

Reno/Sparks Association of REALTORS®

November, 2012

Market Report

Area 100, Greater Reno/Sparks



This report is designed to assist REALTORS® in analyzing current market conditions and trends. If you are considering buying or selling real estate, you should discuss this report with a real estate professional, a REALTOR®.

Database Analysis Excellence

Proprietary

Market Report Outline

- ❖ **Commentary**
- ❖ **Median Sales Price**
 - Annualized by Area Group
 - By Special Conditions
- ❖ **Number of Units Sold**
- ❖ **Days on Market**
 - By Month
 - By Special Conditions
- ❖ **New Listings**
 - By Month
 - By Price
 - By Special Conditions
- ❖ **Distressed Listings**
 - By Price
 - As a Percentage of Listings
- ❖ **Status of Pendings**
- ❖ **Months Supply of Inventory**
 - Current Month
 - Historical 8 year, by Month
- ❖ **Units and Absorption**
 - by Price
 - by Area Group
 - by Condition
- ❖ **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 December 10^h, 2012

Market Report Commentary

❖ Summary

- "Although we are experiencing a limited supply of homes for sale, we saw very little change from the number of homes sold in November in 2012 versus November 2011," said Kevin Sigstad, 2012 president of Reno/Sparks Association of REALTORS. "We also are continuing to see the demand for homes on the rise as shown in the increase in median home price by 23 percent from November 2011 to the current level of \$182,500. The high demand also continues to put pressure on the inventory of available homes for sale."

❖ Median Sales Price

- November 2012 median price was up .4% to \$182,500 compared to \$181,750 in October 2012 and up 22.5% compared to \$149,012 in November 2011.
- Median price is defined as the mid-point, where, for the time period identified, the price for one-half of the sales are higher and one-half are lower.

❖ Annualized Median Price by Area Group

- This chart shows the annualized median price by-area-group year over year. Each vertical bar represents the median for the prior 12 months of data.

❖ Median Price by Special Conditions

- Median price on properties with no special conditions is up 1.4% from the prior month and up 27.1% from the prior year.
- Median price on REO (Bank Owned) properties is up 11.4% from the prior month up 44.5% from the prior year.
- Median price on short sales properties is up 3.3% from the prior month and up 3.7% from the prior year.

❖ Number of Units Sold

- November ended the month with 503 sold transactions, down 5.5% from the prior month and up 1.2% from the same period last year.

❖ Average Days on Market

- The average days on market are 133 days, down 5.2% from the prior month, and down 9.3% from the same period last year.

Market Report Commentary, continued

❖ Days on Market (DOM) by Special Conditions

- Short sale properties had an average days on market of 189.
- Properties with no special conditions 93 DOM.
- REO properties had an average days market of 94.
- Properties identified as Other had 145 DOM.

❖ New Listings

- 378 new listings were taken in November compared to 472 in October, a 19.9% decrease from the prior month and a 25% decrease from the prior year.
- Properties listed at under \$250,000 made up the 69% of new listings entering the market during the month of November.
- 42% of new November listings were distressed – Short Sales 29%; REO 10%; No special conditions 57%; and Other 3%.

❖ Distressed New Listings History

- The allocation of new listings by special conditions moved down with the volume of distressed new listings representing 42% of the market in November, down from 48% in October 2012.
- New Listings with no special conditions moved up in volume of listings to 58% of the market.

❖ Status of Pending

- Active Pending – Short Sales represent 59% of the total active pendings; Active Pending Loan equals 13%; Pending No-show represents 22%; Active Pending call 5.3%; and Active Pending House less than 1%.

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

- As of November 30, there was 3.9 months of unsold inventory based on the November sales rate.

Market Report Commentary, continued

❖ Historical Months Supply of Inventory

- Historical Months Supply of Inventory shows that MSI was down in November 2012 at 3.9, and down from 6.4 in November 2011.
- 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 remaining in active status in the active inventory.

❖ Units and Absorption by Price

- Properties in the price ranges between \$500,000 - \$750,000 price ranges are in a balanced market.
- Properties in the prices ranges under \$500,000 have less than 5 month's supply of inventory and would be considered seller's market.
- Properties over the \$750,000 price range have in excess of 15 month's supply of inventory.
- 71% of the total sales for the month of November were in the under \$250,000 price range.

❖ Units and Absorption by Area Group

- Suburban Southwest had the highest level of active inventory with 161 Active listings.
- The North Valleys, Northwest, Spanish Springs and Sparks show the highest level of activity in pending sales for the month.
- The North Valleys, Northwest and Spanish Springs show the highest volume of closed sales for the month.
- Metro Southwest and Suburban Southwest are considered a balanced market within 5 – 7 month's supply of inventory (MSI). All remaining areas are considered a seller's market with less than 4.6 MSI.

❖ Units and Absorption by Condition

- The Month's Supply of Inventory in the category of Real Estate Owned properties remains low at 2.5 MSI in November 2012.
- No Special Conditions condition properties has 3 Month's Supply of Inventory, Short Sale properties has 5.3 Month's Supply of Inventory, and Yes-Other 1.3%.

Market Report Commentary, continued

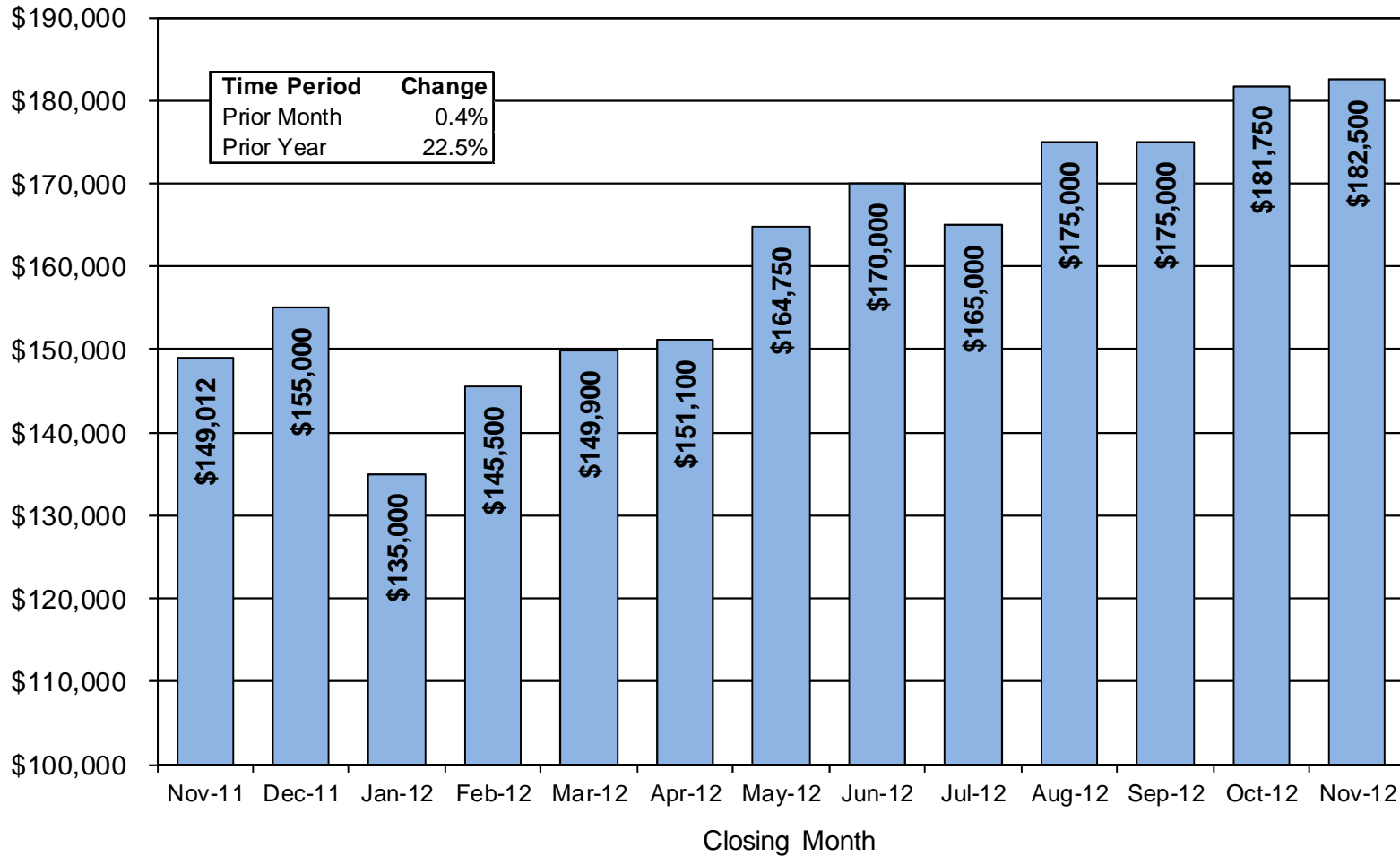
❖ Conclusion

- Despite lower inventory levels, sales remain strong. Total year-to-date sales for 2012 are ahead of 2011 by 181 sales. Year to date sales have out-performed the previous year-to-date sales for the past five years.
- New listings are following the trend of summer highs and winter lows. New listings in the month of November are at a record low.
- Short sale inventory reached a balance market in November. With the lack of bank owned properties and some urgency on the part of the seller's facing the possible expiration of the Mortgage Debt Relief Act, the market is absorbing short sale inventory.
- Fixed-rate mortgages remain near record a low. This serves as an attractive incentive for potential home buyers.
- Freddie Mac reports the following national averages with mortgage rates for the week ending Nov. 29: 30-year fixed-rate mortgages averaged 3.32 percent, with an average 0.8 point, up slightly from a record-breaking 3.31 percent average. A year ago, 30-year rates averaged 4 percent. The 30-year fixed-rate mortgage has averaged below 4 percent for virtually every week in 2012, except for one.
- Realtors and homeowners are encouraged to contact their federal legislators and request that they “do no harm to real estate” by preserving the mortgage interest deduction.

