

Reno/Sparks Association of REALTORS®

December, 2011

Detailed Report Package

Area 100, Greater Reno/Sparks



Database Analysis Excellence

Detailed Report Package Outline

- ❖ Commentary
- ❖ Distressed Listings
 - Percentage of New Listings that are Distressed, by Price
 - Number of New Listings, by Price
- ❖ New Listings
 - By Price
 - By Condition
- ❖ Units and Absorption
 - by Price
 - by Area
 - by Condition
- ❖ Median Price, year-over-year, by Area
- ❖ Subregion Detail
 - Median Price, Units Sold, Price per SF, DOM

Detailed Report Commentary

Welcome to the Detailed Report where the Reno/Sparks Association of REALTORS® offers a more in-depth look into market segments and price points.

The Detailed Report is made available to members as a member benefit. Both the Market Report and the Detailed Report are provided as a value added service to members.

❖ Distressed Listings

- Properties under \$250,000 dominate the percentage of new listings reported as distressed.
- In price ranges under \$250,000, more than 63% of the listings are identified as distressed listings.
- In December, 17% of new listings taken in the under \$100,000 price range are distressed; compared to 26% in the \$100,000 - \$150,000 price range; 14% in the \$150,000-\$200,000 price range; and 7% in the \$200,000 - \$250,000 price range.
- 69% of all new listings are identified as distressed listings.

❖ New Listings

- Properties listed at under \$250,000 made up the 83% of new listings entering the market during the month of December.
- The breakdown of new listings by Special Conditions is as follows: 33% Short Sale; 32% no special conditions; 35% REO; Other, Subject to Court approval and Relocation all less than 1%.

❖ Units and Absorption by Price

- Properties in the under \$500,000 price range are in a balanced market.
- Properties over the \$500,000 price range have in excess of 12.7 month's supply of inventory.
- 84% of the total sales for the month of December were in the under \$250,000 price range.
- The National Association of Realtors describes a balanced market as between 5 and 7 month's supply of inventory.

❖ Units and Absorption by Area Group

- Spanish Springs had the highest level of inventory with 258 Active listings.
- The North Valleys, Northwest, Spanish Springs and Sparks show the highest level in activity in pending sales for the month.
- The North Valleys, Spanish Springs and Sparks show the highest volume of closed sales for the month.
- All areas except Metro Southwest and Washoe Valley are in what is defined as a balance market. The named area groups have in excess of 7 month's supply of inventory.
- The National Association of REALTORS® describes a balanced market as between 5 and 7 month's supply.

❖ Units and Absorption by Condition

- The Month's Supply of Inventory in the category of Real Estate Owned properties continues to remain low at 2.3 MSI in December 2011.
- No Special Conditions condition properties has 5.1 month's supply of inventory and Short Sale properties has 7.9 Month's Supply of Inventory, and Yes-Other 3.0

Detailed Report Commentary

❖ Year over Year Median Price by Area Group

- Three neighborhoods saw stable or increases in median price year over year – Northwest, Old Southeast, Sparks and West Suburban. The following recaps year-over-year median price by area group: Metro Southwest down 32% (32 sales); New Southeast down 6% (45 sales); North Valleys down 16% (118 sales); Northwest down 0% (63 sales); Old Southeast down 17% (19 sales); Spanish Springs up less than 1% (102 sales); Sparks down less than 1% (60 sales); Suburban Southwest down 16% (37 sales); VC Highlands down 45% (10 sales); Washoe Valley down 55% (7 sales) and West Suburban up 8% (31 sales).

❖ Neighborhood Detail

- Members can view median price, units sold, price per square foot and average days on market for each of the identified regions.

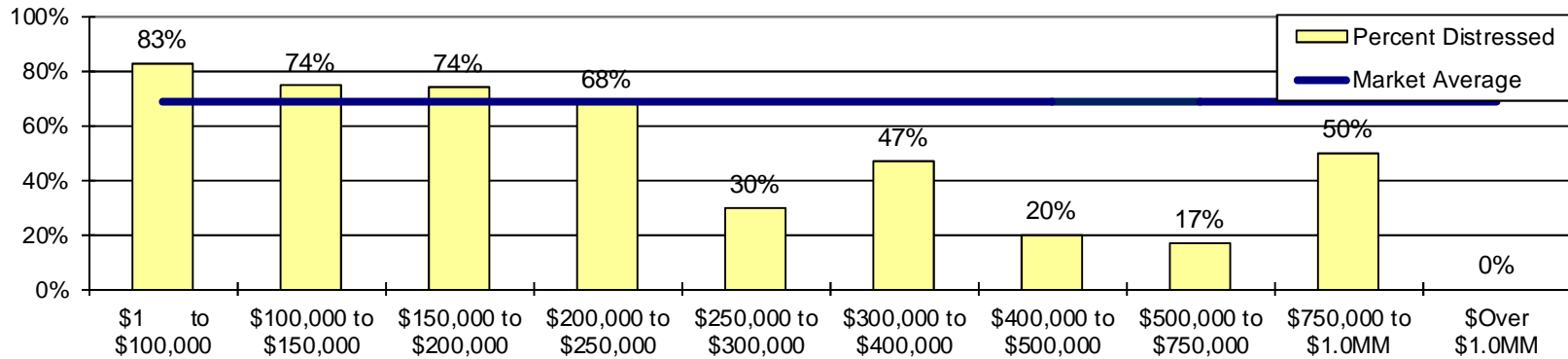
❖ Conclusions

- In a year-end wrap by Lawrence Yun, NAR, Chief Economist, he made the following comments: “What will happen over the next 30 years? If the cost of some of the consumer items rises at a similar pace as in the past 30 years, then gasoline prices will run around \$9 per gallon while the \$20,000 college tuition of today will reach \$140,000 per year. But one item which the consumer will not pay a nickel more is on their monthly mortgage payment. At the current median home price and current mortgage rate, the monthly mortgage payment would be fixed at approximately \$700 per month for the next 30 years. At the same time, home values likely will have tripled.”
- According to the NAR 2011 Home Buyers and Seller Profile, the biggest reason people buy a home is the simple desire to own a home of their own, cited by 27 percent of respondents, including 60 percent of first-time buyers. The next biggest primary reasons for buying were desire for a larger home or a job-related move, each cited by 10 percent of respondents; a change in family situation or the affordability of homes, 8 percent each; and desire to be closer to family, friends or relatives, 7 percent.
- Unit sales have been at historic or near historic levels throughout the year. The big news is that 2011 total unit sales is the second highest performing year, off only 4% from 2005 which is described as the peak. Year end 2011 unit sales (5,899) numbers are up 10% over 2010 unit sales (5,361). Beginning in 2008 year end unit sales numbers have consistently out-performed the previous year's sales.
- Washoe County reported an 11.6% unemployment rate for November the lowest rate reported since May 2009. Despite the unemployment rates, the high volume of sales reported this year shows that qualified buyers and investors are taking advantage of affordable prices and record low interest rates.
- Interest rates reached another new low of 3.96% in December.
- December's median price of \$155,400 was up 3.9% from November. This is the second month we have seen modest increases in median sales price. It's too early to call it a trend; but after five months of bottoming, it's a positive sign. Sales at under \$250,000 represented 84% of the total sales for the month. With this trend, it's understandable why median price has remained at an affordable level.
- Lower inventory is a signal that price declines may be coming to an end and a sign of pent up demand.
- We are optimistic that these are early and positive signs of a move toward recovery.

