



**Monthly Market Talk
December 2009, 4th Quarter and
Year End 2009**

(Based on stick-built homes in Fernley 450)

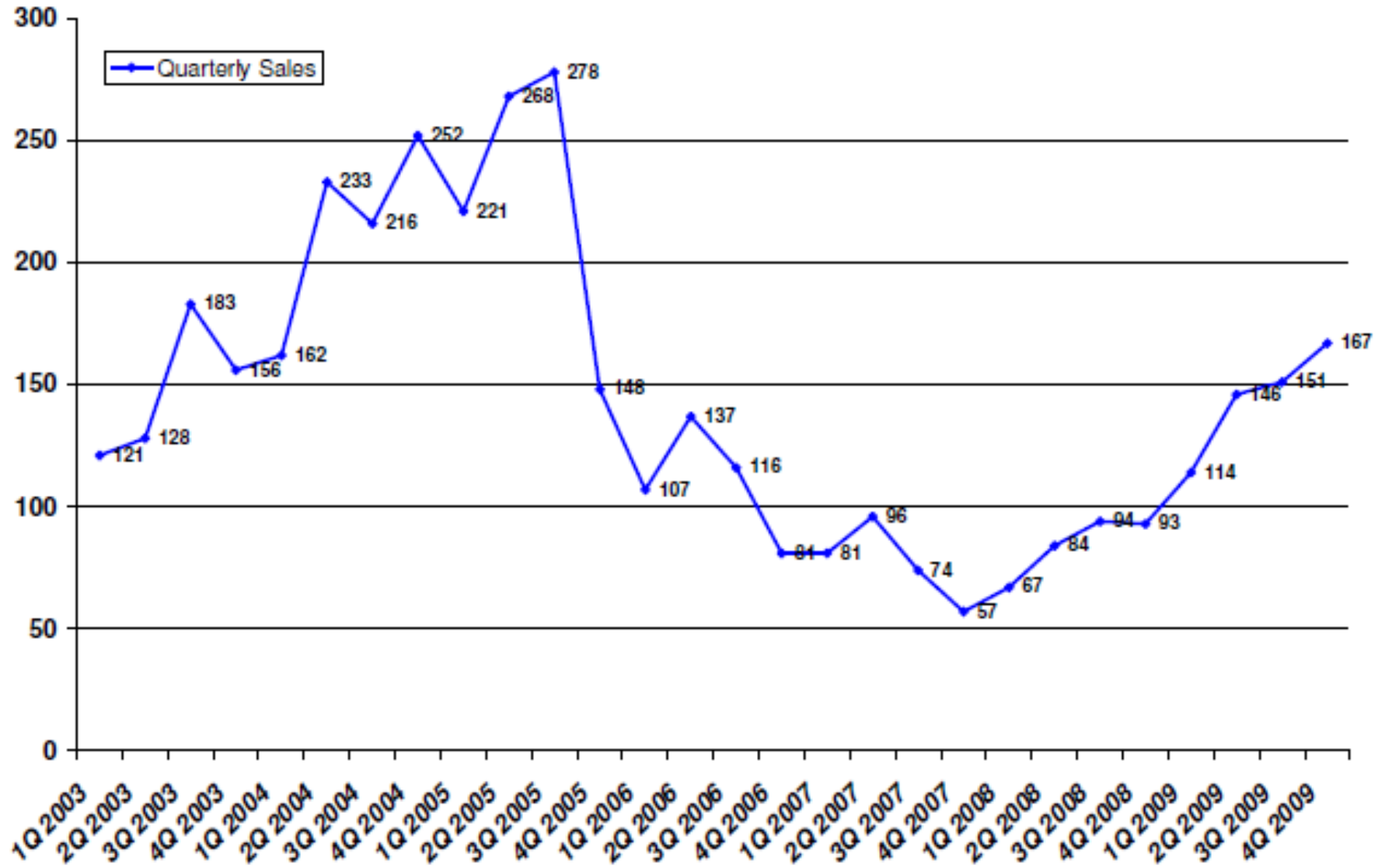
Fernley Market Talk:

“Turning the corner on the new year calls for a cautious celebration,” said Ken Amundson, 2010 president of Reno/Sparks Association of REALTORS and managing broker of Coldwell Banker Select Real Estate’s Sparks office. “There were many positive signs that we can point to including the fact that more people purchased homes in 2009 in every quarter than the previous year and median home prices have remained stable for the past four months. As we move into 2010, we can optimistically look at the fact that the supply of homes is at a five year low, government incentives for first time buyers and move up buyers are available through April, and low interest rates remain in effect.”

