

An in-depth look at the Greater Park City real estate market.

*Presentation compliments of
Rick Klein, mortgage officer, Wells Fargo
Member, Park City Board of REALTORS statistics committee.*

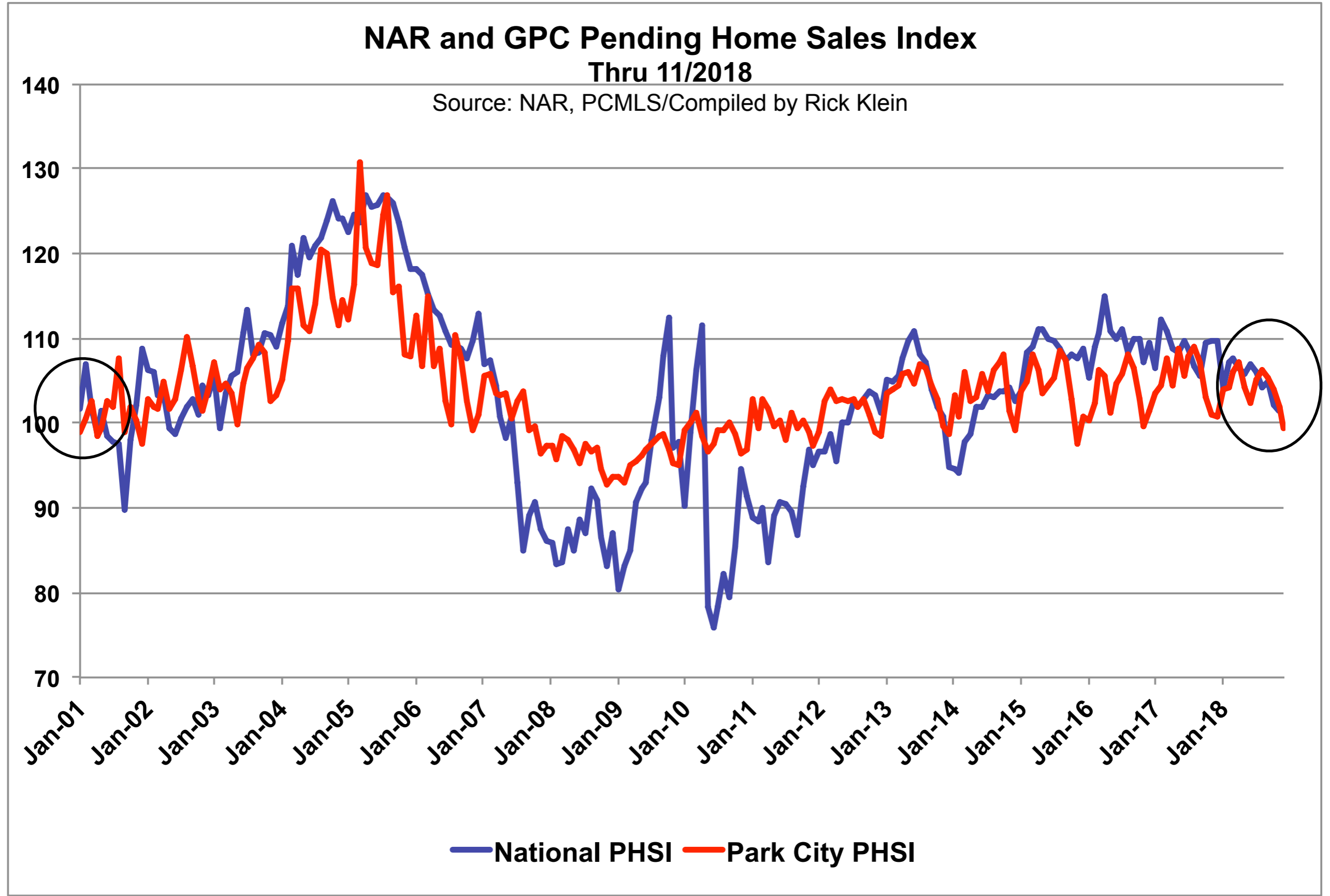
Demand: Pending Sales

NAR announced (12/28/18) the pending home sales index slipped 0.7% in November to 101.4 and is down 7.7% for the past 12 months.

Dr Yun stated that even though contracts have reached their lowest mark since 2014, there is no reason to be overly concerned and he predicts solid growth potential for the long-term.

GPC PHSI index in December fell 21% from last month to 98.5 and is 12% below last year. Pending sales are lower than 2017 but have remained relatively stable for the past six years.

Demand: Pending Sales

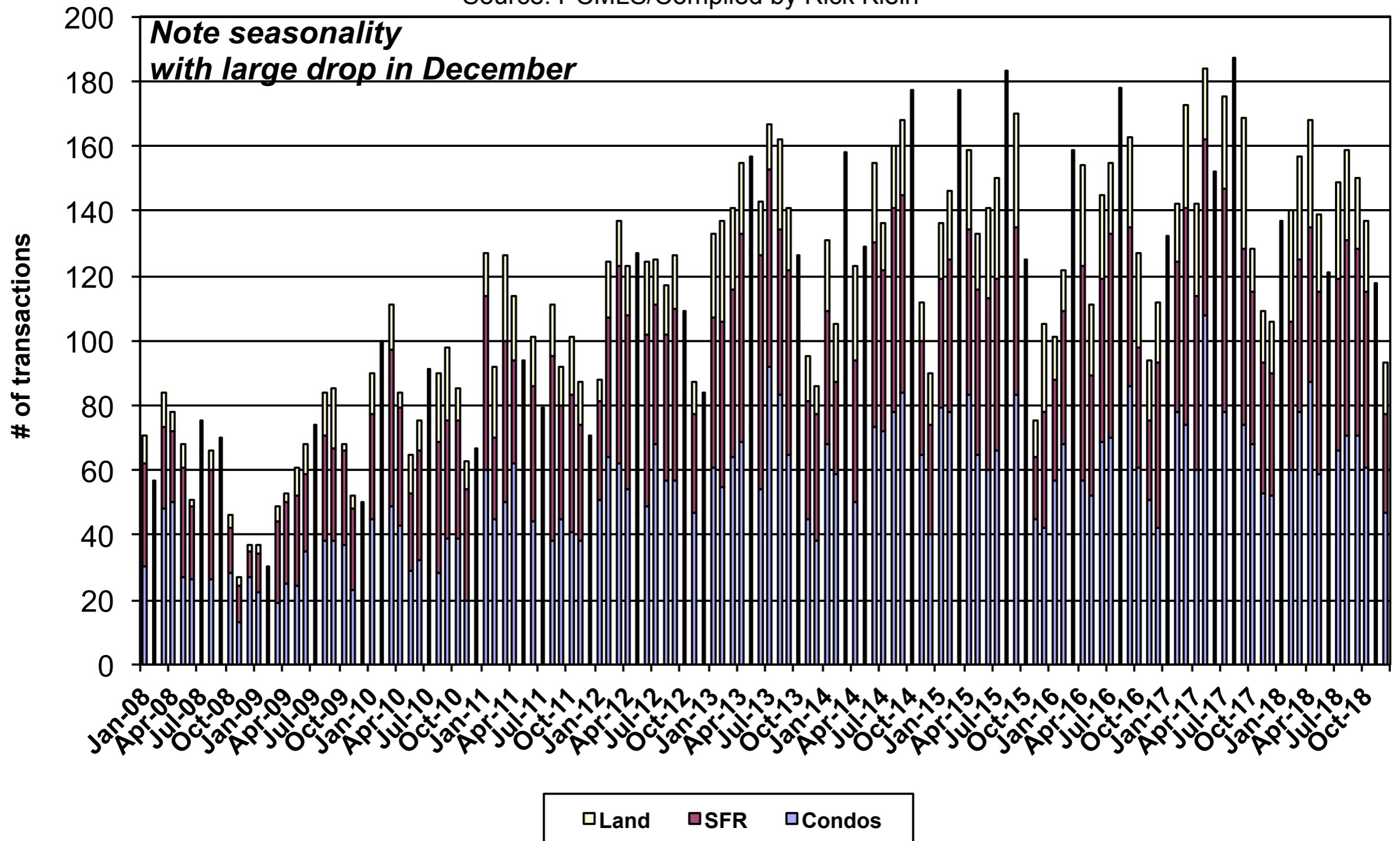


Demand: Pending Sales

Rick J. Klein
801 558 5626

Pended Sales: Greater Park City As of 12/2018

Source: PCMLS/Compiled by Rick Klein



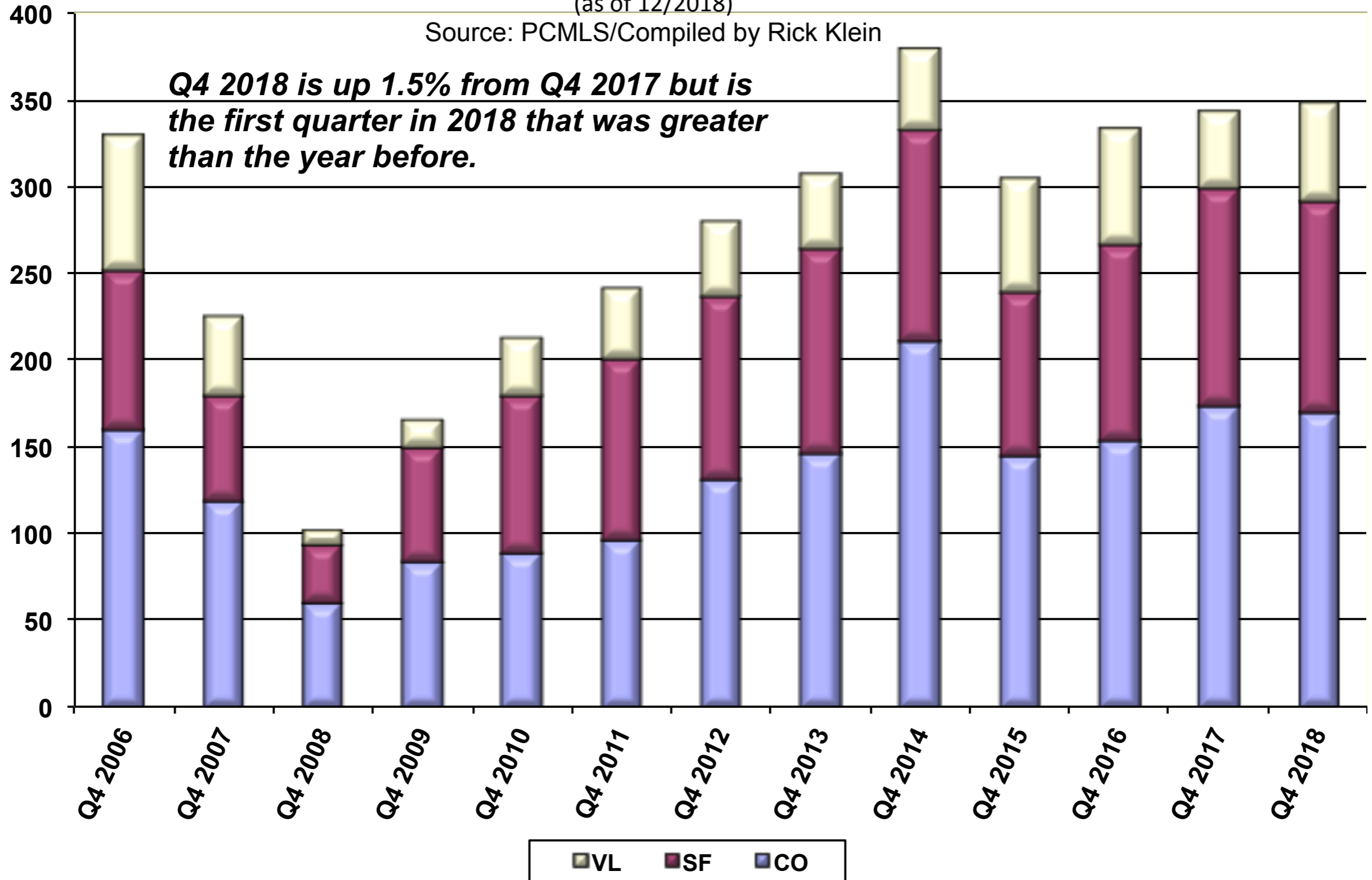
Demand: Pending Sales

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Pended Sales: Greater Park City 4th Qtr Comparison (as of 12/2018)

Source: PCMLS/Compiled by Rick Klein

Q4 2018 is up 1.5% from Q4 2017 but is the first quarter in 2018 that was greater than the year before.



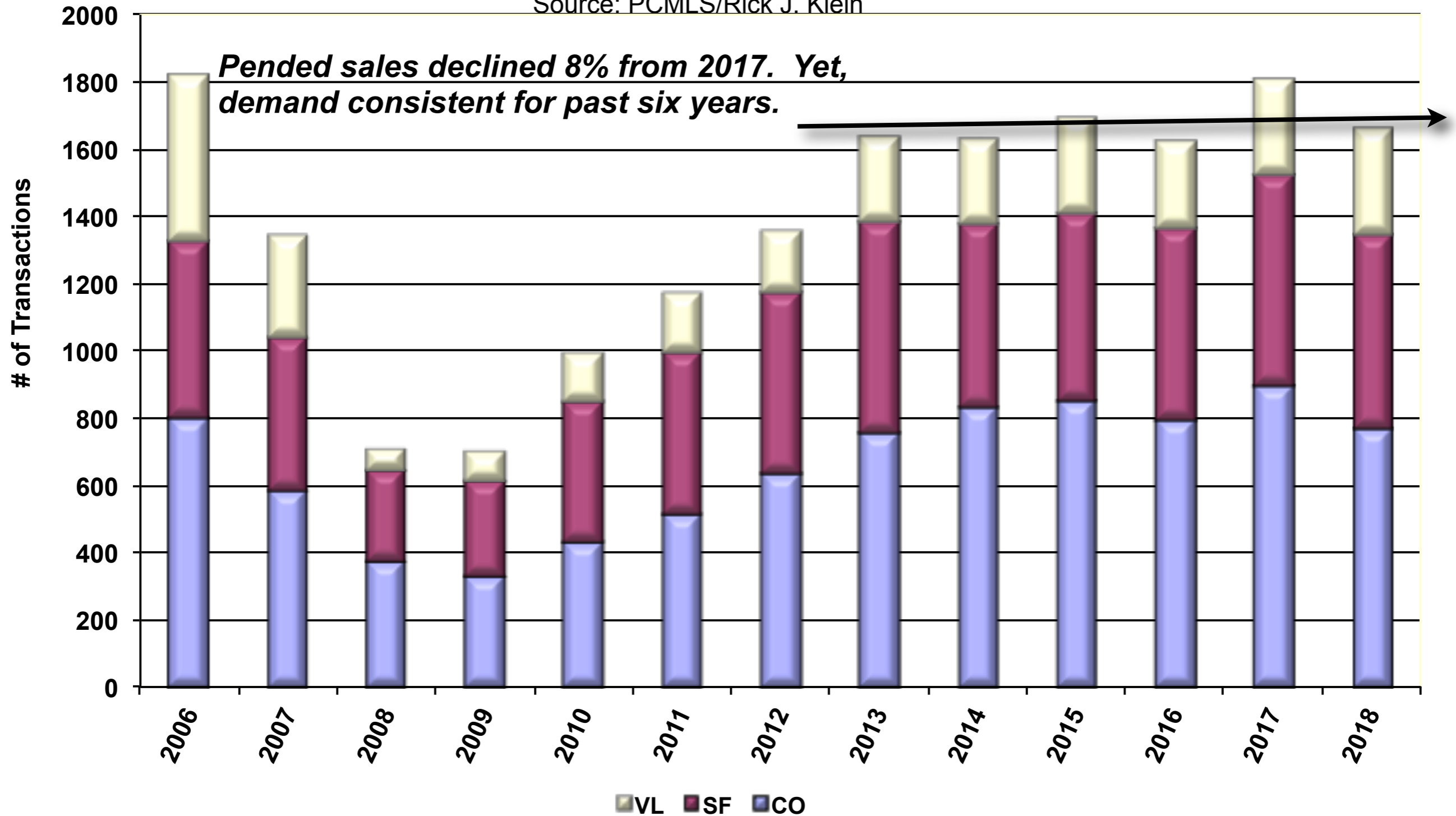
Demand: Pending Sales

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Pended Sales: Greater Park City Annual Comparison

(as of 12/2018)

Source: PCMLS/Rick J. Klein



Demand: Existing Sales

NAR reported (12/22/2018) existing home sales decreased by 6.4% in December to a SAAR of 4.99M unit pace. Sales fell again in January and are now down 8.5% from one year ago.

Dr Yun said “The total number of sales in 2018 were 5.3M and that is underperforming by historical standards. This is almost the same as the number of sales in the year 2000. But we have almost 20M more jobs and affordability is actually better today.

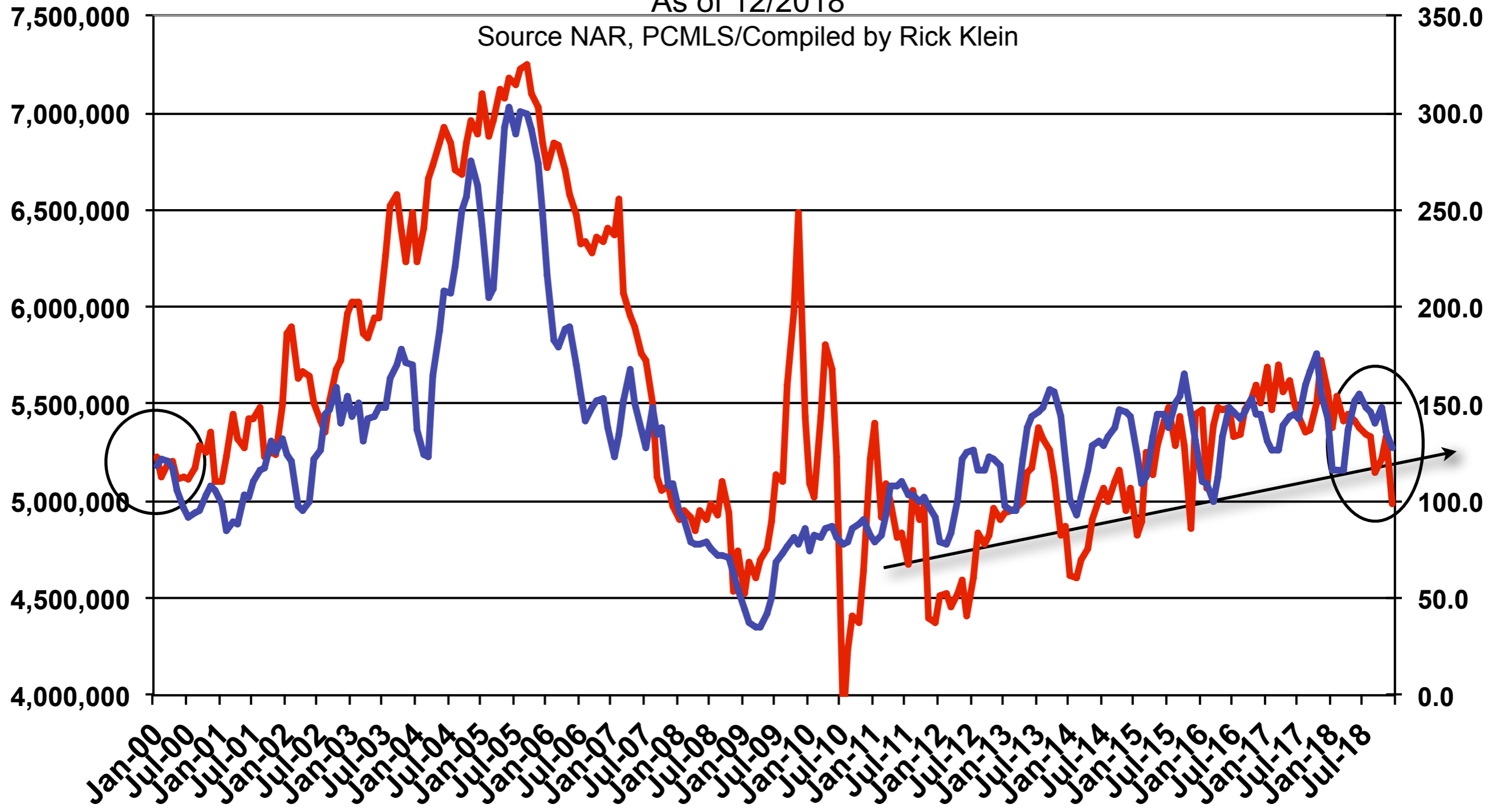
The GPC three month rolling average in December is down 10.5% from the three month rolling average last December. Total sales for 2018 are down 6.8% from 2017.

