

Reno/Sparks Association of REALTORS®

November, 2011

Market Report

Area 450, Fernley



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 December 13th, 2011

Market Report Commentary

❖ Summary

- “November sales are down 10% over last year, but year-to-date unit sales are keeping pace with 2010,” said Kevin Sigstad, 2011 president-elect of the Reno/Sparks Association of REALTORS and a REALTOR with Re/Max Premier Properties. “We have also seen relative stable prices seven out of the past eight months. These are positive indicators for the residential housing market.”

❖ Median Sales Price

- November 2011 median price increased 2.1% to \$83,859 compared to \$82,100 in October 2011.
- The median price is down 23.8% from the prior November.
- Median price is defined as the mid-point, where, for the time period identified, the price for one-half of the sales are higher and one-half are lower.

❖ Price per Square Foot Sold

- Price per square foot is at \$51.86

❖ Number of Units Sold

- November closed the month with 37 sold transactions down 14% from the prior month, and down 9.8% from November 2010.
- Fernley sales have been relatively stable for the past nine months.

❖ Average Days on Market

- The average days on market are up to 99 days, an increase of 5.9% from the prior month.

❖ Days on Market (DOM) by Special Conditions

- Short sales average days on market dropped for the third consecutive month down to record low of 126 DOM.
- Properties with no special conditions, and REO are comparatively close at 81 and 97 DOM respectively. There were no sales in the Other category.

❖ New Listings

- 46 new listings were taken in November equal to September and October 2011, and an 11.5% decrease from the prior year.

Market Report Commentary

❖ Distressed New Listings by Special Conditions

- The market remains dominated by distressed new listings representing 67% of the market, down from October 2011 (78%).
- REO listings represented 43% of the market; Short Sales 24%; No special conditions 31% and Other 2%.

❖ Status of Pending

- Active Pending – Short Sale represents 56.5% of the total active pendings; Pending No-show represents 26.1%; Active Pending Loan equals 7%; Active Pending call 10.4% and Active Pending House less than 0%.

❖ Absorption Months Supply of Inventory (Unsold Inventory ÷ Sales per Month)

- As of November 30 there was 6.1 months of inventory based on the November 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.

