

City of Boise

**IDAHO**

December 2022



Rents rose 8.7% year-over-year. The current capitalization rate (rent/price) is 3.9%.

# HOUSING REPORT

[www.tait.com](http://www.tait.com)



# WE'RE HIRING

A family company since 1964.

## What Makes Us Different



We are an ethical, kind, family-company with a "family-first" mentality



We value life balance, and offer flexible alternative work schedules to all associates



We thrive in a collaborative and entrepreneurial environment that challenges the status-quo



We believe that continued learning is essential to personal growth, and offer regular educational opportunities



We take pride in our projects, and their impact on communities

To find out more, visit us at  
[WWW.TAIT.COM/CAREERS-AT-TAIT/](http://WWW.TAIT.COM/CAREERS-AT-TAIT/)



# TAIT

& ASSOCIATES



---

**The Real State of USA Real Estate**


---



---

**Table of Contents**


---

4	.....	Boise Housing Market Value & Trends Update
5	.....	Boise median home price since January 1988
5	.....	Boise median rent and monthly cost of ownership since January 1988
6	.....	Resale \$/SF Year-over-Year Percentage Change: Boise since January 1989
6	.....	Rental \$/SF Year-over-Year Percentage Change: Boise since January 1989
7	.....	Historic Median Home Price Relative to Rental Parity: Boise since January 1988
7	.....	TAIT Housing Report® Market Timing System Rating: Boise since January 1988
8	.....	Cash Investor Capitalization Rate: Boise since January 1988
8	.....	Financed Investor Cash-on-Cash Return: Boise since January 1988
9	.....	Market Performance and Trends: Boise and Major Cities and Zips
11	.....	Market Timing Rating and Valuations: Boise and Major Cities and Zips

---

**Area Reports**


---

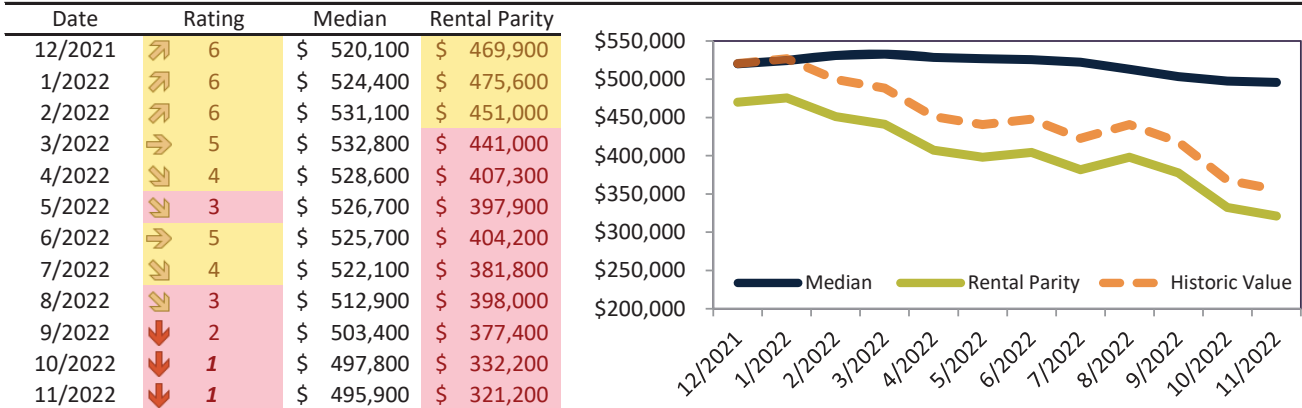
13	.....	Boise	39	.....	Highlands
14	.....	Ada County	40	.....	Morris Hill
15	.....	Canyon County	41	.....	West Cloverdale
16	.....	Kootenai County	42	.....	83646
17	.....	Bonneville County	43	.....	83709
18	.....	Bannock County	44	.....	83642
19	.....	Nampa	45	.....	83704
20	.....	Meridian	46	.....	83706
21	.....	Coeur d'Alene	47	.....	83705
22	.....	Twin Falls	48	.....	83702
23	.....	Pocatello	49	.....	83616
24	.....	Southeast Boise	50	.....	83713
25	.....	West Valley	51	.....	83714
26	.....	West Bench	52	.....	83634
27	.....	Southwest Ada County	53	.....	83703
28	.....	North End	54	.....	83716
29	.....	Vista	55	.....	83669
30	.....	Borah	56	.....	83712
31	.....	Winstead Park			
32	.....	Collister			
33	.....	Depot Bench			
34	.....	East End			
35	.....	Central Bench			
36	.....	Hillcrest			
37	.....	Sunset			
38	.....	Maple Grove - Franklin			
57	.....	<b>TAIT Housing Market Report Interpretation</b>			

### Boise Housing Market Value & Trends Update

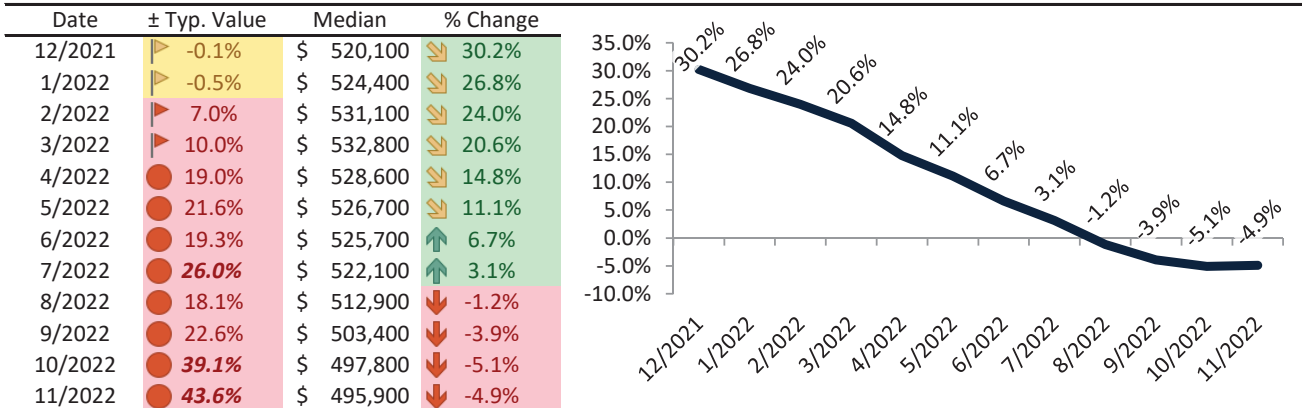
Historically, properties in this market sell at a 10.8% premium. Today's premium is 54.4%. This market is 43.6% overvalued. Median home price is \$495,900. Prices fell 4.9% year-over-year. Monthly cost of ownership is \$3,137, and rents average \$2,032, making owning \$1,105 per month more costly than renting. Rents rose 8.7% year-over-year. The current capitalization rate (rent/price) is 3.9%.

Market rating = 1

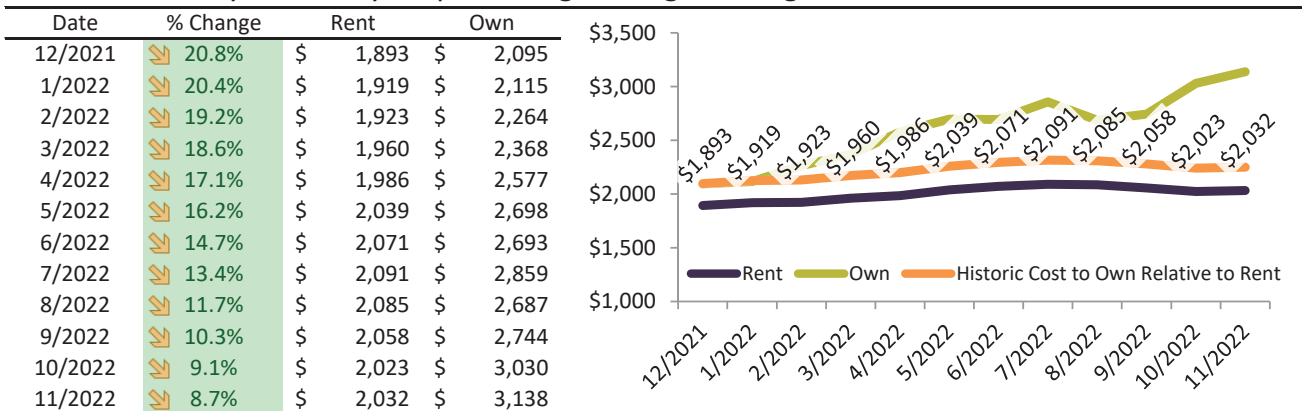
#### Median Home Price and Rental Parity trailing twelve months



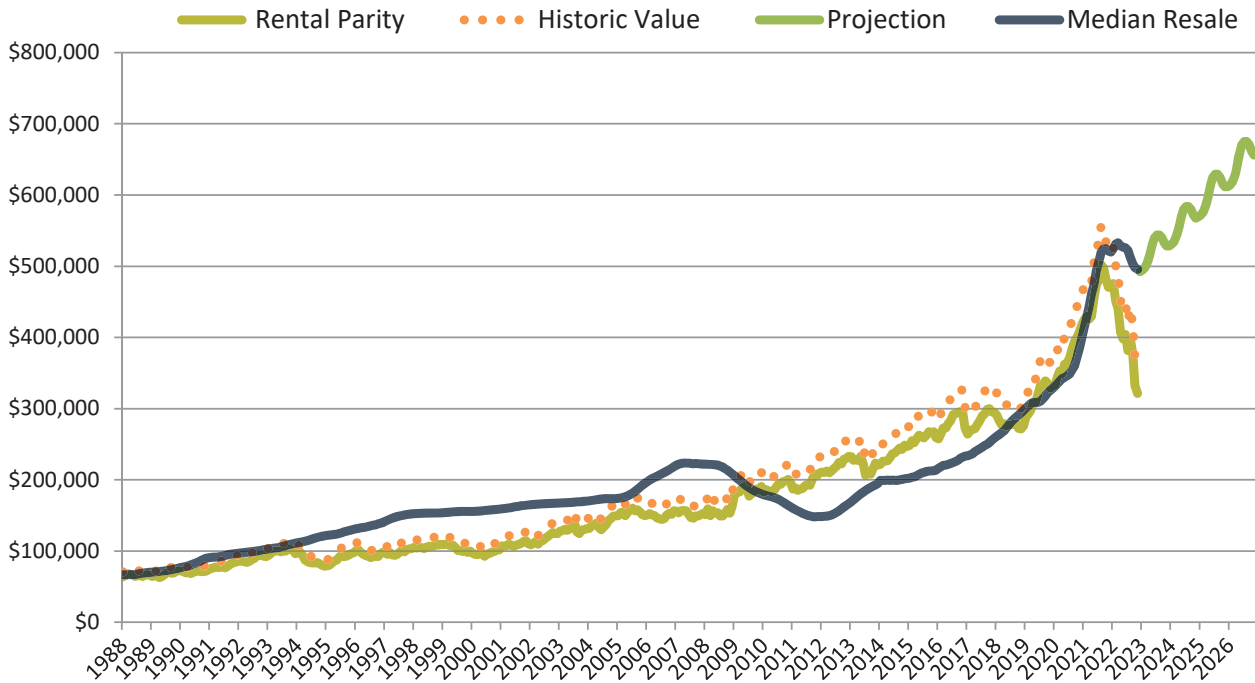
#### Resale Median and year-over-year percentage change trailing twelve months



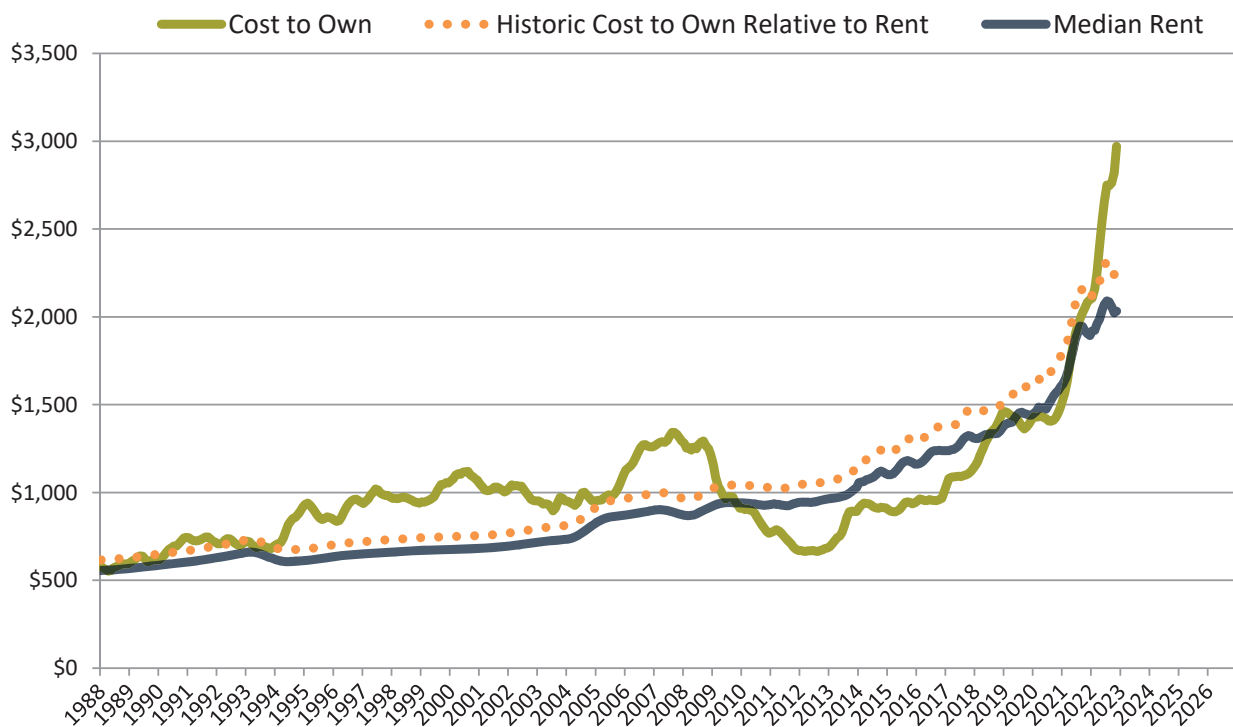
#### Rental rate and year-over-year percentage change trailing twelve months



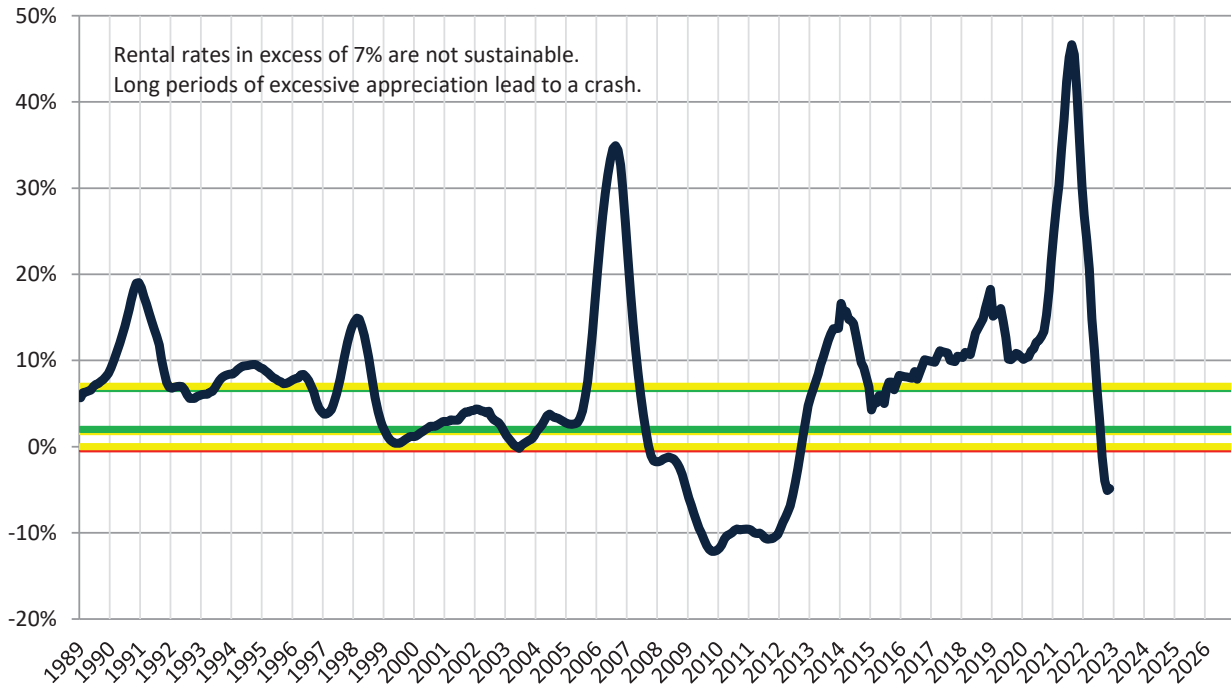
Boise median home price since January 1988



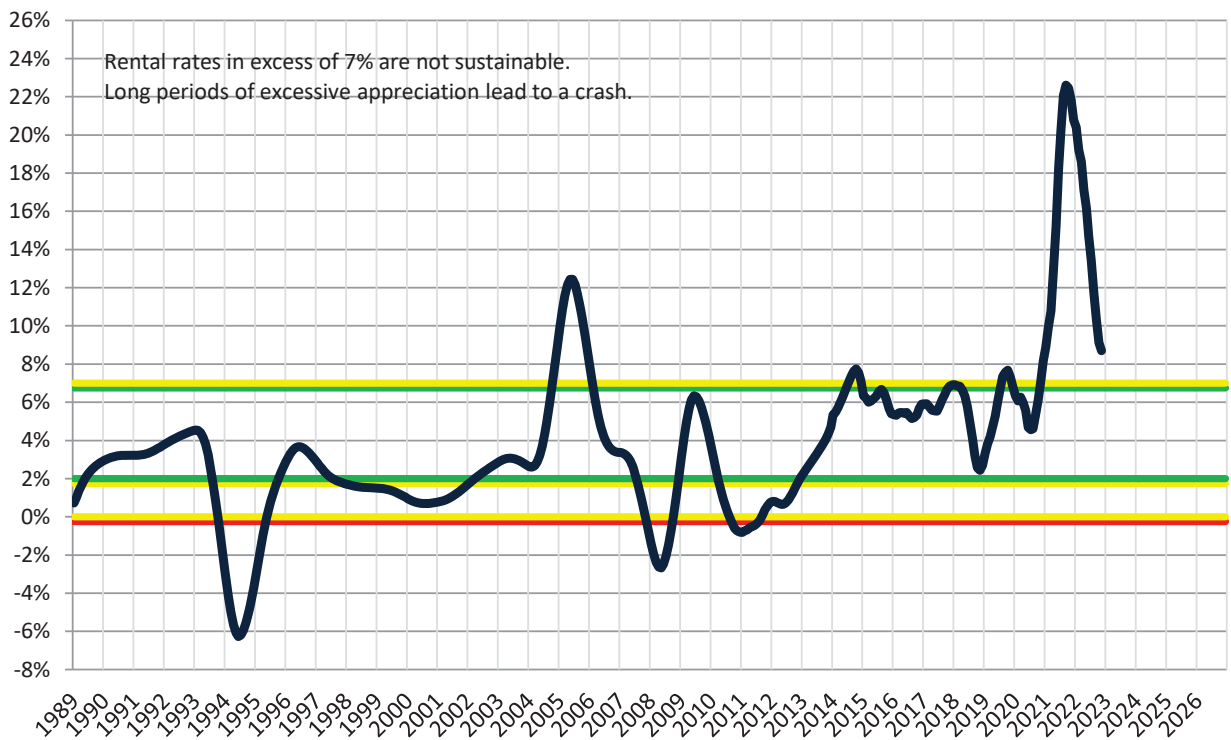
Boise median rent and monthly cost of ownership since January 1988



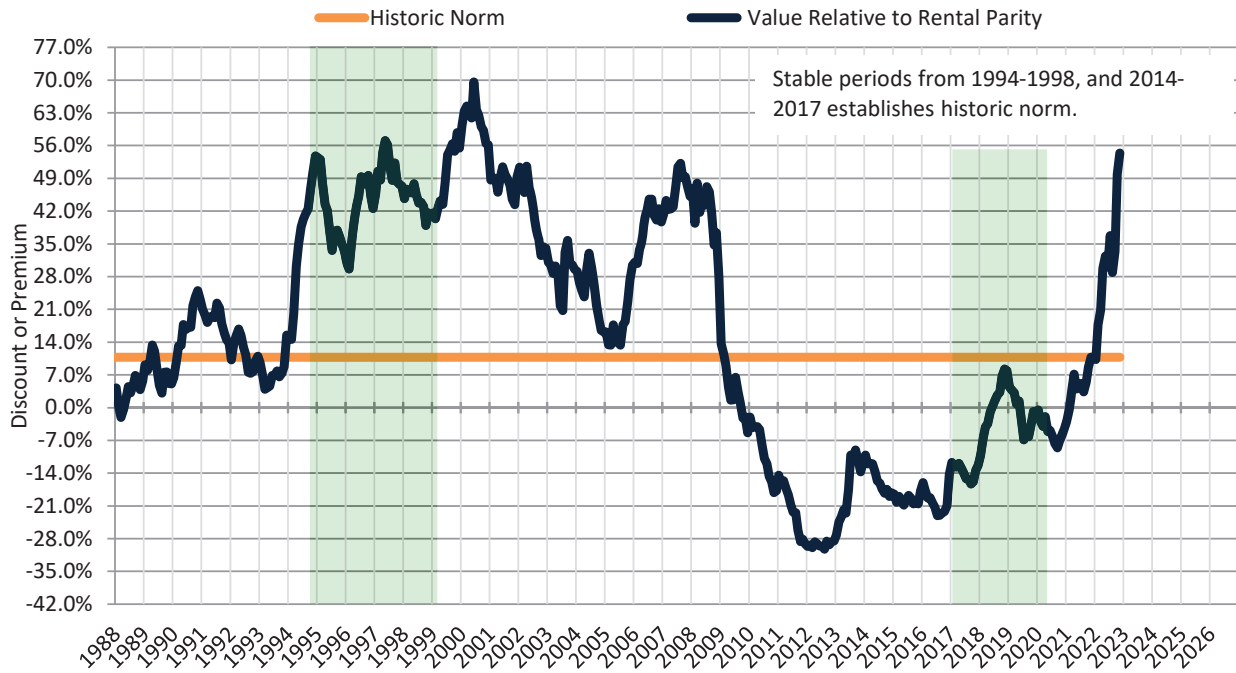
Resale \$/SF Year-over-Year Percentage Change: Boise since January 1989



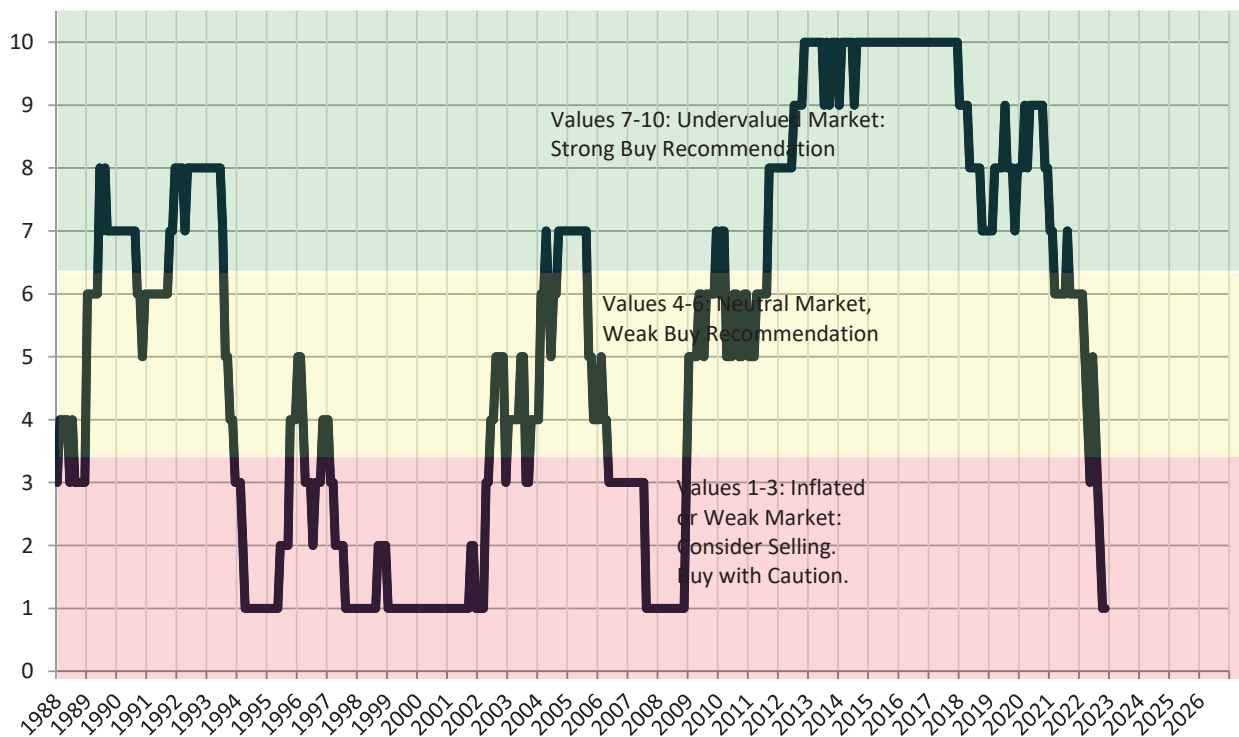
Rental \$/SF Year-over-Year Percentage Change: Boise since January 1989



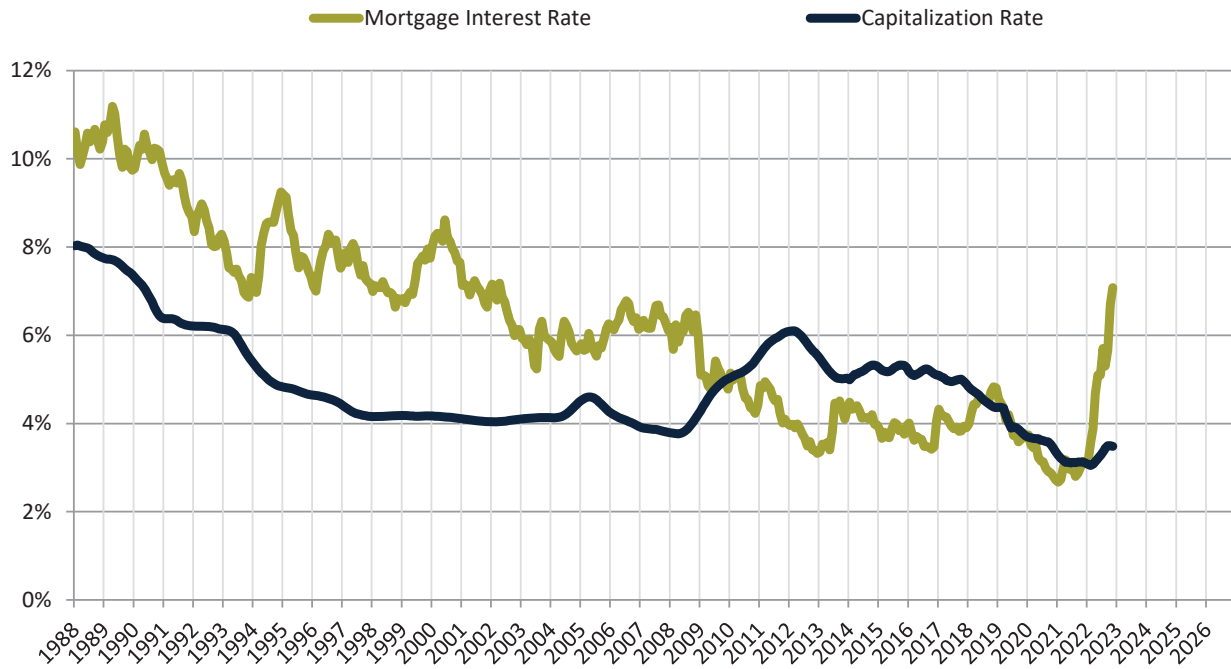
Historic Median Home Price Relative to Rental Parity: Boise since January 1988



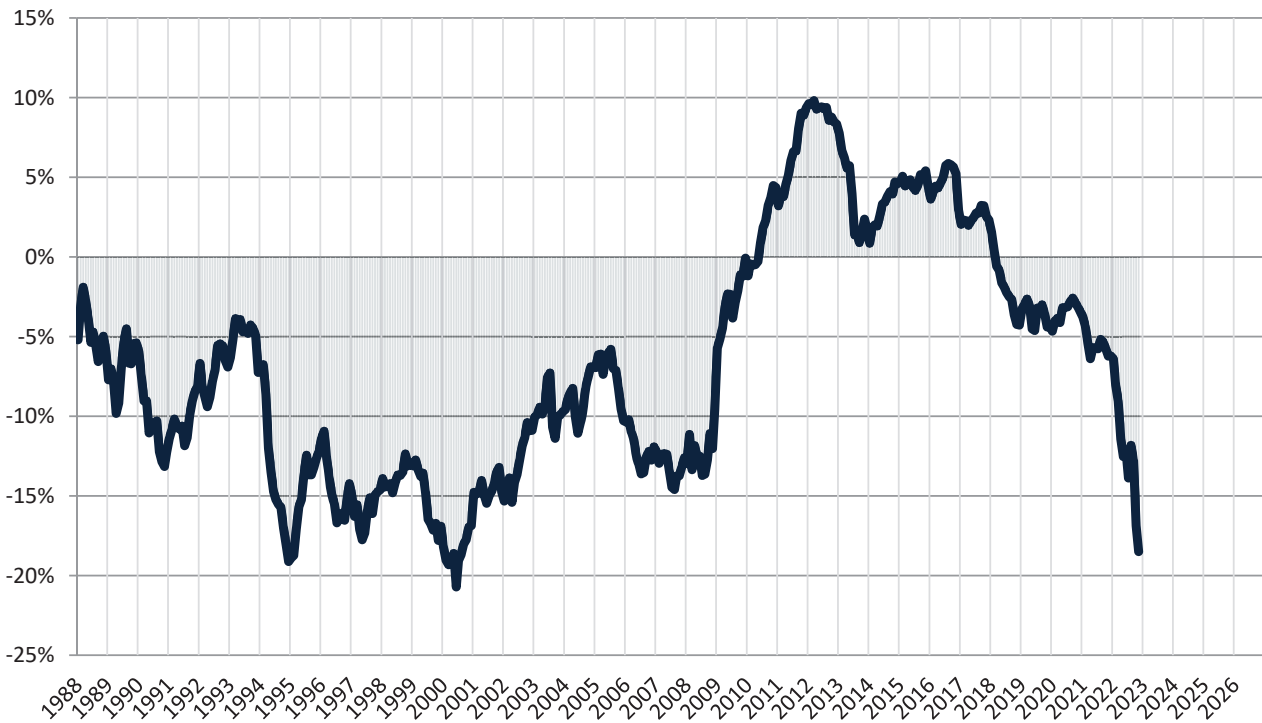
TAIT Housing Report® Market Timing System Rating: Boise since January 1988



Cash Investor Capitalization Rate: Boise since January 1988



Financed Investor Cash-on-Cash Return: Boise since January 1988





**Market Performance and Trends: Boise and Major Cities and Zips**

Study Area	Median Resale \$	Resale % Change YoY	Median Resale \$	Rent % Change YoY	Median Rent \$	Cost of Ownership	Ownership Prem./Disc.	Cap Rate
Boise	\$ 495,900	↓ -4.9%	\$ 495,900	↔ 8.7%	\$ 2,032	\$ 3,138	\$ 1,105	3.9%
Ada County	\$ 520,000	↓ -4.5%	\$ 520,000	↔ 8.5%	\$ 1,895	\$ 3,290	\$ 1,395	3.5%
Canyon County	\$ 407,100	↓ -2.8%	\$ 407,100	↔ 9.9%	\$ 1,572	\$ 2,576	\$ 1,004	3.7%
Kootenai County	\$ 571,900	↔ 0.2%	\$ 571,900	↔ 8.7%	\$ 1,903	\$ 3,619	\$ 1,715	3.2%
Bonneville County	\$ 420,100	↔ 13.9%	\$ 420,100	↔ 12.0%	\$ 1,282	\$ 2,658	\$ 1,376	2.9%
Bannock County	\$ 334,500	↔ 11.6%	\$ 334,500	↔ 34.9%	\$ 1,408	\$ 2,116	\$ 709	4.0%
Nampa	\$ 405,400	↓ -2.9%	\$ 405,400	↔ 10.2%	\$ 1,473	\$ 2,565	\$ 1,092	3.5%
Meridian	\$ 532,700	↓ -4.2%	\$ 532,700	↔ 8.6%	\$ 2,160	\$ 3,371	\$ 1,210	3.9%
Coeur d'Alene	\$ 583,100	↔ 0.6%	\$ 583,100	↔ 7.9%	\$ 1,991	\$ 3,689	\$ 1,699	3.3%
Twin Falls	\$ 378,400	↔ 10.8%	\$ 378,400	↔ 30.6%	\$ 1,824	\$ 2,394	\$ 570	4.6%
Pocatello	\$ 316,500	↔ 11.7%	\$ 316,500	↔ 24.7%	\$ 1,247	\$ 2,003	\$ 755	3.8%
Southeast Boise	\$ 525,000	↓ -4.6%	\$ 525,000	↑ 3.7%	\$ 1,694	\$ 3,322	\$ 1,628	3.1%
West Valley	\$ 436,900	↓ -5.3%	\$ 436,900	↑ 3.7%	\$ 1,585	\$ 2,764	\$ 1,180	3.5%
West Bench	\$ 433,700	↓ -6.7%	\$ 433,700	↑ 3.7%	\$ 1,564	\$ 2,744	\$ 1,180	3.5%
Southwest Ada County	\$ 493,400	↓ -4.7%	\$ 493,400	↑ 3.7%	\$ 1,781	\$ 3,122	\$ 1,341	3.5%
North End	\$ 723,100	↓ -5.8%	\$ 723,100	↑ 3.7%	\$ 1,926	\$ 4,575	\$ 2,649	2.6%
Vista	\$ 402,000	↓ -5.7%	\$ 402,000	↑ 3.7%	\$ 1,469	\$ 2,544	\$ 1,074	3.5%
Borah	\$ 432,100	↓ -4.9%	\$ 432,100	↑ 3.7%	\$ 1,529	\$ 2,734	\$ 1,205	3.4%
Winstead Park	\$ 428,200	↓ -5.2%	\$ 428,200	↑ 3.7%	\$ 1,536	\$ 2,709	\$ 1,173	3.4%
Collister	\$ 513,700	↓ -6.3%	\$ 513,700	↑ 3.7%	\$ 1,645	\$ 3,250	\$ 1,605	3.1%
Depot Bench	\$ 475,300	↓ -4.7%	\$ 475,300	↑ 3.7%	\$ 1,545	\$ 3,007	\$ 1,462	3.1%
East End	\$ 744,900	↓ -5.3%	\$ 744,900	↑ 3.7%	\$ 2,048	\$ 4,713	\$ 2,665	2.6%
Central Bench	\$ 404,400	↓ -4.4%	\$ 404,400	↑ 3.7%	\$ 1,452	\$ 2,559	\$ 1,107	3.4%
Hillcrest	\$ 452,000	↓ -4.4%	\$ 452,000	↑ 3.7%	\$ 1,553	\$ 2,860	\$ 1,307	3.3%
Sunset	\$ 500,300	↔ 8.2%	\$ 500,300	↑ 3.7%	\$ 1,617	\$ 3,166	\$ 1,548	3.1%
Maple Grove - Franklin	\$ 358,800	↑ 4.5%	\$ 358,800	↑ 3.7%	\$ 1,690	\$ 2,270	\$ 580	4.5%

**Market Performance and Trends: Boise and Major Cities and Zips**

Study Area	Median Resale \$	Resale % Change YoY	Median Resale \$	Rent % Change YoY	Median Rent \$	Cost of Ownership	Ownership Prem./Disc.	Cap Rate
South Boise Village	\$ 390,700	↑ 6.7%	\$ 390,700	↑ 3.7%	\$ 1,521	\$ 2,472	\$ 951	3.7%
Highlands	\$ 929,000	↔ 8.7%	\$ 929,000	↑ 3.7%	\$ 2,772	\$ 5,878	\$ 3,106	2.9%
Morris Hill	\$ 328,200	↑ 6.1%	\$ 328,200	↑ 3.7%	\$ 1,460	\$ 2,077	\$ 617	4.3%
West Cloverdale	\$ 447,000	↑ 5.2%	\$ 447,000	↑ 3.7%	\$ 1,857	\$ 2,828	\$ 972	4.0%
83646	\$ 536,200	↓ -4.2%	\$ 536,200	↔ 9.0%	\$ 2,242	\$ 3,393	\$ 1,150	4.0%
83709	\$ 476,300	↓ -4.6%	\$ 476,300	↔ 8.1%	\$ 2,054	\$ 3,014	\$ 959	4.1%
83642	\$ 528,300	↓ -4.1%	\$ 528,300	↔ 8.5%	\$ 1,996	\$ 3,343	\$ 1,347	3.6%
83704	\$ 420,500	↓ -5.9%	\$ 420,500	↔ 8.2%	\$ 1,627	\$ 2,661	\$ 1,033	3.7%
83706	\$ 504,900	↓ -3.9%	\$ 504,900	↔ 9.2%	\$ 1,807	\$ 3,195	\$ 1,388	3.4%
83705	\$ 424,800	↓ -5.2%	\$ 424,800	↔ 12.6%	\$ 1,514	\$ 2,688	\$ 1,173	3.4%
83702	\$ 734,700	↓ -5.3%	\$ 734,700	↔ 9.2%	\$ 1,756	\$ 4,649	\$ 2,893	2.3%
83616	\$ 835,800	↓ -3.5%	\$ 835,800	↔ 10.7%	\$ 2,517	\$ 5,288	\$ 2,771	2.9%
83713	\$ 470,600	↓ -4.9%	\$ 470,600	↔ 8.4%	\$ 1,893	\$ 2,978	\$ 1,085	3.9%
83714	\$ 559,700	↓ -3.4%	\$ 559,700	↑ 5.9%	\$ 1,773	\$ 3,541	\$ 1,768	3.0%
83634	\$ 448,600	↓ -3.7%	\$ 448,600	↔ 7.6%	\$ 2,073	\$ 2,838	\$ 765	4.4%
83703	\$ 520,000	↓ -6.0%	\$ 520,000	↔ 9.6%	\$ 1,725	\$ 3,290	\$ 1,565	3.2%
83716	\$ 616,800	↓ -3.1%	\$ 616,800	↑ 6.0%	\$ 2,015	\$ 3,903	\$ 1,888	3.1%
83669	\$ 597,300	↓ -3.1%	\$ 597,300	↔ 12.1%	\$ 2,126	\$ 3,779	\$ 1,653	3.4%
83712	\$ 771,700	↓ -5.3%	\$ 771,700	↑ 3.7%	\$ 2,167	\$ 4,883	\$ 2,716	2.7%

**Market Timing Rating and Valuations: Boise and Major Cities and Zips**

Study Area	Rating	Median	Rental Parity	% Over/Under Rental Parity	Historic Premium	% Over/Under Historic Prem.
Boise	↓ 1	\$ 495,900	\$ 321,200	● 54.4%	10.8%	● 43.6%
Ada County	↓ 1	\$ 520,000	\$ 299,500	● 73.6%	14.1%	● 59.5%
Canyon County	↓ 1	\$ 407,100	\$ 248,400	● 63.9%	-14.8%	● 78.7%
Kootenai County	↓ 1	\$ 571,900	\$ 300,700	● 90.2%	-9.8%	● 100.0%
Bonneville County	↓ 1	\$ 420,100	\$ 202,600	● 107.4%	-26.6%	● 134.0%
Bannock County	↓ 1	\$ 334,500	\$ 222,400	● 50.4%	-7.9%	● 58.3%
Nampa	↓ 1	\$ 405,400	\$ 232,800	● 74.2%	-8.4%	● 82.6%
Meridian	↓ 1	\$ 532,700	\$ 341,400	● 56.1%	-0.9%	● 57.0%
Coeur d'Alene	↓ 1	\$ 583,100	\$ 314,600	● 85.4%	-10.6%	● 96.0%
Twin Falls	↓ 1	\$ 378,400	\$ 288,200	● 31.3%	-14.3%	● 45.6%
Pocatello	↓ 1	\$ 316,500	\$ 197,100	● 60.6%	-9.9%	● 70.5%
Southeast Boise	↓ 1	\$ 525,000	\$ 267,700	● 96.1%	-2.3%	● 98.4%
West Valley	↓ 1	\$ 436,900	\$ 250,400	● 74.5%	-8.9%	● 83.4%
West Bench	↓ 1	\$ 433,700	\$ 247,200	● 75.5%	-9.5%	● 85.0%
Southwest Ada County	↓ 1	\$ 493,400	\$ 281,400	● 75.3%	-2.7%	● 78.0%
North End	↓ 1	\$ 723,100	\$ 304,400	● 137.5%	6.8%	● 130.7%
Vista	↓ 1	\$ 402,000	\$ 232,200	● 73.1%	-17.6%	● 90.7%
Borah	↓ 1	\$ 432,100	\$ 241,600	● 78.9%	-11.5%	● 90.4%
Winstead Park	↓ 1	\$ 428,200	\$ 242,800	● 76.4%	-14.0%	● 90.4%
Collister	↓ 1	\$ 513,700	\$ 260,000	● 97.6%	-6.1%	● 103.7%
Depot Bench	↓ 1	\$ 475,300	\$ 244,200	● 94.6%	-8.7%	● 103.3%
East End	↓ 1	\$ 744,900	\$ 323,700	● 130.1%	3.6%	● 126.5%
Central Bench	↓ 1	\$ 404,400	\$ 229,400	● 76.3%	-17.5%	● 93.8%
Hillcrest	↓ 1	\$ 452,000	\$ 245,300	● 84.3%	-10.3%	● 94.6%
Sunset	↓ 1	\$ 500,300	\$ 255,600	● 95.8%	-8.3%	● 104.1%
Maple Grove - Franklin	↘ 3	\$ 358,800	\$ 267,100	● 34.3%	-7.5%	● 41.8%

**Market Timing Rating and Valuations: Boise and Major Cities and Zips**

Study Area	Rating	Median	Rental Parity	% Over/Under Rental Parity	Historic Premium	% Over/Under Historic Prem.
South Boise Village	↓ 1	\$ 390,700	\$ 240,300	● 62.6%	-10.8%	● 73.4%
Highlands	↓ 1	\$ 929,000	\$ 438,000	● 112.1%	-6.4%	● 118.5%
Morris Hill	↓ 1	\$ 328,200	\$ 230,600	● 42.3%	-16.1%	● 58.4%
West Cloverdale	↓ 1	\$ 447,000	\$ 293,400	● 52.3%	-14.8%	● 57.8%
83646	↓ 1	\$ 536,200	\$ 354,400	● 51.3%	-1.7%	● 53.0%
83709	↓ 1	\$ 476,300	\$ 324,600	● 46.7%	-3.8%	● 50.5%
83642	↓ 1	\$ 528,300	\$ 315,400	● 67.5%	1.1%	● 66.4%
83704	↓ 1	\$ 420,500	\$ 257,100	● 63.6%	-13.0%	● 76.6%
83706	↓ 1	\$ 504,900	\$ 285,500	● 76.8%	-4.8%	● 81.6%
83705	↓ 1	\$ 424,800	\$ 239,300	● 77.5%	-16.6%	● 94.1%
83702	↓ 1	\$ 734,700	\$ 277,500	● 164.7%	30.4%	● 134.3%
83616	↓ 1	\$ 835,800	\$ 397,800	● 110.1%	33.7%	● 76.4%
83713	↓ 1	\$ 470,600	\$ 299,100	● 57.4%	16.2%	● 41.2%
83714	↓ 1	\$ 559,700	\$ 280,200	● 99.7%	27.1%	● 72.6%
83634	↓ 2	\$ 448,600	\$ 327,600	● 36.9%	13.4%	● 23.5%
83703	↓ 1	\$ 520,000	\$ 272,600	● 90.7%	16.4%	● 74.3%
83716	↓ 1	\$ 616,800	\$ 318,400	● 93.7%	24.4%	● 69.3%
83669	↓ 1	\$ 597,300	\$ 336,000	● 77.7%	42.8%	● 34.9%
83712	↓ 1	\$ 771,700	\$ 342,400	● 125.4%	24.0%	● 101.4%

## Ada County Housing Market Value & Trends Update

Historically, properties in this market sell at a 14.1% premium. Today's premium is 73.6%. This market is 59.5% overvalued.

