



MARKET CONDITION REPORT

RENO AREA

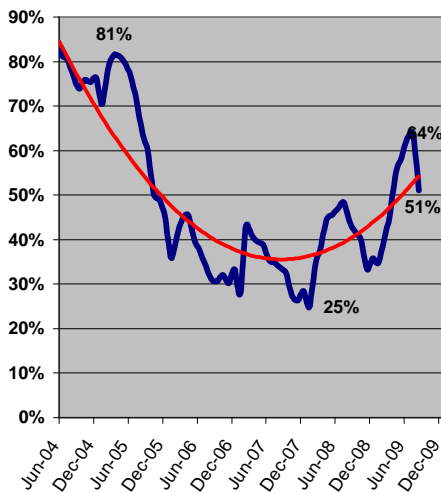
August-09

SINGLE FAMILY RESIDENCE

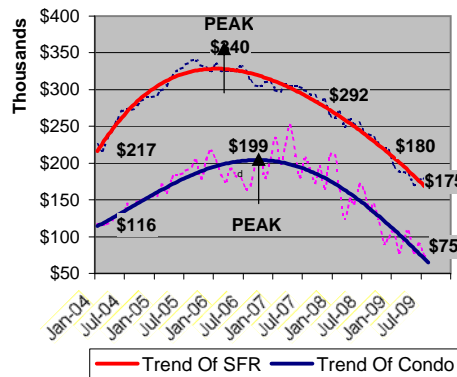
CITY	SUPPLY ON MARKET	DEMAND SOLD MONTH	EXPIRE WITHDRAW MONTH	IN ESCROW	PERCENT SELLING	MONTHS SUPPLY	DAYS ON MARKET SOLD	MARKET SPEED	MEDIAN LIST PRICE	MEDIAN ASK AT OFFER	MEDIAN CLOSE PRICE
Reno	2,251	372	316	186	54%	6.1	129	33	\$243	\$198	\$190
Sparks	861	164	141	103	54%	5.3	114	38	\$189	\$175	\$170
WASHOE COUNTY TOTAL	3,112	536	457	289	54%	5.8	125	34	\$227	\$191	\$184
Fernley	247	62	53	29	54%	4.0	107	50	\$115	\$110	\$113
Dayton	175	34	31	8	53%	5.1	143	39	\$196	\$159	\$157
Yerington	78	2	9	0	14%	52.0	164	4	\$162	\$125	\$125
LYON COUNTY TOTAL	500	97	93	37	51%	11.9	121	39	\$144	\$128	\$129
Gardnerville	306	34	27	9	56%	9.0	190	22	\$354	\$235	\$223
Minden	140	17	14	9	56%	8.2	147	24	\$389	\$321	\$299
DOUGLAS COUNTY TOTAL	446	51	41	18	56%	8.8	176	23	\$366	\$263	\$248
Fallon (Churchill County)	184	20	16	3	56%	9.4	163	21	\$190	\$149	\$142
Carson City (Carson County)	392	59	49	16	55%	6.7	127	30	\$259	\$200	\$195
TOTAL	4,634	762	654	363	54%	7.0	129	33	\$234	\$187	\$181

Market Speed measures the rate of conversion of listings to closings. The higher this number, the faster the market is converting. The area with the highest speed is the "quickest" area. All other things being equal areas with the highest market speed are the most desirable to buyers.

PERCENT SELLING MARKET EFFICIENCY

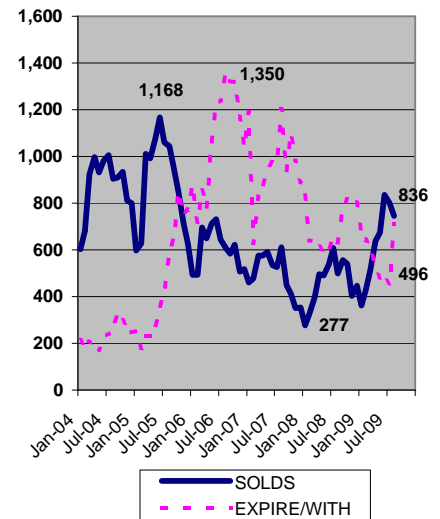


HISTORY OF MEDIAN SALE PRICE



Closed 2008	Closed 2009	Change in Sales	Percent Change
3,987	5,454	1,467	37%

HISTORY OF SOLDS AND EXPIRE/WITHDRAW (ALL)



CONDO/TOWNHOME

CITY	SUPPLY ON MARKET	DEMAND SOLD MONTH	EXPIRE WITHDRAW MONTH	IN ESCROW	PERCENT SELLING	MONTHS SUPPLY	DAYS ON MARKET SOLD	MARKET SPEED	MEDIAN LIST PRICE	MEDIAN ASK AT OFFER	MEDIAN CLOSE PRICE
Reno	446	59	51	39	53%	7.6	165	26	\$110	\$68	\$65
Sparks	105	15	14	5	53%	7.0	130	29	\$80	\$82	\$80
WASHOE TOTAL	551	74	65	44	53%	7.5	158	27	\$104	\$71	\$68
Carson City	39	4	2	1	67%	9.8	171	21	\$130	\$94	\$91
TOTAL	590	78	67	45	54%	7.7	158	26	\$106	\$72	\$69

COURTESY OF FIRST CENTENNIAL TITLE



MARKET CONDITION REPORT

Reno-Sparks Area

August 2009

Welcome to the Reno-Sparks Market Condition Report (MCR) provided by First Centennial Title.

THE BIG PICTURE

- **SUPPLY (ON MARKET):** Continues to hold very steady in the current range with little meaningful deviation (7th month). This implies that as the market resolves supply, it is being replaced with about the same level of new activity.
- **DEMAND (SOLD PER MONTH):** Demand is up a solid 120 units from August for SFR and 17 units for Condo. The increase for SFR is somewhat more than expected.
- **FAILURES (EXPIRE-WITHDRAW):** The rate of failure for SFR jumped significantly in concert with demand. Condo rate down marginally.
- **IN ESCROW (FUTURE CLOSINGS):** SFR in escrow inventory moved up by 33 units even though closing activity increased from the previous month. Based on this increase of properties in escrow, expect the SFR closings to continue to increase while Condo will remain close to the current closing level.
- **PERCENT SELLING:** Due to the inordinate increase in failures for SFR, Percent Selling declined 5 points while Condo rose 7 points.
- **MONTHS SUPPLY:** Market continues to tighten for both types and is still relatively elevated. Without meaningful changes or shifts in Months Supply, current price trends will remain on current trajectories (slightly negative per month).
- **MARKET SPEED:** Market Speed moved up for both types. The pace of the Reno market has resumed overall positive movement. The best performing Reno submarket remains Fernley, returning a Market Speed of 50 (up 6 points from last month). The slowest is Yerington at a very sluggish 6. As a generalization, the Reno area moves at a slower and less volatile pace than other market surveyed such as Las Vegas or Phoenix. This is due to a lower percentage of transactions closing REO (about 40% in Reno versus 70% in Las Vegas-Phoenix).
- **PRICES:** Price indicators are erratic but signs of stabilization for SFR are apparent. Condo still demonstrating a weaker price schedule. Expect this up and down trend to continue. Large changes in price should not be expected, while relatively small diminishing negative shifts are more likely. This trend is generally in line with other markets surveyed.

MCR TIP : Percent Selling measures the relationship between properties closing (success) and those failing (expire, cancel or withdrawn). It can also be interpreted as “Closing Probability.” While the outcome of any one listing cannot be known absolutely at the time of listing, its closing probability is an expression of what is “expected” to occur based on the historical average outcomes.