

This Land Was Made For You & Me

The cover story for this issue of the Ralston Report is about LAND, Idaho land. Land the thing/place on which we live, work, play, and possibly sometimes take for granted. This isn't a real estate story about buying and selling land – it's about taking a moment in your busy life to reflect on just how precious Idaho lands are and your true relationship with them. Merriam Webster defines land as: the solid part of the surface of the earth; the surface of the earth and all its natural resources; a portion of the earth's solid surface distinguishable by boundaries or ownership. The later definition unfortunately may perhaps be how many see land today, distinguishable by ownership. John Dutton's campaign

slogan in Taylor Sheridan's TV series "Yellowstone" was "for the land."

For millennia, Native American tribes such as the Nez Perce, Coeur d'Alene, Kootenai, Shoshone, Bannock and Blackfeet inhabited Idaho lands. While other non-native people inhabited the Northern Rockies, the first explorers of European descent to reach what later became known as Idaho were Meriwether Lewis and William Clark in 1805. Part of an unorganized territory called Oregon Country, the area that became Idaho was disputed between the United States and Great Britain as to ownership. In 1846, the United States got undisputed control by the signing of the Oregon Treaty, leading to the

boundaries of the Oregon Territory being formed in 1848. For a period, the boundaries and territory name changed several times, eventually becoming the Idaho Territory in 1863. Non-native early settlers included Mormon pioneers, English, German, Irish, Spanish, Mexican, Chinese, Japanese, African, Hawaiian and Basque immigrants. *"What greater grief than the loss of one's native land."* – Euripides.

While 39th in population, Idaho is the 13th largest state in terms of land area. To give this perspective, Idaho is bigger than all the New England states combined.

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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.

Of the 53.5 million acres that make up Idaho's land mass, the federal government manages 34.5 million acres, or greater than 60% of the state. Four primary agencies manage Idaho lands: The Departments of Interior, Agriculture, Defense and Energy. Interior's BLM controls 60% of the total and Agriculture's Forest Service approximately 25%. Of the total federal lands, 44% is reserved for grazing and 42% for forests and wildlife. Less than 5% of the total is for Defense or Energy.

Idaho's land mass is spectacularly diverse with mountains, deserts, canyons, plains and plateaus. This diversity is the key resource that drives much of the economic and recreational benefits we enjoy...agriculture, ranching/grazing, forest products, mining, power generation and a wide range of tourism and outdoor recreational pursuits. Perhaps equally as diverse is the relation of people to land. As you observe others, have you really thought and explored your relation to Idaho's magnificent lands?

Idaho has unparalleled outdoor recreation access and gateways to amazing places like the Frank Church Wilderness Area and Yellowstone National Park. Idaho has 23 State Parks, 1 State Forest, 1 National Reserve, 10 National Forests, 1 National Historic Site, 1 National Historic Park, 6 National Wildlife Refuges, 1 National Recreation Area, 1 National Monument, etc.

"A true conservationist is a man who knows that the world is not given by his fathers but borrowed from his children." – John James Audubon

"A nation that destroys its soils destroys itself. Forests are the lungs of our land, purifying the air and giving fresh strength to our people." – Franklin D. Roosevelt

"Walk as if you are kissing the Earth with your feet." – Thich Nhat Hanh

"Land really is the best art." – Andy Warhol

"This land is your land, this land is my land, From California to the New York Island. From the redwood forest to the Gulf Stream waters. This land was made for you and me." – Woody Guthrie

Our children's land...please take note...



As the Idaho grows, so does trail use. In the Boise-area, more people are accessing the Ridge-to-River (R2R) trail system by cars than ever before. Predictably, there are challenges accommodating all of the people with the different trail experiences they're seeking. Priority concerns with the system are uncontrolled dogs, speeding bicyclists, and use of the trails during freeze/thaw and other extended wet periods of the year (causing unwanted trail widening and long-term erosion issues). Trail users are strongly encouraged to check the R2R website as they post daily updates and have all the information needed to access the trails with detailed maps and trail etiquette that helps everyone. <https://www.ridgetorivers.org/>

Market Update - Ada Co.

Residential Single-Family Homes - Ada County	4Q2022
Statistics referenced herein are for single-family homes – unless otherwise noted – the numbers below do not include condominiums/townhouses. The statistics on Pages 6-10 do include condominiums & townhouses.	Oct-Nov-Dec
Average Sold Price	\$636,725
Average Sold Price Compared to Prior Year Same Quarter	up 2.3%
Average Days on Market (DOM)	50
Total Dollar Volume	\$1.1 Billion
Total Dollar Volume Compared to Prior Year Same Quarter	down 35.8%
New Construction Sold Based On # of Units	34.7%
Existing Homes Sold Based On # of Units	65.3%

4Q2022: Inventory 2.6 Months Compared to 0.6 in 4Q2021

In the quarter, the average single-family home sales (i.e, sold) price in Ada County increased 2.3% from a year ago (4Q2021) to \$636,725.

