

## Selecting The Right Architect

New construction statistics indicate that more and more people are building homes. Selecting the right architect can be a critical decision at the beginning of the journey. This issue's cover story focuses on important foundations from an architect's perspective. The following ten hints have been shared by Robert Falk, a retired St. Louis, Missouri architect, and an important part of our family.

1. Can the architect show you the kind of work that you are comfortable with and/or connect to? I would think that you would want an architect who has a strong residential portfolio, and an architect who can demonstrate sensitivity to the style of building, the use of space and the type of materials that interests you.

2. I would spend a lot of time on process. And I would want a very clear understanding of how the architect would propose to keep budget in check – not just the architectural budget but the final project cost. This is the area that strains almost all relationships between architects and clients. Remember that the more you go back to the well for changes and alterations, the more it will cost.

3. I would be very clear about wanting the architect to do construction supervision. There are uncounted questions that come up during building. You should not be put in a position to have to answer those questions. A thorough understanding of the architect's time commitment and a realistic estimate of budget for this phase are important. The architect

should be committed to being on-site daily during construction.

4. Site planning is critical to your project. I would want an architect who was qualified to do *site planning* as well as design. To me, other disciplines (landscape, structural, mechanical, etc.) can be subcontracted. I would expect that your short list of architects would make the time commitment to visit the site while you are trying to make a choice so that he/she can discuss your particular needs. Of course, you would only deal with a Registered Architect who is licensed to practice in Idaho. I would be pretty insistent about wanting the work done on CAD. It is

The Ralston Report is distributed on a quarterly basis. It is intended to provide meaningful information (focused in our core specialty areas) that is fair and balanced, as well as an update of specific downtown projects. We hope that our quarterly cover story and Q&A from our expert lender and members of our community is both interesting and enjoyable for you. We always welcome suggestions, and will be happy to prepare an individual report specific to your area or need.

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## Key Questions:

### When considering buying acreage outside of city limits

#### 1. Well and Water Shares

Understand the well's gallons per minute (GPM), depth, location, and history and operation of other wells in the area. Note that most wells have a limit on acreage available for irrigation

#### 2. Septic Fields

Have primary and secondary septic fields been approved? Approvals only usually last for 12 months. Is there room and appropriate soil conditions for your septic fields? This becomes especially important on the postage stamp (narrow) parcels

#### 3. Fire Boundaries and Restrictions

Is the land in a fire district?

Understand fire district requirements (e.g., width of drive, hammerhead, interior sprinkler, etc). Confirm with your insurance company whether the location is insurable, and/or in a high-risk category. For example, some companies put you in a high risk category if you are more than 6 miles from a fire station, while others may consider 5 miles high risk. Not all companies are created equal

#### 4. Infrastructure Costs

Evaluate potential infrastructure costs before you purchase! For example, do you need to construct a 200' driveway vs. a 700' driveway? Will rock blasting be required? Do area conditions and/or CC&Rs require specific materials (e.g., concrete roof tiles)?

#### 5. The Site

Understand your site. Spend hours on your land prior to designing & building. Is there a prevalent wind direction and how hard does it blow? A completely exposed lot with zero protection from the elements needs to be evaluated and considered in your design. Where does the sun rise and set on the longest & shortest days of the year? How can you be mindful of energy, incorporate passive solar etc?

Cover story photos courtesy of David Ralston



### Selecting An Architect *continued from page 1*

just more cost-effective in the long run.

5. It is my experience that the project gets real at the point design drawings are complete and approved by you. I would have a very clear understanding that you would expect to be able to get accurate bids for construction at that point. (This is where most projects get into trouble). Expect that the architect will not out design your house...listening to you without regard to your final budget. This happens all too often. Set the budget at the beginning of the project and do not let the architect design outside the budget!!! That would mean that materials, fixtures and mechanicals would have to be specified at the end of that phase. I would not be comfortable with "budgets" for various categories. It's easy to exceed budgets in a project like this. I would be clear that I would not be comfortable with any contingency over 15%. There should be plenty of room inside a 15% variable.

6. I would want a commitment as to how much time THE ARCHITECT WOULD REQUIRE for various phases. That way if you decide to hold the project for a period of time it is your responsibility if the project gets derailed as long as the architect stays within the time budget.

7. What you are going to pay for is the time it will take the architect to guide you through the decision process. If you can't come to agreement or if you can't get comfortable with design directions it will cost you more. This is why it is important to get numerous references. Speak to his/her clients. Visit them in their homes. Have them tell you stories about the process and how it worked for them. If you can't find an architect with plenty of past clients who you can get to...keep looking.

