

# 2021 Mid-Year Residential Real Estate Update for Elmore County

**Presented by Breanna Vanstrom, MBA, RCE, CAE**  
Boise Regional REALTORS® Chief Executive Officer

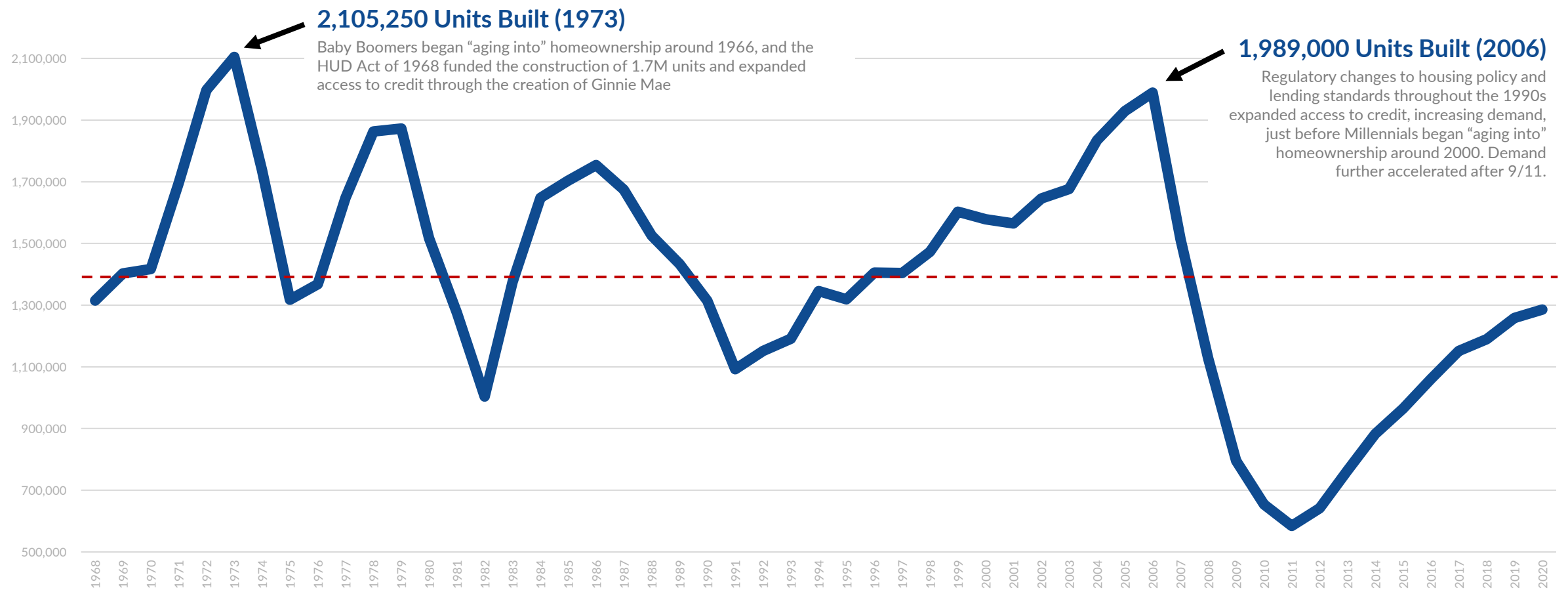
Released July 19, 2021, as part of the Elmore County Housing Summit

*Elmore County home prices are being driven by...*

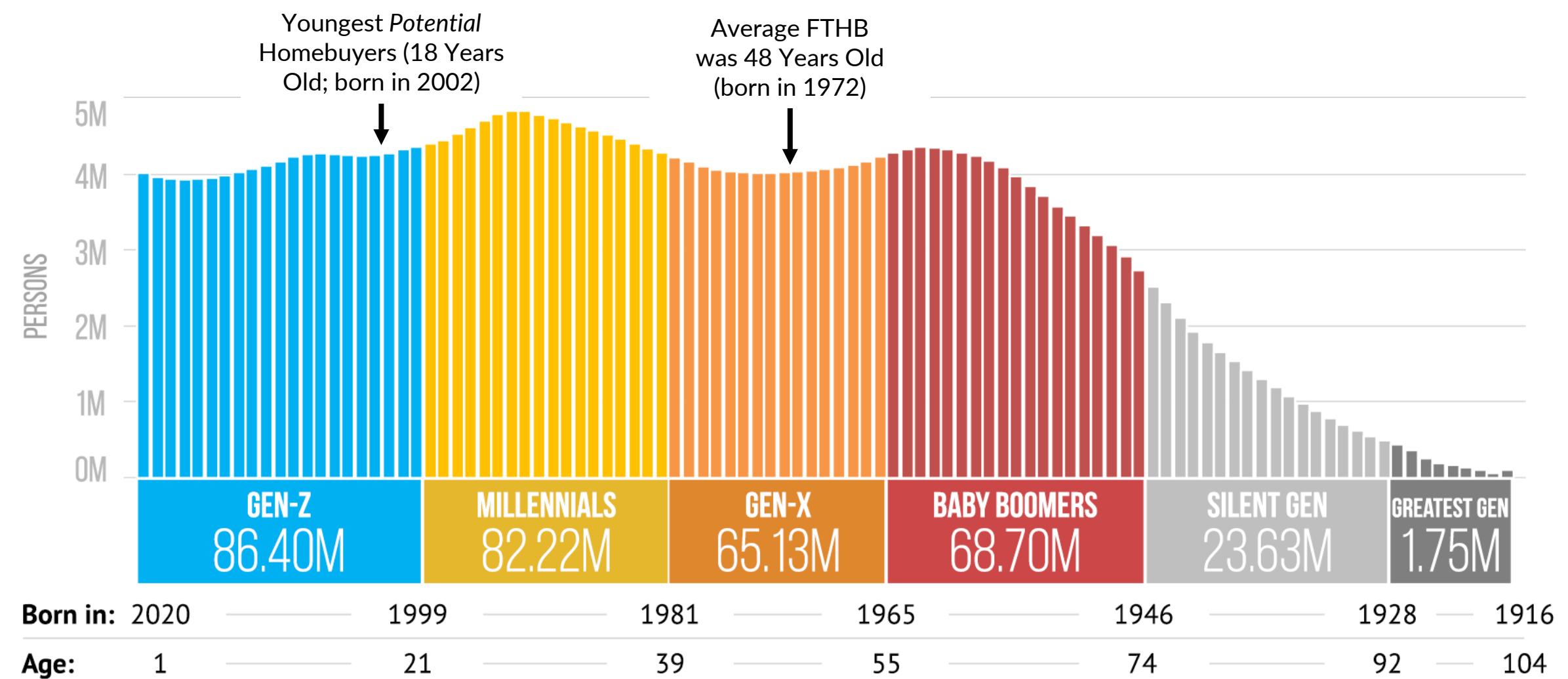
**Persistent and historically low inventory  
of *existing* homes compared to demand,  
exaggerated by a lack of consistent  
*new* construction supply.**

# New Housing Units Completed in the U.S., 1968-2020

The data are for new housing units within a variety of property types, including single-family homes, condos, townhomes, apartments, and multi-family buildings, but *excluding* manufactured homes. The red line shows the historical average over this time period, nearly 1.4 million completions per year. Between 1996-2007, 2.8 million more units were built than would have been expected based on the historical average. While the drop off in activity allowed the market to absorb the oversupply, since 2008, 5.5 million fewer units were built than would have been expected per the historical average, and because the construction industry was unable to rebound quickly, the country has been significantly below historical levels for more than a decade, all while the population continued to increase.

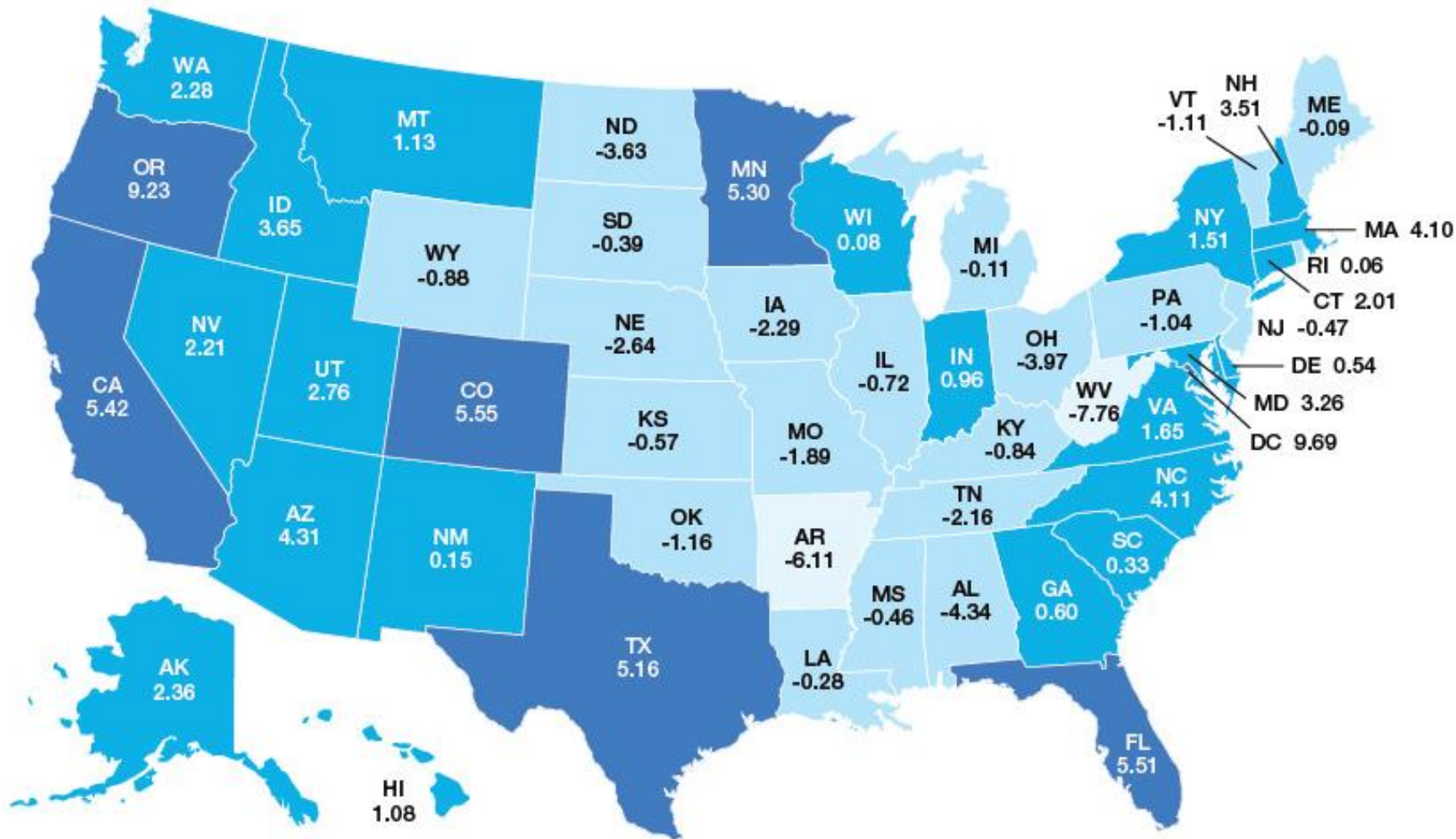


# Total U.S. Population by Age and Generation as of 2020



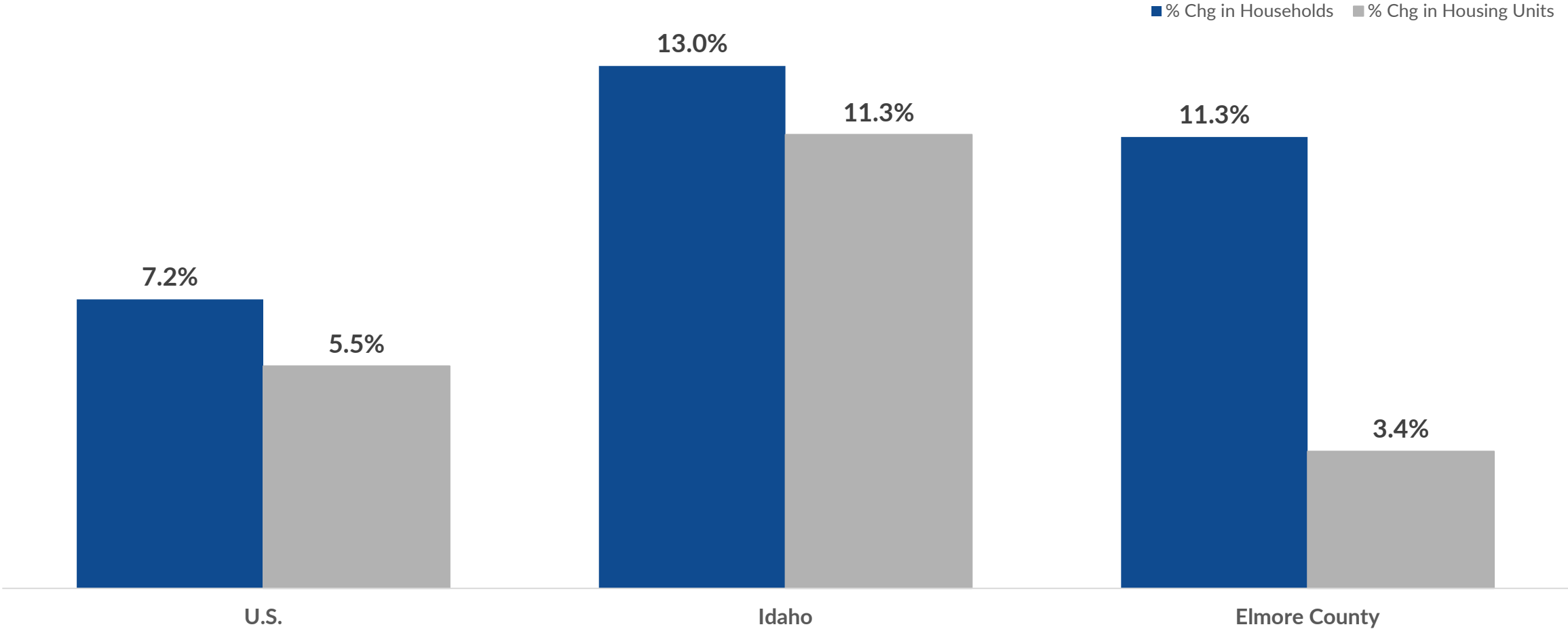
# Majority of States Faced Housing Deficits, December 2020

Housing units refer to individual single-family homes, apartments, and manufactured homes available for purchase or rent. States shaded dark blue had the largest deficits as of 2020, primarily on the coasts and adjacent states. Those shaded light blue have an oversupply of housing units, based on population, vacancy rates, interstate migration patterns, and existing housing stock. Freddie Mac estimated 29 states had housing deficits in 2020, most notably in OR, CA, CO, TX, MN, and FL, putting added pressure on adjacent states. They estimated the U.S. needs up to 3.3 million more units to accommodate household formations, to replace older existing units, meet any second home demand, and to maintain some level of year-round vacancy. The U.S. Department of Housing and Urban Development (HUD) found similar numbers, estimating 2.7 million units are needed.



