



## Star Valley Moving into Buyer's Market?

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

**Another record-breaking year in 2007** brought an increase in sales prices unlike any Star Valley has ever seen. Home sales throughout the entire valley were up and in some areas we saw the dollar volume increase up to 38%. Overall home prices continued to increase this past year despite the number of sales being down, specifically, farm and ranch and vacant land. With Star Valley inventory at an all time high, the pendulum is swinging more in favor of a buyer's market, and one cannot help but look ahead at 2008 with a cautious eye.

Now more than ever Jackson residents are looking for affordable housing which helps explain our surge in pricing over the past few years. However, our version of affordable may be quite different than that of the first and second homebuyers from other areas in the country. According to the Teton County Housing Authority: the maximum price for a single family home, to be considered affordable, is \$201,700. Currently the average listed price of a single family home in northern Star Valley is \$496,646 and the median is \$350,000. Regardless we continue to see more and more buyers looking for their chance to own a piece of Wyoming. Despite the consistent demand we expect to see buyers being more selective in their search for real estate throughout the valley.

**How strong is the market?** During a time when some states are experiencing all time high foreclosure rates and depreciation levels, the overall market for all of **Star Valley continues to thrive**. With the average price and median price continually rising over the past 3 years, we are constantly reminded as to what a unique market we live in. Star Valley will continue to offer first time homebuyers, and second homeowner's advantages that they cannot find in the Victor/Driggs area such as Wyoming tax benefits. Unless there are some "quick fixes" in the Jackson area affordable housing, expect to continue seeing more people move south through the Snake River Canyon to Star Valley.

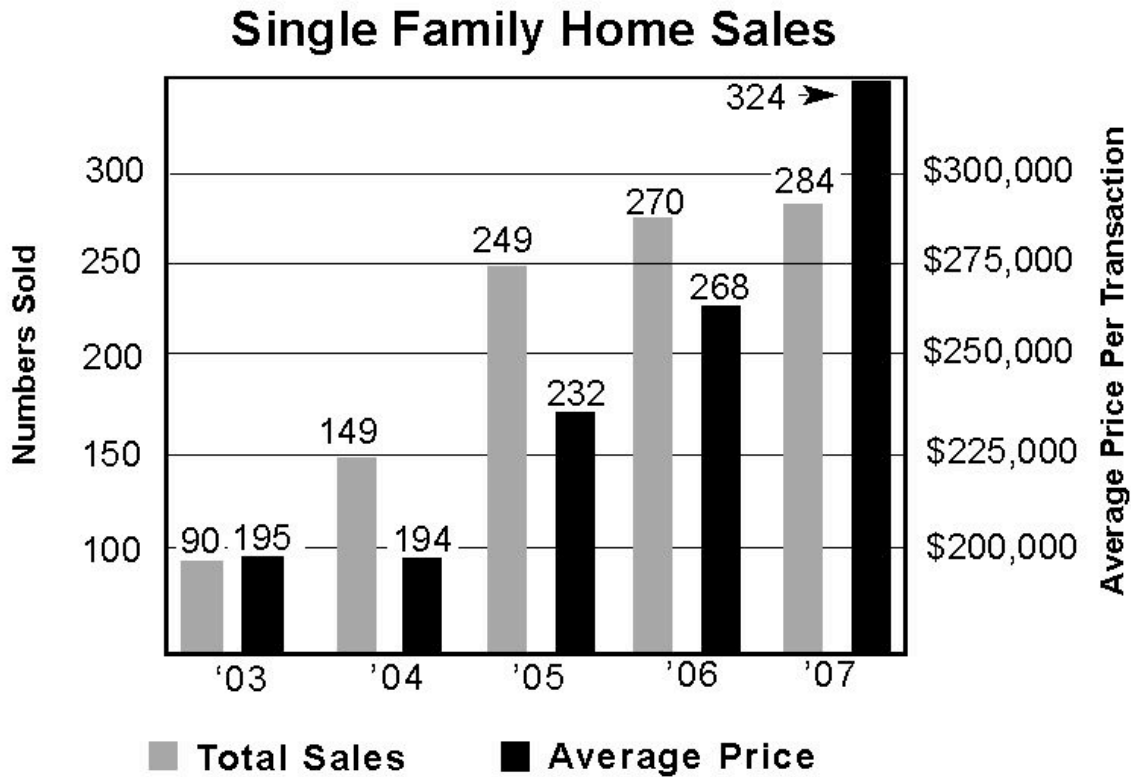
**Overall Market in Star Valley:** The end of 2007 saw the total number of sales in Star Valley decline 42% when compared to 2006. The down turn in the number of sales can be directly linked to the rise in prices throughout the valley. Not to worry though, the average price of property in the valley **rose 35%** to \$278,981 and the median price **rose a whopping 54%** to \$215,000. The home segment of the market continued to climb throughout the valley with each area posting rises in number of sales, average price, and median price.

