

THE STAR VALLEY REPORT



INVENTORY DOWN, SALES UP

Welcome to the Thirteenth issue of *The Star Valley Report*. Published semi-annually, this data-driven report is the most accurate & trusted real estate news source, keeping all of Star Valley, Wyoming well informed on our ever-changing market.

SIGNS POINT TOWARDS A SLOW RECOVERY: When looking at the numbers for the first six months of 2011, one has to wonder if we have finally hit the bottom and are starting to bounce back. Factors such as a **small increase in numbers of sales**, a **higher number of properties under contract**, and **inventory numbers down slightly** give us hope that we may be heading towards better times for our real estate market. This does not change the fact that we are still seeing foreclosures and short sales throughout the valley, and are still facing economic uncertainty. Despite this unfortunate reality, we have seen a **surge in activity from buyers** shopping throughout the valley. There have been, and still are, some unbelievable buying opportunities both in distressed properties and fair market sellers pricing competitively. Although the number of distressed listed properties does not make up the majority of the market, the number of distressed properties sold in the first half of the year accounted for close to 50% of the sales. This shows a large number of buyers are value driven.

Another aspect of the market we are seeing return is the high-end buyer. Although it is only a small percentage of our overall sales for the first 6 months, there were 9 sales closing at \$400,000 and higher, with the most expensive being a home in the Alpine Airpark for \$3,150,000. Though we are still seeing prices adjust for the reasons previously mentioned, the market appears to be working towards stabilization.

OVERALL MARKET IN STAR VALLEY: The overall market once again saw an increase in **the number of sales (up 24%)** in the first six months of 2011. While there was a 6% increase in the average sale price to \$235,202, the median price sale price decreased 20% to \$148,900. When looking at the rise in the average sale price, and the decrease in median sale price, two things come to light; the high end sales in the Alpine area have driven the average sale price up, and the amount of distressed sales have driven the median sale price down.

Current overall available inventory: Available inventory for the entire Star Valley area stood at 766 listings, **down 14%** from the previous year. The average list price was \$309,696 (down 8%), and the median list price was \$179,000 (down 17%).

Real estate currently under contract: There were 34 properties under contract (**up 42%**) as of July 1, 2011, with an average list price of \$255,120 (up 2%) and a median list price of \$235,000 (up 6%).

The Distressed Factor of the Equation: A significant portion of our sales in the first six months of 2011 was distressed properties. Of the 117 sales, **48% were either short sales or bank owned properties**. The aggressive pricing by short sellers and banks continue to make it difficult for the fair market seller to compete with these properties. We all know that each and every property is unique. If the features of a listed property do not make it stand out in today's market, the only real way to get it noticed is to make it an exceptional value, and pricing plays a major role in that.

SINGLE FAMILY HOMES VALLEY-WIDE: Home sales throughout Star Valley continue to rise during the first 6 months of 2011. There were **30% more transactions** (79 compared to 61 in 2010), which resulted in a 7% increase in the average sale price (\$256,013 in 2011). The interesting number is the median sale price, which decreased 17% during the first six months of 2011 to \$158,000. These conflicting numbers can be directly attributed to; several high-end sales in the Alpine area that have really driven up the average price; and a large majority of distressed homes sales, with real aggressive pricing, that are pulling down the median sale price.

Northern Star Valley continues to set the pace for residential sales in the valley. The first 6 months brought about a **38% increase in sales** (40 in 2011), and an increase in both the average sale price (up 34%) and median sale price (up 7%). The reason for the large gain in the average sale price is due to several upper-end home sales in the Alpine area. While there are positive signs for a recovery in the home segment for this area, **42% of the home sales in Northern Star Valley were considered "distressed"** at some point during the marketing process.

Southern Star Valley (the Upper Valley) saw roughly **no change in the number of sales** when compared to 2010 (21 in 2011 and 20 in 2010). The average sale price decreased 28% (\$179,250 down to \$129,142) and the median sale price decreased 10% to \$130,000, down from \$144,000. The decrease in both average and median sale prices can also be directly attributed to the number of distressed sales in the area, where 43% of the 21 sales were considered distressed at some point during the marketing process.

Star Valley Ranch started out the first half of 2011 with a **42% increase in the number of sales**. Even though sales activity is up this year, the average sale price fell 34% to \$156,087 (down from \$234,783) and the median sale price fell 36% to \$145,000 (down from \$226,900 in 2010). The distressed segment of this market also played a major role in the drop in sale prices, as 10 of the 17 sales (58%) were either short sales or bank owned (REO) properties.

OTHER VALLEY-WIDE HOME STATS:

Under contract: 28 with an average list price of \$260,729 (down 15%) and a median list price of \$264,200 (up 2% from 2010).

Active Listings: 276 (down 17%) with an average list price of \$343,082 (down 2%) and a median list price of \$265,000 (down 4%).

Least Expensive Listing: \$39,900. This buys you an older remodeled 2-bedroom, 1 bath home on .24 acres in Afton.

Most expensive listing: \$3,650,000. This buys you a 5-bedroom, 6 bath home on 5.22 acres bordering the Salt River in the exclusive Double L Ranch.

SALES BY AREA:

Northern Star Valley had 40 sales (up 38%) with an average sale price of \$372,943 (up 34%) and a median sale price of \$230,000 (up 7%).

