

# Reno/Sparks Association of REALTORS®

October 2011

Detailed Report Package

Area 100, Greater Reno/Sparks



North  
Leaf  
Solutions 

*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 October, 17% of new listings taken in the under \$100,000 price range are distressed; compared to 22% in the \$100,000 - \$150,000 price range; 16% in the \$150,000-\$200,000 price range; and 3% in the \$200,000 - \$250,000 price range.
- 51% of all new listings are priced under \$250,000 and identified as distressed listings.

## ❖ New Listings

- Properties listed at under \$250,000 made up the 82% of new listings entering the market during the month of October.
- The breakdown of new listings by Special Conditions is as follows: 32% no special conditions; 39% Short Sale; 29% REO; Other, Subject to Court approval and Relocation all less than 1%.

## ❖ Units and Absorption by Price

- Properties in the under \$250,000 price range are in a balanced market.
- Properties over the \$250,000 price range have in excess of 7.3 month's supply of inventory.
- 81% of the total sales for the month of October 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

- North Valleys had the highest level of inventory with 283 Active listings.
- The North Valleys, 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 New Southeast, Spanish Springs, Suburban Southwest, Virginia City Highlands, and West Suburban are in what is defined as a balance market. The named area groups have in excess of 7.4 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 remains low at 3.0 MSI in October 2011.
- No Special Conditions condition properties has 6.0 month's supply of inventory and Short Sale properties remained level with October 2011 at 10.6 Month's Supply of Inventory, and Yes-Other jumped to 6.0.
- The National Association of REALTORS® describes a balanced market as between 5 and 7 month's supply.

# Detailed Report Commentary

October, 2011

## ❖ Units and Absorption by Condition

- All areas except New Southeast and Suburban Southwest saw a year-over-year decrease in median price. The follow recaps year-over-year median price by area group: Metro Southwest down 14% (58 sales); New Southeast up less than 1% (28 sales); North Valleys down 18% (98 sales); Northwest down 19% (52 sales); Old Southeast down 10% (33 sales); Spanish Springs down 13% (80 sales); Sparks down 12% (66 sales); Suburban Southwest up 6% (35 sales); VC Highlands down 5% (6 sales); Washoe Valley down 27% (10 sales) and West Suburban down 3% (17 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.

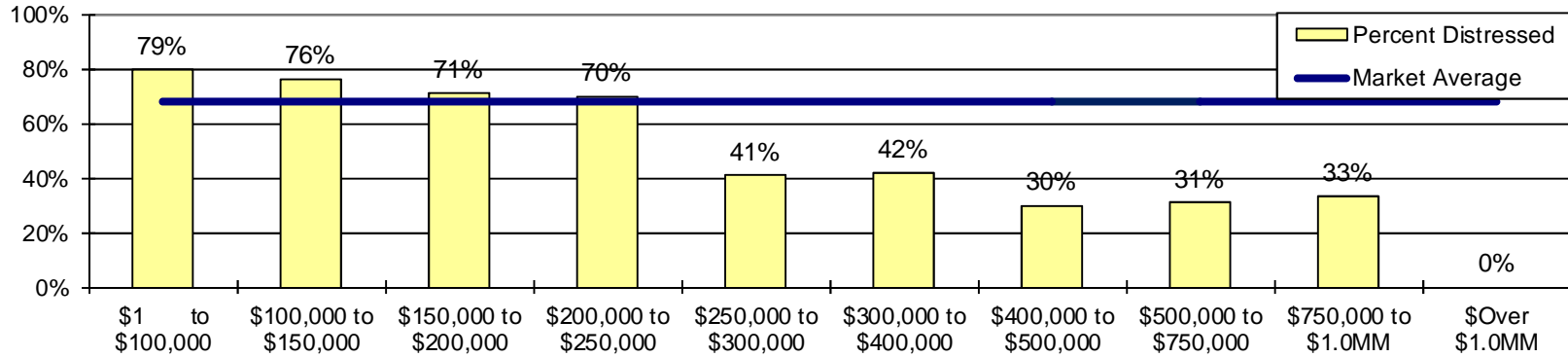
## ❖ Conclusions

- According to a recent study by the National Association of Realtors entitled Social Benefits of Homeownership and Stable Housing: Owning a home embodies the promise of individual autonomy and is the aspiration of most American households. Homeownership allows households to accumulate wealth and social status, and is the basis for a number of positive social, economic, family and civic outcomes. Two-thirds of all U.S. households who own their home currently are enjoying these benefits. Homeownership boosts the educational performance of children, induces higher participation in civic and volunteering activity, improves health care outcomes, lowers crime rates and lessens welfare dependency. Given such an opportunity, public policy makers would be wise to consider the immense social benefits of homeownership for families, local communities and the nation.
- October unit sales at 483 are the fourth highest unit sales for an October in history. This number outpaces October 2010 sales by 15%. October 2010 was the final month of the tax- incentivized period. This is the first month where the year-over-year comparison is not influenced by the tax credit incentives.
- Year-to-date 2011 unit sales (4,862) numbers are up 8% over 2010 unit sales (4,478). We are optimistic that the sales number will outpace 2010.
- October's median price of \$148,500 was down less than 1% from September. The median price has traded in the 4% range for the past six months. Sales at under \$150,000 represented 50% of the total sales for the month. With this trend, it's understandable why there is downward pressure on the median price.
- Freddie Mac reported that the 30-year fixed rate loan dropped to 4.07%, compared to 4.11% last month. This is the lowest rate reported since Freddie Mac began tracking rates in 1971. Sources report that mortgage interest rates should gradually rise from today's record lows and reach 4.5 percent by the middle of 2012.
- According to Lawrence Yun, NAR Chief Economist, "Housing affordability conditions, based on the relationship between median home prices, mortgage interest rates, and median family income, have been at a record high this year. Very favorable affordability conditions will dominate next year as well, which will probably be the second best year on record dating back to 1970. If credit restrictions ease, there is optimism that it will open the door for more home buyers to take advantage of current opportunities."
- 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.

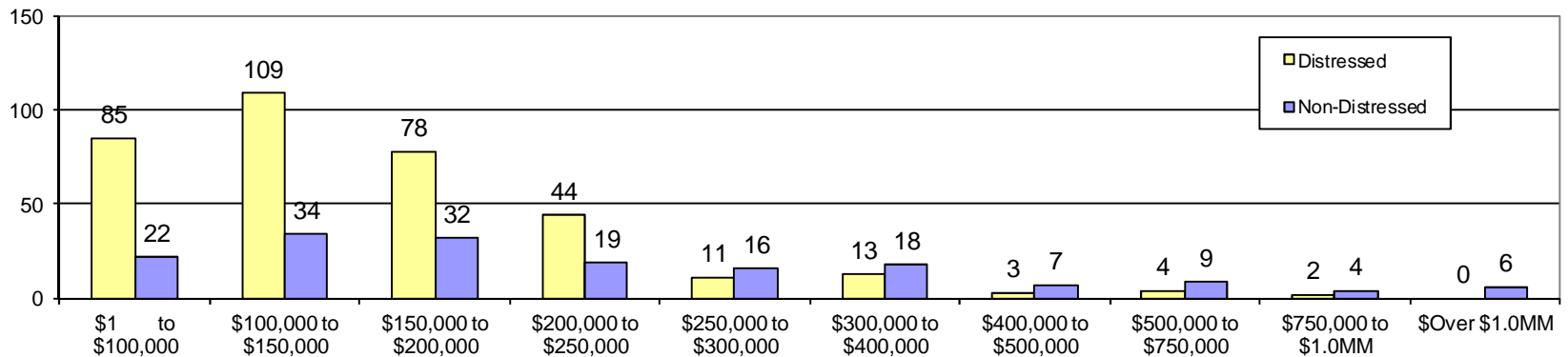
# Distressed Listings

October, 2011

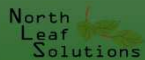
Percentage Distressed New Listings by Price, current month



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



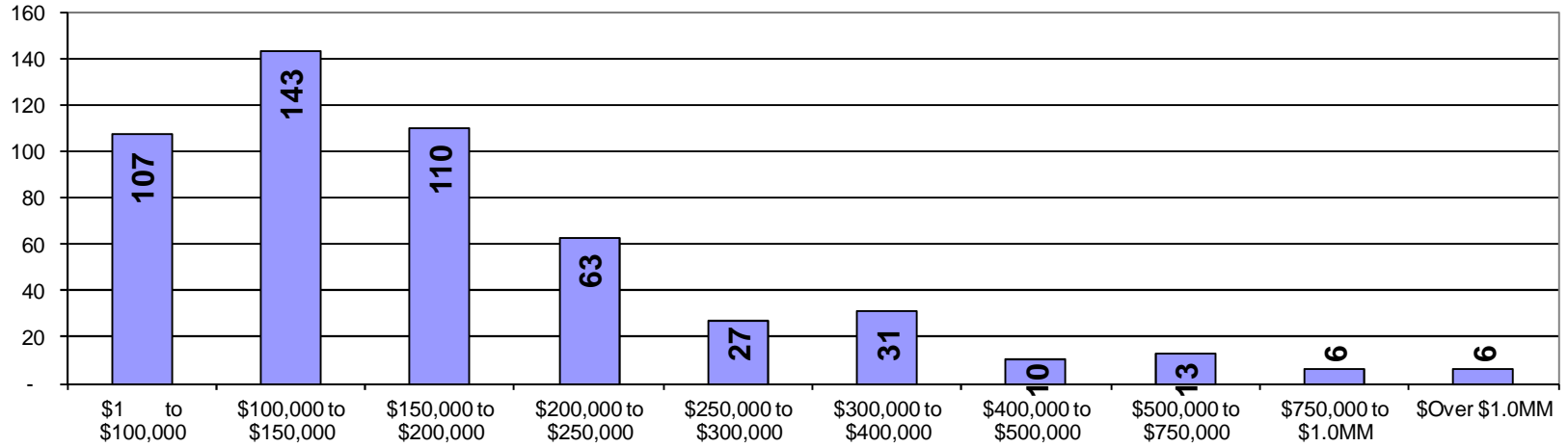
*Distressed New Listings includes Fannie Mae, Freddie Mac, HUD, and any bank-owned listings.*



