

Reno/Sparks Association of REALTORS®

September 2011

Market Report

Area 100, Greater Reno/Sparks



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 October 13th, 2011

Market Report Commentary

❖ Summary:

- “The Reno/Sparks market has had record or near record year-over-year sales for the past ten months. We have to go back to September 2003 to find a stronger September sales month. The consistent trend of improved sales month-over-month and year-over-year seems to be the new normal as savvy buyers see this as an excellent time to buy,” said Sherrie Cartinella, 2011 president of the Reno/Sparks Association of REALTORS and a REALTOR with Coldwell Banker Select Real Estate.

❖ Median Sales Price

- September 2011 median price was down 2.6% to \$150,000 compared to \$154,000 in August 2011.
- 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 \$89.41.
- Price per square foot by area groups, as provided in the Detailed Report, is a good way to compare similar homes for current value.

❖ Number of Units Sold

- September ended the month with 553 sold transactions, up .5% from the prior month.
- Sales are up 18.2% from the same period last year. September 2010 was the final month where sales were influenced by the First Time Home Buyer tax credit.

❖ Average Days on Market

- The average days on market are 134 days, up 7% from August 2011.

❖ Day on Market (DOM) by Special Conditions

- Short sales continue to influence the average days on market at 209 DOM.
- Properties with no special conditions, REO, and Other show a range of between 99 and 116 DOM.

❖ New Listings

- 616 new listings were taken in September compared to 739 in August, a 16.6% decrease.

❖ Distressed New Listings by Special Conditions

- 66% of new September listings were distressed – 37% (229) Short Sales; 29% (179) REO; No special conditions 32% (201) and other less than 1% (7).
- NNRMLS implemented a recent change in the reporting of Fannie Mae, Freddie Mac and HUD re-possession listings as Real Estate Owned (REO). New listings by special conditions reflect a more accurate picture.

Market Report Commentary

❖ Status of Pending

- Active Pending – Short Sales represent 60% of the total active pendings; Active Pending Loan equals 18.1%; Pending No-show represents 16.8%; Active Pending call 4.5%; and Active Pending House less than 1%.

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

- As of September 30, there was 5.9 months of unsold inventory based on the September sales rate.

❖ Historical Months Supply of Inventory

- Historical Months Supply of Inventory show that September MSI is down to 5.9 months compared to August 2011 at 6.4, and down 24% from August 2010.
- Seven of the past twelve months, the market has been what is defined as balanced. 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.