8. Bottom line is that it is about chemistry, experience and talent. If you are comfortable with all three it might work out.

9. Be disciplined. The more you change the more it will cost. I would do my homework. A scrapbook of things you like is important. I would go one step further and try to find complete homes you like. Even if they are the wrong size and scale...if you like the look, the flow of space, materials, the way the home is integrated into the site, etc. you will help the architect do a great job for you and you will keep costs in line.

10. One thing that you may consider is that someday you might want to expand or add to your house. I would want a final project that could easily be added to.

Ralston Group Properties' has put together a comprehensive list of questions for clients and prospective clients (several pages long) that they may consider when selecting an architect and/or builder, as well as finding just the right building site for their new home. Your architect, like your real estate agent, should be a trusted partner.

# Residential Market Update

Residential Single-Family Homes - Ada County	3Q2013
Statistics referenced herein are for single-family homes - unless otherwise noted - which includes existing homes, new construction, and condominiums	JUL - AUG - SEPT
Average Sold Price	\$237,681
Average Sold Price Compared to Same Period Prior Year (3Q2012)	up 14.2%
Average Days on Market	45
Total Dollar Volume	\$572.3M
Total Dollar Volume Compared to Same Period Prior Year (3Q2012)	up 43.0%
New Construction Sold	18.6%
Existing Homes Sold	81.4%

## Inventory Improving

The average sales (i.e, sold) price in Ada County rose two percent from the previous quarter, and 14.2 percent from third quarter a year ago (3Q2012). New construction was down 8.0 percent from the previous quarter. New construction accounted for 18.6 percent of sales and existing homes the remaining 81.4 percent.

The number of homes sold in July 2013 was up 39.3 percent from the prior July, with the average sales price up 16.6 percent. New construction was up 26.9 percent from the prior July.

In August 2013, average sales price rose 13.2 percent compared to the prior August. Average sold price in Ada County in August 2013 was \$238,570.

In September 2013 the average sales price was down 1.3 percent from the prior month to \$235,549. This was a 13.3 percent increase from a year ago in September.

Average inventory by the end of third quarter (3Q2013) was 3.2 months, compared to 2.5 months at the end of the previous quarter. Third quarter inventory was just over

six months in the \$500,000 to \$699,999 price range, and 10.3 months in the \$700,000 to \$999,999 price range. The previous quarter (2Q2013) inventory was 5.6 and 15.2 in those same price ranges, respectively. Inventory for homes over \$1 million improved from 47 months at the beginning of the quarter to 25 months by the end of the quarter.

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."

Days on market improved to 45 compared to 55 days on market third quarter a year ago.

Total dollar volume was up 4.0 percent from the previous quarter, and 43.0 percent - \$572.3 million compared to \$400.3 million - from a year ago third quarter (3Q2012). Of the \$572.3 million, \$127.8 million was new construction, up 22.3 percent from third quarter a year ago (3Q2012).

Third quarter records indicate that 21 condominiums in downtown sold at an average of \$297.11 per square foot. Of the 21 transactions, 12 were cash closings.

Land, which is not included in the data above or that follows, recorded the following number of sales and average sold price in our core coverage areas (shared on Pages 3-7).

North Boise: 6 (\$146,983)  
 Northeast Boise: 3 (\$160,000)  
 Southeast Boise: 6 (\$92,640)  
 Boise Bench: 0 (\$0)  
 Eagle: 26 (\$207,888)