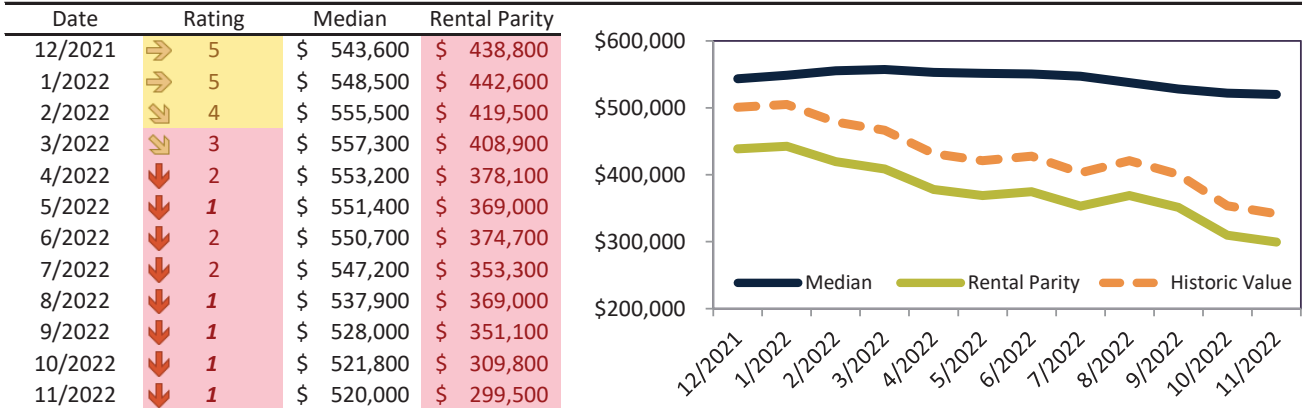
Median home price is \$520,000. Prices fell 4.5% year-over-year.

Monthly cost of ownership is \$3,290, and rents average \$1,895, making owning \$1,394 per month more costly than renting.

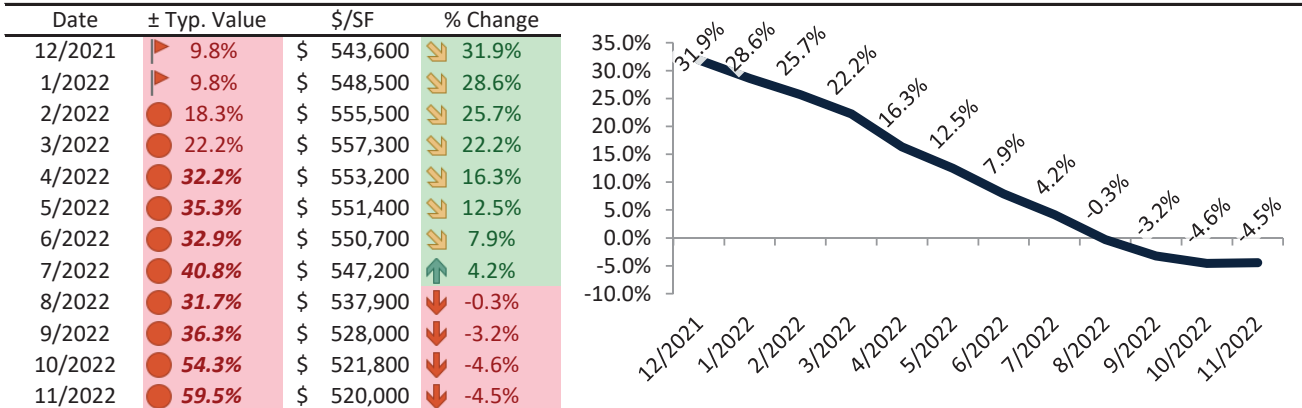
Rents rose 8.5% year-over-year. The current capitalization rate (rent/price) is 3.5%.

Market rating = 1

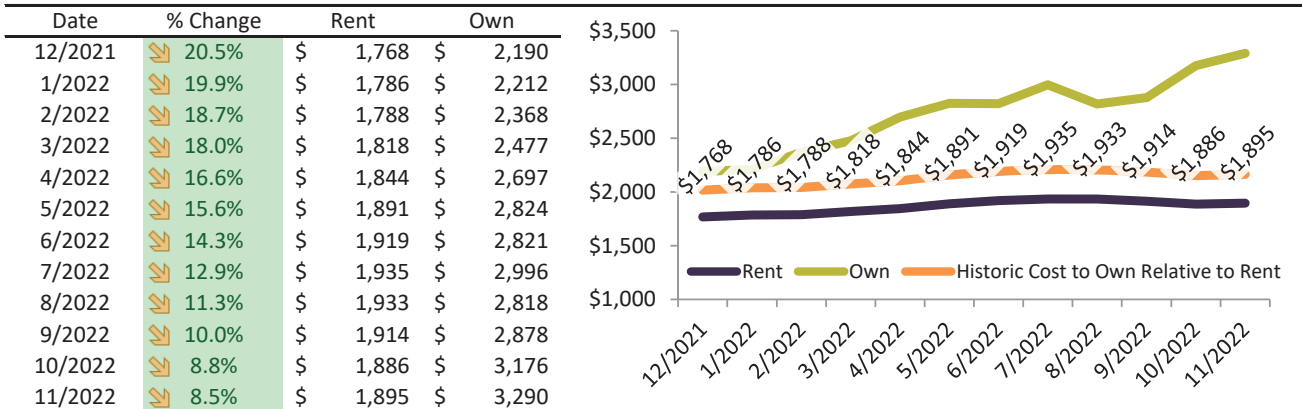
### Median Home Price and Rental Parity trailing twelve months



### Resale \$/SF and year-over-year percentage change trailing twelve months



### Rental rate and year-over-year percentage change trailing twelve months

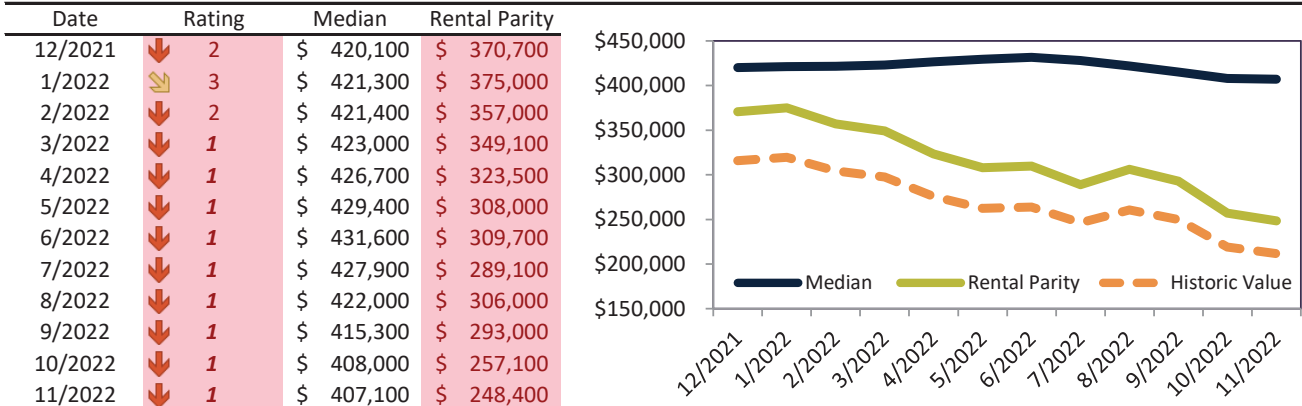


## Canyon County Housing Market Value & Trends Update

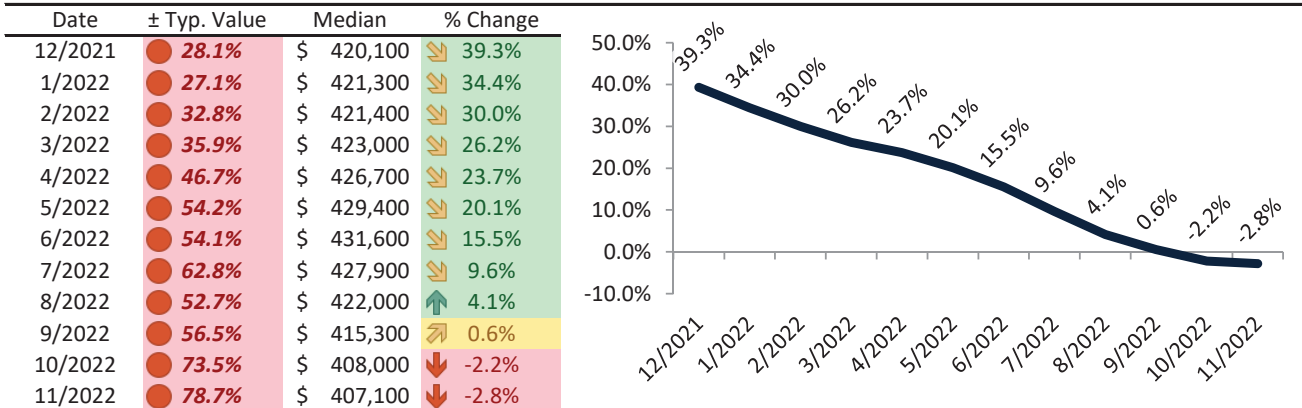
Historically, properties in this market sell at a -14.8% discount. Today's premium is 63.9%. This market is 78.7% overvalued. Median home price is \$407,100. Prices fell 2.8% year-over-year. Monthly cost of ownership is \$2,575, and rents average \$1,572, making owning \$1,003 per month more costly than renting. Rents rose 9.9% year-over-year. The current capitalization rate (rent/price) is 3.7%.

Market rating = 1

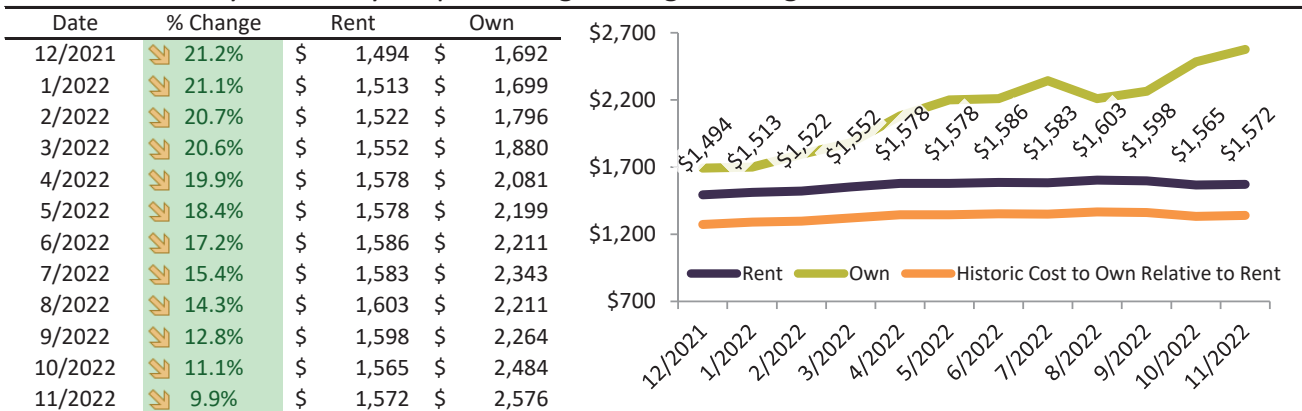
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



### Rental rate and year-over-year percentage change trailing twelve months

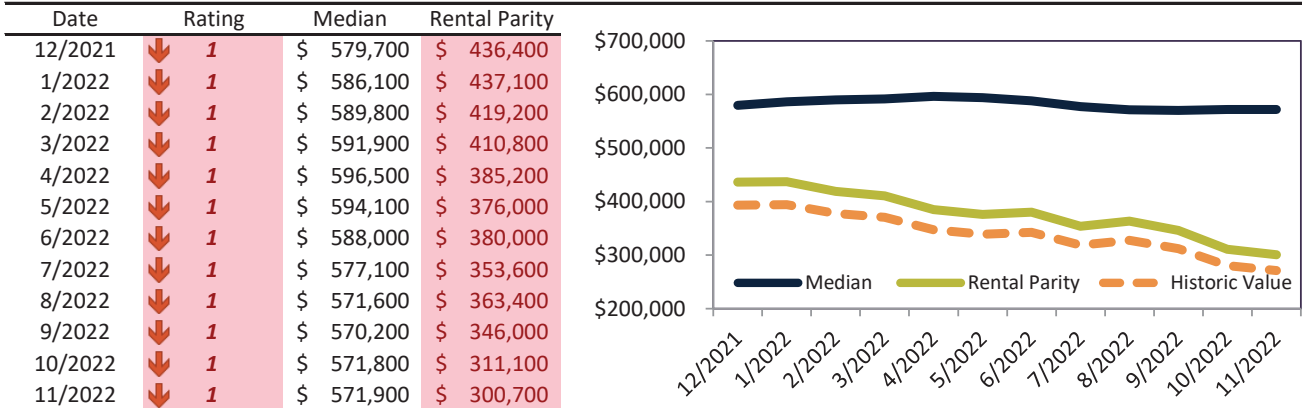


## Kootenai County Housing Market Value & Trends Update

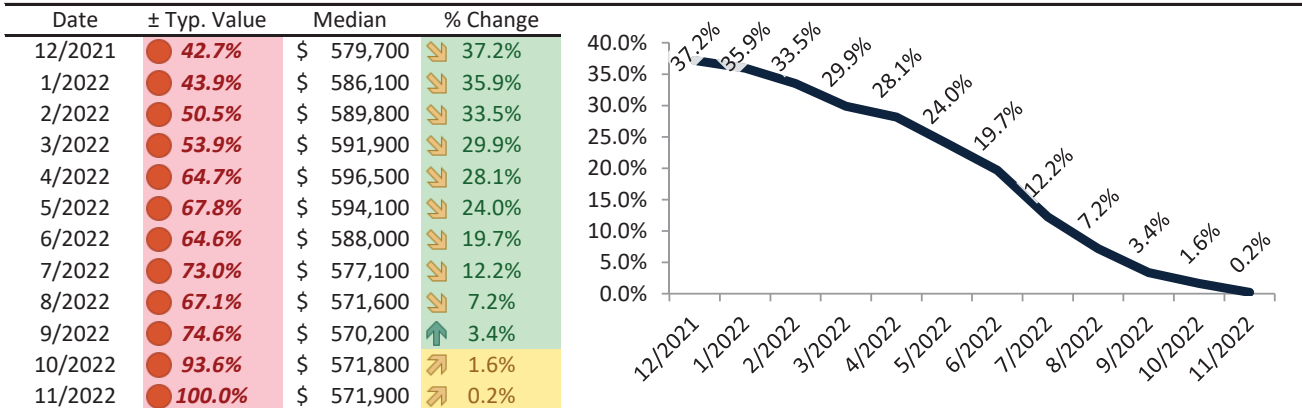
Historically, properties in this market sell at a -9.8% discount. Today's premium is 90.2%. This market is 100.0% overvalued. Median home price is \$571,900. Prices rose 0.2% year-over-year. Monthly cost of ownership is \$3,618, and rents average \$1,903, making owning \$1,715 per month more costly than renting. Rents rose 8.7% year-over-year. The current capitalization rate (rent/price) is 3.2%.

Market rating = 1

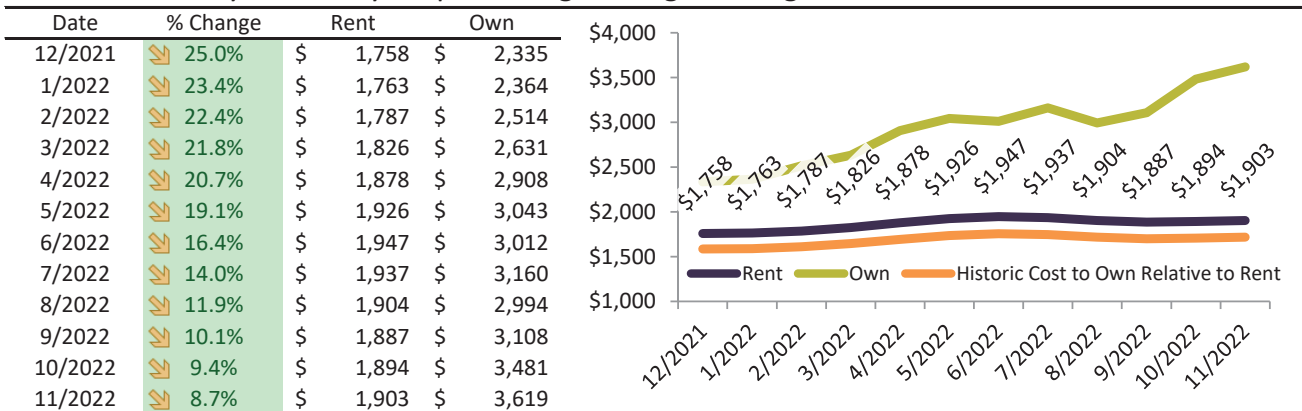
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



### Rental rate and year-over-year percentage change trailing twelve months



### Bonneville County Housing Market Value & Trends Update

Historically, properties in this market sell at a -26.6% discount. Today's premium is 107.4%. This market is 134.0% overvalued.

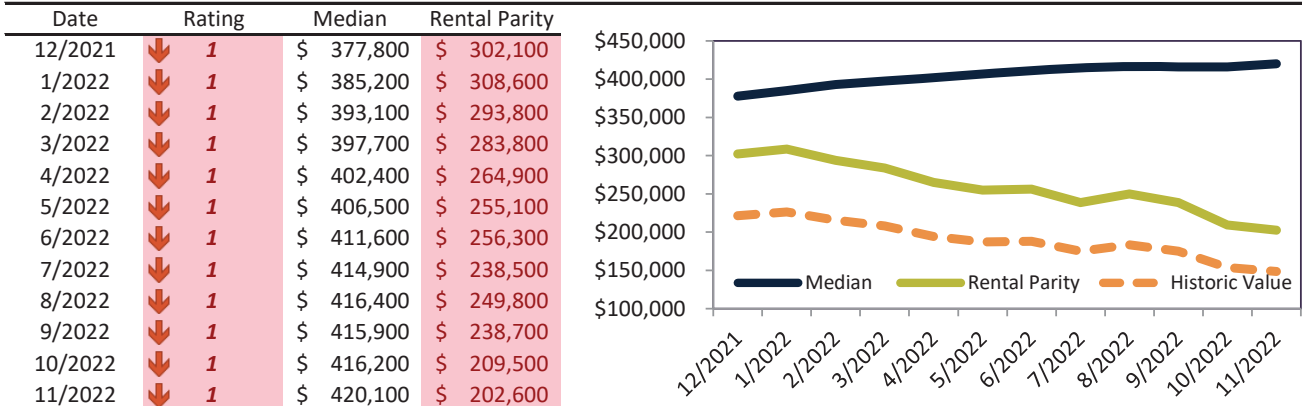
Median home price is \$420,100. Prices rose 13.9% year-over-year.

Monthly cost of ownership is \$2,658, and rents average \$1,282, making owning \$1,375 per month more costly than renting.

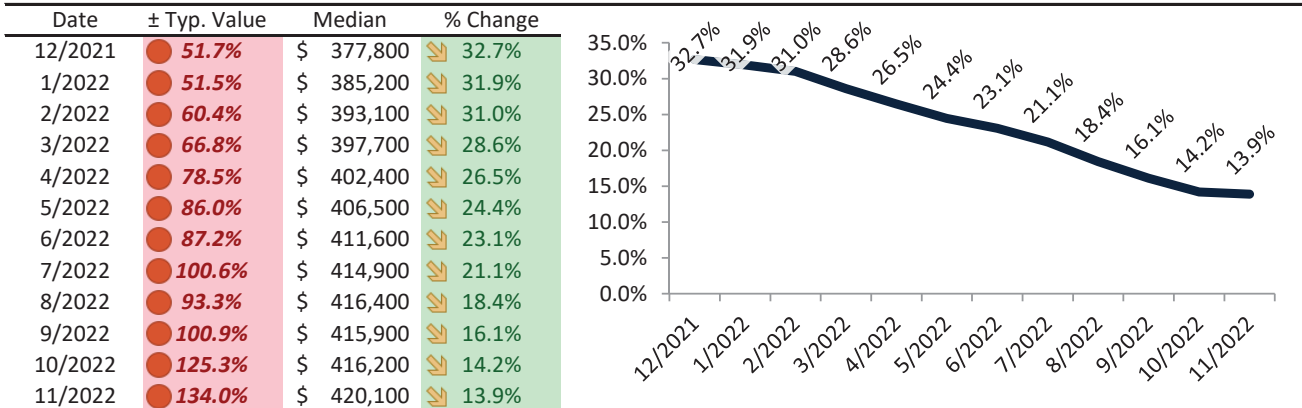
Rents rose 12.0% year-over-year. The current capitalization rate (rent/price) is 2.9%.

**Market rating = 1**

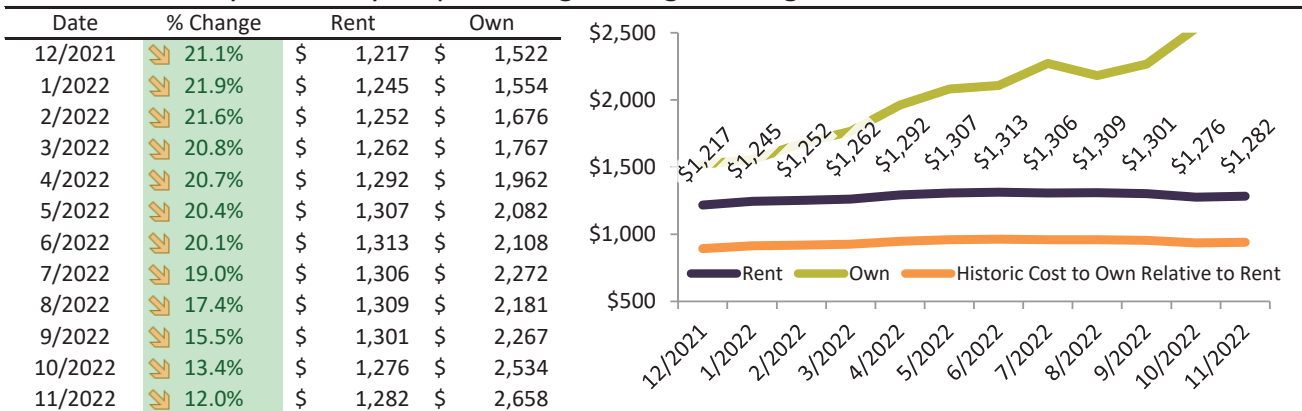
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months



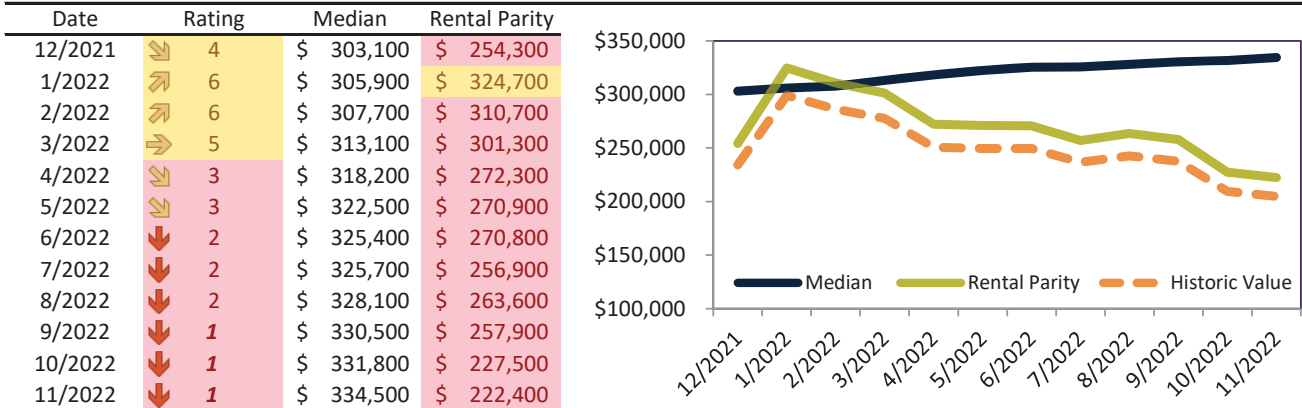


## Bannock County Housing Market Value & Trends Update

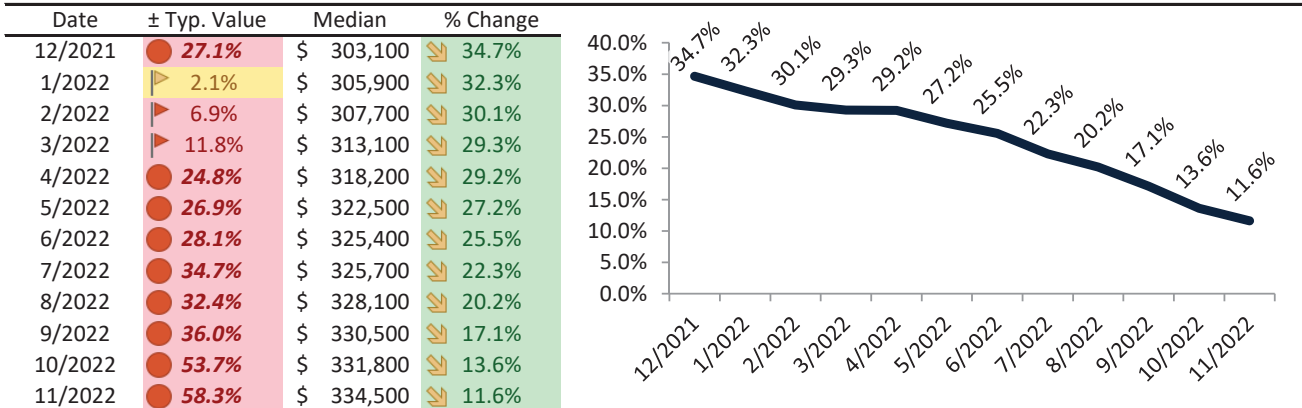
Historically, properties in this market sell at a -7.9% discount. Today's premium is 50.4%. This market is 58.3% overvalued. Median home price is \$334,500. Prices rose 11.6% year-over-year. Monthly cost of ownership is \$2,116, and rents average \$1,407, making owning \$708 per month more costly than renting. Rents rose 34.9% year-over-year. The current capitalization rate (rent/price) is 4.0%.

Market rating = 1

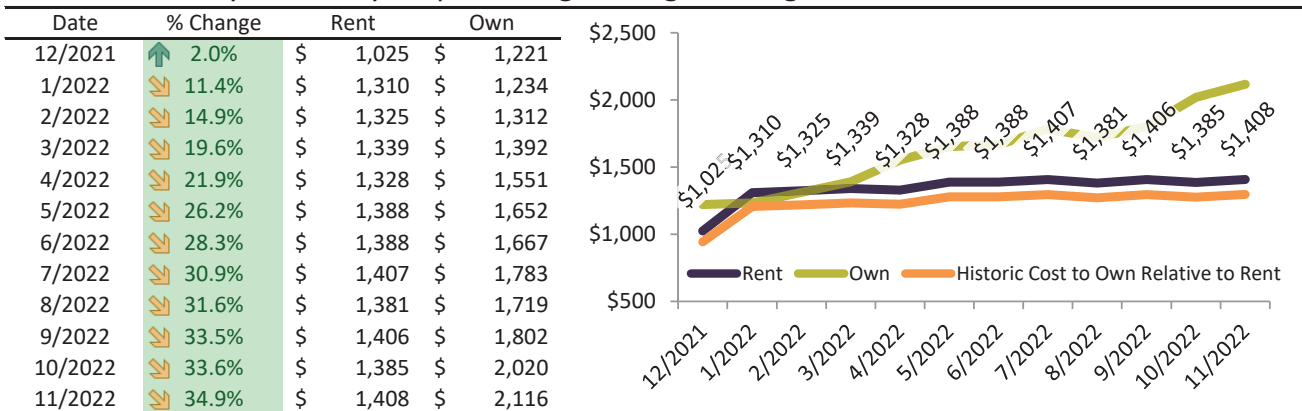
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



### Rental rate and year-over-year percentage change trailing twelve months



## Nampa Housing Market Value & Trends Update

Historically, properties in this market sell at a -8.4% discount. Today's premium is 74.2%. This market is 82.6% overvalued.

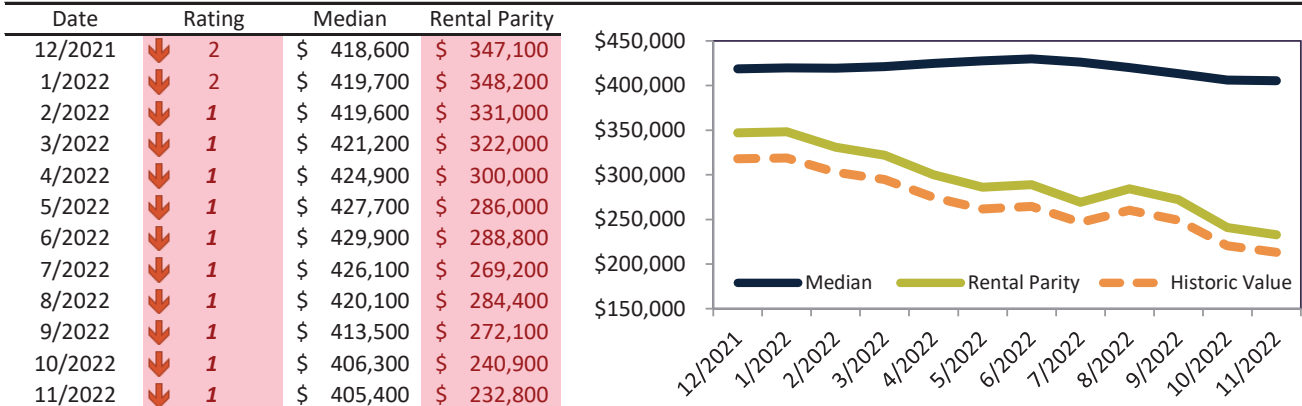
Median home price is \$405,400. Prices fell 2.9% year-over-year.

Monthly cost of ownership is \$2,565, and rents average \$1,473, making owning \$1,091 per month more costly than renting.

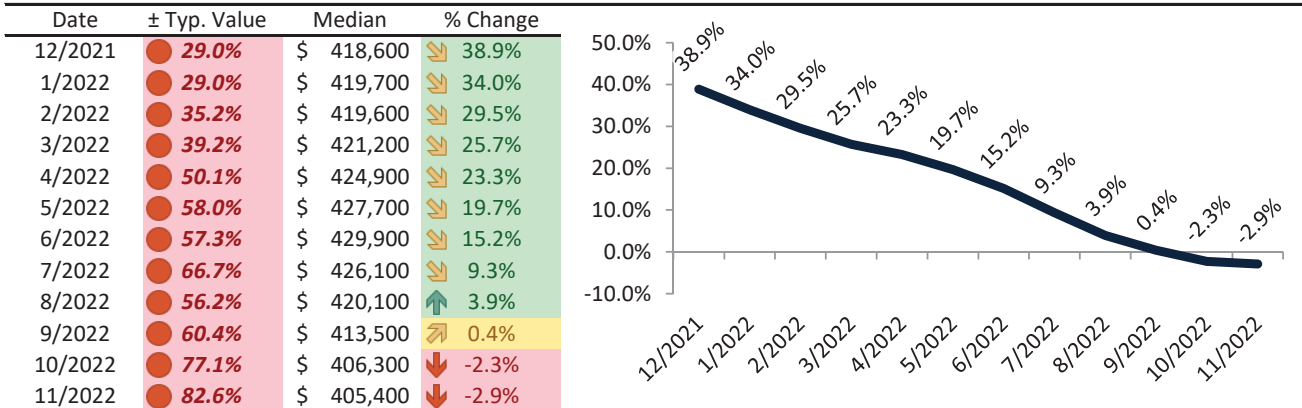
Rents rose 10.2% year-over-year. The current capitalization rate (rent/price) is 3.5%.

**Market rating = 1**

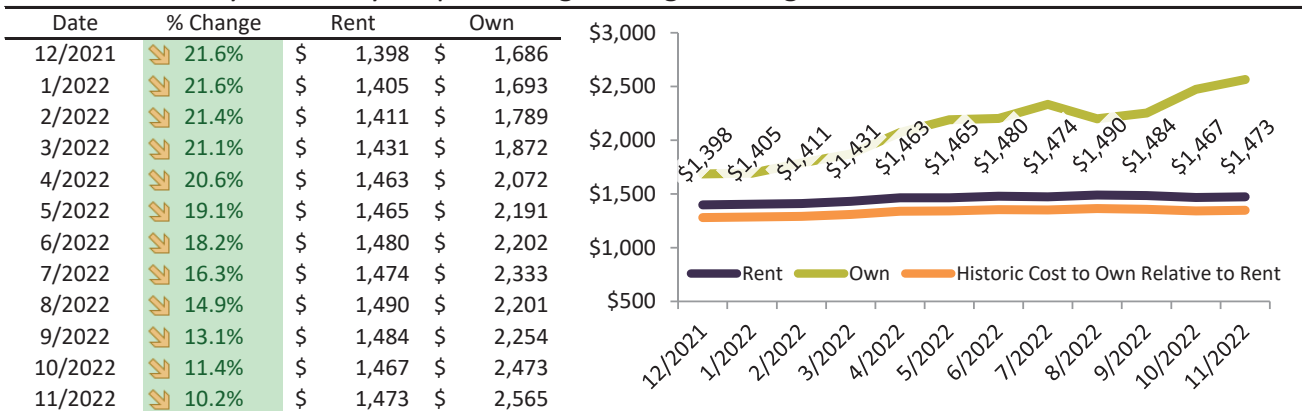
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



### Rental rate and year-over-year percentage change trailing twelve months



### Meridian Housing Market Value & Trends Update

Historically, properties in this market sell at a -0.9% discount. Today's premium is 56.1%. This market is 57.0% overvalued.

