

THE HOLE REPORT

Is This A Buyer's Market?

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

While the overall market is showing signs of increased values and dollar volume you don't have to look too hard to find segments that are truly a Buyer's market. In the first six months of 2002 we found the overall number of sales were down 10% and excluding the 4 Lazy F sale, the dollar volume was down 9% yet the average price per transaction was up slightly by 2%. Showing promise is the overall dollar volume of properties under contract, up a whopping 40%, and the upper end of the market seems to be rebounding with a 13% increase in number of properties under contract when compared to this same period last year. For more details on the overall market go to: www.jacksonholereport.com

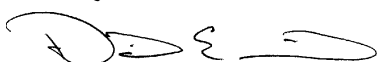
Two segments that have slipped into a Buyer's market are residential vacant land and condo/townhomes. The average sale price of a residential lot is 15% less, the median sale price is 16% less and yet there are twice as many available lots on the market right now when compared to the same time in 2000. That's right, you can buy a vacant lot for less than you could have two years ago and you have twice as many to choose from! The condo/townhome segment is also showing signs of a Buyer's market as the average list price is 17% less, the median list price is 24% less and there are 29% more units to choose from when compared to this time last year.

One segment of the market that is holding its own is the residential home market. The number of sales is down 8%, the number of million dollar + sales is down 10% and the number of available homes is up 18%. However, we are still seeing the average sales price climb, up 10% and the median sales price hasn't changed when compared to the first six months of 2001.

I hope this report will give you some sense of market trends and, as always, I 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 value of any individual property may and probably will vary from the average indicated in these graphs.

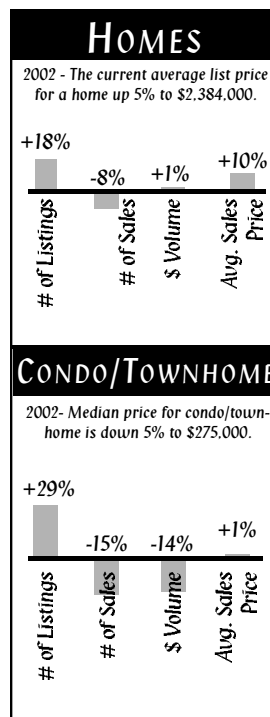
If you would like a more detailed analysis of specific areas, back issues of the Hole Report or want to take advantage of this Buyer's market, please email me, call one of the numbers below or write to P. O. Box 7436 - Jackson Hole, WY 83002 Attn: David Viehman.

Sincerely,



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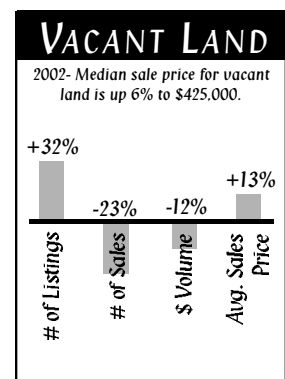
Jackson Hole Real Estate Activity January - June 2001 vs. January - June 2002



← 2001 - Homes sold for over 1 million: 29 - 3 over 5 million

← 2002 - Homes sold for over 1 million: 26 - 3 over 5 million

← 2002 - Median price for homes is \$575,000



Homes - The strongest segment of our market right now is the under \$575k single family home. This is due in part to the defeat of the Porter Estate annexation and historically low interest rates. While the overall number of homes sold is down 8% and dollar volume spent on homes is up only slightly by 1% the average price per home is up a modest 10% and the median price per home stayed the same. Homes under contract show the market slowing with 30% less under contract plus the number of available homes for sale is up 18% when compared to this same time last year. For a more in-depth understanding of this segment of the market go to: www.jacksonholereport.com

Condo/Townhomes - The condo/townhome market has slipped into a Buyer's market. Inventory is up a strong 29% but the number of sales are down 15% and sales volume is down 14% while the average price is up only 1%. The available units are also indicating a Buyer's market with the average asking price down 17% and the median price down 24%. For more on this segment go to: www.jacksonholereport.com

Vacant Land - This segment of the market is truly a Buyer's market. The number of sales was down 23%, dollar volume is down 12% and yet the average sales price is still climbing, up 13%. What's great for the Buyer is that available inventory is up 32% while the average asking price is 15% lower and the median asking price is 16% lower than 2 years ago. For a better understanding of why this segment of the market is such a good investment go to: www.jacksonholereport.com

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Return Service Requested



Jackson Hole's newest web site - Jackson Hole Search Engine is hosted by Hoffman & Associates, LLC. Our goal is to provide free internet links 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.