# Change in Households and Housing Units, 2011-2019

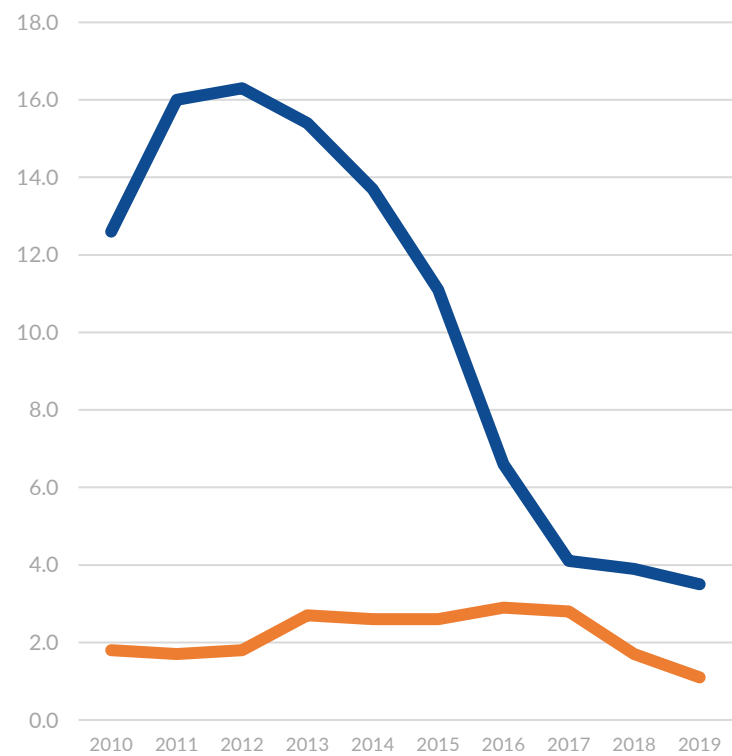
Per U.S. Census Bureau definitions, a “household” refers to an occupied housing unit, and a “housing unit” includes houses, apartments, or a single room intended to be separate living quarters. While housing units were being added throughout this time period, construction remained historically low. However, household formation grew faster than new units, causing the vacancy rate for to drop, further exacerbating the housing deficit.



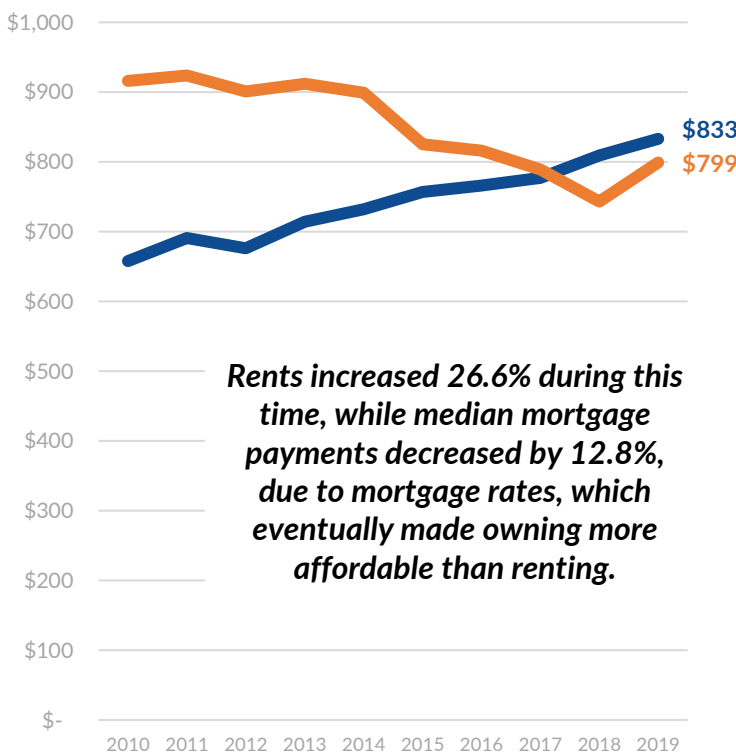
# Changes in Vacancy Rates, Monthly Mortgage and Rent Payments and Household Income for Elmore County, 2010–2019

As households formed rose faster than the rate of new construction, vacancy rates dropped during this time, especially for rentals – down 72.2% between 2010 and 2019. While the median household income rose for both owner- and renter-occupied households, 6.6% and 11.2% respectively, the increase in monthly rent payments far outpaced the gains in income, while falling mortgage rates resulted in a *decrease* in mortgage payments.

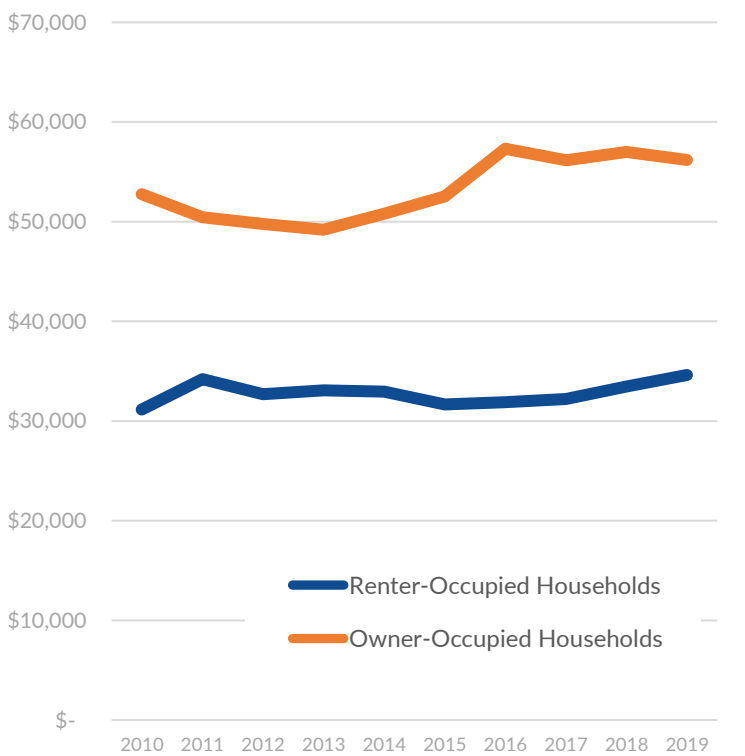
### Vacancy Rate



### Median Monthly Payment

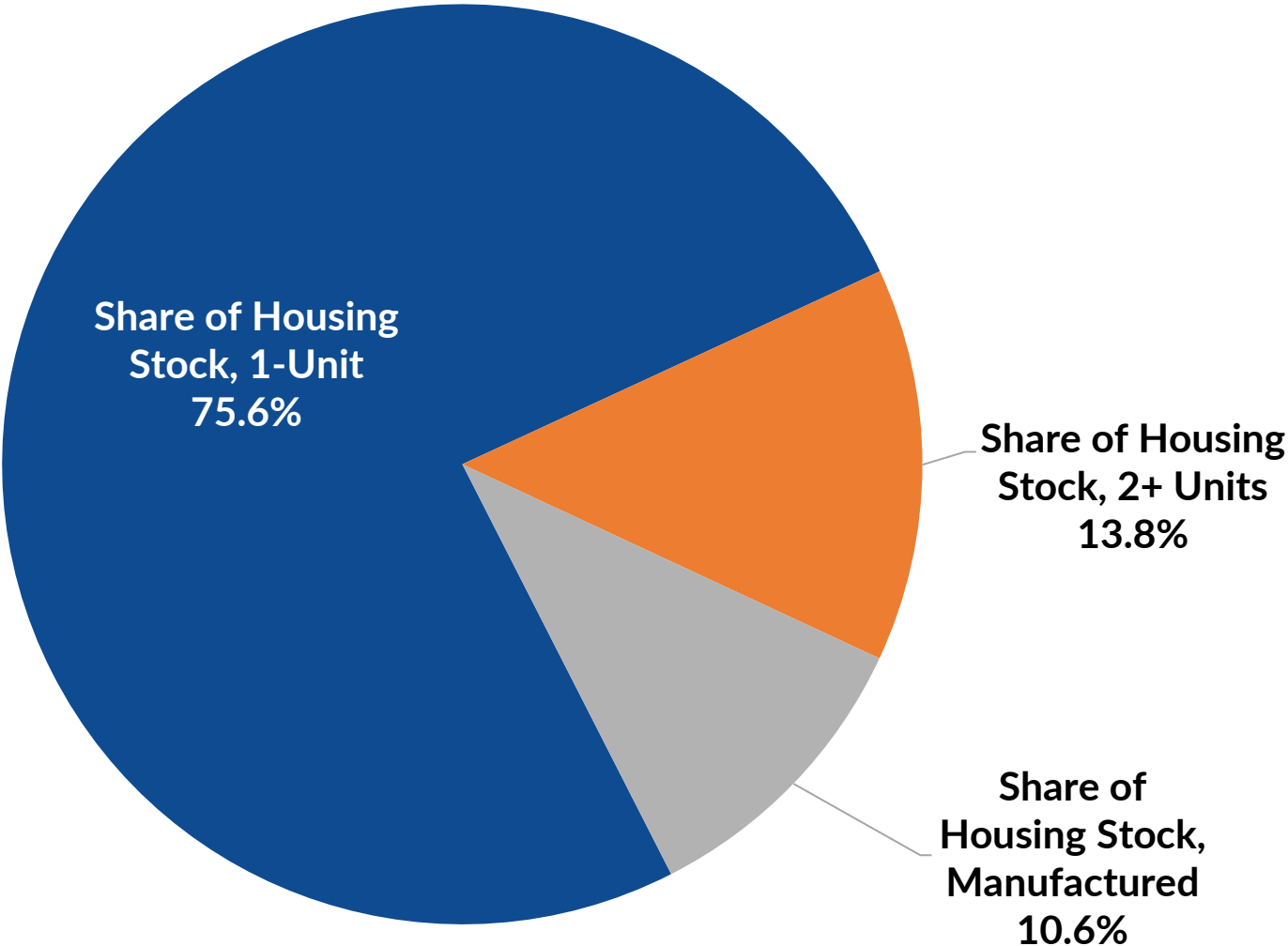


### Median Household Income



# Lack of Housing Types Restricts Units and Density and Increases Prices

Elmore County's housing stock is primarily single-unit properties, at 75.6%, another 13.8% being structures with 2 or more units (including condos, townhomes, apartments, and other multi-family property types) and the remaining 10.6% comprised of manufactured/mobile homes. Multi-unit structures, in particular, allow for greater density on a parcel, while also generally being more affordable as the land and other construction costs can be spread across the entire project. In comparison, Ada County's housing stock is approximately 78% single-family homes, 18% multi-unit structures, and less than 4% are manufactured homes.





## Some Factors Limiting *Existing* Housing Supply

- Underbuilding and construction delays adding pressure to existing homes because they're... *built*.
- More people “aging in place” possibly exacerbated by COVID-19 concerns at senior facilities.
- Concerns of COVID-19 kept some homeowners from listing or allowing in-person showings.
- Investors picked up SFHs during the Great Recession still holding many as rentals — although by absorbing the excess and distressed supply, it did help stop prices from continuing to fall.
- Surge in refis have made current mortgage payments more affordable.
- Despite historically high equity and low mortgage rates, some homeowners feel they cannot “trade up” due to increased prices.
- Homeowners delay listing until they find their next home, which takes longer due to limited inventory.

## Some Factors Driving *Demand* for Housing

- Millennials “aging into” homeownership and driving the growth in household formation.
- Growth in the economy pre-COVID provided more employment opportunities, and a quick decline in post-COVID unemployment claims, back to 2019 levels in the Boise MSA.
- The “Great Resignation” has led to more early retirements, while the “Great Migration” continues to be fueled by people who can WFH, allowing both groups to move... anywhere.
- Easier to get to Boise with more flights than ever, including eight added since 2020, including Atlanta, Palm Springs, Nashville, Orange County, Austin, Pullman/Moscow, Everett, and NYC.
- Historically high levels of equity and savings coupled with historically low mortgage rates.
- Fear of missing out on purchasing a home in one of the “hottest” housing markets in the country.

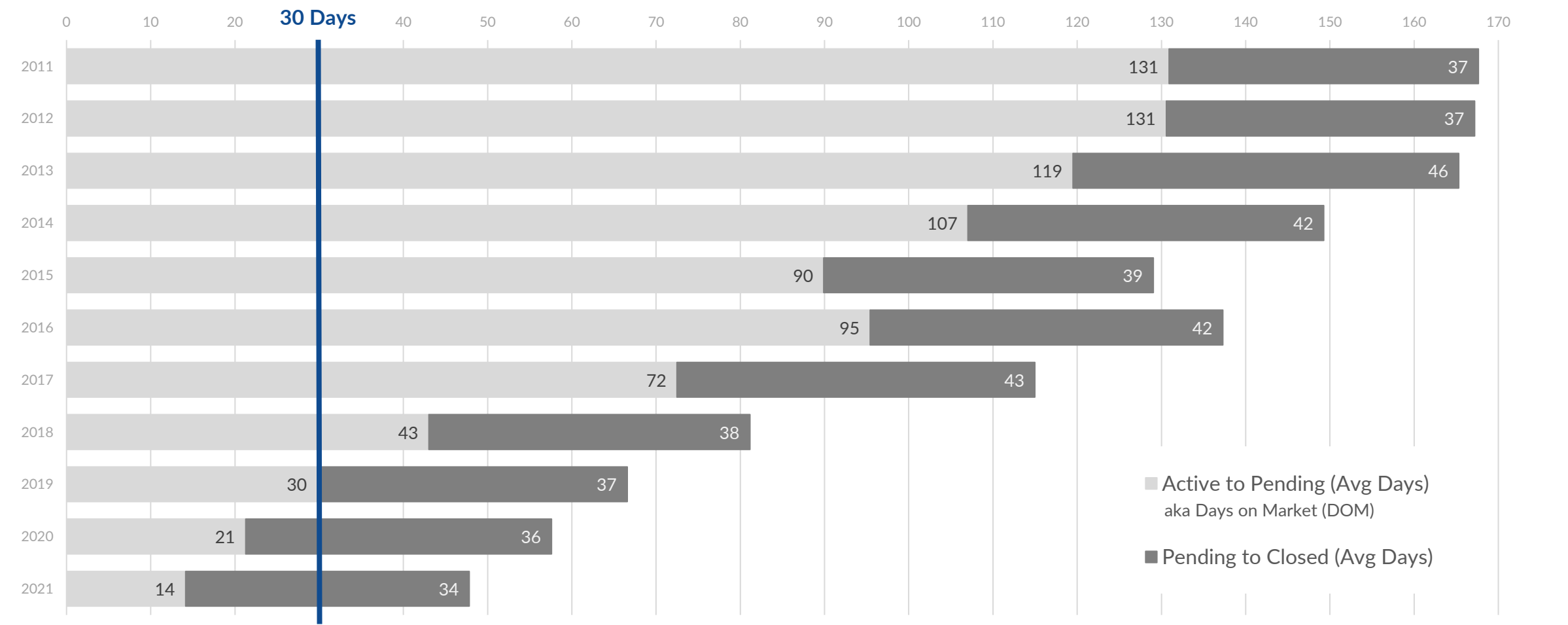
# Months Supply of Inventory for Elmore County, January 2007–June 2021

Activity for existing and new single-family homes combined between Jan 2007–Jun 2021. Months Supply of Inventory (MSI) takes the number of homes for sale divided by the average number of sales by month for the preceding twelve months. A balanced market—not favoring buyers or sellers—is typically between 4-6 months of supply. As of June 2021, MSI for Ada County was at just 0.9 months, meaning, if no additional homes were listed starting July 1st, the supply of homes for sale would run out in less than one month. Thankfully, the number of new listings has been increasing in recent weeks.



