

LOCAL HOUSING REPORT & HOME BUILDING ECONOMIC IMPACT ADA COUNTY

Presented by:

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Building Contractors Association of Southwest Idaho

January 27, 2016

Boise, ID



Introduction & Welcome



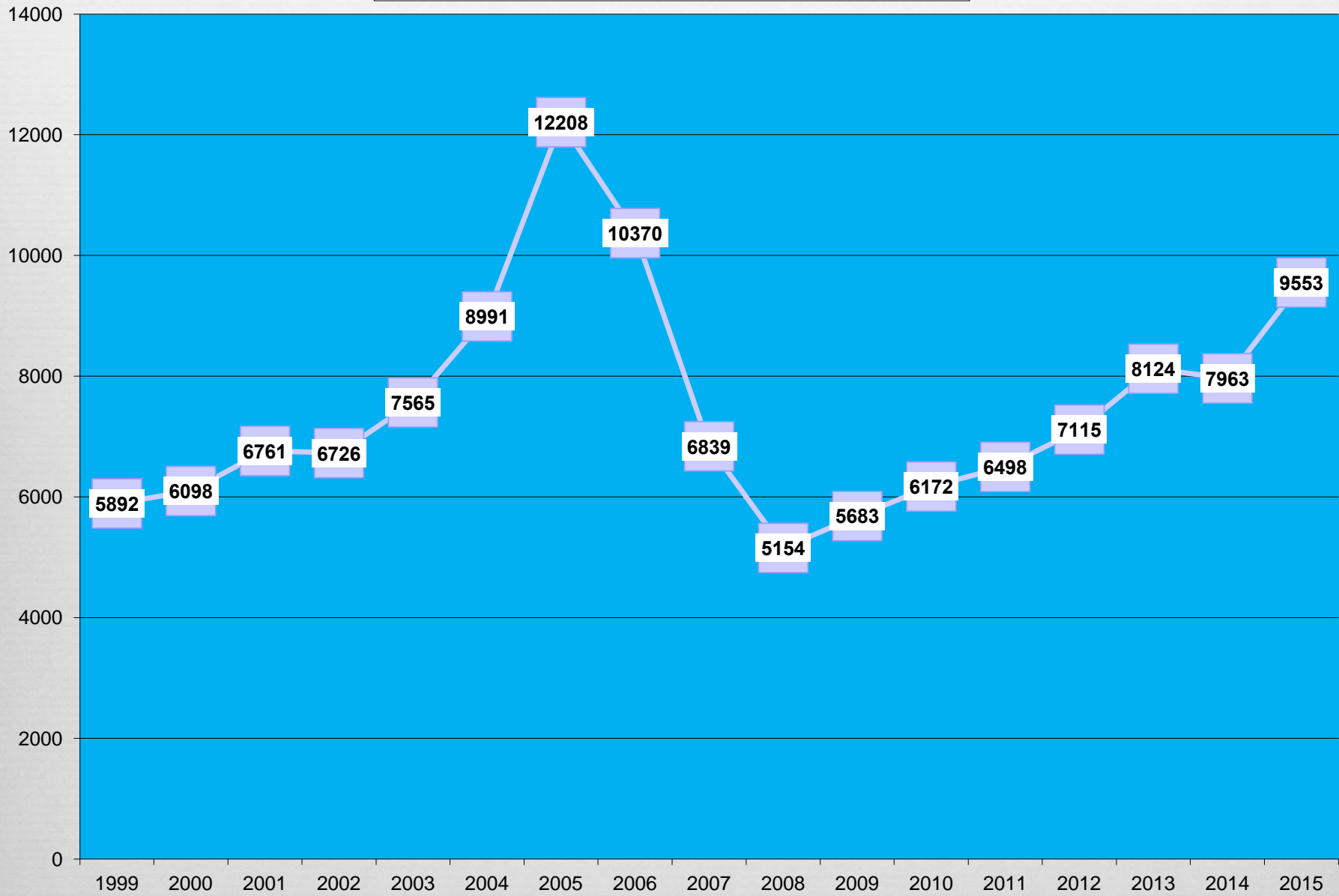
Topics:

1. 2015 Local Housing Report & 2016 Forecast
2. Economic Impact of Local Home Building
3. Local Government Issues Addressed by BCA
and Savings

