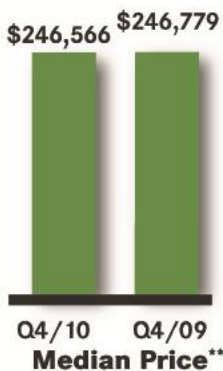


Affordability Steadies Home Sales

As Median Sales Price Declines in Most Areas

FOURTH QUARTER 2010



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WASHOE COUNTY

Washoe County homebuyers continued to take advantage of a combination of favorable home prices and low interest rates during the fourth quarter of 2010, a factor that helped stabilize sales of existing, single-family detached homes for the area as a whole, according to a report by the research division of Better Homes and Gardens Mason-McDuffie Real Estate based on an analysis of MLS data.

Countywide, sales of existing detached homes fell a modest 3 percent from 1,374 closed sales in the third quarter to 1,333 closed sales in the fourth quarter and were down 10 percent from the fourth quarter of 2009, when 1,474 homes were sold. Despite the decline, the county's median sales price rose 3 percent from \$239,209 in the third quarter to \$246,566 in the fourth quarter, a slight increase over the fourth quarter 2009 median price of \$246,779. In another sign of the seesaw nature of the current real estate market, the number of days a home was listed before sale rose from 80 days in the fourth quarter of 2009 to 110 days in the final quarter of 2010, a 38 percent increase.

Sales results were mixed in the eight communities included in the market report. The pace of sales was sharply lower from both the third quarter and the fourth quarter of 2009 in five communities and was either flat or sharply

higher in the remaining three. Sparks accounted for the majority of home sales with 401 but was down from 430 closed sales in the third quarter and 444 in the final quarter of 2009. North Reno remained unchanged from the previous and year-ago reporting periods with 42 completed sales, while Incline Village and South Meadows recorded sharp year-over-year increases in home sales behind pent-up demand for homes in the mid- to higher-price ranges.

Median sales prices fell on both a quarterly and annualized basis in all eight communities. The median home price was off only \$900 from the third quarter in Southeast Reno Valley, where it remained steady at \$126,000, but tumbled by \$24,350 from the previous quarter to \$78,900 in North Reno. The news was better in Southwest Reno, North Valleys, Sparks and South Meadows, where year-over-year price declines were in the single digits.

Looking ahead, Washoe County homebuyers and investors who have patience and are motivated to purchase will continue to find tremendous values in bank short sale listings but will want to keep a close eye on interest rates. Homebuyers interested in a home in need of repairs or renovations may want to consider a HUD/FHA 203k loan, which offers a low down payment bundled with a home renovation allowance.

WASHOE COUNTY YEAR-TO-YEAR MARKET COMPARISON

City	Homes Sold Q4/10	Homes Sold Q4/09	% Change	Avg DOM* Q4/10	Avg DOM* Q4/09	Change (days)	Median Price Q4/10	Median Price Q4/09	% Change
Incline Village	35	20	75	327	163	164	\$775,000	\$1,017,500	-24
North Reno	42	42	0	68	50	18	\$78,900	\$97,500	-19
North Valleys	264	382	-31	81	60	21	\$125,000	\$132,000	-5
Northwest Reno	182	203	-10	78	67	11	\$174,325	\$200,000	-13
South Meadows	118	91	30	79	62	17	\$217,000	\$235,000	-8
S.E. Reno Valley	73	82	-11	69	80	-11	\$126,000	\$146,000	-14
Southwest Reno	218	210	4	109	94	15	\$319,900	\$325,000	-2
Sparks	401	444	-10	72	64	8	\$157,900	\$170,000	-7

* Days on market is the number of days a property was listed on the market until it went under contract at its final listing price. This may not reflect previous listings.

**The median home price for the entire county is the mean of median home prices of cities within Washoe County.

Data are sourced from multiple listing services and are deemed reliable but not guaranteed.

All percentages rounded to nearest whole number.