

Photo courtesy of Joshua Roper

## Not Fake News – Treasure Valley is Growing Fast!

Every year I attend the annual “State of Downtown Boise” meeting. This year, the much anticipated, well-attended event featured the impact of the growth of the arts in our community, and the many beneficial ways it touches all of us so privileged to live here. Not so long ago, a detailed discussion of “the arts” in Boise would have likely been a pretty sparse presentation, if one at all.

What’s changed you may ask...? Pretty much everything! Boise and the surrounding communities that comprise the Treasure Valley are growing dramatically. And with that growth comes both the benefits (strong economy, job opportunity, broad entertainment choices, etc.) and the challenges (increased traffic, added demands on schools and infrastructure, housing shortages, increased cost of living, secret fishing spots no longer quite-so-secret, etc.). It truly is the proverbial double-edged-sword.

Drawing from the great information provided by our friends at the Idaho Business Review (IBR), Downtown Boise Association (DBA) and other resources, highlighted below are some wide-ranging but clear evidence of the new and seemingly intensifying nationwide visibility measuring the desirability and growth of Boise and the greater Treasure Valley.

- IBR recently reported that Meridian may rank as the No. 1 fastest growing city in the country once the U.S. Census Bureau releases its population estimates next month;

- The U.S. Census Bureau (March 2018) gave Boise the No. 7 spot as the fastest growing metro area in terms of percentage growth (incidentally, our neighbor city to the north Coeur d’Alene ranked No. 5);

- Average yearly job growth in the Boise metro area is 3 percent vs a national rate of 1.7 percent;

- Earlier this year, **NBC’s Today Show** showcased Boise as one of “the hottest cities to visit”;

- Last December, **Insider** labeled Boise as “the hippest city everyone under 30 wants to move to”;

- **Wallethub** ranked us in the “top 10 best cities for veterans”, “No. 3 best run city in America”, and “one of the best capital cities to live in”;

- In 2017 **Forbes** featured Boise as “one of America’s 25 fastest growing cities”, in the “top 20 cities for young professionals, and the “No. 4 best place to retire” – both **Kiplinger** and **US News & World Report** have published similar rankings;

*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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► **Business Wire** (October 2017) voted Boise the #1 city for “small business & friendliness”;

► The Boise metro area is roughly 700,000 people compared to 640,000 people 5 years ago, and increasing 20 percent in past 10 years. Meridian now surpasses 100,000 residents compared to less than 10,000 just 10 years ago; and

► The median age in Boise is 35.2 years compared to the national average of 37.9 years. The number of residents 25 years and older with a bachelor’s degree or higher is 41 percent compared to the national average of 31 percent.

The list of prominent accolades attributed to the Boise metro area is endless and for the sake of brevity I’ll hit the pause button.

However, narrowing the focus to the subject of real estate, the impacts are similarly significant. Unprecedented growth, has led to a huge imbalance in housing supply and demand causing an extended shortage in homes for sale, ever-escalating sale prices, and an overall downtown housing shortage that is unaffordable for many. Those of you who closely follow Ralston Group’s monthly and quarterly reports aren’t surprised to know that home prices continue to rise as the demand grows and supply declines – the most basic of economic principles are at work. However, you might have been stunned when we published last month’s statistics showing the average home price increases from just a year ago.

Real estate here continues to be a good investment. Looking ahead, barring some unforeseen, drastic event, virtually all indicators

**Average single-family home sales price in Ada County has climbed 20 percent in the past year – up almost 57 percent in the past five years.**

are positive for prolonged growth and prosperity for the Boise metro area in the foreseeable future. The forward-looking growth models for the Treasure Valley are very exciting, yet at the same time somewhat sobering. On one hand most of us enjoy the many benefits of progress, while on the other worry about the impact of uncontrolled, unsustainable growth on Idaho’s exceptional quality of life that we all love.

Managing the demands of this growth will no doubt challenge our elected leaders and all of us in the years ahead. The accelerating collision of ideas and competing interests lies ahead and we’ll see the results – both good and not so – in the not-too-distant future. It will present so many new opportunities, but won’t be without its frustrations and challenges. Buckle up Boise – as the ride ahead is going to be exciting!

*Alicia Ralston*

[Click here to read Boise’s 2017 Livability Report](#)  
(released on April 25th)



Photo courtesy of Joshua Roper



Photo courtesy of Mark Parent

## THE STATE OF OUR DOWNTOWN...

20% downtown employment growth in last 5 years ❖ 57% of downtown residents are under 35 ❖ 38% of housing units are within 800 feet of a park ❖ 20% increase in the number of people living downtown since 2000 ❖ Average condo sales price \$335/SQFT ❖ 99% apartment occupancy rate ❖ 48% of downtown apartments built since 2000 ❖ 1:11 ratio of downtown residents vs. employees ❖ 27,334 students pre-school through law school attending downtown campuses ❖ 102 restaurants & 16 coffee & tea shops & 192 retail and service establishments

*Data courtesy of DBA*

## Market Update - Ada Co.

<b>Residential Single-Family Homes - Ada County</b> <small>Statistics referenced herein are for single-family homes – unless otherwise noted – which includes existing homes, new construction, and condominiums/townhouses</small>		<b>1Q2018</b> <small>JAN-FEB-MAR</small>
Average Sold Price		\$340,552
Average Sold Price Compared to Prior Year Same Quarter		up 20.1%
Average Days on Market		44
Total Dollar Volume		\$717.9M
Total Dollar Volume Compared to Prior Year Same Quarter		up 35.9%
New Construction Sold Based On # of Units		31.2%
Existing Homes Sold Based On # of Units		68.8%

### New Construction Units Sold Up 27 Percent From Year Ago

The average sales (i.e, sold) price in Ada County increased 20.1% from a year ago (1Q2017) to \$340,552.

