

PRICE REDUCTION REPORT

— Year-Over-Year
June 2009 - June 2010



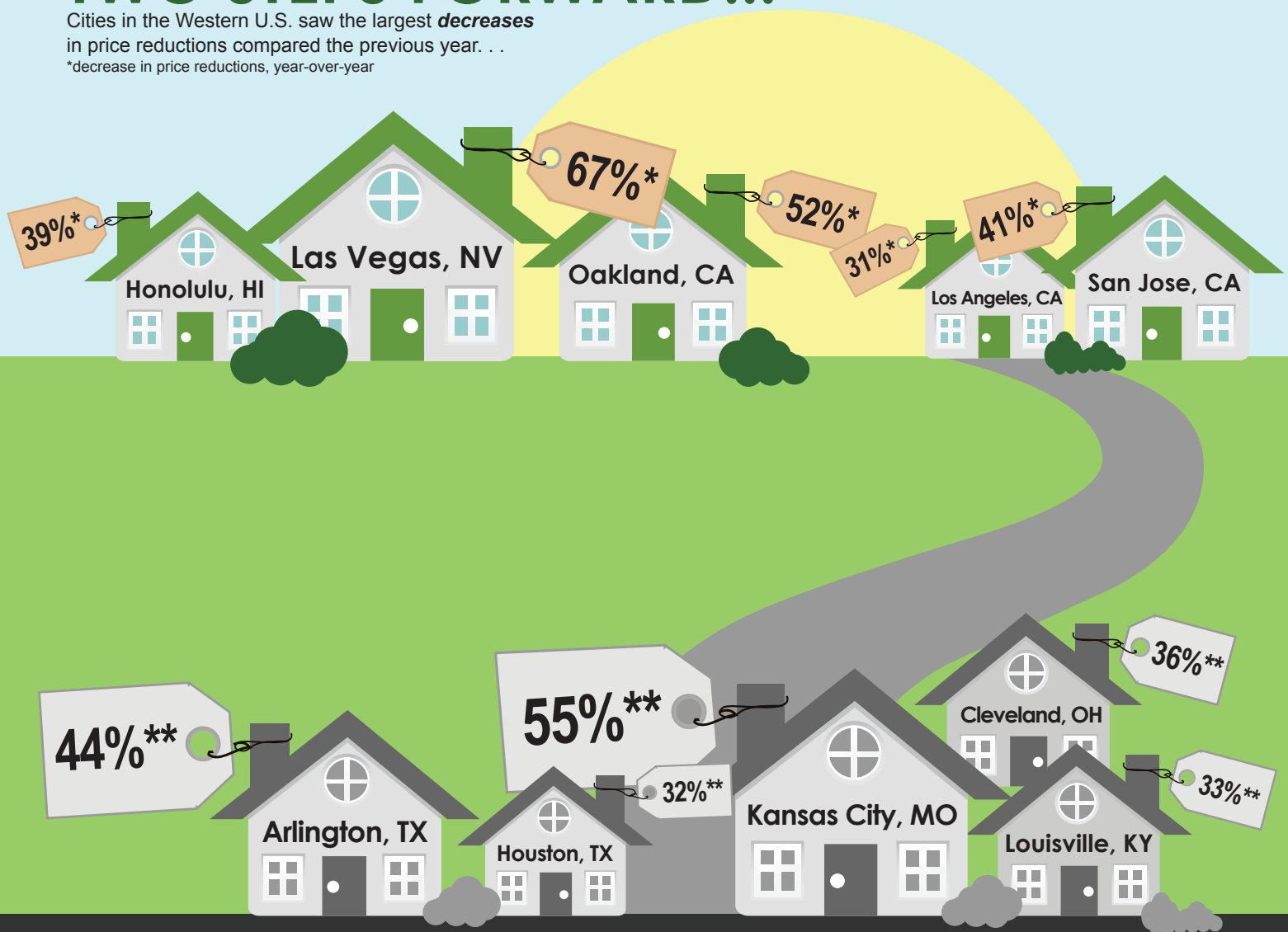
When home sellers feel pressure, they slash the prices of their homes. This month, the total dollar amount slashed from home prices was \$26.7 billion!

- 22 percent of listings on the U.S. market as of June 1, 2010 have experienced at least one price reduction (down from 23.6 percent in June 2009)
- The average discount for price-reduced homes is 10% off the original listing price.
- Luxury homes (\$2 million-plus) account for less than 2% of inventory, but almost 25% of total dollars slashed off all the homes for sale.

TWO STEPS FORWARD...

Cities in the Western U.S. saw the largest **decreases** in price reductions compared the previous year. . .

*decrease in price reductions, year-over-year



ONE STEP BACK?

Cities in the Midwest and South had the largest **increases** in price reductions, year-over-year.

**increase in price reductions, year-over-year