

# Kiplinger: Provo area ranked No. 2 for home value recovery



Bill Freeze, left, a realtor with @Home Realty Network, talks to Robert and Angie Lockard outside the American Fork home they looked at on Friday, January 11, 2013. The Lockards have been looking to purchase a home in the Utah County area for the past 6 months. SARAH WEISER/Daily Herald

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**PROVO** -- A strengthening local economy and fewer homes on the market have made Provo and the surrounding area No. 2 in the nation for increased home prices, according to the Kiplinger Report. Provo's values have risen 21.8 percent in the past year. Salt Lake City ranks eighth out of Kiplinger's top 12 cities.

"It's exciting," Taylor Oldroyd, CEO of the Utah County Association of Realtors, said. "It shows a larger picture and that real estate is doing well. Utah probably is leading in a couple of areas. There's not much inventory so the price goes up."

Oldroyd added that Utah County's November real estate report shows fewer than 2,100 existing homes on the market. He also noted that homes were selling in an average of 50 days as compared to 90 days the year before. He expects to see more homes come on the market as residents gain more confidence.

Utah County recorder Jeff Smith said the recorder's office has had a big jump in processed documents for home buying from 2011 to 2012.

"The number of documents from the title companies show there is a big increase and they are busy enough to stay in business," Smith said. He noted that several title companies went out of business after 2008, during the worst part of the recession.

Smith also said it's hard to know the difference between papers for existing home purchases and refinances.

"We do know there are not as many foreclosures as before," he said.

In 2011 the county recorder's office processed 95,242 real estate documents equaling \$1.6 million in collected fees for the county. In 2012 it recorded 115,839 documents with \$2.2 million in fees collected.

Real estate agent Denise Martin said she has seen a real upturn in offers to purchase homes in the last quarter.

"We have a lot of buyers out there," she said. "We are often finding multiple offers on homes."

People tell Martin they feel sorry for her being in real estate, but she says not to -- she is busier than ever. She said with historically low interest rates between 3.5 and 4 percent, it's a great time to take advantage of both buying and selling.

"Hopefully we'll see more homes for sale as people want to upgrade, or maybe they're not upside down anymore in their homes," Oldroyd said.

The Kiplinger report said the median home price of homes sold in the area was \$192,050. According to Oldroyd, at the worst part of the recession the median home price was about \$170,000.

The report stated, "Homeowners in the third-largest city in Utah saw home prices rise substantially in the past year, gaining back much of the decline since the bust (which didn't occur here until early 2008). Buyer confidence is buoyed by a thriving local economy (anchored by Brigham Young University), with solid job growth and the lowest unemployment rate of any city on this list. Although nearly one-fourth of all sales were distressed properties, that's down by more than one-third from last year."

Bill Freeze, vice president of the Utah County Association of Realtors, expects this year to not only be exciting but challenging for the real estate market.

"We're in a transition from a buyers to a sellers market. There is a pent-up demand of owners waiting for prices to come up," Freeze said. He added the market is tight. While there will continue to be some short sales and foreclosures they will be less and less. It also is expected to be a strong year for construction.

Freeze said there are many reasons why people are coming to this area. Some of the main reasons are the schools, the environment, jobs and safety. People see this as a safe place to raise their children.

"It's going to be challenging to find new homes until the inventory loosens up," Freeze said. "The other problem in Provo and Orem is lot availability. People who want to live in Provo will buy older homes and tear them down and rebuild. We'll see more of this in the next five to 10 years."

Provo Mayor John Curtis said, "The Kiplinger report is just one more validation of the strength of our economy. We're seeing positive signs everywhere we look."

The top 12 cities where home prices have risen most

1. Phoenix, Ariz.
2. Provo area
3. Cape Coral-Ft. Meyers, Fla.
4. Minneapolis, Minn.
5. Akron, Ohio
6. Youngstown, Ohio
7. Seattle, Wash.
8. Salt Lake City
9. Boise, Idaho

10. San Jose, Calif.

11. Washington, D.C.

12. Tucson, Ariz.

-- *Genelle Pugmire covers Provo City, Provo School District, Orem City, UDOT's I-15 CORE Project. She also tackles variety of other topics including business features. Read more from [Genelle Pugmire here](#)*