



How do decisions made in Washington affect local market conditions?

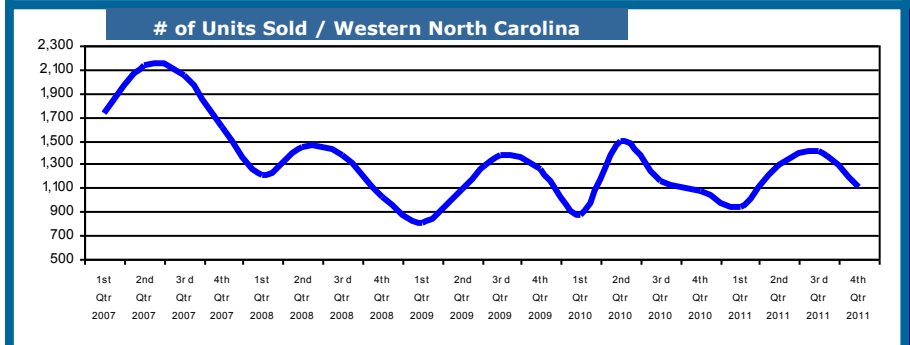
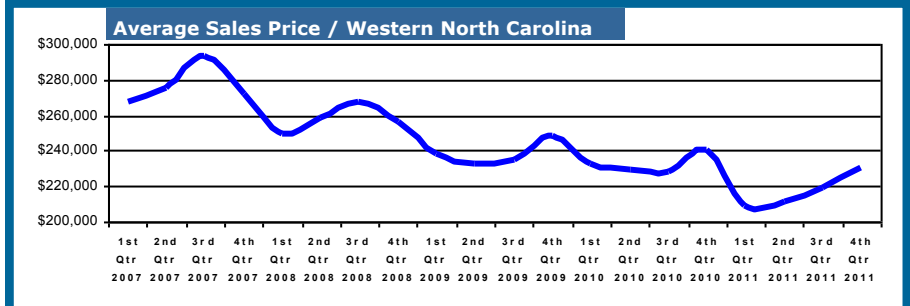
Decisions made in Washington do in fact, have an effect on local market conditions in more ways than you could imagine.

Take a look at just a year ago with the first time home buyers credit. That policy increased sales with the tax incentives that were offered to first time home buyers. That tax incentive stopped last June, and July of this year was the first month that sales have been at a higher volume than they were a year ago.

When the federal government works to keep interest rates low it helps generate sales activity in the local markets.

Should the government make a decision to repeal the mortgage interest deduction, it will have a negative impact on our local market. The same applies to a possible move by the government to institute a program called QRM or

Western North Carolina	4th Qtr 2011	3rd Qtr 2011	% Chg	4th Qtr 2010	% Chg
Average Sales Price	\$230,115	\$ 219,413	4.88%	\$ 242,989	-5.30%
Average Median Sell Price	\$176,009	\$ 175,000	0.58%	\$ 185,900	-5.32%
Number of Sales	1,178	1402	-15.98%	1113	5.84%
Days on Market	187	182	2.75%	163	14.72%
Last List to Sell %	91.29%	90.87%	0.47%	91.43%	-0.15%
Current Active Homes on Market	6,897	* List to Sale % is of Last List Price not Original List Price			



Qualified Residential Mortgage market? The answer is clear. They have a direct impact now and in the future in the markets where we live. While that may solidify homeownership, it will dramatically have an effect on home sales locally.

Your Prudential Lifestyle Real Estate Agent has more market data and resources than any other firm in the area.





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WESTERN NORTH CAROLINA

Introducing Prudential Lifestyle Realty's New, Improved Website



Prudential Lifestyle Realty is proud to announce our latest tool in searching for any home in this market. Our new website was designed to ease your search for homes and land throughout Western North Carolina. Search by MLS#, Street Address, Subdivisions, Zip Codes, you name it and we have a search option for you to use.

Once you find the places you like, you can save them without any hassle and retrieve each and everyone any time you like. You can also search on New Listings that come on the market daily as well as by Condos and Townhomes, New Home Communities and so much more. Come spend a few minutes looking for your next home or find out what others are listed in your neighborhood for.