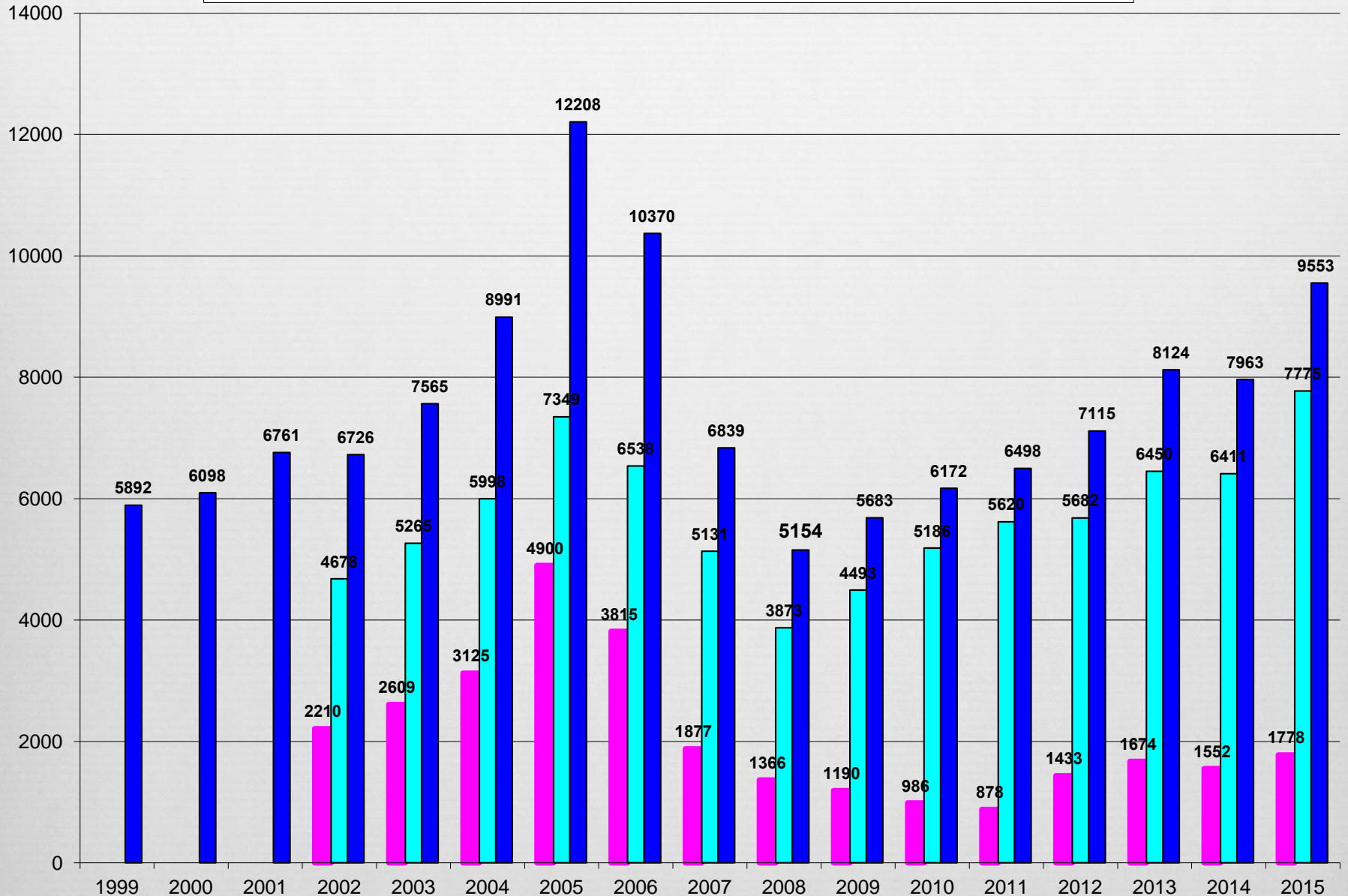
Local Housing Report

A1 - Ada County Yearly Sales HISTORY

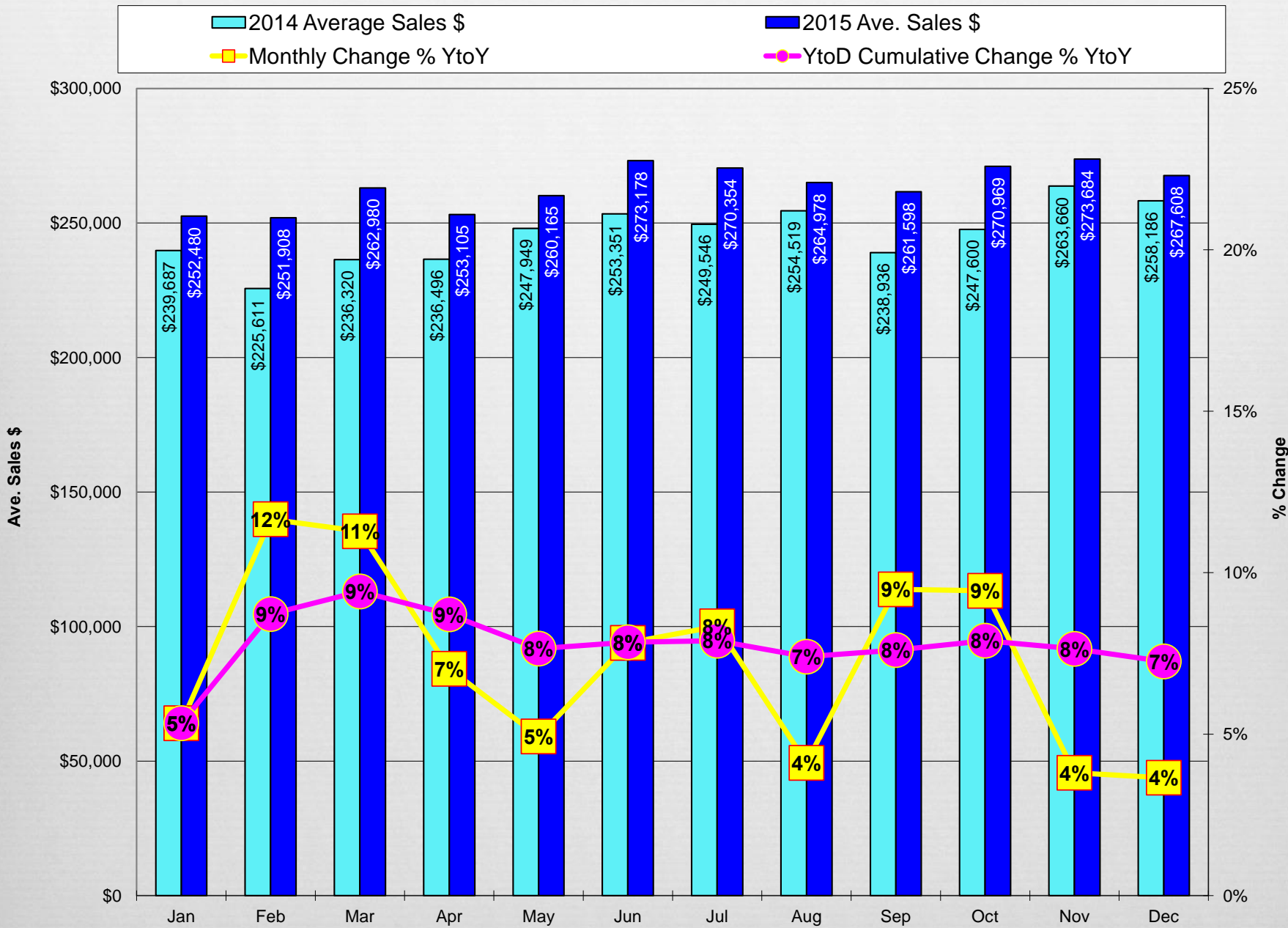
Total Single Family Home Sales



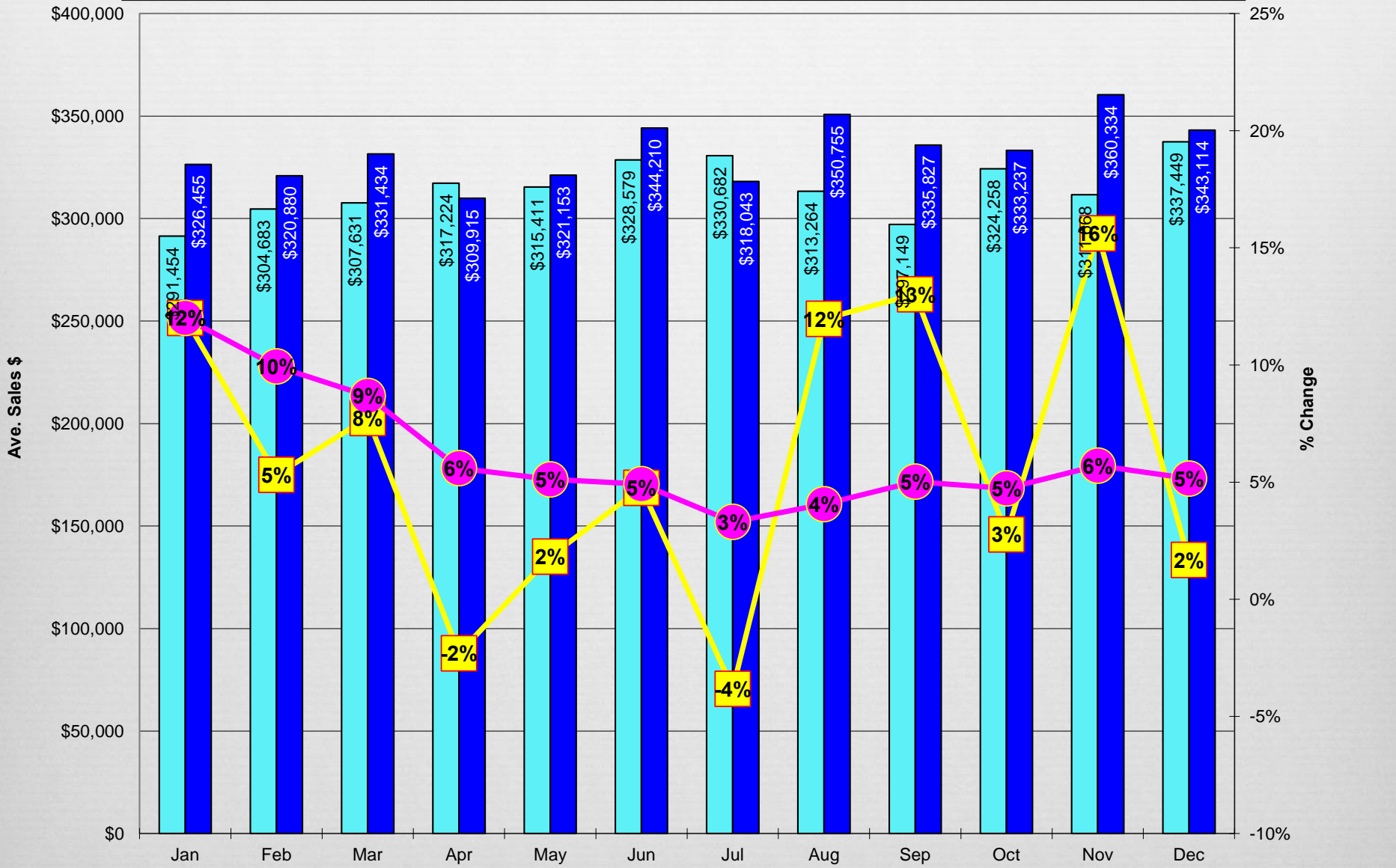
A1A - Ada County Yearly Sales HISTORY



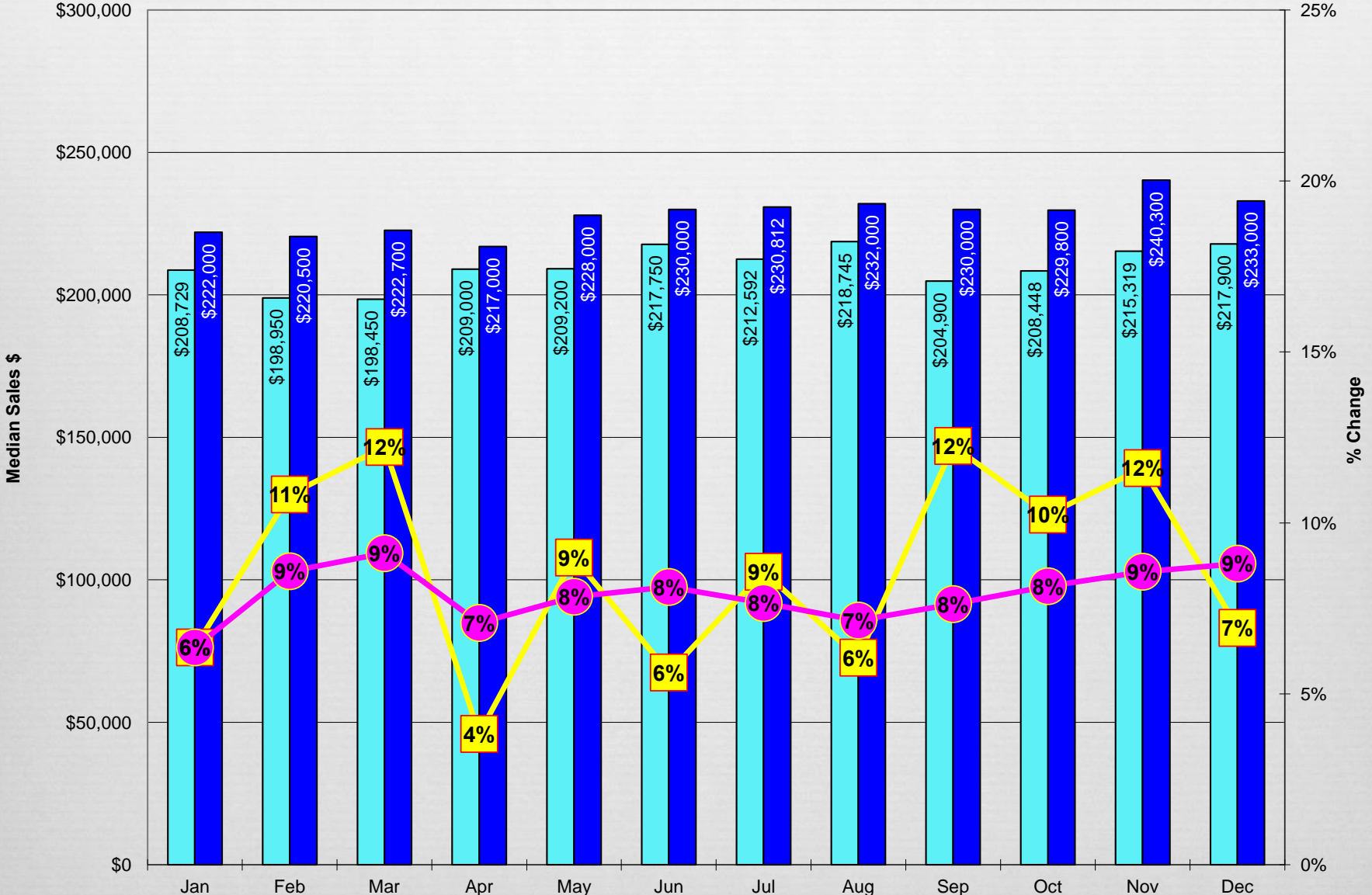
A7 - Ada County Monthly AVERAGE Sales Price



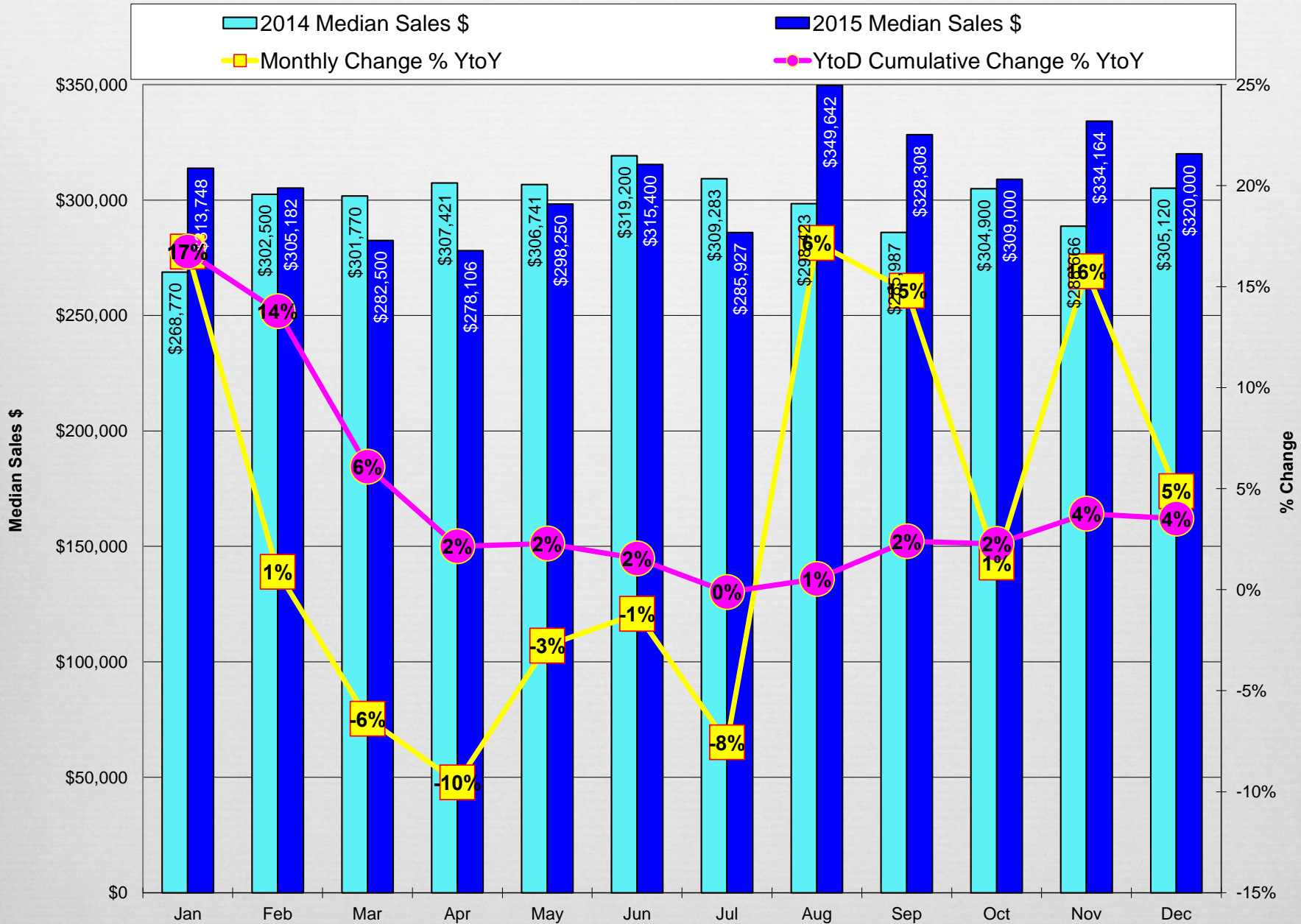
A8 - Ada County NEW CONSTRUCTION Monthly AVERAGE Sales Price