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Median Sales Price

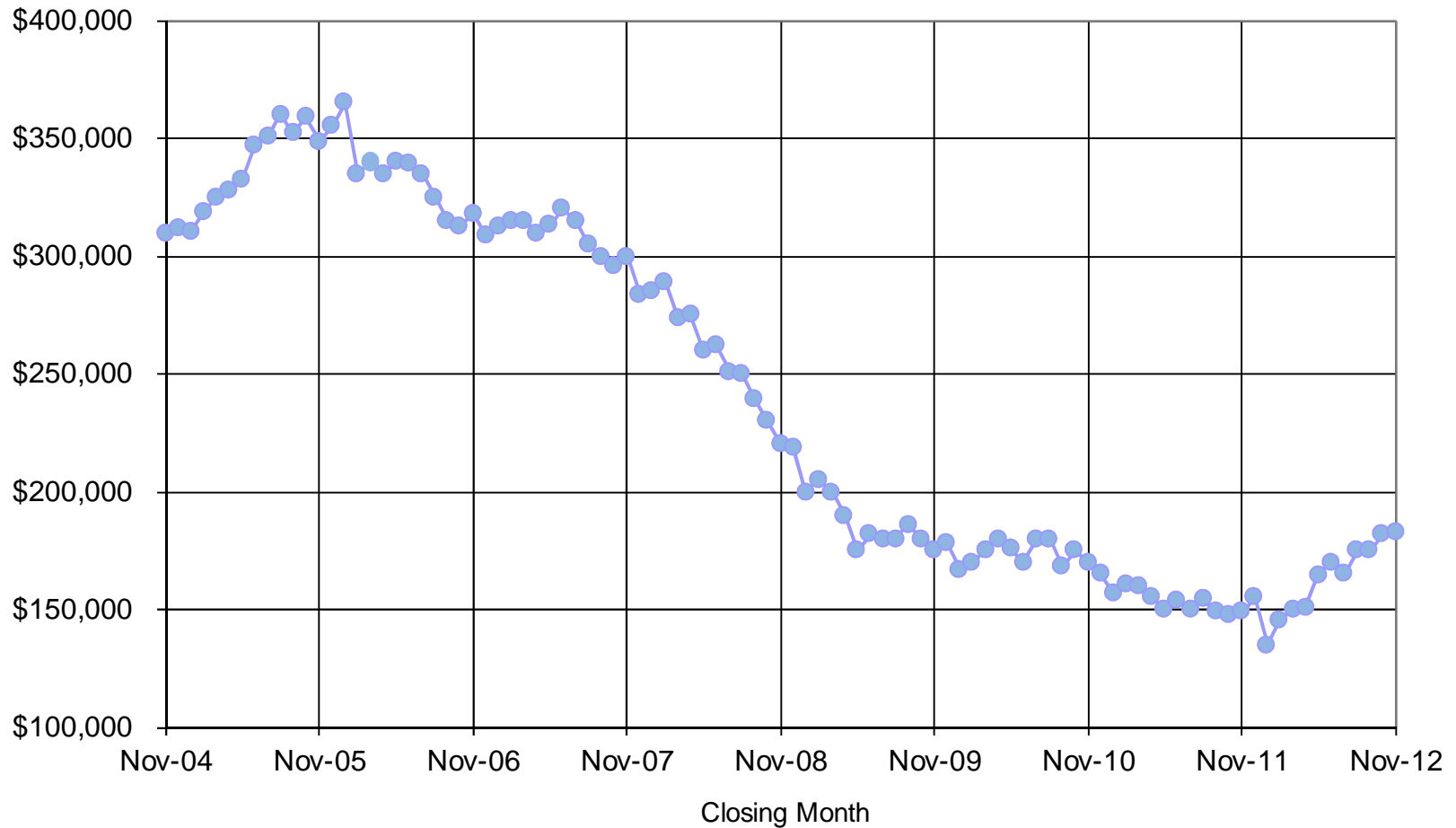
Median Sales Price, 13 months



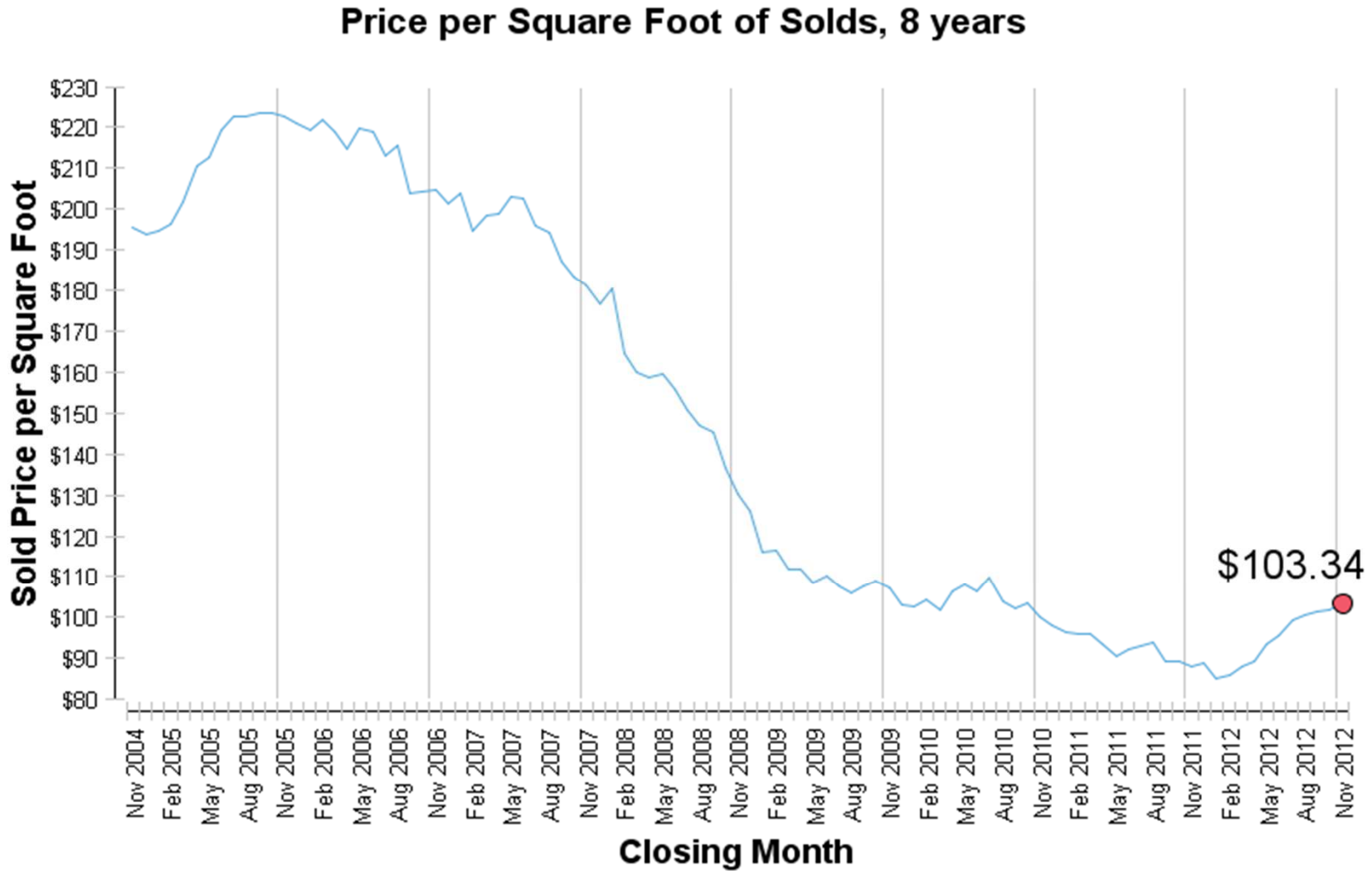
Summary: Median Sales Price

November, 2012

Median Sales Price, 8 years

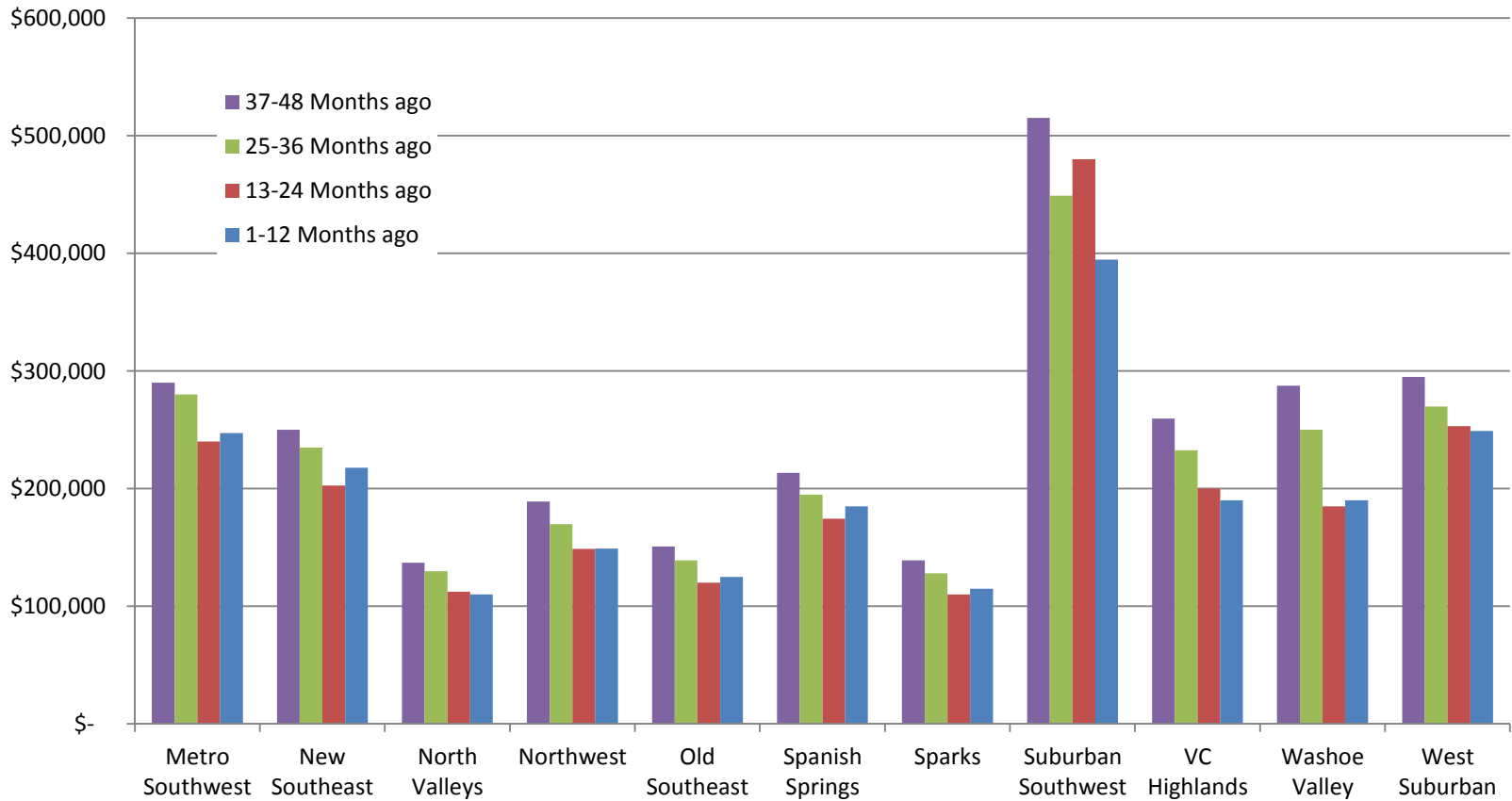


Price per Square Foot



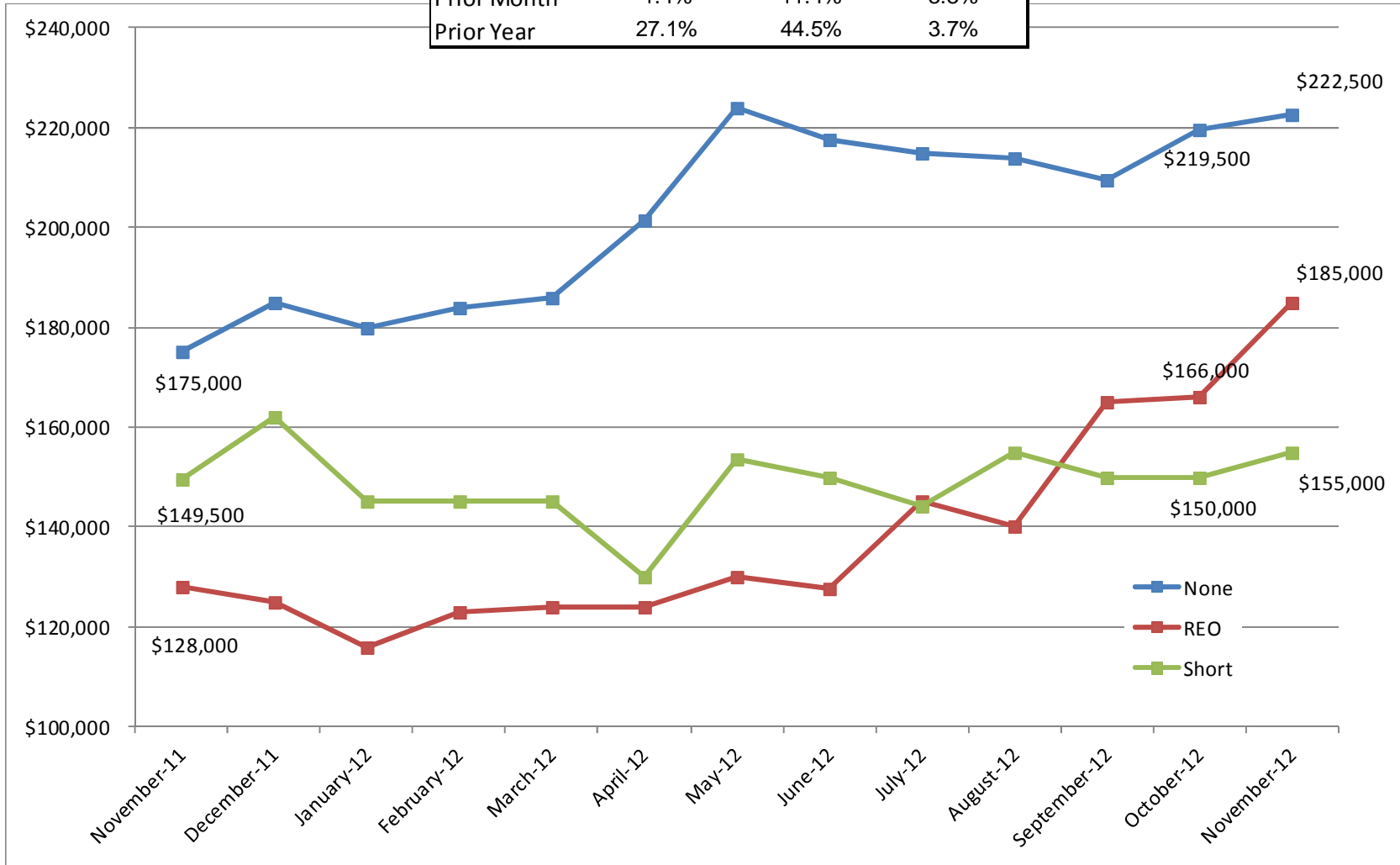
Annualized Median Price by Area Group

November, 2012

