

The size and ferocity of fires in Idaho has steadily increased over the past 30 years, and scientists say fire seasons will continue to get hotter, drier and longer.



PLEASE BE FIREWISE: It's Fire Season in Idaho

Idaho is truly a great place to live. However, the Treasure and Wood River Valleys, and elsewhere throughout Idaho and the greater western U.S. have a high threat potential for fires exacerbated by the growing wildland/urban interface.

This “repeat” cover story is prompted by the many new residents to Idaho, and several calls from clients asking us fire-related questions ranging from fire avoidance measures, firefighting resources, insurance, etc.

Fire is an incredibly broad topic. In order to make this meaningful and relevant, we're only going to focus on a handful of areas. While we're at the height of fire season here in Idaho, it's a year-round threat and isn't only present for those living in and around the foothills – all of us can do more to better

understand and take basic steps to keep our families and homes safe.

Our intent is not to add more worry to your lives. Rather, to inform and help you be proactive in ensuring you've done those tangible things to lower and even eliminate potential risks. Wildfires are much less likely to ignite a home if the home has been prepared with simple methods recommended by national and our local firewise community programs.

What follows are excerpts taken from information sheets and publications from the Boise Fire Department, National Interagency Fire Center, Bureau of Land Management, and National Fire Protection Association. The Boise Fire Department website is a fantastic resource (cityofboise.org/departments/fire/).

YOUR YARD/LAND. If managed effectively, landscaping can serve as a barrier, protecting a home in the event of a wildfire. The primary goal of firewise landscape is fuel reduction – limiting the level of flammable vegetation and material surrounding the home, and increasing the moisture content of the remaining vegetation.

Think of your yard/land in 3-4 zones (www.firewise.org). Zone 1 is closest to your home. It encircles your home for at least 30 feet on all sides, providing space for fire suppression equipment in the event of an emergency. Plantings should be limited to carefully spaced low-flammability species.

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.

contents:

Cover Story	1
Market Update	3
Community Q&A	10
Bogey Did You Know?	11

Flammable conifer trees should be spaced 30 feet between crowns to reduce the risk of a crown fire. Within 5 feet of your home, use nonflammable landscaping materials such as annuals, high-moisture-content perennials and rocks/pavers. Use/consider fire-resistant material for your patio furniture, swing sets, etc. Be sure to keep patio cushions inside when not in use and during periods of high fire potential.

Zone 2 extends 30-100 feet from your home and should have low-flammability plant materials. Plants should be low-growing and the irrigation system should extend into this section. Remove any heavy and/or woody debris.

Zones 3 and 4 should include a low volume of vegetation (fuel). Zone 3 extends 100-200 feet from your home, and should consist of low-growing plants and well-spaced trees. Zone 4 is the furthest from your home and is a natural area. Selectively prune and thin all plants in this area. Always remove highly flammable vegetation.

YOUR HOME. You likely know if your home is at risk from wildfire. If you're not sure, contact your local fire representatives.

Even if a landscape is designed in perfect compliance with firewise recommendations, fire may still reach your home as a result of heavy winds carrying firebrands. If your home, future home, or a friend's home is at risk relative to wildfires, be sure to evaluate the following:

Location – Fire spreads more rapidly on slopes. If you're in the design stage, make sure your home is at least 30 feet back from any ridge or cliff? Increase that distance if your home is higher than one story.

Roof – Is the roofing material Class A composite shingles? Or even better, slate, clay tile, metal, or cement and concrete products. The roof is the most important element of your home.

Exterior Walls – Have fire-resistant building materials been used? Cement, plaster, stucco and/or masonry materials such as stone, brick or block are a safer option.

Windows – Windows really? Yes, double-pane glass can help reduce the risk of fracture or collapse during an extreme wildfire. Tempered glass is the most effective. For skylights, glass is a better choice than plastic or fiberglass. Plastic may melt and allow embers into your home.

Eaves, Fascias, Soffits & Vents – Are all openings enclosed or at a minimum covered with metal screen no larger than 1/8" to block firebrands and embers from collecting?

Overhangs & Other Attachments – Is all vegetation and other fuel removed from around/under overhangs and other attachments (such as decks, bay windows, porches, fences)? When possible, use or "box" the undersides of overhangs, decks, balconies with noncombustible or fire-resistant materials. Make sure an elevated deck isn't located at the top of a hill where it will be in direct line of a fire moving up-slope. Fences constructed of flammable material like wood should not be attached directly to your home.

Exits – Does every room have a safe exit?

- Consider prevailing winds.
- Consider the entire "home ignition zone," which extends up to 200 feet from the home in high hazard areas.
- Give yourself added protection with "fuel breaks" like driveways, gravel walkways, stone/rocks and lawns.
- Be careful when maintaining your landscape, especially during fire season, as equipment (e.g., weed whackers, mowers) could spark and start a fire – always be aware and be prepared!
- Prune large trees so that the lowest branches are 6 to 10 feet high to prevent a fire on the ground from spreading to the tree tops.

