



BOZEMAN, MONTANA REAL ESTATE MARKET REPORT

THIRD QUARTER 2018

SINGLE FAMILY HOMES, TOWNHOMES, AND CONDOS
PRICED \$500,000 AND ABOVE
AND 5-ACRE (+) VACANT LANDS
IN MLS AREAS DOWNTOWN AND CITY BOZEMAN
AND GREATER BOZEMAN AREA FROM JULY 1, 2018 TO SEPTEMBER 30, 2018

Schlauch Uhlmann Platinum Properties at PureWest Christie's monitors the Bozeman real estate market on an active basis, preparing a Quarterly and Year-End Report to insure our clients have an over view of current market conditions. Real estate is fluid, and in a small niche market such as Bozeman, it is important to sense the market direction to make informed decisions on Listing Price for Sellers and Offer Price for Buyers. Our data is drawn from MLS reporting. Properties that are privately sold are not included in this data.

This report covers "Downtown" which is Bozeman city with the outlying areas that are served with city water and sewer, Bridger Canyon, Trail Creek, Four Corners, Gallatin Gateway, as well as Northside and Southside Bozeman. Each area has distinct personalities, neighborhoods, and eco-systems. When shopping for a property in Bozeman, it is important to have a knowledgeable agent capable of explaining the subtle differences between locations within the Valley and surrounding canyons.

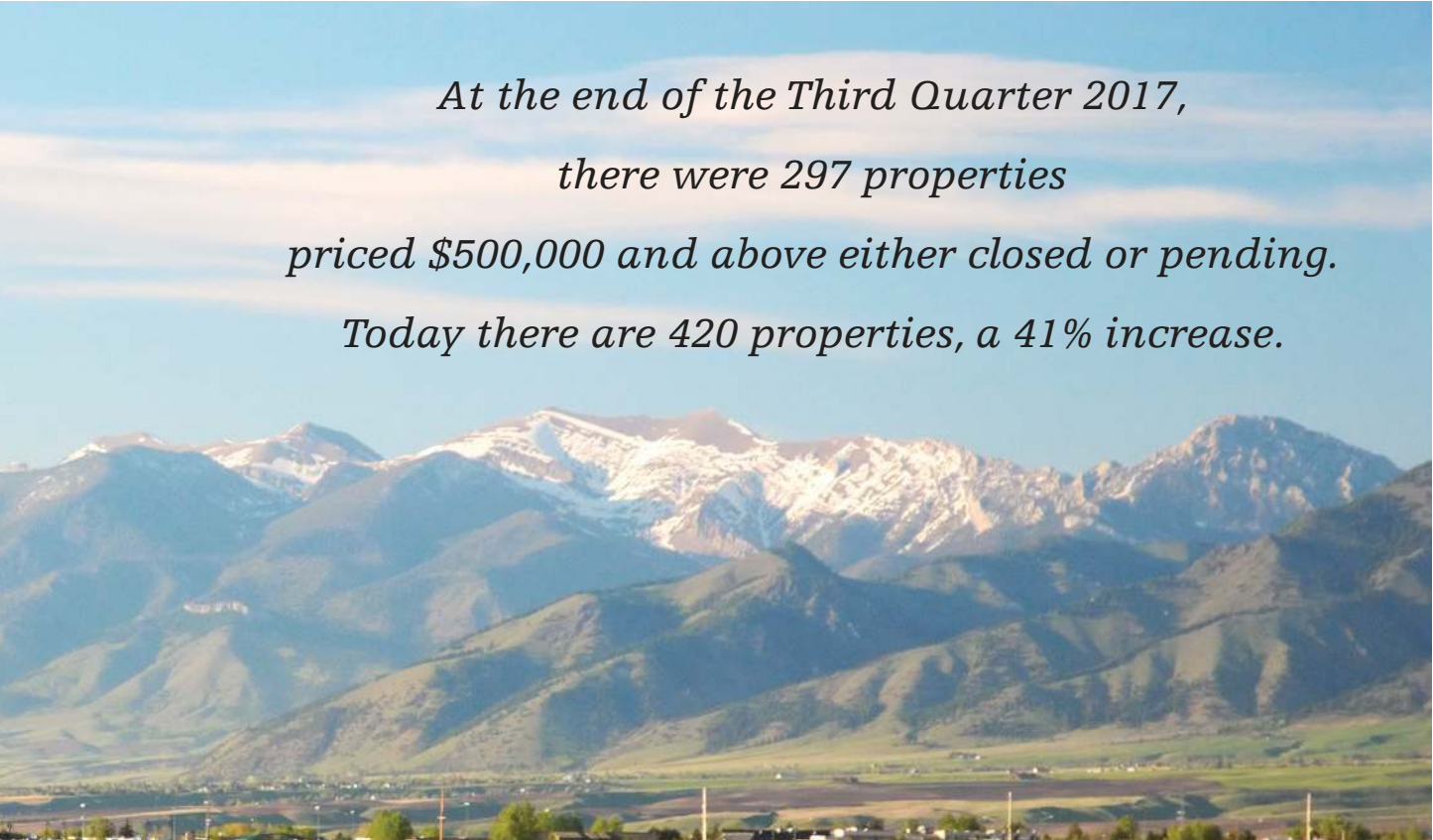
Our business is all about YOU, whether you are a Buyer or Seller. Here, then, is the Third Quarter results for 2018.

