

THE STRAIGHT SHOOTER



NEWS of ENNIS and the MADISON VALLEY, MONTANA for the month of APRIL 2014

Trout live in nice neighborhoods

- **MADISON VALLEY “HAPPENINGS”** → Madison County is one step closer to a possible



Photo by Oasis of My Soul

Varney Bridge replacement, applying for a grant through the MT Dept. of Commerce. The old bridge was constructed in 1897 and, although quaint, is substandard. → The **Madison Theatre** is almost ready for prime time with a grand opening in May. A new sign was installed, reminiscent of the original one. →



Choice Aviation is up and running as a full-service FBO at the Ennis Big Sky Airport with a beautiful new facility and staff providing lessons, chartering, purchasing, repairing and just about everything for the General Aviation Community in the Rocky Mountain Region. → The theme of the 79th Annual 4th of July Parade is *“Where the West is Still Wild,”* and the Ennis Rodeo Parade Committee is looking for a great new design for T-shirts, etc. Submit your ideas to the Ennis Chamber.

- **COMING MAY HAPPENINGS** → Ennis hosted the **Montana High School Rodeo Association** at the Rodeo Grounds on May 3-4 with participants from all over the state qualifying for finals. Read about it at: <http://mhsra.com/default.html>. → The first annual **Ennis Brew and Spirit Festival** will be held on May 17 in the Lions Club Park, with over 30 event sponsors, 4 distilleries and 8 breweries plus abundant food vendors – all to celebrate the opening of fishing season in the Madison Valley! Check out their FB page and put it on your calendar. → The **Farmers Market** will again be held on Saturday mornings in the Valley Bank parking lot on Main Street, from late May to early September. → Willie’s Distillery invites everyone to their **Second Annual Pig Pickin’** with moonshine, music and mash-fed meat on Saturday, May 31st from Noon – 6 pm, <http://williesdistillery.com/>. → And this is just the beginning!



Montana Moonshine

- **MONTANA NEWS** → The Madison River Foundation reported in their April newsletter that the state has approved the reintroduction of rare fish to the Madison Drainage. Read more about the **Arctic Grayling** project at: http://www.westyellowstonenews.com/news/article_ed3d7534-c111-11e3-a208-001a4bcf887a.html. → Not much else newsworthy happening in Montana but that is one of the great things about living in a peaceful, serene place without a lot of drama going on around us.

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✚ **FISHING REPORT** → May 1, 2014 Madison River Fishing Report Ennis Montana, by John Way, The Tackle Shop. → “Spring is here in the Madison River Valley. The grass is starting to green up, snow is more a exception than an expectation, blue birds and robins are all over the river bank and our summer guests are slowly returning to town. Spring fishing on the Madison River is great right now.

April water at Burnt Tree



If you are looking to just get bent, keep it simple and stick with the nymph game. Pats/girdle bugs in a size 8 or 10 followed with either a hot head worm, prince, or pheasant tail in any of the deeper water will get the job done. We have been running 6 ft. of leader from the indicator to the first fly and about 16 inches of tippet to the second fly. If you're a streamer junkie start pitching the meat. Streamers are just coming into their own and will continue to produce all month long. Our favorites for this time of year are Banjo bugger, ghost bugger, shelia, and sculpzilla. Keep them down along the bottom with a tight line. For you dry fly guys it is getting better by the day. Each afternoon we are seeing a hatch of midges as well as Blue Winged Olive mayflies. Find calm areas in the slicks behind rocks or on the inside of bends and look for risers. A para adams or purple haze in size 16 should take them. As the month rolls along on the Madison River keep an eye out for the famed Mothers Day Caddis Hatch. It should be going about mid month. Have a pile of peacock or olive caddis imitations as well as pupae on hand. If you hit this hatch right every fish in the river will be up eating.

On May 17 the Madison River above McAtee Bridge and below the Ennis town bridge open for fishing. The first week or so of fishing on the upper is legendary. Most of these fish have not seen an imitation in about 7 months. The last few years opening week produced some unbelievable fishing. Also remember May 17 is the first annual Tap in to **Ennis Brew and Spirit Festival** hosted by the Ennis Montana Chamber of Commerce in Lions Club Park. Right now 8 Montana breweries and 4 distilleries are confirmed along with music, food, and fun for the entire family. New products arriving daily at the store from Simms, Orvis, Costa del Mar, Dan Bailey and Redington.” *John Way*. See The Tackle Shop's report at <http://www.thetackleshop.com/fly-fishing-report-Madison-River.asp>.