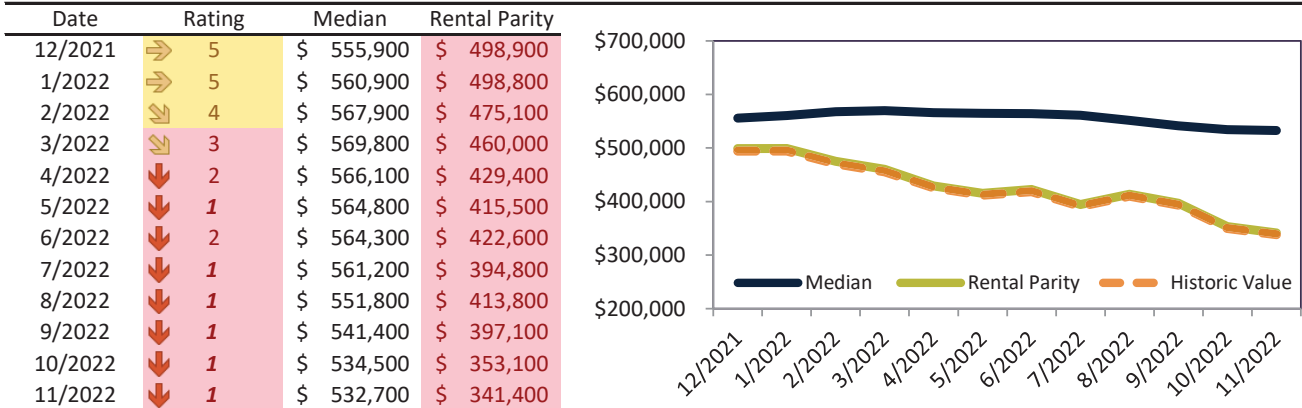
Median home price is \$532,700. Prices fell 4.2% year-over-year.

Monthly cost of ownership is \$3,370, and rents average \$2,160, making owning \$1,210 per month more costly than renting.

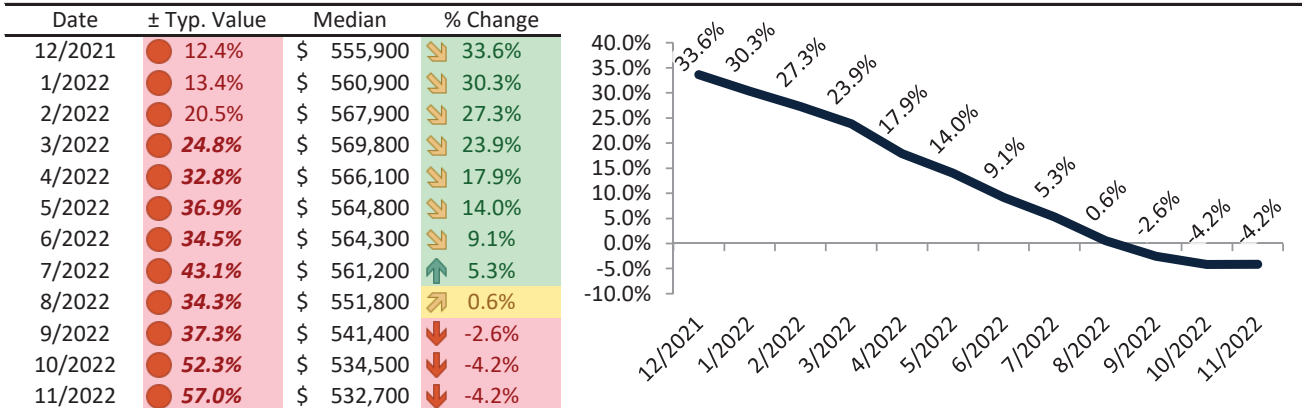
Rents rose 8.6% year-over-year. The current capitalization rate (rent/price) is 3.9%.

**Market rating = 1**

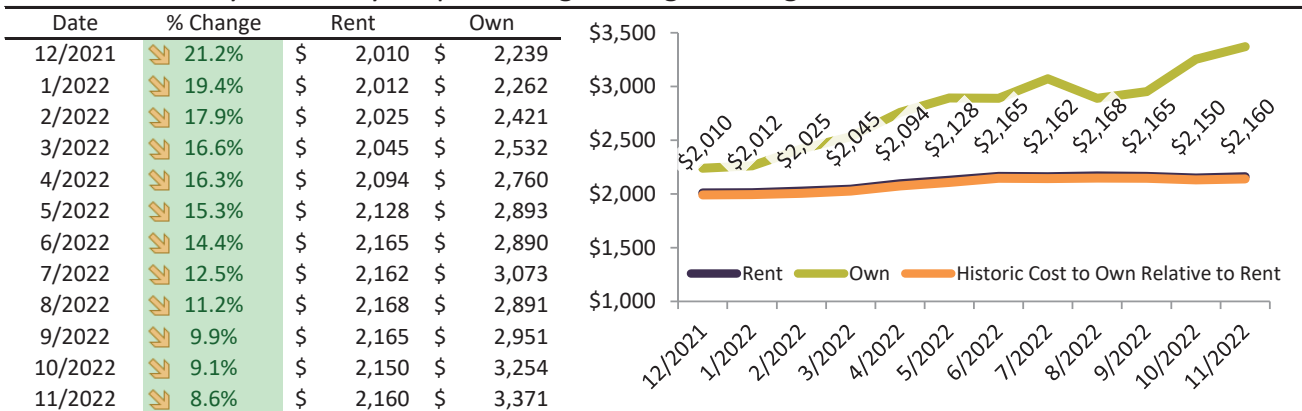
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

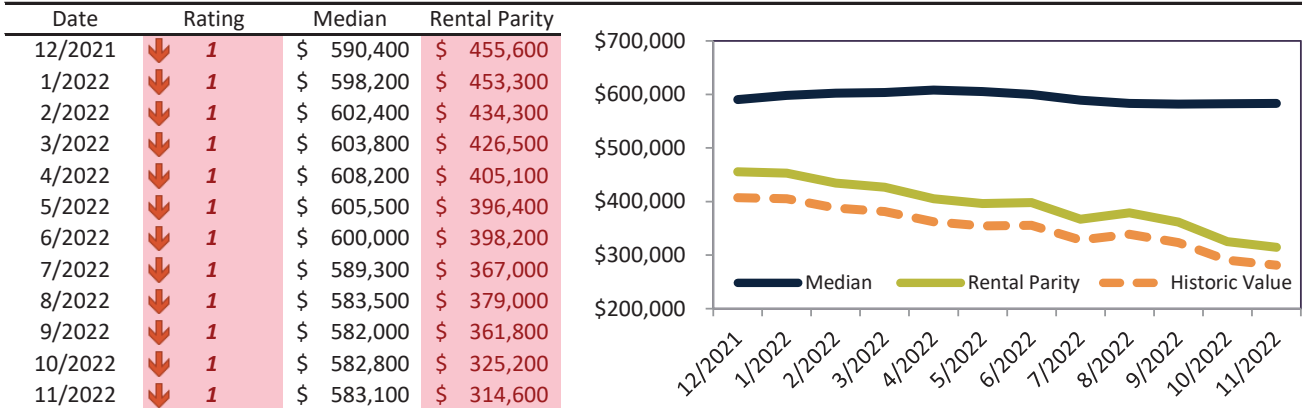


### Coeur d'Alene Housing Market Value & Trends Update

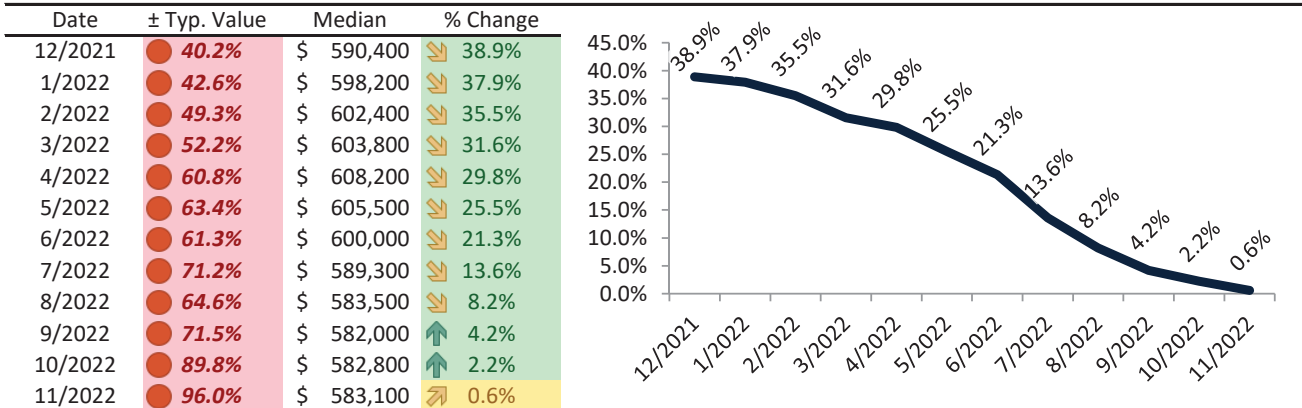
Historically, properties in this market sell at a -10.6% discount. Today's premium is 85.4%. This market is 96.0% overvalued. Median home price is \$583,100. Prices rose 0.6% year-over-year. Monthly cost of ownership is \$3,689, and rents average \$1,990, making owning \$1,698 per month more costly than renting. Rents rose 7.9% year-over-year. The current capitalization rate (rent/price) is 3.3%.

Market rating = 1

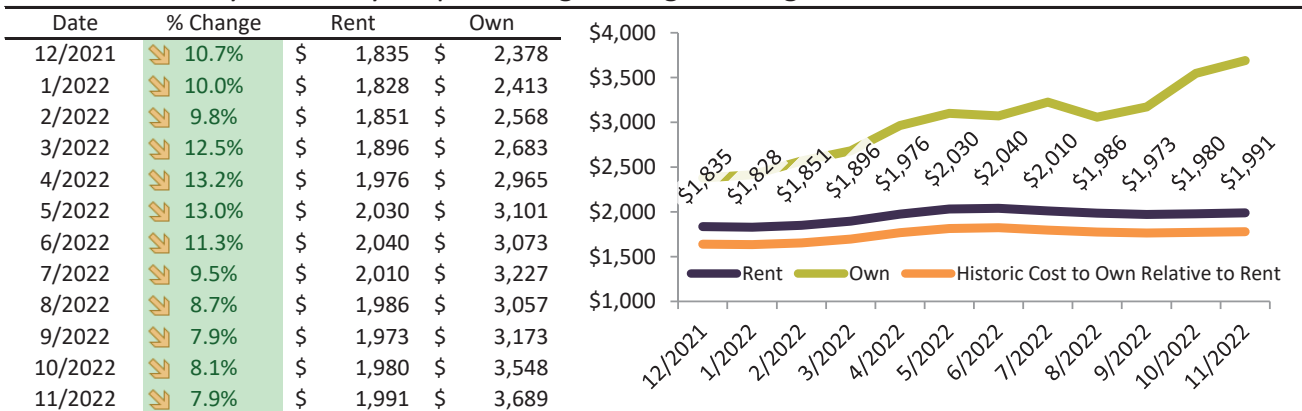
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

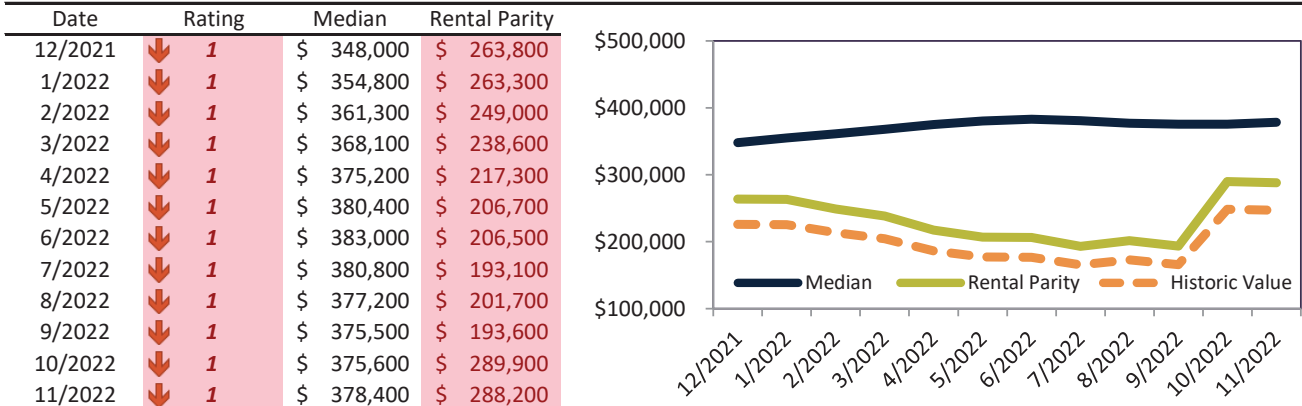


## Twin Falls Housing Market Value & Trends Update

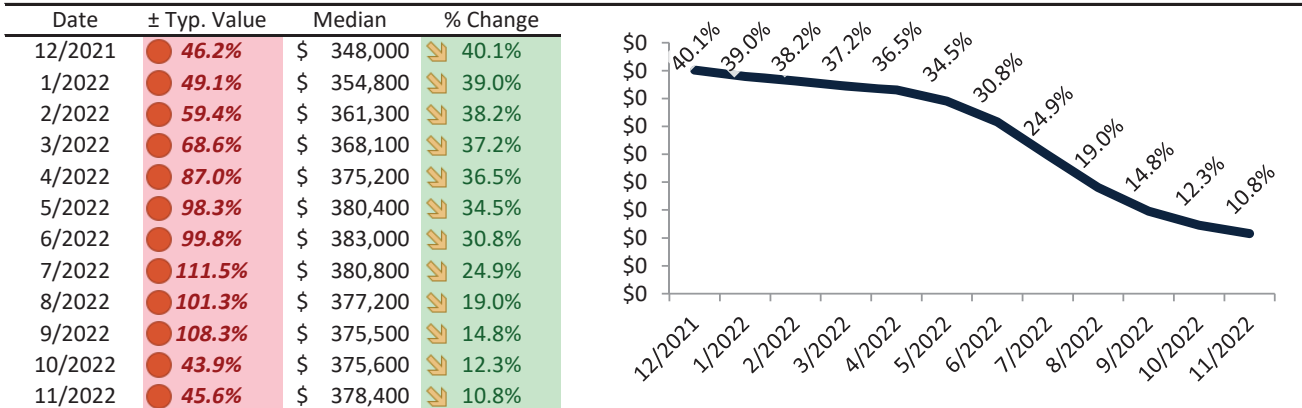
Historically, properties in this market sell at a -14.3% discount. Today's premium is 31.3%. This market is 45.6% overvalued. Median home price is \$378,400. Prices rose 10.8% year-over-year. Monthly cost of ownership is \$2,394, and rents average \$1,823, making owning \$570 per month more costly than renting. Rents rose 30.6% year-over-year. The current capitalization rate (rent/price) is 4.6%.

Market rating = 1

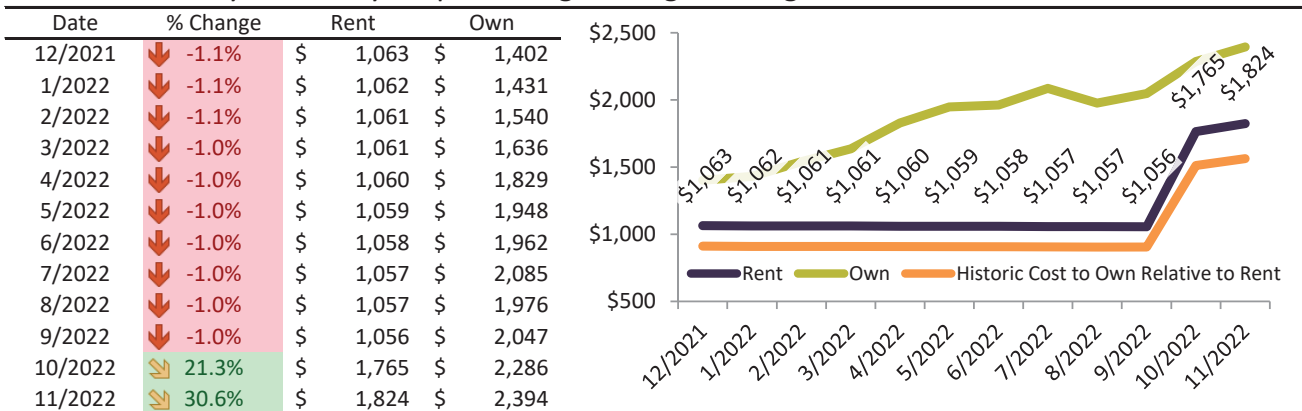
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



### Rental rate and year-over-year percentage change trailing twelve months

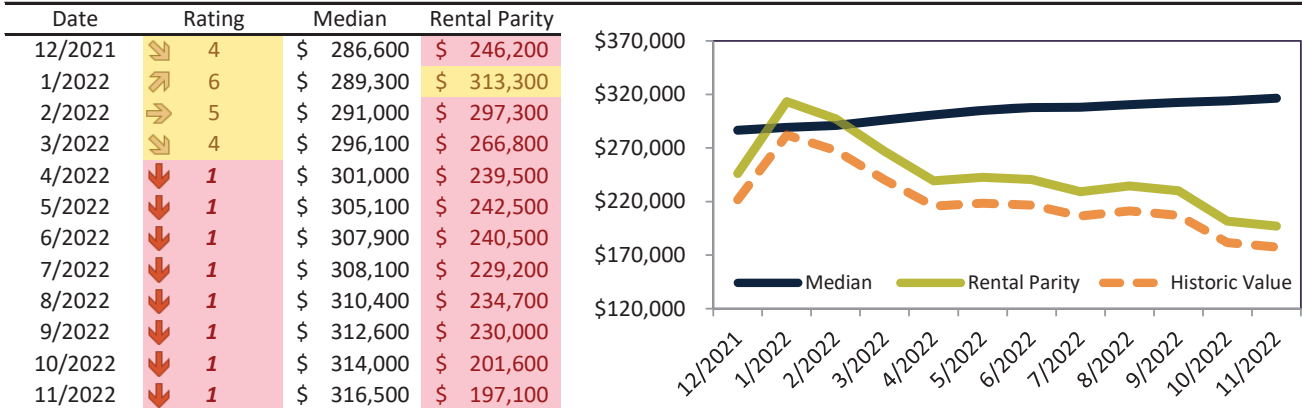


### Pocatello Housing Market Value & Trends Update

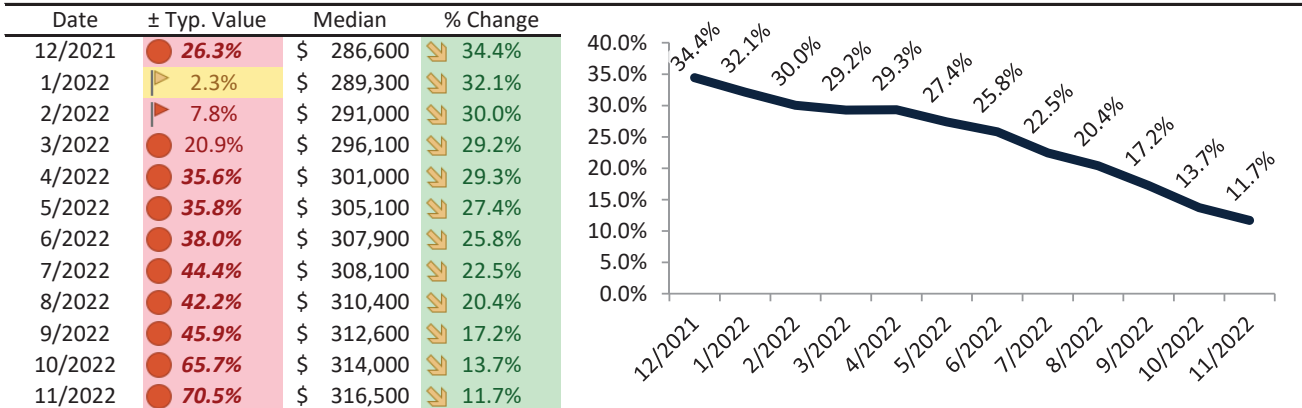
Historically, properties in this market sell at a -9.9% discount. Today's premium is 60.6%. This market is 70.5% overvalued. Median home price is \$316,500. Prices rose 11.7% year-over-year. Monthly cost of ownership is \$2,002, and rents average \$1,247, making owning \$755 per month more costly than renting. Rents rose 24.7% year-over-year. The current capitalization rate (rent/price) is 3.8%.

Market rating = 1

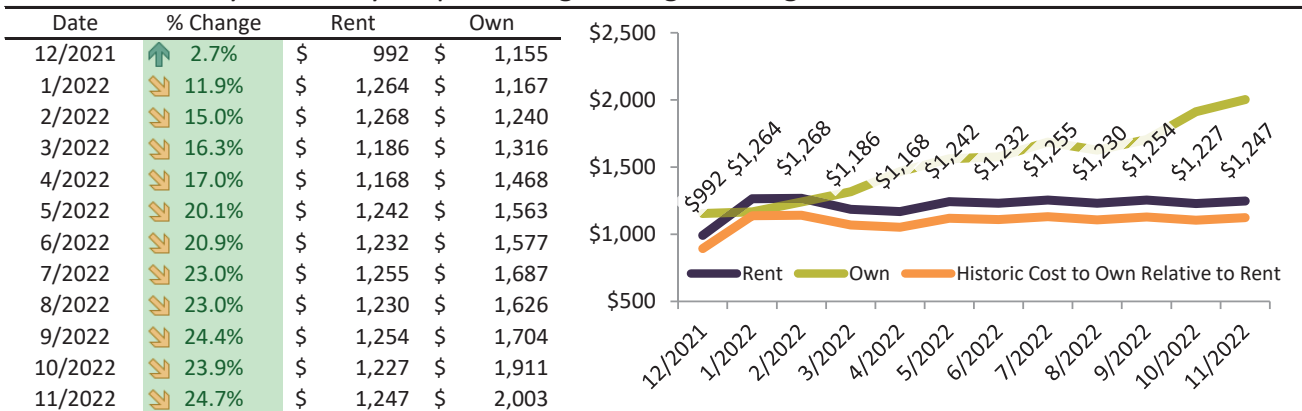
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months



### Southeast Boise Housing Market Value & Trends Update

Historically, properties in this market sell at a -2.3% discount. Today's premium is 96.1%. This market is 98.4% overvalued.

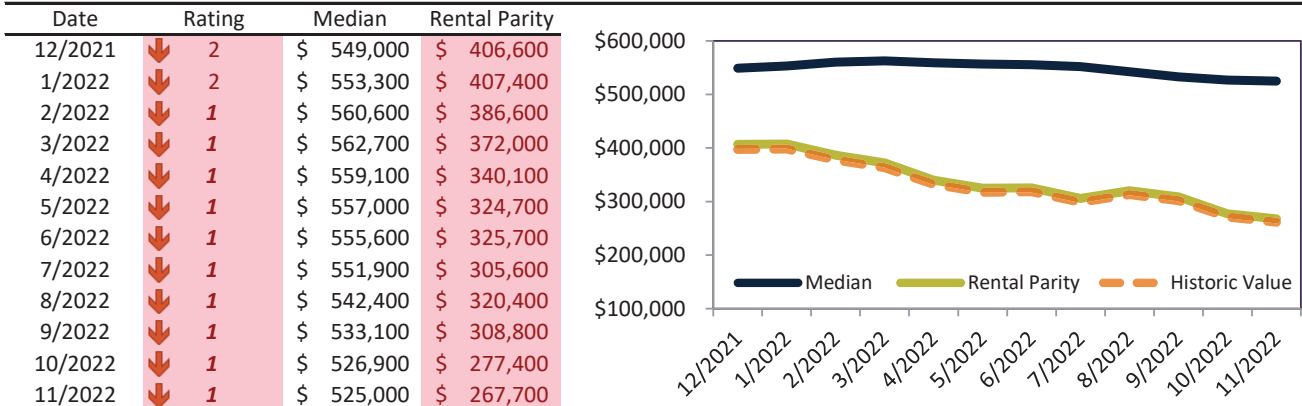
Median home price is \$525,000. Prices fell 4.6% year-over-year.

Monthly cost of ownership is \$3,321, and rents average \$1,694, making owning \$1,627 per month more costly than renting.

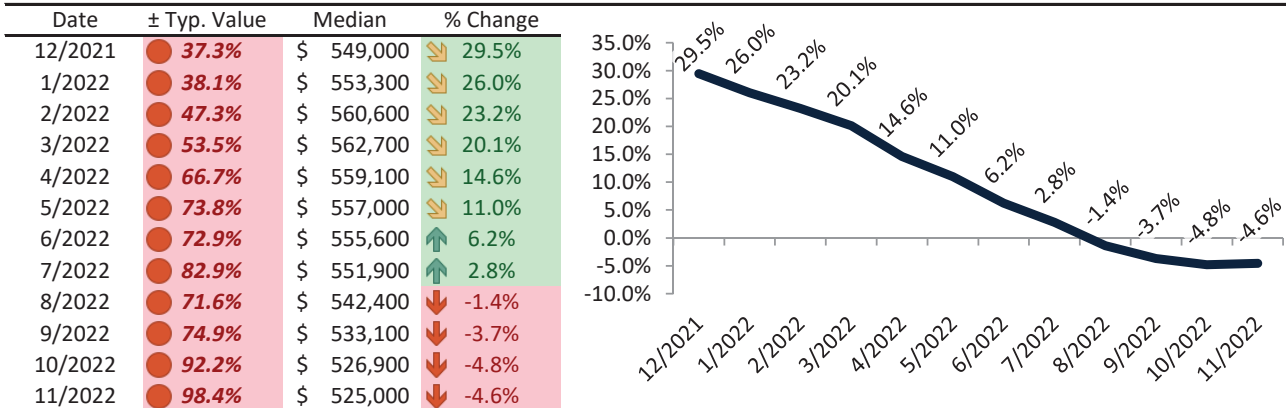
Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 3.1%.

**Market rating = 1**

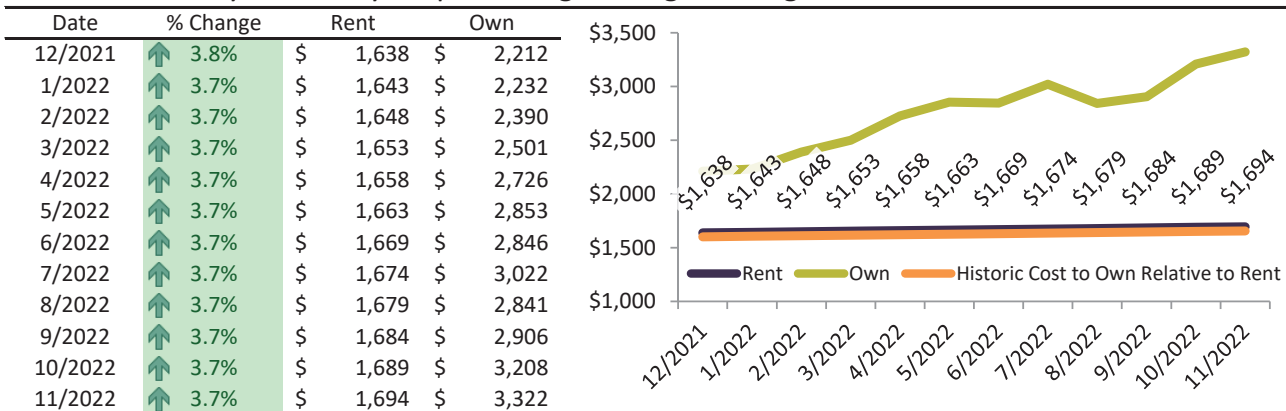
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months



## West Valley Housing Market Value & Trends Update

Historically, properties in this market sell at a -8.9% discount. Today's premium is 74.5%. This market is 83.4% overvalued.

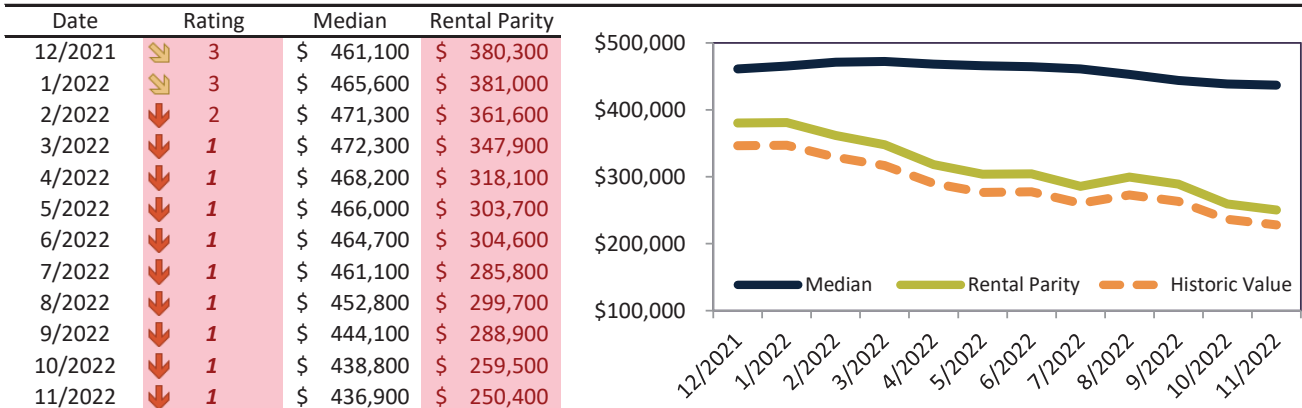
Median home price is \$436,900. Prices fell 5.3% year-over-year.

Monthly cost of ownership is \$2,764, and rents average \$1,584, making owning \$1,179 per month more costly than renting.

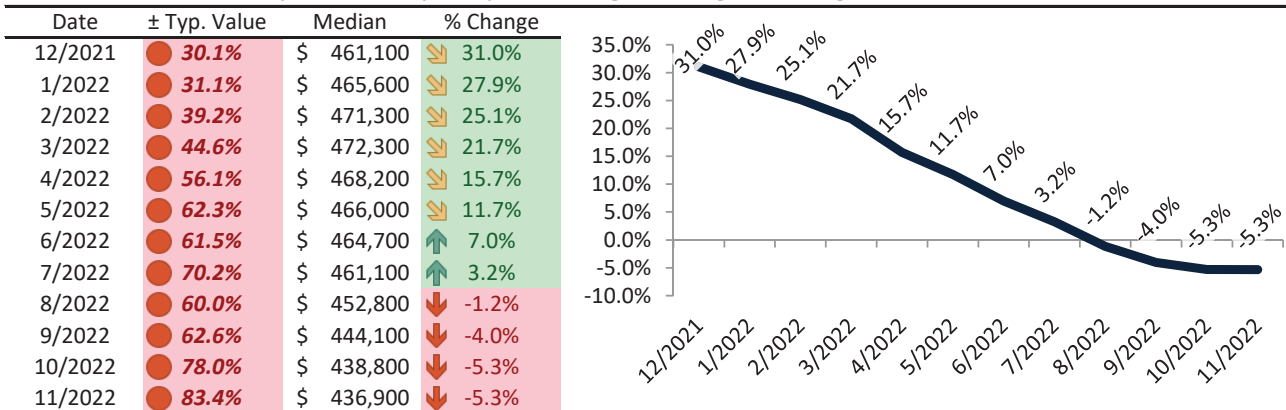
Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 3.5%.

Market rating = 1

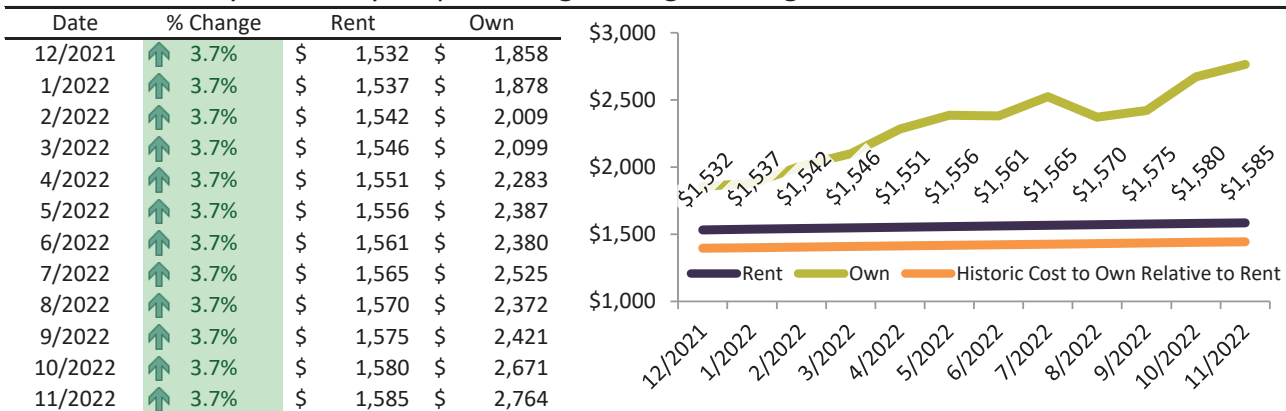
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



### Rental rate and year-over-year percentage change trailing twelve months





## West Bench Housing Market Value & Trends Update

Historically, properties in this market sell at a -9.5% discount. Today's premium is 75.5%. This market is 85.0% overvalued.

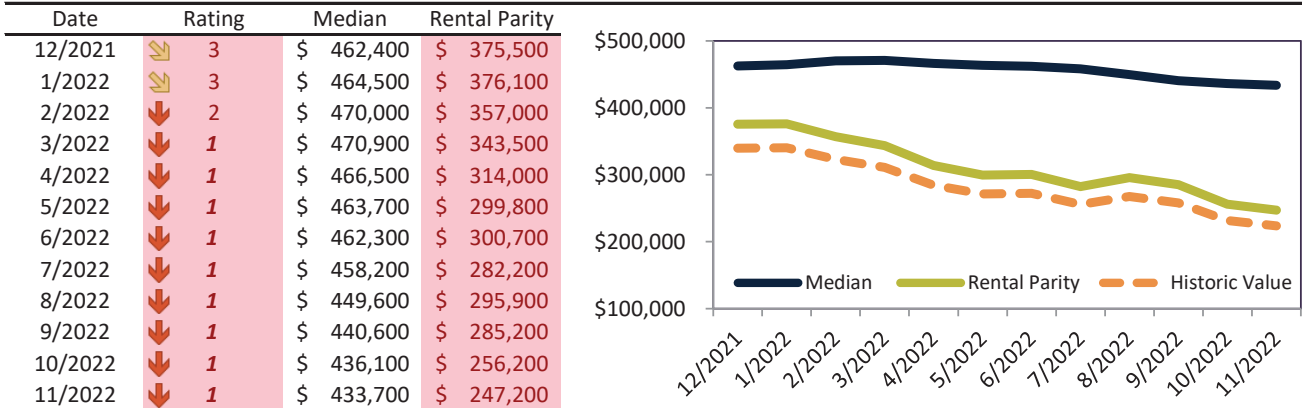
Median home price is \$433,700. Prices fell 6.7% year-over-year.

Monthly cost of ownership is \$2,744, and rents average \$1,564, making owning \$1,179 per month more costly than renting.

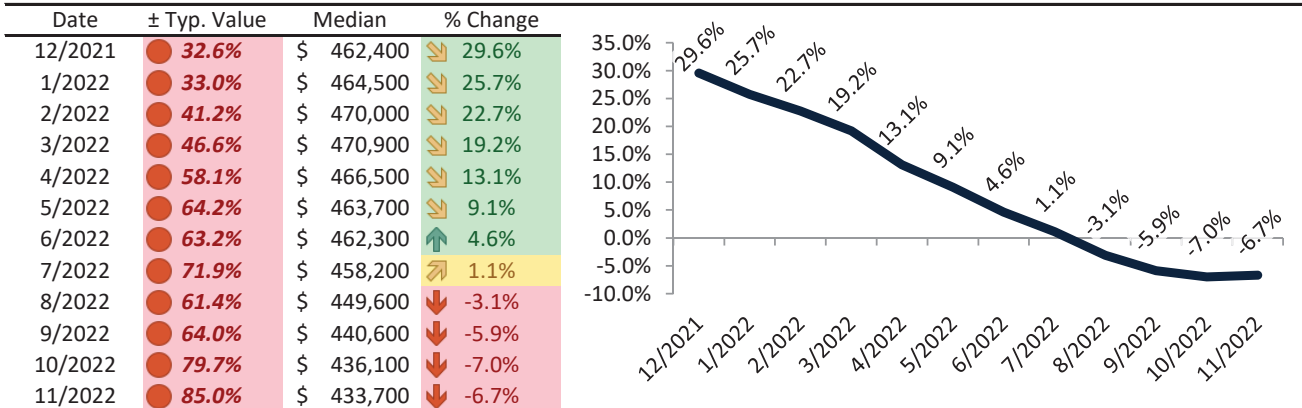
Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 3.5%.

Market rating = 1

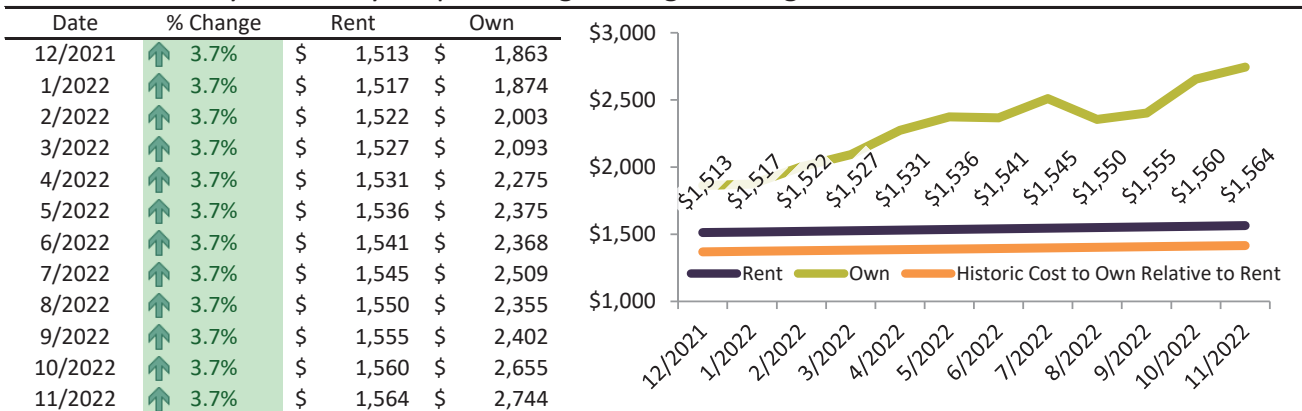
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



### Rental rate and year-over-year percentage change trailing twelve months



## Southwest Ada County Housing Market Value & Trends Update

Historically, properties in this market sell at a -2.7% discount. Today's premium is 75.3%. This market is 78.0% overvalued.