Demand: Existing Sales

NAR and GPC # of Transactions

As of 12/2018

Source NAR, PCMLS/Compiled by Rick Klein



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

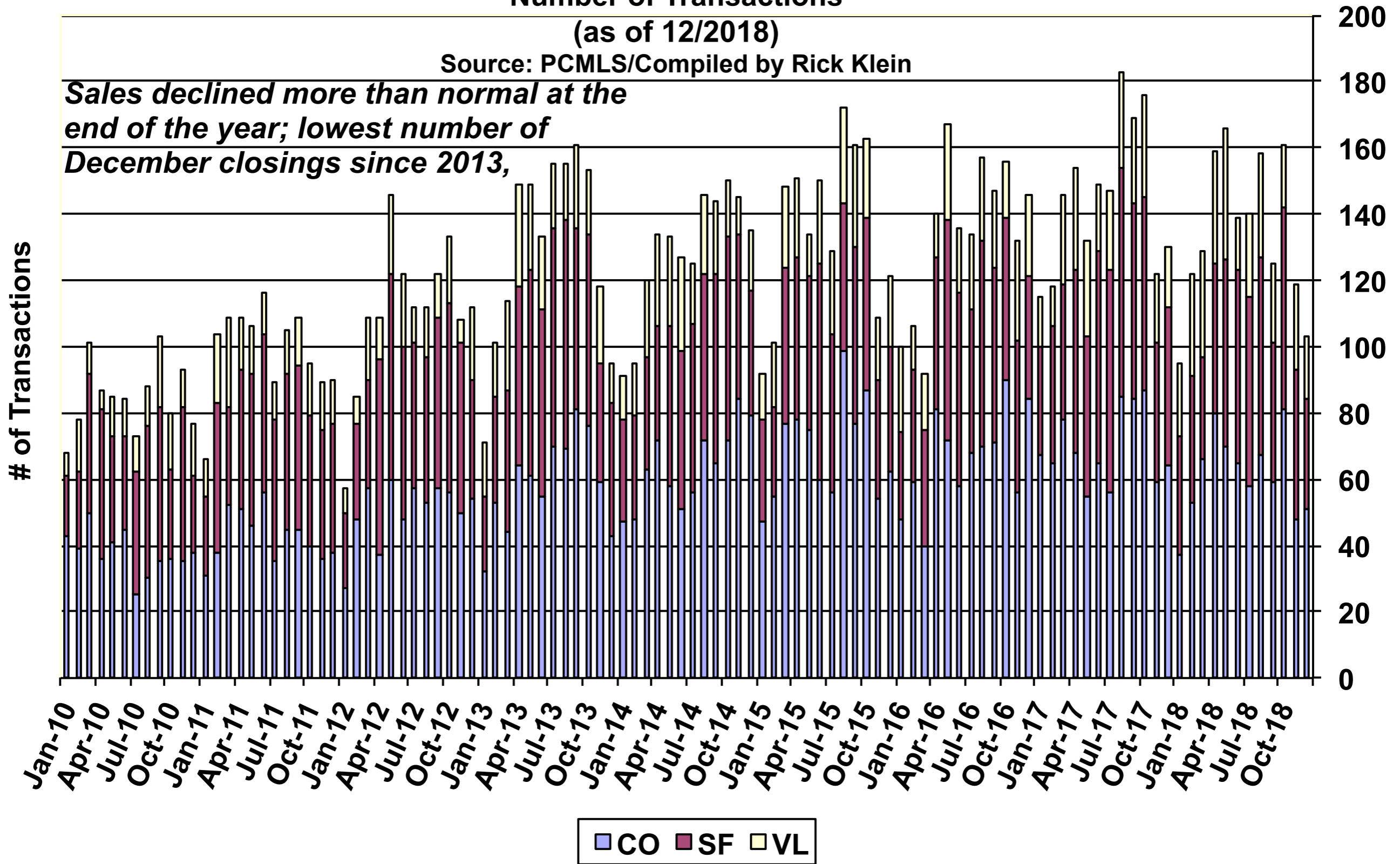
Demand: Existing Sales

Closed Sales: Greater Park City Number of Transactions

(as of 12/2018)

Source: PCMLS/Compiled by Rick Klein

Sales declined more than normal at the end of the year; lowest number of December closings since 2013,



Demand: Existing Sales

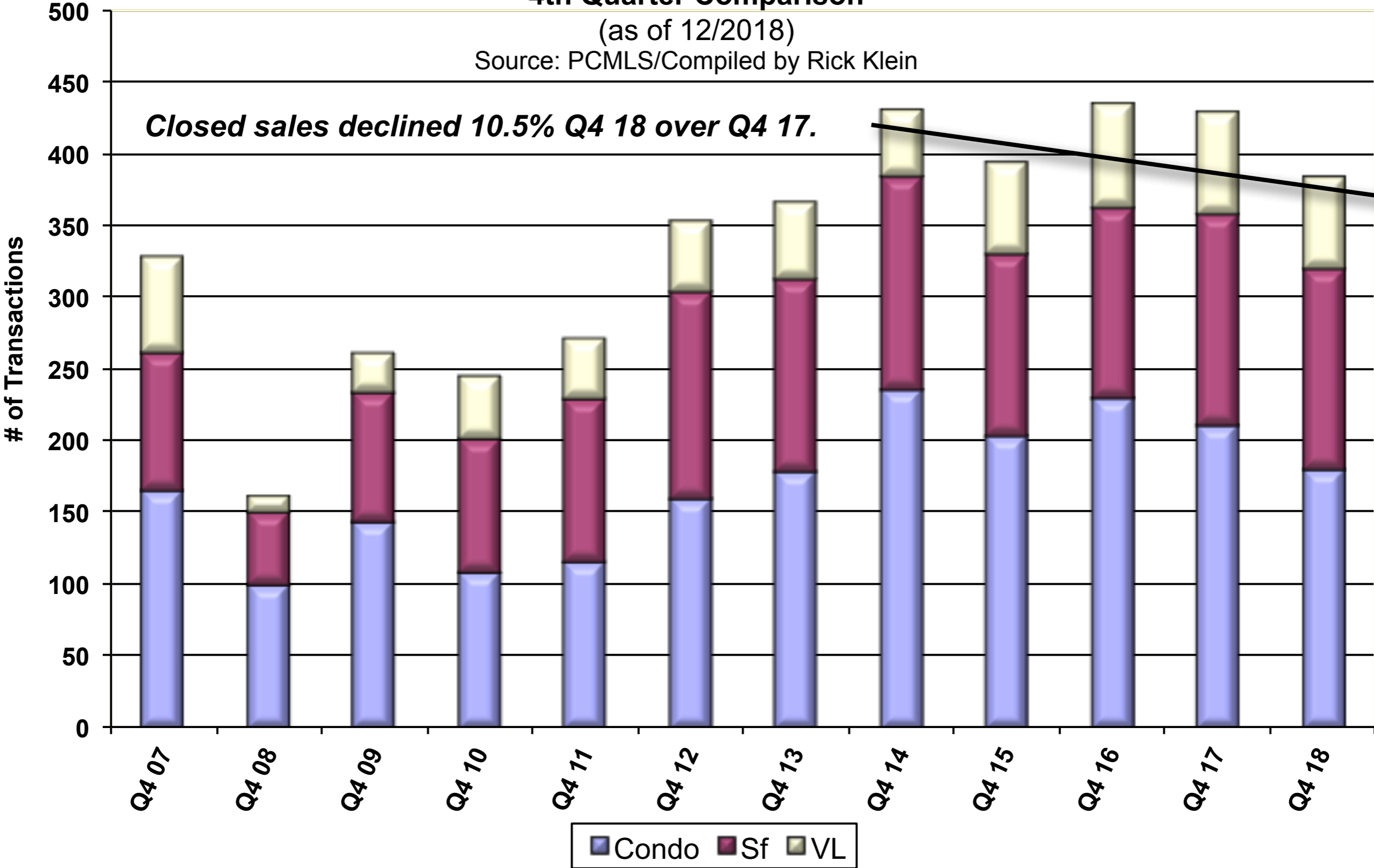
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Closed Sales: Greater Park City 4th Quarter Comparison

(as of 12/2018)

Source: PCMLS/Compiled by Rick Klein

Closed sales declined 10.5% Q4 18 over Q4 17.



Demand: Existing Sales

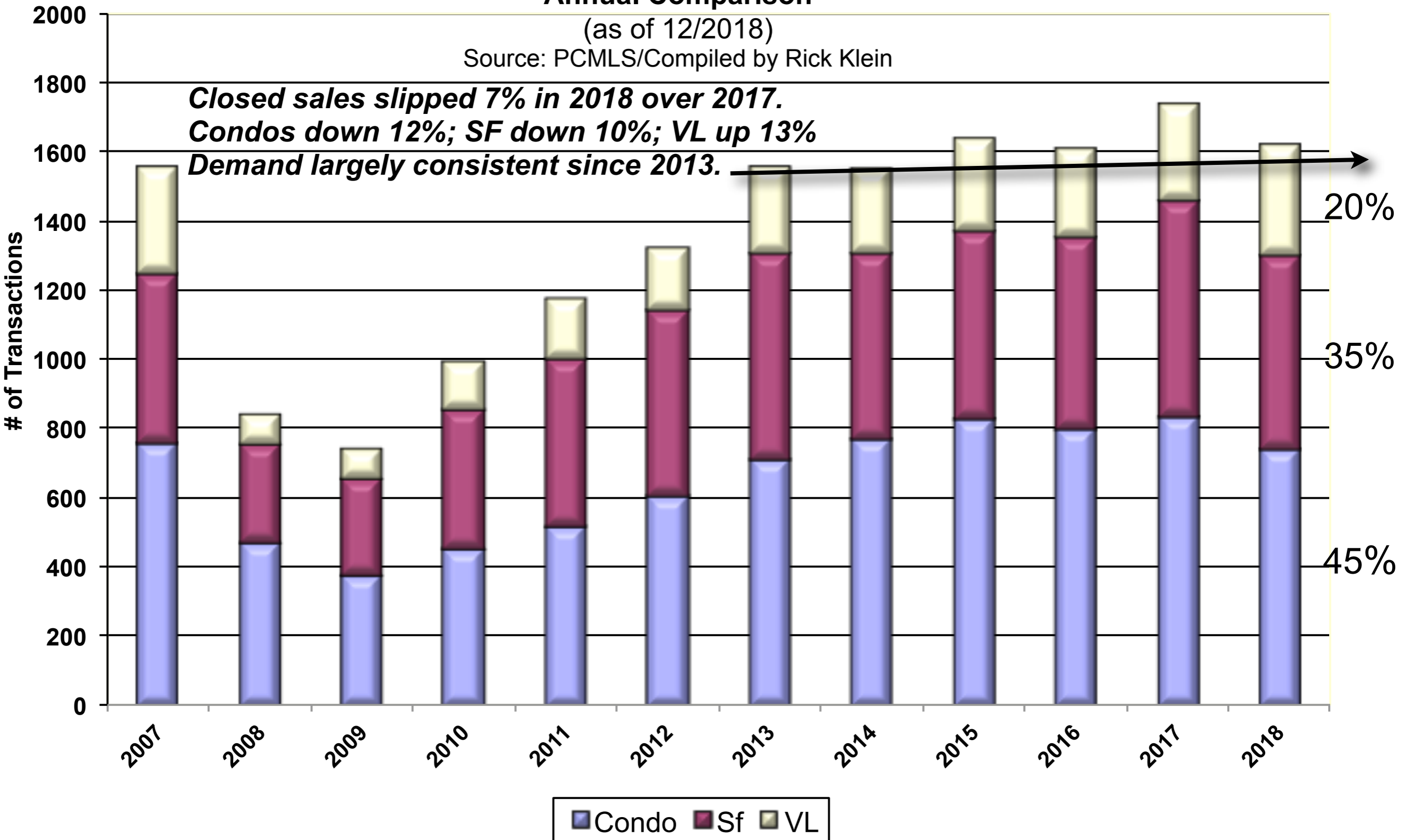
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Closed Sales: Greater Park City Annual Comparison

(as of 12/2018)

Source: PCMLS/Compiled by Rick Klein

***Closed sales slipped 7% in 2018 over 2017.
Condos down 12%; SF down 10%; VL up 13%
Demand largely consistent since 2013.***



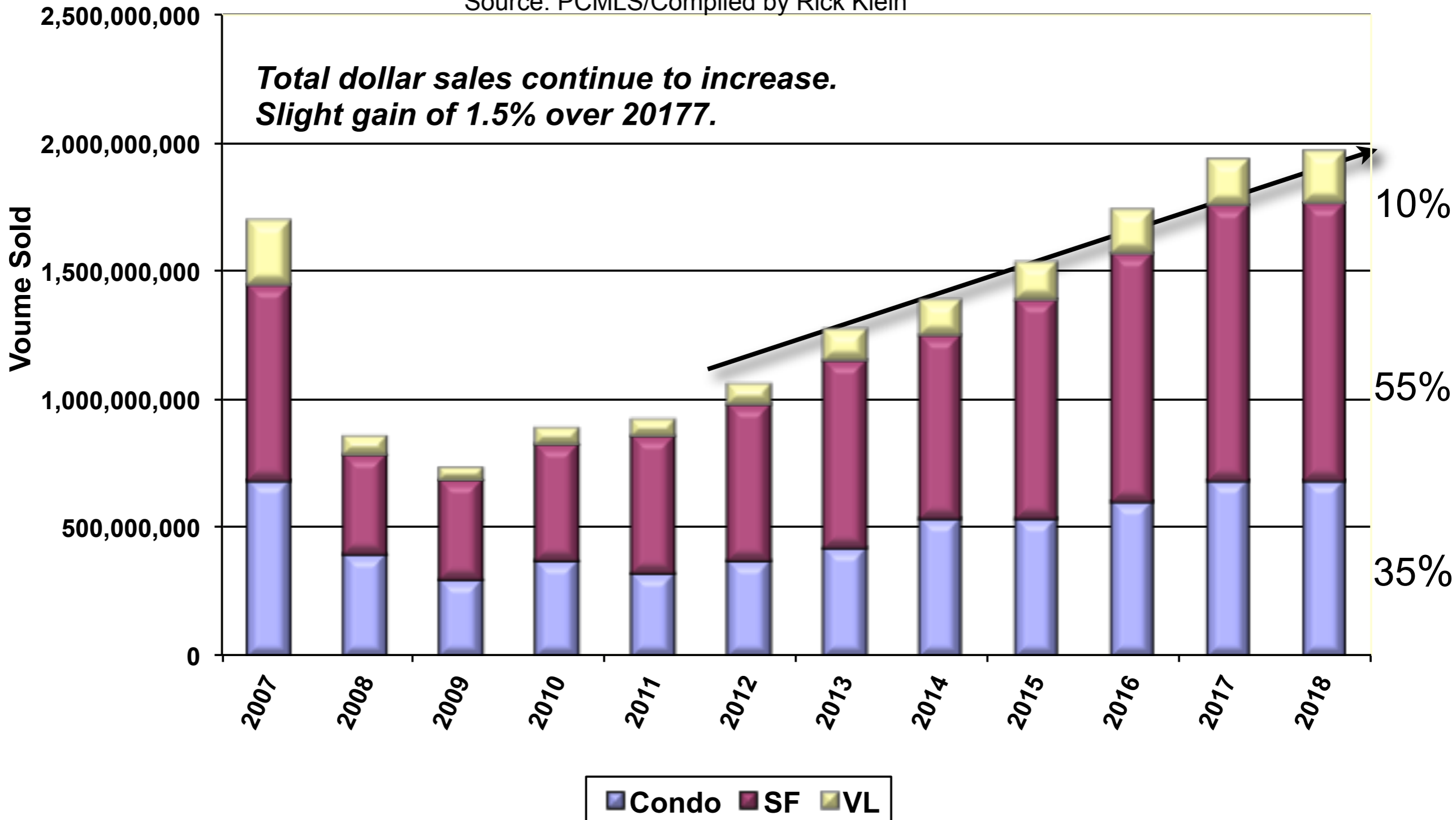
Demand: Existing Sales

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Greater Park City Volume Annual. Comparison

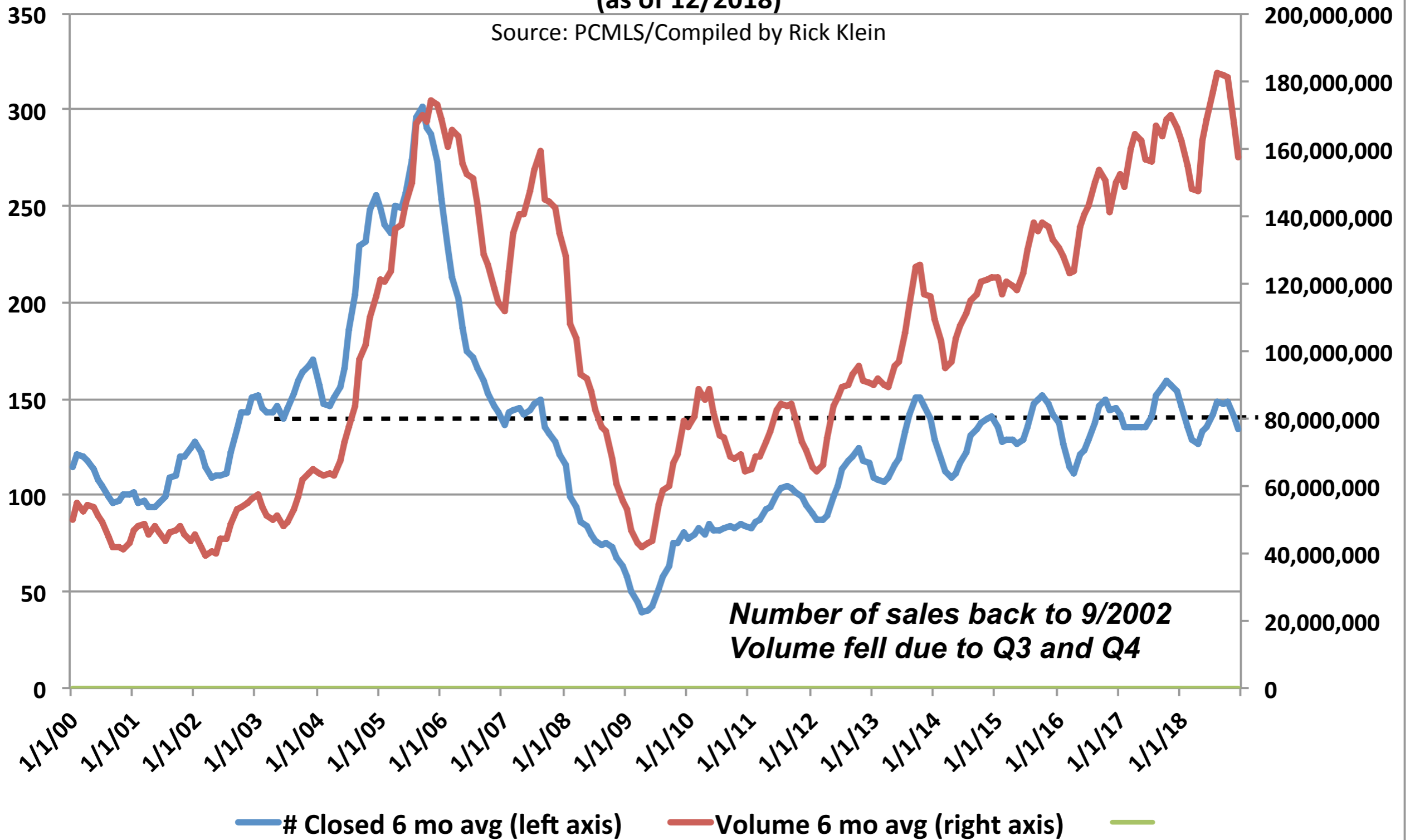
(as of 12/2018)

Source: PCMLS/Compiled by Rick Klein



Closings in Perspective: GPC (as of 12/2018)

Source: PCMLS/Compiled by Rick Klein



Supply: Inventory

NAR (1/22/18): Total housing inventory at the end of December decreased to 1.55M from 1.74M in November but is up 6% from 1.46M last year. Unsold inventory is at a 3.7 month supply an increase of 15% from last year. 39% of homes sold in December were on the market for less than one month.

