

The Jackson Hole Story of Storied Supply

Supply and demand – a familiar term, however Jackson Hole’s unique market characteristics complicate the economic model. In a competitive market, the price for a particular home will fluctuate until it settles at a point where the demand by buyers equals the quantity supplied by sellers, resulting in an economic equilibrium of price and quantity. In Jackson Hole, scarce inventory in whole segments of the market mean prices will continue to increase in 2014, specifically among homes under \$1 million and condos under \$500,000.

The major headlines from 2013 are the residential home and condo/townhome markets, where demand is quickly outpacing supply. Supply is so scarce in some segments that we are once again seeing double-digit increases in values. Based on the number of closed sales in 2013, the overall market now has slightly more than 7 months of inventory; **single-family homes** only have slightly more than **5 months of inventory**; and **condo/townhomes** have **less than 5 months of inventory**. The only segment with an abundance of inventory is residential vacant land, where there is more than 15 months of available inventory.

Another takeaway from 2013: the dream of buying an affordably priced home or condo is once again unobtainable for most people. This was the case just six years ago: in early 2008, Jackson residents would never dream of purchasing a single-family home in Jackson Hole for under \$500,000 or a condo/townhome for under \$300,000. However, 2013 saw a rare window for some: 49 buyers realized their dream of buying a home for under \$500,000, and 40 buyers purchased condos for under \$300,000. Now, that narrow window has all but shut, as there are only 2 homes on the market for under \$500,000 and only 10 condos for under \$300,000.

Now here come the complications.

Where did the inventory go? There are several factors to this answer. To start, very few new residential homes and condo/townhomes are being built on speculation. Compounding this, many sellers are not ready to put their homes back on the market because of rapidly increasing values. Combine those factors with higher labor and construction material costs, all of which means many are unable to secure a loan for a new home, due to the slow recovering appraisal values. Therein lies the layered answer.

Where will our supply come from? Scarce supply is cause for concern. We see three red flags: 1) As the JH real estate market continues to recover, most local contractors are busy with new construction projects for end-users, which means only a few spec homes are being built in Jackson Hole; 2) Teton County continues to fine-tune its updated Comprehensive Plan, which will greatly reduce future inventory; 3) Multi-family developable land is nearly non-existent, as no one wants high density in their backyard. Compound these concerns with the ever-increasing restrictions on new development, and we predict the supply for housing will never match that of the mid-1990s, when, in 1996, there were 528 single-family homes on the market at year’s end. Today, there are only 132 single-family homes currently on the market. Supply is scarce indeed.

Welcome to the **19th Anniversary** of the **Jackson Hole Report**. Published semi-annually, this data-driven report is the most accurate and trusted real estate news source in Teton County, Wyoming. We would like to thank all our loyal readers, customers and clients for their continued trust in this report. Our ability to track every single real estate transaction, and then turn the data into historical knowledge, has made us the most sought after real estate experts in Jackson Hole.

CRUNCHING THE NUMBERS FOR 2013

The overall market (all home, lot, condo and commercial transactions or listings) again experienced a steady climb in the number of sales in every segment except commercial. When comparing the 2012 year-end statistics with 2013's, we discover that the **overall number of sales was up 23%** to 696. Meanwhile, the overall dollar volume was only down 1% to \$876 million. The Luxury Market (over \$3 million) slowed somewhat in 2013, as the number of sales and dollar volume dropped 11% and 18%, respectively. The decrease in this segment can be directly attributed to fewer luxury land sales in 2013; sales were down 21%.



The **hot spot in 2013 was under \$1 million**, where 68% of all transactions closed. The continued surge of sales in the under \$1 million market, and the simultaneous depletion of homes listed in the under \$1 million segment (see Single-Family Homes below), indicate that prices in this segment will continue to increase in 2014. Last year at this time, we expected to see some shadow inventory return in 2013. Shadow inventory is real estate properties that have been in distress and have yet to be sold, or homes that owners are delaying putting on the market until prices improve. In Jackson Hole, distressed properties are but a fleeting memory, so our shadow inventory mainly refers to properties that were listed during the recession but did not sell, and owners who are delaying putting their properties on the market until prices improve. Shadow inventory can create uncertainty about the best time to sell for owners, and when a local market can expect full recovery. In 2014, we predict with confidence that buyers will continue to return to our market. However, the question remains: How much well-priced inventory will be available for buyers to choose from? NOTE: There are still some active listings priced above their current market value. The properties that are considered "a great deal with strong value" are the ones that will sell in 2014. Those sellers with properties priced above market value will continue to experience frustration with little activity or offers on their properties.

Overall real estate currently under contract: As of year's end, there were 39 listings under contract (**down 26%**) with an average listing price of \$1.62 million (up 100%) and a median list price of \$879,000 (up 48%). While the number of listings under contract is down, due mainly to lack of supply, the higher average and median list prices reflect buyers' willingness to pay more than the last comparable sale. NOTE: Of the 39 properties under contract, only 5 are vacant land listings.

