

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

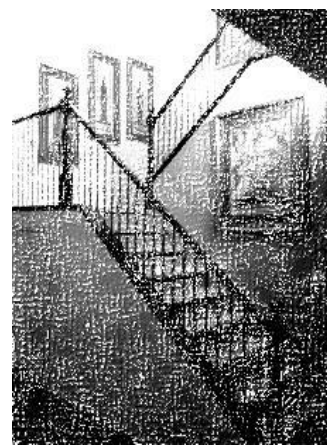
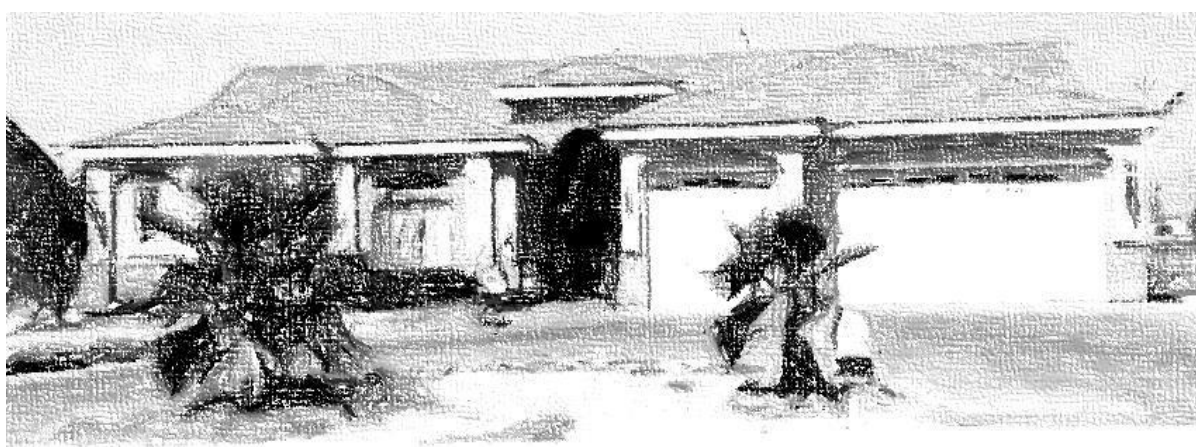
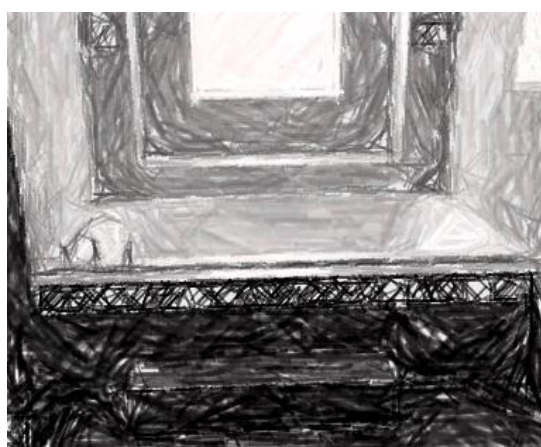
Nevada's Housing Market | November 2014

Nevada Statewide Trends

Population: **2,790,136** in 2013

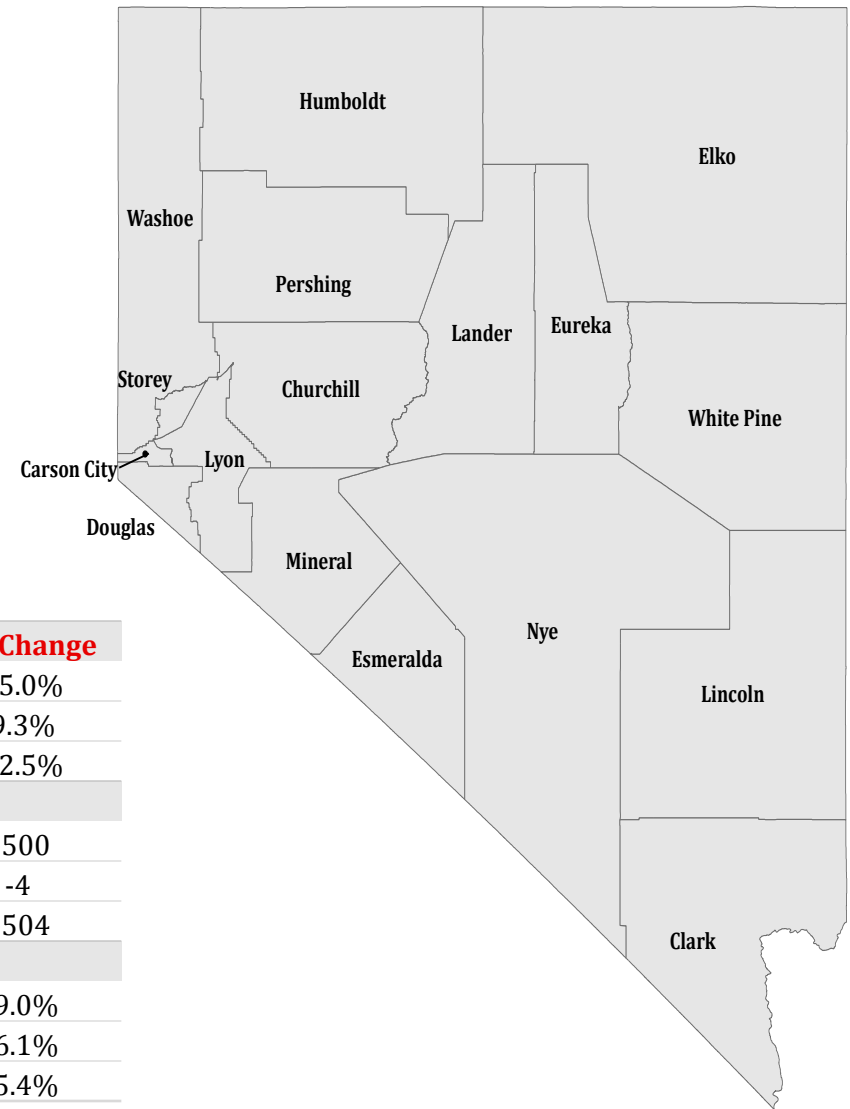
Housing Units: **1,186,879** in 2013

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



Nevada Statewide Trends

- ❑ The share of homes sold under distress decreased by over one percentage point this month in Nevada. The distress share has steadily decreased throughout most of 2014 and is down 7 percentage points from this time last year. REO sales in November were the lowest they had been since 2007.
- ❑ Home sales saw a large monthly decrease in Nevada, which is typical for the month of November. All three regions in Nevada saw a monthly decrease in existing home sales. Southern Nevada continues to see robust growth in new home sales which brought up the state average for new home sales.
- ❑ Home prices are up year over year for all three regions in Nevada. New and existing home prices are also up month over month for all three regions in Nevada as well.



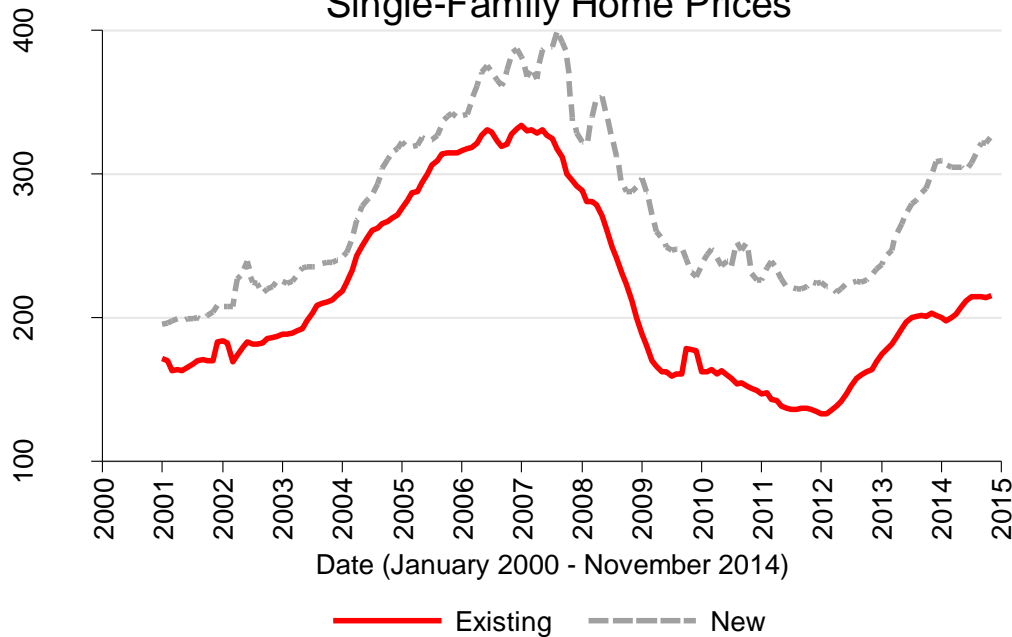
Single-Family Home Sales*	November 2014	M2M Change	Y2Y Change
New	587	+3.4%	-15.0%
Existing	4260	-6.4%	-9.3%
Distress Share	16.2%	-6.3%	-32.5%
Residential Construction			
Total Starts	1158	+8	+500
Single-Family	569	-154	-4
Multifamily	589	+162	+504
Average Single-Family Sales Price*			
New	\$325,706	+1.4%	+9.0%
Existing	\$214,921	+0.6%	+6.1%
Distress	\$165,365	+1.5%	+5.4%

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

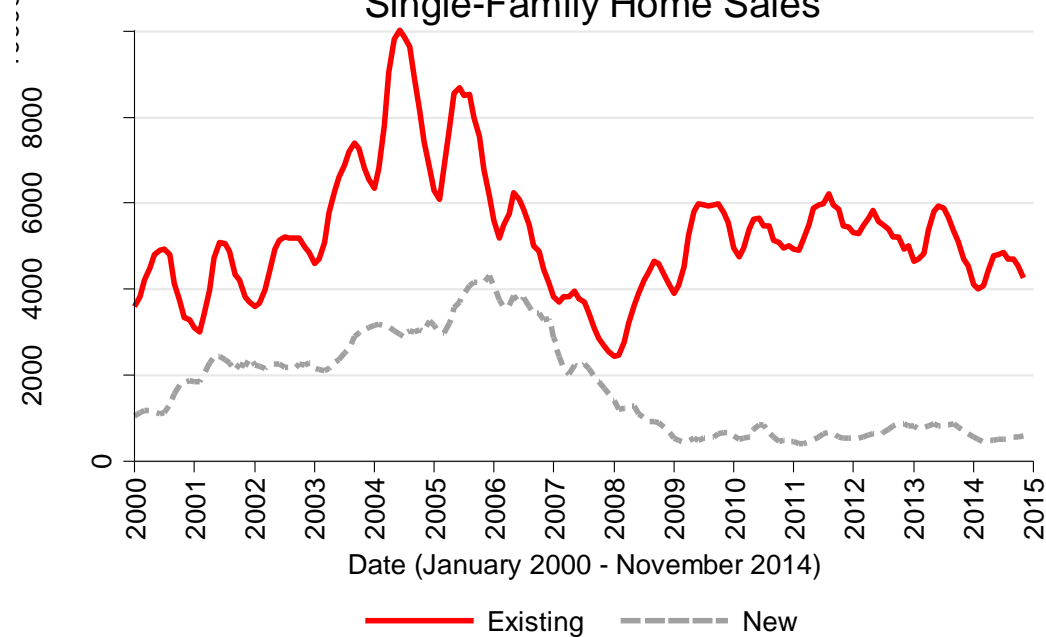
Single-Family Home Prices



Source: CoreLogic

Note: Series are 3-month weighted moving averages.

