



# August 2018 Market Update



Windermere

REAL ESTATE

Windermere Coeur d'Alene Realty

Windermere Post Falls

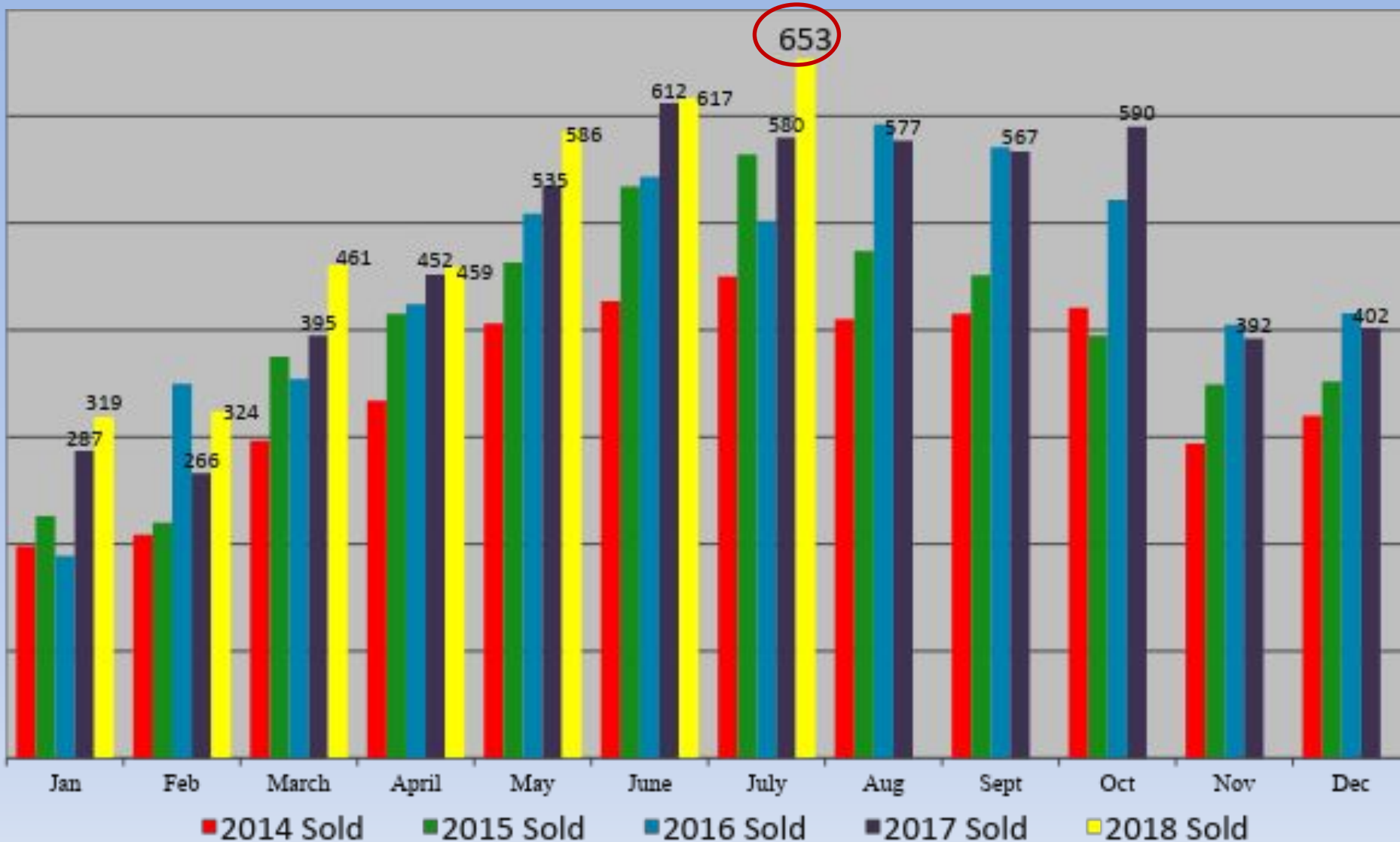
Windermere Hayden LLC

# Residential Snap Shot

## January 1 , 2018 – July 31, 2018

Area CdA	01	Area	02 Post Falls	Area	03 Hayden
Active Listings	1434	Active Listings	1245	Active Listings	724
Homes Sold/Closed YTD	866	Homes Sold/Closed YTD	732	Homes Sold/Closed YTD	355
Avg Days on Market	85	Avg Days on Market	100	Avg Days on Market	86
Median Sales Price	\$282,000	Median Sales Price	\$257,000	Median Sales Price	\$320,000
Avg Sales Price	\$324,000	Avg Sales Price	\$295,000	Avg Sales Price	\$362,000
SP/OLP	98%	SP/OLP	99%	SP/OLP	98%
Area	04 Rathdrum/Twin Lakes	Area	04a Hauser Lake	Area	05 Athol/Spirit Lake NW Kootenai Co
Active Listings	546	Active Listings	56	Active Listings	220
Homes Sold/Closed YTD	280	Homes Sold/Closed YTD	27	Homes Sold/Closed YTD	107
Avg Days on Market	112	Avg Days on Market	91	Avg Days on Market	125
Median Sales Price	\$258,000	Median Sales Price	\$420,000	Median Sales Price	\$265,000
Avg Sales Price	\$307,000	Avg Sales Price	\$357,000	Avg Sales Price	\$290,000
SP/OLP	98%	SP/OLP	95%	SP/OLP	98%
Area Athol/Bayview	06 NE Kootenai Co	Area	12 Silver Valley	Area	All Kootenai Co
Active Listings	117	Active Listings	345	Active Listings	4875
Homes Sold/Closed YTD	51	Homes Sold/Closed YTD	156	Homes Sold/Closed YTD	2549
Avg Days on Market	94	Avg Days on Market	111	Avg Days on Market	98
Median Sales Price	\$278,000	Median Sales Price	\$111,000	Median Sales Price	\$278,000
Avg Sales Price	\$278,000	Avg Sales Price	\$111,000	Avg Sales Price	\$278,000
SP/OLP	98%	SP/OLP	98%	SP/OLP	98%

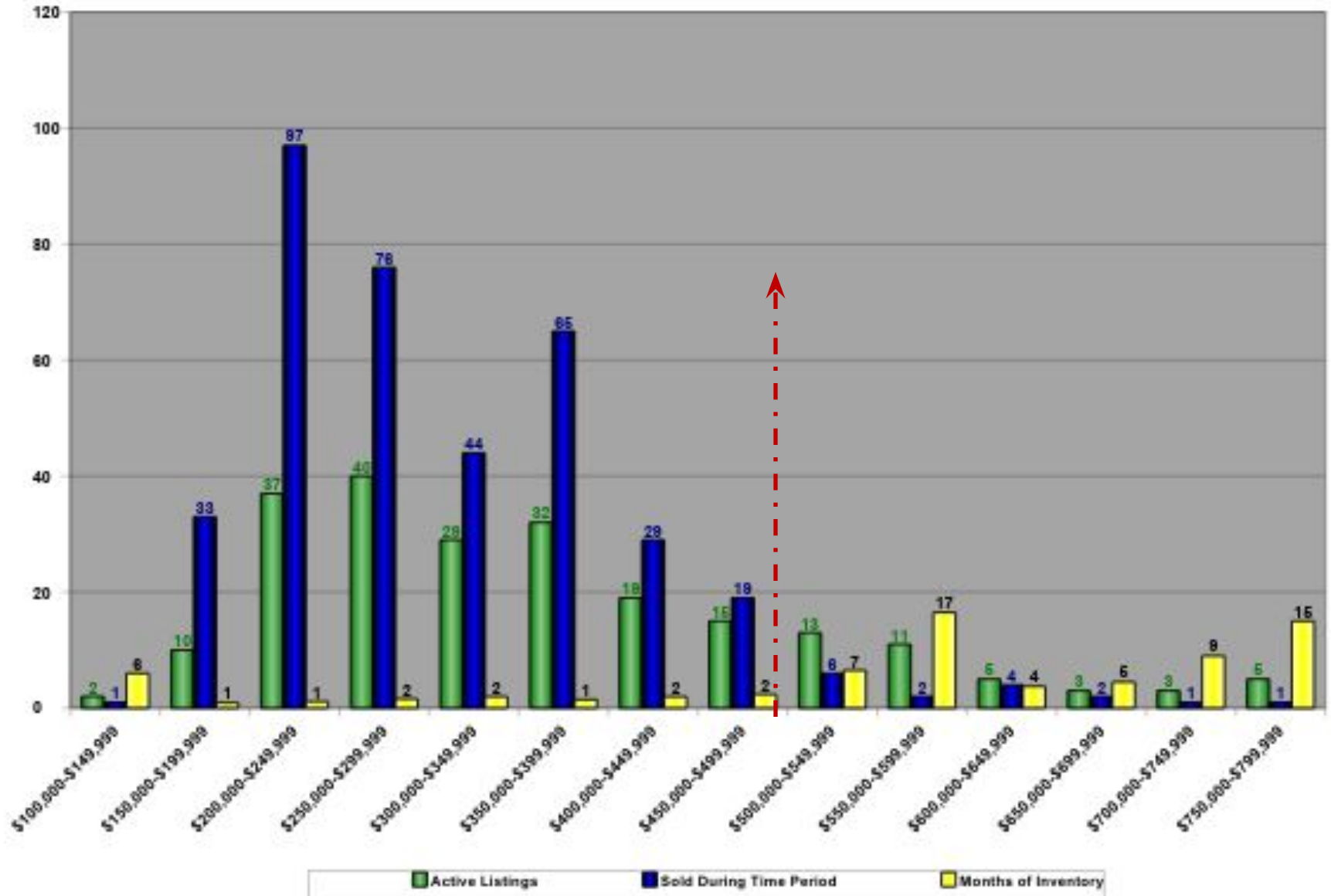
## Residential Sales Comparison Year over Year



