

LUXURY TRENDS

The Market Report from the Market Leader

- Highlight on The Palladio - It's all about the Lifestyle
- 2009 3rd Quarter Report of Luxury Sales
- What is a "Luxury Short Sale"?
- Luxury Market Share Report

*Reno - Sparks - Truckee
South Tahoe, NV
South Tahoe, CA
Incline Village*

DICKSON
LUXURY

The Palladio - It's all about the Lifestyle

Live in luxury on the Truckee River in downtown Reno where it's all about the lifestyle. Located in the heart of Reno's Cultural District with Pops on the River, Andy Warhol, Mozart, Madame Butterfly, kayaking, cycling, clubbing, Triple-A Baseball, espresso, jazz, boutiques, the new year-round farmer's market and Reno's favorite restaurants all within easy walking distance. There are several desirable floorplans with dramatic views remaining at Reno's best new address. One, two, and three bedroom condominiums are



available with pricing from \$189,000 to \$749,000. Standard features include 9 foot ceilings, travertine flooring, GE stainless appliances, floor to ceiling low E windows, granite counters, jetted tubs and balconies. Each unit is designed around a great room concept for easy living in a palette of elegant neutral tones. Some units feature exquisite upgrades and extraordinary views of the Truckee River and Sierra mountains. Assigned, secure and covered garage parking is also included and individual storage units are also available.

THE PALLADIO

it's all about the lifestyle

For a personal tour, please contact Kathie Bartlett, 775.741.5675, kbartlett@dicksonrealty.com, or Samantha Reveley, 775.250.7789, srevey@dicksonrealty.com. ThePalladio.net

Located on the Truckee River at the corner of First and Sierra Streets in downtown Reno.

3rd Quarter 2009 Report of Luxury Sales

Since 1973, Dickson Realty has led the market in luxury home sales; that is how we judge our success... on closed sales, not listings. Each luxury market that is part of our region is a "micro market"; unique with variations in the price range, amenities and market conditions. In order to be successful in these markets, it requires an expert in

those markets to know and understand what is actually happening. With national press detailing grim news about the housing market, those statistics cannot be applied across the board in our region. We hope this exclusive report gives you greater insight in what is happening in our region and in each of our luxury markets.

What is a "Luxury Short Sale"?

A "short sale" is simply when the loan amount of a property exceeds the current market value and the sale will be "short" the amount owed to the lender. As we move into 2010, the Luxury Short Sale will make up a significant portion of the market. Homes that are valued over \$1,000,000 fall into the luxury category. A seller trying to "short" a sale with their lender will need the advice of an expert to help navigate this process. The average short sale takes four to five months to complete. If there is more than one loan on the property, for example, an equity line, then two short sale packages will need to be completed and both loans will have to be negotiated with the lender. The idea is that a seller will be looking to the lender for relief of some or all of the debt not covered by the sale of the property. If you are a luxury home seller and have income and other assets, this could be a slippery slope of negotiation as the lender will expect remuneration either by attaching other real estate or other assets, possibly even a personal note. There may also be tax consequences to consider for any monies written down by the lender. At Dickson Realty we can help, as many of our agents are Short Sale Specialists.

What if you are selling your home and your neighbor is in foreclosure or attempting a short sale? The challenge for a seller with a non-distressed property is the appraisal. It is very important that your real estate agent knows the inventory in your neighborhood and the condition of the competing inventory. In luxury it is very important to know what the specific amenities were in recently sold properties as well as current listings and how those properties fairly compare to your home. Obviously there are clear advantages to buying a property that is not in distress, since distressed properties often have deferred maintenance or have been stripped of amenities. In a foreclosure situation, no "seller disclosure" is provided so, as a buyer, you