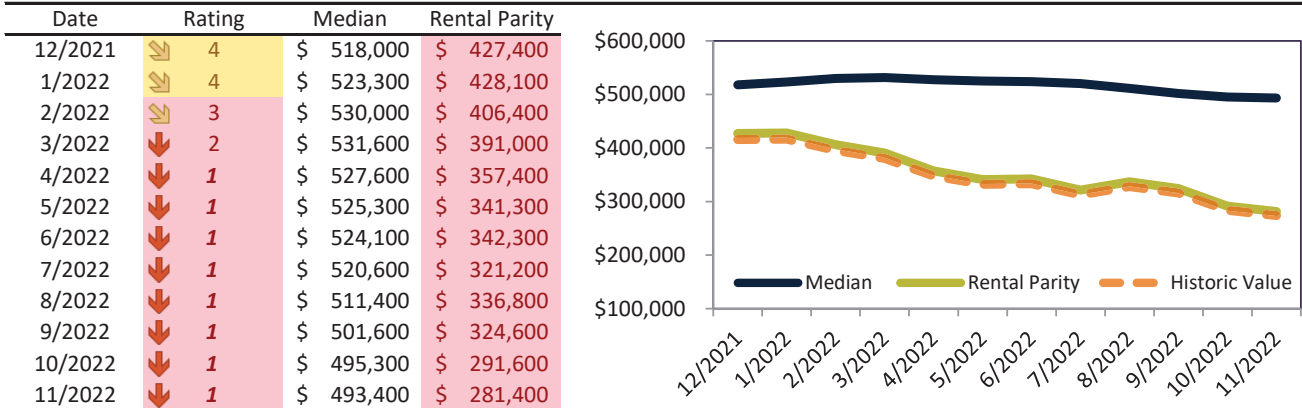
Median home price is \$493,400. Prices fell 4.7% year-over-year.

Monthly cost of ownership is \$3,121, and rents average \$1,780, making owning \$1,341 per month more costly than renting.

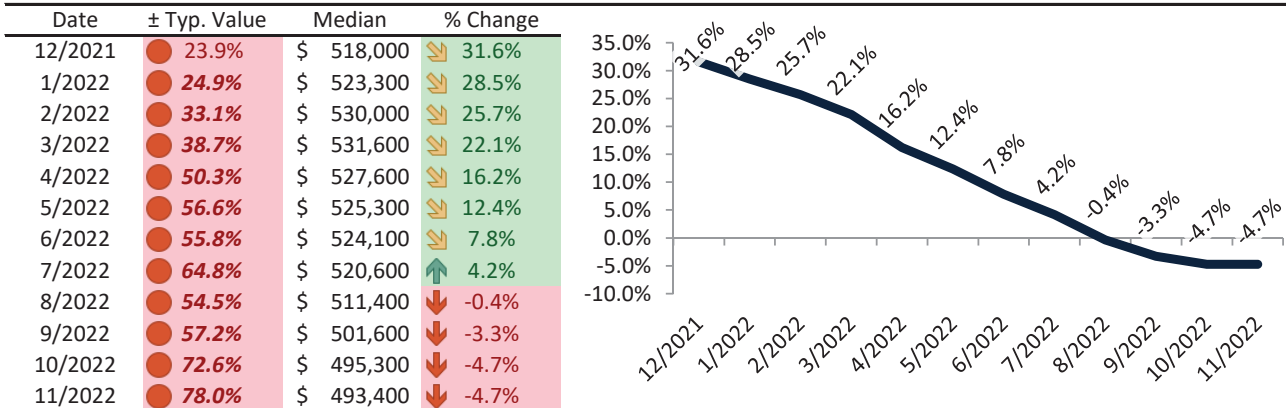
Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 3.5%.

**Market rating = 1**

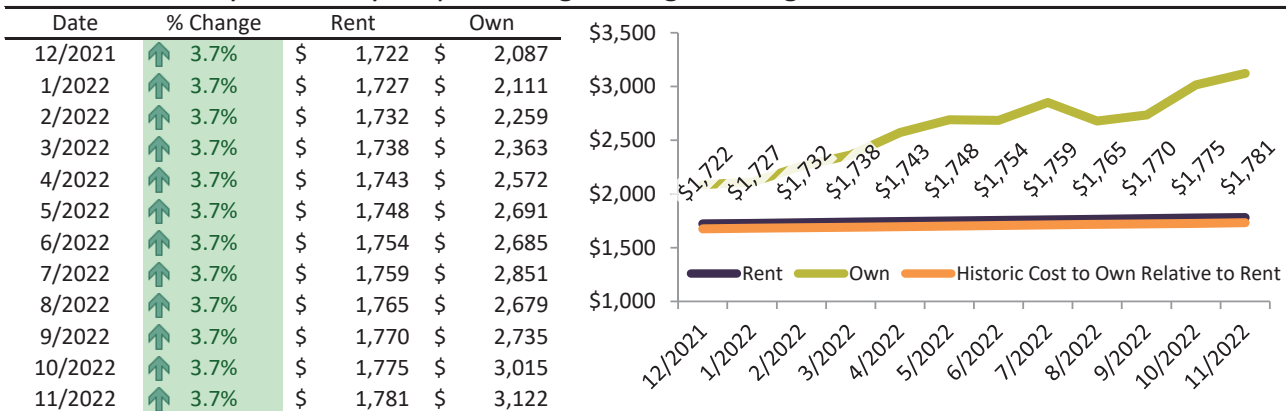
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



### Rental rate and year-over-year percentage change trailing twelve months

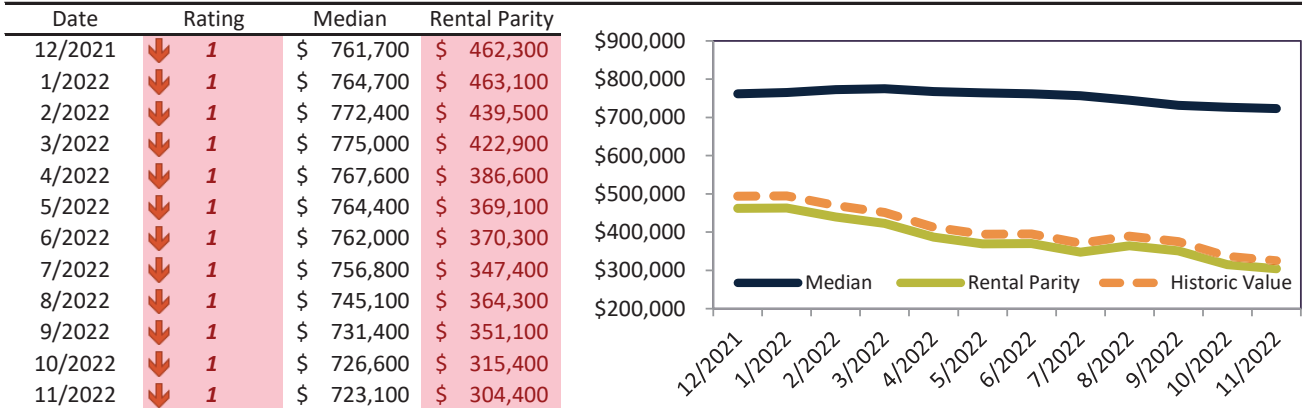


### North End Housing Market Value & Trends Update

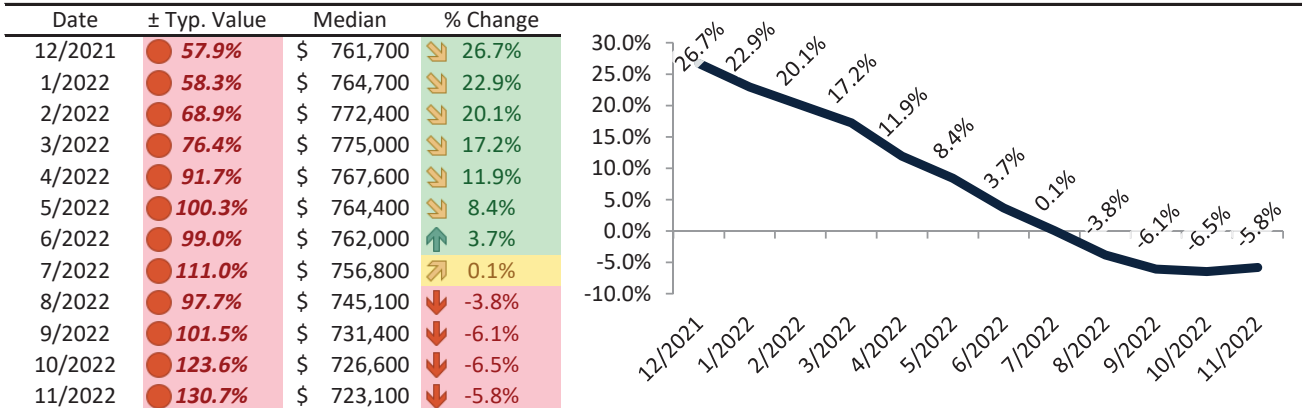
Historically, properties in this market sell at a 6.8% premium. Today's premium is 137.5%. This market is 130.7% overvalued. Median home price is \$723,100. Prices fell 5.8% year-over-year. Monthly cost of ownership is \$4,575, and rents average \$1,926, making owning \$2,649 per month more costly than renting. Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 2.6%.

Market rating = 1

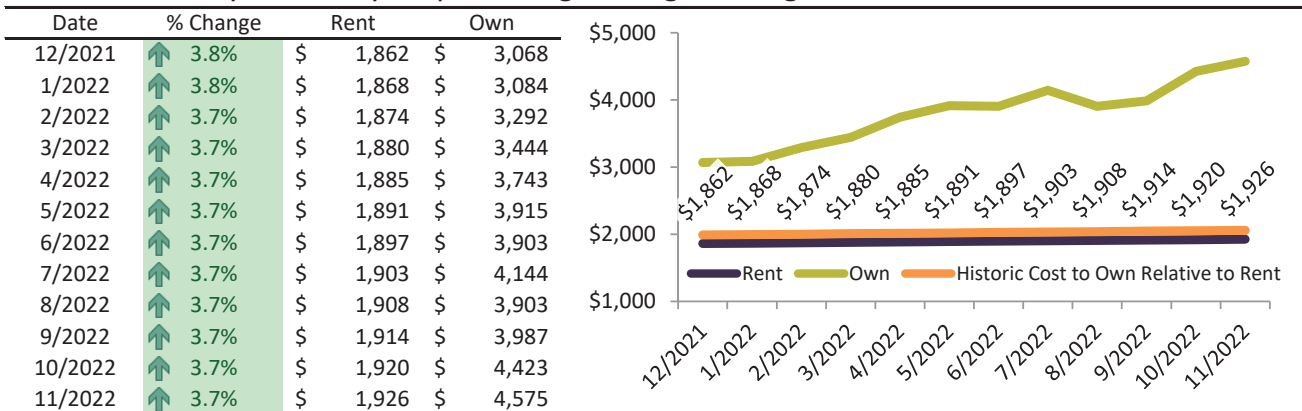
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

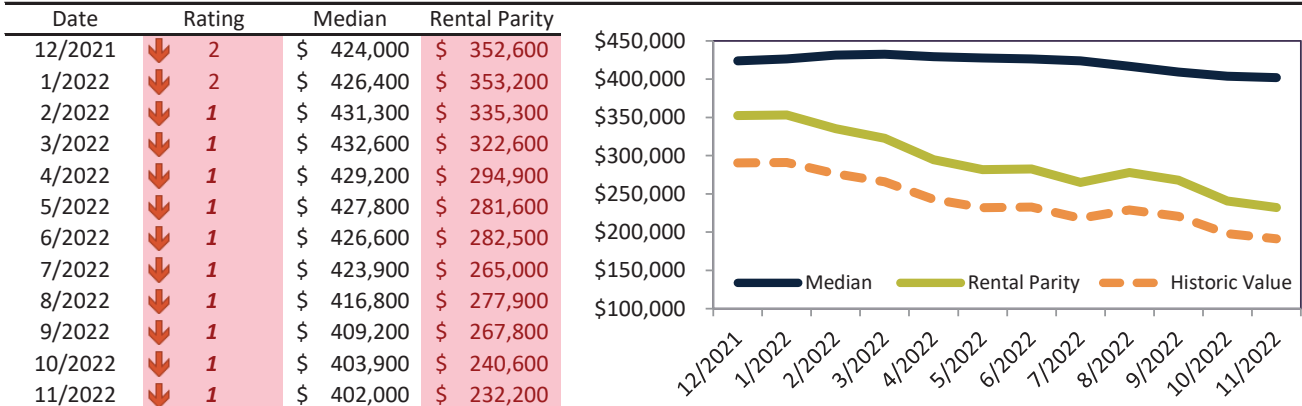


### Vista Housing Market Value & Trends Update

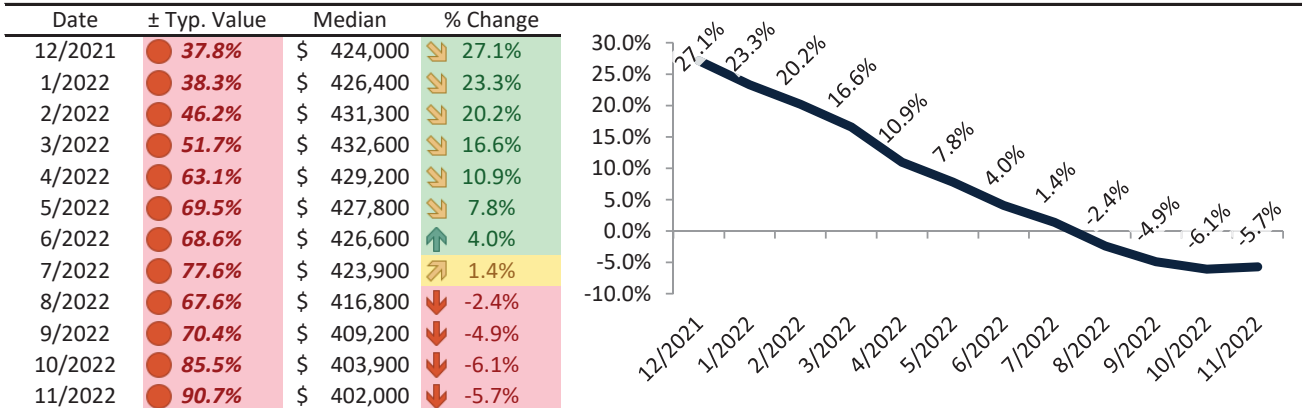
Historically, properties in this market sell at a -17.6% discount. Today's premium is 73.1%. This market is 90.7% overvalued. Median home price is \$402,000. Prices fell 5.7% year-over-year. Monthly cost of ownership is \$2,543, and rents average \$1,469, making owning \$1,074 per month more costly than renting. Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 3.5%.

Market rating = 1

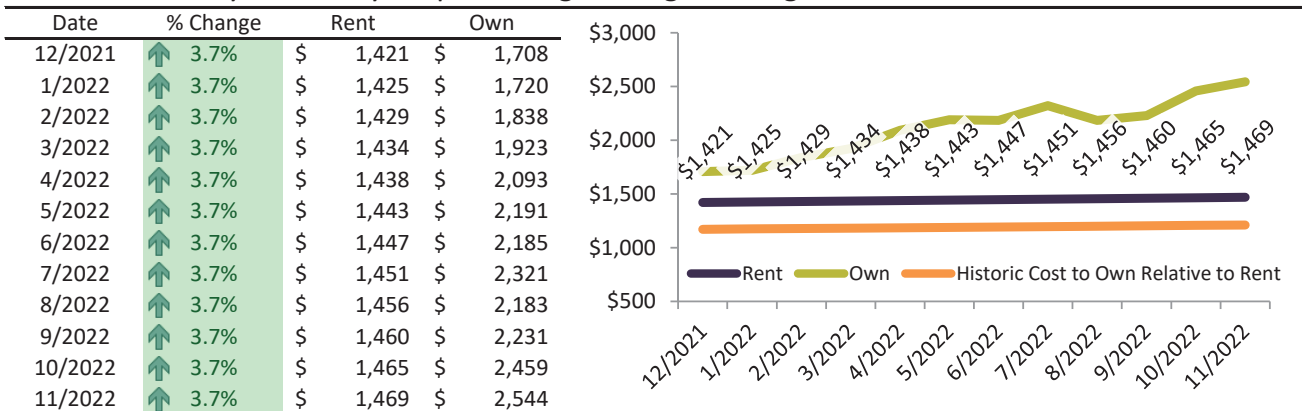
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

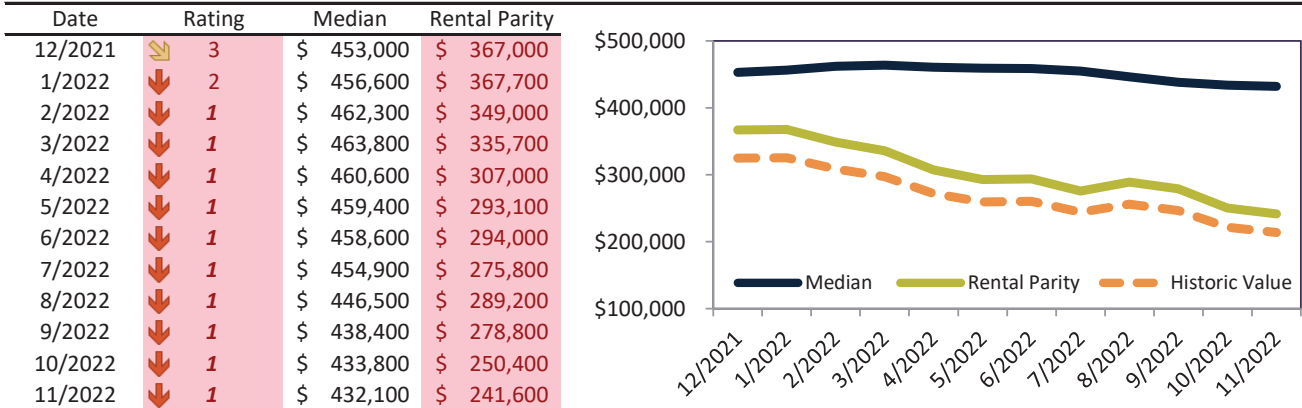


### Borah Housing Market Value & Trends Update

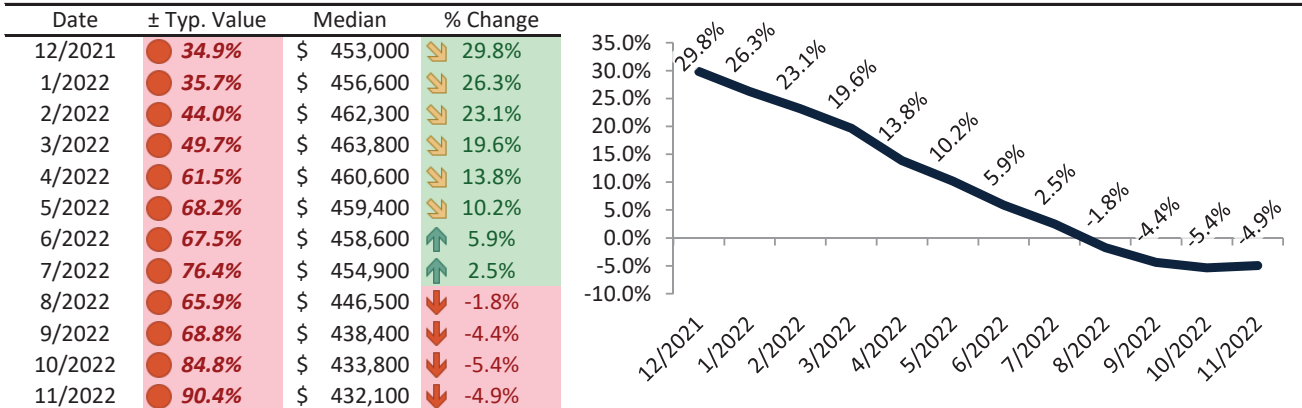
Historically, properties in this market sell at a -11.5% discount. Today's premium is 78.9%. This market is 90.4% overvalued. Median home price is \$432,100. Prices fell 4.9% year-over-year. Monthly cost of ownership is \$2,733, and rents average \$1,529, making owning \$1,204 per month more costly than renting. Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 3.4%.

Market rating = 1

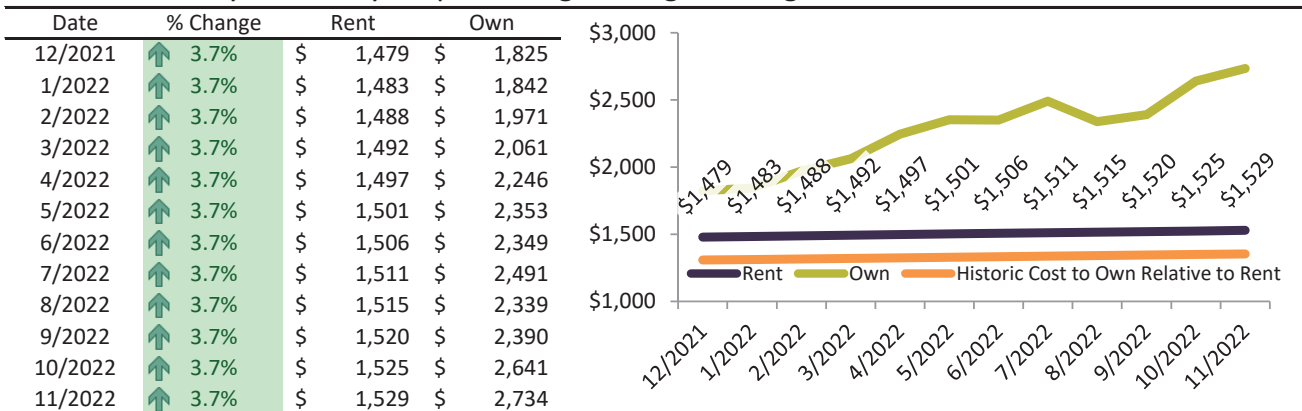
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

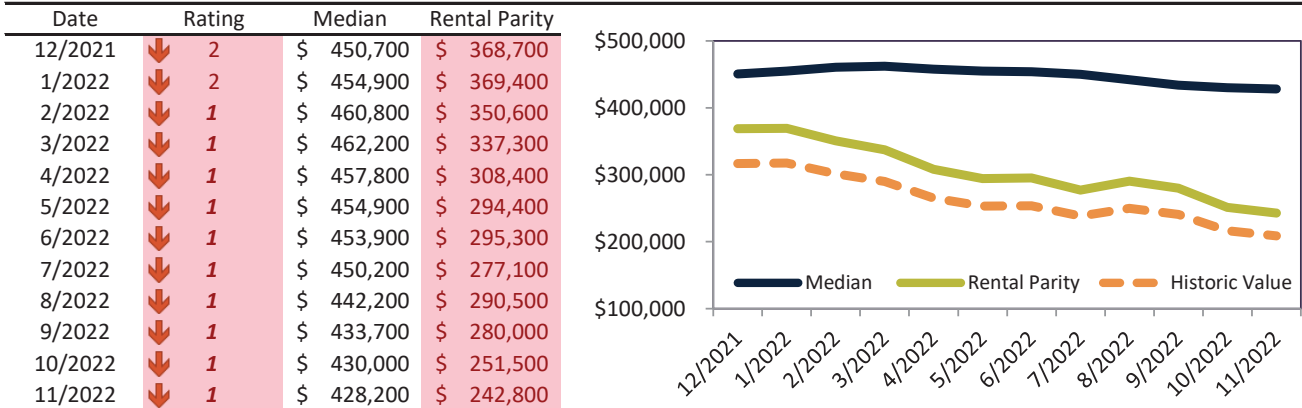


## Winstead Park Housing Market Value & Trends Update

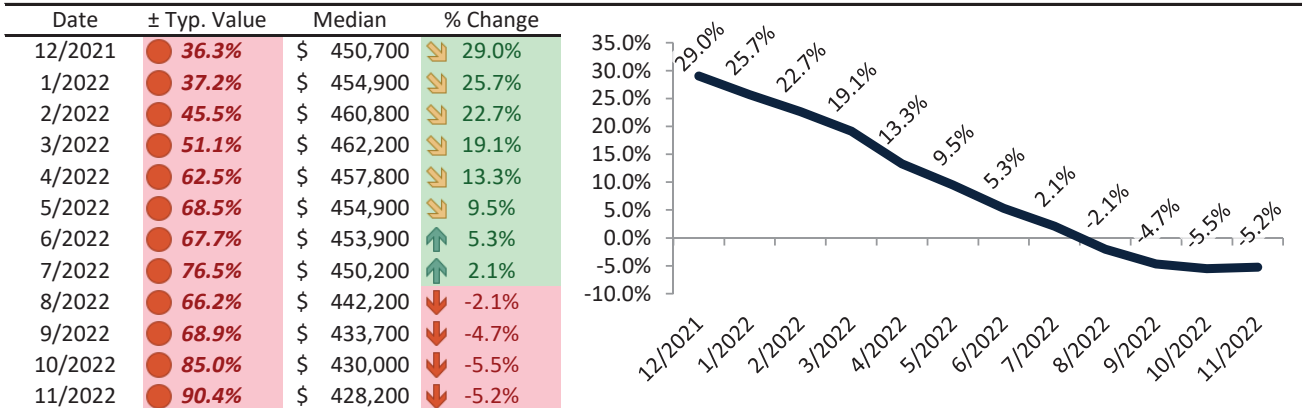
Historically, properties in this market sell at a -14.0% discount. Today's premium is 76.4%. This market is 90.4% overvalued. Median home price is \$428,200. Prices fell 5.2% year-over-year. Monthly cost of ownership is \$2,709, and rents average \$1,536, making owning \$1,173 per month more costly than renting. Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 3.4%.

Market rating = 1

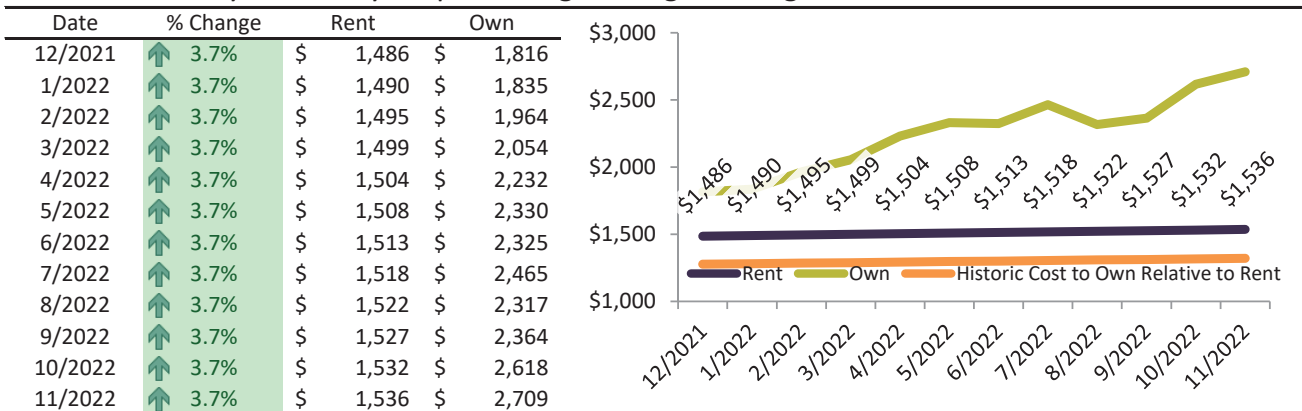
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



### Rental rate and year-over-year percentage change trailing twelve months

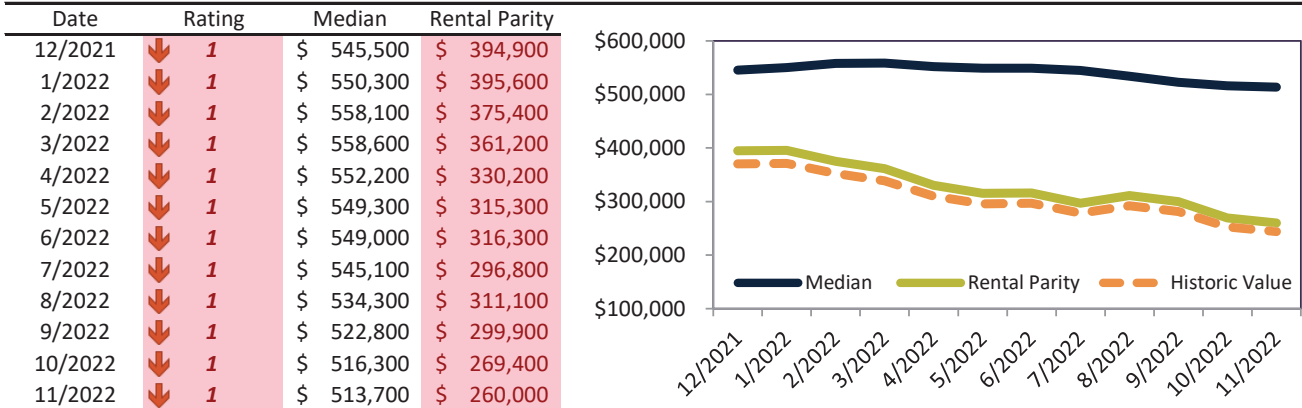


### Collister Housing Market Value & Trends Update

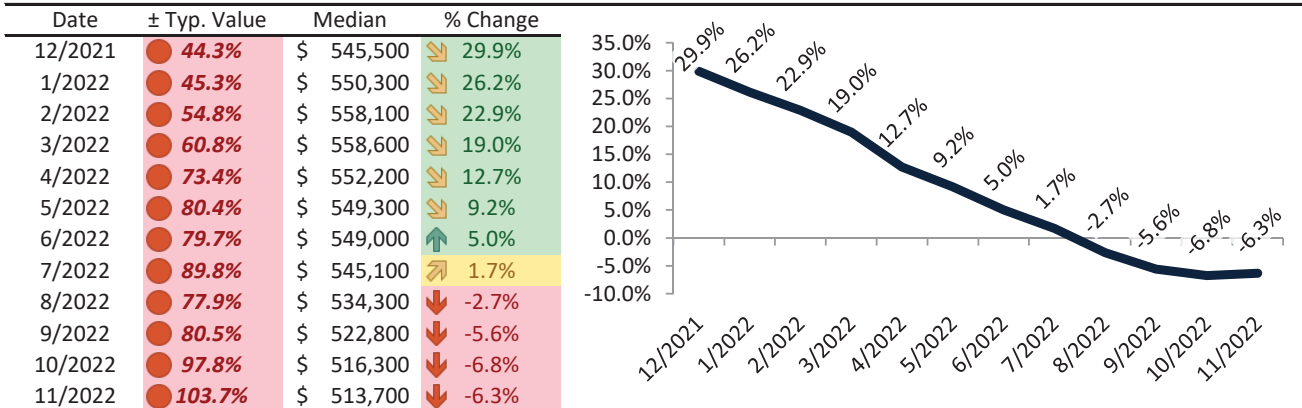
Historically, properties in this market sell at a -6.1% discount. Today's premium is 97.6%. This market is 103.7% overvalued. Median home price is \$513,700. Prices fell 6.3% year-over-year. Monthly cost of ownership is \$3,250, and rents average \$1,645, making owning \$1,605 per month more costly than renting. Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 3.1%.

Market rating = 1

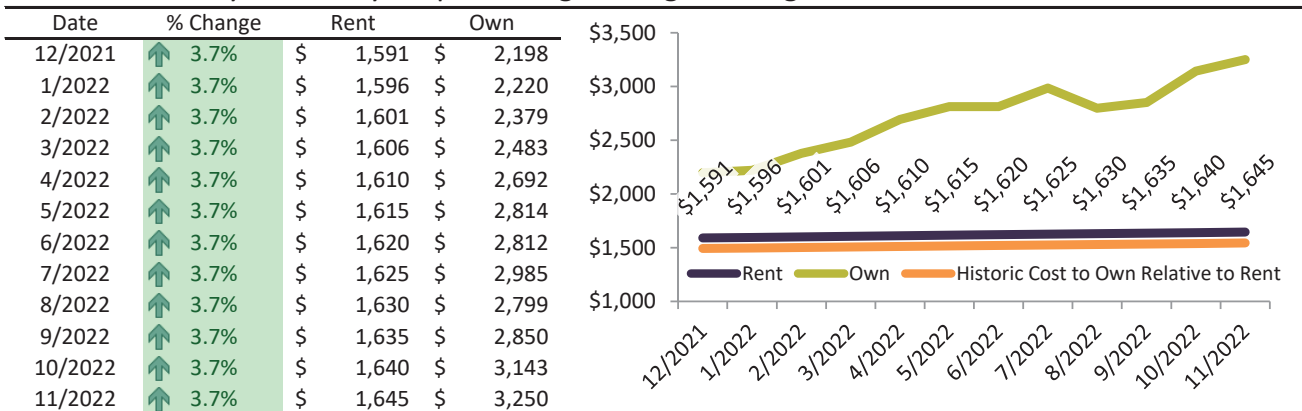
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

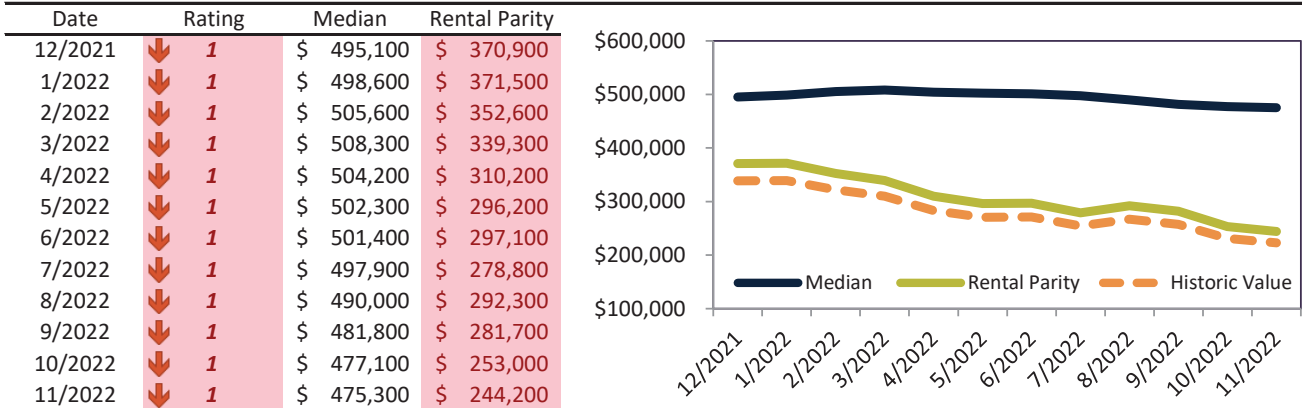


## Depot Bench Housing Market Value & Trends Update

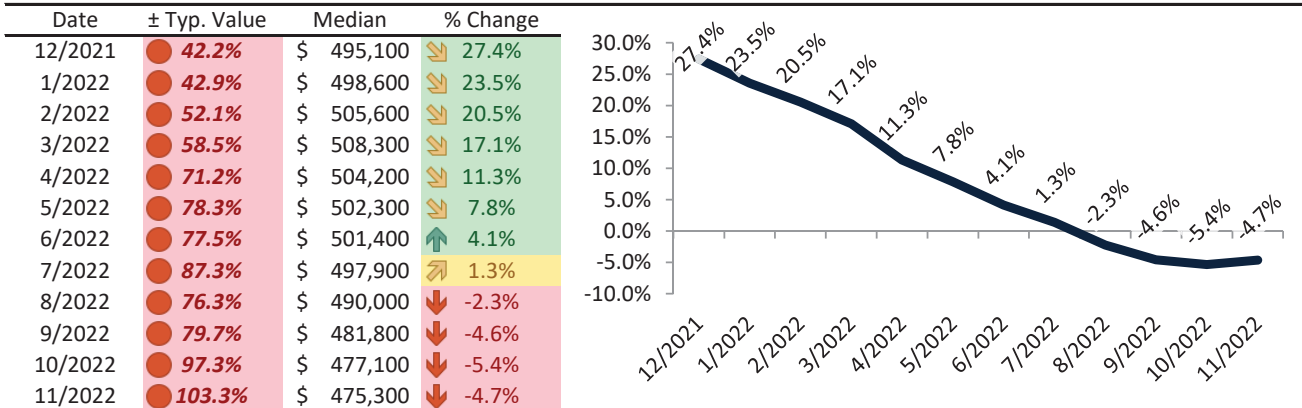
Historically, properties in this market sell at a -8.7% discount. Today's premium is 94.6%. This market is 103.3% overvalued. Median home price is \$475,300. Prices fell 4.7% year-over-year. Monthly cost of ownership is \$3,007, and rents average \$1,545, making owning \$1,461 per month more costly than renting. Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 3.1%.