COMMUNITY RESPONSIBILITY. You may not live in a home that is at risk from wildfire, but you likely visit and enjoy the many beautiful areas of Idaho where wildfire risks exist. It's important to reduce your and others vulnerability by being firewise. The box below shows some simple things that you can do. **Ralston Group thanks you for being a responsible citizen!**

- Talk to your kids about fire risks associated with driving on dry grass & parking a vehicle off road;
- Be firewise when enjoying the outdoors (smoking, vehicles, campfires, fireworks, chainsaws, etc.);
- Always watch your campfire, and make sure it's completely out before you leave;
- Don't throw cigarettes into brush or leaves, on the road, or even grind on logs;
- If you burn a fire, be aware that an ember from your fire can travel more than a mile in high winds – be smart especially during fire season;
- Be sure chains and other metal parts aren't dragging from your vehicle – they throw sparks; &
- Check equipment regularly. Sparks from lawnmowers/power equipment DO start wildfires.

Market Update - Ada Co.

Residential Single-Family Homes - Ada County	2Q2020
Statistics referenced herein are for single-family homes – unless otherwise noted – the numbers below do not include condominiums/townhouses. The statistics on Pages 5-8 do include condominiums & townhouses.	Apr-May-Jun
Average Sold Price (DOES NOT INCLUDE CONDOS & TOWNHOUSES)	\$423,862
Average Sold Price Compared to Prior Year Same Quarter	up 9.6%
Average Days on Market (DOM)	31
Total Dollar Volume	\$1.2 Billion
Total Dollar Volume Compared to Prior Year Same Quarter	down 42.9%
New Construction Sold Based On # of Units	32.6%
Existing Homes Sold Based On # of Units	67.4%

Extremely Low Inventory – Prices Continue To Rise

The average sales (i.e., sold) price in Ada County increased 9.6% from a year ago (2Q2019) to \$423,862.

The total number of homes sold was down 15.3% from a year ago; new homes sold down 12.2%. Total dollar volume of new construction was down 2.9%. New construction accounted for 32.6% of sales, and existing homes the remaining 67.4%. The average sold price of new construction was up 10.7% from a year ago.

The number of existing homes sold in the quarter was down 16.8% from this time last year. Total dollar volume of existing homes sold was down 9.5% from a year ago. Existing home sold price was up 8.7% from a year ago.

The quarter's dollar volume for single-family homes in Ada County was \$1.2 billion compared to \$2.1 billion a year ago – a 42.9% decrease. A total of 2,744 units sold (existing and new construction) in the quarter. Days on market was 31 compared to 39 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 1.0 months – 0.6 months for existing homes and 1.7 months for new construction. Average overall inventory

was 0.2 months for properties in the \$250,000 to \$299,000 price range and 0.8 months for properties \$300,000 to \$399,000. For properties \$400,000 to \$499,000 inventory was 1.3 months. Average inventory was 1.3 months in the \$500,000 to \$699,999 price range, and 1.8 months in the \$700,000 to \$999,999 price range. Inventory was 4.6 months for properties over a million dollars.

In our core coverage areas, the six-month average inventory of homes less than \$300,000 ranged from 0.0 (Northeast Boise) to 0.3 (N Meridian) months. The six 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.”

15 Boise downtown condos sold at avg. of \$334/SQFT

of res. lots sold & price

N Boise: 6 (\$232,067)
 NE Boise: 3 (\$328,267)
 SE Boise: 3 (\$403,333)
 The Bench: 1 (\$450,000)
 NW Boise: 3 (\$179,933)
 Eagle: 36 (\$309,903)
 N Meridian: 0 (\$N/A)

Avg. inventory over \$300K

N Boise: 1.9 months
 NE Boise: 1.6 months
 SE Boise: 1.2 months
 The Bench: 0.9 months
 NW Boise: 1.2 months
 Eagle: 1.7 months
 N Meridian: 1.5 months

Market Update - Blaine Co.

Residential & Commercial - Blaine County <small>NOTE: Blaine Co. is defined as Hailey, Ketchum & Sun Valley in the table below. Bellevue has not been included. Individual Bellevue statistics are included on page 8.</small>	2Q2020 Apr-May-Jun
Average Sold Price Single-Family Home (INCLUDES CONDOS & TOWNHOUSES)	\$862,161
Average Sold Price Single-Family Compared to Prior Year Same Quarter	up 29.2%
Average Days on Market Single-Family	168
Total Dollar Volume Single-Family	\$58.6M
Total Dollar Volume Single-Family Compared to Prior Year Same Quarter	down 41.4%
Average Sold Price Condominium/Townhouse (ONLY)	\$528,752
Average Days on Market Condominium/Townhouse	110
Total Dollar Volume Condominium/Townhouse	\$15.3M
Average Sold Price Condo/Townhouse Compared to Prior Year Same Quarter	up 12.2%
Average Sold Price Commercial	\$540,500
Average Days on Market Commercial	276
Total Dollar Volume Commercial	\$3.8M
Total Dollar Volume Commercial Compared to Prior Year Same Quarter	down 48.4%

