

Reno/Sparks Association of REALTORS®

April 2011

Market Report

Area 100, Greater Reno/Sparks



North
Leaf
Solutions 

Database Analysis Excellence

Proprietary & Confidential

Report Package Outline

- ❖ Market Summary

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

- ❖ Data Assumptions:
 - Region defined as Area 100
 - 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 April 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 two-income household, earning approximately \$10 per hour each, can now afford the median priced home in the Reno/Sparks area."
- ❖ **Median Sales Price**
 - April 2011 median price was down 3.1% to \$155,000 compared to \$160,000 in March 2011.
 - The median sales price continues to settle from the prior month.
 - For the past eight consecutive months median price has been lower than the prior year-over-year median.
 - Median price is defined as the mid-point, the price for half of the sales for the time frame is below and half are above.
- ❖ **Price per Square Foot**
 - Like the median home price, price per square foot continues to settle, although compared to the prior 36 months, it has remained relatively stable for the past twenty-two months. The current median price per square foot decreased in April to \$93.00.
- ❖ **Number of Units Sold**
 - This April's unit sales of 422 single family homes are the fifth best April in the history of sales reported through the MLS. Statistical records date back to 1989.
 - The three prior months of April that had higher records sales were April 2003 (479 units sold), April 2004 (530 units sold) and April 2005 (558 units sold), all during the real estate boom.
 - April ended the month with 422 sold transactions, down 17.4% from the prior month.
 - Sales were down 17.3% from the same period last year, which was artificially influenced by the \$8,000 First Time Home Buyer tax credit.
- ❖ **Average Days on Market**
 - The average days on market are 137 days, up 3.7% from March 2011.
- ❖ **New Listings**
 - 779 new listings were taken in April compared to 717 in March, an 8.6% increase.
 - The percentage of "Distressed" new listings was down 8% from the prior month. 62% of new April listings were distressed – 242 Short Sales, 196 Bank Owned/Other.
 - Note: Properties reported as "Other" which includes "Fannie Mae's, Freddie Mac's and HUD's" are included with Bank Owned REO properties.
- ❖ **Status of Pending**
 - Active Pending – Short Sales represent 58% of the total active pendings; Active Pending Loan equals 19.5%; Pending No-show represents 16.5%; Active Pending call 5%; and Active Pending House less than 1%.

Market Report Commentary

April, 2011

- ❖ Absorption Months Supply of Inventory (Unsold Inventory ÷ Sales per Month)
 - As of April 30th, there was 7.8 months of unsold inventory based on the April sales rate.
 - Historical Months Supply of Inventory show that April MSI is up 1.4 months from March and up one month from April 2010.
 - In the past twelve months, there have been four months which have fallen into what is defined as a balanced market. In the past 24 months, the market has remained as primarily a buyer's market.
 - The National Association of REALTORS® describes a balanced market as between 5 and 7 months supply.
 - Unsold inventory includes Active Pendings. This method of reporting months supply of inventory follows the industry standard of including all pending sales remaining in active status in the active inventory

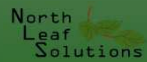
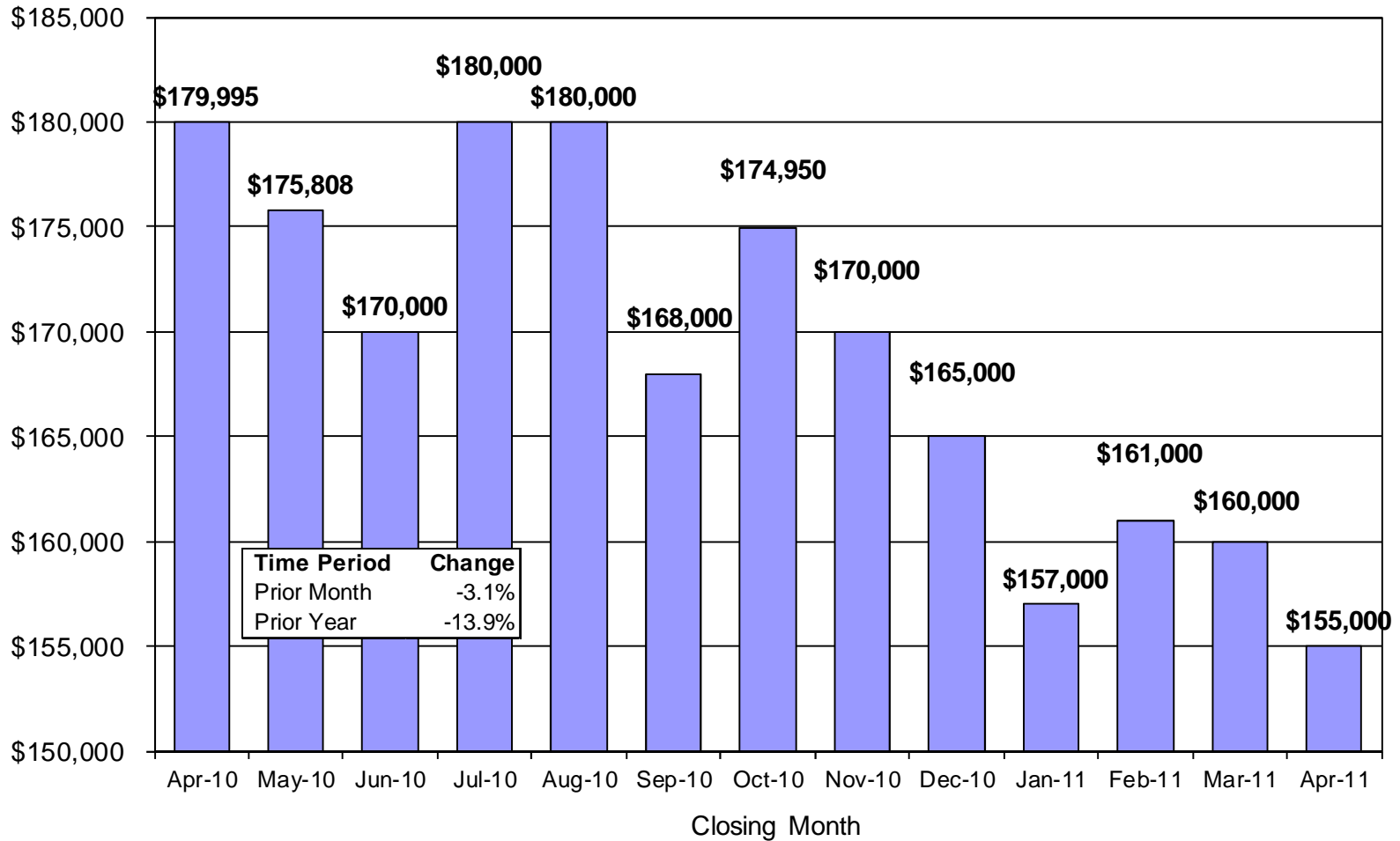
- ❖ Conclusion
 - We continue to compare this April, with the market performing on its own, to last April's Median Sales Price which was influenced by the First Time Homebuyer tax credit. Looking at the period mid-2005 through March 2009, it's encouraging that we have not seen the rapid decline in pricing, but from that period forward there continues to be some settling in pricing.
 - April 2011 median home price of \$155,000 is the lowest the Reno area has seen since 2000.
 - April 2011 unit sales, although down from the prior month and the prior year, is still performing at near record levels.
 - Year-to-date 2011 sales are 13 sales ahead of 2010.
 - In April, the "Bank-owned" sales category held the dominant share of the market with 40% of the closings.
 - The affordability door is open to a wider range of buyers. This means that a two-income, household earning approximately \$10 per hour each, can now afford the median priced home in the Reno/Sparks area.
 - Closed sales numbers in April set a near record as being fifth best April for single family sales number in history.
 - 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!

