

# 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



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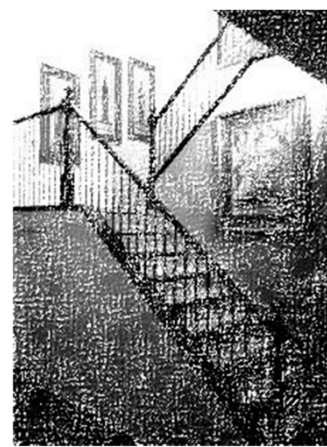
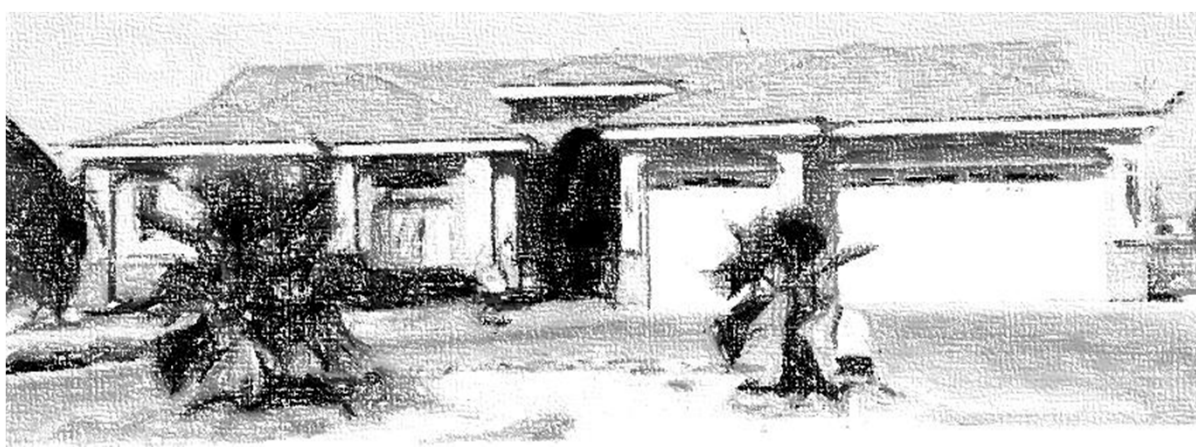
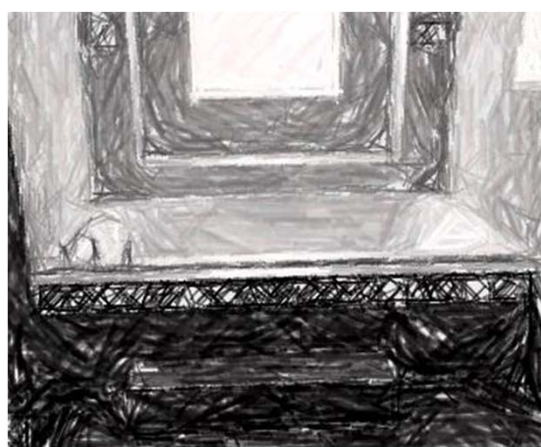
# Nevada's Housing Market | April 2015

## Nevada Statewide Trends

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

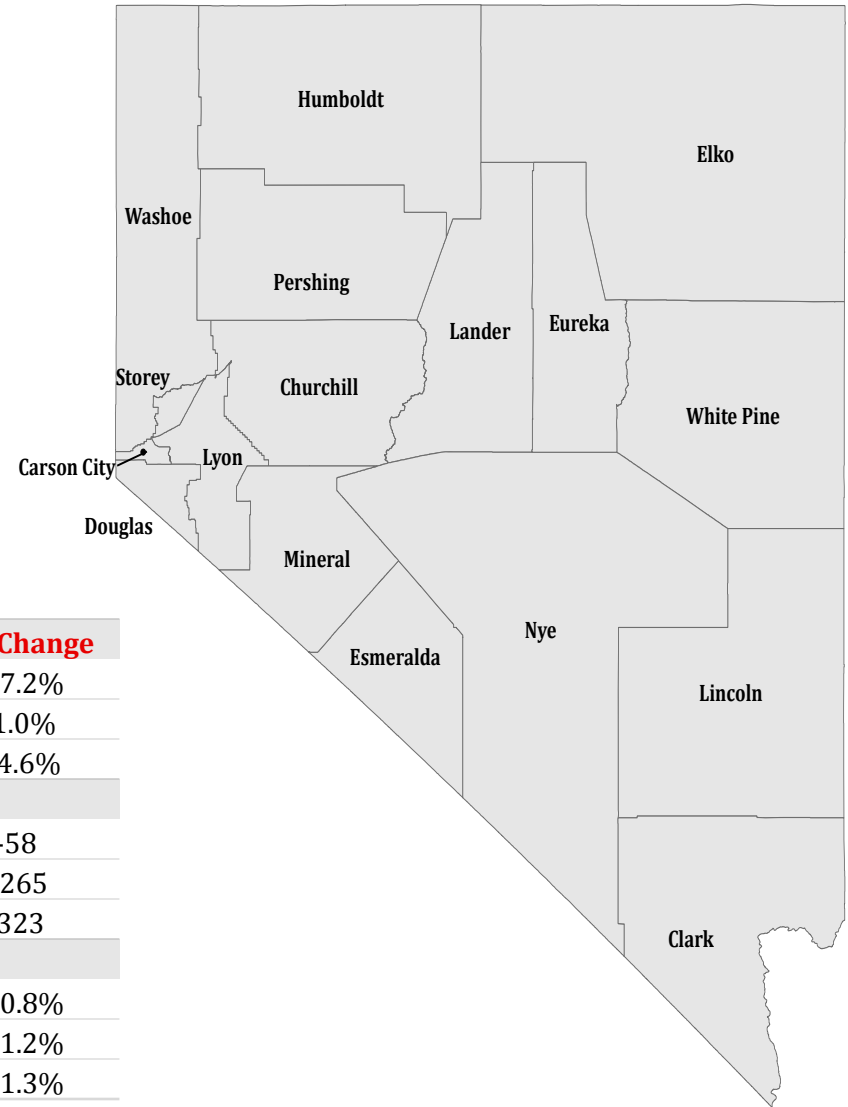
Housing Units: **1,186,879** in 2013

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



## Nevada Statewide Trends

- ❑ All three regions in Nevada saw an increase in new and existing home sales. Existing home sales saw a year over year increase for the first time since September 2013.
- ❑ All three regions in Nevada also saw an increase in existing home prices this month. At \$224,759, existing home prices are the highest they have been since the end of 2008.
- ❑ The distress share for the state of Nevada remained almost unchanged this month. However, Northern Nevada saw an unusually large decrease in the distress share this month and Rural Nevada saw an unusually large increase in the distress share.

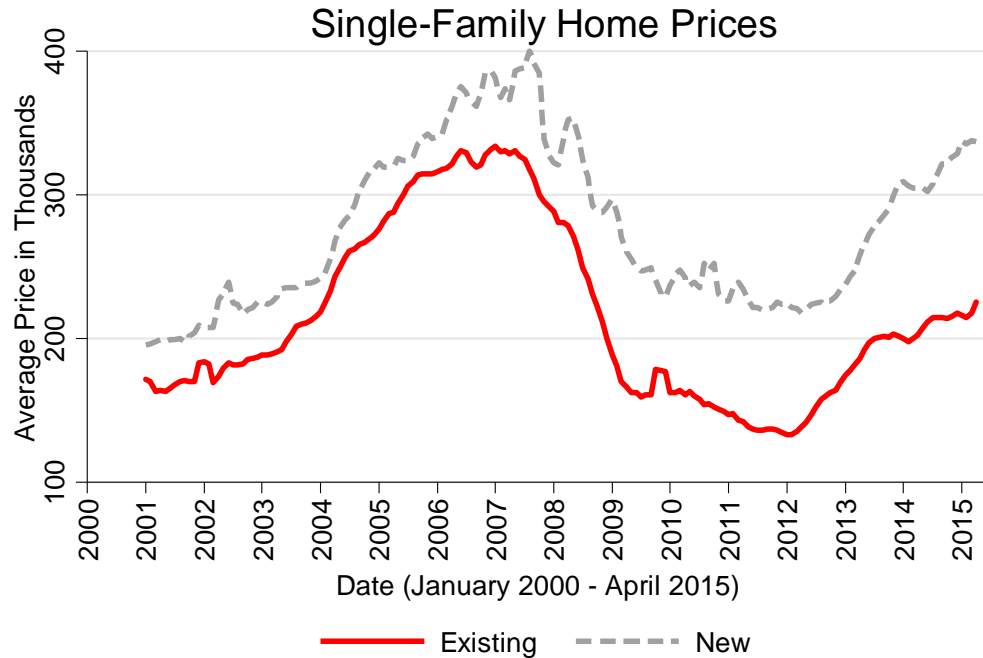


Single-Family Home Sales*	April 2015	M2M Change	Y2Y Change
New	585	+7.3%	+27.2%
Existing	4469	+16.0%	+1.0%
Distress Share	13.4%	-0.8%	-34.6%
Residential Construction			
<b>Total Starts</b>	1,132	-98	-58
Single-Family	1,011	-64	+265
Multifamily	121	-34	-323
Average Single-Family Sales Price*			
New	\$336,971	-0.1%	+10.8%
Existing	\$224,759	+3.3%	+11.2%
Distress	\$170,192	+5.0%	+11.3%

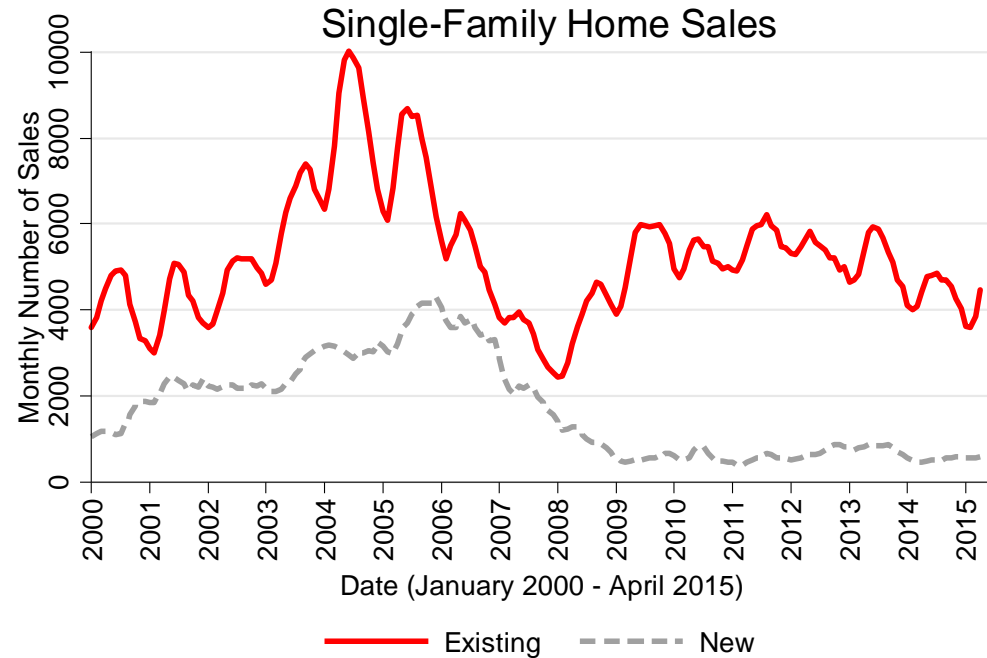
Source: Lied Institute calculations using CoreLogic Data and the *State of the Cities Data Systems* by U.S. Department of Housing and Urban Development.