# Average Market Times for Existing Homes in Elmore County, YTD thru June

Activity for existing/resale single-family homes between Jan-Jun in the years noted. The “Active to Pending” columns represent the Days on Market (DOM) metric, which is the average number of days a home has been listed in an active status in IMLS. While DOM has been trending down, the time it takes to close a transaction (“Pending to Closed”) has remained at 38 days, on average, since 2011. During this phase of the transaction, the REALTORS®, lenders, escrow officers, etc., are working through any inspections, repairs, appraisals, and title work to facilitate the transfer of property between the buyer and seller. With DOM falling below the 30-day mark in 2020, it means that homes are selling faster than they can be counted in month-end inventory data. This is adding to the perception of “no” inventory, when really, homes are just going under contract faster than ever.



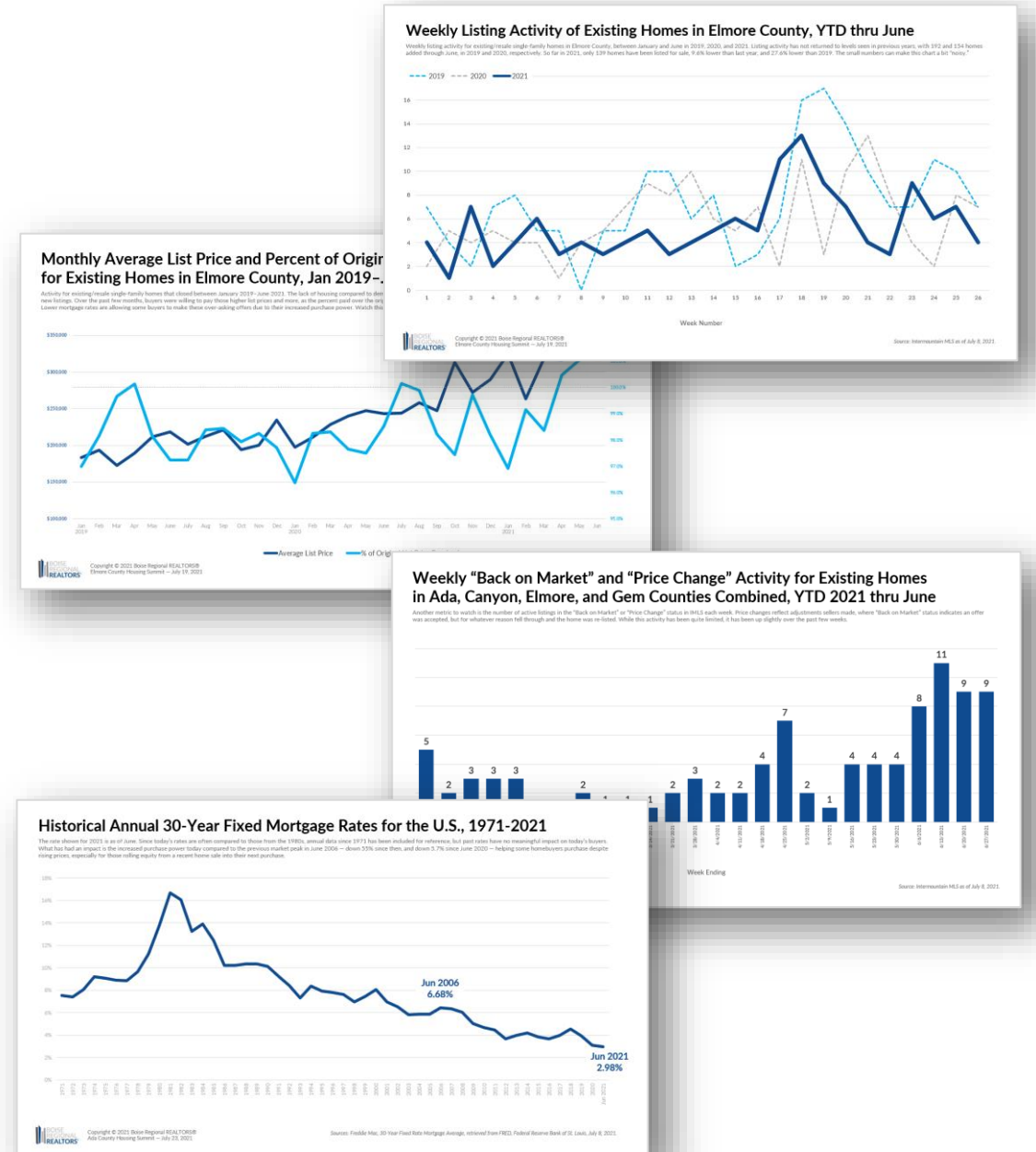
# Percent of Original List Price Received by Price Range for Existing Homes in Elmore County, YTD through June

Activity for existing/resale single-family homes that closed between January–June in 2020 and 2021. Over the past few months, buyers began competing on price as the percent paid over the original list price was up compared to last year. Since April, buyers have paid 100% or more, on average. Lower mortgage rates are allowing some buyers to make these over-asking offers due to their increased purchase power. Watch this metric for any changes to buyers' willingness or ability to continue competing on price.

Price Range	Average of % OLP		Average of \$ OLP	
	YTD 2020	YTD 2021	YTD 2020	YTD 2021
\$250,000 or less	98.2%	101.3%	(\$3,154)	\$2,527
\$250,000-499,999	96.7%	101.5%	(\$12,720)	\$3,111
\$500,000-749,999	--	99.6%	--	(\$2,690)
All Price Ranges Combined	97.8%	101.4%	(\$5,398)	\$2,681

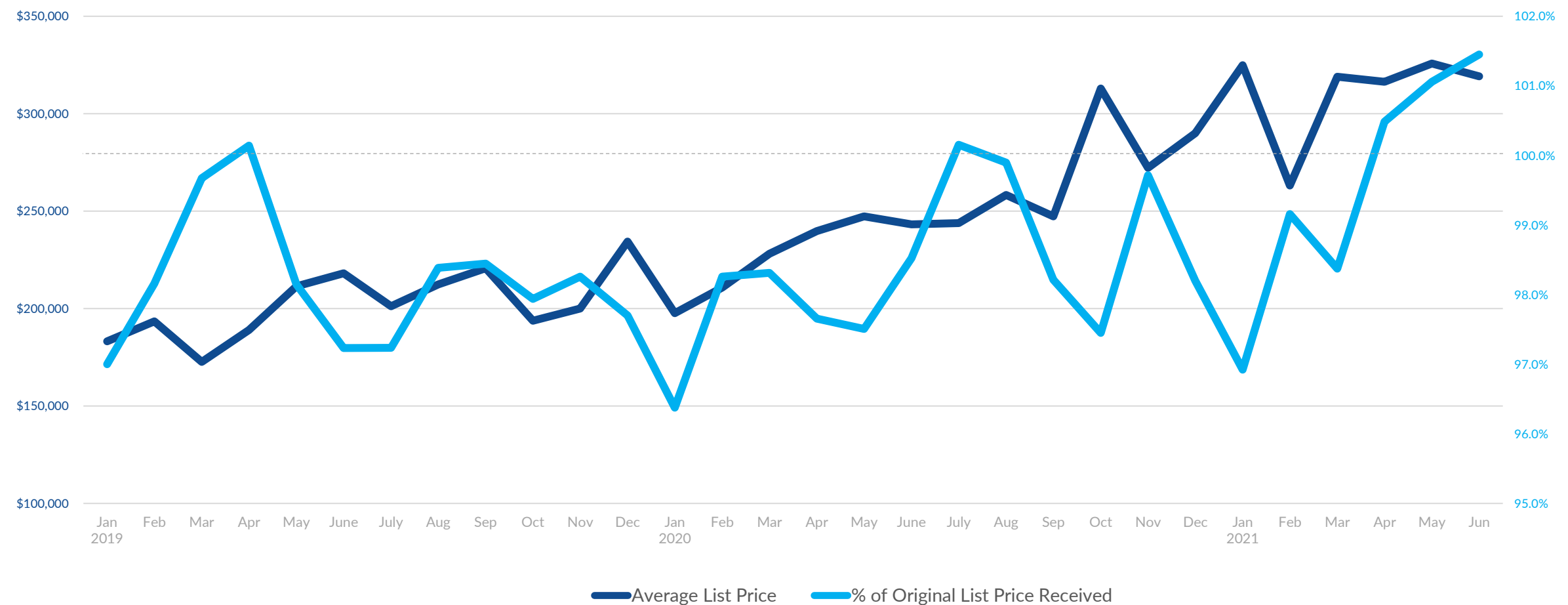
# Market Metrics to Watch...

- Days on Market
- Weekly Listing Activity
- Average List Price
- Percent of Original List Price Received
- Price Changes and Listings in “Back on Market” Status
- Mortgage Rates and Purchase Applications



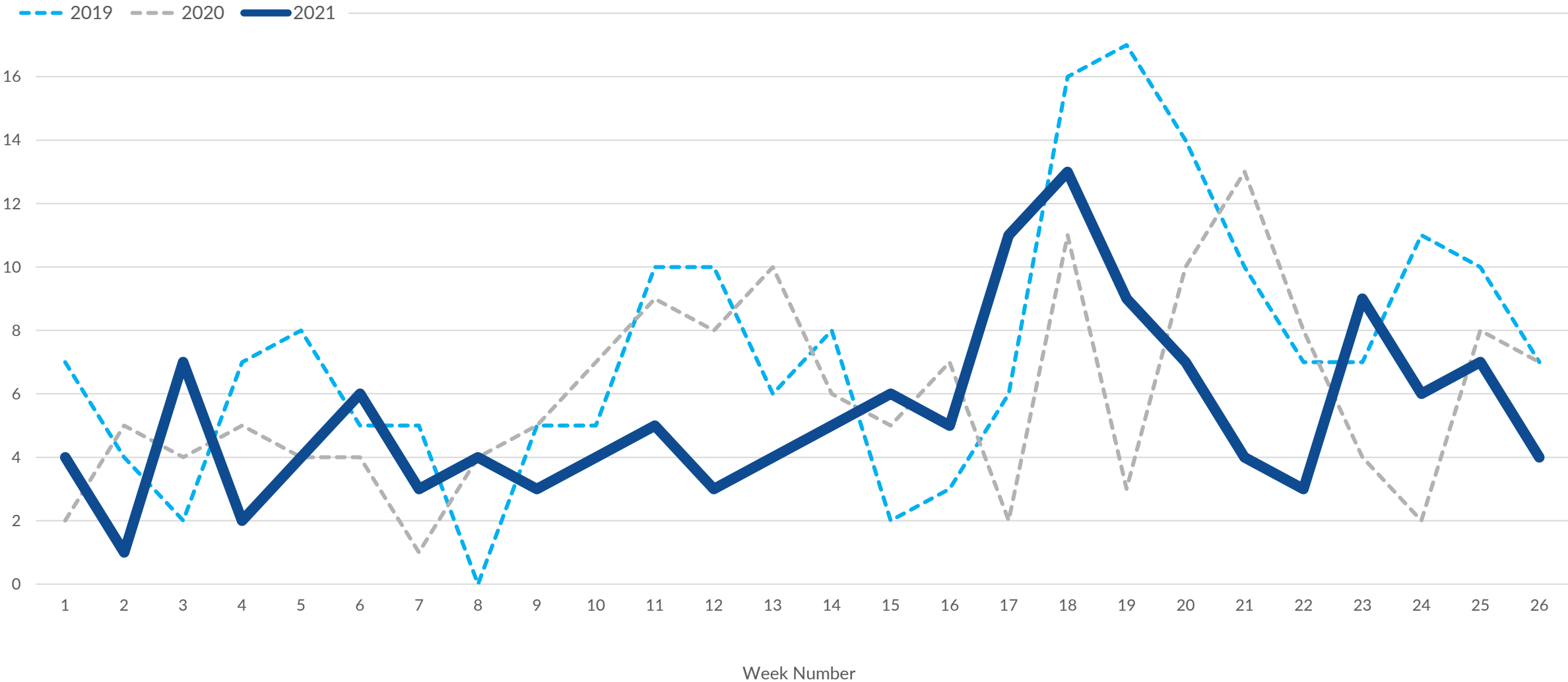
# Monthly Average List Price and Percent of Original List Price Received for Existing Homes in Elmore County, Jan 2019–Jun 2021

Activity for existing/resale single-family homes that closed between January 2019–June 2021. The lack of housing compared to demand continues to drive home prices up, which in turn, increases the average list price for new listings. Over the past few months, buyers were willing to pay those higher list prices and more, as the percent paid over the original list price has also been rising. Since April, buyers have paid 100% or more, on average. Lower mortgage rates are allowing some buyers to make these over-asking offers due to their increased purchase power. Watch this metric for any changes to buyers' willingness or ability to continue competing on price.



