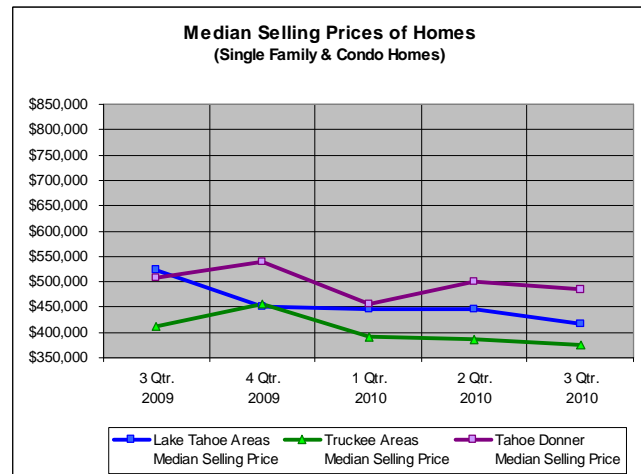
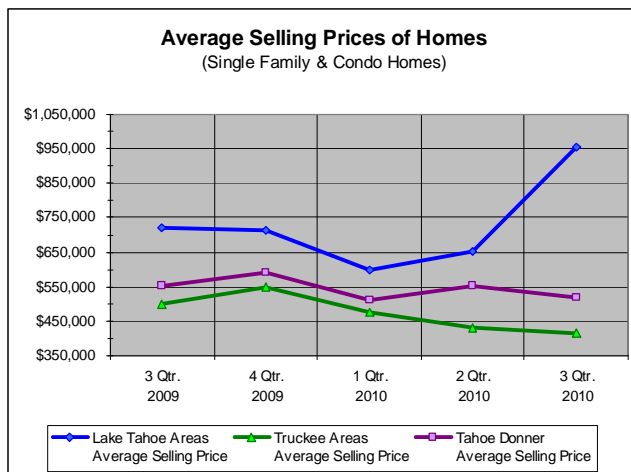


## Truckee – Lake Tahoe Market Trends 3<sup>rd</sup> Quarter 2010

This report provides 3<sup>rd</sup> Quarter 2010 data for the North to West Lake Tahoe areas, \*Truckee areas, and Tahoe Donner area.



Average Selling Prices of Homes	3 Qtr. 2009	4 Qtr. 2009	1 Qtr. 2010	2 Qtr. 2010	3 Qtr. 2010
Lake Tahoe Areas Average Selling Price	\$719,635	\$711,958	\$598,162	\$650,488	\$954,090
Truckee Areas Average Selling Price	\$498,225	\$550,489	\$476,948	\$428,714	\$416,190
Tahoe Donner Average Selling Price	\$553,975	\$589,644	\$510,480	\$553,219	\$517,948

Median Selling Prices of Homes	3 Qtr. 2009	4 Qtr. 2009	1 Qtr. 2010	2 Qtr. 2010	3 Qtr. 2010
Lake Tahoe Areas Median Selling Price	\$522,500	\$451,000	\$445,750	\$446,000	\$418,000
Truckee Areas Median Selling Price	\$412,450	\$456,000	\$392,500	\$385,000	\$375,000
Tahoe Donner Median Selling Price	\$507,500	\$540,000	\$455,000	\$500,000	\$485,000

\* - Data and references to "Truckee Areas" do not include properties in the ski areas, the Tahoe Donner community, or Donner Summit.

## Truckee – Lake Tahoe Summary

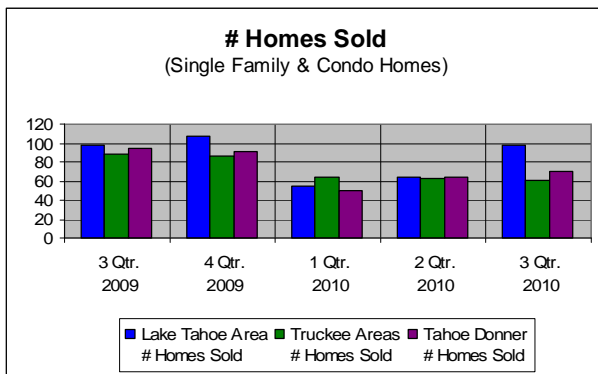
**Inventory Steady.** The inventory of single family homes and condos for sale on the market seems pretty steady right now. But, we expect to start seeing the usual decrease in inventory for this time of the year as homes are taken off the market to be ski leased for the winter season.

**REOs (Bank Owned) and Short Sale properties update:** In the 3<sup>rd</sup> quarter of 2010 distressed property sales represented about 27% of the sales in the North and West Shore Lake Tahoe areas and only about 19% of sales in our Tahoe Donner community. Our Truckee areas (*Truckee, Donner Lake, and Truckee River – not including Tahoe Donner*) were the hardest hit with distressed property sales representing about 43% of single family and condo home sales. But, when you look at the properties currently on the market for sale, distressed properties only represent about 13% - 14% of the total inventory of single family homes and condo homes.

**Lower priced homes are continuing to sell the best.** The median selling prices for single family homes and condo homes has continued to decrease in all of our Truckee and North to West shore Lake Tahoe areas. This basically tells us that homes are selling best in lower price ranges. The Lake Tahoe areas median selling prices have decreased about 21% as compared to the median selling prices in the same period last year. However, the Truckee areas only show about a 9% decrease in median selling prices and the Tahoe Donner community only shows a 4% decrease in median selling prices as compared to the same period in the prior year. We have lots of buyers looking for homes in the lower price ranges.

**Market Activity increase.** The number of single family and condo homes sold in the Lake Tahoe area jumped from 64 homes sold in the 2<sup>nd</sup> quarter 2010 up to 98 homes sold in the 3<sup>rd</sup> quarter 2010. However, the number of home sales in the Truckee and Tahoe Donner areas remained relatively steady, with a slight increase in the number of homes sold in the Tahoe Donner community as compared to the number sold in the 2<sup>nd</sup> quarter of this year. It is pretty normal to see an increase in home sales in the 3<sup>rd</sup> quarter of each year, over the number sold in the previous quarters of the year.

**Homes are selling at about 90 - 96% of their asking price.** Single family homes in Tahoe Donner sold at an average of 95.7% of their last listed price, during July 2010 through September 2010. However, the Lake Tahoe area homes (single family and condo homes) and the other Truckee area homes sold at an average of about 90-91% of their last listed price. But, as a buyer, you must remember that many homes do sell closer to their asking prices depending on the location and condition of the property.



#Homes Sold	3 Qtr. 2009	4 Qtr. 2009	1 Qtr. 2010	2 Qtr. 2010	3 Qtr. 2010
Lake Tahoe Area # Homes Sold	98	107	54	64	98
All Truckee Areas # Homes Sold	88	87	64	63	61
Tahoe Donner # Homes Sold	94	92	49	64	70