

Park City Real Estate Stats: Q4 2015

Good Morning Summit Sotheby's

Today's topics:

1. Demand: a look at pended and closed transactions
2. Supply: comparison of listings for the past two years
3. Absorption rates: overall and specific areas
4. Cash Sales
5. Pricing Trends: reviewing appreciation for the past year

Goal: create a compelling narrative for both buyers and sellers. Making markets and bridging expectations in today's environment is not an easy task.

Demand: Pending Sales

NAR announced (1/28/2015) the pending home sales index rose slightly, 0.1%, in December and has declined or remained stable four times in five months. This December is 4.2% above last year.

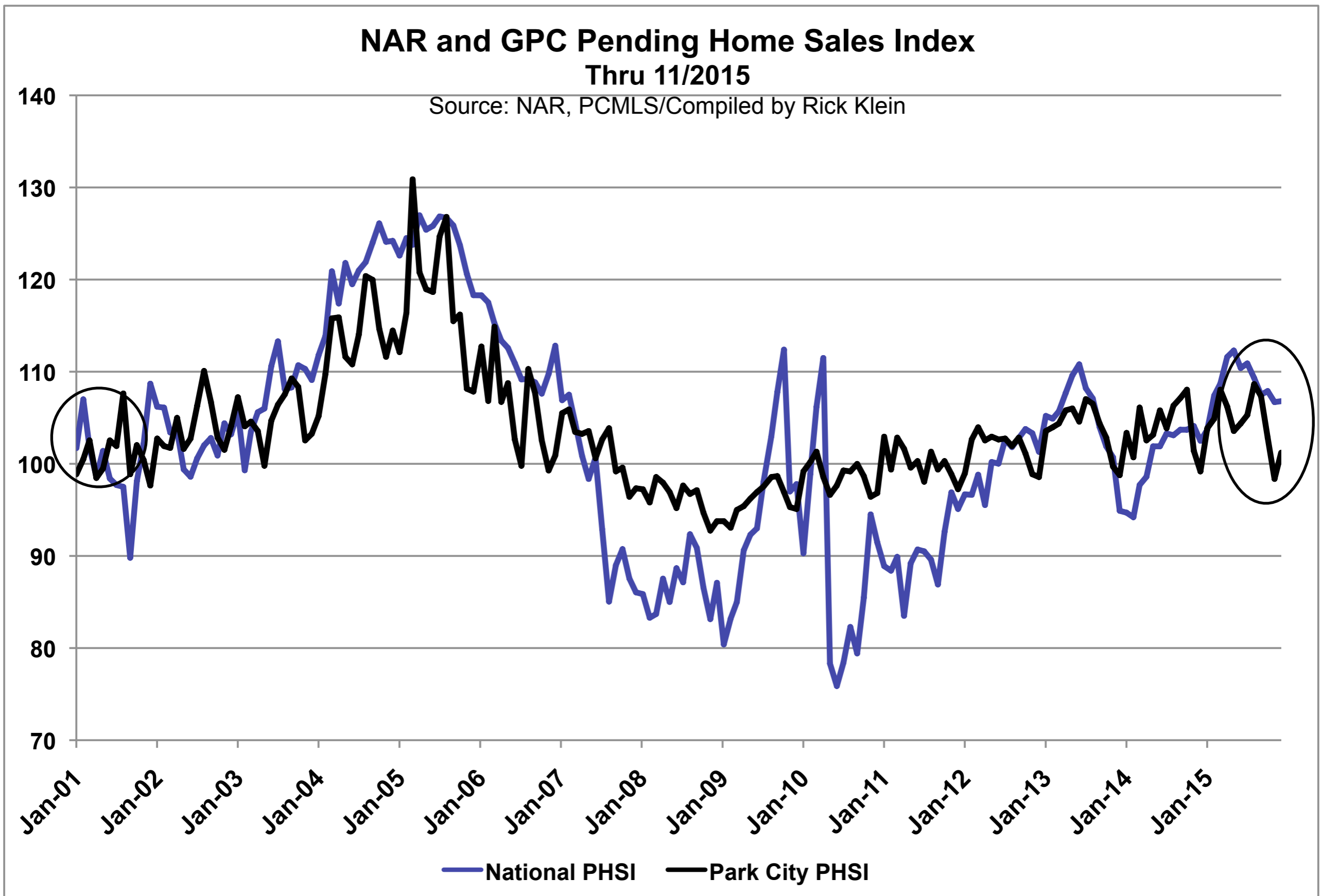
Pending home sales peaked in May. Dr. Yun said the decline in the second half of the year is explained by “home prices rising too sharply in several markets, mixed signs of an economy losing momentum and waning supply levels have acted as headwinds in recent months.”

GPC PHSI also fell for the third straight month in November plummeting to 98.36. Our 4th quarter pending sales fell precipitously from last year's 4th quarter. December saw some improvement and this December's index is 2% higher than it was last year.

Demand: Pending Sales

NAR and GPC Pending Home Sales Index Thru 11/2015

Source: NAR, PCMLS/Compiled by Rick Klein



Demand: Pending Sales

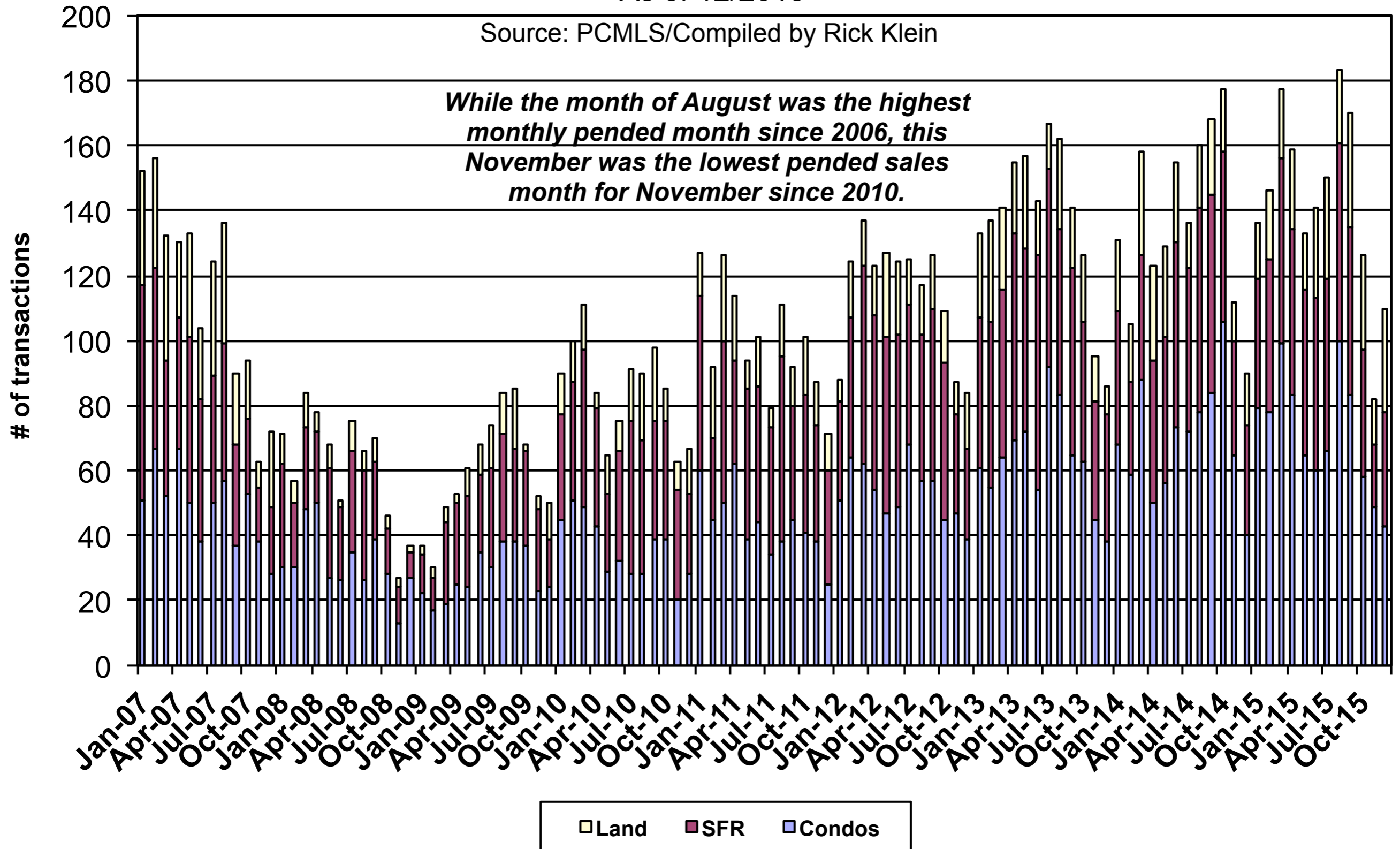
Rick J. Klein
435 647 9055

Pended Sales: Greater Park City

As of 12/2015

Source: PCMLS/Compiled by Rick Klein

While the month of August was the highest monthly pended month since 2006, this November was the lowest pended sales month for November since 2010.

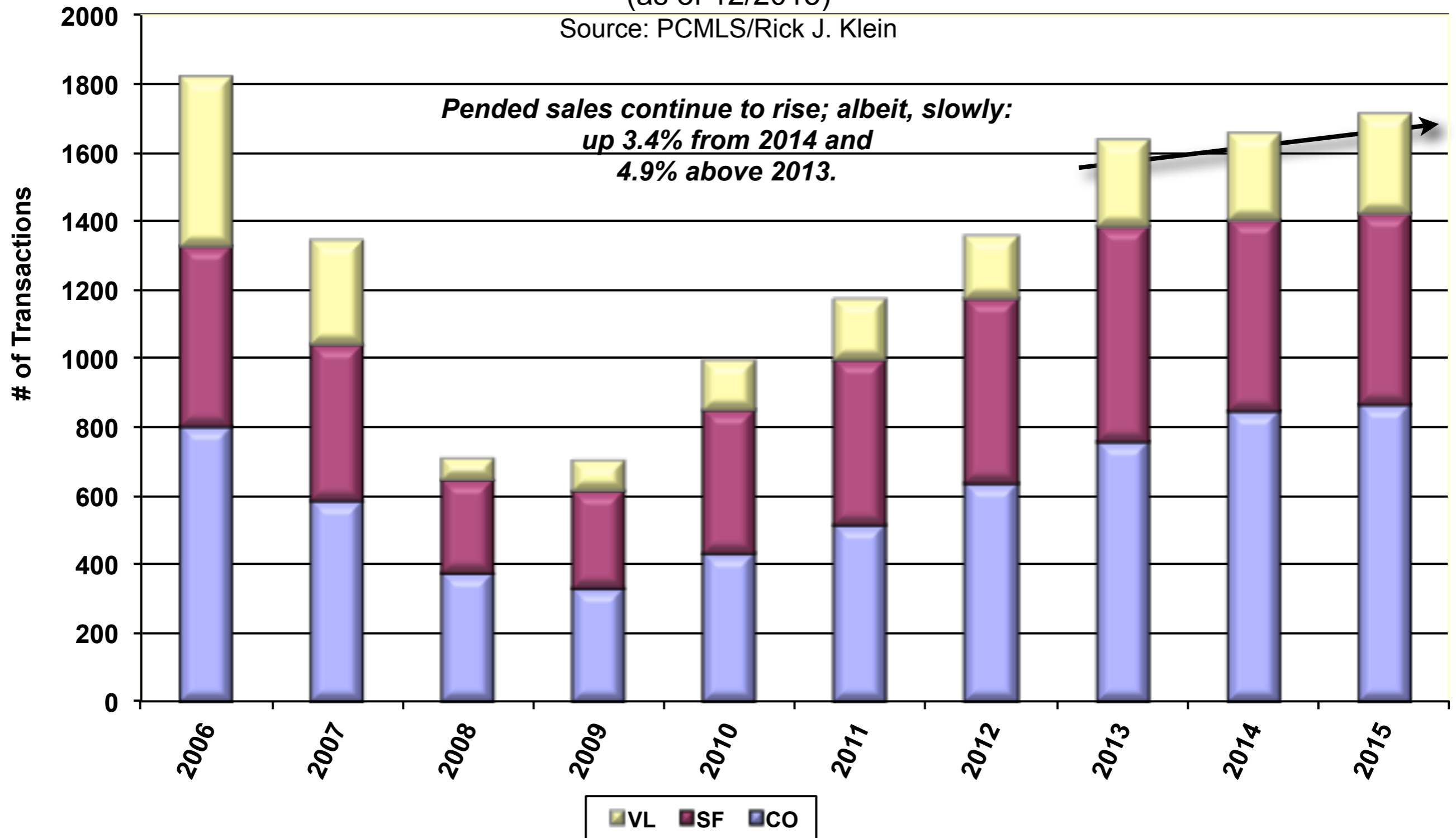


Demand: Pending Sales

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Pended Sales: Greater Park City Annual Comparison (as of 12/2015)

Source: PCMLS/Rick J. Klein

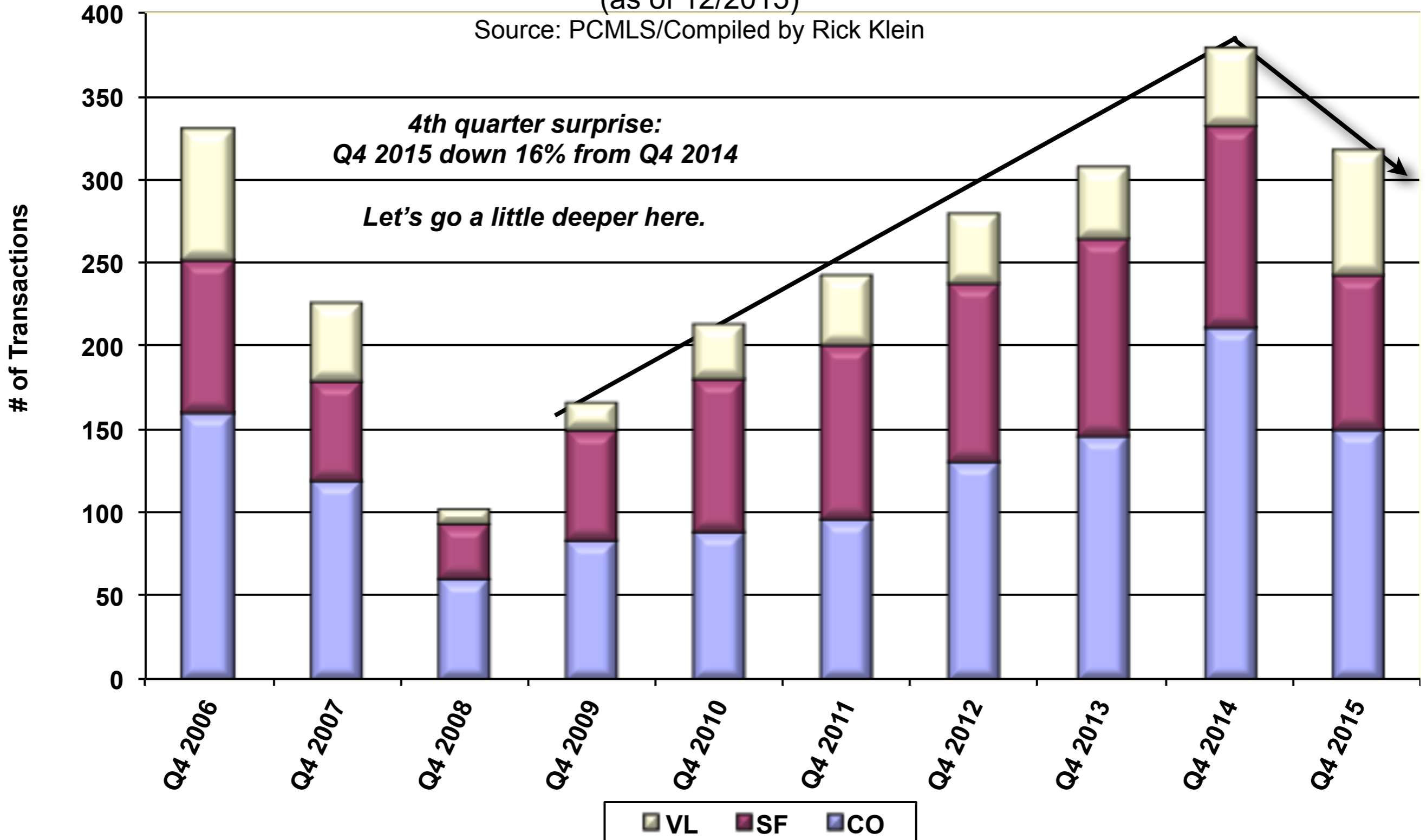


Demand: Pending Sales

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Pended Sales: Greater Park City 4th Qtr Comparison (as of 12/2015)

