

Reno/Sparks Association of REALTORS®

April 2011

Market Report

Area 450, Fernley



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Report Package Outline

- ❖ Market Summary

- ❖ Median Sales Price
- ❖ Number of Units Sold
- ❖ Days on Market
- ❖ New Listings
- ❖ Status of Pendings
- ❖ Distressed Property
- ❖ Inventory and Absorption

- ❖ Data Assumptions:
 - Region defined as Area 450
 - Home Type defined as Site/Stick Built
 - This data is accurate to the best of the knowledge of Reno/Sparks Association of REALTORS® based on data reported to the NNRMLS as of May 10th, 2011

Market Report Commentary

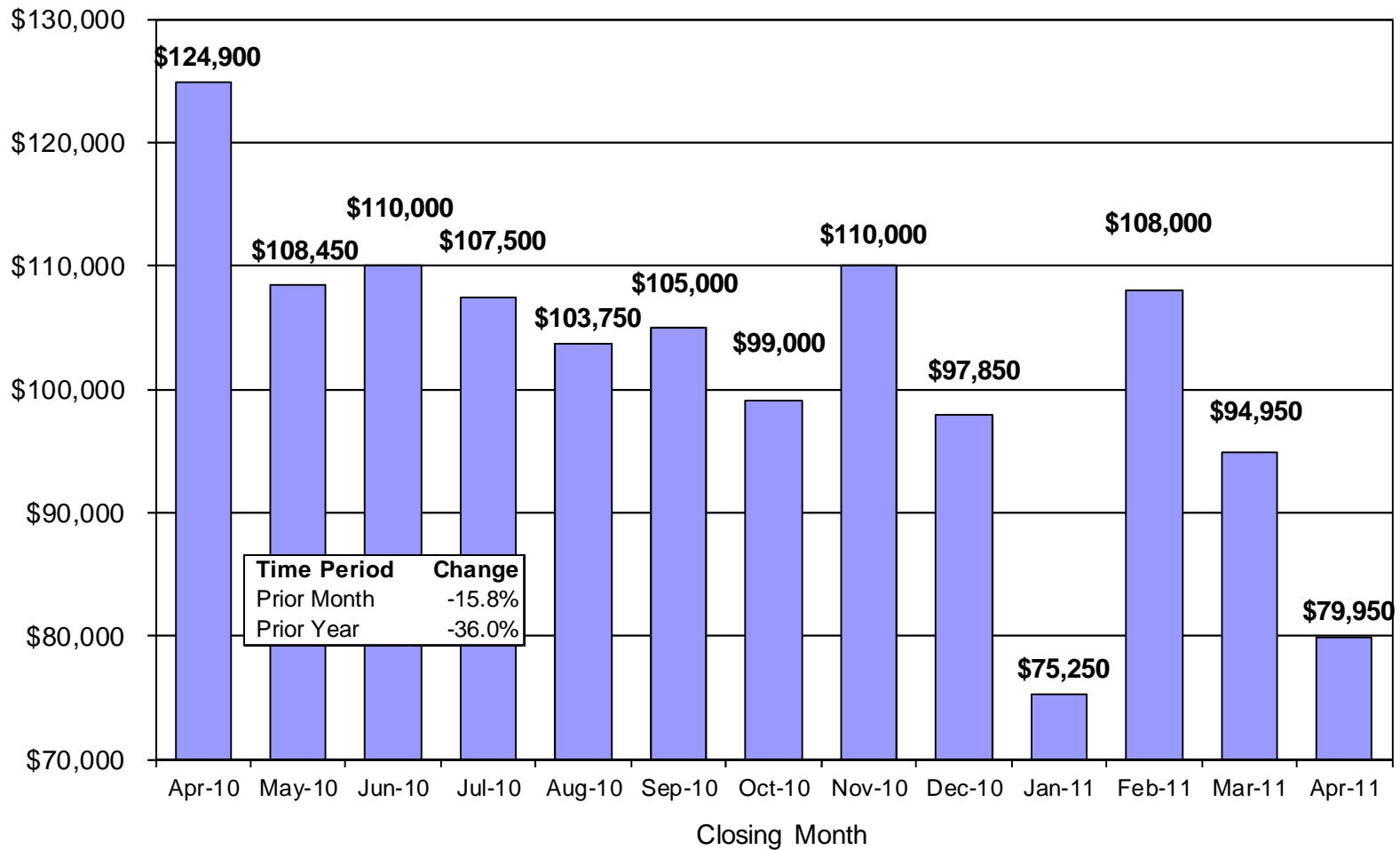
April, 2011

- ❖ **Summary:**
 - "We are continuing to see settling in the median price," said Sherrie Cartinella, 2011 president of Reno/Sparks Association of REALTORS and a REALTOR with Coldwell Banker Select Real Estate. "The news is the affordability door is open to buyers. This means that a single-income household, earning approximately \$12.00 per hour, can now afford the median priced home in the Fernley area."
- ❖ **Median Sales Price**
 - April 2011 median price decreased by 3.1% to \$79,950 compared to \$94,950 in March 2011.
 - The median price is down 13.9% from the prior April.
 - Median price is defined as the mid-point, the price half of the sales for the time frame are below and half are above.
- ❖ **Number of Units Sold**
 - April ended the month with 40 sold transactions a decrease of 17.4% from the prior month, and seven sales off from April 2010, which was influenced by the \$8,000 First-Time Buyers tax credit.
 - Sales were down 17.3% from the same period last year.
- ❖ **Average Days on Market**
 - The average days on market are up to 128 days, an increase of 6.2% from the prior month.
- ❖ **New Listings**
 - 50 new listings were taken in April compared to 60 in March, a 16.7% decrease from the previous month and a 6.4% increase from the prior year.
 - The percentage of "Distressed" new listings was down 17.5% percent from March. 66% of new April listings were distressed. This is the lowest reporting of distressed new listings Fernley has seen since January 2008.
 - Note: Properties reported as "Other" which includes "Freddie Mac's and HUD's" are included with Bank Owned REO properties.
- ❖ **Status of Pending (data in report)**
 - Active Pending – Short Sale represents 54% of the total active pendings; Active Pending Loan equals 8%; Pending No-show represents 21%; and Active Pending call 17%.
- ❖ **Absorption Months Supply of Inventory (Unsold Inventory ÷ Sales per Month)**
 - As of April 30 there was 5.6 months of inventory based on the April sales rate.
- ❖ **Conclusion**
 - We continue to compare this April, with the market performing on its own, to last April's Median Sales Price which was influenced by the First Time Homebuyer tax credit. Looking at the period mid-2005 through April 2009, it's encouraging that we have not seen the rapid decline in pricing, but from that period forward there continues to be some settling in pricing.
 - The affordability door is open to a wider range of buyers. This means that a single-income household, earning approximately \$12 per hour, can now afford the median priced home in the Fernley area.
 - Mortgage rates are at historic lows. Rates are predicted to move up before year end. For those with stable jobs and who expect to stay in their home long-term, it's an excellent time to buy.
 - Inflation is hitting consumer pocket books in the form of increased gas and food prices. Fuel costs may have a greater impact on the rural areas surrounding the Reno/Sparks market, including the Fernley market, as consumers consider the cost to commute.
 - The number #1 Job for Nevada is jobs!

