Ski Property Report 2022

The definitive guide to property conditions in the world's top ski destinations
AFTER 18 MONTHS OF TURMOIL AND WITH TWO LOST SKI SEASONS BEHIND US, THE MOUNTAINS ARE THE PLACE TO BE.

If property rental bookings are a lead indicator of sales demand, we expect the 2021/22 season to be a busy one.

The challenge in some markets, particularly Swiss resorts such as St Moritz and Verbier, is now the shortage of stock.

The uptick in demand is significant. According to Knight Frank’s Global Buyer Survey, in June 2021, 18% of global buyers said they were more inclined to purchase a ski home as a result of Covid-19, up from 11% six months earlier. Fresh air, views of nature, exercise and time with family and friends are driving demand.

The Global Buyer Survey also revealed that demand amongst Asian buyers is strengthening, with some 22% revealing they would now consider a ski home purchase. Timely, given the world is gearing up for the Beijing Winter Olympics in February 2022. Ski industry experts have long pointed to Asia as being critical to the future of the sport, helping to expand the world’s population of skiers, and Beijing 2022 may yet be a key tipping point (page 10).

Along with large parts of the world, ski resorts are exposed to rising temperatures, and with Environmental, Social and Governance (ESG) rising up developers’ and investors’ agendas we look at how resorts are investing heavily and adapting to future protect the unique lifestyle they offer (page 11).

I hope you enjoy reading the 13th edition of the Ski Property Report which also covers the ever popular Ski Property Index, tracking prices across 20 Alpine resorts, and provides a rundown of market trends in Colorado.

We know the past 18 months have been a challenge with many forced to put their plans on hold but when you’re ready to venture into the mountains do take advantage of our unrivalled knowledge and let Knight Frank be your guide.
The story is similar in Verbier, where some properties have sold for over 12% above the asking price, the resort also achieved a record sale price of CHF30,000 per sq m (€27,400 per sq m) for a resale apartment.

But, 2021 is an anomaly. We don’t expect this frenetic pace in Swiss resorts to continue. Supply constraints will ease as the Covid-19 landscape starts to normalise.

Alex Koch de Gooreynd, Knight Frank’s head of Swiss sales comments: “Would-be sellers have become landlords and parents that were thinking of selling have put their plans on ice as their children or extended family members have wanted to enjoy the Alps in the last 12 months.

In a reversal of fortunes, Swiss resorts lead the Ski Property Index for the first time in three years.

The story is one of resilience due to stock shortages and strong domestic demand. But the pandemic also shone a spotlight on the advantages of Swiss independence. The country’s ability to set its own travel rules, its decision to reopen its ski resorts in December 2020 (the only European country to do so), and its overall response to the pandemic has bolstered its appeal.

St Moritz leads the index with price growth nudging 17% on an annual basis. In June 2020, some 90 ski homes were available to buy, a year later there were close to 20; this has had an inevitable impact on pricing.

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THE ULTIMATE LOCATION FOR REMOTE WORKERS?

We reveal the best ski resorts for those no longer tethered to the office

The work-from-anywhere workforce has expanded significantly due to Covid-19. A number of companies have announced either hybrid or remote working models with PwC, Google, British Airways and BP amongst them. Some, such as Unilever have gone one step further, confirming employees can work from abroad, provided they can be in the office at 24 hours’ notice. Plus, there is an army of entrepreneurs, freelancers and a new breed of bloggers, podcasters and copyrighters that are also reaching for their passports.

Fast broadband and good coverage is critical for most remote workers but the pandemic has also heightened the appeal of nature and pushed wellbeing to the forefront of buyers’ minds. Our Global Buyer Survey found that when choosing their next property, 78% of respondents said access to high-speed broadband would be more important than them. Some 55% considered views of nature more important and 66% said good air quality would be a key consideration as a result of Covid-19.

Combine these factors and it is perhaps no surprise that a new cohort of footloose workers are eyeing the Alps with interest. With this in mind we have created our own remote working resort monitor for those considering relocating, whether temporarily or permanently.