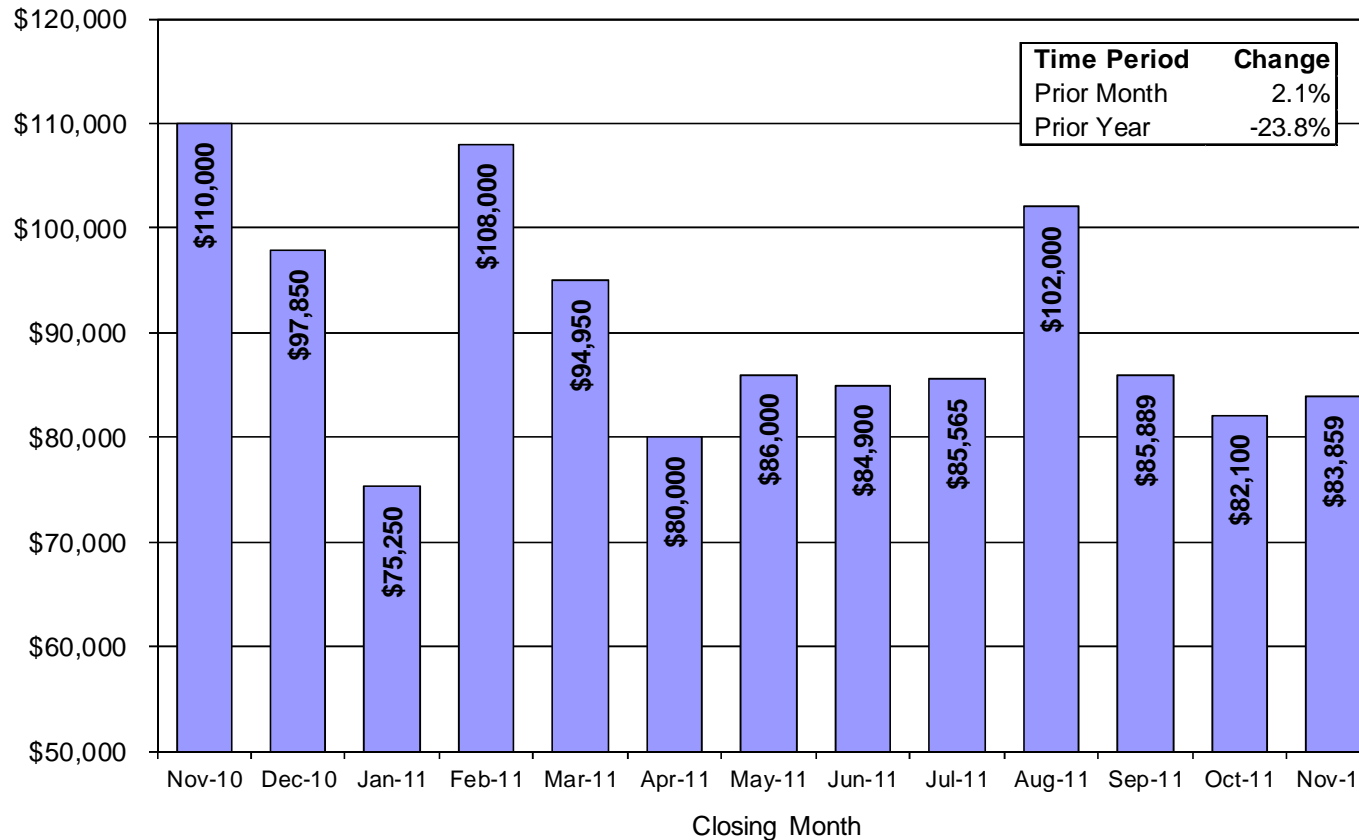
❖ Conclusion

- Year-to-date 2011 unit sales (458) numbers are up 2.5% over 2010 unit sales (447). We are optimistic that the unit sales number will continue to perform and outpace 2010.
- November's median price of \$83,859 was up \$1,759 (2.1%) over October. The median price has remained stable seven out of the past eight months.
- November unit sales at 43 are down 9.8% from the prior year and down 14% from October 2011. November 2011 is the second month of comparing year-over-year figures without the influence of tax incentives. Despite this down turn, we expect 2011 sales to outpace 2010.
- Freddie Mac reported that the 30-year fixed rate loan dropped to 3.98%, compared to 4.11% last month. This is another record low since Freddie Mac began tracking rates in 1971. Sources report that by the middle of 2012 mortgage interest rates should gradually rise from today's record lows and reach 4.5 percent.
- A qualified homebuyer purchasing a home priced at the Fernley median price of \$84,000 with a 3 ½% down payment, at 3.98% interest rate will have a monthly payment of approximately \$400.00 principal and interest.
- We continue to monitor the impact on the market due to October 2011 passage of Nevada law requiring more stringent documentation required of banks in order to perform foreclosures in a timely manner. We may not see any impact on inventory levels as a result of the stringent requirements on the banks until the first quarter of 2012. If the banks are able to adapt to the new requirements, we anticipate sales activity will keep pace with inventory coming on the market.
- We continue to monitor the impact on the market due to recent passage of Nevada law requiring more stringent documentation required of banks in order to perform foreclosures in a timely manner. We may not see any impact on inventory levels as a result of the stringent requirements on the banks until December. If the banks are able to adapt to the new requirements, we anticipate sales activity will keep pace with inventory coming on the market.