SCHLAUCH UHLMANN
PLATINUM PROPERTIES



This year is proving to be a very active real estate year for Bozeman. This Market Report, prepared by **Schlauch Uhlmann Platinum Properties**, utilizing what is deemed reliable data from MLS, compares the market at the end of September 2018 with the Third Quarter of 2017 to draw conclusions on the health and direction of the market. While **Schlauch Uhlmann Platinum Properties at PureWest Christie's** specializes and focuses on properties priced \$500,000 and above, our expertise and knowledge of data, trends, and marketing aids us in representing Buyers and Sellers at all price points.

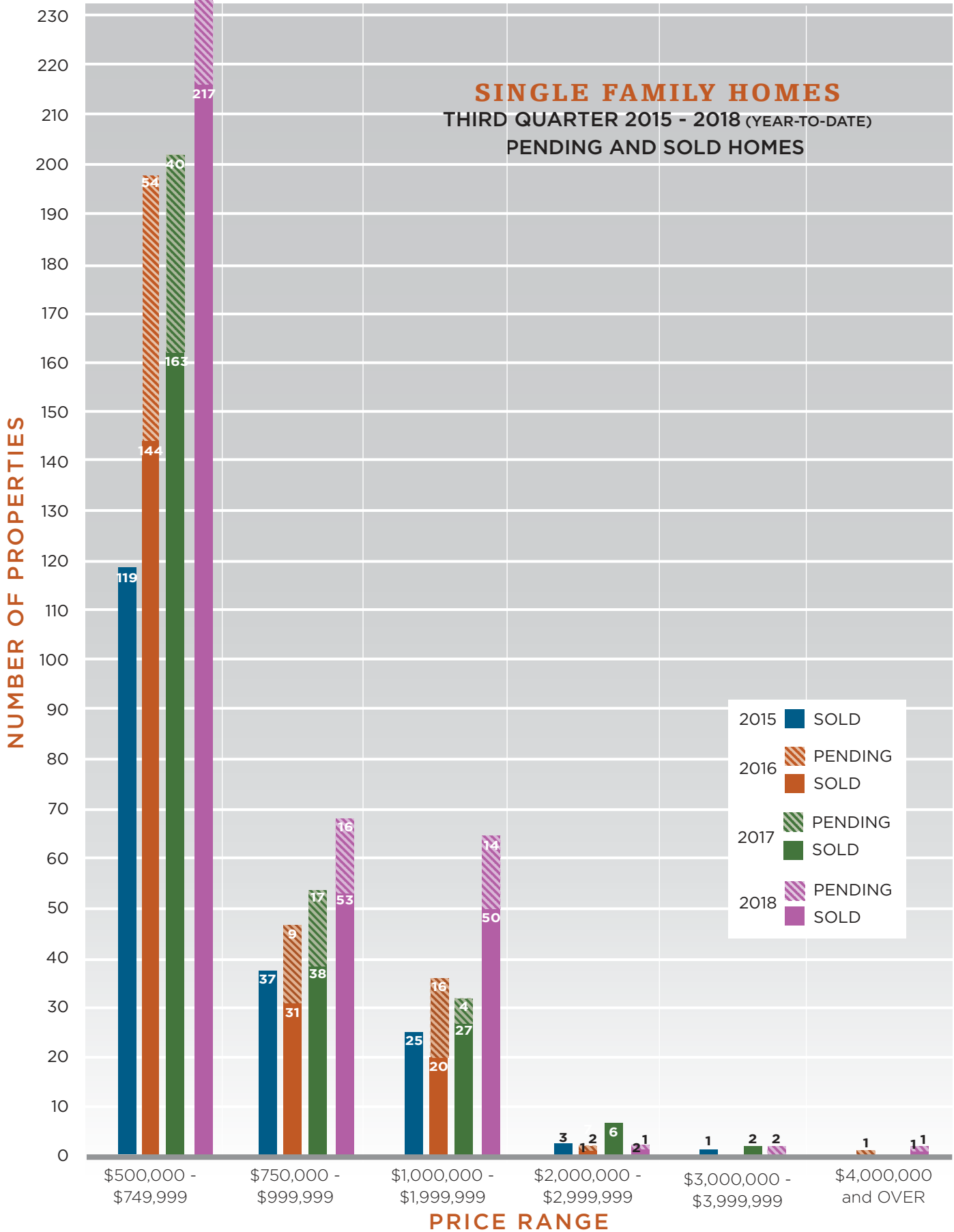
Bozeman real estate is on an upward trajectory. A quick look at the entire market helps define the high-end market. There have been 1,156 closed units priced \$100,000 and above, a 5% increase compared to this time in 2017. However, the sales volume has jumped 14% to just over **\$549 Million compared to \$483 Million in 2017.** The average sales price of a Bozeman home continues to rise, now hitting \$475,079. Homes are averaging an incredible 99.4% of closing price-to-asking price, with an **average of 70 Days on Market (DOM).** The largest segment in the Bozeman market continues to be homes in the \$300,000 to \$400,000 range, with 370 sold units accounting for 32% of all transactions.



*At the end of the Third Quarter 2017,
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priced \$500,000 and above either closed or pending.
Today there are 420 properties, a 41% increase.*

The high-end market of homes \$500,000 and above accounts for only 28% of the total number of transactions, with **323 closed transactions this year** to date. However, with \$253 Million in sales, it is 46% of the total real estate volume. This is a **40% hike in sales volume** compared to the \$188 Million at the end of the Third Quarter 2017, and a 38% increase between Second Quarter 2018 and today. The largest jump in numbers comes when you view the figures of closed transactions combined with pending transactions. **At the end of the Third Quarter 2017, there were 297 properties priced \$500,000 and above either closed or pending. Today there are 420 properties, a 41% increase.**