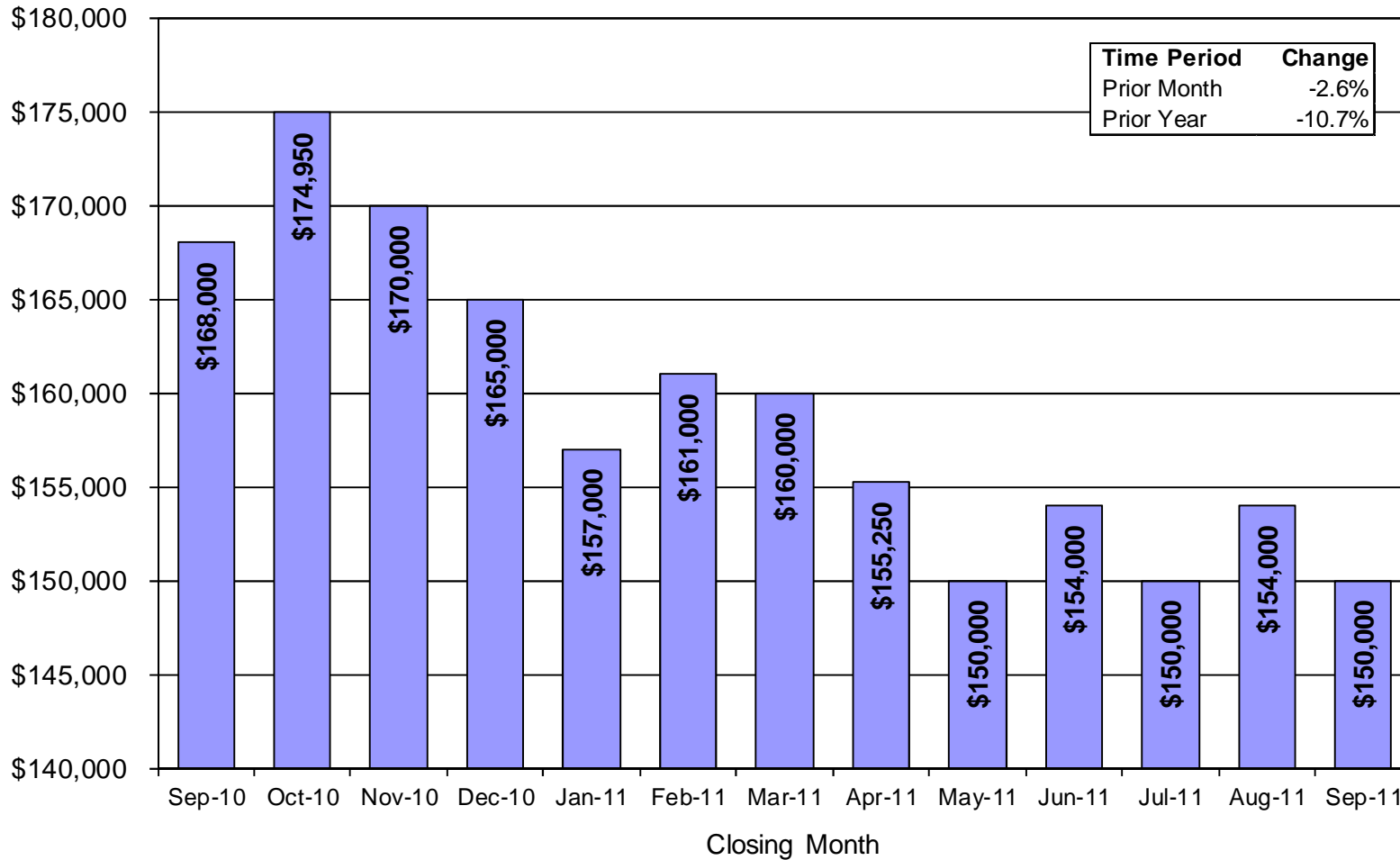
❖ Conclusion

- September unit sales at 553 are the second highest unit sales for a September in history. This number outpaces September 2010 sales by 18%. September 2010 was the final month of the tax- incentivized period. Looking forward, we will be comparing the year-over-year sales period without the artificial influence of a tax credit.
- Year-to-date 2011 unit sales (4356) numbers are up 7% over 2010 unit sales (4060). We are cautiously optimistic that the sales number will continue to perform on its own (without government incentives) and outpace 2010.
- September's median price of \$150,000 was down 2.6% from August. The median price has shown moderate fluctuations for the past six months. The market may be preparing to return to normal with sales prices keeping pace with inflation.
- Freddie Mac reported that the 30-year fixed rate loan dropped to 4.11%, compared to 5.09% in September 2010. For those seeking the dream of long-term homeownership, home prices in Reno are the most affordable they have been in eleven years. At today's low interest rates and current median home prices, now may be the time for renters to analyze their financial situation and see if homeownership is a good fit.
- As a result of the recent passage of Nevada law requiring more stringent documentation by the banks in order to perform foreclosures in a timely manner, we will be monitoring the impact on the market and inventory levels.
- 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

