

BARRONS' COVER - Monday, March 8, 2010

10 Best Places for Second Homes-Park City Ranks #4

by: Steven M. Sears

Prices of luxury real estate are finally starting to rise, as bargain hunters swoop in. Some of the best deals are in second homes with prices off as much as 40%

At long last, the market for luxury real estate is coming back to life.

Prices for primary residences, which plunged at least 20% from the peak in 2007, appear to have bottomed. In some of the snappiest locations, scattered bidding wars are breaking out and prices are turning upward.

In Greenwich, Conn., realty brokers say, the final months of 2009 were almost record-setters for sales volume, as two years of pent-up demand was unleashed. Even the megadeal is back. In Beverly Hills, film producer Jeffrey Katzenberg just plunked down \$35 million for an 8,700 square foot home on six acres. There's nothing like a stabilized economy and a huge rebound in stocks to send folks looking for the perfect manse. The return of hefty Wall Street bonuses hasn't hurt, either.

With all that in mind, and with summer just around the corner, Barron's sized up the market for upscale second homes, one of the greatest luxuries of all. We scouted out dozens of deluxe enclaves across the country, speaking with brokers, homeowners and others. Our conclusion: now could be an excellent time to buy.

Prices are way down - 40% off the peak in some locations. Seemingly at or near bottom, they are starting to attract the first wave of bargain hunters - and not just families in need of R&R. Hard-nosed investors also are on the prowl, says Jan Reuter, head of residential real estate at U.S. Trust Bank of America Private Wealth Management: "We've seen an uptick in buying in just the last couple of months.

TOP 10

1. Maui
2. Kiawah Island
3. The Hamptons
4. Park City, Utah

Skiers love Park City for its powdery winters, but homeowners relish the summers, too. The crowds thin out, life slows down and the tall aspens lining the nearby Wasatch range shimmer in the breeze. The one-street Old West downtown is dotted with classic Victorian houses, while Deer Valley, an understated year-round resort community, sits on the eastern edge. Its namesake ski hill has been crowned by readers of Ski Magazine as North America's top ski resort for three years running. For \$100,000, you can join the nearby Talisker Club, with links designed by PGA Tour Champion Mark O'Meara. Bonus: Salt Lake City International Airport, a Delta Air Lines hub, has direct flights to the East and West Coasts.

Median Price: \$1 million

Drop From Peak: 45%
Neighbor: Robert Redford

5. Aspen
6. Pebble Beach
7. Palm Beach
8. Captive/Sanibel Island
9. Asheville
10. Gasparilla Island