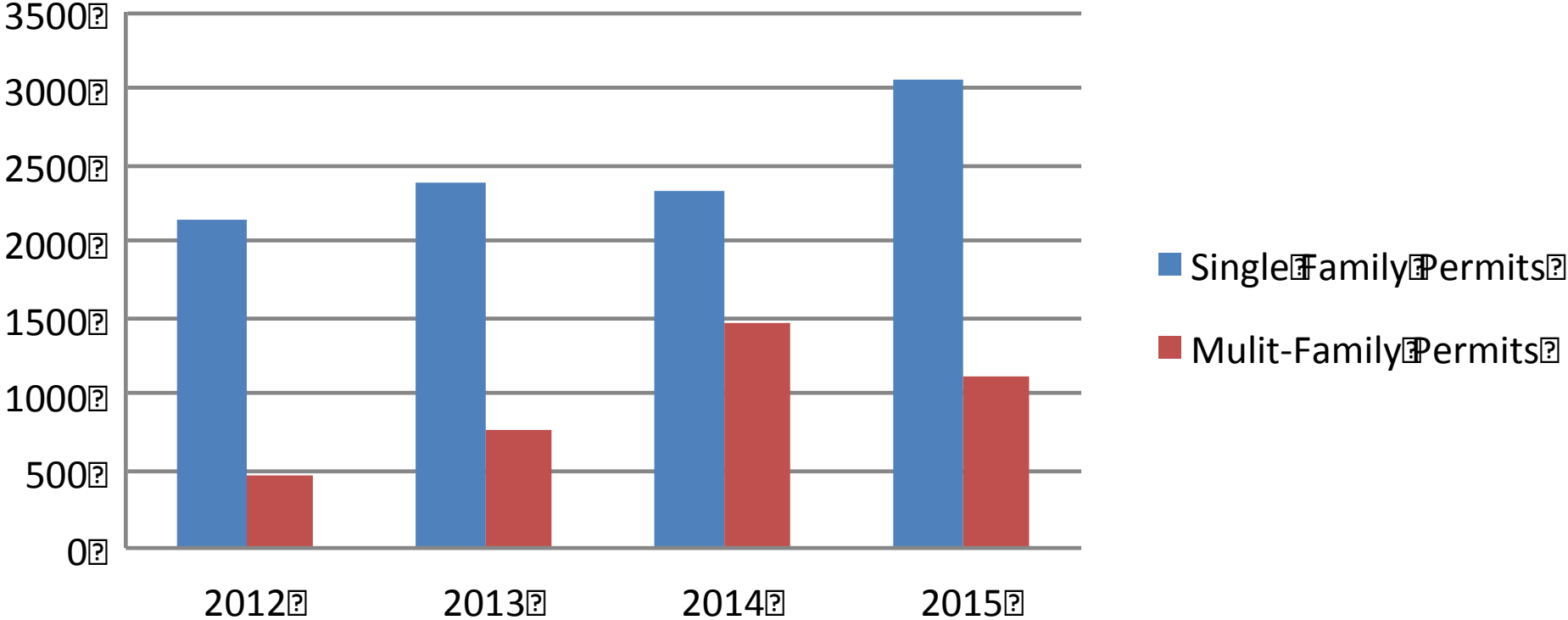
A10 - Ada County Monthly MEDIAN Sales Price



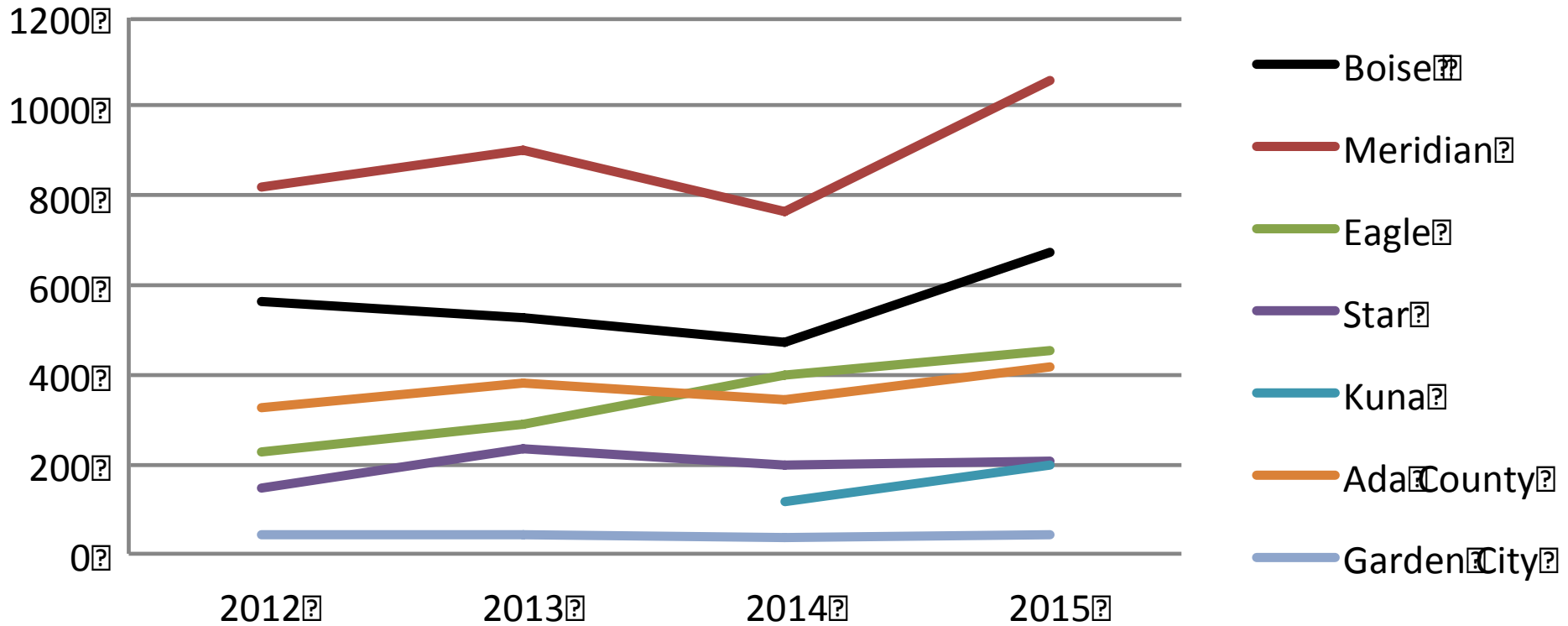
A11 - Ada County NEW CONSTRUCTION Monthly MEDIAN Sales Price