Market rating = 1

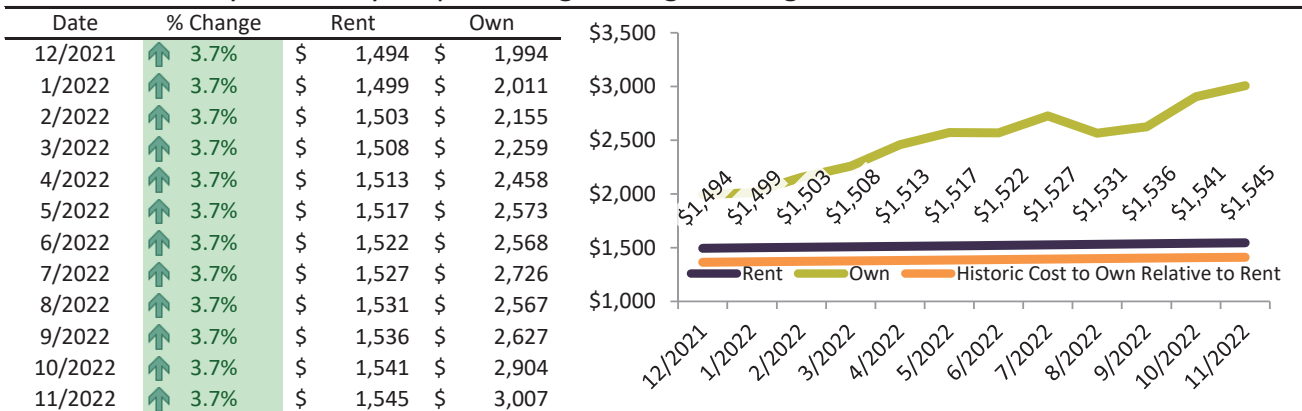
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



### Rental rate and year-over-year percentage change trailing twelve months



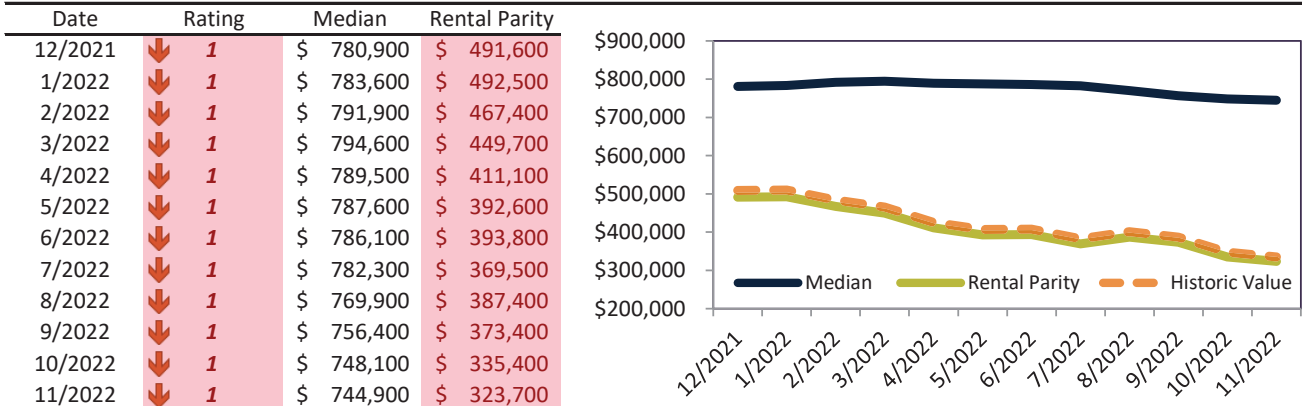


### East End Housing Market Value & Trends Update

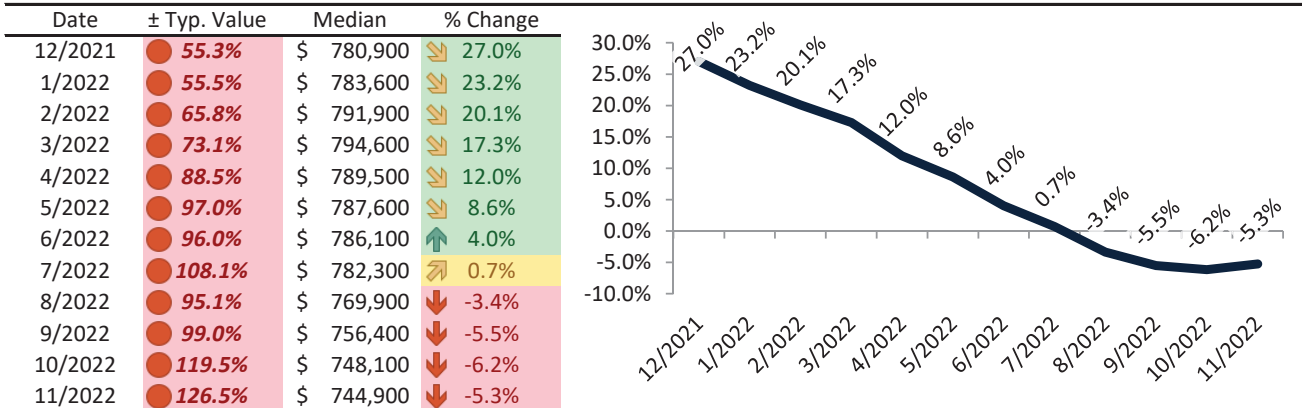
Historically, properties in this market sell at a 3.6% premium. Today's premium is 130.1%. This market is 126.5% overvalued. Median home price is \$744,900. Prices fell 5.3% year-over-year. Monthly cost of ownership is \$4,713, and rents average \$2,048, making owning \$2,664 per month more costly than renting. Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 2.6%.

Market rating = 1

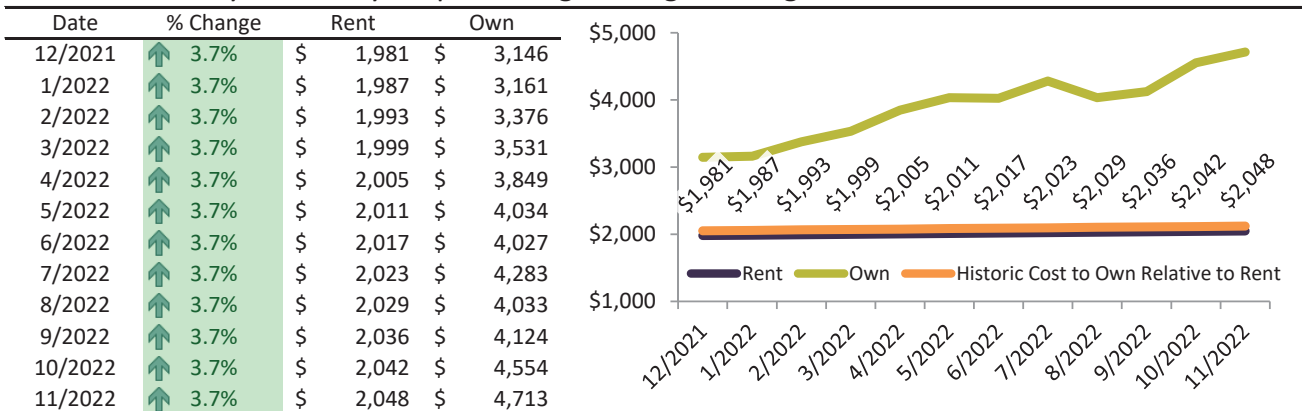
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months



### Central Bench Housing Market Value & Trends Update

Historically, properties in this market sell at a -17.5% discount. Today's premium is 76.3%. This market is 93.8% overvalued.

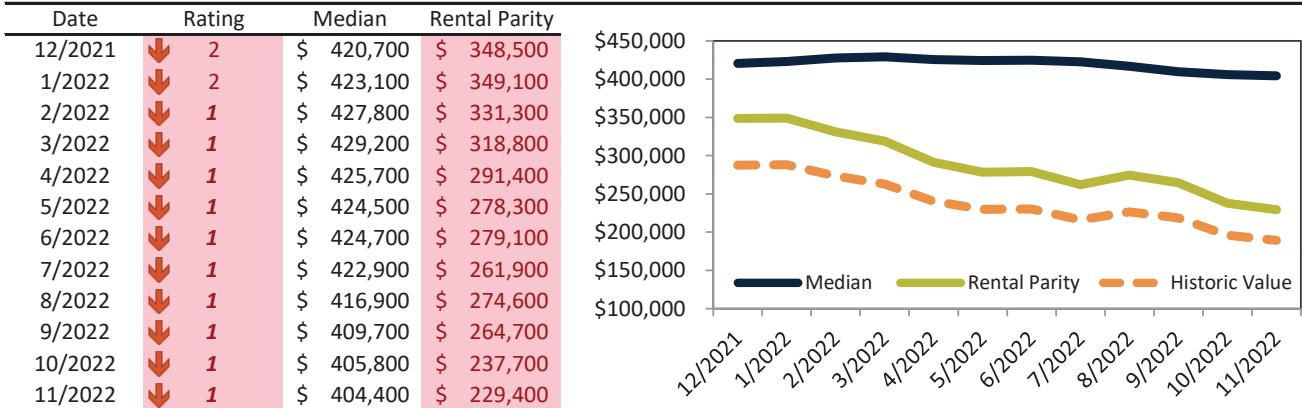
Median home price is \$404,400. Prices fell 4.4% year-over-year.

Monthly cost of ownership is \$2,558, and rents average \$1,452, making owning \$1,106 per month more costly than renting.

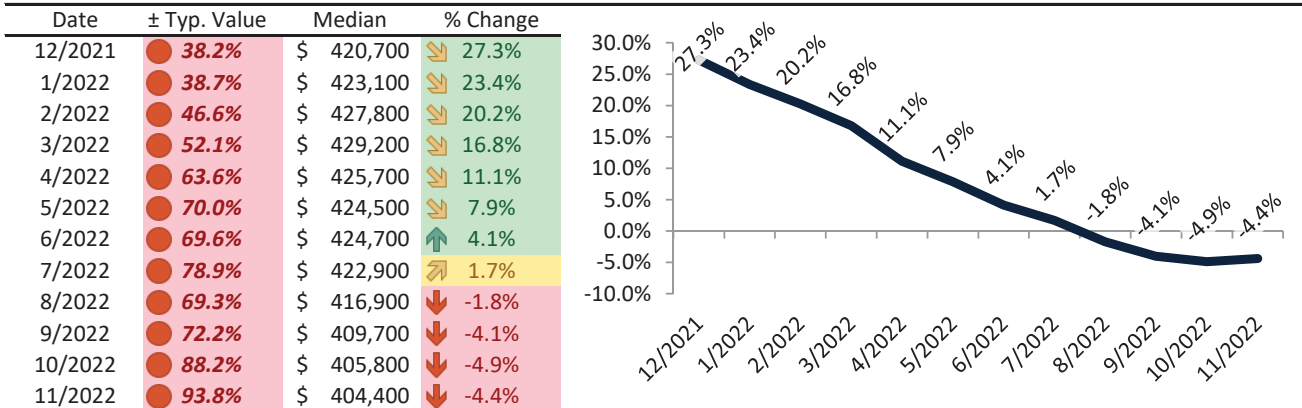
Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 3.4%.

**Market rating = 1**

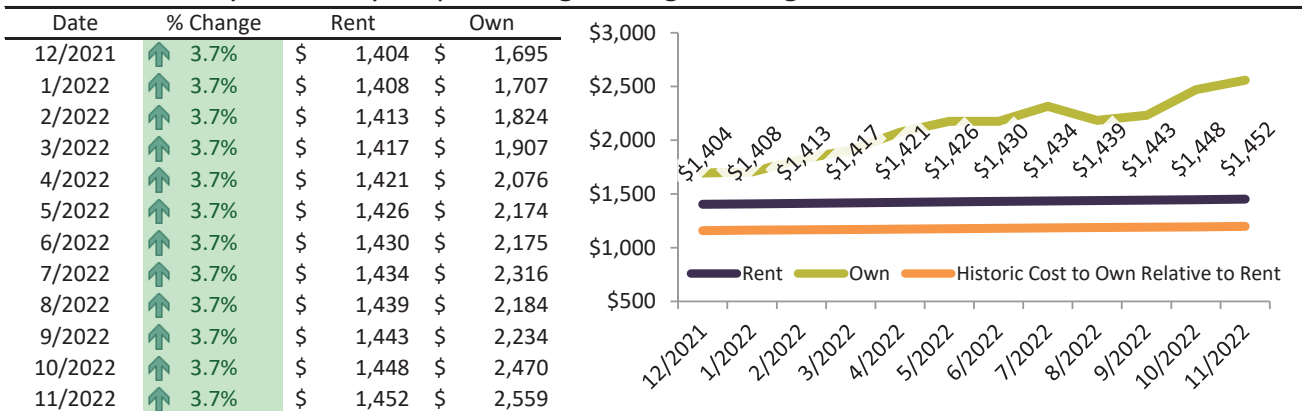
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

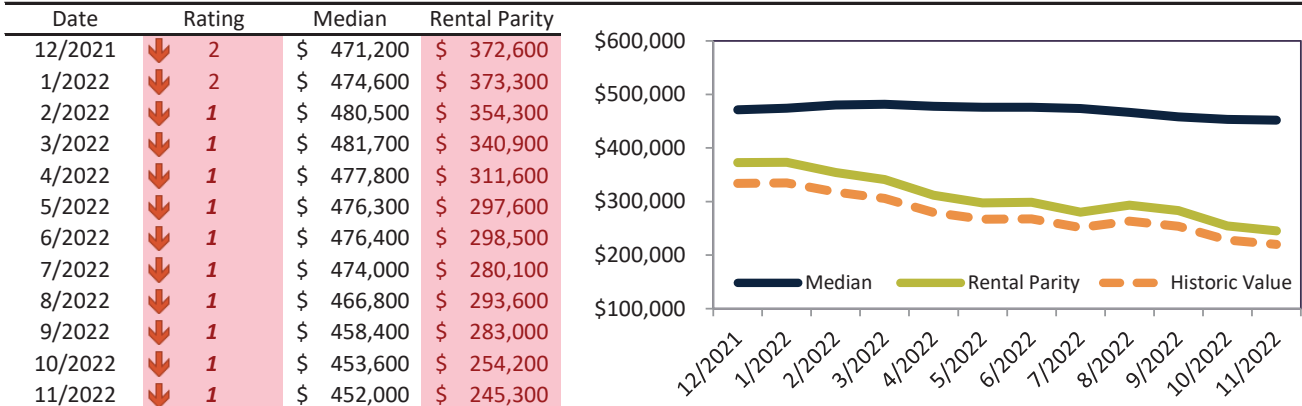


### Hillcrest Housing Market Value & Trends Update

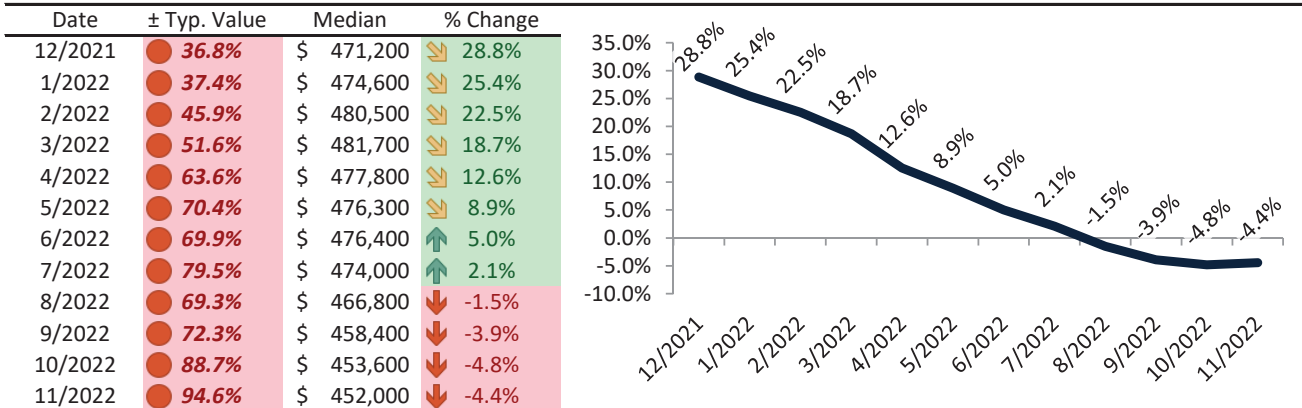
Historically, properties in this market sell at a -10.3% discount. Today's premium is 84.3%. This market is 94.6% overvalued. Median home price is \$452,000. Prices fell 4.4% year-over-year. Monthly cost of ownership is \$2,859, and rents average \$1,552, making owning \$1,307 per month more costly than renting. Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 3.3%.

Market rating = 1

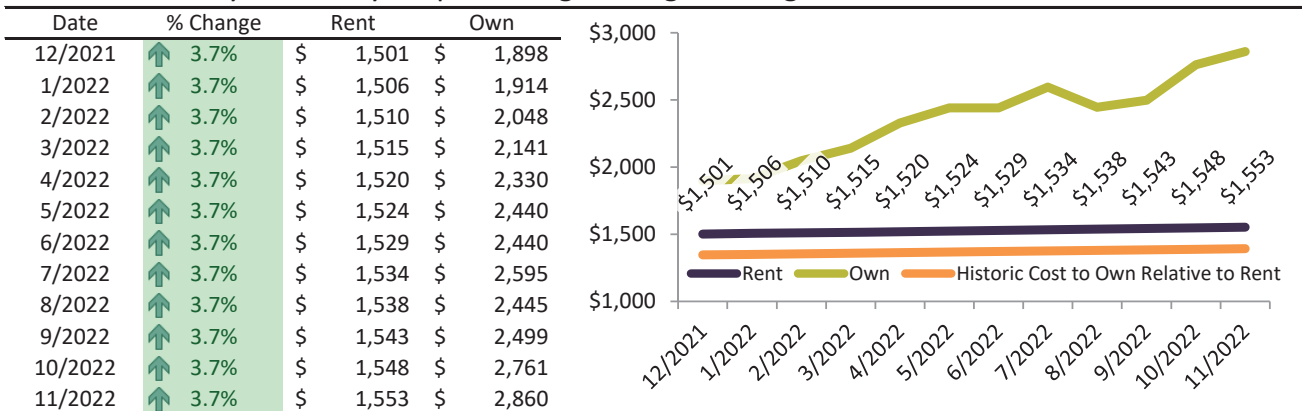
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

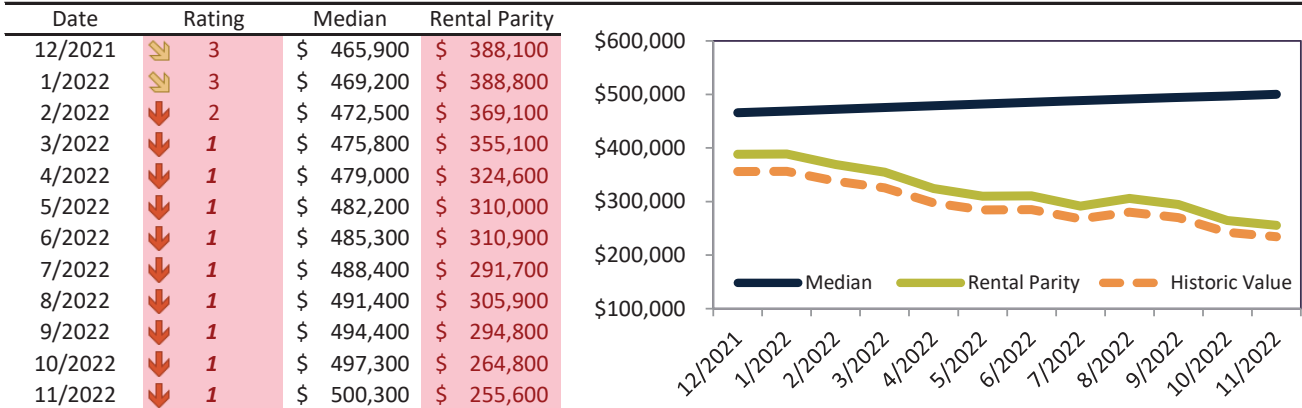


### Sunset Housing Market Value & Trends Update

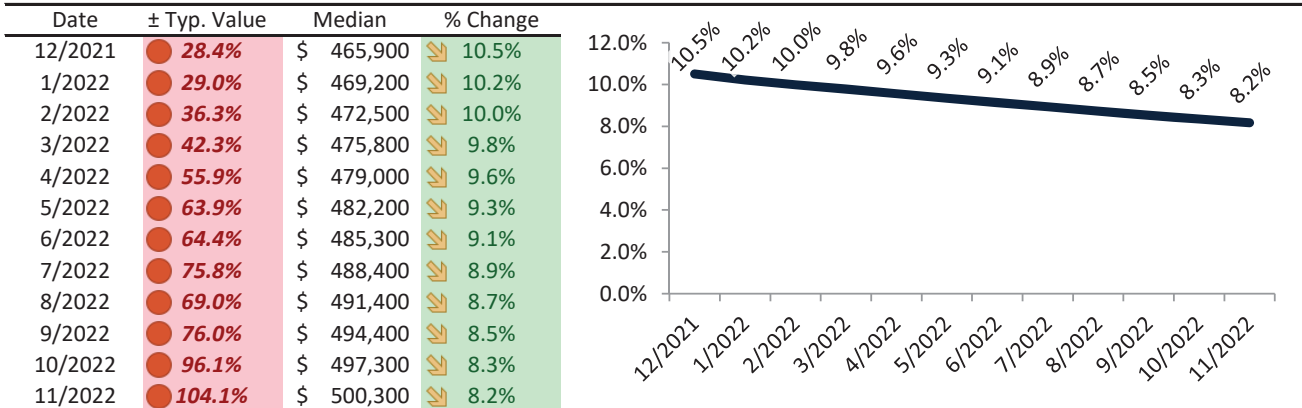
Historically, properties in this market sell at a -8.3% discount. Today's premium is 95.8%. This market is 104.1% overvalued. Median home price is \$500,300. Prices rose 8.2% year-over-year. Monthly cost of ownership is \$3,165, and rents average \$1,617, making owning \$1,548 per month more costly than renting. Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 3.1%.

Market rating = 1

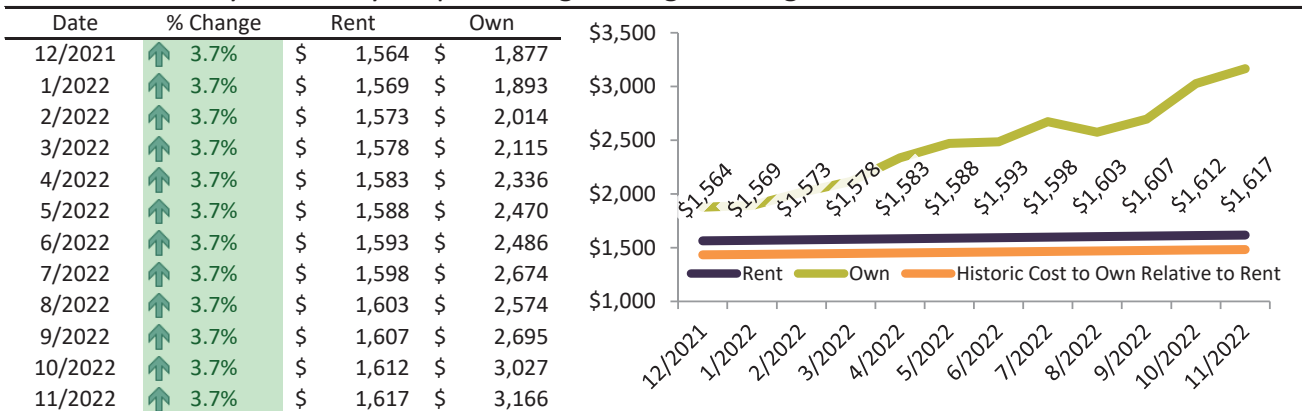
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

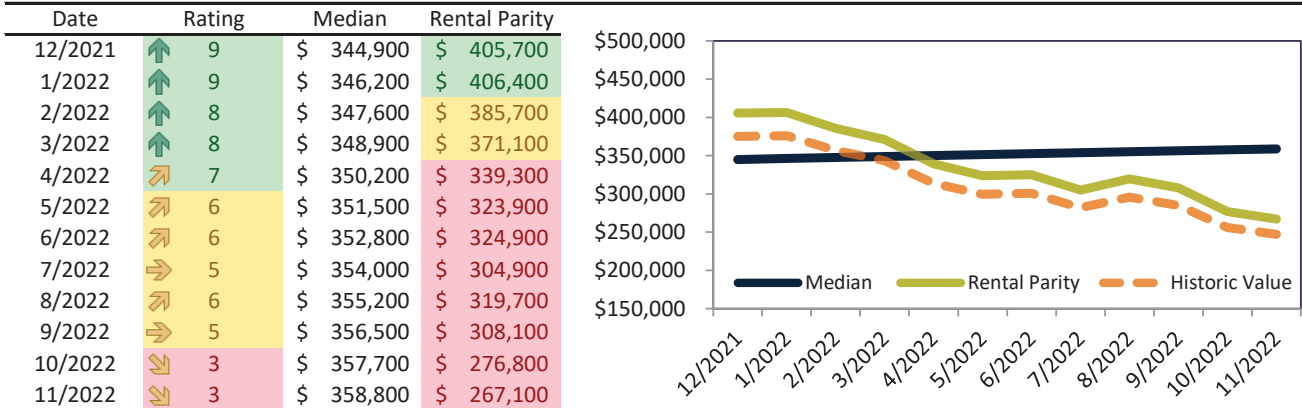


### Maple Grove - Franklin Housing Market Value & Trends Update

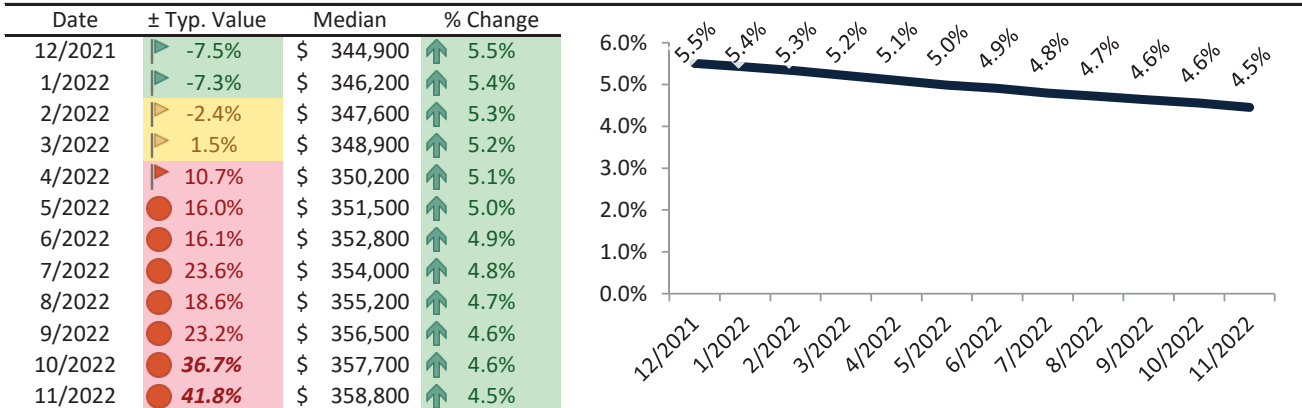
Historically, properties in this market sell at a -7.5% discount. Today's premium is 34.3%. This market is 41.8% overvalued. Median home price is \$358,800. Prices rose 4.5% year-over-year. Monthly cost of ownership is \$2,270, and rents average \$1,690, making owning \$579 per month more costly than renting. Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 4.5%.

**Market rating = 3**

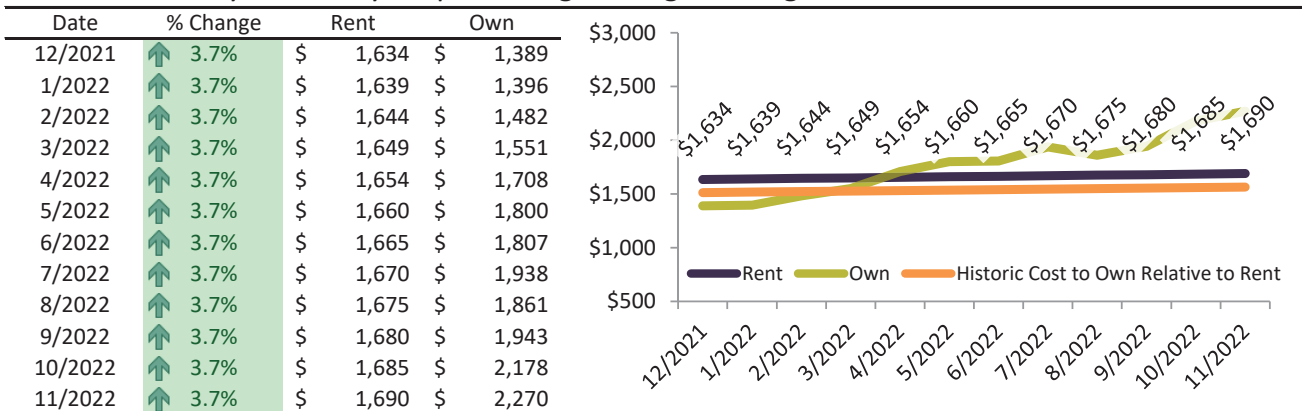
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months



## South Boise Village Housing Market Value & Trends Update

Historically, properties in this market sell at a -10.8% discount. Today's premium is 62.6%. This market is 73.4% overvalued.

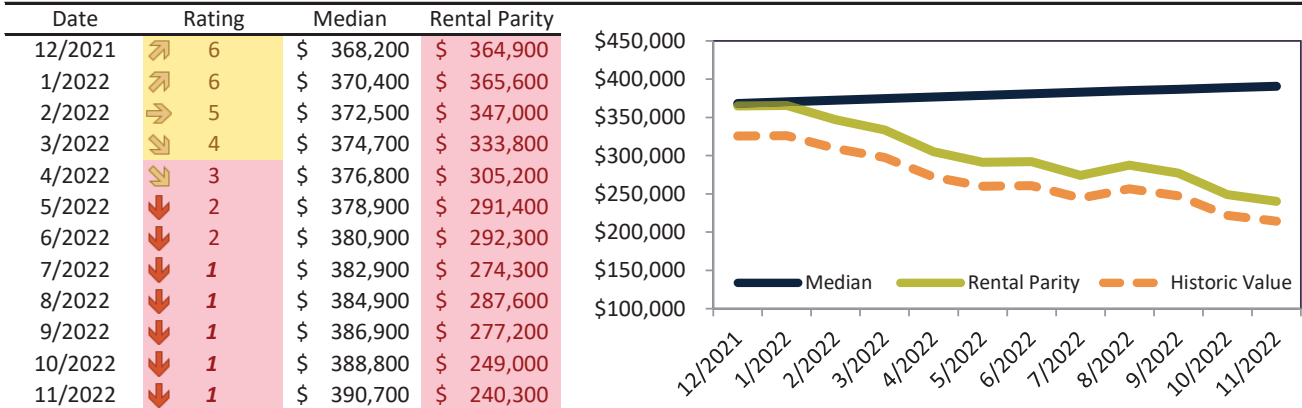
Median home price is \$390,700. Prices rose 6.7% year-over-year.

Monthly cost of ownership is \$2,472, and rents average \$1,520, making owning \$951 per month more costly than renting.

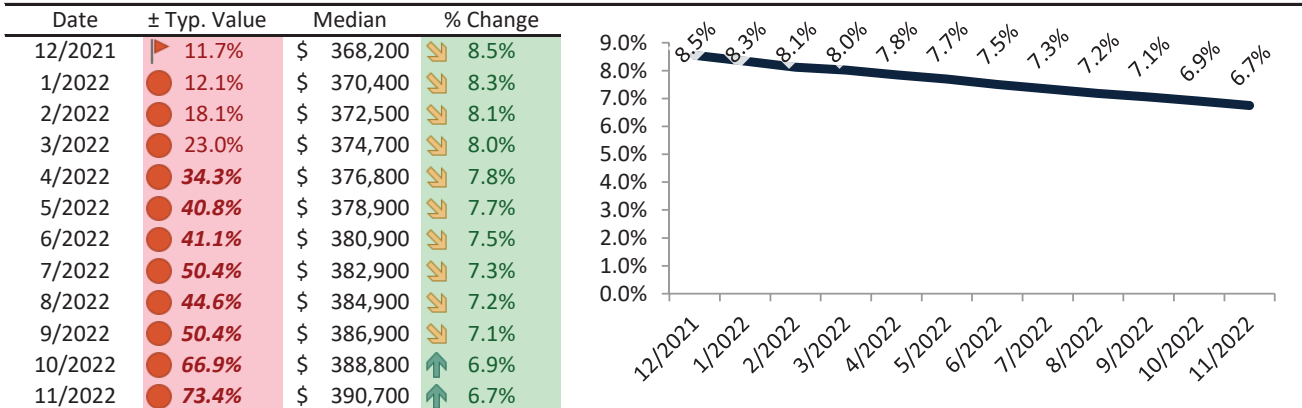
Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 3.7%.

**Market rating = 1**

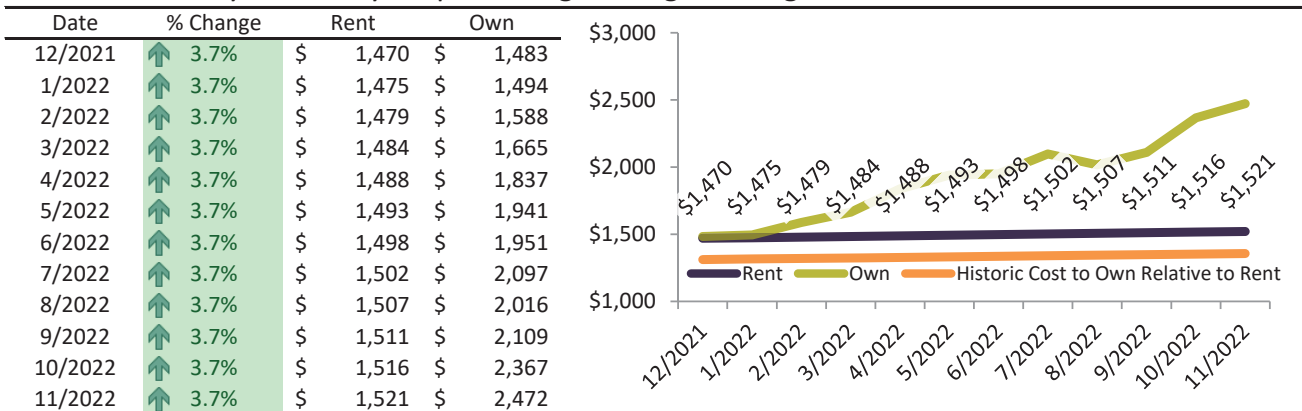
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



### Rental rate and year-over-year percentage change trailing twelve months

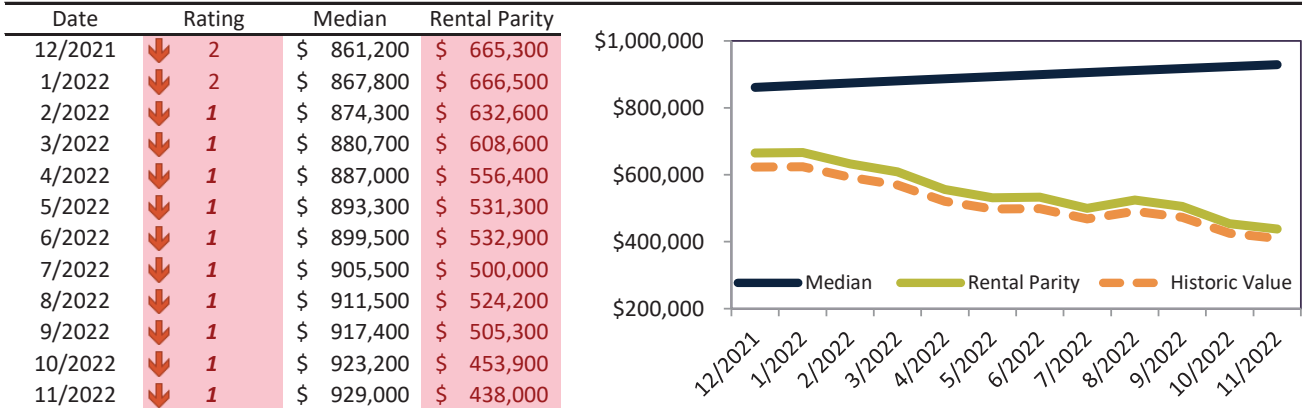


### Highlands Housing Market Value & Trends Update

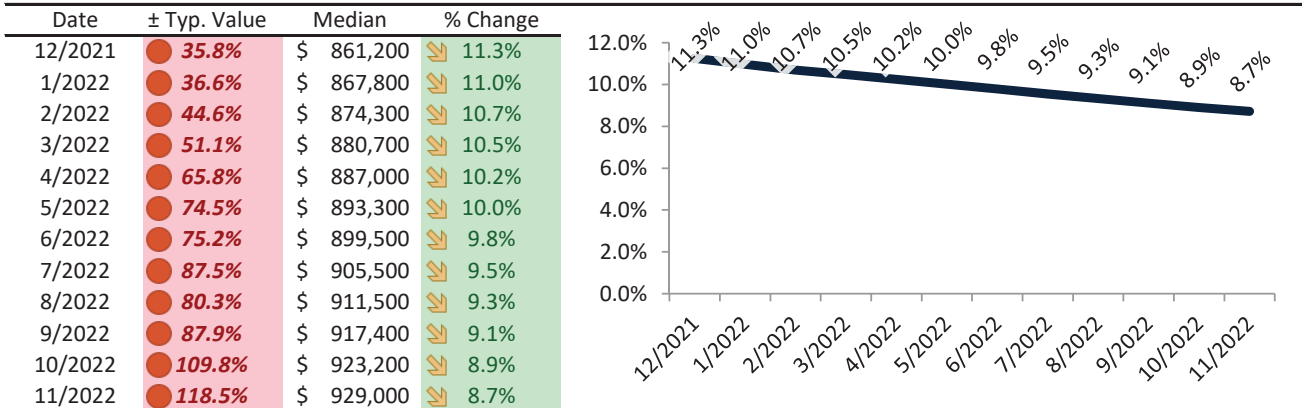
Historically, properties in this market sell at a -6.4% discount. Today's premium is 112.1%. This market is 118.5% overvalued. Median home price is \$929,000. Prices rose 8.7% year-over-year. Monthly cost of ownership is \$5,877, and rents average \$2,771, making owning \$3,106 per month more costly than renting. Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 2.9%.

