



The Las Vegas Market

Myths, Trends, Properties

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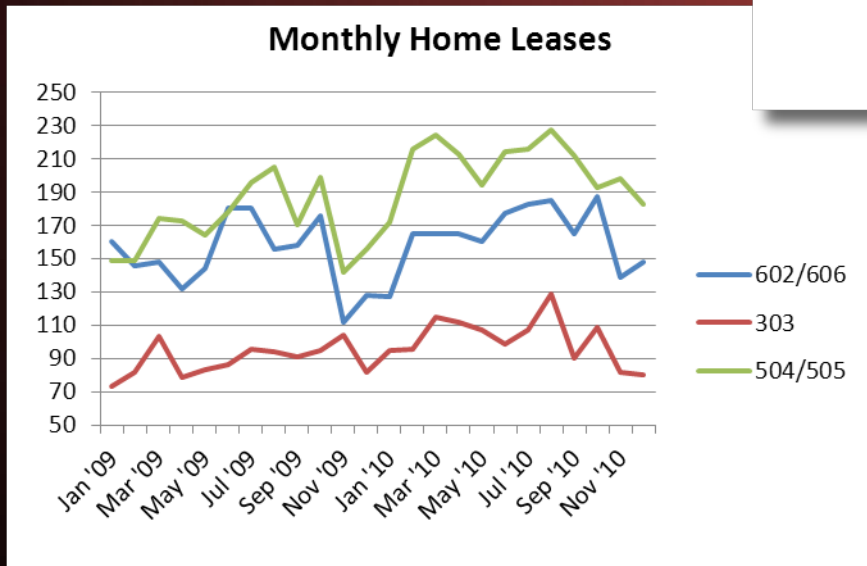
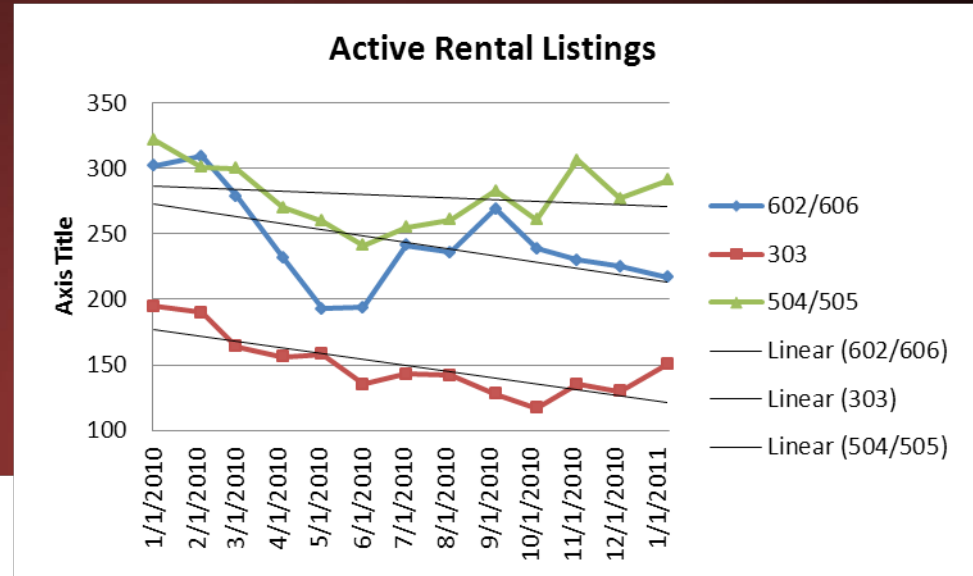
Las Vegas Market Facts

- Very active market:
 - ~13,000 SFH listings (down from a peak of over 22,000)
 - ~3,000 SFH closings per month
 - ~4.5 month inventory (6 month inventory is considered “healthy”)
- REO’s account for ~50% of all closings.
- REO’s account for only ~20% of all listings.
- Many Offers/Quick Sales on Good REO Properties is the Rule. (lots of competition for few properties)

Las Vegas Economy

- Las Vegas Gaming Revenue: **UP** 16%
- Average Room Rates: **UP** 3 straight months
- Announced Saturday: Station Casinos to **HIRE** 1,000 new employees.
 - Citing “improving Las Vegas economy”

The Las Vegas Rental Market



The Properties

2625

- Standard REO's
- The Occasional Pre-Approved Short Sale
- Fannie Mae Foreclosures

– HomePath Financing Program

- 10% Down for Investors
- 4.875% Interest Rate
- Standard Conforming 4 Loan Limit
- 30-day "FirstLook" Period for Owner/Occupants

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• VA Foreclosures

– VA Vendee Loan Program

- VA loan available to all
- 5% Down for Investors
- 4.5% Interest Rate
- No Limit on # of Properties With Loans !!

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| | Vendee | HomePath | Conforming |
|-------------------------|-------------------|---------------------|--------------------|
| | <u>5% Down</u> | <u>10% Down</u> | <u>25% Down</u> |
| | <u>4.5% Fix'd</u> | <u>4.875% Fix'd</u> | <u>4.25% Fix'd</u> |
| Loan Amount | \$ 85,405 | \$ 80,910 | \$ 67,425 |
| Principal & Interest | \$ 433 | \$ 386 | \$ 322 |
| Property Taxes | \$ 82 | \$ 82 | \$ 82 |
| Insurance | \$ 42 | \$ 42 | \$ 42 |
| HOA | \$ 46 | \$ 46 | \$ 46 |
| Management Fee | \$ 72 | \$ 72 | \$ 72 |
| Total Payment | \$ 674 | \$ 628 | \$ 564 |
| Projections | | | |
| RENT RANGE | Cash Flow+ | Cash Flow+ | Cash Flow+ |
| \$ 1,025 | \$ 351 | \$ 397 | \$ 461 |
| \$ 975 | \$ 301 | \$ 347 | \$ 411 |
| Payback (Months) | 13 | 23 | 49 |

Las Vegas – Example Property #1



- VA Vendee Property
- 3 Bedroom, 2 ½ Bath, +Loft
- Gated Community w/ pool, etc.
- Built 2004
- List Price **\$73,900**, peak **\$237k**
- Rent \$1025/mo., **~\$344/mo.** +



Las Vegas – Example Property #2



- VA Vendee Property
- 3 Bedroom, 2 ½ Bath, + Office
- 1900 sq.ft.
- Built 2006
- List Price **\$111,900**, Peak **\$315k**
- Rent **\$1225/mo.**, **~\$393/mo.** +



Las Vegas – Example Property #3



- FNMA HomePath Property
- 3 Bedroom, 2 ½ Bath
- Built 2006
- List Price **\$104,900**, Peak **\$295k**
- Rent **\$1,125/mo.**, **~\$373/mo.** +