Check out other fishing reports at:

- ✚ Madison River Fishing Company at: <http://www.mrfc.com/MadisonRiverMontanaFishing/MadisonRiverReport.aspx>.
- ✚ Dan Delekta, <http://beartoothflyfishing.com/flyfishingreports/uppermadisonriver.htm>.
- ✚ The Madison Valley Ranch at <http://www.madisonvalleyranch.com/blog/>
- ✚ Joe Dilschneider's Montana Trout Stalkers at <http://www.montanatrout.com/>
- ✚ Yellowstone Fly Fishing at <http://www.yellowstoneflyfishing.com/madisonreport.htm>.

➤ **WEATHER** → March went out like a gentle lamb and April held the promise of Spring. But anything can happen in a Montana springtime and beautiful sunny days and warm temps were interspersed with cold snowy and wet days. But that moisture helps produce a beautiful green valley with snow capped mountains. Pure Heaven. The recorded high for Ennis for the month of April was **69°** with a low of **13°**. The average high was **57°** and the average low was **27°**. Precipitation for the month was **.60"** compared to an average of **1.41"**, so more rain is still needed.



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➤ **REAL ESTATE TIPS** → **Buyers & Sellers Should Think Twice about “POCKET LISTINGS”**

Not only is it a bad idea, **Pocket listings are ILLEGAL in the state of Montana.** It is illegal for a real estate licensee to advertise or promote properties for sale unless they have a **written listing agreement** signed by the owner of the property which is valid and effective as of the date of the advertising (note that advertising is defined as being any form of promotion – *word of mouth, brochures, internet, newspaper, etc.* The license of a broker or salesperson who violates this regulation may be suspended or revoked. Sellers will often tell us they don't want to list their property but would pay us a commission if we brought them a buyer. But if we promoted their property in any way, we could land in **real estate jail!**

Hank Miller, Broker & Appraiser in Atlanta, GA has a lot to say on this subject. “The idea of selling a home without ever listing it can be appealing to many. Similarly, ringing the doorbell on the “perfect home” and finding an owner willing to sell can put a broad smile on a buyer's face. The risks, however, routinely make buying and selling “pocket listings” dangerous to a person's financial well being; particularly for sellers. The term pocket listing typically refers to an agreement between a seller and real estate broker that allows the broker to market the property outside of the MLS. The property is advertised through the broker's “network” and a buyer is targeted by what amounts to “word of mouth.” There are a number of caution points for any seller contemplating a pocket listing:

- The home may sell for less than market value. Is the seller depending on the agent to stipulate price? There are many buyer and seller variables that cannot be accounted for by an appraiser. If the home isn't exposed to the maximum number of potential buyers (usually accomplished via the MLS) how can the seller be confident that the best price was received? When a shortage of quality listings exist, multiple offers and bidding wars might be seen – which doesn't happen without adequate exposure.
- What are the motivations for a seller to consider a pocket listing? If the idea is to save on agent commissions, the expectation is often different than the reality. A 4% commission might be 1-2% less than market and appear like a bargain but a seller should look at the big picture. Agents soliciting pocket listings typically already have a buyer lined up so the conventional agent split doesn't apply. So while the total fee might be less than market, it's more for the agent since they keep it all. It's also not uncommon for pocket listings to have clauses that address fees due in the event a buyer's agent is involved. It's not uncommon for the end result to be a commission that approaches the norm and a selling price below market.
- There is simply no suitable substitute for the exposure obtained by the MLS. A pocket listing – like homes offered for sale by owner (FSBO) – simply cannot compete with a traditionally listed home. The major public real estate sites pull information from the MLS. Facebook, Twitter, Pinterest...might have someone interested in a home but home buyers look where the homes are. It's worth noting that an estimated 45% of home buyers in 2013 initially found the home they bought searching the internet, not through their agent.
- Sellers may have to make unnecessary repairs or concessions. Potential issues that plague a “normal” sale will be present with pocket listings as well. However, a competitive environment provides options to a seller. Repair issues, **appraisal problems** or other challenges can better be negotiated or ignored when there are multiple interested buyers.

