

# *Yesterday's disclaimer. . .*

**The 2009 Reno/Sparks  
Resale Home Market Outlook**

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Yesterday's disclaimer  
is today's GOOD NEWS

Recall the famous financial disclosure:

*Past Performance is no Guarantee of  
Future Results.*

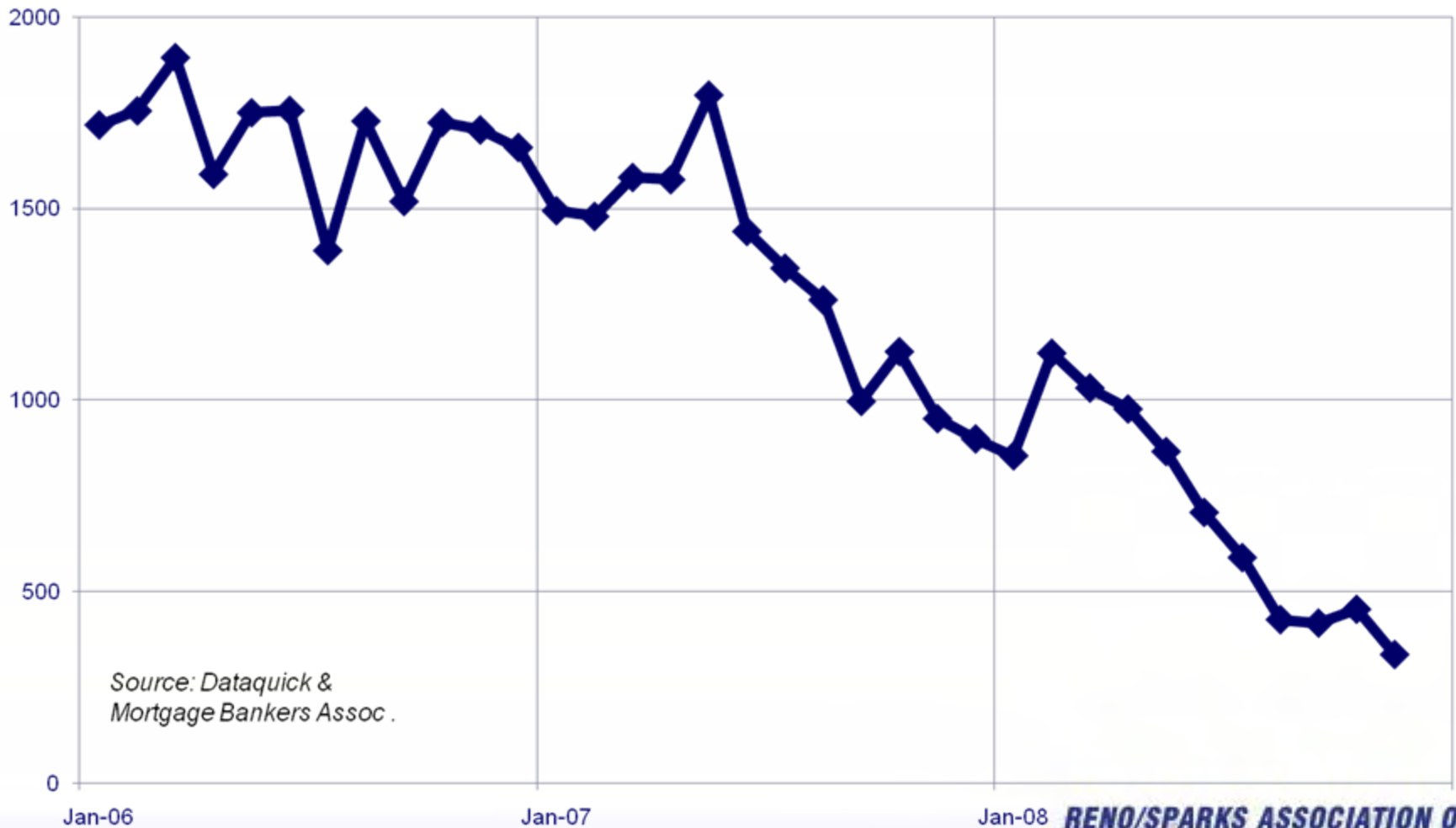
Well, thank goodness!