 - The Detailed Report is made available to members as a member benefit. Examine the Detailed Report for a more in-depth look into market segments and price points. Both this report and the Detailed Report are provided as a value added service to members.

Summary: Median Sales Price

April, 2011

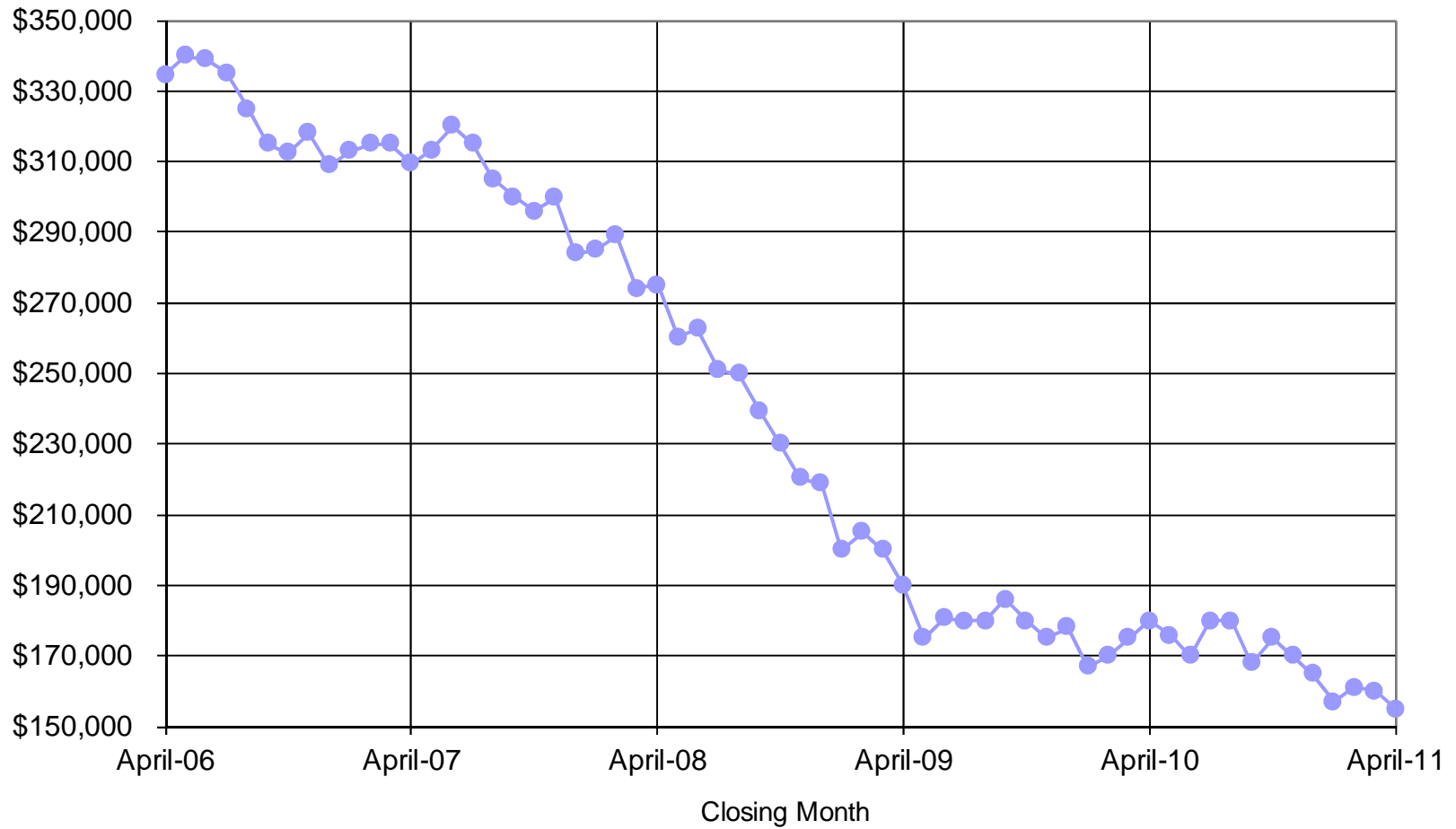
Median Sales Price, 13 months