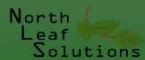


Median Sales Price by Special Condition

Time Period	Change-None	Change-REO	Change-Short
Prior Month	1.4%	11.4%	3.3%
Prior Year	27.1%	44.5%	3.7%



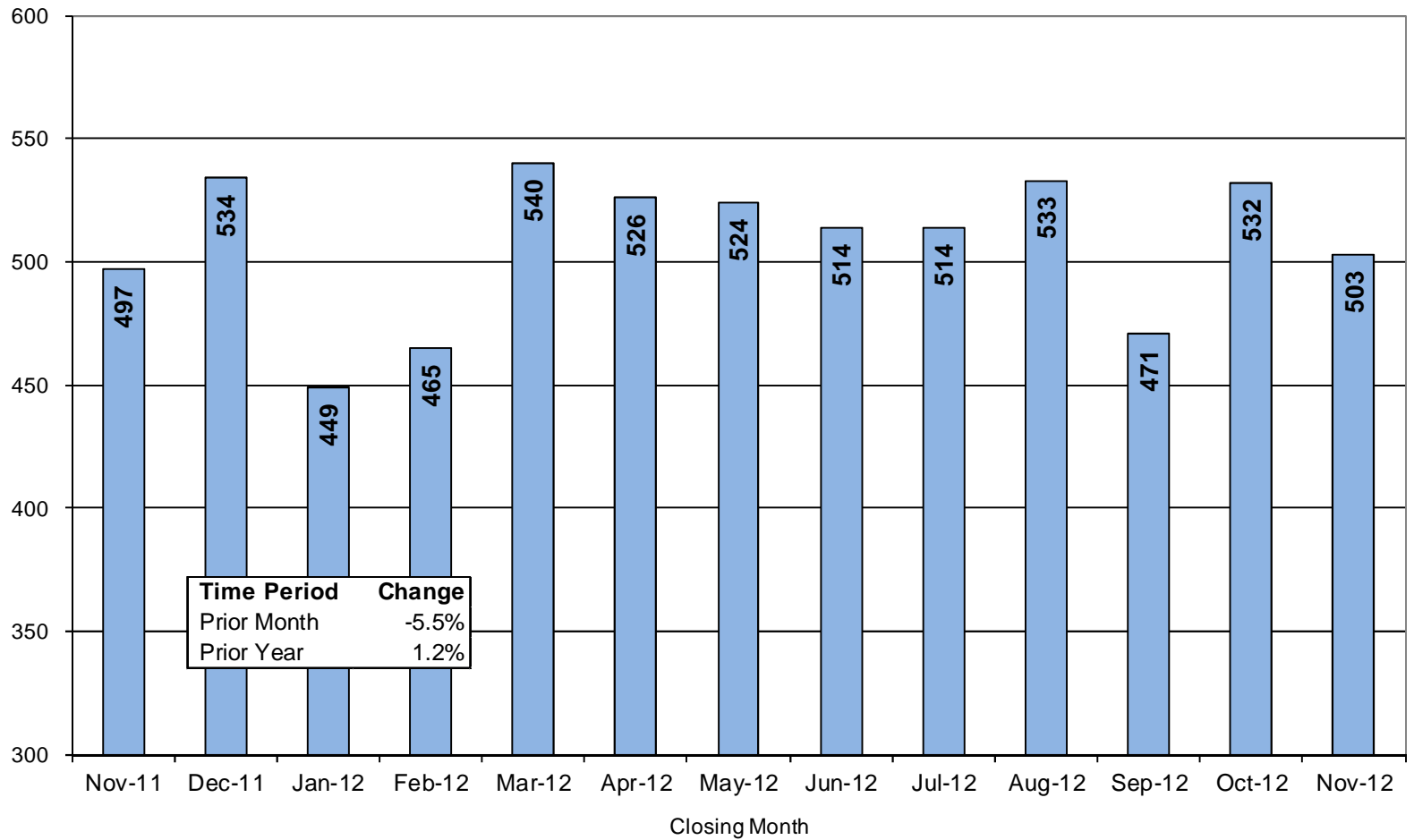
Distressed listings are defined as follows: REO – property has been foreclosed upon and is being sold by the bank, HUD or VA. Short Sale - seller owns more for the property than current value.



