



PRESS RELEASE

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PARK CITY BOARD OF REALTORS® REPORTS SLIGHT DECLINE IN SINGLE-FAMILY HOME PRICES

24 October 2008 (Park City) – The Park City Board of REALTORS® reported today that the median sales price of a single-family home in the greater Park City area – which includes Summit and Wasatch counties – in the first nine months of 2008 showed a slight 3 percent decline to \$653,750, down from \$674,500 in the same nine-month period in 2007.

“The national economic downturn is affecting home prices in Park City,” said Tyler Richardson, president of the Park City Board of REALTORS®. “However, the decline in home prices in Park City is small compared to falling home prices in many other parts of the country, which in some cases are witnessing drastic price declines. Park City continues to draw buyers and has a competitive advantage compared to other Rocky Mountain resort communities.”

Park City’s competitive advantages include its close proximity to the Salt Lake International Airport, a short 30-minute drive to Park City. “This is going to become a larger advantage to our visitors and property owners as more rural destination resorts will very likely be impacted by the nearly 3,000 flights that USA Today has reported as being cut in the near future” stated Richardson.

Even though the overall median sales price was down in the greater Park City area, some locations actually saw price increases. For instance, in the first nine months of 2008, the single-family median home price in Park City proper climbed to \$1.8 million, up 12 percent compared to \$1.6 million during the same period last year. In the Kamas Valley during the same period home prices rose to \$349,000, up 6 percent compared to \$330,000 last year. The increase in median prices in the Park City proper area and the Kamas Valley is attributed to sales of newly constructed homes, which are typically higher in price.



“People who are buying in today’s market are motivated by lifestyle choices and long-term investments,” Richardson said. “They are not buying properties today, hoping to flip them next year. Many buyers recognize Park City’s incredible world-class skiing and recreational amenities. National economists have noted that mountain resort properties will hold their value and even show strong appreciation over the next five years.”

In the short term, however, price declines in some areas are expected. For example, in the Snyderville Basin in the first nine months of 2008, median home prices fell to \$717,500, down 13 percent compared to \$827,000 a year earlier. In the Heber Valley, the median home price fell to \$350,000, down 6 percent compared to \$372,500 during the same period in 2007.

For the first nine months of 2008, there were 390 single-family homes sold in the greater Park City area, down 42 percent compared to 674 sales in the same period in 2007.

The average days on market in the third quarter for all property types sold in the greater Park City area was 190 days. The sales-price/list-price ratio in the third quarter for all property types was 93.7 percent for all transactions, meaning properties sold for 6.3 percent less on average compared to their listing price.

Condominiums: The median sales price of condominiums sold in Park City proper in the first nine months of 2008 fell to \$827,500, down 17 percent compared to \$999,900 a year earlier. In the Snyderville Basin, the median price of condominiums was \$622,500, down 9 percent compared to \$685,000 in the first nine months of 2007.

Vacant Land: The median sales price of vacant land was \$425,000 in the first nine months of 2008, down 23 percent compared to \$550,000 during the same period in 2007 in Summit and Wasatch counties.

Richardson stressed that sellers must price their properties competitively. “In today’s market, buyers want a deal and have many properties to choose from,” Richardson said. “Buyers are finding excellent values and often have the upper hand in negotiations. Park City remains a good value compared to other Rocky Mountain resort communities.”

Richardson added that real estate values and trends vary greatly from neighborhood to neighborhood and buyers and sellers should speak to a local Park City REALTOR® for an accurate market analysis.

An increase in foreclosures is affecting some home values. However, Utah continues to have one of the lowest foreclosure rates in the nation, according to the Mortgage Bankers Association. In the second quarter (the most recent data available), the percent of loans in foreclosure in Utah’s was 1.23 percent. Only eight other states had a lower rate. The national foreclosure rate for the second quarter was 2.75 percent. Florida had the highest rate at 6 percent.

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