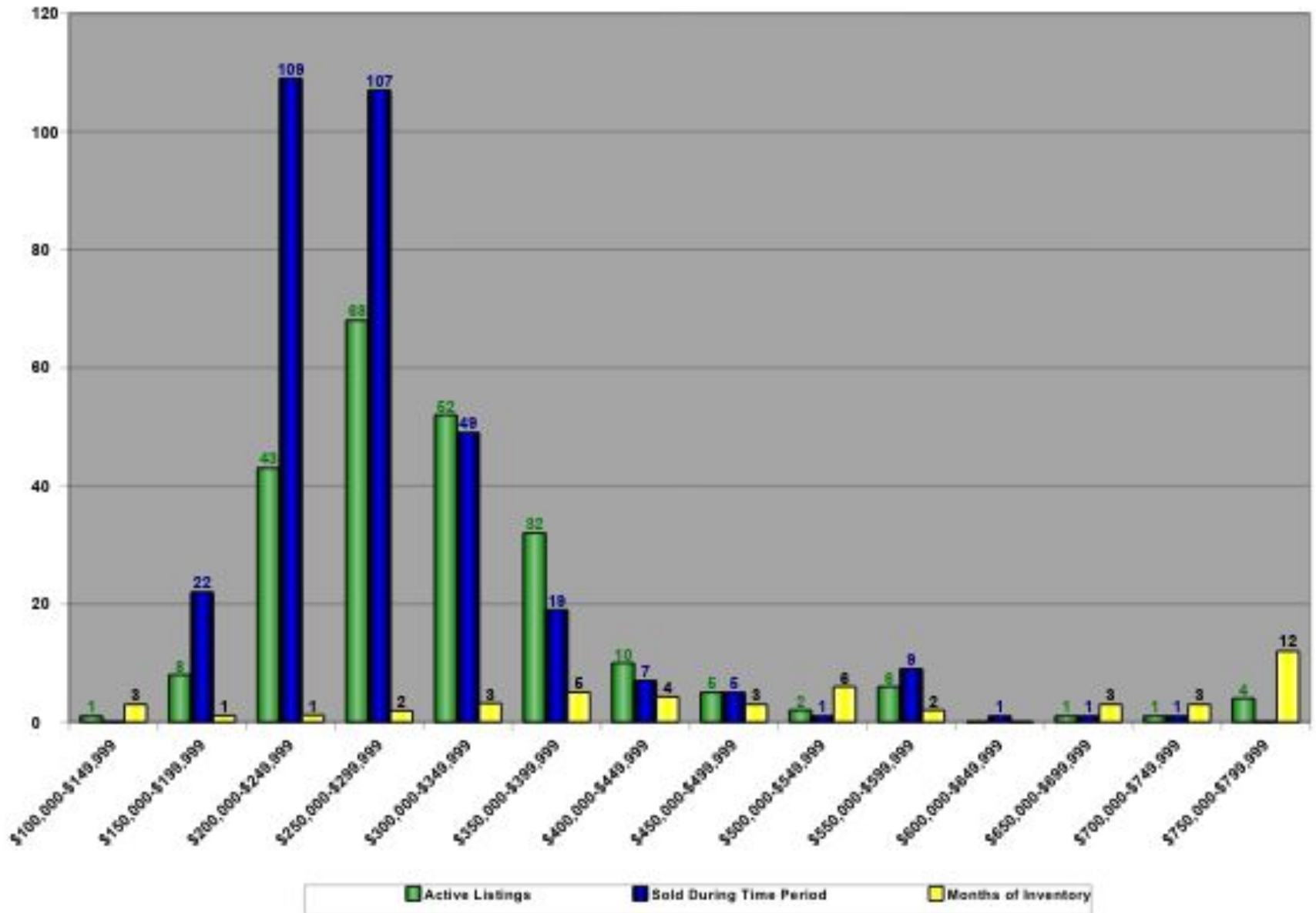
\*Data provided by Cda MLS



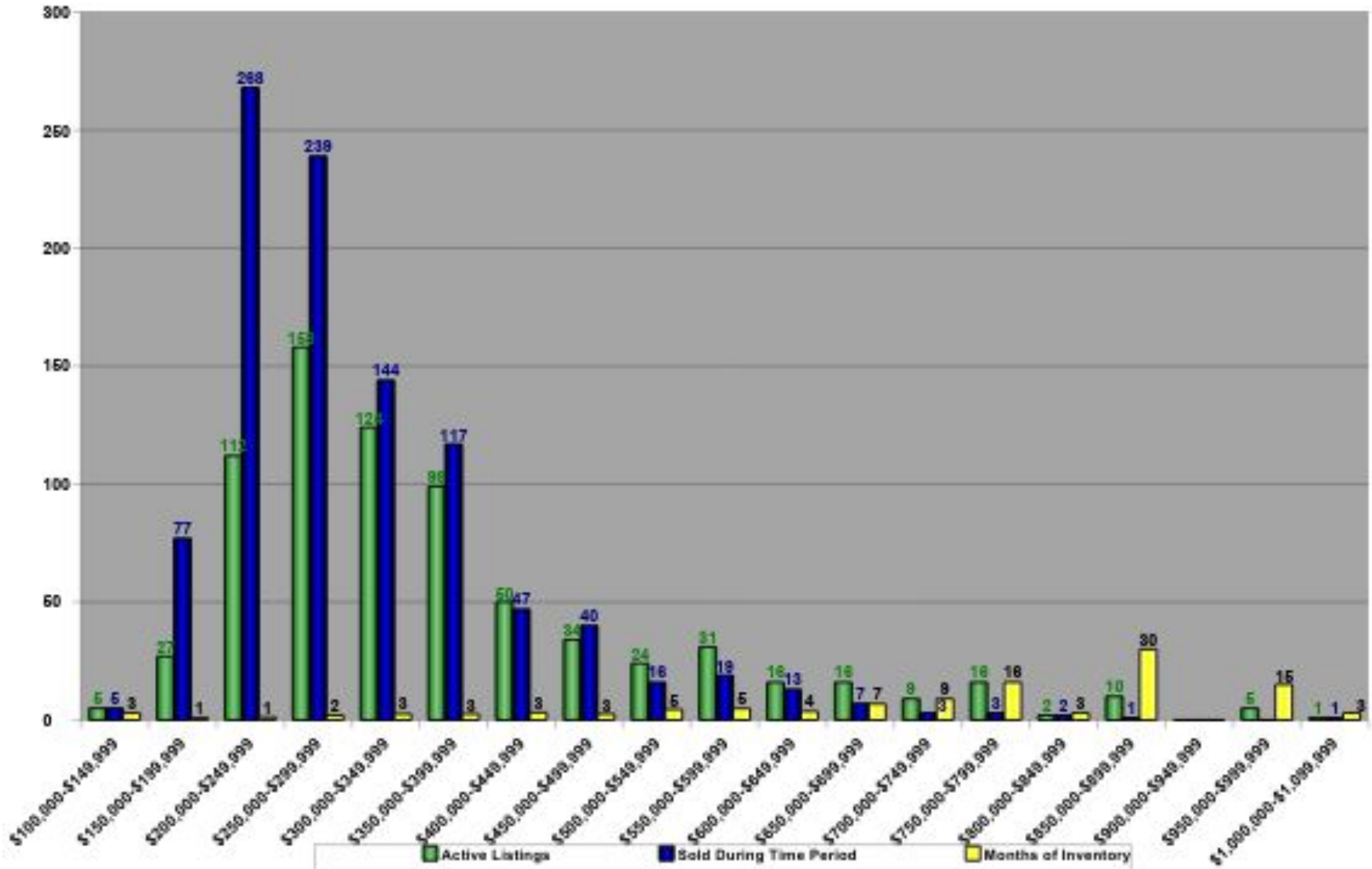
# Months of Inventory Analysis Coeur d'Alene Residential (Site b) May 1, 2018 through July 31, 2018