Number of Units Sold

November, 2012

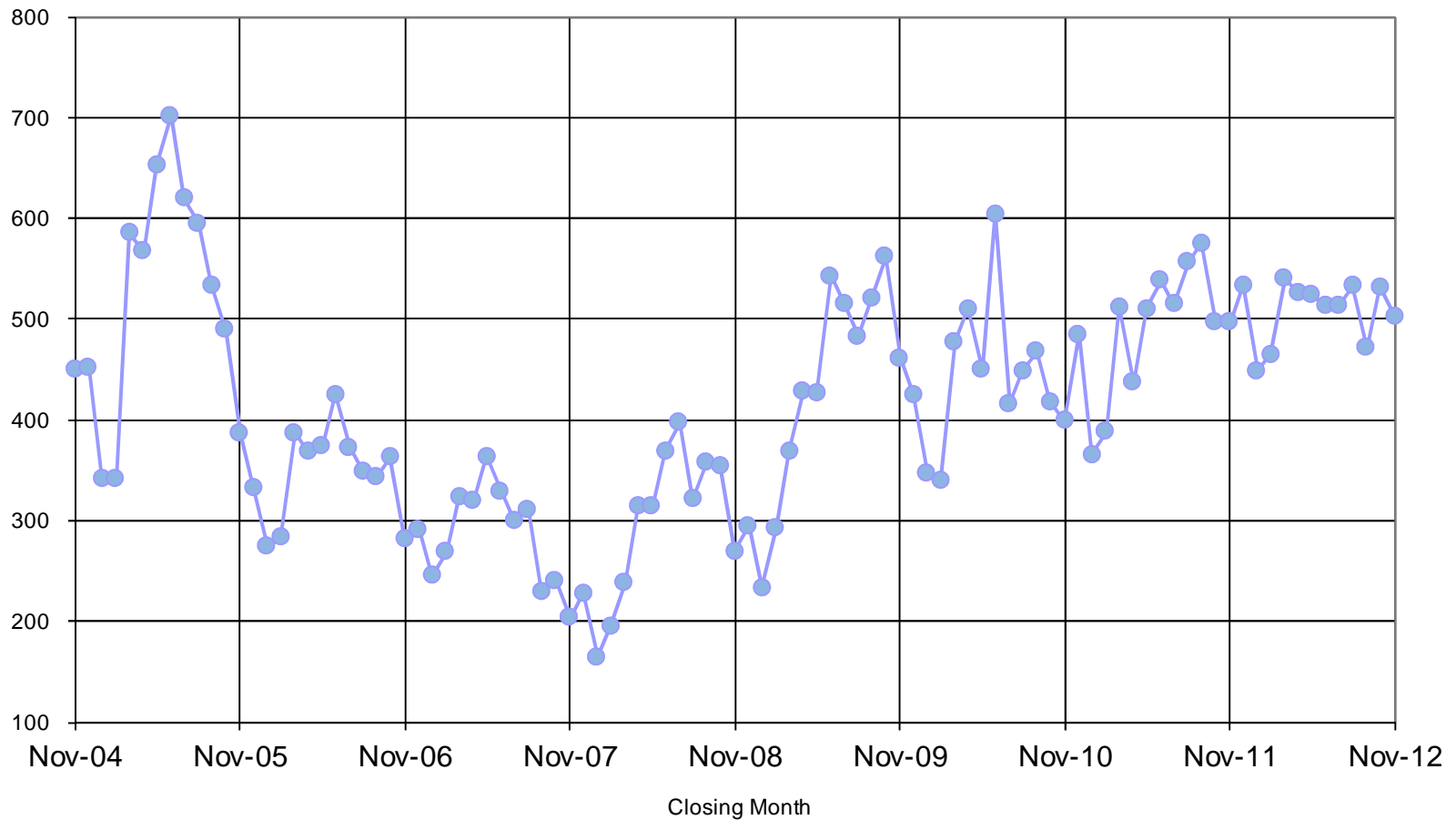
Number of Units Sold, 13 months



Number of Units Sold

November, 2012

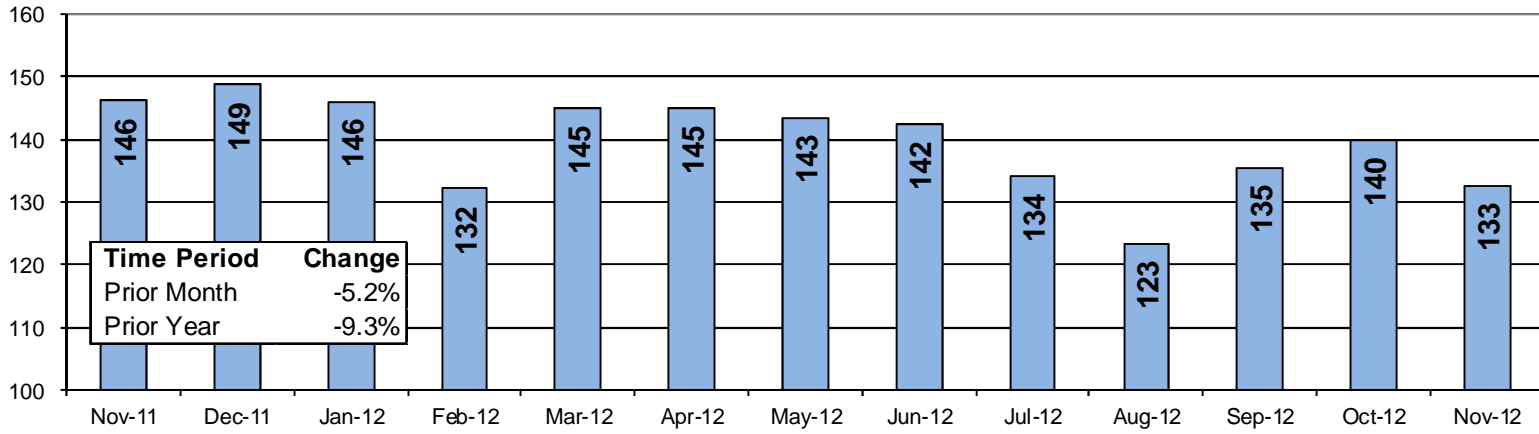
Number of Units Sold, 8 years



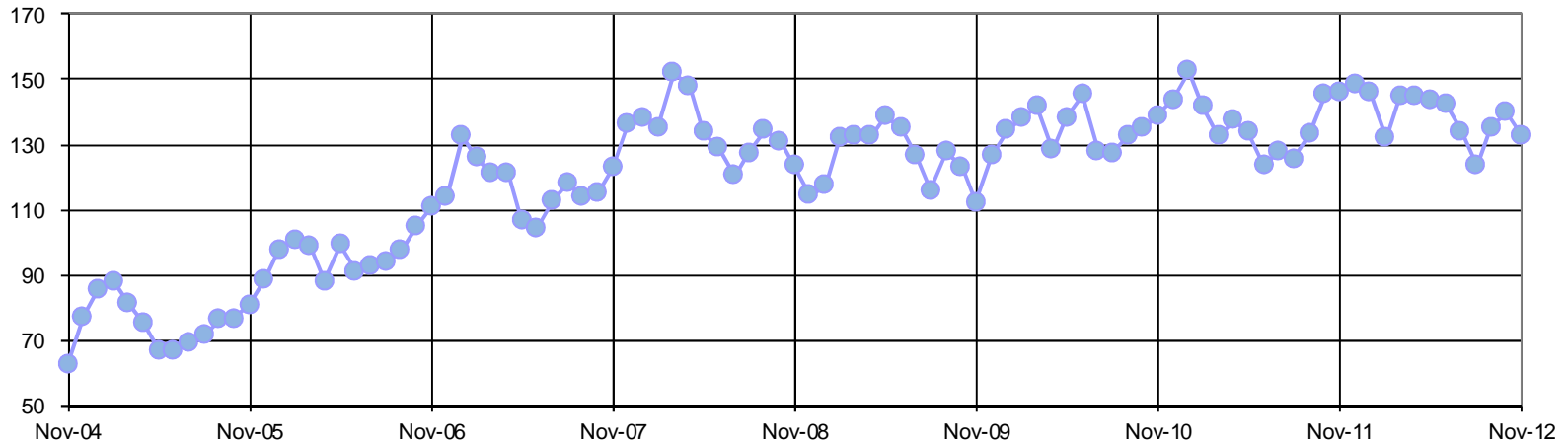
Days on Market, by Month

November, 2012

