

tahoe luxury properties®



LAKE TAHOE REAL ESTATE MARKET REPORT QUARTER ONE, 2014

MARKET ANALYSIS INCLUDES:

- MEDIAN HOME PRICE AND UNITS SOLD DATA
- QUARTER OVER QUARTER TRENDING
- YEAR OVER YEAR TRENDING
- NOTES AND ANALYSES BY REGION
 - LAKEFRONTS, CALIFORNIA & NEVADA
 - INCLINE VILLAGE & CRYSTAL BAY, NEVADA
 - SQUAW VALLEY & ALPINE MEADOWS, CALIFORNIA
 - NORTHSTAR, CALIFORNIA
 - TRUCKEE, CALIFORNIA
 - TAHOE SIERRA MLS, CALIFORNIA

PREPARED BY BILL DIETZ, PRESIDENT

CA BRE LIC #01431063

NV RED LIC #B0027100

BillD@TLUXP.COM



530.584.3454



TLUXP.COM



TAHOE REAL ESTATE
MARKET REPORT
QUARTER 1, 2014



OVERVIEW

Maintaining the trends we reported in the [2013 year-end summary](#), the median single-family home price continues to rise in all the Tahoe area markets. Five of the six markets show a decrease in units sold quarter-over-quarter, likely related to the abnormally low snowfall to the region impacting area visitation and the low inventory of active listings. Given the healthy appreciation in home price sales, we expect to see solid gains throughout 2014.

Keep an eye on the lakefront market where limited inventory is driving the median home price up drastically, with a 97% increase quarter-over-quarter. As ski communities bounce back from a weather-affected quarter, we will expect market growth in summer months.

As predicted, 2014 is trending to be a high-performing year.

