

Report on Nevada's Housing Market

This series of reports on Nevada's Housing Market is co-presented by the Lied Institute for Real Estate Studies at the University of Nevada, Las Vegas and the State of Nevada Department of Business & Industry. These reports provide monthly updates on housing market trends for stakeholders throughout Nevada.

Funding provided by the Housing Data and Index Project, a joint initiative of:



State of Nevada
Department of Business & Industry



Table of Contents

Nevada Statewide Trends..... 2

Northern Trends..... 10

Southern Trends..... 14

Rural Trends..... 18

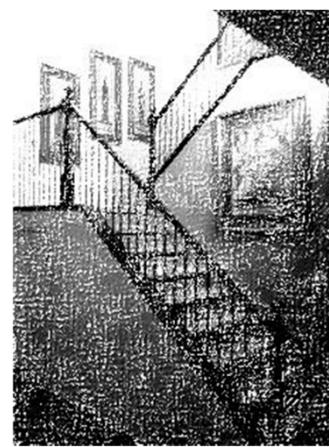
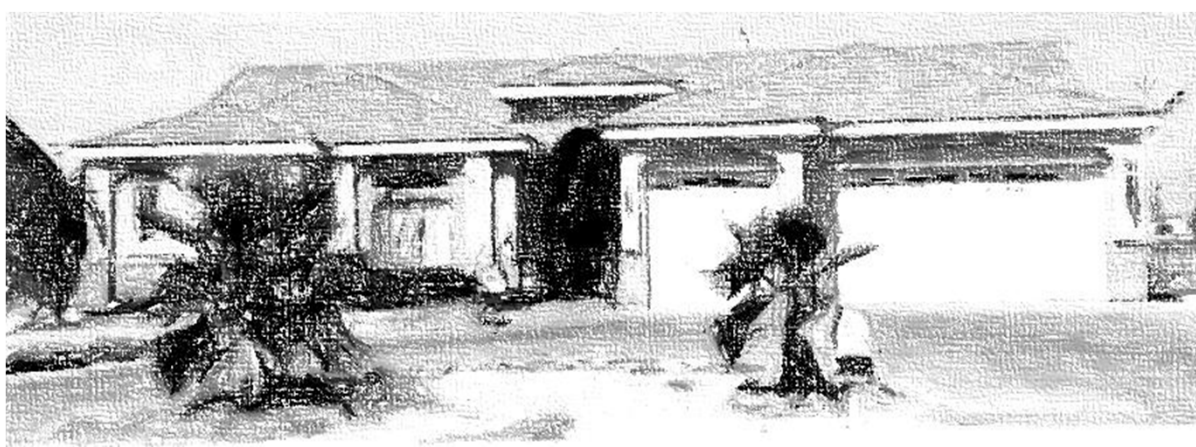
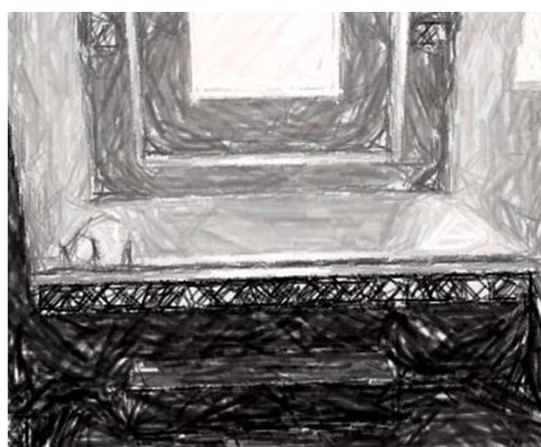
Nevada's Housing Market | May 2015

Nevada Statewide Trends

Population: **2,839,099** in 2014

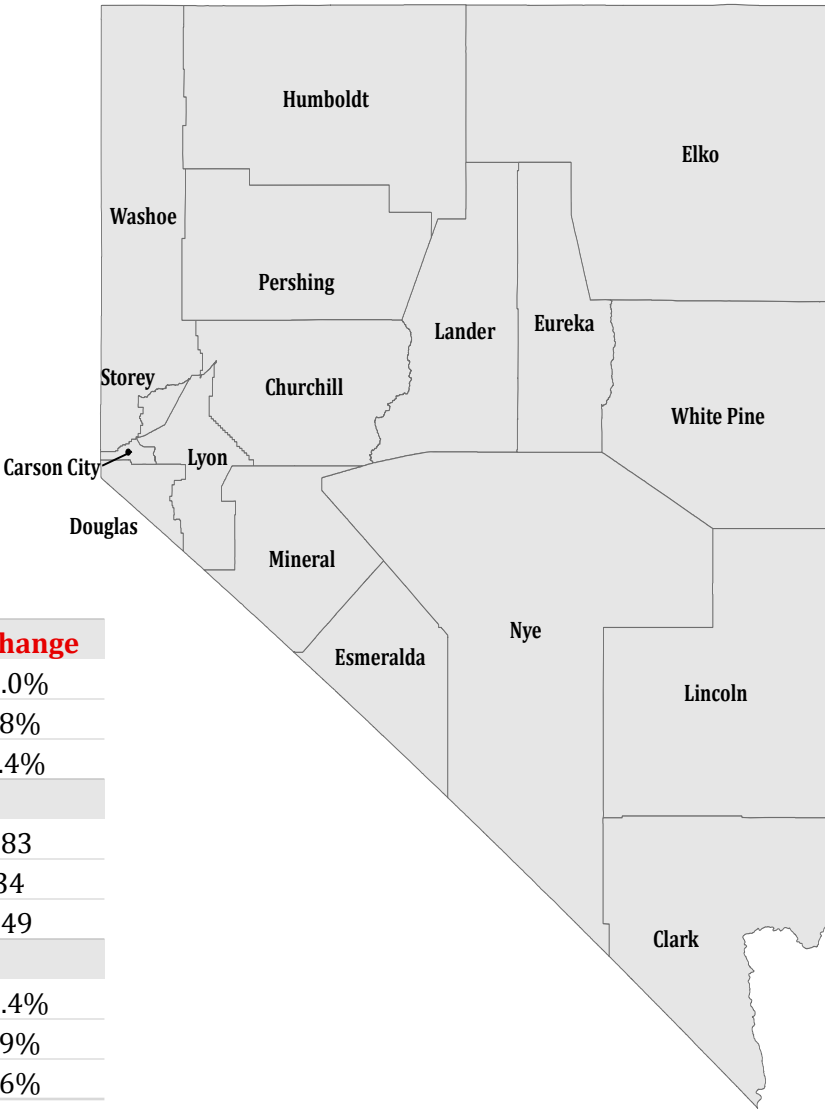
Housing Units: **1,186,879** in 2013

Source: U.S. Census Bureau: State and County QuickFacts



Nevada Statewide Trends

- ❑ All three regions in Nevada saw significant increases in existing home sales this month. Existing home sales this month were the highest they had been since October 2013.
- ❑ The share of home sold under distress increased by 4.5 percent this month as both Northern and Southern Nevada saw increases in the distress share. This increase was a result of a 15 percent increase in REO sales as short sales actually decreased this month. REO sales have been higher than short sales in Nevada for four out of the five months of 2015.
- ❑ Both Northern and Southern Nevada saw increases in new and existing home prices this month. May 2015 marked the fourth consecutive month of an increase in existing home prices for the state of Nevada.

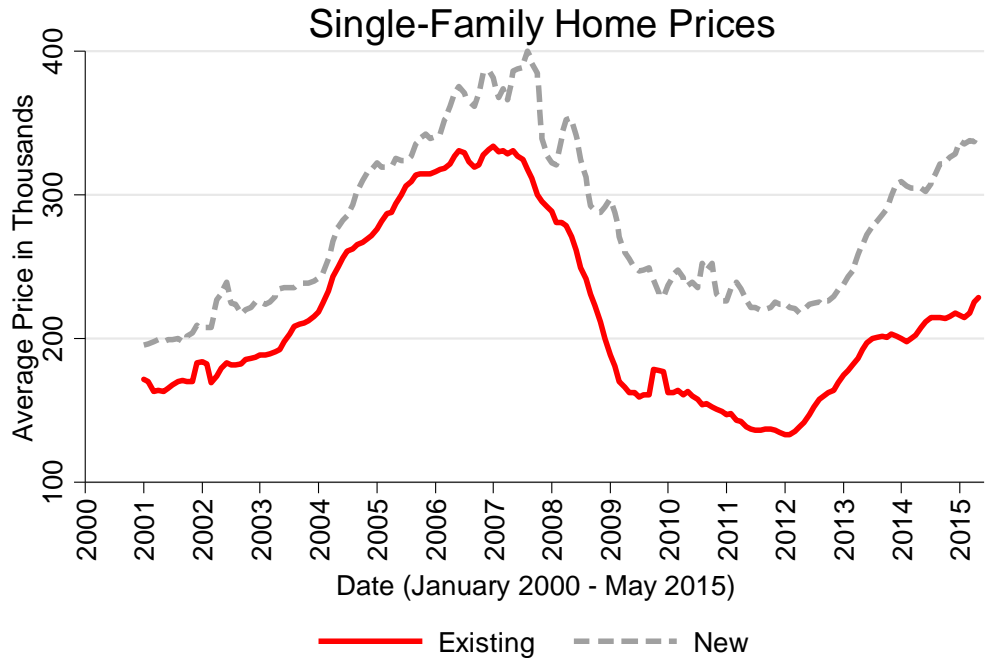


Single-Family Home Sales*	May 2015	M2M Change	Y2Y Change
New	602	+2.9%	+23.0%
Existing	4945	+10.7%	+3.8%
Distress Share	14.0%	+4.5%	-28.4%
Residential Construction			
Total Starts	1,423	+290	+283
Single-Family	904	-110	+34
Multifamily	519	+400	+249
Average Single-Family Sales Price*			
New	\$341,841	+1.4%	+12.4%
Existing	\$227,782	+1.3%	+9.9%
Distress	\$169,319	-0.5%	+7.6%

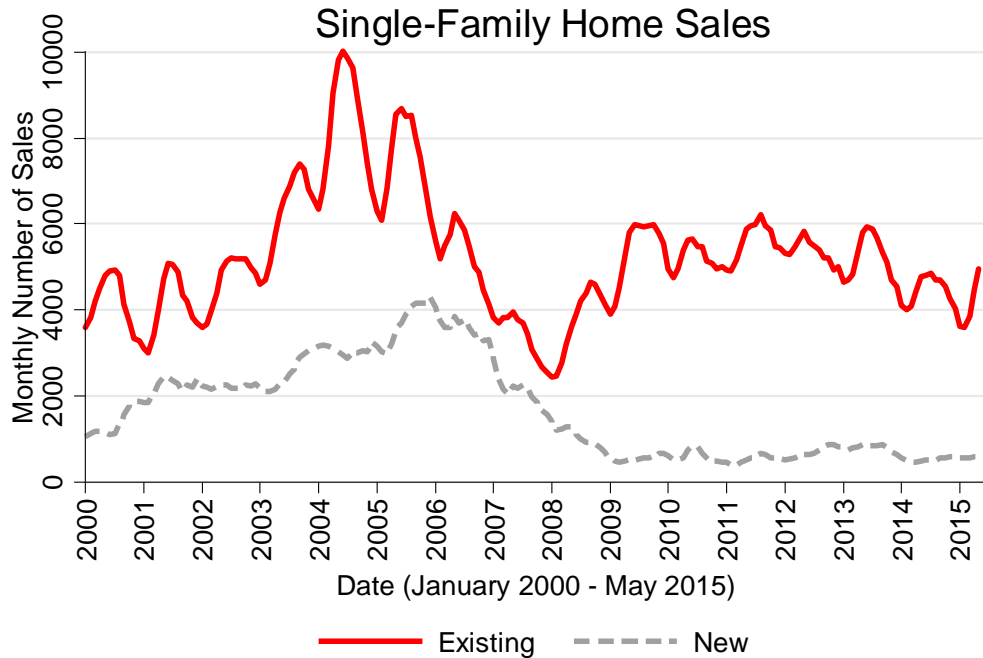
Source: Lied Institute calculations using CoreLogic Data and the *State of the Cities Data Systems* by U.S. Department of Housing and Urban Development.