Summary: Median Sales Price

November, 2011

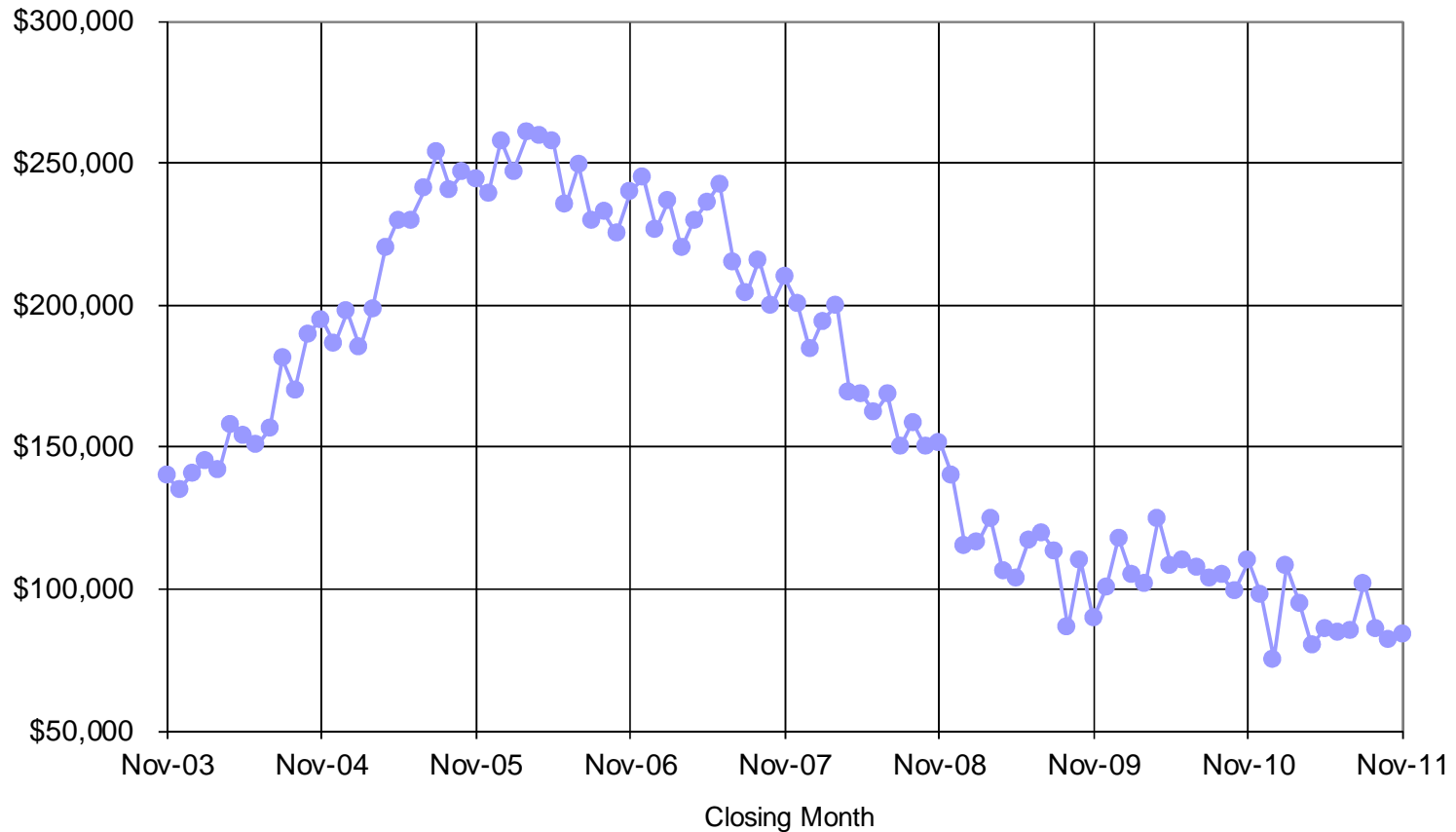
Median Sales Price, 13 months



Summary: Median Sales Price

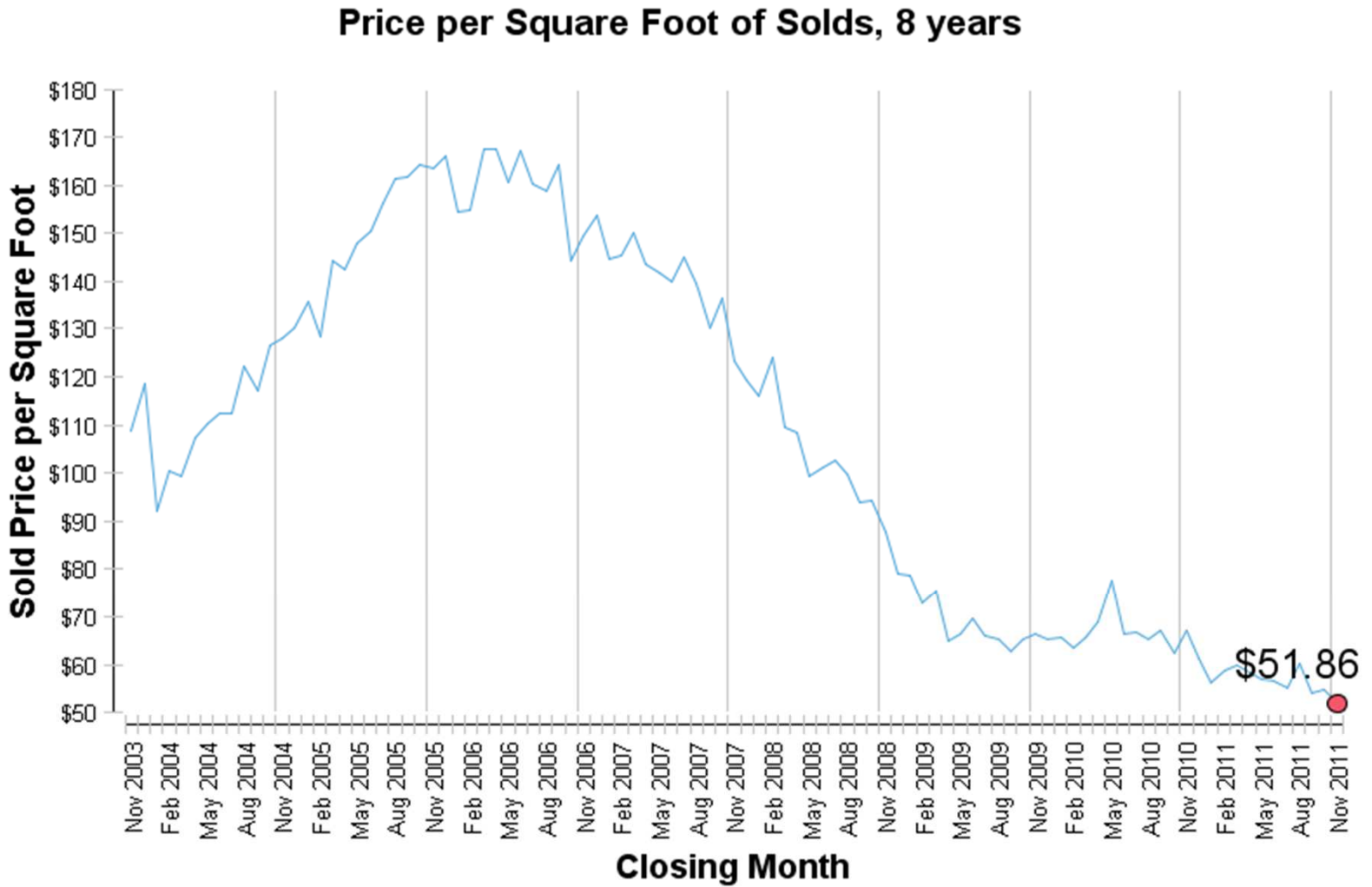
November, 2011

