



NEVADA HOUSING FORUM

JEREMY AGUERO
PRINCIPAL AT APPLIED ANALYSIS

September 22, 2014



September 22, 2014

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ECONOMIC UPDATE

NEVADA HOUSING FORUM

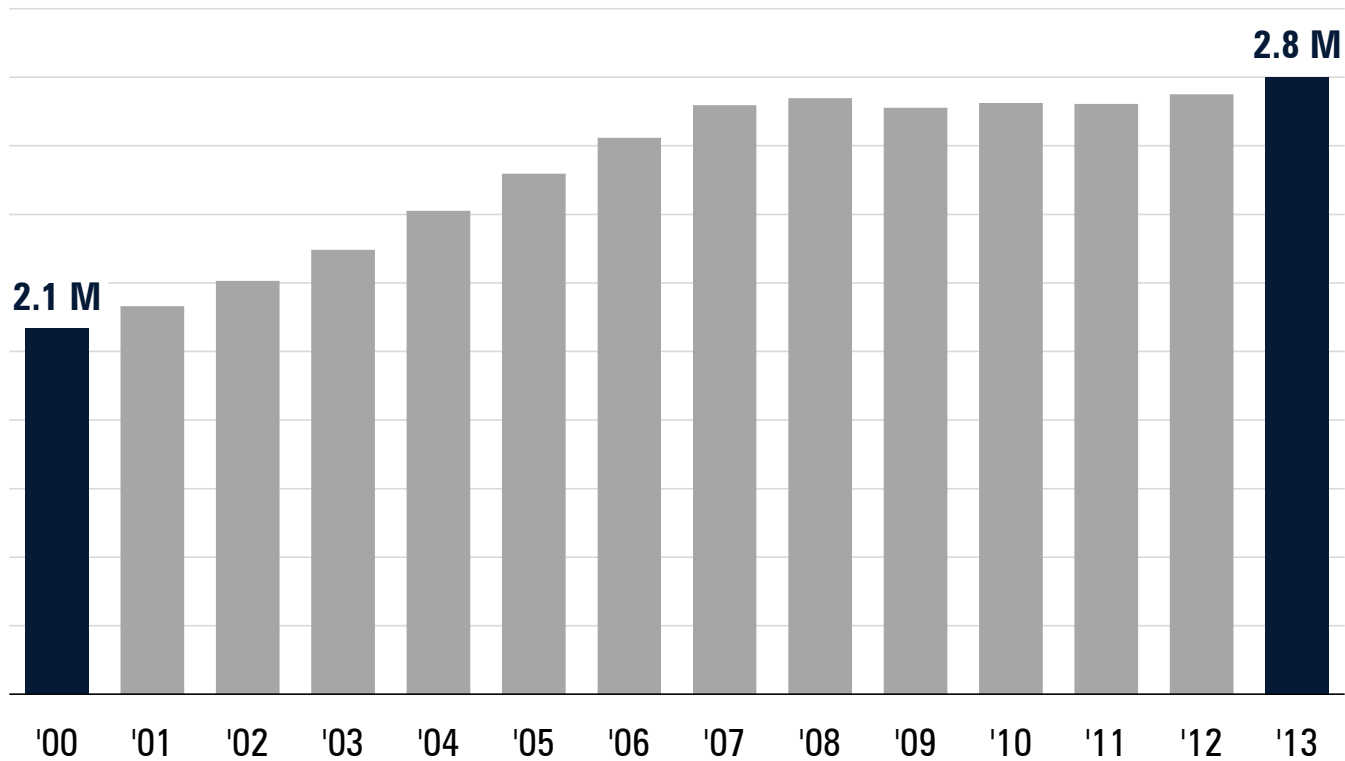
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Nevada Population



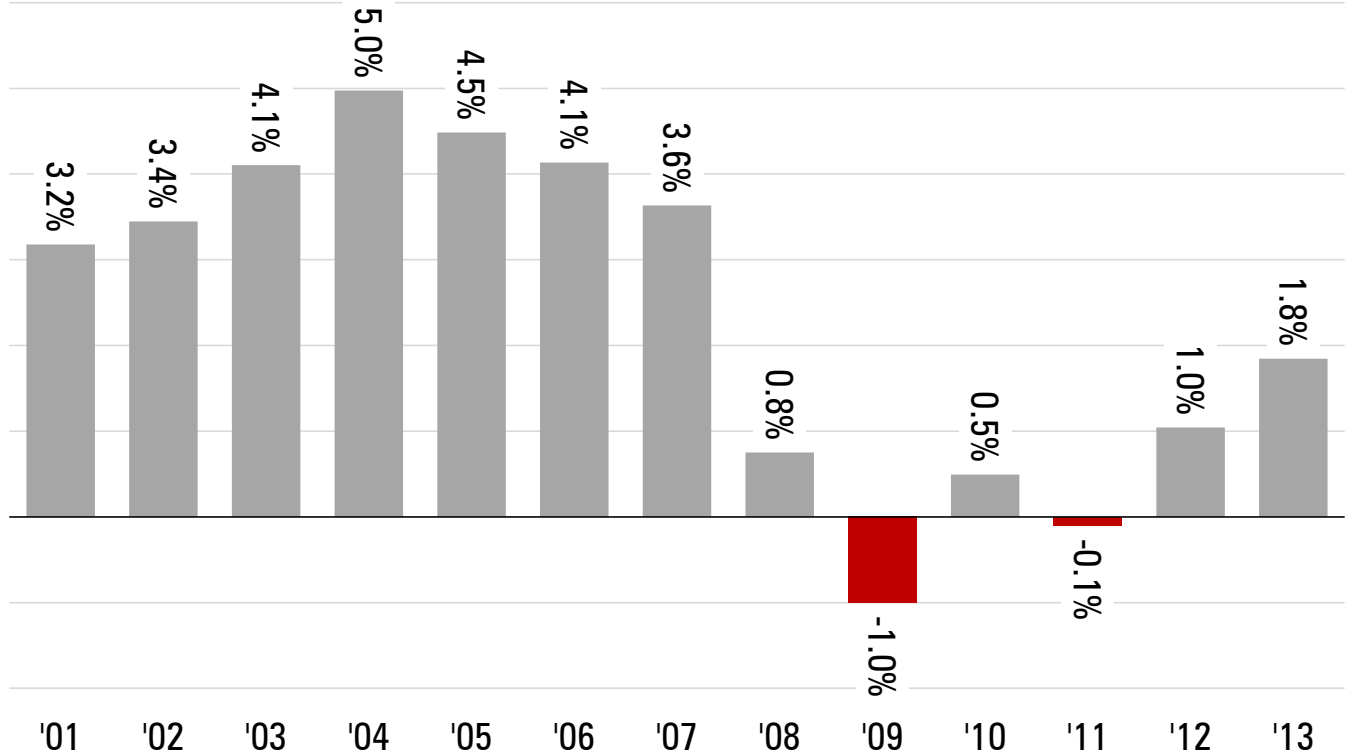
Source: Nevada State Demographer

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Nevada Population Y-O-Y Growth



Source: Nevada State Demographer

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Key Sources of Population Growth

Jobs



+ 3.4%
(12 Mo.)

Retirees



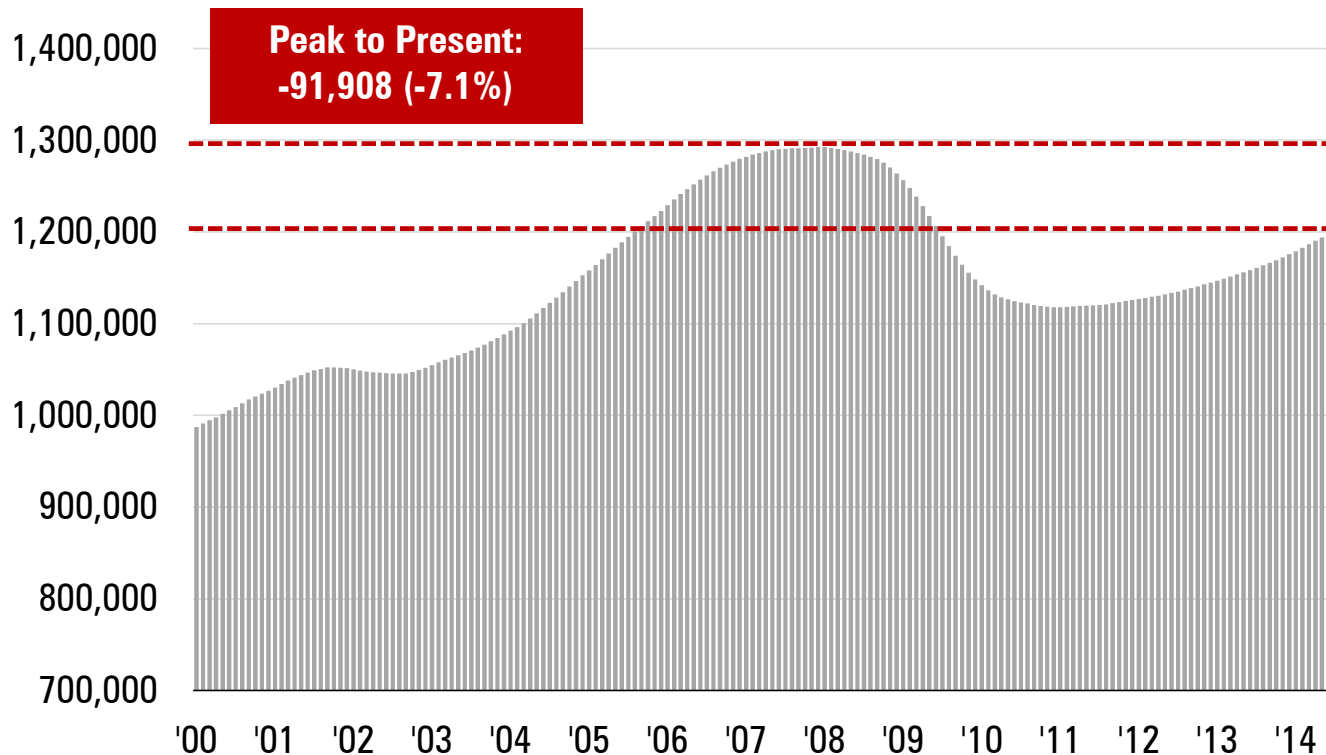
+ 8,000
per day

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Nevada Employment Trailing 12-Month Average



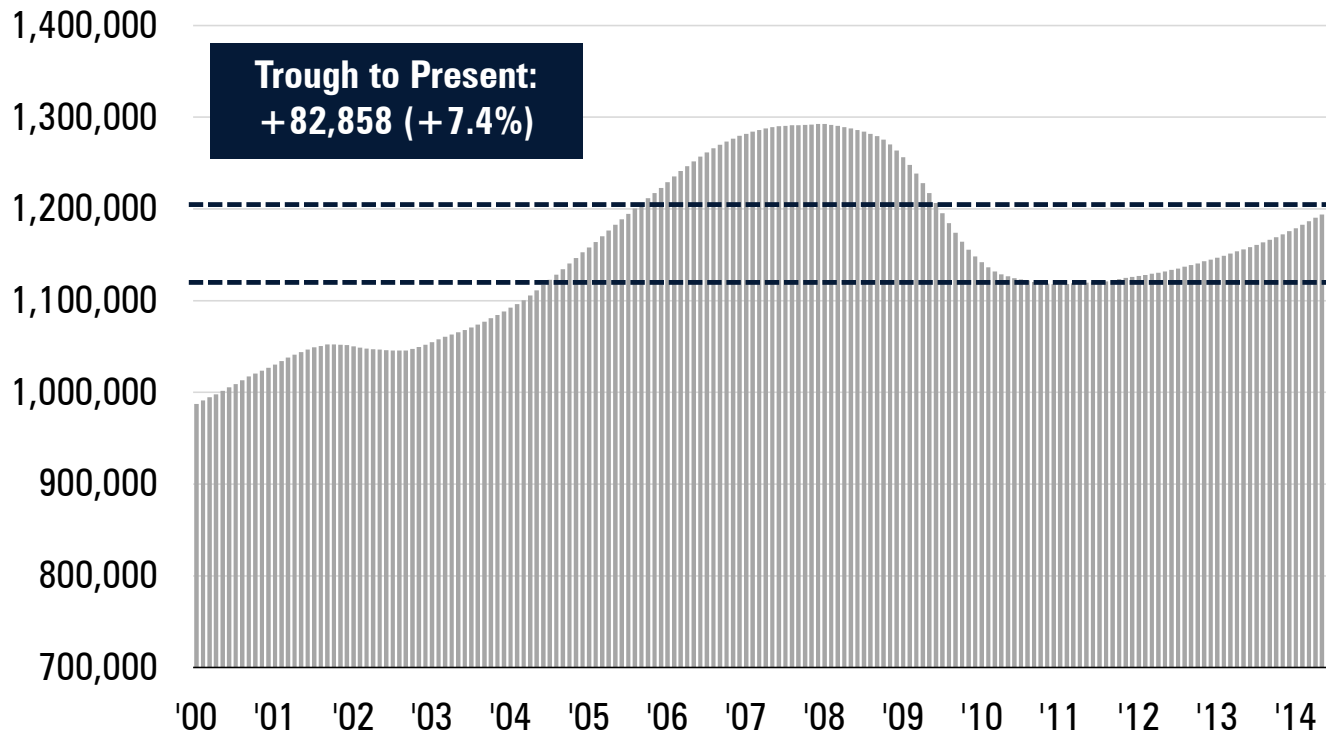
Source: United States Bureau of Labor Statistics

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Nevada Employment Trailing 12-Month Average



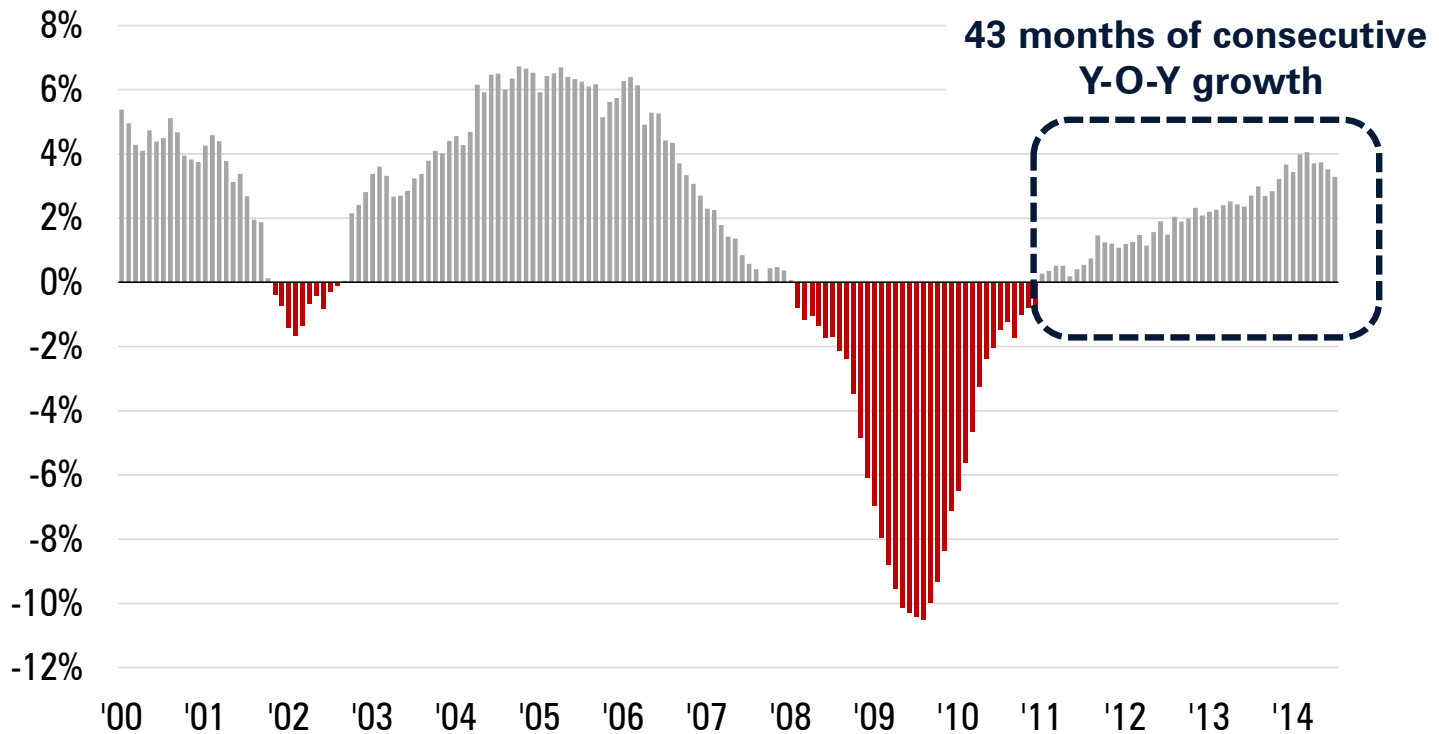
Source: United States Bureau of Labor Statistics

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Nevada Employment Y-O-Y Growth



Source: United States Bureau of Labor Statistics

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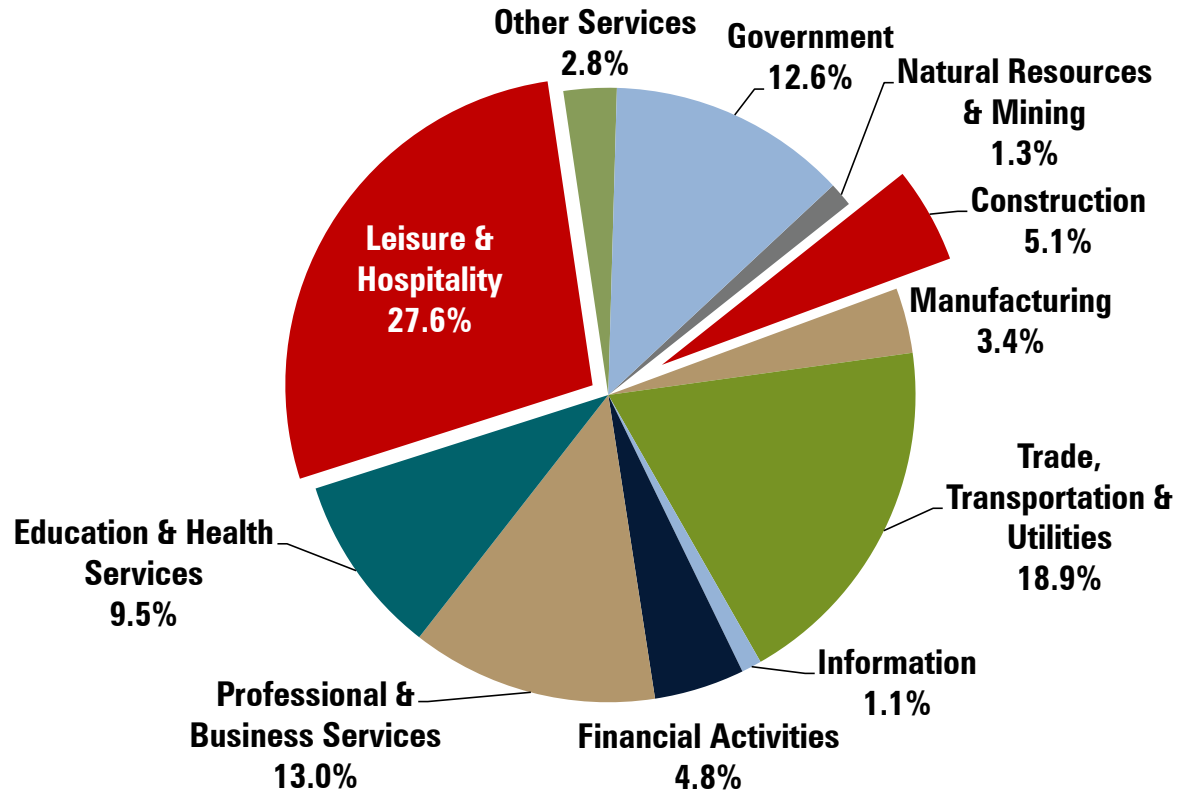
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Nevada Employment Distribution



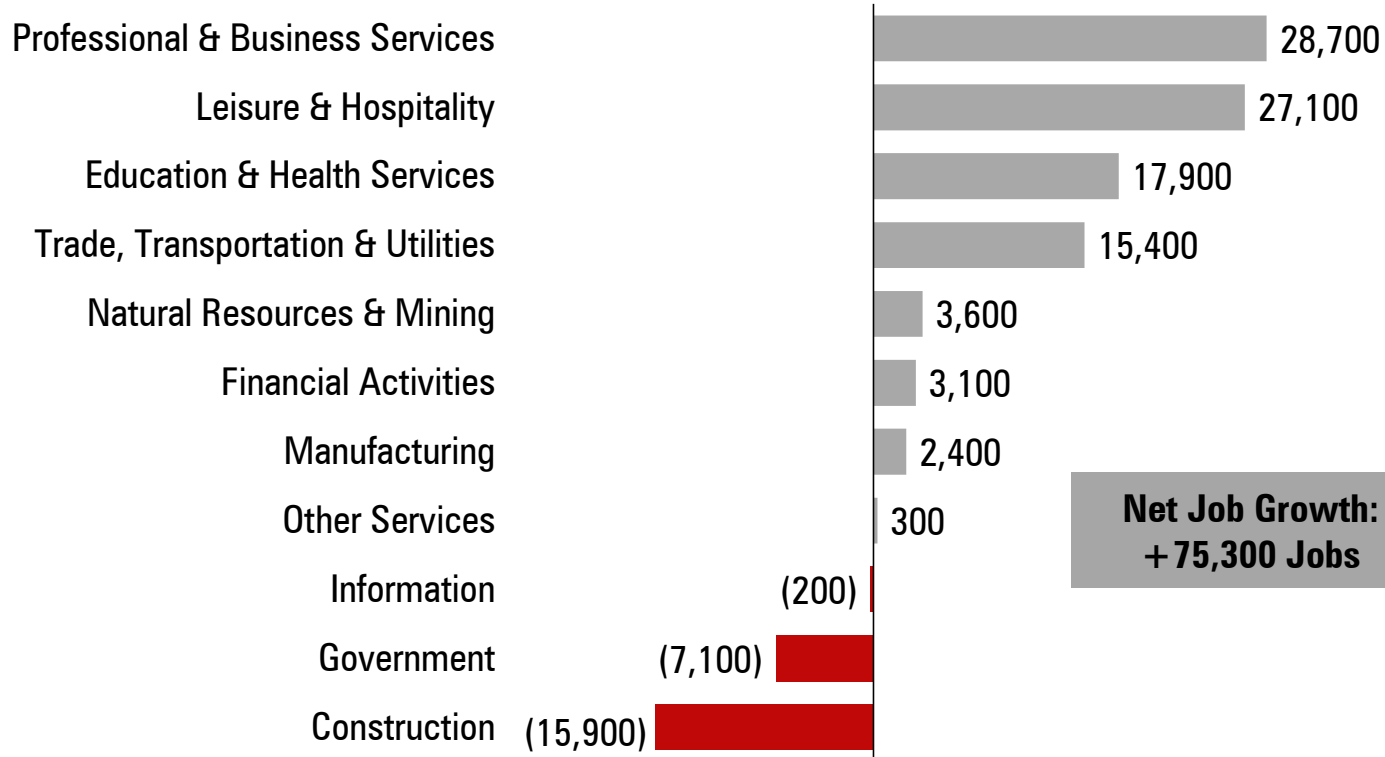
Source: Nevada Department of Employment, Training and Rehabilitation

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Nevada Employment Growth Past 5 Years



Source: Nevada Department of Employment, Training and Rehabilitation

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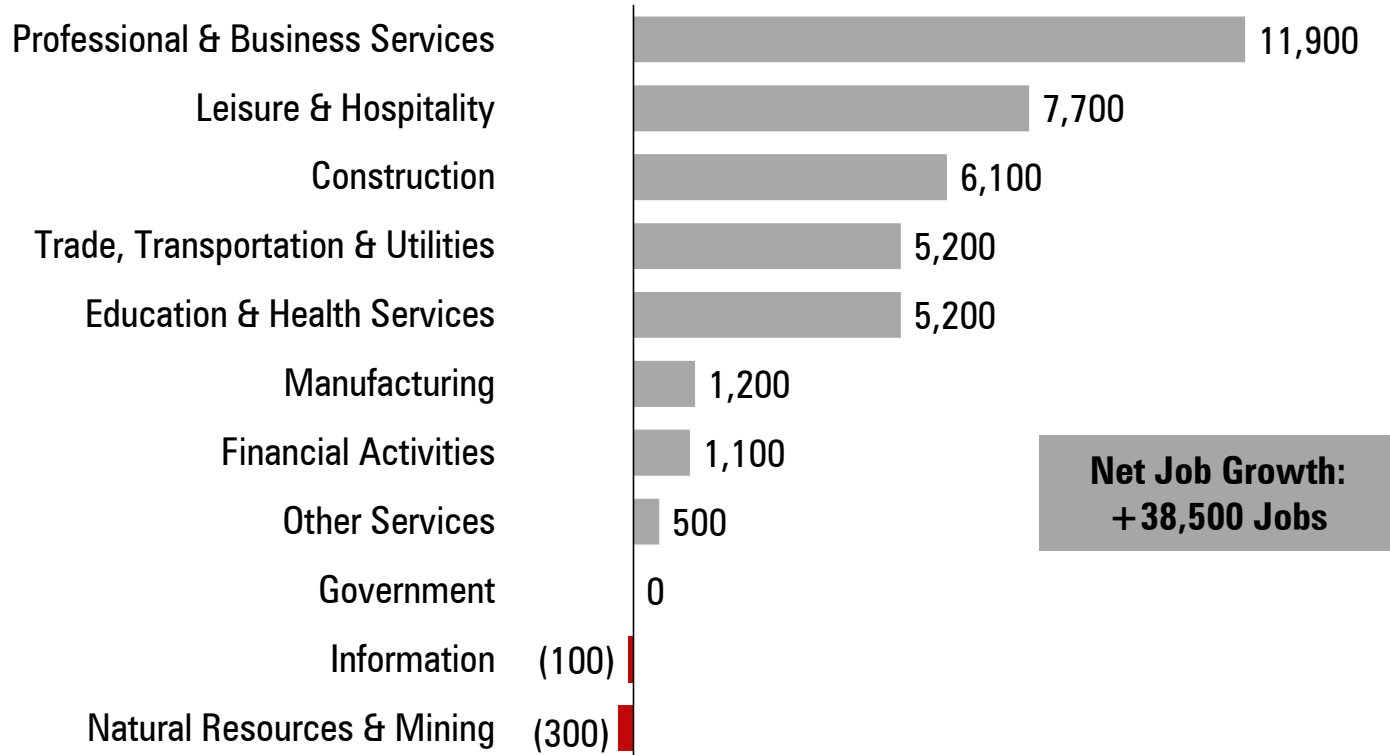
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Nevada Employment Growth Past 12 Months



Source: Nevada Department of Employment, Training and Rehabilitation

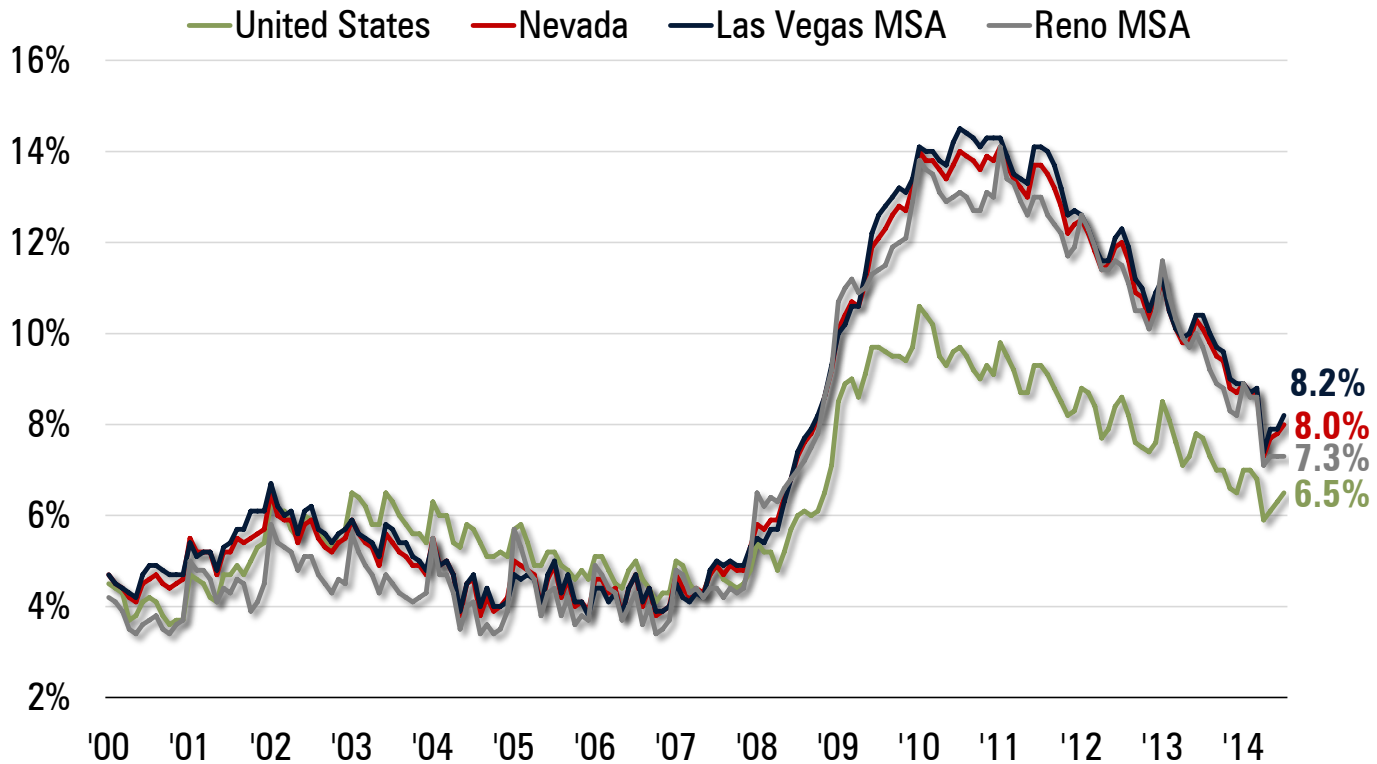
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Unemployment Rates



Source: United States Bureau of Labor Statistics

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The Return of the Consumer

Taxable Sales
(Total, Statewide)

+ 4.9%
(12 Mo.)