September, 2011

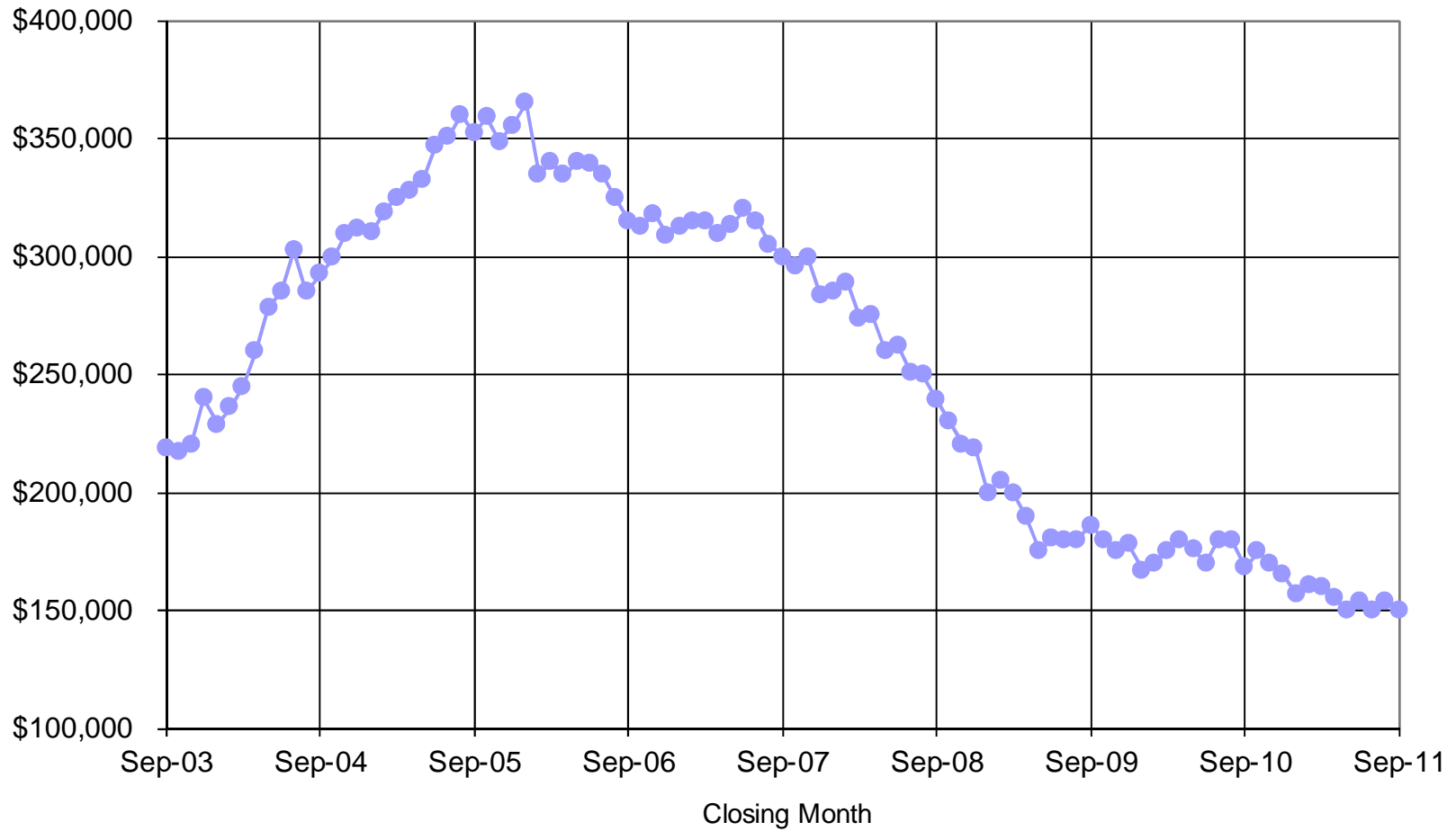
Median Sales Price, 13 months



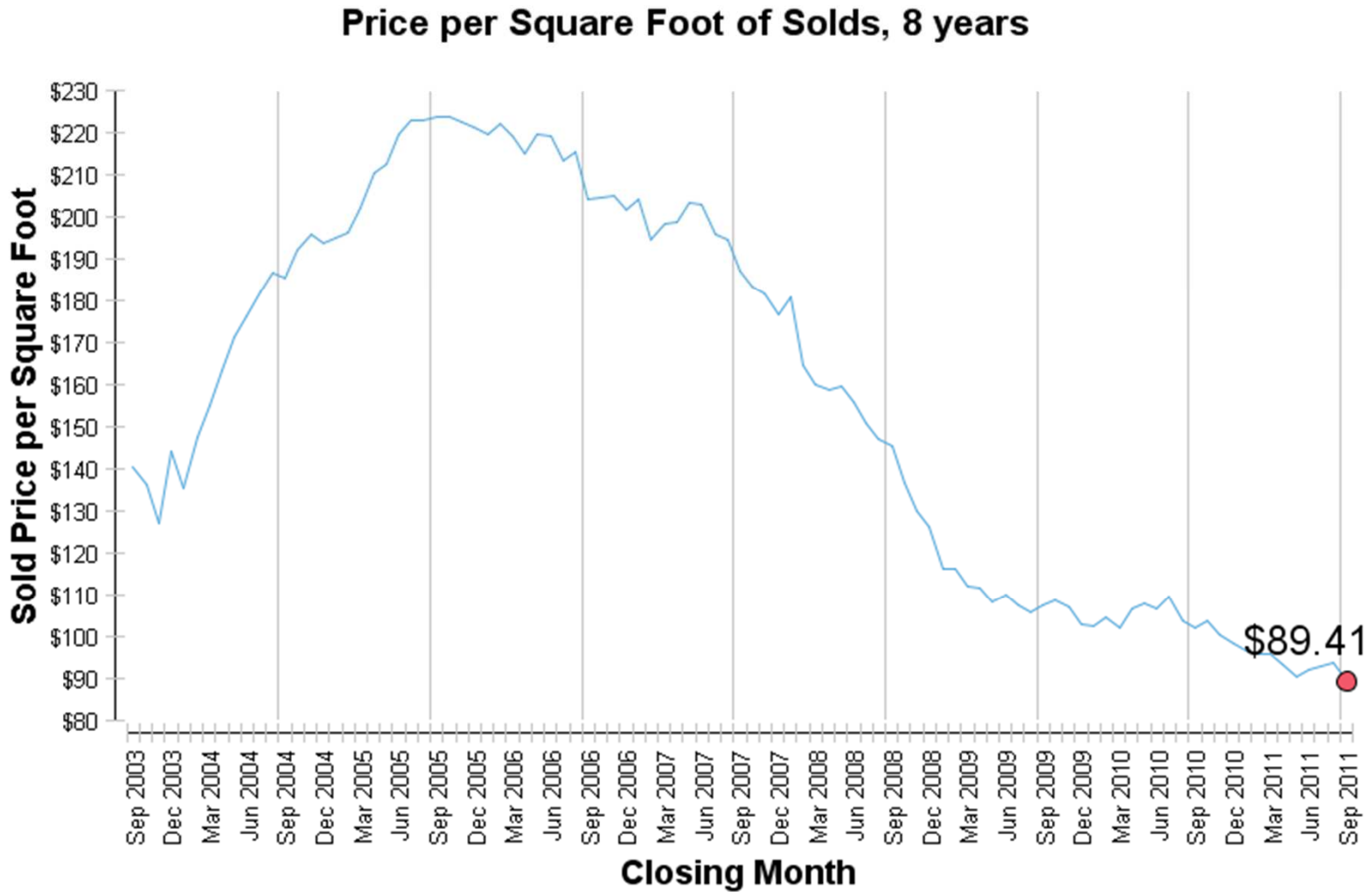
Summary: Median Sales Price

September, 2011

Median Sales Price, 8 years



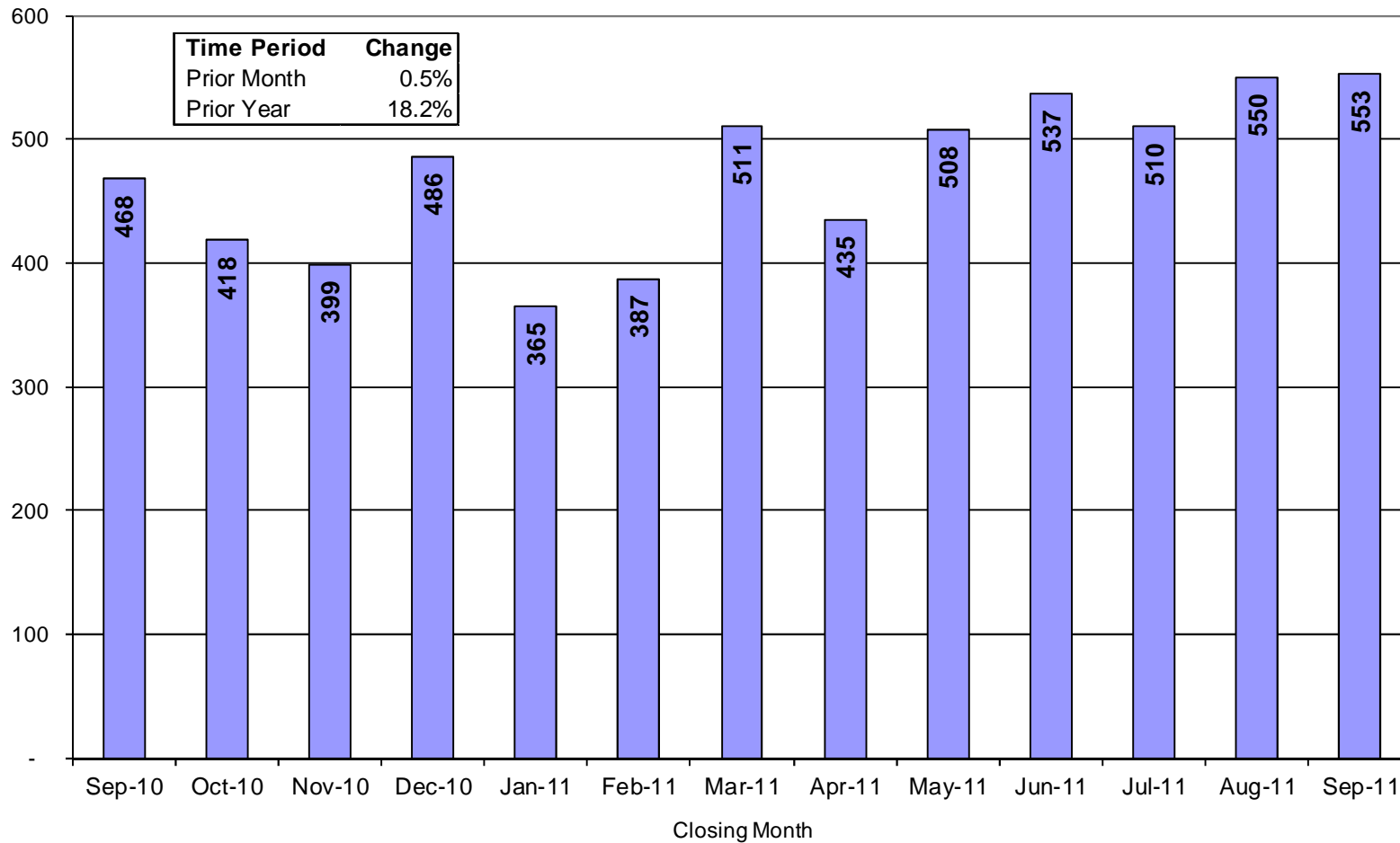
