THE HOLE REPORT

Don't Believe Everything You Hear!

WELCOME TO THE MID-YEAR REPORT ON THE JACKSON HOLE REAL ESTATE MARKET

There has been much talk locally about the real estate market being down in Teton County. Quite to the contrary the first six months of 1996 showed a 66% increase in dollar volume over the same period in 1995. What's interesting is the belief that the high end of the market is the only really active segment. In fact in the first six months of 1995 fourteen homes and five land parcels were sold for over one million dollars. Through June this year only six homes and four land parcels have sold for over one million.

The only segment of the market that has showed a decline in 1996 is condominiums where the number of transactions and the dollar volume have dropped 25%.

Home sales are strong across the board including the town of Jackson, where while the average sales price is down 5% the numbers sold is up 75%.

Raw land transactions are up 98%, volume is up 150% and the average price is up 47%. This is despite the fact that Jackson Hole has recently been flooded with affordably priced lots (under 100k), an increase of 675%. (1995 - 7 lots available and in 1996 - 47 lots available).

If you would like a more detailed analysis of specific areas, just call or write and I will be glad to fill in the gaps and update you, semi-annually.

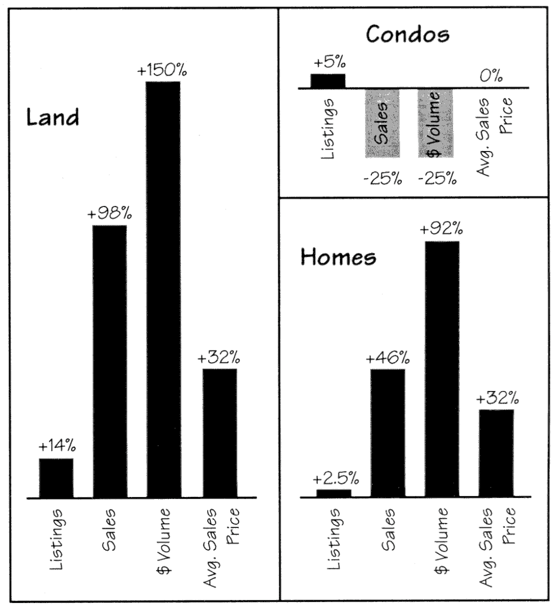
Sincerely,

David E. Viehman

*All statistics supplied by sources that are deemed reliable, but are not guaranteed.

Jackson Hole Real Estate Activity

January – June, 1996 vs. January – June, 1995



☆REAL ESTATE TIP

Any real estate investor wishing to sell their property and reinvest the money in other property or to "trade up" to a better property, should consider a 1031 (like-kind, starter, etc.) tax-deferred exchange. Otherwise they might find themselves faced with a whopping tax bill the next year, and the needed money to pay taxes locked up in the investment in the new property. This can happen despite your best intentions and split second timing of the closings, unless you strictly follow the requirements of the IRS rules and use a "qualified" exchange intermediary to take advantage of this tax shelter tecnnique.

The idea is to keep all your money working for you in ever bigger, or at least better, investments in real estate. The ultimate goal is to keep trading up until congress reduces the capital gains tax or, better yet, until you die owning the property and avoid the capital gains taxes altogether.

Paul Vaughn, P.C.
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THE REAL ESTATE EXCHANGE