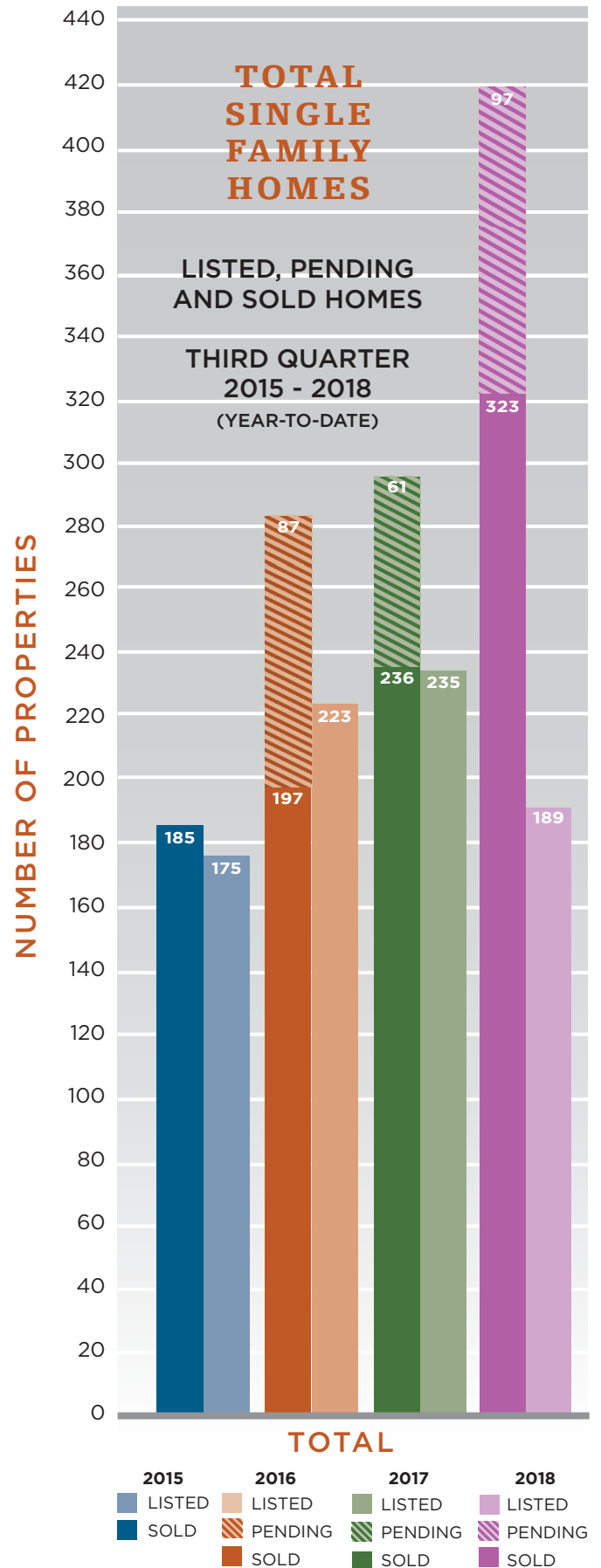
Pricing continues to push the market. In the \$500,000 and above market, homes priced \$2 Million and above are less than 1% of the sales, while **homes priced between \$500,000 and \$1 Million make up 84% of closed transactions**, with 270 units sold to date, a 34% increase over 2017. The bulk of the high-end market is in the \$500,000 to \$750,000 range, with 217 closed transactions. **The City of Bozeman accounts for a staggering 62% of this market segment**, with 135 closings. Overall, Downtown Bozeman continues to hold steady, accounting for 53% of sales \$500,000 and above, same as in 2017. Sales in the \$1 M-to-\$2 M range in the city increased by over 50%, going from seven



properties to 15, with **Schlauch Uhlmann** involved in three of these transactions. The city dominates the number of pending sales in the \$500,000-to-\$2 M range, with 66 of the 93 pending transactions, a whopping 71%.

Inventory continues to lag behind sales, with only 189 listed properties and 97 of these properties under contract. This is a 20% overall inventory decrease from the 218 listed homes in 2017. Homes in the \$500,000-to-\$750,000 range account for 67% of the sales but have only 34% of the inventory, with a 16% decrease in inventory from last year. The biggest inventory decrease is in homes \$3 M and above, with only eight listings, down from 26 in 2017. It is a Sellers' Market, however **DOM have jumped from 84 DOM to 127 Days**, meaning homes are taking 51% longer, on average, to sell.

Southside Bozeman, with 53 sales, 17 pending sales, and 33 listed properties, accounts for 16% of 2018 closed transactions. The highest Southside sale for the year in is \$1,775,000 for a Locati designed home in Triple Tree. The majority of Southside sales were homes \$500,000-to-\$1 Million, with 10 homes closing in the \$1-to-\$2 M range. Sally Uhlmann's personal home, listed at \$6.835 Million, is the highest pending sale in Bozeman.



