

SKI HOMES



SPREAD SHEET | SANETTE TANAKA

THE (INDOOR) SKI REPORT

Interest is surging in man-made, self-contained ski parks that offer everything but wind burn and big air. Here are some of the world's biggest artificial runs, and what's happening in the housing markets they are located in.

Antsy to hit the slopes? The past decade saw a flurry of new indoor ski parks—climate-controlled facilities that run their own lifts and manufacture their own snow. For the most part, don't expect challenging blacks and steep

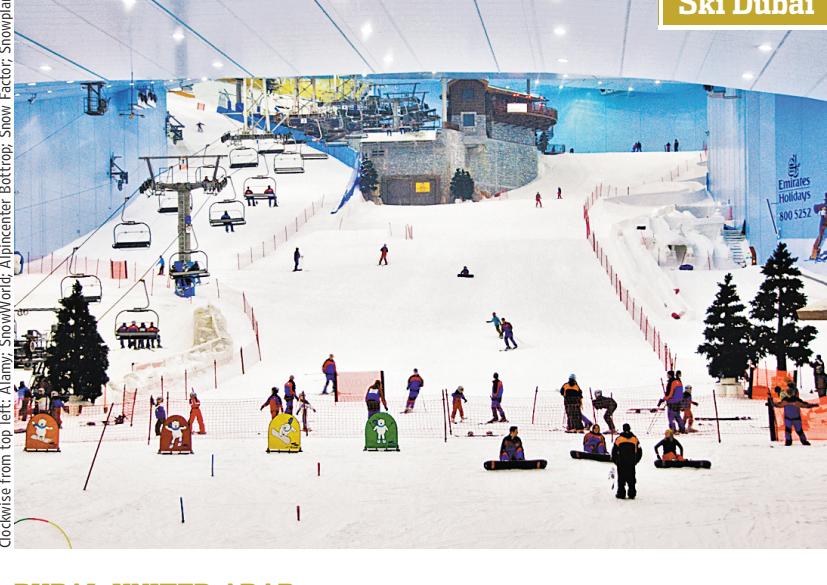
drops; these slopes are more for mellow, fun runs. Some parks have bars and restaurants on site to recreate the apres-ski experience.

The popularity of ski parks has waxed and waned, depending on the strength of the hous-

ing market. When housing prices began to decline in late 2007, some proposals were tanked and development stalled. Now, interest is resurging. A ski park, touted to be the world's largest, is planned for Randers, Denmark, and

ski domes are also being proposed in London and South Florida.

Here's a look at the real-estate markets in five countries with prominent indoor ski parks:



DUBAI, UNITED ARAB EMIRATES

Where to Ski: Ski Dubai opened in 2005 and has more than 242,000 square feet of snow. It has five slopes, the longest one measuring more than 1,300 feet. Day admission for one adult costs roughly \$82 and includes equipment.

What's Selling: Dubai has seen prices surge since the market bottomed out in 2009. Prices are now 80% of what they were during the market high in 2007,

Avg. price for two-bedroom apt. in 2012: \$285,000

Avg. price for two-bedroom apt. in 2013: \$340,000

Change: 19.3%

Source: Research firm REIDIN; data compare 3Q figures; prices of Dubai

says Seran Gheorghe, senior global property consultant for Dubai Sotheby's International Realty. The jump in prices is due to numerous factors, including new investors, economic growth, foreign buyers and renewed confidence in the market. Mid-range buyers in the Middle East see Dubai as a stable market, Mr. Gheorghe says. "Dubai is playing by its own rules. Some of the properties in Dubai have increased by 40% over the past year, and that's really crazy," he says.

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NEW ZEALAND

Where to Ski: Snowplanet in Silverdale, New Zealand, about 20 miles north of Auckland, has nearly 97,000 square feet of snow and one 650-foot-long slope. A day pass for one adult costs about \$55, not including equipment. Snowplanet opened in 2005 and now has 130,000 visitors per year. A restaurant and bar are also on site.