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Prudential Lifestyle Realty Information

Historical Sales Data 4 Years Running

YTD Through December of Residential MLS Data for Each Year

<i>Residential Sales</i>	2008	2009	2010	2011
WNC Units Sold	5272	4702	4764	4830
WNC Volume	\$ 1,367,932,683	\$ 1,120,338,257	\$ 1,104,086,071	\$ 1,052,559,151
WNC Average Price	\$ 259,471	\$ 238,268	\$ 231,756	\$ 217,921
WNC Cash Sales	22.50%	24.29%	29.72%	32.60%
WNC DOM	126	152	171	184
Buncombe Cty Units Sold	2506	2238	2229	2297
Buncombe Cty Volume	\$ 702,629,892	\$ 586,624,353	\$ 559,238,743	\$ 547,996,843
Buncombe Cty Average Price	\$ 280,379	\$ 262,120	\$ 250,892	\$ 238,571
Buncombe Cty Cash Sales	17.16%	18.77%	24.72%	29.39%
Buncombe Cty DOM	113	137	146	160
Henderson Cty Units Sold	1216	1043	1014	985
Henderson Cty Volume	\$ 283,653,621	\$ 223,231,217	\$ 230,235,213	\$ 194,439,647
Henderson Cty Average Price	\$ 233,268	\$ 214,028	\$ 227,056	\$ 197,401
Henderson Cty Cash Sales	22.29%	26.08%	28.80%	31.17%
Henderson Cty DOM	124	150	185	192
Transylvania Cty Units Sold	283	242	288	308
Transylvania Volume	\$ 86,367,724	\$ 71,922,433	\$ 76,015,206	\$ 74,053,524
Transylvania Cty Average Price	\$ 305,186	\$ 297,200	\$ 263,942	\$ 240,434
Transylvania Cash Sales	42.05%	36.36%	37.85%	44.48%
Transylvania DOM	160	185	196	218

MLS Land Sales Data for Each Year

<i>Land Sales</i>	2008	2009	2010	2011
WNC Units Sold	1223	818	909	909
WNC Volume	\$ 158,820,288	\$ 88,395,734	\$ 84,754,154	\$ 86,150,034
WNC Average Price	\$ 129,864	\$ 108,063	\$ 93,258	\$ 94,774
WNC DOM	218	217	290	316
Buncombe Cty Units Sold	387	277	311	315
Buncombe Cty Volume	\$ 56,795,453	\$ 32,978,851	\$ 31,860,061	\$ 33,757,582
Buncombe Cty Average Price	\$ 146,758	\$ 119,057	\$ 102,443	\$ 107,167
Buncombe Cty DOM	157	191	224	273
Henderson Cty Units Sold	200	142	110	113
Henderson Cty Volume	\$ 24,430,292	\$ 15,505,300	\$ 9,446,645	\$ 9,051,657
Henderson Cty Average Price	\$ 122,151	\$ 109,192	\$ 85,878	\$ 80,103
Henderson Cty DOM	173	221	264	270
Transylvania Cty Units Sold	129	90	81	72
Transylvania Volume	\$ 11,892,994	\$ 9,756,631	\$ 8,285,738	\$ 12,880,029
Transylvania Average Price	\$ 92,194	\$ 108,407	\$ 102,293	\$ 178,889
Transylvania DOM	222	222	370	477

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13 Month Running Total and Month Supply