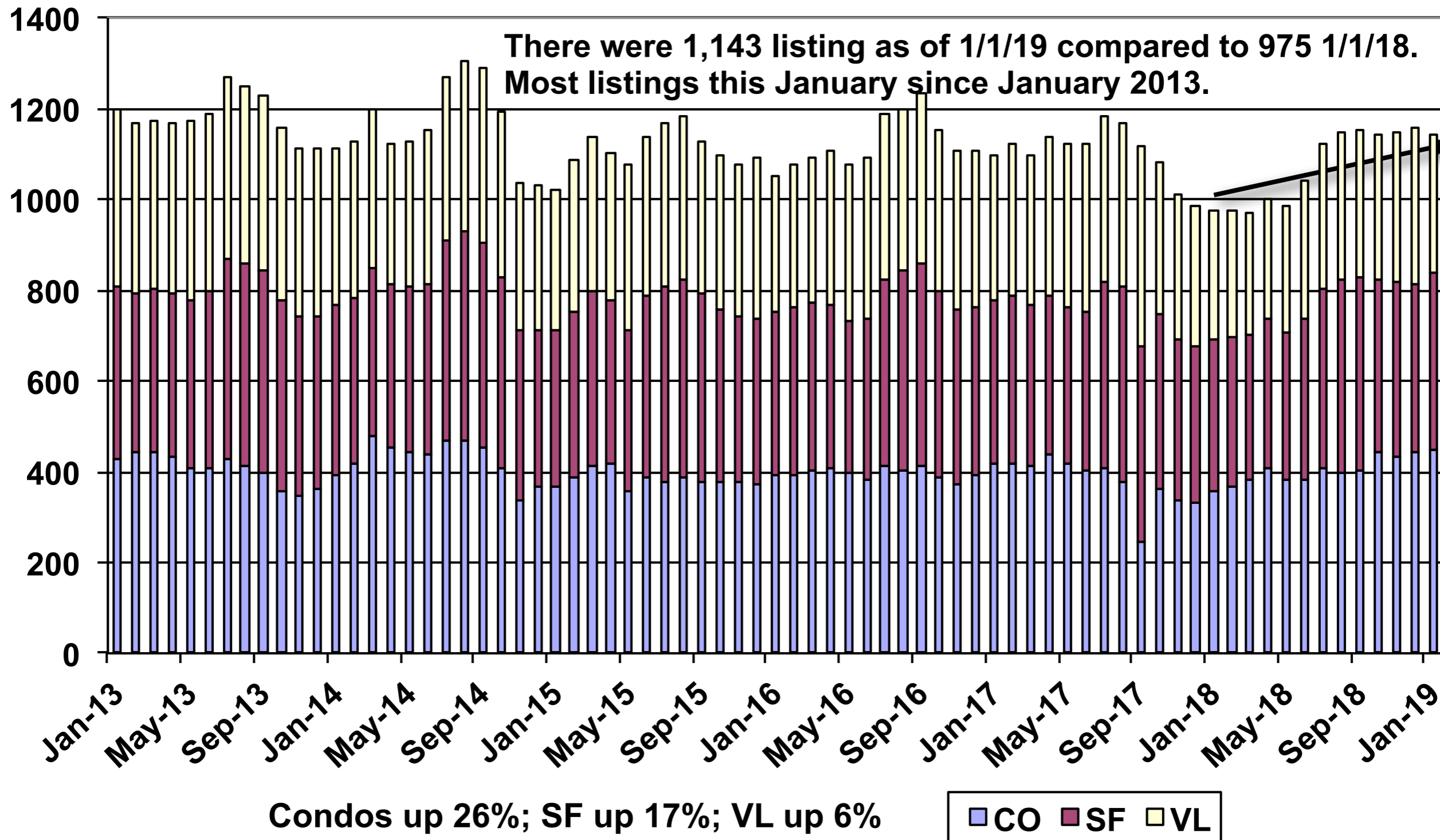
Dr Yun said “Several consecutive months of rising inventory is a positive development for consumers and could lead to slower home price appreciation. But there is still a lack of adequate inventory on the lower-priced points and too many in upper-priced points.”

GPC total listings January 1st were 1,143 an increase of 17% from last January. December and January listings tend to be the lowest of the year. The absorption rate is 7.9 months up from 7.3 months in November and up from 5.8 months last December; a 36% increase.

Supply: Inventory

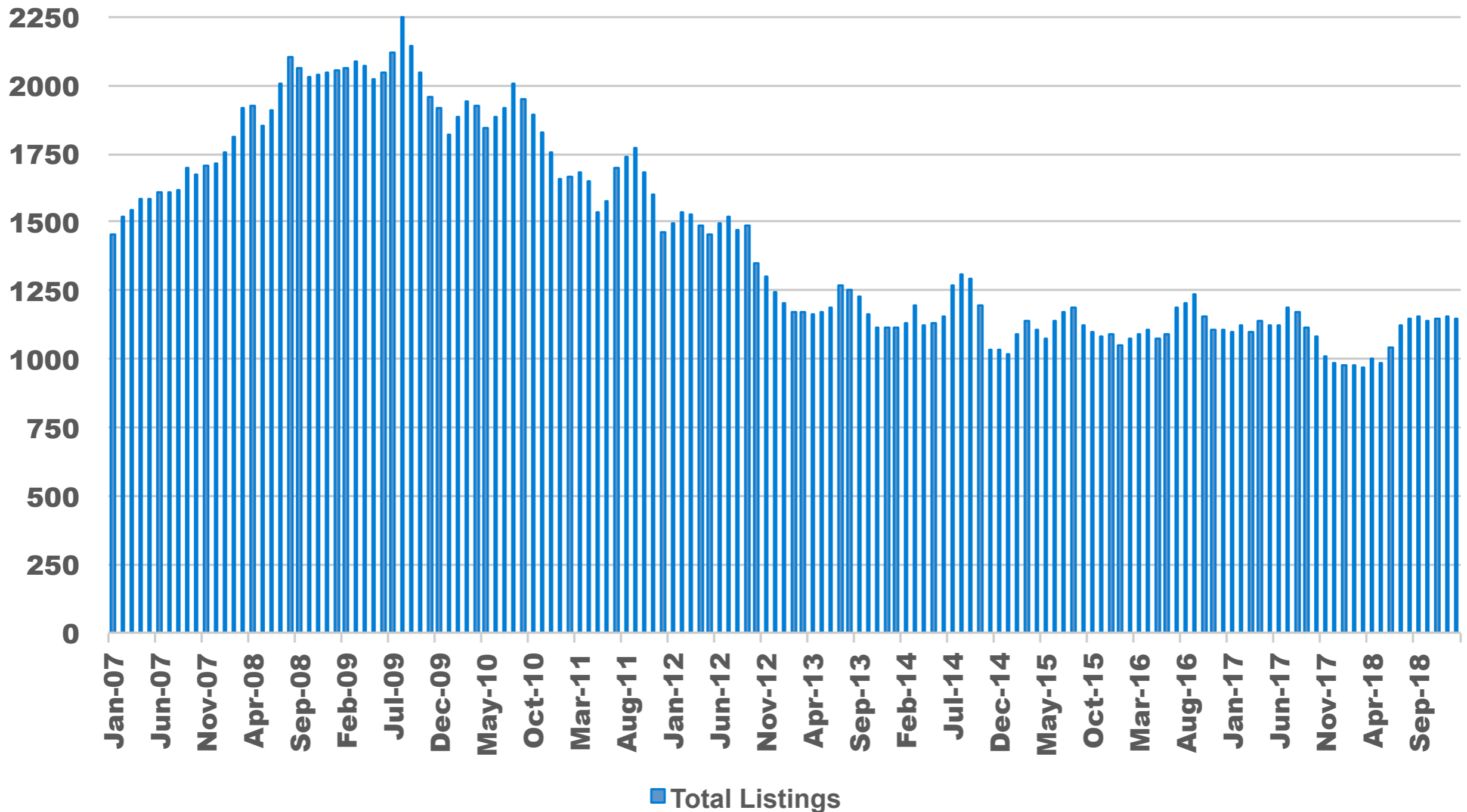
Active Listings - Greater Park City
(Inventory as of first of the month)
as of 1/1/2019

Source: PCMLS/Compiled by Rick Klein



Supply: Inventory

Great Park City - Total Active Listings
Inventory as of the first of the month
a of 1/1/2019
Source PCMLS/comiled by Rick Kleinl



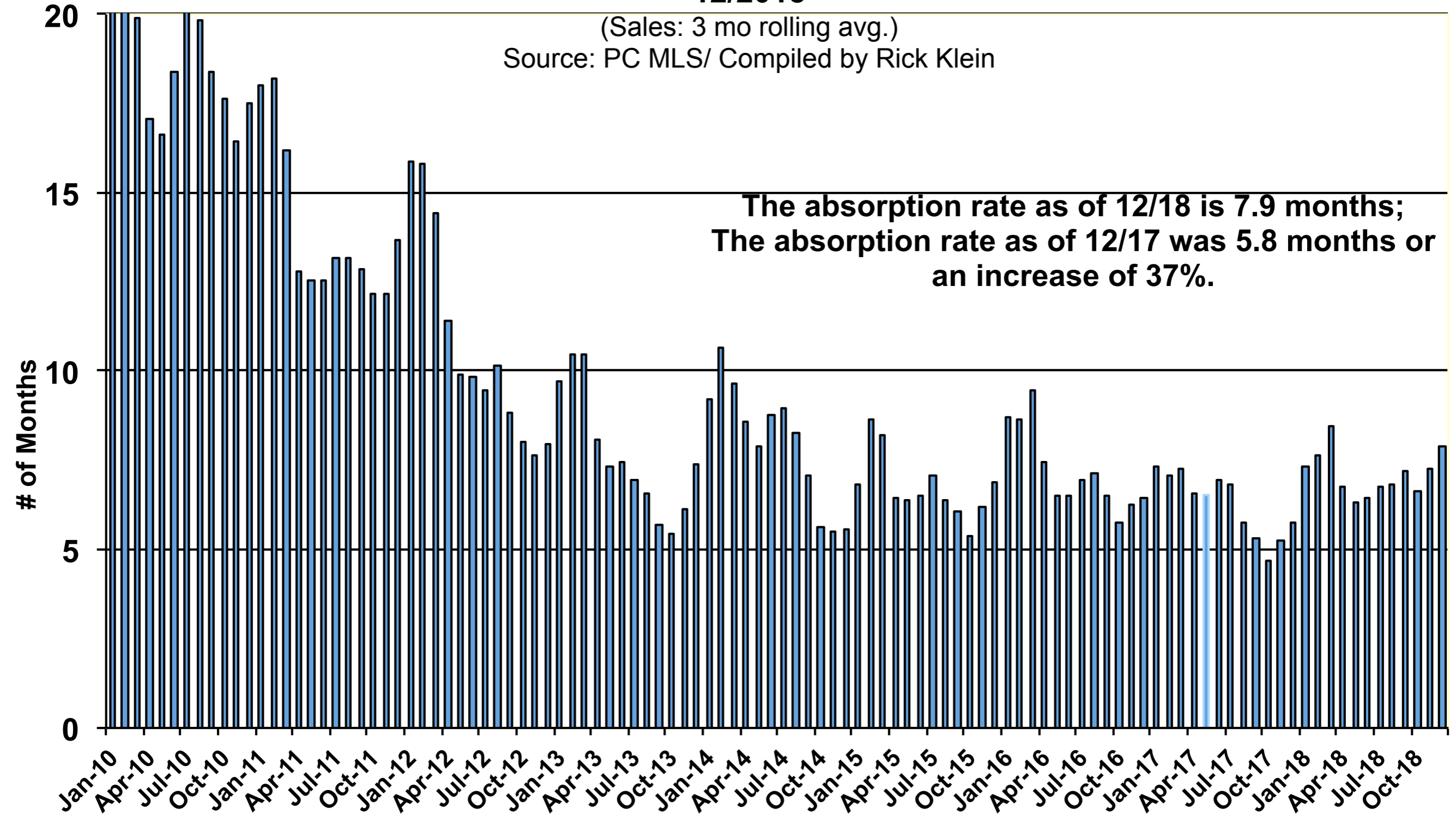
Supply

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Absorption Rate (ex lots): Greater Park City 12/2018

(Sales: 3 mo rolling avg.)
Source: PC MLS/ Compiled by Rick Klein

The absorption rate as of 12/18 is 7.9 months;
The absorption rate as of 12/17 was 5.8 months or
an increase of 37%.



Supply: Q4 18 Change in Inventory

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	CO		SF		VL		Total	
	Inventory	% change	Inventory	% change	Inventory	% change	Inventory	% change
1 Old Town	79	43.6%	63	37.0%	10	-9.1%	152	35.7%
2 Thaynes	0		9	-18.2%	1	#DIV/0!	10	-9.1%
3 Lower DV	21	-4.5%	16	-5.9%	3	200.0%	40	0.0%
4 Deer Crest	8	0.0%	12	-29.4%	2	-33.3%	22	-21.4%
5 Upper DV	46	15.0%	29	0.0%	1	0.0%	76	8.6%
6 Empire	38	31.0%	5	-37.5%	5	-37.5%	48	6.7%
7 Aerie	3	200.0%	6	50.0%	0	-100.0%	9	28.6%
8 Prospector	13	-38.1%	5	66.7%	1	0.0%	19	-24.0%
9 Park Meadows	14	366.7%	29	38.1%	1	-75.0%	44	57.1%
10 Canyons	156	41.8%	22	15.8%	28	47.4%	206	39.2%
11 Sun Peak	2	-60.0%	10	66.7%	1	-66.7%	13	-7.1%
12 Silver Springs	0	-100.0%	4	33.3%	0		4	0.0%
13 Old Ranch Rd	0		4	0.0%	7	75.0%	11	37.5%
14 Kimball	14	100.0%	0		2	100.0%	16	100.0%
15 Pinebrook	9	#DIV/0!	13	18.2%	6	20.0%	28	75.0%
16 Summit Park	0		8	300.0%	2	-83.3%	10	-28.6%
17 Jeremy	3	#DIV/0!	17	54.5%	8	60.0%	28	75.0%
18,19,21 Glenwild/S Creek	9	#DIV/0!	32	18.5%	43	10.3%	84	27.3%
20 Trailside	0		6	200.0%	3	200.0%	9	200.0%
22 Promontory	0		64	-7.2%	73	2.8%	137	-2.1%
24-27 Jordanelle	34	-37.0%	38	58.3%	105	11.7%	177	2.9%
Grand Total	449	26.1%	392	17.4%	302	6.0%	1143	17.2%

Supply: Q4 18 Absorption by Area

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	Condo			SF			VL		
	listings	# sales	Months	listings	# sales	Months	listings	# sales	Months
1 Old Town	79	99	9.58	63	48	15.75	10	10	12.00
2 Thaynes				9	12	9.00	1	3	4.00
3 Lower DV	21	43	5.86	16	14	13.71	3	5	7.20
4 Deer Crest	8	3	32.00	12	8	18.00	2	4	6.00
5 Upper DV	46	33	16.73	29	13	26.77	1	1	12.00
6 Empire	38	52	8.77	5	5	12.00	5	2	30.00
7 Aerie	3	2	18.00	6	6	12.00	0	1	0.00
8 Prospector	13	54	2.89	5	15	4.00	1	0	
9 Park Meadows	14	30	5.60	29	34	10.24	1	3	4.00
10 Canyons	156	126	14.86	22	11	24.00	28	13	25.85
11 Sun Peak	2	23	1.04	10	20	6.00	1	2	6.00
12 Silver Springs	0	5	0.00	4	32	1.50	0	0	
13 Old Ranch Rd				4	16	3.00	7	2	42.00
14 Kimball	14	66	2.55	0	8	0.00	2	1	24.00
15 Pinebrook	9	34	3.18	13	40	3.90	6	4	18.00
16 Summit Park		1	0.00	8	33	2.91	2	17	1.41
17 Jeremy	3	10	3.60	17	51	4.00	8	6	16.00
18 Glenwild/S Creek				32	47	8.17	43	18	28.67
19 Trailside				6	34	2.12	3	3	12.00
21 Promontory				64	68	11.29	73	76	11.53
23 Jordanelle	34	147	2.78	38	50	9.12	105	147	8.57
Grand Total	449	720	7.48	392	565	8.33	302	318	11.40

of Sales based upon past 12 months

Supply

Absorption Rate by Area/Price

as of 12/2018

Areas 1- 9 (In Town)

Compiled by Rick Klein

Condos	<\$885,000	>\$885,000
8.7 months	6.7 months	9.4 months
Single Family	<\$1,950,000	>\$1,950,000
13.3 months	5.7 months	19.5 months

Areas 10 - 27 (Basin)

Condos	<\$525,000	>\$525,000
5.7 months	3.7 months	7.7 months
Single Family	<\$1,200,000	>\$1,200,000
7.2 months	2.8 months	11.7 months

Areas 31-38 (Heber)

Single Family	<\$489,000	>\$489,000
6.2 months	2.4 months	10.0 months

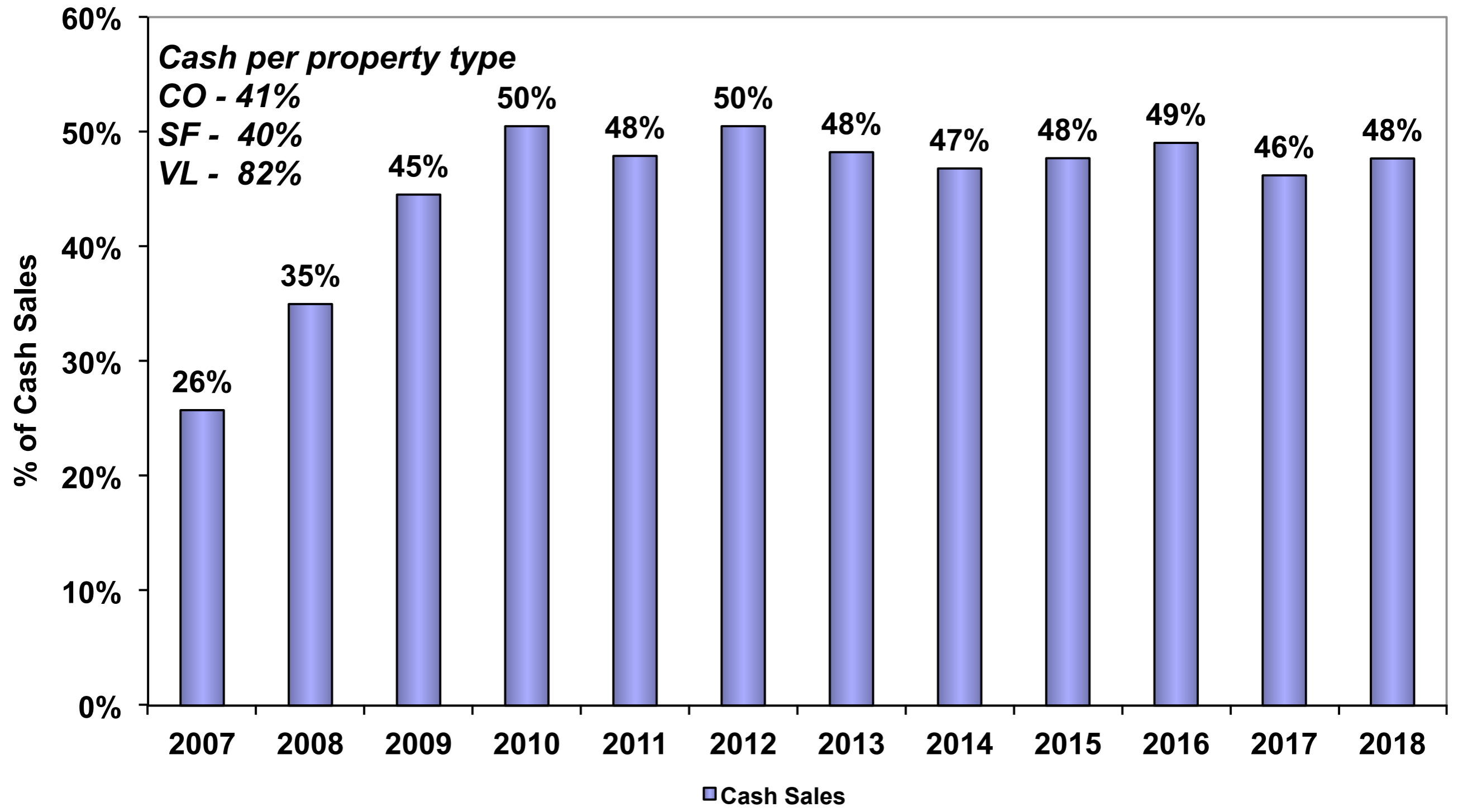
Cash Sales

NAR: cash sales were 22% of transactions in December up from 20% last year. Individual investors, many of whom pay cash, accounted for 13% of purchase transactions.

