

LAS VEGAS HOME CLOSINGS ON THE RISE

Buyers are taking advantage of the current market conditions

NATIONAL SNAPSHOT HAVE WE HIT BOTTOM YET?

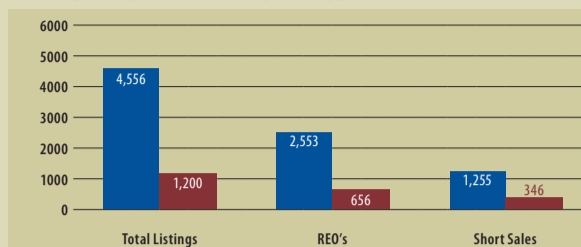
Increase in home sales beginning the second quarter

PREMIER PROPERTIES SNAPSHOT

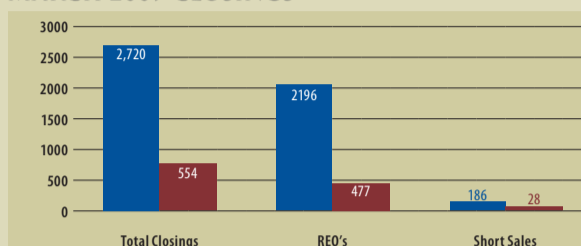
INVESTORS CORNER

Rentals are still strong in the valley

MARCH 2009 NEW LISTINGS



MARCH 2009 CLOSINGS



■ Single-Family Homes ■ Condo/townhomes

Source: Windermere Real Estate. All figures as of March 31st.

LAS VEGAS HOME CLOSINGS ON THE RISE

March home closings rose 21% to 2,720 compared to February closings. Buyers are taking advantage of the current market conditions and purchasing homes. Home closings are up 74% from March 2008. As foreclosures and short sale listings are still flooding the Las Vegas inventory, buyers are benefiting with the combination of low sales prices, low interest rates and high inventory. Foreclosed homes were 81% of the closings for March.

The average home price in Las Vegas dropped another 5% last month, or 43% since March of 2008. Multiple offers on properties are making a comeback as buyers are bidding on pristine properties at prices from 2002 and 2003 levels.

The Condominium market is up 25% from 441 sales in February to 554 in March. Compared to the same time last year, condo closings are up 164%. Condo foreclosures were 86% of the total closings for March. Condo short sales (the sale of a property that is less than the current loan amount) have steadily increased in 2009, showing that sellers are working with banks to sell their homes to avoid foreclosure.

The market is showing signs of strength when you factor in the contingent and pending sales of 9,220, many of which are waiting for bank approval. The number of closings, once bank approvals are received, could have a very positive market impact, decreasing inventory and further improving closing figures.

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- The Mortgage Bankers Association's Forecast calls for a steady increase in home sales beginning the second quarter, with the annual rate surpassing the 2008 high in the fourth quarter.
- Annual sales will go from 4.34 million units in the first quarter to 5.11 million by the end of the year: a 17% increase from 2008.
- Sales are forecasted to increase another 10% in 2010 to 5.53 million.
- The median price of homes is down 15% from its 2006 peak.
- Most forecasts show median home prices will continue to fall in the second quarter then turn slightly positive in the third.
- First time home buyers are now eligible for a one-time, \$8,000 tax credit.
- The number of properties available is down 18% overall from the July 2008 peak.
- Inventory has been under a 10-month supply for three months.

Source: www.nbcwashington.com

PREMIER PROPERTIES SNAPSHOT

In March 2009, premier properties (\$1 million or more) showed 87 new listings. There were 12 premier closings for March; 4 of them were bank-owned and 1 short sale. The highest sale for March listed for \$3,950,000, and sold for \$2,375,000.

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Cash investment	\$50,000.00	\$10,000.00
Total estimated Monthly Expenses		
Monthly payment with Principal and interest of 5.25%	\$0.00	\$221.00
Association Fees	\$120.00	\$120.00
Taxes	\$108.00	\$108.00
Insurance	\$50.00	\$50.00
Property Management and Misc	\$100.00	\$100.00
Total	\$378.00	\$599.00
Total estimated monthly Cash flow	\$372.00	\$151.00
Total Estimated annual return on investment	9%	18%

Savvy investors are snapping up condos, town homes and single-family homes. Property prices have fallen to a point in which many properties provide a positive cash flow. Rentals are still strong in the valley. In addition, the rate of return on these investments is exceeding Wall Street. An example:

A 1 bedroom, 1 bath condominium, being offered at \$50,000 in the community of Latigo in Silverado Ranch, rents for an average of \$750.00 a month. The monthly association fees are \$120 a month. See chart for the cash flow and return on investment.

Additional considerations:

- These calculations assume 100% occupancy.
- Closing costs are not factored into the cash investment.
- Additional returns could be made over time as the property increases in value.

For more information on how to identify the best properties to invest, contact your Windermere Agent.