Source: PCMLS/Compiled by Rick Klein

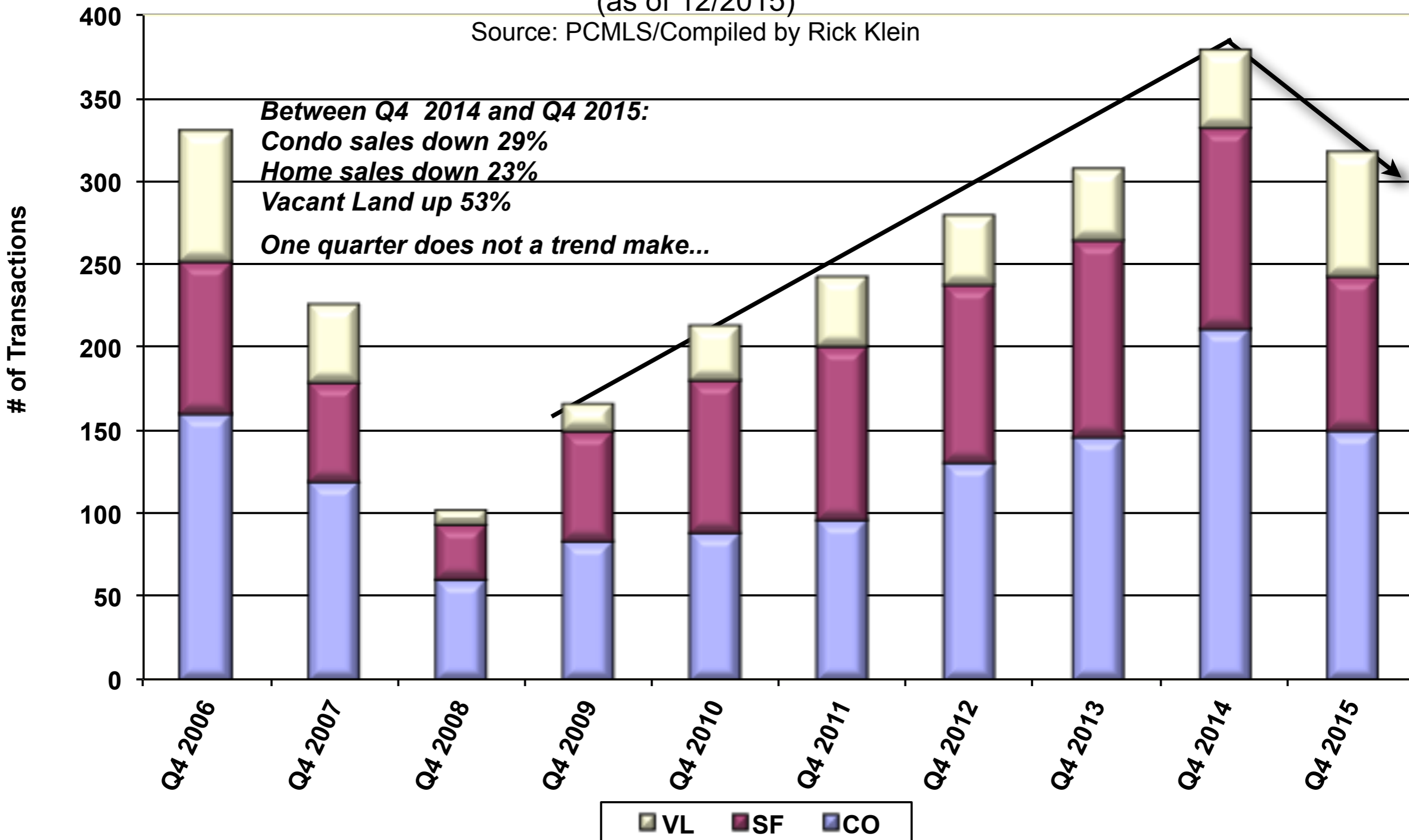


Demand: Pending Sales

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Pended Sales: Greater Park City 4th Qtr Comparison (as of 12/2015)

Source: PCMLS/Compiled by Rick Klein

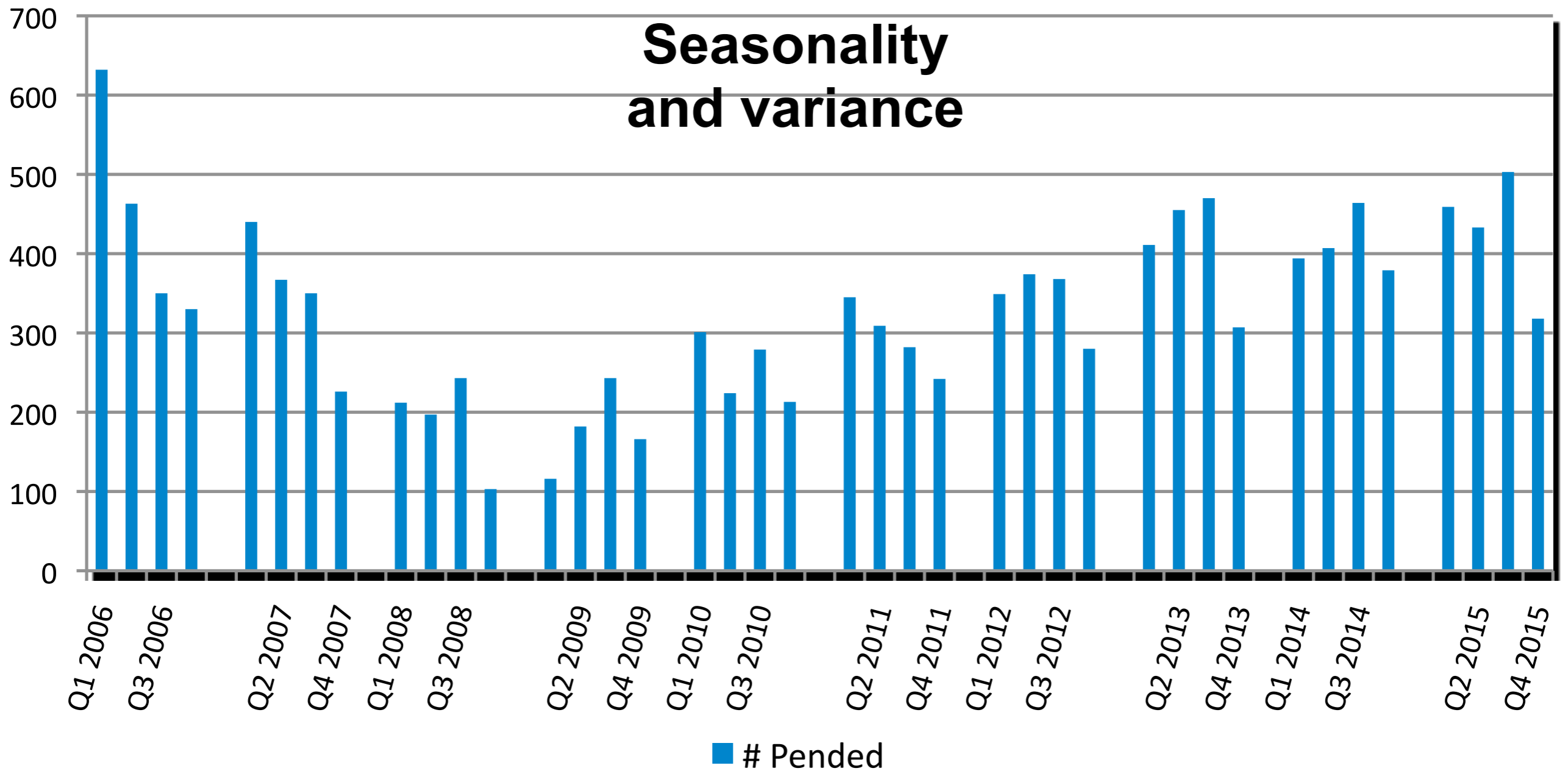


Demand: Pending Sales

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4th Quarter Drop

Seasonality and variance



Demand: Pending Sales

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Diminished Demand or “The Vail Effect”

Number of Pended Sales					
	Q1	Q2	Q3	YTD	Q4
2013	411	455	470	1336	307
2014	394	407	464	1265	379
% change	-4%	-11%	-18%	-5%	23%

Demand: Pending Sales

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Diminished Demand or “The Vail Effect”

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Number of Pended Sales						
	Q1	Q2	Q3	YTD	Q4	what if
2014	394	407	464	1265	379	307
2015	459	433	503	1395	318	318
% change	16%	6%	8%	10%	-16%	4%

Demand: Existing Sales

NAR announced (12/22/15) existing home sales rebounded 14.7% in December because of delays in closings due to “know before you owe” legislation which delayed closings in November. Annually, 2015 saw 5.26M units sold and this is the best since 2006; this is a 6.5% increase over 2014.

Dr Yun forecast 2016 GDP at 1.5% resulting in homes sales being flat but with prices rising 4% - 5% due to a housing shortage in many markets.

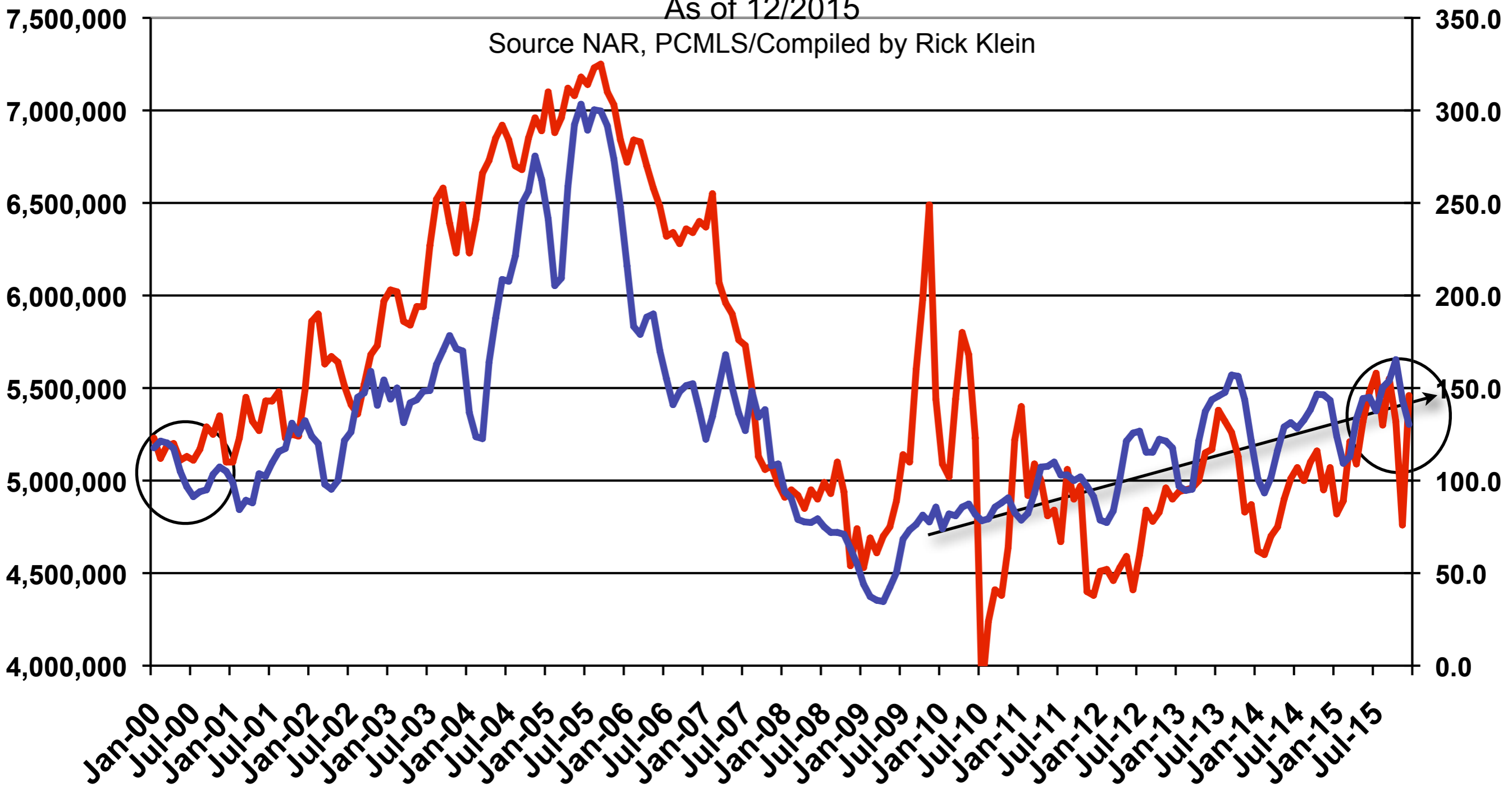
GPC three month rolling average closed down 9% from last December due to “the Vail Effect.” GPC showed a 5.6% annual increase over 2014 and is also the highest number of sold transactions since 2006. .