Average Days on Market for Solds, 13 months

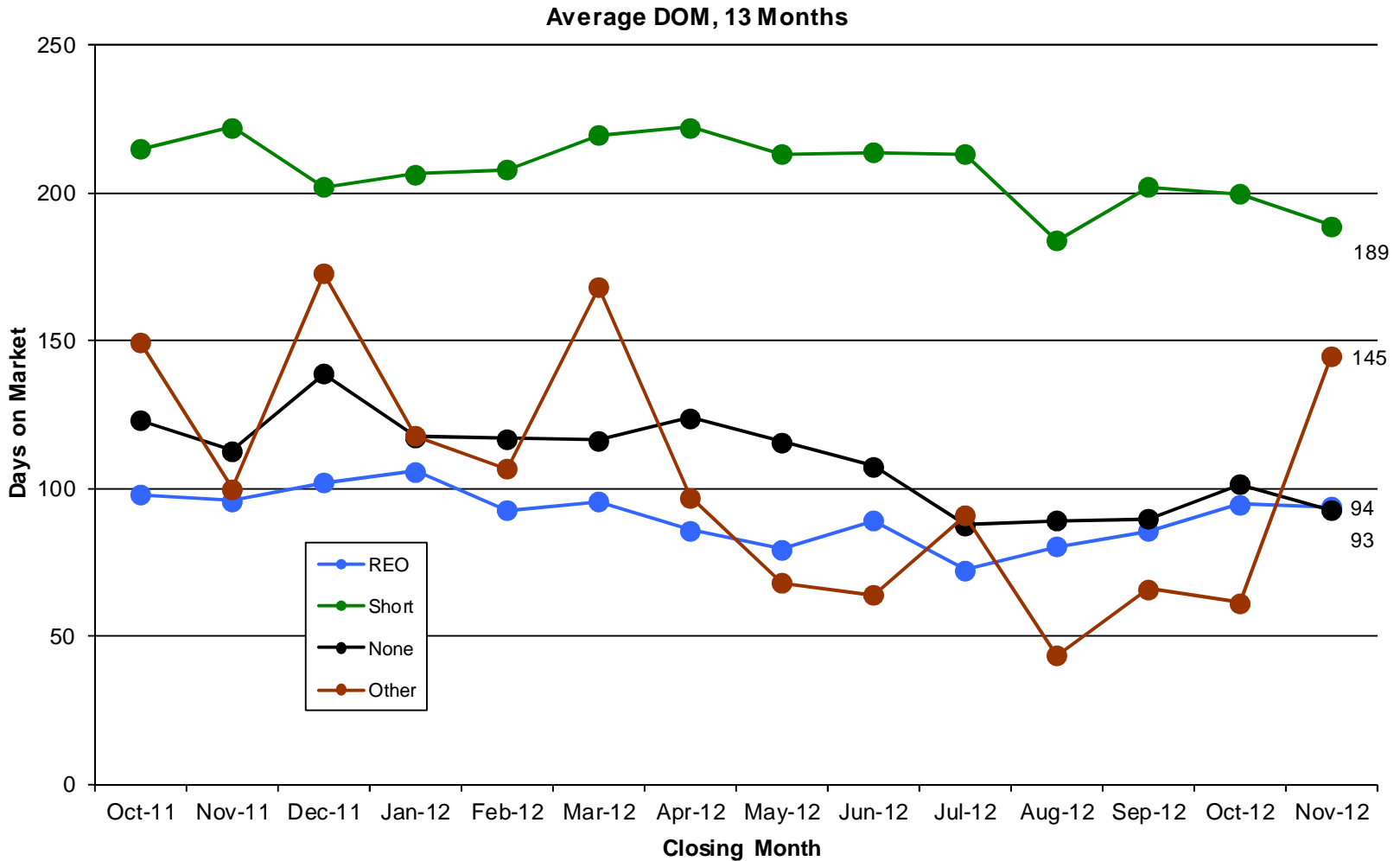


Average Days on Market for Solds, 8 years



Days on Market, by Special Conditions

November, 2012

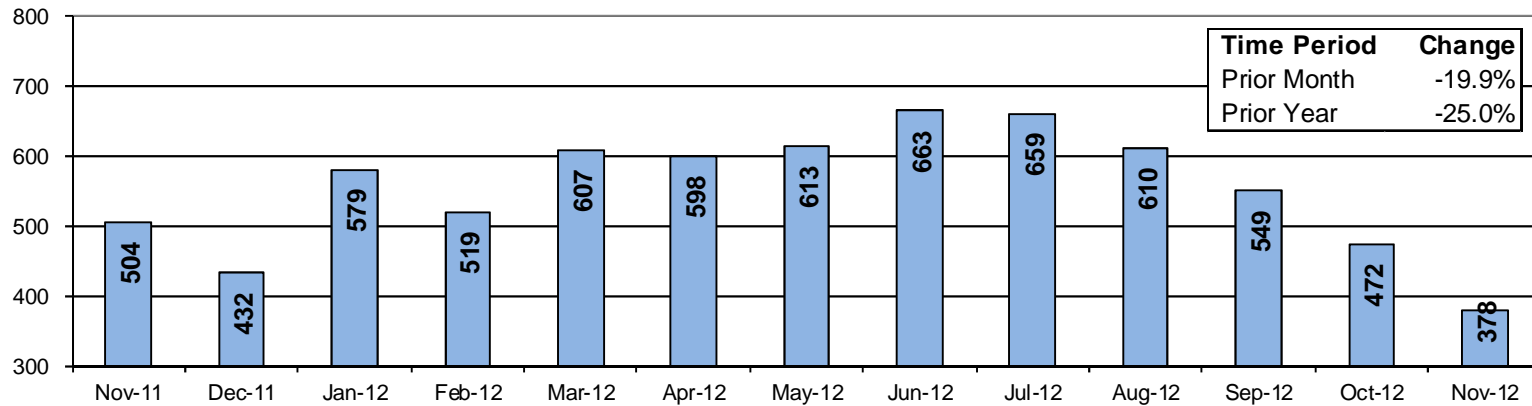


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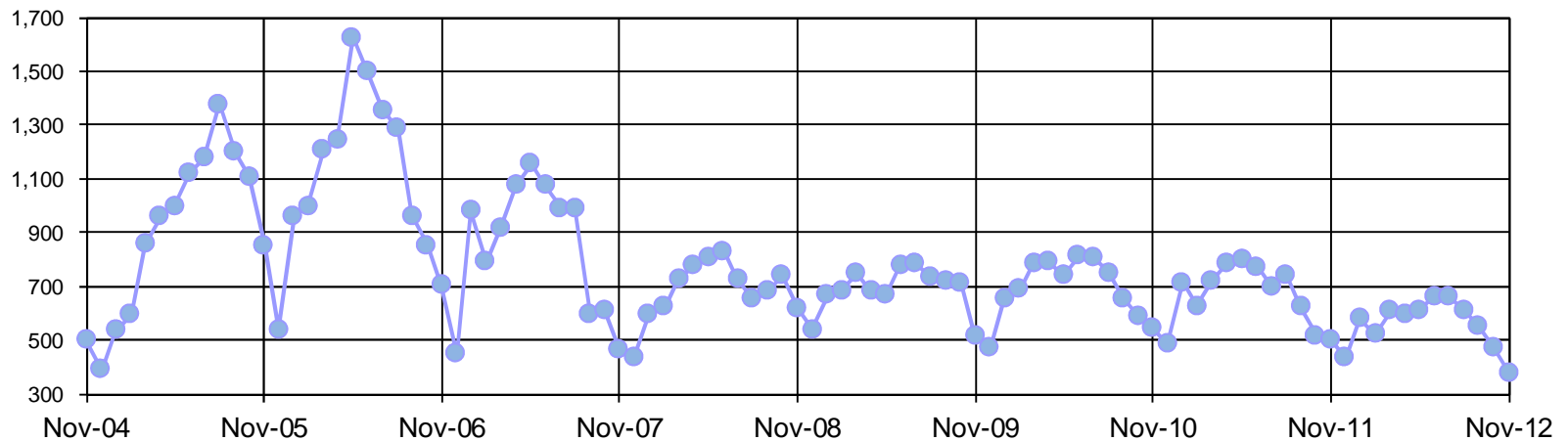
New Listings, by Month