# Months of Inventory Analysis Post Falls Residential (Sit May 1, 2018 through July 31, 2018)

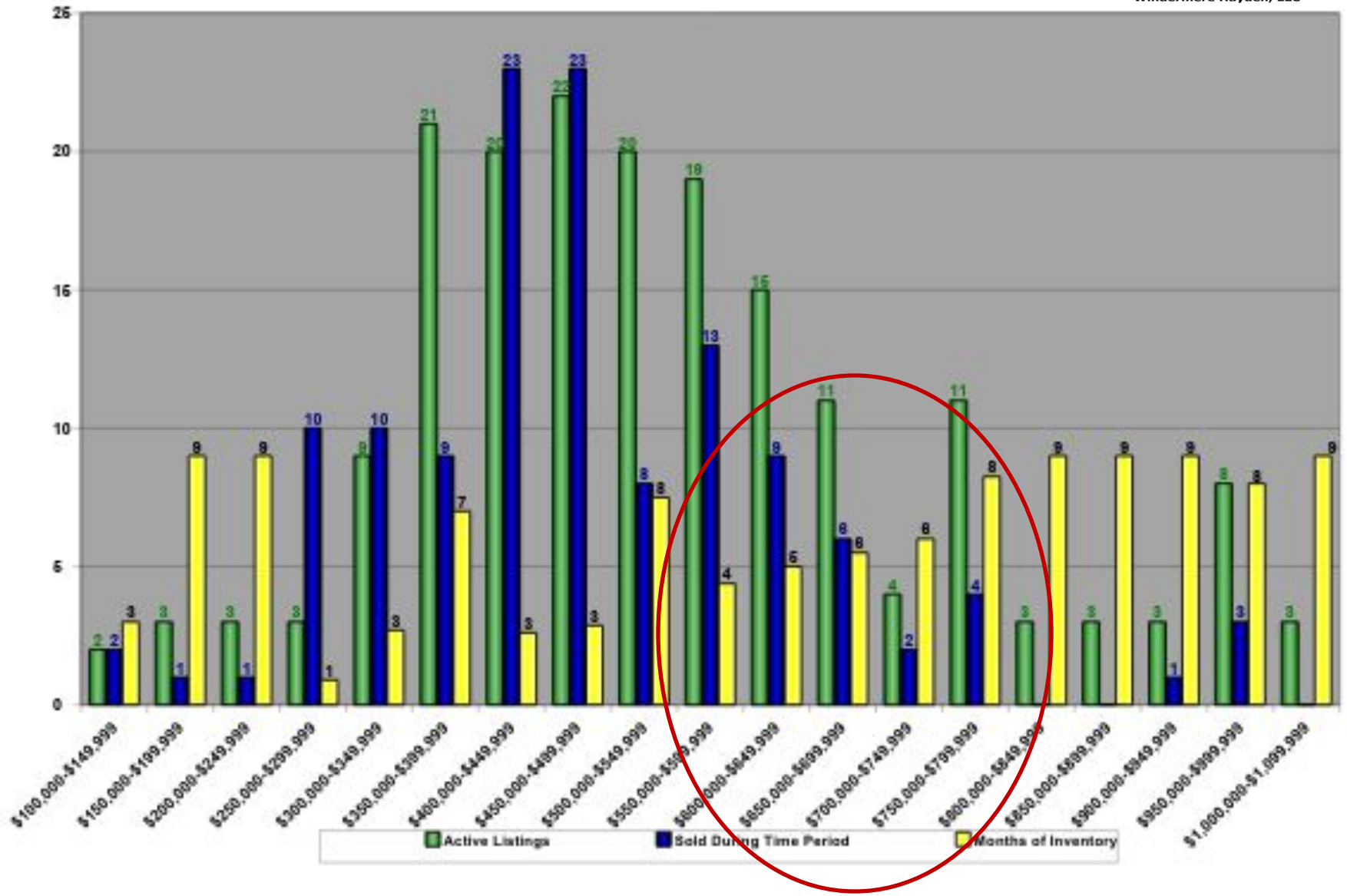


# Months of Inventory Analysis Kootenai County Residential May 1, 2018 through July 31, 2018



\*Data provided by Cda MLS

# Months of Inventory Analysis Kootenai County Resider April 1, 2018 through July 31, 2018

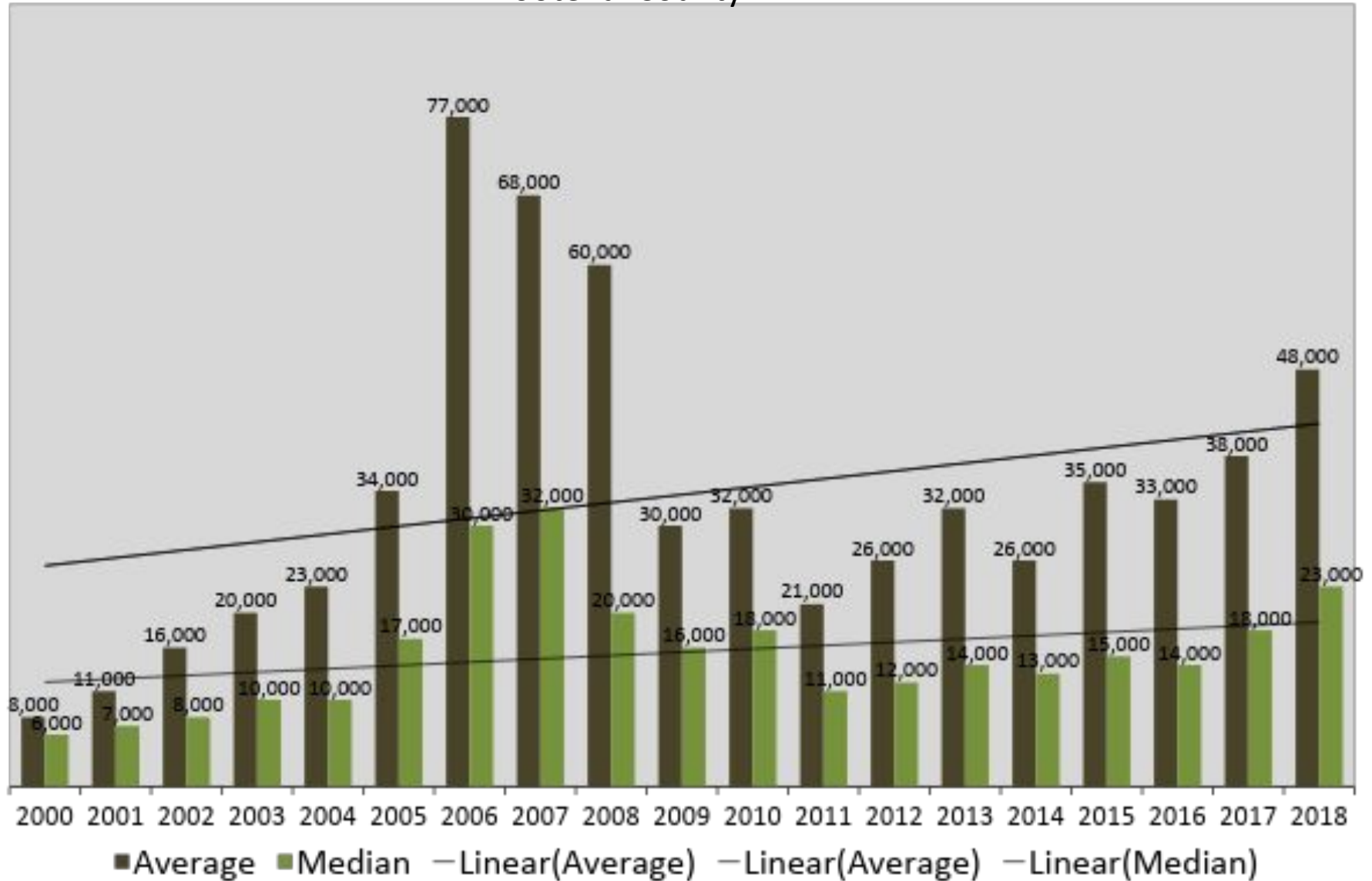


\*Data provided by Cda MLS

