

# Reno/Sparks Association of REALTORS®

May 2011  
Market Report  
Area 450, Fernley



North  
Leaf  
Solutions 

*Database Analysis Excellence*

*Proprietary & Confidential*

# 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 10<sup>th</sup>, 2011

# Market Report Commentary

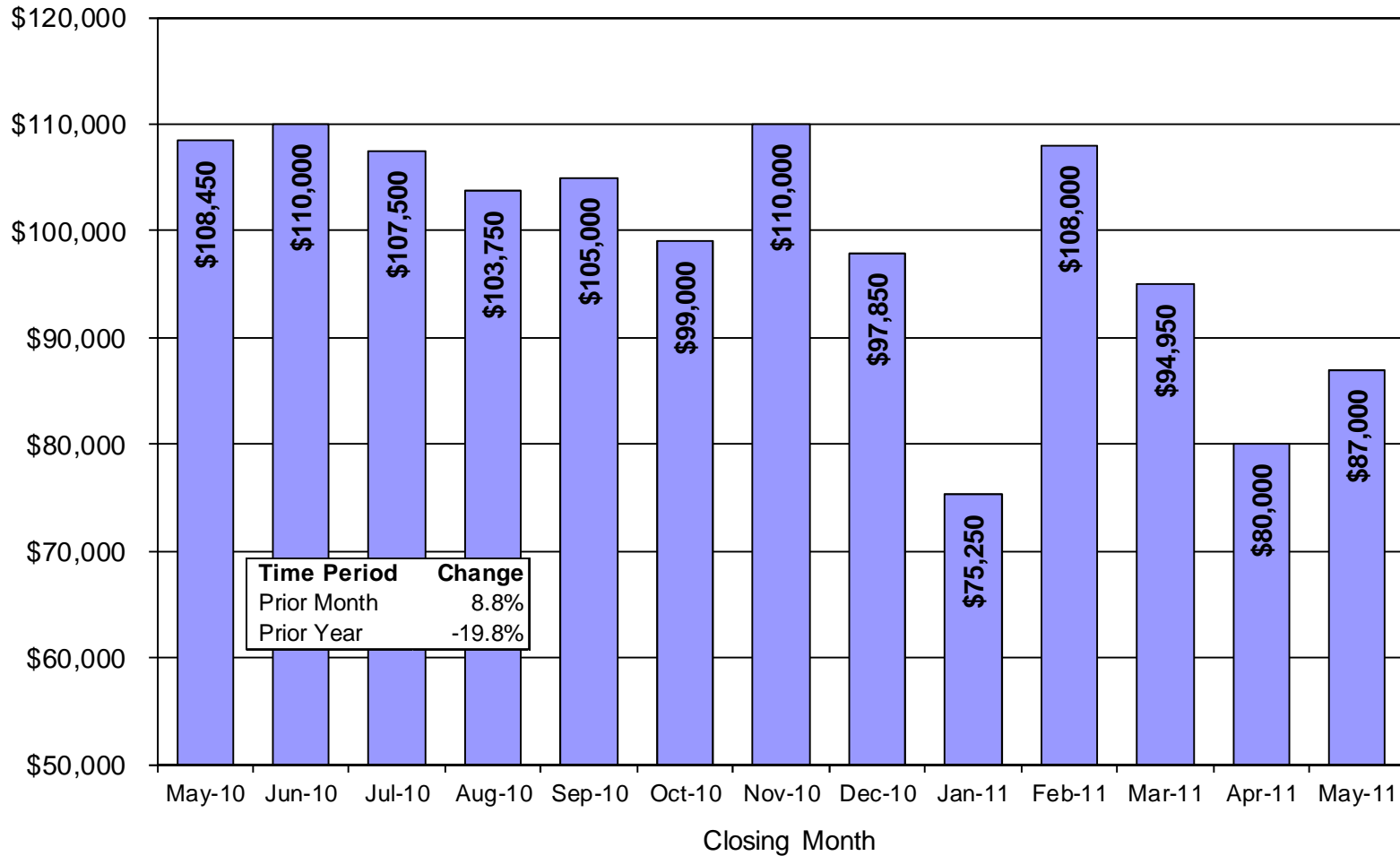
May, 2011

- ❖ **Summary:**
  - "The median sales price has continued its settling trend over the past 24 months," said Sherrie Cartinella, 2011 president of the Reno/Sparks Association of REALTORS and a REALTOR with Coldwell Banker Select Real Estate. "More buyers and investors are deciding it is an opportune time to purchase a home. High inventory and low prices reflect the affordability of homes, verified by the increase in home sales."
- ❖ **Median Sales Price**
  - May 2011 median price increased by 8.8% to \$87,000 compared to \$80,000 in April 2011.
  - The median price is down 19.8% from the prior May.
  - Median price is defined as the mid-point, the price half of the sales for the time frame are below and half are above.
- ❖ **Price per Square Foot Sold**
  - Price per square foot is at \$57.89.
- ❖ **Number of Units Sold**
  - May closed the month with 41 sold transactions even with the prior month, and up 13.9% from May 2010.
- ❖ **Average Days on Market**
  - The average days on market is down to 108 days, a decrease of 19.3% from the prior month.
- ❖ **Day on Market (DOM) by Special Conditions (New Report)**
  - Short sales continue to influence the average days on market with over 140 DOM.
  - Properties with no special conditions, REO, or Other show a range of between 75 and 110 DOM.
- ❖ **New Listings**
  - 64 new listings were taken in May compared to 51 in April, a 25.5% increase from the previous month, a 30.6% increase from the prior year.
  - Distressed New Listings by Special Conditions (New Report)
  - The number of new REO listings has increased for the past four months, while the number no special conditions have declined.
  - Note: Properties reported as "Other" includes "Fannie Mae's, Freddie Mac's and HUD's" are included with Bank Owned REO properties.
- ❖ **Status of Pending (data in report)**
  - Active Pending – Short Sale represents 49.6% of the total active pendings; Active Pending Loan equals 9.8%; Pending No-show represents 26%; Active Pending call 13.8% and Active Pending House is less than 1%.
- ❖ **Absorption Months Supply of Inventory (Unsold Inventory ÷ Sales per Month)**
  - As of May 31 there was 5.6 months of inventory based on the May sales rate.
  - 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 month's supply of inventory follows the industry standard of including all pending sales in the active inventory.
- ❖ **Conclusion**
  - 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.
  - The number one market requirement for Nevada is jobs!
  - For buyers, it's buyer confidence and credit worthiness to qualify for financing under stricter underwriting guidelines.
  - At current median prices, the dream of homeownership has never been more affordable.

