

THE HOLE REPORT

Is The Market About To Explode?

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

As predicted in the last issue, our market, while moving upward, is recovering slowly. But, our office and several other real estate offices are absolutely slammed with new customers and clients. This is due in-part to the lowest interest rates we have seen in 45 years, the increased level of consumer confidence for Jackson Hole real estate and the stock market at a level where Buyers are selling their stock and moving the money into a more secure investment that they can also enjoy. If the increase in traffic is any indication of what the summer holds we could see this market turning from a Buyer's market to a Seller's market by the end of the year.

The overall market in the first six months of 2003 had a 22% increase in the number of sales but the dollar volume was down 17%. When looking at what is under contract we are on par with this same time last year. On a positive note, when looking at the amount of active listings on the market, as of July 1st compared to July 1st of 2002, we have seen a 15% drop. This means that with less inventory a Buyer has less to choose from and is more willing to pay the Seller's asking price. (Supply and Demand). For more details on the overall market go to: www.jacksonholereport.com

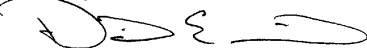
Across the board we are seeing a larger number of closed transactions this year. This is especially important for vacant land sales as this is the first time in four years we have seen an increase in Buyers. Even the upper end of the vacant land market is seeing more buyers with a 25% increase in closed transactions for properties over \$1 million so far this year.

One segment of the market that has really exploded this year is **condo/townhomes** where the **number of sales is up 51%**, the dollar volume is up 27% and the median sales price is up 25%.

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 are in need of my services, please email or call one of the numbers below or write to P. O. Box 7436 - Jackson Hole, WY83002 Attn: David Viehman.

Sincerely,



David E. Viehman

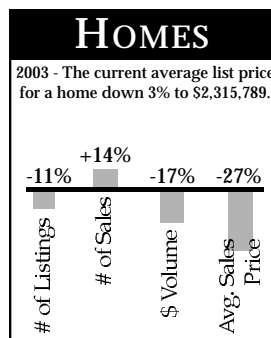
Owner, Broker

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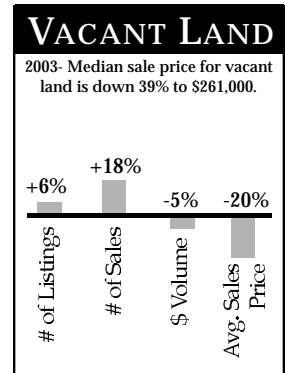
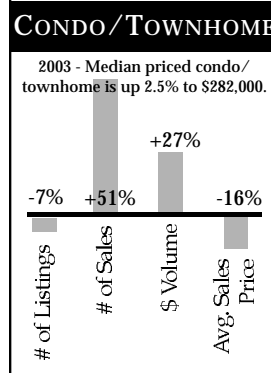
Jackson Hole Real Estate Activity January - June 2002 vs. January - June 2003



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

← 2003 - Homes sold for over 1 million: 21 - 2 over 5 million

← 2003 - Median sales price for homes is \$542,500 - down 6%



Homes - The strongest segment of the home market right now is what we call the local's market or under \$750k. This is due greatly to the lowest interest rates in 45 years. With the greater buying power locals are trading out of condos or from a small home to a larger one with more acreage. The overall **number of homes sold is up 14%** yet the dollar volume spent on homes is down 17%. The **average price per home is down 27%** and the median price per home is also down slightly (-6%). Homes under contract show the **market really picking up with 19% more under contract** and the average price exploding (up 57%). For a more in-depth understanding of this segment of the market go to: www.jacksonholereport.com

Condo/Townhomes - The condo/townhome market is the strongest segment of our market to date. The **number of sales has exploded, up 51%**, dollar volume is up a strong 27% and the median sales price is up 2.5%. The number of units for sale has dropped 7% but the **average asking price is up 52%** and the median asking price is up 20%. For more on this segment go to: www.jacksonholereport.com

Vacant land - This segment of the market is starting to move again. The **number of sales is up 18%** but the dollar volume is down 5% and the average sales price is down 20%. This indicates that most lot sales are in the lower end of the market. **Lots under contract** are seeing the same scenario with number of sales **up 300%** but the **dollar volume down 63%**. 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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THE RANCHES AT SPRING CREEK - *Construction is underway!*

We are so excited to announce that the first phase of construction at "The Ranches" is underway. New roads, utilities, ponds, and landscaping are going in for the new homesites, plus the southern polo field will be ready for play in August. One of the biggest challenges was to change the water flows through the property to accommodate the new ponds and building sites and at the same time not disturb the historic flows through our ranching neighbors to the north and south. Because of the coordinated efforts of Alta Construction, Nelson Engineering, our ranch manager and the Lucas and Mead families, the first phase of the project is not only looking absolutely beautiful but will be ready for the Event at Jackson Hole (Jackson Hole's largest horse show of the year) in late August. If you have not had a chance to see all the changes and additions please call or email David Viehman or call one of the numbers listed on the front page for a private showing.

Welcome! We would also like to welcome Dr. Gary and Peta Roubin to Jackson Hole. While they have owned a second home in South Jackson Hole since 1997, they have recently moved the entire family and Gary's practice to Jackson Hole so they can enjoy this wonderful community full time. The Roubins now have time to devote much of their energy to assuring Spring Creek Equestrian Center will be available to our local horse community and that The Ranches at Spring Creek will be the most desirable family and resort setting in all of Jackson Hole.

What is The Ranches at Spring Creek Resort? RSCR is the only large parceled community, in a resort setting, in Jackson Hole. This one-of-a-kind family oriented and gated community offers unmatched amenities, location and beauty. With only five members and over 400 acres of dedicated open space you will enjoy total privacy and security yet are centrally located to the town of Jackson, the Jackson Hole airport and Teton National Park. Ownership includes a deeded 35-acre home site, an undivided interest in an additional 270 acres of open space, a 20% interest in the Spring Creek Equestrian Center with its 60,000+ sq. ft. of improvements, plus all the amenities of Spring Creek Resort (concierge, maid, check-in, phone and messaging services, heated pool, tennis, spa, restaurants, horses-back and sleigh rides, Nordic Center etc.). **Family and Security in a Resort Setting!**

If you would like a private showing of "The Ranches" or would like more information about RSCR please call David Viehman for an appointment, preferably with 24-hour notice. Remember the security gate at the front entrance is closed 24/7. All visitors must have an escort.



Jackson Hole's hottest web site - 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 Jackson Hole.

We launched www.jhsearchengine.com last summer and the traffic has continued to climb every month. The site currently has over 1,500 monthly visits from locals, tourists and consumers alike and has generated countless new customers for the 1,170+ businesses currently listed on the site. The site also offers free classified ads and a community calendar of events for everything in Jackson Hole (schools, non-profits, the arts, recreation, support groups & entertainment). 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, 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 and ask for Sylvia who can input your information for you, or go to www.jhsearchengine.com and sign 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 2002 compared to the first six months of 2003.

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!