



2021 Year End Market Update Report
2022 Market Forecast





Residential Snap Shot 2020 vs 2021

Coeur d'Alene

Active Listings	-5%
Homes Sold	-11%
Median Sales Price	+35%
\$510,000*	

*Median sold values rounded up to nearest thousandth

Post Falls

Active Listings	N/C
Homes Sold	-5%
Median Sales Price	+32%
\$450,000*	

Hayden

Active Listings	+1%
Homes Sold	-2%
Median Sales Price	+37%
\$525,000*	

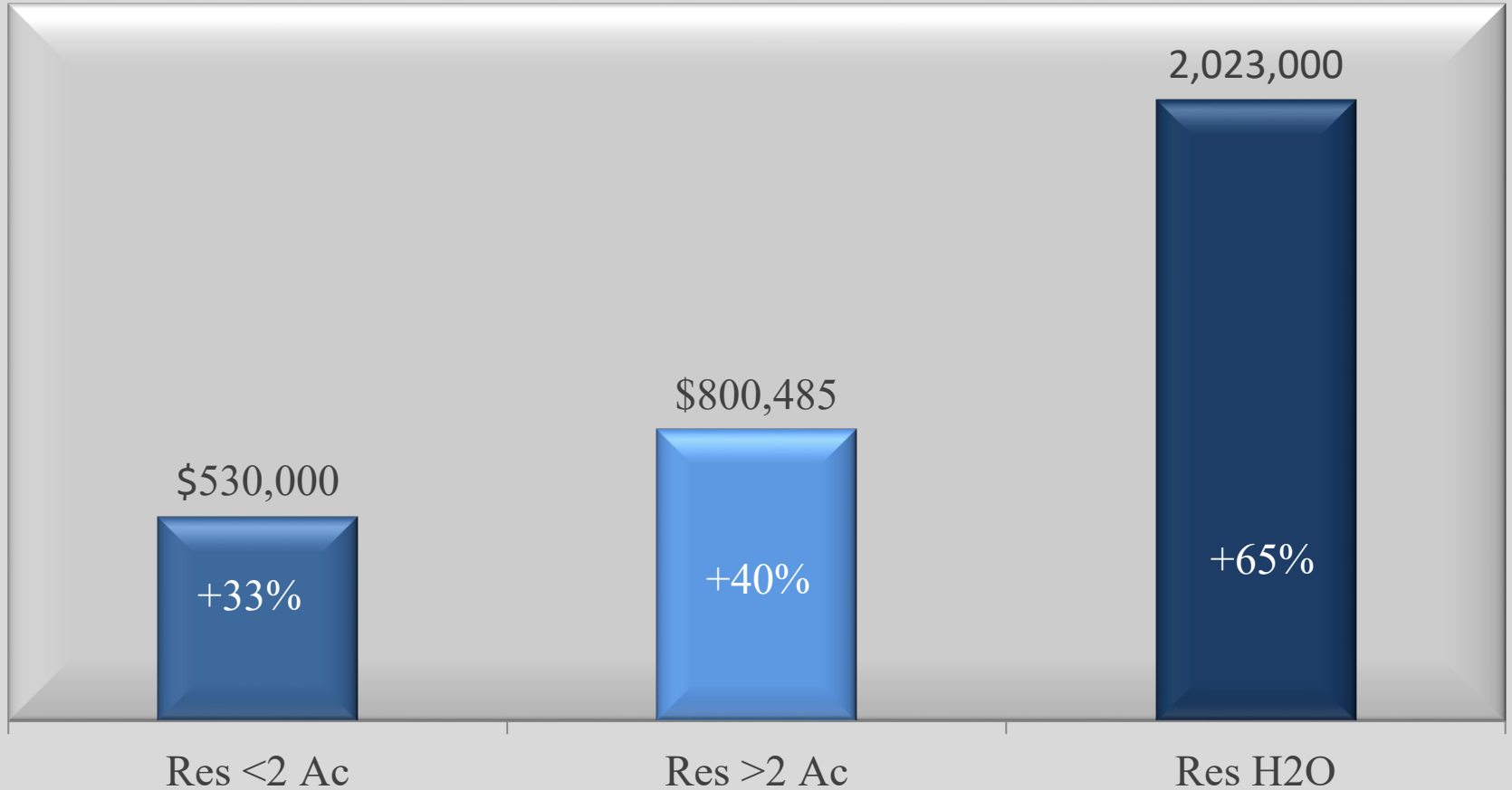
*Data provided by Coeur d'Alene MLS

