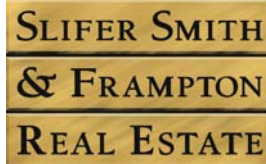


SLIFER SMITH & FRAMPTON
REAL ESTATE

SMART BUYERS REPORT

{ February 2009 }



SummitCountyRealEstate.com

INTRODUCTION

At least once in everyone's lifetime, a real estate opportunity comes along that they will always remember. Some will see what a smart move they made. Others will regret the smart move they could have made. Today, Summit County, Colorado is one of those opportunities.

Today, smart buyers are finding value in homes throughout Summit County with a broad selection of inventory, favorable interest rates and a very resilient local market.

Once again, the window of opportunity has opened. Buyers are realizing there are a number of reasons to take advantage of current market conditions and purchase their mountain homes. There is no better time than the present to create a legacy of memories with your family.

In the following report, we will outline these factors.

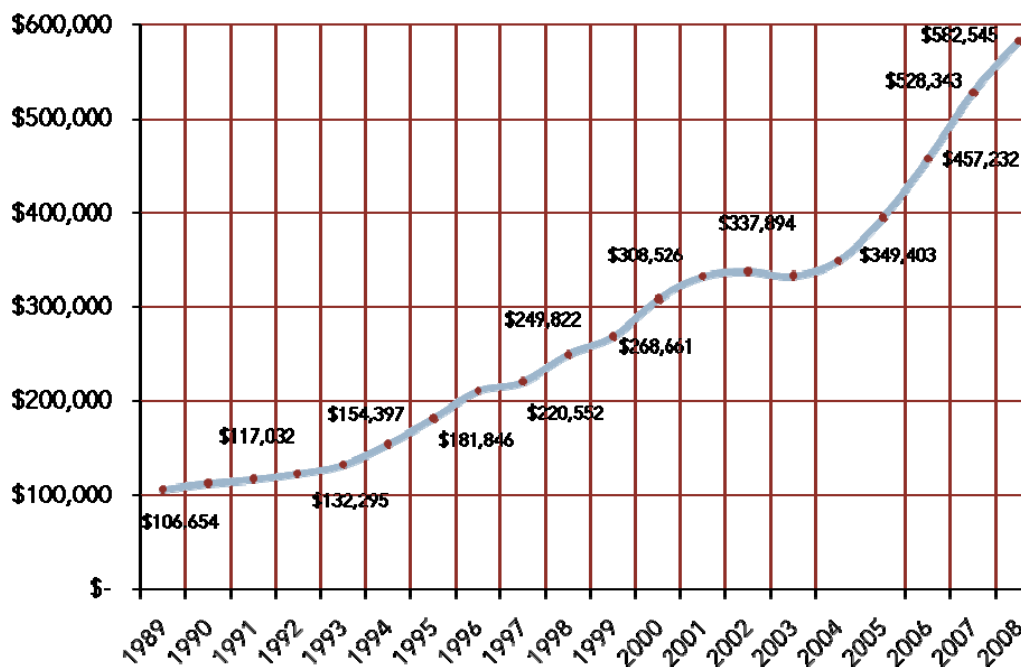
1) History

Slifer Smith & Frampton Real Estate has been in the Rocky Mountains for over four decades, and has experienced ups and downs in the market before. Historically, Summit County has been a strong market with a general positive trend of average sales price (see charts below). Summit County real estate typically emerges from “tough times” much faster than the rest of the nation and does not experience a significant decrease in value. This was true in the events below and is true even today; Summit County’s sales prices remain strong despite a national housing downturn.

