



SOURCE: LIVE-RIVERCREST.COM

MAGIC VALLEY MSA 2024 MULTIFAMILY MARKET OUTLOOK

tokcommercial.com

MAGIC VALLEY RENTAL RATES

	1 BEDROOM			2 BEDROOM			3 BEDROOM		
	AVG	LOW	HIGH	AVG	LOW	HIGH	AVG	LOW	HIGH
SIZE (SF)	744	500	1,000	1,027	750	1,728	1,360	1,000	2,000
RENT	\$1,081	\$700	\$1,500	\$1,449	\$900	\$1,975	\$1,768	\$999	\$2,200

SOURCE: APARTMENTS.COM

MULTIFAMILY PERFORMANCE

Over the past year, rental rates for 1 bedroom and 2 bedroom apartments in the Magic Valley have seen a decline. The average rent for a 1 bedroom unit is now \$1,081 per month, while 2 bedroom units are averaging \$1,449 per month. On the other hand, rents for 3 bedroom apartments have risen, with the average rate now at \$1,768 per month. This is more than \$280 above the fair market rent for 3 bedroom apartments in the state of Idaho, as reported by RentData.org. Rents continue to be the highest in Twin Falls, with 1 bedroom rents reaching \$1,500 in some complexes. In contrast, multifamily rents in surrounding areas like Jerome and Burley remain more affordable, but are expected to increase as new development remains limited. Despite the addition of new projects like Lincoln Courtyards North in Jerome, these areas are still underserved compared to the Twin Falls market. It seems unlikely that this trend will shift soon, given the significant slowdown in multifamily construction over the past year, with an estimated 102 units currently planned or under construction across the Magic Valley.

Over the past 12 months, as interest rates have eased, the housing market has shown signs of gradual recovery. According to data from the Intermountain MLS, home sales have risen by 6.9 percent compared to the same time last year. While the uptick in sales is encouraging, home prices remain elevated, and there continues to be a significant gap between the expectations of sellers and buyers. The median home price has climbed to \$366,250, reflecting ongoing market pressures. Additionally, the average days on market have slightly increased, from 61 days to 64 days, signaling that while demand is present, buyers remain more cautious in their decision-making.

