estate markets are literally off the charts hot. Constantly on the news, and subject to much scrutiny and debate, the fact is in Idaho and in particular SW Idaho, real estate is smoking hot... some will argue too hot, and longer-term isn't sustainable. The cover story of this issue of the Ralston Report is devoted to looking at this phenomenon and what it might mean for Idaho residents and especially clients and friends of Ralston Group.

First, it's necessary to try and be objective and to set aside the emotions of an admittedly frenzied housing market. Before looking at some relevant data that informs our thinking, and hopefully yours, let's acknowledge some basic facts. People are moving here from all over the United States, but especially from the

West Coast – in droves. Mortgage rates are historically low. Rather than flattening the market, the Covid pandemic has served to amplify demand, especially as people have been forced to learn and work from home. The large Millennial demographic has reached an age where many are buying first and even second homes. Adding fuel to the situation is the growing group of investors that look to monetize investment opportunities. The result... a residential real estate market that is badly, repeat BADLY, out-of-balance with demand far outstripping supply. The consequence is dizzyingly escalating home and land prices, which is great if you're a seller, and discouraging, even intimidating if you're a buyer.

The impacts are many, varied and will affect virtually all of us for years to

come. In addition to the relentless bidding wars for homes, rents are rapidly rising. According to a study done by Apartment List, Boise rent has increased 16% since March 2020 and rose 3.4% just in the month of March 2021. Affordable housing for lower income families is almost non-existent. The pressure on existing infrastructure is intense, transportation congestion is evident everywhere and only growing worse by the day, air quality and other environmental impacts are real, and overall quality of life that many of us have enjoyed and come to expect is at risk.

Continued on Page 2...

The Ralston Report is distributed on a quarterly basis. It's intended to provide meaningful real estate information (focused in our core specialty areas). We hope that our quarterly cover story and Q&A from an expert lender and/or members of our community are both interesting and enjoyable for you. Ralston Group always welcomes suggestions, and will be happy to prepare an individual report specific to your area or need – just call 208-850-7638.

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Budgets and taxes continue to grow, while incomes don't uniformly keep up. Bottom line....? The Treasure Valley is changing and changing fast.

Let's look at some data. Take a moment and absorb the trends in the table below for Ada and Canyon Counties from

2007 through the first quarter 2021. Following the Great Recession in 2008/2009, the recovery and growth of Average Sold Price (ASP) in Ada and Canyon County is nothing short of extraordinary.

Single-Family Homes - Ada County			
Year	Average Sold Price (ASP)	ASP From Prior Year	Total Dollar Volume
*2021	\$526,418	+18.6%	\$1.2B
2020	\$443,880	+14.8%	\$5.9B
2019	\$386,657	+10.3%	\$4.8B
2018	\$350,597	+16.5%	\$4.4B
2017	\$300,832	+9.3%	\$3.7B
2016	\$275,212	+6.4%	\$3.3B
2015	\$258,743	+7.0%	\$2.7B
2014	\$241,724	+5.4%	\$2.1B
2013	\$229,267	+16.1%	\$2.0B
2012	\$197,477	+14.2%	\$1.5B
2011	\$172,969	-6.1%	\$1.2B
2010	\$184,172	-8.2%	\$1.2B
2009	\$200,690	-18.1%	\$1.2B
2008	\$245,042	-8.2%	\$1.4B
2007	\$266,957	—	\$2.0B

Single-Family Homes - Canyon County			
Year	Average Sold Price (ASP)	ASP From Prior Year	Total Dollar Volume
*2021	\$384,189	+18.0%	\$449.1M
2020	\$325,531	+19.4%	\$2.0B
2019	\$272,636	+13.7%	\$1.5B
2018	\$239,865	+16.8%	\$1.3B
2017	\$205,313	+11.8%	\$1.0B
2016	\$183,618	+11.6%	\$851.3M
2015	\$164,467	+6.6%	\$673.8M
2014	\$154,309	+9.5%	\$547.2M
2013	\$140,868	+24.4%	\$467.3M
2012	\$113,242	+17.6%	\$354.0M
2011	\$96,280	-11.7%	\$325.2M
2010	\$109,003	-14.6%	\$345.8M
2009	\$127,678	-20.4%	\$345.5M
2008	\$160,493	-12.5%	\$368.8M
2007	\$183,432	—	\$633.0M

NOTE: All single-family statistics include condos & townhouses. 2021 data was collected through 1Q2021. 2011 (in grey) represents the low.

The Community Planning Association of Southwest Idaho (COMPASS) prepared the chart on the next page presenting the most current population estimates for Ada and Canyon Counties. The residential growth in many of the smaller, previously mostly rural communities, along with the larger population centers is hard to ignore. COMPASS has also developed a comprehensive 2040 forecast that predicts a population of 1,022,000 in Ada and Canyon Counties alone. Some believe that forecast is conservative and could be considerably higher based on current trends. To give you a little context on that number, the statewide Idaho population total in 2000 (only 21 years ago) was ~ 1,273,000. In a word...YIKES!

So, let's focus on how this is manifesting itself here locally. The entire Treasure Valley is breaking record after record in sales prices of existing and new homes. According to a recent RE/MAX National Housing Report, the average price of a home in Boise in March 2020 was \$326,900 – one year later, \$431,180. According to this report, that's the biggest increase in the United States, outpacing many other fast-growing cities.

A few representative examples of the current reality of buying or selling homes based on direct experience of Ralston Group agents include: finding ways to offer cash (e.g., Buyers so committed to a cash offer that they have sold their home, put all possessions in storage, and are living for months in their RV trying to buy a home here; Some lucky clients are able to have family purchase a home with cash on his/her behalf and then purchase the home from family with a loan), waiving or making up any difference in appraisal versus sales price, employing escalation clauses, executing 48-hour due diligence periods, offering delayed possession allowing sellers to remain in the home for a period of time after closing, etc. Some of the more outrageous strategies received on our clients' homes include: waiving inspection, releasing to the seller \$40,000+ non-refundable earnest money upon contract acceptance, including \$30,000+ escalation clauses with NQ cap, and offering a 12-month free rent back!!

