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LAKE TAHOE REAL ESTATE REPORT QUARTER THREE, 2013

- QUARTER-THREE 2013 COMPARED TO QUARTER-TWO, 2013
- Y-O-Y COMPARISON BETWEEN QUARTER-THREE 2013
AND QUARTER-THREE 2012
- NOTES AND ANALYSIS FOR EACH REGION

- MEDIAN SALES PRICE TIMELINES FROM 2006 THROUGH QUARTER-THREE, 2013
FOR PROMINENT REGIONS AT NORTH LAKE TAHOE

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This report allows us to examine the third quarter year-over-year as well as quarter-one through quarter-three, 2013. In summary, the Tahoe market continues to see overall positive growth, strengthening median sales prices, and sales volume.

The median sales timeline report denotes trends from 2006 to present-date.

Please feel free to contact Tahoe Luxury Properties for additional information about the current state of the Tahoe market.

INCLINE VILLAGE/CRYSTAL BAY, TRUCKEE, TAHOE SIERRA MLS, & CALIFORNIA'S SIDE OF THE LAKE TAHOE BASIN.

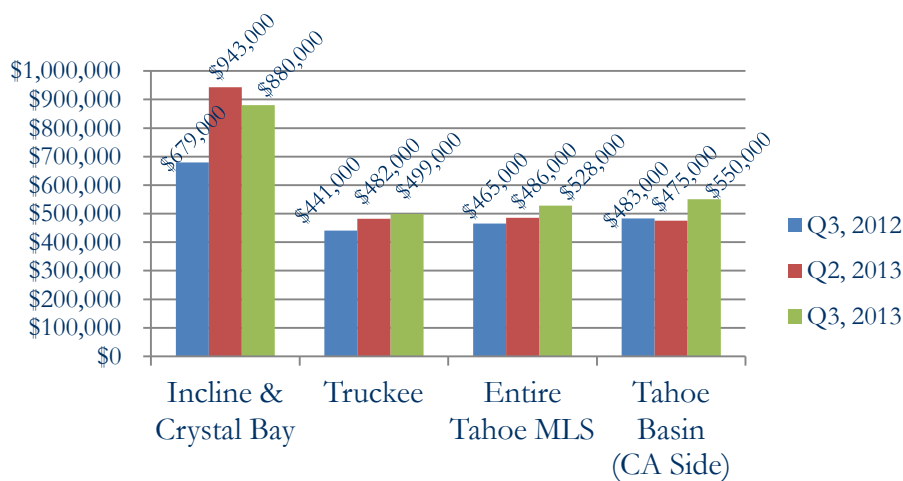
Includes a comparison among single-family homes in North Lake Tahoe regions including:

- Incline Village & Crystal Bay, NV (lakefront and non-lakefront homes);
- Downtown Truckee, Glenshire, Prosser, Tahoe Donner, Donner Lake, Donner Summit, Sierra Meadows, Lahontan, Old Greenwood, and Martis Camp;
- Lake Tahoe, CA's north and west shores; Truckee and Donner Lake, CA; and ski resort communities in the North Lake Tahoe area;
- Homes on the California side of the Lake Tahoe Basin.