# Summary: Median Sales Price

May, 2011

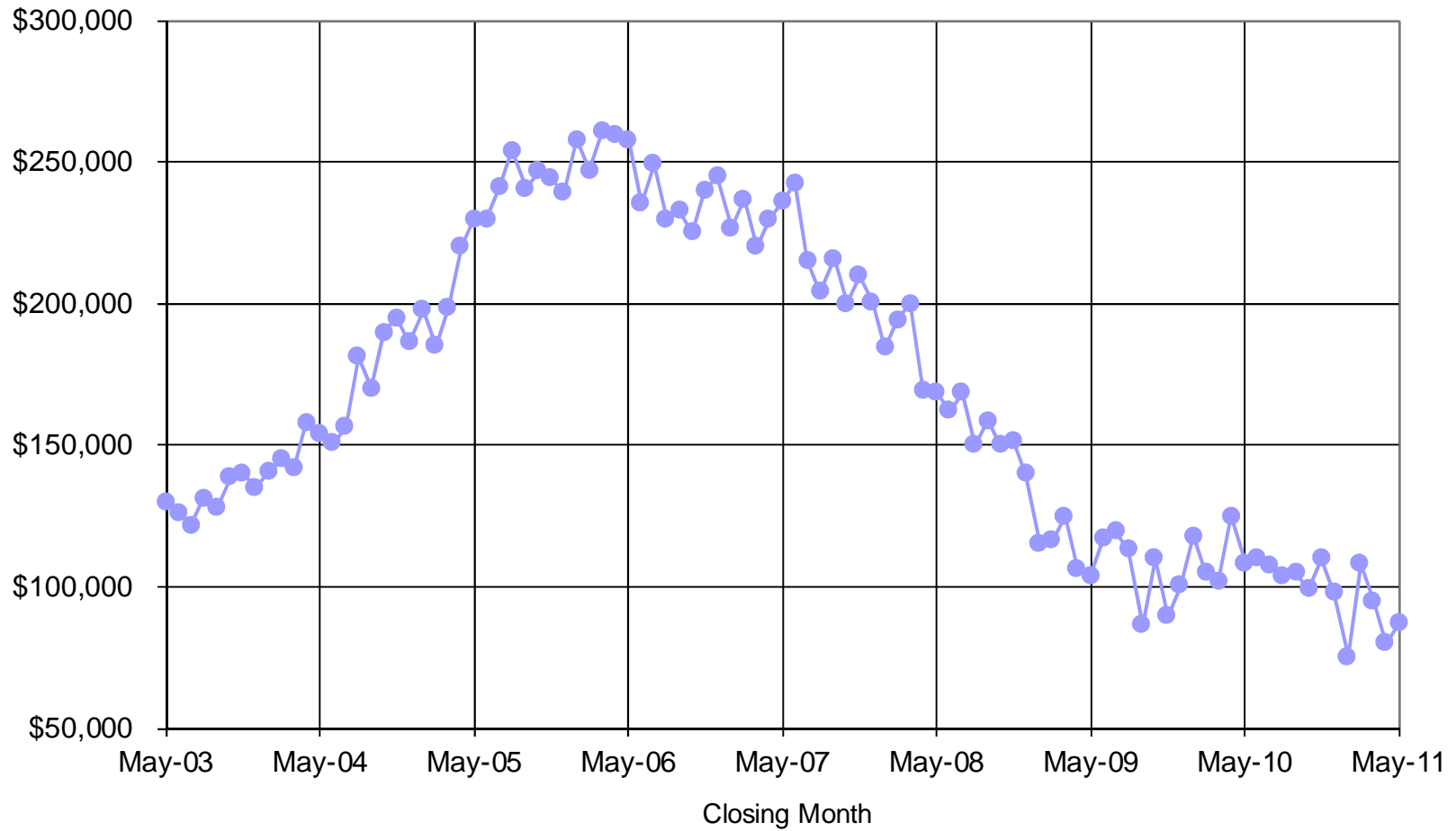
Median Sales Price, 13 months



# Summary: Median Sales Price

May, 2011

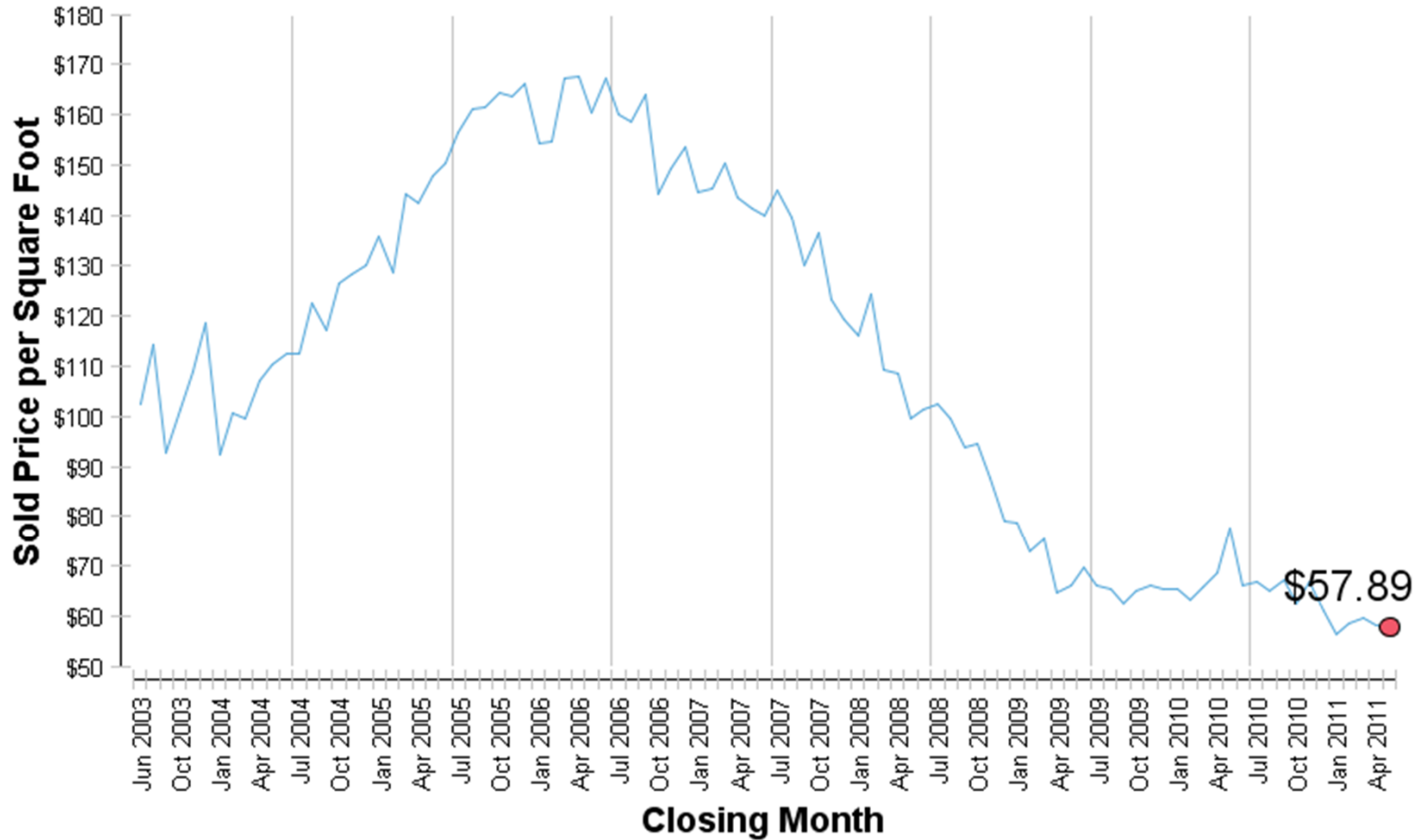