The number of homes sold was up 13.2% from a year ago; new homes sold up 26.8%. Total dollar volume of new construction was up 44.4%. New construction accounted for 31.2% of sales, and existing homes the remaining 68.8%. The average sold price of new construction was up 13.9% from a year ago.

The number of existing homes sold in the quarter was up 7.8% from this time last year. Total dollar volume of existing homes sold was up 31.6% from a year ago. Existing home sold price was up 22.0% from a year ago.

The quarter's dollar volume for single-family homes in Ada County was \$717.9 million compared to \$528.3 million a year ago – a 35.8% increase. A total of 1208 units sold (existing and new construction) in the quarter. Days on market was 44 compared to 52 days on market a year ago.

Lack of inventory continues to be a challenge for buyers. At the end of the quarter, average overall inventory in Ada County was at 1.5 months – 1.0 months for existing homes and 2.7 months for new construction. Average inventory was 1.1

months for properties in the \$250,000 to \$299,000 price range and 1.9 months for properties \$300,000 to \$399,000. For properties \$400,000 to \$499,000 inventory was 2.2 months. Average inventory was 2.4 months in the \$500,000 to \$699,999 price range, and 5.0 months in the \$700,000 to \$999,999 price range. Inventory was 16.0 months for properties over a million dollars.

In our core coverage areas, the three month average inventory of homes less than \$300,000 ranged from 0.0 (Northeast Boise) to 1.2 (NW Meridian) months. The three month average inventory of homes greater than \$300,000 in our core areas is shown in the column to the right.

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 is a "Balanced Market;" and 8-12+ months is a "Buyer's Market." Ada County has been (and is currently) in a "Seller's Market."

13 Boise downtown condos sold at avg. of \$450/SQFT

# of land sales & avg. sold:  
 N Boise: 23 (\$264,265)  
 NE Boise: 3 (\$264,167)  
 SE Boise: 3 (\$163,300)  
 The Bench: 4 (\$149,625)  
 NW Boise: 4 (\$116,000)  
 Eagle: 15 (\$229,187)  
 N Meridian: 1 (\$215,000)

Avg. inventory over \$300K:  
 N Boise: 2.4 months  
 NE Boise: 2.3 months  
 SE Boise: 1.3 months  
 The Bench: 2.6 months  
 NW Boise: 2.8 months  
 Eagle: 2.6 months  
 N Meridian: 2.7 months

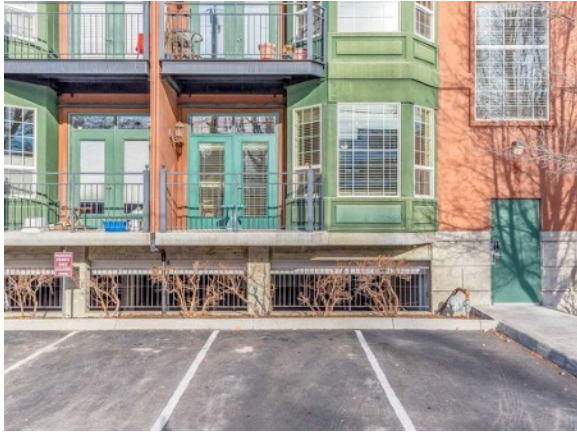


## Market Update - Blaine Co.

<b>Residential &amp; Commercial - Blaine County</b> <small>NOTE: Blaine Co. is defined as Hailey, Ketchum &amp; Sun Valley in the table below. Bellevue has not been included. Bellevue statistics are included on page 12</small>		<b>1Q2018</b> <small>JAN-FEB-MAR</small>
Average Sold Price Single-Family Home (INCLUDES CONDOS & TOWNHOUSES)		\$648,515
Average Sold Price Single-Family Compared to Prior Year Same Quarter		down 16.5%
Average Days on Market Single-Family		179
Total Dollar Volume Single-Family		\$82.4M
Total Dollar Volume Single-Family Compared to Prior Year Same Quarter		up 9.3%
Average Sold Price Condominium/Townhouse (ONLY)		\$535,379
Average Days on Market Condominium/Townhouse		179
Total Dollar Volume Condominium/Townhouse		\$39.1M
Average Sold Price Condo/Townhouse Compared to Prior Year Same Quarter		up 17.4%
Average Sold Price Commercial		\$265,600
Average Days on Market Commercial		956
Total Dollar Volume Commercial		\$1.3M
Total Dollar Volume Commercial Compared to Prior Year Same Quarter		down 70.1%

### Condos and Townhouse Prices Up 17.4%

The quarter's records indicate that 127 single-family homes sold at an average of \$343/SQFT – average sold price was down 16.5% from a year ago. 73 of the 127 single-family homes were condominiums/townhouses, selling at an average of \$379/SQFT; dollar volume was up 71.4% – sold price up 17.4%. "Residential" land, which is not included in the data above or that follows, included 15 sold properties at an average sold price of \$917,807; the properties averaged 584 days on market. Total dollar volume of land (\$12.8M) was up 280.0% from a year ago. Five commercial properties sold at an average of \$265,600. The average sold price for commercial properties was down 52.2%; days on market was 956 compared to 410 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.