\*Figures portray Three-Month Moving Weighted Averages

## Nevada Statewide Trends



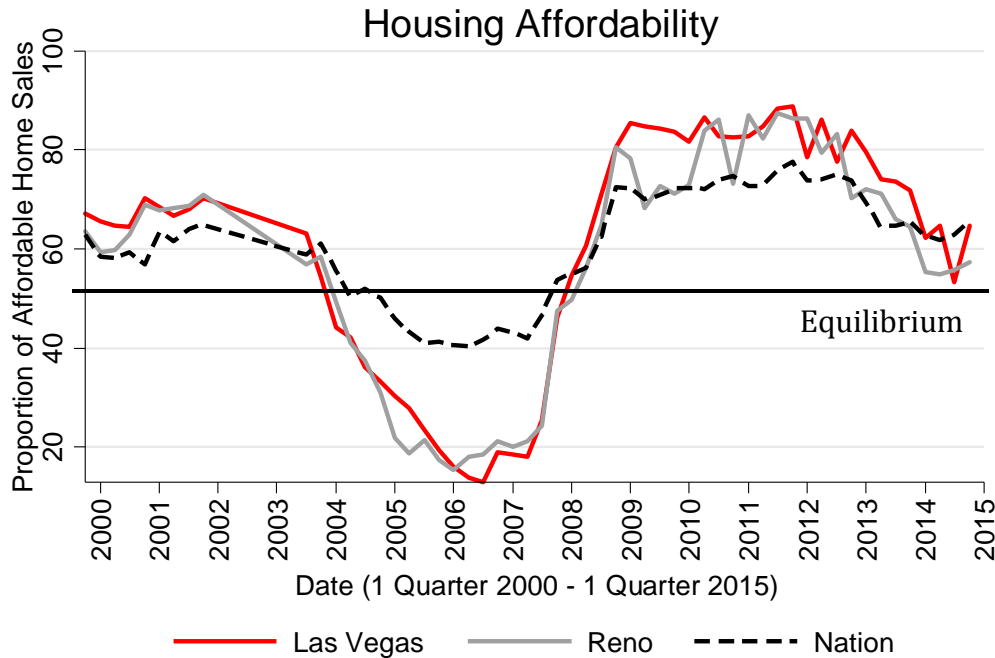
Source: CoreLogic  
 Note: Series are 3-month weighted moving averages.



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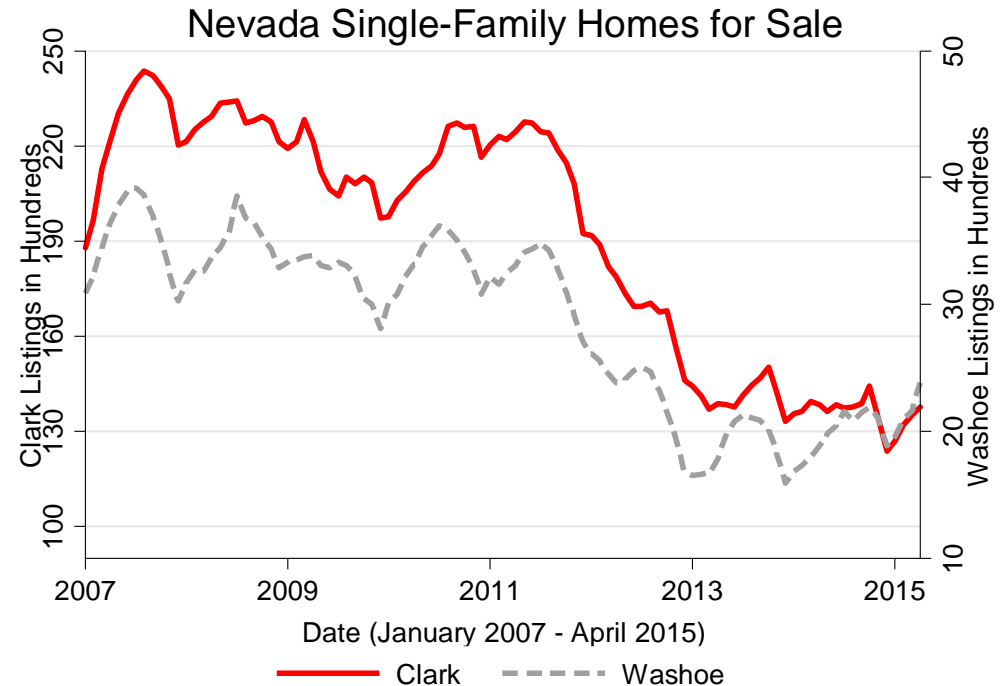
The Single-Family Home Prices figure above shows the three-month moving average price of existing homes and new homes. Existing homes are single family homes that were exchanged from one private owner to another. This includes homes sold by real estate agents, owners, and lenders. New homes are single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

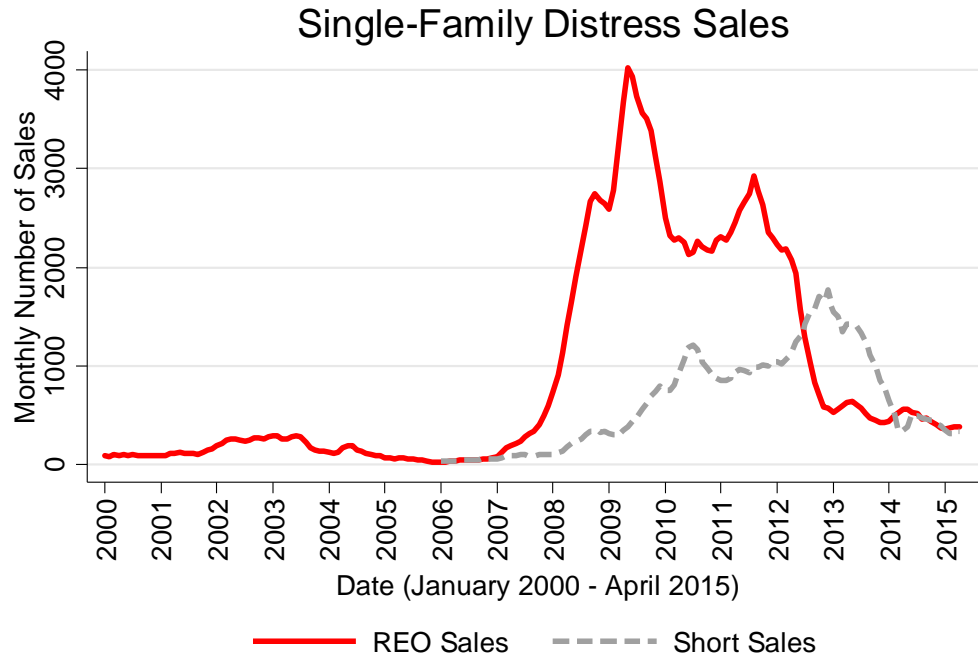
Note: Series denote the proportion of home sales affordable at median income.



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

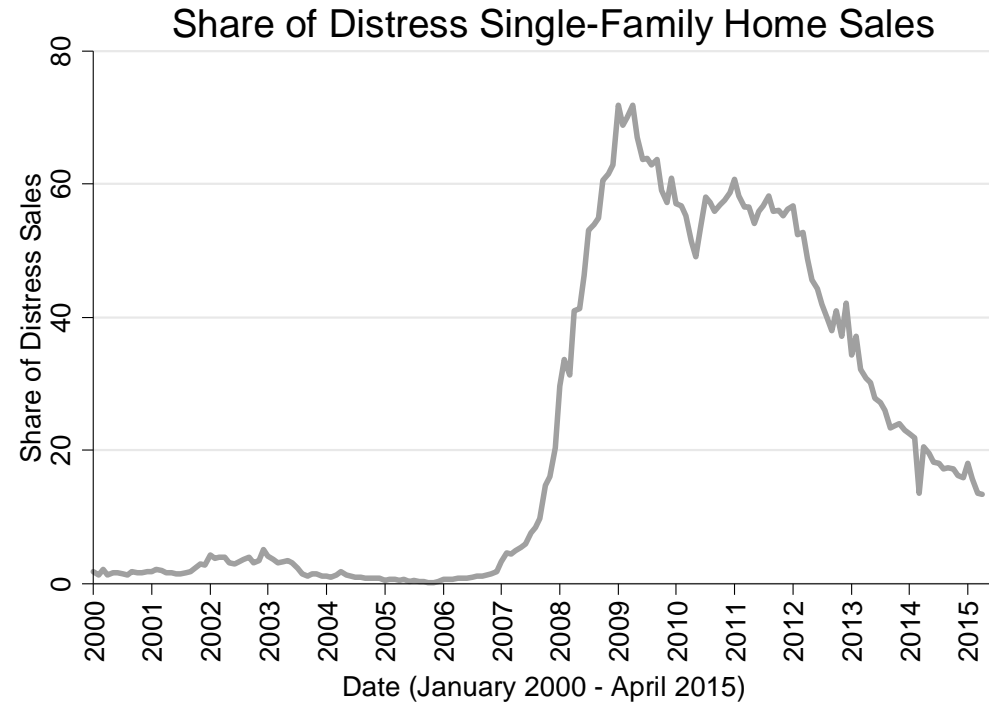
The Housing Affordability figure shows the proportion of home sales that could have been bought by borrowers earning at least the local median income, with a conventional loan. This index was developed by the National Association of Home Builders (NAHB), to provide a benchmark of affordability. The other 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



