



MARKET CONDITION REPORT

RENO AREA

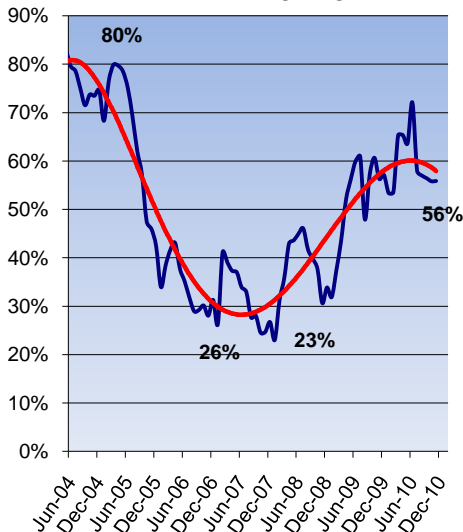
Nov-10

SINGLE FAMILY RESIDENCE

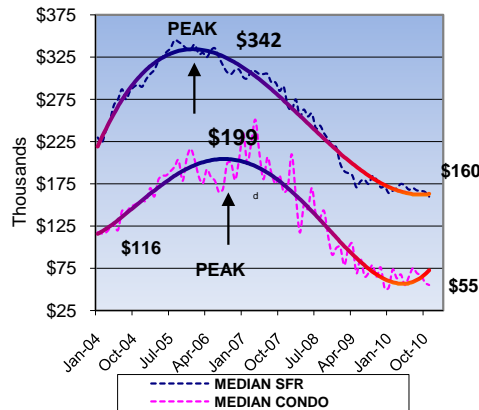
CITY	SUPPLY ON MARKET	DEMAND SOLD MONTH	EXPIRE WITHDRAW MONTH	IN ESCROW	PERCENT SELLING	WEEKS SUPPLY GIVEN DEMAND	DAYS ON MARKET SOLD	MARKET SPEED INDEX	MEDIAN LIST PRICE	MEDIAN IN ESCROW PRICE	MEDIAN CLOSE PRICE
Reno	2,183	275	198	120	58%	36	144	25	\$202	\$180	\$177
Sparks	918	126	73	57	63%	34	131	27	\$160	\$160	\$156
WASHOE COUNTY TOTAL	3,101	401	271	177	60%	35	140	26	\$189	\$174	\$170
Fernley	203	32	20	20	62%	30	99	32	\$105	\$109	\$104
Dayton	186	16	19	11	46%	55	152	17	\$149	\$134	\$135
Yerington	57	4	8	4	32%	76	166	12	\$144	\$115	\$95
LYON COUNTY TOTAL	446	51	46	35	53%	41	120	23	\$121	\$117	\$112
Gardnerville	243	27	29	10	48%	41	170	22	\$259	\$235	\$210
Minden	137	13	9	2	58%	48	180	18	\$298	\$249	\$230
DOUGLAS COUNTY TOTAL	380	39	38	12	51%	44	173	21	\$271	\$239	\$216
Fallon (Churchill County)	163	18	20	7	48%	41	177	22	\$155	\$146	\$128
Carson City (Carson County)	390	38	42	19	48%	47	133	19	\$207	\$170	\$161
TOTAL	4,480	547	415	250	57%	38	141	24	\$191	\$172	\$166

THIS REPORT IS SORTED ON MARKET SPEED INDEX. The Market Speed Index 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. "Weeks Supply Given Demand" is the Absorption Rate (the number of weeks required to exhaust current supply given current demand).

