

Reno/Sparks Association of REALTORS®

December, 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 January 14, 2012

Market Report Commentary

❖ Summary

- “December unit sales at 524 are the highest unit sales for a December in history. This number outpaces December 2010 sales by 8% and is up 6.1% from November. Year-end sales for 2011 were the second highest in the history of the MLS,” commented Kevin Sigstad, 2012 President and a broker with Re/Max Premier Properties. “We are optimistic that these are early and positive signs of a move toward recovery.”

❖ Median Sales Price

- December 2011 median price was up 3.9% to \$155,400 compared to \$149,506 in November 2011.
- For the past two months we have seen moderate increases in median sales price. It’s too early to call it a trend, but it is positive to see the modest price increases after five months of bottoming.
- 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 \$88.73.
- 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

- December ended the month with 524 sold transactions, up 6.1% from the prior month.
- Sales are up 8% from the same period last year.
- Total sales for 2011 are the second highest in history and off just 4% from 2005, which is defined as the peak of the market.

❖ Average Days on Market

- The average days on market are 148 days, up 1.4% from November 2011.

❖ Day on Market (DOM) by Special Conditions

- Short sales continue to influence the average days on market at 202 DOM.
- Properties with no special conditions 137 DOM and Other had 173 DOM.
- REO properties average days on market remain stable at 102.

❖ New Listings

- 425 new listings were taken in December compared to 502 in November, a 15.3% decrease and a 12.2% decrease from December 2010.
- Distressed New Listings by Special Conditions
- 67% of new December listings were distressed – 33% (140) Short Sales; 34% (145) REO; No special conditions 31% (133) and Other less than 3% (7).

Market Report Commentary

❖ Status of Pending

- Active Pending – Short Sales represent 61.6% of the total active pendings; Active Pending Loan equals 17.1%; Pending No-show represents 16.7%; Active Pending call 4.2%; and Active Pending House less than 1%.

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

- As of December 31, there was 5.1 months of unsold inventory based on the December sales rate.

❖ Historical Months Supply of Inventory

- Historical Months Supply of Inventory shows that December MSI is down to 5.1 months compared to November 2011 at 6.2, and down 24% from December 2010.
- 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.

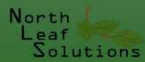
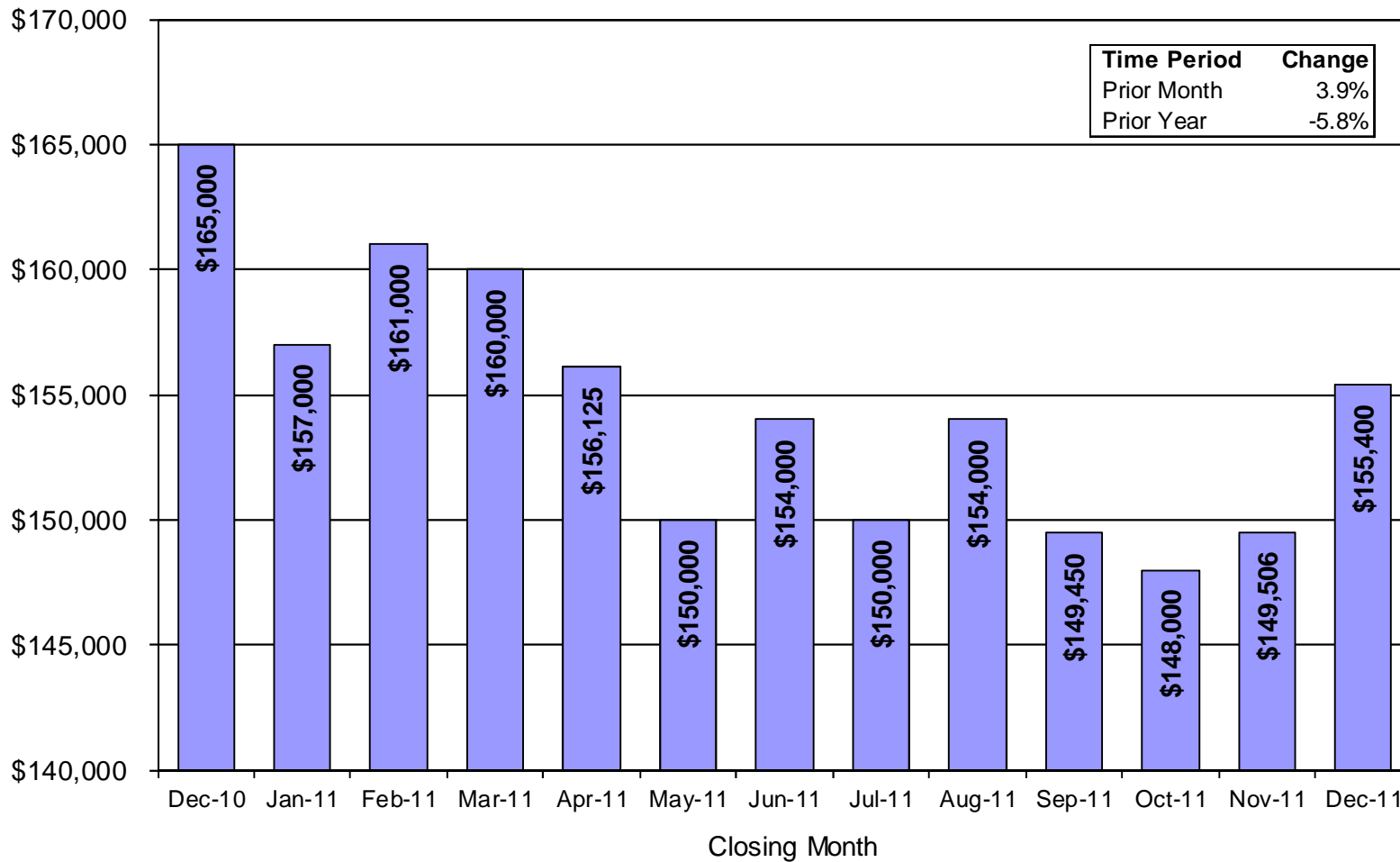
❖ Conclusion