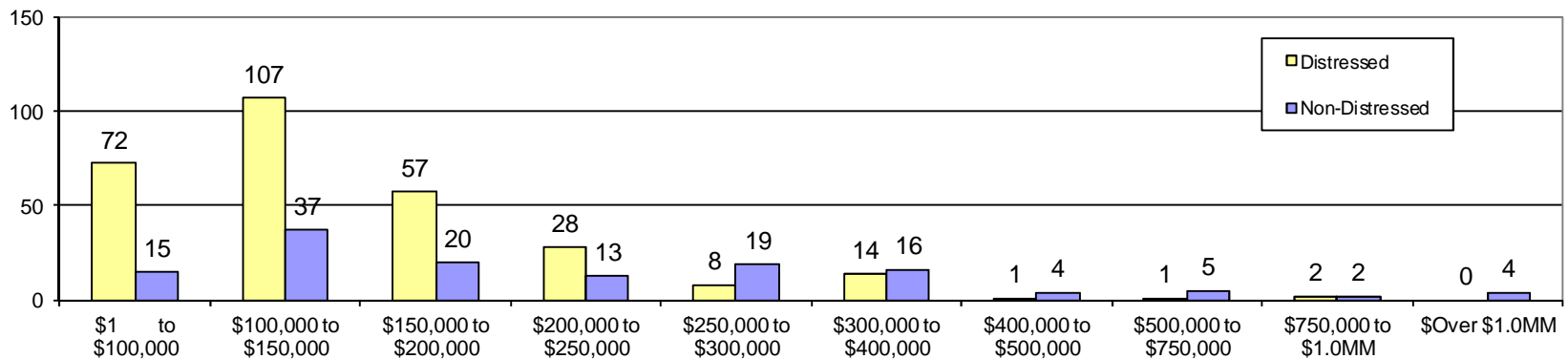
Distressed Listings

December, 2011

Percentage Distressed New Listings by Price, current month



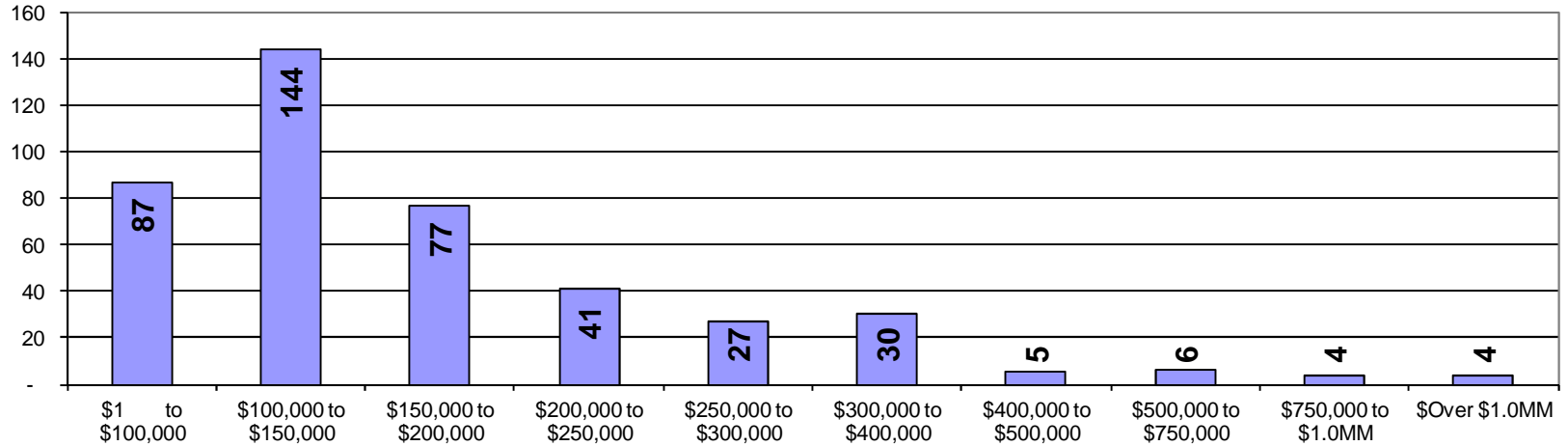
Number of Distressed and NonDistressed New Listings by Price, current month



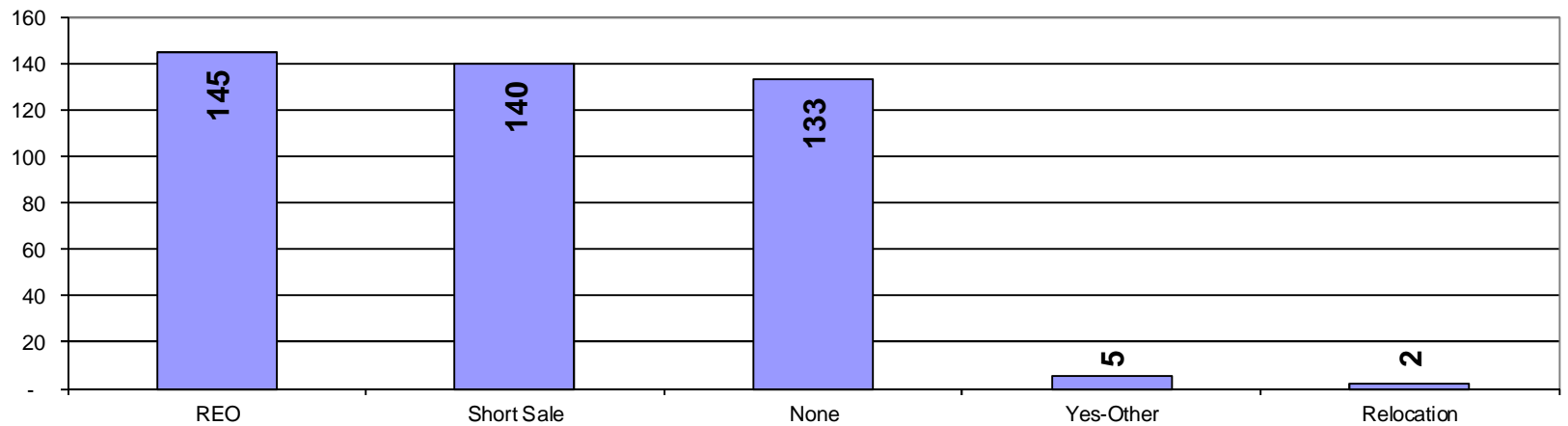
Distressed New Listings includes Fannie Mae, Freddie Mac, HUD, and any bank-owned listings.