Demand: Existing Sales

NAR and GPC # of Transactions

As of 12/2015

Source NAR, PCMLS/Compiled by Rick Klein



— NAR SAAR Left Axis — PC 3 Mo Rolling Avg Right Axis

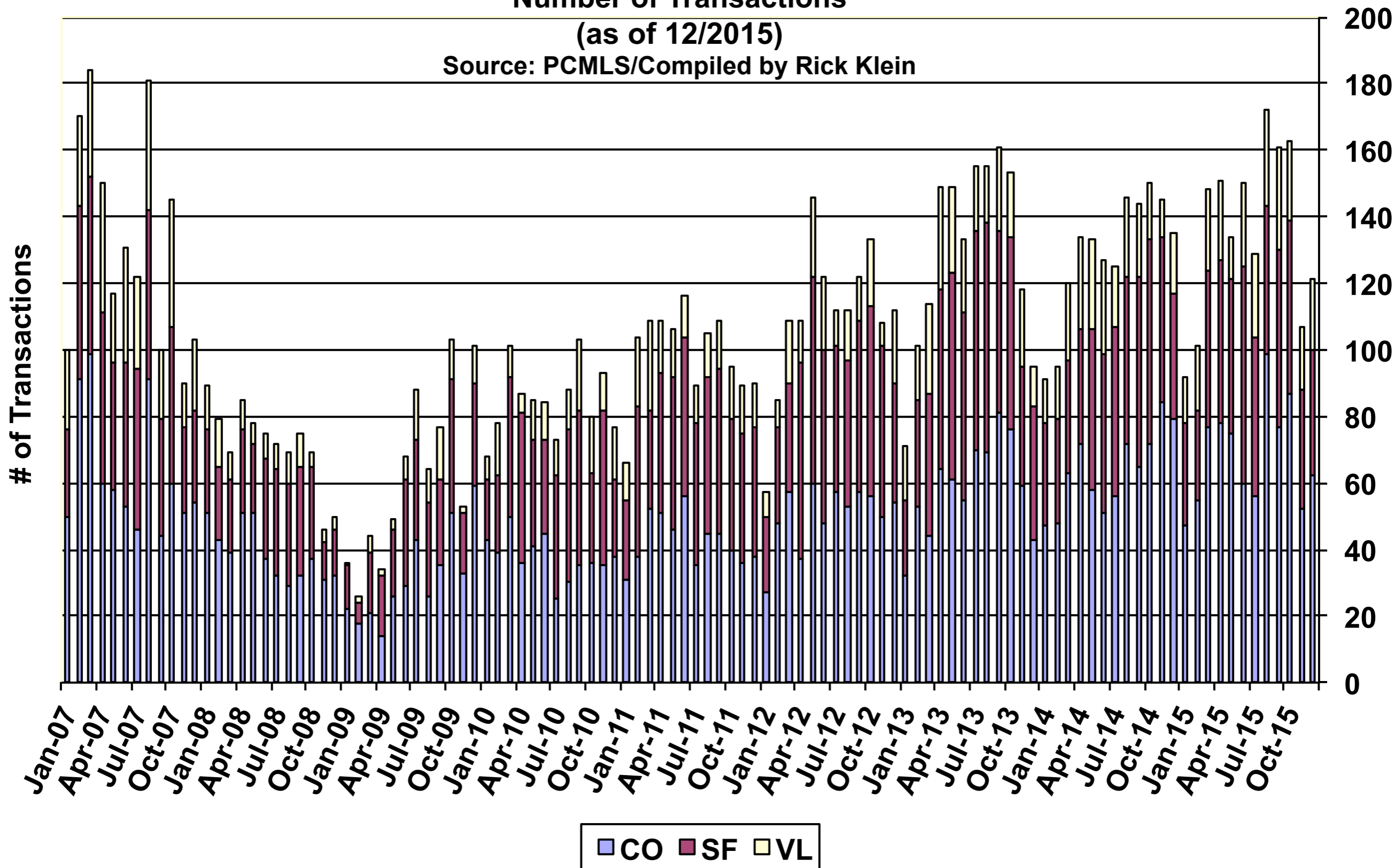
Demand: Existing Sales

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Closed Sales: Greater Park City Number of Transactions

(as of 12/2015)

Source: PCMLS/Compiled by Rick Klein



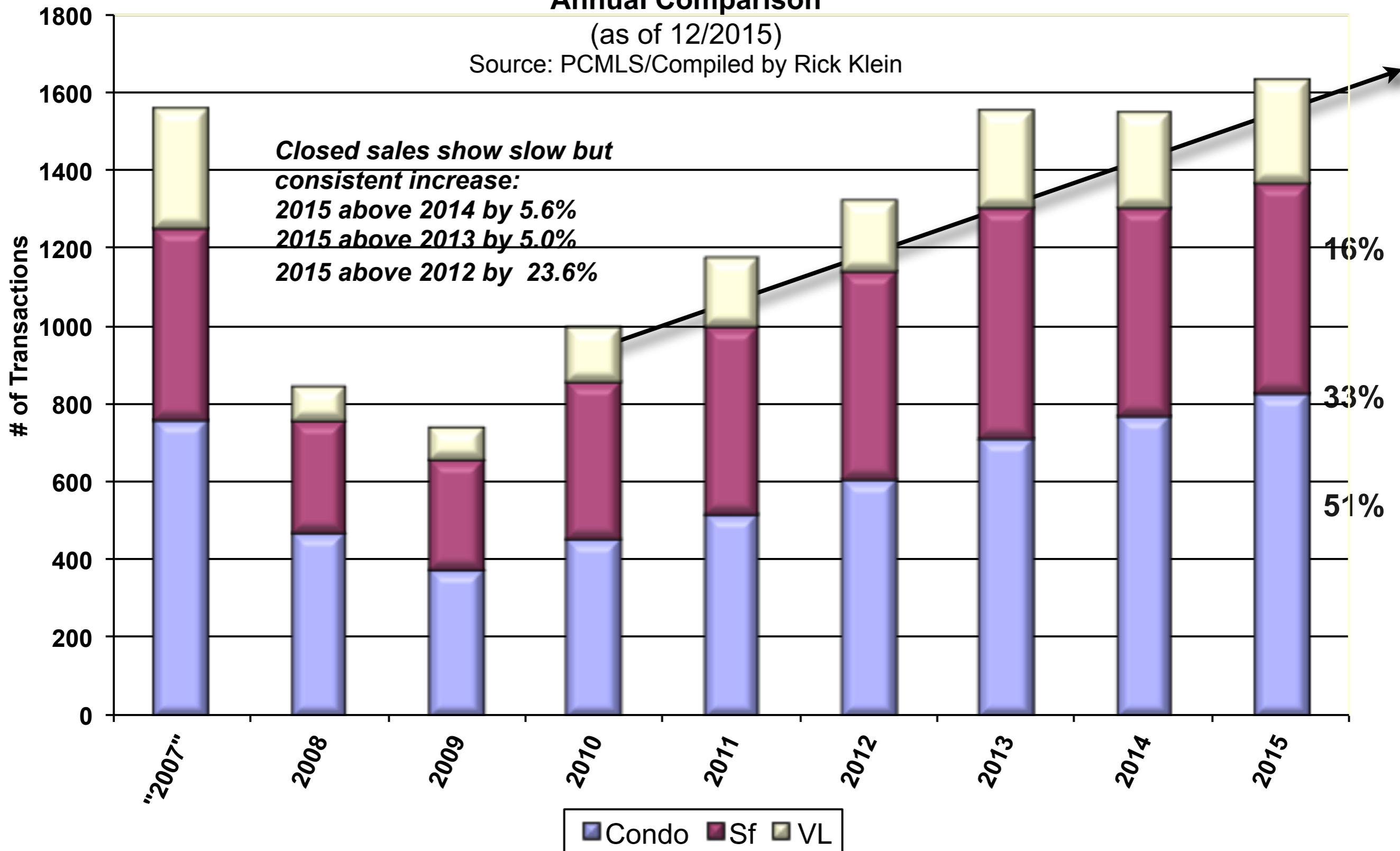
Demand: Existing Sales

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Closed Sales: Greater Park City Annual Comparison

(as of 12/2015)

Source: PCMLS/Compiled by Rick Klein



Demand: Existing Sales

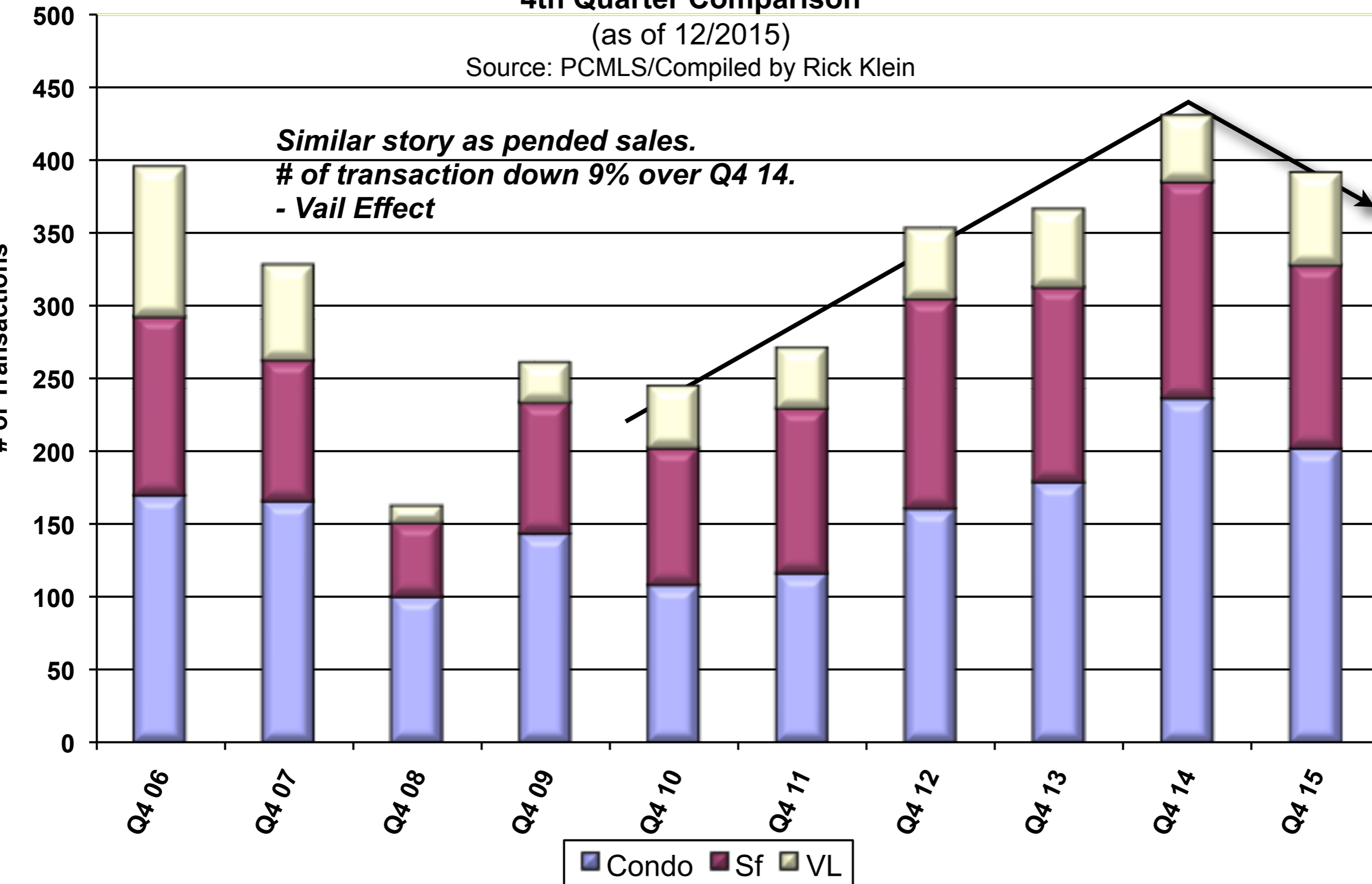
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Closed Sales: Greater Park City 4th Quarter Comparison

(as of 12/2015)

Source: PCMLS/Compiled by Rick Klein

*Similar story as pended sales.
of transaction down 9% over Q4 14.
- Vail Effect*



