

### **Commentary for November Foreclosure Statistics:**

Notices of Defaults (NOD) went from 34 to 41 and are relatively flat. Notices of Sales slightly increased from 97 to 100. Trustees Deeds decreased significantly from 104 to 74. There is a decrease in the foreclosure activity, primarily due to new laws set forth by our State. SB321, "The Homeowner's Bill of Rights," is affecting how the banks are foreclosing, requiring them to reach out and provide Foreclosure Prevention Alternatives to homeowners that are late with their mortgage payments and possibly facing foreclosure.

For November, Total New MLS listings decreased; Non Conditioned Sales decreased; Short Sale sold transactions declined and REO Solds increased slightly. Median Sales Price went from \$215,000 in October to \$225,000 in November.

*Many have asked if there is a way to track the percentage of cash transactions on resale homes in Washoe County. According to our research, from January to October of 2013, approximately 42% of the resale transactions in Washoe County were CASH. In October, cash sales were close to 35% of our market. In November, cash sales bumped up to 39%. Surprisingly these aren't all investors, but people who are saving to buy a home, second home, and investment property.*

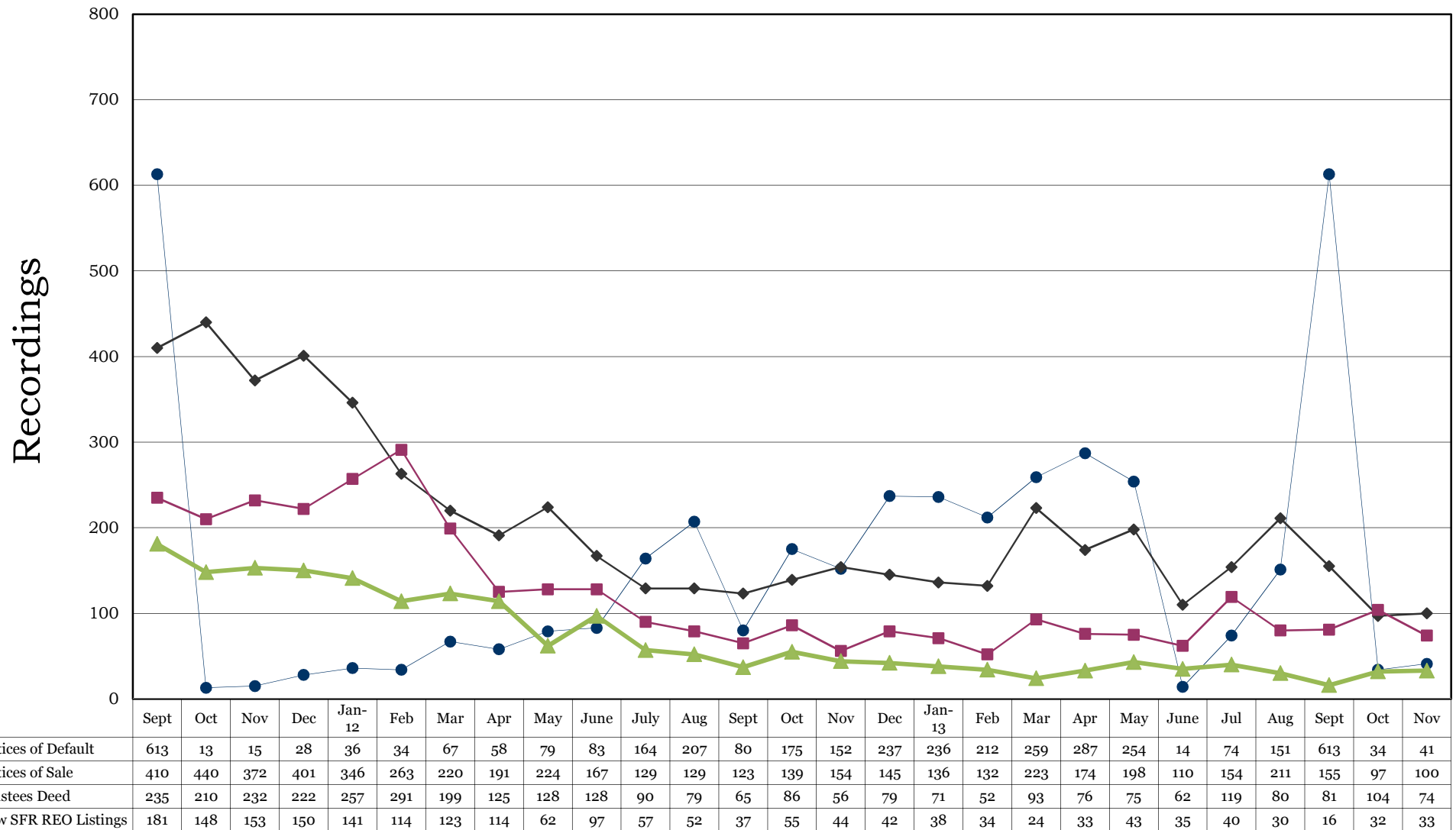
What am I hearing out in the field...?