Summary: Median Sales Price

April, 2011

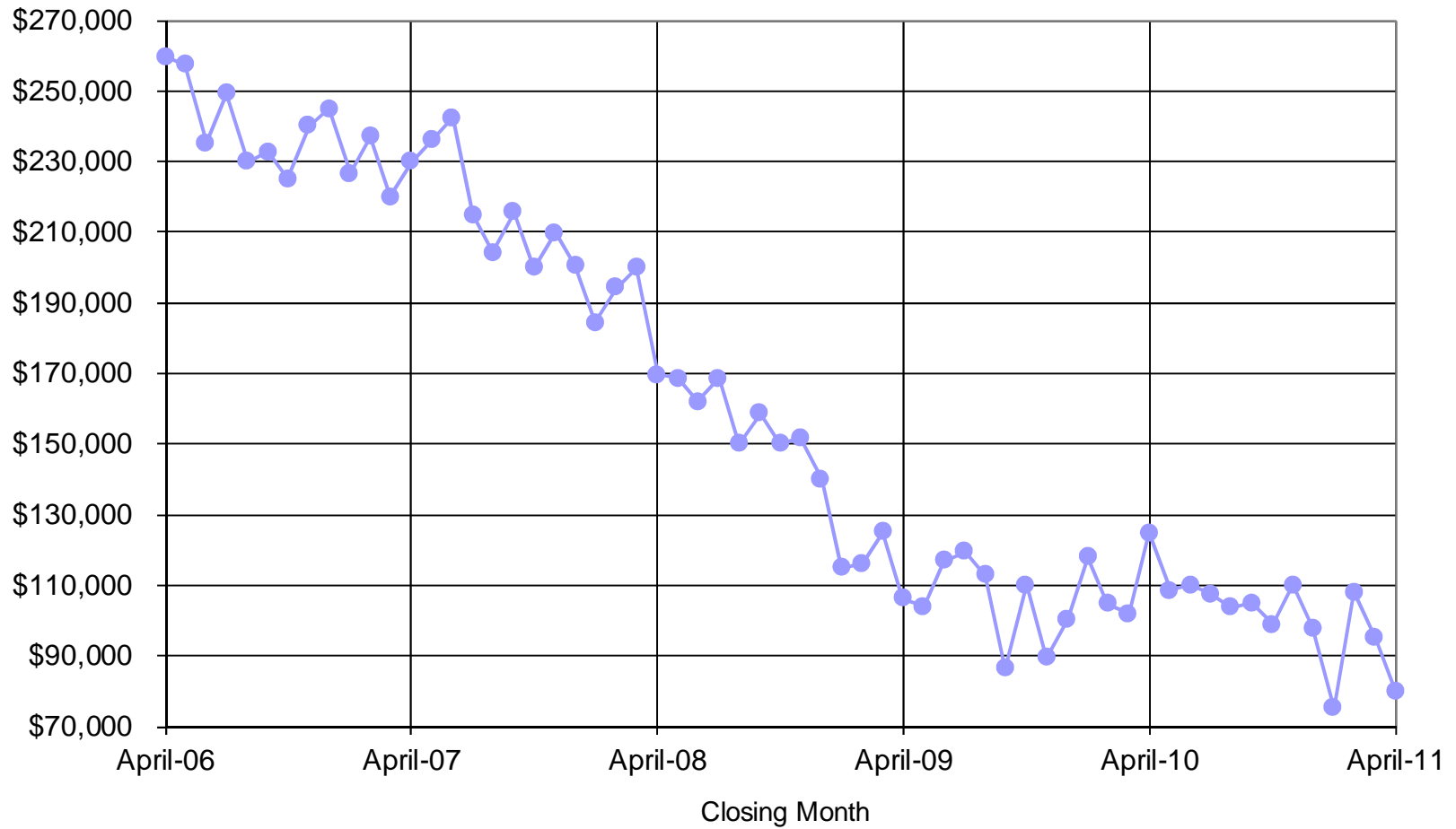
Median Sales Price, 13 months



Summary: Median Sales Price

April, 2011

