

THE WALL STREET JOURNAL.

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MANSION

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Luke Wilson
The actor spent
early years with
Richard Avedon
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All Roads Lead to Sturgis

Bikers flock to the Black Hills of South Dakota region during the annual Sturgis Motorcycle Rally, when short-term rental rates hit the roof and some attendees decide they never want to leave

By JESSICA FLINT



Bikers in downtown Sturgis during this year's rally, which started on Aug. 2

EVER SINCE ILLINOIS resident Ann Marie Brown first visited South Dakota's Black Hills in 1999, she has wanted to move there.

"I was in awe of the Black Hills and its beauty," she says of the mountain range on South Dakota's western border with Wyoming.

In a state that is 87.2% farmland, the roughly 7,000-square-mile Black Hills region teems with alpine splendor. Ponderosa pine trees tower up from a landscape with varied rock formations, lakes and streams. It's a haven for outdoor enthusiasts, who, in the summer, hike, bicycle and ride ATVs, and in the winter, ski, snowboard and ride snowmobiles.

But for Brown, 49, it was a different kind of call of the wild—more of a man-made roar—that stuck with her: She

had fallen in love with the Sturgis Motorcycle Rally, in which approximately 500,000 bikers descend upon the Black Hills for 10 days starting the first Friday of August every year. The event is what had originally brought Brown west.

"I have always had an interest in motorcycles," she says, "and coming to the Black Hills—it just felt like home." In 2021, Brown made the move. Today she lives in the city of Spearfish, one of approximately 20 communities in the Black Hills, where populations range from very small to 79,000. Brown, who works at a car dealership, rents a four-bedroom, two-bathroom house.

People move for many reasons: A job relocation. Proximity to family. Better weather. But a motorcycle rally?

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Life With
The Roar

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"People really do get a taste for the area during the rally and many decide they want to move here," says Jennifer Landguth, a Herz Realtors real-estate agent based in Rapid City, the Black Hills' gateway.

The first rally was in 1938. While the event invades the entire Black Hills, its main hub is Sturgis, a city of about 20,000 people. For 11 months a year, Sturgis is slow-paced. Its downtown is four or so blocks. There are eateries and saloons; a clothing boutique, an office supply shop and gift stores; banks and credit unions. Main Street has a 22-room hotel.

Sturgis residents are varied. There are retirees, veterans, former ranchers, local business owners and commuters who work in Rapid City or Spearfish. The region has also seen a recent influx of out-of-state remote workers who value South Da-



Motorcyclists ride on Needles Highway in Custer State Park, roughly 60 miles south of Sturgis.

kota's conservative politics. Sturgis's median household income is \$49,564, according to census data, and the median house-sale price was \$341,000 in June, according to Redfin. Dixie Olson, the owner of Sturgis-based Properties Unlimited Realty real-estate agency, says

there is a mix of typical housing, ranging from older three-bedroom, two-bath-room ranch-style houses and split levels to newer builds. "Sturgis offers a very peaceful lifestyle, but there's always something going on," Olson says. "There are library programs

and book club meetings. Small town type of stuff." Then, in July, that goes out the window. Motorcycle tattoo parlors, t-shirt stores and T-shirt stores start taking over Sturgis storefronts. Temporary traffic signals start popping up. "South Dakota is a state with a population of about 910,000—and all of a sudden you have 500,000-plus people coming into the Hills on motorcycles," Landguth says. "Everything really, really changes."

The first Friday of August, gridlock and a persistent rumble arrive with the motorcyclists, who have a median age of about 51, are about 61% male and come from across the U.S. and overseas. In downtown Sturgis, motorcycles park side-by-side for blocks. Sidewalks are congested with bikers whose gear runs the gamut from leather to flip flops; adult helmets are optional in South Dakota. The ambience is one of live music, food vendors and beer. The Sturgis police force, with about 20 officers, swells to become one of the state's largest.

The rally is rambofests. In Sturgis in 2023, there were 407 arrests, 900 citations, 2,599 warnings, 42 non-injury and injury accidents and four fatal accidents, according to the South Dakota Department of Public Safety. While the statistics might evoke the image of renegades up to no good, the rally's reality is closer to a week-long music festival for people who absolutely love motorcycles. "It's a big adult party," Olson says. "A lot of them are professionals. They come to the rally, and they've been letting their beards and ponytails grow, and they really let their hair down."

During bike week, many Sturgis homeowners go on vacation and rent out their houses, or they stay around and even yards to tent campers, of which there are many. Short-term rentals that would regularly book for, say, \$150 per night go for closer to \$425. The effect ricochets across South



Dakota. Within five miles of downtown Sturgis, more than 30 campgrounds fill up. Within 200 miles, house rentals and hotels are booked. About 300 miles away in Mitchell, in the state's far southeast corner, a pre-rally party draws

4,000 to 5,000 people in a city with 15,000 people.

