



# BOZEMAN, MONTANA REAL ESTATE MARKET REPORT

---

## SECOND 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 APRIL 1, 2018 TO JUNE 30, 2018

---

**S**chlauch 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 2nd Quarter results for 2018.**

---

SCHLAUCH UHLMANN  
PLATINUM PROPERTIES


---



**The 2nd Quarter of 2018** has seen robust sales, with a **40% increase in closed transactions** compared to the end of the 2nd Quarter 2017. There are 182 properties \$500,000 and Above which have closed to date compared to 130 single family homes closing at the end of the 2nd Quarter 2017. Sales **volume has skyrocketed 74%**, going from just under \$106 Million to over \$183 Million in transactions. This quarter alone, 131 properties closed—which is one property more than the closing for the 1st and 2nd Quarters combined in 2017. It is not surprising that the Days on Market (**DOM**) **have dropped 26%**, to 164 DOM average from 2017's average of 223 DOM. As in all

segments of the market, price matters. Homes averaged 97.6% of their original asking price to their closed price, however properties priced over \$1.5 Million averaged 94.6% of original price to closed price, while homes \$500,000 to \$750,000 averaged 98.7% of original price to closed price.

The City of Bozeman continues to dominate the market, **with 97 closings, representing 53% of the total sales for the year.** Seven properties closed Downtown in the \$1 M to \$2 Million range. Five of these closed at \$1 M to \$1.35 Million, with the highest closing Downtown being \$1,822,000 for a condo at the Willson Residency which was two units combined to make one unit. The second highest



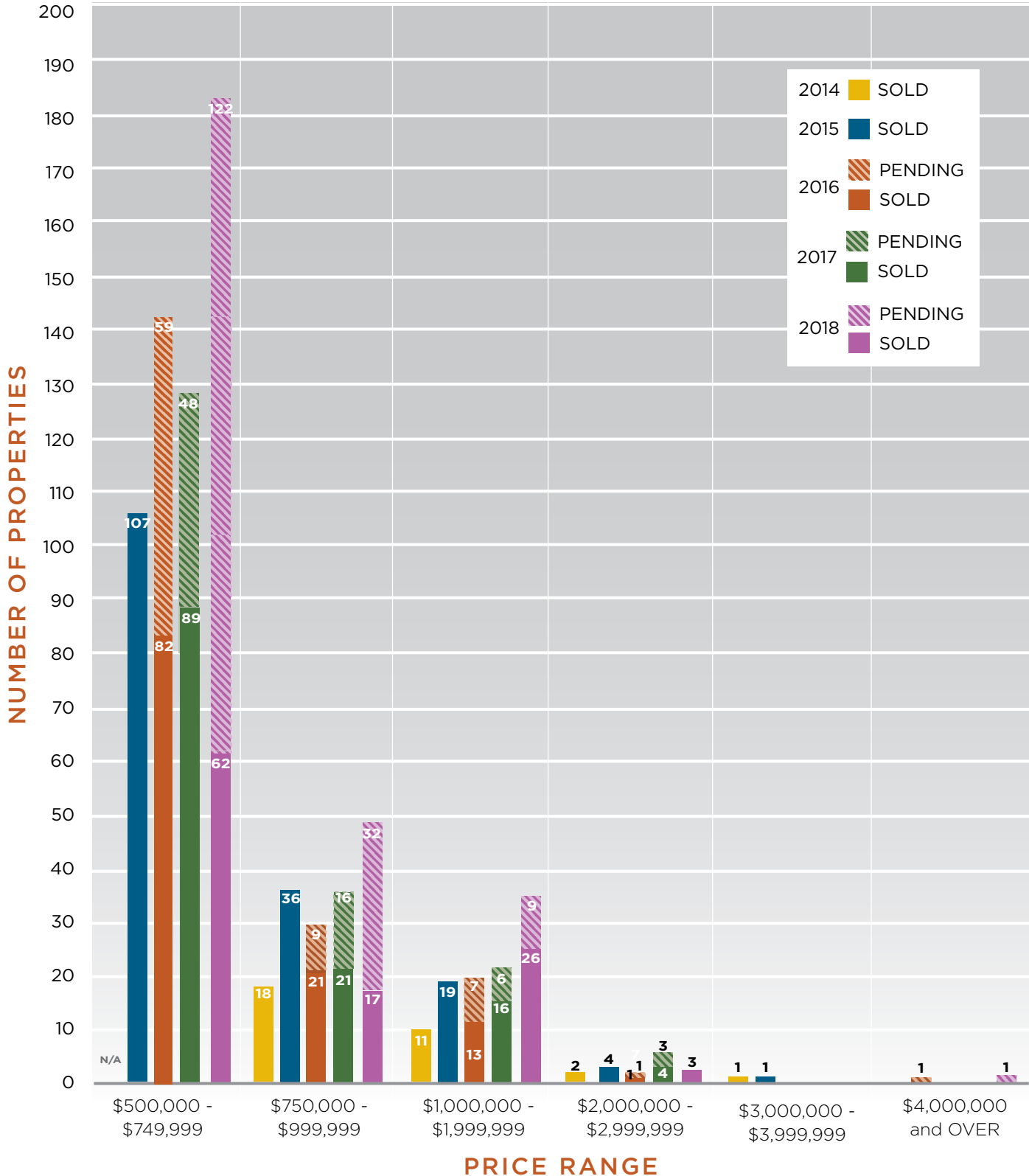
*Sales volume in the second quarter  
has skyrocketed 74%, going from  
just under \$106 Million  
to over \$183 Million in transactions.*