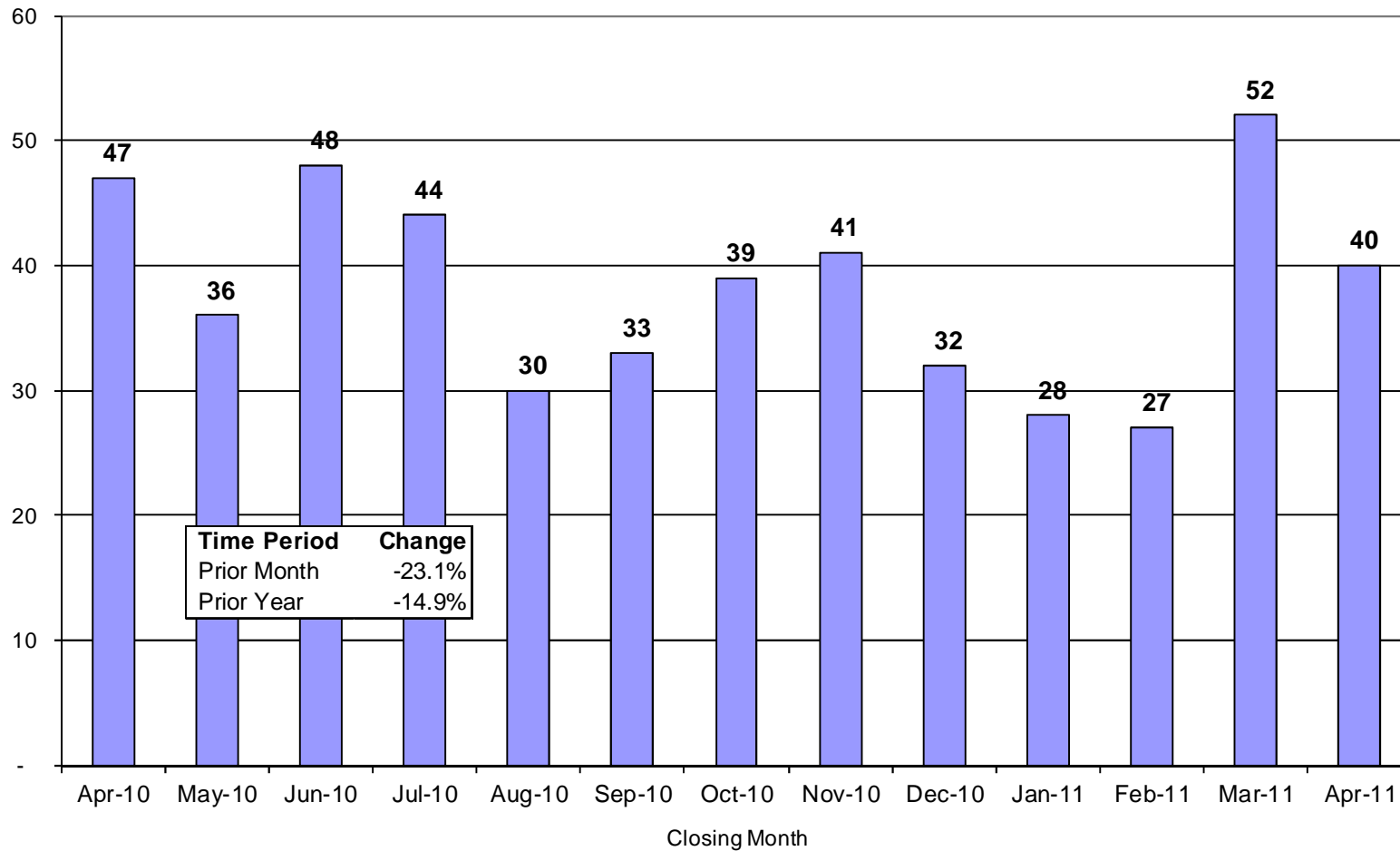
Median Sales Price, 5 years



Summary: Number of Units Sold

April, 2011

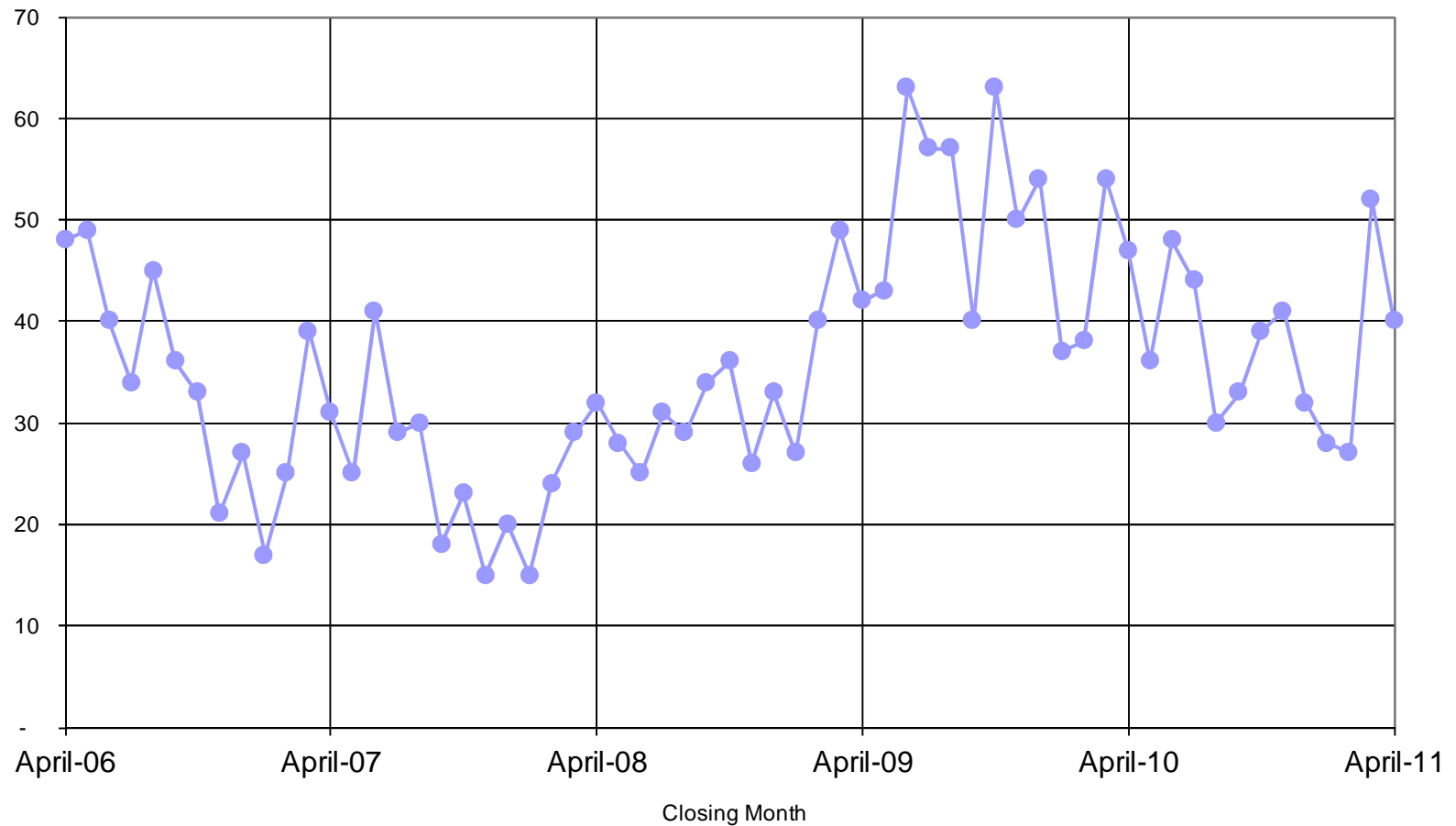
Number of Units Sold, 13 months