**Real Estate Currently Under Contract:** At the close of 2007 there were 33 properties under contract, down 94% from 2006. These properties had an average price of \$392,573 (up 26%) and a median price of \$239,900 (up 7%). The main reason we saw fewer properties under contract, at the end of 2007, is because of the rise in prices. There are some areas of the valley that buyers have already been priced out of our market.

**Current Overall Available Inventory:** The overall inventory for Star Valley is at an all time high. There were 925 active listings (**up 117%**) at the close of 2007 with a total dollar volume of \$405 million. Each segment of the market (homes, lots, and farm & ranch) saw increases in number of active listings. There was a 12% decline in the average list price to \$438,833 and a 10% decrease in the median list price to \$222,000. With this amount of active listings, buyers looking for property can be more selective in their process and not have to

jump at the first available property they see. It is definitely shaping up to be a **Buyer's Market for 2008**.

This report was written and edited by Carlton Loewer, Owner/Associate Broker. 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.



**Single Family Homes (valley-wide):**

This segment of the market is the only one not to show signs of slowing at the close of 2007. Although a small increase (5%), the number of home sales continued to rise in 2007. Homes saw a 21% rise in average price to \$324,823 and a 19% rise in median price to \$279,000.

**Single-family Home Sales By Area:**

**Northern Star Valley** continues to set the pace for home sales throughout the valley. All this is due in large part to the proximity to Jackson Hole for the working commuter. This area saw the average sale price of a home rise 29% to \$383,807, and the median sales price rise 16% to \$315,000. The Nordic Ranches area continues to be a favorite among the homebuyers for several reasons, (1) most all the lots are 2 acres or greater and allow horses, (2) location to Jackson Hole for the commuter, (3) and affordability.

Subdivisions with the most sales:

- Corsi Ranchettes- 4
- Lakeview Estates- 6
- Meadow Ridge- 3
- Nordic Ranches- 25
- Rees Subdivision- 7
- Riverview Meadows- 6

Southbrook Ranch- 3  
 Salt River Cove- 2

**Southern Star Valley** saw a 10% increase in the number of home sales and a 9% increase in the median sales price to \$185,000.

**Star Valley Ranch** prices continued to rise through 2007, as did the number of sales (up 9%). The average priced home sale rose to \$305,942 (up 23%) and the median price rose to \$265,000 (up 18%). The Ranch had the highest home sale (\$1,800,000) in all of Star Valley for 2007. This bought a 6,700 square foot furnished home on 1.14 acres overlooking the golf course and wonderful views of the valley.

**Homes Under Contract Valley Wide:** At the close of 2007, there were 13 homes in the valley that were pending, 38% fewer than 2006. But of these 13 homes, the average list price was 40% higher than the previous year.