Auto Sales
(Statewide)

+ 8.2%
(12 Mo.)



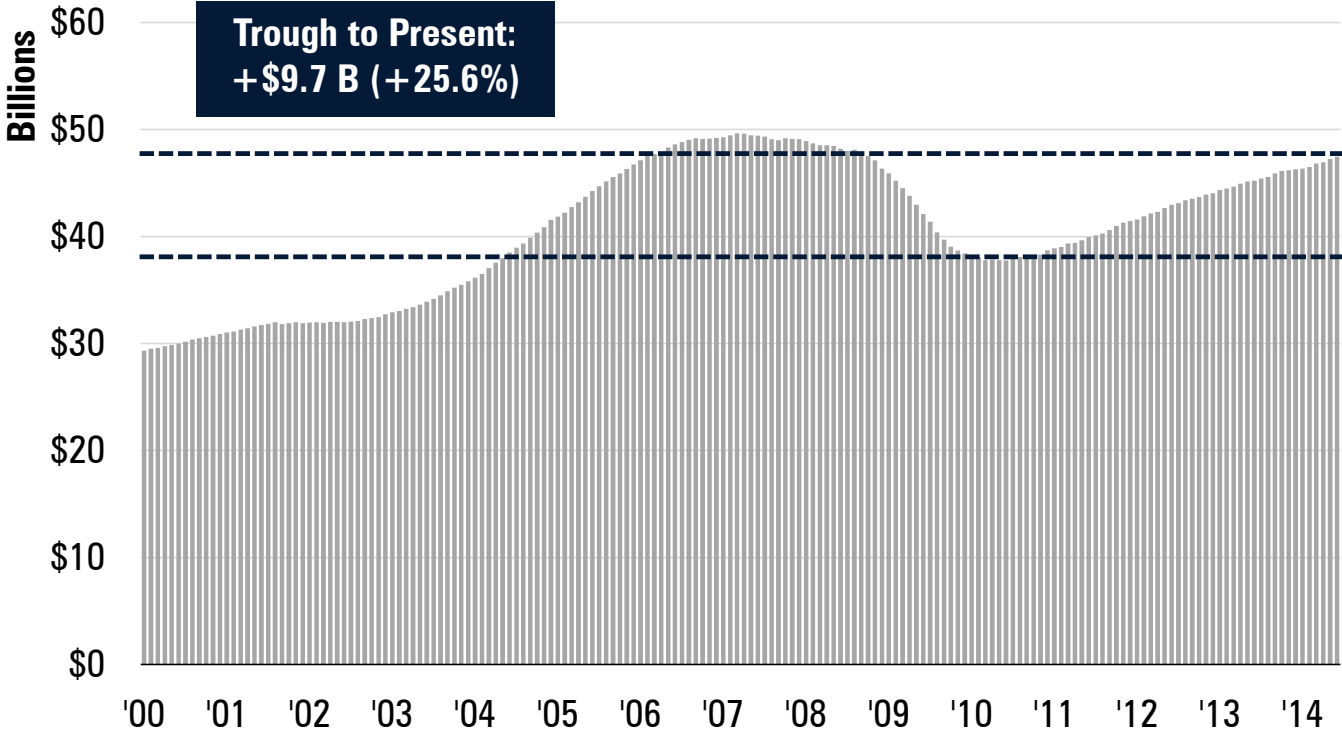
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Nevada Taxable Retail Sales

Trailing 12-Month Total



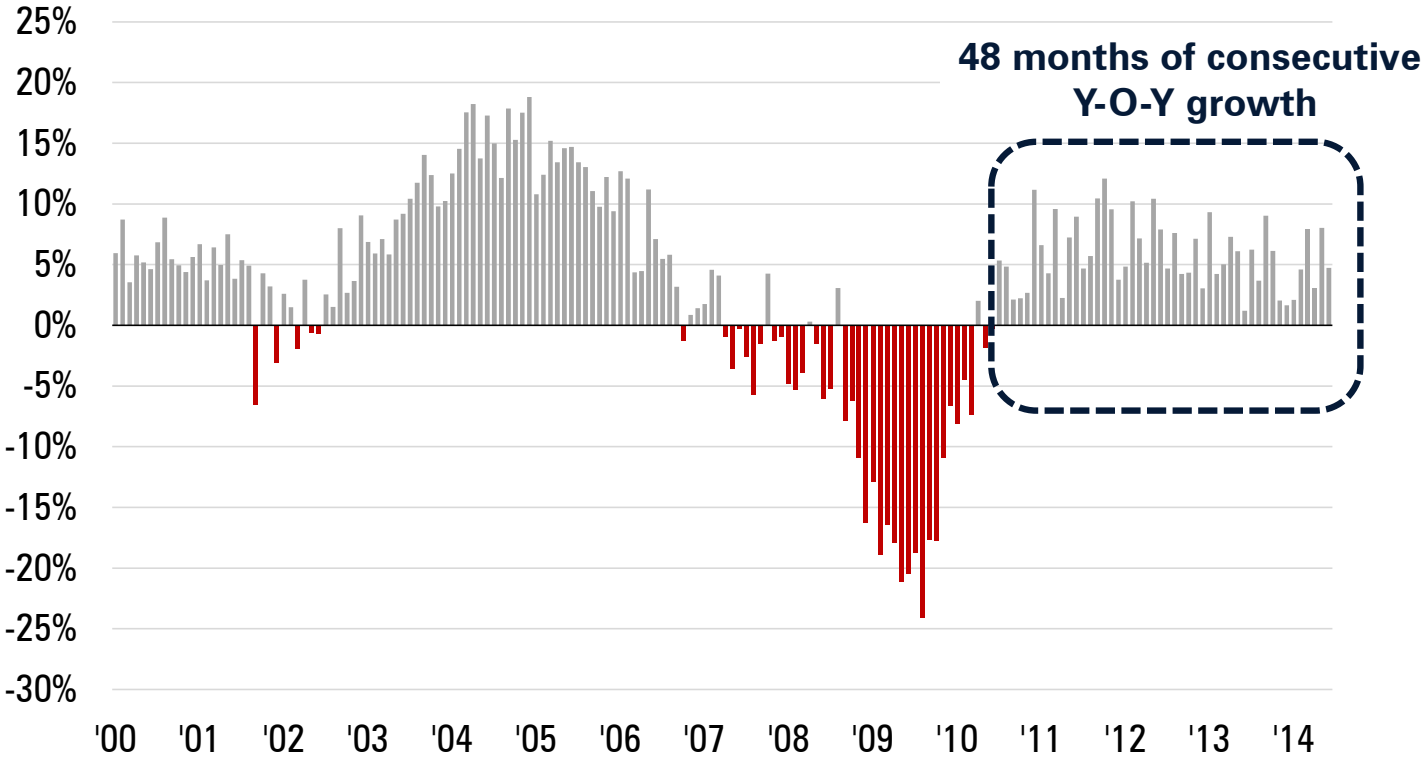
Source: Nevada Department of Taxation

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Nevada Taxable Retail Sales Y-O-Y Growth



Source: Nevada Department of Taxation

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SOUTHERN NEVADA HOUSING

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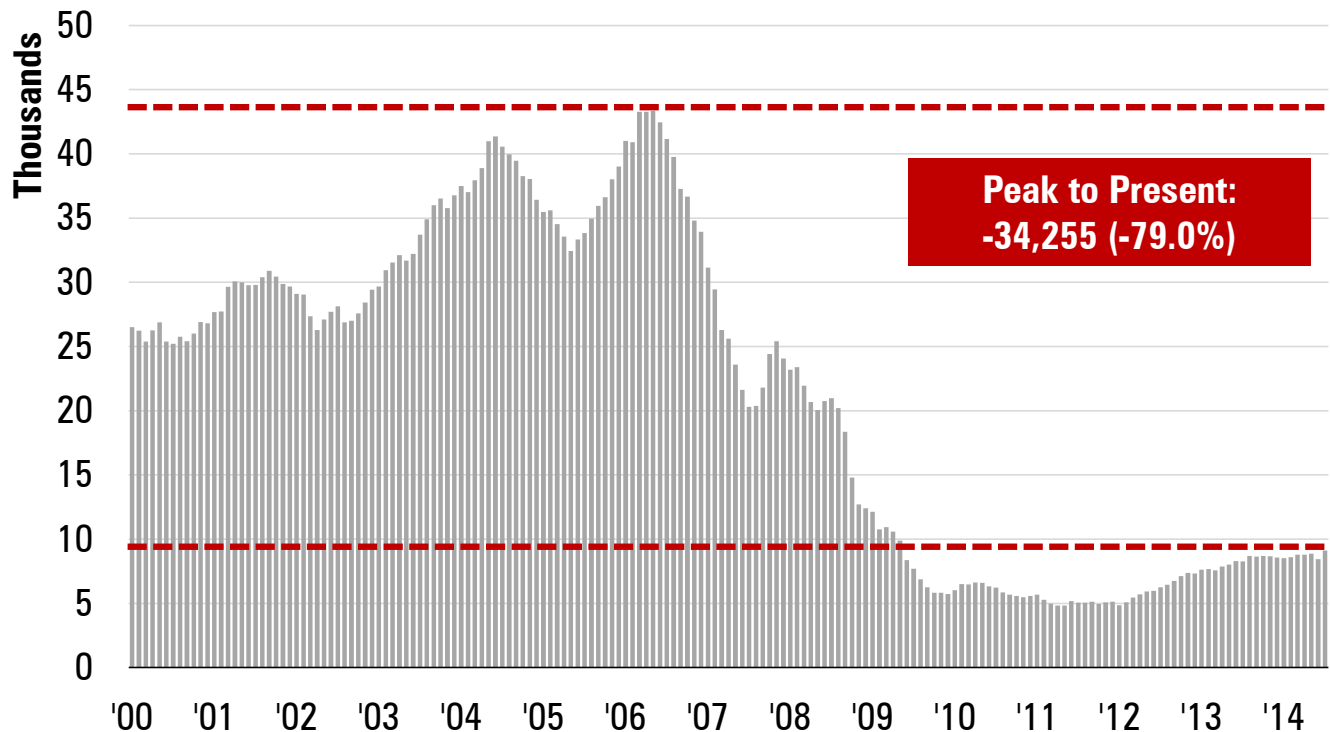
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Clark County Residential Units Permitted Trailing 12-Month Total



Source: UNLV Center for Business & Economic Research

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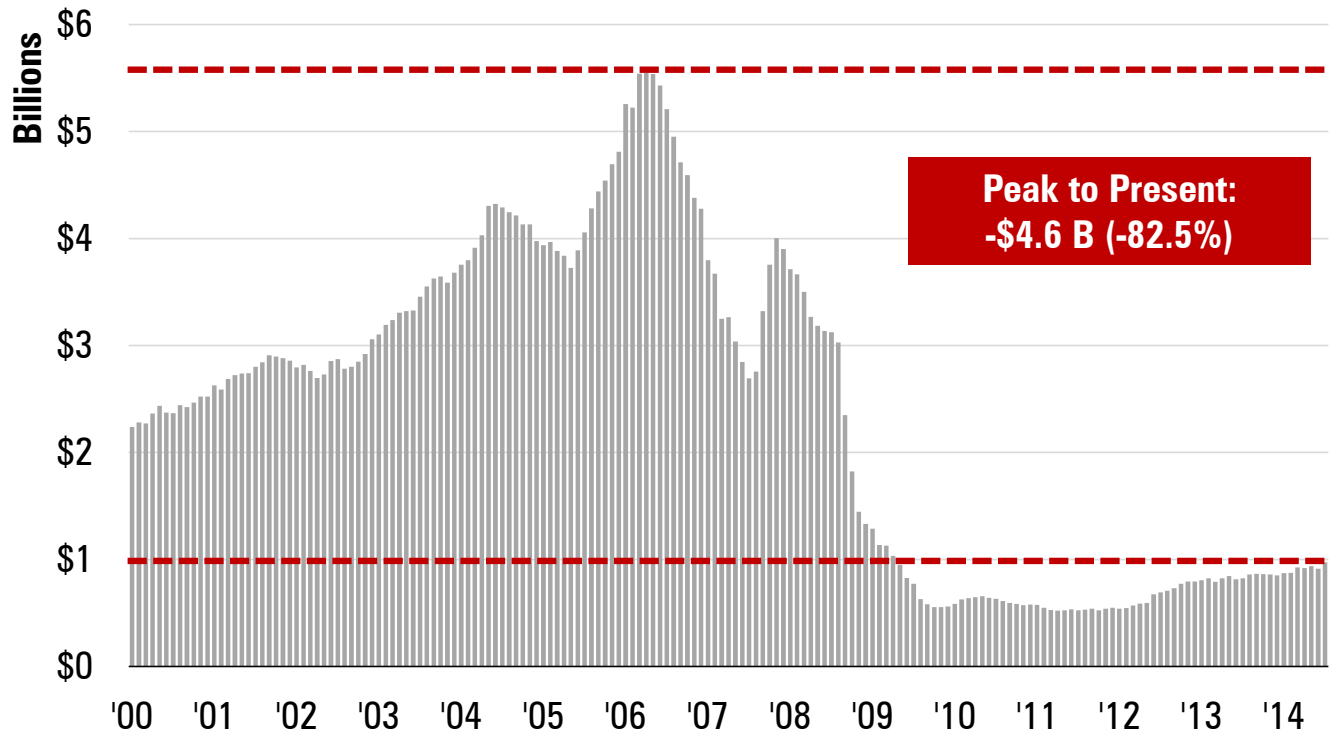
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Clark County Residential Value Permitted Trailing 12-Month Total



Source: UNLV Center for Business & Economic Research

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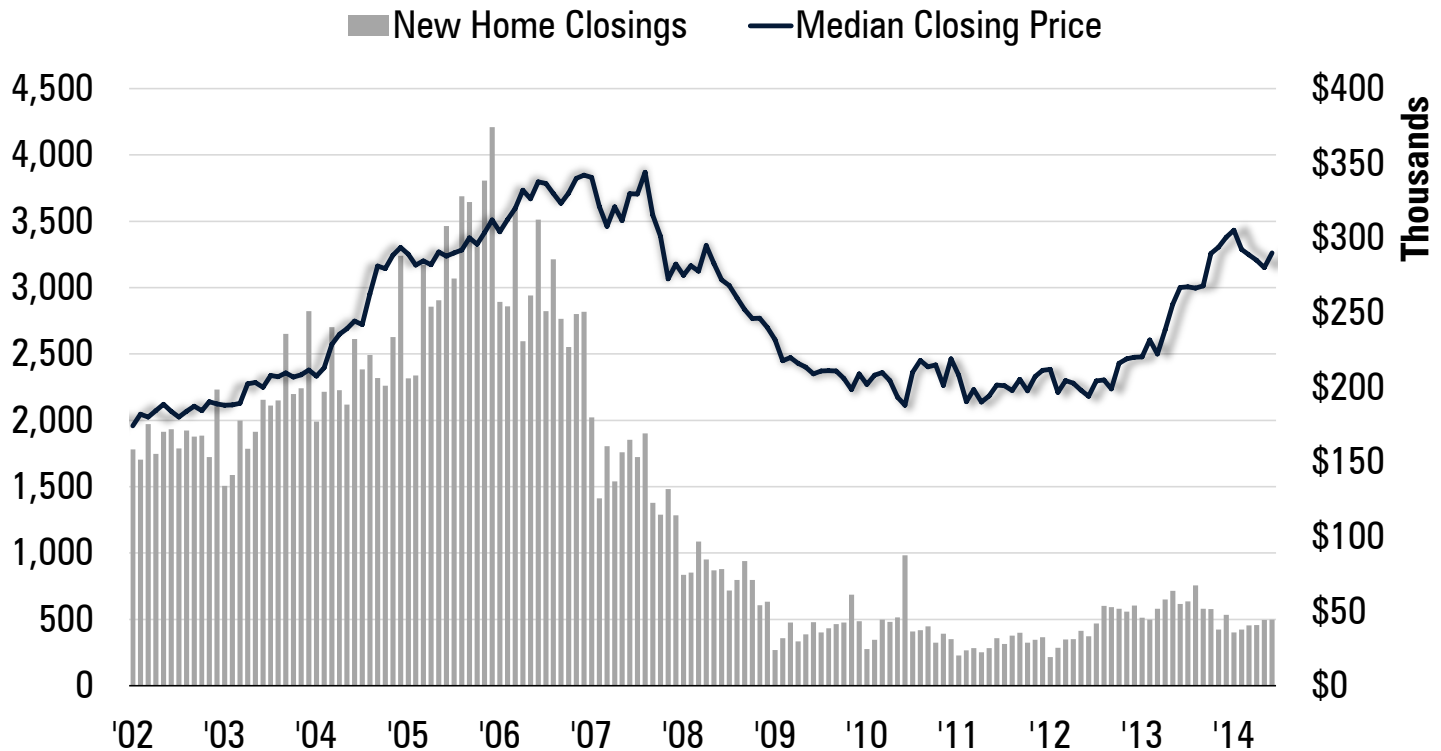
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New Home Closings



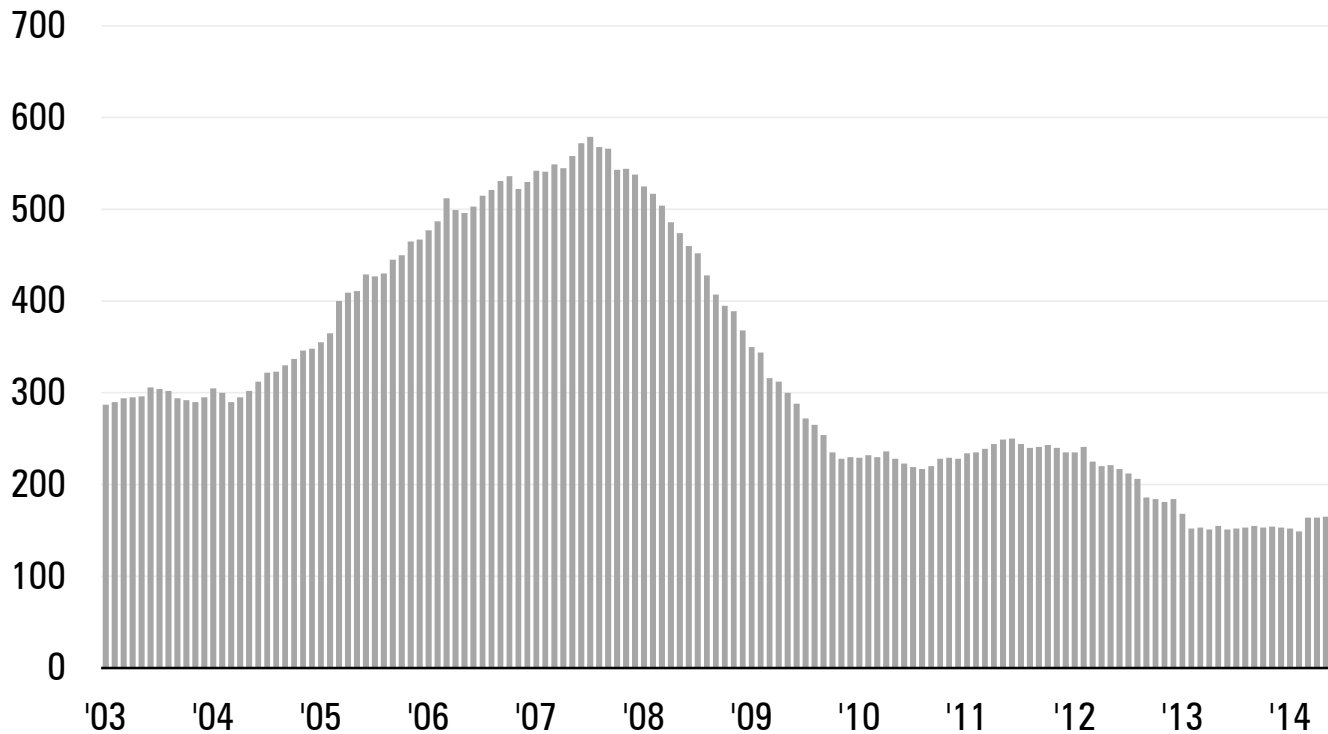
Source: SalesTraq

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Southern Nevada Active Subdivisions



Source: SalesTraq

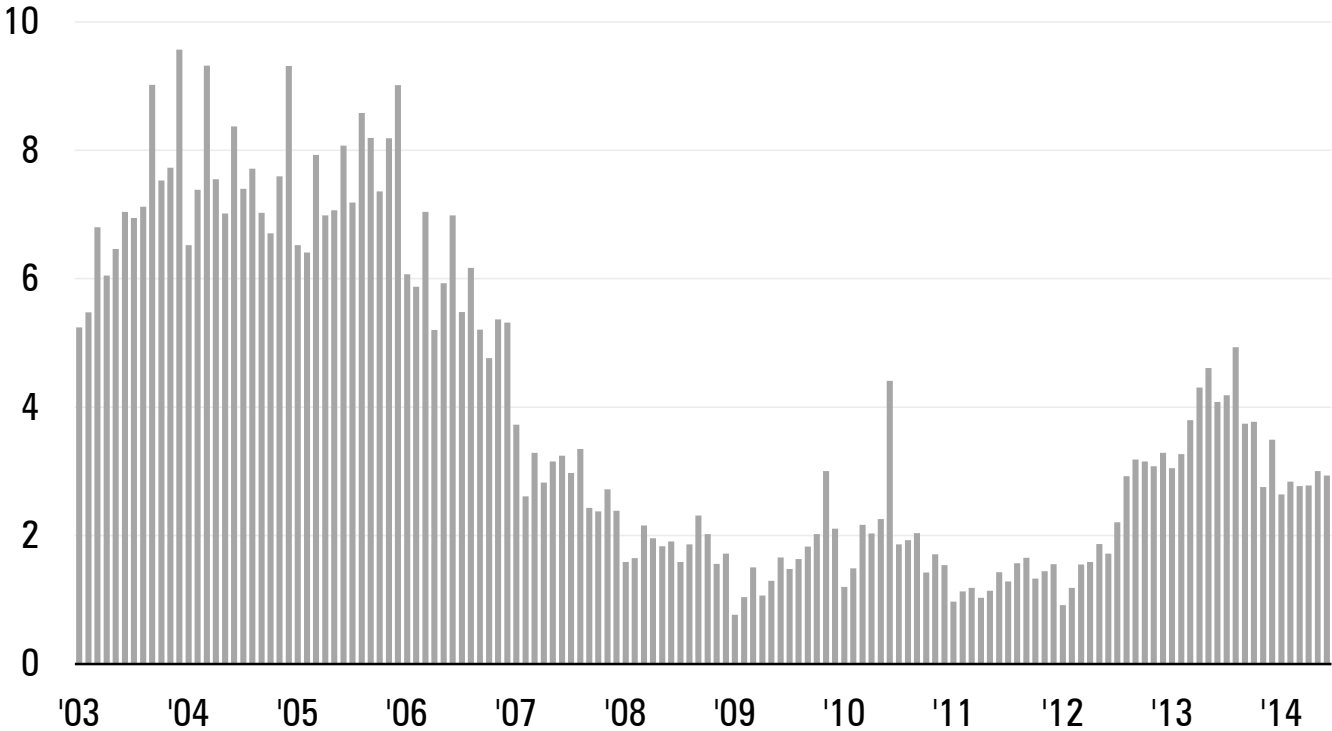
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Southern Nevada Average Sales Per Subdivision



Source: SalesTraq

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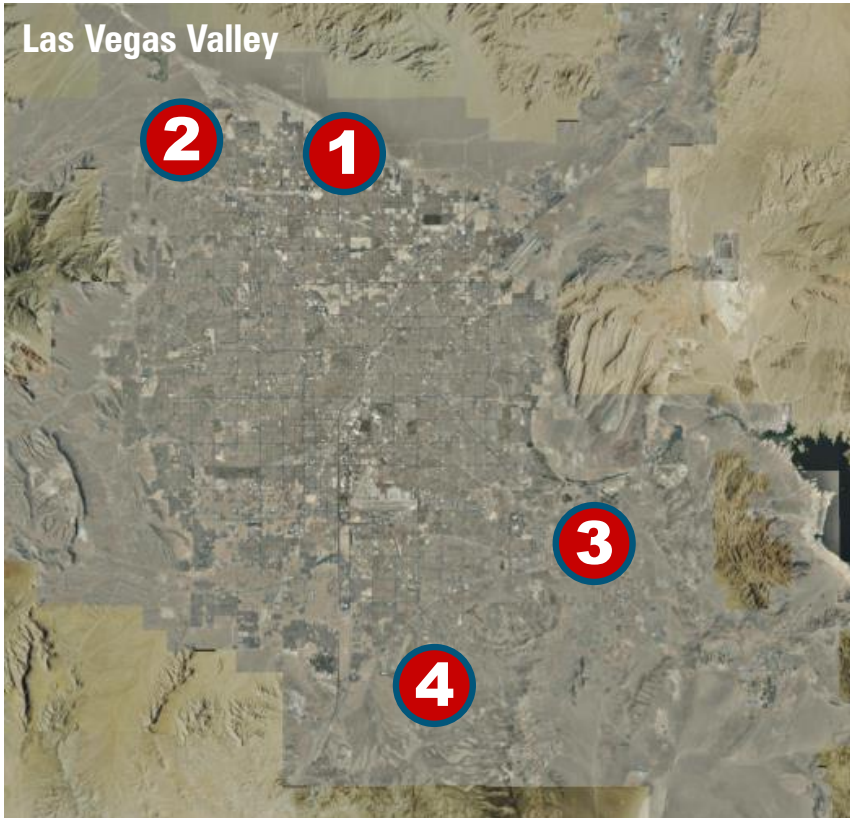
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Where is the Growth Likely?