Summary: Median Sales Price

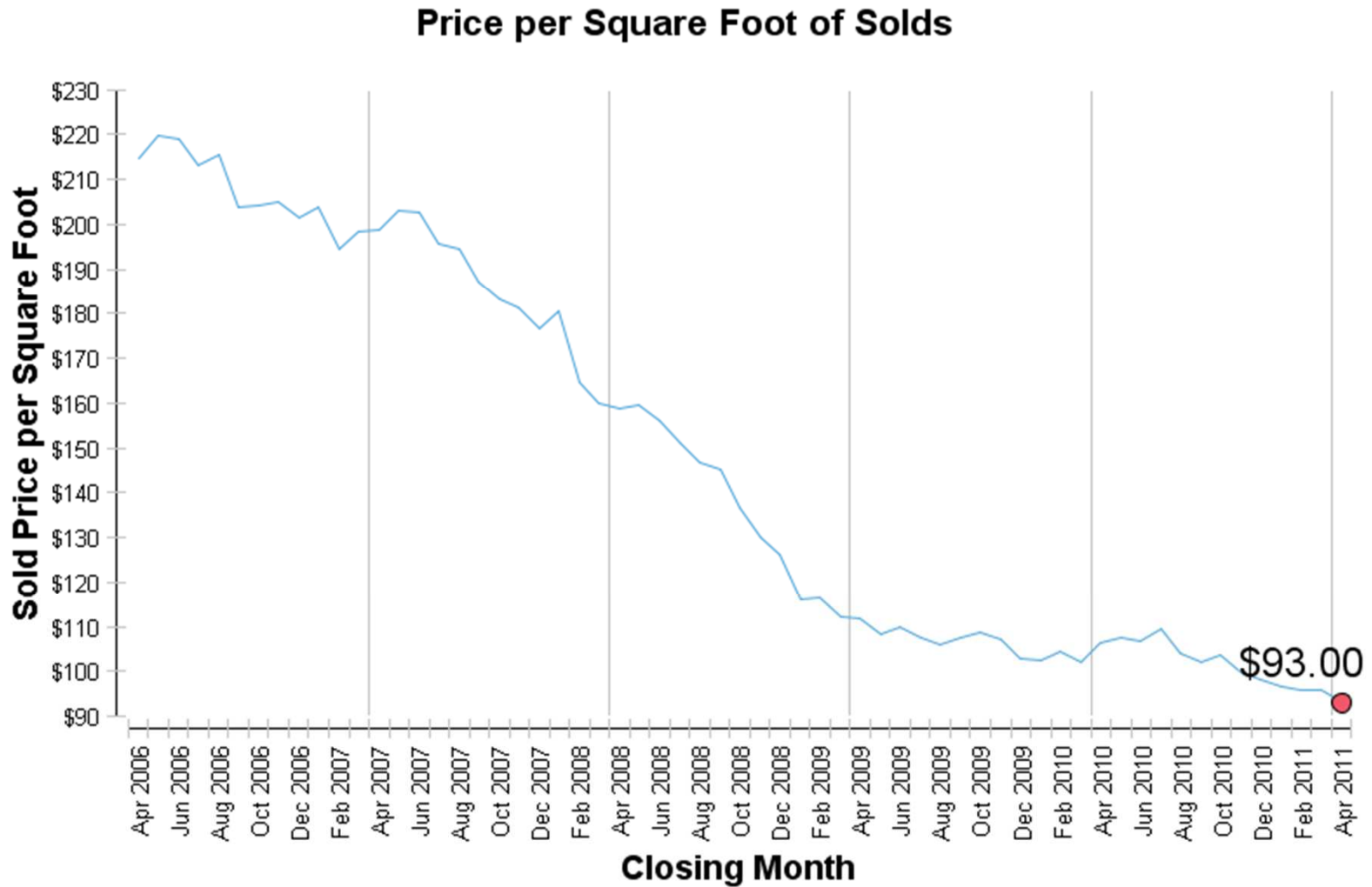
April, 2011

Median Sales Price, 5 years



Price per Square Foot of Solds

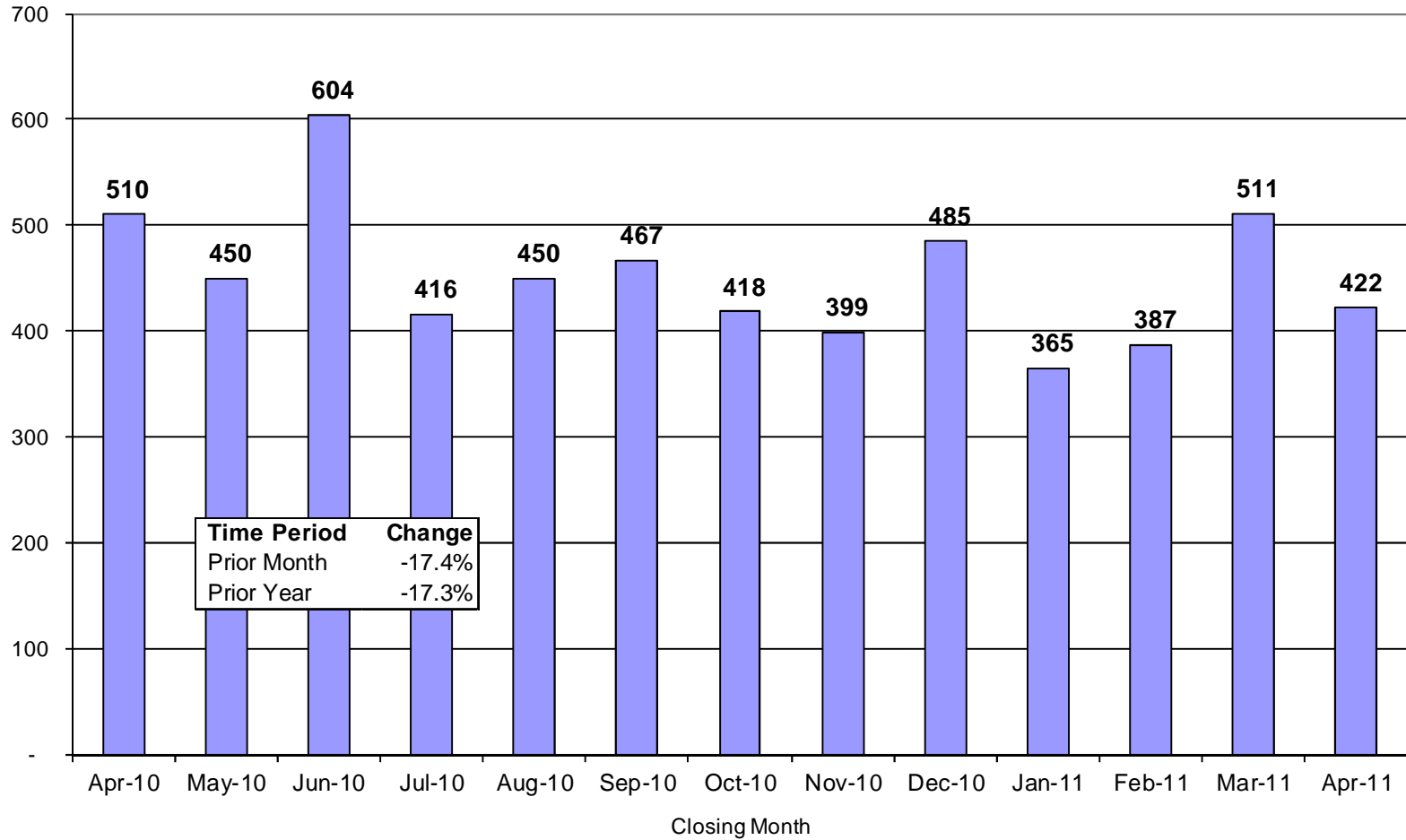
April, 2011



Summary: Number of Units Sold

April, 2011

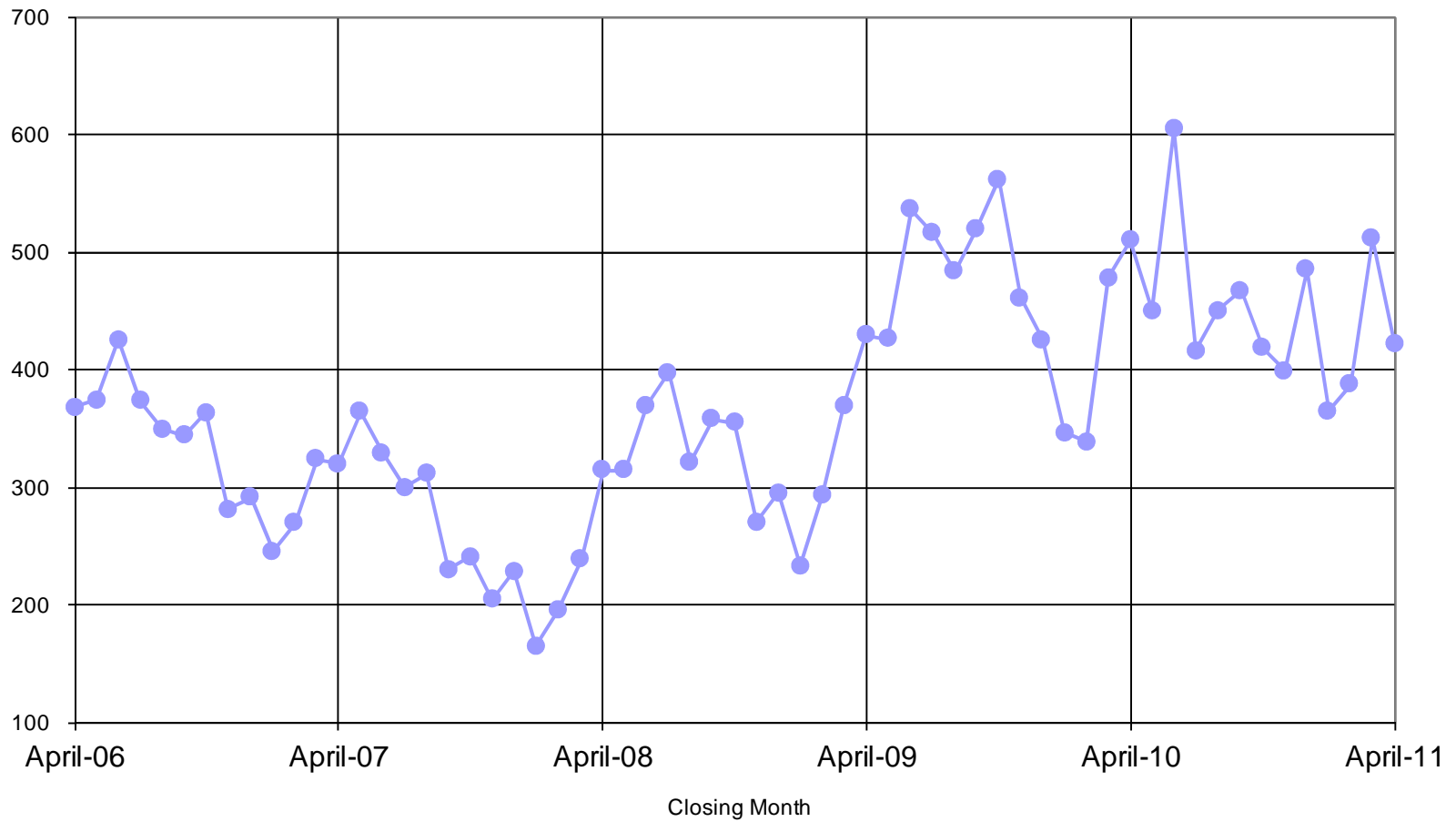
Number of Units Sold, 13 months



Summary: Number of Units Sold