Current overall available inventory has **decreased 15%** when compared to the end of 2012. Following this trend, the overall dollar volume also dropped 15%. While the number of listings and dollar volume are down, the average and median list prices are starting to move back up 6% and 4%, respectively. NOTE: While the under \$1 million segment

has the largest number of active listings (176), the \$1 to \$2 million segment has the second largest with 105 listings. The \$1 to \$2 million segments had 121 sales in 2013.

JACKSON HOLE LUXURY REPORT

In our 19 years publishing the Jackson Hole Report, we have watched the growth of the high-end market and came to realize this elite segment warranted special attention. For this reason, we have created the Jackson Hole Luxury Report, a limited-edition newsletter focused exclusively on this segment. The Jackson Hole Luxury Report is printed and mailed semi-annually to the owners of the 500 most valuable properties in Jackson Hole – a group we call the Luxury 500. The general public may receive the Jackson Hole Luxury Report digitally.

The purpose of this limited-edition report is to provide high-end buyers and sellers with a clear understanding of this elite market segment. The report goes beyond the Jackson Hole Report to further analyze high-end sales of \$3 million and above. The singular nature of luxury properties in Jackson Hole requires that each sale be examined in great detail, and some truly special properties must be considered incomparable to any another property. When pricing this type of property, you need a luxury data specialist to ensure success. As a courtesy to new clients, we provide a free confidential market analysis of their distinctive property, and continue to update the current value of the property to aid clients in estate planning and/or updating their trusts.

While the Luxury Report focuses on luxury homes, condos and single-family vacant parcels, the **Luxury 500** mailing list includes owners of select commercial properties, large tracts of land, and ranches in Jackson Hole. We make special note of any of the Luxury 500 property sales during the year.

If you did not receive the first two editions of the Luxury Report in 2013, or if you would like to know where your property ranks in the Luxury 500, please contact David Viehman at 307-690-4004 or david@jacksonholereport.com. To sign up for the digital version of the Luxury Report, visit www.JacksonHoleLuxuryReport.com

SINGLE FAMILY HOME SALES

Single-family home sales accounted for 43% of all sales in 2013, **spiking 158%** when compared to 2009. NOTE: 2009 recorded the lowest number of homes sales in over 20 years (115 sales). The dollar volume in 2013 totaled \$473 million (up 13%), but the average (\$1.592 million) and median (\$835,000) sale prices both dipped slightly 5% and 8%, respectively. The under \$1 million market continues to be robust and accounted for 59% of all home sales in 2013. The year ended with 174 home sales under \$1 million, however we currently have only 29 homes available in this price range. What does this mean? **Current demand continues to outpace supply for homes under \$1 million, with only 2 months of available inventory.** Taking a closer look, there are only 11 homes currently on the market for under \$700,000 or less than a month of available inventory, based on 2013 sales.

Homes under \$500,000: Just five years ago, at the end of 2008, the least expensive home sold for \$553,500. In sharp contrast, 2013 saw 49 sell for under \$500,000 with the least expensive coming in at \$275,000. NOTE: There are currently only 2 homes listed for under \$500,000; one lies about 12 miles south of Wilson and the other is located in the Town of Jackson.

Single-family home hot spot: The **Town of Jackson and south of Town** shared the spotlight with 83 and 69 sales respectively, or 51% of all home sales in 2013. The area with the largest increase in home sales over 2012 was the JH Racquet Club where 8 sales occurred, a spike of 100%.

The million dollar-plus segment of single-family homes reported 122 transactions for 2013. The average sale price was up 6%, but the median sale price dipped 11% to \$1.875 million. This decrease in the median sale price reflects a shift of focus to the under \$2+ million segment, where 55% of all sales over \$1 million occurred in 2013. If you are a property owner in Jackson Hole, and would like a free comparative market analysis, please email me at david@jacksonholereport.com or call David at 307.690.4004. My in-depth local knowledge gleaned from producing the **Jackson Hole Luxury Report** has made me **Your Local Luxury Expert**.

Homes currently under contract: As of year's end, there were 20 homes under contract (**down 9%**) with an average listing price of \$1.82 million (up 66%) and a median list price of \$995,000 (up 42%). The increase in the average and median list prices are the result of increased activity in the upper-end of the segment, where 53% of the homes under contract are listed for over \$1 million. The most expensive home currently under contract is in Teton Village, with a list price of \$12.5 million.