Single-Family Home Sales

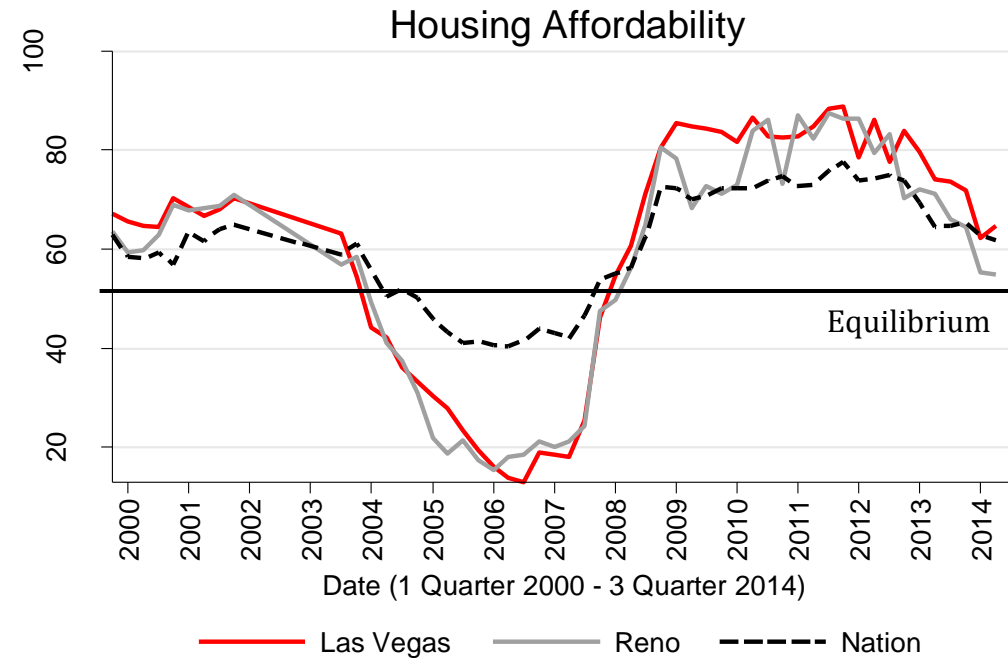


Source: CoreLogic

Note: Series are 3-month weighted moving averages.

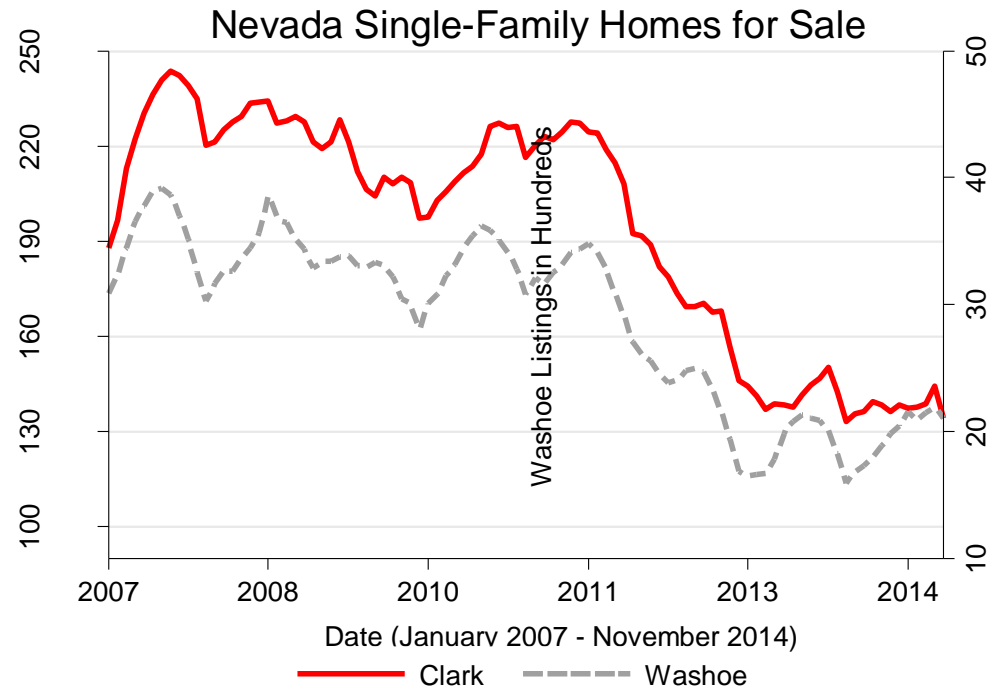
The Single-Family Home Prices figure above shows the three-month moving average price of existing homes and new homes. Existing homes are single family homes that were exchanged from one private owner to another. This includes homes sold by real estate agents, owners, and lenders. New homes are single 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.

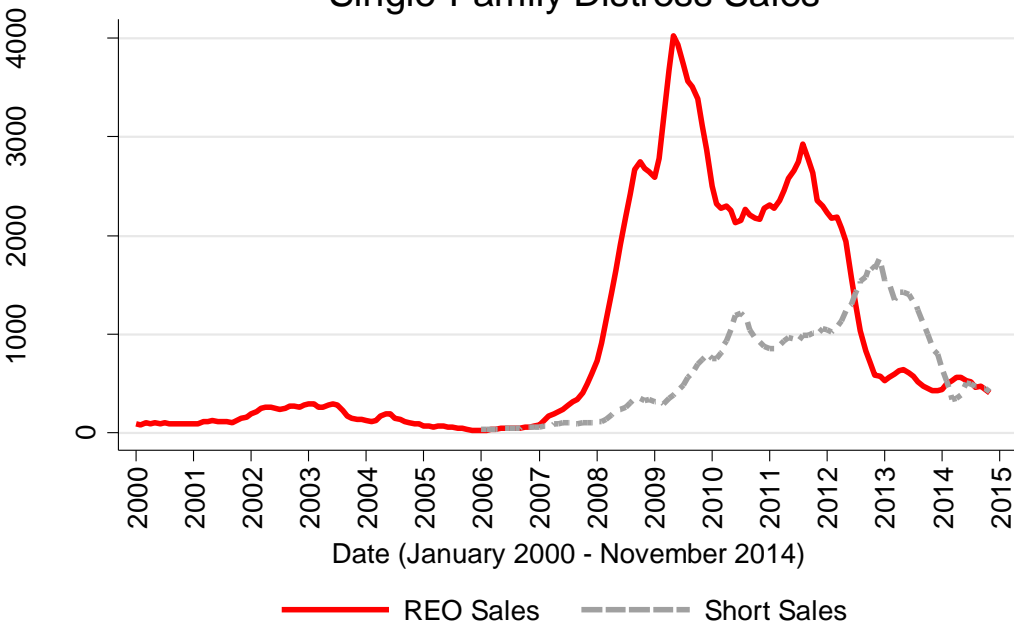


Source: Greater Las Vegas Association of Realtors and UNR's Center for Regional Studies

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

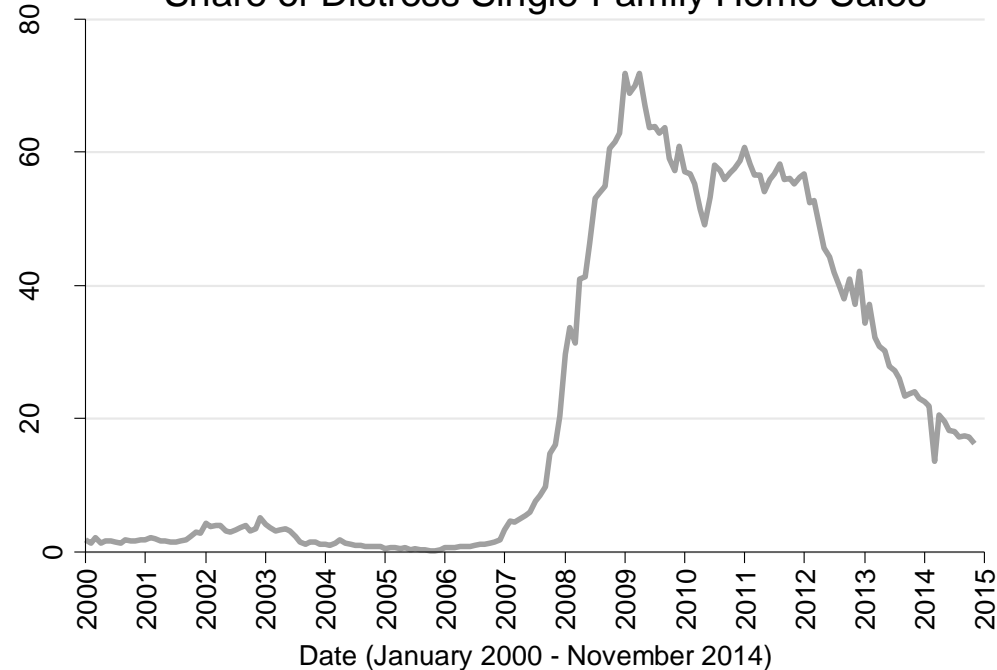
Single-Family Distress Sales



Source: CoreLogic

Note: Series are 3-month weighted moving averages.

Share of Distress Single-Family Home Sales

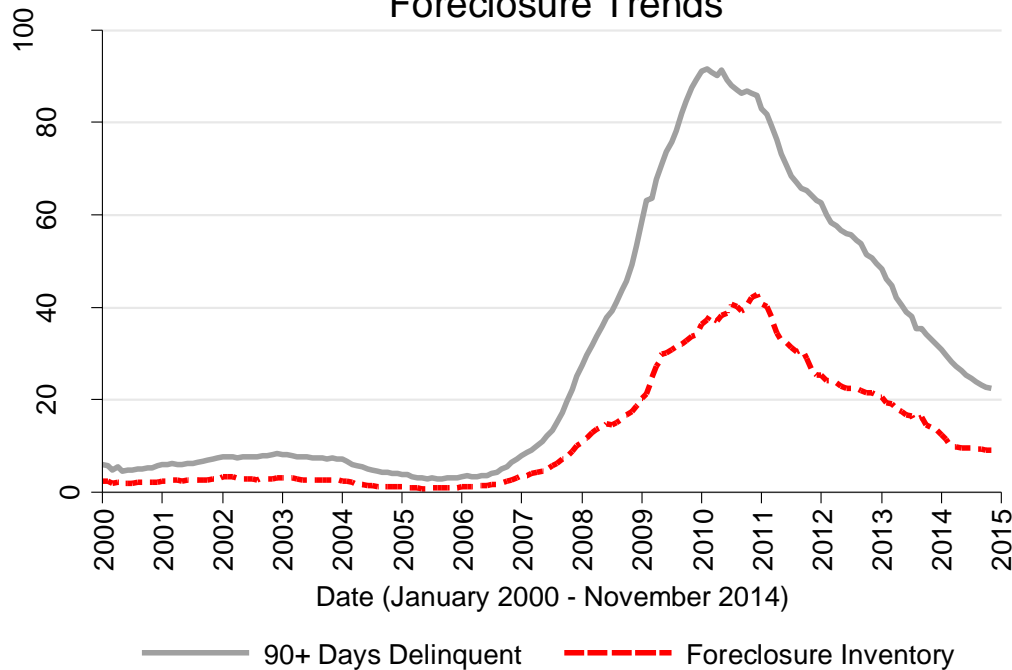


Source: CoreLogic

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.