And what of cash buyers in Greater Park City?

Cash Sales

Cash Sales History
through 2018
Source: PCMLS/Rick J. Klein



Mortgage Rates

Rates quoted for a purchase transaction (as of 3/07/19)

	30 Year Fixed	7/1 ARM
Conforming	4.375% 4.469% APR	4.000% 4.706% APR
Non-Conforming	4.125% 4.158% APR	3.375% 4.352% APR

Conforming 15 year fixed: 3.759%; APR 3.931%

Home Prices

Rick J. Klein
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“S&P CoreLogic Case Shiller” announced (1/2/19) home price gains moderated to **5.1%** annually as of November. They are showing Utah’s price appreciation at 8.8%.

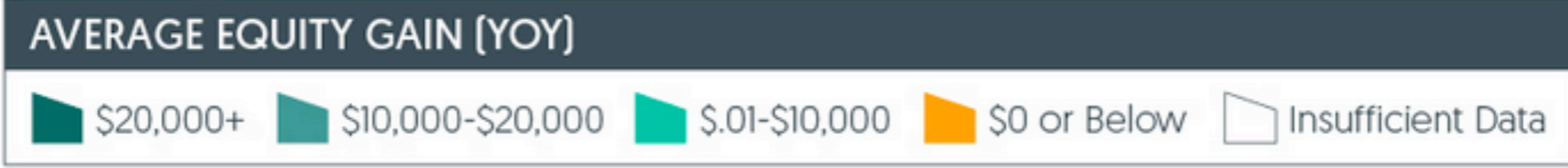
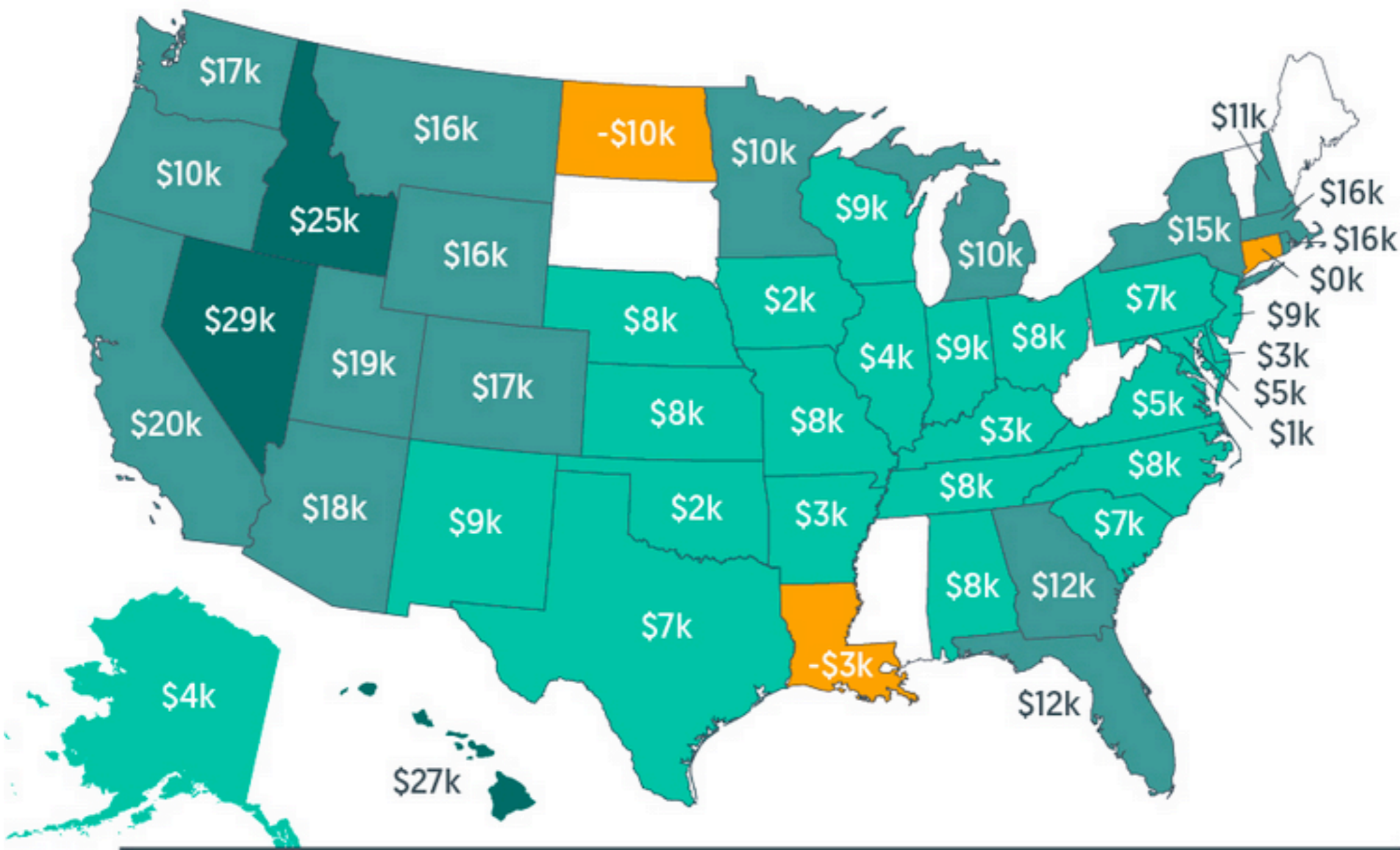
FHFA stated (1/24/19) home prices increased **5.8%** for the 12 months ending November 2018. Slowest pace in past four years.

CoreLogic reported (1/29/19) home prices increased **4.7%** year over year in November. This is the eighth consecutive month of slowing home-price growth, which is now at the lowest level since November 2016.

NAR (1/22/19) stated the median existing home price was \$253,600 up **4.8%** for 2018 over 2017.

GPC 12 month median price for Q4 2018 is \$765,000 and the mean price is \$1,209,872. This represents a **9.3%** and a **8.8%** increase respectively over Q4 2017.

Home Prices

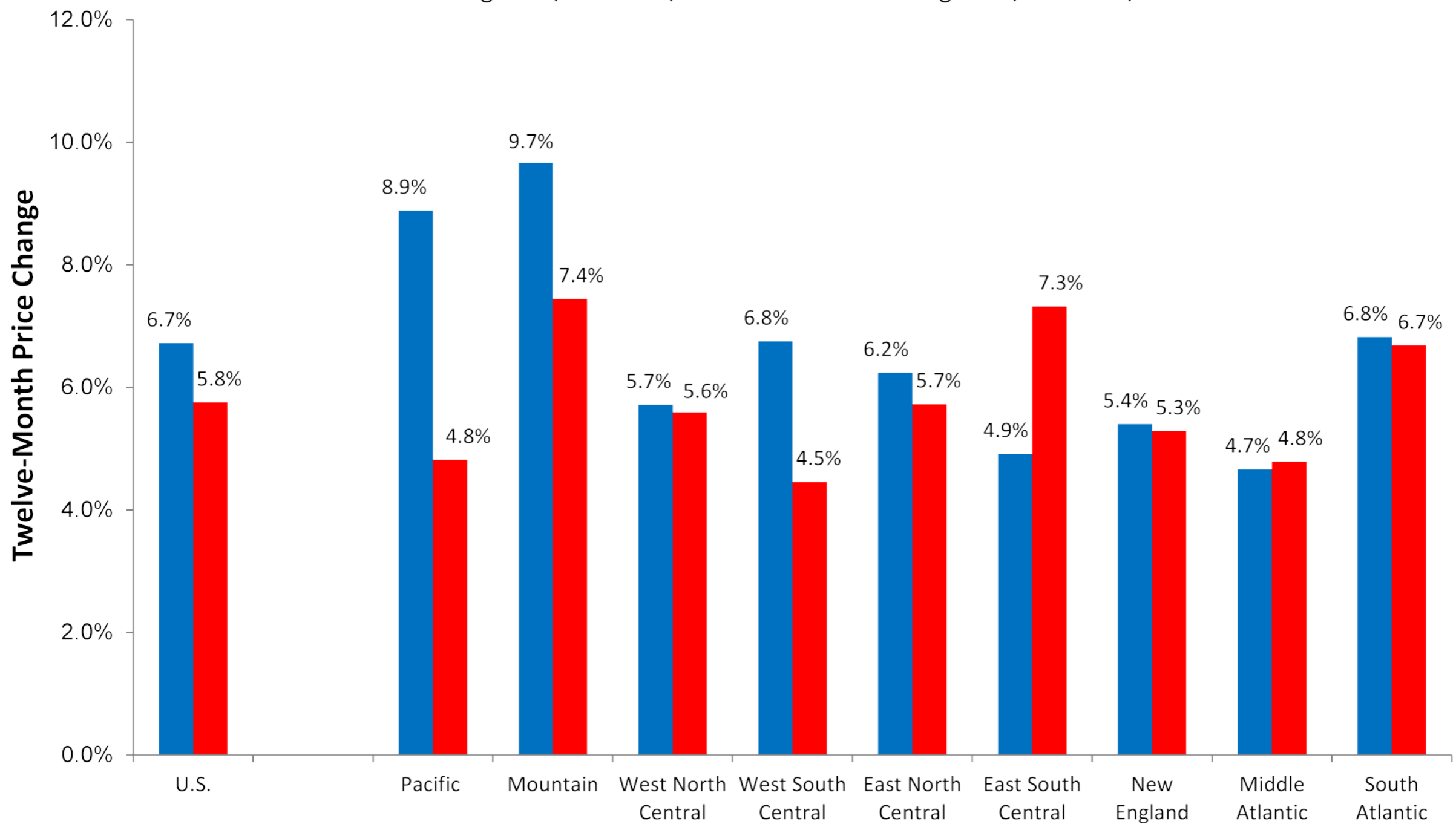


Core Logic reported 3/7/19

Home Prices

Twelve-Month Price Changes – Prior Year vs. Most Recent Year
Purchase-Only Index

■ Price Change: 11/2016 - 11/2017 ■ Price Change: 11/2017 - 11/2018



Source: FHFA

Home Prices

FHFA Top Ten States House Price Appreciation by State Percent Change in House Prices Seasonally Adjusted, Purchase-Only HPI

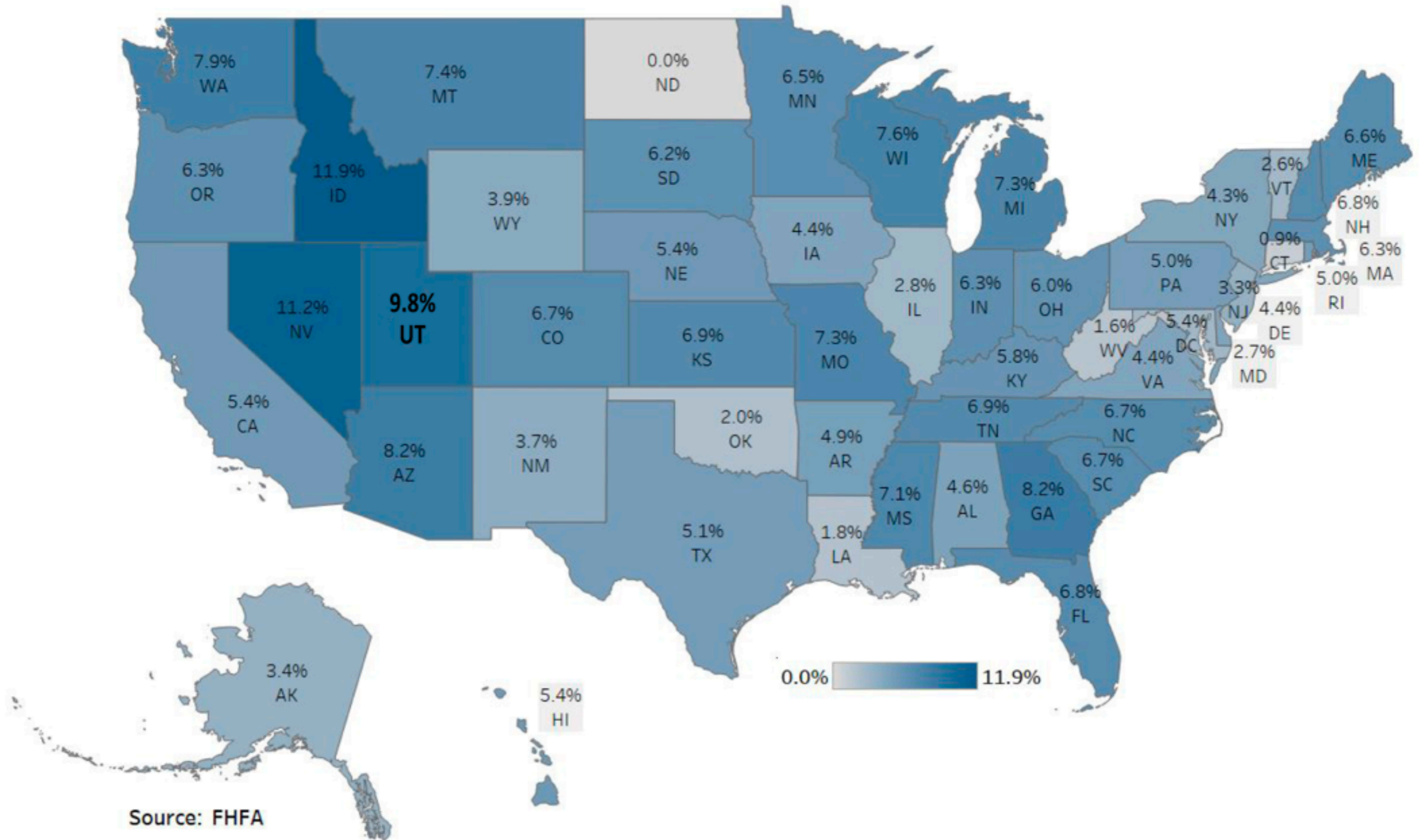
Period ended December 31, 2018

State	Rank*	1-Yr	Qtr	5-Yr	Since 1991Q1
Idaho (ID)	1	11.93%	2.26%	55.13%	238.32%
Nevada (NV)	2	11.20%	1.23%	65.91%	166.37%
Utah (UT)	3	9.80%	2.22%	47.18%	321.57%
Georgia (GA)	4	8.25%	1.34%	42.15%	146.71%
Arizona (AZ)	5	8.17%	2.18%	42.31%	226.22%
Washington (WA)	6	7.94%	0.39%	58.91%	269.80%
Wisconsin (WI)	7	7.64%	1.25%	29.55%	166.02%
Montana (MT)	8	7.39%	1.97%	29.05%	306.57%
Michigan (MI)	9	7.35%	1.78%	41.50%	133.51%
Missouri (MO)	10	7.26%	1.84%	30.30%	144.47%

Home Prices

Four-Quarter Price Change by State: Purchase-Only Index (Seasonally Adjusted)

U.S. Four-Quarter Appreciation = 5.7% (2017Q4-2018Q4)