Median Sales Price, 8 years



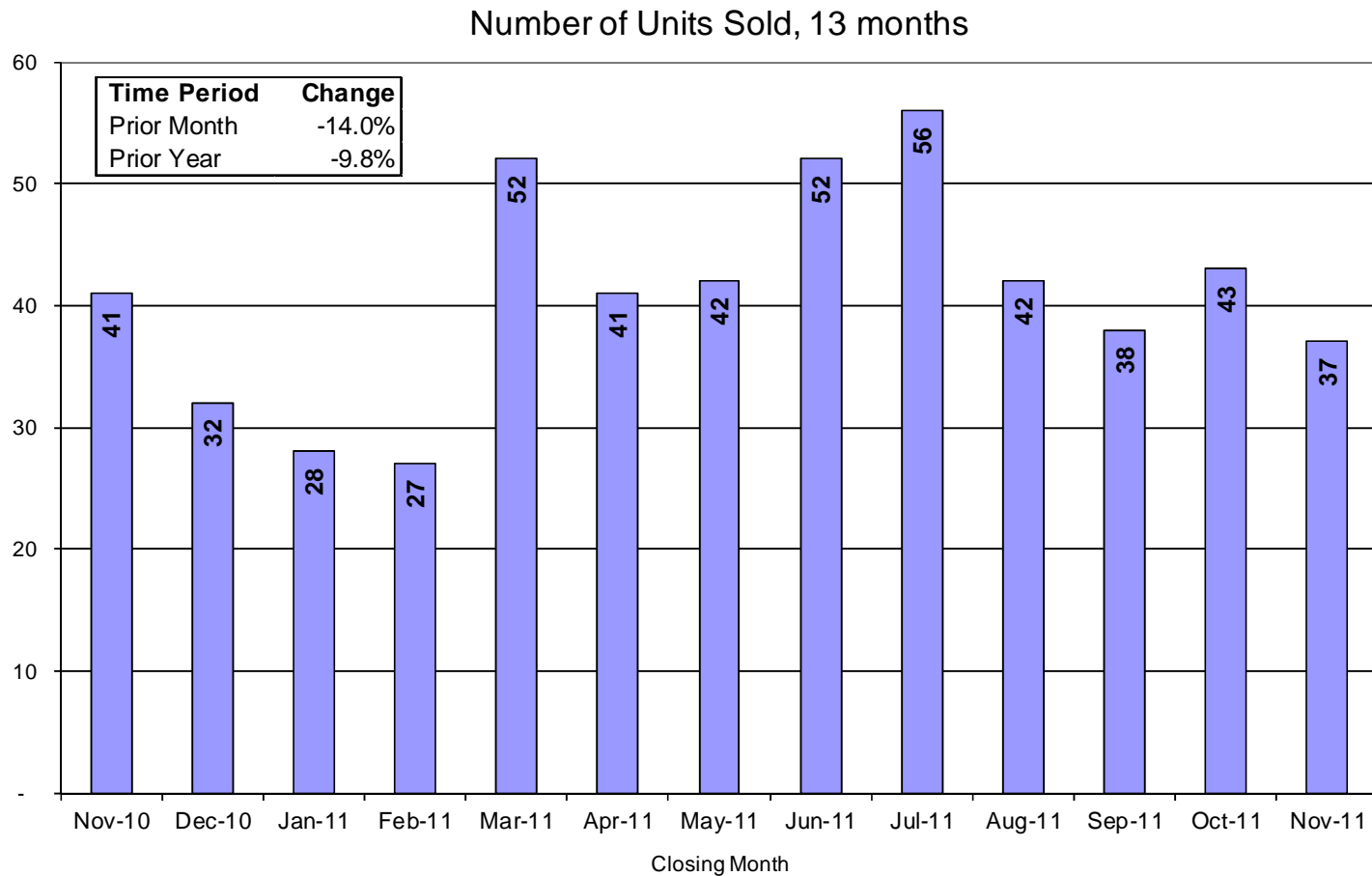
Price per Square Foot of Solds

November, 2011



Summary: Number of Units Sold

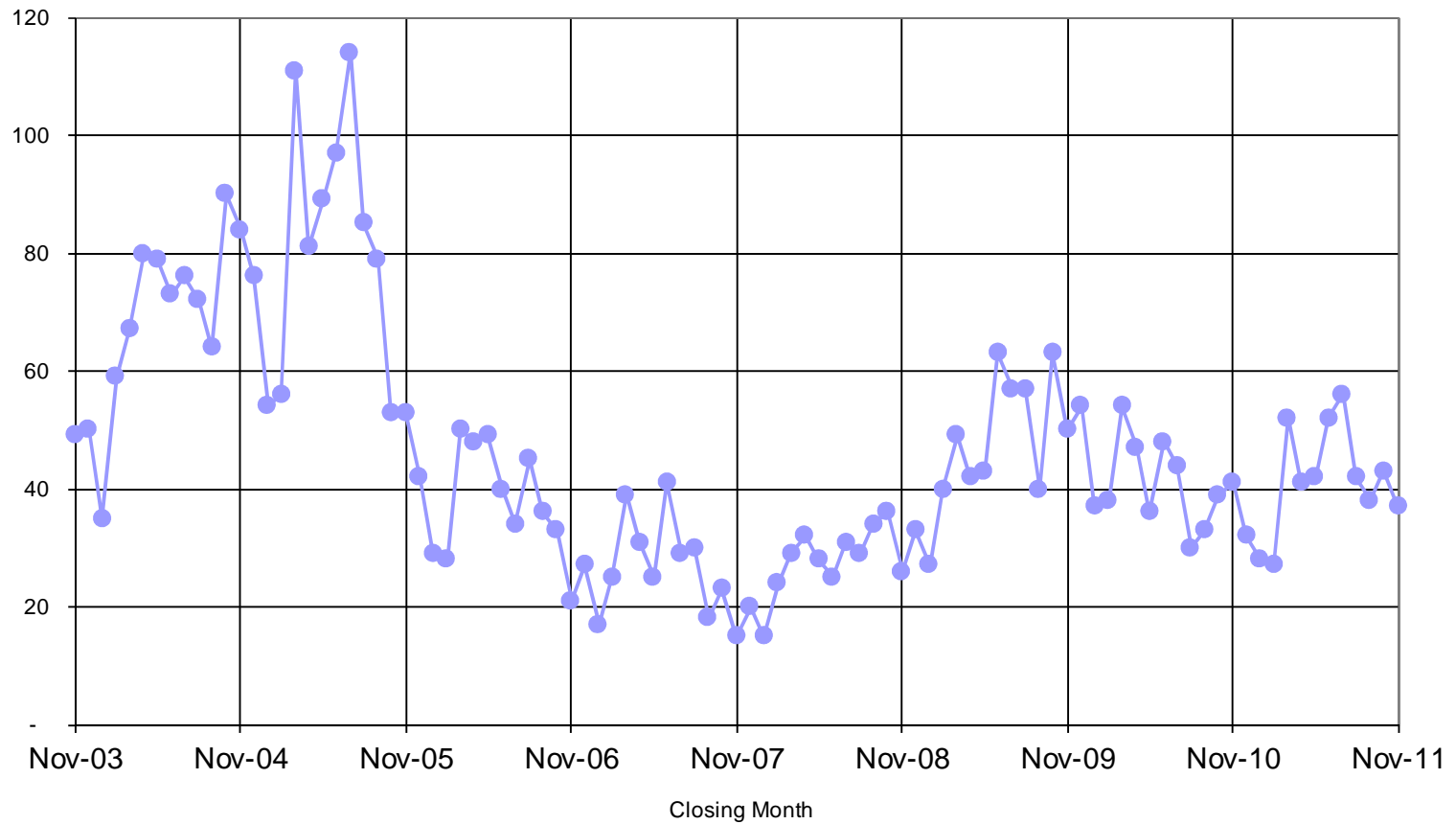