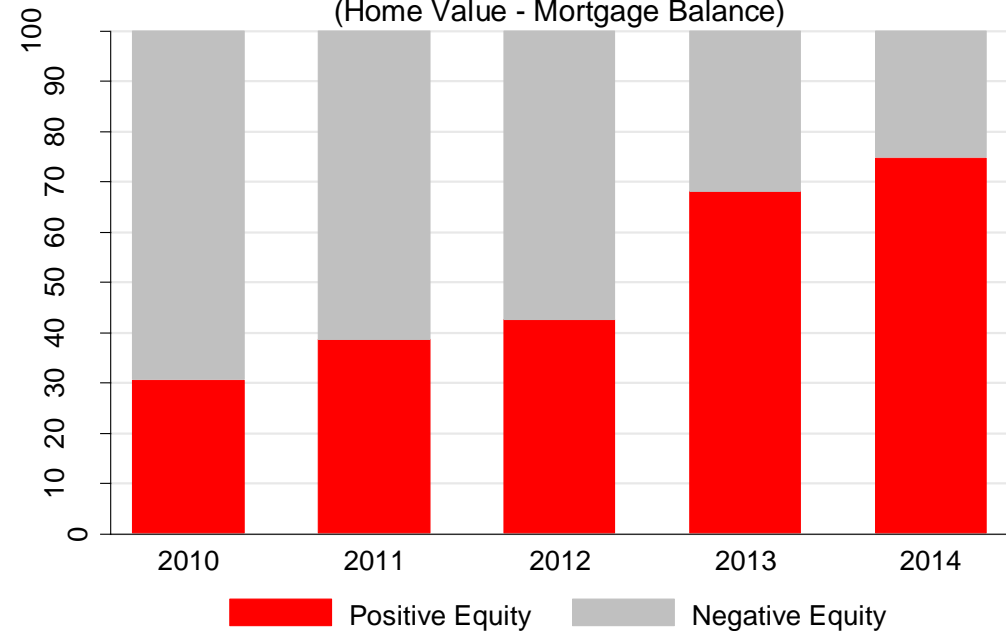
Nevada Statewide Trends

Foreclosure Trends



Source: CoreLogic

Equity Measures as of Quarter 3, 2014
(Home Value - Mortgage Balance)

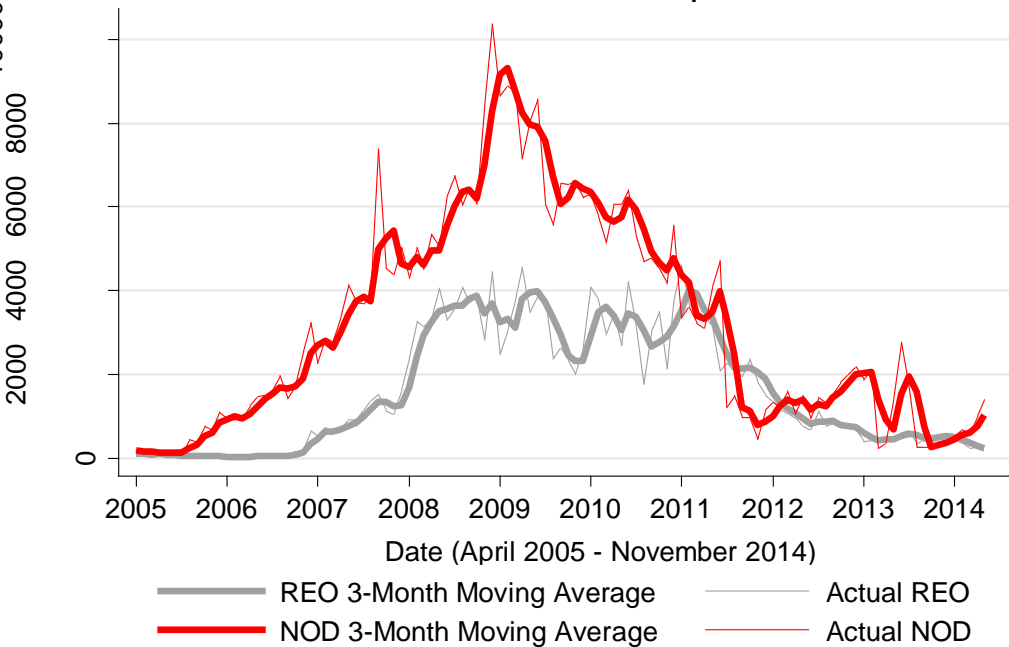


Source: CoreLogic

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.