902 W Highland View Drive

Courtesy of Bryant Forrester - Homeland Realty



1500 N Harrison Boulevard

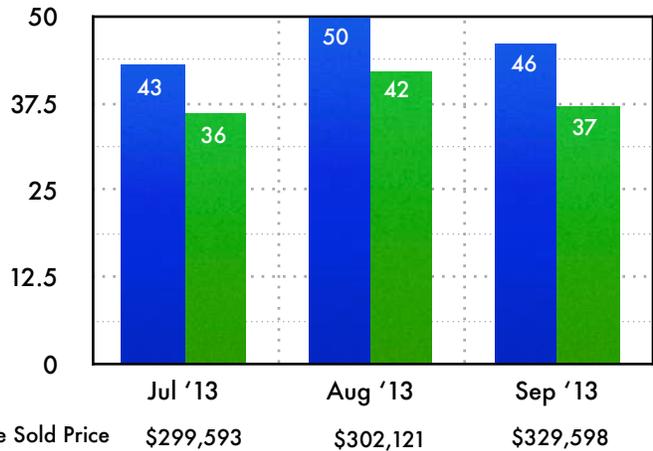
Courtesy of Missy Coman - Group One



900 W Wyndermere Drive

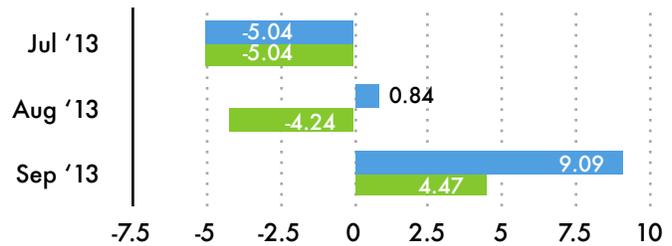
Courtesy of Amber Stockert-Hall - Keller Williams Realty

### North Boise (Area 100)



■ Total Homes Sold ■ Days on Market

### North Boise (Area 100)



■ Monthly Appreciation ■ Period Appreciation

*Note On Appreciation Bar Charts: Period Appreciation for 3Q2013 is July 1, 2013 through September 30, 2013. The average sold price for each month is as of the end of that particular month. Hence, there will be a discrepancy/difference between "Period Appreciation," and July to September sold price appreciation.*

## North Boise

In the July 2013, 43 single-family homes sold in North Boise with an average days on market of 36 and at an average price of \$299,593. August brought similar numbers - 50 sold at 42 days on market - with average sold price rising just over one percent to \$302,121. September numbers improved in North Boise with the sale of 46 homes and an average of 37 days on market. September's average sold price increased another 9.1 percent to \$329,598. September proved to be the greatest appreciation month; From July 31 to September 30 average sales price appreciated 10.0 percent. As of October 21, average sales price was up to \$345,352 (15.3 percent from July). The highest sold price recorded in North Boise was \$1,315,000, with a lowest recorded sale of \$65,000. During 3Q13, average price per square foot was \$168.



1446 Shenandoah Drive

Courtesy of Alicia Ralston - Ralston Group Properties



495 N Quarry View Way

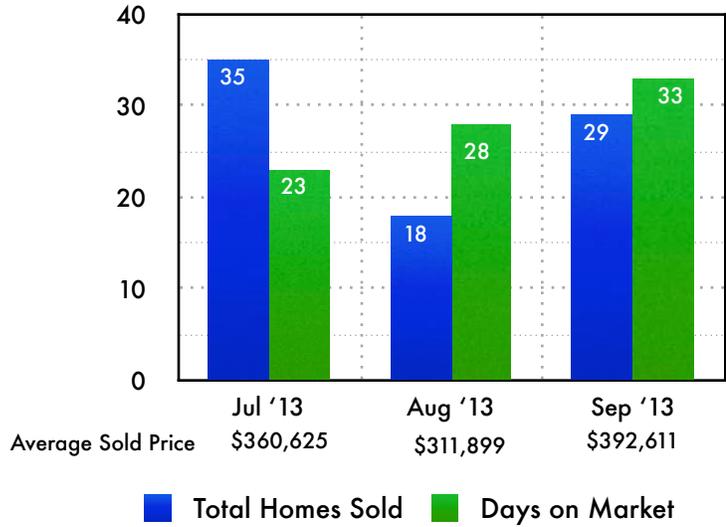
Courtesy of Heidi Creighton - Group One



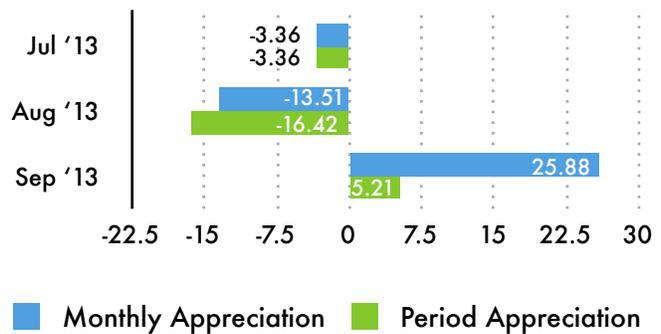
1420 E Washington

Courtesy of Kealy Baughman - Keller Williams Realty

### Northeast Boise (Area 200)



### Northeast Boise (Area 200)



## Northeast Boise

In July, 35 single-family homes sold in Northeast Boise with an average days on market of 23, and an average price of \$360,625. The number of homes sold in August decreased to 18, and average days on market rose to 28. Average sold price in August dropped to \$311,899. In September, 29 homes sold with an average days on market of 33. September's average sold price was \$392,611. Average sold price was up 8.9 percent from July 31 to September 30. Average sales price as of October 21 was \$392,083 – similar to September. In 3Q13, the highest sold price recorded in Northeast Boise was \$1,755,500, with a lowest recorded sales price of \$56,000. During this period, average price per square foot was \$147.