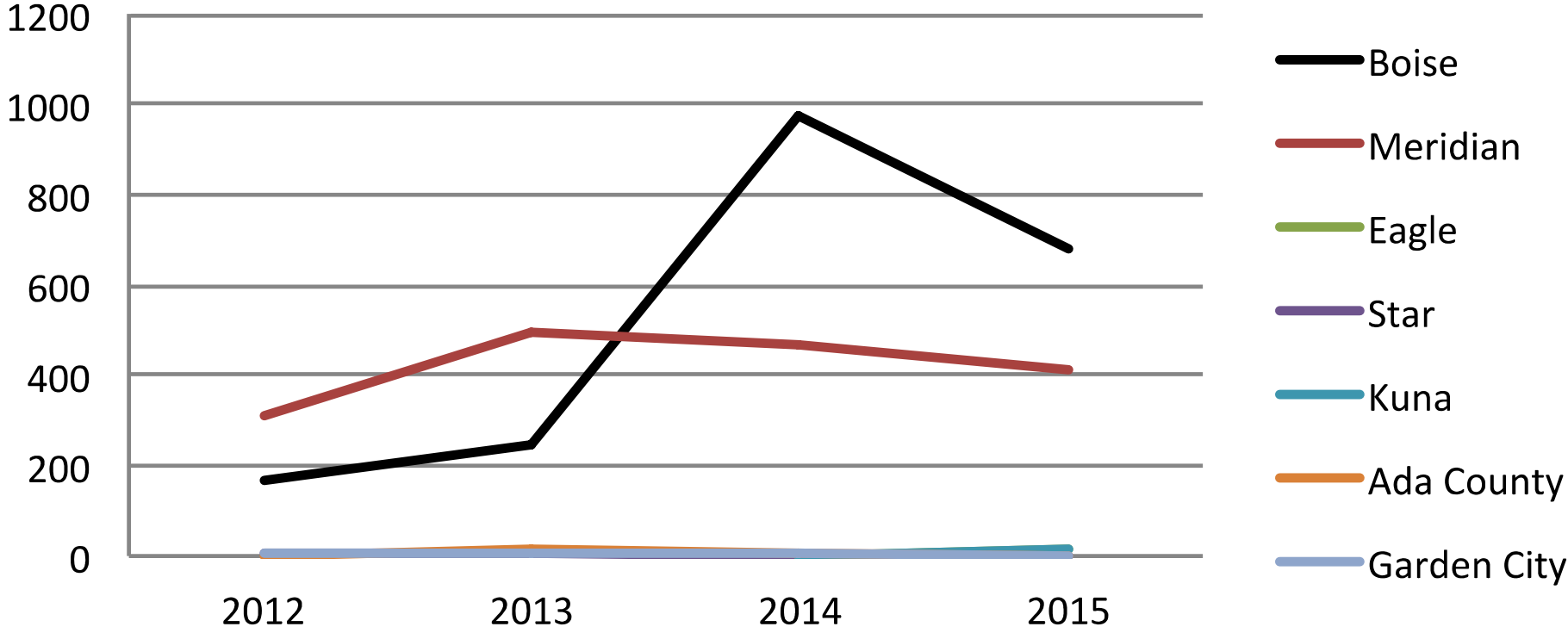
Ada County Permits



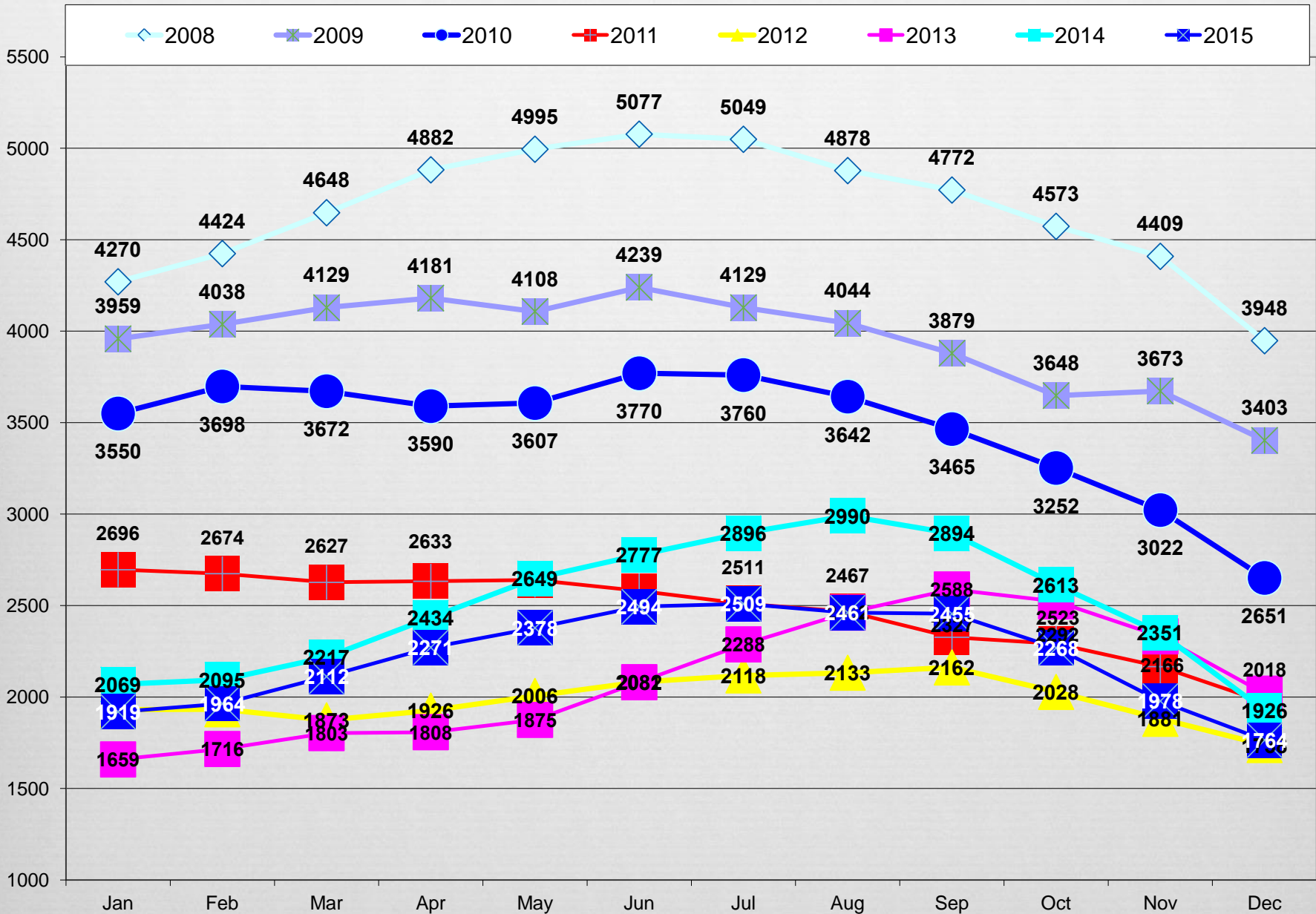
Single Family Permits



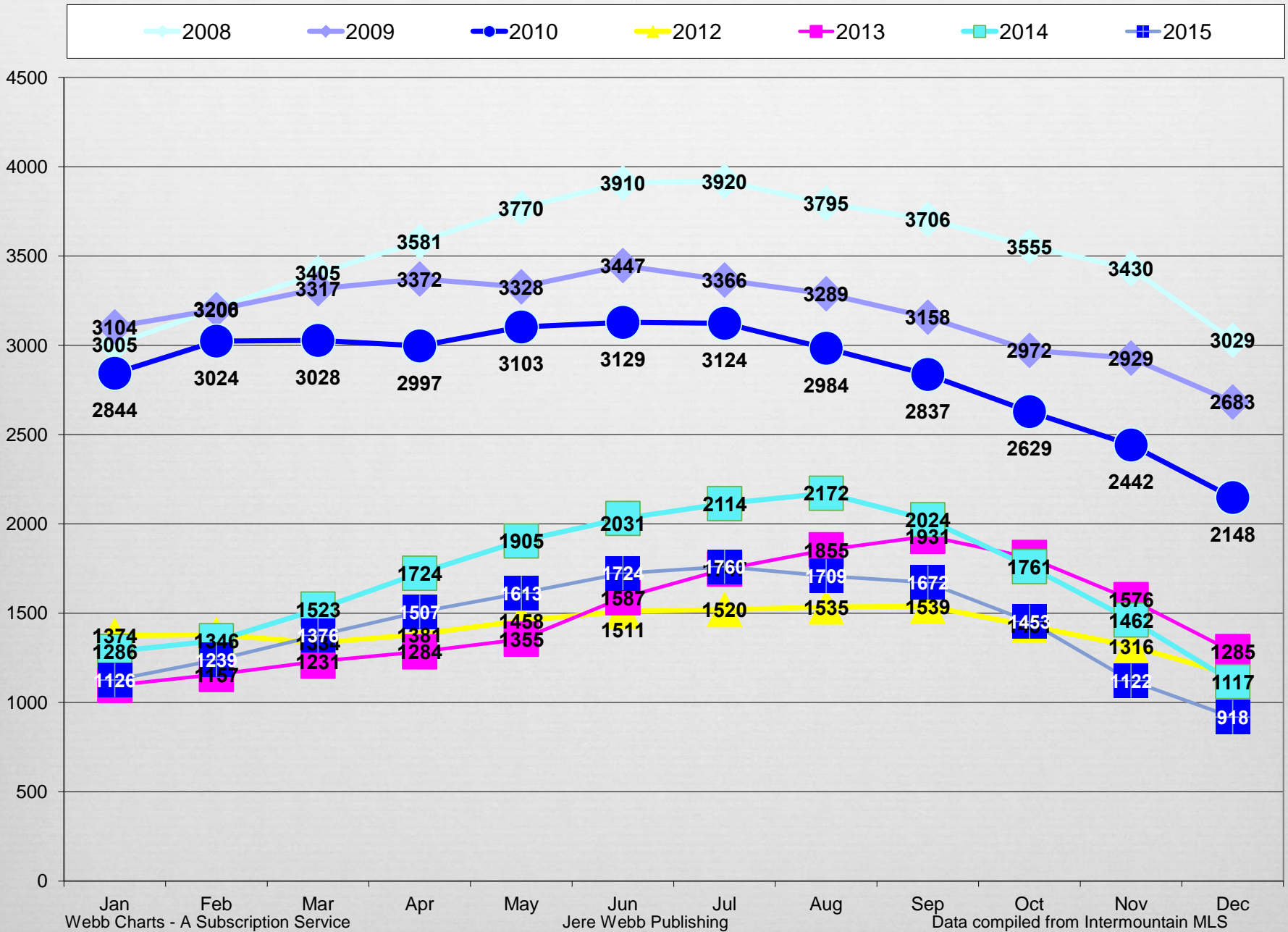
Multi-Family Permits



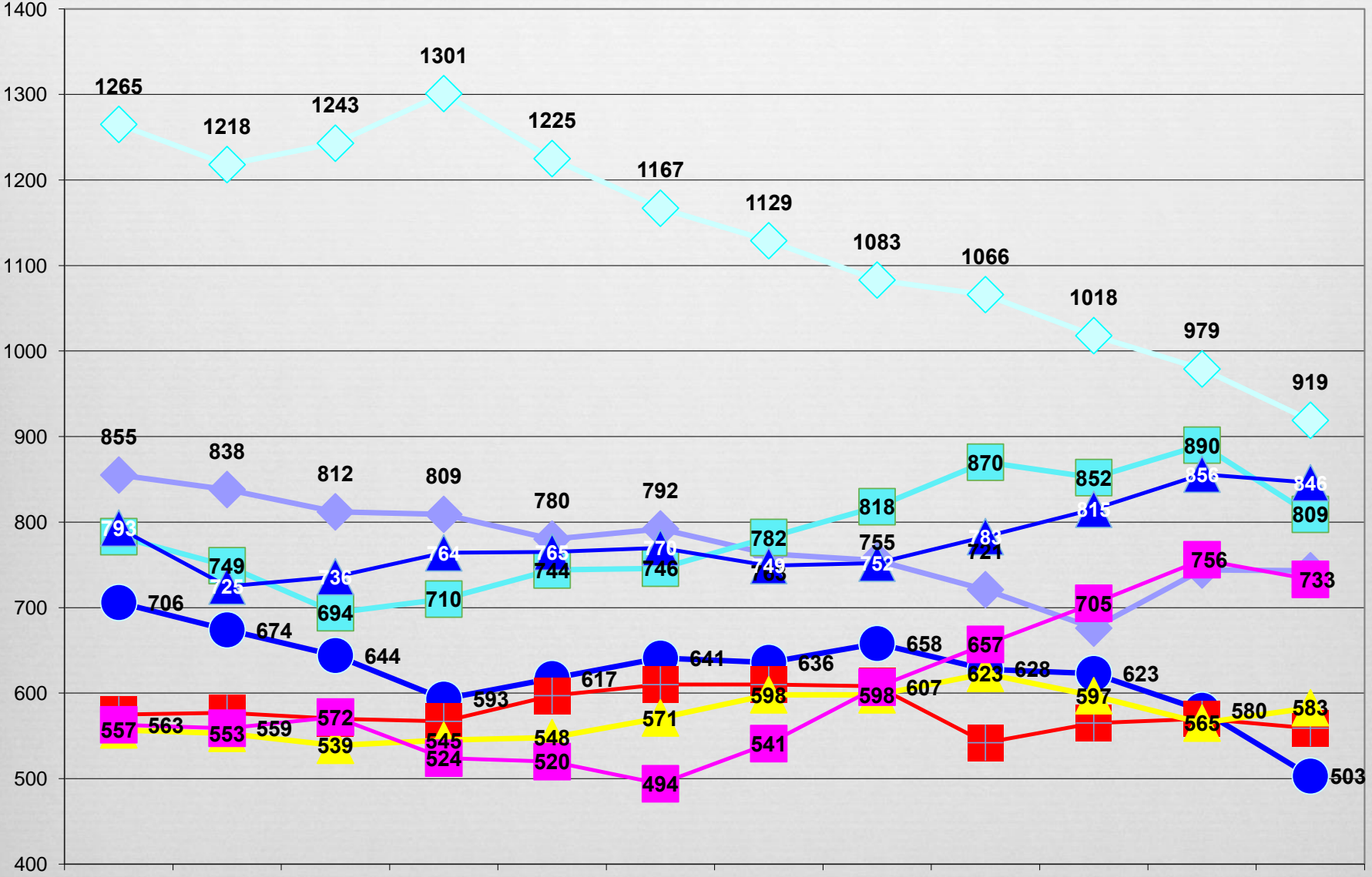
A16 - Ada County Residential INVENTORY



A60 - Ada County RESALE INVENTORY



A59- Ada County NEW CONSTRUCTION INVENTORY

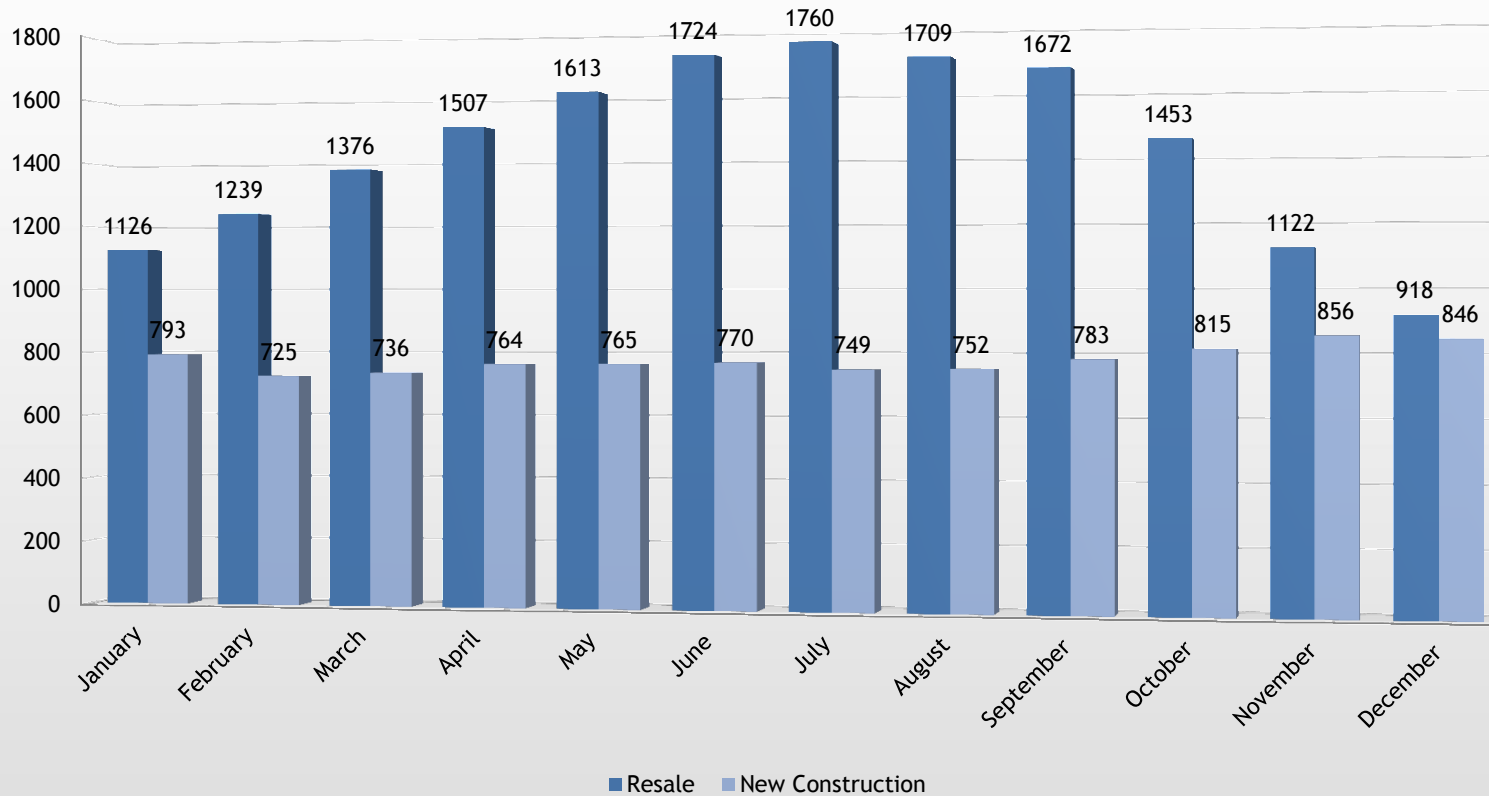


