

Park City Report March 19,2009

1) How has the market been since 12/01/08

Definitely a buyers market.

Dec '08-Feb'09 67 single family homes sold. Dec'07-Feb'08 117 single family homes sold

Dec '08-Feb '09 76 condos sold Dec '07-Feb '08 158 condos sold Note; during the '07/'08 ski season, several high end condo developments were completed and closed.

Dec '08-Feb '09 17 vacant land parcels sold Dec '07-Feb '08 97 vacant parcels sold
Vacant land is the slowest/weakest segment of our market.

We currently have 1,231 single family homes listed for sale. 43 homes have sold since 1/1/09 which equals a 4.7 year inventory

We currently have 1029 condos listed for sale 41 condos have sold YTD which equals a 4.2 year inventory

2) Strongest and weakest segment of our market

Land is by far the weakest segment. Condos under \$1 mil are quite strong and homes from \$1-2 mil are strong Have seen a recent increase in activity on homes over \$5 mil.

3) What does your money buy right now.

Single family homes Deer Valley Resort Deer Crest ski-in/ski-out \$4,995,000 for 8100 sq ft 6 bd 8 ba up to \$18,950,000 for 13,536 sq ft 6 bd 11 ba

Silver lake (mid mountain) ski-in/ski-out \$5,500,000 for 7500 sq ft (older) 6 bd 8 ba up to \$11,500,000 for 15,000 sq ft (older) 6 bd 12 ba

Empire Pass...newest development in Deer Valley and ski-in/ski-out \$5,950,000 for 5900 sq ft 5 bd 6 ba up to \$16,000,000 for 9693 sq ft 8 bd 11 ba

Condos

Silver Lake 1 bd Royal Plaza \$689,000 for 945 sq ft up to \$6,580,000 for 6 bd and 6315 sq ft in Stag Lodge

Empire Pass 2 bd Shooting Star in Empire Pass \$1,399,000 1442 sq ft and 3 bd Shooting Star \$1,795,000 1690 sq ft

5 bd Grand Lodge Penthouse \$4,645,000 3243 sq ft

3) What Strategies are you using to get sellers to reduce prices.

Truth!!!! Show the market, what has sold, what has not sold, time on the market. Let sellers reach their own conclusions. They are smart people. If they truly want to sell, they will price it correctly.

4) Buyer Traffic this season and comments. We have all heard....." I am in no hurry"....."I feel that the market will come down further"...."Looking for a deal".

We are in uncharted waters with respect to the economy, and many potential buyers no longer either have the means or comfort level to purchase right now, but for those that are in a position to purchase, there may never be another opportunity like what we have right now to make money in resort real estate!

Vail Board of REALTORS Report for RMRA/Jackson Hole
March 19, 2009

Eagle County ended the year with **\$225,150,500 in total dollar volume in December**, bringing the year end total to more than \$2.2 billion for 2008. This is 25% shy of 2007's total and down just 19% from 2006. The driving force in Eagle County in 2008 was the high end property sales. There were 71 transactions selling for more than \$5 million for the entire year; 12 of those transactions were in December. This is 17 more transactions in the over \$5 million level than we had in 2007.

This helped create one of the highest average sales price months we've ever seen at \$2,207,358. Some of the influencing projects that helped December along were:

The Westin – 16 closings totaling \$17,043,200

Vail Mountain View Residences – 16 closings totaling \$54,841,400 – averaging \$3,427,588 per unit.

Chalets at Lodge at Vail – 5 closings totaling \$60,250,000 – approx. 12,050,000 per unit or \$2,699.79 per square foot.

Manor Vail – 2 closings totaling \$28,745,500 – averaging \$14,372,750 per unit.

While total dollar volume stayed above \$2 billion for the 5th consecutive year: the number of transactions have declined to a total of 1,606 for 2008, 40% fewer than last year. The 102 transactions in December were the fewest transaction in a given month since we started tracking in 1996.

