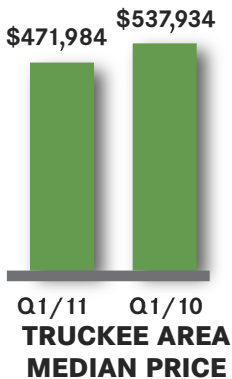


Record Snow Distracts Winter Homebuyers

Spring Thaw Reveals Most Favorable Prices in Years

FIRST QUARTER 2011



TAHOE/TRUCKEE REGION

Peak conditions on local ski slopes may have distracted homebuyers in the Lake Tahoe and Truckee areas during the first quarter of 2011, but the spring thaw is drawing their attention to some of the best home values in years, according to a report by the research division of Better Homes and Gardens Mason-McDuffie Real Estate based on an analysis of MLS data.

Fifty-seven existing, single-family detached homes changed hands in the Lake Tahoe area during the first quarter of 2011, up 4 percent from 55 homes sold in the first quarter of 2010 but down 37 percent from the fourth quarter 2010 total of 91 homes. The North Shore and West Shore areas led the pace with 23 and 19 homes sold, respectively, although both experienced sharply lower sales compared with the previous quarter. On an annualized basis, home sales doubled from four in the first quarter of 2010 to eight in the first quarter of 2011 in Tahoe City and were 25 percent higher in Alpine Meadows and up 12 percent in West Shore.

Short sale and bank-owned properties continued to grow in numbers and draw the attention of bargain-hunters. Fewer hiccups in the processing of these offers by mortgage lenders helped reduce the average number of days it took to sell a Lake Tahoe-area home in the first quarter from 192

days a year ago to 130 days in this year's first quarter.

The growing presence of short sales in all price categories created downward pressure in prices. The median sales price of a Lake Tahoe home dropped from \$503,407 in the fourth quarter of 2010 to \$487,088 in the first quarter of 2011 – a 3 percent decline and 11 percent below last year's first quarter median price of \$546,019. Locally, median prices were sharply down on a quarter-over-quarter and year-over-year basis except in West Shore (up 35% and 24%, respectively) and Squaw Valley (up .4% and 36%).

In the Truckee area, 127 existing, single-family detached homes sold in the first quarter of 2011, up from 121 homes during the same period of 2010 but down 23 percent from the fourth quarter total of 165 homes sold. Tahoe Donner® was the quarter's most active market with 44 closed sales, up 16 percent from 38 homes sold a year ago but 38 percent below this year's fourth quarter total of 71. Truckee followed with 34 homes sold, down 21 percent from the fourth quarter's 43 sales and down 17 percent from 41 in the first quarter of 2010. The Glenshire community was the area's most stable market, with sales increasing slightly from 15 in the previous quarter and 14 during the comparable year-ago period to 17 sales in the most recent quarter.

TAHOE/TRUCKEE REGION YEAR-TO-YEAR MARKET COMPARISON

City	Homes Sold Q1/11	Homes Sold Q1/10	% Change	Avg DOM* Q1/11	Avg DOM* Q1/10	Change (days)	Median Price Q1/11	Median Price Q1/10	% Change
TAHOE AREA									
Alpine Meadows	5	4	25	135	194	-59	\$440,000	\$851,250	-48
North Shore	23	26	-12	81	141	-60	\$340,000	\$487,425	-30
Squaw Valley	2	4	-50	145	298	-153	\$1,105,000	\$812,500	36
Tahoe City Area	8	4	100	146	129	17	\$635,500	\$784,500	-19
West Shore	19	17	12	142	197	-55	\$550,000	\$445,000	24
TRUCKEE AREA									
Donner Lake	5	3	67	150	114	36	\$383,000	\$625,000	-39
Glenshire Area+	17	14	21	123	95	28	\$360,000	\$328,500	10
Golf Course Communities++	19	18	6	173	152	21	\$535,000	\$856,000	-38
Northstar	8	7	14	232	160	72	\$752,500	\$800,000	-6
Tahoe Donner®	44	38	16	118	106	12	\$514,750	\$502,000	3
Truckee	34	41	-17	120	108	12	\$384,500	\$452,000	-15

* 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.

+ 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.