Homes currently on the market: There are currently 132 homes listed on the open market (**down 28%**) with an average list price of \$3.24 million (down 7%) and a median list price of \$1.895 million (up 2%). Of the 132 single-family homes currently on the market, 29 are listed for under \$1 million (down 41%), while 20 are listed for over \$5 million. This means 63% of the existing inventory is listed between \$1 and \$5 million. Current **demand continues to outpace supply** for homes **under \$1 million**. Based on current demand, we have about 2 months of available inventory under \$1 million. What is even more alarming is the under \$700,000 inventory of 11 homes, which equates to less than a month of inventory. NOTE: At the end of 2011, there were 17 homes on the market for under \$500,000. Today, there are only 2. *Also noteworthy: at press time there were only 7 single-family homes listed for under \$1 million, in the Town of Jackson.*

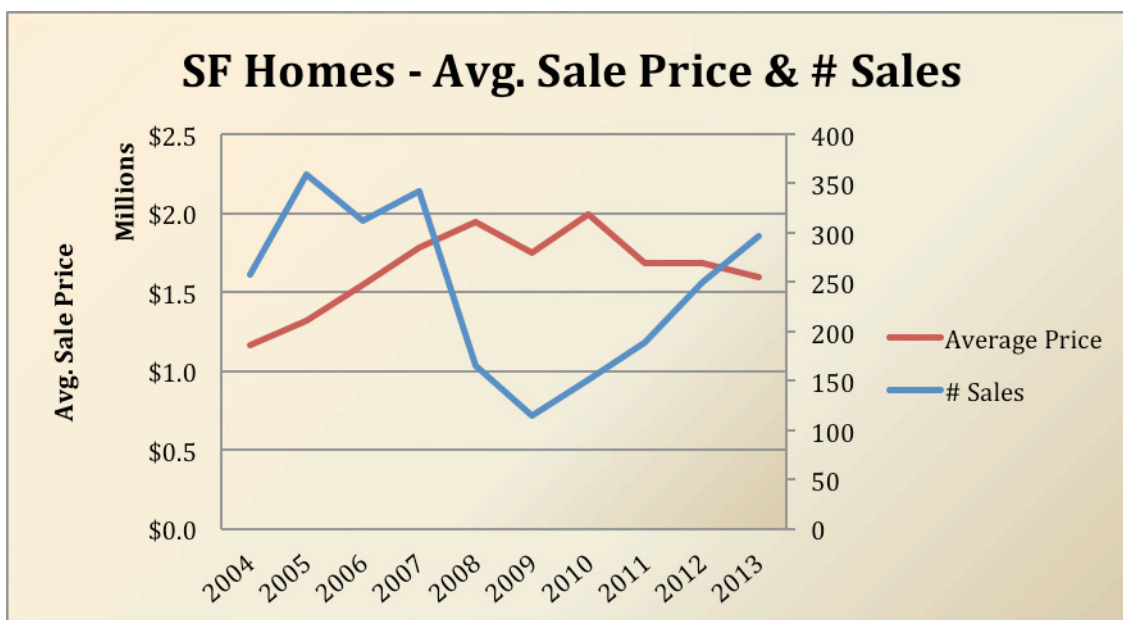
Least expensive single-family home listing at year's end: A 2-bedroom, 2-bath, 1,056 sq. ft. log cabin built in 1958 on 3.58 acres, about 12 miles south of Wilson, listed for \$365,000.

Most expensive single-family home listing at year's end: \$24.75 million - a private estate north of town. The main residence is 7,583 sq. ft. with 4 bedrooms and 5 baths, and the guesthouse is 4,538 sq. ft. with 6 bedrooms and 6 baths. They are both situated on a total of 72 acres adjoining the Snake River.

Single Family Home Sales by Area:

1. **Jackson Hole Mountain Resort** (Teton Village): 9 sold with a total dollar volume of \$29.8 million. The average sale price was \$3.3 million and the median sale price was \$2.1 million.
2. **Jackson Hole Racquet Club** (The Aspens): 8 homes sold (up 100%) with a total dollar volume of \$7.92 million. The average sale price was \$990,000 and the median sale price was \$900,000.
- 2a. **Teton Pines:** 14 homes sold with a total dollar volume of \$42.7 million (up 23%). The average sale price was \$3.06 million (up 32%) and the median sale price was \$2.2 million (up 22%).
3. **Westbank, North of Wilson** (excluding resort areas zoned vacation rentals): 27 homes sold with a total dollar volume of \$83.2 million (up 24%). The average sale price was \$3.08 million (up 24%) and the median sale price was \$1.8 million (up 63%).
4. **Westbank, South of Wilson:** 12 homes sold (down 29%) with a total dollar volume of \$33 million. The average sale price was \$2.75 million (down 15%) and the median sale price was \$1.7 million (down 19%).
5. **Skyline Ranch, N. of Hwy. 22 to Sagebrush Dr./W. of Spring Gulch:** 25 homes sold (up 14%) with a total dollar volume of \$49 million. The average sale price was \$2 million and the median sale price was \$1.6 million (up 19%).
6. **North of Jackson, S. of Gros Ventre Junction and E. of Spring Gulch:** 7 homes sold with a **total dollar volume** of \$29 million (**up 237%**). The average sale price was \$4.2 million.
7. **North of Gros Ventre Junction/Kelly/Moran:** 20 **homes sold (up 54%)** with a **total dollar volume** of \$52.5 million (**up 68%**). The average sale price was \$2.6 million and the median sale price was \$1.1 million.
8. **Town of Jackson:** 83 homes sold (**up 17%**) with a total dollar volume of \$58 million (up 26%). The average sale price was \$698,442 (up 7%) and the **median sale price was \$610,000 (up 15%)**.
9. **South of Jackson to the Snake River Bridge:** 69 homes sold (up 35%) with a total dollar volume of \$62 million. The average sale price was \$903,873 (down 36%) and the median sale price was \$730,000 (down 3%).