1207 W Fort | Unit 110  
Courtesy of Carol Seiber - Coldwell Banker Tomlinson

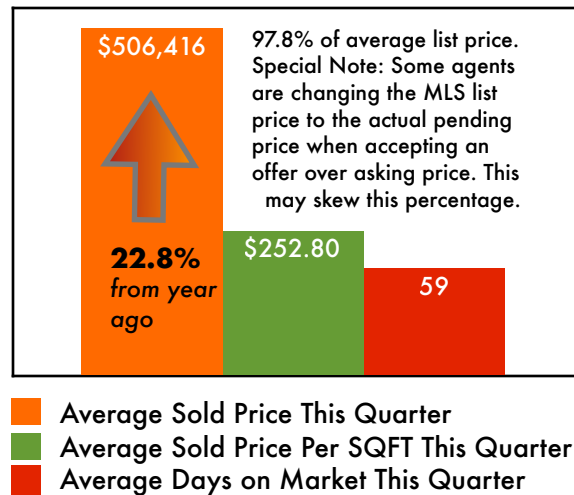
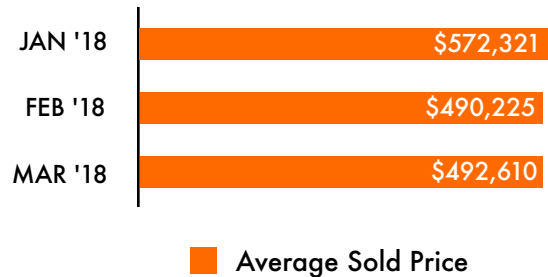
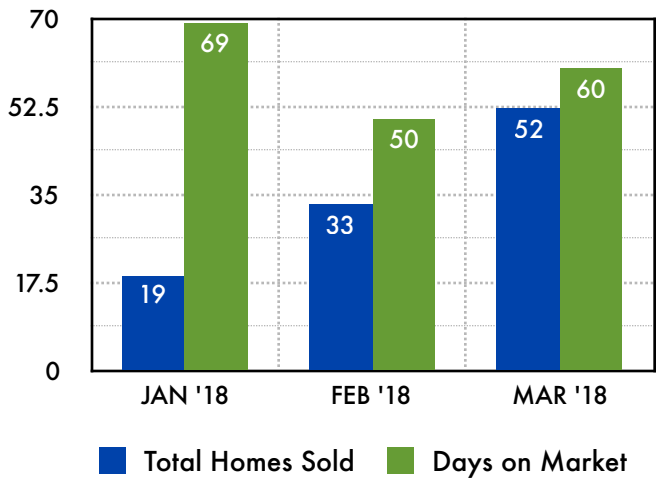


TBD N Bogus Basin  
Courtesy of Alicia Ralston - Ralston Group



443 W Thatcher  
Courtesy of Dawn Templeton - Templeton Real Estate Group

## North Boise (Area 100)



## North Boise

In January, 19 single-family homes sold in North Boise with an average days on market of 69 and at an average price of \$572,321. Thirty-three homes sold in February at an average sales price of \$490,225 (50 days on market), and 52 homes sold in March at 60 days on market (average sold price \$492,610). The highest sold price recorded in North Boise was \$2,750,000, with a lowest recorded sale of \$179,800. During the quarter, 104 properties sold averaging 59 days on market. Sold price in North Boise was up 22.8% from a year ago to \$506,416 (\$253/SQFT).



1228 E Jefferson  
Courtesy of Brook Seidl - Keller Williams Realty Boise

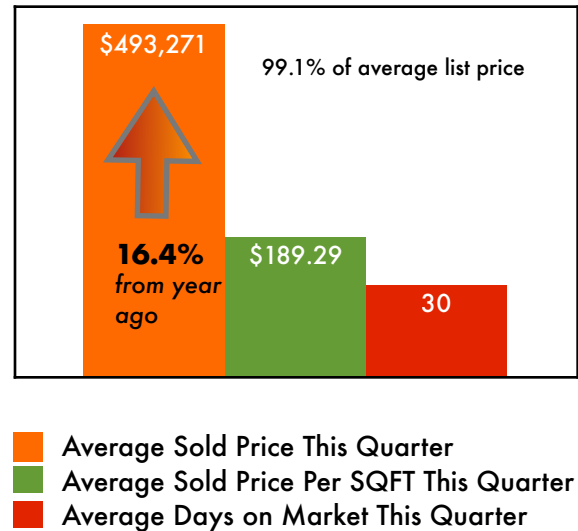
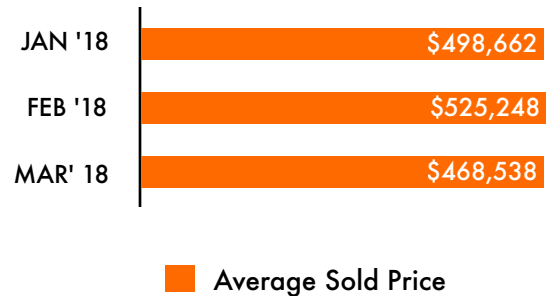
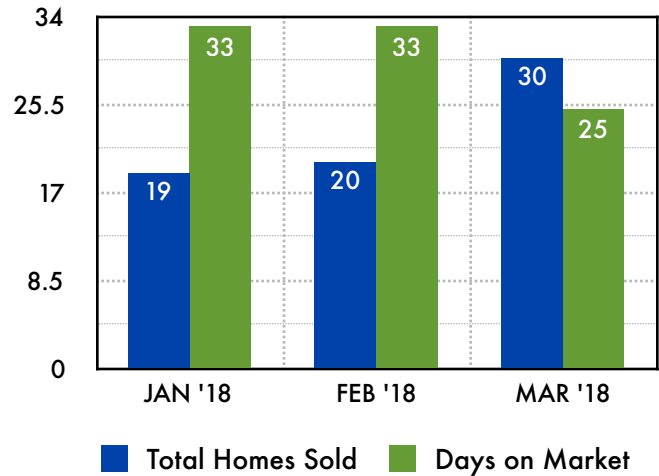