Price per Square Foot of Solds



Summary: Number of Units Sold

September, 2011

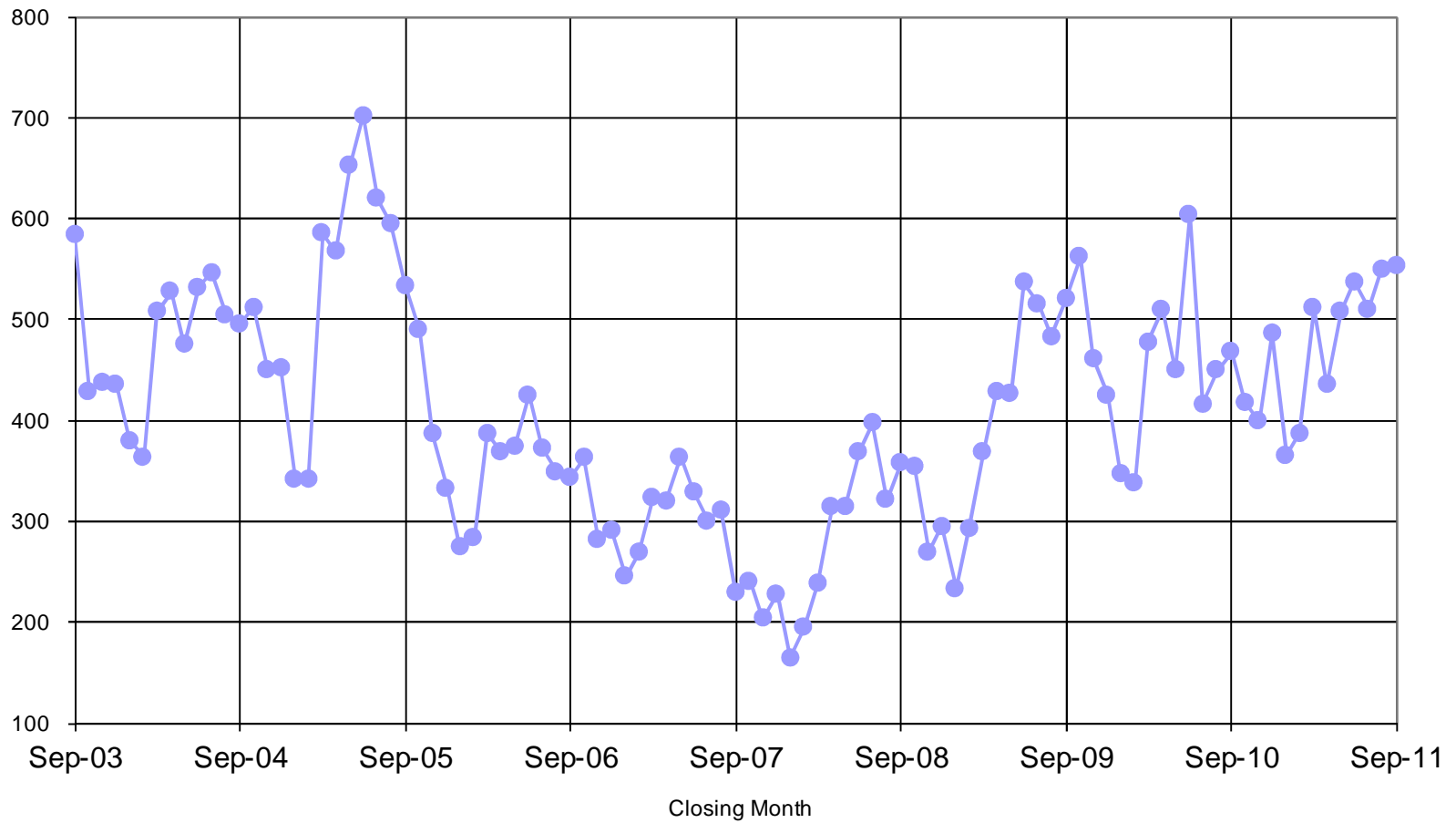
Number of Units Sold, 13 months



Summary: Number of Units Sold

September, 2011

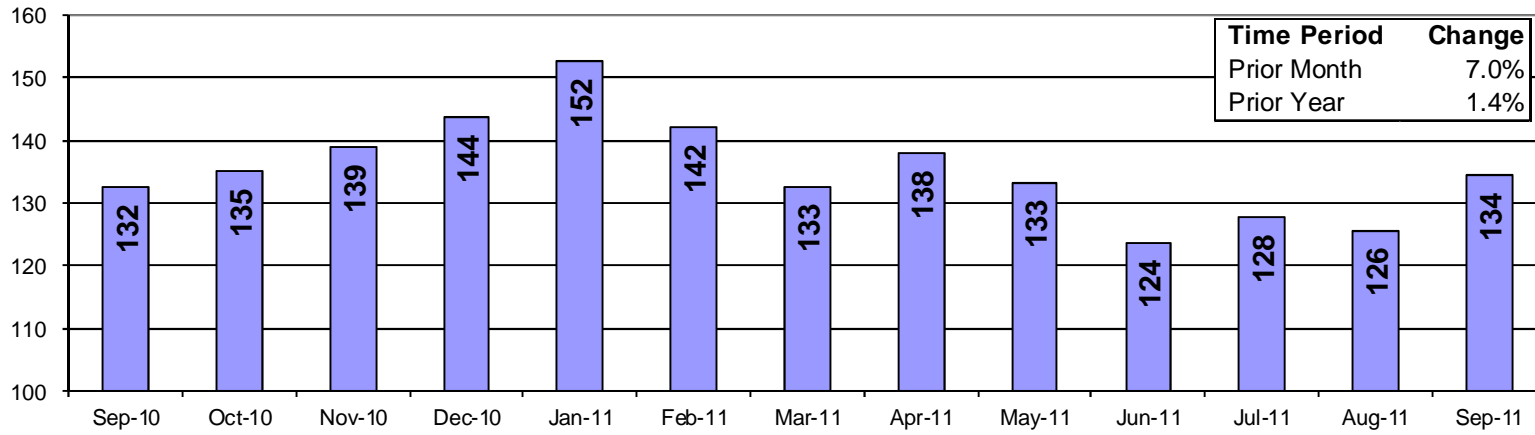