*Figures portray Three-Month Moving Weighted Averages

Nevada Statewide Trends



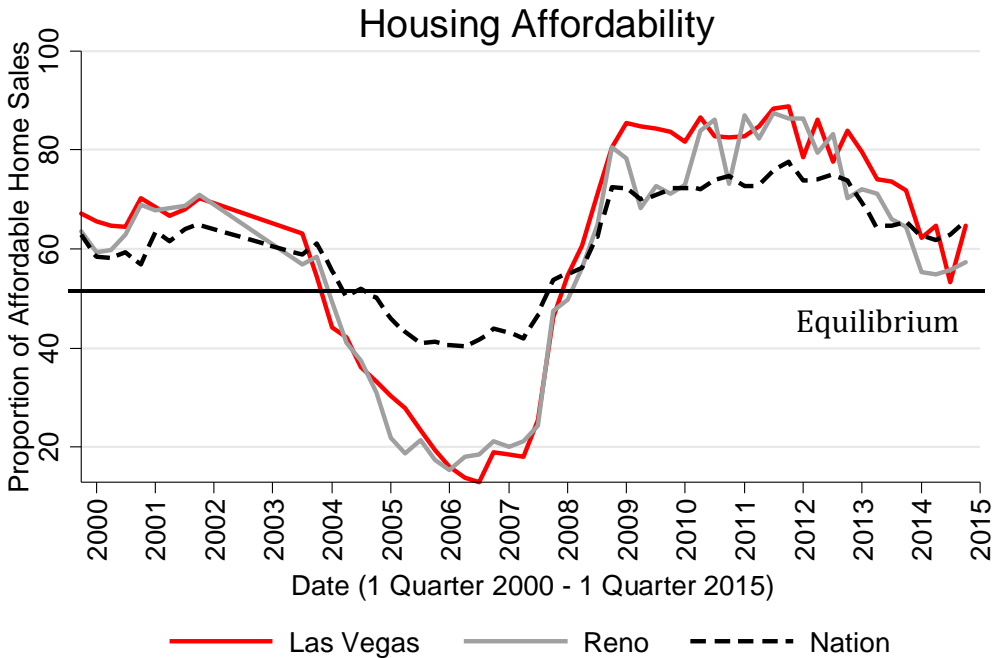
Source: CoreLogic
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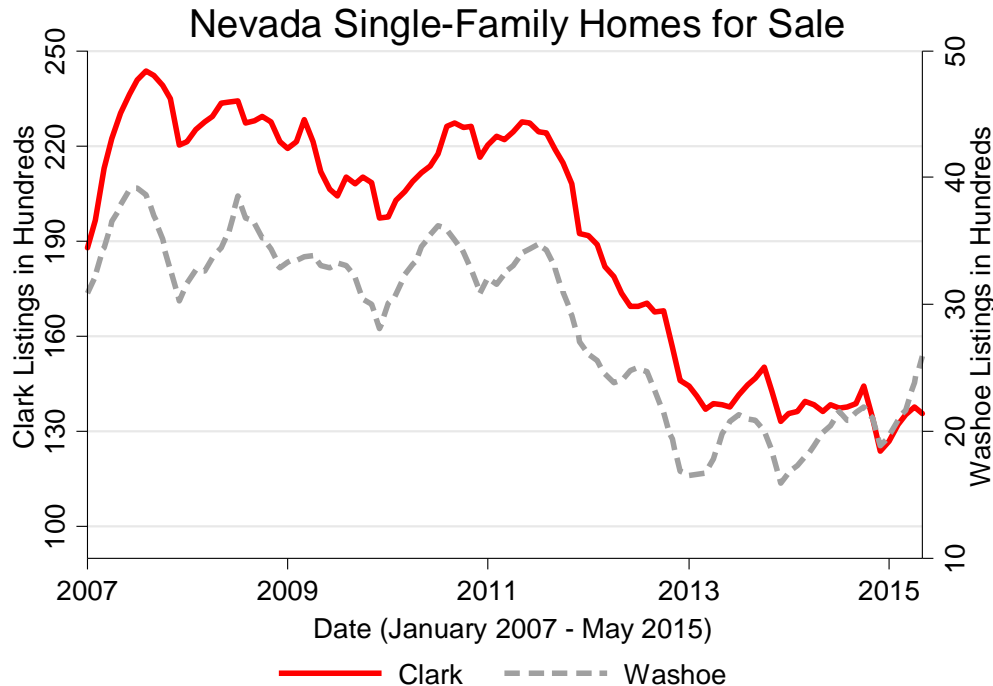
Source: CoreLogic
 Note: Series are 3-month weighted moving averages.

The Single-Family Home Prices figure above shows the three-month moving average price of existing homes and new homes. Existing homes are single family homes that were exchanged from one private owner to another. This includes homes sold by real estate agents, owners, and lenders. New homes are single family homes that were exchanged from a builder to a private owner. The other figure, Single-Family Homes Sales, illustrates the number of those transactions for both existing and new homes. A seasonal pattern is obvious in the Single-Family Home Sales graph, with more home sales during the summer than during the winter.

Nevada Statewide Trends



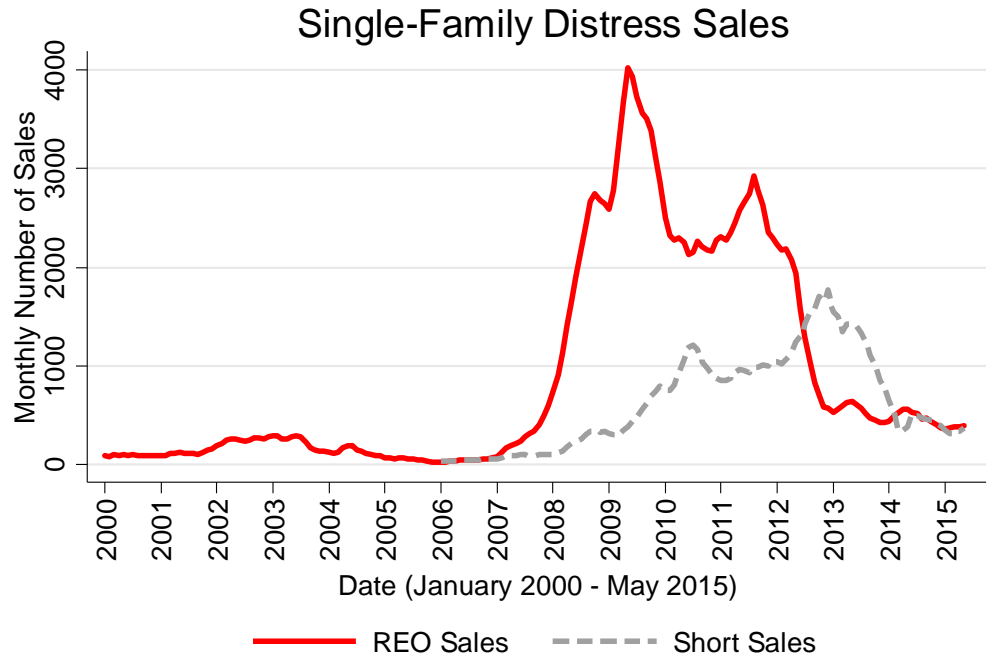
Source: National Association of Home Builders
 Note: Series denote the proportion of home sales affordable at median income.



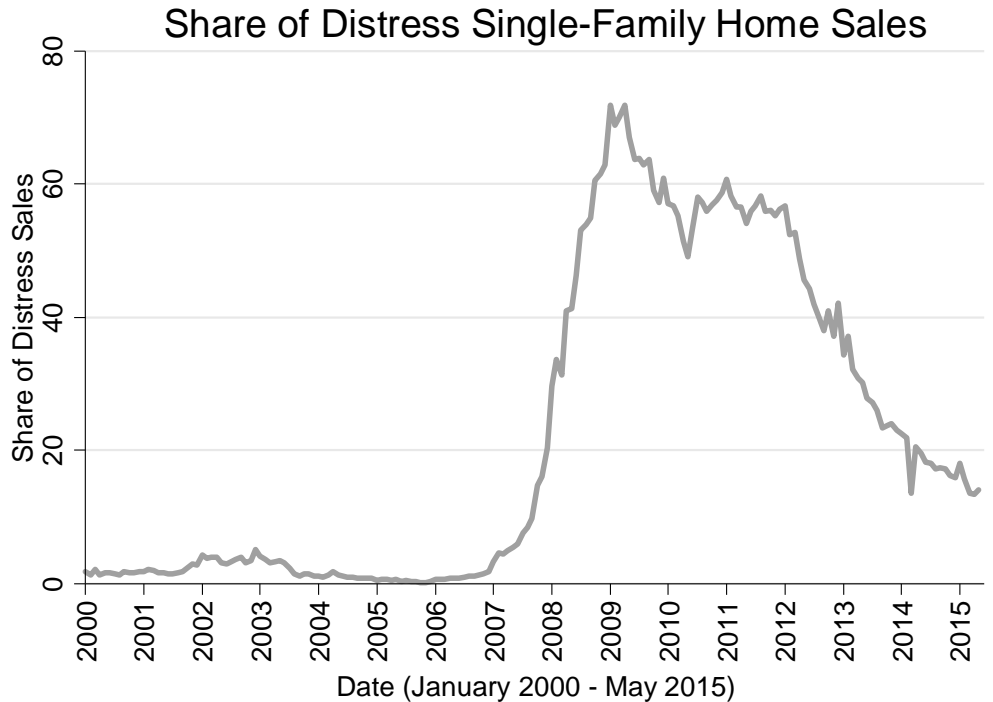
Source: Greater Las Vegas Association of Realtors and UNR's Center for Regional Studies

The Housing Affordability figure shows the proportion of home sales that could have been bought by borrowers earning at least the local median income, with a conventional loan. This index was developed by the National Association of Home Builders (NAHB), to provide a benchmark of affordability. The other figure, Nevada Single-Family Homes for Sale, shows the number of homes available for sale at the end of the month. These numbers include new listings that are awaiting a purchasing contract, as well as homes that are under contract and about to sell.

