

Reno/Sparks Association of REALTORS®

July 2010

Member Standard Reporting Package

Area 100, Greater Reno/Sparks



Database Analysis Excellence

Proprietary & Confidential

Report Package Outline

- ❖ Market Summary

- ❖ Median Sales Price
- ❖ Number of Units Sold
- ❖ Days on Market
- ❖ Sold-to-asking-price Ratio
- ❖ 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 August 11, 2010

Report Commentary (June)

❖ Summary

- “As anticipated, we saw an increase in the volume of closed sales during the month of June, many by buyers who were attempting to get in under the June 30 deadline to close deals in order to qualify for the tax credit. It wasn’t until the midnight hour that Congress extended the deadline to those buyers who, through no fault of their own, were unable to meet the deadline. As a result of that extension, buyers who qualified for the tax credit and were under contract by April 30th, now have until September 30, 2010 to close the transaction,” said Ken Amundson, 2010 president of Reno/Sparks Association of REALTORS and sales associate at Coldwell Banker Select Real Estate’s McCarran Blvd., office. “Although we are remaining cautiously optimistic about the number of transactions in the pipeline and some price stabilization, we need to continue to closely watch the year-over-year numbers and see continuing trends in leveling median sales prices before we can truly say we have reached the bottom.”

❖ Median Sales Price

- June 2010 median price was down 3% to \$170,000 compared to \$175,308 in May 2010.
- The median sales price continues to “trade in a narrow range” to borrow a term from the stock market.
- Median price is defined as the mid-point, half of the sales for the time frame are below and half are above.

❖ Number of Units Sold

- June ended the month with 581 sold transactions up 29.7% from the prior month.
- This is a new high since the market peaked in the summer of 2005.
- Sales were up 8.4% over the same period last year.
- This can be primarily attributed to the volume of buyers who came into the market to take advantage of the tax credit and met the initial deadline of June 30 set by Congress. That deadline was subsequently extended to September 30, 2010.

❖ Average Days on Market

- The average days on market increased by 6.3% from the prior month to 146 days.

❖ Sold-to-asking-price Ratio

- June reported sales received an average of 98.1% of the seller’s asking price.

Report Additional Commentary (June)

July, 2010

❖ New Listings

- 802 new listings were taken in June compared to 735 in May, a 9.1% increase.
- New single family listings for the month of June were at a two year high.
- The percentage of "Distressed" new listings was down slightly from May. 58% of new June listings were distressed – 261 Short Sales, 182 Bank Owned/Other.
- Note: Beginning with the January 2010 report, properties reported as "Other" which includes "Freddie Mac's and HUD's" are included with Bank Owned REO properties.

❖ Status of Pending

- Active Pending – Short Sales represents 66% of the total active pendings; Active Pending Loan equals 15%; Pending No-show represents 8%; Active Pending call 4%; and Active Pending House less than 1%.

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

- As of June 30, there was 5.8 months of inventory based on the June sales rate.
- 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 in the active inventory.