New Listings

New Listings, by Price Range



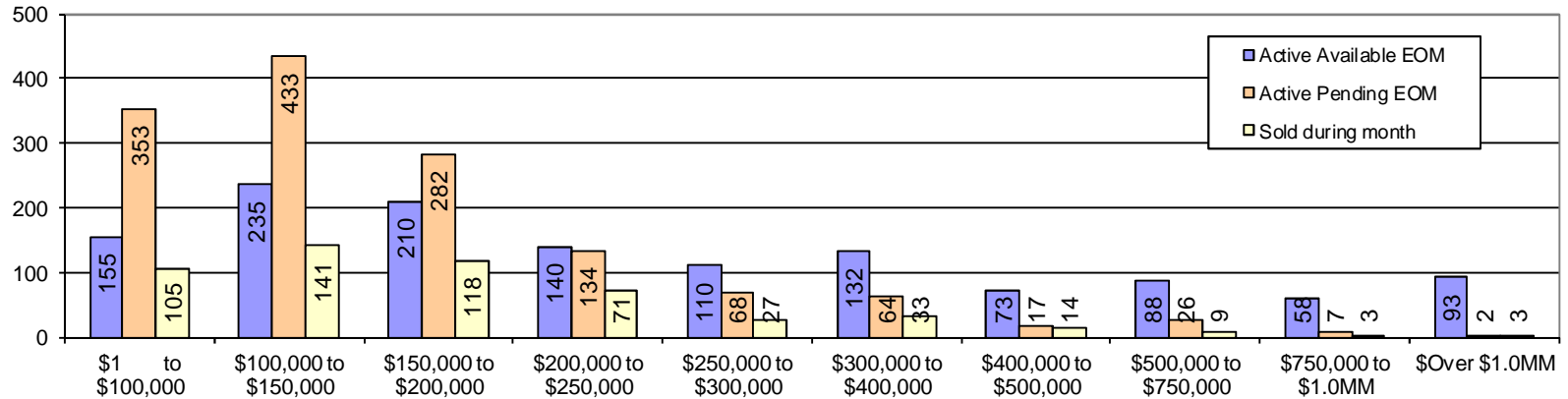
New Listings, by Special Condition



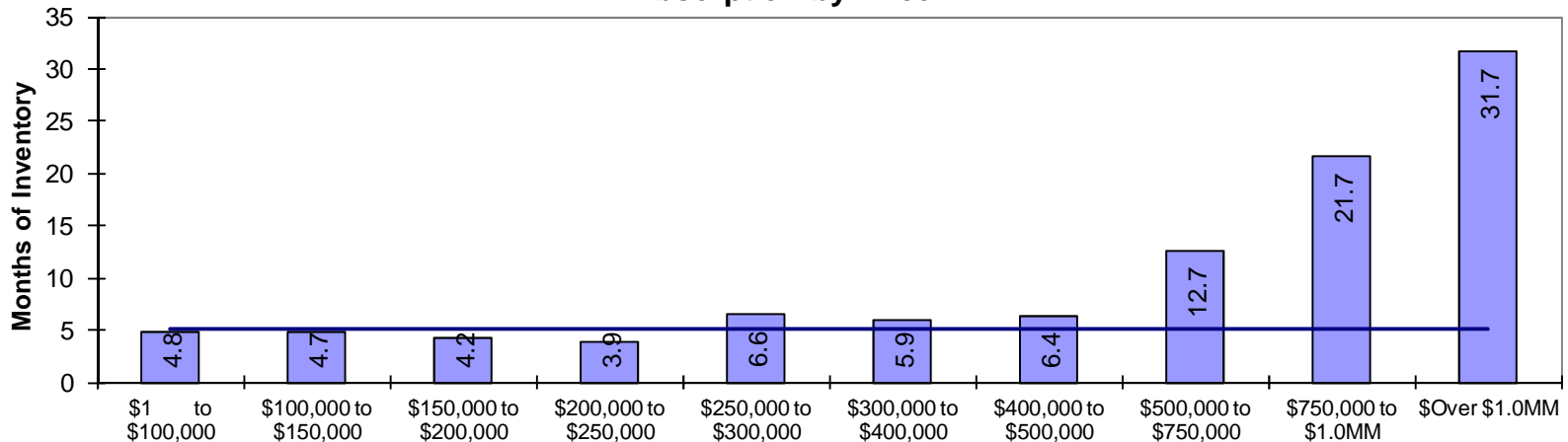
Units and Absorption by Price

December, 2011

Active and Sold Homes by Price, current month



Absorption by Price

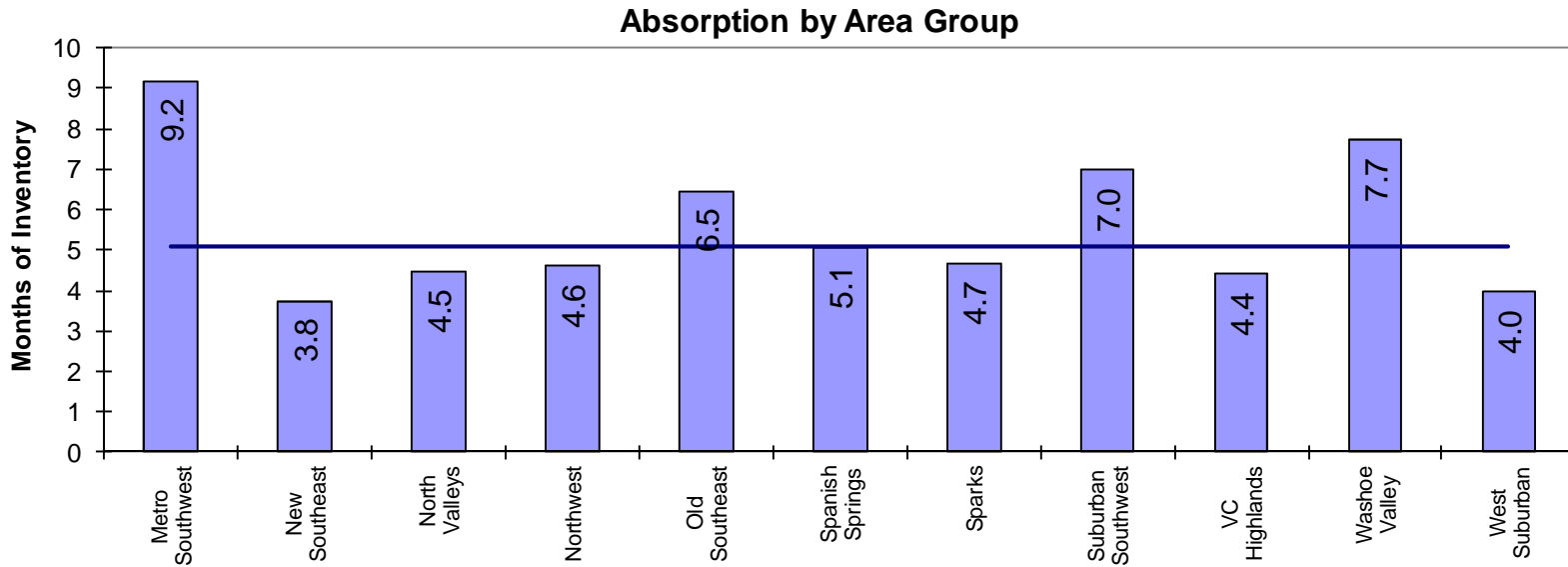
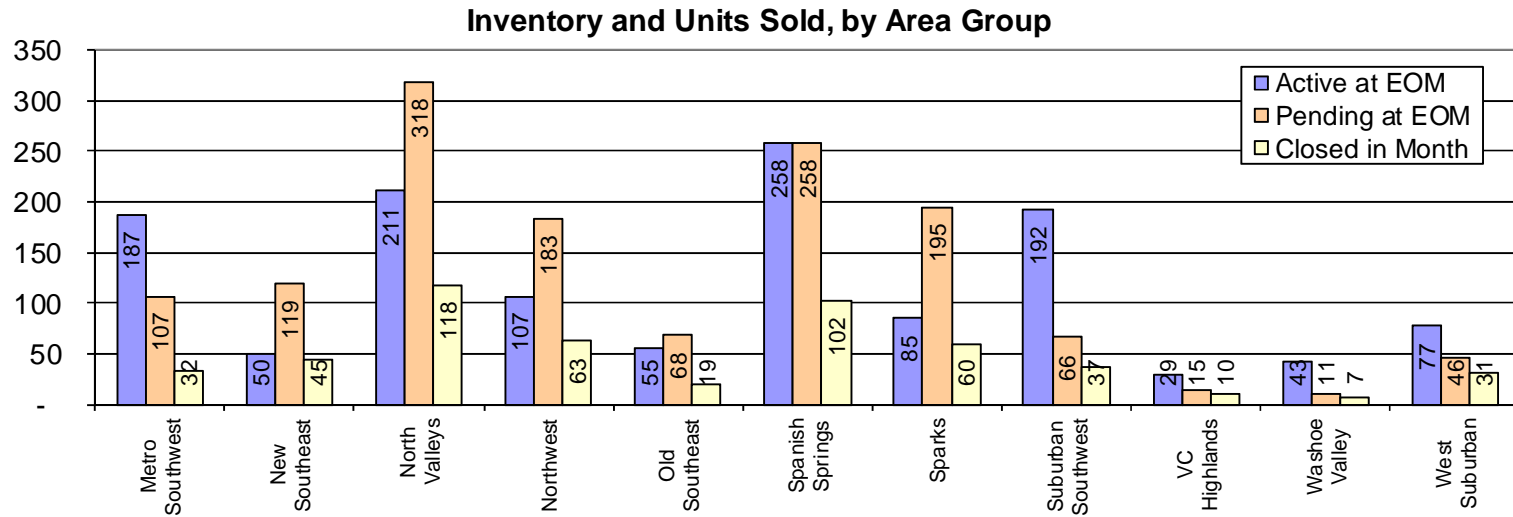


“Active” includes “Active/Pending”

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.

