



# MARKET CONDITION REPORT

## RENO AREA

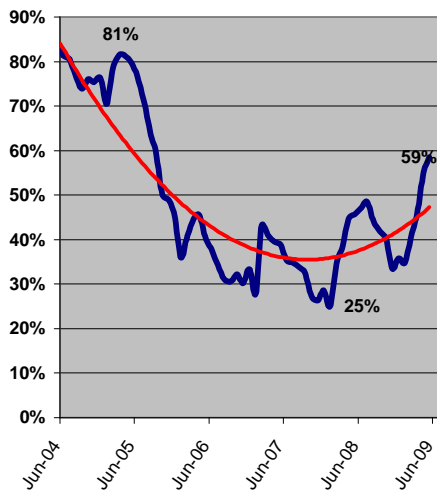
May-09

### SINGLE FAMILY RESIDENCE

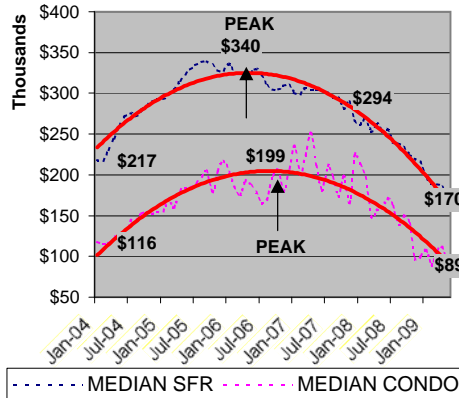
CITY	LISTED	SOLD PER MONTH	EXPIRE WITHDRAW MONTH	SALE PENDING	PERCENT SELLING	MONTHS SUPPLY	DAYS ON MARKET SOLD	MARKET SPEED	MEDIAN LIST PRICE	MEDIAN ASK AT OFFER	MEDIAN CLOSE PRICE
<b>Reno</b>	2,249	289	188	181	61%	7.8	144	26	\$255	\$187	\$183
<b>Sparks</b>	870	141	87	69	62%	6.2	129	32	\$197	\$190	\$185
<b>WASHOE COUNTY TOTAL</b>	<b>3,119</b>	<b>429</b>	<b>275</b>	<b>250</b>	<b>61%</b>	<b>7.3</b>	<b>139</b>	<b>28</b>	<b>\$236</b>	<b>\$188</b>	<b>\$183</b>
<b>Fernley</b>	271	49	32	22	60%	5.5	145	36	\$120	\$105	\$104
<b>Dayton</b>	190	33	29	17	53%	5.8	152	34	\$200	\$169	\$170
<b>Yerington</b>	71	5	5	3	53%	14.2	194	14	\$170	\$142	\$135
<b>LYON COUNTY TOTAL</b>	<b>532</b>	<b>87</b>	<b>65</b>	<b>42</b>	<b>57%</b>	<b>6.8</b>	<b>151</b>	<b>33</b>	<b>\$153</b>	<b>\$132</b>	<b>\$131</b>
<b>Gardnerville</b>	298	25	19	10	57%	11.9	152	17	\$379	\$227	\$225
<b>Minden</b>	155	15	11	3	58%	10.7	172	19	\$399	\$300	\$290
<b>DOUGLAS COUNTY TOTAL</b>	<b>453</b>	<b>40</b>	<b>30</b>	<b>13</b>	<b>57%</b>	<b>11.5</b>	<b>160</b>	<b>17</b>	<b>\$386</b>	<b>\$254</b>	<b>\$249</b>
<b>Fallon (Churchill County)</b>	204	13	15	5	46%	16.3	168	12	\$203	\$123	\$124
<b>Carson City (Carson County)</b>	400	39	34	12	53%	10.4	136	19	\$260	\$199	\$195
<b>TOTAL</b>	<b>4,708</b>	<b>606</b>	<b>418</b>	<b>322</b>	<b>59%</b>	<b>8.3</b>	<b>142</b>	<b>26</b>	<b>\$244</b>	<b>\$184</b>	<b>\$180</b>