- Unit sales have been at historic or near historic levels throughout the year. The big news is that 2011 total unit sales is the second highest performing year, off only 4% from 2005 which is described as the peak. Year end 2011 unit sales (5,899) numbers are up 10% over 2010 unit sales (5,361). Beginning in 2008 year end unit sales numbers have consistently out-performed the previous year's sales.
- Washoe County reported an 11.6% unemployment rate for November the lowest rate reported since May 2009. Despite the unemployment rates, the high volume of sales reported this year shows that qualified buyers and investors are taking advantage of affordable prices and record low interest rates.
- Interest rates reached another new low of 3.96% in December.
- December's median price of \$155,400 was up 3.9% from November. This is the second month we have seen modest increases in median sales price. It's too early to call it a trend; but after five months of bottoming, it's a positive sign. Sales at under \$250,000 represented 84% of the total sales for the month. With this trend, it's understandable why median price has remained at an affordable level.
- Lower inventory is a signal that price declines may be coming to an end and a sign of pent up demand.
- We are optimistic that these are early and positive signs of a move toward recovery.
- 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

December, 2011

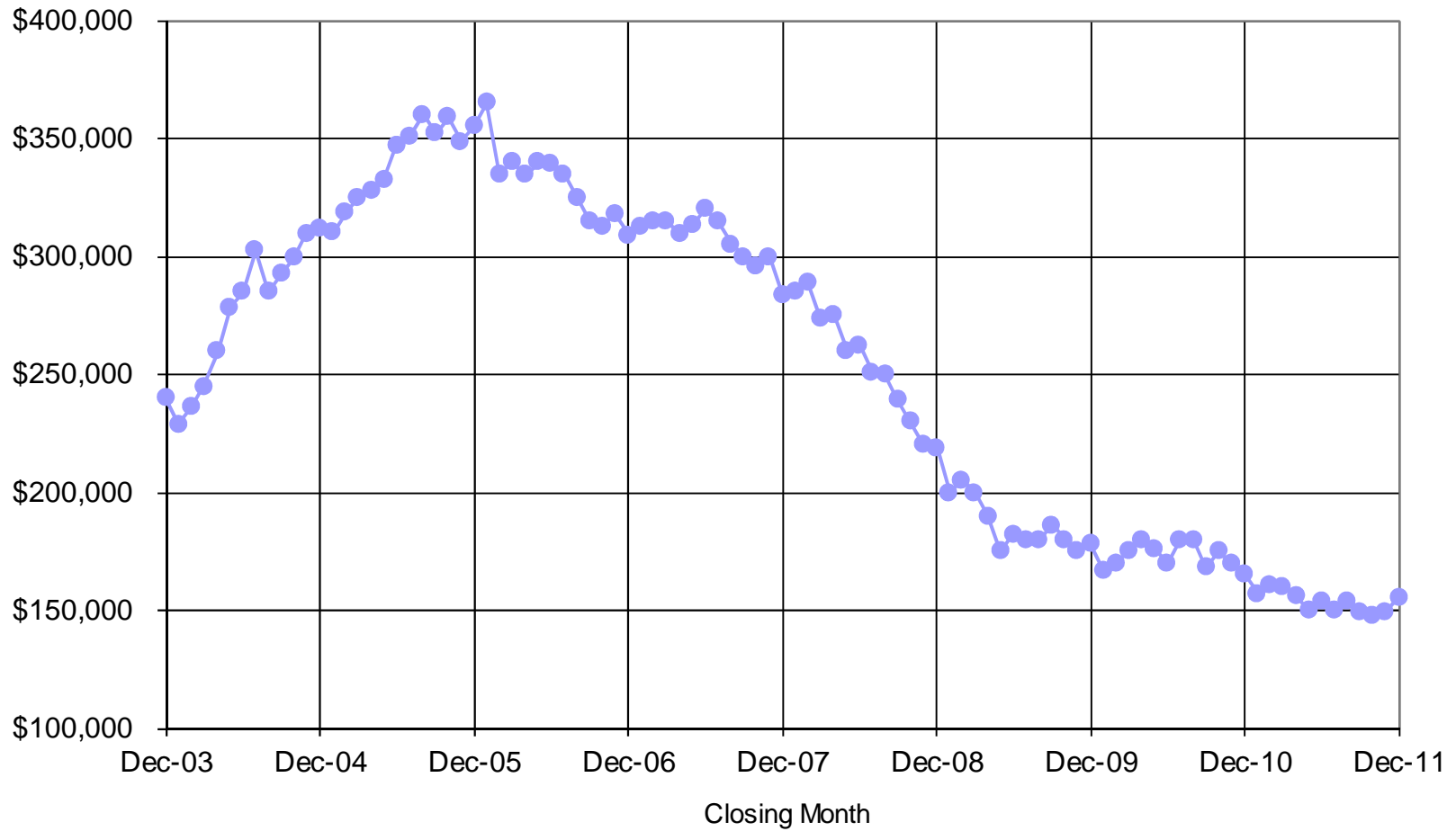
Median Sales Price, 13 months



Summary: Median Sales Price

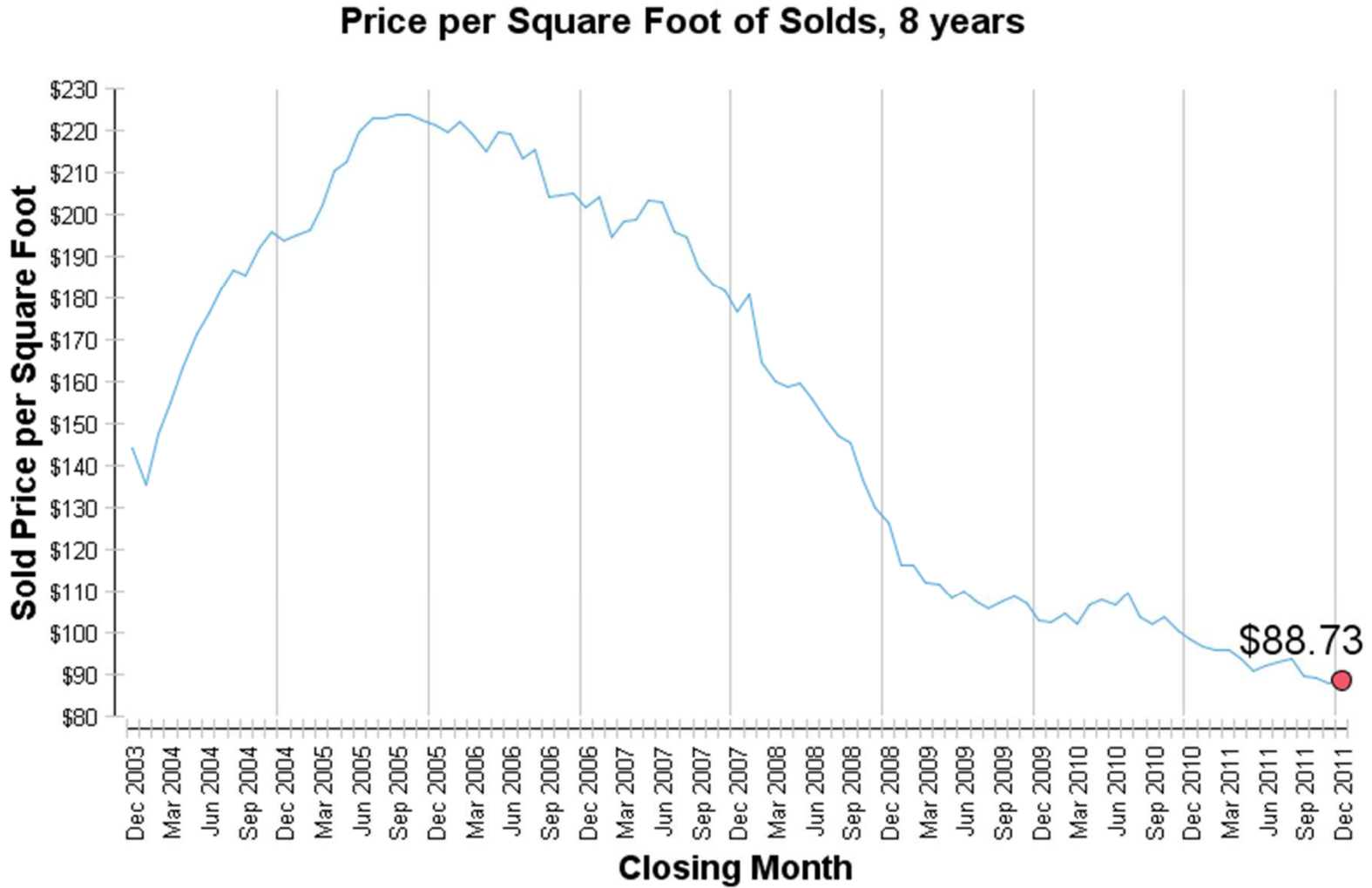
December, 2011

Median Sales Price, 8 years



Price per Square Foot of Solds

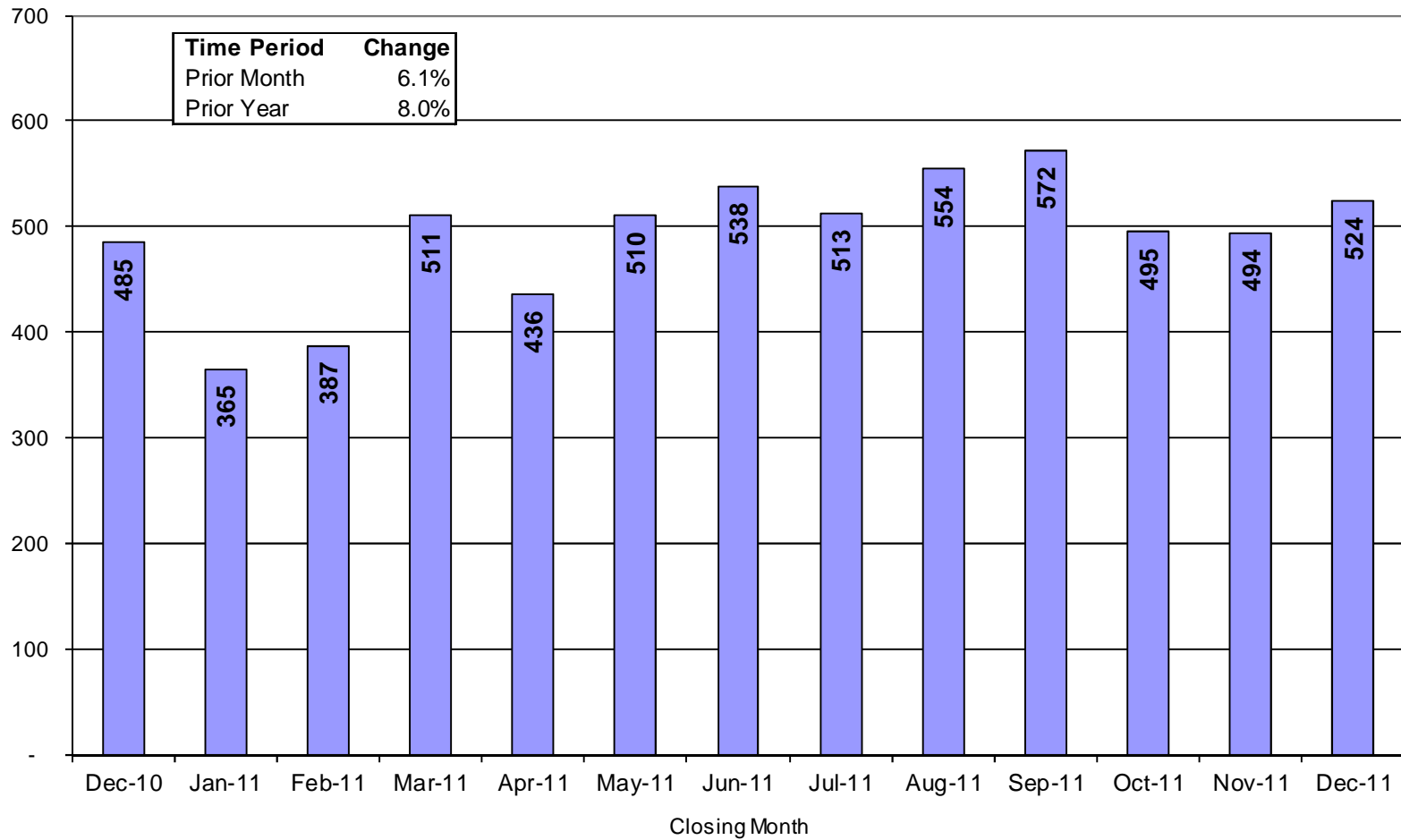
December, 2011



Summary: Number of Units Sold

December, 2011

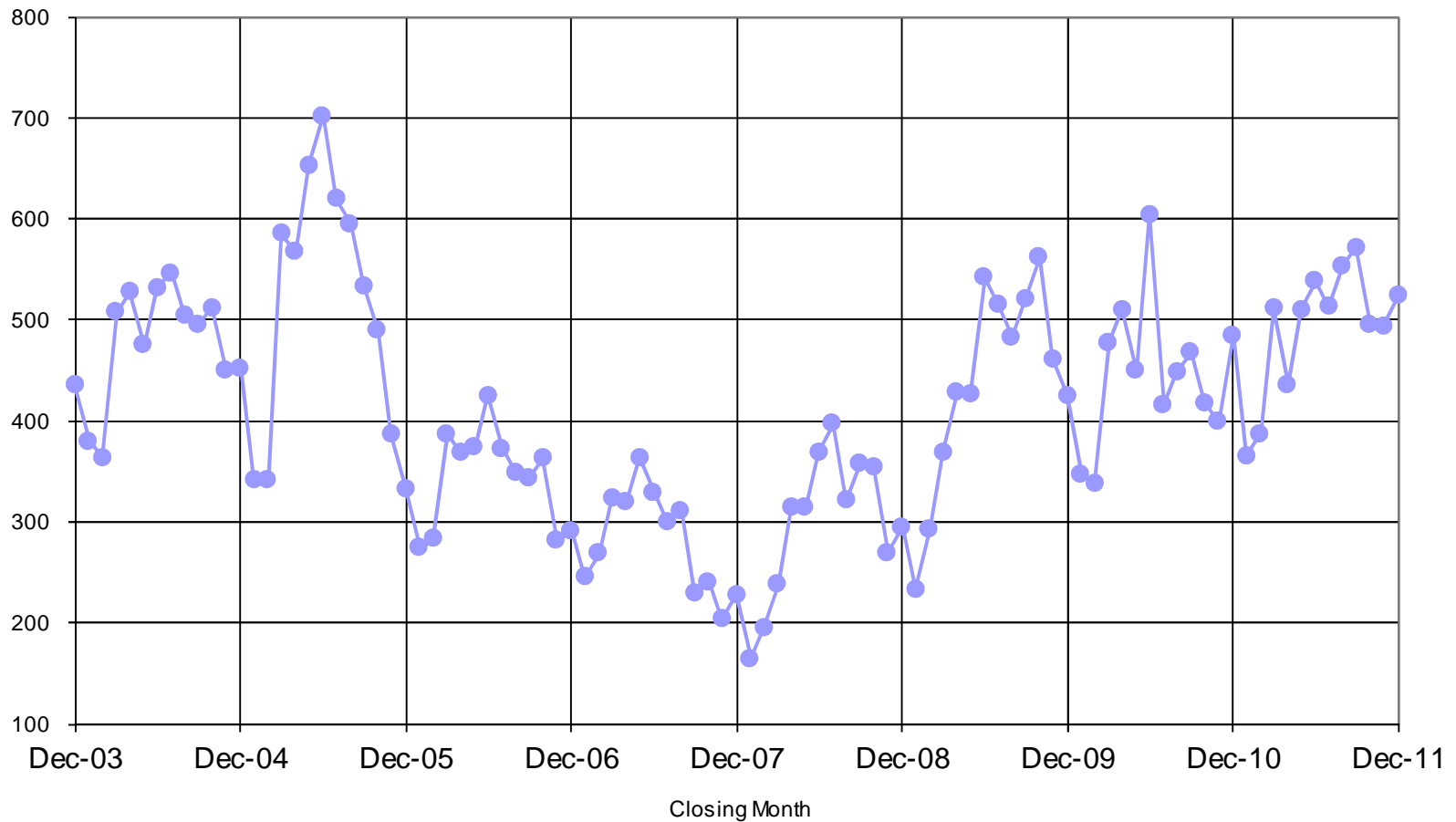
Number of Units Sold, 13 months