Major Master Planned Communities (Future)



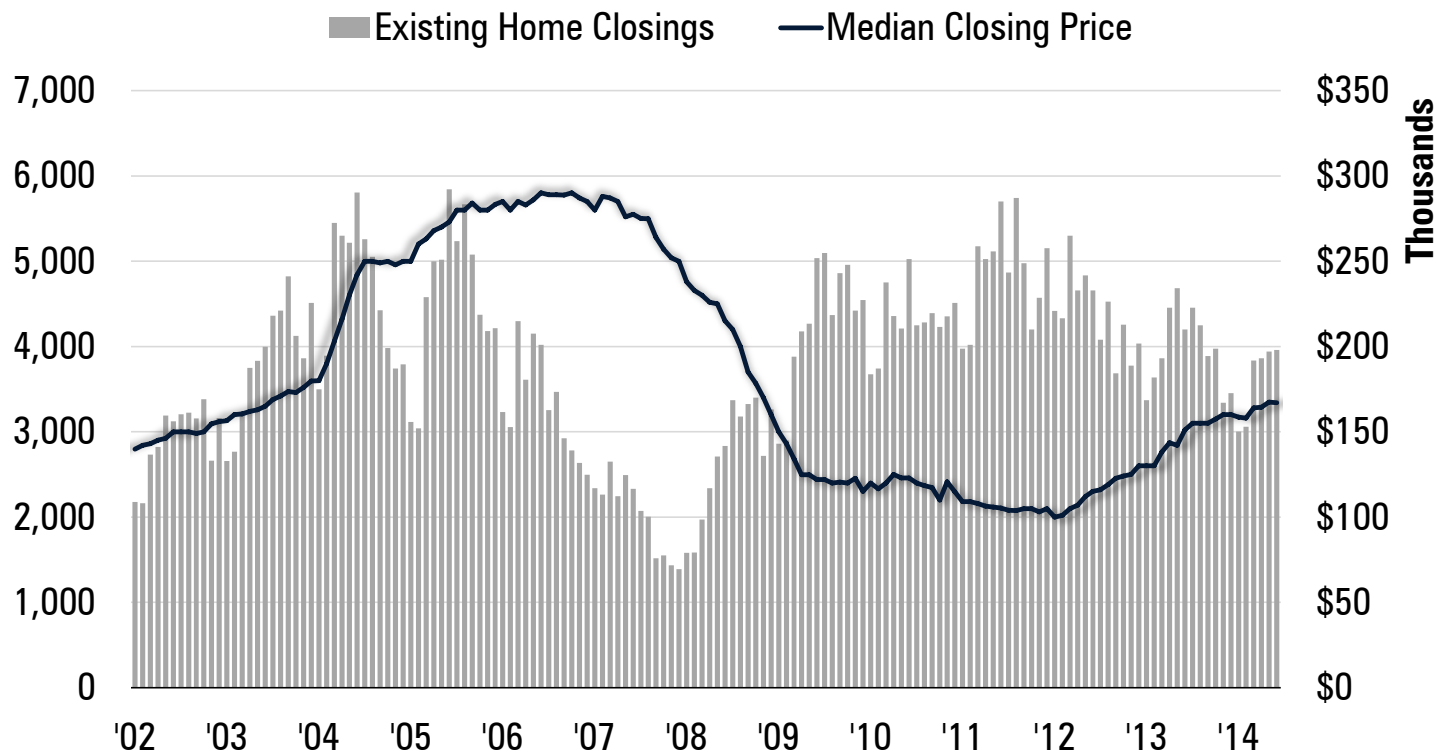
- 1** *Park Highlands*
- 2** *Skye Canyon*
- 3**  CADENCE
- 4**  INSPIRADA

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Existing Home Closings



Source: SalesTraq

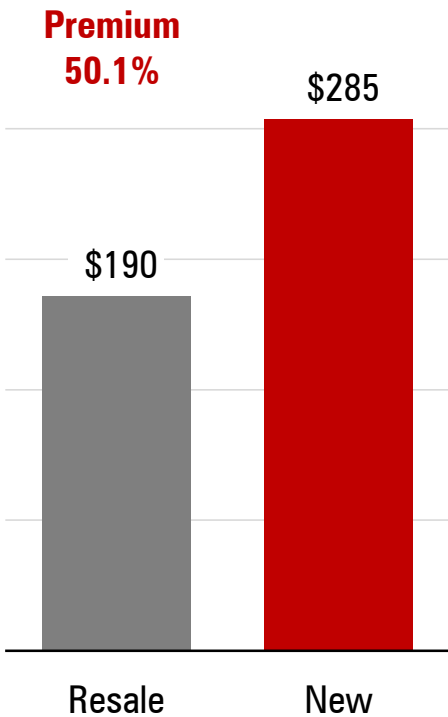
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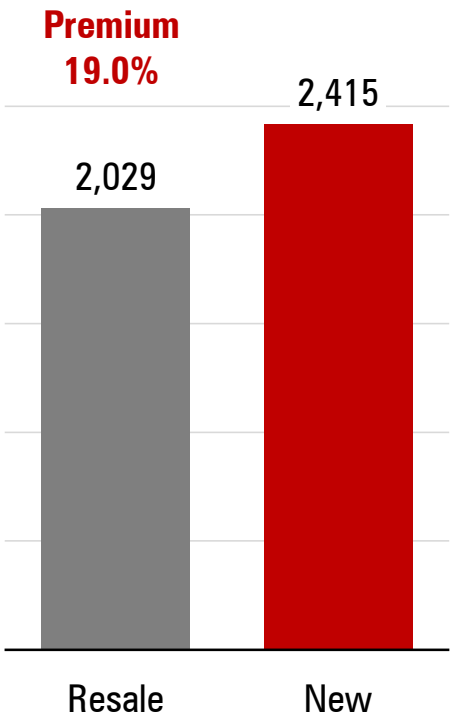


New vs. Resale Homes

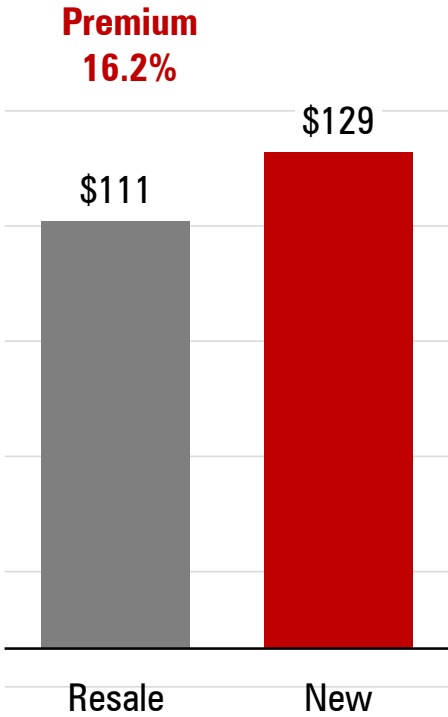
Median Price Comparison
(in thousands)



Avg. Size (SF) Comparison



Avg. Price PSF Comparison



Source: SalesTraQ (SFR, non-distressed sales in the urban Las Vegas Valley)

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19.9 Years

(Average Age of Resale Home
Sold in the Last 12 Months)

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Existing Home Closings



32%



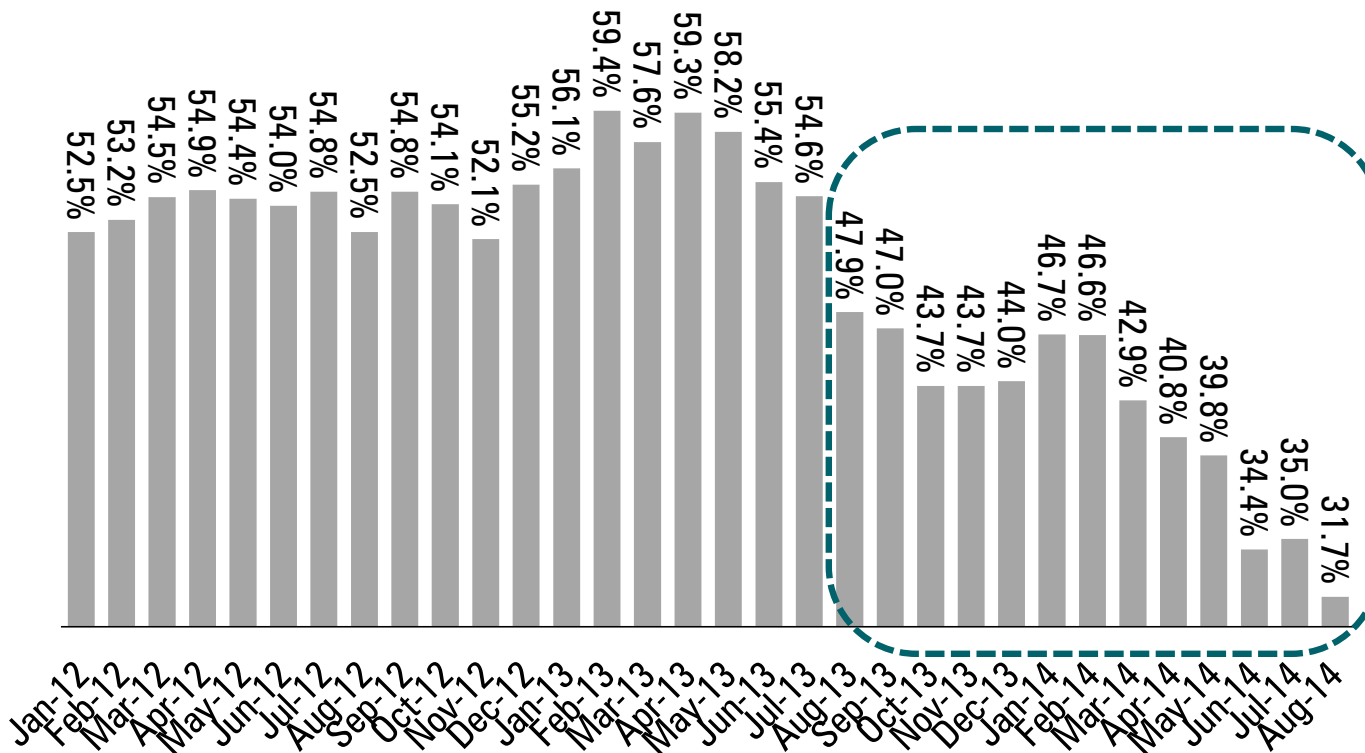
54%

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Cash Closings (Existing Homes)



Source: SalesTraq

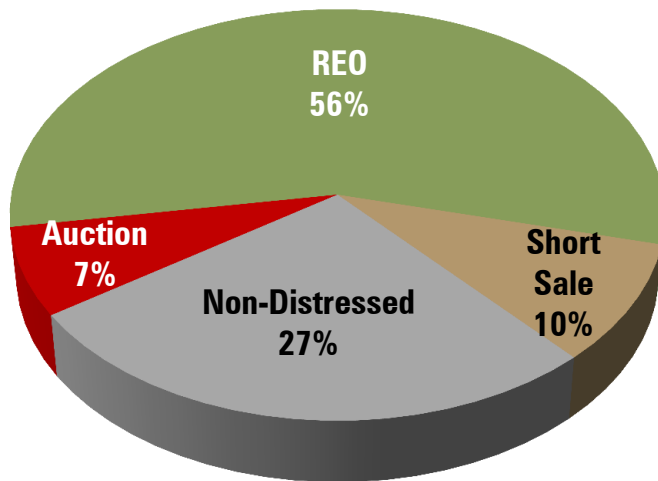
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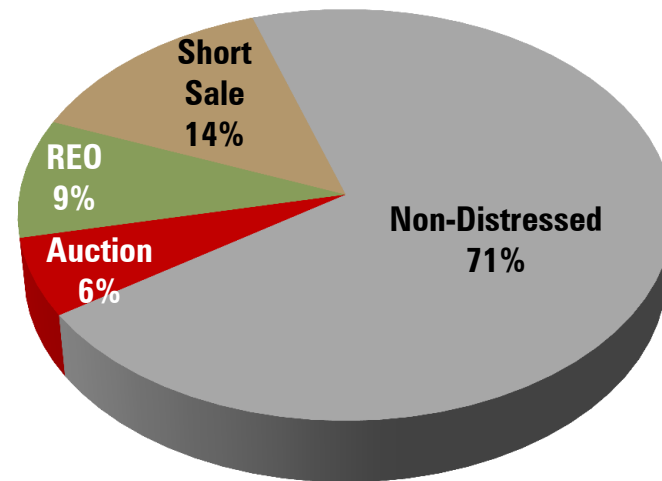


Mix of Properties Sold Transitions

2009 Sales Mix



Current Year Sales Mix



Source: SalesTraq

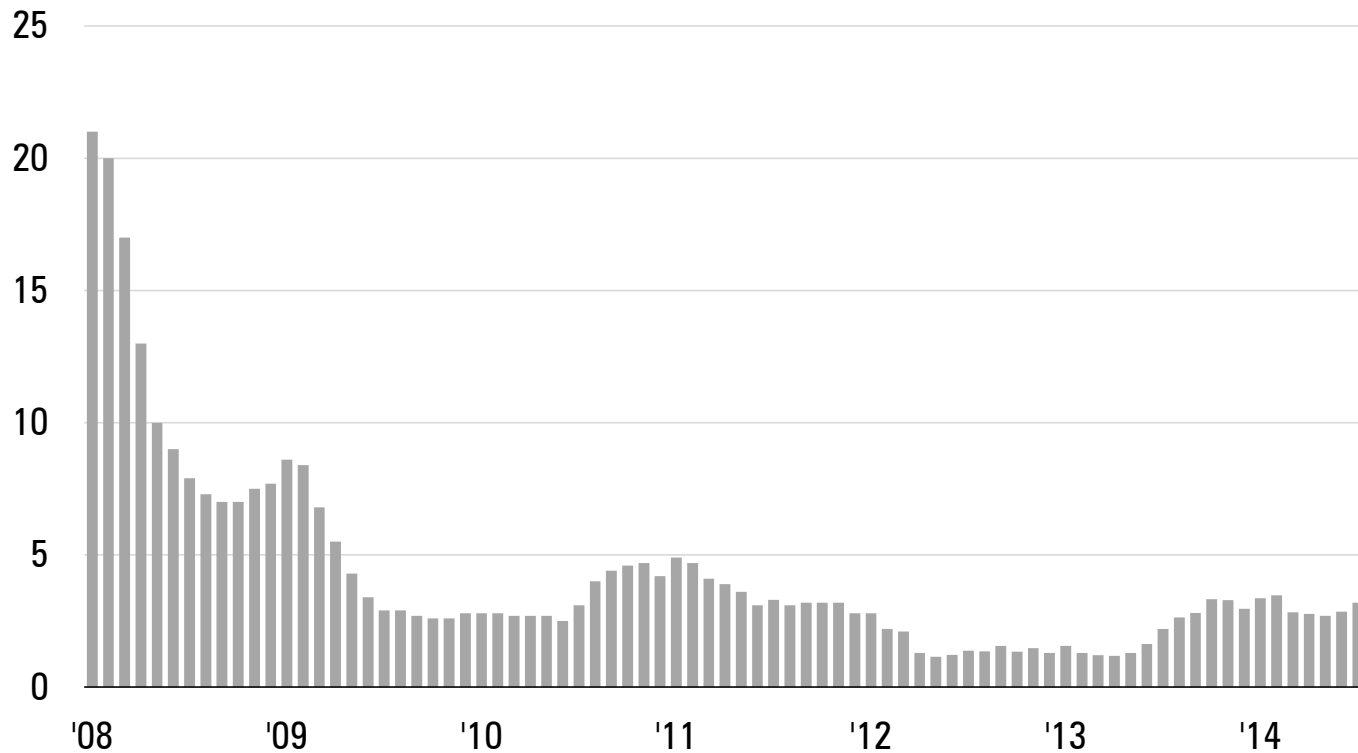
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Months of Effective Inventory



Source: SalesTraq

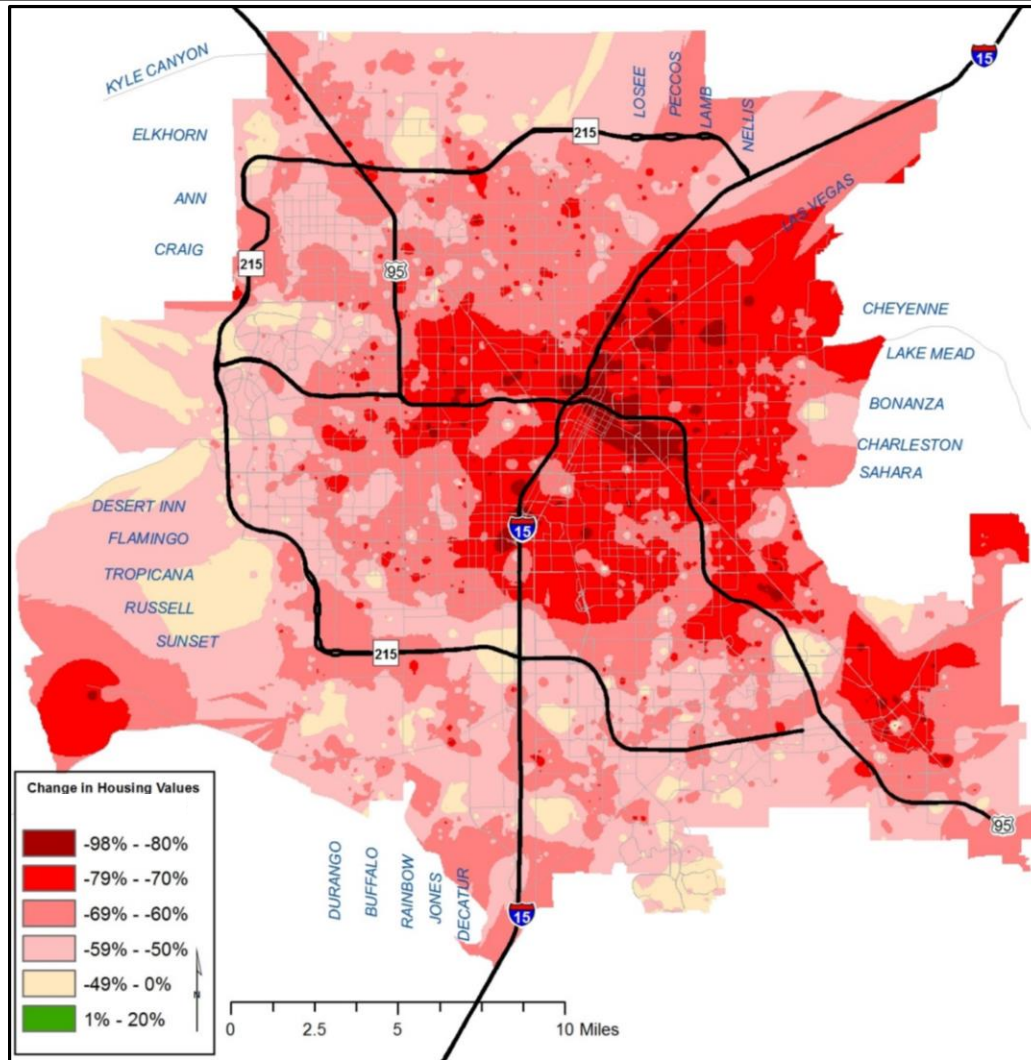
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Price Depreciation Peak (Mid-2006) to Present (2013)



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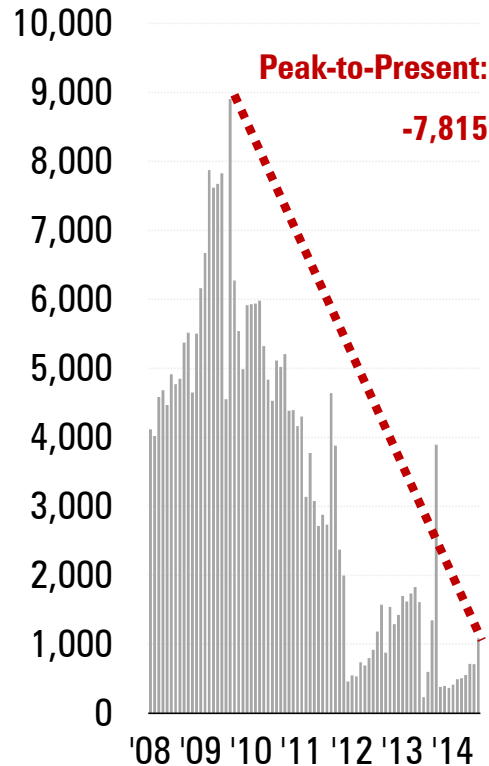
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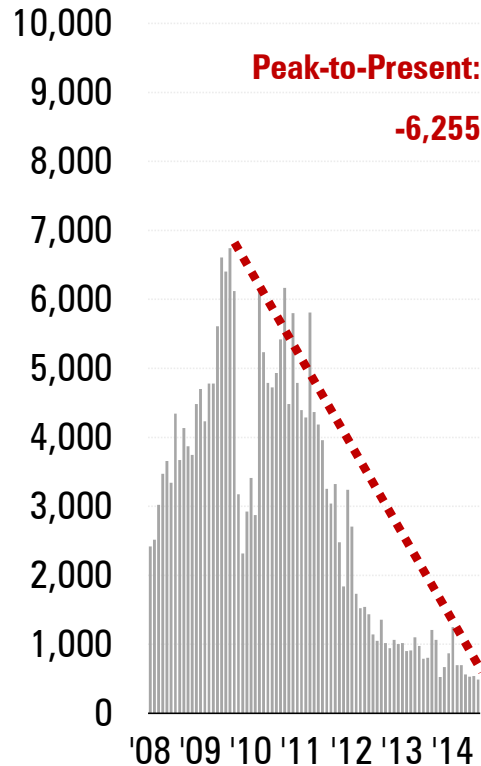
Notices of Breach and Default

Clark County, NV



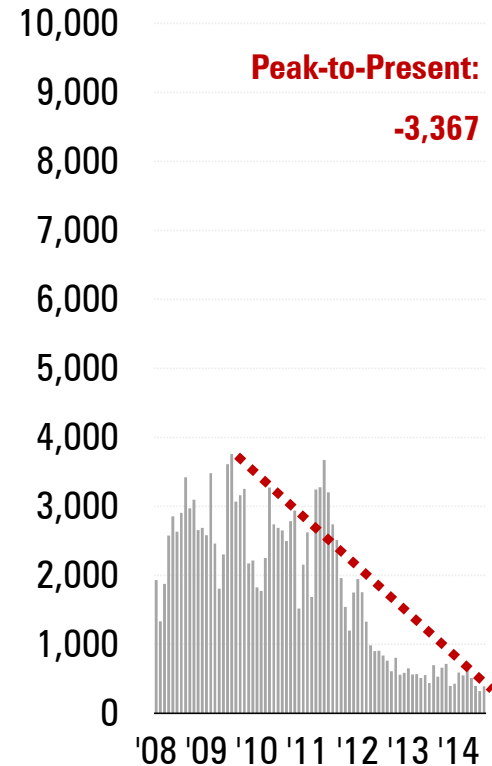
Notices of Trustee Sale

Clark County, NV



Trustee Deeds (Foreclosures)