Sales

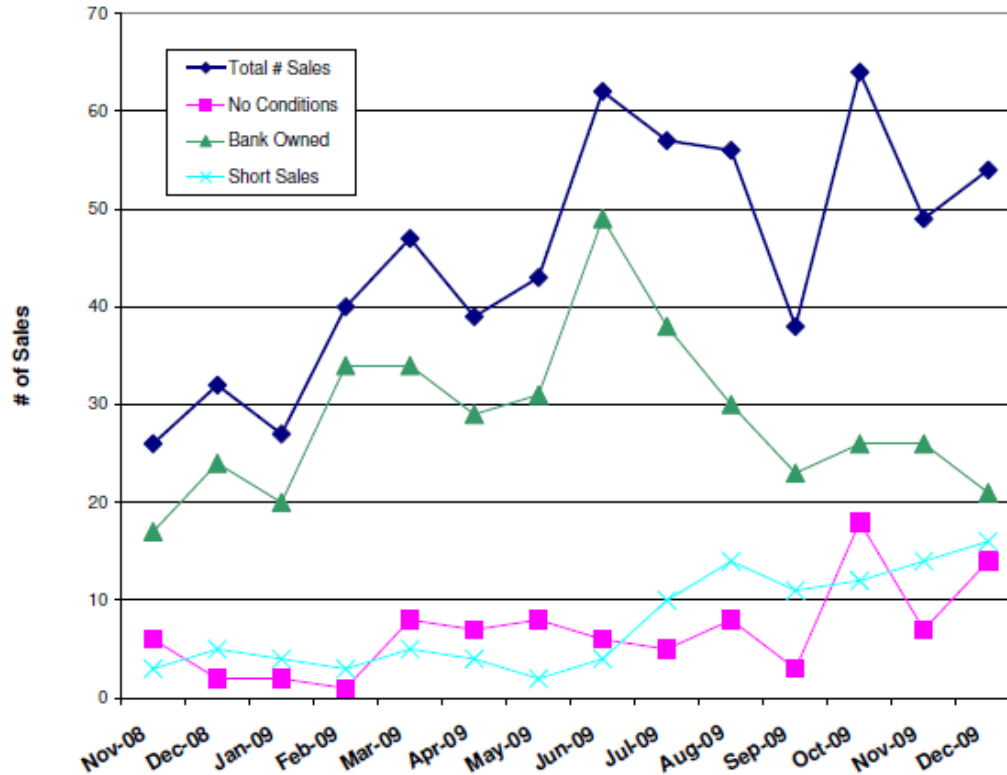
- The 4th quarter sales were reported at 167 up 10% from the 3rd quarter 2009 and up 78% over the 4th quarter 2008. Total sales for 2009 were 579, up 69% over 2008.
- December ended the month with 54 sold transactions as compared to 49 for the month of November – a 10% increase over the previous month and a 69% increase over the same period last year.

Quarterly Sales Trends
 (Based upon stick-built homes in Fernley 450)