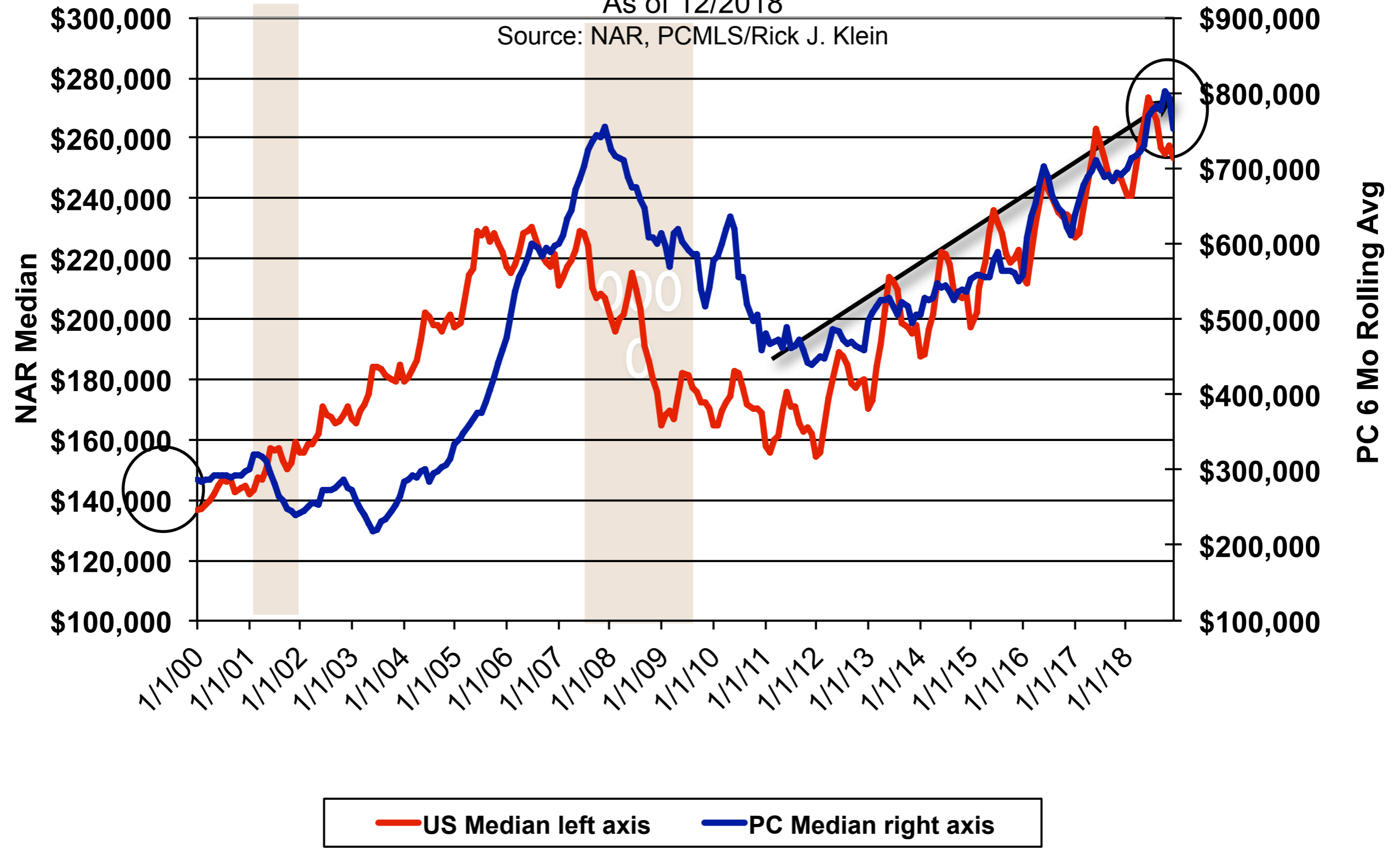
Source: FHFA

Property Prices

NAR and PC Median Price Trends

As of 12/2018

Source: NAR, PCMLS/Rick J. Klein

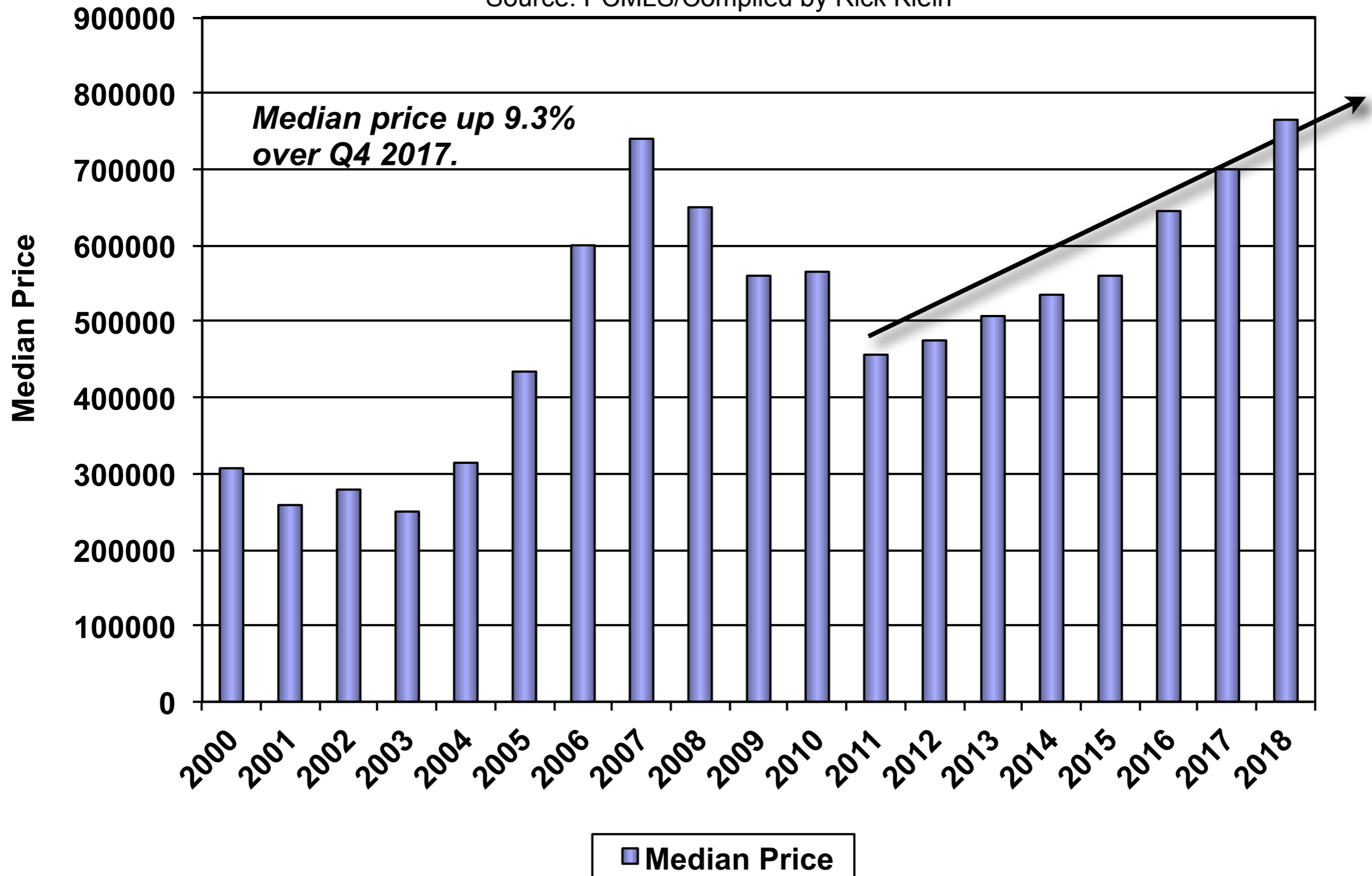


Property Prices

GPC 12 Month Median Prices

As of 12/2018

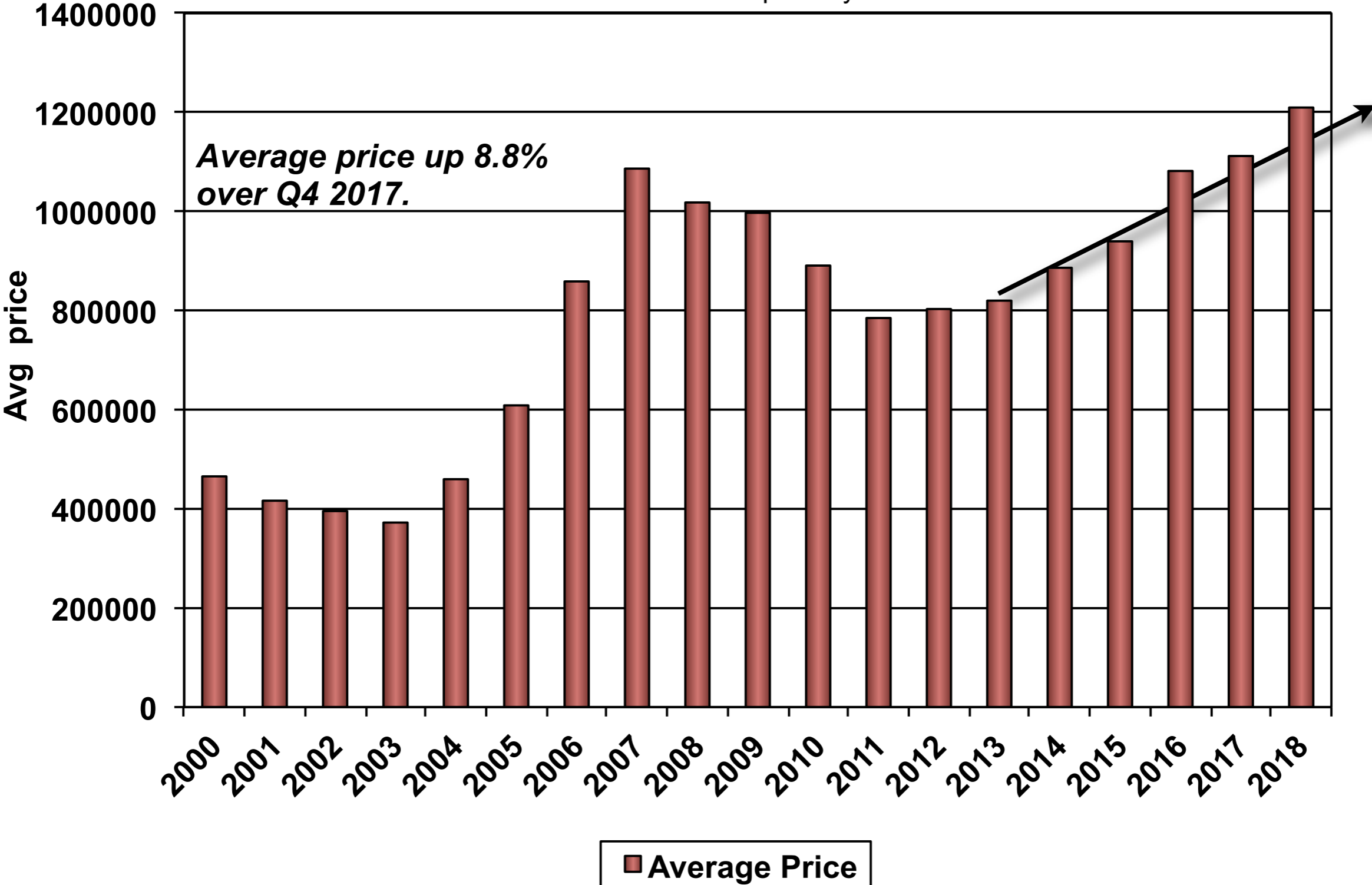
Source: PCMLS/Compiled by Rick Klein



Property Prices

Rick J. Klein
801 558 5626

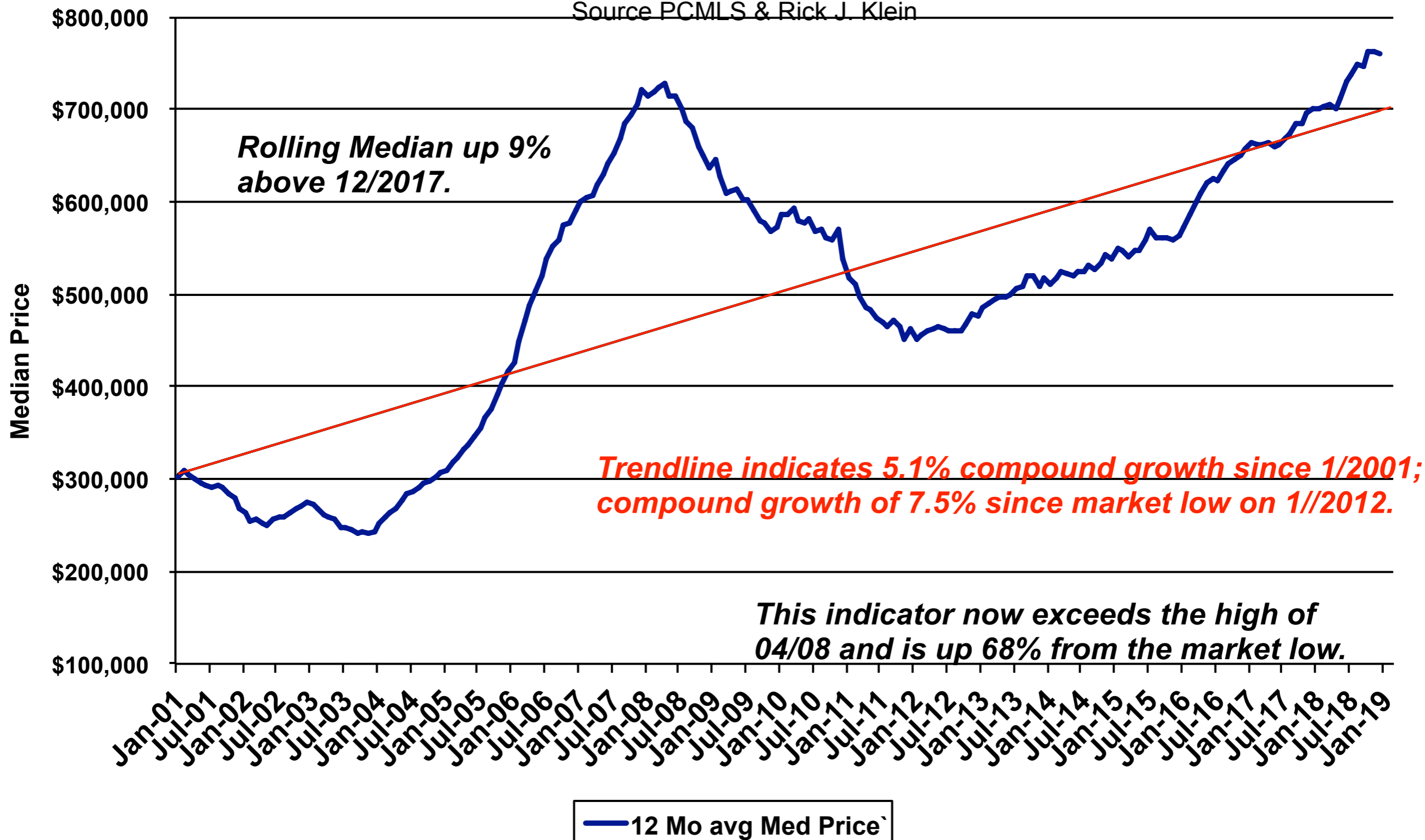
GPC 12 Month Average Prices
As of 12/2018
Source: PCMLS/Compiled by Rick Klein



Greater Park City Median Prices

12 month rolling average
(As of 12/2018)

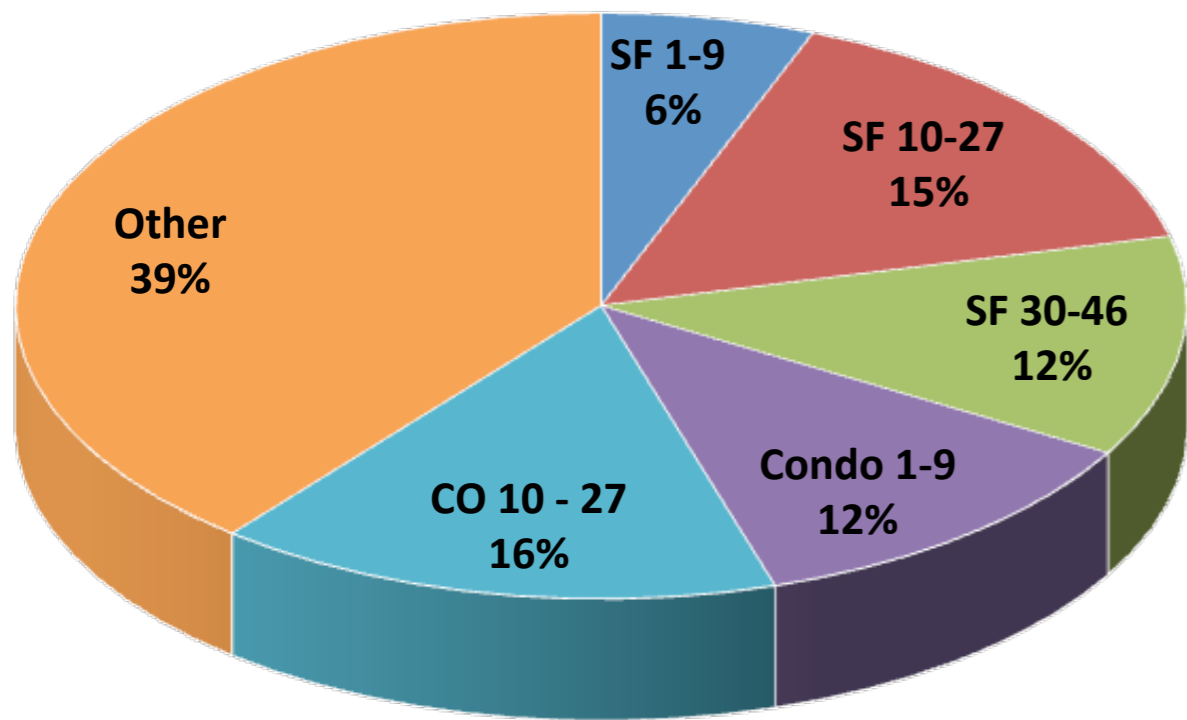
Source PCMLS & Rick J. Klein



Five Market Segments

Single Family 1-9 (In town); 10-27 (Basin); 30-46 (Heber Valley) Condos 1-9; 10-27
Percent for PCMLS for the year 2018
Prepared by Rick J. Klein/PCMLS