Number of Units Sold, 8 years



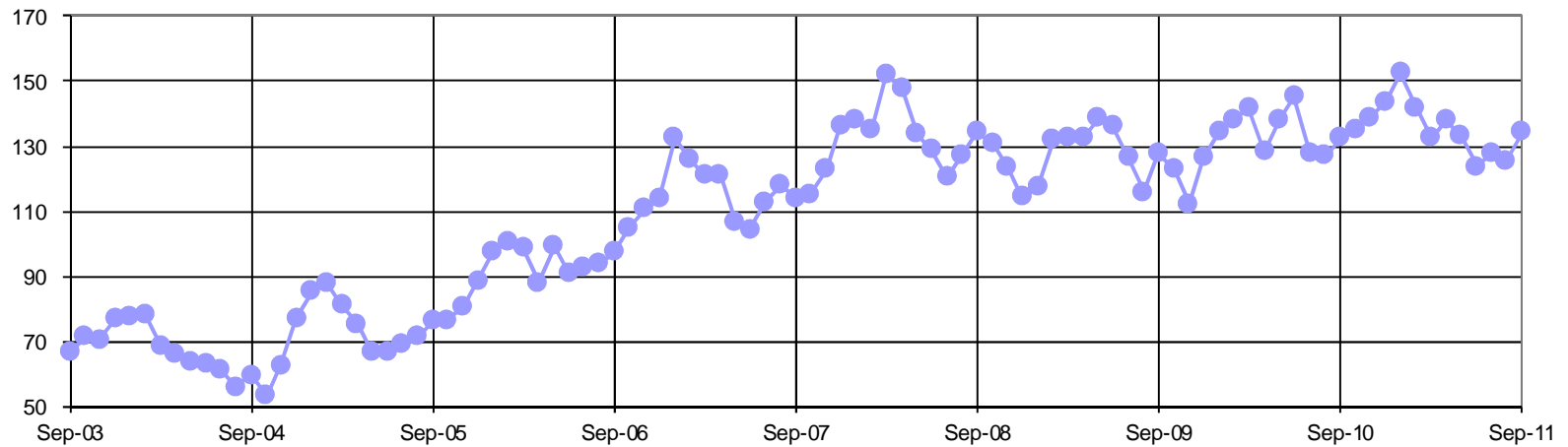
Summary: Average Days on Market

September, 2011

Average Days on Market for Solds, 13 months

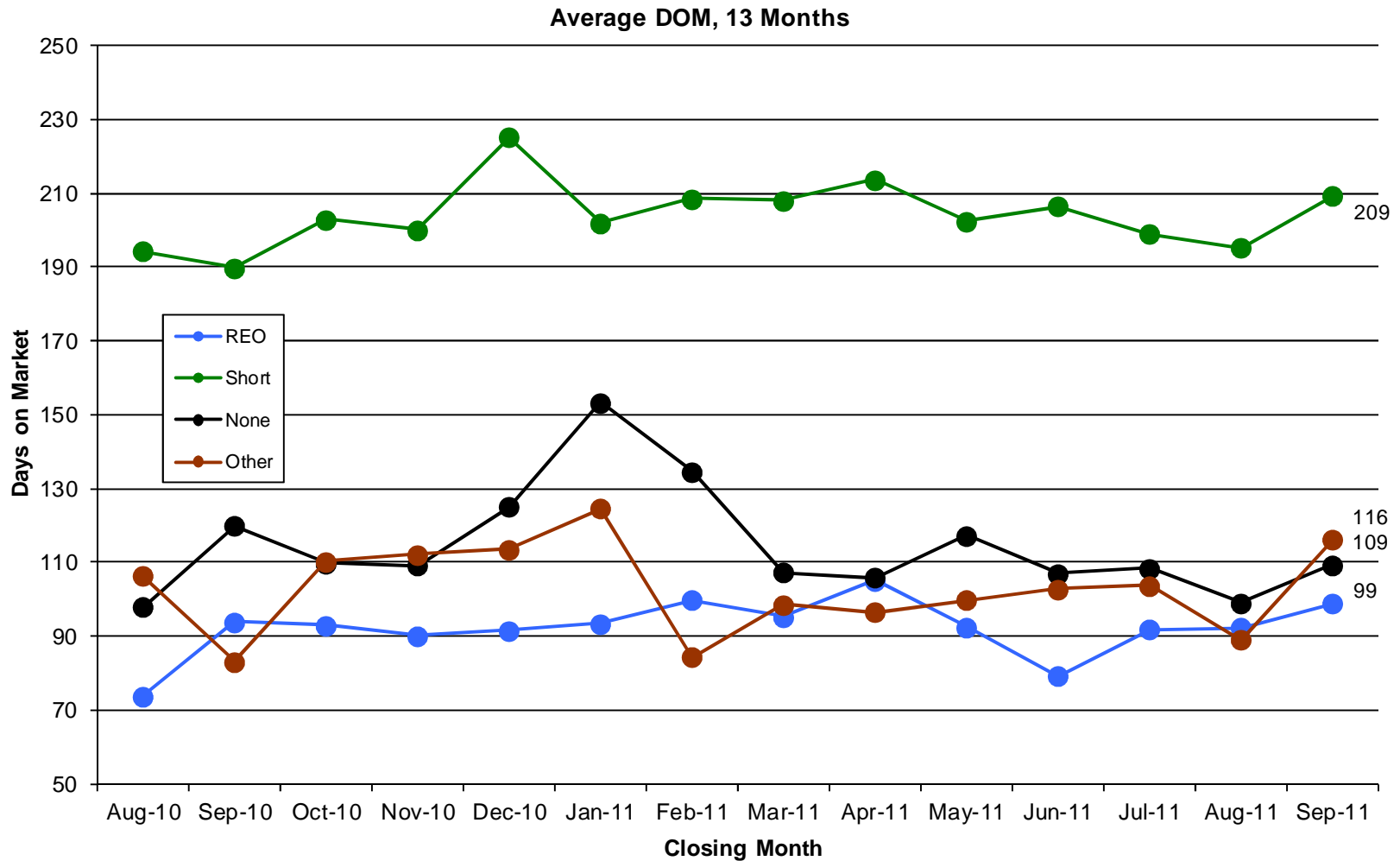