- Some Bank Owned/REO listings are still priced too high and some of the banks are holding tight with pricing. Some REO agents have commented that they will get REO's to list, and then the bank will take the asset back due to title issues that need to be resolved.
- There are traditional sellers pricing their homes too high waiting for a buyer, but unfortunately they have missed their opportunity. Buyers don't have buying power as they did earlier in the year and the cash buyer and investors are only looking for affordable deals. Due to new lending regulations coming in 2014, it will change the lending environment for borrowers.
- Everyone is VERY concerned that the Debt Forgiveness act will be not be extended. Will the Government decide on the Debt Forgiveness in a Macro or Micro level? In some parts of the country, short sales are still very prevalent, but in the United States in general the housing industry seems to be improving and there is more equity in homes. It would be a mistake if they didn't extend it.
- For Sale by Owners are still holding tight, but are realizing that the market and regulations have changed, so we are seeing more going with a qualified real estate agent.
- How will SB321 affect our market? It's definitely changed the foreclosure processes for the banks and given opportunities to homeowners. It's too early to tell, but what I'm hearing is the homeowners are choosing loan modifications to stay in their homes a little longer.
- The agents are slower than usual at this time of the year. We normally have a slow season, but this seems very flat. Some lenders I've talked to say their new buyer applications are significantly down compared to other Decembers. What will our 1<sup>st</sup> Quarter look like? It could be a rough one.
- Talked with some of sales executives in other markets (Arizona, New Mexico, Colorado, California, and Texas) and all of them agreed the market has shifted and it is slow.
- **What should you be most concerned about in the real estate market? The CFPB! Who's that? The New Regulators of Dodd Frank – Consumer Finance Protection Bureau! Did you know we will have new loan and closing disclosures? The CFPB has changed what we know as a HUD to be a closing disclosure form. Plus, lenders will have to adhere to lending standards that will make everyone on an even playing field. And lastly, the big one....3 day rescission on resale transactions. No more can we sign loan documents and close the same day. Buyers have 3 days to review what they signed. Welcome to our new world in 2014!**

<http://www.consumerfinance.gov/newsroom/cfpb-finalizes-know-before-you-owe-mortgage-forms/>