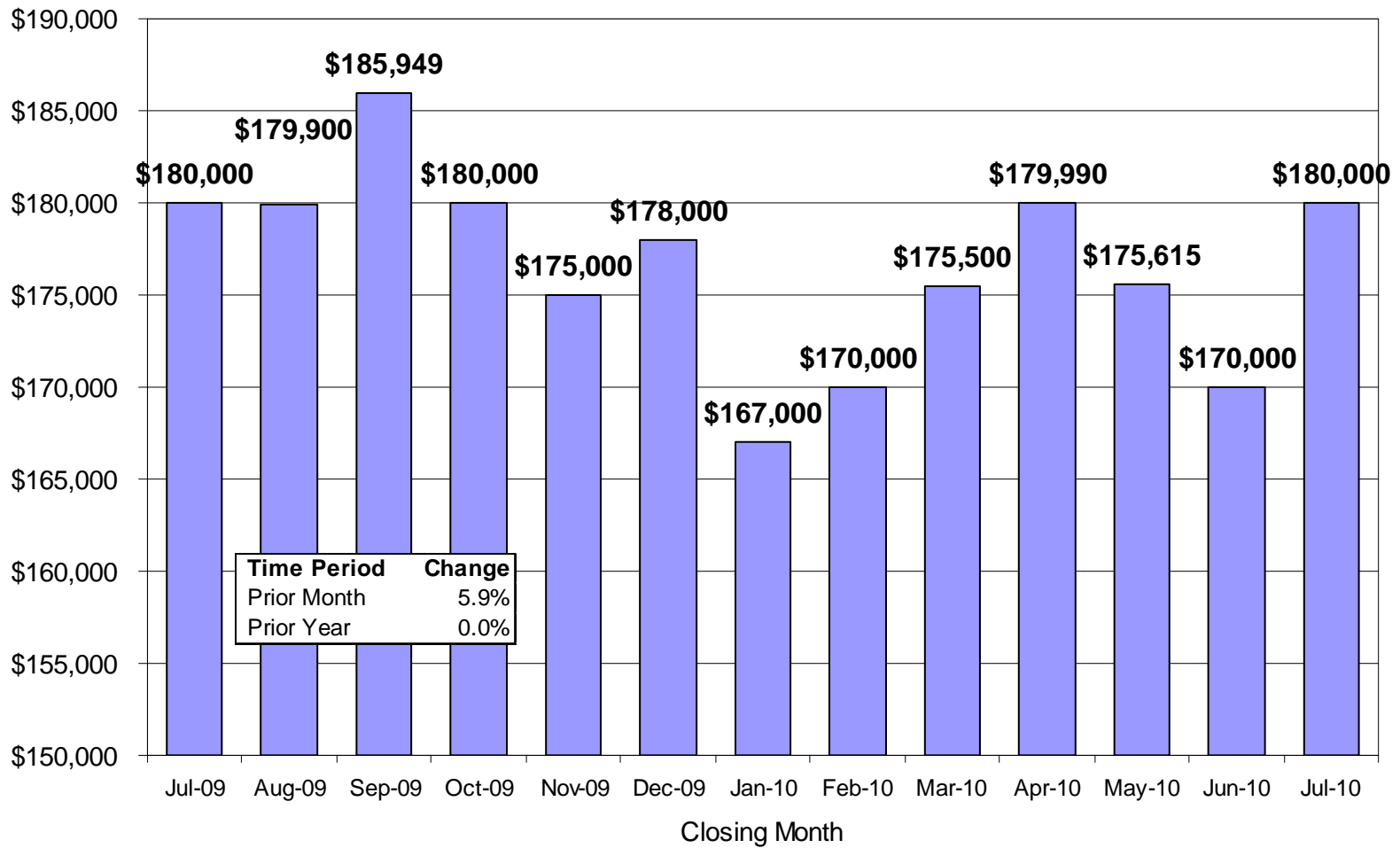
❖ Conclusion

- June median is holding year over year. The median price has remained stable for the past thirteen months.
- Unit sales level remains strong with some softening in the numbers expected as buyers adjust to a non-incentivized home buying world.
- The fact that Congress granted an extension for those transactions that were in contract by April 30, but that were unable to close by June 30th, should help sustain the number of closed transactions through the new deadline of September 30.
- Seasonal inventory of homes available to purchase are rising to levels that give buyers more choices.
- Fannie Mae Announcement Addresses Several NAR Appraisal Concerns - Fannie Mae's Selling Guide Updates and Additional Guidance on Appraisal-Related Policies, Announcement SEL-2010-09, addresses many concerns raised by the National Association of Realtors (NAR) regarding the Home Valuation Code of Conduct (HVCC). The guidance states that Fannie Mae requires lenders to use appraisers with geographic competency.
- Senate Passes Wall Street Reform - Sweeping legislation to avert future financial services crises moves forward. Next action is signature by President Obama.