Average Days on Market for Solds, 8 years



Summary: Days on Market by Special Conditions

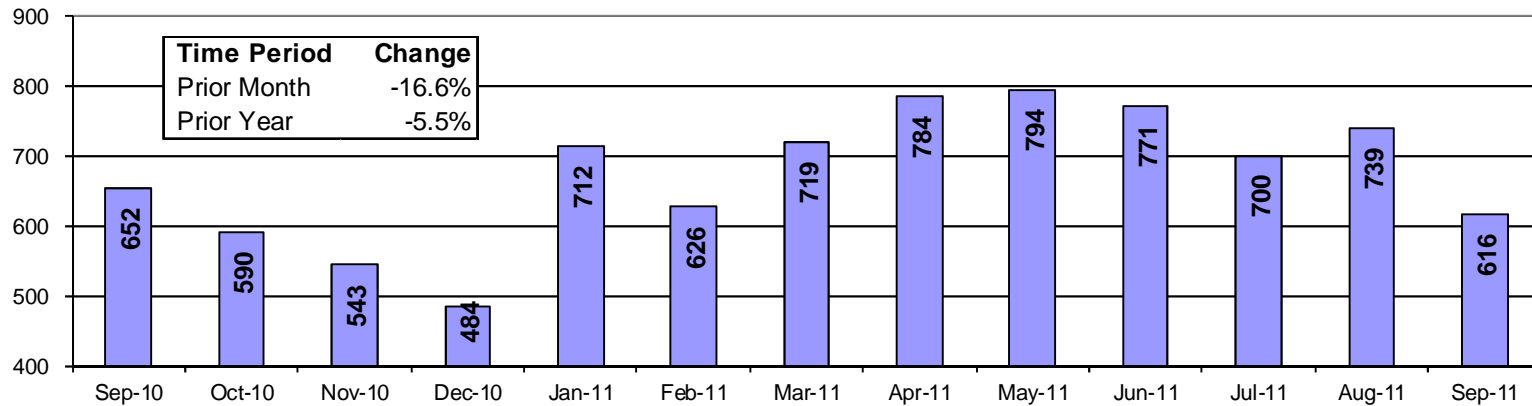
September, 2011



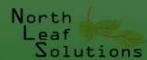
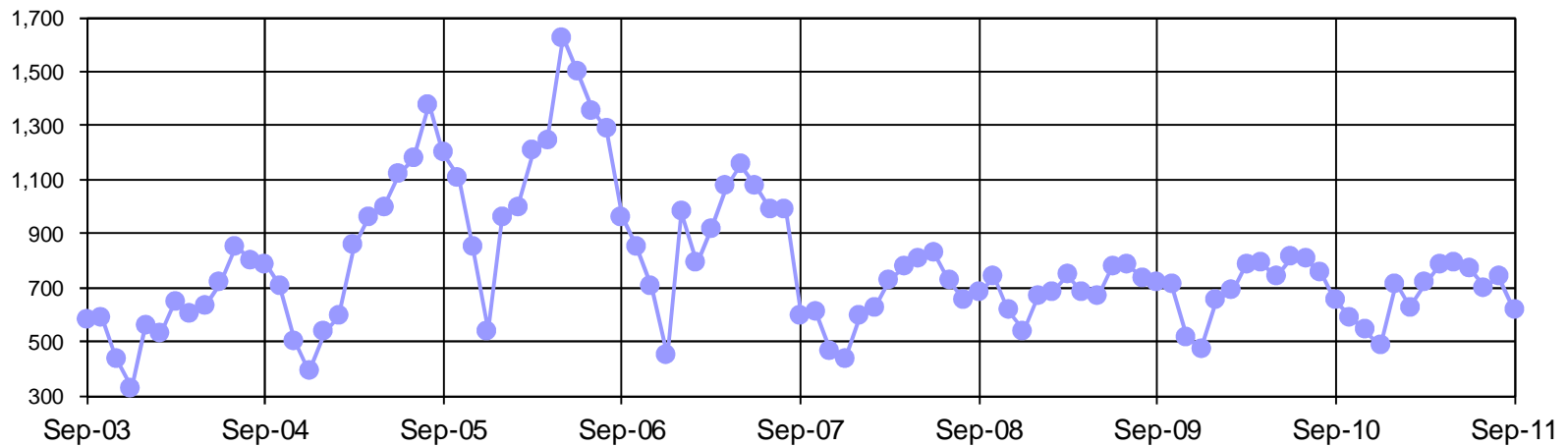
Summary: New Listings