STABILIZED APARTMENT DATA

Conventional Properties

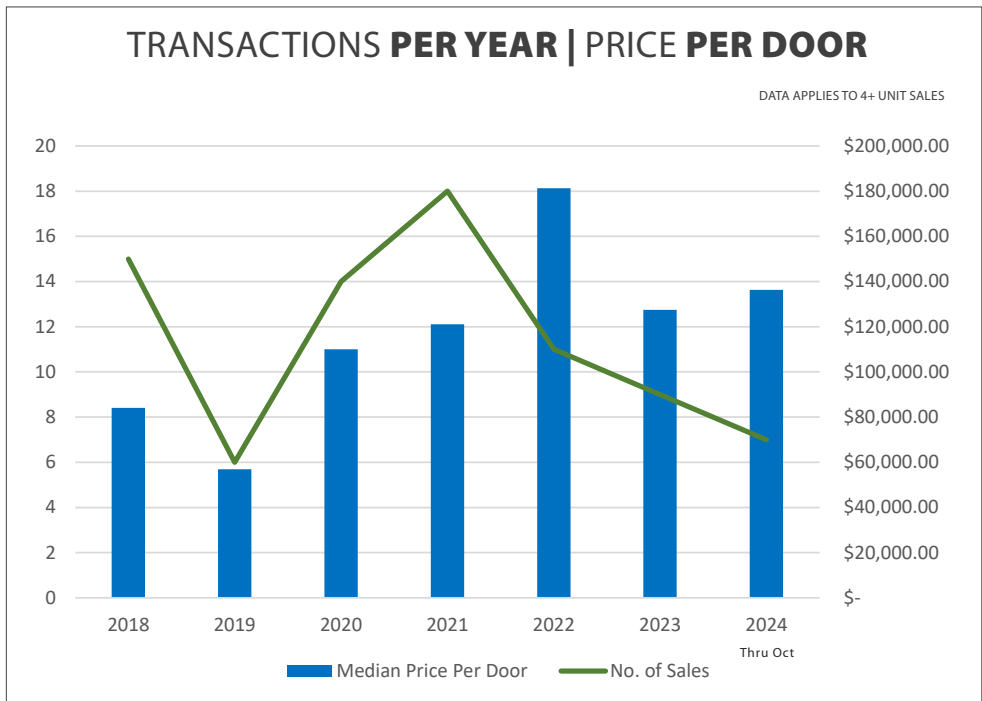
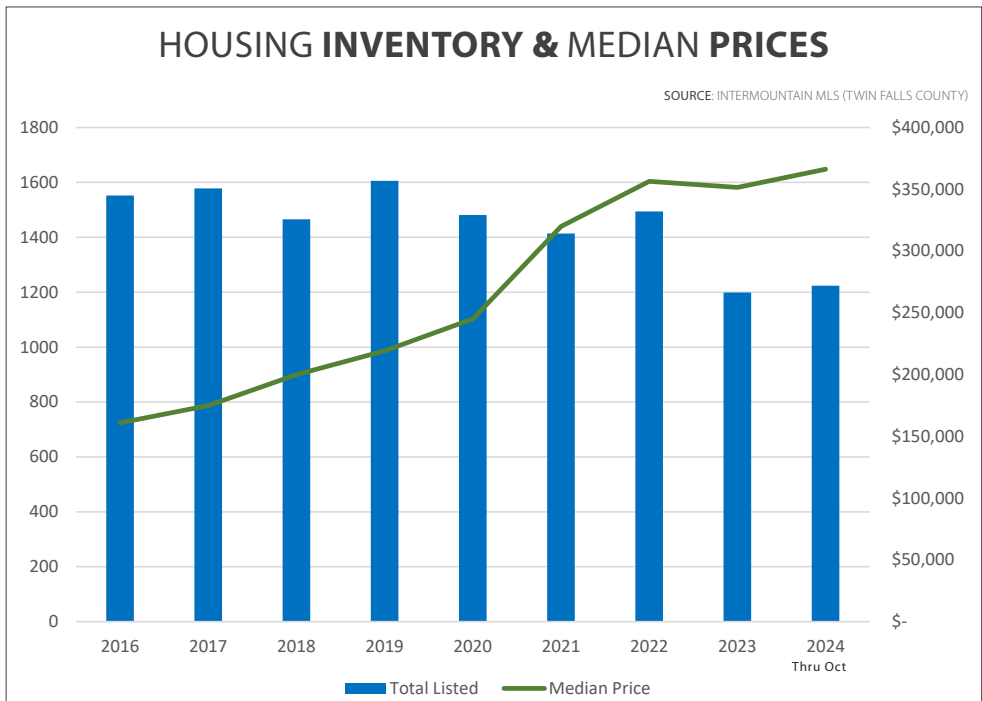
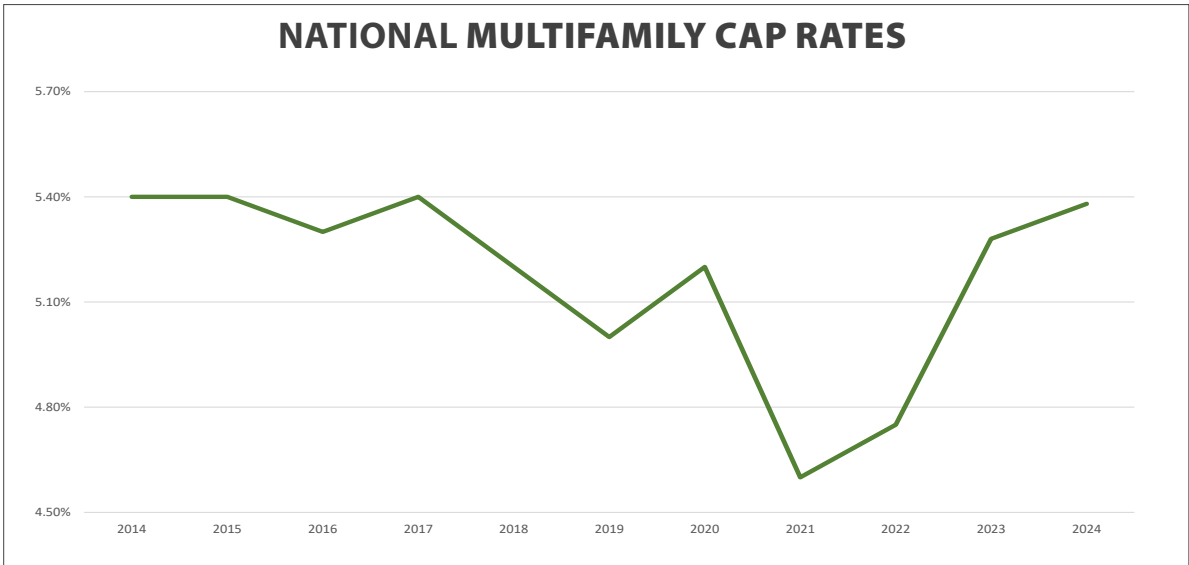
TOTAL UNITS	713
UNITS ABSORBED (ANNUAL)	7
AVERAGE OCCUPANCY	96%
AVERAGE OCCUPANCY GROWTH	1.1%
EFFECTIVE RENT	\$1,581
EFFECTIVE RENT GROWTH	-0.2%
PERCENT OFFERING CONCESSIONS	25%
AVERAGE CONCESSIONS PACKAGE	8.3%