Source: CoreLogic

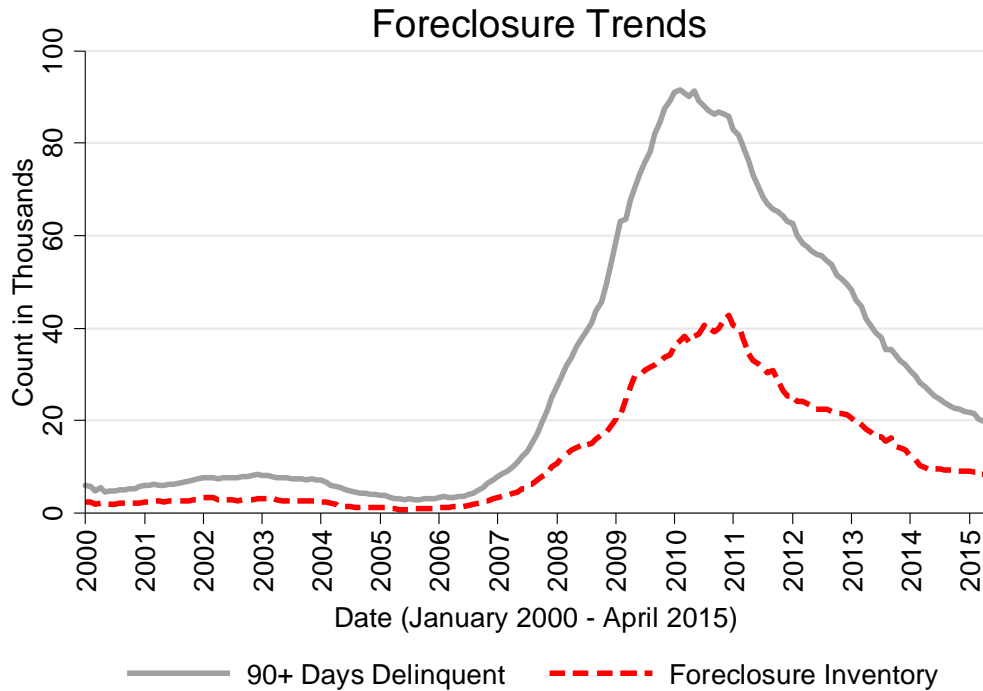
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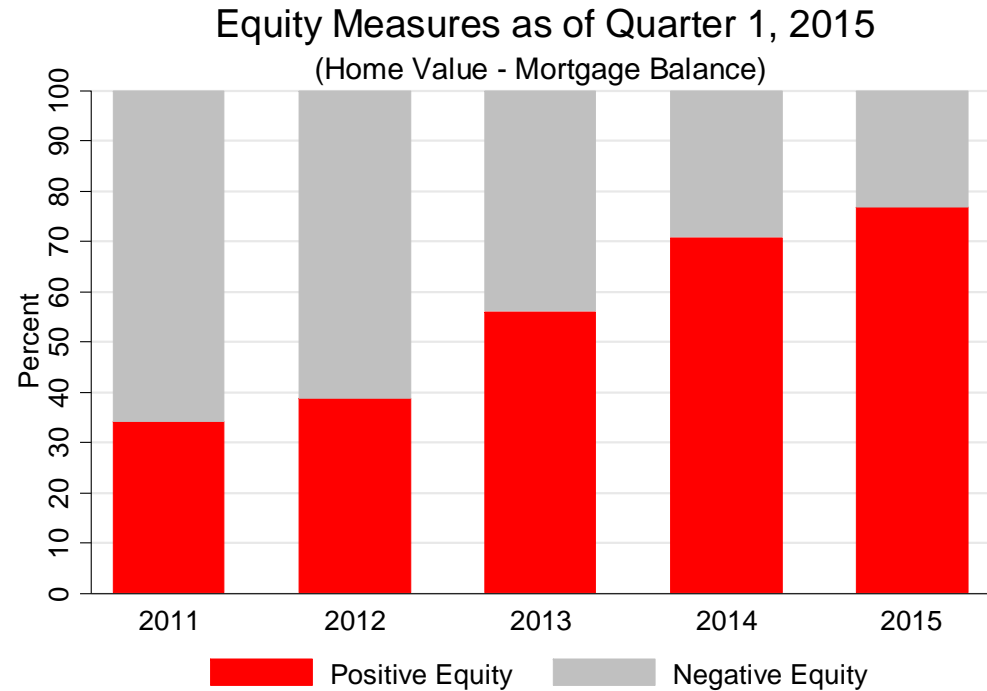
Source: CoreLogic

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



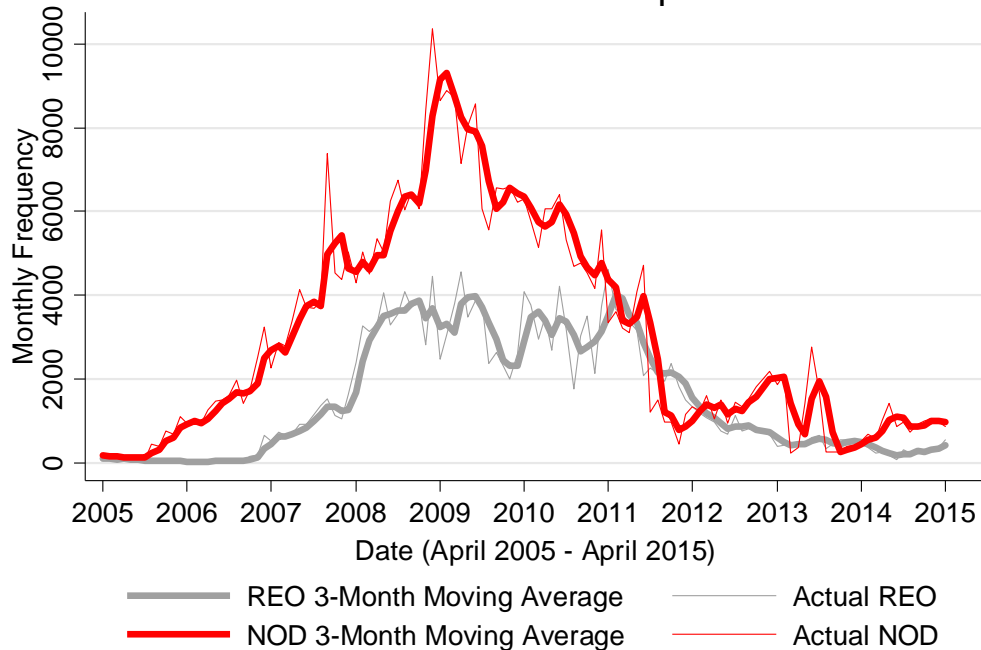
Source: CoreLogic

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.