Median Price

Quarter-Three Y.O.Y. Comparison
Quarter-Three & Quarter-Two, 2013 Compared



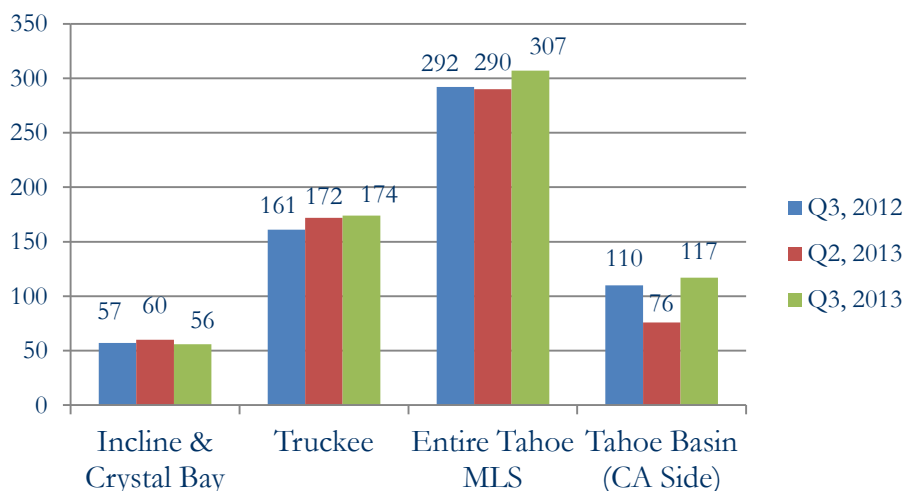
Summary

Lake Tahoe's Nevada side continues to impress with five lakefront closings in Q3 of 2013, compared to only 1 in 2012. The high sale of Q3 was the \$19,750,000 residence closing at 915 Lakeshore in Incline Village. This is the second-highest sale of the year. Expect median price and sales volume to head in this upward trend through the end of the year and then pick up again in late spring.

Median price continues to push upward across most segments. The only quarter-over-quarter decrease was in Incline Village/Crystal Bay. That decrease was a result of the meteoric rise in that median price in Q2. The year-over-year median price still increased 23% in Incline/Crystal Bay - the largest gain of any segment. The NV price increases continue to be driven by a favorable tax climate in the state, especially as compared to neighboring California. Sales volume is generally up in most segments but expect to see sales volume slow as the inventory continues to slim down. This should continue to put upward pressure on prices. Increasing interest rates on loans may temper the sales activity and prices gains, but Tahoe is a big cash market so I don't expect to have a major influence.

Sales Volume

Quarter-Three Y.O.Y. Comparison
Quarter-Three & Quarter-Two, 2013 Compared



Sources: Tahoe Luxury Properties, Tahoe Sierra MLS, and Incline Village MLS

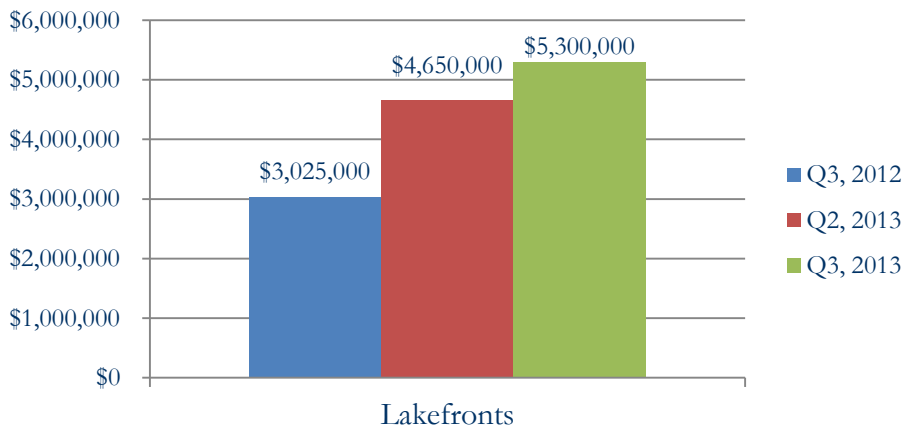
LAKEFRONTS

Includes single-family Tahoe lakefront homes and estates located at California's north and west shores; and Nevada's Incline Village and Crystal Bay.