# Historical Land Sales Values

## Price per acre on 1-20 acre parcels only

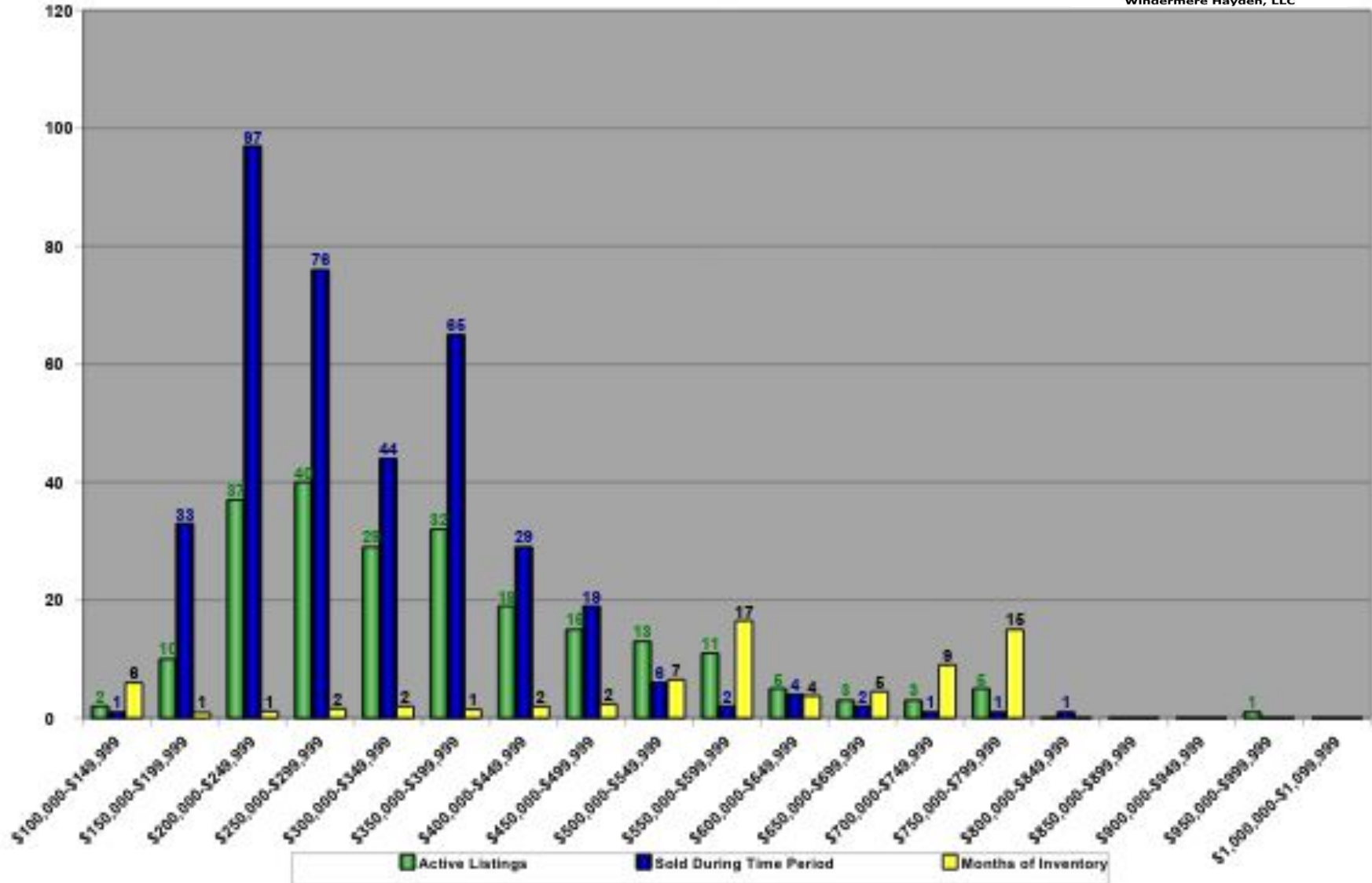
### Kootenai County



\*Data compiled from CdaMLS flex statistics

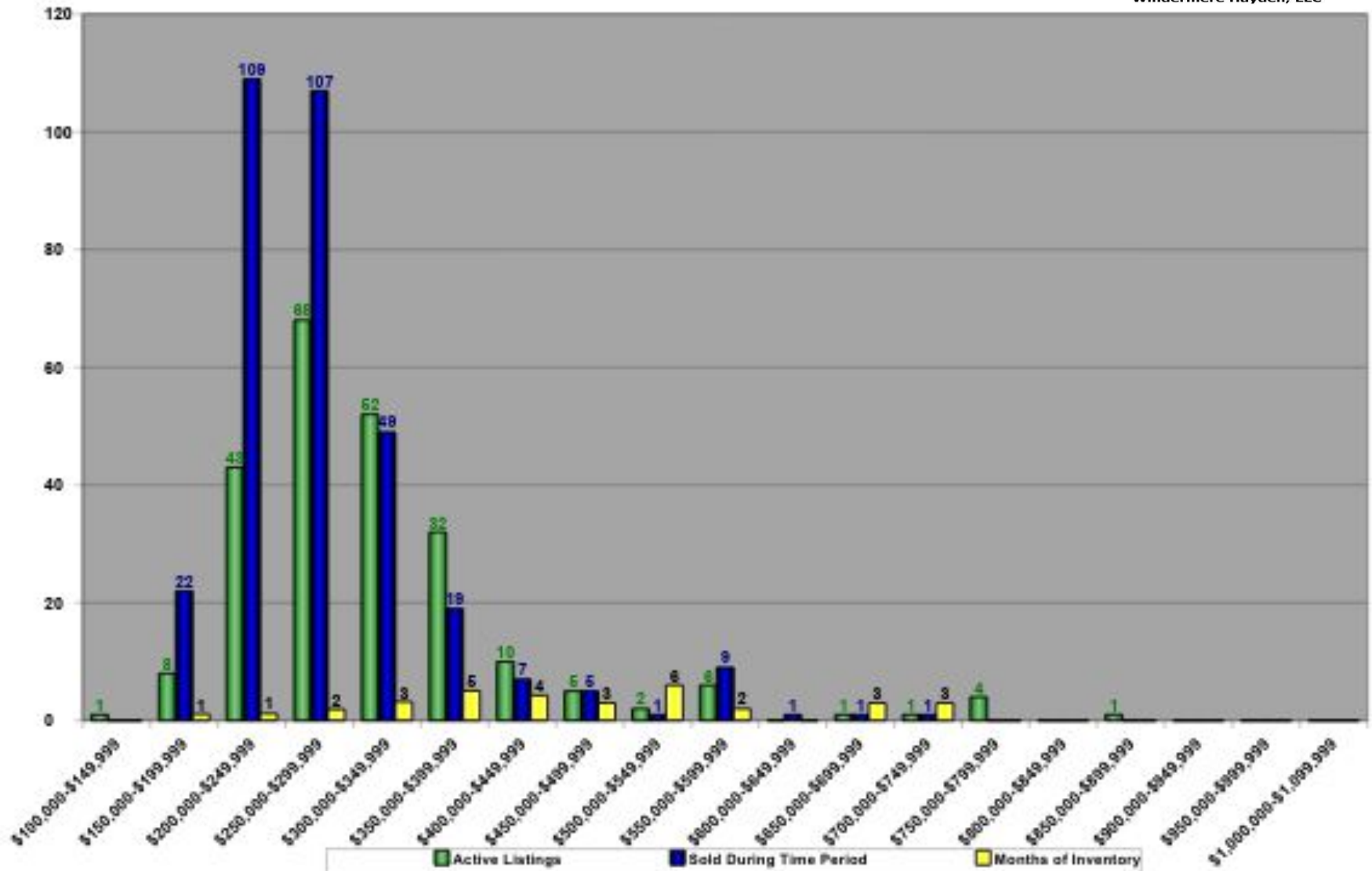


# Months of Inventory Analysis Coeur d'Alene Residential (Site May 1, 2018 through July 31, 2018)



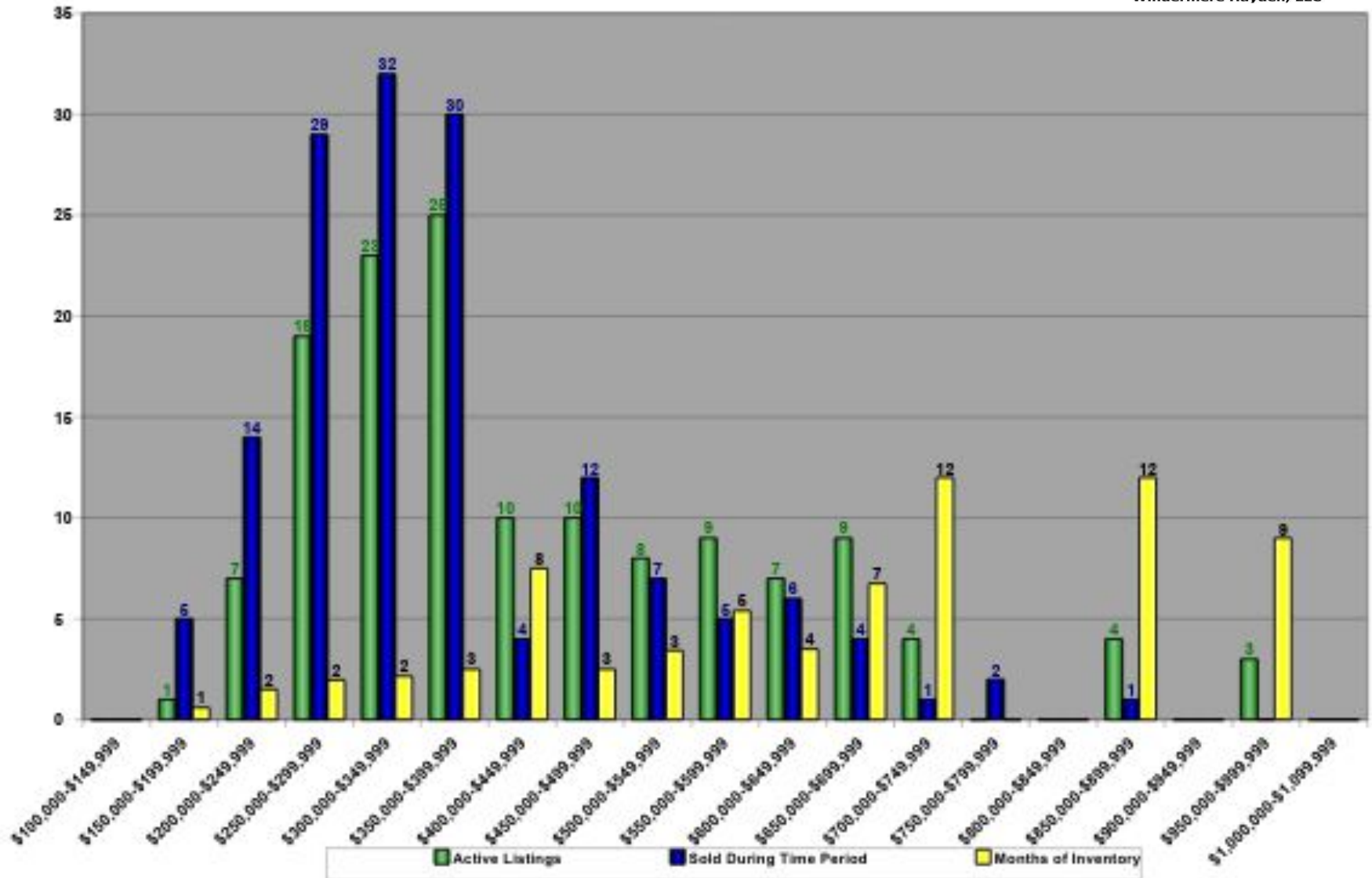
\*Data provided by Cda MLS

