



MARKET CONDITION REPORT

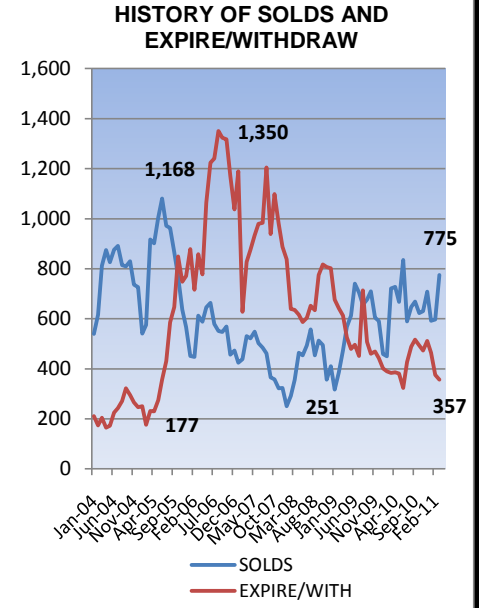
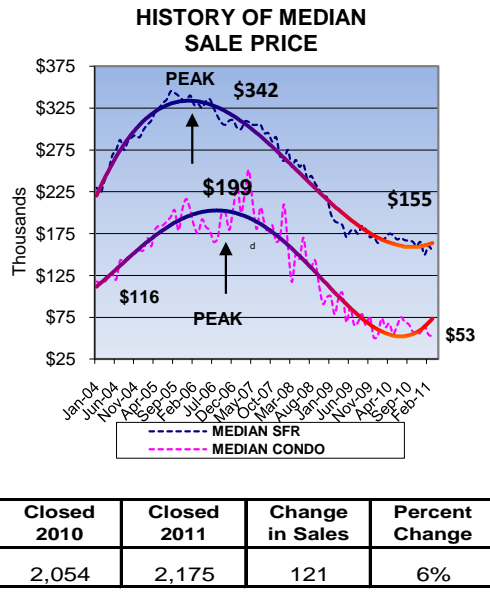
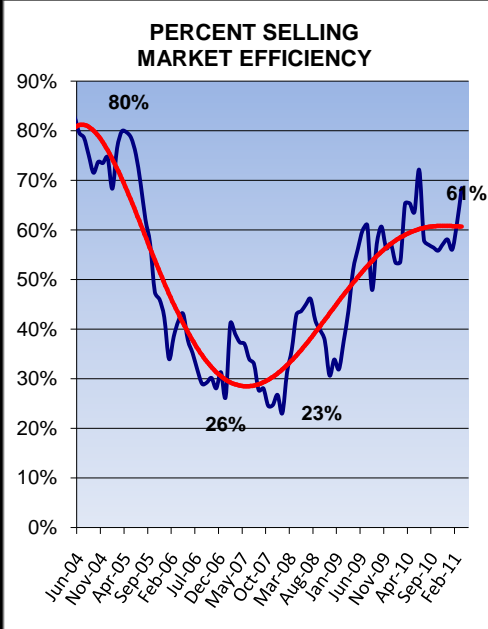
RENO AREA

Mar-11

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	2,106	297	144	146	67%	33	143	28	\$186	\$170	\$168
Sparks	946	148	50	79	75%	30	117	31	\$151	\$153	\$150
WASHOE COUNTY TOTAL	3,052	445	194	225	70%	32	135	29	\$175	\$164	\$162
Fernley	225	37	15	25	71%	29	128	33	\$98	\$101	\$99
Dayton	181	31	13	8	71%	26	143	34	\$135	\$139	\$137
Yerington	57	6	5	3	55%	47	175	19	\$133	\$75	\$65
LYON COUNTY TOTAL	463	74	32	36	70%	29	138	32	\$116	\$115	\$113
Gardnerville	218	26	21	17	55%	40	152	23	\$239	\$175	\$185
Minden	110	12	10	3	55%	43	158	21	\$299	\$230	\$230
DOUGLAS COUNTY TOTAL	328	37	31	20	55%	41	154	23	\$258	\$192	\$199
Fallon (Churchill County)	160	14	15	5	47%	53	201	17	\$152	\$130	\$130
Carson City (Carson County)	384	47	36	16	57%	37	145	24	\$182	\$168	\$164
TOTAL	4,387	616	307	302	67%	33	138	28	\$175	\$160	\$158

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).