Median Price

Quarter-Three Y.O.Y. Comparison
Quarter-Three & Quarter-Two, 2013 Compared



Summary:

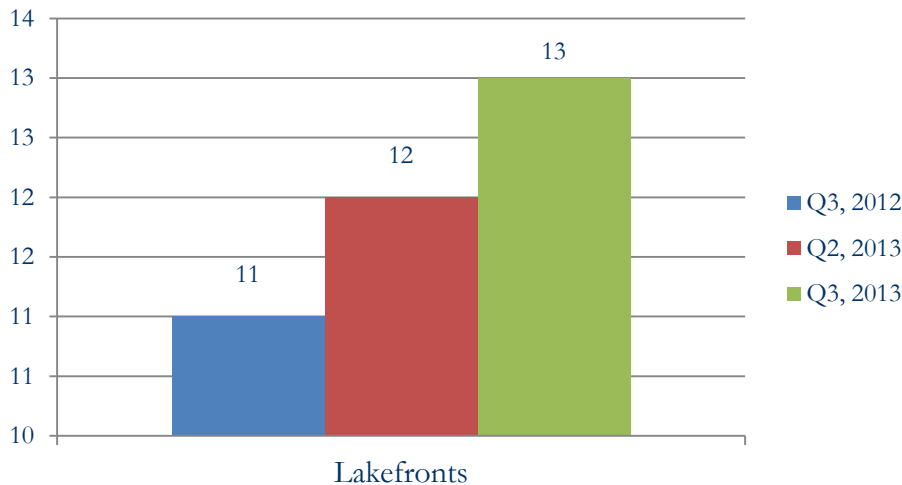
The third quarter experienced solid movement in the lakefront segment. While the data sample is relatively small, a 43% increase of the median price year-over-year for Q3 is impressive.

Q4 in 2012 saw healthy sales activity with 18 lakefront closings and I expect similar sales activity through the balance of 2013.

Sources: Tahoe Luxury Properties; Tahoe Sierra MLS; Incline Village MLS.

Sales Volume

Quarter-Three Y.O.Y. Comparison
Quarter-Three & Quarter-Two, 2013 Compared



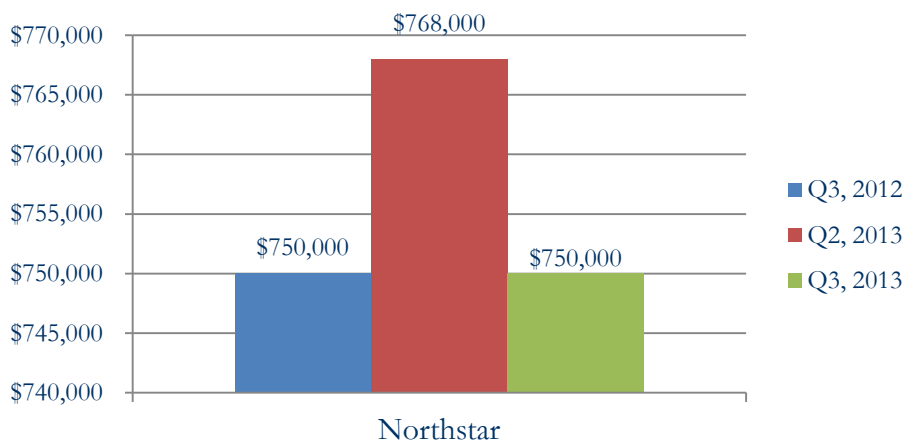
NORTHSTAR, CA

Includes single-family homes in Northstar, CA.