Clark County, NV



Source: Clark County Assessor's Office

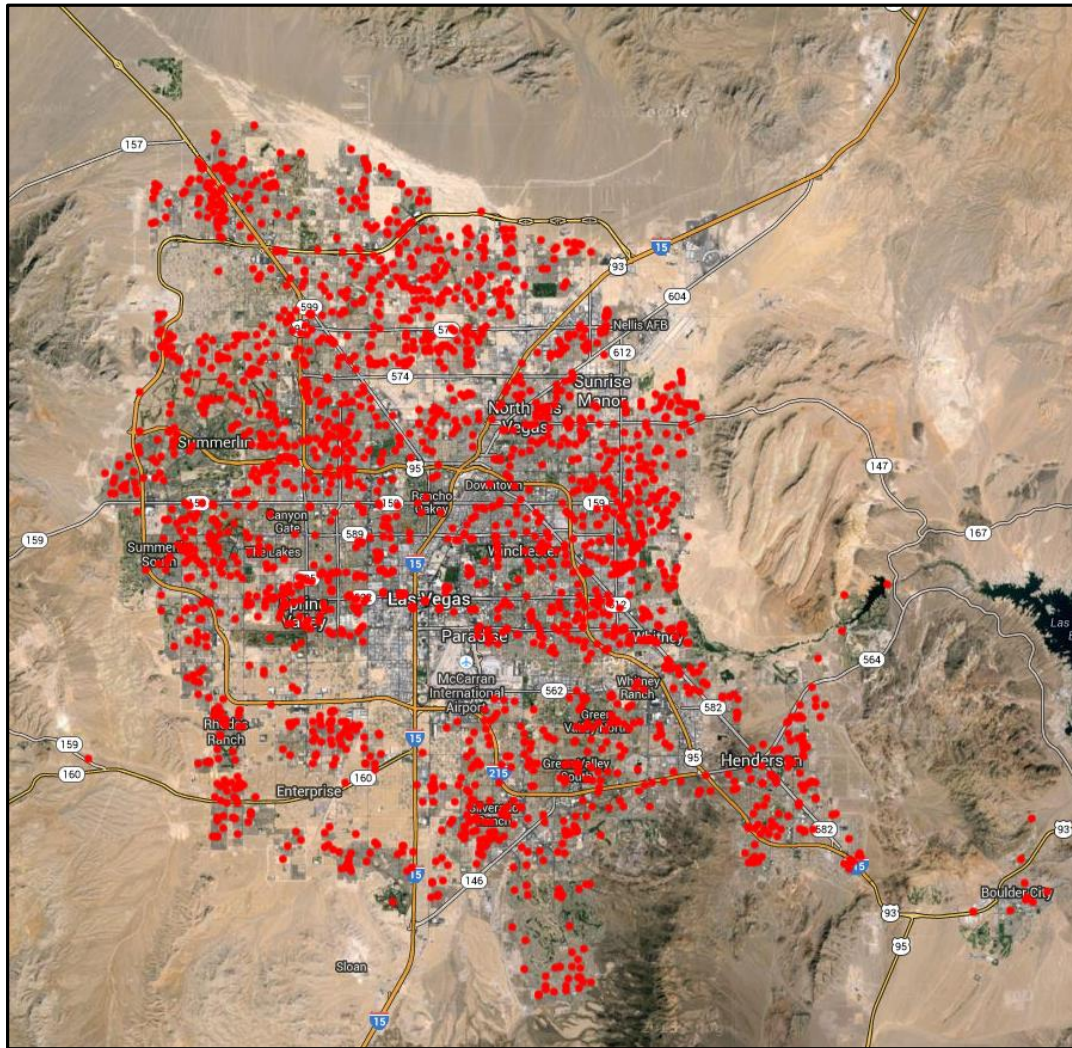
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Bank-Owned Homes

2,286 Units Valley-wide



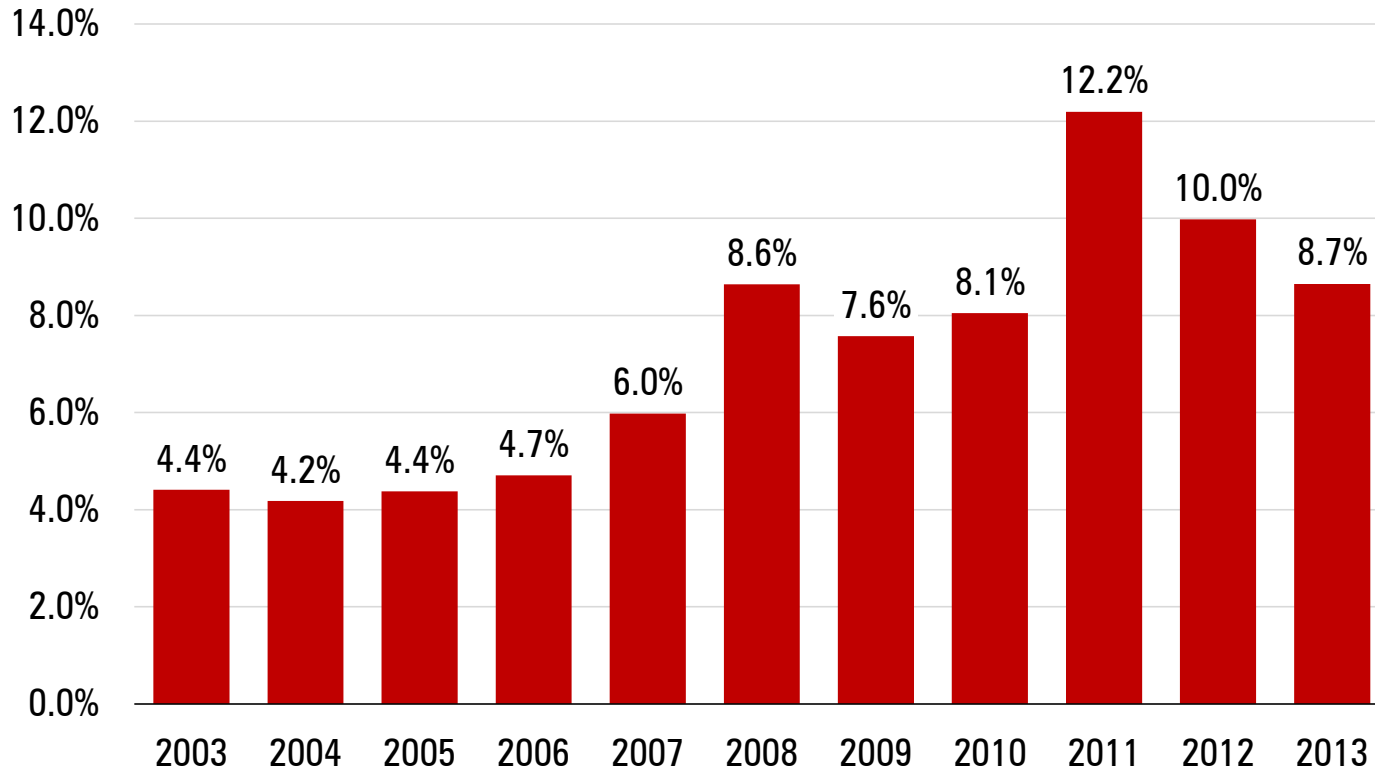
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Residential Vacancy Rate



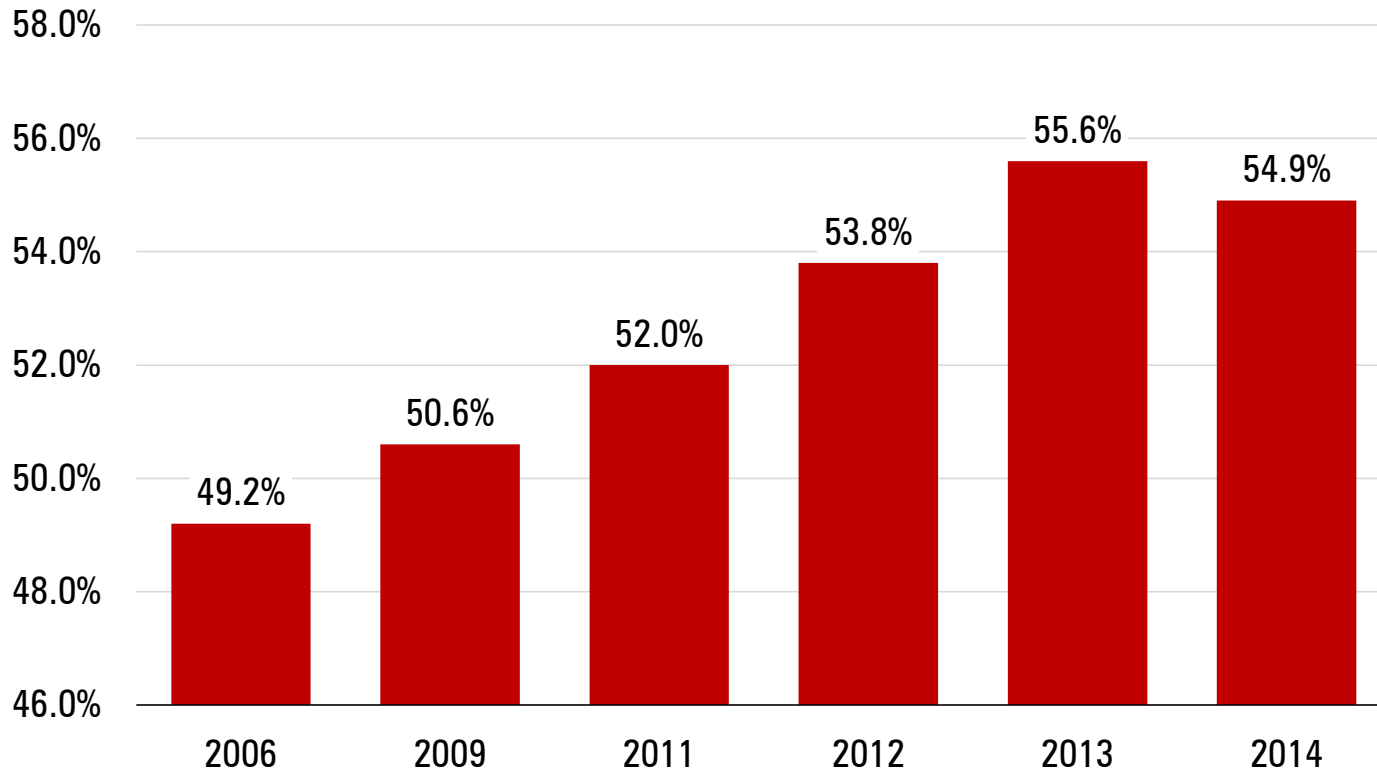
Source: Clark County/Applied Analysis

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Non-Owner Occupied Housing Share of Total



Source: Clark County/Applied Analysis

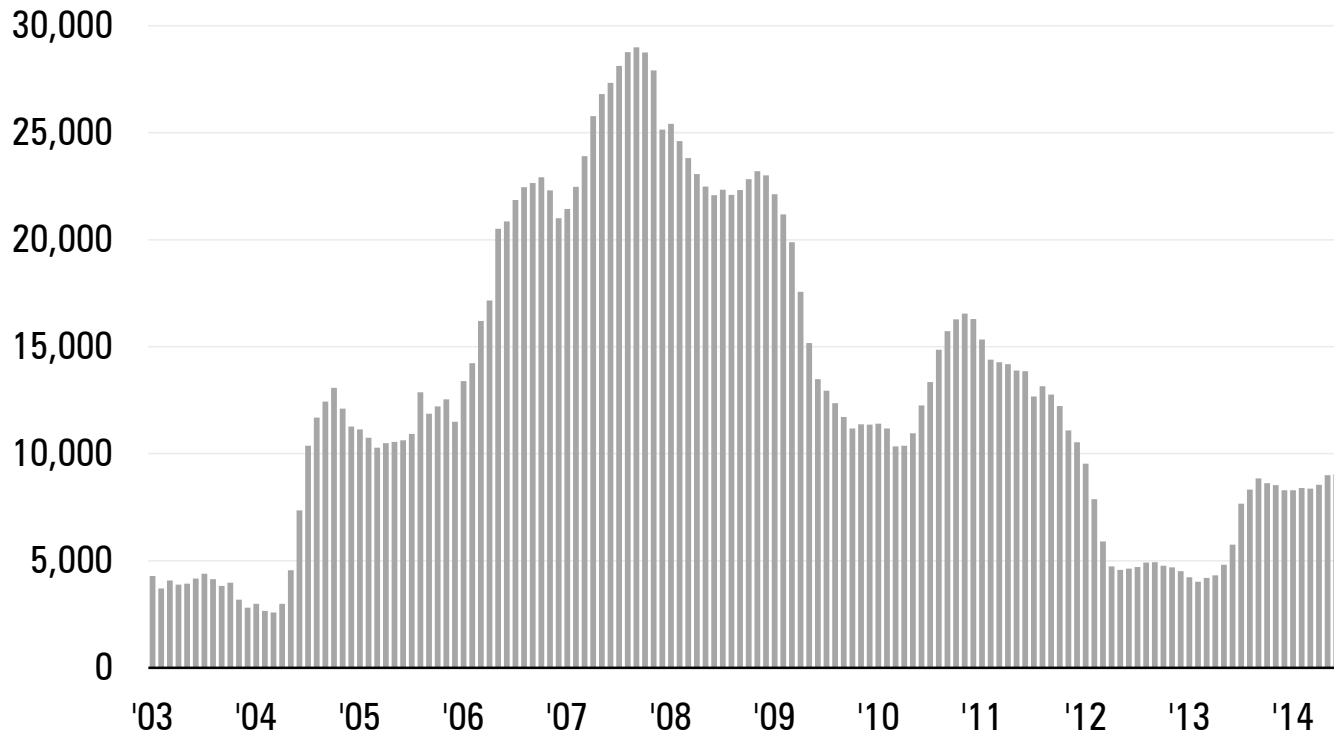
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Southern Nevada MLS Resale Listings



Source: SalesTraq

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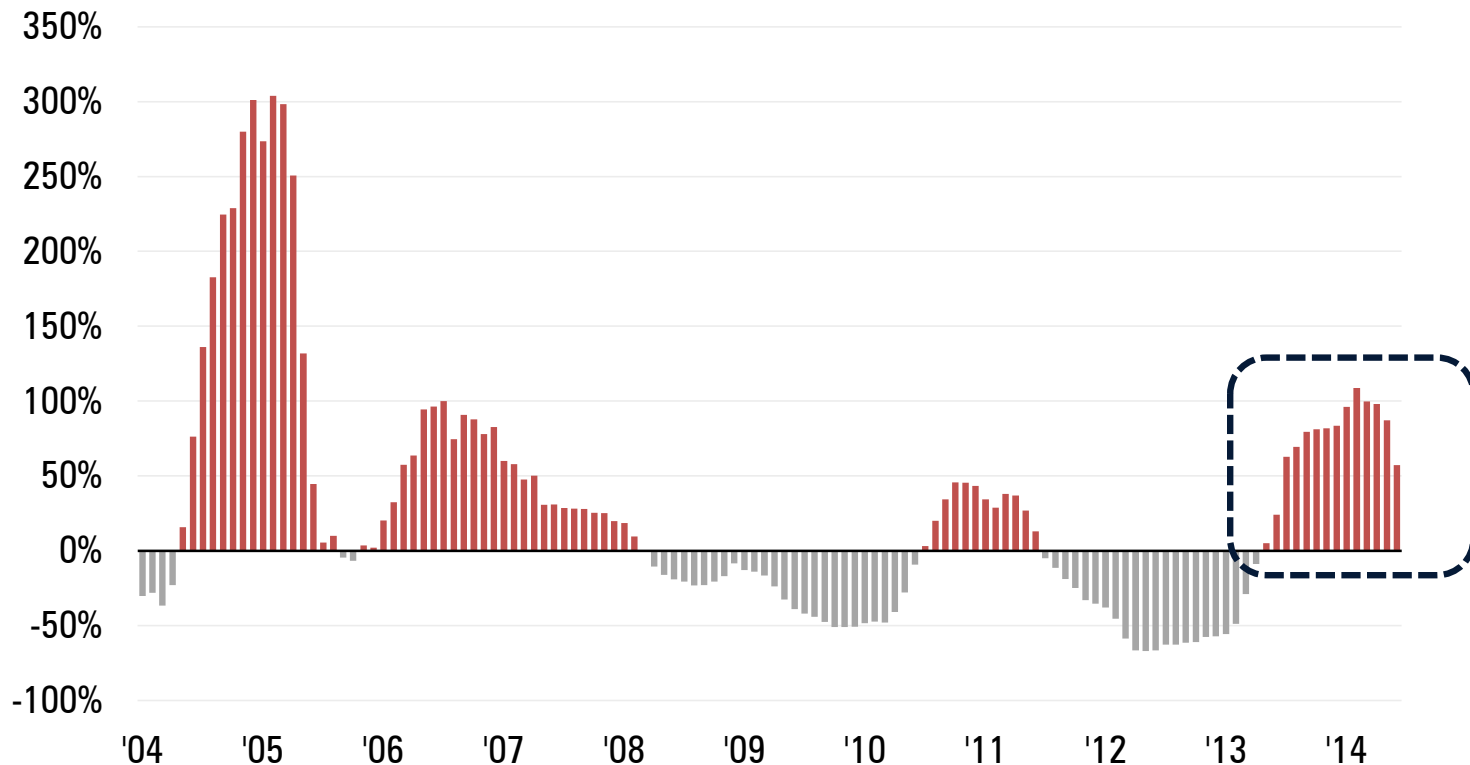
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Southern Nevada MLS Resale Listings

Annual Growth



Source: SalesTraq

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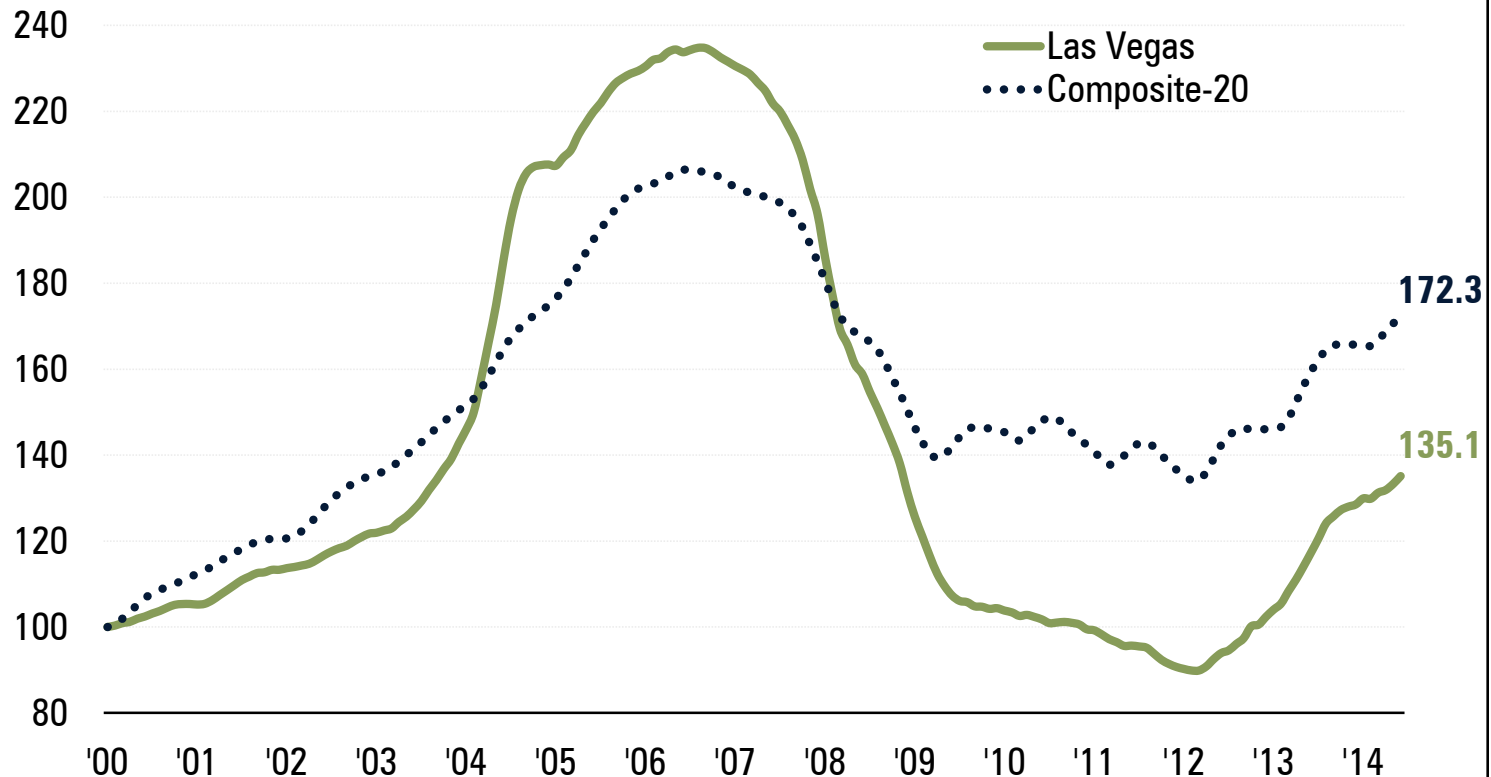
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S&P/Case-Shiller Home Price Indices

(Not Seasonally Adjusted; January 2000 = 100)



Source: S&P Dow Jones Indices LLC

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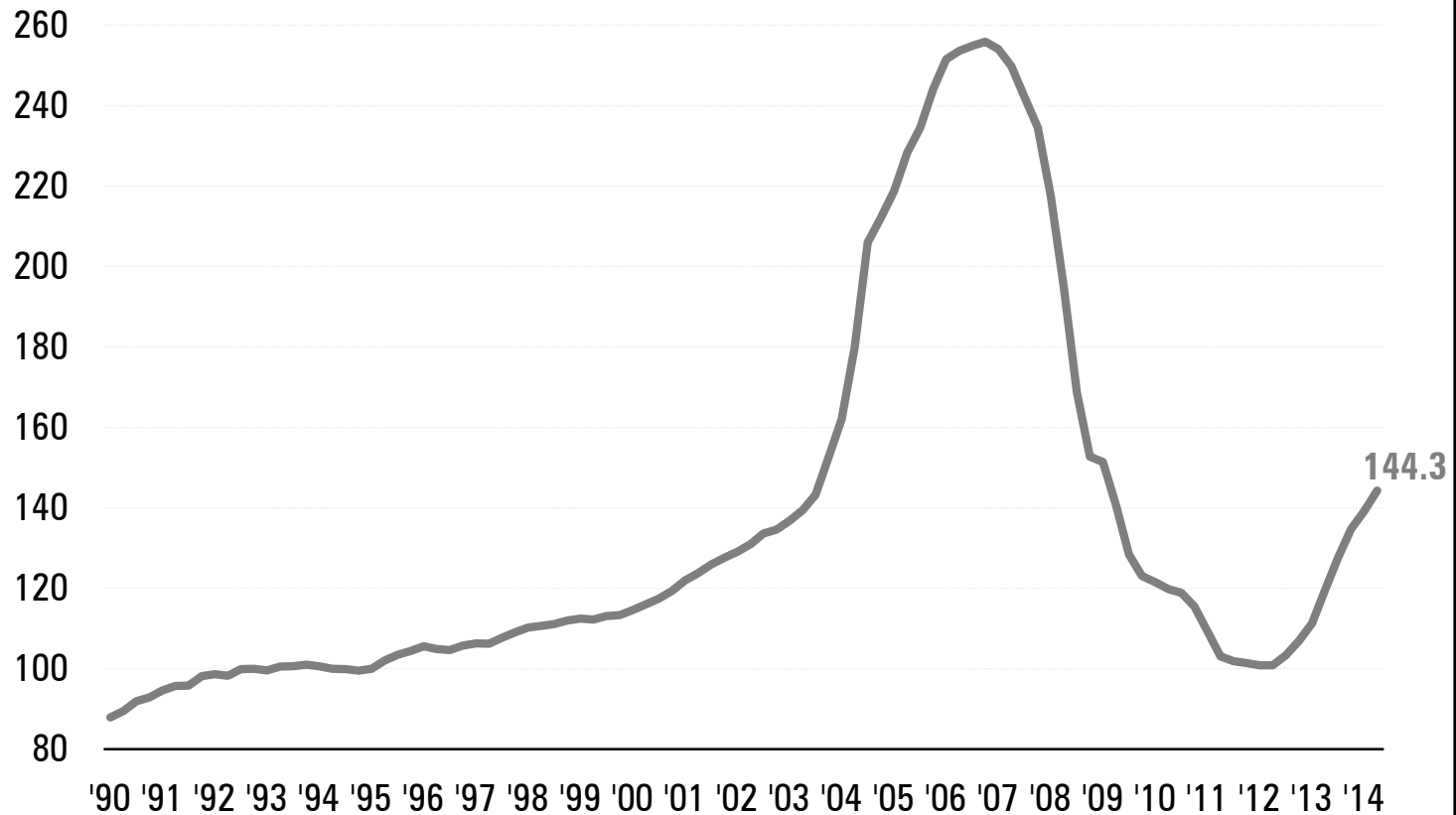


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Housing Price Index Las Vegas-Paradise MSA



Source: Federal Housing Finance Agency

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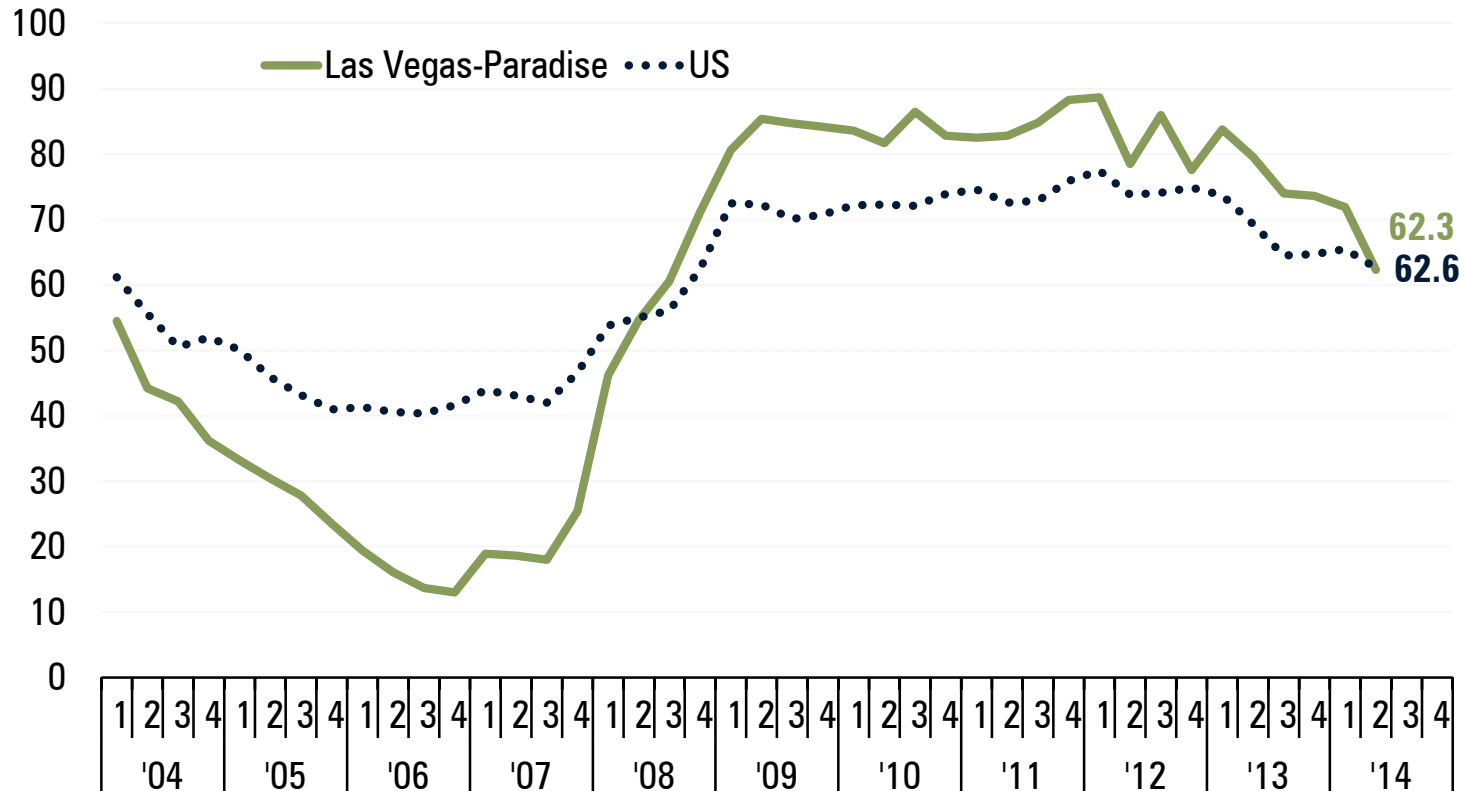
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Housing Opportunity Index

