



Monthly

Real Estate Development



2016 Stock Market Outlook

April 2016

Owning and/or Building a Home in Jackson Hole is an Incredible Investment!

First, supply is limited in Jackson; only 11% of Teton County is capable of being developed, meaning—and specifically within Jackson—only 417 units can be built. Now consider, in 2015, residential sales rose 12%.¹ Specifically, the luxury market sales activity increased 39%, and the *under \$1 million* market was also a huge “hot spot in 2015,” and it is predicted that “prices will continue to climb in 2016” across the board.² The *under \$1 million* market is booming and when “a well-priced home hits the market...bidding war[s]...ensue within 72 hours.”³ It is a seller’s market! More importantly, residential land sales volume rose 16% in 2015, land sale prices rose 33%, and it is predicted that land sales will have “double-digit appreciation in 2016.”⁴ For clarity, land sales are booming because the construction industry is booming; people want to build in Jackson Hole, and the “demand for vacant land will continue to grow in 2016.”⁶ The market is strong!

Jackson’s housing market is resilient. In 2015, Jackson Hole Real Estate (JHRE) experienced an average sales price increase of 4.7%, coupled with a 6% decrease in inventory. JHRE believes 2016 “is poised to begin strongly,” and that the “inventory drought will likely...be a factor in the [continued] growth of the real estate market.”⁷ According to their stats, single family home sale prices increased by 5% while land sales’ dollar volume increased by 9% in 2015.⁸ More intriguing is the fact that the median sales price in 2015 was \$855,000. So, for those who have the money to invest, big returns are possible in Jackson.

Reciprocally, the stock market dwindled in 2015; the Dow Jones dropped 2.2% in 2015, crude oil declined 30.47%, the energy sector fell 24%, Chesapeake Energy dropped 77%, and gold fell again dropping 10%. Sadly, some investors see “more headwinds than...favorable factors” in 2016; and predict continued losses.⁹ Additionally, and while the article tries to explain otherwise, many economists “and notable financial experts all warn that the stock market is going to hell in 2016.”¹⁰ Robert Kiyosaki “warns that stock market manipulation may result in a crash bigger than in 2007” during 2016.¹¹ So, for those in the stock market, other investment opportunities may prove to be better! Why not build in Jackson Hole?

While there are endless factors to consider—and aside from the world economy falling into a deep depression—real estate investment and development in Jackson Hole may be a very lucrative investment.

Mountain Home Builders can help you build your dream home, and/or investment property, in Jackson Hole. Never Problems! Only Solutions!

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