10. **South of the Snake River Bridge to County Line:** 24 homes sold (up 77%) with a total dollar volume of \$46 million. The average sale price was \$997,125 and the median sale price was \$650,000.



CONDO/TOWNHOUSE SALES

When compared to 2012, the number of **sales was up 40%** and the **dollar volume was up 35%**. This segment of the market was one of the first to experience appreciation after the recession, especially in the low-end (under \$300,000). In fact, several in-town, entry-level condos have appreciated as much as 70% in the last 24 months. Consider 2012: 50 condo/townhomes sold for under \$300,000. Today, there are only 11 currently available for under \$300,000, so expect appreciation in this segment to continue in 2014. **NOTE: 62% of all condo sales activity in 2013 was below \$500,000.**

Hot spot in the valley – Town of Jackson: The Town of Jackson vastly outperformed all other areas, with 123 condo sales (up 76%) or 55% of all condo sales in Jackson Hole. This banner showing can be attributed to several factors: recession-priced condo/townhome inventory; very low inventory for single-family homes listed for under \$500,000 (only 2 currently listed); and the convenience of living in town. **NOTE:** With condo values still down as much as 20% from their all-time highs in 2008, and long-term rental vacancies remaining below 3%, investors' interest in this segment continues. Depending on the size and location of a rental unit, cash investors can still see a 5% to 7% return on their investment, while at the same time buying at prices more than 20% below the market's all-time highs.

Condo/Townhouses currently under contract: While the number of condo/townhomes currently under contract is down 56% when compared to the end of 2012, the average and median list prices are up 30% and 16%, respectively. This increase in the average and median listing prices under contract reflect buyers' continued focus on this market segment, as well as the nearly gone lower-end inventory. **NOTE:** At the end of 2011, there were 69 condos on the market for under \$500,000. Today, there are only 29, down 58% in just two years.

Current available condo/townhouse inventory for sale is down **11%** when compared to the same period in 2012, with 87 available units. The average listing price is up 15% to \$1.011 million, and the median listing price – for the second year in a row – has increased (up 3%). This segment of the market accounted for half of the distressed inventory in 2012. Today, there are only 3 distressed condos, with 2 listed for under \$500,000. **NOTE:** For the first time in almost two decades, mortgage payments can still be less than monthly rent. If you can afford a 10% down payment and have a

good credit score, you should buy a condo and start building equity.

Least expensive condo/townhouse listing at year's end: \$167,000, which buys you a bank-owned 835 sq. ft. 2 bedroom 2 bath condo south of Town.

Most expensive condo/townhouse listing at year's end: \$4.95 million, which buys you a 4,078 sq. ft. 4-bedroom, 4.5-bath Cabin at Shooting Star.

Condo/Townhouse Sales By Area:

1). Jackson Hole Mountain Resort (Teton Village): 46 sold (down 13%) with an average sale price of \$1.24 million (no change) and a median sale price of \$785,000 (down 8%). The most expensive sale was listed for \$4.95 million in Shooting Star, which bought a 3,905 sq. ft. cabin with 4 bedrooms and 4.5 baths.

2). Jackson Hole Racquet Club (The Aspens): 23 sold (up 15%) with an average sale price of \$414,500 (up 13%) and a **median sale price of \$402,00 (up 21%)**. The most expensive sale was \$875,000, which bought a 2,400 sq. ft. end-unit townhouse with 3 bedrooms and 3.5 baths, built 1991, and bordering ranch land to the west.