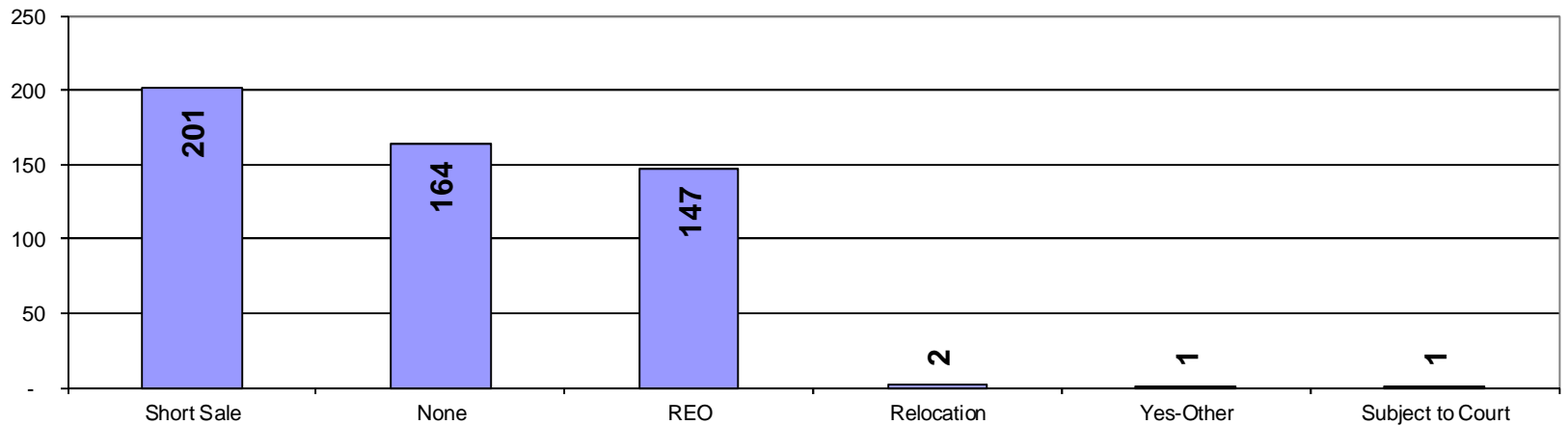
# New Listings

October, 2011

New Listings, by Price Range



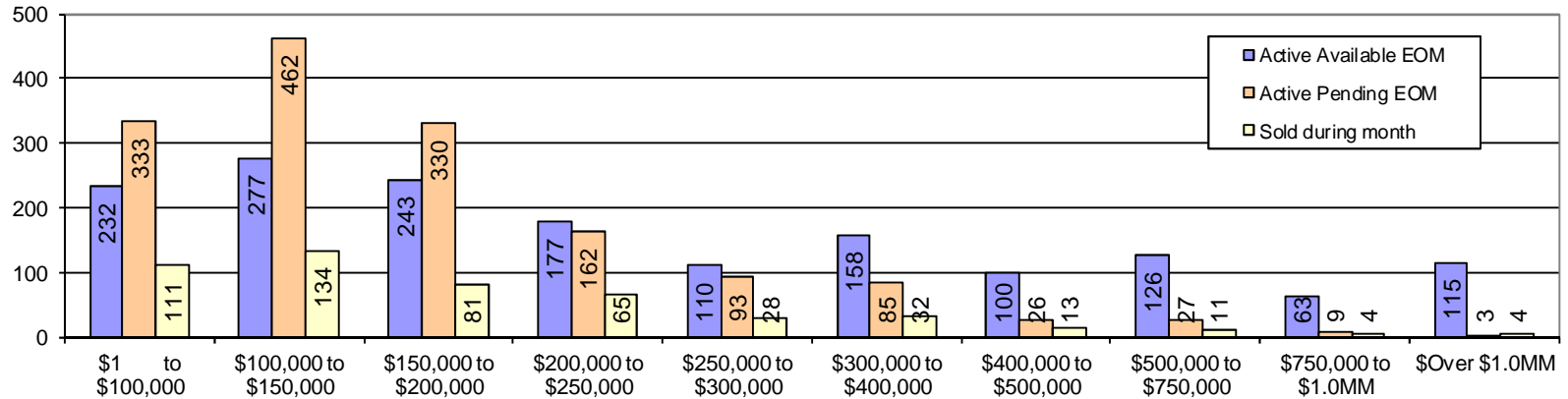
New Listings, by Special Condition



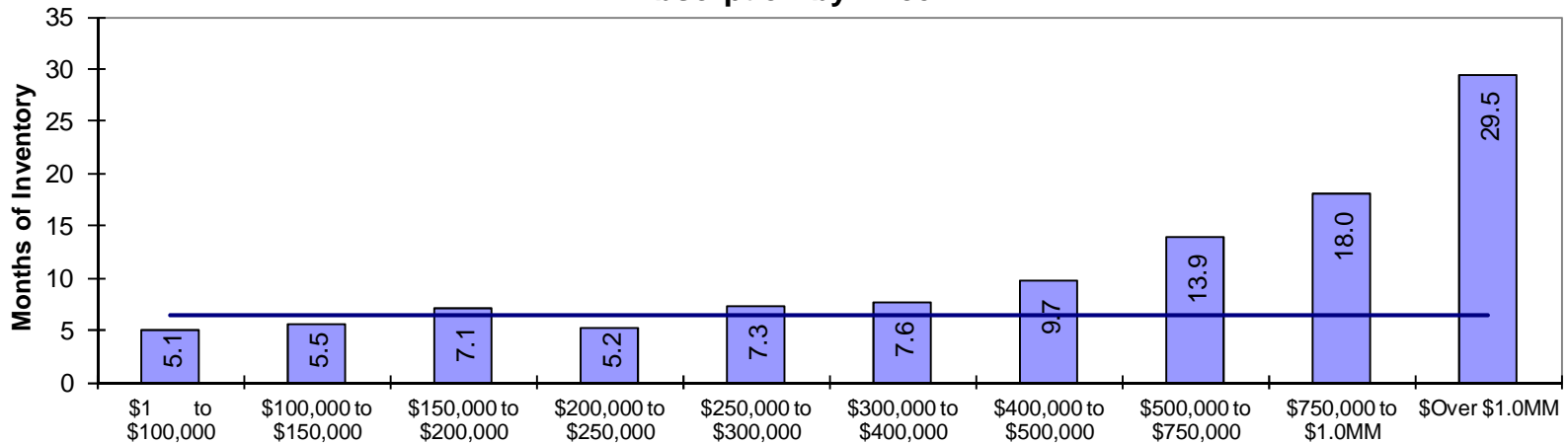
# Units and Absorption by Price

October, 2011

Active and Sold Homes by Price, current month



Absorption by Price



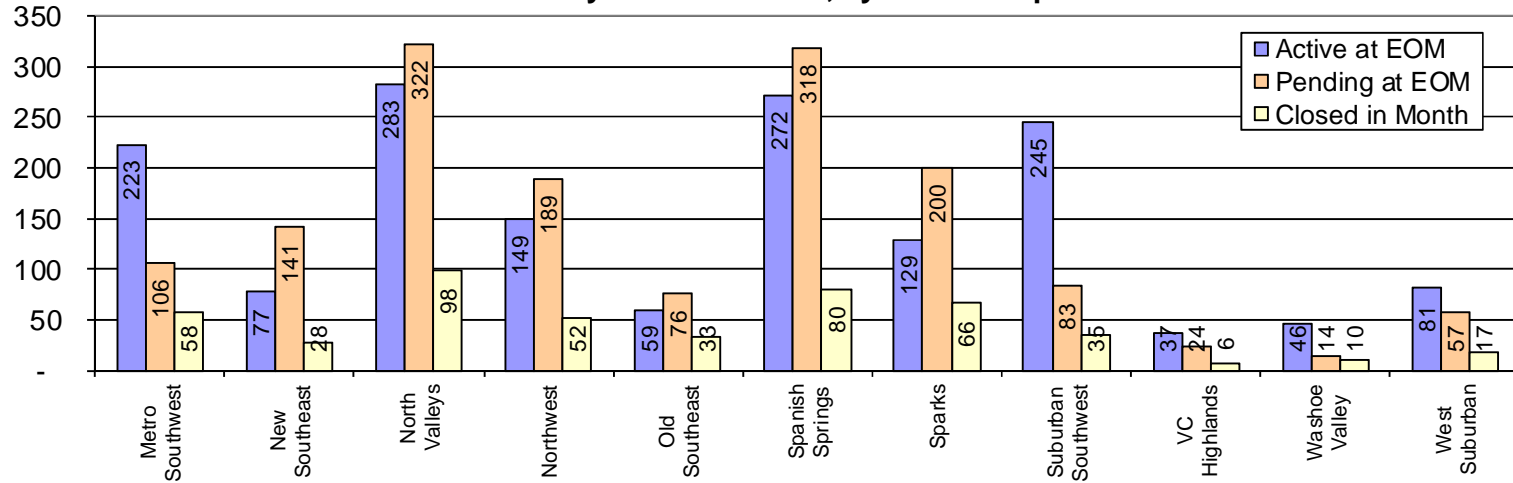
"Active" includes "Active/Pending"

Absorption or Months Supply of Inventory is defined as the number of months it would take to absorb the units available for sale.