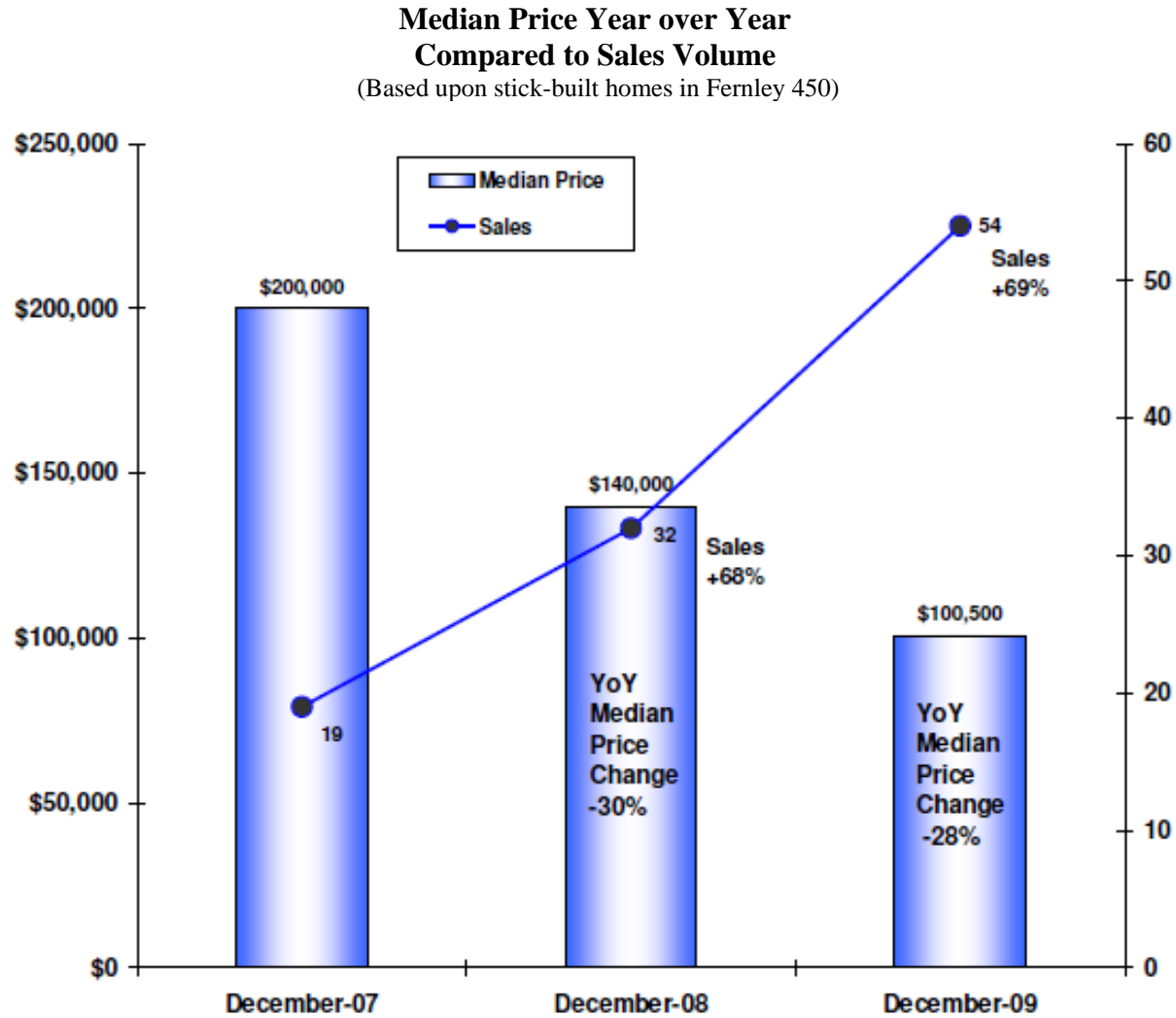
- Sales Mix:
 - Bank Owned unit sales were down in December to 21 as compared to 26 in November. Bank owned sales represent 39% of the sales, down from 53% reported for November.
 - Short Sales increased to 16 in December up from 14 in November - 30% of the mix in December as compared to 29% in November.
 - No Special Condition (None) sales increased in December to 14 as compared to 7 in November. Sales reported as No Special Condition represented 26% of the sales, as compared to 14% reported in November.
- The graph below highlights the sales trend by Special Condition in relation to total sales.

Sales History Analysis
Sales Trends by Special Conditions
 (Based upon stick-built homes in Fernley 450)



Median Price

- The chart below displays the median price year over year for the month of December in comparison to sales for the same periods.
- Median price is defined as the mid-point, half of the sales for the time period (December) are below and half are above.