2275 E Skipperling Lane

Courtesy of Alicia Ralston - Ralston Group Properties



854 Riverpark Drive

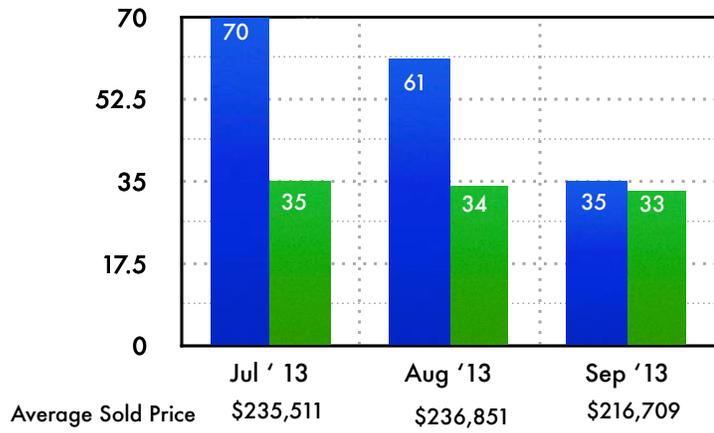
Courtesy of Kami Brant - O2 Marketing and Ralston Group Properties



1313 W Martin Street

Courtesy of Mitch Woods - Keller Williams Realty

### Southeast Boise (Area 300)



■ Total Homes Sold ■ Days on Market

### Southeast Boise (Area 300)



■ Monthly Appreciation ■ Period Appreciation

## Southeast Boise

Seventy single-family homes sold in Southeast Boise with an average days on market of 35 in July. In August, 61 homes sold with an average of 34 days on market; September recorded 35 sold homes at an average of 33 days on market. Average home prices declined in September to \$216,709; As of October 21, average home price increased to \$232,421. The highest recorded sold price in Southeast Boise in 3Q13 was \$645,000. The lowest recorded sale was \$31,500. Average price per square foot during this period was \$128.



4803 W Roberts Road

Courtesy of Alicia Ralston - Ralston Group Properties



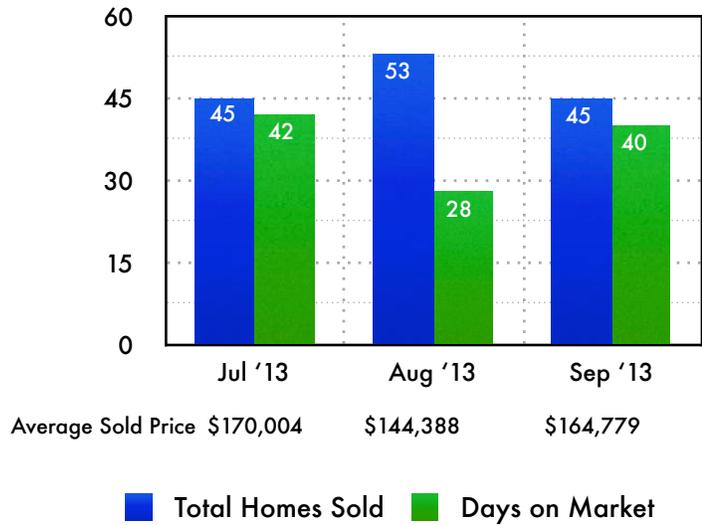
Courtesy of Michael Turner - Front Street Brokers



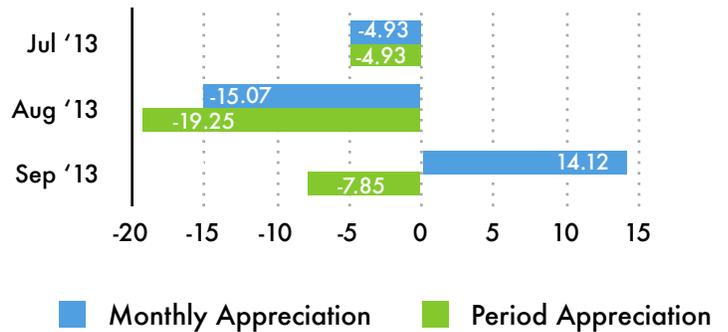
2424 S Odle Place

Courtesy of Bryant Reinhard - Keller Williams Realty and Ralston Group Properties