*Title Perspective:  
Washoe County Overview*

# Washoe County Recording Statistics January 2005 - December 2008 Resale Trend - Including All Property Types

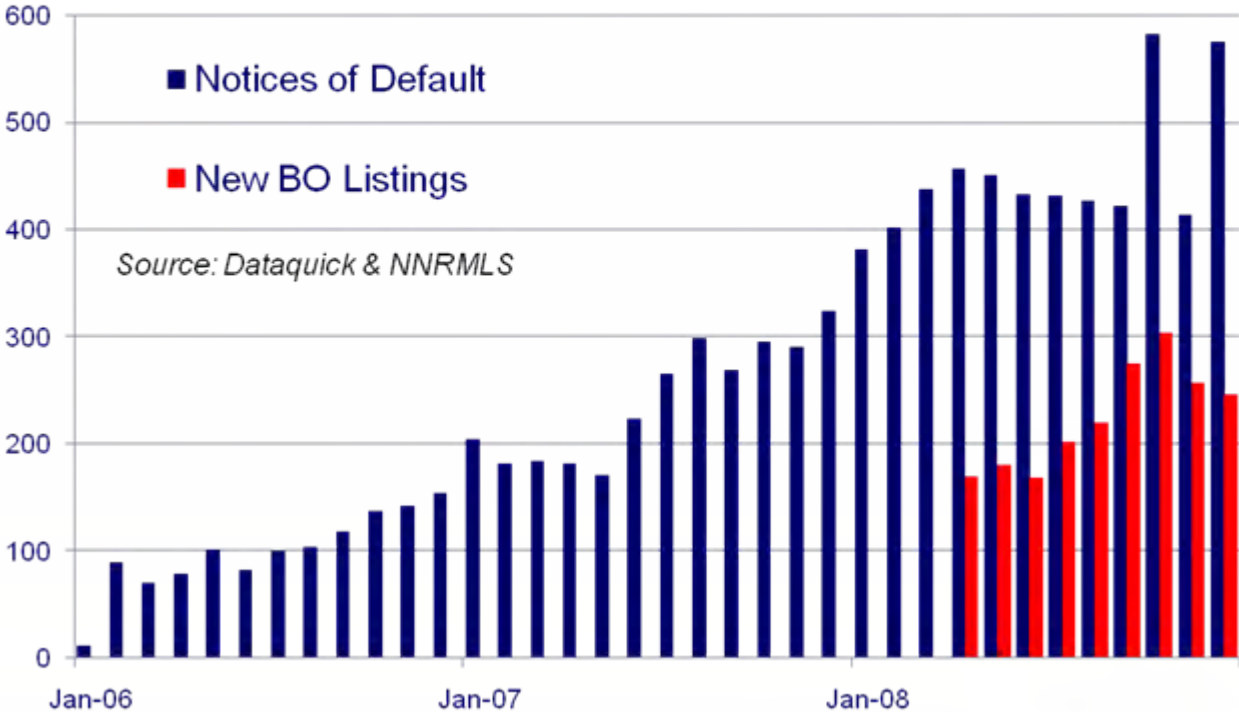


# Washoe County Recording Statistics July 2006 - December 2008 Refinance Trend



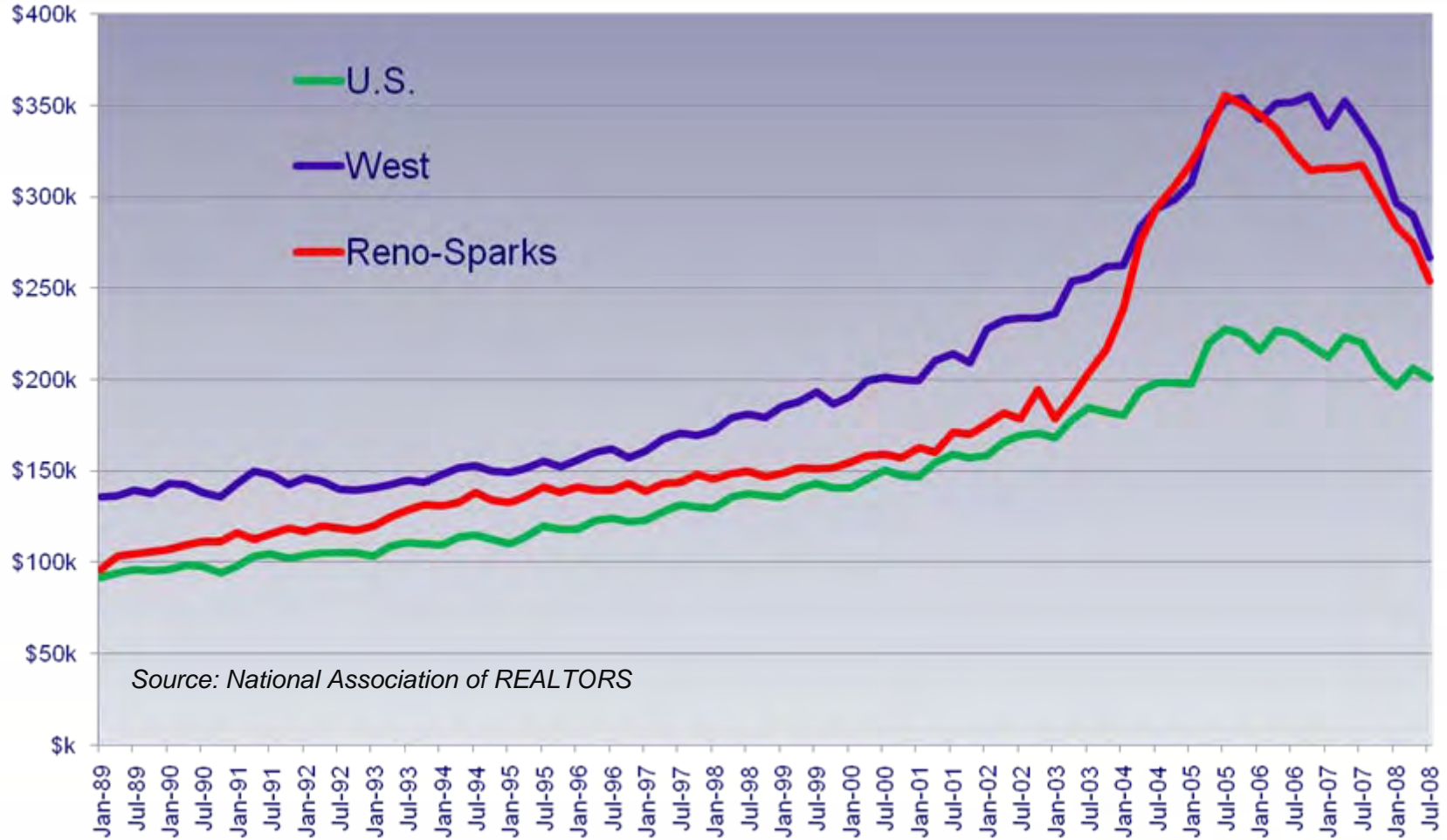
Source: Dataquick &  
Mortgage Bankers Assoc .