Summary: Number of Units Sold

April, 2011

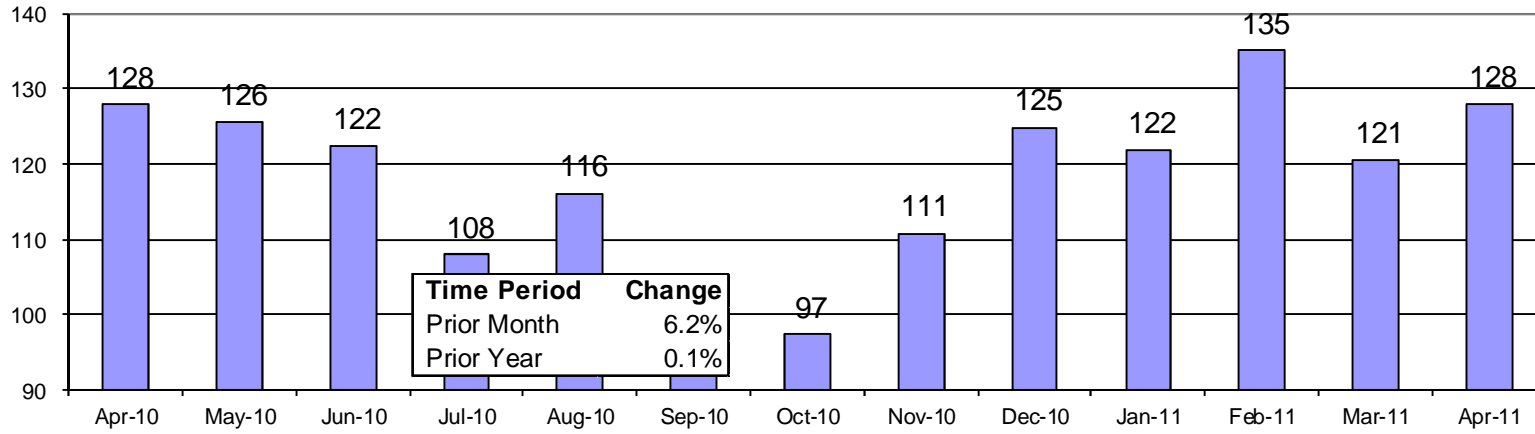
Number of Units Sold, 5 years



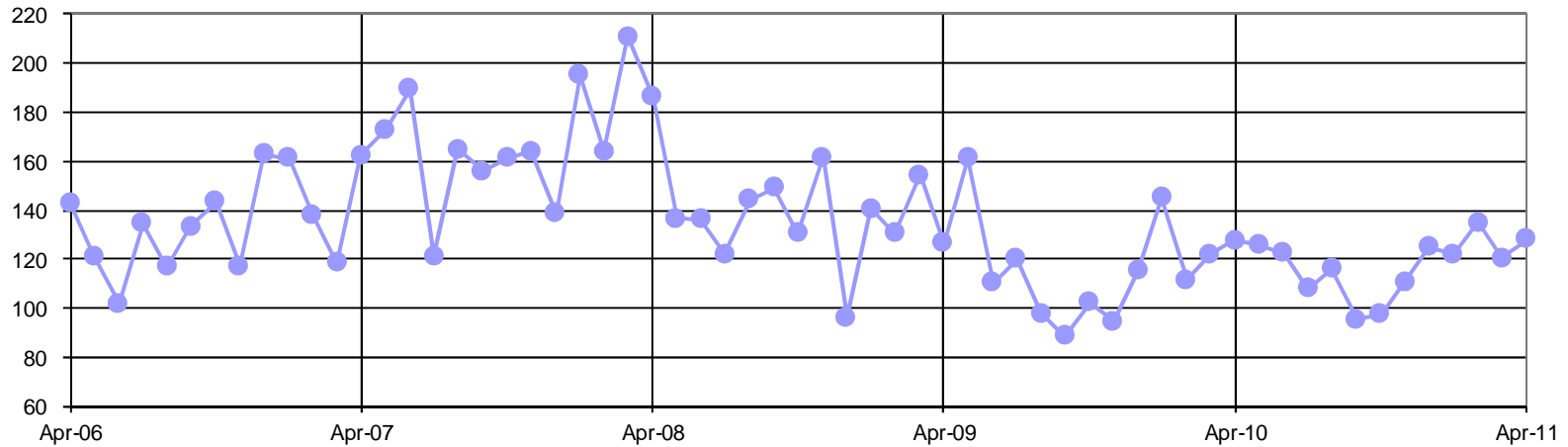