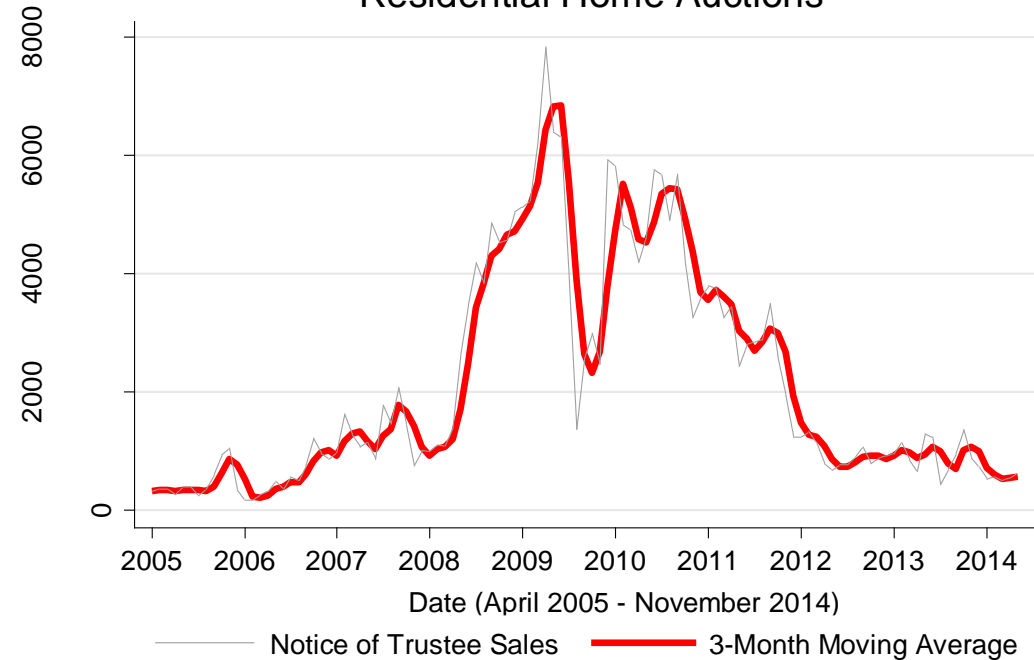
Nevada Statewide Trends

Notices of Default and Repossessions



Source: RealtyTrac

Residential Home Auctions



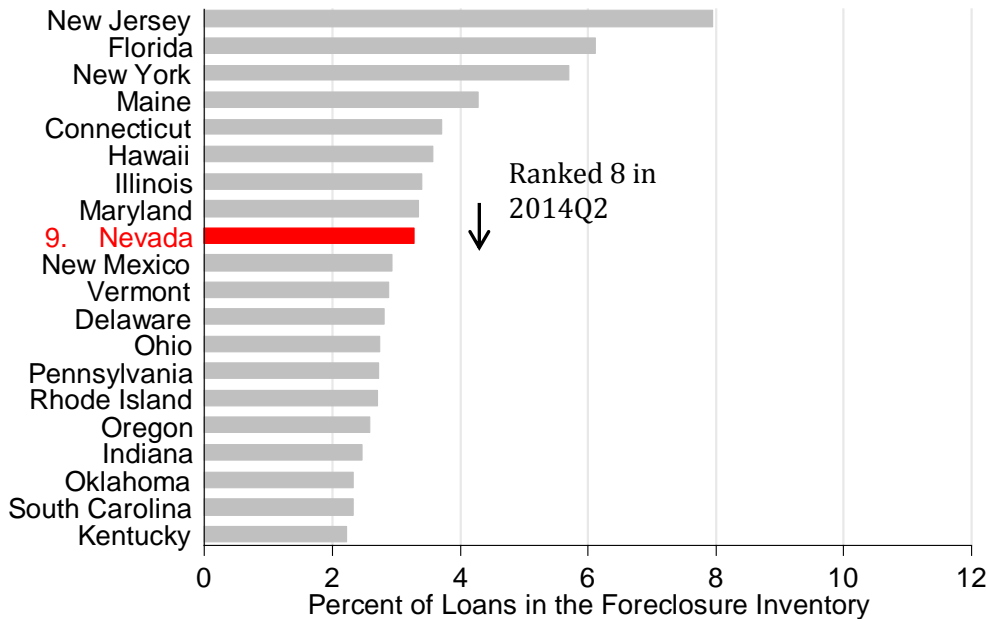
Source: RealtyTrac

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

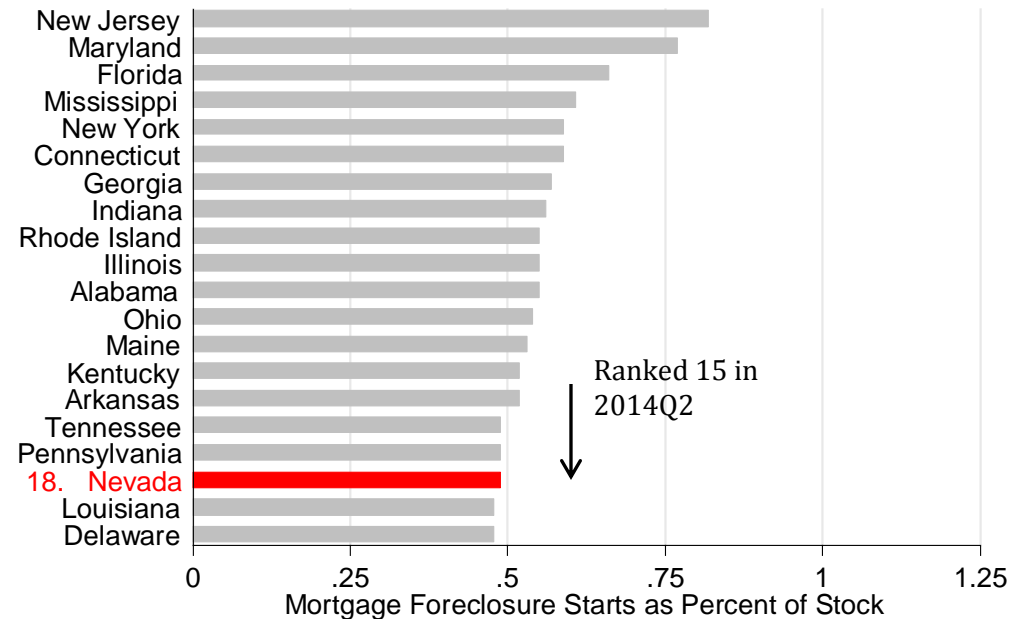
3rd Quarter 2014



Source: Mortgage Bankers Association's National Delinquency Survey

Top 20 States in Foreclosure Starts

3rd Quarter 2014



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 | November 2014

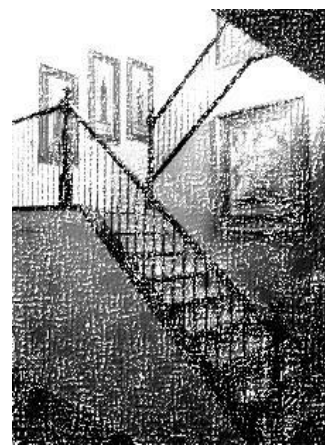
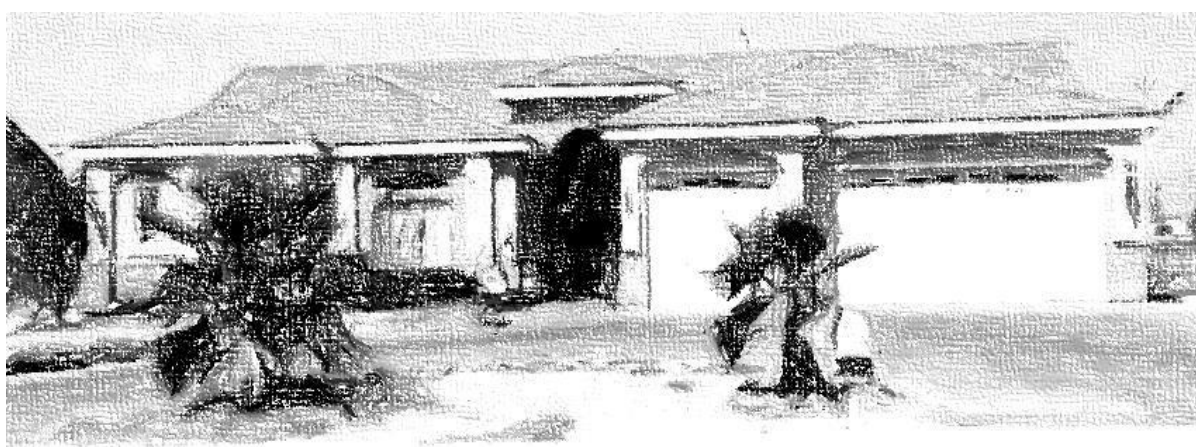
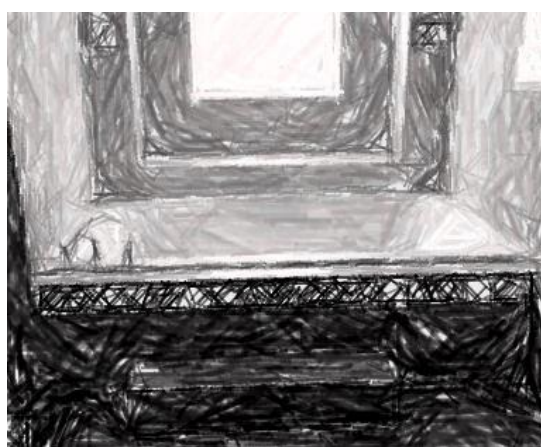
Northern Trends

Population: **614,491** in 2013

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

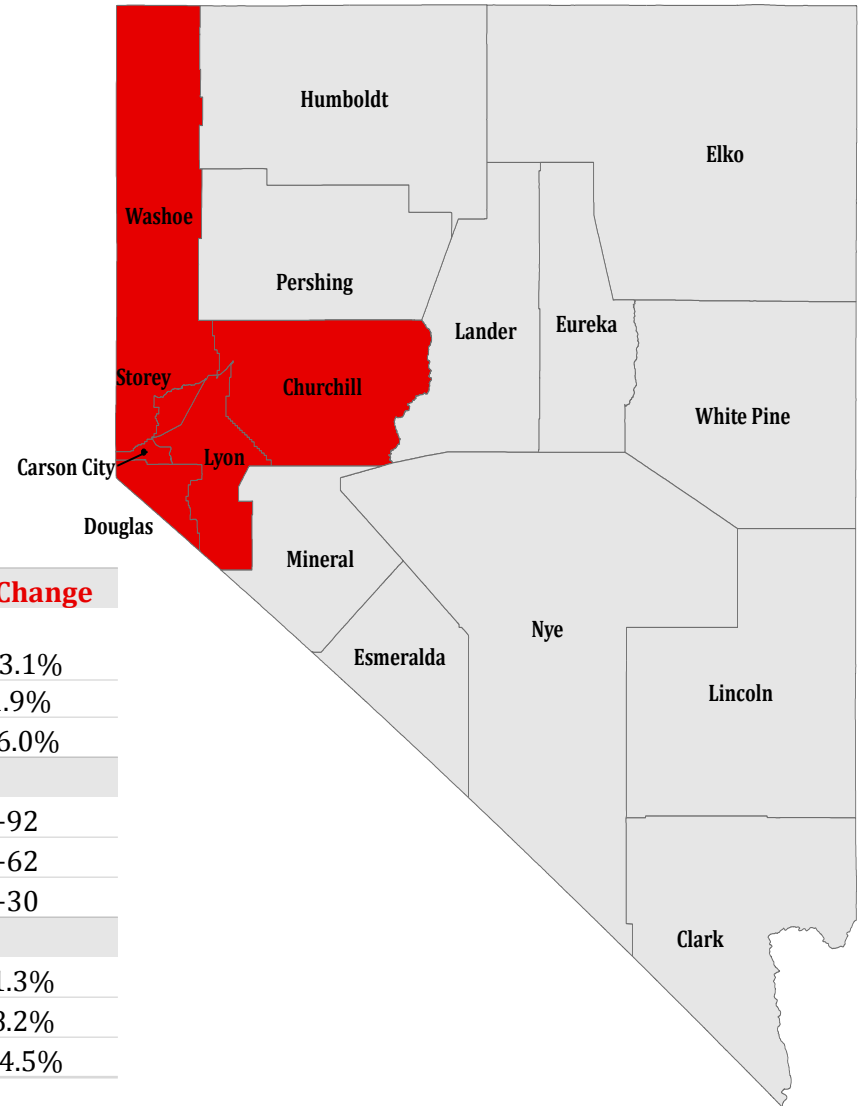
Source: U.S. Census Bureau: State and County QuickFacts

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



Northern Trends

- ❑ Northern Nevada saw a much larger decrease in home sales than Southern Nevada did this month. However, new and existing home sales are still up more on a year over year basis in Northern Nevada than Southern Nevada.
- ❑ Northern Nevada was the only region to see an increase in single-family start ups on a month to month and year to year basis. Northern Nevada has seen very little variance in monthly single-family start ups, with most months in 2014 seeing about 160 single-family start ups.
- ❑ At \$348,666, new home prices in Northern Nevada are the highest they have been since 2007.

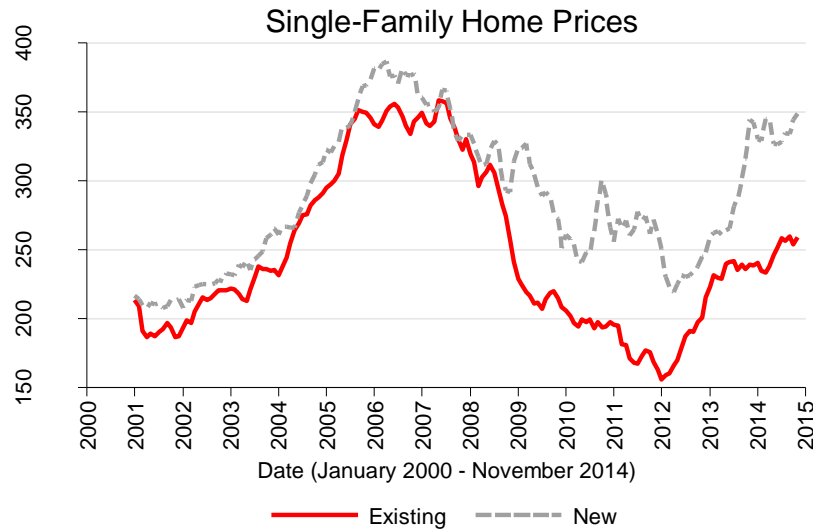


Single-Family Home Sales*	November 2014	M2M Change	Y2Y Change
New	110	+0.3%	+13.1%
Existing	959	-8.3%	-1.9%
Distress Share	12.1%	-0.9%	-46.0%
Residential Construction			
Total Starts	197	-24	+92
Single-Family	167	+2	+62
Multifamily	30	-26	+30
Average Single-Family Sales Price*			
New	\$348,666	+1.4%	+1.3%
Existing	\$258,420	+2.0%	+8.2%
Distress	\$199,361	+2.0%	+14.5%

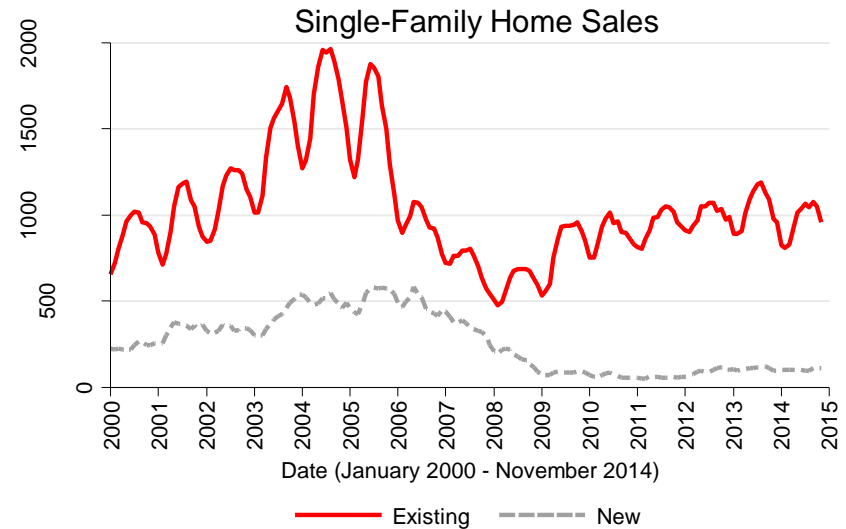
Source: Lied Institute calculations using CoreLogic Data and the *State of the Cities Data Systems* by U.S. Department of Housing and Urban Development.