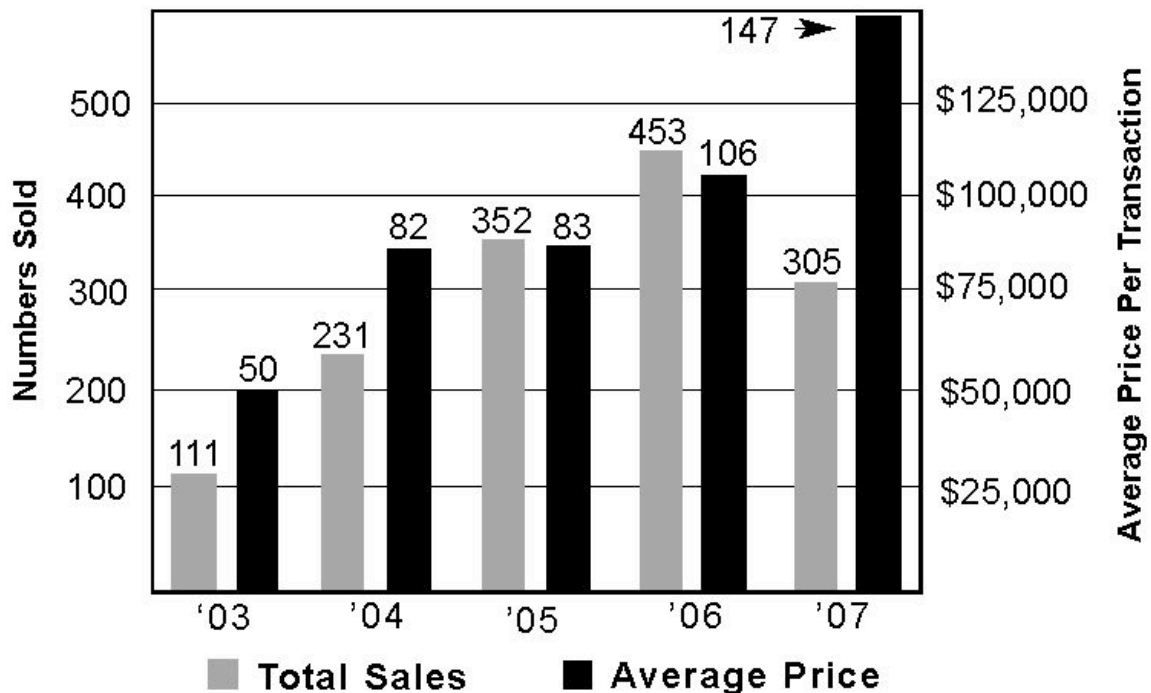
**Active Home Listings:**

**Northern Star Valley** had 96 active listings at the close of 2007, **with 48 listed for \$500,000 or greater.** There were 35 listings that were between the prices of 500k and 1 million, and there were 13 listings that were 1 million plus. This raises the question of when does this area become "unaffordable" for the working person. Also, how far will the commute be for the person working in Jackson Hole?

**Southern Star Valley** had 57 active listings with an average list price of \$320,142 and a median list price of \$245,000.

**Star Valley Ranch** had 70 active listings at the close of 2007 with an average list price of \$377,247 and a median list price of \$345,000.

### Vacant Lot Sales



### **Residential Vacant Lot Sales (valley-wide):**

This segment of the market saw a decline in the number of sales for 2007, down 49% from the previous year. Vacant lot sales saw a 38% rise in both the average sale price and median sale price to \$147,337 and \$110,000, respectively. Some of this may be due to the fact that we did not have any large releases of new subdivision lots as we had in 2006.

### **Lot Sales by Area:**

**Northern Star Valley:** This area saw a decline of 41% in the total number of sales, but the average sale price and median sale price continued their sharp ascent. The average price of a lot rose 42% to \$174,043 and the median price rose 41% to \$125,000.