Nevada Statewide Trends



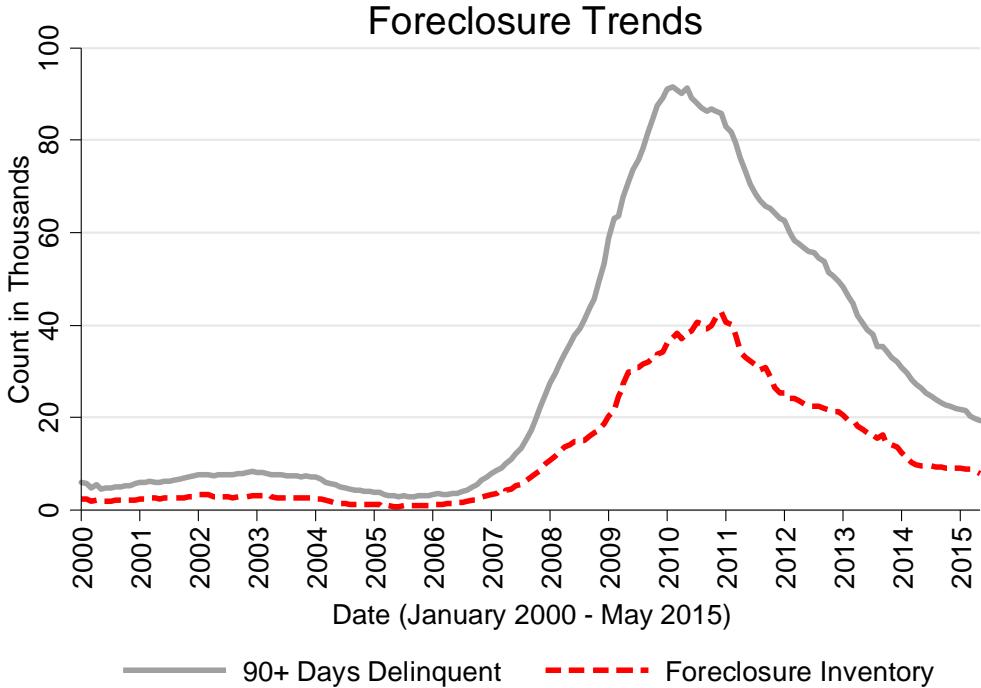
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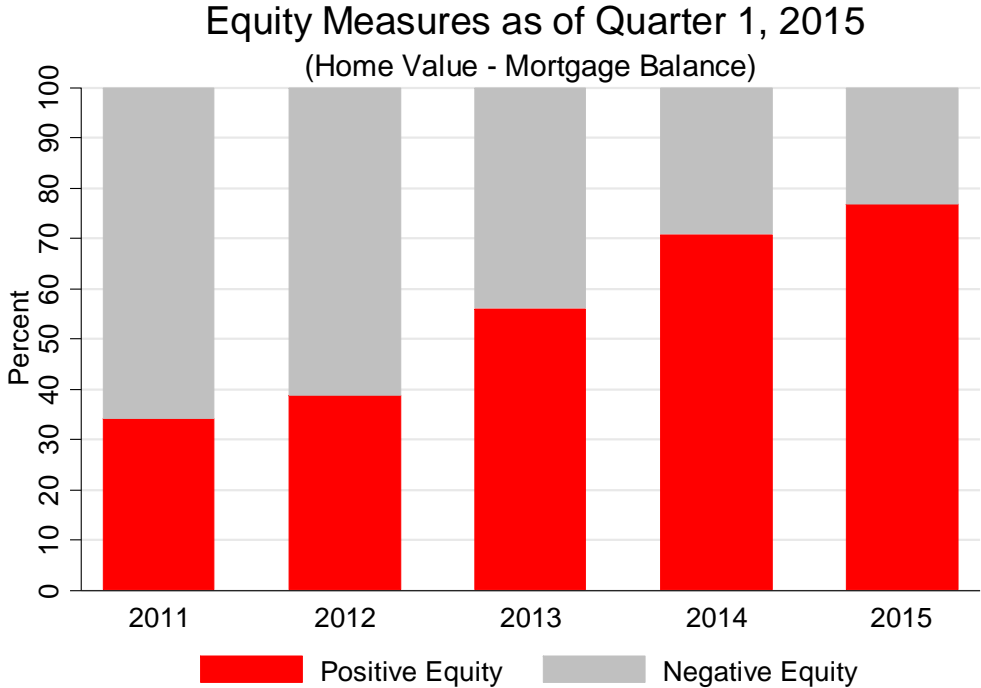
Source: CoreLogic

Single-Family Distress Sales is a figure that displays the monthly number of Real Estate Owned (REO) sales and short sales. REO sales are homes that have been repossessed by lenders through foreclosure and then sold in the market. Short sales, on the other hand, are homes that were sold for an amount below the owner's outstanding mortgage balance. Both numbers are three-month weighted moving averages. The other figure, Share of Distress Single-Family Home Sales, tracks the proportion of home sales (including new home sales) that were REO sales or short sales. The long term decline in that share continues, even as the number of such sales remains roughly level, indicating an increasing number of "normal" sales.

Nevada Statewide Trends



Source: CoreLogic

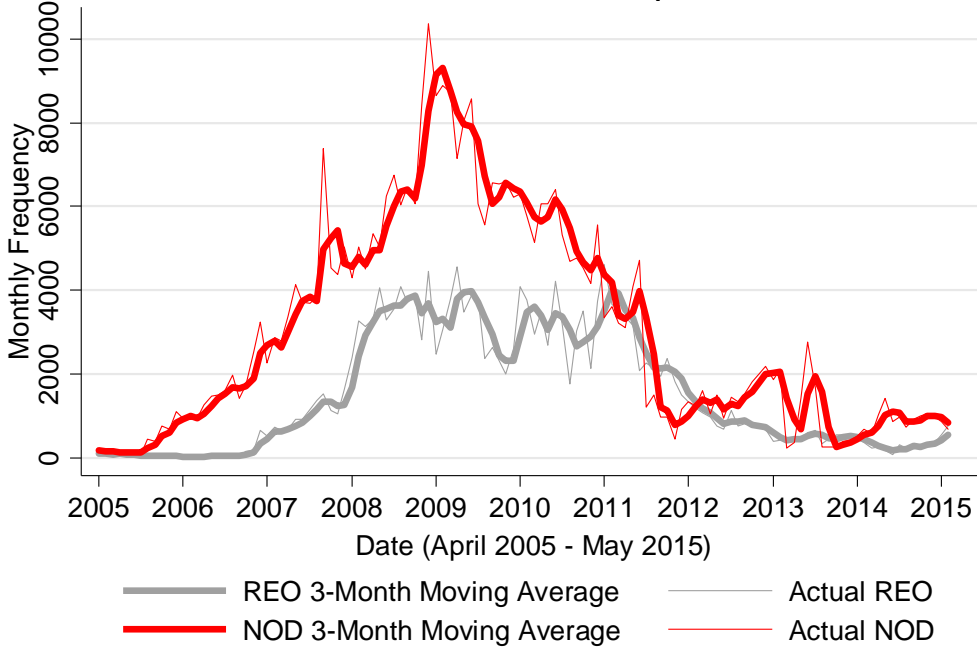


Source: CoreLogic

The Foreclosure Trends figure includes two series: the 90+ Days Delinquent series and the Foreclosure Inventory series. The 90+ Days Delinquent series consists of the number of homes that are secured by a loan in default for 90 days or more. This includes homes that are in the process of being foreclosed. The Foreclosure Inventory series consists of homes that have begun the foreclosure process or are in some stage of foreclosure. The other figure depicts what proportion of homes secured by a mortgage have positive equity or negative equity. When a home has a market value at or above its outstanding mortgage balance, it is considered to have positive equity. Otherwise, the house has negative equity.

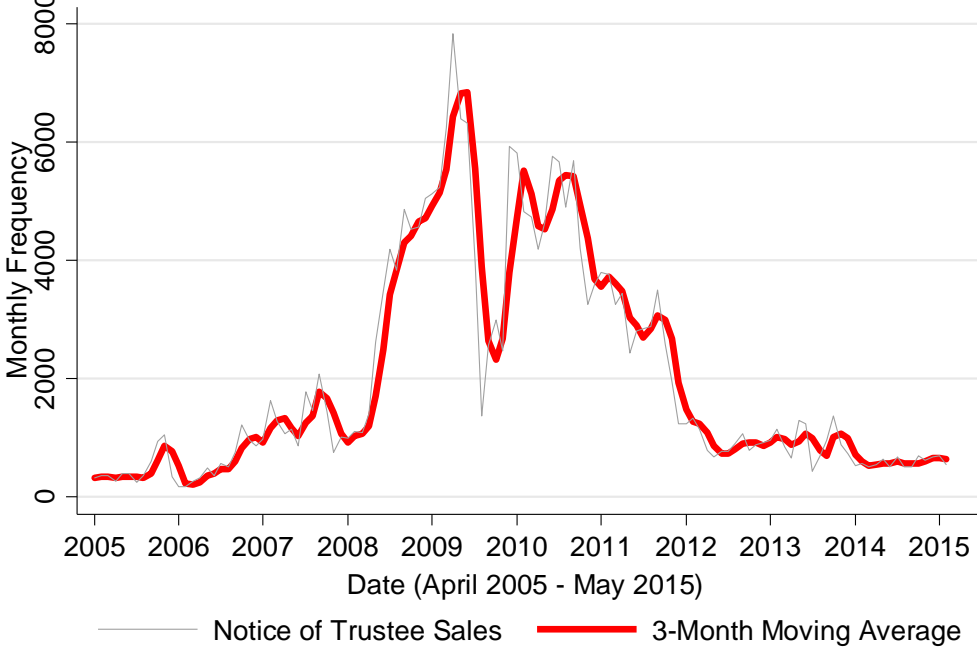
Nevada Statewide Trends

Notices of Default and Repossessions



Source: RealtyTrac

Residential Home Auctions



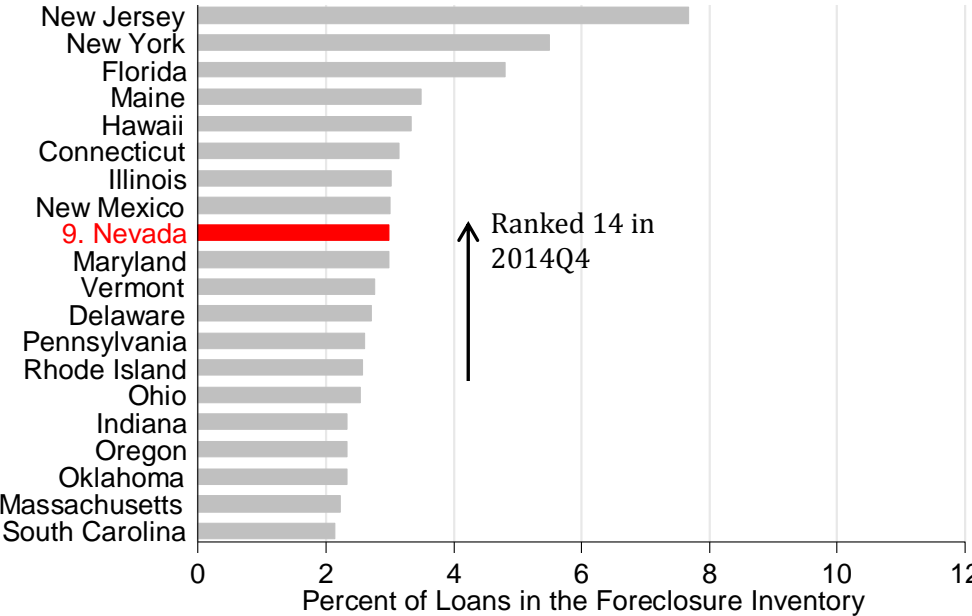
Source: RealtyTrac

These two figures are based on numbers gathered from County records by RealtyTrac. The first figure shows the monthly number of Notices of Default and Repossessions. The Notice of Default (NOD) is the initial stage of foreclosure that starts at least 90 days after the homeowner's mortgage default date. Not all homes that receive a NOD will necessarily be foreclosed. There exist other alternatives homeowners can invoke such as a loan modification, deed-in-lieu of foreclosure, and short sale. The other figure, Residential Home Auctions, shows the monthly number of homes that received a Notice of Trustee Sale and underwent a public auction. It includes both the successful and unsuccessful auctions. Those that were unsuccessful revert back to the lender.

