



Steamboat

Real Estate Analyst & Newsletter

October, 2008

Douglas Labor, Editor



Doug Labor, GRI, RRP, ABR, ABRM, CEBA
Broker / Owner

Ulrich Salzgeber, Broker / Associate, ABR

Mary Labor, Administration / Owner

Office: 970.870.8885

Toll Free: 877.970.8885

Web Site: www.BuySteamboat.com

Dedicated to serving buyers in the Steamboat marketplace.

Third Quarter Results Show Buying Opportunities!

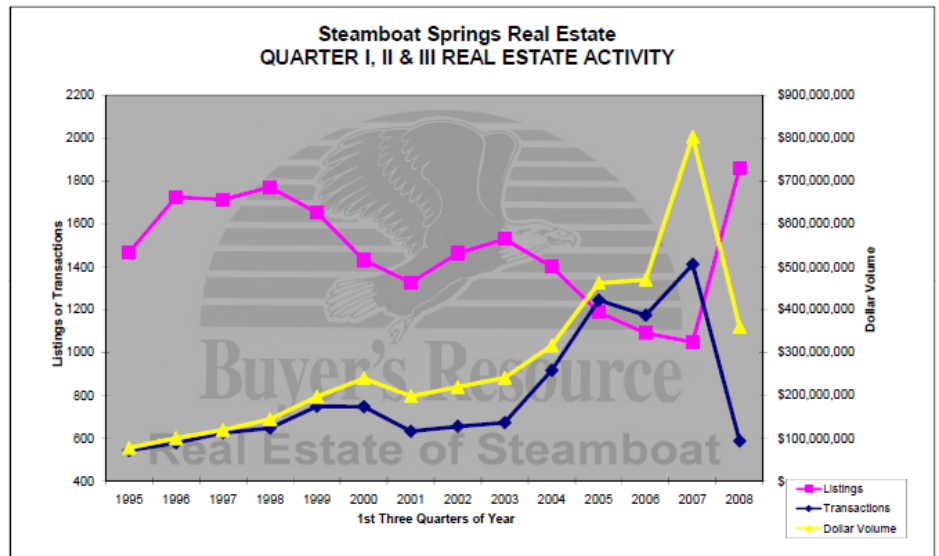
The unprecedented times for the US economy have not only found their way into the world economy, but have also settled firmly into the Steamboat Springs real estate market. During the first four years of economic hard times for most of the US real estate markets, many Rocky Mountain resort areas seemed to have been able to dodge the bullet that was besieging the rest of the country.

However, the cancer has now spread into the back reaches of the resort markets and Steamboat Springs...creating opportunities for buyers!

For the recently released third quarter of 2008, the Steamboat Springs Multiple Listing Service posted only 162 sales transactions; a 63% decline over the past five-year Q3 average of 435. Total dollar volume declined 30%, from a five-year average of \$177,122,673 to \$123,409,379. Total Q3 dollar volume only a year ago was the second-highest ever recorded by the Steamboat Springs MLS, at nearly \$284 million.

However, listing inventory may be leveling off. Listings jumped in the second quarter of 2008 to 2,083, and have slightly subsided in the third quarter at 2,066. Listing inventory jumped a whopping 43% from the end of the first quarter of 2008 to the three month period ending the second quarter of 2008, a record increase, creating an excellent selection for buyers that has not been available in the history of the Steamboat Springs Multiple Listing Service.

In a time period that typically sees the greatest activity for land, land sales actually posted the largest decline as compared to residential and commercial properties. Only 23 land sales occurred in Q3 of 2008: an 81% decline over the five-year average of 119 transactions. Limited access to credit lines specific to land purchases could be partly to blame, as well as uncertainty of construction financing for future building. One factor that is not a reason for low land sales is inventory. At the conclusion of Q3 there were 816 listings for land, and of that, over a quarter were for sale in the Stagecoach area; 134 land parcels were listed in Steamboat Springs, and 81 were listed in Hayden.