Market rating = 1

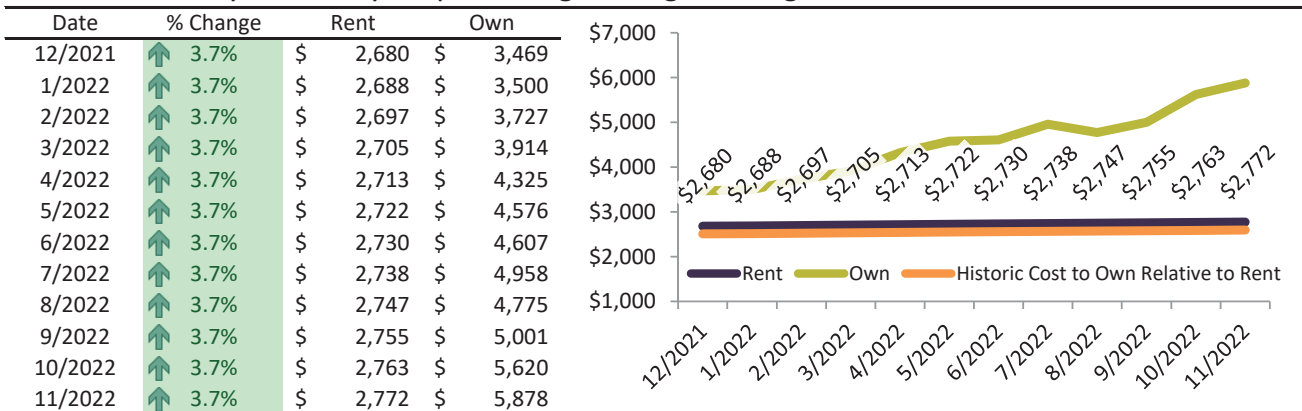
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

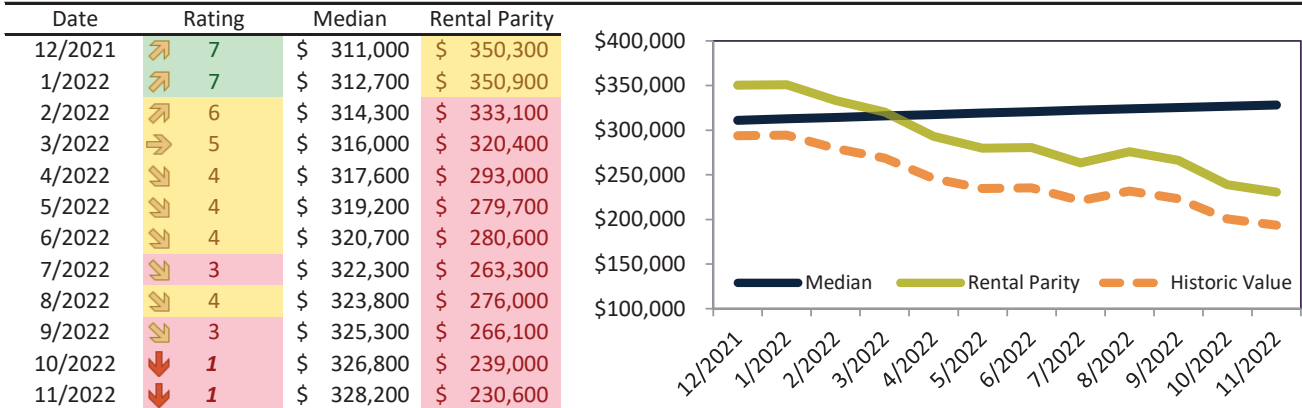


### Morris Hill Housing Market Value & Trends Update

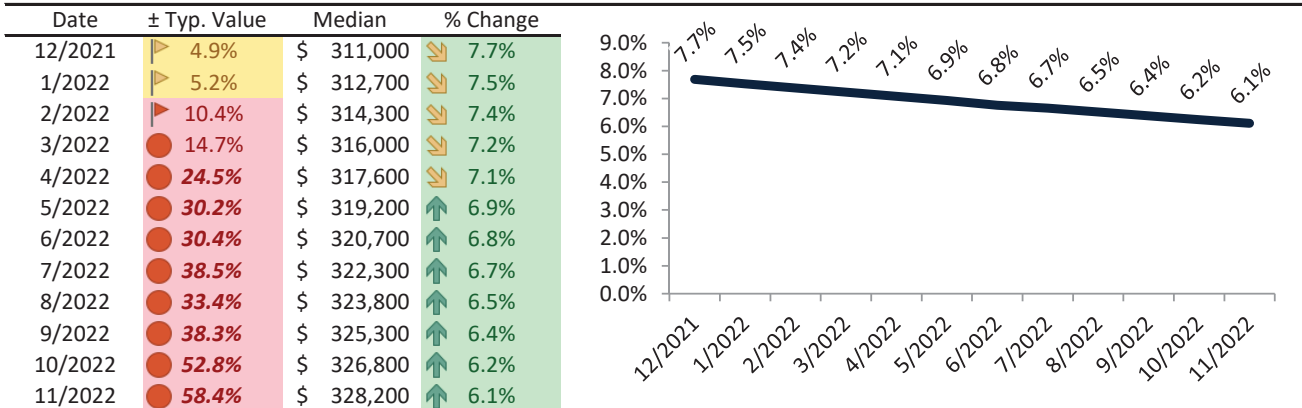
Historically, properties in this market sell at a -16.1% discount. Today's premium is 42.3%. This market is 58.4% overvalued. Median home price is \$328,200. Prices rose 6.1% year-over-year. Monthly cost of ownership is \$2,076, and rents average \$1,459, making owning \$616 per month more costly than renting. Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 4.3%.

Market rating = 1

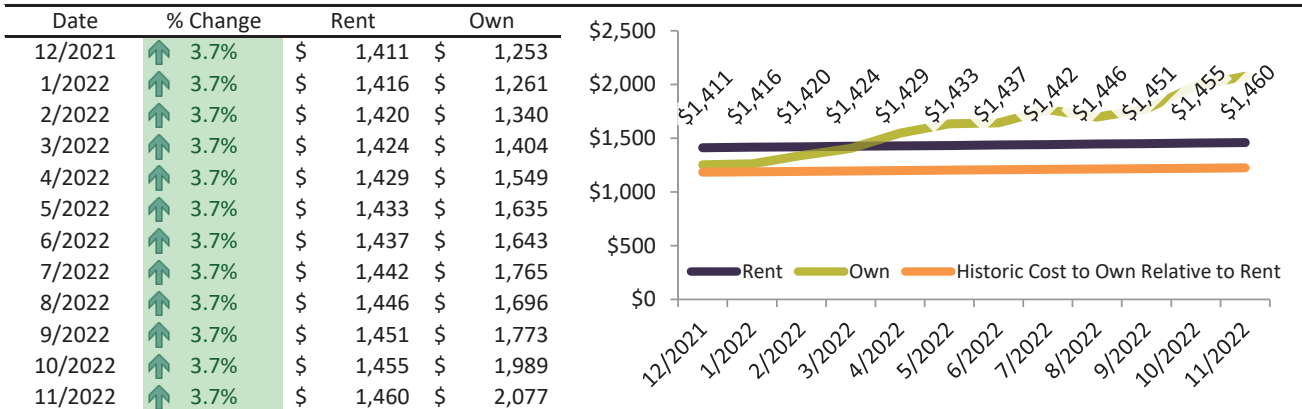
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months



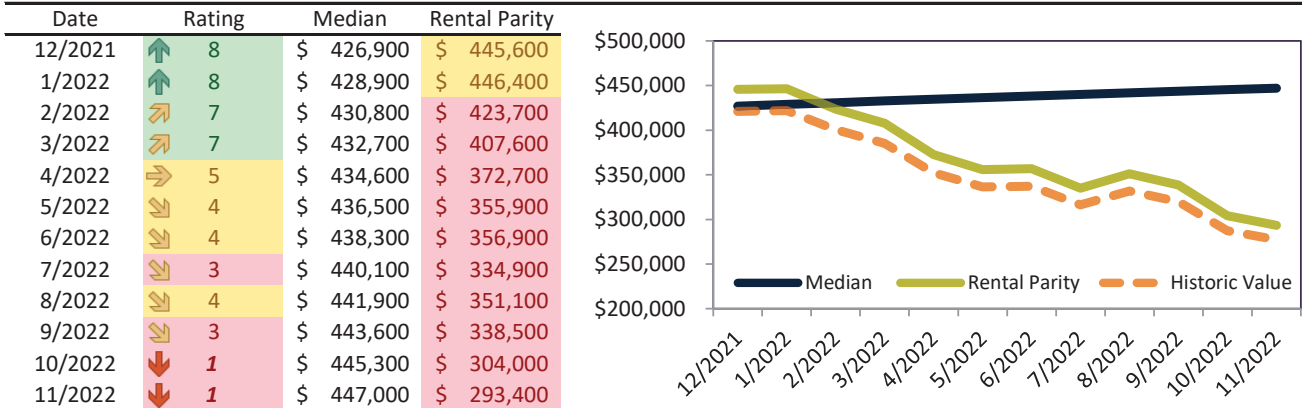


## West Cloverdale Housing Market Value & Trends Update

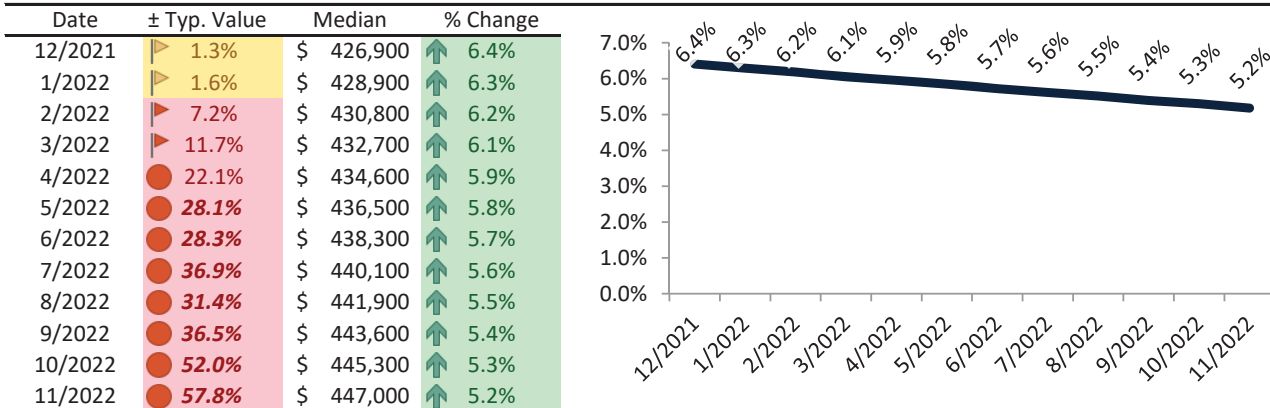
Historically, properties in this market sell at a -5.5% discount. Today's premium is 52.3%. This market is 57.8% overvalued. Median home price is \$447,000. Prices rose 5.2% year-over-year. Monthly cost of ownership is \$2,828, and rents average \$1,856, making owning \$971 per month more costly than renting. Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 4.0%.

Market rating = 1

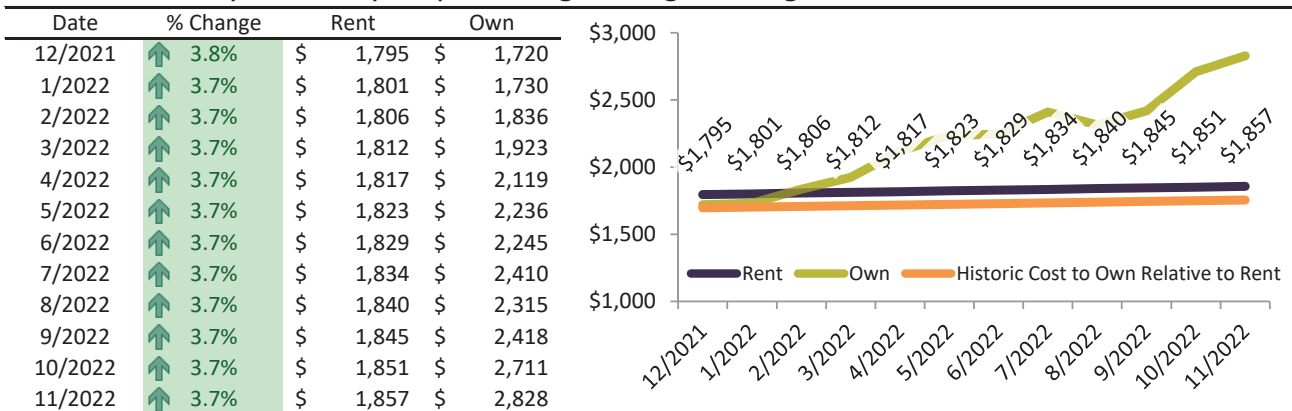
### Median Home Price and Rental Parity trailing twelve months



### Resale Median and year-over-year percentage change trailing twelve months



### Rental rate and year-over-year percentage change trailing twelve months

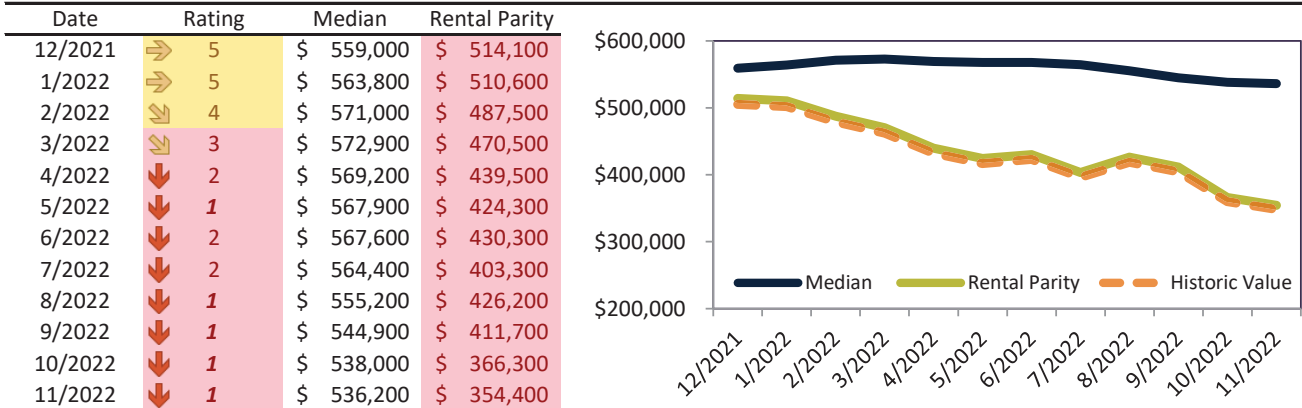


### 83646 Housing Market Value & Trends Update

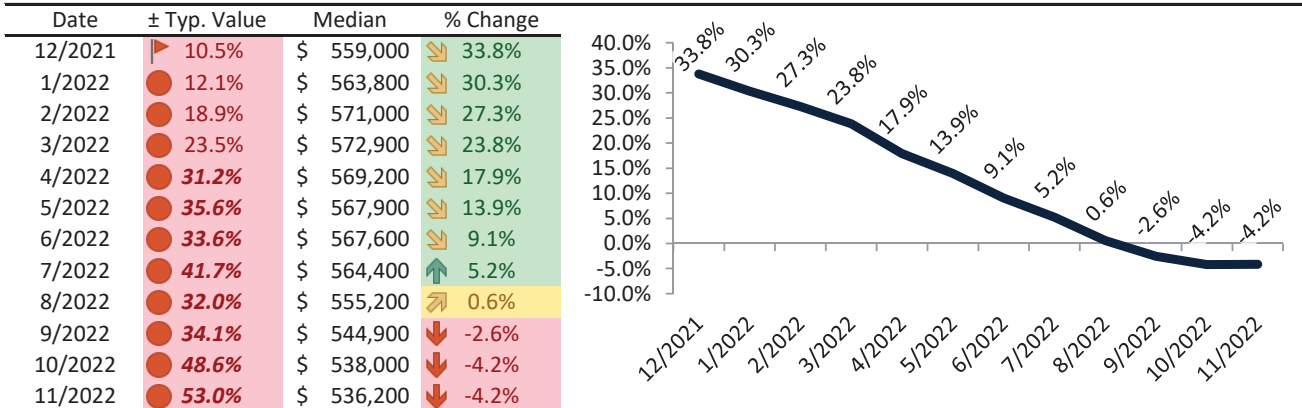
Historically, properties in this market sell at a -1.7% discount. Today's premium is 51.3%. This market is 53.0% overvalued. Median home price is \$536,200. Prices fell 4.2% year-over-year. Monthly cost of ownership is \$3,392, and rents average \$2,242, making owning \$1,150 per month more costly than renting. Rents rose 9.0% year-over-year. The current capitalization rate (rent/price) is 4.0%.

Market rating = 1

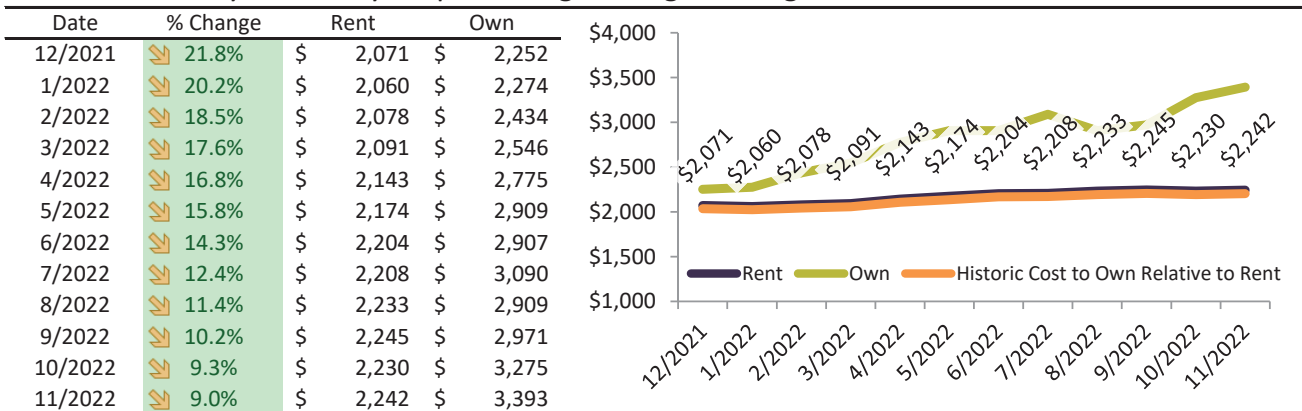
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

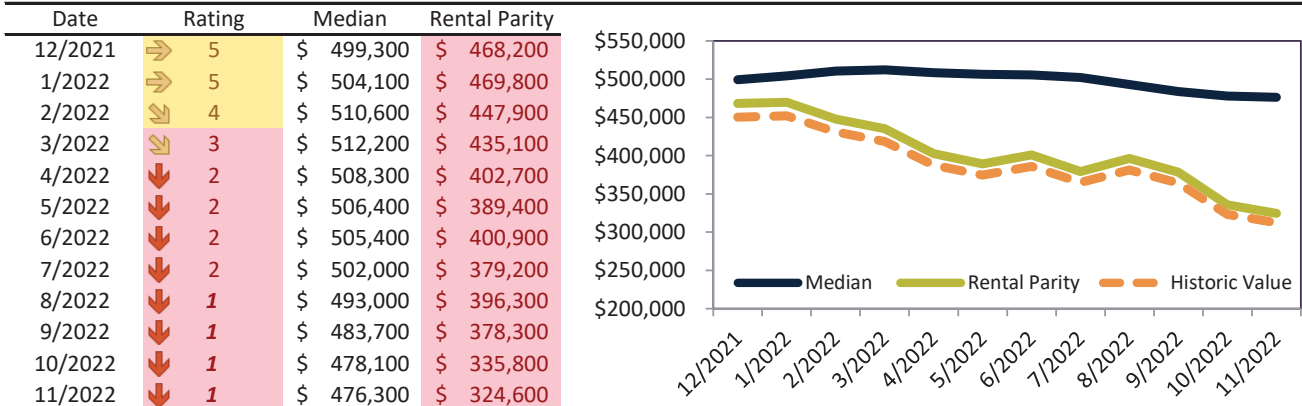


### 83709 Housing Market Value & Trends Update

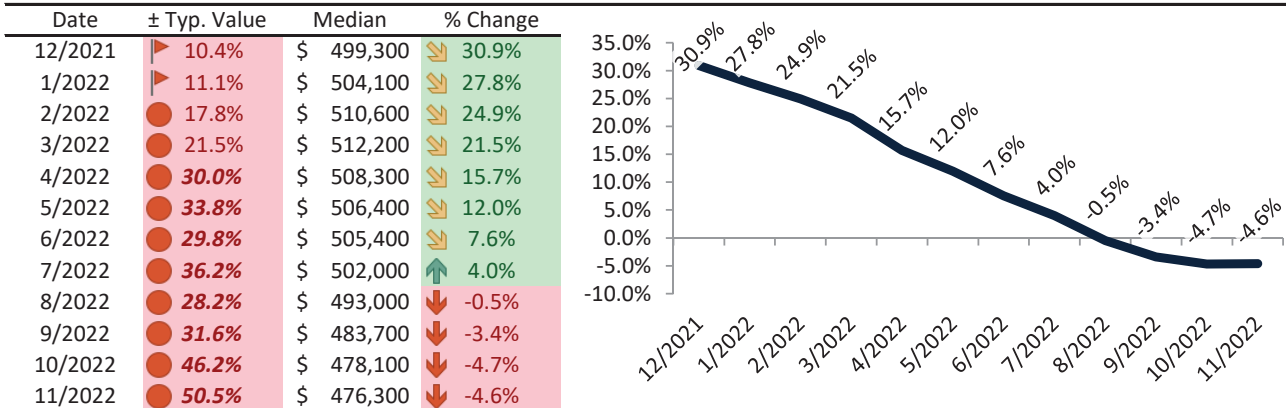
Historically, properties in this market sell at a -3.8% discount. Today's premium is 46.7%. This market is 50.5% overvalued. Median home price is \$476,300. Prices fell 4.6% year-over-year. Monthly cost of ownership is \$3,013, and rents average \$2,054, making owning \$959 per month more costly than renting. Rents rose 8.1% year-over-year. The current capitalization rate (rent/price) is 4.1%.

**Market rating = 1**

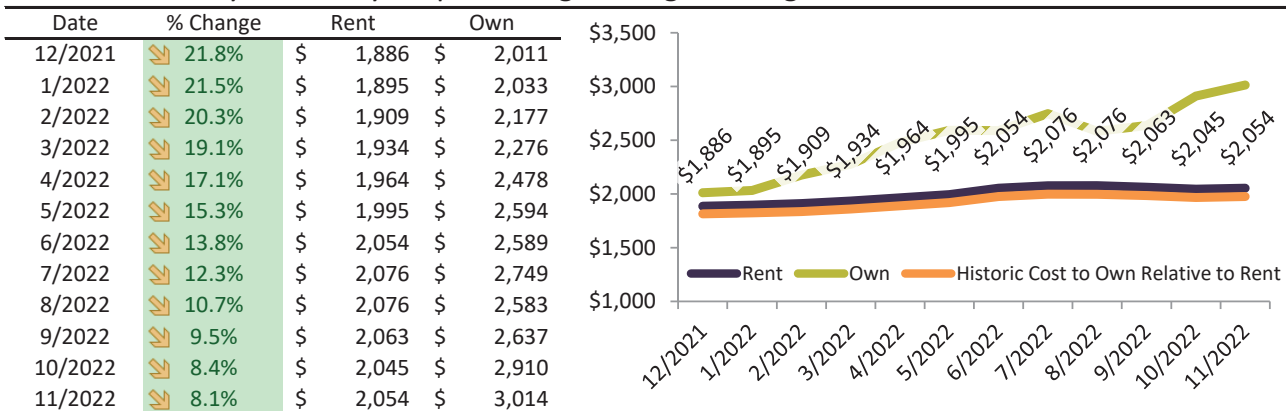
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

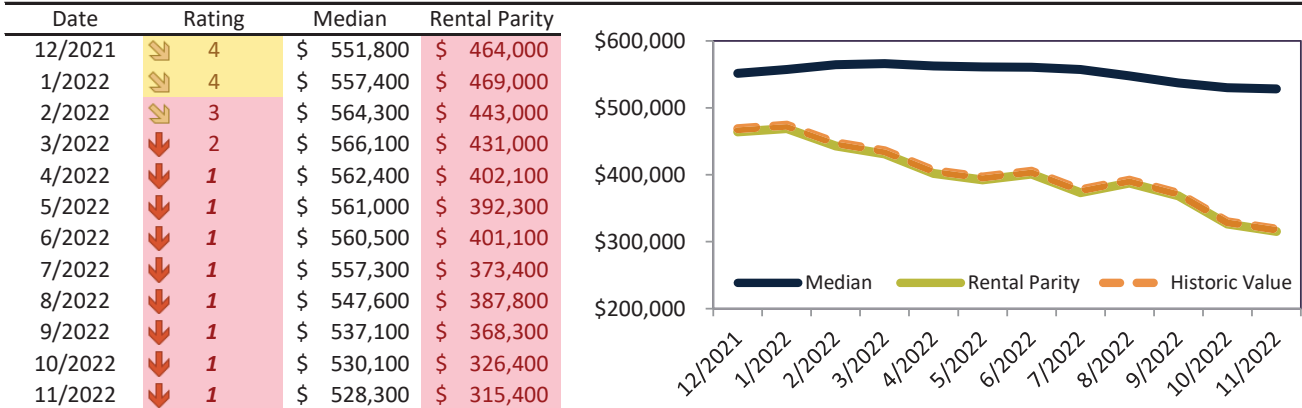


### 83642 Housing Market Value & Trends Update

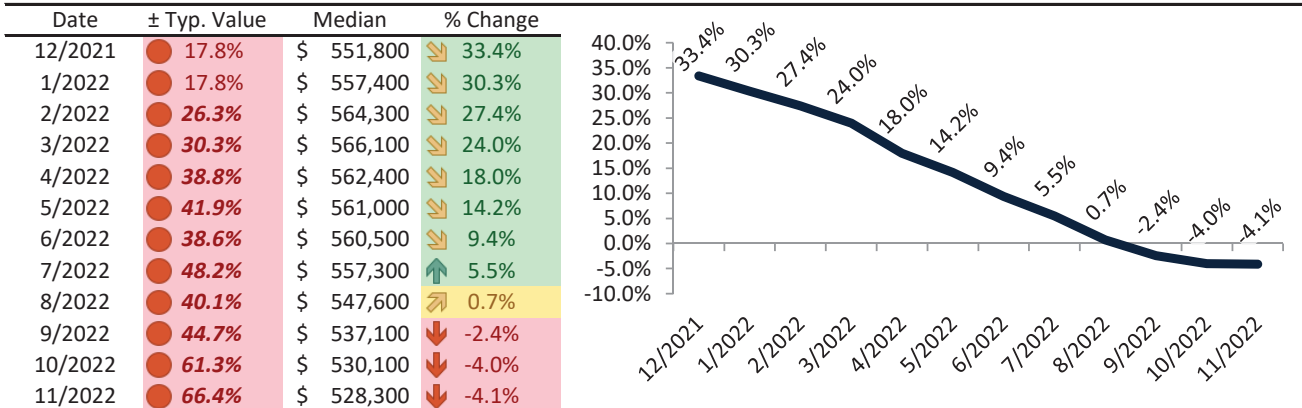
Historically, properties in this market sell at a 1.1% premium. Today's premium is 67.5%. This market is 66.4% overvalued. Median home price is \$528,300. Prices fell 4.1% year-over-year. Monthly cost of ownership is \$3,342, and rents average \$1,995, making owning \$1,346 per month more costly than renting. Rents rose 8.5% year-over-year. The current capitalization rate (rent/price) is 3.6%.

Market rating = 1

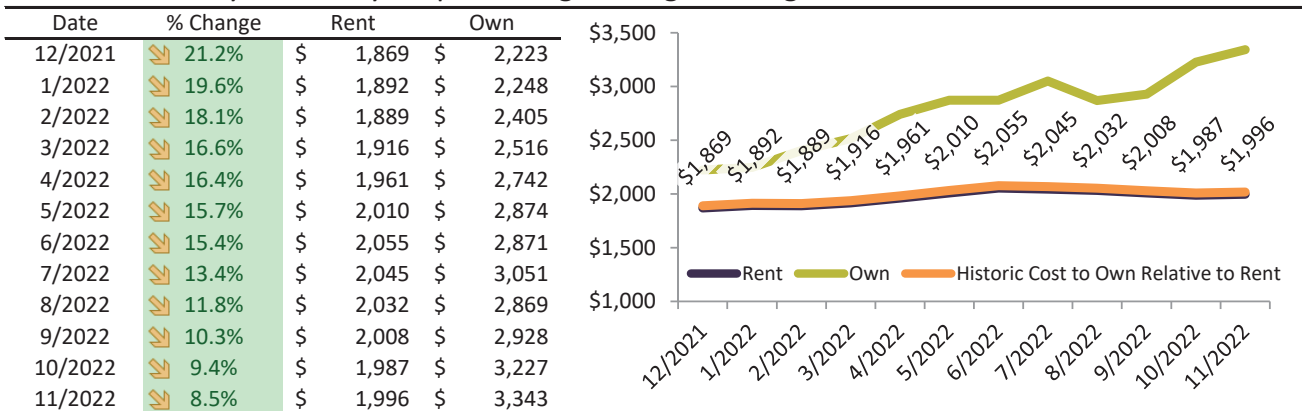
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

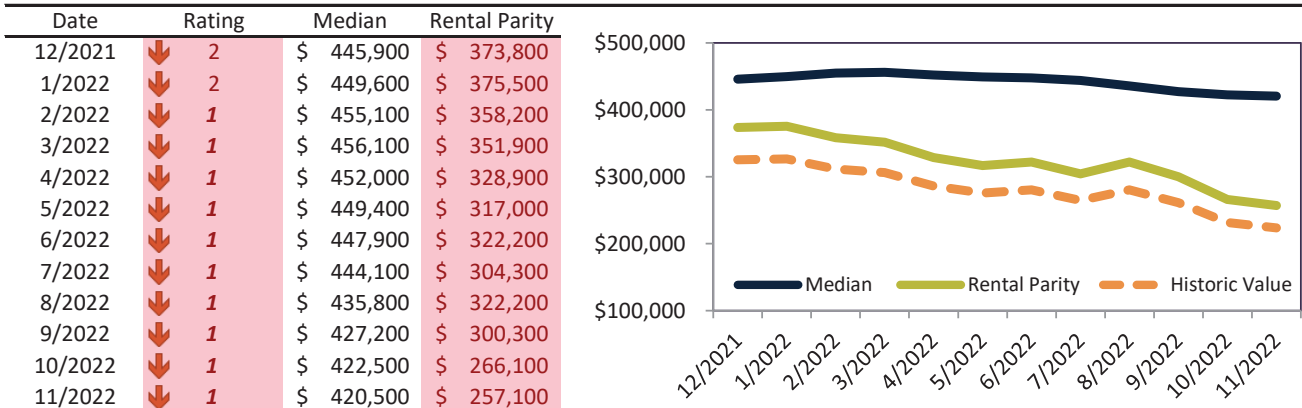


### 83704 Housing Market Value & Trends Update

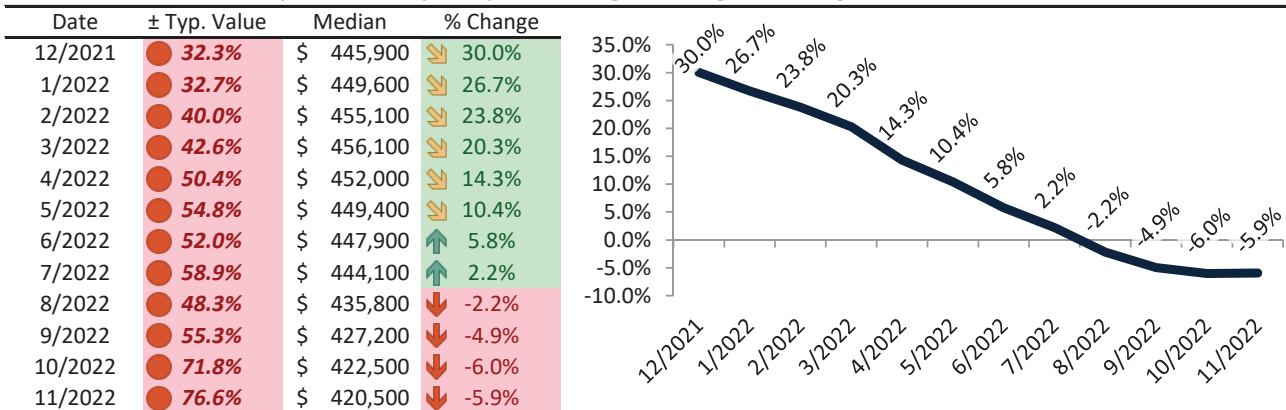
Historically, properties in this market sell at a -13.0% discount. Today's premium is 63.6%. This market is 76.6% overvalued. Median home price is \$420,500. Prices fell 5.9% year-over-year. Monthly cost of ownership is \$2,660, and rents average \$1,627, making owning \$1,033 per month more costly than renting. Rents rose 8.2% year-over-year. The current capitalization rate (rent/price) is 3.7%.

Market rating = 1

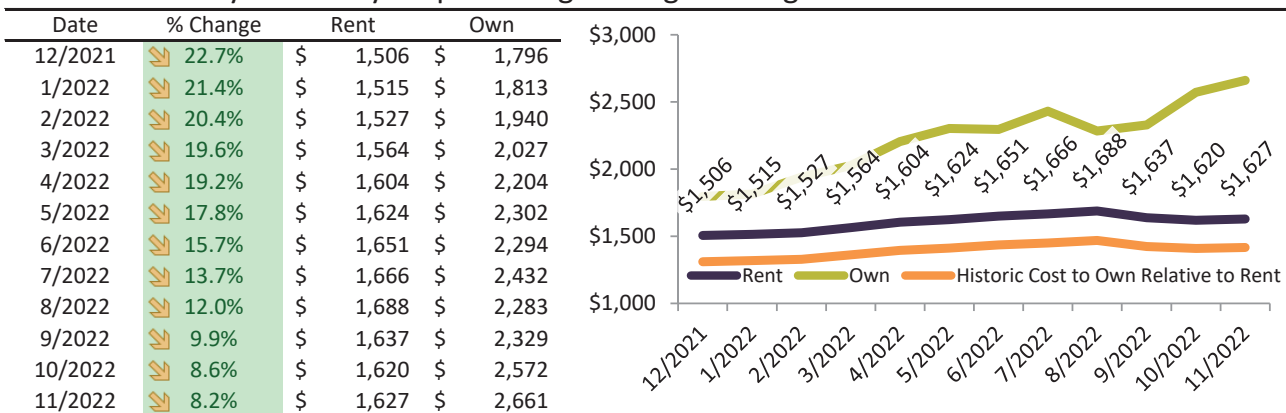
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

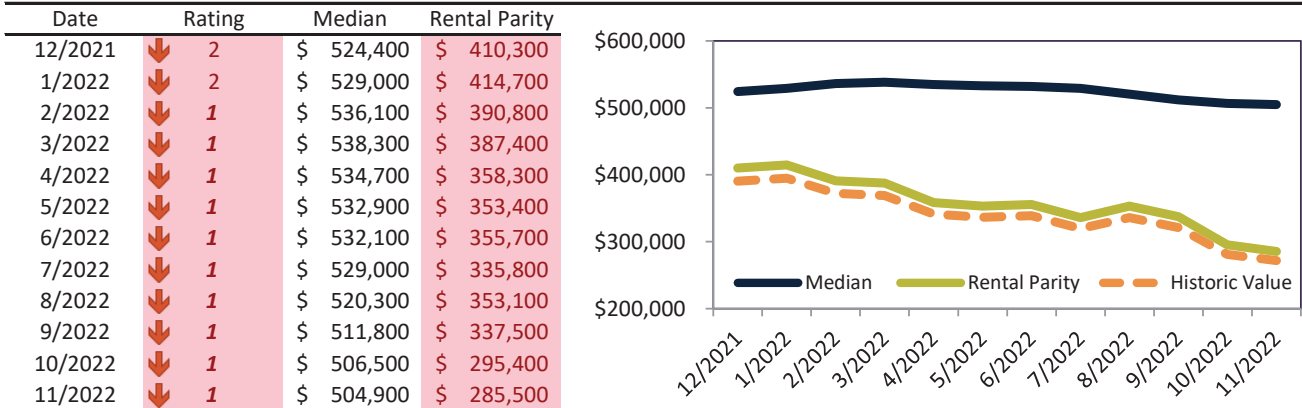


### 83706 Housing Market Value & Trends Update

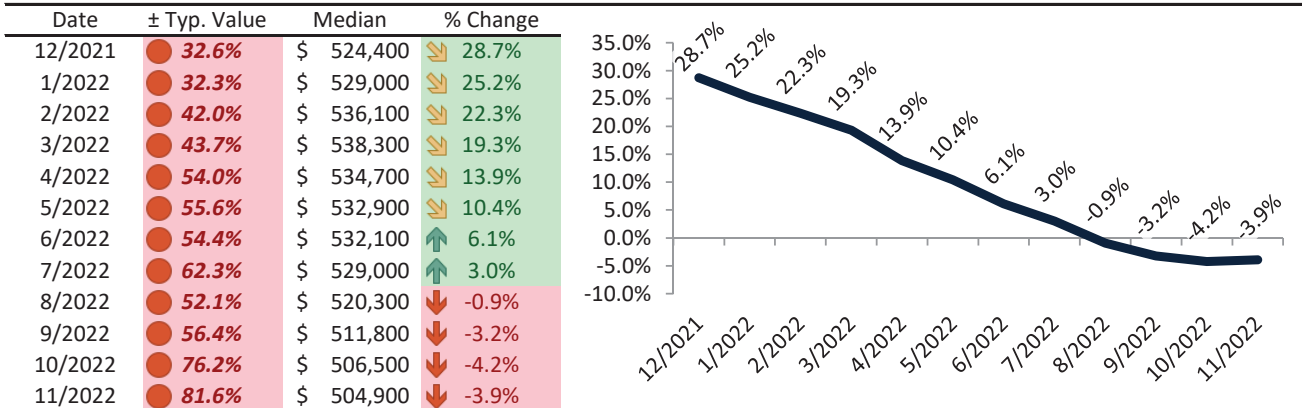
Historically, properties in this market sell at a -4.8% discount. Today's premium is 76.8%. This market is 81.6% overvalued. Median home price is \$504,900. Prices fell 3.9% year-over-year. Monthly cost of ownership is \$3,194, and rents average \$1,806, making owning \$1,387 per month more costly than renting. Rents rose 9.2% year-over-year. The current capitalization rate (rent/price) is 3.4%.