### Median Sales Price, 8 years



# Price per Square Foot of Solds

May, 2011

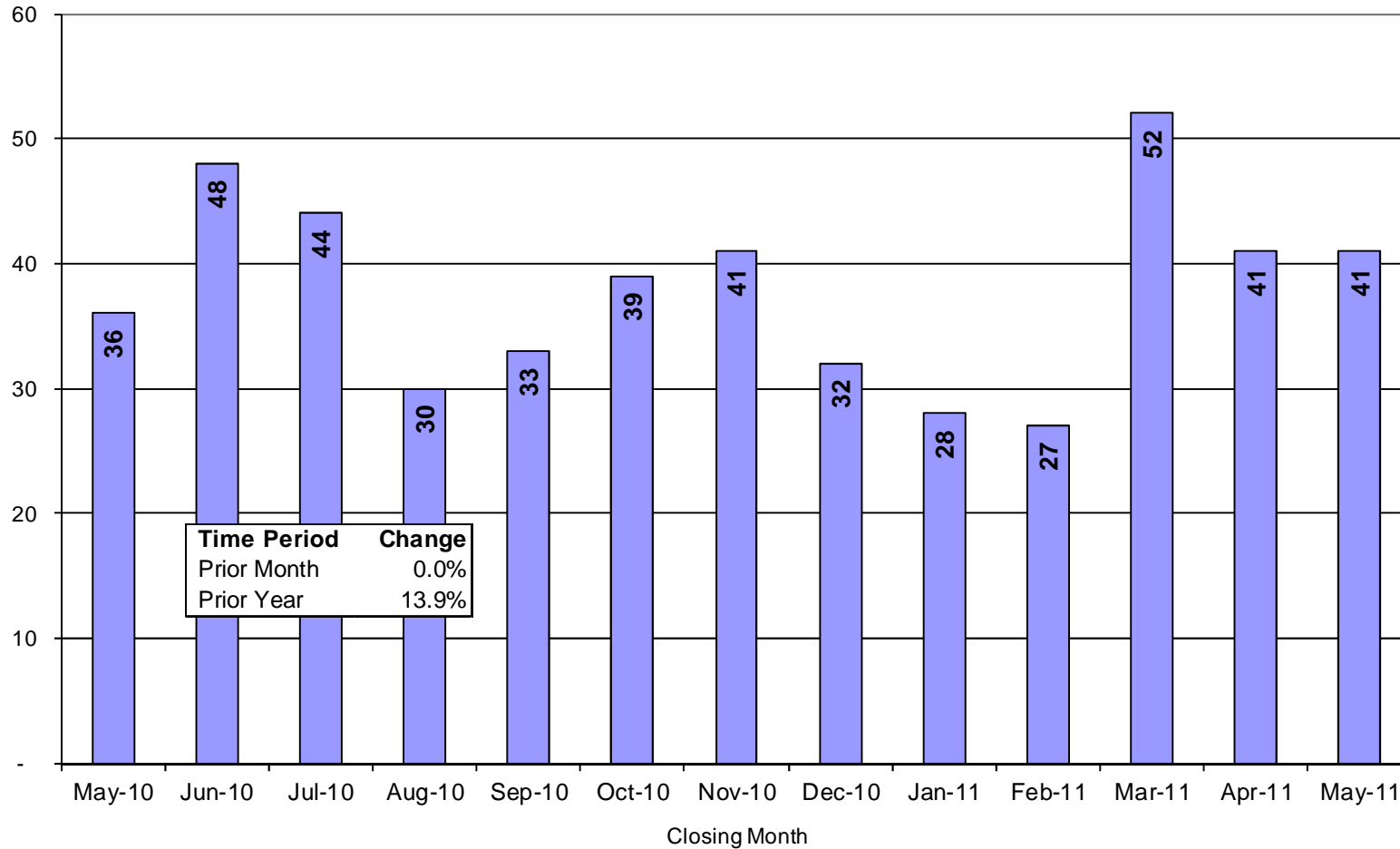
Price per Square Foot of Solds, 8 years



# Summary: Number of Units Sold

May, 2011