April, 2011

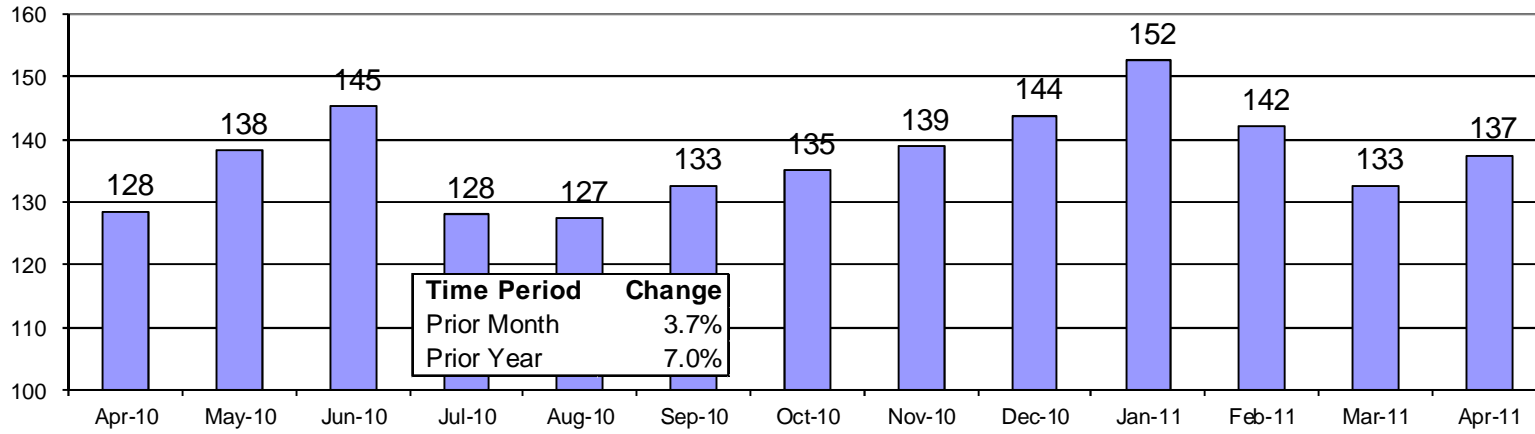
Number of Units Sold, 5 years



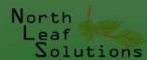
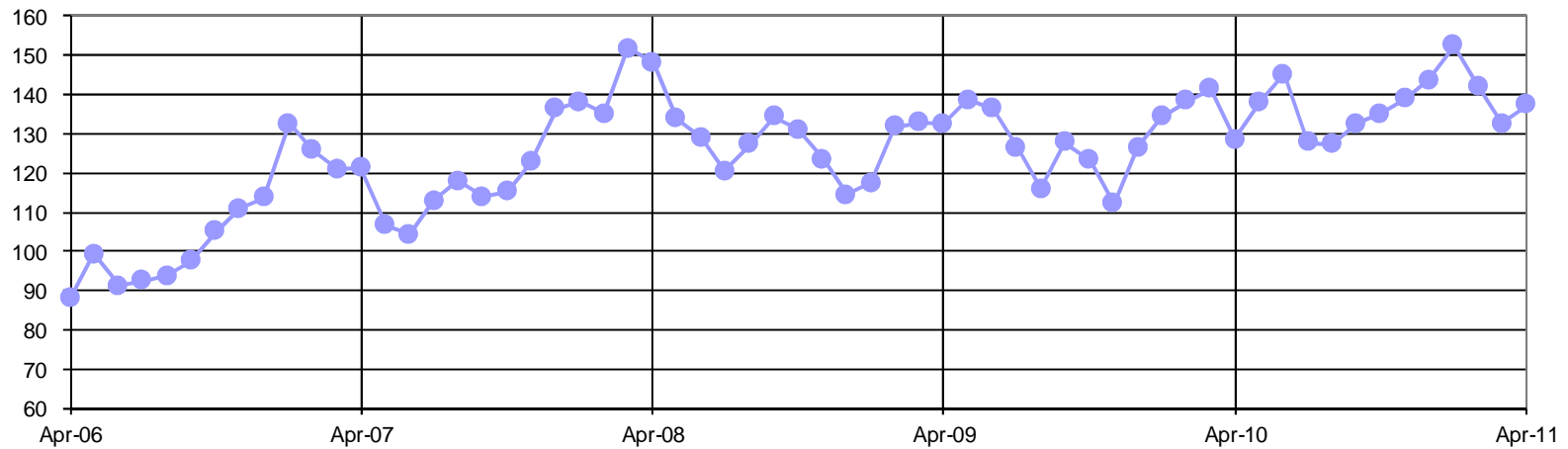
Summary: Average Days on Market

April, 2011

Average Days on Market for Solds, 13 months



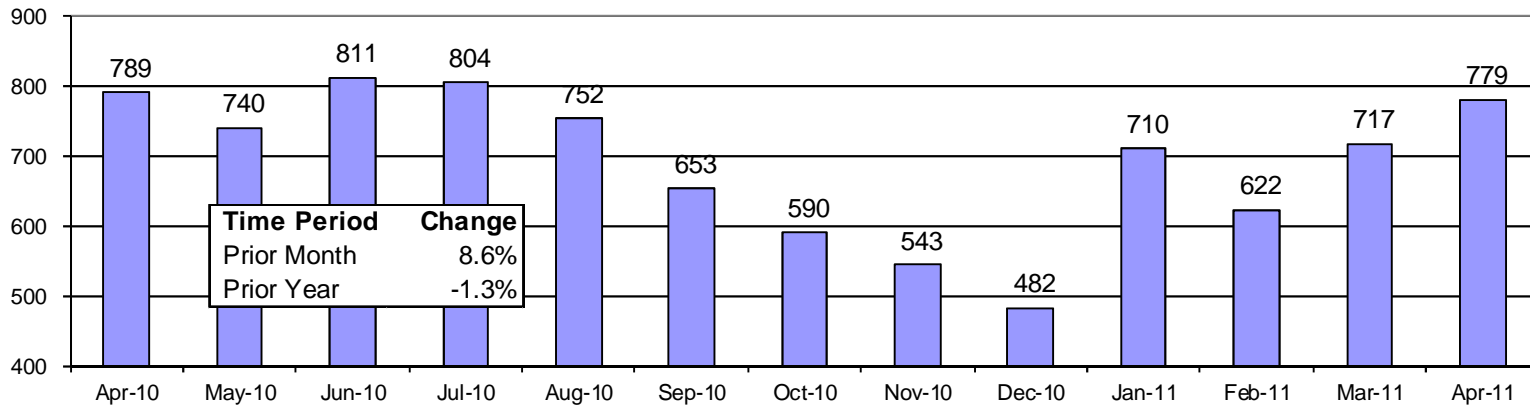
Average Days on Market for Solds, 5 years