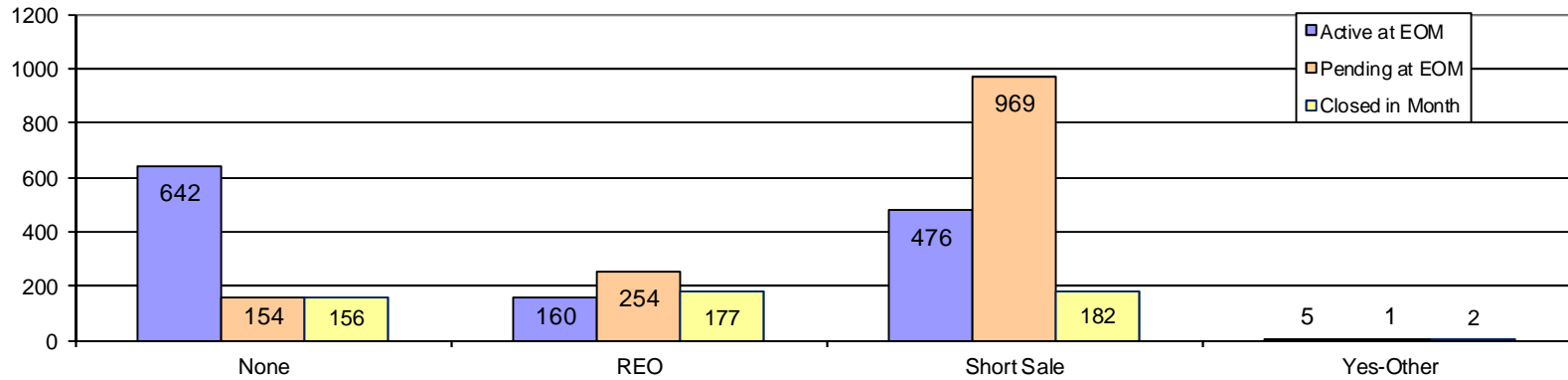
Units and Absorption by Area Group



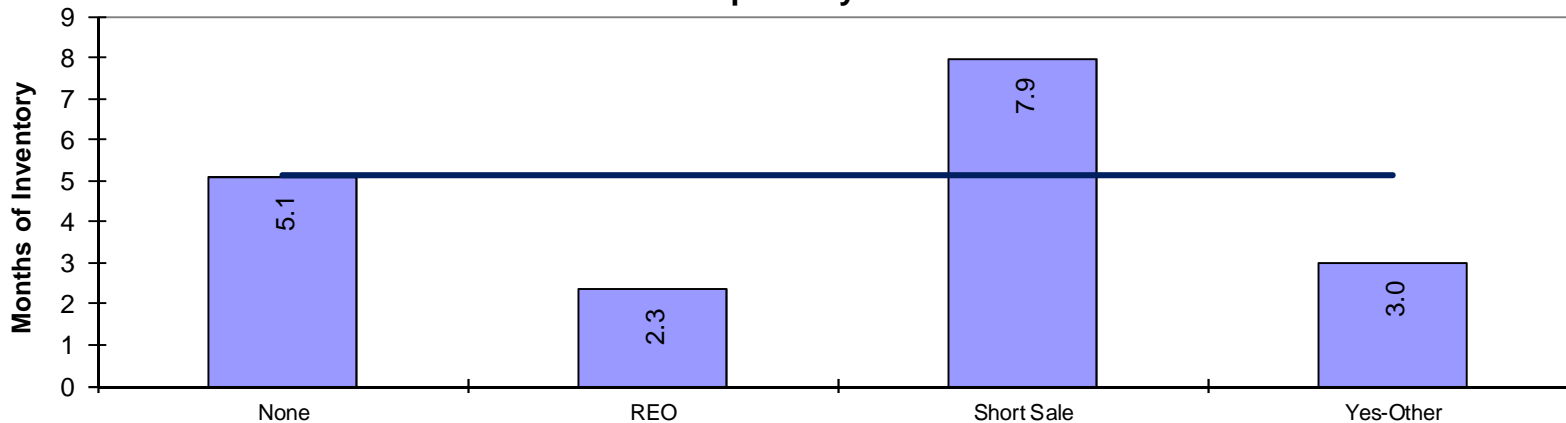
Units and Absorption by Condition

December, 2011

Active and Sold Homes by Condition, current month



Absorption by Condition



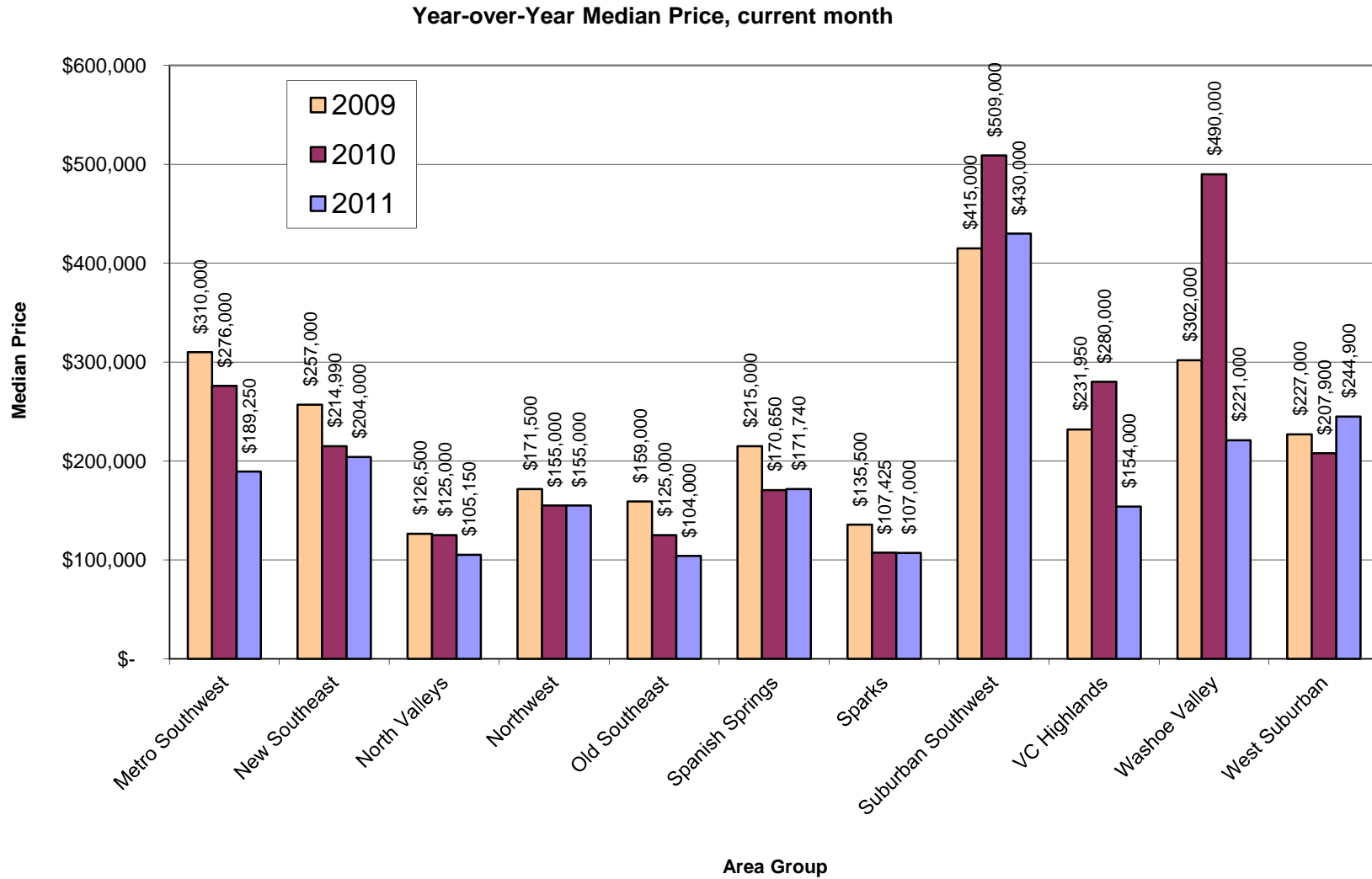
“Active” includes “Active/Pending”

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.