Summary: Average Days on Market

April, 2011

Average Days on Market for Solds, 13 months



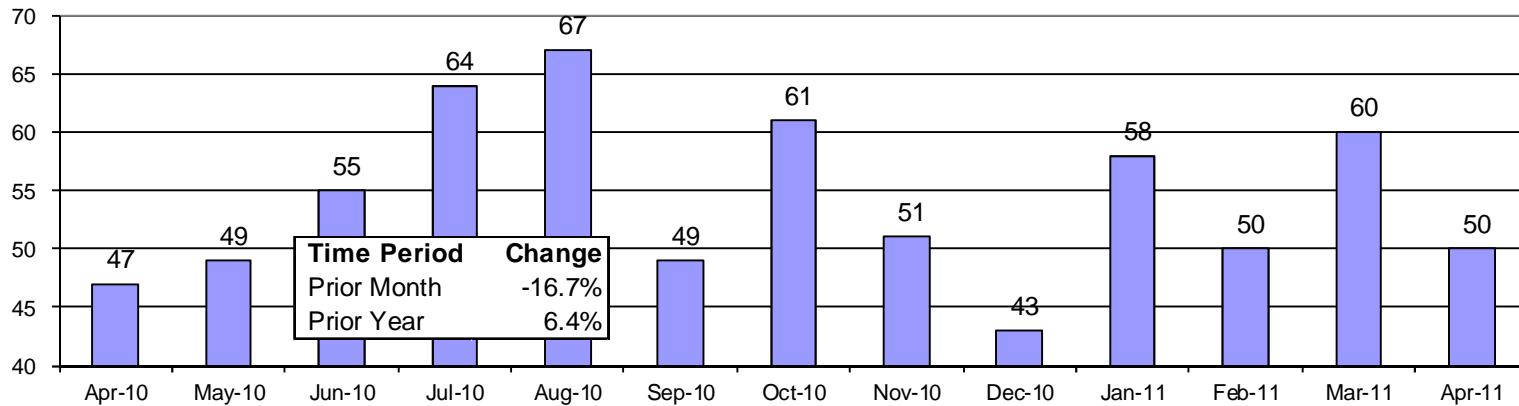
Average Days on Market for Solds, 5 years