The total number of homes sold was down 37.2% from a year ago; new homes sold down 19.9%. Total dollar volume of new construction was down 11.7%. New construction accounted for 34.7% of sales, and existing homes the remaining 65.3%. The average sold price of new construction was up 10.3% from a year ago.

The number of existing homes sold in the quarter was down 43.7% from this same quarter last year. Total dollar volume of existing homes sold was down 45.5% from a year ago. Existing home sold price was down 3.3% from a year ago.

The quarter's dollar volume for single-family homes in Ada County was \$1.1 billion compared to \$1.8 billion a year ago – a 35.8% decrease. A total of 1,793 units sold (existing and new construction) in the quarter.

Days on market was 50 compared to 28 days on market a year ago.

Months of inventory indicates the amount of time it would take to sell all current listings at the current sales price if no new listings became available. It is widely accepted in the real estate industry that 0-4 months is a "Seller's Market;" 5-7 months a "Balanced Market;" and 8-12+ months is a "Buyer's Market."

Overall inventory at the end of 4Q22 was 2.6 months compared to 0.6 months at the end of 4Q21. In the core areas discussed in the Ralston Report, Star led the way with a three-month/quarter average of 3.9 months of inventory. Meridian and Northwest Boise were next at 2.75 and 2.7 months, respectively. The lowest amount of inventory was in West Boise/Garden City and on the Boise Bench (1.4 months).

By definition we are still in a Seller's market, but continue to edge closer to a balanced market.

8 Boise downtown condos sold at avg. of \$633/SQFT

of res. lots sold & price

N Boise: 2 (\$195,500)
 NE Boise: 2 (\$170,000)
 SE Boise: 1 (\$184,900)
 The Bench: 1 (\$275,000)
 NW Boise: 2 (\$137,000)
 Eagle: 0 (\$N/A)
 Star: 7 (\$373,236)
 Meridian: 2 (\$215,000)
 Caldwell: 3 (\$222,666)

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>	4Q2022 Oct-Nov-Dec
Average Sold Price Single-Family Home (INCLUDES CONDOS & TOWNHOUSES)	\$1,659,831
Average Sold Price Single-Family Compared to Prior Year Same Quarter	Up 26.8%
Average Days on Market Single-Family	97
Total Dollar Volume Single-Family	\$117.8 Million
Total Dollar Volume Single-Family Compared to Prior Year Same Quarter	down 21.0%
Average Sold Price Condominium/Townhouse (ONLY)	\$1,527,046
Average Days on Market Condominium/Townhouse	84
Total Dollar Volume Condominium/Townhouse	\$65.7 Million
Average Sold Price Condo/Townhouse Compared to Prior Year Same Quarter	Up 52.2%
Average Sold Price Commercial	\$1,150,000
Average Days on Market Commercial	195
Total Dollar Volume Commercial	\$5.8 Million
Total Dollar Volume Commercial Compared to Prior Year Same Quarter	down 61.7%

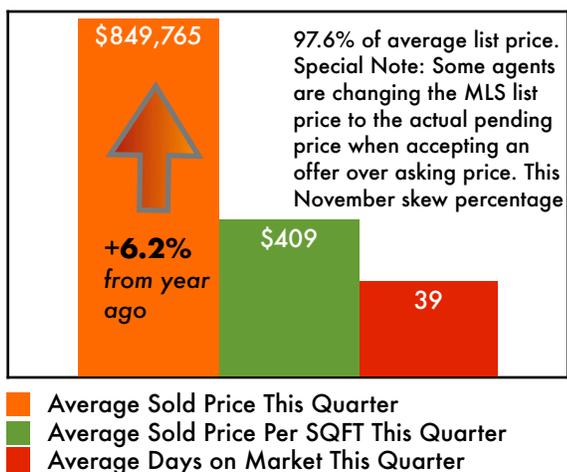
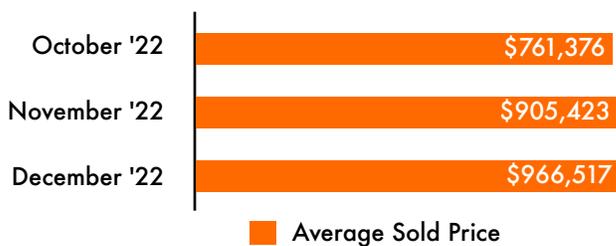
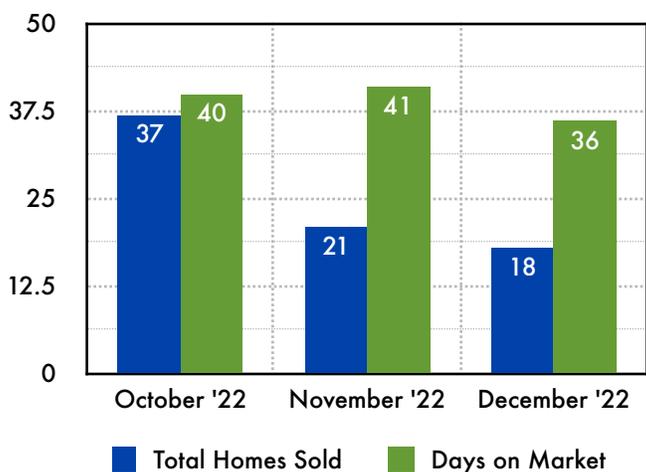
4Q22: Average Sold Price For Single-Family Homes Up Almost 27%