Many sellers leave money on the table with pocket listings. Fees are similar to conventional listings but exposure is drastically reduced which means a smaller pool of potential buyers & less competition. Home buyers that go the pocket listing route also have concerns to address. Most, if not all negotiating power vanishes if the buyer shows great interest in a home. Buyers that ask agents to stuff mailboxes in a particular community enter the game at a significant disadvantage. Buyers should consider:

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- Who represents the buyer's interests? If the buyer is working under a [buyer brokerage agreement](#) will the commission split fully compensate their agent? If not, who is responsible for the short fall? Unrepresented buyers are walking into trouble; **there are not many things dumber** than buying a home without being represented by an experienced agent. Even with a pocket listing, the agent represents the seller.
- Is the price accurate? What research has been done and by whom to establish a reasonable market value for the home?
- Who is writing the offer? Is the seller's agent setting the tempo for the deal and establishing the parameters? What stipulations, time frames and escape clauses are going into the offer?
- Can the buyer remove emotion from the transaction? When buyers directly approach owners to inquire about home or instruct their agents to canvas an area looking for owners interested in selling they hamper their ability to negotiate. This type of action places buyers in a position of perceived weakness almost immediately – the seller has something the buyer wants and there's no doubt about that since the buyer initiated contact.

The real estate industry is wrestling with many questions around pocket listings; the National Association of Realtors doesn't have a formal policy at this time. Questions and issues are on the table including the responsibility of the listing agent to ensure that the best interests of the seller are maintained and proper disclosure to all parties about dual agency. Many in the industry prefer to have as many listings in the MLS as possible to aid in the appraisal process; appraisers rely most on the MLS and sales not included are often neglected by appraisers. Pocket listings present pitfalls to both sellers and buyers. Many consumer groups and advisors highly recommend avoiding them for the reasons noted. Basic business reinforces that maximum exposure to a targeted audience typically results in the best price for a product. Similarly, a buyer approaching the owner of an unlisted home immediately places themselves at a negotiating disadvantage. While pocket listings remain a popular topic of conversation, the disadvantages and potential pitfall – especially for sellers – far outweigh the potential upsides.

This entry was posted on Friday, March 28th, 2014 by Hank Miller, and is filed under [Featured Article](#), [Home Buyers](#), [Home Sellers](#), [Legal & Common Sense](#), [Metro Atlanta Real Estate News](#).

➤ **FEATURED PROPERTY OF THE MONTH: MADISON RIVER Views and Access**

from this premier 10-acre property near the famous "Big Bend" on the river. Build your *dream* fishing cabin on this bench, take the trail down to a common area with exclusive use of 1 mile of shoreline – with no public access. New culvert, gate & driveway give the lot year-around access from Hwy 287, making power & phone more easily accessible. Water properties, like beach-front, are always in demand and retain their value. Uline Bench, Lot 2B. **\$429,000**. MLS # 182099.



➤ **CURRENT REAL ESTATE MARKET** → WASHINGTON (April 22, 2014) – Existing-home sales were essentially flat in March, while the growth in home prices moderated, according to the [National Association of Realtors®](#). Sales gains in the Northeast and Midwest were offset by declines in the West and South. Total [existing-home sales](#), which are completed transactions that include single-family homes, townhomes, condominiums and co-ops, slipped 0.2 percent to a seasonally adjusted annual rate of 4.59 million in March from 4.60 million in February, and are 7.5 percent below the 4.96 million-unit pace in March 2013. Last month's sales volume remained the slowest since July 2012, when it was 4.59 million.

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[Lawrence Yun](#), NAR chief economist, said that current sales activity is underperforming by historical standards. “There really should be stronger levels of home sales given our population growth,” he said. “In contrast, price growth is rising faster than historical norms because of inventory shortages.” Yun expects some improvement in the months ahead. “With ongoing job creation and some weather delayed shopping activity, home sales should pick up, especially if inventory continues to improve and mortgage interest rates rise only modestly.”