Kootenai County

Active Listings	-3%
Homes Sold	-7%
Median Sales Price	+34%
\$493,000*	



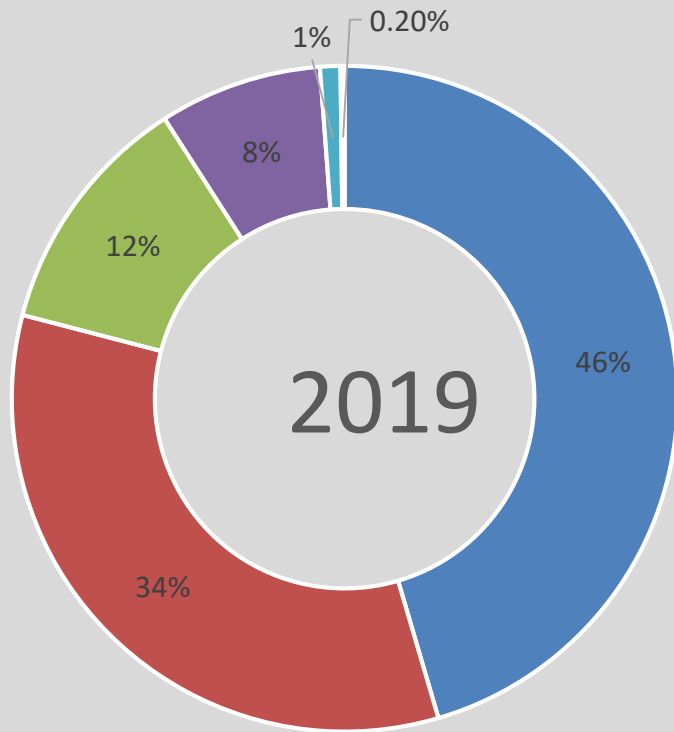
2021 *Actual* Average Sales Price All MLS



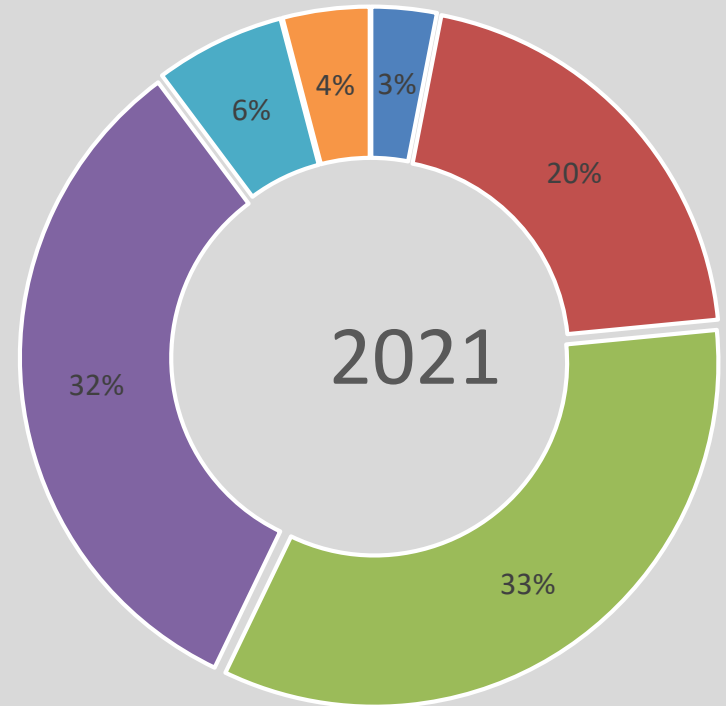
*Data provided by Coeur d'Alene MLS



Single Family < 2 Acres Kootenai County



■ \$200k-300k ■ \$300k-400k ■ \$400k-500k
■ \$500k-750k ■ \$750k-900k ■ 900k+



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A Growing Population...