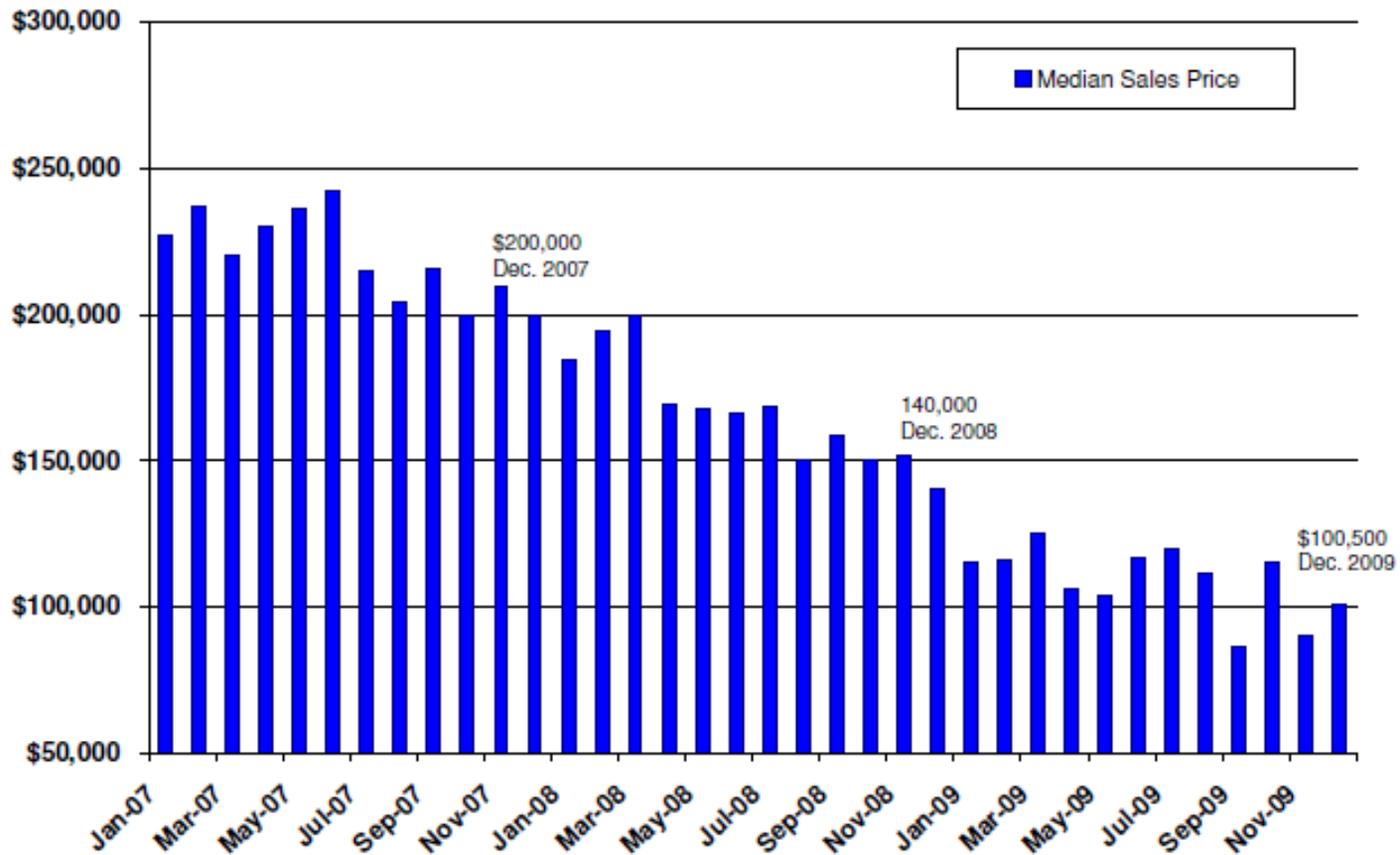


Median Price Trend

- December 2009 median price was up 12% at \$100,500 compared to November 2009.
- Median price for the fourth quarter was \$104,000, down less than 1% from the 3rd quarter 2009 and down 29% over the fourth quarter 2008. The median price for year end 2009 was \$109,900 down 34% from 2008.

