



ZipRealty, Inc.

Pat Lashinsky

Chief Executive Officer

Real Estate & Economics

Symposium

November 23, 2009





Current market

- Continuing to see strong buyer side demand – including multiple offers
- The first time home buyers tax credit drove buyer activity
- Inventory levels coming down significantly





Inventory levels

	Inventory 10/09	% change m/m	% change y/y
Overall Market Total		-2.8%	-28.7%
Boston	33,109	-3.7%	-6.0%
Chicago	66,827	-5.0%	-16.6%
Dallas-Ft. Worth	34,126	-3.5%	-10.6%
Houston	27,734	-1.9%	-15.9%
Las Vegas	11,404	-5.8%	-50.7%
Los Angeles	37,634	-0.8%	-56.3%
Miami	47,890	-2.6%	-39.2%
Phoenix	30,696	4.0%	-41.5%
SF Bay Area	16,189	-4.3%	-51.1%
Washington, D.C.	31,091	-3.7%	-33.6%



Arguments for being at the bottom

- Inventories have come down to much more reasonable levels
- Seller pricing is more in line with buyers' demands





Seller Pricing

	Median Reduction Amount	Reduced % of inventory	Number of reduced homes	Inventory	Median List Price	% Price reduction Amount to List Price
Boston	\$25,000	46.06%	15,250	33,109	\$369,900	6.33%
Chicago	\$20,000	50.08%	33,467	66,827	\$249,000	7.43%
Dallas	\$12,000	42.72%	14,579	34,126	\$195,000	5.80%
Houston	\$10,100	40.97%	11,363	27,734	\$183,511	5.22%
Las Vegas	\$30,000	41.30%	4,710	11,404	\$173,000	14.78%
Los Angeles	\$43,000	33.61%	12,649	37,634	\$355,000	10.80%
Miami	\$40,000	42.90%	20,545	47,890	\$215,000	15.69%
Phoenix	\$25,000	46.24%	14,194	30,696	\$199,000	11.16%
SF Bay Area	\$50,500	36.63%	5,930	16,189	\$595,000	7.82%





Arguments for being at the bottom

- Inventories have come down to much more reasonable levels
- Seller pricing is more in line with buyers' demands
- Demand is still strong
- % of sales which are distressed properties are coming down
 - From the 50% range to the low 40% to high 30%
- Credit is more available – conventional loans





Current Risks

- Unemployment
- Shadow inventory
 - Distressed property
 - Loan Mod defaults
 - Delayed sellers
- Tightening credit requirements
- Continued problems with higher end (jumbo loans) homes
- Home prices continuing to slide





Market Home Prices

Top 10 Markets, Month-over-Month Median List Price Decline (September – October 2009)

Market Name	Median List Price September 2009	Median List Price October 2009	Percentage Change: Month- over-Month
San Diego	\$640,000	\$599,750	-6.29%
Austin	\$269,500	\$259,999	-3.53%
Orange County	\$647,000	\$624,900	-3.42%
Raleigh/Durham	\$237,820	\$230,000	-3.29%
San Francisco Bay Area	\$615,000	\$595,000	-3.25%
Seattle	\$339,000	\$329,900	-2.68%
Miami	\$219,900	\$215,000	-2.23%
Richmond	\$234,950	\$230,000	-2.11%
Charlotte	\$219,000	\$215,000	-1.83%
Sacramento	\$229,000	\$224,900	-1.79%





Conclusion

- We believe the housing market is near the bottom
- Expect stabilization in the housing market late in q1 2010
- However, we think the market is going to bounce along the bottom for a while, but without continued significant volume and pricing declines