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Image	Location	Description	Active Listings		Number of Solds			Median Sales Price			Average Days On Market	
			3rd Qtr 2008	3rd Qtr 2009	3rd Qtr 2008	3rd Qtr 2009	Percent Change	3rd Qtr 2008	3rd Qtr 2009	Percent Change	3rd Qtr 2008	3rd Qtr 2009
	Truckee, California	The Truckee/North Lake Tahoe luxury market starts at \$1,500,000. The total number of luxury sales are up from last quarter, and the median price has increased significantly. The current mortgage interest rates present a welcome incentive for qualified borrowers.	204	16	18	11%	\$1,725,000	\$2,300,000	33%	152	241	
<i>All information above is through September 30, 2009.</i>												
	Reno/Sparks, Nevada	The luxury market begins in the Reno area at \$1,000,000. For the 3rd quarter of 2009, the number of units sold in the luxury market was down from last quarter and down compared to the 3rd quarter of 2008. While the median price has gone up 13%, the days on market have almost doubled compared to 2008. Still, the number of active listings for the quarter grew.	188	16	9	-44%	\$1,150,000	\$1,300,000	13%	248	469	
<i>All information above is through September 30, 2009.</i>												
	South Lake Tahoe, California	In South Lake Tahoe, California, the luxury market starts at \$1,000,000. The number of solds for this quarter is the same as the 3rd quarter of 2008, at 5, and that is 4 more than sold last quarter! Considering the fact the amount of 3rd quarter sales in 2008 is the same amount for 2009 BUT the median sales price is up 83% - this is good news.	87	5	5	0%	\$1,200,000	\$2,200,000	83%	266	295	
<i>All information above is through September 30, 2009.</i>												
	Zephyr Cove, Nevada	The luxury market begins at \$1,500,000 in Zephyr Cove. This market continues to decrease in sales - a total of 6 for the last 6 months! The median price continues to drop and the days on market continues to rise. The deals are still out there though the choices are few. Motivated but patient sellers are achieving their goals.	75	7	4	-43%	\$2,750,000	\$2,475,000	-10%	618	622	
<i>All information above is through September 30, 2009.</i>												
	Incline Village, Nevada	Luxury sales in Incline Village start at a \$2,000,000 home price. Listings are down slightly from last quarter, but the number of sales continued to grow by 43%. The median price is still dropping which will hopefully help the properties move off the market after sitting for almost a year. With prices dropping, there are deals to be made.	120	7	10	43%	\$2,600,000	\$2,430,000	-7%	207	321	
<i>All information above is through September 30, 2009.</i>												

Information is deemed reliable but is not guaranteed by Broker.

What is a "Luxury Short Sale"? cont'd

have to depend solely on inspections.

At the end of the 3rd quarter of 2009, 188 homes were actively listed in the Reno area over \$1,000,000 with 31 having been sold. Three of those sold were short sales and none were bank-owned. Of the 188 active listings, 10 were listed as short sales and 4 were owned by the bank. Many sellers are not disclosing in the MLS system that their listing is a short sale until they accept an offer and then negotiate with the bank. So the number of short sales may be greater than the statistics reflect. If the seller cures the deficiency to the bank, then it is not listed in the system as a "short". There are indicators the 4th quarter will have a higher percentage of properties reporting as "short" or "bank-owned".