closing downtown was for a Block M townhome at \$1.75 Million. Four of the six highest sales downtown are for new townhomes/condos, a strong indication of **the trend for buyers to seek inner city, low-maintenance living**. Nine properties are currently listed downtown between \$1 M to \$2 Million. The Southside, with 28 completed sales, was a distant second in closings, followed by the Northside with 19, Trail Creek had 16, and Bridger Canyon had 11 closings that averaged 96.4% of Asking-to-Closing price. A \$4.5 Million property in Bridger Canyon is the highest sale of the year. This 640 acre-property sold for 75% of its original \$5,995,000 asking price, and had 860 DOM.

Homes priced under \$1 Million continue to be the bulk of the transactions. **85% of the recorded 182 closings—154 transactions—are between \$500,000 and \$1 Million**. The largest increase in closings is the 26 sales between \$1 to \$2 Million, which is a 62% increase over the 16 closings in 2017. **Sales over \$2 Million have fallen from four sales in 2017 to two closings to date in 2018**. There are three Pending sales in the \$2M to \$3 Million range, which is the same figure as 2017. At the beginning of the 3rd Quarter 2018, Pending Sales of 92 properties represent a 26% increase over the 73 Pending Sales at the beginning of 3rd Quarter 2017. Inventory levels are only 2% higher from 2017 levels, which indicates