Historic Population Estimates by City Limits

Ada County

Year	Boise	Eagle	Garden City	Kuna	Meridian	Star	Unincorporated	Total	Regional Total
2021	241,590	34,470	12,570	27,570	127,890	13,400	60,820	518,300	761,680
2020	240,380	32,560	12,460	24,890	119,350	11,860	61,480	502,970	737,790
2019	236,310	31,270	12,240	23,140	114,680	10,990	59,040	487,660	712,200
2018	232,300	29,910	11,880	20,740	106,410	10,310	59,390	470,930	688,110
2017	228,930	26,930	11,500	19,700	98,300	9,290	59,760	454,400	669,830
2016	226,900	25,510	11,420	18,430	91,420	8,150	61,020	442,850	651,030
2015	223,670	24,600	12,060	17,320	91,310	7,930	61,780	438,660	646,450
2014	217,730	23,460	11,160	16,070	85,240	7,140	61,130	421,920	620,080
2013	209,700	21,350	11,070	15,960	81,380	6,480	60,930	406,870	599,840
2012	207,730	20,550	11,020	15,650	78,290	6,030	60,400	399,670	590,070
2011	206,470	20,140	10,980	15,470	76,510	5,900	60,510	395,960	585,810
2010 (Census)	205,671	19,908	10,972	15,210	75,092	5,793	59,739	392,365	581,288
2000 (Census)	185,787	11,085	10,624	5,382	34,919	1,795	51,312	300,904	432,345
1990 (Census)	125,738	3,327	6,369	1,955	9,596	648	58,142	205,775	295,851

Canyon County

Year	Caldwell	Greenleaf	Melba	Middleton	Nampa	Notus	Parma	Wilder	Unincorporated	Total
2021	63,760	900	590	10,420	110,980	570	2,210	1,830	52,110	243,380
2020	61,210	870	590	9,780	106,860	570	2,160	1,810	50,960	234,820
2019	58,830	870	590	9,710	102,030	570	2,150	1,760	48,020	224,540
2018	56,860	860	570	9,190	98,370	570	2,140	1,710	46,900	217,180
2017	54,120	860	570	8,110	96,820	570	2,120	1,690	50,560	215,430
2016	52,620	860	570	7,580	90,860	570	2,110	1,640	51,360	208,180
2015	51,880	860	570	7,110	89,210	570	2,140	1,640	53,800	207,790
2014	47,440	840	520	6,150	84,840	540	2,010	1,540	54,270	198,160
2013	47,580	850	520	5,860	83,840	530	1,990	1,530	50,270	192,970
2012	46,800	850	520	5,630	82,160	530	1,990	1,530	50,390	190,400
2011	46,730	850	520	5,600	81,920	530	1,990	1,530	50,160	189,850
2010 (Census)	46,237	846	513	5,524	81,557	531	1,983	1,533	50,179	188,923
2000 (Census)	25,967	862	439	2,978	51,867	458	1,771	1,462	45,637	131,441
1990 (Census)	18,586	648	252	1,851	28,365	380	1,597	1,232	37,165	90,076

Nationwide, the housing market is over-heated, and at present shows few signs of cooling off. Homes at all price points are commanding top dollar and sellers clearly have the negotiating high ground asking for and getting all kinds of buyer concessions. One question that we frequently get asked is, “Are we in a housing bubble?” Since we’re not trained economists nor possess the proverbial crystal ball, the honest answer is we really don’t know. However, barring a “black swan event” virtually all indications are that the local real estate market remains strong for the foreseeable future. While we remain cautiously optimistic about local market conditions, we all have some hard-earned lessons learned that markets can and do change, and that at the end of the day whether you’re a buyer or seller, it’s largely about **managing risk**.

There are many new real estate innovations, new on-line technologies and almost limitless promises that may tempt people into making costly uninformed decisions. Ralston Group cautions clients to guard against hasty, emotional judgements that can have long-term financial, legal and life-style consequences. We’re encouraging buyers to be very practical and realistic about what you want versus what you really need. Adapting to the reality of current market conditions and possibly being willing to intelligently compromise, can save you time, money and headaches, and allow you to secure a home in this highly competitive environment. Also, understand early-on your financial situation at a granular level, and what you can really afford in terms of earnest money, closing costs, monthly mortgage payments, repairs, etc. Be prepared to compete and make your offer as attractive as possible — homes are usually getting full price and more often than not, over asking price. Expect to make some concessions that in a more balanced supply/demand market you wouldn’t make. And above all, for buyers – be patient! For sellers, we recommend that you ignore the unsolicited overtures from various on-line services saying your house is worth a bazillion dollars and that they can help you get it. More often than not, these are non-local solicitations that promise the moon, but don’t have current or accurate local market conditions. Also, be careful in working with highly discounted brokerages – typically they don’t have your best interests at heart and you’ll end up getting what you paid for! Interview agents and take the time to work with a trusted professional who can help bound your risks and optimize your home sale – price, terms, schedule, etc. Lastly, don’t unnecessarily rush closing on the sale and finding yourself unable to find your next home. Plan accordingly so that your transition fits your schedule and overall terms. While it will appear and perhaps in fact be self-serving for us to say this, chose your realtor wisely as she/he can and will make the home buying or selling process efficient, effective and as enjoyable as possible.

Happy Spring to all!

Market Update - Ada Co.

Residential Single-Family Homes - Ada County Statistics referenced herein are for single-family homes – unless otherwise noted – the numbers below do not include condominiums/townhouses. The statistics on Pages 5-10 do include condominiums & townhouses.		1Q2021 Jan-Feb-Mar
Average Sold Price		\$537,261
Average Sold Price Compared to Prior Year Same Quarter		up 28.4%
Average Days on Market (DOM)		20
Total Dollar Volume		\$995.2 Million
Total Dollar Volume Compared to Prior Year Same Quarter		down 2.1%
New Construction Sold Based On # of Units		46.9%
Existing Homes Sold Based On # of Units		53.1%

1Q2021: Almost As Many New Construction Homes Sales As Existing Homes Sales

In the quarter, the average single-family home sales (i.e., sold) price in Ada County increased 28.4% from a year ago (1Q2020) to \$537,261.

The total number of homes sold was down 23.7% from a year ago; new homes sold down 11.4%. Total dollar volume of new construction was up 2.6%. New construction accounted for 46.9% of sales, and existing homes the remaining 53.1%. The average sold price of new construction was up 15.8% from a year ago.

The number of existing homes sold in the quarter was down 32.1% from this same

quarter last year. Total dollar volume of existing homes sold was down 5.5% from a year ago. Existing home sold price was up 39.2% from a year ago.

The quarter's dollar volume for single-family homes in Ada County was \$995.2 million compared to \$975.9 million a year ago – a 2.1% decrease. A total of 1,778 units sold (existing and new construction) in the quarter. Days on market was 20 compared to 49 days on market a year ago.

Lack of inventory continues to be a challenge for buyers.