SOURCE: ALN APARTMENT DATA
Q3 2024 TWIN FALLS, STABILIZED MARKET PROPERTIES (50+ UNITS)

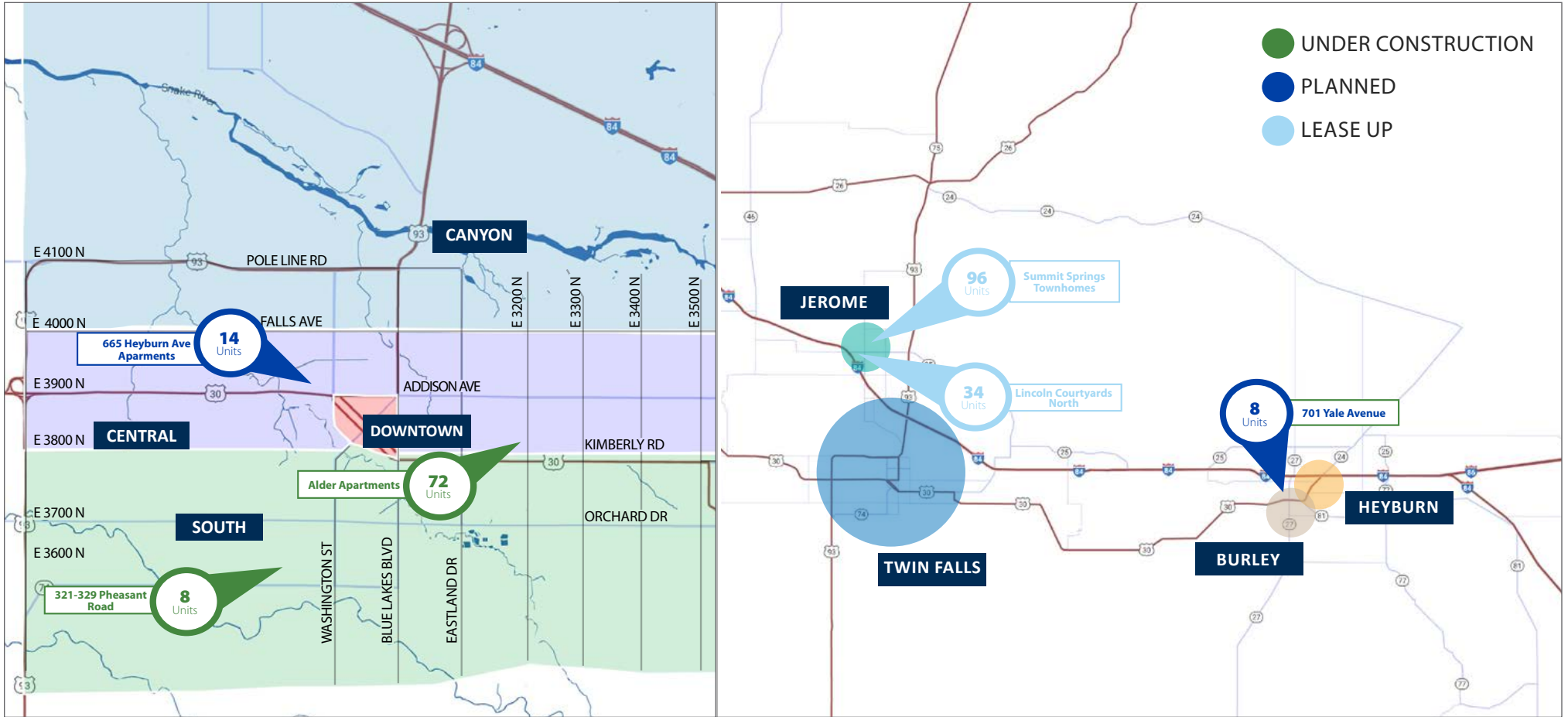
MARKET SNAPSHOT

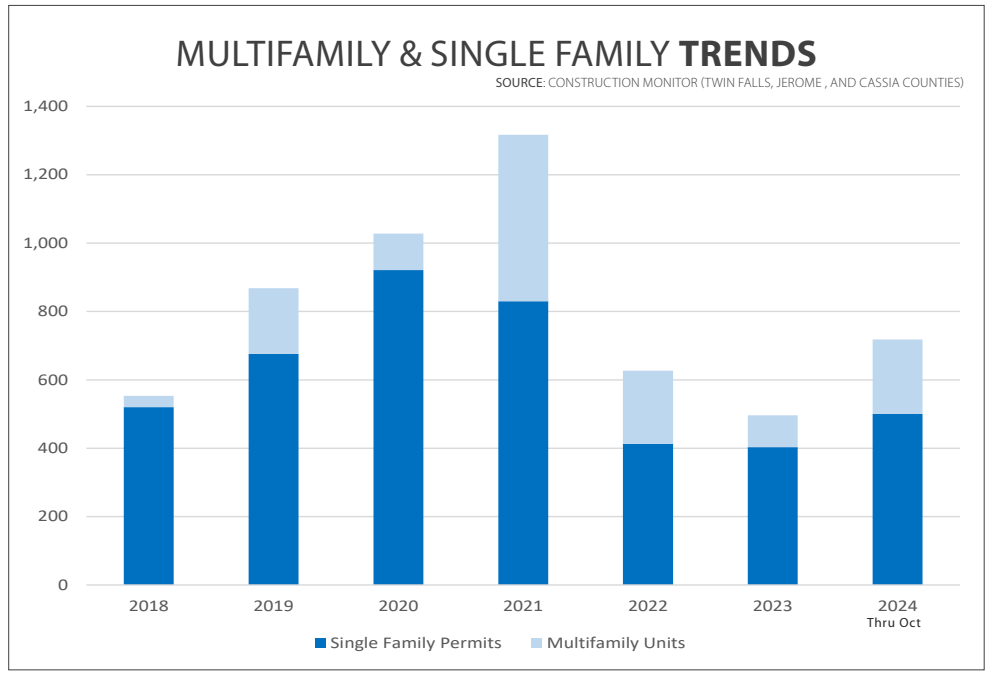
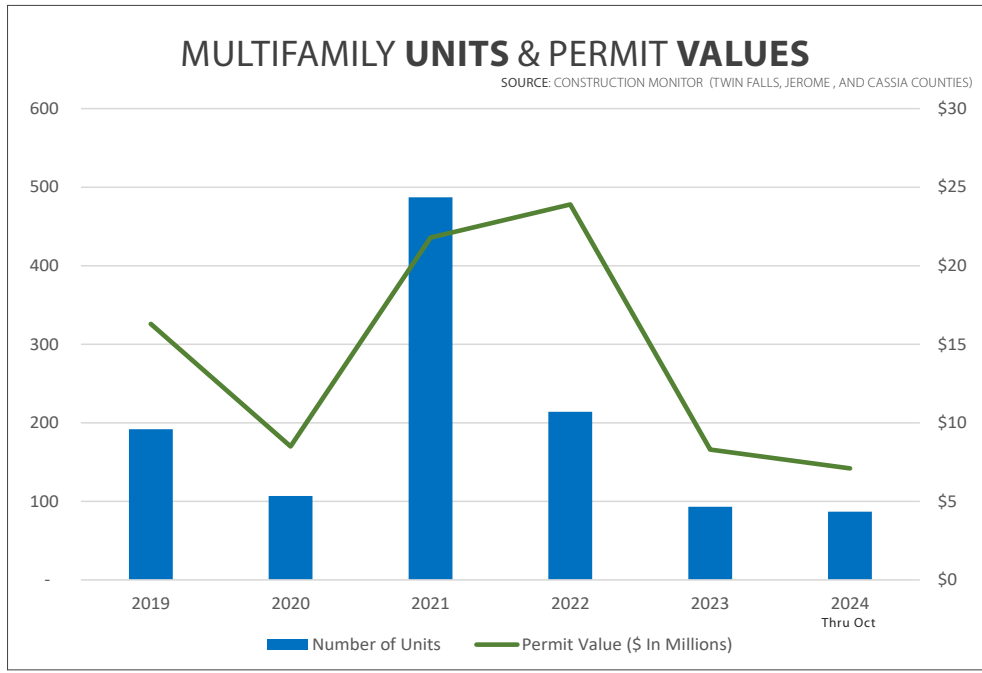
The median price per door for multifamily properties has risen to \$136,250 in 2024, up from \$127,500 in 2023. While this represents an improvement, it remains below the record breaking numbers seen in 2022. Sales have continued to decline since that peak, suggesting that buyers remain cautious. Prices have not returned to their previous highs in the multifamily market, however there is still demand and value in the sector, suggesting a more balanced market where both buyers and sellers are adjusting to current economic conditions.