Nevada Statewide Trends

Top 20 States in Foreclosure Inventory

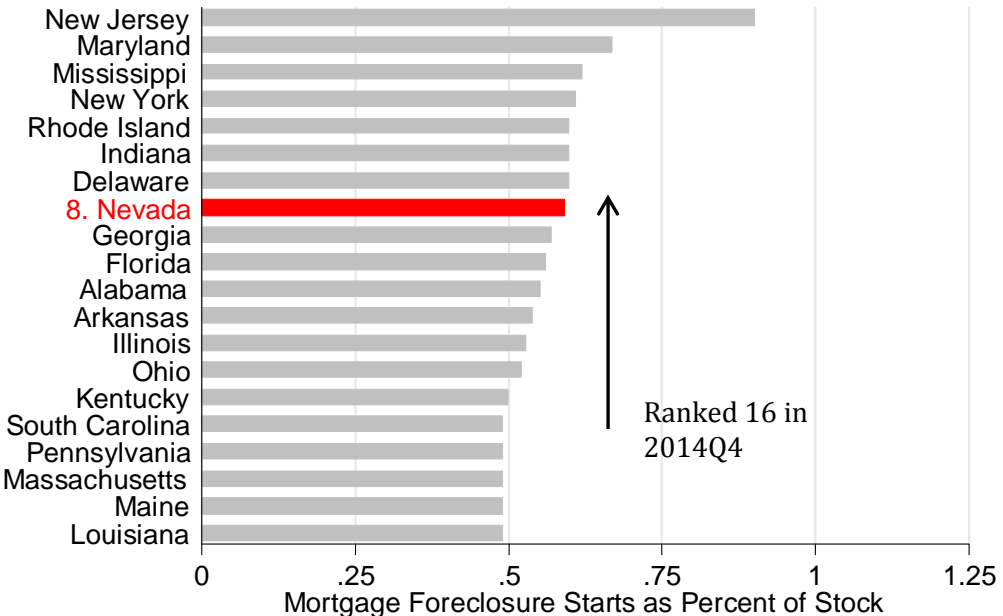
1st Quarter 2015



Source: Mortgage Bankers Association's National Delinquency Survey

Top 20 States in Foreclosure Starts

1st Quarter 2015



Source: Mortgage Bankers Association's National Delinquency Survey

These figures rank Nevada nationally on the basis of data provided by The Mortgage Bankers Association's National Delinquency Survey. The Top 20 States in Foreclosure Inventory uses the proportion of outstanding loans that are in the foreclosure inventory - that is, the number of home loans reported to be in some stage of foreclosure divided by the total number of home loans serviced. The Top 20 States in Foreclosure Starts is a ranking that uses mortgage foreclosure starts as a percent of stock. In other words, this is the number of initiated foreclosures divided by the total number of home loans serviced.

Nevada's Housing Market | May 2015

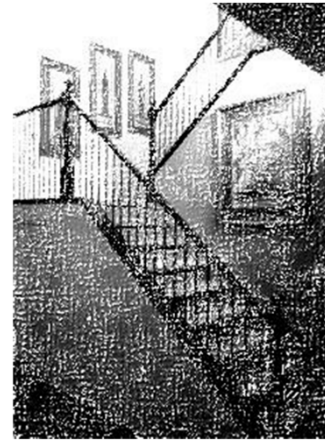
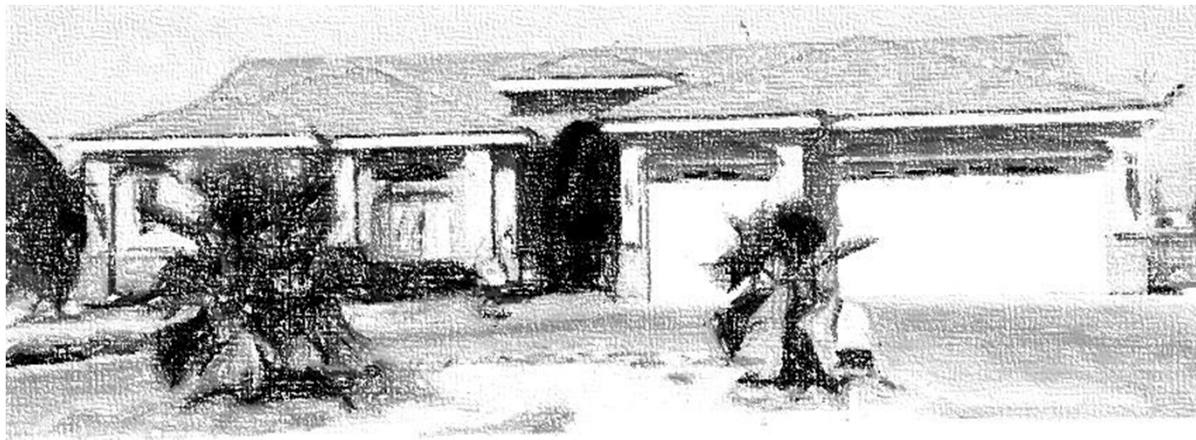
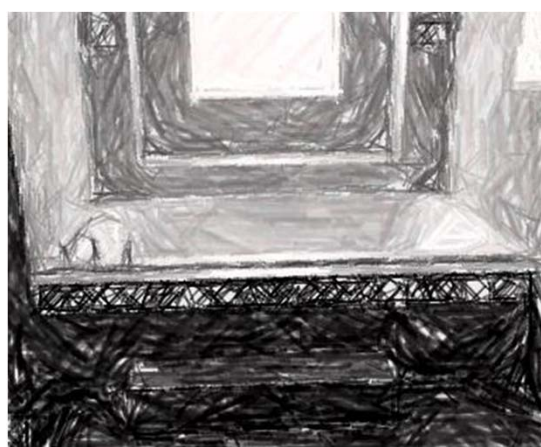
Northern Trends

Population: **621,826** in 2014

Housing Units: **267,161** in 2013

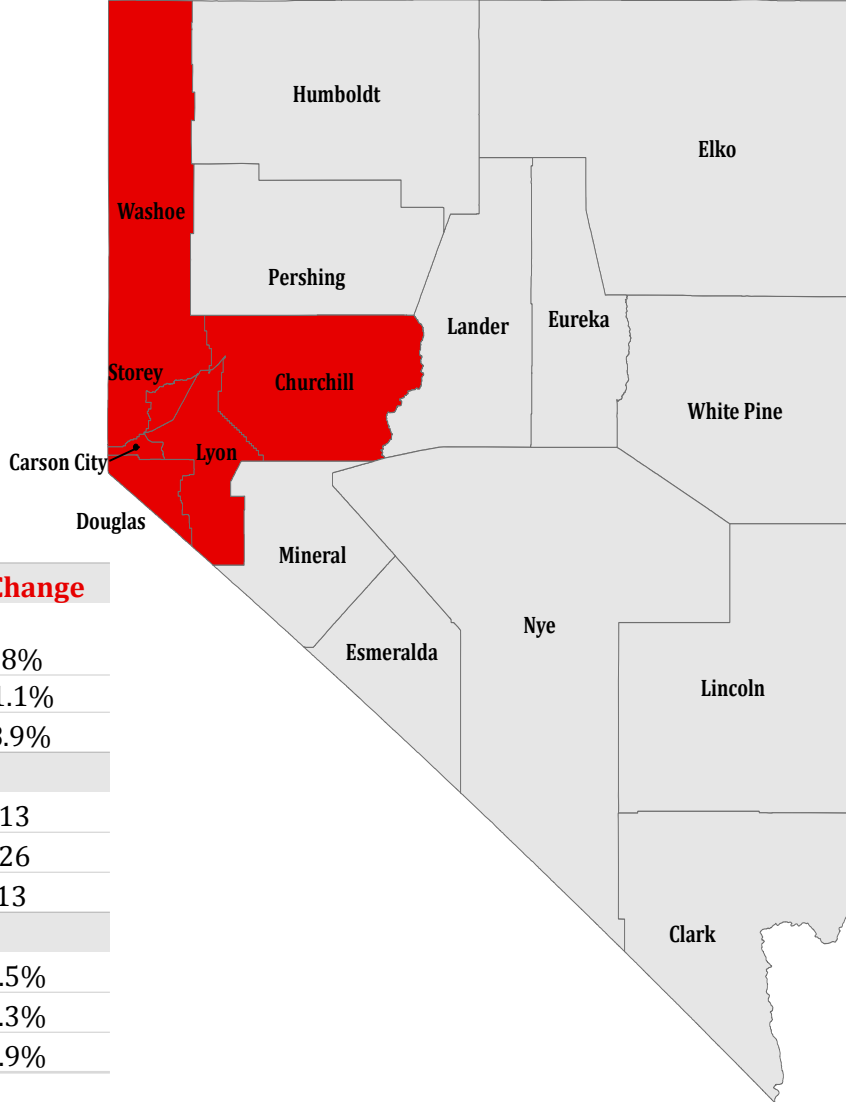
Source: U.S. Census Bureau: State and County QuickFacts

(Carson City, Churchill, Douglas, Lyon, Storey, and Washoe County)



Northern Trends

- ❑ Northern Nevada has seen large increases in existing home sales the past two months. Existing home sales in May 2015 were the highest they had been since 2006.
- ❑ After an extraordinarily large decrease in the distress share last month, the distress share in Northern Nevada reverted back to a value similar to what it has been throughout most of 2015. The distress share is down more on a year over year basis in Northern Nevada than any other region in Nevada.
- ❑ Northern Nevada was the only region to see monthly increases in prices for all home types. Still, Northern Nevada is seeing smaller year over year gains than Southern Nevada and Rural Nevada.

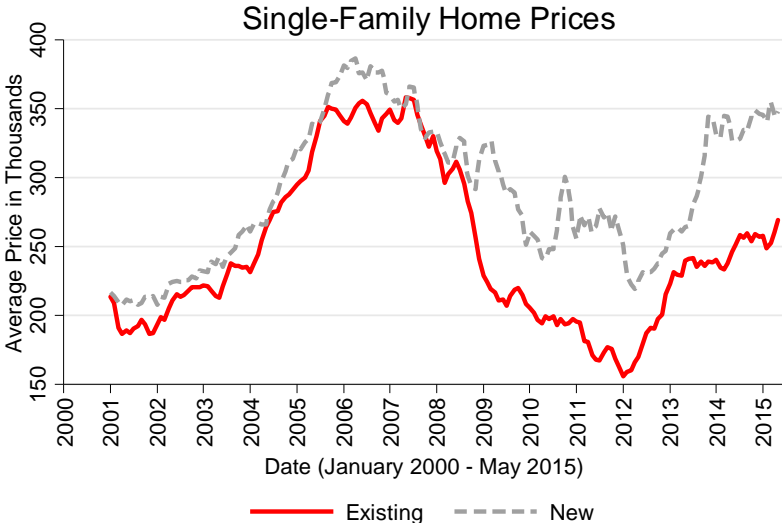


Single-Family Home Sales*	May 2015	M2M Change	Y2Y Change
New	98	-3.3%	-5.8%
Existing	1128	+13.8%	+11.1%
Distress Share	12.4%	+32.4%	-28.9%
Residential Construction			
Total Starts	234	-88	+13
Single-Family	181	-35	+26
Multifamily	53	-53	-13
Average Single-Family Sales Price*			
New	\$347,509	+1.0%	+6.5%
Existing	\$268,662	+3.5%	+9.3%
Distress	\$185,845	+1.4%	+1.9%

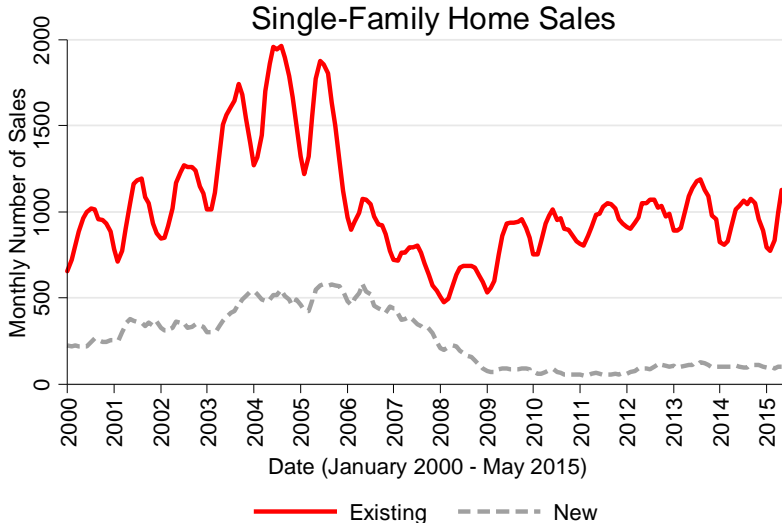
Source: Lied Institute calculations using CoreLogic Data and the *State of the Cities Data Systems* by U.S. Department of Housing and Urban Development.