- The upheaval of the oil patch and recession of the early 1980’s
- The Savings and Loan scandal that affected the market from 1989 to 1991
- The recessions of the early and late 1990’s
- The “dotcom” meltdown of 2000
- September 11, 2001

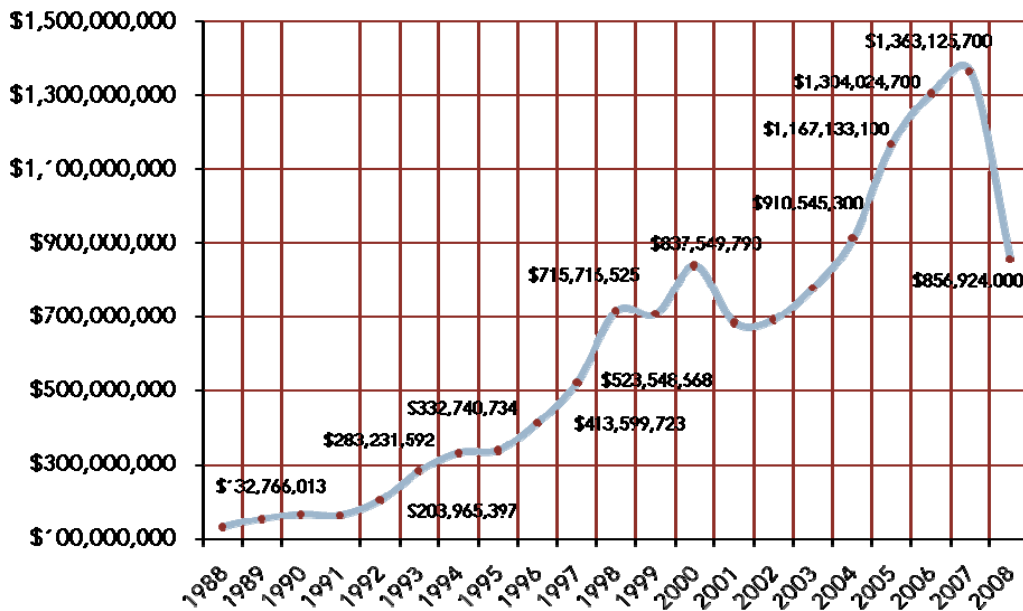
Sophisticated buyers and sellers keep our market strong as property values have remained stable throughout the years even through these past cycles.

**Summit County Real Estate
Average Sales Price**



Data collected from Land Title Guarantee Company. Information is deemed reliable but not guaranteed.

Summit County Residential Real Estate Dollar Volume



Data collected from Land Title Guarantee Company and includes residential product only. Information is deemed reliable but not guaranteed. Does not include timeshares.

2) Build Out is Near

Due to an incredibly small amount of land that can ever be built upon, Summit County enjoys a unique market condition. Over 80% of the land in Summit County is National Forest, Bureau of Land Management land and Colorado public open space (per Summit County). The availability of land left to develop is close to build-out, especially in key locations. The best analogy to describe this is that Summit County is essentially an island surrounded by an ocean of national forest. This is the major difference between our local market and other metropolitan markets that are currently experiencing severe downturns.

3) The Bottom?

It is not prudent to wait for the market to “bottom out”. Timing the bottom in any market, not just real estate, is nearly impossible. By the time the bottom has been reached, prices have already started to increase and the smart buyers have snatched the prime properties and best values. As the upward momentum begins to increase, the large pool of buyers who have remained on the sideline begin to enter into the market, which creates more competition, more demand, and higher prices. Waiting for the market to change may bring increased prices and more competition for fewer homes. People purchasing real estate today compete with fewer buyers and enjoy the absolute best offerings in the market.

4) Favorable Interest Rates

Historically low interest rates provide enticing financing options and a compelling reason to purchase soon. Overall, this provides a solid fundamental basis for the entire range of our real estate market.