HOUSING SUPPLY vs DEMAND - Total Region

	Dec 10	Jan 11	Feb 11	Mar 11	April 11	May 11	June 11	July 11	Aug 11	Sept 11	Oct 11	Nov 11	Dec 11	12 Month Total	% of Sold Units	Sold Monthly Average	End of Month Active Listings	1 Yr Avg. MSI	6 Month Avg. MSI	3 Month Avg. MSI
159																				
0-\$100,000	52	64	62	75	72	72	79	89	83	73	70	59	58	856	17.82%	71.3	626	8.8	8.7	10.0
\$100,000 to \$199,999	157	98	100	168	157	179	195	193	200	175	162	161	159	1947	40.53%	162.3	2188	13.5	12.5	13.6
\$200,000 to \$299,999	83	52	53	91	81	91	103	88	122	98	89	81	86	1035	21.54%	86.3	1621	18.8	17.2	19.0
\$300,000 to \$399,999	39	22	26	38	32	38	48	48	40	41	36	50	39	458	9.53%	38.2	889	23.3	21.0	21.3
\$400,000 to \$499,999	12	13	14	18	55	14	21	30	20	14	10	16	14	239	4.98%	19.9	457	22.9	26.4	34.3
\$500,000 to \$599,999	11	4	1	5	7	12	7	13	7	11	3	8	10	88	1.83%	7.3	293	40.0	33.8	41.9
\$600,000 to \$699,999	5	1	5	3	7	25	5	1	4	5	6	3	4	69	1.44%	5.8	189	32.9	49.3	43.6
\$700,000 to \$799,999	4	3	3	1	2	3	1	5	3	7	5	3	1	37	0.77%	3.1	153	49.6	38.3	51.0
\$800,000 to \$899,999	3	0	1	3	0	1	5	1	1	1	3	4	3	23	0.48%	1.9	73	38.1	33.7	21.9
\$900,000 to \$999,999	3	1	0	0	1	0	0	2	0	1	0	4	1	10	0.21%	0.8	82	98.4	61.5	49.2
\$1,000,000 Up.	5	0	2	6	4	1	2	5	6	3	5	2	6	42	0.87%	3.5	326	93.1	72.4	75.2
Totals	374	258	267	408	418	436	466	475	486	429	389	391	381	4804	100.00%	400.3	6897	17.2	13.7	13.0

HOUSING SUPPLY vs DEMAND - Buncombe County

	Dec 10	Jan 11	Feb 11	Mar 11	April 11	May 11	June 11	July 11	Aug 11	Sept 11	Oct 11	Nov 11	Dec 11	12 Month Total	% of Sold Units	Sold Monthly Average	End of Month Active Listings	1 Yr Avg. MSI	6 Month Avg. MSI	3 Month Avg. MSI
Price Range																				
0-\$100,000	19	22	25	27	26	16	30	34	26	25	25	25	21	302	13.33%	25.2	152	6.0	5.8	6.4
\$100,000 to \$199,999	69	36	46	79	82	88	94	99	96	77	76	74	75	922	40.71%	76.8	692	9.0	8.4	9.2
\$200,000 to \$299,999	35	26	24	35	43	47	56	49	65	52	40	37	49	523	23.09%	43.6	532	12.2	10.9	12.7
\$300,000 to \$399,999	24	12	13	20	17	28	23	26	25	25	18	25	24	256	11.30%	21.3	297	13.9	12.5	13.3
\$400,000 to \$499,999	8	7	8	8	14	6	12	15	15	8	5	9	6	113	4.99%	9.4	148	15.7	15.3	22.2
\$500,000 to \$599,999	5	4	0	2	4	6	5	11	6	3	3	5	5	54	2.38%	4.5	101	22.4	18.4	23.3
\$600,000 to \$699,999	3	1	4	1	5	0	3	0	2	2	3	2	2	25	1.10%	2.1	68	32.6	37.1	29.1
\$700,000 to \$799,999	3	2	3	1	1	2	1	4	2	3	4	2	1	26	1.15%	2.2	56	25.8	21.0	24.0
\$800,000 to \$899,999	3	0	1	2	0	0	4	1	0	1	1	3	1	14	0.62%	1.2	32	27.4	27.4	19.2
\$900,000 to \$999,999	1	1	0	0	1	0	0	0	0	1	0	2	1	6	0.26%	0.5	32	64.0	48.0	32.0
\$1,000,000 Up.	4	0	1	5	3	0	0	3	1	1	4	2	4	24	1.06%	2.0	161	80.5	64.4	48.3
Totals	174	111	125	180	196	193	228	242	238	198	179	186	189	2265	100.00%	188.8	2271	12.0	9.3	9.1

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13 Month Running Total and Month Supply

