



Las Vegas Valley REO Update

A monthly look at the Las Vegas Valley real estate market & how it affects REO's.



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Rated "A" by PAS-Wells Fargo in the most Recent Report Card for the First Quarter 2010

TEAM MEMBER SPOTLIGHT

Andrea Packo-Buyer's Specialist

Andrea's experiences as an Air Force Brat and Grant Writer aid her in developing strong relationships with buyers with whom she works. But it is her experience as a rehab investor that demonstrates to all buyers that she knows what she is talking about and should be taken seriously. Andrea brings value to all transactions.

Market has shifted. (Again)

Over the last 12 to 15 months the Las Vegas real estate market has shifted. It has shifted from an REO dominated market to one that is now ruled by short sales. Notice the stats to the left. Short sales now account for well over 43.7% of all listed property inventory. This trend is expected to continue.

When I look over the statistics to the left and compare to those of a month ago, it might be easy to get confused. First, the absorption rates are down on the length of time it takes to sell. I believe that this is due to a last minute rush to get properties under contract to beat the Tax Credit eligibility deadline that is fast approaching. April 30, 2010 is the day that a property must be under contract to qualify for the credit. It still needs to close, but the contract has got to be signed and escrow opened by this date.

This may also be a good measure of why the inventory levels have dropped so much, month over month. At the rate the houses are being gobbled up, there might not be any houses on the market at all in the next couple of months.

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2009 Stats

153 REO Sold
Ave. SP. \$135,000
D.O.M. 28
SP to LP Ratio 98.9%
Open to Close: 98%

Important Statistical Information as of 4/08/2010

Total Available Properties

REO	1345	-14.4%
Short Sales	4480	-9.6%
Equity Sales	4412	-2.2%

Total Sales Closed Past 30 days

REO	1825	+4.2%
Short Sales	918	+19.9%
Equity Sales	926	+22.2%

Market Absorption Rates

Single Family	2.73Mo	Down!
Condominiums	2.58 Mo	Down!
Townhouse	3.01 Mo	Down!
Manufactured	7.26 Mo	Down!

Webinar Schedule

All Webinars begin at 10am PST

- 4/22/2010 HOA Issues & REO-It's Back Again by Demand!
- 5/13/2010 Tenant Issues and C4K Tactics that work.

I am also available to teach any topic on site in your offices-Just

Words of Wisdom

"Strive not to be a success, but rather to be of value."

Albert Einstein

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Shift (Cont'd from page 1)

The numbers that stand out for me are the "Equity Sales". With a little more research we have been able to determine that there are only about 4% of the total numbers of sales that are true equity sales. That means most of the sales that are taking place as "Equity Sales" are actually "Flips".

That's crazy and it makes sense at the same time. In a market of low inventory, there is a vacuum created by that low inventory level. Investors are keen to sense this vacuum and quickly pounce on the opportunity it presents. If they can buy houses low enough, usually on the courthouse steps, spend a little effort and money to generate a return, they will do it.

On the opposite side of that coin lays the REO Owner, Lender or Servicers. If that same money and time were placed in these properties as REO, that return on investment might come to them. It would take a little patience on the part of agents and pre-marketers alike. Getting good bids and preparing the property to hit the market in the best possible condition should increase the prices gained and help increase the net proceeds at the time of sale.

In summary; the inventory is falling lower by the month, the sales have picked up speed for the moment, the tax credit will be gone by the next newsletter and a little time and money could generate a higher return for the REO's in the market.

Oh yeah. A few more listings wouldn't hurt. At the absorption rate we have, a lot more wouldn't hurt either.

Keller Williams & Red Day

It started in 2009 with the very first Red Day. It was created as both an opportunity to honor one of Keller William's special people; Mo Anderson. She is the inspirational leader of our company and Red Day is now scheduled on her birthday every year.

On May 13, all Keller Williams offices will go out to the communities where they operate and do something to improve to their neighborhoods. "Give where you live" is the theme for the day! My team and I are scheduled to help out with an event to benefit Foreclosed Upon Pets, an organization who helps the unintended victims of the foreclosures in the market.

Birthday's and other fun stuff!

Everyone deserves a happy birthday message, a pat on the back or note and you're no different. Please share with me your special day and I will see to it that you are duly recognized. Maybe your child just graduated or have a co-worker who just got married. Let me know so we can give them the praise and recognition they deserve.

We Sell Your REO's Quickly, for the Highest Possible Prices, with the Least Amount of Liability!