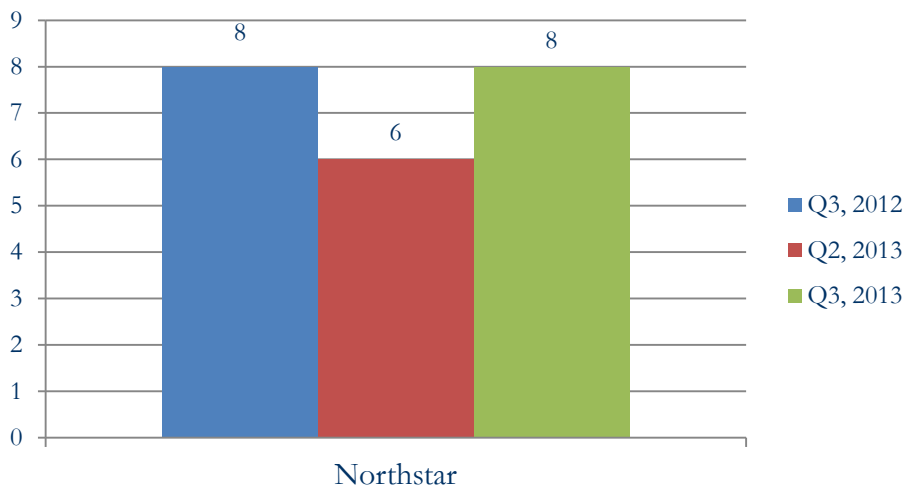
Median Price

Quarter-Three Y.O.Y. Comparison
Quarter-Three & Quarter-Two, 2013 Compared



Sales Volume

Quarter-Three Y.O.Y. Comparison
Quarter-Three & Quarter-Two, 2013 Compared



Summary:

Flat is the story in Northstar. Northstar continues to be affected by the increased competition from the surrounding communities of Martis Camp, Lahontan, and Shaffer's Mill. Those areas have distracted buyers' attention away from Northstar proper and made for a sluggish recovery. Northstar is a sound place for winter sports enthusiasts who like to be close to the action. The Northstar Resort is doing a good job of making a four-season destination - not just a ski area anymore.

Sources: Tahoe Luxury Properties; Tahoe Sierra MLS.

SQUAW VALLEY & ALPINE MEADOWS

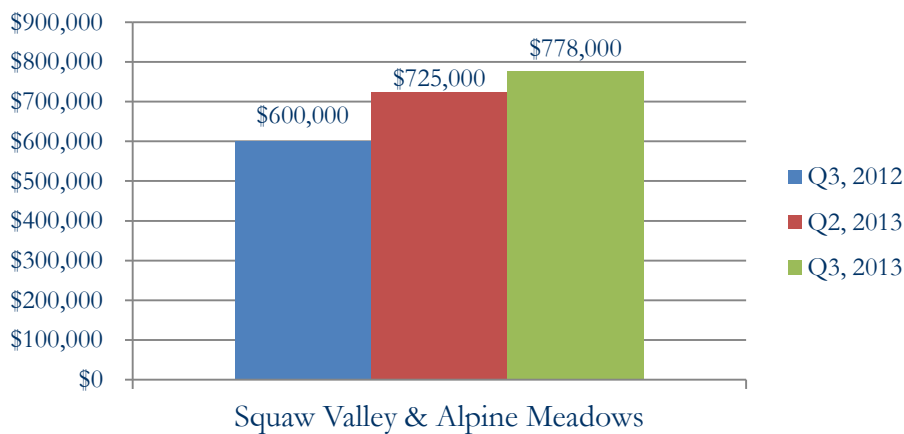
Includes single-family homes in Squaw Valley and Alpine Meadows.



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Median Price

Quarter-Three Y.O.Y Comparison
Quarter-Three & Quarter-Two, 2013 Compared



Summary:

Decreased supply is positively affecting the median price in Squaw and Alpine. After trailing behind the market recovery in other regions, Squaw and Alpine are finally responding to positive market forces. Even though the sales volume is down, a median price gain of 23% year-over-year is a solid trend.