*Figures portray Three-Month Moving Weighted Averages

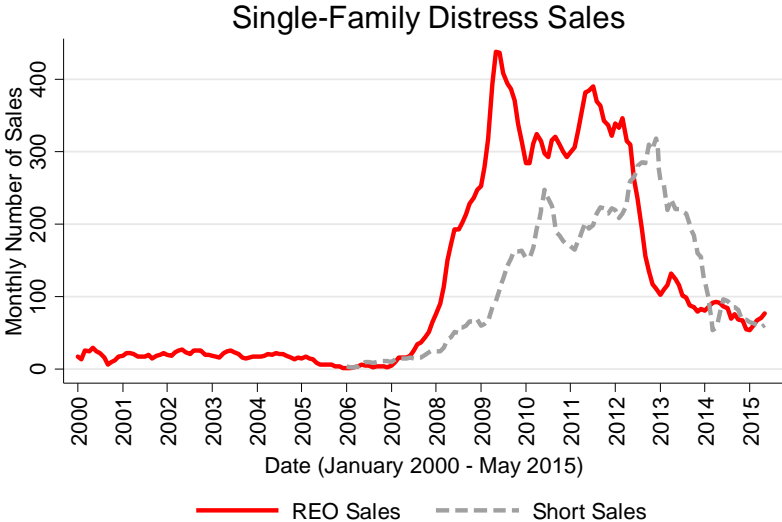
Northern Trends



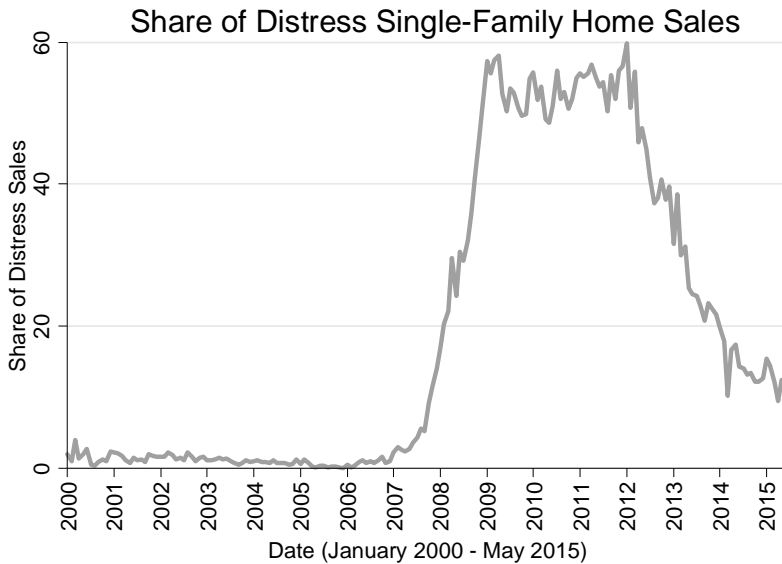
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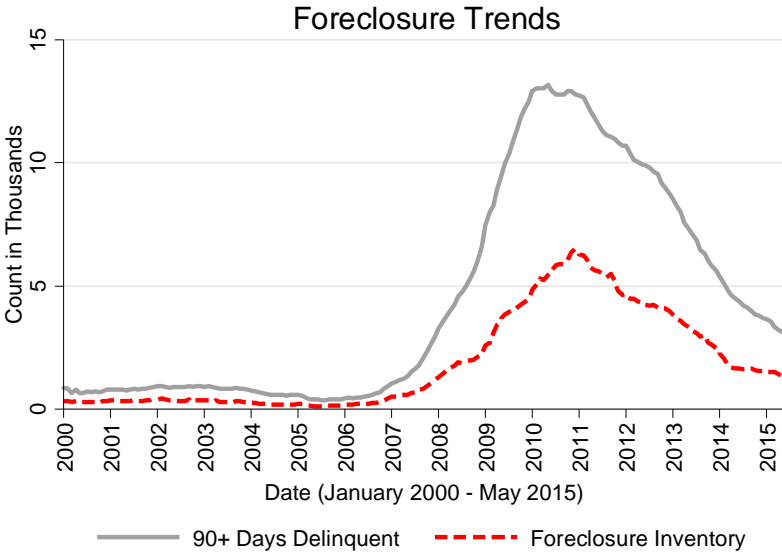


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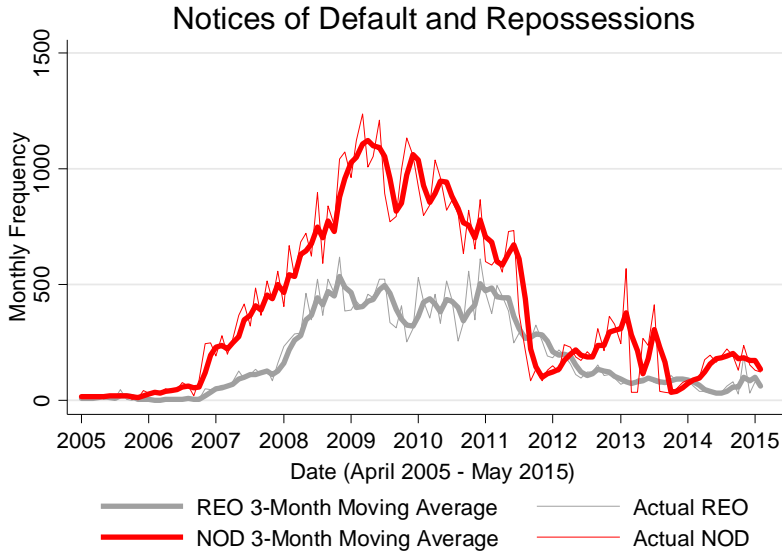


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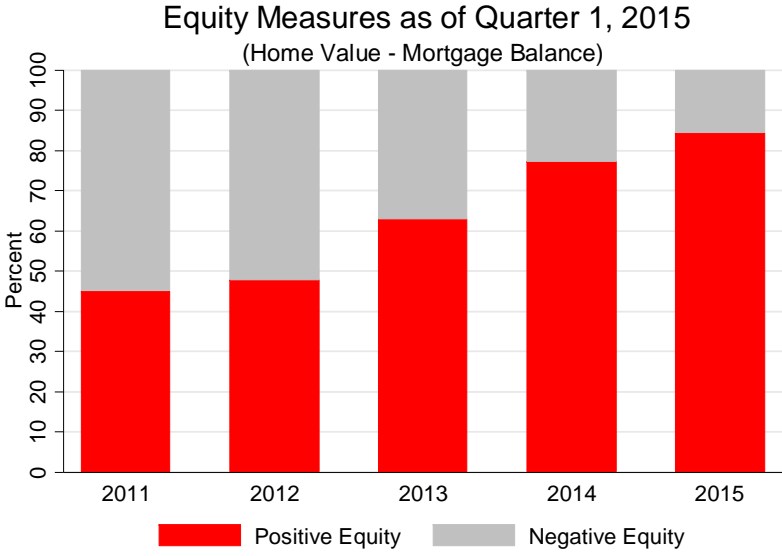
Northern Trends



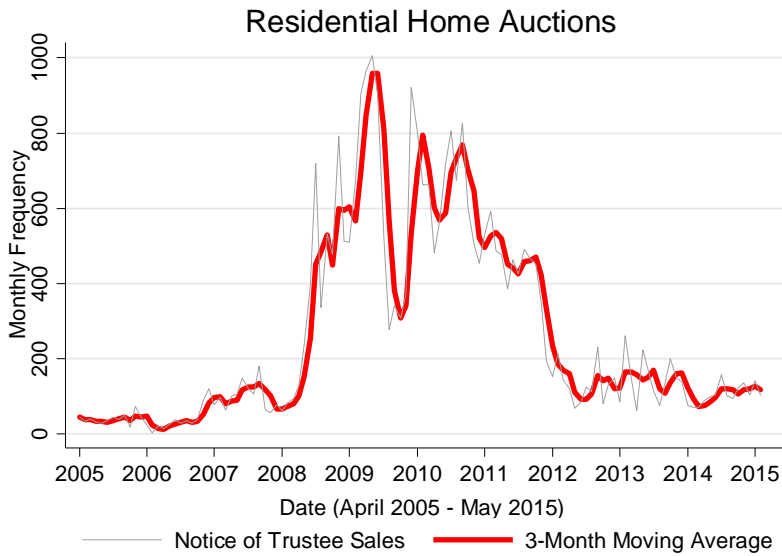
Source: CoreLogic



Source: RealtyTrac



Source: CoreLogic



Source: RealtyTrac

Nevada's Housing Market | May 2015

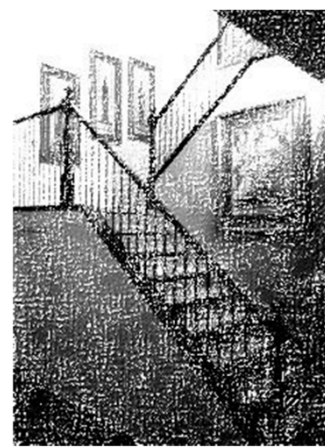
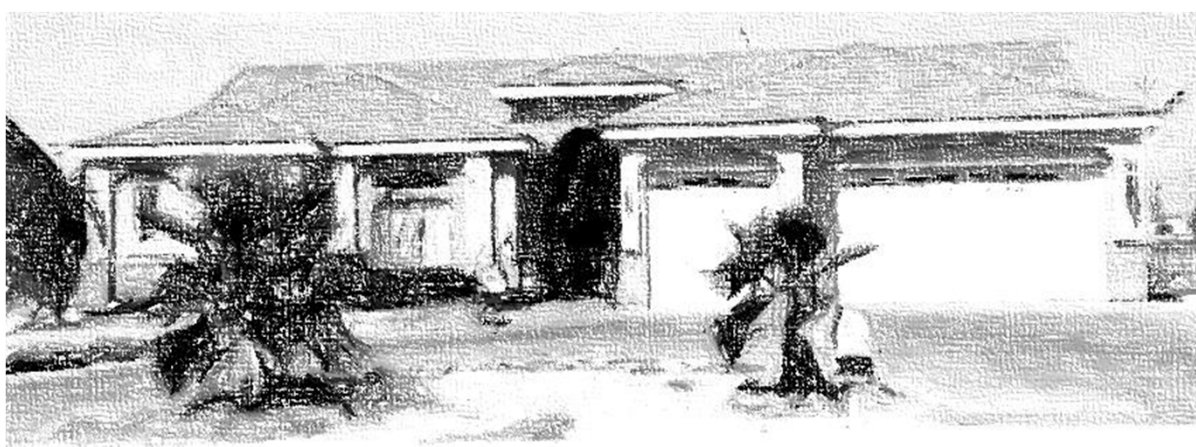
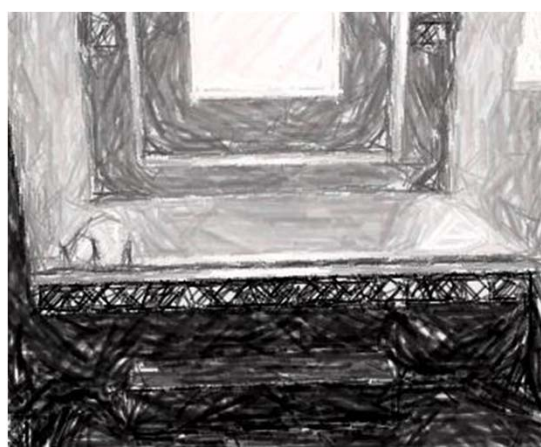
Southern Trends