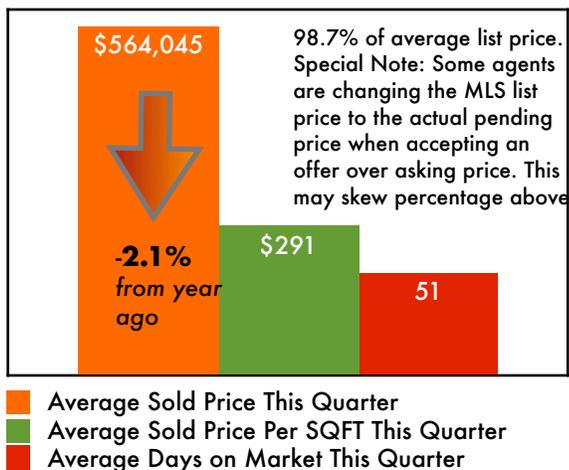
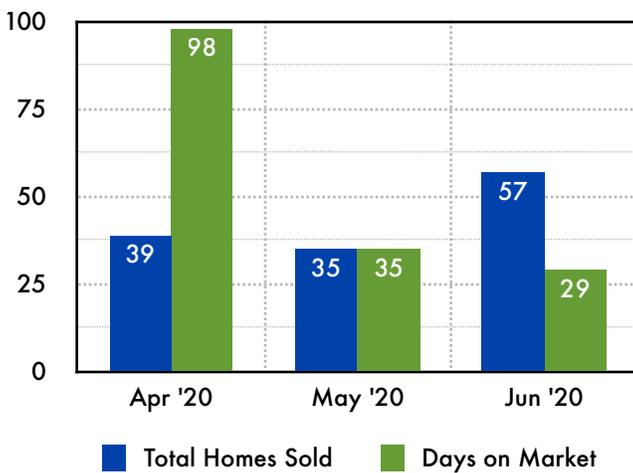
2Q2020: Single-Family Dollar Volume Down, But Prices Up From A Year Ago

This quarter's records indicate that 69 single-family homes sold at an average of \$395/SQFT – average sold price was up 29.2% from a year ago. Twenty-nine of the 69 single-family homes were condominiums/townhouses, selling at an average of \$395/SQFT; dollar volume of condos and townhouses was down 63.0% – sold price up 12.2%. "Residential" land, which is not included in the data above or that follows, included 16 sold properties at an average sold price of \$414,367; the properties averaged 336 days on market. Total dollar volume of land was \$6.2M. Average sold price of "residential" land was up 51.1% from a year ago. Seven commercial properties sold at an average of \$540,500. The average sold price was down 41.1%; total dollar volume down 48.4%. Days on market was 276 compared to 248 a year ago. The commercial data in the table above was gathered from the Sun Valley/Sawtooth MLS. Loopnet-only properties have not been included in the data above.

North Boise

In April, 39 single-family homes sold in North Boise with an average days on market of 98 and at an average price of \$504,733. Thirty-five homes sold in May at an average sales price of \$554,471 (35 days on market), and 57 homes sold in June at 29 days on market (average sold price \$610,507). The highest sold price recorded in North Boise was \$2,300,000, with a lowest recorded sale of \$227,000. During the quarter, 131 properties sold averaging 51 days on market. Sold price in North Boise was down 2.1% from a year ago to \$564,045 (\$291/SQFT). NOTE: The single-family data on Pages 5-8 include condos and townhouses.

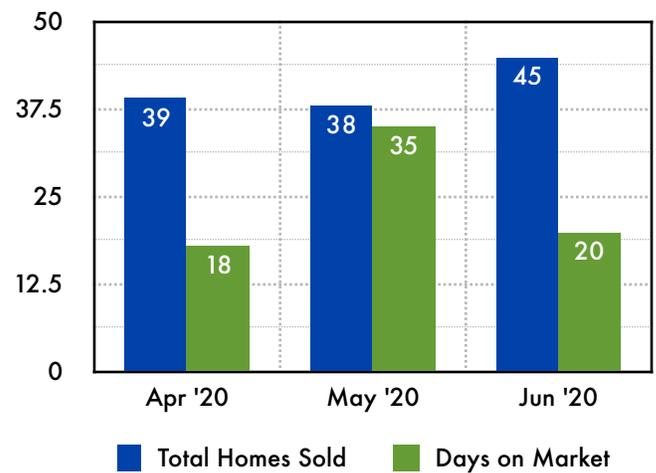
North Boise (Area 100)



Northeast Boise

In April, 39 single-family homes sold in Northeast Boise with an average days on market of 18 and at an average price of \$545,485. May included the sale of 38 homes at an average sales price of \$627,691 (35 days on market), and 45 homes sold in June at 20 days on market. Average sold price in June was \$628,560. The highest sold price recorded in Northeast Boise was \$1,675,000, with a lowest recorded sale of \$300,000. During the quarter, Northeast Boise recorded 122 home sales at an average of 24 days on market. Sold price in Northeast Boise was \$601,733 (\$248/SQFT) – up 9.6% from a year ago.