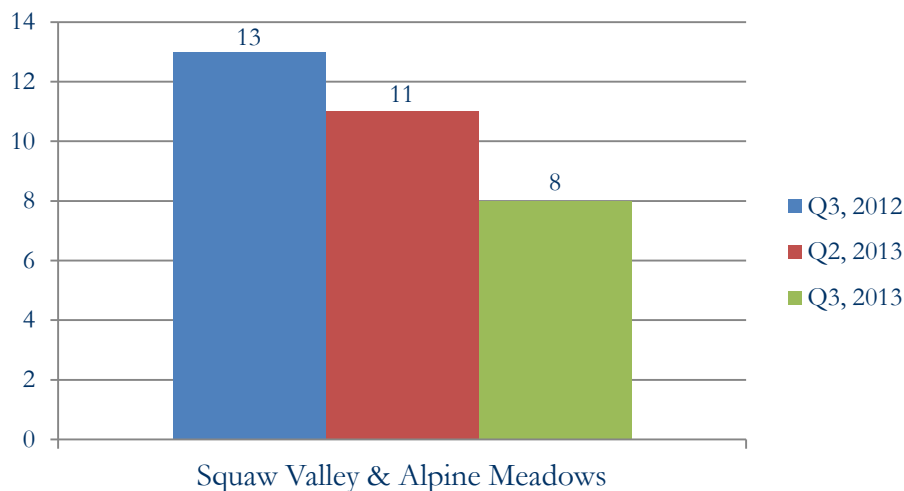
A new bar for top range pricing was set in Q3 in Squaw with the \$8.5M closing of the Bryan residence under the tram at 854 Granite Chief Rd. The prior high sale was Tahoe Luxury Properties' sale of the Dorland residence at 3080 Broken Arrow Pl for \$5.85M back in 2008.

As we head toward snow season, expect these ski area communities to remain active with upward pressure on prices.

Sources: Tahoe Luxury Properties; Tahoe Sierra MLS.

Sales Volume

Quarter-Three Y.O.Y Comparison
Quarter-Three & Quarter-Two, 2013 Compared



MEDIAN SALES PRICE TIMELINE

Includes a look at median sales prices from 2006 through 2012, as well as through the third quarter of 2013.



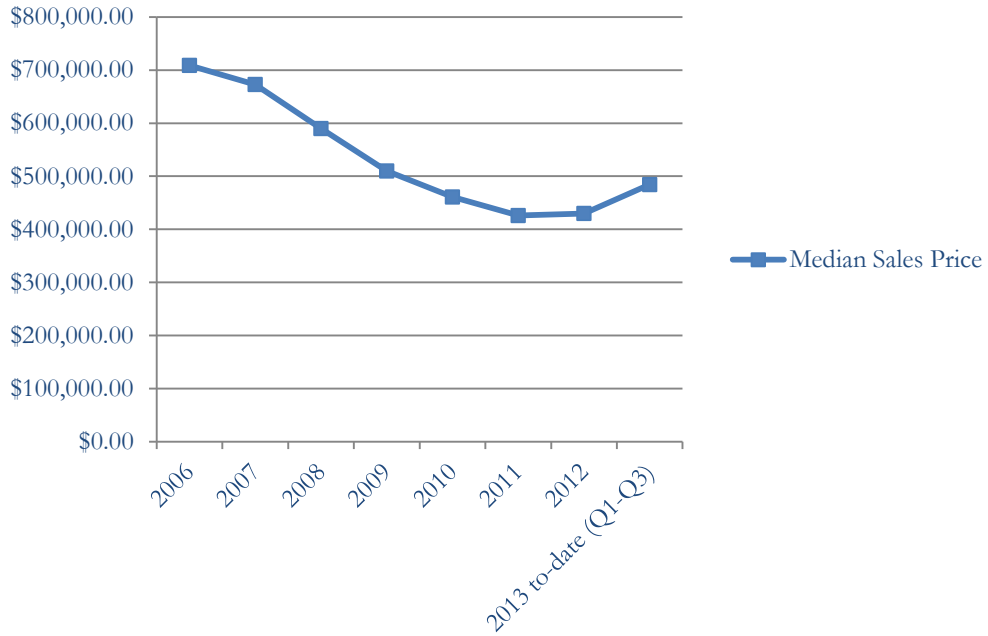
Although we've cleared only three quarters in 2013, this year to date has delivered stronger median prices than some previous years' four quarters in their entirety. Again, the information for 2013 solely denotes data for the first, second, and third quarters.