Las Vegas-Paradise MSA



Source: National Association of Home Builders/Wells Fargo Housing Opportunity Index

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NORTHERN NEVADA HOUSING

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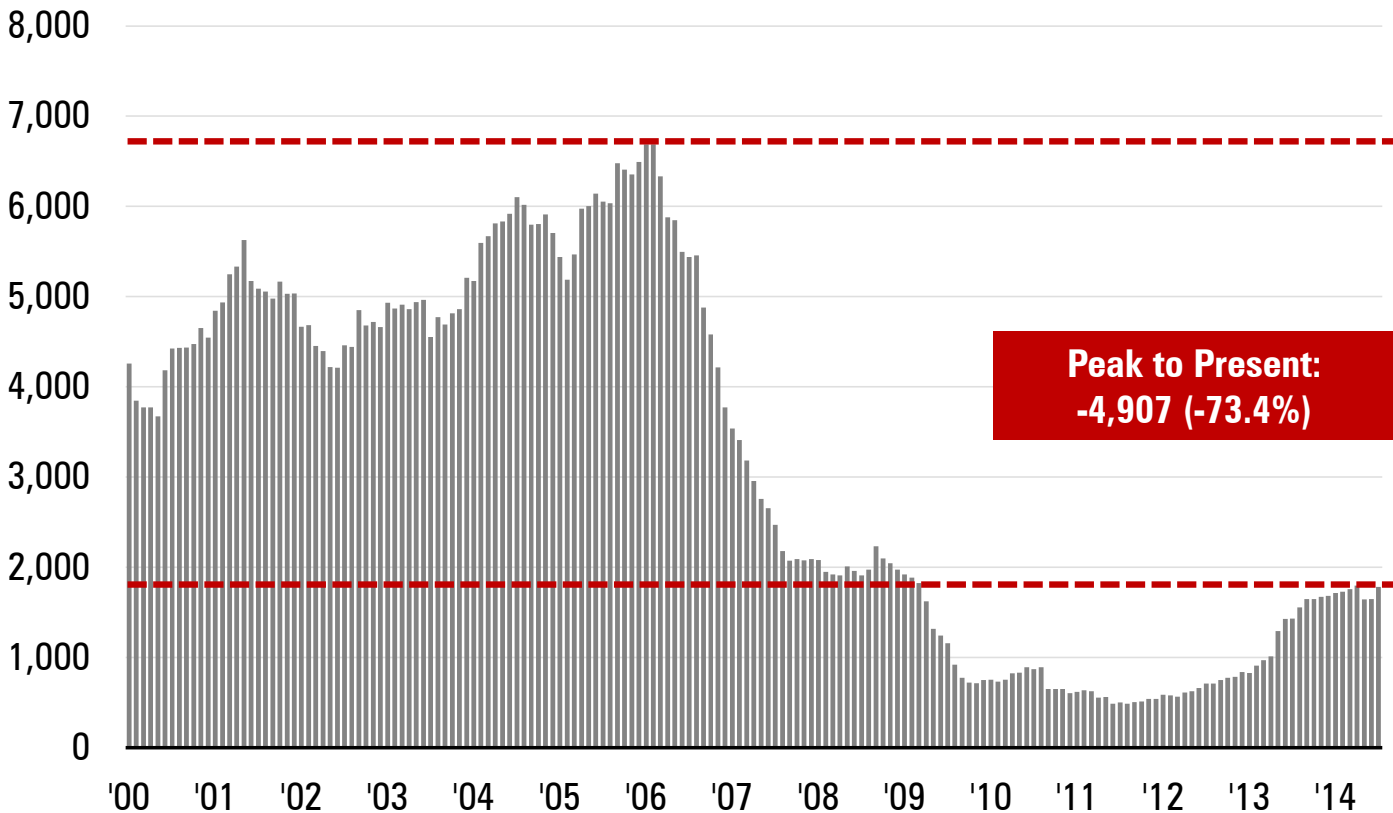
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Washoe County Residential Units Permitted Trailing 12-Month Total



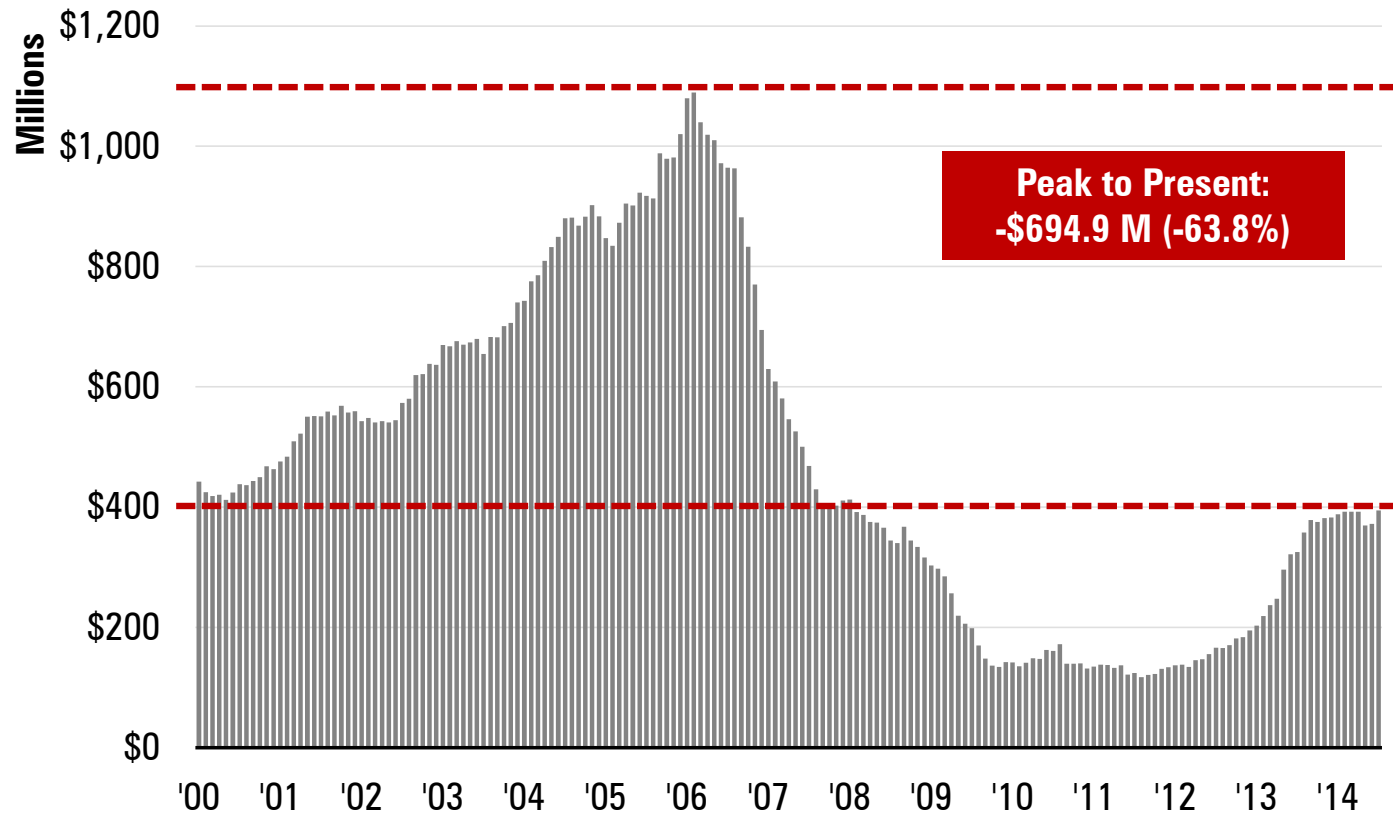
Source: UNLV Center for Business & Economic Research

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Washoe County Residential Value Permitted Trailing 12-Month Total



Source: UNLV Center for Business & Economic Research

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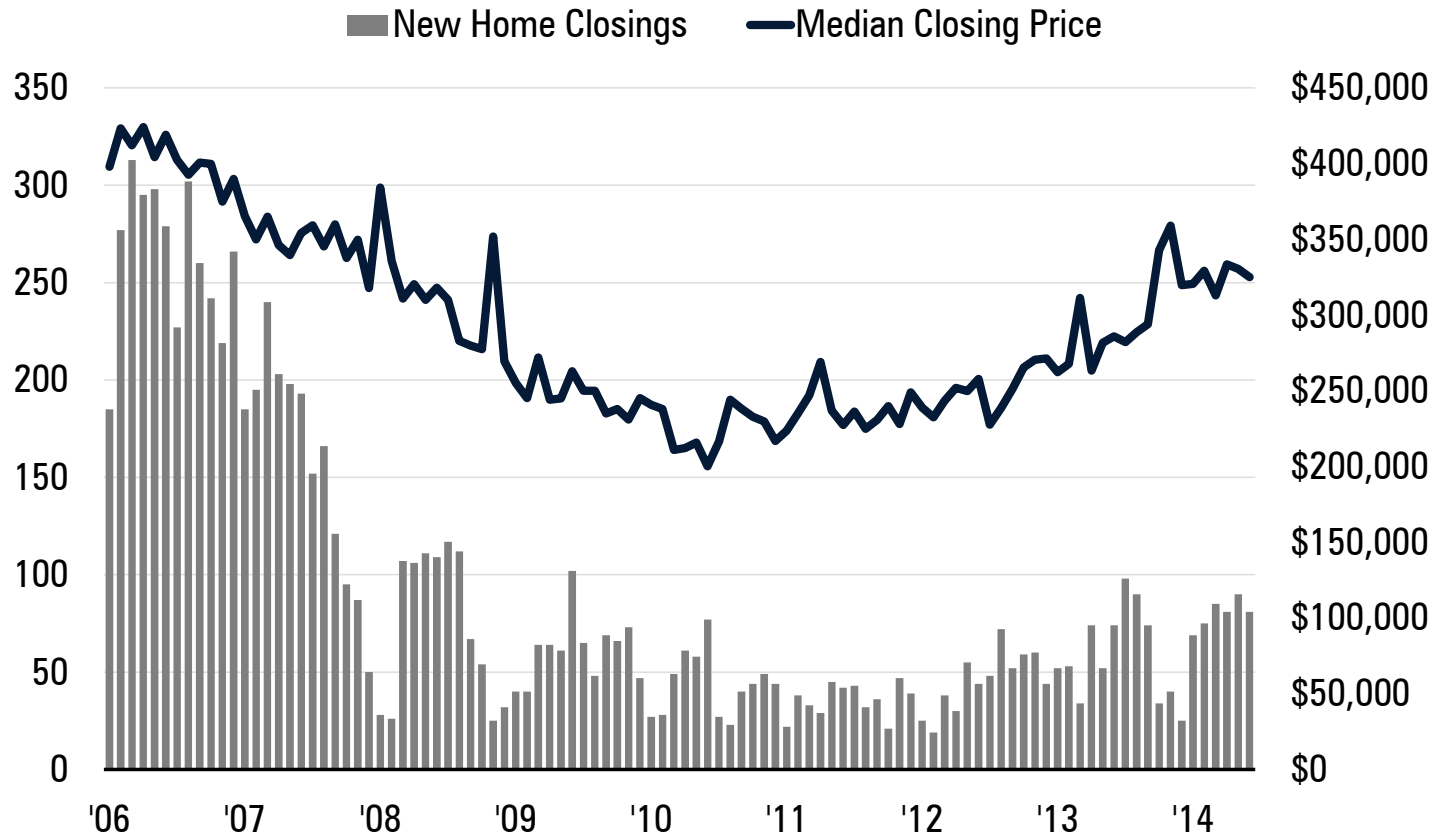


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Northern Nevada New Home Closings



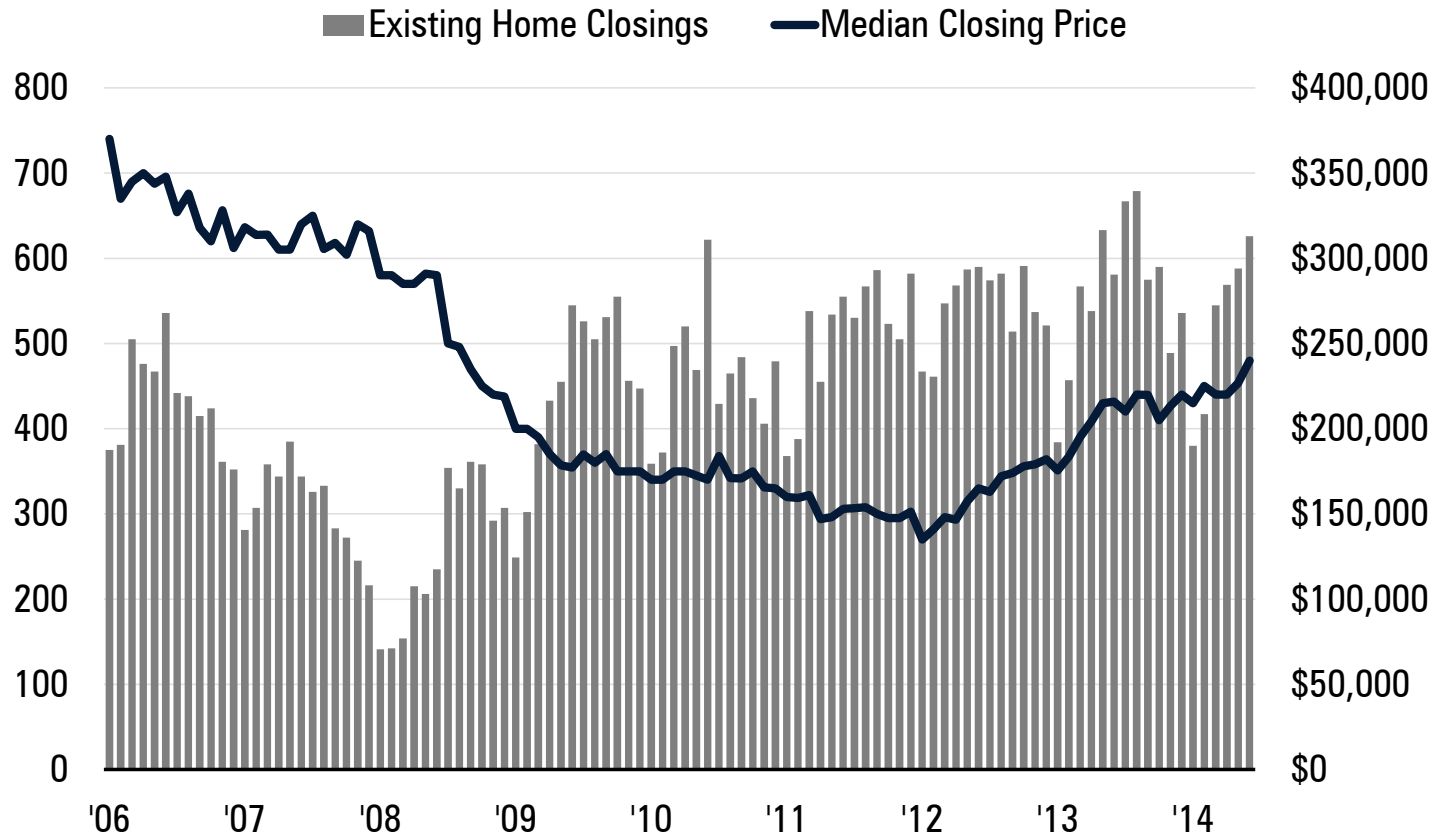
Source: UNR Center for Regional Studies

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Northern Nevada Existing Home Closings



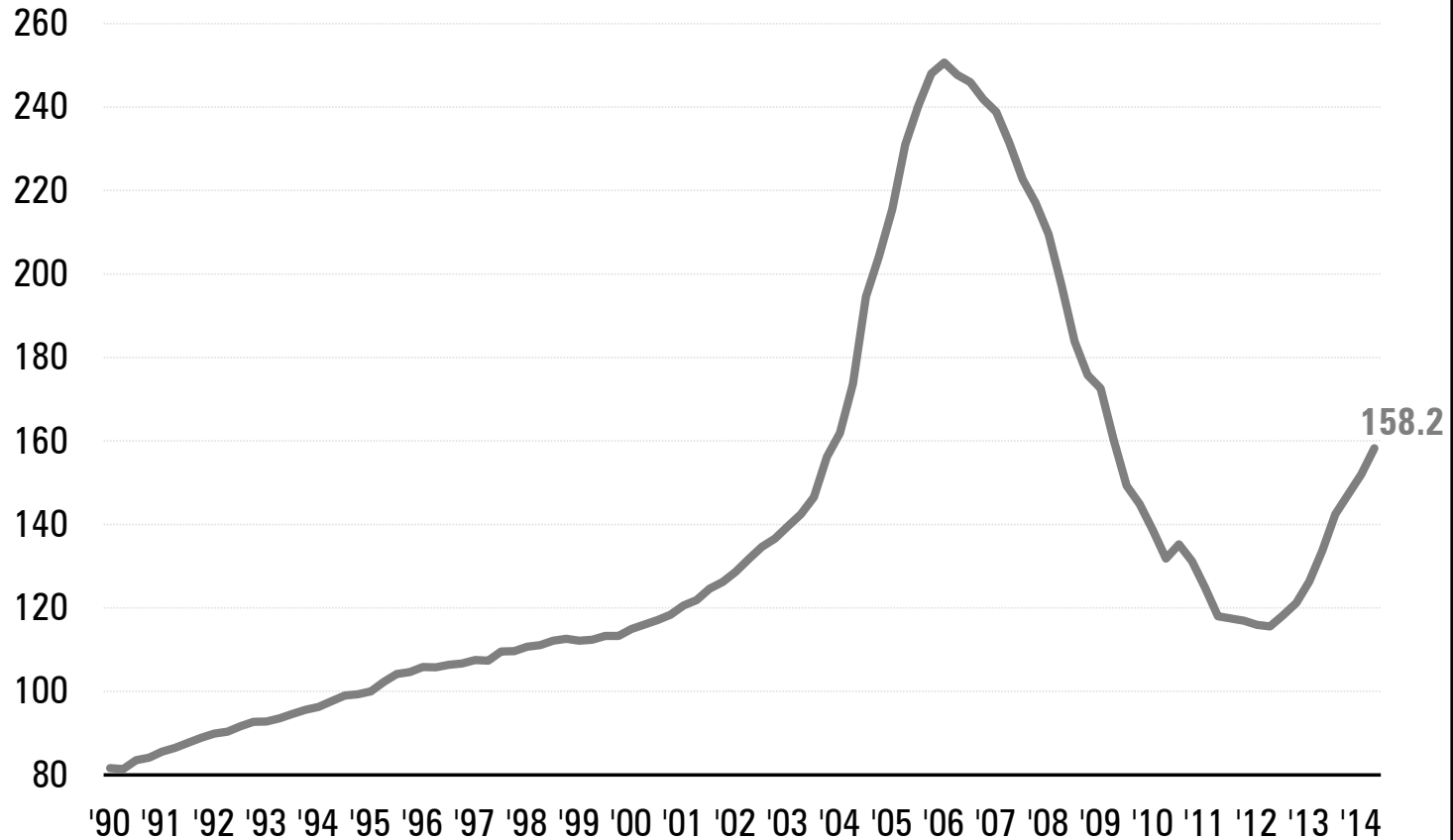
Source: UNR Center for Regional Studies

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Housing Price Index Reno MSA



Source: Federal Housing Finance Agency

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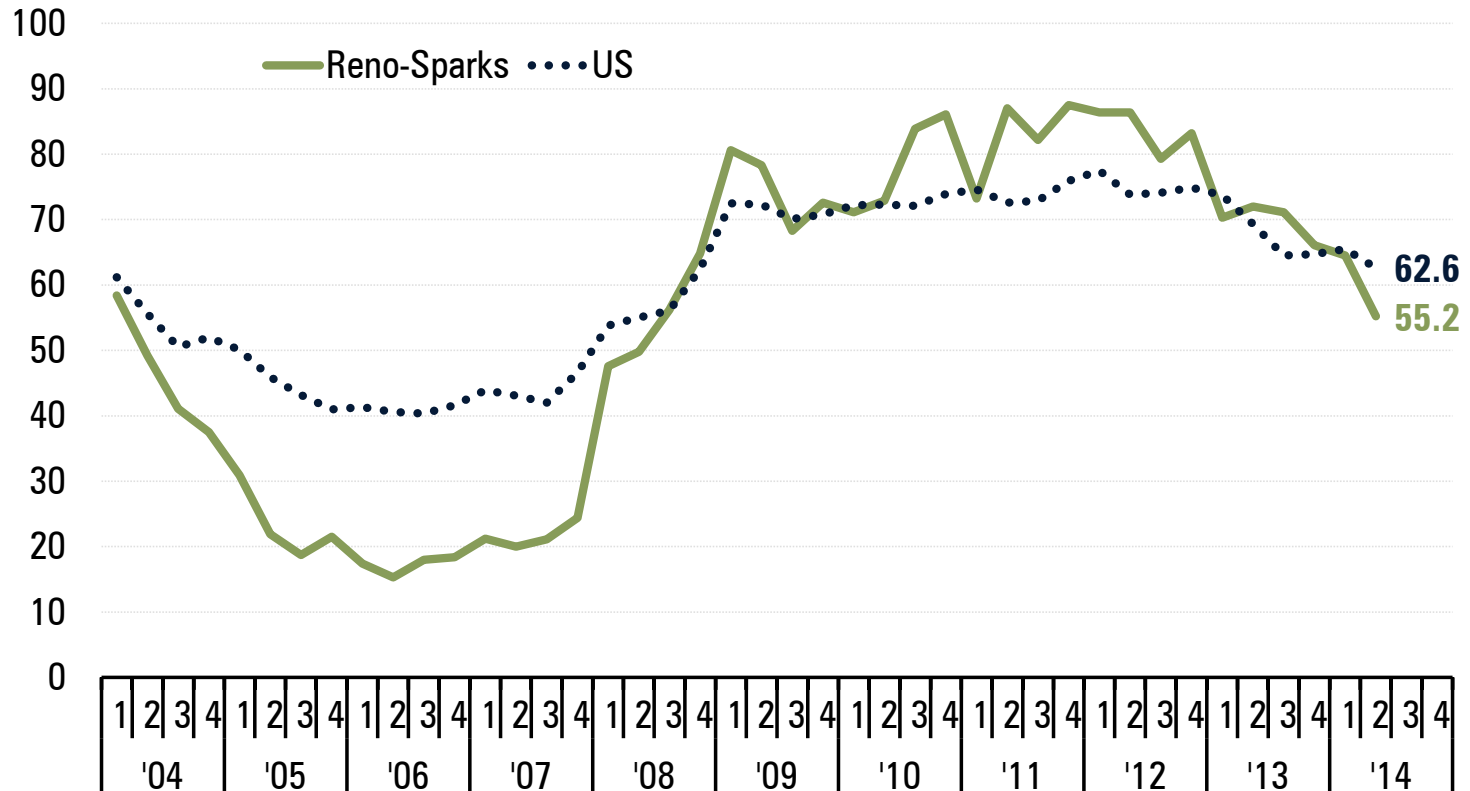
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Housing Opportunity Index

Reno-Sparks MSA



Source: National Association of Home Builders/Wells Fargo Housing Opportunity Index

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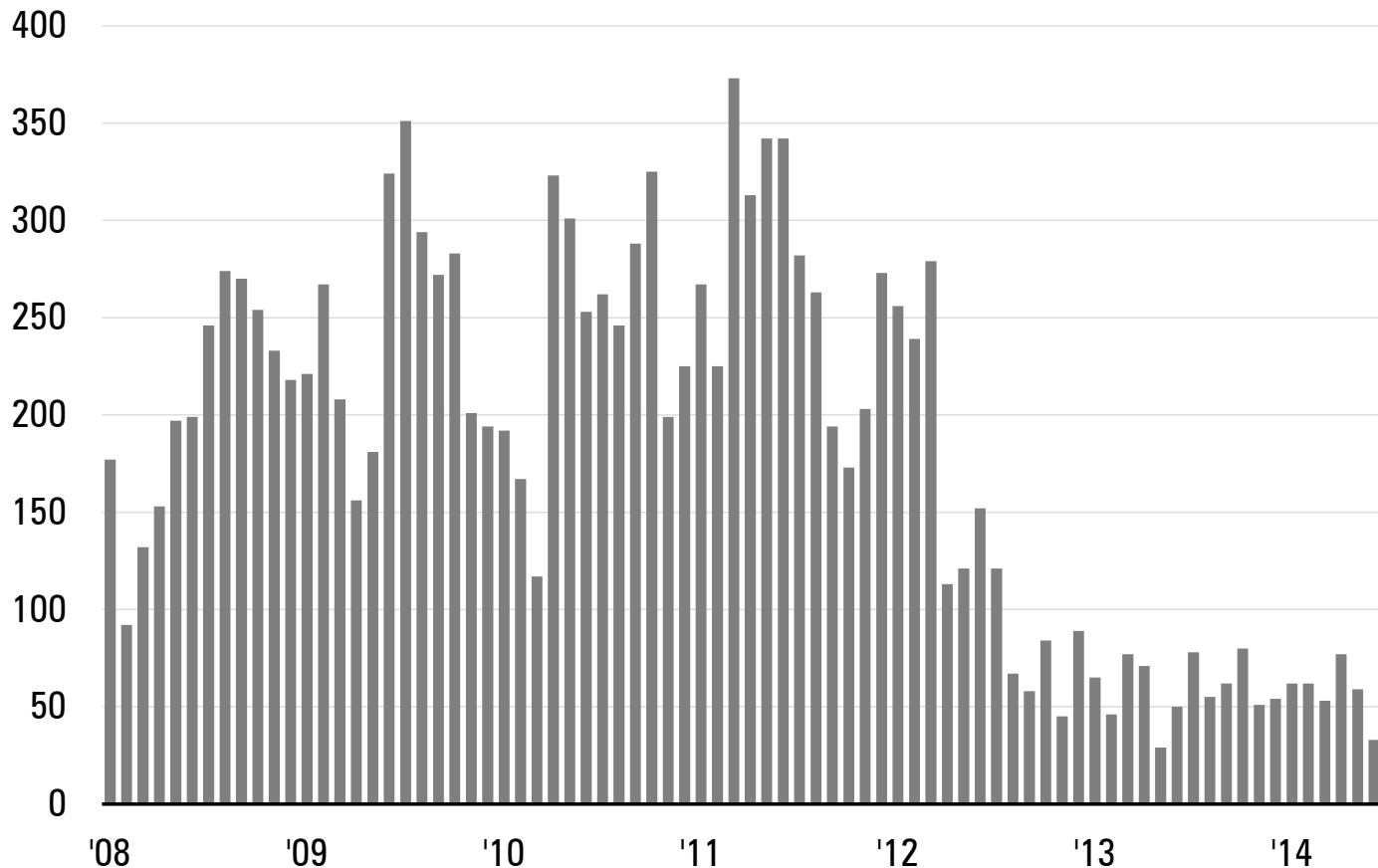