# Washoe County Recording Statistics July 2006 - December 2008 Notices of Default - All Property Types



*Resale Overview:  
Price History*

# National, West & Reno/Sparks Quarterly Median Home Prices: 1989 to Q3 2008



# 9-year history of Reno/Sparks Median Home Price:

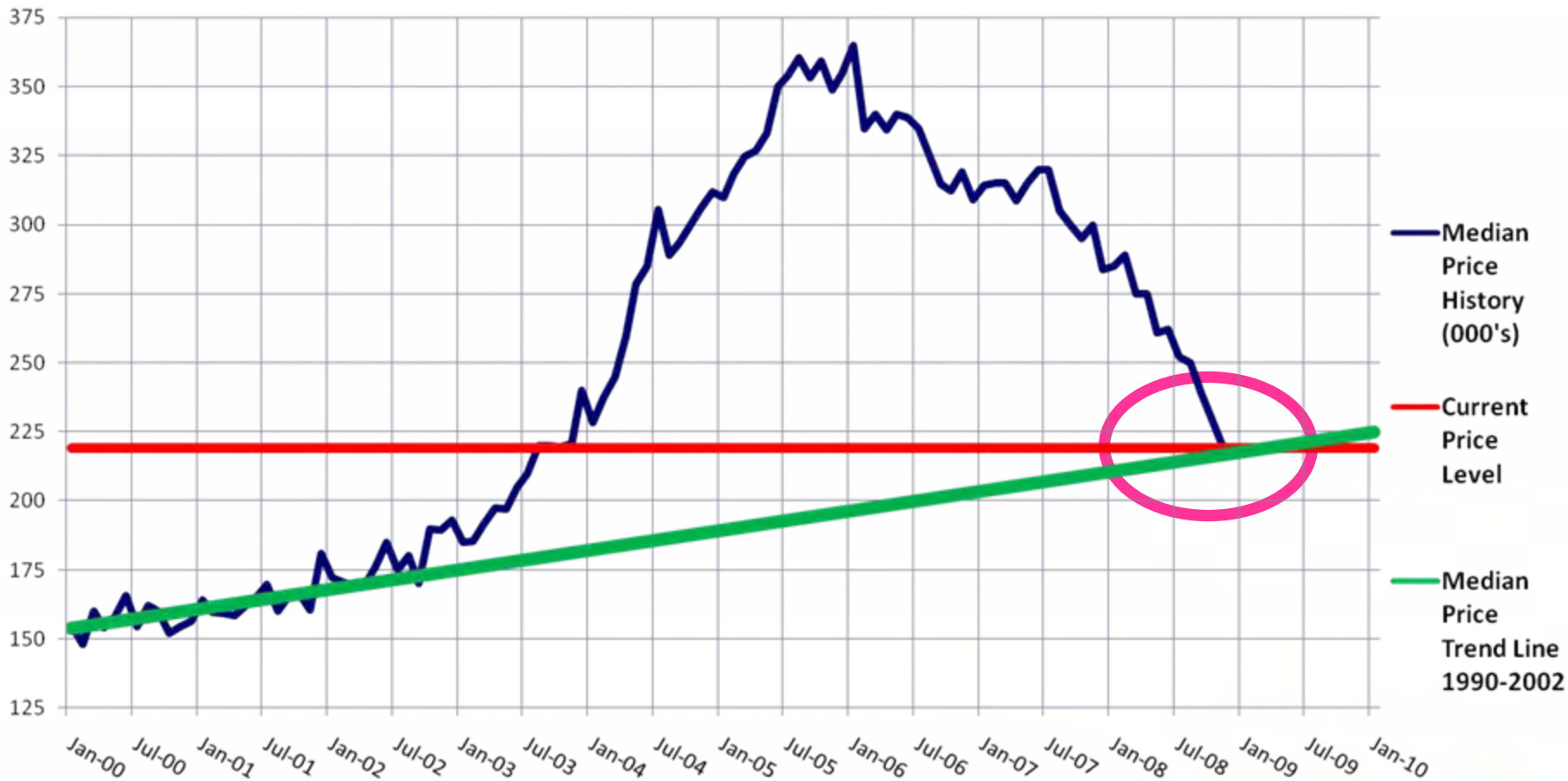
- 4<sup>th</sup> quarter 1999: \$151,200
- 4<sup>th</sup> quarter 2002: \$194,400
- 3<sup>rd</sup> quarter 2005 (peak): \$355,000
- 4<sup>th</sup> quarter 2008: \$223,450