1018 E Strawberry  
Courtesy of Jason Andersen - Century 21 Magellan Realty



1152 E State  
Courtesy of Eric Debord - Red Pheasant Realty

### Northeast Boise (Area 200)



## Northeast Boise

In January, 19 single-family homes sold in Northeast Boise with an average days on market of 33 and at an average price of \$498,662. February included the sale of 20 homes at an average sales price of \$525,248 (33 days on market), and 30 homes sold in March at 25 days on market. Average sold price in March was \$468,538. The highest sold price recorded in Northeast Boise was \$1,110,000, with a lowest recorded sale of \$308,000. During the quarter, Northeast Boise recorded 69 home sales at an average of 30 days on market. Sold price in Northeast Boise was \$493,271 (\$189/SQFT) – up 16.4% from a year ago.





303 W Warren  
Courtesy of Tim Roby - Silvercreek Realty Group

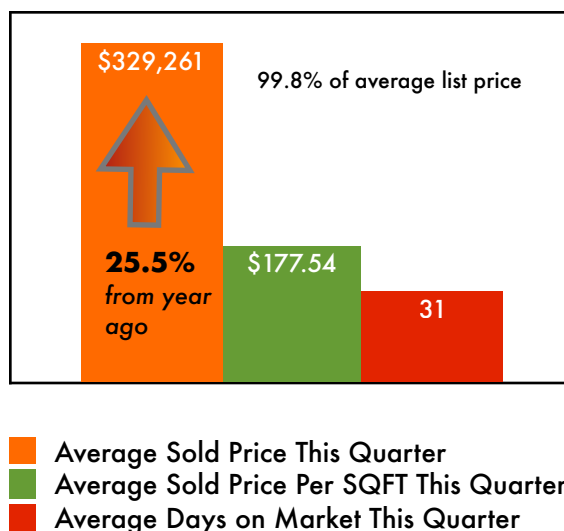
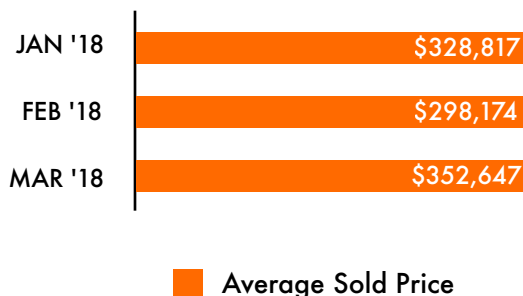
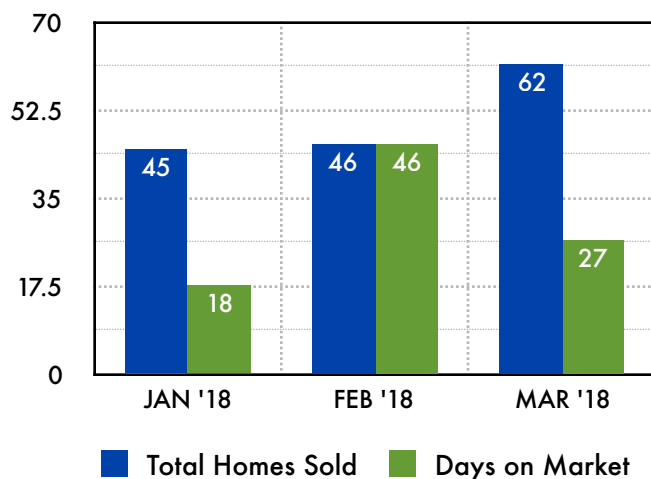


2130 S Crosscreek  
Courtesy of Jill Donahue - Ralston Group



1945 Creekside  
Courtesy of Lindsey Ryan - Boise Premier Real Estate Group

### Southeast Boise (Area 300)



## Southeast Boise

In January, 45 single-family homes sold in Southeast Boise with an average days on market of 18 and at an average price of \$328,817. In February, 46 homes sold at an average sales price of \$298,174 (46 days on market), and 62 homes sold in March at 27 days on market. Average sold price was \$352,647. The highest sold price recorded in Southeast Boise was \$999,999, with a lowest recorded sale of \$150,000. During the quarter, Southeast Boise recorded the sale of 153 homes. Sold price in Southeast Boise was up 25.5% from the prior year to \$329,261 (\$178/SQFT), and homes averaged 31 days on market.