Summary: Number of Units Sold

December, 2011

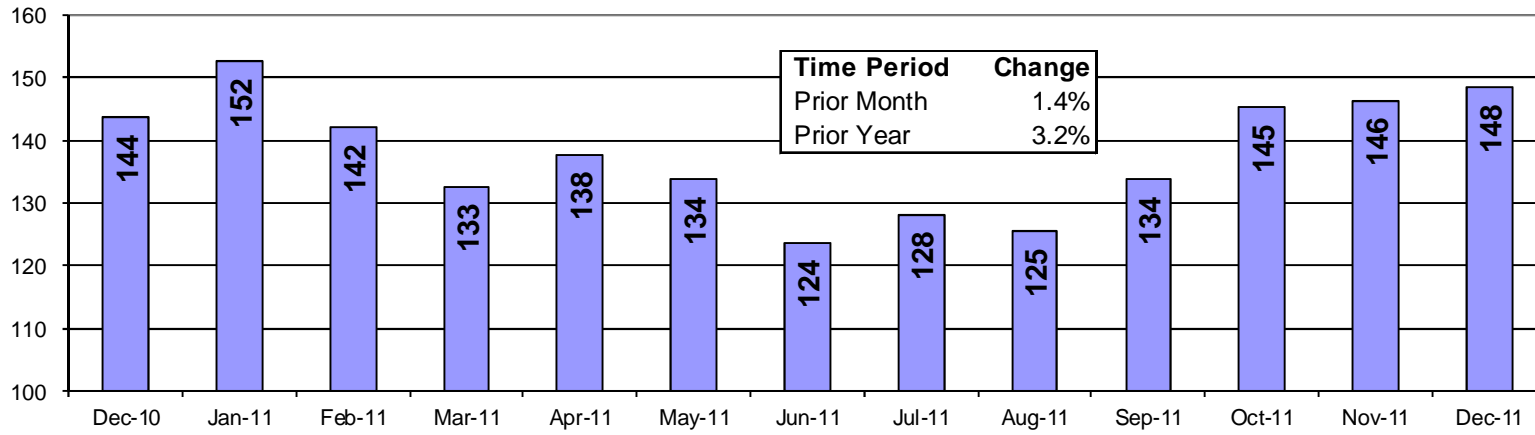
Number of Units Sold, 8 years



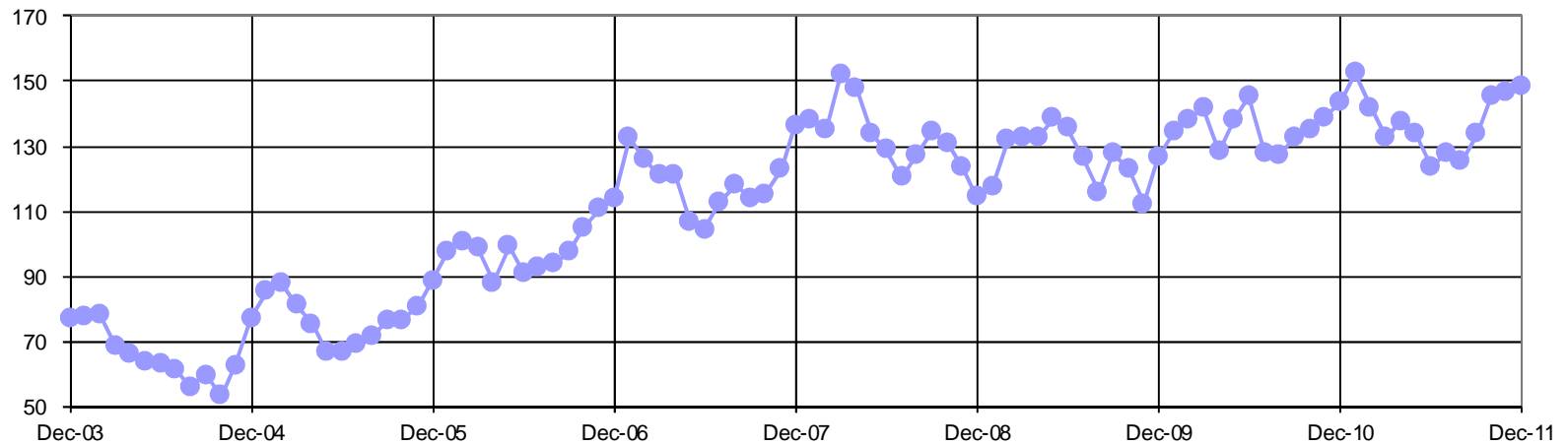
Summary: Average Days on Market

December, 2011

Average Days on Market for Solds, 13 months

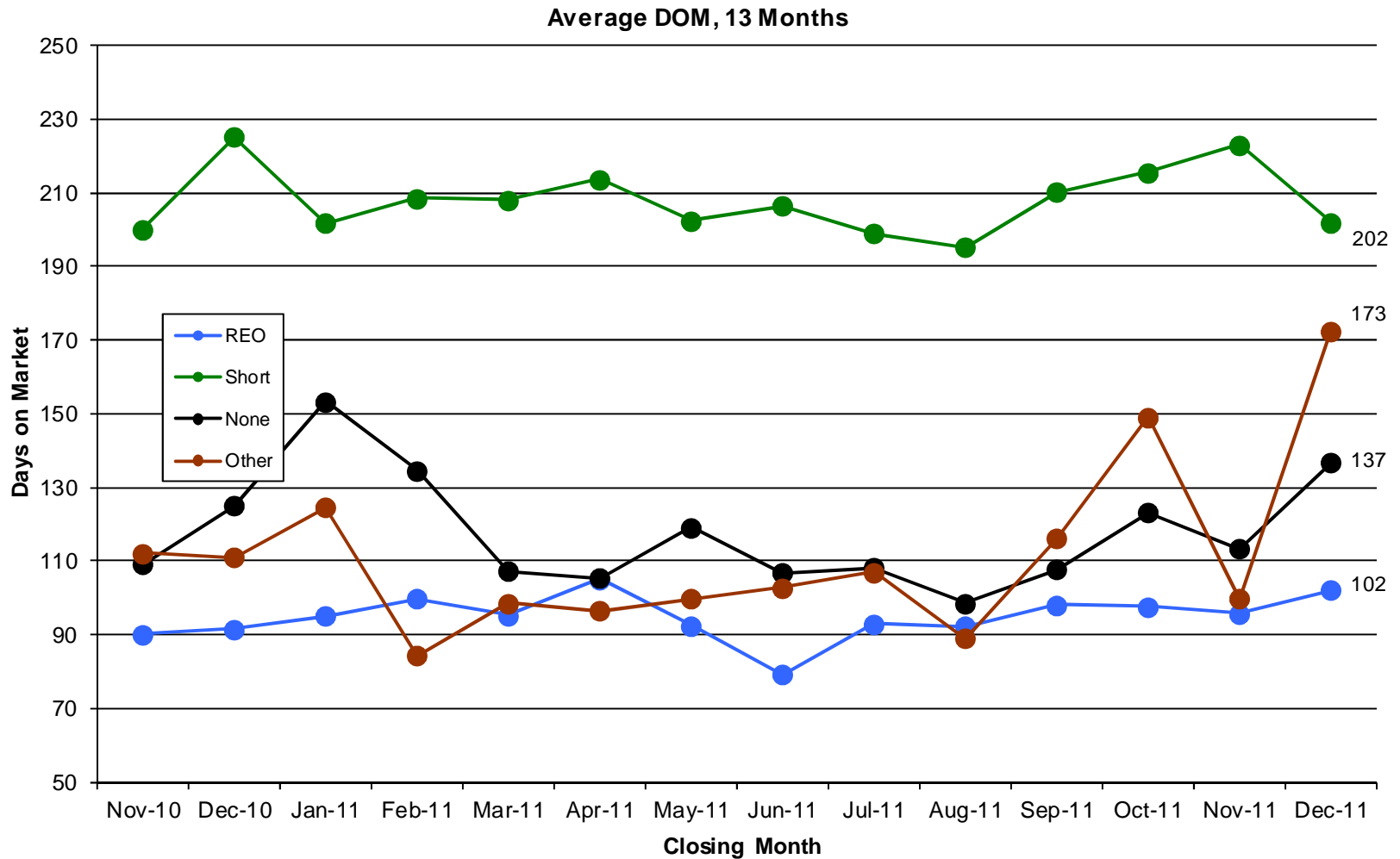


Average Days on Market for Solds, 8 years



Summary: Days on Market by Special Conditions

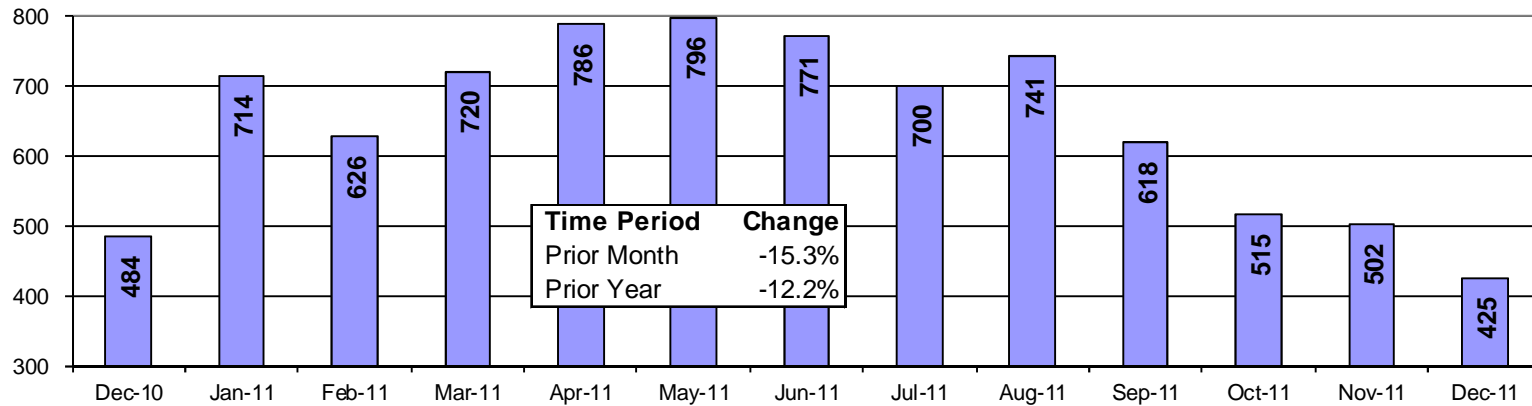
December, 2011