# Months of Inventory Analysis Post Falls Residential (Sit May 1, 2018 through July 31, 2018



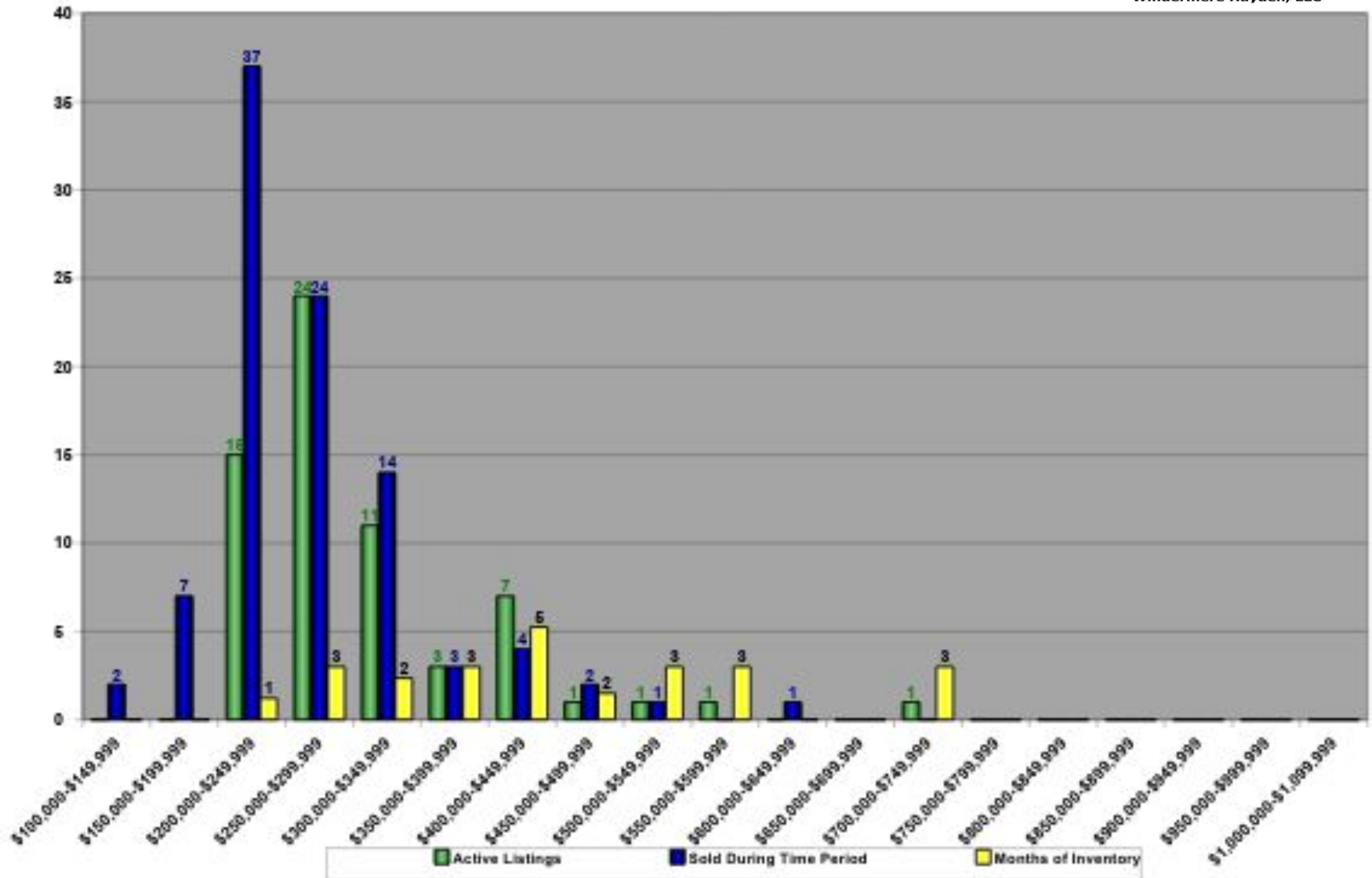
\*Data provided by Cda MLS

# Months of Inventory Analysis Hayden Residential (Site built May 1, 2018 through July 31, 2018)



\*Data provided by Cda MLS

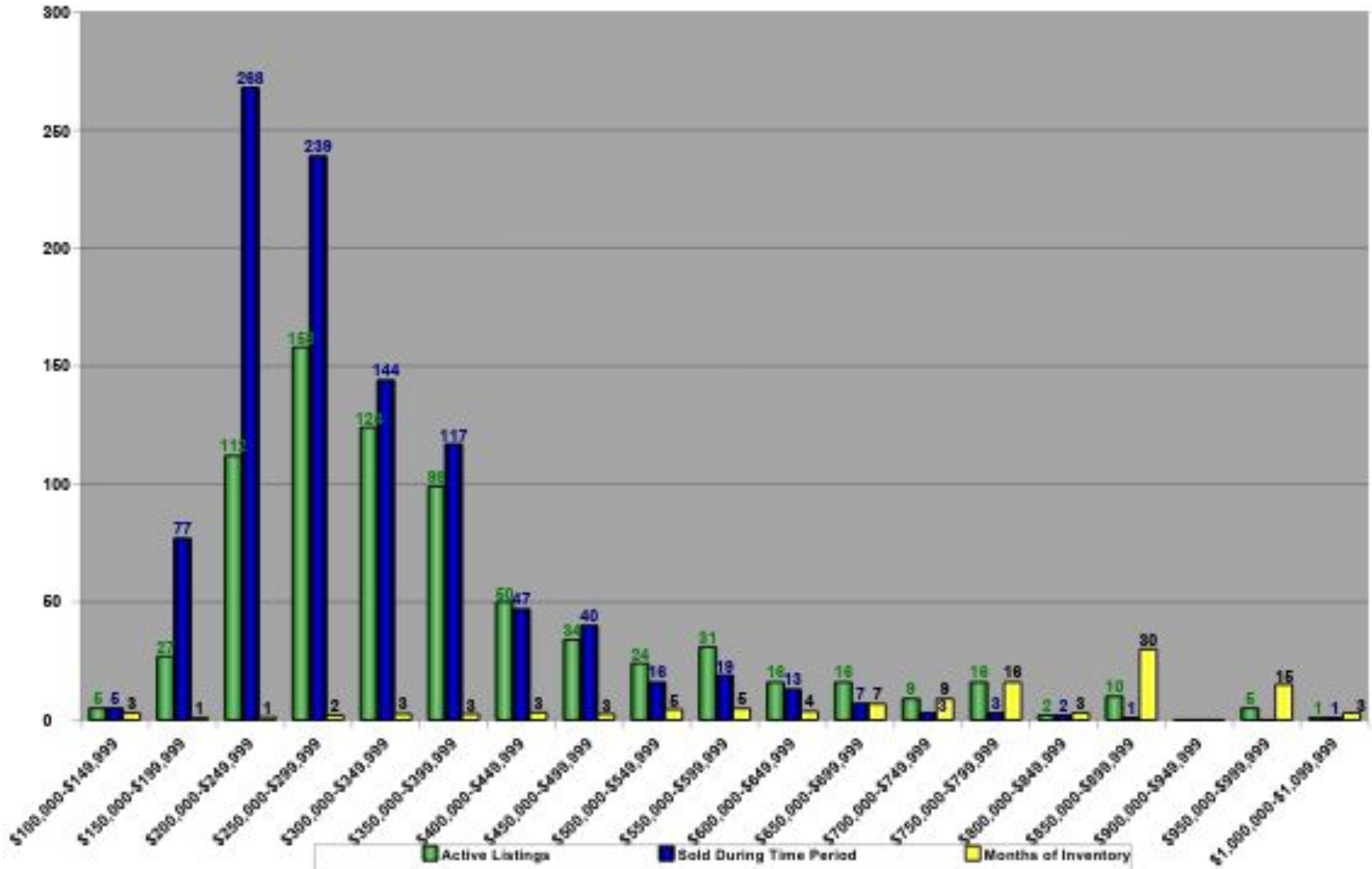
# Months of Inventory Analysis Rathdrum/Twin Lakes Resid May 1, 2018 through July 31, 2018