Boise Bench (Area 400)



Boise Bench (Area 400)



Boise Bench

In July, 45 single-family homes sold on the Boise Bench with an average of 42 days on market. There was an increase of homes sold in April (53), and a decrease in average days on market to 28. In September, 45 homes sold with an average days on market of 40. Average sales price of a Boise Bench home in July was \$170,004. By the end of September, the average sales price was \$164,779, increasing 14.1 percent from the prior month, but falling 3.2 percent from July. As of October 21, average sales price was \$136,065. The highest recorded sold price on the Bench in 3Q13 was \$785,000, with the lowest at \$17,500. Average price per square foot during this period was \$104.



2067 S Fox Glen Way

Courtesy of Greg Boss - Better Homes & Garden 43North



1451 E Lone Creek

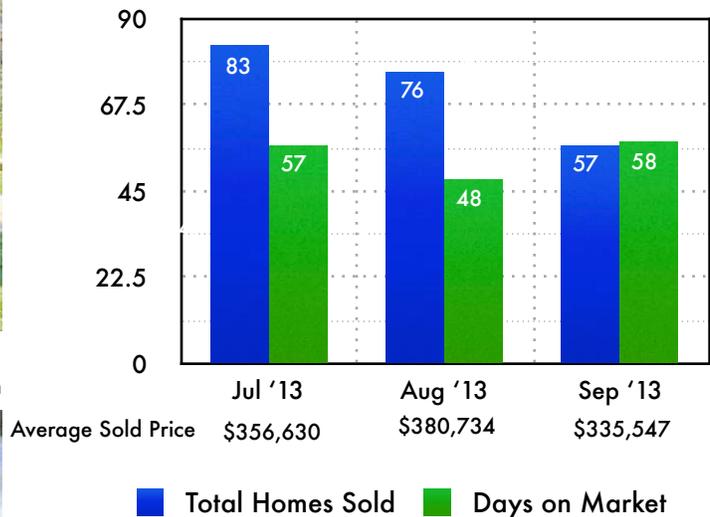
Courtesy of Karen Elitharp - Silvercreek Realty Group



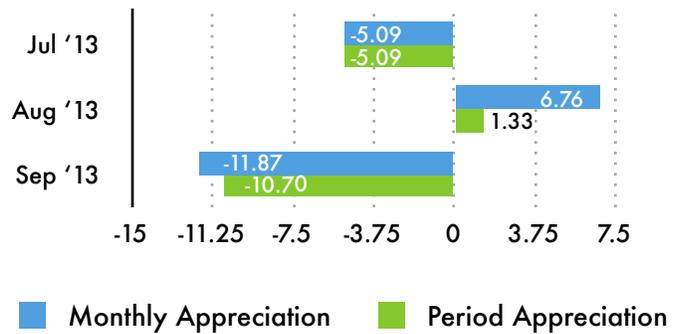
4690 N Burt Place

Courtesy of Eva Hoopes - Group One

### Eagle (Area 900)



### Eagle (Area 900)



Eagle is home to about 20,000 residents and a quaint downtown. Eagle enjoys foothills and river acreages in addition to their many developments.

Eagle was home to the St. Jude's 2012 Home Give-Away. Ralston Group Properties served as last year's St. Jude's Home Give-Away Realtor.

## Eagle

In July, 83 single-family homes sold in Eagle with an average of 57 days on market; 76 in August with an average of 48 days on market; and 57 in September averaging 58 days on market. Average home prices fell 6.3 percent from July 31 to September 30. As of October 21, average sales price was \$395,164. The highest recorded sold price in Eagle in 3Q13 was \$1,430,000, with the lowest recorded sale at \$77,000. Average price per square foot during this period was \$126.

The information provided in this report was compiled from multiple sources including: Idaho's Intermountain Multiple Listing Service (IMLS), LOOPNET, CCDCBoise.org, cityofboise.org, & jacksurbanmeetingplace.org. The data is believed to be accurate and reliable, but cannot be warranted by Ralston Group Properties. The commercial data provided is merely "trend data." Ralston Group Properties provides limited commercial services, specifically multi-family, and office & retail sales and leases in and near downtown Boise.