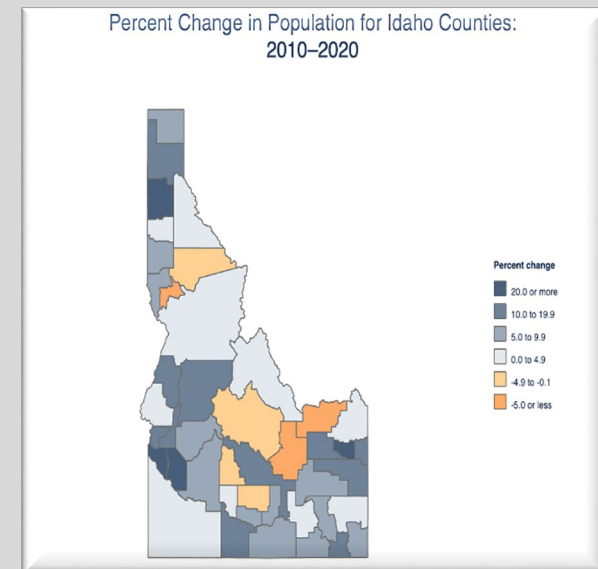


- From August 2018 to August 2021, Idaho had the fastest growing single-family housing prices in the U.S., increasing 67.3% during these three years.
- From 2020 to 2021, Idaho's population grew 2.9% making it the fastest growing state in the U.S. followed by Utah (1.7%), Arizona (1.7%), and Montana (1.4%) (U.S. Census).



Where is the largest population growth happening

- The fastest growing city in Kootenai County was Post Falls with a 39.6% increase in population from 2010 to 2020
- Followed by population growths of 34.9% for Rathdrum and 23.8% for Coeur d'Alene.
- There was also a substantial increase in the rural portion of the county of 14.1%.
- According to the 2010 and 2020 Census, the City of Post Falls gained 10,911 net new residents, which is the size of Rathdrum approximately





New Construction

Nationally the cost of new construction has risen dramatically.

Prices of newly constructed single-family homes jumped 17.1% in one year (Q3 2020 to Q3 2021) according to the U.S. Census.



Regulatory costs associated with New Construction account for nearly $\frac{1}{4}$ of the sales price



Is It Really A Housing Crisis....



- The cumulative estimated national housing deficit was 8,570,944 units since 2008. Using the same methodology:
- Idaho has a 35,639-housing unit deficit; and
- Kootenai County has a deficit of 2,353 units
- Applying past US Census population growth rates to the 2020-2030 time period, net additional supply of housing units will need to increase at least 85%, from 1,156 units to 2,140 units per year in order to stabilize prices in Idaho.
- Using the higher KMPO* population forecasts, the net additional supply of housing units will need to increase 161%, from 1,156 units to 3,015 units per year in order to stabilize prices at their current level.