Area Group: Median Price, year over year

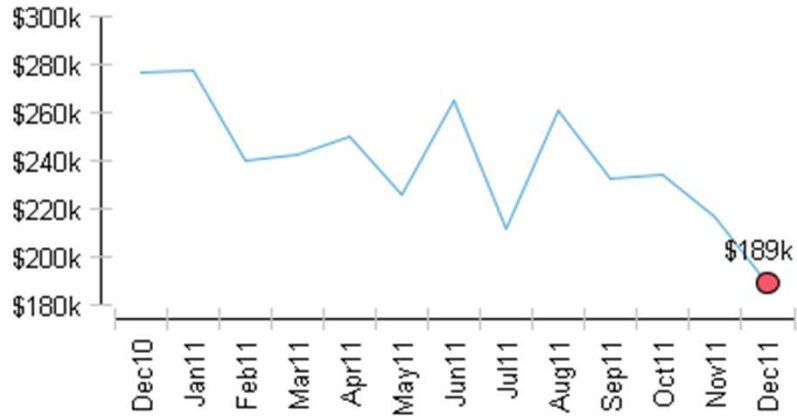
December, 2011



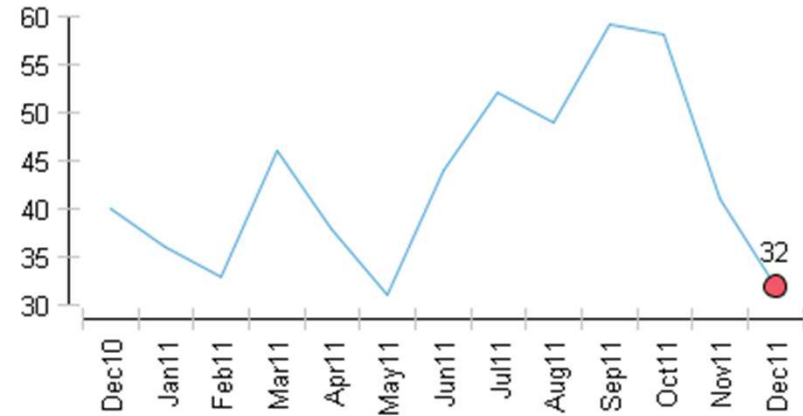
Neighborhood Detail – Metro Southwest

❖ Includes areas 160, 161, 163

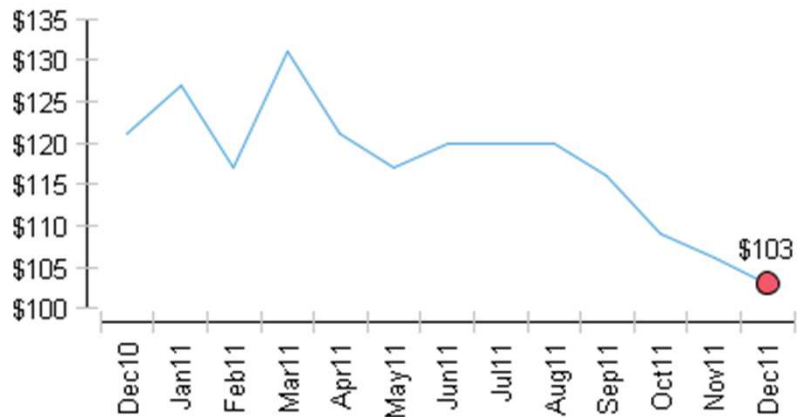
Median Price



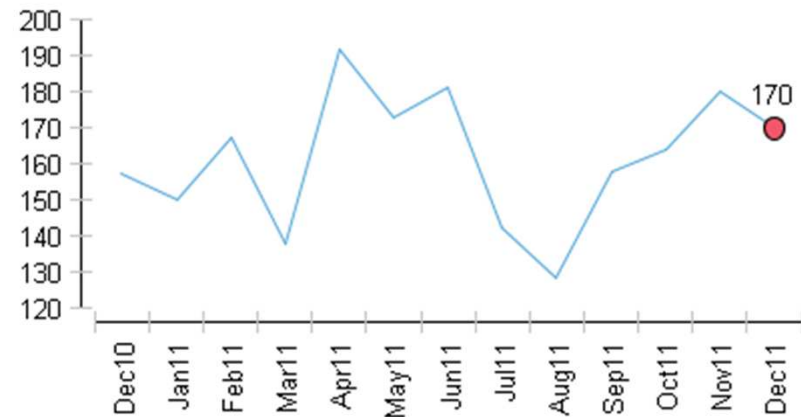
Units Sold



Price per Square Foot



Average DOM



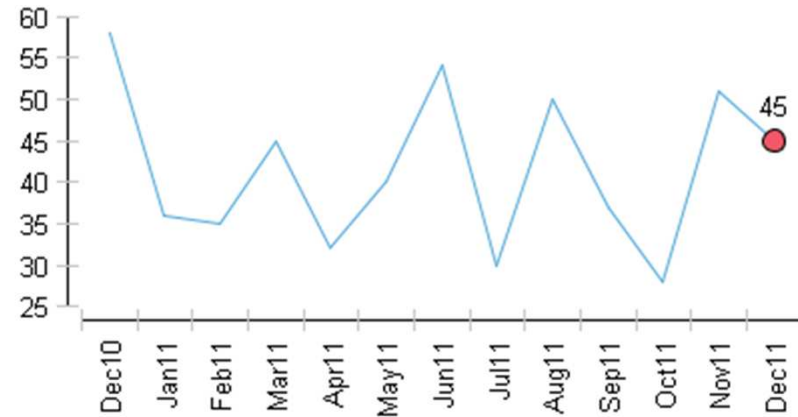
Neighborhood Detail – New Southeast

❖ Includes areas 143

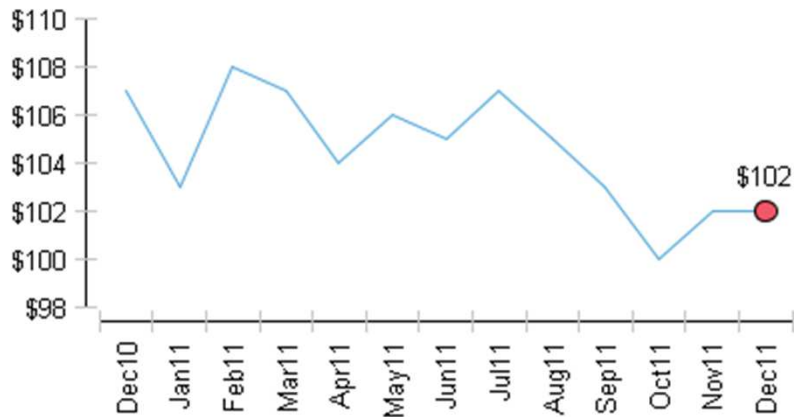
Median Price



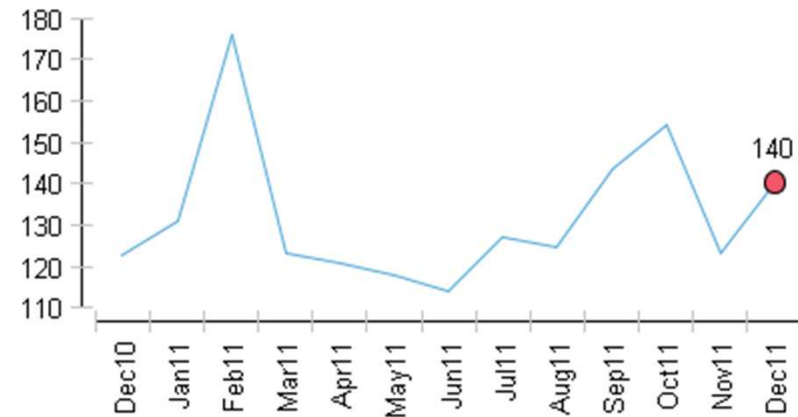
Units Sold



Price per Square Foot



Average DOM

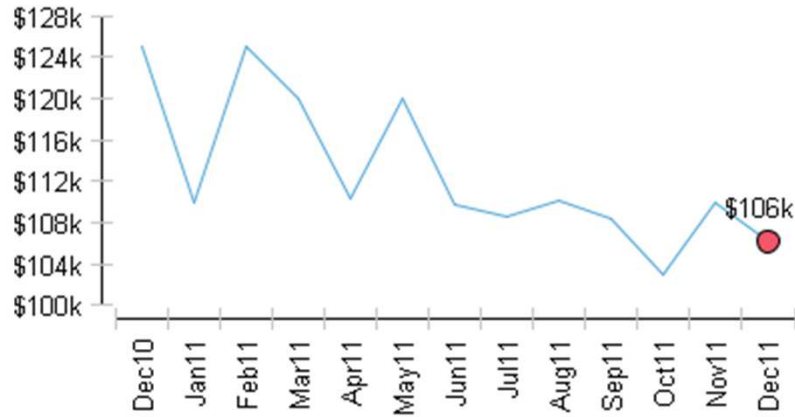


Neighborhood Detail – North Valleys

December, 2011

❖ Includes areas 130 through 138

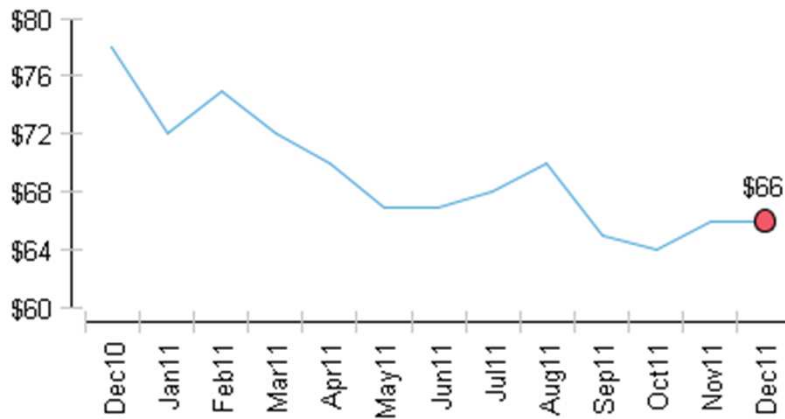
Median Price



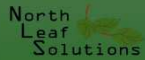
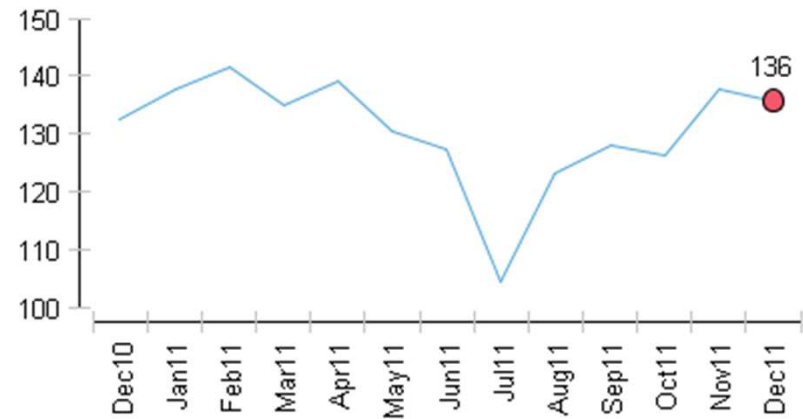
Units Sold