PERCENT SELLING
MARKET EFFICIENCY

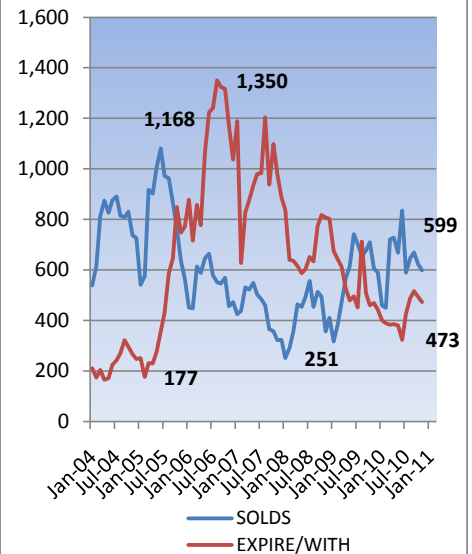


HISTORY OF MEDIAN
SALE PRICE



Closed 2009	Closed 2010	Change in Sales	Percent Change
7,897	8,058	161	+2%

HISTORY OF SOLDS AND
EXPIRE/WITHDRAW



CONDO/TOWNHOME

CITY	SUPPLY ON MARKET	DEMAND SOLD MONTH	EXPIRE WITHDRAW MONTH	IN ESCROW	PERCENT SELLING	WEEKS SUPPLY GIVEN DEMAND	DAYS ON MARKET SOLD	MARKET SPEED INDEX	MEDIAN LIST PRICE	MEDIAN IN ESCROW PRICE	MEDIAN CLOSE PRICE
Reno	394	64	42	36	60%	29	127	32	\$90	\$65	\$58
Sparks	117	17	12	5	60%	31	140	29	\$59	\$55	\$55
WASHOE TOTAL	511	81	54	41	60%	30	130	32	\$83	\$63	\$57
Carson City	40	4	4	1	50%	44	203	20	\$119	\$49	\$45
TOTAL	551	85	58	42	60%	30	133	31	\$86	\$62	\$57

COURTESY OF FIRST CENTENNIAL TITLE

Information believed accurate but not guaranteed. Resale market only. Report intended to be generally descriptive, not definitive.

MARKET CONDITION REPORT

Reno-Sparks Area

November 2010

Welcome to the Reno-Sparks Market Condition Report (MCR).

NOTE: “Weeks Supply Given Demand” is the classic **Absorption Rate**. The Absorption Rate is an expression of supply and demand and includes properties in escrow as a part of the supply chain (active inventory). The outcome is expressed in time (weeks). As the Absorption Rate rises, the number of units of supply on the market is rising relative to units of demand. Rising Absorption Rates favor the buyer; declining rates favor the seller. When Absorption Rates are unchanging from month to month, the reader can expect a static and stable market (at the current level) in the short term.

THE BIG PICTURE

- **OVERVIEW:** The market is generally holding in the current range with little change from the previous month. The single significant difference is the weakness displayed by prices. Expect no substantial changes for the balance of the year. Prices and demand will be more likely to decline or remain stable than rise.
- **SUPPLY (ON MARKET):** Little change for either SFR or Condo. Supply has remained rather constant for the last 4-5 months.
- **DEMAND (SOLD PER MONTH):** Off from last month. This is not unusual or unexpected. Declines at this time of the year are naturally associated with the holiday/seasonal cycle.
- **FAILURES (EXPIRE-WITHDRAW):** Marginal decline from last month.
- **IN ESCROW (FUTURE CLOSINGS):** Both types in gradual decline. This suggests that the recent surge of closings is not being replaced by new escrow entry, signaling a slower or constant market.
- **PERCENT SELLING:** Very little meaningful movement signaling a calm market.
- **WEEKS SUPPLY GIVEN DEMAND (ABSORPTION RATE):** Absorption Rate has halted its increase and is remaining steady for the short term. This signals that demand/supply realities are not changing significantly.
- **MARKET SPEED INDEX:** The pace of the market, which had been rising consistently, has peaked and is holding steady. Fernley SFR (35) is the quickest in a generally slow market, while Yerington brings up the rear at a very sluggish 7. This implies that a Fernley listing will convert to closing five times faster than a Yerington listing. Generally speaking, Market Speed speaks to buyer preference. Higher relative Market Speeds imply that buyers prefer one area's inventory over another (all other things being equal. The reader should regard the Reno area as a relatively “slow” market. As an example, current overall SFR Market Speed is in Las Vegas is 39. Inventory will clear about 1.60 times faster in Las Vegas than in the Reno area.
- **PRICES:** Both SFR and Condo price schedules continue to weaken. Prices are erratic from month to month and seem to gyrate in a narrow range (see History of Median Sale Price Graph). Lately, however, there is more of a tendency to decline than rise.

