

THE HOLE REPORT

Median Home Sale Price Approaching \$1 million!

WELCOME TO THE MOST TRUSTED REAL ESTATE NEWS SOURCE IN JACKSON HOLE, PUBLISHED SEMI-ANNUALLY TO KEEP ALL OF TETON COUNTY WELL INFORMED ON OUR LOCAL MARKET.

Data Driven Report for the first six months of 2006: With the lack of available low-end single-family home inventory, the **median home sale price came in at \$920,000, or 20% higher** than 2005. There is also strong evidence we will see the median sale price surpass \$1 million by year-end, as the median asking price for available single-family home inventory is \$2,100,000 or 20% higher than in 2005. See page two to fully understand the median sale price.

The overall market, while experiencing a slow down in the number of sales (down 10%), had a 13% increase in dollar volume to \$634 million and a healthy increase in the average overall sale price, up 27%. The **\$3 million+ segment** also experienced a healthy increase, with the **number of Buyers up 26%** for a total of 34 transactions. For more about sales in the overall market, go to www.jacksonholereport.com

Overall available inventory continues its downward trend with **12% less properties available for sale** when compared to 2005. This lack of inventory continues to push the asking prices up. As of July 1st, there were 299 properties listed for over \$1 million. Of those, 124 were listed for over \$3 million, 62 for over \$5 million and 20 for over \$10 million. For more on the impact of low inventory go to: www.jacksonholereport.com

Overall properties under contract are also experiencing a slow down in number of Buyers, down 31% from the same period in 2005. This is not signaling a slow down in price increases though, as the **dollar volume under contract is up 58%**. The strongest showing in the market is the \$1-\$2million and 3+ million segment, where the number of properties under contract is up 43% and 33% respectively.

We hope this report will give you a snapshot of market trends and, as always, we would be glad to discuss them further with you. This report does not go into detail on every segment of the market, but is intended to offer an overview of general market conditions, changes in number of transactions, and average sales prices. The values of individual properties will most likely vary from the averages indicated in these graphs.

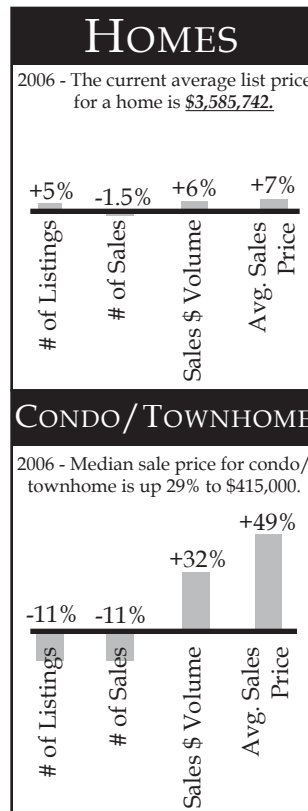
If you would like a more detailed analysis of specific areas, back issues of *The Hole Report*, or are in need of our services, please email or call one of the numbers below or write to P. O. Box 7436 - Jackson Hole, WY 83002 - Attn: David Viehman.

Sincerely,



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Jackson Hole Real Estate Activity January - June 2005 vs. January - June 2006



← 2005 - Homes sold for over 1 million: 47 - 6 over \$5 million

← 2006 - Homes sold for over 1 million: 54 - 6 over \$5 million

← 2006 - Median sales price for homes is \$920,000 - up 27%

Homes - The total number of single-family home sales was actually down 1.5% so far this year. However, the dollar volume spent on homes was up 6%. The **lack of low-end inventory boosted the median sale price by 27%**, when compared to the first six months of 2005. Meanwhile, available single-family home inventory is up 5%, and the **median asking price has advanced 20% to \$2,100,000**. The number of homes under contract, up 25%, with the median asking price also up 12%, indicates that there are plenty of Buyers out there. What does all this mean for the Sellers? Go to: www.jacksonholereport.com to find out what continues to drive our market.

Condo/Townhomes - The condo/townhome market has also experienced a slow down in the number of sales, down 11%, but the **dollar volume was up 32%**. And again, the lack of **low-end inventory boosted the median sale price by 29%** when compared to the first six months of 2005. Meanwhile **available condo inventory continues to fall, down 11%**, but additional low-end inventory has pulled the median asking price down 16% to \$585,000. For details go to our website.

