

Utah's home prices look better than other states'

SALT LAKE CITY (AP) — The rise in Utah home prices led the country from July through September, the government said, citing sales data.

Tighter lending standards after the subprime-loan mess, coupled with higher prices in some areas, have made it more difficult for some people to buy a home. But a sharp downturn in Utah is not predicted.

"I just don't see any of what is happening in other states happening with us," Salt Lake City broker Jaren Davis said.

Home prices in the state rose 12.9 percent in the third quarter, compared with the same period a year ago, according to the Office of Federal Housing Enterprise Oversight. Utah has held the top spot for four consecutive quarters.

Among metro areas, Provo-Orem had the second-highest appreciation, 14.4 percent, in the 12-month period that ended

Sept. 30. Ogden-Clearfield was No. 4 at 14 percent, followed by Salt Lake City, 13.3 percent.

There are signs of a cooling-off period. Utah's overall price appreciation of 12.9 percent from October 2006 through September 2007 was nearly 5 percentage points lower than in the same period a year earlier.

Ben Gowans said he took his Salt Lake City home off the market rather than lower the price to attract buyers.

"Since the market isn't doing too well, we thought we would rent it out for a few years and see what happens," he said.

Wyoming was the only other state to post a double-digit increase in home prices when comparing the third quarters of 2006 and 2007. Montana was third, with an increase of 7.7 percent.

Earlier this decade, Utah's home-price appreciation was the worst in the country.