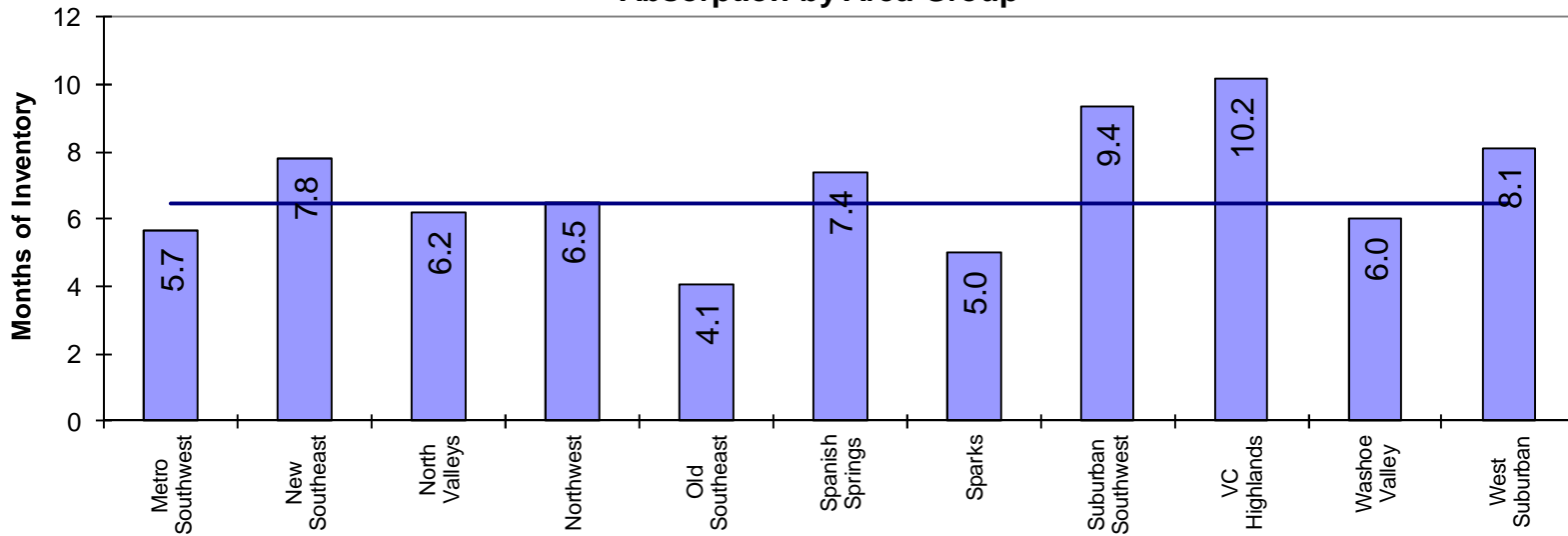
The National Association of REALTORS® describes a balanced market as between 5 and 7 months supply of inventory.