Resale vs. New Construction Inventory

Ada County



TOMLINSON GROUP



2015

The information in this report is compiled from the Intermountain Multiple Listing Service and to the best of our knowledge is accurate and current.

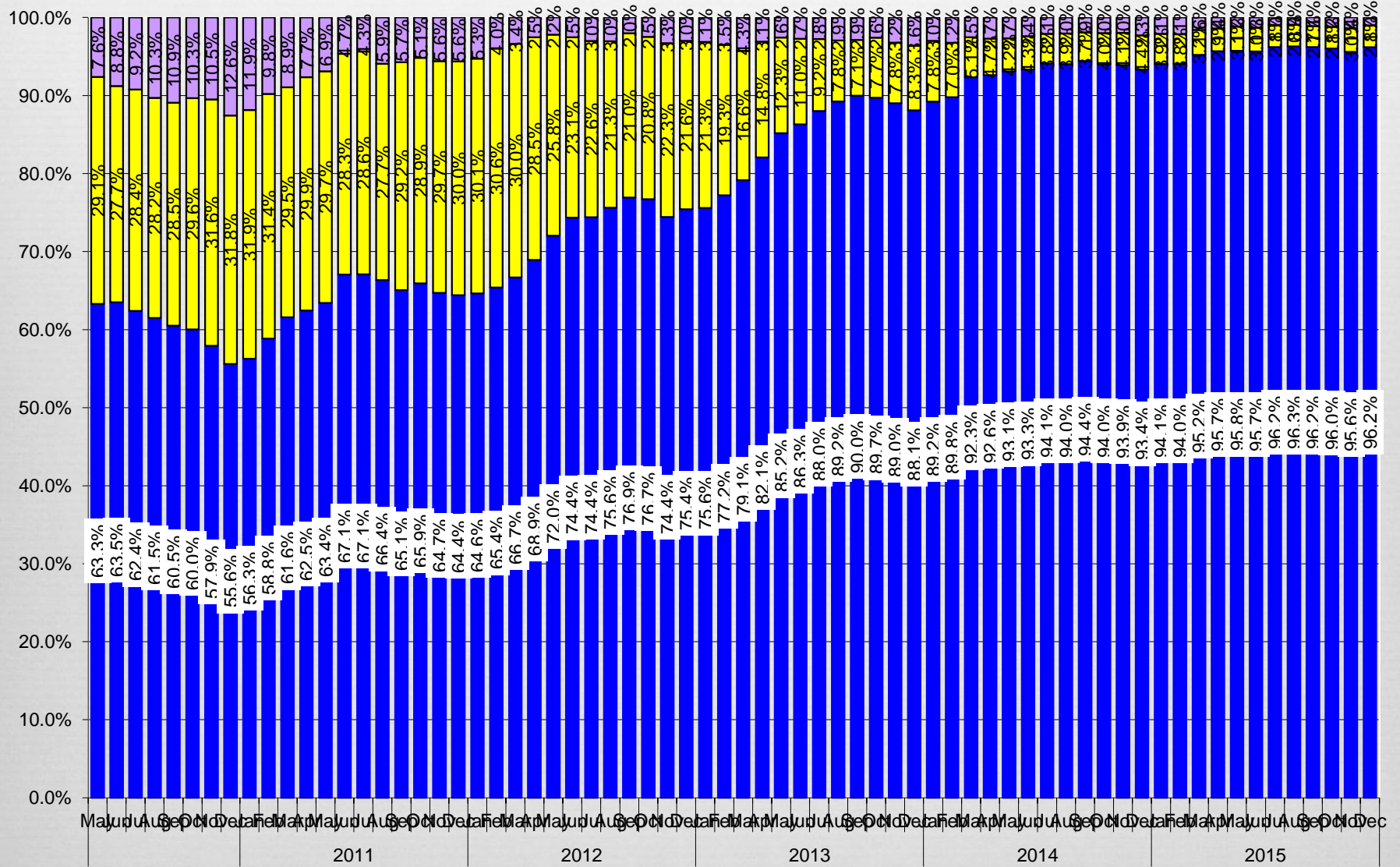
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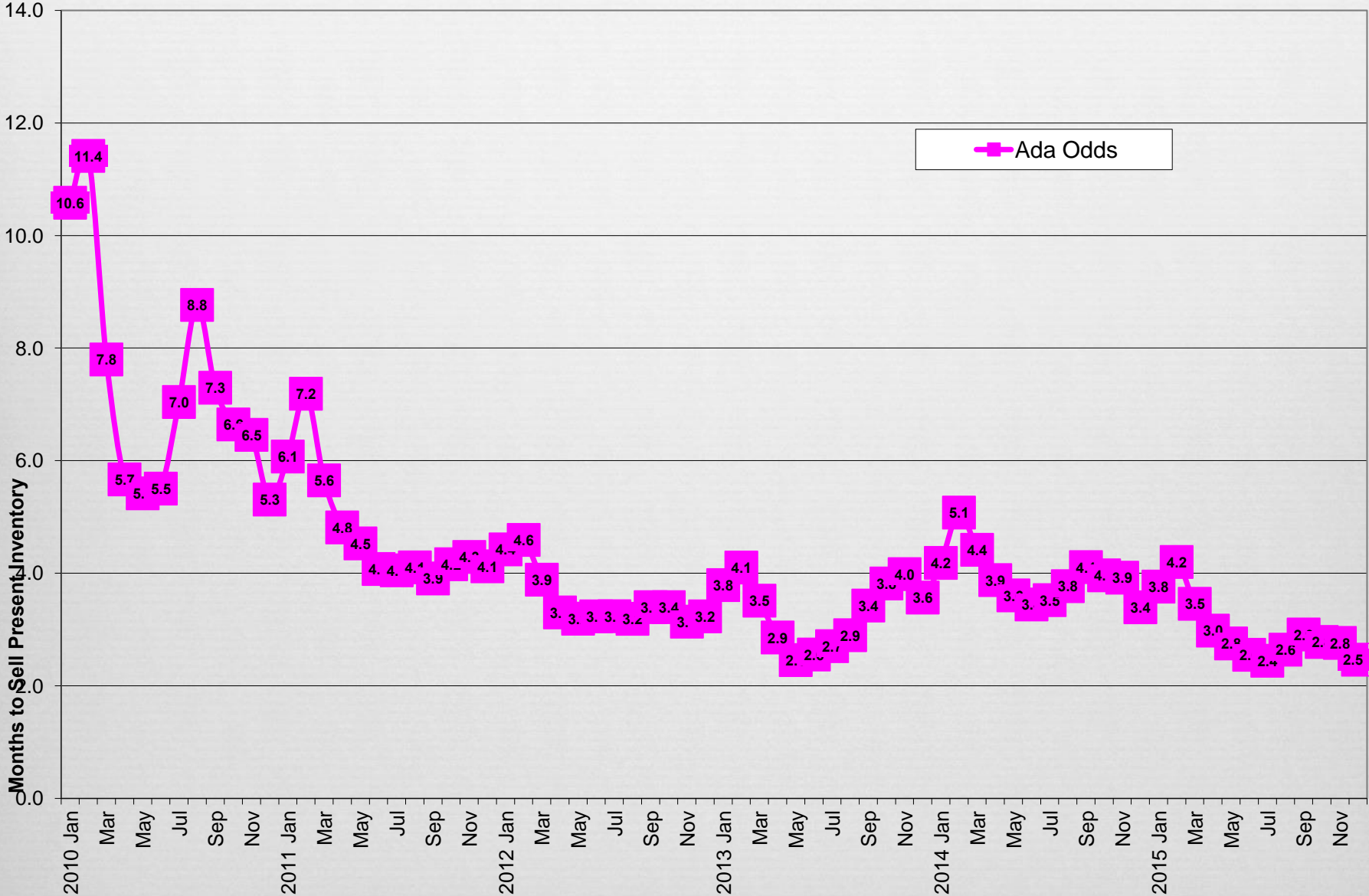
Information pulled on 1/12/15

