

2008 Second Quarter Data, Trends and Statistics



The paucity of unit sales recorded for condominiums and lots is a good indicator of the soft market for both property categories... Although the number of recorded home sales is 8% lower than for the same period last year, our home market continues to be relatively strong, and Tahoe Donner continues to fare better than both the higher and lower priced sub-markets in our region... The increase in average sold price attained for homes these past two quarters in Tahoe Donner is a function of current Buyer demand both for the better located and newer homes in good condition... Buyers now have more quality inventory to choose from, and it's currently cheaper to buy an almost new home than it is to build... this will remain true for the foreseeable future, especially with ever rising permit costs. The great skiing this past winter is also helping to boost our Summer property sales, as has happened in prior Summers after "good" Winters.

Tight lender practices remain in place, as evidenced by the disappearance of construction loans for the "spec" builders, although loans are still available for principal residence construction for those with exceptional credit ratings. This explains the low number of lot sales, as the "spec" builders typically drive that market. On the plus side, those of you looking to remodel or improve your existing property can take advantage of some softening materials pricing, and the availability of contractors eager to now bid more competitively. Meanwhile, the unknowns of potential inflation and delivery costs have yet to play out...



David Hipkins

Condominium sales will likely continue to suffer for a while, as the lower priced homes have softened and are now more affordable for both the first time and second home Buyers, assuming that they can qualify for a loan! It's a great time to have cash and courage! There are likely to be more good buy-to-hold lots available in our area's finite real estate market.

Property Owners – Reminders...

1. It is **important to have opened those crawlspace and foundation vents** by now to avoid potential mold issues.
2. Ensure you have maintained both adequate **insurance coverage**, and **defensible space** - note that vacant lots are coming under ever more scrutiny by the authorities.

The data below can be viewed in graph format on the next page – for clarification of local market trends, call me. I, or my North Woods Group partner Pete Griffin, are generally available via cell phone seven days a week. Please call (530) 414-1213.

TAHOE DONNER (bellwether for Greater Truckee) Year-End & 2008 2nd Quarter Activity Snapshots & Trends

SINGLE FAMILY HOMES

Year End	Unsold ▶	In Escrow ▶	Sold ▶	Avg Sold Price	Median
2004	30	23	378	\$624.3k	\$589.0k
2005	79	13	258	\$811.9k ▲ 30% from prior year	\$765.0k ▲ 30%
2006	84	12	179	\$817.9k ▲ 1%	\$710.0k ▼ 7%
2007	117	7	177	\$740.6k ▼ 9%	\$675.0k ▼ 5%
Q2 08	168	18	87	\$768.5k ▲ 4% YTD	\$664.5k ▼ 2%
(Q207)	169	13	95	\$716.5k	\$690.0k

CONDOMINIUMS

Year End	Unsold ▶	In Escrow ▶	Sold ▶	Avg Sold Price	Median
2004	1	5	75	\$352.2k	\$360.0k
2005	14	3	61	\$413.7k ▲ 18% from prior year	\$445.0k ▲ 24%
2006	34	1	30	\$432.5k ▲ 5%	\$419.9k ▼ 6%
2007	31	0	32	\$372.8k ▼ 14%	\$414.5k ▼ 1%
Q2 08	44	2	6	\$369.7k ▼ 1% YTD	\$397.5k ▼ 4%
(Q207)	49	0	15	\$418.5k	\$450.0k

LOTS

Year End	Unsold ▶	In Escrow ▶	Sold ▶	Avg Sold Price	Median
2004	8	8	127	\$203.8k	\$198.5k
2005	36	3	68	\$341.3k ▲ 68% from prior year	\$327.0k ▲ 65%
2006	46	3	38	\$353.3k ▲ 4%	\$335.0k ▲ 2%
2007	44	2	23	\$282.8k ▼ 20%	\$285.0k ▼ 15%
Q2 08	65	0	9	\$269.7k ▼ 5% YTD	\$300.0k ▲ 5%
(Q207)	73	0	16	\$299.7k	\$328.5k

