



Park City Market Report

KELLER WILLIAMS PARK CITY REAL ESTATE | MARKET REPORT | 4TH QUARTER | 2011



YEAR END MARKET OVERVIEW

2011 was a mixed year in the national real estate market. There were surely signs of an improving overall market, yet at the same time there were certain indicators that would suggest a prolonged recovery for the housing market. The general consensus seems to be that the broad direction of the market is one of improvement through 2012 with a few hurdles along the way.

According to the National Association of Realtors existing home sales across the country through November of 2011 increased 12.2 percent over the same period of 2010. Consumers continue to take advantage of what is considered a buyer's market.

The cautionary tale for the national real

estate market in 2012 is going to be in the foreclosure arena. Nationally, there were fewer foreclosures in 2011 than in both 2009 and 2010. This, however, may not be a good indication that the market is improving. Many foreclosures have been delayed due to problems with documentation and legal issues over the processing of foreclosures, creating a backlog that will hit the market in 2012. While the settlement of foreclosures are unstable the purchase of distressed properties is very active. The NAR stated that 29 percent of sales in November of 2011 were distressed properties. These distressed property sales continue to strain median home prices across the country.

Hello!

The real estate in Park City is much like our current weather; it looks like it is going turn around. Though the next storm may be just around the corner, chances are we are not going to see property values rise as quickly as the snow levels will in the next few months.

We may not have experienced a bottom in all areas but Park City and surrounding area sales have picked up across the board. Unfortunately, values continue to fall in all areas except a select few. If you would like detailed statistics in your favorite neighborhood, just let me know and I'll send them along to you

Looking back at last years property sales, buyers are interested in the Park City areas if the price is right! Take a moment and read through the 2011 market report and be sure and contact me with any questions or clarifications.

My best to you for the rest of the winter season.

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REAL ESTATE IN UTAH

The Utah economy continues to move in a positive direction and Utah remains one of the most stable states in the country. For the second year in a row Forbes Magazine named Utah the "Best State for Business". The magazine stated "no state can match the consistent performance of Utah". Job growth, a six percent unemployment rate, a favorable tax rate for businesses and low energy costs were given as key reasons for the ranking. All indicators show that these factors will continue to keep Utah as a leader in business growth through the coming years.

The Utah real estate market produced several positive

movements in 2011. At the end of November 2011 home sales in the state had increased for six consecutive months and were up eight percent over the first 11 months of 2010 with more than 30,000 homes sold. Inventory continues to decline statewide. At the end of November inventory was at its lowest level since April of 2007 with a part of this decline attributed to fewer homes listed during 2011. Absorption is improving with the monthly supply of inventory steadily decreasing. The median sales price has dropped over the past year with the median price hitting \$170,000, down about nine percent year over year.

THE SUMMIT COUNTY MARKET

Overall the Summit County market weathered 2011 well with the only dips coming in median and average home prices. These two indicators slipped 9.6 percent and 6.3 percent respectively from November 2010 to November 2011. Pending sales and closed sales in the county are both up approximately 10 percent year over year and the average number of days a home is on the market before selling dropped an average of 19 days.

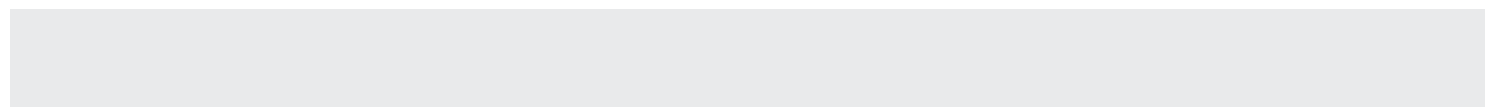
THE PARK CITY MARKET

The year-end statistics for the Park City real estate market show a market that has begun a steady rebound after several years of retraction. In addition to the statistical information, the overall attitude of most brokers and agents is that the tide has turned. According to agents, activity was more brisk during the recent holiday season that it has been the last couple of years.

Total Units Closed by Quarter					
	Q1	Q2	Q3	Q4	TOTAL
2011	383	451	432	399	1,665
Bank Owned	97	91	65	72	325
Short Sale	31	35	29	30	125
Bank & Short	128	126	94	102	450
% of Total	33.4%	27.9%	21.8%	25.6%	

The increase in activity can best be demonstrated by the 12 month rolling number of units sold. At the end of 2011 there were 1676 units sold during the previous 12 months. This is 18 percent higher than during the 12 months ending in December of 2010. The total units sold has not been this high over a twelve month period since August of 2008. The dollar volume sold is also up, but at a slower pace, indicating that although more properties are selling they are selling at a lower price.

More active listings are being sold now than were a year ago. At the end of 2010 seven percent of all current active listings were pending. In November of 2011 that number had increased to 8.5 percent of all current active listings being pending. That percentage slipped a bit in December, but is expected to bounce back in the early months of 2012. It should be noted that the total number of active listings was down nine percent from December 2010 to December 2011.