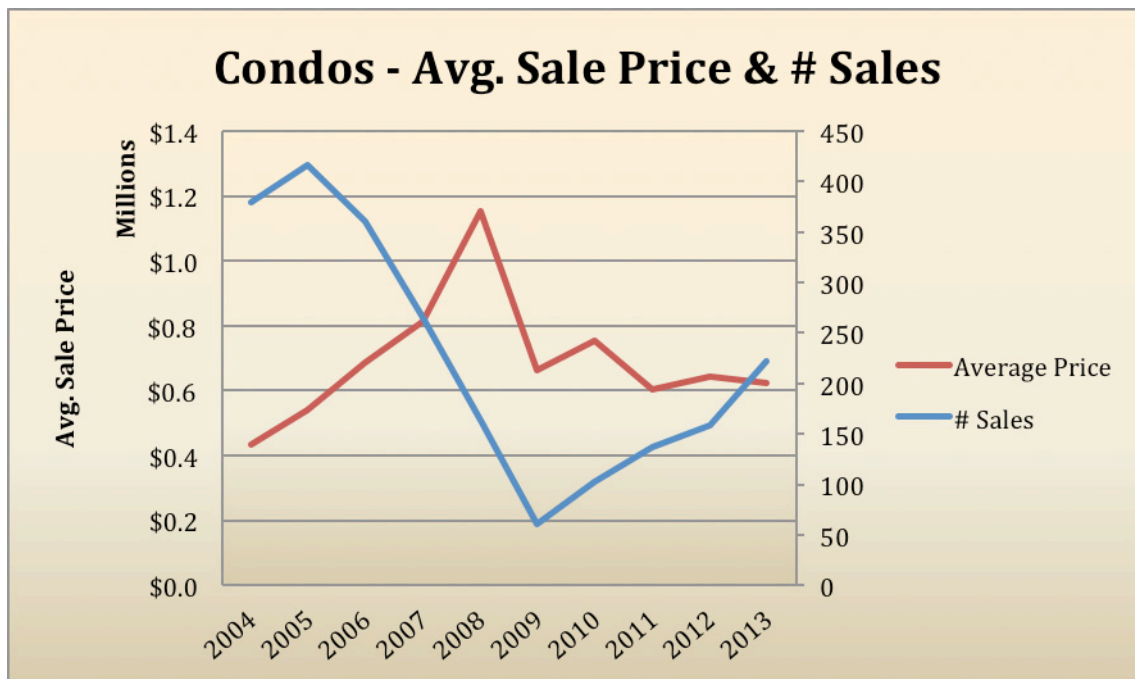
3). Teton Pines: 4 townhouse sold (up 300%) with an average sale price of \$936,250.

4). Town of Jackson: 123 sold (up 76% from 2012) with an average sale price of \$445,465 (up 44%) and a median sale price of \$369,500 (up 25%). **NOTE: 55% of all condo sales in Jackson Hole were in the Town of Jackson.** Also note just 4 years ago, in 2009, there were only 26 condos sales for the entire year.

5). Jackson Hole Golf & Tennis: 9 condos sold (up 125%) with an average sale price of \$526,667 (up 19%) and a median sale price of \$485,000 (up 8%).

6). Rafter J Ranch: 11 condos sold (up 57%) with an average sale price of \$396,740 (up 19%) and a median sale price of \$345,000.

7). Spring Creek Resort: 3 sold in 2013, with 1 over \$1 million and 2 under \$1 million.



RESIDENTIAL LAND SALES

When compared to 2012, the **number of lot sales rose 26%** to 133 transactions in 2013. In contrast, the average sale price dropped 22%, and the median sale price was down 2%. These two statistics indicate the price point for many buyers in 2013 fell below \$1 million. While this segment of the market continues to rebound, do not expect much appreciation in 2014, with the exception of the Town of Jackson where single-family vacant land sales was up 63% in 2013. The sharp increase in vacant land sales for the Town of Jackson can be attributed to a stronger construction environment and locals' desire to build their dream home in Town. **Multi-family land sales also display stronger demand in the Town of Jackson, with sale prices rising along a fast upward trajectory.**

Unlike the single-family home segment, where there are only five months of supply, at the current sales pace, it will take 15 months to deplete the vacant land inventory. However, today's market continues to show signs of accelerating sales in this segment. Considering 60% of the current home inventory was built 20+ years ago and overall available home inventory continues to decrease, we predict that demand for vacant land will continue to grow in 2014. NOTE: 71% of the vacant land sales in 2013 were purchased with cash.

The million dollar-plus segment of residential lots continued to recover in 2013. The **number of sales was up 18%** while the dollar volume dropped by 4%. NOTE: Currently 52% of the available residential vacant land inventory is listed for more than \$1 million. If you are a property owner in Jackson Hole, and would like a free comparative market analysis, please email me at david@jacksonholereport.com or call David at 307.690.4004. My in-depth local knowledge gleaned from producing the **Jackson Hole Luxury Report** has made me **Your Local Luxury Expert**.

Residential lots currently under contract: While the number of lots currently under contract is down 29%, when compared to the end of 2012, the average and median list prices are up 19% and 11%, respectively. NOTE: We expect to see a resurgence of residential land sales in 2014, as our single-family home inventory continues to diminish.

Available vacant land listings: Available inventory is **down 9%** when compared to 2012, with 165 available single-family home sites. The average listing price is down 19% to \$2.166 million, and the median listing price was \$1.1 million. While residential vacant lot values have stabilized, bargains can still be found in Jackson Hole. Available inventory is broken down as follows: 14 properties under \$300K; 24 between \$300K and \$500K; 41 between \$500K and \$1 million; 40 listings between \$1 and \$2 million; 28 between \$2 and \$5 million; 14 between \$5 and \$10 million; and 4 over \$10 million. **NOTE: Of the 165 listings 116 (70%) have been on the market for over 12 months.**

Least expensive lot listing at year's end: \$225,000 for a 9.8-acre single-family lot in the Game/Squaw Creek area.

Most expensive single-family lot listing at year's end: \$19 million for 105 acres on the Snake River, north of Jackson.

Lots currently under contract: There are currently 7 lots under contract with an average list price of \$1.025 million, up 120%.