13 Boise downtown condos sold at avg. of \$419/SQFT

of res. lots sold & price

N Boise: 11 (\$376,090)
NE Boise: 6 (\$429,500)
SE Boise: 0 (\$N/A)
The Bench: 0 (\$N/A)
NW Boise: 8 (\$505,686)
Eagle: 18 (\$457,691)
N Meridian: 3 (\$521,583)
Star: 7 (\$228,692)
Caldwell: 16 (\$211,624)

Market Update - Blaine Co.

Residential & Commercial - Blaine County <small>NOTE: Blaine Co. is defined as Hailey, Ketchum & Sun Valley in the table below. Bellevue has not been included. Bellevue statistics are included on page 10</small>		1Q2021 Jan-Feb-Mar
Average Sold Price Single-Family Home (INCLUDES CONDOS & TOWNHOUSES)		1,288,547
Average Sold Price Single-Family Compared to Prior Year Same Quarter		up 35.5%
Average Days on Market Single-Family		148
Total Dollar Volume Single-Family		\$141.7 Million
Total Dollar Volume Single-Family Compared to Prior Year Same Quarter		up 75.3%
Average Sold Price Condominium/Townhouse (ONLY)		\$1,052,609
Average Days on Market Condominium/Townhouse		164
Total Dollar Volume Condominium/Townhouse		\$69.5 Million
Average Sold Price Condo/Townhouse Compared to Prior Year Same Quarter		up 36.5%
Average Sold Price Commercial		\$516,500
Average Days on Market Commercial		136
Total Dollar Volume Commercial		\$3.1 Million
Total Dollar Volume Commercial Compared to Prior Year Same Quarter		down 60.2%

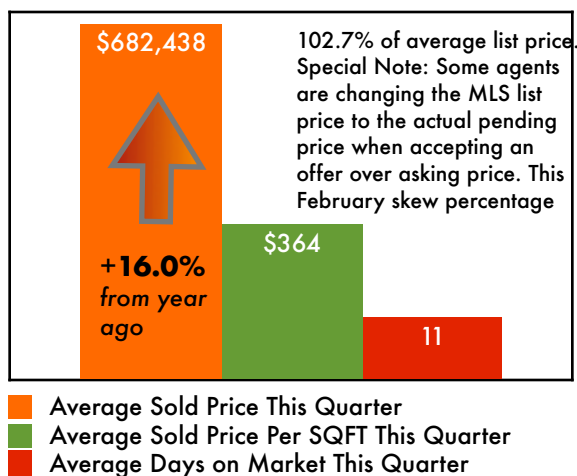
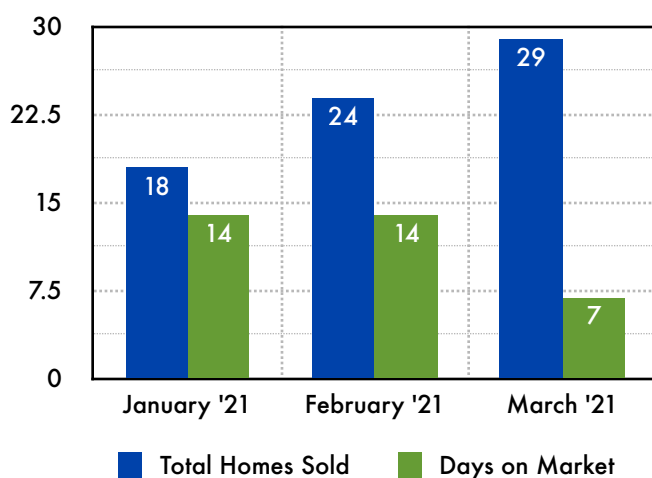
1Q2021: Upward Trend Continues In Residential Market

This quarter's records indicate that 110 single-family homes sold at an average of \$557/SQFT – average sold price was up 35.5% from a year ago. Sixty-six of the 110 single-family homes were condominiums/townhouses, selling at an average of \$603/SQFT; dollar volume of condos and townhouses was up 45.3% – sold price up 36.5%. "Residential" land, which is not included in the data above or that follows, included 65 sold properties at an average sold price of \$512,181; the properties averaged 362 days on market. Total dollar volume of land was \$33.3 million. Average sold price of "residential" land was up 8.9% from a year ago. Six commercial properties sold at an average of \$516,500. The average sold price was down 40.2%; total dollar volume down 60.2%. Days on market was 136 compared to 365 a year ago. The commercial data in the table above was gathered from the Sun Valley/Sawtooth MLS. Loopnet-only properties have not been included in the data above.

North Boise

In January, 18 single-family homes sold in North Boise with an average days on market of 14 and at an average price of \$718,112. Twenty-four homes sold in February at an average sales price of \$716,695 (14 days on market), and 29 homes sold in March at 7 days on market (average sold price \$631,943). The highest sold price recorded in North Boise was \$2,255,000, with a lowest recorded sale of \$215,000. During the quarter, 71 properties sold averaging 11 days on market. Sold price in North Boise was up 16.0% from a year ago to \$682,438 (\$364/SQFT).

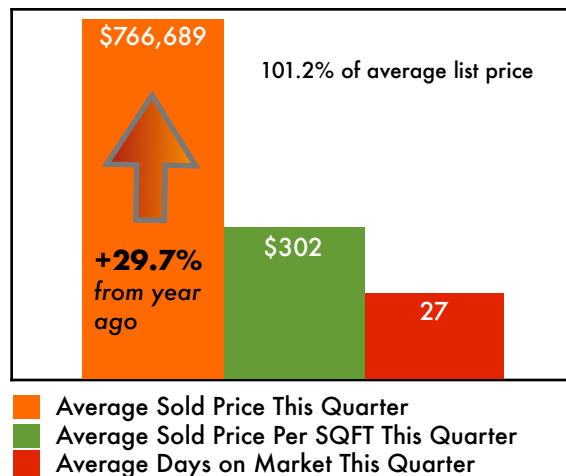
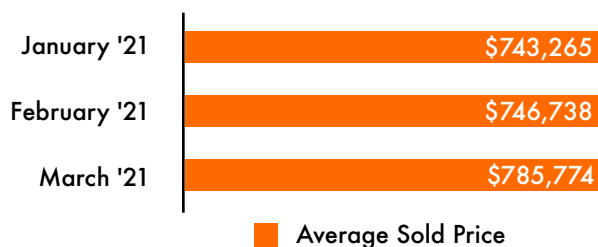
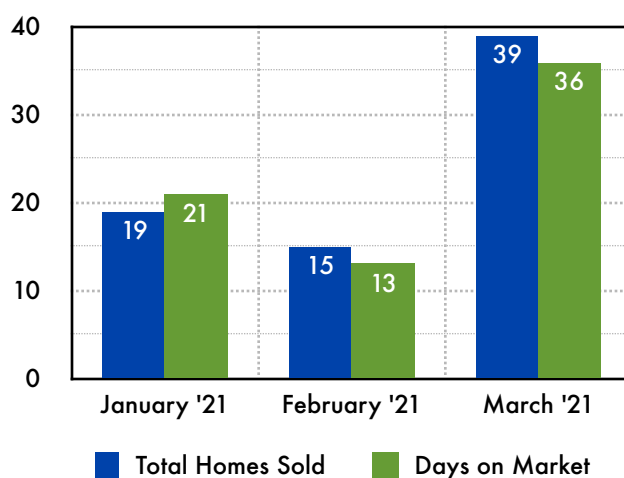
North Boise (Area 100)