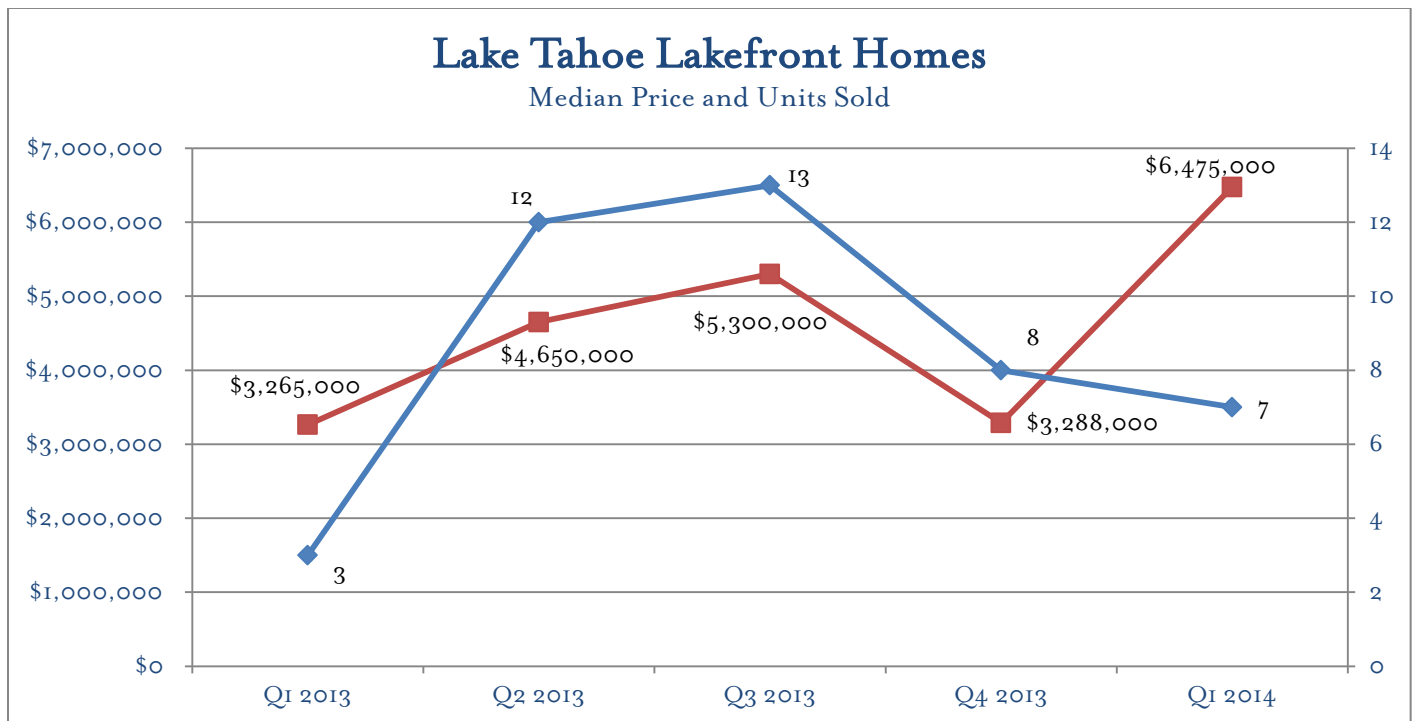


TAHOE REAL ESTATE
 MARKET REPORT
 QUARTER 1, 2014



LAKEFRONTS

SINGLE-FAMILY TAHOE LAKEFRONT HOMES AND ESTATES LOCATED AT CALIFORNIA'S NORTH & WEST SHORES (TO RUBICON BAY) AND NEVADA'S INCLINE VILLAGE AND CRYSTAL BAY



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

Quarter Over Quarter:

- Median Home Price Increases 97%
- Units Sold Decreases by 12.5%

Year Over Year:

- Median Home Price Increases 98%
- Units Sold Increases By 133%

We are seeing tremendous activity in the lakefront segment. The deep-winter months of Q1 are usually the quietest for lakefront sales, so the high Q1 sales volume is suggestive of a busy year to come. At the time of this publishing (April 2014), there are four pending lakefront sales. The unit sales for the balance of the year will be mostly determined by the inventory supply. With only 37 lakefront properties on the market between Rubicon Bay, California and Incline Village, Nevada, the pickings are slim. With the lean selection and strong buyer activity, the upward pressure on prices is expected to continue.