November, 2011



Summary: Number of Units Sold

November, 2011

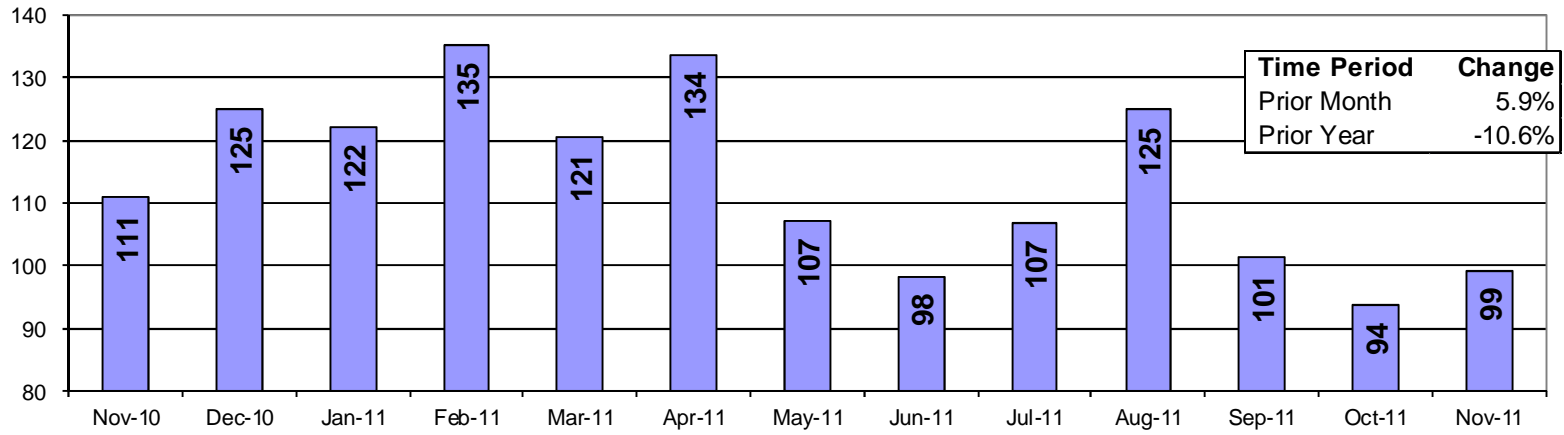
Number of Units Sold, 8 years



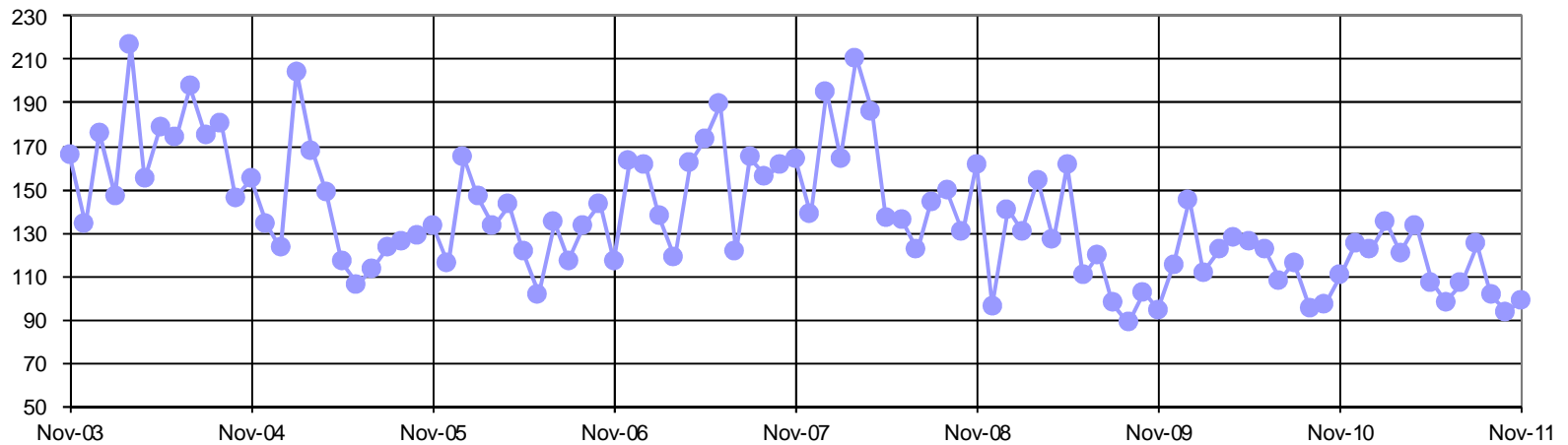