Summary: Median Sales Price

July, 2010

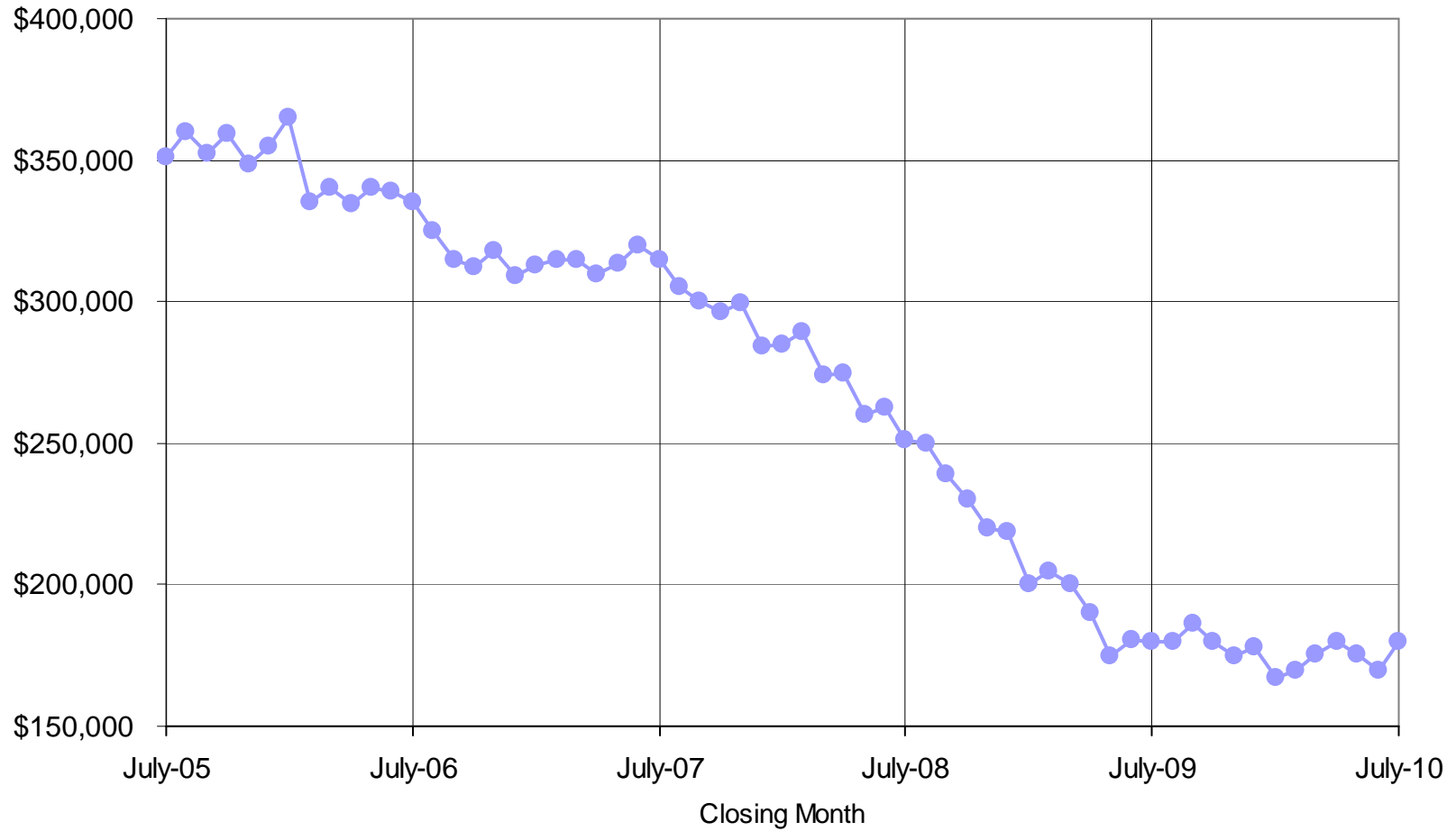
Median Sales Price, 13 months



Summary: Median Sales Price

July, 2010

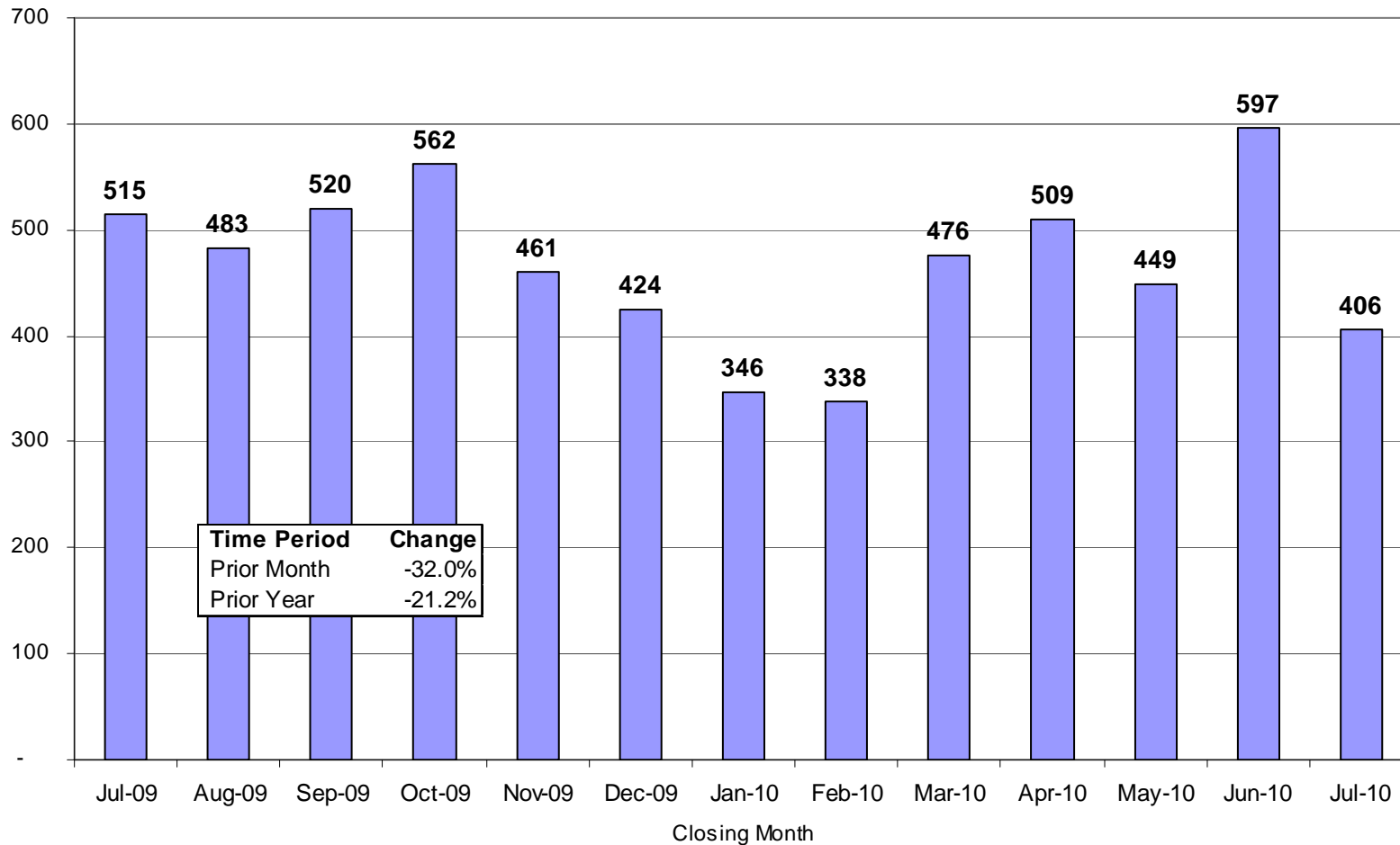
Median Sales Price, 5 years