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Northern Nevada Foreclosures



Source: UNR Center for Regional Studies

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STATEWIDE HOUSING

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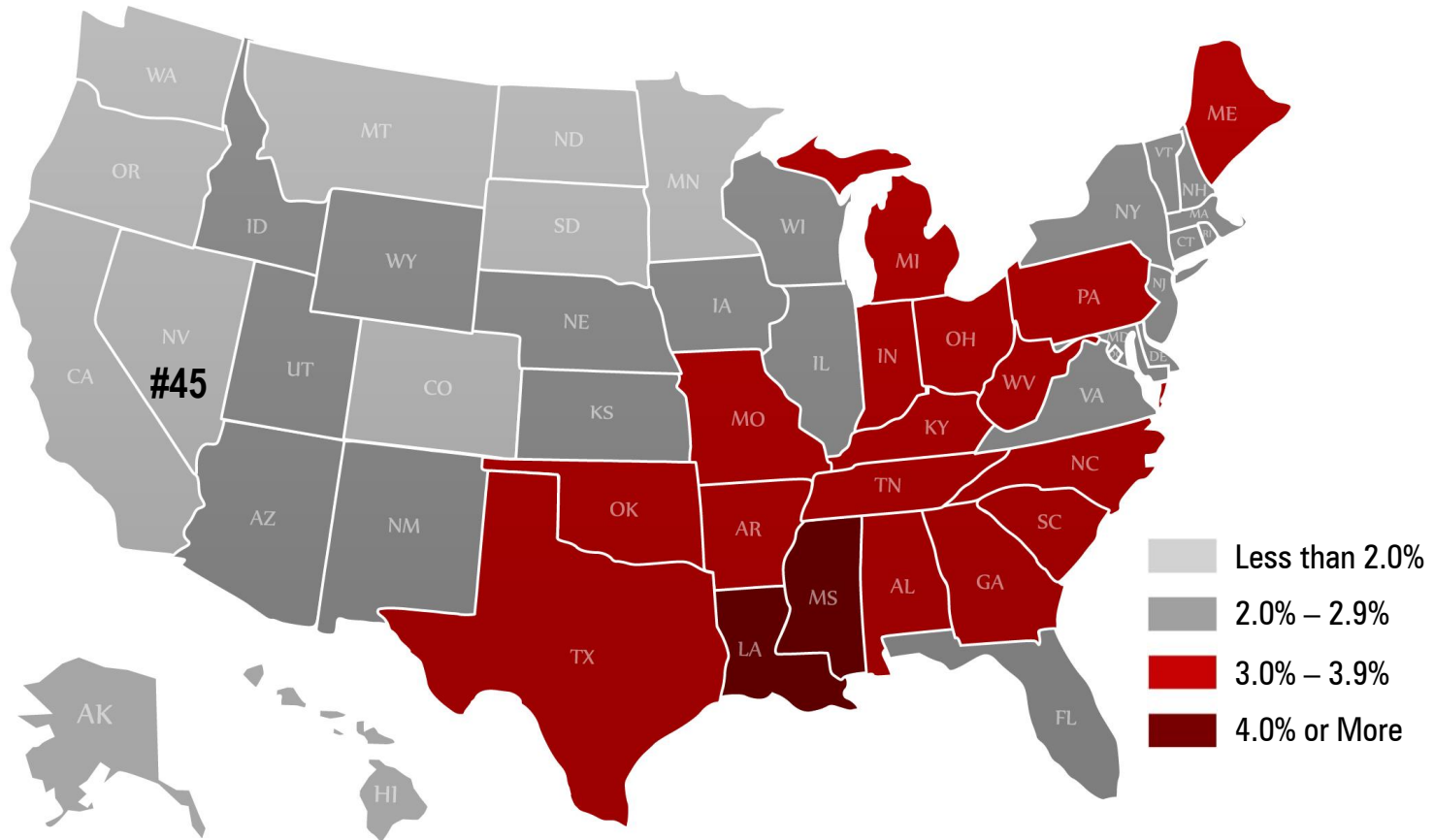
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Loans 30 Days Past Due



Source: Mortgage Bankers Association, National Delinquency Survey Q2 2014

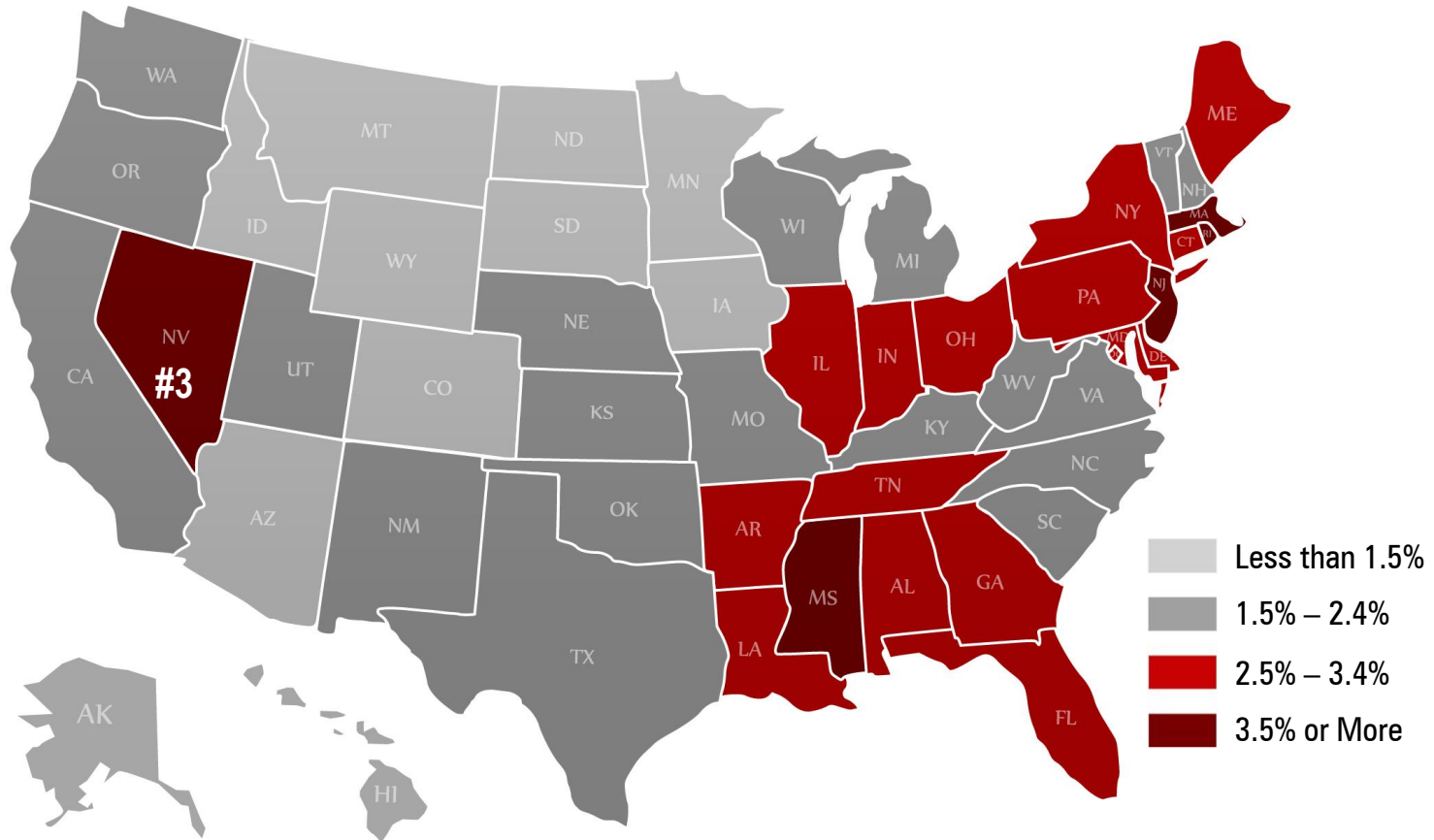
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Loans 90 Days Past Due



Source: Mortgage Bankers Association, National Delinquency Survey Q2 2014

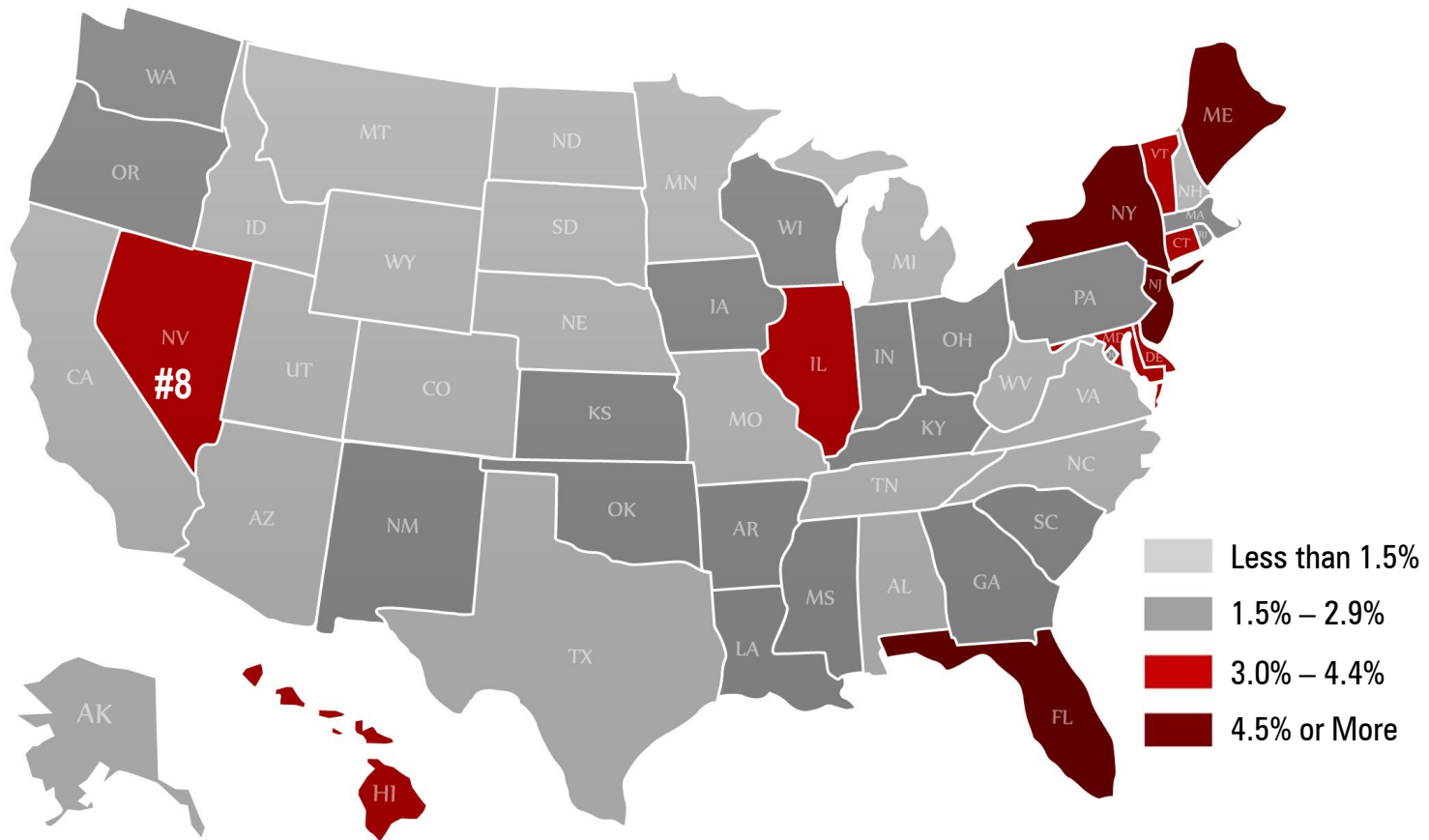
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Loans in Foreclosure



Source: Mortgage Bankers Association, National Delinquency Survey Q2 2014

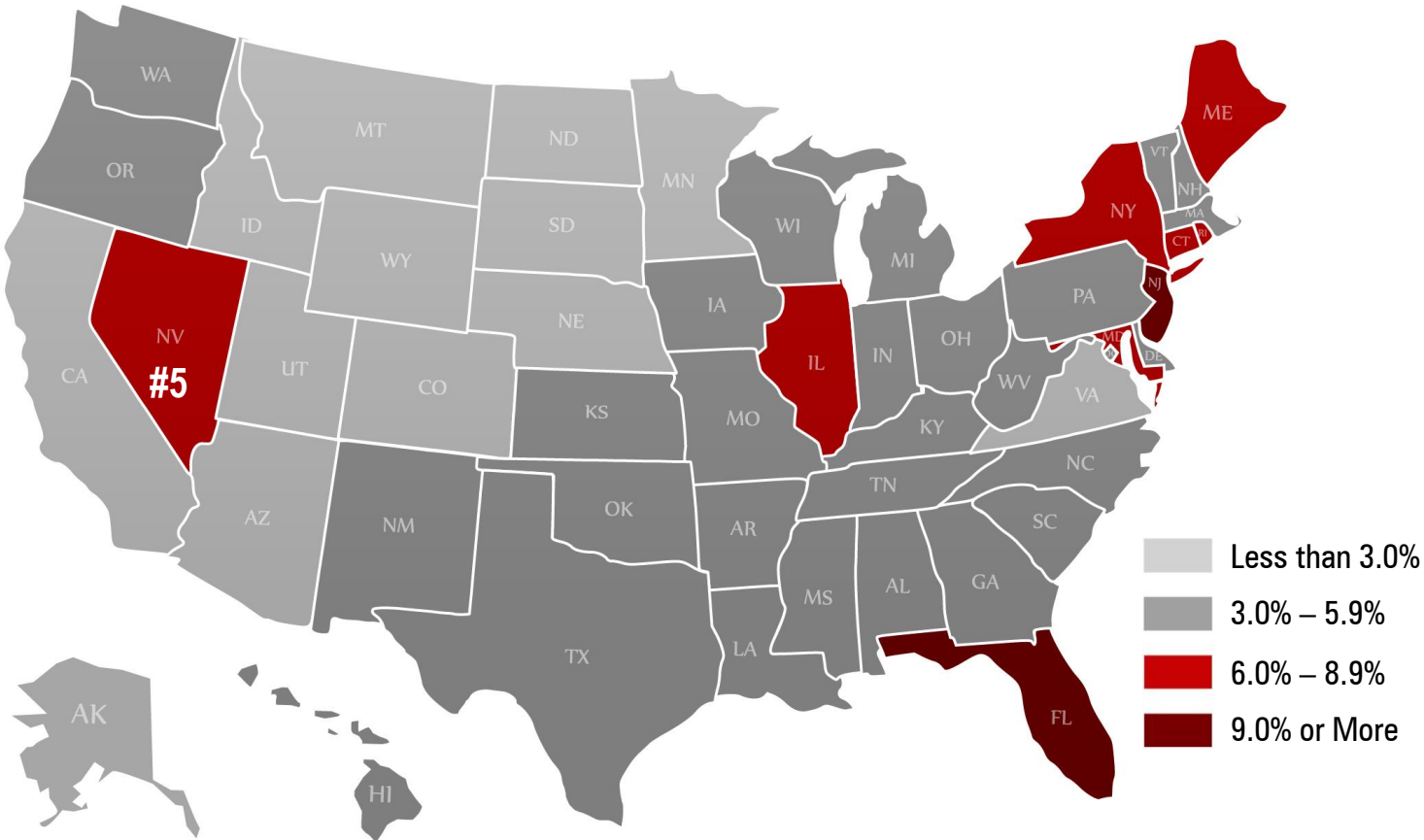
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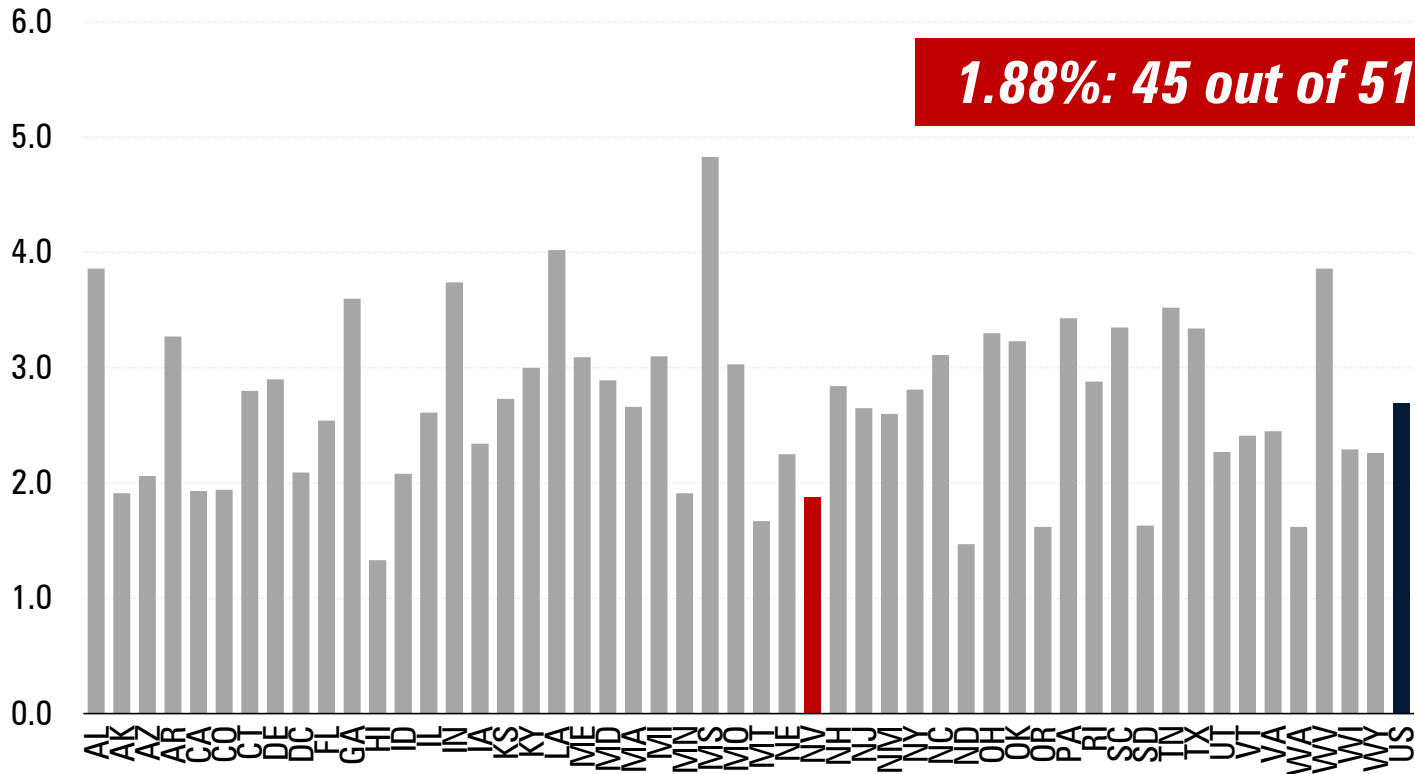


Loans Seriously Delinquent



Source: Mortgage Bankers Association, National Delinquency Survey Q2 2014

Mortgage Delinquencies: 30+ Days As a % of Loans Outstanding



Source: Mortgage Bankers Association, National Delinquency Survey Q2 2014

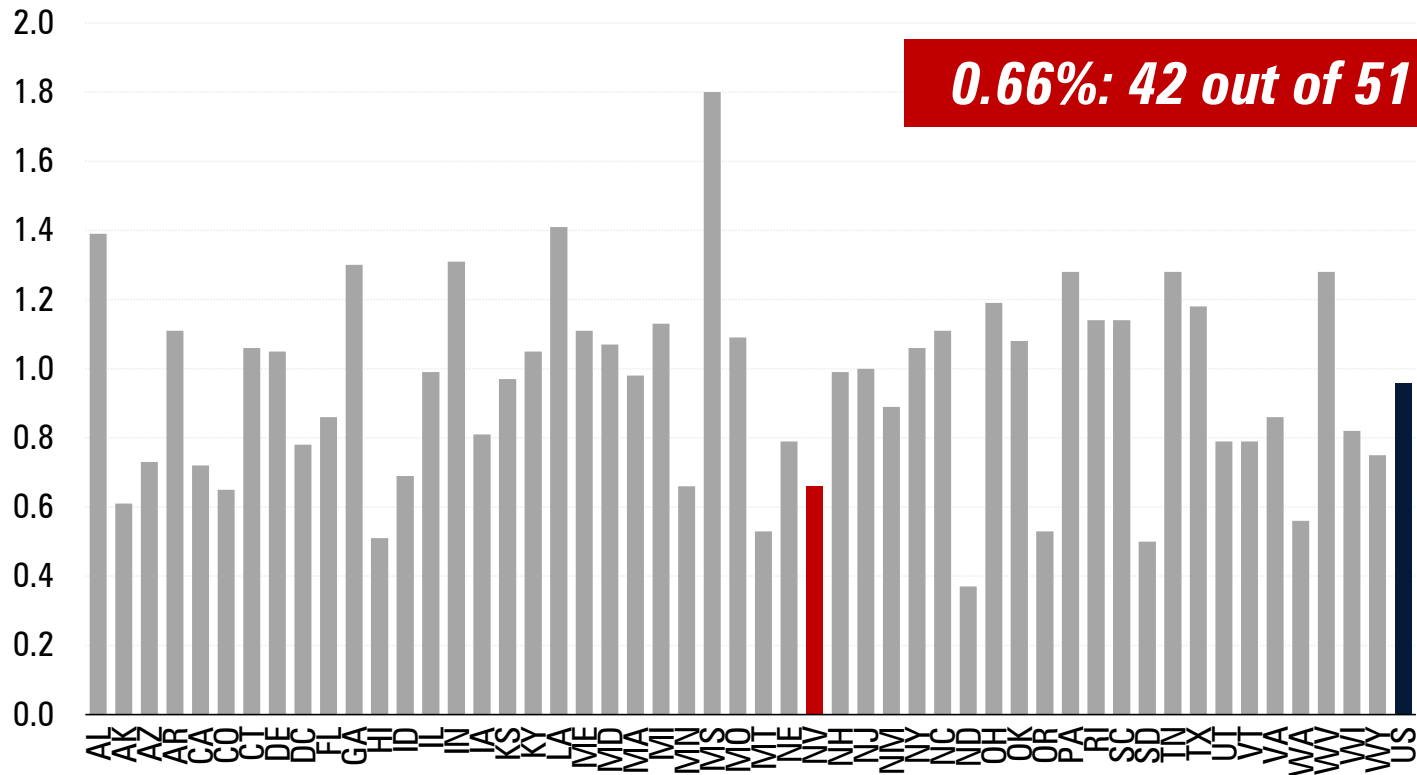
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Mortgage Delinquencies: 60+ Days As a % of Loans Outstanding



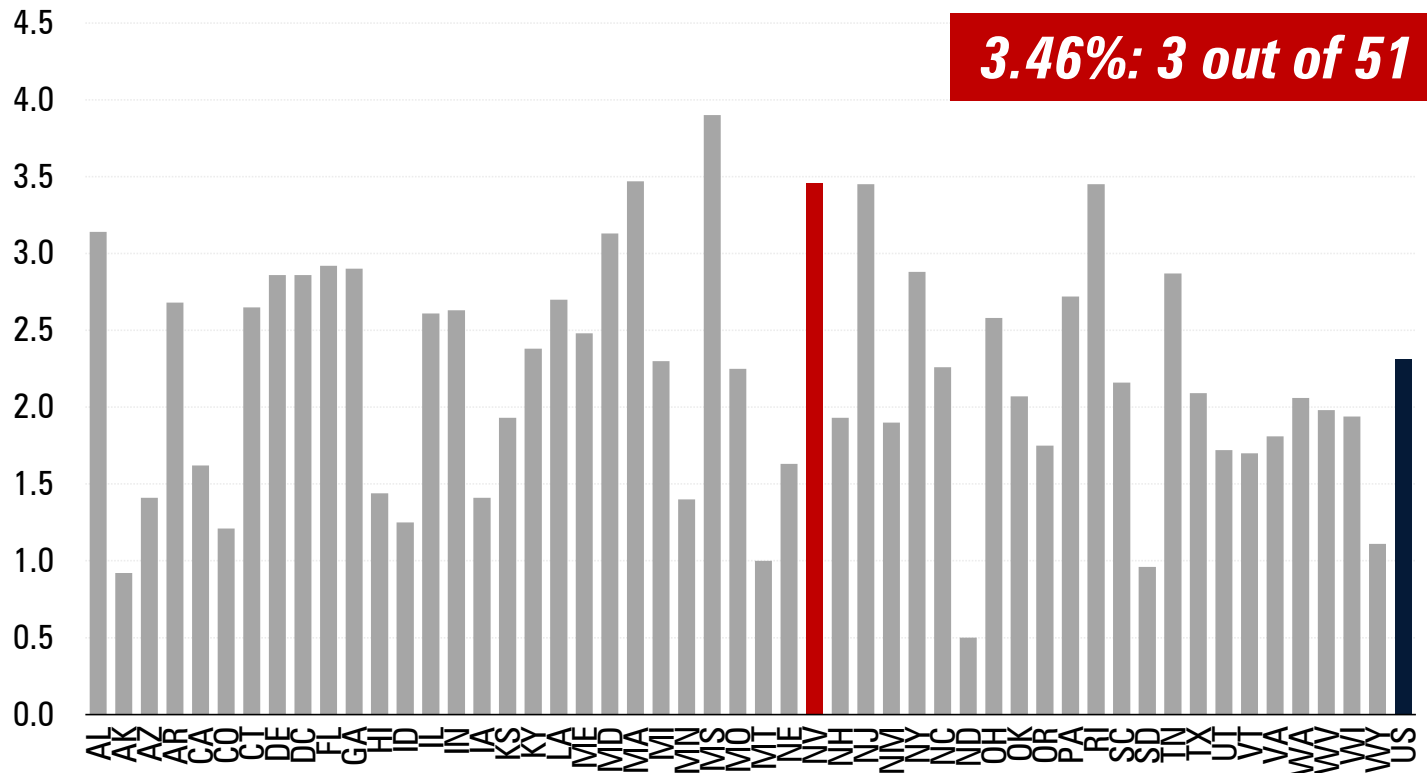
Source: Mortgage Bankers Association, National Delinquency Survey Q2 2014