Market rating = 1

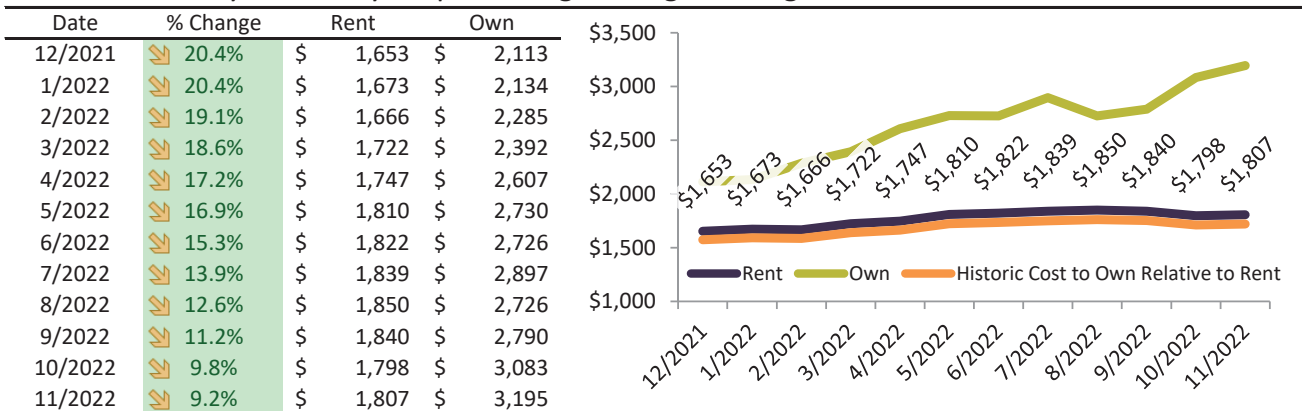
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

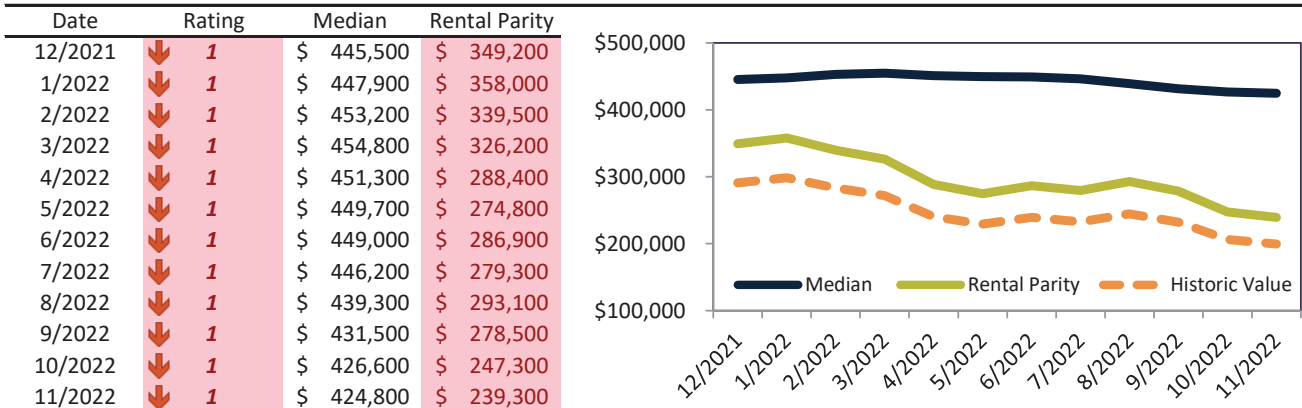


### 83705 Housing Market Value & Trends Update

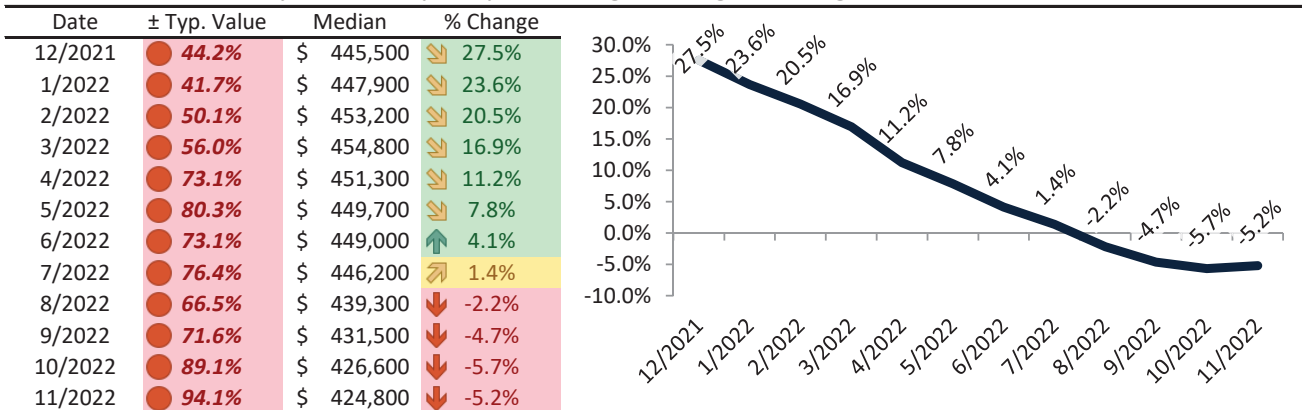
Historically, properties in this market sell at a -16.6% discount. Today's premium is 77.5%. This market is 94.1% overvalued. Median home price is \$424,800. Prices fell 5.2% year-over-year. Monthly cost of ownership is \$2,687, and rents average \$1,514, making owning \$1,173 per month more costly than renting. Rents rose 12.6% year-over-year. The current capitalization rate (rent/price) is 3.4%.

Market rating = 1

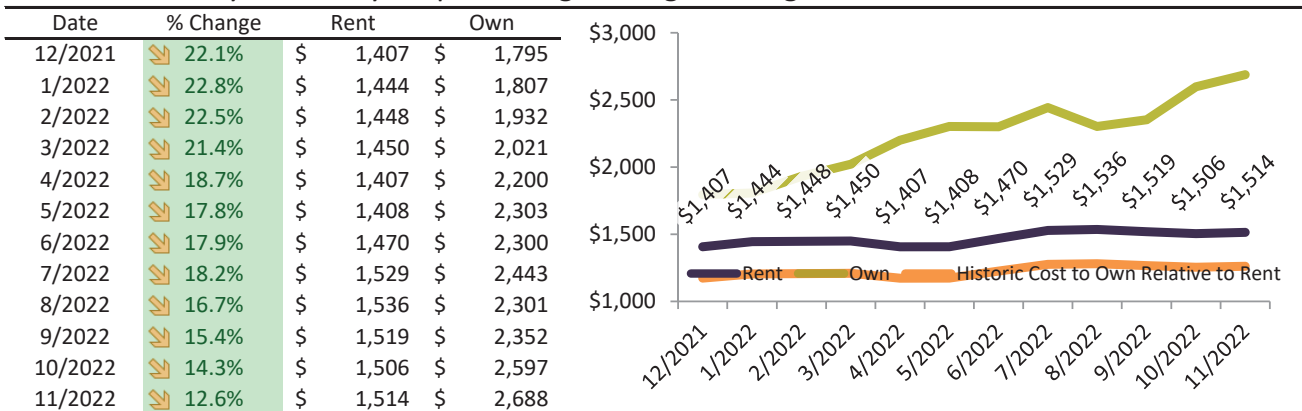
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

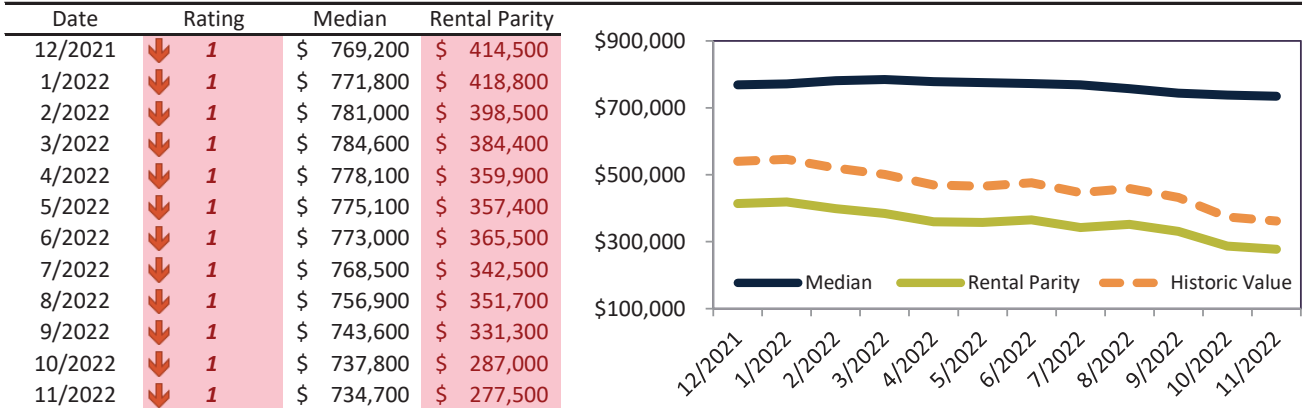


### 83702 Housing Market Value & Trends Update

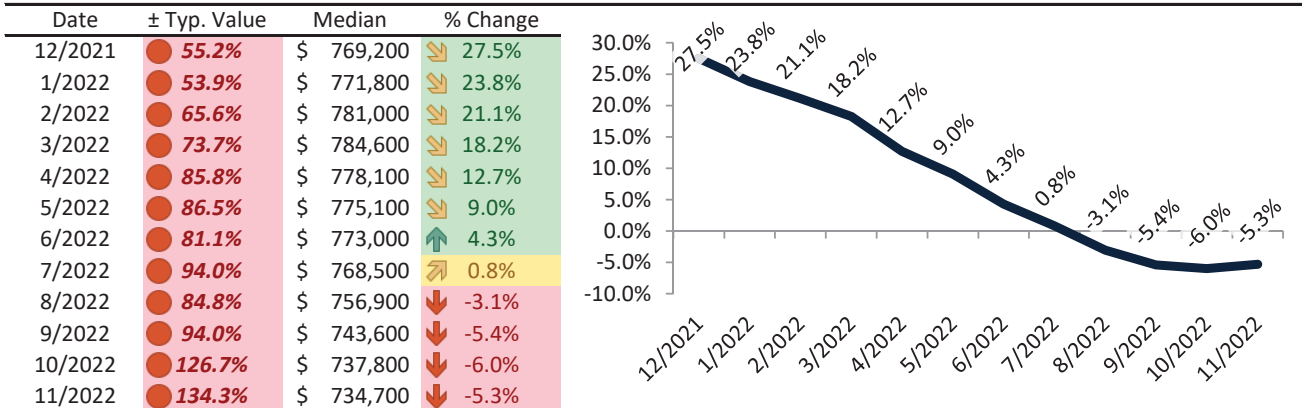
Historically, properties in this market sell at a 30.4% premium. Today's premium is 164.7%. This market is 134.3% overvalued. Median home price is \$734,700. Prices fell 5.3% year-over-year. Monthly cost of ownership is \$4,648, and rents average \$1,755, making owning \$2,892 per month more costly than renting. Rents rose 9.2% year-over-year. The current capitalization rate (rent/price) is 2.3%.

Market rating = 1

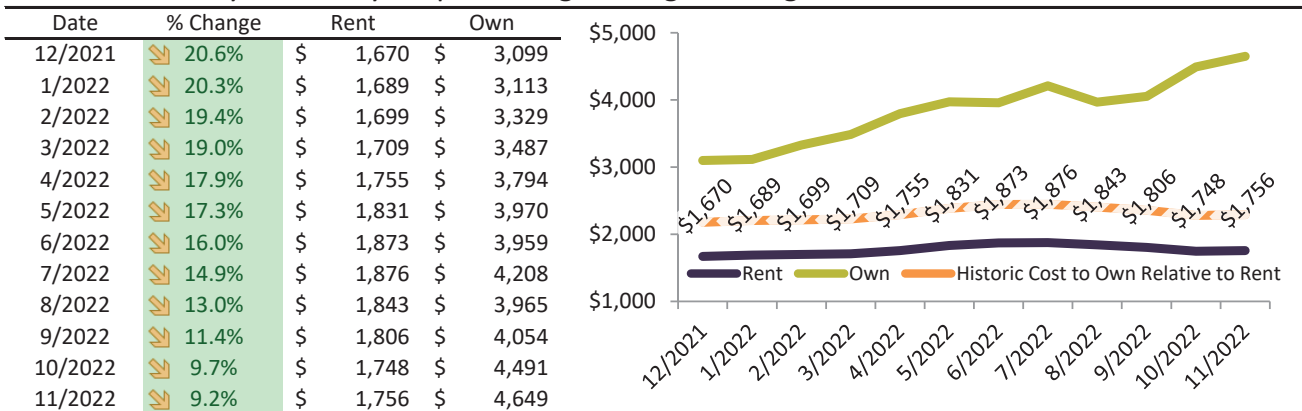
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months



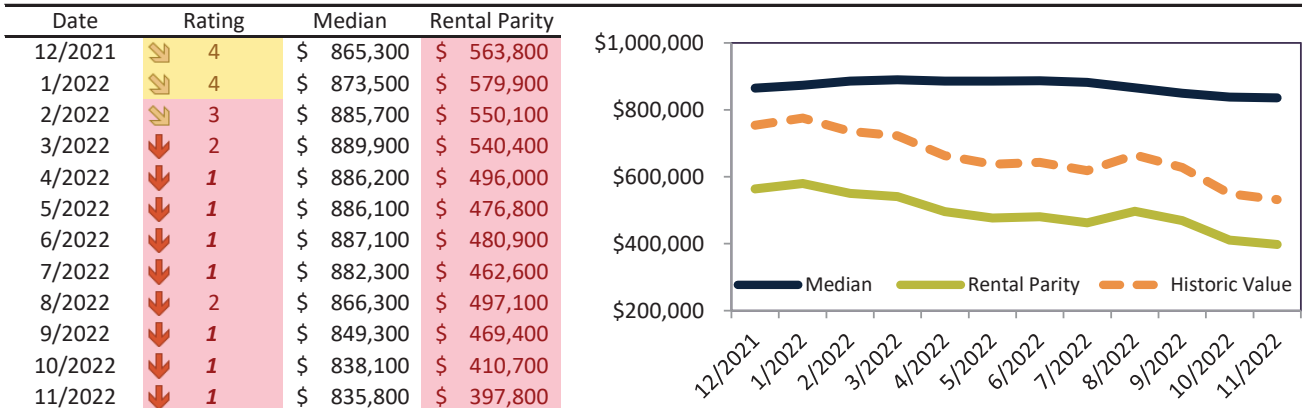


### 83616 Housing Market Value & Trends Update

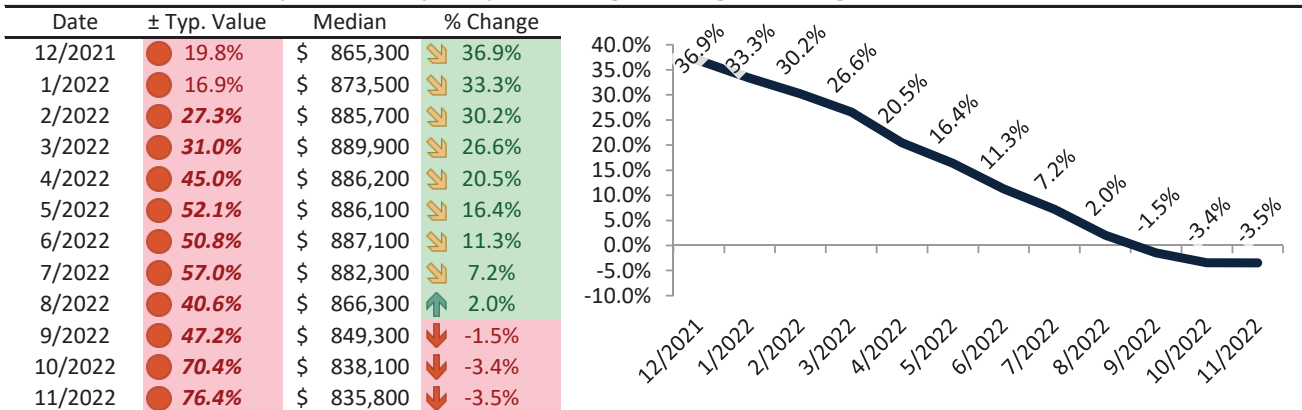
Historically, properties in this market sell at a 33.7% premium. Today's premium is 110.1%. This market is 76.4% overvalued. Median home price is \$835,800. Prices fell 3.5% year-over-year. Monthly cost of ownership is \$5,288, and rents average \$2,517, making owning \$2,771 per month more costly than renting. Rents rose 10.7% year-over-year. The current capitalization rate (rent/price) is 2.9%.

Market rating = 1

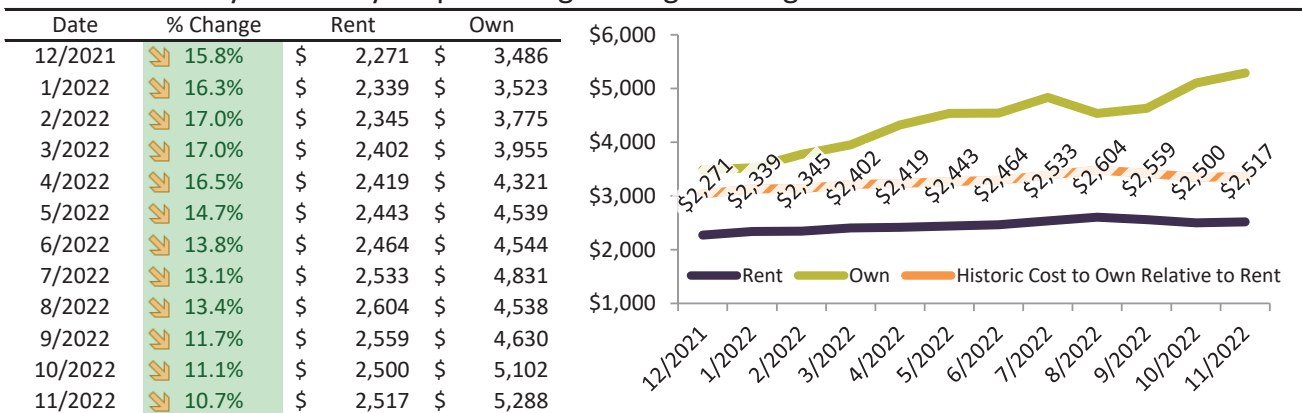
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

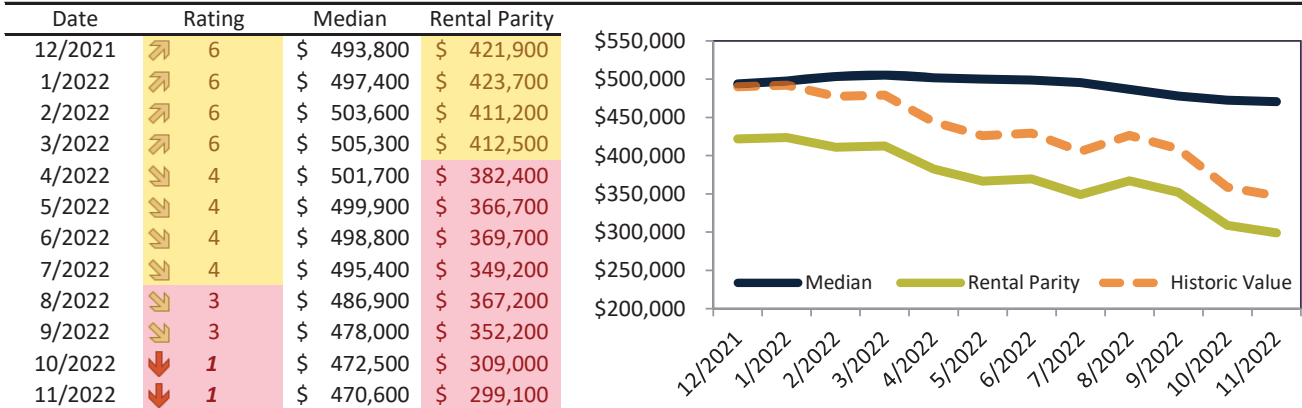


### 83713 Housing Market Value & Trends Update

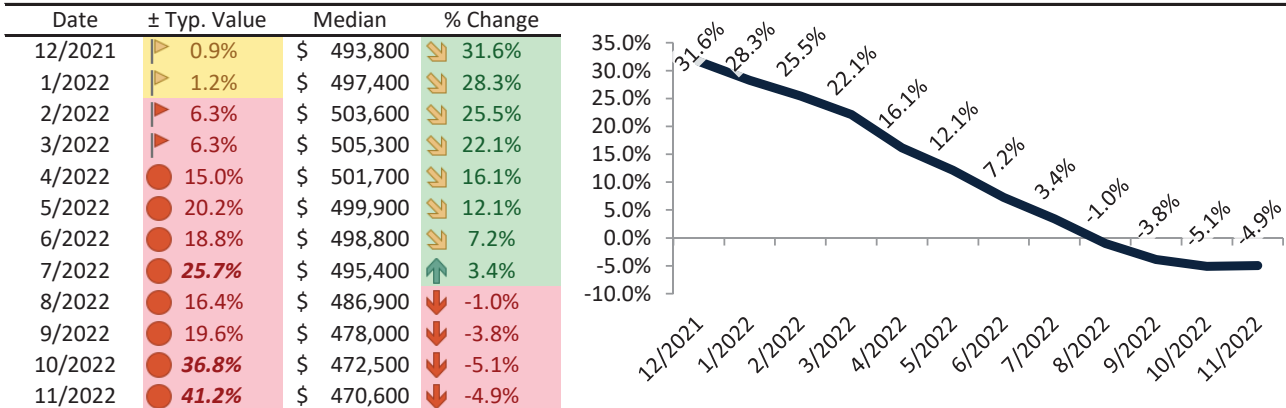
Historically, properties in this market sell at a 16.2% premium. Today's premium is 57.4%. This market is 41.2% overvalued. Median home price is \$470,600. Prices fell 4.9% year-over-year. Monthly cost of ownership is \$2,977, and rents average \$1,893, making owning \$1,084 per month more costly than renting. Rents rose 8.4% year-over-year. The current capitalization rate (rent/price) is 3.9%.

Market rating = 1

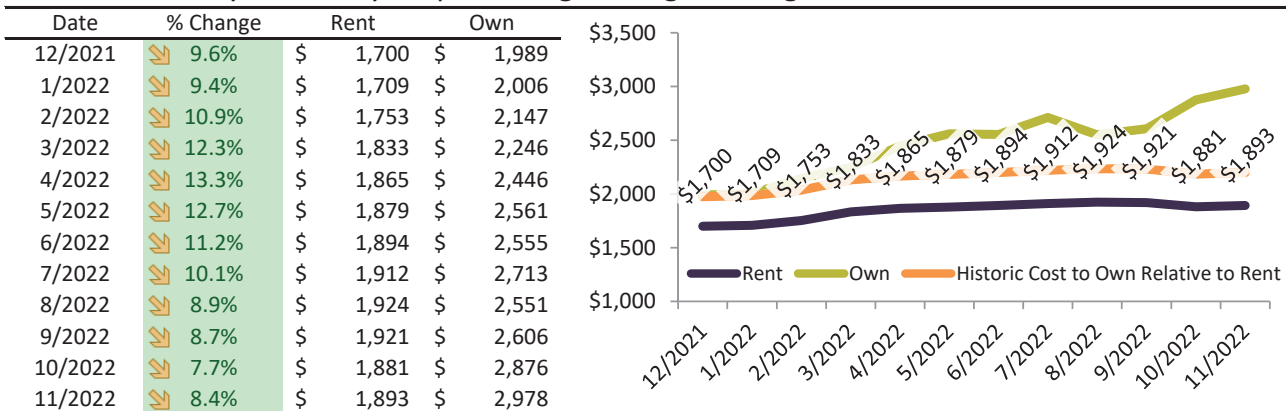
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

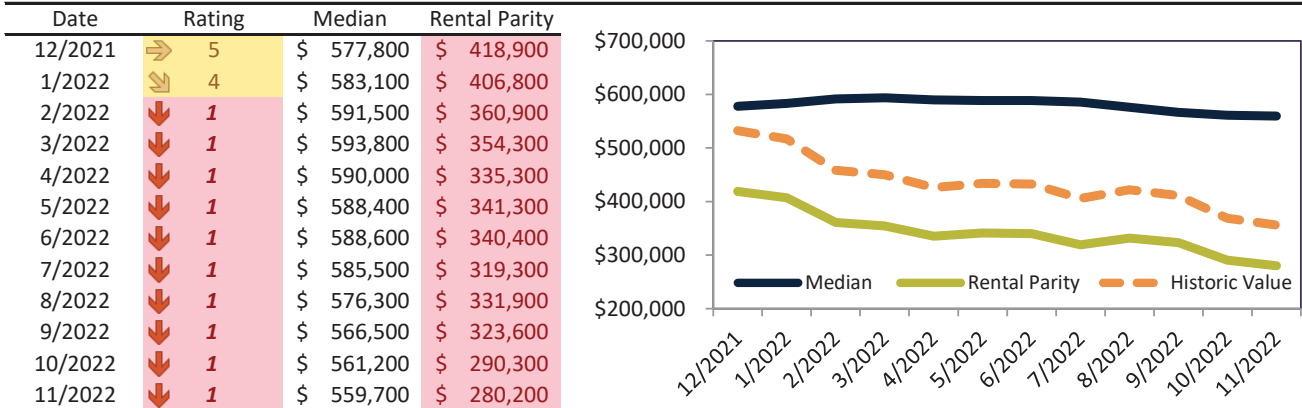


### 83714 Housing Market Value & Trends Update

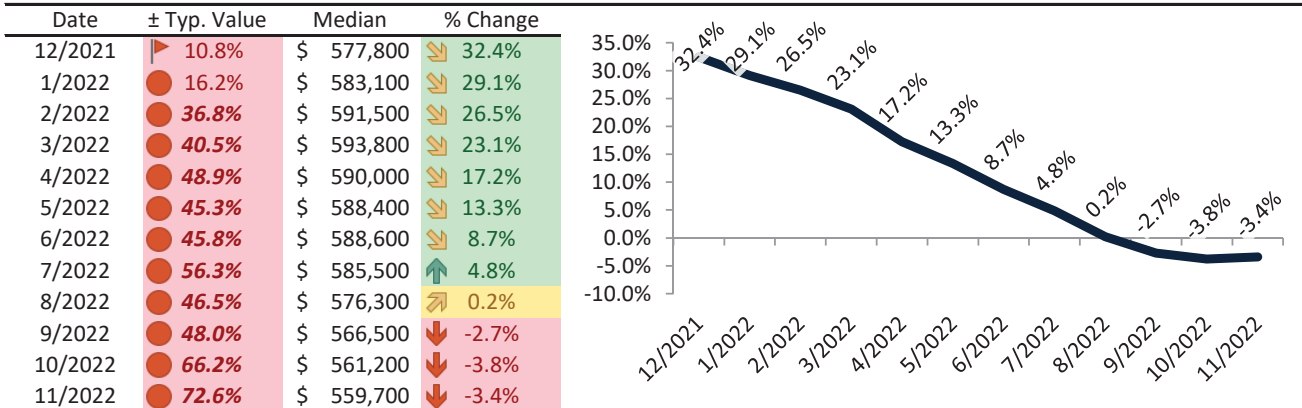
Historically, properties in this market sell at a 27.1% premium. Today's premium is 99.7%. This market is 72.6% overvalued. Median home price is \$559,700. Prices fell 3.4% year-over-year. Monthly cost of ownership is \$3,541, and rents average \$1,772, making owning \$1,768 per month more costly than renting. Rents rose 5.9% year-over-year. The current capitalization rate (rent/price) is 3.0%.

Market rating = 1

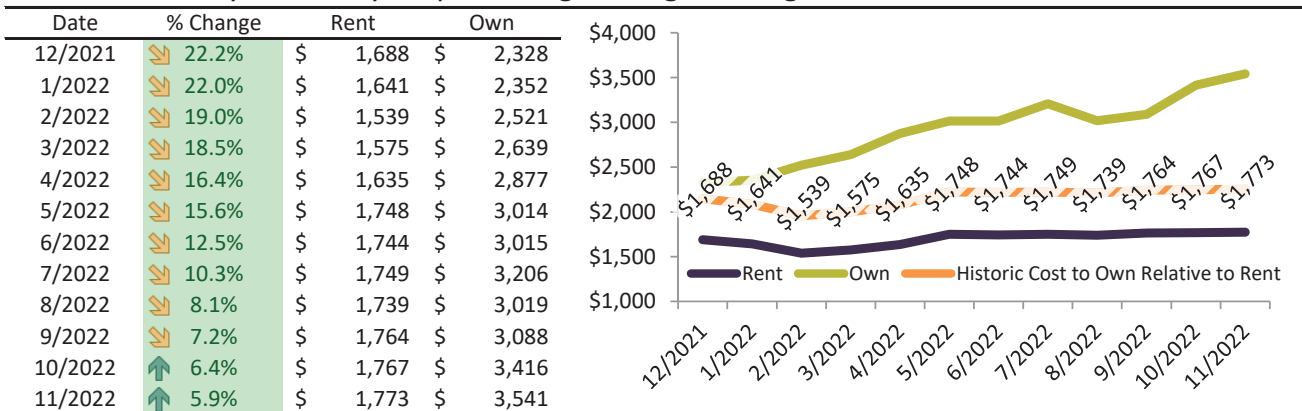
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

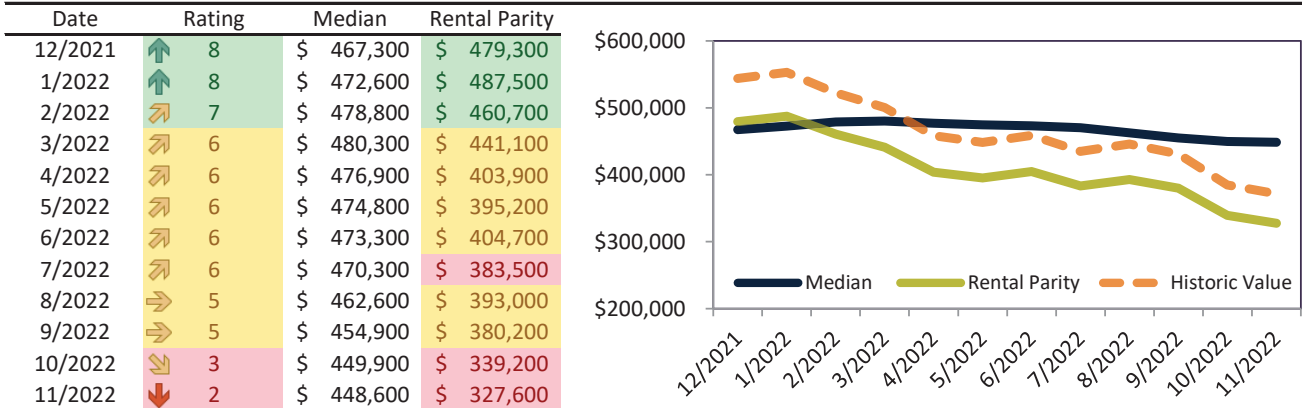


### 83634 Housing Market Value & Trends Update

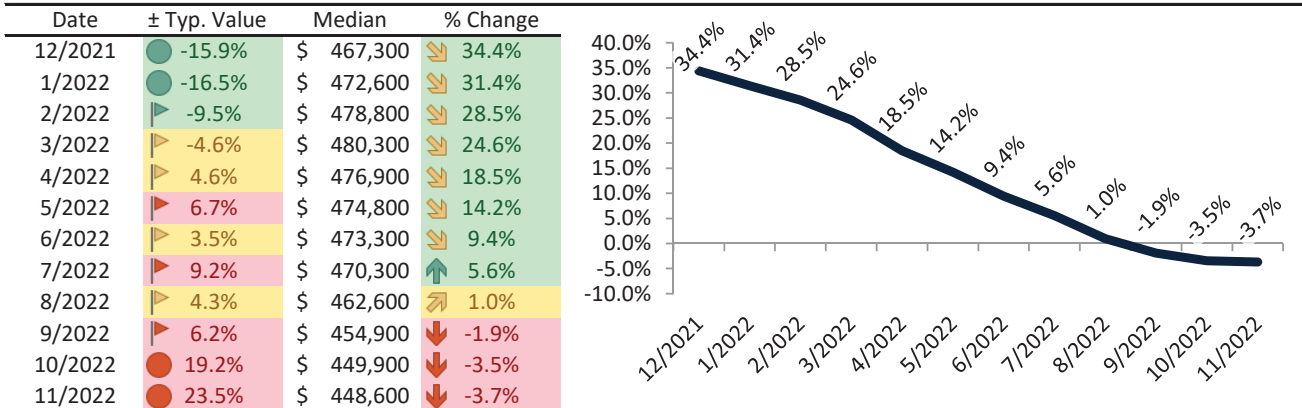
Historically, properties in this market sell at a 13.4% premium. Today's premium is 36.9%. This market is 23.5% overvalued. Median home price is \$448,600. Prices fell 3.7% year-over-year. Monthly cost of ownership is \$2,838, and rents average \$2,073, making owning \$765 per month more costly than renting. Rents rose 7.6% year-over-year. The current capitalization rate (rent/price) is 4.4%.

Market rating = 2

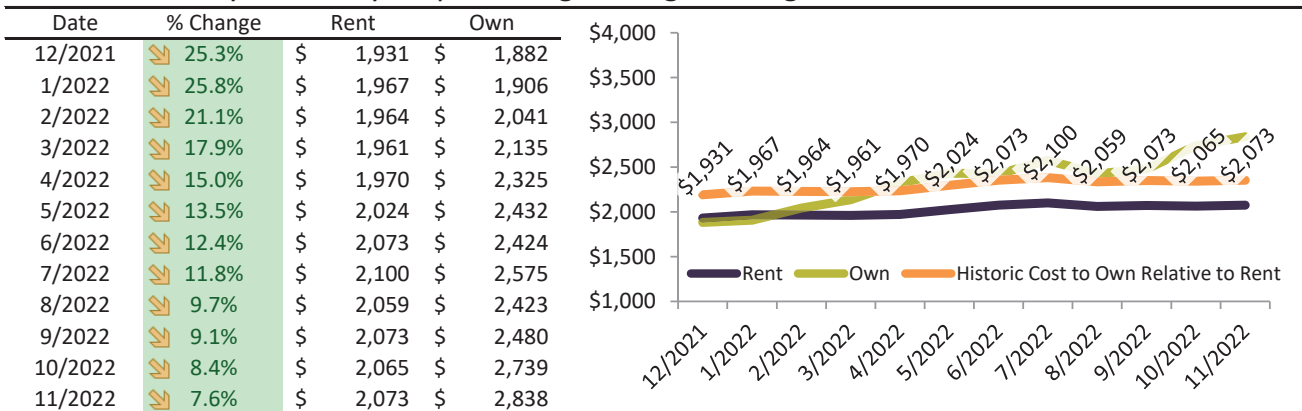
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

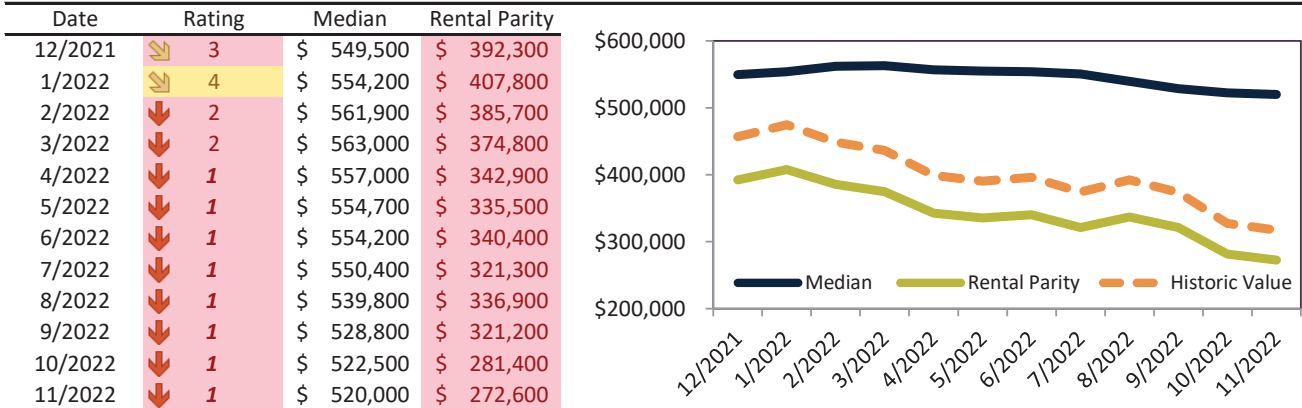


### 83703 Housing Market Value & Trends Update

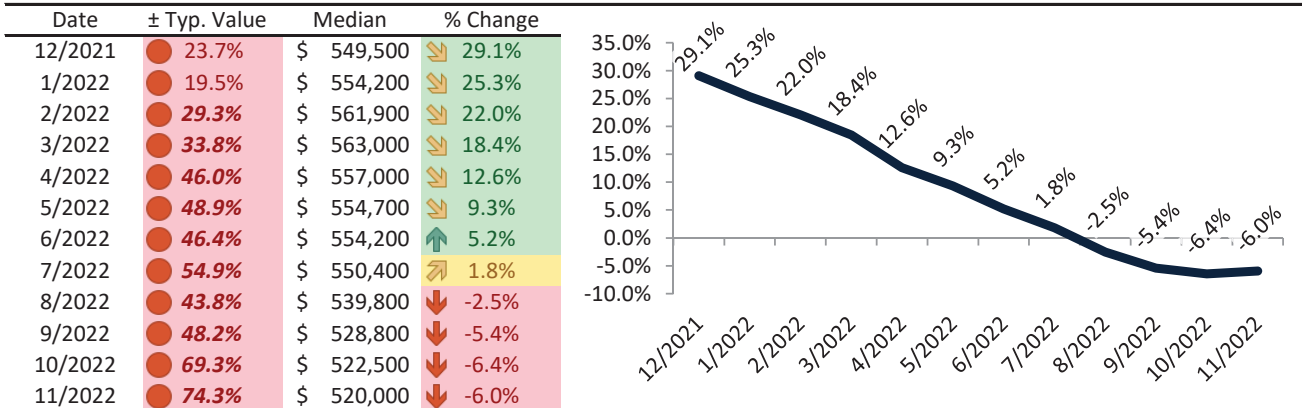
Historically, properties in this market sell at a 16.4% premium. Today's premium is 90.7%. This market is 74.3% overvalued. Median home price is \$520,000. Prices fell 6.0% year-over-year. Monthly cost of ownership is \$3,290, and rents average \$1,725, making owning \$1,564 per month more costly than renting. Rents rose 9.6% year-over-year. The current capitalization rate (rent/price) is 3.2%.