Source: NNRMLS

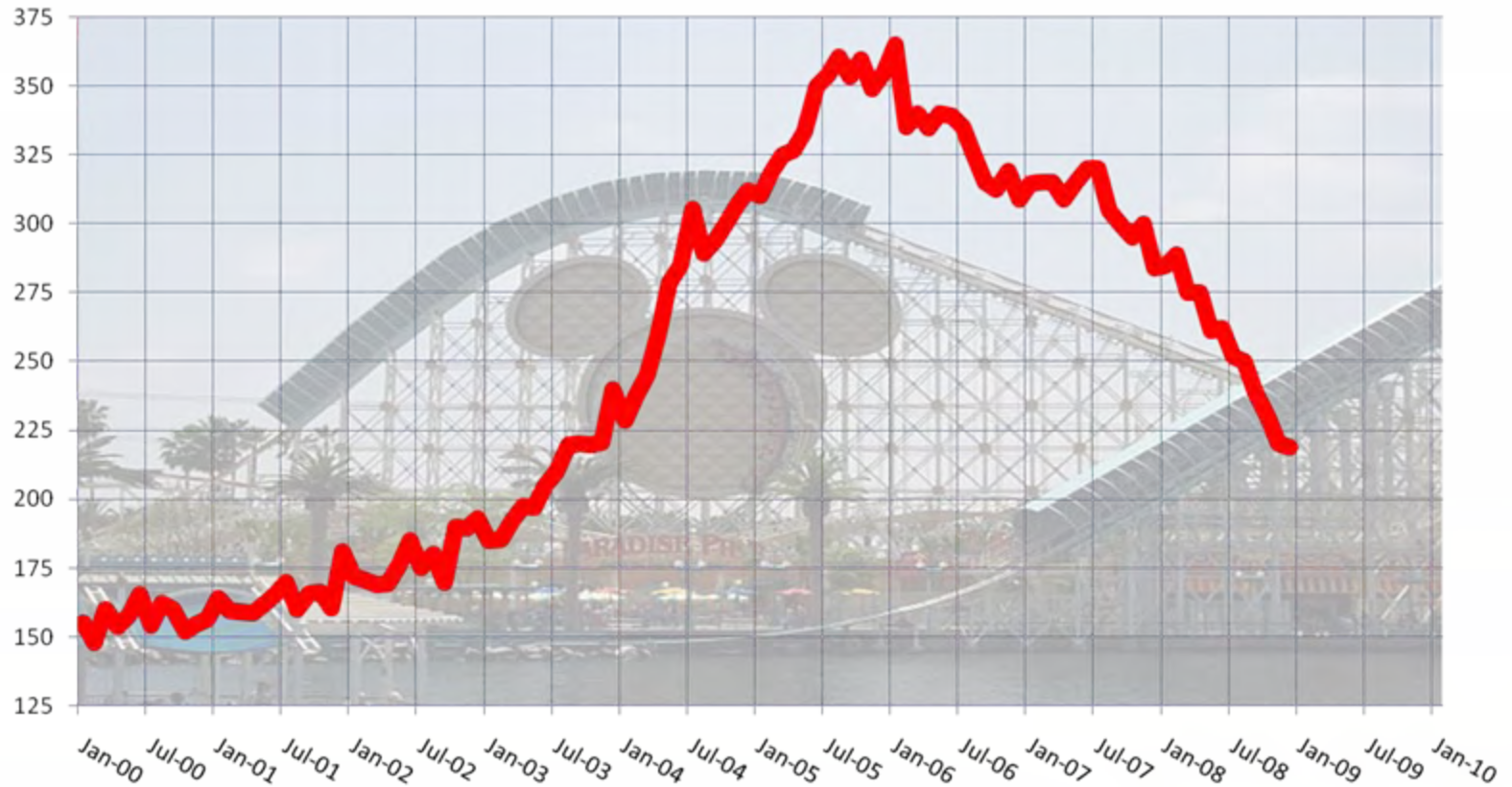
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# Reno/Sparks Median SFR Price January 2000 to December 2008



Source: NNRMLS/KLA

# Look familiar?



# *Inventory & Sales*

# Conditions of Inventory (Today's reality)

- “No Conditions”
  - Seller is in an equity position OR
  - Believes they are in an equity position OR
  - Is prepared to come to the closing table with \$\$\$

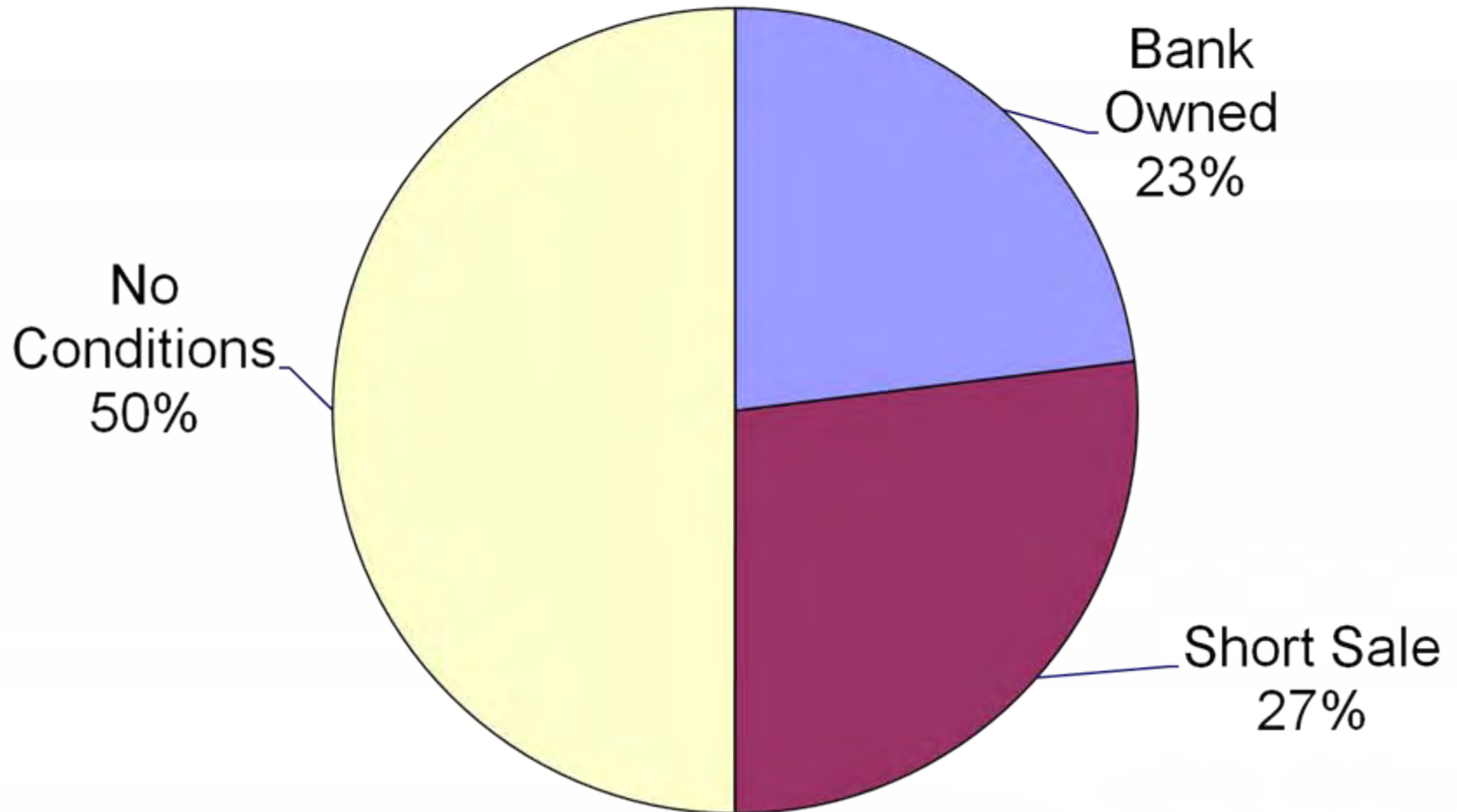
# Conditions of Inventory (continued)