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September 22, 2014



Mortgage Delinquencies: 90+ Days As a % of Loans Outstanding



Source: Mortgage Bankers Association, National Delinquency Survey Q2 2014

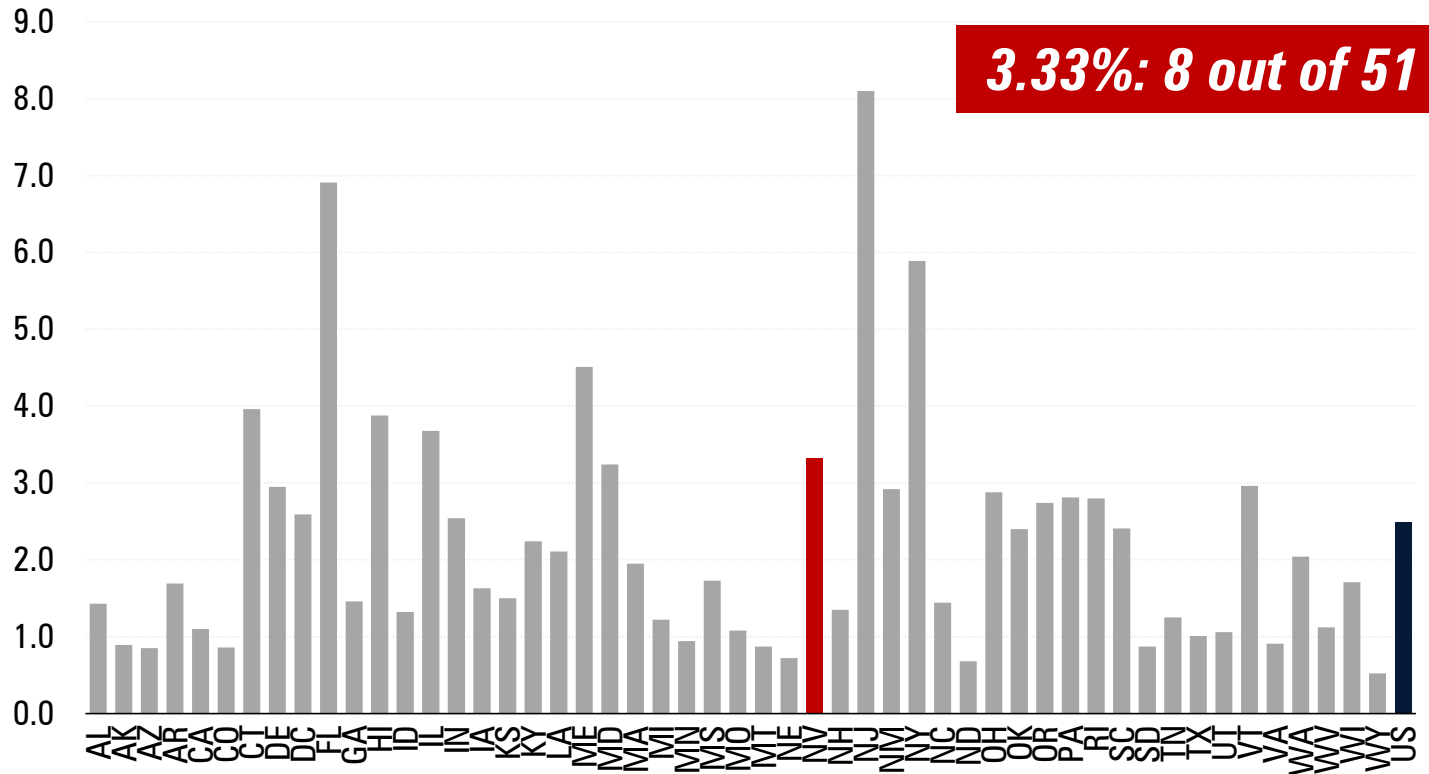
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Mortgage Delinquencies: In Foreclosure

As a % of Loans Outstanding



3.33%: 8 out of 51

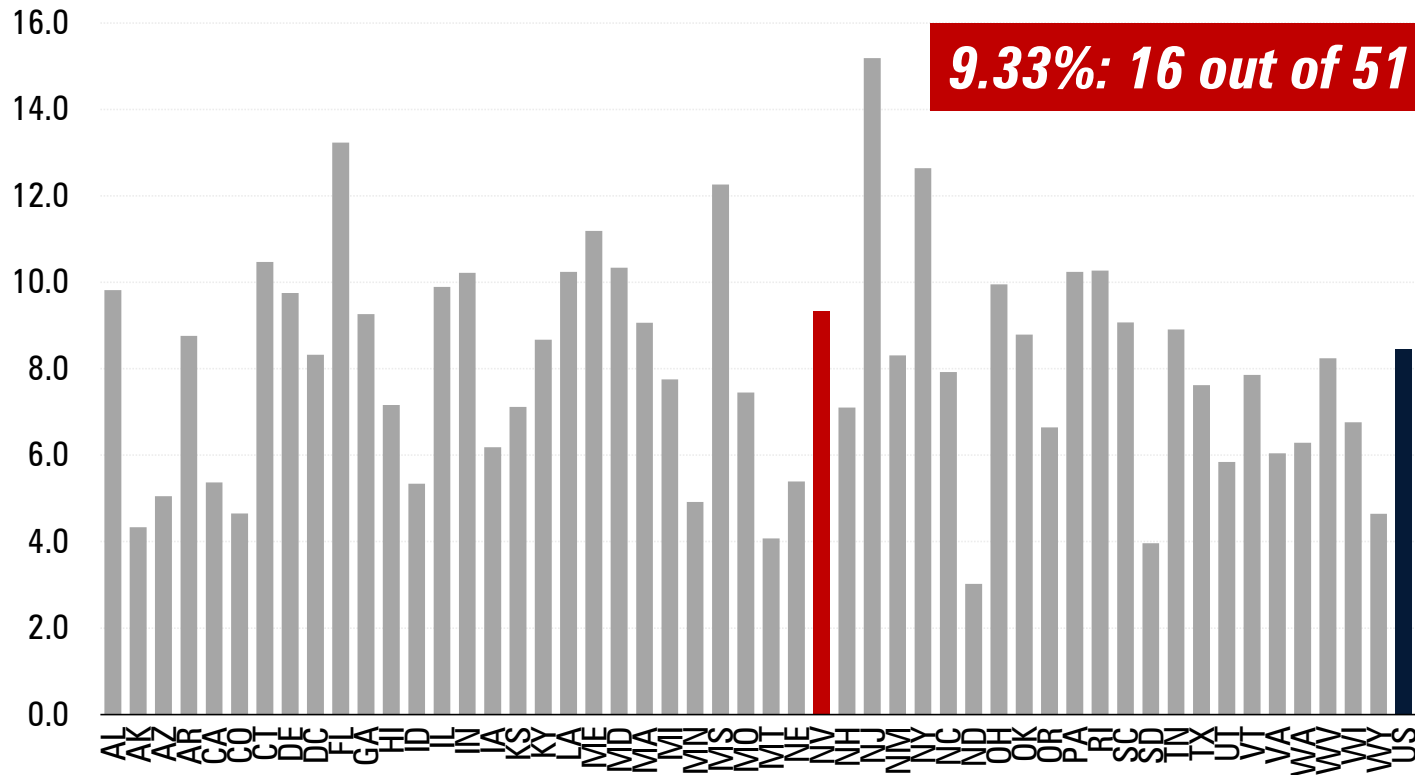
Source: Mortgage Bankers Association, National Delinquency Survey Q2 2014

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Mortgage Delinquencies: Past Due + In Foreclosure As a % of Loans Outstanding



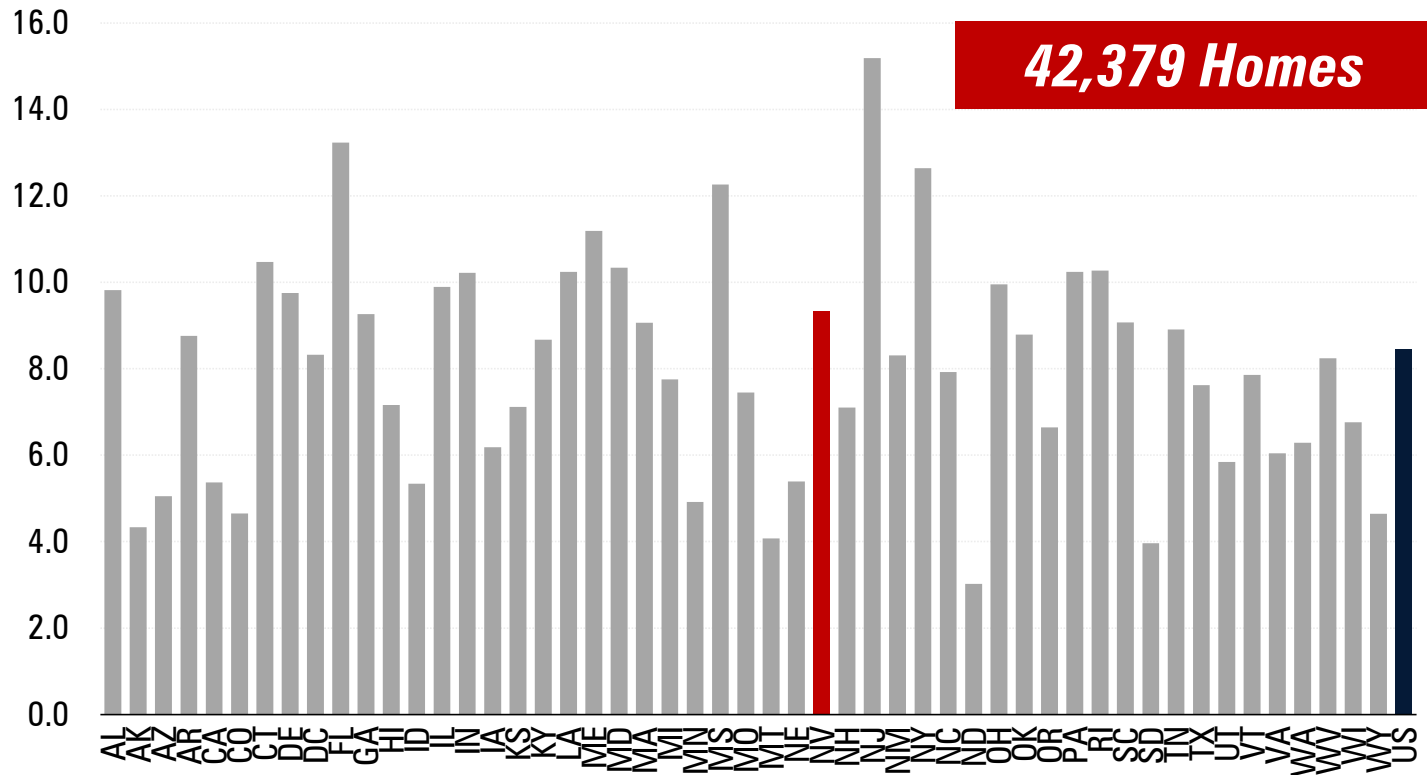
Source: Mortgage Bankers Association, National Delinquency Survey Q2 2014

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Mortgage Delinquencies: Past Due + In Foreclosure As a % of Loans Outstanding



42,379 Homes

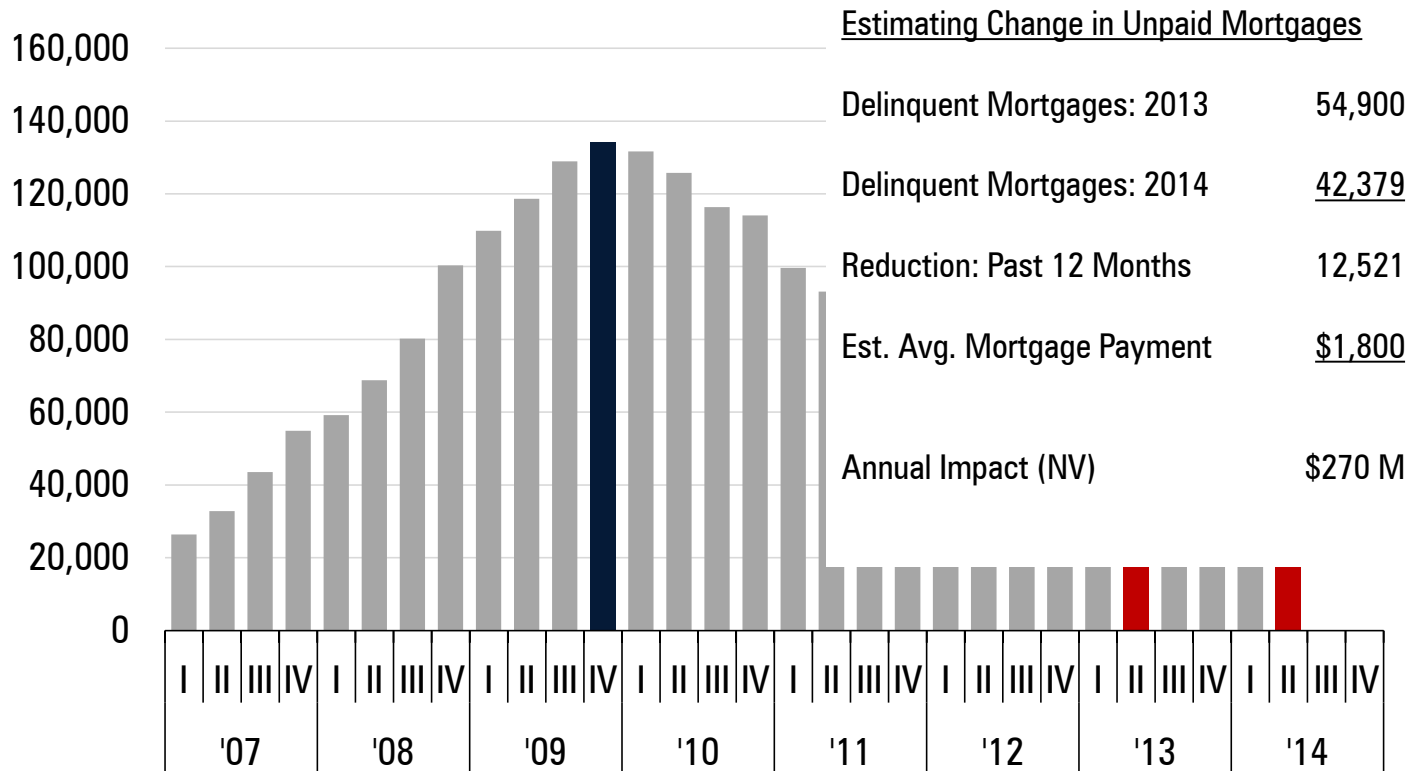
Source: Mortgage Bankers Association, National Delinquency Survey Q2 2014

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No. of Mortgages Past Due + In Foreclosure Nevada



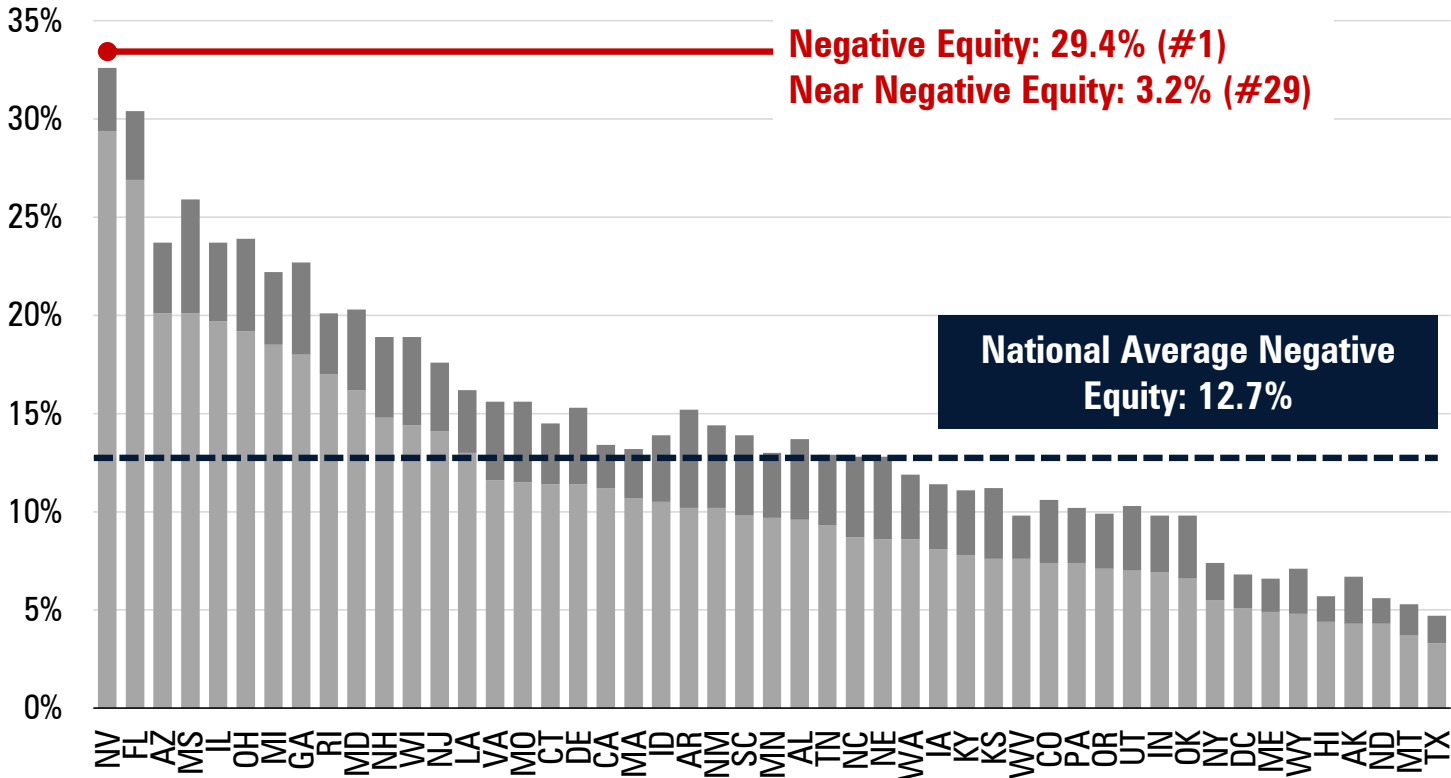
Source: Mortgage Bankers Association

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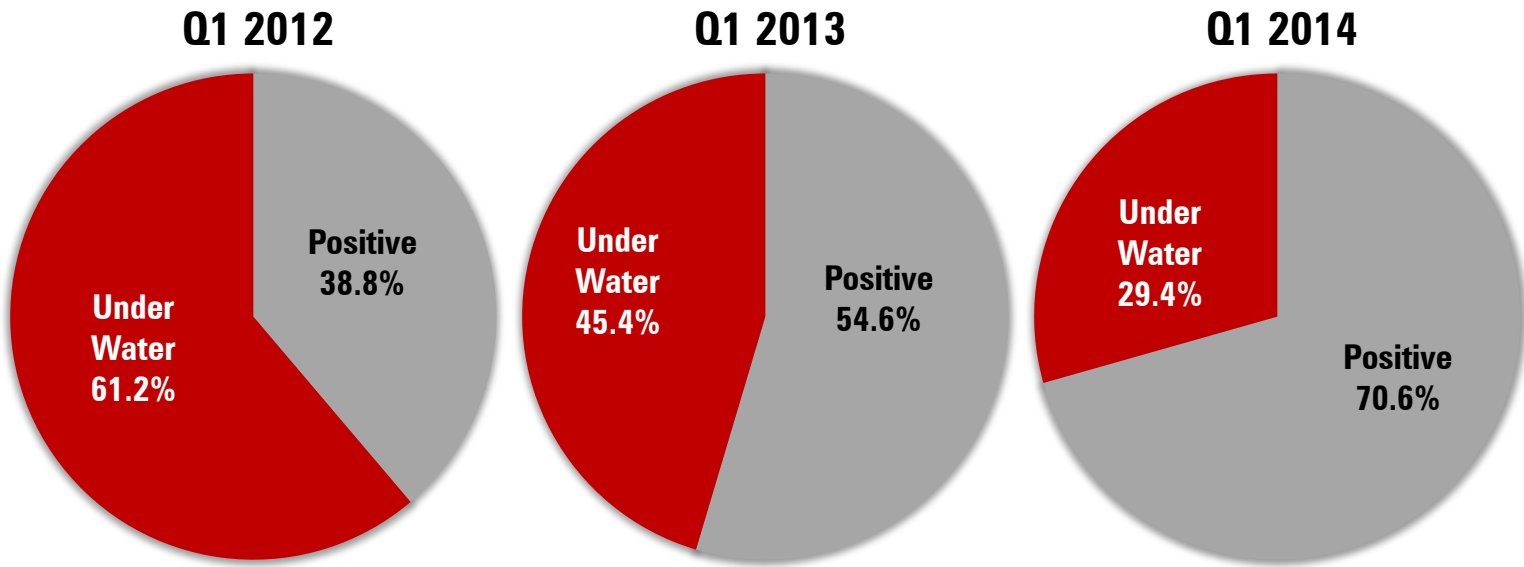


Negative Equity by State



Source: CoreLogic, Q1 2014

Nevada Homeowner's Equity



Source: CoreLogic

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HOUSING STABILITY INDEX

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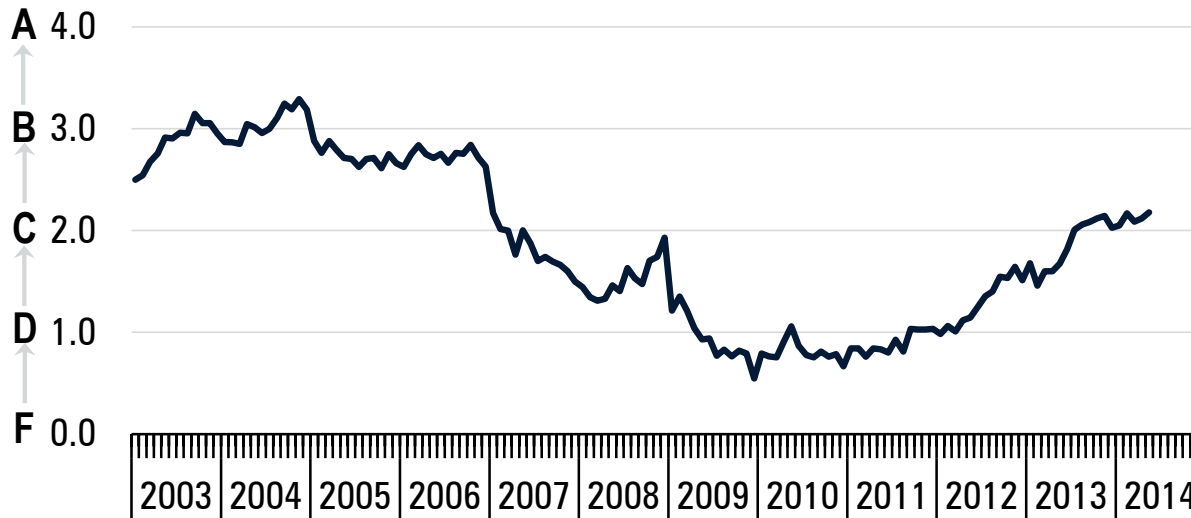
The Nevada Housing Stability Index (NHSI) is intended to monitor the overall health of Nevada's housing market.



12 independent series are consolidated to create the NHSI. They are weighted based on their relevance and importance to the housing market.