November, 2012

New Listings by Month, 13 months

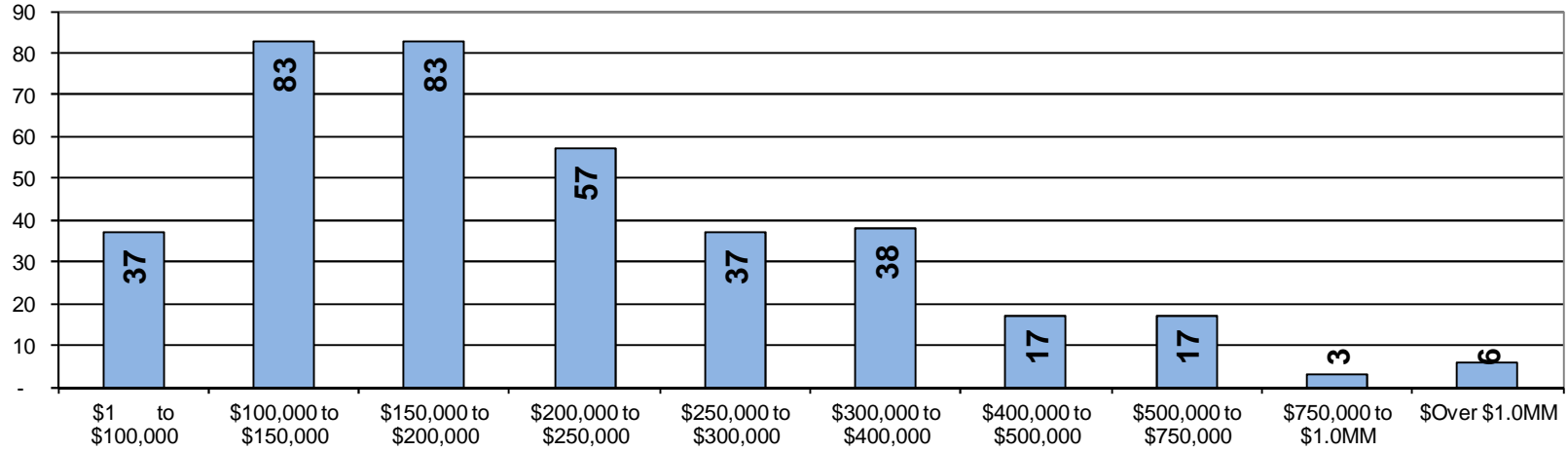


New Listings by Month, 5 years

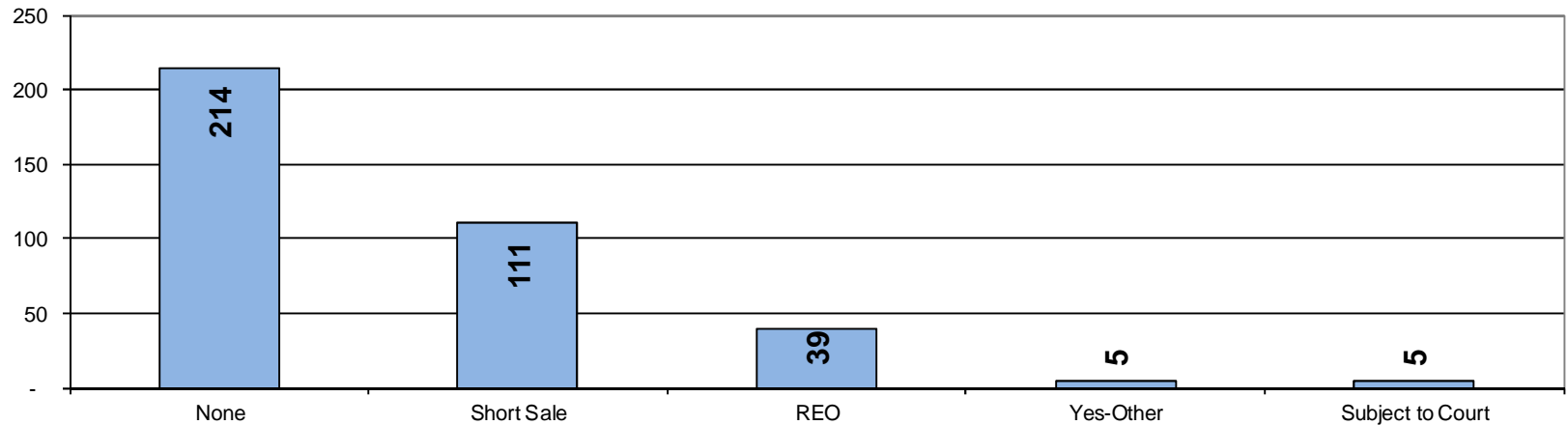


New Listings, by Price and by Special Condition

New Listings, by Price Range



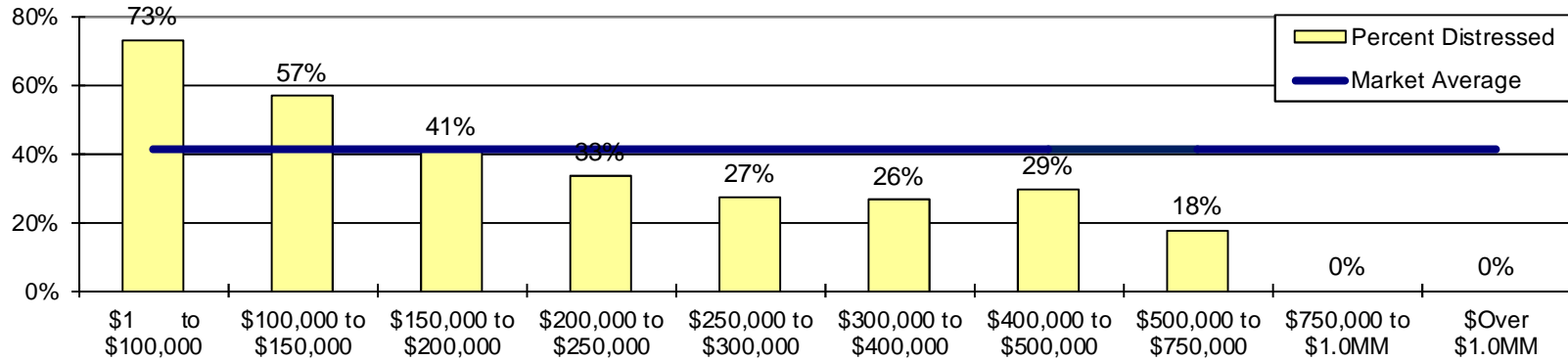
New Listings, by Special Condition



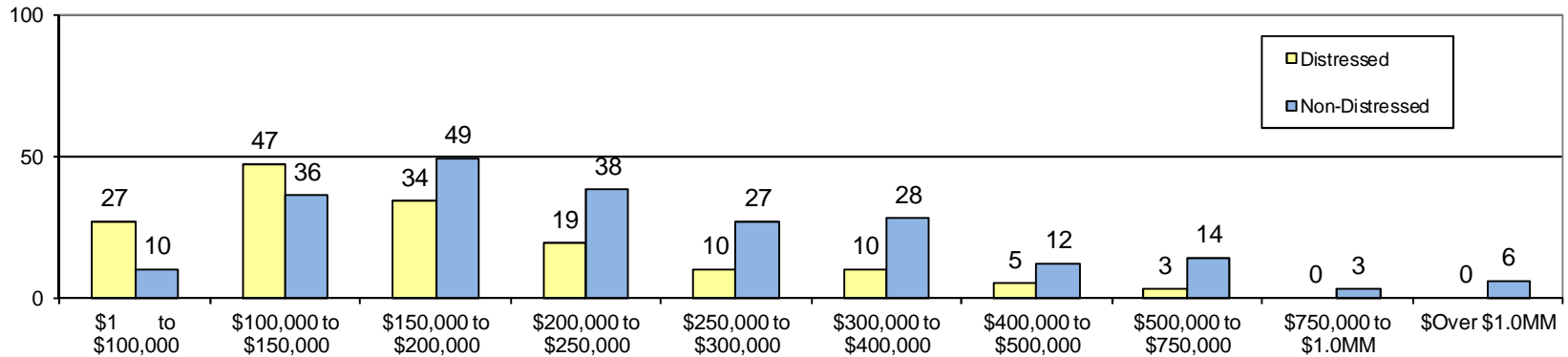
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Distressed Listings, by Price

Percentage Distressed New Listings by Price, current month



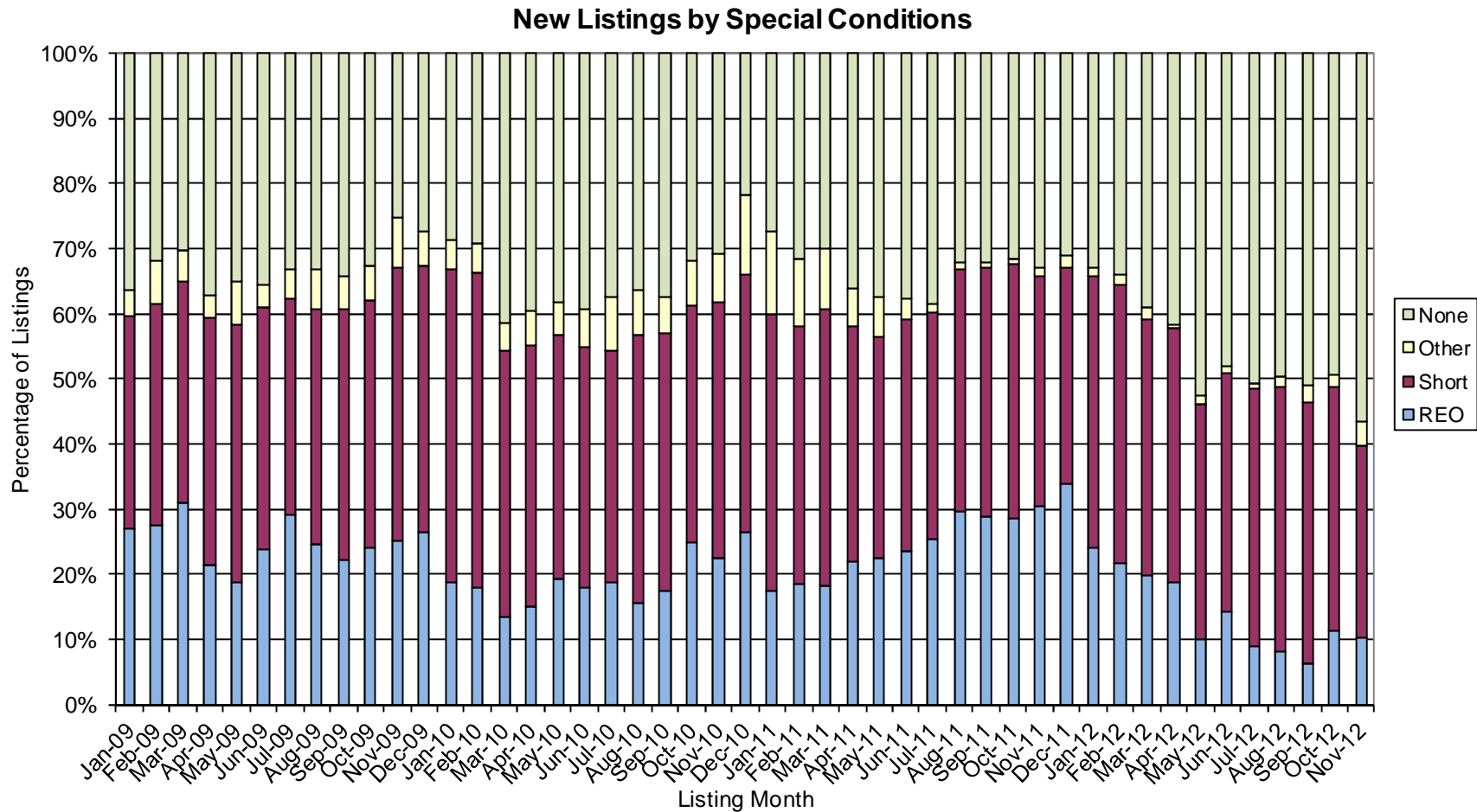
Number of Distressed and NonDistressed New Listings by Price, current month



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Distressed Listings, as a percentage of all listings

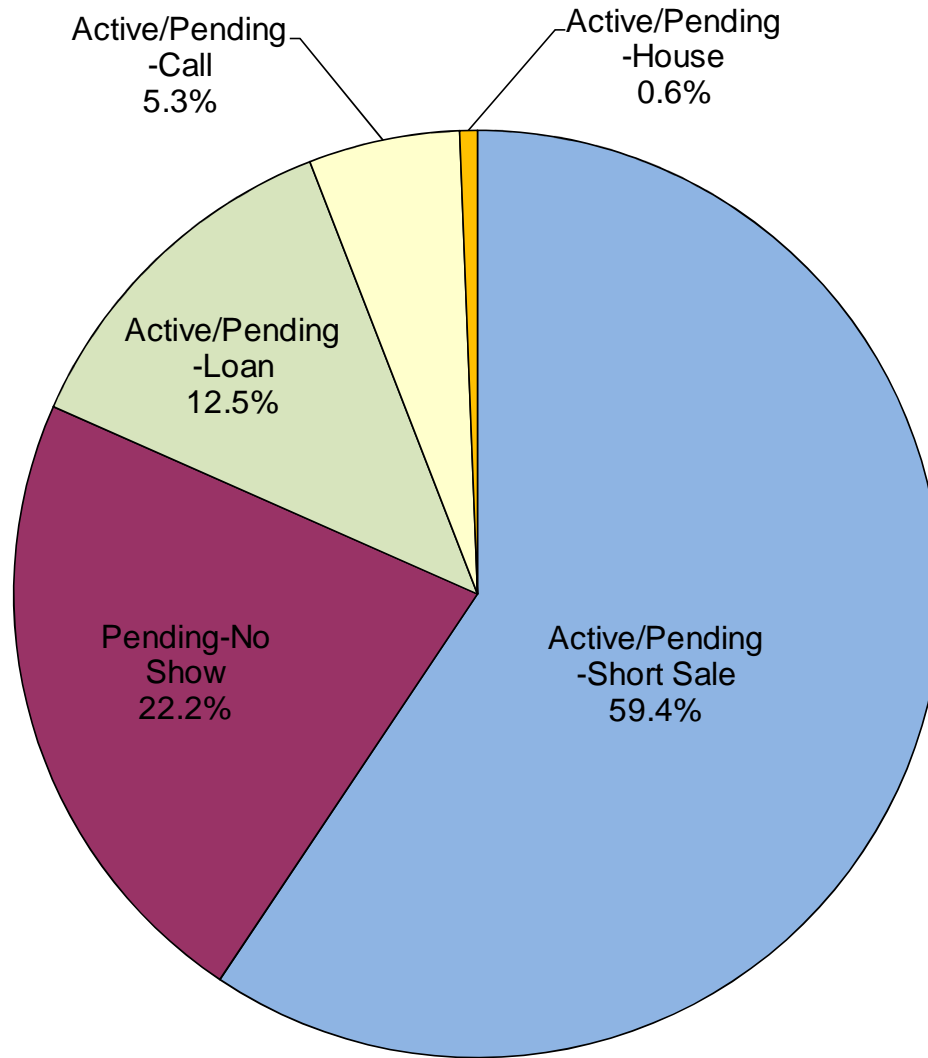
November, 2012



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Status of Pendings, Current Month