This quarter's records indicate that 71 single-family homes sold at an average of \$753/SQFT – average sold price was up 26.8% from a year ago. Forty-three of the 71 single-family homes were condominiums/townhouses, selling at an average of \$870/SQFT; dollar volume of condos and townhouses was down 10.3% – sold price up 52.2%. "Residential" land, which is not included in the data above or that follows, included 9 sold properties at an average sold price of \$950,778; the properties averaged 113 days on market. Total dollar volume of land was \$8.6 million. Average sold price of "residential" land was down 1.0% from a year ago. Five commercial properties sold at an average of \$1,150,000. The average sold price was down 0.3%; total dollar volume down 61.7%. Days on market was 195 compared to 146 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 October, 37 single-family homes sold in North Boise with an average days on market of 40 and at an average price of \$761,376. Twenty-one homes sold in November at an average sales price of \$905,423 (41 days on market), and 18 homes sold in December at 36 days on market (average sold price \$966,517). During the quarter, 76 properties sold averaging 39 days on market. Sold price in North Boise was up 6.2% from a year ago to \$849,765 (\$409/SQFT). The highest sold price recorded in North Boise was \$3,700,000, with a lowest recorded sale of \$284,000.

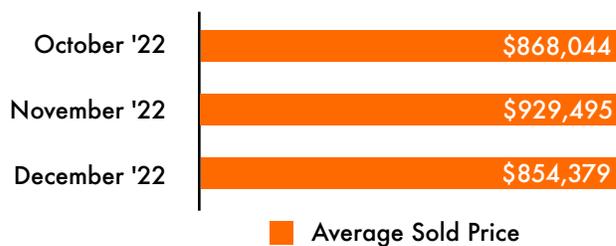
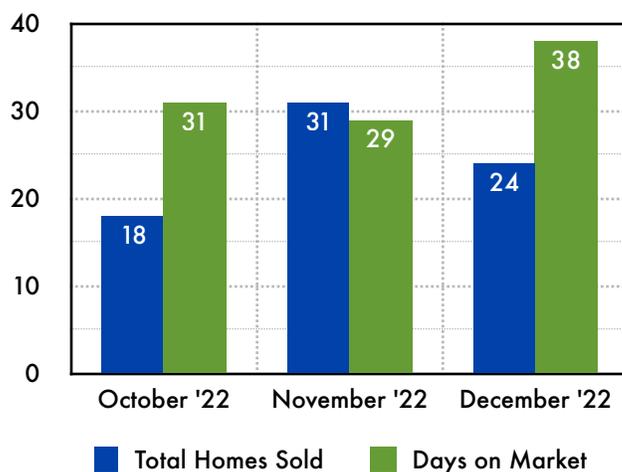
North Boise (Area 100)



Northeast Boise

In October, 18 single-family homes sold in Northeast Boise with an average days on market of 31 and at an average price of \$868,044. November included the sale of 31 homes at an average sales price of \$929,495 (29 days on market), and 24 homes sold in December at 38 days on market. Average sold price in December was \$854,379. During the quarter, Northeast Boise recorded 73 home sales at an average of 32 days on market. Sold price in Northeast Boise was \$889,647 (\$338/SQFT) – up 3.7% from a year ago. The highest sold price recorded in Northeast Boise was \$2,268,885, with a lowest recorded sale of \$442,000.

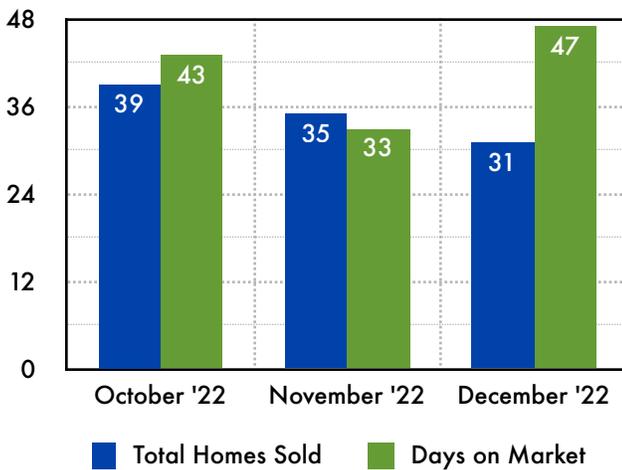
Northeast Boise (Area 200)



Southeast Boise

In October, 39 single-family homes sold in Southeast Boise with an average days on market of 43 and at an average price of \$571,482. In November, 35 homes sold at an average sales price of \$503,362 (33 days on market), and 31 homes sold in December at 47 days on market. Average sold price was \$566,944. During the quarter, Southeast Boise recorded the sale of 105 homes. Sold price in Southeast Boise was down 2.1% from the prior year to \$547,436 (\$303/SQFT), and homes averaged 41 days on market. The highest sold price recorded in Southeast Boise was \$2,600,000, with a lowest recorded sale of \$299,000.