HOUSING SUPPLY vs DEMAND - Henderson County

Price Range	Dec 10	Jan 11	Feb 11	Mar 11	April 11	May 11	June 11	July 11	Aug 11	Sept 11	Oct 11	Nov 11	Dec 11	12 Month Total	% of Sold Units	Sold Monthly Average	End of Month Active Listings	1 Yr Avg. MSI	6 Month Avg. MSI	3 Month Avg. MSI
0-\$100,000	12	10	10	15	16	18	12	18	15	17	9	12	18	170	17.45%	14.2	116	8.2	7.8	8.9
\$100,000 to \$199,999	40	23	21	35	36	44	50	46	49	42	35	30	36	447	45.89%	37.3	494	13.3	12.5	14.7
\$200,000 to \$299,999	23	10	10	29	14	19	19	19	27	13	21	21	20	222	22.79%	18.5	300	16.2	14.9	14.5
\$300,000 to \$399,999	7	5	6	7	5	3	10	9	5	4	8	7	6	75	7.70%	6.3	161	25.8	24.8	23.0
\$400,000 to \$499,999	3	3	2	3	5	2	1	8	2	2	5	2	4	39	4.00%	3.3	74	22.8	19.3	20.2
\$500,000 to \$599,999	2	0	1	0	1	1	0	1	0	1	0	0	2	7	0.72%	0.6	38	65.1	57.0	57.0
\$600,000 to \$699,999	1	0	0	0	0	1	0	0	0	1	1	0	2	5	0.51%	0.4	30	72.0	45.0	30.0
\$700,000 to \$799,999	1	1	0	0	0	1	0	0	0	0	1	0	0	3	0.31%	0.3	19	76.0	114.0	57.0
\$800,000 to \$899,999	0	0	0	0	0	1	0	0	0	0	0	0	0	1	0.10%	0.1	8	96.0	No Data	No Data
\$900,000 to \$999,999	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.0	10	--	No Data	No Data
\$1,000,000 Up.	1	0	0	0	0	1	1	0	2	0	0	0	1	5	0.51%	0.4	38	91.2	76.0	114.0
Totals	91	52	50	89	77	91	93	101	100	80	80	72	89	974	100.00%	81.2	1288	15.9	12.6	12.0

HOUSING SUPPLY vs DEMAND - Transylvania County

Price Range	Dec 10	Jan 11	Feb 11	Mar 11	April 11	May 11	June 11	July 11	Aug 11	Sept 11	Oct 11	Nov 11	Dec 11	12 Month Total	% of Sold Units	Sold Monthly Average	End of Month Active Listings	1 Yr Avg. MSI	6 Month Avg. MSI	3 Month Avg. MSI
0-\$100,000	4	5	8	3	0	3	5	5	8	5	2	3	4	51	16.72%	4.3	40	9.4	8.9	13.3
\$100,000 to \$199,999	15	8	7	10	7	14	8	11	11	13	11	14	11	125	40.98%	10.4	168	16.1	14.2	14.0
\$200,000 to \$299,999	8	3	3	8	8	3	7	5	4	8	8	3	3	63	20.66%	5.3	133	25.3	25.7	28.5
\$300,000 to \$399,999	1	0	3	3	2	1	3	2	2	2	3	6	2	29	9.51%	2.4	99	41.0	34.9	27.0
\$400,000 to \$499,999	0	0	0	2	1	0	1	3	0	2	0	2	1	12	3.93%	1.0	58	58.0	43.5	58.0
\$500,000 to \$599,999	3	0	0	1	0	3	2	0	1	1	0	0	1	9	2.95%	0.8	49	65.3	98.0	147.0
\$600,000 to \$699,999	0	0	0	0	0	0	1	0	0	1	0	0	0	2	0.66%	0.2	27	162.0	162.0	No Data
\$700,000 to \$799,999	0	0	0	0	0	0	0	0	0	1	0	1	0	2	0.66%	0.2	27	0.5	81.0	81.0
\$800,000 to \$899,999	0	0	0	0	0	0	0	0	0	0	1	1	0	2	0.66%	0.2	13	78.0	39.0	19.5
\$900,000 to \$999,999	0	0	0	0	0	0	0	0	0	0	0	1	0	1	0.33%	0.1	14	0.5	84.0	42.0
\$1,000,000 Up.	0	0	1	1	1	0	0	1	2	2	1	0	0	9	2.95%	0.8	59	78.7	59.0	177.0
Totals	31	16	22	28	19	24	27	27	28	35	26	31	22	305	100.00%	25.4	687	27.0	21.0	18.1