Summary: Number of Units Sold

July, 2010

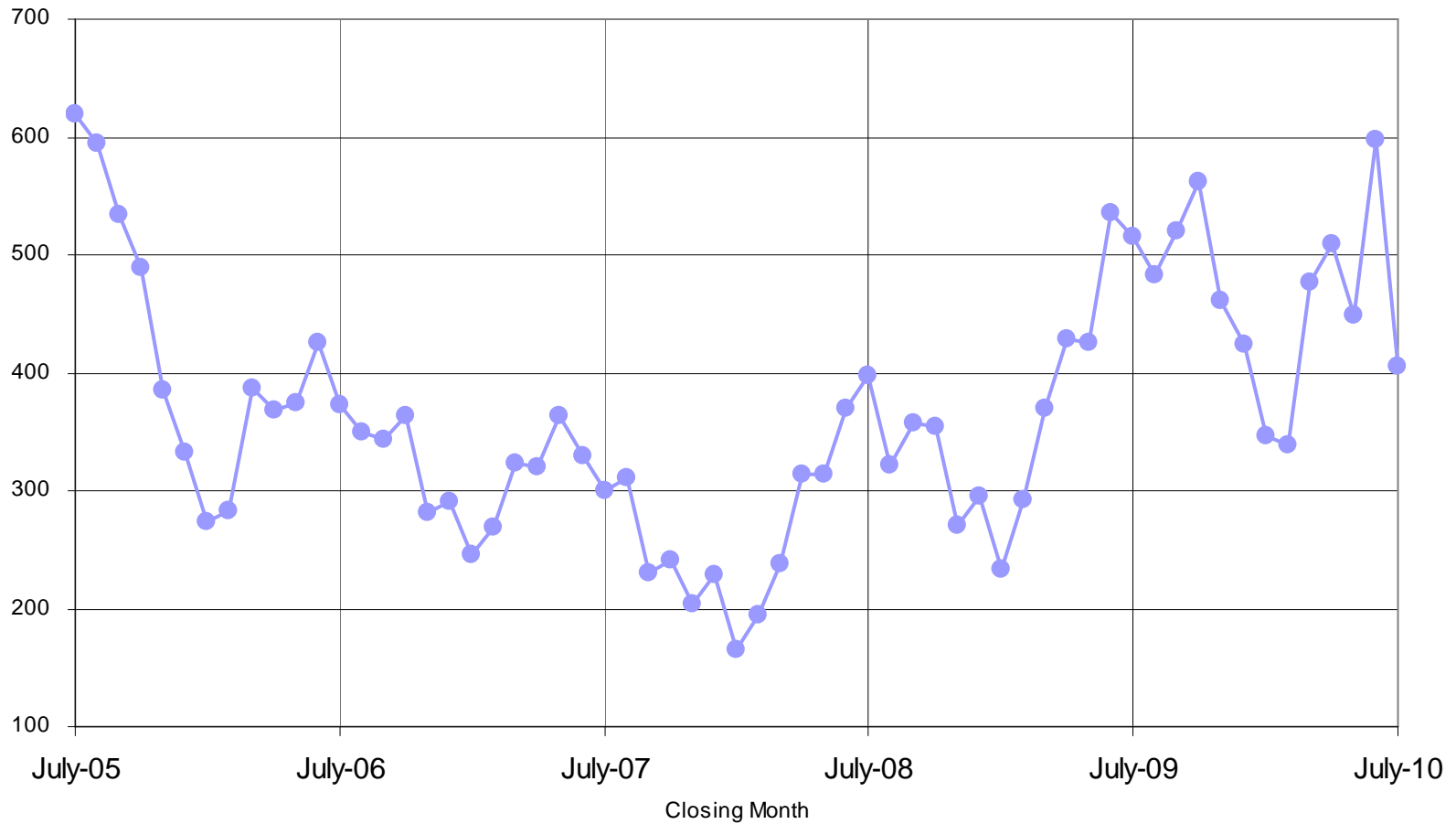
Number of Units Sold, 13 months



Summary: Number of Units Sold

July, 2010

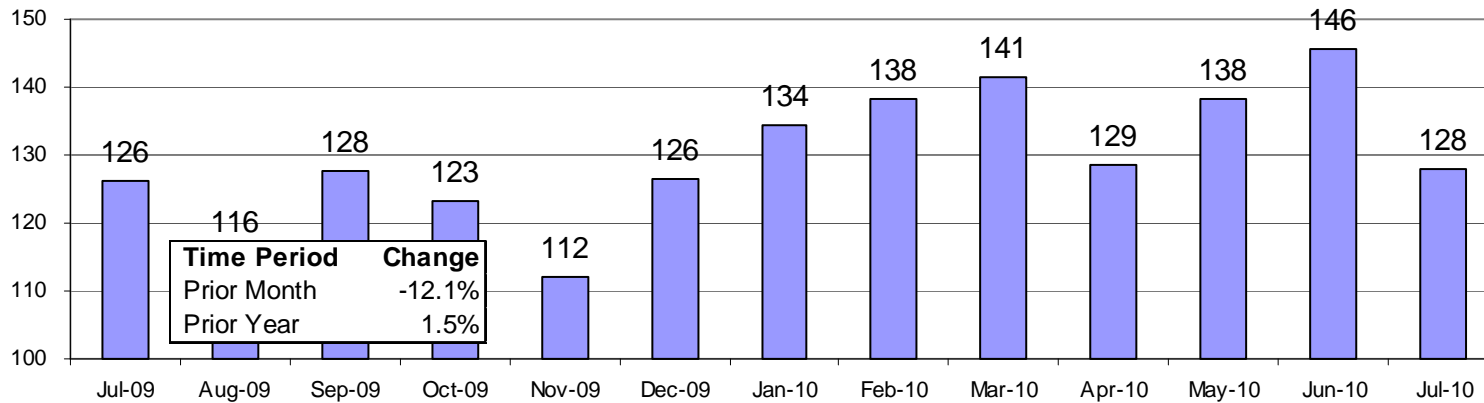
Number of Units Sold, 5 years