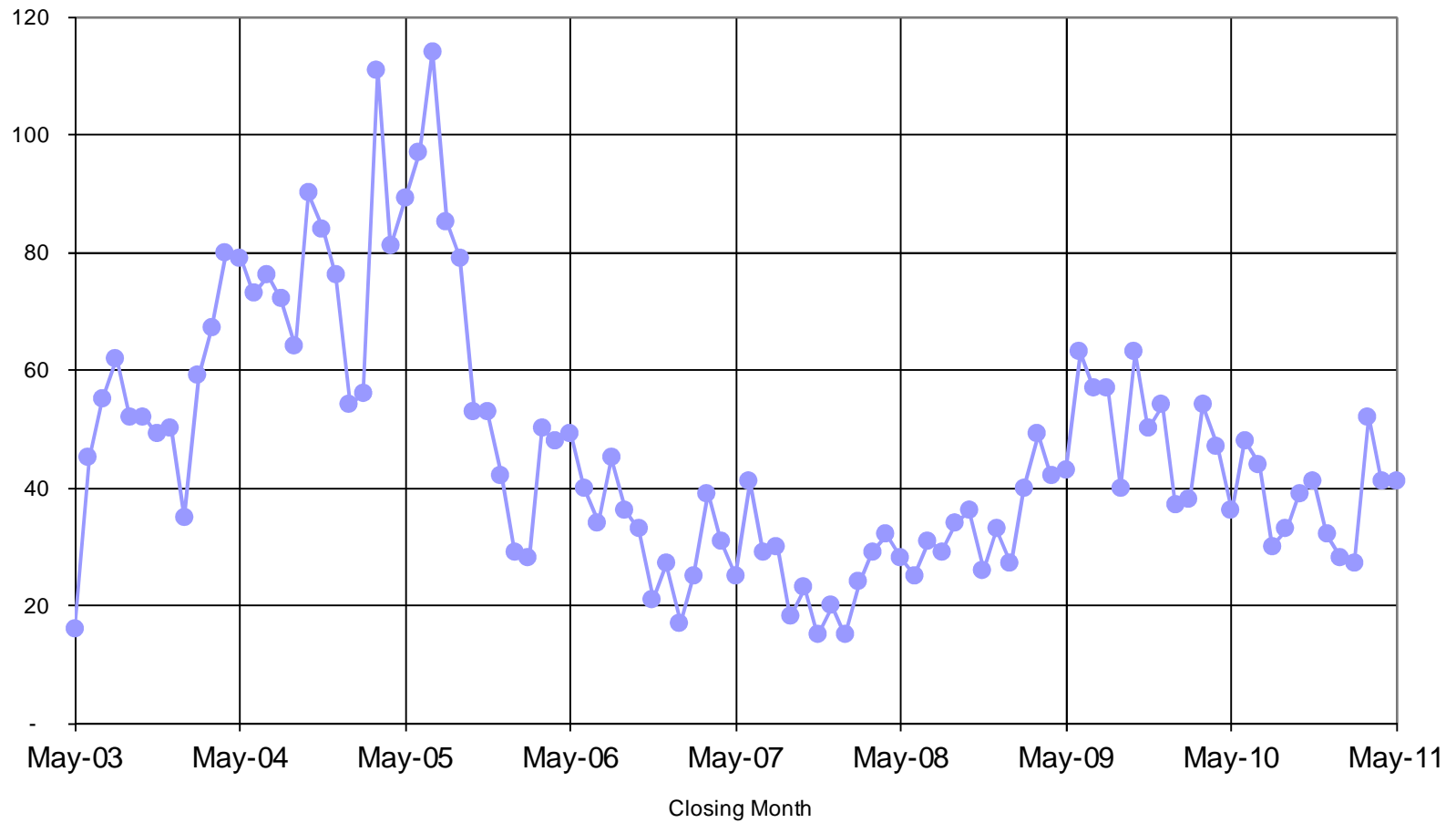
Number of Units Sold, 13 months



# Summary: Number of Units Sold

May, 2011

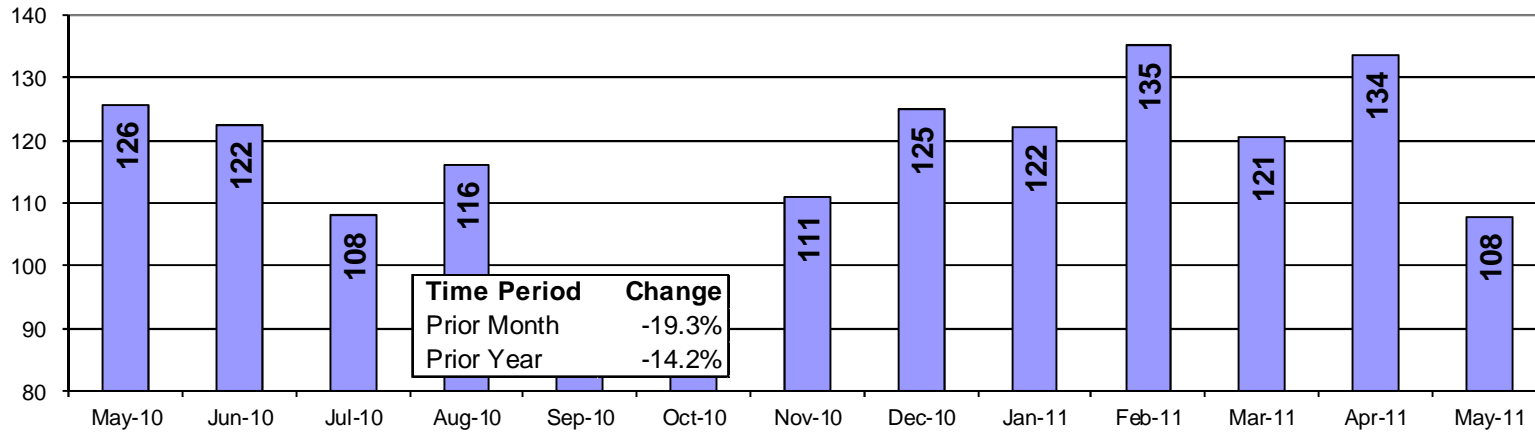
Number of Units Sold, 8 years