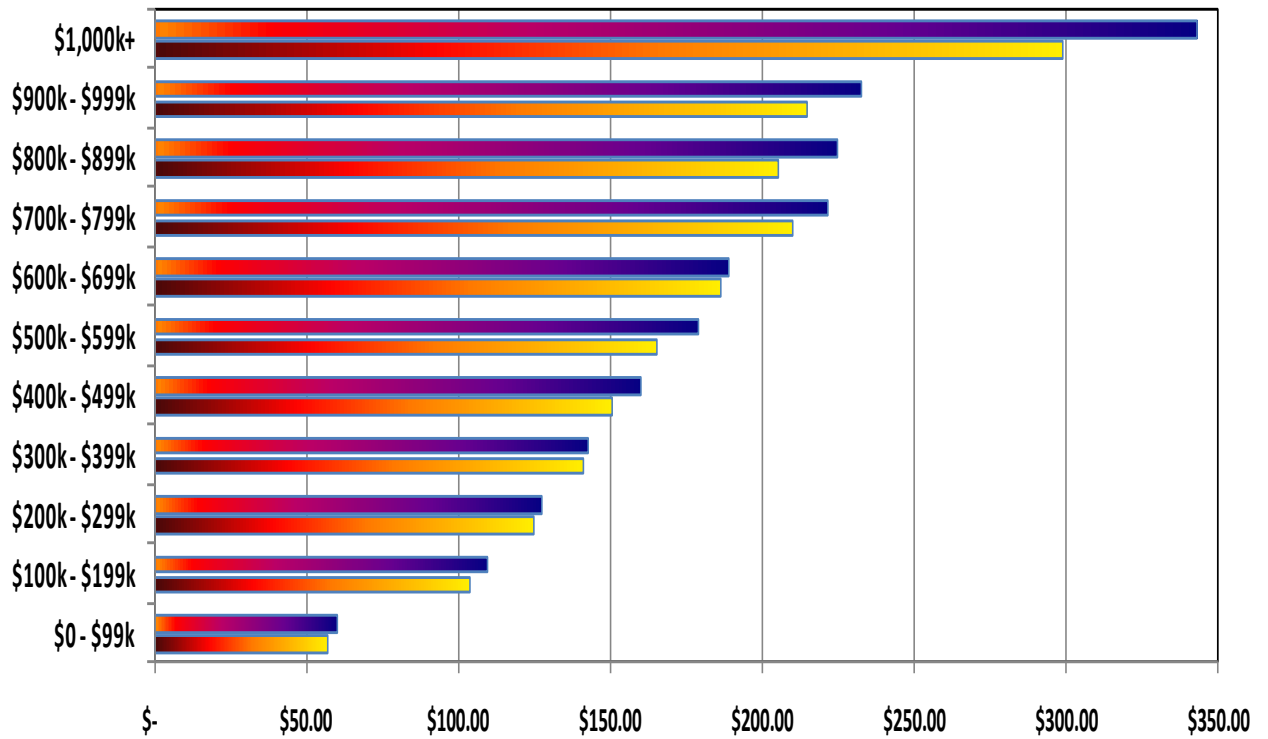
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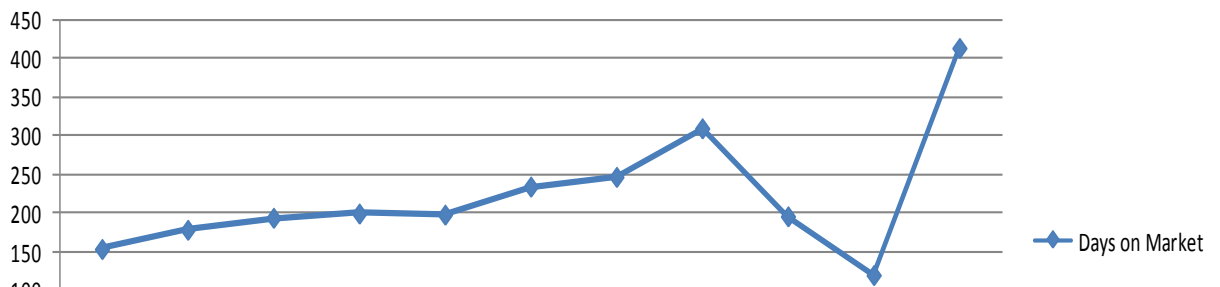
Price Per Square Footage By Price Range