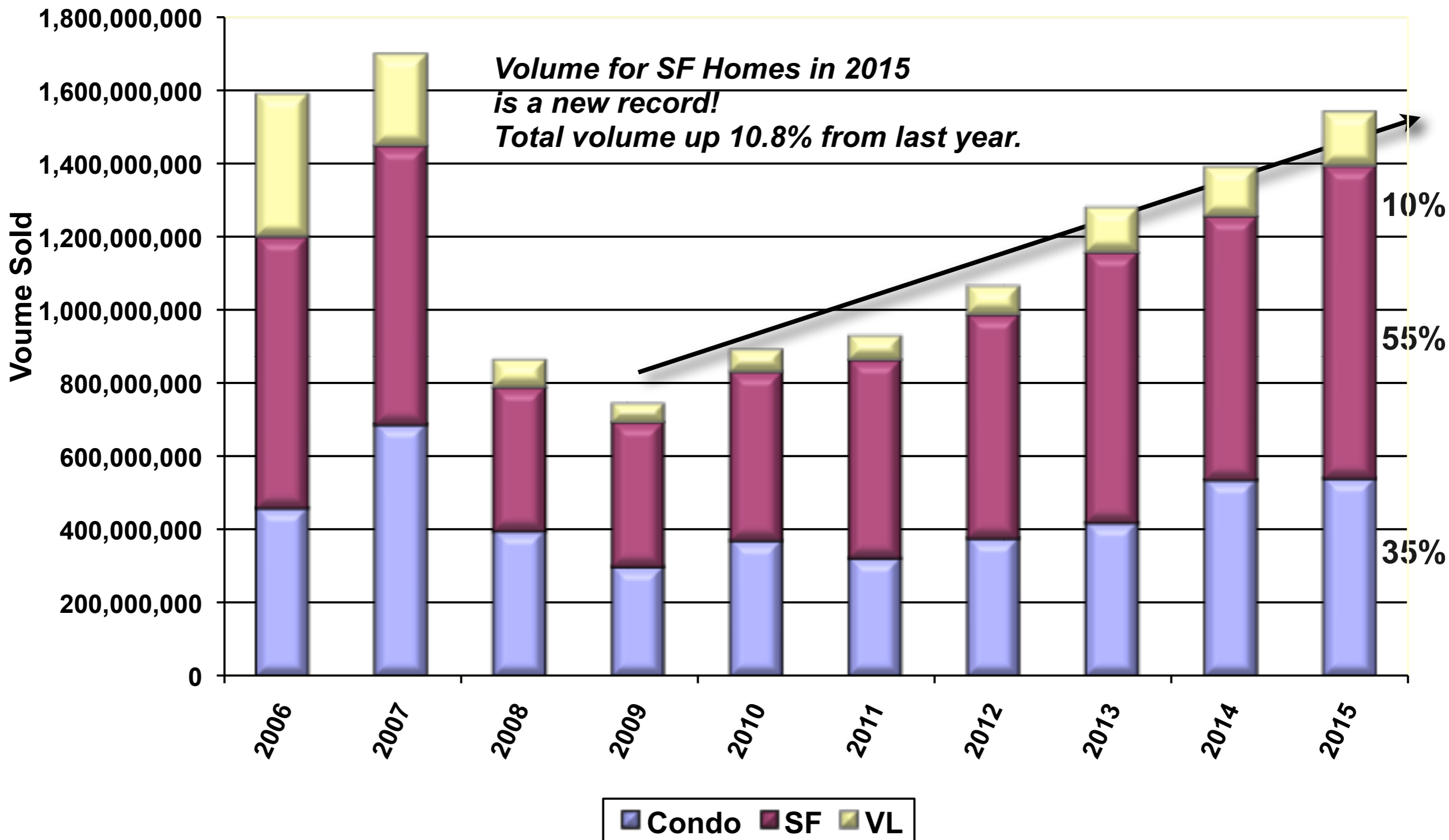
Demand: Existing Sales

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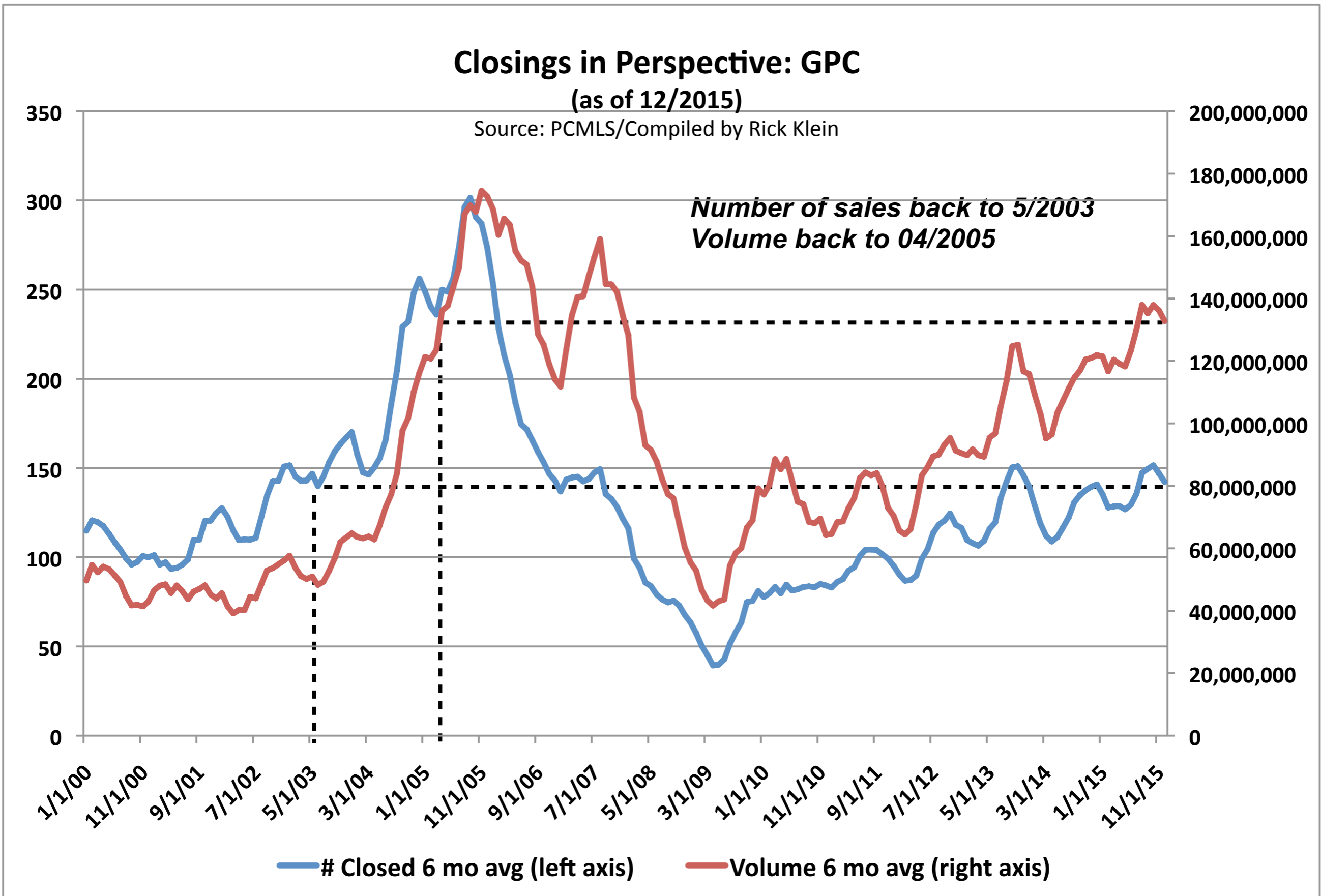
Greater Park City Annual Volume

(as of 12/2015)

Source: PCMLS/Compiled by Rick Klein



Demand: Existing Sales



Supply: Inventory

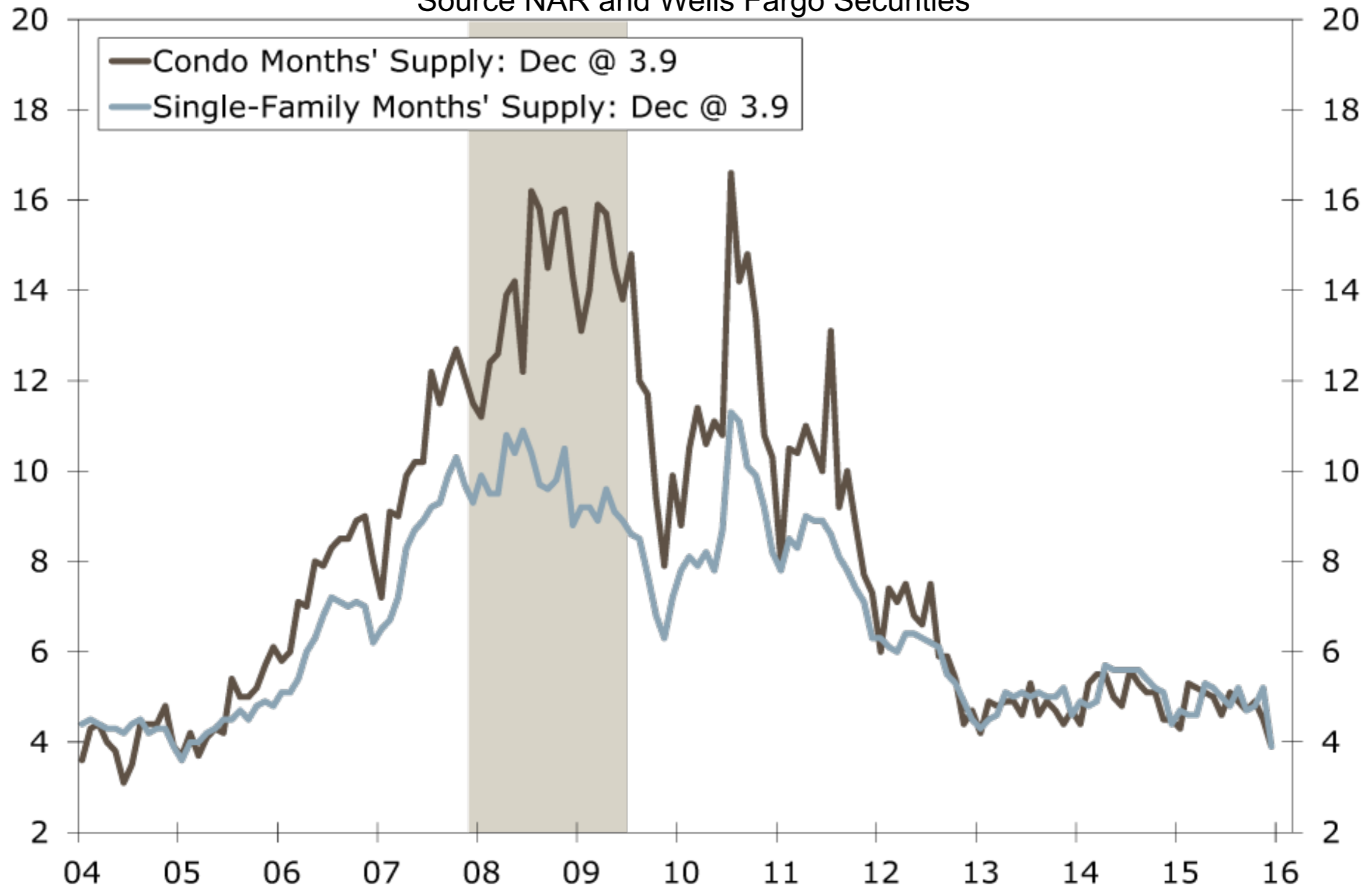
NAR: Total housing inventory at the end of December decreased 1.79M existing homes for sale and is now 3.8% lower than a year ago. Unsold inventory is at a 3.9 month supply and is the lowest since January of 2005.

GPC total listings January 1st were 1,051 down 3.8% from the month before and are up 32 listings or 3.1% from last year, where it hit a historic low. The absorption rate is 8.1 months for all properties and 6.9 months for condos and single family.

Supply: Inventory

Existing Home Supply

In Months, Seasonally Adjusted
Source NAR and Wells Fargo Securities



Supply: Inventory

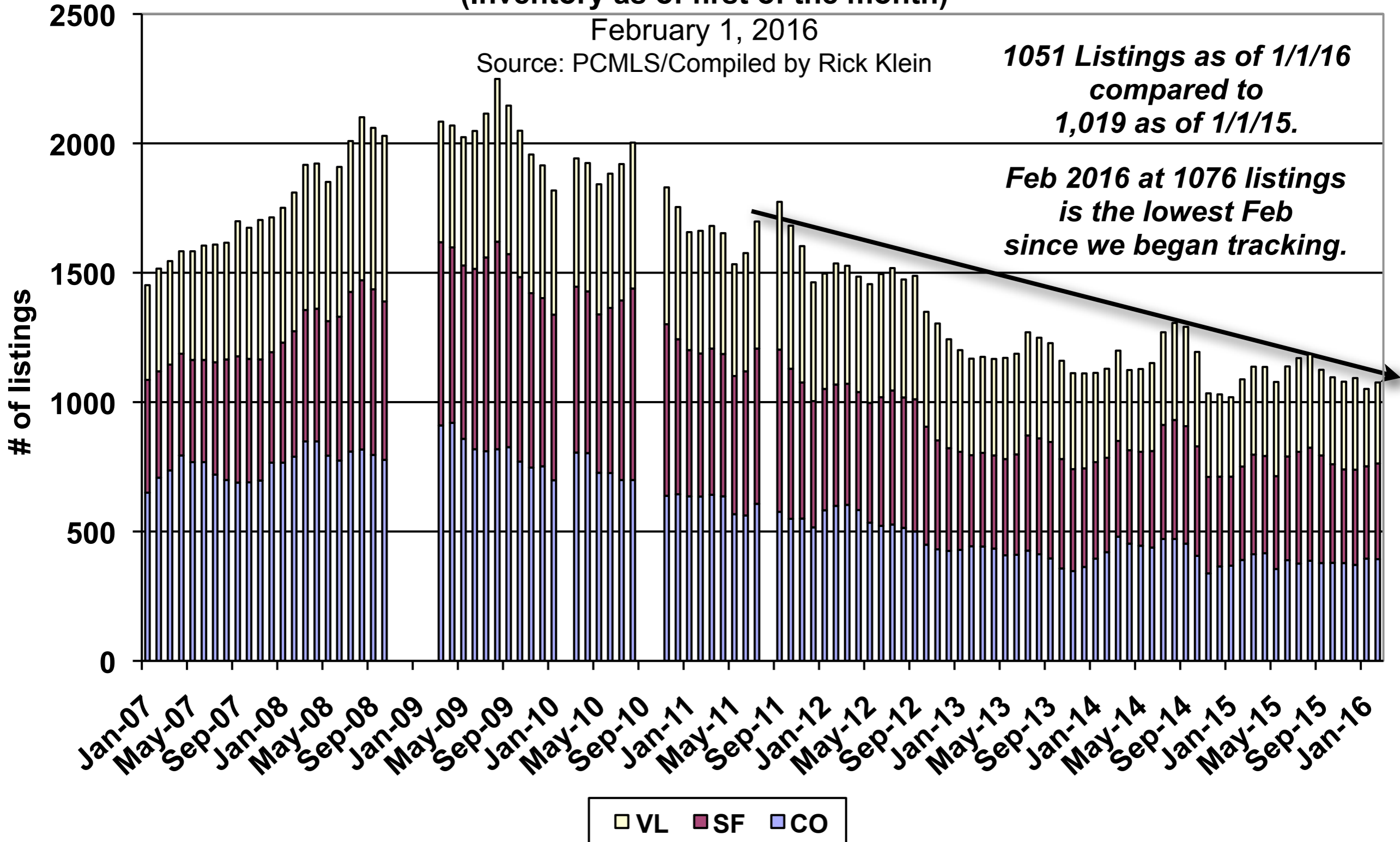
Active Listings - Greater Park City (Inventory as of first of the month)