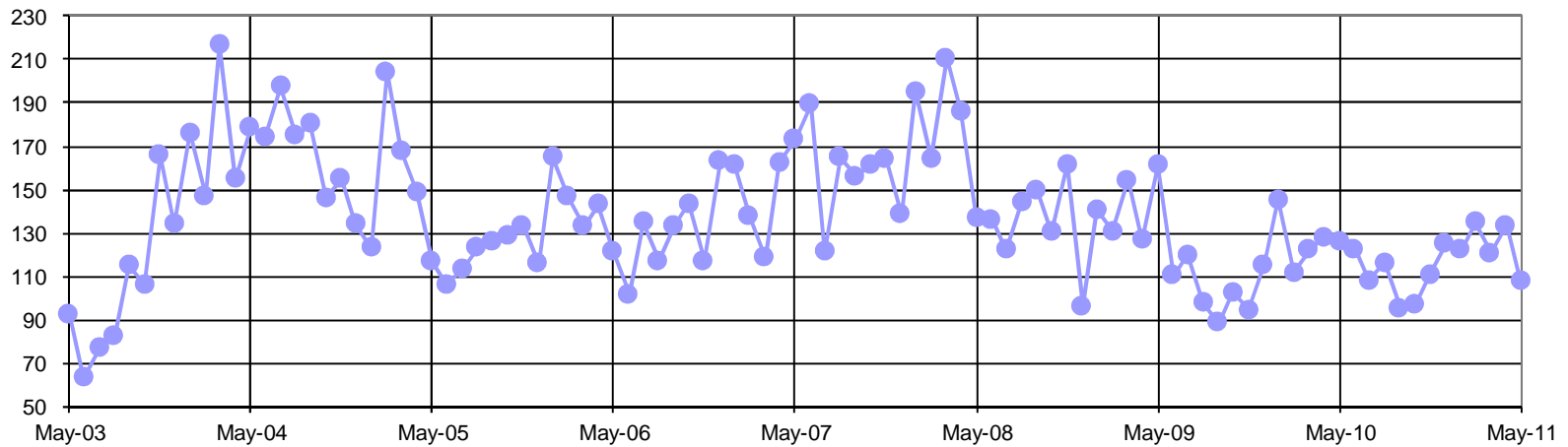
# Summary: Average Days on Market

May, 2011

Average Days on Market for Solds, 13 months

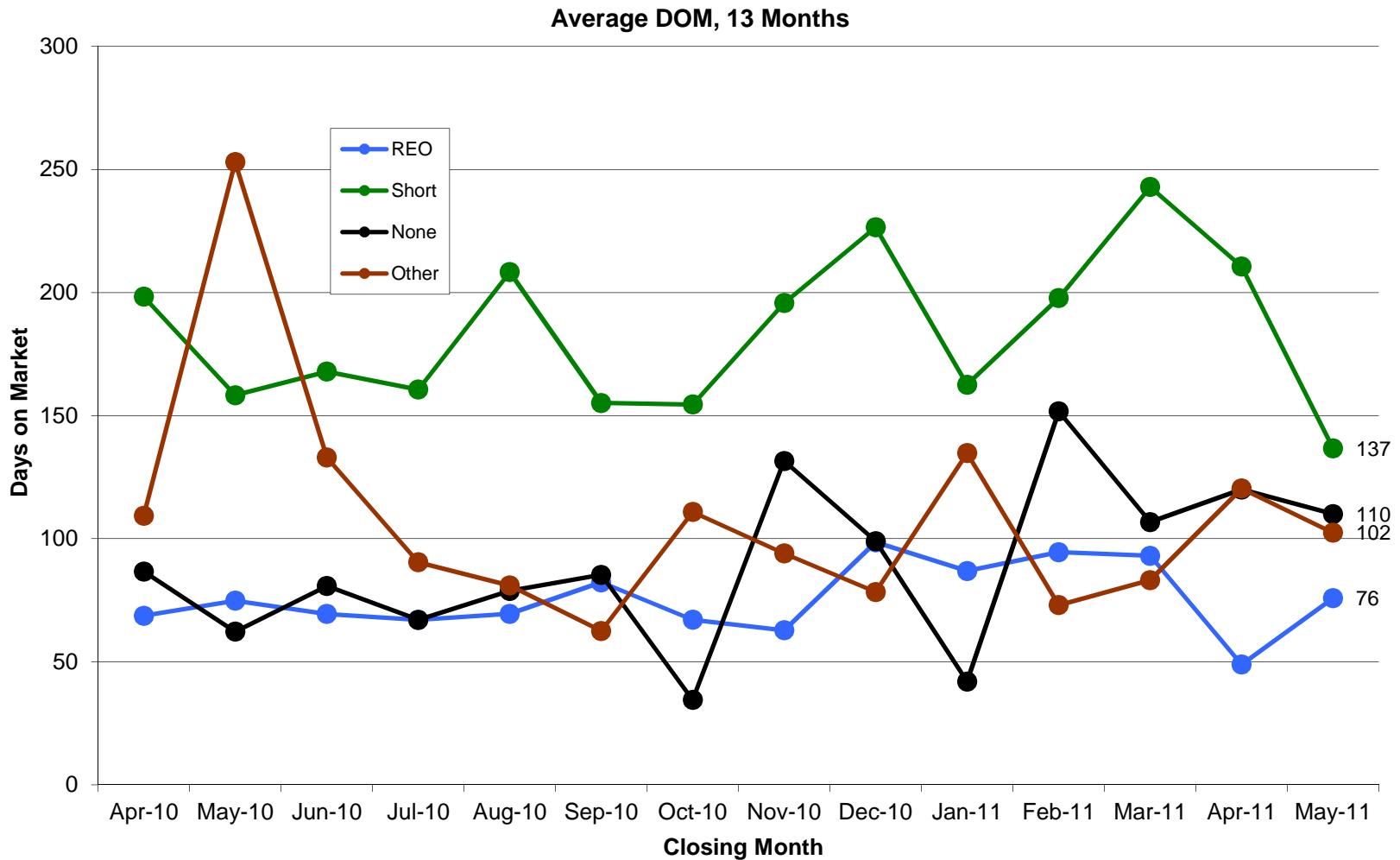


Average Days on Market for Solds, 8 years