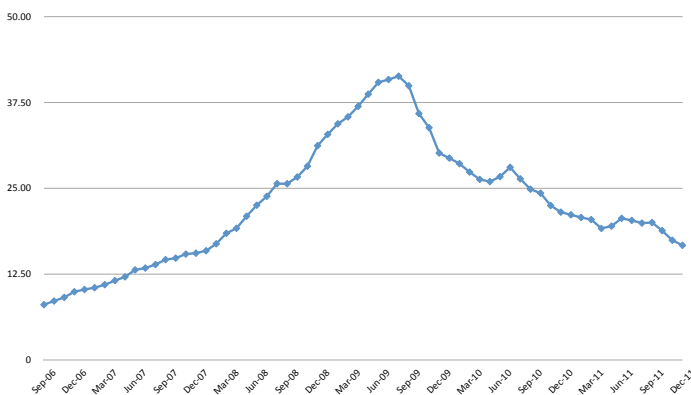


The 12 month listed vs. sold ratio has also been on a steady increase. For the 12 month period ending in December 2011 43.27 percent of all listings were being sold. This ratio is up from 33.11 percent at the end of 2010 and is the highest listing vs. sold ratio since March of 2007. The total number of units sold during a twelve month period has increased every month since December of 2010. Total listings, however, are down, there have not been this few units listed over a 12 month period since before 2000.

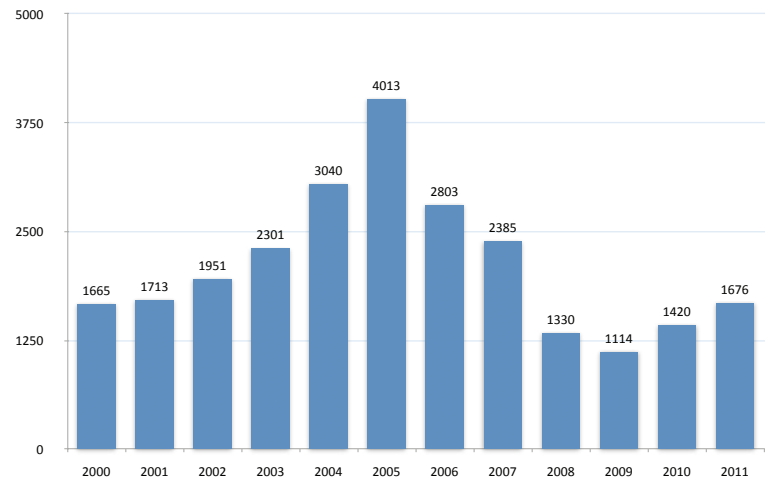
Absorption has been moving rapidly in a positive direction. At the end of 2011 the Park City market had a 16.63 month supply of inventory. In comparison, at the end of 2010 the supply of inventory was 21.46 months. The absorption number has not been this low since January of 2008. Part of the reason absorption is improving can be attributed to the decrease in the number of active listings. The average days a property is on the market has also dropped over the past year going from 173 days at the end of 2010 to 160 days at the end of 2011.

The major market indicators and the overall mood in the Park City market suggest that we have reached the bottom and are making our way towards a healthy real estate future. The affordability index remains at an unprecedented level. Mortgage rates are at record lows and home pricing is at or near the low point. We remain in a buyer's market and both individual home buyers and investors should pay attention to the opportunities that continue to exist.

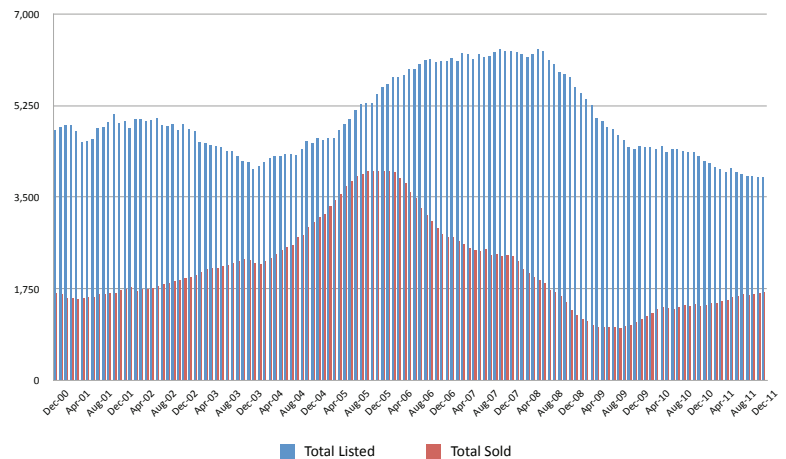
Absorption Rate - Months of Supply



Park City MLS – Total Units Sold



Total Units Listed vs. Total Units Sold Past 12 Months



Park City MLS – Median Price Single Family Home