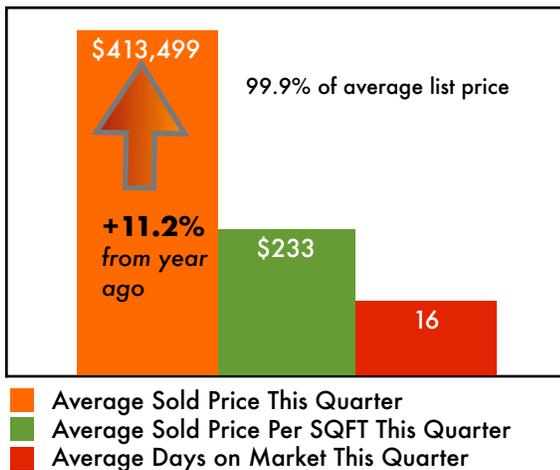
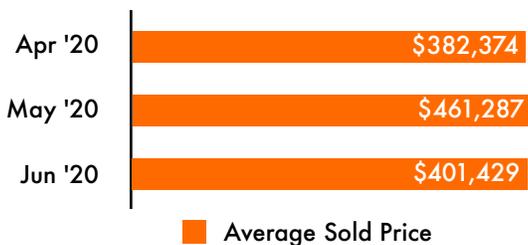
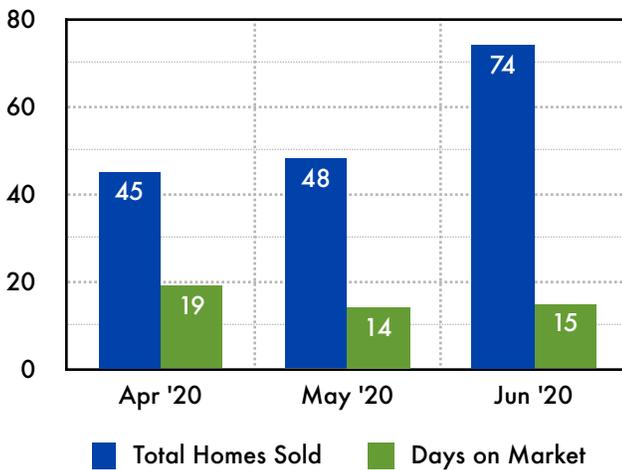
Northeast Boise (Area 200)



Southeast Boise

In April, 45 single-family homes sold in Southeast Boise with an average days on market of 19 and at an average price of \$382,374. In May, 48 homes sold at an average sales price of \$461,287 (14 days on market), and 74 homes sold in June at 15 days on market. Average sold price was \$401,429. The highest sold price recorded in Southeast Boise was \$1,950,000, with a lowest recorded sale of \$161,000. During the quarter, Southeast Boise recorded the sale of 167 homes. Sold price in Southeast Boise was up 11.2% from the prior year to \$413,499 (\$233/SQFT), and homes averaged 16 days on market.

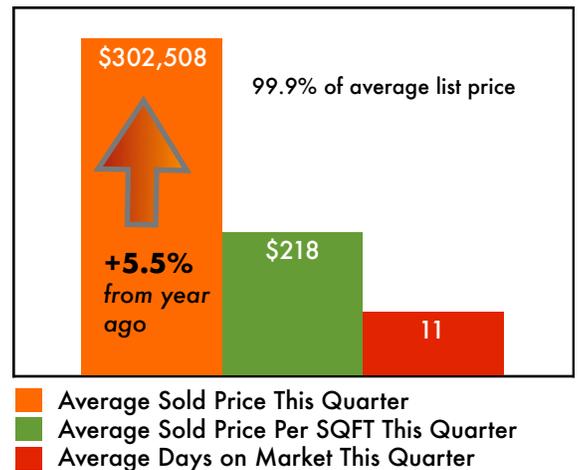
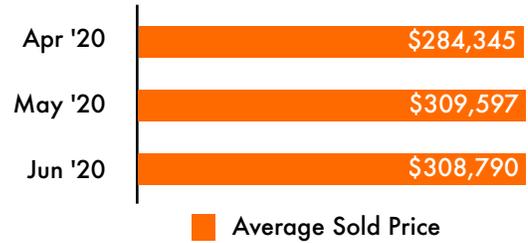
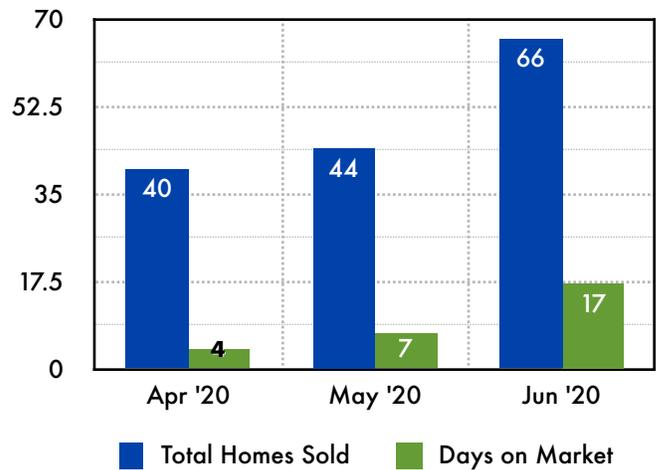
Southeast Boise (Area 300)