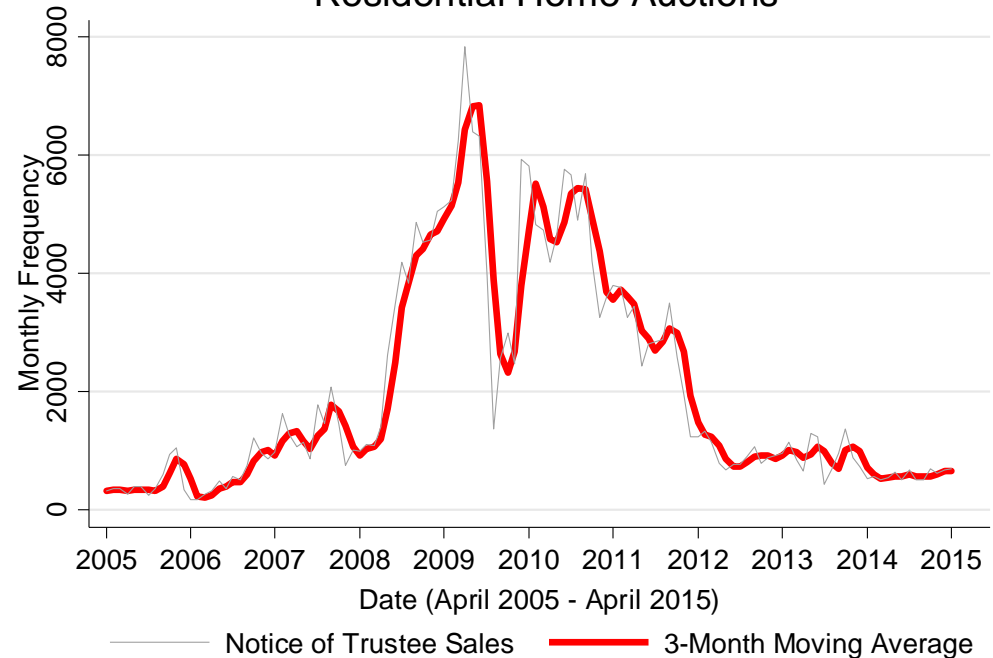
## Nevada Statewide Trends

### Notices of Default and Repossessions



Source: RealtyTrac

### Residential Home Auctions



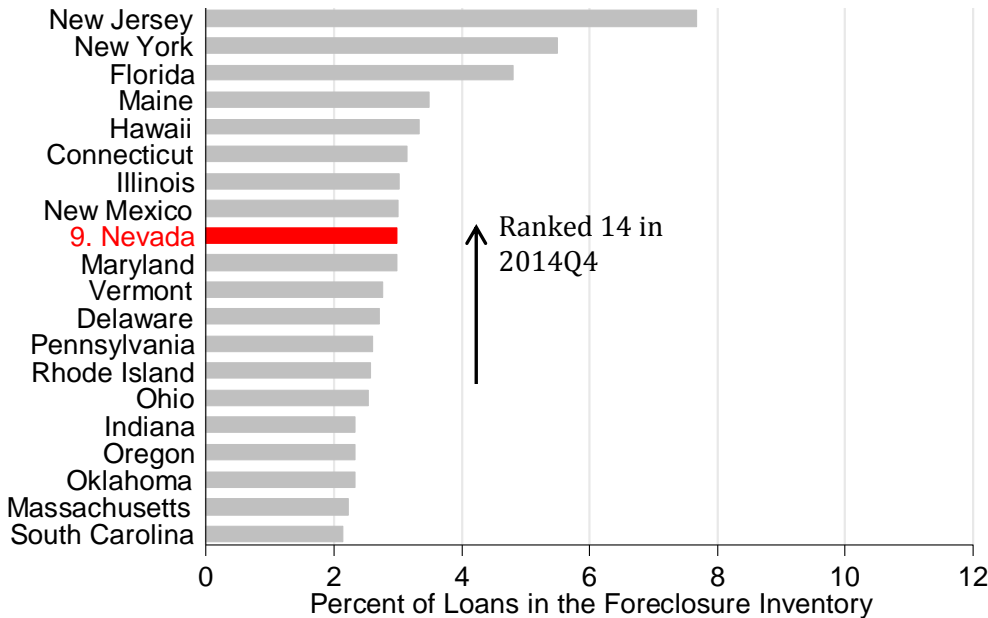
Source: RealtyTrac

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

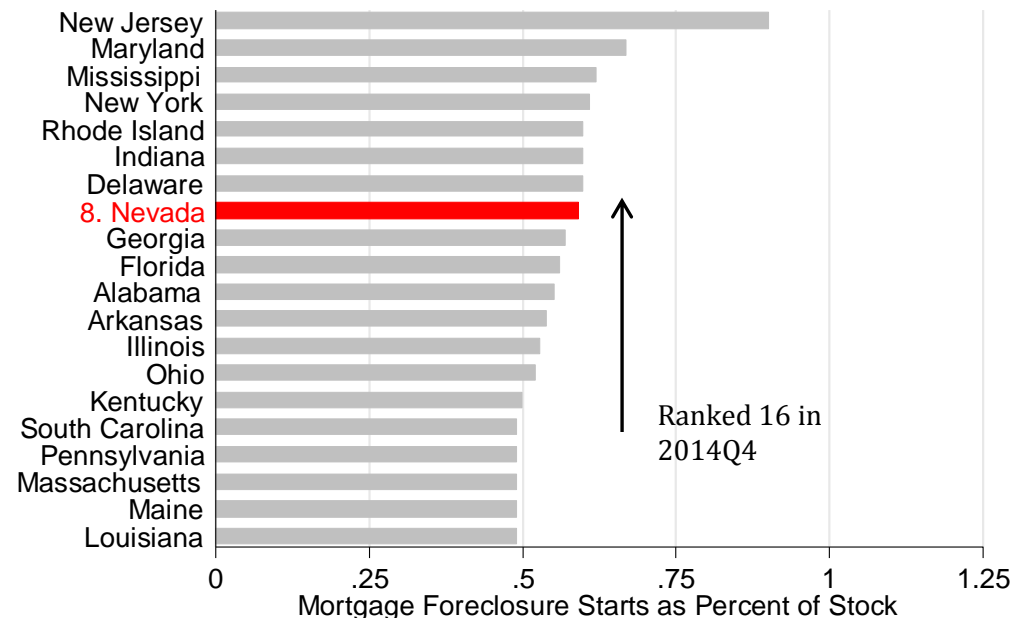
1st Quarter 2015



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 | April 2015

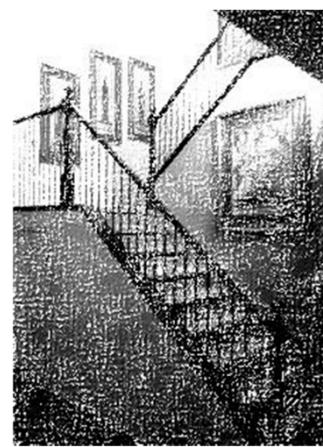
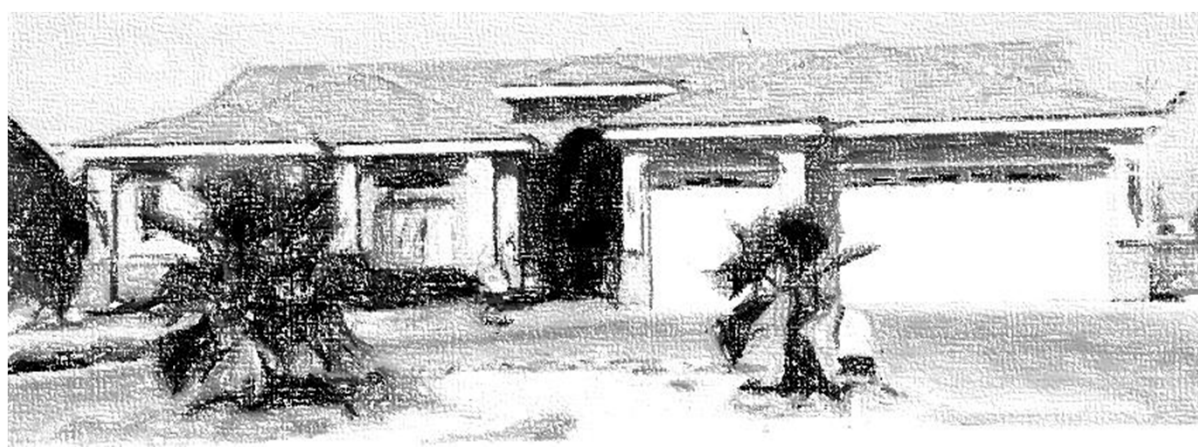
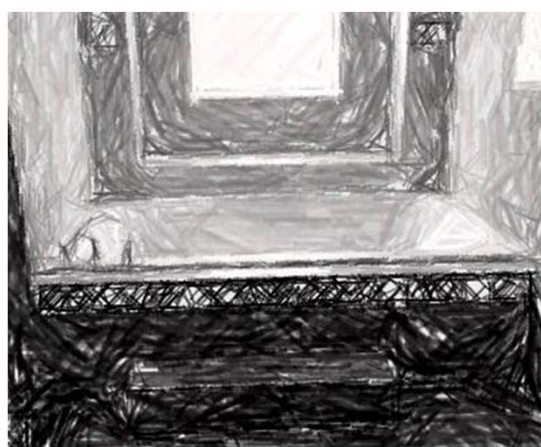
## Northern Trends

Population: **621,826** in 2014

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

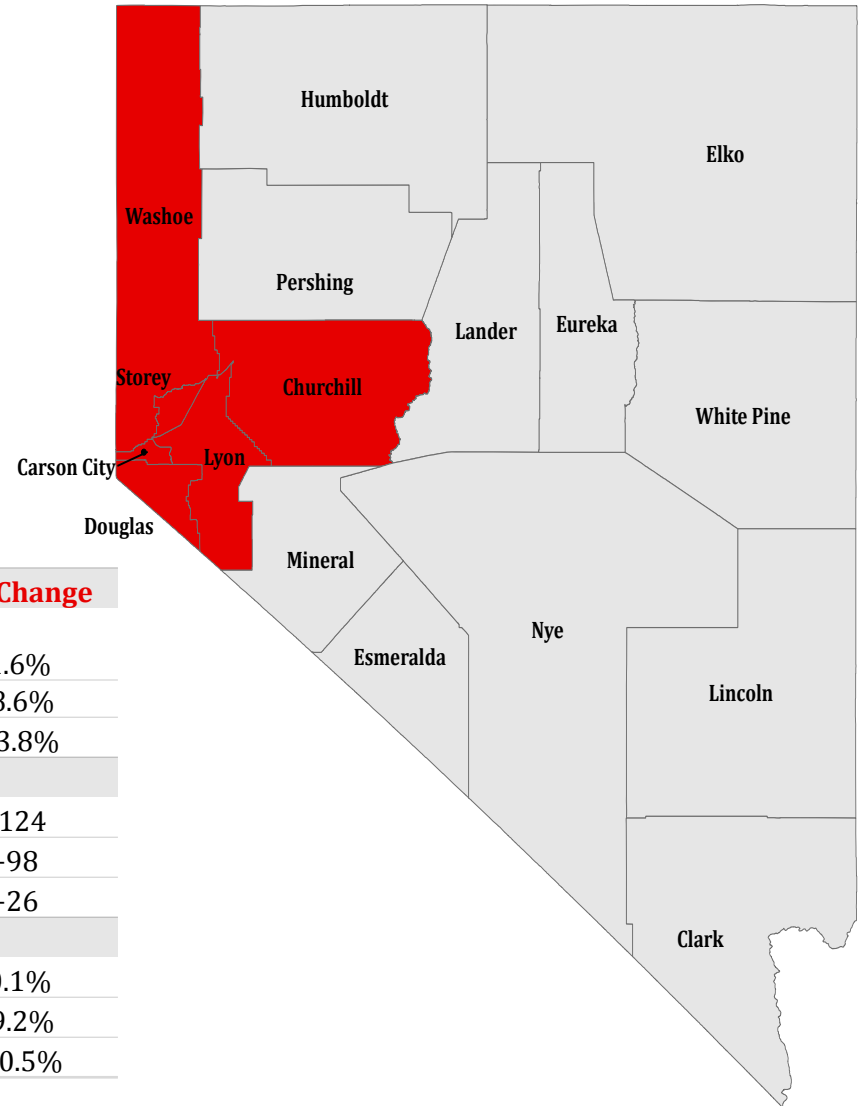
Source: U.S. Census Bureau: State and County QuickFacts

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



## Northern Trends

- ❑ Northern Nevada saw a large decrease in the share of homes sold under distress as both REO sales and short sales decreased this month. At 9.4%, the distress share is the lowest it has been since the end of 2007.
- ❑ Both single-family starts and multi-family starts have seen year over year growth each month in Northern Nevada. The 322 residential construction starts this month were the highest number of starts in Northern Nevada since May 2013.
- ❑ New home prices are down slightly from this time last year. This was the first time Northern Nevada saw a year over year decrease in new home prices since December 2012.

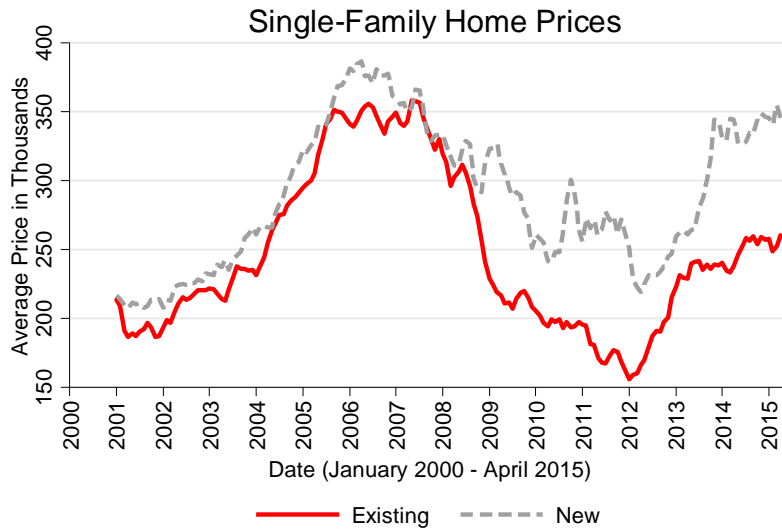


Single-Family Home Sales*	April 2015	M2M Change	Y2Y Change
New	102	+10.5%	-1.6%
Existing	991	+18.7%	+8.6%
Distress Share	9.4%	-22.2%	-43.8%
Residential Construction			
<b>Total Starts</b>	322	+36	+124
Single-Family	216	-30	+98
Multifamily	106	+66	+26
Average Single-Family Sales Price*			
New	\$343,957	-3.0%	-0.1%
Existing	\$259,701	+2.8%	+9.2%
Distress	\$183,369	+4.9%	+10.5%

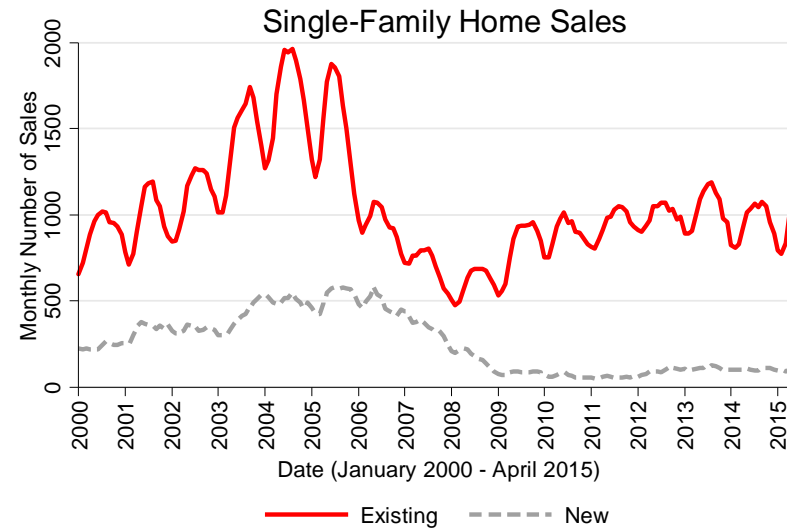
Source: Lied Institute calculations using CoreLogic Data and the *State of the Cities Data Systems* by U.S. Department of Housing and Urban Development.