Despite a decrease in interest rates over the last year, national cap rates have risen to 5.38 percent, the highest they've been since 2017. This is likely due to the continued rise in prices seen in certain US metros. As prices remain elevated, the expected return on investment has decreased relative to the property cost, causing cap rates to rise.



MULTIFAMILY PROJECTS PLANNED & UNDER CONSTRUCTION

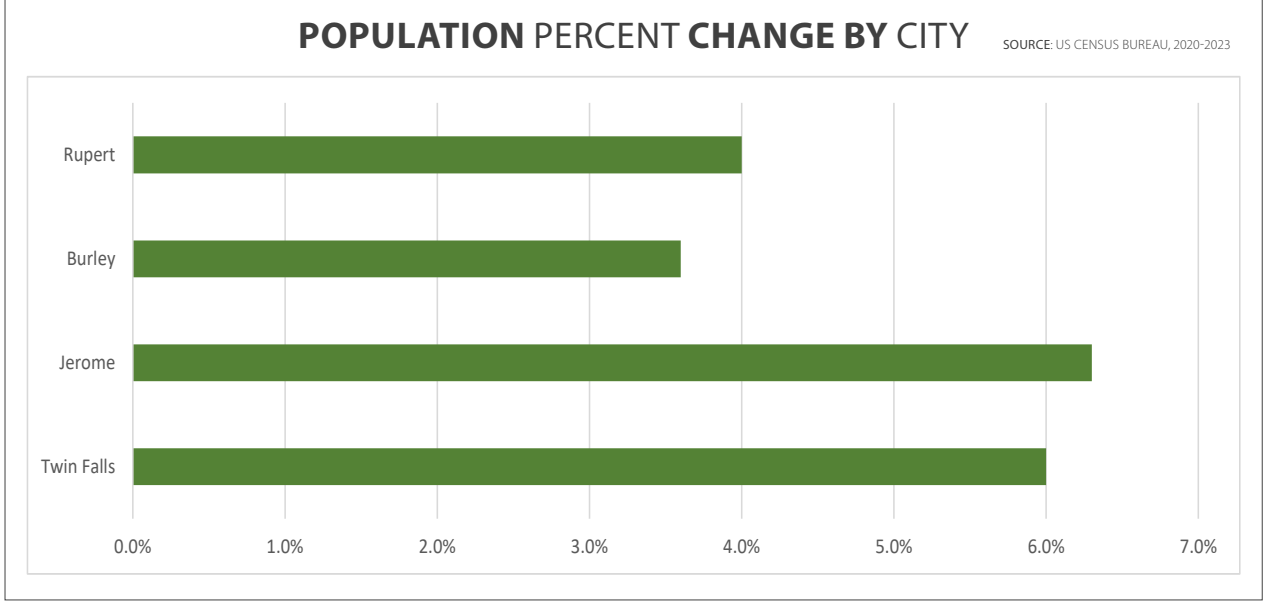




MULTIFAMILY CONSTRUCTION

The population of the Magic Valley has increased by 5.6 percent per data from STDB. Despite the increase in population, multifamily permits are down by over 82 percent since 2021. Additionally, average multifamily permit values have also decreased, dropping from \$21.8 million in 2021 to just \$7.1 million in 2024. Uncertainty in the broader economic environment has made developers more cautious in their investment decisions. As a result, while there is demand for multifamily housing, the pace of new development in the Magic Valley has slowed drastically.