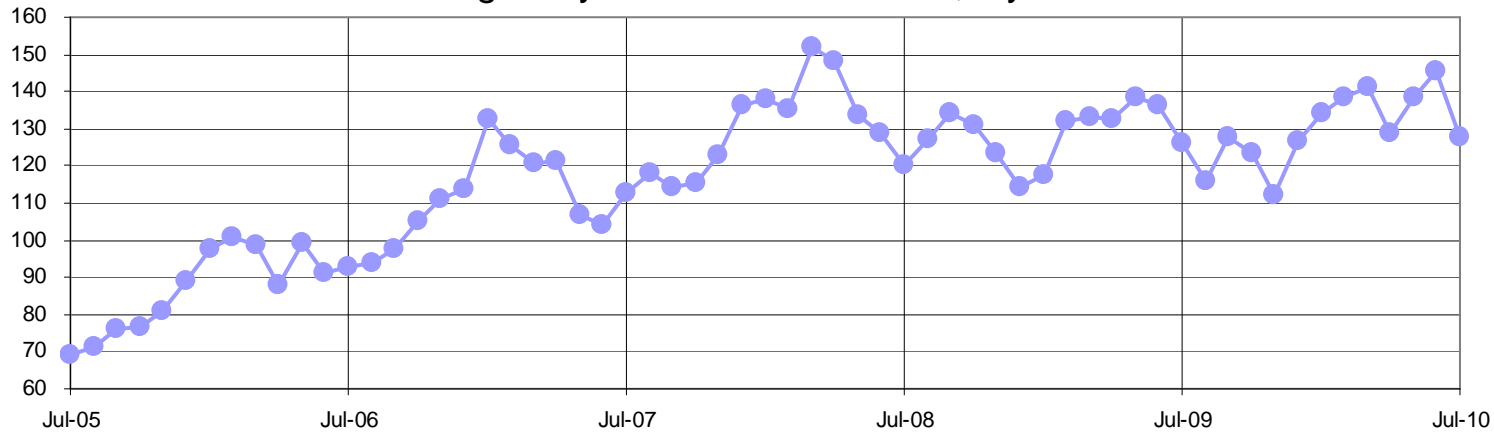
Summary: Average Days on Market

July, 2010

Average Days on Market for Solds, 13 months



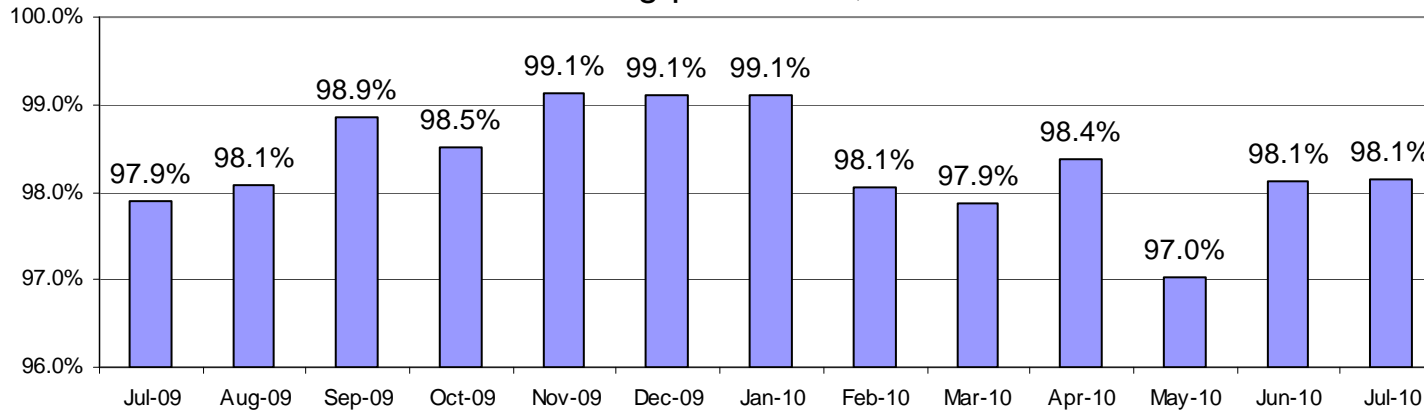
Average Days on Market for Solds, 5 years