- “Short Sale”
  - Seller has no equity and needs to get bank approval for a short payoff
  - Misnomer: short sales are most often LONG escrows

# Conditions of Inventory (continued)

- “Bank Owned”
  - Property has been foreclosed and is being sold by “The Bank”
  - Often referred to as REO—real estate owned by the bank

# Available Inventory



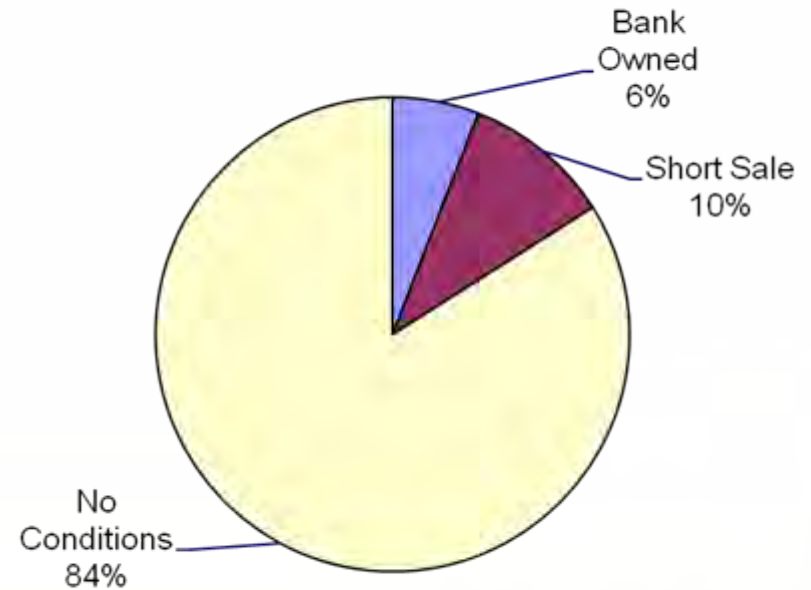
Source: NNRMLS