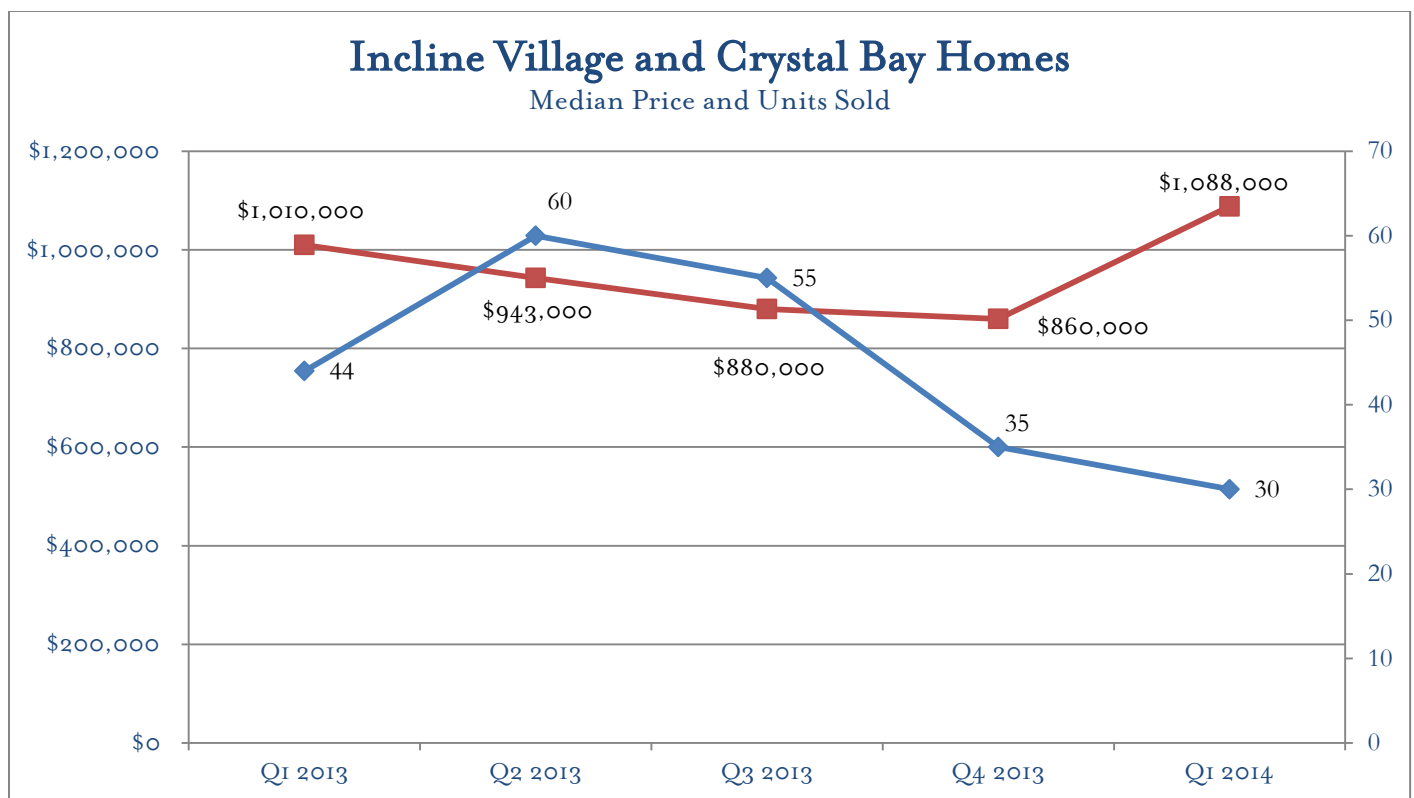


TAHOE REAL ESTATE
MARKET REPORT
 QUARTER 1, 2014



INCLINE VILLAGE AND CRYSTAL BAY, NV

SINGLE-FAMILY HOMES IN INCLINE VILLAGE & CRYSTAL BAY, NV, WHICH INCLUDE LAKEFRONT AND NON-LAKEFRONT HOMES