*Figures portray Three-Month Moving Weighted Averages

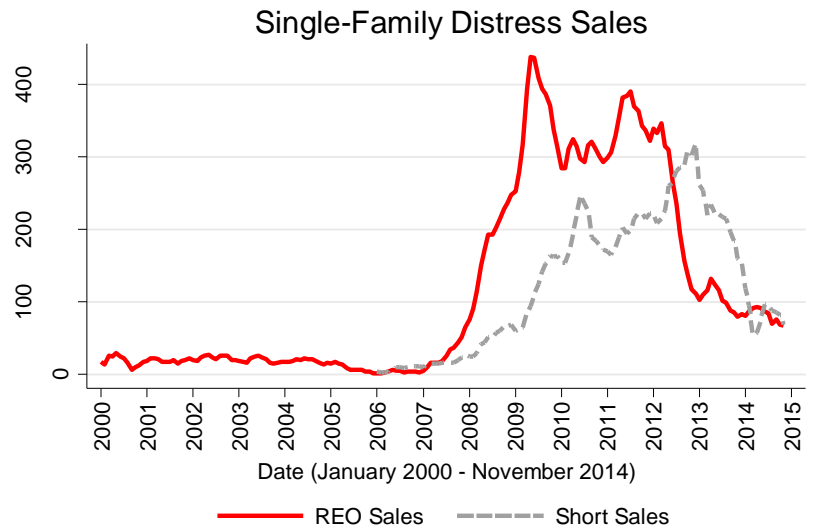
Northern Trends



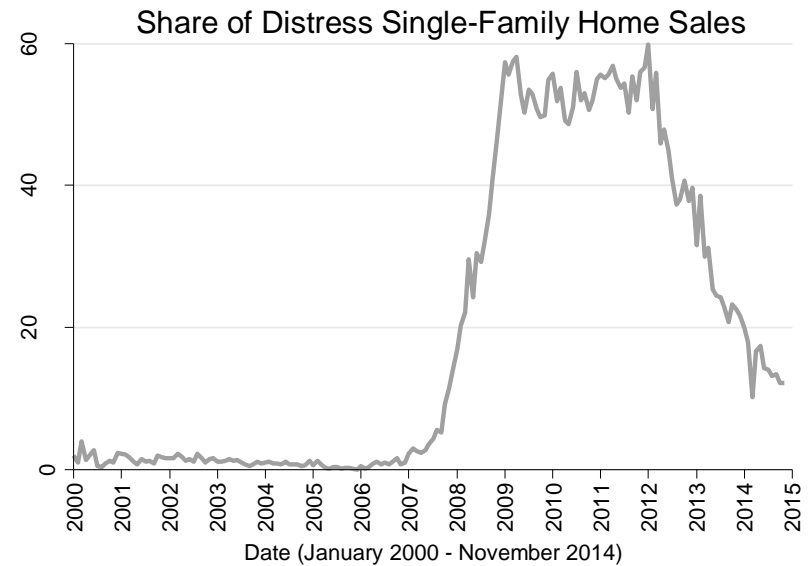
Source: CoreLogic
 Note: Series are 3-month weighted moving averages.



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

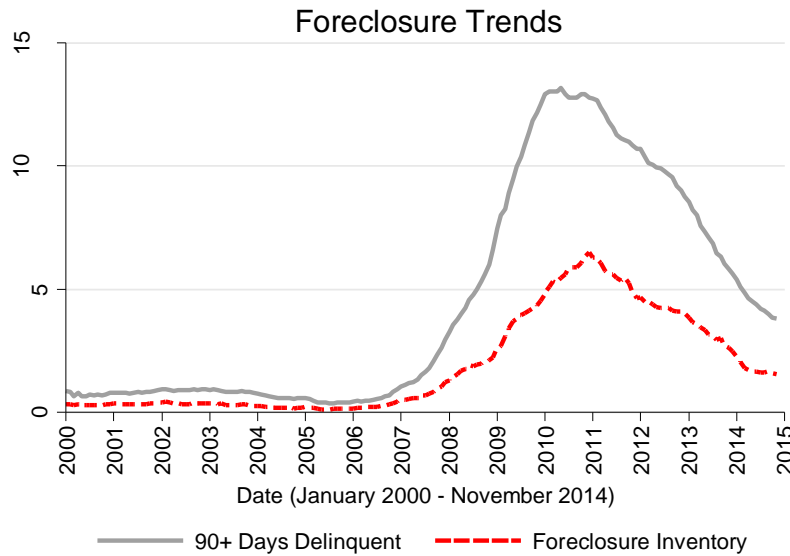


Source: CoreLogic
 Note: Series are 3-month weighted moving averages.

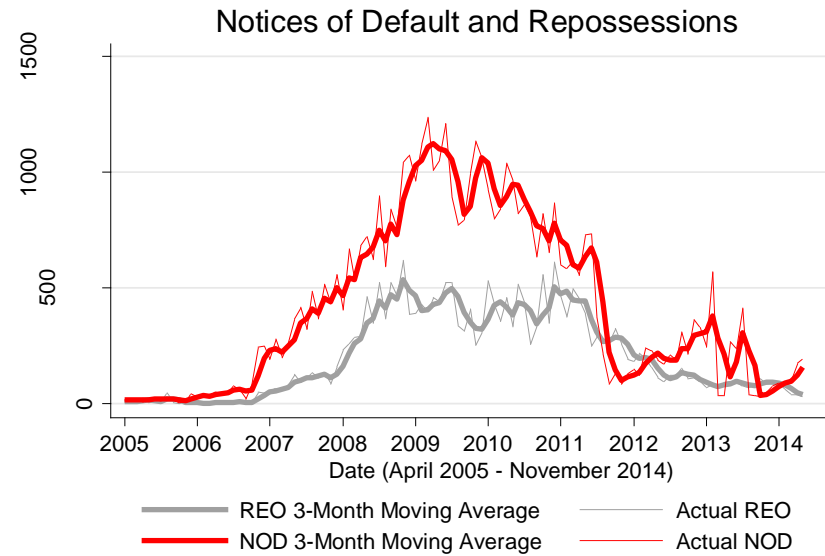


Source: CoreLogic

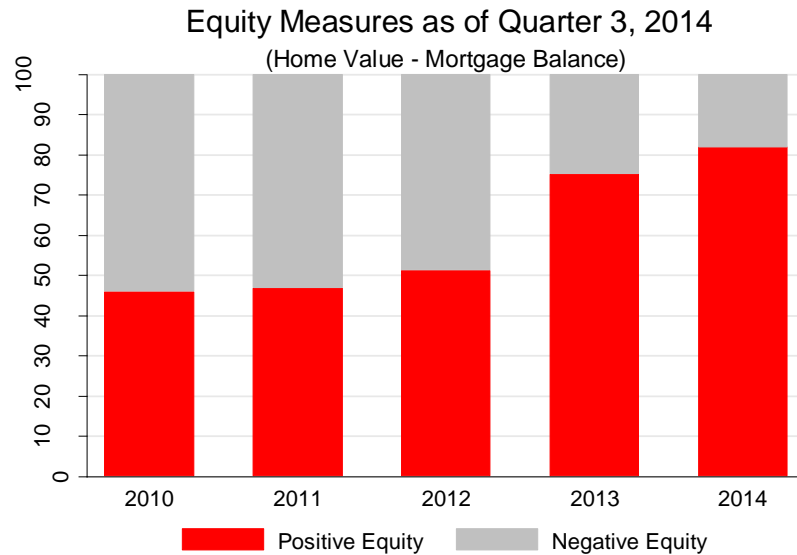
Northern Trends



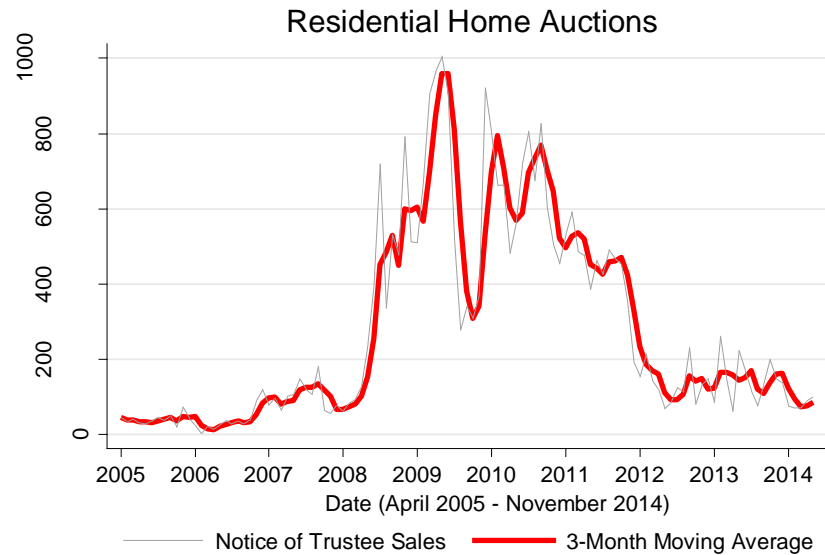
Source: CoreLogic



Source: RealtyTrac



Source: CoreLogic



Source: RealtyTrac

Nevada's Housing Market | November 2014

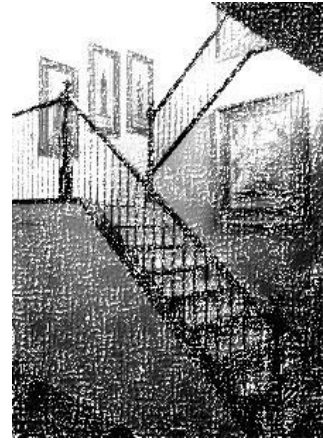
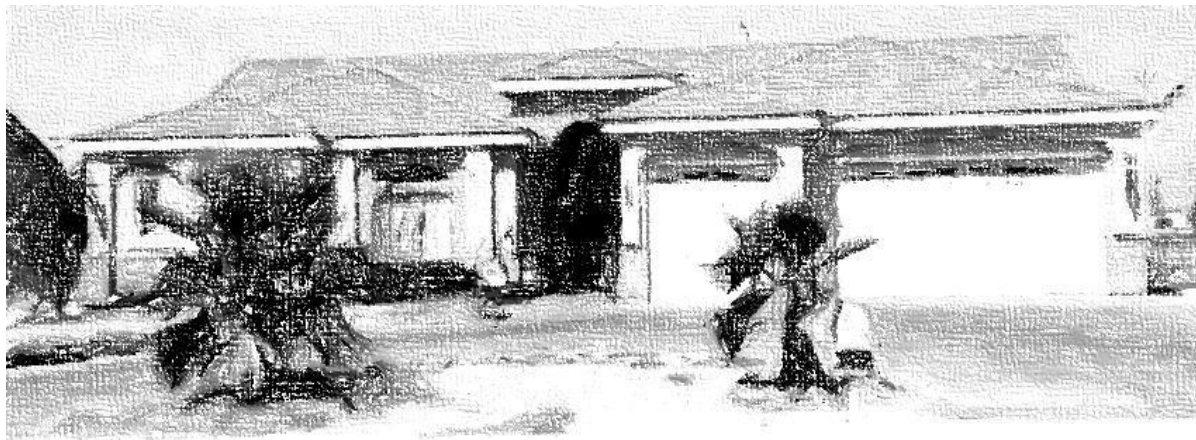
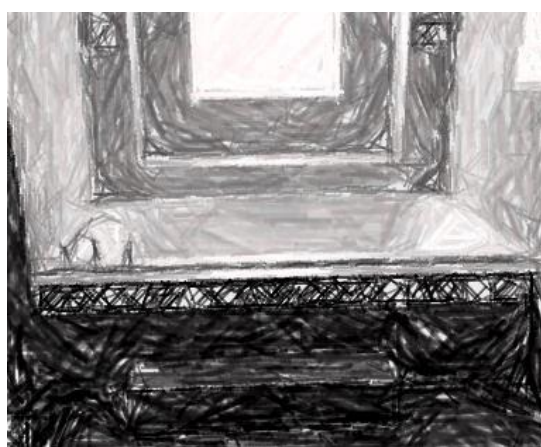
Southern Trends