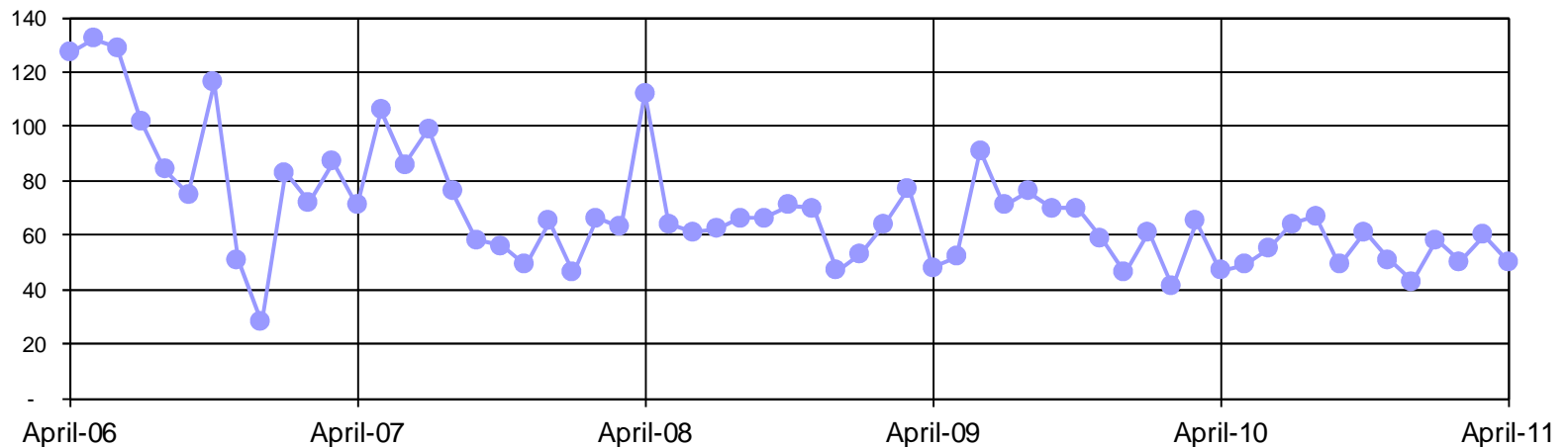
Summary: New Listings

April, 2011

New Listings by Month, 13 months

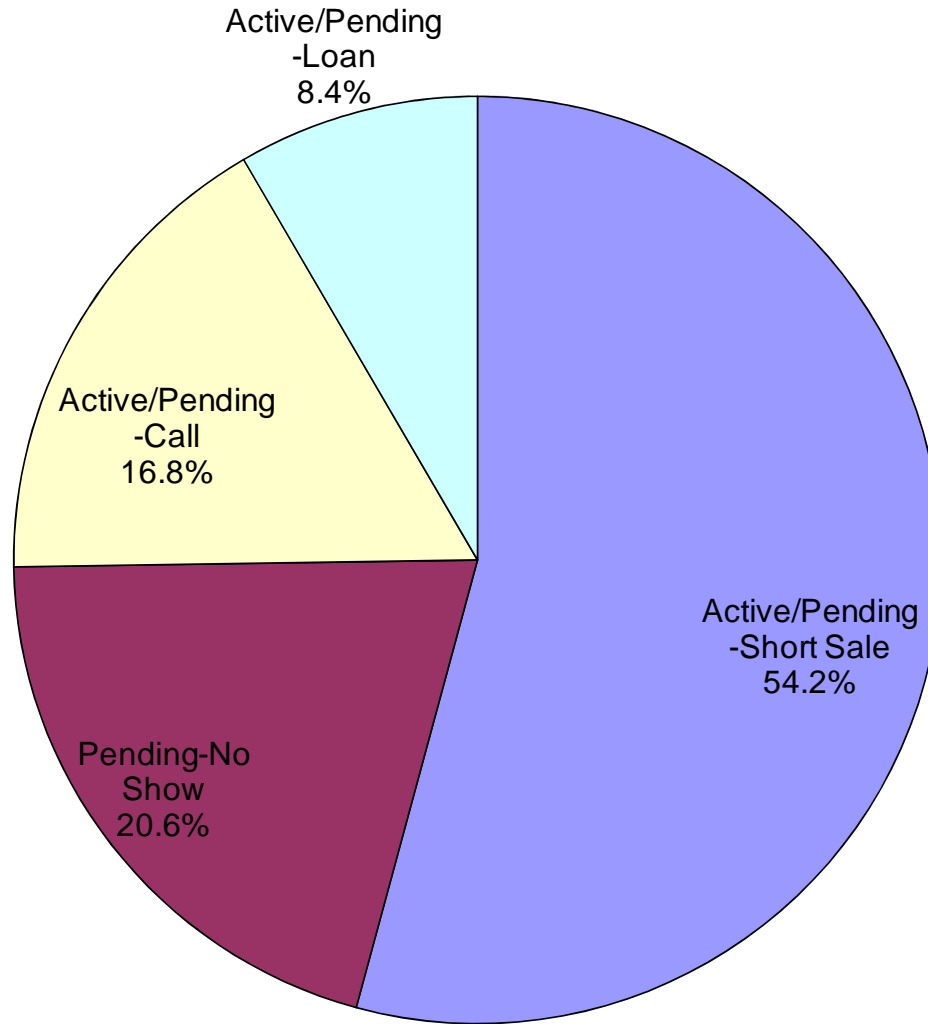


New Listings by Month, 5 years



Status of Pendings

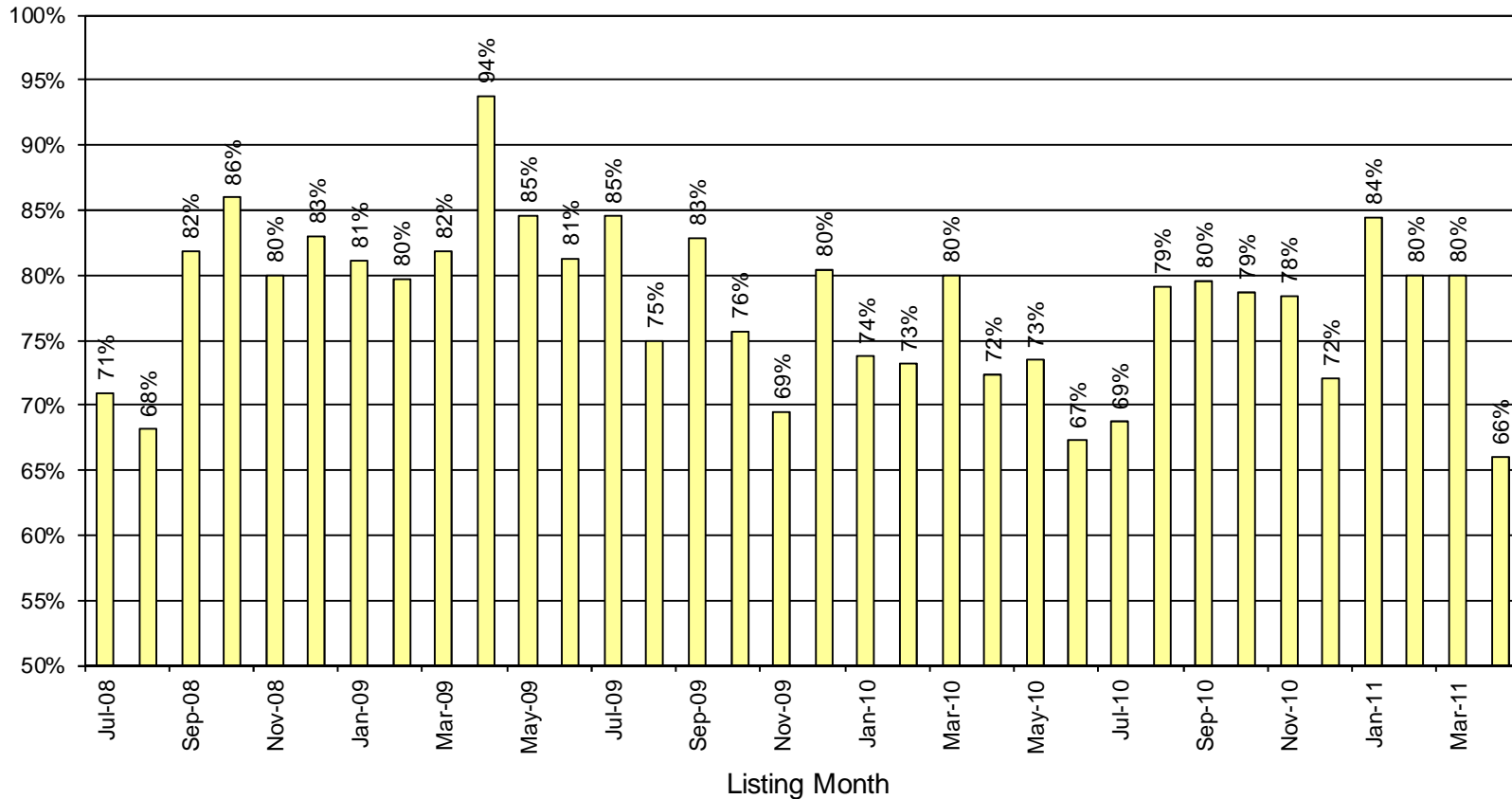
April, 2011



Distressed Listings

April, 2011

Percentage of new listings that are distressed, historically