Residential Vacant Land Sales by Area:

1. Jackson Hole Mountain Resort (Teton Village): 11 lots sold with an average sale price of \$2.49 million and a median sale price of \$2.3 million. Total dollar volume was \$27.3 million.

2. Jackson Hole Racquet Club and Teton Pines: 4 lots sold in Teton Pines and 1 the in JH Racquet Club. The average sale price was \$890,000.

3. Westbank, North of Wilson (excluding resort areas): 14 lots sold (up 40%) with an average sale price of \$1.5 million and a median sale price of \$850,000. Total dollar volume was \$21 million.

4. Westbank, South of Wilson: 8 lots sold with a total dollar volume of \$7.6 million. The least expensive sale was a .9-acre lot for \$210,000.

5. Skyline Ranch, N. of Hwy. 22 to Sagebrush Dr./W. of Spring Gulch: 11 lots sold (down 31%) with an average sale price of \$2.6 million and a median sale price of \$950,000. Total dollar volume was \$28.3 million.

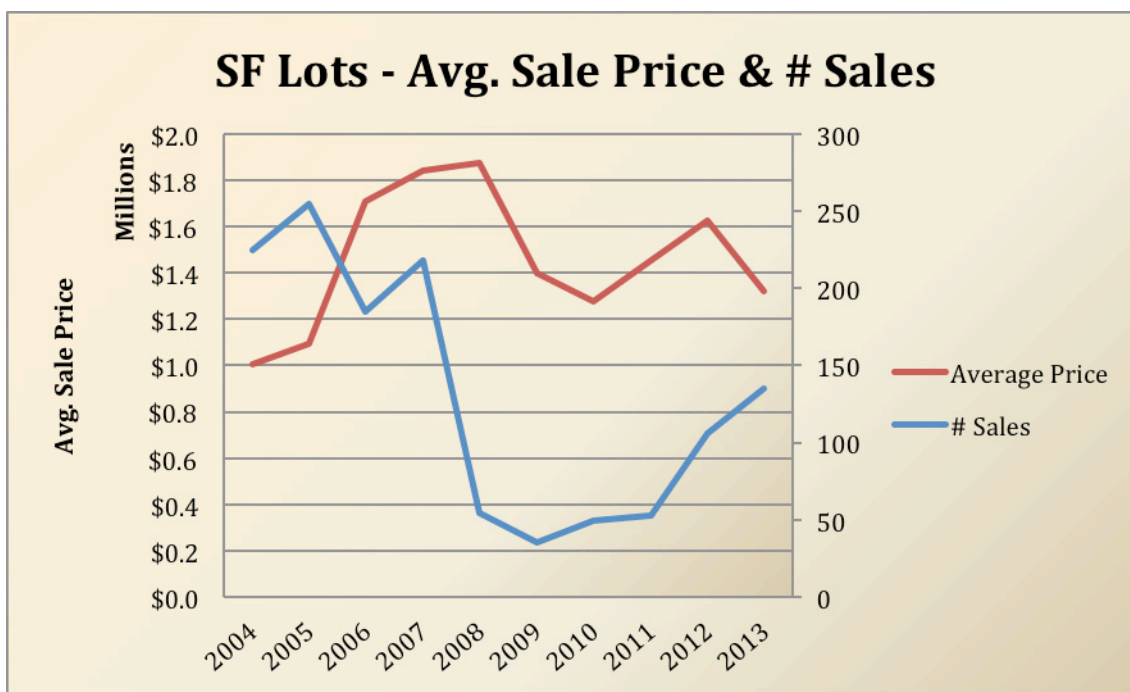
6. North of Jackson, S. of Gros Ventre Junction and E. of Spring Gulch: 8 lots with an average sale price of \$1.19 million and a median sale price of \$762,500.

7. North of Gros Ventre Junction/Kelly/Moran: 9 lots sold (down 43%) with an average sale price of \$1.825 million and a median sale price of \$1.1 million (up 32%). **Total dollar volume** was \$16.4 million.

8. Town of Jackson: 26 lots sold (up 63%) with an average sale price of \$328,675 and the median sale price of \$312,500.

9. South of Jackson to the Snake River Bridge: 35 lots sold (up 75%) with an average sale price of \$1.23 million and a median sale price of \$550,000. The most expensive sale was listed for \$4.25 million in 3 Creek Ranch.

10. South of the Snake River Bridge to Co. Line: 6 lots sold with an average sale price of \$460,833 and a median sale price of \$350,000.



AFFORDABLE HOUSING PROVIDES HOMES FOR COMMUNITY'S MIDDLE CLASS

Teton County's housing organizations laid the groundwork for more affordable housing opportunities in 2013, and will continue to move their projects forward in the year ahead.

Teton County Housing Authority (TCHA)

The Jackson Town Council approved final plans for TCHA's new workforce housing neighborhood, The Grove. Council member Jim Stanford said, "This project is a significant step toward meeting some of our housing goals and retaining the community we've been losing to Idaho and surrounding counties for many years."