Northeast Boise

In January, 19 single-family homes sold in Northeast Boise with an average days on market of 21 and at an average price of \$743,265. February included the sale of 15 homes at an average sales price of \$746,738 (13 days on market), and 39 homes sold in March at 36 days on market. Average sold price in March was \$785,774. The highest sold price recorded in Northeast Boise was \$1,880,000, with a lowest recorded sale of \$325,000. During the quarter, Northeast Boise recorded 73 home sales at an average of 27 days on market. Sold price in Northeast Boise was \$766,689 (\$302/SQFT) – up 29.7% from a year ago.

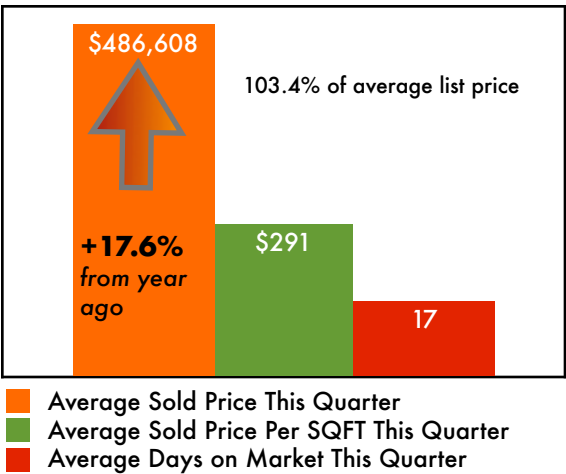
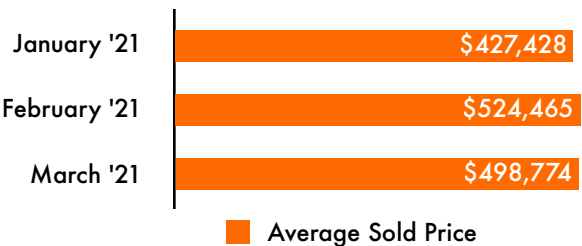
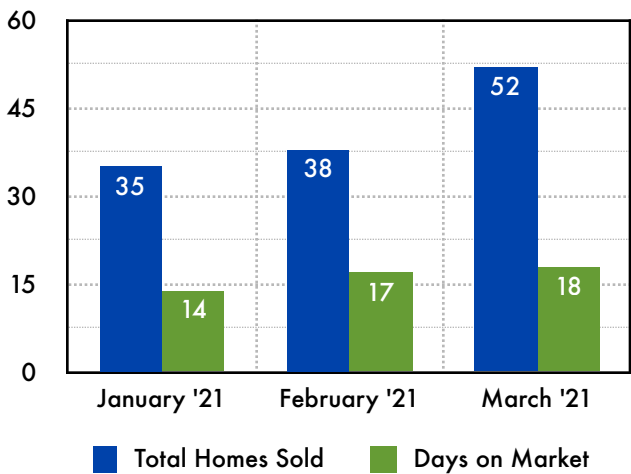
Northeast Boise (Area 200)



Southeast Boise

In January, 35 single-family homes sold in Southeast Boise with an average days on market of 14 and at an average price of \$427,428. In February, 38 homes sold at an average sales price of \$524,465 (17 days on market), and 52 homes sold in March at 18 days on market. Average sold price was \$498,774. The highest sold price recorded in Southeast Boise was \$1,692,200, with a lowest recorded sale of \$235,000. During the quarter, Southeast Boise recorded the sale of 125 homes. Sold price in Southeast Boise was up 17.6% from the prior year to \$486,608 (\$291/SQFT), and homes averaged 17 days on market.

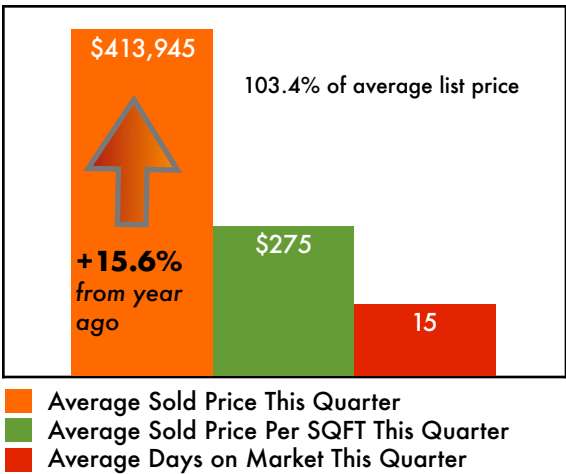
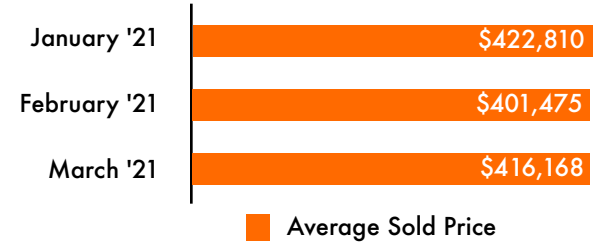
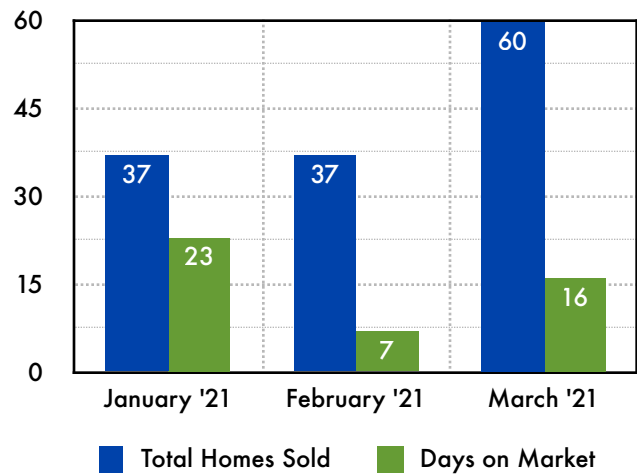
Southeast Boise (Area 300)



Boise Bench

In January, 37 single-family homes sold on the Boise Bench with an average days on market of 23 and at an average price of \$422,810. Thirty-seven homes sold in February at an average sales price of \$401,475 (7 days on market), and 60 homes sold in March at 16 days on market. Average price was \$416,168. The highest sold price recorded on the Boise Bench was \$970,000, with a lowest recorded sale of \$192,500. During the quarter, the Bench recorded the sale of 134 homes. Average sold price was up 15.6% from the previous year. Average sold price was \$413,945 (\$275/SQFT), at 15 days on market.