Northside Bozeman has enjoyed 46 closed transactions, with 12 pending sales, and 30 listed properties. **A home, with guest house and barn, on 44+ acres off Love Lane closed for \$2.1 M, the highest Northside closing this year.** However, there are **two pending sales of \$3.5 M and \$3.9 M** on the Northside. A total of 12 properties priced between \$1 M and \$2.1 M have closed. Four of the highest transactions involved properties with 40+ acres. Seven of the 30 currently listed properties are in Black Bull.

Four Corners has 25 recorded transactions, with 21 of these in the \$500,000-to-\$750,000 range. There are 10 pendings, and 10 current listings. The highest closing is for a horse property on 23 acres, with barn, arenas, a pond, terrific views and a 5-bedroom, 7,404 square foot home. **It closed for \$2.38 Million**, down from its original price of \$2.495 M.

Bridger Canyon, with 17 closings, has 5% of the market share. There are 16 properties listed and four pending sales, the highest of

which is for a home on 10 acres with a \$2.29 M asking price. The highest closing of the year in Bozeman is for a \$4.5 M home with 640 acres in Bridger Canyon, and the highest current listing is \$7.8 M for a Locati designed home in the Canyon. **Schlauch Uhlmann was involved in three of the six highest recorded sales.**

Both Gallatin Gateway and Trail Creek have six closings for 2018. Gallatin Gateway's highest sale of 2018 is \$1.55 M. Four of the six closings were for properties priced between \$1 M and \$1.55 M. There is only one pending sale, and 17 current listings. The 11 highest asking priced properties are on 20+ acres, with a **\$6.65 M home the highest listed property.** Trail Creek's highest sale is \$1.15 Million and is the only sale over a million dollars in Trail Creek. There are three pending sales, with \$1.25 M the highest, all on 20+ acres. Of the five currently listed properties, the highest asking price is \$1.299 M for a home on 130 acres.



VACANT LAND

BOZEMAN & GREATER BOZEMAN

5 ACRES AND ABOVE

Vacant land sales for single family properties in Bozeman City and Greater Bozeman of 5+ acres has **decreased by 33%** at the end of Third Quarter 2018 compared to Third Quarter results in 2017. At the same time, there is a 15% increase in inventory. **32 parcels of five or more acres have closed in 2018** compared to 48 closings at the end of the Third Quarter 2017, while listings have gone from 121 tracts in 2017 to 140 tracts at the end of this quarter. Land is trending exactly opposite of single family homes, but **Schlauch Uhlmann** predicts this trend will be reversed as buyers increasingly seek land to build custom homes given the lack of finished product. Of the 32 closed transactions, 18 sold for under \$500,000. If you view the entire market

and include sub-division lots, there were 162 closings for land this year under \$500,000, with parcels of 5+ acres accounting for only 11% of the overall market.

The highest concentration of land listings and sales is the 20-to-39.9 acre tracts, with 15 recorded transactions and 50 current listings. **Land is averaging 192 Days on Market** and closing at an average of 93.5% of the original asking price. There are six pending land sales, with the highest being \$489,000 for 69 acres. Land prices fluctuate wildly depending on commercial potential, total acreage of the parcel, and location. The highest recorded sale this year is \$2.5 M for 686 acres on Norris Road. Only four properties have sold for over \$1 Million.