Since 2001 new developments have accounted for an average of 25% of the total dollar volume. With the completion of some large projects including Arrabelle, Chalets at Lodge at Vail and the Westin, new developments accounted for more than 43% of the dollar volume in 08.

With the help of these developments it appears that Eagle County has not been heavily effected by the slow economy as we are showing to be down about 25% vs. other surrounding counties.

January 2009:

Eagle County real estate had **\$40,487,500 in total dollar volume** to begin the New Year, not up to the high standards set over the last several years. With **46 transactions**, this equates to an overall average sales price of \$880,163 for the month of January.

Vail Village accounted for the most activity in January with nearly 25% of the total dollar volume at \$9,537,500 over 11 transactions.

The most residential activity occurred in the price point range of \$500,000 - \$1,000,000.

This sector accounted for 48% of the transactions, with the next closest at 22% in the range of under \$500,000.

January Highlights:

- Multi-Family homes had an average sales price of \$1,088,333
- East Vail had the highest area average sales price at \$1,371,250, over 4 transactions
- Vail Village had an average price per square foot of \$1,261

As of January 1, 2009, 5 properties have sold in the Village. The first a parking space for \$350K. The others Condos. Two were Vail Mountain View Condos: One 3/3 1808 sq. feet for 3.2 Mil

(1769.91 per) and the other a 4/5, 2843 sq. feet for 5.95 mil (2092.86 sq.ft). Village Inn Plaza 1028 sq. feet 2/3 sold for \$1,323,000K (1286.97per) and the Scorpio a 2/2 for \$875K (853.66 per)

The current listing prices of duplex and single-family homes range from \$240,000 for a 3 bed, 2 bath single family home in Gypsum, to a 7 bed, 12 bath, 15,900 sq. foot home in Beaver Creek for 23,250,000.

As of March 16th we have 1642 active residential listings in the MLS and 424 land listings. 99 of the residential listings are 5+ million.

In Vail Village/Lionshead 23 SF and DP are listed from \$4,320,000 to \$21,000,000.

The last SF's sold in the Village was a new project The Chalets at the Lodge (Mentioned above) selling from 9,750,000 for 5235 sq. feet. (1862.46per) to 14,350,000 for 4983sq. ft.(2,879.79per).

Outside of the projects the last SF sold in Vail was a ski in/out 8342 sq. ft. 10 bed/10.5 baths for 8.7 million, 1371.81 per sq. foot.

Condo's – currently there are 219 condos on the market in Vail Village/Lionshead. Approx. 70% are new construction projects not sold. Prices range from \$499K for a 437sq.ft (1141.88 per sq.) studio to 16.2 million (2957.03 per sq.) for a 6 bed/6.5 Penthouse at Solaris. Neither are ski in/out.

Land- there are 425 land listings in the MLS. None of which can be found in Vail/Lionshead. Prices Range from 9,980,000 for 209 acres in Cordillera (Timber Springs) not ski in/out. In Beaver Creek a ski in/out lot, 1.898 acres is listed out at \$6,250,000. Sold in January .33 acres in the lower portion of BC with views not ski in/out, for 2 million (approx 139 per square.) Golf course: most recent sold in Feb. in lower Cordillera .61 acres for \$385K (13.47per sq)

The strongest segment in our market are those properties under 1 million, following close behind 1-3 million, and those above 3 million. Types of properties vary.

Figuring out the absorption proves to be difficult in Vail/Lionshead as there has been no movement. So you could say we have years of inventory especially 3 million and above.

What Strategies are you using in your market to get sellers to reduce prices?

Many of our Sellers are still holding strong thinking their properties are worth the value they attained in 2006.

Agents are relearning their scripts. Discussing chasing the market down and how that will effect them in the long term.

Some brokers are taking an overall look at that particular area and what the average increase of the property was over the time that the Seller has owned. They are removing those months of the larger increases (30-100%) and having a discussion with them about our say 7% increase year over year and the state average. Discussing that their investment has still paid off regardless of the year of the huge increase and that is now going or gone away. So, the agent is working towards getting the seller to realize that they are still earning growth by lowering their pricing.