February 1, 2016

Source: PCMLS/Compiled by Rick Klein

**1051 Listings as of 1/1/16
compared to
1,019 as of 1/1/15.**

**Feb 2016 at 1076 listings
is the lowest Feb
since we began tracking.**



Supply

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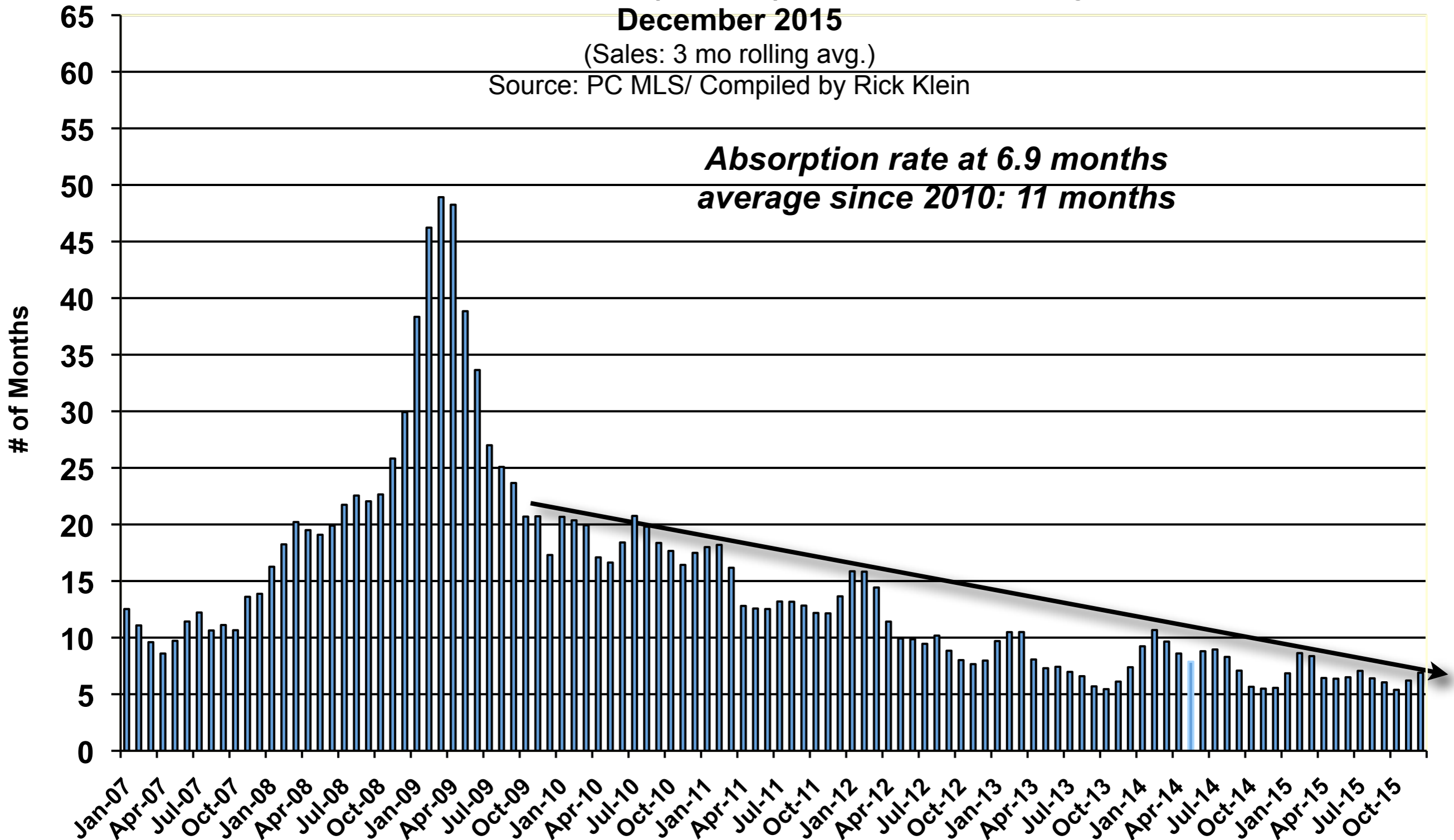
Absorption Rate (ex lots): Greater Park City

December 2015

(Sales: 3 mo rolling avg.)

Source: PC MLS/ Compiled by Rick Klein

*Absorption rate at 6.9 months
average since 2010: 11 months*



Supply: Q4 15 Inventory Change Per Area

435 647 9055

	CO		SF		VL		Total	
	Inventory	% change	Inventory	% change	Inventory	% change	Inventory	% change
1 Old Town	64	33.3%	49	53.1%	9	800.0%	122	50.6%
2 Thaynes			11	22.2%	3	200.0%	14	40.0%
3 Lower DV	36	-14.3%	15	87.5%	3	-76.9%	54	-14.3%
4 Deer Crest	22	22.2%	12	0.0%	6	-25.0%	40	5.3%
5 Upper DV	39	-25.0%	30	7.1%	3	50.0%	72	-12.2%
6 Empire	49	-16.9%	9	-30.8%	2	-50.0%	60	-21.1%
7 Aerie	3	50.0%	9	50.0%	3	#DIV/0!	15	87.5%
8 Prospector	14	-12.5%	2	#DIV/0!	2	-33.3%	18	-5.3%
9 Park Meadows	4	-60.0%	14	-36.4%	6	50.0%	24	-33.3%
10 Canyons	85	26.9%	27	-3.6%	27	28.6%	139	19.8%
11 Sun Peak	11	57.1%	7	40.0%	1	0.0%	19	46.2%
12 Silver Springs	3	200.0%	5	150.0%			8	166.7%
13 Old Ranch Rd			8	14.3%	4	0.0%	12	9.1%
14 Kimball	12	-20.0%	0	-100.0%	2	100.0%	14	-17.6%
15 Pinebrook	5	66.7%	10	-9.1%	7	-56.3%	22	-26.7%
16 Summit Park			6	20.0%	9	0.0%	15	7.1%
17 Jeremy	2	0.0%	16	45.5%	9	12.5%	27	28.6%
18 Glenwild/S Creek			29	-9.4%	42	23.5%	71	7.6%
19 Trailside			12	100.0%	4	100.0%	16	100.0%
21 Promontory			67	-5.6%	74	2.8%	141	-1.4%
23 Jordanelle	46	76.9%	19	-45.7%	83	-18.6%	148	-9.2%
Grand Total	395	7.3%	357	920.0%	299	-2.6%	1051	3.1%

* # of Sales based upon past 12 months

Supply: Q4 15 Absorption Rate Per Area

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	Condo			SF			VL		
	listings	# sales	Months	listings	# sales	Months	listings	# sales	Months
1 Old Town	64	108	7.11	49	52	11.31	9	10	10.80
2 Thaynes				11	11	12.00	3	1	36.00
3 Lower DV	36	64	6.75	15	11	16.36	3	8	4.50
4 Deer Crest	22	6	44.00	12	5	28.80	6	2	36.00
5 Upper DV	39	27	17.33	30	12	30.00	3	0	#DIV/0!
6 Empire	49	28	21.00	9	4	27.00	2	1	24.00
7 Aerie	3	2	18.00	9	4	27.00	3	2	18.00
8 Prospector	14	55	3.05	2	11	2.18	2	0	#DIV/0!
9 Park Meadows	4	39	1.23	14	49	3.43	6	3	24.00
10 Canyons	85	84	12.14	27	9	36.00	27	18	18.00
11 Sun Peak	11	58	2.28	7	22	3.82	1	2	6.00
12 Silver Springs	3	10	3.60	5	38	1.58	0	2	N/A
13 Old Ranch Rd				8	10	9.60	4	1	48.00
14 Kimball	12	135	1.07	0	11	N/A	2	0	#DIV/0!
15 Pinebrook	5	53	1.13	10	48	2.50	7	10	8.40
16 Summit Park	0	2	N/A	6	30	2.40	9	8	13.50
17 Jeremy	2	19	1.26	16	41	4.68	9	14	7.71
18 Glenwild/S Creek				29	39	8.92	42	42	12.00
19 Trailside				12	34	4.24	4	1	48.00
21 Promontory				67	60	13.40	74	72	12.33
23 Jordanelle	46	135	4.09	19	37	6.16	83	69	14.43
Grand Total	395	720	6.58	357	538	7.96	299	266	13.49

* # of Sales based upon past 12 months

Cash Sales

NAR: cash sales were 24% of transactions in December down from 26% a year ago. Individual investors purchased 15% of homes last month; 64% of investors paid cash in December. First time buyers jumped up to 32% from 29% last December.

Will we finally see an improved rate of financing in GPC?

Cash Sales

Cash Sales History

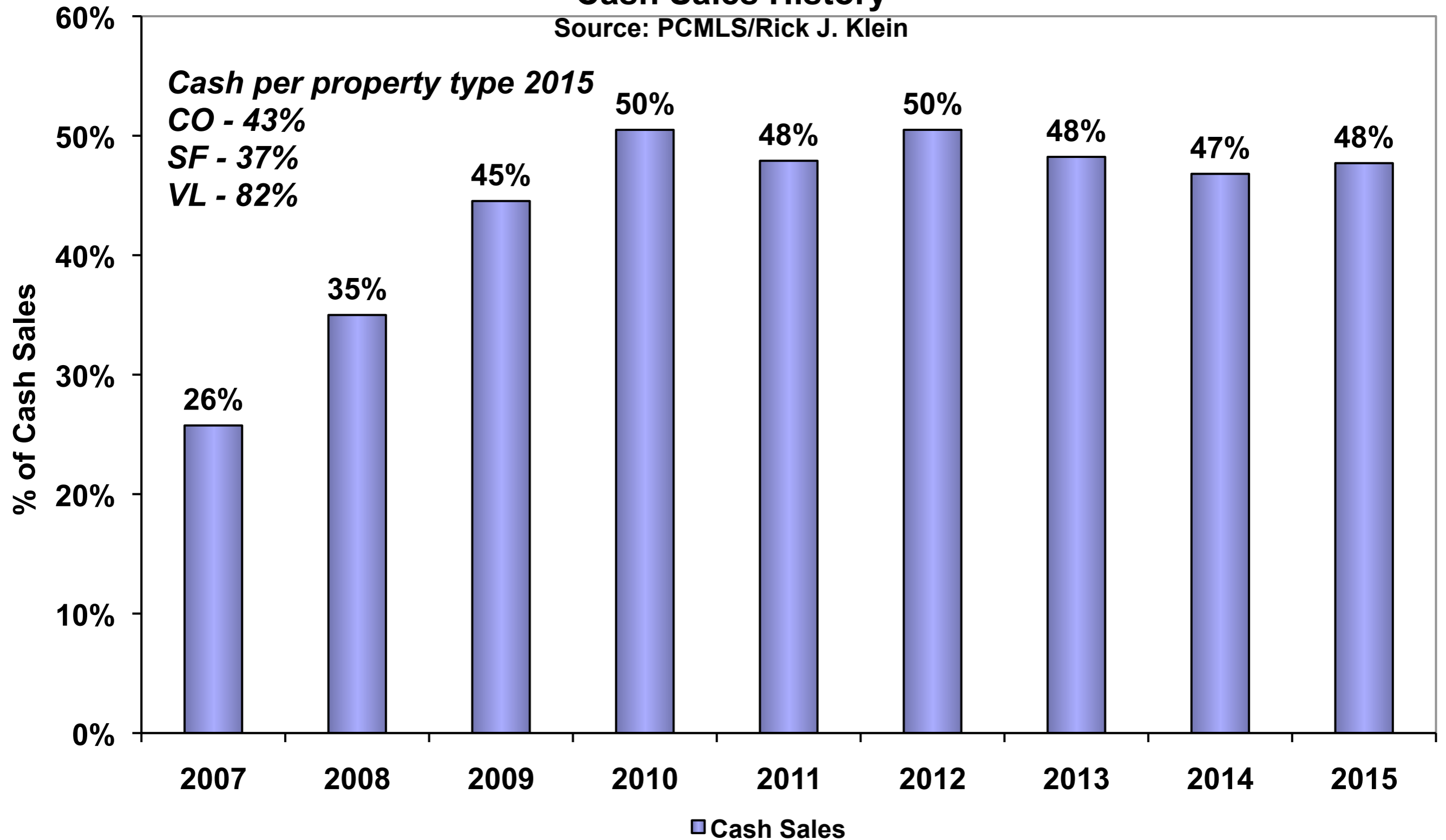
Source: PCMLS/Rick J. Klein

Cash per property type 2015

CO - 43%

SF - 37%

VL - 82%



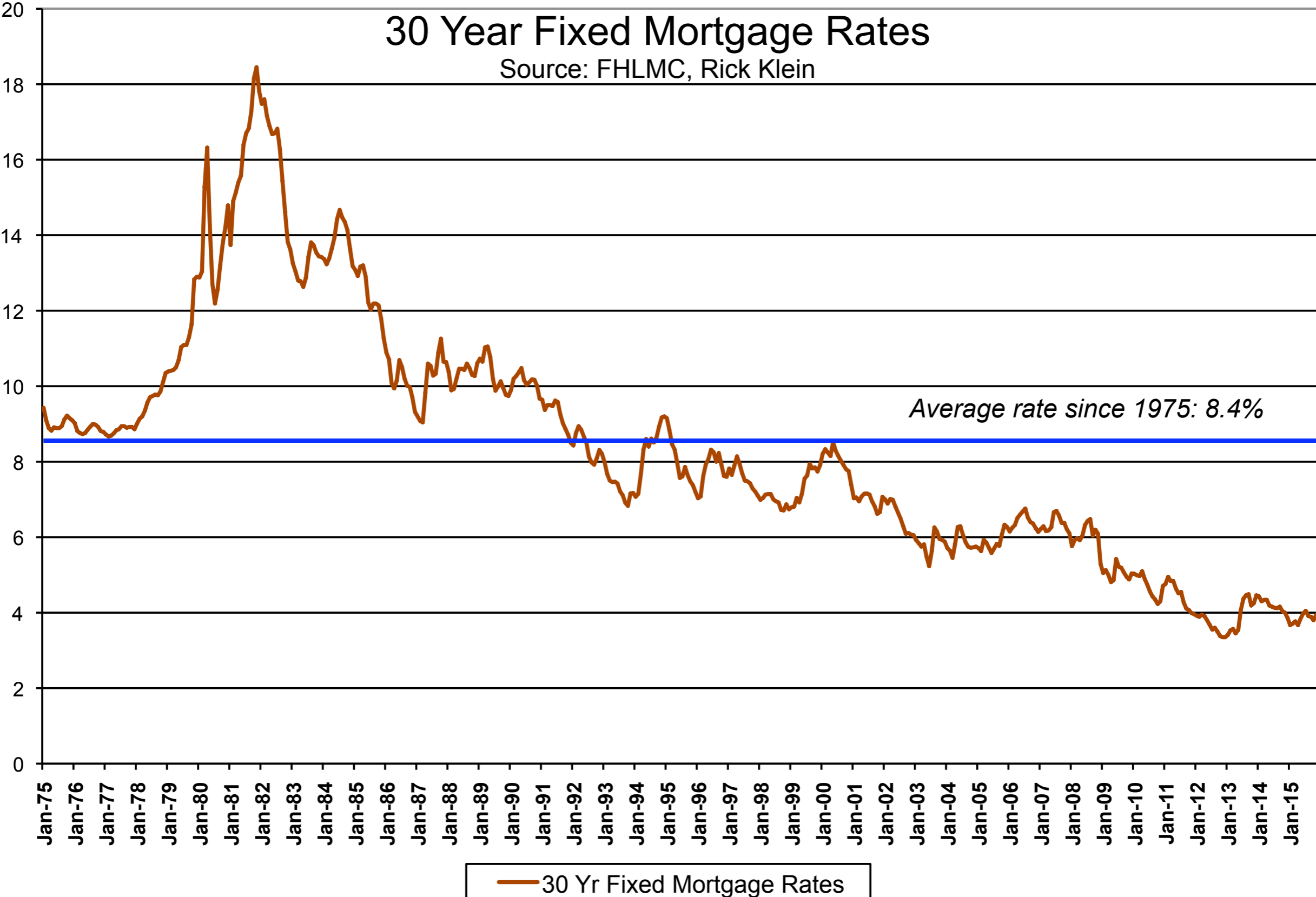
Mortgage Rates

Rates quoted for a purchase transaction (as of 2/8/16)

	30 Year Fixed	7/1 ARM
Conforming	3.875% 3.970% APR	3.500% 3.475% APR
High Balance (\$600,300)	3.875% 3.902% APR	3.500% 3.470% APR
Non-Conforming	3.500% 3.513% APR	2.750% 3.158% APR

Conforming 15 year fixed: 3.125%; APR 3.273%

Mortgage Rates



Home Prices

Case Shiller announced (1/26/16) home prices increased **5.3%** annually as of November 2015.