\*Figures portray Three-Month Moving Weighted Averages

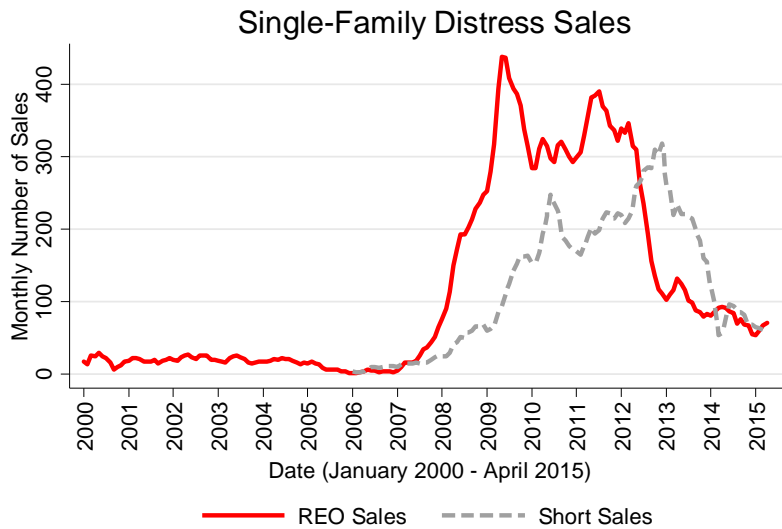
# Northern Trends



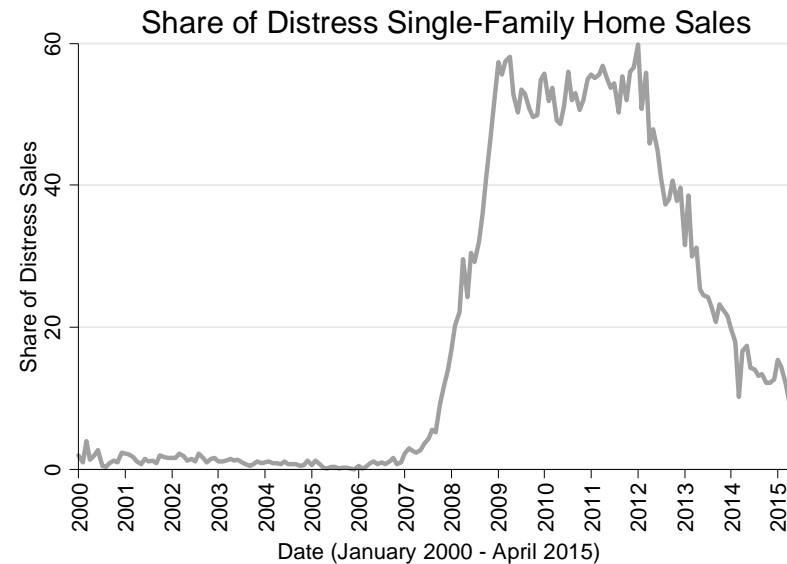
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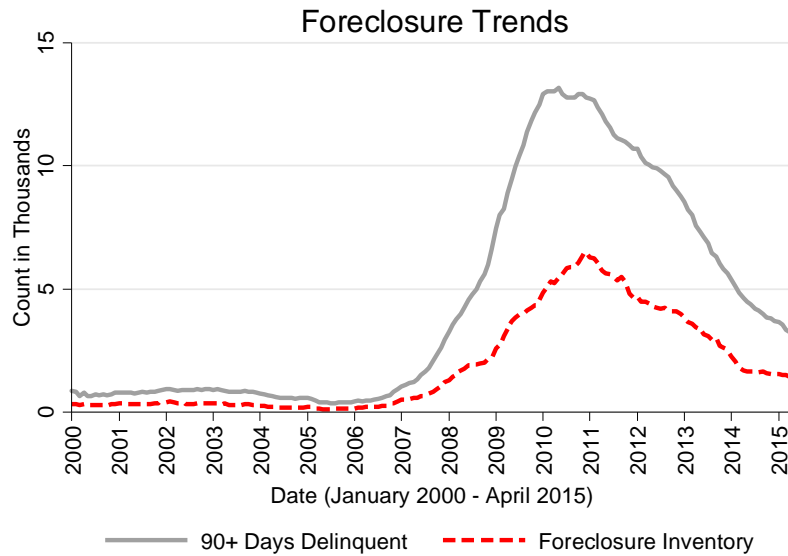


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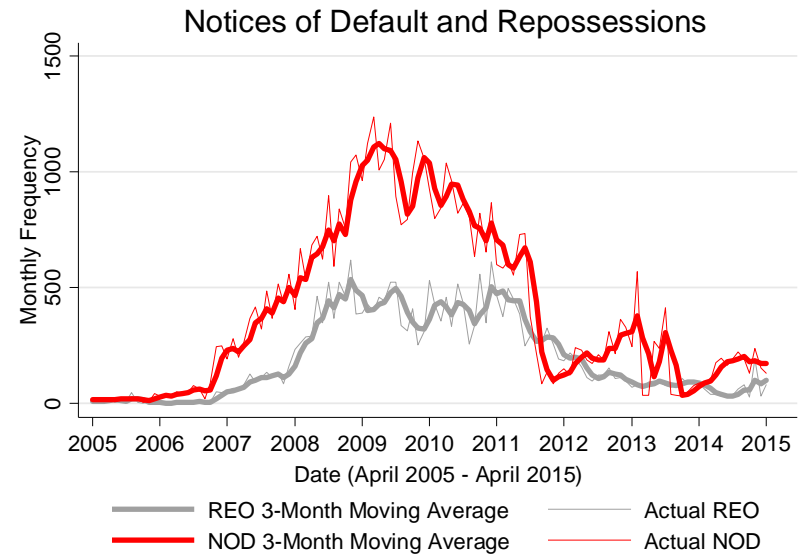


Source: CoreLogic

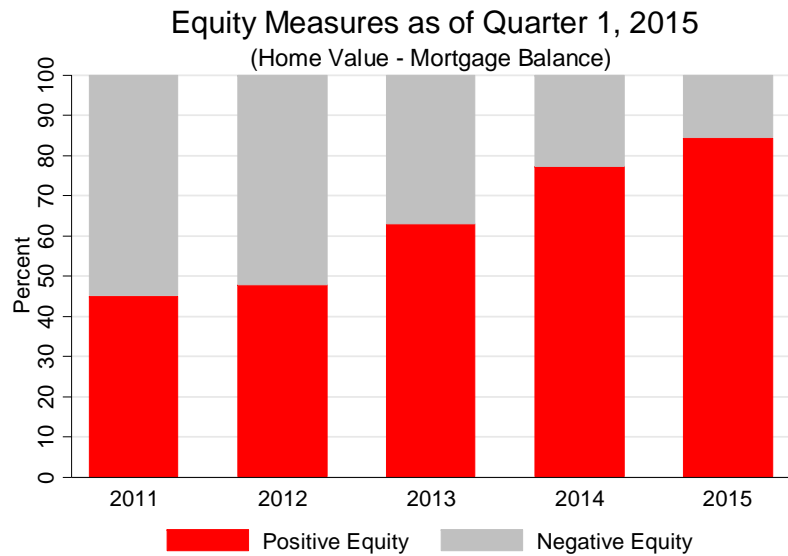
# Northern Trends



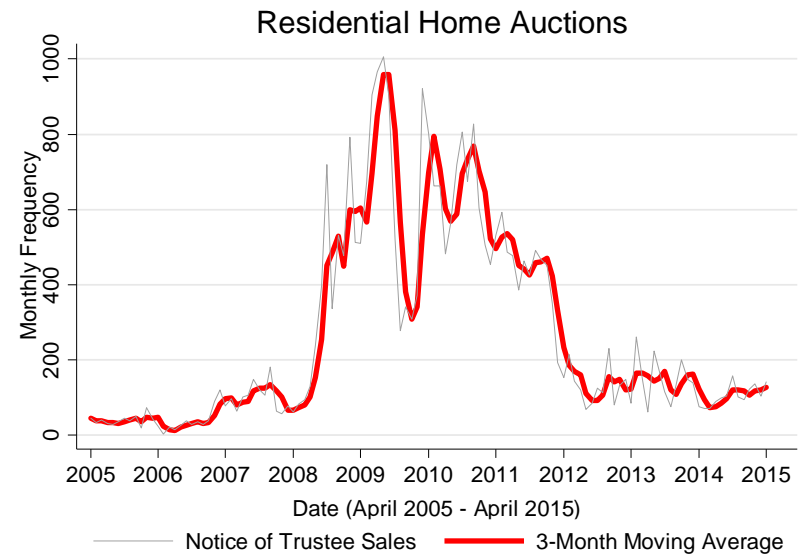
Source: CoreLogic



Source: RealtyTrac



Source: CoreLogic



Source: RealtyTrac

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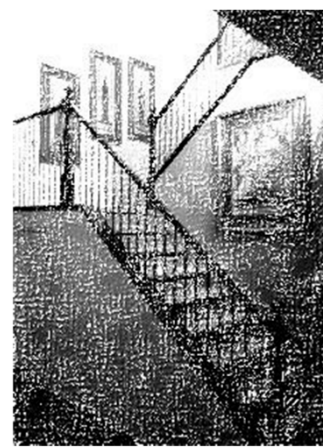
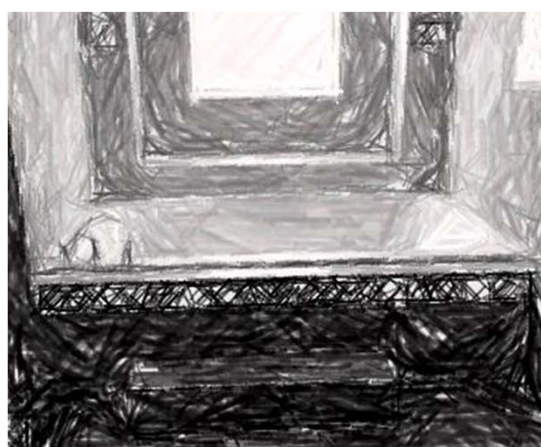
## Southern Trends