# Units and Absorption by Area Group

Inventory and Units Sold, by Area Group



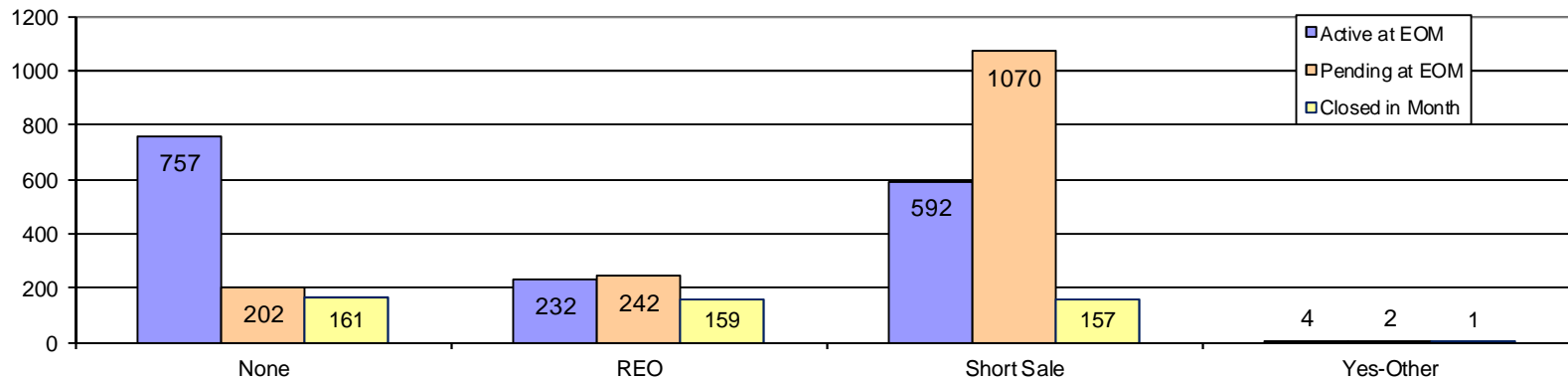
Absorption by Area Group



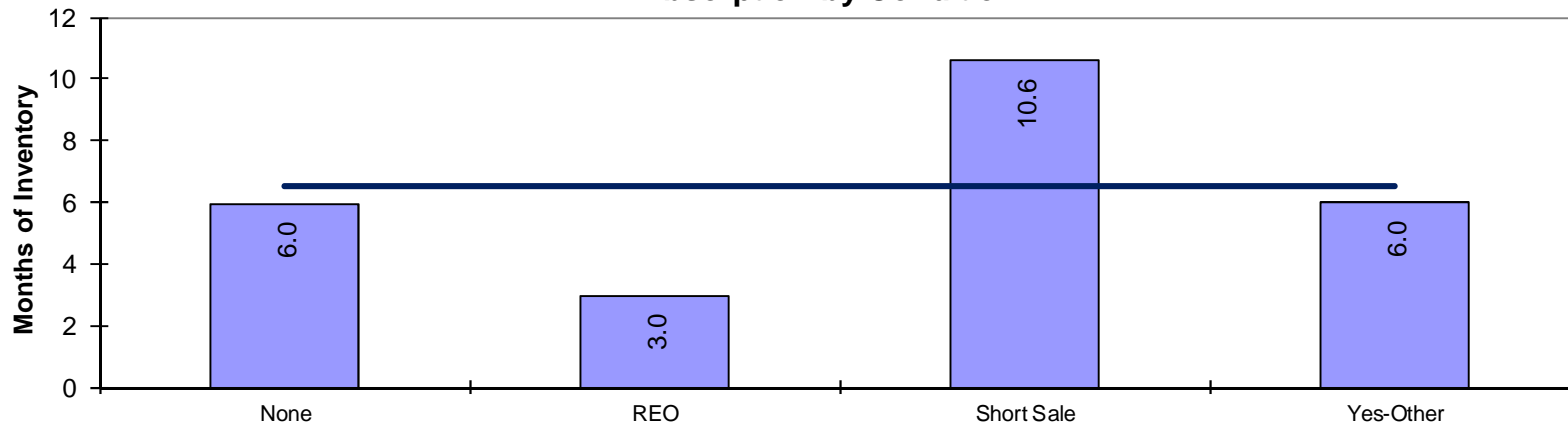
# Units and Absorption by Condition

October, 2011

### Active and Sold Homes by Condition, current month



### Absorption by Condition



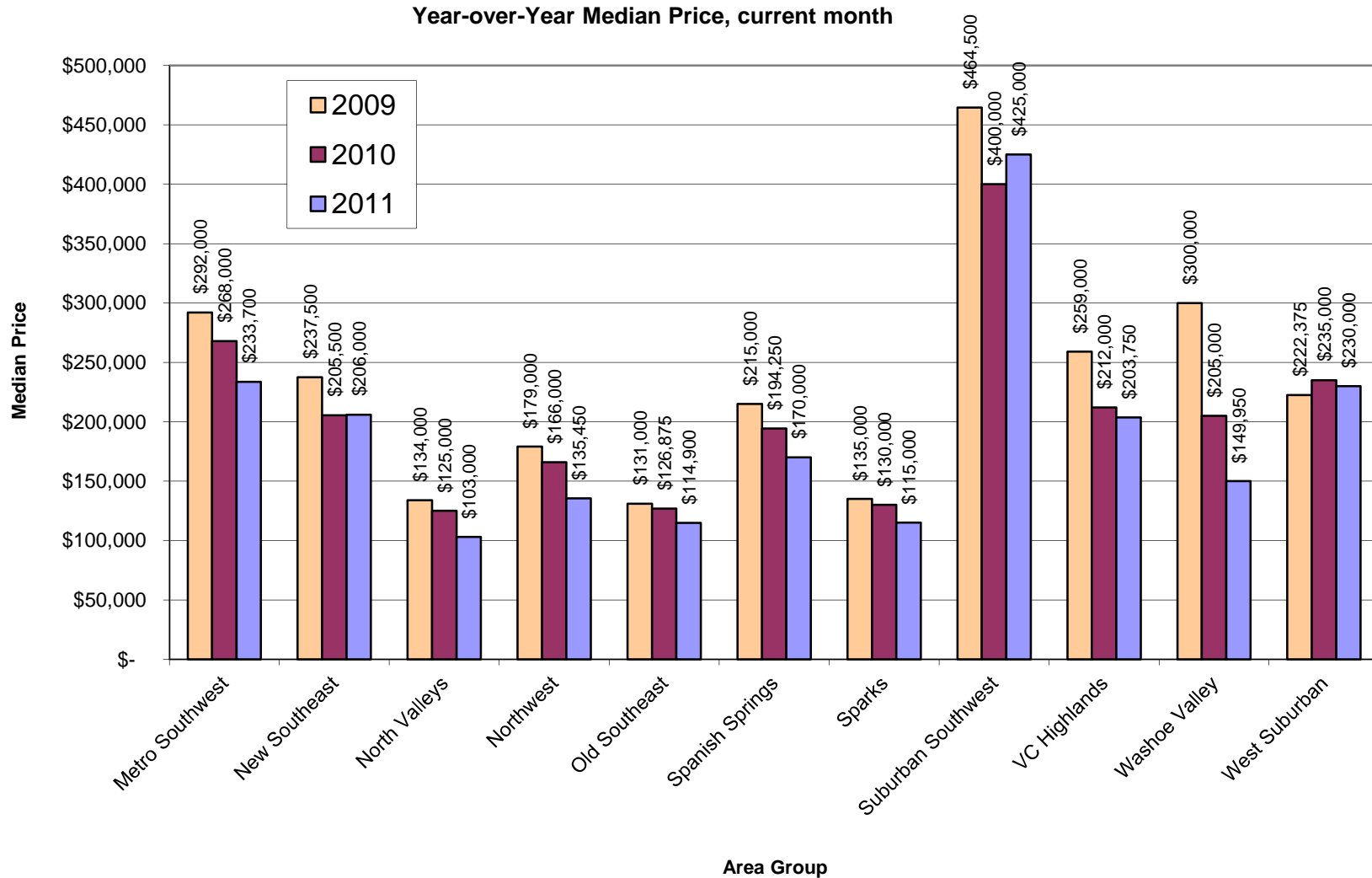
*“Active” includes “Active/Pending”*

*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

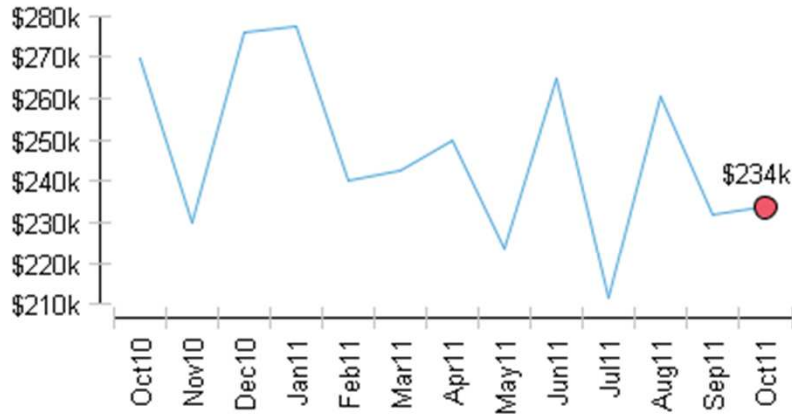
October, 2011



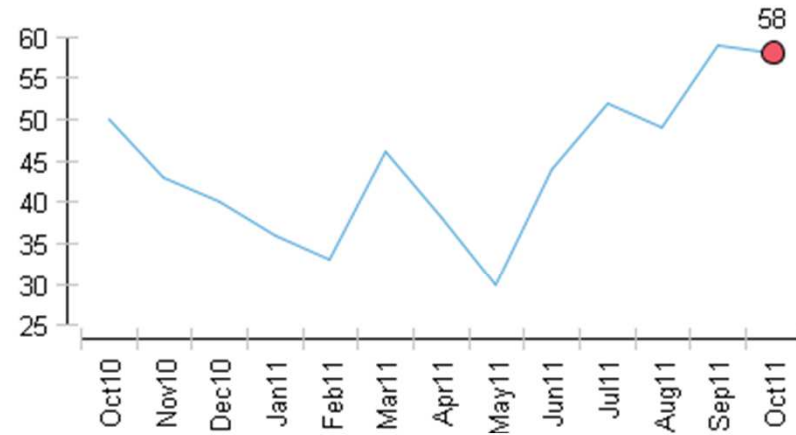
# Neighborhood Detail – Metro Southwest

❖ Includes areas 160, 161, 163

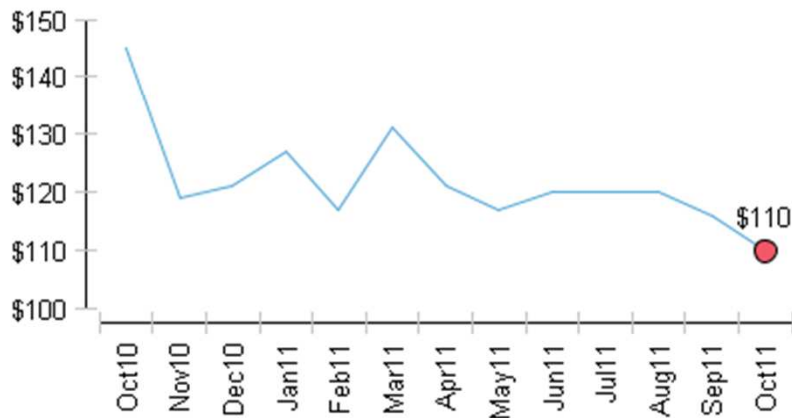
**Median Price**



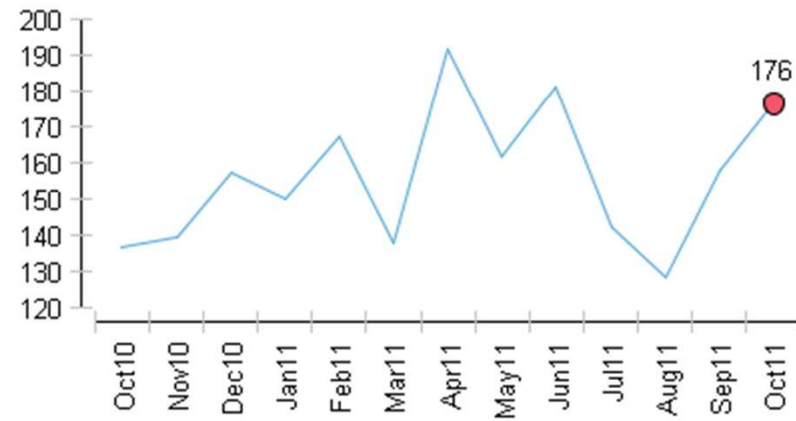
**Units Sold**



**Price per Square Foot**



**Average DOM**



# Neighborhood Detail – New Southeast

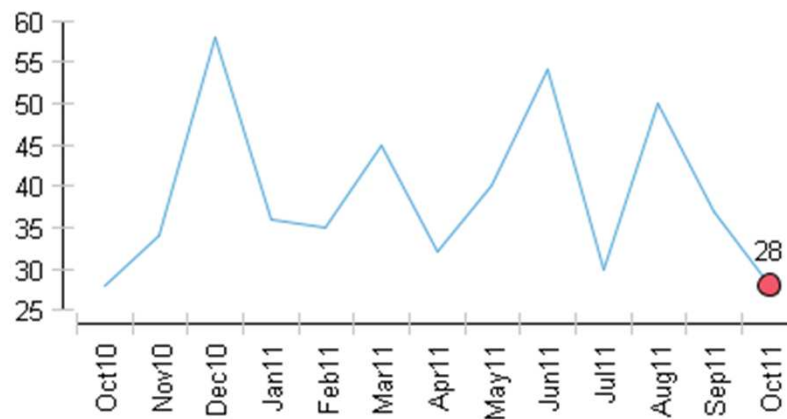