Measuring broadband speeds, the choice of amenities in each resort, the proximity to an airport and the degree to which each resort is open to non-resident buyers we have ranked the Alpine resorts.

Chamonix comes out on top. A resort with a permanent resident population of over 10,000, it is one of the largest Alpine towns offering a range of retail, cultural, sporting and culinary amenities.

Megève too benefits from a broad range of amenities and its slopes are particularly suited to families with young children. Villars-sur-Ollon and Verbier are Switzerland’s highest-ranking resorts, both have invested heavily in their ski and non-ski infrastructure, and in Villars-sur-Ollon’s case, the Magic Pass grants access to a wider ski domain incorporating Crans-Montana and Gimmelwald.

To discuss which resort would suit your lifestyle and family best get in touch with Alex Kock de Gooreynd or Roddy Aris.

POST-BREXIT RULES
Non-European Union (EU) nationals are limited to spending 90 out of every 180 days in the bloc, this includes UK nationals since the country’s departure from the EU in 2020. This rule also applies to Switzerland given it was a signatory to the Schengen Agreement in 1985.

FIND OUT MORE
To discuss which resort would suit you, your family or to research a transaction, please contact Alex Kock de Gooreynd or Roddy Aris.
Following a 5% surge in transactions in 2020, the Aspen market paused for breath in 2021, sales slowed but not due to a lack of demand rather a shortage of stock, which continued to have an inflationary effect on prices.

The influx of co-primary residents from New York, Miami, Los Angeles and San Francisco has continued, with more high net-worth individuals opting to call Aspen home and enrolling their children at Aspen Country Day or Aspen Public School District.

In short supply
According to Miller Samuel, Aspen saw 19 new listings in August 2021 (condos and single-family homes), down from 61 a year earlier. This fall in inventory has seen sales dip, 25 contracts were signed in August 2021 year-on-year.

Slim pickings for buyers late to the party in Aspen, leading to more off-market sales

According to Miller Samuel, Aspen’s residential partner in the US, points to one particular sale to show the extent to which Aspen has become a seller’s market. “one property I’m familiar with sold for US$6.65 million in 2019 and was resold in 2020 for US$9.3 million despite no significant refurbishment, almost a 40% increase.”

With Aspen Central Core, Red Mountain and West End achieving high prices, some buyers are venturing into up-and-coming neighbourhoods such as Meadowood, Five Trees and Mountain Valley. There is little prospect of new developments boosting stock levels significantly in the medium term with only a small number of schemes in the pipeline, Lift 1A and Aspen Club amongst them.

Neighbouring Snowmass offers buyers more opportunities with nine bedrooms, the property last sold for US$43 million in 2009.

A record sales price of US$72.5 million was achieved on Red Mountain which sold to a Douglas Elliman buyer for a record-breaking US$72.5 million in June 2021. A 21,477 sq ft home on Red Mountain which sold to a Douglas Elliman buyer for a record-breaking US$72.5 million in June 2021. A 21,477 sq ft home.

Luxury prices (US$ per sq ft)
FIG 14. LUXURY PRICES EXCEED US$3,200 PER SQ FT

With inventory levels constrained an increasing number of sales are being agreed off-market as agents resort to cold calling, such is the imbalance between demand and supply. One such property not publicly listed was 421 Willoughby Way on Red Mountain which sold to a Douglas Elliman buyer for a record-breaking US$72.5 million in June 2021. A 21,477 sq ft home with nine bedrooms, the property last sold for US$43 million in 2009.

According to Douglas Elliman, of the 77 single-family homes currently listed in Aspen, 21 have an asking price of US$20 million or above.

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Opening up
With borders largely closed since Spring 2020, US buyers have been the driving force behind the Aspen market. According to the National Ski Areas Association, US ski areas saw their fifth highest visitor numbers on record in 2020 with 59 million visits registered. However, with vaccinated travellers from the UK and Europe permitted from November 2021, and with significant wealth amassed globally during lockdowns, we expect a broader buyer mix this winter.