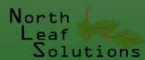
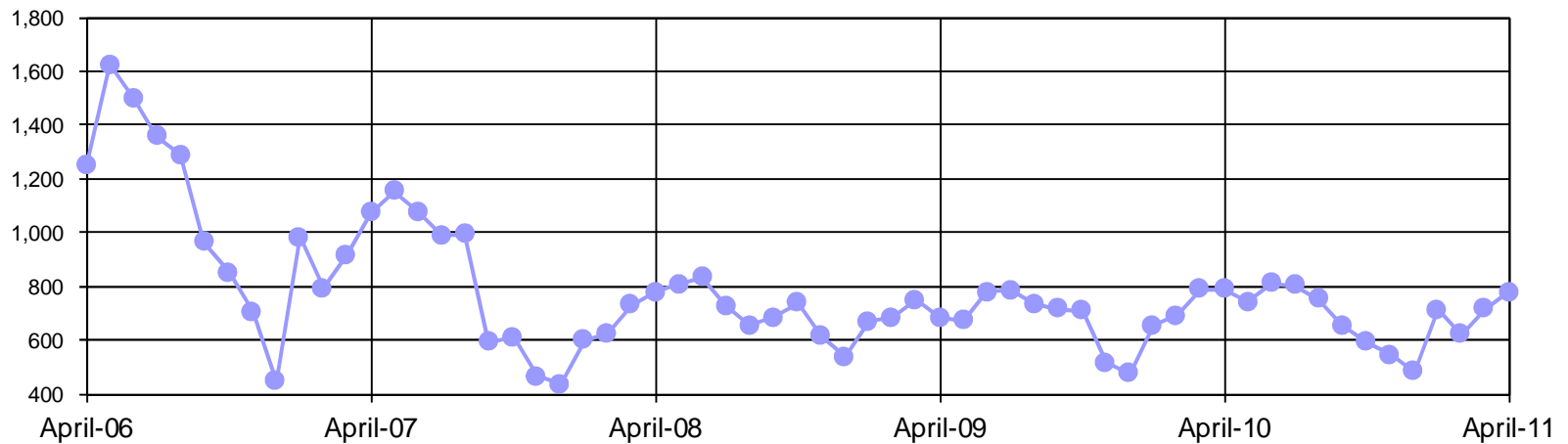
Summary: New Listings