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

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

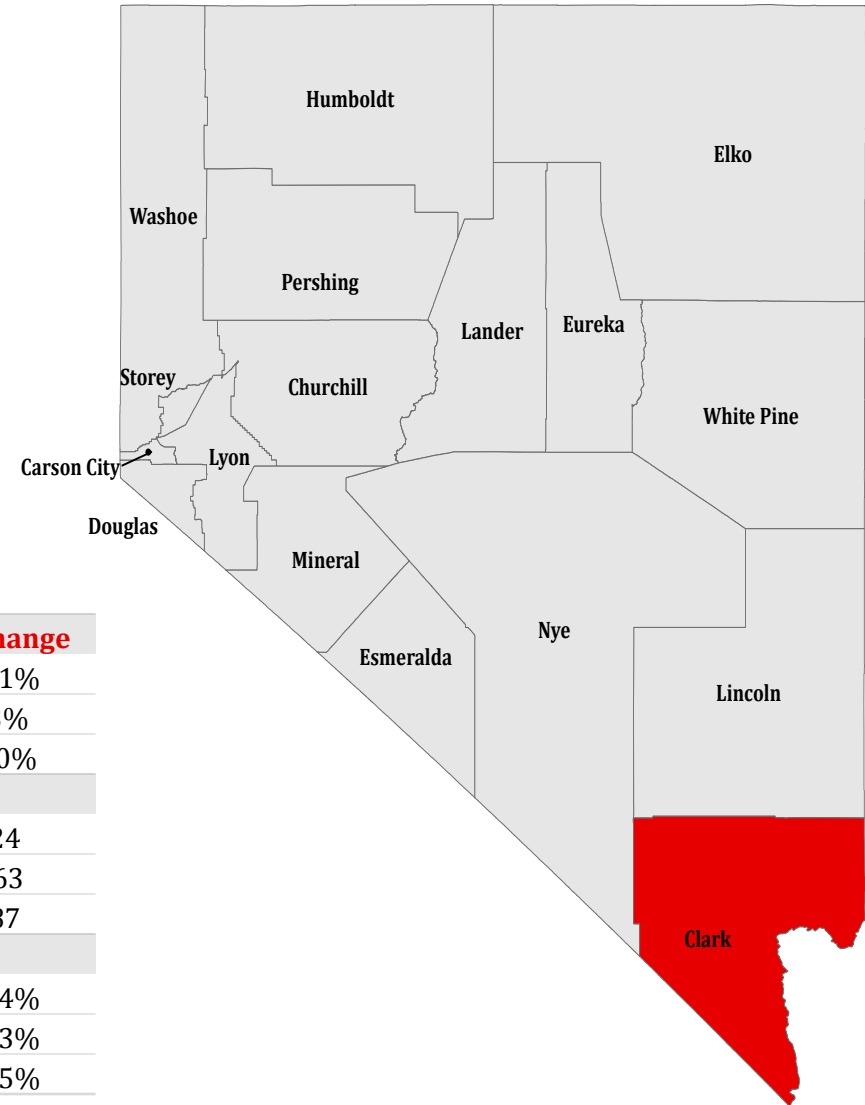
Source: U.S. Census Bureau: State and County QuickFacts

(Clark County)



## Southern Trends

- ❑ Unlike Northern Nevada, Southern Nevada experienced an increase in the share of homes sold under distress this month. This was driven by an increase in the number of short sales, as the number of REO sales decreased this month.
- ❑ Total residential construction starts this month were down year over year in Southern Nevada. Multifamily starts have been much lower so far in 2015 than they were throughout all of 2014. However, Single-family starts have been seeing consistent year over year growth so far in 2015.
- ❑ Distress home prices increased \$10,000 in April 2015 in Southern Nevada. At \$171,666, distress home prices in April 2015 were the highest they had been since the end of 2008.



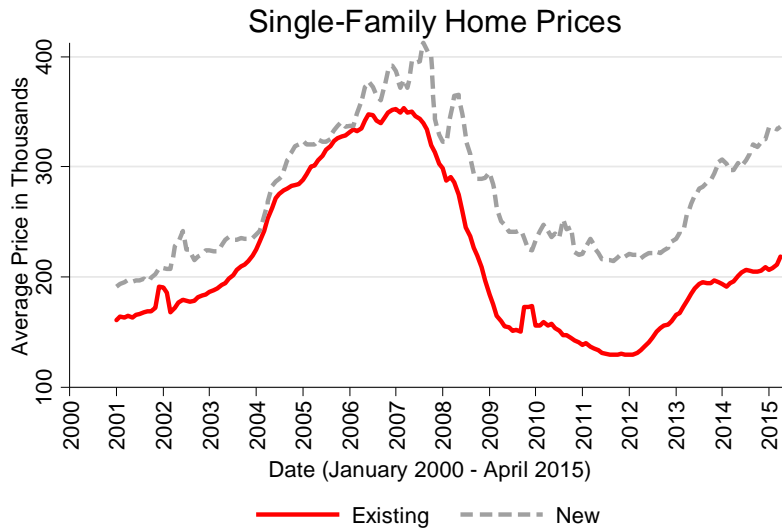
Single-Family Home Sales*	April 2015	M2M Change	Y2Y Change
New	479	+6.7%	+39.1%
Existing	3323	+15.1%	-0.3%
Distress Share	14.2%	+2.2%	-35.0%
Residential Construction			
<b>Total Starts</b>	785	-102	-124
Single-Family	770	-38	+163
Multifamily	15	-64	-287
Average Single-Family Sales Price*			
New	\$336,326	+0.6%	+13.4%
Existing	\$218,373	+3.3%	+11.3%
Distress	\$171,666	+6.5%	+12.5%

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

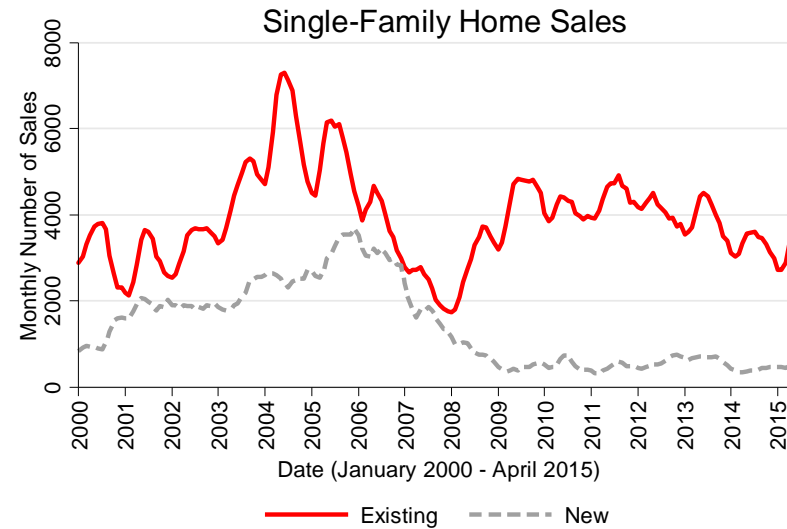
\*Figures portray Three-Month Moving Weighted Averages



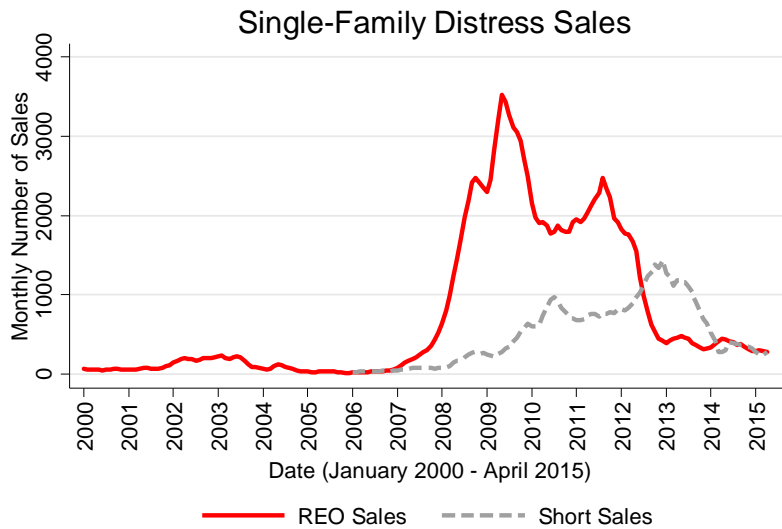
# Southern Trends



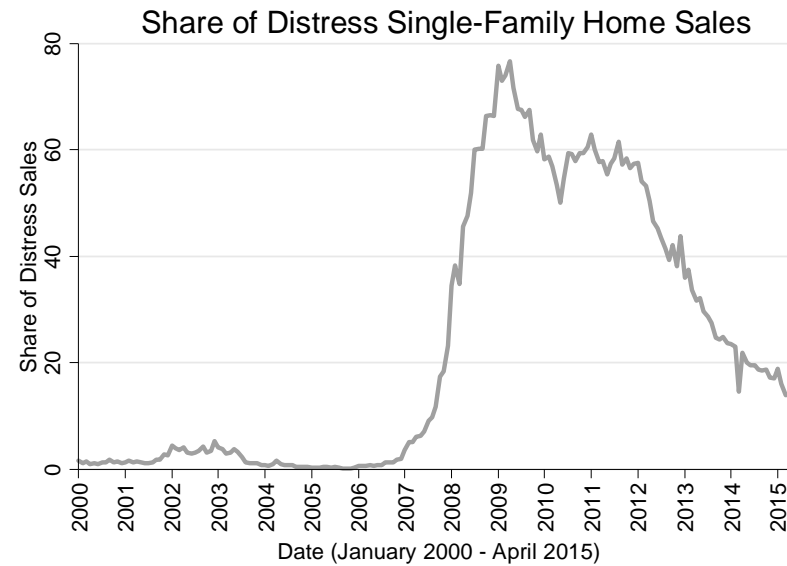
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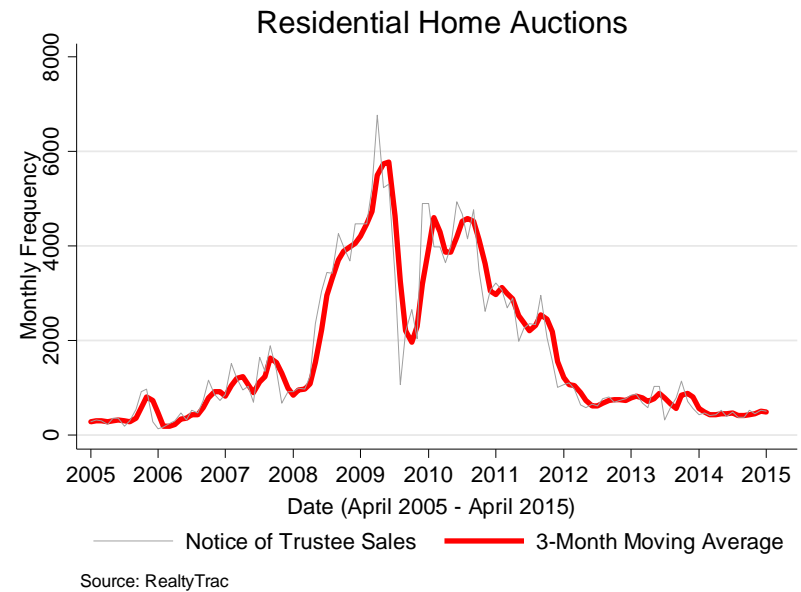
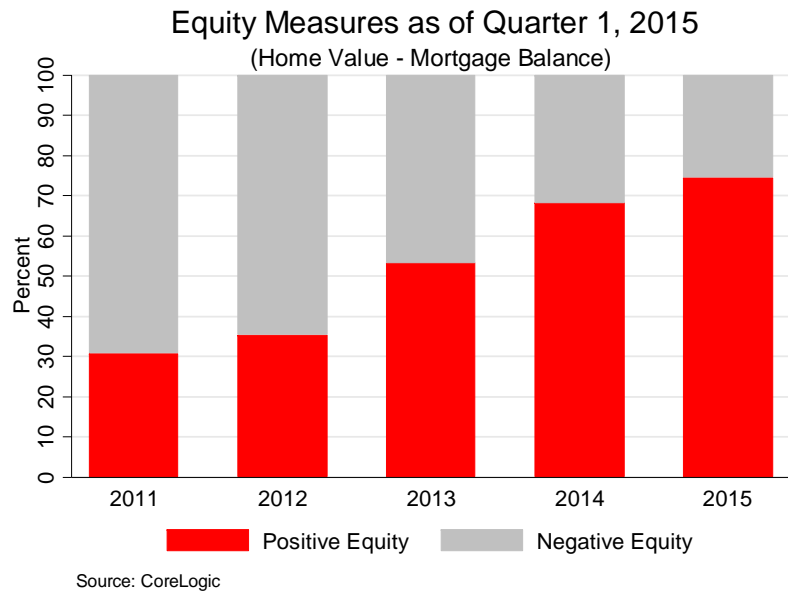
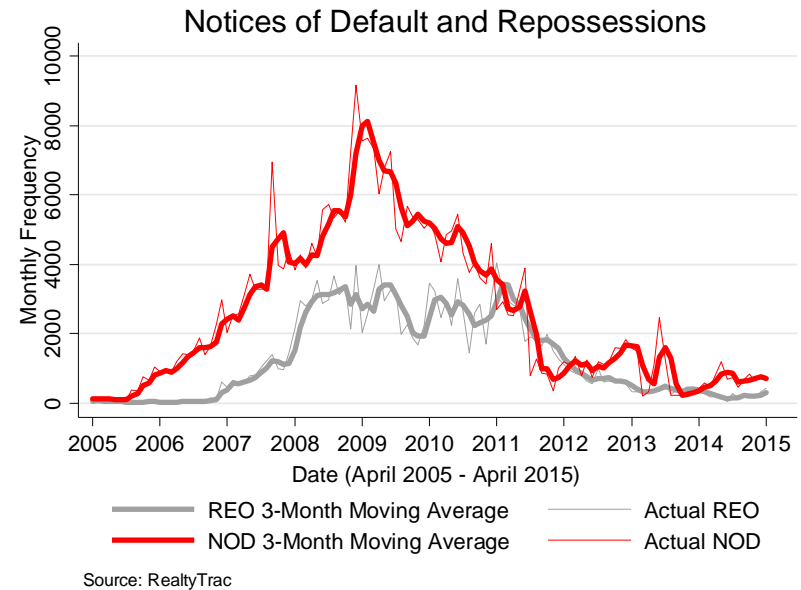
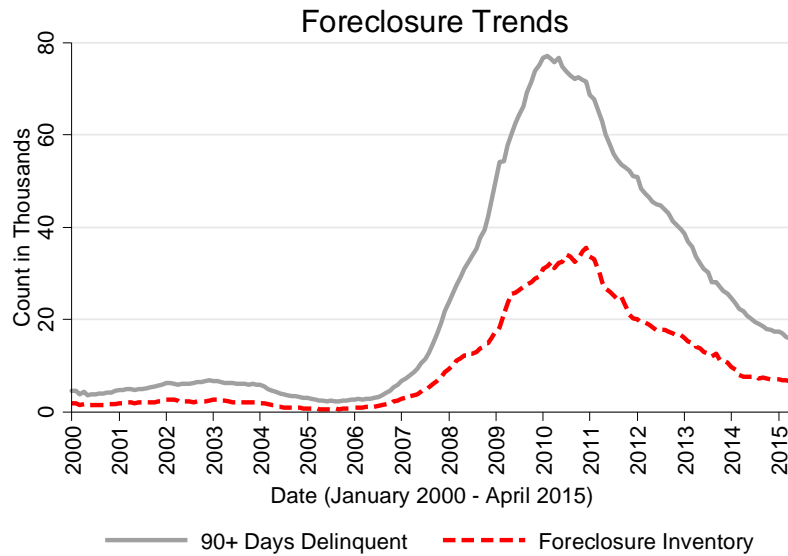