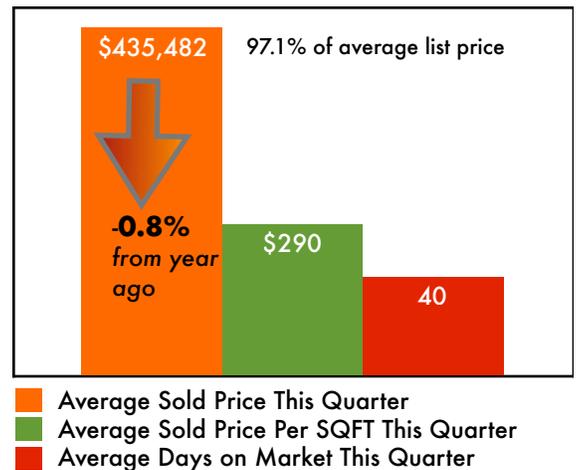
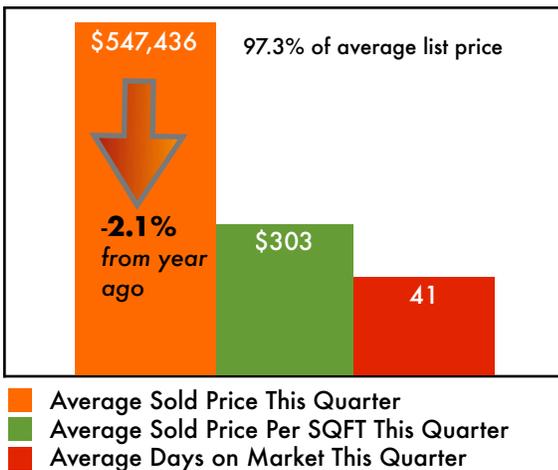
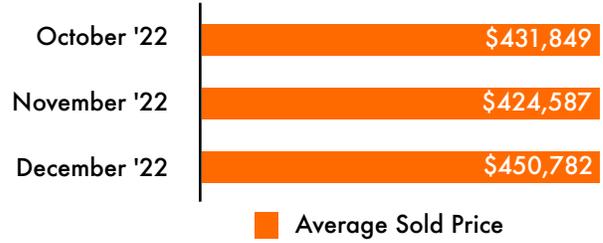
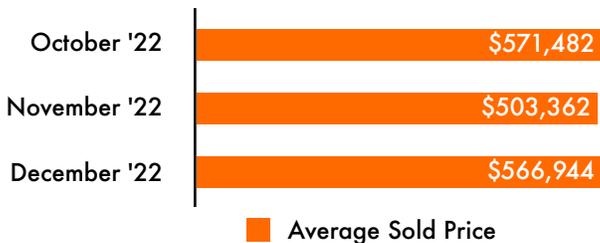
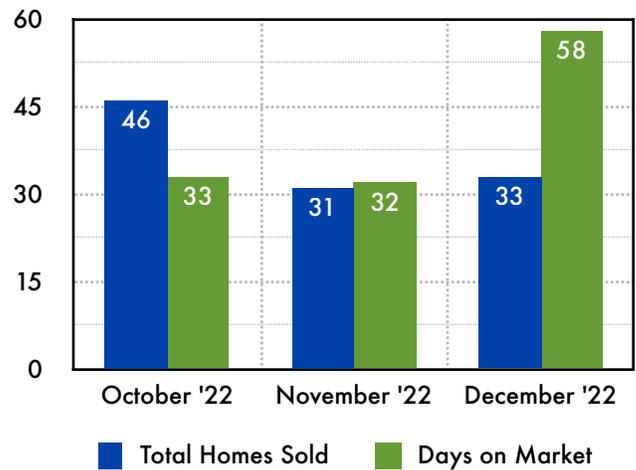
Southeast Boise (Area 300)



Boise Bench

In October, 46 single-family homes sold on the Boise Bench with an average days on market of 33 and at an average price of \$431,849. Thirty-one homes sold in November at an average sales price of \$424,587 (32 days on market), and 33 homes sold in December at 58 days on market. Average price was \$450,782. During the quarter, the Bench recorded the sale of 110 homes. Average sold price was up down 0.8% from the previous year. Average sold price was \$435,482 (\$290/SQFT), at 40 days on market. The highest sold price recorded on the Boise Bench was \$1,300,000, with a lowest recorded sale of \$175,000.