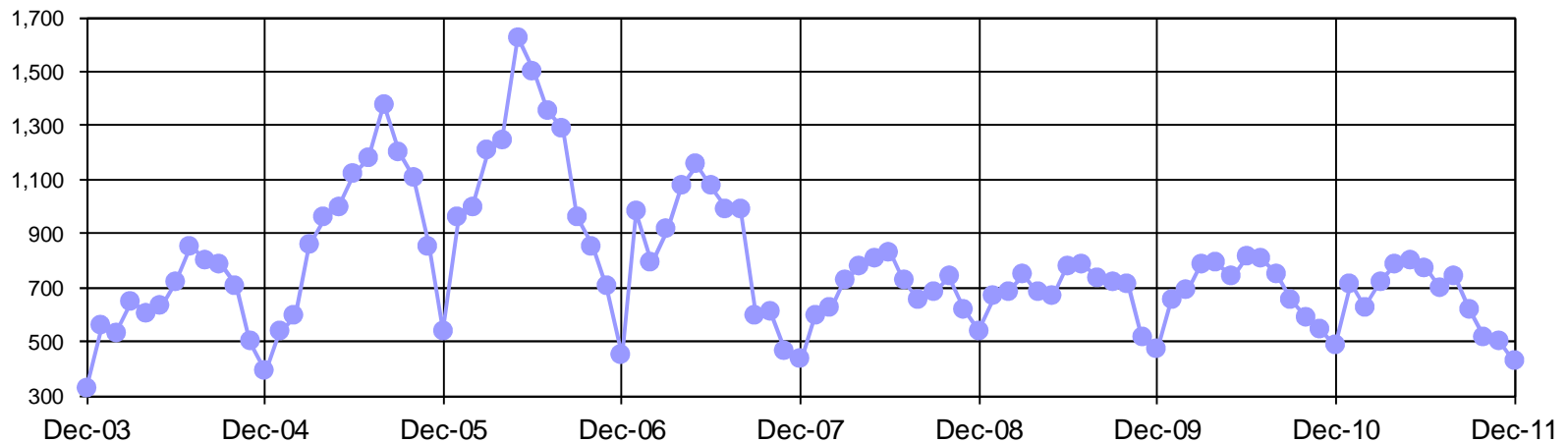
Summary: New Listings

December, 2011

New Listings by Month, 13 months

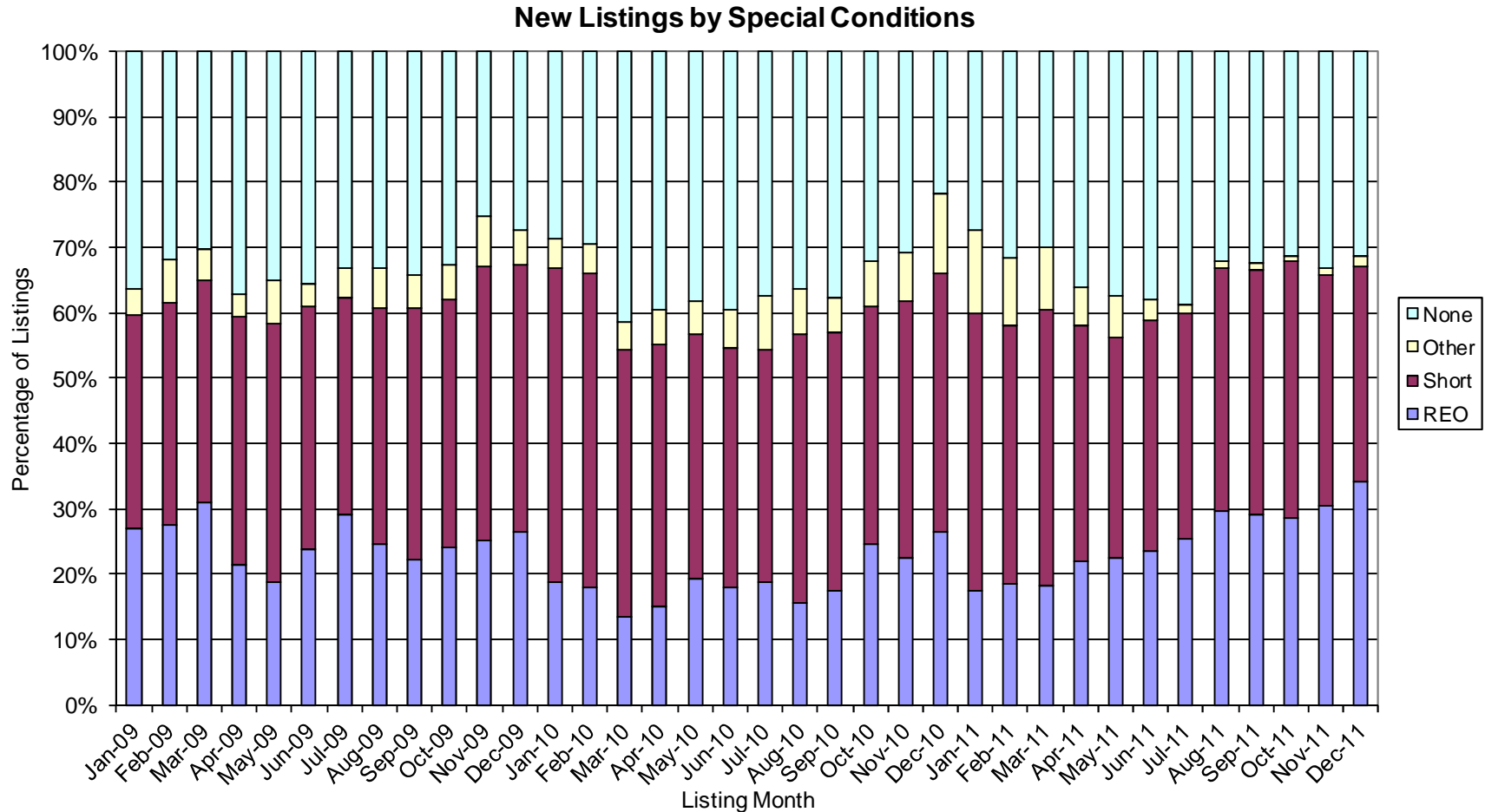


New Listings by Month, 5 years

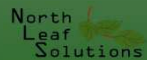


Distressed Listings

December, 2011

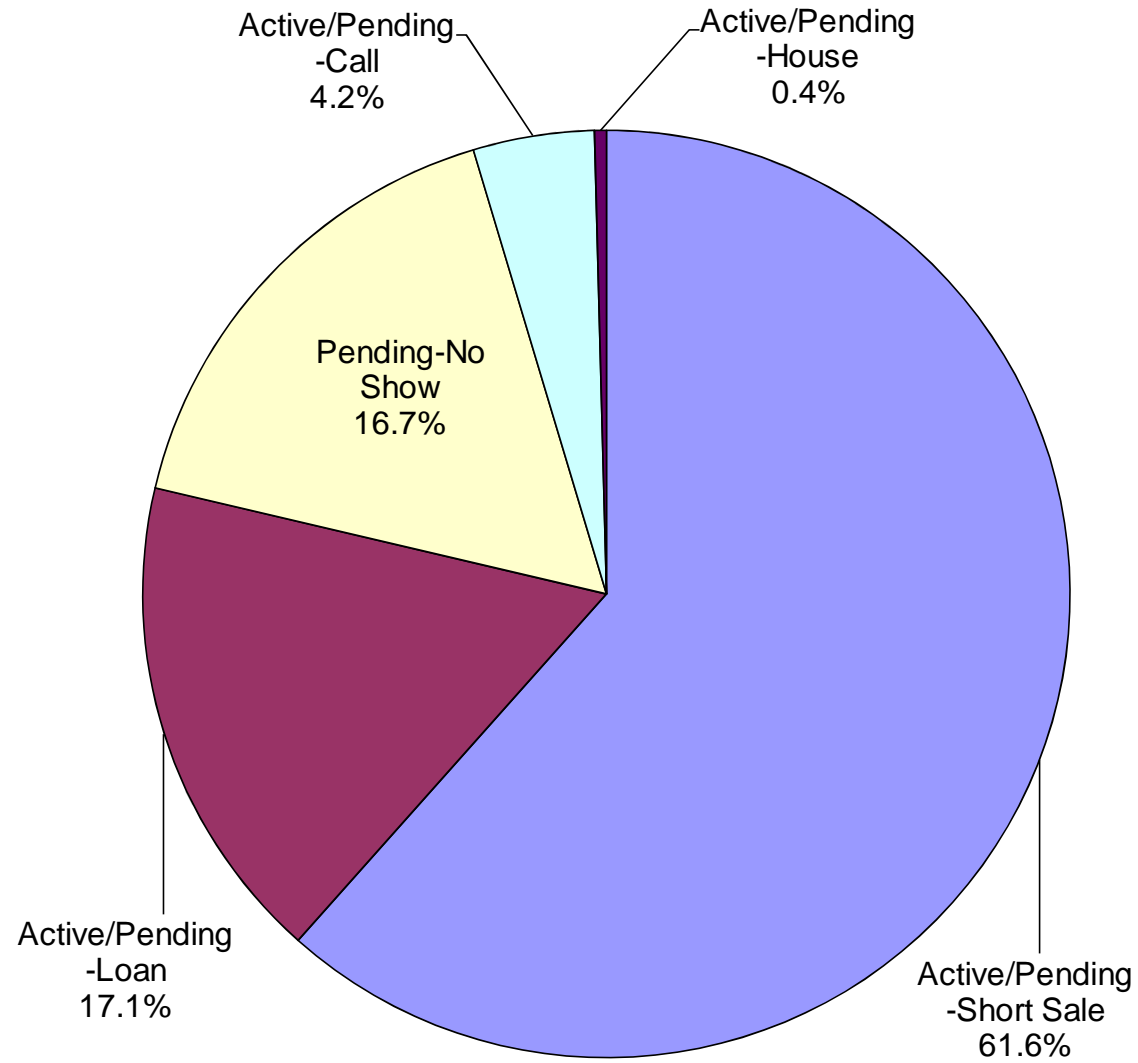


*Distressed New Listings include Fannie Mae, Freddie Mac, HUD, and any bank-owned listing.
Distressed listing data considered reliable from January 2009 forward.*