## SINGLE FAMILY HOMES SECOND QUARTER 2014 - 2018 (YEAR-TO-DATE)

### PENDING AND SOLD HOMES



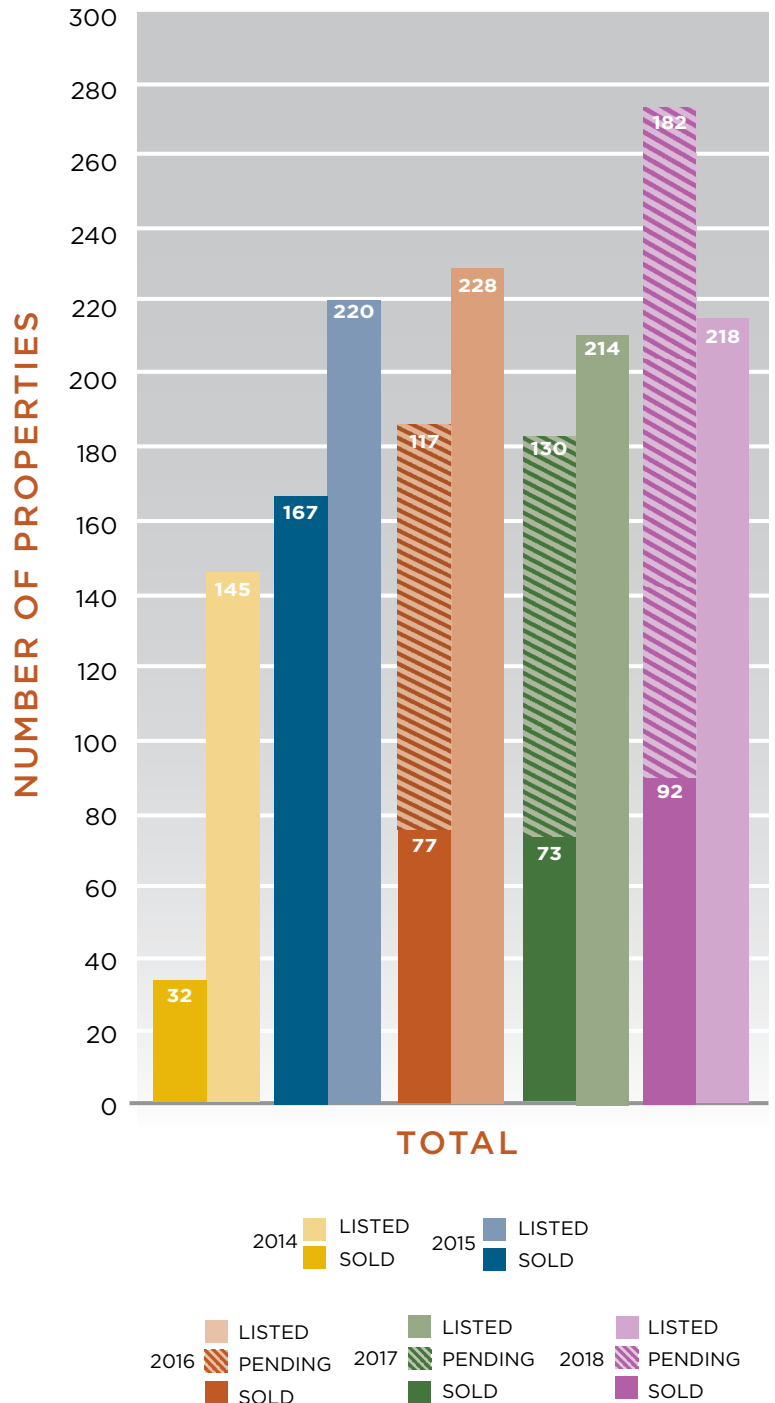
a shortage in inventory given the number of Pending Sales.

Bozeman real estate agents agree that inventory is the biggest challenge. There are **218 active listings priced \$500,000 and Above.**

New listings that are priced right and have the amenities buyers are seeking sell in days, while other properties languish due pricing, location, floor plans, the need to remodel, and other factors. There are 80 listings in the City, which is 37% of the current inventory, in the market area that accounted for 97 transactions—53% of the total sales for the year. **There are 128 listings in Bozeman for properties \$500,000 to \$1 Million, which is 58% of total inventory in the price segment accounting for 85% of the sales.** Between the 1st Quarter of 2018 and the end of the 2nd Quarter, inventory numbers grew by 82 listings, however 131 properties closed the 2nd quarter, while Pending Sales remain constant. 49 properties came to market and closed within the 2nd Quarter to support these numbers. Without additional listings coming to market, inventory will seriously shrink. This indicates severe pressure in inventory. In the upper ends of the market, homes priced \$2 Million and Above, sales have fallen 50% to only two closings, while the inventory remains steady at 22 units.

## TOTAL SINGLE FAMILY HOMES

LISTED, PENDING AND SOLD HOMES  
SECOND QUARTER  
2014 - 2018 (YEAR-TO-DATE)



## VACANT LAND

**V**acant land sales of five or more acres are down 48% from a year ago, with 13 closings compared to 25 closings at the end of 2nd Quarter 2017. There is a 9.2% increase in listings, with 118 tracts on the market compared to 108 tracts in 2017. However, that said, there is a 225% increase in closings this quarter, jumping from four sales the 1st Quarter to 13 closing this 2nd Quarter.

Land sales totaled \$9,855,500, while the 118 active listings total \$139,883,853 in volume. **Sales averaged 93.6% of their original list price to closed price and were on the market for an average of 166 DOM.** The largest concentration of listings is now on the Northside, with 27 listings. Large tracts have recently come on the market on the Northside, with five of the current listings for acreage between 186 acres to 735 acres.

Sales include three large tracts on the North of 154 acres, 186 acres, and 302 acres. These tracts averaged \$9,147 per acre.

Gallatin Gateway is also seeing large tracts being listed, with six tracts now offered of 80 or more acres. It is hard to know if these large tracts are intended for future sub-division of medium-to-high density homes as they are all in the county. The location of the tracts signals a potential for sprawl as they are at opposite sides of the Valley.