The median existing-home price for all housing types in March was \$198,500, up 7.9 percent from March 2013. Distressed homes – foreclosures and short sales – accounted for 14 percent of March sales, down from 16 percent in February and 21 percent in March 2013. “With rising home equity, we expect distressed homes to decline to a single-digit market share later this year,” Yun said.

Ten percent of March sales were foreclosures, and 4 percent were short sales. Foreclosures sold for an average discount of 18 percent below market value in March, while short sales were discounted 12 percent. Total housing inventory at the end of March rose 4.7 percent to 1.99 million existing homes available for sale, which represents a 5.2-month supply at the current sales pace, up from 5.0 months in February. Unsold inventory is 3.1 percent above a year ago, when there was a 4.7-month supply.

The median time on market for all homes was 55 days in March, down from 62 days in February, and also 62 days on market in March 2013. Short sales were on the market for a median of 112 days in March, while foreclosures typically sold in 55 days and non-distressed homes took 53 days. Thirty-seven percent of homes sold in March were on the market for less than a month. According to Freddie Mac, the [national average commitment rate](#) for a 30-year, conventional, fixed-rate mortgage rose to 4.34 percent in March from 4.30 percent in February; the rate was 3.57 percent in March 2013. First-time buyers accounted for 30 percent of purchases in March, up from 28 percent in February; they were 30 percent in March 2013.

All-cash sales comprised 33 percent of transactions in March, compared with 35 percent in February and 30 percent in March 2013. Individual investors, who account for many cash sales, purchased 17 percent of homes in March, down from 21 percent in February and 19 percent in March 2013. Seventy-one percent of investors paid cash in March.

Single-family home sales were unchanged at a seasonally adjusted annual rate of 4.04 million in March, the same as February, but are 7.3 percent below the 4.36 million pace a year ago. The median existing single-family home price was \$198,200 in March, which is 7.4 percent above March 2013.

The National Association of Realtors®, “The Voice for Real Estate,” is America’s largest trade association, representing 1 million members involved in all aspects of the residential and commercial real estate industries. For additional commentary and consumer information, visit www.houselogic.com and <http://retradio.com>.

➤ **LOCAL REAL ESTATE MARKET STATISTICS** → Most of the homes in the \$150K to \$250K range have been gobbled up. This is partly due to the lack of rentals in the area and the demand for affordable housing. This segment of the market is always in demand and more inventory is needed. But we are seeing more activity in the higher end properties, as well. Builders are busy and new homes are sprouting up all around the valley. The Southwest Montana Multiple Listing statistics for the Madison Valley area (including Ennis, Cameron, McAllister, Norris, Virginia City, Harrison, Pony, Whitehall and Cardwell), through the month of **April 2014** totals are as follows:

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- **LAND:** 309 vacant lots listed (\$4,000 to \$1,995,000); 7 pending sales (\$21,990 to \$465,000); 12 lots have sold in 2014 (\$16,500 to \$1,290,000), totaling \$2,420,000 which was approx. 84% of asking prices.
- **HOMES:** 135 homes listed (\$69,500 to \$3,350,000); 17 pending sales (\$105,900 to \$985,000); 13 homes have sold in 2014 (\$85,000 to \$950,000), totaling \$3,711,500, which was 93% of asking prices.
- **RANCHES:** 6 listed (\$625,000 to \$14,999,000); 0 pending sales, 0 ranches have sold in 2014.
- **COMMERCIAL:** 12 listed (\$85,000 to \$2,950,000); 0 pending sales; 2 commercial properties have sold in 2014 (\$76,200 to \$144,500), totaling \$220,700, which was approx. 93% of asking prices.



➤ **YOU KNOW YOU'RE FROM MONTANA WHEN ...** you can choose from 25 different designs for your automobile license plate! Check out all the cool choices at <https://doj.mt.gov/driving/license-plates/>. And your personalized "vanity" plates will only cost you \$25 a year!