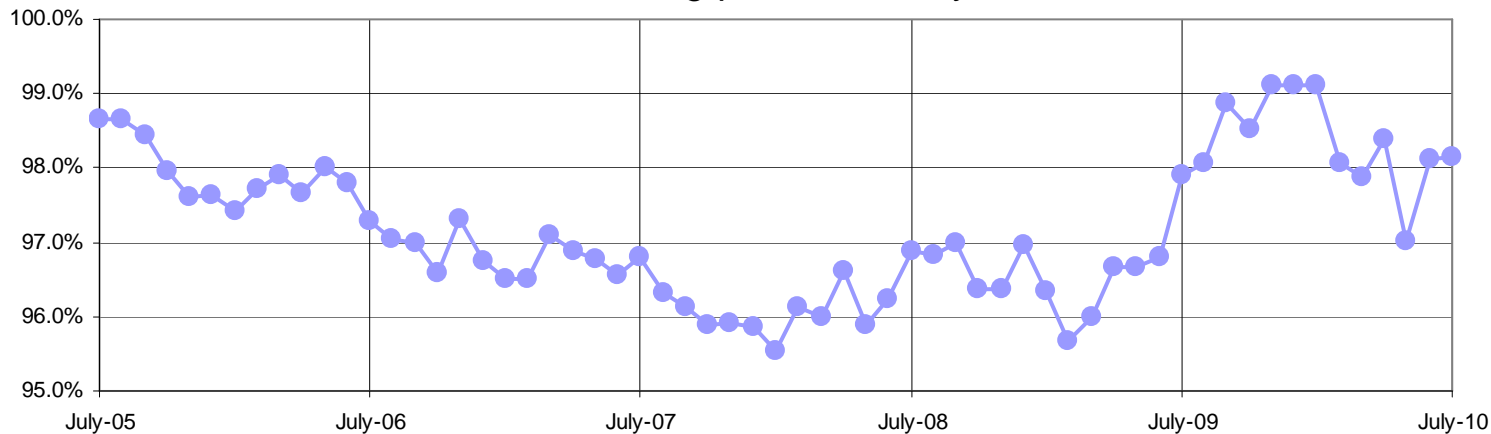
Summary: Sold-to-asking-price Ratio

July, 2010

Sold-to-asking-price Ratio, 13 months



Sold-to-asking-price Ratio, 5 years



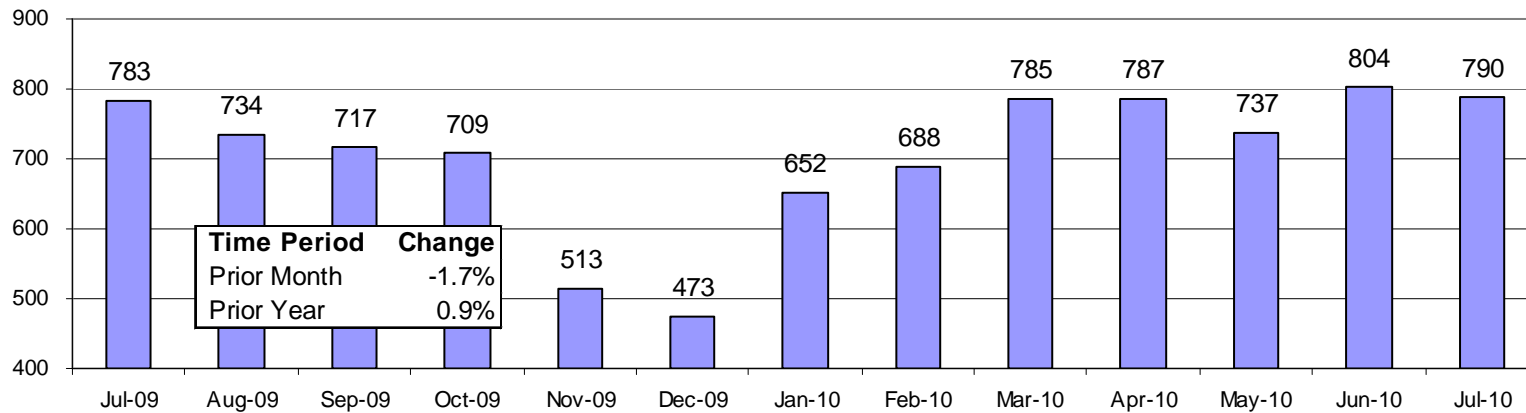
The "sold to ask ratio" is calculated for the current month, based on all residential units sold in the month. The ratio is calculated individually for each unit, and then averaged.