One of the most popular questions among buyers and sellers continues to be, "how do sales prices compare with those during the mid-2000s?" Many deem that time period as significant, in that the market at was very robust and active. The depicted timelines offer a snapshot comparison of how today's median prices compare to the past six years.

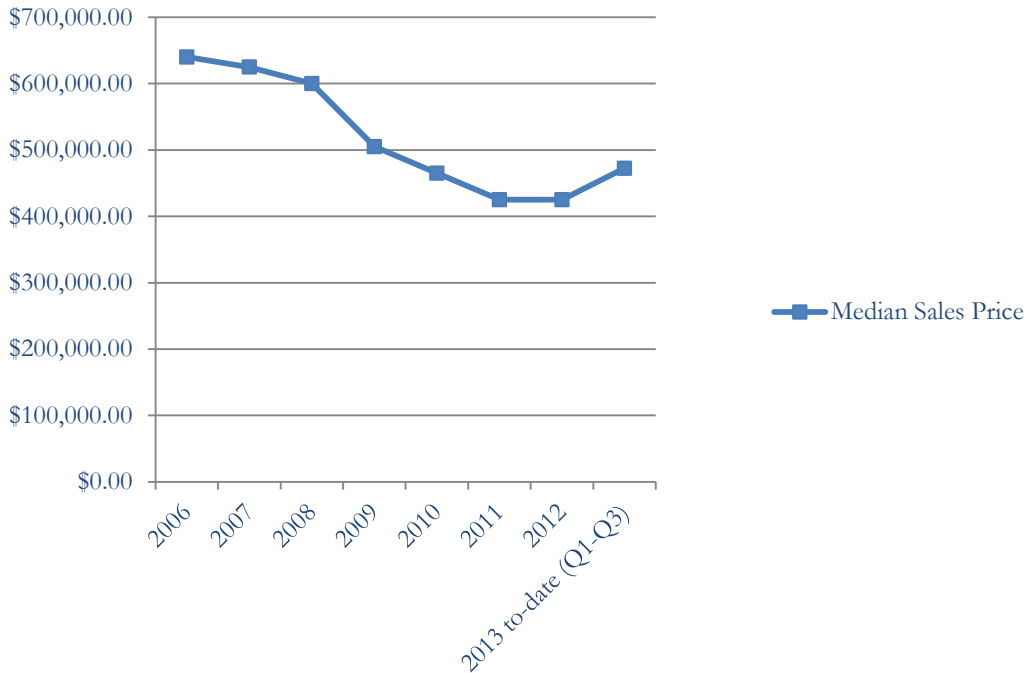


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Tahoe Sierra MLS Timeline

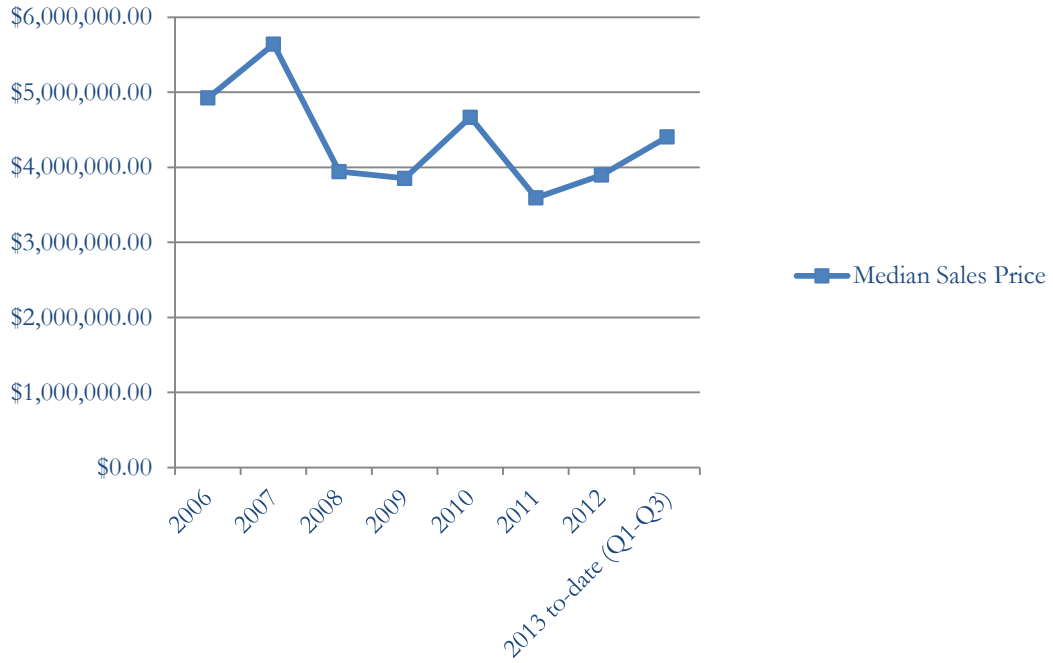


Truckee Timeline

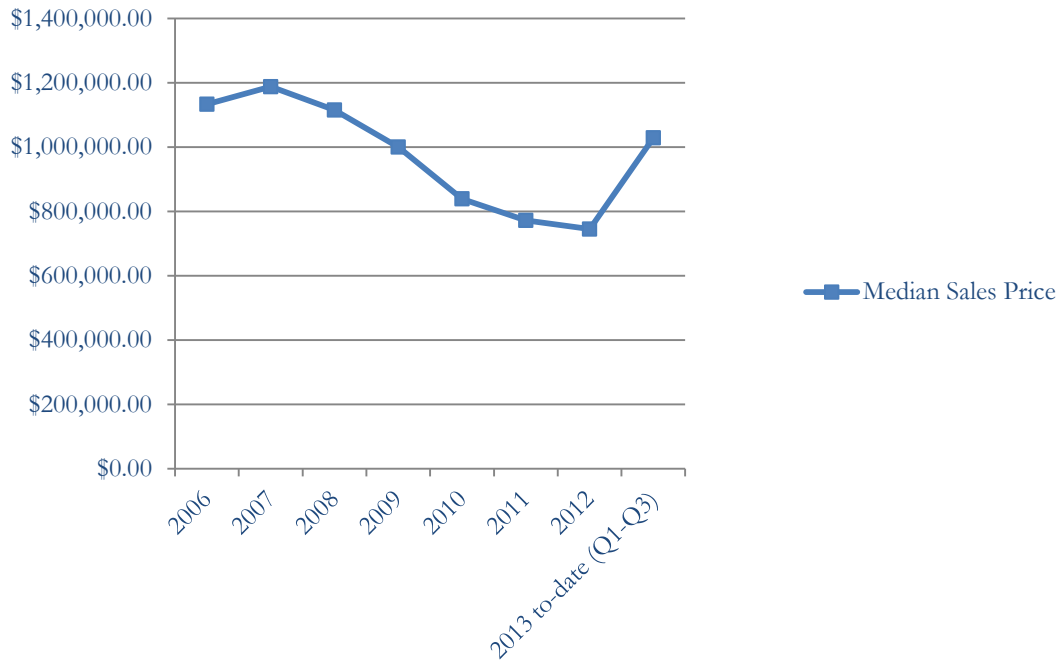


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Lakefronts - Median Sales Price Timeline