\*Data provided by Cda MLS

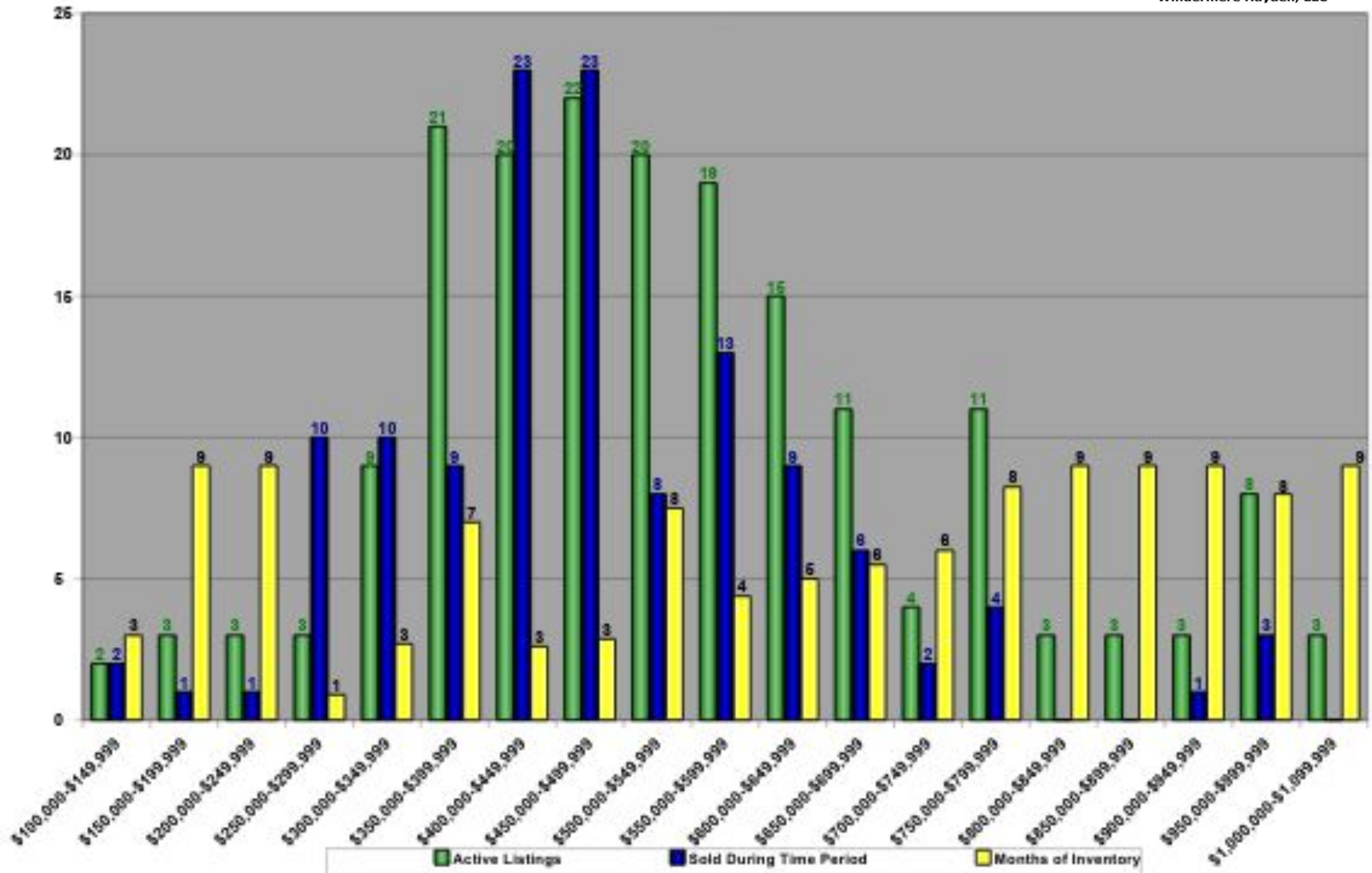


# Months of Inventory Analysis Kootenai County Residential May 1, 2018 through July 31, 2018



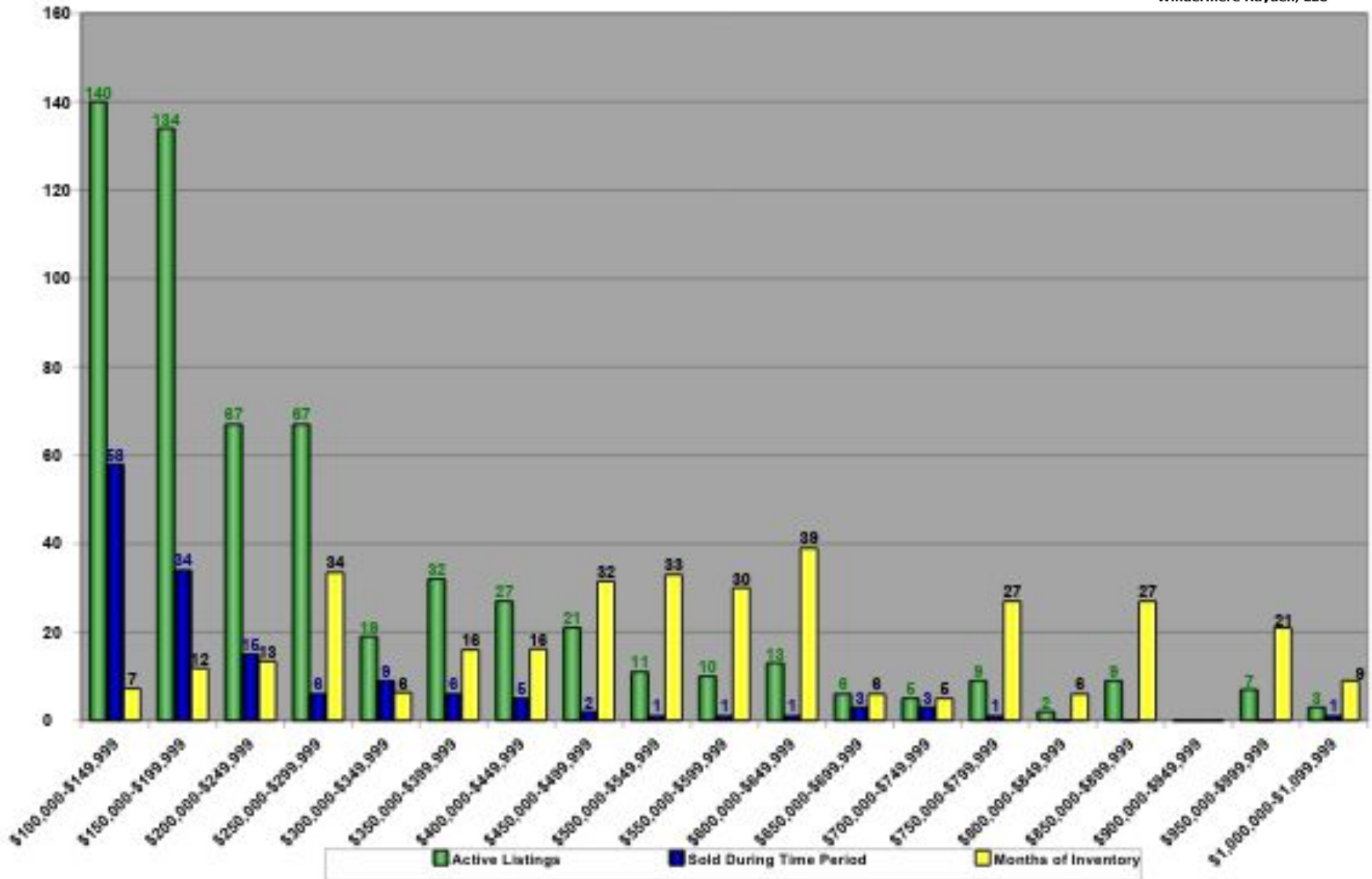
\*Data provided by Cda MLS

# Months of Inventory Analysis Kootenai County Resider April 1, 2018 through June 30, 2018



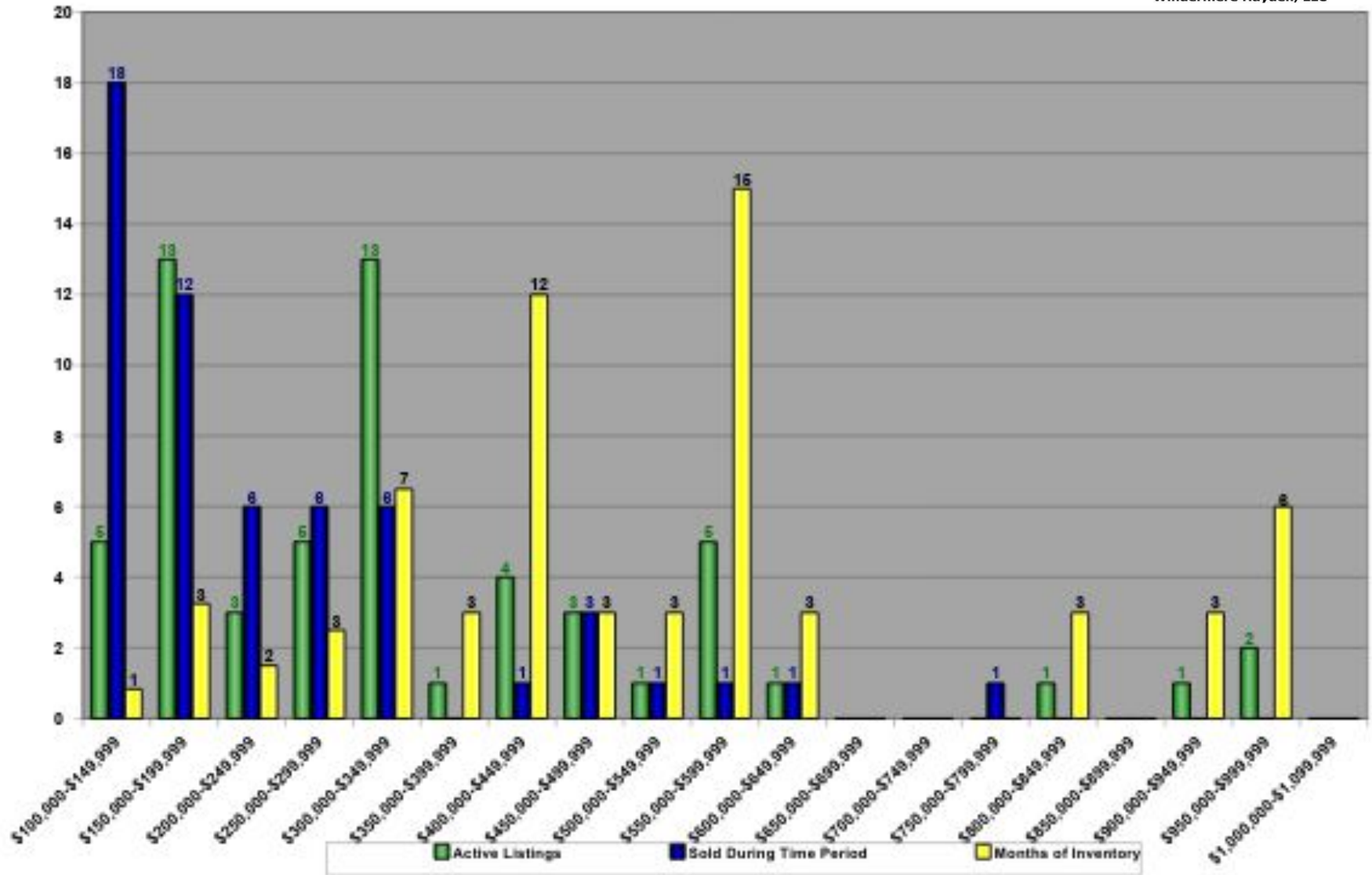
\*Data provided by Cda MLS

# Months of Inventory Analysis Kootenai County Vacant | May 1, 2018 through July 31, 2018



\*Data provided by Cda MLS

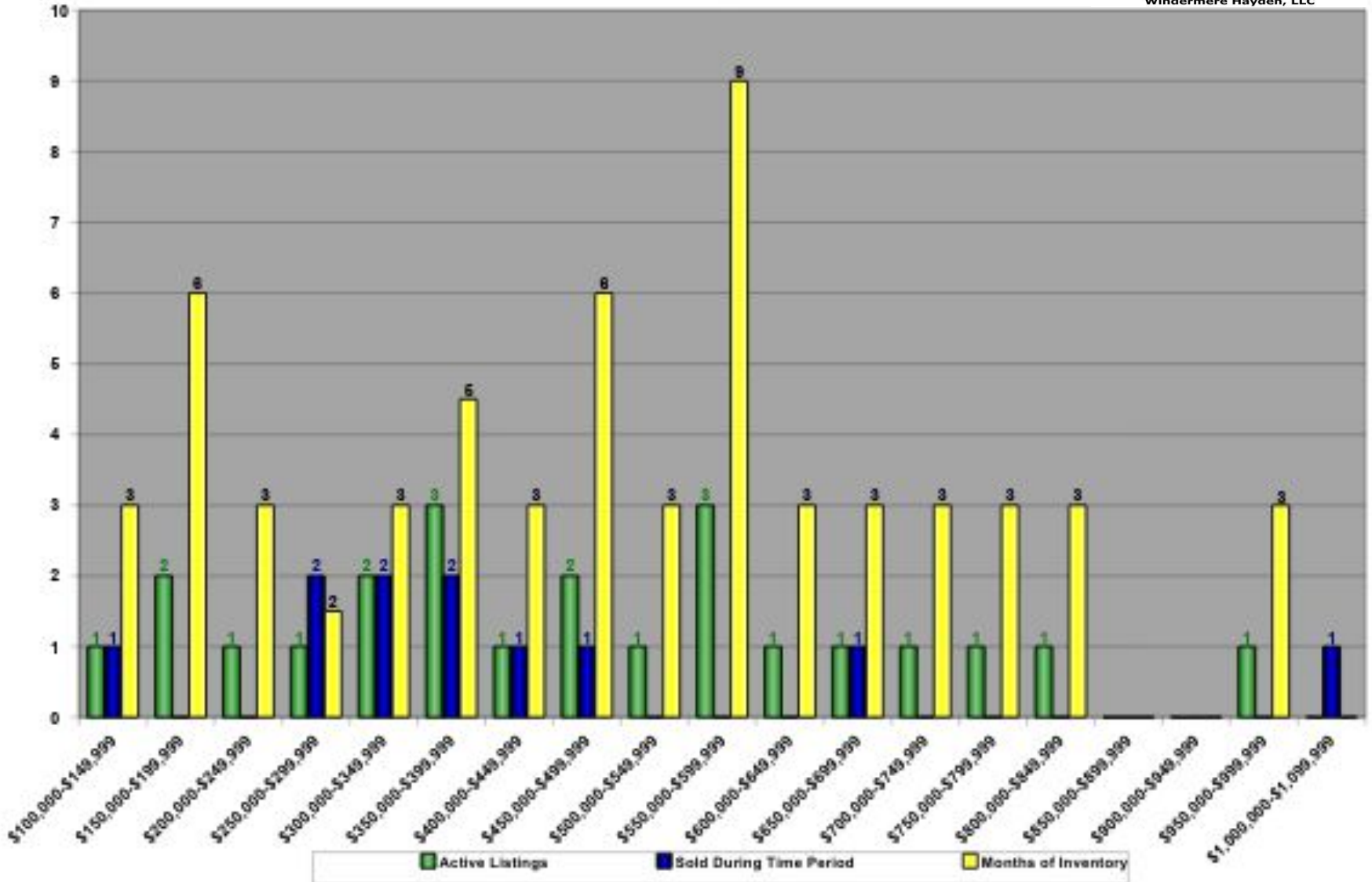
# Months of Inventory Analysis Kootenai County Resid May 1, 2018 through July 31, 2018



