



MARKET CONDITION REPORT



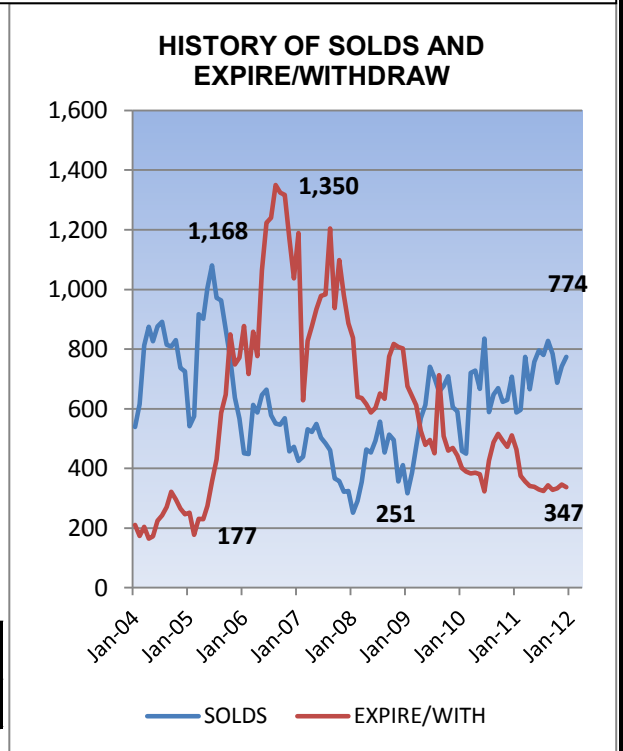
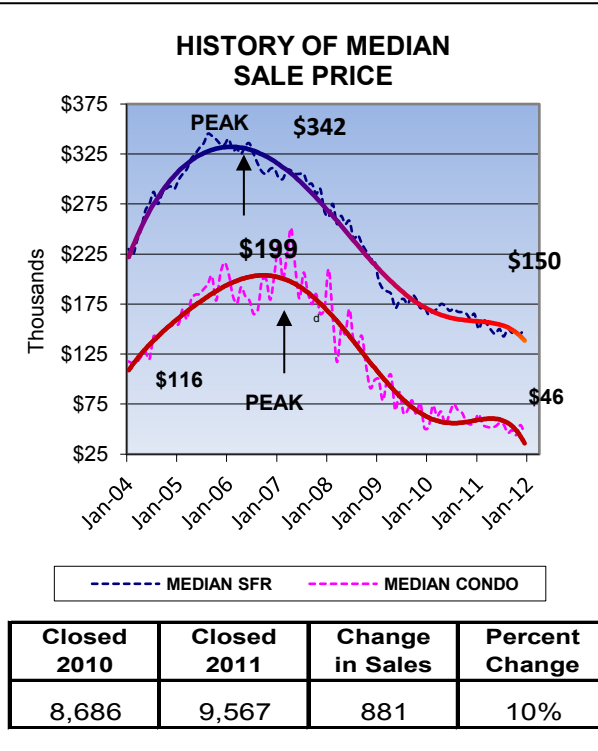
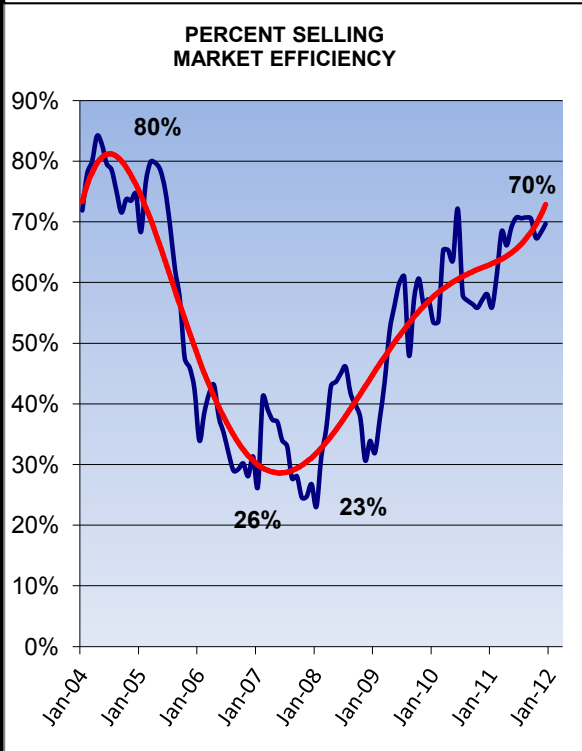
Northern Nevada