October, 2011

❖ Includes areas 143

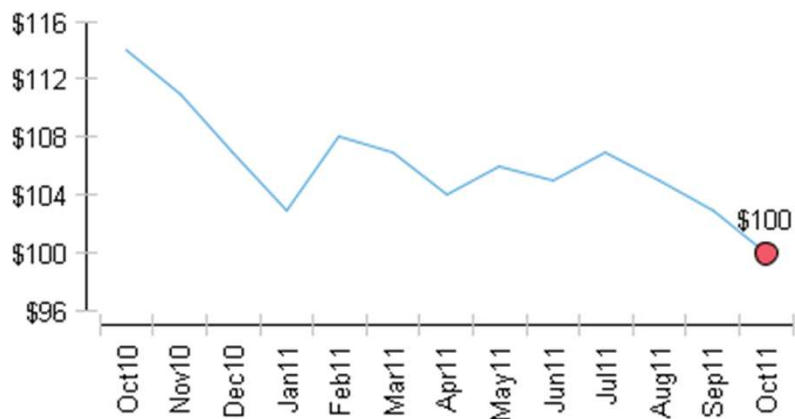
**Median Price**



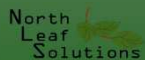
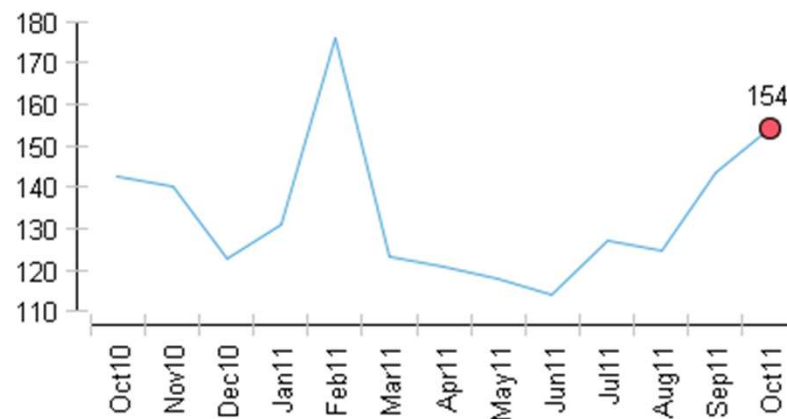
**Units Sold**



**Price per Square Foot**



**Average DOM**

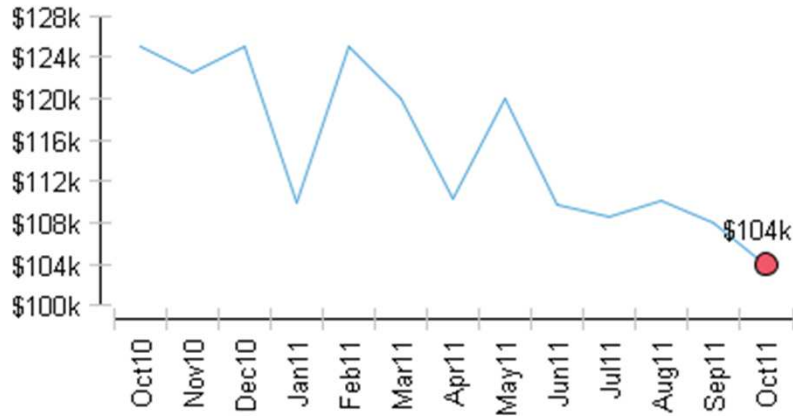


# Neighborhood Detail – North Valleys

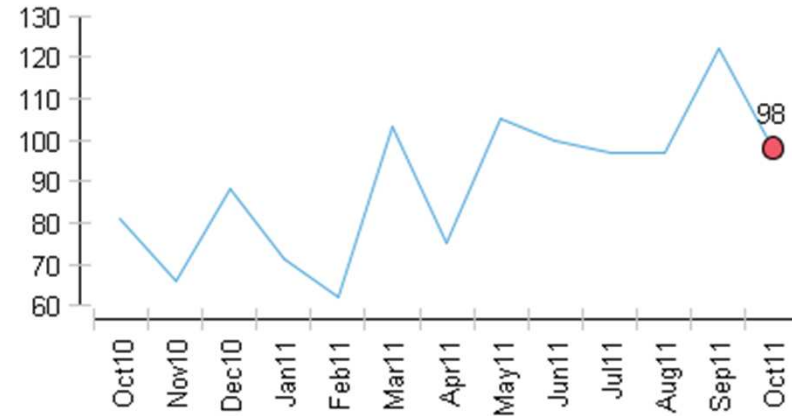
October, 2011

❖ Includes areas 130 through 138

**Median Price**



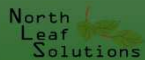
**Units Sold**



**Price per Square Foot**



**Average DOM**

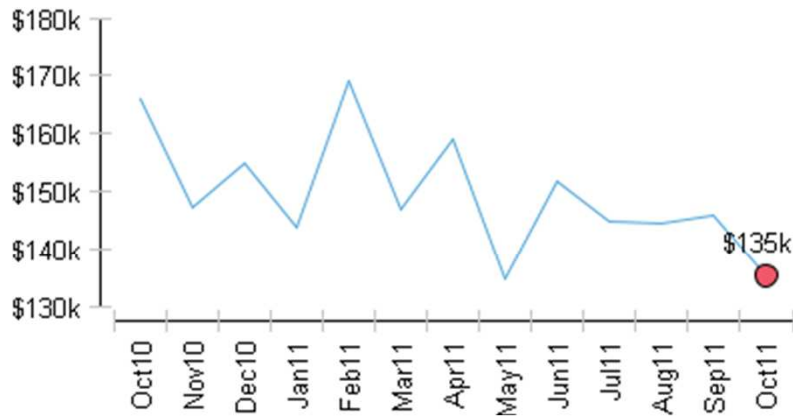


# Neighborhood Detail – Northwest

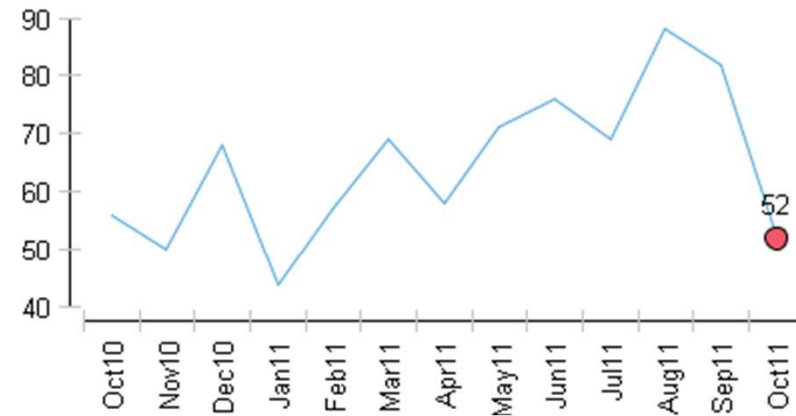
October, 2011

❖ Includes areas 116, 119, 120, and 121

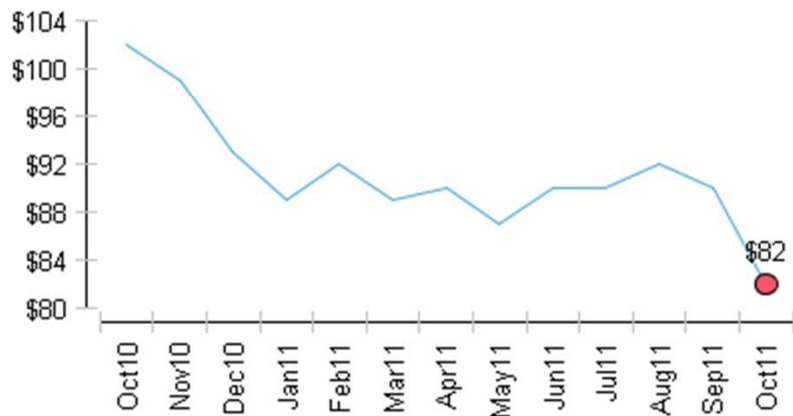
**Median Price**



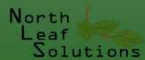
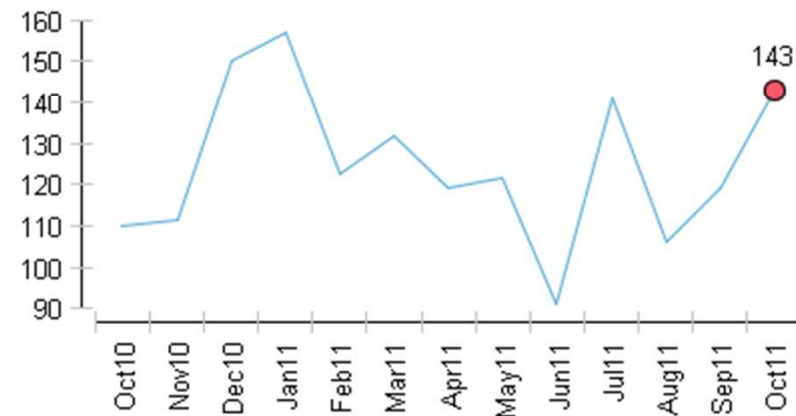
**Units Sold**