January Through December for Regional Sales



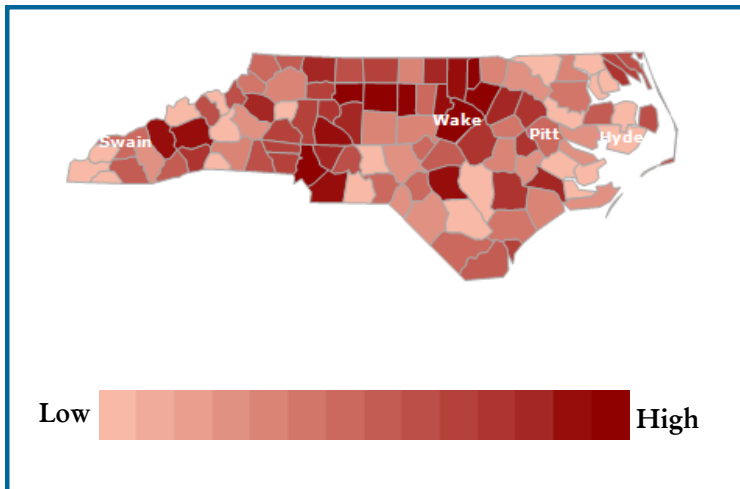
	\$0 - \$99k	\$100k - \$199k	\$200k - \$299k	\$300k - \$399k	\$400k - \$499k	\$500k - \$599k	\$600k - \$699k	\$700k - \$799k	\$800k - \$899k	\$900k - \$999k	\$1,000k+
Price Per S.F. 2010	\$60.02	\$109.49	\$127.30	\$142.40	\$159.75	\$178.93	\$188.74	\$221.35	\$224.37	\$232.20	\$342.66
Price Per S.F. 2011	\$56.49	\$103.67	\$124.49	\$141.09	\$150.09	\$164.90	\$186.25	\$209.74	\$205.24	\$214.71	\$298.66

Average Days on Market by Price Range YTD 2011



Price Range	0-99999	100000-199999	200000-299999	300000-399999	400000-499999	500000-599999	600000-699999	700000-799999	800000-899999	900000-999999	>1000000
Days on Market	152	177	193	198	197	233	246	309	194	118	413

Foreclosure Heat Map



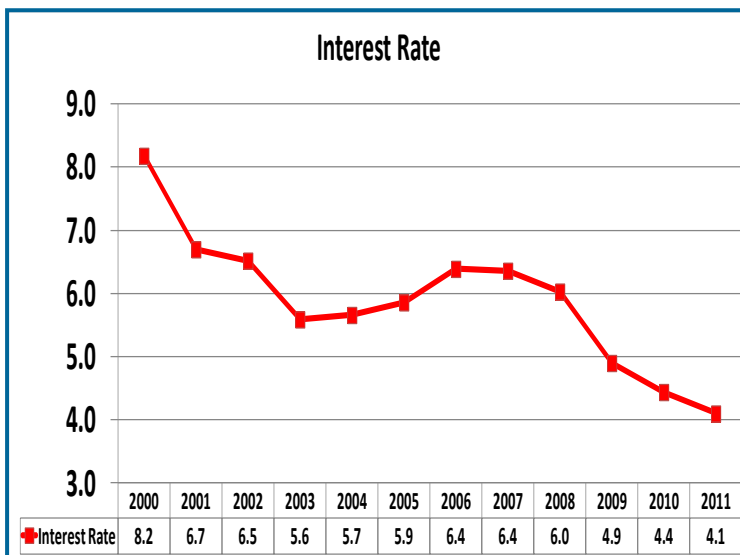
Foreclosure Rates

<u>County</u>	<u>Listings</u>	<u>Foreclosures</u>	<u>%</u>
Buncombe County	4,632	478	10.31%
Henderson County	2,734	119	4.35%
Transylvania County	1,691	29	1.71%
Haywood County	2,099	49	2.33%

Data shows active listings and the number of active foreclosure listings out of that total. The Listing numbers are what RealtyTrac shows as current active listings and the Foreclosures shows the total number of foreclosures currently on the market.