# Commercial Downtown at a glance

## Multi-Family

Trend data indicates an increase of +10.4% in median asking sales price per unit compared to the prior 3 months, with an increase of +40.5% from last year's prices. Median price was \$81,927 per unit for Multi-family properties in Boise. Rental data was not available

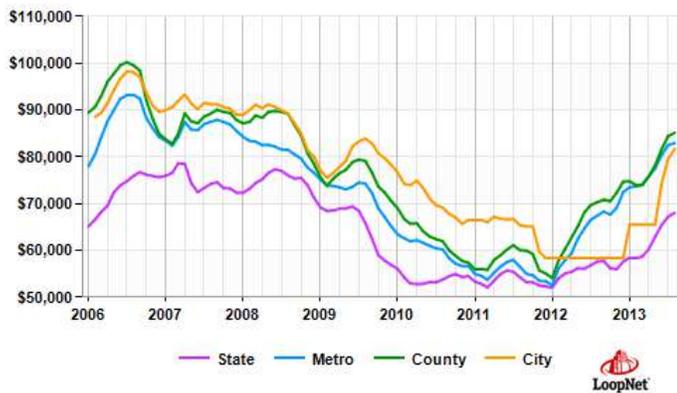
## Office

Trend data indicates an increase of +5.7% in median asking sales price per square foot (sf) compared to prior 3 months, with an increase of +9.0% from prior year's prices. Median price was \$120/sf. Rental rates increased +2.4% from prior 3 months, +2.1% from last year. Average asking rent/sf/year was \$12.63

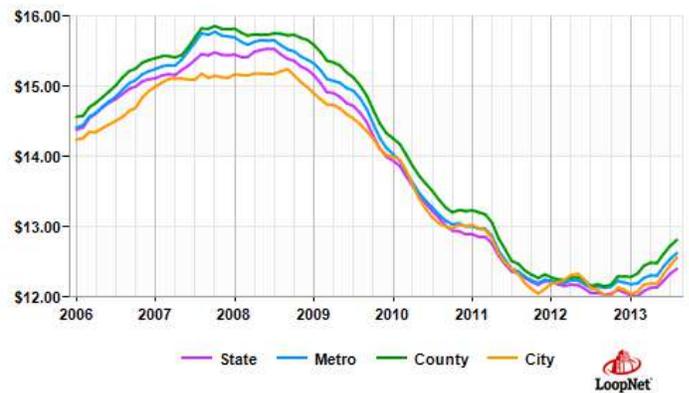
## Retail

Trend data indicates a +3.7% increase in asking rental rate/sf/year from prior 3 months – average asking rent/sf/year was \$13.05. This is a +4.2% increase from a year ago. Asking sales price/sf downtown was not available

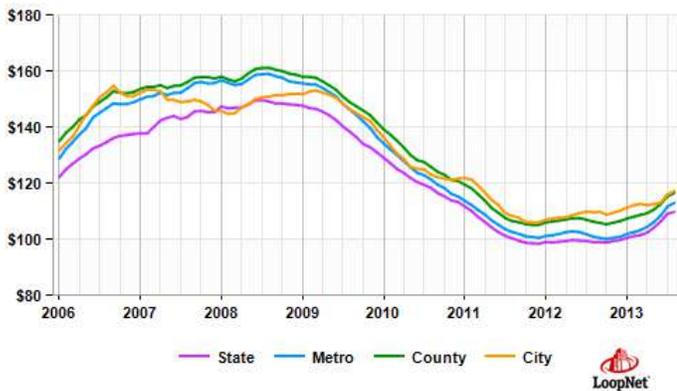
Asking Prices Multifamily for Sale Boise, ID (\$/Unit)



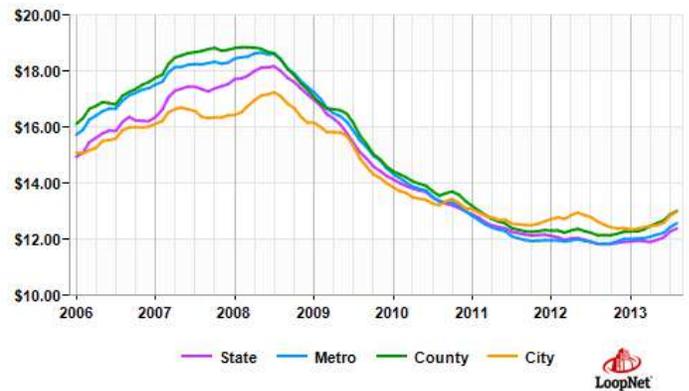
Asking Rent Office for Lease Boise, ID (\$/SF/Year)



Asking Prices Office for Sale Boise, ID (\$/SF)



Asking Rent Retail for Lease Boise, ID (\$/SF/Year)



# Community Q&A

## Alan Gummersall

*Can you share something in the insurance world that the average person may not completely understand?*

Yes. Flood Insurance. Many people ask isn't that covered under my normal Homeowners Insurance Policy? Usually, the answer is NO (check your policy).