#### Sales by Subdivision:

Alpine Meadows-	15
Greys River Village-	4
Lakeview Estates-	4
Nordic Ranches-	6
River Ranches F&E-	4
Salt River Cove-	6
Snake River Junction-	6
Trail Creek-	3
Stonefly Ranch-	4
Trail Ridge-	13

**Southern Star Valley:** Saw a rise in number of sales, average price and median price in 2007. The numbers of sales were up 58% with the median sales price climbing a whopping 60% to \$136,320.

#### Sales by Subdivision:

Rockbridge Meadows-	33
Estates of Valli Vu-	12

**Star Valley Ranch:** Saw a decline in the total number of sales by 61% with a rise in average price and median sales price. The average price rose by 23% to \$64,278 and the median sales price rose 14% to \$60,000.

**Most expensive sale in 2007:** 8.77 acres near Alpine that overlooks Palisades Reservoir for \$962,500.

**Least expensive sale in 2007:** 1.02 acres in Star Valley Ranch that sold for \$35,000.

### **Other Valley Wide Stats:**

**Under Contract:** 13 (down 50% from 2006) with an average list price of \$140,654.

**Active Listings:** 556 with an average price of \$197,236.

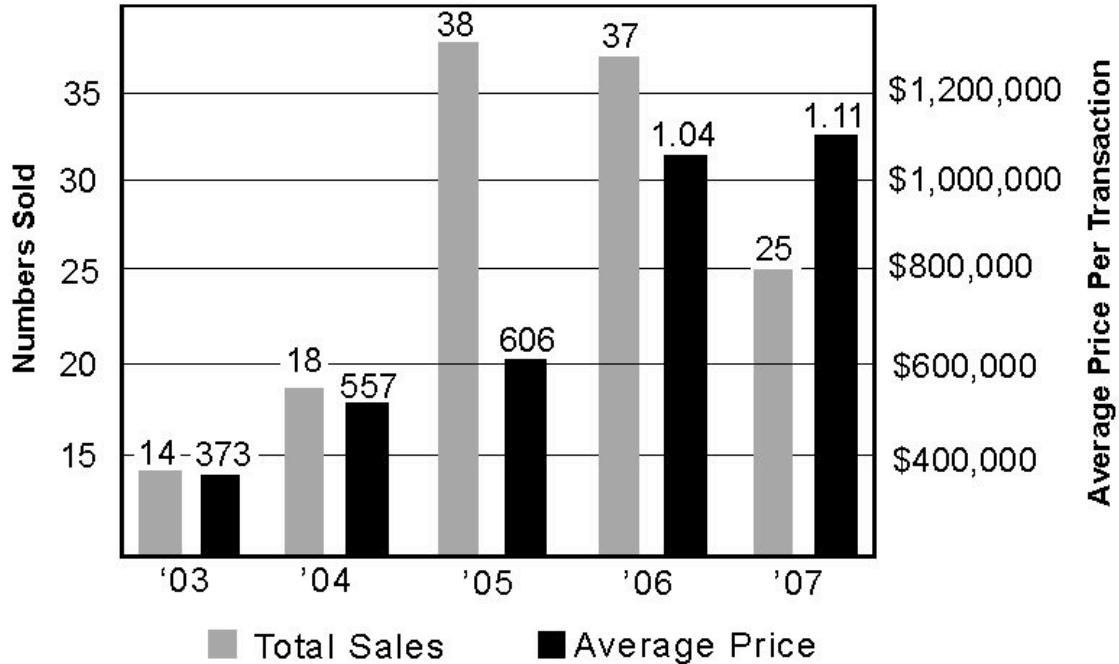
**Least Expensive Listing:** .40 acres in Star Valley Ranch for \$25,000.

**Most Expensive Listing:** 5 commercial acres at Alpine Junction for \$3,800,000.

**Active Listings:** The end of 2007 saw active lot listings at an all time high with 556 active listings (up 162% from 2006). The average price of a lot in Star Valley held relatively in check with only a 1% increase from the previous year and the median list price actually declined 14% to \$110,000. 227 of the active lots listings in the valley were \$90,000 or less.