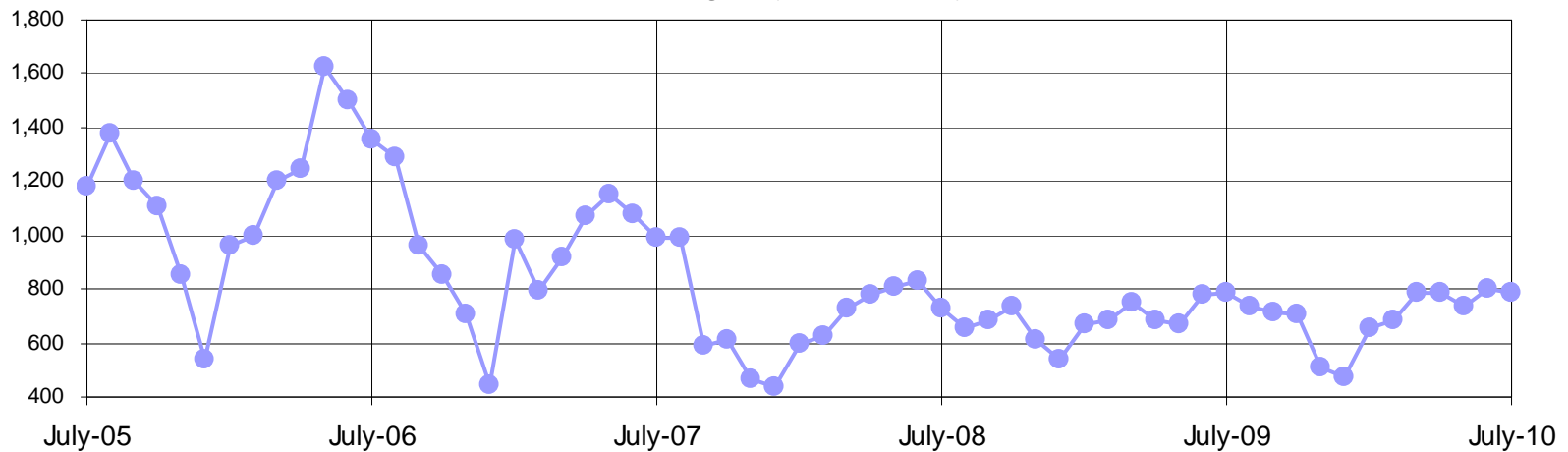
Summary: New Listings

July, 2010

New Listings by Month, 13 months

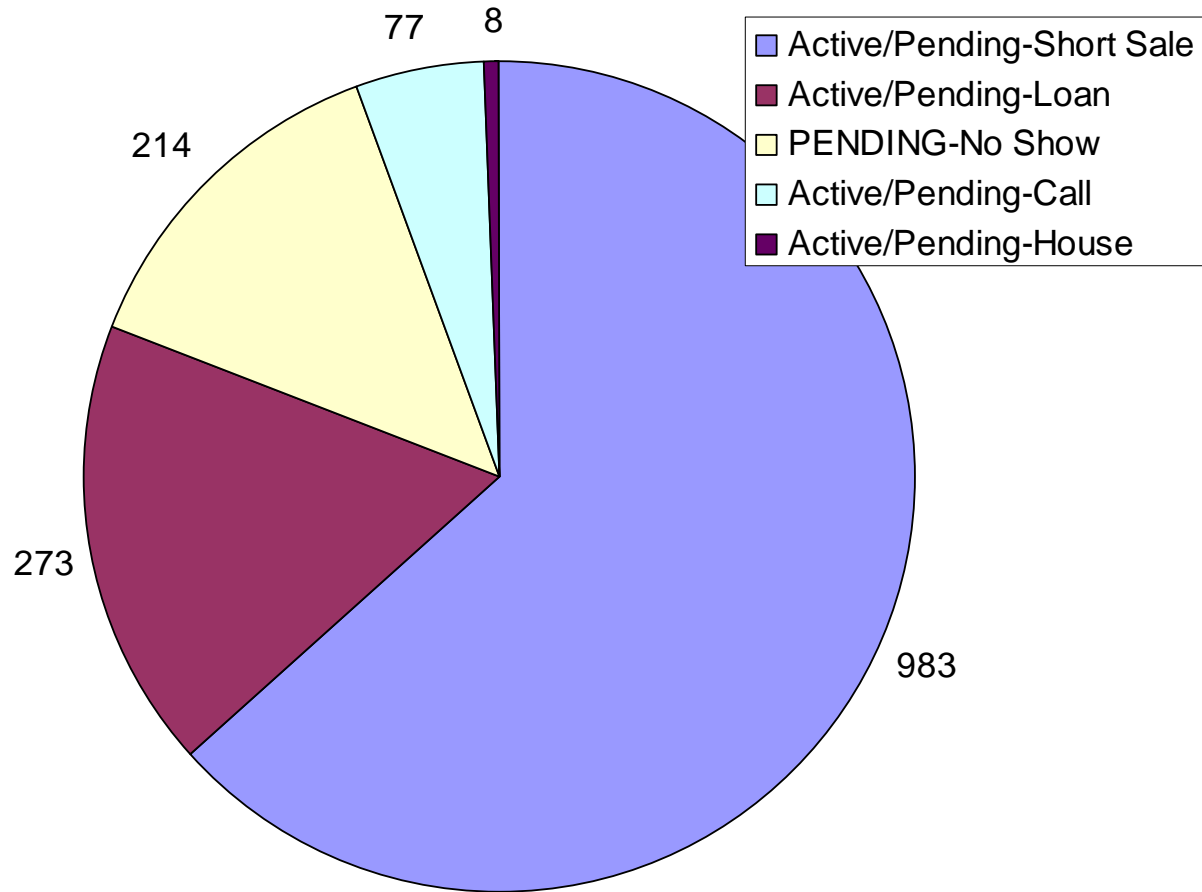


New Listings by Month, 5 years



Status of Pendings

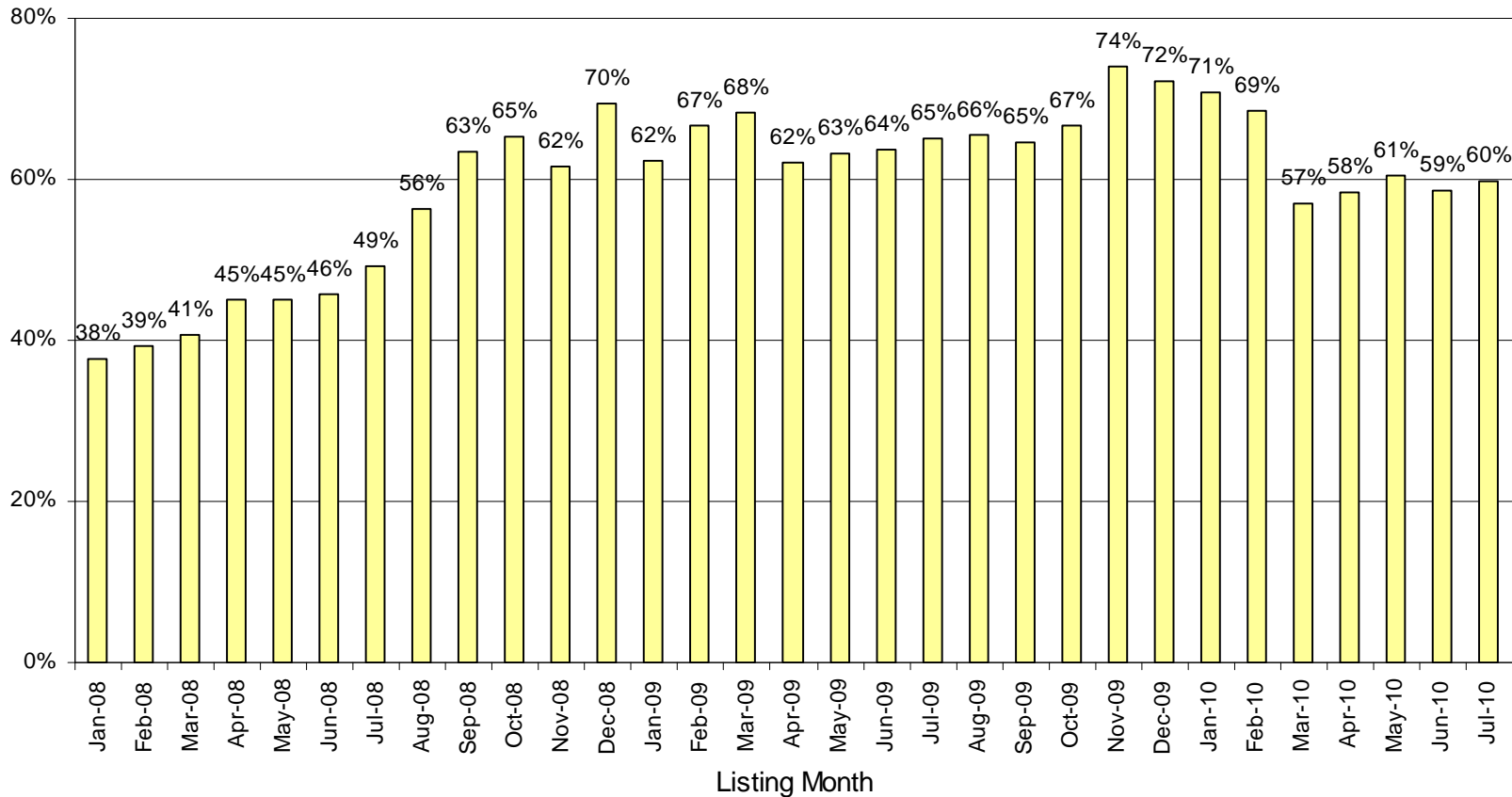
July, 2010



Distressed Listings

July, 2010

Percentage of new listings that are distressed, historically