A52 - Ada County Inventory Analysis - %

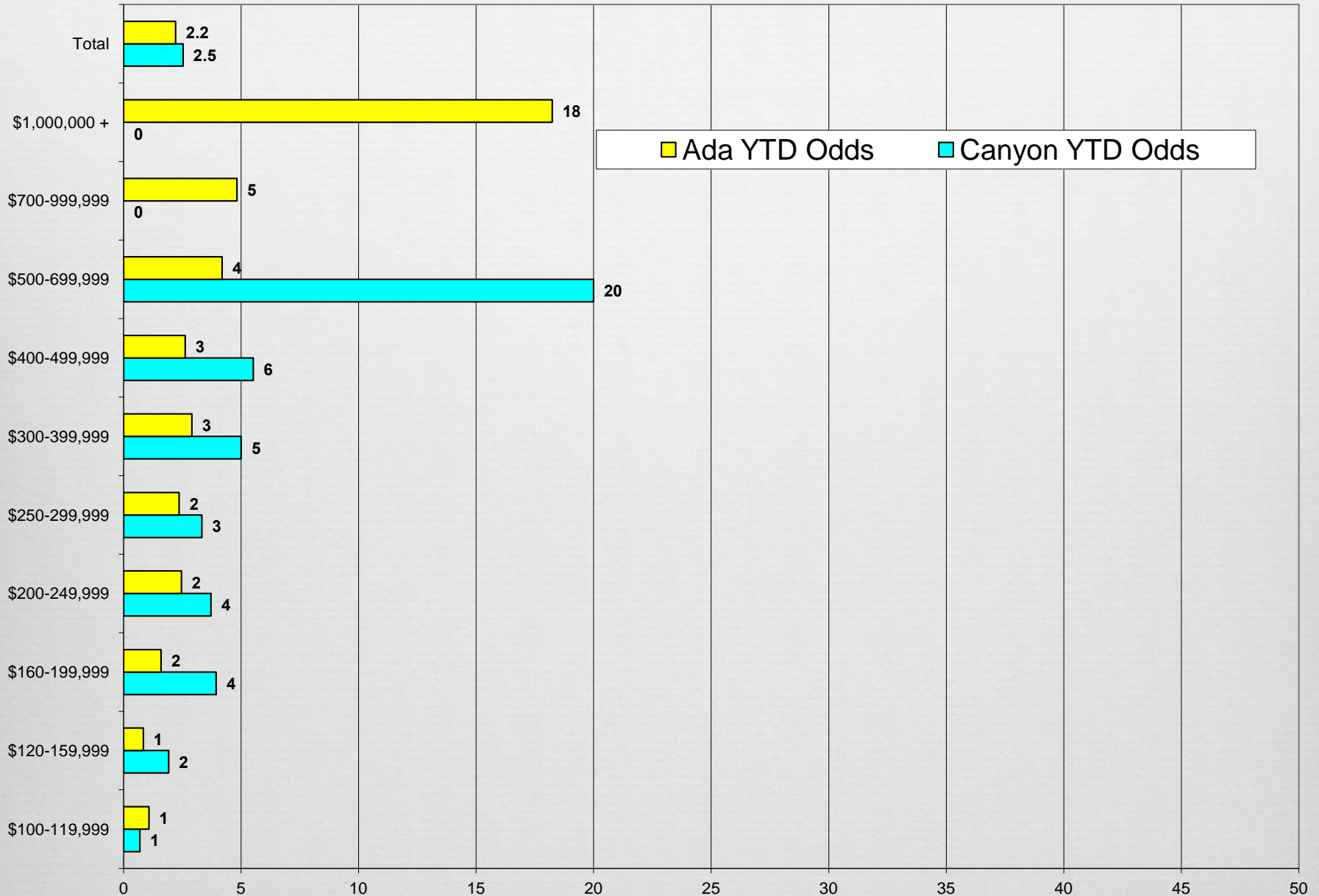
■ Non Distressed Inventory ■ Short Sale Inventory ■ REO Inventory



A28 - Ada Odds Progression w 2 Month Rolling Sales Ave.