Status of Pendings

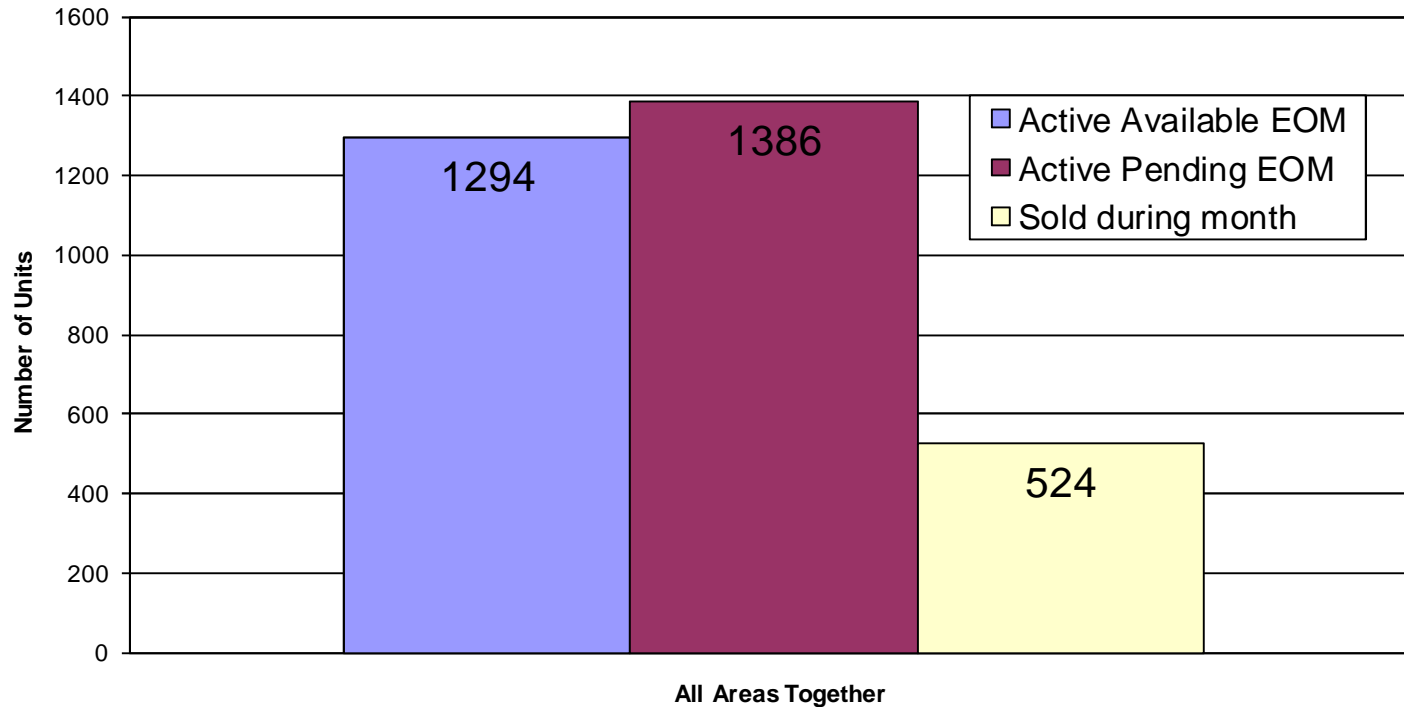
December, 2011



Current Months Supply of Inventory

December, 2011

$(1294 + 1386)$ available / 524 units sold = 5.1 months of inventory



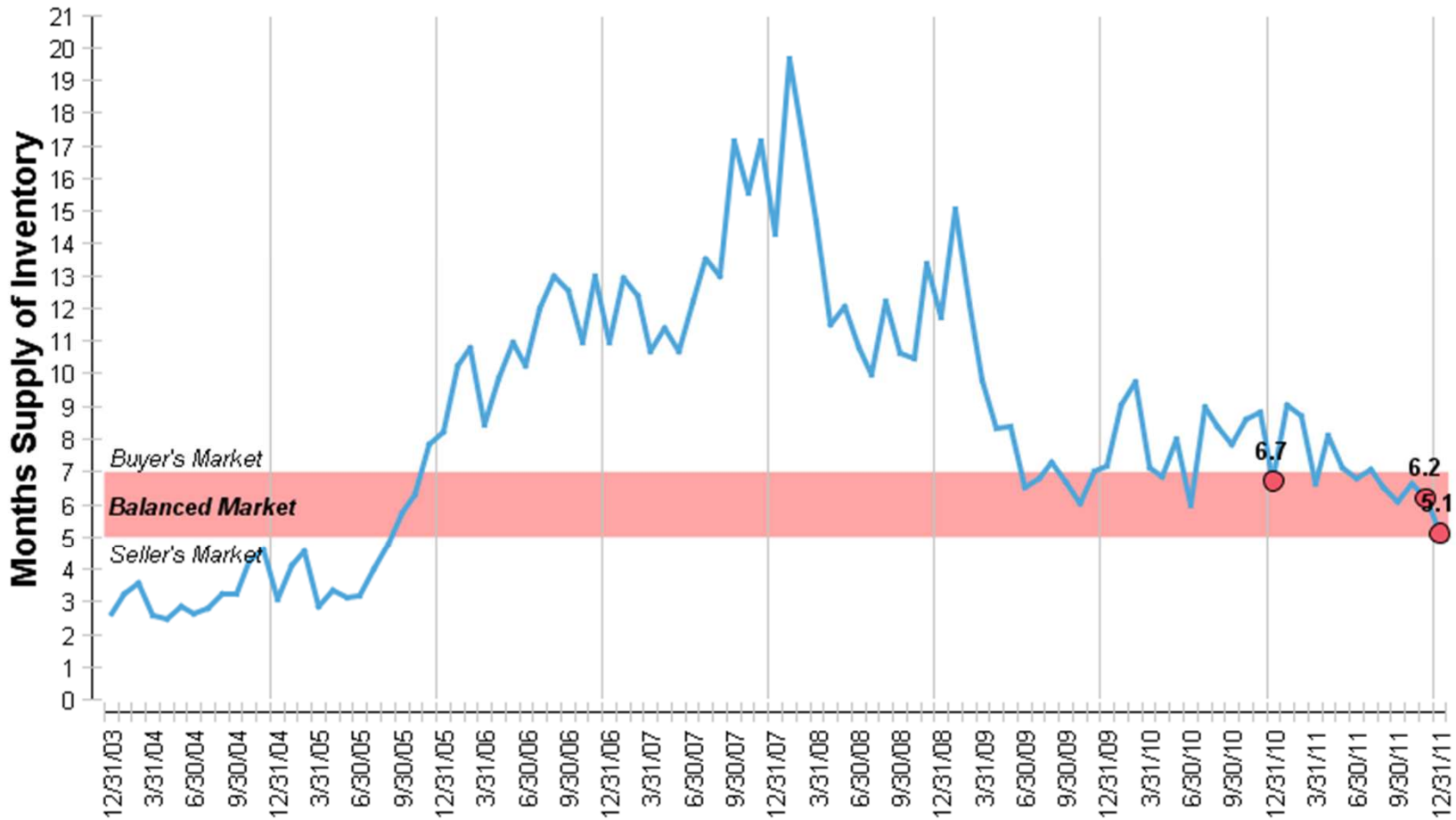
Unsold Inventory includes Active Pendings. This method of reporting absorption follows the industry standard and includes pendings in Active Inventory.

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.

December, 2011

Historical Months Supply of Inventory, 8 years



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