

MARKET CONDITION REPORT SINGLE FAMILY RESIDENCE

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DISTRIBUTION: SEPTEMBER 2010
EVALUATION: JULY-AUGUST 2010

LAS VEGAS VALLEY
September-2010

LAS VEGAS VALLEY SFR MARKET HISTORY

DATE	CLOSING PRICE	CHANGE	REO	SHORT SALE	STANDARD	TOTAL CLOSINGS EVALUATED	PERCENT SELLING	PERCENT OF CLOSINGS		
								REO	SHORT SALE	STANDARD
Aug-09	\$136,000		1,932	344	512	2,788	52%	↑ 69%	↓ 12%	↓ 18%
Sep-09	\$138,000	\$2,000	2,196	482	622	3,300	59%	↑ 67%	↓ 15%	↓ 19%
Oct-09	\$140,000	\$2,000	2,187	558	728	3,473	57%	↑ 63%	↓ 16%	↓ 21%
Nov-09	\$140,000	\$0	1,833	524	702	3,059	56%	↑ 60%	↓ 17%	⇒ 23%
Dec-09	\$137,000	-\$3,000	1,982	640	710	3,332	60%	↑ 59%	↓ 19%	↓ 21%
Jan-10	\$135,000	-\$2,000	1,438	563	544	2,545	53%	⇒ 57%	⇒ 22%	↓ 21%
Feb-10	\$135,888	\$888	1,252	555	540	2,347	52%	⇒ 53%	⇒ 24%	⇒ 23%
Mar-10	\$137,000	\$1,112	1,540	771	799	3,110	63%	⇒ 50%	⇒ 25%	⇒ 26%
Apr-10	\$143,000	\$6,000	1,242	771	897	2,910	47%	↓ 43%	⇒ 26%	↑ 31%
May-10	\$142,000	-\$1,000	1,102	846	886	2,834	57%	↓ 39%	↑ 30%	↑ 31%
Jun-10	\$140,000	-\$2,000	1,173	1,124	923	3,220	61%	↓ 36%	↑ 35%	↑ 29%
Jul-10	\$135,000	-\$5,000	1,195	961	790	2,946	59%	↓ 41%	↑ 33%	⇒ 27%
Aug-10	\$140,000	\$5,000	1,134	847	765	2,746	61%	↓ 41%	↑ 31%	↑ 28%
TOTAL		\$4,000	20,206	8,986	9,418	38,610	57%	52%	23%	24%

Historical information for Aug-2010 is a close estimate only. All estimates subject to future revision.



SINGLE FAMILY RESIDENCE (ALL)



AREA	ON MARKET (SUPPLY)	CLOSED MONTH (DEMAND)	FAIL MONTH	IN ESCROW	PERCENT SELLING	CDDOM (CLOSED)	WEEKS SUPPLY GIVEN DEMAND	MARKET SPEED	MEDIAN ASK PRICE	MEDIAN IN ESCROW PRICE	MEDIAN CLOSE PRICE
NORTH	2,101	590	359	2,347	62%	159	33	56	\$130	\$125	\$130
EAST	1,128	315	215	1,305	59%	147	34	56	\$89	\$80	\$80
SOUTHWEST	2,652	661	505	2,617	57%	165	35	50	\$174	\$155	\$155
NORTHWEST	2,074	500	355	1,896	58%	156	34	48	\$155	\$130	\$135
SOUTH	1,107	249	196	1,049	56%	151	38	45	\$140	\$128	\$128
HENDERSON	1,838	413	331	1,513	56%	168	35	45	\$200	\$179	\$177
BOULDER CITY	106	9	20	27	30%	142	68	16	\$332	\$215	\$232
TOTALS	11,006	2,735	1,980	10,754	58%	159	34	50	\$154	\$135	\$138

REPORT IS SORTED ON MARKET SPEED. Market Speed 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).

Note from the Market History table that August 2010 demand slightly lags August 2009 demand. Overall, median price continues to falter due to slumping REO prices. Because of this continuing display of weakness, market bottom cannot be clearly defined or assured. Given recent increases in foreclosure, slumping demand, increasing supply, continued weakness in the local economy, and the entry of the market into the fall/winter cycle, meaningful increases in median price is a low probability event. Supply (listed) is stepping up—increasing by 806 units since last month. In-Escrow Properties (pending/contingent) posted another decline (449 units), signaling increased movement of inventory out of escrow without replacement. Market Speed has slowed about 16% while "Weeks Supply Given Demand" (Absorption Rate) moved up four weeks.