Star Valley Ranch had 17 sales (up 42%) with an average sale price of \$156,087 (down 34%) and a median sale price of \$145,000 (down 36%).

Southern Star Valley had 21 sales (up .5%) with an average sale price of \$129,142 (down 28%) and a median sale price of \$130,000 (down 10%).

FARM & RANCH (35+ ACRE PROPERTIES)

VALLEY-WIDE: This segment of the Star Valley market continues to see little activity. There was only **one 35+ acre sale** in the first six months, which was in **Northern Star Valley**, and it was not disclosed to the local MLS. With the slowdown in the real estate market, the demand for larger tracts in the valley has definitely decreased. There is virtually no development of subdivisions in the valley, due mainly to the carrying cost of infrastructure and the slow absorption rates of vacant lots.

OTHER VALLEY-WIDE STATS:

Under Contract: 0.

Active Listings: 30 with an average list price of \$1,647,558 and a median list price of \$850,000.

Least Expensive listing: \$199,000 for 35 acres in the Fairview area.

Most expensive listing: \$6,000,000 – this buys you a small cabin on 590 acres in the Thayne area with Salt River frontage and bordering Caribou National Forest.

RESIDENTIAL VACANT LOTS

VALLEY-WIDE: Vacant land sales were relatively unchanged in the first 6 month of 2011. There was one less transaction this year (20 compared to 21 in 2010), yet the average sale price rose 227% to \$155,227, and the median sale price rose 5% to \$37,500. The spike in the average sale price can be attributed to 2 large dollar sales in the Alpine Airpark, which accounted for 64% of the total dollar volume of lot sales in 2011. We continue to see tremendous “deals” throughout the valley for vacant land, and there are now some opportunities for owner financing to help take advantage of this pricing.

OTHER VALLEY-WIDE STATS:

Under Contract: 1 with a list price of \$69,900, down from 8 under contract as of July 1, 2010.

Active Listings: 371 (down 7%) with an average list price of \$129,803 (down 20%) and a median list price of \$89,000 (down 18%).

Least Expensive listing: \$10,000 for .22-acre single-family lot in Thayne.

Most expensive listing: \$950,000 for 5.73 acres single-family lot in the Alpine area.

SALES BY AREA:

Northern Star Valley had 14 sales (up 100%) with an average sale price of \$165,029 (up 174%), and a median sale price of \$37,500 (up 5%).

Star Valley Ranch had 1 sale with a sale price of \$18,000.

Southern Star Valley had 1 single-family lot sale, and it was not disclosed to our local MLS.

This report was written and edited by **Carlton and Cathy Loewer, Associate Broker/Sales Associate**. For more information on the overall market in Star Valley or for a free comparable market analysis, please call the Alpine office at 877-654-7575.

JACKSON HOLE REAL ESTATE ASSOCIATES LLC is the **largest locally owned and operated Real Estate Company** in the region, and has served the Star Valley market for over thirty-one years. Our team is comprised of 95+ agents, appraisers and support staff. We also have a powerful database (one of a kind) that leverages information for our clients, and the daily tracking of every single real estate transaction in Jackson Hole and Star Valley. Combine all this with the **worldwide reach of Christie's International Real Estate**, the simple fact remains: **“We Know the Market Better than Anyone”**.

It is very clear that buyers and sellers demand to stay informed of market conditions. We offer several services that will keep your finger on the pulse of our local real estate market, from daily email updates, weekly distressed properties list, a free market analysis of your property, to quarterly price updates on your Star Valley property. Please contact us to learn more about the programs and services we can provide. Be sure and also check out our new website www.jhreassociates.com for the latest listings and news about our local markets.

Today the **Christie's International Real Estate global network** of affiliated brokers includes nearly 36,000 sales associates operating from 900 offices in more than 40 countries. The network's combined **annual sales topped \$128 billion**. The combined global networks of Christie's, and Christie's International Real Estate, both market leaders in the sale of luxury goods, create a world-class showcase for distinguished real estate. No other network offers this level of international visibility to proven buyers of high-value property.

THE STAR VALLEY REPORT is published semi-annually. 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 Northern Lincoln County. This data-driven report is the most accurate and trusted real estate news source in Lincoln County, Wyoming. If you would like to sign up for the semi-annual email updates, or need more detailed information about our market, feel free to either call or email us at one of the numbers below. You can also find “The Star Valley Report” online at www.starvalleyreport.com

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 email info@jhrea.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 fall, would like a more detailed analysis of specific areas, back issues of **THE STAR VALLEY 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 PO Box 3225, Alpine, WY. 83128. Your "locally owned and operated" Real Estate Company is located at 181 US Hwy. 89 in Alpine, across from Tootsie's Pizza. You can also visit our virtual office at www.jhreassociates.com or email us for more information at info@jhrea.com

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* Overall means everything either sold or on the market in all of Star Valley, which includes homes, lots, condos, commercial, farm/ranch and multi-family.

* 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 2010 compared to 2011.

* The value of any individual property may, and probably will, vary from the average indicated in these graphs.

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

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

* This report is published and updated twice a year. Because of our fast moving market most of the statistics in this report are obsolete within two weeks. Therefore, you should not rely on this report to determine the value of a property, instead call me for a free market analysis.

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