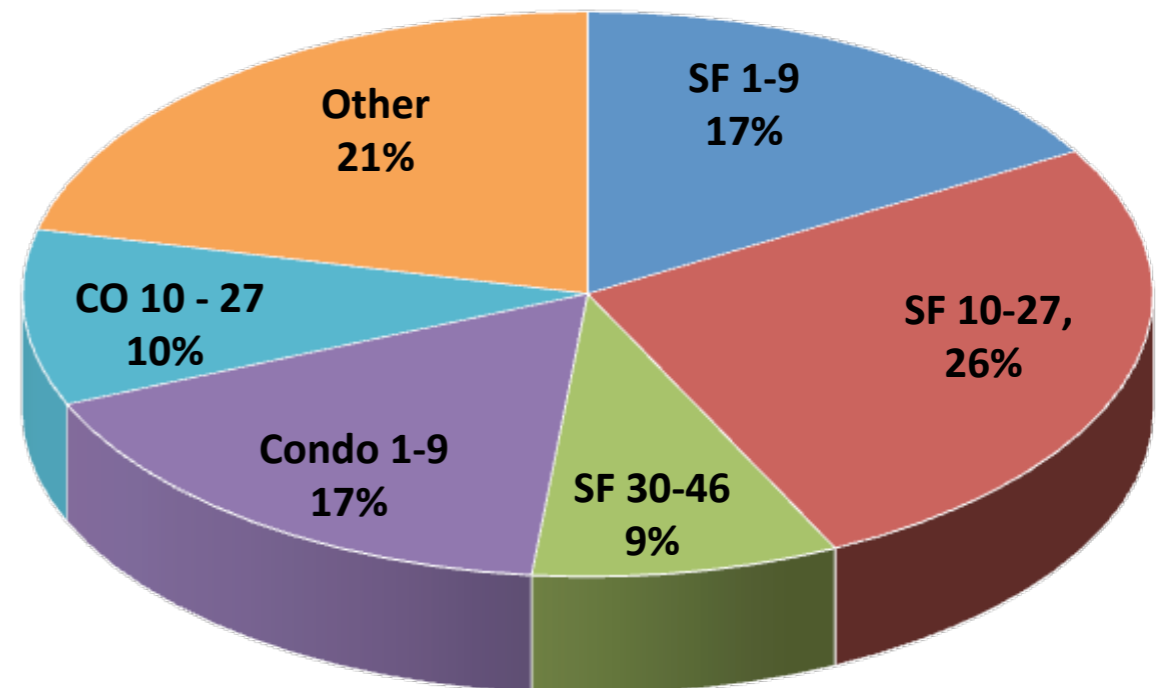
of Transactions



~ 60% of all transactions

~ 80% of total volume

Volume



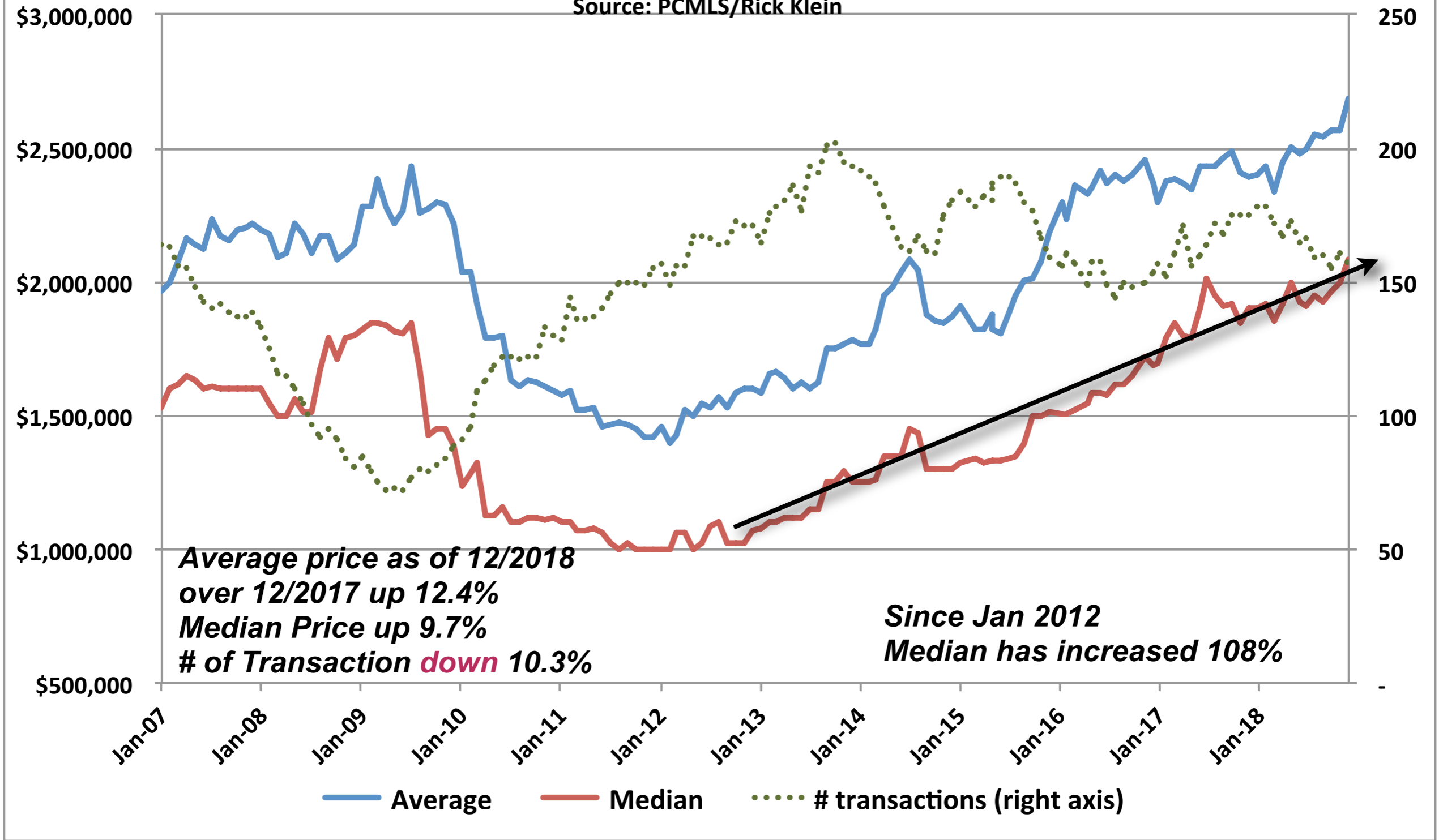
Property Prices by Area/Type

Single Family Areas 1-9

December 2018

12 mo rolling avg

Source: PCMLS/Rick Klein

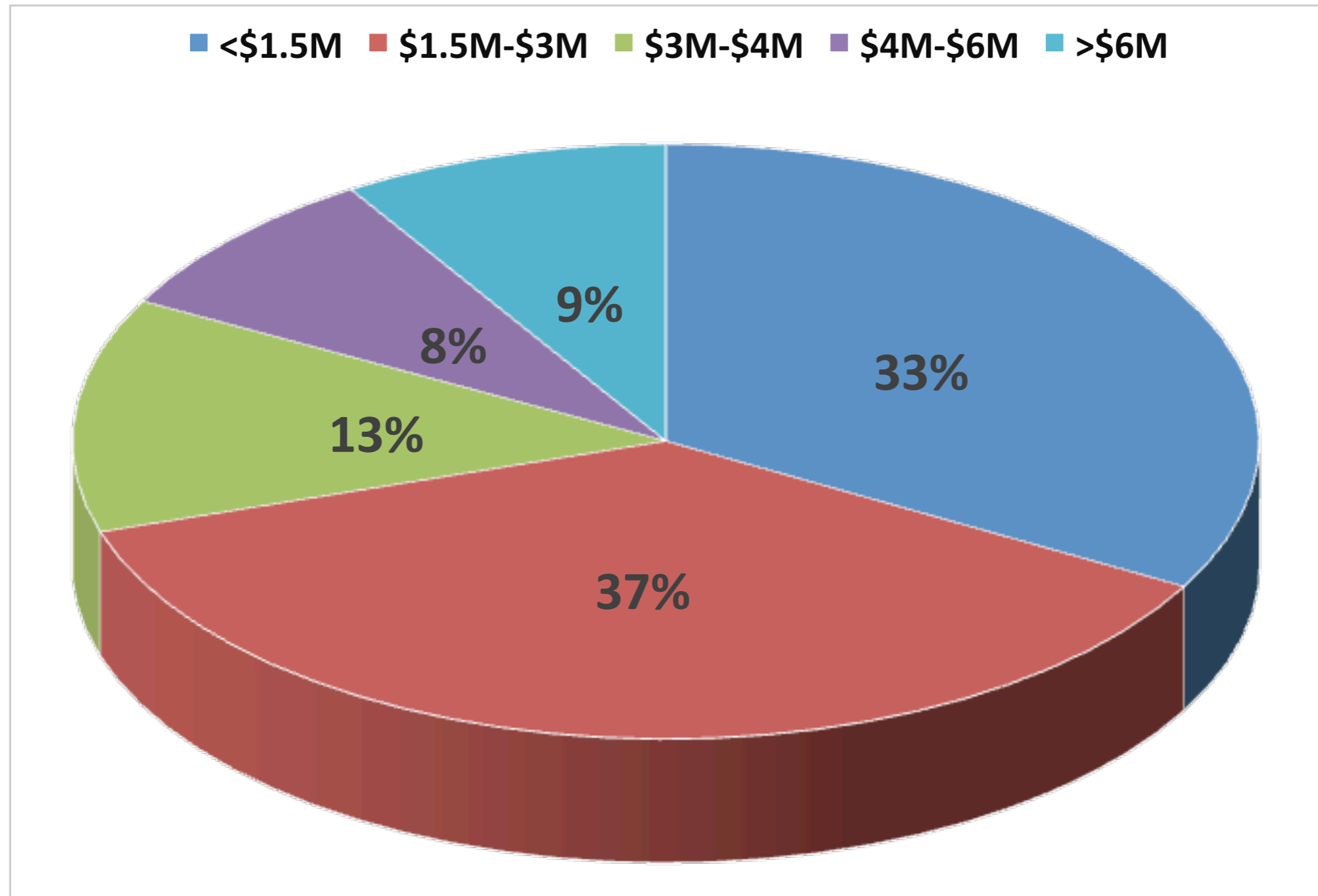


Percent sold by price

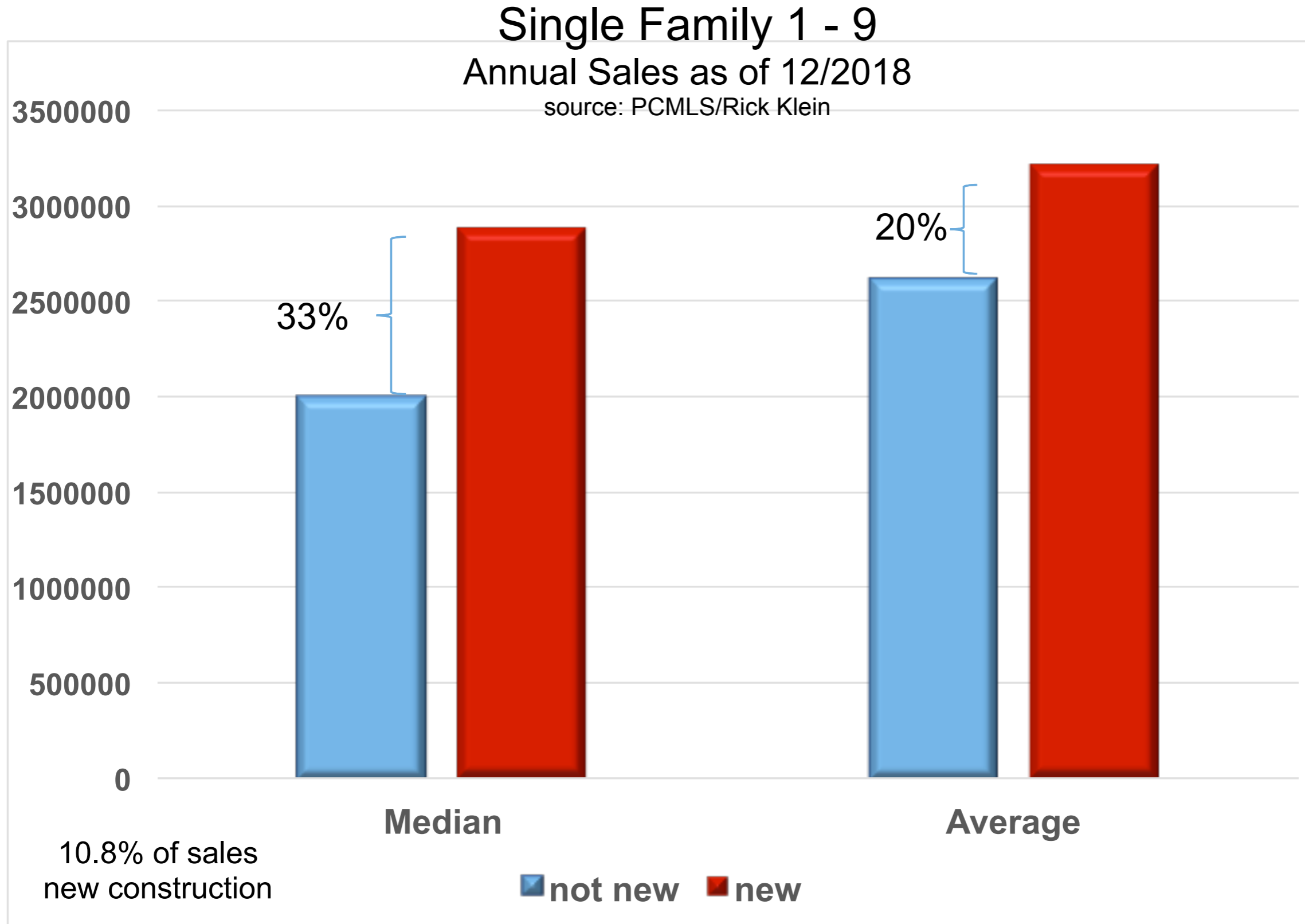
Single Family Areas 1-9

For the year 2018

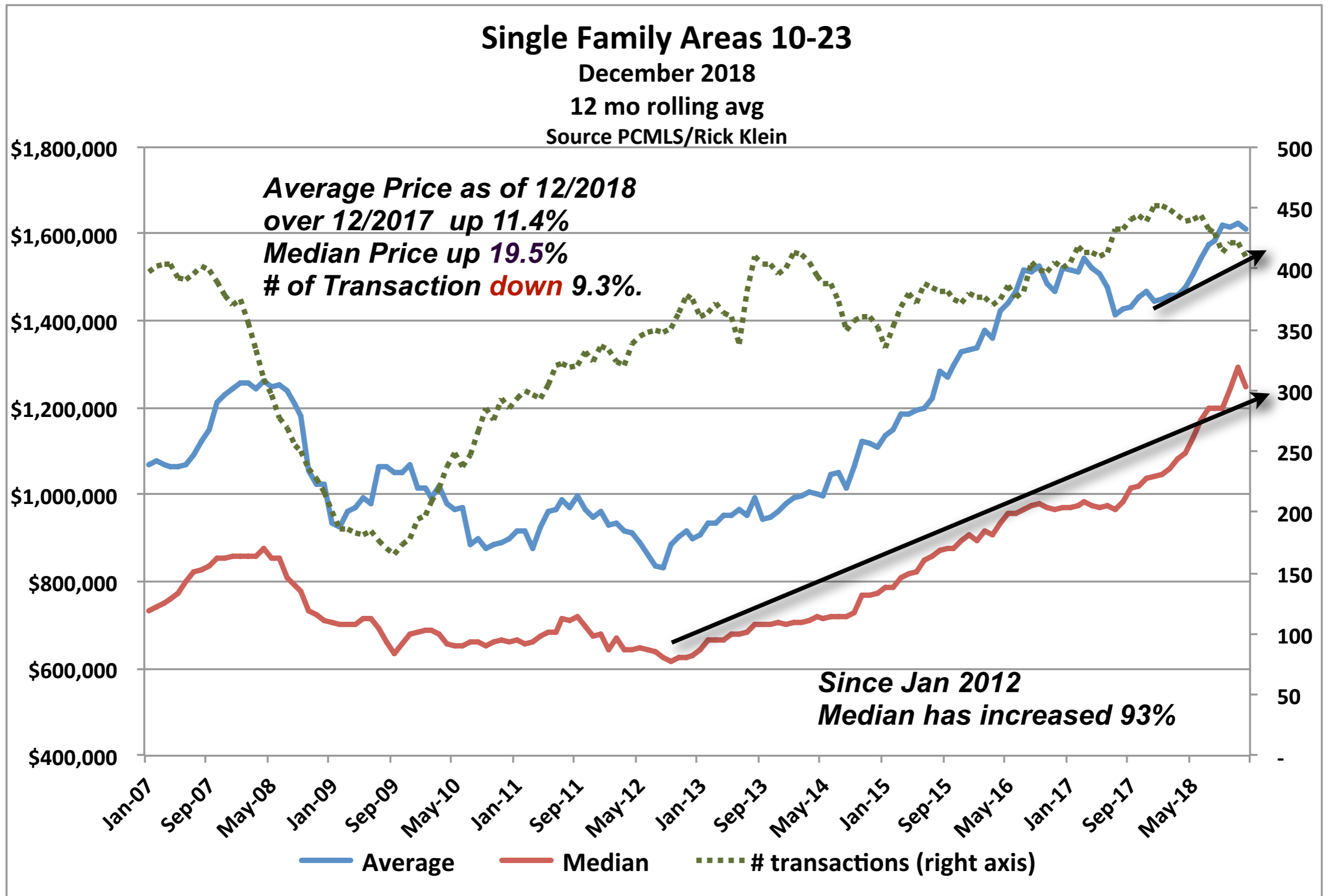
Source PCMLS.Rick Klein



Impact of New Construction on Price



Property Prices by Segment

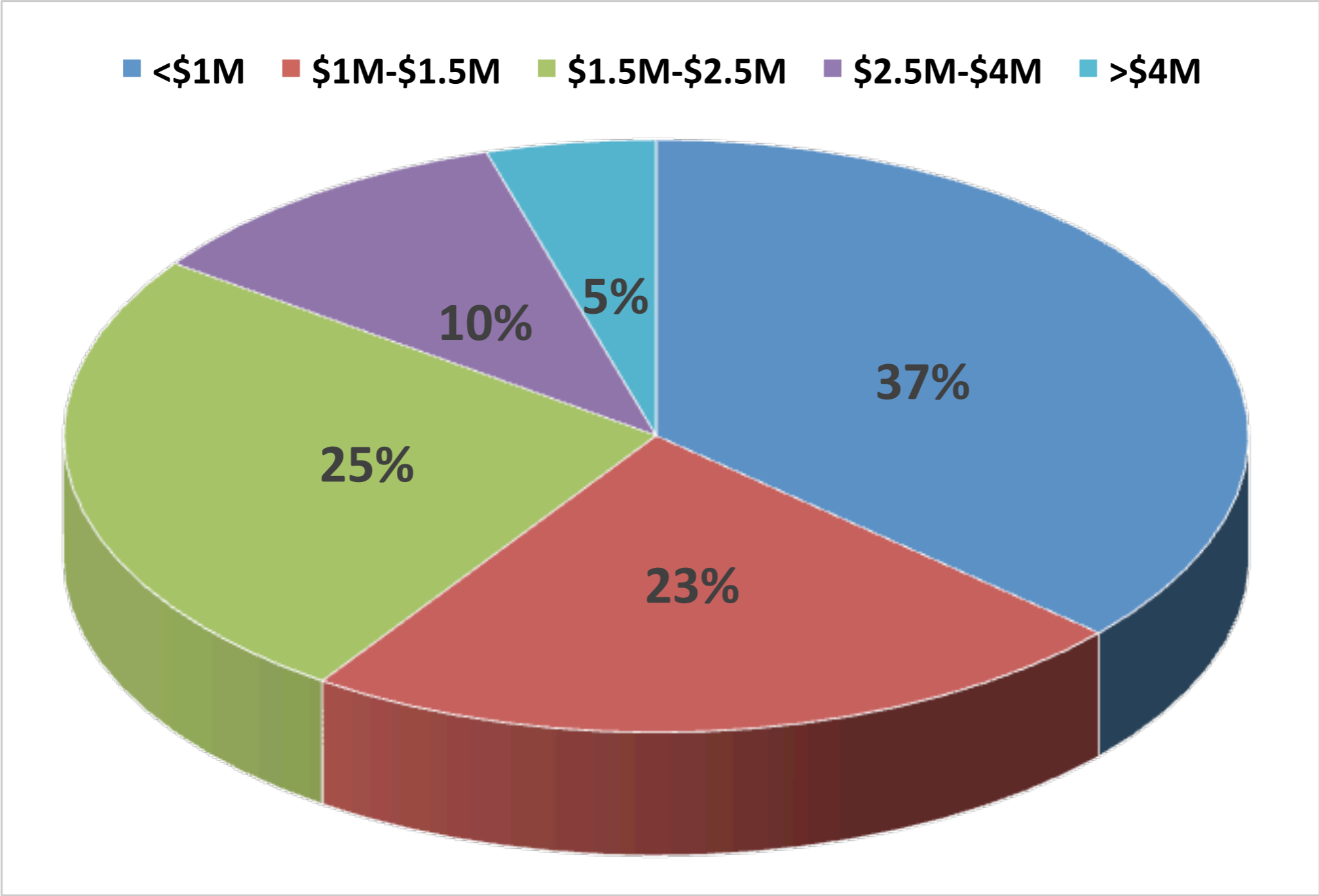