Summary: Average Days on Market

November, 2011

Average Days on Market for Solds, 13 months

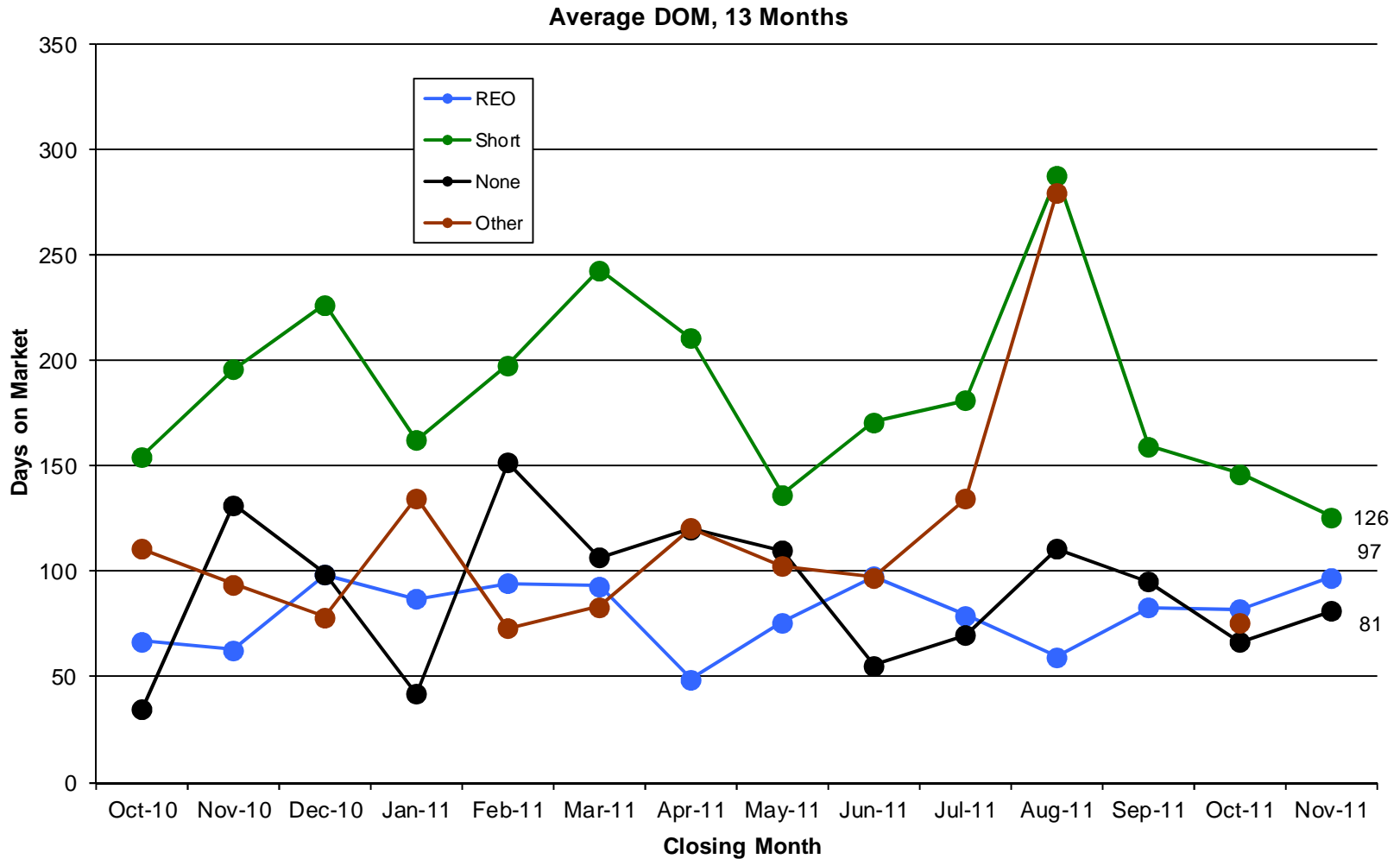


Average Days on Market for Solds, 8 years



Summary: Days on Market by Special Conditions