**Price per Square Foot**



**Average DOM**



# Neighborhood Detail – Old Southeast

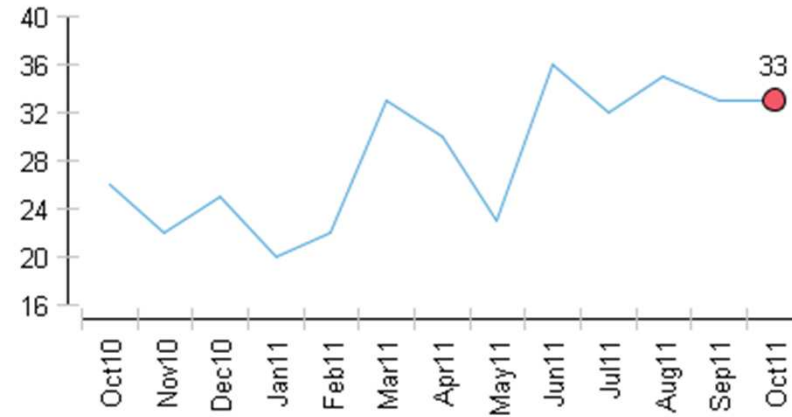
October, 2011

❖ Includes areas 115, 140, 141, and 142

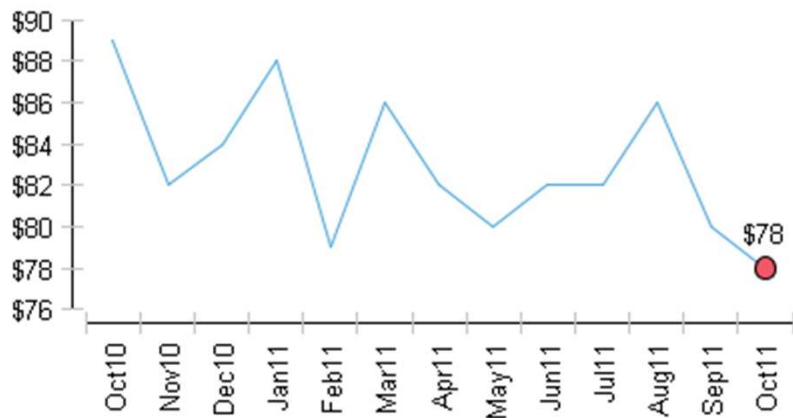
**Median Price**



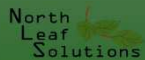
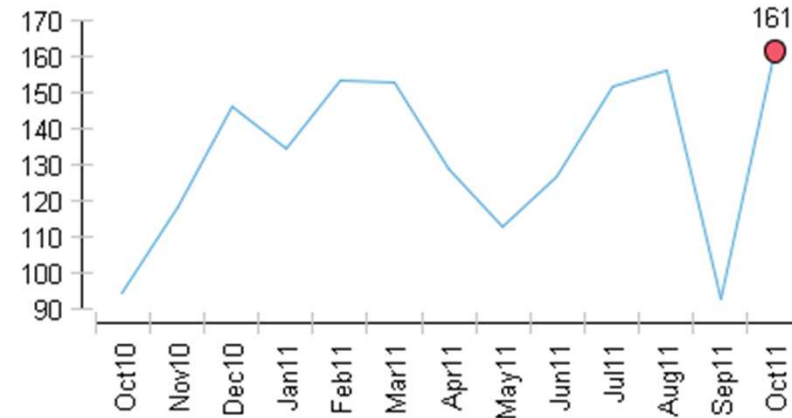
**Units Sold**



**Price per Square Foot**



**Average DOM**

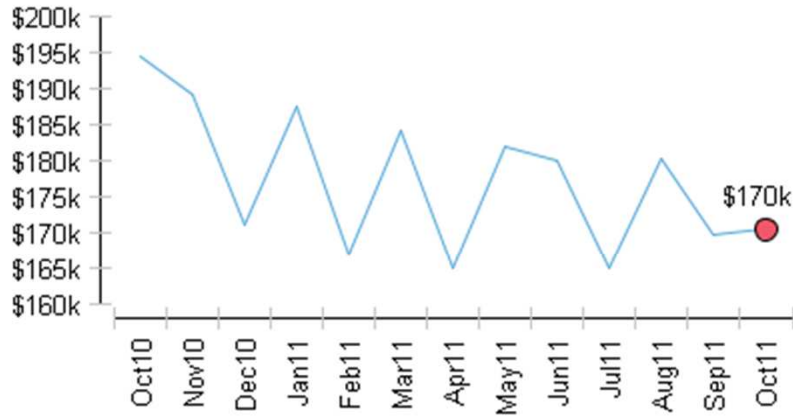


# Neighborhood Detail – Spanish Springs

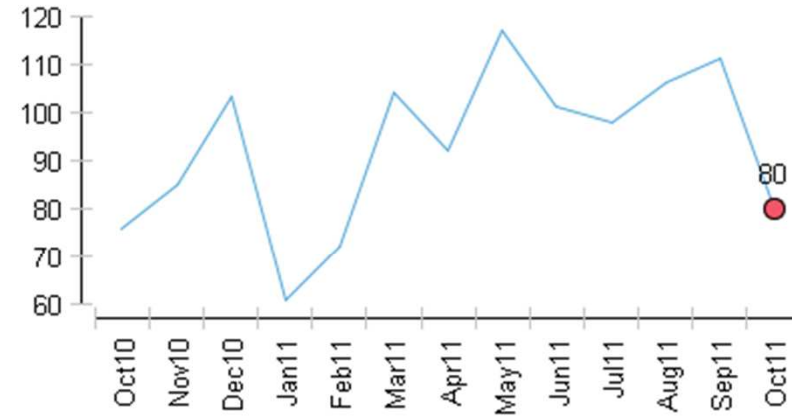
October, 2011

❖ Includes areas 182 through 186

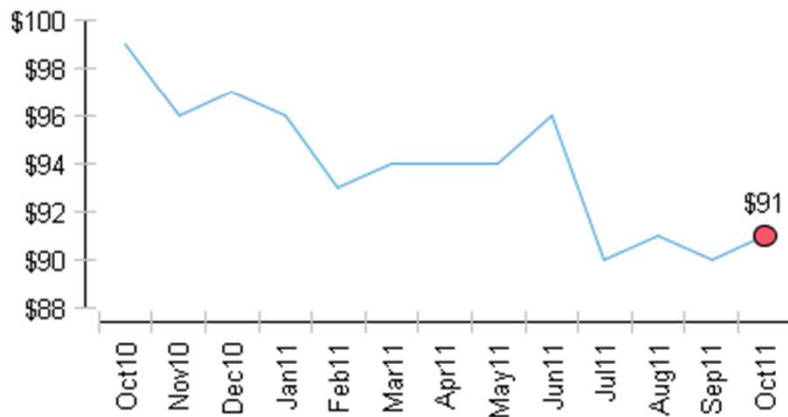
**Median Price**



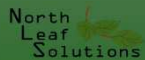
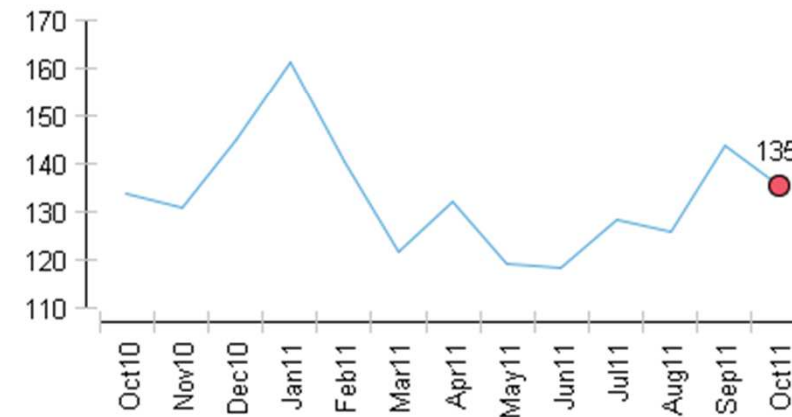
**Units Sold**