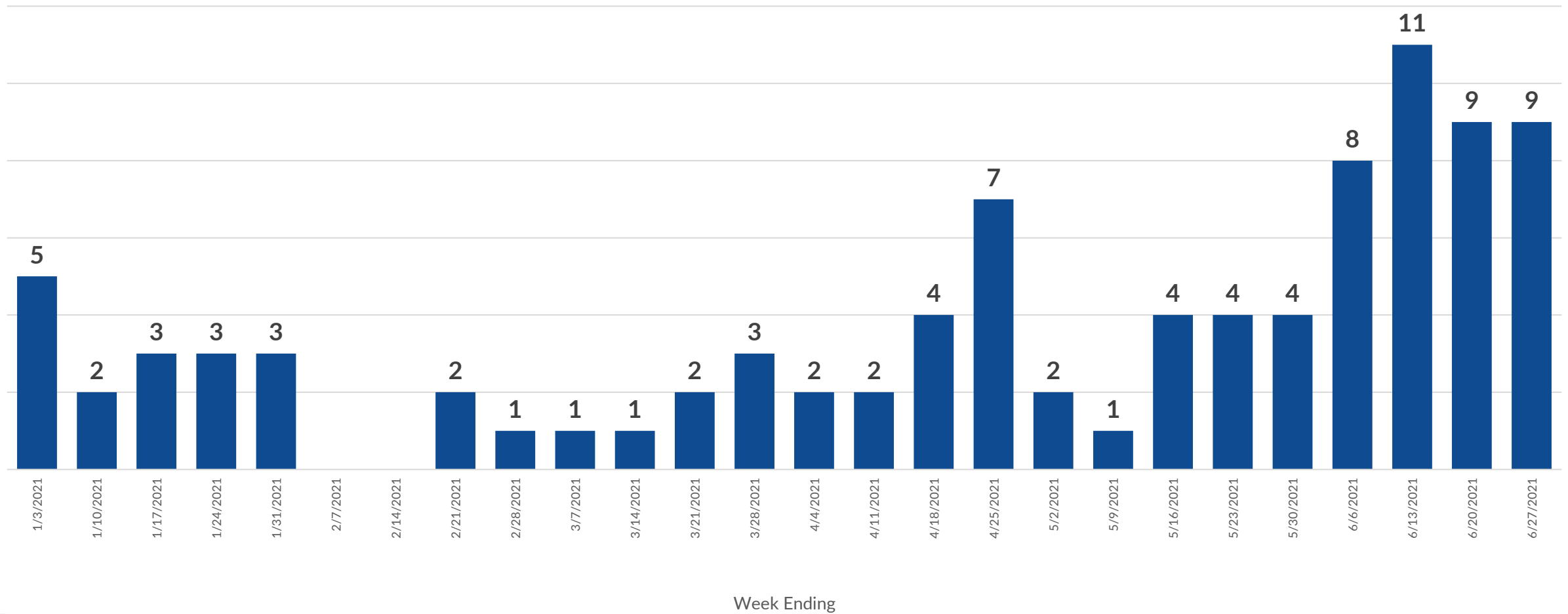
# Weekly Listing Activity of Existing Homes in Elmore County, YTD thru June

Weekly listing activity for existing/resale single-family homes in Elmore County, between January and June in 2019, 2020, and 2021. Listing activity has not returned to levels seen in previous years, with 192 and 154 homes added through June, in 2019 and 2020, respectively. So far in 2021, only 139 homes have been listed for sale, 9.6% lower than last year, and 27.6% lower than 2019. The small numbers can make this chart a bit “noisy.”



# Weekly “Back on Market” and “Price Change” Activity for Existing Homes in Ada, Canyon, Elmore, and Gem Counties Combined, YTD 2021 thru June

Another metric to watch is the number of active listings in the “Back on Market” or “Price Change” status in IMLS each week. Price changes reflect adjustments sellers made, where “Back on Market” status indicates an offer was accepted, but for whatever reason fell through and the home was re-listed. While this activity has been quite limited, it has been up slightly over the past few weeks.

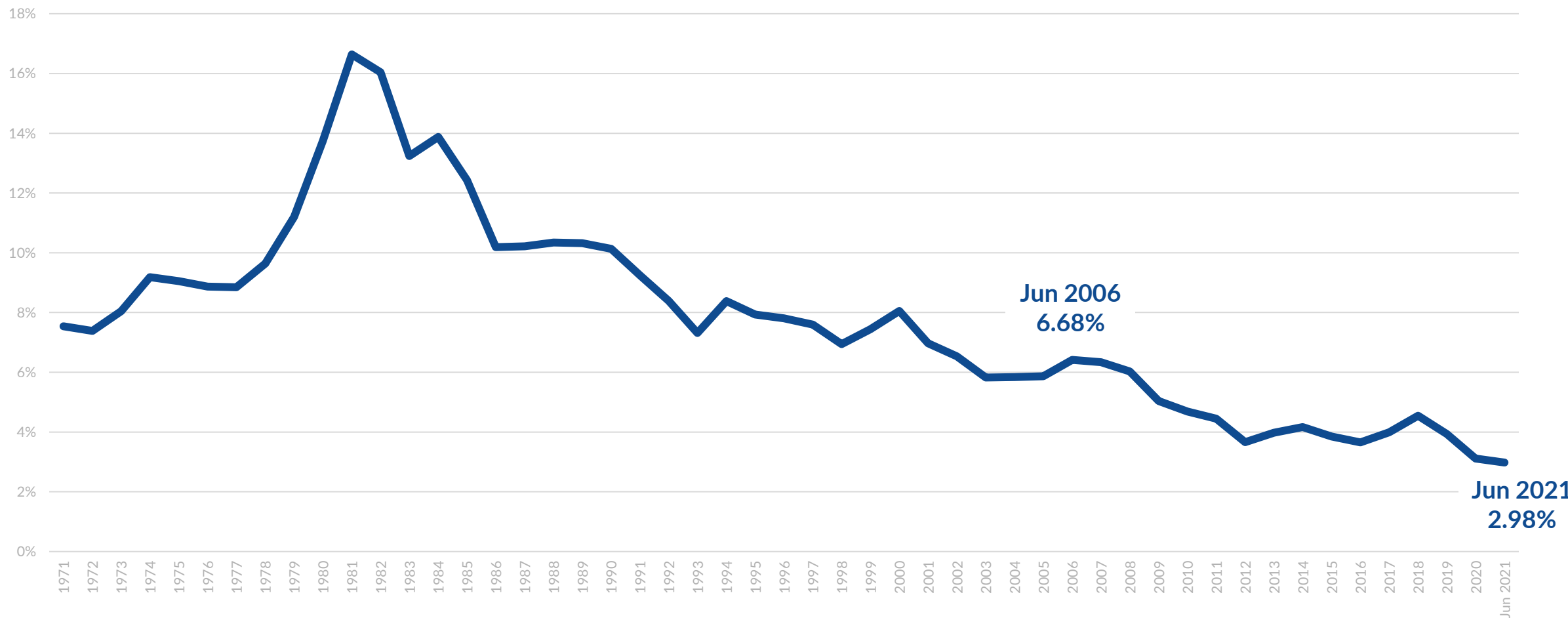




# Mortgages Rates and Insights

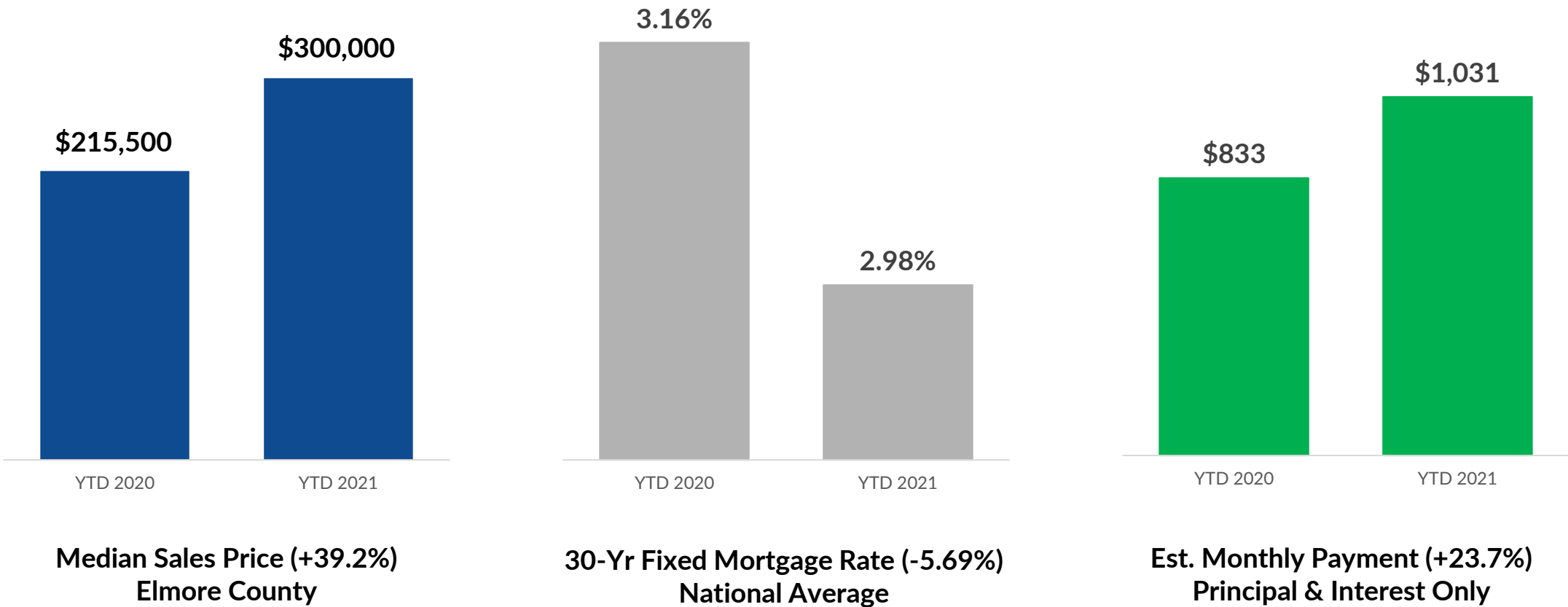
# Historical Annual 30-Year Fixed Mortgage Rates for the U.S., 1971-2021

The rate shown for 2021 is as of June. Since today's rates are often compared to those from the 1980s, annual data since 1971 has been included for reference, but past rates have no meaningful impact on today's buyers. What has had an impact is the increased purchase power today compared to the previous market peak in June 2006 — down 55% since then, and down 5.7% since June 2020 — helping some homebuyers purchase despite rising prices, especially for those rolling equity from a recent home sale into their next purchase.



# Elmore County Prices Rising Faster than Rates Can Offset Monthly Payments

Activity for existing and new construction single-family homes combined, YTD thru June for the years noted. Despite lower rates, the recent increase in sales prices has increased monthly mortgage payments by \$198, on average, compared to 2020 when it was \$75 *less* than in 2019. Estimated monthly mortgage payment is based on the median sales price and mortgage rate noted, assumes a 20% down payment, and represents principal and interest payments only. A mortgagee's actual payment will depend on credit, mortgage rate received, down payment, purchase price, etc.

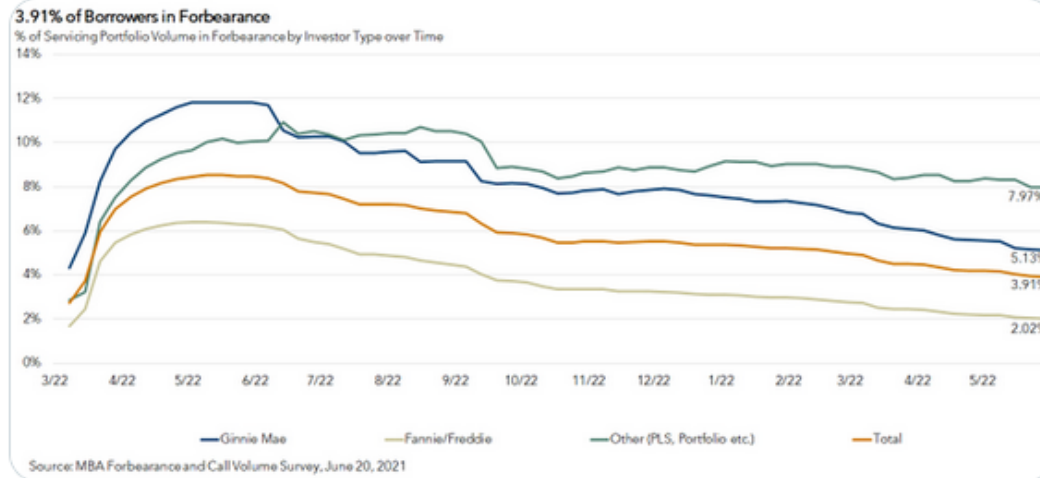




**Odeta Kushi**  
@odetakushi

...

Loans in forbearance fell to 3.91%. Good to see progress. Forbearance is not a permanent solution to housing distress & eventually the emergency protections will expire, but bc so many owners have a considerable equity buffer, we're more likely to see a fcl trickle than a tsunami.