One of the most significant multifamily projects currently under construction in the Magic Valley is the Adler Apartments, being developed by The Housing Company, an Idaho-based non-profit organization. This development will feature 72 residential units and is expected to be completed in 2025, according to the Idaho Business Review.





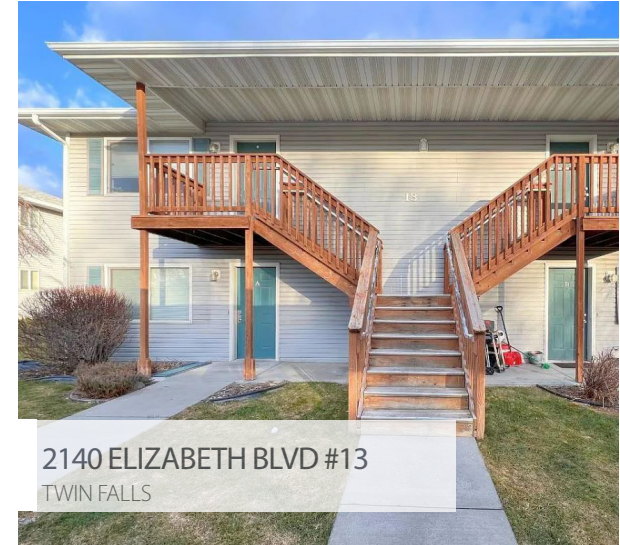
1210 E 11TH STREET
TWIN FALLS

5 UNITS
SOLD



509 1ST STREET
RUPERT

5 UNITS
SOLD



2140 ELIZABETH BLVD #13
TWIN FALLS

4 UNITS
SOLD



1334 ELMWOOD CIRCLE
TWIN FALLS

4 UNITS
SOLD



1902 GRANDVIEW LANE
BURLEY

4 UNITS
SOLD



1230 MILLER STREET
BURLEY

4 UNITS
SOLD



KEY FACTS

218,344

Total Population

36.8

Median Age

2.7

Average Household Size

\$71,314

Median Household Income

EDUCATION

13%

No High School Diploma



30%

High School Graduate



31%

Some College



26%

Bachelor's/Grad/Prof Degree

BUSINESS



9,044

Total Businesses



98,881

Total Employees

EMPLOYMENT



56%

White Collar



31%

Blue Collar



13%

Services

2.0%

Unemployment Rate

INCOME



\$71,314

Median Household Income



\$34,051

Per Capita Income



\$209,031

Median Net Worth

2024 Households by income (Esri)

The largest group: \$100,000 - \$149,999 (17.9%)

The smallest group: \$150,000 - \$199,999 (6.7%)

Indicator ▲	Value	Diff	
<\$15,000	6.9%	+0.3%	
\$15,000 - \$24,999	6.9%	+0.9%	
\$25,000 - \$34,999	9.3%	+2.4%	
\$35,000 - \$49,999	11.2%	+0.6%	
\$50,000 - \$74,999	17.6%	-0.7%	
\$75,000 - \$99,999	16.1%	+0.4%	
\$100,000 - \$149,999	17.9%	-1.5%	
\$150,000 - \$199,999	6.7%	-1.2%	
\$200,000+	7.4%	-1.3%	

Bars show deviation from Idaho



TOK
COMMERCIAL



MARKET INSIGHT

+157 MILLION SQUARE FEET TRACKED REAL TIME ACROSS IDAHO MARKETS



RESULTS

20,000 SQUARE FEET LEASED OR SOLD PER BUSINESS DAY (2023)



REACH

AS IDAHO'S LARGEST CRE FIRM, WE CAN COVER REQUIREMENTS ACROSS THE STATE

TWIN FALLS OFFICE

Our commercial brokerage expertise is your advantage.



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MAGIC VALLEY
BROKERAGE TEAM



SOURCE: FORRENT.COM

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