



WINDERMERE REAL ESTATE PRESENTS

THE GARDNER REPORT

IDAHO | FOURTH QUARTER 2017


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The following analysis of select counties of the Idaho real estate market is provided by Windermere Real Estate Chief Economist Matthew Gardner. We hope that this information may assist you with making better-informed real estate decisions. For further information about the housing market in your area, please don't hesitate to contact me.

ECONOMIC OVERVIEW

Idaho added 14,700 new jobs in 2017, representing a growth rate of 2.1%. Although this is still a reasonable figure—and well above the total U.S. rate— this rate continues a cooling off we've seen over the past few quarters, which is to be expected as the state has essentially reached full employment.

In December, the state unemployment rate was 2.9%. With the labor force continuing to expand, it is clear there are still jobs out there to be filled. I continue to anticipate that Idaho will outperform the U.S. in growth through 2018.

HOME SALES ACTIVITY

- Fourth quarter home sales rose by 9.1% compared to the same period last year, with a total of 5,787 homes changing hands.
- Sales rose the fastest in Shoshone County, which had a 22% increase over the fourth quarter of 2016. There were also noticeable increases in Kootenai, Payette, Blaine, and Bonner Counties.
- Year-over-year sales dropped in Valley County, but given that this is a remarkably small market, I am not concerned.
- The number of available homes for sale rose over the fourth quarter of 2016, which is an encouraging sign.

ANNUAL CHANGE IN HOME SALES

Q4-2016 TO Q4-2017

NORTH

Shoshone County	22.0%
Kootenai County	21.0%
Bonner County	16.5%

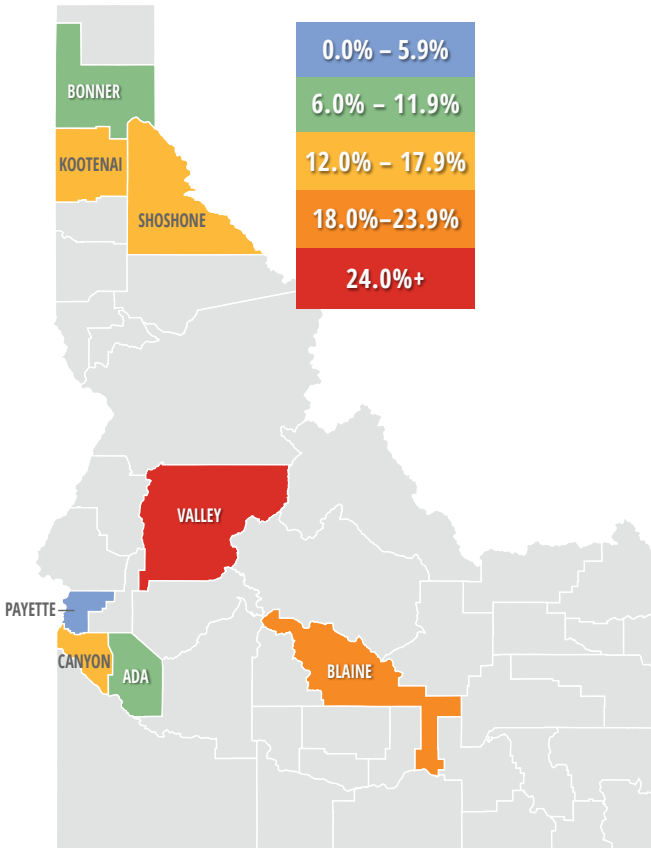
SOUTH

Payette County	18.9%
Blaine County	16.7%
Canyon County	7.6%
Ada County	4.4%
Valley County	-8.2%

ABOUT MATTHEW GARDNER Mr. Gardner is the Chief Economist for Windermere Real Estate, specializing in residential market analysis, commercial/industrial market analysis, financial analysis, and land use and regional economics. He is the former Principal of Gardner Economics, and has more than 30 years of professional experience both in the U.S. and U.K.