Population: **2,027,868** in 2013

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

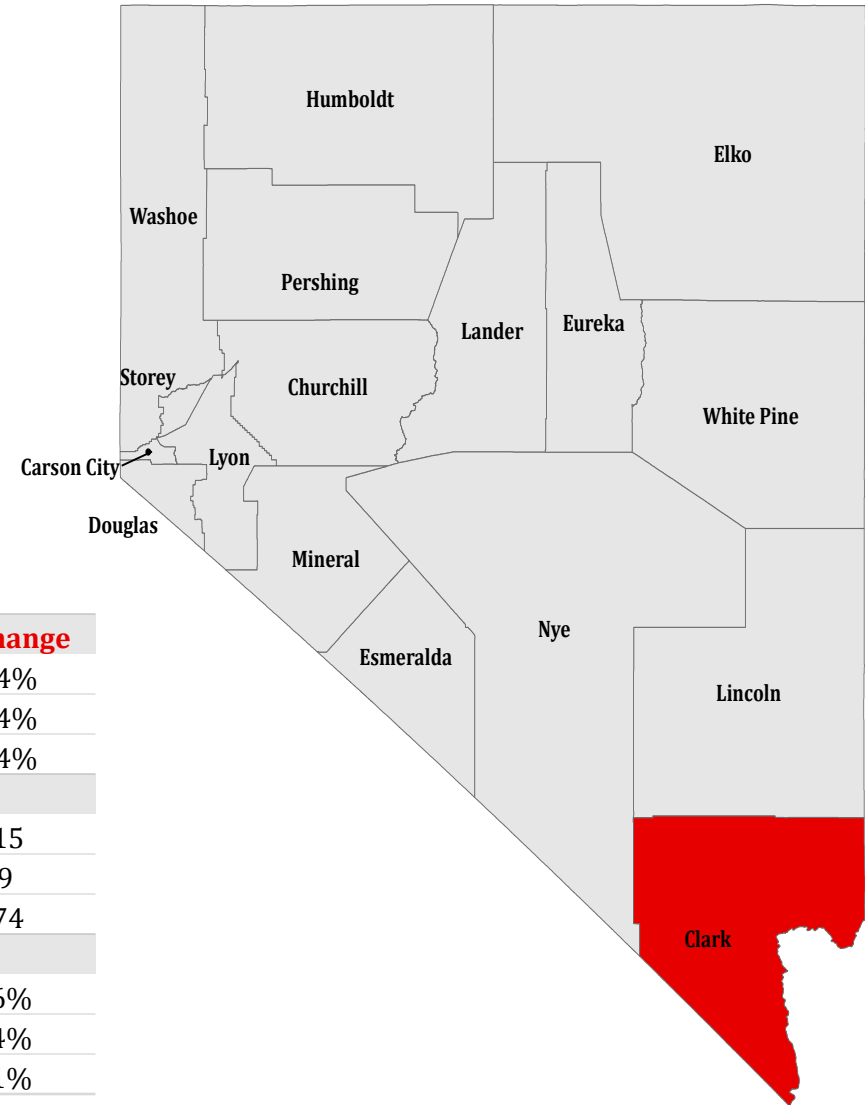
Source: U.S. Census Bureau: State and County QuickFacts

(Clark County)



Southern Trends

- ❑ Southern Nevada saw the share of homes sold under distress decrease by 1.5 percentage points from last month, the largest decrease of any region in Nevada this month. However, Southern Nevada has not improved as much as Northern Nevada on a year over year basis and still has a distress share 5 percentage points higher than Northern Nevada.
- ❑ Single-family start ups decreased and multifamily start ups increased this month, which typically happens in November for Southern Nevada. Multifamily start ups have been extremely high during 2014 for Southern Nevada and November was the first month this year with more multifamily starts than single-family starts.
- ❑ At \$322,332, new home prices in Southern Nevada are the highest they have been since June of 2008.



Single-Family Home Sales*	November 2014	M2M Change	Y2Y Change
New	468	+4.1%	-17.4%
Existing	3135	-5.7%	-10.4%
Distress Share	17.3%	-8.0%	-30.4%

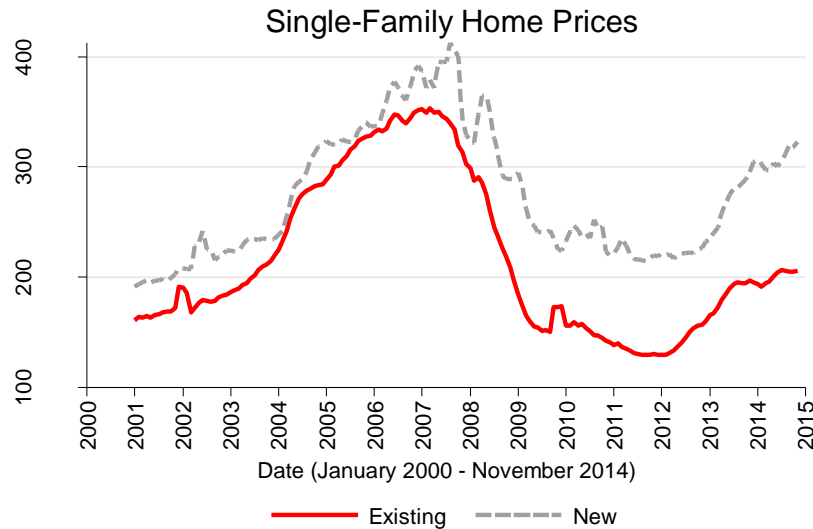
Residential Construction			
Total Starts	939	+59	+415
Single-Family	380	-153	-59
Multifamily	559	+212	+474

Average Single-Family Sales Price*			
New	\$322,332	+1.4%	+9.6%
Existing	\$205,442	+0.2%	+4.4%
Distress	\$161,128	+1.9%	+4.1%

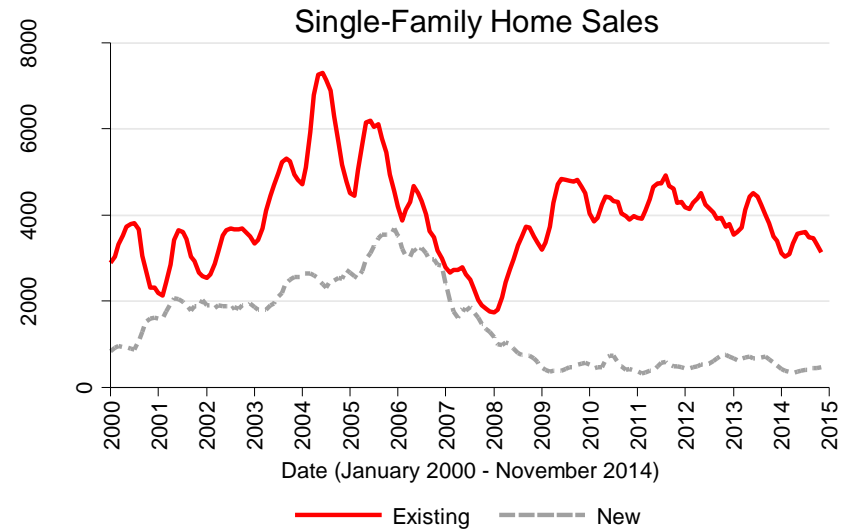
Source: Lied Institute calculations using CoreLogic Data and the *State of the Cities Data Systems* by U.S. Department of Housing and Urban Development.

*Figures portray Three-Month Moving Weighted Averages

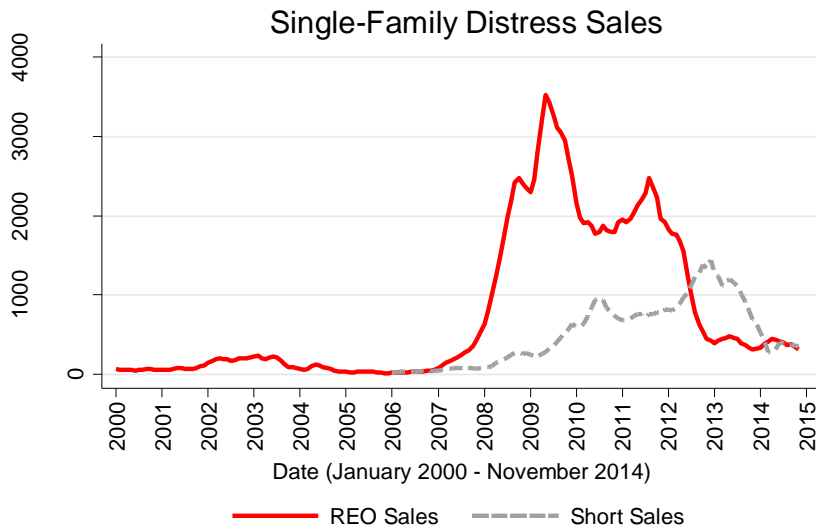
Southern Trends



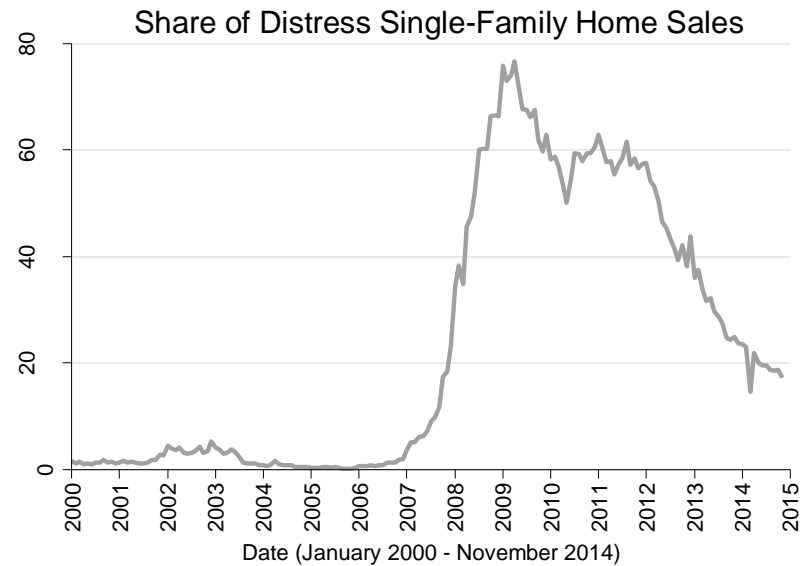
Source: CoreLogic
 Note: Series are 3-month weighted moving averages.



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

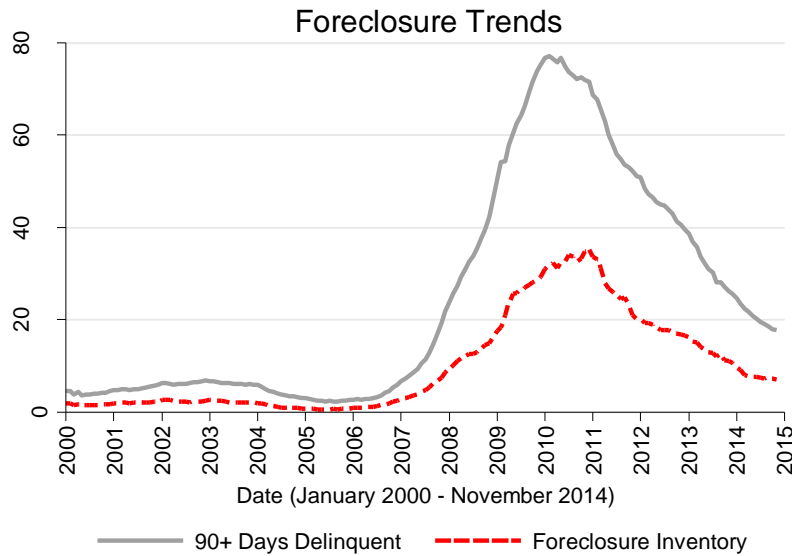


Source: CoreLogic
 Note: Series are 3-month weighted moving averages.