Sources: Tahoe Luxury Properties, Incline Village MLS

Quarter Over Quarter:

- Median Home Price Increases 27%
- Units Sold Decreases by 14%

Year Over Year:

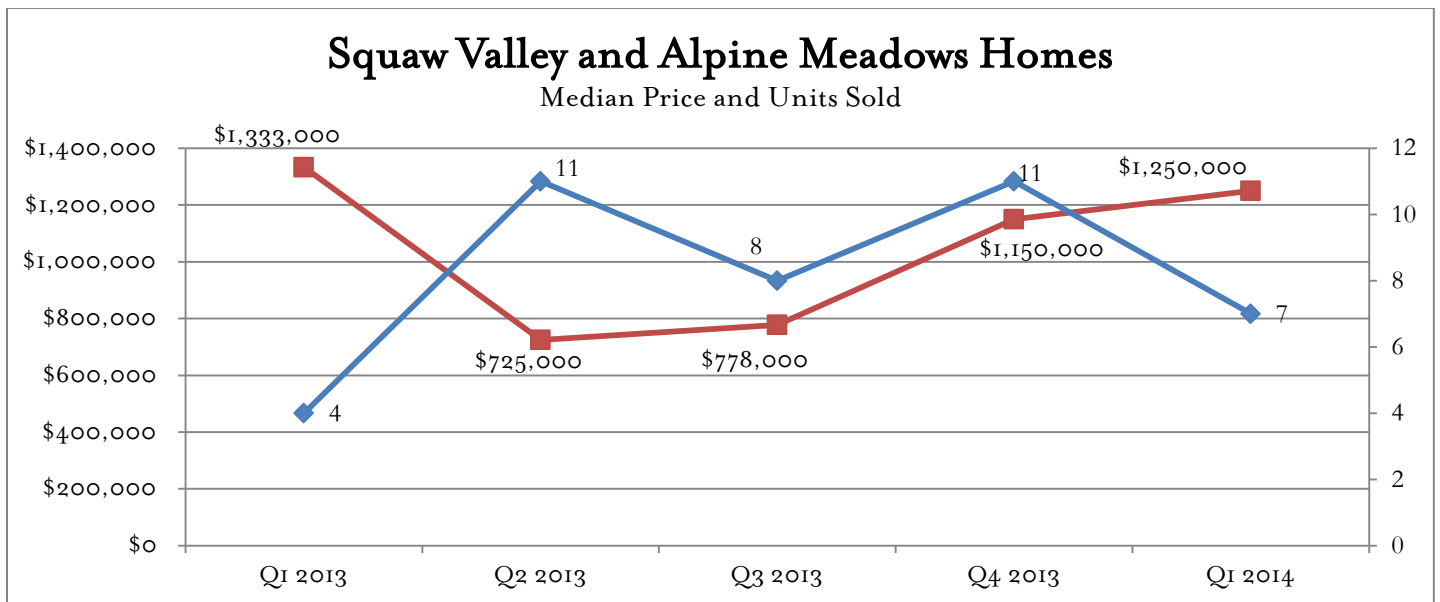
- Median Home Price Increases 8%
- Units Sold Increases By 32%