HOME PRICES

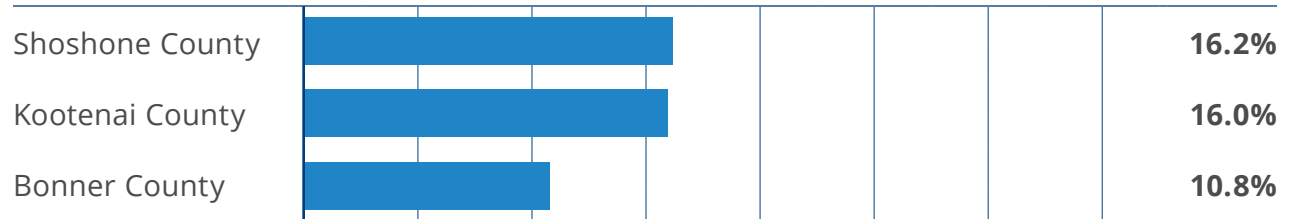
- The average home price in the region rose 14% year-over-year to \$306,938.
- Valley County led the market with the strongest annual price growth. Homes there sold for 34% more than a year ago.
- All counties in this report saw home prices increase compared to the fourth quarter of 2016. All but one county saw double-digit gains.
- Home prices are still trending well above the long-term average as demand continues to exceed supply. Although we did see some growth in listings, it remains a seller's market.