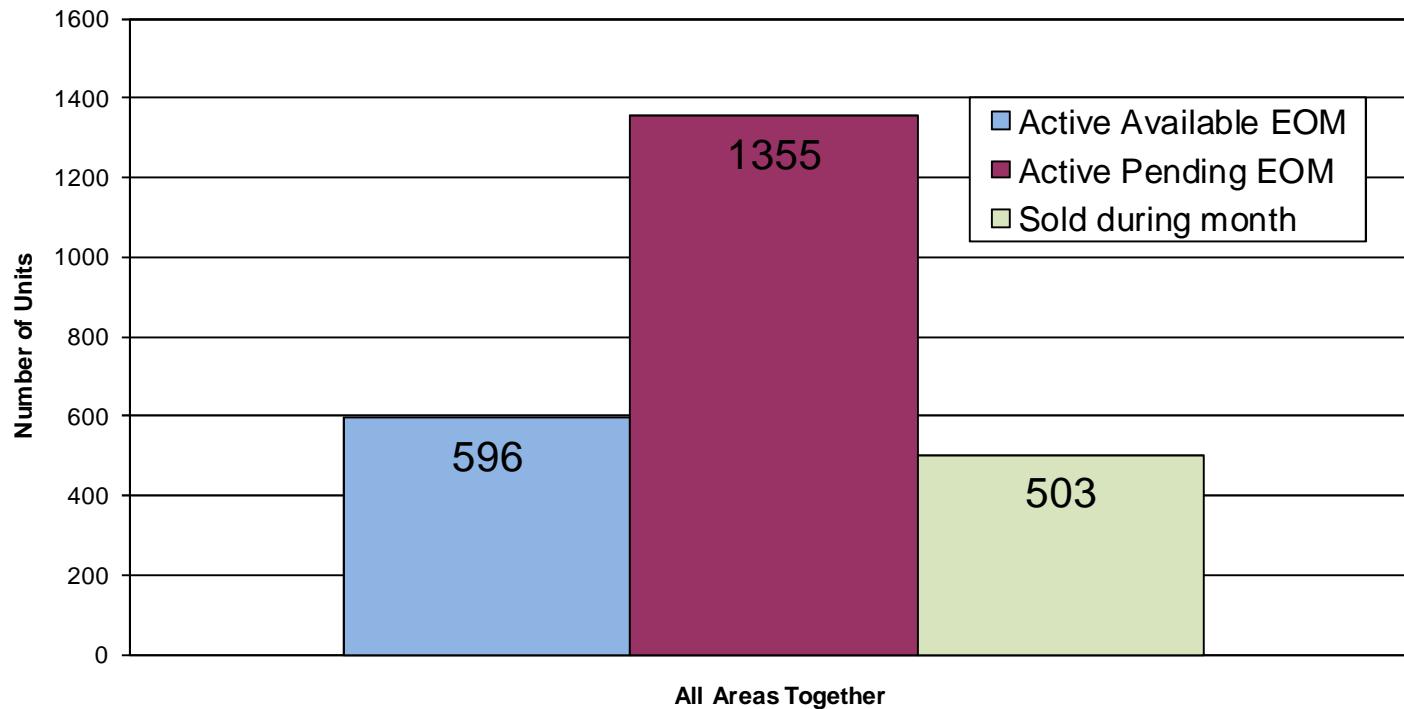
November, 2012



Months Supply of Inventory, Current Month

November, 2012

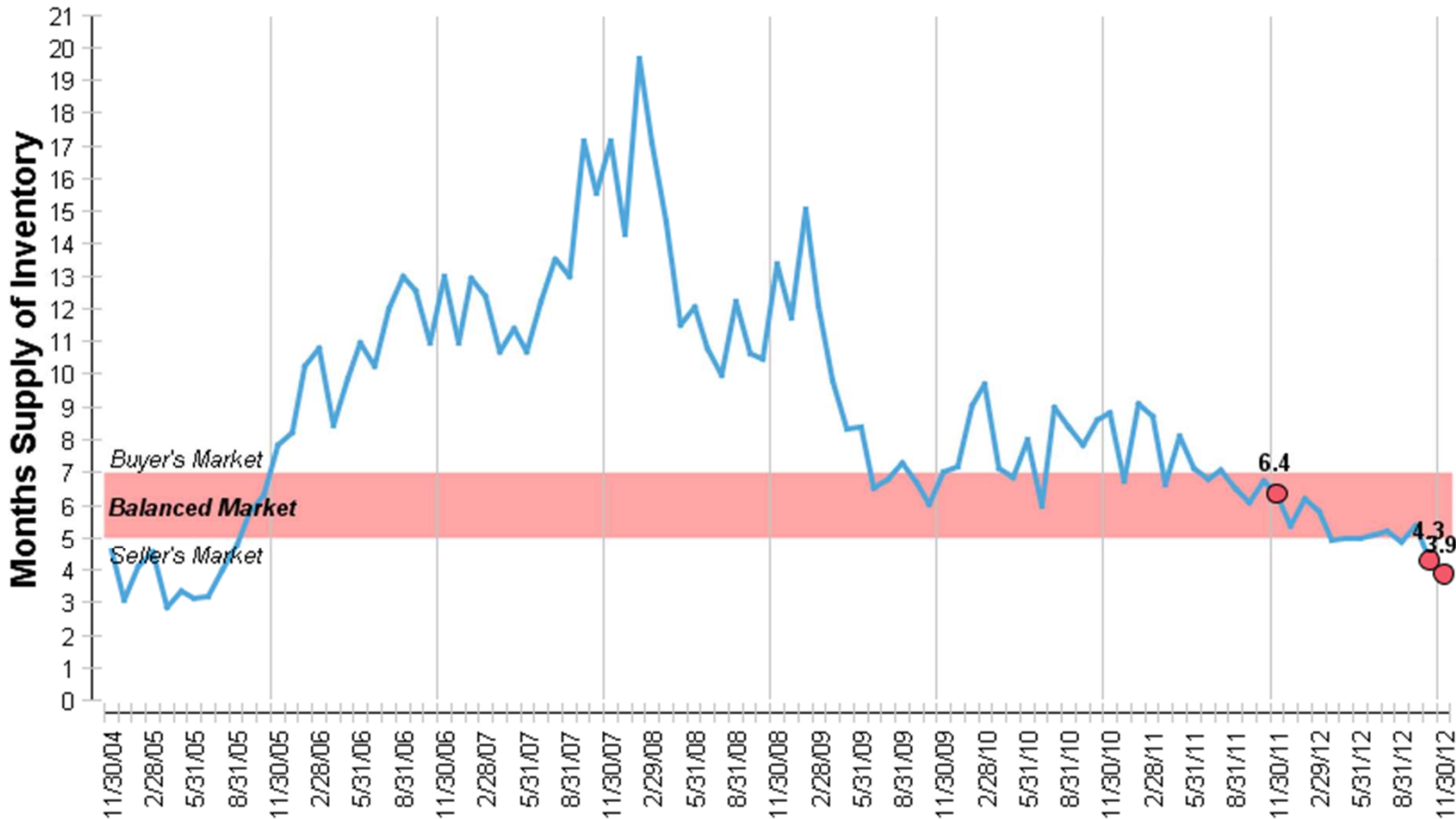
$(596 + 1355)$ available / 503 units sold = 3.9 months of inventory



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.

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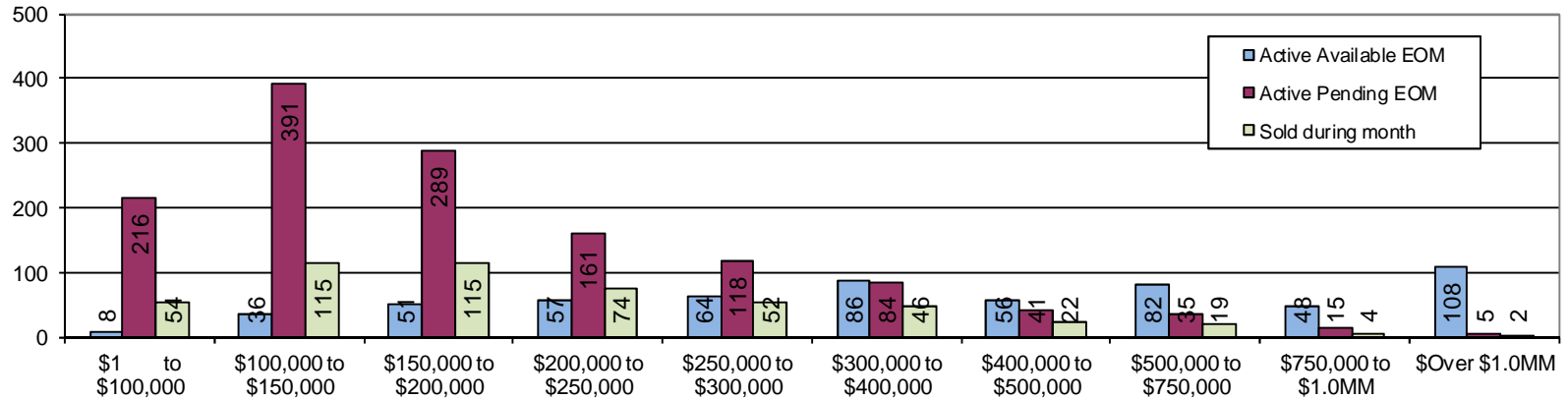
Months Supply of Inventory, Historical 8 years



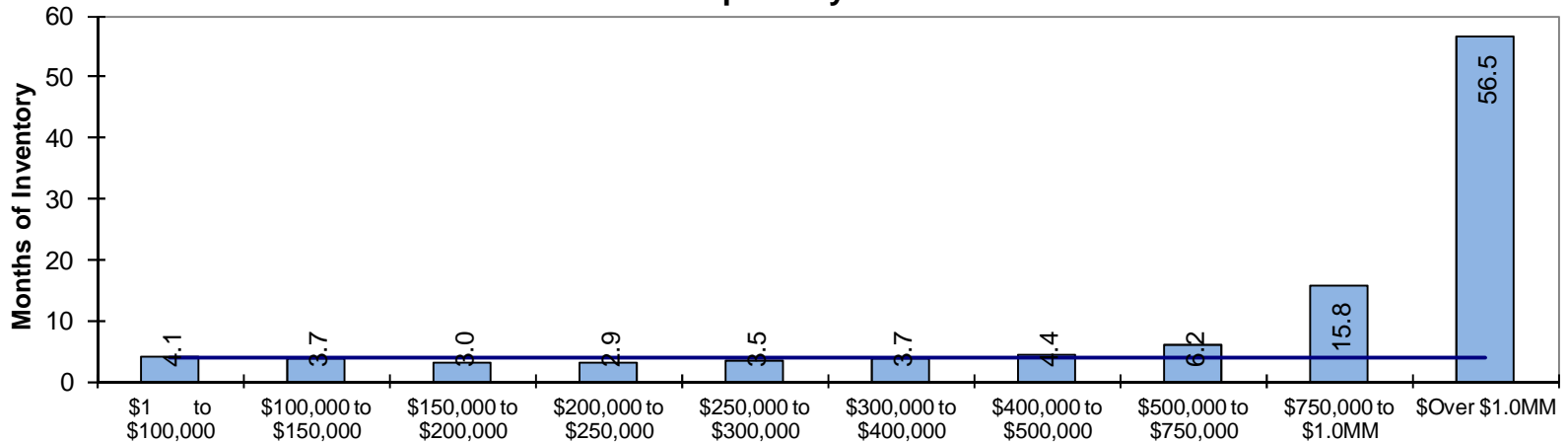
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Units and Absorption, by Price