Vacant Land - This segment of the market has also experienced a slow down in number of sales, down 21%, but the **dollar volume was up 22%** and again the **lack of low end inventory boosted the median sale price by 50%** when compared to the first six months of 2005. Available inventory is also down 16%. With the lack of low-end lots for sale, the median asking price has set a record high of \$1,625,000 or 16% higher than this period in 2005. Go to: www.jacksonholereport.com



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Where are the Buyers coming from?

In 2005 Jackson Hole recorded over 1,100 deeded real estate transactions. Here is where the Buyers came from:

Jackson Hole locals: 700+

Northeast: 102 (with New York recorded as the largest state)

Mid-West: 100 (with Texas recorded as the largest state)

South: 88 (with Florida recorded as the largest state)

West Coast: 86 (with California recorded as the largest state)

Western Mountain States: 68 (excluding Jackson Hole - with Colorado recorded as the largest state)

Outside of the United States: 9 (all over the world)


The Median Sale Price: Why this is a more accurate number to focus on:

While we use both the average and median sale price when reporting the real estate news, the Jackson Hole market is better understood and tracked when using the median sale and list price. In some larger real estate markets, where the range of sale prices can be tightly compressed, the average sale price (the total sales dollar volume divided by the number of sales) is a fairly good indicator. But, in a market like Jackson Hole where the least expensive home for sale in July 2006 is \$549,000 and the most expensive home for sale is \$32 million, the average sale price becomes skewed very fast. With the average sale price as an indicator, if the market has a few really high-end sales (\$10 to \$20 million) in a given six month period it can appear that the market has heated up. On the flipside if the market has more low-end sales (\$400 to \$600k), it can appear the market is cooling down, which isn't always the case.

By looking at the median sale price (the cost of a property that has an equal number of sales above and below it on the price scale), the Jackson Hole market can be more accurately understood. It takes many more sales in a given price range to make the median sale price move and therefore isn't so sensitive to the time of year or the amount of money being spent on a property in any given six month period.

Giving Back To The Community - Jackson Hole Search Engine is hosted by Jackson Hole Real Estate & Appraisal, LLC. **Our goal is to provide free Internet links (ads) to everyone doing business in Jackson Hole.** Big or small, new or as old as the Tetons, we want everyone to generate more business and at the same time discover the wonders of Internet marketing here in the Hole.

We launched www.jhsearchengine.com in 2002 and the traffic has continued to climb every month since. The site currently enjoys tens of thousands of hits per month from locals, tourists and consumers alike and has generated countless new customers for the 1,400+ businesses currently listed on the site. The best thing about this site is that you can password protect your link and change the information at your convenience.

 So whether you offer accounting, advertising, art galleries, baby sitting services, construction, dry-cleaning, food or groceries, health care, night life, snowplowing, scenic tours, ski instruction or just whatever you do, as long as you are doing business in Jackson Hole - we want your link. **You do not need a website or email address to advertise your business.** Either stop by the office or call and ask for Sylvia who can input your information for you, or go to www.jhsearchengine.com and sign yourself up on-line.

RECEIVE THE HOLE REPORT BY EMAIL: If you would like to be emailed when the Hole Report is updated on the world-wide web (save a tree), just send your email address to: david@jhre.net or call me at 800-735-8385 x211, locally 733-3436.

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

*All statistics quoted in this newsletter are based on sales in the first six months of 2005 compared to the first six months of 2006.

*Median sale price is the cost of a property that has an equal number of sales above and below it on the price scale.

*The word "Overall" in this newsletter refers to all sales in Teton County combined (homes, lots, condos, commercial and ranch).

If you are a property owner in Jackson Hole and would like a **FREE no-obligation market analysis** on the value of your real estate as it relates to the current market please call, write or email today. We will not only give you the competitive price range, but will also keep you updated every spring and fall thereafter. If you're not a Jackson Hole property owner but would like to **watch the local market via email**, need **current sales data** and a professional to help you make your first or next purchase, or would just like to be put on mailing/email list for the Hole Report please call, write or email us today!