Median Sales Price Trend

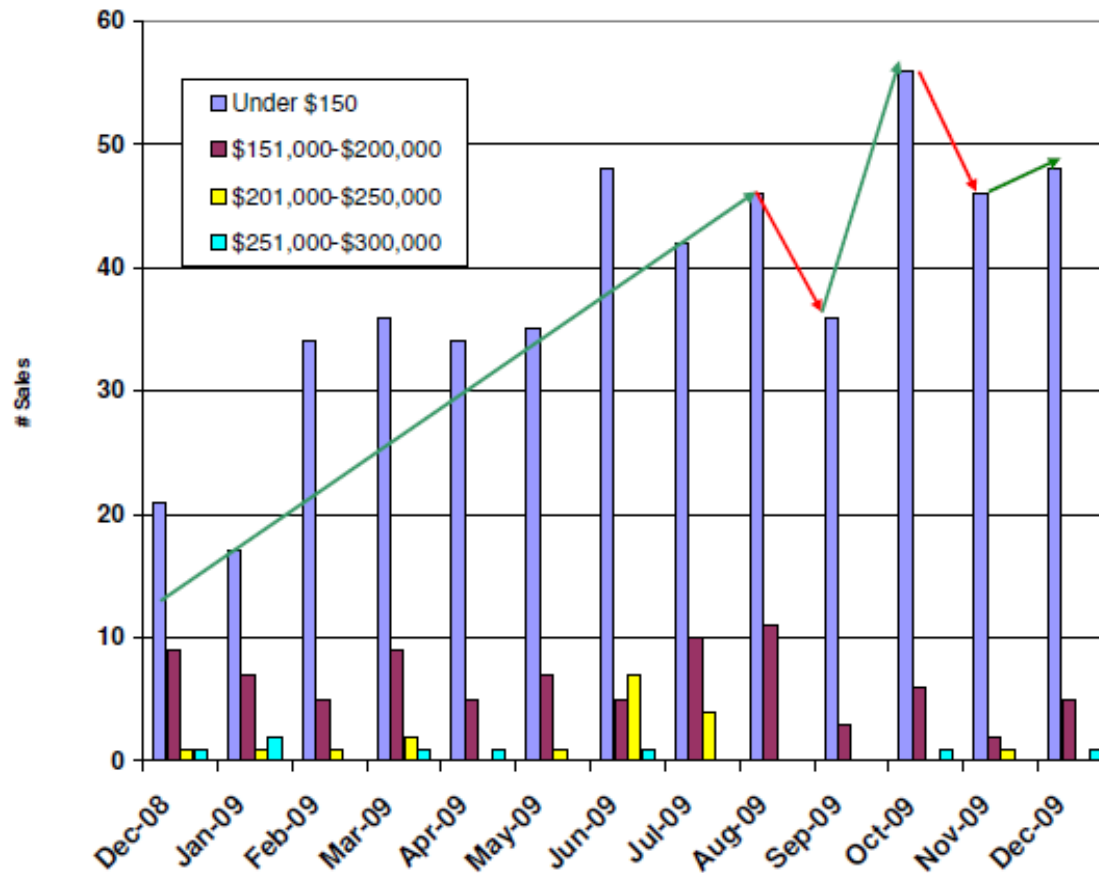
(Based upon stick-built homes in Fernley 450)



Sales by Price Point

- Sales in the under \$150,000 price range increased in December (48 sales) compared to November (46 sales). The \$151,000 - \$200,000 price range increased in December (5 sales) compared to November (2 sales).

Analysis of Sales by Price Point
(Based upon stick-built homes in Fernley 450)

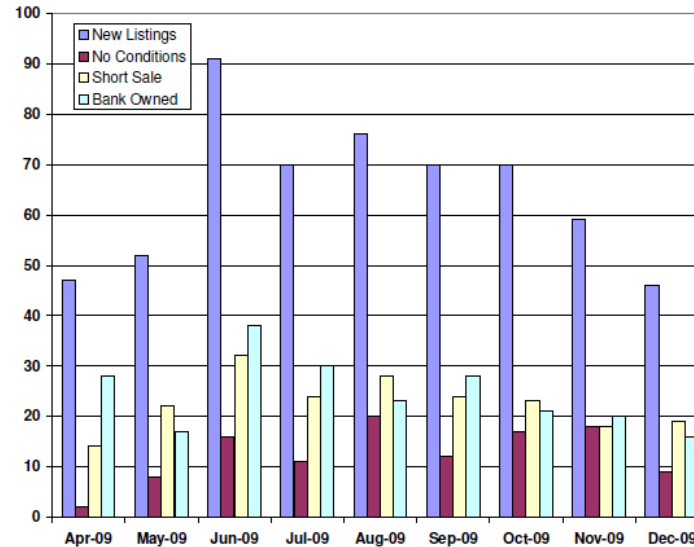


Listings

- 46 new listings were taken in December compared to 59 in November, an 22% decrease.
- The percentage of “Distressed” new listings increased to 76%, up 19% from November.
- The number of Bank Owned listings continues to decline from its high of 38 in June.

New Listings	Total	Special Condition – None	Special Condition –Short Sale	Special Condition – Bank Owned	Percentage of Distressed New Listings
June 2009	91	16	32	38	77%
July 2009	70	11	24	30	77%
August 2009	76	20	28	23	67%
Sept. 2009	70	12	24	28	74%
Oct. 2009	70	17	23	21	63%
Nov. 2009	59	18	18	20	64%
Dec. 2009	46	9	19	16	76%