6:53 AM · Jun 29, 2021 · Twitter Web App

## U.S. Properties with Foreclosure Filings in First Six Months of 2021 Hit All-Time Low of 65,082

July 15, 2021

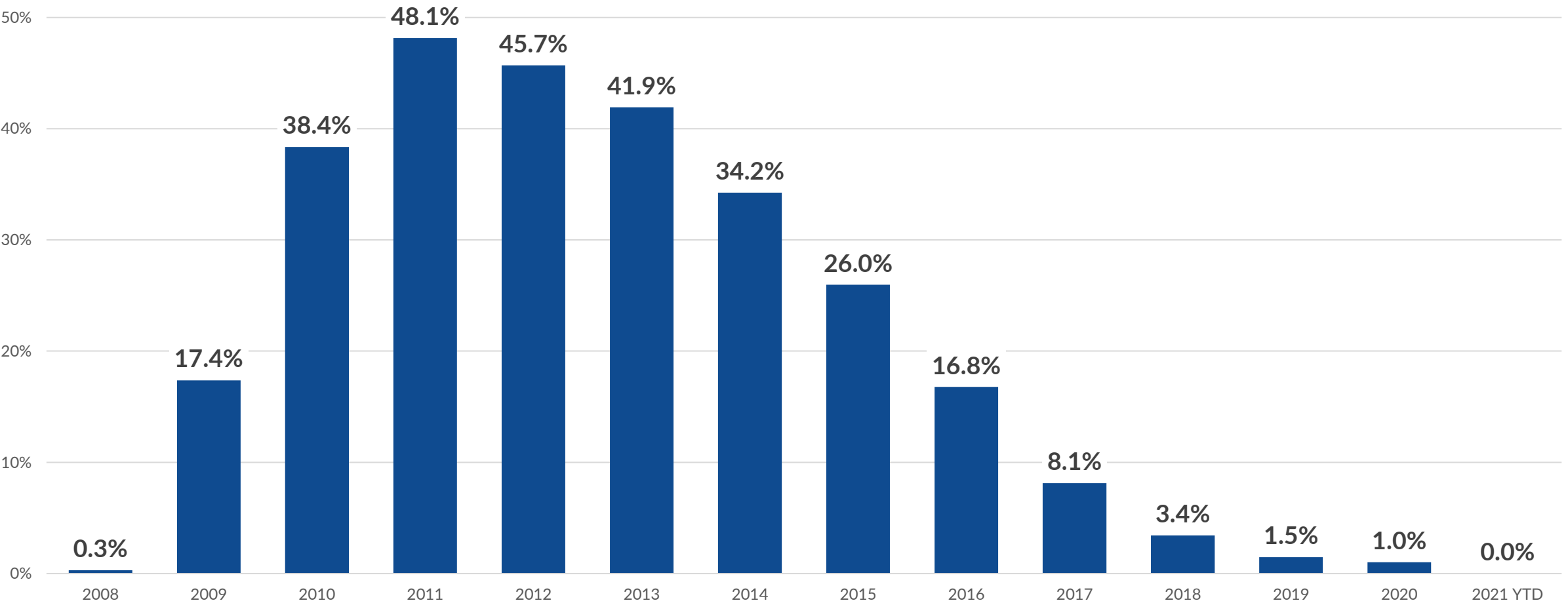


ATTOM's **Midyear 2021 U.S. Foreclosure Market Report** shows there were 65,082 U.S. properties with foreclosure filings in the first six months of 2021. That figure is down 61 percent from the same time period a year ago and down 78 percent from the same time period two years ago. Only 5 of the 220 metro areas analyzed saw increasing foreclosure activity compared to a year ago.

*"States that saw the greatest decline in foreclosure starts from the same time last year included... Idaho (down 78 percent)" reflects 113 filings statewide.*

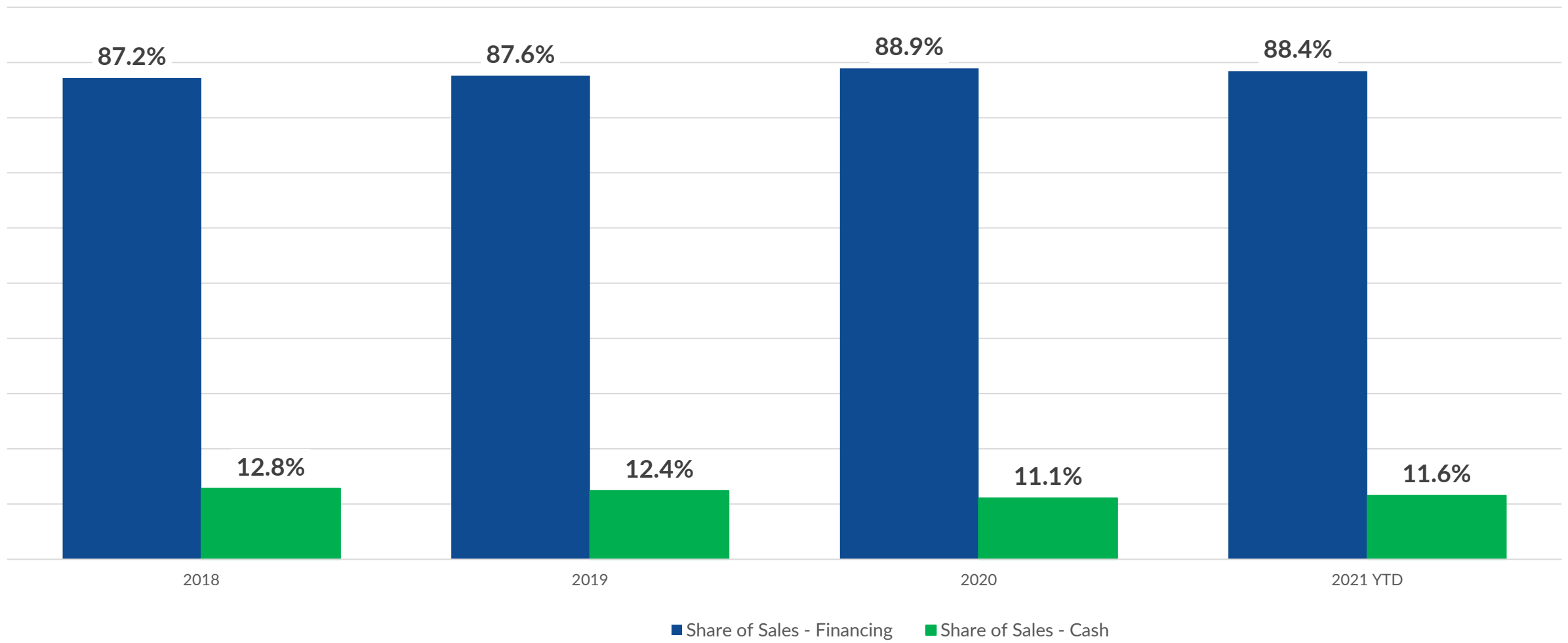
# Share of Closed Sales that were Distressed in Elmore County, 2008–2021 YTD

2021 figures based on six months of activity (Jan-Jun) while all others are full years. Distressed properties are those listed in IMLS as “HUD Owned,” “In Foreclosure,” “REO/Bank Owned,” or “Potential Short Sale.” Distressed activity peaked in 2011 with 117 distressed sales and has been dropping ever since. Halfway through 2021, there have been no distressed sales, and as of July 18, 2021, there was just one *active* distressed listings in IMLS.



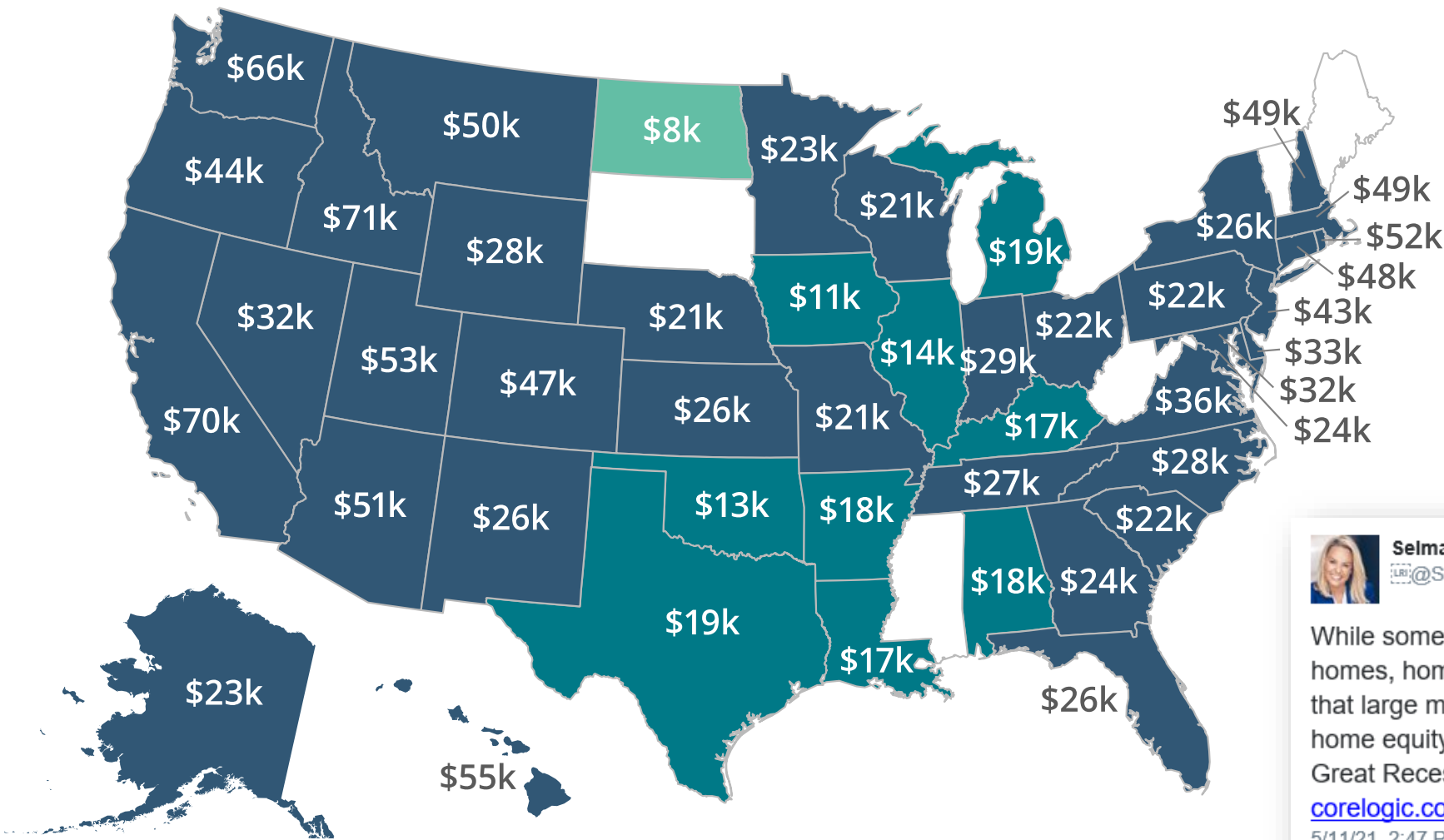
# Share of Closed Sales by Financing or Cash in Elmore County, 2008–2021 YTD

2021 figures based on six months of activity (Jan-Jun) while all others are full years. Analysis based on the “How Sold” field in IMLS, with financing comprised of those marked as “Conventional,” “FHA,” or “VA.” While most home sold with a mortgage, the share of cash sales has held at a consistent level over the past few years.



# Average Gain in Homeowner Equity, Year-Over-Year through Q1-2021

For the second year, Idaho had the highest year-over-year average increase of any state, at \$70,900, compared to \$24,400 through Q1-2020.





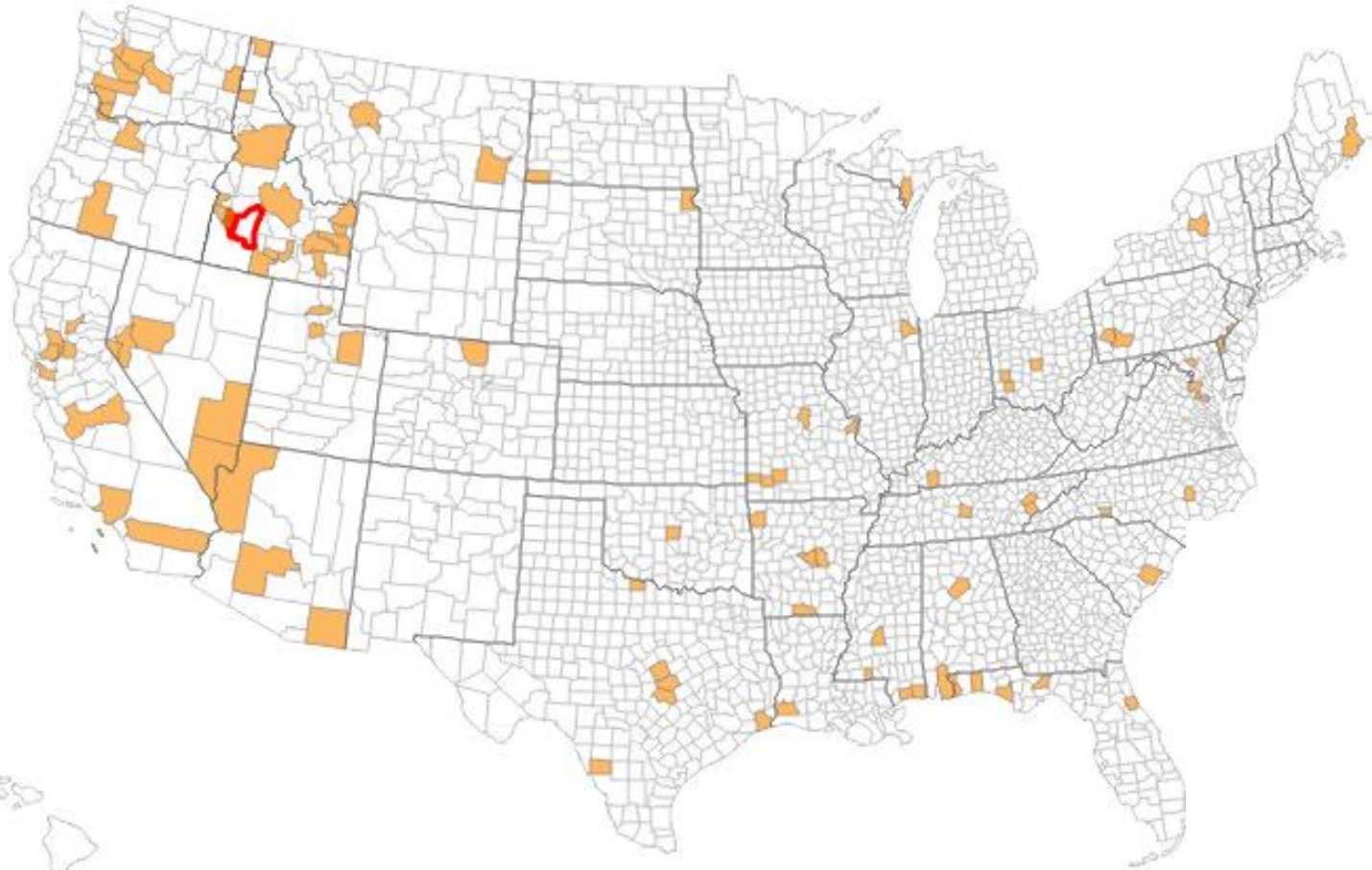
**Selma Hepp**  
[@SelmaHeppPOC](#)

While some households in forbearance may lose their homes, home price gains in recent years have ensured that large majority of those in forbearance have plenty of home equity suggesting that foreclosure wave seen post Great Recession is unlikely:  
[corelogic.com/blog/2021/5/ty...](https://corelogic.com/blog/2021/5/ty...)  
5/11/21, 2:47 PM



# Total **Inbound** Migration Flows for Elmore County, 2014-2018

During this period, 77.3% of residents did not move. For those that did, 47.5% moved within Elmore County, 31.0% moved from another state, 13.7% moved from another county in Idaho, and the remaining 7.8% moved from abroad. Based on data from April 2021, the average list price for the counties noted was 13.4% **higher** than Elmore County's, demonstrating our *comparative* affordability which continues to drive in-migration from higher priced areas.