# Summary: Days on Market by Special Conditions

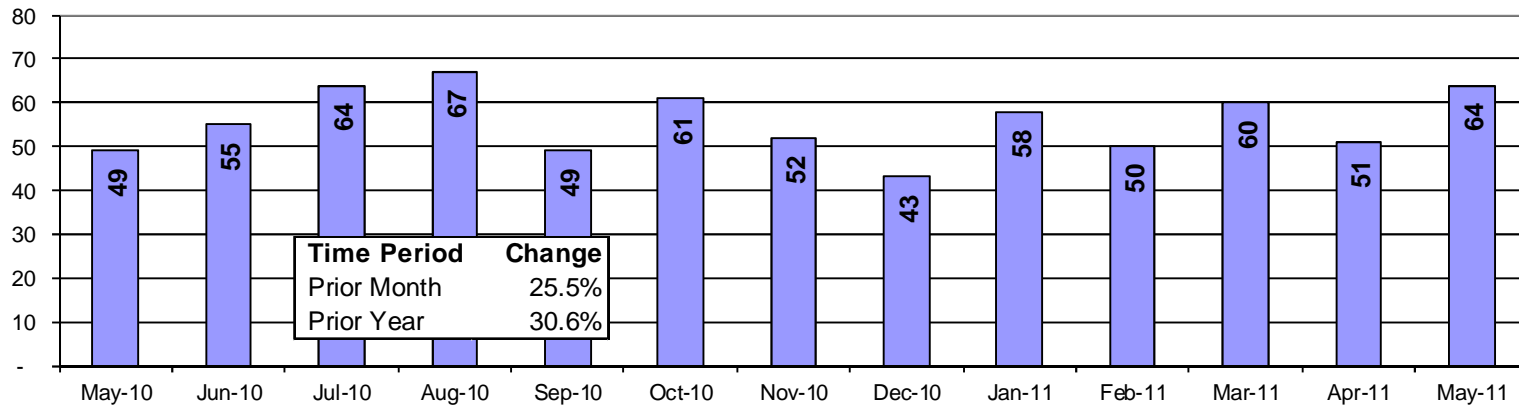
May, 2011



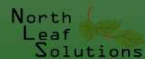
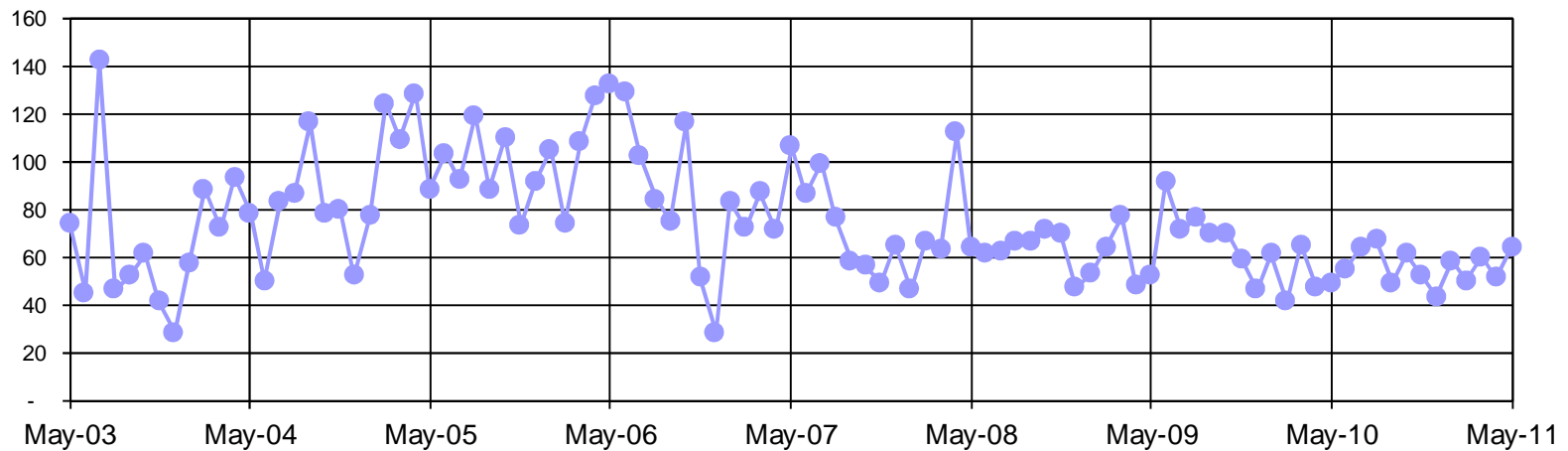
# Summary: New Listings