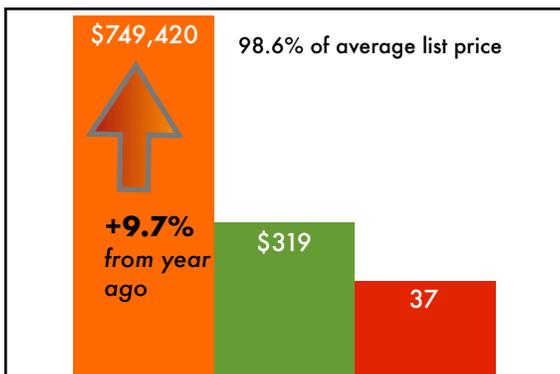
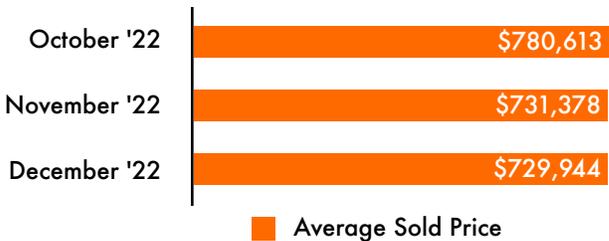
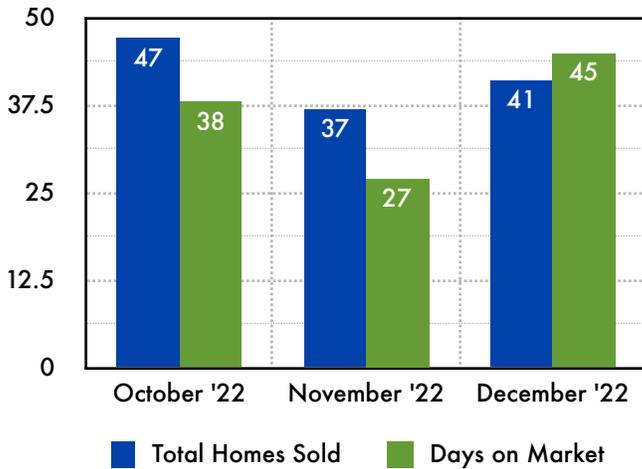
Boise Bench (Area 400)



Northwest Boise

In October, 47 single-family homes sold in Northwest Boise with an average days on market of 38 and at an average price of \$780,613. Thirty-seven homes sold in November at an average sales price of \$731,378 (27 days on market), and 41 homes sold in December at 45 days on market, with an average price of \$729,944. During the quarter, 125 homes sold. Average sold price was up 9.7% from the previous year in Northwest Boise. Average sold price was \$749,420 (\$319/SQFT). Homes averaged 37 days on market. The highest sold price recorded in Northwest Boise was \$2,279,799, with a lowest recorded sale of \$207,000.

Northwest Boise (Area 800)

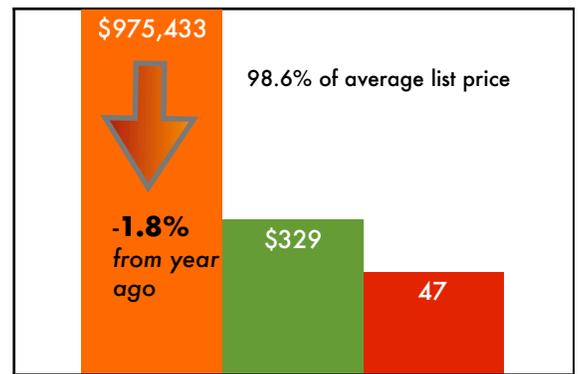
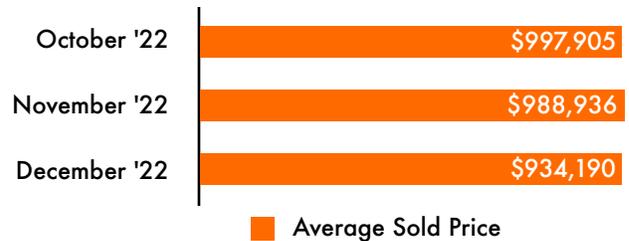
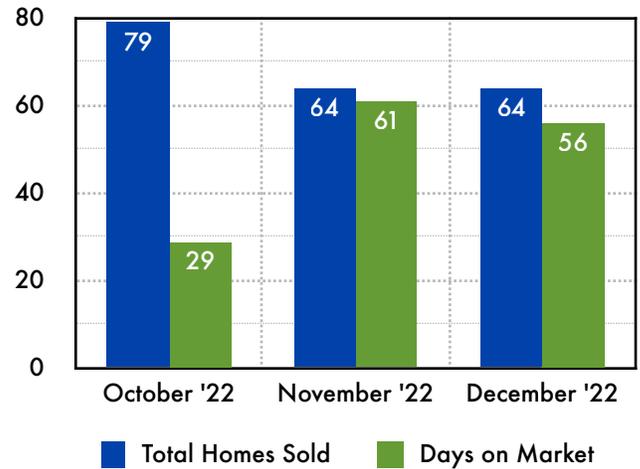


- Average Sold Price This Quarter
- Average Sold Price Per SQFT This Quarter
- Average Days on Market This Quarter

Eagle

In October, 79 single-family homes sold in Eagle with an average days on market of 29 and at an average price of \$997,905. Sixty-four homes sold in November at an average price of \$988,936 (61 days on market), and 64 homes sold in December at 56 days on market. Average sold price in December was \$934,190. During the quarter, 207 homes sold. Average sold price in Eagle was \$975,433 – down 1.8% from a year ago. Price per square foot price was \$329, with properties averaging 47 days on market. The highest sold price recorded in Eagle was \$3,850,000, with a lowest recorded sale of \$255,000.