1887 S Annett  
Courtesy of Paige Shafer - Ralston Group

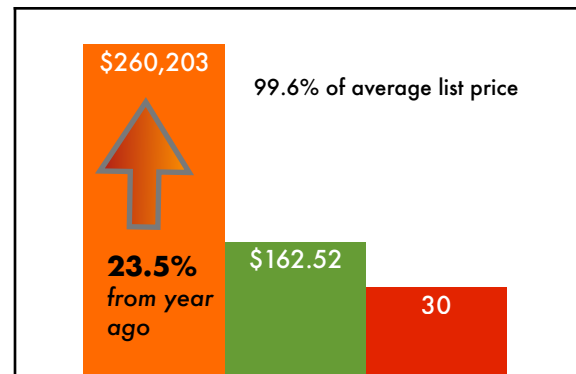
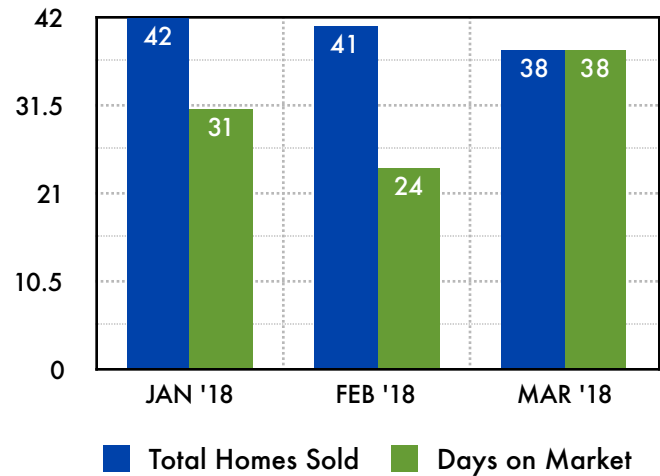


4320 W Wood Acres  
Courtesy of Jason Pennington - Keller Williams Realty Boise



4211 W Fairmont  
Courtesy of Greg Davis - Genesis Real Estate Group

### Boise Bench (Area 400)



## Boise Bench

In January, 42 single-family homes sold on the Boise Bench with an average days on market of 31 and at an average price of \$238,088. Forty-one homes sold in February at an average sales price of \$264,193 (24 days on market), and 38 homes sold in March at 38 days on market. Average price was \$280,339. The highest sold price recorded on the Boise Bench was \$889,000, with a lowest recorded sale of \$105,000. During the quarter, the Bench recorded the sale of 121 homes. Average sold price rose 23.5% from the previous year. Average sold price was \$260,203 (\$163/SQFT), at 30 days on market.





2949 N James  
Courtesy of Tara Allen - Keller Williams Realty Boise

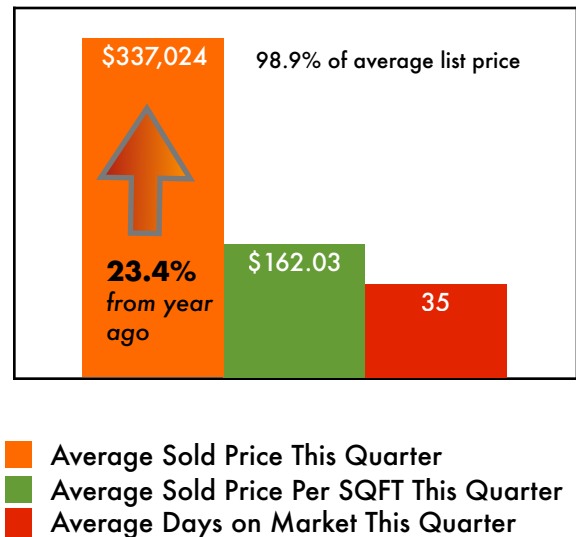
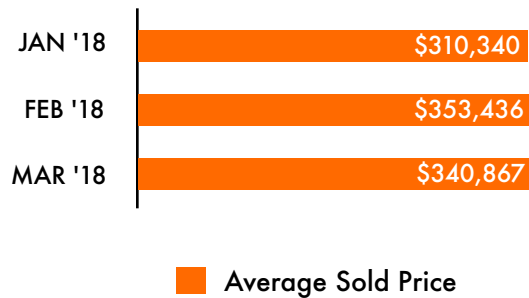
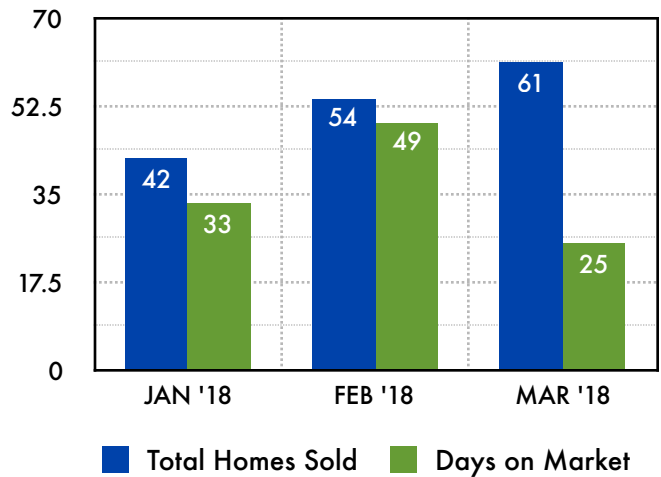


4502 N Mackenzie  
Courtesy of Steve Rumpp - Tiger Prop



5276 N Quail Summit  
Courtesy of Marlene Lewis - Smith & Coelho

### Northwest Boise (Area 800)



## Northwest Boise

In January, 42 single-family homes sold in Northwest Boise with an average days on market of 33 and at an average price of \$310,340. Fifty-four homes sold in February at an average sales price of \$353,436 (49 days on market), and 61 homes sold in March at 25 days on market, with an average price of \$340,867. The highest sold price recorded in Northwest Boise was \$828,000, with a lowest recorded sale of \$118,500. During the quarter, 157 homes sold. Average sold price was up 23.4% from the previous year in Northwest Boise. Average sold price was \$337,024 (\$162/SQFT). Homes averaged 35 days on market.