May, 2011

### New Listings by Month, 13 months



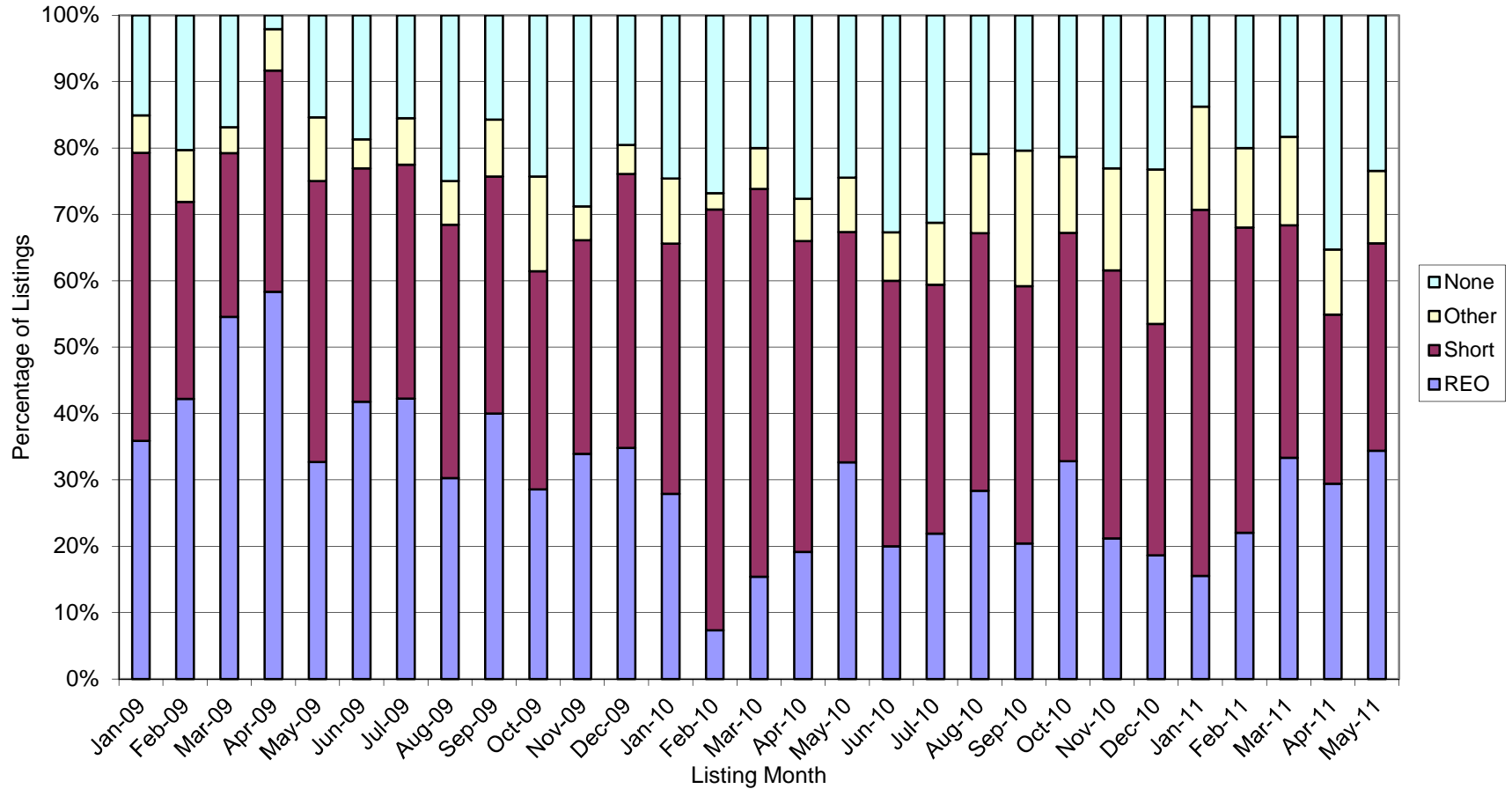
### New Listings by Month, 8 years



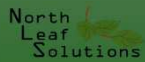
# Distressed Listings

May, 2011

New Listings by Special Conditions

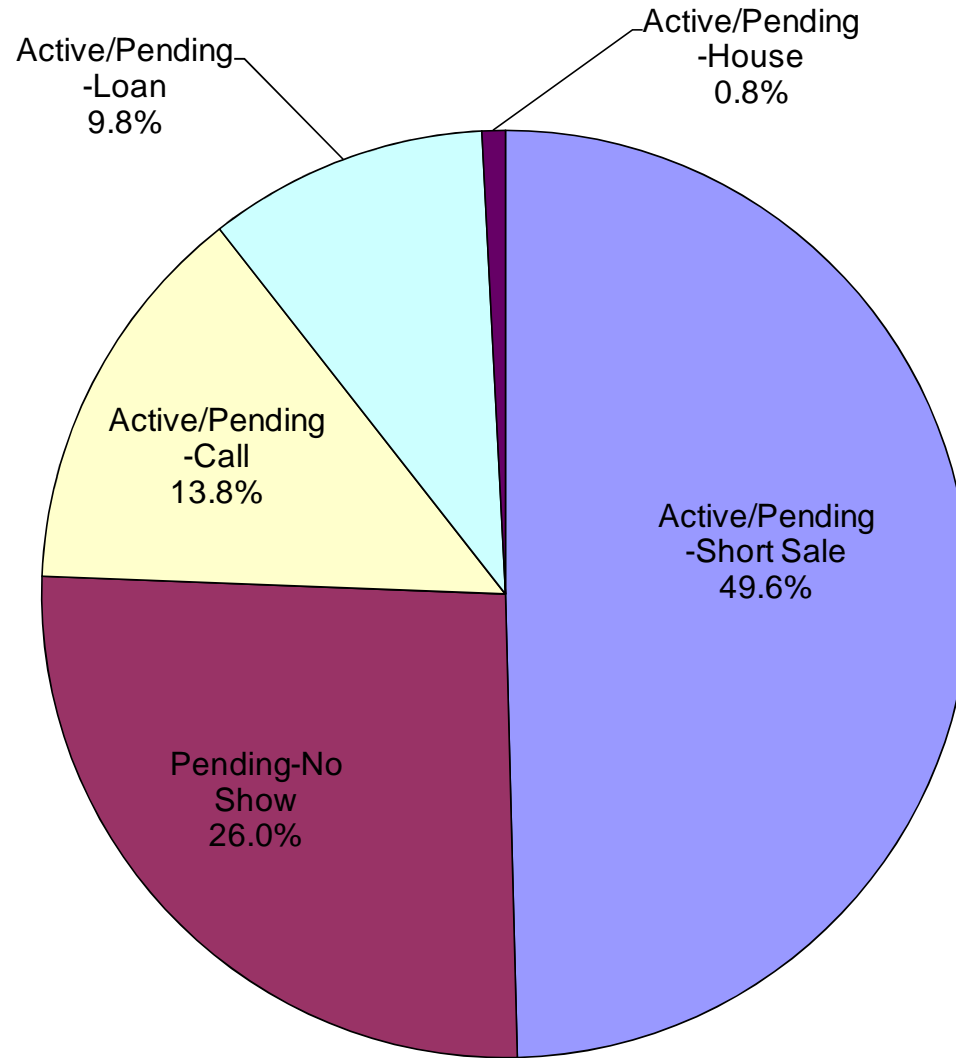


*"Distressed" defined as any new listing that is "Bank", "Short", or "Yes-Other"  