Population: **2,069,681** in 2014

Housing Units: **854,089** in 2013

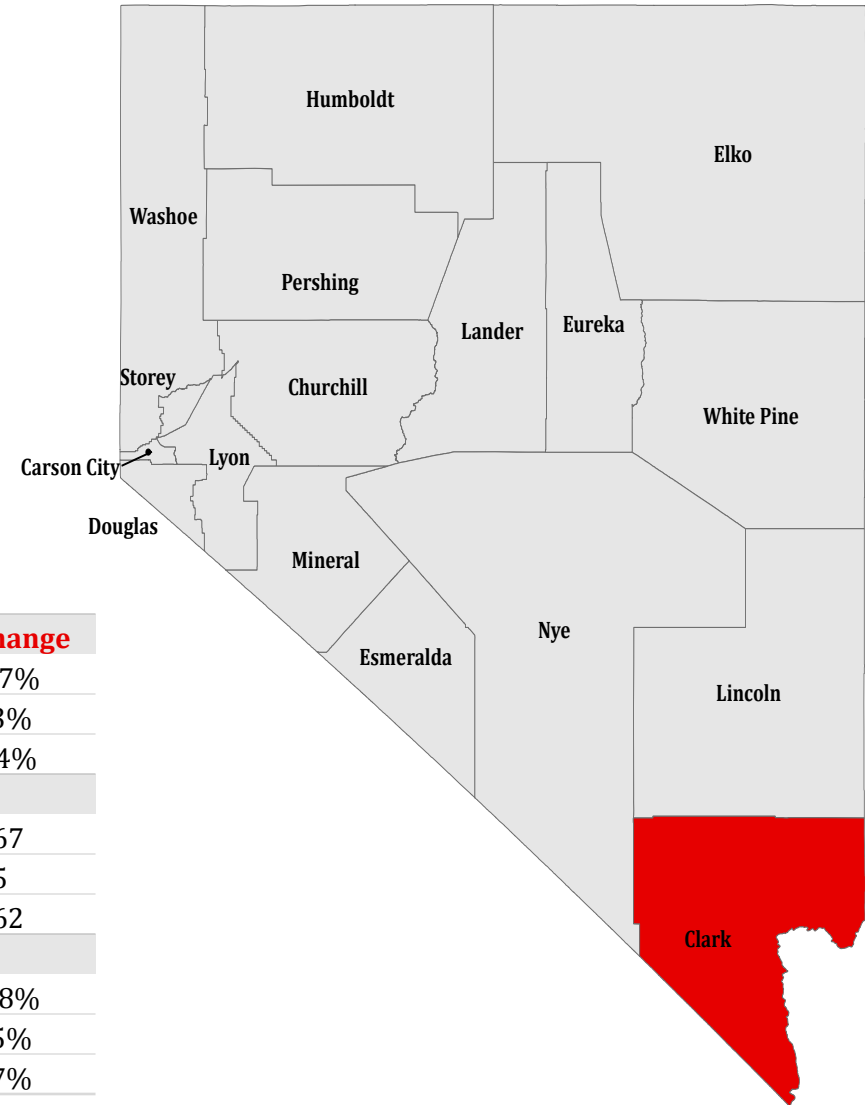
Source: U.S. Census Bureau: State and County QuickFacts

(Clark County)



Southern Trends

- ❑ Southern Nevada has seen three consecutive months with increases in existing home sales greater than 5 percent. Existing home sales in May 2015 were the highest they had been since October 2013.
- ❑ May 2015 was the third consecutive month with an increase in the share of homes sold under distress. REO sales and short sales made up an equal portion of the homes sold under distress.
- ❑ Single-Family start ups are making up a larger share of total construction starts in 2015 than in 2014. May 2015 was the fourth consecutive month where Southern Nevada saw a year over year increase in single-family starts. May 2015 was only the second month this year where multifamily starts saw a year over year increase.

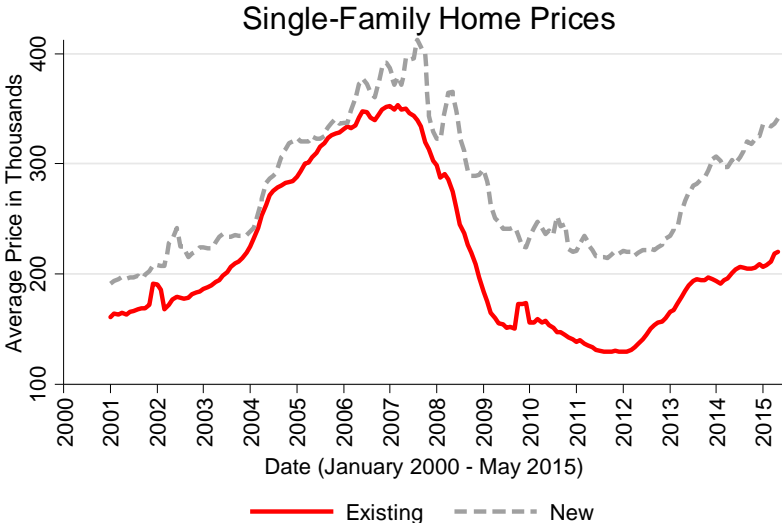


Single-Family Home Sales*	May 2015	M2M Change	Y2Y Change
New	498	+4.1%	+36.7%
Existing	3637	+9.4%	+2.3%
Distress Share	14.4%	+1.6%	-28.4%
Residential Construction			
Total Starts	1,165	+379	+267
Single-Family	699	-74	+5
Multifamily	466	+453	+262
Average Single-Family Sales Price*			
New	\$341,909	+1.7%	+12.8%
Existing	\$219,665	+0.6%	+9.5%
Distress	\$170,356	-0.8%	+9.7%

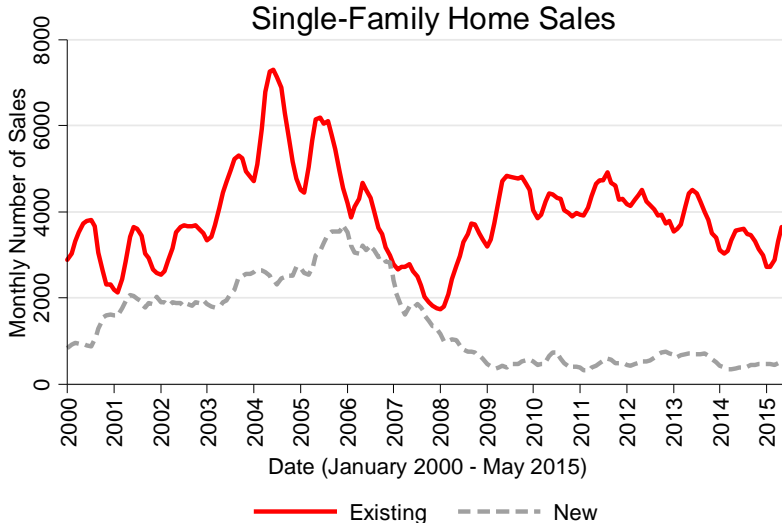
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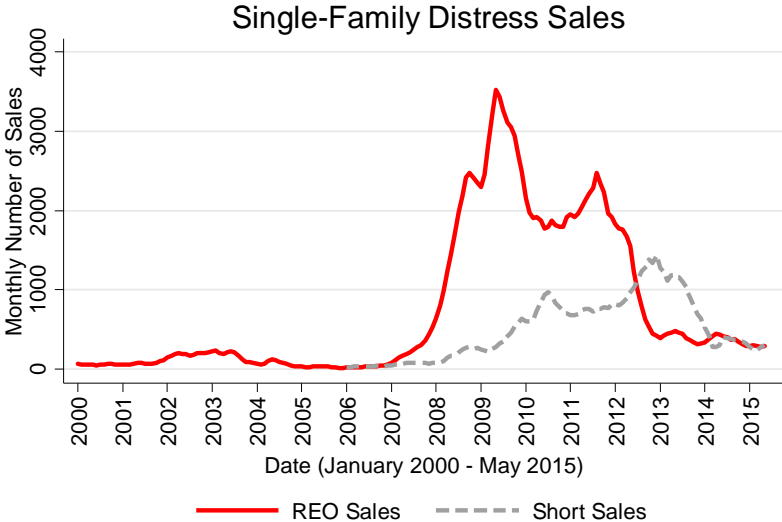
Southern Trends