799 N Harvey  
Courtesy of Mike Brown - Silvercreek Realty Group

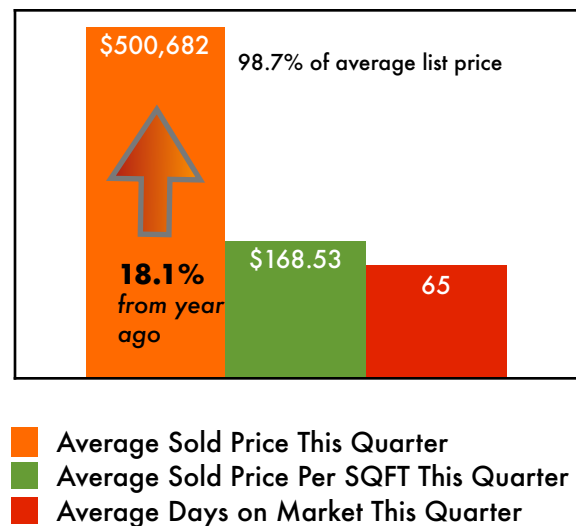
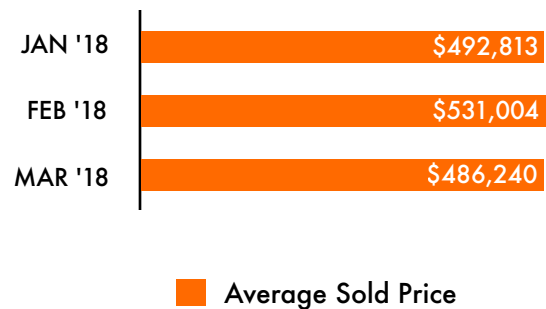
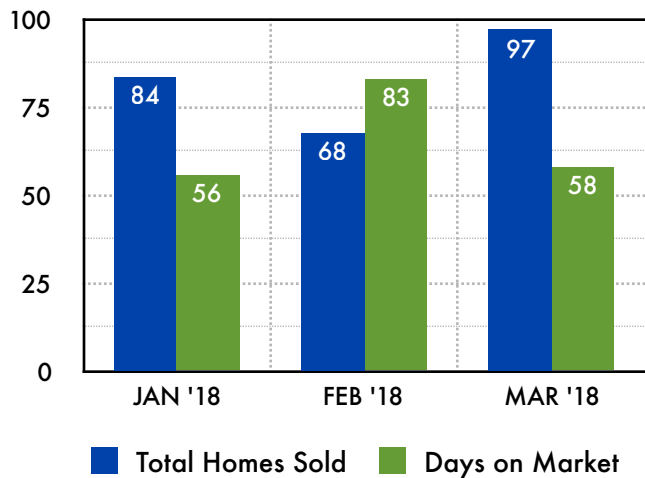


2494 E Brierfield  
Courtesy of Alicia Ralston - Ralston Group



786 E Cloverhill  
Courtesy of Anna Lythgoe - Boise Signature Homes

## Eagle (Area 900)



## Eagle

In January, 84 single-family homes sold in Eagle with an average days on market of 56 and at an average price of \$492,813. Sixty-eight homes sold in February at an average price of \$531,004 (83 days on market), and 97 homes sold in March at 58 days on market. Average sold price in March was \$486,240. The highest sold price recorded in Eagle was \$2,239,521, with a lowest recorded sale of \$136,900. During the quarter, 249 homes sold. Average sold price in Eagle was \$500,682 – up 18.1% from a year ago. Price per square foot price was \$169, with properties averaging 65 days on market.





831 E Lockhart  
Courtesy of Johanna Payne - Silvercreek Realty Group

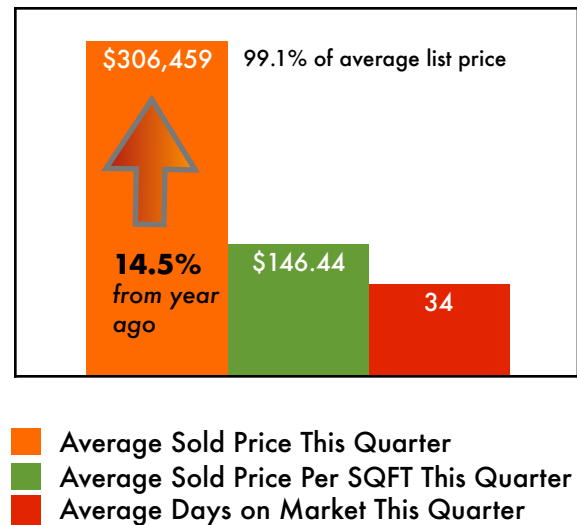
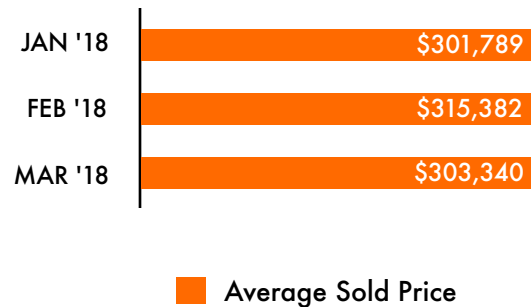
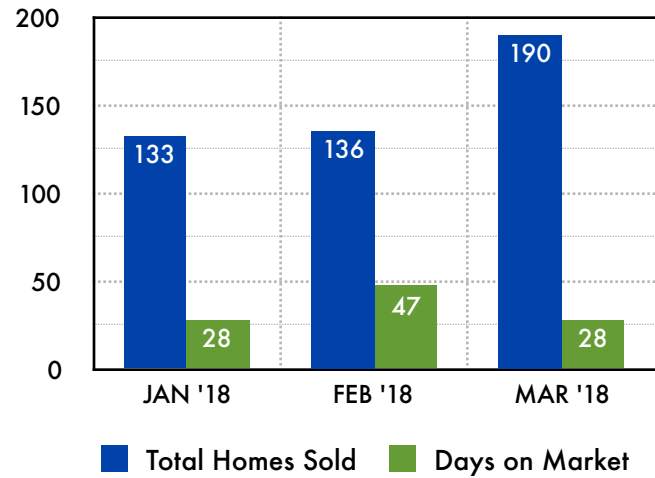