\*Data provided by Cda MLS

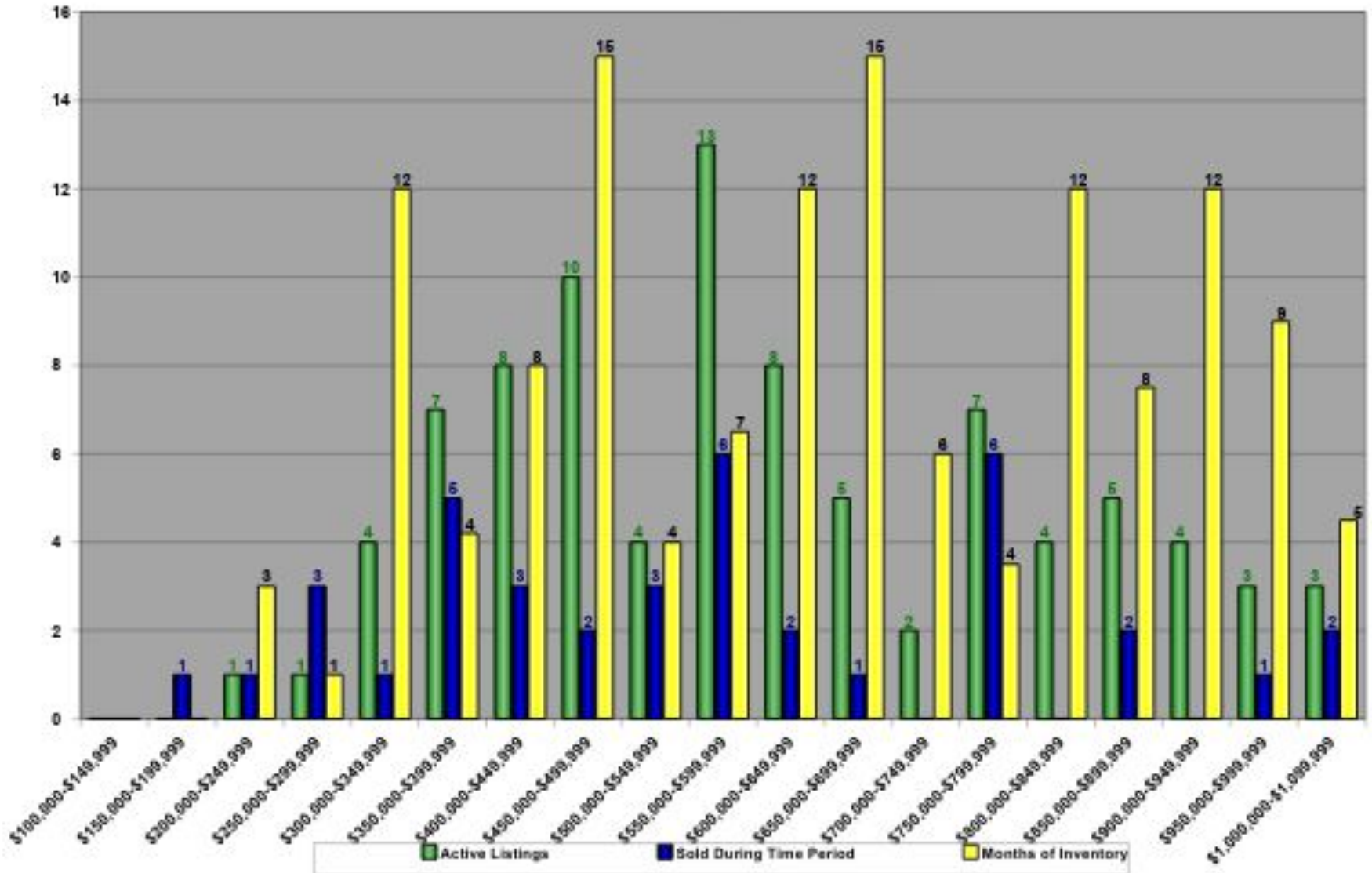


# Months of Inventory Analysis Kootenai County Residential with Seconda May 1, 2018 through July 31, 2018



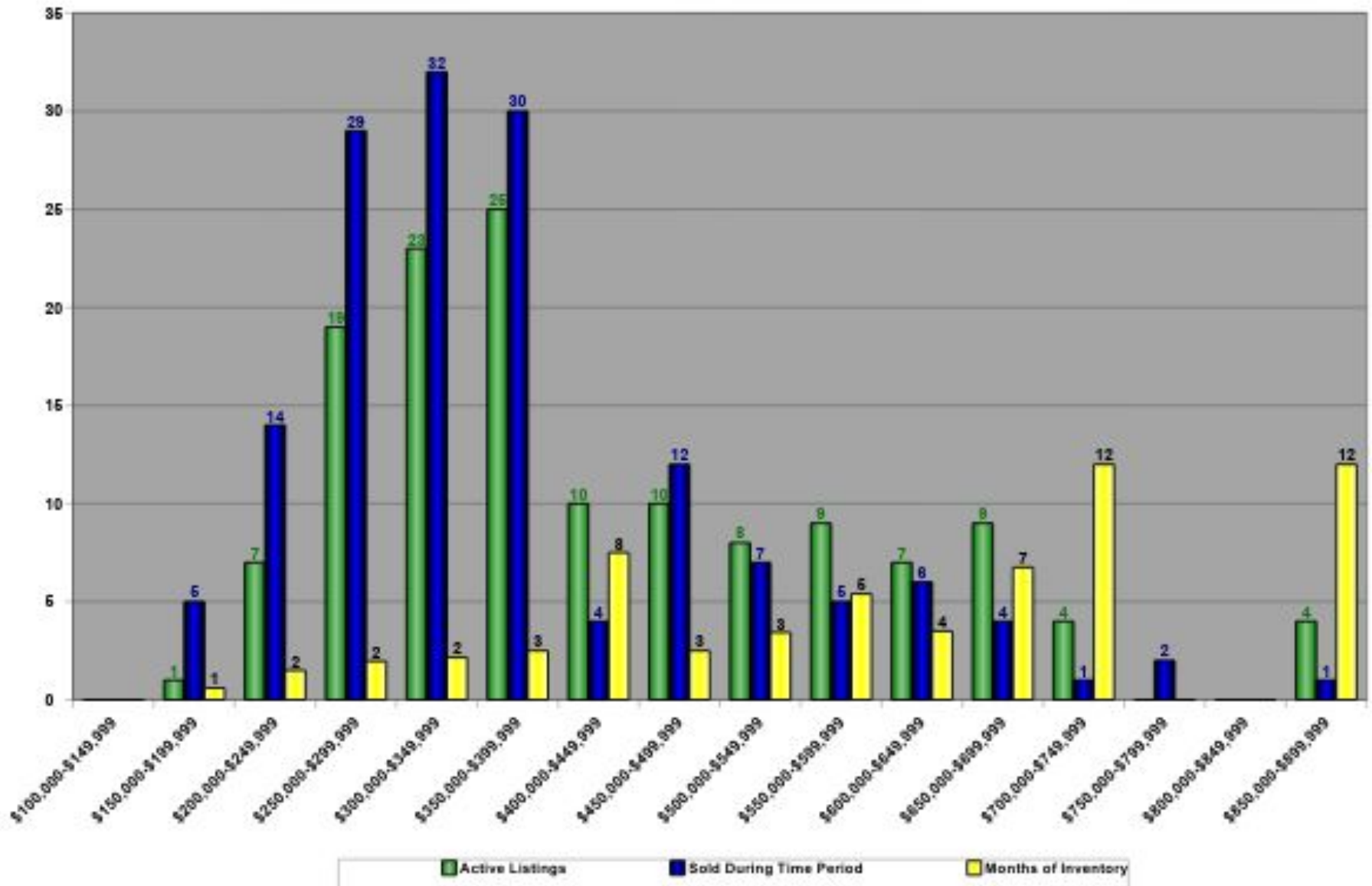
\*Data provided by Cda MLS

# Months of Inventory Analysis Kootenai County Resident May 1, 2018 through July 31, 2018

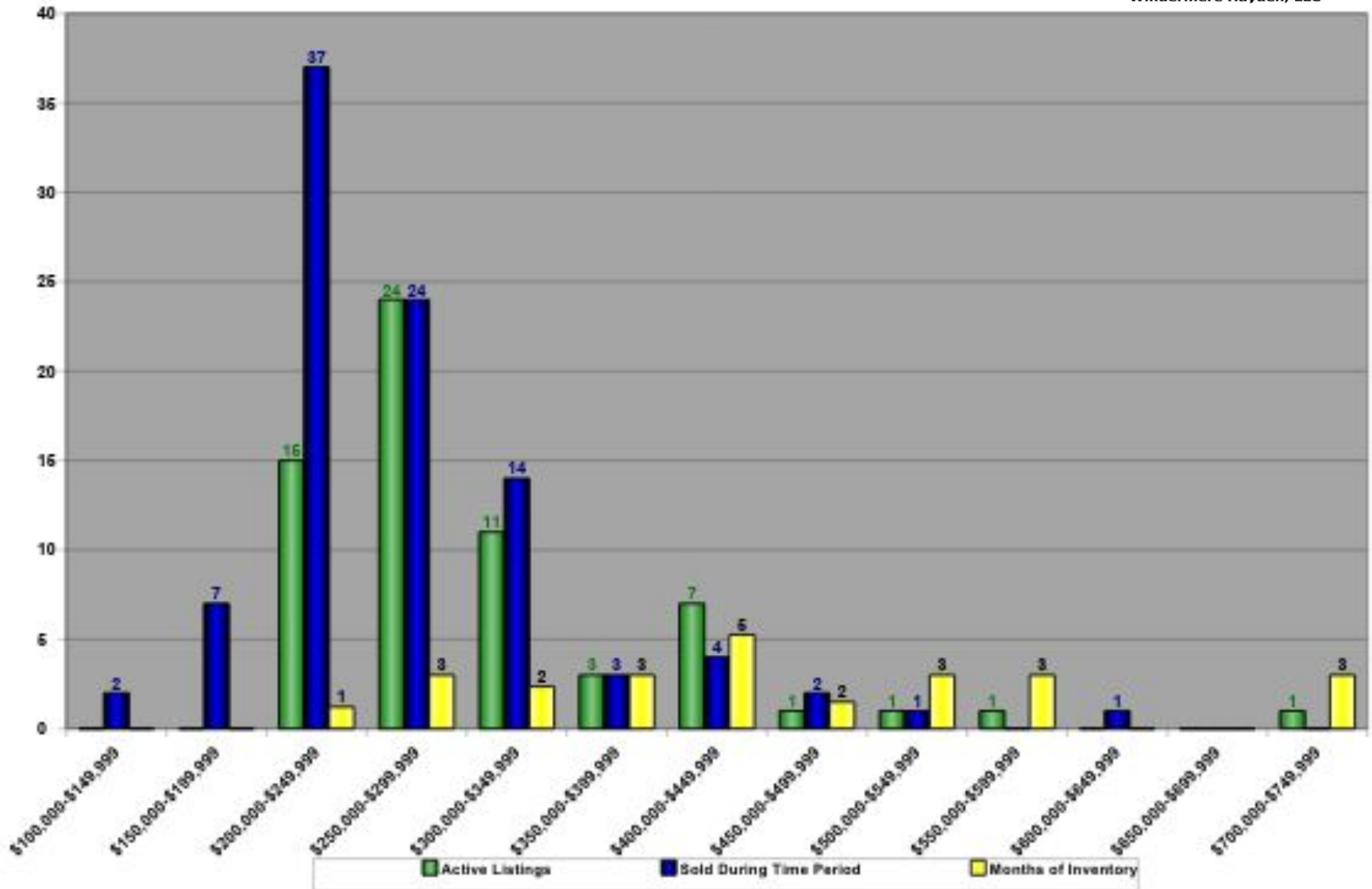


\*Data provided by Cda MLS

# Months of Inventory Analysis Hayden Residential (Site built May 1, 2018 through July 31, 2018)



Months of Inventory Analysis Rathdrum/Twin Lakes Resid  
 May 1, 2018 through July 31, 2018



\*Data provided by Cda MLS



# Days On Market By Area



\*Data represents January 1 –August 6<sup>th</sup> of each year

# 4 Reasons Why We Are Not Heading Toward Another Housing Bubble

## 1. HOME PRICES

There is no doubt that home prices have reached 2006 levels in many markets across the country. However, after more than a decade, home prices should be much higher based on inflation alone.

## 2. MORTGAGE STANDARDS

Many are concerned that lending institutions are again easing standards to a level that helped create the last housing bubble. However, there is proof that today's standards are nowhere near as lenient as they were leading up to the crash.

## 3. FORECLOSURE RATES

A major cause of the housing crash last decade. They were also being sold at 20-50% discounts.

Federal Reserve's most recent [Household Debt and Credit Report](#):

**2003:** 203,320 (earliest reported numbers)

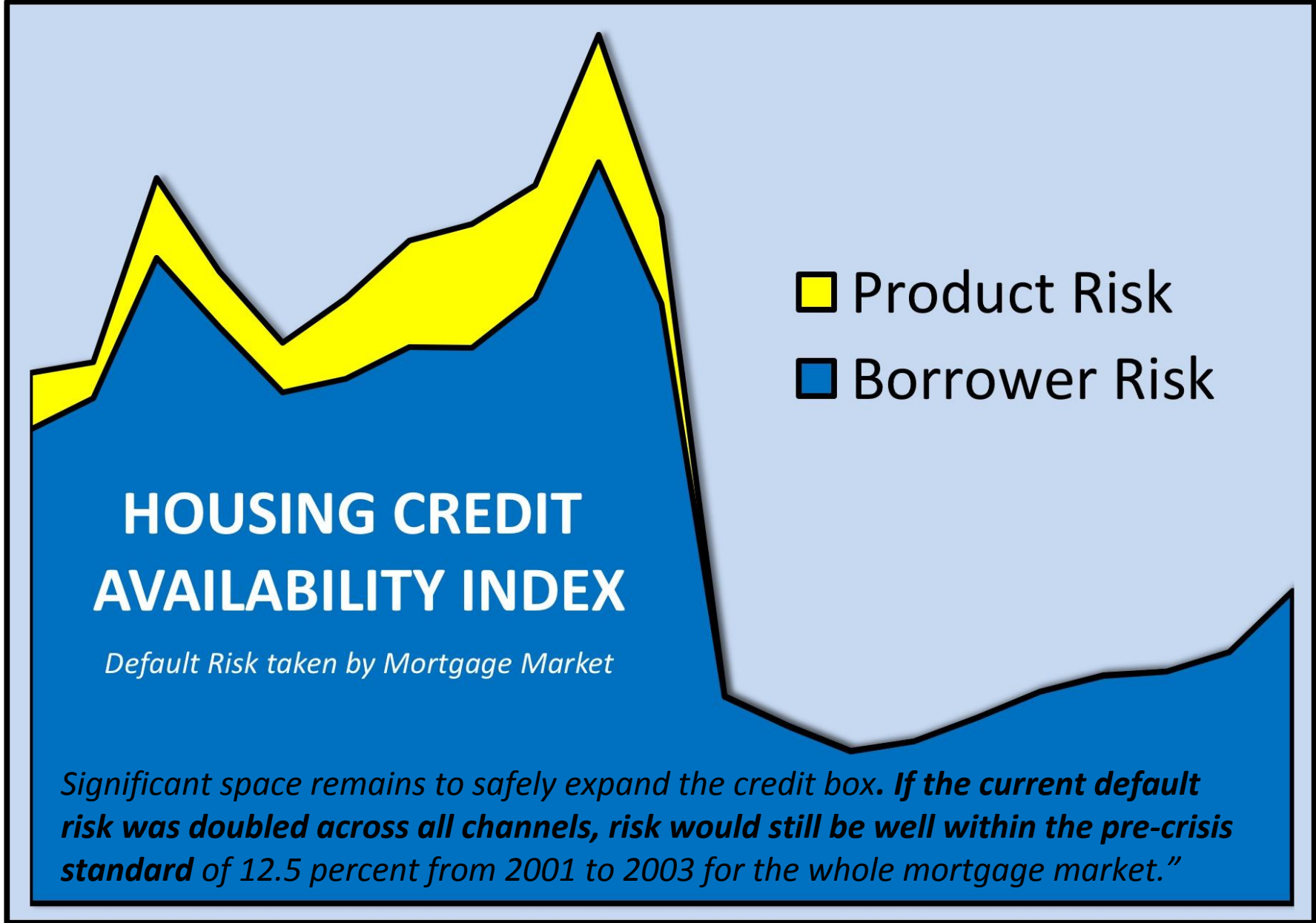
**2009:** 566,180 (at the valley of the crash)

**Today:** 76,480

Foreclosures today are less than 40% of what they were in 2003.