FHFA stated (1/26/16) home prices increased **5.9%** for the 12 months ending November 2015 and were up 0.5% from October.

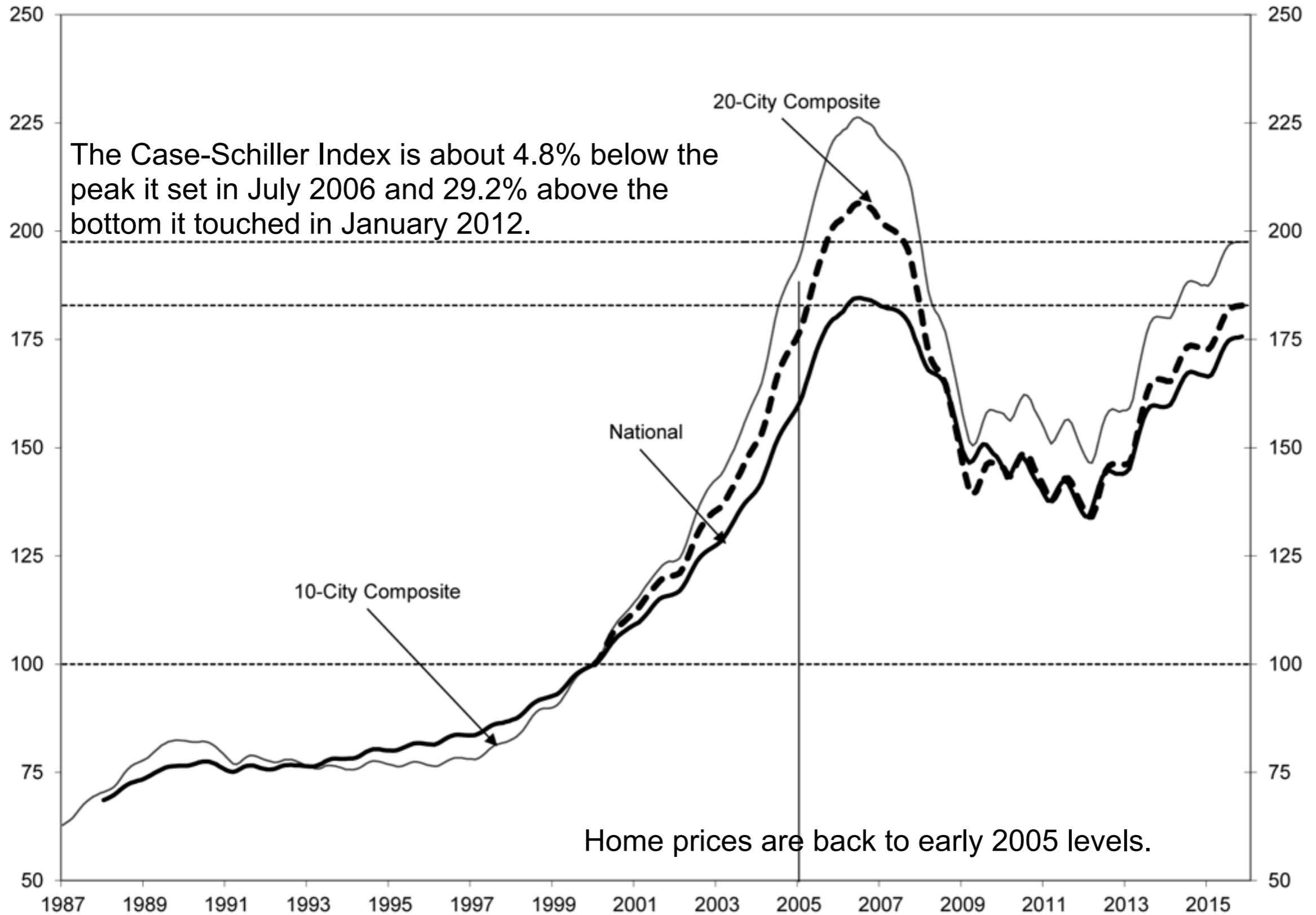
CoreLogic reported (2/2/16) home prices increased **6.3%** year over year in December. Home prices nationwide remain 7.6% below their peak set in April 2006. CL forecast a rise in prices of 5.4% next year. Last year's appreciation rate in Utah was **7.2%**.

NAR (10/23) stated median existing home price was \$224,100; this is a **7.6%** increase from December 2014.

GPC 12 month median price for 2015 is \$560K and the mean price is \$940K. This represents a **4.7%** and **6.1%** increase respectively over 2014.

Home Prices

S&P/Case-Shiller Home Price Indices



Metropolitan Area	November 2015 Level	November/October Change (%)	October/September Change (%)	1-Year Change (%)
Atlanta	125.69	-0.3%	-0.2%	5.7%
Boston	183.58	-0.5%	0.0%	4.7%
Charlotte	135.07	0.3%	0.3%	5.3%
Chicago	130.43	-0.7%	-0.8%	2.0%
Cleveland	108.74	0.0%	-0.6%	2.2%
Dallas	156.15	0.2%	0.4%	9.4%
Denver	174.43	0.1%	0.4%	10.9%
Detroit	103.40	0.1%	-0.3%	6.3%
Las Vegas	144.76	-0.1%	0.0%	5.2%
Los Angeles	239.83	0.3%	0.1%	6.2%
Miami	206.68	0.8%	0.6%	8.1%
Minneapolis	147.72	0.1%	-0.1%	4.8%
New York	181.19	-0.3%	-0.1%	3.7%
Phoenix	156.47	0.3%	0.5%	5.9%
Portland	189.47	0.3%	0.5%	11.1%
San Diego	216.30	0.3%	-0.3%	6.0%
San Francisco	218.40	0.3%	0.6%	11.0%
Seattle	186.06	0.5%	0.5%	9.7%
Tampa	174.95	0.5%	0.6%	6.0%
Washington	211.60	0.1%	-0.3%	2.1%
Composite-10	197.54	0.0%	0.0%	5.3%
Composite-20	182.86	0.1%	0.1%	5.8%
U.S. National	175.71	0.1%	0.1%	5.3%

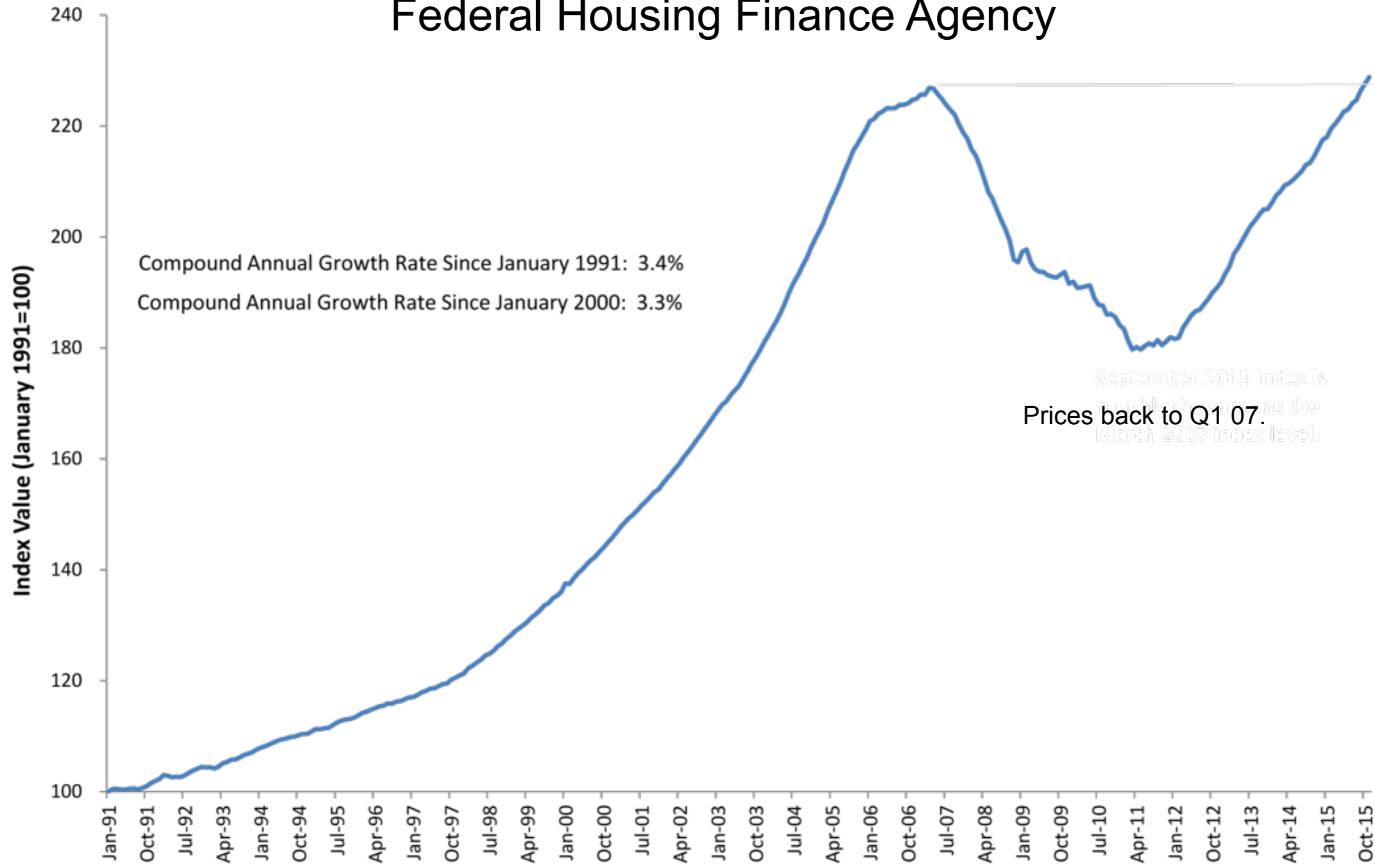
*Source: S&P Dow Jones Indices and CoreLogic
Data through November 2015*