## Top 10 U.S. Counties from which new residents moved **into** Elmore County:

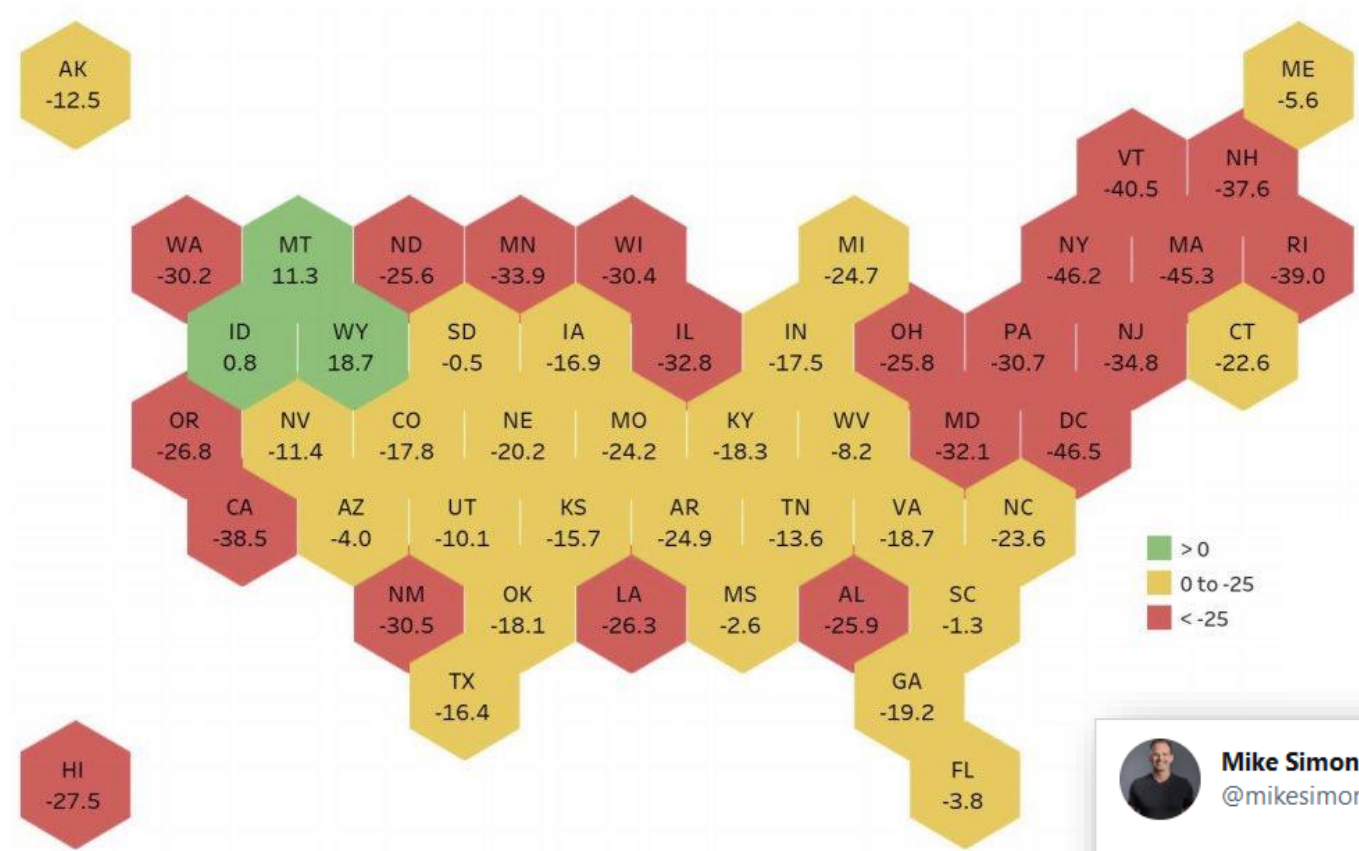
1. Ada County, ID
2. Wayne County, NC
3. Cochise County, AZ
4. Anchorage County, AK
5. Sacramento County, CA
6. Okaloosa County, FL
7. Dimmit County, TX
8. Bingham County, ID
9. Knox County, TN
10. Twin Falls County, ID



Median List Prices as of April 2021	Median List Price	% Difference from Elmore County
Elmore County, ID	\$305,000	--
Where new residents moved from...		
Ada County, ID	\$548,495	179.8%
Wayne County, NC	\$204,900	67.2%
Cochise County, AZ	\$270,000	88.5%
Anchorage County, AK	\$350,000	114.8%
Sacramento County, CA	\$492,450	161.5%
Okaloosa County, FL	\$329,000	107.9%
Dimmit County, TX	\$166,800	54.7%
Bingham County, ID	\$299,900	98.3%
Knox County, TN	\$372,400	122.1%
Twin Falls County, ID	\$423,573	138.9%

# In June, TSA Checkpoint Volumes in Three States, Puerto Rico and USVI Exceeded 2019 Levels

## % Change in Traveler Throughput by U.S. State/Territory — June 2021 vs. June 2019



 **Mike Simonsen**   
@mikesimonsen

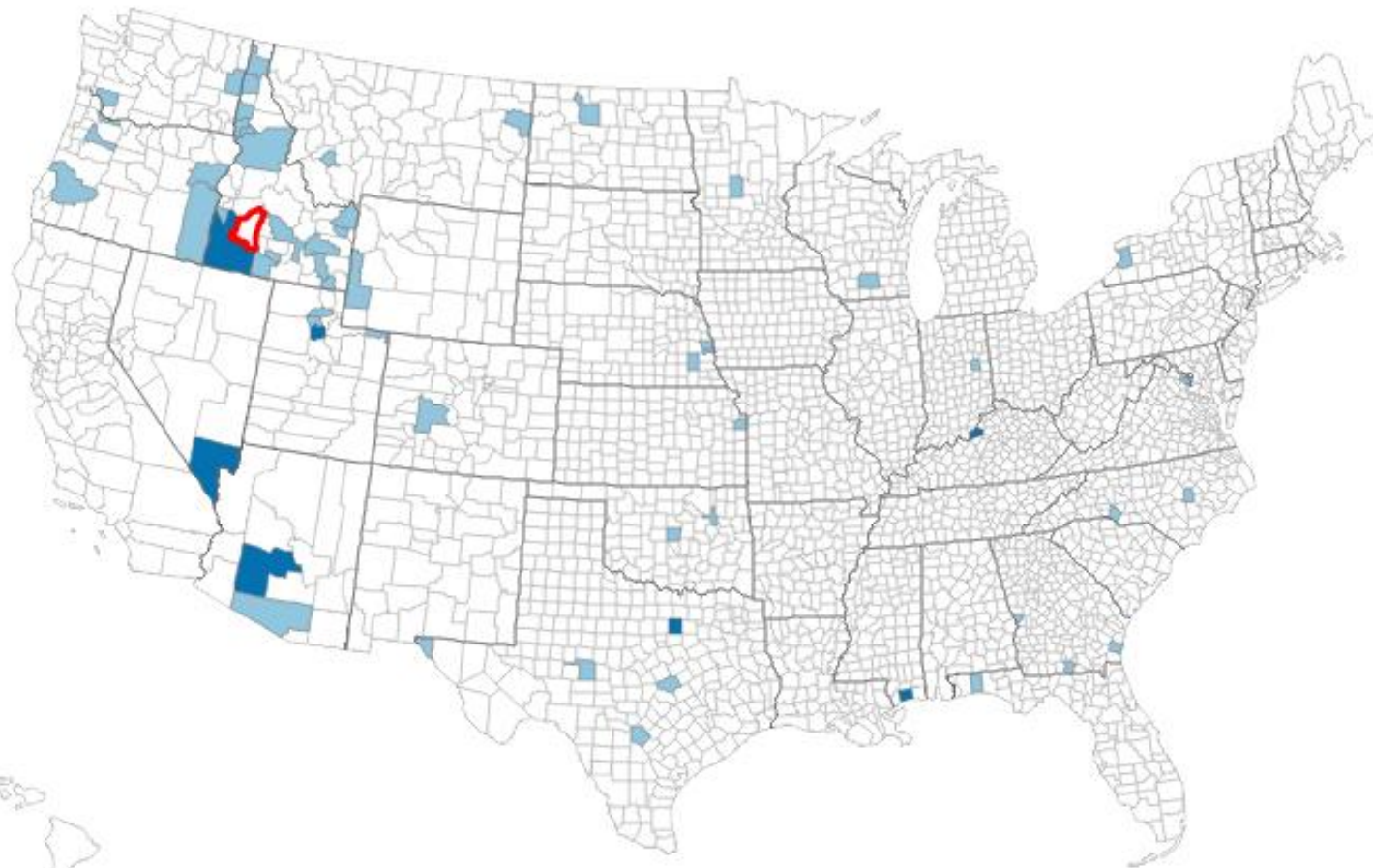
Three states where air travel higher than pre-pandemic. Everyone’s hooping back to California and New York from the Zoomtown retreats.

Source: Transportation Security Administration



# Total Outbound Migration Flows for Elmore County, 2014-2018

During this period, 80.0% of residents did not move. For those that did, 55.8% moved within Elmore County, 29.2% moved to another state, and the other 15.0% moved to another county in Idaho. Based on data from April 2021, the average list price for the counties noted was 32.6% *higher* than Elmore County's, although we know much of the relocation is related to military assignments.



## Top 10 U.S. Counties *to which* Elmore County residents moved:

1. Ada County, ID
2. Jefferson County, KY
3. Harrison County, MS
4. Salt Lake County, UT
5. Tarrant County, TX
6. Owyhee County, ID
7. Maricopa County, AZ
8. Clark County, NV
9. Bingham County, ID
10. Davis County, UT

Median List Prices as of April 2021	Median List Price	% Difference from Elmore County
Elmore County, ID	\$305,000	--
Where Elmore County residents moved to...		
Ada County, ID	\$548,495	179.8%
Jefferson County, KY	\$255,000	83.6%
Harrison County, MS	\$259,000	84.9%
Salt Lake County, UT	\$582,475	191.0%
Tarrant County, TX	\$339,925	111.5%
Owyhee County, ID	\$405,000	132.8%
Maricopa County, AZ	\$477,450	156.5%
Clark County, NV	\$380,000	124.6%
Bingham County, ID	\$299,900	98.3%
Davis County, UT	\$497,300	163.0%

# Median Sales Prices around Idaho, Year-to-Date through June 2021

Median sales price (MSP) year-to-date through June 2021 for counties in BRR's service area (Ada, Elmore, and Gem), those in the Boise City Metropolitan Statistical Area (MSA; Ada, Boise, Canyon, Gem, and Owyhee), and others in the list of top counties to which Ada County residents moved to between 2014-2018 per the U.S. Census.

Selected Counties (in alphabetical order)	Existing/Resale		New Construction	
	YTD thru June 2020	YOY % Chg	YTD thru June 2020	YOY % Chg
Ada County	\$489,900	+40.3%	\$483,151	+17.6%
Bannock County	\$260,625	+31.0%	\$367,380	+14.19%
Boise County	\$444,930	+29.0%	\$333,396	+37.2%
Bonneville County	\$335,000	+45.7%	\$315,500	-10.0%
Canyon County	\$370,000	+42.3%	\$418,260	+40.1%
Elmore County	<b>\$291,000</b>	<b>+41.3%</b>	<b>\$347,500</b>	<b>+23.9%</b>
Gem County	\$362,750	+31.2%	\$382,400	+25.5%
Latah County	\$332,000	+23.4%	\$360,000	-19.8%
Owyhee County	\$309,000	+28.8%	\$353,312	+39.9%
Twin Falls County	\$297,000	+38.0%	\$359,362	+24.0%



# BRR's Monthly Buyer and Seller Survey (In Development)

Each month, BRR members who participated in the Circle of Excellence Awards Program will receive an email asking them to share details about any transactions they've represented over the past few weeks — why their clients made a move, where they moved to and from, how the client connected with their REALTOR®, whether the buyer was an investor or FTHB, etc. The goal is to compile real-time data about the reasons people are moving to and from our area to share insights back with survey participants and BRR members. This survey was launched in April 2021 and while the data received so far are **not representative** of all activity, initial results are **provided for reference** to illustrate the kind of information we're seeking to provide...