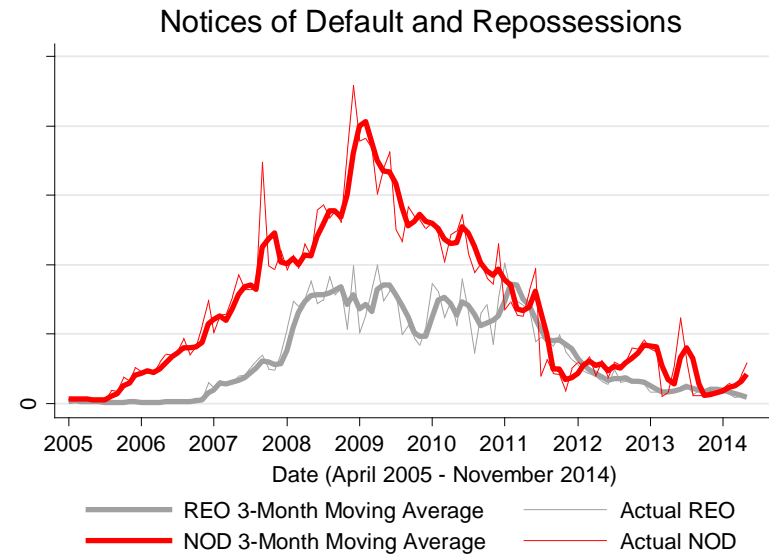


Source: CoreLogic

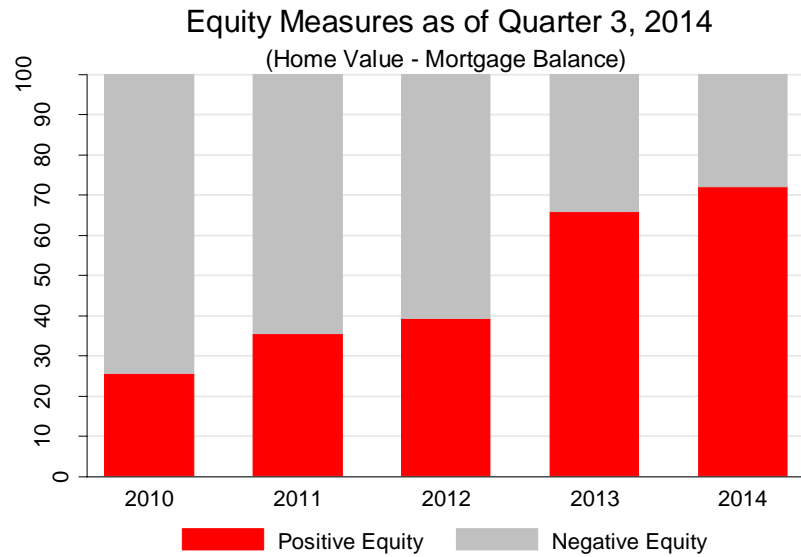
Southern Trends



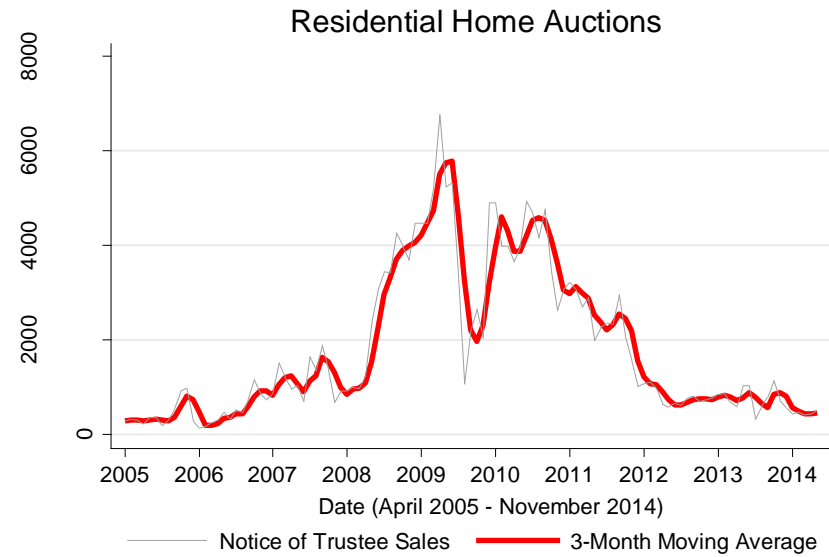
Source: CoreLogic



Source: RealtyTrac



Source: CoreLogic



Source: RealtyTrac

Nevada's Housing Market | November 2014

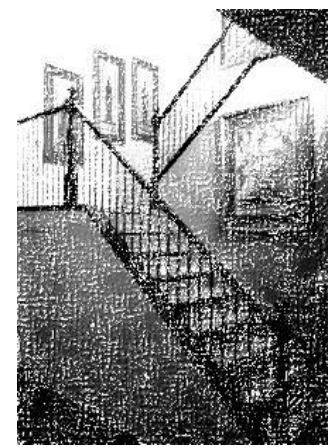
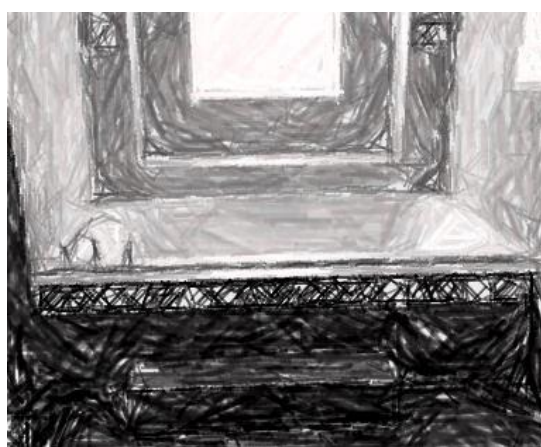
Rural Trends

Population: **147,777** in 2013

Housing Units: **65,629** in 2012

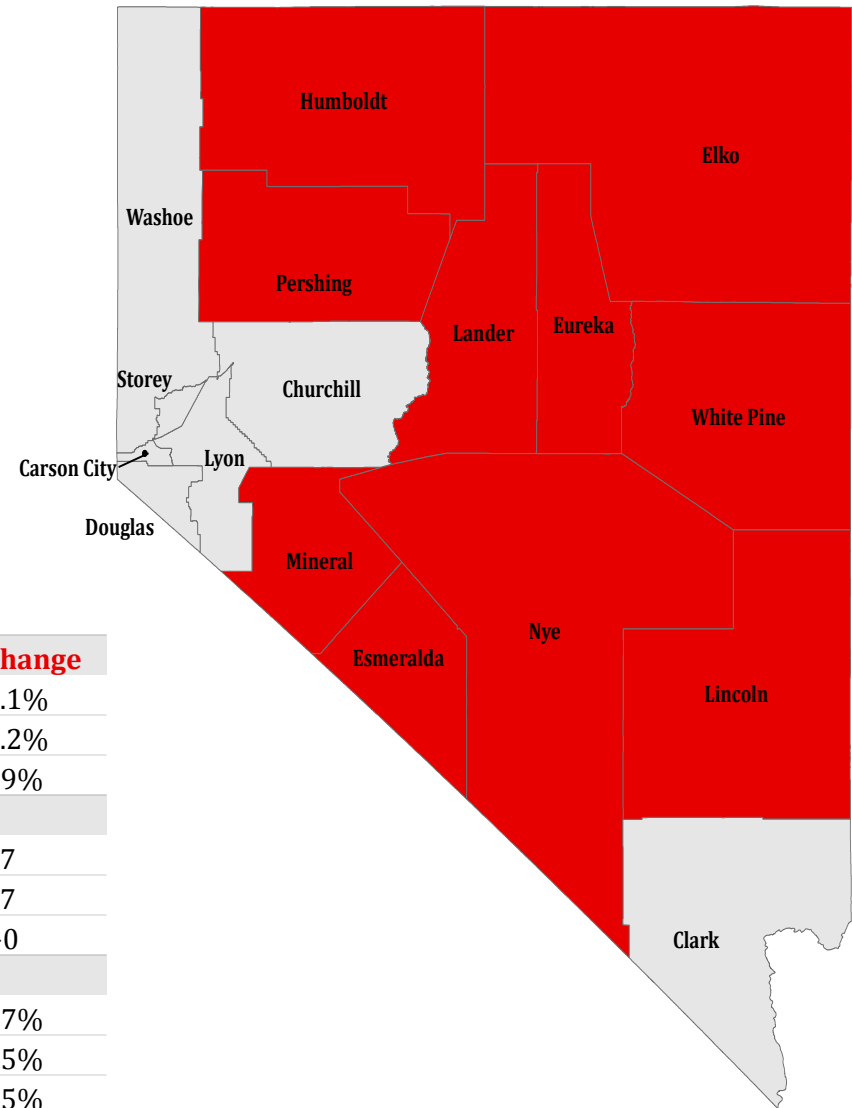
Source: U.S. Census Bureau: State and County QuickFacts

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



Rural Trends

- ❑ The share of homes sold under distress in Rural Nevada decreased slightly this month (1.4 percent). This is unusual as the distress share has seen large fluctuations on a month to month basis in Rural Nevada. Rural Nevada remains the only region in Nevada where REO sales are significantly higher than short sales.
- ❑ Despite decreasing from last month, the 22 single-family starts this month were still the second highest number of monthly starts for the year in Rural Nevada.
- ❑ Home prices are much more stable than home sales in Rural Nevada. The 6.2 percent monthly increase in new home prices was the largest monthly increase of the year for new home prices in Rural Nevada.