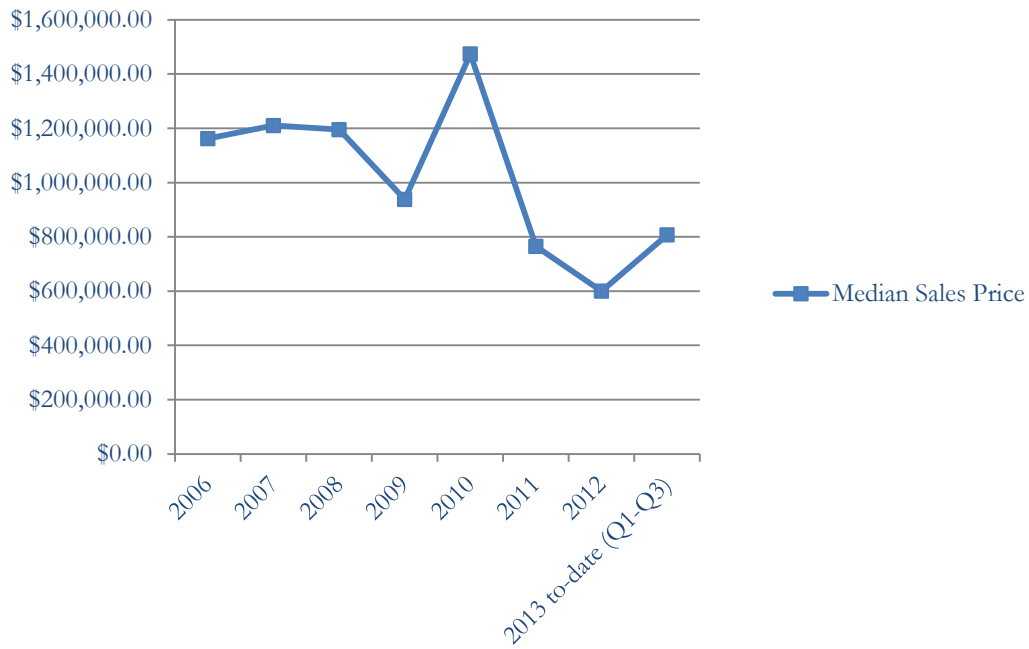


Incline Village & Crystal Bay Timeline

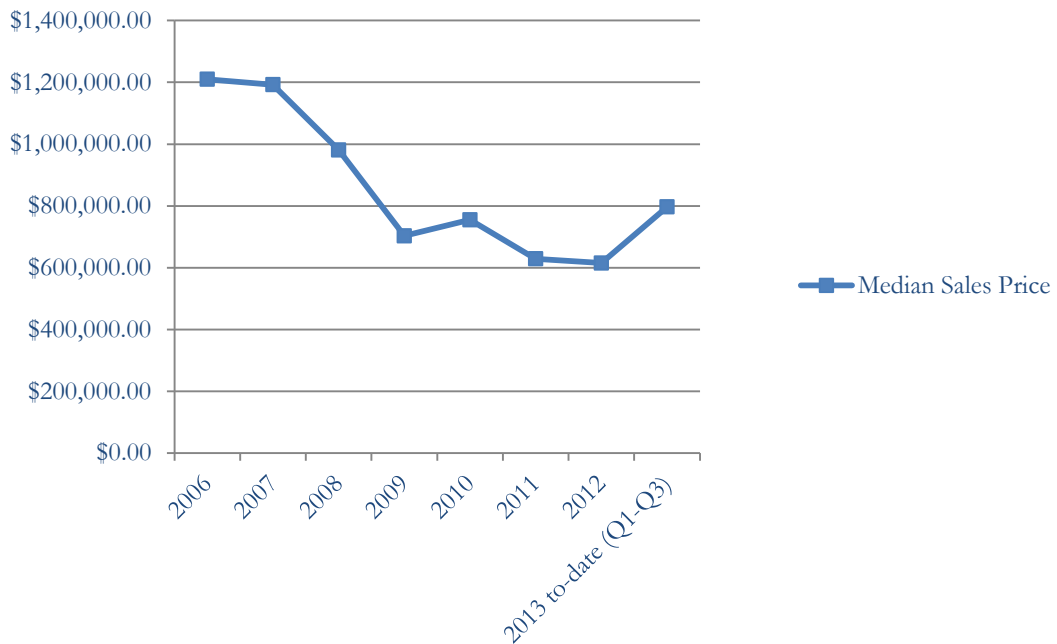


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Northstar Timeline



Squaw Valley / Alpine Meadows Timeline



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