

March, 2008

SLC Duplex Market Quarterly Newsletter

Market Pulse

- Utah Fourth Quarter HPI - 9.27%.
- Under Contract Ratios Show Signs of an Improving Market.
- Unemployment in Utah Remains Low at 3% for January, 2008.

Duplex Sales Volume:

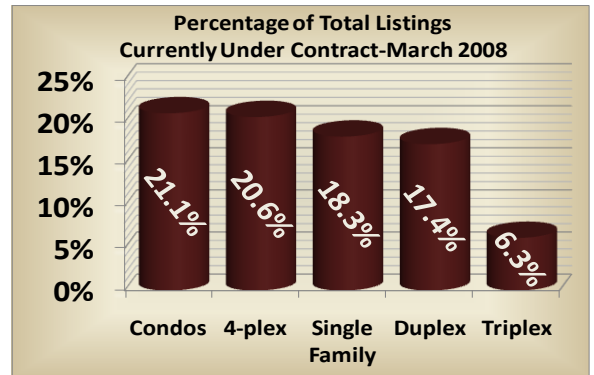
March 2008	14
February 2008	9
January 2008	18
December 2007	11
November 2007	20
October 2007	13

Sales Rates in Salt Lake Rebound : Hinting Toward the Hidden Value in the Market!

Real estate markets across the country grapple with stagnant overabundant inventory levels, lending struggles, and in some cases decreasing sales prices. Inventory levels in Utah are higher than normal and home appreciation has slowed considerably. Amidst all of this turmoil, Utah remains one of the nations best real estate markets. Much of Utah's strength in real estate is a result of Utah's unique ability to maintain a solid economy. Utah's unemployment rate was only 3% as of January, 2008, beating the national average of 4.8%. Additionally, Utah's pro-business atmosphere continues to attract new businesses to the state that create more jobs. These factors entice people to move to Utah for employment increasing housing demand. This puts upward stabilizing pressure on the residential real estate market.

The better news, from an early indicator, is that home sales nationally increased last month for the first time in half a year, even though Wall Street economists had predicted another downturn. This is particularly of interest to us here in Utah, since we remain one of the top markets of the country thereby offsetting the downward pressures from more troubled states such as California.

Local factors also show positive signs for the residential real estate market in Salt Lake County. The under contract ratios for many segments of the residential markets have been on the rise. This ratio is a computation based on the number of properties that are currently sale pending (i.e. under contract) as a percentage of how many of the same type of property are currently actively listed. Essentially, if 100 properties were listed and there were 10 under contract, this would create an under contract of 10%. In Salt Lake County certain under contract ratios are rising, 4-plex ratios rose to 20.6% in March, up from just 11% in December 2007, and the single family homes ratio increased to 18.3% in March from 13.8% in December 2007. Duplex ratios fell slightly by just over 4%, however, the increased sales volume from February to March as illustrated in our Duplex Sales Volume chart to the right indicates that duplexes should continue to hold their value. With the spring and summer months, traditionally the hottest times of the year to sell just around the corner, property owners and investors are once again realizing the value of real estate in Utah.



Mid-March Under Contract Ratios for Residential Real Estate in Salt Lake County.

Utah Leads the Nation in Home-Price Appreciation for the Fifth Straight Quarter.

Top 5 States—HPI for the 4th Quarter of 2007

State	Rank	1-year	Quarter
Utah	1	9.27 %	0.64 %
Wyoming	2	8.27%	0.26 %
North Dakota	3	7.87 %	1.87 %
Montana	4	6.90 %	1.21 %
Alaska	5	5.97 %	-0.16 %
United States		0.84%	0.10 %

Utah's home-price appreciation was the highest in the nation for the fifth straight quarter. The HPI or home price-index is compiled every quarter by the Office of Federal Housing Enterprise Oversight. This index is a function of property appreciation as compared to the same quarter from the previous year. In Utah, prices rose 9.27 percent in the fourth quarter of 2007, compared to the fourth quarter prices of 2006, placing Utah in the top spot over all other states nationally for the fifth consecutive quarter. Compared with the home price-index for the US as a whole of only 0.84 percent, Utah remains the nations strongest real estate market.

FEATURED PROPERTIES**\$279,900****4676 S. 1300 E.**

Price Reduced! Stream running behind the property. Upper unit recently updated with new doors, carpet, paint, washer, and dryer. Upper kitchen and lower unit remodeled a few years ago. Newer driveway, windows, roof, furnaces, and A/C. Lease for the lower unit expires 4/30/08. Don't miss this one!

Details: Duplex

Yr Built: 1958 **Tot Sq Ft:** 2,288
Taxes: \$1,289 **Unit Sqft:** 1,144
Acres: 0.28 **Beds/Unit:** 3/2
HOA Fee: \$0 **Baths/Unit:** 1/1.5
Under Cnst: No **Carports:** 2
Fin Bsmnt: 0% **Add'l Prkg:** 4

Exterior: Brick **Roof:** Asphalt Shingle
Inclusions: Refrigerators: 2, Dishwashers: 2, Oven Ranges: 2, Disposals: 2.
Additional Info: Separate Power and Gas Meters, Separate Air, Separate Water Heaters.
Rents: Unit 1 — \$1,000 **Total: \$1,800**
Unit 2 — \$800

\$324,900**4642 Arlington Park Drive**

Great Investment Opportunity! Owner lives in one of the units. Perfect for Owner-Occupant buyer or first time investor. The other 3 units are rented. Market rents total \$2,400 per month!

Details: 4-Plex

Yr Built: 1981 **Tot Sq Ft:** 3,472
Taxes: \$2,11 **Unit Sqft:** 868
Acres: 0.21 **Beds/Unit:** 2
HOA Fee: \$0 **Baths/Unit:** 1
Under Cnst: No **Carports:** 4
Fin Bsmnt: 0% **Add'l Prkg:** 4

Exterior: Brick **Roof:** Asphalt Shingle
Inclusions: Refrigerators: 4, Dishwashers: 4, Oven Ranges: 4, Disposals: 4.
Additional Info: Separate Power Meters, Separate Water Heaters, Sprinkler System, Full Landscaping.
Rents: Unit 1 — \$550 Unit 3 — \$600 **Total: \$2,350**
Unit 2 — \$600 Unit 4 — \$600

\$364,900**1811 Norma Circle**

Excellent Investment! Duplex on a quiet cul-de-sac in desirable east side neighborhood! East unit currently on a month-to-month lease at \$1,100/month. West unit owner occupied. Both units have new furnaces and air condition in 2006.

Details: Duplex

Yr Built: 1977 **Tot Sq Ft:** 3,188
Taxes: \$1,876 **Unit Sqft:** 1,594
Acres: 0.25 **Beds/Unit:** 3
HOA Fee: \$0 **Baths/Unit:** 1.5
Under Cnst: No **Garage:** 2
Fin Bsmnt: 0% **Carport:** 2

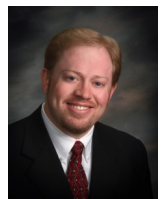
Exterior: Brick **Roof:** Asphalt Shingle
Inclusions: Microwave, Range, Range Hood, Refrigerator
Additional Info: Separate Gas Meters, Separate Water Heaters, Separate Air, RV Parking, Full Landscaping.
Rents: Unit 1 — \$1,100
Unit 2 — Owner/Occupant
Total Rents of \$2,200 if both rented.



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