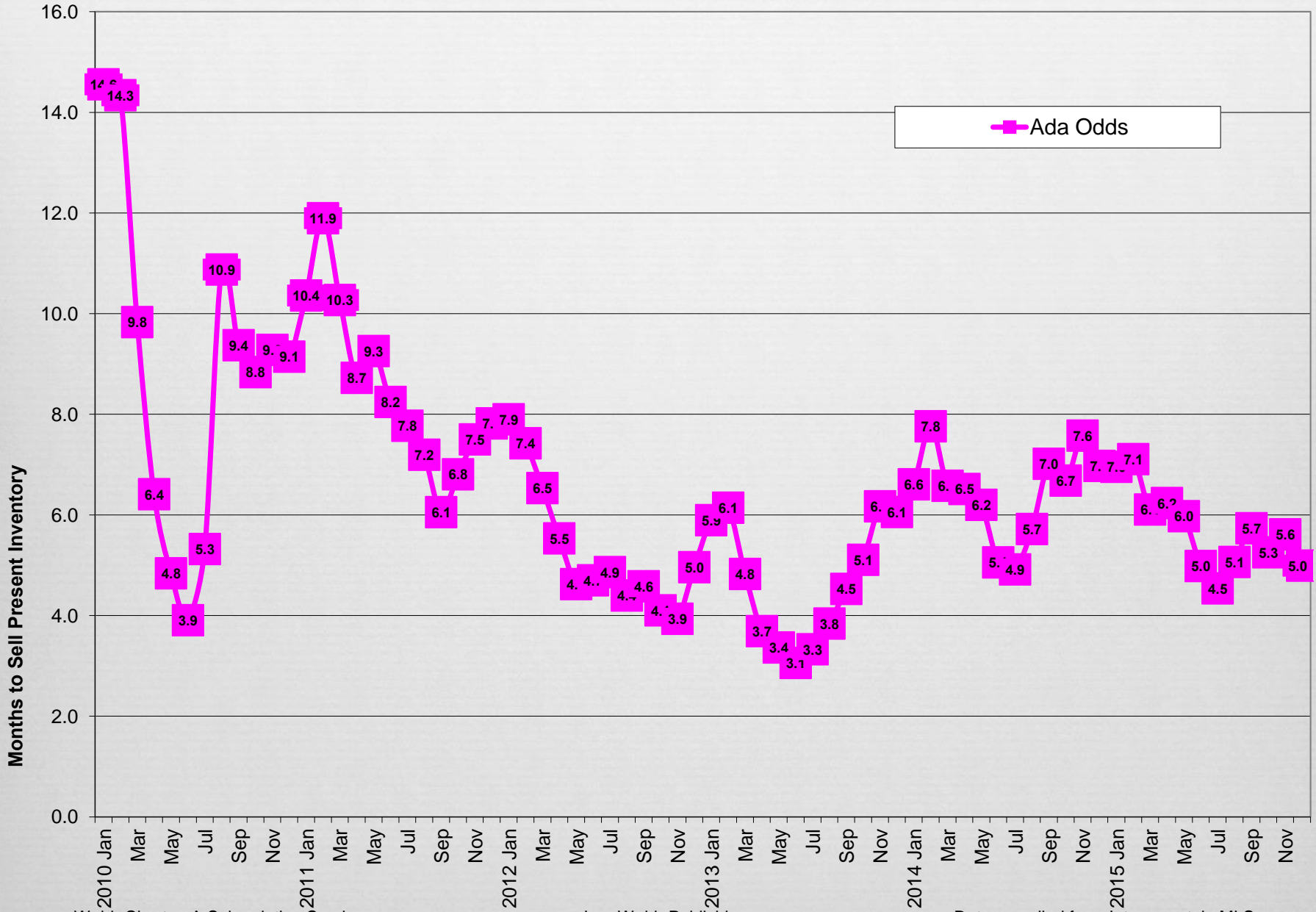


AC23 Dec. 2015 YTD SELLING ODDS

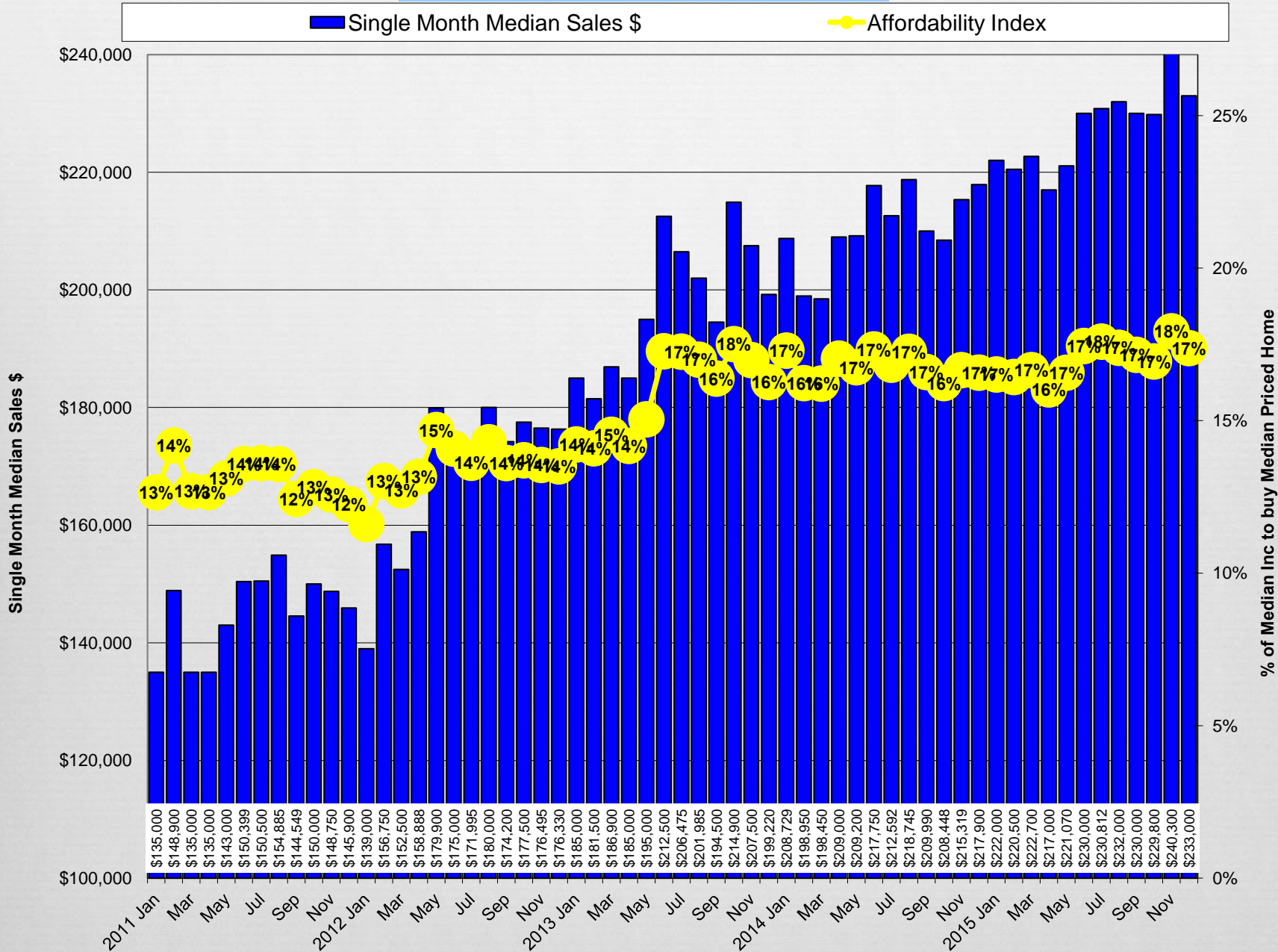


Months to Sell Present Inventory

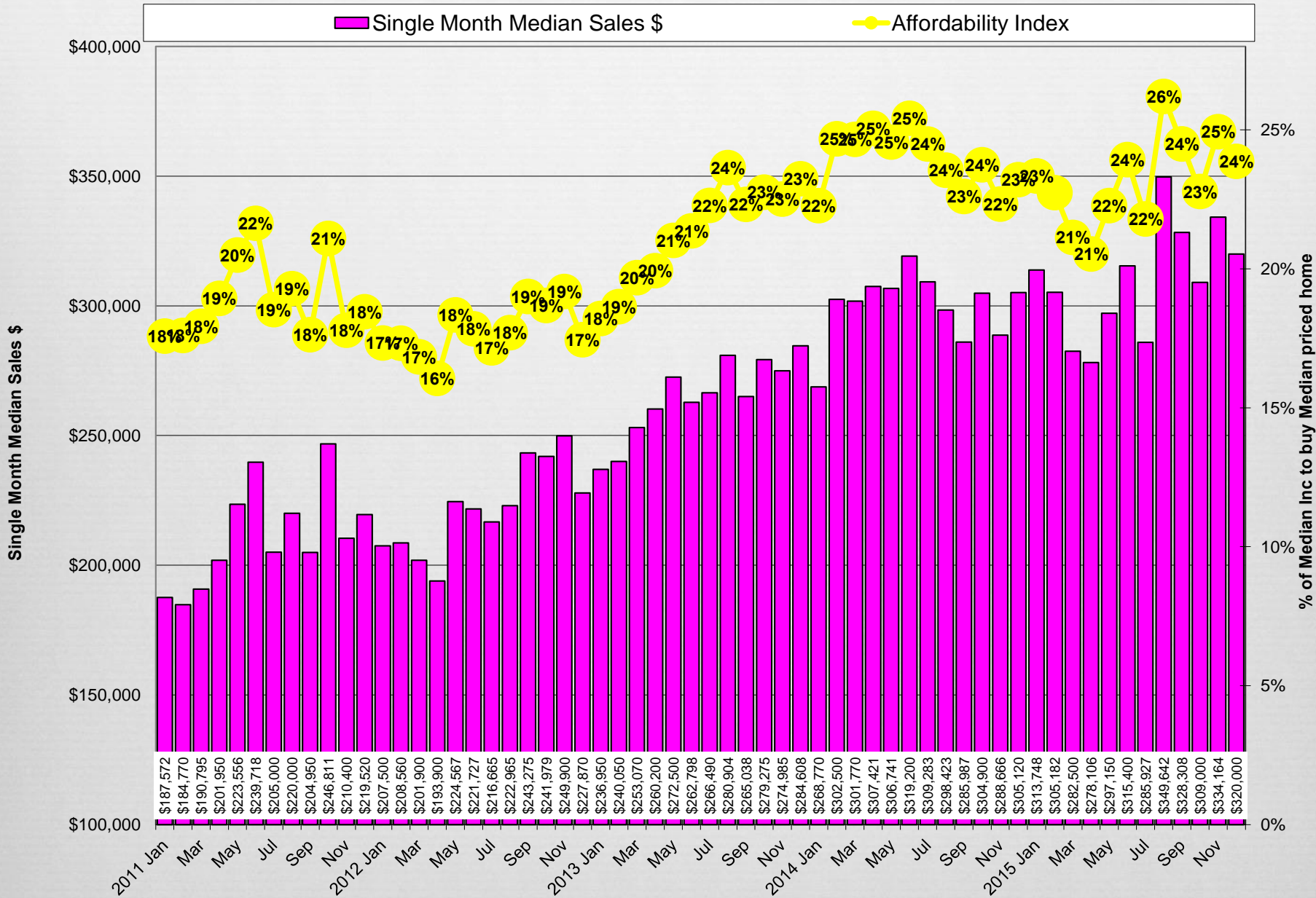
A30 - Ada Odds Progression New Construction w 2 Month Rolling Sales Ave.



