

In my [First Quarter Report](#) of a year ago, I wrote “Condominium sales, as in past cycles and other markets, typically reflect both the leading edge of a recession, as well as the trailing edge of a recovery”. A year later, it is of interest to see the year-on-year strengthening of condominium sales (see below) – this may be an early portent of pricing stability in our single family home market, where the number of closed sales and currently open escrows remains encouragingly relatively high. Unsold home and condominium inventory is also behaving surprisingly well. While lot sales remain stagnant, I do advise that in the future, an eventual improvement in lot sales, driven mainly by our surviving “spec” and custom home builders, will be a trailing and final validating indicator of a healthy overall property market. Meanwhile, the number of new building permits applied for this year is unsurprisingly low.

While rents have not softened much, we have experienced a significant drop in property values, so we can expect more investors in our market, especially in light of the current record low interest rates. You can assume in most cases that listed, improved properties are invariably priced lower than their replacement cost, and those who have cash or excellent credit are taking advantage of these current opportunities. There are also encouraging signs of easing in the credit markets, and at the same time the Banks are now getting better at putting short sales together, but I advise that this is still an unpredictable and inconsistent process. Professional Realtors are gaining experience and networking heavily on this new market driven need, and the education classes on these topics are well attended!



I am pleased to report that this quarter marked my 250th successful transaction for a Tahoe Donner Buyer or Seller. This figure excludes all my other sales in the Greater Truckee Market.

I have 25 years experience in the Tahoe-Truckee market. Call me if you have questions about how to successfully build, buy or sell here in The High Sierra, or for customized data and reports.

Property Owners – My usual Spring reminder that it’s time now to open crawlspace and foundation vents.

The data below can be viewed in graph format on the next page – call me for clarification of local market trends. My licensed assistant, Jessica DeClercq, can be contacted at 530-550 5152 during business hours should I not be immediately available.

TAHOE DONNER (bellwether for Greater Truckee) Year-End & 2009 1st Quarter Activity Snapshots & Trends

SINGLE FAMILY HOMES

<u>Year End</u>	Unsold▶	In Escrow▶	Sold▶	AvgSoldPrice	Median
2005	79	13	258	\$811.9k	\$765.0k
2006	84	12	179	\$817.9k ▲ 1% from prior year	\$710.0k ▼ 7%
2007	117	7	177	\$740.6k ▼ 9%	\$675.0k ▼ 5%
2008	120	17	193▲	\$742.4k ▲ <1%	\$660.0k ▼ 2%
Q1 09	128	23	YTD▶ 34	\$614.9k ▼ 17% YTD	\$557.5k ▼ 16%
(Q108)	133	19	37	\$816.8k	\$740.0k

CONDOMINIUMS

<u>Year End</u>	Unsold▶	In Escrow▶	Sold▶	AvgSoldPrice	Median
2005	14	3	61	\$413.7k	\$445.0k
2006	34	1	30	\$432.5k ▲ 5% from prior year	\$419.9k ▼ 6%
2007	31	0	32	\$372.8k ▼ 14%	\$414.5k ▼ 1%
2008	24	1	19▼	\$370.4k ▼ 1%	\$379.0k ▼ 9%
Q1 09	25	4	YTD▶ 6	\$284.8k ▼ 23% YTD	\$322.5k ▼ 15%
(Q108)	34	2	1	\$508.0k	\$508.0k

LOTS

<u>Year End</u>	Unsold▶	In Escrow▶	Sold▶	AvgSoldPrice	Median
2005	36	3	68	\$341.3k	\$327.0k
2006	46	3	38	\$353.3k ▲ 4% from prior year	\$335.0k ▲ 2%
2007	44	2	23	\$282.8k ▼ 20%	\$285.0k ▼ 15%
2008	51	1	17▼	\$260.3k ▼ 8%	\$250.0k ▼ 12%
Q1 09	65	0	YTD▶ 2	\$158.3k ▼ 39% YTD	\$158.3k ▼ 37%
(Q108)	39	2	5	\$251.4k	\$220.0k

DATA SOURCE: Tahoe Sierra Board of Realtors MLS - Data is deemed reliable but not guaranteed.

All of the latest Greater Truckee/Donner/Tahoe MLS Listings are available to you at www.davidhipkins.com