Eagle (Area 900)

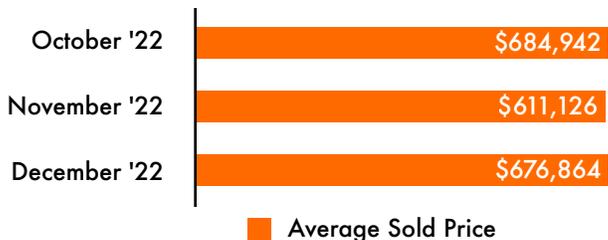
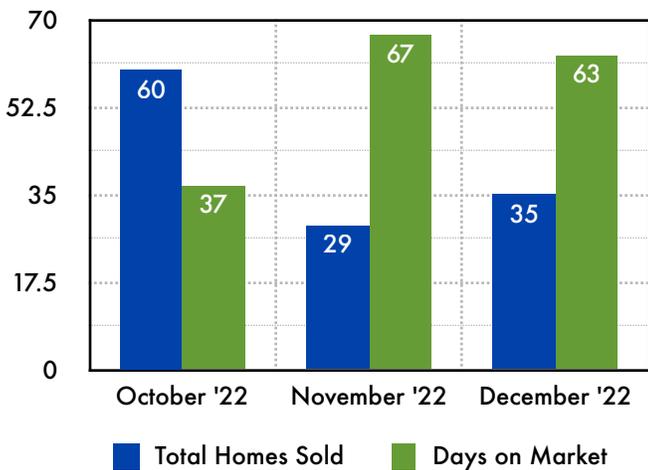


- Average Sold Price This Quarter
- Average Sold Price Per SQFT This Quarter
- Average Days on Market This Quarter

Star

In October, 60 single-family homes sold in Star with an average of 37 days on market and at an average price of \$684,942. Twenty-nine homes sold in November at an average price of \$611,126 (67 days on market), and 35 homes sold in December at 63 days on market. Average sold price in December was \$676,864. During the quarter, 124 homes sold. Average sold price in Star was \$665,398 – up 3.5% from a year ago. Price per square foot price was \$276, with properties averaging 52 days on market. The highest sold price recorded in Star was \$2,265,000, with a lowest recorded sale of \$345,000.

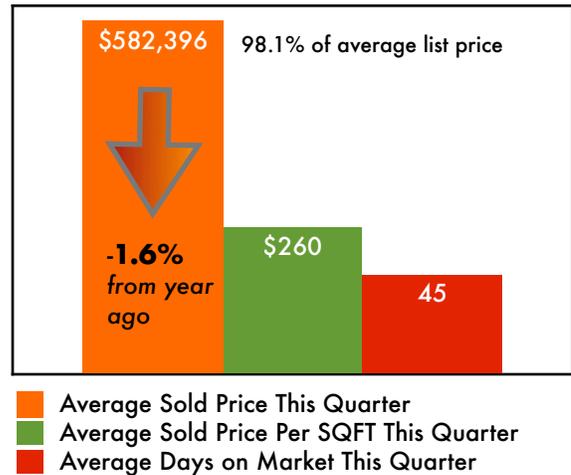
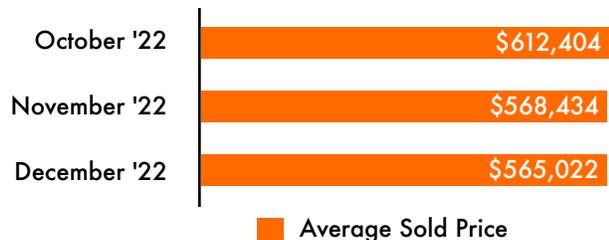
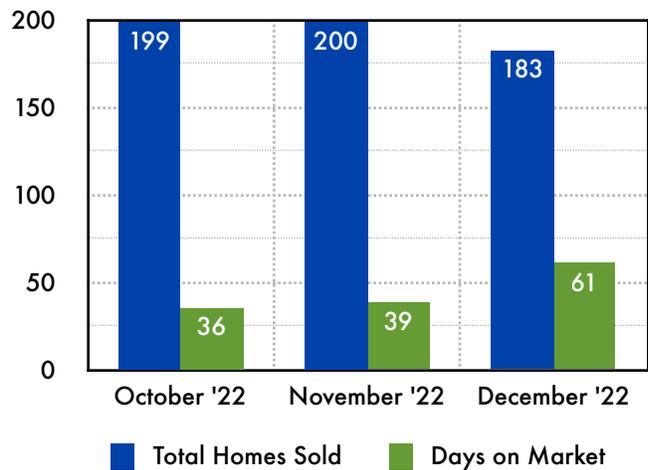
Star (Area 950)



Meridian

In October, 199 single-family homes sold in Meridian with an average days on market of 36 and at an average price of \$612,404. In November, 200 homes sold at an average sales price of \$568,434 (39 days on market), and 183 homes sold in December at 61 days on market, with an average price of \$565,022. During the quarter, 582 homes sold. Average sold price was down 1.6% from the previous year in Meridian. Average sold price was \$582,396 (\$260/SQFT). Homes averaged 45 days on market. The highest sold price recorded in Meridian was \$2,900,000, with a lowest recorded sale of \$150,000.