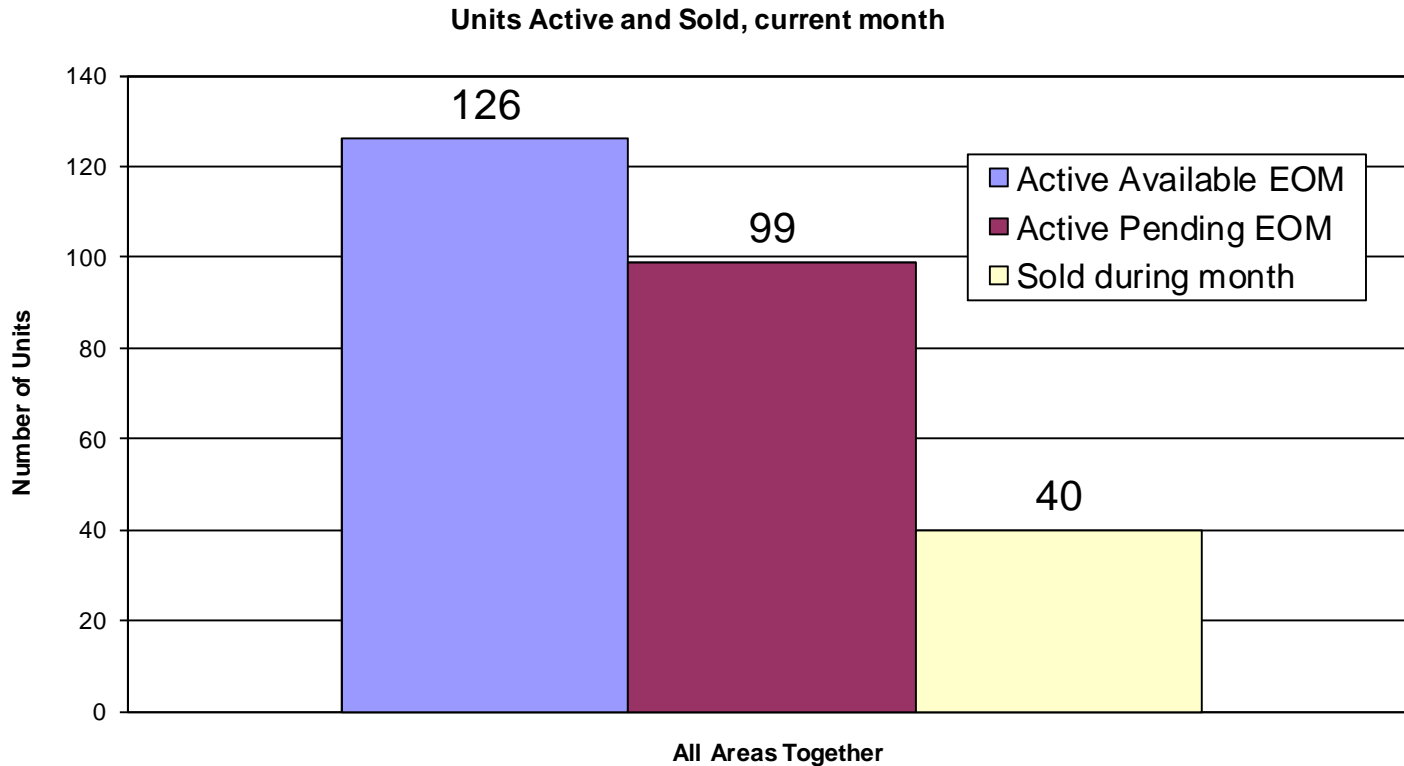


*"Distressed" defined as any new listing that is "Bank", "Short", or "Yes-Other"
Distressed listing data gathered beginning in January 2008.*

Current Months Supply of Inventory

April, 2011

❖ $(126+99) \text{ units} / 40 \text{ units sold} = 5.6 \text{ months of inventory}$



Unsold Inventory includes Active Pendings. This method of reporting absorption follows the industry standard and includes pendings in Active Inventory.

Absorption or Months Supply of Inventory is defined as the number of months it would take to absorb the units available for sale.

The National Association of REALTORS® describes a balanced market as between 5 and 7 months supply of inventory.