### Washoe County Recording Statistics September 2011 - November 2013

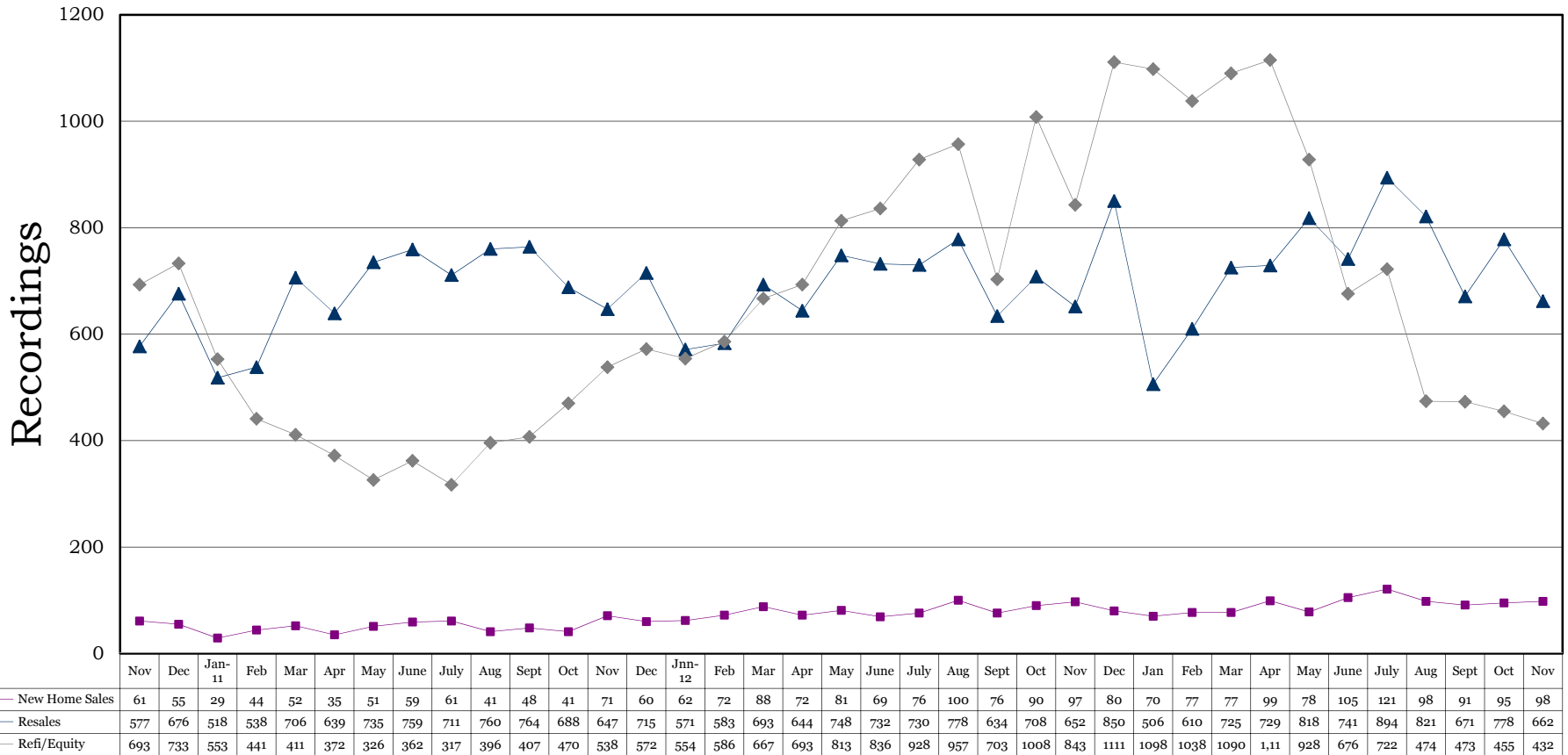
**All Notices of Default, Notices of Sale, Trustees Deed Filings**  
*(Recordings Include All Deeds of Trust - Residential & Commercial Combined)*



\*Sources: Washoe County Recorder's Office and NNRMLS. Ticor does not guarantee the accuracy of this data. This is for informational purposes only and is intended to view the general market trend in Washoe County.



**Washoe County Insured Recording Statistics**  
**November 2010 - 2013**  
**Resale/New Home/Refinance Trend**  
*Includes All Types of Properties*



\*Source: Dataquick Information Systems. Ticor does not guarantee the accuracy of this data. This is for informational purposes only and is intended to view the general market trend in Washoe County.