**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

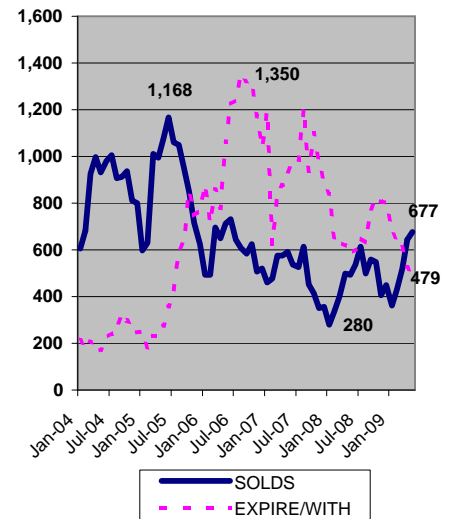


HISTORY OF MEDIAN SALE PRICE



Closed 2008	Closed 2009	Change in Sales	Percent Change
2,315	3,084	769	33%

HISTORY OF SOLDS AND EXPIRE/WITHDRAW (ALL)



### CONDO/TOWNHOME

CITY	LISTED	SOLD PER MONTH	EXPIRE WITHDRAW MONTH	SALE PENDING	PERCENT SELLING	MONTHS SUPPLY	DAYS ON MARKET SOLD	MARKET SPEED	MEDIAN LIST PRICE	MEDIAN ASK AT OFFER	MEDIAN CLOSE PRICE
<b>Reno</b>	437	49	51	31	49%	9.0	129	22	\$135	\$110	\$105
<b>Sparks</b>	123	10	6	5	61%	12.9	176	15	\$90	\$63	\$57
<b>WASHOE TOTAL</b>	<b>560</b>	<b>58</b>	<b>57</b>	<b>36</b>	<b>51%</b>	<b>9.9</b>	<b>137</b>	<b>21</b>	<b>\$128</b>	<b>\$102</b>	<b>\$97</b>
<b>Carson City</b>	50	4	4	1	47%	14.3	99	14	\$147	\$109	\$105
<b>TOTAL</b>	<b>610</b>	<b>62</b>	<b>61</b>	<b>37</b>	<b>50%</b>	<b>10.2</b>	<b>135</b>	<b>20</b>	<b>\$127</b>	<b>\$103</b>	<b>\$98</b>

COURTESY OF FIRST CENTENNIAL TITLE



# MARKET CONDITION REPORT

## May 2009

Welcome to the **Reno-Sparks Market Condition Report (MCR)** sponsored by **First Centennial Title**. We appreciate and value your business.

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These comments are designed to accompany the attached Market Condition Report.

### THE BIG PICTURE

- **SUPPLY (LISTED):** Supply for both types (Listed) holding very steady in the current range for the last four months. This implies that as the market resolves current listings, they are being replaced with about the same level of new activity. Slight negative propensity for both types.
- **DEMAND (SOLDS PER MONTH):** Continuing moderate increases for both types over May. These types of incremental increases seem very predictable at about 8-10% per month. Reno demand is somewhat lower when compared to other surveyed markets. This is most likely due to relatively low counts of REO and Short Sale properties that dominate competing markets. Interesting is the current count of Clark County REO which is about 10 times that of Washoe County, while the population of Clark County is only about 5 times that of Washoe.
- **FAILURES:** Both types showing a marginal reduction in the number of failures. Note the “failure” line (in the graph provided) has fallen below the closing line (success) for the first time since mid 2005.
- **SALE PENDING (FUTURE CLOSINGS):** SFR and Condo pending inventories up moderately implying that future closing activity will increase but the gains will be steady and moderate.
- **PERCENT SELLING:** Picking up nicely for both types. It is now clearly evident a property is more like to close than fail (on average).
- **MONTHS SUPPLY:** Continuing to decline (market tightening) over May. Current level of Months Supply is still relatively high, especially for Condo. This usually points to a continuation of price weakness.
- **MARKET SPEED:** Moved up from May by 2 points for both types. The pace of the Reno area market is still increasing, but at a slow rate. The best performing Reno submarket remains Fernley, returning a Market Speed of 36.
- **PRICES:** Price indicators are erratic (especially list price) but signs of stabilization have now shifted to the negative as was predicted. Expect this trend to continue as it is doing in most submarkets in CA, NV and AZ.

### MCR TIP

Initial list price is an educated guess on the part of the seller and agent. If the market does not react to the price offering in a reasonable time (showings), change it. Dawdling about price reductions in a declining market increases the probability of failure, costs the motivated seller equity, and reduces the probability of a commission check for you.