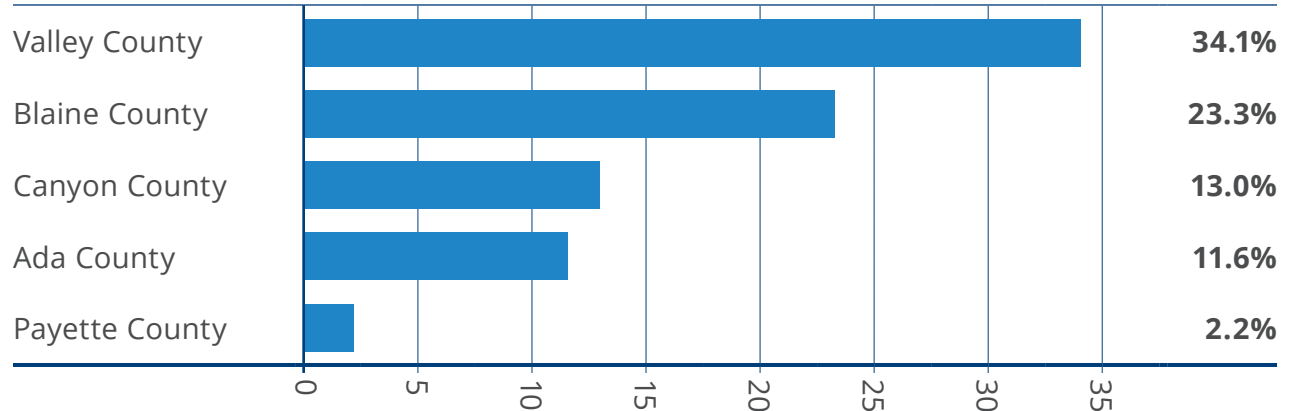
ANNUAL CHANGE IN HOME SALE PRICES

Q4-2016 TO Q4-2017

NORTH



SOUTH



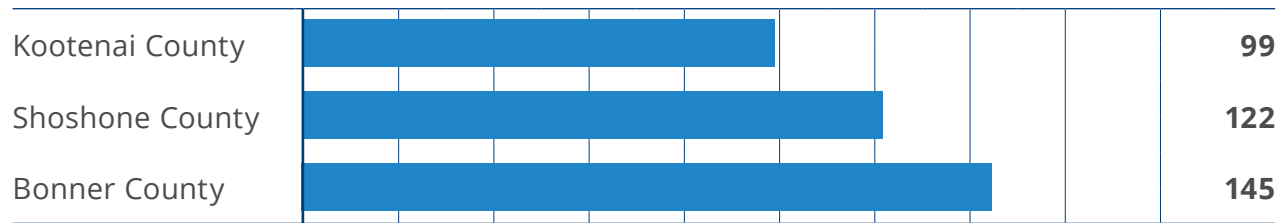
DAYS ON MARKET

- The average number of days it took to sell a home in the region dropped 20 days compared to the prior year.
- It took an average of 122 days to sell a home in Northern Idaho and 83 days in the southern part of the state.
- Homes in all three Northern Idaho counties took less time to sell than they did in the same quarter of 2016, and all but one of the southern counties in this report saw sales take less time to close that in the fourth quarter of 2016.
- Homes sold the fastest in Ada and Canyon counties, where it took an average of 39 and 42 days, respectively.

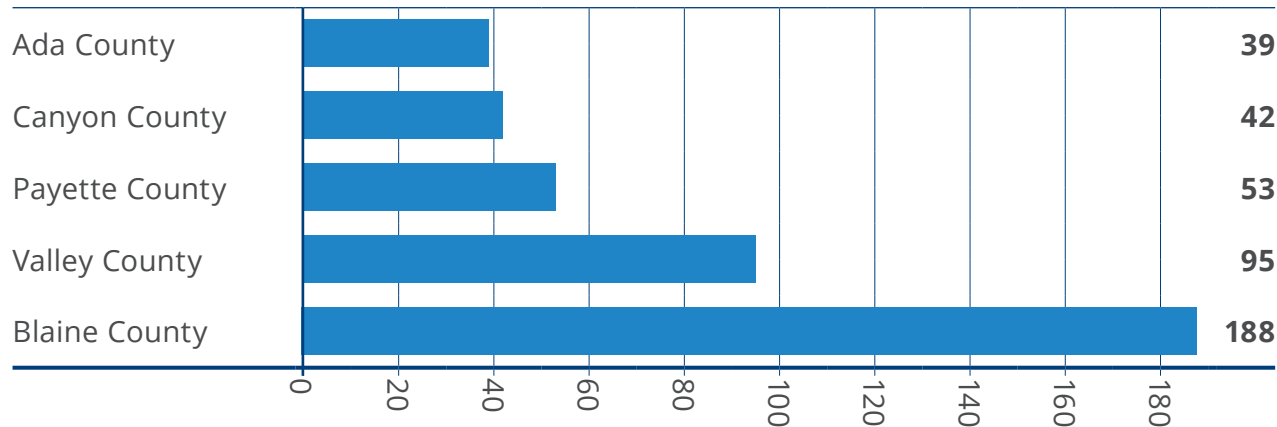
AVERAGE DAYS ON MARKET

Q4-2016 TO Q4-2017

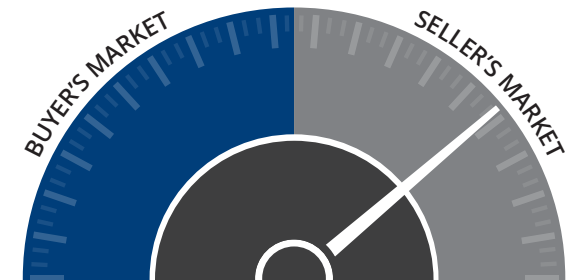
NORTH



SOUTH



CONCLUSIONS



The speedometer reflects the state of the region's housing market using housing inventory, price gains, home sales, interest rates, and larger economic factors. Consumer confidence in the housing market seems to have returned, causing the markets in this report to perform well overall, and for home prices to continue trending upward.

As mentioned in my last report, the market remains out of balance, with more buyers than sellers. Even with the modest increase in listings seen in the quarter, the market still heavily favors sellers. Unless we see a major increase in the number of homes for sale in early spring, the market will continue to see above-average home price growth.