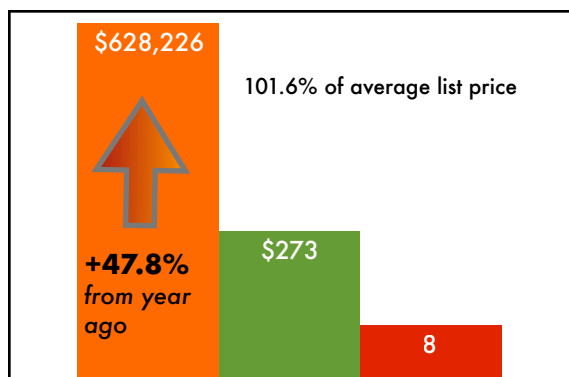
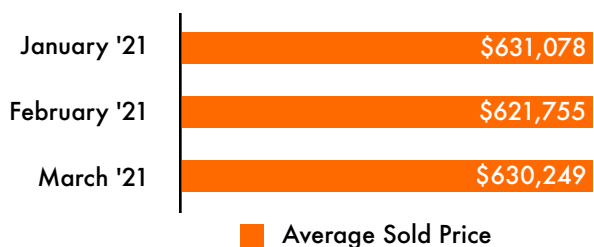
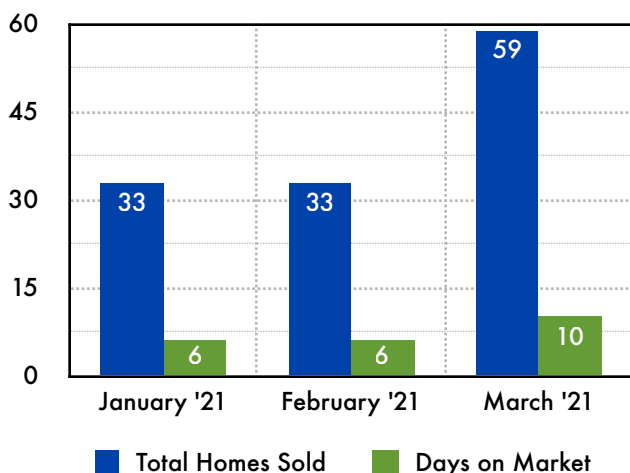
Boise Bench (Area 400)



Northwest Boise

In January, 33 single-family homes sold in Northwest Boise with an average days on market of 6 and at an average price of \$631,078. Thirty-three homes sold in February at an average sales price of \$621,755 (6 days on market), and 59 homes sold in March at 10 days on market, with an average price of \$630,249. The highest sold price recorded in Northwest Boise was \$2,000,000, with a lowest recorded sale of \$180,000. During the quarter, 125 homes sold. Average sold price was up 47.8% from the previous year in Northwest Boise. Average sold price was \$628,226 (\$273/SQFT). Homes averaged 8 days on market.

Northwest Boise (Area 800)

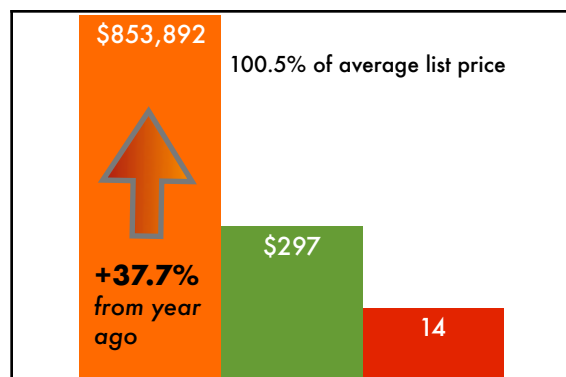
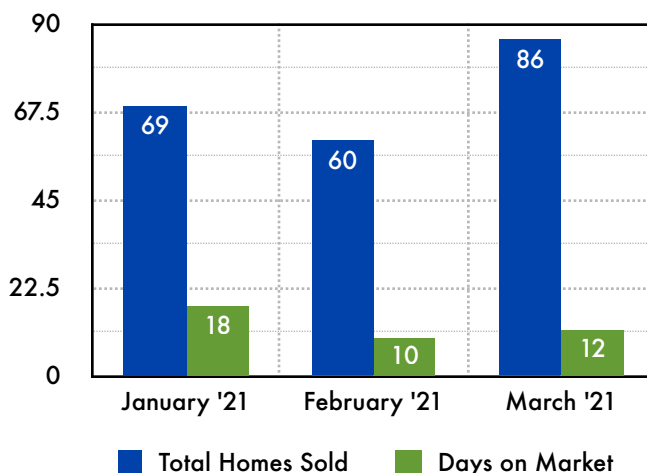


- Average Sold Price This Quarter
- Average Sold Price Per SQFT This Quarter
- Average Days on Market This Quarter

Eagle

In January, 69 single-family homes sold in Eagle with an average days on market of 18 and at an average price of \$983,299. Sixty homes sold in February at an average price of \$792,931 (10 days on market), and 86 homes sold in March at 12 days on market. Average sold price in March was \$792,597. The highest sold price recorded in Eagle was \$4,700,000, with a lowest recorded sale of \$215,500. During the quarter, 215 homes sold. Average sold price in Eagle was \$853,892 – up 37.7% from a year ago. Price per square foot price was \$297, with properties averaging 14 days on market.