There are two major, common perils that are usually NOT included in your Homeowner's Insurance and those are Flood and Earthquake (California requires the latter). Floods can be caused by overflowing rivers, streams or other waterways, snowmelt, mudflows or flash floods. Rarely are these covered under a standard Homeowner's Policy. You need to understand your "Zone."

Moderate-to-Low risk areas are defined by Zone letters B, C or X (most common in this area). If your home is determined to be in one of these Zones although you will not be required by your lender to get coverage, about 20% of all claims come from these areas so you are NOT immune from flooding. These would qualify for Preferred Risk Policies (PRP).

A Special Flood Hazard Area (SFHA) is defined by an A or V (A's in this area) and if you are one of these and have a Federally

backed Mortgage your Lender WILL require you to obtain Flood Insurance as during a 30-year period the home has a 25% chance of flooding.

*How much does flood insurance cost?*

The range is huge as there are so many factors involved. A Preferred Risk Policy (PRP) may cost \$450 for \$250,000 in coverage and \$100,000 in contents while an un-elevated home in a Zone AO may cost \$1,500 (or higher) for \$170,000 with no contents. These are including discounts because your Community participates in the National Program (NFIP).

If you are looking at buying a home and are uncertain of the requirement you should contact your Insurance Agent as soon as possible. Other requirements, such as elevation certificates, may be required and these can take time to get and can potentially delay closing.

## Melinda Kim

*How did third quarter compare to the first two quarters, and the historical averages?*

Third quarter albeit up from the prior two quarters was still among historic lows at 4.44% on a 30-year fixed rate mortgage. Congress' behavior in January 2014 will likely impact rates.



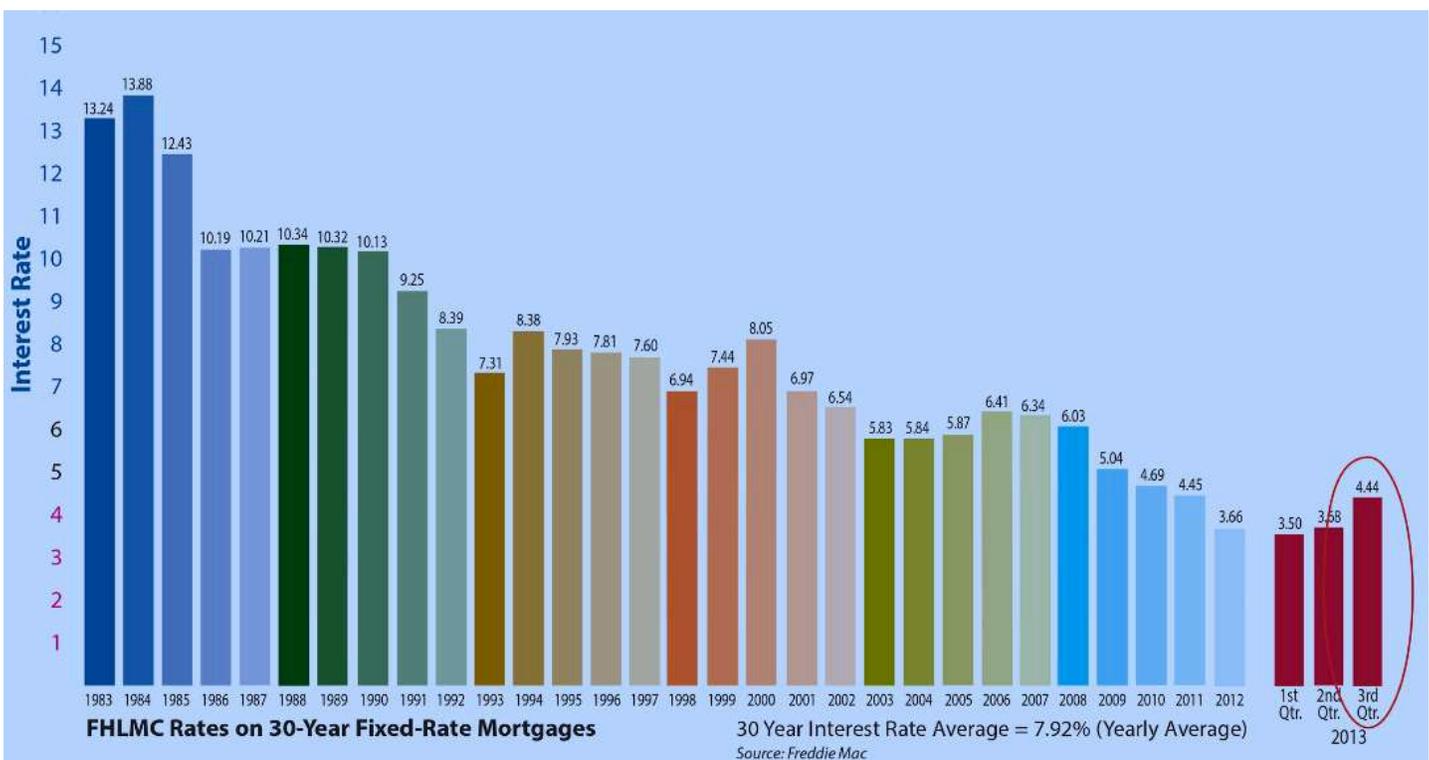
Alan Gummersall is a life-long Boise resident, and a graduate of the University of Idaho. Alan has been an agent with Farmers since 1988. Farmers serves more than 10 million households