Price per Square Foot



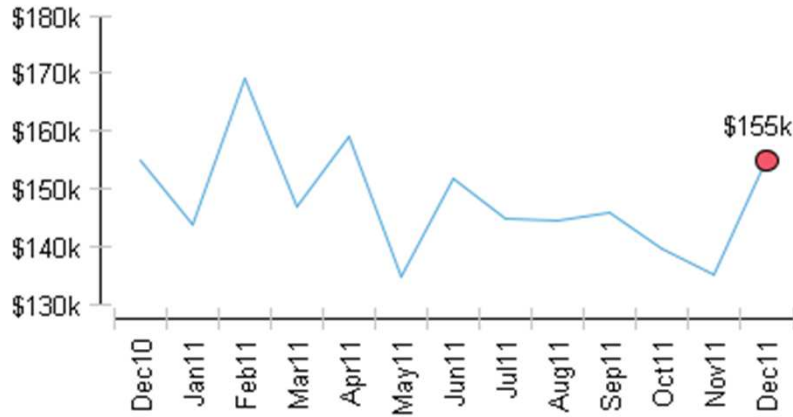
Average DOM



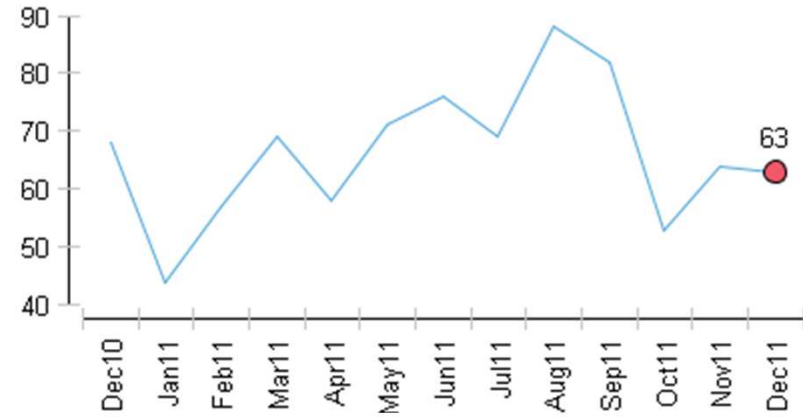
Neighborhood Detail – Northwest

❖ Includes areas 116, 119, 120, and 121

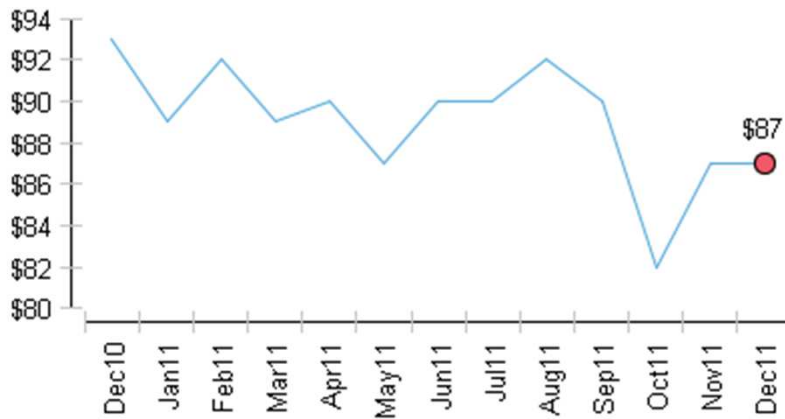
Median Price



Units Sold



Price per Square Foot



Average DOM



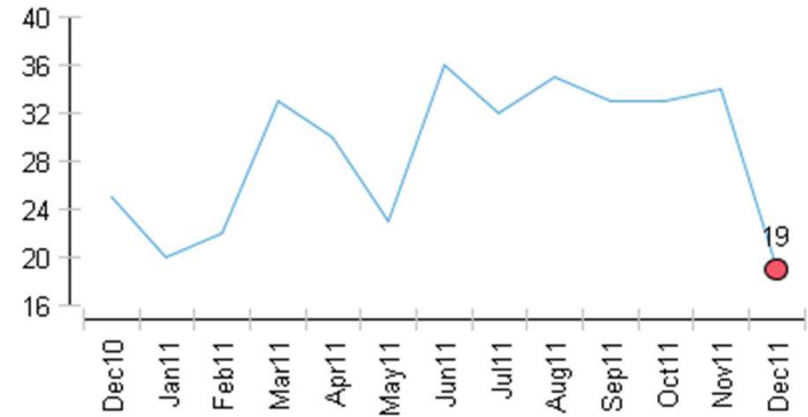
Neighborhood Detail – Old Southeast

❖ Includes areas 115, 140, 141, and 142

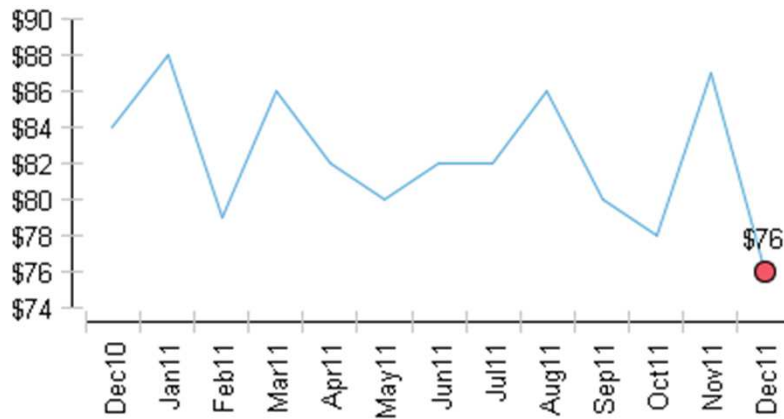
Median Price



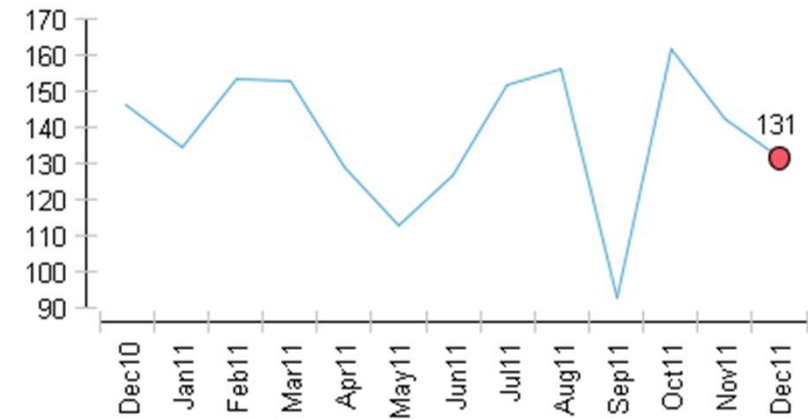
Units Sold



Price per Square Foot



Average DOM