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Source: CoreLogic

# Southern Trends



# Nevada's Housing Market | April 2015

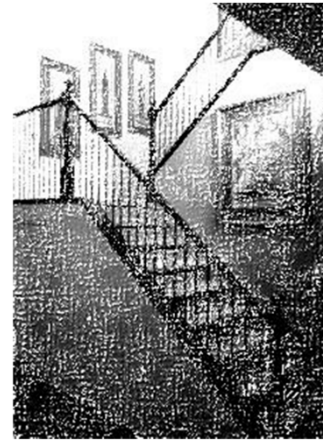
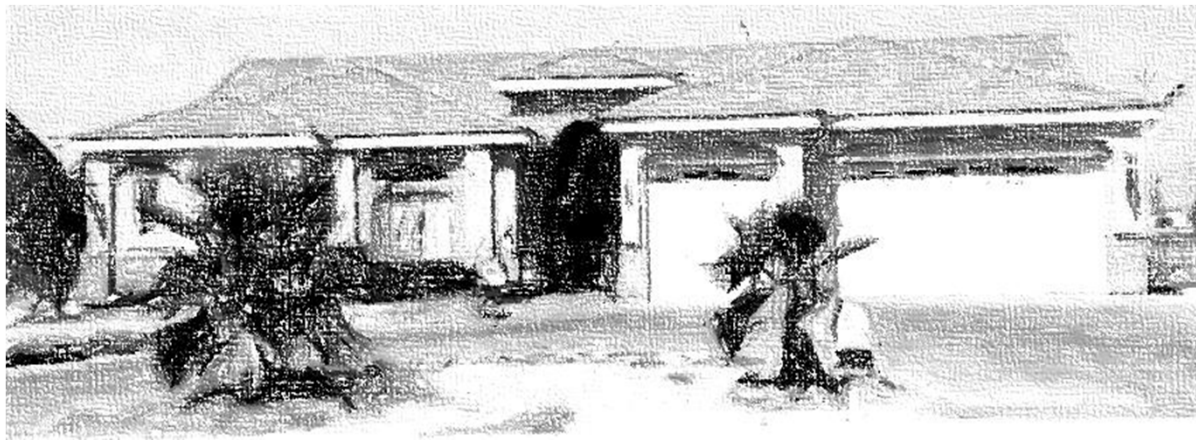
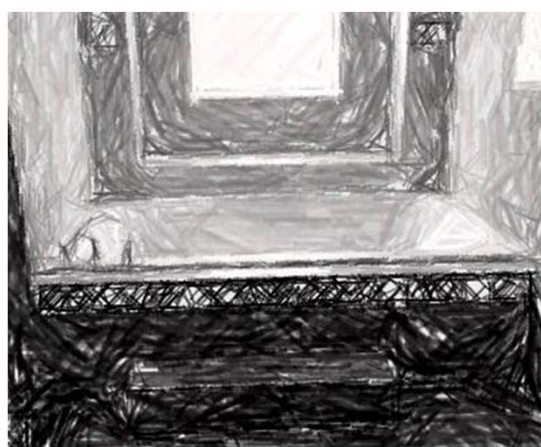
## Rural Trends

Population: **147,592** in 2014

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

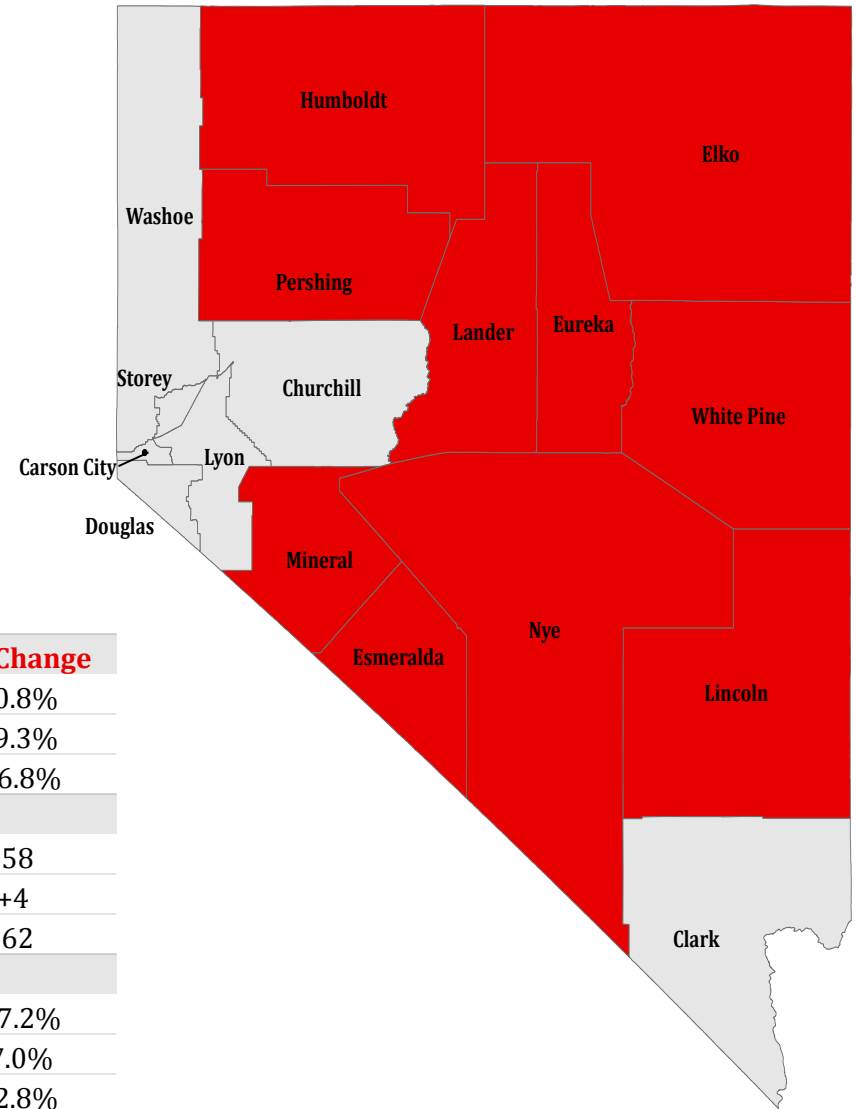
Source: U.S. Census Bureau: State and County QuickFacts

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



## Rural Trends

- ❑ April 2015 was the second consecutive month where Rural Nevada saw an increase in existing home sales greater than 20 percent. Still, Rural Nevada has not seen year over year growth in existing home sales since November 2012.
- ❑ The distress share this month was the highest it had been since July of 2012. REO sales continue to make up an overwhelming portion of distress home sales as there were only 4 short sales this month.
- ❑ April 2015 was the second consecutive month where distress home prices fell more than \$10,000. At \$84,453, distress home prices were the lowest they have been since the end of 2006.