## Top 3 Cities Buyers Moved From and Their Reason for Buying in Ada County

1. Boise (Desire to live in a different area; Desire for larger home; Desire to own)
2. Los Angeles (Desire for a new or custom-built home; Investment purposes)
3. Meridian (Desire to own)

## Top 3 Cities Ada County Sellers Move To and Their Reason for Selling

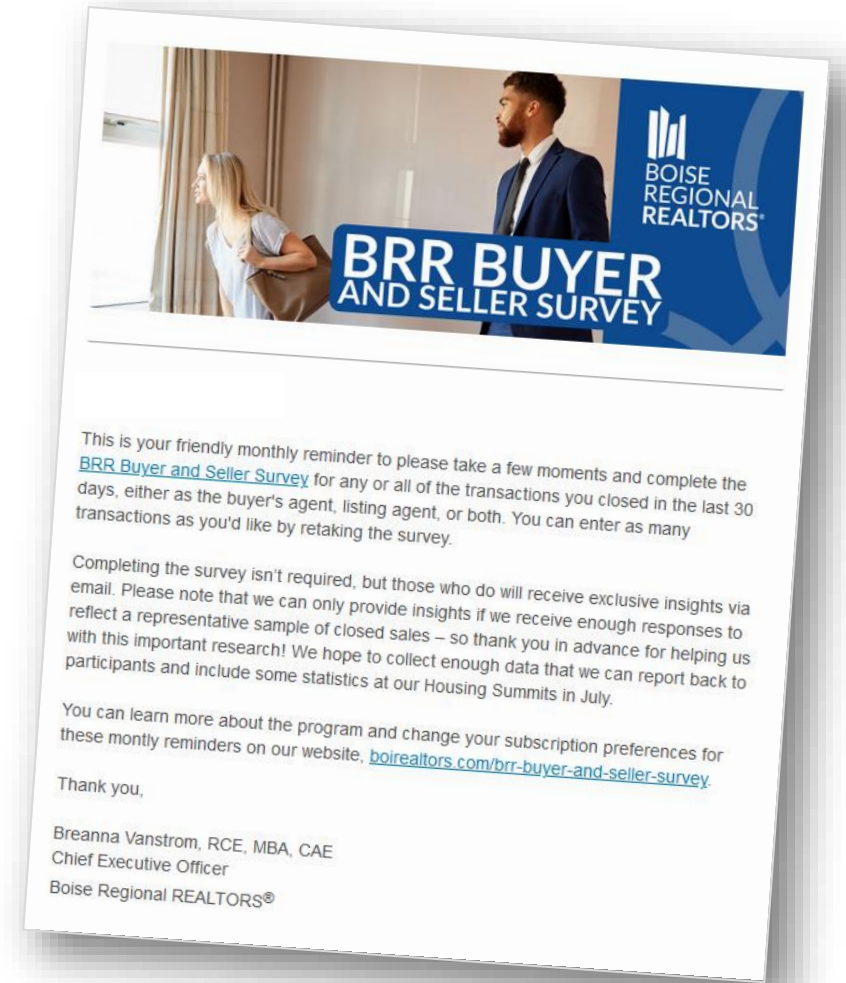
1. Boise (Desire to live in a different area)
2. Kuna (Change in family situation)
3. Meridian (Home was too small; Change in family situation)

## Top Referral Sources for Listings

1. Referral from friend, neighbor, or relative
2. Past client
3. Personal contact from REALTOR®
4. Website contact from seller
5. Open house

## Top Referral Sources for Buyers

1. Referral from friend, neighbor, or relative
2. Past client
3. Website contact from seller
4. Referred by another REALTOR®
5. Website contact via property inquiry



# Impact of the Pandemic

- **First-Time Home Buyers Savings Accounts Bill H589 and Homowners Exemption Date Bill H562 were BOTH signed by Governor Brad Little.**
- **RE-19 Addendum and updated Buyers and Sellers Representation Agreements were created to assist with the COVID-19 Pandemic.**
- **Real Estate Industry was secured as ESSENTIAL BUSINESS.**

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# Coronavirus

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**On March 10, 2021, Congress passed a \$1.9 trillion coronavirus relief package known as the “American Rescue Plan of 2021.” President Biden signed the bill on March 11, 2021. [Read the summary of the major provisions of that bill impacting REALTORS®.](#)**

The National Association of REALTORS® is providing guidance to help REALTORS® respond to COVID-19 – commonly referred to as coronavirus – and its impact on the real estate industry and real estate transactions. Any updates from NAR and its response to the coronavirus emergency will be collected on this page. You can also type your questions in the [COVID-19 Chatbot](#) to get answers on a

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## Coronavirus Response

[BRR's Coronavirus Response](#)
[BRR Office Guidelines](#)
[Resources for Property Owners](#)
[Resources for Renters and Landlords](#)
[Resources for REALTORS®](#)
[Community Support and Information](#)

**Showing Guidance from IR and IREC**

On June 3, 2020, Idaho REALTORS® (IR) and the Idaho Real Estate Commission (IREC) emailed members joint guidelines clarifying agents' duties regarding showings as we've heard some people have incorrectly assumed they must stay outside of homes due to COVID-19. Here is that guidance: It recently came to our attention that some potential buyers were...

[Read more](#)

**Open House Alternatives During Coronavirus (COVID-19)**

Disclaimer: The guidance shared on this page is just that: guidance based on our most conservative interpretations of local, state, and federal protocols and guidelines. Real estate agents should seek

...s, and brokers should seek advice from their legal counsel about  
ers and guidelines. The decision...

### RESOURCES FOR RENTERS AND LANDLORDS

- Mortgage Payment Assistance, Financial Support, and Scam Warnings for those Impacted by the Coronavirus from BRR [Website]
- The Housing Preservation Program from the Idaho Housing and Finance Association [Website]
- NeighborWorks Boise COVID-19 Mortgage Assistance [Website]
- Idaho Legal Aid Services Housing and Other Legal Advice Lines [Website]
- Jesse Tree Resources for Tenants and Landlords [Website]
- Boise City/Ada County Housing Authorities Resources [Website]

**Renters, DO NOT stop or reduce your rent payments** without first having written confirmation to do so by your landlord. For renters seeking relief, the best first step is to talk to their landlord. The non-profit Jesse Tree can help rent need additional assistance. Another resource is Navigating COVID-19.

**Landlords, DO NOT stop or reduce your rent payments** without first having written confirmation to do so, from a federal, state, or local government. Jesse Tree can help landlords with questions. Jesse Tree can also help landlords with questions about how to handle their tenants. C

BRR encourages landlords on the property, if the payment assistance is available for additional support.

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[Resources for Renters and Landlords](#)
[Resources for REALTORS®](#)
[Community Support and Information](#)

### RESOURCES FOR PROPERTY OWNERS

- Coronavirus Resources for Property Owners from NAR [Website]
- How to Disinfect a Home Correctly from REALTOR® Magazine [Website]
- Protect Your Investment: A Guide for at Risk Homeowners [PDF]
- Protect Your Credit: Understanding the CARES Act & Your Credit [PDF]
- Idaho Legal Aid Services Housing and Other Legal Advice Lines [Website]

### Mortgage Forbearance Information

- Mortgage Payment Assistance, Financial Support, and Scam Warnings for those Impacted by the Coronavirus from BRR [Website]
- Mortgage Help for Homeowners Impacted by the Coronavirus from the Federal Housing Finance Agency [Website]
- Mortgage and Housing Assistance During the Coronavirus National Emergency [Website]

The information contained in the links above **ONLY applies to mortgages guaranteed by Fannie Mae or Freddie Mac**. Contact your mortgage servicer directly for guidance.

Mortgages held by Fannie Mae or Freddie Mac (also referred to as government-sponsored entities or GSEs) may qualify for a loan deferment or forbearance for up to 12 months, and, foreclosures and evictions for those loans are currently suspended. Your loan servicer can confirm this, or, you can check online at [knowyouroptions.com/loanlookup](#) or [www.3freddiemac.com/loanlookup](#).

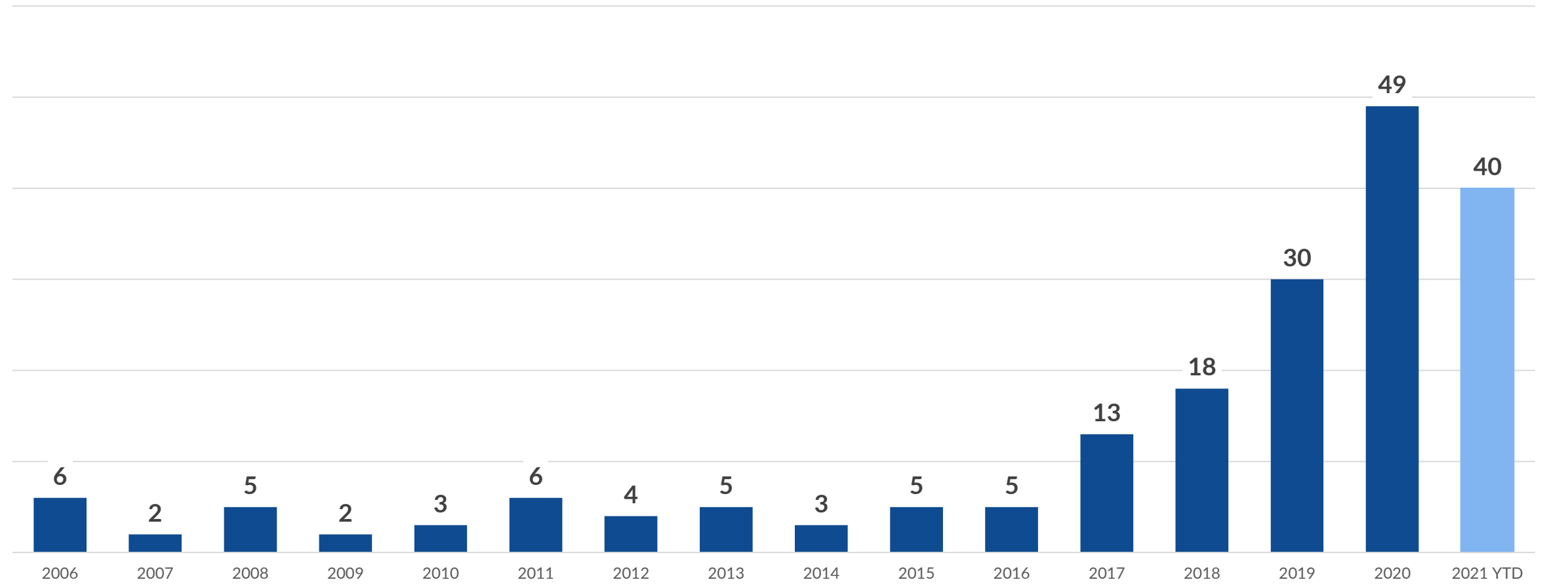
**Do NOT stop or reduce your mortgage payments** without first having written confirmation to do so by your mortgage servicer (the company to which you send your check or auto payment to each month). Missing payments or sending partial payments without prior approval will harm your credit.

**Do NOT reply to any emails or phone calls** from companies offering mortgage assistance or forbearance, even if they claim to be from your servicer. Call your mortgage servicer directly at a phone number that



# Existing Homes Sold Off-Market in Elmore County, 2006-2021 YTD

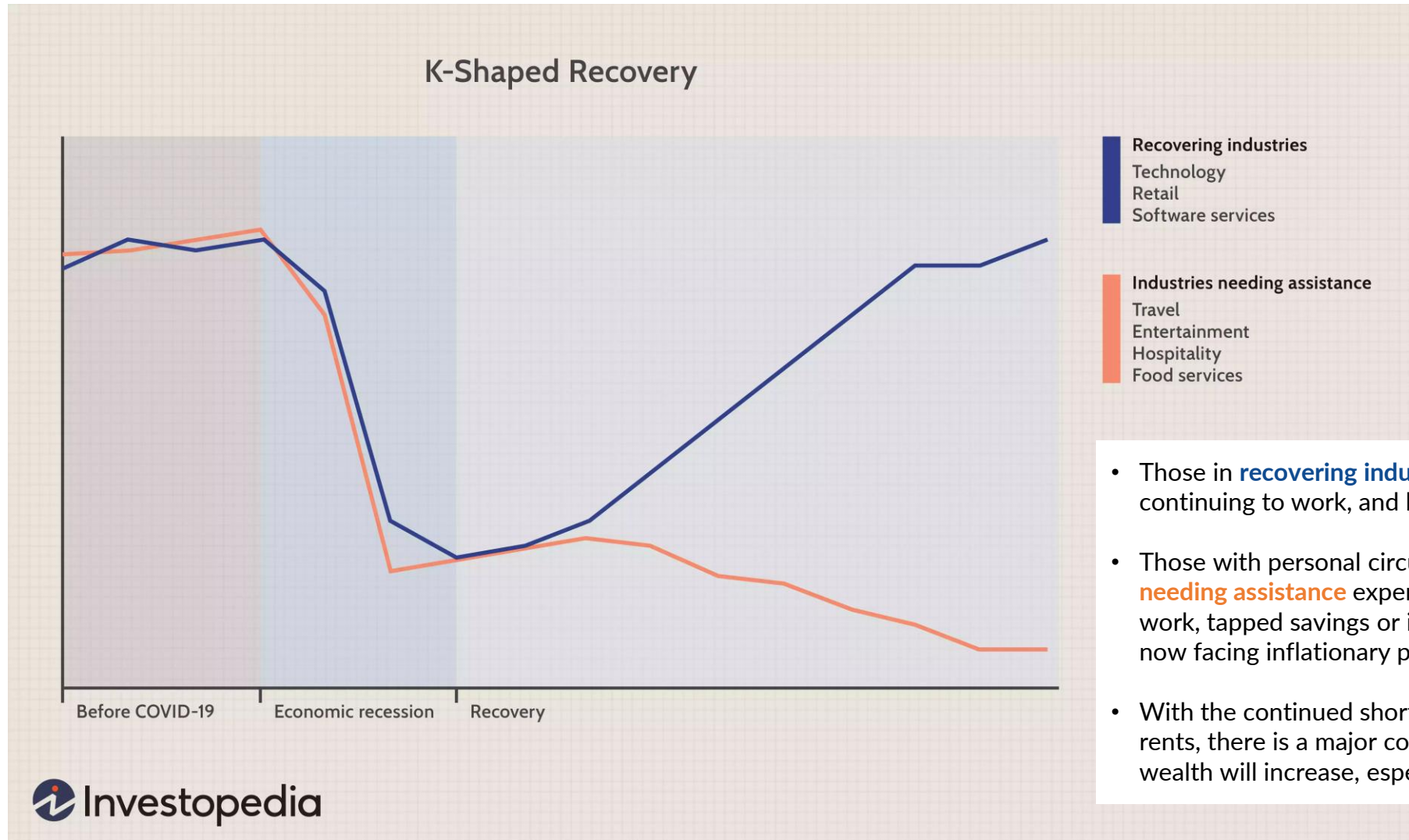
Activity for existing/resale single-family homes between 2006-2020 + 2021 YTD thru Jun. For our purposes, an off-market sale has zero days on market or is an Unpublished Sold in IMLS. Off-market activity is not counted as inventory but will show up as a pending or close sales in our market reports, and, put downward pressure on the days on market metric. Concerns about in-person showings related to COVID-19 may have contributed to the uptick in off-market activity in 2020 and into 2021. Two other common reasons is when a homeowner is ready to sell but wants to find a home *before* they list, or they wants to make repairs before going on the market but allows the listing to be shared within their agent's brokerage. And with high demand, it's likely the brokerage has an interested buyer and can put an offer together before the home is listed; **however**, there are MLS rules and standards in the REALTORS® Code of Ethics about this practice and it should only be done at the seller's request for specific reasons.