September, 2011

New Listings by Month, 13 months

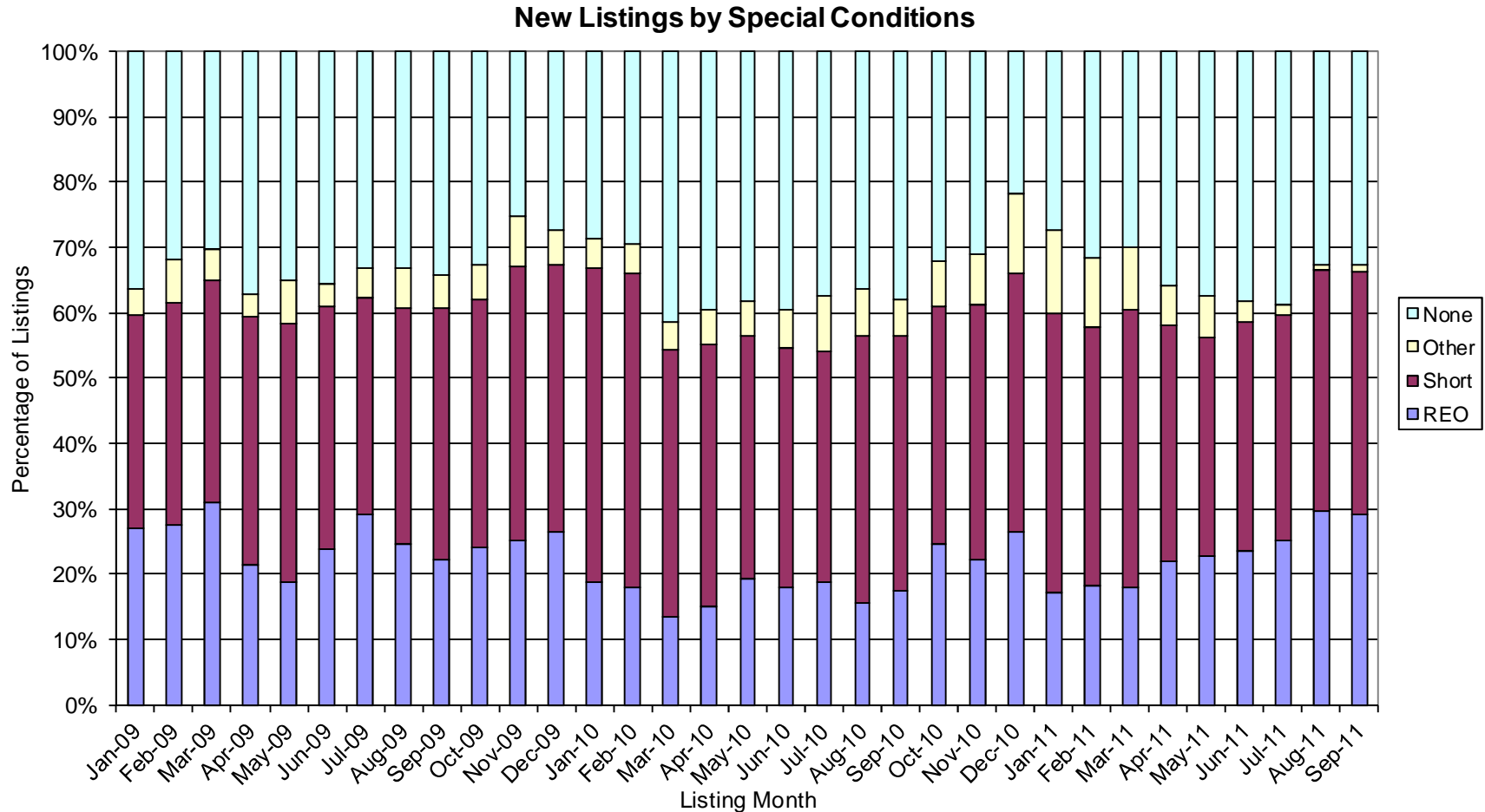


New Listings by Month, 5 years

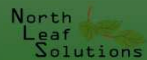


Distressed Listings

September, 2011

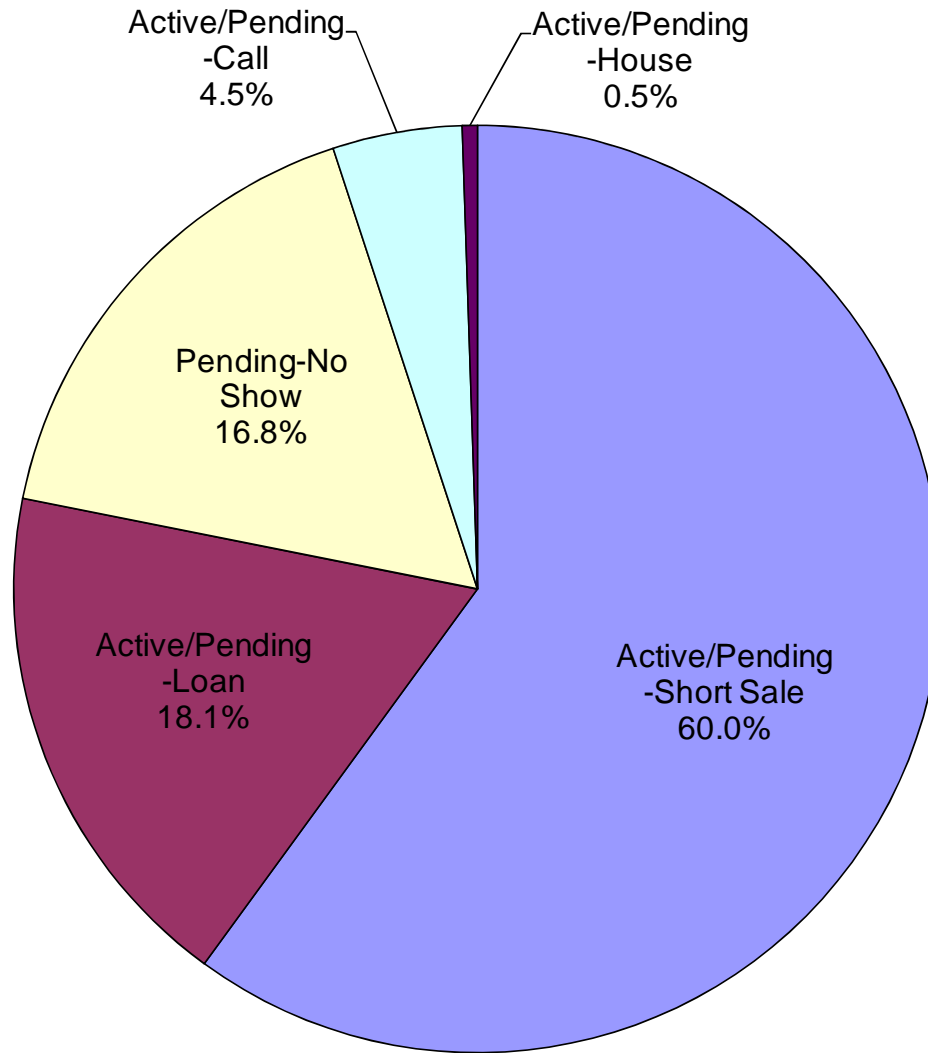


*Distressed New Listings include Fannie Mae, Freddie Mac, HUD, and any bank-owned listing.
Distressed listing data considered reliable from January 2009 forward.*