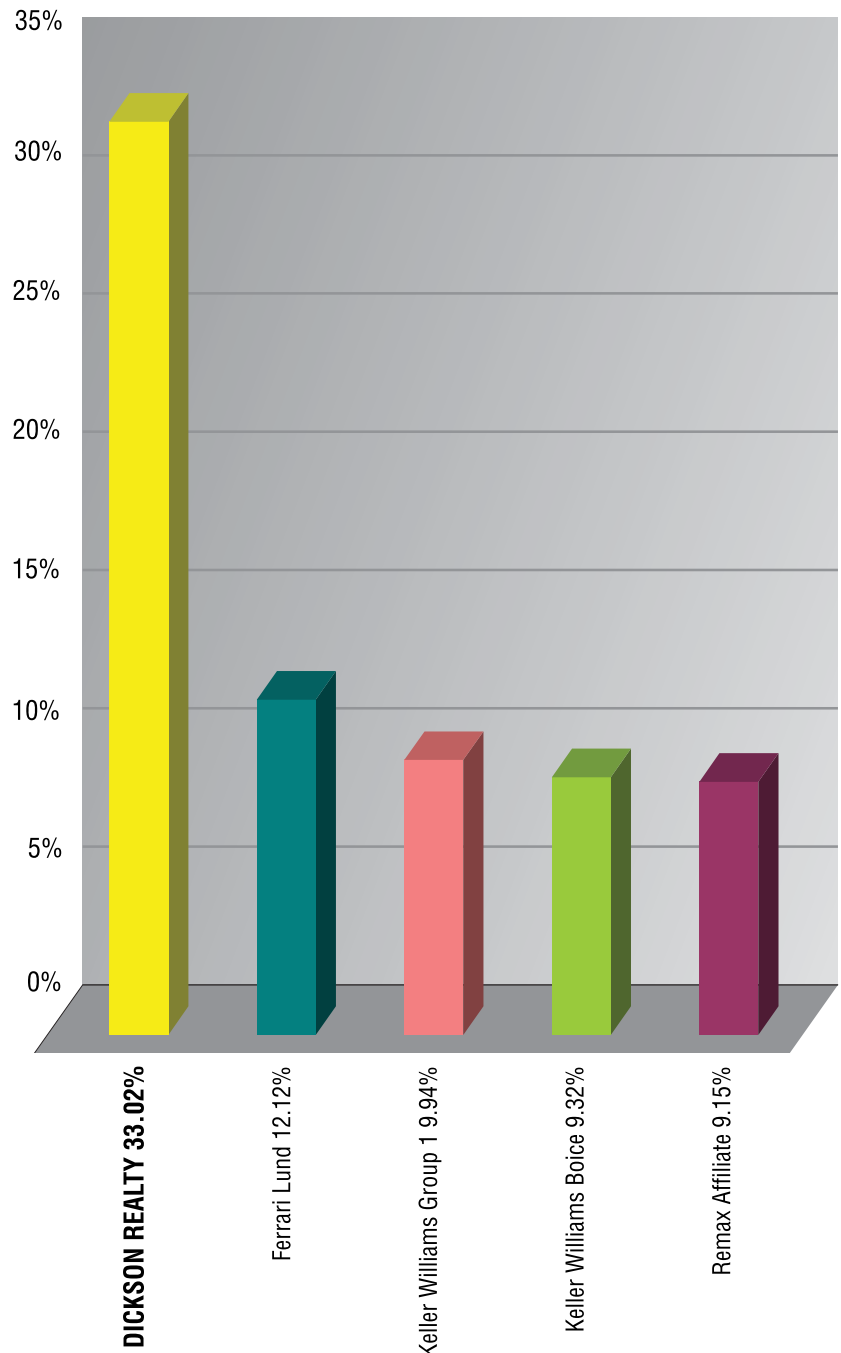
According to Paul Boomsma, president Luxury Portfolio Fine Property Collection, "Today's luxury real estate consumer is looking for personalization and a highly unique and individual experience, but that are also looking for value. This market offers a lot of exceptional opportunities for value and savvy consumers are catching on."

As we navigate the choppy waters of the economy and the ups and downs of real estate values, we hope to find long-term solutions for our clients in need of assistance.

Rebecca Dickson
Vice President of Dickson Luxury

TOP TEN FIRMS MARKET SHARE RESIDENTIAL SALES - RENO/TRUCKEE TOP 5 FIRMS

January 1, 2009 to September 30, 2009



Source of sales volume: Northern Nevada Regional Multiple Listing Service (NRMMLS), Tahoe Sierra Multiple Listing Service. Information is deemed reliable but is not guaranteed by Broker.

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EXTRAORDINARY EXPERIENCE.™

CAUGHLIN RANCH
(775) 746-7000

DAMONTE RANCH
(775) 850-7000

MONTRÉUX
(775) 849-9444

SPARKS
(775) 685-8800

TRUCKEE
(530) 587-7444

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