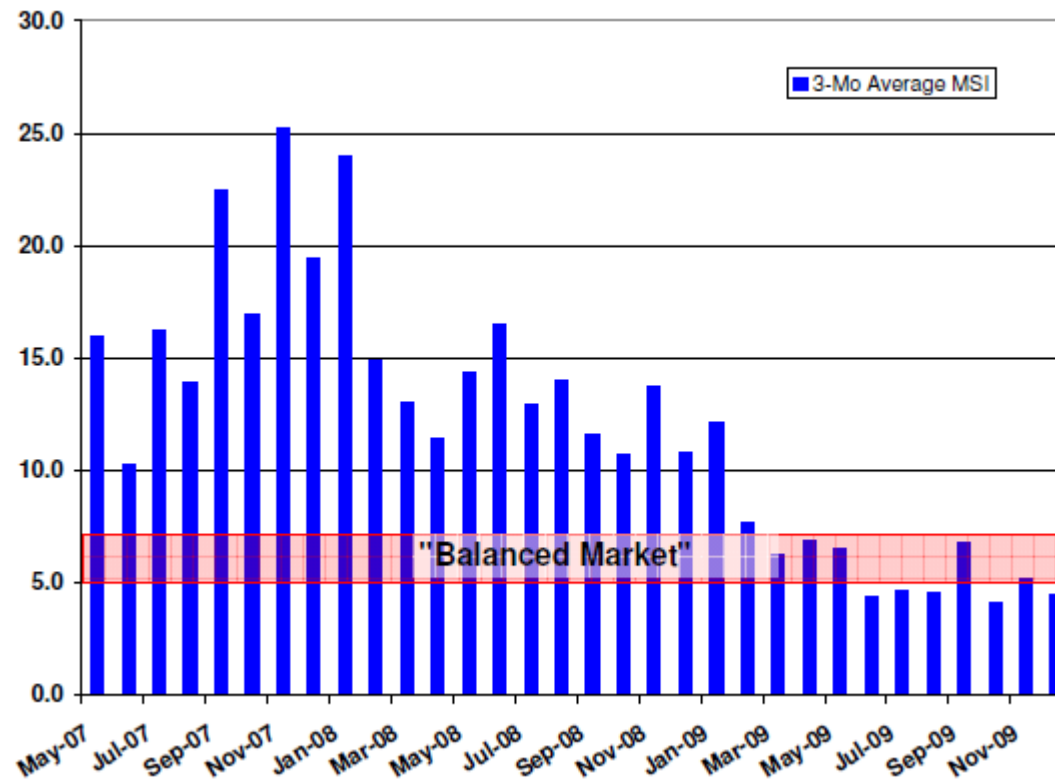
New Listing History Analysis
Listing Trends by Special Conditions
 (Based upon stick-built homes in Fernley 450)



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

- As of December 31, 2009, Fernley dropped to 4.5 months of inventory based on a 90-day sales rate. In 2009, Fernley dropped below what is described as a balanced market five out of twelve months.
- The National Association of REALTORS® describes a balanced market as between 5 and 7 months supply.
- Unsold Inventory includes all Actives and Active Pendings.

**Historical Market Absorption or
Months Supply of Inventory (MSI)**
(Based on stick-built homes in Fernley 450)



Conclusion

- The number of sales has continued to increase quarter over quarter for during the year 2009.
- Short Sale closings continue to increase as a percentage of the total market mix.
- The volume of short sales closings year over year has increased by 220%.
(December 2008 - 5 short sales, December 2009 - 16 short sales)
- Bank Owned closings continue to decline due to decreased inventory in that category.
- The median home price is in line with the median household income in recent months for the first time since 2002.

Important Events for your calendar

- Residential Economic Forecast presented by President Ken Amundson at the February 9th Business Meeting at Reno/Sparks Association of REALTORS®. The meeting begins at 8:00 a.m. with networking and is called to order at 8:30 a.m. Additional speakers include CJ Manthe of the Nevada Rural Housing and Mike Nolan of Nolan Real Estate, Director and member of the Foreclosure Prevention Work Group.
- Fannie Mae Live presented by the Northern Nevada Regional MLS on February 24th at the Atlantis Hotel Casino from 9 a.m. – 4:00 p.m. Opening acts include the latest in real estate technology. Full day event including lunch is free to NNRMLS participants. Tickets available at Northern Nevada Regional MLS.
- Short Sale and Foreclosure Certification class will be presented on March 7th with instructor Lee Barrett. This class is approved for 6 hours General CE credit. For more information [click here](#).
- Foreclosure Mediation Update – Is it working? This Lunch ‘N Learn will feature Verise Campbell, the Foreclosure Mediation Program Administration. The class will be held on March 16th, 11:00 a.m. – 2:00 p.m. at Reno/Sparks Association of REALTORS®. [Click here](#) for more information.

This data is accurate to the best of the knowledge of Reno/Sparks Association of REALTORS® based on data reported on December 15, 2009.