Boise Bench

In April, 40 single-family homes sold on the Boise Bench with an average days on market of 4 and at an average price of \$284,345. Forty-four homes sold in May at an average sales price of \$309,597 (7 days on market), and 66 homes sold in June at 17 days on market. Average price was \$308,790. The highest sold price recorded on the Boise Bench was \$915,000, with a lowest recorded sale of \$148,000. During the quarter, the Bench recorded the sale of 150 homes. Average sold price was up 5.5% from the previous year. Average sold price was \$302,508 (\$218/SQFT), at 11 days on market.

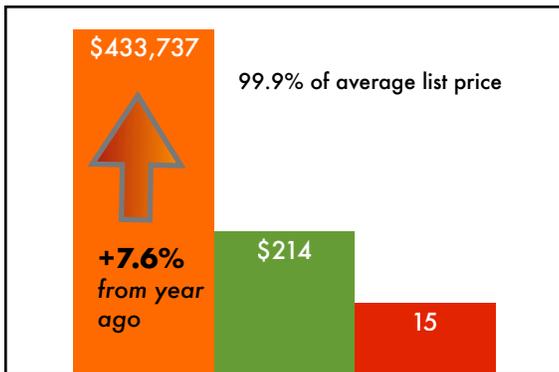
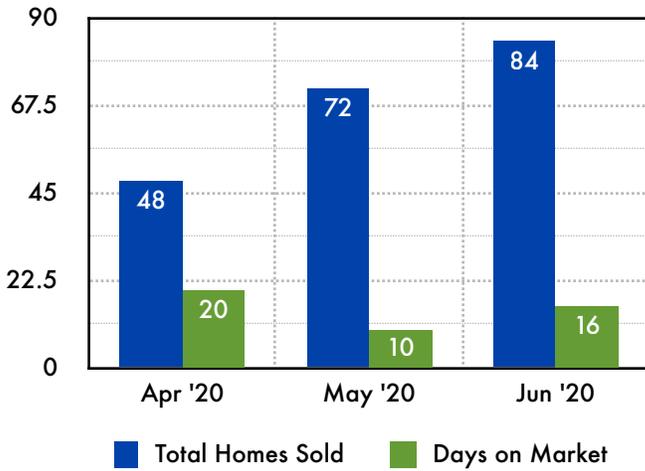
Boise Bench (Area 400)



Northwest Boise

In April, 48 single-family homes sold in Northwest Boise with an average days on market of 20 and at an average price of \$447,394. Seventy-two homes sold in May at an average sales price of \$423,031 (10 days on market), and 84 homes sold in June at 16 days on market, with an average price of \$435,110. The highest sold price recorded in Northwest Boise was \$1,076,000, with a lowest recorded sale of \$199,900. During the quarter, 204 homes sold. Average sold price was up 7.6% from the previous year in Northwest Boise. Average sold price was \$433,737 (\$214/SQFT). Homes averaged 15 days on market.

Northwest Boise (Area 800)

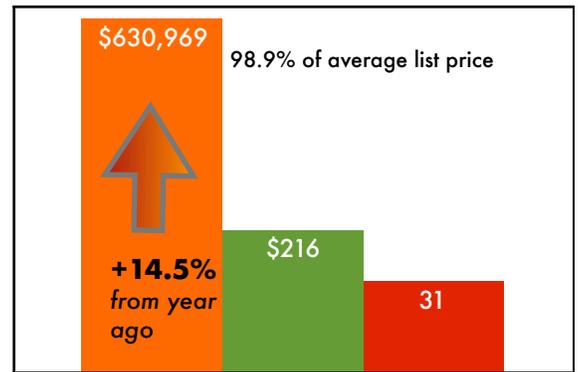
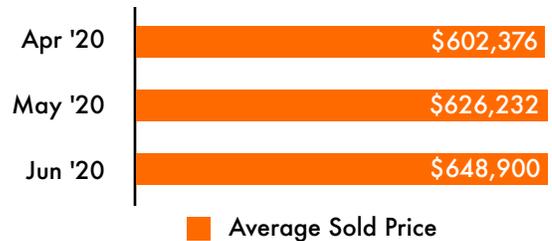
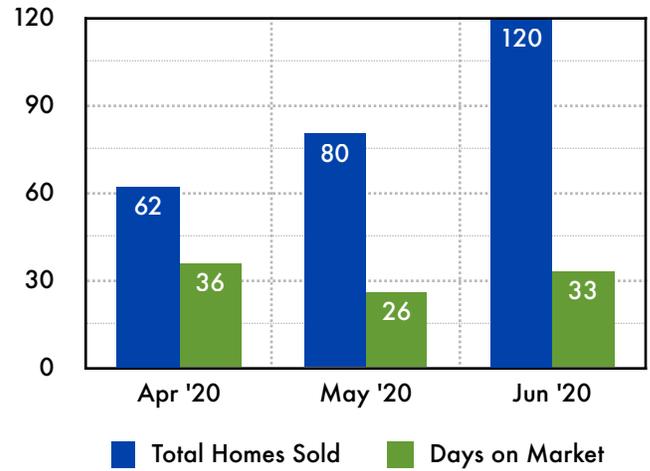