**Price per Square Foot**



**Average DOM**

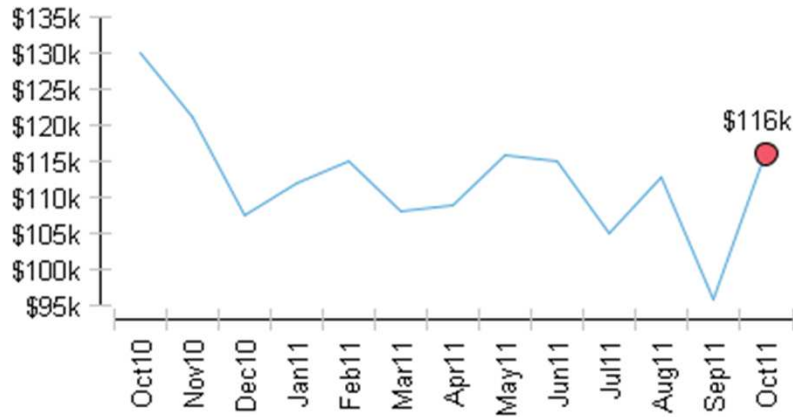


# Neighborhood Detail – Sparks

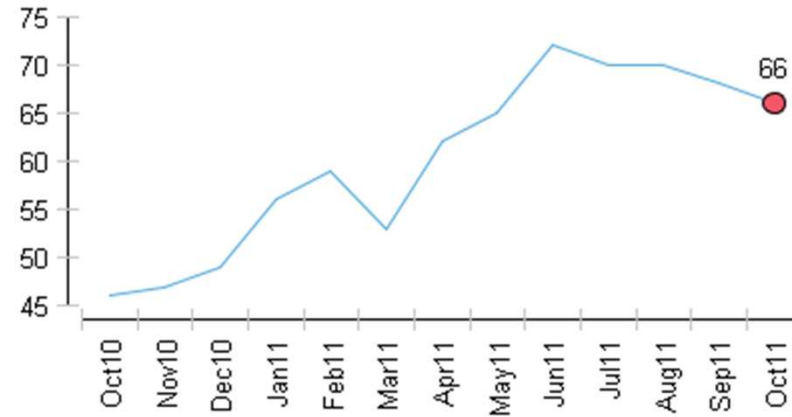
October, 2011

❖ Includes areas 180, 181, 187, and 188

**Median Price**



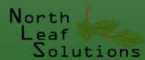
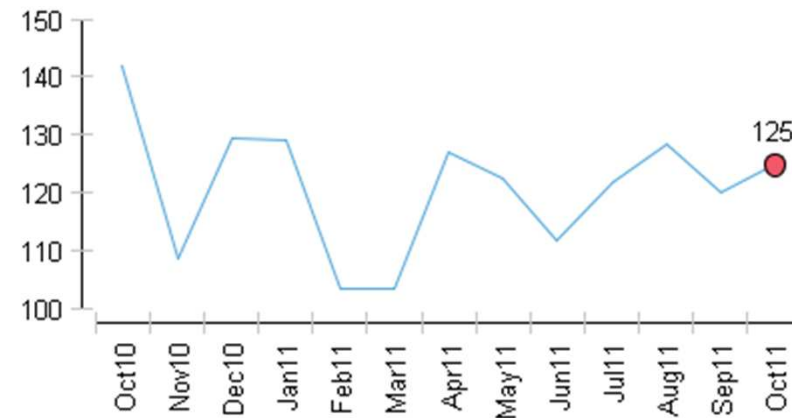
**Units Sold**