REO ONLY SEPTEMBER 2010



AREA	ON MARKET (SUPPLY)	CLOSED MONTH (DEMAND)	FAIL MONTH	IN ESCROW	PERCENT SELLING	CDDM (CLOSED)	WEEKS SUPPLY GIVEN DEMAND	MARKET SPEED	MEDIAN ASK PRICE	MEDIAN IN ESCROW PRICE	MEDIAN CLOSE PRICE
EAST	236	153	12	310	93%	128	16	129	\$80	\$79	\$75
NORTH	437	264	26	465	91%	130	15	121	\$130	\$115	\$120
NORTHWEST	345	189	16	319	92%	124	15	109	\$147	\$109	\$115
SOUTHWEST	507	264	26	437	91%	135	15	104	\$155	\$145	\$146
SOUTH	230	110	12	208	91%	114	17	96	\$120	\$116	\$124
HENDERSON	305	139	20	258	88%	142	18	91	\$170	\$160	\$155
BOULDER CITY	16	2	1	7	80%	127	50	25	\$230	\$229	\$249
TOTALS	2,076	1,120	111	2,004	91%	130	16	108	\$140	\$123	\$125

REO monthly demand is rather stable with a slight negative propensity. REO supply is increasing at a slow pace. Like the market in general, Market Speed is slowing but is still relatively fast. Prices are very weak and declining significantly. There is a high probability that these declines, if continued, will lead the general market downward in terms of price. This unknown precludes the notion that a market bottom has occurred.



SHORT SALE ONLY



AREA	ON MARKT (SUPPLY)	CLOSED MONTH (DEMAND)	FAIL MONTH	IN ESCROW	PERCENT SELLING	CDDM (CLOSED)	WEEKS SUPPLY GIVEN DEMAND	MARKET SPEED	MEDIAN ASK PRICE	MEDIAN IN ESCROW PRICE	MEDIAN CLOSE PRICE
BOULDER CITY	8	1.5	4	15	27%	225	66	38	\$285	\$200	\$169
SOUTHWEST	1,218	232	331	1,925	41%	225	59	38	\$155	\$152	\$145
HENDERSON	812	139	194	1,071	42%	237	59	34	\$170	\$175	\$169
NORTHWEST	923	150	218	1,337	41%	228	66	32	\$130	\$130	\$126
NORTH	1,179	179	255	1,619	41%	224	68	30	\$120	\$120	\$127
EAST	576	87	151	861	37%	206	72	30	\$88	\$75	\$85
SOUTH	540	80	127	724	38%	225	69	29	\$130	\$129	\$132
TOTALS	5,256	866	1,280	7,552	40%	225	64	33	\$135	\$135	\$135

Short Sale supply is on the rise while demand is beginning to slip, as are properties in escrow. The high Absorption Rate is due to the continuing large number of properties in escrow (unclosed). The Absorption Rate in August was 54 weeks versus this month's 64 weeks, signaling a slowdown in closing activity while supply increases. This is a reversal of recent trending. Market Speed sunk 11 points (25%) since last month's report. Prices steady.



STANDARD ONLY



AREA	ON MARKET (SUPPLY)	CLOSED MONTH (DEMAND)	FAIL MONTH	IN ESCROW	PERCENT SELLING	CDDM (CLOSED)	WEEKS SUPPLY GIVEN DEMAND	MARKET SPEED	MEDIAN ASK PRICE	MEDIAN IN ESCROW PRICE	MEDIAN CLOSE PRICE
NORTH	486	148	79	264	65%	131	22	61	\$176	\$147	\$160
EAST	316	75	52	134	59%	115	26	47	\$95	\$100	\$100
NORTHWEST	806	162	121	240	57%	128	28	40	\$220	\$175	\$172
HENDERSON	721	135	117	184	54%	124	29	37	\$325	\$249	\$225
SOUTHWEST	927	165	149	255	53%	129	31	36	\$314	\$205	\$190
SOUTH	337	60	58	118	51%	118	33	35	\$180	\$130	\$135
BOULDER CITY	82	5	15	5	25%	123	75	12	\$387	\$220	\$262
TOTALS	3,675	749	589	1,200	56%	126	28	41	\$225	\$163	\$170

Standard supply on the rise, but very slowly, while demand declined 84 units from last month. Percent Selling dropped 2 points, Market Speed of 6 points, and the Absorption Rate rose 3 weeks indicating declining market activity. All of these outcomes point to a mixed and slower market. Listing and In-Escrow Prices in significant decline, but Closing Price is holding in the short term. Note the relatively short CDDM. The weak price of In-Escrow Properties signals that current Closing Price is fragile.