5) Long Term Approach

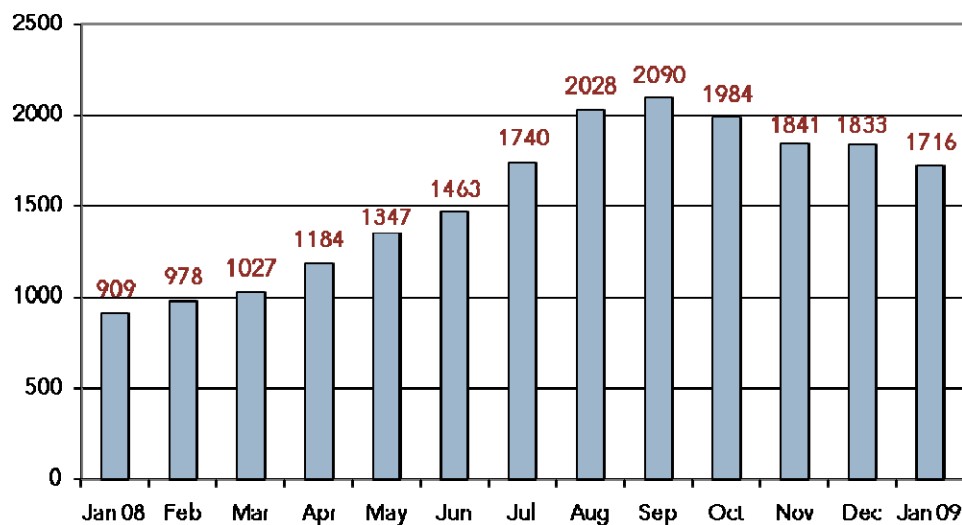
Property values have shown stability over time in this mature resort market. Taking a long term approach to owning indicates that over a three to five year period of time a home will maintain its value. In addition, you, your family and friends can use the property and enjoy living the mountain lifestyle.

6) Inventory – Properties for Sale

Current market numbers indicate that the real estate inventory in Summit County has increased since January of 2008, but it has begun to decline in the past few months (see chart below). We have not seen the dramatic escalation of inventory experienced by other markets around the country. Our foreclosure rate remains well below 1% of all the properties on the market in Summit County. As a result, most buyers today are finding a more extensive selection of homes from which to choose within their criteria as compared to prior years, although prime properties still remain surprisingly limited.

Now, unlike the sellers' market in recent years when demand exceeded supply, the lower number of potential buyers actively pursuing properties has significantly shifted the market in the favor of the buyers. Although property prices have not dropped significantly, buyers are finding that sellers are more willing to negotiate in order to put together an acceptable transaction.

**Summit County Properties for Sale
January 2008 to January 2009 Trend**



*Includes Land and Residential Active Listings on the first of each month.

7) Lifestyle

The fundamentals of Summit County real estate will always be strong. The enjoyment of outdoor activities, mountain views and time with family and friends will always exist. The ski resorts of Breckenridge and Keystone rival the best in the world with services available to guests ranging from public transportation to world-class medical facilities. All of this completes an environment of convenience, personal growth and security, exactly what we all seek in a vacation destination.

8) Demographics

Owners and visitors to Summit County come from all over the world to enjoy world-class skiing, top-rated golf courses, boutique shopping and a variety of dining. While other resort markets can boast the same diverse patronage, Summit County also capitalizes on the massive feeder market of the Front Range which consists of the cities of Denver, Colorado Springs, Fort Collins and Boulder. This active population helps to create year-round visitors and potential real estate owners.

Recently, the Wall Street Journal picked Denver as one of the twenty-five major metropolitan cities expected to lead the way out of the economic downturn. Colorado typically breaks out of recessions ahead of most states. With nearly half of our real estate buyers coming from the metropolitan areas of Colorado, we believe the Summit County market will begin to improve sooner than most other resort areas in the country.

9) Time

We value quality time shared in the comfort and companionship of family and friends. We know that the moments spent with them are precious. Memories are made, legacies are created. There is no better time than now to share these moments. Time and again we hear from our clients that the experiences shared here in Summit County are some of the best memories they have. They talk of gathering families for vacations and hope that their homes and memories will pass on to future generations.

Time is irreplaceable. How long do you want to wait?

10) Ownership

The only way to purchasing in this buyers market is to start making an offer. Today, smart buyers are narrowing down their search and are starting the negotiation process with sellers. Contact your broker at Slifer Smith & Frampton Real Estate and let them show you where the best priced properties are located. Smart buyers are picking the deals quickly so it is to your advantage to be ready when they hit the market.

As Warren Buffet stated, "If you wait for the robins, spring will be over."