Source: RealtyTrac.com for August 2011

Interest Rate History



This chart shows a 10 year history of interest rates and the trends during the peak years and where the market is at today. Now is an excellent time to buy a home or investment property as while the interest are currently low they simply will not remain there for much longer. Projections are by mid 2012 interest rates will be in the mid 5% range. It is also projected home prices are at or extremely near rock bottom levels and the buying demand will start to drive home prices up slightly over the next few years.

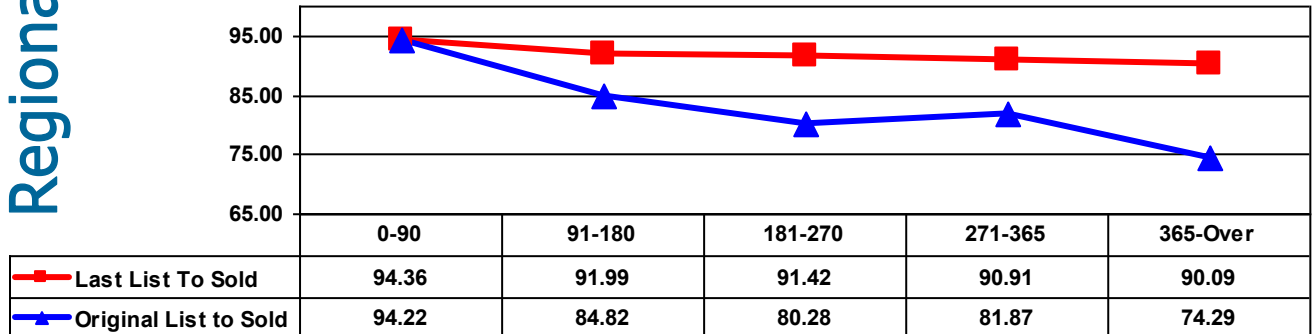
	4.50%	4.75%	5.00%	5.25%	5.50%	5.75%	6.00%
\$1,000.00	\$ 197,361.10	\$ 191,700.20	\$ 186,281.80	\$ 181,092.80	\$ 176,121.90	\$ 171,358.10	\$ 166,791.80
\$1,100.00	\$ 217,097.20	\$ 210,870.20	\$ 204,910.00	\$ 199,202.10	\$ 193,734.10	\$ 188,493.90	\$ 183,471.00
\$1,200.00	\$ 236,833.30	\$ 230,040.20	\$ 223,538.20	\$ 217,311.40	\$ 211,346.30	\$ 205,629.70	\$ 200,150.20
\$1,300.00	\$ 256,569.40	\$ 249,210.20	\$ 242,166.40	\$ 235,420.70	\$ 228,958.50	\$ 222,765.50	\$ 216,829.40
\$1,400.00	\$ 276,305.50	\$ 268,380.20	\$ 260,794.60	\$ 253,530.00	\$ 246,570.70	\$ 239,901.30	\$ 233,508.60
\$1,500.00	\$ 296,041.60	\$ 287,550.20	\$ 279,422.80	\$ 271,639.30	\$ 264,182.90	\$ 257,037.10	\$ 250,187.80
\$1,600.00	\$ 315,777.70	\$ 306,720.20	\$ 298,051.00	\$ 289,748.60	\$ 281,795.10	\$ 274,172.90	\$ 266,867.00
\$1,700.00	\$ 335,513.80	\$ 325,890.20	\$ 316,679.20	\$ 307,857.90	\$ 299,407.30	\$ 291,308.70	\$ 283,546.20
\$1,800.00	\$ 355,249.90	\$ 345,060.20	\$ 335,307.40	\$ 325,967.20	\$ 317,019.50	\$ 308,444.50	\$ 300,225.40
\$1,900.00	\$ 374,986.00	\$ 364,230.20	\$ 353,935.60	\$ 344,076.50	\$ 334,631.70	\$ 325,580.30	\$ 316,904.60
\$2,000.00	\$ 394,722.10	\$ 383,400.20	\$ 372,563.80	\$ 362,185.80	\$ 352,243.90	\$ 342,716.10	\$ 333,583.80