Active and Sold Homes by Price, current month



Absorption by Price

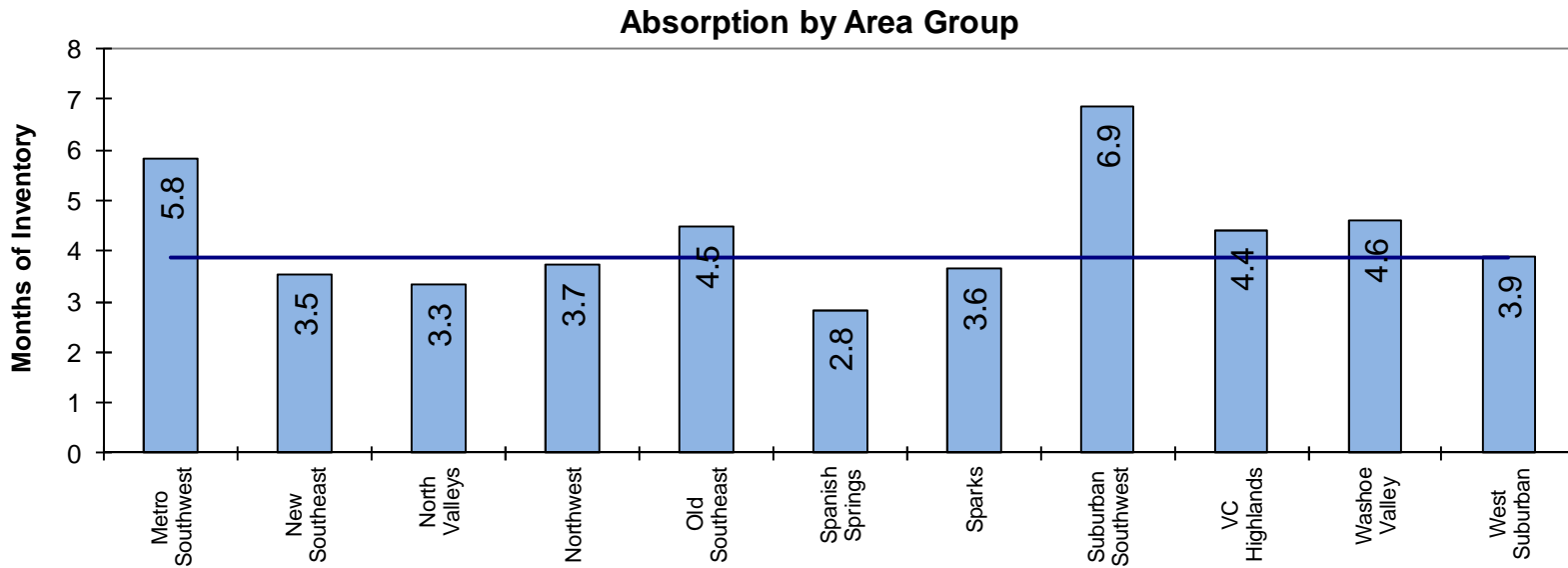
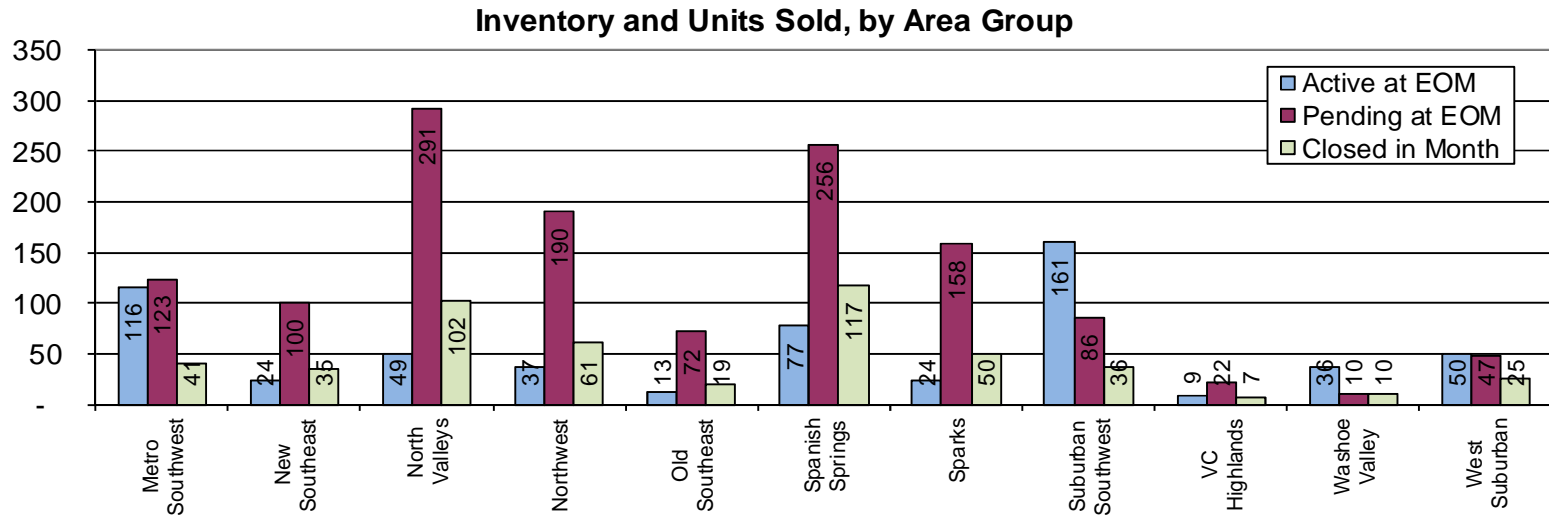


"Active" includes "Active/Pending"

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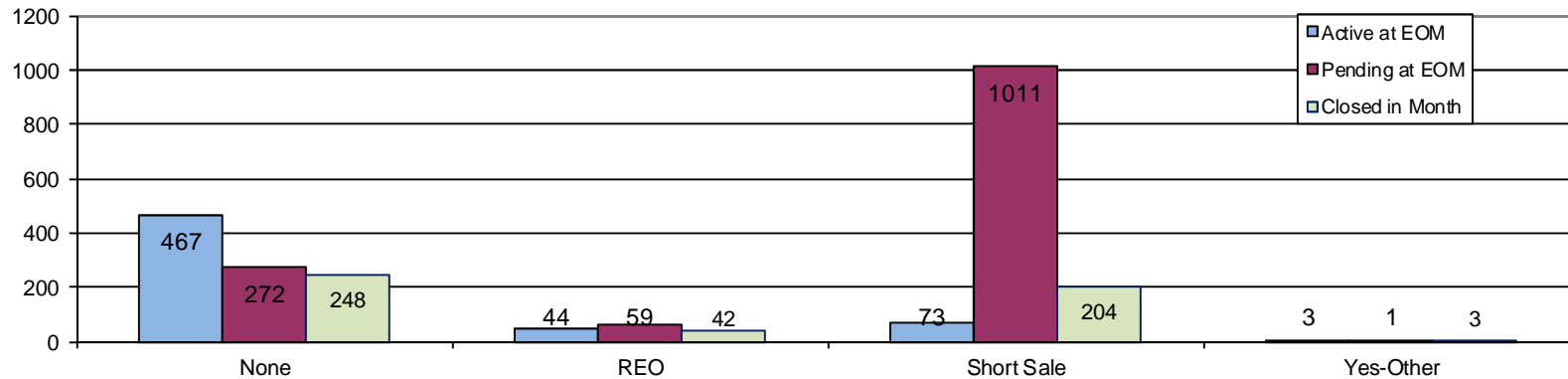
Units and Absorption, by Area Group



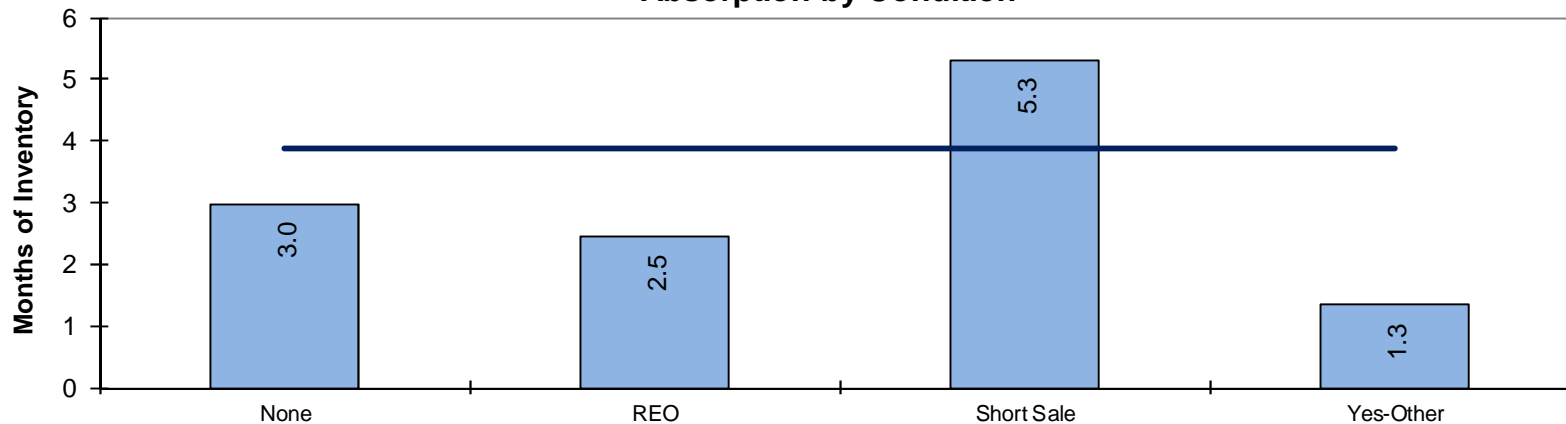
Units and Absorption, by Special Condition

November, 2012

Active and Sold Homes by Condition, current month



Absorption by Condition



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