Home Prices

Monthly U.S. Price Index for

Purchase-Only, Seasonally Adjusted Index, January 1991 - Present

Federal Housing Finance Agency

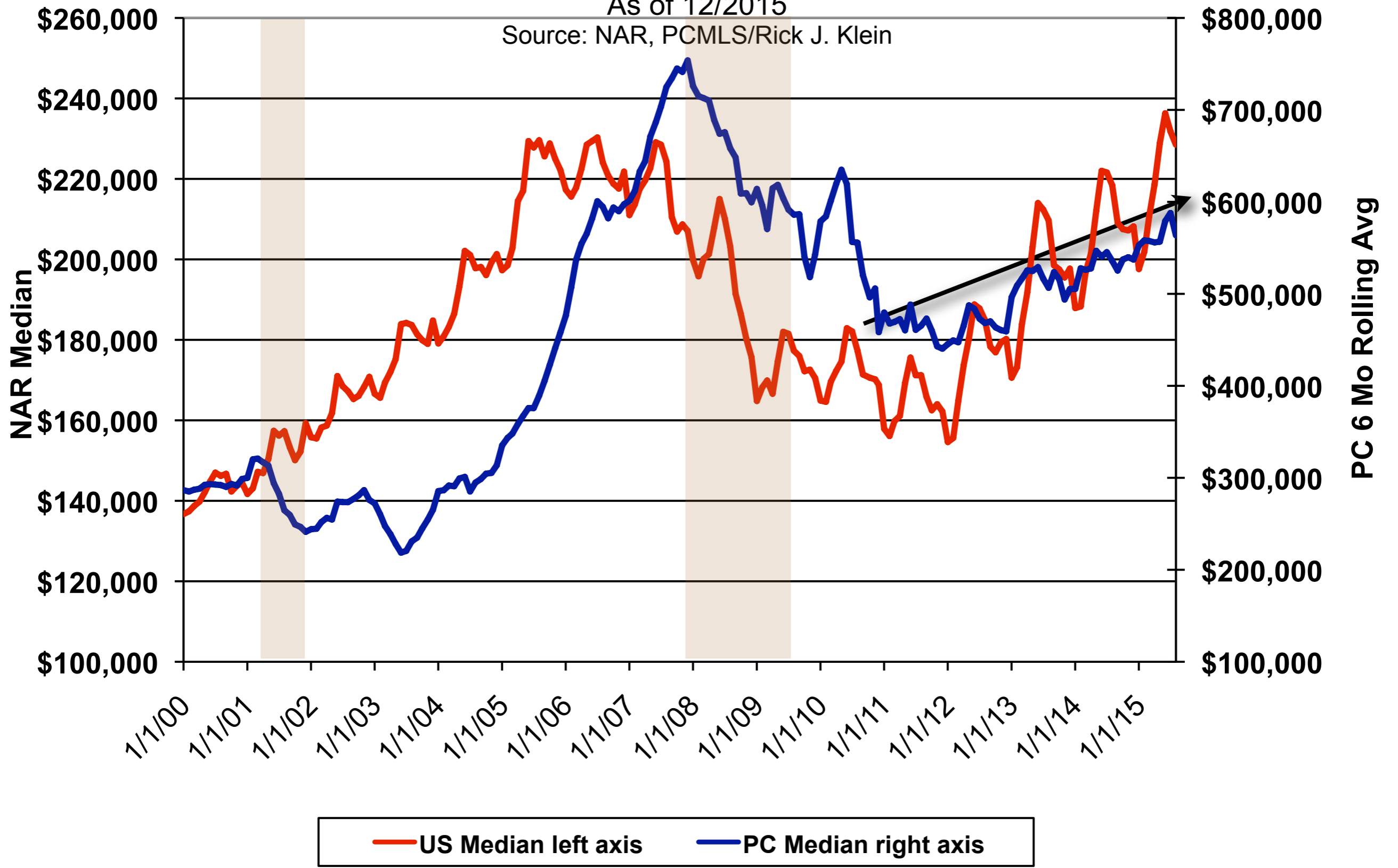


Home Prices

NAR and PC Median Price Trends

As of 12/2015

Source: NAR, PCMLS/Rick J. Klein



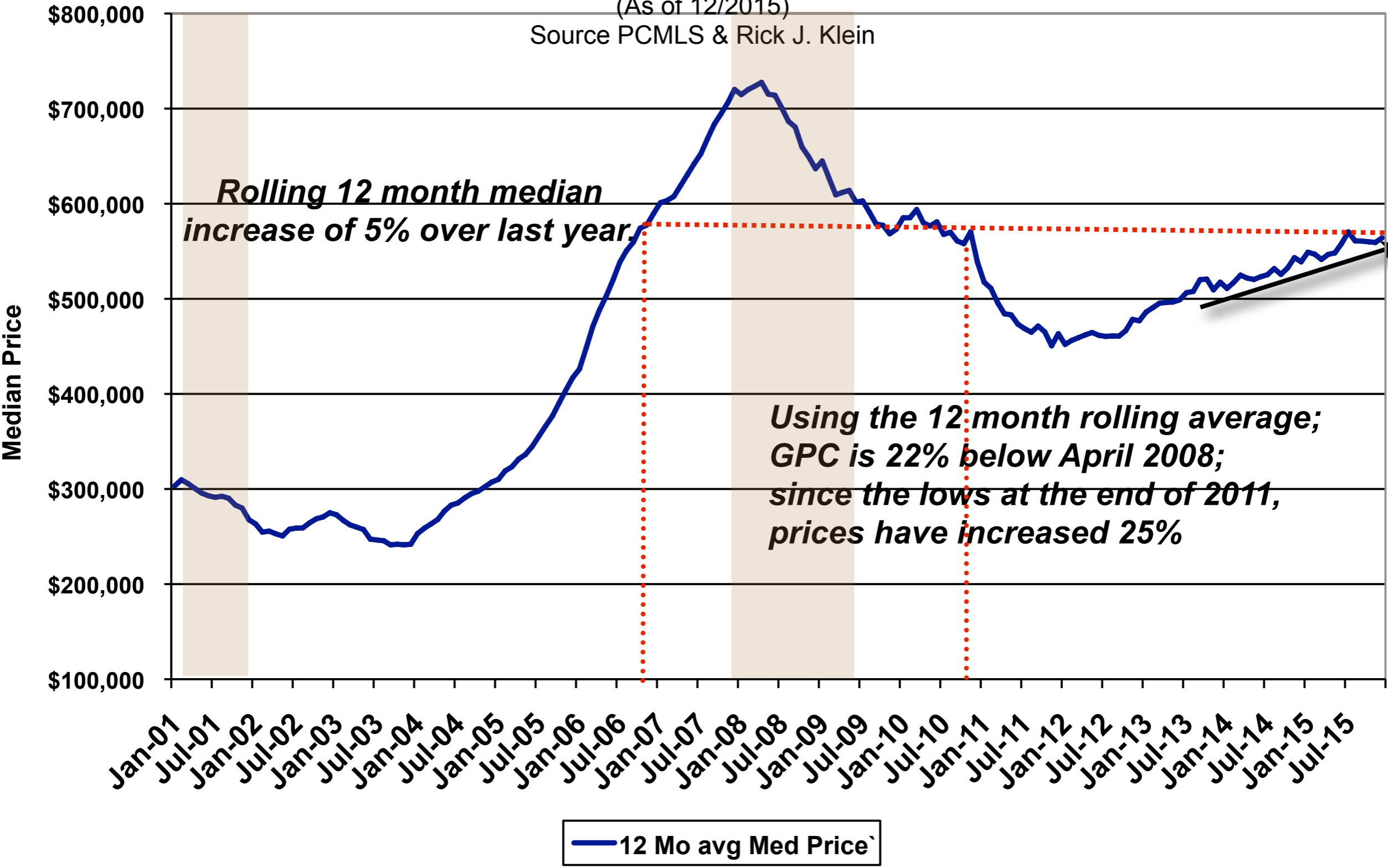
Homes Prices

Greater Park City Median Prices

12 month rolling average

(As of 12/2015)

Source PCMLS & Rick J. Klein



Homes Prices By Areas

Condos from peak to trough and back

	Current 12/31/2015	High Point 4/30/2008	Low Point 10/30/2011	% from high	% from low
Old Town Condos					
Median	449,950	722,100	342,000	-38%	32%
Units	108	126	101		
Lower DV Condos					
Median	780,000	1,045,000	632,500	-25%	23%
Units	64	51	54		
Canyons Condos					
Median	401,000	550,000	315,000	-27%	27%
Units	84	41	63		
Kimball Condos					
Median	375,000	435,000	178,500	-14%	110%
Units	135	115	64		

Homes Prices By Areas

Single Family from peak to trough and back

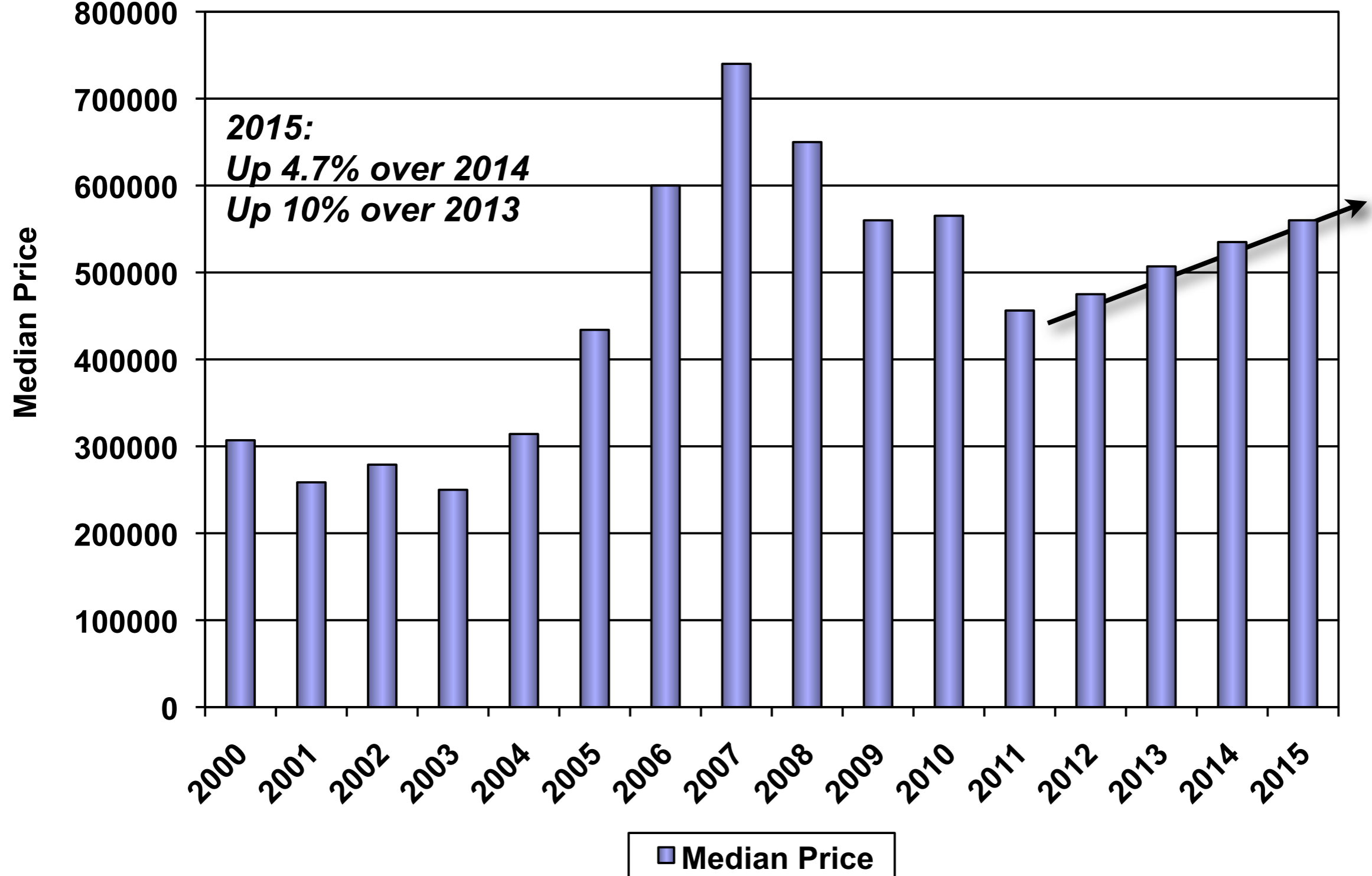
	Current 12/31/2015	High Point 4/30/2008	Low Point 10/30/2011	% from high	% from low
Old Town					
Median	1,312,500	1,211,250	794,500	8%	65%
Units	52	27	44		
Park Meadows SF					
Median	1,439,000	1,455,938	1,050,000	-1%	37%
Units	49	42	49		
Silver Springs SF					
Median	960,000	765,000	691,500	25%	39%
Units	38	31	27		
Pinebrook SF					
Median	733750	771250	630000	-5%	16%
Units	48	44	38		
Promontory SF					
Median	1,669,500	1,855,432	1,150,000	-10%	45%
Units	60	38	47		