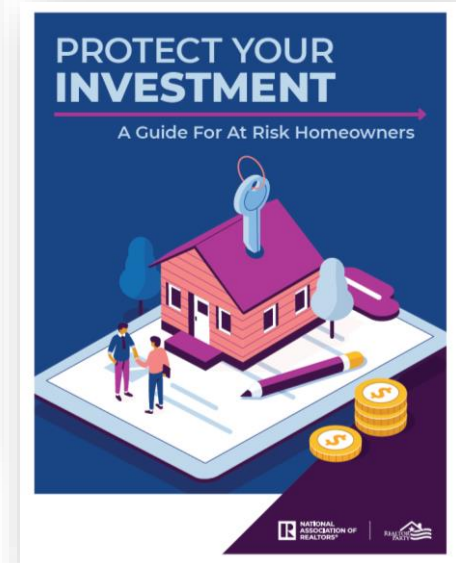
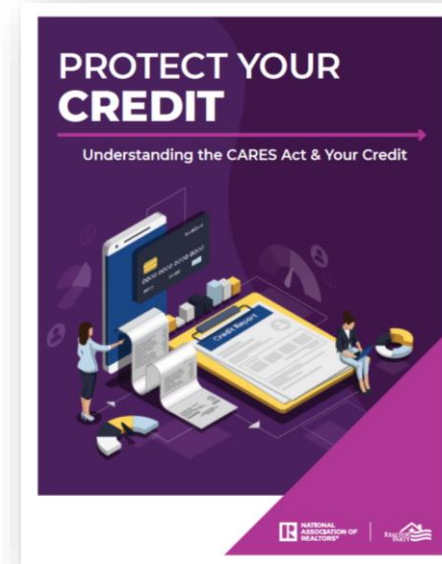
In 2020, we discussed whether we would experience a V- or W-shaped recovery, and cited a few positive trends in place at that time...

- **Low vacancy rates** — so not as many empty houses in place *if* foreclosures would have increased — which have further decreased due to the insufficient supply vs. demand
- **Low mortgage delinquency rates** — which, as noted, has gone even lower, especially in Idaho
- **Large home equity cushion** — which, as noted, has further increased, particularly in Idaho
- **Pent-up buyer demand** paired with lower debt payments, higher personal savings rates, and low mortgage rates (3.2% in 2020 vs. 6.4% in 2006) — which has increased as rates decreased
- **Comparative affordability** vs. nearby markets, plus desire to relocate from dense metros — while relocations have continued, affordability has worsened due to the insufficient supply vs. demand

# What we *actually* experienced was a K-shaped recovery...



# Financial assistance for property owners and renters...



Local resources available at [idahohousing.com](http://idahohousing.com), [eladacap.org](http://eladacap.org), and [211.idaho.gov](http://211.idaho.gov), search “Mortgage Payment Assistance” at [boirealtors.com](http://boirealtors.com), and access guides from the National Association of REALTORS® to share with clients in need.

# Phases of the Pandemic Housing Market according to Daryl Fairweather, PhD, Chief Economist for Redfin



**Phase 1** — The Federal Reserve lowered interest rates to zero which dropped mortgage rates to historic lows

**Phase 2** — Everyone rushed to buy homes because the rates made buying a home more affordable than renting in many cases

**Phase 3** — Home prices shot up as a result as everyone rushing to buy homes and bidding wars ensued

**Phase 4 (Current)** — Home prices are stabilizing as demand is backing off and shifting over to the rental market

**Phase 5 (Prediction)** — Rents will shoot up especially in areas further from city centers, but as more businesses re-open demand will return, and rents will rise more uniformly across the country

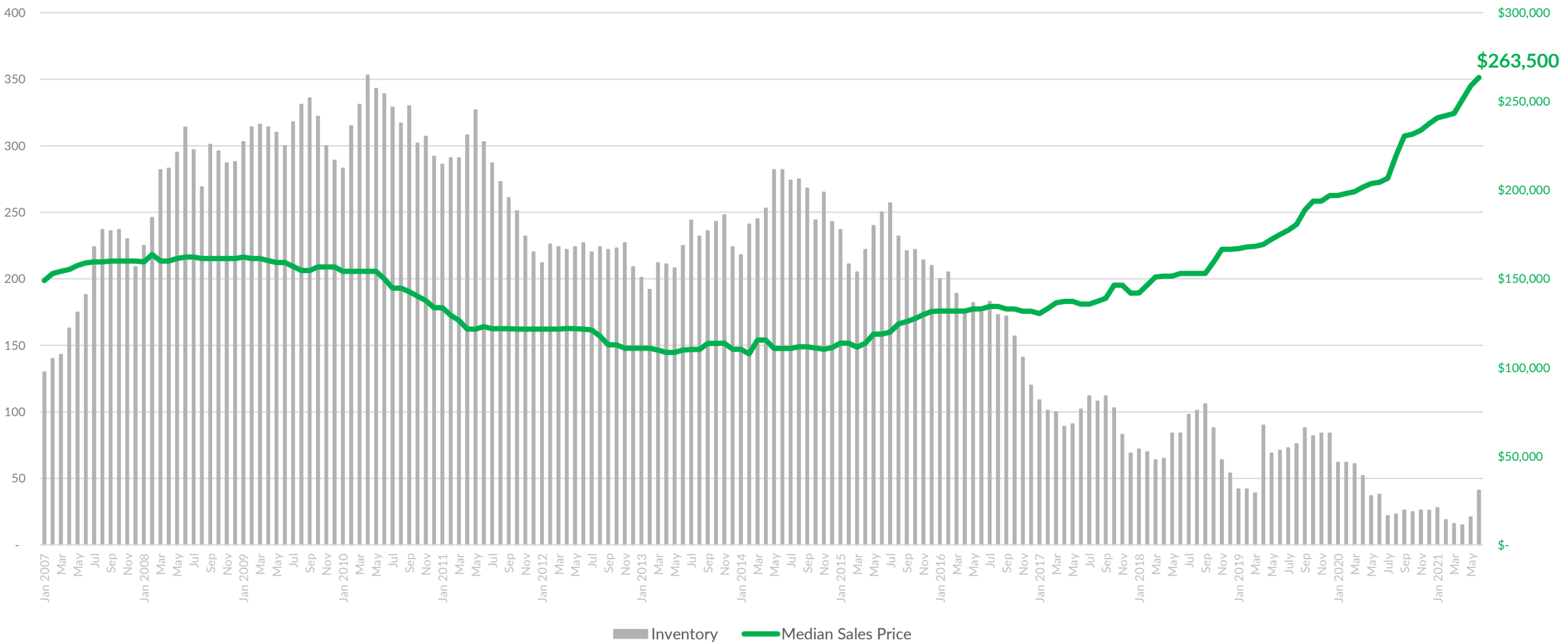
# Serving Clients in Today's Market

- **Be respectful of buyer or seller requests regarding health and safety.** Regardless of any mandates or ordinances, any client who requests masks, additional sanitization, limits on group sizes, etc., should be accommodated. Everyone has different circumstances that may require they maintain certain safety practices, so continue to keep PPE on hand, and utilize video, when as appropriate.
- **Know your market stats.** There are differences between the existing and new construction segments, between various price ranges, and as always, the adjustments made for amenities, finishes, square footage, lot sizes, etc. — and staying ahead of any shifts within segments will be vital to how you advise both buyers and sellers.
- **Reach out to your investor clients.** For those with SFH rentals, encourage them to connect with their tax professional to see whether they could sell and use their equity to invest in apartment or multi-family developments, or possibly other sectors like industrial or commercial.
- **Talk to homeowners about preserving equity.** Many have positive equity for the first time in years, and, we're seeing more owner-occupant, cash buyers. Both are good trends for our market's long-term stability if that equity isn't used elsewhere.
- **Educate sellers about the pros and cons of various marketing strategies.** Just because the market is fast does not mean you should skip any pre-listing preparation, professional photography, repairs, staging, etc., especially if the goal is to sell for the highest price. Also, any off-MLS activity must be based on the wishes of the seller for a specific reason, making sure they understand that it will limit the pool of prospective buyers, then if done, all applicable rules from IMLS and standards from NAR's Code of Ethics must be followed.
- **Discourage the use of "buyer love letters."** Avoid introducing a possible fair housing violation by counseling buyers not to write or submit such letters. Listing agents can help buyers' agents whose clients insist, by noting in agent remarks that seller does not want, will not read, etc., any love letter submitted, which can also protect the seller.
- **Share resources that outline an area's growth plan.** Show buyers where they can do their own research on potential developments, school boundaries, road construction, etc., and never (ever) promise their new neighborhood *won't* change.
- **Educate buyers about the pros and cons of various offer strategies** — higher prices, fewer contingencies, delayed move-in dates, etc. Determine which work for their situation and which don't. A competitive market doesn't mean buyers should go over budget, sign contracts without reading them, or give away important protections just "to win." Additionally, ensure buyers consult their lender, tax professional, or financial advisor before pulling money out of retirement funds or other taxable savings accounts to avoid potential penalties.
- **Be mindful of audio and video recording equipment.** Prepare buyers that they may tour a home with cameras that can record or livestream audio and video to the owners, including doorbells. Also, provide sellers with a checklist to be sure all equipment or any devices that are staying behind are deactivated prior to closing for the protection of the seller and buyer.
- **Wire fraud is still an issue.** Be sure all parties understand by whom and through what method information about transferring funds will be handled. If there is every any question whether an email requesting information, sharing routing numbers, or asking for an updated password is legit, call the person on the email at a known phone number (not the one in the email) to verify.
- **Explain the process and what you do on your client's behalf.** From transaction management, negotiations, working through repairs, and so much more, clarify the tasks you'll be handling throughout each phase of the sale or purchase, review the legal contracts and clauses that may be part of the sale, and prepare them for any big decisions *before* they must be made. ***You are their advocate.***



# Historical Monthly Inventory vs. Median Sales Price for Elmore County

Activity for existing and new single-family homes combined between Jan 2006–Jun 2020. The sales price reported is based on a rolling 12-month median. This smooths out potential month-over-month swings due to seasonality, a very high or low number of transactions in one month, very high or low sales prices that may occur one month but are not common, or other activity that may not be representative of the overall price trends for the area. Sales price and inventory rose and fell together between 2007 and 2015. Since then, inventory has not kept up with demand, contributing to prices being pushed upwards.



Whether it's up or out, our region needs more supply.

**But “*more supply*” doesn’t mean more rooftops  
anywhere and everywhere.**

Boise Regional REALTORS® is committed to supporting comprehensive, regional planned growth, that offers adequate purchase and rental options in all price points — not only to stabilize the market but to preserve and improve the quality of life for all residents.





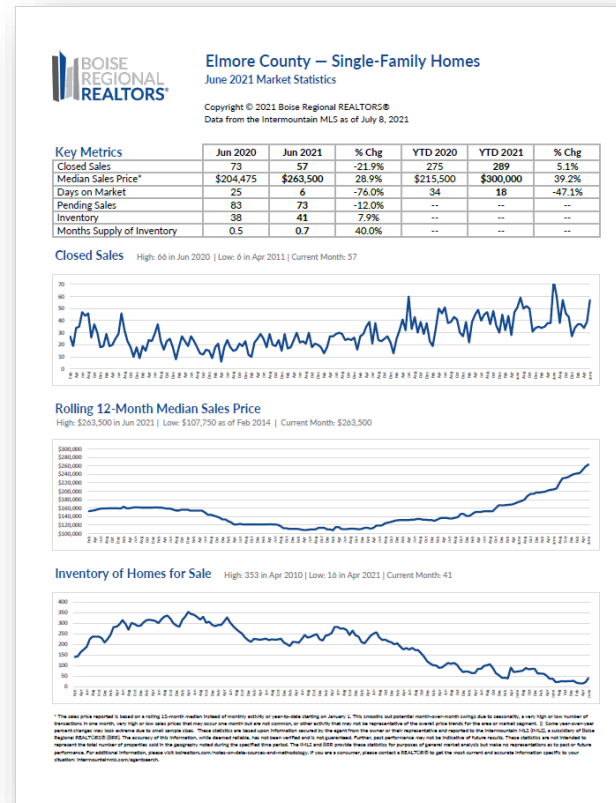
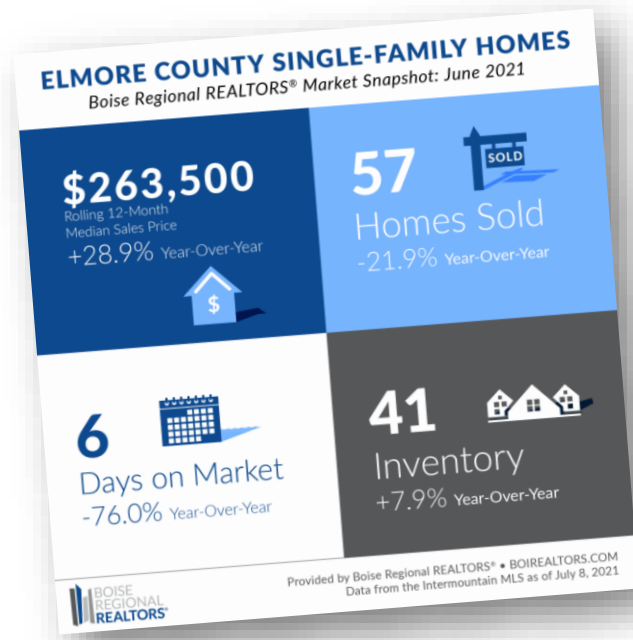
If you are interested in engaging with this issue, BRR has resources to help you learn more, information on attending meetings, and tips to make your voice heard — on behalf of yourself and the people you represent.

For members of the public who would also like to become advocates for housing policy, connect them to NAR's Homeownership Matters program and the new American Property Owners Alliance.



# Market Reports

Market Reports are delivered to members via email monthly and past are always accessible on our website at [boirealtors.com/market-statistics](https://boirealtors.com/market-statistics). Reports include analysis, snapshot graphics of key metrics, printable PDF reports for Ada, Canyon, Elmore, and Gem counties, reports for city data and condo/townhome activity.



## Sources and Methodologies

The information included in this report is based primarily on the data available through Intermountain MLS (IMLS), a wholly-owned subsidiary of Boise Regional REALTORS® (BRR). IMLS data is based upon information secured by the agent from the owner or their representative. The accuracy of this information, while deemed reliable, has not been verified and is not guaranteed. These statistics are not intended to represent the total number of properties listed or sold in the geographies noted during the specified time periods. IMLS and BRR provide these statistics for purposes of general market analysis but make no representations as to past or future performance.

Historical data from IMLS has not been adjusted for seasonality or inflation, unless noted. Data also secured from the following sources, some of which may or may not have been seasonally adjusted or adjusted for inflation: Apartmentlist.com; ATTOM Data, Inc.; CoreLogic, Inc.; Federal Reserve Bank of St. Louis; Freddie Mac; Greater Pocatello Association of REALTORS® Multiple Listing Service; knoema.org; Mortgage Bankers Association; National Association of REALTORS®; realtorparty.realtor; Snake River Multiple Listing Service; Urban Institute; U.S. Bureau of Economic Analysis; U.S. Census Bureau; and, U.S. Department of Housing and Urban Development.

Comparisons between sources were made using the most similar time periods available for each data set. While done infrequently, some averages were taken, or data was estimated for time periods in which data was unavailable.

For questions, clarifications, or corrections, please contact BRR Chief Executive Officer, Breanna Vanstrom, at 208-376-0363.