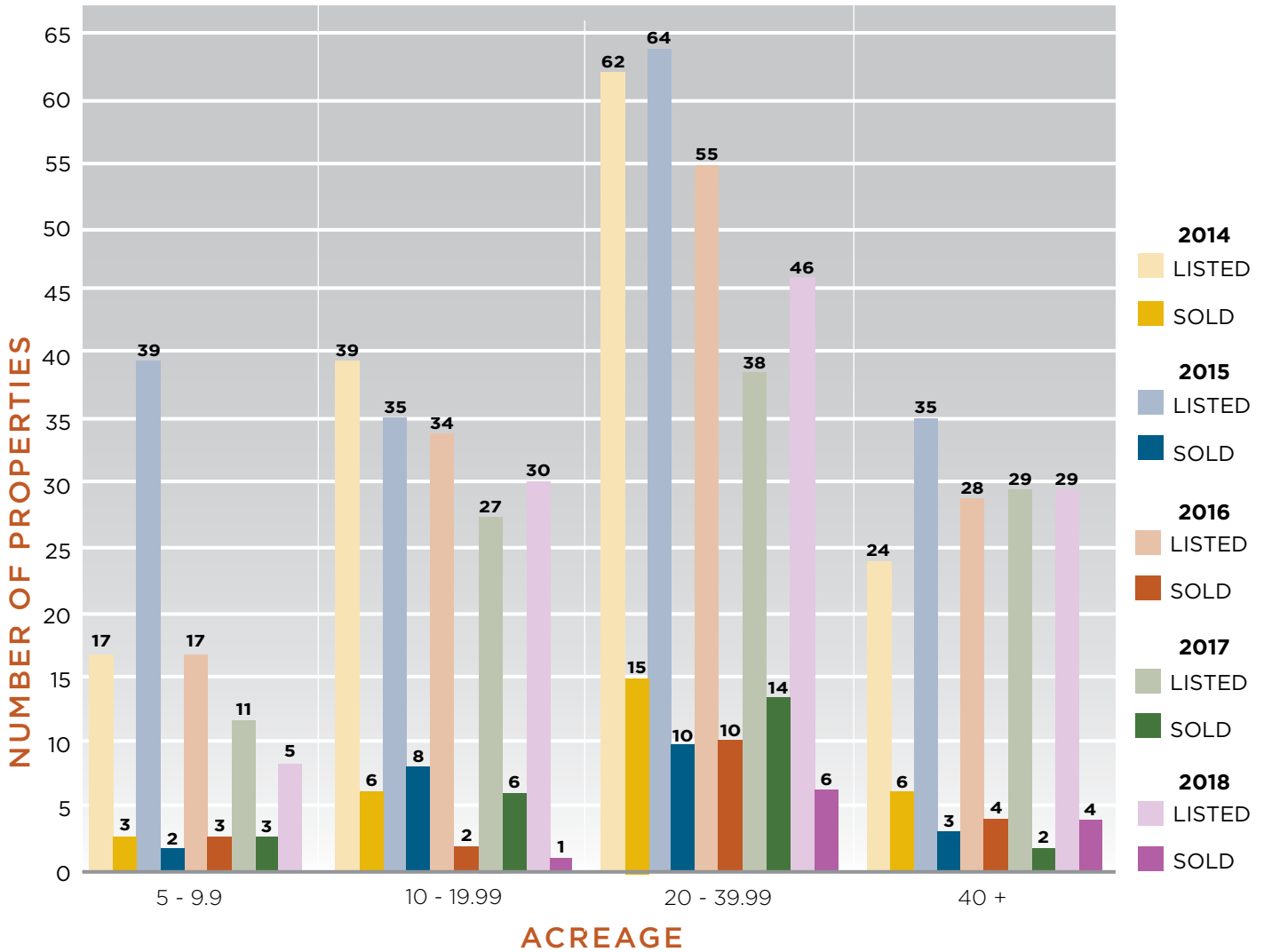
Trail Creek continues to offer lower priced acreage, but the prices are steadily inching upward. There are 19 tracts on the market, with 15 of the listings for 10-to-20 acre parcels that range in asking prices of \$10,677 an acre to \$43,000 an acre.

