

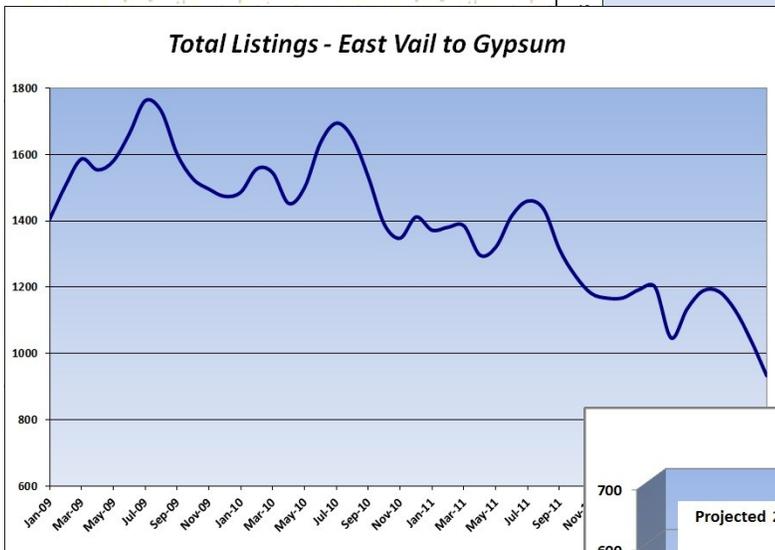
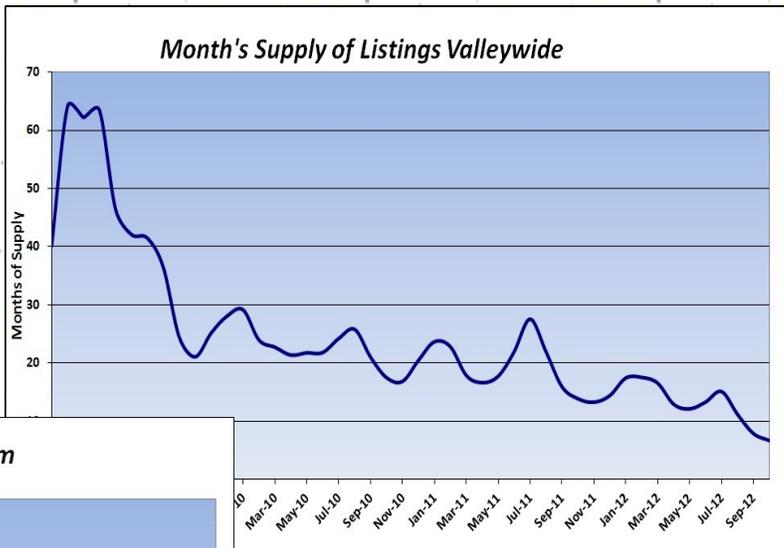
Real Estate Market Update

Local Real Estate Market Finally Transitioning to a More Traditional Market

It has been a long-time coming but our local real estate market is showing all the signs of a more balanced market.

We have been in a buyer's market for the past 4-5 years. Prices have dropped from 30% to 50% in various parts of the Valley.

We are now seeing our month's supply of listings back under 10 months (see the graph to the right). We are also seeing the total num-

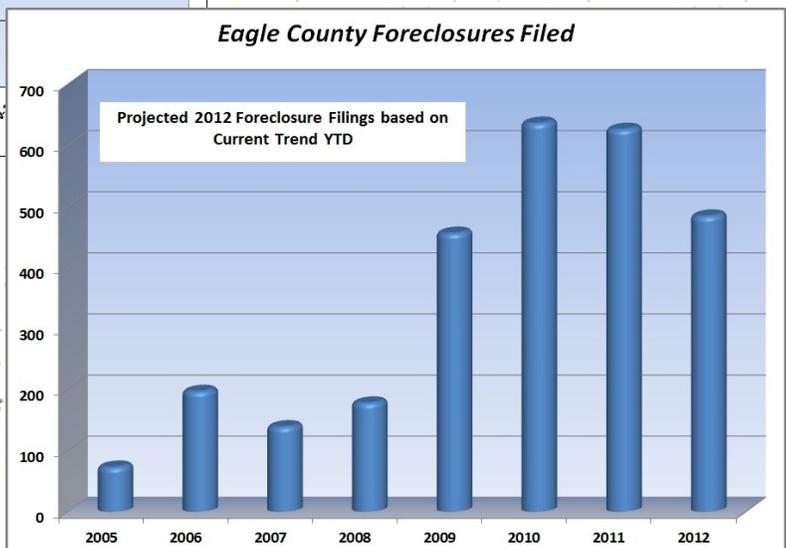


ber of listings under 1,000. (see the graph to the left) These are two key indicators telling us listings and sales are starting to balance again.

We still have plenty of distressed properties

(banked owned, short sales) but the number of foreclosures filings are down significantly this year. The graph to the right shows the projected number of filings for 2012. We are over the hump.

These are all good signs for our local market. Let's hope the positive trends continue in the new year.



Warren Buffett Just Made A Huge Bet On The US Housing Market



Perhaps the most bullish indicator for U.S. housing is Warren Buffett.

The legendary investor has been buying up real-estate brokerages around the country as he bets on a housing turnaround. Now, he is partnering with Brookfield Asset Management, a Canadian real-estate investor, to more than double the size of his brokerage business.

Berkshire's HomeServices of America Inc. unit will be the majority owner of the venture to manage a U.S. residential real-estate affiliate network, according to a statement on the new company's website. The firms plan to offer a new franchise brand, Berkshire Hathaway Home Services, starting next year. Brookfield's network has operated under the **Prudential Real Estate** and Real Living Real Estate brands.

Berkshire's managers have been positioning the firm to benefit as the U.S. home market recovers from its worst slump in seven decades. The Omaha, Nebraska-based company has bought a brickmaker, won the loan portfolio of bankrupt mortgage lender Residential Capital LLC at auction and built its HomeServices unit by agreeing to acquire real-estate brokerages in states including Oregon and Connecticut.

The press release says the brokerages that will make up the new company did a combined \$72 billion in sales in 2011. That's more than twice the \$32 billion in sales that Berkshire did in 2011 without the new brokerages.

This new venture will probably impact Prudential Colorado Properties, the company I'm currently associated with. Prudential Colorado Properties can use the Prudential name until the franchise agreement expires or move to the Berkshire Hathaway name. Our owners are evaluating the different options but I would not be surprised if we moved to the new Berkshire Hathaway company.

AUDI BIRDS OF PREY WORLD CUP RACE WEEK

Beaver Creek, November 30 - December 2, 2012



As the only men's World Cup stop in the United States, the Birds of Prey has evolved into one of the world's premier ski events. Beaver Creek Mountain is home to the formidable Birds of Prey racecourse, challenging an international roster of top athletes for three days of racing including Downhill, Super G and Giant Slalom. A festival atmosphere surrounds the on-mountain venue which is easily accessible, free and open to the public. Vail/Beaver Creek is also the home to the 2015 FIS Alpine World Ski Championships featuring men's and women's racing for two weeks in February 2015.

I also send this newsletter out by email and many folks have opted to go that way. Let's save a tree and all convert to email. Send me a note at Terry@TNolanProperties.com and I'll add you to my e-mail list. If you know of anyone considering a real estate transaction, I would appreciate your referral. All referrals receive my immediate attention. Best wishes to you and your family. Take care. Check out my Blog at www.BeaaverCreekVoice.com.

A handwritten signature in black ink, appearing to read 'Terry Nolan'.

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