Dec-11

SINGLE FAMILY RESIDENCE

CITY	SUPPLY ON MARKET	DEMAND SOLD MONTH	EXPIRE WITHDRAW MONTH	PERCENT SELLING	IN ESCROW	WEEKS SUPPLY GIVEN DEMAND	DAYS ON MARKET SOLD	RATIO OF SUPPLY TO DEMAND	MEDIAN LIST PRICE	MEDIAN IN ESCROW PRICE	MEDIAN CLOSE PRICE
Reno	1,773	320	145	69%	175	26	150	5.5	\$180	\$165	\$160
Sparks	764	148	47	76%	69	24	140	5.2	\$155	\$150	\$148
WASHOE COUNTY TOTAL	2,537	468	192	71%	244	26	147	5.4	\$172	\$160	\$156
Fernley	186	38	16	71%	31	25	125	4.9	\$92	\$88	\$86
Dayton	154	27	12	69%	11	26	155	5.7	\$120	\$110	\$109
Yerington	35	2	6	20%	5	116	507	23.3	\$129	\$160	\$155
LYON COUNTY TOTAL	375	67	34	67%	47	27	146	5.6	\$104	\$98	\$97
Gardnerville	203	26	21	55%	14	37	137	8.0	\$280	\$161	\$152
Minden	112	12	14	46%	6	44	145	9.7	\$289	\$245	\$238
DOUGLAS COUNTY TOTAL	315	37	35	52%	20	39	140	8.5	\$283	\$187	\$179
Fallon (Churchill County)	147	13	15	45%	11	55	142	11.8	\$140	\$100	\$100
Carson City (Carson County)	306	52	27	66%	28	28	143	5.9	\$165	\$140	\$136
TOTAL	3,680	636	301	68%	350	27	146	5.8	\$173	\$152	\$148

The **Ratio of Supply to Demand** measures the number of units of supply relative to the number of closings per month (demand). All other things being equal, the **smaller** this number, the tighter the area market. **Green formatting signals relatively tight markets in the area segment.** **Weeks Supply Given Demand** is the **absorption rate** (the number of weeks required to exhaust current supply given current demand).



Closed 2010	Closed 2011	Change in Sales	Percent Change
8,686	9,567	881	10%

CONDO/TOWNHOME

CITY	SUPPLY ON MARKET	DEMAND SOLD MONTH	EXPIRE WITHDRAW MONTH	PERCENT SELLING	IN ESCROW	WEEKS SUPPLY GIVEN DEMAND	DAYS ON MARKET SOLD	RATIO OF SUPPLY TO DEMAND	MEDIAN LIST PRICE	MEDIAN IN ESCROW PRICE	MEDIAN CLOSE PRICE
Reno	288	63	29	69%	39	23	119	4.6	\$75	\$64	\$58
Sparks	61	14	6	70%	10	22	110	4.4	\$50	\$47	\$45
WASHOE TOTAL	349	77	35	69%	49	23	117	4.6	\$70	\$61	\$55
Carson City	25	5	2	77%	2	23	102	5.0	\$105	\$47	\$41
TOTAL	374	82	36	69%	51	23	116	4.6	\$72	\$60	\$54

MARKET CONDITION REPORT

Northern Nevada Area

December 2011

Provided by First Centennial Title

THE BIG PICTURE

- **OVERVIEW:** Demand and supply are up over the same period last year. Prices, however, which have been weak and on the decline in 2011, remain unpredictable with a negative propensity. Although there are some indications of price stabilization in the near term, they are fragile and undefined.
- **WEEKS SUPPLY GIVEN DEMAND (ABSORPTION RATE):** The absorption rate is steady indicating no significant change in demand/supply realities. Tightening absorption rates signal a tighter market. However, current changes in the absorption rate are small and will only be significant as part of a trend. That trend has not shown itself as yet. Stable absorption rates signal no big changes are in the offing. The usual seasonal changes are in progress.
- **RATIO OF SUPPLY TO DEMAND:** Measures the number of units of supply available to each unit of demand. Observe those areas on the Market Condition Report formatted in RED. See that Minden, Fallon, Yerington, Gardnerville, display the highest values. This should be interpreted as a rejection by buyers of the area at the current price offered by sellers relative to other areas. In other words, there are not enough buyers at the current price schedule to clear or reduce current inventory. From a listing agent perspective, more rigorous price management is required in these areas.

Market Condition Report Tip: When a property is not being shown for a prolonged period, this is a solid indicator that the current asking price is not in harmony with the market. Increasing the level of marketing will not meaningfully affect showing frequency. Price reduction that considers current competition is the correct approach. To be effective, the price change must have the result of reducing the level of competitors vying for agent showings in the price class. If the price reduction does stimulate showing frequency, additional marketing may be warranted and profitable, mainly due to the increasing probability of double ending.