with more than 20 million individual policies across all 50 states through the efforts of over 50,000 exclusive and independent agents and nearly 24,000 employees.



Melinda Kim is a leading Idaho lending expert. More about Melinda can be found on our website. Melinda earned a MBA from Harvard Business School and BS degrees in

Finance and Marketing from the University of Utah. Melinda will have a presence in The Ralston Report every issue.





Renderings courtesy of projects



## Downtown Update

Our Downtown landscape has seen many changes over the past three months.

### JUMP!

Driving JUMP Project Director, Maggie Soderberg, held a contest open to both professional artists and the general public that invited participants to create an original design that answered the question, "What inspires you?"

JUMP received submissions from applicants of varying ages—from kindergarteners to senior citizens—and from amateurs to professional artists. In October, JUMP displayed the winning design on the billboard at the southwest corner of 9th and Front Street (located at the JUMP site). Artists' submissions may be viewed at [www.jacksurbanmeetingplace.org](http://www.jacksurbanmeetingplace.org).

JUMP will house interactive studios including a Kitchen Studio, Movement Studio, Maker's studio, Multi-Media Studio, and an Inspiration Studio! JUMP will provide an urban park and outdoor amphitheater.

The community is invited to stop by anytime during the workday to watch progress on this \$70-million project. The project is expected to resemble the site

rendering above in 2015.

### Trader Joe's

In our last issue of The Ralston Report crews had begun preparing 300 S. Capitol Boulevard for construction of Boise's first Trader Joe's, slated for completion in 2014. The progress made in the past three months has been significant. Two Buck Chuck may be available in downtown Boise before we know it!

### Eighth & Main

If you are living in Eagle and haven't been downtown lately, you may not realize that we have a new skyscraper – by Boise standards. The building, on the southwest corner of Eighth and Main, is beginning to look a lot like the rendering (right) above.

The building is quickly filling. Projected/committed tenants to date include: Zion's Bank, Ruth Chris Steak House, Holland & Hart (law firm), Idaho Technology Council ([www.idahotechcouncil.org](http://www.idahotechcouncil.org)), First American Title, CTA Architects Engineers (designers of the building), and Zenery Boise. Zenery in Sun Valley, Idaho is a nationally-acclaimed health club and spa.



### Local owner and broker

Alicia Ralston created Ralston Group Properties (RGP)

determined to challenge the status quo within the real estate industry. After 14 years on corporate America's "fast track," Alicia left the Environmental & Construction industry in 2004 to pursue her passion for real estate and helping people.



Ralston Group Properties is a Boise-based residential & commercial downtown real estate firm specializing in and around the downtown including the North End, Highlands & Foothills, East Side (North and South); and the Bench. RGP is often asked to partner on unique projects taking us into other beautiful areas in Idaho.

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