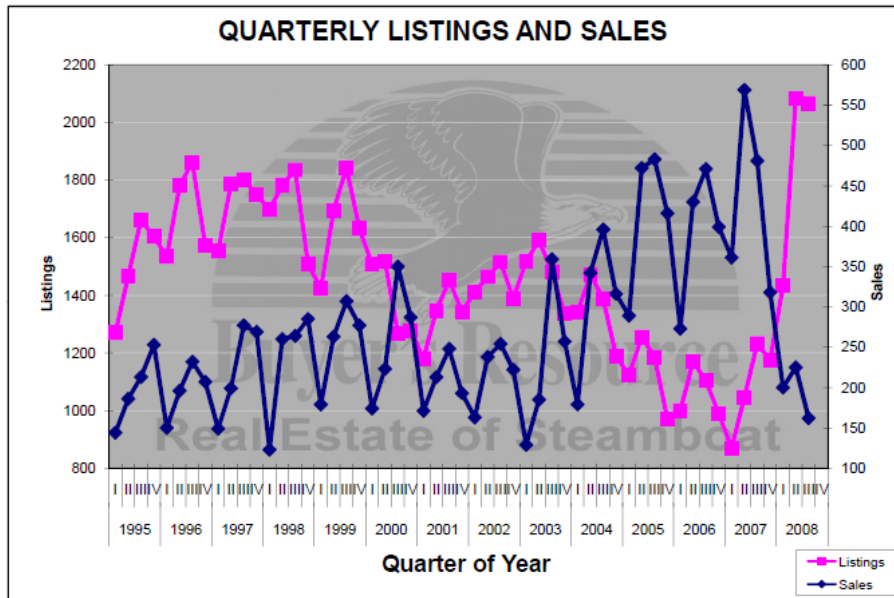


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Additional information on the Steamboat real estate market can be found by visiting our web site, at www.BuySteamboat.com.

If you would like us to conduct a personal property search, please give us a call, toll free, at 877.970.8885.

Q3 residential sales declined nearly commensurate with the total transaction decline at 59% of the five-year average, and where a typical third quarter enjoys 307 residential transactions, only 126 occurred this past quarter. One reflection of the nationwide state of affairs is the number of condominiums that were purchased this quarter. Typically the number of condominiums and single family home sales are equal, and represent around 25% each. Single family homes represented 45% of the market in this quarter, which are more typically purchased as a resident-owner as opposed to a non Steamboat resident.



Another bright spot for the Q3 market was the number of commercial property sales. Although this market sector does not contribute too much to the bottom line, the number of commercial purchases was up 33% from the five-year average to 13. However, these were small purchases, as the median purchase price was \$99,900; a 71% decline from the five-year average of median commercial purchases of \$341,540.

Two of the more notable Q3 sales include the 70 acre Crazy Horse Ranch located in the South Valley with over 10,000 square feet of residential space, an English pub and a half-mile of Yampa River frontage for \$8.2 million, and also in the South Valley a 77 acre land parcel with a mile of Yampa River frontage and bordering US

Forest Service land for \$4.95 million. The most expensive condominium purchase was a four bedroom and bath, 1,879 square foot Trapeur's Crossing condominium at \$1,175,000.

With these sales, there is no doubt demand remains for unique and special properties, no matter what the economic conditions are. However, they are few and far between. In these times, buyers have the best variety of properties that have ever existed, but most are waiting to see if they can time the bottom of the market before getting in. In other real estate markets like Las Vegas, brokers are sensing investors are now coming back in, as they feel the market has bottomed out. Who knows when Steamboat will hit that mark; meanwhile unprecedented times have created an opportunity for serious buyers to consider.

Upcoming Steamboat Events

October

- 2 - 5 - 10th Annual Sheep Wagon Days
- 25 - Masked Ball
- 25 - Community Health Fair
- 25 - Ski & Sport Swap
- 31 - Downtown Halloween Stroll

November

- 15 - Vegas Dance Party & Silent Auction
- 26 - Opening Day at the Steamboat Ski Area
- 27 - Happy Thanksgiving
- 27 - Community Thanksgiving Dinner
- 28 - "Light Up the Night" Community Tree Lighting

Buyer Tip of the Month

Making the best purchase is not when everyone else is buying. The best buys come in soft markets.



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