

## Greetings –

The Christmas Holiday Season is here. This year's ski and ride season is off to an interesting start. I'm sure you have been hearing about the sparse snow conditions. What else can you do besides hit the slopes ?

*A few suggestions:* Hike, Fly fish on the Blue, Sled on nearby hills, Ice Skate on Keystone Lake, Golf in Denver, try out Keystone's tubing facility

..... just enjoy the scenery.

I hope you enjoy my year-end Newsletter

**Merry Christmas** and a Happy New Year !!!

- Bill



# Bergman Realty Group

JOIN US in celebrating Life in the Mountains!



## December Greetings from Summit County!



Dear Clients and friends.

To stay on top of Real Estate trends, I subscribe to many Newsletters and Journals concerning both Colorado and National markets. Rather than do a Keystone/Summit County Newsletter stating how GREAT the Real Estate Market continues to be, I am including an article discussing how Inflation impacts our lives. As a Hard Asset, Real Estate is a great Inflation Hedge.

If you recall, in my Spring Newsletter I discussed Monetary Theory and how Inflation was inevitable because of all the Trillions of \$\$\$\$'s

Washington has pumped into the economy. Inflation is now daily news with the Media.

Below is a credible recent article (abbreviated by me) .....

- *Bill*

## From “Inman Real Estate News ” a national online publication :

### **It's official: Inflation ramps up to fastest annual pace in 40 years**

It's not just the housing market. The prices of US consumer goods have been rising faster than at any 12-month period since 1982, according to the Consumer Price Index

*By Daniel Huston*

12-09-21 8:33 A.M.

The prices of U.S. consumer goods have risen by more in the last year than at any time since the early 1980s, when prolonged stagflation was starting to cool off. Prices rose 6.8 percent over the last year, the highest annual increase recorded since 1982, according to the government's latest Consumer Price Index Release. This included a 0.8 percent increase in prices from October to November. American consumers are being hit especially hard by hikes in the prices of food, shelter, gas and new and used vehicles. Energy prices rose 3.5 percent in November alone, with the government's gasoline index spiking by 6.1 percent. Energy tends to be a particularly volatile price class, but even without energy and food, the price of all other consumer goods in the index still rose by 4.9 percent over the previous 12 months. On a typical year, the government's inflation targets call for an average rise in consumer prices of 2 percent. This was far from a typical year, as a deadly pandemic disrupted supply chains throughout the world, shifted demand in unexpected ways, and spurred the federal government to provide multiple rounds of fiscal and monetary relief. For months, Federal Reserve officials had described the elevated pace of price increases as “transitory,” as government stimulus from the pandemic began to make its way through the economy.

\*\*\*\*\* Much of the housing market's skyrocketing price growth over the last year was not reflected in the Consumer Price Index. Home purchases are classified as an investment, not a consumer transaction.

But housing costs themselves are a major input into the index. These prices are usually expressed in terms of a renter's costs, or the amount a homeowner could rent their dwelling for on the open market.

Cost of shelter rose by 0.5 percent in November, capping off a 12-month period where these estimated housing costs grew by 3.8 %.

Like the price of gasoline — which was 58 percent higher in November than it was a year earlier — the prices of cars were a key driver of inflation. Used car prices were up 31 percent year over year, and new cars were running consumers 11 percent more than they were the year before.

Food prices continued to rise at a fast clip, but not quite as fast as previous months. Over the last year, food prices rose 6.1 percent. That includes a 0.7 percent increase from October to November.

### **Bill's "Take" - Will prices fall?**

Having been an Entrepreneur since the 1970's, my experience with Inflation in the auto, retail and material sectors is that once Inflation pushes prices up ....

they rarely GO DOWN. I doubt we will see major declines in Colorado's Real Estate.

Before the last crash in 2008, there was considerable overbuilding and lax mortgage underwriting. Neither of these situations are happening today.

A caveat .... as the economy continues to grow, people may choose to leave the "wilderness" to move back and be closer to work ... which could ultimately affect Real Estate prices.

## What should Buyers and Sellers do in Summit County's hot housing market?

- 1. Seller:** With the Demand so high in Summit County now is the time to sell. It is likely the best time we've ever had.
- 2. Buyer:** Hopefully we will see more inventory come into the market. I do not see any large drop in prices. I'm not sure anyone knows, when buyers will be able to approach a purchase without the bidding wars in today's market.

*"I'm here to help!"*



Bill direct: 720.291.3299

## How to Ski Keystone with sparse snow

..... like this year:



*New location for the Ski School meeting place near the Gondola- Photo taken 12-11-21.*



In my youth I was a Ski Patroller. Needless to say, “times-have-changed” a lot over the past 50 years. Snow making and grooming keep the Moguls cut down and speeds on the slopes have increased a lot.

12-11-21



*Shuttle Bus line - River Run*

Keystone is furiously making snow, but unless the snow gods bring lots of Christmas dumps, the amount of Open terrain will remain limited. They just opened the first two runs on North Peak and hopefully, will have one or two Outback back runs open soon.

How do you have fun and stay safe ?

- Ski early morning or late afternoon.
- Skiers are lemmings and generally eat during the same lunch hours. Try to ski from noon to 2:00 while they crowd the cafeterias.
- Do an occasional wide turn and look up the slope to make sure a group of speed demons are not headed towards you.
- When I see a large group coming, I stop to let them go by.
- I try to ski the edges of the slopes ..... but have learned to look for the jumps on the edges and not stop near them.  
A collision will not be fun ...

*I hope these suggestions will help.*

## SUMMARY

It is not just anecdotal that Colorado Real Estate is hot. From Denver to the resort communities and everywhere in between demand has increased leading to bidding wars and ultimately higher prices.

A recent Wall Street Journal article (12-19-21) reports Lumber prices have jumped 65% since October with last week's jump the biggest ever. Prices may not abate for the foreseeable future. As interest rates rise and spending patterns normalize, so should Real Estate.

Unfortunately my Crystal Ball is not able to predict when this will happen. Sidelined Buyers may have a long wait as prices continue to climb. The opposite is true if you are a Seller. Now is the time to make a move with such favorable conditions.

It's been a "Wild Ride" since Covid made our community even more desirable. Thankfully, Life in the Mountains remains worth celebrating.

*Honed, professional expertise, experience AND FULL TIME commitment to clients needs and goals are ESSENTIAL for optimum success in this historic, competitive environment.*

*"I'm here to help!"*



Bill direct: 720.291.3299

## **OUR SHOWCASED PROPERTIES**

*for questions and inquiries, please call us!*



**NEW to MARKET!**

**Wild Irishman Condo #1096**

3 BR | 2 BA | 1,075 sf

offered at \$775 ,000

Listing: Bill Bergman

ph 720.291.3299

**Note : Listed in November. Under contract well above Listing Price with Multiple Offers. Completely staged by BrG which made a huge difference in generating Multi-Offers.**



**The New Sanctuary at  
Keystone - ( Under Contract)**

**16 Sanctuary Ln, Keystone**

4 BR | 4 BA | 2,627 sf

offered at \$1,575,000

2 car oversized garage

Listing: Elle B. Willson

ph 970.389.5248





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*If at any point you wish to stop receiving my emails, please let me know. My top priority is keeping my clients **as informed as possible, not to send unwanted information.***

*Should you have any questions, or would like to discuss anything further, please don't hesitate to give me a call!*

[www.BergmanRealtyGroup.com](http://www.BergmanRealtyGroup.com)

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