Market rating = 1

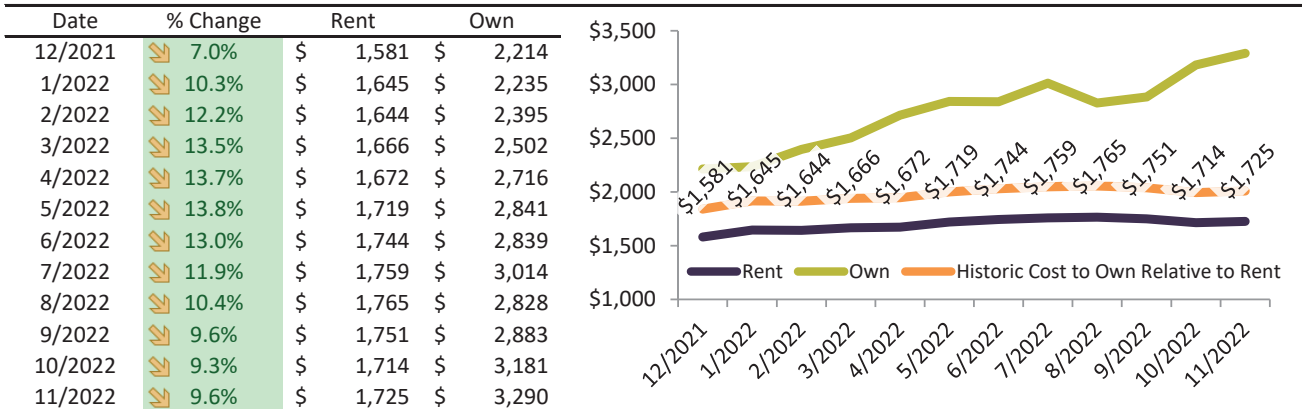
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

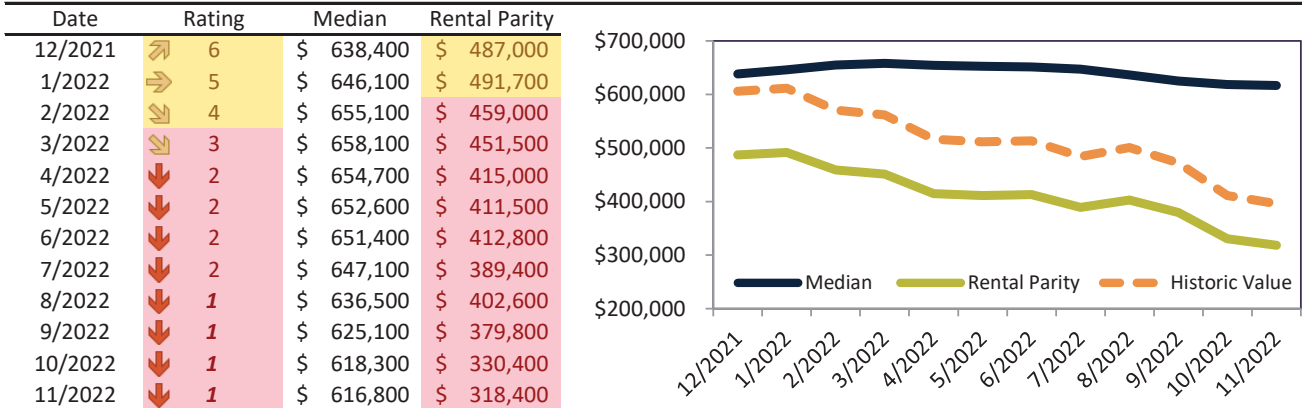


### 83716 Housing Market Value & Trends Update

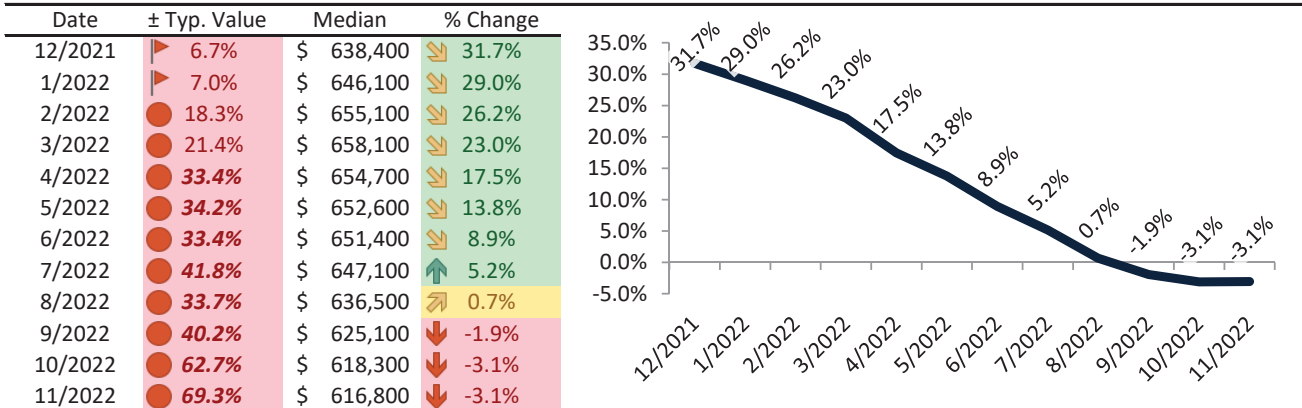
Historically, properties in this market sell at a 24.4% premium. Today's premium is 93.7%. This market is 69.3% overvalued. Median home price is \$616,800. Prices fell 3.1% year-over-year. Monthly cost of ownership is \$3,902, and rents average \$2,014, making owning \$1,887 per month more costly than renting. Rents rose 6.0% year-over-year. The current capitalization rate (rent/price) is 3.1%.

Market rating = 1

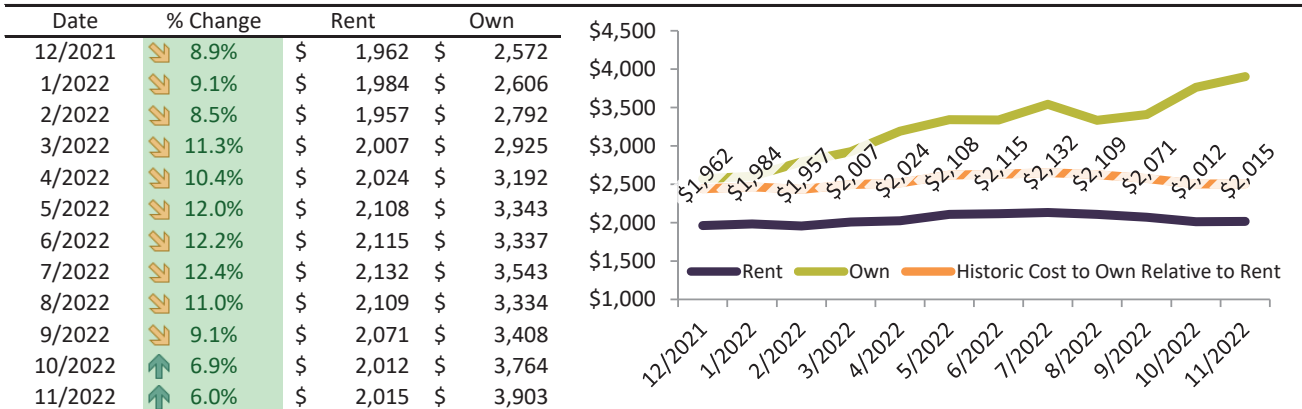
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

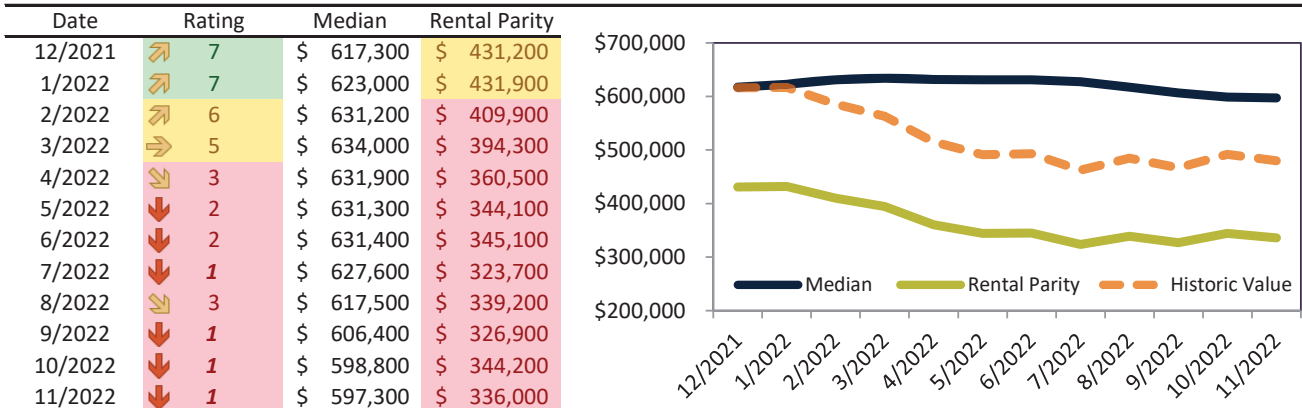


### 83669 Housing Market Value & Trends Update

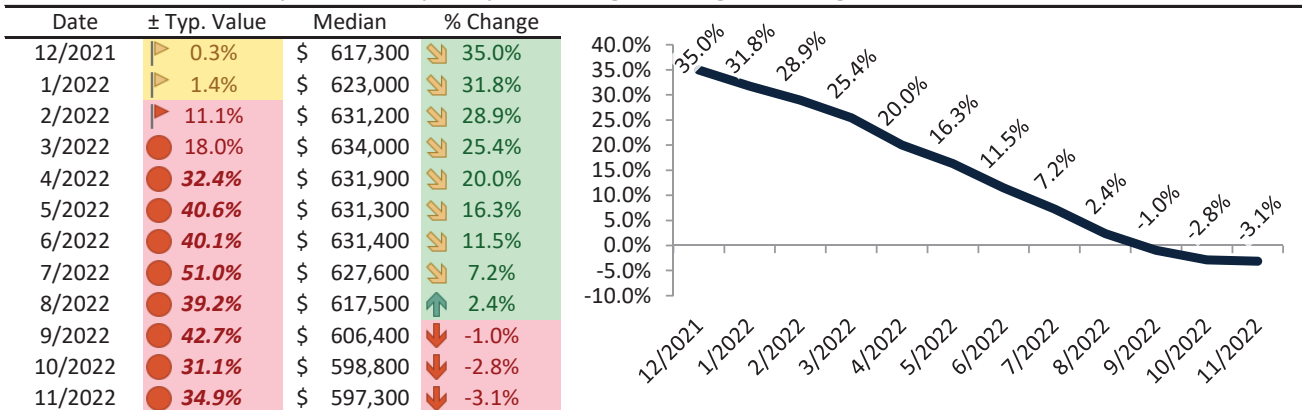
Historically, properties in this market sell at a 42.8% premium. Today's premium is 77.7%. This market is 34.9% overvalued. Median home price is \$597,300. Prices fell 3.1% year-over-year. Monthly cost of ownership is \$3,779, and rents average \$2,126, making owning \$1,653 per month more costly than renting. Rents rose 12.1% year-over-year. The current capitalization rate (rent/price) is 3.4%.

Market rating = 1

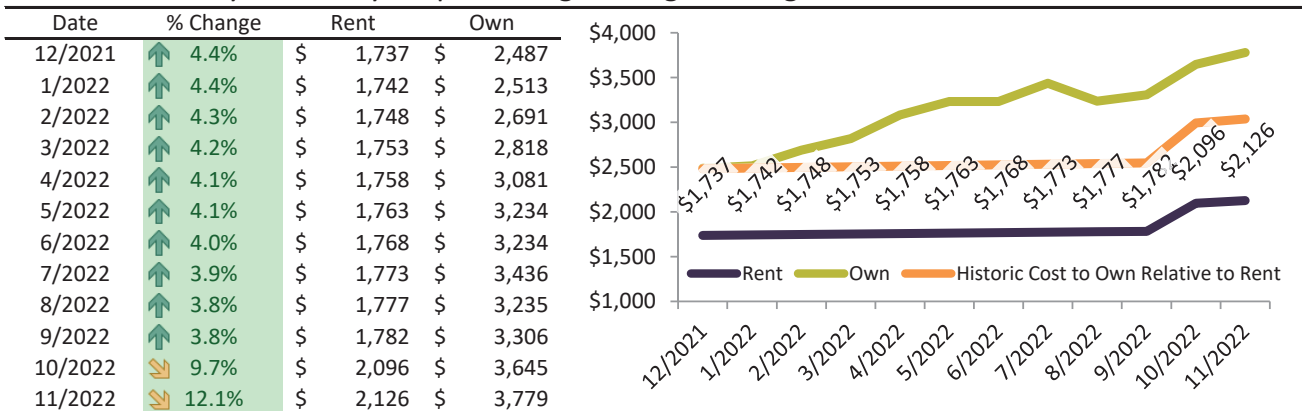
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months

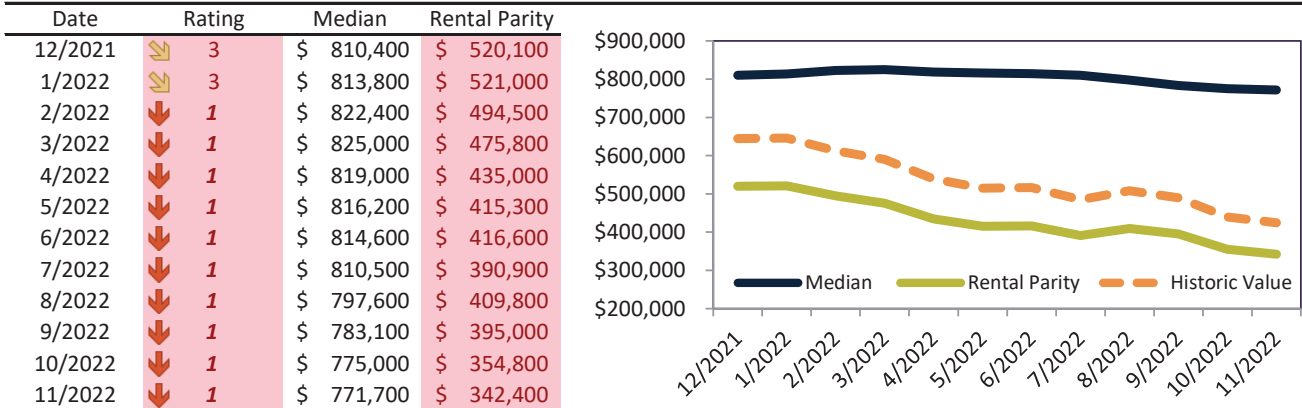


### 83712 Housing Market Value & Trends Update

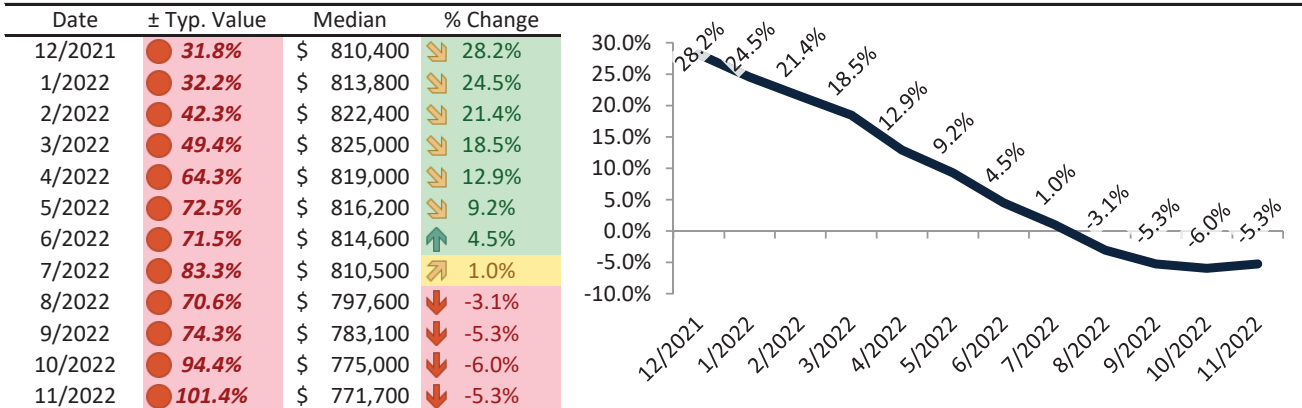
Historically, properties in this market sell at a 24.0% premium. Today's premium is 125.4%. This market is 101.4% overvalued. Median home price is \$771,700. Prices fell 5.3% year-over-year. Monthly cost of ownership is \$4,882, and rents average \$2,167, making owning \$2,715 per month more costly than renting. Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 2.7%.

Market rating = 1

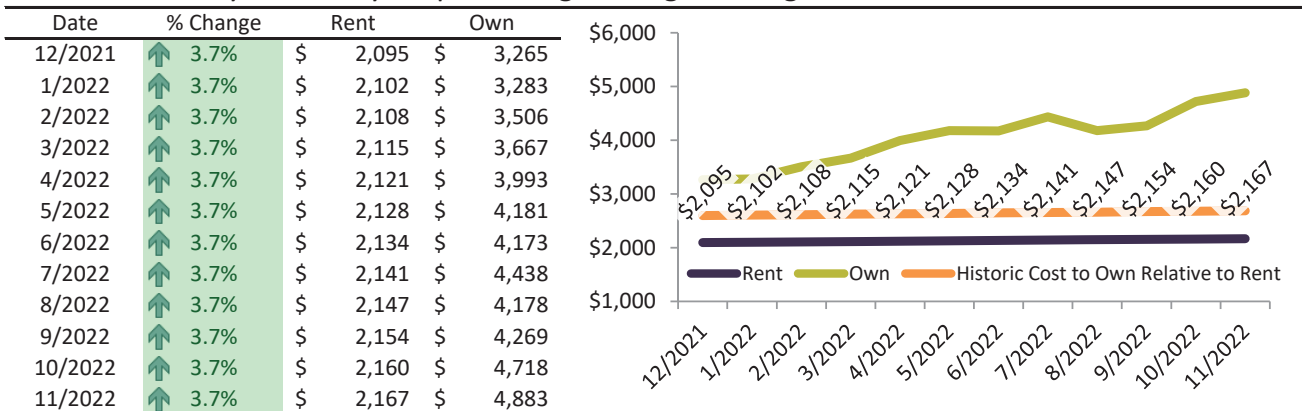
#### Median Home Price and Rental Parity trailing twelve months



#### Resale Median and year-over-year percentage change trailing twelve months



#### Rental rate and year-over-year percentage change trailing twelve months





## TAIT Housing Report

TAIT housing report and newsletter provides a clear picture of the health of the housing market. Readers find the information on location, valuation, and price trends, timely and relevant to their decision to buy or sell real estate. The TAIT report answers the most important questions:

- (1) Where should I look for bargains?
- (2) Are current prices over or under valued?
- (3) What direction are prices headed, up or down?

The TAIT monthly market report has distilled the market down to three key pieces of information:

- (1) Resale value relative to rent,
- (2) Yearly change in resale prices, and
- (3) Yearly changes in rents.

The resale value relative to rent, or Rental Parity, is calculated by taking the median rent reported by Zillow and utilizing that value as a payment to calculate the size of the loan that payment would support. **The result is the price someone could pay and their resulting cost of ownership (payment mostly) would equal the cost of renting;** thus the name Rental Parity. The median is the raw median number provided by Zillow. The historic value is what the median "should" be based on the historic relationship between rental parity and the median during periods of market stability (1992-1998 and 2014-2017). This historic value is important because some areas trade below rental parity and some trade above based on how desirable the area is. Whenever the median is above the historic value, the market is overvalued, and whenever the median is below the historic value, it is undervalued. **Without this benchmark, there is no way to determine if the current median is overvalued or undervalued.** The addition of this benchmark is the key innovation of the TAIT Housing Report.

## Using and Interpreting the TAIT Monthly Report

The table of contents on the front page of the TAIT monthly report organizes the reports by area. The typical page of an area report breaks down into four parts:

- (1) The news overview,
- (2) Median Home Price and Rental Parity trailing twelve months,
- (3) Resale \$/SF and year-over-year percentage change trailing twelve months,
- (4) Rental rate and year-over-year percentage change trailing twelve months.

## NEWS OVERVIEW

The news overview provides concise descriptions of the facts and conditions in the market. The news overview measures the current premium or discount, compares it to the historic premium or discount, and states whether the market is currently overvalued or undervalued. This is an important measure of future financial performance.

### Orange County Housing Market Value & Trends Update

---

Historically, properties in this market sell at a 1.9% premium. Today's discount is 0.7%. This market is 2.6% undervalued.

Median home price is \$730,800, and resale \$/SF is \$429/SF. Prices rose 0.8% year-over-year.

Monthly cost of ownership is \$3,204, and rents average \$3,225, making owning \$020 per month less costly than renting.

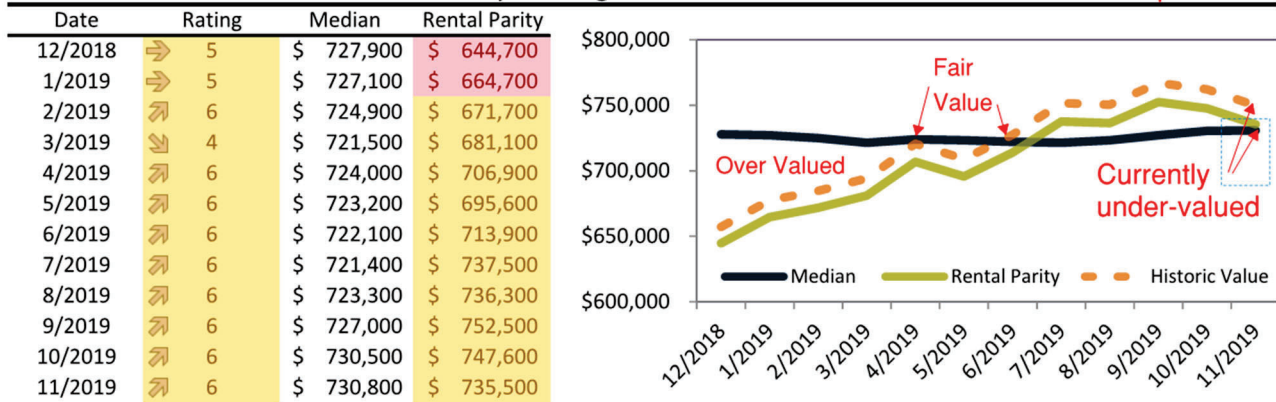
Rents rose 3.7% year-over-year. The current capitalization rate (rent/price) is 4.2%.

**Market rating = 6**

## MEDIAN HOME PRICE AND RENTAL PARITY TRAILING TWELVE MONTHS

For those who want the bottom line without all the analysis and detail, the market rating is the first row of the first section of data. The rating encapsulates all the conditions of the market into one figure. A rating of 10 is good and a rating of 1 is bad. **A highly rated property or market is a good financial buy.**

### Median Home Price and Rental Parity trailing twelve months Premium Market Example



The chart displays three lines that reveal much about the market. The first two lines to note are the parallel green and orange lines, rental parity (green) and historic value (orange). As mentioned previously, some markets trade at a discount and some at a premium to rental parity. If the orange line (historic value) is above the green line (rental parity), the market is a premium market. If the orange line (historic value) is below the green line (rental parity), the market is a discount market. The larger the gap, the greater the premium or discount is.

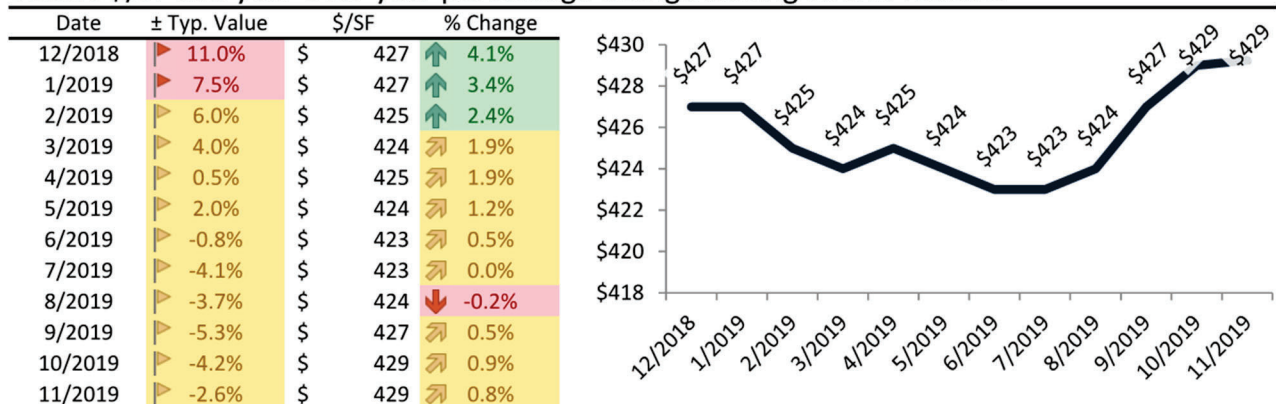
The third line plotted against these two parallel lines is the median resale price for the area. This line reveals whether the market is currently trading at a premium or discount to rental parity and historic value. The more important of these relationships is between median resale price and historic value. Over time, the market has shown a tendency toward trading at historic value. If it trades above for a while, over time it will revert back to this value. That may happen either by an extended period of little or no appreciation or an outright decline in prices. If the market trades below its historic value, it's likely to see a rebound back to this value in the future.

**Valuation is more important than price movement. The best markets trade at a discount to historic value.**

## RESALE \$/SF AND YEAR-OVER-YEAR PERCENTAGE CHANGE TRAILING TWELVE MONTHS

Since the historic value is so important, the first column in next section displays the premium or discount from historic value over the last year. The second column and the chart shows the dollars-per-square-foot resale price in the market. The line on the chart visually shows the general direction of prices, and the third column shows the actual percentage change.

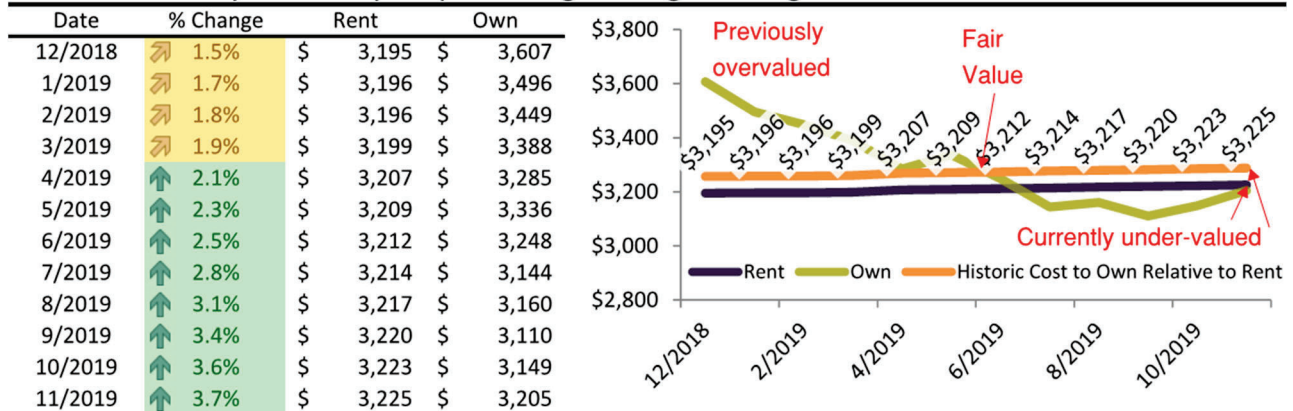
### Resale \$/SF and year-over-year percentage change trailing twelve months



## RENTAL RATE AND YEAR-OVER-YEAR PERCENTAGE CHANGE TRAILING TWELVE MONTHS

The final table and chart on the page is similar to the first grouping; it displays three lines, two of which are parallel and show current rent and the historic cost of ownership relative to rent, and the third line is the current cost of ownership. The relationships are similar, the charts will look similar, and the interpretations are the same.

### Rental rate and year-over-year percentage change trailing twelve months

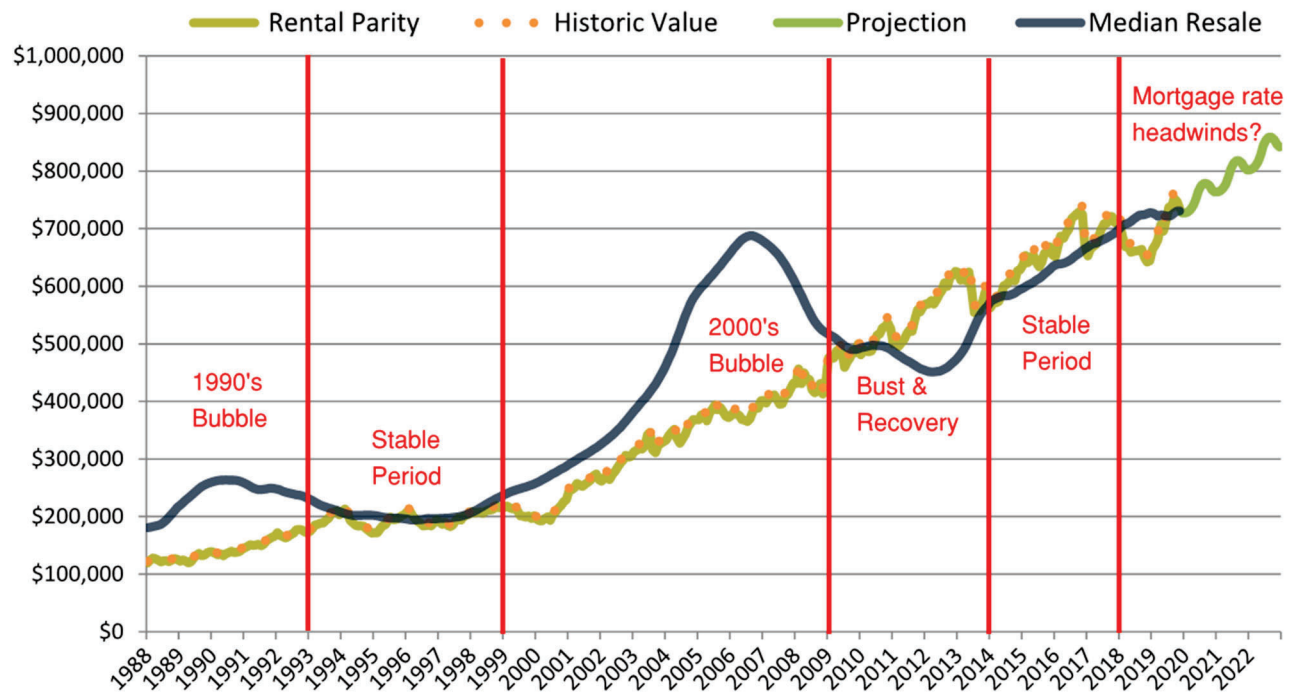


This method of looking at the data is more revealing to those who like to focus on monthly costs rather than purchase price. It reveals how affordable properties are relative to monthly rent, which is what rental parity analysis is all about. The first column of data shows the rate of rent growth over the last year, and the next two columns show the cost of renting and the cost of owning during the same period.

### HISTORIC MARKET DATA CHARTS

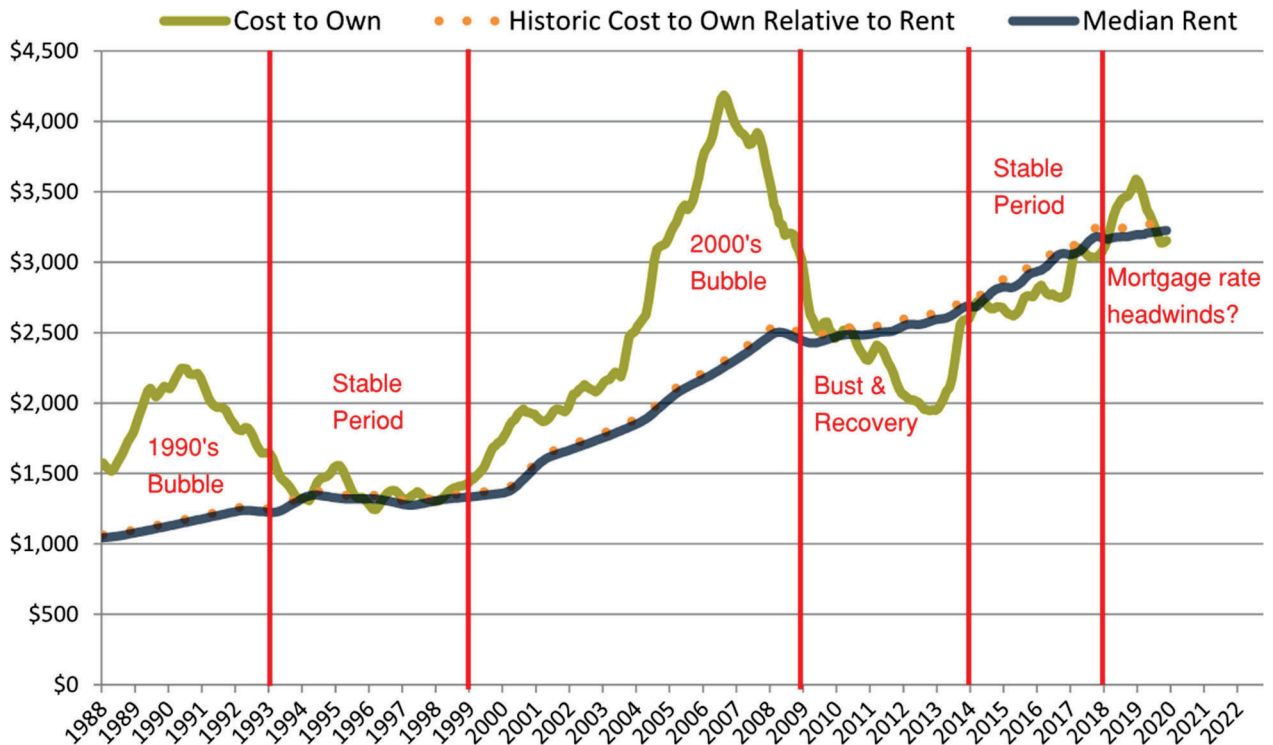
The next page of the report shows two charts: County median home price since January 1988, and County median rent and monthly cost of ownership since January 1988. These charts are designed to put current circumstances in historic context. They answer questions like, “How volatile are prices?” and “How does today’s pricing compare to the fluctuations of the past?” and “How much danger is there in buying today?”

### Orange County median home price since January 1988



With the green line for rental parity and the orange line for historic value, it's easy to tell when the market is fairly valued, overvalued, or undervalued.

## Orange County median rent and monthly cost of ownership since January 1988



The chart above shows rent and monthly cost of ownership. It looks similar to the rental parity and resale home price chart, as it merely converts that information to a monthly format. For those who have difficulty relating to the large numbers of purchase price, viewing the data in terms of monthly expenses is easier to put into context.

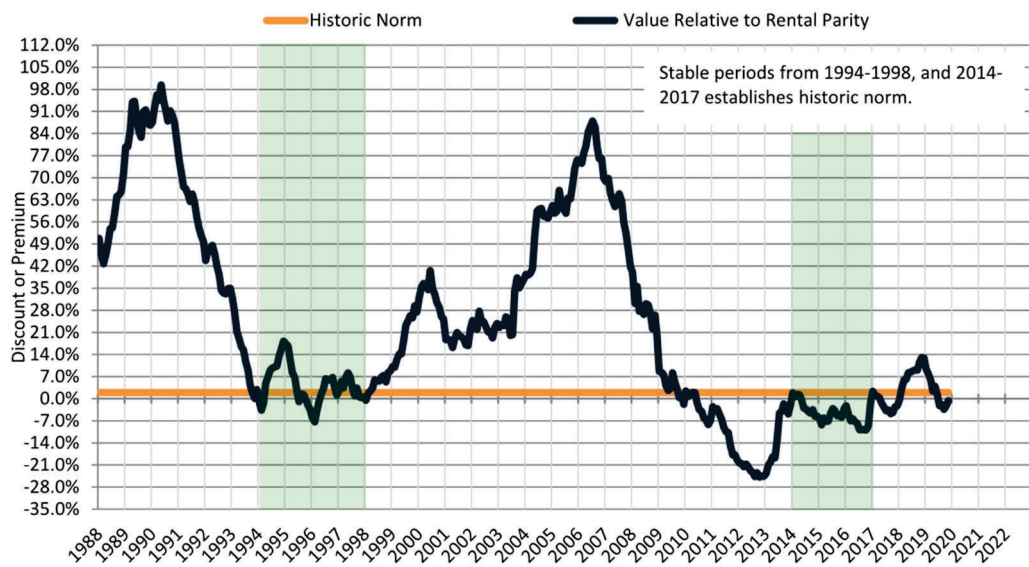
## Historic Median Home Price Relative to Rental Parity: Orange County since January 1988

### HISTORIC VALUATION

The next page in the report shows two charts: Historic Median Home Price Relative to Rental Parity: County since January 1988, and TAIT Market Timing System Rating: Orange County since January 1988.

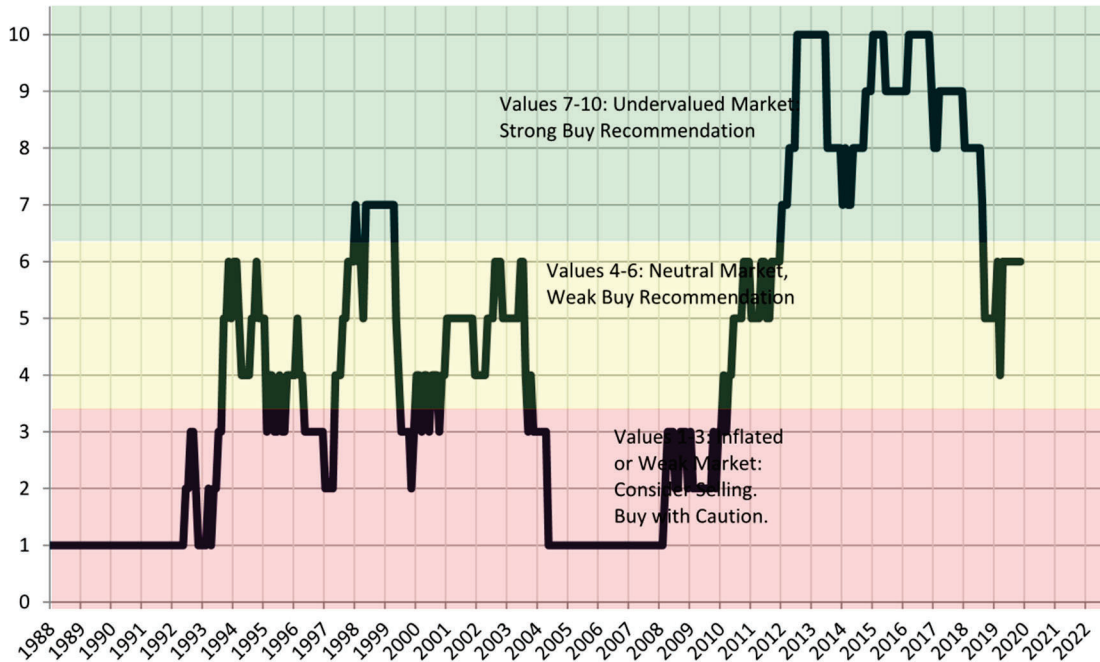
The chart above shows, at a glance, how close the market trades to its historic norm.

The benchmark period is shown in green, and the degree of market volatility can be inferred from the scale to the left. For example, Orange County traded for as much as 25% below rental parity and 100% above it during the 31-year period shown.



## TAIT RATING SYSTEM CHART

The market timing rating system mechanically identifies both good and buy dimes to buy based on valuation, resale price change, and rental rate change.



### The importance of rental parity

Rental parity is important because it represents the threshold of affordability. When prices are above rental parity, it costs more to own than to rent, so owning is often not a wise financial decision. Owning may still be right for people, and many are willing to pay the premium to own to obtain the emotional benefits of ownership; however, on a purely financial basis, paying more than rental parity is generally not wise because prices will inevitably return to this price level in time.

When prices are below rental parity, it costs less to own than to rent, so owning under these circumstances is generally a wise choice. Since a buyer who pays less than rental parity for a house is saving money, there is a clear financial benefit obtained irrespective of fluctuations in resale price.

When the cost of ownership is less than rental parity, an owner is far less likely to be forced to sell at a loss. The property can always be rented to cover costs rather than sell for a loss. Further, this ability to rent and at least break even provides the owner with flexibility to move if necessary. Mobility to take a new job or buy a different house is denied to those who overpaid and who are stuck paying more in the cost of ownership than they can obtain in rent.

With these advantages, buying at a price below rental parity using fixed-rate financing is critical. Every buyer should consider rental parity in their buying decision.

### RENTAL PARITY AS BASIS OF VALUE

Valuation is the least understood, yet most important, aspect of a housing market. Economists look at various ratios including price-to-income, price-to-rent, and other aggregate measures to attempt to establish valuation metrics. Each of these has strengths and weaknesses, but each of them fails because they don't directly connect the actions of an individual buyer to the activity in the broader market. For this reason, I strongly favor rental parity as the best measure of valuation. Rental parity ties together income, rent, interest rates, and financing terms in a way that matches the activities of individual buyers to the overall price activity in the market.