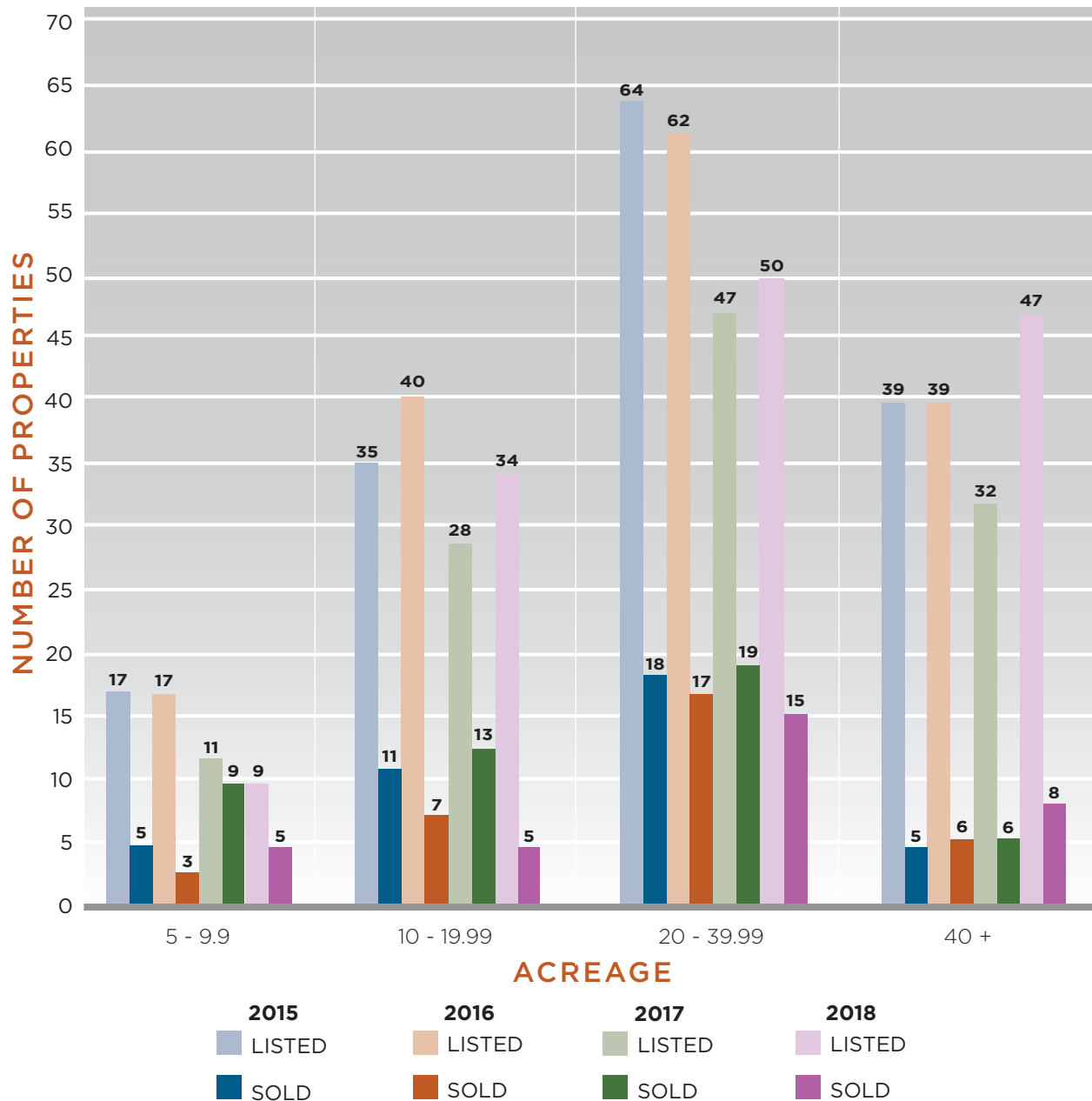


*Schlauch Uhlmann keeps
reminding our clients that land is finite.
There's no more being made here,
and zoning laws keep
getting more restrictive
when it comes to sub-divison.*