Eagle (Area 900)

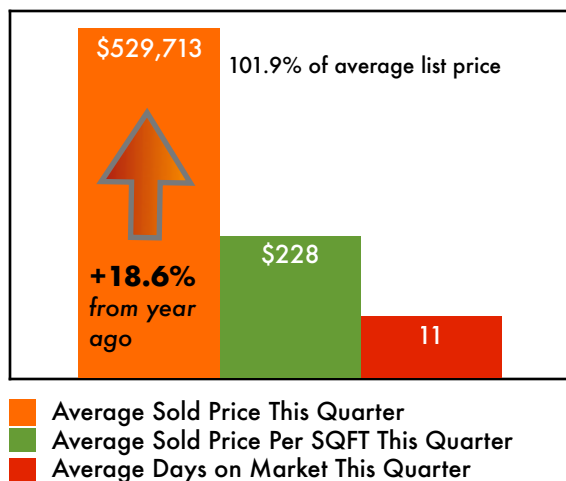
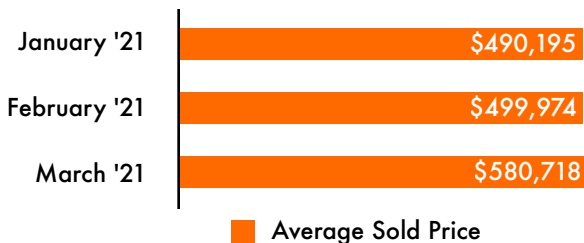
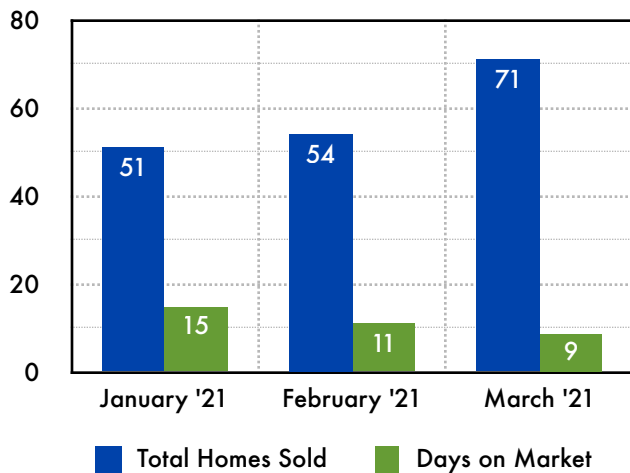


- Average Sold Price This Quarter
- Average Sold Price Per SQFT This Quarter
- Average Days on Market This Quarter

Star

In January, 51 single-family homes sold in Star with an average of 15 days on market and at an average price of \$490,195. Fifty-four homes sold in February at an average price of \$499,974 (11 days on market), and 71 homes sold in March at 9 days on market. Average sold price in March was \$580,718. The highest sold price recorded in Star was \$1,552,000, with a lowest recorded sale of \$290,000. During the quarter, 176 homes sold. Average sold price in Star was \$529,713 – up 18.6% from a year ago. Price per square foot price was \$228, with properties averaging 11 days on market.

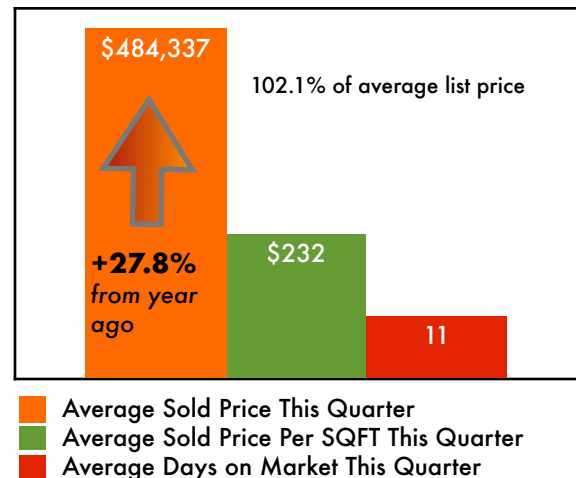
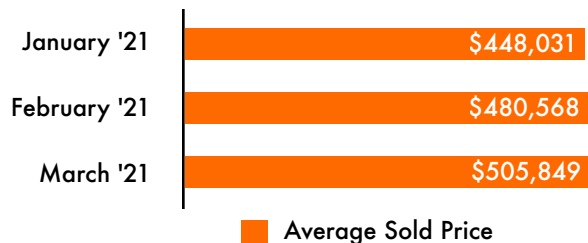
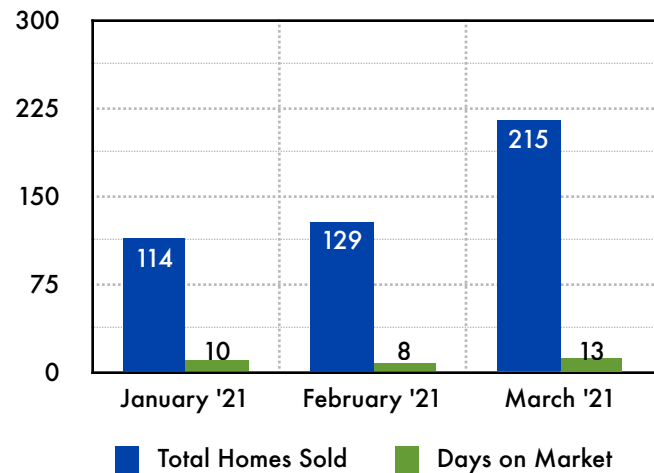
Star (Area 950)



North Meridian

In January, 114 single-family homes sold in North Meridian with an average days on market of 10 and at an average price of \$448,031. One hundred twenty-nine homes sold in February at an average sales price of \$480,568 (8 days on market), and 215 homes sold in March at 13 days on market, with an average price of \$505,849. The highest sold price recorded in North Meridian was \$3,100,000, with a lowest recorded sale of \$257,500. During the quarter, 458 homes sold. Average sold price was up 27.8% from the previous year in North Meridian. Average sold price was \$484,337 (\$232/SQFT). Homes averaged 11 days on market.

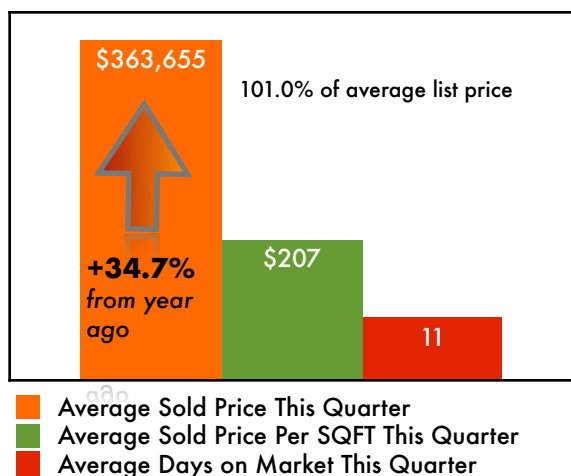
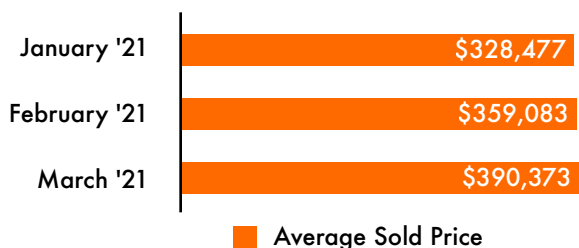
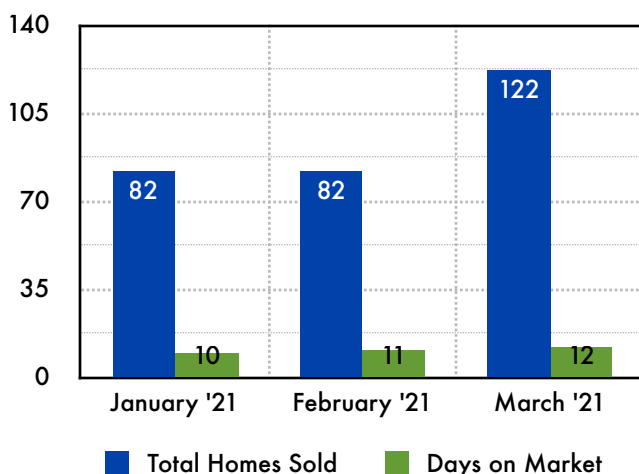
North Meridian (Areas 1020+1030)



