



# The Wasatch Investor

VOLUME 1, ISSUE 5 NOVEMBER 2005

## PARK CITY INVESTING TRENDS

- For the first 6 months ending June 30, 2005, the average sales price was 26% higher than the same period as 2004.
- At a sales event over the weekend of October 1, 2005, Promontory-The Ranch Club sold 90 lots. For the project-to-date, Promontory has closed over 465 lots.
- Talisker Club at Tuhaye recently released forty-four home sites on the Tuhaye golf course ranging in size from 1.4 acres to over 5 acres and priced from \$450,000 to \$950,000. Prices include membership in the Talisker Club, which will include an equestrian club and private ski lodge at Deer Valley's Empire Pass

## GREETINGS FROM PARK CITY!

**A**S MY CLOSE FRIENDS KNOW, I WALK THE WALK and talk the talk when it comes to real estate. Real estate is my passion and there is nothing I like more than helping my clients make great choices, whether buying or selling. I'd like to share some of the successful transactions I have been involved with this past year:

M.B., a first time buyer, purchased a condominium 12 months ago with just 5% down. She was thrilled when an appraiser confirmed her investment has increased 500% in twelve months!

M.O. asked me to call him if I found a lot that was a good deal. We found an underpriced lot in Pineridge and I told him he needed to write an offer on the spot if he hoped to get it. In twelve months, that lot has tripled in value.

R.K. was ready to sell a home he had spent years lovingly improving and restoring. I found a buyer who paid full price for his home before we could even get a sign up, and we set a new price record for his subdivision.

I introduced M.G. to Promontory-The Ranch Club and helped him select a lot that was underpriced by about 10%. That lot has increased in value 25% since May, and he now has it under contract for sale to new buyer.

These are just a few examples of how I have used my knowledge and passion for real estate to help others achieve their investment goals. If you or someone you know is thinking about investing in real estate, please contact me. There is never any pressure or obligation to purchase. When it comes to discussing real estate and educating others, the pleasure is all mine!



Nancy Tallman, REALTOR  
Snow Park Realty  
1375 Deer Valley Dr. Suite 101  
435-901-0659  
[nancytallman@yahoo.com](mailto:nancytallman@yahoo.com)  
[www.snowpark.com](http://www.snowpark.com)



Prefer to receive an electronic version of The Wasatch Investor? Send me an e-mail with "Electronic Newsletter" as the subject.

## PARK CITY'S THREE RESORTS RECEIVE THEIR HIGHEST RANKINGS EVER IN SKI MAGAZINE'S READER'S POLL

**R**EADERS OF SKI MAGAZINE HAVE declared their adoration for Park City's three world-class resorts – The Canyons Resort, Park City Mountain Resort and Deer Valley Resort. Every September the magazine's highly anticipated Reader's Poll issue hits the stands and informs the world of how resorts rank in the opinions of its

knowledgeable readers. Park City's resorts all moved up significantly in the ratings with Deer Valley Resort topping the list at #1, Park City Mountain Resort at #5 and The Canyons Resort at #14. The Canyons Resort received its best ranking ever this season, along with the largest improvement in the survey –moving from 22 to 14 in one year.



## HOUSING PRICES CONTINUE TO RISE

THE AVERAGE PRICE FOR A U.S. HOME INCREASED 13.4 percent from the second quarter of 2004 through the second quarter of 2005, according to the Office of Federal Housing Enterprise Oversight, or OFHEO. The new data represent the largest four-quarter increase since the second quarter of 1979, according to OFHEO's House Price Index.

Significant findings in the HPI:

- Florida, California, Nevada and Arizona are no longer the only states represented in the top 20 MSA list. Areas in Idaho and Utah have now entered the list.



- The second-greatest annual price growth was in Arizona. Over the second quarter alone, Arizona house prices grew 9.7 percent – far surpassing every other state. Arizona's annual growth rate rose from 20.4 percent in

the first quarter of 2005 to 27.8 percent in the second quarter of this year.

“There is no evidence here of prices topping out,” said OFHEO Chief Economist Patrick Lawler. “On the contrary, house-price inflation continues to accelerate, as some areas that

have experienced relatively slow appreciation are picking up steam. “However, (the price gains) are likely unsustainable given the underlying inflation rate, income growth and other factors,” Lawler said.

*“Oil prices are up 500 percent since 1998 while housing prices are up 65 or 70 percent. You tell me where the bubble is.” -- Bill Miller, CEO, Legg Mason Funds, as told to SmartMoney magazine, November, 2005.*

## QUICKSILVER ESTABLISHES “LIFESTYLE HUB” IN PARK CITY

QUICKSILVER, KNOWN FOR ITS SURFBOARD GEAR, acquired Rossignol, the parent company of Dynastar, Lange and Look, and announced that it is in the process of creating a lifestyle hub called “The Mountain Center” in Park City. While the center will be designated Rossignol and Dynastar U.S. headquarters, it



will additionally house various other branches of Quiksilver.

Rossignol's North America President, Francois Goulet, said “we need to be in the epicenter and the cultural center of where the sports are happening and that is one of the main reasons we are moving to Park City”. Goulet was also quoted by The Park Record as saying “We feel that Utah is still a well-kept secret that's about to explode. I really think we're getting in at the right timing. There's really no other place in the world where you can land in an international airport and have access to some of the best skiing and riding in the world within 30 minutes. It's just amazing.” We couldn't agree more!

## PREPARING FOR A REAL ESTATE DOWNTURN

*Most experts expect to see a general slide into a slower market. This is also known as a “soft landing.” Others believe the bubble is about to burst.*

*Real estate, like the stock market, is cyclical. According to Dave Lindorff of Kiplinger's Personal Finance magazine, the high-flying California markets in Los Angeles, Sacramento and San Francisco have a 40 percent risk of decline over the next two years. Boston leads the list with a 53 percent probability of a decline. Other areas at risk were Providence, R.I.; New York; Minneapolis-St. Paul; Denver; Washington, D.C.; as well as the major cities in Florida.*

*Can you still make intelligent investments in real estate? The answer is a resounding, YES. We recommend the following strategies as a hedge against rising interest rates and slower appreciation:*

- 1. Adjustable-rate mortgages, 40-year amortization loans, or interest-only loans should be refinanced into fixed rates with a standard term.*
- 2. Build equity by paying down mortgages instead of counting on the kind of appreciation we have seen in the past few years.*
- 3. Look for properties that generate some income to offset payments.*
- 4. Shift your real estate holdings from markets that have already peaked into markets that are still growing. Park City, UT is still considered undervalued compared to other Rocky Mountain Resorts, such as Vail, Aspen and Jackson Hole.*

## Share the Wasatch Investor

If you know someone looking to invest in real estate and learn more about the excellent opportunities in Park City, please give them my number or e-mail address. I will be happy to add your friends to my newsletter mailing list!

## Happenings

- November 18 Jazz Night at The Kimball. 435-649-8882 [www.kimball-art.org](http://www.kimball-art.org)
- November 19 Opening Day at Park City Mountain Resort & The Canyons. 435-649-811, 435-649-5400 [www.parkcitymountain.com](http://www.parkcitymountain.com), [www.thecanyons.com](http://www.thecanyons.com)
- December 3 Opening Day at Deer Valley® Resort 435-649-1000 [www.deervalley.com](http://www.deervalley.com)