

# Real Estate Market Update

## Foreclosure Activity Update in the Vail Valley

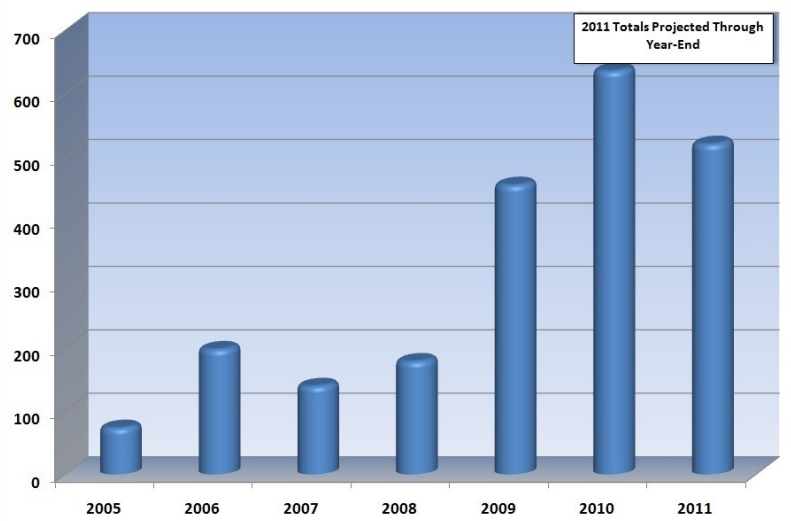
Welcome to your May, 2011 Real Estate Market Update. Foreclosure activity in the Valley seems to have leveled off according to the statistics from the Eagle County Assessor.

The graph to the right shows the total number of foreclosures filed in Eagle County since 2005.

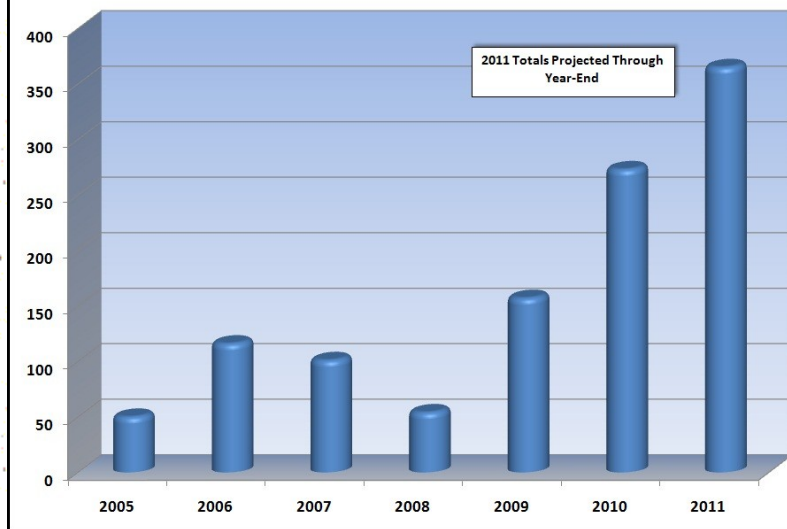
The graph below shows actual foreclosure sales in Eagle County.

All of these statistics are from the Eagle County Assessor. I took the liberty of projecting both filings and sales through the end of 2011 based on the current rate

*Eagle County Foreclosures Filed*



*Eagle County Foreclosure Sales*



through 5/17/11.

Sales are up this year but filings are down which should translate to fewer foreclosure sales in the future.

Does this mean fewer homeowners in the Valley are in distressed properties? Not necessarily. This could simply mean that lenders are more actively pursuing short sales rather than foreclosures. Short sales cost lenders less than foreclosures.

There are still many distressed properties on the market. Until employment picks up and the number of listings comes down, I think we will continue to see a high level of

foreclosures and short sales.

## Lender Files Foreclosure Notice on Ritz-Carlton, Bachelor Gulch Owner

Last week the lender that holds a \$61 million note on the [Ritz-Carlton](#) building in Bachelor Gulch filed a foreclosure notice. The details are:

1. Notice filed on 4/27/11
2. Currently scheduled sale date is 8/24/11
3. The original outstanding balance was \$61 million
4. The outstanding principal balance is \$61 million
5. The lender is Lehman Brothers Holdings Inc., Doing Business as Lehman Capital, a Division of Lehman Brothers Holdings Inc.
6. The grantor is Bachelor Gulch Properties, L.L.C.

Doing a little digging, Bachelor Gulch Properties, L.L.C. is part of the [Gencom Group](#), headquartered in Miami. From the Gencom website; "Founded in 1987 by Karim Alibhai, Gencom Group is one of the nation's leading domestic and international investment and development firms specializing in the hospitality and residential real estate sectors."

Don't confuse the owner of the building with the management company of the hotel, which is Ritz-Carlton. Gencom owns the real estate and has a management contract with Ritz-Carlton to operate the hotel.

Personally, I don't see this proceeding to a sale in August. This could be a move by Gencom to restructure their financing. I don't see this having any impact on property values in Bachelor Gulch or skiing in Bachelor Gulch next season. Whatever does happen, it will be interesting to watch.

## Haymeadow Residential Project Submitted to the Town of Eagle

Earlier this week the developers of the [Haymeadow](#) residential project submitted their proposal to the [Town of Eagle](#) for review. While the project will undergo significant changes as it progresses through the planning process, the facts as submitted are:

1. The Haymeadow parcel is 660 acres.
2. The proposed density of the Haymeadow project is 979 homes or about 1.5 homes per acre.
3. Approximately 60% of the parcel will remain open space.
4. The project will be phased with three specific neighborhoods. Neighborhood A, which includes around 400 units, would be the first phase of development because it is located closest to town. It is also the most dense part of the proposal.
5. It is expected it will take at least 20 years to build out the project.

The property is adjacent to the Eagle Pool and Ice Rink site southeast of town. Annexation petitions have also been submitted and in the weeks and months ahead, the project will be examined by the Eagle Planning and Zoning Commission, and ultimately the Eagle Town Board.

Many questions will have to be answered before moving forward with this project. My guess is that this project will ultimately be placed in front of the Eagle voters as Eagle River Station was. Even as controversial as ERS was, this project stands to polarized voters even more as this parcel is not located between a freeway and a highway and is much more picturesque. It will be an interesting process. Stay tuned.

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](mailto: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.BeaverCreekVoice.com](http://www.BeaverCreekVoice.com).

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