Median price for Incline Village homes continues to press upward. The wings in the Incline market are given air by Californian buyers attracted by the favorable tax climate Nevada offers. Again, lean supply of active listings and strong buyer activity will continue to spring the market upward. Two \$10M+ lakefront sales in Incline Village in Q1 prove strong performance in the top-end of this market. Expect to see double-digit appreciation in the Incline Village market for 2014.



SQUAW VALLEY & ALPINE MEADOWS

SINGLE-FAMILY TAHOE LAKEFRONT HOMES IN OLYMPIC VALLEY AND ALPINE MEADOWS



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

Quarter Over Quarter:

- Median Home Price Increases 9%
- Units Sold Decreases by 36%

Year Over Year:

- Median Home Price Increases 6%
- Units Sold Increases By 75%

The quarterly trends for the Squaw/Alpine segment must be viewed in the context of the small data sample. If a more macro view is taken, the Squaw/Alpine market is finally on an upward trend. The median sales price for a single-family home to sell in this region for 2013 was \$858,000, up from \$615,000 in 2012. The weak winter undeniably hurt sales in the ski area communities. Expect the busy summer season ahead to produce healthy unit sales and continue to nudge the median price upward.



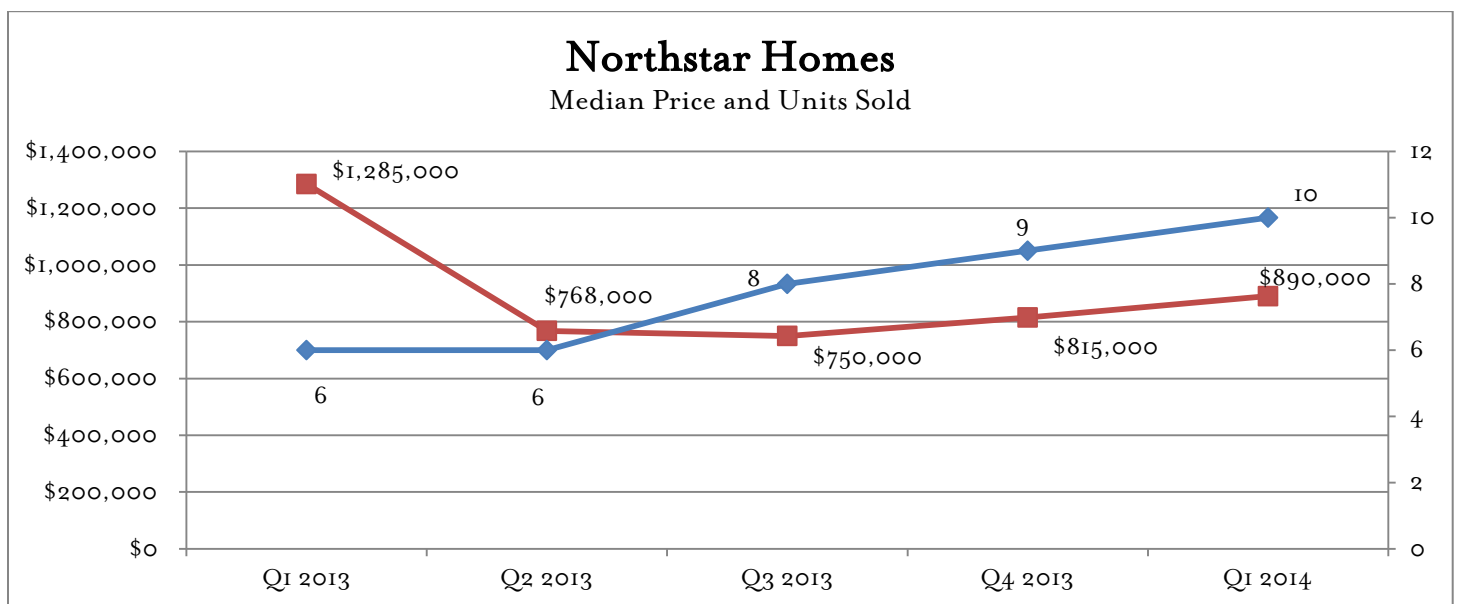
TAHOE REAL ESTATE
 MARKET REPORT
 QUARTER 1, 2014