4164 N Beaham  
Courtesy of Kathrine Hanifen - Coldwell Banker Tomlinson



4236 N Heritage View  
Courtesy of James Shorty Clarke - Trail 27 Group

### North Meridian (Areas 1020+1030)



## North Meridian

In January, 133 single-family homes sold in North Meridian with an average days on market of 28 and at an average price of \$301,789. One hundred thirty-six homes sold in February at an average price of \$315,382 (47 days on market), and 190 homes sold in March at 28 days on market; average sold price was \$303,340. The highest sold price recorded in North Meridian was \$1,250,000; lowest recorded sale was \$65,000. During the quarter, 459 homes sold. Average sold price in North Meridian was \$306,459 – up 14.5% from a year ago. Price per square foot price was \$146, with properties averaging 34 days on market.





280 W Sun Valley | Unit 12  
Courtesy of Penny Leopold - Ralston Group

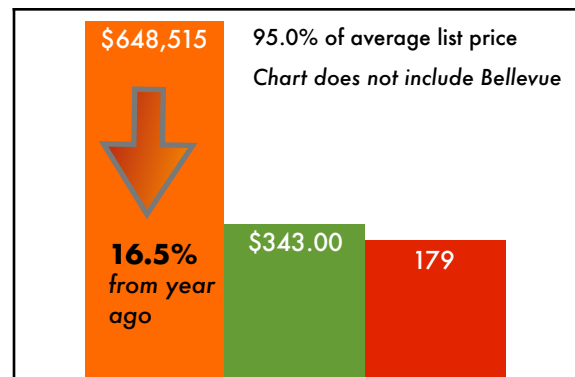
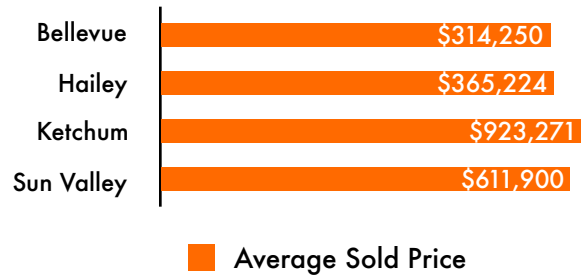
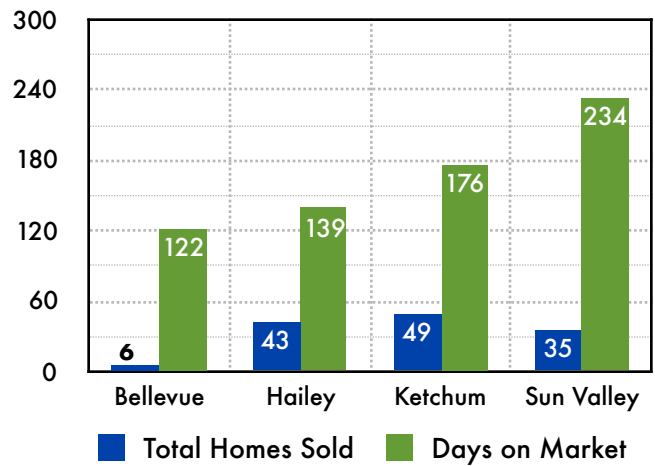


203 Shaun  
Courtesy of Penny Leopold - Ralston Group



107 Paintbrush  
Courtesy of Penny Leopold - Ralston Group

## Bellevue, Hailey, Ketchum & Sun Valley During The Quarter



- Orange bar: Blaine Co. Average Sold Price This Quarter
- Green bar: Blaine Co. Average Sold Price Per SQFT This Quarter
- Red bar: Blaine Co. Average Days on Market This Quarter

## Bellevue, Hailey, Ketchum & Sun Valley

Six single-family home/condo sales were recorded in Bellevue in the quarter at an average of 122 days on market and an average sales price of \$314,250 (\$184/SQFT). Hailey recorded the sale of 43 homes — average days on market of 139 and an average price of \$365,224 (\$212/SQFT). In Ketchum, 49 homes sold at an average sales price of \$923,271 (\$469/SQFT). Average days on market was 176. Sun Valley records indicated 35 home sales at an average price of \$611,900 (\$327/SQFT) and at an average of 234 days on market. In the quarter, 127 properties sold in the County (excluding Bellevue). Average sold price was \$648,515 (down 16.5% from a year ago). Homes averaged \$343/SQFT and 179 days on market. The highest sold price was \$5,500,000.