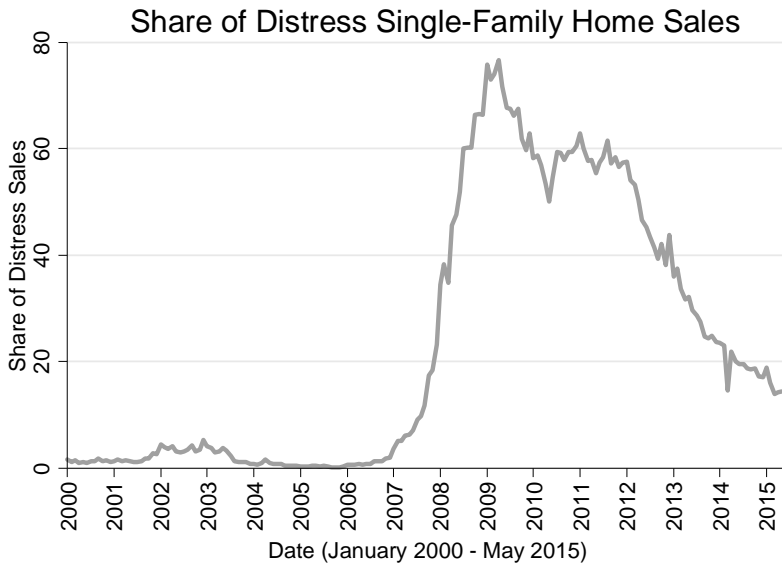
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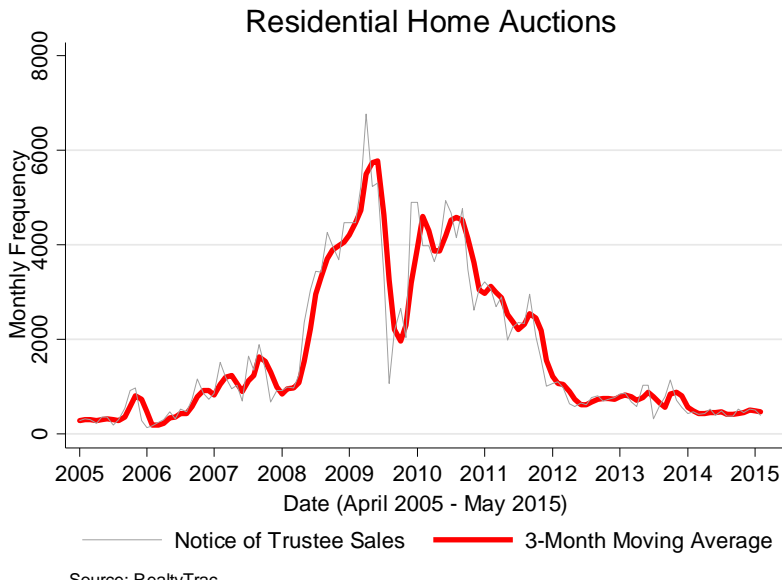
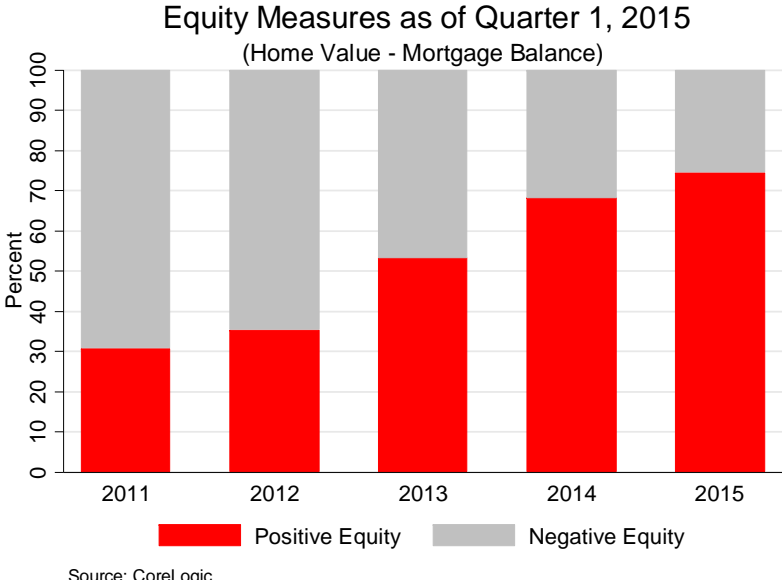
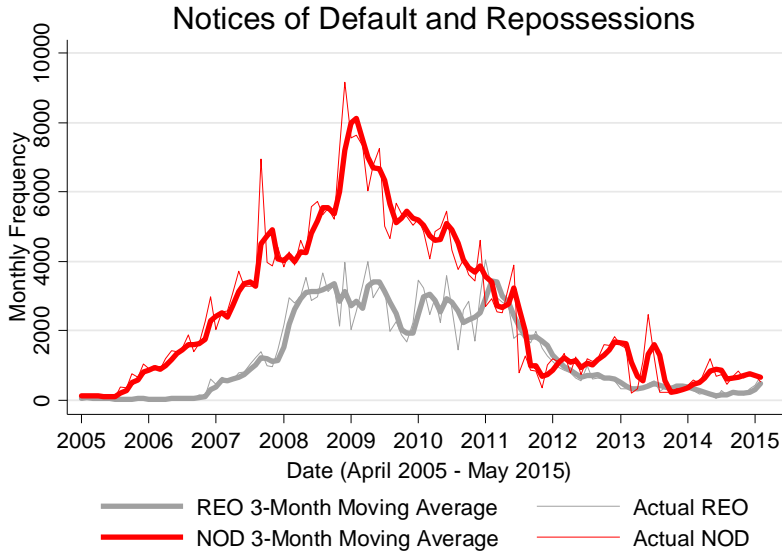
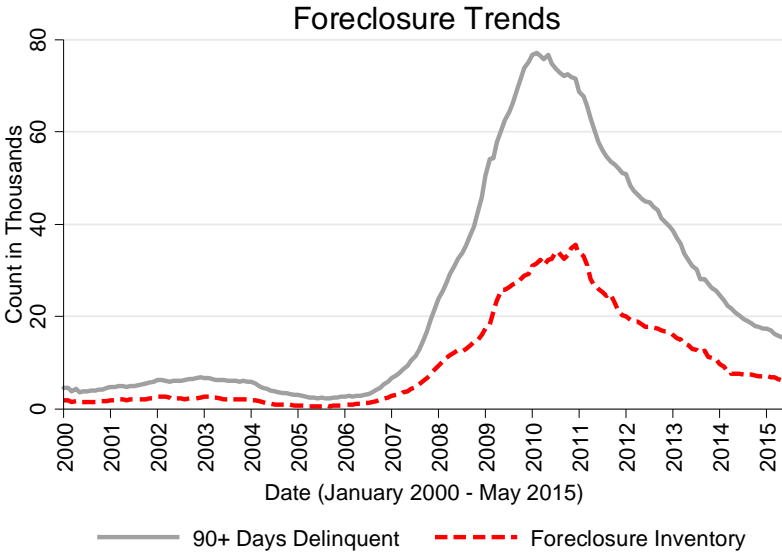


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Source: CoreLogic

Southern Trends



Nevada's Housing Market | May 2015

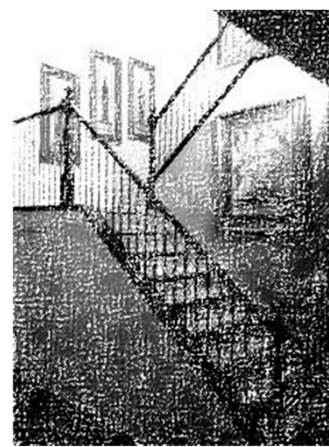
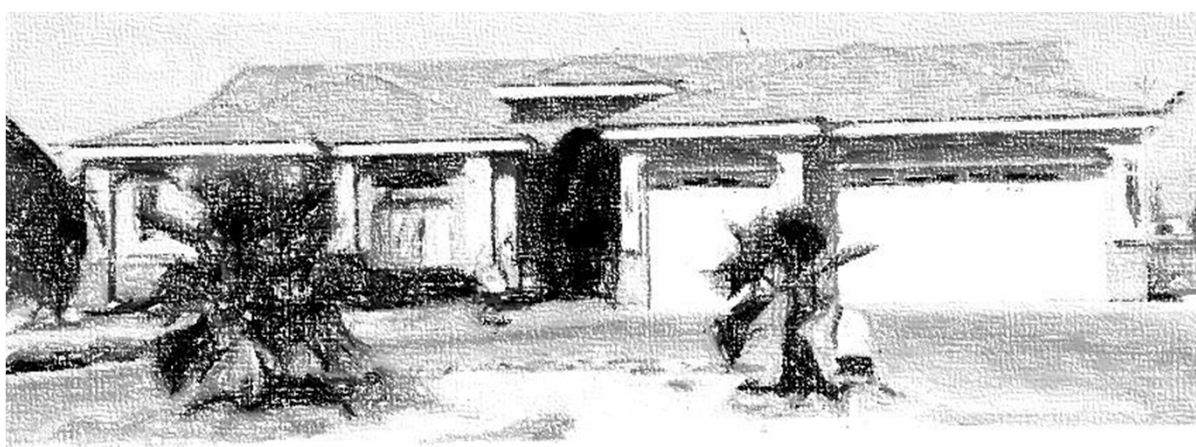
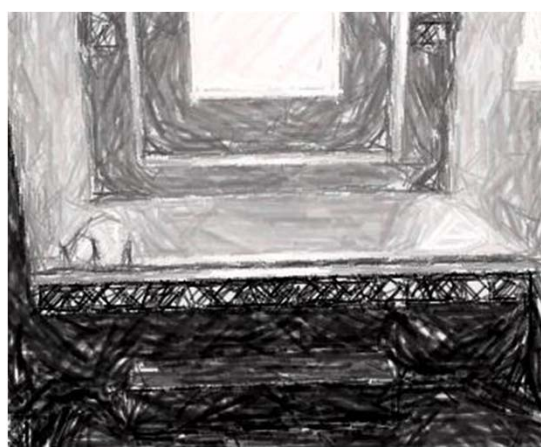
Rural Trends

Population: **147,592** in 2014

Housing Units: **65,629** in 2013

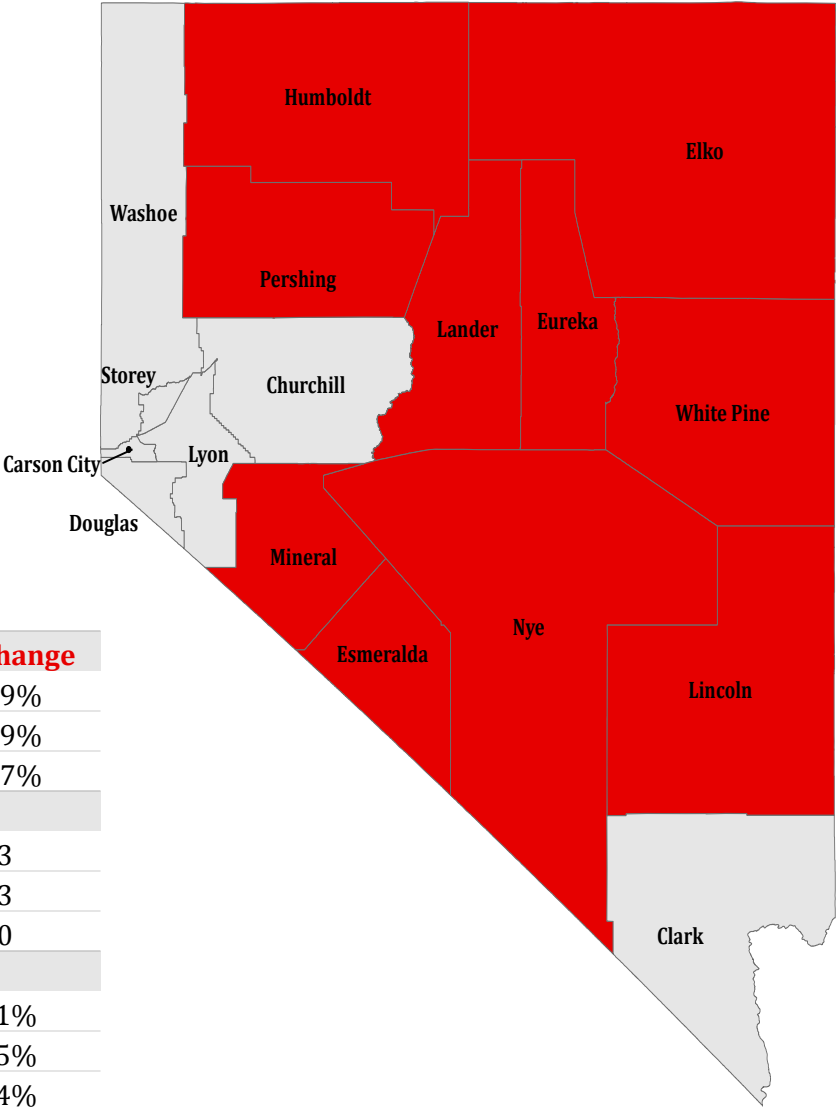
Source: U.S. Census Bureau: State and County QuickFacts

(Elko, Esmeralda, Eureka, Humboldt, Lander, Lincoln, Mineral, Nye, Pershing, and White Pine County)



Rural Trends

- ❑ Existing home sales in Rural Nevada have increased the past three consecutive months. Existing home sales in May 2015 were the highest they had been since July 2014.
- ❑ After an extraordinarily large increase in the distress share last month, the distress share in Rural Nevada decreased to 18.9 percent this month - a value similar to what it has been throughout most of 2015. The distress share in Rural Nevada has averaged 19.1 percent so far in 2015.
- ❑ Rural Nevada was the only region to see a monthly decrease in both new and existing home prices. New and existing home prices still remain up on a year over year basis.

