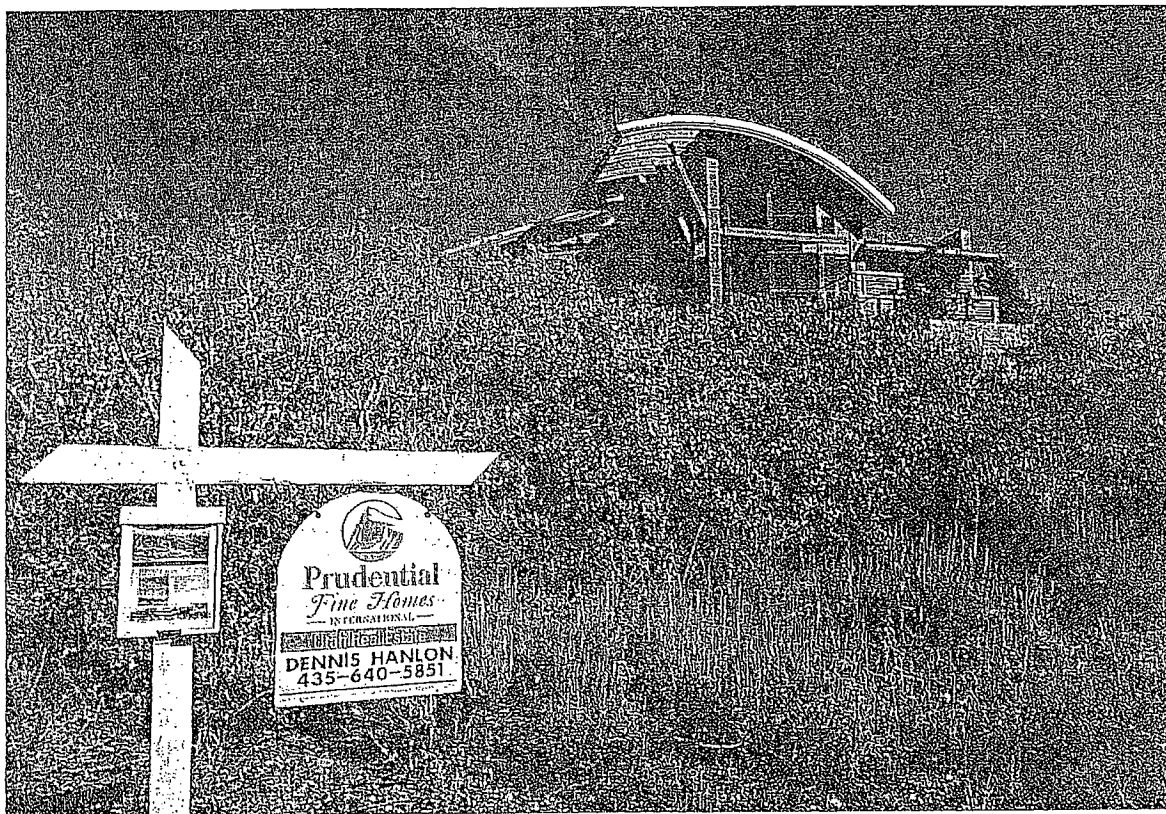


Park City homes holding their value



CHRIS DERRICK/The Salt Lake Tribune

A home at 1351 Golden Way, Park City, awaits a buyer. The property is priced at \$1.25 million. Park City properties haven't lost much value in the housing downturn, but sales are off 42 to 45 percent.

But buyers seem to be waiting for prices to fall

By CHRISTOPHER SMART
The Salt Lake Tribune

The good news is Park City real estate hasn't lost a lot of its value.

The bad news is that sales volume is down 42 to 45 percent, according to Park City's Board of Realtors.

The market, observers say, has yet to bottom out. Eventually, that could lead to more significant dips in housing values.

But according to the Park City board's latest statistics — covering

Summit and Wasatch counties — the median sales price compared with one year ago is down just 3 percent for single-family dwellings, to \$653,750.

Set against a national real estate market that's been on the skids amid double-digit losses, that figure is comparatively good.

Remarkably, the median sales price in Park City proper was up 12 percent, to \$1.82 million. By contrast, that statistic in nearby Snyderville Basin is down 13 percent over the 12-month period that ended

Sept. 30.

"We're seeing a lot of interest," said Tyler Richardson, the organization's president. "But people are still sitting on the sidelines, seeing how things flesh out."

For the past decade or longer, Park City real estate — particularly high-end property — has been largely immune from ups and downs in the economy. The run-up to the 2002 Winter Games and then its afterglow continued to push

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Park City houses often are 2nd homes

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growth in the area's upscale vacation housing market established 25 years ago by Deer Valley.

Resort real estate since the late 1980s — particularly in the Park City area — has proved to be a good investment for those who can afford it. Prices have gone higher and higher.

But this financial crisis is

different.

"We've seen a leveling off of sales and in some cases decreases as we've seen national events unfold," Richardson said. "Nobody knows how it's going to shake out."

The majority of second-home owners in the Park City area — as well as potential buyers — live in other states, where real estate values have declined more precipitously.

And buyers are waiting for bargains, which means that sellers, if they are in a position to do so, have to be patient.

"Buyers are in the driver's seat," Richardson said. "They have a lot of choices to look at."

The low sales volume has left many in Park City's veritable army of real estate

agents with little to do but watch and wait.

Utah economists say real estate prices in the state are not yet at their lows, according to Dave Anderton, public relations director of the Salt Lake Board of Realtors.

"I have people call me every day and ask if we've hit the bottom yet? I think the median price will go lower statewide."

Sales volumes also are way off in tony Deer Valley.

But the transactions that have gone through represent increases in the median sales price, said Bob Wells, the resort's vice president of real estate and development planning.

In lower Deer Valley, the median sales price is

\$1.98 million. In upper Deer Valley it's \$6.65 million.

To some extent, Deer Valley remains buffered from economic ups and downs.

"The property owners are a very affluent group," Wells said. "They buy in Deer Valley for family use, not for speculation. And a lot of them pay cash."

Nonetheless, Deer Valley and Park City, like the rest of the nation, should prepare for tough times and a slow recovery, Wells added.

"You have to expect this will have an effect [on real estate sales] this winter. In history, that's been determined by snow, not economic downturns. This could be different."

csmart@sltrib.com