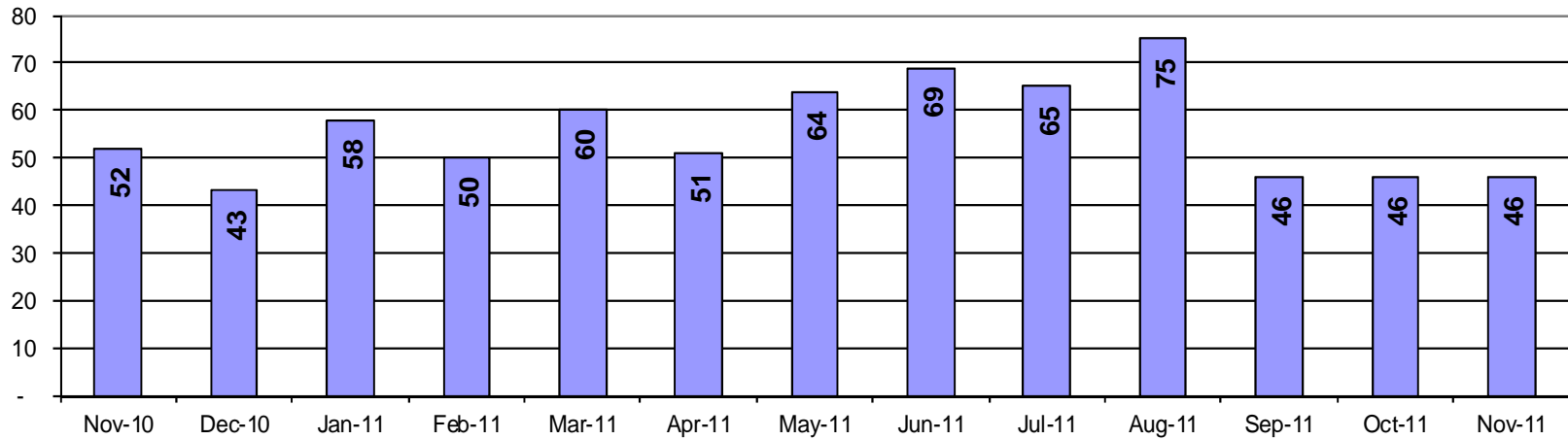
November, 2011



Summary: New Listings

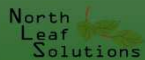
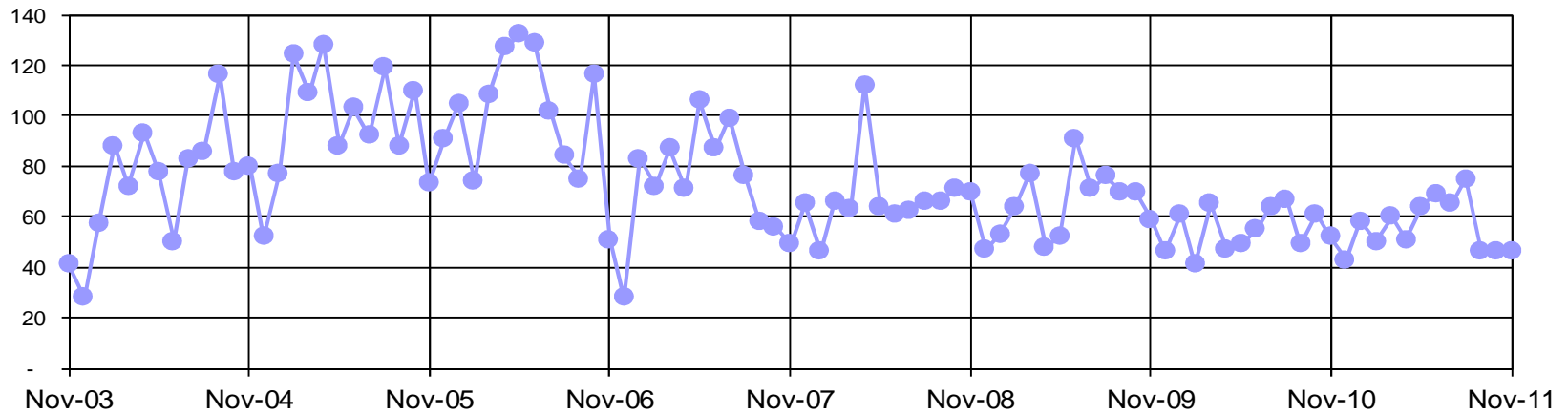
November, 2011