➤ **MONTANA TRIVIA** → *Did you know that...* you can tell from the prefix number on a Montana license plate what county the car is registered in? As newcomers to Montana (*way back when*), we were told that the license numbers corresponded to the IQ of that county! (Another Butte joke since their plates begin with a #1). Obviously that was an urban legend! But what is the deal with Montana's license plate numbering system? The common belief is that the numbers were assigned based upon the population of each county during the 1930 U.S. Census. But there are several inconsistencies that historians have not been able to explain other than tales of bribery, political power and even simple typographical errors. But it is an on-going Montana riddle. Read more about it at: http://billingsgazette.com/news/state-and-regional/montana/what-s-the-deal-with-montana-s-license-plate-numbering/article_119837d9-3863-5951-a163-066c86fd86af.html.



Toni and Don Bowen, both Broker Associates with nearly 75 years of real estate experience, between them - covering residential, commercial, land and ranches. They are in the business of "match making," where the perfect fit of buyer and property is the most important goal. The Bowen's pride themselves on providing personal attention and professional service.

Pam Menzel, Sales Associate, has joined our company and is looking forward to working in the Madison Valley Market.



and Kayla Crawford Way, Office Manager

Thanking you in advance for your personal referrals, they are the lifeblood of our business and the greatest compliment you can give us.

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USEFUL WEBSITES TO REMEMBER→

ENNIS AND THE MADISON VALLEY:

<http://www.ennismontana.org/> - for community and local government information
<http://www.ennischamber.com/> - The Ennis Chamber of Commerce website
<http://www.madisonvalleyhistoryassociation.org> – The Madison Valley History Association website
<http://www.mvmedcenter.org> – for information about the Madison Valley Medical Center
<http://www.mvmcf.org> – the Madison Valley Medical Center Foundation website
<http://www.mvvetsmemorial.org> – The Madison Valley Veterans Memorial website
<http://www.madisonvalleyexpeditions.com/> - a source for experiencing *authentic* Montana in our area
<http://ennismontanahomesandland.blogspot.com> – Ennis, Montana Happenings, from **Arrow Real Estate**

MADISON COUNTY:

<http://madison.homestead.com/index.html> - for Madison County emergency news
<http://www.madison.mt.gov/> - Madison County Government website
<http://virginiacity.com> – Virginia City Chamber of Commerce

NEWS:

<http://www.madisoniannews.com/> - the latest news from the Madisonian newspaper for Madison Co.
<http://bozemandailychronicle.com/> - news from the big city of Bozeman, an hour northeast of Ennis
<http://www.mtstandard.com/> - news from historic Butte, an hour & ½ northwest of Ennis

MONTANA:

www.fwp.mt.gov/ - Montana Fish Wildlife and Parks website – for hunting and fishing regulations
<http://fwp.mt.gov/education/bow/> - “Becoming an Outdoors Woman” – a must for female newcomers!
<http://www.visitmt.com/> - Official website Montana Vacations, Recreation, Accommodations and Travel
<http://www.montanapictures.net> – for people homesick for Montana – a great visual connection
http://mdt.mt.gov/travinfo/weather/rwis_list.shtml - State Highway Web Cams

SKIING:

www.moonlightbasin.com – Check out latest snow conditions on the hill at Big Sky
<http://www.lmranch.com/winter/> - Lone Mountain Ranch in Big Sky for cross country trails
http://www.westyellowstonenet.com/skiing/cross_country_skiing.php - Skiing Yellowstone Park Trails
<http://www.madisonvalleyskiclub.org/> - local ski club with access to Big Sky

HORSEBACK RIDING:

www.wolfpackoutfitters.com – trail riding guides for the Madison Valley
<http://www.sphinxmountainoutfitting.com> – trail riding and outfitting guides in the Madison Valley

RANCHING:

<http://www.madisonvalleyranchlands.org/> - working to keep the ranching way of life alive

FISHING:

<http://www.madisonriverfoundation.org> - The Madison River Foundation
<http://www.montanatu.org/> - Montana Trout Unlimited

GOLFING:

<http://www.madisonmeadowsgolfcourse.com> – Madison Meadows Golf Course in Ennis

REAL ESTATE:

www.arrowreal.com – A wealth of resource information, local listings and a portal to the SW MT MLS
www.houselogic.com – Helpful information from the National Association of Realtors
www.trulia.com – Search for homes for sale and sold, local information, and research
www.zillow.com – Search for homes for sale and rent, home values and mortgage rates
www.homesandland.com – Search for homes for sale and rent, home values and mortgage rates

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