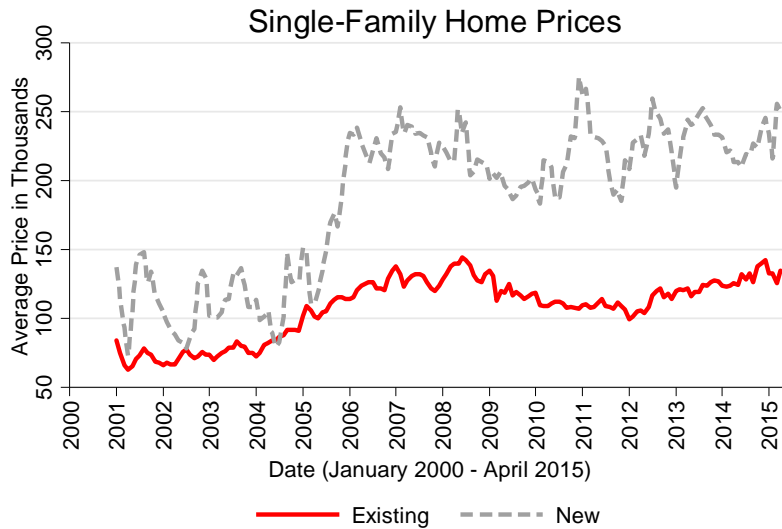


Single-Family Home Sales*	April 2015	M2M Change	Y2Y Change
New	5	+16.7%	-70.8%
Existing	132	+23.3%	-19.3%
Distress Share	26.6%	+45.1%	+46.8%
Residential Construction			
<b>Total Starts</b>	25	-32	-58
Single-Family	25	+4	+4
Multifamily	0	-36	-62
Average Single-Family Sales Price*			
New	\$249,502	-2.3%	+17.2%
Existing	\$134,307	+7.2%	+7.0%
Distress	\$84,453	-13.2%	-12.8%

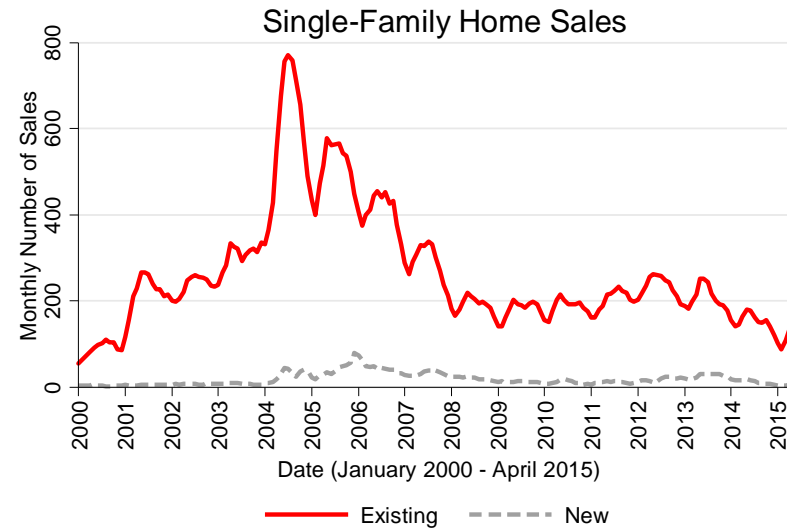
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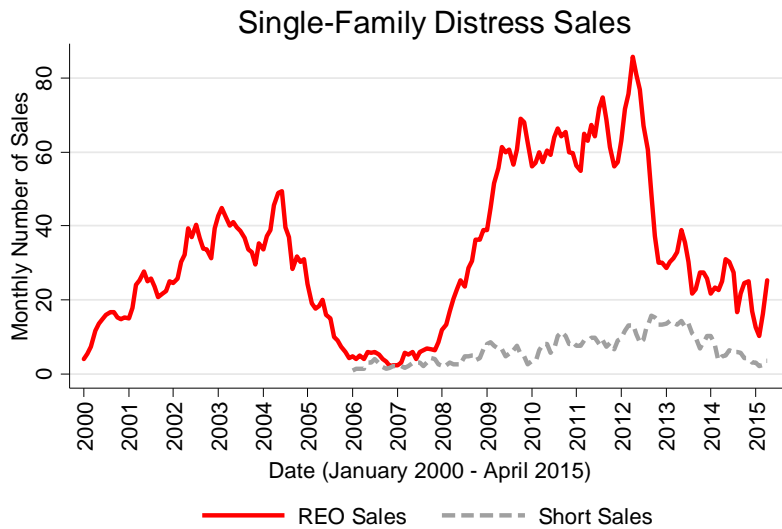
# Rural Trends



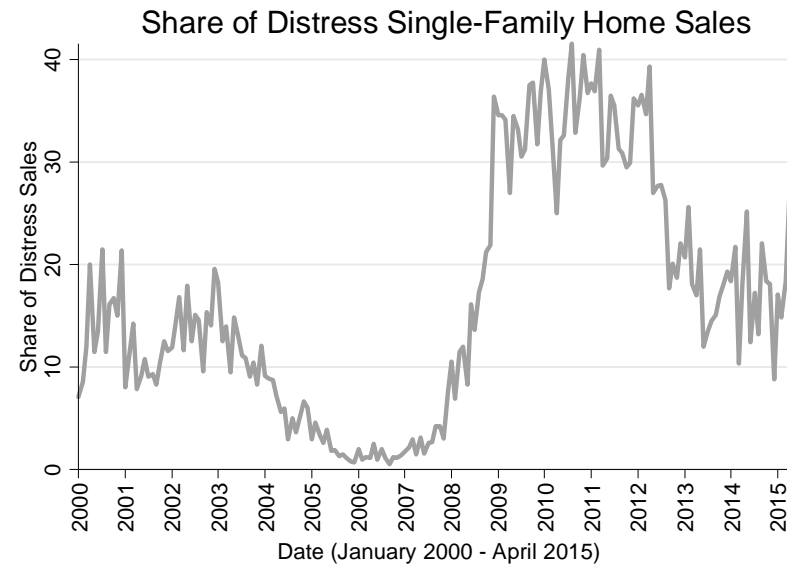
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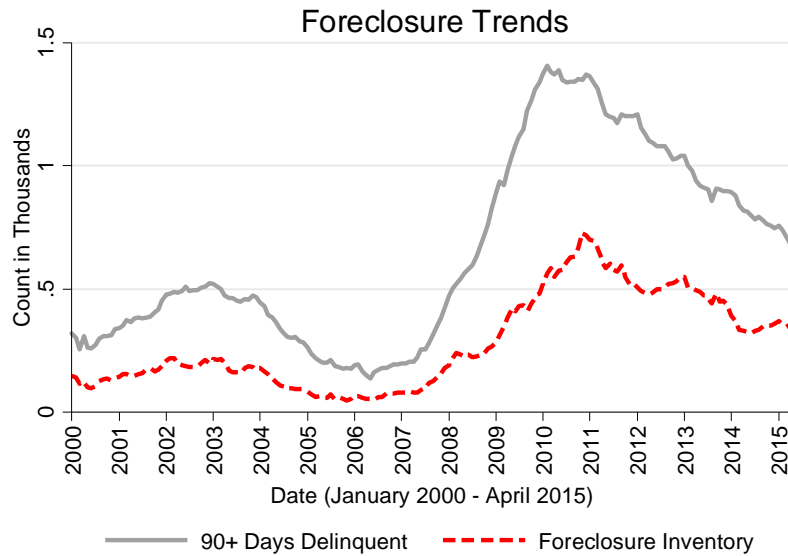


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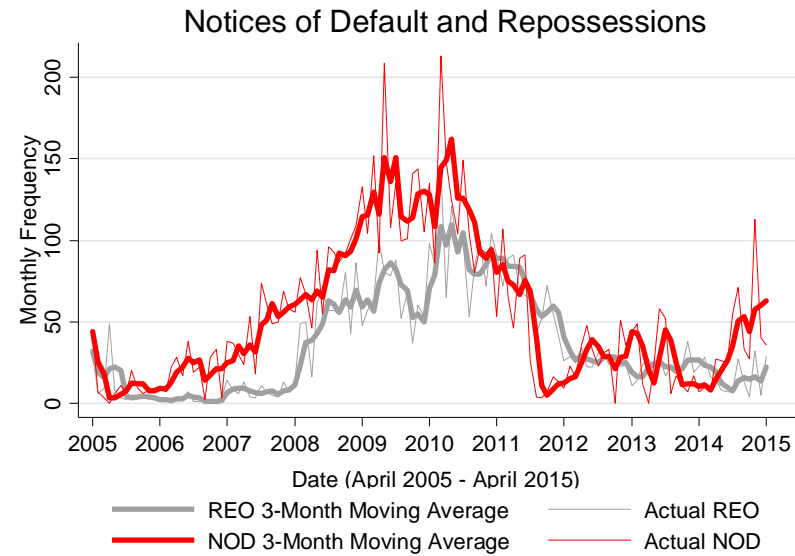


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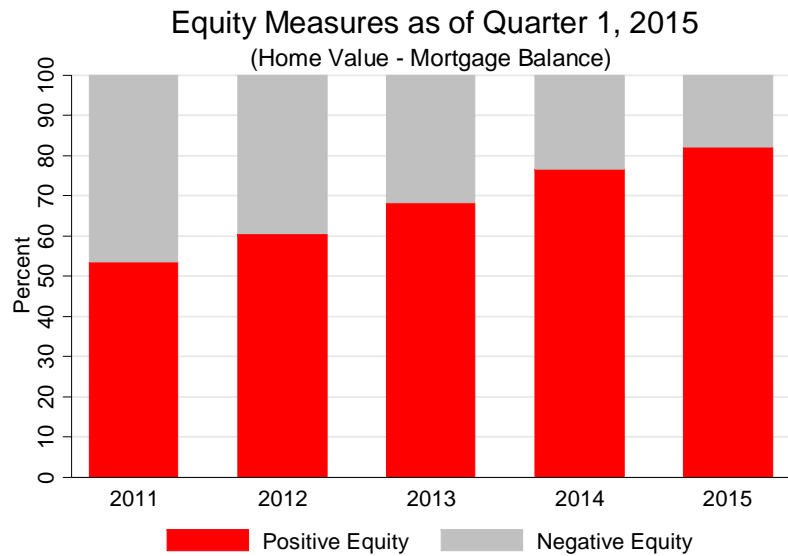
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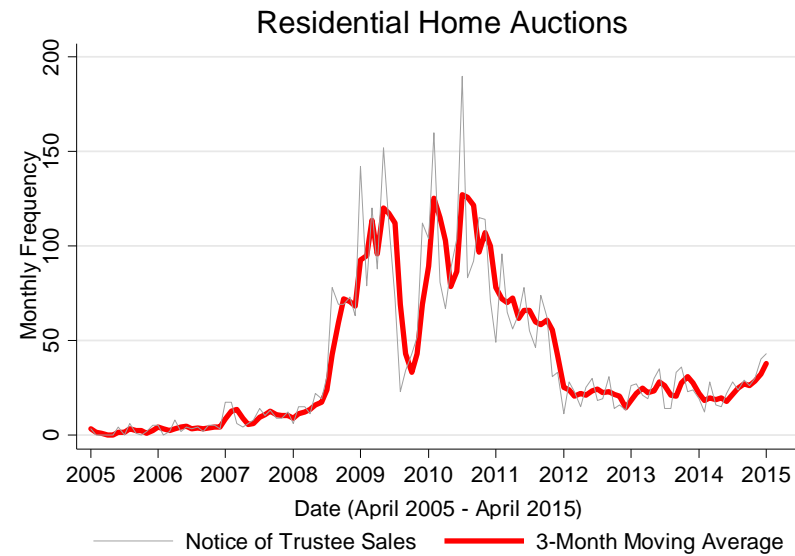
Source: CoreLogic



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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