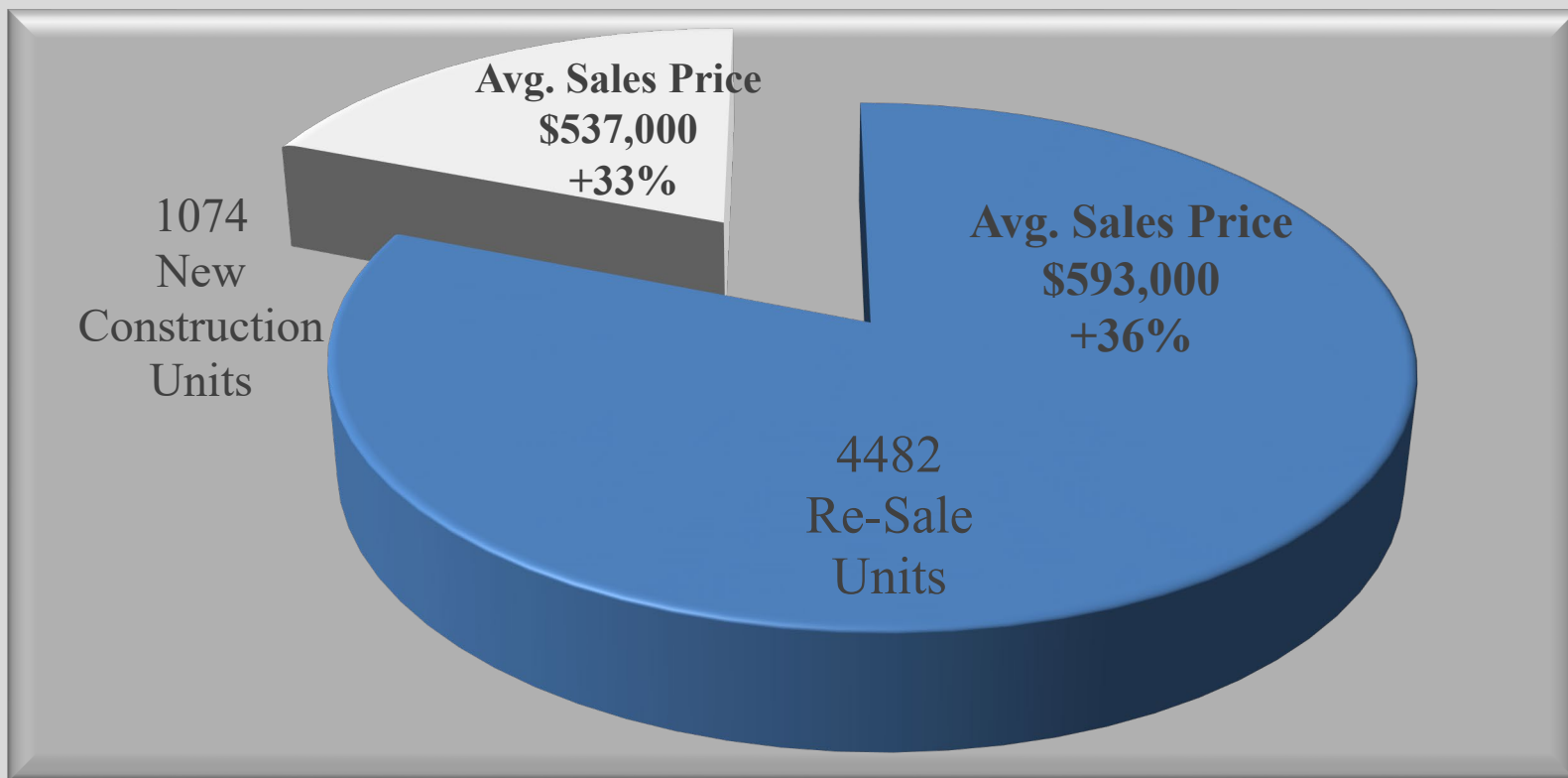
- According to interviews with local builders, the cost of construction has increased from about \$100 per square foot four years ago to over \$200 per square foot today
- The cost of land in Kootenai County has risen dramatically. Five years ago, five-to-ten-acre parcels were priced at about \$5,000 to \$6,000 per acre. Current pricing now ranges between \$20,000 to \$30,000 per acre depending on location and the availability of utilities





2021 New Construction vs. Re-sale

Residential Single Family All MLS
(lots and Acreage)



New Construction was 19% of Single Family Sales in 2021
3% lower than last year.
Single Family homes all MLS
(on Lots and Acres)