Original List vs Last List Price to Sold Percent-

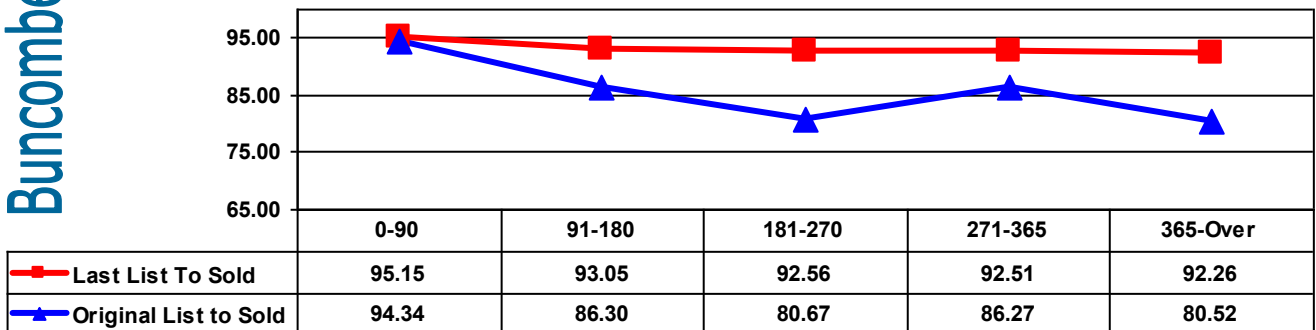
Original List Price & Last List Price To Sold Price Percentages from January 1, 2011 through December 31, 2011

Stats are updated Quarterly

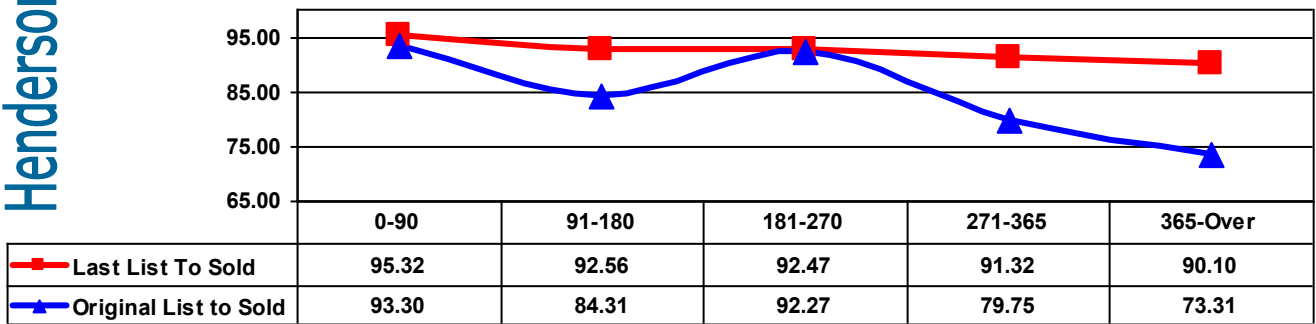
Regional



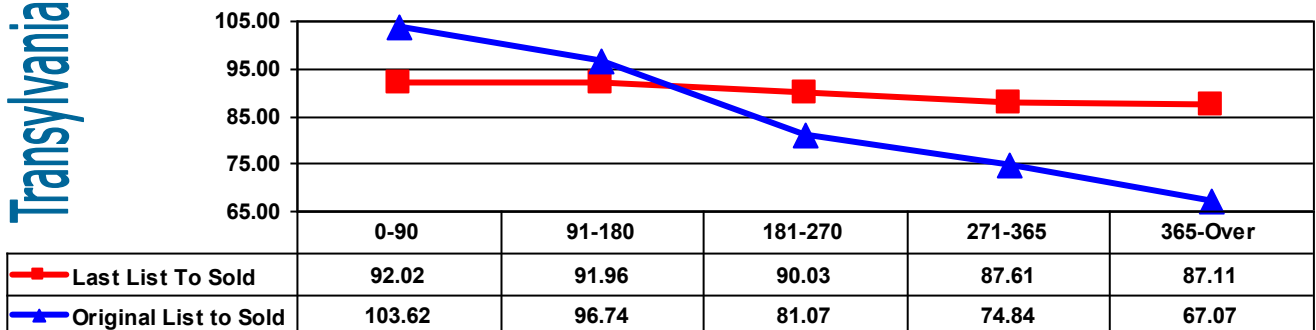
Buncombe



Henderson



Transylvania



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