- Average Sold Price This Quarter
- Average Sold Price Per SQFT This Quarter
- Average Days on Market This Quarter

Eagle

In April, 62 single-family homes sold in Eagle with an average days on market of 36 and at an average price of \$602,376. Eighty homes sold in May at an average price of \$626,232 (26 days on market), and 120 homes sold in June at 33 days on market. Average sold price in June was \$648,900. The highest sold price recorded in Eagle was \$1,750,000, with a lowest recorded sale of \$255,000. During the quarter, 262 homes sold. Average sold price in Eagle was \$630,969 – up 14.5% from a year ago. Price per square foot price was \$216, with properties averaging 31 days on market.

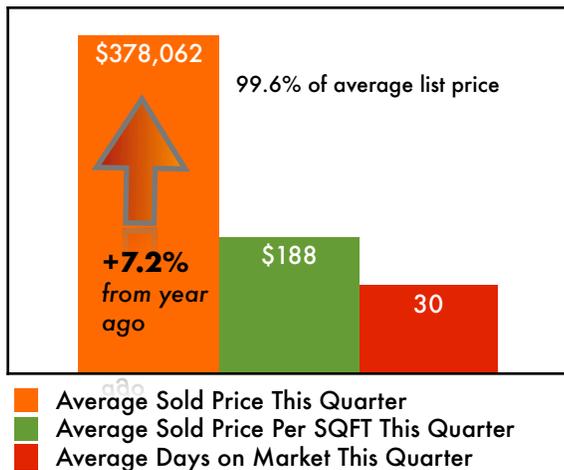
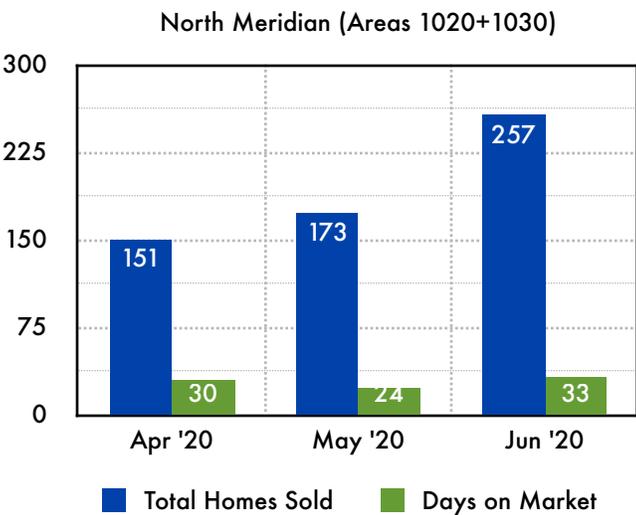
Eagle (Area 900)