Percent sold by price

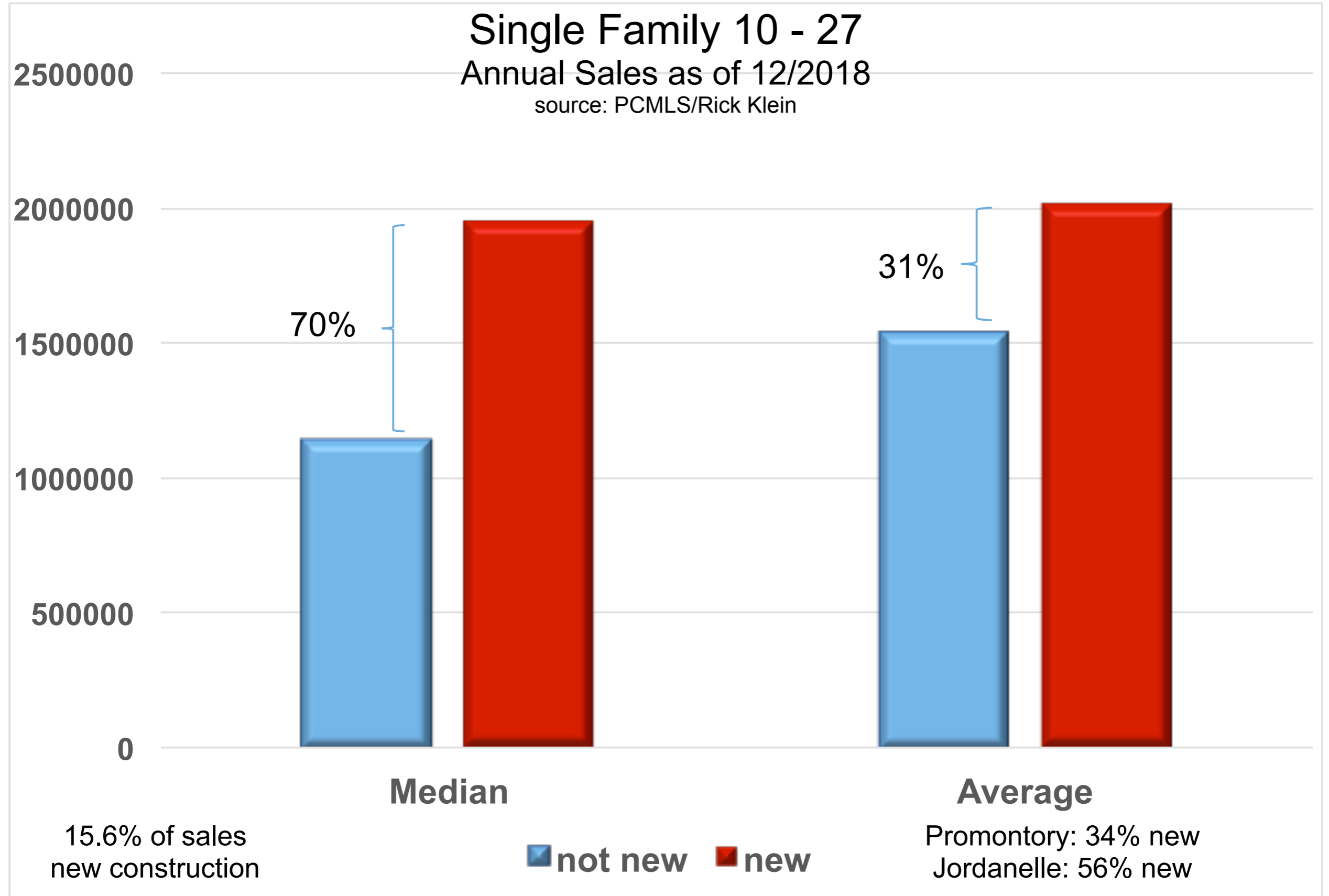
Single Family Areas 10-27

For the year 2018

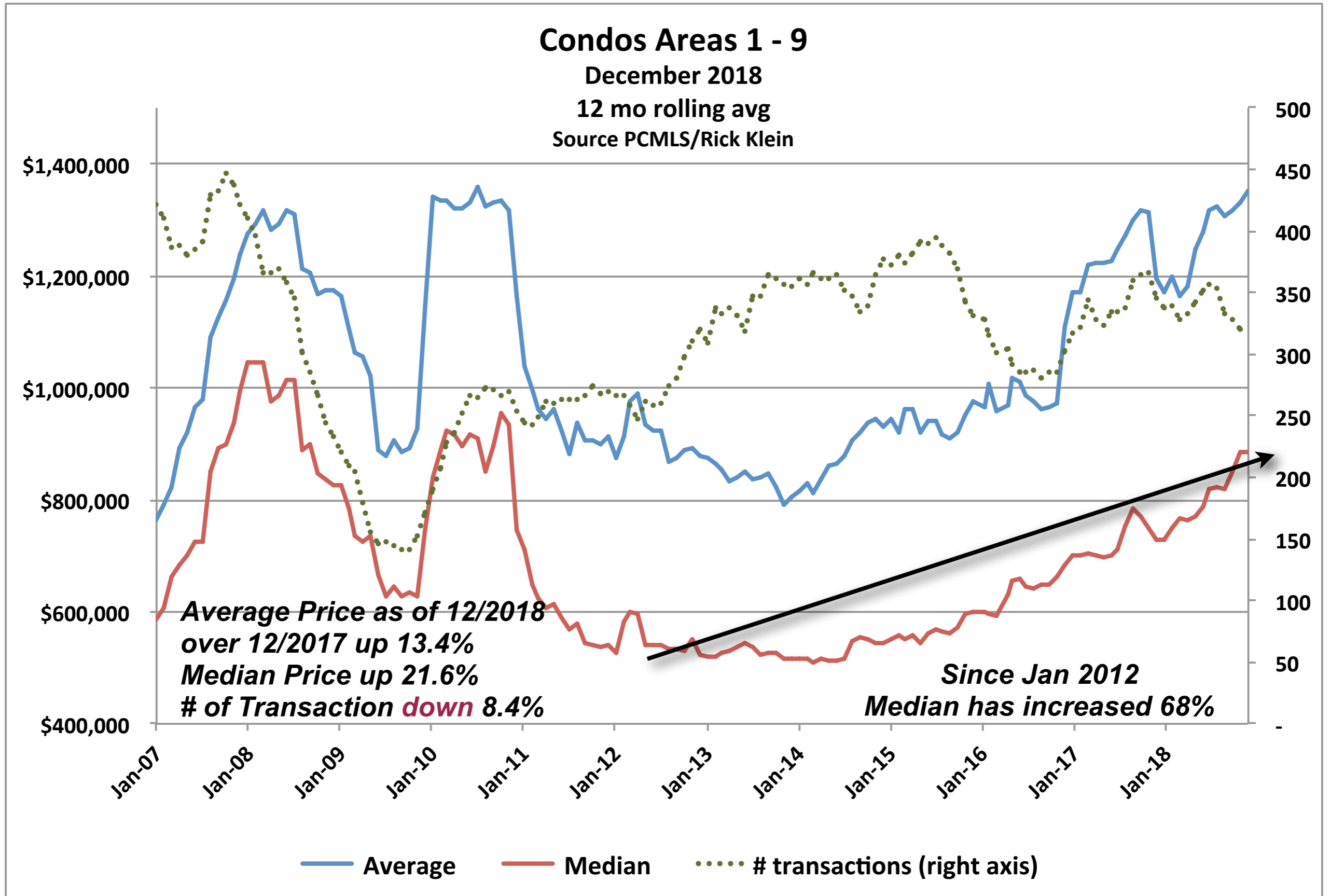
Source PCMLS.Rick Klein



Impact of New Construction on Price



Property Prices by Segment

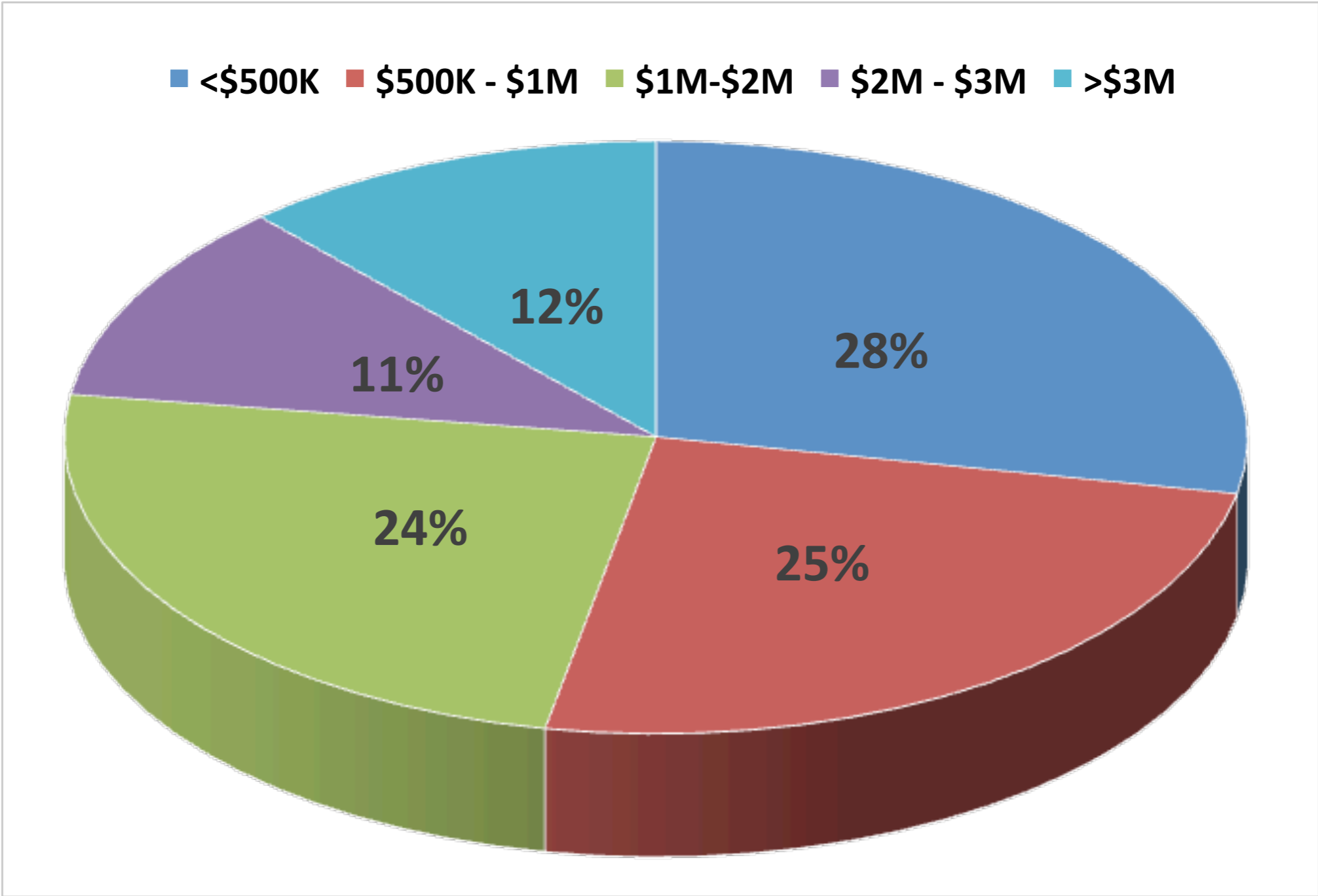


Percent sold by price

Condos Areas 1-9

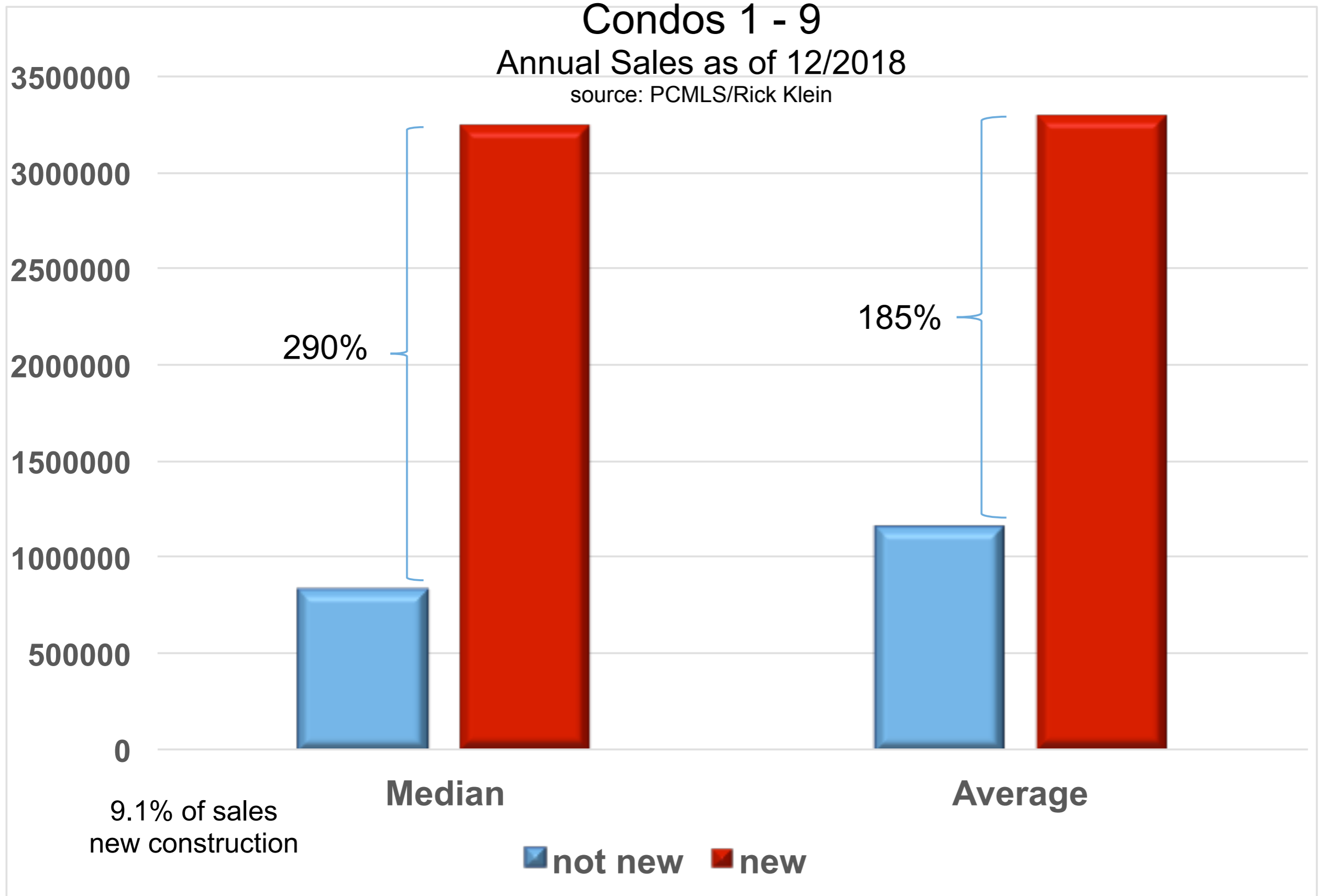
For the year 2018

Source PCMLS.Rick Klein



Impact of New Construction on Price

Rick J. Klein
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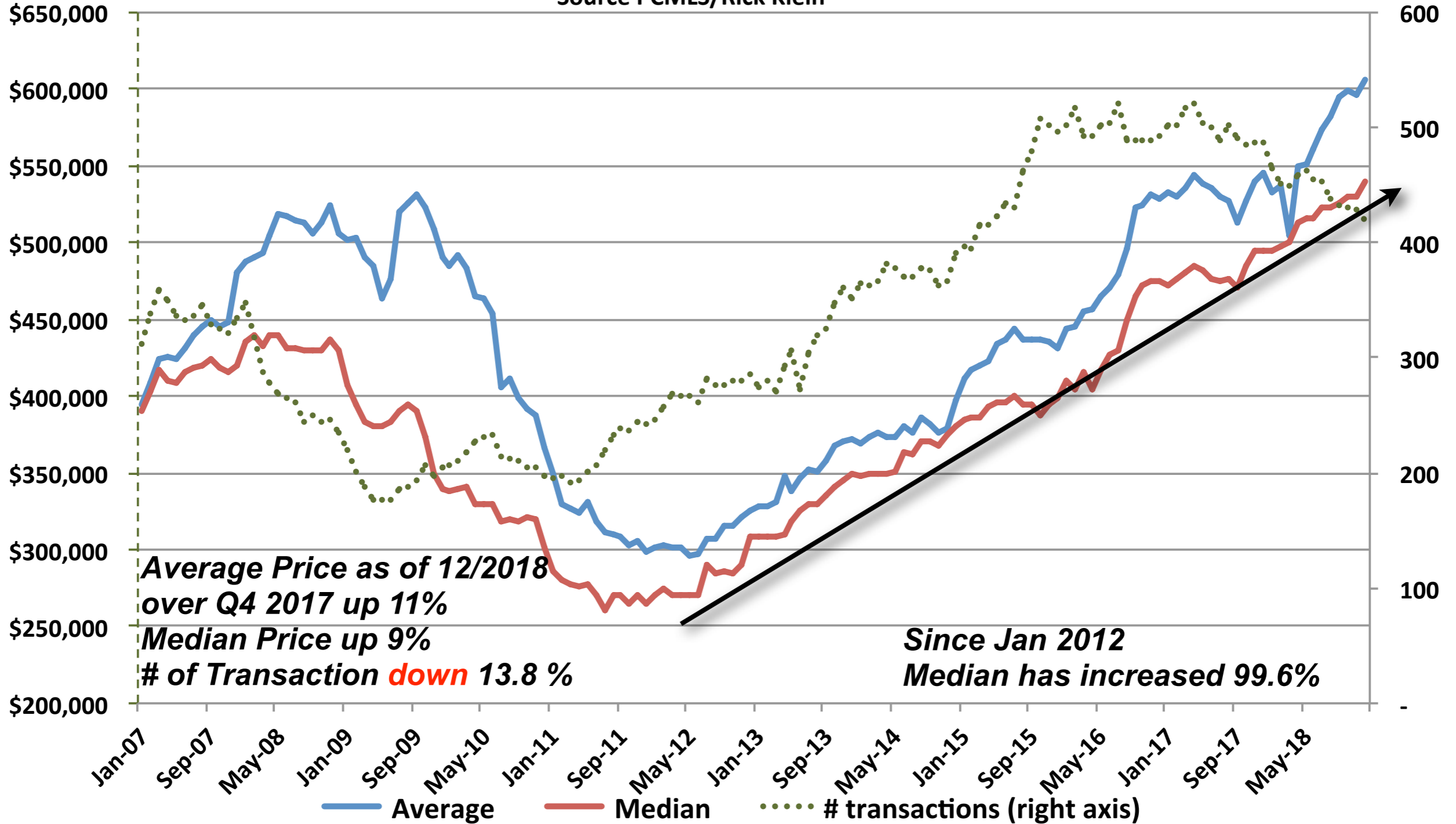
Property Prices by Segment