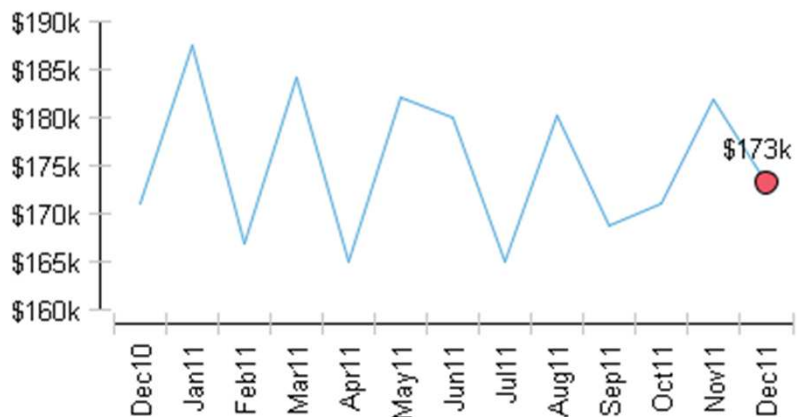


Neighborhood Detail – Spanish Springs

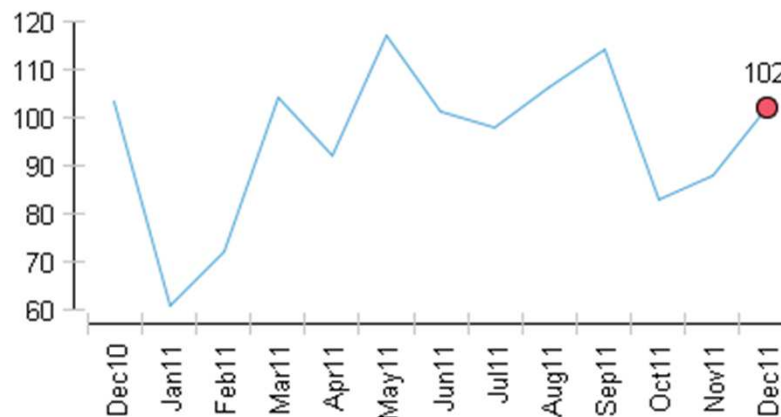
December, 2011

❖ Includes areas 182 through 186

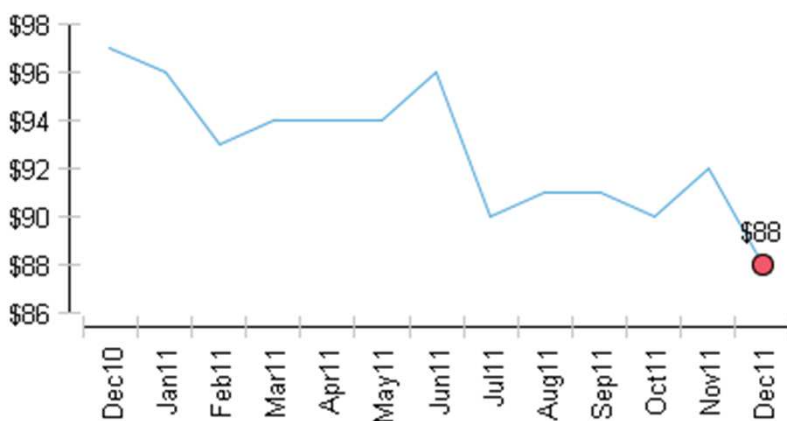
Median Price



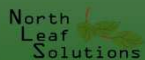
Units Sold



Price per Square Foot



Average DOM



Neighborhood Detail – Sparks

❖ Includes areas 180, 181, 187, and 188

Median Price



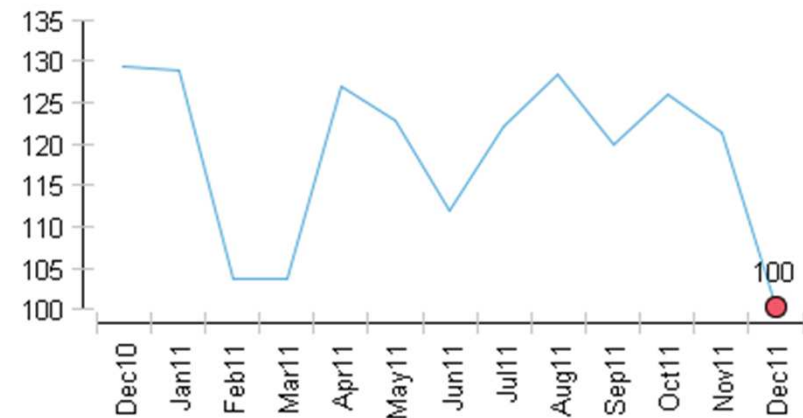
Units Sold



Price per Square Foot



Average DOM



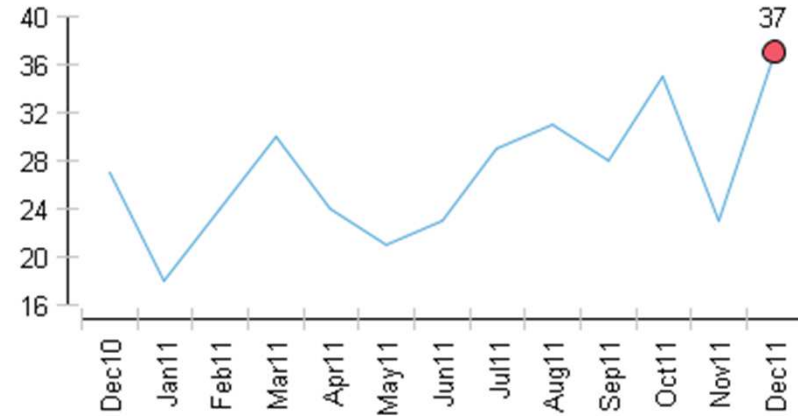
Neighborhood Detail – Suburban Southwest