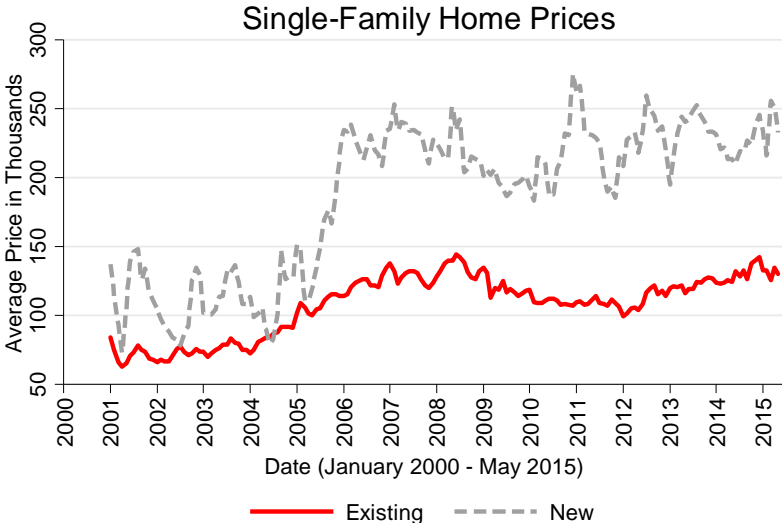


Single-Family Home Sales*	May 2015	M2M Change	Y2Y Change
New	5	+0.0%	-71.9%
Existing	154	+16.4%	-13.9%
Distress Share	18.9%	-28.8%	-24.7%
Residential Construction			
Total Starts	24	-1	+3
Single-Family	24	-1	+3
Multifamily	0	+0	+0
Average Single-Family Sales Price*			
New	\$232,599	-6.8%	+9.1%
Existing	\$130,017	-3.2%	+4.5%
Distress	\$84,785	+0.4%	+2.4%

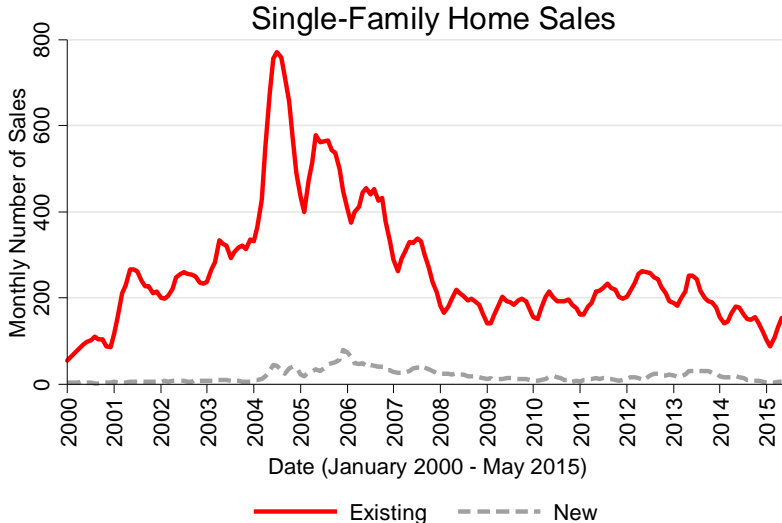
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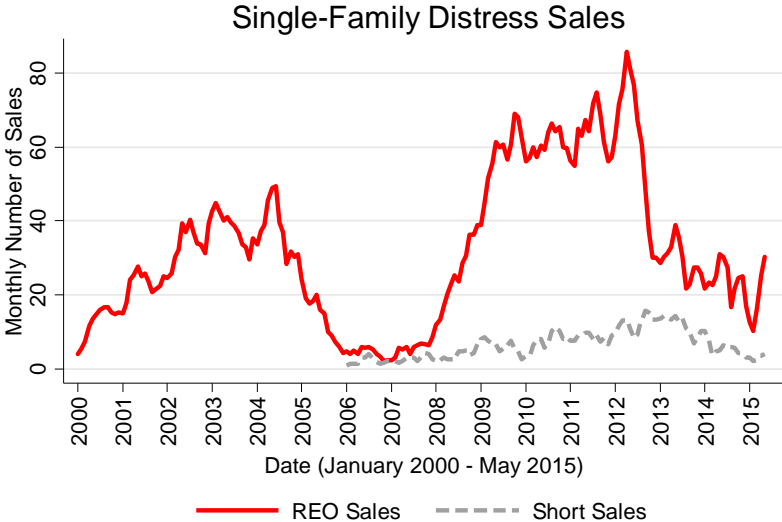
Rural Trends



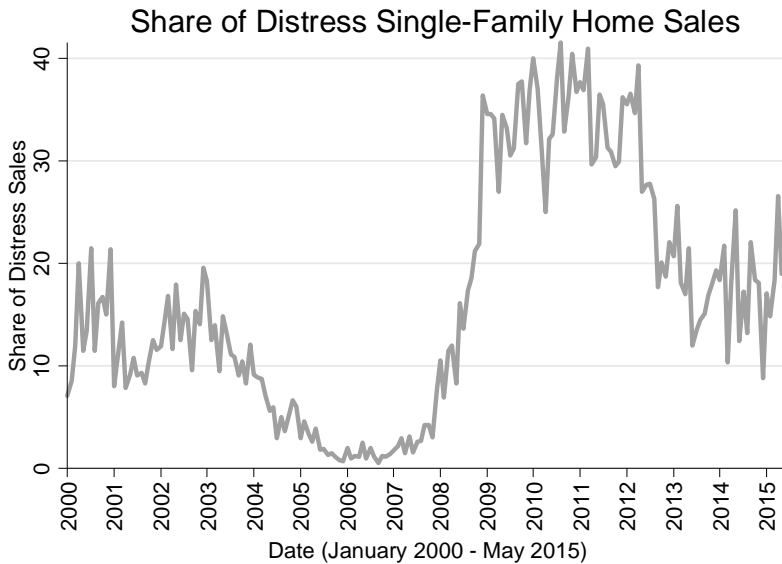
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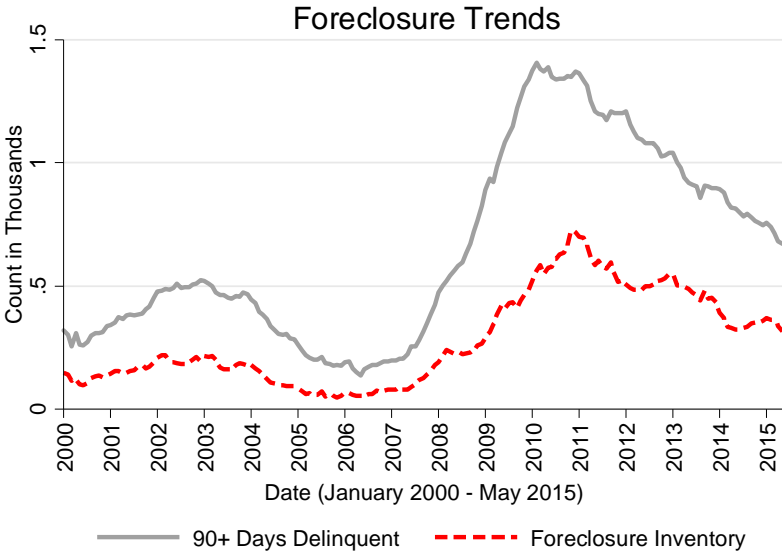


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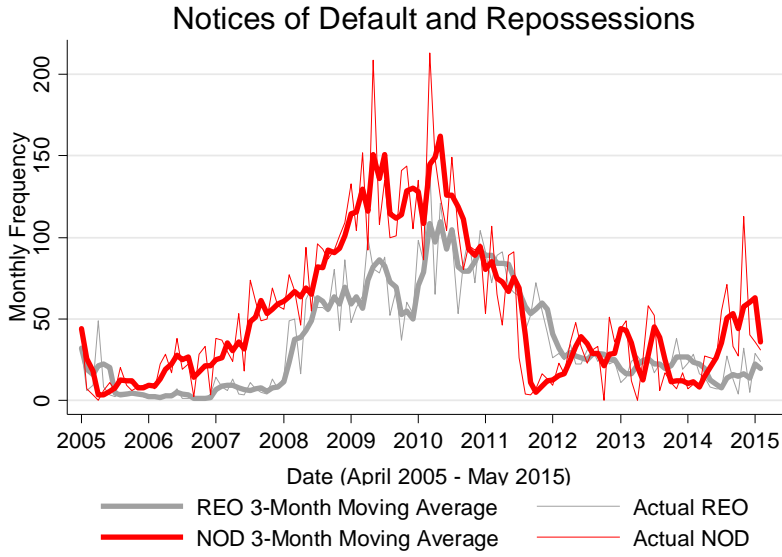


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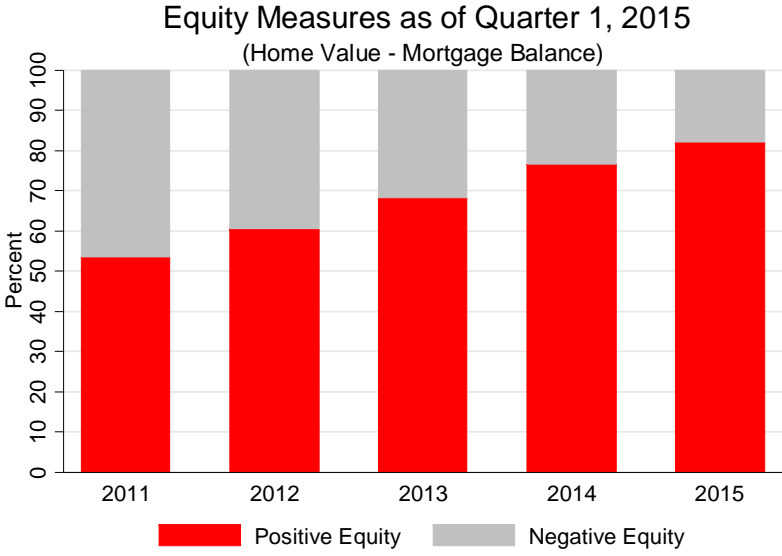
Rural Trends



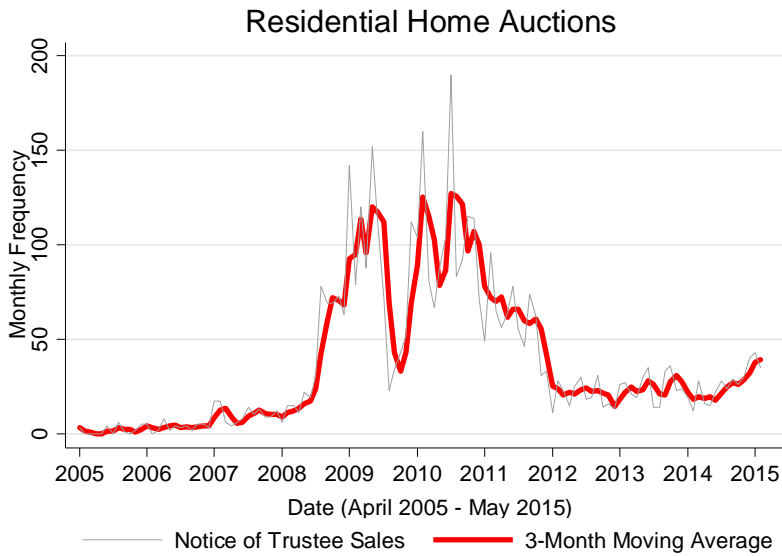
Source: CoreLogic



Source: RealtyTrac



Source: CoreLogic



Source: RealtyTrac

About the Lied Institute

The Lied Institute was established in 1989 by the Lee Business School at the University of Nevada, Las Vegas to foster excellence in real estate education and research. Through partnerships with business and community leaders, the Lied Institute strives to improve the real estate business and effective public policy practices in Southern Nevada. The institute produces relevant and timely real estate research, supports educational programs in real estate economics and finance for students and professionals, and provides community outreach and continuing education.

About the Department of Business & Industry

The Department of Business and Industry is a cabinet level agency in the Nevada State government. The Department's objective is to encourage and promote the development and growth of business and to ensure the legal operation of business in order to protect consumers by maintaining a fair and competitive regulatory environment. The Director's office at Business and Industry manages a number of programs and initiatives to address the needs of small businesses, homeowners and consumers including small business advocacy, bond programs, access to capital, housing retention programs, constituent services and fraud prevention and education.

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