**Price per Square Foot**



**Average DOM**

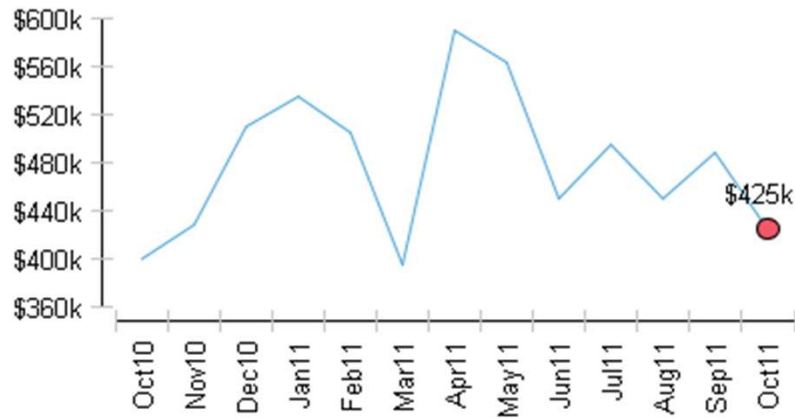


# Neighborhood Detail – Suburban Southwest

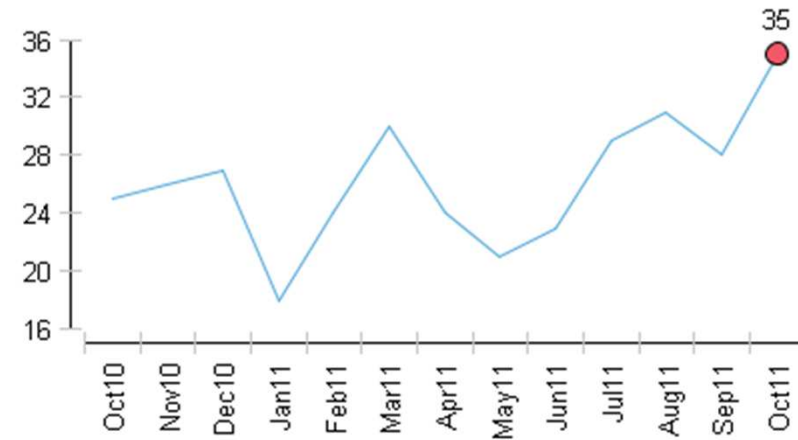
October, 2011

❖ Includes areas 164, 165, and 171

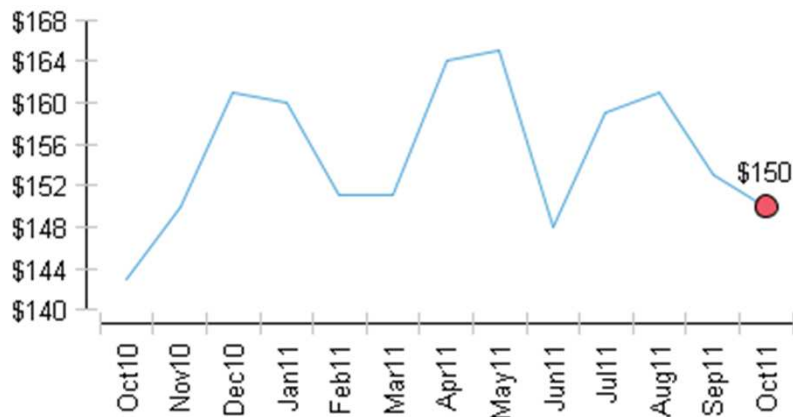
**Median Price**



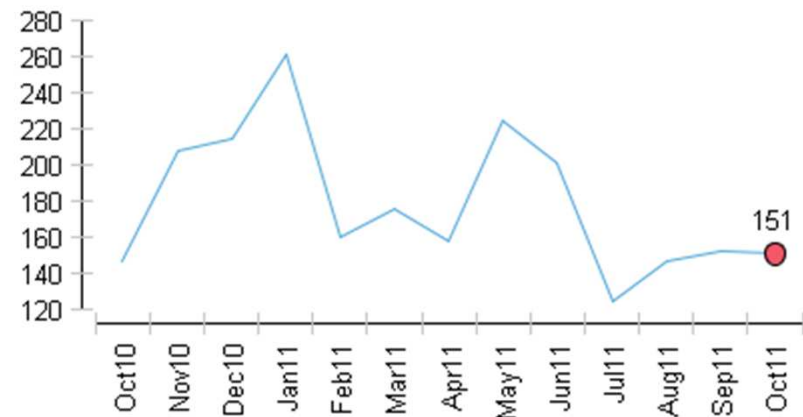
**Units Sold**



**Price per Square Foot**



**Average DOM**

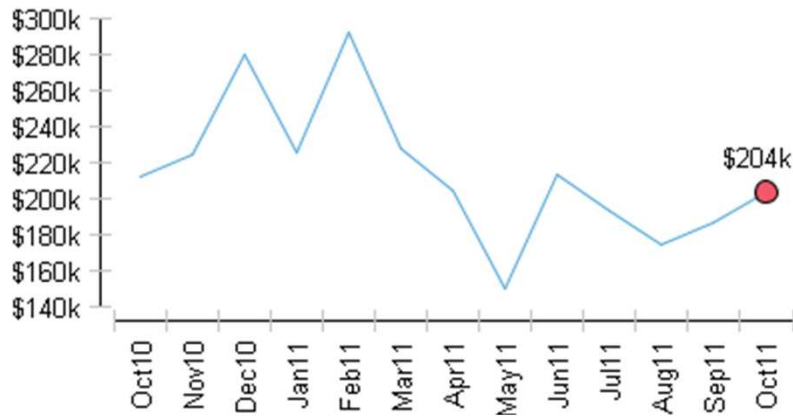


# Neighborhood Detail – VC Highlands

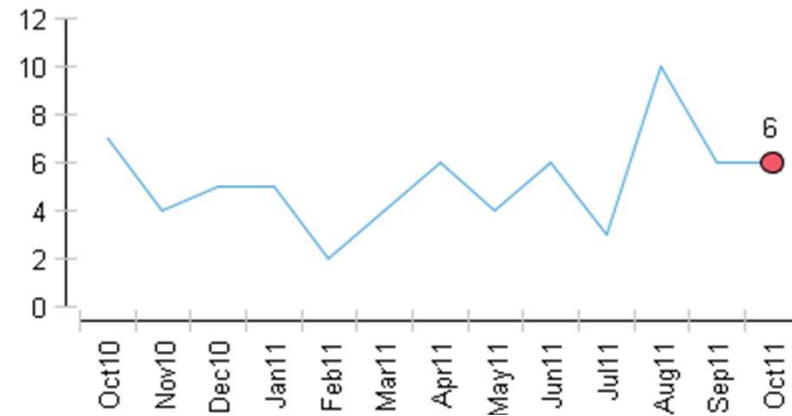
October, 2011

❖ Includes areas 173 and 176

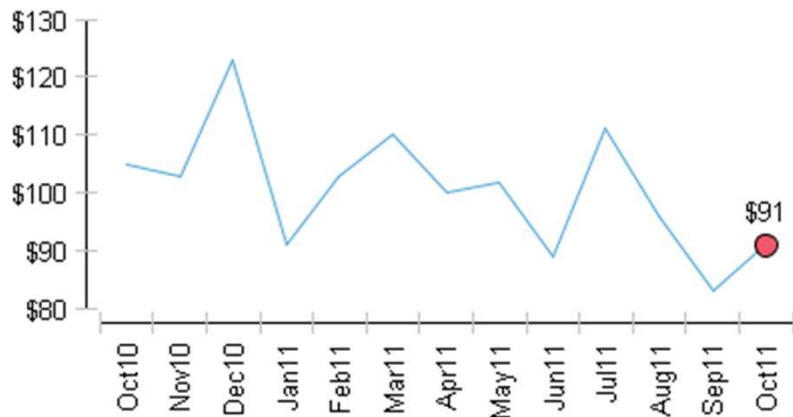
**Median Price**



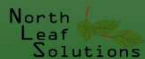
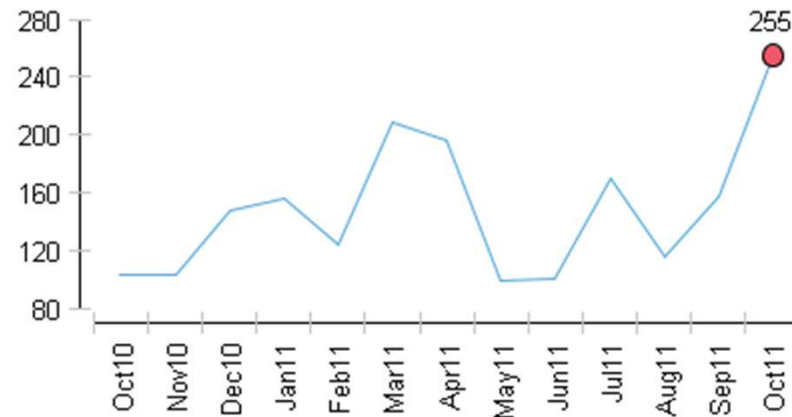
**Units Sold**



**Price per Square Foot**



**Average DOM**

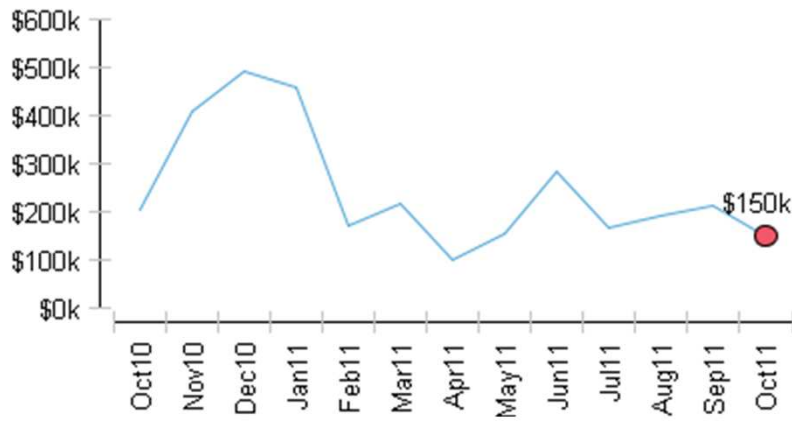


# Neighborhood Detail – Washoe Valley

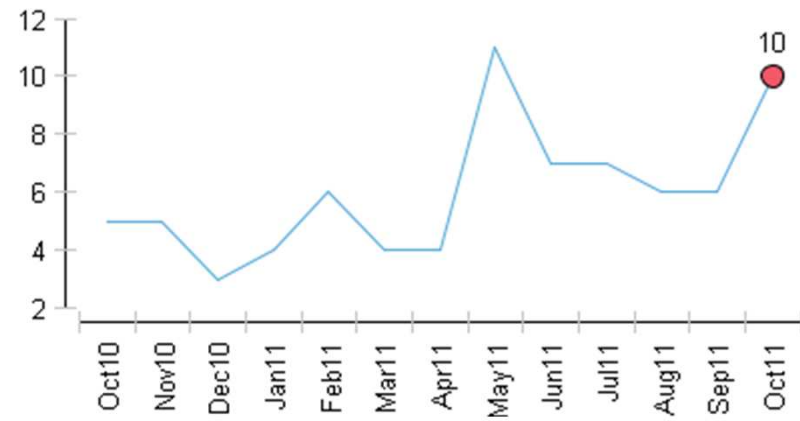
October, 2011

❖ Includes areas 174, 175, and 177

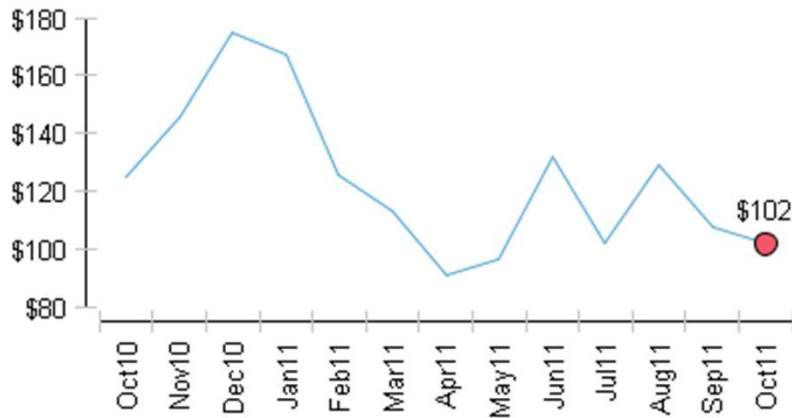
**Median Price**



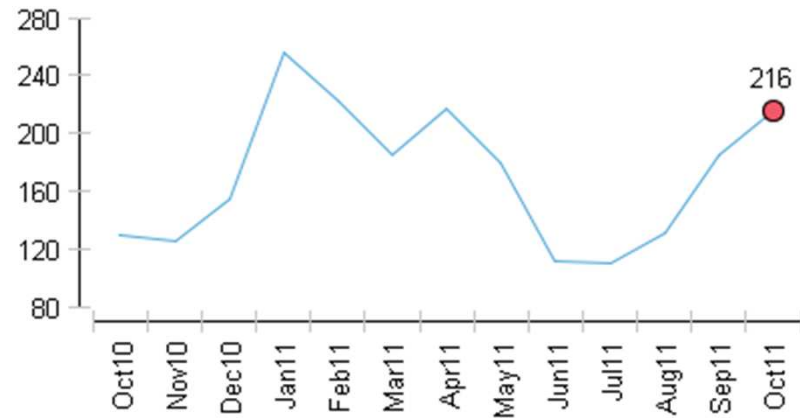
**Units Sold**



**Price per Square Foot**



**Average DOM**

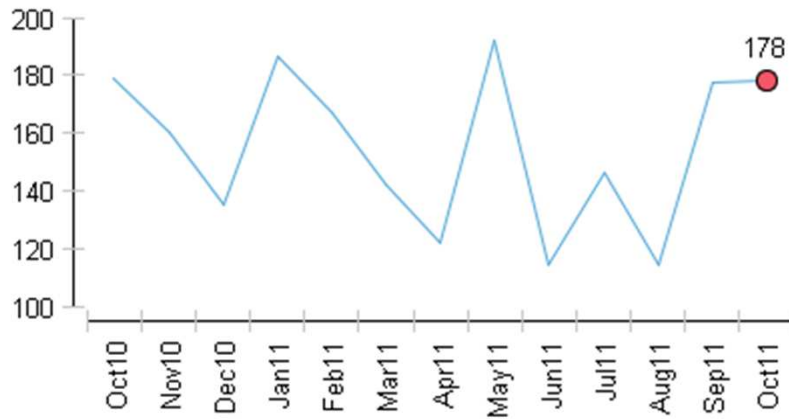


# Neighborhood Detail – West Suburban

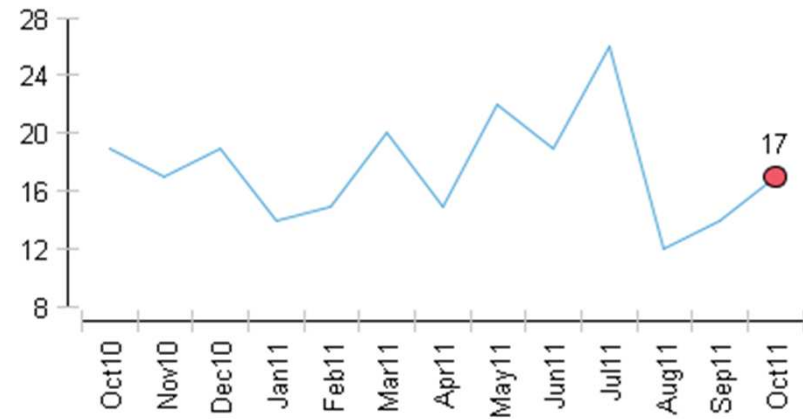
October, 2011

❖ Includes areas 122, 123, 124

**Average DOM**



**Units Sold**



**Price per Square Foot**



**Median Price**