April, 2011

New Listings by Month, 13 months

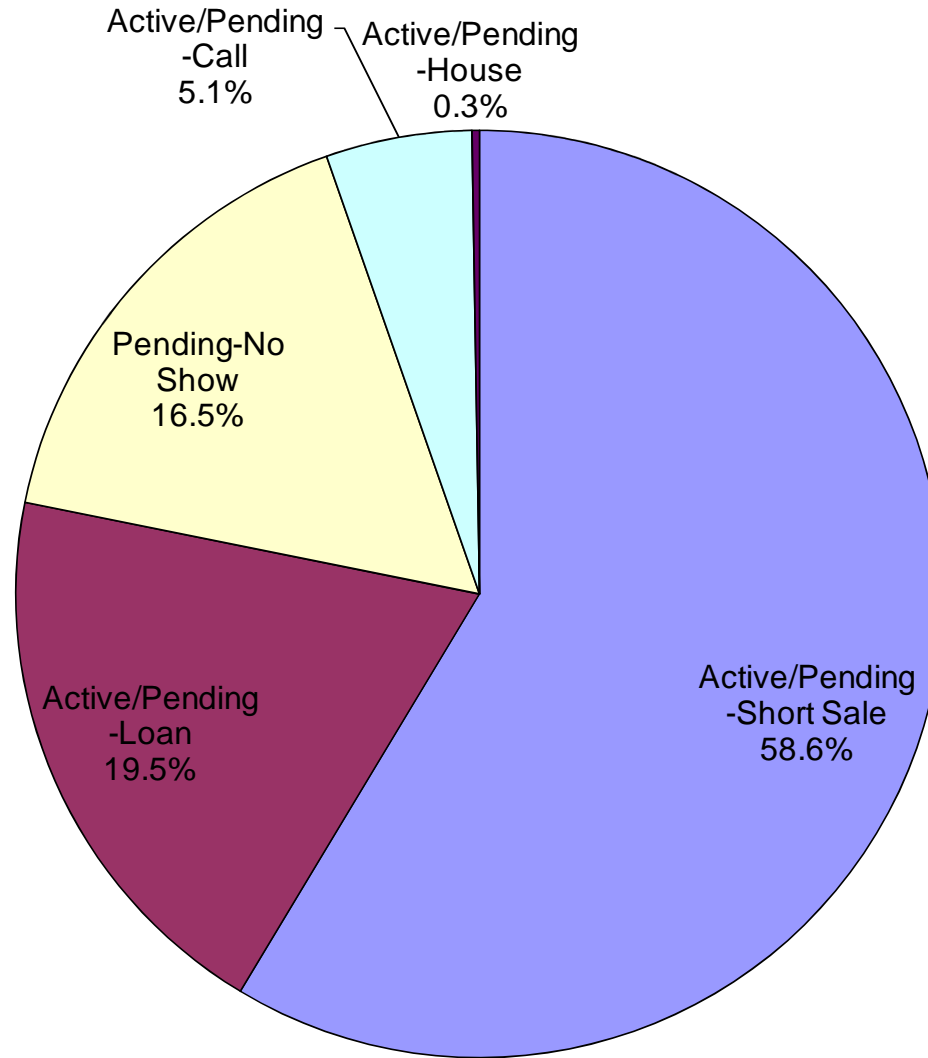


New Listings by Month, 5 years



Status of Pendings

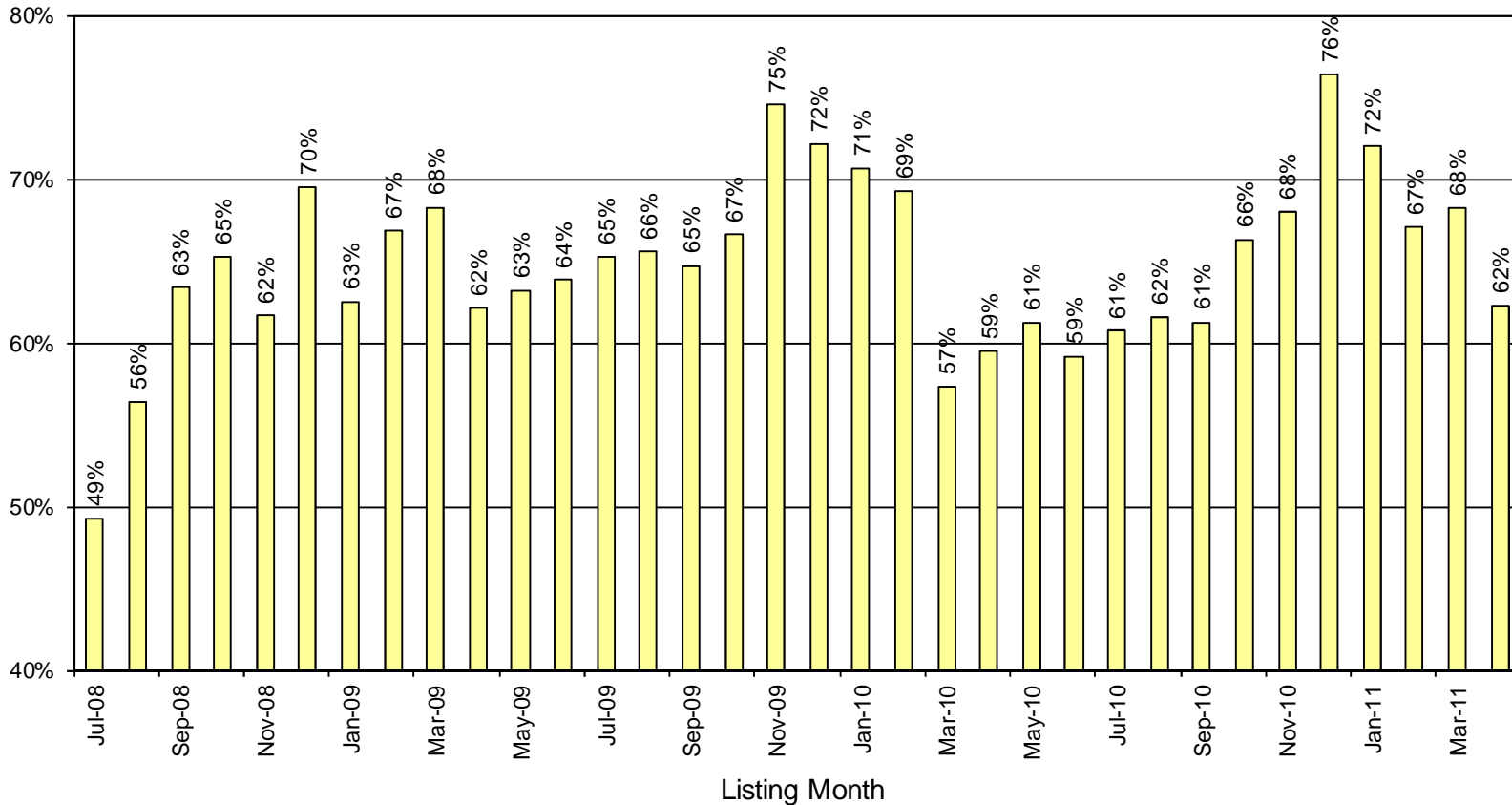
April, 2011



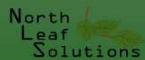
Distressed Listings