Caldwell

In January, 82 single-family homes sold in Caldwell with an average days on market at 10 and at an average price of \$328,477. Eighty-two homes sold in February at an average price of \$359,083 (11 days on market), and 122 homes sold in March at 12 days on market; average sold price was \$390,373. The highest sold price recorded in Caldwell was \$1,200,000; lowest recorded sale was \$83,000. During the quarter, 286 homes sold. Average sold price in Caldwell was \$363,655 – up 34.7% from a year ago. Price per square foot price was \$207, with properties averaging 11 days on market.

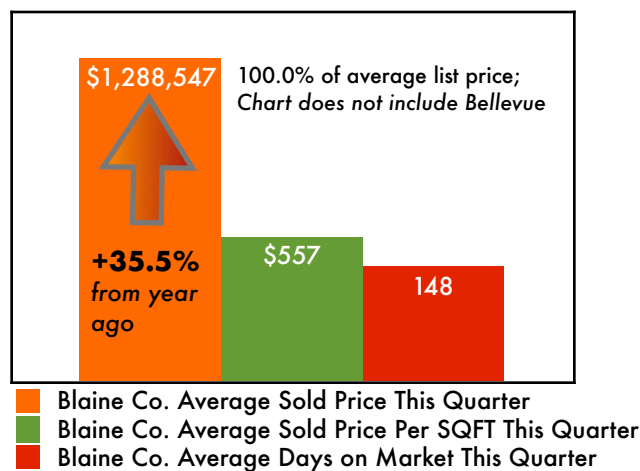
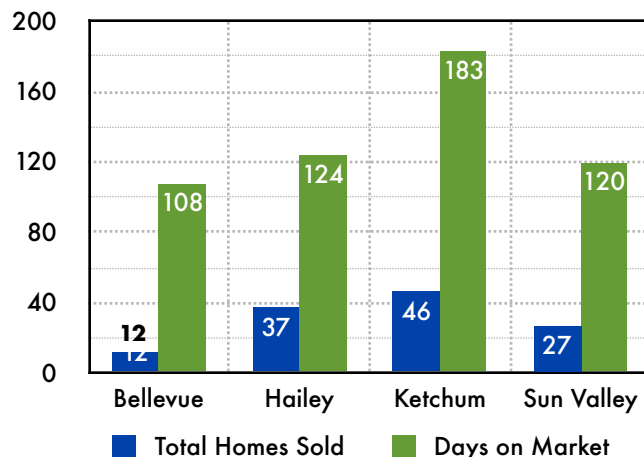
Caldwell (Areas 1275+1280)



Bellevue, Hailey, Ketchum & Sun Valley

Twelve single-family homes sold in Bellevue at an average of 108 days on market and a price of \$629,742 (\$311/SQFT). Hailey recorded the sale of 37 homes — average days on market 124 and an average price \$509,040 (\$295/SQFT). In Ketchum, 46 homes sold at an average of \$1,810,832 (\$718/SQFT). Average days on market was 183. Sun Valley records indicated 27 homes sold — average price \$1,466,944 (\$641/SQFT) and 120 days on market. In the quarter, 110 properties sold in the County (excluding Bellevue). Average sold price was \$1,288,547 (up 35.5% from a year ago). Homes averaged \$557/SQFT and 148 days on market. Highest sold price was \$12,000,000.

Bellevue, Hailey, Ketchum & Sun Valley



Representative Ralston Group client homes or land sold in the quarter...



3200 N Treasure - North Boise



4941 N Mountainside - North Boise



7810 W Cornithia - Eagle



1178 W Sandy - Eagle



4212 N Heritage View - NE Meridian



230 Teal - Hailey

Multi-Family Housing

North Boise (Area 0100)



Average Sold Price: \$993,250
Average Sold Price/SQFT: \$236
2 Sold; Average DOM 3
Price Prior Yr: **Up 92.3%**

Northeast Boise (Area 0200)



Average Sold Price: \$800,000
Average Sold Price/SQFT: \$222
1 Sold; Average DOM 212
Price Prior Yr: **Up 104.9%**

Southeast Boise (Area 0300)



Average Sold Price: \$556,833
Average Sold Price/SQFT: \$251
6 Sold; Average DOM 9
Price Prior Yr: **Up 25.1%**

Near Downtown Boise

Boise Bench (Area 0400)



Average Sold Price: \$524,556
Average Sold Price/SQFT: \$216
16 Sold; Average DOM 15
Price Prior Yr: **Up 28.0%**

The information provided in the Ralston Report was compiled from multiple sources including: Idaho's Intermountain Multiple Listing Service (MLS) and Sun Valley/Sawtooth MLS. The data is believed to be accurate and reliable, but cannot be warranted by Ralston Group Properties. The multi-family/residential income data (i.e., 2-plex, 3-plex, 4-plex, & apartments) provided in the table above was collected from the Intermountain MLS. Statistics for this quarter's Ralston Report were current at publication. Commercial data for Blaine County can be found on page 5 of this report. Multi-family/residential income data is not provided for Blaine County.

Community Q&A

Melinda McCaslin

Q: Like many industries including real estate, mortgage lending has attracted many new internet-based, non-local, discount-model players. Could you share some of the risks associated with these companies?