*Data provided by Coeur d'Alene MLS

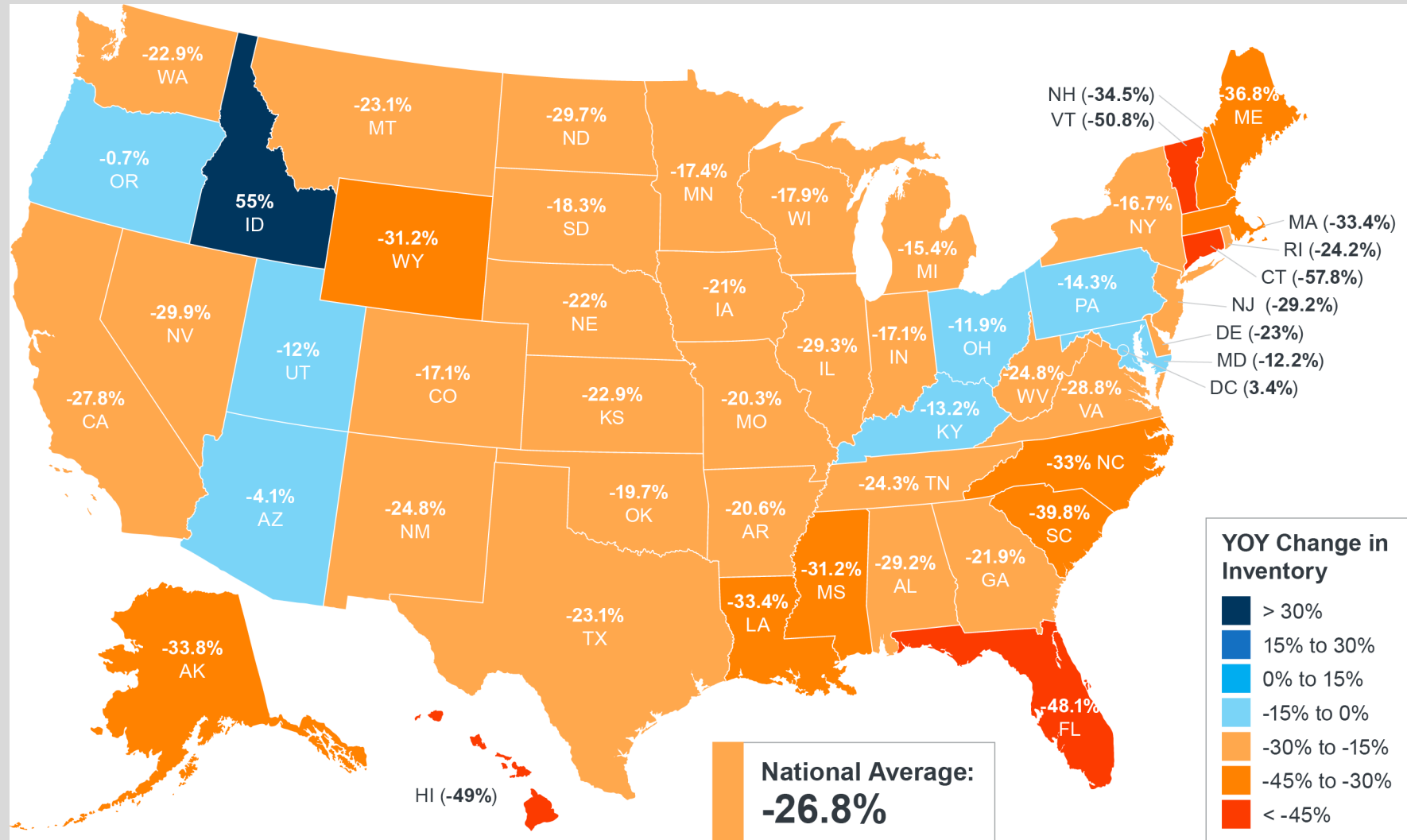


Forecasting into 2022



Housing Inventory Lower than Last Year

December 2021 Year-Over-Year Compared to December 2020





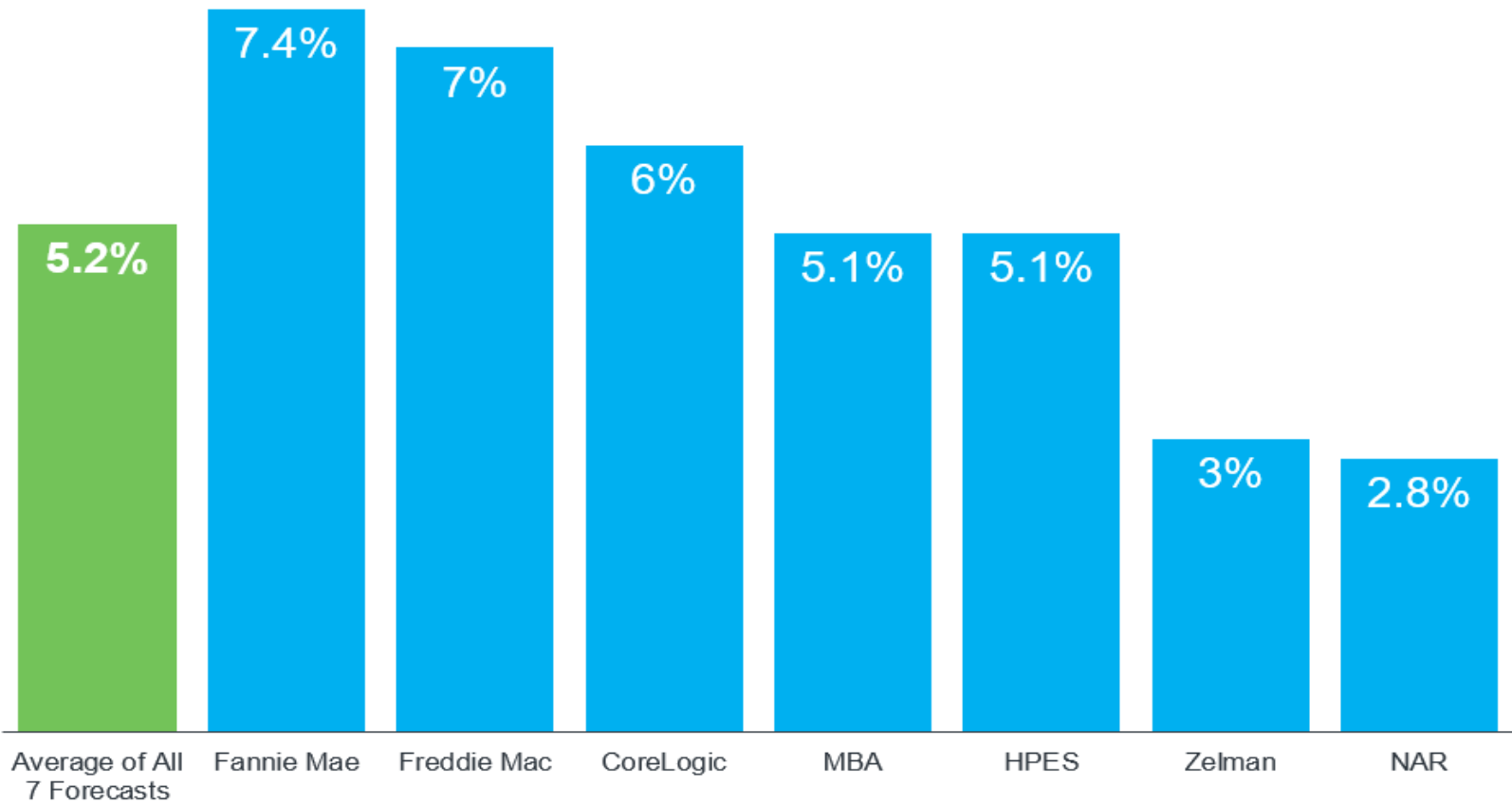
Outlook for 2022

Consensus Outlook on Economy and Housing Market

FORECAST:	2020 A	2021 F	2022 F
GDP Growth	-2.7%	3.5% 2.3%	3.0%
Unemployment Rate	6.9%	6.2% 6.7%	5.0%
Inflation Rate	1.2%	1.7% 7%	2.0%
30-year Fixed Mortgage Rate	2.83%	3.00% 3.3%	3.25%
Fed Funds Rate	.09%	.00% .08%	.25%
Home Price Change (YoY)	15.5%	8.0% 19%	5.5%
Housing Starts (Millions)	1.53	1.50 1.6	1.59
Percent Working From Home	21%	18% 25-30%	12%