Nevada Housing Stability Index



	Statewide	Median State	Las Vegas	Reno
Current- Q2 2014	2.18 (C)	\$180,000	\$179,000	\$220,000
Previous- Q1 2014	2.17 (C)	\$174,000	\$172,500	\$225,000
Last Year- Q2 2013	1.68 (D+)	\$160,000	\$160,000	\$189,750



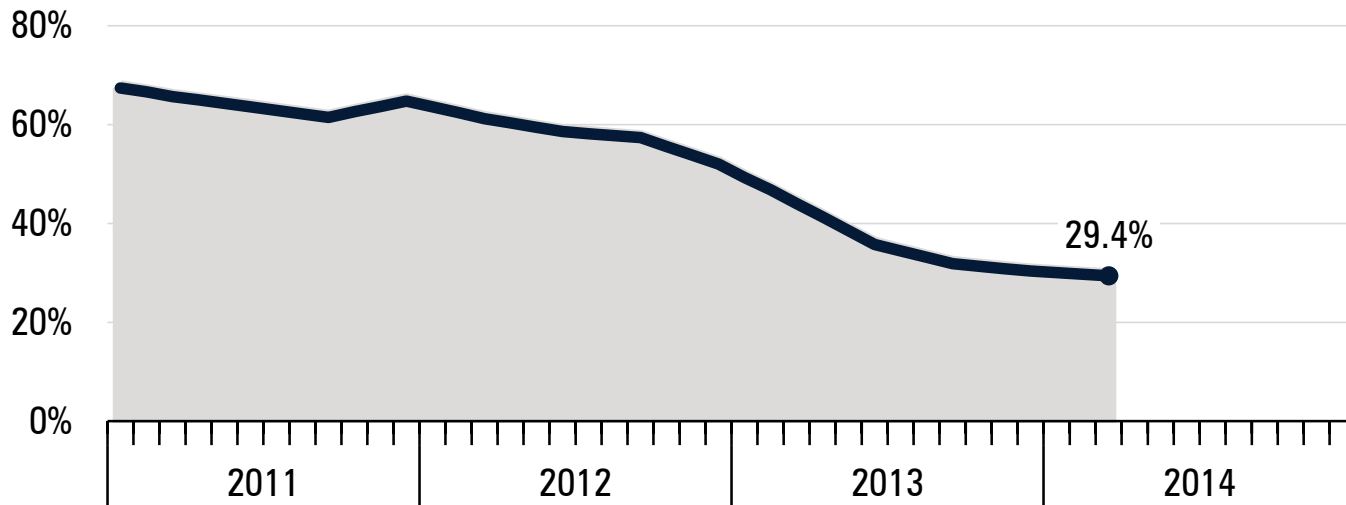
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Underwater Loan Percentage

Share of Loans with Negative Equity



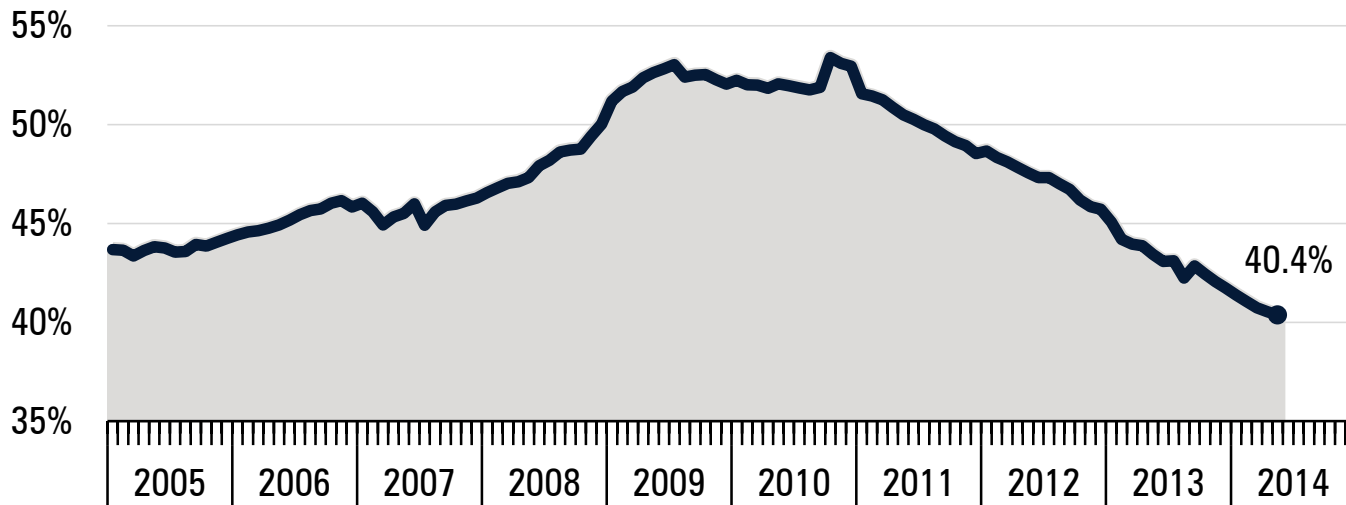
	Statewide	Las Vegas	Reno
Current- Q2 2014	29.4% (B-)	31.8%	21.6%
Previous- Q1 2014	29.7% (B-)	32.1%	41.2%
Last Year- Q2 2013	38.5% (C)	21.9%	30.1%





Community Borrowing Ratio

Loans-to-Employment Ratio



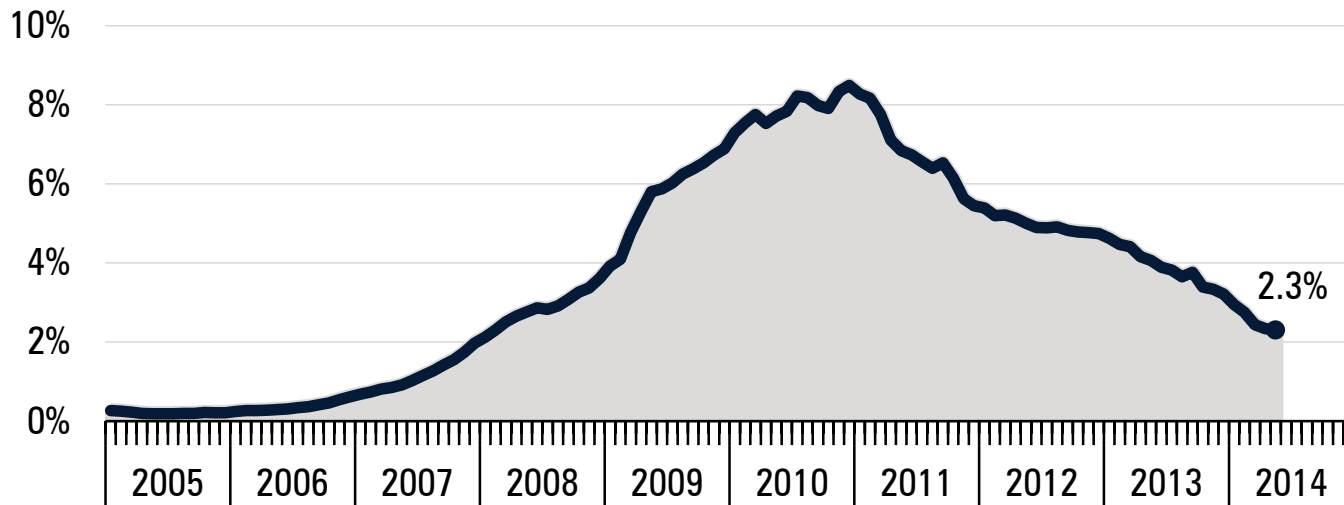
	Statewide	Las Vegas	Reno
Current- Q2 2014	40.4% (F)	40.7%	40.7%
Previous- Q1 2014	41.1% (D-)	41.2%	40.9%
Last Year- Q2 2013	43.4% (C+)	43.5%	43.8%





Foreclosure Volume

Share of Mortgages in Foreclosure



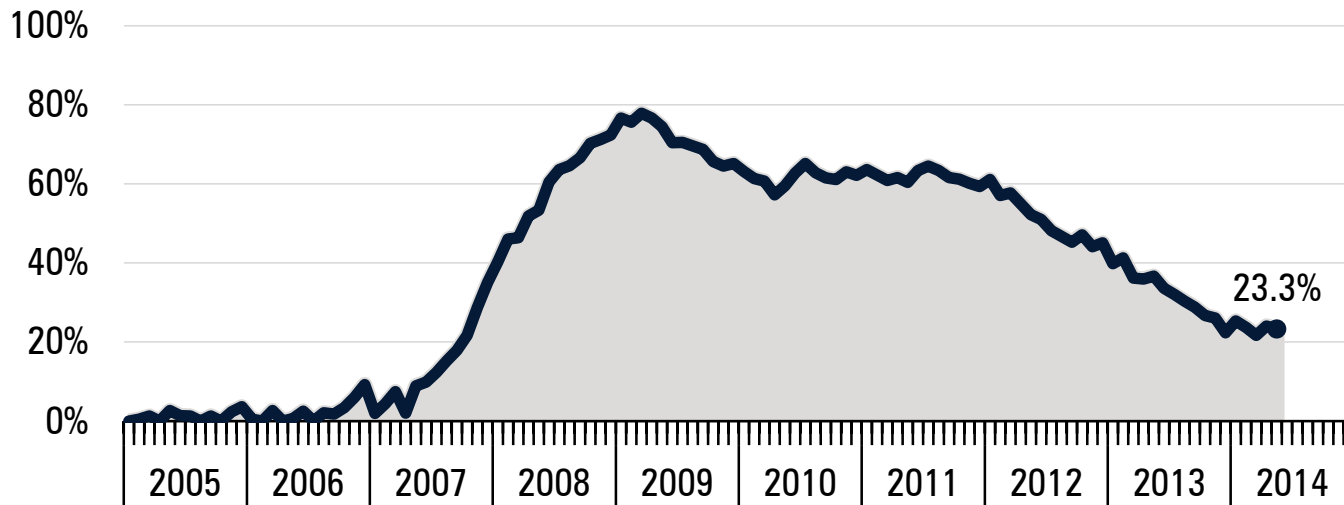
	Statewide	Las Vegas	Reno
Current- Q2 2014	2.3% (C-)	2.5%	1.6%
Previous- Q1 2014	2.7% (D+)	3.0%	2.0%
Last Year- Q2 2013	4.1% (D-)	4.4%	3.2%





Distressed Home Sales

Distressed Sales as a Percentage of Total



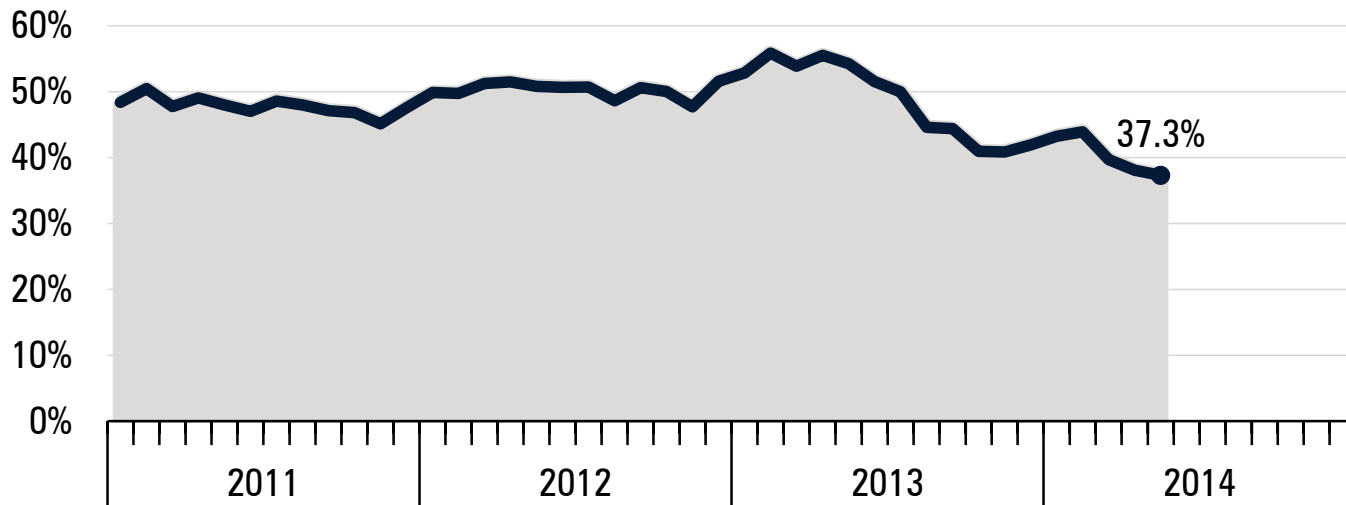
	Statewide	Las Vegas	Reno
Current- Q2 2014	23.3% (B+)	Local Statistics Not Available	
Previous- Q1 2014	23.7% (B+)		
Last Year- Q2 2013	26.7% (C+)		





Investor Purchase Share

Cash Purchases as a Percentage of Total



	Statewide	Las Vegas	Reno
Current- Q2 2014	37.3% (C+)	39.8%	24.1%
Previous- Q1 2014	43.9% (D+)	46.6%	29.6%
Last Year- Q2 2013	54.2% (D-)	58.2%	31.5%



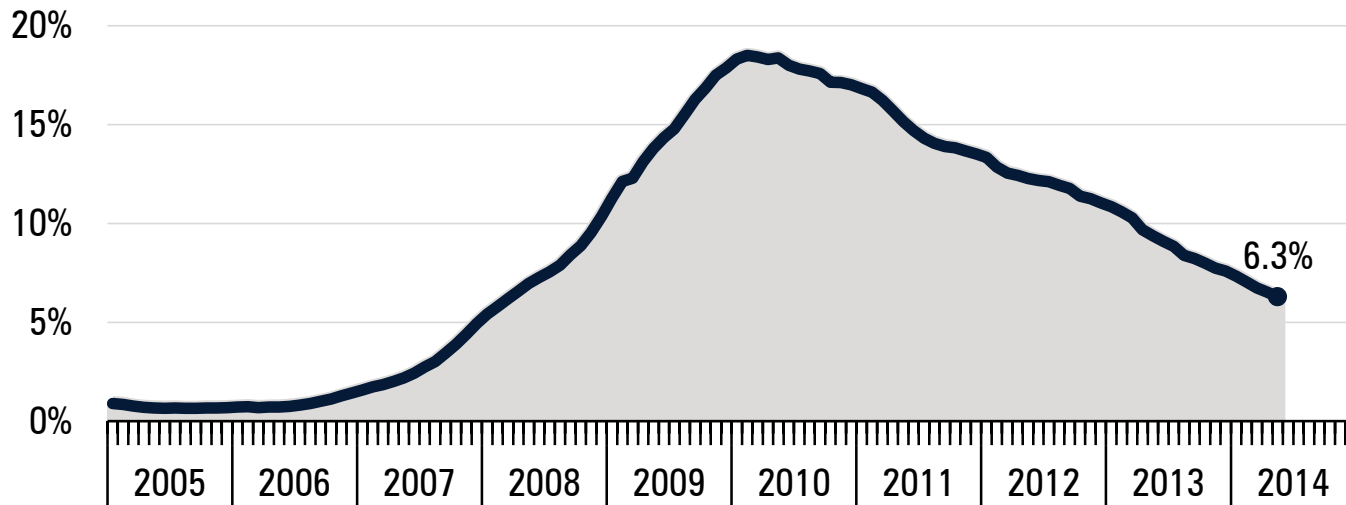
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Delinquency Rate

Share of 90+ Day Delinquencies to Total Loans



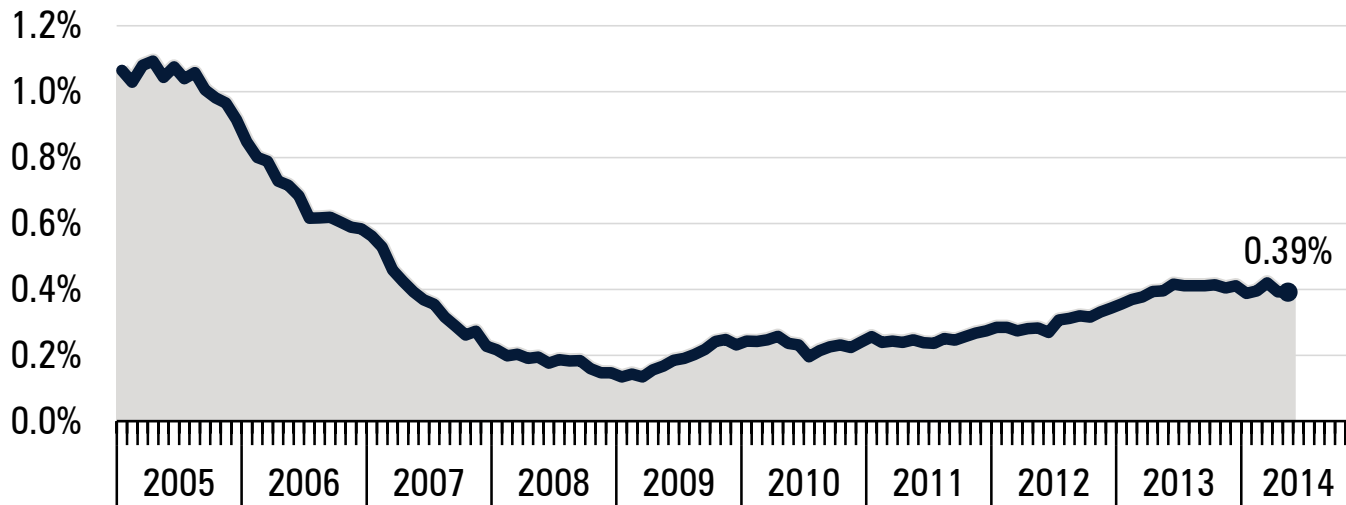
	Statewide	Las Vegas	Reno
Current- Q2 2014	6.3% (C-)	6.9%	4.3%
Previous- Q1 2014	7.0% (D+)	7.8%	4.9%
Last Year- Q2 2013	9.4% (D)	4.9%	7.1%





Housing Turnover Rate

Resale Closings as a Percentage of Total Homes



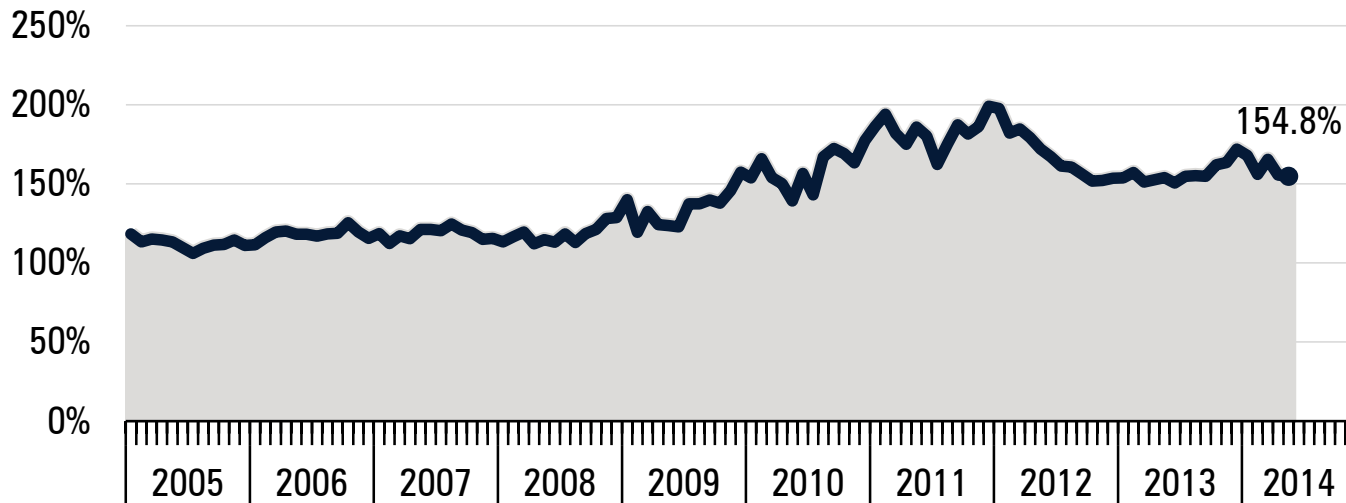
	Statewide	Las Vegas	Reno
Current- Q2 2014	0.39% (D)	Local Statistics Not Available	
Previous- Q1 2014	0.39% (D)		
Last Year- Q2 2013	0.40% (D)		





New-to-Resale Price Ratio

New Home Prices as a Percentage of Resale Prices



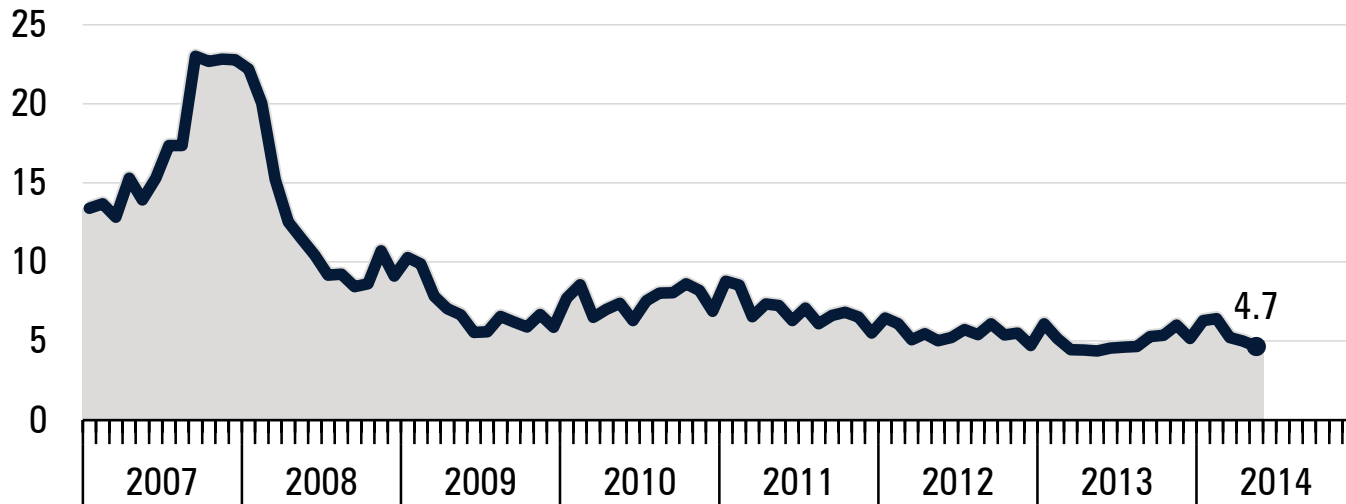
	Statewide	Las Vegas	Reno
Current- Q2 2014	154.8% (D)	157.5%	140.0%
Previous- Q1 2014	156.0% (D)	153.8%	149.5%
Last Year- Q2 2013	154.0% (D)	153.1%	130.0%





Resale Housing Availability

Effective Months of Availability



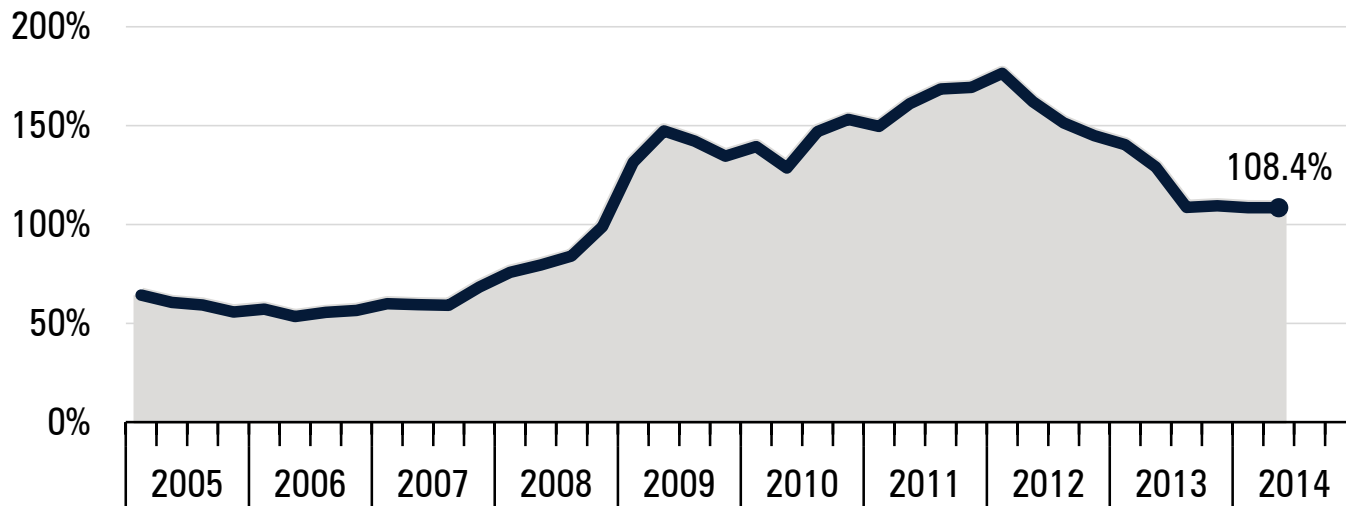
	Statewide	Las Vegas	Reno
Current- Q2 2014	4.7 (D)	4.8	3.7
Previous- Q1 2014	6.4 (C)	6.8	4.5
Last Year- Q2 2013	4.4 (D-)	4.5	3.7





Rent vs. Cost to Own

Average Rents as a Percentage of Mortgage Costs



	Statewide	Las Vegas	Reno
Current- Q2 2014	108.4% (A-)	111.7%	95.6%
Previous- Q1 2014	108.5% (A-)	112.5%	91.8%
Last Year- Q2 2013	128.9% (B-)	131.1%	117.5%



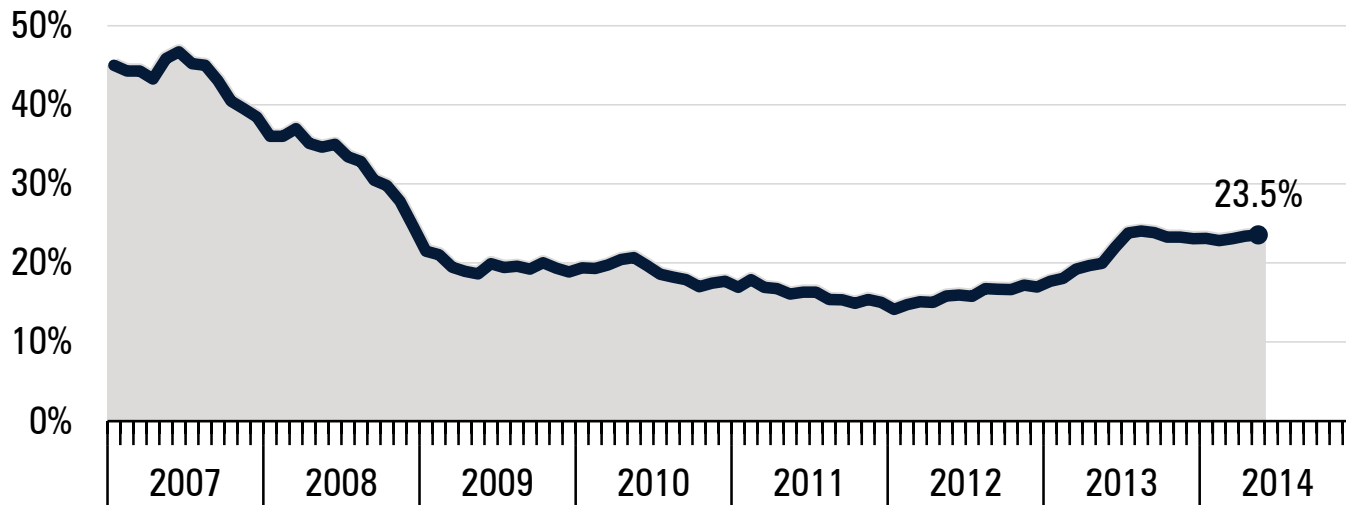
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Housing Affordability Ratio

Mortgage Costs as a Percentage of Average Wages



	Statewide	Las Vegas	Reno
Current- Q2 2014	23.5% (A-)	23.3%	28.1%
Previous- Q1 2014	22.8% (A-)	22.5%	29.1%
Last Year- Q2 2013	20.0% (C)	19.8%	23.6%



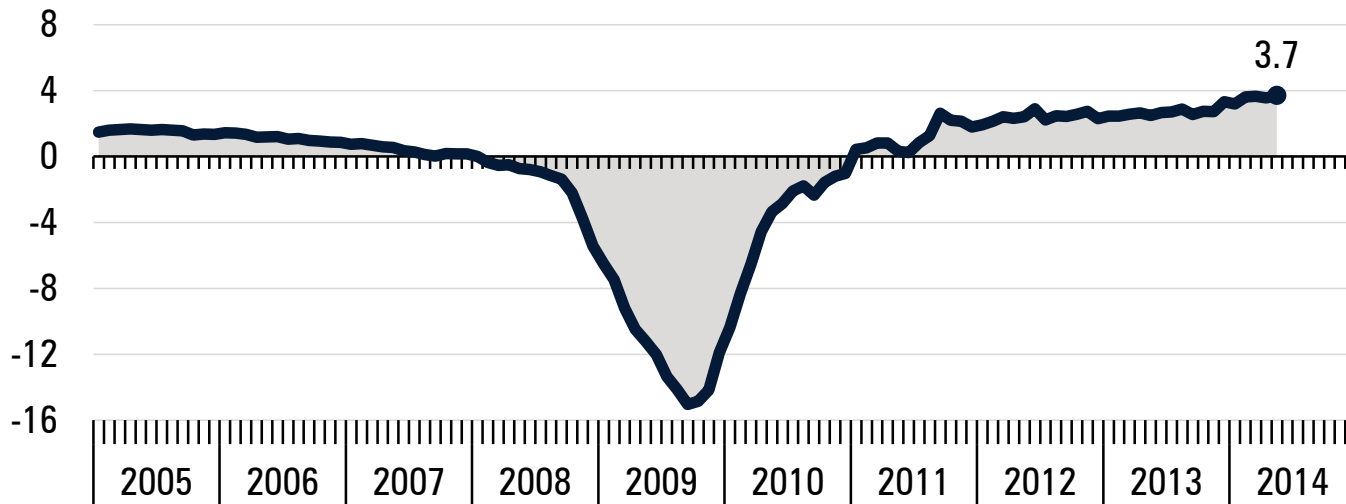
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Employ. & Housing Construction

Employment Change-to-Permits



	Statewide	Las Vegas	Reno
Current- Q2 2014	3.71 (A)	Local Statistics Not Available	
Previous- Q1 2014	3.62 (A)		
Last Year- Q2 2013	2.50 (A)		





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