There are a couple of reasons why we saw so many lot listings, at the end of 2007. First, some of the newer subdivisions have yet to sell many of their lots. Second, speculative buyers, the last couple of years, have realized significant appreciation levels and are now trying to sell their lots.

## Farm & Ranch Sales



### Farm and Ranch (valley-wide):

This segment of the market saw a 48% decrease in the number of sales in 2007. The average price (\$1,111,862) and median price (\$660,000) did see positive gains to 7% and 8% even with the fewer sales. The most expensive sale in all of 2007 for Star Valley was for a 450 acre parcel in the Smoot area that offered creek frontage, river access, forest access, and end of the road privacy. All of this came with a list price of \$8,000,000.

**Northern Star Valley:** Had 15 sales with an average price of \$984,708 (down 6%) and a median price of \$939,000 (up 51%).

**Southern Star Valley:** Had 8 sales with an average price of \$1,302,594 (up 17%) and a median price of \$440,000 (down 14%).

### Other Valley Wide Stats:

**Active Listings-** 60 active listings with an average list price of \$1,895,355 (up 20%) and a median list price of \$886,500.

**Least Expensive Listing-** 35 acres in the Fairview area for \$295,000.

**Most Expensive Listing-** 2,573 acres south of Smoot listed for \$8,900,000. Public land in-holding with lots of big game and fishing on site.

**Forecast for 2008:** The end of 2007 has come and gone and with it has left a few of us in the real estate business scratching our heads. What path will the Star Valley real estate market take in 2008 and beyond? The safest answer to that question is for one to take a look at the Jackson market and use the adage "if it continues to hold strong so will our market". There is a lot of truth in this, as the "affordability factor" continues to drive people to our area.

According to the Teton County Housing Authority: the maximum price for a single family home to be considered affordable is \$201,700; at some point in the near future we could be facing the fact that the workforce that drives Jackson Hole will be priced out of the Star Valley area as well.

Look for prices in the Star Valley area to hold steady in 2008 but with a cautious approach. The home market should continue to climb as interest rates remain low and buyers jump at the chance of getting into that first or second home. It is **definitely a Buyer's Market on vacant lots** right now with inventory at an all time high, so look for some of these lots to sell this summer at competitive prices.

**Jackson Hole Real Estate & Appraisal, LLC** has served the Star Valley for over twenty-eight years. With the daily tracking of every single real estate transaction in Star Valley, the simple fact is "We Know The Market Better Than Anyone". If you are looking for a Realtor or Appraiser, whether you are buying or selling, you owe it to yourself to talk to us before you make what could be the most important decision of your life. At JHRE&A our clients' and customers' best interests are paramount! Your Locally Owned and Operated Real Estate Company located at 181 US Hwy. 89 in Alpine, Wyoming (across from Gunner's Pizza). For more information visit our virtual office at [www.jhre.net](http://www.jhre.net) or email us at [info@jhre.net](mailto:info@jhre.net)

If you would like a more detailed analysis of specific areas, back issues of **THE STAR VALEY REPORT**, a free comparative market analysis of your Star Valley property, or a professional Realtor to represent you in your next real estate transaction, please call or email one of the numbers below or feel free to write with your questions to P.O. Box 3225, Alpine, WY 83128.

Sincerely,

Jackson Hole Real Estate & Appraisal, LLC  
Alpine Branch  
email: [info@jhre.net](mailto:info@jhre.net)  
[www.starvalleyreport.com](http://www.starvalleyreport.com)  
307.654-7575  
877.654.7575

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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 2006 compared to sales in 2007.

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

\*Overall real estate statistics are a combination of all home, lot, condo, ranch and commercial transactions or listings.

**Northern Star Valley**, in this report, is Bedford north to the Idaho/Wyoming state line (not including Star Valley Ranch).

**Southern Star Valley**, in this report, is south of Bedford to Smoot.

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