Status of Pendings

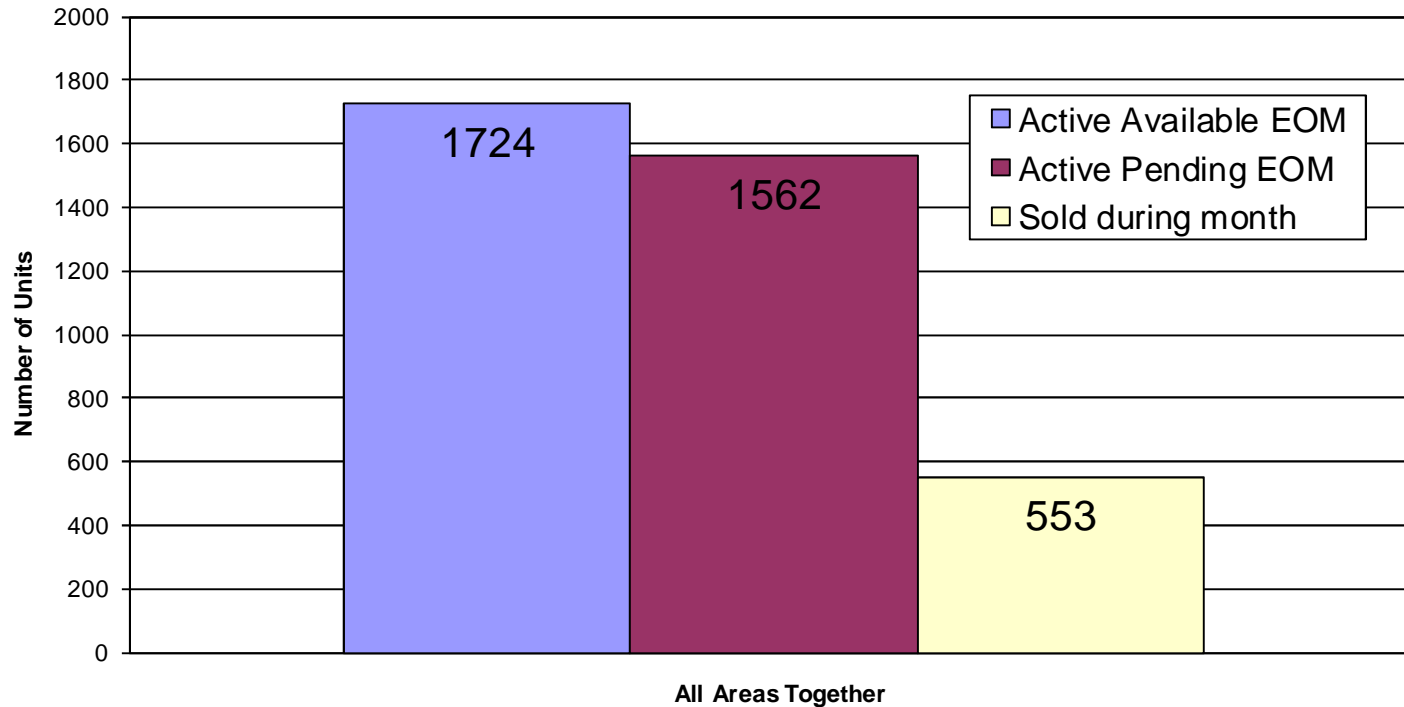
September, 2011



Current Months Supply of Inventory

September, 2011

$(1724 + 1562)$ available / 553 units sold = 5.9 months of inventory

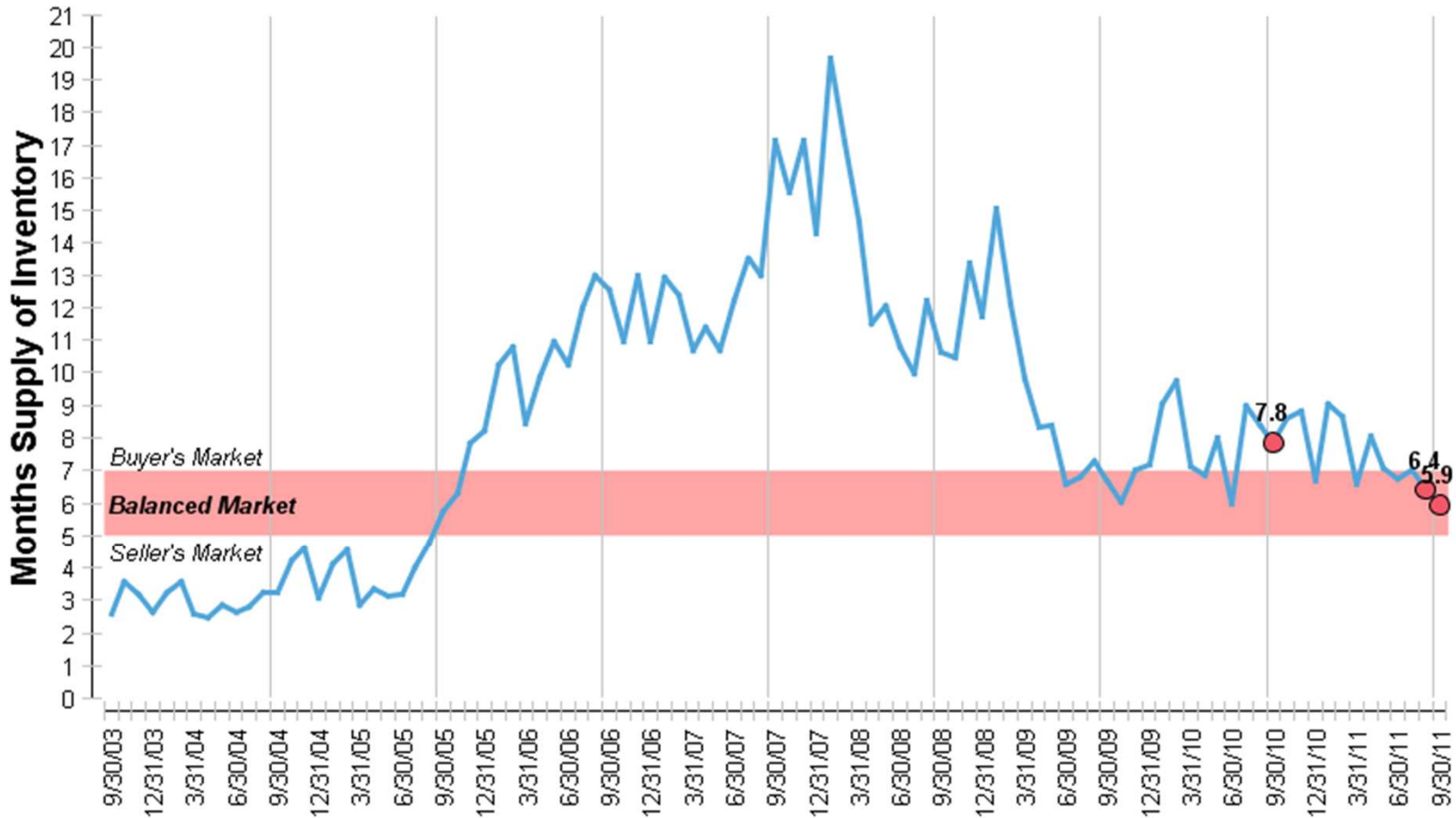


Unsold Inventory includes Active Pendings. This method of reporting absorption follows the industry standard and includes pendings in Active Inventory.

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.

Historical Months Supply of Inventory, 8 years



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