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VACANT LAND

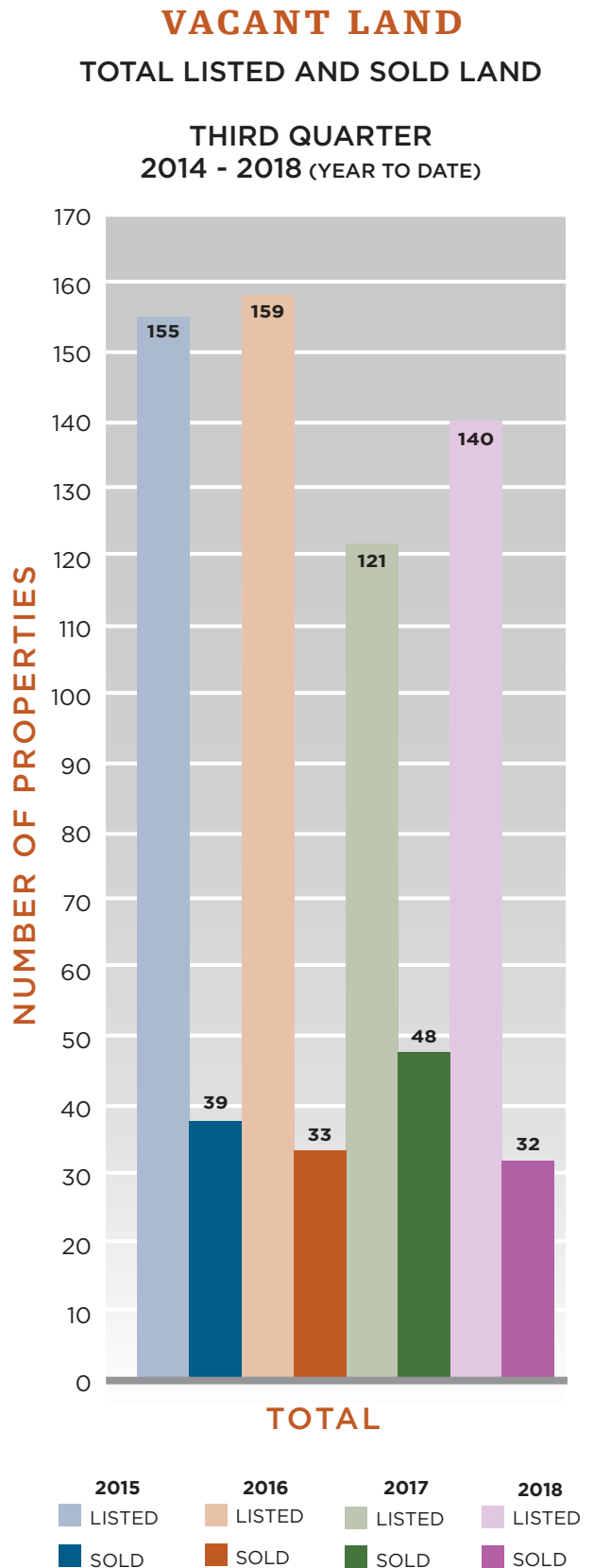
LISTED AND SOLD LAND
THIRD QUARTER 2015 - 2018 (YEAR TO DATE)





Sales for 2018 are spread across the Valley, with no transactions this year in either the City of Bozeman or Gallatin Gateway. Both Bridger Canyon and Trail Creek have seven closings. The highest sale in Bridger Canyon was \$775,000 with \$59,441 an acre paid for a tract under 10 acres. Trail Creek prices ranged from \$3,928 an acre to \$10,700. Six of its seven closings were for 20-to-40 acre parcels. The Northside and Southside both have eight closings. A Northside 7-acre tract sold for \$58,621 an acre, while parcels 20-to-40 acres ranged between \$19,000 an acre to \$46,000 an acre. The largest tracts of land available today are all on the Northside. The Southside had two tracts between 5-to-10 acres close, with one getting \$69,291 an acre. Of the five tracts between 20-to-40 acres, prices were from \$11,875 to the \$37,353 an acre paid for 21 acres in the North Ridge Ranch subdivision.

Schlauch Uhlmann is proud to represent both Buyers and Sellers of choice vacant land suitable for high end single family homes. Please call us if you wish to sell or view land.





SCHLAUCH UHLMANN PLATINUM PROPERTIES

*Our four team members are
always available to answer
questions, consult with you,
and help you make the right
choices for your needs.*

*We hope your transaction
is part of our next
Market Report.*



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INTERNATIONAL REAL ESTATE

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