The idea came to us after launching JacksonHoleSearch.com. This site offers free links to all real estate related companies such as architects, contractors, interior design, mortgage companies, utility companies, etc... The links from the JH Search web site have enjoyed traffic from over 2000 visitors a month, have generated countless new customers for those businesses and is continuing to grow.

So whether you offer accounting, advertising, art galleries, babysitting services, construction, dry cleaning, food or groceries, health care, night life, snow plowing, 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 web site or email address to advertise your business. Either stop by the office, call to have an application mailed to you or go to www.jhsearchengine.com and fill one out. We are currently building content, so call today!

HOFFMAN & ASSOCIATES NEW COMMERCIAL DIVISION: We are proud to announce our new Commercial Division and would like to introduce you to this new group. We know how complicated commercial real estate can be and that is why we have searched out the best Realtors and Appraisers in the business.

Bill Mackey, our new head commercial Broker, has been coming to the valley on and off since 1977 and worked on the R Lazy S Ranch for several summers. He began his real estate career in 1984 and has been working solely in commercial and farm & ranch. He moved his family to Jackson Hole this past spring and he has jumped in with both feet. Bill has a B.S. in Agriculture from Auburn University, holds an Accredited Land Consultant designation (ALC) by the Realtors Land Institute and is a Certified Commercial Investment Manager (CCIM). He has owned and managed his own real estate company for 16 years with 12 agents. He has worked for local and national clients in site selection, leasing of space, asset liquidation, business analysis, property exchanges (1031), etc...

Dawn Marousek, our other commercial Broker, is a native of Jackson Hole who has sold properties throughout northwest Wyoming for the past 15 years. She is a licensed Wyoming and Idaho Broker, has handled many commercial transactions and is a commercial property owner of one of the more successful businesses in Jackson.

Tom Ogle, our new head commercial appraiser, has just moved his family to the valley from Chapel Hill, North Carolina and holds a B.S. in Political Science and History. Tom is a Certified General (commercial) Real Estate Appraiser and worked for the Department of Transportation appraising easements, takings, condemnations and a variety of commercial and residential properties.

Darrel Hoffman, the most experienced appraiser in Jackson is also a native of Jackson Hole. Darrel holds a B.S. in Forestry and Range Management from Utah State University, Logan, Utah. He has been involved in and is highly qualified to do appraisals or consulting for commercial, industrial, farm and ranch, recreational and residential properties. His designations include: SRA (Senior Residential Appraiser, Appraisal Institute), ARA (Accredited Rural Appraiser, American Society of Farm Managers and Rural Appraisers), GAA (General Accredited Appraiser, National Association of Realtors) and GRI (Graduate of the Real Estate Institute, National Association of Realtors). Darrel is also a Certified General Real Estate Appraiser in Wyoming.

As you can see we have assembled one of the best commercial teams to ever work in Jackson Hole and would love to help you buy or sell your commercial property. We are part of the Teton County MLS system and thus can expose your property or business to over 350 local Realtors or keep your transaction totally confidential. Call us for more details or stop by the office anytime to discuss your commercial needs. Commercial real estate is a specialised field in Jackson Hole so come meet our experts today.

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@hoffmanrealestate.com or call me at 800-735-8385 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 2001 compared to the first six months of 2002.

If you're 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. I 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 property owner but would like current sales data and a professional to help you make your first or next purchase, or would just like to be put on my mailing/email list for the Hole Report please call, write or email today!