The Grove will provide 68 new housing opportunities for young working families in the coveted west Jackson neighborhood. It will be built in 3 phases, offering a mix of affordable rental and ownership units. TCHA hired an all local development team and collaborated with Elected Officials, neighbors, and special interest groups to craft a neighborhood that compliments the fabric of west Jackson and balances community development goals.

For details visit www.tetonwyo.org/house/topics/tchas-current-development/252613/.

Jackson Hole Community Housing Trust

In 2013, the Housing Trust adopted a strategic vision and three core principles to guide and inform the work of the organization. To address the housing challenges of the future, the Trust will prioritize innovative and collaborative solutions that protect natural and scenic resources and provide for the health, safety and well-being of the residents of Jackson Hole.

In this spirit, the Housing Trust will develop 18 affordable rentals on six lots recently secured by the organization in east Jackson. Income generated from the 18 rentals will result in recurring net revenue that will seed new housing opportunities and fund the Housing Trust's annual operations. Not only will this unique project address a pressing community need, it will ensure the Housing Trust has the financial capacity to meet the community's housing needs in the future.

Habitat for Humanity

In March of 2014, Habitat will begin construction on 4 LEED certified homes in the Daisy Bush Subdivision of east Jackson. Habitat's program includes pre-selected partner families who have taken financial education classes, saved for a down payment, and put 500 hours of "sweat equity" into building their homes side by side with volunteers. This will mark the first project for which Habitat has directly purchased land to build on through an exciting new partnership with St. John's Medical Center.

Habitat sells the homes at cost of construction and issues an interest-free, 30-year loan to its partner families. Building opportunities exist for Habitat through 2016, and we are determined to raise the funds necessary to see them through.

The need for affordable workforce housing in Teton County is still strong, making it as important as ever for our three housing organizations to continue to provide affordable homes to help preserve a strong, vibrant and healthy middle class in our community. To learn more about affordable housing, please contact any of our organizations:



(307) 734-0828

www.tetonhabitat.org



(307) 739-0665

www.housingtrustjh.org



(307) 732-0867

www.tetonwyo.org/housing.org

THE COMMERCIAL CORNER

Opportunity is the one word I would use to best describe the local Commercial Real Estate market for 2013. The combination of the residential real estate markets continued recovery, low interest rates, some banks easing of lending requirements in the commercial markets, and the new Comprehensive Plan **have created opportunity** in our local Commercial Market.

MLS shows approximately 16 commercial sales for 2013, with 9 additional sales (36%) not reported to MLS. Almost all of the data show declines in the commercial market from a high in 2012 to 2013; Commercial sales volume was down 73%, number of sales was down 31%, and the average sale price per sq. ft. was down 24%. While 2012 had several very large transactions that contributed to the high dollar volume, the data shows commercial transactions across the board are down in 2013.

So why use **opportunity** to describe the local commercial market? Winston Churchill once said, "A pessimist is one who sees the difficulties in every opportunity; an optimist sees an opportunity in every difficulty." There are many savvy investors taking advantage of opportunities in our commercial markets, and these indicators support that idea.

The local residential market continues to recover. According to the Jackson Hole Report, the law of "supply and demand" have once again kicked in, and so has appreciation. The 23% increase in the overall number of transactions in 2013 is a strong indicator.

Interest rates are low - On Jan. 3, 2014 on NBC News, Federal Reserve Chairman Ben Bernanke reiterated the Fed's commitment to keeping interest rates low.

Local commercial financing options - While there are few secondary alternative funding sources available for commercial loans, local banks are more inclined to put their funds to work and finance real estate transactions internally, to those borrowers with strong credit. This has created more opportunities for commercial financing.

The Jackson Comprehensive Plan was adopted in the beginning of 2013 - The Land Development Regulations (LDR's) are in the process of adjusting to match the goals of the Comp Plan. Increased commercial densities in some areas of Town are creating development opportunities where they once did not exist. Savvy developers with foresight have seized these opportunities in areas that show possible/likely increases in commercial density, especially in the Lodging Overlay. Those that do not have this foresight have missed opportunities by being outbid on commercial listings.

Pending transactions - Several commercial properties are under contract. Some of these are listed in MLS, while some are outside of MLS and not reported publicly. Three new hotel sites in Town are currently either pending or under construction.

Many commercial sales are closed outside of MLS. With local knowledge and experience of our Land Development Regulations, I can help you identify commercial properties in our local market that match your goals, objectives and needs. Contact me directly at MichaelPruett@jhrea.com or visit me online at www.MichaelPruett.com. **Professional. Experience. Results.**

THE APPRAISAL CORNER

Our staff at the appraisal department has over 30 years of combined appraisal experience. We work on all kinds of appraisal and consulting assignments. Different types of assignments include commercial properties of all types, Hotel and lodging properties, all segments within the residential market from vacant land to luxury homes, recreational and working ranches, conservation easements, and eminent domain. We also do feasibility and market studies, as well as lease rate comparisons, and special purpose appraisals including churches. Our clients include banks, mortgage brokers, attorneys, federal, state and local agencies as well as private citizens. We have done assignments for loan underwriting, legal disputes, partial and full takings under eminent domain, estate planning, probate, buyer and seller needs and lease negotiations. **Our staff covers** Teton, Fremont, Sublette, Sweetwater and Park Counties in western Wyoming as well as, Teton, Madison, Caribou, Bonneville and Fremont Counties in Eastern Idaho.