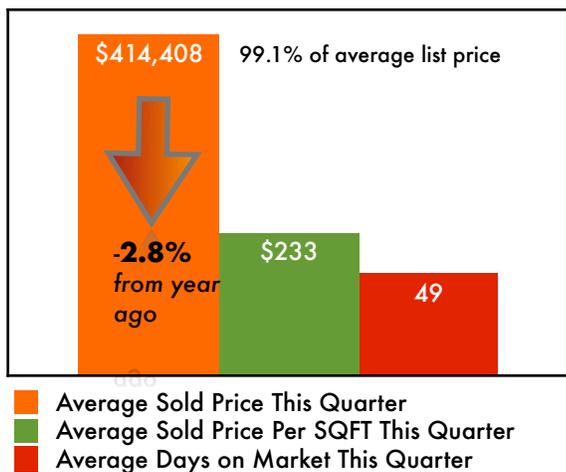
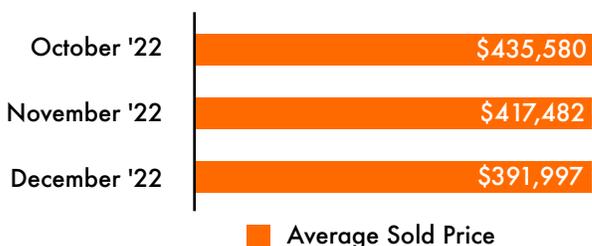
Meridian (Areas 1000-1030)



Caldwell

In October, 108 single-family homes sold in Caldwell with an average days on market at 40 and at an average price of \$435,580. Eighty homes sold in November at an average price of \$417,482 (47 days on market), and 113 homes sold in December at 60 days on market; average sold price was \$391,997. During the quarter, 301 homes sold. Average sold price in Caldwell was \$414,408 – down 2.8% from a year ago. Price per square foot price was \$233, with properties averaging 49 days on market. The highest sold price recorded in Caldwell was \$1,298,000; lowest recorded sale was \$150,000.

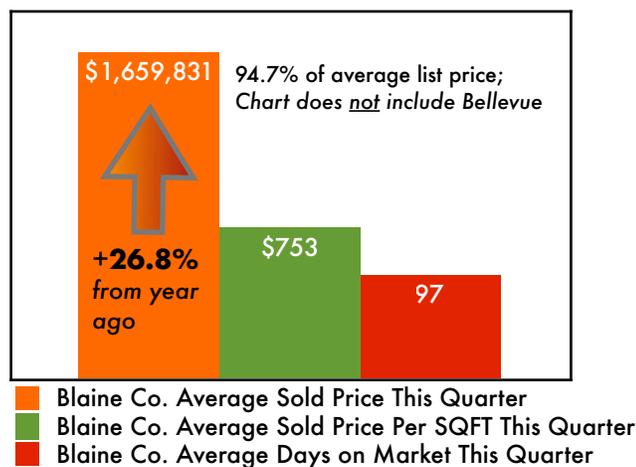
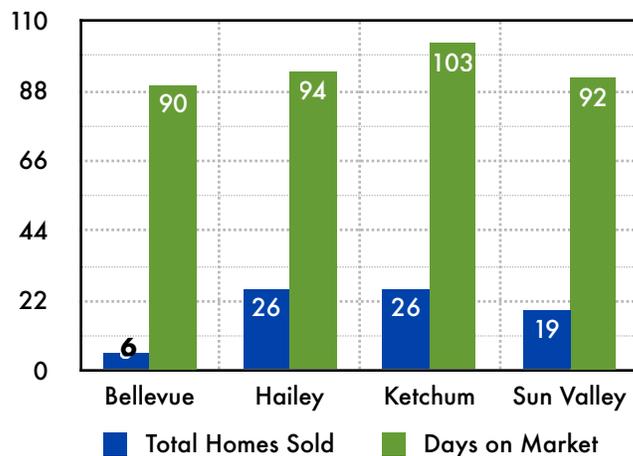
Caldwell (Areas 1275+1280)



Bellevue, Hailey, Ketchum & Sun Valley

Six single-family homes sold in Bellevue at an average of 90 days on market and a price of \$522,000 (\$334/SQFT). Hailey recorded the sale of 26 homes – average days on market 94 and an average price \$689,538 (\$400/SQFT). In Ketchum, 26 homes sold at an average of \$1,769,077 (\$924/SQFT). Average days on market was 103. Sun Valley records indicated 19 homes sold – average price \$2,838,105 (\$1000/SQFT) and 92 days on market. In the quarter, 71 properties sold in the County (excluding Bellevue). Average sold price was \$1,659,831 (up 26.8% from a year ago). Homes averaged \$753/SQFT and 97 days on market. Highest sold price was \$10,100,000; lowest was \$305,000.