The most recent that I have seen on the developer side is at The Club at Solaris in Vail. If you buy one of the next five exclusive \$1.672 million condo club memberships, and prices later go

lower, Epiphany Clubs, and Resorts, will pay you the difference. Those that previously purchased the memberships also had price protection as well. Currently they will get \$228,000 back. They are expected to open spring of 2010.

Brokers are having the Seller participate in the costs of marketing when the property is over priced.

This ski season started pretty slow. Brokers were having a difficult time getting anyone to the open houses and ads in the paper slowed dramatically. Currently it seems that many have the Buyers but the Buyers are somewhat skeptical. Everyone wants the "Deal". We are prepping our Sellers in advance that lower than expected offers will come in and that countering is the way to go. Buyers concerns are that the market will continue to go down and those local buyers that are currently qualified are unsure of the sale of their current property and some even their jobs.



RIVER VALLEY RANCH

MEMORANDUM

To: RMRA
From: Brian Leasure
Date: March 19, 2009
Re: RMRA Questions

Thank you for inviting me here today. My name is Brian Leasure. I am the President of the Aspen Board of Realtors.

- 1) How has your market been since 12/1/08
 - We are in a Buyers market. Probably on of the best times to buy in a long time.
 - Coming off the strongest 5 year period we maybe have ever seen until 2008. Seeing Sales at over **\$3,000 a foot.**
 - **Doubled** the Pitkin County Sales volume over the **last 5 years until 2008.**
 - Total Dollar Volume in **2008 was down just over 45%** from 2007.
 - Seeing total dollar volumes that we saw in 2002 and 2003.
 - **January 2008 Total Dollar Volume down 8.85%**, Transactions down 20% in Pitkin County vs. 2007
 - **Little Nell** 1/8 shares of 28 units at the base of Aspen Mountain. 224 shares. Had about 210 shares under contract. Closed under 100.
- 2) What is the absorption rate on Single Family homes and Land. To Woody Creek.
 - **Single Family 3.25 year** supply. (309 active, 95 sold in 2008)
 - **Multi Family 2.6** year supply (491 active, 189 sold in 2008)
 - **Land 14.6 year** supply (73 Active, 5 sold in 2008)
- 3) Strongest Segment of our market
 - January numbers would say properties in the Core of Aspen. If you combine Fractionals (Little Nell) and Aspen it accounts for over 93% of sales in Pitkin County in January.
 - Single Family homes in Aspen under 6 million.
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- 4) Weakest Segment of our market.
 - Land. Just priced too high to make building financially work.
 - **Fractionals** because of the large **supply**. Historically not a part if the Aspen Market but now is a big part.

- 5) What does your money buy now?
- **\$1,561,707** Average price of the 41 closings of 1/8 share of a 3 or 4 bedroom **Little Nell**
 - **\$6,184,593** = 2008 Average Single Family home sold price in **Aspen** (Up 10% from 2007)
 - **\$2,503,571** = 2008 Average Milti Family home sold price in **Aspen**
 - **\$3,433,567** = 2008 Average Residential sold land Price **Aspen**
 - **\$6,036,293** = Average Single Family home sold price in **Snowmass Village.**
 - **\$1,327,773** = Average Multi Family home sold price in **Snowmass Village.**
 - **\$3,625,000** = Average Residential Land sold price in **Snowmass Village.**
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- 6) What strategies are you using in your market to get Sellers to reduce prices?
- Go to the **Facts** and do not try to convince. Numbers speak for themselves
 - Volume is way down but average prices are still going up. Probably because of all of the construction we have had replacing old with new
 - **Find out what kind of Seller you have.**
- 7) Upcoming Items
- **Lift One** at the base of the East Side of Aspen Mtn. Stuck in approvals
 - The Continued build out of the new **Snowmass Base Village** by Related Westpac.

Lots of predictions about the market. Market Will Change