NORTHSTAR

SINGLE-FAMILY HOMES IN NORTHSTAR, CA

NOTE: DATA DOES NOT INCLUDE CONDOMINIUMS WHICH ARE ABUNDANT IN THIS AREA



Sources: Tahoe Luxury Properties, Incline Village MLS

Quarter Over Quarter:

- Median Home Price Increases 9%
- Units Sold Increases by 67%

Year Over Year:

- Median Home Price Decreases 31%
- Units Sold Increases By 67%

Much like Squaw and Alpine, the small data sample for Northstar must be taken into consideration. That said, the price trends suggest Northstar is on a slow and steady climb. Recovery in Northstar has been tempered by the large supply of upscale, newer homes in the surrounding communities of Martis Camp, Lahontan and Shaffer's Mill. Martis Camp especially, with their brilliant efforts in attracting the affluent family group, has taken a lot of the spotlight away from Northstar's single-family home market, leaving Northstar in the shadows. Northstar still has strong appeal, and developments like Home Run and the Ritz-Carlton Residences have posted strong sales figures. Expect Northstar to continue to focus on the high-end multi-family products like the aforementioned developments.

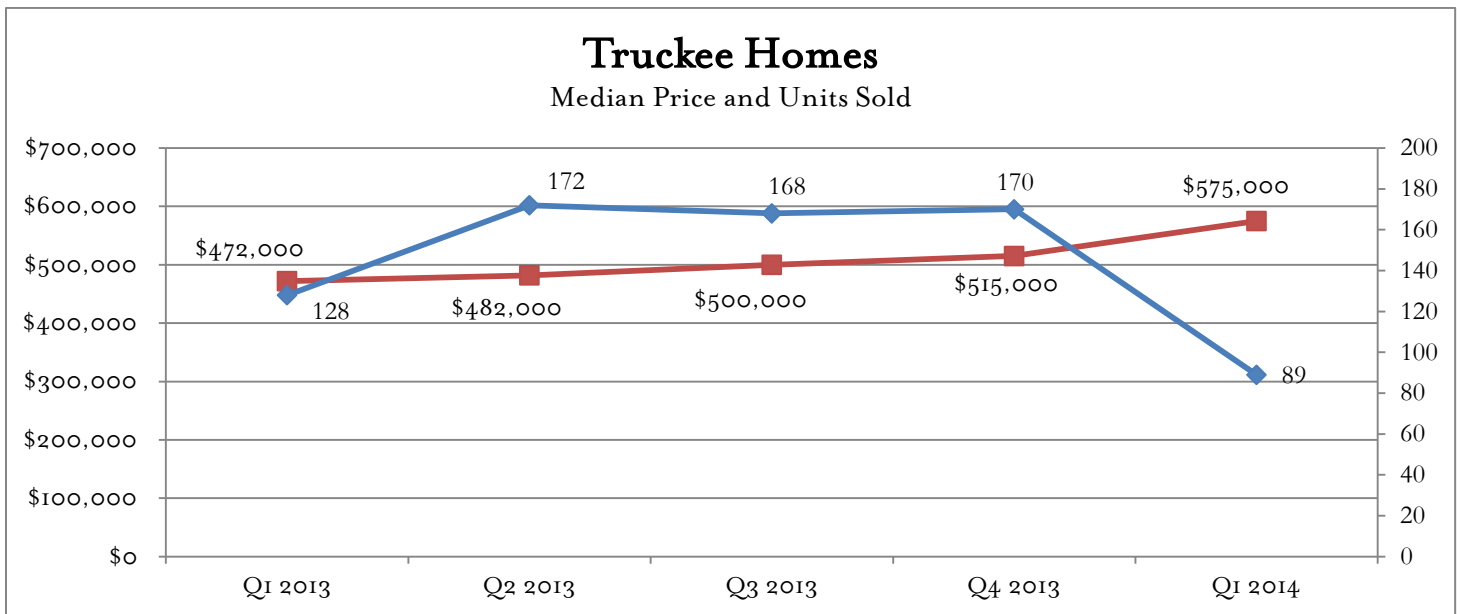


TAHOE REAL ESTATE
 MARKET REPORT
 QUARTER 1, 2014



TRUCKEE

SINGLE-FAMILY HOMES IN DOWNTOWN TRUCKEE, GLENSHIRE, PROSSER, TAHOE DONNER, DONNER LAKE, DONNER SUMMIT, SIERRA MEADOWS, LAHONTAN, OLD GREENWOOD AND MARTIS CAMP



Sources: Tahoe Luxury Properties; Tahoe Sierra MLS

Quarter Over Quarter:

- Median Home Price Increases 12%
- Units Sold Decreases by 48%

Year Over Year:

- Median Home Price Increases 22%
- Units Sold Decreases By 31%

Like the trains that intersect Truckee every day, slow and steady, the prices move up. Because of its larger size, and the solid base of full-time residents, Truckee behaves in a more rational and tempered manner, without the dramatic swings that the other local communities see. The big story in Truckee is the sizable decrease in the units sold both year-over-year and quarter-over-quarter. This can be explained through a mix of a winter-that-wasn't in combination with low inventory of available listings. The sales volume should increase as more listings hit the market in preparation for the traditional summer sales season. The shining gem in the Truckee market continues to be the uber-chic private golf and ski community of Martis Camp, which has done an exceptional job of attracting affluent multi-generational families, drawn to Tahoe outdoor activities and conveniences. Expect Martis Camp and the greater Truckee market to post solid appreciation gains throughout 2014.