A recent report from Vero Real Estate Solutions showed a forecast for the five strongest and weakest markets nationally. NOTE: Jackson Hole has direct flights from areas near four of the top five appreciating markets. The five strongest markets for appreciation are projected to be:

- San Francisco-Oakland-Fremont, Calif., at 13.4 percent
- San Jose-Sunnyvale-Santa Clara, Calif., at 10.7 percent
- Seattle-Tacoma-Bellevue, Wash., at 10.2 percent
- Los Angeles-Long Beach-Santa Ana, Calif., at 9.6 percent
- Midland, Texas, at 9.5 percent

If you are in need of any appraisal services please don't hesitate to call the Appraisal Department at Jackson Hole Real Estate Associates at 307-739-1104, or tomogle@jhrea.com



INSPIRING JOURNEYS A CAMPAIGN *for* JENNY LAKE

MAKING HISTORY TODAY

Inspiring Journeys, a \$16 million public-private project funded by Grand Teton National Park and Grand Teton National Park Foundation, will transform the park's most popular destination for the 2016 National Park Service centennial.

With your help, this legacy project will enable unforgettable experiences and expand understanding of the famed Jenny Lake, ultimately inspiring people to preserve national park treasures for future generations.



www.gtnpf.org

The Jackson Hole we know and love is shaped, in large part, by Grand Teton National Park and its protection of 307,000 wild acres. To ensure the Park's future, I invite you to support Grand Teton National Park Foundation, a private organization that strives to provide Park visitors with a memorable experience now and for generations to come. As you may have experienced yourself, people's first visit to the Park often proves indelible, forging a lifelong love for the place we call home. Grand Teton National Park forms the fabric of our valley, therefore support of the GTNP Foundation translates into support of Jackson Hole as a whole.

As a Foundation Board Member, I see the monumental difference the Foundation makes in visitors' experiences. For instance, most people begin their tours at the Craig Thomas Discovery and Visitor Center, a stunning structure that would not have been realized but for the innovative public-private initiative between the Park and the Grand Teton National Park Foundation. Now, the Foundation is leading another major project: Inspiring Journeys – A Campaign for Jenny Lake. Targeting the most-visited attraction in the Park, the Jenny Lake campaign is transforming the visitor experience of the lake by creating a welcoming interpretative plaza and vastly improving trails, bridges and key destinations. The campaign ensures memorable visits and repeat journeys to Jackson Hole for generations to come.

Whether by becoming a volunteer or by making a donation, I encourage you to get involved with the Grand Teton National Park Foundation. To learn more about the Foundation and its plethora of projects within the Park, visit GTNPF.org.

The **JACKSON HOLE REPORT** is published semi-annually, with additional email updates for the first and third quarters. While others attempt to report on our market with MLS statistics only (MLS historically tracks 65-70% of the market) we track every single transaction in Teton County. This data-driven report is the most accurate and trusted real estate news source in Teton County, Wyoming. If you would like to sign up for quarterly email updates, or need more detailed information about our local real estate market, feel free to either call 307.690.4004 or email david@jacksonholereport.com.

NEW JACKSON HOLE REPORT WEBSITE – We are proud to announce the launch of our re-designed website, www.jacksonholereport.com. The new, state of the art website features more resources and is easy to navigate. You can track the real estate market, review current & past market reports, search the MLS and check out are new Luxury section.

Whether you are pricing your property to sell in this competitive market, or deciding when the right time to buy is; rest assured that when you are our client, you will have current market statistics, an impeccable level of service and personal attention that will give you the upper hand. For a free comparative market analysis please either call 307.690.4004 or email david@jacksonholereport.com

We hope this report has given you a snapshot of market trends and, as always, we would be glad to discuss them further with you. If you plan to list your property this spring, would like a more detailed analysis of specific areas, back issues of the **JACKSON HOLE REPORT**, or a **professional Realtor to represent you in your next real estate transaction**, please call or email one of the numbers below or write to P.O. Box 2431, Jackson, WY 83001, Attn: David Viehman or Devon Viehman-Wheeldon.

Sincerely,



David Viehman, Owner/Associate Broker
Devon Viehman, Owner/Associate Broker
"Wyoming Realtor of the Year 2013"

The Jackson Hole Report

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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 2013 compared to sales in 2012.

* All statistics referencing properties under contract are based solely on Teton County MLS.

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

*Average sale price is the total combined dollar volume divided by the number of sales.

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

*The term "Market Value" means; the value of property in terms of what it can be sold for on the open market; current value.

*While other local Real Estate Brokers attempt to report on the local real estate market, we are the only ones to track every single transaction. Therefore, if you want the most accurate information to help guide you through your next real estate transaction, please call Devon and David today. **"We are the Experts"**.

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