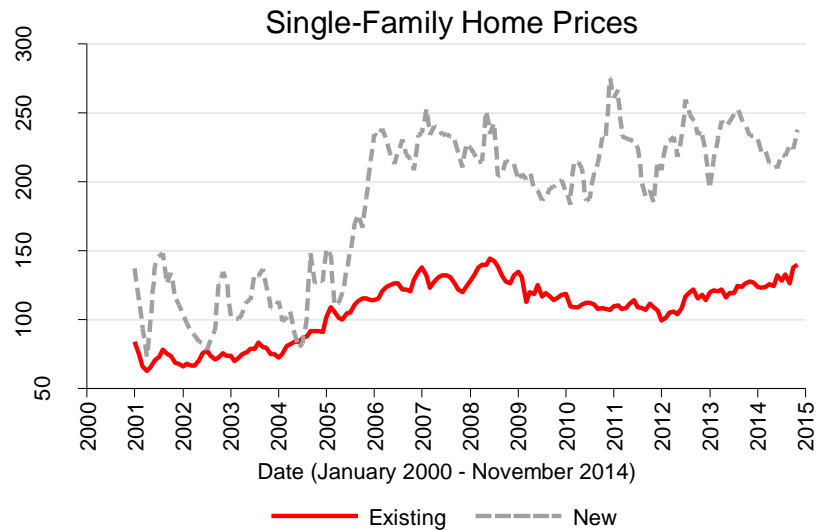


Single-Family Home Sales*	November 2014	M2M Change	Y2Y Change
New	8	+0.0%	-67.1%
Existing	140	-9.7%	-26.2%
Distress Share	18.0%	-1.4%	+0.9%
Residential Construction			
Total Starts	22	-27	-7
Single-Family	22	-3	-7
Multifamily	0	-24	+0
Average Single-Family Sales Price*			
New	\$237,381	+6.2%	+1.7%
Existing	\$139,695	+1.7%	+9.5%
Distress	\$104,945	-4.5%	+3.5%

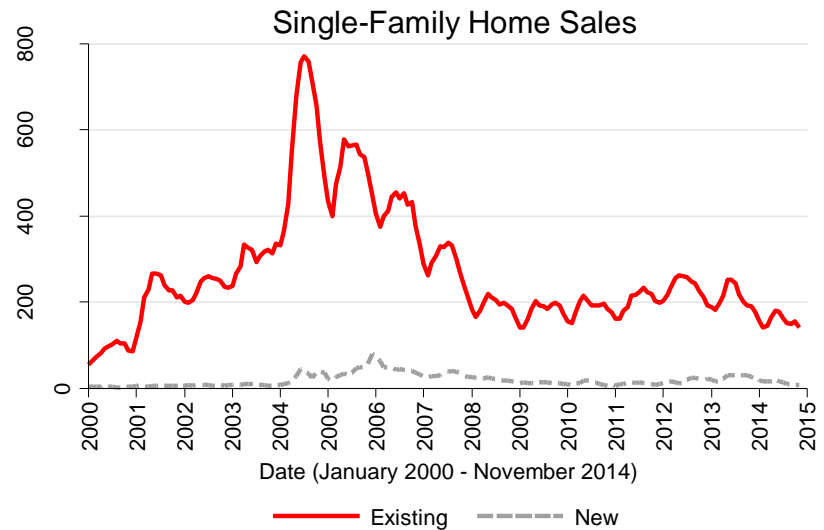
Source: Lied Institute calculations using CoreLogic Data and the *State of the Cities Data Systems* by U.S. Department of Housing and Urban Development.

*Figures portray Three-Month Moving Weighted Averages

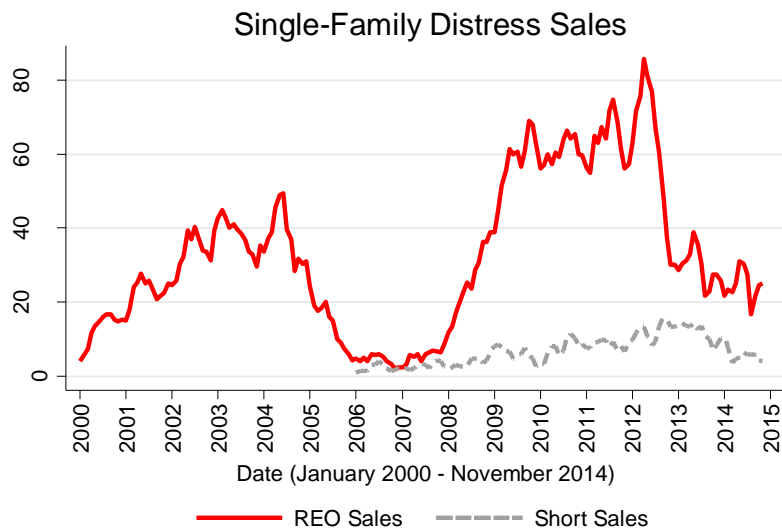
Rural Trends



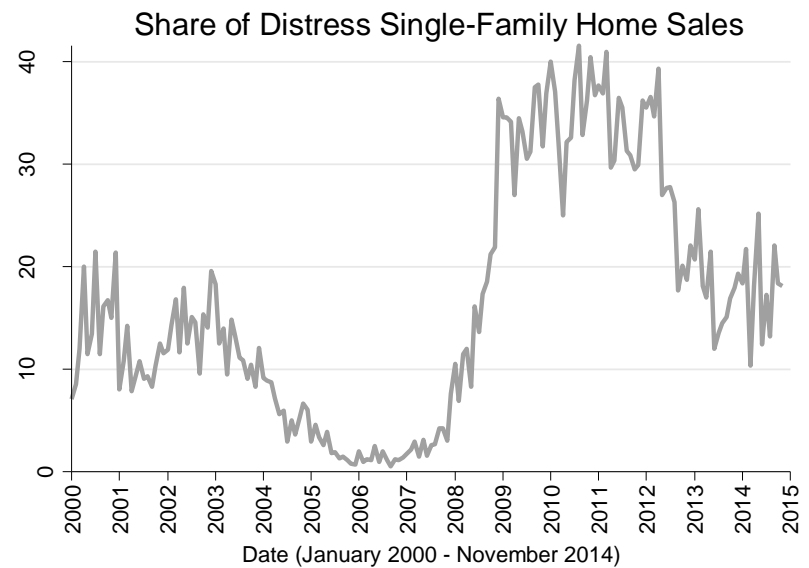
Source: CoreLogic
Note: Series are 3-month weighted moving averages.



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

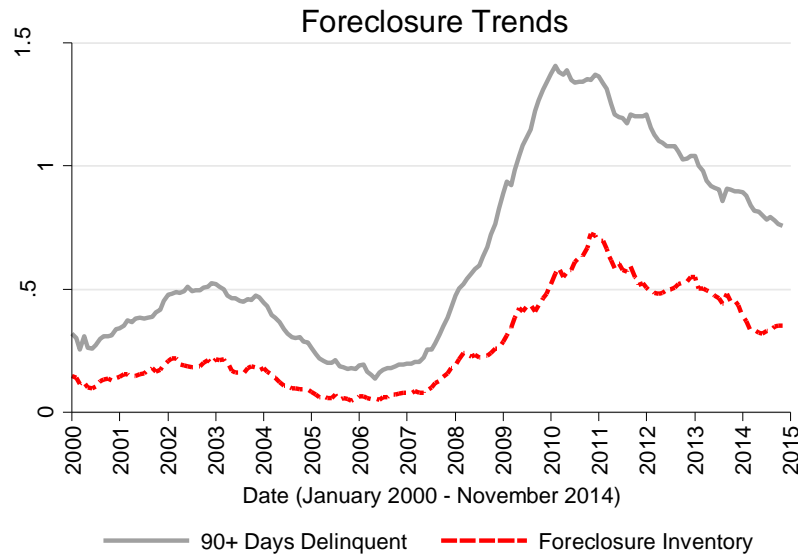


Source: CoreLogic
Note: Series are 3-month weighted moving averages.

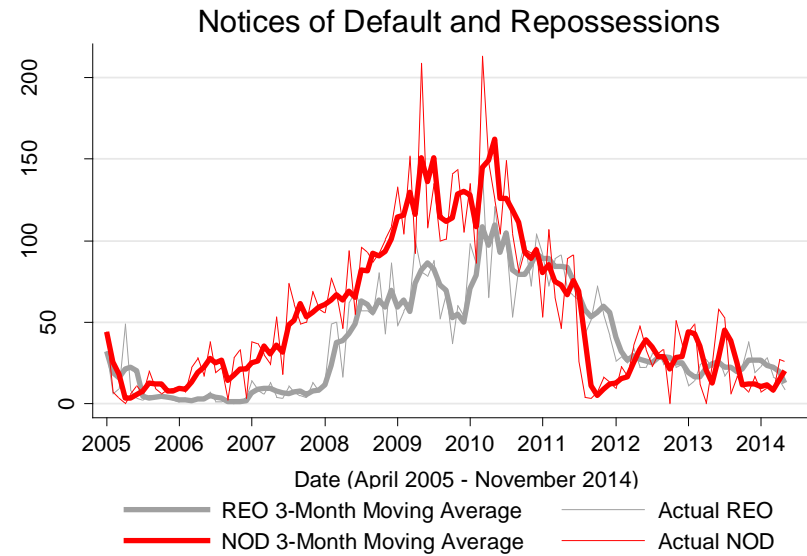


Source: CoreLogic

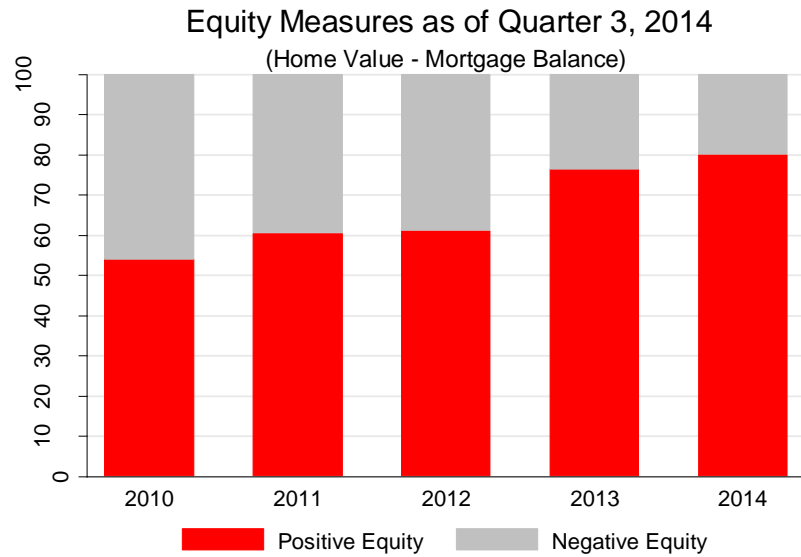
Rural Trends



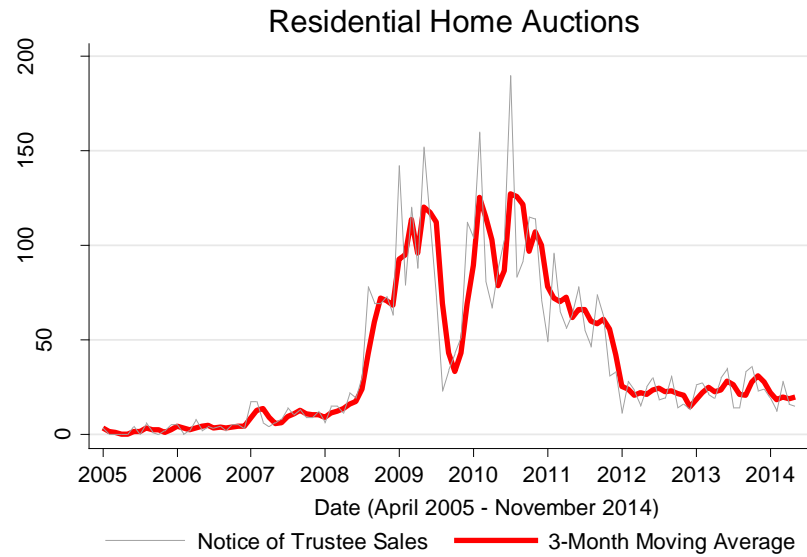
Source: CoreLogic



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.

Lied Institute for Real Estate Studies
4505 S. Maryland Parkway, Box 456025
Las Vegas, NV 89154-6025

Edward Coulson

Director
(702) 895-1660
Ed.Coulson@unlv.edu

Betty Campbell

Program Coordinator
(702) 895-4492
Betty.Campbell@unlv.edu

Peter Counts

Data Analyst
(702) 895-5998
Peter.Counts@unlv.edu

Department of Business & Industry
555 E. Washington Ave #4900
Las Vegas, NV 89101

Bruce Breslow

Director
(775) 684-2987
Breslow@business.nv.gov

Ashok Mirchandani

Deputy Director
(702) 486-4492
AMirchandani@business.nv.gov