April, 2011

Percentage of new listings that are distressed, historically



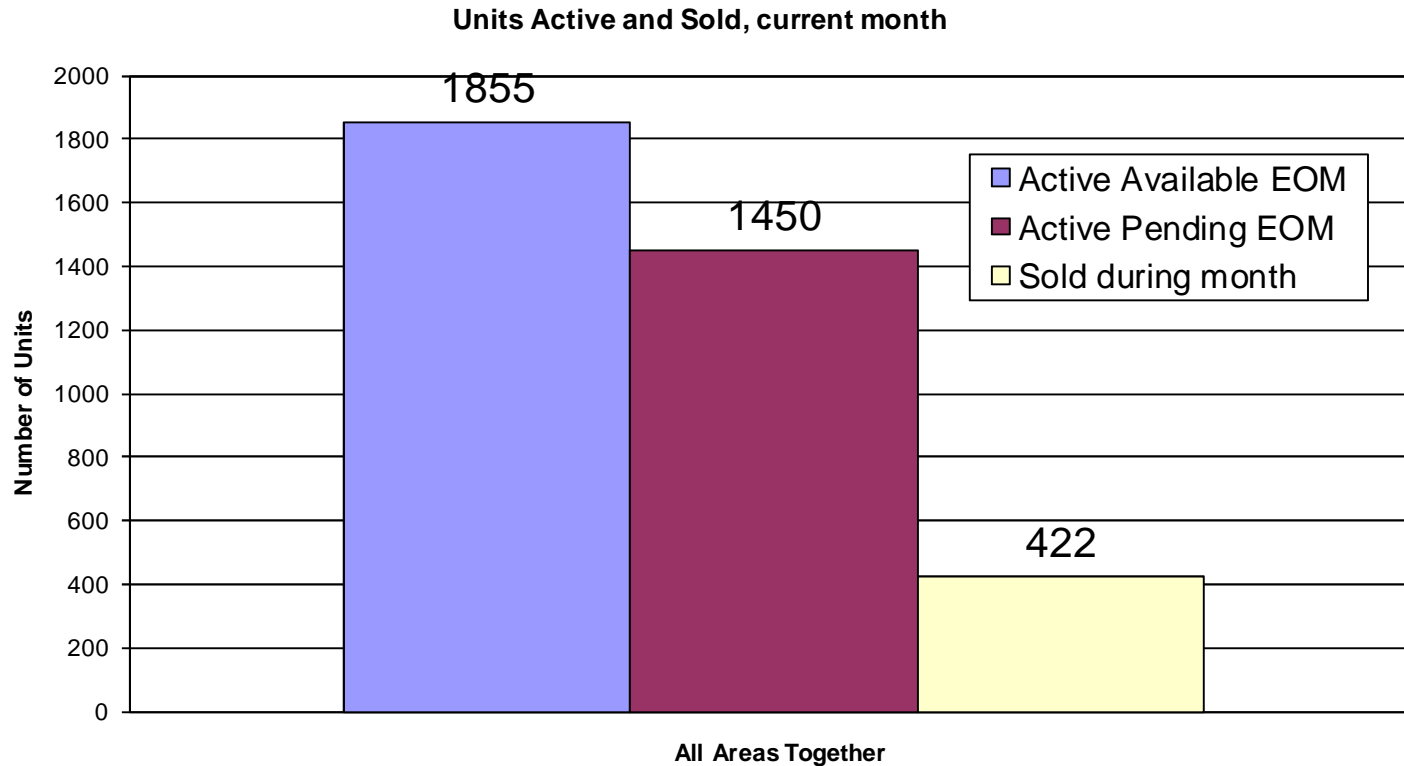
*"Distressed" defined as any new listing that is "Bank", "Short", or "Yes-Other"
Distressed listing data gathered beginning in January 2008.*