# Available Inventory Breakdown +/- \$400,000

## Available Inventory Below \$400k

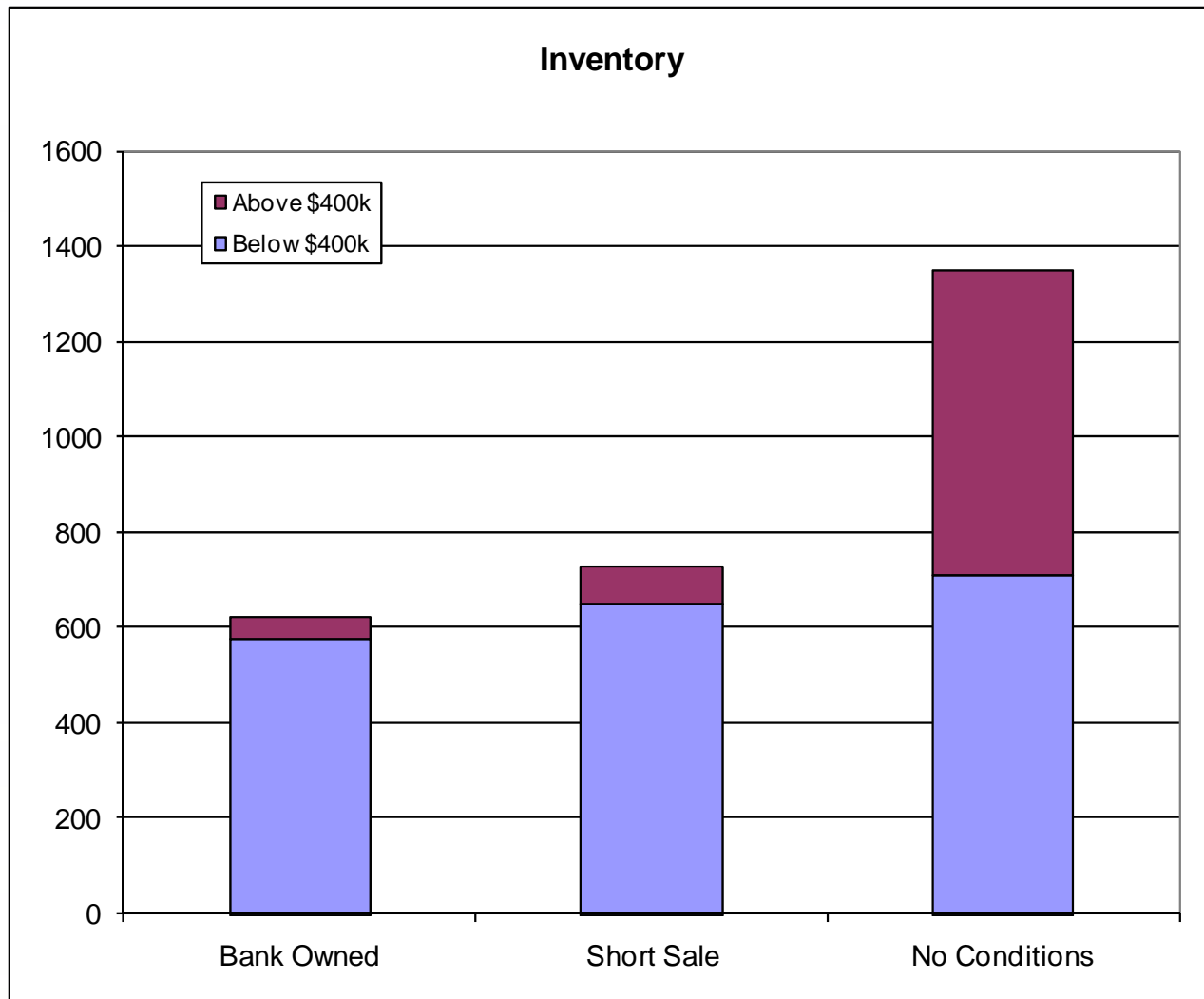


## Available Inventory Above \$400k



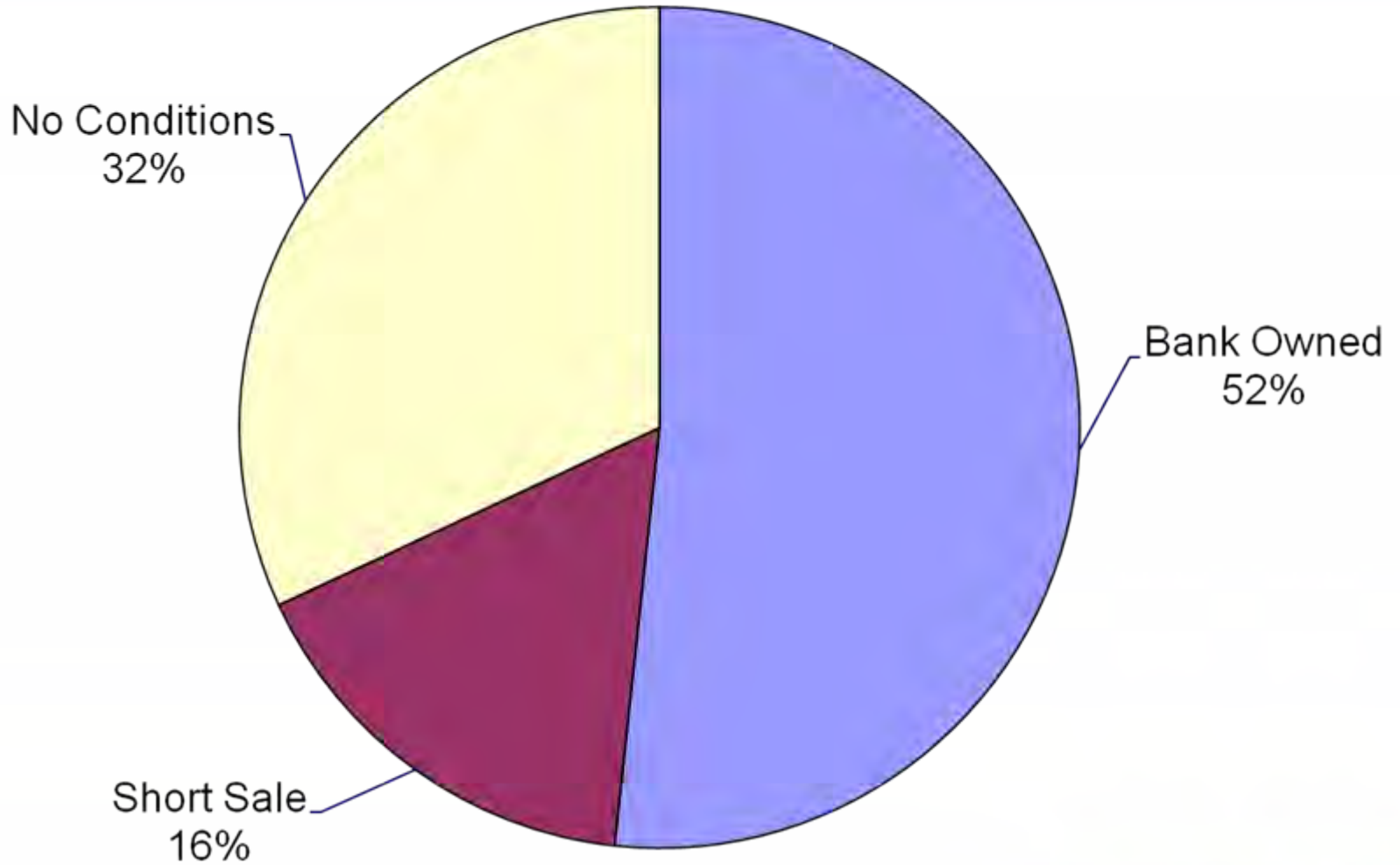
Source: NNRMLS

# Breakout above/below \$400k



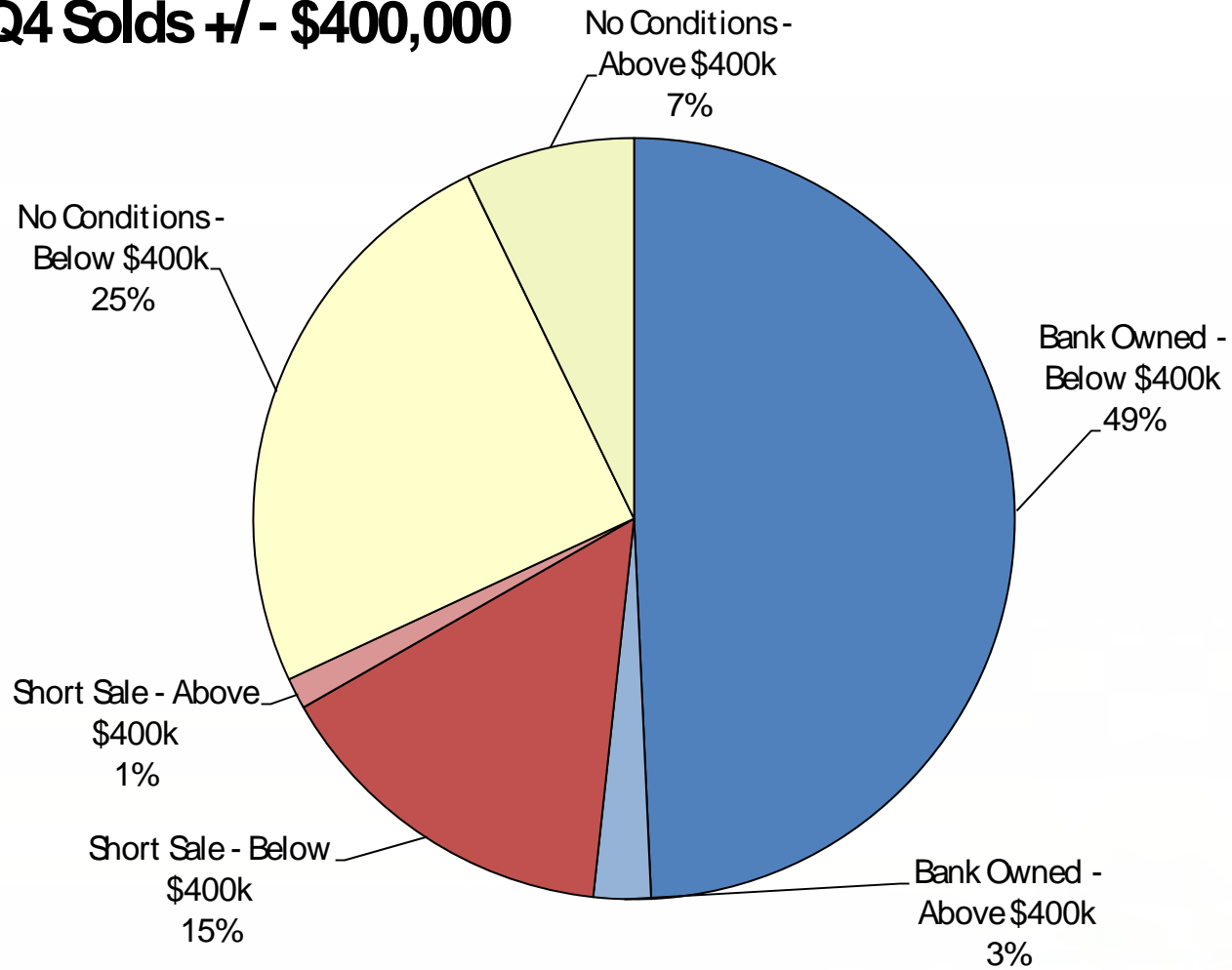
Source: NNRMLS

# Q4 Solds

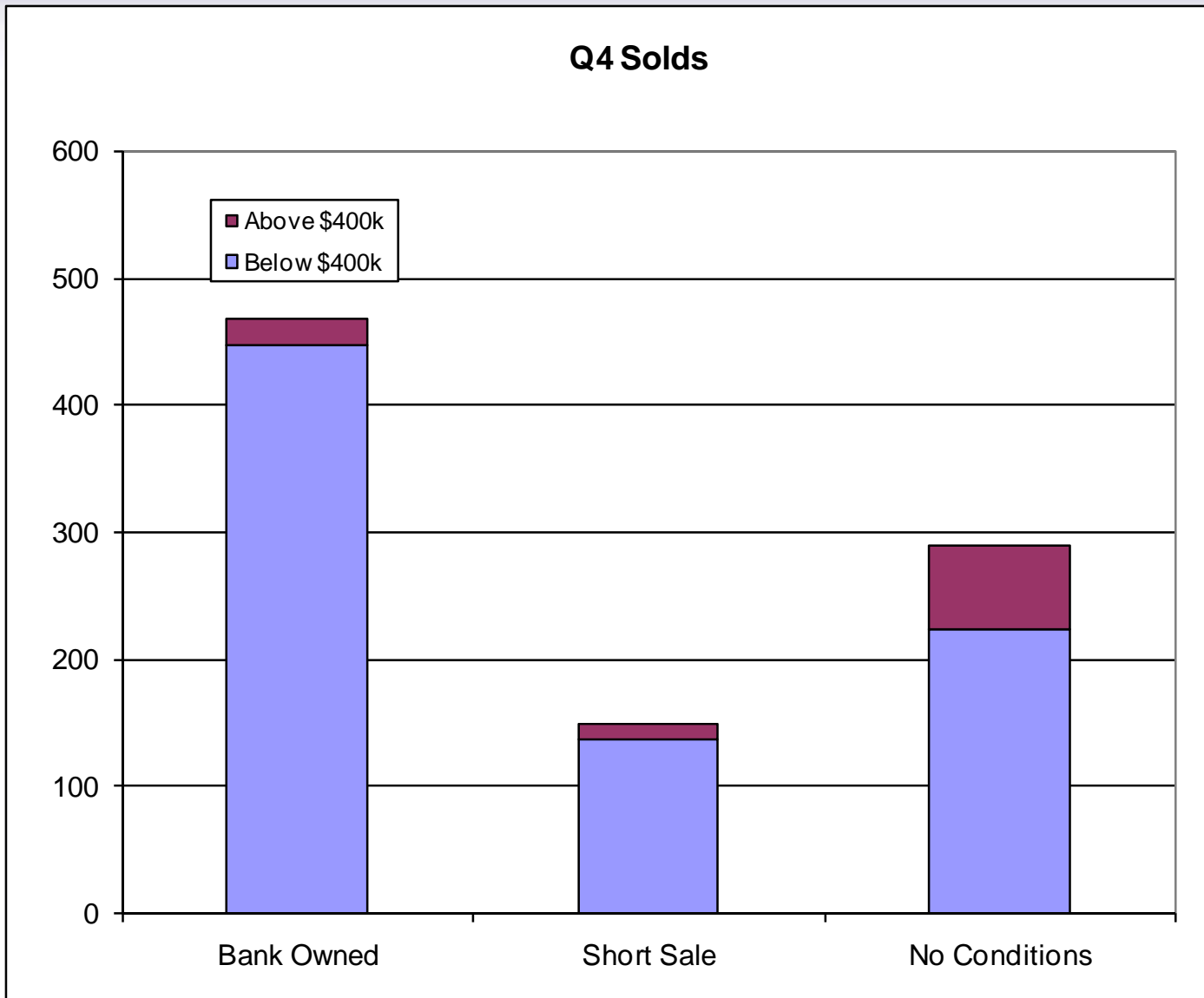


Source: NNRMLS

# Q4 Solds +/- \$400,000

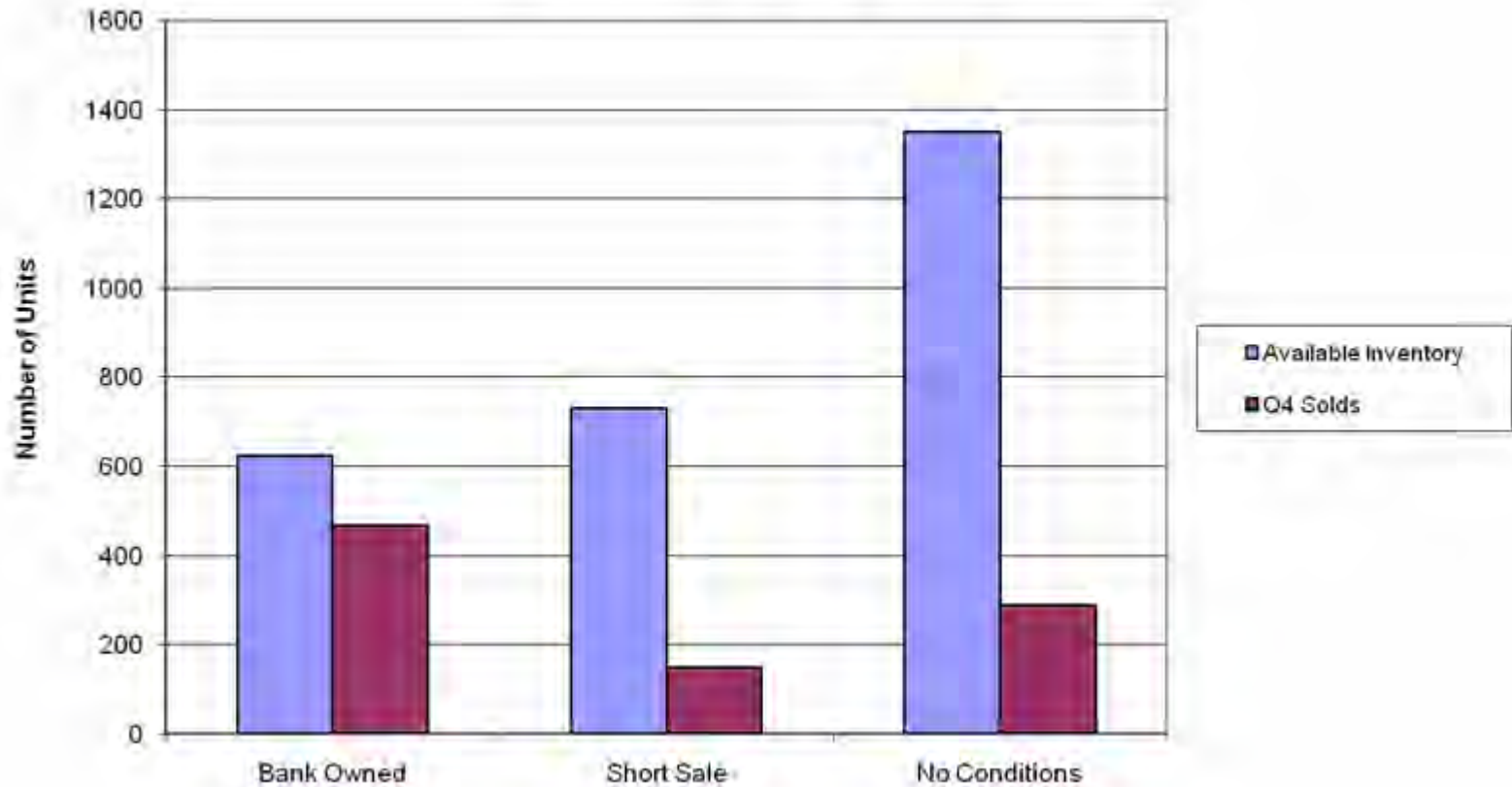


Source: NNRMLS



Source: NNRMLS

### Comparison of Current Inventory & Q4 Sales by Condition



Source: NNRMLS

# Months Supply of Inventory

- The following chart outlines an 8 year history of the Reno/Sparks SFR inventory and sales, shown as MSI .
- For each date in the chart, you can see how many months it would take the market's entire available inventory to be sold, based upon the rate homes were selling at that point in time.
- The National Association of REALTORS defines 5.5 to 7 MSI (months supply of inventory) as a balanced market.

### MSI - Months Supply of Inventory



Source: NNRMLS

# Directions

- ? Government action (or inaction)
- ? Credit
- ↓ Pressure on pricing as Bank Owned properties continue to enter market and affect existing inventory.
- ↗ There will be an increase in recorded transactions in 2009.
  - Sales
  - Refinances



*Thank you  
from the*

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