Home Prices

GPC 12 Month Median Prices

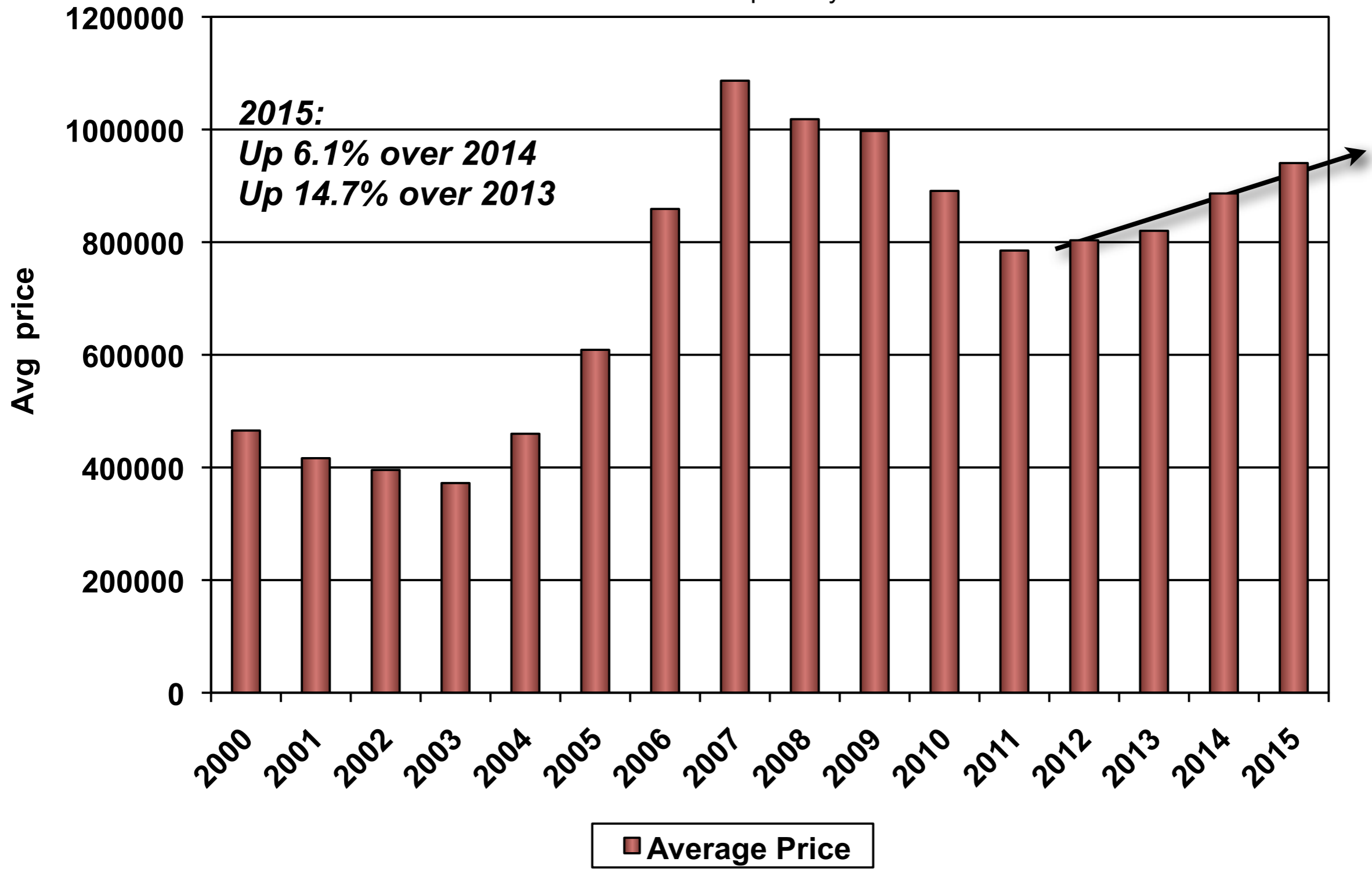
As of 12/2015

Source: PCMLS/Compiled by Rick Klein



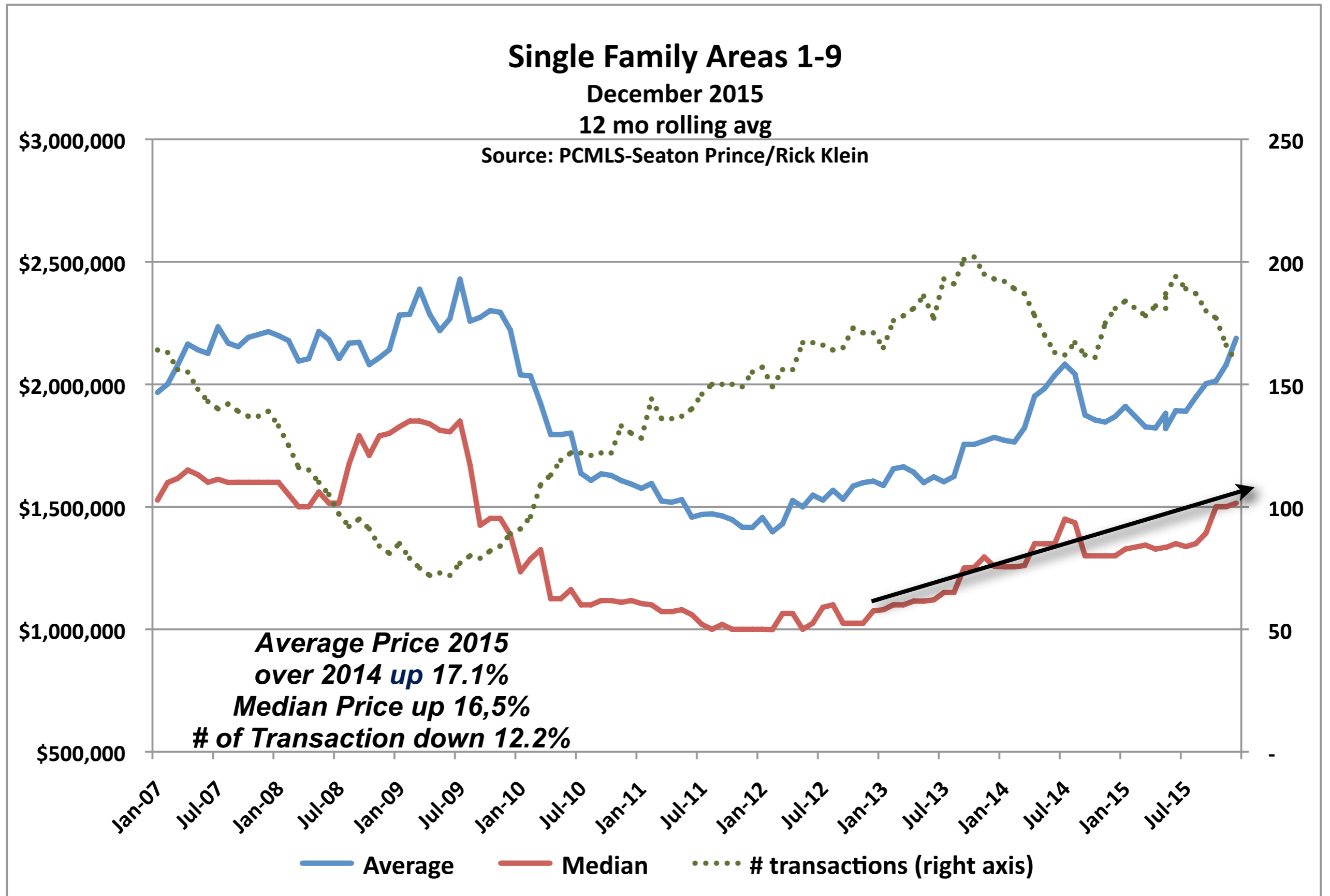
Home Prices

GPC 12 Month Average Prices
As of 12/2015
Source: PCMLS/Compiled by Rick Klein



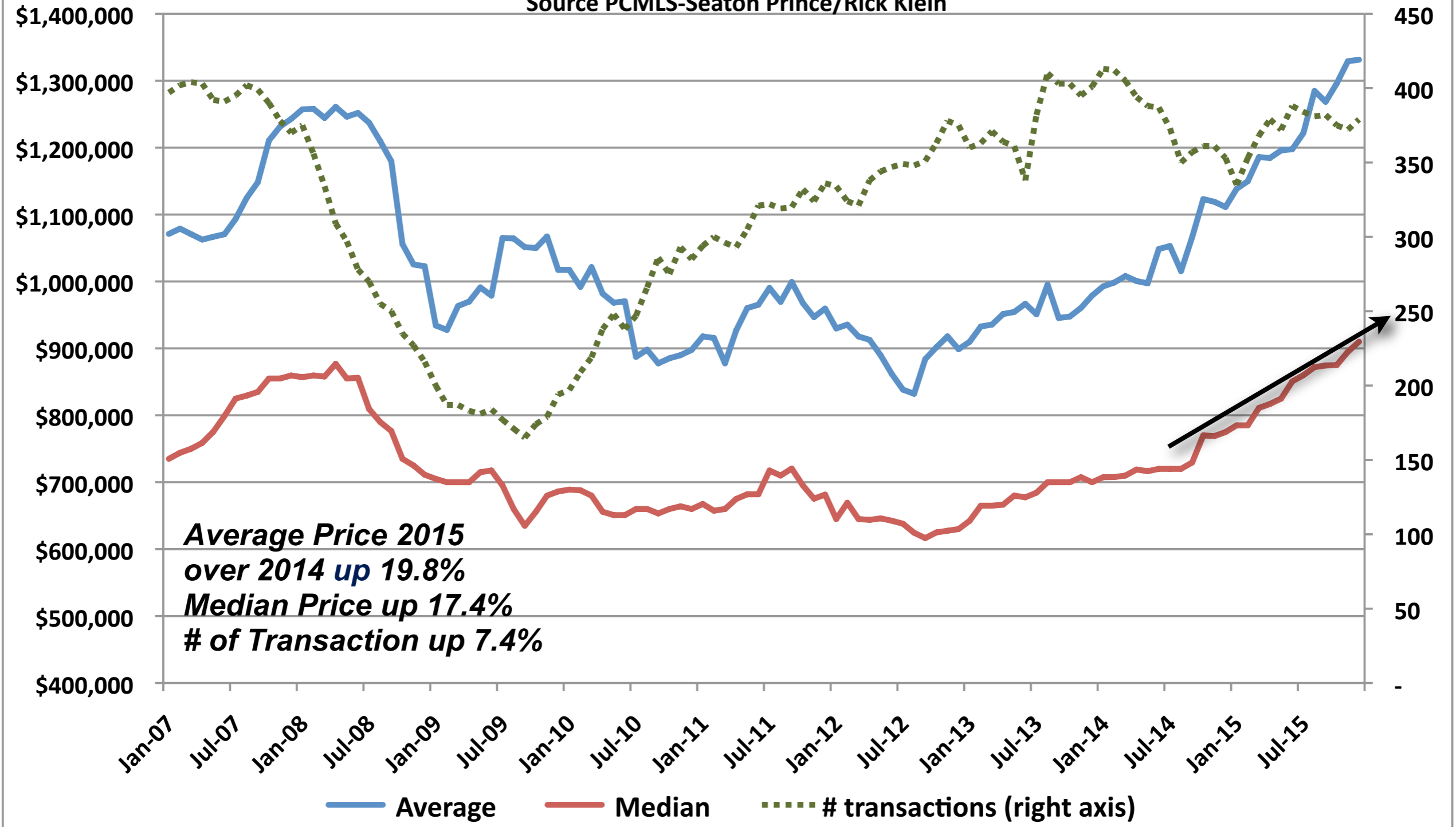
Home Prices by Segment

Single Family Areas 1-9
December 2015
12 mo rolling avg
Source: PCMLS-Seaton Prince/Rick Klein

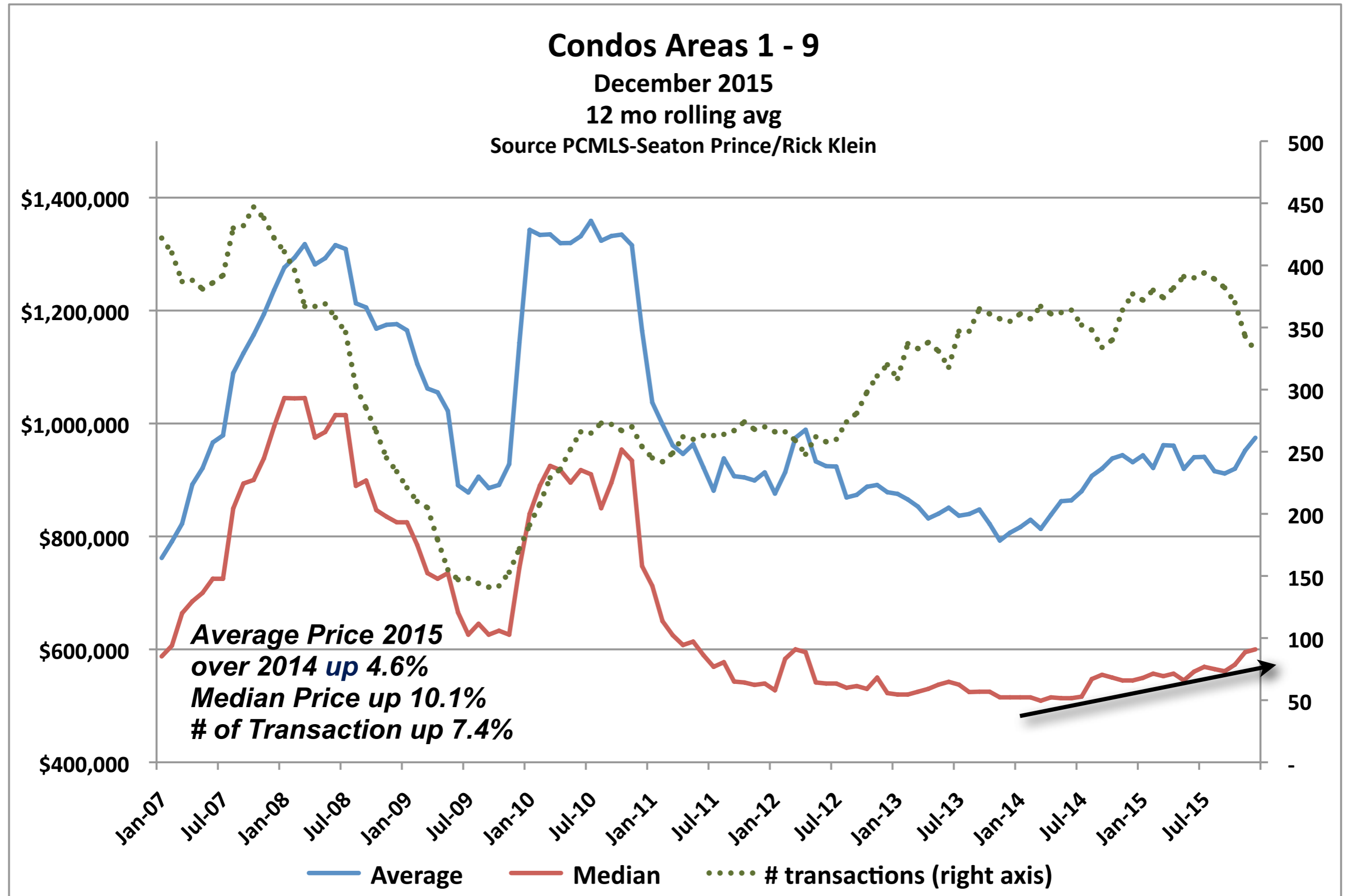


Home Prices by Segment

Single Family Areas 10-23
December 2015
12 mo rolling avg
Source PCMLS-Seaton Prince/Rick Klein



Home Prices by Segment



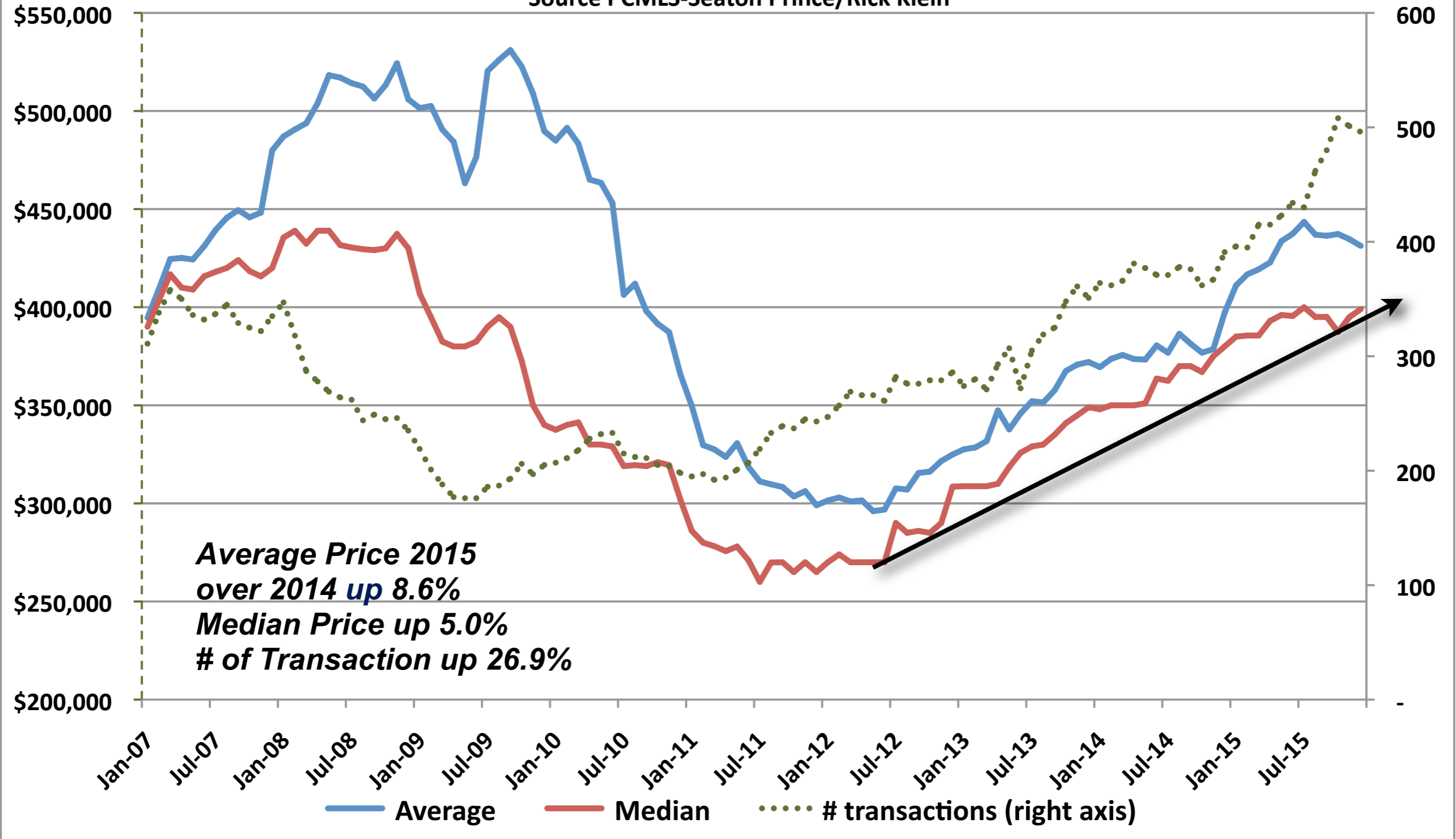
Home Prices by Segment

Condos Areas 10 - 23

December 2015

12 mo rolling avg

Source PCMLS-Seaton Prince/Rick Klein



Market Snapshot

	Q4 2014	Q42015	% change		Q42014	Q4 2015	% change
CO 1-9				CO 10-23			
Listings 12/31	247	231	-6.5%	Listings 12/31	121	164	35.5%
# transactions	377	331	-12.2%	# transactions	391	496	26.9%
Median	544,900	600,000	10.1%	Median	380,000	399,000	5.0%
Volume	351,160,043	322,634,968	-8.1%	Volume	155,331,006	213,900,992	37.7%
SF 1-9				SF 10-23			
Listings 12/31	130	151	16.2%	Listings12/31	214	206	-3.7%
# transactions	181	159	-12.2%	# transactions	353	379	7.4%
Median	1,300,000	1,515,000	16.5%	Median	775,000	910,000	17.4%
Volume	338,297,688	347,869,263	2.8%	Volume	392,278,663	504,573,312	28.6%
VL 1-9				VL 10-23			
Listings 12/31	56	37	-33.9%	Listings 9/30	270	262	-3.0%
# transactions	40	27	-32.5%	# transactions	206	241	17.0%
Median	574,500	677,370	17.9%	Median	295,000	329500	11.7%
Volume	31,455,920	25,764,372	-18.1%	Volume	104,490,822	120,952,839	16%

GPC Areas 1-23 CO, SF, VL

	Q4 2014	Q4 2015	% change
Listings 12/31	1019	1050	3.0%
# transactions	1551	1633	5.3%
Avg	886,455	940,414	6.1%
Median	535,000	560,000	4.7%
Volume	1,374,891,705	1,535,696,062	11.7%

In Summary

Demand is increasing, is stable, and is sustainable. The number of sales in 2015 are 5.3% higher than 2014.

Inventory remains low. There are about 30 more listings than this time last year - which hit historic lows. Lack of inventory will constrain sales in certain locations in the coming year.

Median prices for GPC increased a modest 4.7% over last year. Yet, price appreciation varies considerably per area with many market segments increasing by double digits.

GPC is highly segmented and extremely dynamic. Consumers need informed and professional agents.

Rates are great and we have double the number of cash sales than national stats. Please do your part.