**The 13 closings for the year are evenly spread across the Valley** other than there being no sales in Gallatin Gateway or in



## VACANT LAND

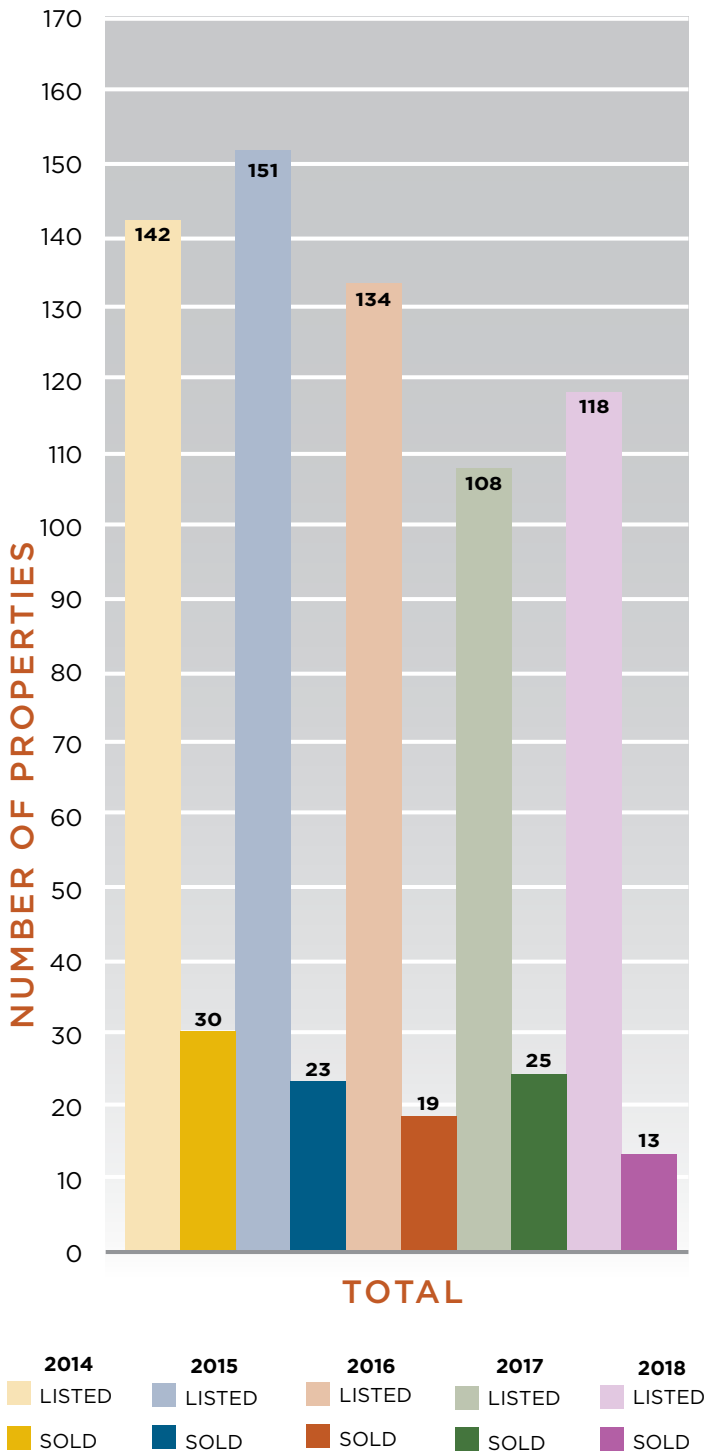
LISTED AND SOLD LAND | SECOND QUARTER 2014 - 2018 (YEAR TO DATE)



*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-division.*

## VACANT LAND

TOTAL LISTED  
AND SOLD LAND  
SECOND QUARTER  
2014 - 2018 (YEAR TO DATE)



Bozeman City limits. Both the Northside and the Southside have had one closing this year in the 20-to-40 acre range. The Southside sale of 20 acres in Cottonwood Ranch closed at \$11,875 per acre, while the 20-acre tract on the Northside closed for \$39,000 an acre.

### Schlauch Uhlmann Platinum

**Properties** urges clients who are considering building to purchase land now as it is finite and increasingly difficult to find. We represent what we feel are the finest parcels available for single family homes and would love the opportunity to show you.





## 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.*



**CHRISTIE'S**  
INTERNATIONAL REAL ESTATE

### MEET THE PLATINUM PROPERTIES TEAM



**MIKE SCHLAUCH**  
Agent | Owner

406.580.8380  
mike@suplatinum.com

**SALLY UHLMANN**  
Agent | Owner

406.223.5964  
sally@suplatinum.com



**TORREY BENSON**  
Agent | Associate

406.595.1790  
torrey@suplatinum.com



**BRETT EVJE**  
Agent | Associate

406.223.8332  
brett@suplatinum.com