Bellevue, Hailey, Ketchum & Sun Valley



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



4405 N Burnside - N Boise



1617 N 21st - N Boise



2145 E Parkside - NE Boise



223 E Woodvine - SE Bench



4611 N Shirley - NW Boise



1461 N Crosswater - Eagle



201 Alturas (Lot) - Hailey



416 N Main - Hailey

<h2 style="text-align: center;">Multi-Family Housing</h2> <h2 style="text-align: center;">Near Downtown Boise</h2>	North Boise (Area 0100) 	Average Sold Price: \$796,983 Average Sold Price/SQFT: \$308 6 Sold; Average DOM 22 Price Prior Yr: Down 4.7%
	Northeast Boise (Area 0200)	Average Sold Price: N/A Average Sold Price/SQFT: N/A 0 Sold; Average DOM N/A Price Prior Yr: N/A
	Southeast Boise (Area 0300) 	Average Sold Price: \$646,633 Average Sold Price/SQFT: \$318 3 Sold; Average DOM 32 Price Prior Yr: Up 19.0%
	Boise Bench (Area 0400) 	Average Sold Price: \$611,938 Average Sold Price/SQFT: \$250 8 Sold; Average DOM 38 Price Prior Yr: Down 28.0%
<p>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.</p>		

Community Q&A

Melinda McCaslin

Q: *Melinda - What are your predictions for interest rates and the housing market in 2023?*

A: *continued volatility in rates over the next 3 to 9 months before rates settle in the bandwidth we're expecting. Ultimately, I'm hopeful 30-year mortgage rates will end the year in the low to mid 5% range.*

The challenge is that for the Fed's to truly curb inflation, they're trying to find the perfect balance without tipping the economy into a recession. My 2020 hindsight says the Fed's waited too long to start increasing the short-term rates, and as a result, they've increased too much too fast, and consequently, we will absolutely experience a recession in 2023. The only unknown is how severe the recession will be. Indeed, many market gurus believe we're already in a recession based on technical growth measures. Ultimately, this will be favorable for long term interest rates although it's a painful way to achieve lower rates.

Q: *Melinda - Is the housing market likely to experience a "crash?"*

A: *While I do expect to see continued pressure on home prices, I don't expect anything that could be considered a housing crash. Nationally, we saw home prices increase almost 40% during the onset of the pandemic (2020 and 2021), only to experience a decrease of roughly 2.5% in 2022, driven largely by mortgage rates that more than doubled inside of 12 months. Surprisingly, while we saw a modest decrease in the most*

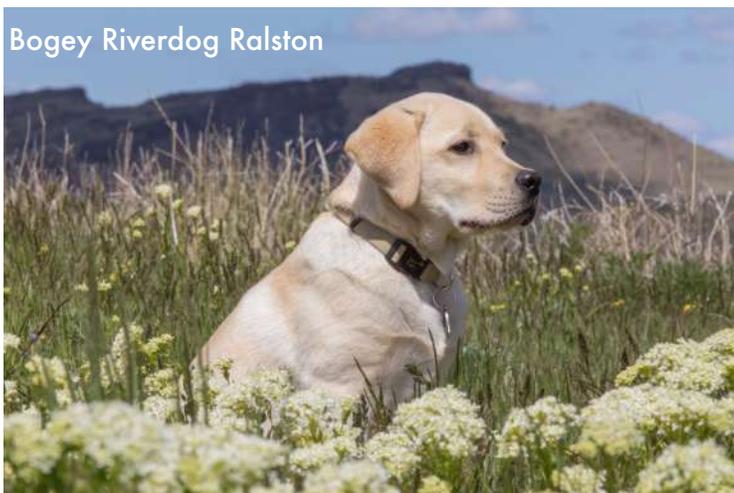
recent CPI (Consumer Price Index) numbers, rents are one of the outliers that continue to drive inflation the wrong direction.

Given pent up demand from homebuyers that were unable to get into the housing market during the pandemic, and a pullback in new construction, I believe the housing market will return to a more stable market, with year over year appreciation in the single digits. However, given the number of homeowners that locked in record low mortgage rates in 2020 and 2021, I would expect home inventory levels to stay low as normal "move up" buyers don't want to give up their lower payments.

In 2023, I expect the downward pricing pressure to be offset by lower inventory, resulting in a more balanced market for buyers and sellers than we've experienced the last several years. Ultimately, a stable balanced market is a great time for both buyers and sellers to make the moves that make sense for their families!

Melinda McCaslin is a leading Idaho lending expert. Melinda earned her MBA from Harvard & BS degrees in Finance & Marketing from the Univ. of Utah. Melinda November be reached at 208-631-9194 or melindam@rate.com.

Bogey Riverdog Ralston



Did You Know?

Dogs have a dominant paw like humans have a dominant left or right hand. Can you tell if your dog is left-pawed or right-pawed?

A quote for the quarter..." Look deep into nature, and then you will understand everything better." – Albert Einstein

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.

THANK YOU FOR YOUR CONTINUED ADVOCACY AND REFERRALS.

WE ARE ALMOST 100%

REFERRAL-BASED...

AND ARE SO INCREDIBLY GRATEFUL TO YOU FOR YOUR REFERRALS!



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