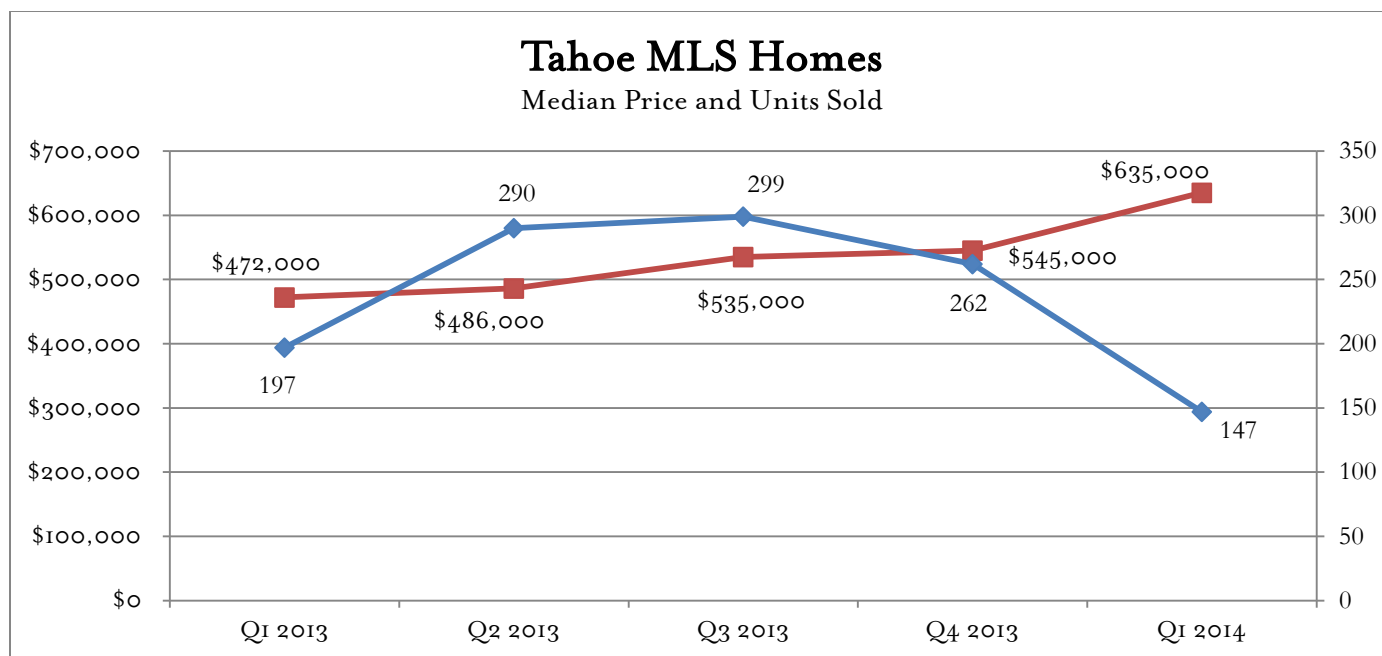


TAHOE REAL ESTATE MARKET REPORT QUARTER 1, 2014



TAHOE SIERRA MLS, CALIFORNIA

SINGLE-FAMILY HOMES ON LAKE TAHOE, CALIFORNIA NORTH AND WEST SHORES, TRUCKEE, DONNER LAKE, NORTHSTAR, OLYMPIC VALLEY, ALPINE MEADOWS



Sources: Tahoe Luxury Properties; Tahoe Sierra MLS

Quarter Over Quarter:

- Median Home Price Increases 17%
- Units Sold Decreases by 44%

Year Over Year:

- Median Home Price Increases 35%
- Units Sold Decreases By 25%

The significant drop in unit sales is the story for the California side. A 25% slide in the year-over-year unit sales volume suggests the limited inventory of available listings is having an effect on buyers' ability to find the right property. The anemic snowfall the Tahoe area experienced this winter also brought fewer people (aka prospective buyers) to town, contributing to the weaker sales volume.

Despite slower sales, the median home price continues to track on its upward march. Could the lower unit sales slow the pace of price appreciation? I think not. The bellwether of Bay Area real estate gives us a glimpse that the Tahoe market will continue to forge upward. Silicon Valley continues to produce vast wealth for people who will look to the close playground of Tahoe to invest. And, as the warm summer months approach, Californians will flee the parched Bay Area and inland valleys and head to the cool and comfortable Tahoe climate.



TAHOE LUXURY
PROPERTIES

TAHOE REAL ESTATE

MARKET REPORT

QUARTER 1, 2014



ABOUT TAHOE LUXURY PROPERTIES

Tahoe Luxury Properties is a full-service real estate company specializing in luxury real estate sales and premier vacation rentals in the Lake Tahoe region. Since 2006, Bill Dietz has closed more than \$300 million in residential real estate sales in the Tahoe area. In 2013 alone, Bill closed over \$57 million in real estate sales. These results reflect our commitment to our clients.

Tahoe Luxury Properties is best positioned to market and sell premier real estate throughout Lake Tahoe and its spectacular surrounding communities. Whether you are looking for a Tahoe family vacation home to enjoy for generations or for an investment property that will provide a sound return, Tahoe Luxury Properties' brokers and agents will help you comprehensively understand the real estate dynamic in the region. Whether you are ready to buy or simply initially exploring the options in Lake Tahoe Real Estate, let us show you Tahoe Luxury Properties.

For more information, please contact us at 1.800.581.8228 or visit TLUXP.com.



TAHOE LUXURY
PROPERTIES