## 4. HOUSING AFFORDABILITY

Contrary to many headlines, home affordability is better now than it was prior to the last housing boom. *CoreLogic* revealed that in the vast majority of markets, *"the inflation-adjusted, principal-and-interest mortgage payments that homebuyers have committed to this year remain much lower than their pre-crisis peaks."*



1998    2000    2005    2010    2015    Today



## It Is A Changing Market.....

- NAR has reported that their pending home sales index has reported that it is the 5<sup>th</sup> month in a row of declining pending sales numbers.
  - This is more than a seasonal flutter
- Many larger markets have increased inventory and declining sales
  - The multiple offer frenzy is slowing down
  - What about our market?



# Reasons for the Slowdown?

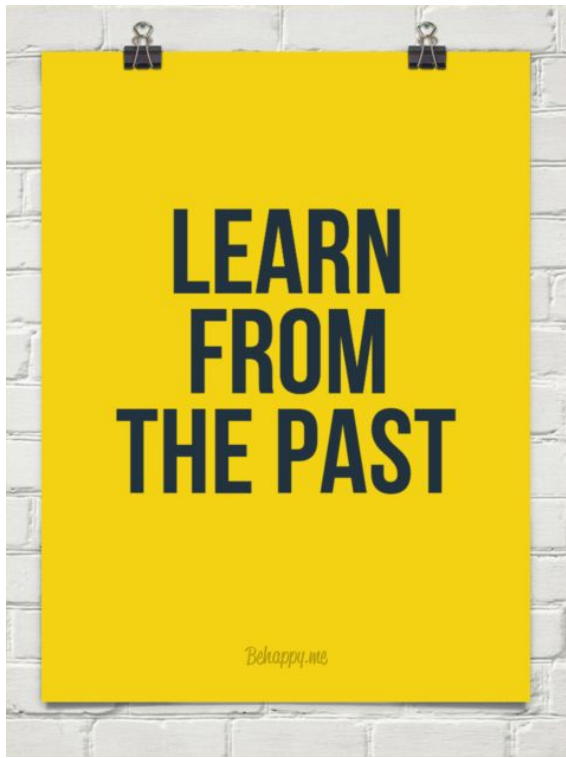
- Rising Interest Rates

- The Fed's aggressive tightening cycle is

- Monetary policy is tighter than needed for lower

- Nominal GDP is falling, leading to deflationary pressures and





- It is said that the Fed raised interest rates too late in the economic cycle in 1980, 1989 & 2005-2006, the downturn in the housing market was much steeper and painful than it needed to be.
- The hope this time is that with a gradual upward adjustment of the interest rates that our economy will fair way better this time and the housing market will be effected less than the last major downfall.

# What's to come?

- The Fed has said they intend to raise rates twice more in 2018 and possibly 3 times in 2019.
- Lawrence Yun believes “the worst of the supply crunch may now have passed”
- This is a crucial time in RE to analyze your business and decide if your daily actions are in line with your business plan...
- In short