Current Months Supply of Inventory

April, 2011

❖ $(1855+1450)$ units / 422 units sold = 7.8 months of inventory



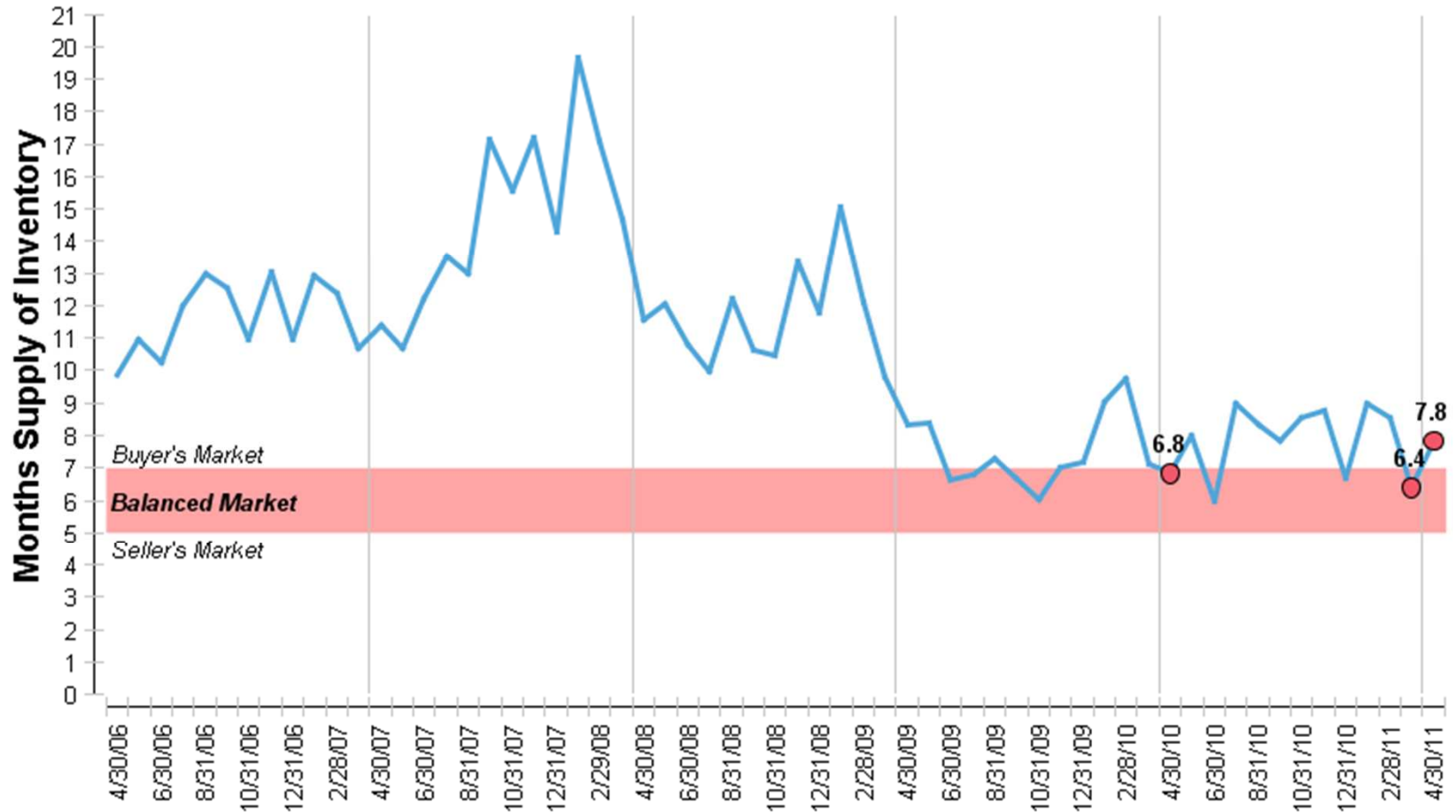
Unsold Inventory includes Active Pendings. This method of reporting absorption follows the industry standard and includes pendings in Active Inventory.

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.

April, 2011

Historical Months Supply of Inventory, 5 years



Unsold Inventory includes Active Pendlings. This method of reporting absorption follows the industry standard and includes pendlings 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.