Distressed listing data gathered beginning in January 2008.*



# Status of Pendings

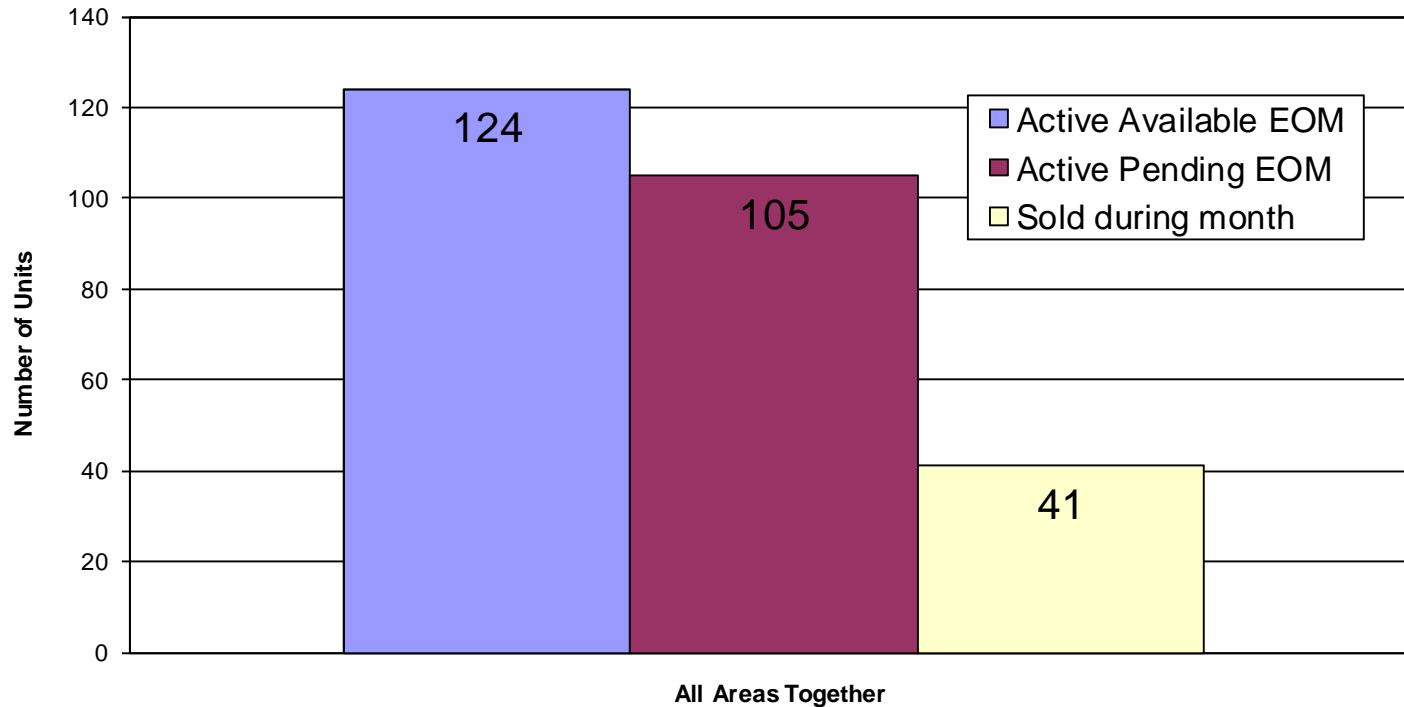
May, 2011



# Current Months Supply of Inventory

May, 2011

$(124 + 105) \text{ available} / 41 \text{ units sold} = 5.6 \text{ months of inventory}$



*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.*