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

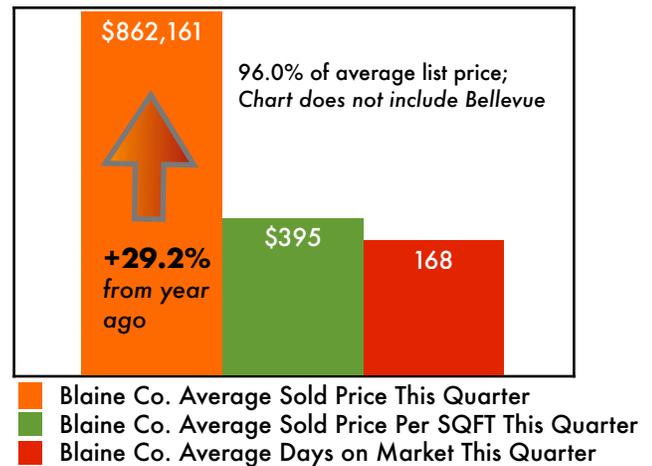
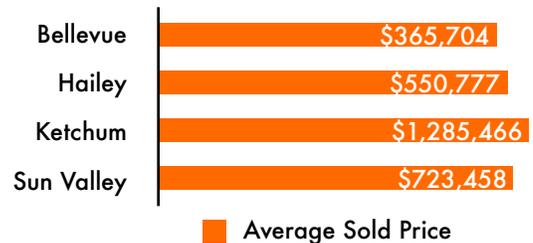
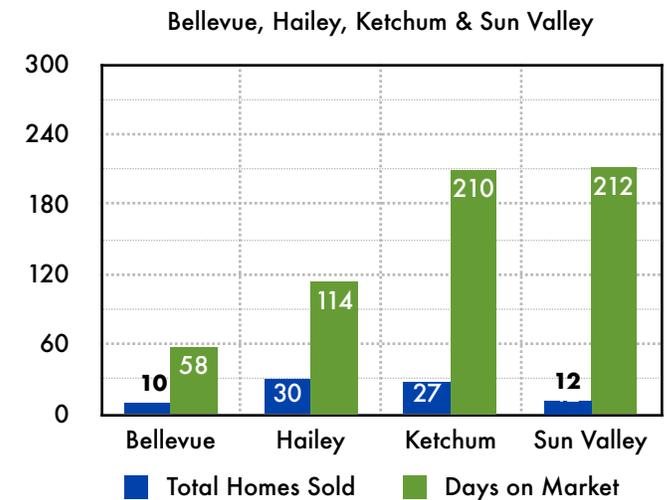
North Meridian

In April, 151 single-family homes sold in North Meridian with an average days on market of 30 and at an average price of \$373,553. One hundred seventy-three homes sold in May at an average price of \$372,453 (24 days on market), and 257 homes sold in June at 33 days on market; average sold price was \$384,488. The highest sold price recorded in North Meridian was \$1,550,000; lowest recorded sale was \$160,000. During the quarter, 581 homes sold. Average sold price in North Meridian was \$378,062 – up 7.2% from a year ago. Price per square foot price was \$188, with properties averaging 30 days on market.



Bellevue, Hailey, Ketchum & Sun Valley

Ten single-family homes sold in Bellevue at an average of 58 days on market and a price of \$365,704 (\$236/SQFT). Hailey recorded the sale of 30 homes – average days on market 114 and an average price \$550,777 (\$289/SQFT). In Ketchum, 27 homes sold at an average of \$1,285,466 (\$521/SQFT). Average days on market was 210. Sun Valley records indicated 12 homes sold – average price \$723,458 (\$385/SQFT) and 212 days on market. In the quarter, 69 properties sold in the County (excluding Bellevue). Average sold price was \$862,161 (up 29.2% from a year ago). Homes averaged \$395/SQFT and 168 days on market. Highest sold price was \$4,500,000.



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



1915 N 18th - North Boise



3207 W Plant - North Boise



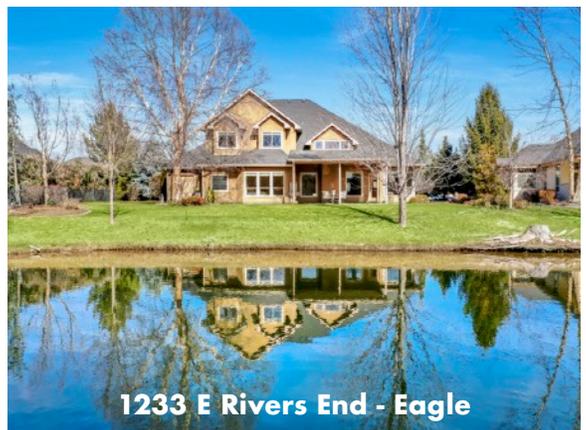
1122 E Hays - Northeast Boise



3217 S Snowflake - Southeast Boise



4414 W Hoover - Boise Bench



1233 E Rivers End - Eagle



4650 N Price - NW Meridian



3350 W Victory - SW Meridian

Multi-Family Housing	North Boise (Area 0100) 	Average Sold Price: \$564,756 Average Sold Price/SQFT: \$210 5 Sold; Average DOM 25 Price Prior Yr: Down 6.9%
	Northeast Boise (Area 0200) N/A	Average Sold Price: \$N/A Average Sold Price/SQFT: \$N/A 0 Sold; Average DOM N/A Price Prior Yr: N/A
	Southeast Boise (Area 0300) 	Average Sold Price: \$377,450 Average Sold Price/SQFT: \$211 4 Sold; Average DOM 12 Price Prior Yr: Down 29.2%
Near Downtown Boise	Boise Bench (Area 0400) 	Average Sold Price: \$454,000 Average Sold Price/SQFT: \$147 11 Sold; Average DOM 7 Price Prior Yr: Up 36.2%
<p>The information provided in the Ralston Report was compiled from multiple sources including: Idaho's Intermountain Multiple Listing Service (MLS) and Sun Valley/Sawtooth MLS. The data is believed to be accurate and reliable, but cannot be warranted by Ralston Group Properties. The multi-family/residential income data (i.e., 2-plex, 3-plex, 4-plex, & apartments) provided in the table above was collected from the Intermountain MLS. Statistics for this quarter's Ralston Report were current at publication. Commercial data for Blaine County can be found on page 4 of this report. Multi-family/residential income data is not provided for Blaine County.</p>		

Community Q&A

Melinda McCaslin

Q: Melinda – How is COVID affecting lending? Any future concerns, proactive steps?