The reason the rally has become a global motorcycle phenomenon is the Black Hills' epic rides. Iron Mountain Road, for example, is a 17-mile stretch between the communities of Keystone and Custer that has 34 curves, 14 switchbacks, three pitfalls, three tunnels and views framing Mount Rushmore National Memorial, the region's most famous tourist attraction.

"People gather, they ride, they drink beer, they go home," says Randy Peterson, 64, who lives in Spearfish. He first attended the gathering in 1977. In the mid-1990s, he started an internet-access company and happened to nab the domain name Sturgis.com. He has been in the rally business since then, using the website to promote rally activities, including running classified advertisement-like listings for rally lodging.

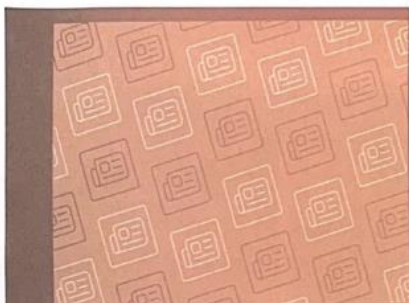
Black Hills residents have assorted feelings about the rally. There are motorcycle enthusiasts who revel in the biking events, including races, hill climbs and stunts. There are locals who relish the stimulation—the big-name bands, the foods they look forward to all year, the people watching. Then there are those who truly don't like it. "They are mad about it," says Olson, who says common frustrations include difficulty get-

Sturgis rentals for the rally see a surge of about 102% in average daily rate.

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Amy and Jim Heidecker bought their rental property in 2018. It is priced as high as \$650 per night for 2025's event.

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TRUST YOUR DECISIONS

MANSION



Gary Engelmann bought his vacation house near Sturgis in 2023 for \$975,000. This year, his property earned a 74% rate premium during the rally's first weekend.

ting daily necessities like groceries, the noise and the interstate traffic. "Whether you love it or hate it just depends on who you are."

Similarly, residents see economic upsides and downsides. In 2022, the rally generated an estimated \$784.1 million to the economy of South Dakota, according to the latest Sturgis rally economic impact study, completed by Texas A&M University in September 2022. Nearly \$45 million in state and local taxes were collected related to rally business. However, Olson says, "Of course there is always the talk of what it is costing taxpayers."

There are ways the rally helps line residents' pockets more directly. There are about 2,000 Black Hills

short-term rentals—about 200 are in Sturgis—bookable for bike week on platforms such as Airbnb and Vrbo, according to AirDNA, a short-term rental analytics firm. In Sturgis during the event, those rentals see a surge of about 96% in average daily nights sold and 102% in average daily rate, according to AirDNA. The numbers don't reflect grassroots rental efforts.

"The numbers could be significantly higher for people that rent out their properties in other ways, either through rally websites, Facebook, word-of-mouth or repeat bookers that work directly with the owner," says Jamie Lane, AirDNA's senior vice president of analytics and chief economist.

Amy Heidecker, 52, a

pastor, and her husband, Jim Heidecker, 58, who is retired, live in Rapid City but own a short-term rental house in the community of Keystone. Their rental property is four bedrooms and three and a half bathrooms on 4.5 acres. They bought it in 2018 for \$525,000. For the rally, it typically books just under a year in advance. Evolve, a vacation rental management and hospitality com-



pany, manages the property, which is currently priced as high as \$650 per night for 2025's event.

Gary Engelmann, 63, whose primary residence is in Brainerd, Minn., owns a vacation house between Sturgis and the city of

Deadwood that Evolve manages as a short-term rental. His property has five bedrooms on 1 acre. He bought it in 2023 for \$975,000. Engelmann, who owns a financial-services business, says his typical average daily rate in the summer is between \$500 and \$700 per night. This year, Engelmann's property earned a 74% rate premium during the rally's first weekend.

Then there are the bikers who sleep on the ground. The Texas & AM study found that in 2022, more than one-third of participants, or close to 205,000 people, camped.

The biggest and arguably the most popular campground is the Buffalo Chip, a 600-acre venue 3 miles northeast of Sturgis that is only open for the rally.

"The Buffalo Chip is the best party anywhere for the

nicest people on the planet," says the Buffalo Chip president and rally lifer Daymon Woodruff, 51, whose residence is on the campground. His father, Rod Woodruff, founded the Buffalo Chip in 1981. The campground has its own water tower, sewage lagoon and general store in addition to amphitheaters where tens of thousands of people gather nightly to listen to national headliners, who this year include Kid Rock and Jelly Roll.

Whether the bikers curl up in a bedroll at the Buffalo Chip or sleep soundly in a high-end short-term rental, some number of rallygoers will inevitably leave with a real-estate dream.

"Once people see and experience the area," Daymon Woodruff says, "the call of the Black Hills brings them back."



Mount Rushmore National Memorial is framed through a tunnel on Iron Mountain Road.