GOING GREEN
Aspen Ski Company, which operates the Aspen/Snowmass ski resorts, developed the first set of green buildings in the ski industry and participated in the creation of the US Green Building Council’s Leadership Energy and Environmental Design (LEED) programme.

Electric Pass Lodge marks a key watershed, a development designed to be 100% powered by renewable energy, it is one of the first of its kind in the US.

FIND OUT MORE
To discuss your property requirements in Aspen, Snowmass or Vail get in touch with Jason Mansfield.
### EASTERN PROMISE

Globally, skier numbers are largely static, but Asia may hold the key to future demand

_We’re already seeing demand from Asian students based at UK and northern European universities heading to the Alps to get a European ski experience._

**WARREN SMITH**

President Xi Jinping’s decision to bid for the 2022 Winter Olympics could prove a boon for the ski industry globally. Following South Korea’s games in Pyeongchang in 2018, Beijing is set to host over 3,000 athletes in February 2022 reaching a potential global audience of up to 2 billion.

Despite the Chinese mainland being home to around 13 million skiers, it equates to just 1% of the population according to the 2021 International Report on Snow & Mountain Tourism, suggesting there is room for growth. President Jinping’s goal is to use the Beijing Olympics to convert 300 million Chinese residents to winter sports.

### SUSTAINABLE SKIING

Ski resort owners are amongst the most ardent proponents of carbon neutrality given the threat of rising temperatures to their way of life

Regardless of demand and supply-side issues, climate change continues to be a major concern. It’s on-mountain operations.

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**Villars-sur-Ollon** is working on a variety of sustainable projects including a fleet of hybrid public buses, low-energy snow-making systems and introducing solar panels on public buildings.

The Three Valley’s [includes the Courchevel resorts and Méribel new buys in the renewable energy which fuels all of its on mountain operations.](#)

**What about ski home purchasers?**

As the world gears up for Cop26, our Global Buyer Survey confirms that ski home purchasers are also thinking carefully about what steps they can take to reduce their carbon footprint.

Of those respondents who said they were more likely to buy a ski home, 90% said the energy efficiency of a home would be ‘important’ or ‘very important’ to them.

Aside from real estate, transport is another high-emission source. According to research by carbon-measurement consultancy, Best Foot Forward, a one-way journey by plane from London to Val Thorens produces 82kg CO2 per passenger. The equivalent journey by train produces only 14kg CO2 per passenger.

Although the energy efficiency of a ski home is not one of the first questions posed by most buyers, Covid-19 has shone a light on the extent to which our health is connected to that of the environment which may yet act as a catalyst for change.

### CHINA’S ESCALATING WEALTH

Globally, skier numbers are largely static, but Asia may hold the key to future demand

**Country: China**

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<th>Year</th>
<th>HNWI Population</th>
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<td>2020</td>
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**Source:** The Wealth Report 2021

*Including primary residence*

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THE SKI PROPERTY REPORT

Now in its thirteenth year, the Prime Ski Property Report provides an overview of prime market conditions across Knight Frank’s key ski destinations: The French Alps, The Swiss Alps, Aspen, Snowmass, Vail and Niseko.

DEFINITIONS

Where we refer to Prime Property this equates to the top 5% of each property market by value. Prime markets often have a significant international bias in terms of buyer profile.

French Alps
Roddy Aris
+44 20 7861 1727
roddyaris@knightfrank.com
Laetitia Hodson
+44 20 7861 1083
laetitia.hodson@knightfrank.com
Swiss Alps
Alex Koch de Gooreynd
+44 20 7861 1109
alex.kdeg@knightfrank.com

Colorado
Jason Mansfield
+44 20 7861 1199
jason.mansfield@knightfrank.com

Residential Research
Kate Everett-Allen
+44 20 7167 2497
kate.everett-allen@knightfrank.com

Media Enquiries
Astrid Recaldin
+44 20 7861 1182
astrid.recaldin@knightfrank.com

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Reports are available at knightfrank.com/research