Condos Areas 10 - 23

December 2018

12 mo rolling avg

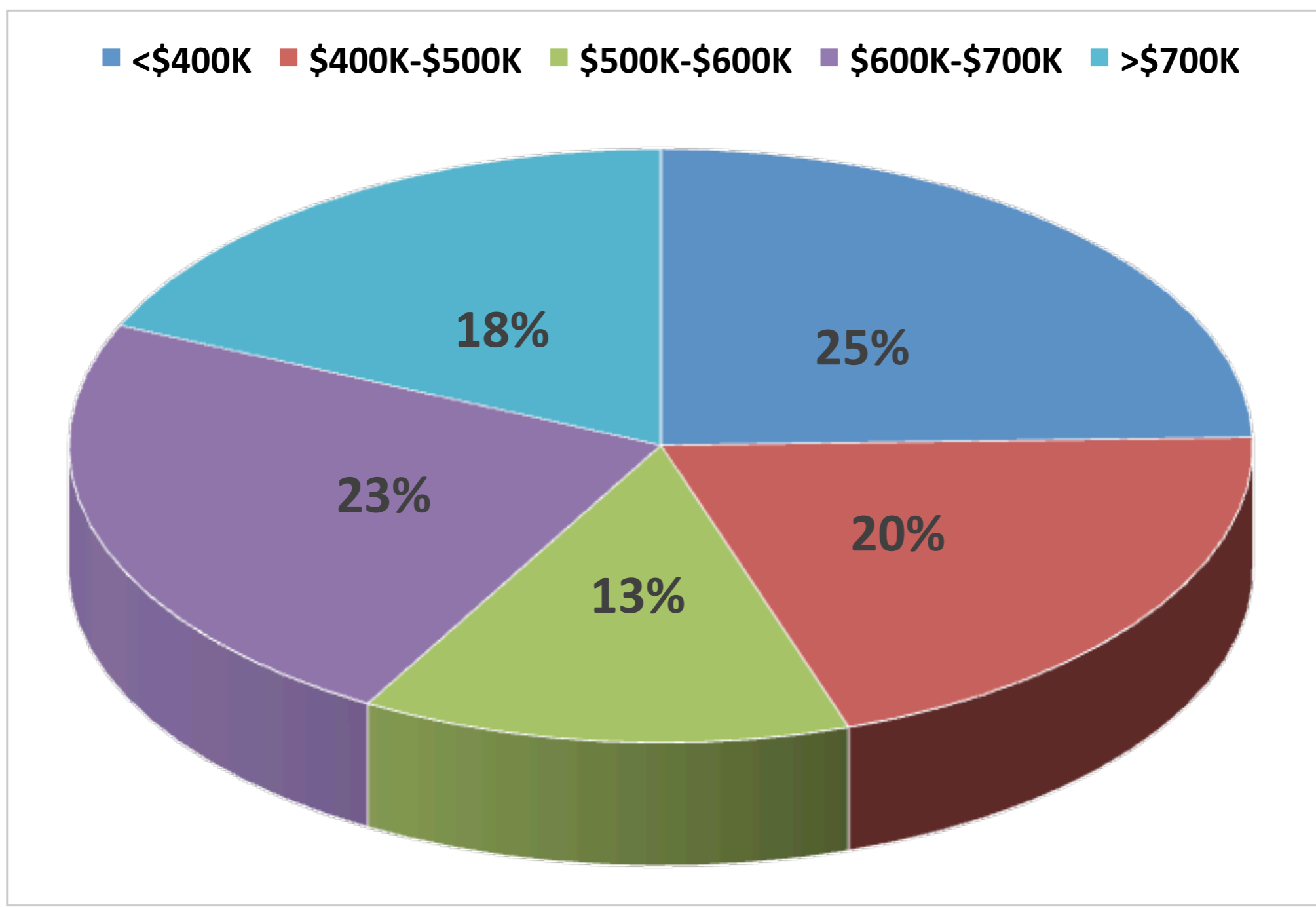
Source PCMLS/Rick Klein



Percent sold by price

Condos Areas 10-27

For the year 2018
Source PCMLS.Rick Klein

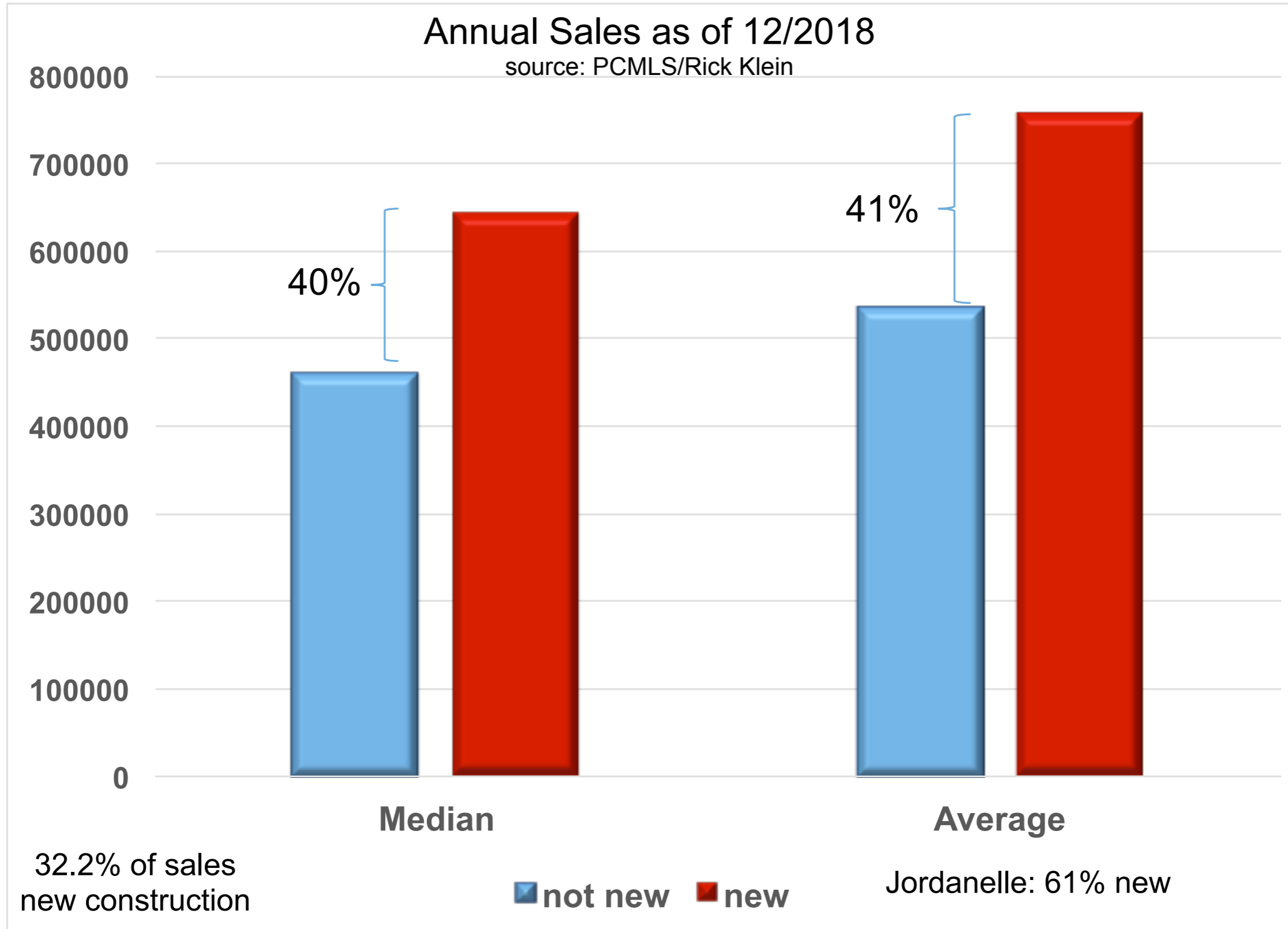


Impact of New Construction on Price

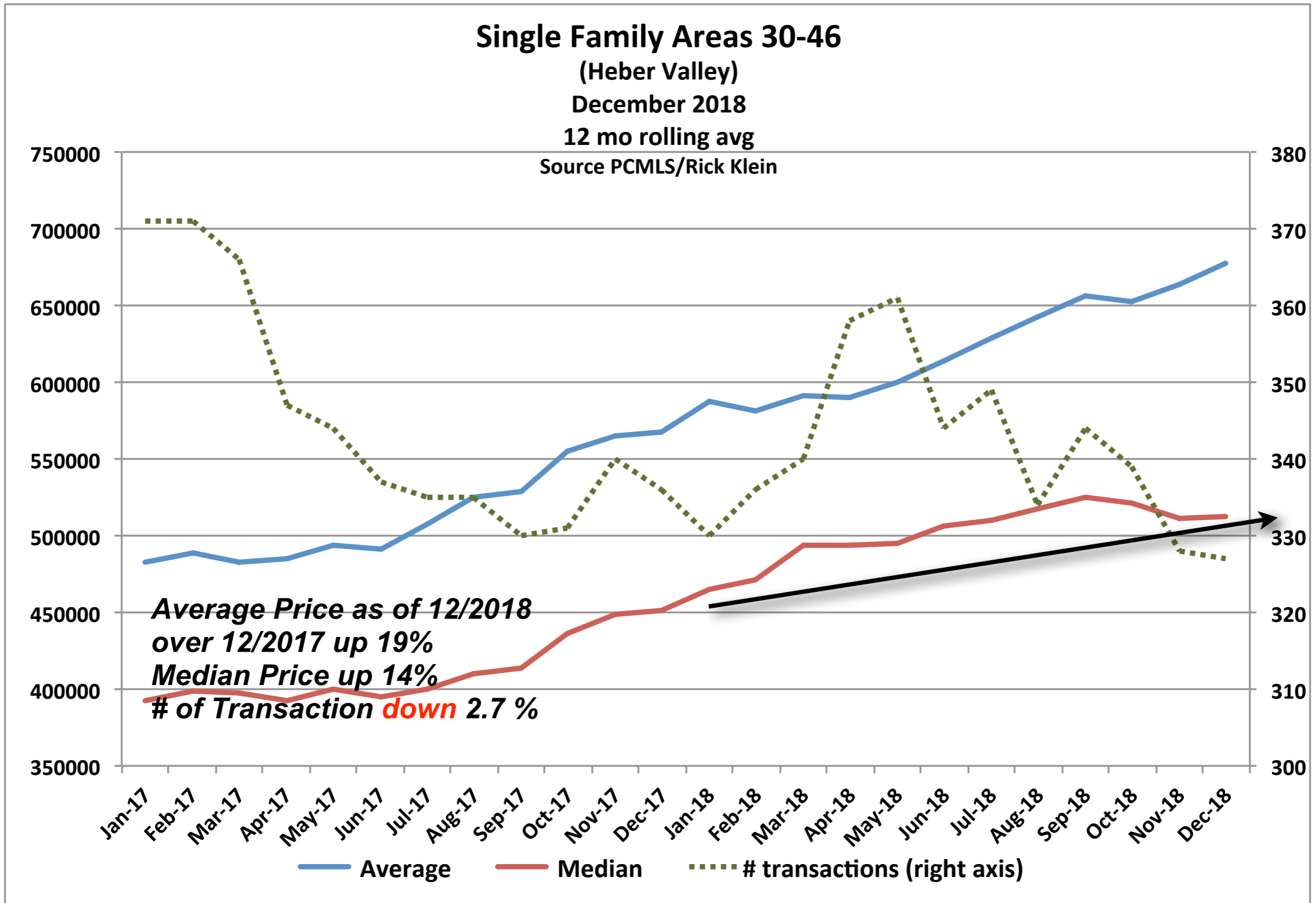
Condos 10 - 27

Annual Sales as of 12/2018

source: PCMLS/Rick Klein



Property Prices by Segment



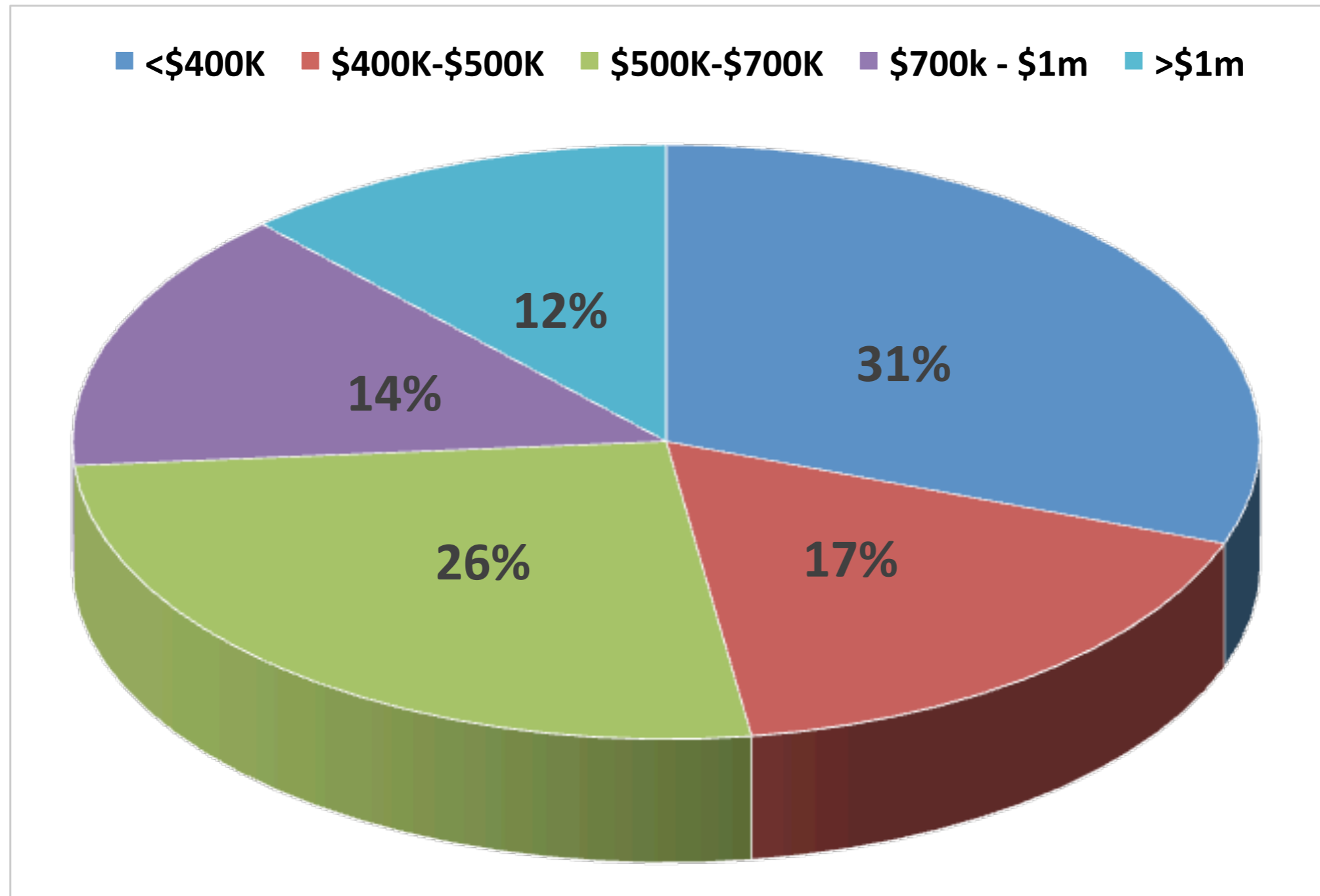
Percent sold by price

Single Family Areas 30 - 46

(Heber Valley)

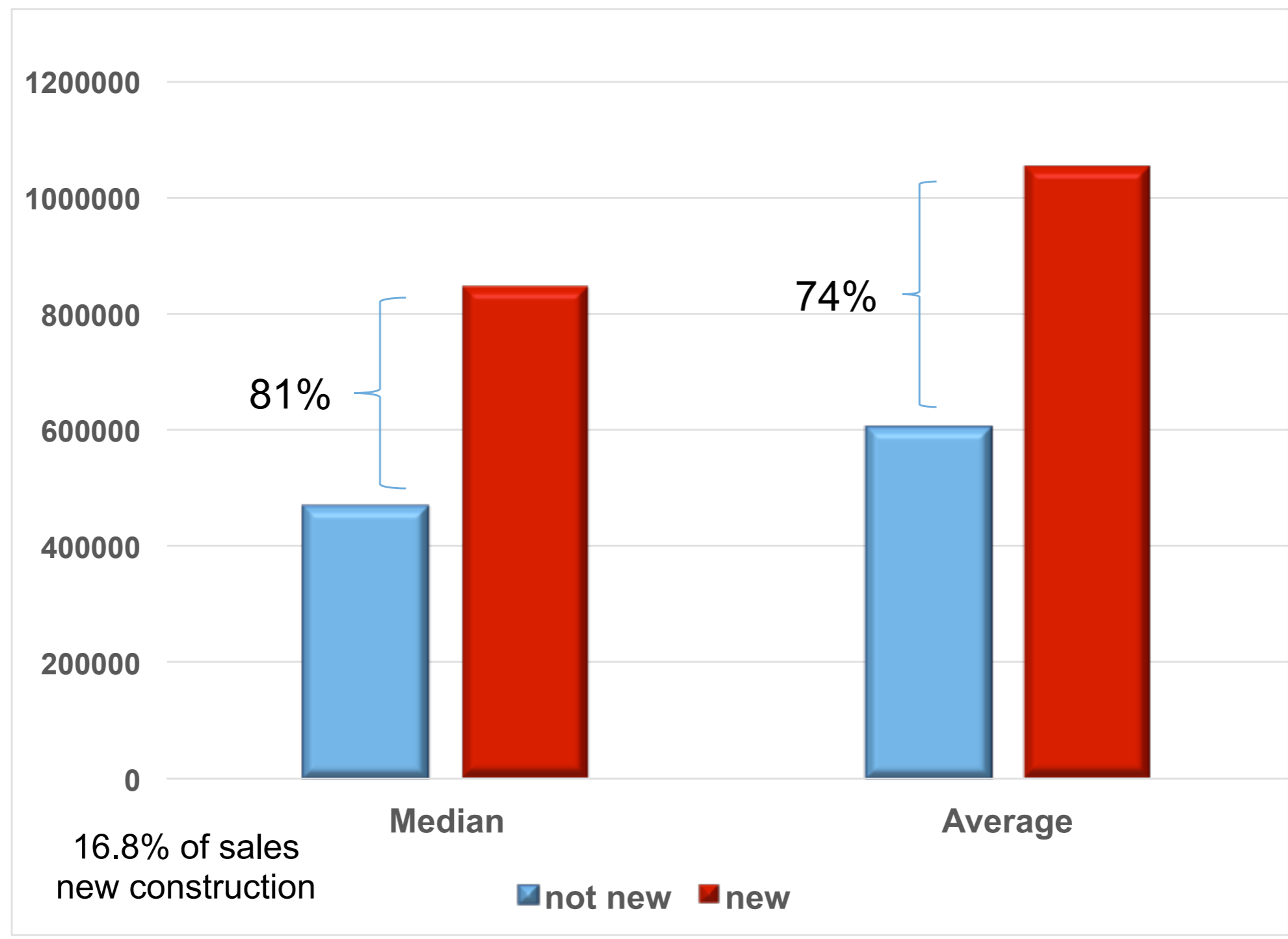
For the year 2018

Source PCMLS.Rick Klein



Percent sold by price

Single Family Areas 30 - 46
(Heber Valley)
For the year 2018
Source PCMLS.Rick Klein



Q4 Market Snapshot

	Q4 2017	Q4 2018	% change		Q4 2017	Q4 2018	% change
CO 1-9				CO 10-28			
Listings 12/31	179	222	24.0%	Listings 12/31	177	227	28.2%
# transactions	346	317	-8.4%	# transactions	486	419	-13.8%
Median	717,000	886250	23.6%	Median	494,500	539,000	9.0%
Volume	404,964,974	430,284,071	6.3%	Volume	265,162,086	253,800,870	-4.3%
SF 1-9				SF 10-27			
Listings 12/31	155	174	12.3%	Listings 12/31	178	218	22.5%
# transactions	175	157	-10.3%	# transactions	452	410	-9.3%
Median	1,900,000	2085000	9.7%	Median	1,047,200	1,247,592	19.1%
Volume	418,532,100	422,164,051	0.9%	Volume	654,887,884	660,995,030	0.9%
SF Heber Valley				VL 10-27			
Listings 12/31	114	138	21.1%	Listings 12/31	254	278	9.4%
# transactions	336	327	-2.7%	# transactions	259	290	12.0%
Median	451,031	515000	14.2%	Median	441,000	447,500	1.5%
Volume	190,922,256	222,114,096	16.3%	Volume	152,023,676	168,232,770	10.7%

GPC Areas 1-23 CO, SF, VL

	Q4 2017	Q4 2018	% change
Listings 12/31	975	1143	17.2%
# transactions	1740	1622	-6.8%
Avg	1,111,525	1,209,872	8.8%
Median	698,700	765,000	9.5%
Volume	1,934,053,500	1,962,412,384	1.5%

In Summary

Overall our market reflects national trends in all areas.

Demand is down 7% since last year, but has remained consistent over the past six years.

Inventory is up 17% over last January 1, which was a historic low. Yet, does inventory remains a constraint?

Appreciation continues to surprise. Median prices increased 8.8% over last year. Is this sustainable?

There is demand for new construction: In-Town, Basin, and Wasatch Valley was 18% of total sales.

Our market is very nuanced. The market conditions vary by area, by price range, by year built, etc. Buyers and sellers need knowledgeable and professional agents to navigate in this ever changing market.