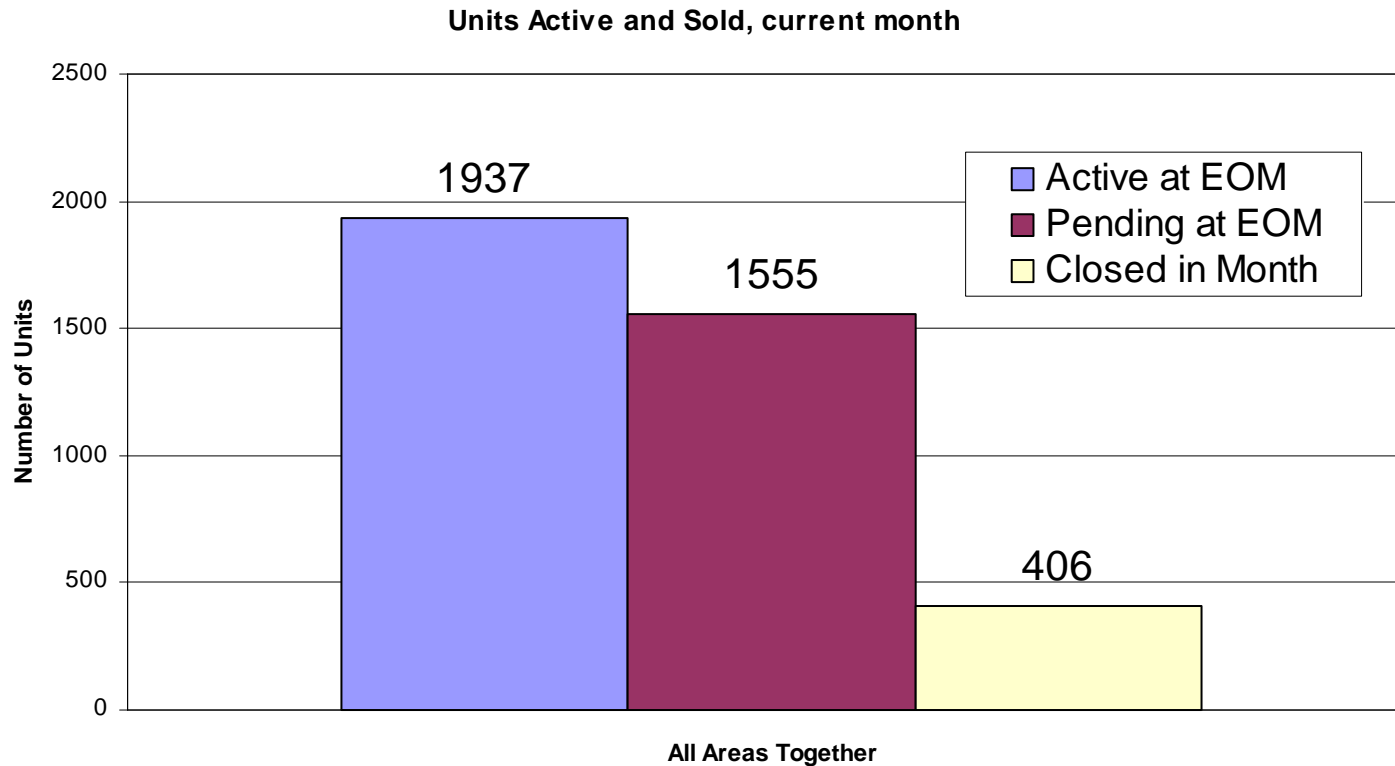
*"Distressed" defined as any new listing that is "Bank", "Short", or "Yes-Other"
Distressed listing data gathered beginning in January 2008.*



Absorption

July, 2010

❖ $(1937+1555)$ units / 406 units sold = 8.4 months of inventory



Unsold Inventory includes Active Pending. 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.