

TAHOE-TRUCKEE REGION

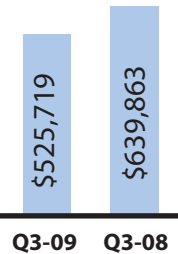
A market overview of single-family detached home sales

Q3
2009

TAHOE AREA
MEDIAN PRICE



TRUCKEE AREA
MEDIAN PRICE



Detached Home Sales Jump in Third Quarter as Buyers Act on Competitively Priced Properties

Continued low interest rates and extremely favorable home prices in sought-after resort communities around Lake Tahoe and Truckee spurred a dramatic increase in sales of existing single-family detached homes during the third quarter of 2009, according to a report by the research division of Prudential California Realty based on an analysis of MLS data.

Lake Tahoe-area home sales leaped 88 percent from the second to the third quarter of 2009 behind an almost 50 percent quarter to quarter increase in closed sales in the North Shore and West Shore communities. Seventy-seven Lake Tahoe homes changed hands during the third quarter compared with 41 homes in the second quarter and 56 homes in the third quarter a year ago – a 38 percent increase. Similarly, closed sales in the Truckee area climbed 46 percent from the previous period and rose 29 percent from the third quarter of 2008 behind robust sales in Tahoe Donner®, Truckee, Golf Course Communities and the Glenshire Area. During the quarter, 169 home sales were completed in the Truckee region, up from 116 in the second quarter and 131 a year ago.

First-time buyers seeking a primary home were attracted by an \$8,000 federal income tax credit available

on purchases made before December 1 – a motivation that could continue to stimulate home sales into 2010 if the federal government extends the program. Buyers and investors in general acted on news that prices in some communities may be leveling off. As a result, the median sales price declined by only 1.2 percent from the second quarter in the Truckee area, although the median price was down 11 percent in the Lake Tahoe area behind continued slow sales of vacation or second homes in the highest price ranges. The median sales price in the Truckee area eased from \$532,349 in the second quarter to \$525,719 in the third quarter. Meanwhile, Lake Tahoe-area communities as a whole saw the median price decline from \$657,683 in the second quarter to \$580,844 in the third quarter.

Strong demand for homes in the North Shore community of Lake Tahoe sent the median price there 12 percent higher quarter to quarter, while the median price of a home sold in the West Shore community slid 6 percent from the second to the third quarter.

In the Truckee and Golf Course Communities, the median sales price of a home fell 9 percent on a quarterly basis but declined only 2 percent for the quarter in the Truckee community.

M A R K E T C O M P A R I S O N

Area	Homes Sold Q3/09	Homes Sold Q3/08	% Change	Avg DOM* Q3/09	Avg DOM* Q3/08	Change 09/08 (days)	Median** Price Q3/09	Median** Price Q3/08	% Change
TAHOE AREA									
Alpine Meadows	7	4	75	118	143	-25	\$580,000	\$978,438	-41
North Shore	31	19	63	105	141	-36	\$530,000	\$650,900	-19
Squaw Valley	4	4	0	98	251	-153	\$963,000	\$2,297,500	-58
Tahoe City Area	6	7	-14	185	224	-39	\$897,500	\$565,000	59
West Shore	29	22	32	114	274	-160	\$650,000	\$831,000	-22
Tahoe Area Total	177	56	38	124	207	-83	\$580,844	\$851,926	-32
TRUCKEE AREA									
Donner Lake	6	9	-33	135	99	36	\$634,500	\$495,000	28
Glenshire Area+	20	13	54	53	103	-50	\$347,500	\$495,000	-30
Golf Course Communities++	30	23	30	95	96	-1	\$566,500	\$750,000	-24
Northstar	8	2	300	271	96	175	\$288,500	\$3,287,500	-61
Tahoe Donner®	64	54	19	96	80	16	\$525,000	\$665,500	-21
Truckee	41	30	37	99	88	11	\$419,000	\$439,000	-5
Truckee Area Total	116	118	-2	178	143	36	\$532,349	\$597,011	-11

* 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 weighted mean of median home prices of areas within the Tahoe and Truckee areas.

+ Glenshire Area includes communities of Glenshire, Cambridge Estates, Devonshire Estates and Rolling Hills Ranchos.

++ Some listings in Golf Course Communities overlap with Tahoe Donner® and Truckee.

Data are sourced from multiple listing services and are deemed reliable but not guaranteed. All percentages rounded to nearest whole number. Produced by the Prudential California Realty Research Division.