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.tahoedonnerhomes.com

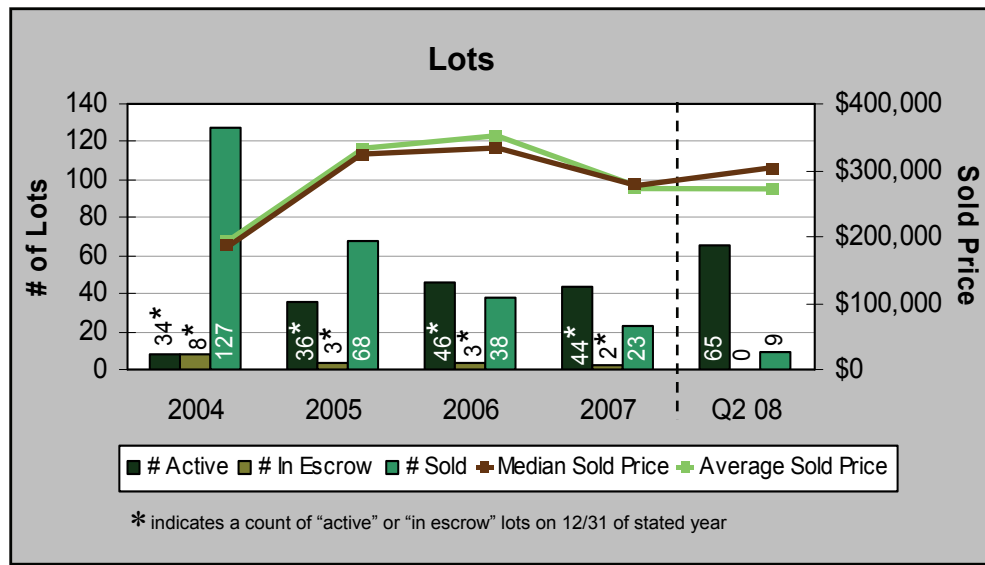
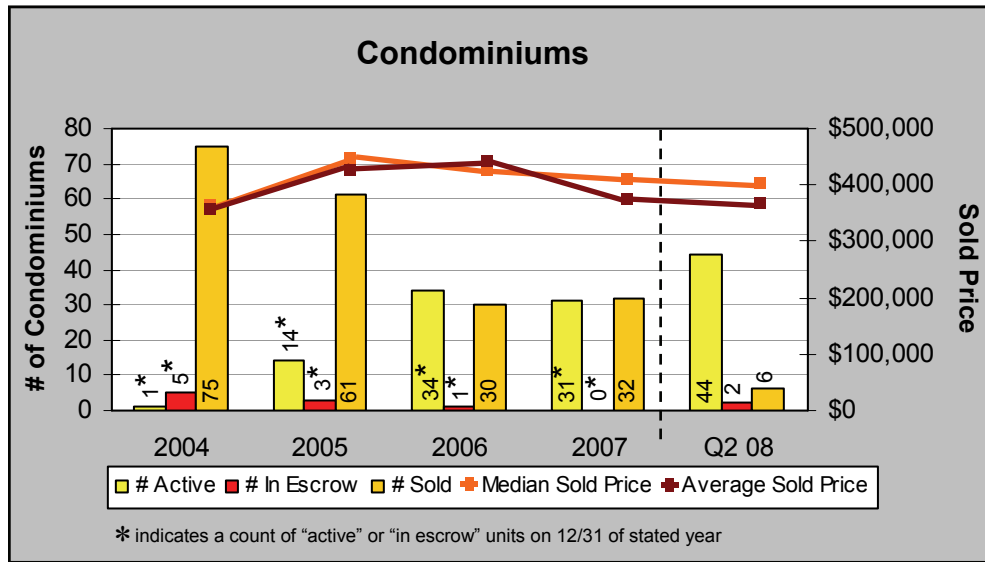
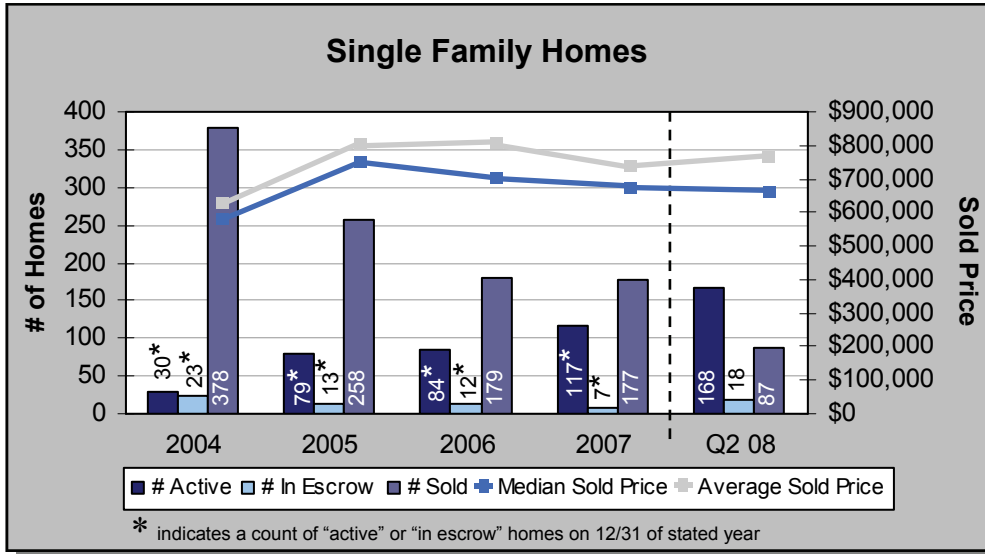
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Tahoe Donner® Year-End & 2008 2nd Quarter Activity Snapshots & Trends*

*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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