## Multi-Family Housing

## Near Downtown Boise

### North Boise (Area 0100)

Average Sold Price: \$469,625  
Average Sold Price/SQFT: \$167  
4 Sold; Average DOM 26  
Price Prior Yr: **Up 40.9%**

### Northeast Boise (Area 0200)

Average Sold Price: \$304,900  
Average Sold Price/SQFT: \$178  
1 Sold; Average DOM 3  
Price Prior Yr: **Zero Sold 1Q17**

### Southeast Boise (Area 0300)

Average Sold Price: \$304,667  
Average Sold Price/SQFT: \$156  
3 Sold; Average DOM 1  
Price Prior Yr: **Down 10.0%**

### Boise Bench (Area 0400)

Average Sold Price: \$320,227  
Average Sold Price/SQFT: \$130  
15 Sold; Average DOM 22  
Price Prior Yr: **Down 0.1%**

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 4 of this report. Multi-family/residential income data is not available for Blaine County.

## Community Q&A

### Melinda McCaslin

**Q: Melinda - OK - what's going on with interest rates?**

Long-term mortgage rates have seen a steady increase from mid-December through March of 2018, up on average between a half and three-quarter points (e.g. up from roughly 3.875% on a 30-year fixed to 4.5% today). Rates have stabilized in April, and seem to be holding steady at the levels reached in March. And while these rates seem high compared to what we've gotten used to over the past several years, they are still among historic lows!

The Feds have said they plan to increase the short-term federal funds rate another 2 or 3 times in 2018, but this will depend on the strength of the economy and the geopolitical environment. If the economy is indeed able to support these increases, it is actually a good

sign for strength of the economy and savings rates for consumers. This said, the Consumer Price Index, a key measure of inflation, and in turn, one of the factors driving these rate hikes, actually dropped by 0.1% in March, which was counter to most people's expectations.

Increased mortgage rates, combined with rapid appreciation in home values, have definitely had an impact on housing affordability in our market. To counteract this, we are seeing discount points coming back into play as borrowers structure their financing on home purchases. Discount points (based on a borrower's loan amount) are paid up front in order to buy down the fixed mortgage rate, and lower their monthly payment. Ultimately, we expect rates to continue to ease upwards over the balance of the year, but hopefully at a slower pace than we've seen in the first quarter.



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. [More about Melinda...](#)

THANK YOU FOR YOUR CONTINUED ADVOCACY AND REFERRALS.

WE ARE 100%

REFERRAL-BASED...

AND ARE SO INCREDIBLY GRATEFUL TO YOU FOR YOUR REFERRALS!

"Bogey" Ralston



## Did You Know?

A new survey by the [Trust for Public Land](#) found that Boise is tops (#1) in the nation when it comes to number of dog parks per capita. Did you also know that 1 in 3 Americans don't have a park within a 10-minute walk of home.

## A TRADITION OF TRUST

Ralston Group is a small, vibrant residential real estate "boutique" focused in Boise, Eagle and the Sun Valley/Wood River Valley. In Boise, Ralston Group specializes in and around the downtown including the North End, Highlands & Foothills, East Side (North and South), West Side, and the Bench above the University and Ann Morrison Park. Ralston Group also has expertise in Eagle and Meridian, and is often asked to partner on unique projects including vacation & investment properties, ranches, vineyards, and sustainable design/builds. In the Wood River Valley, Ralston Group serves both the residential and commercial real estate markets. Ralston Group has an entirely different outlook and methodology of delivering real estate services. It's 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. *We don't aspire to be the biggest – we do aspire to be the best.* This basic company ethos, coupled with extensive local market knowledge, an excellent team, and industry-leading tools, provides Ralston Group the ideal platform to provide clients the most personalized, reliable, and cost-effective real estate services in the Treasure and Sun Valley/Wood River Valleys.

Want details of a property while you're driving around town? Download our App on your mobile device by searching for *Ralston Group Properties* at the App Store







**Alicia Ralston | Owner - Broker**

[Read about Alicia...](#)

Cell: 208-850-7638

Email: [alicia@ralstongrp.com](mailto:alicia@ralstongrp.com)



**Amy Berryhill**

[Read about Amy...](#)

Cell: 208-890-2069

Email: [amyberryhill@ralstongrp.com](mailto:amyberryhill@ralstongrp.com)



**Jill Donahue | Associate Broker**

[Read about Jill...](#)

Cell: 208-861-5455

Email: [jill@ralstongrp.com](mailto:jill@ralstongrp.com)



**Currie Bucher**

[Read about Currie...](#)

Cell: 208-971-7767

Email: [currie@ralstongrp.com](mailto:currie@ralstongrp.com)



**Scout O'Gara**

[Read about Scout...](#)

Cell: 208-830-7111

Email: [scout@ralstongrp.com](mailto:scout@ralstongrp.com)



**Paige Shafer**

[Read about Paige...](#)

Cell: 208-841-8301

Email: [paigeshafer@ralstongrp.com](mailto:paigeshafer@ralstongrp.com)



**Penny Leopold | Sun Valley**

[Read about Penny...](#)

Cell: 208-309-1130

Email: [penny@ralstongrp.com](mailto:penny@ralstongrp.com)



**David Ralston | Strategy**

[Read about David...](#)

Cell: 208-761-5397

Email: [dralston@ralstongrp.com](mailto:dralston@ralstongrp.com)

[www.ralstongroupproperties.com](http://www.ralstongroupproperties.com)