New Listings by Month, 13 months



Time Period	Change
Prior Month	0.0%
Prior Year	-11.5%

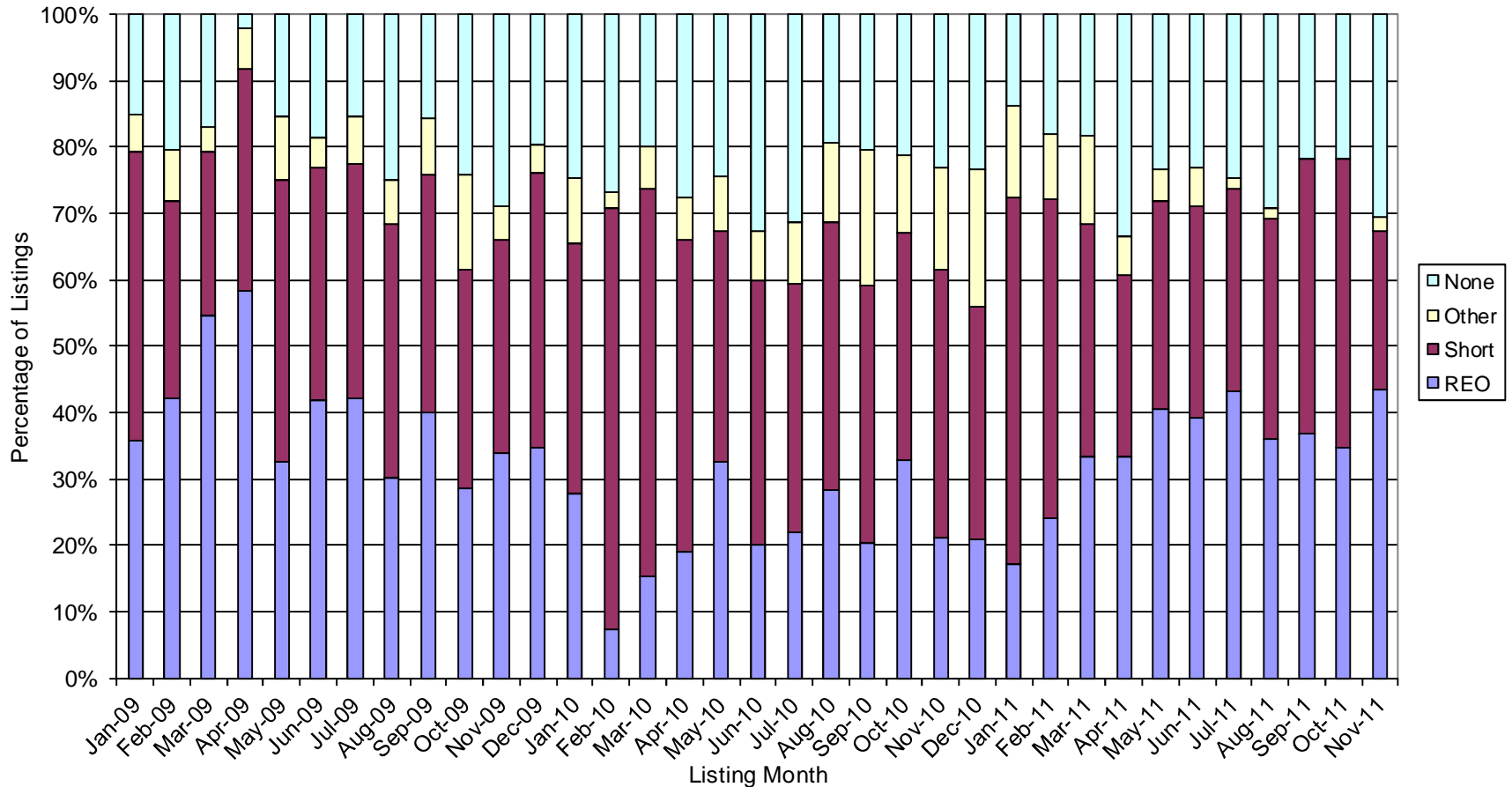
New Listings by Month, 8 years



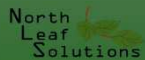
Distressed Listings

November, 2011

New Listings by Special Conditions

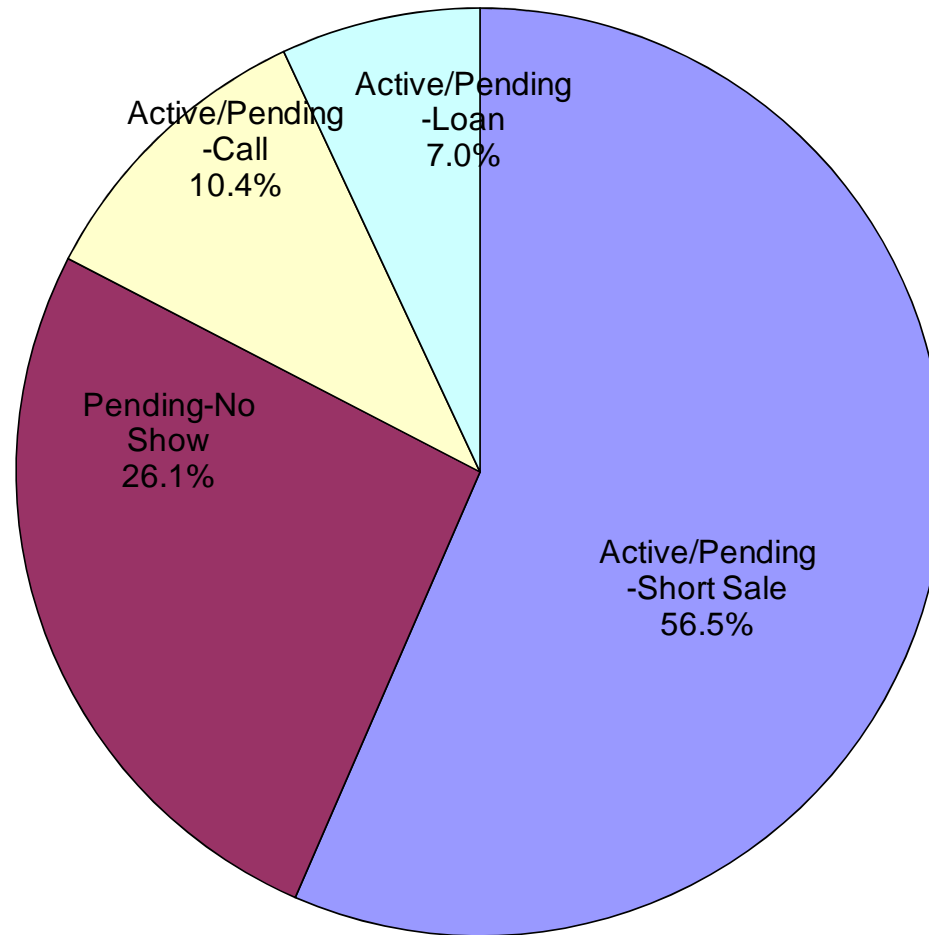


Distressed New Listings include Fannie Mae, Freddie Mac, HUD, and any bank-owned listing.
 Distressed listing data considered reliable from January 2009 forward.



Status of Pendings

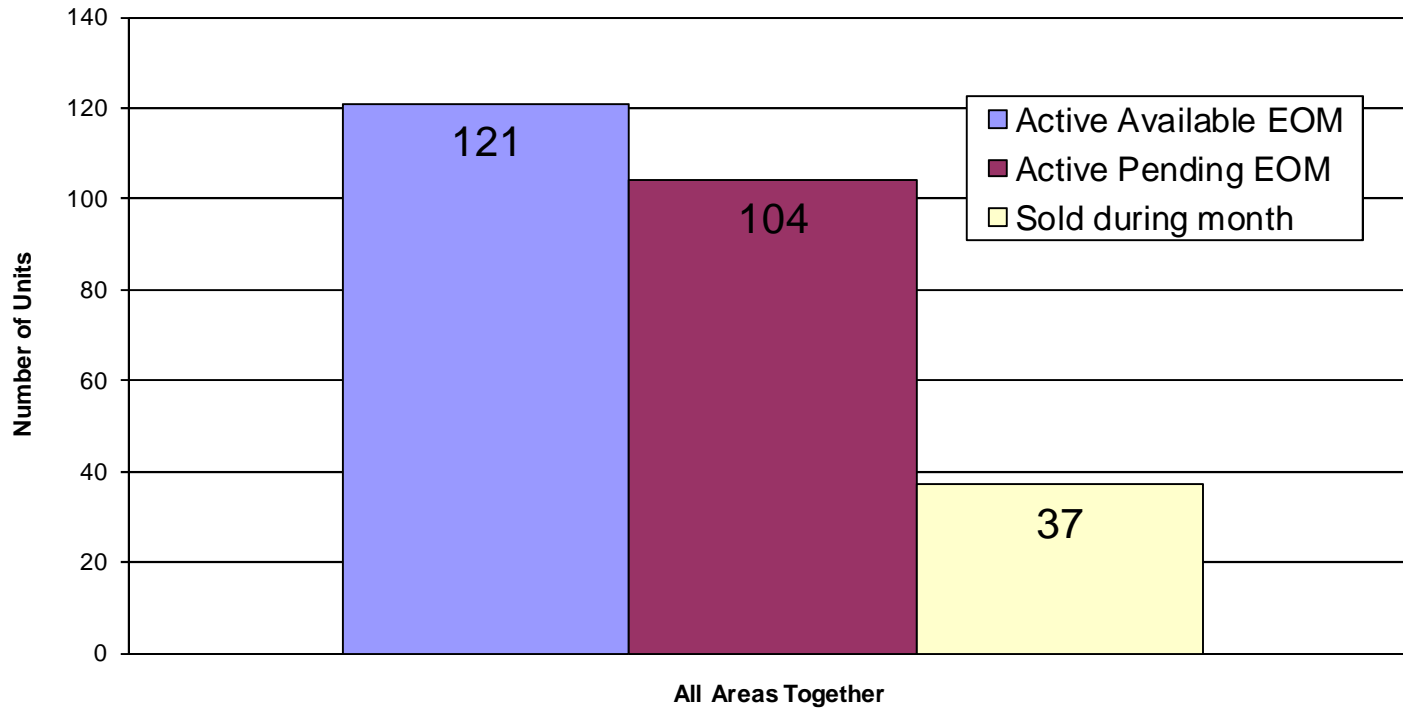
November, 2011



Current Months Supply of Inventory

November, 2011

$(121 + 104)$ available / 37 units sold = 6.1 months of inventory



Unsold Inventory includes Active Pending. 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.