A39 - Ada County AFFORDABILITY Index

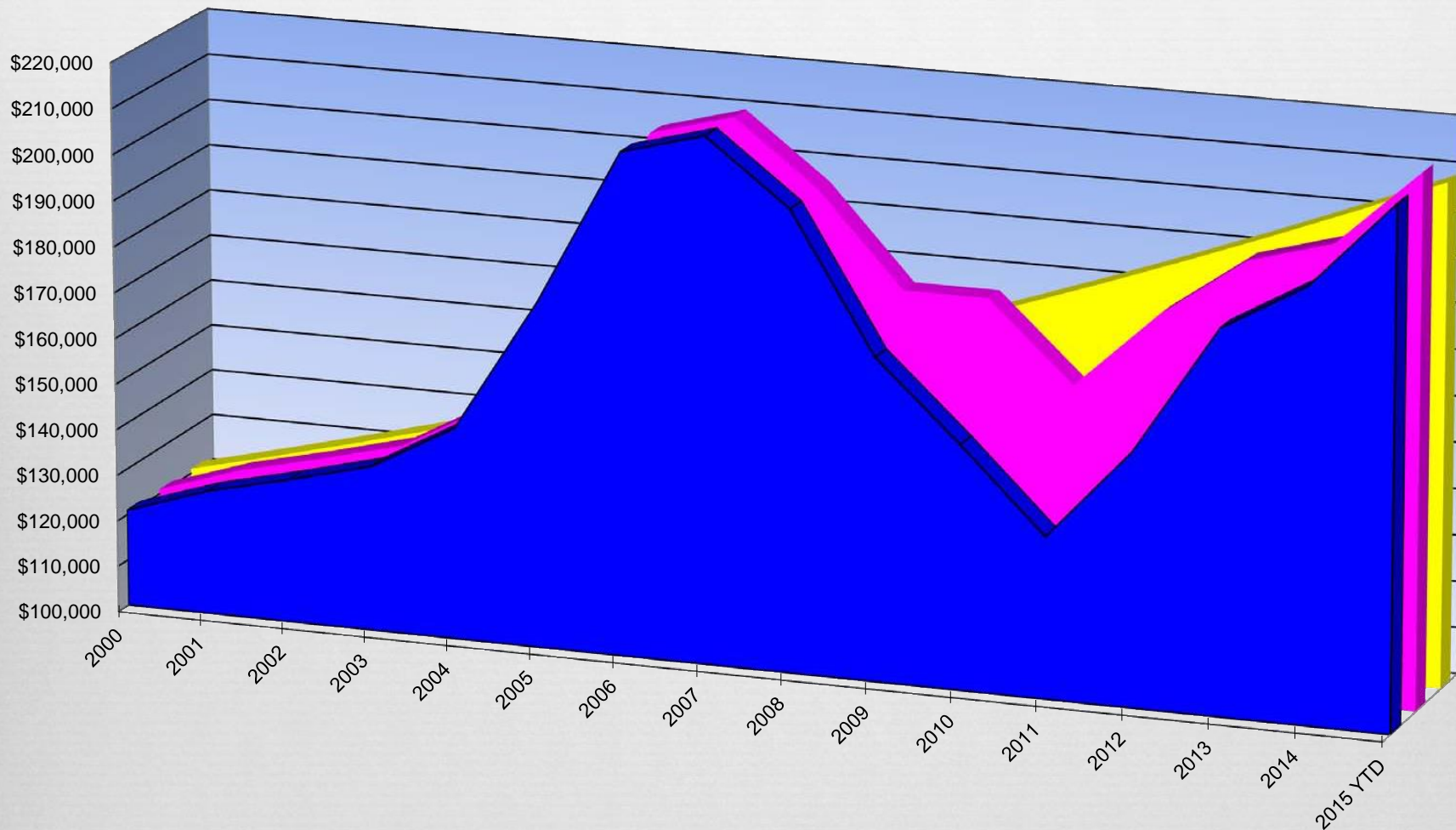


A40 - Ada County NEW CONSTRUCTION AFFORDABILITY Index



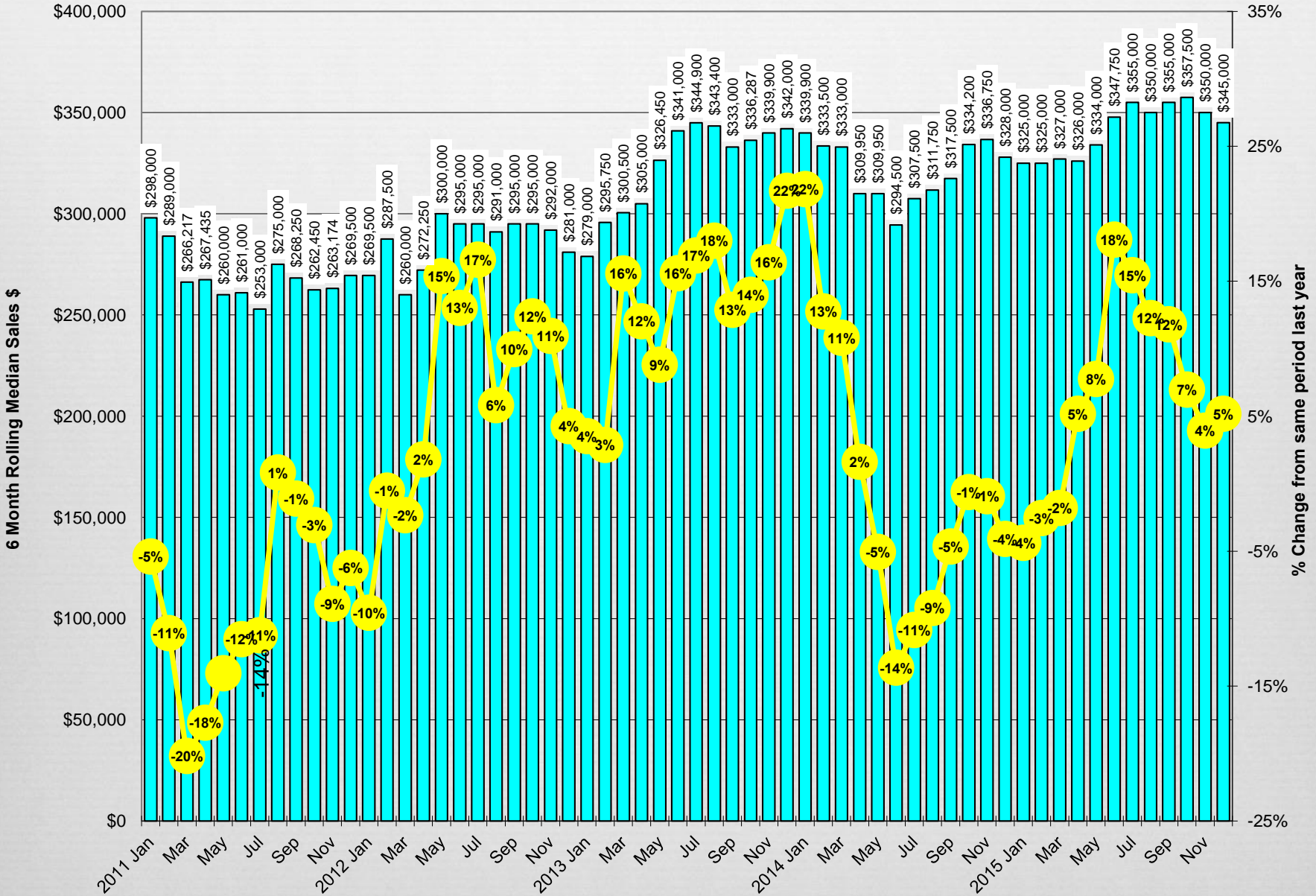
A57 - Ada County Market Correction - Dec. 2015

■ Yearly Existing Median Sales Price
 ■ Equity Existing Median Sales Price
 ■ 3.7% Appreciation Line - 2000 Base Year

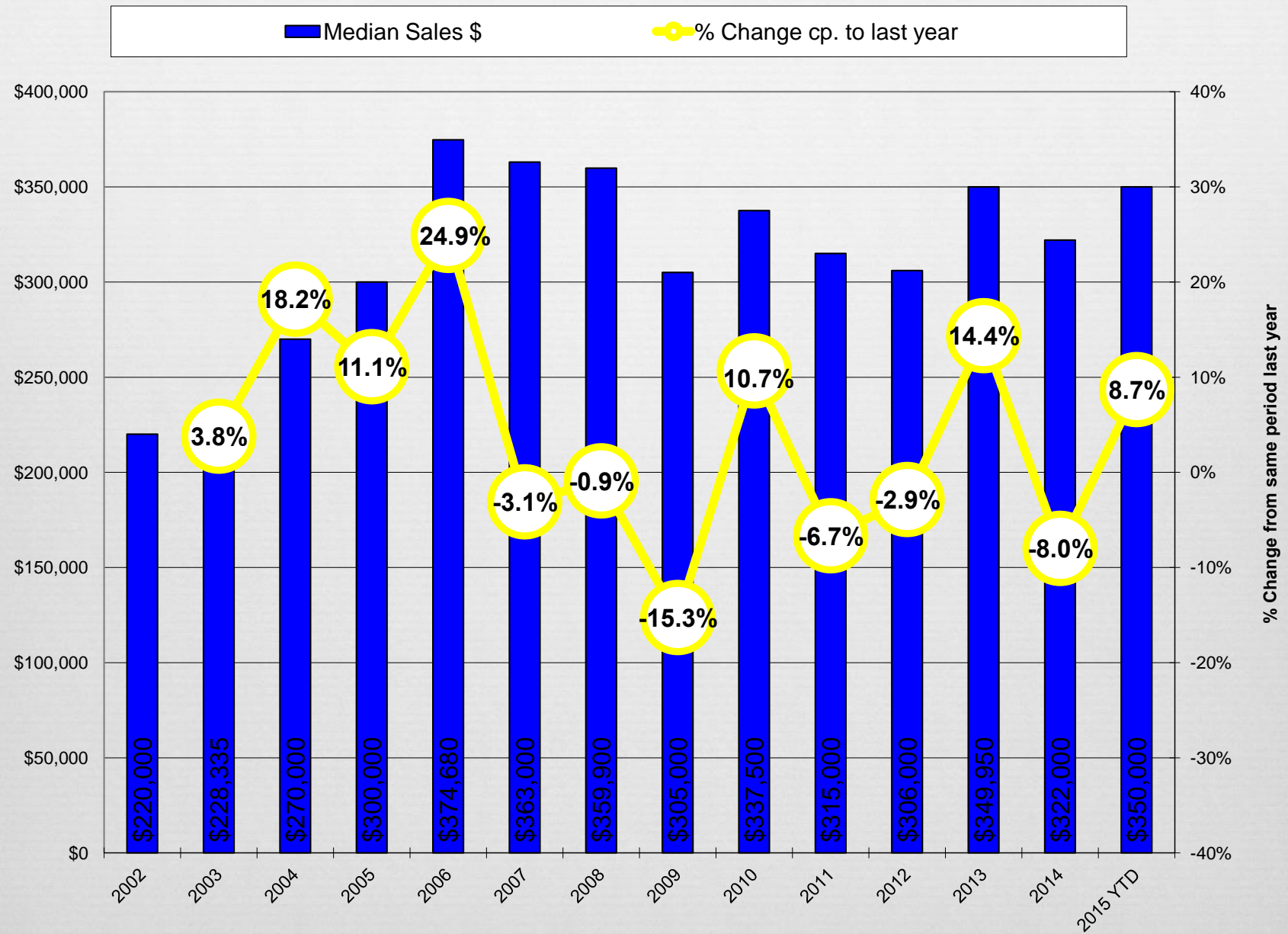


A15 - Eagle 0900 EXISTING Last 6 Months MEDIAN Sales Price

■ Last 6 Months Median Sales \$
 ● % Change cp. to same month last year



A55E- Eagle 0900 EXISTING EQUITY YEARLY MEDIAN Sales Price - Dec. 2015



Local Housing Report

2015 New Construction Summary

- **Sales:** UP (14%)
- **Price:** UP (4.5%)
- **Permits:** UP (30%)
- **Inventory:** UP (4.5%)
- **Distressed Inventory:** DOWN (2%)
- **Months Supply:** DOWN
- **Affordability:** FLAT

New Construction Forecast

New Construction 2015 Forecast



- ✓ Sales will be ... Prices will be ...
 - ✓ **BUILDING CONFIDENCE**
- ✓ Wild Cards: Affordability and Uncertainty
 - ✓ Finished Lot Inventory & Lot Prices
 - ✓ Vacant land prices
 - ✓ Multi-family activity When will it end?
 - ✓ Commercial and Retail Will it continue to improve?
 - ✓ Interest rates When will they rise?
 - ✓ Jobs & Wages
 - ✓ Government Regulations - Local and National

New Construction 2016 Forecast



- ✓ Prediction: **More of the same (use caution)**
 - ✓ Sales should be strong, expect price resistance if inventory rises
- ✓ Wild Cards:
 - ✓ Housing Inventories
 - ✓ Multi-family activity Will it slow down further?
 - ✓ Interest Rates
 - ✓ Land / Lot Inventory & Prices
 - ✓ Building Costs (Labor shortages)
 - ✓ Jobs & Wages (local and national)
 - ✓ Oil Prices and Stock Market
 - ✓ Government Regulations - Local and National

Local Housing Economic Impact

Economic Impact

2015 SF Residential Construction



Ada County

2015

# of SF Building Permits:	3,053
Median house price:	\$320,000
Permit/Impact fees:	\$12,950
Annual property taxes (1 st year):	\$2,675

Economic Impact

2014 SF Residential Construction



Total Taxes & Fees paid to local governments:

Total Fees Paid:	\$39,536,350
1 st Yr. Property Taxes:	<u>\$ 8,166,775</u>
TOTAL	\$47,703,125

Note: Total Fees Paid = total permits x permit fees

Property Taxes = ½ of total permits x home value x avg. levy

Economic Impact

2015 SF Residential Construction



Taxes & Fees paid to local governments:

- **1st Year:** **\$47,703,125**
- **Prop. Taxes Future:** **\$16,333,550**
(each year)

Top Regulatory Issues Addressed by BCA in 2015



<u>Top BCA issues in 2015</u>	<u>Savings / home</u>
1.State Codes (Energy & Radon)	\$2,300
2.ACHD Storm Water & Dev't. Policies	\$3,000
3.Boise Building Energy Code	\$1,300
4.Eagle Planning, Eng. & Legal Fees	\$700
5.Eagle Fire Development Fee	\$500

Current Local Regulatory Issues



1. Meridian City

- Public Works Development Standards
- UDC Planning & Development Codes
- Sewer and Water connection fee increase

2. Impact Fees

- Boise City & ACHD
- West Ada School District

3. State Building Codes

- 2015 Residential and Energy

Top Regulatory Issues Addressed by BCA in 2015



✓ Total Estimated Savings in 2015

\$8,500 per home

✓ For every \$1,000 increase in home = 500 people priced out of the local housing market

QUESTIONS?

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DATA SOURCES

LOCAL HOUSING REPORT – YEAR END 2015

- Intermountain MLS, Webb Charts, National Association of Relators

HOUSING ECONOMIC IMPACT – DEC. 2015

- Building Costs & Sales Price: Local Builders, Developers & IMLS
- Permits: Ada County and Cities
- Local Gov't Revenue (impact & connection fees, prop. taxes, etc.):
Ada County and City Building Depts & Ada County Assessor