What's Selling: New Zealand prices remained relatively steady because the economy is dependent on primary industries like agriculture and tourism, says Camron Meade, sales manager for New Zealand Sotheby's International Realty. Mr. Meade estimates a maximum decline of 20% in property prices in urban areas like Auckland. Still, a lack of confidence and stricter lending rules limited the amount of new development in the past five years, leading to a shortage of housing stock and an uptick in prices. Sales activity is also up—6,720 houses sold in September,

up 19% from the year before, according to the Real Estate Institute of New Zealand. "Funds are now starting to free up for developers to come in and develop this type of real estate," says Mr. Meade, adding that Chinese investors have been particularly active in new developments.



Snowplanet

Median sale price for Sept. 2012: \$310,071

Median sale price for Sept. 2013: \$334,000

Change: 7.8%

Source: Real Estate Institute of New Zealand

Alpine Meadows

A snapshot of the real-estate markets in countries with indoor ski parks



THE NETHERLANDS

Where to Ski: SnowWorld in Landgraaf, Netherlands, has nearly 377,000 square feet of snow and five slopes, the longest one over 1,300 feet. An adult day pass costs about \$54, not including equipment. The indoor ski park opened in 2001 and has over 600,000 visitors per year.

What's Selling: The Netherlands suffered a severe housing crisis over the past five years, says Barbara van der Grijp, owner at Engel & Voelkers residential Amsterdam. Prices dropped roughly 12% since 2008, reaching a low point this summer. Due to increased confidence in the market and low interest rates, prices went up 2% over the past four months, but total supply is still low. The Netherlands is also seeing an influx of foreign activity because of the country's cheaper price point for luxury properties, says Ms. van der Grijp, adding that prime properties in Amsterdam are in demand.

Avg. sale price for 2012:

\$288,000

Avg. sale price for 2013:

\$287,000

Change:

-4.5%

Source: Statistics Netherlands and the Land Registry Office; data compare 3Q figures

Note: Percentage change is estimated because some dollar conversions used the current exchange rate.



Alpincenter

GERMANY

Where to Ski: Alpincenter in Bottrop, Germany, has over 271,000 square feet of snow and features one slope measuring nearly 2,100 feet. Day admission for one adult ranges from about \$51 to \$73. Alpincenter opened in 2001 and has roughly 500,000 visitors per year.

What's Selling: Ronny Noy, branch manager of Von Poll Immobilien based in Gelsenkirchen-Buer, Germany, says prices have risen since 2010 due primarily to

low interest rates and more competition. Following the downturn, Germany's stable market attracted both foreigners and Germans, who saw real estate in Germany as a sound investment. "Older people as well as younger people tell me real estate and condos are the only safe investment they could have at the moment," he says. In October, though, Germany's central bank, the Deutsche Bundesbank, warned that prices in some urban markets could be overvalued by up to 10%.

Avg. sale price per square foot in 2012: \$195

Avg. sale price per square foot in 2013: \$204

Change: 4.2%

Source: Europace; data for existing homes

SCOTLAND

Where to Ski: In Glasgow, Snow Factor opened in 2006 and remains the largest indoor skiing area in the United Kingdom with more than 65,000 square feet of snow. The longer of the two slopes measures more than 650 feet. An indoor ice-climbing wall was also



Snow Factor

added earlier this year. Admission for one adult ranges from approximately \$24 to \$34, including equipment. Roughly 300,000 visitors ski the slopes each year.

What's Selling: The housing market in Scotland has been "dormant" since 2007, although renewed confidence and government incentives have spurred activity in the past year, says Andrew Rettie, a partner at Strutt & Parker, a U.K. affiliate of Christie's International Real Estate based in Edinburgh. "The banks are starting to open up in terms of making it easier for people to obtain mortgages, and the British government is introducing ways to encourage buying among younger people," he says. Much of the activity is regional, but Mr. Rettie says he has seen increased interest internationally. American buyers, who are attracted to the romantic, historic nature of Scotland, make up a smaller pool, he adds.

Avg. sale price for 2012: \$257,000

Avg. sale price for 2013: \$261,000

Change: 1.5%

Source: Registers of Scotland; data compare 2Q figures

Real Estate

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