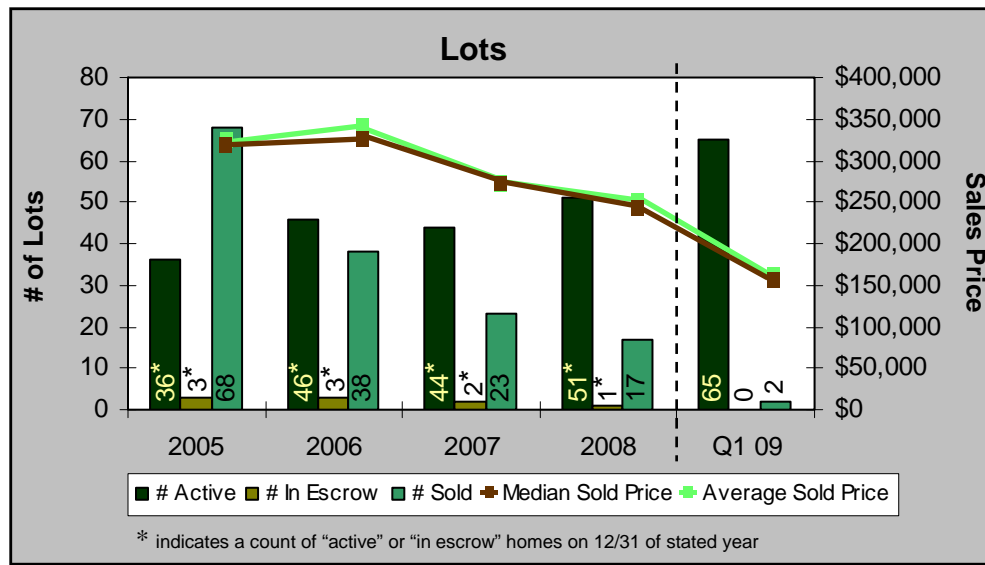
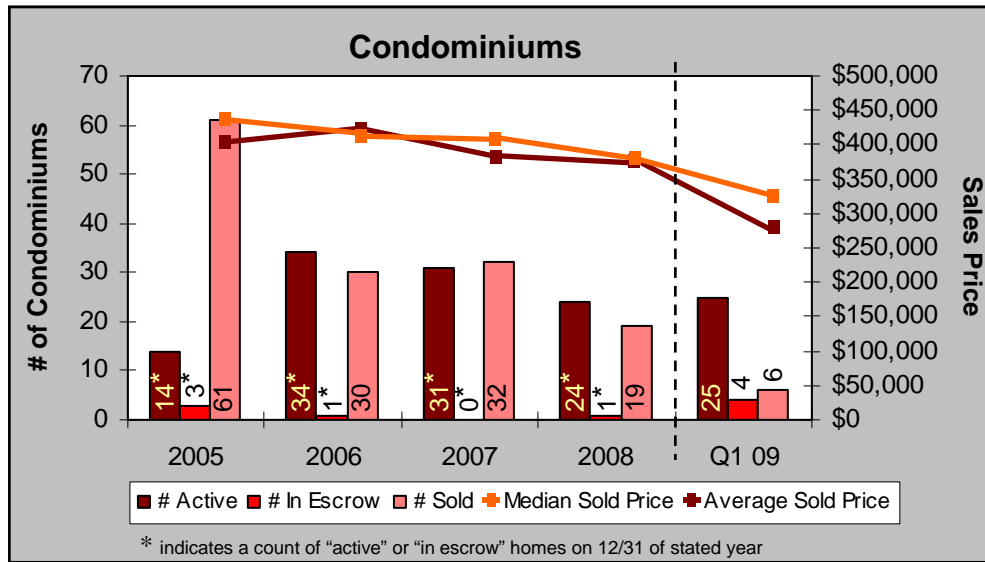
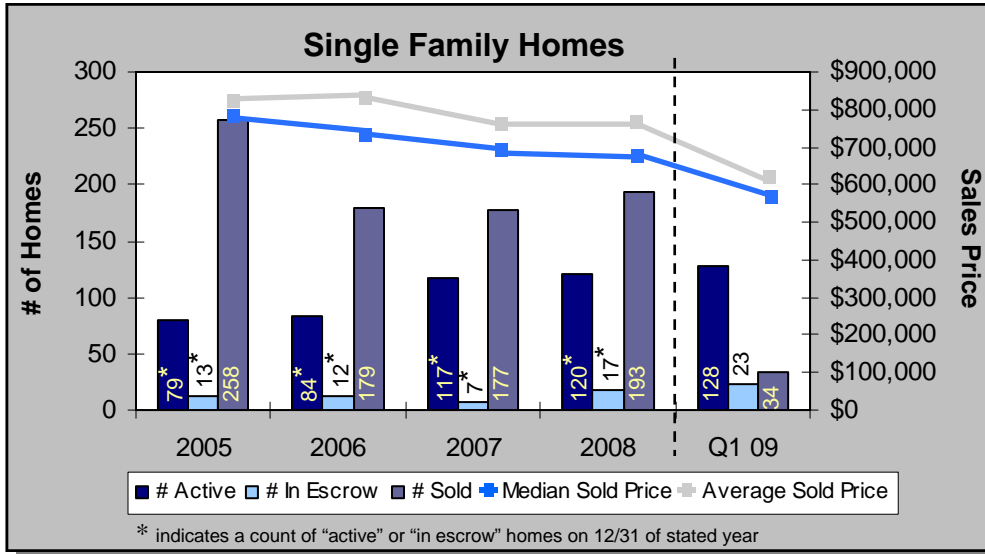
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Tahoe Donner® Year-End & 2009 1st Quarter Activity Snapshots & Trends*

*Tahoe Donner, consisting of about 6,000 properties, is chosen as an indicator for the Greater Truckee market as it historically generates over 50% of dollar volume and over 50% of unit sales annually. Note that in a community of about 5,000 homes, the percentage of available properties is remarkably low.



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