Home Price Forecasts for 2022





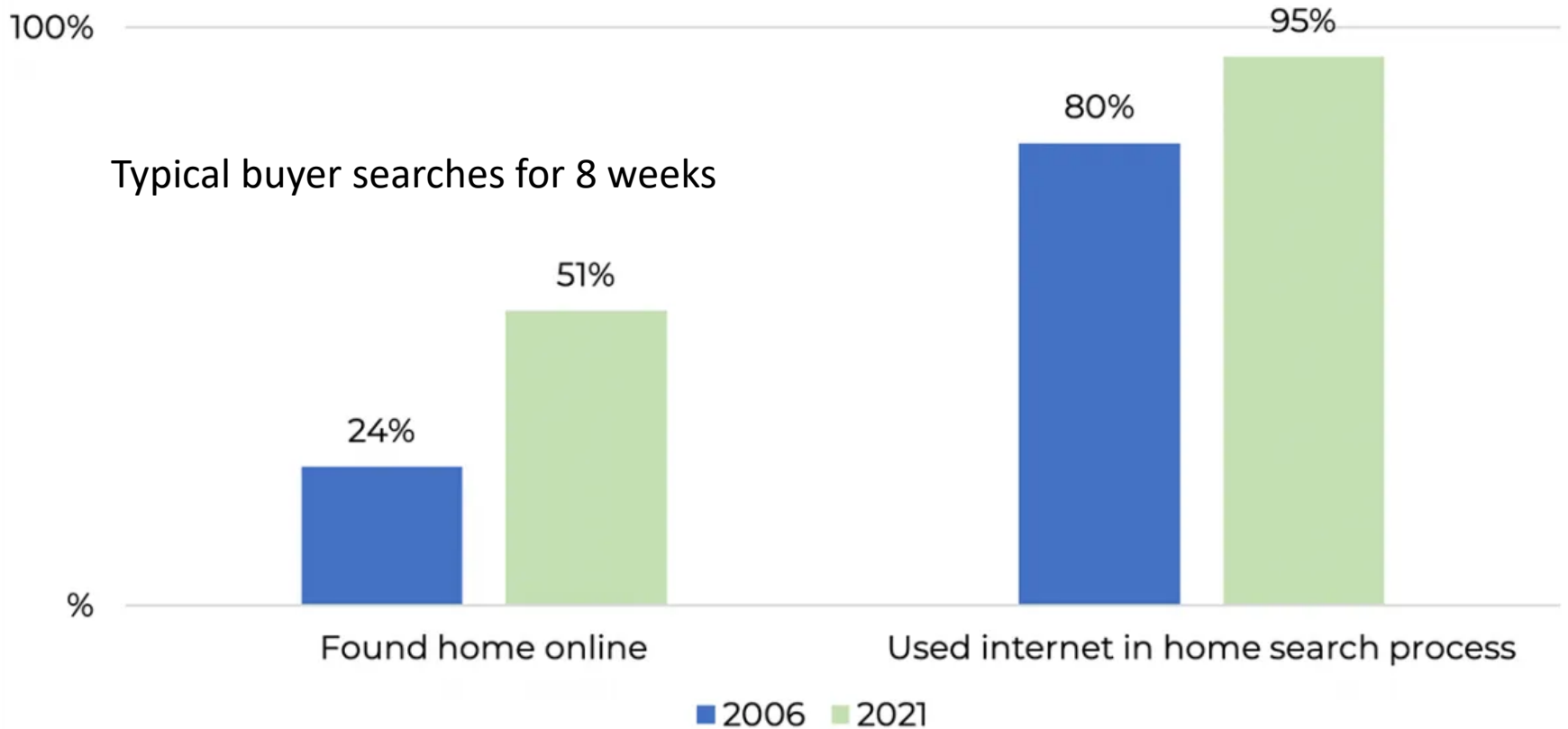
Who is coming?

According to the Realtors' Surveys approximately 54% of homebuyers are coming from outside the region.

- Nonresident purchasers include retirees (25%)
- Second home buyers (15%)
- Investors for rental properties and resales (14%).



Home Buyer Use of Tech



Source: National Association of REALTORS® *Profile of Home Buyers and Sellers*



Noteworthy in 2021

- ❑ NW Kootenai County had the highest appreciation from 2020 to 2021 @ 52.4% .
- ❑ In the past 4 years Shoshone County home values have appreciated 173%
- ❑ 31.4% of our closed sales were cash (MLS)
 - ❑ Other sources report close to 50% including unreported sales)
- ❑ DOM fell even further to 61 for previously owned homes
- ❑ MOI (all MLS) hit its lowest point in Kootenai County at .9 in December
- ❑ 1910 Realtor members are in our MLS, making the new ratio approximately 1/95th person in Kootenai County is a Realtor.