Yes, for years, all kinds of companies have tried to get a foot hold in the mortgage lending industry. From homeowner's insurance companies to Costco, all kinds of businesses have tried to break into what's often perceived as a commodity business. Currently we're seeing more and more internet-based discount lenders targeting home buyers. These players tend to focus solely on rates. While interest rates are certainly an important factor, in this insanely competitive real estate market, buyers need to stay focused on what's going to get them into their new home, on time! Here are a few additional criteria to consider in addition to a rate:

Getting your offer accepted – much like working with a great realtor, who knows how to structure a competitive offer to maximize the chances of getting their buyers' offer accepted, a local lender can also be a determining factor. All else being equal, a listing agent and seller are always going to be more comfortable with a pre-approval letter from a local lender that they know and trust versus an online discount lender with no track record. Visit with any realtor, and they'll be able to share a horror story of an out of state lender that didn't deliver, leaving buyers and sellers scrambling at the last minute. Delays can cause buyers to lose earnest money, add extra costs to the transaction, and in worst case scenarios, lose their home! Listing agents always encourage their sellers to look not only at the offer price, but also the certainty of an ontime, seamless closing. Having confidence that a local lender will close as expected, is a requirement to keep your offer in the mix. And, when you

need your pre-approval letter after hours or on weekends (when most buyers are shopping), it's important to have a local lender that will answer your call.

Ensuring a smooth escrow – another critical part of this competitive market is knowing and understanding the local nuances. From appraisals, to title to loan guidelines, things vary from state to state.

Continued page 13...



Melinda McCaslin is a leading Idaho lending expert. Melinda earned her MBA from Harvard Business School and BS degrees

in Finance and Marketing from the University of Utah. Melinda may be reached at 208-631-9194 or melindam@rate.com.

Community Q&A continued...

With homes selling for over asking price in most cases, having a local, knowledgeable appraiser can make or break a transaction. Local lenders typically have established, local appraisal panels for their purchase transactions. Online discount lenders are using national appraisal management companies that often don't have a good feel for the local market. I've cleaned up after clients using a discount broker that had a Mountain Home appraiser assigned to a Northend Boise property. This appraiser didn't understand the "market value" of living in the Northend.

On the title front, it's helpful to know that 99% of purchase transactions in Idaho include an owner's title policy, so the buyers will get a simultaneous issue title credit. And on the guideline front, it's important to know that VA loans do not require termite reports in Idaho (most

National lending companies will automatically order these even though they're not required here, driving the buyers' costs up). First time buyers will want to be sure to check out Idaho Housings programs that offer tax credits and low down payment options that online lenders won't offer!

Comparing the total cost, not just the rates – finally, when comparing lenders, be sure to look at the total cost of the loan, or APR, not just the rate. The discount lenders love to focus on low rates, but in most cases, there are additional discount points and/or origination charges required to secure the rate that they're advertising. Paying points to get the lowest rate doesn't always make sense (and when it does, local lenders have this option as well). Interest rates are very volatile and fluctuate daily (sometimes even multiple

times per day), so keep in mind, if you're going to shop rates, it's important to get quotes from lenders on the same day – otherwise, you're not comparing apples to apples. And it's nice to work with a lender that offers a free float down once you're locked – this way buyers are protected if rates go up, but can still take advantage of rates coming down during the escrow period.

Most local lenders build their business through referrals. If they're not taking good care of their clients, they won't be around in the long run. Ultimately, missing a closing date can cost much more than an eighth of a point difference in rate. Be sure your lender is watching out for the buyer's best interests, based on their overall financial goals and plans!

**Sending an upcoming "Happy Mother's Day" to all
the moms, stepmoms, furry animal moms, second
moms & grandmothers!**

**With Great Love + Deep Respect + Abundant
Gratitude For Our Own Ralston Group Moms!**
*p.s. Watch our Instagram and Facebook for a special tribute
to our Ralston Group Moms*

"Bogey" Ralston



Did You Know?

One of my favorite American essayists/lecturers/poets is Ralph Waldo Emerson who shared: "I am thankful for small mercies. I compared notes with one of my friends who expects everything of the universe, and is disappointed when anything is less than the best, and I found that I begin at the other extreme, expecting nothing, and am always full of thanks for moderate goods."

A TRADITION OF TRUST

Independent and locally owned/operated, Ralston Group Properties (Ralston Group) challenges the status quo within the real estate industry. This vibrant, "boutique" brokerage is grounded in the belief that creating long-term, trust-based relationships and always serving the client's needs first, is both good business and the right thing to do. Five words define this residential and commercial real estate firm:

Trust + Heart + Experience + Advocates + Thinkers.

In Boise, Ralston Group specializes in and around the downtown including the North End, Highlands, Foothills, East Side (North & South), West End, and the Bench. Ralston Group also has significant expertise in Eagle, Meridian and surrounding areas, and is often asked to partner on unique projects including investment properties, remote ranches, vineyards and sustainable design/builds. Ralston Group serves both residential and commercial real estate markets in the Wood River Valley. With offices in downtown Boise and Ketchum, their agents are handpicked and represent the very best in the industry and in the community. Ralston Group doesn't aspire to be the biggest – it does aspire to be the best.

Ralston Group... A Tradition of Trust.

Please note that the Ralston Group Properties phone App is being revamped and is scheduled to be back in the App Store this coming Spring



THANK YOU FOR YOUR CONTINUED ADVOCACY AND REFERRALS.

WE ARE 100%

REFERRAL-BASED...

AND ARE SO INCREDIBLY GRATEFUL TO YOU FOR YOUR REFERRALS!



Alicia Ralston | Owner - Broker

[Read about Alicia...](#)

Cell: 208-850-7638

Email: alicia@ralstongrp.com



Amy Berryhill

[Read about Amy...](#)

Cell: 208-890-2069

Email: amyberryhill@ralstongrp.com



Jill Donahue | Associate Broker

[Read about Jill...](#)

Cell: 208-861-5455

Email: jill@ralstongrp.com



Currie Bucher

[Read about Currie...](#)

Cell: 208-971-7767

Email: currie@ralstongrp.com



Scout O'Gara

[Read about Scout...](#)

Cell: 208-830-7111

Email: scout@ralstongrp.com



Paige Shafer

[Read about Paige...](#)

Cell: 208-841-8301

Email: paigeshafer@ralstongrp.com



Penny Leopold | Sun Valley

[Read about Penny...](#)

Cell: 208-309-1130

Email: penny@ralstongrp.com



Suzanne Bergmann

[Read about Suzanne...](#)

Cell: 208-559-7813

Email: suzanne@ralstongrp.com



Marla Covey

[Read about Marla...](#)

Cell: 208-340-9361

Email: marla@ralstongrp.com



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[Read about...](#)

Cell:

Email:



David Ralston | Strategy

[Read about David...](#)

Cell: 208-761-5397

Email: dralston@ralstongrp.com

www.ralstongroupproperties.com