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	349	66	40	31	63%	25	126	38	\$80	\$65	\$63
Sparks	116	9	8	10	52%	64	147	15	\$56	\$42	\$40
WASHOE TOTAL	465	75	48	41	61%	29	128	32	\$77	\$62	\$60
Carson City	31	4	2	1	64%	40	87	23	\$85	\$55	\$46
TOTAL	496	78	50	42	61%	30	126	31	\$75	\$62	\$59

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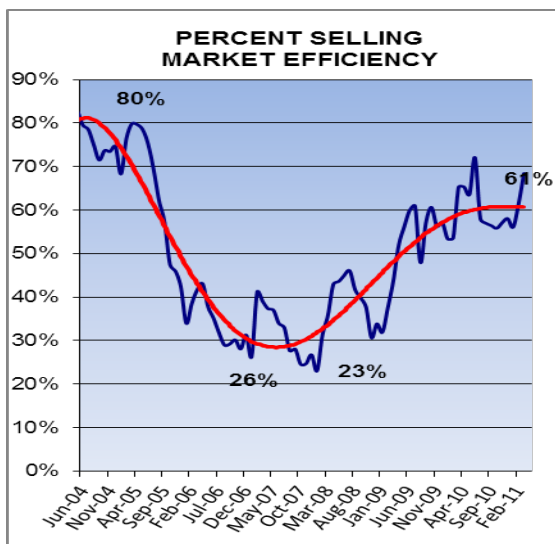
Reno-Sparks Area

March 2011

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

THE BIG PICTURE

- **OVERVIEW:** Both SFR and Condo supply are very constant. This means that as properties are moved off the market by either becoming a sale pending or a failure, those properties are being replaced by new supply. This implies that whatever price trend is currently in effect is likely to continue. Closed SFR demand increased significantly over last month while Condo demand was relatively unchanged. Properties in escrow are on the increase at a slow pace. Median price for both types is declining at a quicker pace. Prices are very weak.
- **PERCENT SELLING:** Increasing slowly—gained 5 points over last month. This is a reflection of an increase in closings and a decline in the rate of failure.
- **WEEKS SUPPLY GIVEN DEMAND (ABSORPTION RATE):** Absorption Rate is declining for SFR and steady for Condo. A declining rate signals a tightening market in terms of supply and demand. In order to affect prices, this tightening would need to continue over a prolonged period before prices would react.
- **MARKET SPEED INDEX:** The market is moving slowly but speed is increasing in small steps from month to month. Expect the pace of the market to increase slowly. This increase will be difficult to discern at the street level in the short run.
- **PRICES:** SFR and Condo price schedules continue to weaken but the pace of decline has increased. Condo has become more pronounced in the short run. Prices are erratic from month to month and seem to gyrate in a narrow range (see History of Median Sale Price Graph).
- **Advanced Analysis**



When a property comes to market, ultimately there are only two outcomes: success (closed) or failure (expire, cancel, withdrawn). In the graph to the left, see that in 2005, the market peaked at 80% percent selling (20% failing). This illustrates that without regard to the market, some properties will always fail. Here is the important idea: The market began to lose efficiency in mid-2005. Prices did not begin to react until early to mid-2006. The market, therefore, sent clear signals of decline well before prices began to react to the market change. The reader should also observe that percent selling has peaked out. This implies, at the minimum, that any recovery will either not occur in the near term or be very weak in its effect.