Like so many parts of our economy today, COVID has also impacted mortgage lending. Investors have implemented new guidelines in an effort to minimize risk in the midst of new and unprecedented uncertainties in a number of areas: job stability, mortgage loan forbearance, self-employed borrowers, and niche loan products such as jumbo loans and construction loans.

Job Stability - with a large portion of the US workforce being furloughed or laid off due to shutdowns and restrictions brought on by COVID, most lenders have implemented last minute employment verifications to confirm borrowers still have an ability to repay their mortgage. While employment verifications and income documentation have always been a part of the underwriting process, now

updated paystubs that reflect no reduction in earnings are required right before closing, along with borrower attestations that their earnings have not been negatively impacted by COVID. This adds one more step in the process, right before closing. And for borrowers that have been furloughed, or had their hours reduced, this final check can cause a heartache when they're unable to close on their purchase.

Mortgage Loan Forbearance – while the government has mandated that anyone that has been negatively impacted by COVID has the right to mortgage relief and can request their mortgage be put in forbearance without impacting their credit score, the communication has been limited. Many borrowers are surprised to find they can't refinance their mortgage or qualify for a new mortgage, if they've requested their current loan(s) be placed in forbearance. Logically, if a borrower has asked for

forbearance by stipulating that they have been negatively impacted, it seems reasonable that mortgage lenders would not want to entertain a new mortgage.

Self Employed Borrowers – This subset of borrowers has been the most impacted by new COVID guidelines. While lending guidelines have always required a review of federal tax returns to establish self-employment income, Fannie Mae and Freddie Mac guidelines now also require year-to-date Profit and Loss statements, along with business bank statements to substantiate current income and positive cash flow. This can be very challenging for self-employed borrowers with seasonal businesses, borrowers with limited monthly bookkeeping support, or borrowers that intermingle funds between personal and business accounts.

Niche Loan Products such as Jumbo Loans and Construction Loans – while the Federal Government has...

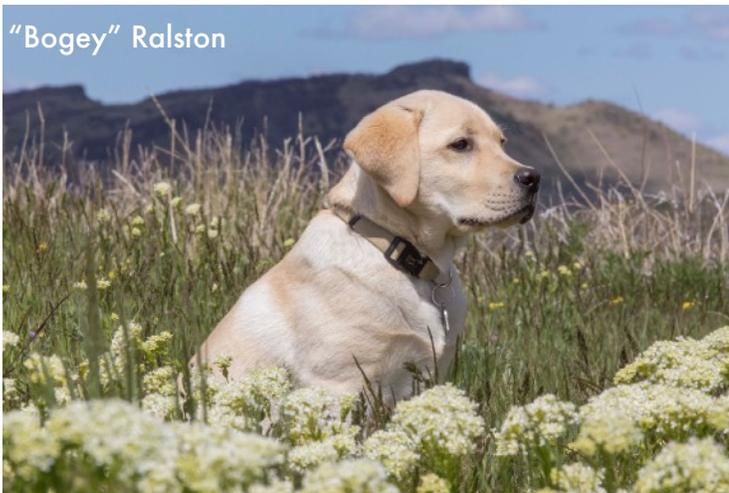
stepped in to ensure interest rates stay low, by committing to continue the purchase of conventional mortgage backed securities, the same is not true for many of the higher risk niche products. So while we're seeing record low interest rates on conforming loans, jumbo rates have not followed suit and as a result, there is not as much liquidity in these markets. In fact, many investors in the riskier jumbo and construction arenas have suspended lending all together.

The good news is that despite these extra hurdles, the mortgage industry is booming. This is due not only to the record low interest rates, but the large number of borrowers that are spending more time in their homes determining they'd like something a bit different than what they now have. Indeed the months of quarantine have led many homeowners to decide this is the time to upgrade or downsize depending on new and different needs than they've had in the past.



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

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



"Bogey" Ralston

Did You Know?

Each year, an average of more than 73,000 wildfires burn about 7.3 million acres of private, state and federal land and more than 2,600 structures. Something as simple as making sure that your gutters, eaves, and roof are clear of debris will reduce fire threat. And during fire season, firewood should be kept at least 30 feet from your home.

A TRADITION OF TRUST

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

Trust + Heart + Experience + Advocates + Thinkers.

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

Please note that the Ralston Group Properties phone App is being redone and is scheduled to be back in the App Store this Fall





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