❖ Includes areas 164, 165, and 171

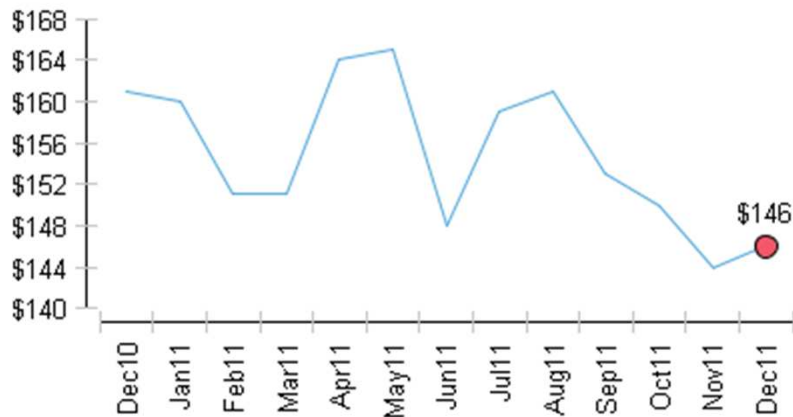
Median Price



Units Sold



Price per Square Foot



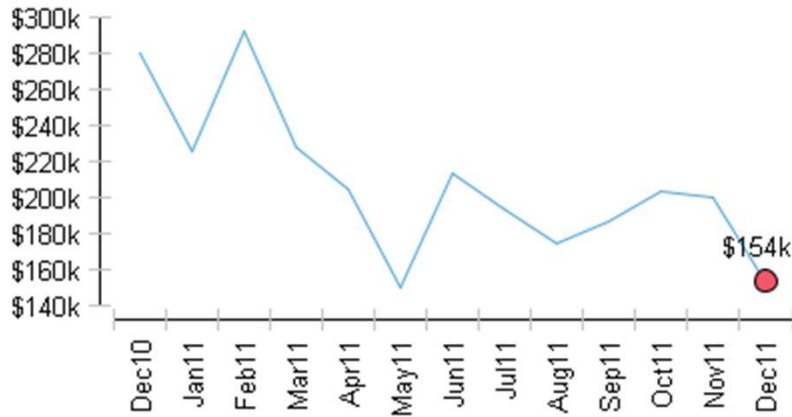
Average DOM



Neighborhood Detail – VC Highlands

❖ Includes areas 173 and 176

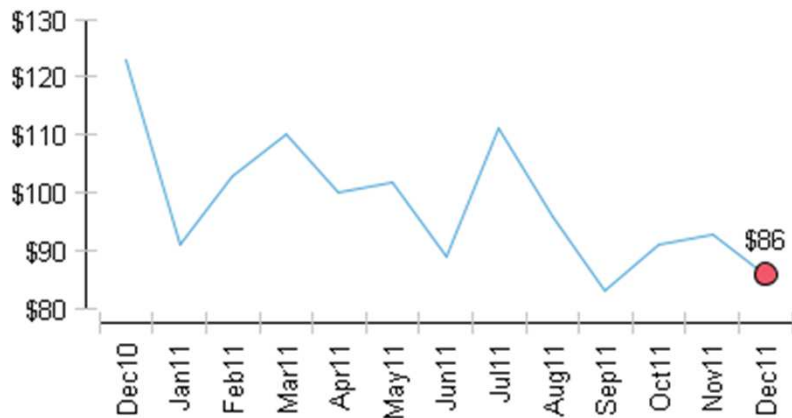
Median Price



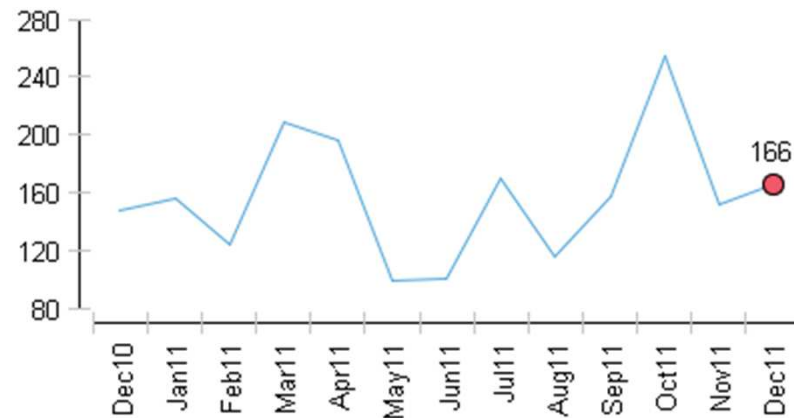
Units Sold



Price per Square Foot



Average DOM



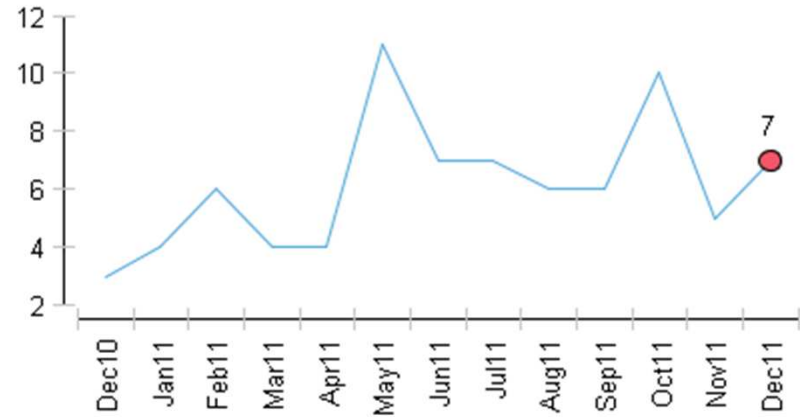
Neighborhood Detail – Washoe Valley

❖ Includes areas 174, 175, and 177

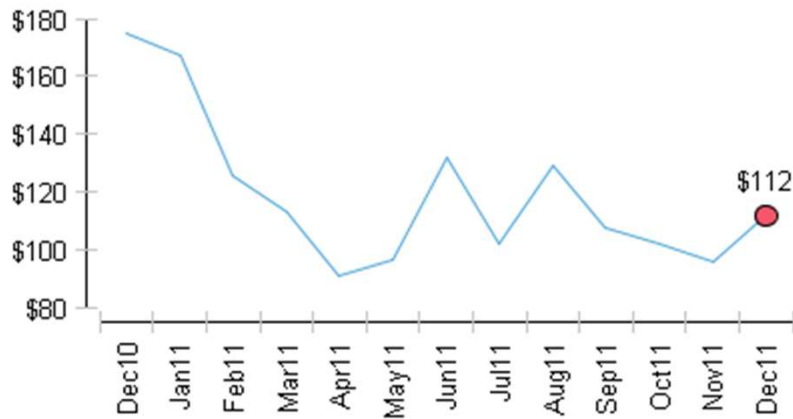
Median Price



Units Sold



Price per Square Foot



Average DOM



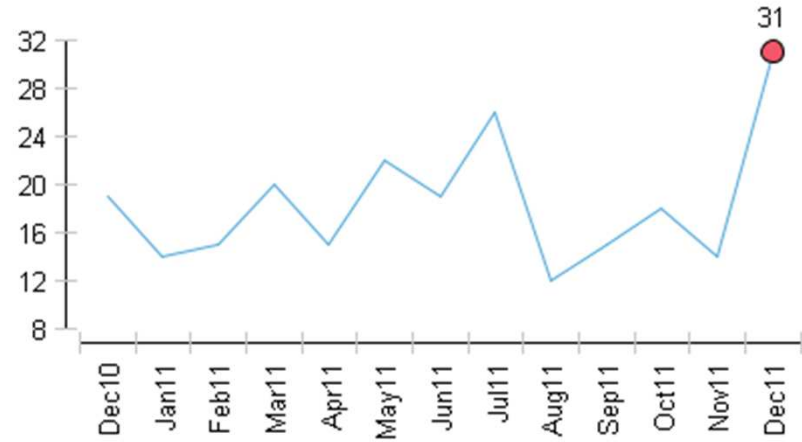
Neighborhood Detail – West Suburban

❖ Includes areas 122, 123, 124

Median Price



Units Sold



Price per Square Foot



Average DOM

